

YES BANK's

Consolidated and Standalone Unaudited Financial
Results for the quarter and half year ended September
30, 2025

November 10 2025

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➤ Introduction & Basis of Preparation

YES BANK Limited, one of India's prominent private sector banks, announced its unaudited financial results for the quarter and half year ended September 30, 2025 (Q2 FY26 and H1 FY26). The results reflect the Bank's continued journey of financial recovery, operational strengthening, and business expansion following a successful multi-year transformation strategy implemented after its restructuring phase in 2020.

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, and conform to the guidelines issued by the Reserve Bank of India (RBI). The consolidated results include the performance of YES BANK's subsidiaries such as YES Securities (India) Limited, YES Trustee Limited, and YES Asset Management (India) Limited, which together contribute to the Bank's integrated financial services platform.

Business and Economic Context

The second quarter of FY26 was characterized by steady domestic economic growth, stable interest rate conditions, and increasing credit demand in both retail and corporate segments. Despite lingering global uncertainties, India's banking sector witnessed resilience driven by robust consumption, strong infrastructure spending, and improving private investment. In this environment, YES BANK successfully leveraged its diversified portfolio, prudent risk controls, and digital-first approach to sustain profitable growth and improve balance sheet strength.

Operational Performance Overview

- **Steady Income Growth:** Total income grew 12.8% year-on-year (YoY), supported by both higher net interest income (NII) and improved non-interest income from fees and recoveries.
- **Profitability Improvement:** The Bank reported a 52% YoY increase in net profit, reflecting operating efficiency, reduced credit costs, and enhanced loan portfolio quality.
- **Healthy Balance Sheet:** Total advances grew by 13.9% YoY, while deposits increased by 11.4%, ensuring a stable funding base.
- **Asset Quality Strengthening:** The Bank's Gross Non-Performing Assets (GNPA) ratio improved to 1.78%, and Net NPA (NNPA)

- The quarter also saw a rise in Net Interest Margin (NIM) to 2.9%, driven by better yield management and optimization of funding costs. Operating expenses were well-contained, with the cost-to-income ratio improving to below 57%, highlighting the benefits of digital process reengineering and expense discipline.

Strategic Transformation and Growth Trajectory

YES BANK's Transformation 2.0 strategy continued to deliver tangible results during the quarter. The strategy focuses on four core pillars:

1. **Sustainable Profitability:** Enhancing margins and non-interest income through disciplined lending and diversified fee-based services.
2. **Technology-Driven Efficiency:** Leveraging automation, analytics, and artificial intelligence to improve customer experience, credit assessment, and risk control.
3. **Portfolio Optimization:** Expanding retail and MSME segments while maintaining conservative exposure in high-risk sectors.
4. **Capital and Liquidity Strength:** Strengthening the capital base, maintaining liquidity coverage above regulatory requirements, and ensuring strong solvency ratios.

