

# INVESTOR PRESENTATION

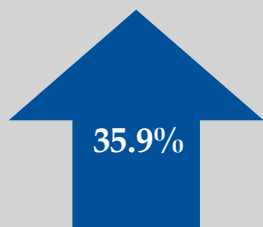
Q2FY13 & H1FY13 Update



# Financial Highlights for Q2 FY13

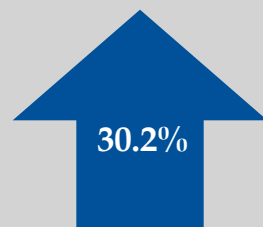
**NET INTEREST INCOME**

₹ 5,242 Mn.



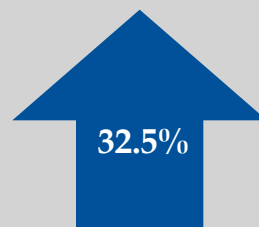
**NET PROFIT**

₹ 3,061 Mn.



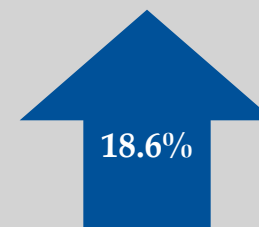
**CUSTOMER ASSETS**

₹ 540,173 Mn.



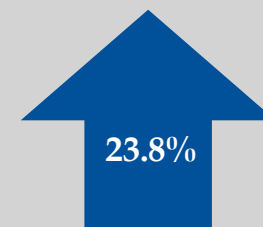
**DEPOSITS**

₹ 522,908 Mn.

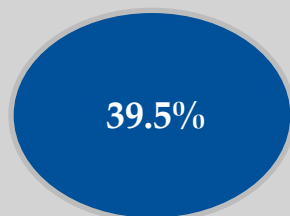


**SHAREHOLDER'S FUNDS**

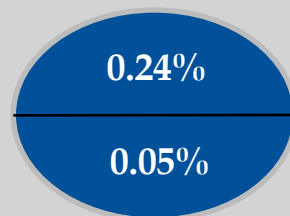
₹ 53,135 Mn.



**COST/INCOME RATIO**

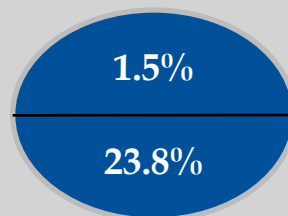


**GROSS NPA**



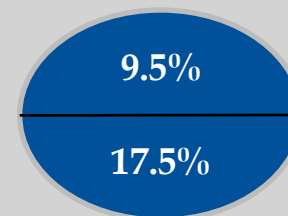
**NET NPA**

**ROA**



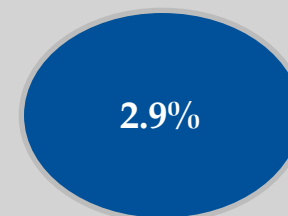
**ROE**

**TIER I**



**TOTAL CAPAD**

**NET INTEREST MARGIN**



✓ Basic EPS of ₹ 8.61 and Diluted EPS of ₹ 8.44

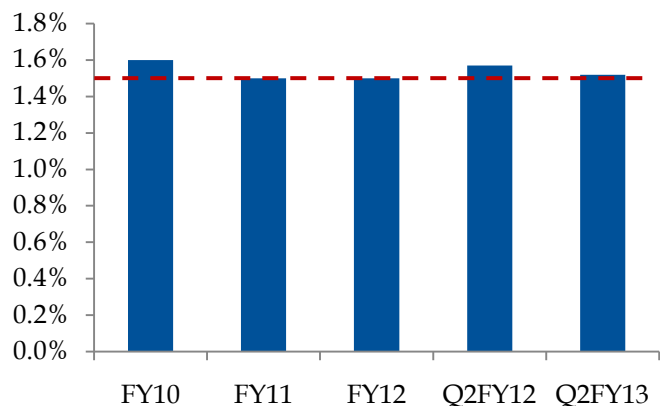
✓ Book Value of ₹ 149.2

✓ CASA grew at 86.7% y-o-y to ₹ 90.3 billion as at Sept 30, 2012 and CASA ratio has increased to 17.3%

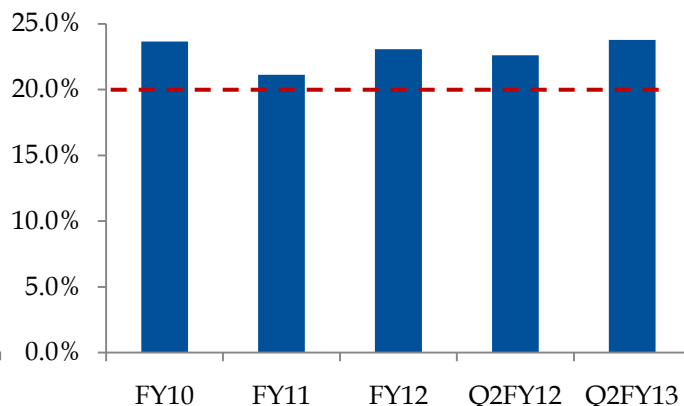
Sustainable growth with steady NIM & strong momentum on SA continues

# Key Metrics

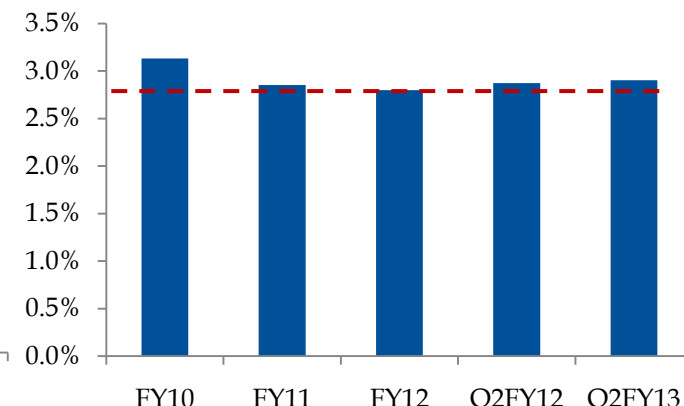
## Return on Assets (RoA)



