

Press Release

YES BANK announces Q1FY12 Financial Results

- *Net Profit of ₹216.1 crore in Q1FY12*
- *Customer Assets (loans & credit substitutes) growth of 34.7%, Deposit growth of 44.1%*
- *Net Interest Income grew at 35.1% y-o-y, NIMs remain steady sequentially at 2.8%*
- *Number of Branches stands at 255; 41 branches opened during the quarter*
- *Ranked 557th Largest Global Bank as per the FT - 1000 Ranking, up 333 places since 2010*

Highlights for First Quarter ended June 30, 2011 (Q1FY12)

- Net Profit up 38.2% to ₹ 216.1 cr (₹ 156.4 cr in Q1FY11)
- Net Interest Income up 35.1% to ₹ 354.2 cr (₹ 262.1 cr in Q1FY11)
- Non Interest Income up 14.9% to ₹ 165.3 cr (₹ 143.8 cr in Q1FY11)
- Operating Profit up 30.6% to ₹ 325.1 cr (₹ 249.0 cr in Q1FY11)
- Net Interest Margin at 2.8%
- Cost to Income ratio of 37.4%
- Return on Average Assets -RoA (annualized) of 1.5%, at or above 1.5% over last 3 years
- Return on Equity-RoE (annualized) of 22.1%, at or above 20% over last 3 years
- Basic EPS of ₹ 6.21 and Diluted EPS of ₹ 6.04

Other Key Highlights as at June 30, 2011

- Advances up 26.1% to ₹ 33,104.2 cr as at June 30, 2011 (₹ 26,256.8 cr at June 30, 2010)
- Customer Assets up 34.7% to ₹ 37,453.0 cr as at June 30, 2011 (₹ 27,798.1 cr at June 30, 2010)
- Deposits up 44.1% to ₹ 43,575.9 cr at June 30, 2011 (₹ 30,238.7 cr at June 30, 2010)
- Total Assets up 39.2% to ₹ 56,963.6 cr as at June 30, 2011 (₹ 40,928.6 cr as at June 30, 2010)
- Basel II Capital Adequacy Ratio of 16.2% (Tier I - 9.6%)
- Gross NPA at 0.17% of Gross Advances
- Net NPA at 0.01% of Net Advances
- Restructured Advances at 0.26% of Gross Advances
- Specific provisioning cover at 95.2%. Total Provisioning cover at 404%
- Book value per share of ₹ 115.5 (₹ 95.5 as at June 30, 2010)

Mumbai, July 21, 2011: The Board of Directors of YES BANK Ltd. took on record the unaudited Q1FY12 results at its meeting held in Mumbai today.

Commenting on the results and financial performance, Rana Kapoor, Founder, Managing Director & CEO, YES BANK said, "I am pleased to report that YES BANK has once again delivered another impressive quarter of financial performance with stable margins in an increasing interest rate environment. The Bank also maintained strong asset quality in the backdrop of increased event risks and macro-economic pressures. The Bank currently has a branch network of 255 branches and with its distribution network rapidly expanding, we will be able to further accelerate growth across Commercial Banking and Branch/ Retail Banking business segments with an inherent focus on garnering branch driven retail/ SME liabilities. In the second year of our Version 2.0 strategy, our aim is to focus on building scalability and granularity in our businesses through a robust branch banking model, while further augmenting our high quality human capital. The Bank has also been ranked 557th among FT -

1000 Banks, up 333 places (second highest jump for any Bank worldwide) from 890th rank last year.”

Summary P&L

(₹ in Crore)	Q1FY12	Q1FY11	Growth %
Net Interest Income	354.2	262.1	35.1%
Non Interest Income	165.3	143.8	14.9%
Total Net Income	519.5	405.9	28.0%
Operating Expense	194.4	156.9	23.9%
Operating Profit	325.1	249.0	30.6%
Profit after Tax	216.1	156.4	38.2%

