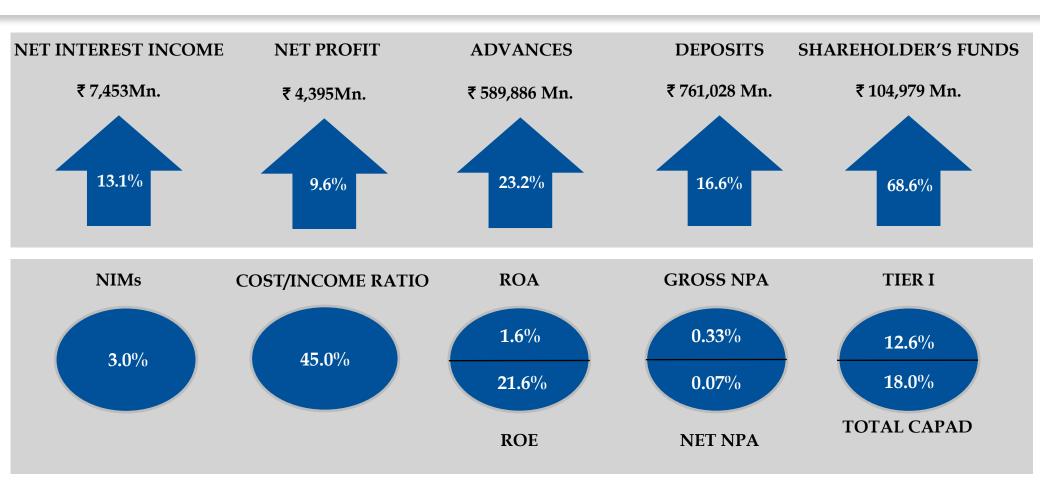
# **INVESTOR PRESENTATION**

Q1FY15 Update



## Financial Highlights for Q1 FY15

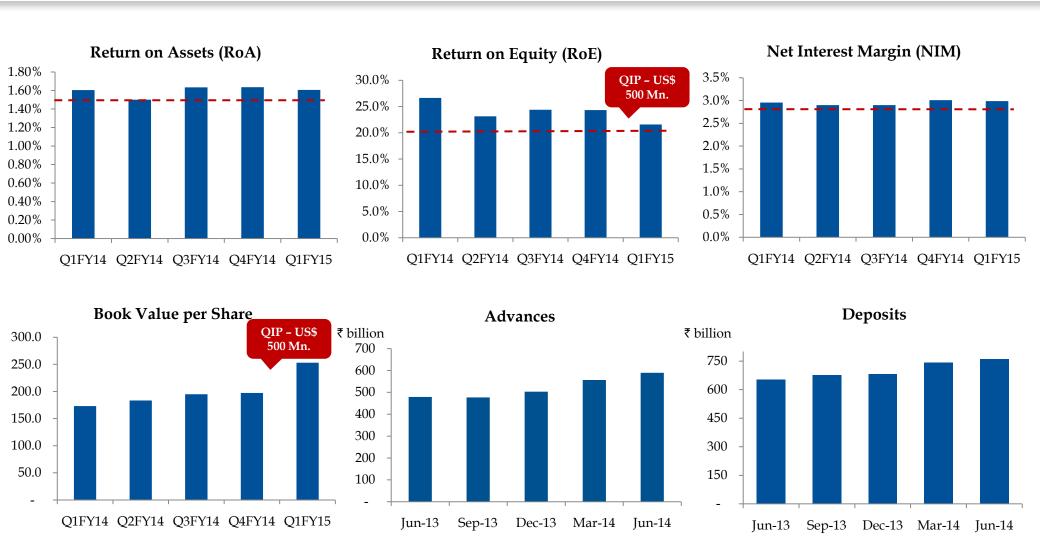




**Basic EPS** of ₹ 11.70 and Diluted EPS of ₹ 11.50 **Book Value of ₹ 253.1** 

## **Key Metrics**





# **Income Statement Highlights - Q1FY15**



## Q1FY15 - Revenue and Profit growth

₹ Million	Q1FY15	Q1FY14	Growth	Q4FY14	Growth
Net Interest Income	7,453	6,591	13.1%	7,196	3.6%
Non Interest Income	4,256	4,421	-3.7%	4,455	-4.5%
Total Net Income	11,709	11,012	6.3%	11,651	0.5%
Operating Expense	5,267	4,212	25.0%	4,847	8.7%
Operating Profit	6,442	6,800	-5.3%	6,804	-5.3%
Provisions & Contingencies	237	970	-75.5%	723	-67.2%
Provision for Tax	1,810	1,821	-0.6%	1,779	1.7%
Profit After Tax	4,395	4,008	9.6%	4,302	2.2%

