



Investor Presentation

Contents

Well positioned across India's GDP spectrum

Meeting Diverse Customers' Needs

Unique Franchise in the Indian Banking Sector

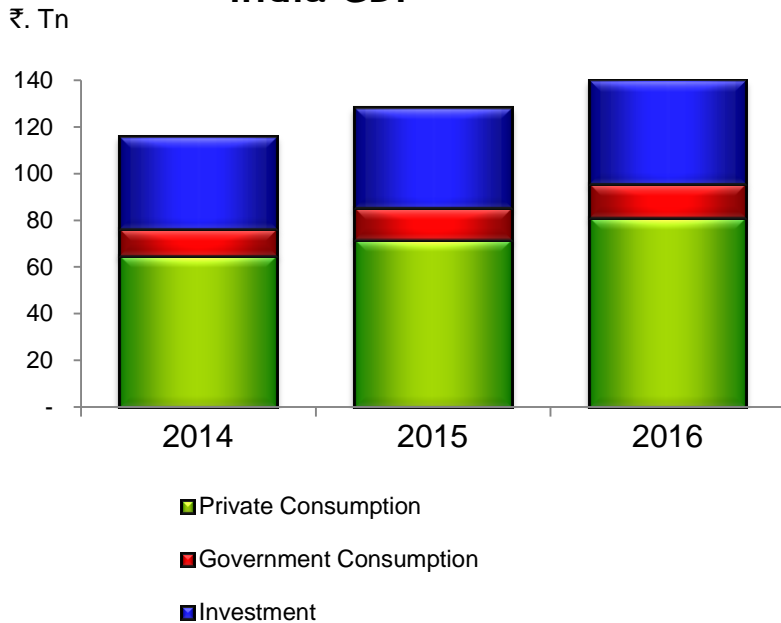
Key Business Initiatives

Financial Highlights

Value Proposition

Well positioned across GDP spectrum

India GDP*



Private Consumption

- Well positioned in urban and rural markets
- Leading player across retail loan categories
- Focus on working capital finance and trade services

Government

- Large tax collector for the Government of India
- Significant provider of cash management services for public sector and semi government undertakings

Investment

- Term Loans for brown field and green field capex
- Loan syndication, debt capital markets
- Project financing to strong and established players
- Leading working capital banker to capital goods manufacturers

*Source CSO (GDP at Market Prices at current prices with new base year of 2011-12)

FY – Fiscal year ended March 31

₹ - Rupees

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Wide Range of Products and Customer Segments

Retail Banking

Loan Products:

Auto Loans
 Personal Loans
 Home Loans / Mortgages
 Commercial Vehicles Finance
 Retail Business Banking
 Credit Cards
 Loans against Gold
 2-Wheeler / Consumer Durable Loans
 Construction Equipment Finance
 Loans against Securities
 Agri and Tractor loans
 Education Loans

Deposit Products:

Savings Accounts
 Current Accounts
 Fixed / Recurring Deposits
 Corporate Salary Accounts

Loan products contd...

Self Help Group Loans
 Joint Liability Group Loans
 Kisan Gold Card

Other Products / Services:

Depository Accounts
 Mutual Fund Sales
 Private Banking
 Insurance Sales (Life, General)
 NRI Services
 Bill Payment Services
 POS Terminals
 Debit Cards
 Foreign Exchange Services
 Broking (HDFC Securities Ltd)

Wholesale Banking

Commercial Banking:

Working Capital
 Term Loans
 Bill / Invoice discounting
 Forex & Derivatives
 Wholesale Deposits
 Letters of Credit
 Guarantees

Transactional Banking:

Cash Management
 Custodial Services
 Clearing Bank Services
 Correspondent Banking
 Tax Collections
 Banker to Public Issues

Investment Banking:

Debt Capital Markets
 Equity Capital Markets
 Project Finance
 M&A and Advisory

Key Segments:

Large Corporate
 Emerging Corporates
 Financial Institutions
 Government / PSUs
 Business Banking / SME
 Supply Chain (Suppliers and Dealers)
 Agriculture
 Commodities

Treasury

Products / Segments:

Foreign Exchange
 Debt Securities
 Derivatives
 Equities

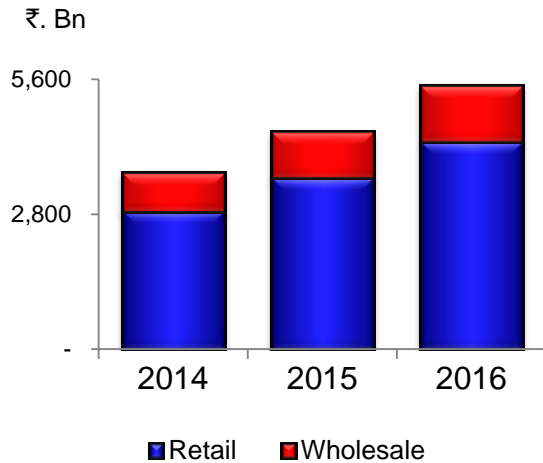
Other Functions:

Asset Liability Management
 Statutory Reserve Management

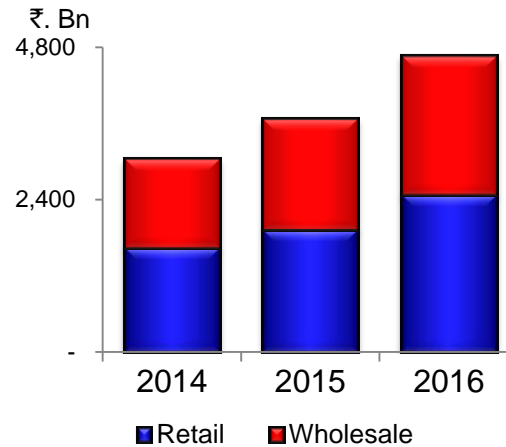
Complete Suite of Products to Meet Diverse Customers' Needs

Business Mix

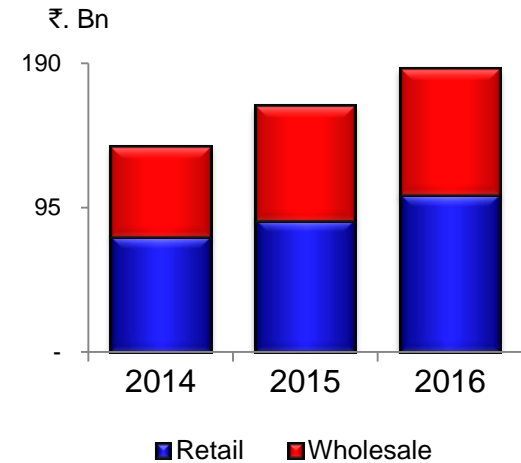
Total Deposits



Gross Advances



Profit Before Tax



- Over 90% of net revenues from customer segments
- Large retail deposit franchise – a source of stable funding
- Well balanced loan mix between wholesale and retail segments
- Equally well positioned to grow both segments

Indian GAAP figures. Fiscal Year ended 31st March; ₹ - Rupees

Gross advances and Profit Before Taxes classified as per RBI guidelines for segmental reporting (Basel II).

