

# HDFC BANK LIMITED

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2009

(Rs. in lacs)

	Particulars	Quarter ended 31.12.2009	Quarter ended 31.12.2008	Nine months ended 31.12.2009	Nine months ended 31.12.2008	Year ended 31.03.2009
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	403481	446850	1211980	1208144	1633227
	a) Interest/discount on advances/bills	303892	333796	906689	903958	1213675
	b) Income on Investments	98016	102821	297318	288157	400796
	c) Interest on balances with Reserve					
	Bank of India and other inter bank funds	1201	10052	6865	15777	18426
	d) Others	372	181	1108	252	330
2	Other Income	85301	93939	290406	217592	329061
3	<b>A) TOTAL INCOME (1) + (2)</b>	<b>488782</b>	<b>540789</b>	<b>1502386</b>	<b>1425736</b>	<b>1962288</b>
4	Interest Expended	181090	248925	608455	651227	891110
5	Operating Expenses (i) + (ii)	145322	146056	420396	413665	553282
	i) Employees cost	57859	58214	169202	173435	223820
	ii) Other operating expenses	87463	87842	251194	240230	329462
6	<b>B) TOTAL EXPENDITURE (4)+(5)</b>					
	(excluding Provisions & Contingencies)	<b>326412</b>	<b>394981</b>	<b>1028851</b>	<b>1064892</b>	<b>1444392</b>
7	<b>Operating Profit before Provisions and Contingencies (3) - (6)</b>	<b>162370</b>	<b>145808</b>	<b>473535</b>	<b>360844</b>	<b>517896</b>
8	Provisions (Other than tax) and Contingencies	44772	53179	170068	122229	187970
9	Exceptional Items	-	-	-	-	-
10	Profit / (Loss) from ordinary activities before tax (7-8-9)	117598	92629	303467	238615	329926
11	Tax Expense	35748	30455	92260	77208	105431
12	<b>Net Profit / (Loss) from Ordinary Activities after tax (10-11)</b>	<b>81850</b>	<b>62174</b>	<b>211207</b>	<b>161407</b>	<b>224495</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-
14	<b>Net Profit / (Loss) (12-13)</b>	<b>81850</b>	<b>62174</b>	<b>211207</b>	<b>161407</b>	<b>224495</b>
15	Paid up equity share capital (Face Value of Rs.10/- each)	45524	42514	45524	42514	42538
16	Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)					1422095
17	<b>Analytical Ratios</b>					
	(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
	(ii) Capital Adequacy Ratio	18.3%	13.7%	18.3%	13.7%	15.7%
	(iii) Earnings per share (Rs.)					
	(a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized	18.7	14.6	49.1	38.0	52.9
	(b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized	18.4	14.6	48.6	37.8	52.6
	(iv) NPA Ratios					
	(a) Gross NPAs	197411	191141	197411	191141	198807
	(b) Net NPAs	54401	61433	54401	61433	62762
	(c) % of Gross NPAs to Gross Advances	1.63%	1.91%	1.63%	1.91%	1.98%
	(d) % of Net NPAs to Net Advances	0.5%	0.6%	0.5%	0.6%	0.6%
	(v) Return on assets (average) - not annualized	0.4%	0.3%	1.2%	0.9%	1.3%
18	Public Shareholding					
	- No. of shares	346593344	342701428	346593344	342701428	342941109
	- Percentage of Shareholding	76.1%	80.6%	76.1%	80.6%	80.6%
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	108643220	82443000	108643220	82443000	82443000
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.0%	100.0%	100.0%	100.0%	100.0%
	- Percentage of Shares (as a % of the total share capital of the Company)	23.9%	19.4%	23.9%	19.4%	19.4%

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

(Rs. in lacs)