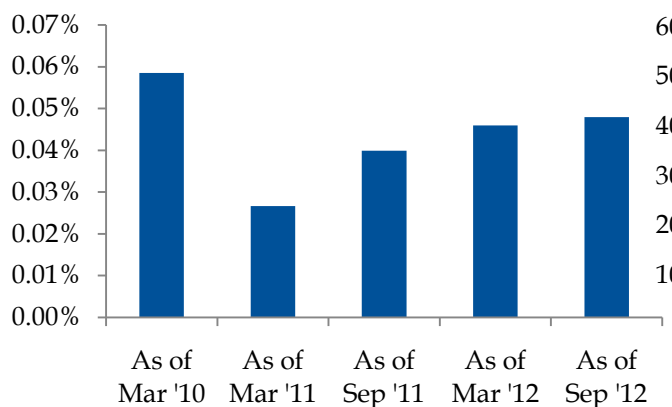
## Return on Equity (RoE)



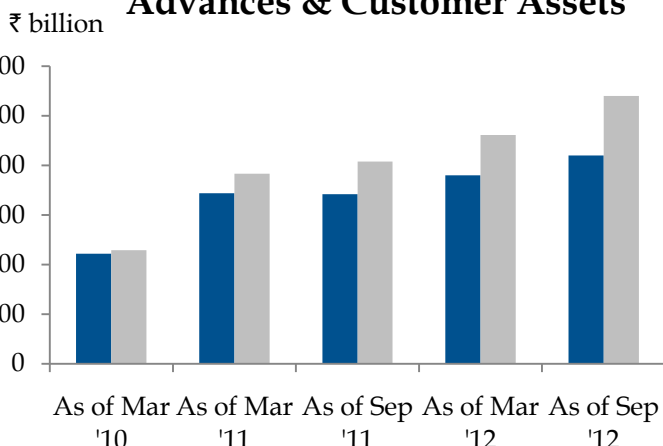
## Net Interest Margin (NIM)



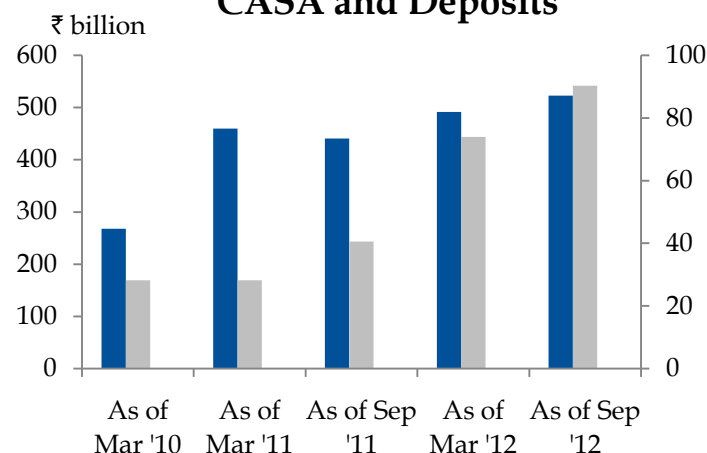
## Net NPA



## Advances & Customer Assets



## CASA and Deposits



■ Advances ■ Customer Assets

■ Deposits ■ CASA

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

# Income Statement Highlights – Q2 & H1 FY13

## Q2 & H1 FY13 - Revenue and Profit growth

₹ Million	Q2FY13	Q2FY12	Growth	H1FY13	H1FY12	Growth
Net Interest Income	5,242	3,856	35.9%	9,964	7,398	34.7%
Non Interest Income	2,768	2,140	29.3%	5,649	3,793	48.9%
<b>Total Net Income</b>	<b>8,009</b>	<b>5,997</b>	<b>33.6%</b>	<b>15,612</b>	<b>11,192</b>	<b>39.5%</b>
Operating Expense	3,162	2,138	47.9%	6,169	4,081	51.1%
<b>Operating Profit</b>	<b>4,847</b>	<b>3,859</b>	<b>25.6%</b>	<b>9,444</b>	<b>7,110</b>	<b>32.8%</b>
Provisions & Contingencies	317	379	-16.2%	617	394	56.8%
Provision for Tax	1,469	1,130	30.0%	2,864	2,205	29.9%
<b>Profit After Tax</b>	<b>3,061</b>	<b>2,350</b>	<b>30.2%</b>	<b>5,962</b>	<b>4,511</b>	<b>32.2%</b>

## Non Interest Income Breakdown

₹ Million	Q2FY13	Q2FY12	Growth	H1FY13	H1FY12	Growth
Transaction Banking	796	609	30.7%	1,490	1,030	44.7%
Financial Markets	471	410	14.8%	1416	657	115.5%
Financial Advisory	1,196	978	22.3%	2,221	1,807	22.9%
Retail Banking fees & Others	306	143	113.9%	523	229	128.4%
<b>Total</b>	<b>2,769</b>	<b>2,140</b>	<b>29.4%</b>	<b>5,650</b>	<b>3,793</b>	<b>49.0%</b>

Robust NII growth of 35.9% supported by healthy fee income growth of 29.3%% resulting in healthy PAT growth