“Other Banking Operations Segment” (which includes Credit Cards, Third Party Product sales etc.) has been added to the Retail Segment

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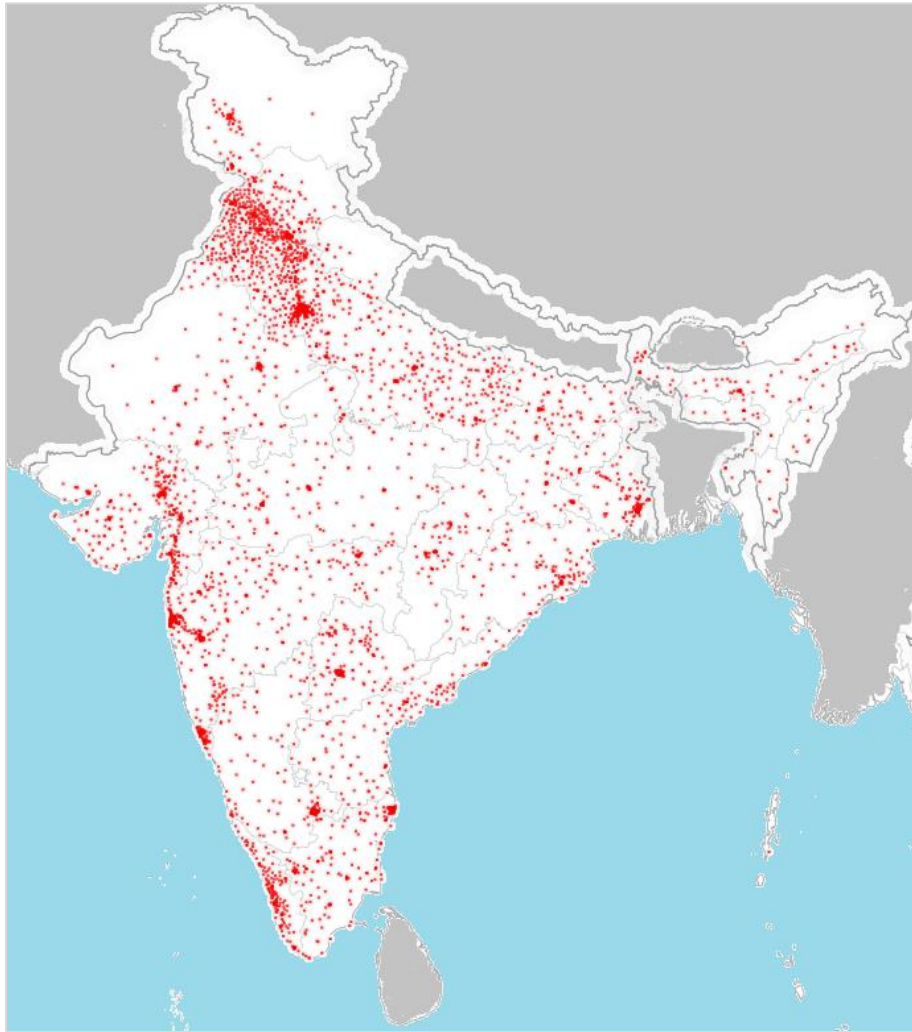
Unique Franchise in the Indian Banking Sector

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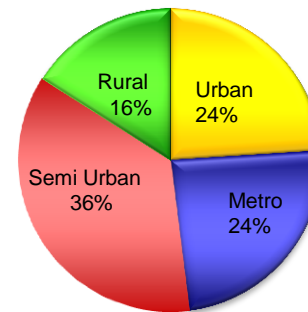
Strong National Network



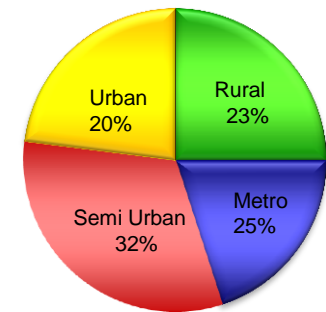
	Mar '13	Mar '14	Mar '15	Mar '16
Branches	3,062	3,403	4,014	4,520
ATMs	10,743	11,256	11,766	12,000
Cities / Towns	1,845	2,171	2,464	2,587

Branch classification

Mar'13



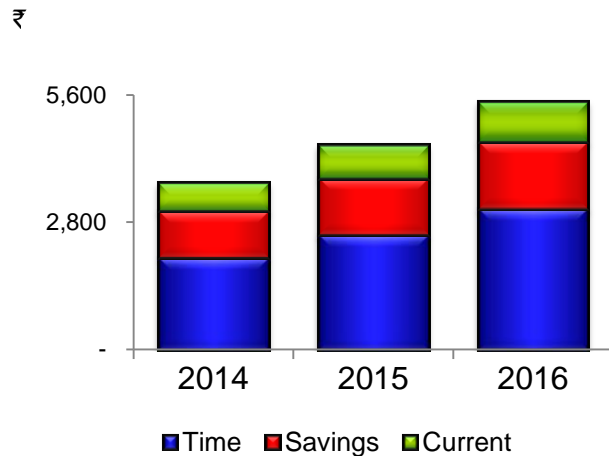
Mar'16



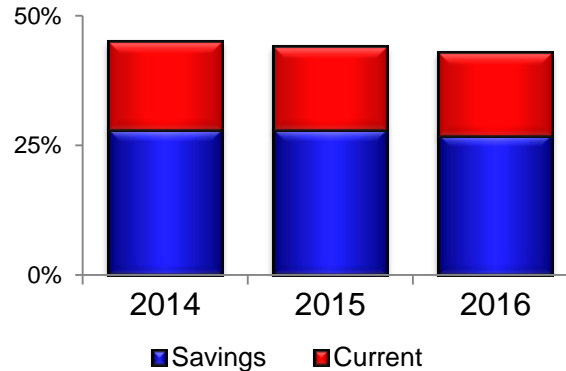
- All branches linked online, real time
- 55% of total branches in Semi-urban and Rural locations
- Customer base of over 37 million

