

Press Release – April 27, 2016

YES BANK announces Financial Results for the Quarter and Financial Year ended March 31, 2016

Key Profit & Loss (P&L) Statement Highlights

- **Net Profit of ₹ 702.1 Crores in Q4FY16;** y-o-y growth of **27.4%**. For FY16 Net profit increased by **26.6%** to **₹ 2,539.4 Crores**
- **Net Interest Income** at **₹ 1,241.4 Crores** for Q4FY16; y-o-y growth of **27.1%**. NII grew by **30.9%** in FY16 to **₹ 4,566.7 Crores** on back of steady growth in Advances & CASA. NIM expanded to **3.4%** in FY16 from 3.2% in FY15
- **Non Interest Income** at **₹ 802.8 Crores** for Q4FY16; y-o-y growth of **36.0%**. Non Interest Income grew by **32.5%** in FY16 to **₹ 2,712.1 Crores**
- **RoA** stands at **1.8%**, **RoE** at **21.1%** for Q4FY16. RoA at **1.7%** and RoE at **19.9%** for FY16. Book Value at **₹ 327.8** per share (*post proposed Board approved 100% dividend*) as on March 31, 2016

Key Balance Sheet Highlights

- Y-o-Y growth in CASA of **48.7%**; **CASA Ratio improves to 28.1%** from 23.1% a year ago, **5% improvement in one year**. SA deposits posted robust growth of **62.3%** y-o-y
- **CASA+Retail FDs** as % of Total Deposits stands at **54.5%** as at March 31, 2016, up from 47.9% a year ago (**6.6% improvement in one year** demonstrating improving deposit diversity and granularity)
- **Advances grew by 30.0% y-o-y to ₹ 98,209.9 Crores** as at March 31, 2016
- **Total Capital Adequacy** as per Basel III is robust at **16.5%** with Tier I ratio at **10.7%**.
₹ 1,845 Crores of Basel III compliant Tier II bonds issued during the quarter. An aggregation of ₹ 3,899.2 Crores of Basel III compliant Tier II bonds raised during FY16.
Total Capital Funds at **₹ 21,874.4 Crores** as of March 31, 2016

Key Asset Quality Highlights

- **Credit Cost** contained at **50 bps** for FY16. **RBI AQR impact fully factored**
- Gross Non Performing Advances (**GNPA**) at **0.76%** and Net Non Performing Advances (**NNPA**) at **0.29%** as at March 31, 2016
- **Provision Coverage Ratio (PCR)** stands at **62.0%** as at March 31, 2016
- **Standard Restructured Advances** as a proportion of Gross Advances at **0.53%** (₹ 524.0 Crores) as at March 31, 2016, down from 0.67% (₹ 568.3 Crores) as at December 31, 2015
- **Security Receipts (SRs)** stand at **0.20%** (₹ 199.4 Crores) of Gross Advances as at March 31, 2016, down from 0.25% (₹ 212.4 Crores) as at December 31, 2015
- Nil SDR and Nil 5:25 refinancing during FY16

Dividend of ₹ 10 per share (100%) recommended by Management & Board (subject to shareholders' approval)

Financial Highlights from Q4FY16 & Financial Year 2015-16 Results:

Profit & Loss Statement Highlights						
(₹ in Crores)	Q4FY16	Q4FY15	Growth % (y-o-y)	FY16	FY15	Growth % (y-o-y)
Net Interest Income	1,241.4	977.1	27.1%	4,566.7	3,487.8	30.9%
Non Interest Income	802.8	590.4	36.0%	2,712.1	2,046.5	32.5%
Total Net Income	2,044.2	1,567.5	30.4%	7,278.9	5,534.3	31.5%
Operating Profit	1,225.5	937.5	30.7%	4,302.5	3,249.6	32.4%
Provision	186.5	126.4	47.6%	536.3	339.5	58.0%
Profit after Tax	702.1	551.0	27.4%	2,539.4	2,005.4	26.6%
Basic EPS (₹)	16.7	13.2	26.7%	60.6	49.3	22.9%
Key P & L Ratios						
	Q4FY16	Q4FY15		FY16	FY15	
Return on Assets	1.8%	1.7%		1.7%	1.6%	
Return on Equity	21.1%	19.0%		19.9%	19.0%	
NIM	3.4%	3.2%		3.4%	3.2%	
Cost to Income Ratio	40.1%	40.2%		40.9%	41.3%	
Non Interest Income to Total Income	39.3%	37.7%		37.3%	37.0%	