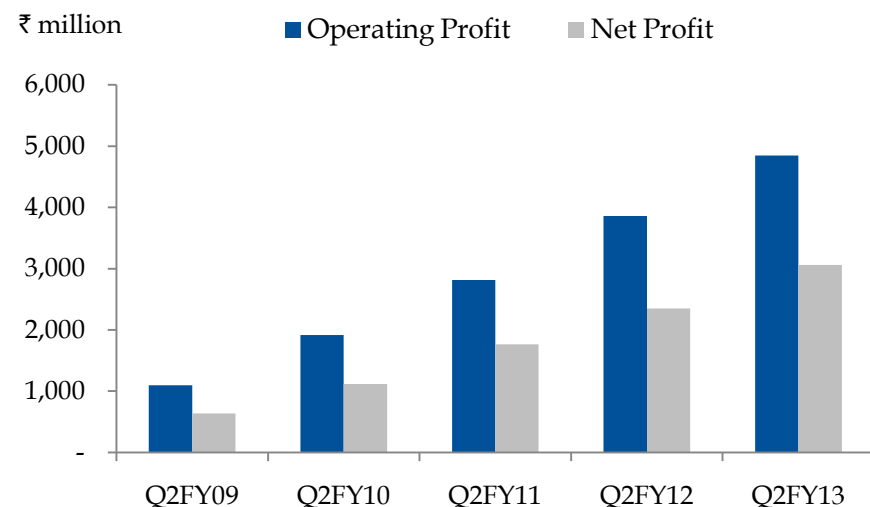
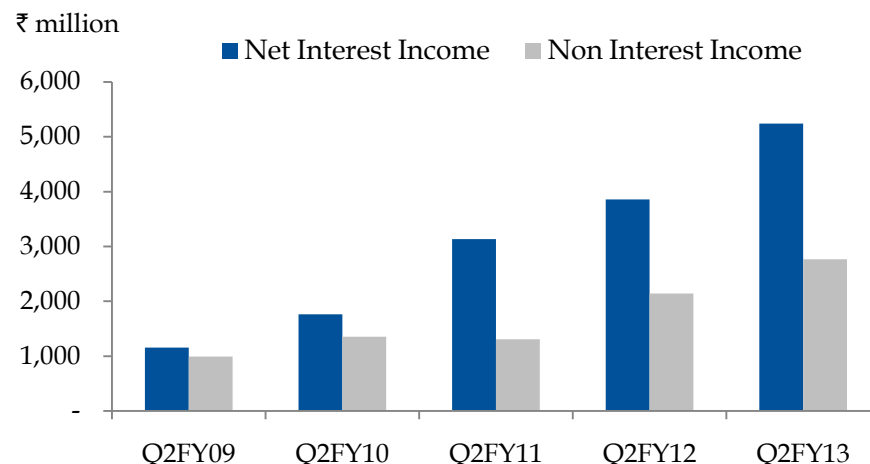
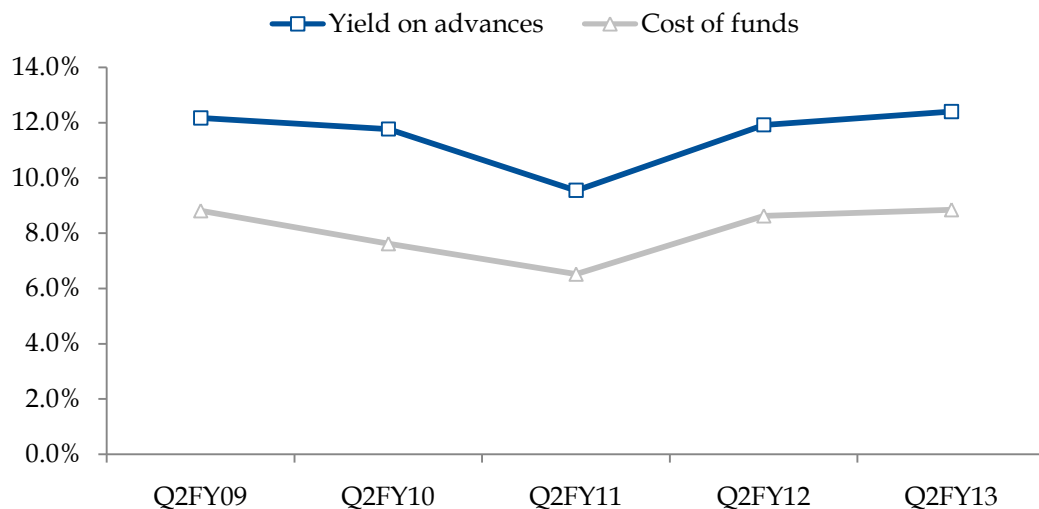
# Profit & Loss Highlights

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

- Steady growth in NII on account of growth in Customer Assets & relatively steady margins
- NIM expanded sequentially to 2.9% in Q2FY13

## ✓ Steady growth in Non Interest Income

- Non interest income grew at 29.3% to ₹ 2,768 million y-o-y on the back of strong growth in all income streams - Transaction Banking, Financial Markets, Financial Advisory & Retail Banking Fees & Others that displayed firm traction y-o-y



**Consistently generating superior shareholder returns – RoA  $\geq$  1.5% & RoE  $\geq$  20% over the past 4 years**

# Key Financial Highlights – Q2FY13

## Q2FY13 - Balance Sheet Growth

₹ Million	Sep 30, 2012	Sep 30, 2011	y-o-y growth
<b>Assets</b>	<b>829,746</b>	<b>627,518</b>	<b>32.2%</b>
Advances	420,193	341,941	22.9%
Investments	317,550	214,369	48.1%
Customer Assets	540,173	407,601	32.5%
<b>Liabilities</b>	<b>829,746</b>	<b>627,518</b>	<b>32.2%</b>
Shareholders' Funds	53,135	42,907	23.8%
Total Capital Funds	108,940	78,602	38.6%
Deposits	522,908	440,759	18.6%
<b>CASA</b>	<b>90,341</b>	<b>48,387</b>	<b>86.7%</b>
Borrowings	197,013	102,198	92.8%

## Q2FY13 - Key Financial Indicators

	Q2 FY13	Q2 FY12		Q1 FY13
RoA	1.5%	1.6%		1.5%
RoE	23.8%	22.6%		24.0%
Cost to Income	39.5%	35.6%		39.6%
NIM	2.9%	2.9%		2.8%
Net NPA	0.05%	0.04%		0.06%
EPS (₹ not annualized)	8.61	6.73		8.20
Book Value (₹)	149.2	122.2		140.7

