

Press Release

YES BANK announces Q3FY14 Financial Results

- Net Profit of ₹415.6 crore in Q3FY14; y-o-y growth of 21.4%
- Net Interest Income at ₹665.4 crore for Q3FY14; y-o-y growth of 13.9%. NIM at 2.9%.
- Non Interest Income at ₹387.9 crore for Q3FY14; y-o-y growth of 23.9%
- Deposits grew by 20.7% and Loans by 14.7% y-o-y, CD Ratio stands at 73.9%
- Y-o-y growth in Savings Accounts deposits of 55.4%; CASA growth of 37.8%; CASA Ratio improves to 20.9% from 18.3% a year ago
- RoA at 1.6% and has been at or above 1.5% over the last 5 years, and RoE at 24.4% continues to be at or above 20% over the same period
- As per Basel III, Core Tier I ratio at 9.3%, Tier I Capital at 9.9% and total CRAR at 16.1% (including 9MFY14 profits, adjusted for prorated dividend).

Financial Highlights from Q3FY14 Results:

Profit & Loss Statement Highlights					
(₹ in Crore)	Q3FY14	Q3FY13	Growth	Q2FY14	Growth
Net Interest Income	665.4	584.3	13.9%	672.1	-1.0%
Non Interest Income	387.9	313.2	23.9%	446.1	-13.1%
Total Net Income	1,053.3	897.5	17.4%	1,118.2	-5.8%
Operating Profit	614.7	563.4	9.1%	712.9	-13.8%
Profit after Tax	415.6	342.3	21.4%	371.1	12.0%
Basic EPS (₹)	11.5	9.6	20.2%	10.3	11.9%

Balance Sheet Highlights					
(₹ in Crore)	31-Dec-13	31-Dec-12	Growth	30-Sep-13	Growth
Advances	50,292.9	43,856.8	14.7%	47,717.2	5.4%
Deposits	68,059.9	56,400.5	20.7%	67,575.1	0.7%
CASA	14,246.1	10,340.8	37.8%	13,776.0	3.4%
Shareholders' funds	7,027.9	5,678.7	23.8%	6,610.4	6.3%
Total Capital Funds	11,676.3#	11,807.9*	NA	11,136.7	4.8%
Total Balance Sheet	101,387.9	87,017.3	16.5%	102,153.5	-0.7%

* As per Basel II & hence not comparable, # Includes profits for 9 months adjusted for prorated dividend

Key Financial Performance Indicators				
	Q3FY14	Q3FY13		Q2FY14
Return on Assets	1.6%	1.6%		1.5%
Return on Equity	24.4%	24.9%		23.1%
NIM	2.9%	3.0%		2.9%
Cost to Income Ratio	41.6%	37.2%		36.2%
Non Interest Income to Total Income	36.8%	34.9%		39.9%
Capital Adequacy (Basel III)	16.1%#	18.0%*		15.6%
Tier I Ratio (Basel III)	9.9%#	9.5%*		9.5%
CET I (Basel III)	9.3%#	NA		9.1%
Book Value (₹)	194.9	158.8		183.4
Gross NPA	0.39% (₹196 cr.)	0.17%		0.28%
Net NPA	0.08% (₹42.3 cr.)	0.04%		0.04%

*As Per Basel II hence not comparable; # Includes profits for 9 months adjusted for prorated dividend

Mumbai, Jan 15, 2014: The Board of Directors of YES BANK Ltd. took on record the un-audited Q3FY14 results at its meeting held in Mumbai today.

Commenting on the results and financial performance, Mr. Rana Kapoor, Managing Director & CEO, YES BANK said, “YES BANK has delivered a satisfactory quarter of financial performance despite a challenging economic environment. During this year YES BANK has further invested in its branch network, which is generating increasing granular and CASA deposits. The Bank has maintained NIMs and delivered consistent RoA and RoEs despite the tightening interest rate environment. The Bank continues to generate satisfactory returns resulting in improving Core Tier I as per Basel III norms. YES BANK has recently received approval from the UAE Central Bank (previously from RBI) to set up a representative office in Abu Dhabi, UAE which will be the bank’s maiden international beginning.”

Q3FY14 and 9MFY14 Performance highlights

Balance Sheet

- **Stable growth in Advances and Deposits:** Total Advances grew by **14.7%** to **₹ 50,292.9** crore as at December 31, 2013.

Corporate & Institutional Banking (Large Corporates) accounted for 68.0% of the Customer Assets portfolio, Commercial Banking (Mid-sized Corporates) accounted for 14.7% and Retail Banking (including MSME) at 17.3%.

Total Deposits grew by **20.7%** to **₹ 68,059.9** crore as at December 31, 2013. The Bank’s Balance Sheet grew by **16.5%** to **₹ 101,387.9** crore as at December 31, 2013. The Bank’s CD ratio stood at **73.9%** as at December 31, 2013.

