



# Performance Review: Q1-2004

July 25, 2003

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

# Highlights

ICICI Bank

- 34% increase in profit after tax to Rs. 3.40 bn compared to Rs. 2.53 bn in Q1-2003
- Net interest margin improved to 1.7% for Q1-2004 compared to 1.4% for FY2003
- Equity capital gains of Rs. 0.76 bn
  - Capitalising on favourable market conditions to unlock value from historic long term investment portfolio



# Highlights

ICICI Bank

- Sustained growth in retail portfolio, now constituting 35% of customer assets
- Net NPA ratio at 4.9% after compliance with 90-day norm
- Deposit growth of 12% in the quarter
  - Deposits constitute 57% of funding
  - About Rs. 23.00 bn of erstwhile ICICI borrowings repaid in Q1-2004



# Profit & loss statement

		(Rs. in billion)			
		FY 2003	Q1- 2003	Q4- 2003	Q1- 2004
ICICI Bank	Interest income	93.15	23.96	23.81 <sup>1</sup>	22.56
	Interest expense	79.44	20.60	19.96	18.40
	NII	13.71	3.36	3.85 <sup>1</sup>	4.16
	Non-interest income	20.20	4.60	4.62 <sup>1</sup>	6.44
	- <i>Fee income</i>	8.47	1.95	2.27	2.36
	- <i>Treasury</i>	5.00	0.97	0.70 <sup>1</sup>	2.61
	<i>Of which: Equity</i>	1.09	0.11	0.13	0.76
	- <i>Lease income</i>	5.37	1.38	1.30	1.12
	- <i>Others</i>	1.36	0.30	0.35	0.35
	<b>Operating income</b>	<b>33.91</b>	<b>7.96</b>	<b>8.47</b>	<b>10.60</b>

1. Dividend on mutual fund Rs. 0.53 bn excluded from NII and included in treasury



# Profit & loss statement

ICICI Bank

(Rs. in billion)

	FY 2003	Q1- 2003	Q4- 2003	Q1 2004
Operating income	33.91	7.96	8.47	10.60
Operating expenses	15.35	3.51	4.30	4.63
Other DMA expense	1.62	0.13	0.56	0.58
Lease depreciation	3.14	0.79	0.80	0.73
<b>Operating profit</b>	<b>13.80</b>	<b>3.53</b>	<b>2.81</b>	<b>4.66</b>



# Profit & loss statement

ICICI Bank

(Rs. in billion)

	FY 2003	Q1- 2003	Q4- 2003	Q1- 2004
<b>Operating profit</b>	<b>13.80</b>	<b>3.53</b>	<b>2.81</b>	<b>4.66</b>
Profit on sale of ICICI Bank shares	11.91	-	-	-
Less:				
- Provisions incl. addl. provision on loans	21.34	1.30	1.19	1.80
- Writeback on loans	(4.04)	(0.57)	(1.86)	(0.55)
- Provisions/(writeback) on investments	0.61	(0.02)	0.23	(0.40)
- Tax, net of deferred tax	(4.26)	0.29	(0.13)	0.41
<b>Profit after tax</b>	<b>12.06</b>	<b>2.53</b>	<b>3.38</b>	<b>3.40</b>



