

JBIC and ICICI Bank sign loan agreement

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To promote the Clean Development Mechanism (CDM) in India

- To help achieve Japan's GHG Emissions Reduction Target under the Kyoto Protocol
- To contribute toward prevention of global warming

Japan Bank for International Cooperation (JBIC; Governor: Kyosuke Shinozawa) and ICICI Bank, Ltd. (ICICI Bank; Managing Director and CEO: K Vaman Kamath) signed today an untied loan agreement totalling the yen equivalent of US\$200 million.

The loan is co-financed by private financial institutions (viz. Sumitomo Mitsui Banking Corporation (agent bank), The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mizuho Corporate Bank, Ltd., the Hong Kong and Shanghai Banking Corporation Limited Tokyo Branch, and Société Générale Tokyo Branch), with JBIC providing a guarantee for their co-financing portions.

This loan is aimed at providing finance, through ICICI Bank, to prospective CDM projects in which Japanese companies show an interest with regard to purchasing emissions reduction credits and obtain a preferred negotiation status for the emissions reduction credits. It is expected that this will amplify the opportunities for Japanese companies to purchase emissions reduction credits and will thereby help Japan achieve its Green House Gas (GHG) Emissions Reduction Target under the Kyoto Protocol. This would also lead to restraining GHG emissions in a rapidly growing India, which would contribute toward the prevention of global warming. JBIC and ICICI Bank signed a Memorandum of Understanding for cooperation on CDM in May 2006, which brought about close coordination and discussion between the two banks and culminated in the signing of this loan agreement today.

To achieve Japan's GHG Emissions Reduction Target under the Kyoto Protocol (6% reduction from the 1990 level), it is crucial for Japan to utilize the Kyoto Mechanisms, including the CDM, in addition to making domestic efforts to reduce emissions with various measures. The "Plan to Achieve the Target under the Kyoto Protocol" adopted in the Cabinet decision on April 28, 2005 and revised on July 11, 2006 noted the importance of acquiring emissions reduction credits through the Kyoto Mechanisms and effectively making use of official financing (such as JBIC's International Financial Operations). Meanwhile in India, where the population exceeds 1.1 billion and rapid economic growth continues at the rate of 7 to 9%, sustaining development whilst caring for the environment is becoming an important policy agenda. As the government of India ratified the Kyoto Protocol in August 2002 and established the process of CDM at an early stage, India became the biggest country in terms of number of CDM projects approved by the UN CDM Executive Board, i.e. 267 projects out of total 757 (as of August 8, 2007). With this background, the loan agreement was signed for the promotion of CDM in India so as to help achieve Japan's GHG Emissions Reduction Target under the Kyoto Protocol, and to contribute toward prevention of global warming.

1) The Clean Development Mechanism (CDM) is one of the components of the Kyoto Mechanisms. It allows industrialized countries to undertake joint projects with developing countries and use the amount of emissions reduction credits (called Certified Emission Reductions (CERs)) generated from such projects to meet their own emissions reduction target.

2) The Kyoto Mechanisms are economic arrangements set out in the Kyoto Protocol to enable industrialized countries and countries with economies in transition (EITs) to achieve their greenhouse gas (GHG) Emissions Reduction Targets. The Mechanisms consist of the Clean Development Mechanism (CDM), Joint Implementation (JI) and Emissions Trading.

About JBIC: Japan Bank for International Cooperation (JBIC) is the Japanese government's financial institution that promotes Japan's foreign economic policy through various financing facilities. JBIC was established by the JBIC Law in 1999, succeeding the functions of the then Export-Import Bank of Japan (JEXIM) and Overseas Economic Cooperation Fund of Japan (OECF). JBIC has a statutory mandate to undertake lending and other operations for the promotion of Japanese exports, imports and economic activities overseas; for the stability of the international financial order; and for economic and

social development as well as economic stability in developing economies, thereby contributing to the sound development of the Japanese economy as well as the international economy. Its headquarters are located in Tokyo with a branch in Osaka and 27 representative offices across the globe including New Delhi, India.

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About ICICI Bank: ICICI Bank (NYSE:IBN) is India's second largest bank and its largest private sector bank with over 50 years presence in financial services and with assets of over US\$88 billion as of June 30, 2007. The Bank offers a wide range of banking products and financial services to corporate and retail customers through a variety of delivery channels and through its specialized subsidiaries in the areas of investment banking, life and non-life insurance, private equity and asset management. ICICI Bank is a leading player in the retail banking market and services its large customer base through a network of over 950 branches and extension counters, 3,516 ATMs, call centers and Internet banking (www.icicibank.com) to ensure that customers have access to its services at all times.

ICICI Bank set up the International Banking Group (IBG) in the year 2002 to implement a focused strategy for its international banking business. Within a short span of five years ICICI Bank's international presence has come to span 18 countries and includes: wholly owned subsidiaries in the United Kingdom, Canada and Russia; offshore banking units in Singapore and Bahrain; an advisory branch in Dubai; branches in Sri Lanka, Hong Kong, Belgium and Qatar; and representative offices in the United States, China, United Arab Emirates, Bangladesh, South Africa, Indonesia, Thailand and Malaysia.

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