

Press Release

YES BANK announces Q2FY15 and H1FY15 (Audited) Financial Results

- *Net Profit of ₹ 482.5 crore in Q2FY15; y-o-y growth of 30.0% based on robust growth in Net Interest Income.*
- *Net Interest Income grew at 27.4% to ₹856.4 crore for Q2 FY15 with healthy growth in advances and expansion of NIMs to 3.2% from 2.9% in Q2 FY14 .*
- *Loans grew by 30.0% and Deposits by 18.6% y-o-y, CD Ratio stands at 77.4%*
- *Y-o-Y growth in CASA of 30.8%; CASA Ratio improves steadily to 22.5% from 20.4% a year ago. SA deposits posted healthy growth of 47.9% y-o-y.*
- *As per Basel III, CRAR of 17.4% and Tier I ratio at 12.2% (including profit). Total Capital Funds are at ₹15,697.8 crore*
- *ICRA & CARE Ratings upgraded Lower Tier II ratings to AA+ from AA and Upper Tier II to AA from AA-*

Financial Highlights from Q2FY15 Results:

Profit & Loss Statement Highlights						
(₹ in Crore)	Q2FY15	Q2FY14	Growth	H1FY15	H1FY14	Growth
Net Interest Income	856.4	672.1	27.4%	1,601.7	1,331.2	20.3%
Non Interest Income	505.6	446.1	13.3%	919.2	888.2	3.5%
Total Net Income	1,362.0	1,118.2	21.8%	2,521.0	2,219.4	13.6%
Operating Profit	817.1	712.9	14.6%	1,449.4	1,392.8	4.1%
Profit after Tax	482.5	371.1	30.0%	914.1	772.0	18.4%
Basic EPS (Rs.)	11.6	10.3	12.7%	23.1	21.5	7.7%

Balance Sheet Highlights						
(₹ in Crore)	30-Sep-14	30-Sep-13	Growth		30-Jun-14	Growth
Customer Assets	75,074.8	61,480.0	22.1%		71,308.7	5.3%
Advances	62,029.6	47,717.2	30.0%		58,988.6	5.2%
Deposits	80,130.9	67,575.1	18.6%		76,102.8	5.3%
CASA	18,014.5	13,776.0	30.8%		16,974.6	6.1%
Shareholders' funds	10,998.0	6,610.4	66.4%		10,489.9	4.8%
Total Capital Funds*	15,697.8	11,136.7	41.0%		15,225.5	3.1%
Total Balance Sheet	116,230.8	102,153.5	13.8%		109,743.4	5.9%

Key Financial Performance Indicators			
	Q2FY15	Q2FY14	Q1FY15
Return on Assets	1.7%	1.5%	1.6%
Return on Equity	18.0%	23.1%	21.6%
NIM	3.2%	2.9%	3.0%
Cost to Income Ratio	40.0%	36.2%	45.4%
Non Interest Income to Total Income	37.1%	39.9%	35.7%
Capital Adequacy (Basel III)*	17.4%	15.6%	18.0%
Tier I Ratio (Basel III)*	12.2%	9.5%	12.6%
Book Value (₹)	264.31	183.40	252.95
Gross NPA	0.36%(₹ 222.4 cr)	0.28%(₹ 132.1 cr)	0.33%(₹ 198.0 cr)
Net NPA	0.09%(₹ 53.9 cr)	0.04%(₹ 19.4 cr)	0.07%(₹ 42.8 cr)

*(including Profit, adjusted for prorated dividends)

Mumbai, October 30, 2014: The Board of Directors of YES BANK Ltd. took on record the Q2FY15 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 healthy growth in Net Profit of 30.0%, on the back of strong NII, and continued focus on revenue and business diversity leading to a stable increase in Non-Interest Income. The Bank has continued to deliver steady performance in Q2FY15 maintaining healthy asset quality with meaningful expansion in NIMs.

