

HDFC Bank Limited**FINANCIAL RESULTS (INDIAN GAAP) FOR THE QUARTER AND YEAR ENDED
MARCH 31, 2018**

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) results for the quarter and full year ended March 31, 2018, at their meeting held in Mumbai on Saturday, April 21, 2018. The accounts have been subjected to an audit by the statutory auditors of the Bank.

STANDALONE FINANCIAL RESULTS:**Profit & Loss Account: Quarter ended March 31, 2018**

The Bank's total income for the quarter ended March 31, 2018 was ₹ 25,549.7 crore, up from ₹ 21,560.7 crore for the quarter ended March 31, 2017. Net revenues (net interest income plus other income) increased by 19.1% to ₹ 14,886.3 crore for the quarter ended March 31, 2018 from ₹ 12,501.4 crore in the corresponding quarter of the previous year. Net interest income (interest earned less interest expended) for the quarter ended March 31, 2018 grew by 17.7% to ₹ 10,657.7 crore, from ₹ 9,055.1 crore for the quarter ended March 31, 2017, driven by average asset growth of 16.9% and a core net interest margin for the quarter of 4.3%.

Other income (non-interest revenue) at ₹ 4,228.6 crore was 28.4% of the net revenues for the quarter ended March 31, 2018 and grew by 22.7% over ₹ 3,446.3 crore in the corresponding quarter ended March 31, 2017. The four components of other income for the quarter ended March 31, 2018 were fees & commissions of ₹ 3,329.7 crore (₹2,523.0 crore in the corresponding quarter of the previous year), foreign exchange & derivatives revenue of ₹ 416.4 crore (₹ 356.7 crore for the corresponding quarter of the previous year), loss on revaluation / sale of investments of ₹ 22.0 crore (gain of ₹ 180.4 crore in the corresponding quarter of the previous year) and miscellaneous income, including recoveries and dividend, of ₹ 504.5 crore (₹ 386.2 crore for the corresponding quarter of the previous year).

Operating expenses for the quarter ended March 31, 2018 were ₹ 6,050.6 crore, an increase of 15.9% over ₹ 5,222.0 crore during the corresponding quarter of the previous year. The core cost-to-income ratio for the quarter was at 40.6% as against 42.4% for the corresponding quarter ended March 31, 2017.

Provisions and contingencies for the quarter ended March 31, 2018 were ₹ 1,541.1 crore (consisting of specific loan loss provisions ₹ 1,132.5 crore, general provisions ₹153.4 crore, and other provisions ₹ 255.3 crore) as against ₹ 1,261.8 crore (consisting of specific loan loss provisions ₹ 977.9 crore, general provisions ₹ 280.3 crore, and other provisions ₹ 3.6 crore) for the quarter ended March 31, 2017. Profit before tax for the quarter ended March 31, 2018 was up 21.2% to ₹ 7,294.6 crore.

After providing ₹ 2,495.3 crore for taxation, the Bank earned a net profit of ₹ 4,799.3 crore, an increase of 20.3% over the quarter ended March 31, 2017.

Profit & Loss Account: Year ended March 31, 2018

For the year ended March 31, 2018, the Bank earned total income of ₹ 95,461.7 crore. Net revenues (net interest income plus other income) for the year ended March 31, 2018 were ₹ 55,315.2 crore, up by 21.7% over ₹ 45,435.7 crore for the year ended March 31, 2017. For the year ended March 31, 2018, the core net interest margin was 4.3%. Core cost to income ratio was at 41.7% for the year ended March 31, 2018, as against 44.5% for the previous year.

The Bank's net profit for year ended March 31, 2018 was ₹ 17,486.8 crore, up 20.2%, over the year ended March 31, 2017.

Balance Sheet: As of March 31, 2018

Total balance sheet size as of March 31, 2018 was ₹ 1,063,934 crore as against ₹863,840 crore as of March 31, 2017.

Total deposits as of March 31, 2018 were ₹ 788,771 crore, an increase of 22.5% over March 31, 2017. As of March 31, 2018 current account deposits were at ₹ 119,283 crore and savings account deposits at ₹ 223,810 crore grew by 15.6% over March 31, 2017. Time deposits were at ₹ 445,678 crore, an increase of 33.2% over the previous year, resulting in CASA deposits comprising 43.5% of total deposits as on March 31, 2018.