**Healthy Customer Asset growth of 32.5% and Loan Growth of 22.9%**

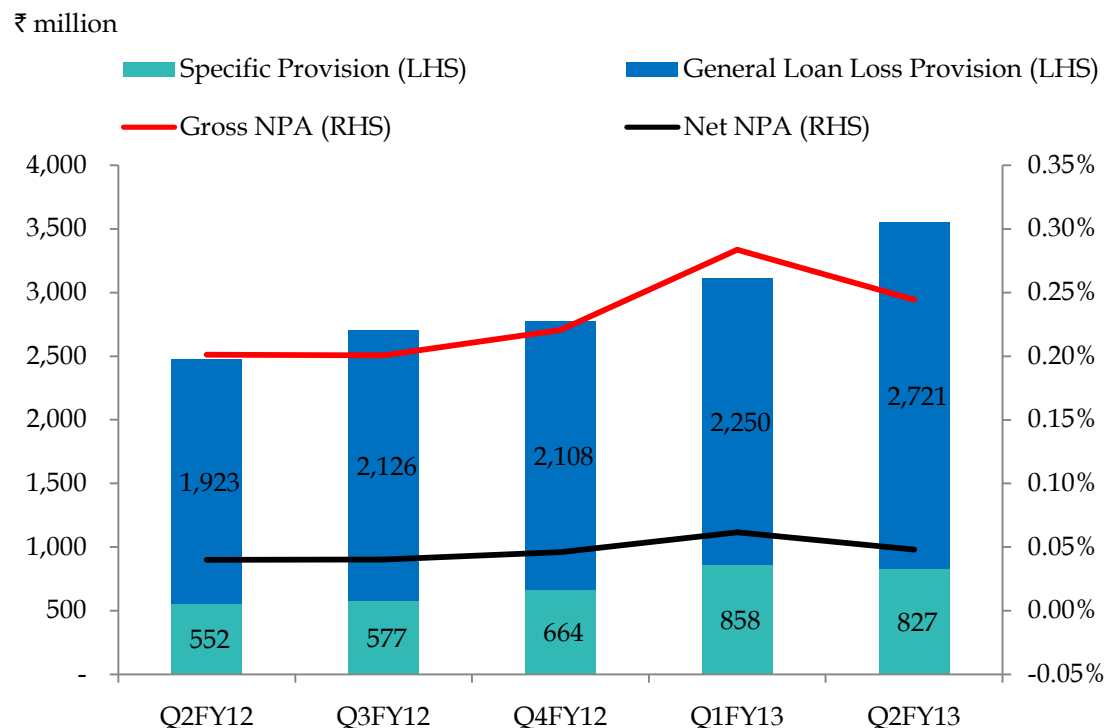
# Robust Capital Base & Healthy Asset Quality

## ✓ Capital Funds

- Healthy Capital Adequacy of 17.51% with Tier I of 9.5% as at Sep 30, 2012
- Total Capital Funds stand at ₹ 108.9 billion as at Sep30, 2012 (₹ 78.6 billion as at Sep 30, 2011)
- The Tier I ratio has remained stable around 9.5% despite the balance sheet increasing by 40.6% since March 2011 (6 quarters of steady growth).

## ✓ Healthy Asset Book with Minimal Net NPAs

- Gross NPA at ₹ 1,028 million (0.24% of Gross Advances) and Net NPA at ₹ 201 million (0.05% of Net Advances) as at Sep 30, 2012 (0.2% and 0.04% respectively as at Sep 30, 2011)
- Specific provision at 80.4% as at Sep 30, 2012
- Total restructured advances for the Bank is ₹ 1,922 million (0.46% of Gross Advances) as at Sep 30, 2012. No new restructurings in this quarter.



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

# Business Highlights in Q2 FY13



## ✓ Capital Raising Initiatives

- YES BANK successfully raised ₹ 2.0 billion of Upper Tier II Capital, rated ICRA AA- by ICRA and CARE AA- by CARE. The Bank also raised ₹ 6.0 billion of Lower Tier II Capital, rated ICRA AA by ICRA and CARE AA by CARE.

## ✓ Retail Products

- YES BANK launched International Prepaid Travel Card, targeted at the overseas traveler. The YES Travel Card helps travelers avoid the hassle of carrying currency or traveler's cheques.
- YES BANK introduced 'Auto Credit Service' that enables any individual with an Account in any other bank to enjoy the benefits of a YES BANK Account, by just submitting a onetime ECS instruction to transfer funds from their existing accounts with other Banks.
- YES BANK launched its Mobile Banking Services, offering features such as - balance enquiry, utility bills payment, funds transfer, cheque book and statements request, availing Interbank Mobile Payment Services (IMPS), DTH payment as well as SIM card recharge amongst others on customer's mobile phones.
- YES BANK introduced Locker facility for its customers across select branches. Customers can access these lockers at convenient times, as the Bank has extended banking hours exclusively for Locker access.



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



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



- Sustainable Bank of the Year - Asia/Pacific, 2012 & 2011
  - No.1 Emerging Markets Sustainable Bank of the Year - Asia, 2008
- FT / IFC Washington  
London



- Ranked 561 (Overall) & 163 (Return on Assets), 2012
  - Ranked 557 (net worth) & 542 (balance sheet), 2011
- Financial Times Banker  
Top 1000 List



- Best Private Sector Bank (Priority Sector Lending) 2012
  - Best Private Sector Bank Award - 2011
- Dun & Bradstreet -  
Polaris Software  
Banking Awards



- Best Private Sector Banker
  - Safest Banker
  - Best Banker in Growth and Expansion
  - Best Banker in Efficiency and Profitability
- The Sunday Standard  
FINWIZ 2012 - (Midsized)

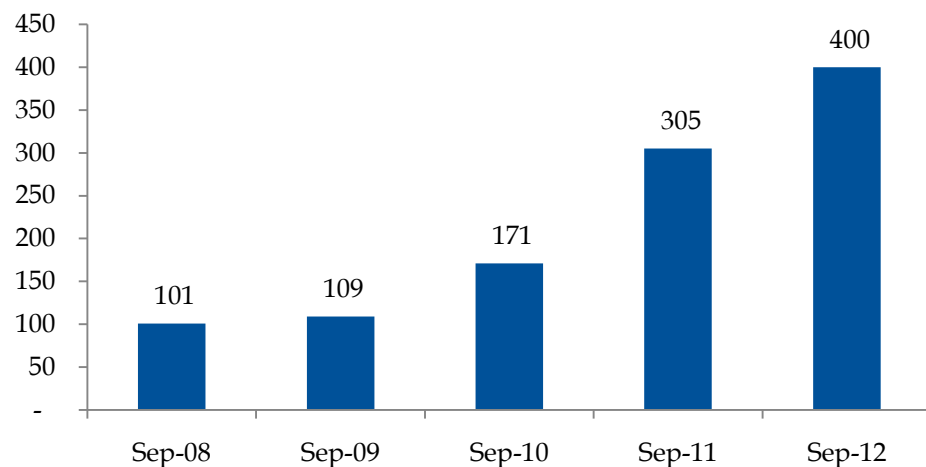


# Branch Expansion - Q2 FY13

## ✓ Expansion of Distribution network

- 400 Branches across key liability corridors - Mapped locations for expansion to 900 by March 2015
- 19 branches added during Q2 FY13
- 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 - 41 Clusters (Hubs)

