

April 14, 2018

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Sir/Madam,

Sub: Outcome of earnings call held for results for the quarter and fiscal year ended March 31, 2018

Ref: NSE Symbol - ISEC & BSE Scrip Code - 541179

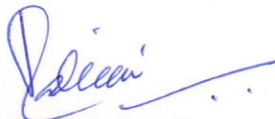
This is further to our letter dated April 13, 2018 regarding the earnings call which was scheduled to be held today.

Please find enclosed herewith the investor presentation and the opening remarks for the earnings call held today to discuss the financial results for quarter and financial year ended March 31, 2018.

The same has also been uploaded on the website of the Company *i.e.* www.icicisecurities.com.

Thanking you,

Yours faithfully,
For ICICI Securities Limited



Raju Nanwani
Senior Vice President &
Company Secretary

Encl: As above

Member of National Stock Exchange of India Ltd. & Bombay Stock Exchange Ltd.
Capital Market : NSE Regn. No. INB 230773037, BSE Regn. No. INB 011286854
Futures & Options : NSE Regn. No. INF 230773037, BSE Regn. No. INF 010773035
Currency Derivatives : NSE Regn. No. INE 230773037
CIN No.: U67120MH1995PLC086241

ICICI Securities Limited
Registered Office (Institutional):
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Churchgate, Mumbai 400 020, India.
Tel (91 22) 2288 2460/70
Fax (91 22) 2288 2445

Corporate Office (Retail):
Shree Sawan Knowledge Park, Plot No. D-507,
T.T.C. Ind. Area, M.I.D.C., Turbhe, Navi Mumbai - 400 705
Tel (91 22) 4070 1000
Fax (91 22) 4070 1022

Name of Compliance Officer (Broking Operations) : Ms. Mamta Jayaram Shetty





Performance review FY2018

April 14, 2018

A solid grey horizontal bar located at the bottom of the slide.

ICICI Securities: Natural beneficiary of transforming savings environment

Largest equity broker in India* powered by ICICIdirect

Strong online presence aided by pan India distribution

2nd largest non - bank mutual fund distributor#

Garnering scale in wealth management business

Leading investment bank in equity capital market

* By brokerage revenue and active customers in equities on the NSE since FY14 (Source: CRISIL Report)

Source: AMFI, period: FY17

Equity Capital Market (ECM): IPO/FPO/InvIT, QIP/IPP, Rights issue, Offer for sale)



Agenda

Key highlights

Business performance and strategy

Industry



Agenda

Key highlights

Business performance and strategy

Industry



Financial performance for the year

32% growth in consolidated revenue

FY18: ₹ 18,593 mn vs FY17: ₹ 14,042 mn

65% growth in consolidated PAT

FY18: ₹ 5,577 mn vs FY17: ₹ 3,386 mn

85% Return on net worth

Equity dividend of ₹ 9.4* per share for FY18

Equity dividend for FY18 includes interim dividend declared and paid as well as proposed final dividend



Financial performance for the quarter

35% growth in quarterly consolidated revenue

Q4-FY18: ₹ 5,146 mn vs Q4-FY17: ₹ 3,815 mn

91% growth in quarterly consolidated PAT

Q4-FY18: ₹ 1,586 mn vs Q4-FY17: ₹ 832 mn

21% Return on networth[#]

Final equity dividend recommended : ₹ 3.9* per share

[#] Not annualised



Business highlights

Revenue growth across all business segments (Y-o-Y)

Broking : 32%, Distribution : 34%, Corporate Finance : 19%

Continue to gain broking market share: 9.0%

4.6 lac new clients acquired

29% Y-o-Y growth in active clients on NSE

44% Y-o-Y growth in mutual fund average AUM

ECM issues managed - FY18: 23 vs FY17: 14

Equity Capital Market (ECM): IPO/FPO/InvIT, QIP/IPP,
Rights issue, Offer for sale)



