

HDFC Bank Limited**FINANCIAL RESULTS (INDIAN GAAP) FOR THE QUARTER AND HALF YEAR
ENDED SEPTEMBER 30, 2016**

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) results for the quarter ended September 30, 2016 and the audited results for the half-year ended September 30, 2016, at their meeting held in Mumbai on Tuesday, October 25, 2016.

FINANCIAL RESULTS:**Profit & Loss Account: Quarter ended September 30, 2016**

The Bank's total income for the quarter ended September 30, 2016 was ₹ 19,970.9 crores up from ₹ 17,324.3 crores for the quarter ended September 30, 2015. Net revenues (net interest income plus other income) increased by 18.0% to ₹ 10,894.5 crores for the quarter ended September 30, 2016 as against ₹ 9,232.7 crores for the corresponding quarter of the previous year. Net interest income (interest earned less interest expended) for the quarter ended September 30, 2016 grew by 19.6% to ₹ 7,993.6 crores from ₹ 6,680.9 crores for the quarter ended September 30, 2015, driven by average assets growth of 19.7% and a net interest margin for the quarter of 4.2%.

Other income (non-interest revenue) at ₹ 2,901.0 crores was 26.6% of the net revenues for the quarter ended September 30, 2016 and grew by 13.7% over ₹ 2,551.8 crores in the corresponding quarter ended September 30, 2015. The four components of other income for the quarter ended September 30, 2016, with the other income components for the corresponding quarter ended September 30, 2015 in brackets, were fees & commissions of ₹ 2,103.9 crores (₹1,868.9 crores), foreign exchange & derivatives revenue of ₹ 295.0 crores (₹ 319.6 crores), gain on revaluation / sale of investments of ₹ 283.5 crores (₹ 162.4 crores) and miscellaneous income including recoveries of ₹ 218.6 crores (₹ 200.9 crores).

Operating expenses for the quarter ended September 30, 2016 were ₹ 4,870.0 crores, an increase of 16.2% over ₹ 4,189.8 crores during the corresponding quarter of the previous year. The cost-to-income ratio for the quarter was at 44.7% as against 45.4% for the corresponding quarter ended September 30, 2015.

Provisions and contingencies for the quarter ended September 30, 2016 were ₹ 749.0 crores (consisting of specific loan loss provisions ₹ 640.7 crores and general and other provisions ₹ 108.3 crores) as against ₹ 681.3 crores (consisting of specific loan loss provisions ₹ 484.4 crores and general and other provisions ₹ 196.9 crores) for the corresponding quarter ended September 30, 2015. Profit before tax for the quarter ended September 30, 2016 grew by 21.0% to ₹ 5,275.6 crores from ₹ 4,361.6 crores for the corresponding quarter ended September 30, 2015.

After providing ₹ 1,820.2 crores for taxation, the Bank earned a net profit of ₹ 3,455.3 crores, an increase of 20.4% over the quarter ended September 30, 2015.

Balance Sheet: As of September 30, 2016

Total deposits as of September 30, 2016 were ₹ 591,731 crores, an increase of 16.7% over September 30, 2015. CASA deposits saw healthy growth with savings account deposits growing by 21.6% over the previous year to reach ₹ 159,950 crores and current account deposits growing by 13.4% over the previous year to reach ₹ 79,154 crores. Time deposits were at ₹ 352,627 crores an increase of 15.4% over the previous year resulting in CASA proportion of 40% as on September 30, 2016.

Advances as of September 30, 2016 were ₹ 494,418 crores, an increase of 18.1% over September 30, 2015. This loan growth was contributed by both segments of the Bank's loan portfolio, with domestic retail loans and wholesale loans as per the Bank's internal business classification growing by 21.7% and 14.3% respectively (as per regulatory [Basel 2] segment classification growing by 23.5% and 14.6% respectively). The domestic loan mix as per Basel 2 classification between retail:wholesale was 54:46 and advances in overseas branches as of September 30, 2016 were at 6.7% of the total advances.

Half Year ended September 30, 2016

For the half year ended September 30, 2016, the Bank earned a total income of ₹ 39,293.5 crore as against ₹ 33,827.3 crore in the corresponding period of the previous year. Net revenues (net interest income plus other income) for the six months ended September 30, 2016 were ₹ 21,482.6 crore, as against ₹ 18,083.3 crore for the six months ended September 30, 2015, an increase of 18.8%. Net profit for the half year ended September 30, 2016 was ₹ 6,694.2 crore, up by 20.3% over the corresponding half year ended September 30, 2015.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines, was at 15.4% as at September 30, 2016 (15.5% as at September 30, 2015) as against a regulatory requirement of 9%. Tier-I CAR was at 13.3% as on September 30, 2016 compared to 12.8% as at September 30, 2015.

NETWORK

As of September 30, 2016, the Bank's distribution network was at 4,548 branches and 12,016 ATMs across 2,596 cities / towns. 54% of branches are now in the semi-urban and rural areas. Number of employees increased from 83,416 as of September 30, 2015 to 95,002 as of September 30, 2016.

ASSET QUALITY

Gross non-performing assets (NPAs) were at 1.02% of gross advances as on September 30, 2016, as against 1.04% as on June 30, 2016 and 0.91% as on September 30, 2015. Net non-performing assets were at 0.3% of net advances as on September 30, 2016. Total restructured loans were at 0.1% of gross advances as of September 30, 2016 as against 0.1% as of September 30, 2015.

Note:

₹ = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP.

BOM: 500180

NSE: HDFCBANK

NYSE: HDB

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



We understand your world

NEWS RELEASE

HDFC Bank Ltd.
HDFC Bank House,
Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013.

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, 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.

For more information please log on to: www.hdfcbank.com

For media queries please contact:

Neeraj Jha

Head, Corporate Communication

HDFC Bank Ltd., Mumbai.

Tel: 91 - 22 - 6652 1308 (D) / 6652 1000 (B)

Fax: 91 - 22 - 2490 3168

Mobile: +91 93236 20828

neeraj.jha@hdfcbank.com

For investor queries please contact:

Bhavin Lakhpatwala

HDFC Bank Ltd., Mumbai.

Tel: 91 - 22 - 6652 1083 (D) / 6652 1000 (B)

Mobile: +91 74983 51730

bhavin.lakhpatwala@hdfcbank.com