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PRESS RELEASE

BANK OF INDIA

ISSUES BENCHMARK USD750m REG. S DUAL TRANCHE BOND

Mumbai, 10 February 2011

Shri Alok Misra, Chairman & Managing Director, Bank of India announced issuance of Reg.S international dual tranche bond aggregating USD 750 million on 9 February 2011. The offering was split between a tap of the existing bonds maturing in 2015 (USD250 million) and a fresh 10-year tranche (USD500 million) maturing in 2021.

The issuance represents the first international USD benchmark bond from an Indian bank in 2011. Bank of India is also the first ever Indian public sector bank to tap the 10-year segment of the curve.

The issue was oversubscribed almost four times, underscoring robust investor appetite for Bank of India's long term bonds. The offering received orders from more than 280 investors across fund managers, private banks, banks and insurance companies in Asia and Europe.

Bank of India team led by the CMD had visited key investors in Singapore, Hong Kong and London prior to the transaction. Response from the investors was highly positive which led to a strong momentum in the order book. The execution was swift, with pricing achieved at the tight end of the range. The tap on the existing bonds was priced at 235 basis points over 5 year US Treasury. The 10-year tranche was priced at 260 basis points over 10 year US Treasury.

Shri Alok Misra commented, "This has been a global benchmark offering and we are delighted with the outcome in terms of pricing, orderbook size, composition and quality of investors, especially given that it was our maiden 10-year offering. This reflects investors' confidence in the Bank in longer term. The issuance will enable us in providing liquidity for our existing bonds and also to fund long term assets."

Barclays Capital, Deutsche Bank, HSBC, The Royal Bank of Scotland plc, and Standard Chartered Bank acted as joint bookrunners and lead managers.