Agenda

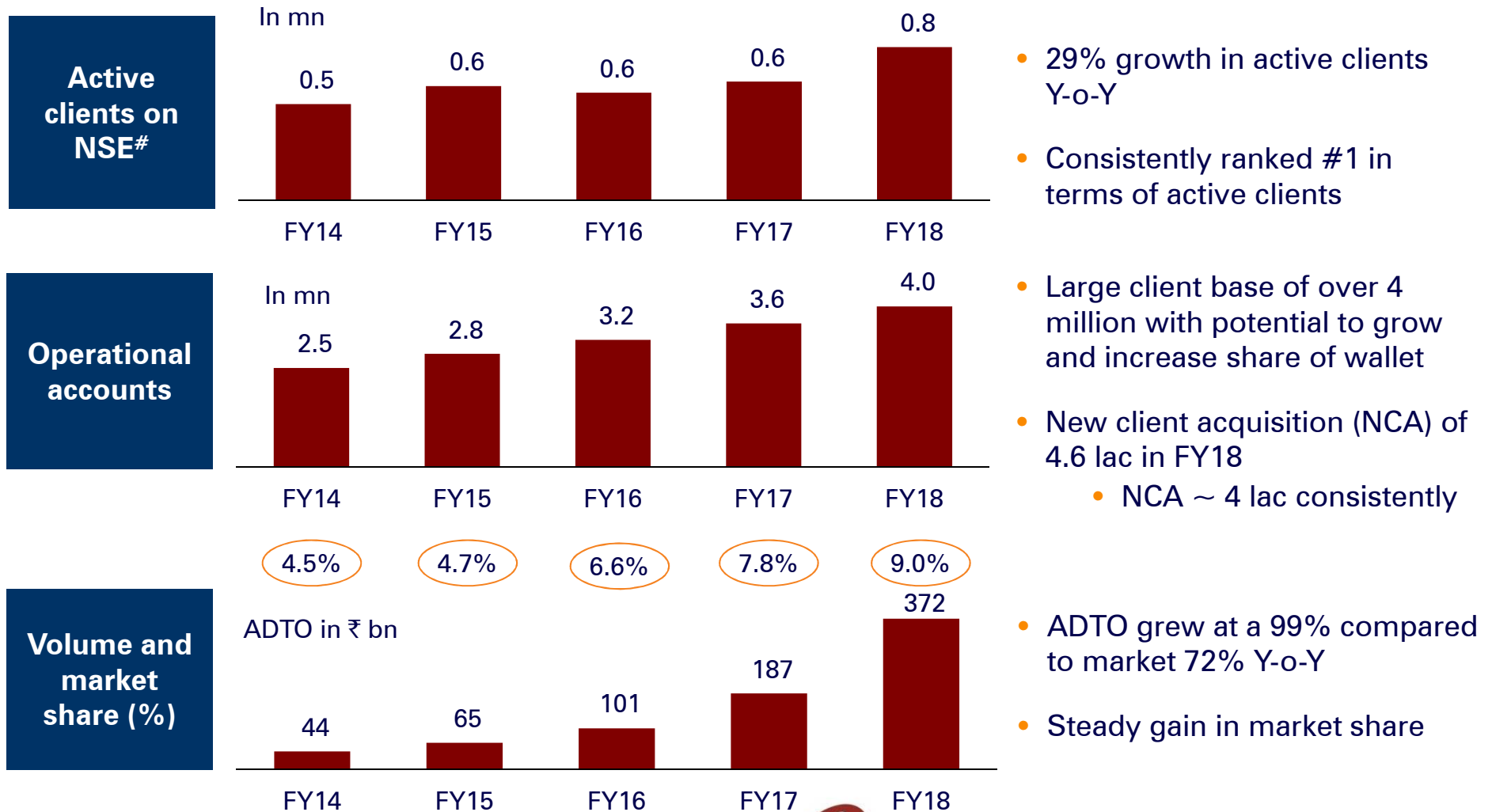
Key highlights

Business performance and strategy

Industry



Leading equity broker in India

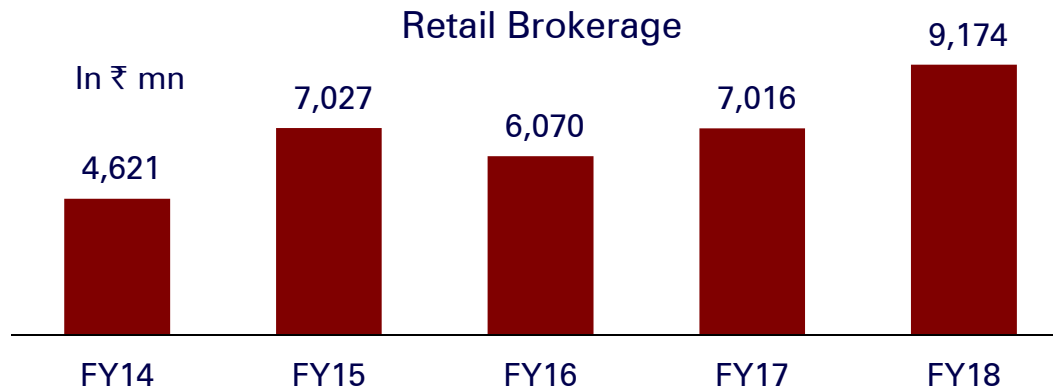


ADTO : Turnover on NSE and BSE excluding proprietary

Market share : The ratio of our ADTO to the sum of the ADTO on NSE and BSE excluding proprietary turnover



Retail focused technology platform



- Highest ever brokerage revenue of over ₹ 9 bn in FY18
- Increase of 31% over FY17
- ~ 90% contribution in overall broking revenue

ICICIdirect : 3-in-1 Proprietary electronic brokerage platform

- Over 95% broking transaction performed online
- Over 25% equity transactions through mobile devices on NSE

- Comprehensive portfolio management tools
- Robust real-time risk management

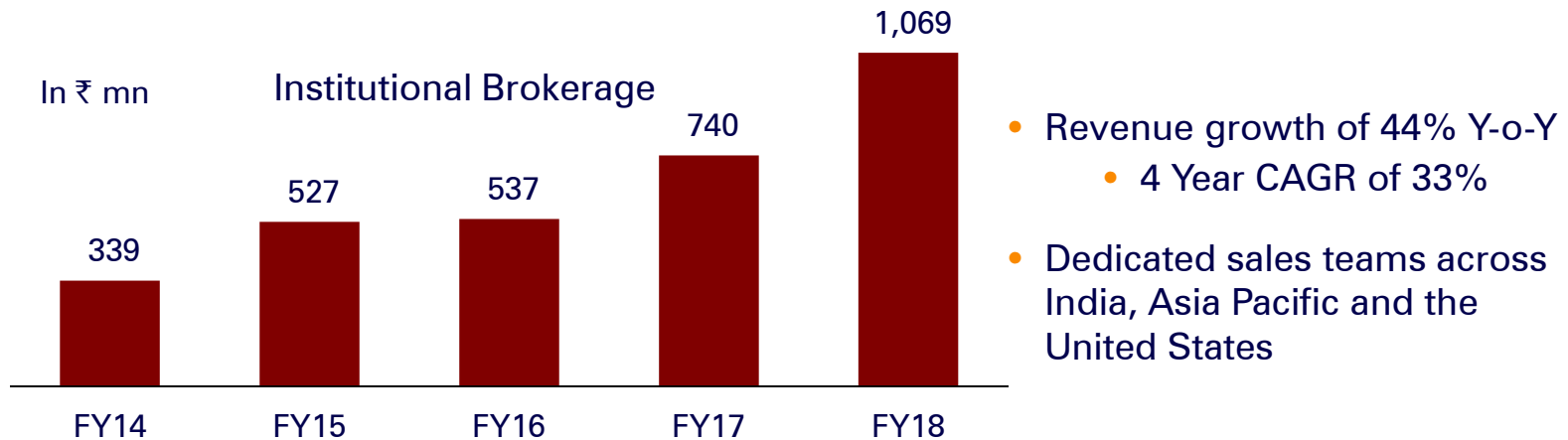
Research

- Coverage of ~ 250 Indian stocks across sectors
- 40+ member team

New Initiative: Launch of margin trading product, Online AIF, Factor based portfolios



Growing scale of institutional broking



Servicing large cross-section of institutional clients

- Leading procurement in IPOs, QIPs, OFSs and Block deal
- Direct market access (DMA) capabilities

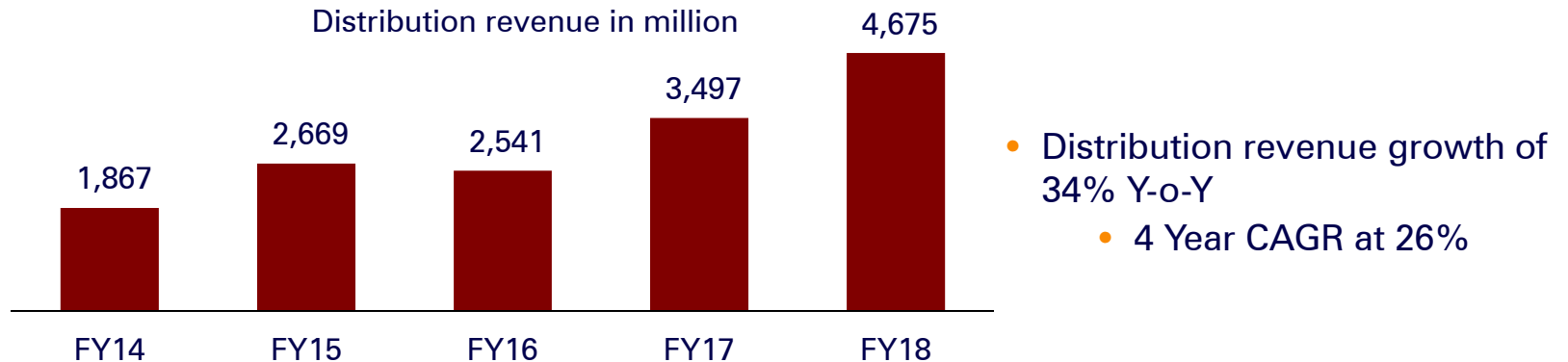
Research

- Coverage of 230+ Indian stocks across sectors
- Macro and thematic coverage
- 30+ member team

- Conducted international investor conference in USA, Asia Pacific
- Deep rooted relationships with global fund managers



Strong and growing distribution business



Nationwide Distribution Network

- Pan India distribution network supplementing strong online presence
- 200+ branches across 75+ cities
- Presence in 2,600+ ICICI Bank branches

Select/ Premier

- 1,200+ relationship managers and product specialists
- Private Wealth Management (PWM)
- 350+ member team
 - Customized services to HNI and certain family offices

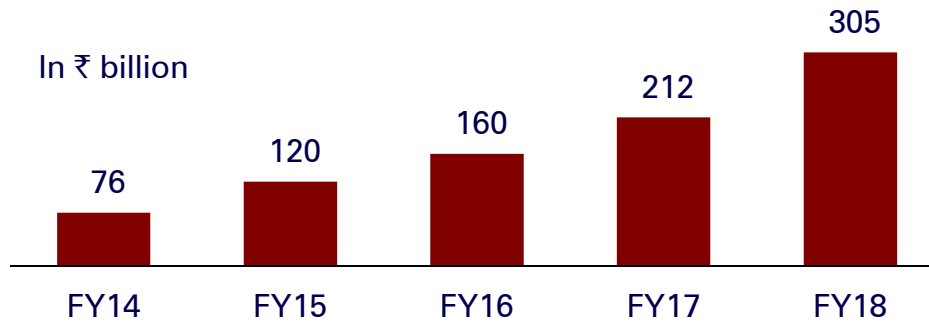
Licensed Independent Intermediaries

- ~ 5,400+ sub-brokers, authorized persons, IFAs and IAs
- Significant presence in the Tier-II and Tier-III cities



