

HDFC BANK LIMITED
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014

(₹ in lacs)

Particulars	Quarter ended 30.06.2014	Quarter ended 31.03.2014	Quarter ended 30.06.2013	Year ended 31.03.2014
	Unaudited	Audited* (refer note 5)	Unaudited	Audited*
1 Interest Earned (a)+(b)+(c)+(d)	1122008	1078856	966296	4113554
a) Interest / discount on advances / bills	873507	848701	732474	3168692
b) Income on investments	233901	221790	221762	963685
c) Interest on balances with Reserve Bank of India and other inter bank funds	12147	7642	11027	35599
d) Others	2453	723	1013	5578
2 Other Income	185057	200142	192560	791964
3 TOTAL INCOME (1)+(2)	1307065	1278998	1158856	4905518
4 Interest Expended	604847	583592	524426	2265290
5 Operating Expenses (i)+(ii)	317841	317472	303819	1204219
i) Employees cost	112593	106124	110908	417898
ii) Other operating expenses	205248	211348	192911	786321
6 TOTAL EXPENDITURE (4)+(5) (excluding Provisions & Contingencies)	922688	901064	828245	3469509
7 Operating Profit before Provisions and Contingencies (3)-(6)	384377	377934	330611	1436009
8 Provisions (other than tax) and Contingencies	48278	28613	52712	158802
9 Exceptional Items	-	-	-	-
10 Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	336099	349321	277899	1277207
11 Tax Expense	112795	116669	93513	429367
12 Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)	223304	232652	184386	847840
13 Extraordinary Items (net of tax expense)	-	-	-	-
14 Net Profit / (Loss) for the period (12)-(13)	223304	232652	184386	847840
15 Paid up equity share capital (Face Value of ₹ 2/- each)	48154	47981	47775	47981
16 Reserves excluding revaluation reserves	-	-	-	4299884
17 Analytical Ratios				
(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio	15.1%	16.1%	15.5%	16.1%
(iii) Earnings per share (₹)				
(a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized	9.3	9.7	7.7	35.5
(b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized	9.2	9.6	7.7	35.2
(iv) NPA Ratios				
(a) Gross NPAs	335622	298928	271953	298928
(b) Net NPAs	100742	82003	68904	82003
(c) % of Gross NPAs to Gross Advances	1.1%	1.0%	1.0%	1.0%
(d) % of Net NPAs to Net Advances	0.3%	0.3%	0.3%	0.3%
(v) Return on assets (average) - not annualized	0.5%	0.5%	0.5%	2.0%
18 Non Promoters Shareholding				
(a) Public Shareholding				
- No. of shares	1457475496	1448629678	1438851383	1448629678
- Percentage of Shareholding	60.5%	60.4%	60.3%	60.4%
(b) Shares underlying Depository Receipts (ADS and GDR)				
- No. of shares	407004657	407004657	406665702	407004657
- Percentage of Shareholding	16.9%	17.0%	17.0%	17.0%
19 Promoters and Promoter Group Shareholding				
(a) Pledged / Encumbered				
- No. of shares	-	-	-	-
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
- Percentage of Shares (as a % of the total share capital of the Company)	-	-	-	-
(b) Non - encumbered				
- No. of shares	543216100	543216100	543216100	543216100
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.0%	100.0%	100.0%	100.0%
- Percentage of Shares (as a % of the total share capital of the Company)	22.6%	22.6%	22.7%	22.6%

* Except for disclosure regarding 'Non Promoters Shareholding' and 'Promoters and Promoter Group Shareholding' which are unaudited.



Segment information in accordance with the Accounting Standard on Segment Reporting (AS 17) of the operating segments of the Bank is as under:

(₹ in lacs)

Particulars	Quarter ended 30.06.2014	Quarter ended 31.03.2014	Quarter ended 30.06.2013	Year ended 31.03.2014
	Unaudited	Audited (refer note 5)	Unaudited	Audited
1 Segment Revenue				
a) Treasury	270361	266743	305671	1178670
b) Retail Banking	1144291	1088123	953083	4080486
c) Wholesale Banking	544617	508128	450182	1964534
d) Other Banking Operations	128016	145248	100168	503355
e) Unallocated	-	-	258	258
Total	2087285	2008242	1809362	7727303
Less: Inter Segment Revenue	780220	729244	650506	2821785
Income from Operations	1307065	1278998	1158856	4905518
2 Segment Results				
a) Treasury	(5292)	12585	30981	41230
b) Retail Banking	151637	157893	122150	568541
c) Wholesale Banking	178978	150037	120520	594011
d) Other Banking Operations	47496	47620	42128	192046
e) Unallocated	(36722)	(18794)	(37860)	(118821)
Total Profit Before Tax	336099	349321	277899	1277207
3 Capital Employed (Segment Assets - Segment Liabilities)				
a) Treasury	11460711	12241141	9607111	12241141
b) Retail Banking	(14417239)	(12909019)	(9683888)	(12909019)
c) Wholesale Banking	7708329	5305539	4479732	5305539
d) Other Banking Operations	1235045	1259579	1050244	1259579
e) Unallocated	(1382063)	(1549375)	(1612204)	(1549375)
Total	4604783	4347865	3840995	4347865

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, the organisation structure, the internal business reporting system and the guidelines prescribed by RBI.