#### Non Interest Income Breakdown

₹ Million	Q1FY15	Q1FY14	Growth	Q4FY14	Growth
Transaction Banking	1,402	882	59.0%	1,338	4.8%
Financial Markets	354	1,741	-79.7%	540	-34.4%
Financial Advisory	1,975	1,436	37.5%	1,762	12.1%
Retail Banking fees & Others	525	362	45.2%	815	-35.6%
Total	4,256	4,421	-3.7%	4,455	-4.5%

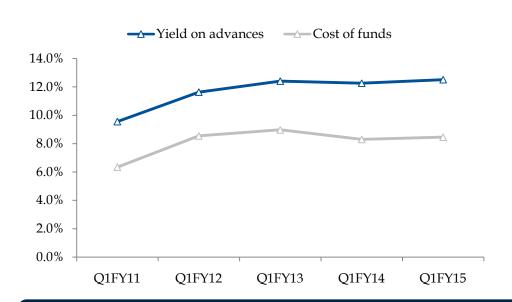
## **Profit & Loss Highlights**

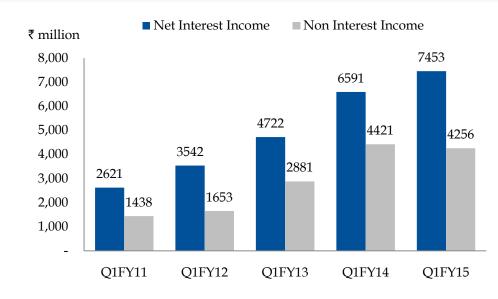


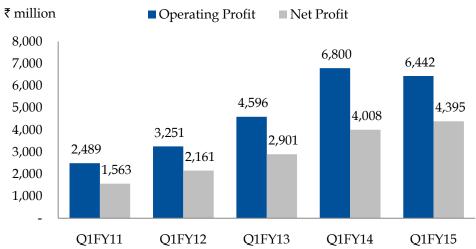
## Steady growth in Net Interest Income (NII)

• NII for Q1FY15 increased by 13.1% y-o-y. This was on account of steady growth in advances coupled with steady NIMs of 3.0%.

Note: The Bank had a write back on provision for Investments of Rs. 453.1 million. As against this, there was a corresponding loss on Marked to Market valuations of the swap book, forming a part of Other Income.







## **Non Interest Income**



#### **Financial Markets**

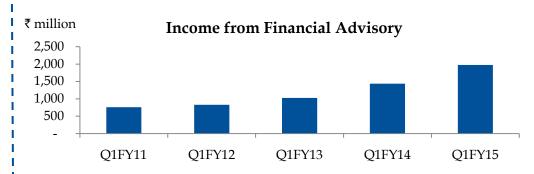
/ Income from Financial Markets stood at ₹ 35.4 million



\* Excluding loss of Rs 465 million on MTM valuation on Swaps which had a corresponding reversal in Provisions

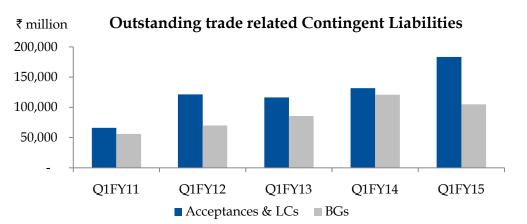
#### **Financial Advisory**

✓ Investment Banking, Corporate Finance advisory, Syndication and other advisory income stood at ₹ 1,975 million in Q1FY15

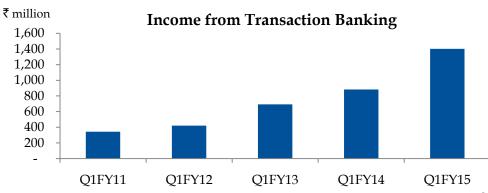


#### **Transaction Banking**

- Revenues grew by 59.0% y-o-y to ₹ 1,402 million in Q1 FY15
- ✓ Proportion of transaction banking income in non-interest income was at 32.9% in Q1 FY15



Bank continues to deepen relationships through cross-sell and establish new ones across business segments thus establishing itself as a significant player in the product domain of cash management and trade finance services.



## **Key Financial Highlights - Q1FY15**



#### Q1FY15 - Balance Sheet Growth

₹ Million	June 30 2014	June 30 2013	y-o-y growth	Mar 31 2014	Q-o-q Growth
Assets	1,097,434	1,008,020	8.9%	1,090,158	0.7%
Advances	589,886	478,976	23.2%	556,330	6.0%
Investments	406,270	418,242	-2.9%	409,504	-0.8%
Customer Assets	713,087	612,604	16.4%	696,397	2.4%
Liabilities	1,097,434	1,008,020	8.9%	1,090,158	0.7%
Shareholders' Funds	104,979	62,243	68.7%	71,217	47.4%
Total Capital Funds (including profits)	152,334	106,660	42.8%	109,931	38.6%
Deposits	761,028	652,448	16.6%	741,920	2.6%
CASA	169,746	131,632	29.0%	163,447	3.9%

