

Earnings Update

Kotak Bank - Standalone Highlights

PAT

₹ 280 cr
(₹ 260 cr)

Networth

₹ 8,597 cr
(₹ 7,361 cr)

Loans

₹ 45,443 cr
(₹ 37,349 cr)
up 22% yoy

Restructured Loans- standard

₹ 8 cr
(₹ 31 cr)

Net NPA *

0.73% (0.43%)

CAR[#]

16.4% (17.8%)

Tier 1

14.9% (15.9%)

CASA

₹ 12,321 cr
(₹ 9,356 cr)
Up 32% yoy

SA

₹ 5,926 cr
(₹ 3,564 cr)
Up 66% yoy

* Excluding acquired stressed assets

Including unaudited profits for H1FY13 as per Basel II. CAR & Tier 1 excluding unaudited profits – 15.4% & 13.9% resp

Figures in brackets are Q2FY12 numbers

Consolidated Highlights

PAT

₹ 502 cr
(₹ 433 cr)

Networth

₹ 13,943 cr
(₹ 11,893 cr)

Loans

₹ 61,255 cr
(₹ 50,581 cr)
up **21%** yoy

Net

NPA *

0.61% (0.36%)

NIM

4.7% (4.8%)

RoA

2.0% (2.1%)

Total Assets

₹ 102,258 cr
(₹ 83,796 cr)
up **22%** yoy

Book Value

₹ 187.6 per share
(₹ 161.0 per share)

Consolidated Assets cross ₹ 1 lakh cr

* Excluding acquired stressed assets

Figures in brackets are Q2FY12 numbers

Consolidated Advances & Investments

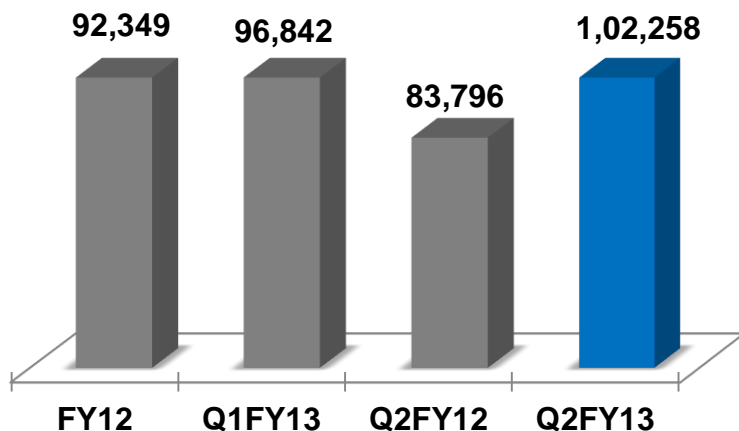
₹ cr	Mar 31, 2012	Jun 30, 2012	Sep 30, 2011	Sep 30, 2012
Commercial Vehicles & Construction Equipment	7,798	8,015	7,351	8,183
Agriculture Finance	5,714	6,108	4,248	6,419
Auto Loans	10,600	11,161	9,858	11,748
Mortgage Loans	8,333	8,757	7,528	9,286
Personal Loans	1,868	2,000	1,501	2,141
Business Banking	3,515	3,840	2,798	4,571
Corporate Banking	12,321	14,383	14,745	15,678
Others	2,995	2,785	2,552	3,229
Total Advances	53,144	57,049	50,581	61,255
Investments/ Treasury Assets *	23,261	23,219	18,347	23,990
Total Advances and Investments	76,405	80,268	68,928	85,245

Consolidated PAT

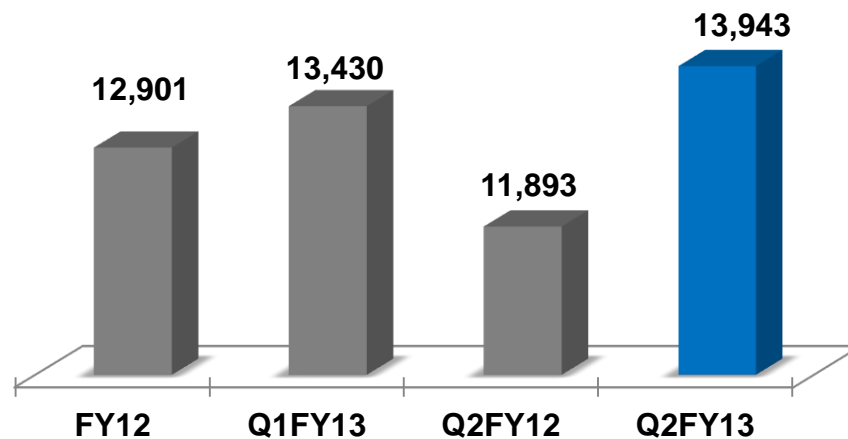
₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Kotak Mahindra Bank	1,085	282	260	280
Kotak Mahindra Prime	385	94	90	114
Kotak Securities	126	23	29	40
Kotak Mahindra Capital Company	6	6	(4)	4
Kotak Mahindra Old Mutual Life Insurance	203	32	53	47
Kotak Mahindra AMC & Trustee Co	22	4	7	(5)
International subsidiaries	(11)	(5)	(7)	8
Kotak Investment Advisors	36	8	8	9
Kotak Mahindra Investments	15	4	3	16
Total	1,867	448	439	513
Minority Interest, Equity Affiliates, others	(35)	(5)	(6)	(11)
Consolidated PAT	1,832	443	433	502

