



Performance Review: FY2004

April 30, 2004

Agenda

Highlights

Operating review

Financial performance



Highlights

Profitability

- 35% increase in profit after tax to Rs. 4.55 billion in Q4-2004 from Rs. 3.38 billion in Q4-2003
- 36% increase in profit after tax to Rs. 16.37 billion in FY2004 from Rs. 12.06 billion in FY2003
- Continuing improvement in core profitability:
 - Improvement in net interest margin to 1.9% in Q4-2004 compared to 1.4% in FY2003
 - 65% increase in fee income to Rs. 3.74 billion in Q4-2004 from Rs. 2.27 billion in Q4-2003



Highlights

Balance sheet

- 75% year-on-year growth in retail portfolio, now constituting 54% of loans and 47% of loans and credit instruments
- Deposit growth of 41% in FY2004 compared to system deposit growth of 17%
 - Retail deposit growth of 60%, compared to an estimated system retail deposit growth of 15%
 - Savings and current deposits account for 41% of incremental deposits
- Sell-down/ securitisation of assets of about Rs. 107.00 billion in FY2004



Highlights

Others

- Operationalised business strategy in key international geographies
 - Expanded to six new locations in FY2004
- Continued market leadership among private players in life and general insurance
- Significant progress in asset resolution
 - Reduction in net NPA ratio to 2.87% at March 31, 2004 from 4.92% at March 31, 2003
 - Reduction in restructured loans to Rs. 66.29 billion at March 31, 2004 from a peak of Rs. 104.91 billion at June 30, 2003



Key profitability indicators

	Q4-2003	Q4-2004	FY2003	FY2004	Y-o-y growth (%)
PAT (Rs. bn)	3.38	4.55	12.06	16.37	36%
NII (Rs. bn)	3.85	5.28	13.71 ²	18.79	37%
Fee income (Rs. bn)	2.27	3.74	8.47	11.75	39%
NIM (%)	1.6 ¹	1.9 ¹	1.4	1.8	-
Cost of deposits (%)	6.2	5.0	6.8	5.4	-
RoA (%)	1.3 ¹	1.5 ¹	1.2	1.4	-
RoE (%)	19.2 ¹	23.0 ¹	18.3	21.8	-
EPS (Rs.)	22.0 ¹	29.5 ¹	19.7	26.7	35%

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



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Strong retail growth

(Rs. in billion)

	March 31, 2003	March 31, 2004	Growth in FY2004
Outstanding retail assets	191.41	334.23	75%
Retail deposits	238.24	381.91	60%
Total customer base (in million)	6.6	10.0	52%