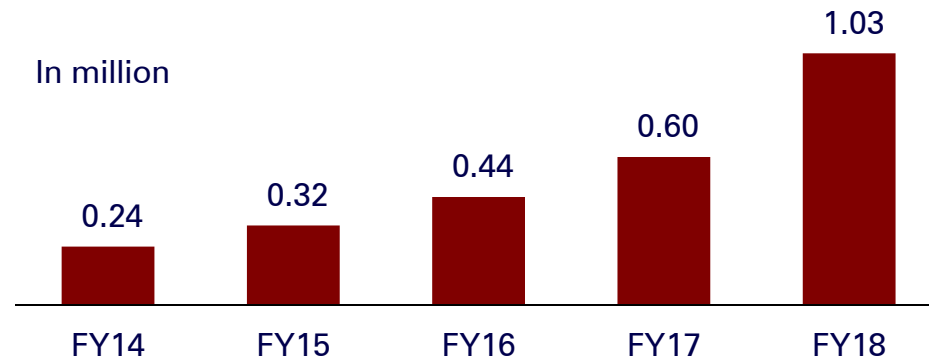
Leading non-bank MF distributor

Mutual Fund Average AUM



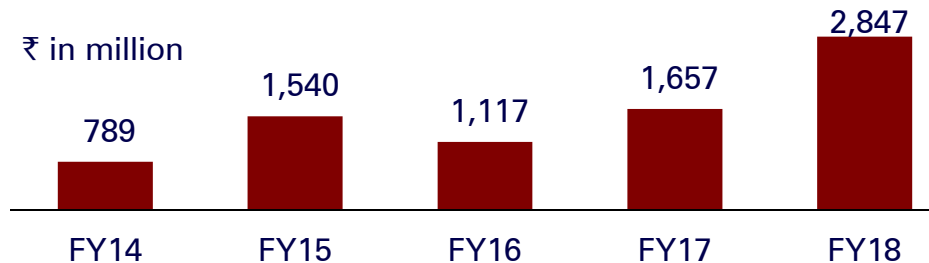
- AUM grew at 44% Y-o-Y
- “Open-source” distribution model
- Distributes 2,500+ mutual funds

Mutual Fund SIP count



- Strong growth in SIP FY18
 - No. of SIP increased by 70% Y-o-Y

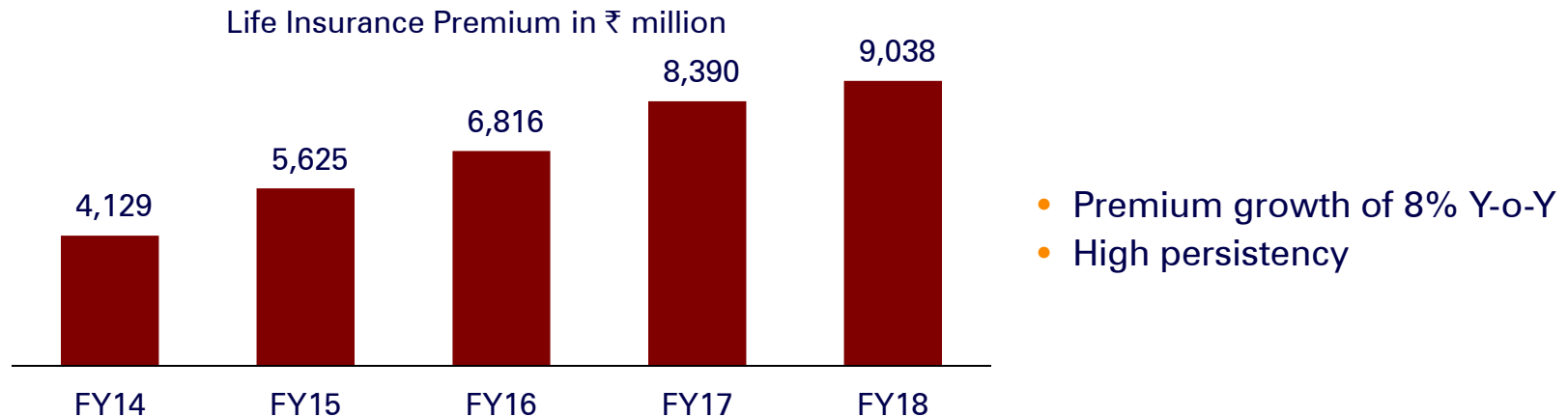
Mutual Fund revenue



- Mutual fund revenue grew at 72% Y-o-Y
 - 4 Year CAGR of 38%



Diverse third party product bouquet

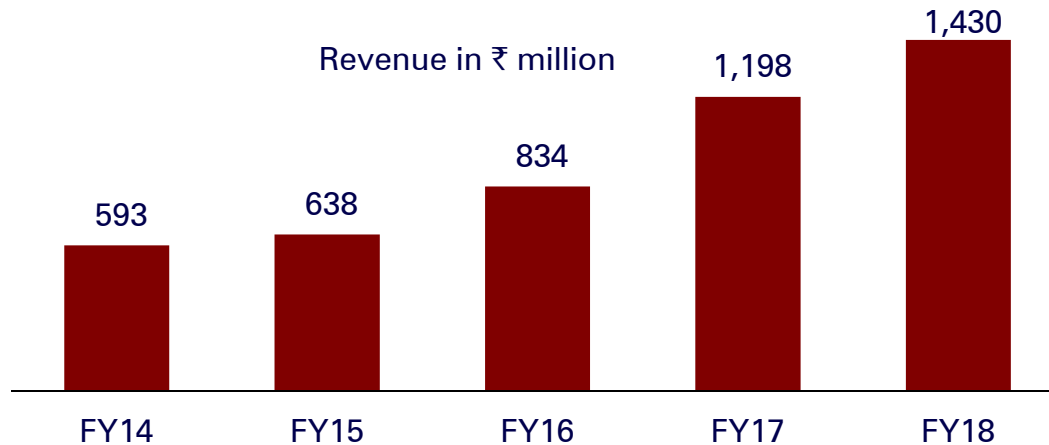


Multiple 3rd party products supporting “one-stop shop” proposition

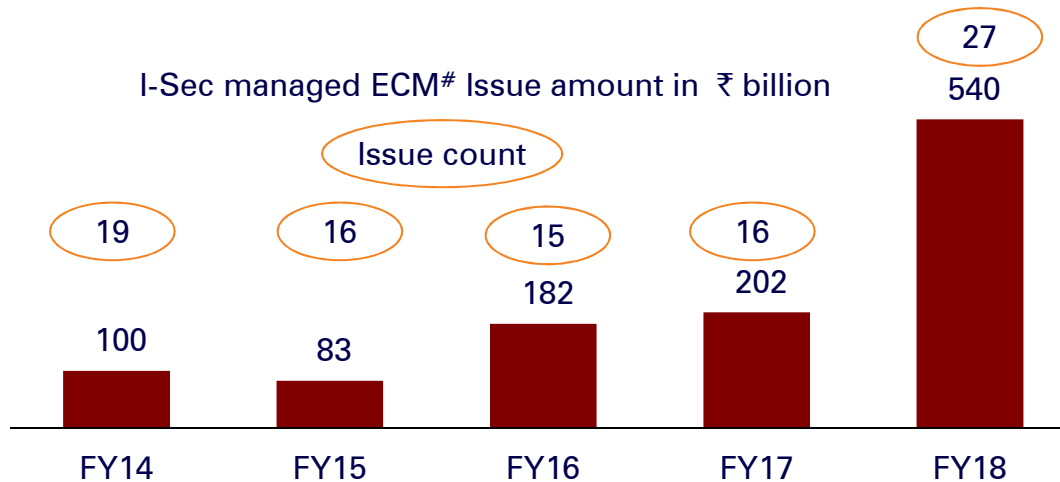
- Life and general insurance products
- Participation in IPOs, OFS, public bond offerings
- 3rd party corporate fixed deposits
- Portfolio management services
- Loan products from ICICI Bank
- Alternate investment funds
- Amongst the first to distribute National Pension System policies online



Leading Investment Bank in India



- Investment banking revenue crossed ₹ 1.4 billion in FY18 with a growth of 19% Y-o-Y




















- Issue amount grew by 167% Y-o-Y
- No. of deals grew by 69% Y-o-Y

#ECM : Includes IPO/FPO/InvIT, QIP/IPP, Rights Issue, Offer for Sale, Source: Primedatabase



