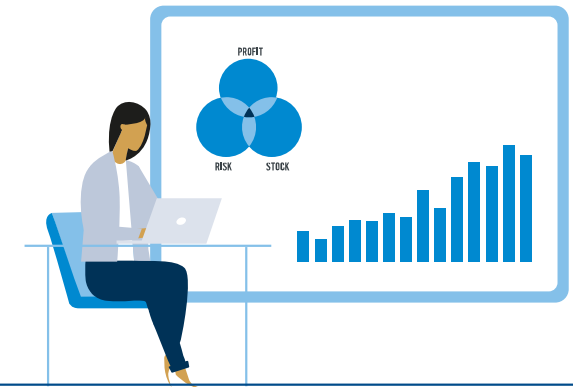


# Q3FY24 Earnings Presentation



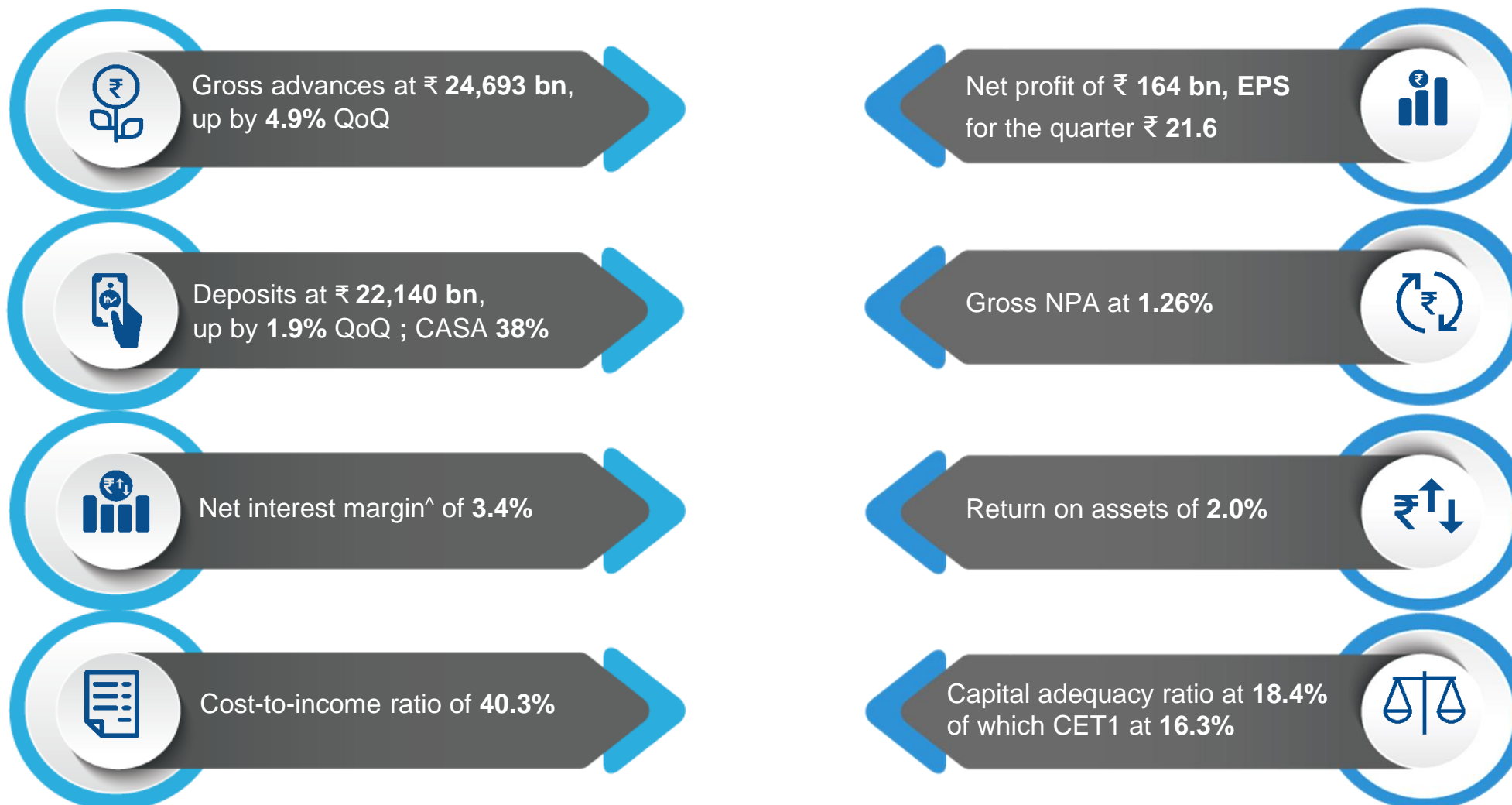
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January 16, 2024

# Key performance metrics for Q3 FY24

- Advances growth ₹ 1.1 tr in the quarter (↑4.9%)
- Deposits increased ₹ 0.4 tr in the quarter (↑1.9%)
  - ✓ Retail deposits grew ₹ 0.5 tr in the quarter (↑2.9%)
- Asset quality continues to remain stable
- RoA of 2.0% and RoE of 15.8% in the current quarter
- Consolidated EPS of ₹ 22.7 for the quarter and BVPS of ₹ 576.0
- Capital adequacy ratio at 18.4%; positioned for continued growth

# Key financial parameters for Q3 FY24



# Consolidated income statement

P&L (₹ bn)	Q3 FY23	Q2 FY24	Q3 FY24	QoQ	YoY
Net revenue	336.2	663.2	717.7	8.2%	113.5%
Operating expenses	134.4	420.4	459.3	9.3%	241.8%
Provisions*	32.4	33.1	46.0	39.0%	41.9%
Profit before tax	169.4	209.7	212.4	1.3%	25.4%
Consolidated profit	127.0	168.1	172.6	2.7%	35.9%
Consolidated EPS (₹)	22.8	22.2	22.7		
Consolidated BVPS (₹)	495.3	552.5	576.0		

# Income statement

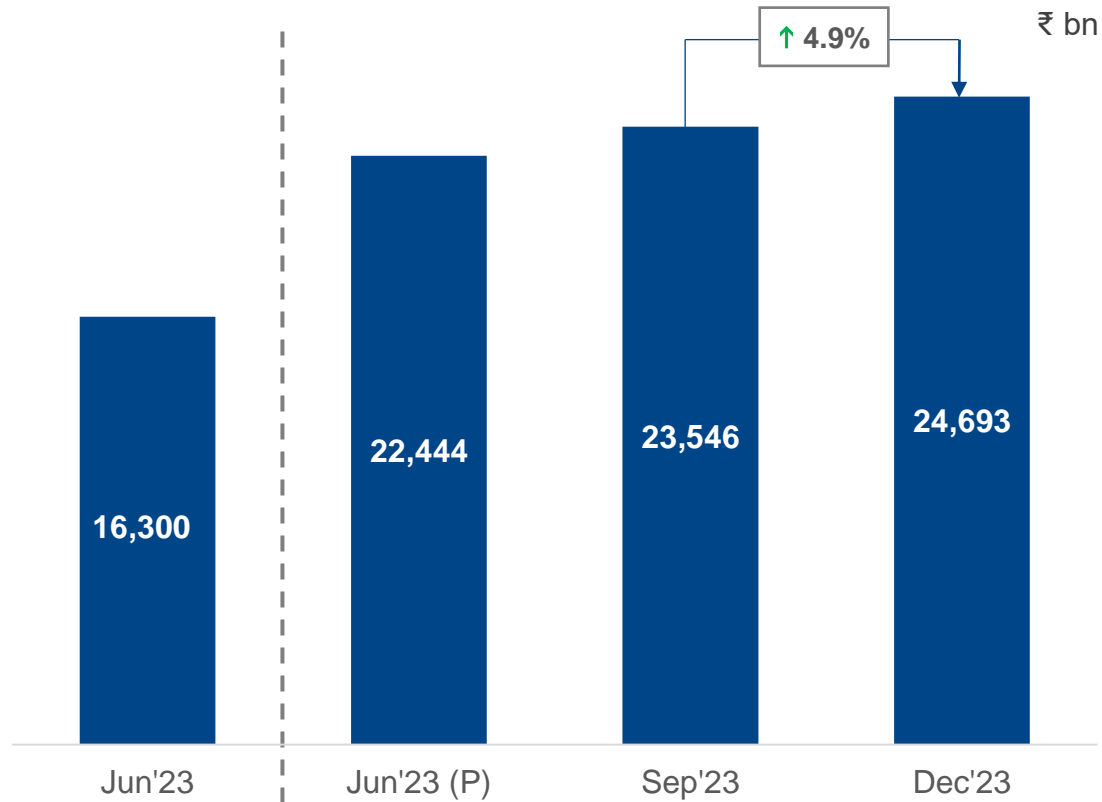
P&L (₹ bn)	Q3 FY23	Q2 FY24	Q3 FY24	QoQ	YoY
Net interest income	229.9	273.8	284.7	4.0%	23.9%
Non-interest income	85.0	107.1	111.4	4.0%	31.0%
<b>Net revenue</b>	<b>314.9</b>	<b>380.9</b>	<b>396.1</b>	<b>4.0%</b>	<b>25.8%</b>
Operating expenses	124.6	154.0	159.6	3.6%	28.1%
Provisions*	28.1	29.0	42.2	45.2%	50.2%
<b>Profit before tax</b>	<b>162.2</b>	<b>197.9</b>	<b>194.3</b>	<b>(1.8%)</b>	<b>19.8%</b>
<b>Profit after tax</b>	<b>122.6</b>	<b>159.8</b>	<b>163.7</b>	<b>2.5%</b>	<b>33.5%</b>
<b>EPS (₹)</b>	<b>22.0</b>	<b>21.1</b>	<b>21.6</b>		
<b>BVPS (₹)</b>	<b>479.8</b>	<b>534.2</b>	<b>556.2</b>		

# Abridged balance sheet

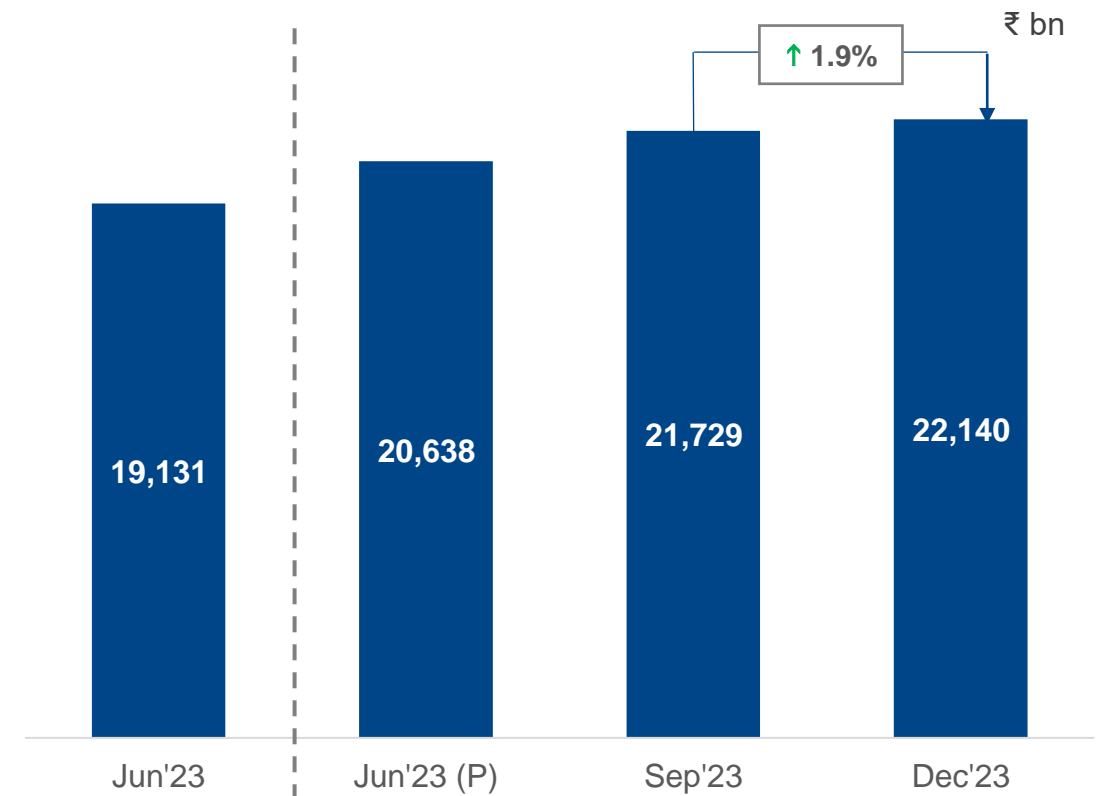
Balance sheet (₹ bn)	Q3FY23	Q2FY24	Q3FY24	QoQ
Loans and advances	15,068	23,312	24,461	1,149
Investments	5,273	7,234	6,749	(485)
<i>Government and debt securities</i>	5,222	7,040	6,556	(484)
<i>Equity and other securities</i>	51	194	193	(1)
Cash & equivalent	1,192	1,871	1,775	(96)
Fixed and other assets	1,420	1,746	1,941	195
<b>Total assets</b>	<b>22,953</b>	<b>34,163</b>	<b>34,926</b>	<b>763</b>
Deposits	17,332	21,729	22,140	411
Borrowings	2,108	7,168	7,377	209
Equity & reserves	2,676	4,050	4,223	173
Other liabilities	837	1,216	1,186	(30)
<b>Total liabilities</b>	<b>22,953</b>	<b>34,163</b>	<b>34,926</b>	<b>763</b>

