

YES BANK announces Q4FY11 and FY11 Financial Results

Emerges as the Fourth Largest Private Sector Bank in India

- Net Profit of ₹203.4 crore in Q4FY11; highest ever since inception
- Net Profit of ₹727.1 crore in FY11 ; y-o-y growth of 52.2%
- Loan growth of 54.8%, Deposit growth of 71.4%
- Total Assets of ₹59,007.0 crore as of March 31, 2011; growth of 62.2%
- Dividend of 25% recommended by the Management & Board
- Number of Branches stands at 214

Highlights for Fourth Quarter ended Mar 31, 2011 (Q4FY11)

- Net Profit up 45.2% to ₹ 203.4 cr (₹ 140.0 cr in Q4FY10)
- Net Interest Income up 42.7% to ₹ 348.5 cr (₹ 244.2 cr in Q4FY10)
- Non Interest income up 16.6% to ₹ 186.8 cr (₹ 160.1 Cr in Q4FY10)
- Operating Profit up 35.4% to ₹ 348.8 cr (₹ 257.6 cr in Q4FY10)
- Net Interest Margin at 2.8%
- Non Interest Income to Total Net Income ratio at 34.9%
- Cost to Income ratio of 34.8%
- Return on Average Assets -RoA(annualized) of 1.5%
- Return on Equity-RoE (annualized) of 21.7%
- Basic EPS of ₹ 5.86 and Diluted EPS of ₹ 5.68

Highlights for Full Year ended Mar 31, 2011 (FY11)

- Net Profit up 52.2% to ₹ 727.1 cr (₹ 477.7 cr in FY10)
- Net Interest Income up 58.2% to ₹ 1,246.9 cr (₹ 788.0 cr in FY10)
- Non Interest income up 8.3% to ₹ 623.3 cr (₹ 575.5 Cr in FY10)
- Operating Profit up 37.9% to ₹ 1,190.4 cr (₹ 863.3 cr in FY10)
- Net Interest Margin at 2.9%
- Non Interest Income to Total Net Income ratio at 33.3%
- Cost to Income ratio of 36.3%
- Return on Average Assets-RoA of 1.5%; RoA has been at or above 1.5% over the past 3 years
- Return on Equity-RoE of 21.1%; has been 20% or above over past 3 years
- Basic EPS of ₹ 21.1 and Diluted EPS of ₹ 20.2

Other Key Highlights as at Mar 31, 2011

- Advances up 54.8% to ₹ 34,363.6 cr at Mar 31, 2011 (₹ 22,193.1 cr at Mar 31,2010)
- Deposits up 71.4% to ₹ 45,938.9 cr at Mar 31,2011 (₹ 26,798.6 cr at Mar 31,2010)
- Total Assets up 62.2% to ₹ 59,007.0 cr as at March 31, 2011 (₹ 36,382.5 cr as at Mar 31, 2010)
- Basel II Capital Adequacy Ratio of 16.5% (Tier I – 9.7%)
- Gross NPA at 0.23% of Gross Advances
- Net NPA at 0.03% of Net Advances
- Specific provisioning cover at 88.6%. Total Provisioning cover at 300%
- Book value per share of ₹ 109.3 (₹ 91.0 as at Mar 31, 2010)

Mumbai, April 20, 2011: The Board of Directors of YES BANK Ltd. took on record the unaudited Q4FY11 and audited FY11 results at its meeting held in Mumbai today.

Commenting on the results and financial performance, Rana Kapoor, Founder/Managing Director & CEO, YES BANK said, “YES BANK has delivered another impressive quarter of financial performance with the quarterly profit crossing ₹ 200 cr. for the first time in the Bank’s history. This has been achieved due to robust growth in advances, steady NIMs against the backdrop of a rising interest rate environment and stable non-interest income streams. The Bank has completed its first year of its Version 2.0 and I am pleased to report that on the back of stellar performance in FY11, the Bank has strengthened the platform to deliver on its key goals established for FY 15. With a Branch network of 214 branches and 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. The Financial Express/ E&Y Best Banks Survey 2010 has ranked YES BANK as the No. 1 Private Sector Bank in India ahead of a number of larger and older entities, which is a significant achievement and recognition of the Bank’s differentiated business model.”