High Quality Deposit Franchise

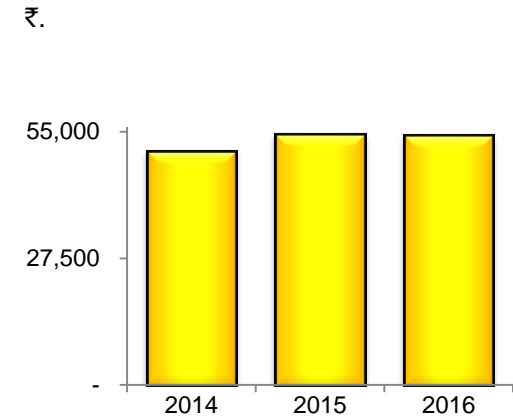
Total Deposits



CASA Ratio



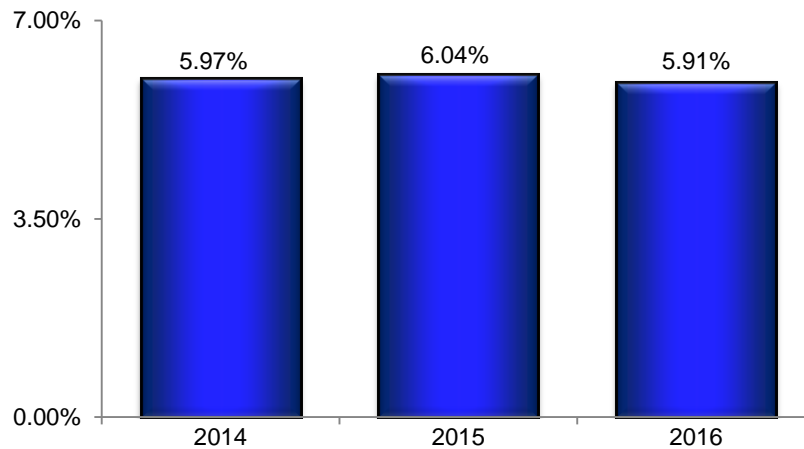
Average Saving Balance per Account



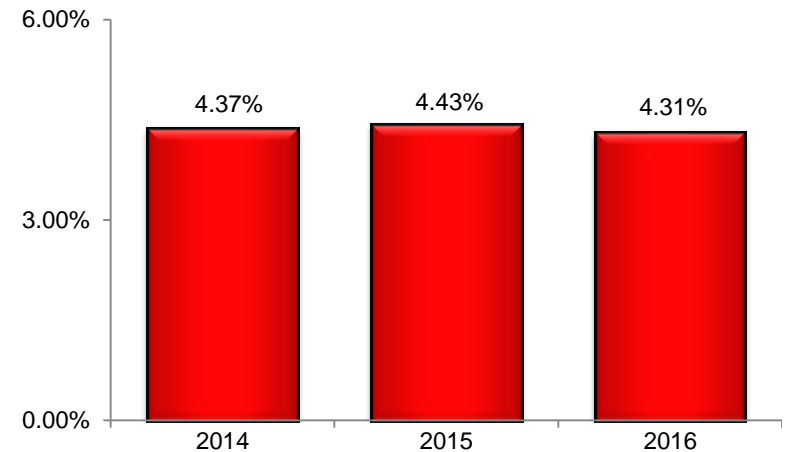
- Healthy proportion of CASA (current & savings) deposits
- Floats from multiple transactional banking franchises
- Provides customer base for ongoing cross-sell through branches
- Quality growth rather than mere numbers

Low Funding Costs – Healthy Margins

Cost of Deposits



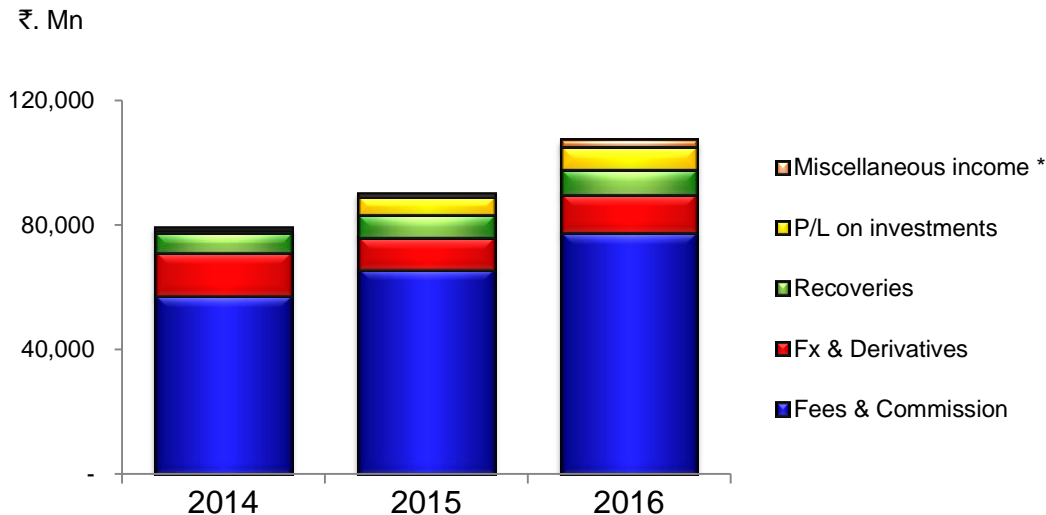
Net Interest Margin



- Amongst the lowest deposit costs in the industry
- Asset yields based on higher proportion & product mix of retail loans
- Healthy margins – relatively stable across interest rate and economic cycles

Indian GAAP figures. Fiscal year ended 31st March

Strong Non-Funded Revenues



Multiple sources of fees & commissions:

Banking charges (Retail & Wholesale)
 Credit card fees
 Retail asset fees
 Third party product sales
 Trade finance
 Cash management
 Depository charges
 Custody

- Other Income (non-fund revenues) at 28% of Net Revenues in FY 2016
- Composition of Other Income in FY 2016:
 - Fees and commission 72%
 - FX and Derivatives Revenues 11%
 - Recoveries from written-off accounts and miscellaneous income 10%
 - Profit / Loss on sale of Investments 7%

Indian GAAP figures ; FY - Fiscal Year ended 31st March.

