NEWS RELEASE

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

HDFC BANK LTD. - FINANCIAL RESULTS (INDIAN GAAP) FOR THE YEAR ENDED MARCH 31, 2009

Mumbai, April 23, 2009; The Board of Directors of HDFC Bank Limited approved the annual audited (Indian GAAP) accounts for the year ended March 31, 2009 at their meeting held in Mumbai on Thursday, April 23, 2009. The merger of Centurion Bank of Punjab Ltd (CBoP) with HDFC Bank Limited became effective on May 23, 2008 as per the order of Reserve Bank of India (RBI), with April 1, 2008 as the appointed date. The financial results for the year ended March 2009 are therefore for the merged entity, whilst the results for the year ended March 2008 are on a standalone basis for HDFC Bank and are therefore, not comparable.

FINANCIAL RESULTS:

Profit & Loss Account: Quarter ended March 31, 2009

For the quarter ended March 31, 2009, the Bank earned total income of Rs.5,365.5 crores as against Rs.3,505.5 crores in the corresponding quarter ended March 31, 2008, registering a growth of 53.1%. Net revenues (net interest income plus other income) were Rs.2,966.7 crores for the quarter ended March 31, 2009, an increase of 35.4% over Rs.2,191.4 crores for the corresponding quarter of the previous year. Interest earned (net of loan origination costs and amortization of premia on investments held in the Held to Maturity (HTM) category) increased from Rs.2,956.2 crores in the quarter ended March 31, 2008 to Rs.4,250.8 crores in the quarter ended March 31, 2009, up by 43.8%. Net interest income (interest earned less interest expended) for the quarter ended March 31, 2009 increased to Rs.1,852.0 crores, driven by average asset growth of 29% and a net interest margin of 4.2%.

Other income (non-interest revenue) registered strong growth of 102.9% from Rs.549.3 crores for the quarter ended March 31, 2008 to Rs.1,114.8 crores for the quarter ended March 31, 2009. The main contributor to ‘Other Income’ for the quarter was fees and commissions of Rs.714.8 crores, up 45.8% from Rs.490.4 crores in the corresponding quarter ended March 31, 2008. The other two major components of other income were foreign exchange/derivatives revenues of Rs.152.8 crores and profit on revaluation/sale of investments of Rs.243.6 crores, as against Rs.60.4 crores and Rs.11.4 crores respectively, for the quarter ended March 31, 2008. Operating expenses for the quarter were at Rs.1,396.2 crores, as against Rs.1,102.7 crores for the corresponding quarter of the previous year and were 47.1% of net revenues as against 50.3% for the corresponding quarter of the previous year. Provisions and contingencies for the quarter were Rs.657.4 crores against Rs.465.1 crores for the corresponding quarter ended March 31, 2008. The profit before tax grew by 46.4% to Rs. 913.1 crores for the quarter ended March 31, 2009. After providing Rs.282.2 crores for taxation, the Bank earned a Net Profit of Rs.630.9 crores, an increase of 33.9% over the quarter ended March 31, 2008.

Profit & Loss Account: Year ended March 31, 2009

For the year ended March 31, 2009, the Bank earned total income of Rs.19,622.9 crores as against Rs.12,398.2 crores in the previous year. Net revenues (net interest income plus other income) for the year ended March 31, 2009 were Rs.10,711.8 crores, up 42.6% over Rs.7,511.0 crores for the year ended March 31, 2008. Net Profit for year ended March 31, 2009 was Rs.2,244.9 crores, up 41.2%, over the corresponding year ended March 31, 2008.

Balance Sheet: As of March 31, 2009

The Bank’s total balance sheet size increased by 37.6% from Rs.133,177 crores as of March 31, 2008 to Rs.183,271 crores as of March 31, 2009. Total deposits were Rs.142,812 crores, an increase of 41.7%

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from March 31, 2008. With savings account deposits of Rs. 34,915 crores and current account deposits at Rs.28,445 crores, the CASA mix was at around 44.4% of total deposits as at March 31, 2009. Gross advances as at March 31, 2009 were Rs.100,239 crores, an increase of 48.3% over March 31, 2008. The Bank's total customer assets (including advances, corporate debentures, investments in securitised paper, etc. net of loans securitized out) were Rs.100,436 crores as of March 31, 2009. Retail loans at Rs. 61,154 crores were up 55.5% over March 31, 2008 and now form 61% of gross advances.

Dividend:

The Board of Directors recommended an enhanced dividend of 100% for the year ended March 31, 2009, as against 85% for the previous year. This would be subject to approval by the shareholders at the next annual general meeting.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as at March 31, 2009 (computed as per Basel 1 guidelines) stood at 15.1% as against 13.6% as of March 31, 2008. The Bank adopted the Basel 2 framework as of March 31, 2009 and the CAR computed as per Basel 2 guidelines stands at 15.7% as against the regulatory minimum of 9.0%. Tier-I CAR was 10.6% as of March 31, 2009.

The Bank raised Rs.2,875 crores of Tier II bonds during the year ended March 31, 2009.

BUSINESS UPDATE:

As of March 31, 2009, the Bank's distribution network was at 1,412 branches and 3,295 ATMs in 528 cities as against 761 branches and 1,977 ATMs in 327 cities as of March 31, 2008.

During the year, as a result of the CBoP merger and the step-up in retail customer acquisition, deposit accounts increased from 8.7 million to just over 15 million. Total cards issued (debit and credit cards) crossed 13 million including over 4 million credit cards.

At the beginning of the financial year, on account of the CBoP merger the Bank's gross non-performing assets (NPAs) increased from 1.3% of advances (standalone HDFC Bank as of March 31, 2008) to 1.7% (merged balance sheet). Gross NPAs as of March 31, 2009 were at
1.98% of advances as against 1.91% as of December 31, 2008. The erstwhile CBoP portfolio (net of run off and write offs) accounted for approximately 42% of the Bank's gross NPAs as of March 31, 2009. The Bank's specific provisioning policies for NPAs have always been more conservative than regulatory requirements. In the quarter ended March 31, 2009, specific provisioning and write offs were further accelerated for certain portfolio segments in the light of the overall economic environment. Net NPAs as of March 31, 2009 were 0.63% of net advances. The NPA coverage ratio based on specific provisions was therefore 68%, and based on total provisions (specific and general) was over 100%. Total restructured assets as of March 31, 2009 were Rs.120 crores of which Rs.69 crores were classified as NPAs. In addition, applications received for loan restructuring which were yet to be approved or implemented amounted to Rs.305 crores, of which Rs.254 crores were classified as NPAs. Total standard assets which have been restructured or where restructuring is under consideration were therefore, 0.1% of the bank's gross advances as of March 31, 2009.

Note:
Rs. = Indian Rupees
1 crore = 10 million
All figures and ratios are in accordance with Indian GAAP.
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,"

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"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, cash flow projections 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 in India and the other countries which have an impact on our business activities or investments; the monetary and interest rate policies of the government of India; 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.