



**ICICI Bank Limited Hong Kong Branch
Unaudited Interim Disclosure Statement
As at September 30, 2018**




**ICICI BANK LIMITED (HONG KONG BRANCH)
UNAUDITED INTERIM FINANCIAL DISCLOSURE AS AT SEPTEMBER 30, 2018**

Statement of Compliance

We have prepared this unaudited Interim Disclosure Statement of ICICI Bank Limited, Hong Kong Branch ("the Branch") as at September 30, 2018. It is compiled according to the Banking (Disclosure) Rules under the Banking Ordinance (Chapter 155M) effective from January 1, 2007.

As the Chief Executive of the Branch, I confirm that, to the best of my knowledge, the information contained in the Disclosure Statement is compiled in accordance with the Banking (Disclosure) Rules requirement, which is not false or misleading in any material respect, and consistent with the books and records of the Branch.

ICICI Bank Limited
Hong Kong Branch

x  x

Hitesh Sethia
Chief Executive

17 DEC 2018

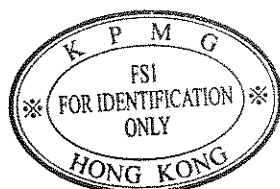


ICICI BANK LIMITED (HONG KONG BRANCH)
UNAUDITED INTERIM FINANCIAL DISCLOSURE AS AT SEPTEMBER 30, 2018

Section A – Branch information (Hong Kong office only)

I. Profit and Loss Information

	Six months ended September 30, 2018 HK\$ in million	Six months ended September 30, 2017 HK\$ in million
Income		
Interest income	529	658
Interest expense	(492)	(503)
Net interest income	37	155
Other operating income		
Gains less losses arising from trading in foreign currencies	61	57
Gains less losses on securities held for trading purposes	-	1
Gains less losses from other trading activities	(38)	(34)
Net fees and commission income	96	94
Fees and commission income	96	94
Fees and commission expense	-	-
Other income	1	1
Total operating income	157	274
Expenses		
Operating expenses		
Staff expenses	(33)	(31)
Rental expenses	(6)	(5)
Other expenses	(23)	(18)
Total operating expenses	(62)	(54)
Operating profit before impairment losses	95	220
(Charge for) / release of impairment losses and provisions for impaired loans and receivables		
Collective provision	(15)	23
Specific provision	(1,155)	(46)
	(1,170)	(23)
Gains less losses from the disposal of property, plant and equipment and investment properties	-	-
Profit/(loss) before taxation	(1,075)	197
Tax (expense)/income	177	(33)
Profit/(loss) after taxation	(898)	164



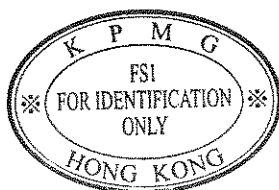
ICICI BANK LIMITED (HONG KONG BRANCH)
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II. Balance Sheet Information

	September 30, 2018		March 31, 2018	
	HK\$ in million		HK\$ in million	
Assets				
Cash and balances with banks		791		1,811
Placement with banks which have a residual contractual maturity of more than one month but not more than twelve months		-		67
Amount due from overseas offices of the institution		12,814		13,508
Trade bills		7,970		4,376
Advances and other accounts				
Loans and advances to customers	4,308		6,074	
Loans and advances to banks	-		1,138	
Accrued interest	22		33	
Unamortized discount on loans	-		(1)	
Provision for impaired loans and receivables (collective)	(126)		(111)	
Provision for impaired loans and receivables (specific)	(32)	4,172	(311)	6,822
Securities held for trading purposes				
Investment in treasury bills		195		196
Investment securities				
Investment in treasury bills	120		120	
Investment in treasury notes	196		197	
Investment in certificate of deposit held	-	316	-	317
Other investments				
Investment in group subsidiaries	1,425		1,434	
Investment in credit linked notes	-	1,425	-	1,434
Property, plant and equipment		3		3
Other assets and receivables		816		527
Total assets		<u>28,502</u>		<u>29,061</u>
Liabilities				
Deposits and balances from banks		7,708		10,265
Deposits from customers				
Demand deposits and current accounts	869		980	
Time, call and notice deposits	1,084	1,953	946	1,926
Amount due to overseas offices of the institution		4,697		2,102
Issued debt securities		13,056		12,827
Other liabilities		456		406
Retained earnings		632		1,535
Total liabilities		<u>28,502</u>		<u>29,061</u>

Figures have been regrouped where necessary.