# Growth in advances and deposits

## Gross advances



## Deposits



\*(P) indicates balances on merged basis

# Sustained growth across segments

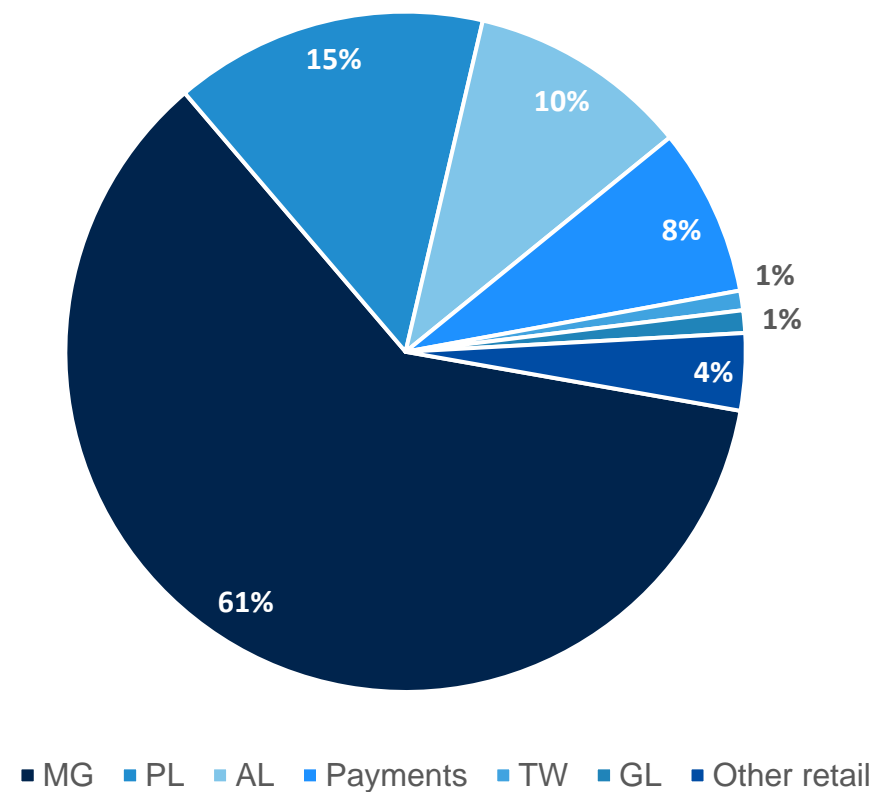
## Growth across all segments

Loans (₹ bn)	Sep'23	Dec'23	QoQ
Retail	11,803	12,189	3.3%
<i>Retail Mortgages</i>	7,171	7,432	3.6%
<i>Retail Non-Mortgages</i>	4,632	4,756	2.7%
CRB	7,244	7,731	6.7%
Other Wholesale	4,281	4,363	1.9%
<b>Subtotal</b>	<b>23,328</b>	<b>24,282</b>	<b>4.1%</b>
eHDFCL Non-Individual	1,028	989	(3.8%)
<b>Advances gross of IBPC</b>	<b>24,356</b>	<b>25,270</b>	<b>3.8%</b>
IBPC/BRDS	(809)	(578)	(28.7%)
<b>Gross Advances</b>	<b>23,546</b>	<b>24,693</b>	<b>4.9%</b>
<i>Retail : Wholesale mix*</i>	<i>55% : 45%</i>	<i>54% : 46%</i>	

\*As per Basel classification

## Composition of retail loan book

Dec'23



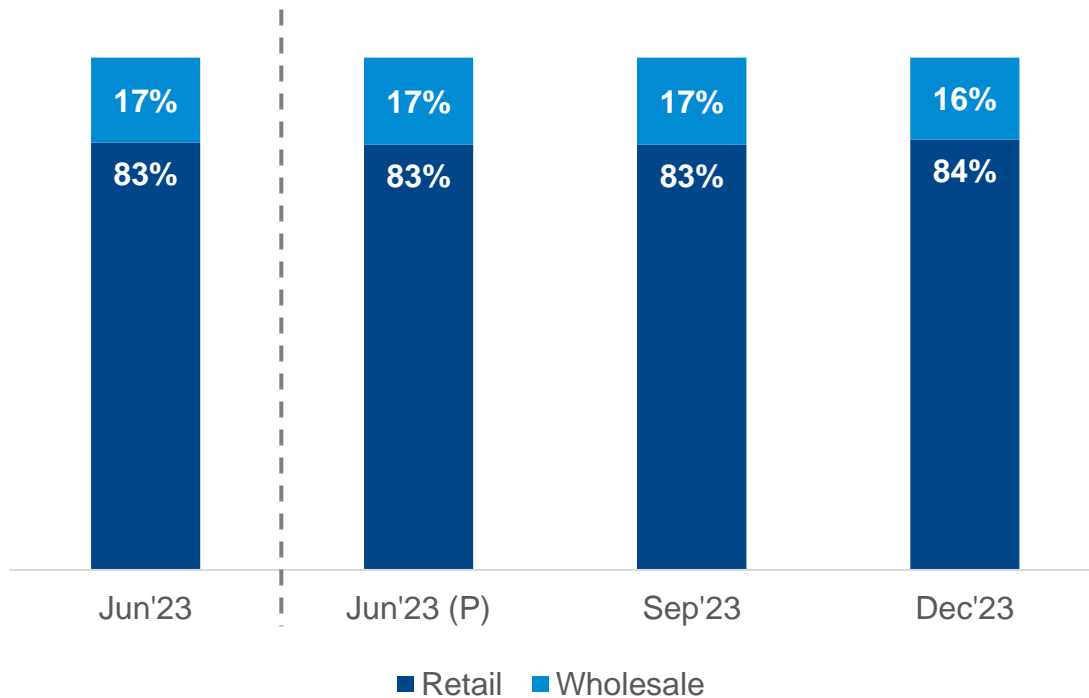
MG – Mortgages; PL – Personal loans; AL – Auto loans; Payments – Cards & Consumer Durable loans; TW – Two wheeler loans; GL – Gold loan

HDFC Limited merged with HDFC Bank effective July 1, 2023. Prior period numbers are not comparable.



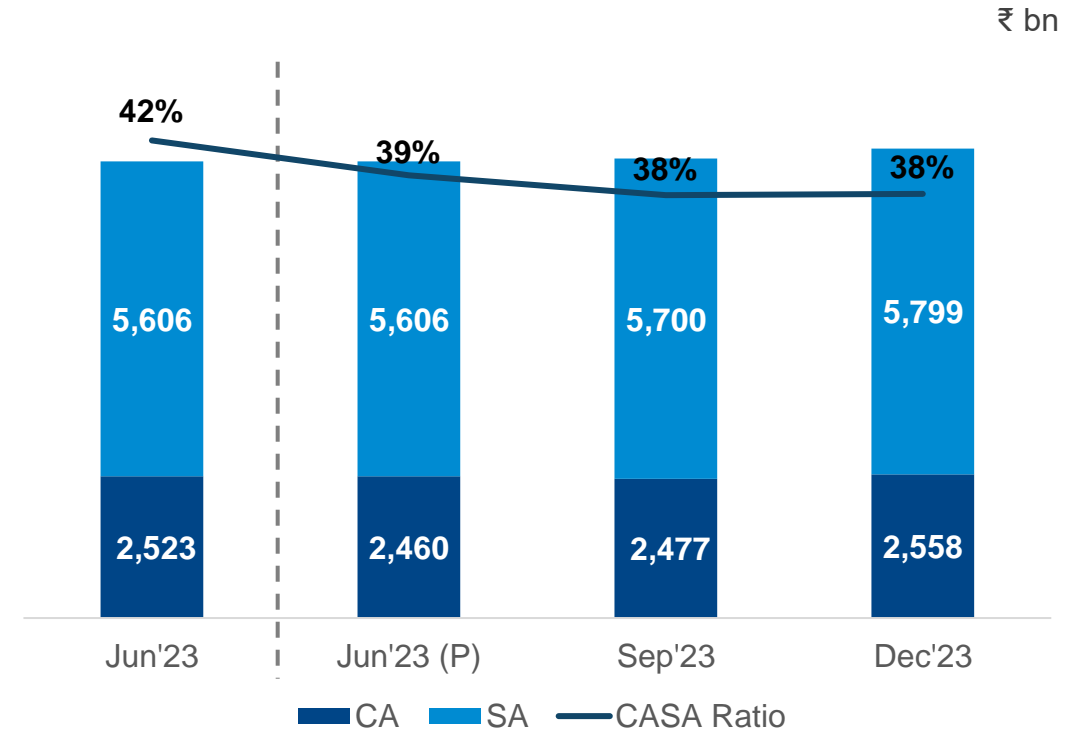
# Stable and granular deposits

## Granular deposits



\*(P) indicates ratios on merged basis

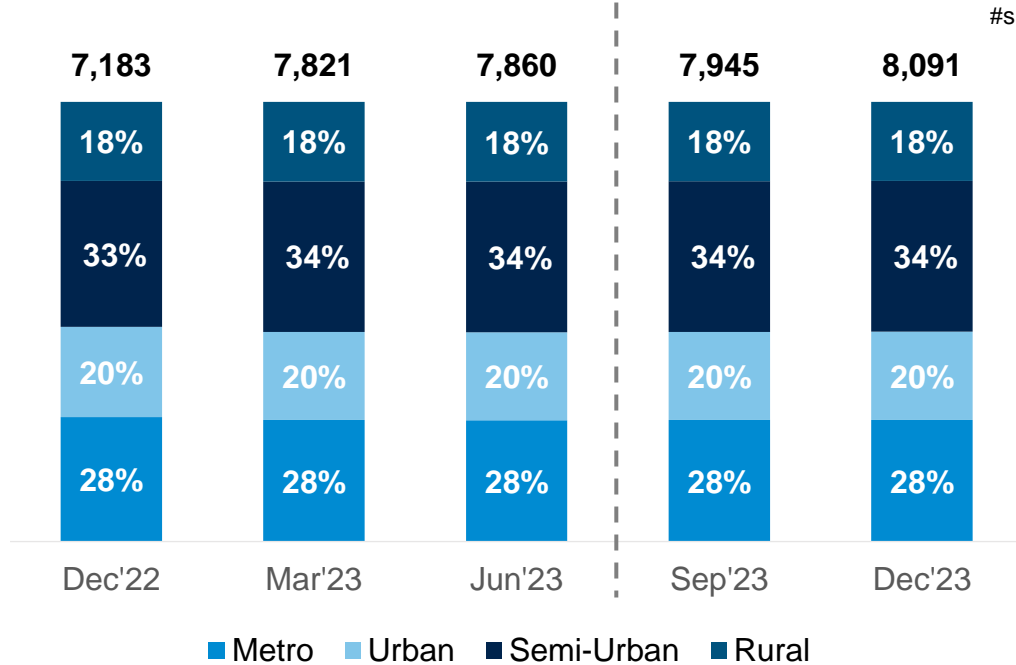
## Proportion of CASA deposits



## Retail anchoring deposit growth

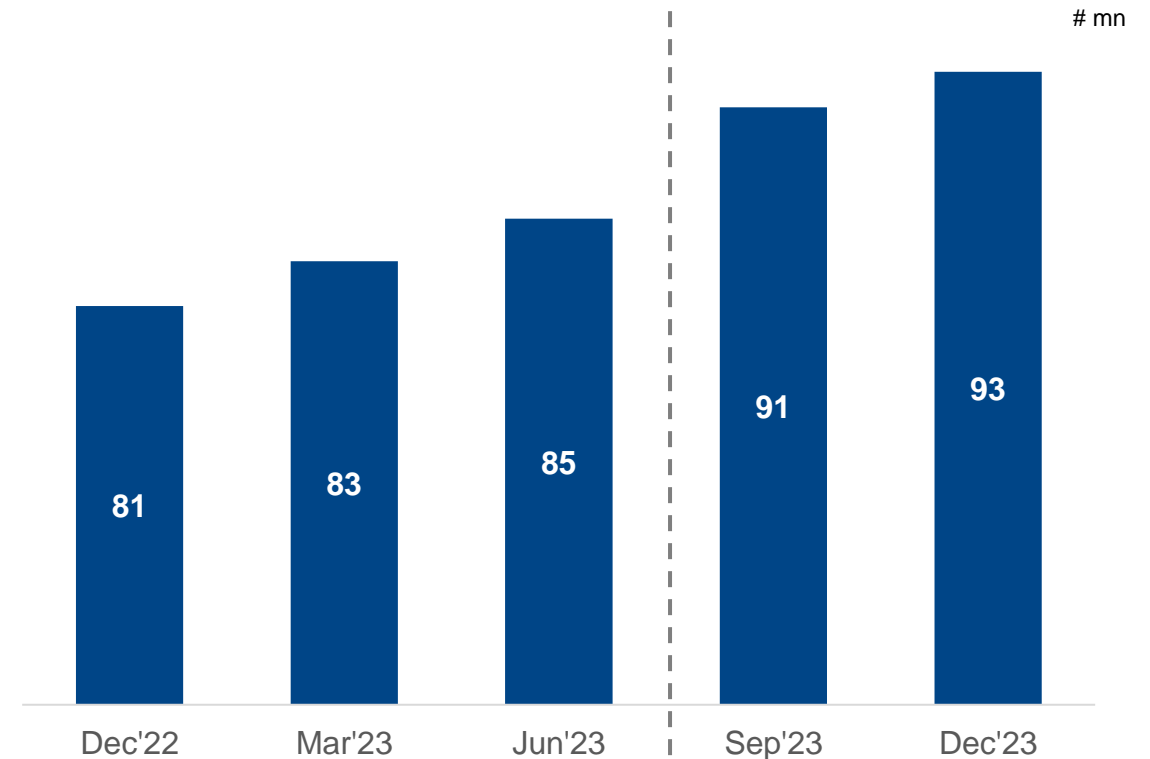
# Branch expansion and customer relationships driving growth