Notes :

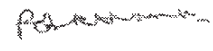
- 1 Statement of Assets and Liabilities as on June 30, 2014 is given below.

(₹ in lacs)

Particulars	As at 30.06.2014	As at 30.06.2013
CAPITAL AND LIABILITIES	Unaudited	Unaudited
Capital	48154	47775
Reserves and Surplus	4556629	3793220
Deposits	37207399	30331479
Borrowings	3851818	3913937
Other Liabilities and Provisions	3451970	3546621
Total	49135970	41532322
ASSETS		
Cash and Balances with Reserve Bank of India	2206942	1896955
Balances with Banks and Money at Call and Short notice	802463	644708
Investments	12366776	10482377
Advances	31210671	25858938
Fixed Assets	291738	294234
Other Assets	2255180	2456020
Total	49135970	41532322

- 2 The above results have been approved by the Board of Directors at its meeting held on July 21, 2014
- 3 The results for the quarter ended June 30, 2014 have been subject to a "Limited Review" by the Statutory Auditors of the Bank. An unqualified report has been issued by them thereon.
- 4 The Bank has followed the same significant accounting policies in the preparation of the interim financial statements as those followed in the annual financial statements for the year ended March 31, 2014.
- 5 The figures for the quarter ended March 31, 2014 are the balancing figures between audited figures in respect of financial year 2013-14 and the published year to date figures upto December 31, 2013.
- 6 During the quarter ended June 30, 2014, the Bank acquired additional 8.7% stake in its subsidiary HDFC Securities Limited (HSL). Post this acquisition, the Bank's stake holding in HSL was 98.0% as of June 30, 2014.
- 7 In accordance with RBI circular DBOD.No.BP.BC.2/21.06.201/2013-14 dated July 1, 2013, banks are required to make Pillar 3 disclosures under Basel III capital regulations. The Bank has made these disclosures which are available on its website at the following link: http://www.hdfcbank.com/aboutus/basel_disclosures/default.htm. The disclosures have not been subjected to audit or limited review.
- 8 During the quarter ended June 30, 2014, the Bank allotted 6645820 shares pursuant to the exercise of stock options by certain employees.
- 9 Other income relates to income from non-fund based banking activities including commission, fees, earnings from foreign exchange and derivative transactions, profit and loss (including revaluation) from investments and recoveries from accounts written off.
- 10 As at June 30, 2014, the total number of branches (including extension counters) and ATM network stood at 3488 branches and 11425 ATMs respectively.
- 11 Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended June 30, 2014:
Opening : Nil; Additions : 674; Disposals : 674; Closing position : Nil.
- 12 Figures of the previous periods have been regrouped / reclassified wherever necessary to conform to current period's classification.
- 13 ₹ 10 lac = ₹ 1 million
₹ 10 million = ₹ 1 crore

Place : Mumbai
Date : July 21, 2014


Paresh Sukthankar
Deputy Managing Director

NEWS RELEASE
HDFC Bank Limited

FINANCIAL RESULTS (INDIAN GAAP)
FOR THE QUARTER ENDED JUNE 30, 2014

The Board of Directors of HDFC Bank Limited approved the Bank's (Indian GAAP) accounts for the quarter ended June 30, 2014, at their meeting held in Mumbai on Monday, July 21, 2014. The accounts have been subject to a 'Limited Review' by the statutory auditors of the Bank.

FINANCIAL RESULTS:

Profit & Loss Account: Quarter ended June 30, 2014

For the quarter ended June 30, 2014, the Bank's total income was ₹ 13,070.7 crores and net revenues (net interest income plus other income) were at ₹ 7,022.2 crores. Core net revenues, excluding the impact of bond gains, were at ₹ 6,997.2 crores for the quarter ended June 30, 2014, an increase of 13.9% over ₹ 6,144.8 crores in the corresponding quarter of the previous year. Interest earned increased by 16.1% from ₹ 9,663.0 crores for the quarter ended June 30, 2013 to ₹ 11,220.1 crores for the quarter ended June 30, 2014. Net interest income (interest earned less interest expended) for the quarter ended June 30, 2014 accounted for 74% of net revenues and grew by 17.0% to ₹ 5,171.6 crores, from ₹ 4,418.7 crores for the quarter ended June 30, 2013. Net interest margin for the quarter was at 4.4% as against 4.4% for the quarter ended March 31, 2014 and as against 4.6% for the corresponding quarter ended June 30, 2013.

