

# INVESTOR PRESENTATION

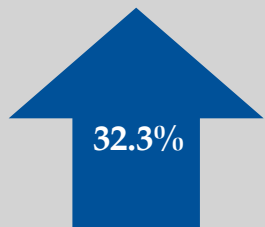
Q3FY12 & 9MFY12 Update



# Financial Highlights for Q3 FY12

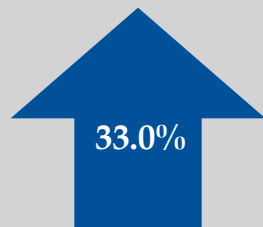
NET INTEREST INCOME

₹ 4,276 Mn.



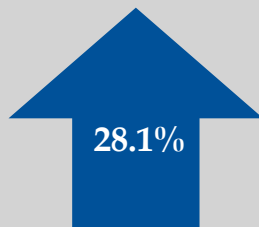
NET PROFIT

₹ 2,541 Mn.



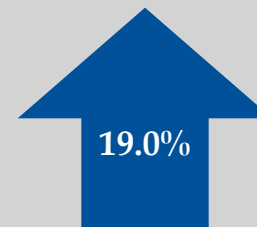
CUSTOMER ASSETS

₹ 437,546 Mn.



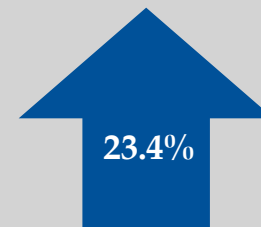
DEPOSITS

₹ 469,291 Mn.

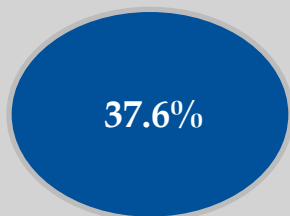


SHAREHOLDER'S FUNDS

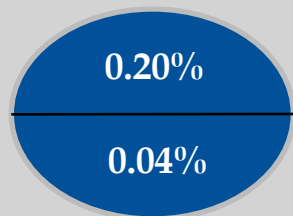
₹ 45,562 Mn.



COST/INCOME RATIO

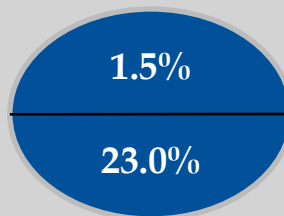


GROSS NPA



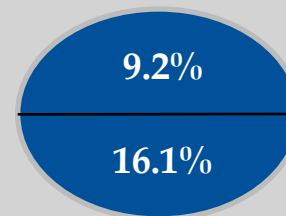
NET NPA

ROA



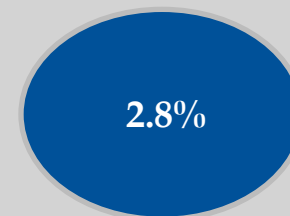
ROE

TIER I



TOTAL CAPAD

NET INTEREST MARGIN



✓ Basic EPS of ₹ 7.23 and Diluted EPS of ₹ 7.08

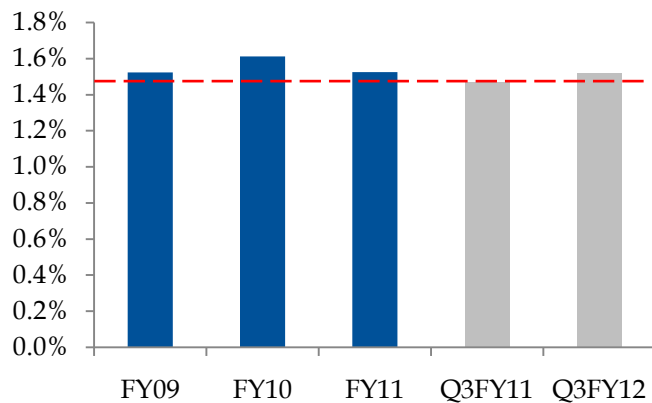
✓ Book Value of ₹ 129.5

✓ CASA grew at 46.5% y-o-y to ₹ 59.1 billion as at Dec 31, 2011 and CASA ratio has increased to 12.6%

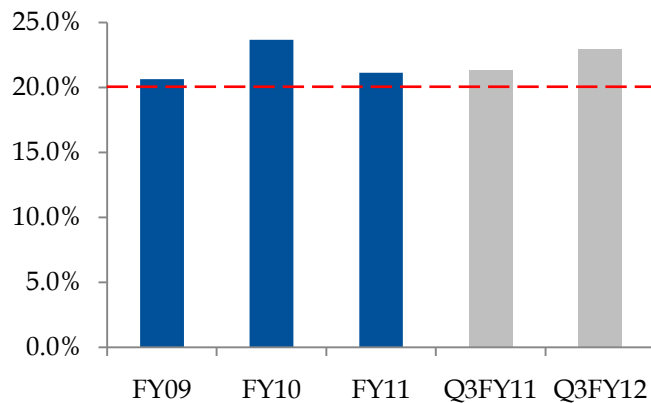
CASA growth of 22.2% during the quarter; SA increased by 40.0% Q-o-Q

# Key Metrics

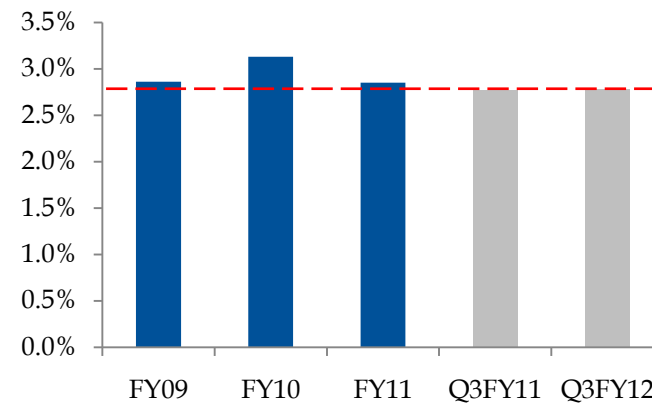
## Return on Assets (RoA)