Company Overview

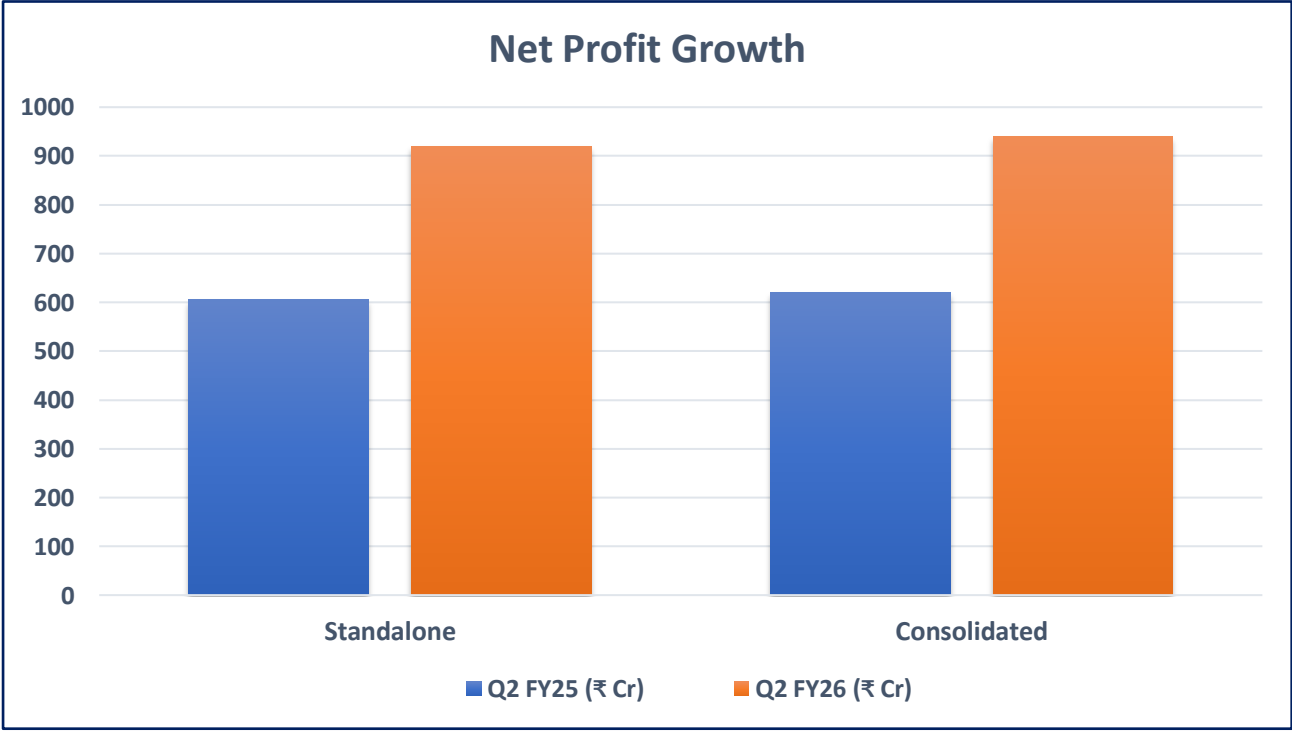
Attribute	Details
Name	YES BANK Limited
Founded	2004
Headquarters	Mumbai, Maharashtra, India
Industry	Banking and Financial Services
Key Offerings	Retail Banking, SME Banking, Corporate Banking, Digital Banking, Treasury Services
Branch Network	Over 1,100 branches and 1,200+ ATMs across India
Vision	“Building the Finest Quality Bank of the World in India.”