Marquee deal of FY2018

IPO/FPO/InvIT		QIP/IPP			
 SBI Life INSURANCE With Us, You're Sure ₹ 83.9 bn	Sbi Life Insurance	 ICICI Lombard GENERAL INSURANCE ₹ 57.0 bn	ICICI Lombard General Insurance	 Union Bank of India ₹ 20.0 bn	Union Bank Of India
 IRB IRB InvIT Fund ₹ 50.3 bn	IRB InvIT Fund	 ₹ 12.1 bn	Housing & Urban Development	 Edelweiss ₹ 15.3 bn	Edelweiss Financial Services
 AU SMALL FINANCE BANK ₹ 19.1 bn	Au Small Finance Bank	 Galaxy Global Suppliers to Global Brands ₹ 9.4 bn	Galaxy Surfactants	 JINDAL STEEL & POWER ₹ 12.0 bn	Jindal Steel & Power
 Aster ₹ 9.8 bn	Aster DM Healthcare	 SIS Security and Intelligence Services (India) Limited ₹ 7.8 bn	Security & Intelligence Services	 Mahindra FINANCE ₹ 10.6 bn	Mahindra & Mahindra Financial
 SANDHAR Growth. Motivation. Better Life. ₹ 5.1 bn	Sandhar Technologies	 matrimony.com ₹ 5.0 bn	Matrimony.Com	 Quess ₹ 8.7 bn	Quess Corp
 NEWGEN ₹ 4.2 bn	Newgen Software Technologies			 Cem Commitment, Reliability & Quality ₹ 3.4 bn	ITD Cementation



Marquee deal of FY2018

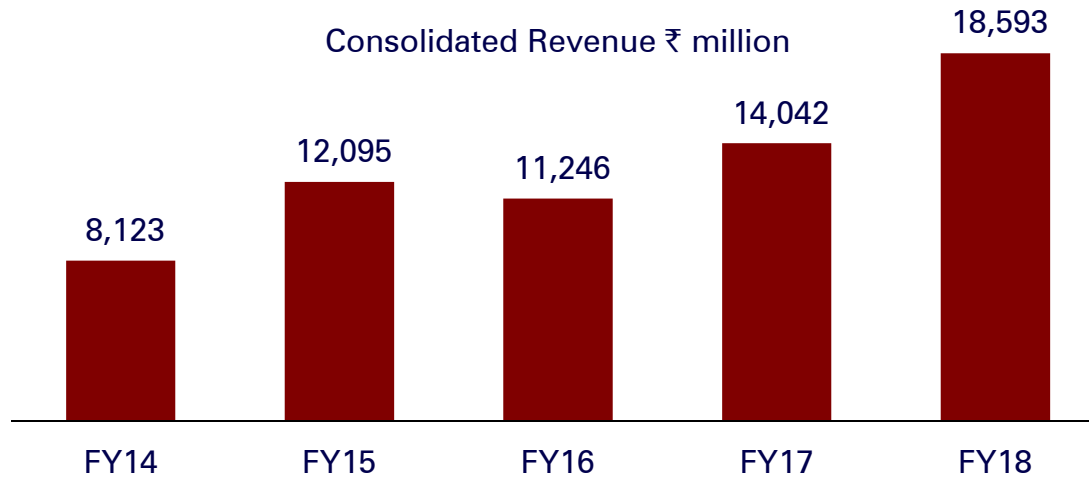
QIP/IPP		Offer for Sale		Rights Issue	
 SRIKALAHASTHI PIPES ₹ 2.5 bn	Srikalahasthi Pipes	 एन एम डी सी ₹ 12.3 bn	NMDC Ltd	 TATA STEEL ₹ 127 bn	Tata Steel
 ₹ 2.0 bn	Ramkrishna Forgings	 नालको ₹ 12.0 bn	National Aluminium Co	 ₹ 3.0 bn	Mahindra Lifespace Developers
 ₹ 1.5 bn	Satin Creditcare Network	 ₹ 7.2 bn	NLC India Ltd		
		 ₹ 4.1 bn	Hindustan Copper Ltd.		

Marquee deal of FY2018

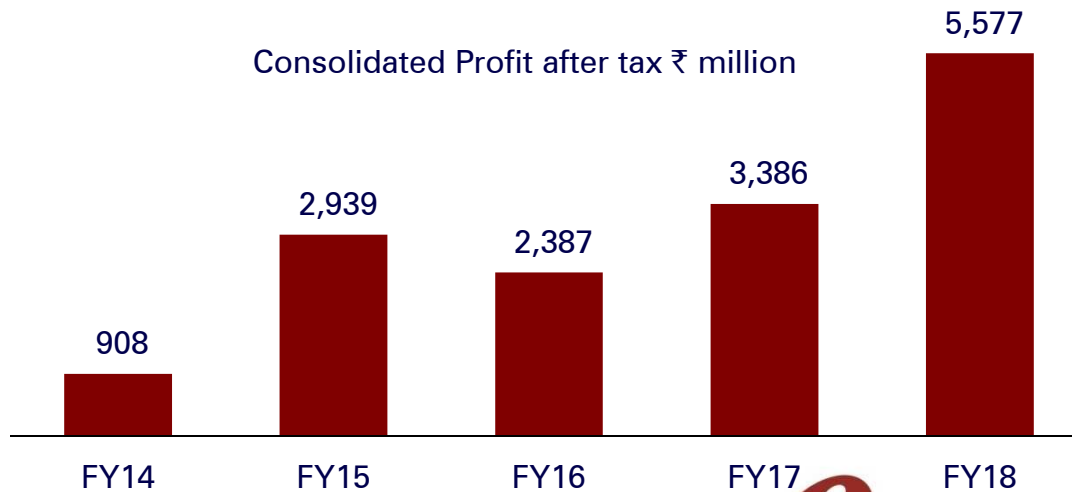
Buyback		Advisory	
 ₹ 3.9 bn	SKF India Ltd.	 ₹ 24.7 bn	Fairfax Financial Holdings Ltd.
 ₹ 1.5 bn	Marathon Nextgen Realty Ltd	 Technology, Trust & Reach	IDBI Bank Ltd.
 ₹ 0.6 bn	Sobha Ltd	 We grow the business You build ₹ 12.9bn	Small Business Fincredit India
 VRL LOGISTICS LIMITED ₹ 0.4 bn	VRL Logistics Ltd	 ₹ 5.3 bn	Actis PE (Pine Labs)
		 LARSEN & TOUBRO IT'S all about Imagination ₹ 5.2 bn	Larsen & Tourbo Ltd



Strong financial performance



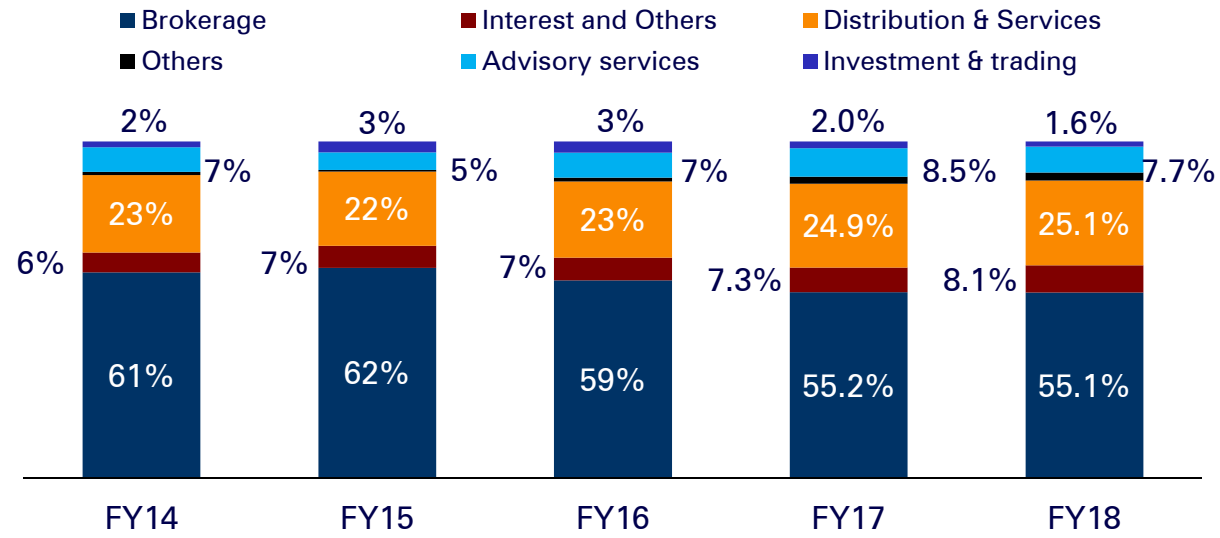
- 32% Y-o-Y growth in consolidated revenue
- 4 Year CAGR 23%



