

News Release**January 25, 2020****Performance Review: Quarter ended December 31, 2019**

- **Core operating profit (profit before provisions and tax, excluding treasury income) grew by 24% year-on-year to ₹ 7,017 crore (US\$ 983 million) in the quarter ended December 31, 2019 (Q3-2020)**
 - **Net interest margin at 3.77% in Q3-2020**
 - **Fee income grew by 17% year-on-year in Q3-2020**
- **Provisions (excluding taxes) declined by 51% year-on-year to ₹ 2,083 crore (US\$ 292 million) at December 31, 2019**
- **Profit before tax grew by 187% year-on-year to ₹ 5,465 crore (US\$ 766 million) in Q3-2020**
- **On a standalone basis, the profit after tax was ₹ 4,146 crore (US\$ 581 million) in Q3-2020 compared to ₹ 1,605 crore (US\$ 225 million) in the quarter ended December 31, 2018 (Q3-2019)**
- **15% growth in average current and savings account (CASA) deposits in Q3-2020; average CASA ratio was 42.8% in Q3-2020**
- **Term deposits grew by 24% year-on-year at December 31, 2019**
- **Domestic loan growth at 16% year-on-year at December 31, 2019 driven by retail**
 - **Retail loans grew by 19% year-on-year**
 - **Performing domestic corporate portfolio grew by 12% year-on-year**
- **Balance sheet crossed the ₹ 10 lakh crore milestone, total assets were ₹ 1,007,068 crore (US\$ 141.1 billion) at December 31, 2019**
- **Net non-performing asset (NPA) ratio decreased from 2.58% at December 31, 2018 to 1.49% at December 31, 2019**
 - **Recoveries, upgrades and other deletions, excluding write-offs were ₹ 4,088 crore (US\$ 573 million) in Q3-2020**

- **Total capital adequacy ratio of 16.50% and Tier-1 capital adequacy ratio of 14.98% on a standalone basis at December 31, 2019, including profits for nine months ended December 31, 2019 (9M-2020)**

The Board of Directors of ICICI Bank Limited (NSE: ICICIBANK, BSE: 532174, NYSE: IBN) at its meeting held at Mumbai today, approved the standalone and consolidated accounts of the Bank for the quarter ended December 31, 2019. The statutory auditors have conducted a limited review and have issued an unmodified report on the standalone and consolidated financial statements for the quarter ended December 31, 2019.

Profit & loss account

- The core operating profit (profit before provisions and tax, excluding treasury income) increased by 24% year-on-year to ₹ 7,017 crore (US\$ 983 million) in the quarter ended December 31, 2019 (Q3-2020) from ₹ 5,667 crore (US\$ 794 million) in the quarter ended December 31, 2018 (Q3-2019)
- Net interest income (NII) increased by 24% year-on-year to ₹ 8,545 crore (US\$ 1.2 billion) in Q3-2020 from ₹ 6,875 crore (US\$ 1.0 billion) in Q3-2019
- The net interest margin was 3.77% in Q3-2020 compared to 3.64% in the quarter ended September 30, 2018 (Q2-2020) and 3.40% in Q3-2019
- Non-interest income, excluding treasury income, was ₹ 4,043 crore (US\$ 566 million) in Q3-2020 compared to ₹ 3,404 crore (US\$ 477 million) in Q3-2019
 - Fee income grew by 17% year-on-year to ₹ 3,596 crore (US\$ 504 million) in Q3-2020 from ₹ 3,062 crore (US\$ 429 million) in Q3-2019. Retail fees constituted 77% of total fees in Q3-2020
- Treasury income grew by 11% year-on-year to ₹ 531 crore (US\$ 74 million) in Q3-2020 from ₹ 479 crore (US\$ 67 million) in Q3-2019
- Provisions (excluding taxes) declined by 51% year-on-year to ₹ 2,083 crore (US\$ 292 million) in Q3-2020 from ₹ 4,244 crore (US\$ 595 million) in Q3-2019
- On a standalone basis, the profit after tax was ₹ 4,146 crore (US\$ 581 million) in Q3-2020 compared to ₹ 1,605 crore (US\$ 225 million) in Q3-2019

Operating review

Credit growth

The year-on-year growth in domestic advances was 16% at December 31, 2019. The Bank has continued to leverage its strong retail franchise, resulting in a 19% year-on-year growth in the retail loan portfolio at December 31, 2019. Including non-fund outstanding, retail was 52.0% of the total portfolio at December 31, 2019. Growth in the performing domestic corporate portfolio was about 12% year-on-year. Total advances increased by 13% year-on-year to ₹ 635,654 crore (US\$ 89.0 billion) at December 31, 2019 from ₹ 564,308 crore (US\$ 79.1 billion) at December 31, 2018.

