



Performance Review: FY2005

April 30, 2005

Agenda

Highlights

Operating review

Financial performance



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Highlights

Profitability

- 35% increase in profit after tax to Rs. 6.15 billion in Q4-2005 from Rs. 4.55 billion in Q4-2004
- 22% increase in profit after tax to Rs. 20.05 billion in FY2005 from Rs. 16.37 billion in FY2004
- Improvement in net interest margin to 2.4% in FY2005 compared to 1.9% in FY2004
- 79% increase in fee income to Rs. 20.98 billion in FY2005 from Rs. 11.75 billion in FY2004



Highlights

- 46% year-on-year growth in advances and 34% growth in total assets
- 68% year-on-year growth in retail portfolio, now constituting 61% of loans
- Deposit growth of 47% in FY2005 compared to system deposit growth of 14%
- Reduction in net NPA ratio to 2.0% at March 31, 2005 from 2.9% at March 31, 2004

Key profitability indicators

	FY2004	FY2005	Y-on-Y growth
PAT (Rs. bn)	16.37	20.05	22%
NII (Rs. bn)	19.87	28.39	43%
Fee income (Rs. bn)	11.75	20.98	79%
Treasury income (Rs. bn)	13.14	7.11	(46%)
NIM (%)	1.9	2.4	-
Cost of deposits (%)	5.4	4.5	-
RoE ¹ (%)	21.8	17.9	-
EPS ¹ (Rs.)	26.7	27.6	3%

1. Additional capital of Rs. 32.46 bn raised in FY2005



Agenda

Highlights

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Strong retail growth

(Rs. in billion)

	March 31, 2004	March 31, 2005	Growth in FY2005
Retail assets outstanding	334.24	561.33	68%
Consumer credit customer accounts ¹ (in million)	1.7	2.7	59%
Deposit customer accounts (in million)	6.4	7.7	20%
Credit card customer accounts (in million)	2.3	3.3	39%
Total customer accounts (in million)	10.4	13.7	31%

1. Gross of securitisation.



Leadership in retail credit

(Rs. in billion)

Product	Industry volumes FY2005	ICICI Bank's volumes	ICICI Bank's market share
Mortgage	600.00	188.74	31%
Auto	290.00	115.11	39%
Commercial	240.00	67.41	28%
Personal/Consumer	105.00	34.44	33%
Two-wheeler	65.00	23.22	36%
Total	1,300.00	428.92	33%
Credit cards ²	13.1	3.3	25%

1. Industry/competitor data based on market estimates

2. Cards in force (million)



Corporate banking strategy

- Meeting full range of corporate client needs
 - From transaction banking to structured financing solutions
- Focus on fee-based revenue streams
 - Robust increase in transaction banking volumes
 - Growing market share in forex and derivatives
- Working closely with other business groups and group companies
- Focus on enhancing presence in debt markets
 - Leadership in securitisation and syndication



Milestones achieved in debt markets

Ranked #1 placement house by CREDENCE for debt private placement

Ranked #1 placement house by CREDENCE for issue and private placement of PTCs

Largest ever retail securitisation deals in Indian financial markets

Mortgage backed securitisation
(MBS) of Rs. 11.94 billion

Asset backed securitisation
(ABS) of Rs. 16.32 billion

Market share of 41% in securitisation deals in FY2005



New initiatives in rural financing

Reach

- Migration from branch led model to new structure, with branches as hubs & non-branch channels as spokes
- Over 2,000 internet kiosks as distributors of financial products

Micro finance

- Partnering with 45 MFI/NGOs across India
- Asset base of Rs. 4.30 bn
- A total client base of 1,000,000 households

Insurance

- Over 150,000 lives covered in health insurance
- Over 190,000 lives covered for loan care with an asset cover for Rs. 6.00 bn
- Weather insurance cover in four states – MP, Rajasthan, TN and AP



Growing international franchise...