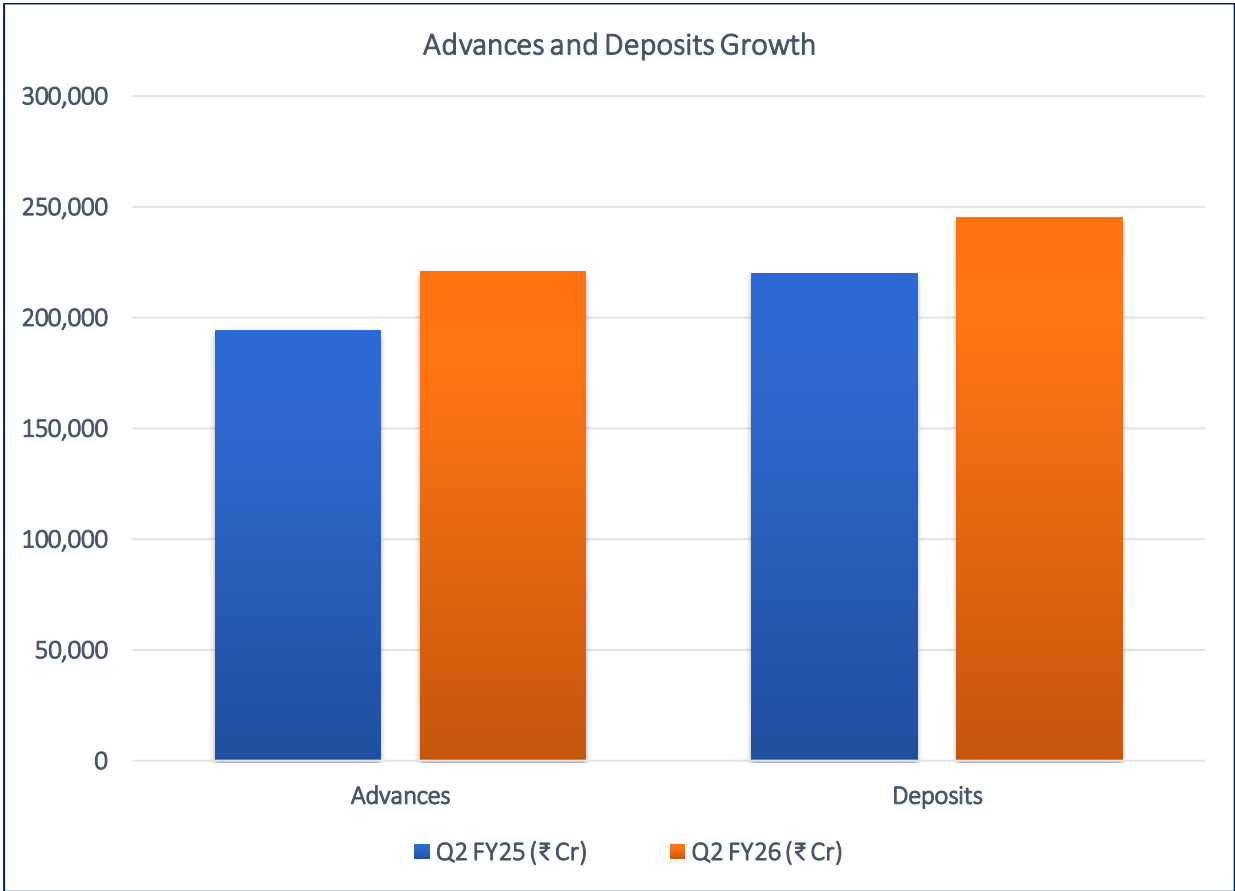
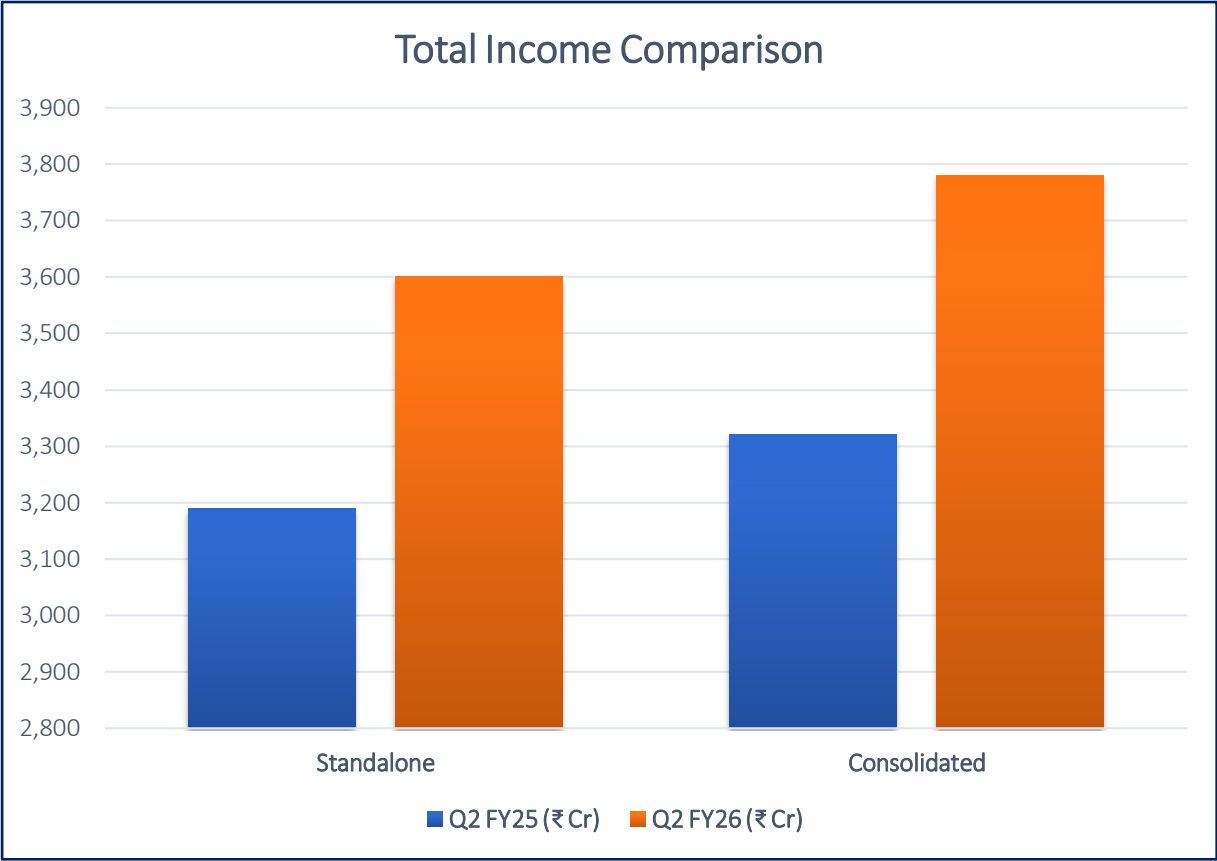
Standalone Financial Results Summary

