

News Release**July 21, 2007****Performance Review – Quarter ended June 30, 2007: 25% year-on-year growth in profit after tax**

The Board of Directors of ICICI Bank Limited (NYSE: IBN) at its meeting held at Vadodara today, approved the audited accounts of the Bank for the quarter ended June 30, 2007 (Q1-2008).

Highlights

- Operating profit increased 58% to Rs. 1,524 crore (US\$ 374 million) in Q1-2008 from Rs. 965 crore (US\$ 237 million) in Q1-2007.
- Profit after tax increased 25% to Rs. 775 crore (US\$ 190 million) in Q1-2008 from Rs. 620 crore (US\$ 152 million) in Q1-2007.
- Fee income increased 35% to Rs. 1,428 crore (US\$ 351 million) during Q1-2008 from Rs. 1,055 crore (US\$ 259 million) in Q1-2007.
- Net interest income increased 16% to Rs. 1,714 crore (US\$ 421 million) from Rs. 1,475 crore (US\$ 362 million) in Q1-2007.
- Profit before tax increased 30% to Rs. 972 crore (US\$ 239 million) in Q1-2008 from Rs. 749 crore (US\$ 184 million) in Q1-2007.
- Total advances increased 35% to Rs. 198,277 crore (US\$ 48.7 billion) at June 30, 2007 from Rs. 147,184 crore (US\$ 36.2 billion) at June 30, 2006.
- Deposits increased 26% to Rs. 230,788 crore (US\$ 56.7 billion) at June 30, 2007 from Rs. 183,006 crore (US\$ 45.0 billion) at June 30, 2006.

Capital raising

The Bank successfully undertook a capital raising exercise of about Rs. 20,000 crore (US\$ 4.9 billion)¹ through a simultaneous public issue in India and issue of American Depositary Shares (ADS) in the United States. This was the largest capital raising exercise by an Indian company. The domestic offering was subscribed 11.5 times.

¹ Assuming exercise of the green shoe option in the public issue in India. The green shoe option in the American Depositary Share Offering has been exercised.

Operating review

Credit growth

The Bank's total advances increased 35% to Rs. 198,277 crore (US\$ 48.7 billion) at June 30, 2007 from Rs. 147,184 crore (US\$ 36.2 billion) at June 30, 2006. The Bank's retail advances increased by 29% to Rs. 127,416 crore (US\$ 31.3 billion) at June 30, 2007 from Rs. 98,684 crore (US\$ 24.2 billion) at June 30, 2006 after sell-down of about Rs. 3,850 crore (US\$ 946 million) of retail loans during Q1-2008. Retail advances constituted 64% of advances at June 30, 2007. The proportion of advances of the Bank's international branches in total advances increased from 9.1% at June 30, 2006 to 16.4% at June 30, 2007. The Bank is focusing on fee based products and services, as well as utilising opportunities presented by the domestic and international expansion of Indian companies. The Bank's rural portfolio increased by 24% to about Rs. 14,136 crore (US\$ 3.5 billion) at June 30, 2007 from Rs. 11,368 crore (US\$ 2.8 bn) at June 30, 2006. The Bank is also extending its reach in the small and medium enterprises segment.

Deposit growth

The Bank's total deposits increased 26% to Rs. 230,788 crore (US\$ 56.7 billion) at June 30, 2007 from Rs. 183,006 crore (US\$ 45.0 billion) at June 30, 2006. During this period, savings deposits increased by 33% to Rs. 32,121 crore (US\$ 7.9 billion) from Rs. 24,217 crore (US\$ 5.9 billion). The Bank added 198 ATMs during the quarter, taking the number of ATMs to 3,469. The Bank had 950 branches (including 48 extension counters) at June 30, 2007.

International operations

The Bank has wholly-owned subsidiaries, branches and representative offices in 17 countries, and an offshore banking unit in Mumbai. The total assets of the Bank's international branches increased to about Rs. 53,550 crore (US\$ 13.2 billion) at June 30, 2007 from about Rs. 32,000 crore (US\$ 7.9 billion) at June 30, 2006. The total assets of the Bank's international banking subsidiaries increased to about Rs. 36,100 crore (US\$ 8.9 billion) at June 30, 2007 from about Rs. 16,500 crore (US\$ 4.1 billion) at June 30, 2006. The Bank's remittance business volumes were about Rs. 8,500 crore (US\$ 2.1 billion) during Q1-2008. ICICI Bank UK's profit after tax for Q1-2008 was US\$ 18.7 million. At June 30, 2007 the Bank's international operations accounted for about 20% of its consolidated banking assets.

Capital adequacy

The Bank's capital adequacy at June 30, 2007 was 11.0%², including Tier-1 capital adequacy of 7.1%. The impact of the equity capital raised in June 2007 will be reflected from the next quarter onwards.

Asset quality

At June 30, 2007, the Bank's net non-performing assets constituted 1.3% of net customer assets.