Balance Sheet Highlights					
(₹ in Crores)	31-Mar-16	31-Mar-15	Growth % (y-o-y)	31-Dec-15	Growth % (q-o-q)
Advances	98,209.9	75,549.8	30.0%	84,396.2	16.4%
Deposits	111,719.5	91,175.8	22.5%	101,437.2	10.1%
CASA	31,342.8	21,079.0	48.7%	27,019.4	16.0%
Shareholders' funds	13,786.6	11,680.0	18.0%	13,561.3	1.7%
Total Capital Funds	21,874.4	16,151.3	35.4%	19,525.2	12.0%
Total Balance Sheet	165,263.4	136,170.4	21.4%	147,754.0	11.9%
Key Balance Sheet Ratios					
	31-Mar-16	31-Mar-15		31-Dec-15	
Capital Adequacy (Basel III)	16.5%	15.6%		16.1%	
Tier I Ratio (Basel III)	10.7%	11.5%		10.9%	
Book Value (₹)	327.8	279.6		323.3	
Gross NPA	0.76% (₹749.0 Cr.)	0.41%		0.66%	
Net NPA	0.29% (₹284.5 Cr.)	0.12%		0.22%	
Provision Coverage Ratio	62.0%	72.0%		66.5%	
Restructured Advances %	0.53% (₹ 524.0 Cr.)	0.50%		0.67%	
Security Receipts (Net) %	0.20% (₹ 199.4 Cr.)	0.29%		0.25%	
Credit Costs (for the quarter in bps)*	16	9		14	

*Overall 50 bps against original guidance of 60-80 bps for FY-16

Mumbai, April 27, 2016: The Board of Directors of YES BANK Ltd. took on record the Q4FY16 and Financial Year 2015-16 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 another quarter of highly favourable financial performance across all the key parameters of growth, profitability and asset quality. Overall FY16, despite challenging headwinds, has proved to be extremely satisfactory for YES Bank.

The Bank’s commitment towards building a strong Retail franchise is reflected through our expanding distribution network, HR additions and investments in Digitization & Technology. FY16 witnessed CASA growth of 48.7% with the CASA ratio improving to 28.1% from 23.1%, thus demonstrating the productivity and efficiency of our Retail Liabilities growth engines.

Further, the launch of Credit Cards during the current quarter will complete our Retail Product suite, and will add to the value drivers for quality customer acquisitions to further propel an already improving contribution from Retail Advances and Liabilities.

YES Bank continues to show resilience on all Asset Quality parameters with highly manageable credit costs in an extremely challenging year FY16. With RBI Asset Quality Review (AQR) impact fully factored in, we remain well positioned to grow at a faster pace and acquire market share across Retail, SME and Corporate Businesses in the backdrop of an improving macro and policy environment.”

Q4FY16 & Financial Year 2015-16 Performance highlights

Profit & Loss Account

- **Net Interest Income (NII):** NII for Q4FY16 increased by 27.1% y-o-y to ₹ **1,241.4** Crores on account of strong growth in advances and Retail & CASA deposits. Net interest Margin (NIM) at 3.4% for Q4FY16.
For FY16, NII increased by 30.9% y-o-y to ₹ **4,566.7** Crores with Net Interest Margin (NIM) expanding to 3.4% from 3.2%.
- **Non Interest Income:** Non Interest Income increased by 36.0% y-o-y to ₹ **802.8** Crores in Q4FY16. For full year FY16, Non Interest Income increased by 32.5% to ₹ **2,712.1** Crores.
- **Operating and Net profit:** Operating profit for Q4FY16 increased by 30.7% to ₹ **1,225.5** Crores. Net Profit in Q4FY16 was up 27.4% to ₹ **702.1** Crores. For FY16 Operating profit increased by 32.4% to ₹ **4,302.5** Crores, with Net Profit increasing by 26.6% to ₹ **2,539.4** Crores.
- **Shareholders’ Returns:** The Bank delivered RoA of 1.8% and RoE of 21.1% for Q4FY16. Bank’s RoA increased to 1.7% in FY16 from 1.6% in FY15 with RoE expanding to 19.9% from 19.0% during the same period.