Consolidated Key Financials

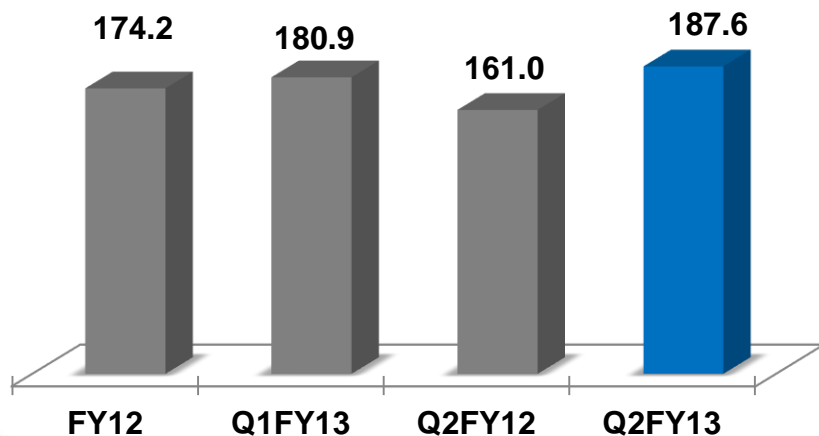
Total Assets (₹ cr)



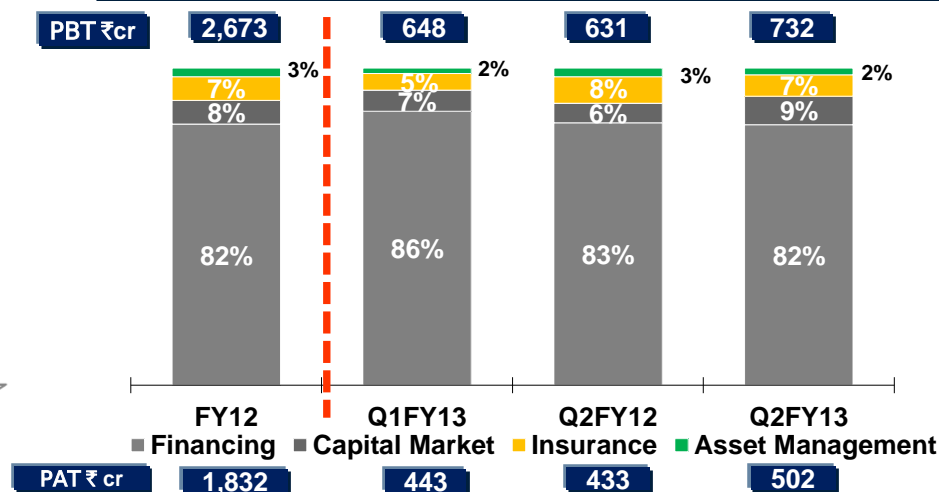
Networth (₹ cr)