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III. Additional Balance Sheet Information

	At September 30, 2018		At March 31, 2018	
	HK\$ in million		HK\$ in million	
(a) Loans and receivables				
Loan and advances to customers		4,308		6,074
Loan and advances to banks		-		1,138
Accrued interest		22		33
Unamortized discount on loans		-		(1)
Provision for impaired loans and advances to customers				
- Collective		(126)		(111)
- Individual		(32)		(311)
		<u>4,172</u>		<u>6,822</u>
(b) Overdue and rescheduled advances				
Overdue advances	Gross amount	% of total loan and advances to customers	Gross amount	% of total loan and advances to customers
	HK\$ in million		HK\$ in million	
Advances to customers overdue for				
- Above 1 month but up to 3 months	17	0.39%	42	0.69%
- Above 3 months but up to 6 months	-	-	-	-
- Above 6 months but up to 1 year	-	-	49	0.81%
- Above 1 year	114	2.65%	241	3.97%
Total overdue advances	<u>131</u>	<u>3.04%</u>	<u>332</u>	<u>5.47%</u>
Secured overdue advances	127		297	
Unsecured overdue advances	4		35	
	<u>131</u>		<u>332</u>	

There were HK\$32 million of specific provisions made on overdue advances which were impaired as at September 30, 2018 (March 31, 2018: HK\$96 million).

The impaired loans and advances to customers which are individually determined to be impaired amounted to HK\$123 million (2.86%) as at September 30, 2018 and HK\$1,640 million (27.00%) as at March 31, 2018. There were no impaired loans and advances to banks as at September 30, 2018 and March 31, 2018.

The amount of the specific provisions made on impaired loans and advances to customers amounted to HK\$32 million as at September 30, 2018 (March 31, 2018: HK\$311 million). There were no collective and specific provisions made on impaired loans and advances to banks as at September 30, 2018 and March 31, 2018.

Collateral held with respect to overdue loans and advances to customers as at September 30, 2018 and March 31, 2018 is mainly comprised of property, inventory, book debt, trade security, plant and machinery. Collateral of HK\$119 million has been taken into account in respect of loans and advances to customers to which individual impairment allowances relate (March 31, 2018: HK\$1,605 million).

Impaired loans and advances to customers did not include any rescheduled loans and advances to customers as at September 30, 2018 and March 31, 2018. There were no rescheduled loans and advances to banks as at September 30, 2018 and March 31, 2018. There were no rescheduled loans and advances to customers which are overdue more than 90 days as at September 30, 2018 and March 31, 2018.

No repossessed asset was held for impaired and overdue advance as at September 30, 2018 and March 31, 2018. Other than the HK\$131 million and HK\$332 million respectively as presented above, there are no other advances to customers overdue for more than 1 month as at September 30, 2018 and March 31, 2018.



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(c) The breakdown of the gross amount of loans and advances to customers by industry categories

	September 30, 2018		HK\$ in million	
	Gross loans and advances	Overdue loans and advances	Collateral or other security	
Loans and advances for use in Hong Kong Industrial, commercial and financial				
- Wholesale and retail trade	78	-	-	
- Manufacturing	470	-	-	
- Financial concerns	136	-	-	
- Others	148	-		70
Loans and advances for use outside Hong Kong	2,835	123		1,877
Trade finance	641	8		619
	<u>4,308</u>	<u>131</u>		<u>2,566</u>

	March 31, 2018		HK\$ in million	
	Gross loans and advances	Overdue loans and advances	Collateral or other security	
Loans and advances for use in Hong Kong Industrial, commercial and financial				
- Wholesale and retail trade	90	-		12
- Manufacturing	409	-		7
- Financial concerns	145	-		-
- Others	157	-		63
Loans and advances for use outside Hong Kong	4,722	289		4,195
Trade finance	551	43		534
	<u>6,074</u>	<u>332</u>		<u>4,811</u>



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(d) Analysis of gross loans and advances to customer by geographical areas

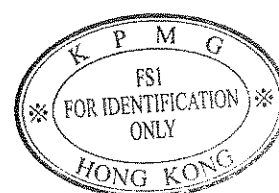
September 30, 2018 HK\$ in million

	Gross loans and advances	Overdue loans and advances	Impaired loans (individually determined)
- Asia & Pacific (excluding Hong Kong)	3,334	131	123
<i>of which India</i>	2,437	131	123
<i>of which China</i>	889	-	-
- Africa	3	-	-
<i>of which Mauritius</i>	3	-	-
- Hong Kong	751	-	-
- Others	220	-	-
	<u>4,308</u>	<u>131</u>	<u>123</u>

March 31, 2018 HK\$ in million

	Gross loans and advances	Overdue loans and advances	Impaired loans (individually determined)
- Asia & Pacific (excluding Hong Kong)	3,900	332	290
<i>of which India</i>	3,135	332	-
<i>of which China</i>	747	-	-
- Africa	1,032	-	1,030
<i>of which Mauritius</i>	1,032	-	1,030
- Hong Kong	562	-	-
- Others	580	-	320
	<u>6,074</u>	<u>332</u>	<u>1,640</u>

Note: Gross amount of loans and advances to customers by geographical areas are derived according to the location of the counterparties and constitutes not less than 10% of the total amount of loans and advances to customers after taking into account any recognised risk transfer at either September 30, 2018 or March 31, 2018.