Deposit growth

Total deposits increased by 18% year-on-year to ₹ 716,345 crore (US\$ 100.3 billion) at December 31, 2019. Average current and savings account (CASA) deposits increased by 15% year-on-year in Q3-2020. The average CASA ratio was 42.8% in Q3-2020 compared to 42.2% in Q2-2020 and 46.0% in Q3-2019. The period-end CASA ratio was 47.0% at December 31, 2019 compared to 46.7% at September 30, 2019 and 49.3% at December 31, 2018. Term deposits increased by 24% year-on-year to ₹ 379,936 crore (US\$ 53.2 billion) at December 31, 2019.

The Bank had a network of 5,275 branches and 15,589 ATMs at December 31, 2019.

Digital initiatives and transactions

In the month of January, the Bank launched India's largest API (application programming interface) Banking portal. This consists of 250 APIs and enables businesses, fintechs, corporates and e-commerce start-ups to easily partner with the Bank and co-create innovative customer solutions in a frictionless manner, with the convenience of a single portal. The APIs are available across an array of product and service categories.

The Bank recently launched a cardless ATM cash withdrawal service using 'iMobile', the mobile banking application. Customers can withdraw cash from ICICI Bank ATMs by making a request on iMobile. It is a simple and convenient way to withdraw cash without using a debit card.

The volume of mobile banking transactions increased by 118% y-o-y in Q3-2020. The volume of transactions on Unified Payments Interface (UPI) increased by 168% y-o-y in Q3-2020. Digital channels like internet, mobile banking, POS and others accounted for over 87% of the savings account transactions in the nine months ended December 31, 2019 (9M-2020).

Asset quality

During the quarter, the gross additions to NPAs were ₹ 4,363 crore (US\$ 611 million). Recoveries, upgrades and other deletions, excluding write-offs, from non-performing loans were ₹ 4,088 crore (US\$ 573 million) in Q3-2020. Net non-performing assets (NPAs) decreased by 36% from ₹ 16,252 crore (US\$ 2.3 billion) at December 31, 2018 to ₹ 10,389 crore (US\$ 1.5 billion) at December 31, 2019. The net NPA ratio decreased from 2.58% at December 31, 2018 to 1.49% at December 31, 2019. The provision coverage on non-performing loans, excluding cumulative technical write-offs, increased from 68.4% at December 31, 2018 to 76.2% at December 31, 2019. The provision coverage ratio on non-performing loans, including cumulative technical write-offs, was 85.7% at December 31, 2019 compared to 76.3% at December 31, 2018. At December 31, 2019, the fund-based and non-fund based outstanding to borrowers rated BB and below (excluding non-performing assets) was ₹ 17,403 crore (US\$ 2.4 billion) compared to ₹ 17,525 crore (US\$ 2.5 billion) at March 31, 2019 and ₹ 16,074 crore (US\$ 2.3 billion) at September 30, 2019.

Capital adequacy

The Bank's total capital adequacy at December 31, 2019 as per Reserve Bank of India's guidelines on Basel III norms, including profits for 9M-2020, was 16.50% and Tier-1 capital adequacy was 14.98% compared to the minimum regulatory requirements of 11.08% and 9.08% respectively.

Consolidated results

Consolidated profit after tax was ₹ 4,670 crore (US\$ 654 million) in Q3-2020 compared to ₹ 1,131 crore (US\$ 158 million) in Q2-2020 and ₹ 1,874 crore (US\$ 263 million) in Q3-2019.

Consolidated assets grew by 11% year-on-year to ₹ 1,304,911 crore (US\$ 182.8 billion) at December 31, 2019 from ₹ 1,177,498 crore (US\$ 165.0 billion) at December 31, 2018.

Subsidiaries

Value of New Business (VNB) of ICICI Life grew by 25% year-on-year from ₹ 910 crore (US\$ 127 million) in the nine months ended December 31, 2018 (9M-2019) to ₹ 1,135 crore (US\$ 159 million) in 9M-2020. The new business margin increased from 17.0% in FY2019 to 21.0% in 9M-2020. Protection based annualised premium equivalent grew by 66% year-on-year to ₹ 764 crore (US\$ 107 million) in 9M-2020 and accounted for 14.1% of the total annualised premium equivalent in 9M-2020. New business received premium grew by 20% to ₹ 8,173 crore (US\$ 1.1 billion) in 9M-2020. ICICI Life's profit after tax increased from ₹ 297 crore (US\$ 42 million) in Q3-2019 to ₹ 302 crore (US\$ 42 million) in Q3-2020.

The Gross Direct Premium Income (GDPI) of ICICI General was ₹ 10,132 crore (US\$ 1.4 billion) in 9M-2020 compared to ₹ 11,003 crore (US\$ 1.5 billion) in 9M-2019. Excluding the crop segment, GDPI of ICICI General increased to ₹ 10,058 crore (US\$ 1.4 billion) in 9M-2020 compared to ₹ 8,883 crore (US\$ 1.2 billion) in 9M-2019. The company's combined ratio was 100.5% in 9M-2020 compared to 98.7% in 9M-2019. ICICI General's profit after tax increased by 23% to ₹ 294 crore (US\$ 41 million) in Q3-2020 from ₹ 239 crore (US\$ 33 million) in Q3-2019.