Insurance and asset management subsidiaries

ICICI Prudential Life Insurance Company (ICICI Life) continued to maintain its market leadership among private sector life insurance companies with a market share of 25% on the basis of weighted received new business premium in April-May 2007. Life insurance companies worldwide make losses in the initial years, in view of business gestation and customer acquisition costs as well as reserving for actuarial liability. While the growing operations of ICICI Life resulted in an accounting loss of Rs. 242 crore (US\$ 59 million) in Q1-2008 on account of the above reasons, the company's unaudited New Business Achieved Profit (NBAP) in Q1-2008 was Rs. 165 crore (US\$ 41 million). NBAP is a metric for the economic value of the new business written during a defined period. It is measured as the present value of all the future profits for the shareholders, on account of the new business based on standard assumptions of mortality, expenses and other parameters. Actual experience could differ based on variance from these assumptions especially in respect of expense overruns in the initial years.

ICICI Lombard General Insurance Company (ICICI General) maintained its leadership position with a market share of about 32% among private sector general insurance companies and an overall market share of about 12% during April-May 2007. ICICI General's profit after tax was Rs. 45 crore (US\$ 11 million) in Q1-2008.

At June 30, 2007, ICICI Prudential Asset Management Company (ICICI AMC) was among the top two-asset management companies in India with assets under management of about Rs. 43,650 crore (US\$ 10.7 billion). ICICI AMC's profit after tax was Rs. 28 crore (US\$ 7 million) in Q1-2008.

² USD 750 million of foreign currency bonds raised for Upper Tier II capital have been excluded from the above capital adequacy ratio (CAR) computation, pending clarification required by Reserve Bank of India regarding certain terms of these bonds. If these bonds were considered as Tier II capital, the CAR would be 12.1%.

Summary Profit and Loss Statement
Rs. crore

	Q1-2007	Q1-2008	Growth over Q1-2007	FY2007
Net interest income	1,475	1,714	16%	6,636
Non-interest income (excluding treasury)	1,260	1,755	39%	5,914
- Fee income ¹	1,055	1,428	35%	5,012
- Lease & other income (includes dividend from subsidiaries)	205	327	60%	902
Less:				
Operating expense	1,080	1,479	37%	4,979
Expenses on direct marketing agents (DMAs)	391	383	-2%	1,524
Lease depreciation	50	43	-14%	188
Core operating profit	1,214	1,564	29%	5,859
Treasury gains	18	195	-	1,014
Less: Premium amortisation on SLR securities	267	235	-12%	999
Operating profit	965	1,524	58%	5,874
Provisions	216	552 ²	156%	2,226 ³
Profit before tax	749	972	30%	3,648
Less: Tax	129	197	53%	538
Profit after tax	620	775	25%	3,110

1. Includes income from treasury products and services.

2. Includes impact of higher proportion of non-collateralised loans in the retail portfolio and seasoning of the retail portfolio.

3. Includes impact of about Rs. 555 crore (US\$ 136 million) due to increase in general provisioning requirement stipulated by RBI during the year.

4. Prior period figures have been regrouped/re-arranged where necessary.

Summary Balance Sheet
Rs. crore

	June 30, 2006	June 30, 2007¹	Growth over Q1-2007	FY2007
Assets				
Cash balances with banks & SLR	81,076	106,069	31%	104,489
- Cash & bank balances	20,563	29,649	44%	37,121
- SLR investments	60,513	76,420	26%	67,368
Advances	147,184	198,277	35%	195,866
Other investments	20,827	33,081	59%	23,890
Fixed & other assets	17,178	19,505	14%	20,413
Total assets	266,265	356,932	34%	344,658
Liabilities				
Networth	22,770	24,686	8%	24,313
- Equity capital	892	903	1%	899
- Reserves	21,878	23,783	9%	23,414
Preference capital	350	350	-	350
Deposits	183,006	230,788	26%	230,510
Borrowings - domestic	33,426	36,256	9%	38,517
Borrowings - overseas branches	13,417	34,025	154%	32,144
Other liabilities	13,296	30,827	132%	18,824
Total liabilities	266,265	356,932	34%	344,658

1. Sangli Bank has merged with ICICI Bank effective April 19, 2007 as per the order of Reserve Bank of India (RBI) dated April 18, 2007. Pursuant to the merger of Sangli Bank with ICICI Bank Limited, the shareholders of Sangli Bank were allotted 3,455,008 equity shares of Rs. 10.00 each on May 28, 2007. The merger has been accounted for as per the purchase method of accounting in accordance with the scheme of amalgamation.

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 impact of any acquisitions, 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-



ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex
Mumbai 400 051

looking statements to reflect events or circumstances after the date thereof.

For further press queries please call Charudatta Deshpande at 91-22-2653 8208 or e-mail: charudatta.deshpande@icicibank.com.

For investor queries please call Rakesh Jha at 91-22-2653 6157 or Rupesh Kumar at 91-22-2653 7126 or email at ir@icicibank.com.

1 crore = 10.0 million US\$ amounts represent convenience translations at US\$1= Rs. 40.71