

Press Release

YES BANK announces Q1FY14 Financial Results

- Net Profit of ₹400.8 crore in Q1FY14; y-o-y growth of 38.1% based on healthy growth in Net Interest Income & Non-Interest Income
- Net Interest Income grew at 39.6% y-o-y with steady growth in advances, and NIM expansion y-o-y; Non-Interest Income grew at 53.4%
- CASA Ratio has improved to 20.2% from 16.3% a year ago; CASA grew at 61.1% y-o-y with Savings Accounts deposits increasing by 120.6% y-o-y
- 45 branches added in the quarter taking total branches to 475; ATM count crosses 1,000
- Loan Growth steady at 24.3% y-o-y, with Deposit growth at a healthy 29.9% y-o-y
- As per Basel III, Tier I Capital steady at 9.5%; Total Capital Adequacy at 15.4%
- RoA at 1.6% and has been at or above 1.5% over the last 5 years, and RoE at 26.7% continues to be at or above 20% over the same period

Financial Highlights from Q1FY14 Results:

Profit & Loss Statement Highlights					
(₹ in Crore)	Q1FY14	Q1FY13	Growth	Q4FY13	Growth
Net Interest Income	659.1	472.2	39.6%	638.1	3.3%
Non Interest Income	442.1	288.1	53.4%	379.4	16.5%
Total Net Income	1,101.2	760.3	44.8%	1,017.5	8.2%
Operating Profit	680.0	459.6	47.9%	633.9	7.3%
Profit after Tax	400.8	290.1	38.1%	362.2	10.7%
Basic EPS (Rs.)	11.16	8.20	36.1%	10.1	10.5%

Balance Sheet Highlights					
(₹ in Crore)	30-Jun-13	30-Jun-12	Growth	31-Mar-13	Growth
Customer Assets	61,260.4	49,338.7	24.2%	60,356.3	1.5%
Advances	47,897.6	38,533.9	24.3%	46,999.6	1.9%
Deposits	65,244.8	50,208.1	29.9%	66,955.6	-2.6%
CASA	13,163.2	8,170.2	61.1%	12,687.5	3.7%
Shareholders' funds	6,224.3	4,978.4	25.0%	5,807.7	7.2%
Total Capital Funds*	10,666.0	9,785.0	9.0%	12,295.2	-13.2%
Total Balance Sheet	100,802.0	78,223.9	28.9%	99,104.1	1.7%

*- Including Q1 Net Profit

Key Financial Performance Indicators				
	Q1FY14	Q1FY13		Q4FY13
Return on Assets	1.6%	1.5%		1.6%
Return on Equity	26.7%	24.0%		25.2%
NIM	3.0%	2.8%		3.0%
Cost to Income Ratio	38.3%	39.5%		37.7%
Non Interest Income to Total Income	40.1%	37.9%		37.3%
Capital Adequacy*	15.4%	17.0%		18.3%
Tier I Ratio*	9.5%	9.7%		9.5%
Book Value (₹)	173.0	140.7		161.9
Gross NPA	0.22%	0.28%		0.20%
Net NPA	0.03%	0.06%		0.01%

* The Capad & Tier I Ratio for Q1FY14 have been computed (including Q1 FY14 Net Profit) under Basel III norms. As per Basel II, Capital Adequacy for Q1 FY14 at 18.1% & Tier I at 9.7% (including Q1 FY14 Net Profit).

Mumbai, July 24, 2013: The Board of Directors of YES BANK Ltd. took on record the unaudited Q1FY14 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 witnessed steady growth in Net Profit of 38.1%, on the back of strong NII, and continued focus on revenue diversity leading to a healthy increase in Non-Interest Income. The Bank has continued the strong traction on CASA & retail deposits with its CASA ratio crossing 20% for the first time since inception. Improved productivity, a wider and deeper branch network and continued focus on customized product offerings, have led to further growth of retail customers. I truly believe that the incremental branch expansion is an organizational imperative to further strengthen our Retail offerings, which is in accordance with our Version 2.0 Vision & Strategy of achieving scale along with improving granularity and diversity.”

Q1FY14 Performance highlights

- **Stable growth in Advances and Deposits:** Total Advances grew by **24.3%** to ₹ 47,897.6 crore as at June 30, 2013 from ₹ 38,533.9 crore as at June 30, 2012. Customer Assets (Loans & Credit Substitutes) grew by 24.2% y-o-y to ₹ 61,260.4 crore as at June 30, 2013.

Current and Savings Account (CASA) deposits grew by **61.1%** y-o-y to ₹ 13,163.2 crore taking the CASA ratio to **20.2%** as at June 30, 2013 up from 16.3% as of June 30, 2012. The Bank continues to demonstrate steady traction in CASA on the back of enhanced Savings Rate offerings, increasing branch network and improvements in productivity. The Savings Account deposits grew by 120.6% y-o-y to ₹ 6,621.6 crore as of June 30, 2013, and the Current Account deposits grew by 26.6% to ₹ 6,541.6 crore as of June 30, 2013. Retail Banking Liabilities (CASA + Retail Banking term deposits) stand at **38.8%** of Total Deposits as of June 30, 2013.

Total Deposits grew by **29.9%** to ₹ 65,244.8 crore as at June 30, 2013 from ₹ 50,208.1 crore as at June 30, 2012. The Bank's Balance Sheet grew by **28.9%** to ₹ 100,802.0 crore as at June 30, 2013 from ₹ 78,223.9 crore as at June 30, 2012.

