Investor Presentation

April 2022
## HDFC Bank at a glance

<table>
<thead>
<tr>
<th>Prominence</th>
<th>Market share</th>
<th>Reach</th>
<th>Social impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 Private sector bank in India*</td>
<td>11.2% Advances^</td>
<td>&gt;70 Mn Customer base</td>
<td>₹737 cr CSR spend</td>
</tr>
<tr>
<td>US$ 100 + bn Market capitalisation</td>
<td>9.5% Deposits</td>
<td>6.3K + Banking branches</td>
<td>&gt; ₹45K cr Contribution to exchequer</td>
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<tr>
<td>140K + Employees</td>
<td>46% Acquiring volumes^^</td>
<td>21K + Banking outlets</td>
<td>50% Branches in semi-urban and rural</td>
</tr>
<tr>
<td>#1 Among BrandZ Top 75 most valuable Indian brand in 2020 (seventh consecutive year)*</td>
<td>23% Credit cards in force (volume)^^</td>
<td>&gt; 3 Mn Merchant acceptance points</td>
<td>15K + CSC - BCs</td>
</tr>
</tbody>
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*in terms of asset size | ^Released by WPP and Kantar| ^Domestic | ^^Feb’22
CSC - BCs: Customer Service Centre – Business Correspondents | SLI: Sustainable Livelihood Initiative
Unless otherwise stated, information is as at or for the year ended March 2022
Key highlights for the quarter

- Gross advances increased by 20.7% to ₹13,805 Bn
- Deposits up by 16.8% to ₹15,592 Bn; CASA 48%
- Net interest margin\(^{\text{a}}\) at 4.2%
- Cost-to-income ratio at 38.3%
- Net profit up by 22.8% to ₹100.55 Bn
- Gross NPA 1.17% of gross advances
- Net NPA 0.32% of net advances
- Capital adequacy ratio of 18.9% of which Tier I at 17.9%

\(^{\text{a}}\)interest earning assets, based on assets at 4.0%

Standalone Indian GAAP figures (Bn = Billion); ₹ - Rupees; Net NPA - Gross NPA less specific loan loss provisions; \(^{\text{a}}\)interest earning assets, based on assets at 4.0%
**Network, customers and people**

**Strong national footprint**

- 6K+ branches
- 50% Semi-urban and Rural branches
- 15K+ CSCs & BCs

**Customers and people**

- Profit per employee of Rs. 0.28 crore in FY'22
- Business per employee of Rs. 20.25 crore in FY'22

- 563 branches added in Q4'22
- 734 branches added in FY'22

- Branches:
  - Mar'21: 5,608
  - Dec'21: 5,779
  - Mar'22: 6,342

- # of employees:
  - Mar'21: 62
  - Dec'21: 69
  - Mar'22: 71

- # of customers (Mn.):
  - Mar'21: 1,20,093
  - Dec'21: 1,34,412
  - Mar'22: 1,41,579
Executed business growth

**Loans**

- **Rs. Bn.**
  - Mar'07: 498
  - Mar'12: 1,969
  - Mar'17: 5,586
  - Mar'22: 13,805

- **Gross loans**
  - Mar'21: 11,433
  - Dec'21: 12,722
  - Mar'22: 13,805

- **YoY%**
  - Mar'21: 14%
  - Dec'21: 17%
  - Mar'22: 21%

**Net incremental loans:** Rs. 2,37,206 crore in FY’22

- 39% retail loans; 35% CRB loans; 26% wholesale loans at Mar’22

- "Loans market share 2.4% in 2007; 3.9% in 2012; 6.8% in 2017 and 11.2%" in 2022

**Deposits**

- **Rs. Bn.**
  - Mar'07: 683
  - Mar'12: 2,467
  - Mar'17: 6,436
  - Mar'22: 15,592

- **Deposits**
  - Mar'21: 13,351
  - Dec'21: 14,459
  - Mar'22: 15,592

- **YoY%**
  - Mar'21: 16%
  - Dec'21: 14%
  - Mar'22: 17%

**Net incremental deposits:** Rs. 2,24,157 crore in FY22

- New liability relationships added: 2.4 mn in Q4’22; 8.7 mn in FY’22

- "Deposits market share 2.5% in 2007; 3.8% in 2012; 5.8% in 2017 and 9.5% in 2022

*Domestic
Well diversified loan book

Segment-wise loan mix

Diversified retail loan mix

Retail : Wholesale as per Basel – 44 : 56

PL – Personal loans; AL – Auto loans; Mort. – Mortgages incl. home loans; Payments – Credit cards, Easy EMI etc.; TW – Two Wheeler loans; CRB – Commercial and Rural Banking (incl. agri.); Wholesale – Corporates and other wholesale
Efficiency in profitability

Consistent NIM profile & stable NII contribution

NIM %

FY12 FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20 FY21 FY22

4.2 4.5 4.4 4.4 4.3 4.4 4.4 4.3 4.1 4.0

NIM based on average total assets

NII to Net Revenue %

FY12 FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20 FY21 FY22

69 70 70 71 72 73 72 73 71 72 71

Well diversified, high quality non-fund fee income

Retail assets  TPP  Payment products  Retail liabilities  Wholesale

Cost to Income and fee mix

Cost to Income %

FY12 FY13 FY14 FY15 FY16 FY17 FY18 FY19 FY20 FY21 FY22

49.7 49.6 45.6 44.6 44.3 43.4 41.0 39.7 38.6 36.3 36.9

FY22

20% 19% 18% 18% 20% 20% 20% 20% 20% 20% 20% 20% 20%
Change in loan mix driving change in NII and NIM

Loan Mix and RWA Density

NII growth and NIM

Consistent RoA %

FY12 and FY13 RWA as per Basel II
FY14 onwards RWA as per Basel III
Retail/Wholesale mix as per Basel classification

Economic slow down
Covid19 Pandemic

RWA Density (%)  Retail (%)  Wholesale (%)
Quality in growth and strong capital base

Well-managed asset quality

Cross cycle experience with stable asset quality (GNPA%)

1.32% 1.26% 1.17%
0.40% 0.37% 0.32%
Mar'21 Dec'21 Mar'22

73% specific provision coverage at Mar’22
182% total coverage ratio at Mar’22

Healthy capital level

Capital Ratio %

Add-on equity capital issuances in FY’15 and FY’19
Basel 3 norms Mar’14 onwards

Adequately capitalised
Well-positioned for growth
Stable PAT Margin

10-year average PAT margin* of 33%

*PAT margin – Ratio of Profit After Tax (PAT) to Net Revenue
Consistent performance across cycles

Profit after tax

- 5-year CAGR of 20.5%
- Constant growth in EPS (Rs. 33.9 in FY’18 to Rs. 66.8 in FY’22)
Balance sheet and capital productivity

Balance sheet productivity – Consistent RoA over long term

Capital productivity – Consistent returns to shareholders over long term

FY12 and FY13 Tier 1 capital as per Basel II
FY14 onwards CET1 capital as per Basel III
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.

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