

## YES BANK announces Financial Results for the Quarter ended December 31, 2015

- *Net Profit of ₹675.7 crore in Q3FY16; y-o-y growth of 25.1%. NIM expanded to 3.4%*
- *Net Interest Income at ₹1,157.0 crore for Q3FY16; y-o-y growth of 27.3%*
- *RoA stands at 1.8%, RoE at 20.5% and Book Value at ₹323.3 per share*
- *Y-o-Y growth in CASA of 45.1%; CASA Ratio improves to 26.6% from 22.6% a year ago. SA deposits posted robust growth of 64.1% y-o-y*
- *CASA+Retail FDs as % of Total Deposits stands at 53.9% as at December 31, 2015, up from 45.4% a year ago*
- *Total Capital Adequacy\* as per Basel III stands at healthy 16.1%#, Tier I ratio maintained at 10.9%*
- *Credit Cost at 14 bps for Q3FY16 (9MFY16 at 34 bps). Nil Restructured, Nil ARC sale, Nil SDR and Nil 5:25 refinancing during the quarter. Overall Credit Costs for 2015-16 at most 50 bps versus 70 bps previously stated*

**Mumbai, January 29, 2016:** The Board of Directors of YES BANK Ltd. took on record the Q3FY16 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 yet another consistent quarter of sustained financial performance driven by steady increase in NII on the back of an improving retail franchise, improvements in NIM, RoA, RoE and overall preservation of asset quality.

The Bank continues to build granularity and longevity in deposits demonstrated by Retail & CASA deposits contribution of 53.9% as on December 31, 2015 on the back of strong SA deposits growth of 64.1% y-o-y. The CASA ratio improved sequentially by 1.1% in the quarter to 26.6%. The Bank is committed to building a strong Retail franchise through continued investments in People, Technology & Digital Infrastructure.

The Bank continues to show resilience on all Asset Quality parameters with an improving outlook going forward with credit costs for FY 2015-16 being contained within 50 bps (previous credit cost guidance of 50-70 bps).

Given the improving macroeconomic environment along with stable Asset quality and accelerating Retail franchise momentum, the Bank is well placed to capture Market share across Retail and Corporate segments at an enhanced pace.”

### **Q3FY16 Performance highlights**

#### **Balance Sheet**

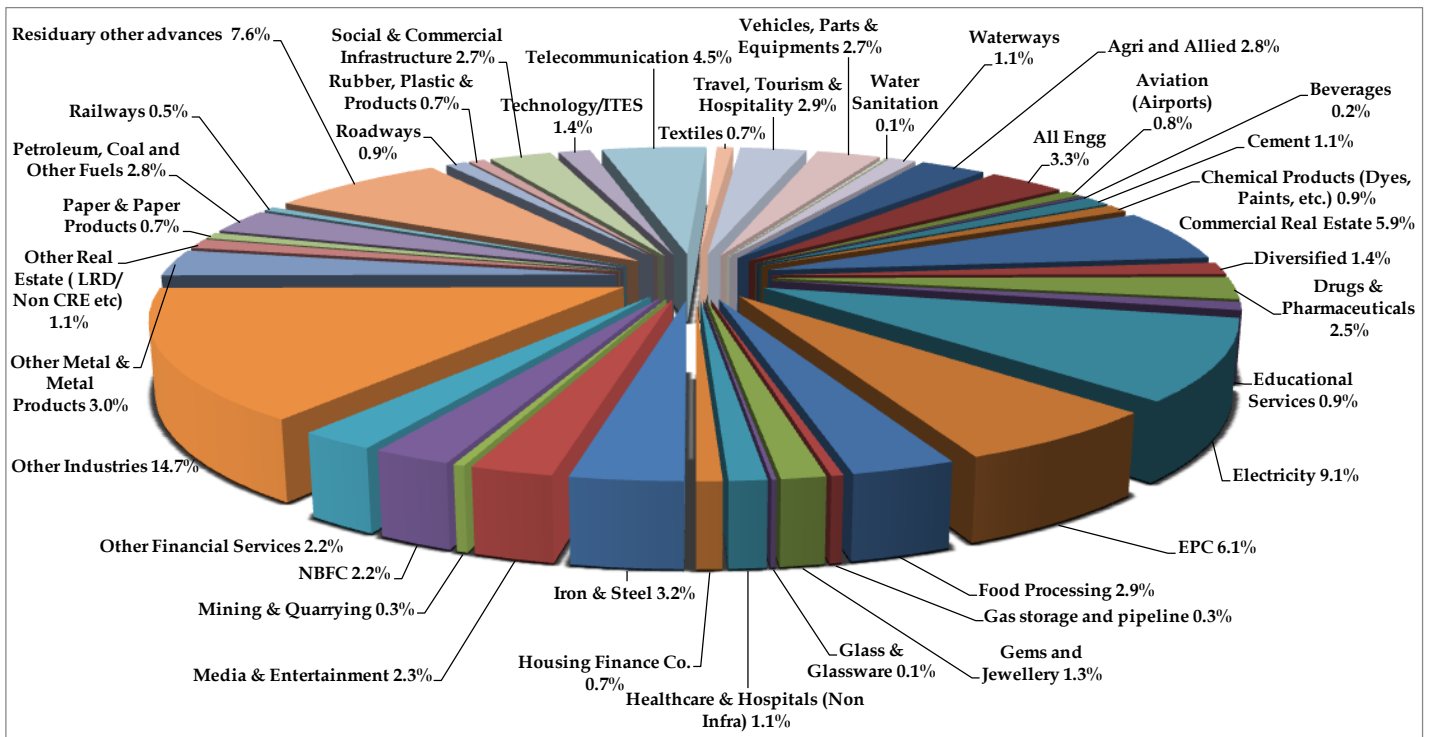
- **Deposits:** Total Deposits grew by **23.1%** to **₹ 101,437.2 crore** as at December 31, 2015. The Bank's Balance Sheet grew by **19.8%** to **₹ 147,754.0 crore** as at December 31, 2015. The Bank's CD ratio stood at **83.2%** as at December 31, 2015.

