

HDFC Bank Limited**FINANCIAL RESULTS (INDIAN GAAP) FOR THE QUARTER AND NINE MONTHS
ENDED DECEMBER 31, 2017**

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) results for the quarter ended December 31, 2017, at their meeting held in Mumbai on Friday, January 19, 2018. 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, 2017**

The Bank's total income for the quarter ended December 31, 2017 was ₹ 24,450.4 crore, up from ₹ 20,748.3 crore for the quarter ended December 31, 2016. Net revenues (net interest income plus other income) increased by 23.9% to ₹ 14,183.5 crore for the quarter ended December 31, 2017 from ₹ 11,451.8 crore in the corresponding quarter of the previous year. Net interest income (interest earned less interest expended) for the quarter ended December 31, 2017 grew by 24.1% to ₹ 10,314.3 crore, from ₹ 8,309.1 crore for the quarter ended December 31, 2016, driven by average asset growth of 16.6% and a core net interest margin for the quarter of 4.3%.

Other income (non-interest revenue) at ₹ 3,869.2 crore was 27.3% of the net revenues for the quarter ended December 31, 2017 and grew by 23.1% over ₹ 3,142.7 crore in the corresponding quarter ended December 31, 2016. The four components of other income for the quarter ended December 31, 2017 were fees & commissions of ₹ 2,872.1 crore (₹ 2,206.8 crore in the corresponding quarter of the previous year), foreign exchange & derivatives revenue of ₹ 426.2 crore (₹ 297.2 crore for the corresponding quarter of the previous year), gain on revaluation / sale of investments of ₹ 259.4 crore (₹ 398.6 crore in the corresponding quarter of the previous year) and miscellaneous income, including recoveries, of ₹ 311.4 crore (₹ 240.0 crore for the corresponding quarter of the previous year).

Operating expenses for the quarter ended December 31, 2017 were ₹ 5,732.2 crore, an increase of 18.4% over ₹ 4,842.5 crore during the corresponding quarter of the previous year. The core cost-to-income ratio for the quarter was at 41.2% as against 43.8% for the corresponding quarter ended December 31, 2016.

Provisions and contingencies for the quarter ended December 31, 2017 were ₹ 1,351.4 crore as against ₹ 715.8 crore for the quarter ended December 31, 2016 and ₹ 1476.2 crore for the quarter ended September 30, 2017. Profit before tax for the quarter ended December 31, 2017 was up 20.5% to ₹ 7,099.9 crore.

After providing ₹ 2,457.3 crore for taxation, the Bank earned a net profit of ₹ 4,642.6 crore, an increase of 20.1% over the quarter ended December 31, 2016.

Balance Sheet: As of December 31, 2017

Total balance sheet size as of December 31, 2017 was ₹ 949,079 crore as against ₹ 828,020 crore as of December 31, 2016.

Total deposits as of December 31, 2017 were ₹ 699,026 crore, an increase of 10.1% over December 31, 2016. As of December 31, 2017 current account deposits were at ₹ 101,286 and savings account deposits were at ₹ 205,833. CASA deposits grew by 6.7% over December 31, 2016 (which had a higher base attributable to the spurt in deposits following the demonetisation exercise) and 3.9% over September 30, 2017. Time deposits were at ₹ 391,907 crore, an increase of 13.0% over the previous year, resulting in CASA deposits comprising 43.9% of total deposits as on December 31, 2017.

Total advances as of December 31, 2017 were ₹ 631,215 crore, an increase of 27.5% over December 31, 2016, and 4.4% over September 30, 2017. This loan growth was contributed by both segments of the Bank's loan portfolio with the loan mix between retail:wholesale at 55:45. As per regulatory [Basel 2] segment classification, retail loans grew by 28.7% and wholesale loans grew by 26.4% (as per internal business classification, the growth was 29.2% and 24.3% respectively).

Nine Months ended December 31, 2017

For the nine months ended December 31, 2017, the Bank earned a total income of ₹ 69,912.0 crore as against ₹ 60,041.8 crore in the corresponding period of the previous year. Net revenues (net interest income plus other income) for the nine months ended December 31, 2017 were ₹ 40,428.9 crore, as against ₹ 32,934.3 crore for the nine months ended December 31, 2016, an increase of 22.8%. Net profit for the nine months ended December 31, 2017 was ₹ 12,687.5 crore, up by 20.2% over the corresponding nine months ended December 31, 2016.



We understand your world

NEWS RELEASE

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

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines was at 15.5% as on December 31, 2017 (15.9% as on December 31, 2016) as against a regulatory requirement of 10.25% including Capital Conservation Buffer of 1.25%. Tier-I CAR was at 13.6% as of December 31, 2017 compared to 13.8% as of December 31, 2016.

NETWORK

As of December 31, 2017, the Bank's distribution network was at 4,734 branches and 12,333 ATMs across 2,672 cities / towns as against 4,555 branches and 12,087 ATMs across 2,597 cities / towns as of December 31, 2016. Of the total branches, 52% are in semi-urban and rural areas.

ASSET QUALITY

Gross non-performing assets were at 1.29% of gross advances as on December 31, 2017, as against 1.26% as on September 30, 2017 and 1.05% as on December 31, 2016. Net non-performing assets were at 0.4% of net advances as on December 31, 2017.

Note:

₹ = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP.

BSE: 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 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



We understand your world

NEWS RELEASE

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

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