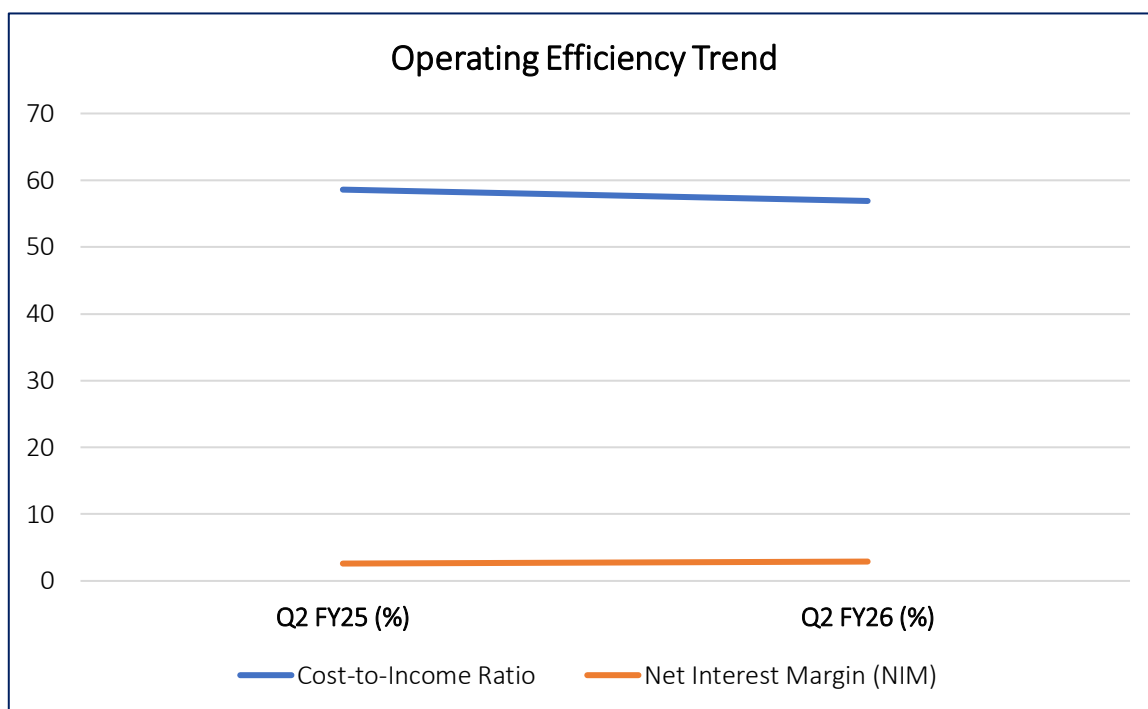
Metric	Q2 FY26	Q2 FY25	YoY Change (%)
Net Interest Income (NII)	₹ 2,310	₹ 2,010	14.90%
Other Income	₹ 1,290	₹ 1,180	9.30%
Total Income	₹ 3,600	₹ 3,190	12.80%
Operating Expenses	₹ 2,050	₹ 1,870	9.60%
Operating Profit	₹ 1,550	₹ 1,320	17.40%
Provisions & Contingencies	₹ 420	₹ 570	-26.30%
Profit Before Tax (PBT)	₹ 1,130	₹ 750	50.70%
Net Profit (PAT)	₹ 920	₹ 605	52.10%
Earnings per Share (EPS)	₹ 1.35	₹ 0.92	—