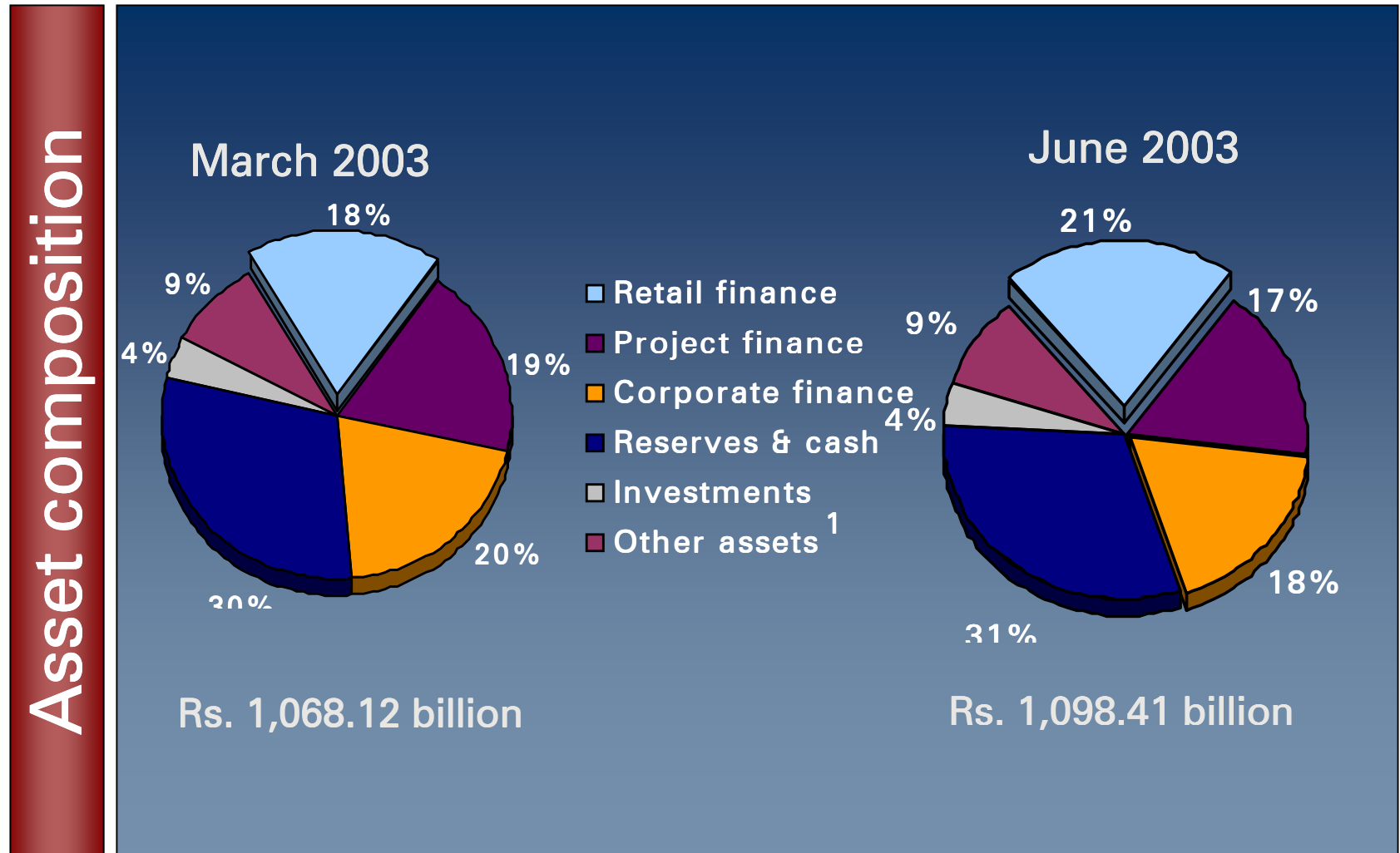
# Balance sheet: Assets

ICICI Bank

	(Rs. in billion)		
	Mar 31, 2002	Mar 31, 2003	Jun 30, 2003
Cash, balances with banks & SLR	355.78	320.72	338.30
- Cash & bank balances	127.86	64.89	68.01
- SLR investments	227.92	255.83	270.29
Advances	470.35	532.79	543.80
<i>Of which : Retail</i>	61.25	191.32	225.35
Debentures & bonds	64.36	56.90	60.08
Other investments	66.63	41.89	41.39
Fixed assets	42.39	40.61	39.68
Other assets	41.55	75.21	75.16
<b>Total assets</b>	<b>1,041.06</b>	<b>1,068.12</b>	<b>1,098.41</b>



# Retail constitutes 21% of balance sheet



1. Includes advance tax, deferred tax & other current assets





# Balance sheet: Liabilities

ICICI Bank

	(Rs. in billion)		
	Mar 31, 2002	Mar 31, 2003	Jun 30, 2003
<b>Net worth</b>	<b>62.45</b>	<b>69.33</b>	<b>72.73</b>
- Equity capital	6.13	6.13	6.13
- Reserves	56.32	63.20	66.61
Preference capital	3.50	3.50	3.50
<b>Deposits</b>	<b>320.85</b>	<b>481.69</b>	<b>538.53</b>
- Savings & savings linked <sup>1</sup>	67.71	106.52	114.55
- Current & current linked <sup>1</sup>	38.04	54.04	65.86
- Term	215.10	321.13	358.13
ICICI borrowings	582.10	372.50	349.32
Other borrowings	7.60	68.02	63.86
Other liabilities	64.56	73.08	70.47
<b>Total liabilities</b>	<b>1,041.06</b>	<b>1,068.12</b>	<b>1,098.41</b>

1. Includes value-added accounts linked to savings and current accounts.



# Key ratios

ICICI Bank

	(Per cent)	
	FY 2003	Q1- 2004
Return on assets	1.2	1.2
Return on net worth	18.3	19.2
EPS (Rs.)	19.7	22.2
NIM	1.4	1.7
Cost of deposits	6.8	6.0
Cost to income	49.9	46.9
Book value per share (Rs.)	113.1	118.7