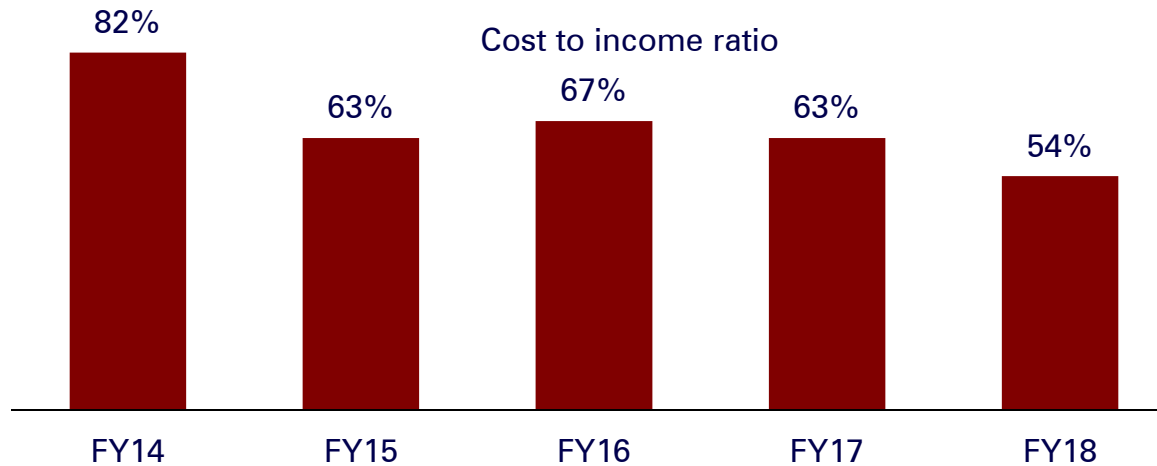
- PAT grew at 65% Y-o-Y due to increased cost efficiency
- 4 Year CAGR 57%



Diverse revenue and operating leverage



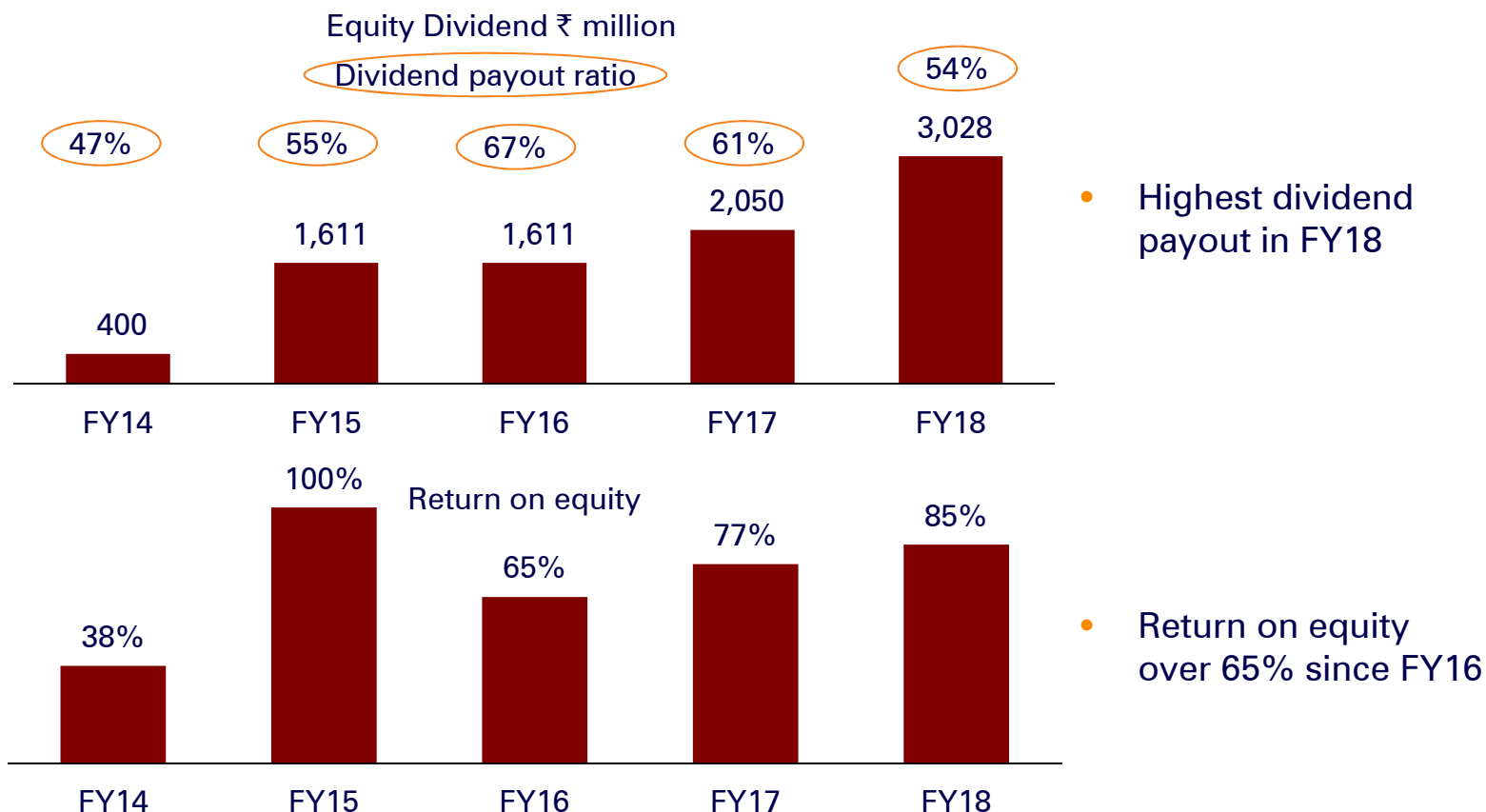
- Diversified revenue portfolio supported by strong and growing distribution business



- Effective cost management leveraging the efficiency inherent in technology business model



Consistent dividend payout



Equity dividend : FY 18 includes interim dividend and proposed final dividend

Dividend payout (%) = Dividend on equity shares / (profit after tax – (dividend on preference shares + dividend distribution tax on preference shares))

Return on net worth (%) = Net profit after tax / average net worth for the year end. Net worth represents share capital, and reserves and surplus excluding foreign currency translation reserves at the end of the year



Consolidated P&L

(₹ million)

Particulars	FY2017	FY2018	YoY%
Revenue	14,042	18,593	32%
Expenses			
Employee benefits expenses	4,847	5,453	13%
Operating expenses	1,288	1,683	31%
Finance costs	289	495	71%
Other expenses	2,398	2,413	1%
Total Expenses	8,822	10,044	14%
Profit before tax	5,220	8,549	64%
Tax expense	1,834	2,972	62%
Profit after tax	3,386	5,577	65%



Segment performance

(₹ million)

Particulars	FY2017	FY2018	YoY%
Segment Revenue			
Broking & commission	12,567	16,874	34%
Advisory services	1,198	1,430	19%
Investment & trading	277	289	4%
Total Revenue	14,042	18,593	32%
Segment Result			
Broking & commission	4,721	7,755	64%
Advisory services	364	674	85%
Investment & trading	135	120	(11)%
Total Result	5,220	8,549	64%



Consolidated balance sheet

(₹ million)