#### **Key Financial Performance Indicators**

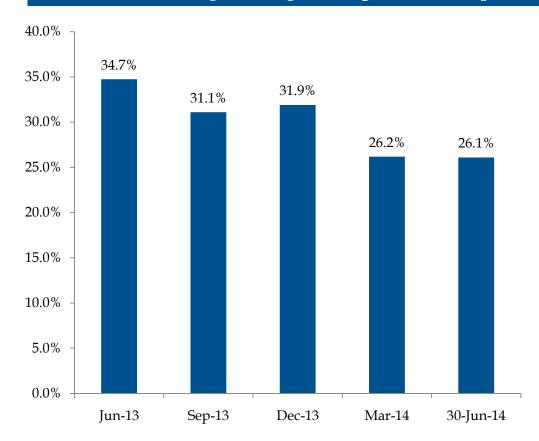
	- 3	-)		
	Q1FY15	Q1FY14	Q4FY14	
RoA	1.6%	1.6%	1.6%	
RoE	21.6%	26.7%	24.3%	
Cost to Income	45.0%	38.3%	41.6%	
NIM	3.0%	3.0%	3.0%	
Net NPA	0.07%	0.03%	0.05%	
EPS (not annualized)	11.7	11.2	11.9	
Book Value	253.1	173.0	197.5	

## Well-diversified Liability Franchise



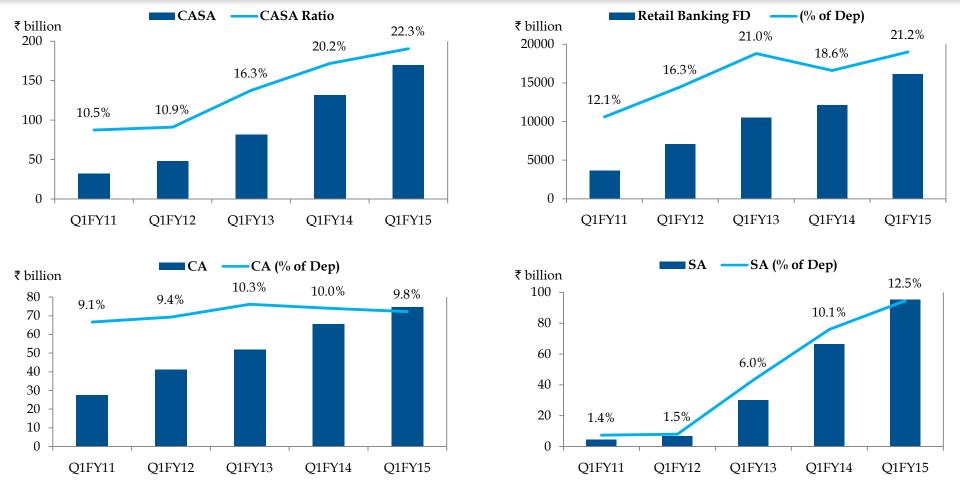
- Diversified, granular and sticky deposits mix from multiple sources
- ✓ Continuing growth in number of liability accounts (from both retail and corporate segments); total deposits grew by 16.6% y-o-y to ₹ 761.0 billion as at June 30, 2014.
- ✓ CASA deposits grew 29.0% y-o-y to ₹ 169.7 billion as at June 30, 2014. CASA ratio increased to 22.3% as of June 30, 2014.
- ✓ Robust growth of 43.8% in SA deposits to ₹ 95,210 million while CA deposits grew 13.9% to ₹ 74,536 million as of June 30, 2014.
- ✓ Retail Banking and granular FDs increased 33.1% y-o-y to ₹ 161.6 billion.
- ✓ Wholesale Term Deposits (deposits above ₹ 250 million) accounts for 26.1% of total deposits as at June 30, 2014 as compared to 34.7% as at June 30, 2013.

### Wholesale Term Deposits as percentage of Total Deposits



## Robust Growth in Retail Liabilities Profile





- ✓ Leverage on branch network & increased customer acquisition to build liability base
- ✓ Higher Mean & Median of CA and SA Balances through superior customer acquisition
  - ✓ Increased contribution from Retail Banking to the Bank's liability base