## Branch network



YoY	1,404	1,479	1,482	1,446	908
QoQ	684	638	39	85	146

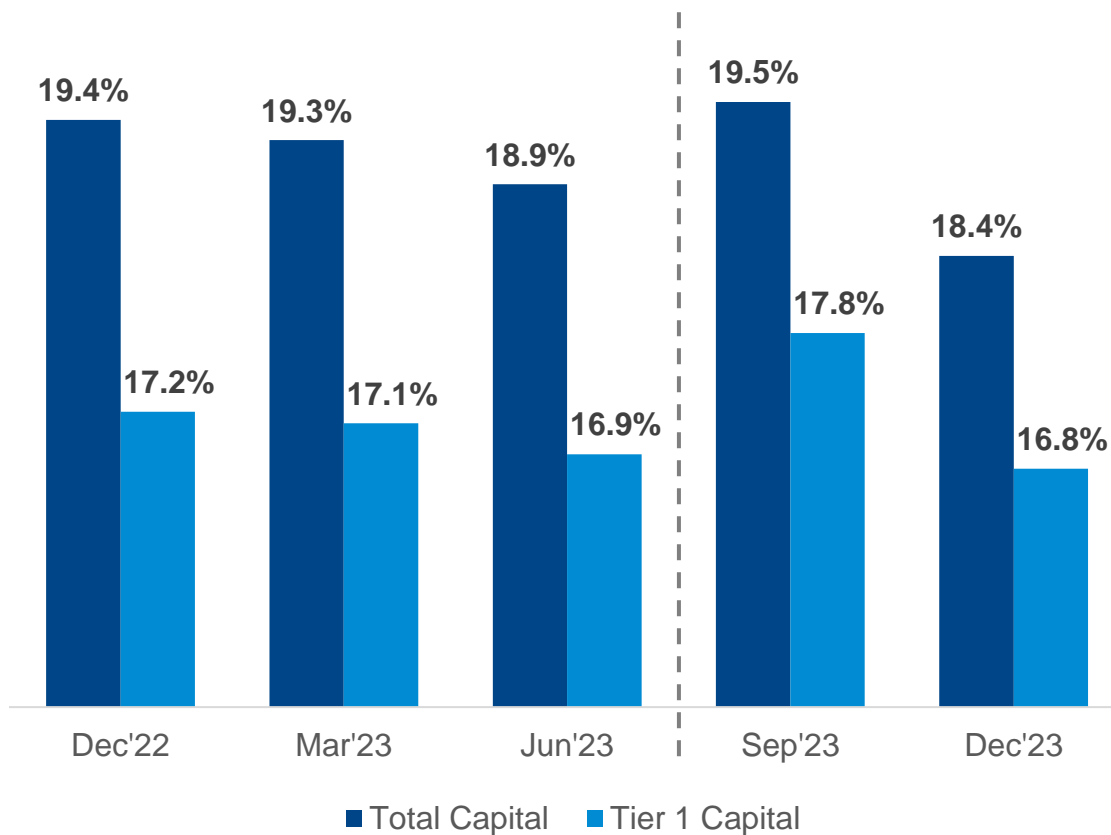
## Customer base



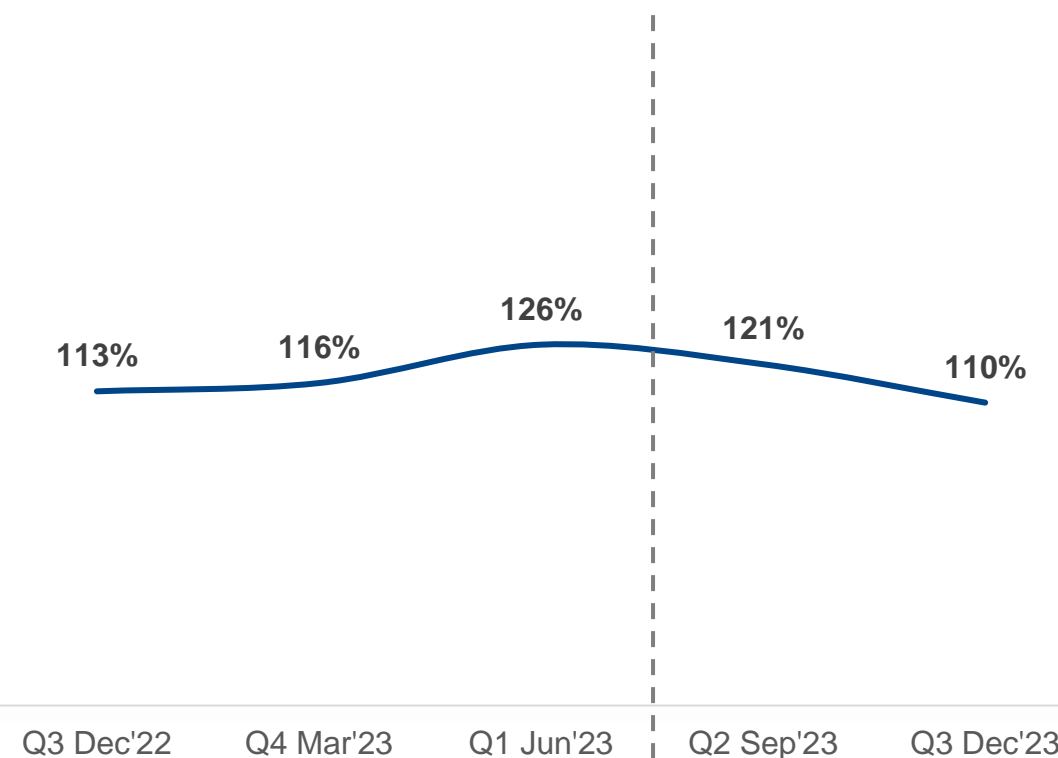
## Distribution strength enables customer engagement

# Capital and liquidity metrics

## Capital adequacy



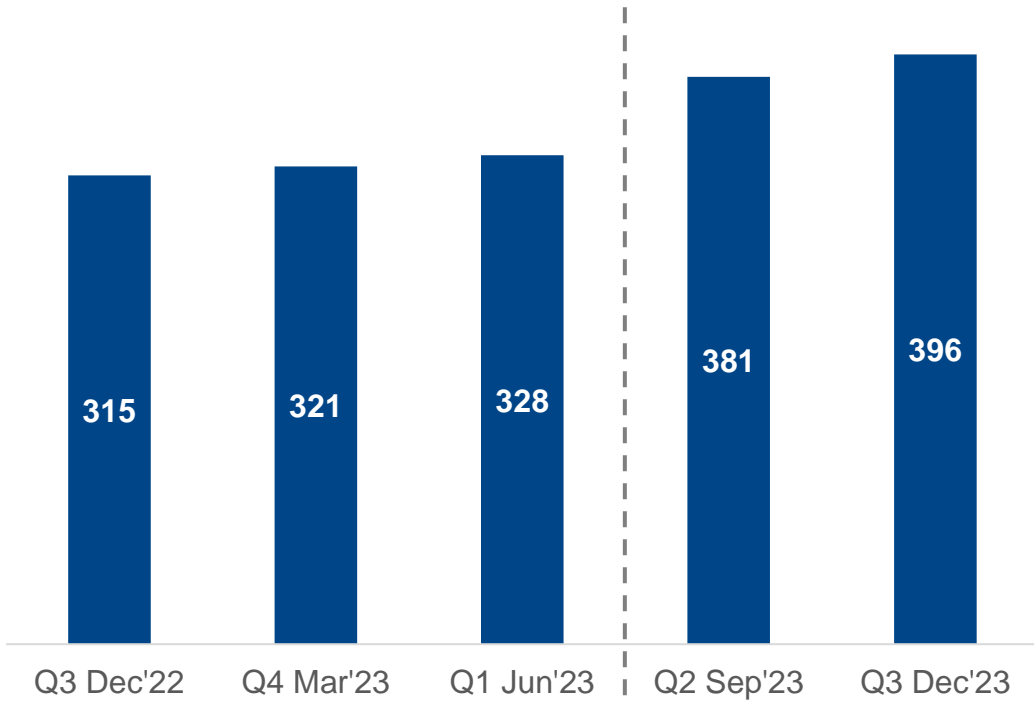
## LCR (Consolidated)



# Net revenues

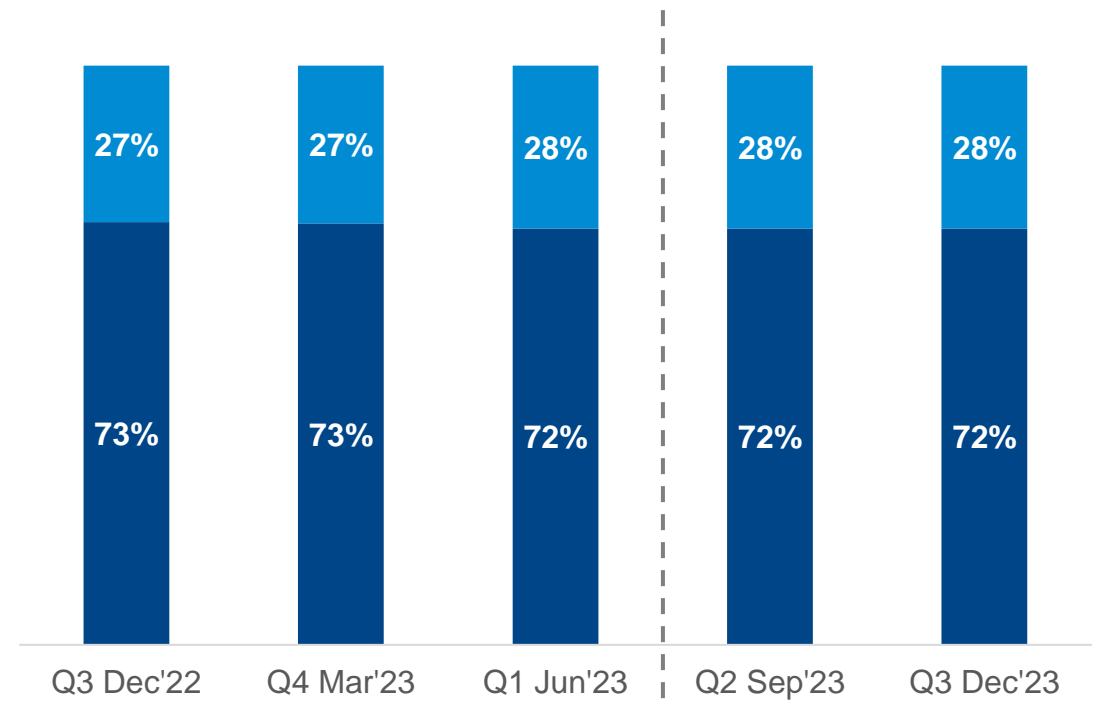
Net revenue

₹ bn



YoY	18%	21%	27%	33%	26%
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Net revenue mix

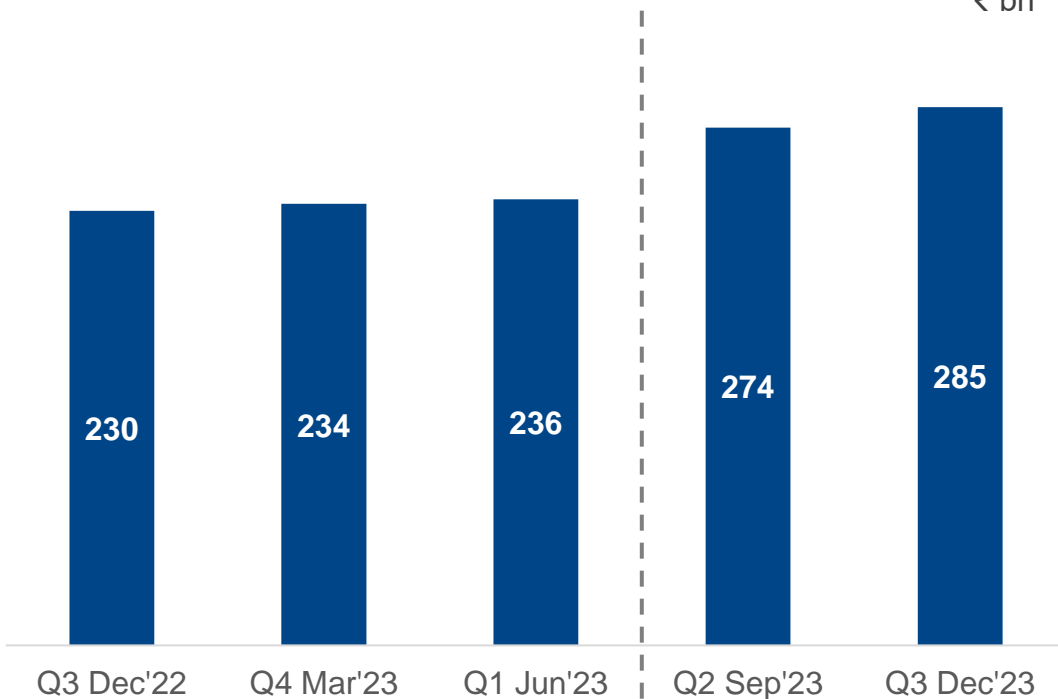


■ Net Interest Income    ■ Non Interest Income

# Net interest income

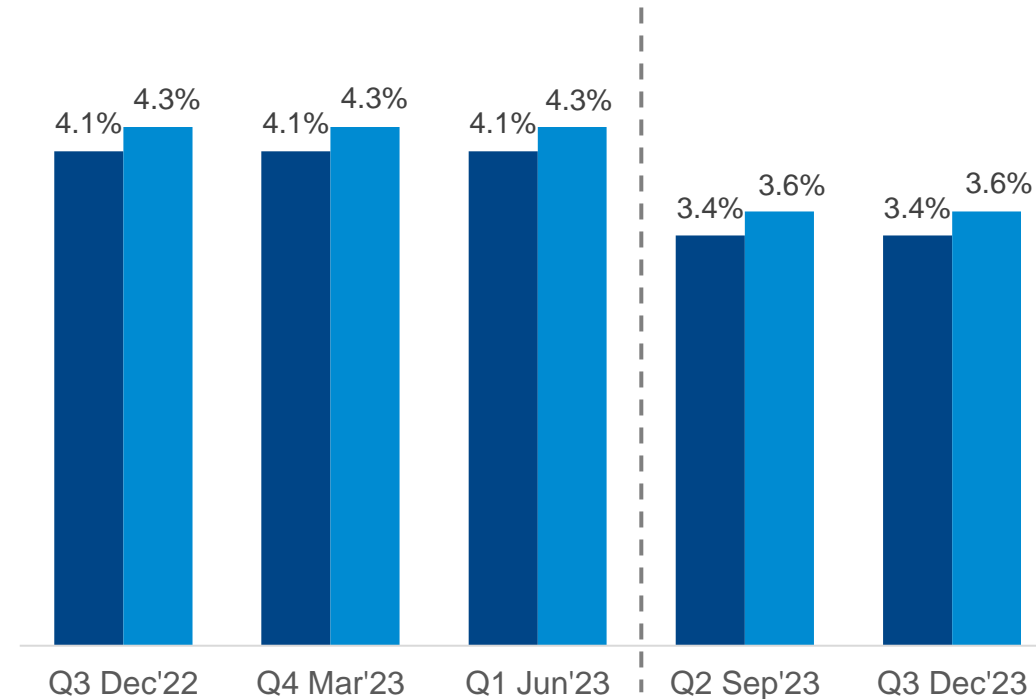
Net interest income

₹ bn



YoY	25%	24%	21%	30%	24%

Net interest margin (NIM)