Balance Sheet

- **Deposits:** Total Deposits grew by 22.5% to ₹ **1,11,719.5** Crores as at March 31, 2016. The Bank’s Total Assets grew by 21.4% to ₹ **165,263.4** Crores as at March 31, 2016. The Bank’s CD ratio stood at 87.9% as at March 31, 2016.

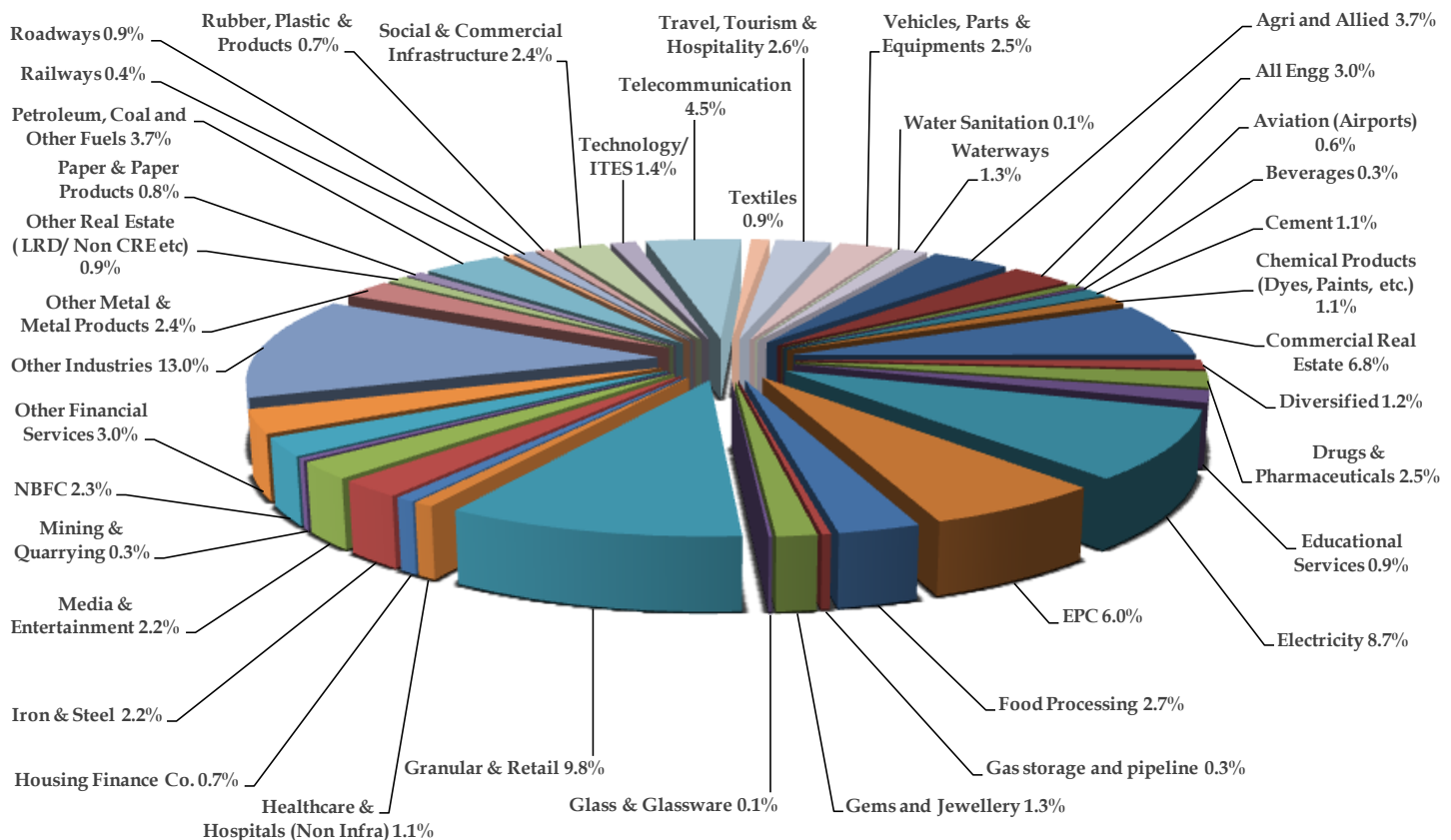
Current and Savings Account (CASA) deposits grew by 48.7% y-o-y to ₹ **31,342.8** Crores increasing the CASA ratio to 28.1% as at March 31, 2016 up from 23.1% as at March 31, 2015. Further, SA deposits grew by 62.3% to ₹ **20,417.7** Crores from ₹ 12,579.5 Crores as at March 31, 2015.