* Miscellaneous income includes dividend from subsidiaries/associates.

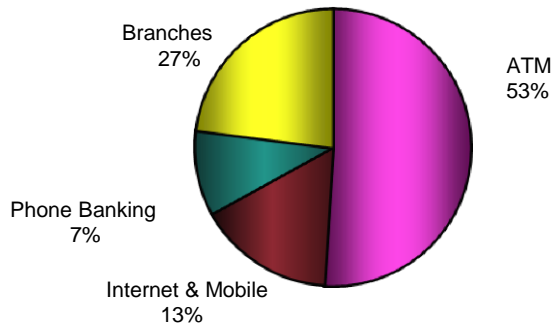
₹ - Rupees

Leveraging Technology

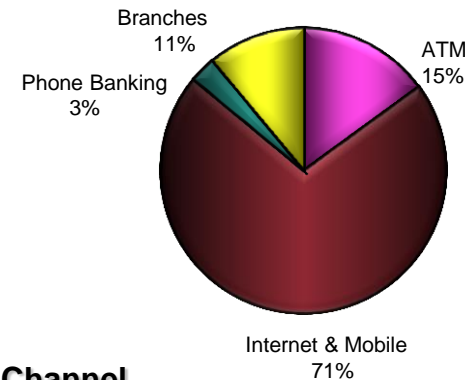
Multiple Delivery Channels

Greater Choice and Convenience for Our Retail Customers

2006



2016



% Customer Initiated Transactions by Channel

Central / Regional Processing Units

Economies of Scale; Branch focus: Sales & Service

Electronic Straight Through Processing

Lower Transaction Costs & Error Rates

Data Warehousing, CRM, Analytics

Higher Sales & Credit Efficiencies, Cross-sell

Innovative Technology Applications

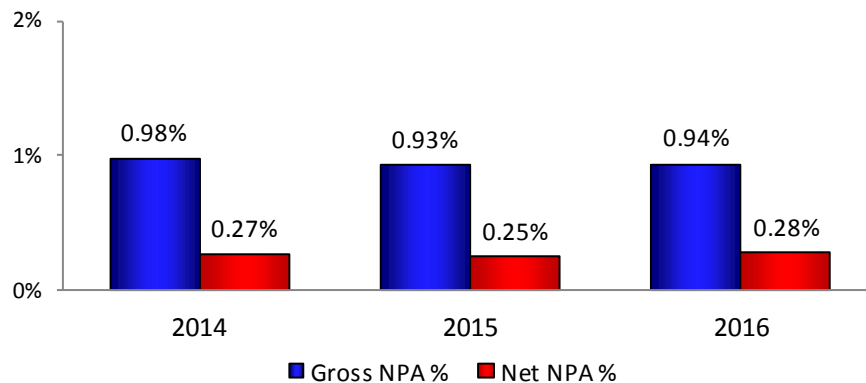
Enable new Products / Channels including Apps

The charts above cover only transactions initiated by our own customers at our channels and which could have been transacted at the Bank's branches.

Transactions such as (a) SMS alerts sent to customers, (b) point of sale (POS) transactions, and (c) transactions by holders of other banks' cardholders have therefore been excluded. Apps include Micro/Lite App, Smart Phone App and Tablet App

