



Performance Review: Q1-2006

July 30, 2005

Highlights

Profitability

- 23% increase in profit after tax to Rs. 5.30 billion in Q1-2006 from Rs. 4.31 billion in Q1-2005
- 35% increase in net interest income to Rs. 8.51 billion in Q1-2006 from Rs. 6.31 billion in Q1-2005
- 57% increase in fee income to Rs. 6.58 billion in Q1-2006 from Rs. 4.18 billion in Q1-2005



Highlights

Balance sheet

- 70% year-on-year growth in retail portfolio, now constituting 63% of loans
- Deposit growth of 70% year-on-year compared to system deposit growth of 15%
- Reduction in net NPA ratio to 1.96% at June 30, 2005 from 2.73% at June 30, 2004



Key profitability indicators

	Q1-2005	Q1-2006	Y-on-Y growth	FY2005
PAT (Rs. bn)	4.31	5.30	23%	20.05
NII (Rs. bn)	6.31	8.51	35%	28.39
Fee income (Rs. bn)	4.18	6.58	57%	20.98
NIM (%)	2.3¹	2.4¹	-	2.4
RoE ² (%)	17.9¹	16.7¹	-	17.9
EPS ² (Rs.)	24.1¹	28.7¹	19%	27.6

1. Annualised

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



Profit & loss statement

(Rs. in billion)

	FY2005	Q1-2005	Q1-2006	Growth %
NII	28.39	6.31	8.51	35%
Non-interest income	27.05	5.65	9.07	61%
- Fee income	20.98	4.18	6.58	57%
- Others	6.07	1.47	2.49	69%
Core operating income	55.44	11.96	17.58	47%
Operating expenses	25.17	5.64	7.71	37%
Other DMA ¹ expense	4.85	0.84	1.36	61%
Lease depreciation	2.97	0.84	0.64	(24%)
Core operating profit	22.45	4.64	7.88	70%

1. Direct marketing agents/ associates



Profit & loss statement

(Rs. in billion)

	FY2005	Q1-2005	Q1-2006	Growth %
Core operating profit	22.45	4.64	7.88	70%
Treasury income	7.11	0.93	1.83	97%
Operating profit	29.56	5.57	9.71	74%
Provisions / (write-back)	4.29	0.46	2.98 ¹	548%
Profit before tax	25.27	5.11	6.73	32%
Tax	5.22	0.79	1.43	80%
Profit after tax	20.05	4.31	5.30	23%

1. Includes Rs. 1.55 bn on account of amortisation of premium on government securities.



Balance sheet: Assets

(Rs. in billion)

	June 30, 2004	June 30, 2005	Growth %	Mar 31, 2005
Cash, bank balances & SLR	356.41	575.63	62%	474.12
- Cash & bank balances	79.17	130.37	65%	129.30
- SLR investments	277.24	445.26	61%	344.82
Advances	658.25	979.09	49%	914.05
<i>Of which: Retail</i>	<i>365.83</i>	<i>620.63</i>	<i>70%</i>	<i>561.34</i>
Debentures & bonds	41.24	29.44	(29%)	28.54
Other investments	94.66	102.39	8%	131.52
Fixed & other assets	110.82	125.72	13%	128.37
Total assets	1,261.38	1,812.27	44%	1,676.59



Balance sheet: Liabilities

(Rs. in billion)

	June 30, 2004	June 30, 2005	Growth %	Mar 31, 2005
Net worth	115.79	131.08	13%	125.50
- Equity capital	7.31	7.39	1%	7.37
- Reserves	108.48	123.69	14%	118.13
Preference capital	3.50	3.50	-	3.50
Deposits	667.80	1,137.78	70%	998.19
eICICI borrowings	265.80	177.49	(33%)	193.48
Other borrowings	114.42	245.85	115%	224.05
Other liabilities	94.07	116.57	24%	131.87
Total liabilities	1,261.38	1,812.27	44%	1,676.59



Key ratios

(Percent)

	FY2005	Q1-2005	Q1-2006
Return on net worth	17.9	17.9 ¹	16.7 ¹
EPS (Rs.)	27.6	24.1 ¹	28.7 ¹
NIM	2.4	2.3 ¹	2.4 ¹
Cost to income	42.2	46.8	41.1
Cost to average assets	1.8	1.8 ¹	1.8 ¹
Fee to income	35.2	34.7	35.1

1. Annualised



Asset quality and provisioning

(Rs. in billion)

	Mar 31, 2004	Mar 31, 2005	Jun 30, 2005
Gross NPAs	67.15	51.40	52.41
Less: Cumulative w/offers & provisions	46.78	31.57	32.11
Net NPAs	20.37	19.83	20.30
Net NPA ratio	2.87%	2.03%	1.96%

- Retail net NPA ratio at June 30, 2005 was 0.54%
- Net restructured assets of Rs. 62.09 bn at June 30, 2005