Summary Balance Sheet

(₹ in Crore)	30-Jun-11	30-Jun-10	Growth %
Advances	33,104.2	26,256.8	26.1%
Investments	17,544.8	11,017.5	59.2%
Shareholders' funds	4,021.8	3,257.4	23.5%
Total Capital Funds	7,090.3	5,225.4	35.7%
Deposits	43,575.9	30,238.7	44.1%
Total Assets / Liabilities	56,963.6	40,928.6	39.2%

Q1FY12 Performance highlights

- **Steady growth in Advances, Investments and Deposits:** Total Advances grew by **26.1%** to ₹ 33,104.2 crore as at June 30, 2011 from ₹ 26,256.8 crore as at June 30, 2010. Customer Assets (Loans & Credit Substitutes) grew by 34.7% y-o-y to ₹ 37,453.0 cr as at June 30, 2011. Investments grew by **59.2%** to ₹ 17,544.8 crore as at June 30, 2011 from ₹ 11,017.5 crore as at June 30, 2010.

Total Deposits grew by **44.1%** to ₹ 43,575.9 crore as at June 30, 2011 from ₹ 30,238.7 crore as at June 30, 2010. Current and Savings Account (CASA) deposits grew by **49.8%** to ₹ 4,764.4 crore taking the CASA ratio to 10.9% as at June 30, 2011. The Bank's Balance Sheet grew by **39.2%** to ₹ 56,963.6 crore as at June 30, 2011 from ₹ 40,928.6 crore as at June 30, 2010.

Corporate & Institutional Banking accounted for 63.2% of the loan portfolio, Commercial Banking – 24.4% and Branch Banking – 12.4%. The Commercial & Branch Banking franchise has delivered increased traction in Q1 FY12, reflecting an increase in granularity in the loan book in line with Version 2.0 vision and strategy of the Bank.

The Bank's focus on a Knowledge driven approach to lending continues to yield results with the knowledge sector groups like Food and Agribusiness, Engineering, Infrastructure & Logistics, TMT and Healthcare constituting approximately **71.6%** of total advances as at June 30, 2011.

- **Strong Net Interest Income (NII) Growth:** NII for Q1FY12 increased by 35.1% y-o-y to ₹ 354.2 crore from ₹ 262.1 crore in Q1FY11. This was on account of stable growth in advances and sequentially steady NIM of 2.8%.

- **Stable growth in Non Interest Income streams:** Non Interest Income grew by 14.9% y-o-y to ₹ 165.3 crore for Q1FY12 from ₹ 143.8 crore in Q1FY11. This was on the back of continued growth in Transaction Banking, Financial Advisory and Branch Banking Fees & Others segments that showed firm traction y-o-y. Components of Non Interest Income for Q1FY12 were as follows: Transaction Banking – ₹ 42.0 crore, Financial Advisory – ₹ 82.9 crore, Financial Markets – ₹ 24.7 crore and Branch Banking Fees & Others – ₹ 15.7 crore.
- **Strong growth in Operating and Net profit:** Operating profit for Q1FY12 was up 30.6% to ₹ 325.1 crore as compared to ₹ 249.0 crore for Q1FY11 driven primarily by sustained revenue growth. The Cost to Income ratio was 37.4% in Q1FY12 versus 38.7% in Q1FY11. PAT in Q1FY12 was up 38.2% at ₹ 216.1 crore from ₹ 156.4 crore for Q1FY11.
- **Consistently healthy Asset Quality:** Gross Non Performing Advances as a proportion of Gross advances was at 0.17% while Net Non Performing Advances as a proportion of Net advances was at 0.01% as at June 30, 2011 down from 0.23% and 0.04% respectively as at June 30, 2010, due to recovery of a significant NPA.

Bank's total loan loss coverage ratio was at 404% while specific provisioning cover was at 95.2% as at June 30, 2011.