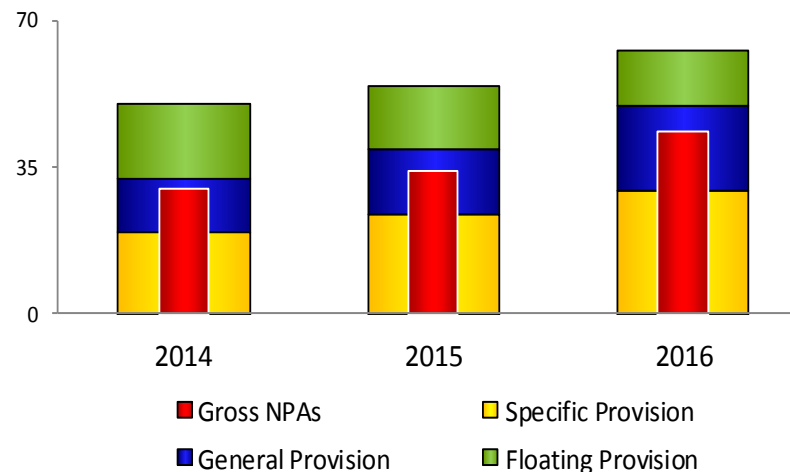
Healthy Asset Quality

NPA% to Advances



₹. Bn

Loan Loss Provisions



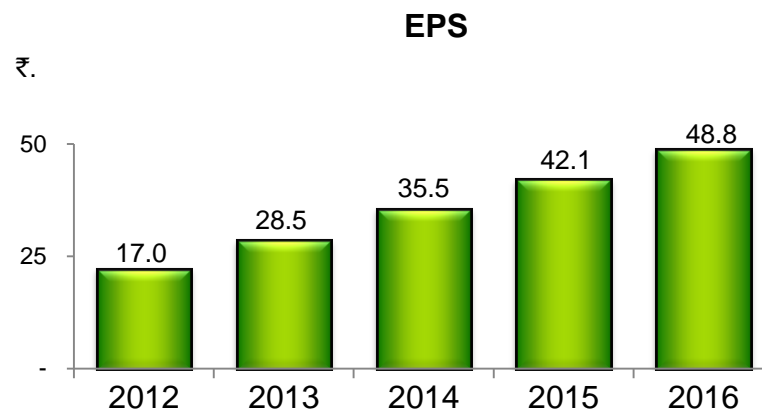
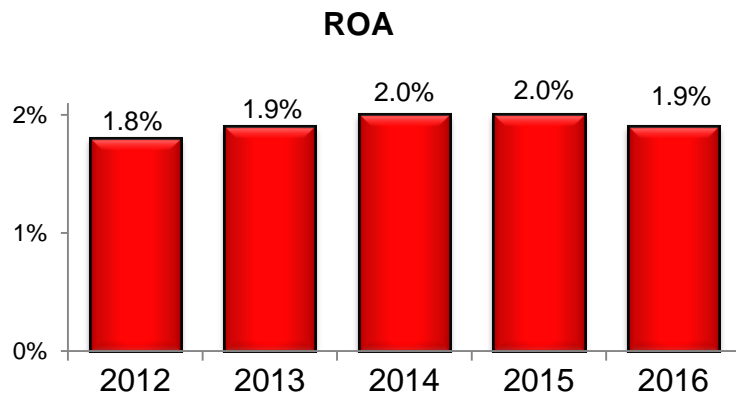
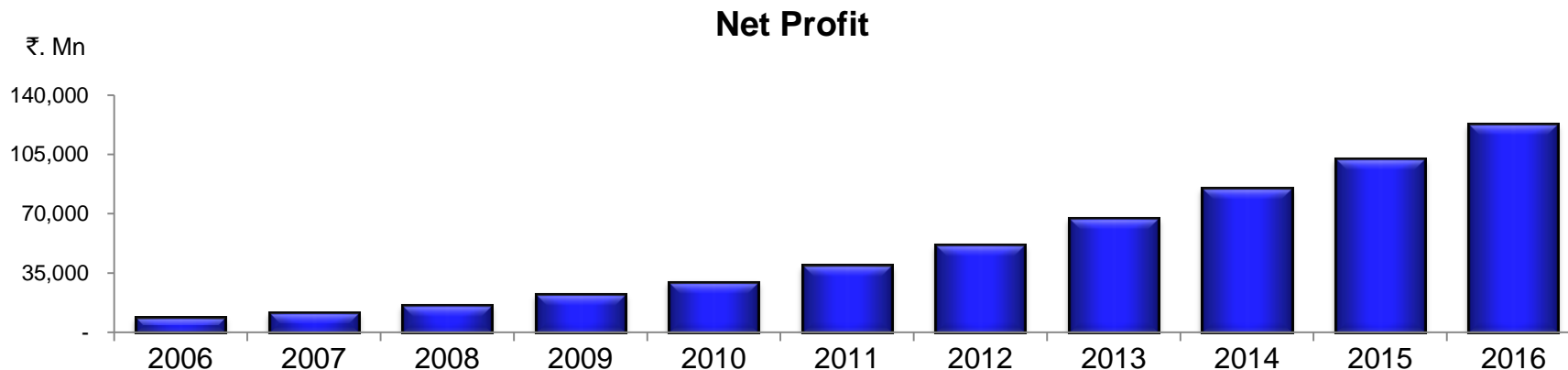
- Amongst the best portfolio quality (wholesale & retail) in the industry
- Strong credit culture, policies, processes
- Specific provision cover at 70% of NPAs, total coverage ratio over 140%
- Restructured loans at 0.1% of gross advances
- NPA ratio lower than 10 year average even in current challenging environment

Indian GAAP figures. Fiscal year ended 31st March.

Net Non Performing Assets (NPA) = Gross NPA less specific loan loss provisions

₹ - Rupees

Consistent Financial Performance



Indian GAAP figures. Fiscal year ended 31st March

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Value Proposition

Digital Banking

Changing customer experience

Increasing stickiness / cross sell

Enabling better risk profiling

Leading to higher STP volumes and lower turn around times (TATs)

Potential for improving Cost to Income ratio

Advanced Analytics

- For risk management
- Making personalised recommendations

Key areas of focus

Investment Advisory

- Virtual RM
- Online investment products

One Click Payment

- P2P Payments - Chillr
- P2M Payments / e-wallet - PayZapp
- Smart Buy



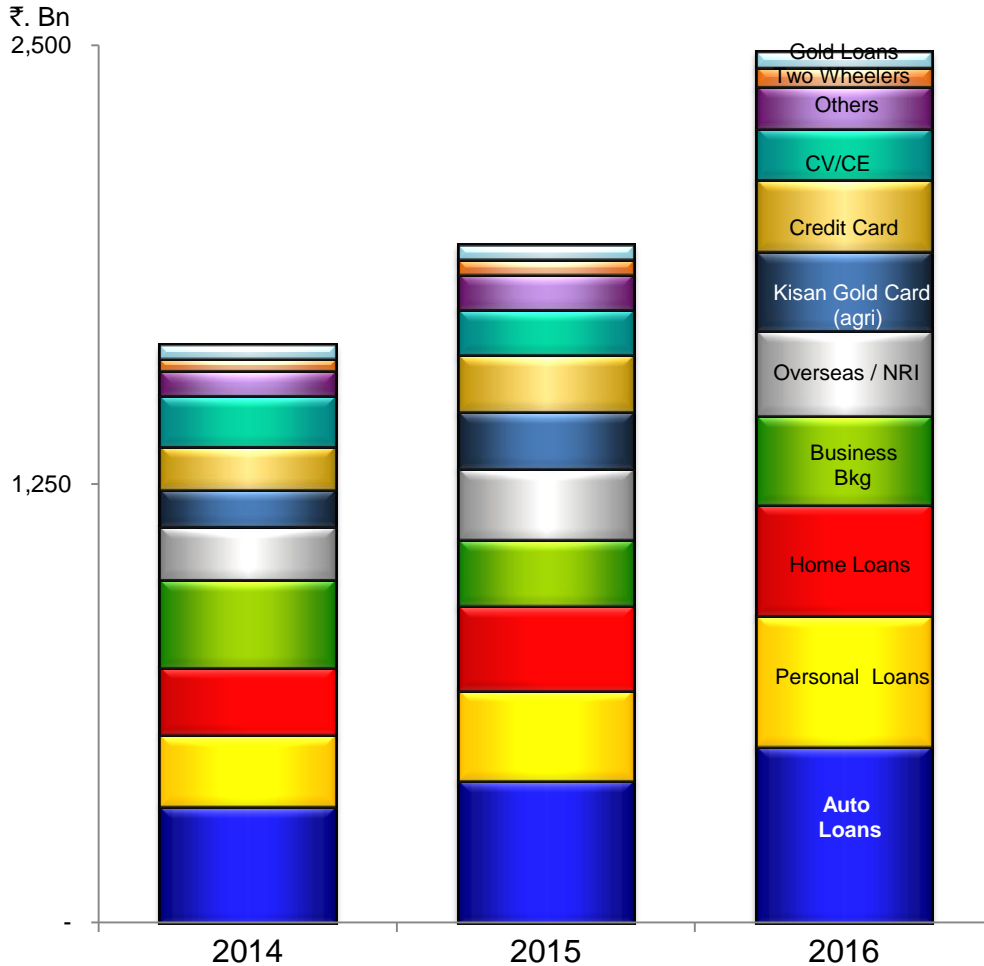
Faster Loans

- Loans to existing customers
- Instant Loan disbursement on Net Banking and ATMs
- Digital sourcing across products
- 'Design your own LAS'