- **Advances:** Total Advances grew by **30.0%** to **₹ 98,209.9 Crores** as at March 31, 2016. Corporate Banking accounted for 65.1% of the Advances portfolio, while Retail & Business Banking (MSME) constituted 34.9%.

Business Segment	As on Mar 31, 2016	As on Dec 31, 2015	As on Sep 30, 2015	As on Jun 30, 2015
A) Corporate Banking (8 segmental relationship groups)	65.1%	67.2%	68.2%	68.0%
B) Retail & Business Banking	34.9%	32.8%	31.8%	32.0%
of which:				
i) Business Banking (Medium Enterprises)	11.1%	12.7%	13.3%	14.1%
ii) Micro & Small Enterprises	13.0%	10.6%	11.3%	10.6%
iii) Consumer Banking (Urban and Rural)	10.8%	9.5%	7.2%	7.3%
Total	100.0%	100.0%	100.0%	100.0%

- **Sectoral Distribution:**

Overall portfolio is well distributed with significant deployment in YES Bank focused knowledge sectors where the Bank has developed considerable sectoral expertise with specialized Relationship Managers, Product Managers and Risk Managers.



▪ **Sensitive sector disclosures:**

Sector/ Rating	% of Total Exposure
(A) Electricity	8.7%
AAA/AA rated investments	1.2%
T&D	1.3%
Renewable Exposures(Green-Financing)	2.5% of which 2.1% is operational
Non-Renewable	3.6% (all operational)
Exposure to SEBs	Nil
(B) Iron & Steel	2.2%
A or above rated	1.4%
(C) EPC	6.0%
A or above rated	4.0%

All three sectors showing steady improvement in economic conditions driven by Government of India policy interventions.

▪ **Asset Quality**

Bank continues to show resilience on all Asset Quality parameters which have unfolded in accordance with expectations outlined for FY16 by the Bank.

1. NPA – Credit Costs for FY16 contained at 50 bps

Gross Non Performing Advances (GNPA) as a proportion of Gross Advances was at 0.76% (₹ 749.0 Crores) while Net Non Performing Advances (NNPA) as a proportion of Net advances was at 0.29% (₹ 284.5 Crores) as at March 31, 2016. Bank's specific loan loss Provision Coverage was at 62.0% as at March 31, 2016.

Credit cost for FY16 stood at 50 bps.

2. Standard Restructured at 0.53% (down from 0.67% in previous sequential quarter)

The total Standard Restructured Advances as a proportion of Gross Advances was at 0.53% (₹ 524.0 Crores) as at March 31, 2016, down from 0.67% (₹ 568.3 Crores) as on December 31, 2015. The restructured loans have been performing in line with expectations and the Bank does not anticipate any material slippages in this book.

3. Security Receipts at 0.20% (down from 0.25% in previous sequential quarter)

Net Security Receipts (SRs) stand at ₹ 199.4 Crores (0.20% of Gross Advances, comprising 10 borrowers) as on March 31, 2016, down from ₹ 212.4 Crores (0.25% of Gross Advances) as on December 31, 2015. During the quarter the Bank sold one account to an Asset Reconstruction company for debt aggregation to facilitate resolution across lenders. The account was part of Standard Restructured advances book as on December 31, 2015. Further, during the quarter, the Bank recovered its entire exposure from one account that was sold to ARC in the past, resulting in NET REDUCTION in SRs outstanding.

4. Strategic Debt Restructuring – 'No SDR during the quarter and FY16'

5. 5:25 Refinancing – 'No 5:25 Refinancing during the quarter and FY16'

6. Rating Profile - Bank's Corporate Exposures continue to remain well rated with over 75% portfolio rated 'A' or better.

- **Capital Funds:** As per Basel III, Tier I Capital of ₹ 14,269.3 Crores stood at 10.7%, and total CRAR stood at 16.5% as at March 31, 2016. Total Capital funds are at ₹ 21,874.4 Crores as at March 31, 2016.

The Bank also raised ₹ 1,845 Crores of Basel III compliant Tier II bonds in the quarter. An aggregate of ₹ 3,899.2 Crores of Basel III compliant Tier II bonds raised during FY16.

Risk Weighted Assets stood at ₹ 132,949.9 Crores as at March 31, 2016. RWA to Total Assets at 80.4% as on March 31, 2016 down from 82.0% as on December 31, 2015.