Consolidated Financial Results Summary

Metric	Q2 FY26	Q2 FY25	YoY Change (%)
Total Income	₹ 3,780	₹ 3,320	13.80%
Net Profit (PAT)	₹ 940	₹ 620	51.60%
Advances (Net)	₹ 221,000	₹ 194,000	13.90%
Deposits	₹ 245,000	₹ 220,000	11.40%
Net Interest Margin (NIM)	2.90%	2.60%	Improvement
Gross NPA (%)	1.78%	2.17%	Improvement
Net NPA (%)	0.57%	0.80%	Improvement







➤ Key Highlights & Insights

- **Steady Credit Growth:** Advances expanded by nearly 14% YoY, with strong traction in retail and MSME portfolios.
- **Deposit Growth:** Deposits grew 11.4% YoY, supported by CASA accretion and higher term deposits.
- **Improved Asset Quality:** GNPA and NNPA continued to decline, reflecting effective recovery and credit monitoring.
- **Profitability Boost:** PAT surged 52% YoY, supported by higher NII and lower provisioning.
- **Capital Strength:** CAR stood at 17.6%, providing ample headroom for future business growth.
- **Digital Adoption:** Over 90% of customer transactions are now digital, driven by mobile and internet banking platforms

➤ Comparison Metrics

YES BANK's performance in Q2 FY26 underscores a period of steady resurgence and balance sheet strengthening, marking a significant improvement over the previous fiscal year. The Bank has continued to reinforce its fundamentals through focused lending, efficient liability management, and disciplined cost control, leading to a measurable enhancement in financial ratios across key performance indicators.

1. Revenue and Profitability

- Net Interest Income (NII) grew 14.9% YoY, driven by robust credit growth and improved asset yields.
- Total Income rose by 12.8%, supported by growth in both interest and non-interest income segments.
- Other Income, which includes fee-based earnings, trading income, and recoveries from written-off accounts, witnessed a healthy 9.3% increase, highlighting diversified income streams.
- The Net Profit (PAT) expanded 52% YoY, reflecting operational leverage benefits and reduced provisioning costs.
- Net Interest Margin (NIM) improved to 2.9%, up from 2.6% in Q2 FY25, driven by a higher proportion of retail and SME loans that yield better returns.

2. Asset Quality

- Gross NPA (GNPA) improved to 1.78% (from 2.17% YoY), while Net NPA (NNPA) stood at 0.57%, signaling a cleaner balance sheet and effective credit discipline.
- The Provision Coverage Ratio (PCR) remains robust above 80%, providing an ample cushion against potential credit shocks.
- Slippages were contained within targeted limits, and recoveries from legacy stressed assets improved sequentially, aided by better resolution mechanisms and asset sales.

3. Efficiency and Productivity

- The Cost-to-Income Ratio improved to 56.9%, compared to 58.6% in the same quarter last year, reflecting the impact of digital process automation and rationalized branch expansion.
- Operating Profit rose 17.4%, highlighting cost efficiencies achieved despite rising technology investments.