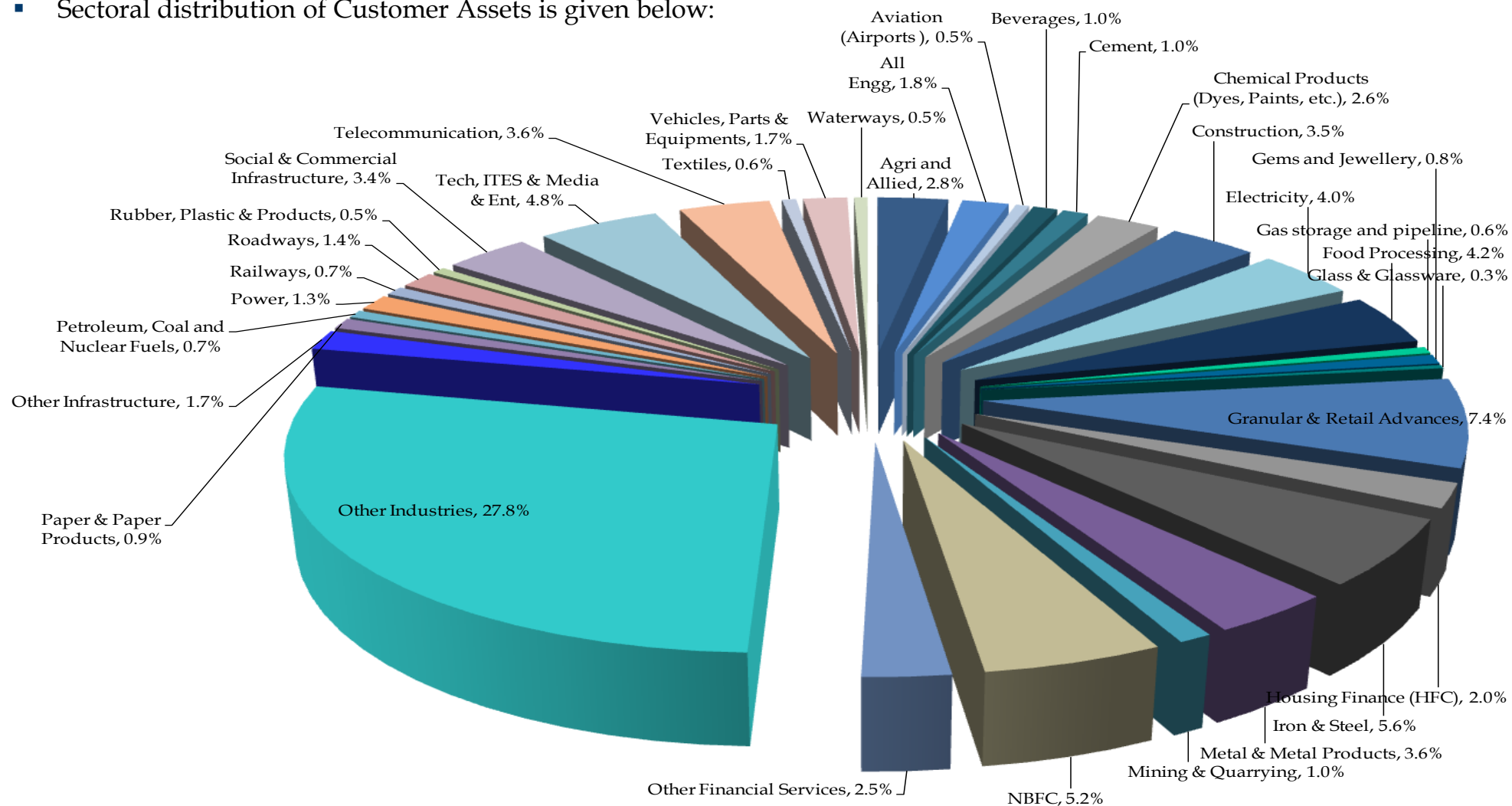


● \* Represents branches added in the quarter

# Diversified credit book

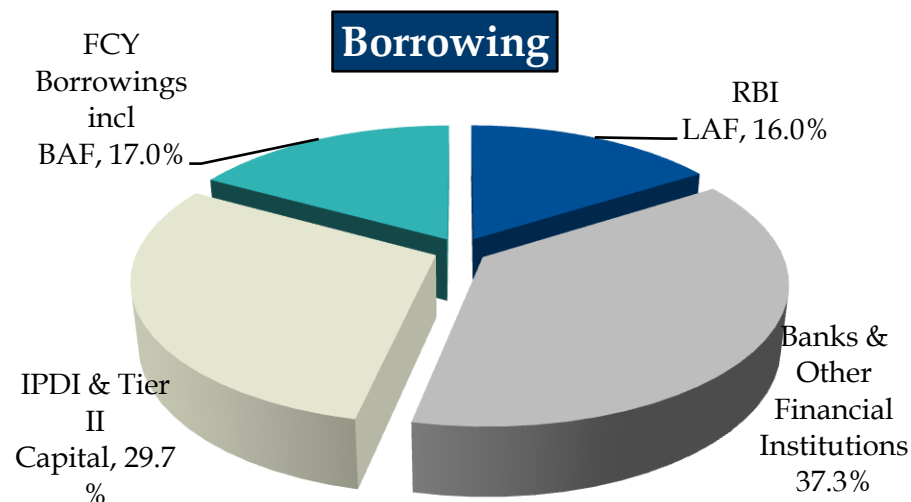
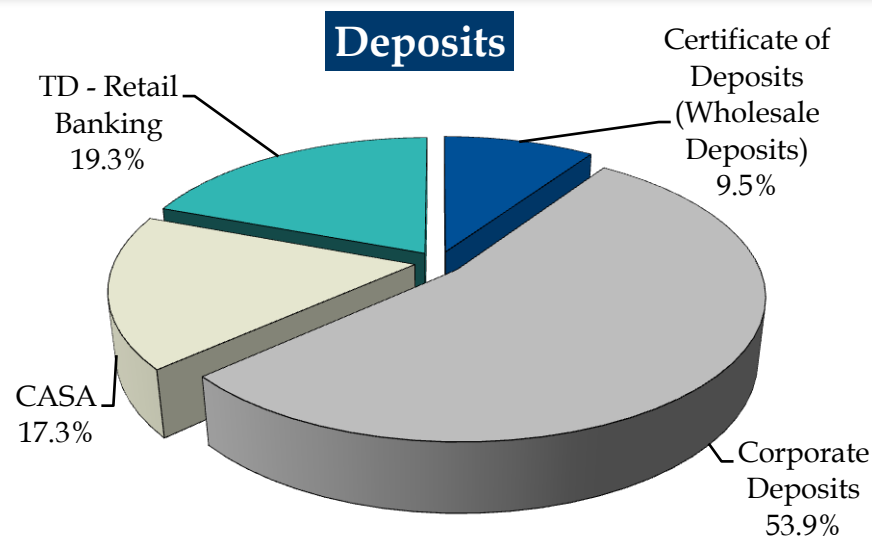
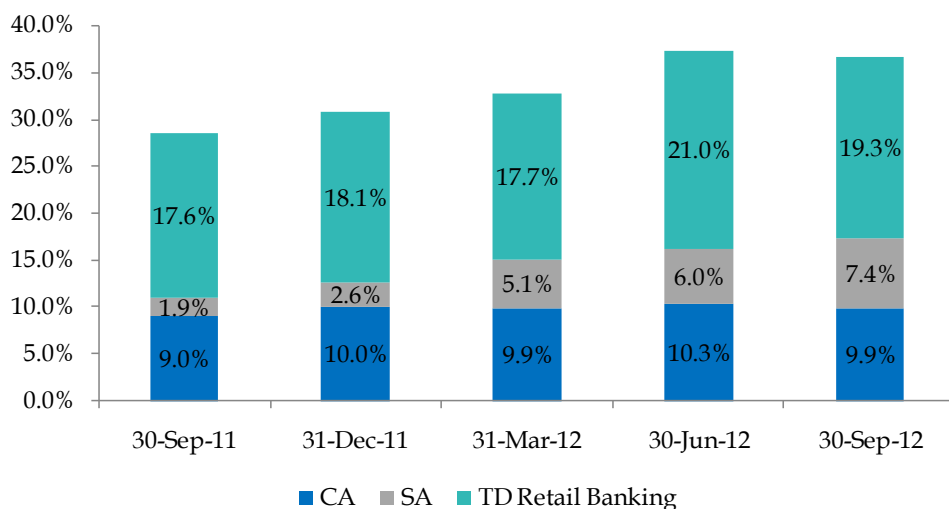
## Increasing diversification of Advances Book

- Break-up of the total loan portfolio as at Sept 30, 2012 was as follows - Corporate & Institutional Banking (Large Corporates) - 67.4%, Commercial Banking (Mid-sized Corporates) - 17.9% & Retail Banking (including MSME) - 14.7%
- Sectoral distribution of Customer Assets is given below:



# Well-diversified Liability Franchise

- ✓ Diversified, granular and relationship driven deposits mix from multiple sources