STP – Straight through processing

LAS - Loans against Securities

Retail Loans – Profitable Growth



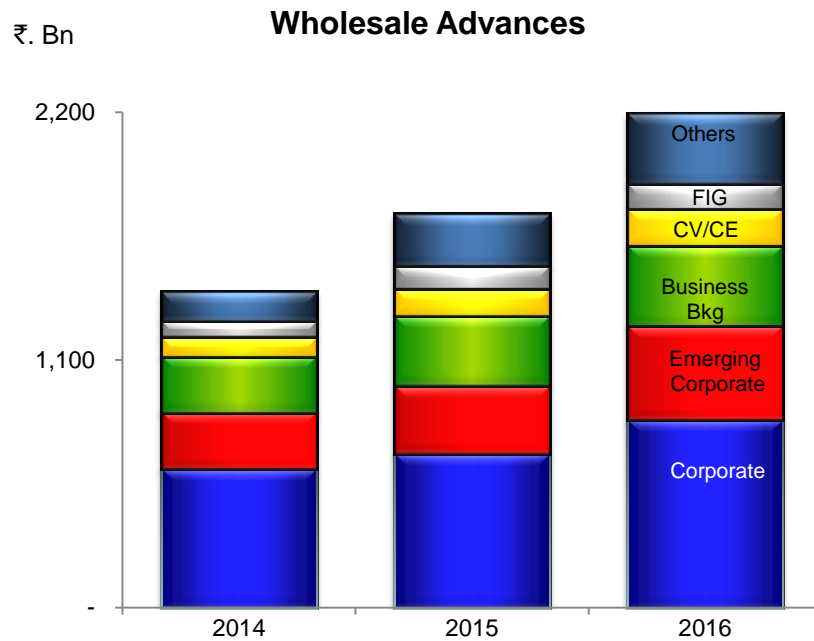
- Well diversified product mix
- Leading player - balancing volumes / market share with margins and risk
- Home Loans* – FY 2016 origination ₹ 164 Bn and buyback ₹ 128 Bn
- Loan losses for most products stable and within product pricing parameters

Indian GAAP figures. Fiscal year ended 31st March; Retail loans are classified as per RBI guidelines for segmental reporting (Basel II).

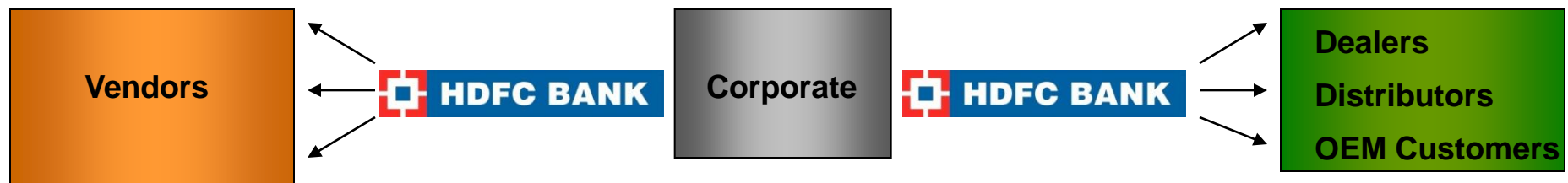
* In arrangement with HDFC Ltd., CV/CE – small /medium ticket commercial vehicle and construction equipment loans, 'Others' include Tractor loans, Loan to SHGs / JLGs, Loans against Securities, etc. ₹ - Rupees



Wholesale Banking - Accessing Multiple Segments



- Leveraging relationships with large / emerging corporates and SMEs for multiple products
- Balanced mix between working capital financing, term loans and trade
- Market leaders in cash management solutions
- Well diversified loan portfolio
- Investment banking capability across multiple industry segments and product verticals



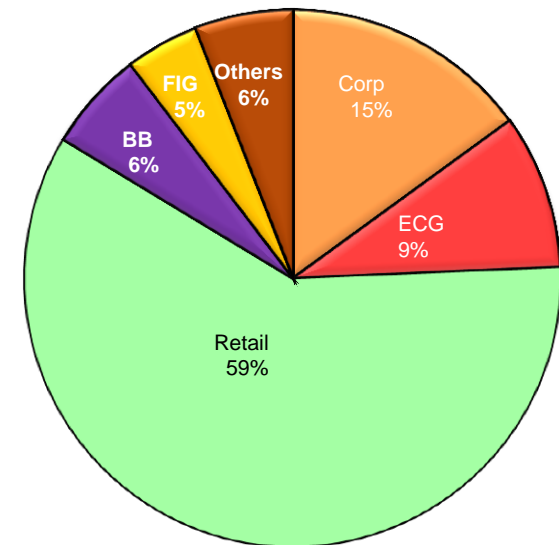
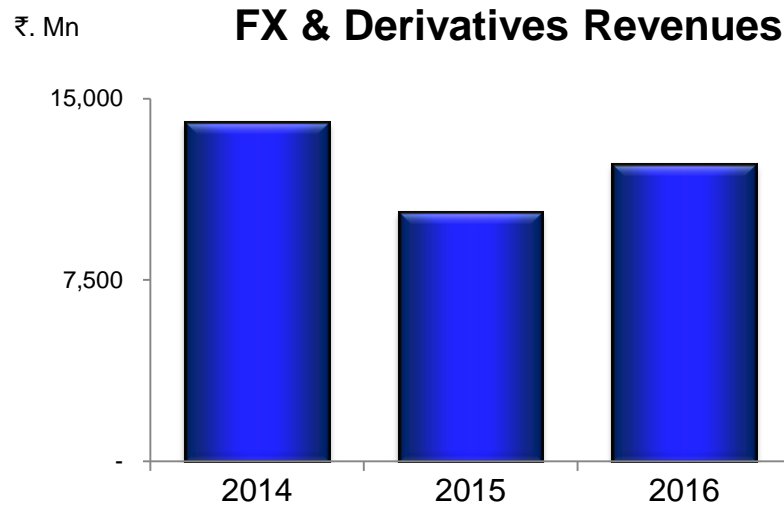
- Leading provider of electronic banking services for supply chain management (SCM)

Indian GAAP figures. Fiscal year ended 31st March; Total wholesale advances are as per the RBI guidelines for segmental reporting (Basel II).

