

HDFC Bank Limited**FINANCIAL RESULTS (INDIAN GAAP) FOR THE QUARTER AND NINE MONTHS
ENDED DECEMBER 31, 2022**

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) results for the quarter and nine months ended December 31, 2022, at its meeting held in Mumbai on Saturday, January 14, 2023. The accounts have been subjected to a 'Limited Review' by the statutory auditors of the Bank.

STANDALONE FINANCIAL RESULTS:**Profit & Loss Account: Quarter ended December 31, 2022**

The Bank's net revenue, grew by 18.3% to ₹ 31,487.7 crore for the quarter ended December 31, 2022 from ₹ 26,627.0 crore for the quarter ended December 31, 2021. Excluding net trading and mark to market income, the net revenue grew by 22.1% over the quarter ended December 31, 2021.

Net interest income (interest earned less interest expended) for the quarter ended December 31, 2022 grew by 24.6% to ₹ 22,987.8 crore from ₹ 18,443.5 crore for the quarter ended December 31, 2021. Core net interest margin was at 4.1% on total assets, and 4.3% based on interest earning assets.

The four components of other income for the quarter ended December 31, 2022 were fees & commissions of ₹ 6,052.6 crore (₹ 5,075.1 crore in the corresponding quarter of the previous year), foreign exchange & derivatives revenue of ₹ 1,074.1 crore (₹ 949.5 crore in the corresponding quarter of the previous year), net trading and mark to market income of ₹ 261.4 crore (₹ 1,046.5 crore in the corresponding quarter of the previous year) and miscellaneous income, including recoveries and dividend, of ₹ 1,111.8 crore (₹ 1,112.5 crore in the corresponding quarter of the previous year). Other income, excluding net trading and mark to market income, grew by 15.4% over the quarter ended December 31, 2021.

Operating expenses for the quarter ended December 31, 2022 were ₹ 12,463.6 crore, an increase of 26.5% over ₹ 9,851.1 crore during the corresponding quarter of the previous year. The cost-to-income ratio for the quarter was at 39.6%.

Pre-provision Operating Profit (PPOP) was at ₹ 19,024.1 crore. PPOP, excluding net trading and mark to market income, grew by 19.3% over the quarter ended December 31, 2021.

Provisions and contingencies for the quarter ended December 31, 2022 were ₹ 2,806.4 crore as against ₹ 2,994.0 crore for the quarter ended December 31, 2021.

The total credit cost ratio was at 0.74%, as compared to 0.94% for the quarter ending December 31, 2021.

Profit before tax (PBT) for the quarter ended December 31, 2022 was at ₹ 16,217.6 crore. After providing ₹ 3,958.1 crore for taxation, the Bank earned a net profit of ₹ 12,259.5 crore, an increase of 18.5% over the quarter ended December 31, 2021.

Balance Sheet: As of December 31, 2022

Total balance sheet size as of December 31, 2022 was ₹ 2,295,305 crore as against ₹1,938,286 crore as of December 31, 2021, a growth of 18.4%.

Total Deposits showed a healthy growth and were at ₹ 1,733,204 crore as of December 31, 2022, an increase of 19.9% over December 31, 2021. CASA deposits grew by 12.0% with savings account deposits at ₹ 535,206 crore and current account deposits at ₹ 227,745 crore. Time deposits were at ₹ 970,253 crore, an increase of 26.9% over the corresponding quarter of the previous year, resulting in CASA deposits comprising 44.0% of total deposits as of December 31, 2022.

Total advances as of December 31, 2022 were ₹ 1,506,809 crore, an increase of 19.5% over December 31, 2021. Gross of transfers through inter-bank participation certificates and bills rediscounted, total advances grew by 23.6% over December 31, 2021. Domestic retail loans grew by 21.4%, commercial and rural banking loans grew by 30.2% and corporate and other wholesale loans grew by 20.3%. Overseas advances constituted 2.8% of total advances.

