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NEWS RELEASE

HDFC Bank Ltd.
HDFC Bank House,
Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013.
CIN: L65920MH1994PLC080618

HDFC Bank Limited

FINANCIAL RESULTS (INDIAN GAAP) FOR THE QUARTER ENDED JUNE 30, 2022

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) results for the quarter ended June 30, 2022, at its meeting held in Mumbai on Saturday, July 16, 2022. The accounts have been subjected to a 'Limited Review' by the statutory auditors of the Bank.

STANDALONE FINANCIAL RESULTS:

Profit & Loss Account: Quarter ended June 30, 2022

The Bank's core net revenue (excluding trading and Mark to Market losses), grew by 19.8% to ₹ 27,181.4 crore for the quarter ended June 30, 2022 from ₹ 22,696.5 crore for the quarter ended June 30, 2021. The total net revenues (net interest income plus other income) were ₹ 25,869.6 crore for the quarter ended June 30, 2022.

Net interest income (interest earned less interest expended) for the quarter ended June 30, 2022 grew by 14.5% to ₹ 19,481.4 crore from ₹ 17,009.0 crore for the quarter ended June 30, 2021, driven by advances growth of 22.5%, deposits growth of 19.2% and total balance sheet growth of 20.3%. Core net interest margin was at 4.0% on total assets, and 4.2% based on interest earning assets. We continued to add new liability relationships at a robust pace of 2.6 million during the quarter.

The four components of other income for the quarter ended June 30, 2022 were fees & commissions of ₹ 5,360.4 crore (₹ 3,885.4 crore in the corresponding quarter of the previous year), foreign exchange & derivatives revenue of ₹ 1,259.3 crore (₹ 1,198.7 crore in the corresponding quarter of the previous year), loss on sale / revaluation of investments of ₹ 1311.7 crore (gain of ₹ 601.0 crore in the corresponding quarter of the previous year) and miscellaneous income, including recoveries and dividend, of ₹ 1,080.2 crore (₹ 603.5 crore in the corresponding quarter of the previous year). Other income, excluding trading and Mark to Market losses, grew by 35.4% over the quarter ended June 30, 2021.

We added 725 branches and 29,038 employees over the last twelve months and 36 branches and 10,932 employees during the quarter. This, and other investments made



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during the quarter, will position the Bank to capitalise on the growth opportunity. Operating expenses for the quarter ended June 30, 2022 were ₹ 10,501.8 crore, an increase of 28.7% over ₹ 8,160.4 crore during the corresponding quarter of the previous year. The cost-to-income ratio, excluding trading and Mark to Market losses for the quarter was at 38.6%.

Pre-provision Operating Profit (PPOP) was at ₹ 15,367.8 crore. PPOP, excluding trading and Mark to Market losses, grew by 14.7% over the quarter ended June 30, 2021.

Provisions and contingencies for the quarter ended June 30, 2022 were ₹ 3,187.7 crore (which were comprised of specific loan loss provisions) as against total provisions of ₹ 4,830.8 crore for the quarter ended June 30, 2021.

The total credit cost ratio was at 0.91%, as compared to 1.67% for the quarter ending June 30, 2021.

Profit before tax (PBT) after trading and Mark to Market losses of ₹ 1,311.7 crore in the quarter, was at ₹ 12,180.1 crore, and grew by 18.2% over the corresponding quarter of the previous year. After providing ₹ 2,984.1 crore for taxation, the Bank earned a net profit of ₹ 9,196.0 crore, an increase of 19.0% over the quarter ended June 30, 2021.

Balance Sheet: As of June 30, 2022

Total balance sheet size as of June 30, 2022 was ₹ 2,109,772 crore as against ₹1,753,941 crore as of June 30, 2021, a growth of 20.3%.