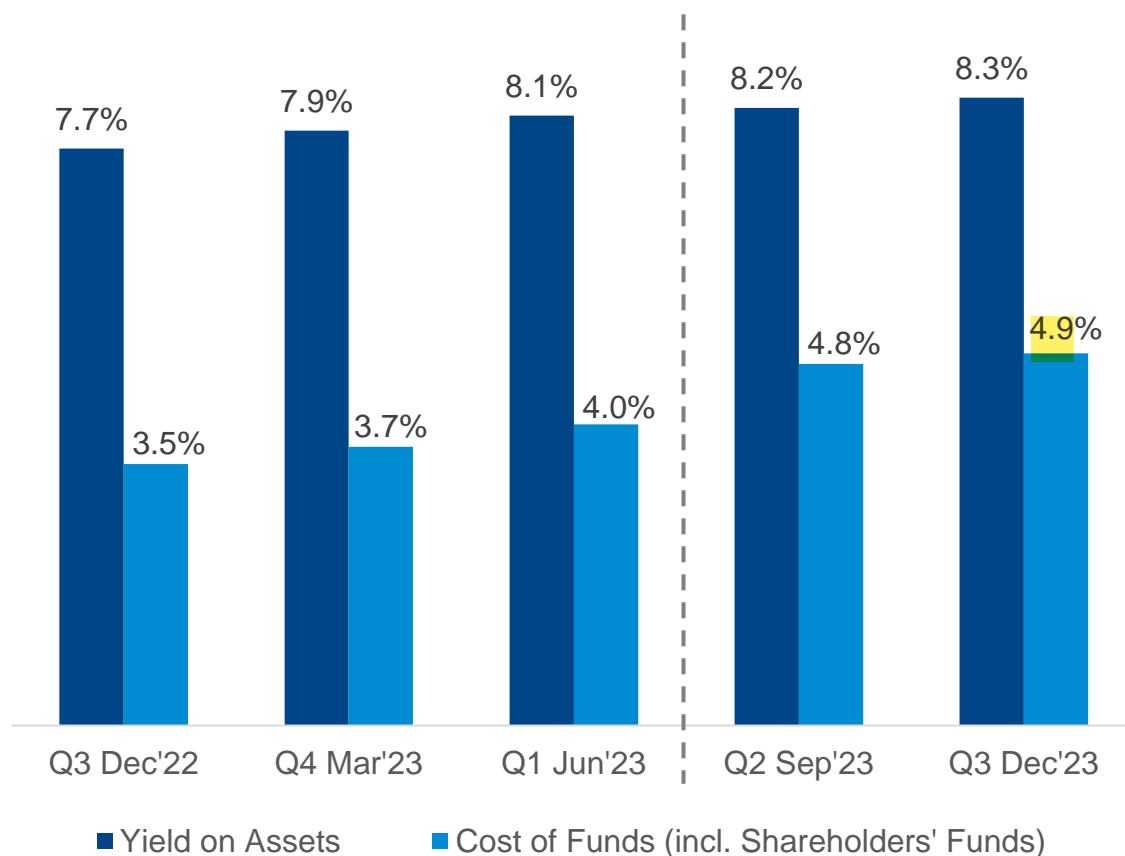


■ NIM ■ NIM (IEA)

IEA: Interest Earning Assets

# Yield on assets and cost of funds

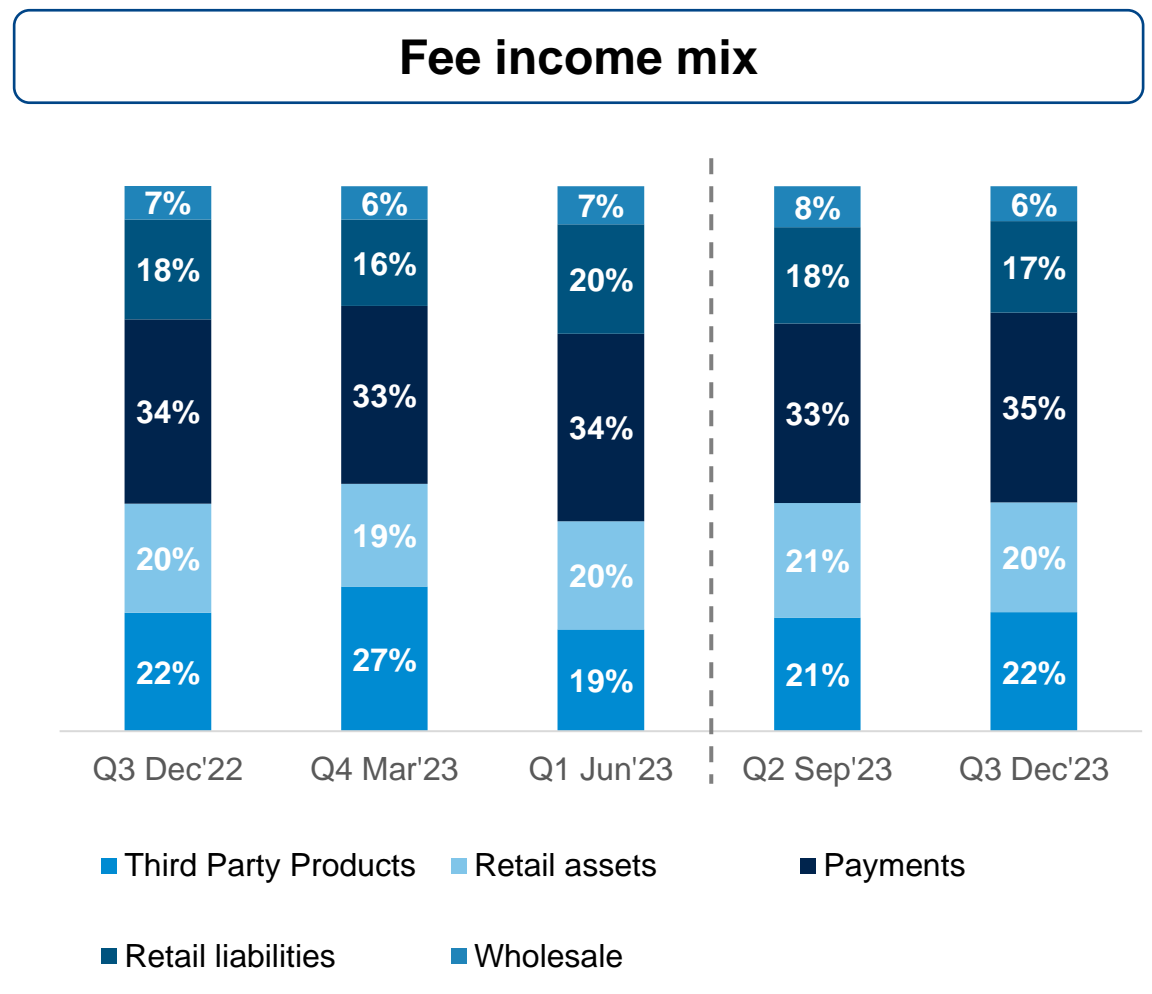
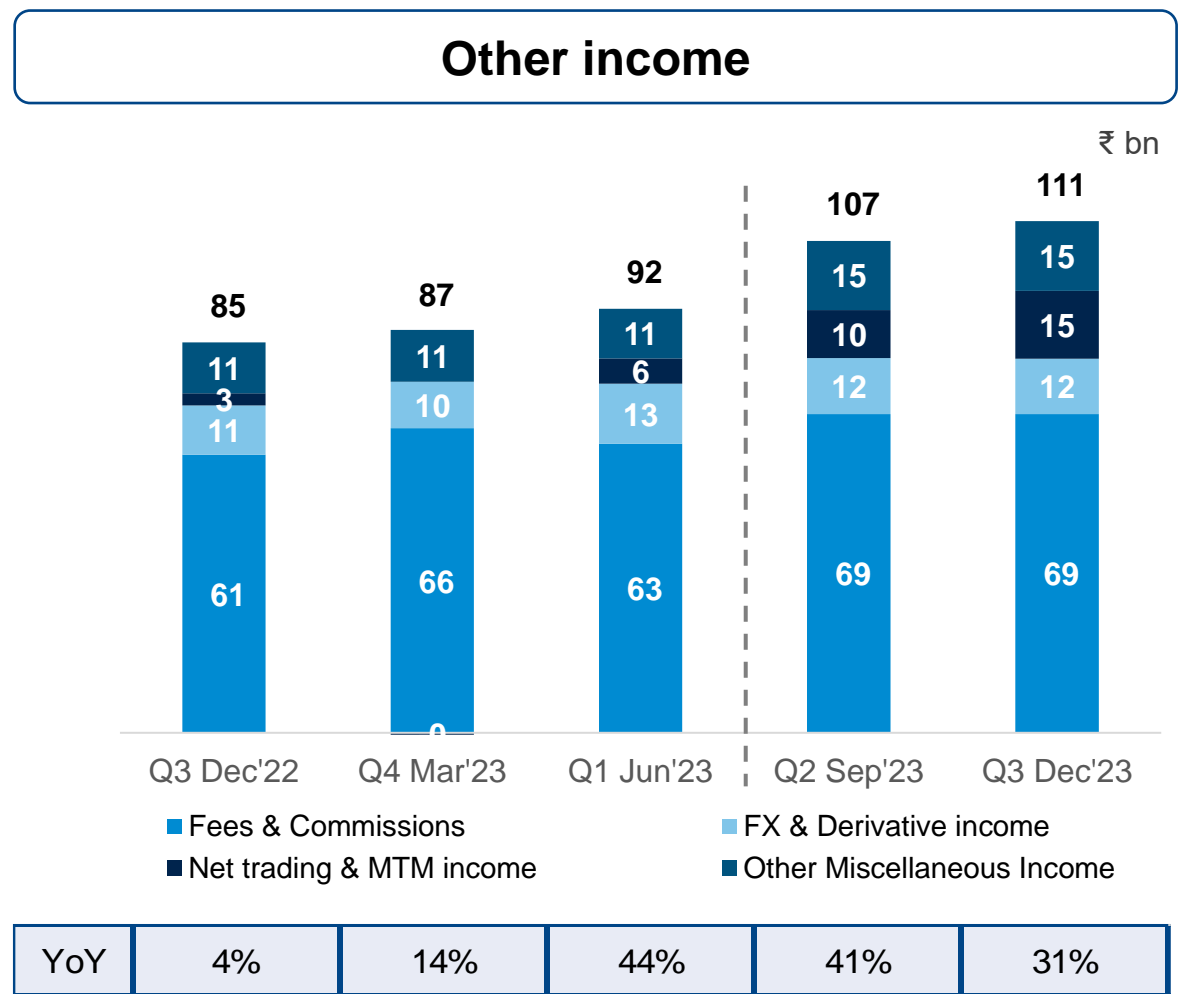
## Yield on assets and cost of funds



## Mix

Particulars	Dec'22	Mar'23	Jun'23	Sep'23	Dec'23
<b>Advances mix</b>					
Retail	38%	37%	38%	48%	48%
<i>Mortgage</i>	11%	11%	11%	29%	29%
<i>Ex Mortgage</i>	27%	26%	27%	19%	19%
CRB	37%	39%	39%	30%	31%
Wholesale	25%	24%	24%	22%	21%
<b>CASA ratio</b>	44%	44%	42%	38%	38%
<b>Borrowings % of total liabilities</b>	9%	8%	8%	21%	21%