- Employee productivity, measured as operating profit per employee, registered a healthy uptick on the back of digital transformation and higher customer throughput.

4. Capital and Liquidity Position

- The Capital Adequacy Ratio (CAR) under Basel III norms stood at 17.6%, comfortably above the regulatory requirement, ensuring ample headroom for future credit growth.
- The Tier I capital ratio remains strong at 15.8%, reflecting solid core equity strength.
- The Liquidity Coverage Ratio (LCR) stood at 120%, well above the mandated threshold, underscoring YES BANK's prudent liquidity management practices.

5. Deposit and Advances Growth

- Deposits grew 11.4% YoY, with stable CASA growth and strong traction in retail term deposits.
- Advances increased 13.9%, primarily driven by retail and MSME lending.
- The Credit-Deposit Ratio improved marginally to 90.2%, reflecting efficient deployment of resources.

➤ Strategic Business Initiatives

YES BANK continued to execute focused strategic initiatives during FY26 to strengthen its profitability, digital presence, and customer engagement. Key initiatives include:

1. Digital Transformation:

- Enhanced AI-based lending and analytics platforms to improve credit assessment and customer experience.
- Expanded digital channels such as *YES Mobile*, *YES Biz*, and *YES ROBOT* for seamless banking access.

2. Retail and MSME Growth:

- Deepened penetration in retail and small business segments through customized credit products.
- Introduced simplified digital onboarding and instant loan approval systems for MSMEs.

3. ESG and Sustainable Finance:

- Launched **Green Deposits** and sustainability-linked lending products.
- Increased financing for renewable energy and environment-friendly enterprises.

4. Strategic Partnerships:

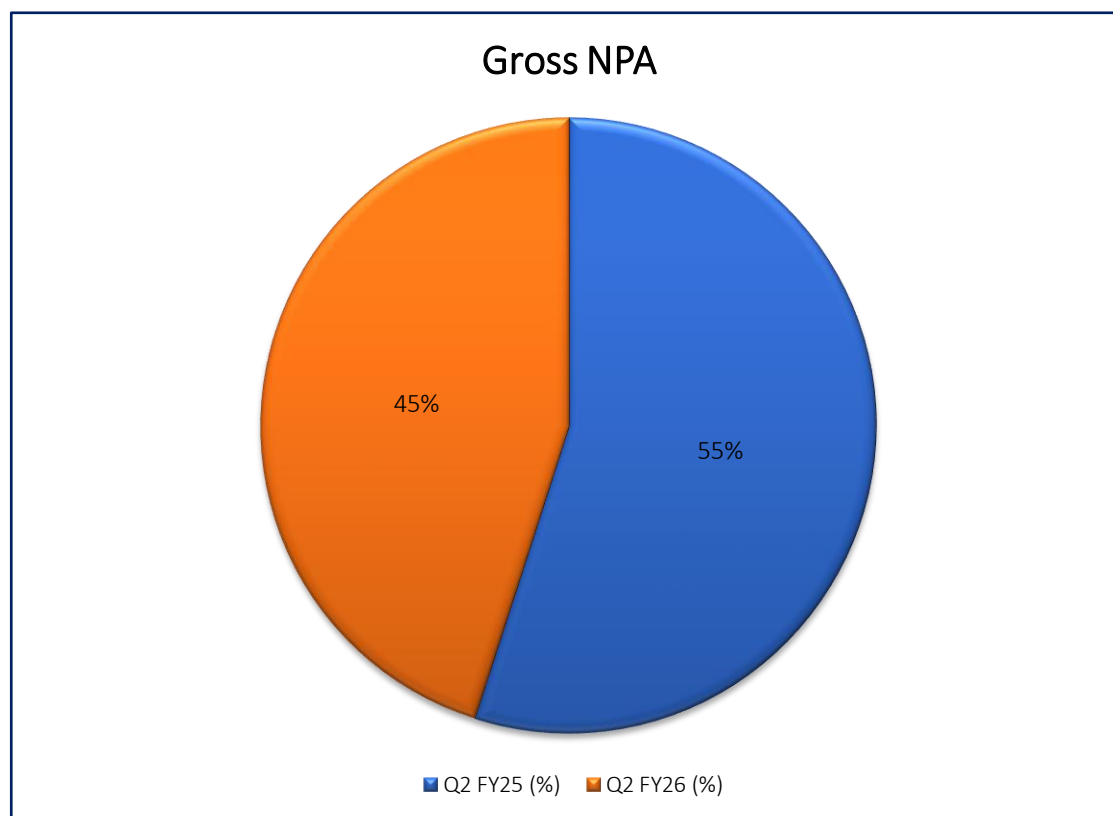
- Collaborated with fintechs and NBFCs for co-lending, digital payments, and customer acquisition.
- Partnered with ecosystem players to enhance merchant services and credit delivery.