Total advances as of March 31, 2018 were ₹ 658,333 crore, an increase of 18.7% over March 31, 2017. This loan growth was contributed by both segments of the Bank's loan portfolio with the loan mix between retail:wholesale at 57:43. As per regulatory [Basel 2] segment classification, retail loans grew by 27.4% and wholesale loans grew by 9.4%.

Capital Adequacy

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines was at 14.8% as on March 31, 2018 (14.6% as on March 31, 2017) as against a regulatory requirement of 10.875% including Capital Conservation Buffer of 1.875%. Tier 1 CAR was at 13.2% as of March 31, 2018 compared to 12.8% as of March 31, 2017. Common Equity Tier 1 Capital ratio was at 12.2% as of March 31, 2018. Risk-weighted Assets were at ₹ 800,126 crore (as against ₹ 640,030 crore as at March 31, 2017).

DIVIDEND

The Board of Directors recommended a dividend of ₹ 13 per equity share of ₹ 2 for the year ended March 31, 2018, as against ₹ 11 per equity share of ₹ 2 for the previous year. This would be subject to approval by the shareholders at the next annual general meeting.

NETWORK

As of March 31, 2018, the Bank's distribution network was at 4,787 banking outlets and 12,635 ATMs across 2,691 cities / towns as against 4,715 banking outlets and 12,260 ATMs across 2,657 cities / towns as of March 31, 2017. Of the total banking outlets, 53% are in semi-urban and rural areas. Number of employees were at 88,253 as of March 31, 2018 (as against 84,325 as of March 31, 2017).

ASSET QUALITY

Gross non-performing assets were at 1.30% of gross advances as on March 31, 2018, as against 1.29% as on December 31, 2017 and 1.05% as on March 31, 2017. Net non-performing assets were at 0.4% of net advances as on March 31, 2018. The Bank held floating provisions of ₹ 1,451 crore as on March 31, 2018.

SUBSIDIARIES

HDFC Securities Limited (HSL) is amongst the leading retail broking firms in India. As on March 31, 2018, the Bank held 97.7% stake in HSL.

For the year ended March 31, 2018, HSL's total income grew by 42.5% to ₹ 788.3 crore. Net profit for the year was ₹ 344.4 crore, a growth of 59.5% over ₹ 215.9 crore in the previous year.



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As on March 31, 2018 HSL had 259 branches across 171 cities / towns in the country.

HDB Financial Services Limited (HDBFSL) is a non-deposit taking non-bank finance company ('NBFC') offering wide range of loans and asset finance products to individuals, emerging businesses and micro enterprises. As on March 31, 2018, the Bank held 95.9% stake in HDBFSL.

As on March 31, 2018, HDBFSL's balance sheet size was at ₹ 44,754 crore. The total loan book grew by 34.9% to ₹ 43,573 crore as on March 31, 2018 (as against ₹ 32,292 crore as of March 31, 2017).

For the year ended March 31, 2018, HDBFSL's net interest income grew by 36.9% to ₹ 2,788.9 crore (as against ₹ 2,037.2 crore in the previous year). The net profit for the year ended March 31, 2018 was ₹ 951.7 crore compared to ₹ 684.2 crore in the previous year, a growth of 39.1%.

As on March 31, 2018, HDBFSL had 1,165 branches across 831 cities / towns.

Gross NPAs were at 1.6% of gross advances and net NPAs were at 1.0% of net advances as on March 31, 2018. Total CAR was at 17.9% with Tier-I CAR at 13.2%.

CONSOLIDATED FINANCIAL RESULTS

The consolidated net profit for the year ended March 31, 2018 was ₹ 18,510.0 crore, up 21.4%, over the year ended March 31, 2017. Consolidated advances grew by 19.6% from ₹ 585,481 crore as on March 31, 2017 to ₹ 700,034 crore as on March 31, 2018.

Note:

₹ = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP.

BSE: 500180

NSE: HDFCBANK

NYSE: HDB



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

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