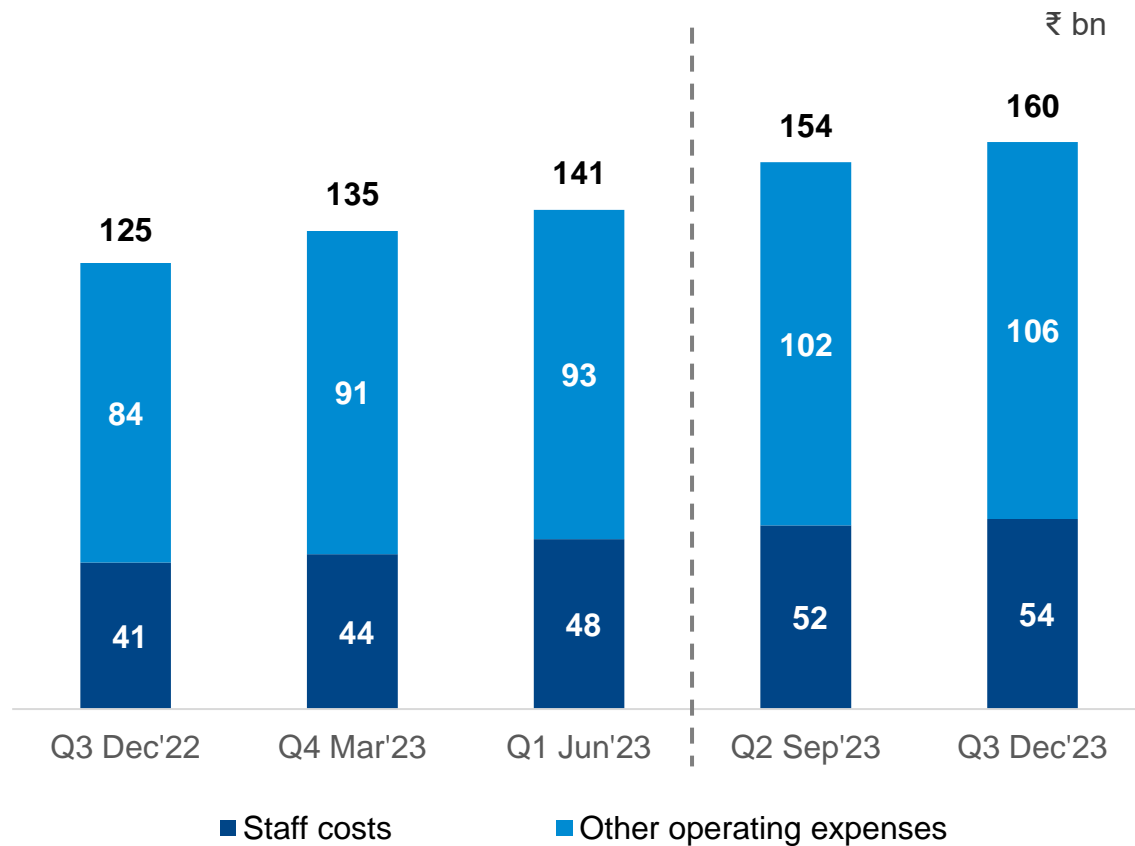
# Other income



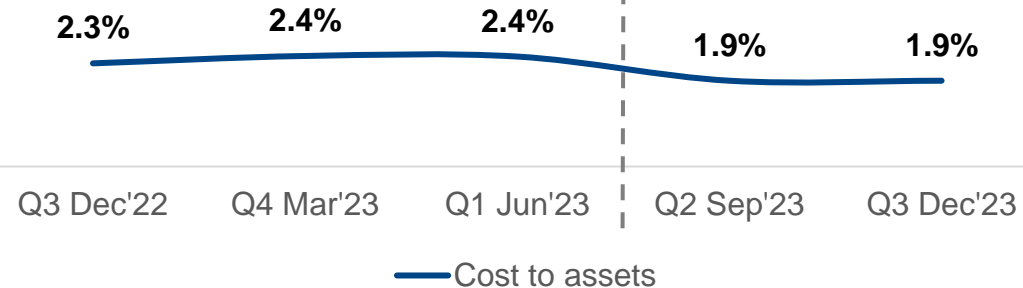
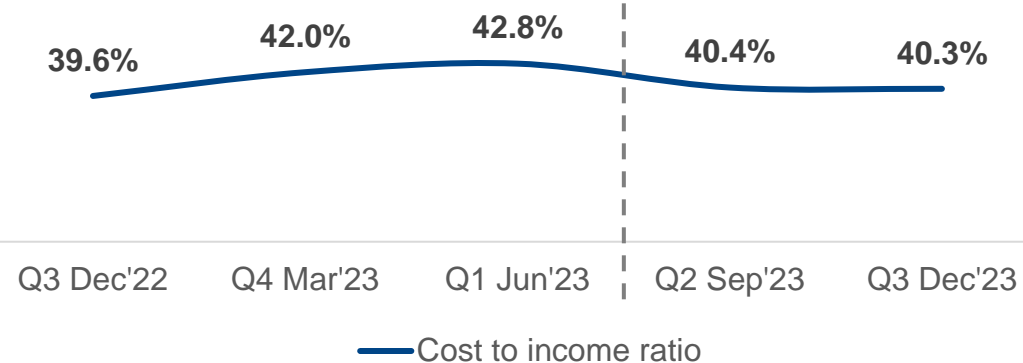
# Operating expenses

## Operating expenses

₹ bn



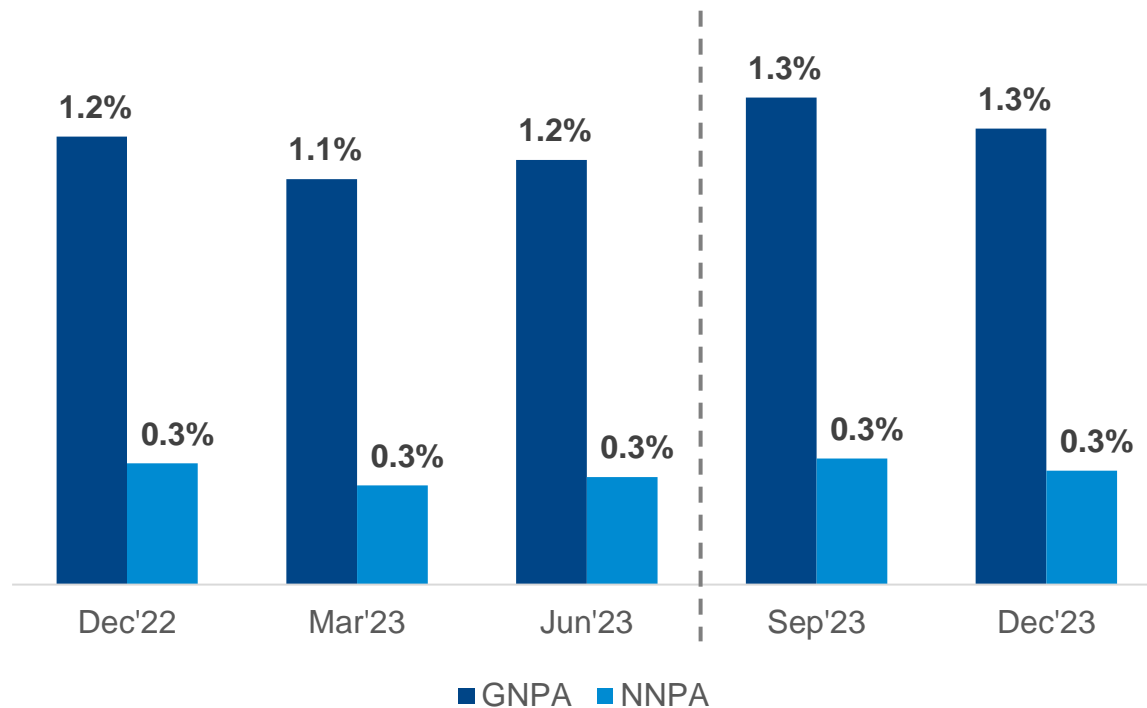
## Cost efficiency



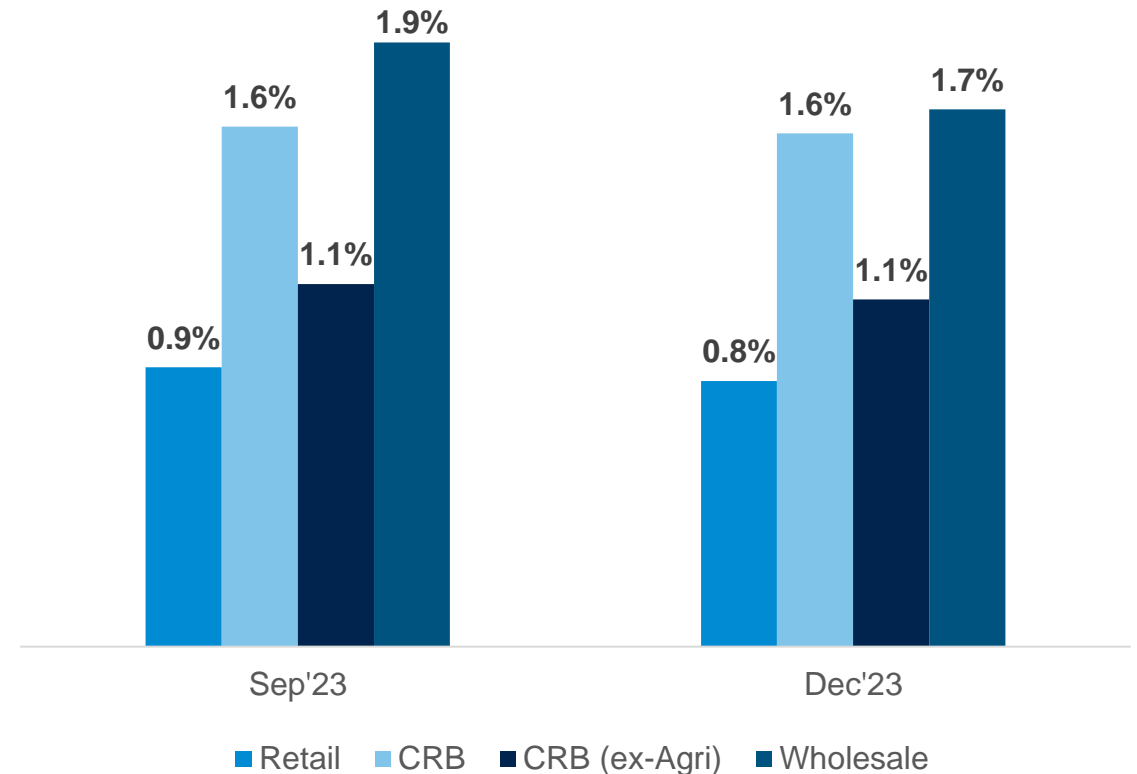


# Resilient asset quality

Gross NPA and Net NPA

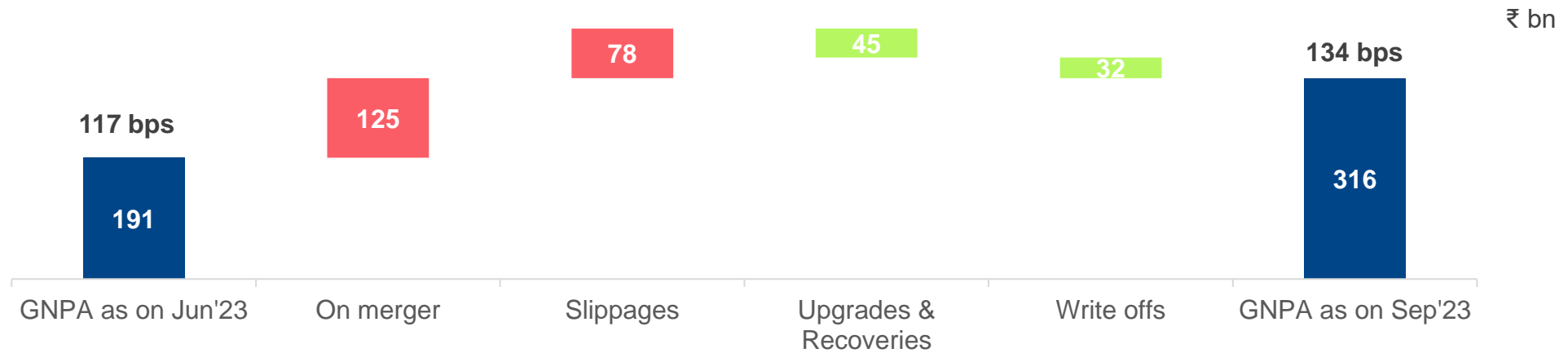
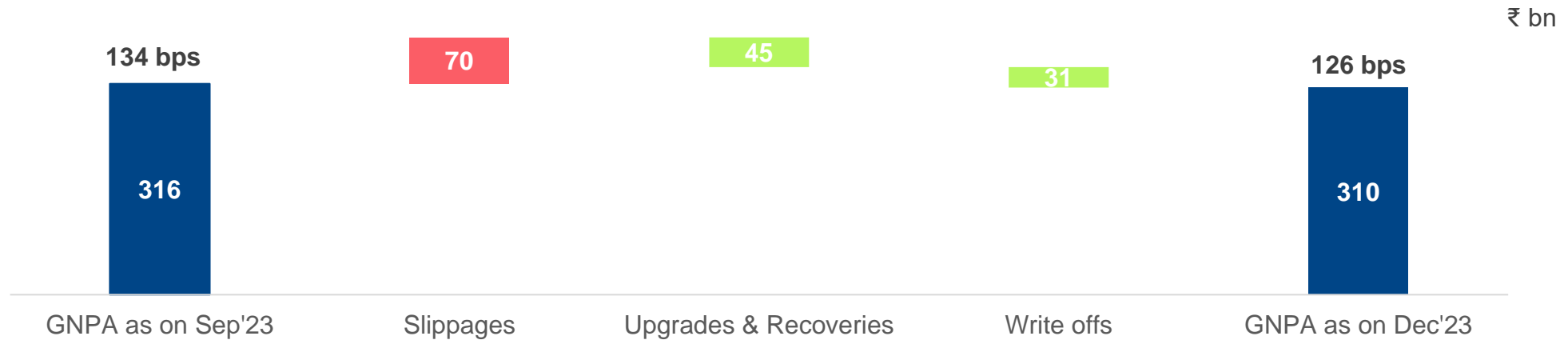