Leadership in retail credit

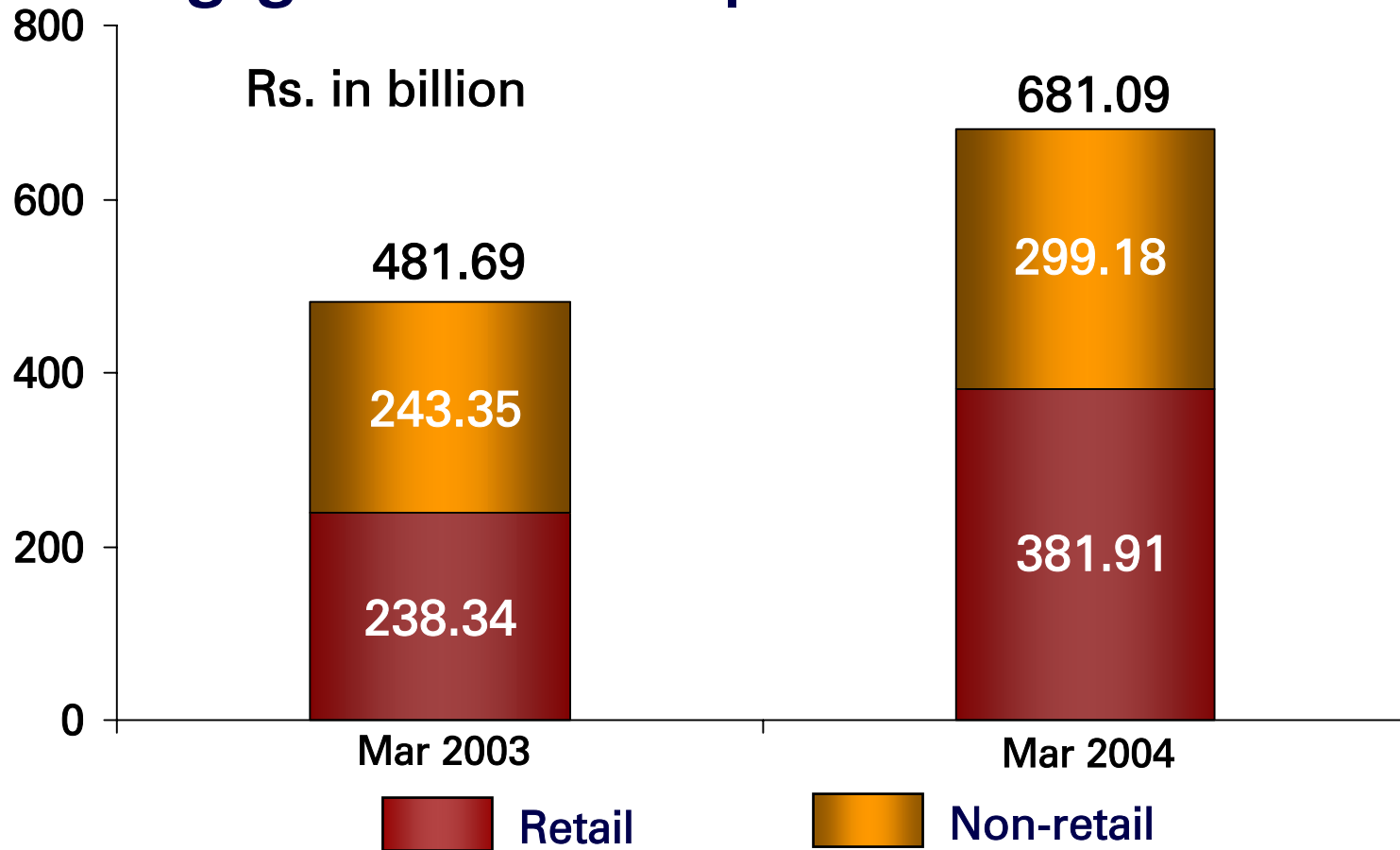
(Rs. in billion)

Product	Industry volumes FY2004	ICICI Bank's volumes	ICICI Bank's market share
Mortgage	470.00	132.82	28%
Auto	200.00	72.79	36%
Commercial	190.00	47.17	25%
Personal/ Consumer	105.00	30.92	29%
Two-wheeler	35.00	13.38	38%
Total	1,000.00	297.08	30%
Credit cards ²	10.0	2.3	23%

1. Industry data based on market estimates
2. Cards in force (million)



Strong growth in deposits

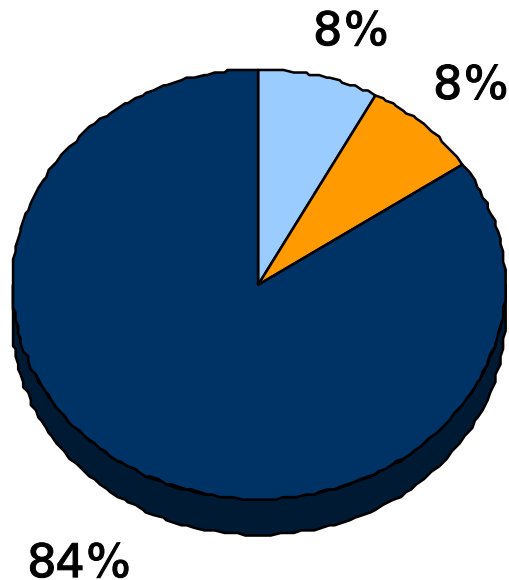


ICICI Bank had 9.0% share in incremental deposits and a 9.8% share in incremental retail deposits in FY2004