Corporate & Institutional Banking (Large Corporates) accounted for 64.3% of the Customer Assets portfolio, Commercial Banking (Mid-sized Corporates) accounted for 18.6% and Retail Banking (including MSME) – 17.1%.

- **Strong Net Interest Income (NII) Growth:** NII for Q1FY14 increased by 39.6% y-o-y to ₹ 659.1 crore from ₹ 472.2 crore in Q1FY13. This was on account of stable growth in advances and NIM expanding to 3.0% in Q1 FY14 from 2.8% last year.
- **Diversified Non Interest Income streams display healthy growth:** Non Interest Income grew by 53.4% y-o-y to ₹ 442.1 crore for Q1FY14 from ₹ 288.1 crore in Q1FY13. This was on the back of continued growth across all income streams – Financial Advisory, Transaction Banking, Financial Markets and Retail Banking Fees & Others, that showed firm traction y-o-y.
- **Strong growth in Operating & Net profit:** Operating profit for Q1FY14 was up 47.9% to ₹ 680.0 crore as compared to ₹ 459.6 crore for Q1FY13 on the back healthy growth in Total Net Income. The Cost to Income ratio was 38.3% in Q1FY14. Net profit for Q1FY14 was up 38.1% to ₹ 400.8 crore as compared to ₹ 290.1 crore for Q1FY13.

- **Consistently healthy Asset Quality:** The Bank's Gross Non Performing Advances ratio stands at 0.22% (₹ 104.9 crore) and Net Non Performing Advances ratio at 0.03% (₹ 12.1 crore) compared to 0.28% and 0.06%, respectively as at June 30, 2012. The Bank has consistently maintained a healthy and robust asset quality with diversification across industries and customer categories.

Bank's specific provisioning cover was at 88.5% as at June 30, 2013.

Total Restructured Advances (excluding NPA) stand at ₹ 139.5 crore as at June 30, 2013 (₹ 196.5 crore as at June 30, 2012). This represents 0.29% of Gross Advances down from 0.51% as of June 30, 2012. The Total Restructured Advances have declined over the previous year.

- **Strong Shareholders' returns:** The Bank delivered RoE of 26.7% and RoA of 1.6% for Q1FY14. Return on Assets has been at or above 1.5% over the past 5 years, and Return on Equity has been approximately 20% or above over the same period.
- **Capital Adequacy:** As per Basel III, Tier I Capital stood at **9.5%** and total CRAR stood at **15.4%** as at June 30, 2013. As per Basel II, Tier I Capital stood at **9.7%** including Q1FY14 Net Profit and total CRAR stood at **18.1%** as at June 30, 2013 has improved sequentially based on improved capital efficiency.

Business Highlights (Q1FY14)

Expansion/ Investment Initiatives

- YES BANK added 45 branches during the quarter, taking the total branch count to 475 as on June 30, 2013.
- YES BANK added 100 ATMs to its network during the quarter, taking the total count to 1051 ATMs. This ATM count is an increase of 63% over June 30, 2012.
- Employee strength stood at **7,458** as on June 30, 2013; an increase of 1,275 employees over June 30, 2012.

Awards & Recognitions

- YES BANK was conferred the **Golden Peacock Global Business Excellence Award 2013** at the Dubai Global Convention on Business Excellence, in the Financial Services - Banking Category.
- YES BANK was recognized as the **Best Managed Bank in India for the 3-Year Period, 2011-2013** at the **Asian Banker Leadership Achievement Awards 2013** at Jakarta, Indonesia. At these awards, Rana Kapoor was also honored with the **Asian Banker CEO Leadership Achievement Award for India** for Achievements during the same period.
- YES BANK received **four awards at the Institute Of Public Enterprise (IPE) BFSI and Corporate Excellence Awards** including Best Bank in Private Sector, Best Employer Brand Award and Rana Kapoor being recognized as the CEO Of The Year.

Knowledge Initiatives

- YES BANK, launched the **YES BANK Sustainability Series**, the first-ever initiative in India, to promote Risk Awareness in the Environment & Social (E&S) domain in the Financial Sector. The Sustainability Series has been conceptualized in association with **UNEP FI** (United Nations Environment Program Finance Initiative), **GIZ** (Gesellschaft fuer Internationale Zusammenarbeit GmbH) and **RIRA** (Responsible Investment Research Association), which was inaugurated by **RBI Deputy Governor, Dr. K. C. Chakrabarty**.

- YES BANK partnered ASSOCHAM to host the **Premier of the People's Republic of China H.E. Li Keqiang** at the **India-China Business Cooperation Summit in Mumbai**, where the discussions were focused on further development of bilateral trade.
- YES BANK was the Knowledge Partner to the **ASSOCHAM International Conference on Dedicated Freight Corridors** and authored a knowledge report titled '**Corridors for India's Economic Growth**', which was released by the Chief Guest **Shri Pawan Kumar Bansal**, Hon'ble Union Minister of Railways.
- YES BANK was the Presenting Partner at **FOCUS 2013 - ASSOCHAM's 7th Annual Summit on Media and Entertainment** and authored a knowledge report titled '**Scripting Success for the Indian Media & Entertainment Industry - A Business & Financial Perspective**', which was released by the Guests of Honours, **Mr. Javed Akhtar** and **Mr. Aroon Poorie**.

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, corporate and emerging 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" by 2015.

For further information, please contact:

George Koshy YES BANK Ph.: + 91 22 6669 3500 Handphone : +91 9819808042 Email: george.koshy@yesbank.in	Naireen Ahmed Adfactors PR Ph.: +91 22 22813565 Fax: ++91 22 22813569 Email: naireen.ahmed@adfactorspr.com
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