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(e) Non-bank Mainland exposures

The following Mainland exposures to non-bank counterparties are prepared in accordance with HKMA Return of Mainland Activities (Form MA(BS)(20)) completion instructions.

Types of Counterparties	September 30, 2018		HK\$ in million
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	181	-	181
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	8	8
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	769	-	769
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	92	410	502
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	1,042	418	1,460
Total assets after provision¹	28,502		
On-balance sheet exposures as percentage of total assets	3.66%		

1. Total assets after provision are based on HKMA Return of Assets & Liabilities (Form MA(BS)(1)).



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(e) Non-bank Mainland exposures (continued)

Types of Counterparties	March 31, 2018		HK\$ in million
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	79	-	79
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	591	-	591
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	200	102	302
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	79	-	79
Total	949	102	1,051
Total assets after provision¹	29,116		
On-balance sheet exposures as percentage of total assets	3.26%		

1. Total assets after provision are based on HKMA Return of Assets & Liabilities (Form MA(BS)(1)).



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IV. International claims (excluding intra-group claims) by geographical areas after taking into consideration of transfer of risks

	HK\$ in million					
			<u>Non-bank private sector</u>			
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
At September 30, 2018						
- Developing Asia-Pacific	2,799	-	102	3,242	-	6,143
<i>of which India</i>	1,789	-	-	2,453	-	4,242
- Developed Countries	804	391	-	-	-	1,195
- Offshore Centers	53	134	-	1,655	-	1,842
<i>of which Hong Kong</i>	25	134	-	1,380	-	1,539

	HK\$ in million					
			<u>Non-bank private sector</u>			
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
At March 31, 2018						
- Developing Asia-Pacific	3,801	-	33	3,951	-	7,785
<i>of which India</i>	3,007	-	33	3,199	-	6,239
- Developed Countries	691	394	13	94	-	1,192
- Offshore Centres	71	137	100	2,290	-	2,598
<i>of which Hong Kong</i>	15	137	-	976	-	1,128

Note: International claims by geographical area are derived according to the location of the counterparties, which are prepared in accordance with HKMA Return of International Banking Statistics (Form MA(BS)(21)) completion instructions. A major country or geographical segment is disclosed if international claims attributable to the country or segment (including Hong Kong) constitute not less than 10% of total international claims after taking into account any recognized risk transfer at either September 30, 2018 or March 31, 2018. Claims arising between branches and subsidiaries are excluded.



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V. Currency risk

Foreign currency exposures (Position of individual currency reported is the net position and constitutes 10% or more of the total net position in all foreign currencies).

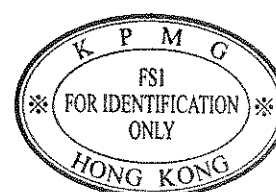
At September 30, 2018

	USD	EUR	CAD	OTHERS	HK\$ in million TOTAL
Spot assets	26,226	848	538	319	27,931
Spot liabilities	(27,595)	(129)	-	(281)	(28,005)
Forward purchases	14,320	879	-	1,532	16,731
Forwards sales	(12,984)	(1,595)	(542)	(1,570)	(16,691)
Net options position	-	-	-	-	-
Net long / (short) position	<u>(33)</u>	<u>3</u>	<u>(4)</u>	<u>-</u>	<u>(34)</u>

At March 31, 2018

	USD	EUR	CAD	OTHERS	HK\$ in million TOTAL
Spot assets	26,933	918	549	420	28,820
Spot liabilities	(27,860)	(238)	-	(566)	(28,664)
Forward purchases	14,864	1,020	19	1,914	17,817
Forwards sales	(13,919)	(1,696)	(572)	(1,767)	(17,954)
Net options position	-	-	-	-	-
Net long / (short) position	<u>18</u>	<u>4</u>	<u>(4)</u>	<u>1</u>	<u>19</u>

There was no structural position held by the branch as at September 30, 2018 and March 31, 2018.