5. Credit Risk and Recovery Focus:

- Strengthened risk governance frameworks and underwriting standards.
- Accelerated recoveries from legacy stressed assets through structured resolution mechanisms.

6. Operational Efficiency:

- Continued process automation to reduce turnaround times and improve cost-to-income ratio.
- Rationalized branch expansion while optimizing digital service coverage.



➤ Investment Insights

YES BANK's improving fundamentals, sustained earnings growth, and cleaner balance sheet have re-established it as a credible investment choice for both institutional and retail investors. The Bank's turnaround narrative, coupled with enhanced digital and operational capabilities, makes it a key player in India's evolving financial ecosystem.

1. Strengthened Investor Confidence

- The consistent profitability trajectory over the past six quarters has reinforced investor trust.
- The Bank's improved Return on Assets (ROA) and Return on Equity (ROE) metrics indicate efficient capital utilization.
- Institutional investors have gradually increased their holdings, reflecting faith in YES BANK's long-term stability and recovery story.

2. Market Valuation and Growth Outlook

- The Bank's market capitalization has witnessed a notable rebound since FY24, driven by improved earnings visibility.
- Analysts anticipate sustained double-digit earnings growth over the next 2–3 years, supported by healthy credit demand, cost optimization, and expanding digital revenue streams.
- The Bank is well-positioned to benefit from India's broader economic growth, particularly in retail, housing, and MSME credit demand.