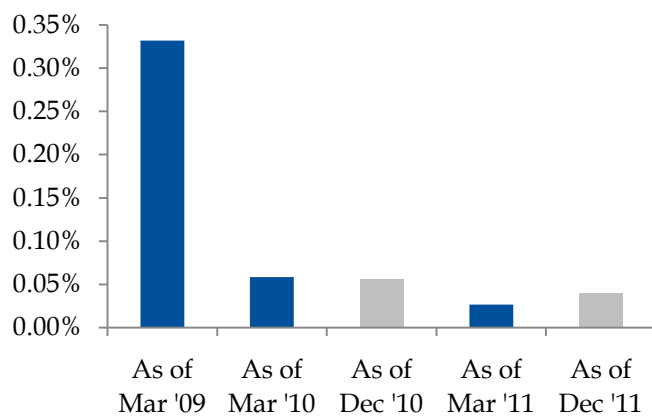
## Return on Equity (RoE)



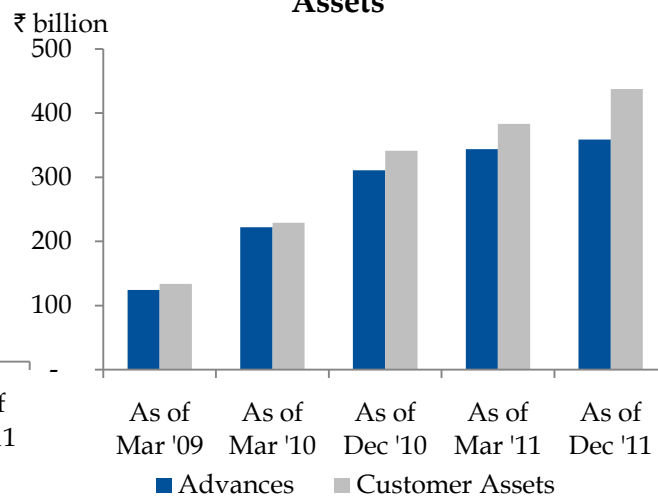
## Net Interest Margin (NIM)



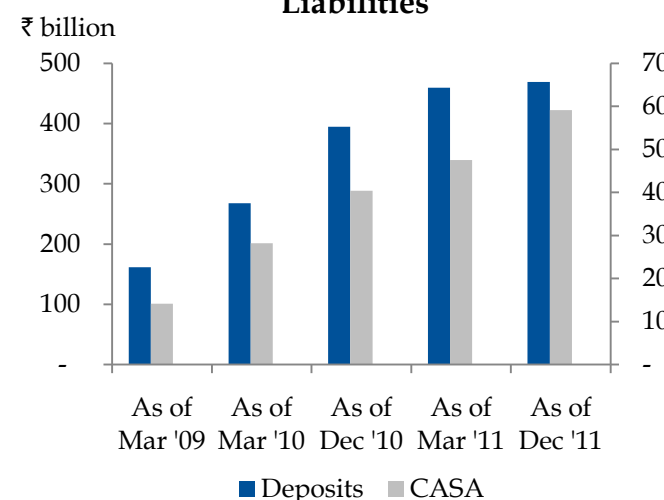
## Net NPA



## Assets



## Liabilities



**Bank has delivered consistent performance in key financial parameters across a business cycle & on an increasing base**

# Income Statement Highlights – Q3 & 9M FY12

## Q3 & 9M FY12 - Revenue and Profit growth

₹ Million	Q3FY12	Q3FY11	Growth	Q2FY12	Growth	9MFY12	9MFY11	Growth
Net Interest Income	4,276	3,232	32.3%	3,856	10.9%	11,674	8,984	29.9%
Non Interest Income	2,114	1,617	30.8%	2,140	-1.2%	5,908	4,365	35.3%
<b>Total Net Income</b>	<b>6,390</b>	<b>4,848</b>	<b>31.8%</b>	<b>5,997</b>	<b>6.6%</b>	<b>17,582</b>	<b>13,349</b>	<b>31.7%</b>
Operating Expense	2,402	1,736	38.4%	2,138	12.4%	6,483	4,933	31.4%
<b>Operating Profit</b>	<b>3,988</b>	<b>3,112</b>	<b>28.1%</b>	<b>3,859</b>	<b>3.4%</b>	<b>11,099</b>	<b>8,416</b>	<b>31.9%</b>
Provisions & Contingencies	224	249	-10.4%	379	-41.0%	617	549	12.4%
Provision for Tax	1,224	952	28.6%	1,130	8.3%	3,429	2,629	30.4%
<b>Profit After Tax</b>	<b>2,541</b>	<b>1,911</b>	<b>33.0%</b>	<b>2,350</b>	<b>8.1%</b>	<b>7,052</b>	<b>5,237</b>	<b>34.6%</b>

## Non Interest Income Breakdown

	Q3FY12	Q3FY11	9MFY12	9MFY11
Transaction Banking	30.2%	30.8%	28.2%	28.1%
Financial Markets	22.8%	25.4%	19.3%	17.8%
Financial Advisory	38.1%	33.1%	44.2%	44.3%
Branch Banking Fees & Others	8.8%	10.8%	8.2%	9.9%