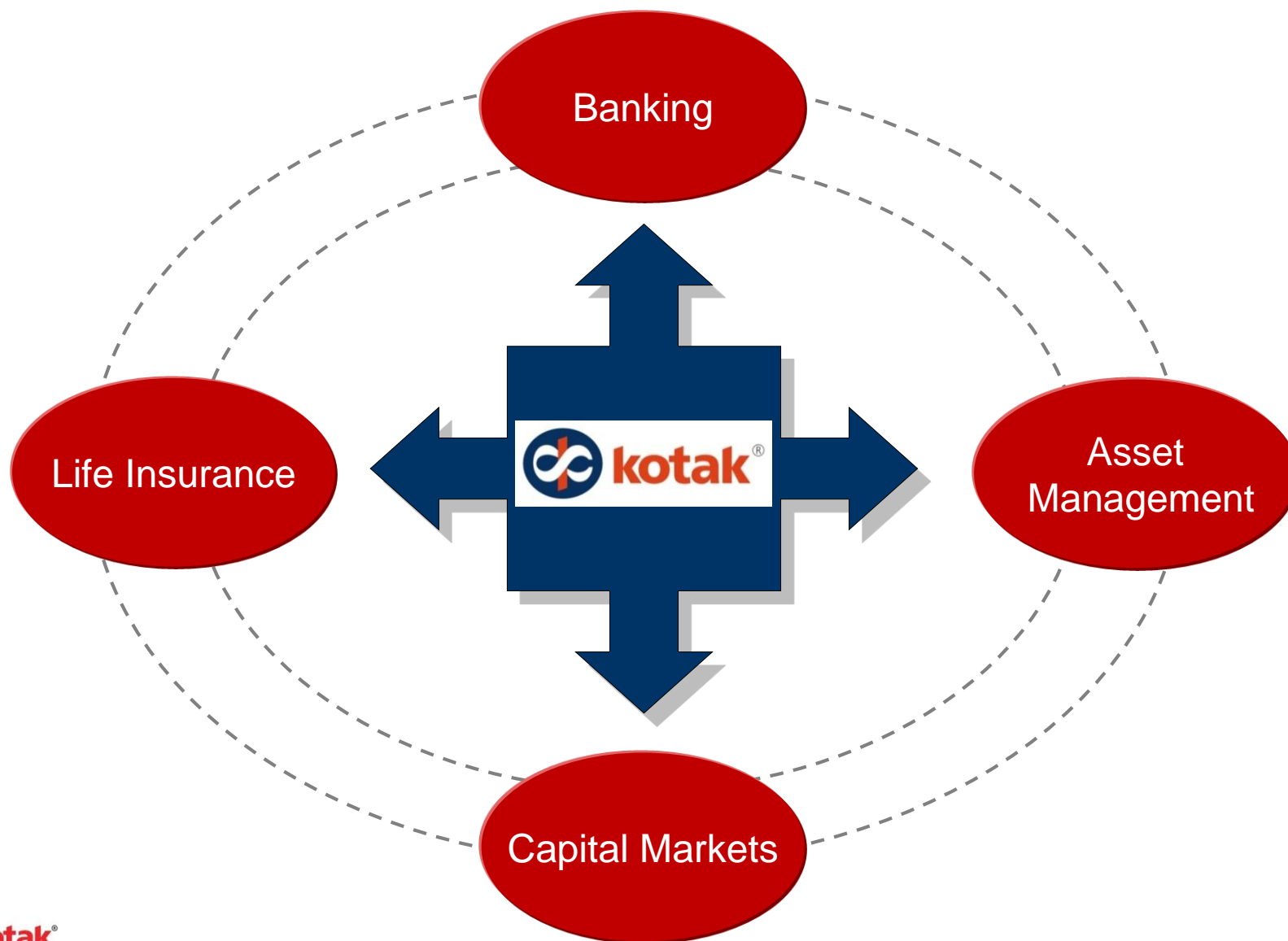
Book Value per share (₹)