Current and Savings Account (CASA) deposits grew by **45.1%** y-o-y to **₹ 27,019.4 crore** taking the CASA ratio to **26.6%** as at December 31, 2015 up from 22.6% as at December 31, 2014. Further, **SA deposits** grew by **64.1%** to **₹ 17,867.5 crore** from Rs. 10,888.2 crore as at December 31, 2014.

- **Advances:** Total Advances grew by 26.7% to ₹ 84,396.2 crore as at December 31, 2015. Corporate Banking accounted for 67.2% of the Advances portfolio, while Retail & Business Banking constituted 32.8%.

- **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
<b>(A) Electricity</b>	<b>9.1%</b>
AAA/AA rated investments	1.6%
T&D	1.3%
Renewable Exposures(Green-Financing)	3.1% of which 1.5% is operational
Non-Renewable	3.1% of which 2.9% is operational
Exposure to SEBs	Nil
<b>(B) Iron &amp; Steel</b>	<b>3.2%</b>
A or above rated	2.3%
<b>(C) EPC</b>	<b>6.1%</b>
A or above rated	4.1%

- **Asset Quality:**

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

1. **NPA - 'Lowers Credit Cost Guidance for FY16'**

Gross Non Performing Advances (GNPA) as a proportion of Gross Advances was at 0.66% (Rs. 558.6 Crs) while Net Non Performing Advances (NNPA) as a proportion of Net advances

was at 0.22% (Rs. 187.2 Crs) as at December 31, 2015. Bank's specific loan loss **Provision Coverage** was at 66.5% as at December 31, 2015.

The Provision Coverage takes into account the Bank's in-depth assessment of recoverability on the underlying accounts based on collateral, and does not factor the potential benefits of an improving business environment.

Credit cost for the quarter was 14 bps (9MFY16 actual credit costs at 34 bps).

Bank lowers its guidance for FY 2016 credit costs to maximum of 50 bps.

**2. Standard Restructured - 'No new loans restructured & No slippages from standard restructured book'**

During the quarter, the Bank has not done any restructuring. Further, there were no slippages from the restructured book into NPA during the quarter as well as in 9MFY16.

The total Standard Restructured Advances as a proportion of Gross Advances was at 0.67% (Rs. 568.3 Crs) as at December 31, 2015. Out of this, 0.34% is on account of delay in project completion in roads (3 accounts), which the Bank expects will achieve project closure over the next 9 months given accelerated de-stressing of the road sector. Of the balance portfolio, the restructuring packages have been performing in line with expectations, and the Bank does not anticipate any material slippages in this book. The preservation of inherent economic value in the restructure portfolio is also evidenced through 'NIL' slippages from this book during 9MFY16.

**3. Security Receipts - 'No Sale to ARCs during the quarter/ last 5 quarters'**

There has been no sale to ARC during the previous five quarters and Security Receipts (SRs) stand at Rs. 212.4 Crs (0.25% of Gross Advances, comprising 10 borroweres) as on December 31, 2015.

**4. Strategic Debt Restructuring - 'No SDR during the quarter and 9MFY16'**

**5. 5:25 Refinancing - 'No 5:25 Refinancing during the quarter and 9MFY16'**

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

- **Capital Funds:** As per Basel III, Tier I Capital of ₹ 13,253.9 stood at 10.9%, and total CRAR stood at 16.1% as at December 31, 2015. Total Capital funds are at ₹ 19,525.2 crore as at December 31, 2015 (*capital including profits, adjusted for prorated dividends*). Bank also raised ₹ 1,500 crore of Basel III compliant Tier II bonds in the quarter. Risk Weighted Assets stood at ₹ 121,084.9 crore as at December 31, 2015.
- **Liquidity Coverage Ratio:** During Q3FY16, the Bank continued with the LCR maintenance at well above 60% regulatory requirement with monthly average Liquidity Coverage ratio of 87.8%, indicating a healthy liquidity position.

**Profit & Loss Account:**

- **Net Interest Income (NII) Growth:** NII for Q3FY16 increased by 27.3% y-o-y to ₹ 1,157.0 crore on account of strong growth in advances and Retail & CASA deposits.
- **Non Interest Income:** Non Interest Income increased by 39.0% y-o-y to ₹ 746.1 crore in Q3FY16.
- **Operating and Net profit:** Operating profit for Q3FY16 increased by 33.3% to ₹ 1,149.6 crore. Net Profit in Q3FY16 was up 25.1% to ₹ 675.7 crore.
- **Shareholders' returns:** The Bank delivered RoA of 1.8% for Q3FY16. Bank's RoE stood at 20.5% for Q3FY16.