**Robust growth in NII of 32.3% & Non-interest Income of 30.8% resulting in healthy PAT growth**

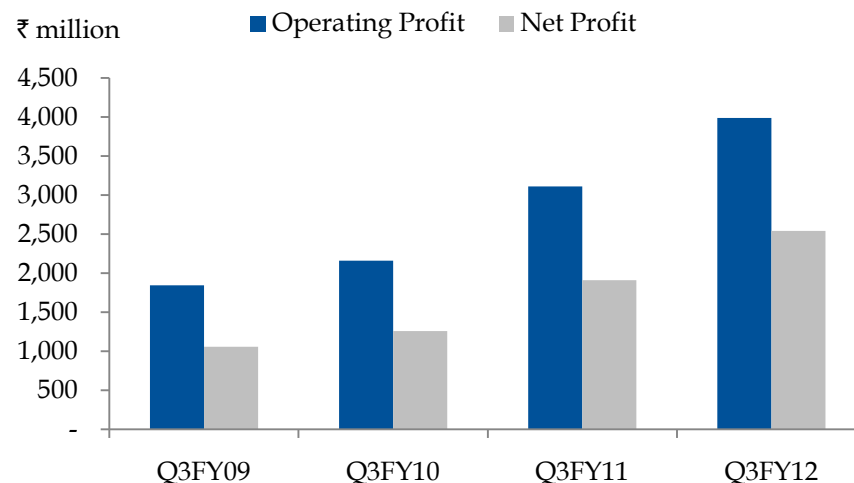
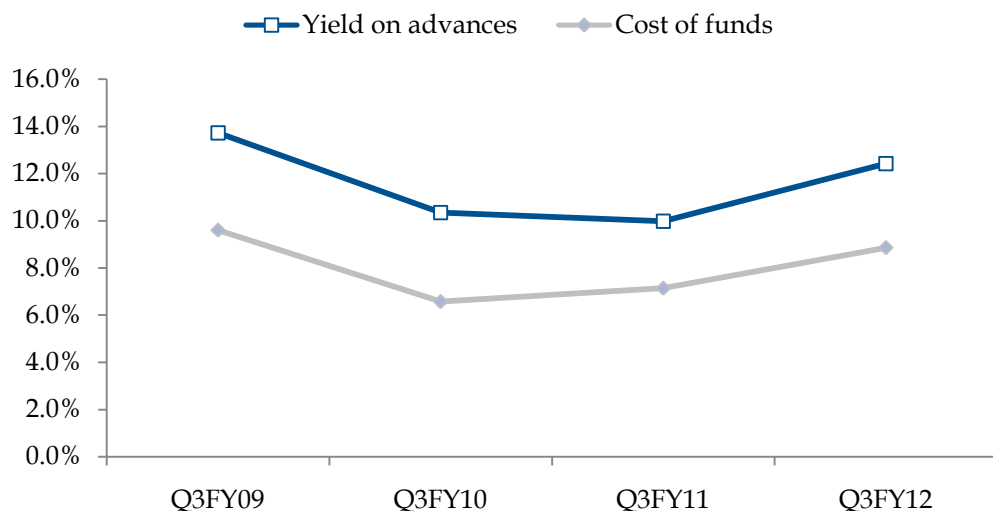
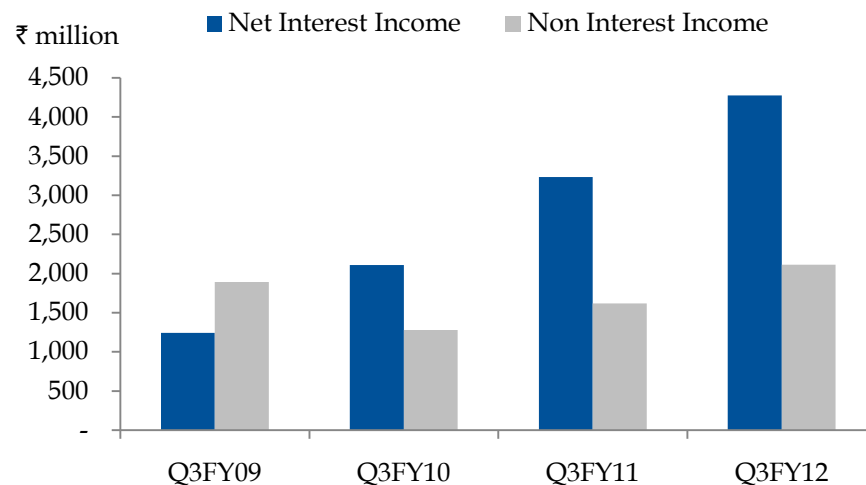
# Profit & Loss Highlights

## ✓ Steady growth in Net Interest Income (NII)

- Steady growth in NII on account of growth in Customer Assets & relatively steady margins
- NIM were steady at 2.8% for Q3FY12

## ✓ Strong growth in Non Interest Income

- Non interest income grew at 30.8% to ₹ 2,114 million y-o-y on the back of strong growth in Transaction Banking, Financial Markets & Financial Advisory that displayed firm traction y-o-y



**Consistently generating superior shareholder returns – RoA  $\geq$  1.5% & RoE  $\geq$  20% over the past 13 quarters**

# Key Financial Highlights – Q3FY12

## Q3FY12 - Balance Sheet Growth

₹ Million	December 31, 2011	December 31, 2010	y-o-y growth
<b>Assets</b>	<b>711,091</b>	<b>522,447</b>	<b>36.1%</b>
Advances	358,678	311,122	15.3%
Investments	261,006	152,223	71.5%
Customer Assets	437,546	341,513	28.1%
<b>Liabilities</b>	<b>711,091</b>	<b>522,447</b>	<b>36.1%</b>
Shareholders' Funds	45,562	36,937	23.4%
Total Capital Funds	81,189	68,320	18.8%
Deposits	469,291	394,528	19.0%
CASA	59,135	40,369	46.5%

## Q3FY12 – Key Financial Indicators

	Q3 FY12	Q3 FY11		Q2 FY12
RoA	1.5%	1.5%		1.6%
RoE	23.0%	21.3%		22.6%
Cost to Income	37.6%	35.8%		35.6%
NIM	2.8%	2.8%		2.9%
Net NPA	0.04%	0.06%		0.04%
EPS (₹ not annualized)	7.23	5.52		6.73
Book Value (₹)	129.46	106.51		122.23

PAT growth of 33.0% against Customer Assets growth of 28.1% reflecting increasing efficiency

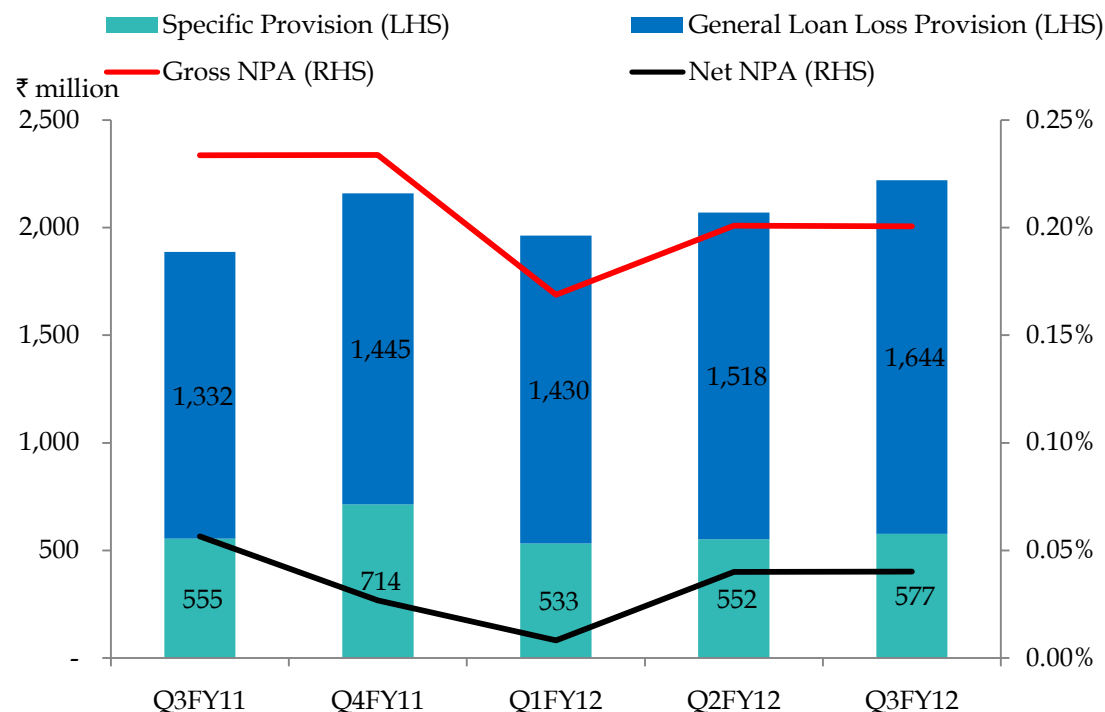
# Robust Capital Base & Healthy Asset Quality