Total Deposits showed a robust growth and were at ₹ 1,604,760 crore as of June 30, 2022, an increase of 19.2% over June 30, 2021. CASA deposits grew by 20.1% with savings account deposits at ₹ 514,063 crore and current account deposits at ₹ 220,584 crore. Time deposits were at ₹ 870,113 crore, an increase of 18.5% over the corresponding quarter of the previous year, resulting in CASA deposits comprising 45.8% of total deposits as of June 30, 2022.

Total advances as of June 30, 2022 were ₹ 1,395,068 crore, an increase of 21.6% over June 30, 2021. Gross of transfers through inter-bank participation certificates and bills rediscounted, total advances grew by around 22.5% over June 30, 2021. Retail loans grew by 21.7%, commercial and rural banking loans grew by 28.9% and corporate and



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other wholesale loans grew by 15.7%. Overseas advances constituted 3.5% of total advances.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines (including profits for the quarter ended June 30, 2022) was at 18.1% as on June 30, 2022 (19.1% as on June 30, 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 17.1% as of June 30, 2022 compared to 17.9% as of June 30, 2021. Common Equity Tier 1 Capital ratio was at 16.5% as of June 30, 2022. Risk-weighted Assets were at ₹ 1,398,442 crore (as against ₹ 1,153,559 crore as at June 30, 2021).

NETWORK

As of June 30, 2022, the Bank's distribution network was at 6,378 branches and 18,620 ATMs / Cash Deposit & Withdrawal Machines (CDMs) across 3,203 cities / towns as against 5,653 branches and 16,291 ATMs / CDMs across 2,917 cities / towns as of June 30, 2021. 50% of our branches are in semi-urban and rural areas. In addition, we have 15,618 business correspondents, which are primarily manned by Common Service Centres (CSC). Number of employees were at 152,511 as of June 30, 2022 (as against 123,473 as of June 30, 2021).

ASSET QUALITY

Gross non-performing assets were at 1.28% of gross advances as on June 30, 2022, (1.06% excluding NPAs in the seasonal agricultural segment) as against 1.47% as on June 30, 2021, (1.26% excluding NPAs in the seasonal agricultural segment). Net non-performing assets were at 0.35% of net advances as on June 30, 2022.

The Bank held floating provisions of ₹ 1,451 crore and contingent provisions of ₹ 9,630 crore as on June 30, 2022. Total provisions (comprising specific, floating, contingent and general provisions) were 170% of the gross non-performing loans as on June 30, 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 June 30, 2022, the Bank held 96.0% stake in HSL. For the quarter ended June 30, 2022, HSL's total revenue was at ₹ 432.5 crore, as against ₹ 455.6 crore for the quarter ended June 30, 2021. Profit after tax for the quarter was at ₹ 189.3 crore, as against ₹ 251.1 crore for the quarter ended June 30, 2021.

As on June 30, 2022, HSL had 216 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 June 30, 2022, the Bank held 95.0% stake in HDBFSL.

For the quarter ended June 30, 2022, HDBFSL's net revenue was at ₹ 2,193.8 crore as against ₹ 1,941.1 crore for the quarter ended June 30, 2021, a growth of 13.0%. Profit after tax for the quarter ended June 30, 2022 was ₹ 441.3 crore compared to ₹ 88.6 crore for the quarter ended June 30, 2021.

The total loan book was ₹ 61,814 crore as on June 30, 2022. Stage 3 loans were at 4.95% of gross loans. As on June 30, 2022, total CAR was at 20.3% with Tier-I CAR at 15.4%.

As on June 30, 2022, HDBFSL had 1,403 branches across 1,007 cities / towns.

CONSOLIDATED FINANCIAL RESULTS

The consolidated net profit for the quarter ended June 30, 2022 was ₹ 9,579 crore, up 20.9%, over the quarter ended June 30, 2021. Consolidated advances grew by 20.9% from ₹ 1,197,876 crore as on June 30, 2021 to ₹ 1,448,111 crore as on June 30, 2022.



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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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