- **Liquidity Coverage Ratio:** During Q4FY16, the Bank continued with the LCR maintenance at well above 70% regulatory requirement with monthly average Liquidity Coverage ratio of 83.9%, reflecting a healthy liquidity position.

YES Bank Credit Rating Profile

- Bank continues to maintain strong credit ratings across International and Domestic Rating agencies.
- Moody's has a Long-term international rating of Baa3 which is in line with the Sovereign Rating of India.
- Domestic Rating agencies (ICRA & CARE) have Long-Term rating of AA+ for the Bank's Basel III compliant Tier II instruments as well as for Infrastructure Bonds.

Digital Banking

YES Bank continues investing significantly in new-age mediums and digital technologies to achieve a heightened customer engagement and experience. Some of the Bank's key digital initiatives revolutionizing payments ecosystem are as follows:

- **YES Money program:** One of the largest Domestic Remittance program encompassing over 4.6 million customers with a cumulative transaction throughput of ₹ 12,000 Crores (over ₹ 4,000 Crores in FY 2015-16). This program is a prime example of YES Bank's DIGICAL strategy by helping convert Cash (Physical) to Digitized Funds transfer transactions
- Over 1.6 million YES Bank co-branded Virtual prepaid Cards issued on the MasterCard platform since launch in January 2016, the 'largest virtual prepaid card' program in the world within this platform
- Over 27 million YES Bank powered Freecharge Wallets issued since launch in September 2015
- YES Bank is among the top 5 banks in terms of IMPS transaction throughput contributing over 5% of the IMPS transactions performed in the country
- YES Bank signed an MoU with T-Hub, a unique public/private partnership between the government of Telangana to set up a World Class Centre of Excellence (CoE) for FinTech startups at T-Hub



This association will help to create a conducive business environment and support system for a large number of FinTech startups. In addition, YES Bank will offer its various products and payment gateways and open APIs to the startup community

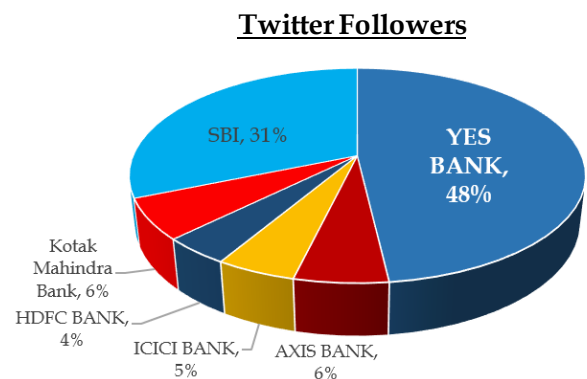
- **Partnership with UltraCash Technologies for Sound Based Payments** to launch payments processing through Sound Waves. Ultracash utilizes novel, first of its kind technology to enable merchant and person to person proximity payments

- YES Bank was one of the first Banks to partner with NPCI for UPI based offerings towards creating an efficient payment and cashless eco system for companies across industries viz E-commerce, Insurance, AMC, Large Retailers

Social Media

According to The Financial Brand 2016, YES Bank is now the **Highest followed Bank in the World on Twitter** with over 9 lakh followers and also the **HIGHEST Followed Bank Brand in India on Instagram** with **1.3 lakh+ followers**. YES bank's **LinkedIn page** has over **99 thousand followers** and the **YES SME Showcase LinkedIn page** is now the **HIGHEST followed LinkedIn page** for SMEs by any Bank in India. The **Facebook** following has also been increase to more than **30 lakh Fans** resulting in synergies across all Social Media Channels. Overall, YES Bank is one of the **FASTEST** growing bank brands in the world on social media.

	 Fans	 Followers
YES BANK	3,005k [4]	900k [1]
AXIS Bank	3,193k [3]	105k [4]
ICICI Bank	4,719k [2]	89.7k [5]
HDFC Bank	2,308k [5]	76.5k [6]
Kotak Mahindra Bank	642k [6]	115k [3]
State Bank of India	5,264k [1]	585k [2]