## ✓ Capital Funds

- Healthy Capital Adequacy of 16.1% with Tier I of 9.2% as at December 31, 2011 (Tier I at 9.7% including Q3FY12 PAT)
- Total Capital Funds stand at ₹ 81.2 billion as at December 31, 2011 (₹ 68.3 billion as at December 31, 2010)

## ✓ Healthy Asset Book with Minimal Net NPAs

- Gross NPA at ₹ 721 million (0.20% of Gross Advances) and Net NPA at ₹ 144 million (0.04% of Net Advances) as at December 31, 2011 (0.23% and 0.06% respectively as at December 31, 2010)
- Specific provision at 80.0% and total provision at 375% of Gross NPA as at December 31, 2011
- Total restructured advances for the Bank is ₹ 1,757 million (0.49% of Gross Advances) as at December 31, 2011



Best in class asset quality, a manifestation of strong risk management processes

# Business Highlights in Q3 FY12



## ✓ Introduction of Retail Products

- Auto Loan
- Commercial Vehicle Financing
- Home Loan in partnership with a leading housing finance company
- Inventory Funding/ Small Business Loans
- Loan Against Property
- Loan Against Shares
- **YES Vijay Proposition:** Salary account offering for Defense personnel launched with attractive features and pricing. YES BANK has been empanelled by the Indian Army as a Preferred Bank for Salary Accounts.

## ✓ Knowledge Initiatives

- YES BANK launched the first of its kind FT-YES BANK International Banking Summit 2011. Held over a two day period, senior bankers, policy makers, thought leaders and other key decision makers from around the world came together to explore the profound transformation of India's banking sector and delve on the opportunities and challenges generated by the country's surging economy, the increasing globalization of its financial institutions and intensifying initiatives around regulatory reform.



Silver Shield for  
Excellence in Financial  
Reporting - Private  
Banks (including  
Cooperative Banks)  
2012



Awarded  
India's No. 1  
New Private  
Sector Bank -  
2011



- Awarded India's Best, Fastest & Strongest mid-sized Bank - 2010
- Awarded India's Best mid-sized Bank - 2009 & 2008



Best Private  
sector Bank –  
Special Jury  
Commendation  
2011



Best Private Sector  
Bank Award  
Dun & Bradstreet -  
Polaris Software  
Banking Awards  
2011



**The Banker**  
Ranked 557 (net  
worth) & 542 (balance  
sheet) amongst all  
global banks  
Financial Times  
Banker Top 1000 List  
2011



Received "India's  
Fastest Growing  
Bank of the Year"  
award – Bloomberg  
UTV Financial  
Leadership Awards  
2011