EQUITY AND LIABILITIES	At March 31, 2017	At March 31, 2018
1. Shareholders' funds	4,896	8,342
2. Non-current liabilities	1,164	1,435
3. Current Liabilities	14,414	19,025
a) Short-term borrowings	3,954	6,725
b) Other current liabilities	10,460	12,300
Equity and Liabilities (1+2+3)	20,474	28,802
ASSETS		
1. Fixed assets	375	421
2. Deferred tax assets (Net)	578	736
3. Long-term loans, advances and other non-current assets	2,193	1,489
4. Current assets	17,328	26,156
a) Cash and cash equivalents	8,824	14,973
b) Short-term loans and advances	8,504	11,183
Assets (1+2+3+4)	20,474	28,802



Key strategy

Strengthen our leadership position in the brokerage business

Continue investing in technology and innovation

Strategically expand our financial product distribution business through cross-selling

Leverage our leadership in equity capital markets to strengthen our financial advisory businesses

Diversify our revenue streams and continue reducing revenue volatility



Agenda

Key highlights

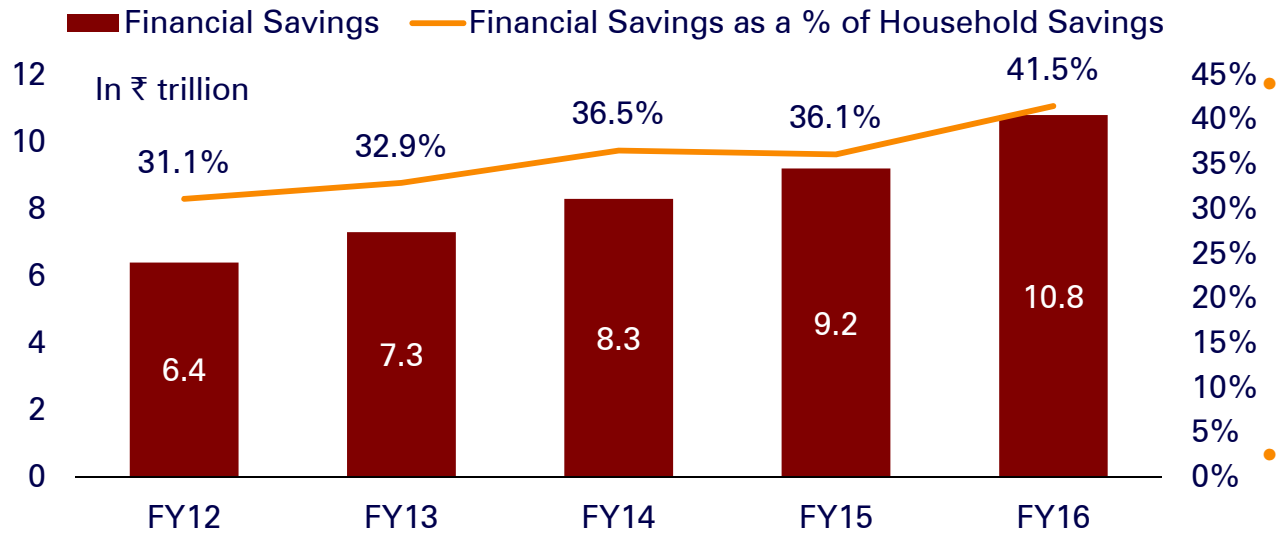
Business performance and strategy

Industry



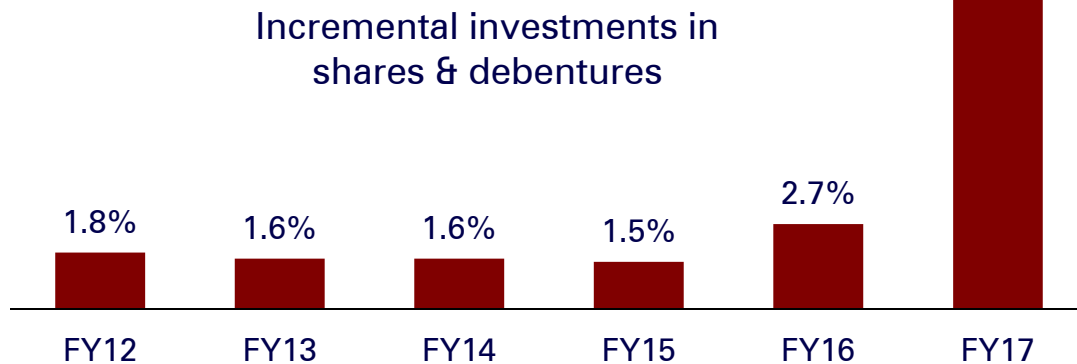
Increasing Share of Financial Savings

Increasing Share of Financial Savings



- The share of financial savings as a proportion of household savings increased steadily from 31.1% in FY 12 to 41.5% in FY 16

- Household savings are increasingly shifting from physical assets to financial assets – a fundamental change in behavior



- In FY17, investment in shares & debentures increased to 10.0%

Include investment in shares and debentures of credit / non-credit societies and investment in mutual funds (other than Specified Undertaking of the UTI) (Source: RBI, MOSPI)

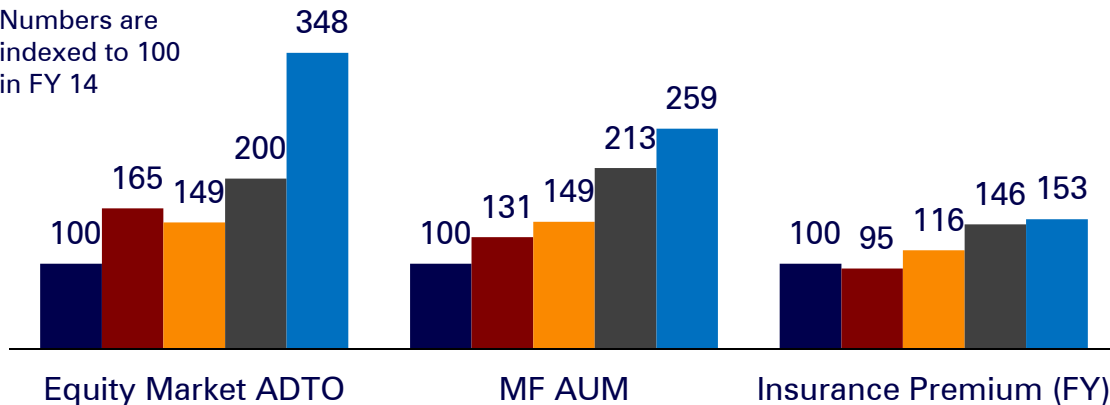


Financial sector being the key beneficiary

Growth Across Financial Asset Classes

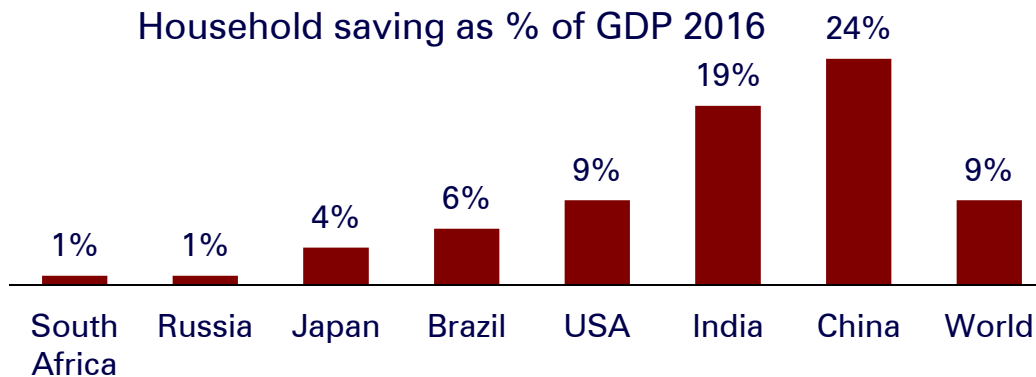
■ FY14 ■ FY15 ■ FY16 ■ FY17 ■ FY18

Numbers are indexed to 100 in FY 14



Financial sector being the key beneficiary of improved economic conditions and changing savings pattern, growth has been observed across various asset classes