He further added that, the Bank continues to invest in retail branches and retail sales force, reflecting in CASA ratio improvement to 22.5% as on September 30, 2014. The Bank has also established a robust SME & Retail Assets Banking platform which are becoming important growth drivers. The business metrics and performance have registered consistent improvement which is also reflected in the recent ratings upgrade received by the Bank from ICRA & CARE. The Bank has been awarded the Best Asset Quality (Private Sector) award at the Dun & Bradstreet Banking Awards which is a result of proactive and robust risk management practices and systems employed by the Bank since inception in 2004"

Ms. Radha Singh today took charge as the Non-Executive Part-time Chairperson of the Board. This is pursuant to the approval granted by the Reserve Bank of India, basis Ms. Radha Singh's outstanding credentials and experience, for a tenor of 2 years from the date of her taking charge vide its letter dated August 1, 2014. Ms. Radha Singh, who has served on the Board of YES BANK as an Independent Director since April 2008, has contributed to many sub-committees of the Board over the past 6 years, and is currently also the Chair of the newly constituted Corporate Social Responsibility Committee. Ms. Radha Singh is a retired officer of the Indian Administrative Service, with over 39 years of experience in public service areas of agriculture and rural development, Co-operation, water resources, public finance and institution building. She has a Master's degree in Public Policy from the Harvard University, Boston, USA. *(see profile attached)*

Q2FY15 Performance highlights

Balance Sheet

- **Healthy growth in Advances and Deposits:** Total Advances grew by 30.0% to ₹ 62,029.6 crore as at September 30, 2014.

Corporate Banking accounted for 71.4% of the Advances portfolio, and Retail Banking (including MSME)/Business Banking accounted for 28.6%.

Total Deposits grew by 18.6% to ₹ 80,130.9 crore as at September 30, 2014. The Bank's Balance Sheet grew by 13.8% to ₹ 116,230.8 crore as at September 30, 2014. The Bank's CD ratio stood at 77.4% as at September 30, 2014.

Current and Savings Account (CASA) deposits grew by 30.8% y-o-y to ₹ 18,014.5 crore taking the CASA ratio to 22.5% as at September 30, 2014 up from 20.4% as at September 30, 2013. The Bank continues to demonstrate strong traction in CASA on the back of an increase in branch network and retail headcount, differentiated Savings product offerings and steady improvements in retail branches productivity.

Wholesale Term Deposits (deposits above ₹ 25 crore) accounted for 29.3% of total deposits as at September 30, 2014, as compared to 31.1% as at September 30, 2013 representing a steady improvement in the share of granular and retail deposits

- **Asset Quality:** Gross Non Performing Advances as a proportion of Gross Advances was at 0.36%, while Net Non Performing Advances as a proportion of Net advances was at 0.09% as at September 30, 2014. Bank's specific loan loss Provision Coverage was at 75.8% as at September 30, 2014.

Total Restructured Advances (excluding NPAs) stand at ₹ 116.3 crore as at September 30, 2014. This represents 0.19% of the Gross Advances down from 0.26% (₹ 125.5 crore) as at September 30, 2013.

- **Capital Funds:** As per Basel III, Tier I Capital stood at 12.2% and total CRAR stood at 17.4% as at September 30, 2014. Total Capital funds are at ₹ 15,697.8 crore as at September 30, 2014 (including profit, adjusted for prorated dividends).

Profit & Loss Account

- **Strong Net Interest Income (NII) Growth:** NII for Q2FY15 increased by 27.4% y-o-y to ₹ 856.4 crore on account of steady growth in advances, coupled with expansion in NIMs y-o-y to 3.2%. NII for H1FY15 was up 20.3% to ₹ 1,601.7 crore.
- **Non Interest Income:** Non Interest Income stands at ₹ 505.6 crore for Q2FY15. Components of Non Interest Income were as follows: Transaction Banking grew by 45.6% y-o-y to ₹ 132.0 crore, Financial Advisory was up by 70.5% to ₹ 211.4 crore, Financial Markets stood at ₹ 103.9 crore; and Retail Banking Fees & Others grew 13.4% to ₹ 58.3 crore. Non Interest Income for H1FY15 stood at ₹ 919.2 cr
- **Operating and Net profit:** Operating profit for Q2FY15 was up 14.6% to ₹ 817.1 crore driven by strong growth in Net Interest Income. The Cost to Income ratio was down to 40.0% in Q2FY15. Net Profit in Q2FY15 was up 30.0% to ₹ 482.5 crore.

Operating Profit for H1FY15 stood at ₹ 1,449.4 crore. The Cost to Income ratio was 42.5% in H1FY15. Profit for H1FY15 was up 18.4% to ₹ 914.1 crore.

- **Strong Shareholders' returns:** The Bank continues to deliver steady RoA of 1.7% for Q2FY15. Bank's RoE stood at 18.0% for Q2FY15.