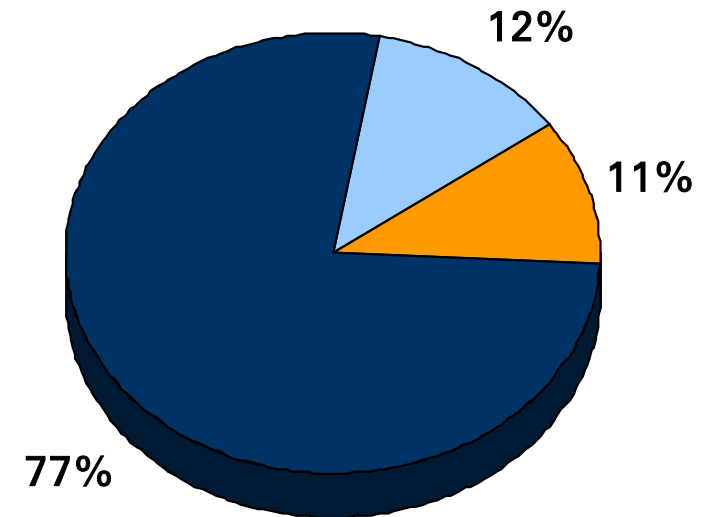
Increasing share of demand deposits...

March 31, 2003



Rs. 481.69 billion

March 31, 2004



Rs. 681.09 billion

■ Savings
■ Current
■ Term

Low-cost deposits constituted 41% of incremental deposits...



Corporate banking

Client focus

Client segment-specific strategies

Strategy based on origination and sell down

Technology

Online delivery capability for 70% of core finance functions

Customised technology integration solutions for 34% of top 100 corporates

Markets

Provider of integrated risk solutions to corporates

A leading player in debt arrangement, primary CP market and USD/INR options



Milestones achieved in securitisation

- Ranked # 1 placement house by PRIME for debt private placement

- Largest ever retail securitisation deals in Indian financial markets

Mortgage backed securitisation
(MBS) – Rs. 3.64 billion

Asset backed securitisation
(ABS) – Rs. 8.24 billion

- Innovative structures like time tranching and prepayment protected issues placed

- Rs. 107.00 billion of assets securitised in FY2004



New initiatives in rural financing



Strong growth in agricultural advances enabled ICICI Bank to become the only private sector bank to achieve agricultural advance targets for the second consecutive year



Roll out of international presence

Indian OBU

- OBU Launched in August 2003

China

- Rep Office launched in September 2003

Singapore

- OBU launched in September 2003

UAE

- Rep Office launched in October 2003

UK

- Subsidiary launched in November 2003

Canada

- Subsidiary launched in December 2003

Bahrain

- OBU to be launched by June 2004

- Application process underway for representative offices in South Africa and Bangladesh & subsidiary in Russia
- RBI approval for branches in USA and Sri Lanka awaited
- Rollout of alliances with leading banks



Key subsidiaries



Life insurance

Market share

- Maintained leadership in private sector
- Retail market share of 39%* during 11m-2004

Bancassurance

- Contributed 20% of annualised premium equivalent
- ICICI Bank's share in bancassurance was 42%

*Excludes group business

Reach

- Presence in 54 locations
- About 32,700 agents
- 13 bancassurance partners

Financial performance

- Net premium of Rs. 10.04 billion in FY2004
- New business achieved profits (NBAP) of Rs. 2.04 billion in FY2004



General insurance

Market share

- Maintained leadership in private sector
- Market share of 22% during 11m-2004

Reach

- Presence in 63 locations, up from 35 in March 2003

Portfolio mix

- Profitable, low-risk fire & engineering segment about 60% of portfolio
- Focus on retail products such as travel, home and motor

Financial performance

- Underwriting profit of Rs. 167.8 million and PAT of Rs. 317.7 million in FY2004
- ROE of 19.5%



Investment banking

Corporate finance

- Significant increase in revenues in FY2004
- Top rank by value of deals in M&A and private equity in FY2004

Fixed income

- Continued profit momentum despite lower decline in interest rates
- Trading profits at Rs. 1.84 billion in FY2004

Equities

- Over 200% y-o-y increase in revenues in FY2004
- “Best Indian brokerage” by Asiamoney 2003

Financial performance

- 45% y-o-y increase in PAT to Rs. 1.65 bn in FY2004
- RoE of 40% in FY2004



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Profit & loss statement

ICICI Bank

(Rs. in billion)