Total Restructured Advances (excluding NPAs) is ₹ 87.0 crore as at June 30, 2011. This represents 0.26% of the Gross Advances.
- **Strong Shareholders' returns:** The Bank delivered RoE of 22.1% and RoA of 1.5% for Q1FY12. Return on Assets has been at or above 1.5% over the past 3 years, and Return on Equity has been approximately 20% or above over the same period.
- **Capital Funds:** Tier I Capital stood at 9.6% and total CRAR stood at 16.2% as at June 30, 2011. Total Capital funds grew by 35.7% to ₹ 7,090.3 crore as at June 30, 2011 compared to ₹ 5,225.4 crore as at June 30, 2010.

Business Highlights (Q1FY12)

Awards & Recognitions

- YES BANK received the “Sustainable Bank of the Year (Asia/Pacific)” Award at the FT/IFC Sustainable Finance Awards 2011 in London. This is the second time the Bank has received this prestigious award.
- YES BANK received the Best Multi-Channel Capability Project Award with its partner Obopay India, and the Best Financial Supply Chain Project Award with its partner Cordys Asia at the 5th Asian Banker Technology Implementation Awards held in Hong Kong - when.
- Mr. Rana Kapoor, Founder, Managing Director & CEO, YES BANK was conferred the “Doctorate in Science (Honoris Causa)” at the 27th Convocation of G.B. Pant University of Agriculture & Technology by H.E. Governor of Uttarakhand Smt. Margaret Alva.
- Mr. Rana Kapoor, Founder, Managing Director & CEO, YES BANK has been appointed as the Deputy Chairman of the Indian Banks' Association (IBA), at the 64th Annual General Meeting presided over by the Honourable Finance Minister of India Shri Pranab Mukherjee.

Expansion Initiatives

- YES BANK added **41** new branches across the country during the **quarter**. **Total branch count is 255 branches pan India.**
- **Employee strength stood at 4,385** as on June 30, 2011, **growth of 27.2%** over June 30, 2010.

Financial Advisory

- YES Bank acted as **Sole Underwriter and Financial Advisor** to **Windar Renewable Energy Private Limited** with ₹ 100 cr Term Loan, for setting up a Greenfield Wind Tower manufacturing facility of 500 towers per annum in Gujarat.
- YES BANK was the **Exclusive Advisor** to **Hikma Pharmaceuticals PLC** (LSE:HIK), a large Jordanian multinational pharmaceutical company, on its investment of US\$ 33 million for a significant minority stake in an Indian API manufacturer, Unimark Remedies Limited.

Equity & Debt Capital Markets

- YES BANK was the **Lead Manager** to the Rights Issue of **Arrow Textiles Limited**.
- YES BANK was Joint Arranger for the ₹ 1,500 cr perpetual NCD issue of **TATA Power Company Ltd.**, the second of its kind by an Indian Private Corporate.
- YES BANK was the Sole Arranger for the ₹ 2.5 billion Bond Issue of United Phosphorous.
- YES BANK was the **Lead Manager** to the Public Issue of long-term infrastructure bonds (under section 80 CCF of the Income Tax Act, 1961, as amended) by **India Infrastructure Finance Company Limited**.

Strategic Alliances

- YES BANK entered into a strategic alliance with a leading housing finance group for distribution of Home Loans to all YES BANK customers.

ABOUT YES BANK

YES BANK, India's new age private sector Bank, is the outcome of the professional & entrepreneurial commitment of its Promoter & 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, corporate and emerging corporate banking clients. YES BANK is steadily evolving as the Professionals' Bank of India with the long term mission of "Building the Best Quality Bank of the World in India".

For further information, please contact:

Supriya Saxena YES BANK Ph.: + 91 22 6620 9057 Fax: +91 22 24900314 Email: supriya.saxena@yesbank.in	Ranjit Menon Adfactors PR Ph.: +91 22 22813565 Fax: ++91 22 22813569 Email: ranjit.menon@adfactorspr.com
--	---