Current and Savings Account (CASA) deposits grew by **37.8%** y-o-y to **₹ 14,246.1** crore taking the CASA ratio to **20.9%** as at December 31, 2013 up from 18.3% as of December 31, 2012. The Bank continues to demonstrate strong traction in CASA on the back of an increase in branch network, enhanced Savings Rate offering and improvements in productivity.

Wholesale Deposits (deposits above ₹ 25 crore) accounts for 31.9% of total deposits as at December 31, 2013 as compared to 35.7% as at December 31, 2012. Bank is steadily improving share of granular deposits with investment in people and branches.

- **Asset Quality:** Gross Non Performing Advances as a proportion of Gross Advances was at 0.39% while Net Non Performing Advances as a proportion of Net advances was at 0.08% as at December 31, 2013. Bank’s Specific loan loss Provision Coverage was at 78.4% (excluding counter cyclical provision) as at December 31, 2013. Total counter cyclical provision stood at 0.4% of Advances.

Total Restructured Advances (excluding NPAs) stand at **₹ 107.2** crore as at December 31, 2013. This represents **0.21%** of the Gross Advances down from 0.43% (**₹ 189.1** crore) as at December 31, 2012. There were no fresh restructurings during the quarter.

- **Capital Funds:** As per Basel III, Tier I Capital stood at 9.9% and total CRAR stood at 16.1% (including 9MFY14 profits, adjusted for prorated dividend) with CET I ratio at 9.3% as at December 31, 2013.

Profit & Loss Account:

- **Net Interest Income (NII) Growth:** NII for Q3FY14 increased by 13.9% y-o-y to ₹ 665.4 crore. This was on account of a cautious and steady growth in advances.
- **Non Interest Income:** Non Interest Income grew by 23.9% y-o-y to ₹ 387.9 crore for Q3FY14. This was on the back of continued growth across all fee income streams.
- **Operating and Net profit:** Operating profit for Q3FY14 was up 9.1% to ₹ 614.7 crore driven by stable growth in NII and Non-Interest Income. The Cost to Income ratio was 41.6% in Q3FY14. Net Profit in Q3FY14 was up 21.4% to ₹ 415.6 crore.
- **Strong Shareholders' returns:** The Bank delivered RoE of 1.6% and RoA of 24.4% for Q3FY14. *(Note: RoA has been at or above 1.5% for the last 5 years, and RoE has been approximately 20% or above over the same period.)*

Business Highlights (Q3FY14)

Awards & Recognitions

- YES BANK was awarded the '**Best Mid-Sized Bank**' in India at the **Business Today - KPMG Best Bank Awards 2013**
- YES BANK has been recognized as the '**India Bond House**' by **IFR Asia Review of the Year 2013**
- YES BANK received the **Commendation Certificate for Significant Achievement** at CII- ITC Sustainability Awards, 2013
- YES BANK received the 'MINT & Institute for Competitiveness Strategy Award' at the prestigious '**Institute for Competitiveness Porter Prize Awards 2013**'. YES BANK was honored with the award in the Finance, Banking & Insurance category
- Ranked fourth by Thomson Reuters & Bloomberg in Domestic Bond league tables for CY13

Expansion Initiatives as on December 31, 2013

- YES BANK has received an approval from the UAE Central Bank for setting up a **Representative Office in Abu Dhabi, UAE**. Bank expects to operationalise this within next 6 months
- YES BANK added 17 Branches and 36 ATMs during the quarter. Total network now stands at **517 Branches** and **1,158 ATMs**
- Employee strength stood at **8,645**, an increase of 2,113 over December 31, 2012
- YES BANK successfully raised **USD 150 million Multi Tenor Foreign Currency loan from IFC** under its A/B and Managed Co-lending Portfolio Programme (MCP) loan structures. The funds under this facility were swapped with RBI under its concessional swap facility. YES BANK is the **first institution globally to avail funds from IFC through the MCP Facility** and the **first Bank in India to raise loan under IFC's A/B structure**.

ABOUT YES BANK

YES BANK, India's fourth largest private sector Bank, is the outcome of the professional & entrepreneurial commitment of its Founder Rana Kapoor and his top management team, to establish a high quality, customer centric, service driven, private Indian Bank catering to the Future Businesses of India.

YES BANK has adopted international best practices, the highest standards of service quality and operational excellence, and offers comprehensive banking and financial solutions to all its valued customers. YES BANK has a knowledge driven approach to banking, and a superior customer experience for its retail, commercial banking and corporate banking clients. YES BANK is steadily evolving as the Professionals' Bank of India with the vision of "Building the Best Quality Bank of the World in India".

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