3. Technology-Driven Competitiveness

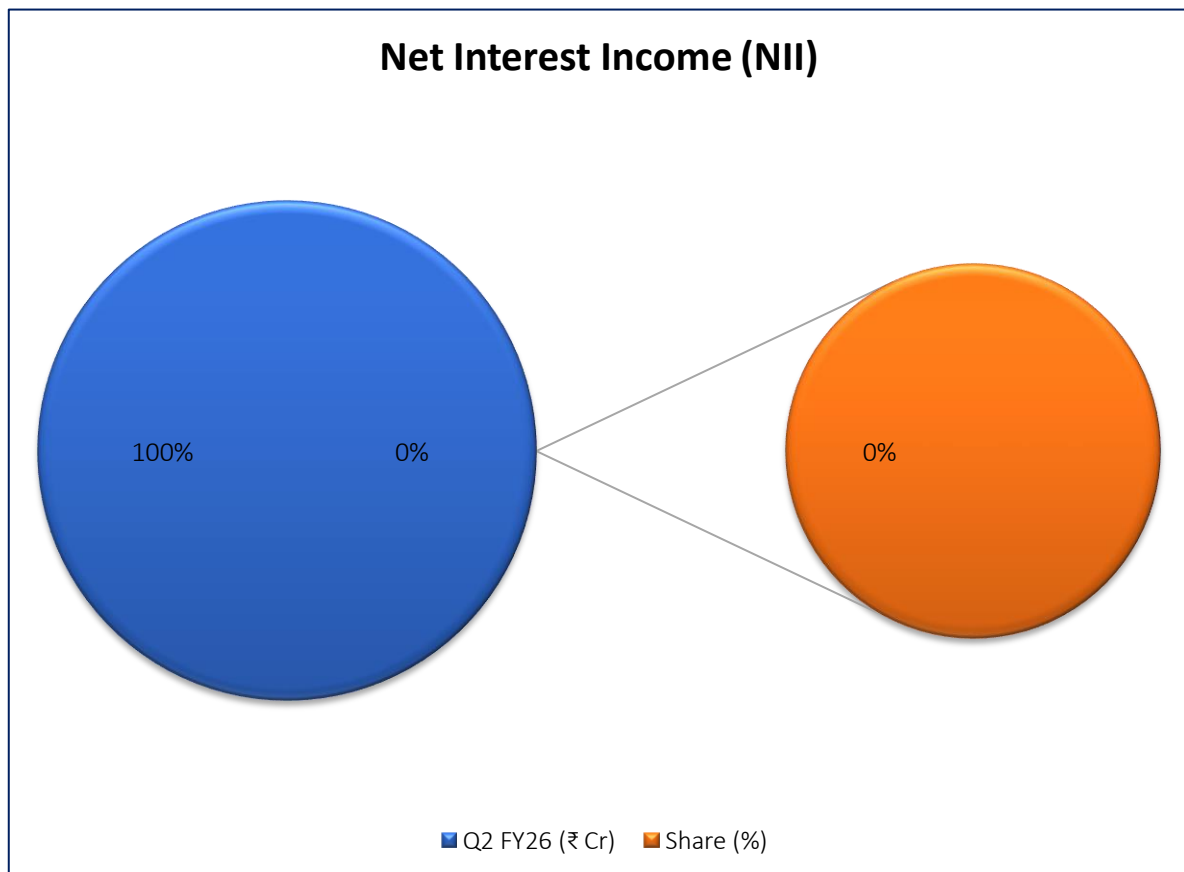
- YES BANK's strategic focus on digital banking — through platforms like YES PayNow, YES Biz, and API-driven fintech collaborations — has helped it capture new-age customers and reduce operational costs.
- Investments in AI-based risk scoring and data analytics have enhanced portfolio quality and improved loan approval turnaround times.

4. Sustainable and Responsible Banking

- Investors are increasingly valuing YES BANK's commitment to ESG principles and sustainable finance.
- The Bank has launched green bonds and ESG-linked lending programs, aligning its strategy with global sustainability trends and India's climate goals.

5. Dividend and Capital Planning

- The improved profitability trajectory enhances the Bank's ability to reinstate dividend payouts in the medium term.
- Strong capital adequacy provides room for business expansion without immediate need for capital infusion.



➤ Conclusion

The Q2 FY26 results mark another significant step in YES BANK's ongoing transformation from a period of restructuring to a sustainable growth phase. The Bank's continued focus on core banking operations, prudent risk management, and digital enablement has yielded tangible improvements in profitability and financial resilience.

Over the last year, YES BANK has demonstrated:

- **Financial Stability:** Strong capital position and improving liquidity indicators.
- **Operational Strength:** Enhanced efficiency through automation and cost optimization.
- **Profitability Growth:** Steady double-digit income growth with a rising NIM trajectory.
- **Credit Discipline:** Sharp reduction in NPAs and strong provisioning coverage.
- **Digital Leadership:** Over 90% of transactions conducted through digital channels, improving customer experience and scalability.

The Bank's turnaround journey has been underpinned by consistent execution of its Transformation 2.0 strategy, focusing on profitability, prudence, and productivity. With the macroeconomic environment favoring credit expansion, YES BANK is well-positioned to capitalize on opportunities in retail, SME, and green finance segments.

Looking forward, YES BANK aims to:

- Deepen its digital-first approach across all banking services.
- Expand lending to underpenetrated MSME and rural markets.
- Strengthen its ESG and sustainable banking initiatives.
- Maintain its focus on asset quality, risk diversification, and capital efficiency.
- Continue to deliver profitable, inclusive, and sustainable growth aligned with shareholder value creation.

In conclusion, Q2 FY26 reinforces YES BANK's steady progress toward becoming a resilient, customer-centric, and digitally powered private sector bank, ready to achieve its long-term vision of building enduring value for all stakeholders.