- ✓ CASA deposits grew **86.7%** y-o-y to ₹ **90.3** billion as at Sept 30, 2012. CASA ratio increased to **17.3%**
- ✓ Robust growth of **351.3%** in SA Deposits to ₹ **38,773** million while CA Deposits grew at **29.6%** to ₹ **51,568** million as of Sep 30, 2012.
- ✓ Retail Banking FDs increased 30.2% y-o-y to ₹ 101.0 billion.
- ✓ Retail Liabilities (CASA + Retail Banking FDs) were up from 28.6% to 36.6% of total Deposits since Sep 2011.
- ✓ Total Borrowings of ₹ 197,014 million as of September 30, 2012



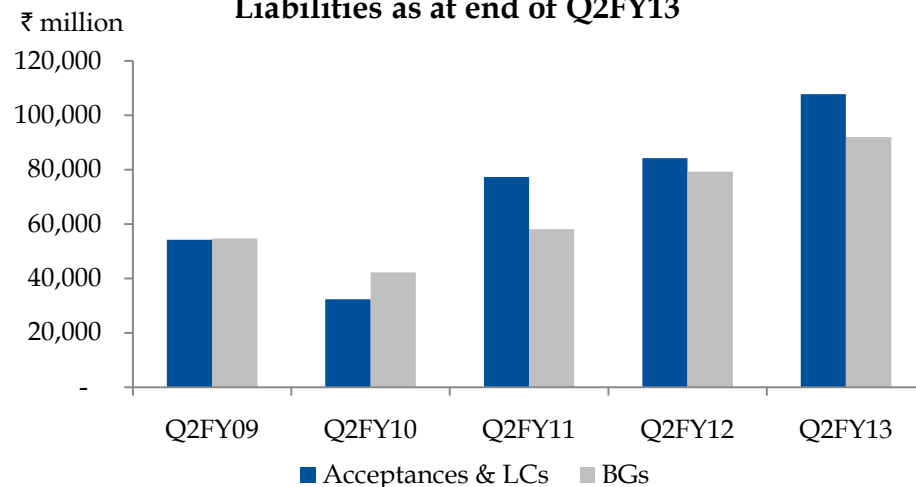
**Granular and Relationship driven deposits continue to be the bedrock of our Liability Strategy**