Household saving as % of GDP 2016



India has high-savings economy, with household savings as a proportion of GDP at 19%

Insurance : First year individual new business premium (FY18 number are estimated , Mar 18 number taken as 1.3 times of Feb 18 business)

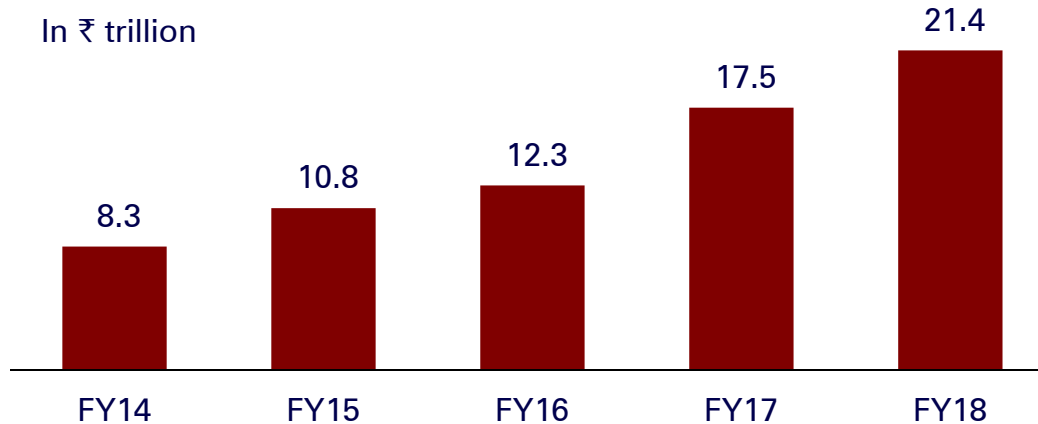
ADTO: Average daily turnover

Source: RBI, IRDA, AMFI, NSE, BSE, EIU



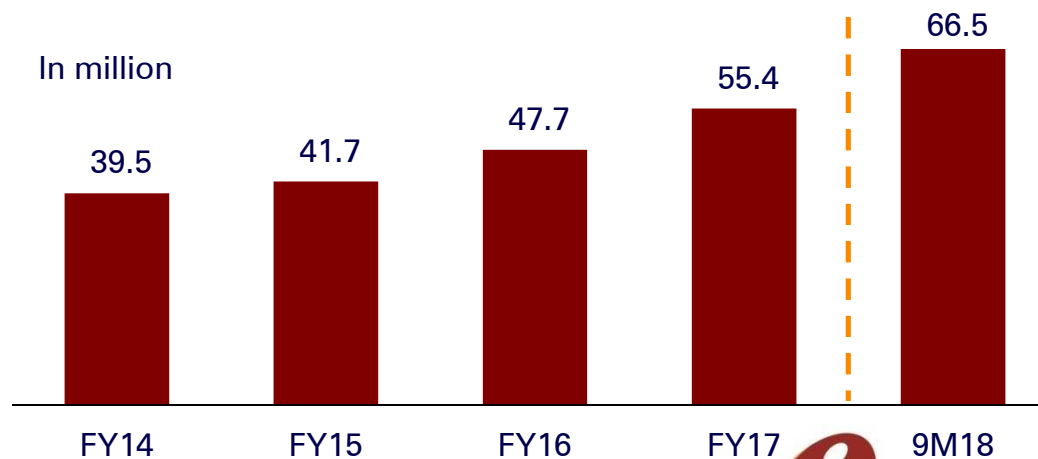
Growing mutual fund Industry AUM

Mutual Fund (Exit AUM)



- Mutual Fund industry witnessed significantly higher growth of increased financial savings and improving investor awareness about mutual funds as an asset

Mutual Fund Folios (Exit)

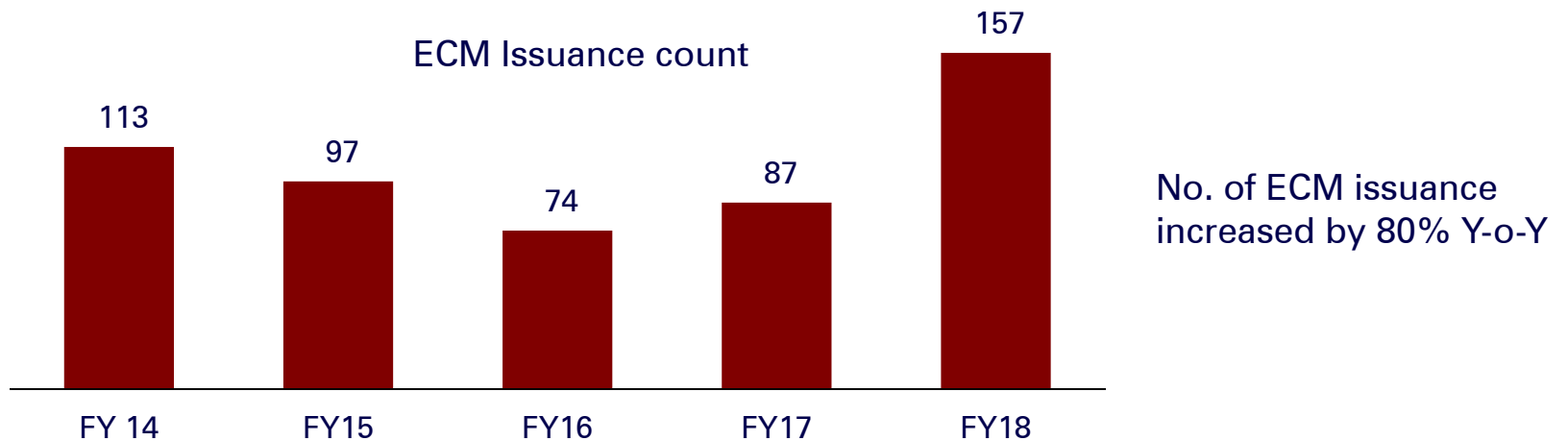
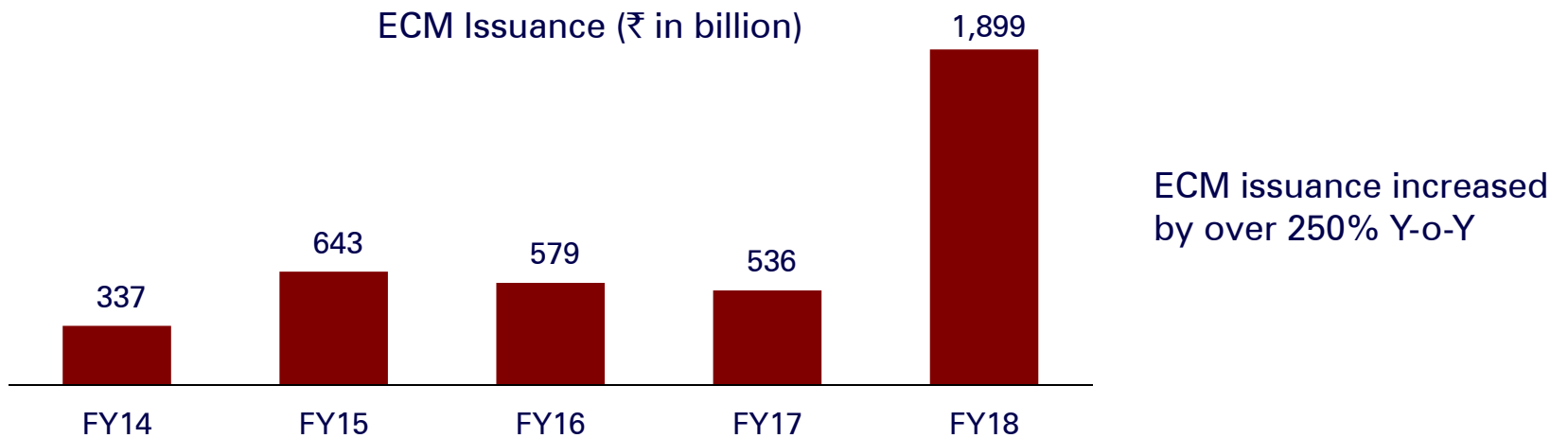


- MF AUM (Exit) increased by 22% in FY 18 from FY 17
- MF folios count has increased by 20% in 9M18 from FY17

Source: AMFI



Increase in primary market issuances



ECM : Includes IPO/FPO/InvIT, QIP/IPP, Rights Issue, Offer for Sale, Source: Primedatabase



Safe harbor

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'would', 'indicating', 'expected to', etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the actual growth in demand for broking and other financial products and services in the countries that we operate or where a material number of our customers reside, our ability to successfully implement our strategy, including our use of the Internet and other technology, our growth and expansion in domestic and overseas markets, technological changes, our ability to market new products, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to implement our dividend policy, the impact of changes in broking regulations and other regulatory changes in India and other jurisdictions as well as other risk detailed in the reports filed by ICICI Bank Limited, our holding company with United States Securities and Exchange Commission . ICICI Bank and ICICI Securities Limited undertake no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

This release does not constitute an offer of securities.