PBT Mix

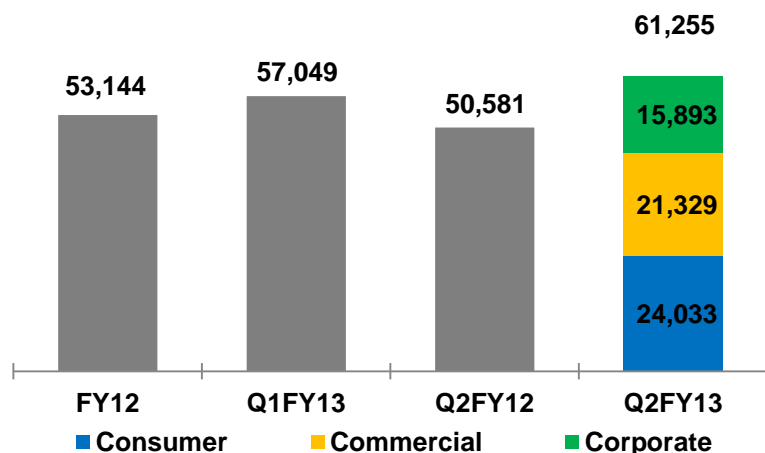


Integrated Financial Services

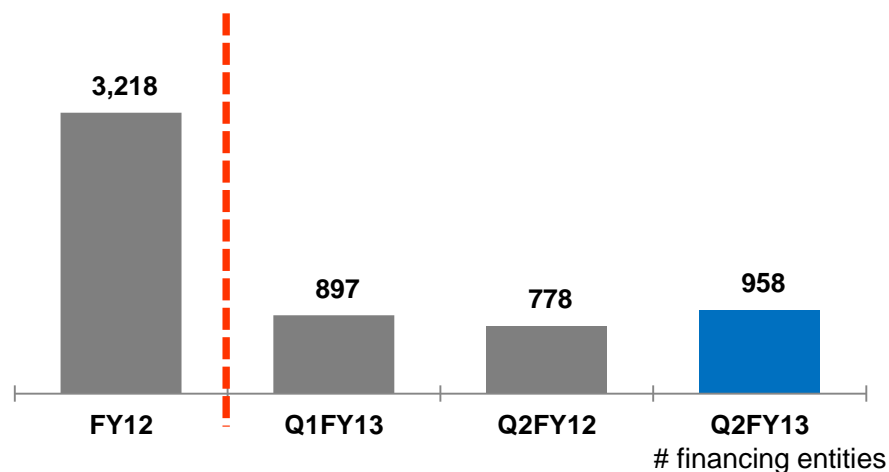


Financing Business

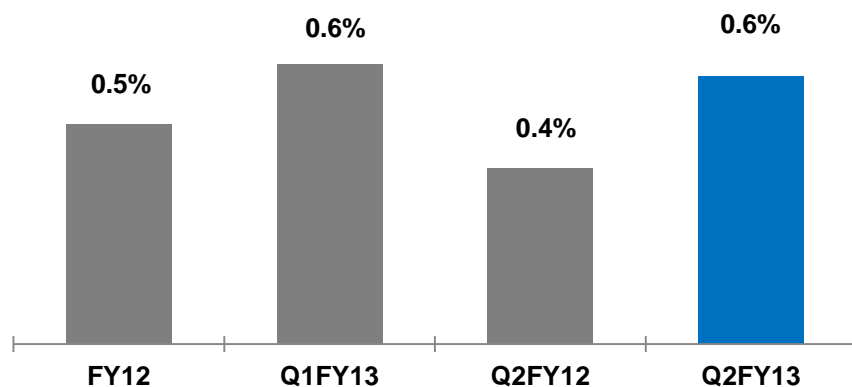
Advances (₹ cr)



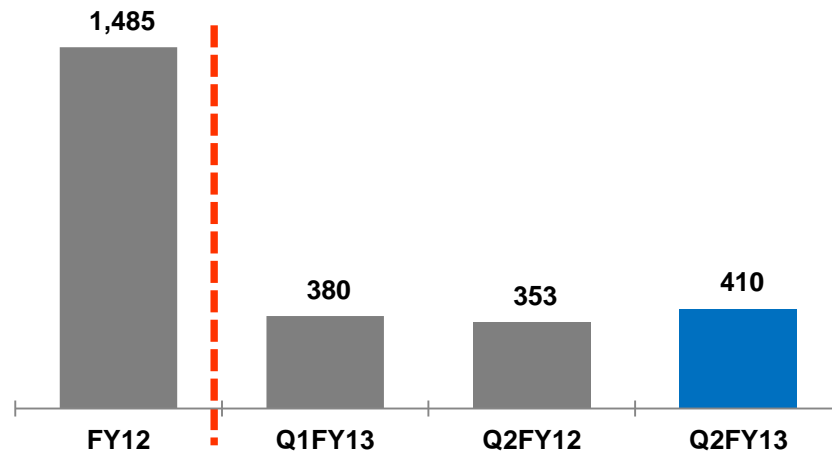
Net Interest Income (₹ cr)



Net NPA (%)*



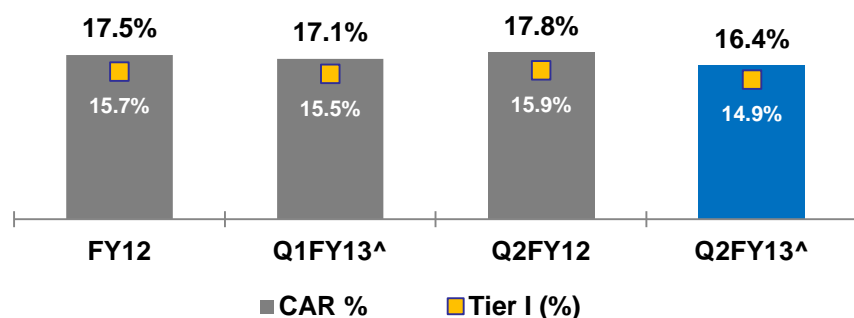
PAT (₹ cr)