# Transaction Banking

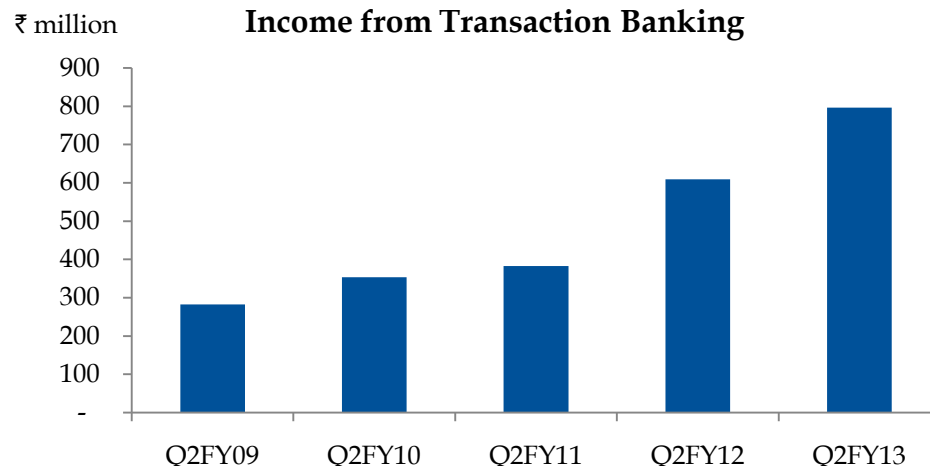
## Trade & Payments Bank of India

- ✓ 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.
- ✓ Holistic product offering with proven ability to customize solutions across supply chain and working capital needs.
- ✓ Collections/payments mandates from leading Corporates
- ✓ Revenues grew by 30.7% y-o-y to ₹ 796 million in Q2FY13
- ✓ Revenues grew by 44.7% y-o-y to ₹ 1,490 million in H1FY13
- ✓ Proportion of transaction banking income in non-interest income was at 28.8% in Q2FY13
- ✓ Intensified approach for Trade/ Forex/ Cash Management revenue in knowledge sectors of the bank viz., Trade (Export-Import), Tour & travel, ITES etc.

## Outstanding trade related Contingent Liabilities as at end of Q2FY13



## Income from Transaction Banking



Transaction Banking business breaking into new relationships across business segments

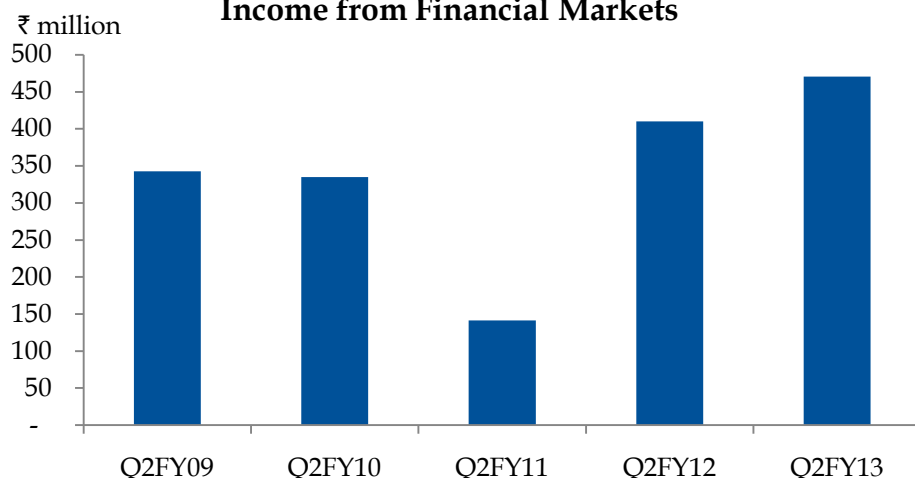
## Financial Markets

✓ Revenues for Q2FY13 at ₹ 471 million; growth of 14.8% y-o-y

### Select DCM Deals for the Quarter

<b>Tata Power Company</b>  Sole Arranger  ₹ 15 Bn. Of Bond Issue	<b>HPCL-Mittal Pipelines</b>  Joint Arranger  ₹ 12.75 Bn. Bond Issue
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### Income from Financial Markets



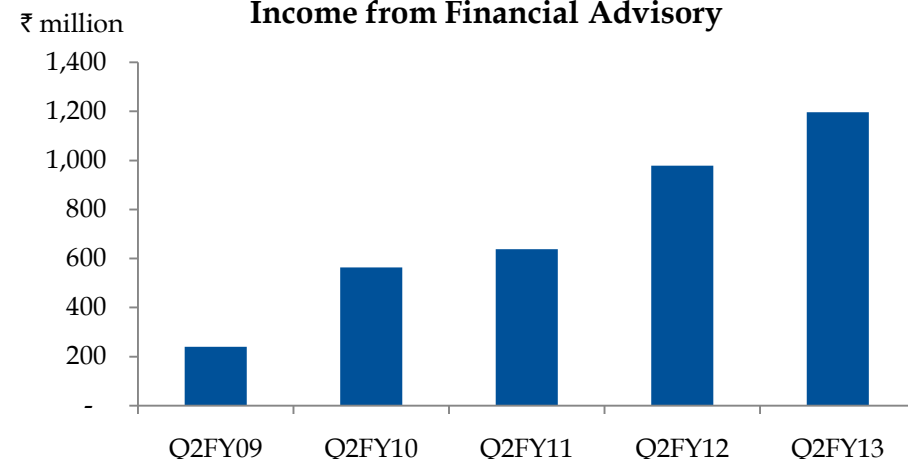
## Financial Advisory

✓ Revenues grew at 22.3% y-o-y to ₹ 1,196 million in Q2 FY13

### Select Transactions for the quarter

- Exclusive joint advisor to Living Media Limited, a Delhi based media conglomerate with interest across publishing, broadcasting, radio and internet, in a financial investment of 27.5% from Aditya Birla Group
- Exclusive advisor to INOX India Ltd, a leading global manufacturer of cryogenic storage and transportation equipment, for raising private equity capital of ₹ 2.50 billion from Standard Chartered Private Equity