GNPA by Segment



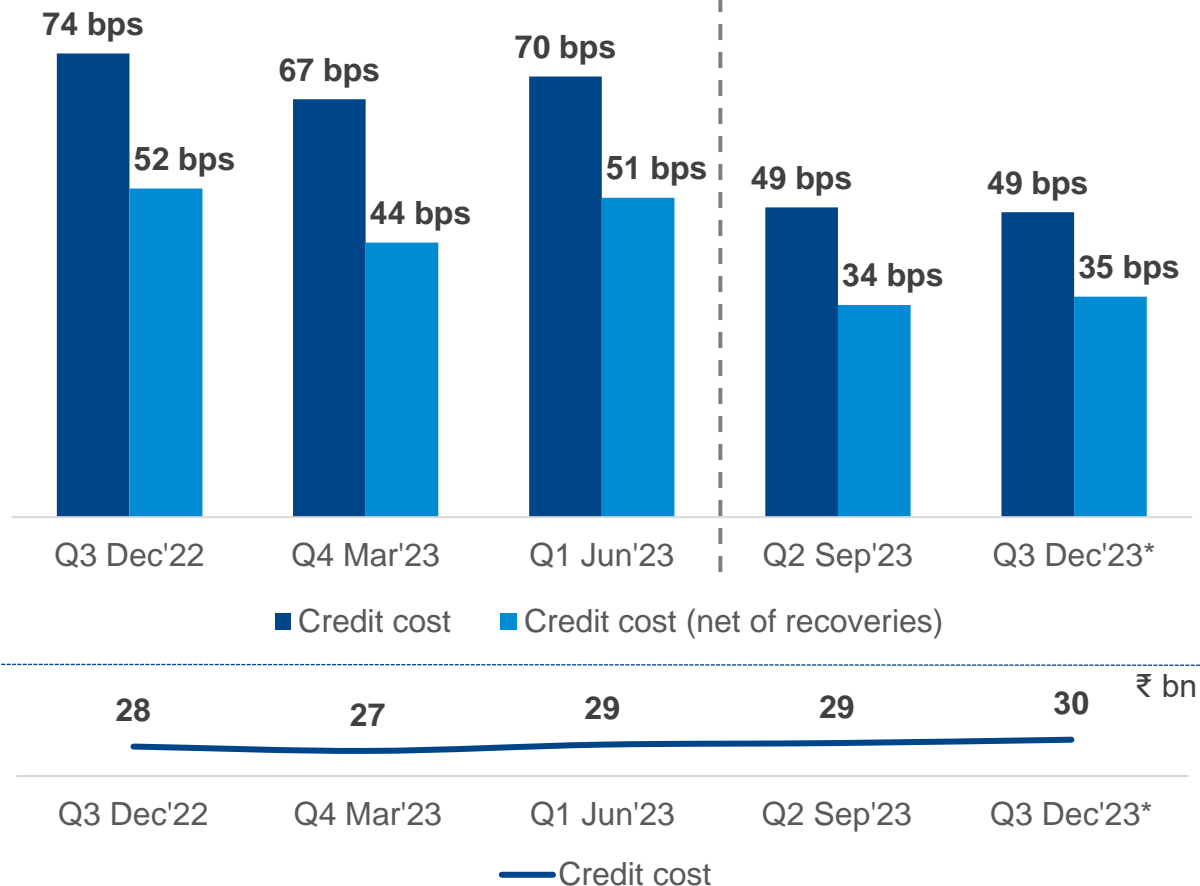
**Stable asset quality across segments**

# Movement of NPAs

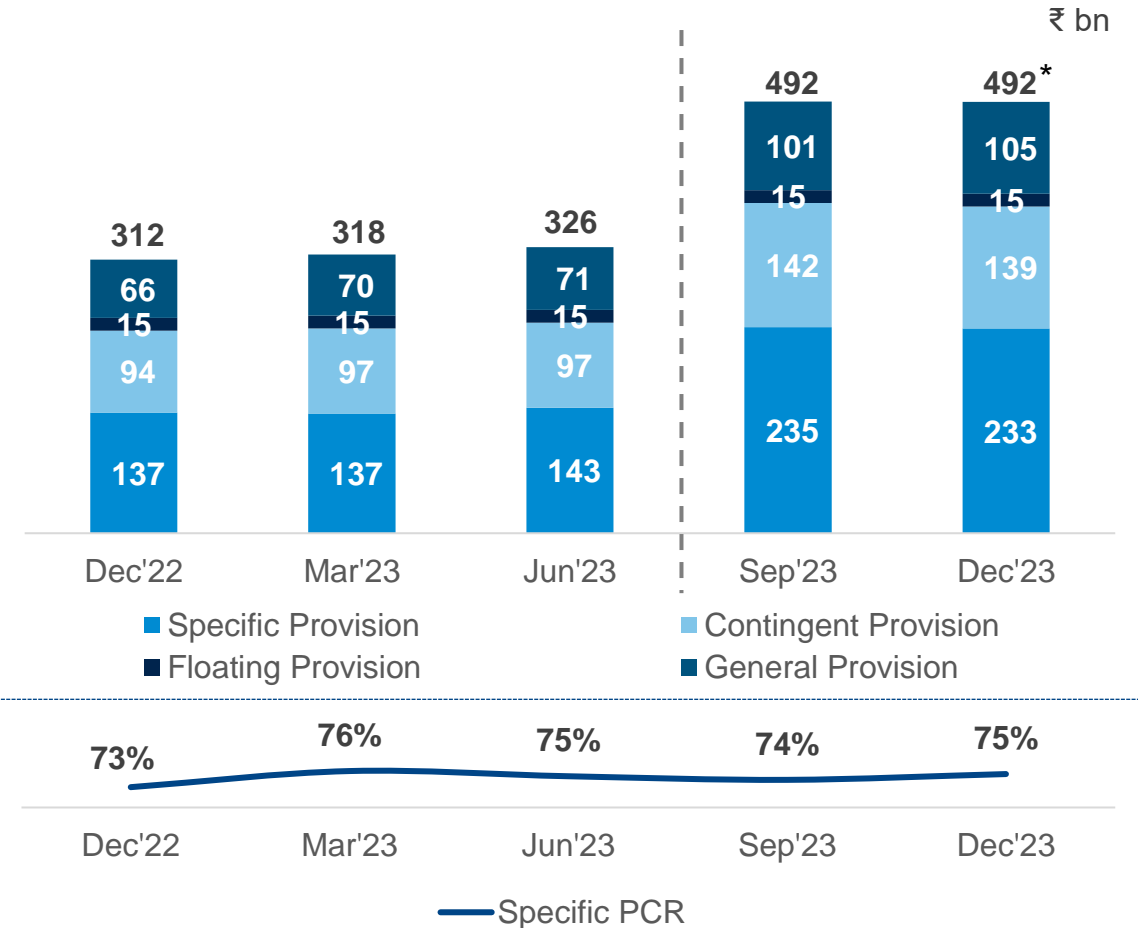


# Provisions

## Credit cost



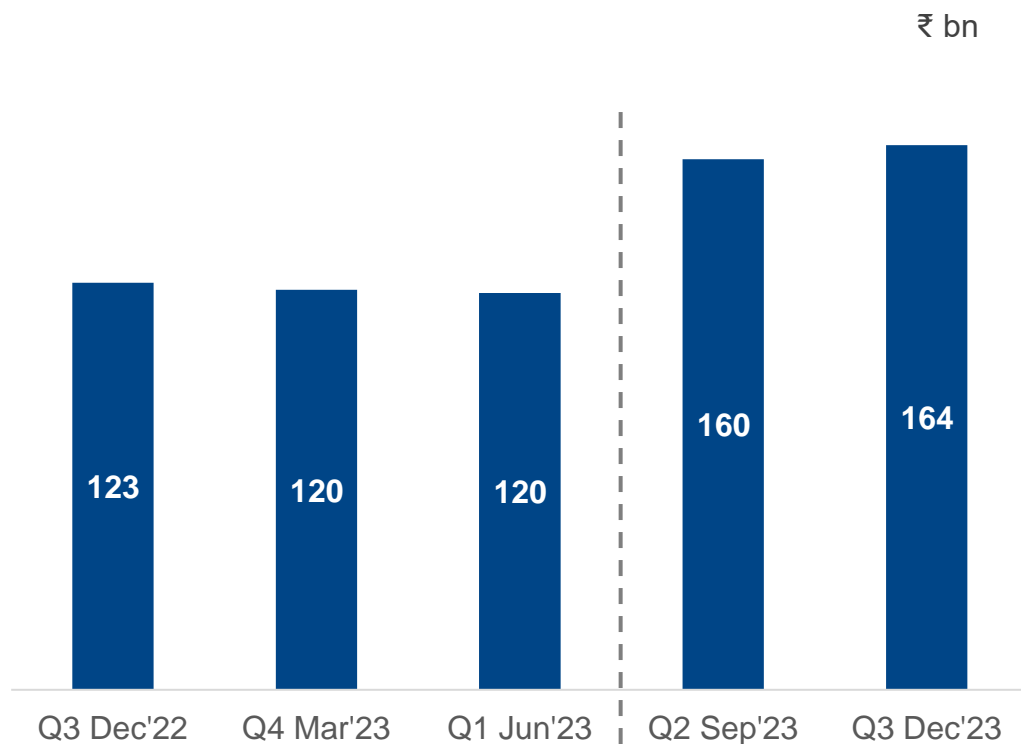
## Stock of provisions



\* excludes contingent provisions of ₹ 12.2 billion pertaining to investments in AIF

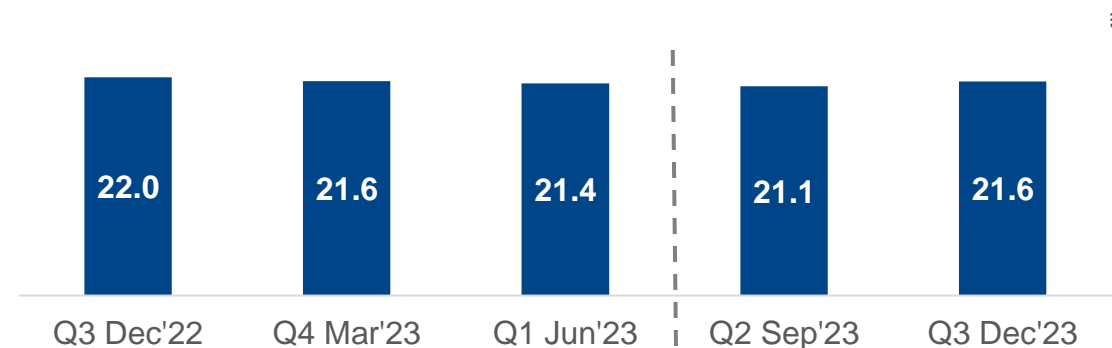
# Profitability

## Standalone profit after tax

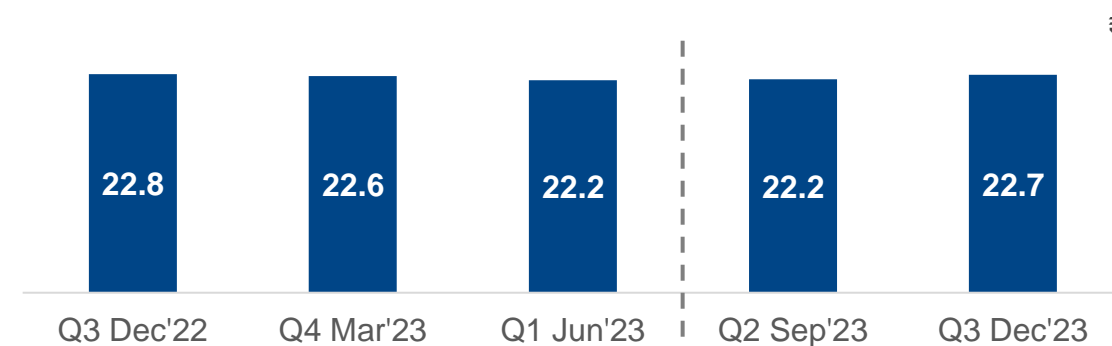


YoY	19%	20%	30%	51%	34%
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## Earnings per share\*



EPS Standalone



EPS Consolidated

## Stake held in key subsidiary entities – December 31, 2023

Entity	Investment Amount (₹ bn)	No. of shares outstanding by entity (mn)	% Stake held by HDFC Bank	PAT of the company (FTQ) (₹ bn)	Book value per share (₹)	EPS (FTQ) (₹)
HDB Financial Services	35	792.3	94.74%	6.4	164.7	8.0
HDFC Life Insurance	56	2,150.7	50.37%	3.7	65.9	1.7
HDFC AMC	2	213.5	52.55%	4.9	305.6	22.9
HDFC ERGO General Insurance	26	715.0	50.48%	1.3	55.7	1.9
HDFC Securities	3	15.9	95.39%	2.3	1,252.6	143.9
HDFC Credila Financial Services	24	158.1	100.0%	1.5	222.2	9.2
All others	5			0.1		
<b>Total</b>	<b>151</b>			<b>20.2</b>		

# Subsidiaries – Q3FY24 update – HDB Financial Services

- 94.74% stake held by the Bank as of December 31, 2023
- 14.6 million customers serviced through a network of 1,618 branches across 1,125 cities/towns
  - 1 million customers and 16 branches added during Q3 FY24
- Healthy momentum in disbursements across all three business segments with growth of 40% YoY
- Q3FY24 performance highlights
  - Loan book of ₹ 840 bn up by 29% YoY and 8% sequentially
  - Gross Stage 3 assets improved to 2.25% compared to 3.73% in prior year
  - Net interest margin of 7.7%; Net profit of ₹ 6.4 bn up by 27% YoY with EPS of ₹ 8.0
  - RoA of 3.1%; Book value per share at ₹ 164.7
  - RoE of 19.9%; Capital adequacy ratio at 18%

# Subsidiaries – Q3FY24 update – HDFC Life Insurance

- 50.37% stake held by the Bank as of December 31, 2023
- 288k individual policies sold during the quarter up 8% from prior year; overall 16 mn lives insured during the quarter
- Individual weighted received premium market share of 14% for Q3FY24
- Q3FY24 performance highlights
  - Total Premium Income of ₹ 155 bn up by 7% YoY and AUM at ₹ 2.8 trn up by 20% YoY
  - New Business Premium of ₹ 71 bn with stable new business margin at 26.8%
  - Value of new business for the quarter ₹ 86 mn
  - PAT of ₹ 3.7 bn up by 16% YoY
  - Solvency Ratio at 190% as of December 31, 2023
  - Embedded value at ₹ 452 bn improved 20% YoY

# Subsidiaries – Q3FY24 update – HDFC AMC

- 52.55% stake held by the Bank as of December 31, 2023
- Quarterly average AUM of ₹ 5.5 trillion; 11.2% market share
- 61% of quarterly average AUM is equity oriented with 57% in actively managed equities
- 8.7 million unique investors; 20.6% penetration in the Mutual Fund industry
- Q3FY24 performance highlights
  - Total income of ₹ 8.1 bn, grew 23% over prior year
  - Net profit of ₹ 4.9 bn, grew 33% over prior year
  - EPS of ₹ 22.9



