NEWS RELEASE
HDFC Bank Limited

FINANCIAL RESULTS (INDIAN GAAP)
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2011

The Board of Directors of HDFC Bank Limited approved the annual audited (Indian GAAP) accounts for the year ended March 31, 2011, at their meeting held in Mumbai on Monday, April 18, 2011.

FINANCIAL RESULTS:

Profit & Loss Account: Quarter ended March 31, 2011

The Bank's total income for the quarter ended March 31, 2011, was ₹ 6,724.3 crores. Net revenues (net interest income plus other income) at ₹ 4,095.2 crores for the quarter ended March 31, 2011 increased by 24.0% over ₹ 3,302.1 crores for the corresponding quarter ended March 31, 2010. Net interest income (interest earned less interest expended) for the quarter ended March 31, 2011 was ₹ 2,839.5 crores as against ₹ 2,351.4 crores for the quarter ended March 31, 2010. This was driven by loan growth of 27.1% and a core net interest margin for the quarter of 4.2%.

Other income (non-interest revenue) for the quarter ended March 31, 2011 was ₹ 1,255.8 crores up 32.1% over that in the corresponding quarter ended March 31, 2010. The main contributor to other income for the quarter was fees & commissions of ₹ 1,000.6 crores, up by 23.2% over ₹ 812.5 crores in the corresponding quarter ended March 31, 2010. The other major component of other income was foreign exchange & derivatives revenue of ₹ 245.4 crores as against ₹ 180.1 crores for the corresponding quarter of the previous year. The Bank earned a profit of ₹ 8.6 crores on revaluation / sale of investments for the quarter ended March 31, 2011 as against a loss of ₹ 47.3 crores in the quarter ended March 31, 2010.

Operating expenses for the quarter were ₹ 1,998.4 crores, an increase of 24.3% over ₹ 1,607.8 crores during the corresponding quarter of the previous year. The cost-to-income ratio for the quarter was stable at 48.8% as against 48.7% for the corresponding quarter ended March 31, 2010. Provisions and contingencies were ₹ 431.3 crores (including specific loan loss and floating provisions of ₹ 330.1 crores) for the quarter ended March 31, 2011 as against ₹ 439.9 crores (including specific loan loss and floating provisions of ₹ 322.8 crores) for the corresponding quarter ended March 31, 2010. After providing ₹ 550.8 crores for taxation, the

Bank earned a Net Profit of ₹ 1,114.7 crores, an increase of 33.2% over the quarter ended March 31, 2010.

Profit & Loss Account: Year ended March 31, 2011

For the year ended March 31, 2011, the Bank earned total income of ₹ 24,263.4 crores. Net revenues for the year ended March 31, 2011 were ₹ 14,878.3 crores, up by 20.3% over ₹ 12,369.5 crores for the year ended March 31, 2010. The Bank's net profit for year ended March 31, 2011 was ₹ 3,926.4 crores, up 33.2%, over the year ended March 31, 2010. Consolidated net profit for the Bank increased by 32.9% to ₹ 3,992.5 crores for the year ended March 31, 2011.

Balance Sheet: As of March 31, 2011

The Bank's total balance sheet size increased by 24.7% from ₹ 222,459 crores as of March 31, 2010 to ₹ 277,353 crores as of March 31, 2011. Total net advances as of March 31, 2011 were ₹ 159,983 crores, an increase of 27.1% over March 31, 2010. Total deposits were at ₹ 208,586 crores, an increase of 24.6% over March 31, 2010. Savings account deposits grew 27.2% over the previous year to reach ₹ 63,448 crores, while current account deposits at ₹ 46,460 crores, registered a growth of 24.8% over the same period. Adjusting current account deposits for one-offs at year end the core CASA ratio was at 51% of total deposits as at March 31, 2011.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as at March 31, 2011 (computed as per Basel II guidelines) stood at 16.2% as against 17.4% as of March 31, 2010 and against the regulatory minimum of 9.0%. Tier-I CAR was 12.2% as of March 31, 2011. During the year 74.8 lac shares were allotted by the Bank on the exercise of options granted earlier under various employee stock option plans. As a result, equity share capital increased by ₹ 7.5 crores and reserves (share premium) by ₹ 820.7 crores.

<u>DIVIDEND</u>

The Board of Directors recommended an enhanced dividend of ₹ 16.50 per share for the year ended March 31, 2011, as against ₹ 12.0 per share for the previous year. This would be subject to approval by the shareholders at the next annual general meeting.

HDFC BANK
We understand your world

NETWORK

As of March 31, 2011, the Bank's distribution network was at 1,986 branches and 5,471 ATMs in 996 cities as against 1,725 branches and 4,232 ATMs in 779 cities as of March 31, 2010. The Bank's total customer base was 21.9 million as of March 31, 2011.

ASSET QUALITY

Asset quality continued to remain healthy with gross non-performing assets as on March 31, 2011 at 1.1% of gross advances as against 1.4% at the end of the previous year. The ratio of net non-performing assets to net advances as of March 31, 2011 was at 0.2%, down from 0.3% as at March 31, 2010. 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 82.5% as on March 31, 2011 while that on March 31, 2010 was 74.8%. Total restructured loans (including applications received and under process for restructuring) were at 0.4% of gross advances of which 0.1% were restructured loans classified as NPAs as on March 31, 2011.

SUBDIVISION (SPLIT) OF THE BANK'S EQUITY SHARES

The Board of Directors considered and approved the sub-division (split) of one equity share of the Bank having a nominal value of ₹ 10 each into five equity shares of nominal value of ₹ 2 each. The record date for the same shall be determined subsequently. The sub-division of shares will be subject to approval of the shareholders and any other statutory and regulatory approvals, as applicable.

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.