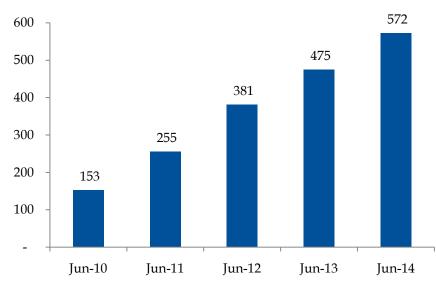
## **Branch Expansion**

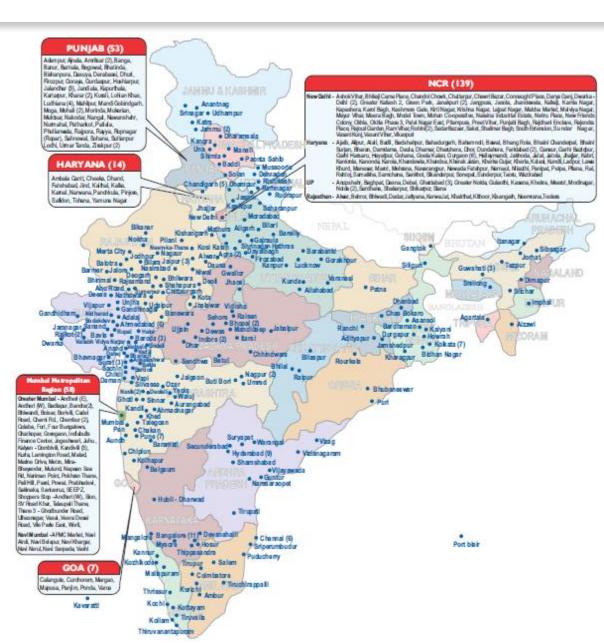


#### Expansion of Distribution network

- 572 Branches across key liability corridors as of June 30, 2014 up from 475 as of June 30, 2013
- ATM Network of 1,170
- Hub and Spoke model for faster maturity and greater efficiency of branches
- Service oriented strategy; expansion in Tier II VI cities
- Initial focus on North & West Regions (Liability rich corridors)
- ✓ 13 Regions 75 Clusters Hubs 180 Hubs

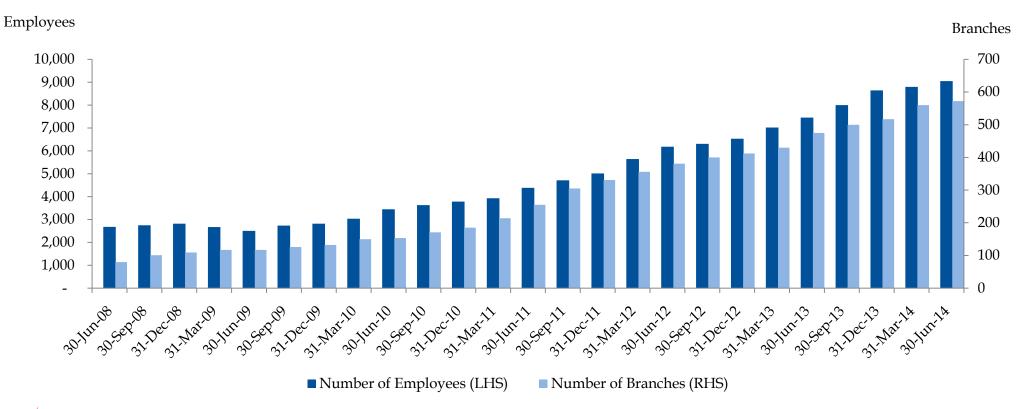
#### **Number of Branches**





## **Growing Retail Banking Platform**





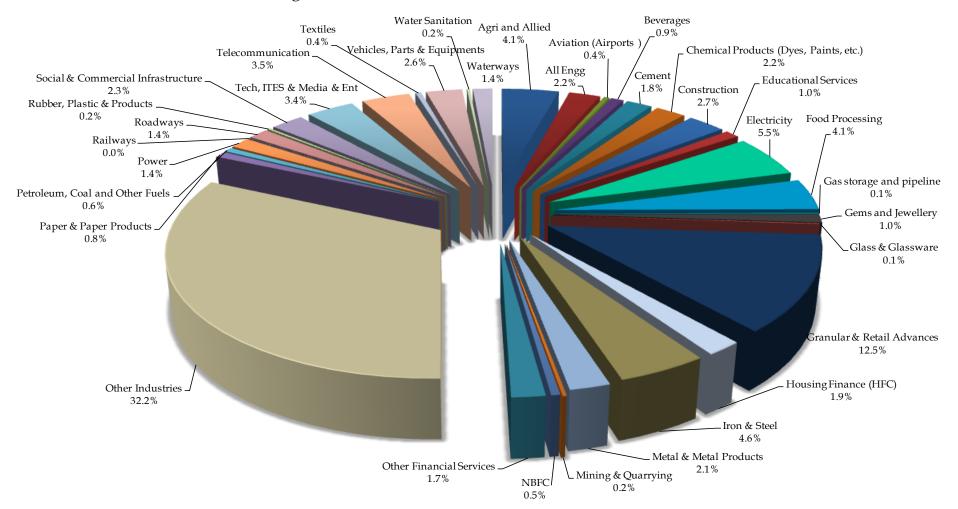
- ✓ Branch growth from 80 in June 2008 to 572 in June 2014
- ✓ Human Capital count increased from 2,681 as of June 2008 to 9,051 as of June 2014
- ✓ CASA Ratio up from 8.9% as of 30 June, 2008 to 22.3% as of 30 June, 2014 evidencing strong retail growth