### Income from Financial Advisory



- ✓ **Expansion of the Distribution Network**
  - Launched 19 branches during Q2 FY 13 in line with FY 13 targets.
  - Expanding Branch network by adding 100 - 150 branches a year
- ✓ **Diversification of Liability Base**
  - Use Saving Account deregulation to increase customer acquisition, cross sell & build out granular liability base; Focus on Corporate Salary Accounts acquisition
  - 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 Retail 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.
  - Built a platform for Retail Assets to leverage on the rapid customer account acquisition; increasing cross-sell potential
- ✓ **Attracting, recruiting and developing the talent pool**
  - Employee strength stood at 6,307 as on September 30, 2012. This represents an addition of 1,593 employees in the past 12 months and the target is to grow to about 7200 people by the end of 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 years)
Aditya Sanghi	President & Sr. Managing Director – Investment Banking	Executive Director, Head of Mergers & Acquisitions - Rabo India
Amit Kumar	Senior President and Country Head - Corporate & Institutional Banking	ANZ Capital Pvt. Ltd.
Anindya Datta	President & Chief Marketing Officer	Manager, Markets – KPMG
Arun Agrawal	Sr. President & Global Head – International Banking & MNC	General Manager – ICRA
Asit Oberoi	Senior President & COO– Corporate OSD & Head INM	Fidelity International
Ashish Agarwal	Senior President and Chief Risk Officer – Wholesale Banking	Executive Director – Lehmann Brothers
Amit Sethi	Senior President & Chief Information Officer	GM- IT, ICICI Bank
Aspy Engineer	President – ATM Management & Currency Chest	Senior Vice President & Head, Special Relationships - Axis Bank
Chitra Pandeya	President & Country Head – Liabilities Mgmt., Cards & Direct Banking	Head of Liabilities & Payments Products & Retail Banking – HDFC Bank
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
Jaideep Iyer	Senior President – Financial Management	Associate Director - Rabo India Finance
Malcolm Athaide	President & Country Head- Retail, Business & ISB: Credit Risk Management	Head - Credit Risk Underwriting, Standard Chartered Bank
Manavjeet Singh	Sr. President – Retail Banking	President, Infratech Finance - SREI BNP Paribas
Namita Vikas	President & Country Head- Responsible Banking	Principal Consultant, Marico Innovation Foundation
Nikhil Sahni	President – Branch Banking & Government Relationship Management	Manager, Strategy Development - Rabo India
Nirav Dalal	President & Managing Director – Financial Markets	Structured Finance Group – IDBI Bank
Pralay Mondal	Senior Group President - Retail & Business Banking	Head- Retail Assets, Credit cards, Outbound Contact Centre and Merchant Establishment
Rajat Monga	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	Group President and Senior Managing Director – Corporate Finance	Chief Manager, Project Financing Group – ICICI Bank
Sumit Gupta	Senior President – Commercial Banking	Associate Director & Head (North) - Rabo India
Surendra Jalan	Senior President – Indian Financial Institutions	AGM, Corporate Banking - ICICI Bank
Vikram Kaushal	President & Country Head – Branch Banking	Head, Wealth Management - ICICI Bank



# Key Stakeholders

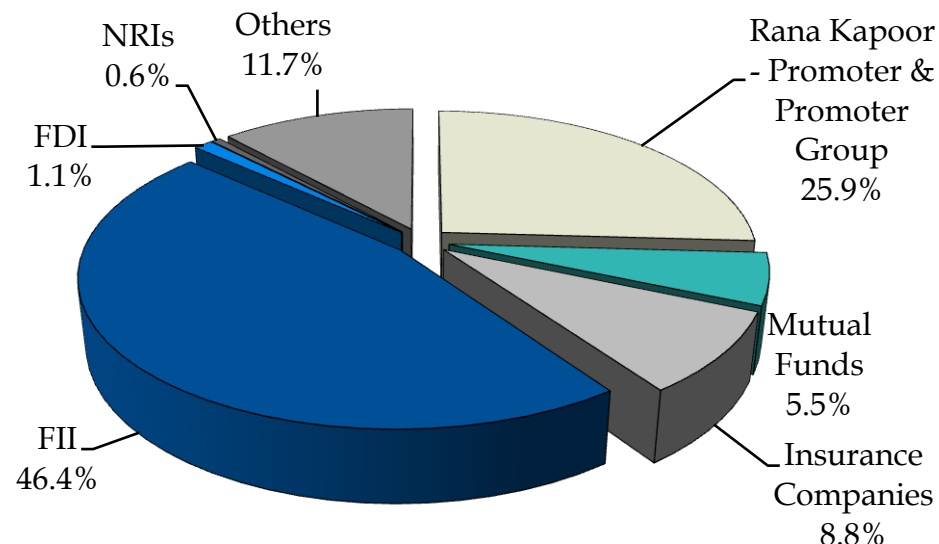
## Promoter

- ✓ Dr. Rana Kapoor is the Senior Vice President of ASSOCHAM
- ✓ Dr. Kapoor has been the Honorary Consul for Cyprus in Mumbai since 2002
- ✓ He was conferred the “Doctorate in Science (Honoris Causa)” by G.B. Pant University of Agriculture & Technology
- ✓ He received the Godfrey Phillips Bravery ‘National Special Social Award’
- ✓ He was the Deputy Chairman of Indian Banks’ Association (IBA) (2011-12)
- ✓ He is a Member of Government of India’s Board of Trade

## Shareholding Pattern

- ✓ Foreign shareholding (FII + FDI) at 47.5% as at Sep 30, 2012
- ✓ Domestic Mutual Funds, Indian Insurance Firms and other Indian Financial Institutions own 14.3% as at Sept 30, 2012.
- ✓ High quality domestic and international investors validating the owner- manager-partner model

## Shareholding



## Key Shareholders

LIC (Consolidated)	4.88%
American Funds Insurance Series Growth Fund	4.62%
JP Morgan Asset Management (Consolidated)	3.34%
Wasatch Fund (Consolidated)	3.10%
SmallCap World Fund	2.00%
Reliance Life Insurance	1.04%
Birla Sun Life Trustee Company Pvt. Ltd. (Consolidated)	1.03%
Franklin Templeton Mutual Funds (Consolidated)	1.00%



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