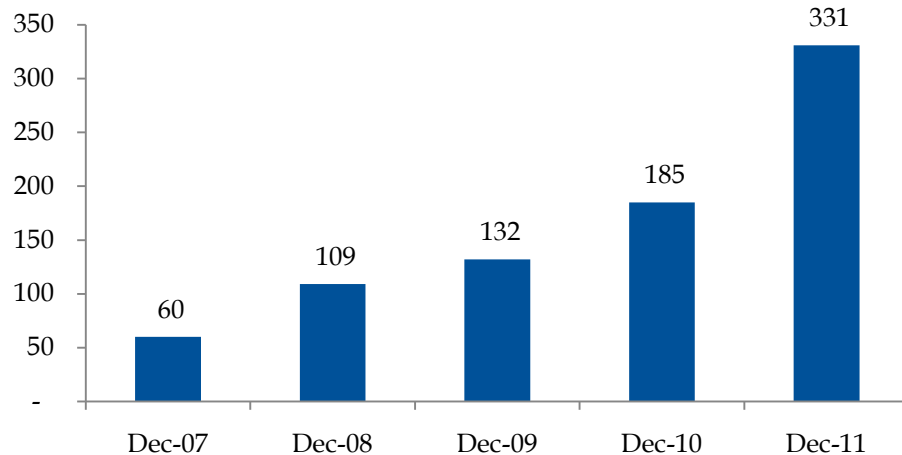


# Branch Expansion - Q3 FY12

## ✓ Expansion of Distribution network

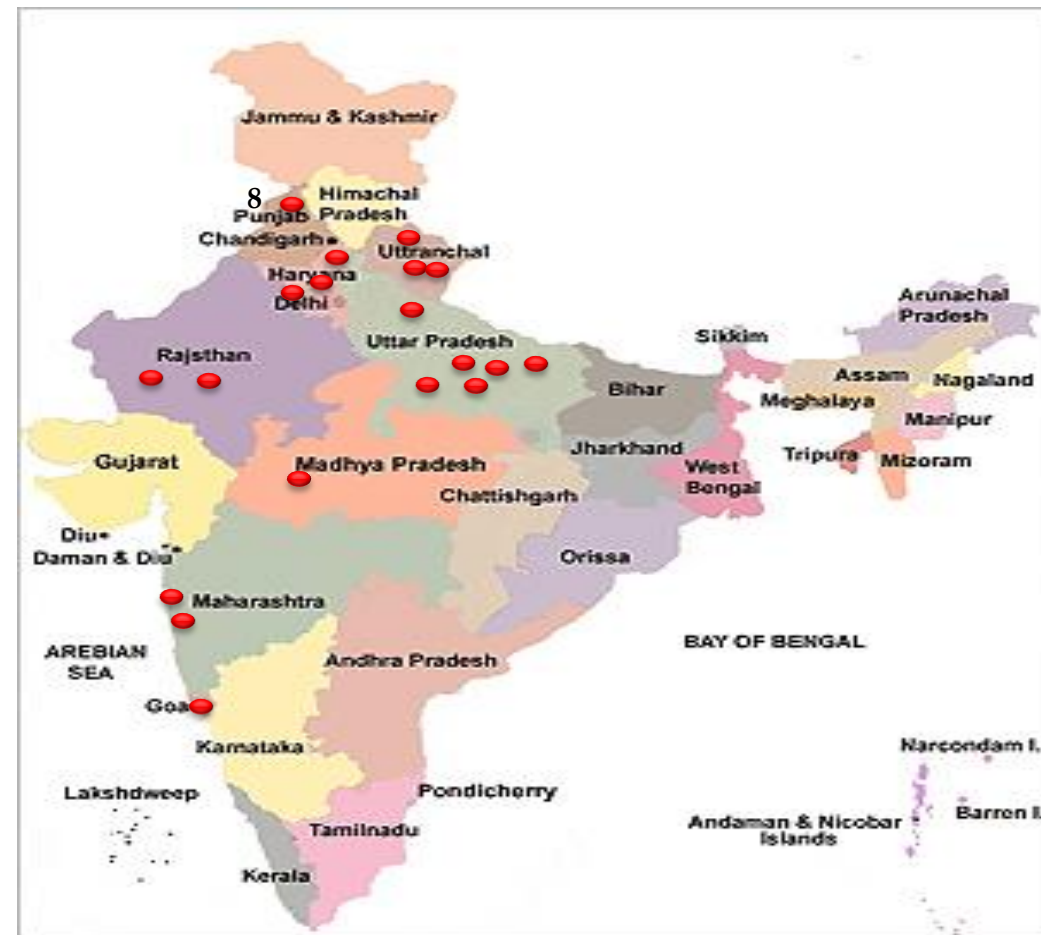
- 331 Branches across key liability corridors up from 305 as of September 30, 2011 - Mapped locations for expansion to 750 by March 2015
- Hub and Spoke model for faster maturity and greater efficiency of branches
- Service oriented strategy; significant expansion in Tier II - VI cities

Number of Branches



## Branch Expansion Plan

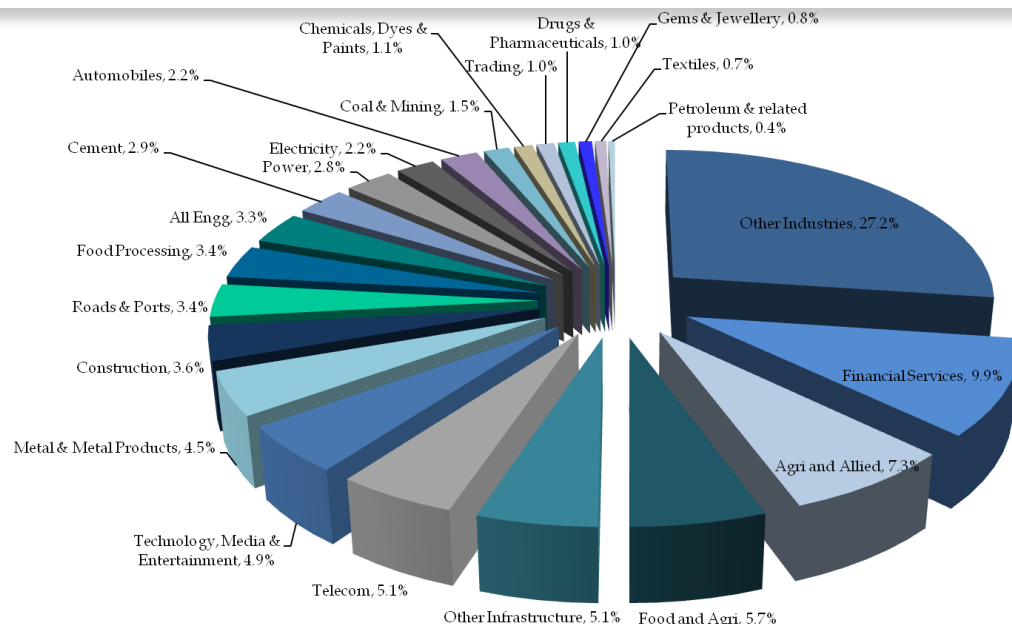
- ✓ Initial focus on North & West Regions (Liability rich corridors)
- ✓ 10 regions - 51 Clusters (Hubs)



# Knowledge Driven Banking - Advances

## ✓ Focus on Knowledge sectors

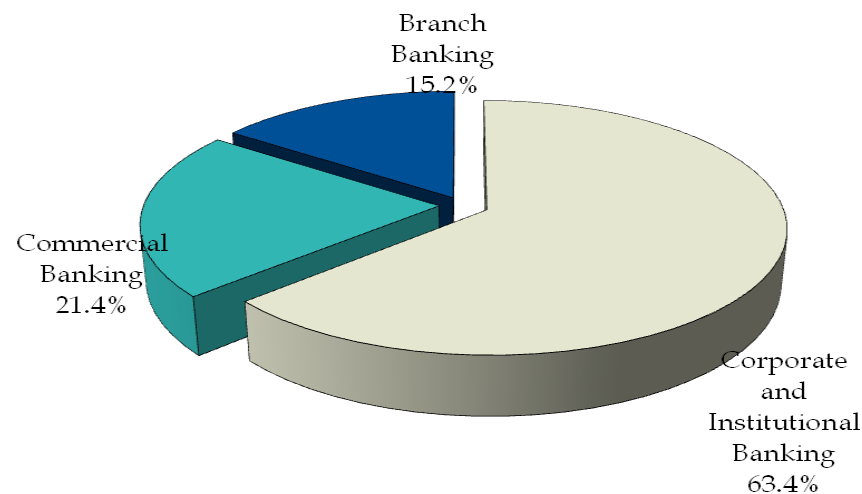
- Knowledge based approach to lending leading to a well diversified Advances book with lower exposures to project related infra-loans (< 5% of Total Loans)