	FY 2003	Q4-2003	Q1-2004	Q2-2004	Q3-2004	Q4-2004	FY 2004
NII	13.71 ¹	3.85	4.16	4.50	4.85	5.28	18.79
Non-interest income	20.20	4.62	6.44	8.62	8.13	7.46	30.65
- Fee income	8.47	2.27	2.36	2.60	3.05	3.74	11.75
- Treasury	5.00	0.70	2.61	4.60	3.81	2.12	13.14
- Lease income	5.37	1.30	1.12	1.13	0.95	1.03	4.22
- Others	1.36	0.35	0.35	0.29	0.32	0.57	1.54
Operating income	33.91	8.47	10.60	13.12	12.98	12.74	49.44

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	Q4-2003	Q1-2004	Q2-2004	Q3-2004	Q4-2004	FY 2004
Operating income	33.91	8.47	10.60	13.12	12.98	12.74	49.44
Operating expenses	15.35	4.30	4.63	4.96	5.10	5.29	19.99
Other DMA expense	1.62	0.56	0.58	0.69	0.73	0.93	2.94
Lease depreciation	3.14	0.80	0.73	0.76	0.62	0.69	2.79
Operating profit	13.80	2.81	4.66	6.71	6.52	5.83	23.72



Operating expenses



Profit & loss statement

ICICI Bank

(Rs. in billion)

	FY 2003	Q4- 2003	Q1- 2004	Q2- 2004	Q3- 2004	Q4- 2004	FY 2004
Operating profit	13.80	2.81	4.66	6.71	6.52	5.83	23.72
Profit on sale of ICICI Bank shares	11.91	-	-	-	-	-	-
Provisions / (write- back) incl. add. provision	17.91	(0.44)	0.85	2.18	1.37	0.30	4.70
Tax, net of deferred tax	(4.26)	(0.13)	0.41	0.51	0.75	0.98	2.65
Profit after tax	12.06	3.38	3.40	4.02	4.40	4.55	16.37