# Subsidiaries – Q3FY24 update – HDFC ERGO General Insurance

- 50.48% stake held by the Bank as of December 31, 2023
- Q3FY24 Gross direct premium market share of 6.7% in overall industry and 10.2% amongst private sector insurers
- Retail mix in business 69% for the quarter ended December 31, 2023
- Distribution network of 237 branches and 472 digital offices
- Q3FY24 performance highlights
  - No. of policies issued during the quarter at 3.4 mn up by 39% YoY
  - Gross written premium of ₹ 47.2 bn up by 19% YoY
  - Net profit of ₹ 1.3 bn up by 6% YoY
  - Solvency Ratio at 187% as of December 31, 2023

# Subsidiaries – Q3FY24 update – HDFC Securities

- 95.39% stake held by the Bank as of December 31, 2023
- 5.0 million customers serviced through a network of 193 branches across 143 cities
- Around 94% of the active clients utilized the services offered through company's digital platforms.
- Q3FY24 performance highlights
  - Net revenue of ₹ 7.0 bn up by 38% YoY
  - Net profit of ₹ 2.3 bn up by 13% YoY
  - EPS of ₹ 144
  - Book value per share at ₹ 1,253 as of 31<sup>st</sup> December, 2023

# ESG at HDFC Bank

## Environmental

- Target to be carbon neutral by FY32
- Commitment to have all new branches certified as green
- Board approved ESG Risk Management Policy focusing on enhanced environmental and social due diligence for lending
- Financed 6,110 MW of renewable energy capacity as at March 31, 2023
- Board approved Sustainable Finance Framework, along with a second party opinion

## Social

- Leading responsibly
  - Taking banking to the unbanked;
  - Supporting businesses;
  - Enabling smart banking;
  - Empowering communities
- Gender diversity: 24.7%
- CSR initiatives cumulatively impacted over 99.3 million beneficiaries
- People and work culture: Nurture, Care & Collaborate
- 2-tiered governance structure for Diversity, Equity & Inclusion – at the corporate & regional level

## Governance

- Commitment to principles of independence, accountability, responsibility, transparency and fair & timely disclosures
- Diversified and skilled board
- CSR & ESG Committee of Directors oversee the ESG strategy along with the ESG Apex Council
- Highest governance score of 1 by ISS, 2023
- ET Awards, 2023: Selected as the ‘Conscious Corporate of the Year’ for its work in CSR & ESG

### Ratings

MSCI ESG RATINGS AA

CCC B BB BBB A AA AAA

As of September 2023

Nifty100 ESG

Top constituent of Nifty 100 ESG index

S&P Global

S&P Corporate Sustainability Assessment (89<sup>th</sup> percentile)

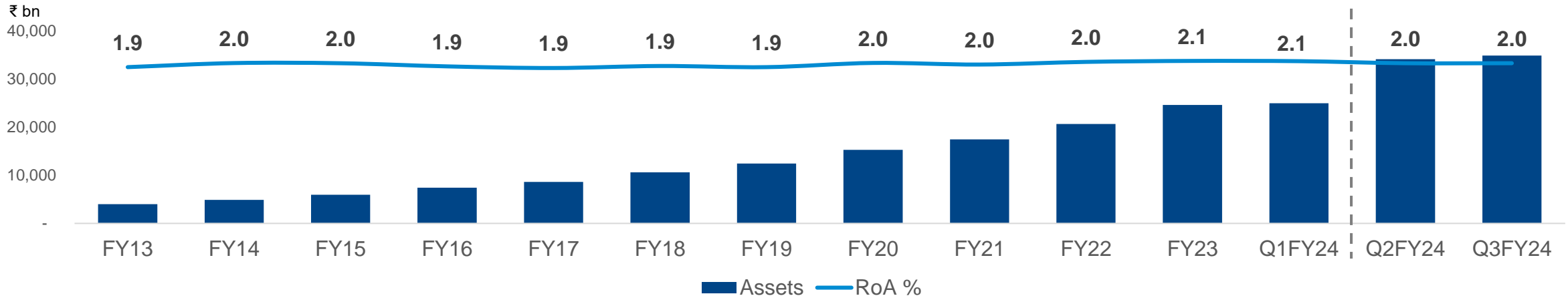
SES Stakeholders Empowerment Services

Analyze » Educate » Empower

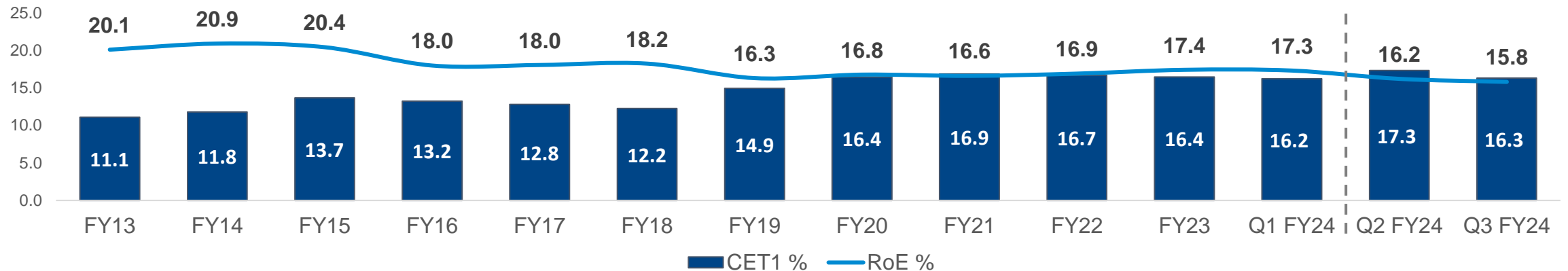
ESG Score: 80/100

# Balance sheet and capital productivity

## Consistent growth in assets and RoA

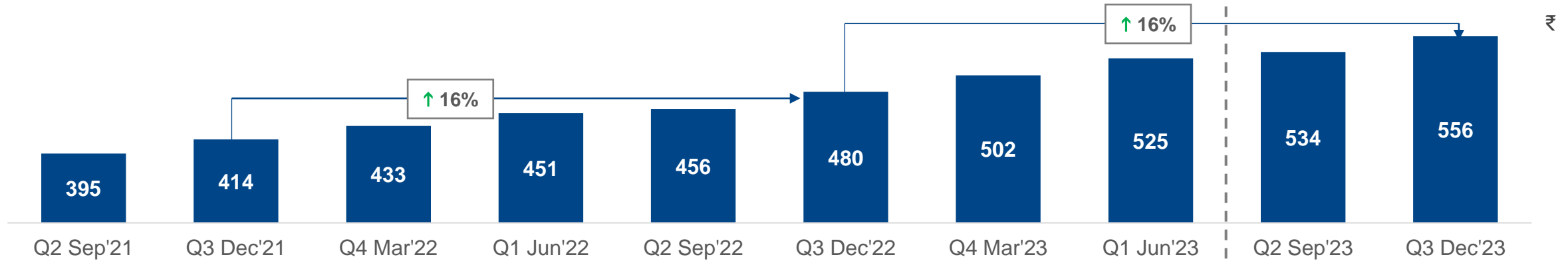


## Capital positioned for growth with consistent RoE

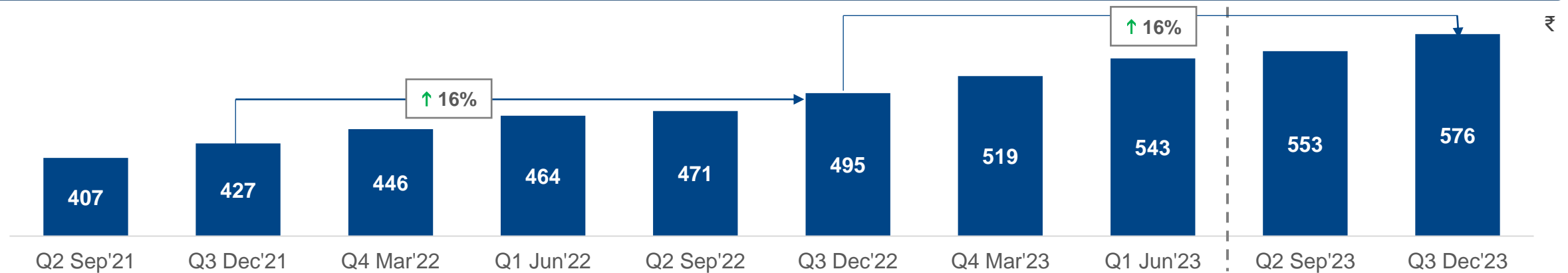


# Consistent performance

## Standalone book value per share



## Consolidated book value per share



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# APPENDIX

# Consolidated income statement year to date Dec'23 (9M FY24)

P&L (₹ bn)	9M FY23	9M FY24	YoY
Net revenue	923.3	1,731.6	87.5%
Operating expenses	369.4	1,031.4	179.2%
Provisions*	106.7	112.1	5.0%
Profit before tax	447.2	588.1	31.5%
Consolidated profit	334.0	464.4	39.0%
Consolidated EPS (₹)	60.1	67.2	
Consolidated BVPS (₹)	495.3	576.0	

# Income statement year to date Dec'23 (9M FY24)

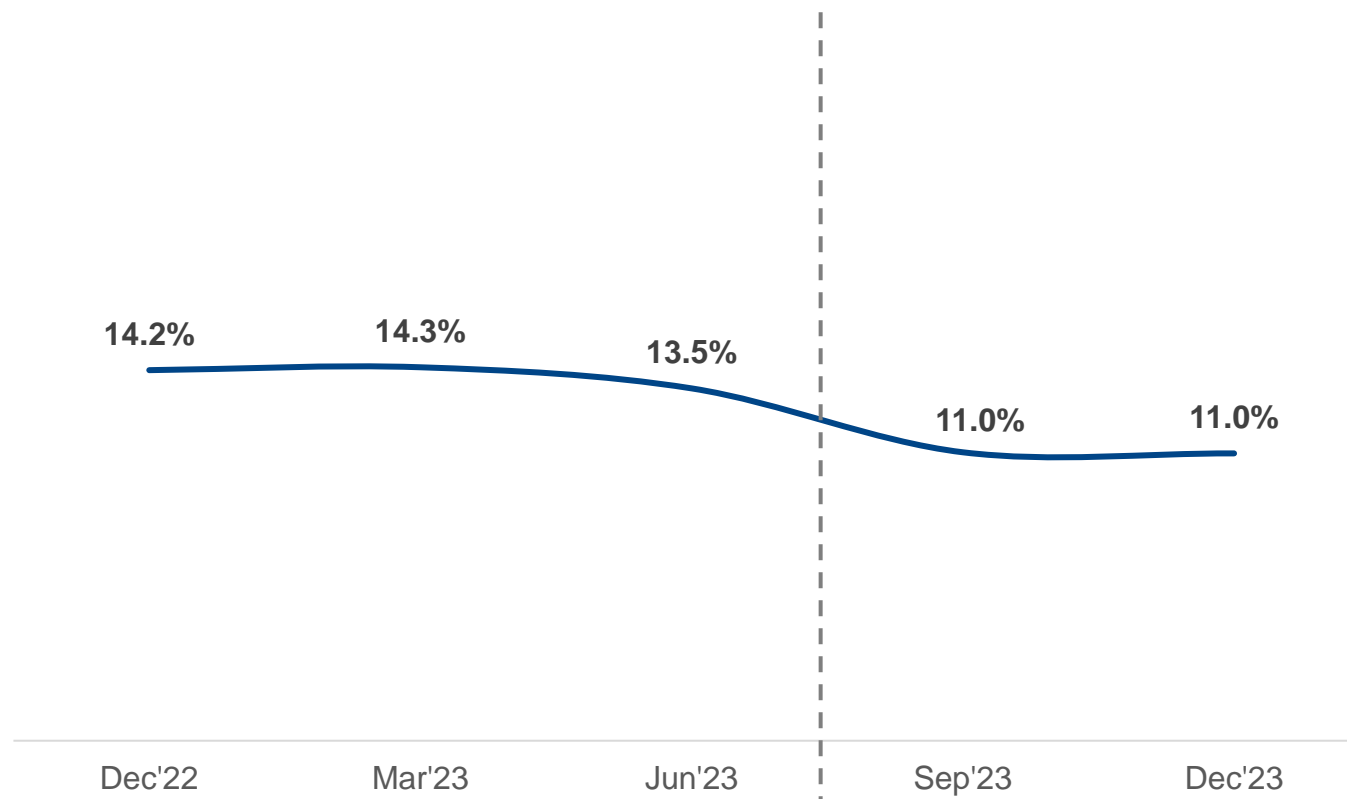
P&L (₹ bn)	9M FY23	9M FY24	YoY
Net interest income	634.9	794.6	25.1%
Non-interest income	224.8	310.7	38.2%
<b>Net revenue</b>	<b>859.7</b>	<b>1,105.3</b>	<b>28.6%</b>
Operating expenses	341.9	454.2	32.8%
Provisions*	92.3	99.8	8.1%
<b>Profit before tax</b>	<b>425.5</b>	<b>551.3</b>	<b>29.6%</b>
<b>Profit after tax</b>	<b>320.6</b>	<b>443.0</b>	<b>38.2%</b>
<b>EPS (₹)</b>	<b>57.7</b>	<b>64.1</b>	
<b>BVPS (₹)</b>	<b>479.8</b>	<b>556.2</b>	