'Others' includes Capital markets ,commodity finance and other consumer loans over ₹ 50 million.

FIG – Financial Institutions and Government group, CV/CE – Large ticket commercial vehicle and construction equipment loans ₹ - Rupees

Customer Focused Treasury Products



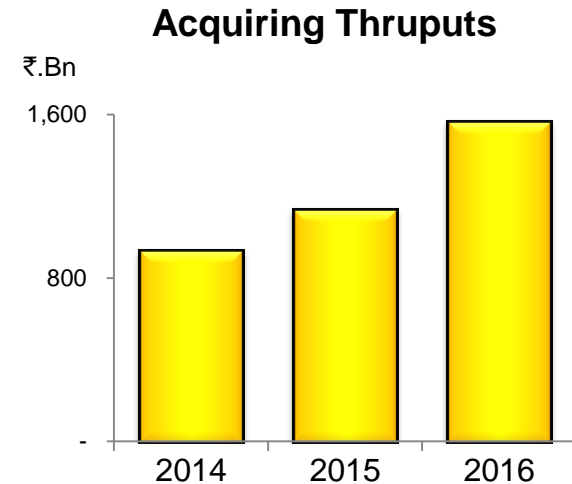
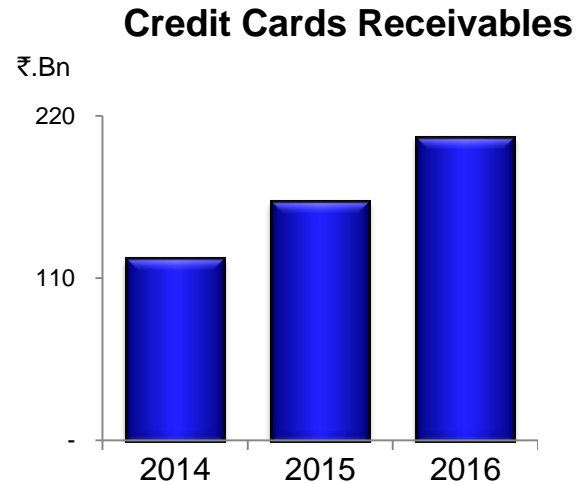
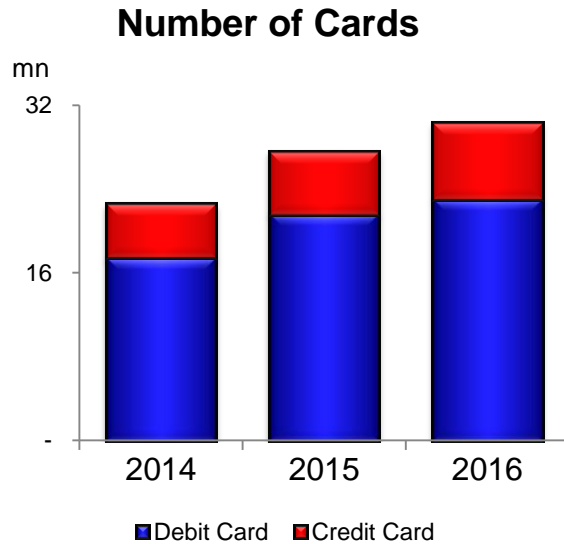
- Revenues – Largely customer driven, low reliance on trading revenue
- Treasury advisory services
- Plain vanilla FX offerings to retail and business banking segments
- FX and derivatives product sales to corporate and institutional customers

Indian GAAP figures. Fiscal year ended 31st March; ₹ - Rupees

Corp – Corporate banking, ECG – Emerging Corporate Group, BB – Business Banking, FIG – Financial Institutions & Government Group;

'Others' includes Capital Markets and Commodity Finance groups

Cards – Market Leadership



- Market leader in credit cards – 7.3 mn
- About 70% of new credit cards issued to existing customers
- Merchant acquiring – over 280,000 POS terminals
- Leading provider of payment gateway services

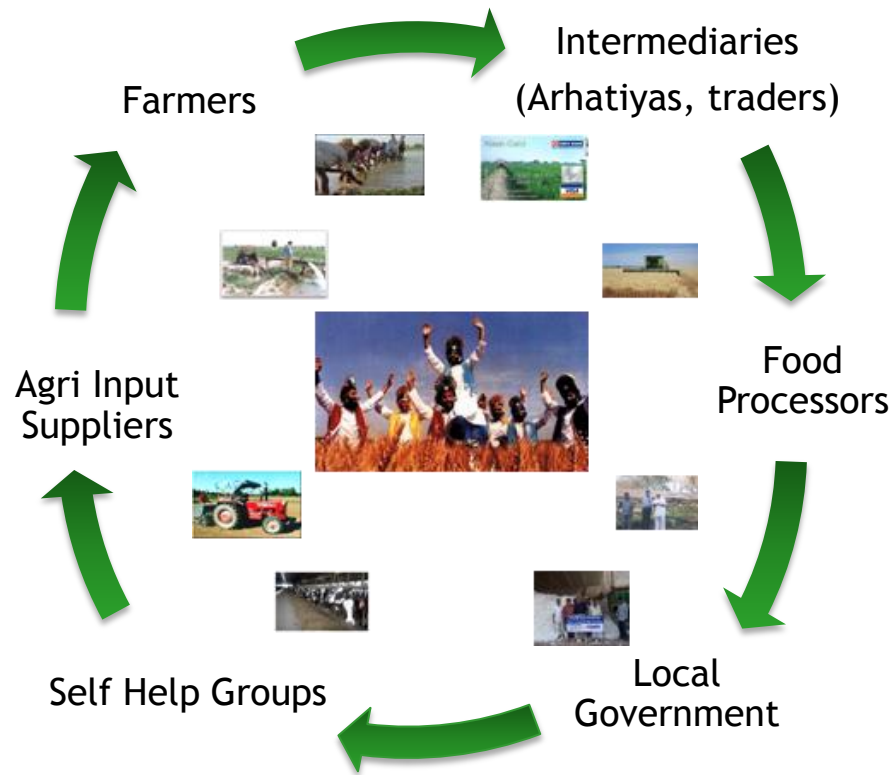
Indian GAAP figures. Fiscal year ended 31st March. ₹ - Rupees

FY 2016 – Fiscal year ended 31st March 2016

POS – Point of Sale

Banking on Rural India

Banking Services for the rural eco-system:
Rural / micro branches offering customised loan and deposit products, whilst maintaining credit standards



Comprehensive Product Suite

- Agri Credit / Kisan Card / Cattle Loans
- Tractor Loans
- Retail Loans – Two Wheeler / LCV etc.
- Small Working Capital Loans
- Sustainable Livelihood Banking

- Regular / Basic Savings Accounts
- Term / Micro Recurring Deposits
- Life & General Insurance Products

Innovative Solutions through Technology

- Milk to Money ATMs
- Payment solutions for agri. procurement

Micro branches are primarily two member branches to expand and deepen the penetration in the rural market including in unbanked areas.