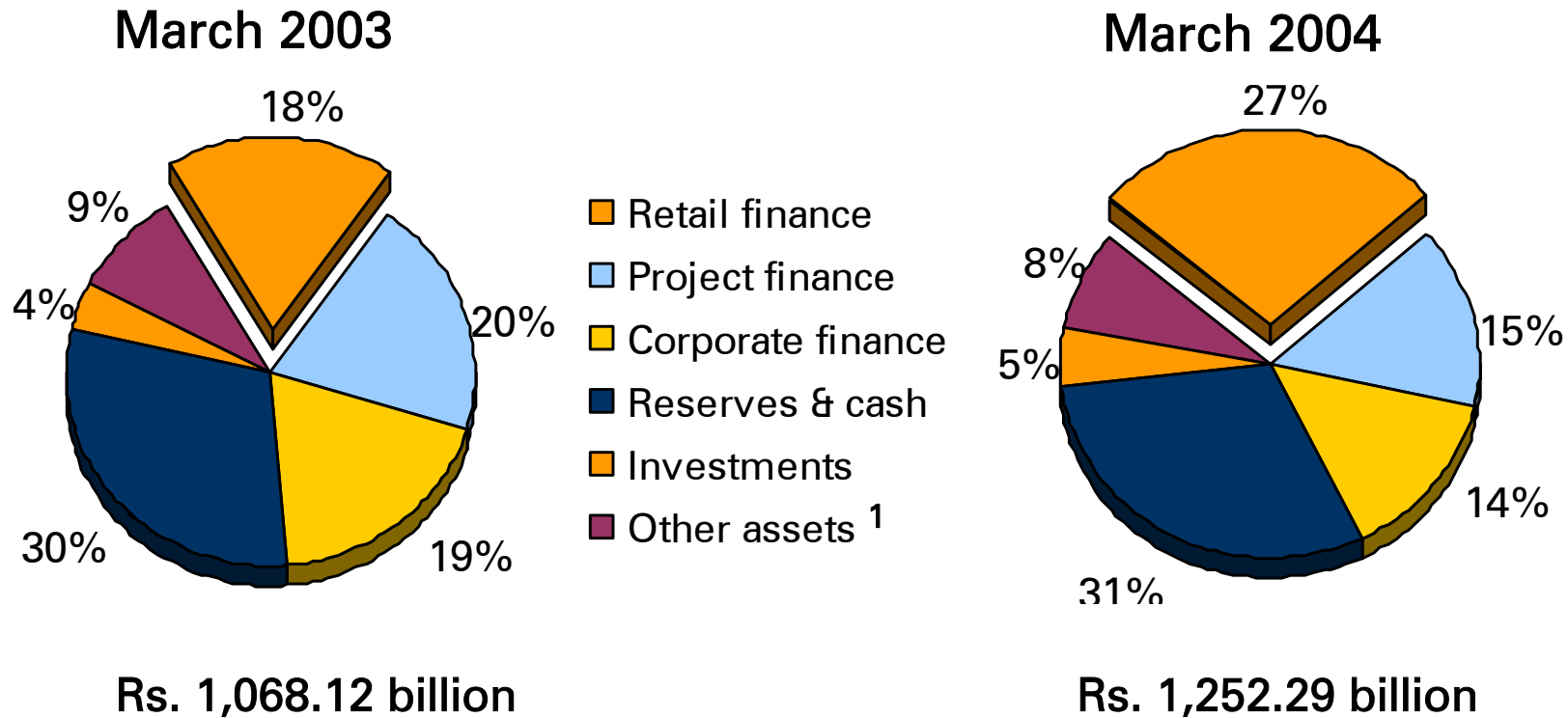
Balance sheet: Assets

(Rs. in billion)				
	Mar 31, 2002	Mar 31, 2003	Mar 31, 2004	% Change
Cash, balances with banks & SLR	355.78	320.72	383.89	19.7%
- Cash & bank balances	127.86	64.89	84.71	30.5%
- SLR investments	227.92	255.83	299.18	16.9%
Advances	470.35	532.79	620.96	16.5%
<i>Of which : Retail</i>	<i>61.25</i>	<i>191.32</i>	<i>334.23</i>	<i>74.7%</i>
Debentures & bonds	64.36	56.90	55.49	(2.5%)
Other investments	66.63	41.89	72.76	73.7%
Fixed assets	42.39	40.61	40.56	(0.1%)
Other assets	41.55	75.21	78.63	4.5%
Total assets	1,041.06	1,068.12	1,252.29	17.2%

ICICI Bank



Retail constitutes 27% 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	Mar 31, 2004	% Change
Net worth	62.45	69.33	80.10	15.5%
- Equity capital	6.13	6.13	6.16	0.5%
- Reserves	56.32	63.20	73.94	17.0%
Preference capital	3.50	3.50	3.50	-
Deposits	320.85	481.69	681.09	41.4%
ICICI borrowings	582.10	372.50	283.52	(23.9%)
Other borrowings	7.60	68.02	114.93	69.0%
Other liabilities	64.56	73.08	89.15	22.0%
Total liabilities	1,041.06	1,068.12	1,252.29	17.2%



Key ratios

ICICI Bank

	(Per cent)					
	FY 2003	Q1-2004	Q2-2004	Q3-2004	Q4-2004	FY 2004
Return on assets	1.2	1.2	1.5	1.6	1.5	1.4
Return on net worth	18.3	19.2	21.7	22.8	23.0	21.8
EPS (Rs.)	19.7	22.2	26.2	28.6	29.7	26.7
NIM	1.4	1.7	1.8	1.9	1.9	1.8
Cost to income	49.9	46.9	39.6	40.5	43.9	42.9
Cost to average assets	1.46	1.69	1.80	1.79	1.73	1.76



Consolidated profits

ICICI Bank and subsidiaries

	(Rs. in billion)					
	FY 2003	Q1-2004	Q2-2004	Q3-2004	Q4-2004	FY 2004
ICICI Bank standalone profit	12.06	3.40	4.02	4.40	4.55	16.37
Add:						
- ICICI Securities	1.08	0.63	0.33	0.32	0.37	1.65
- ICICI Venture	0.13	0.04	0.06	0.07	0.09	0.26
- ICICI Prudential Life	(1.09)	(0.26)	(0.37)	(0.50)	(0.51)	(1.64) ¹
- ICICI Lombard	0.02	0.05	0.02	0.05	0.12	0.24 ¹
Less:						
- Dividend and other adjustments	0.68	0.49	0.45	(0.07)	0.20	1.08
Consolidated profit	11.52	3.37	3.61	4.41	4.42	15.80