The profit after tax of ICICI Securities, on a consolidated basis, as per Ind AS, was ₹ 137 crore (US\$ 19 million) in Q3-2020 compared to ₹ 101 crore (US\$ 14 million) in Q3-2019.

The profit after tax of ICICI Prudential Asset Management Company (ICICI AMC), as per Ind AS, was ₹ 305 crore (US\$ 43 million) in Q3-2020 compared to ₹ 196 crore (US\$ 27 million) in Q3-2019.

Summary Profit and Loss Statement (as per standalone Indian GAAP accounts)

₹ crore

	FY 2019	Q3- 2019	9M- 2019	Q2- 2020	Q3- 2020	9M- 2020
Net interest income	27,015	6,875	19,395	8,057	8,545	24,340
Non-interest income	13,146	3,404	9,681	3,854	4,043	11,143
- Fee income	11,989	3,062	8,811	3,478	3,596	10,112
- Dividend income from subsidiaries	1,078	324	809	377	367	935
- Other income	79	18	61	(1)	80	96
Less:						
Operating expense	18,089	4,612	13,081	5,378	5,571	15,823
Core operating profit¹	22,072	5,667	15,995	6,533	7,017	19,660
- Treasury income	1,366 ²	479	1,210 ²	341	531	1,051
Operating profit	23,438	6,146	17,205	6,874	7,548	20,711
Less:						
Provisions	19,661	4,244	14,210	2,507	2,083	8,086
Profit before tax	3,777	1,902	2,995	4,367	5,465	12,625
Less:						
Tax	414	297	601	792	1,319	2,996
One time additional charge on re-measurement of deferred tax assets ³	-	-	-	2,920	-	2,920
Profit after tax	3,363	1,605	2,394	655	4,146	6,709

1. Excluding treasury income

2. Includes profit on sale of shareholding in subsidiaries of ₹ 1,110 crore in FY2019 and 9M-2019

3. The Bank had decided to exercise the option of lower tax rate available under Section 115BAA of the Income Tax Act, 1961, as introduced by Taxation Laws (Amendment) Ordinance, 2019, with effect from FY2020. Accordingly, the Bank had recognised the provision for income tax for Q2-2020 and H1-2020 and re-measured the accumulated deferred tax asset at March 31, 2019 based on the rate prescribed under Section 115BAA. The resultant impact had been taken through the profit and loss account. The re-measurement of accumulated deferred tax asset has resulted in a one-time additional charge of ₹ 29.20 billion in standalone financial results in Q2-2020 and 9M-2020.

4. Prior period figures have been re-grouped/re-arranged where necessary

Summary Balance Sheet

₹ crore

	31-Dec-18	31-Mar-19	30-Sep-19	31-Dec-19
Capital and Liabilities				
Capital	1,288	1,289	1,292	1,294
Employee stock options outstanding	5	5	4	4
Reserves and surplus	105,874	107,074	109,314	113,703
Deposits	606,755	652,920	696,273	716,345
Borrowings (includes subordinated debt)	164,293	165,320	151,033	137,375
Other liabilities	34,149	37,851	39,095	38,347
Total Capital and Liabilities	912,364	964,459	997,011	1,007,068
Assets				
Cash and balances with Reserve Bank of India	34,365	37,858	41,495	36,215
Balances with banks and money at call and short notice	32,094	42,438	30,144	34,222
Investments	197,730	207,733	223,376	227,480
Advances	564,308	586,647	613,359	635,654
Fixed assets	7,818	7,931	7,936	8,088
Other assets	76,049	81,852	80,701	65,409
Total Assets	912,364	964,459	997,011	1,007,068

1. Prior period figures have been re-grouped/re-arranged where necessary.

Certain statements in this release relating to a future period of time (including inter alia concerning our future business plans or growth prospects) are forward-looking statements intended to qualify for the 'safe harbor' under applicable securities laws including the US Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These risks and uncertainties include, but are not limited to statutory and regulatory changes, international economic and business conditions; political or economic instability in the jurisdictions where we have operations, increase in non-performing loans, unanticipated changes in interest rates, foreign exchange rates, equity prices or other rates or prices, our growth and expansion in business, the adequacy of our allowance for credit losses, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks, changes in India's sovereign rating, as well as other risks detailed in the reports filed by us with the United States Securities and Exchange Commission. Any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of the date of this release. ICICI Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Additional risks that could affect our future operating results are more fully described in our filings with the United States Securities and Exchange Commission. These filings are available at www.sec.gov.

This release does not constitute an offer of securities.

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1 crore = 10.0 million

US\$ amounts represent convenience translations at US\$1= ₹ 71.39