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VI. Off-balance sheet exposures

(a) The contractual or notional amounts of each of the following class of off-balance sheet exposures outstanding:

	September 30, 2018	March 31, 2018
	HK\$ in million	HK\$ in million
Contingent liabilities and commitments		
- Direct credit substitutes	144	149
- Transaction-related contingencies	1,097	1,185
- Trade-related contingencies	1,572	602
- Other commitments	1,873	2,291
	<u>4,686</u>	<u>4,227</u>

Contingent liabilities and commitments arise from credit-related instruments which include letters of credit, guarantees and commitments to extend credit. The risk involved in these credit-related instruments is essentially the same as the credit risk involved in extending loan facilities to customers. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

	At September 30, 2018	At March 31, 2018
	HK\$ in million	HK\$ in million
Derivative transactions		
- Exchange rate-related derivative contracts (excluding forward foreign exchange arising from swap deposit arrangements)	5,420	5,710
- Interest rate derivative contracts	10,634	11,072
- Others	-	-
	<u>16,054</u>	<u>16,017</u>

These derivatives are used to manage the Branch's own exposures to market risk as part of its asset and liability management process. The principal derivative instruments used by the Branch are interest and foreign exchange rate related contracts, which are primarily over-the-counter derivatives.



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VI. Off-balance sheet exposures

(b) The total fair value of the above derivative transactions

	At September 30, 2018 HK\$ in million	At March 31, 2018 HK\$ in million
Fair value recognized through profit and loss		
- Exchange rate related derivative contracts	24	8
- Interest rate derivative contracts	-	-
Fair value of outstanding derivatives		
- Exchange rate related derivative contracts	170	172
- Interest rate derivative contracts	-	-

There are no bilateral netting arrangements for above derivative transactions.

VII. Liquidity

	Quarter ended September 30, 2018	Quarter ended June 30, 2018	Six months ended September 30, 2017
The average liquidity maintenance ratio	41.01%	39.65%	38.11%

The average liquidity maintenance ratio is the arithmetic mean of each calendar month's average value of its liquidity maintenance ratio as reported in Part I(2) of the 'Return of Liquidity Position of an Authorized Institution'. Average liquidity maintenance ratio disclosed in 2018 is 3-month simple average of the first two quarters while that in 2017 was 6-month simple average for the interim period.

VIII. Liquidity Risk Management

The Bank uses various tools for measurement of liquidity risk including the statement of structural liquidity, dynamic liquidity gap statements, liquidity ratios and stress testing. The Branch maintains diverse sources of liquidity to facilitate flexibility in meeting funding requirements. International branches of the Bank are primarily funded by debt capital market issuances, lines of financing from export credit agencies, syndicated loans, bilateral loans and bank lines, in addition to deposits in certain local markets.



**ICICI BANK LIMITED (HONG KONG BRANCH)
UNAUDITED INTERIM FINANCIAL DISCLOSURE AS AT SEPTEMBER 30, 2018**

Section B – Bank information (Consolidated basis)

	At September 30, 2018 HK\$ in million	At March 31, 2018 HK\$ in million
IX. Capital and Capital Adequacy		
Risk-based ratios: (Include market-risk equivalent)		
(a) Capital adequacy ratio ¹	17.13%	17.90%
(b) Total capital ¹	136,467	151,976
(c) Total amount of shareholders' funds ^{2,3}	119,799	133,194
X. Other Financial Information		
(a) Total assets	1,227,468	1,353,740
(b) Total liabilities ⁴	1,107,669	1,220,546
(c) Total loans and advance	652,823	682,546
(d) Total deposits	636,434	705,354
	Six months ended September 30, 2018 HK\$ in million	Six months ended September 30, 2017 HK\$ in million
(e) Pre-tax profit (before minority interest)	3,075	8,310

1. As per Basel III guidelines, all group entities have been consolidated, except Group companies which are engaged in insurance business and businesses not pertaining to financial services. Capital at September 30, 2018 does not include retained earnings for six months ended September 30, 2018. (Capital at March 31, 2018 includes retained earnings for the financial year of 2018).
2. Shareholders' funds are the sum total of share capital & reserves (excluding restricted reserves and debenture redemption reserve).
3. Employee stock options outstanding of HK\$5.9 million (₹54.9 million), which are transitional in nature and will ultimately be transferred to equity/reserve, are not considered in shareholders' funds.
4. Total liabilities are equal to total assets minus shareholders' funds.
5. The conversion rate at September 30, 2018 is ₹9.2625 = HK\$1. (March 31, 2018 is ₹8.3050 = HK\$1).