1. ICICI Bank's proportionate (74%) share in the profit after tax of ICICI Prudential Life and ICICI Lombard.



Asset quality and provisioning

ICICI Bank

(Rs. billion)

	Mar 31, 2003	Jun 30, 2003	Sept 30, 2003	Dec 31, 2003	Mar 31, 2004
Gross NPAs	84.14	86.75	87.65	87.43	67.15
Less: Cumulative w/offs & provisions	52.63	54.76	56.37	55.57	46.78
Net NPAs	31.51	31.99	31.28	31.89	20.37
Provision cover on NPAs	62.6%	63.1%	64.3%	63.5%	69.7%

- Net NPA ratio at 2.87%
- Net restructured assets of Rs. 66.29 bn at March 31, 2004, as compared to peak net restructured assets of Rs. 104.91 bn at June 30, 2003



Capital adequacy

ICICI Bank

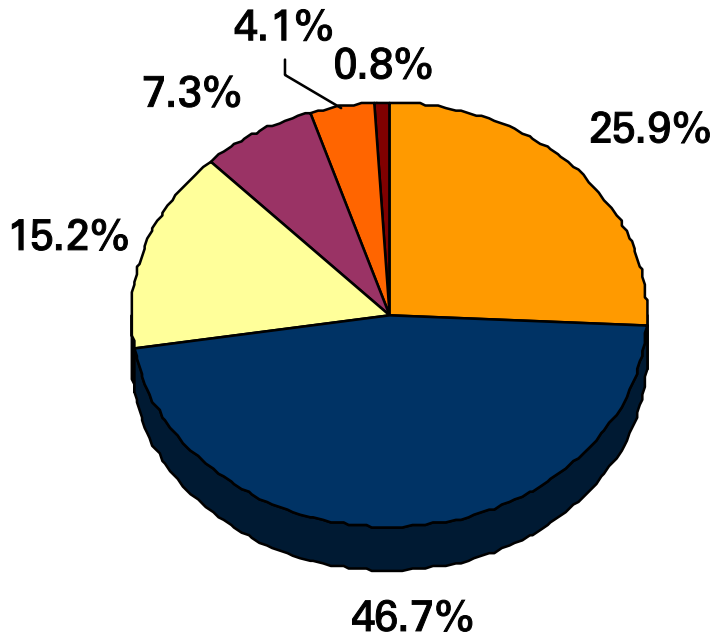
	Mar 31, 2003		Mar 31, 2004	
	Rs. bn	%	Rs. bn	%
Total Capital	91.46	11.10	94.01	10.36
- Tier I	58.07	7.05	55.25	6.09
- Tier II	33.39	4.05	38.76	4.27
Total risk weighted assets	823.81		907.34	

- 1. Deferred tax asset netted off as per RBI guidelines Rs. 4.43 bn at Mar 31, 2004 with negative impact of 49 basis points on Tier-1 capital adequacy.*
- 2. Unamortised ERO expense of Rs. 1.65 bn deducted from Tier-1 capital.*
- 3. Pro forma capital adequacy after taking into account the fresh issue of equity shares (excluding the Green Shoe Option) and including impact of dividend was 15.30% at March 31, 2004.*



