
Press Release **10 March, 2009**
For Immediate Release in United Kingdom only

Where is the interest in Savings?

56% of Britons are still visiting the high street to manage their savings despite the fact direct online brands offer consistently high rates in the best buy tables and what's more, a third of Britons (33%) keep their life savings in a basic current account according to new research from HiSAVE, the online savings brand from ICICI Bank.

The research revealed one in six Britons (17%) are aware that they are earning 0% interest on their main savings account and 53% don't even know what rate they get for their main financial savings account.

At a time when the Bank of England base rate has fallen yet again, the findings have shown that not only the savers is the dark on where to put their money, they are also openly leaving their life savings to make zero income.

- **Rock bottom rates**

Of those who said they knew the rate they were getting in their savings account, one in six -17%, confessed it was at 0.1% and one in two (48%) are getting an interest rate of 2% or less.

- **Where are people actually keeping their savings?**

People said they were actually keeping their savings in the following places:

Bank current account/ deposit account	33%
An instant access savings account with my local high street	23%
A standard instant access internet/savings account	15%
A fixed term bond	5%
In premium bonds	4%
In a safe at home	2%
Other	18%

- **Age Differences: Those in the know**

It is the older generation, 55 years and older, who are most likely to know the rate they get for their money – 56% compared to 46% of those aged 45-54. Those aged 18-24 are the most guilty of storing their finances in a current account – unlikely to be making any money – 41% compared to 27% of those over 55.

The HiSAVE team commissioned nationwide research to find out where Britons currently have most of their savings and what rate they are actually getting for their money. This is part of a wider piece of research which looks into the saving, spending, investment and borrowing habits of the population to give a rounded picture on the current state of family finances.

Deepak S.Varghese, Head of Retail Banking and HiSAVE at ICICI Bank UK Plc commented:

“It is good to see that so many Britons seem to have money aside for a rainy day and certainly in this current climate, we should all have something to fall back on during financial uncertainties.

However, it is of some concern to see that many are not keeping their savings in a place where they can make their money go further, but are instead putting their money into low interest accounts. Despite the recent base rate cuts, HiSAVE 2 year fixed rate account continues to pay 4.10% AER.

People can easily take advantage of our HiSAVE fixed rate accounts, operated on the same efficient technology platform which serves 25 million customers worldwide, giving UK savers simple savings accounts that offer consistently high returns. Being FSA regulated and FSCS protected, we continue to offer safety and security.”

For more information or to arrange interviews, contact:

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Notes to editors

1. *The HiSAVE research was conducted by YouGov at the end of January 2009 among a weighted, GB representative sample of 2,160 adults. The research on disposable income asked the sample about intentions for the month ahead (February).*
2. *Photography and further HiSAVE product information is available on request*
3. *This is the first of a series of research reports to be published by the UK HiSAVE team this month. To be added to the priority email list for forthcoming releases, email your contact details to: HiSavePress@fd.com*
4. *About HiSAVE and ICICI Bank UK Plc (website www.icicibank.co.uk):*

HiSAVE is ICICI Bank UK Plc's range of high interest online savings accounts. Over 125,000 UK savers trust HiSAVE to look after their hard-earned savings. The HiSAVE savings range consists of:

- *The HiSAVE Savings Account: an easy access savings account with one consistently high interest rate for everyone plus a unique guarantee that the AER will beat the Base Rate by at least 0.30% until at least December 2011. The minimum balance is just £1 and there are no penalties or notice periods for withdrawals. The current interest rate is 2.95% AER.*
- *The HiSAVE Fixed Rate Account: a range of fixed rate savings accounts that enable customers to avoid interest rate fluctuations by saving a lump sum for a fixed term (of either 6, 12, 24 or 36 months) in return for a fixed interest rate (the current interest rates are 2.75%AER, 3.90%AER, 4.10 %AER and 3.50% AER respectively). The minimum balance is just £1000.*

ICICI Bank UK Plc is a UK bank offering retail, corporate and investment banking services in the UK and Europe. It is:

- *Authorised and regulated by the Financial Services Authority*
 - *A member of the UK Financial Services Compensation Scheme.*
 - *A subscriber to the Banking Code – a voluntary code that sets the standards for good banking practice*
- And:*
- *Has been operating in the UK since 2003 and for the financial year ending 31 March 2008 we had assets in excess of \$8.8 billion and made a gross profit of \$56.7 million.*
 - *Has a strong capital adequacy ratio: 18.80% (as at 31 December 2008). A bank's capital adequacy ratio is a measure of a bank's capital relative to its risk. Banks have specific capital adequacy requirements to ensure they can absorb a reasonable amount of loss and are complying with their statutory capital requirements. The UK government has recently recapitalised a number of UK banks to help get their capital adequacy ratio up to a healthier ratio – around 12%. ICICI Bank UK Plc's capital adequacy is considerably higher than this 12% benchmark.*
 - *Has a credit rating of Baa2 from Moody's whose last review (October 2008) stated ICICI Bank UK Plc has "... no high risk sub-prime securities and enjoys robust asset quality and liquidity."*
 - *Is part of a global banking group that looks after 25 million customers worldwide.*

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