# Industry-wise distribution

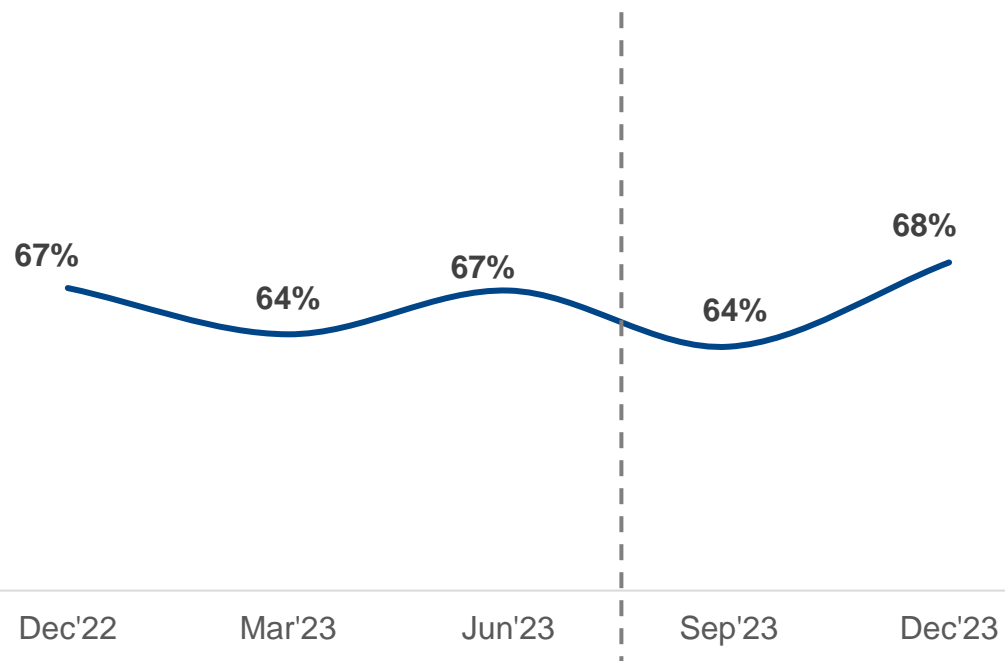
Industry (₹ bn)	Total Outstanding (FB + NFB)	As a (%)	Industry (₹ bn)	Total Outstanding (FB + NFB)	As a (%)
Consumer Loans	9,784	33.0%	Telecom	394	1.3%
NBFC	1,743	5.9%	Coal & Petroleum Products	365	1.2%
Real Estate & Property Services	1,282	4.3%	Financial Intermediaries	275	0.9%
Retail Trade	1,132	3.8%	Consumer Durables	241	0.8%
Financial Institutions	1,117	3.8%	Chemical and Products	239	0.8%
Power	798	2.7%	Capital Market Intermediaries	210	0.7%
Consumer Services	793	2.7%	Gems and Jewellery	208	0.7%
Infrastructure Development	772	2.6%	Drugs and Pharmaceuticals	195	0.7%
Food and Beverage	722	2.4%	Agri Production - Non food	185	0.6%
Road Transportation	682	2.3%	Non-ferrous Metals	163	0.6%
Iron and Steel	560	1.9%	Mining and Minerals	158	0.5%
Automobile & Auto Ancillary	559	1.9%	Cement & Products	141	0.5%
Wholesale Trade - Industrial	556	1.9%	Paper, Printing and Stationery	138	0.5%
Textiles & Garments	532	1.8%	Plastic & Products	135	0.5%
Wholesale Trade - Non Industrial	510	1.7%	Agri Produce Trade	130	0.4%
Engineering	498	1.7%	Information Technology	116	0.4%
Agri-Allied	486	1.6%	Animal Husbandry	103	0.3%
Banks	466	1.6%	Other Non-metallic Mineral Products	91	0.3%
Housing Finance Companies	450	1.5%	FMCG & Personal Care	86	0.3%
Business Services	441	1.5%	Other Industries	1,771	6.0%
Agri Production - Food	419	1.4%	<b>Total</b>	<b>29,644</b>	<b>100.0%</b>

# Top 20 borrower exposure as a % of total exposure

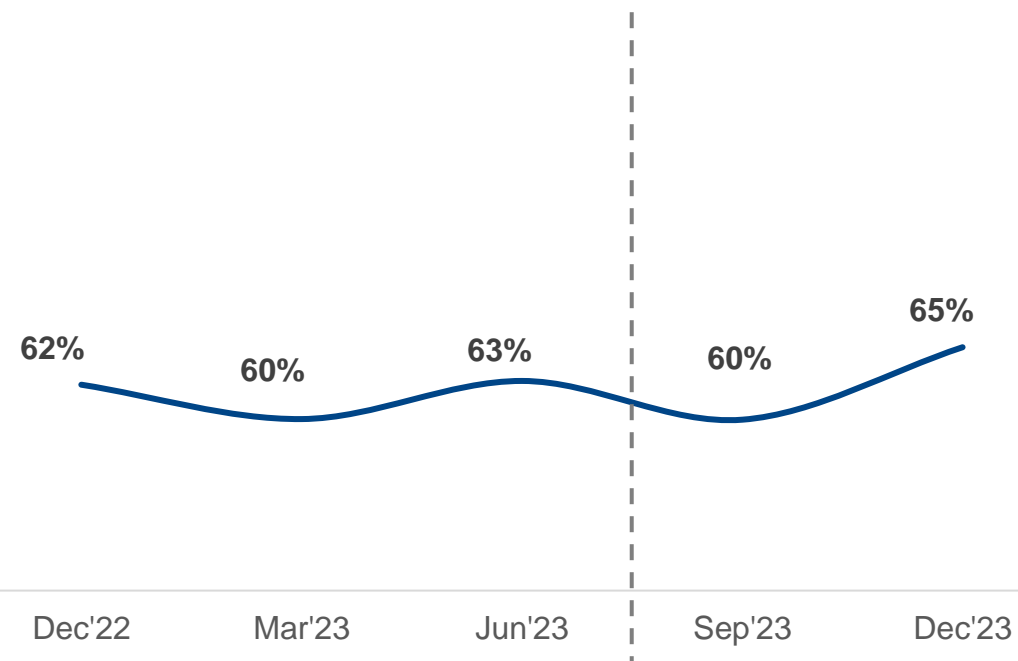


# Risk weighted assets

## RWA to Total Assets



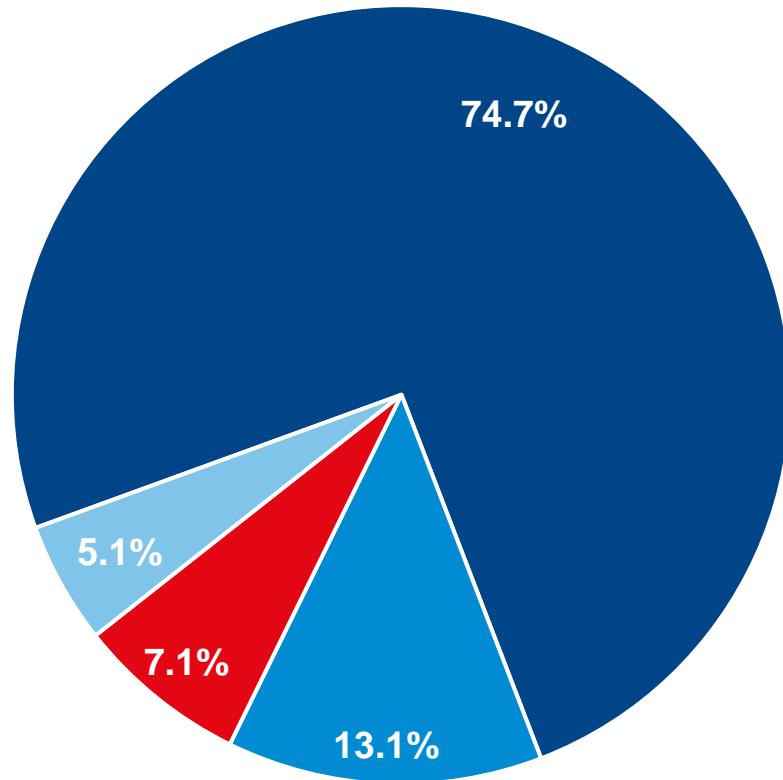
## Risk Weight Density\*



# Corporate rating mix

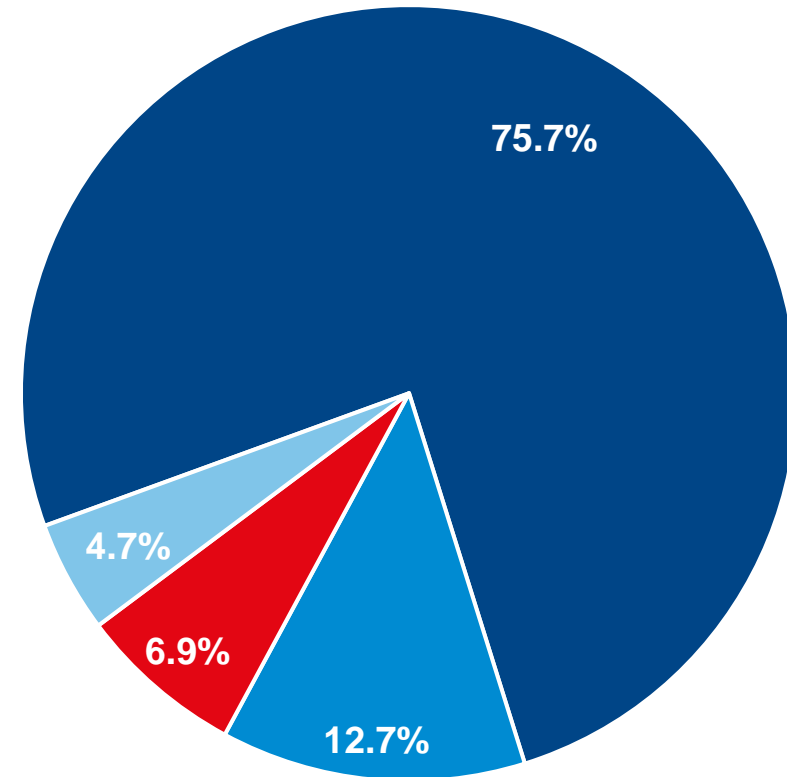
Rating mix % of externally rated wholesale book (corporate & mid corporate)

Sep'23



■ AA and above ■ A ■ BBB ■ BB and below

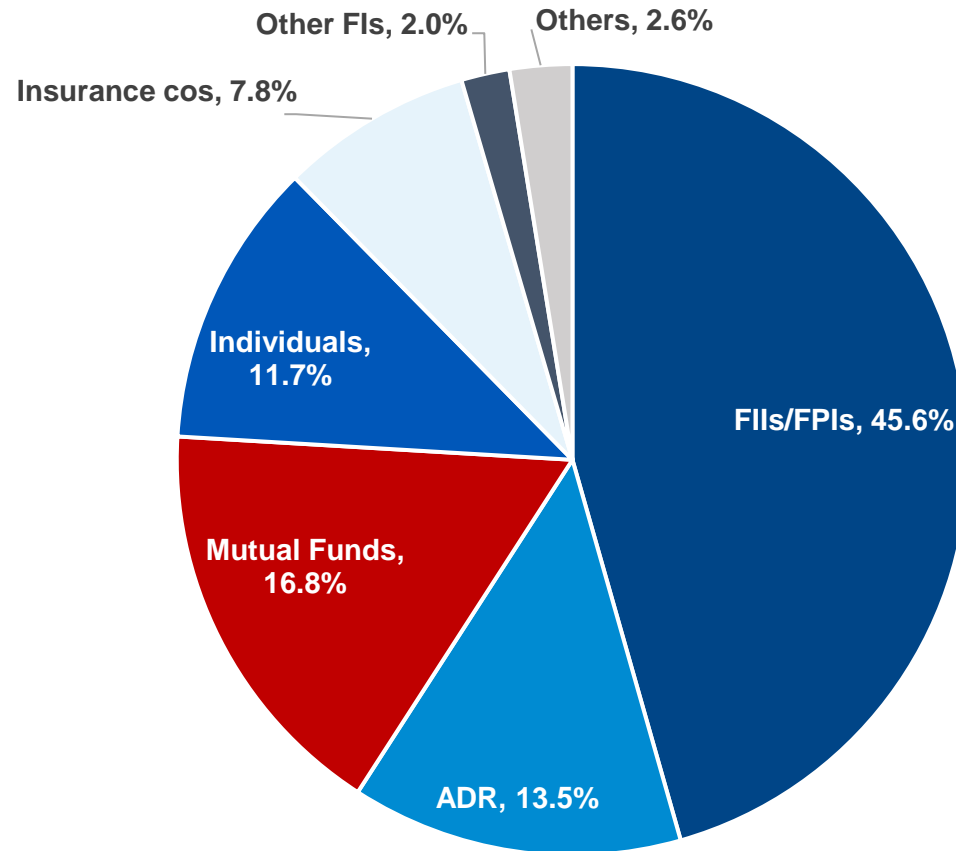
Dec'23



■ AA and above ■ A ■ BBB ■ BB and below

# Shareholding Pattern

Dec'23



Number of shares outstanding	: 7,592 mn
Number of individual shareholders	: 2.97 mn
Foreign limit utilized	: 59.4%
Foreign headroom	: 14.6%

# Safe harbour statement

Certain statements are included in this release which contain words or phrases, such as 'will', 'aim', 'will likely result', 'believe', 'expect', 'will continue', 'anticipate', 'estimate', 'intend', 'plan', 'contemplate', 'seek to', 'future', 'objective', 'goal', 'project', 'should', 'will pursue' and similar expressions or variations of these expressions, that are 'forward-looking statements'. Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for various banking services, future levels of our non-performing loans, our growth and expansion, the adequacy of our allowance for credit and investment losses, technological changes, volatility in investment income, our ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new

accounting standards, our ability to pay dividends, the impact of changes in banking regulations and other regulatory changes on us in India and other jurisdictions, our ability to roll over our short-term funding sources and our exposure to market and operational risks.

By their nature, certain of the market risk disclosures are only estimates and could be materially different from what may actually occur in the future.

As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated. In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this document include, but are not limited to: general economic and political conditions, instability or uncertainty in India and other countries which have an impact on our business activities or investments caused by any factor, including terrorist attack in India, the United States or elsewhere, anti-terrorist or other

attacks by the United States, a United States-led coalition or any other country, tensions between India and Pakistan related to the Kashmir region or between India and China, military armament or social unrest in any part of India, the monetary and interest rate policies of the Government of India, natural calamities, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in Indian and foreign laws and regulations, including tax, accounting and banking regulations, changes in competition and the pricing environment in India, and regional or general changes in asset valuations.

References to e-HDFCL are in respect of the erstwhile Housing Development Financial Corporation Limited that was merged with HDFC Bank Limited effective July 1, 2023.