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NEWS RELEASE
HDFC Bank Limited

FINANCIAL RESULTS (INDIAN GAAP)
FOR THE QUARTER ENDED JUNE 30, 2012

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) accounts for the quarter ended June 30, 2012, at their meeting held in Mumbai on Friday, July 13, 2012.

FINANCIAL RESULTS:

Profit & Loss Account: Quarter ended June 30, 2012

The Bank's total income for the quarter ended June 30, 2012, was ₹ 9,536.9 crores as against ₹ 7,098.0 crores for the quarter ended June 30, 2011. Net revenues (net interest income plus other income) were at ₹ 5,013.5 crores for the quarter ended June 30, 2012, an increase of 26.3% over ₹ 3,968.0 crores for the corresponding quarter of the previous year. Net interest income (interest earned less interest expended) for the quarter ended June 30, 2012, grew by 22.3% to ₹ 3,484.1 crores. This was driven by loan growth of 21.5% and a net interest margin for the quarter of 4.3%.

Other income (non-interest revenue) for the quarter ended June 30, 2012, was ₹ 1,529.5 crores, up 36.6% over that in the corresponding quarter ended June 30, 2011. The main contributor to other income for the quarter was fees & commissions of ₹ 1,143.3 crores, up by 23.9% over ₹ 922.7 crores in the corresponding quarter ended June 30, 2011. The two other components of other income were foreign exchange & derivatives revenue of ₹ 314.8 crores (₹ 230.1 crores for the corresponding quarter of the previous year) and profit on revaluation / sale of investments of ₹ 66.5 crores (loss of ₹ 41.3 crores for the quarter ended June 30, 2011).

Operating expenses for the quarter ended June 30, 2012, were ₹ 2,432.6 crores, an increase of 25.7% over ₹ 1,934.6 crores during the corresponding quarter of the previous year. The core cost-to-income ratio for the quarter was, therefore, at 49.2% as against 48.3% for the corresponding quarter ended June 30, 2011. Provisions and contingencies were ₹ 487.3 crores (including specific, general and floating provisions of ₹ 474.8 crores) for the quarter ended June 30, 2012, as against ₹ 443.7 crores for the corresponding quarter ended June 30, 2011. After providing ₹ 676.2 crores for taxation, the Bank earned a net profit of ₹ 1,417.4 crores, an increase of 30.6% over the quarter ended June 30, 2011.

Balance Sheet: As of June 30, 2012

The Bank's total balance sheet size increased by 25.9% from ₹ 285,942 crores as of June 30, 2011, to ₹ 360,001 crores as of June 30, 2012. Total net advances as of June 30, 2012, were ₹ 213,338 crores, an increase of 21.5% over June 30, 2011. The mix of loans between the retail and wholesale segments was 52:48 as on June 30, 2012, as against 54:46 as on March 31, 2012. Total deposits were at ₹ 257,531 crores, an increase of 22.0% over June 30, 2011. Savings deposits grew 18.4% to ₹ 76,674 crores and current deposits grew 7.4% to ₹ 41,682 crores. With the term deposits growth at 29.4%, the CASA ratio was at 46.0% of total deposits as at June 30, 2012.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as at June 30, 2012, (computed as per Basel II guidelines) stood at 15.5% as against the regulatory minimum of 9.0%. Tier-I CAR was 10.9% as of June 30, 2012.

NETWORK

As of June 30, 2012, the Bank's distribution network was at 2,564 branches and 9,709 ATMs in 1,416 cities as against 2,111 branches and 5,998 ATMs in 1,111 cities as of June 30, 2011.

ASSET QUALITY

Asset quality remained healthy and stable with gross non-performing assets as on June 30, 2012, at 1.0% of gross advances, and net non-performing assets at 0.2% of net advances as of June 30, 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 81% as on June 30, 2012. Total restructured loans (including applications received and under process for restructuring) were at 0.3% of gross advances as of June 30, 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," "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 nonperforming 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 regulation 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. 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 the other countries which have an impact on our business activities or investments, caused by any factor including terrorist attacks in India or elsewhere, anti-terrorist or other attacks by any country, 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.