Other Highlights:

- **ICRA and CARE Ratings upgraded** bank's various long term instruments by one notch, citing Bank's continued robust operating performance with its ability to maintain strong asset quality indicators through cycles, improving CASA base with increasing granularity in the liability franchise.
- The Reserve Bank of India, pursuant to the Union Budget's proposal of encouraging larger private sector participation in Infrastructure / affordable housing sectors, has allowed banks to raise Long Term Bonds for infrastructure financing and low cost housing. In addition, RBI has also allowed certain relaxations on raising of Basel III compliant Tier I / Tier II bonds. Therefore, the Bank has taken board approval (now subject to shareholder approval) to raise ₹ 8000 crs of Infrastructure bonds / Tier I / Tier II bonds to enable lower effective funding cost, longer tenor, superior balance sheet & liquidity management and for further augmentation of total capital funds.

Business Highlights (Q2FY15)

Awards & Recognitions

- YES BANK received the **Best Transaction Bank** for Payments Award at **The Banker Transaction Banking Awards 2014** in London. YES BANK was the only bank Globally to have been awarded in this category in 2014.
 - YES BANK was awarded the **Best Asset Quality (Private Sector)** award at the **Dun & Bradstreet Banking Awards, 2014** held in Mumbai
 - YES BANK received the “**Global Performance Excellence Award -2014**” in the Services Category by **Asia Pacific Quality Organisation (APQO)** in Chicago, Illinois, USA. YES BANK has been declared as “**World Class Organisation**” (top category award) amongst 11 other organisations around the world. YES BANK is the only Indian bank to win this prestigious global award.
 - YES BANK received the **Bombay Chamber Good Corporate Citizen Award 2013-14**. YES BANK was awarded in the “Banks and Financial Institutions” category by the Bombay Chamber of Commerce and Industry (BCCI)
 - YES BANK received **Golden Peacock Environment Management Award 2014** in the Banking (financial) Category at the 16th World Congress on Environment Management, New Delhi.
 - Mr. Rana Kapoor, MD&CEO of YES BANK was felicitated as “**Visionary Banking and Business Leader**” by 3 leading industry associations: **MCHI CREDAI, FHRAI and NAREDCO** in consideration of his outstanding contribution to Indian industry both as a Banker and National Thought Leader.
 - YES BANK has intensified its focus and is investing significantly on new-age mediums and digital technologies to achieve a heightened customer engagement and experience. YES BANK is among the most active financial brands on social media with
 - **1.2 million fans on Facebook** (Fastest growing bank on Facebook in India and 2nd fastest growing financial brand in the world),
 - **240,000 followers on Twitter** (Most followed bank in India) and
 - **22,000 followers on LinkedIn** (with industry-leading engagement rate).
- YES BANK has been noted for having the **best resolution time amongst all brands in the BFSI sector in India**, and the highest share of voice in terms of social media mentions with commendable engagement. YES BANK’s leadership role in Digital and Social Media implementation has been recognized by leading Social Media websites and also received accolades from prestigious national and global institutions.

Expansion Initiatives

- YES BANK’s total branch and ATM network now stands at **581** branches and 1149 ATMs. YES BANK added 81 branches over September 30, 2013.
- Employee strength stood at **9,612** as on September 30, 2014 ; an increase of 1,614 employees over September 30, 2013

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

For further information, please contact:

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Ms. Radha Singh, Non-Executive Part-time Chairperson, YES BANK



Ms. Radha Singh has served on the Board of YES BANK as an Independent Director since April 2008, has contributed to almost all the sub-committees of the Board over the past 6 years, and is currently also the Chair of the newly constituted Corporate Social Responsibility Board Sub-Committee.

Ms. Radha Singh is a retired officer of the Indian Administrative Service, with over 39 years of experience in public service areas of agriculture and rural development, Co-operation, water resources, public finance and institution building. She was previously serving as the Union Agriculture & Cooperation Secretary till November 2006, and was responsible for the formulation and implementation of the National Agriculture Policy. In this role, she was actively involved in strengthening and building resilience in the Agriculture and Cooperative sector through a number of specific initiatives. Prior to being appointed as Union Agriculture and Cooperation Secretary, Ms. Singh also headed multifarious organisations as Board Member of the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT); Chairperson, Managing Committee, National Horticulture Board and various other government, industry bodies.

Ms. Singh has done her B.A. (Hon) History & Social Sciences, and M.A. Social and Political Sciences from the University of Delhi. She also has a Master's Degree in Public Policy & Administration, from Harvard University, USA.