Nine months ended December 31, 2022

For the nine months ended December 31, 2022, the Bank earned a total income of ₹ 138,949.8 crore as against ₹ 116,177.2 crore in the corresponding period of the previous year. Net revenues (net interest income plus other income) for the nine months ended December 31, 2022 were ₹ 85,974.1 crore, as against ₹ 75,009.7 crore for the nine

months ended December 31, 2021. Net profit for the nine months ended December 31, 2022 was ₹ 32,061.3 crore, up by 19.2% over the corresponding nine months ended December 31, 2021.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines (including profits for the nine months ended December 31, 2022) was at 19.4% as on December 31, 2022 (19.5% as on December 31, 2021) as against a regulatory requirement of 11.7% which includes Capital Conservation Buffer of 2.5%, and an additional requirement of 0.2% on account of the Bank being identified as a Domestic Systemically Important Bank (D-SIB). Tier 1 CAR was at 17.2% as of December 31, 2022 compared to 18.4% as of December 31, 2021. Common Equity Tier 1 Capital ratio was at 16.4% as of December 31, 2022. Risk-weighted Assets were at ₹ 1,536,272 crore (as against ₹ 1,267,426 crore as at December 31, 2021).

NETWORK

As of December 31, 2022, the Bank's distribution network was at 7,183 branches and 19,007 ATMs / Cash Deposit & Withdrawal Machines (CDMs) across 3,552 cities / towns as against 5,779 branches and 17,238 ATMs / CDMs across 2,956 cities / towns as of December 31, 2021. 51% of our branches are in semi-urban and rural areas. In addition, we have 15,815 business correspondents, which are primarily manned by Common Service Centres (CSC). Number of employees were at 166,890 as of December 31, 2022 (as against 134,412 as of December 31, 2021).

ASSET QUALITY

Gross non-performing assets were at 1.23% of gross advances as on December 31, 2022 (1.00% excluding NPAs in the agricultural segment), as against 1.23% as on September 30, 2022 (1.03% excluding NPAs in the agricultural segment), and 1.26% as on December 31, 2021 (1.04% excluding NPAs in the agricultural segment). Net non-performing assets were at 0.33% of net advances as on December 31, 2022.

SUBSIDIARIES

The Bank's subsidiary companies prepare their financial results in accordance with the notified Indian Accounting Standards ('Ind-AS'). The Bank for the purposes of its statutory compliance prepares and presents its financial results under Indian GAAP. Hence the

Bank's subsidiary companies, for the purposes of the consolidated financial results of the Bank, prepare 'fit-for-consolidation information' based on the recognition and measurement principles as per Indian GAAP. The financial numbers of the Bank's subsidiary companies mentioned herein below are in accordance with Ind-AS.

HDFC Securities Limited (HSL) is amongst the leading retail broking firms in India. As on December 31, 2022, the Bank held 95.6% stake in HSL. For the quarter ended December 31, 2022, HSL's total revenue was at ₹ 504.9 crore, as against ₹ 535.6 crore for the quarter ended December 31, 2021. Profit after tax for the quarter was at ₹ 203.2 crore, as against ₹ 258.0 crore for the quarter ended December 31, 2021.

As on December 31, 2022, HSL had 210 branches across 147 cities / towns in the country.

HDB Financial Services Limited (HDBFSL) is a non-deposit taking non-banking finance company ('NBFC') offering wide range of loans and asset finance products to individuals, emerging businesses and micro enterprises. As on December 31, 2022, the Bank held 94.9% stake in HDBFSL.

For the quarter ended December 31, 2022, HDBFSL's net revenue was at ₹ 2,233.4 crore as against ₹ 1,981.6 crore for the quarter ended December 31, 2021, a growth of 12.7%. Profit after tax for the quarter ended December 31, 2022 was ₹ 501.2 crore compared to ₹ 304.0 crore for the quarter ended December 31, 2021.

The total loan book was ₹ 65,103 crore as on December 31, 2022. Stage 3 loans were at 3.73% of gross loans. As on December 31, 2022, total CAR was at 20.5% with Tier-I CAR at 16.0%.

As on December 31, 2022, HDBFSL had 1,421 branches across 1,020 cities / towns.

CONSOLIDATED FINANCIAL RESULTS

The consolidated net profit for the quarter ended December 31, 2022 was ₹ 12,698 crore, up 19.9%, over the quarter ended December 31, 2021. Consolidated advances grew by 19.2% from ₹ 1,312,142 crore as on December 31, 2021 to ₹ 1,563,799 crore as on December 31, 2022.

The consolidated net profit for the nine months ended December 31, 2022 was ₹ 33,403 crore, up 21.0%, over the nine months ended December 31, 2021.



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NEWS RELEASE

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Note:

₹ = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP unless otherwise specified.

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 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

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