## Diversified credit book



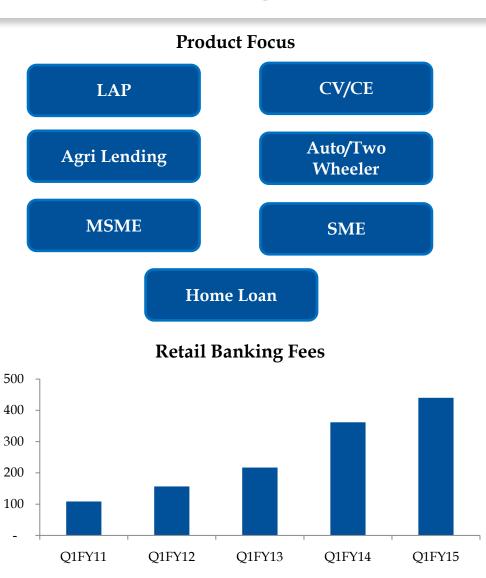
#### ✓ Increasing diversification of Advances Book

- Break-up of the total loan portfolio as at Jun 30, 2014 was as follows: Corporate Banking (Large Corporates) 68.7%,
   Commercial Banking (Mid-sized Corporates) 14.5% & Branch Banking (including MSME) 16.8%.
- Sectoral distribution of Advances is given below:



## **Branch Banking Assets offering**





#### **Strategy:**

- ✓ Strong Infrastructure in place with :
  - Focus on sourcing from 259 branches Spread over 26 locations
  - ~1200 branch banking asset workforce including Sales (RMs), Risk & Operations
  - Continuous investments in technology, Infra and other processes for quick decisions enabling business scalability.
- Exclusive focus on asset backed loans (Secured) and restricted distribution of unsecured loans to existing customers.
- Strengthen sales and distribution by penetrating to new location by installing multi channels.

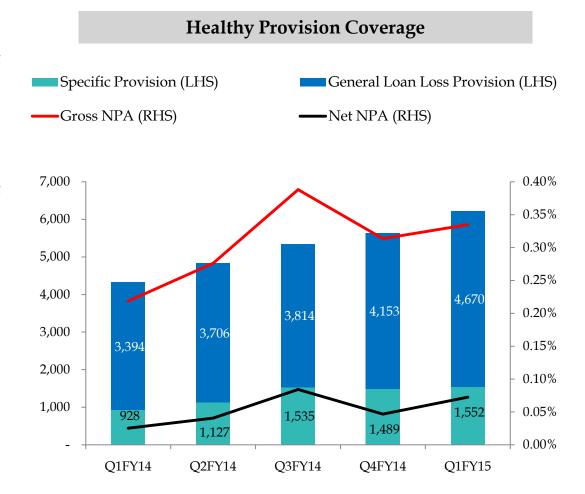
#### **Benefits:**

- ✓ Garner large customer franchise.
- Build granular portfolio which supports business cycle
- ✓ Acquire diversified retail portfolio to negate market volatility.
- ✓ PSL compliant
- ✓ Better yield
- ✓ Huge Cross sell potential to the retail base

