

HDFC Bank Limited**FINANCIAL RESULTS (INDIAN GAAP) FOR THE
QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015**

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) results for the quarter and nine months ended December 31, 2015 at their meeting held in Mumbai on Monday, January 25, 2016. The accounts have been subjected to a 'Limited Review' by the statutory auditors of the Bank.

FINANCIAL RESULTS:**Profit & Loss Account: Quarter ended December 31, 2015**

The Bank's total income for the quarter ended December 31, 2015 was ₹ 18,283.3 crores, up from ₹ 14,930.7 crores for the quarter ended December 31, 2014. Net revenues (net interest income plus other income) increased by 20.7% to ₹ 9,940.7 crores for the quarter ended December 31, 2015 as against ₹ 8,234.8 crores for the corresponding quarter of the previous year. Net interest income (interest earned less interest expended) for the quarter ended December 31, 2015 grew by 24.0% to ₹ 7,068.5 crores, from ₹ 5,699.9 crores for the quarter ended December 31, 2014 driven by average assets growth of 28.2% and a net interest margin for the quarter of 4.3%.

Other income (non-interest revenue) at ₹ 2,872.2 crores was 28.9% of the net revenues for the quarter ended December 31, 2015 and grew by 13.3% over ₹ 2,534.9 crores in the corresponding quarter ended December 31, 2014. The four components of other income for the quarter ended December 31, 2015 were fees & commissions of ₹ 2,004.8 crores (₹ 1,806.5 crores in the corresponding quarter of the previous year), foreign exchange & derivatives revenue of ₹ 277.4 crores (₹ 253.4 crores for the corresponding quarter of the previous year), gain on revaluation / sale of investments of ₹ 327.9 crores (₹ 265.5 crores in the corresponding quarter of the previous year) and miscellaneous income including recoveries of ₹ 262.1 crores (₹ 209.5 crores for the corresponding quarter of the previous year).

Operating expenses for the quarter ended December 31, 2015 were ₹ 4,204.8 crores, an increase of 21.7% over ₹ 3,456.3 crores during the corresponding quarter of the previous year. The core cost-to-income ratio for the quarter was at 43.7% as against 43.4% for the corresponding quarter ended December 31, 2014.

Provisions and contingencies for the quarter ended December 31, 2015 were ₹ 653.9 crores (consisting of specific loan loss provisions ₹ 601.5 crores, general provisions ₹ 49.9 crores, and other provisions ₹ 2.5 crores) as against ₹ 560.4 crores (consisting of specific loan loss provisions ₹ 487.6 crores, general provisions ₹ 62.2 crores and other provisions ₹ 10.6 crores) for the corresponding quarter ended December 31, 2014. After providing ₹ 1,725.1 crores for taxation, the Bank earned a net profit of ₹ 3,356.8 crores, an increase of 20.1% over the quarter ended December 31, 2014.

Balance Sheet: As of December 31, 2015

Total balance sheet size as of December 31, 2015 was ₹ 687,892 crores as against ₹ 534,855 crores as of December 31, 2014.

Total deposits as of December 31, 2015 were ₹ 523,997 crores, an increase of 26.5% over December 31, 2014. CASA deposits saw healthy growth with current account deposits growing by 29.7% over the previous year to reach ₹ 74,044 crores and savings account deposits growing by 20.6% over the previous year to reach ₹ 135,432 crores. Time deposits were at ₹ 314,522 crores, an increase of 28.5% over the previous year resulting in CASA proportion of 40% as on December 31, 2015.

Advances as of December 31, 2015 were ₹ 436,364 crores, an increase of 25.7% over December 31, 2014. Both segments of the Bank's loan portfolio grew faster than system loan growth. As per the Bank's internal business classification, the domestic retail loans and wholesale loans grew by 29.2% and 18.9% respectively. As per regulatory [Basel 2] segment classification the growth rates were 30.4% for domestic retail loans and 20.7% for wholesale loans. The domestic loan mix as per Basel 2 classification between retail:wholesale was 53:47 and advances in overseas branches as of December 31, 2015 were at 7.5% of the total advances.

Nine Months ended December 31, 2015

For the nine months ended December 31, 2015, the Bank earned a total income of ₹ 52,110.6 crore as against ₹ 41,896.1 crore in the corresponding period of the previous year. Net revenues (net interest income plus other income) for the nine months ended December 31, 2015 were ₹ 28,024.0 crore, as against ₹ 22,815.1 crore for the nine months ended December 31, 2014, an increase of 22.8%. Net profit for the nine months ended December 31, 2015 was ₹ 8,922.0 crore, up by 20.4% over the corresponding nine months ended December 31, 2014.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines, was at 15.9% as at December 31, 2015 (15.7% as at December 31, 2014) as against a regulatory requirement of 9%. Tier-I CAR was at 13.2% as on December 31, 2015 compared to 12.0% as at December 31, 2014.

NETWORK

As of December 31, 2015, the Bank's distribution network was at 4,281 branches and 11,843 ATMs across 2,505 cities / towns as against 3,659 branches and 11,633 ATMs across 2,287 cities / towns as of December 31, 2014. 55% of branches are now in the semi-urban and rural areas. Number of employees increased from 76,253 as of December 31, 2014 to 84,619 as of December 31, 2015.

ASSET QUALITY

Gross non-performing assets (NPAs) were at 0.97% of gross advances as on December 31, 2015, as against 0.99% as on December 31, 2014. Net non-performing assets were at 0.3% of net advances as on December 31, 2015. Total restructured loans were at 0.1% of gross advances as of December 31, 2015 as against 0.1% as of December 31, 2014.

Note:

₹ = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP.



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NEWS RELEASE

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