Other income (non-interest revenue) at ₹ 1,850.6 crores was 26% of the net revenues for the quarter ended June 30, 2014. The four components of other income for the quarter ended June 30, 2014 were fees & commissions of ₹ 1,406.5 crores (₹ 1,284.5 crores in the corresponding quarter of the previous year), foreign exchange & derivatives revenue of ₹ 224.2 crores (₹ 314.3 crores for the corresponding quarter of the previous year), gain on revaluation / sale of investments of ₹ 25.0 crores (₹ 199.5 crores for the quarter ended June 30, 2013) and miscellaneous income including recoveries of ₹ 195.0 crores (₹ 127.3 crores for the corresponding quarter of the previous year).

Operating expenses for the quarter were ₹ 3,178.4 crores, an increase of 4.6% over ₹ 3,038.2 crores during the corresponding quarter of the previous year. The cost-to-income ratio for the quarter was at 45.3% as against 47.9% for the corresponding quarter ended June 30, 2013. The core operating profit was at ₹ 3,818.8 crores, an increase of 22.9% over ₹ 3,106.6 crores for the quarter ended June 30, 2013.

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Provisions and contingencies (consisting of specific loan loss and general provisions) were ₹ 482.8 crores for the quarter ended June 30, 2014 as against ₹ 527.1 crores for the corresponding quarter ended June 30, 2013. After providing ₹ 1,128.0 crores for taxation, the Bank earned a net profit of ₹ 2,233.0 crores, an increase of 21.1% over the quarter ended June 30, 2013.

Balance Sheet: As of June 30, 2014

Advances as of June 30, 2014 were ₹ 312,109 crores, an increase of 20.7% over June 30, 2013. The domestic loan mix between retail : wholesale is 52:48. Total advances in overseas branches as of June 30, 2014 were at 7% of the total advances as against 4% as of June 30, 2013. Total deposits as of June 30, 2014 were ₹ 372,074 crores, an increase of 22.7% over June 30, 2013. Savings account deposits grew 18.1% over the previous year to reach ₹ 105,639 crores. Current account deposits grew 18.0% over the previous year to reach ₹ 54,348 crores. CASA deposits were 43.0% of total deposits as on June 30, 2014.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines, was at 15.1% as at June 30, 2014 (15.5% as at June 30, 2013) as against a regulatory requirement of 9%. Tier-I CAR was at 11.1% as on June 30, 2014 compared to 10.5% as at June 30, 2013.

NETWORK

As of June 30, 2014, the Bank's distribution network was at 3,488 branches and 11,426 ATMs in 2,231 cities / towns an increase of 369 branches and 338 ATMs over 3,119 branches and 11,088 ATMs in 1,891 cities / towns as of June 30, 2013.

ASSET QUALITY

Gross non-performing assets (NPAs) were at 1.07% of gross advances as on June 30, 2014, as against 1.04% as on June 30, 2013. Net non-performing assets were at 0.3% of net advances as on June 30, 2014. Total restructured loans (including applications under process for restructuring) were at 0.2% of gross advances as of June 30, 2014 as against 0.2% as of June 30, 2013.

Note:

₹ = Indian Rupees

1 crore = 10 million

All figures and ratios are in accordance with Indian GAAP.

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Certain statements are included in this release which contain words or phrases, such as "will", "aim", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "future", "objective", "project", "should", 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 in India and other jurisdictions on us, 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. Our forward looking statements speak only as of the date on which they are made and we do not undertake any obligation, and we do not intend, to update or revise any forward looking statements to reflect events or circumstances after the date in the statement, even if our expectations or any related events or circumstances change. 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 other countries which have an impact on our business activities or investments caused by any factor including the global financial crisis and problems in the Eurozone countries, 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, 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 media queries please contact:

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**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
HDFC BANK LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **HDFC BANK LIMITED** ("the Bank") for the Quarter ended June 30, 2014 ("the Statement"), being submitted by the Bank pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures referred to in paragraph 4 below. This Statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Deloitte Haskins & Sells

4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in the Statement, from the details furnished by the Registrars. The "Pillar 3 disclosures under Basel III Capital Regulations" disclosed on the Bank's website and in respect of which a link has been provided in the Unaudited Financial Results have also not been subjected to our review.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)


Z.F. Billimoria
Partner
(Membership No. 42791)

MUMBAI, 21st July, 2014