## **Update on NPA and Restructured Advances**

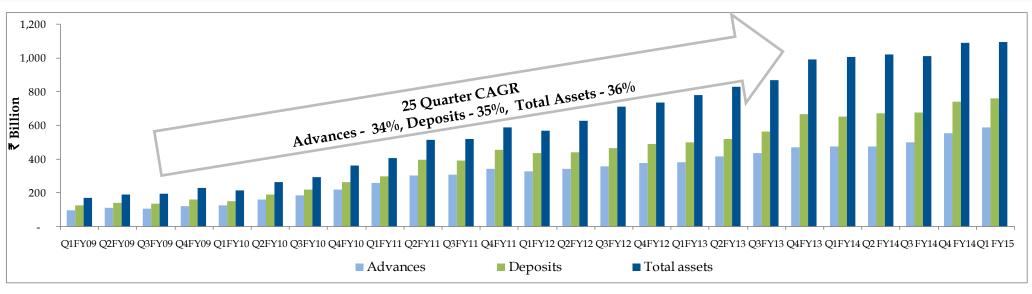


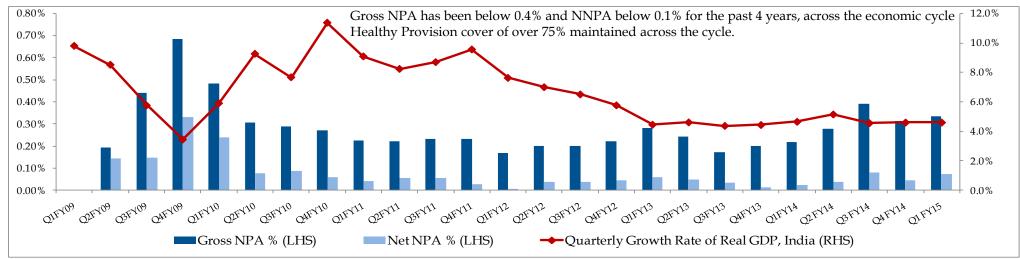
- ✓ Gross NPA at 0.33% (₹ 1,980 mn) (vs. 0.22% as at June 30, 2013)
- ✓ Specific provision coverage at 78.4%
- ✓ Net NPA at 0.07% (₹ 428 mn) (vs. 0.03% as at June 30, 2013)
- ✓ Total restructured advances (excluding NPA) are at 0.19% (₹1,131 mn) of Gross Advances (down from (₹ 1,395 mn) 0.29% of Gross Advances as at June 30, 2013)
- There has been no Sale to ARCs in this quarter



# Sustained Balance Sheet growth with preservation of Asset Quality: Jun 2008 – Jun 2015 (25 sequential quarters)



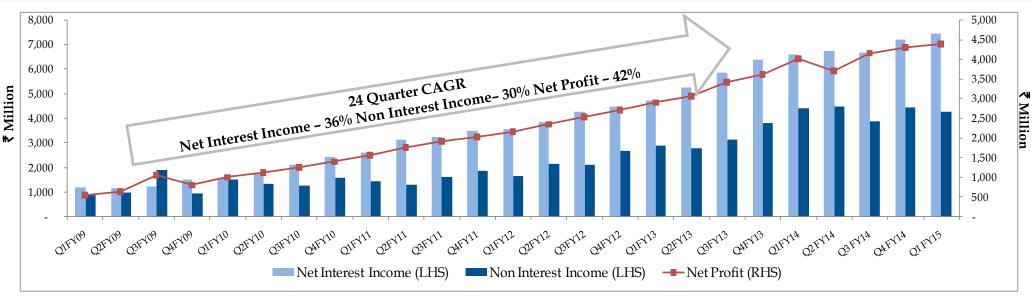


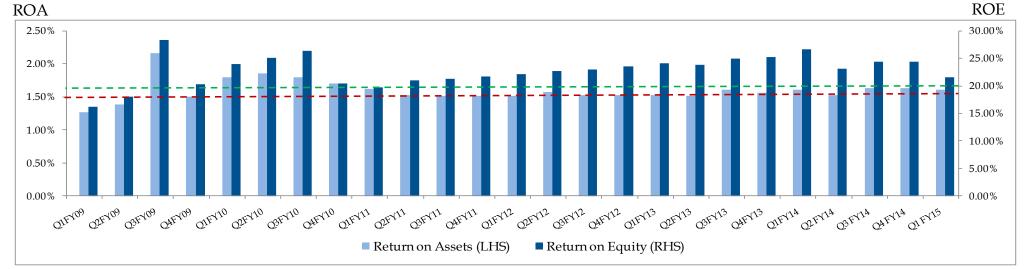


GDP Growth Data for India (y-o-y is taken from CIC database) GDP growth data for Q1FY15 is based on estimates

# Income Growth with consistent ROA & ROE ratios Jun 2008 - Jun 2014 (25 sequential quarters)

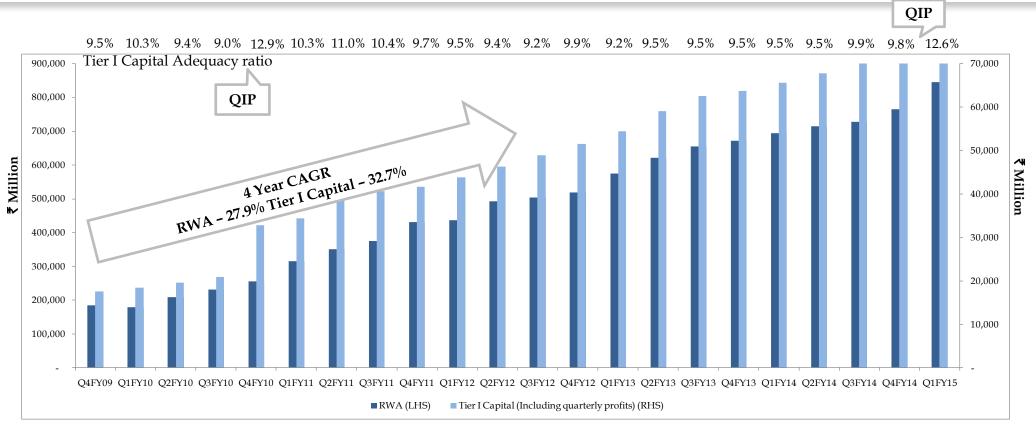






## Capital Growth through internal accretion





- ✓ Well capitalized with Total CRAR at 18.0% and Tier I ratio at 12.6%. Total Capital Funds stand at Rs. 152,334 million as on June 30, 2014.
- ✓ ROE @ 20-26% along with profit retention of 80-84% allowing sustained balance-sheet growth
- ✓ Capital raising to enhance core equity for future growth