Summary P&L

(₹ in Crore)	Q4FY11	Q4 FY10	Growth	FY11	FY10	Growth
Net Interest Income	348.5	244.2	42.7%	1,246.9	788.0	58.2%
Non Interest Income	186.8	160.1	16.6%	623.3	575.5	8.3%
Total Net Income	535.3	404.3	32.4%	1,870.2	1,363.5	37.2%
Operating Expense	186.5	146.7	27.1%	679.8	500.2	35.9%
Operating Profit	348.8	257.6	35.4%	1,190.4	863.3	37.9%
Profit after Tax	203.4	140.0	45.2%	727.1	477.7	52.2%

Summary Balance Sheet

(₹ in Crore)	31-Mar-11	31-Mar-10	Growth	31-Dec-10	Growth
Advances	34,363.6	22,193.1	54.8%	31,112.2	10.5%
Investments	18,828.8	10,209.9	84.4%	15,222.3	23.7%
Shareholders’ funds	3,794.1	3,089.6	22.8%	3,693.7	2.7%
Total Capital Funds	7,119.3	5,257.0	35.4%	6,832.0	4.2%
Deposits	45,938.9	26,798.6	71.4%	39,452.8	16.4%
Total Balance Sheet	59,007.0	36,382.5	62.2%	52,244.7	12.9%

Q4FY11 and FY11 Performance highlights

- **Robust growth in Advances and Deposits:** Total Advances grew by **54.8%** to ₹ 34,363.6 crore as at March 31, 2011 from ₹ 22,193.1 crore as at March 31, 2010. Investments grew by **84.4%** to ₹ 18,828.8 crore as at March 31, 2011 from ₹ 10,209.9 crore as at March 31, 2010.

Total Deposits grew by **71.4%** to ₹ 45,938.9 crore as at March 31, 2011 from ₹ 26,798.6 crore as at March 31, 2010. Current and Savings Account (CASA) deposits grew by **68.6%** to ₹ 4,750.9 crore taking the CASA ratio to 10.3% as at March 31 2011 despite a relatively high deposit growth. The Bank’s Balance Sheet grew by **62.2%** to ₹ 59,007.0 crore as at March 31, 2011 from ₹ 36,382.5 crore as at March 31, 2010.

Corporate & Institutional Banking accounted for 65.1% of the loan portfolio, Commercial Banking - 22.9% and Branch Banking - 12.0%. The Commercial & Branch Banking franchise has delivered increased traction in Q4 FY11, reflecting an increase in granularity in the loan book in accordance 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 72.3% of total advances as at Mar 31, 2011.

- **Steady Net Interest Income (NII) Growth:** NII for Q4FY11 increased by 42.7% y-o-y to ₹ 348.5 crore from ₹ 244.2 crore in Q4FY10. This was on account of stable growth in advances and steady NIM of 2.8%.
- **Healthy growth in Non Interest Income streams:** Non Interest Income grew by 16.6% y-o-y to ₹ 186.8 crore for Q4FY11 from ₹ 160.1 crore in Q4FY10. 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 and sequentially. Components of Non Interest Income for Q4FY11 were as follows: Transaction Banking - ₹ 65.4 crore, Financial Advisory - ₹ 77.2 crore, Financial Markets - ₹ 24.1 crore and Branch Banking Fees & Others - ₹ 20.1 crore.
- **Strong growth in Operating and Net profit:** Operating profit for Q4FY11 was up 35.4% to ₹ 348.8 crore as compared to ₹ 257.6 crore for Q4FY10 driven primarily by sustained revenue growth. The Cost to Income ratio was 34.8% in Q4FY11 versus 36.3% in Q4FY10. PAT in Q4FY11 was up 45.2% at ₹ 203.4 crore from ₹ 140.0 crore for Q4FY10 (highest ever for the Bank since its inception).