Bank Key Ratios

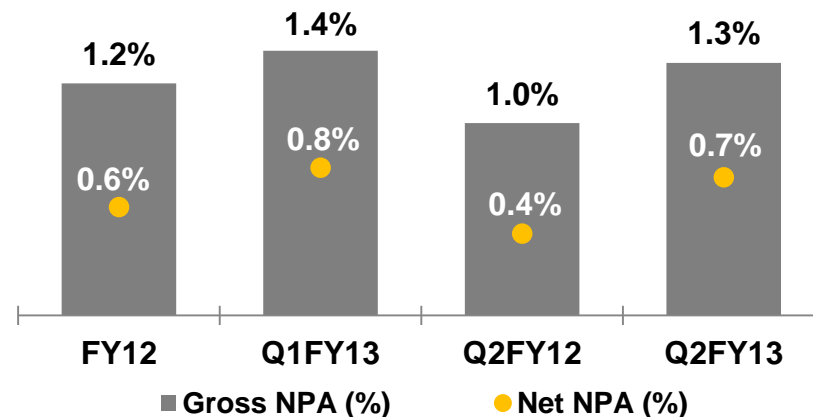
CAR & Tier I (%)

^ including unaudited profits

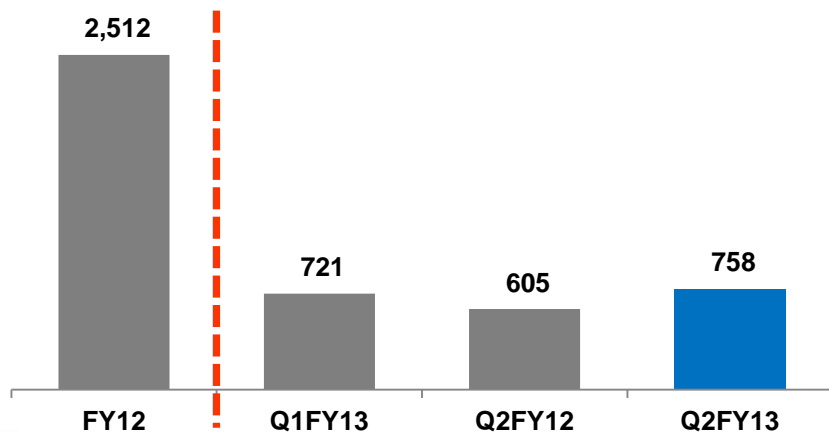


NPA * (%)

* Excluding acquired stressed assets portfolio



NII (₹ cr)



Asset Quality

- Restructured assets considered standard (as % of net advances)
 - ❖ Sep 30, 2012- ₹ 8 cr (0.02%)
 - ❖ Jun 30, 2012 - ₹ 12 cr (0.03%)
 - ❖ Sep 30, 2011- ₹ 31cr (0.08%)
- PCR (as per RBI circular) as on Sep 30, 2012 – 64.7%

Bank Profit and Loss

₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Net Interest Income	2,512	721	605	758
Other Income	978	241	213	251
Net Total Income	3,490	962	818	1,009
Employee Cost	872	257	215	243
Other Operating Expenses	963	257	223	284
Operating Expenditure	1,835	514	438	527
Operating Profit	1,655	448	380	482
Provision on advances & receivables *	73	52	16	78
Provision on investments	(18)	(18)	(18)	(7)
Provision & contingencies	55	34	(2)	71
PBT	1,600	414	382	411
Provision for Tax	515	132	122	131
PAT	1,085	282	260	280

NPA / Provisioning – Highlights

- During the quarter, Bank acquired a portfolio of NPAs of less than two years as NPA. Entire amount of such purchase (net of subsequent recovery) amounting to ₹ 42 cr is treated as NPA and fully provided for during the quarter

Other Key Highlights

- In respect of cheques deposited /on hand as at quarter end, any return thereof till 7th of subsequent month is considered for reckoning NPA and provisioning thereon
- In respect of NPAs with exposure less than ₹ 2 cr, accounts other than home loans get fully provided for once overdue for over 180 days and home loans get fully provided for once overdue for over one year
- In respect of NPA accounts with exposure more than ₹ 2 cr, provisioning is based on management estimates subject to minimum provision as required by RBI
- An existing NPA account is upgraded to standard category only on collection of **all** overdues
- An account where assets are repossessed continues as Gross NPA for the full amount without any reduction for value of security repossessed

Bank Segment performance

₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Corporate/Wholesale Banking	997	238	198	296
Retail Banking	566	133	165	121
Treasury & BMU*	35	42	19	(6)
Unallocated Income	2	1	-	-
Total	1,600	414	382	411

* Balance Sheet Management Unit

Bank Advances & Investments

₹ cr	Mar 31, 2012	Jun 30, 2012	Sep 30, 2011	Sep 30, 2012
Commercial Vehicles & Construction Equipment	7,798	8,015	7,351	8,183
Agriculture Finance	5,714	6,108	4,248	6,419
Mortgage Loans	8,333	8,757	7,528	9,286
Personal Loans	1,868	1,990	1,500	2,121
Business Banking	3,510	3,837	2,793	4,568
Corporate Banking	10,942	12,841	13,271	13,868
Others	914	770	658	998
Total Advances	39,079	42,318	37,349	45,443