# **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 years)
Aditya Sanghi	Group President & Sr. Managing Director - Investment Banking	Executive Director, Head of Mergers & Acquisitions - Rabo India
Amit Kumar	Group President and Country Head - Corporate and Commercial Banking	ANZ Capital Pvt. Ltd.
Arun Agrawal	Group President - International Banking, MNC & Transaction Trade Banking	General Manager - ICRA
Asit Oberoi	Senior President & COO	Fidelity International
Ashish Agarwal	Group President and Chief Risk Officer	Executive Director - Lehmann Brothers
Aspy Engineer	President - ATM Management & Currency Chest	Senior Vice President & Head, Special Relationships - Axis Bank
Chitra Pandeya	Sr. President & Country Head - SA Liabilities Mgmt., Cards & Direct Banking	Head of Liabilities & Payments Products & Retail Banking - HDFC Bank
Deodutta Kurane	Group President - Human Capital Management	Head of HR - Bajaj Allianz Life Insurance
Devamalya Dey	Group President - Audit & Compliance	Vice President, Audit & Risk Review - Citigroup
Jaideep Iyer	Group President - Financial Markets	Associate Director - Rabo India Finance
Kapil Juneja	Senior President-Operations & Service Delivery	HDFC Bank
Namita Vikas	Sr. President & Country Head - Responsible Banking	Principal Consultant, Marico Innovation Foundation
Nikhil Sahni	Sr. President - Government Relationship Management & Strategic Government Advisory	Manager, Strategy Development - Rabo India
Nipun Jain	President - Consumer Banking Assets	Product Head - Government Banking for Retail Branches, FDs & TASC - ICICI Bank
Nirav Dalal	Sr. President & Managing Director - Financial Markets	Structured Finance Group - IDBI Bank
Punit Malik	Group President & MD, Corporate Finance - Relationship Management	GE Capital
Pralay Mondal	Senior Group President - Branch, Retail & Business Banking	Head- Retail Assets, Credit cards, Outbound Contact, Merchant Establishment, HDFC Bank
Rajat Monga	Sr. Group President - Financial Markets & Chief Financial Officer	Head of Treasury - Rabo India
Sanjay Agarwal	Senior President - Business Banking	Head of Risk, SME - Standard Chartered
Sanjay Palve	Sr. Group President and Sr. Managing Director - Corporate Finance, GRM, FARM & Structured Credits Group	Chief Manager, Project Financing Group – ICICI Bank
Shubhada Rao	Senior President and Chief Economist	Kotak Institutional Equities - Chief Economist
Sumit Gupta	Group President & Country Head - Food & Agribusiness, Research Management (FARM)	Associate Director & Head (North) - Rabo India
Surendra Jalan	Group President - Indian Financial Institutions & MFIG	AGM, Corporate Banking - ICICI Bank
Surendra Shetty	Sr. President & Chief Information Officer	CTO & Head Implementation - Flexcel International
Sanjay Nambiar	Group President & General Counsel - Legal Risk Management	DGM, Legal - ICICI Bank

## The "Professionals' Bank" of India



## **Human Capital Strategy**

- ✓ Ethos of Owner Partner Manager
- ✓ **Flagship Programs** at YES BANK to Hire, Train and Retain Talent:



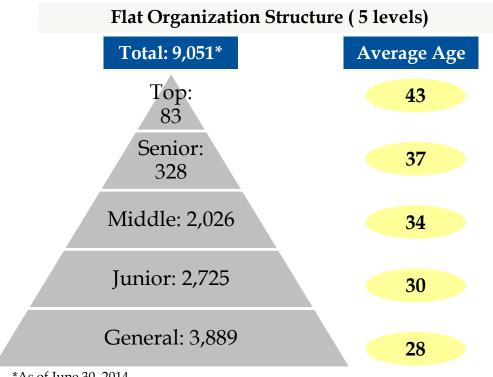








- ✓ YES USRM : YES University & School Relations Management Program across 250 Campuses
- ✓ Y-PEP: YES BANK is the Preferred Employer of **Choice** at Top B-Schools
  - **38 students from Top B-Schools** in FY 2014
  - Close to 900 management professionals over the past 8 years
- ✓ LEAD WITH PASSION
- ✓ Say YES to G.R.A.C.E.
- ✓ YES CONNECT, YES WE CARE
- ✓ Y- FACTOR Talent Recognition Program



