

NEWS RELEASE
HDFC Bank Limited

FINANCIAL RESULTS (INDIAN GAAP)
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2012

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) accounts for the quarter and nine months ended December 31, 2012, at their meeting held in Mumbai on Friday, January 18, 2013. The accounts have been subject to a 'Limited Review' by the statutory auditors of the Bank.

FINANCIAL RESULTS:

Profit & Loss Account: Quarter ended December 31, 2012

The Bank's total income for the quarter ended December 31, 2012, was ₹ 10,506.5 crores as against ₹ 8,622.6 crores for the quarter ended December 31, 2011. Net revenues (net interest income plus other income) were at ₹ 5,597.7 crores for the quarter ended December 31, 2012, an increase of 23.4% over ₹ 4,536.0 crores for the corresponding quarter of the previous year. Net interest income (interest earned less interest expended) for the quarter ended December 31, 2012, grew by 21.9% to ₹ 3,798.9 crores. This was driven by loan growth of 24.3% and a net interest margin for the quarter of 4.1%.

Other income (non-interest revenue) for the quarter ended December 31, 2012, was ₹ 1,798.9 crores as against ₹ 1,420.0 crores in the corresponding quarter ended December 31, 2011. The main contributor to other income for the quarter was fees & commissions of ₹ 1,401.9 crores, up by 24.3% over ₹ 1,127.6 crores in the corresponding quarter ended December 31, 2011. The two other components of other income were foreign exchange & derivatives revenue of ₹ 258.0 crores (₹ 365.6 crores for the corresponding quarter of the previous year) and gain on revaluation / sale of investments of ₹ 135.8 crores (loss of ₹ 81.8 crores for the quarter ended December 31, 2011).

Operating expenses for the quarter ended December 31, 2012, were ₹ 2,574.1 crores, an increase of 19.3% over the corresponding quarter of the previous year. The core cost-to-income ratio (excluding bond gains/losses) for the quarter ended December 31, 2012 was 47.1%. Provisions and contingencies for the quarter ended December 31, 2012 were ₹ 307.2 crores (consisting primarily of specific, general and floating provisions) as against ₹ 329.2 crores for the corresponding quarter ended December 31, 2011 and ₹ 292.9 crores for the preceding quarter

ended September 30, 2012. Profit before tax at ₹ 2,716.4 crores for the quarter ended December 31, 2012, was up 32.6% over ₹ 2,048.8 crores for the quarter ended December 31, 2011. After providing ₹ 857.3 crores for taxation, the Bank earned a net profit of ₹ 1,859.1 crores, an increase of 30.0% over the quarter ended December 31, 2011.

Balance Sheet: As of December 31, 2012

The Bank's total balance sheet size increased by 14.4% from ₹ 335,466 crores as of December 31, 2011, to ₹ 383,729 crores as of December 31, 2012. Total net advances as of December 31, 2012, were ₹ 241,493 crores, an increase of 24.3% over December 31, 2011. The mix of loans between the retail and wholesale segments was 53:47 as on December 31, 2012. Total deposits were at ₹ 284,119 crores, an increase of 22.2% over December 31, 2011. Savings deposits grew 16.5% to ₹ 81,942 crores and current deposits grew 10.4% to ₹ 47,004 crores. The CASA ratio as at December 31, 2012, was 45.4%.

Nine months ended December 31, 2012:

For the nine months ended December 31, 2012, the Bank earned a total income of ₹ 29,913.2 crores as against ₹ 23,650.0 crores in the corresponding period of the previous year. Net revenues (net interest income plus other income) for the nine months ended December 31, 2012, were ₹ 15,688.1 crores, as against ₹ 12,660.2 crores for the nine months ended December 31, 2011, an increase of 23.9%. Net profit for the nine months ended December 31, 2012 was ₹ 4,836.4 crores, up by 30.2% over the corresponding nine months ended December 31, 2011.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as at December 31, 2012, (computed as per Basel II guidelines) stood at 17.0 % as against the regulatory minimum of 9.0%. Tier-I CAR was 10.9% as of December 31, 2012.

Network:

As of December 31, 2012, the Bank's distribution network was at 2,776 branches and 10,490 ATMs in 1,568 cities as against 2,201 branches and 7,110 ATMs in 1,174 cities as of December 31, 2011.

Asset Quality:

Gross non-performing assets were at 1.0% of gross advances, and net non-performing assets at 0.2% of net advances as on December 31, 2012. The Bank's provisioning policies for

specific loan loss provisions remained higher than regulatory requirements. The NPA coverage ratio based on specific provisions (not including write-offs, technical or otherwise) was at 80% as on December 31, 2012. Total restructured loans (including applications received and under process for restructuring) were at 0.3% of gross advances as of December 31, 2012.

Note:

₹ = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP.

Certain statements are included in this release which contain words or phrases, such as “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “future”, “objective”, “project”, “should”, 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 in India and other jurisdictions on us, 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. Our forward looking statements speak only as of the date on which they are made and we do not undertake any obligation, and we do not intend, to update or revise any forward looking statements to reflect events or circumstances after the date in the statement, even if our expectations or any related events or circumstances change. 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 the global financial crisis and problems in the Eurozone countries, terrorist attacks 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, 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.