Advances – as per segmental classification

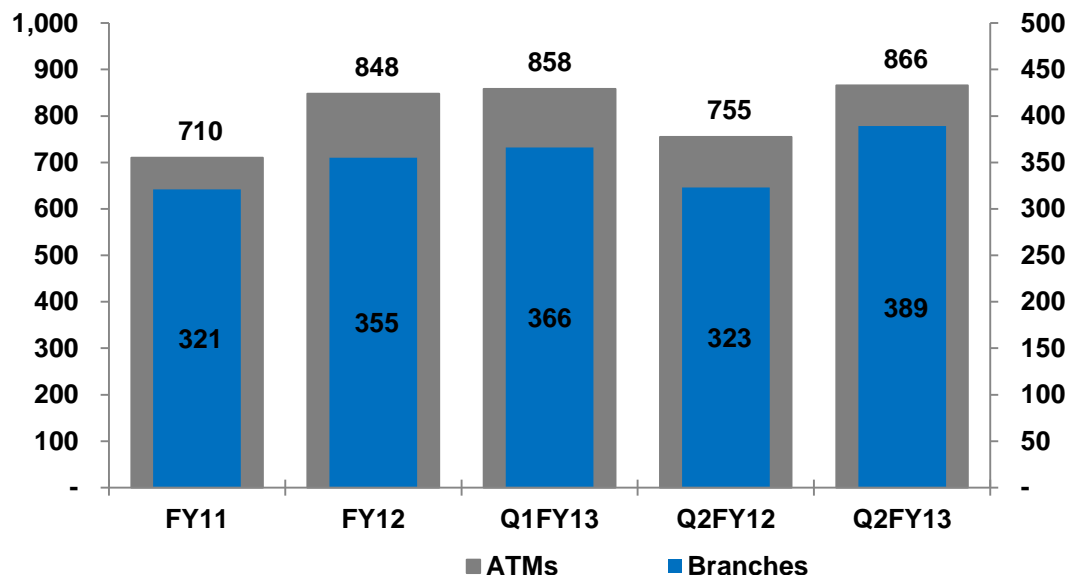
₹ cr	Mar 31, 2012	Jun 30, 2012	Sep 30, 2011	Sep 30, 2012
Retail	21,062	21,331	18,550	21,967
Corporate	18,017	20,987	18,799	23,476
Total Advances	39,079	42,318	37,349	45,443
Investment / Treasury Assets	21,567	21,184	16,944	22,173
Total Advances and Investments	60,646	63,502	54,293	67,616

Bank Balance Sheet

₹ cr	Mar 31, 2012	Jun 30, 2012	Sep 30, 2011	Sep 30, 2012
Net Worth	7,946	8,288	7,361	8,597
Deposits	38,537	41,632	36,390	45,463
CA	7,352	5,514	5,792	6,395
SA	5,050	5,540	3,564	5,926
TD Sweep	2,710	3,254	2,289	3,332
Certificate of Deposit	3,604	5,313	7,207	7,031
Term Deposit Others	19,821	22,011	17,538	22,780
Borrowings	16,595	16,181	12,772	15,991
Other Liabilities and Provisions	2,588	2,827	2,978	2,843
Total	65,666	68,928	59,501	72,894
₹ cr	Mar 31, 2012	Jun 30, 2012	Sep 30, 2011	Sep 30, 2012
Cash, Bank and Call	2,635	2,854	2,917	2,955
Investments	21,567	21,184	16,944	22,173
Government Securities	16,587	16,124	13,863	16,672
Other Securities	4,980	5,060	3,081	5,501
Advances	39,079	42,318	37,349	45,443
Fixed Assets & Other Assets	2,385	2,572	2,290	2,323
Total	65,666	68,928	59,501	72,894

Consumer Banking - Liabilities

No of Branches and ATMs



- 500 Branches in CY13
- Increased cross sell of asset products
- Positive impact of savings account interest deregulation
 - savings balances increased 66% yoy
- Added around 1.4 lac customer accounts for the quarter