Note: Data as on April 25, 2016

Expansion & Knowledge Initiatives

- Total **headcount** stands at **15,000** as at March 31, 2016, an increase of 1,523 employees in the quarter (*highest ever addition in a single quarter*) and 4,190 incremental employees during the year.
- The Bank's branch network stood at **860 branches** as on March 31, 2016, an addition of 110 branches in the quarter. Total ATM network stands at 1,609 as on March 31, 2016, of which 359 are Bunch Note Acceptors (BNA).
- YES Bank's Board has approved the renewal of its Capital Raising plan of upto US\$ 1 Billion through ADR/GDR/QIP, or any other appropriate capital raising mode as deemed suitable.
- YES Bank has taken another significant step towards Women empowerment and Gender financing. To accomplish this, YES Bank has signed a **USD 50 Million** loan agreement with **IFC, Washington** to lend to Women-owned businesses. This project is part of the Women Entrepreneurs Opportunity Facility (WEOF), the first-of-its-kind global facility dedicated to expanding access to capital for approximately 100,000 women entrepreneurs set up by **IFC** and '**Goldman Sachs 10,000 Women**'.

Further, on International Women's Day, **YES Bank** launched its first **three All-Women** branches in **Kalkaji, New Delhi; Vile Parle (E), Mumbai** and **Cunningham Road, Bangalore**.

Named **YES GRACE**, the branches will be operated exclusively by women employees, including the support staff.

- YES Bank, signed a Memorandum of Understanding (**MoU**) with the Indian Renewable Energy Development Agency (**IREDA**) to foster **development of the Renewable Energy Sector** in India at the Make in India Week hosted in Mumbai from February 13-18, 2016. The strategic MoU will boost green energy financing & enable close partnership between both institutions to create a supporting framework for funding of Renewable Energy and Energy Efficiency projects. YES Bank will also support the initiatives of IREDA in the development of these critical sectors.
- YES Bank launched its **1st Currency Chest** and Small Coin Depot in Mumbai which was inaugurated by Dr. (Smt.) Deepali Pant Joshi, Executive Director, Reserve Bank of India.

Awards & Recognitions

- YES Bank has been awarded the prestigious Green Bond Pioneer Award for being the “Pioneer in Emerging Markets – India’ by the Climate Bonds Initiative at London Stock Exchange (LSE), London in February 2016.
- **YES Bank’s Innovations** – ‘API Banking’ and ‘Bank in a Box’ received the FINNOVITI Award 2016 from Banking Frontiers in February 2016.
- YES Bank received multiple awards in the prestigious **Business Today – KPMG India’s Best Banks Survey** in January 2016. This is the **7th year in a row**, where YES Bank has been recognized by Business Today in its annual Banking survey. The awards include.
 - **Best Mid Sized Bank (Overall)**
 - **Best Mid Sized Bank – Quality of Assets**
 - **Best Mid Sized Bank – Growth**
- YES Bank was ranked in the **Top 500 Global Banking Brands** list by **The Banker, London** (part of Financial Times Group) and moved up 118 ranks for the 4th highest leap among all top global banking brands.
- YES Bank was recognized with the **Astitva Award 2016 for Promoting Women Empowerment**, by PHD Women & Child Development Committee at the Astitva Award 2016 held on March 31, 2016 in New Delhi.
- Mr. Rana Kapoor, MD & CEO, was recognized by the Indian Institute of Technology Bombay as a **“Role Model Entrepreneur”** at the Entrepreneurship Summit 2016 hosted by the Entrepreneurship Cell at IIT Bombay.
- Mr. Rana Kapoor, MD & CEO, was felicitated by The Indian Econometric Society for **"Exemplary Contribution to Financial Services"** during the 52nd Annual Conference on January 6, 2016 at IIM Kozhikode.
- Mr. Rana Kapoor, MD & CEO, was felicitated by the Institute of Rural Management, Anand (IRMA) for his **“Exemplary Contribution to Agribusiness in Emerging Economies”** at the International Conference on ‘Agribusiness in Emerging Economies’ organized by IRMA on January 6, 2016.

- The Press Conference of YES Bank's results will commence at 12:00 noon and we have invited leading business news channels, newswires and publications to cover the conference as well as interviews of YES Bank's management team.
- YES Bank's analyst conference call can be heard at following link, post 10 pm:

<https://www.yesbank.in/investor-relations/financial-results/2015-2016-q4.html>

ABOUT YES BANK

YES BANK, India's fifth 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 commercial banking clients. YES BANK is steadily evolving its HR character as the Professionals' Bank of India, with the unrelenting vision of "Building the Finest Quality Bank of the World in India" by 2020.

For further information, please contact:

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