Subsidiary Companies

HDB Financial Services Limited

- Main Products: Retail (LAP, CV/CE, PL), Insurance services and Collection services
- Network of 929 branches across 623 cities
- FY 2016 - Loan book : ₹ 244 Bn, Net Profit : ₹ 5.3 Bn
 - Gross NPA : 1.23%, Capital adequacy ratio (CAR) : 19.2%

HDFC Securities Limited

- State-of-the-art trading and internet platform
- 1.7 million customers ; 258 branches
- FY 2016 - Net Profit : ₹ 1.3 Bn

₹ - Rupees

FY 2016 – Fiscal year ended March 31, 2016; LAP – Loans Against Property; CV/CE – Commercial Vehicle and Construction Equipment Loans;

PL – Personal Loans

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Key Financials

₹. In million

	Quarter Ended Sep' 16	Quarter Ended Sep' 15	Change	Year Ended Mar 16	Year Ended Mar 15	Change
Net Interest Income	79,936	66,809	19.6%	275,915	223,957	23.2%
Fees & Commissions	21,039	18,689	12.6%	77,590	65,842	17.8%
FX & Derivatives	2,950	3,196	-7.7%	12,277	10,280	19.4%
Profit / (loss) on Investments	2,835	1,624	74.6%	7,318	5,816	25.8%
Recoveries	2,185	2,009	8.8%	10,332	8,026	28.7%
Net Revenues	108,945	92,327	18.0%	383,432	313,921	22.1%
Operating Costs	48,700	41,898	16.2%	169,797	139,876	21.4%
Provisions & Contingencies	7,490	6,813	9.9%	27,256	20,758	31.3%
Profit Before Tax	52,755	43,616	21.0%	186,379	153,287	21.6%
Tax	18,202	14,922	22.0%	63,417	51,128	24.0%
Profit After Tax	34,553	28,694	20.4%	122,962	102,159	20.4%

Indian GAAP figures (₹ Mn) , ₹ - Rupees.

Recoveries includes miscellaneous income and dividend from subsidiaries/associates.

Financial Highlights - Quarter ended September 2016

- Gross advances increased by 18.2% to ₹ 4,979 Bn
- Deposits up by 16.7% to ₹ 5,917 Bn
- Net interest margin at 4.2%
- Cost-to-income ratio at 44.7%
- Net profit up by 20.4% to ₹ 34.6 Bn
- Gross NPA / gross advances at 1.0%
- Net NPA / net advances at 0.3%
- Capital adequacy ratio (CAR)* - Total 15.4% of which Tier I at 13.3%

Indian GAAP figures (Bn =Billion); ₹ - Rupees; Net NPA = Gross NPA less specific loan loss provisions;

** Capital adequacy ratio computed as per RBI's Basel III regulations.*

Comparisons are with respect to corresponding figures for the quarter ended September 30, 2015

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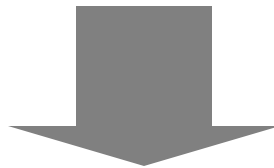
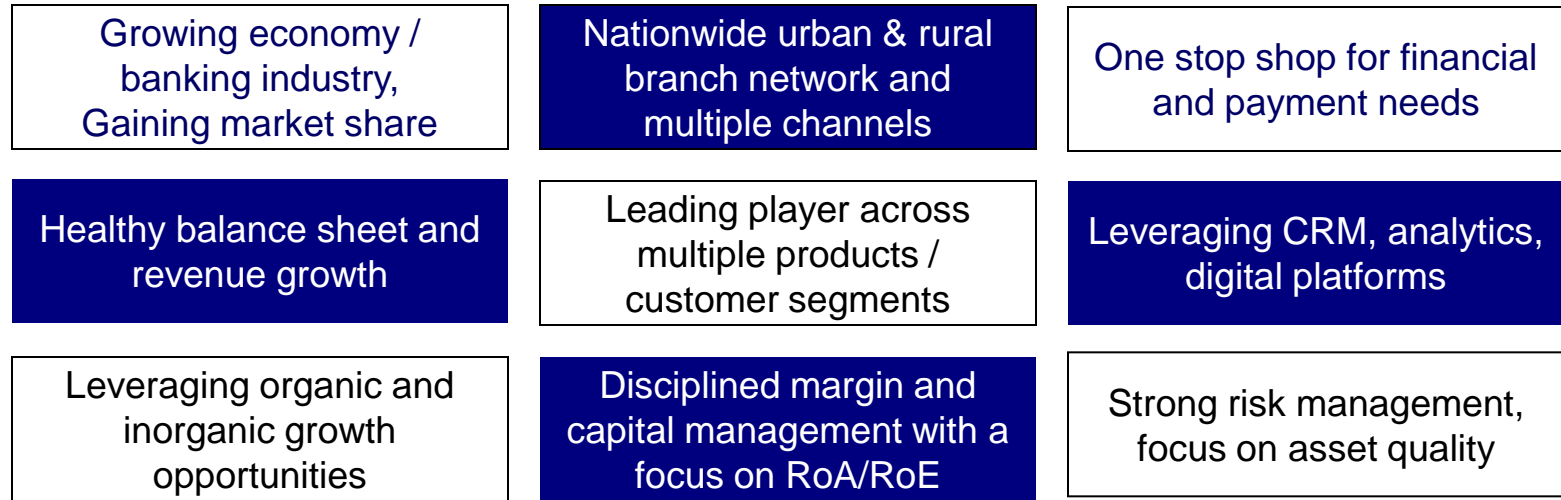
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Value Proposition – Healthy Growth, Low Risk



Proven ability to generate Shareholder Value

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.