- TD sweep to total deposit ratio at 7.3%

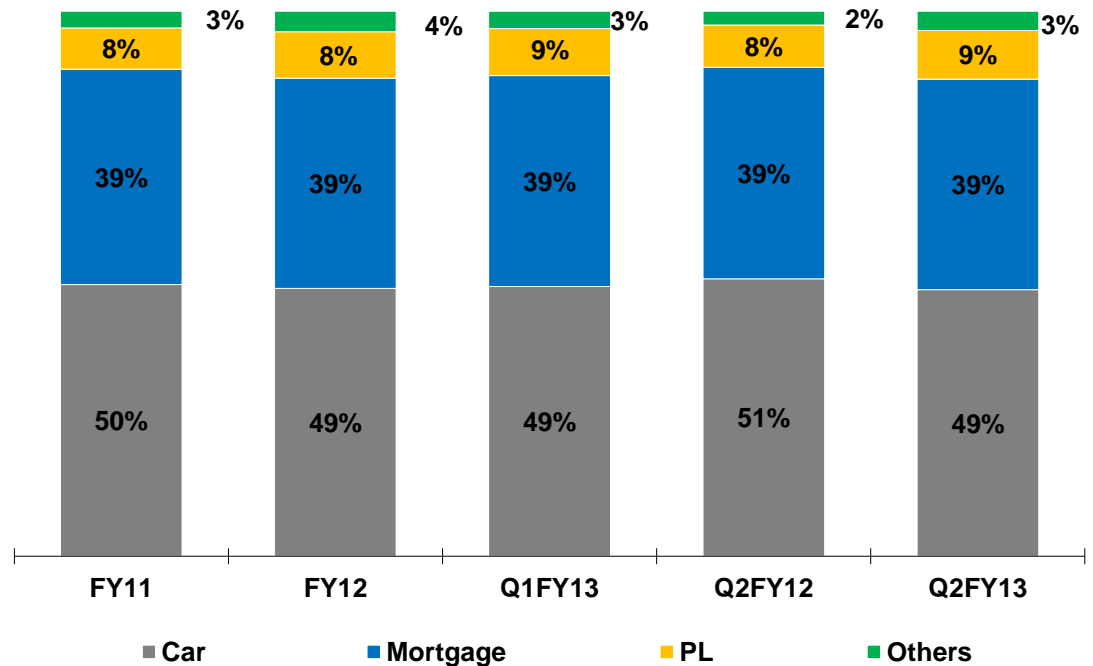
- Focus on affluent segment

CA deposit ₹ cr	5,460	7,352	5,514	5,792	6,395
SA deposit ₹ cr	3,331	5,050	5,540	3,564	5,926
CASA %	30	32	27	26	27
TD Sweep deposit ₹ cr	1,897	2,710	3,254	2,289	3,332

Consumer Banking - Assets

Advances break up

- Focus on SENP and cross sell to bank branch
- Continued focus on Auto Sector
- Mortgages growth in select territories
- Selective growth in personal loans
- Continued low delinquencies