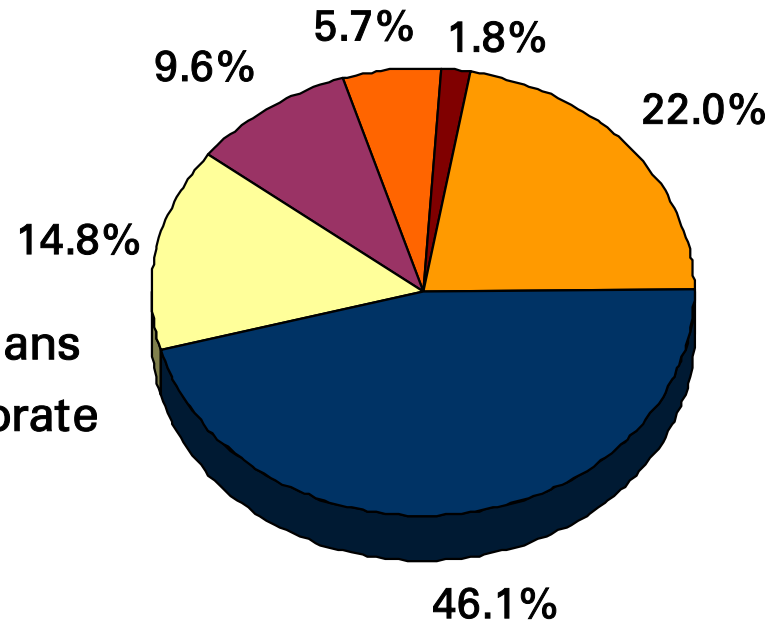
Shareholding pattern

Pre-issue capital
(at March 31, 2004)



Paid-up capital Rs. 6.16 billion

Post-issue capital
(at April 21, 2004)



Paid-up capital Rs. 7.25 billion

- Without taking into account the green shoe option of an additional 16.07 million shares



Safe Harbour

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 to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion in business, the adequacy of our allowance for credit losses, technological implementation and changes, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks as well as other risks detailed in the reports filed by us with the United States Securities and Exchange Commission. ICICI Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



Thank you



Interest income

ICICI Bank

(Rs. in billion)

	FY 2003	Q1- 2004	Q2- 2004	Q3- 2004	Q4- 2004	FY 2004
Advances	60.16	15.69	14.78	14.66	15.61	60.74
Investments	28.57 ¹	6.01	6.58	6.24	5.49	24.32
Balances with RBI, banks and others	4.42	0.86	0.53	1.01	1.48	3.88
Total interest income	93.15	22.56	21.89	21.91	22.58	88.94

- Interest income is net of HTM premium amortisation and auto loan DMA commission

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



Interest expense

ICICI Bank

(Rs. in billion)

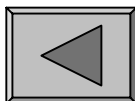
	FY 2003	Q1- 2004	Q2- 2004	Q3- 2004	Q4- 2004	FY 2004
Deposits	24.80	7.27	7.38	7.61	7.97	30.23
RBI / inter- bank borrowings	1.83	0.87	0.70	0.42	0.30	2.29
Bonds, ICICI borrowings & others	52.81	10.26	9.31	9.04	9.03	37.63
Total interest expense	79.44	18.40	17.39	17.07	17.30	70.15



Spreads

ICICI Bank

	(Per cent)						
	FY 2003	Q4- 2003	Q1- 2004	Q2- 2004	Q3- 2004	Q4- 2004	FY- 2004
Yield on interest-earning assets (1)	10.2	10.3	9.5	9.1	8.9	8.5	9.0
- <i>SLR yield</i>	7.3	6.4	6.4	6.3	5.8	5.5	6.0
Cost of funds (2)	8.9	8.8	7.8	7.3	6.9	6.5	7.1
- <i>Cost of deposits</i>	6.8	6.2	6.0	5.6	5.3	5.0	5.4
Spread (1) – (2)	1.3	1.5	1.7	1.8	2.0	2.0	1.9
NIM	1.4	1.6	1.7	1.8	1.9	1.9	1.8



Operating expenses

(Rs. in billion)							
	FY 2003	Q4- 2003	Q1- 2004	Q2- 2004	Q3- 2004	Q4- 2004	FY 2004
Salary	4.03	1.19	1.18	1.26	1.45	1.57	5.46
Rents, taxes & lighting	1.12	0.27	0.35	0.39	0.36	0.39	1.49
Printing & stationery	0.75	0.22	0.21	0.23	0.22	0.21	0.87
Postage & courier	1.04	0.36	0.32	0.36	0.36	0.38	1.42
Repairs & maintenance	1.45	0.36	0.45	0.48	0.50	0.46	1.89
Insurance	0.25	0.08	0.09	0.09	0.07	0.09	0.34
Bank charges	0.23	0.07	0.07	0.06	0.07	0.05	0.25
Depreciation	1.91	0.56	0.59	0.65	0.69	0.69	2.62
Others	4.57	1.18	1.37	1.44	1.39	1.45	5.65
Operating expenses	15.35	4.29	4.63	4.96	5.11	5.29	19.99

ICICI Bank