\* Industry wise break-up of Customer Assets

## ✓ Increasing diversification of Advances Book

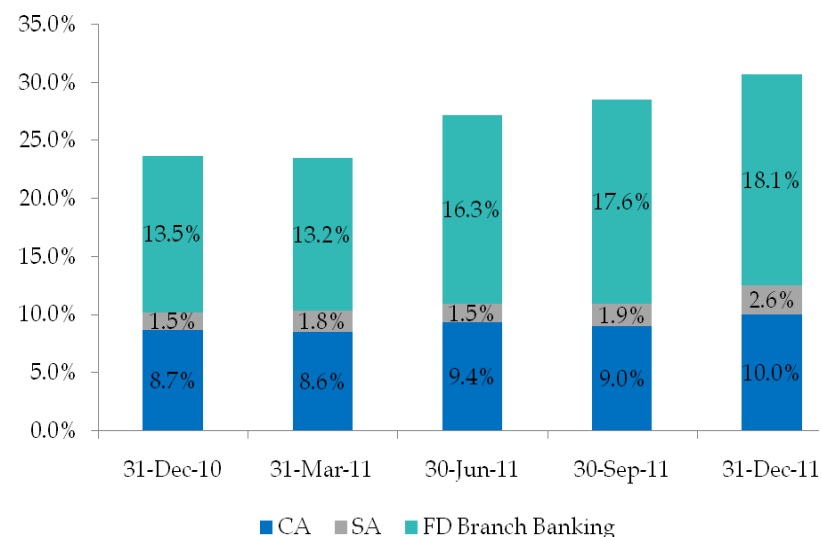
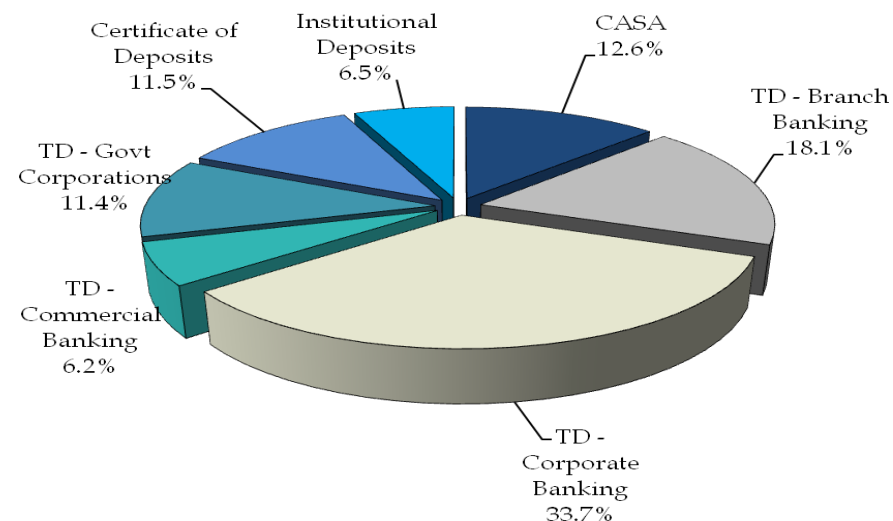
- Break-up of the total Loans as at December 31, 2011 was as follows - Corporate & Institutional Banking (Large Corporates) - 63.4%, Commercial Banking (Mid-sized Corporates) - 21.4% and Branch Banking (SME & Retail) - 15.2%. The Bank has continued to increase granularity, in line with Version 2.0 targets.



Increased diversification in loan book for balanced portfolio

# Well-diversified Liability Franchise

- ✓ Diversified, granular and sticky deposits mix from multiple sources
- ✓ Branch Banking Liabilities (CASA + Branch Banking FDs) up from 23.7% of Total Deposits as of Dec 31, 2010 to 30.7% as of Dec 31, 2011.
- ✓ Branch Banking deposits increased 59.5% y-o-y to ₹ 84.9 billion.
- ✓ Continuing growth in number of liability accounts (from both retail and corporate segments); total deposits grew by 19.0% y-o-y to ₹ 469.3 billion as at Dec 31, 2011.
- ✓ CASA deposits grew 46.5% y-o-y to ₹ 59.1 billion as at Dec 31, 2011. CASA ratio increased to 12.6% as of Dec 31, 2011.
- ✓ Robust growth of 99.2% in SA deposits to ₹ 12,026 million while CA deposits grew 37.2% to ₹ 47,109 million as of Dec 31, 2011.
- ✓ Wholesale deposits (CD's) down from 12.7% of deposits in Dec 31, 2010 to 11.5% in Dec 31, 2011.



**Granular and Relationship driven deposits continue to be the bedrock of our Liability Strategy**

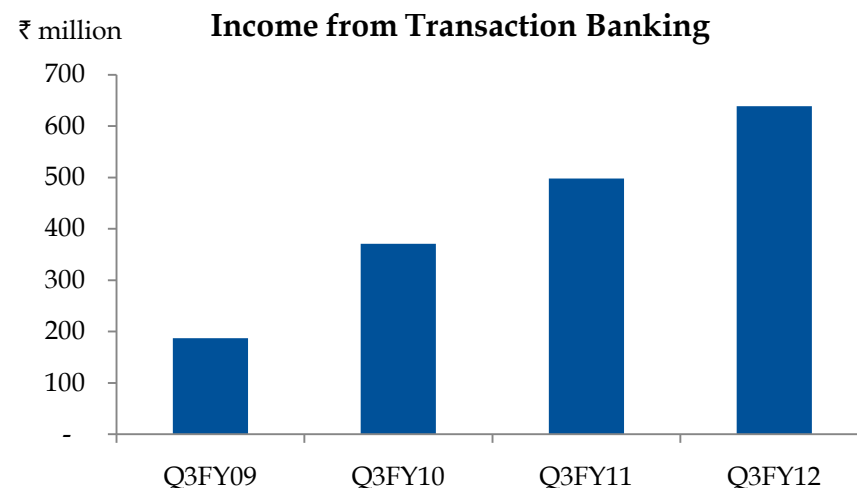
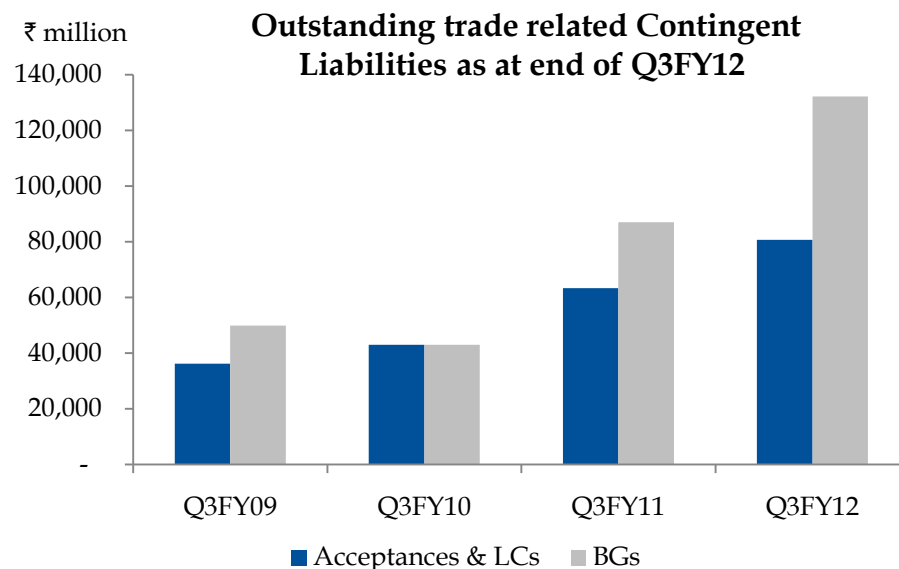
# Transaction Banking