# Capital adequacy

ICICI Bank

	Mar 31, 2003		Jun 30, 2003	
	Rs. bn	%	Rs. bn	%
Total capital	91.46	11.10	94.85	11.15
- Tier I <sup>1</sup>	58.07	7.05	60.27	7.09
- Tier II	33.39	4.05	34.58	4.06
Total risk weighted assets	823.81		850.53	

1. *Deferred tax asset netted off as per RBI guidelines Rs. 5.03 bn at June 30, 2003 and Rs. 4.88 bn at March 31, 2003. This treatment had a negative impact of 59 basis points on Tier-1 capital adequacy at June 30, 2003.*



# Consolidated profits

ICICI Bank and subsidiaries

	(Rs. in billion)			
	FY 2003	Q1- 2003	Q4- 2003	Q1- 2004
ICICI Bank standalone profit	12.06	2.53	3.38	3.40
Add:				
- ICICI Securities	1.08	0.18	0.32	0.63
- ICICI Prudential Life	(1.09)	(0.25)	(0.18)	(0.26)
Less:				
- Dividend and other adjustments	1.09	0.17	0.32	0.40
Consolidated profit	11.52	2.33	3.37	3.37



# Performance of key subsidiaries

## Key subsidiaries

(Rs. in million)

	Profit after tax			
	FY2003	Q1-2003	Q4-2003	Q1-2004
ICICI Securities <sup>1</sup>	1,082	177	318	627
ICICI Prudential	(1,471)	(335)	(234)	(351)
ICICI Lombard	33	(32)	13	64

*1. Consolidated*



# Asset quality and provisioning

ICICI Bank

(Rs. in billion)

	March 31, 2003	June 30, 2003
<b>Gross NPAs</b>	<b>84.14</b>	<b>86.75</b>
Less: cumulative write-offs	25.26	25.55
Less: cumulative provisions	27.37	29.21
<b>Net NPAs</b>	<b>31.51</b>	<b>31.99</b>
<b>Provision cover on NPAs</b>	<b>62.6%</b>	<b>63.1%</b>

- Net NPA ratio at 4.9%, based on 90-day norm
- Net restructured assets at Rs. 104.91 bn
- 5.5% provisioning coverage against performing corporate portfolio



# Top 10 industry-wise exposure

ICICI Bank

Industry	(% to total)	
	March 31, 2003	June 30, 2003
Retail finance	22.9	24.1
Power	10.1	9.1
Iron & steel	9.6	9.0
Telecom	5.2	6.7
Textiles	4.9	4.2
Other services	8.5	4.2
Engineering	3.5	3.8
Financial services	3.7	3.7
Crude petroleum & refining	5.4	3.1
Petrochemicals	2.6	2.6
<b>Total exposure (Rs. bn)</b>	<b>840.59</b>	<b>936.30</b>