Thank you



ICICI SECURITIES LIMITED

Earning Conference Call- Quarter and period ended March 31, 2018 (Q4FY2018)

Ms. Shilpa Kumar's Opening remarks

Good afternoon. It is my pleasure to welcome all of you to a discussion on the performance the ICICI Securities Limited for the quarter and period ended March 31, 2018. Our business presentation is available on our website for an easy reference. You can access it as we walk you through the performance presentation.

Company Strategy

FY2018 was by far one of the most significant year in our 18 year old history. We graduated to being a listed entity and continued to deliver a strong and balanced performance on a diverse set of parameters.

I am sure most of you would know us through our digital identity icidirect.com which is our proprietary digital platform offering one of the most comprehensive financial products and services suite, infact we would like to think of it as a one stop financial super market. Through the strength of our platform, we have been able to build a strong business model with leading positions in several business segments that we operate in.

Our strategy is to play the full spectrum of financial products and services market leveraging our technology edge. We believe that ICICI Securities is a natural beneficiary of transforming savings environment in a digital India. We have been able to leverage our digital identity and financial savings focus to build a strong customer franchise.

Our brokerage business would continue to be a significant portion of our revenues and we focus on strengthening our leadership position in both retail and institutional broking space. In the retail business, our strategy is to focus on customer acquisition through better sourcing, activation through client superior experience and customer retention through cross sell. In the institutional business, our strategy has been to leverage our strong position among domestic institutional investors and enhance focus on foreign institutional investors.

Our financial product distribution business benefits from financialisation of retail savings and helps us diversify our revenue sources into other asset classes and annuity income giving product segments. We aim to expand our financial product distribution business by cross selling to our large and young retail client base. We believe wealth business is a strong engine for growth going forward and would add to the diversification of revenues.

In our institutional business, we intend to leverage our leadership position in equity capital markets to strengthen our financial advisory business.

Last but not the least we would continue to invest in technology and innovations in order to stay ahead on the technology curve as well as continue developing relevant product propositions for our customers.

Company performance**Financial Highlights**

Our Company registered strong growth in Revenues for FY2018 with our consolidated revenue growing by 32% year on year from ₹ 14,042 million to ₹ 18,593 million and with Profit after tax (PAT) growing by 65% from ₹ 3,386 million to ₹ 5,577 million.

Within that, Q4-FY2018 registered a stronger growth with revenues growing by 35% y-o-y for the quarter from ₹ 3,815 million to ₹ 5,146 million and PAT growing by 91% YoY from ₹ 832 million in Q4-FY2017 to ₹ 1,586 million in Q4-FY2018.

The strong earnings translated to Return on Net Worth (RoNW) growing from 77% in FY2017 to 85% this year. Our RoNW has been above ~65% since FY2016 and has been above 35% since FY2014 reflecting the strength of our capital light business model.

We had declared and paid an interim dividend of Rs 5.5 per equity share of Rs 5 each till December 2017 and have proposed a final dividend of Rs 3.9 aggregating to total dividend of Rs 9.40 per equity share of Rs 5 each for FY2018. This, if approved by the shareholders would translate to a dividend payout of ₹ 3,028 million and a payout ratio of 54% of PAT for FY2018.

Business Highlights

For FY2018 our company registered revenue growth across all business segments with broking business growing by 32%, Distribution by 34% and Corporate Finance by 19%.

Broking business

In our broking business, our market share improved from 7.8% to 9.0% during the year based on average daily turnover growth of 99% for us from Rs 187 billion / day for FY2017 to Rs 372 billion/day for FY2018. This was higher than the market growth (excluding proprietary turnover) of 72% in the same period. In line with our strategy we continued to focus on client acquisitions with new client acquisition of 4.6 Lakhs on the back of which the total number of operational accounts were 40 lakhs.

Our active clients on NSE also registered strong growth of 29% from ~0.6 million clients in the last fiscal to 0.8 million clients in the current fiscal. We have been consistently ranked number 1 in active clients and for this fiscal as well we were able to sustain our leadership in terms of active clients.

Total brokerage revenue, which contributes to over 60 % of our revenues, grew by 34% with retail forming ~90% of total revenue (excluding interest income). Brokerage revenue from retail clients crossed Rs 9 billion for the first time registering a growth of 31% yoy. We believe that our proprietary technology platform icidirect.com and our 3-in-1 product proposition are key success factors for our brokerage business. Our seamless, intuitive, convenient and transparent platform gives us the characteristics of a completely digital

business model with high operating leverage. More than 95% of broking transactions were performed online and more than 25% of equity transactions were through mobile devices on NSE.

Brokerage revenue from institutional clients has been growing at a CAGR of more than 30 % for the last four years and crossed Rs 1 billion in the current fiscal.

Distribution business

Our Distribution revenues, which contribute to approximately 25% of the overall revenue, have grown by 34% year on year from Rs 3,497 million in FY2017 to Rs 4,675 million in FY2018. Our distribution business leverages our strong online presence as well as complimenting offline presence through our 200+ branches as well as over 5400 IFAs and sub brokers servicing clients in tier II and III cities. Our Premier, Select and Wealth distribution teams cater to the mass/mass affluent and wealth customer segments. We were the second largest non-bank mutual fund distributor in the country as per latest available AMFI data for FY2017.

Mutual funds revenues comprise more than 60% of our distribution revenues. We have been focusing on building a trail based revenue stream through our mutual fund business. Our Mutual fund average AUM has increased by 44% from ₹ 212 billion to ₹ 305 billion; however the mutual fund revenues have gone up by 72% from ₹ 1.65 billion to ₹ 2.85 billion. Further our strategy of focusing on SIPs as a means to have a sticky annuity income stream has resulted in MF SIP count growing by 70% to cross more than 1 million SIPs.

In our life insurance business, the total premium garnered grew by 8% however there was a decline in revenues on account of regulatory changes linked to insurance fees. Apart from mutual fund and Life insurance, we distribute a wide array of third party products which contribute to approximately 30% of distribution revenues and have grown 20% year on year.

Investment banking

During the year we successfully managed 27 Equity Capital Market deals compared to 16 in FY2017 involving transaction amount of Rs 540 billion compared to Rs 202 billion for FY2017. Our revenues grew by 19% and were at Rs 1.43 billion for FY2018.

Our diversification efforts towards scaling up of our non-brokerage businesses have resulted in contribution from non-brokerage business increasing from 33% in FY2014 to 37% in FY2018.

Our digital business model has a high degree of operating leverage available as a result of which although revenues have grown at a CAGR of 23% for last 4 years, PAT has grown at a CAGR of 57%. Our cost to income ratio has been steadily declining from 82% in FY2014 to 54% in FY2018.

Summary

In summary, we are well positioned to gain from transformational changes unfolding in financial savings and digitization landscape of the economy. Our technical edge, strong brand, retail focused customer franchise and our ability to innovate has us well positioned to gain from the structural shifts in financial savings market.

Thank you and we are now open for question and answer!