Singapore

- Became the biggest Indian bank operation in Singapore within one year of launch

UK

- Turned profitable in first full year of operations

Bahrain

- Operations launched in October 2004

Canada

- Successful rollout of direct banking model

Remittance services

- 15% market share in inward remittances into India



...leveraging core strengths

Technology

- Achieving India level technology costs
- Technology project implementation

Knowledge Capital

- High end skills deployed from India
 - International Private Banking
 - Legal, Marketing, HR

Operations

- Call centre based in India
- Processing outsourced to India



Life insurance

Market leadership

- Market leadership in private sector with retail market share of 35% in Apr 2004-Feb 2005

Reach

- Presence in 74 locations
- 56,000 agents and 7 bancassurance partners
- About 1.4 million policies outstanding

Financial performance

- New Business Achieved Profit increased by 53% from Rs. 2.04 bn in FY2004 to Rs. 3.12 bn in FY2005



General insurance

Market leadership

- Market leadership in private sector with market share of 25% during FY2005

Reach

- Presence in 96 locations with 2,100 agents
- About 600,000 policies issued in FY2005

Product mix

- Increased focus on retail products
- 35% of gross written premium from retail
- Profitable, low-risk fire & engineering major proportion of corporate portfolio

Financial performance

- PAT of Rs. 483.5 mn in FY2005 compared to Rs. 317.7 mn in FY2004
- ROE at 20%



Investment banking

Corporate finance

- 118% y-o-y increase in revenues in FY2005
- Ranked #1 on number of equity issues
- Ranked #2 in Bloomberg M&A league tables

Equities

- 87% y-o-y increase in revenues in FY2005
- Named "Best Indian Brokerage" by Asiamoney

Financial performance

- PAT of Rs. 636.0 mn in FY2005 despite sharp decline in fixed income gains due to the prevailing interest rate environment



Private equity

Market leadership

- Largest private equity & venture fund player
- Funds under management Rs. 33.70 bn

India Advantage Funds

- India Advantage Funds I & II: Innovative deals and significant value creation
- India Advantage Funds III & IV: Real estate fund
 - First closing with US\$ 200 mn
- JV with Tishman Speyer Properties
- India Advantage Funds V & VI: Private equity
 - Target corpus of US\$ 1 bn

Financial performance

- PAT of Rs. 324.0 mn in FY2005 compared to Rs. 259.7 mn in FY2004
- ROE at 83%



Asset management

Market leadership

- Among the top two private sector mutual funds
- FUM of about Rs. 152.98 bn at March 31, 2005
- About 10.2% market share

Change in shareholding

- ICICI Bank in the process of increasing its shareholding to 51%

Financial performance

- Profit after tax of Rs. 171.7 mn
- ROE at 22%



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Highlights

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Profit & loss statement

(Rs. in billion)

	Q4-2004	Q4-2005	Q-on-Q growth	FY-2004	FY-2005	Y-on-Y growth
NII	5.47	7.90	44%	19.87	28.39	43%
Non-interest inc.	5.34	7.36	38%	17.51	27.04	54%
- Fee income	3.74	5.85	56%	11.75	20.98	79%
- Lease income	1.03	1.02	(1%)	4.22	3.98	(6%)
- Others	0.57	0.49	(14%)	1.54	2.08	35%
Core operating income	10.81	15.26	41%	37.38	55.43	48%
Operating exp.	5.29	7.21	36%	19.99	25.17	26%
Other DMA exp.	0.93	1.51	61%	2.93	4.85	65%
Lease depn.	0.68	0.73	7%	2.79	2.97	6%
Core operating profit	3.90	5.81	49%	11.66	22.45	93%



Profit & loss statement

(Rs. in billion)

	Q4-2004	Q4-2005	Q-on-Q growth	FY-2004	FY-2005	Y-on-Y growth
Core operating profit	3.90	5.81	49%	11.66	22.45	93%
Treasury income	2.12	2.96	40%	13.14	7.11	(46%)
Operating profit	6.02	8.77	46%	24.81	29.56	19%
Provisions / (write-back)	0.49	0.80	62%	5.79	4.29	(26%)
Profit before tax	5.53	7.97	44%	19.02	25.27	33%
Tax	0.98	1.82	86%	2.65	5.22	97%
Profit after tax	4.55	6.15	35%	16.37	20.05	22%



Balance sheet: Assets

(Rs. in billion)

	Mar 31, 2003	Mar 31, 2004	Mar 31, 2005	Y-on-Y growth
Cash balances with banks & SLR	320.72	383.89	474.12	24%
- Cash & bank balances	64.89	84.71	129.30	53%
- SLR investments	255.83	299.18	344.82	15%
Advances	539.40	626.48	914.05	46%
<i>Of which: Retail</i>	<i>191.32</i>	<i>334.24</i>	<i>561.33</i>	<i>68%</i>
Debentures & bonds	56.90	55.49	28.54	(49%)
Other investments	57.86	79.69	131.51	65%
Fixed & other assets	93.24	106.74	128.37	20%
Total assets	1,068.12	1,252.29	1,676.59	34%



