



## Press Release

### **HDFC'S FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2011**

The Board of Directors of Housing Development Finance Corporation Limited (HDFC) announced its results for the first quarter of the financial year 2011-12, following its meeting on Friday, July 8, 2011 in Mumbai. The accounts have been subject to limited review by the Corporation's statutory auditors in line with regulatory guidelines.

#### **FINANCIAL RESULTS**

For the quarter ended June 30, 2011, HDFC reported a profit before tax of ₹ 1,175.53 crores as compared to ₹ 966.59 crores in the corresponding quarter of the previous year – an increase of 22%.

After providing ₹ 331 crores for taxes, the profit after tax for the quarter ended June 30, 2011 amounted to ₹ 844.53 crores as compared to ₹ 694.59 crores in the corresponding quarter of the previous year – an increase of 22%.

#### **TOTAL ASSETS**

As at June 30, 2011, the total assets of HDFC stood at ₹ 141,589 crores as against ₹ 1,16,111 crores as at June 30, 2010 – an increase of 22%.

#### **Loan Book**

As at June 30, 2011, the loan book stood at ₹ 124,168 crores as against ₹ 1,01,625 crores as at June 30, 2010 – an increase of 22%. Loans sold during the preceding 12 months amounted to ₹ 3,123 crores. The growth in the loan book inclusive of these loans is 25%.

The spread on loans over the cost of borrowings for the quarter ended June 30, 2011 stood at 2.30%.

#### **Investments**

As at June 30, 2011, the unrealised gains on HDFC's listed investments amounted to ₹ 23,206 crores (previous year ₹ 16,775 crores). This excludes the appreciation in the value of unlisted investments.

## **LENDING OPERATIONS**

For the quarter ended June 30, 2011, loan approvals grew by 22% and loan disbursements grew by 20% as compared to the corresponding quarter in the previous year.

### **Non-Performing Loans**

Gross non-performing loans as at June 30, 2011 amounted to ₹ 1,038.15 crores. This is equivalent to 0.83% of the loan portfolio (previous year – 0.89%) This is the twenty-sixth consecutive quarter end at which the percentage of non-performing loans have been lower than the corresponding quarter in the previous year.

Based on a six months overdue basis, the non-performing loans as at June 30, 2011 stood at 0.55% of the loan portfolio as against 0.54% in the previous year.

In terms of the prudential norms as stipulated by the National Housing Bank, the Corporation is required to carry a provision of ₹ 839.66 crores, which includes the provisioning of ₹ 450.76 crores on standard assets in respect of housing loans granted under the Dual Rate Home Loan Scheme.

The balance in the provision for contingencies account as at June 30, 2011 stood at ₹ 1,172.68 crores, which is equivalent to 0.94% of the portfolio. Thus as at June 30, 2011, the Corporation's net non-performing loans was nil.

## **RESOURCES**

As at June 30, 2011, deposits stood at ₹ 30,500 crores as against ₹ 23,906 crores on the corresponding date last year, registering a growth of 28%. HDFC's deposits carry a "AAA" rating from both, CRISIL and ICRA.

During the first quarter of the current financial year, loans drawn from commercial banks and the National Housing Bank amounted to ₹ 14,383 crores.

HDFC raised ₹ 7,197 crores through private placements of non-convertible debentures (NCDs) during the quarter ended June 30, 2011. The NCDs were "AAA" rated by both, CRISIL and ICRA.



## **CAPITAL ADEQUACY RATIO**

HDFC's capital adequacy ratio stood at 13.8% of the risk weighted assets, as against the minimum requirement of 12%. Tier 1 capital was 12.2% against a minimum requirement of 6%.

## **DISTRIBUTION NETWORK**

HDFC's distribution network spans 294 outlets that include 76 offices of HDFC's distribution company, HDFC Sales Private Limited (HSPL). In addition, HDFC covers over 90 locations through its outreach programmes. Distribution channels form an integral part of the distribution network with home loans being distributed through HSPL, HDFC Bank Limited and other third party direct selling associates.

To cater to non-resident Indians, HDFC has offices in London, Dubai and Singapore and service associates in Kuwait, Oman, Qatar, Sharjah, Abu Dhabi and Saudi Arabia – Al Khobar, Jeddah and Riyadh.

*July 8, 2011*