## Payments Bank of India

- ✓ Bank continues to deepen relationships through cross-sell and establish new ones across business segments and is establishing itself as a significant player in the product domain of cash management and trade finance services.
- ✓ Collections/payments mandates from leading Corporates
- ✓ Revenues grew by 28.3% y-o-y to ₹ 639 million in Q3FY12
- ✓ Revenues grew by 36.3% y-o-y to ₹ 1,669 million in 9MFY12
- ✓ Proportion of transaction banking income in non-interest income was at 30.2% in Q3FY12

## Select Transaction Banking Deals for the Quarter

- ✓ Life Insurance Corporation - Payment mandates for divisional offices.
- ✓ Oriental Insurance Company - Payment mandates for multiple branch offices.



Transaction Banking business breaking into new relationships across business segments

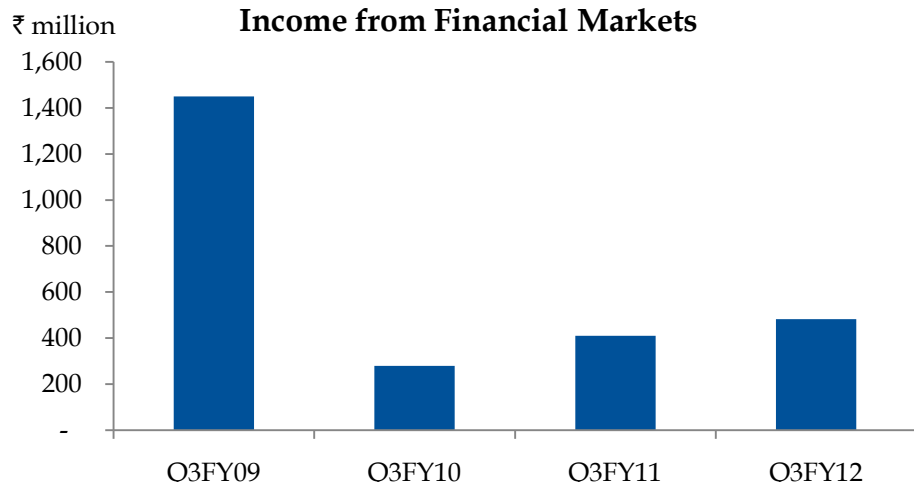
## Financial Markets

✓ Revenues for Q3FY12 at ₹ 483 million; growth of 17.7% y-o-y

### Select DCM Deals for the Quarter

<p><b>HDFC Ltd.</b></p> <p>Sole Arranger</p> <p>₹ 1.5 Bn. of 3 Year Bond Issue 2011</p>	<p><b>LIC Housing Finance Ltd.</b></p> <p>Sole Arranger</p> <p>₹ 1.0 Bn. of 3 year Bond Issue 2011</p>
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### Income from Financial Markets



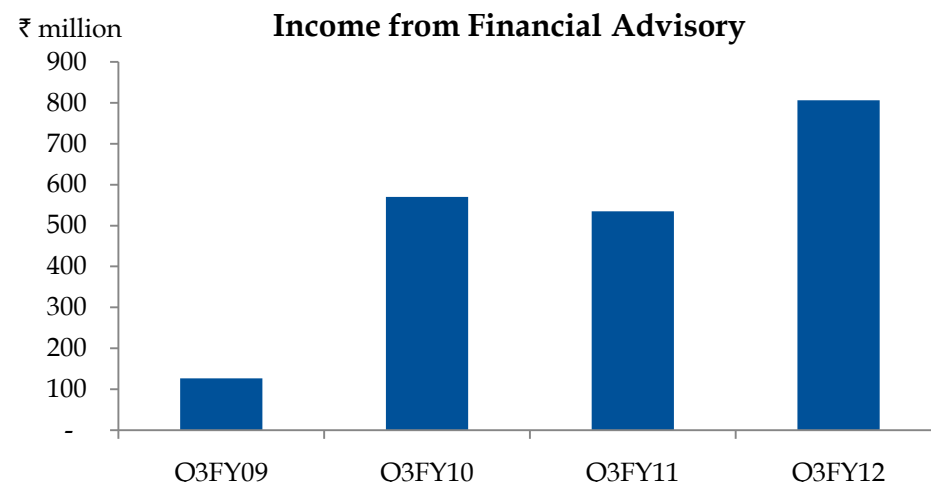
## Financial Advisory

✓ Revenues grew at 50.6% y-o-y to ₹ 806 million in Q3 FY12

### Select Transactions for the quarter

- YES BANK was the **Sole Underwriter and Lead Arranger** of Senior Debt of INR 8.76 Billion for L&T Infrastructure Development Projects Ltd for four laning of 131 km road stretch from Rajkot to Vadinar in the state of Gujarat.
- YES BANK was the **Sole Underwriter and Lead Arranger** of Senior Debt of INR 3.28 Billion for JMC Projects Ltd for four laning of 45 km road stretch from Nagpur to Wainganga Bridge Section of NH6 in the state of Maharashtra.