Balance sheet: Liabilities

(Rs. in billion)

	Mar 31, 2003	Mar 31, 2004	Mar 31, 2005	Y-on-Y growth
Net worth	69.33	80.10	125.50	57%
- Equity capital	6.13	6.16	7.37	20%
- Reserves	63.20	73.94	118.13	60%
Preference	3.50	3.50	3.50	-
Deposits	481.69	681.09	998.19	47%
ICICI borrowings	372.50	283.52	193.48	(32%)
Other borrowings	68.02	114.93	224.05	95%
Other liabilities	73.08	89.15	131.87	48%
Total liabilities	1,068.12	1,252.29	1,676.59	34%



Key ratios

(Percent)

	FY2004	FY2005
Return on net worth ¹	21.8	17.9
EPS ¹ (Rs.)	26.7	27.6
Book value (Rs.)	127	169
NIM	1.9	2.4
Fee to income	25	35
Cost to income	42	42

1. Additional capital of Rs. 32.46 bn raised in FY2005



Consolidated profits

(Rs. in billion)

	FY2004	FY2005
ICICI Bank standalone profit	16.37	20.05
Add:		
- ICICI Securities	1.65	0.64
- ICICI Venture	0.26	0.32
- ICICI Prudential Life	(1.64)	(1.57)
- ICICI Lombard	0.24	0.36
Less:		
- Dividend and other adjustments	1.08	1.28
Consolidated profit	15.80	18.52



Asset quality and provisioning

(Rs. in billion)

	Mar 31, 2003	Mar 31, 2004	Mar 31, 2005
Gross NPAs	84.14	67.15	51.40
Less: Cumulative w/offes & provisions	52.63	46.78	31.57
Net NPAs	31.51	20.37	19.83
Net NPA ratio	4.9%	2.9%	2.0%

- Net restructured assets of Rs. 62.63 bn at March 31, 2005



Capital adequacy

	Mar 31, 2004		Mar 31, 2005 ¹	
	Rs. bn	%	Rs. bn	%
Total Capital	94.01	10.36	159.03	11.78
- Tier I	55.25	6.09	102.46	7.59
- Tier II	38.76	4.27	56.57	4.19
Risk weighted assets	907.34		1,350.17	