Particulars	Quarter ended 31.12.2009	Quarter ended 31.12.2008	Nine months ended 31.12.2009	Nine months ended 31.12.2008	Year ended 31.03.2009
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Segment Revenue</b>					
a) Treasury	102440	138440	358350	344638	491701
b) Retail Banking	387765	381597	1154998	1105223	1488083
c) Wholesale Banking	203572	315935	618836	823337	1060584
d) Other banking operations	59499	58614	170129	146769	214604
e) Unallocated	-	-	-	351	351
<b>Total</b>	<b>753276</b>	<b>894586</b>	<b>2302313</b>	<b>2420318</b>	<b>3255323</b>
Less: Inter Segmental Revenue	264494	353797	799927	994582	1293035
<b>Income from Operations</b>	<b>488782</b>	<b>540789</b>	<b>1502386</b>	<b>1425736</b>	<b>1962288</b>
<b>2 Segment Results</b>					
a) Treasury	(686)	18404	64776	6501	48818
b) Retail Banking	53215	27858	97053	111342	126893
c) Wholesale Banking	61363	36000	147910	103679	124226
d) Other banking operations	17813	17975	36170	38442	63551
e) Unallocated	(14107)	(7608)	(42442)	(21349)	(33562)
<b>Total Profit Before Tax</b>	<b>117598</b>	<b>92629</b>	<b>303467</b>	<b>238615</b>	<b>329926</b>
<b>3 Capital Employed</b> (Segment Assets - Segment Liabilities)					
a) Treasury	5815050	6007445	5815050	6007445	6369467
b) Retail Banking	(4757311)	(3359638)	(4757311)	(3359638)	(3432730)
c) Wholesale Banking	1214124	(1323325)	1214124	(1323325)	(1227185)
d) Other banking operations	378939	405449	378939	405449	392407
e) Unallocated	(2650802)	(1729931)	(2650802)	(1729931)	(2101959)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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 organization structure, the internal business reporting system and the guidelines prescribed by RBI.

#### Geographic Segments

Since the Bank does not have material earnings emanating outside India, the Bank is considered to operate in only the domestic segment.

**Notes :**

- 1 The above results have been approved by the Board at its meeting held on January 15, 2010.
- 2 During the quarter and nine months ended December 31, 2009, the Bank allotted 16,78,820 and 36,52,235 shares respectively pursuant to the exercise of stock options by certain employees.
- 3 During the quarter ended December 31, 2009, the Bank allotted 2,62,00,220 shares to Housing Development Finance Corporation Limited (HDFC Ltd.), on their exercising the warrants issued to them in June 2008. As a result, equity share capital increased by Rs.2620 lacs and share premium by Rs.398277 lacs.
- 4 The Bank adopted the Basel 2 framework as of March 31, 2009. Accordingly the capital adequacy ratio (CAR) for December 31, 2009 and March 31, 2009 is as per Basel 2 framework and that for December 31, 2008 is as per the Basel 1 framework.
- 5 Other income relates to income from non-fund based banking activities including commission, fees, foreign exchange earnings, earnings from derivative transactions and profit and loss (including revaluation) from investments.
- 6 As on December 31, 2009, the total number of branches (including extension counters) and the ATM network stood at 1,725 branches and 3,898 ATMs respectively.
- 7 Information on investor complaints pursuant to Clause 41 of the listing agreement for the quarter ended December 31, 2009:  
Opening : nil ; Additions : 529 ; Disposals : 529 ; Closing position : nil.
- 8 These results for the quarter and nine months ended December 31, 2009, have been subjected to a "Limited Review" by the Statutory Auditors of the Bank.
- 9 Figures of the previous period have been regrouped/reclassified wherever necessary to conform to current period's classification.
- 10 Rs. 10 lac = Rs. 1 million  
Rs. 10 million = Rs. 1 crore

Place : Mumbai  
Date : January 15, 2010

**Aditya Puri**  
Managing Director

(Rs. in lacs)

<b>Summarised Balance Sheet</b>	<b>As at 31.12.2009</b>	<b>As at 31.12.2008</b>
<b>CAPITAL AND LIABILITIES</b>		
Capital	45524	42514
Equity Share Warrants	-	40092
Reserves and Surplus	2062482	1407493
Employees' Stock Options (Grants) Outstanding	291	735
Deposits	15478878	14486247
Borrowings	763908	451101
Other Liabilities and Provisions*	2104206	1890344
<b>Total</b>	<b>20455289</b>	<b>18318526</b>
<b>ASSETS</b>		
Cash and balances with Reserve Bank of India	1120910	1000635
Balances with Banks and Money at Call and Short notice	170750	248292
Investments	6408209	6333752
Advances	11961349	9878417
Fixed Assets	207908	166956
Other Assets	586163	690474
<b>Total</b>	<b>20455289</b>	<b>18318526</b>

\*Includes subordinated debt and unsecured non-convertible subordinated perpetual bonds of Rs.636940 lacs as on December 31, 2009 (previous year: Rs.531070 lacs).