### Income from Financial Advisory



**Ranked No. 6 by Thompson Reuters in the India Rupee Bonds Leagues Tables for CY2011**

# Our Focus for FY12 – FY13



- ✓ **Expansion of the Distribution Network**
  - Expanding Branch network by adding 100 – 150 branches a year with “Low cost-rapid launch” branches mapped out for Tier II-VI cities
- ✓ **Diversification of Liability Base**
  - Use Saving Account deregulation to increase customer acquisition, cross sell & build out granular liability base
  - Leverage on branch network & increased customer acquisition to build fee & liability based income
  - Increased contribution from Branch Banking to the Bank’s liability base
- ✓ **Focus on branch banking fee**
  - With rapid branch expansion and increasing focus on assets, the branch banking fee to contribute an increasing share in the overall non-income stream
- ✓ **Attracting, recruiting and developing the talent pool**
  - YES BANK has hired 895 employees during FY11 & 1,084 in 9MFY12 and the target is to grow to about 5250 people by the end of FY12 & 6500 by FY13

# Execution focused Human Capital

Name	Designation	Previous Assignment
Rana Kapoor	Founder/ Managing Director & CEO	Managing Partner / CEO & Managing Director - Rabo India, Bank of America (16 yrs)
Rajat Monga	Group President – Financial Markets & Chief Financial Officer	Head of Treasury - Rabo India
Sonu Bhasin	Group President – Branch Banking	President and Head of Retail Banking and Investment products and Sales Management
Rajagopal Srivatsa	Group President - Liability Management & Transaction Banking	President, Business Banking - Axis Bank
Sumit Gupta	Senior President – Commercial Banking	Associate Director & Head (North) - Rabo India
Arun Agrawal	Sr. President & Global Head – International Banking	General Manager – ICRA
Surendra Jalan	Senior President – Indian Financial Institutions	AGM, Corporate Banking - ICICI Bank
Nikhil Sahni	President – Branch Banking	Manager, Strategy Development - Rabo India
Sanjay Agarwal	Sr. President – Business Banking	Head of Risk, SME - Standard Chartered
Manavjeet Singh	Sr. President – Retail Banking	President, Infratech Finance - SREI BNP Paribas
Aspy Engineer	President – Direct Banking	Senior Vice President & Head, Special Relationships - Axis Bank
Vikram Kaushal	President & Country Head – Wealth Management	Head, Wealth Management - ICICI Bank
Somak Ghosh	Group President– Development and Government Banking	Director, Project Advisory & Infrastructure Mgmt - Rabo India
Sanjay Palve	Group President and Senior Managing Director – Corporate Finance	Chief Manager, Project Financing Group – ICICI Bank
Aditya Sanghi	Sr. Managing Director – Investment Banking	Executive Director, Head of Mergers & Acquisitions - Rabo India
Jaideep Iyer	Senior President – Financial Management	Associate Director - Rabo India Finance
Kavita Venugopal	Group President and Chief Risk Officer	Executive Director, Investment Banking, Kotak Mahindra Capital Company
Deodutta Kurane	Sr. President – Human Capital	Head of HR - Bajaj Allianz Life Insurance
Devamalya Dey	Group President – Audit & Compliance	Vice President , Audit & Risk Review – Citigroup
Anindya Datta	President & Chief Marketing Officer	Manager, Markets – KPMG
Umesh Jain	Sr. President & Chief Information Officer	Citigroup IT Operations & Solutions ( CITOS)
Rajesh Gandhi	President– Infrastructure & Network Management	Regional Portfolio Manager, India & South Asia - Standard Chartered Bank
Amit Kumar	Senior President and Country Head - Corporate & Institutional Banking	ANZ Capital Pvt. Ltd.
Asit Oberoi	Senior President and Chief Operating Officer - Operations & Service Delivery	Fidelity International

✓ Top management team drawn from top private sector and foreign banks in India and abroad

✓ Stock purchase / option plans enable senior management and employees to own substantial capital of the Bank at all times

# Key Stakeholders

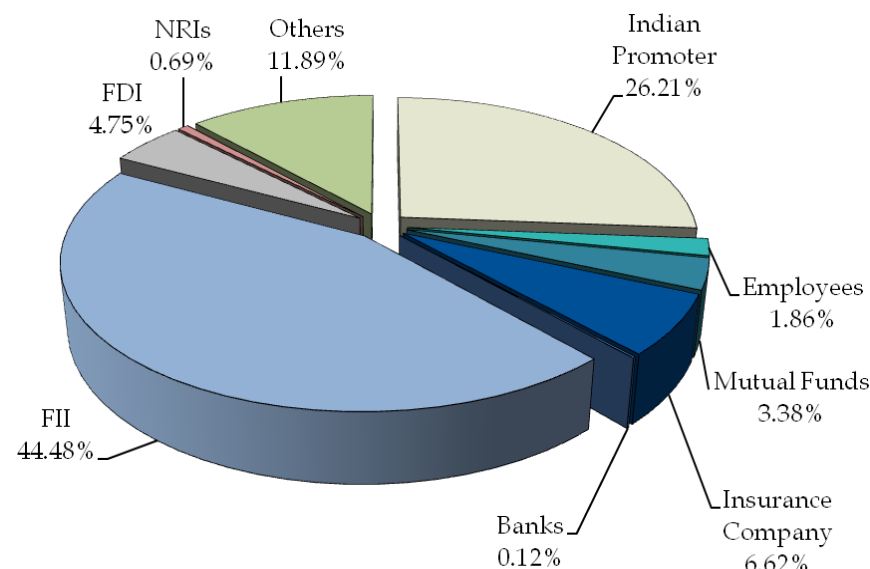
## Promoter

- ✓ Dr. Rana Kapoor has a Successful entrepreneurial track record at Rabo India Finance
- ✓ Has held leadership positions at Bank of America (16 years), ANZ Grindlays (2.5 years)
- ✓ Was appointed as a Member of the Board of Governors of the Indian Institute of Corporate Affairs, Ministry of Corporate Affairs
- ✓ Was also appointed as Deputy Chairman of Indian Bank's Association (IBA).
- ✓ Has recently, became a Member of Government of India's Board of Trade.
- ✓ Has been conferred the "Doctorate in Science (Honoris Causa)" by G.B. Pant University of Agriculture & Technology

## Shareholding Pattern

- ✓ High quality domestic and international investors validating the owner- manager- partner model

## Shareholding



## Key Shareholders

American Funds Insurance Series Growth Fund	4.85%
HSBC Financial Services	4.77%
Rabobank	4.75%
Khazanah Nasional	4.17%
LIC (Consolidated)	3.56%
JP Morgan Asset Management	3.10%
SmallCap World Fund	2.86%
Wasatch Fund (Consolidated)	2.56%
Reliance Life Insurance Company Limited	1.02%



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THANK YOU