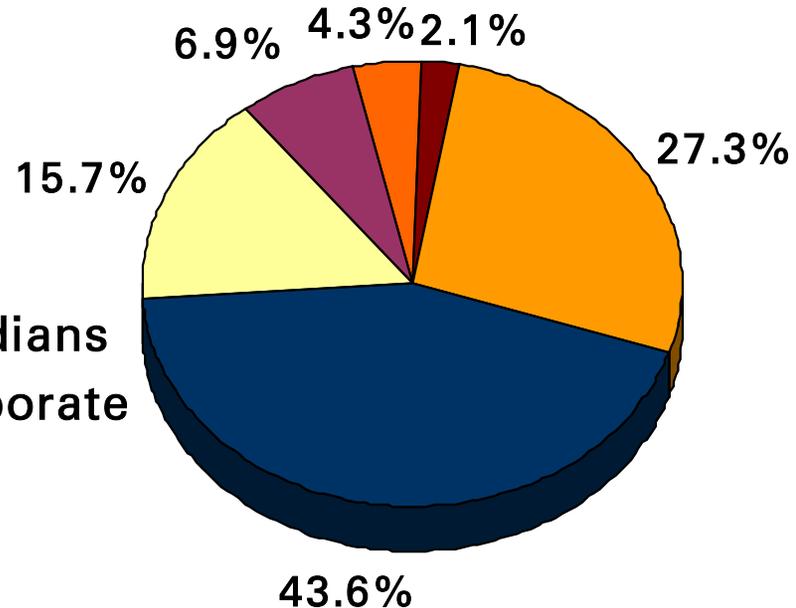
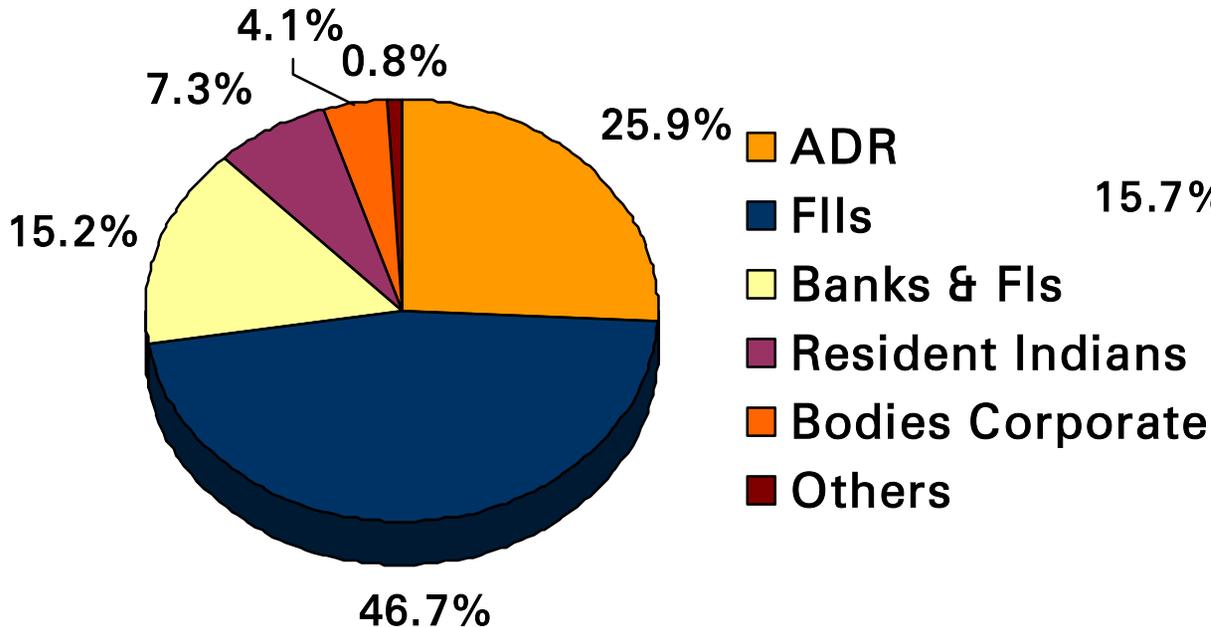
- Risk weightage increased on retail home loans to 75% and on other retail loans to 125%
 - Impact of 104 basis points on capital adequacy
- Includes capital for market risk on “Held for Trading” (HFT) book



Shareholding pattern

March 31, 2004

March 31, 2005



Paid-up capital Rs. 6.16 billion

Paid-up capital Rs. 7.37 billion



Thank you



Interest income

(Rs. in billion)

	FY- 2004	Q1- 2005	Q2- 2005	Q3- 2005	Q4- 2005	FY- 2005
Advances	60.74	15.86	15.72	17.10	18.85	67.53
Investments	25.40	5.02	5.46	5.89	5.92	22.29
Balances with RBI, banks and others	3.88	1.08	1.12	0.79	1.29	4.28
Total interest income	90.02	21.96	22.30	23.78	26.06	94.10



Interest expense

(Rs. in billion)

	FY-2004	Q1-2005	Q2-2005	Q3-2005	Q4-2005	FY-2005
Deposits	30.23	7.22	7.36	8.12	9.82	32.52
RBI / inter-bank borrowings	2.29	0.47	0.44	0.65	0.97	2.53
Bonds, ICICI borrowings & others	37.63	7.96	7.65	7.68	7.37	30.66
Total interest expense	70.15	15.65	15.45	16.45	18.16	65.71



Operating expenses

(Rs. in billion)

	FY-2004	Q1-2005	Q2-2005	Q3-2005	Q4-2005	FY-2005
Salary	5.46	1.67	1.80	1.85	2.06	7.38
Rent, taxes & lighting	1.49	0.43	0.46	0.47	0.49	1.85
Printing & stationery	0.87	0.19	0.21	0.21	0.27	0.88
Advertisement & publicity	0.69	0.15	0.22	0.34	0.46	1.17
Postage & courier	1.42	0.40	0.40	0.44	0.49	1.73
Repairs & maintenance	1.89	0.52	0.55	0.55	0.55	2.17
Insurance	0.34	0.15	0.15	0.15	0.15	0.60
Depreciation	2.62	0.69	0.71	0.75	0.78	2.93
Retail related expenditure	2.20	0.76	0.75	0.95	1.10	3.56
Others	3.01	0.68	0.62	0.73	0.86	2.90
Total operating expenses	19.99	5.64	5.87	6.44	7.21	25.17