Operating profit for FY11 was up 37.9% to ₹ 1,190.4 crore as compared to ₹ 863.3 crore for FY10. The Cost to income ratio was 36.3% in FY11 versus 36.7% in FY10. PAT for FY11 was up 52.2% to ₹ 727.1 crore from ₹ 477.7 crore in FY10.

- **Consistently healthy Asset Quality:** Gross Non Performing Advances as a proportion of Gross advances was at 0.23% while Net Non Performing Advances as a proportion of Net advances was at 0.03% as at March 31, 2011 as against 0.27% and 0.06% respectively as at March 31, 2010.

Bank's total loan loss coverage ratio was at 300% while specific provisioning cover was at 88.6% as at March 31, 2011.

Total Restructured Advances (excluding NPAs) is ₹ 82.9 crore as at March 31, 2011. This represents 0.24% of the Gross Advances.

- **Strong Shareholders' returns:** The Bank delivered RoE of 21.7% and RoA of 1.5% for Q4FY11. RoE was 21.1% and ROA was 1.5% for FY11. 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 **9.7%** and total CRAR stood at **16.5%** as at March 31, 2011. Total Capital funds grew by **35.4%** to ₹ 7,119.3 crore as at March 31, 2011 compared to ₹ 5,257.0 crore as at March 31, 2010.

Business Highlights (Q4FY11)

Awards & Recognitions

- YES BANK has been ranked as **India's No. 1 New Private Sector Bank** in the **Financial Express-E&Y Best Banks Survey 2010**, ahead of a number of other larger and older Banks.
- YES BANK recognized as **"India's Fastest Growing Bank of the Year"** at the **Bloomberg UTV Financial Leadership Awards 2011**.
- Mr. Rana Kapoor, Founder, Managing Director & CEO, YES BANK received the **'Entrepreneurial Banker of the Decade'** (2001-2010) award from Bombay Management Association (BMA) at the **14th Annual Convention in Mumbai**.

Expansion Initiatives

- YES BANK added 29 new branches during the quarter. Total branch count is **214 branches pan India and on target to achieve 250 branches by June 2011**.
- Employee strength stood at **3,929** as on March 31, 2011 up 29.5% from 3,034 as on March 31, 2010.

Financial Advisory

- YES BANK was the **Exclusive buy side Advisor** to United Phosphorous Limited on its acquisition of controlling stake in Sipcam Isagro, Brazil, a leading crop protection production and distribution company in the Brazilian agrochemicals market.
- YES BANK was the **Exclusive buy side Advisor** to Mahindra & Mahindra Limited on its acquisition of EPC Industries Limited, a niche player in the Micro Irrigation and Industrial & Infrastructure piping space.
- YES BANK was the **Exclusive sell side Advisor** to APW President Systems Limited, a leading manufacturer of customized racks and enclosure systems on the sale of its business to Schneider Electric, France, a global specialist in energy management solutions.
- YES BANK was the **Exclusive buy side Advisor** to Jain Irrigation Systems Limited on its acquisition of controlling stake in Sleaford Quality Foods Limited, UK, a leading supplier of dried, dehydrated and canned foods in UK.

Equity & Debt Capital Markets

- YES BANK was the **Book Running Lead Manager** to the Initial Public Offering of ₹ 165 cr of C. Mahendra Exports Limited, a leading player in the diamond jewellery space.
- 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.
- YES BANK was the **sole arranger** for secured bonds of ₹ 500 crore of Leading conglomerate.

Strategic Alliances

- YES BANK was appointed as the '**Country Manager**', **India**, by Queen Margaret University, Scotland, UK, for the development of a co-operative tourism project in rural India.
- YES BANK partnered The Hindu Business Line, India's leading business paper to organize its **first Food & Agribusiness Conclave** in New Delhi focusing on the theme of **Food Security & Agri Supply Chain**.
- YES BANK partnered the **North East Business Summit** for the fourth consecutive year, in association with the Indian Chamber of Commerce (ICC) and the Department of Development of the North Eastern Region (DoNER). As Knowledge Partners to the event, three YES BANK Knowledge Reports were released at the summit

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:

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