Capital adequacy

	Mar 31, 2005		June 30, 2005	
	Rs. bn	%	Rs. bn	%
Total Capital	159.03	11.78	167.44	12.04
- Tier I	102.46	7.59	105.27	7.57
- Tier II	56.57	4.19	62.17	4.47
Risk weighted assets	1,350.17		1,391.20	

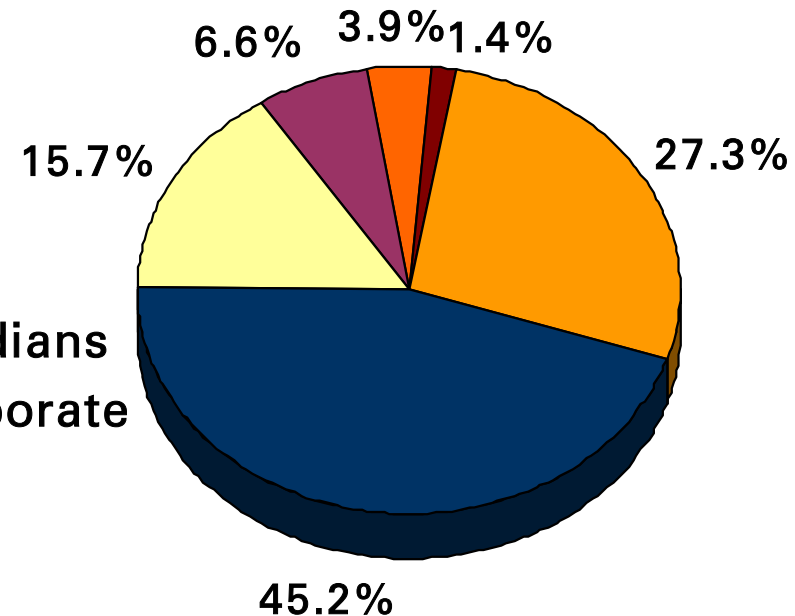
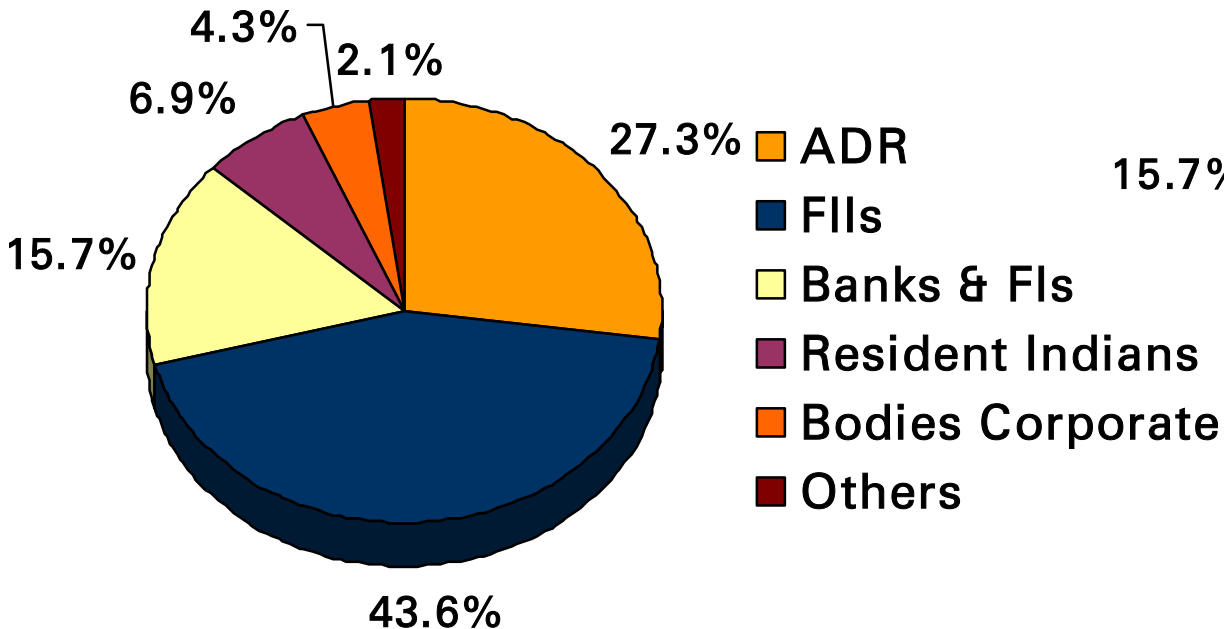
- Risk weightage on retail mortgage loans at 75% and on other consumer loans, commercial real estate and capital market exposure at 125%
 - Capital adequacy ratio would have been 13.35% at the earlier risk weightage of 50% for retail home loans and 100% for other consumer loans, commercial real estate and capital market exposure
- Includes capital for market risk on “Held for Trading” (HFT) portfolio
- Investment Fluctuation Reserve (IFR) of Rs. 7.30 bn in Tier-2 capital



Shareholding pattern

March 31, 2005

June 30, 2005



Paid-up capital Rs. 7.37 billion

Paid-up capital Rs. 7.39 billion



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