<sup>\*</sup>As of June 30, 2014

- ✓ Average Age 30 years; Headcount increase of 253 in **O1FY15**
- ✓ Average vintage of **6 years** for **Top Management** and **5 years** for **Senior Management** in YES BANK
- ✓ Wealth creation through ESOPs
- ✓ Talent acquisition from Peer Private Sector & MNC Banks

## The YES BANK Brand- Building a Trustmark



- Young, vibrant and highly visible brand
- ✓ Driven through Knowledge, Innovation & Technology
- ✓ Brand with a heart and soul: Strongly instilled values of **Trust, Transparency & Responsible Banking**

#### **Brand Pillars**







Financial Trust



**Transparency** 



**Technology** 



Responsible Banking



#### Retail Brand built around YES Community program

- Community engagement program run across all YES BANK branches every month..
- ✓ Integrates the Community with Social & Environment challenges
- Over 1000 YES COMMUNITY events conducted every month across 550+ branches in all 29 states & 7 Union Territories across India
- ✓ Over 100,000 people touched each month



# **Building the Brand through Social & Digital Media**





Fastest Growing Indian BFSI Brand on Facebook & Twitter

2<sup>nd</sup> Fastest Growing BFSI Brand on Facebook IN THE WORLD

> Social Bakers May 2014

200,000 + followers On Twitter

India's
MOST
FOLLOWED
BANK
on Twitter

FIRST in Share Of Voice on Social Media

> Undisputed leader on Twitter

> > Simplify360 May 2014

## Competitive growth - Banking Category

## 🚮 Fastest Growing Bank on Facebook

Bank	Number
ICICI Bank	30 lakhs
HDFC Bank	22 lakhs
Axis Bank	26 lakhs
YES BANK	10.2 lakh
Kotak	2.22 lakh

## Twitter Followers

Bank	Number
ICICI Bank	16,072
HDFC Bank	28,901
Axis Bank	32,251
YES BANK	2,36,226
Kotak	1,00,081

Competitive growth Across Categories

#### Twitter Followers

Twitter Handles	Followers	
YESBANK	2,36,226	
Vodafone India	194,835	
Pepsi India	113,868	
Samsung Ind	34,746	
HUL	20,881	

## Progress widely recognized by leading agencies



# Institutional Excellence

## [business]today

- Best Bank (Mid-Sized), 2013, 2012
- Fastest Growing & Strongest Large Bank (balance sheet > 50,000 cr), 2011
- India's Best, Fastest & Strongest Mid-Sized Bank - 2010
- India's Best Mid-Sized Bank -2009 & 2008

Business Today - KPMG Best Banks Annual Survey

## THE ASIAN BANKER

- The Strongest Bank Balance Sheet in India, Dubai, 2013
- Best Managed Bank in India for the 3-Year Period (2011-2013), Jakarta, 2013
- Strongest Bank in India, Singapore, 2012

The Asian Banker Leadership Achievement Awards

## Businessworld

- Best Mid-Sized Bank, 2012
- Fastest Growing Bank (balance sheet >30,000 cr) - 2011, 2010
- Fastest Growing Bank (balance sheet <30,000 cr) - 2009</li>

India's Best Banks : A Businessworld - PwC Survey

## THE FINANCIAL EXPRESS

- India's No. I New Private Sector Bank - 2011
- THIRD amongst New Private Sector Banks and FIRST on CREDIT QUALITY & GROWTH -2008

FE - E&Y Best Banks Survey



Human

Capital,

**Innovation &** 

Service



- Outstanding Sustainable Project Financing, 2014
- Outstanding Business Sustainability Achievement, 2013

Karlsruhe Sustainable Finance Awards, Germany



- Environment Management Award, 2014
- Corporate Social Responsibility, Bangalore, 2013
- Global Business Excellence Award, Dubai, 2013
- Sustainability Award, London, 2012

Golden Peacock Global Convention



IMC RAMKRISHNA BAJAJ NATIONAL QUALITY AWARDS

Winner of RBNQ Business Excellence Award - Service Category 2013



The Institute of Chartered Accountants of India

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

2012

Aw





'Certificate of Excellence'

Payment Solutions for Domestic Remittance

Financial Inclusion & Payment Systems 2013



- Innovation in Recruitment 2012
- Excellence in Training 2012
- Best HR Strategy in Line with Business 2012, 2011 & 2010
- Excellence in HR through Technology 2012, 2011 & 2010
- Continuous Innovation in HR Strategy at Work 2012, 2011 & 2010
- Talent Management 2012, 2011 & 2010

# **CFBP**

Jamnalal Bajaj Uchit Vyavahar Puraskar (Service Enterprises-Large)

Council for Fair Business Practices (CFBP)

2012



Financial Institutions
Syndicated Deal of the
Year, Asia Pacific Region
Asia Pacific Loan Market
Association (APLMA)

2012

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