1) *Exposure is net of write-offs and provisions*



# Top 10 industry-wise net NPLs

ICICI Bank

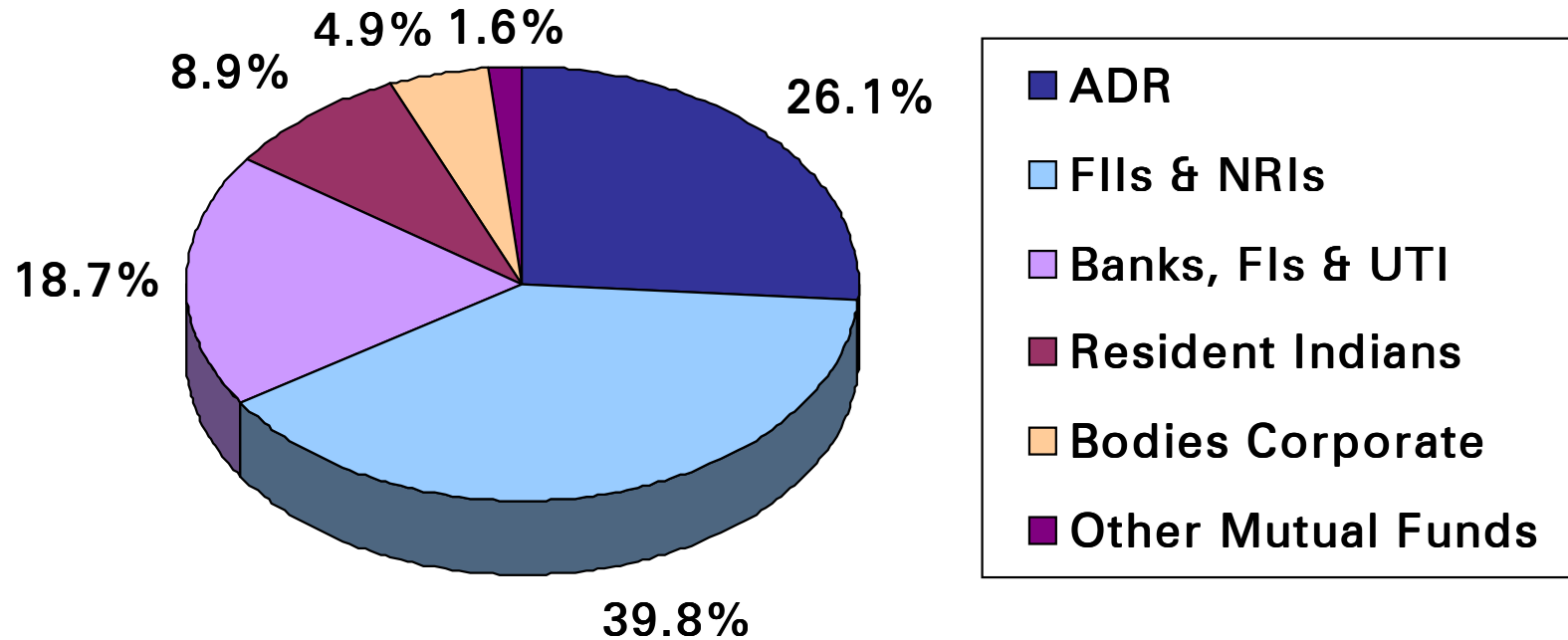
Industry	(% to total)	
	March 31, 2003	June 30, 2003
Textiles	16.3	18.0
Iron & Steel	13.3	11.1
Chemicals	8.7	9.2
Man-made fibres	9.8	7.7
Engineering	8.9	6.9
Metal & metal Products	6.9	6.2
Services	4.8	4.2
Paper & paper products	3.0	3.0
Food-processing	3.2	2.8
Petrochemicals	2.7	2.4





# Shareholding pattern

**June 30, 2003**



Paid-up capital Rs. 6.13 billion





Thank you

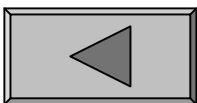


# Interest income

ICICI Bank

	(Rs. in billion)			
	FY 2003	Q1- 2003	Q4- 2003	Q1- 2004
Advances	60.16	14.68	15.60	15.69
Investments	28.57 <sup>1</sup>	8.06	6.58 <sup>1</sup>	6.01
Balances with RBI, banks and others	4.42	1.22	1.63	0.86
Total interest income	93.15	23.96	23.81	22.56

- Interest income is net of
  - HTM premium amortisation of Rs. 0.35 bn (Q1-2003: Rs. 0.09 bn; Q4-2003: Rs. 0.45 bn; FY2003: Rs. 1.35 bn)
  - Auto loan DMA commission of Rs. 0.59 bn (Q1-2003: Rs. 0.28 bn; Q4-2003: Rs. 0.54 bn; FY2003: Rs. 1.57 bn)



1. Excludes dividend on mutual fund Rs. 0.53 bn

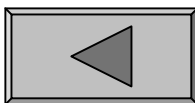


# Interest expense

ICICI Bank

(Rs. in billion)

	FY 2003	Q1- 2003	Q4 – 2003	Q1- 2004
Deposits	24.80	5.97	6.67	7.27
RBI / inter-bank borrowings	1.83	0.47	0.59	0.87
Bonds, ICICI borrowings & others	52.81	14.16	12.70	10.26
Total interest expense	79.44	20.60	19.96	18.40



# Operating expenses

ICICI Bank

(Rs. in billion)

	FY 2003	Q1- 2003	Q4- 2003	Q1 - 2004
Salary	4.03	0.89	1.19	1.19
Rents, taxes & lighting	1.12	0.28	0.27	0.35
Printing & stationery	0.75	0.13	0.22	0.21
Postage & courier	1.04	0.23	0.36	0.32
Repairs & maintenance	1.45	0.40	0.36	0.45
Insurance	0.25	0.05	0.08	0.09
Bank charges	0.23	0.05	0.07	0.07
Depreciation	1.91	0.42	0.56	0.59
Others	4.57	1.06	1.19	1.36
<b>Operating expenses</b>	<b>15.35</b>	<b>3.51</b>	<b>4.30</b>	<b>4.63</b>