₹ cr

17,170

21,608

22,590

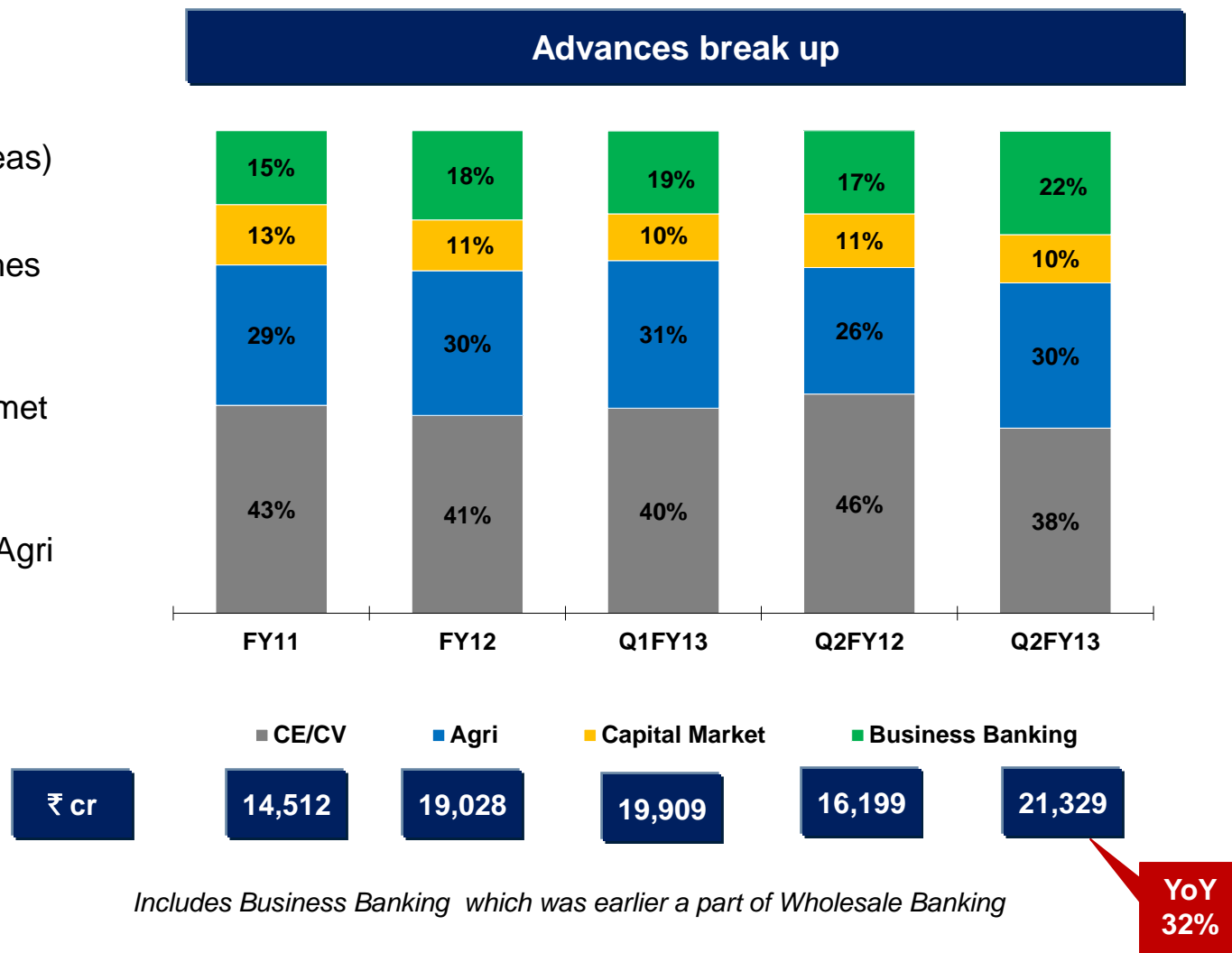
19,430

24,033

YoY
24%

Commercial Banking

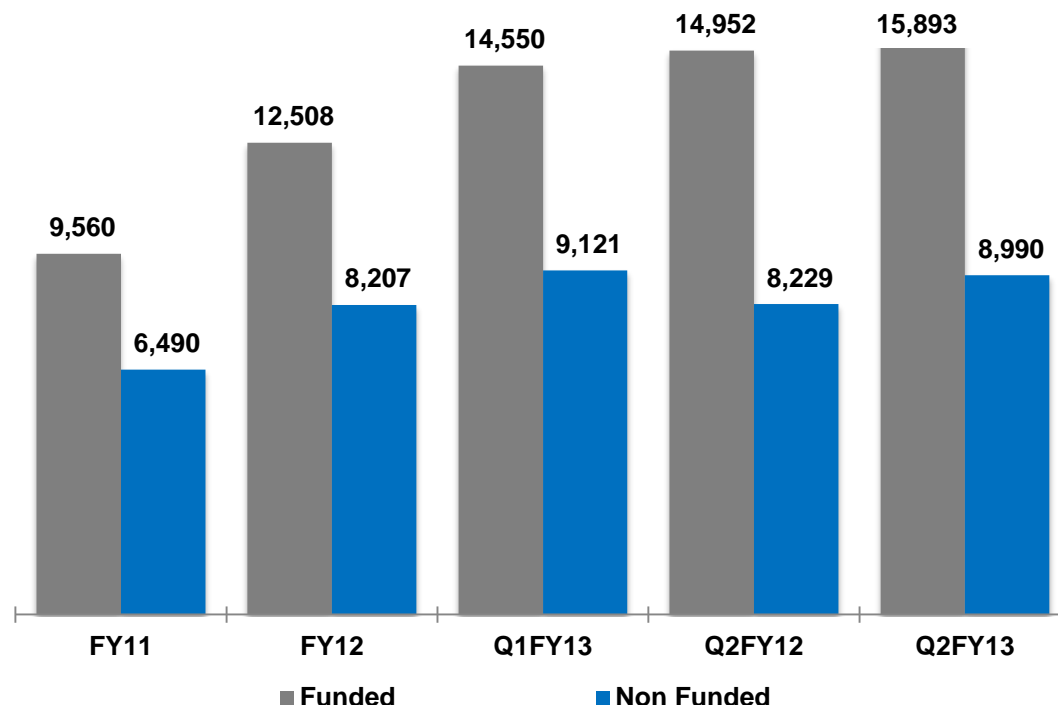
- Focus on Bharat
(semi urban / rural areas)
- Asset focused branches
in rural areas
- Priority sector target met
consistently
- Consistent growth in Agri



Wholesale Banking

Funded & Non funded (₹ cr)

- Largely Working Capital
- Continued focus on Transaction Banking
 - Vendor Financing, CMS and Operative Accounts
 - Focus on FX flows with increased treasury coverage
 - Custody & Transaction services
- Continued to deepen franchise across all customer segments
- Focus on Govt. business



Excludes Business Banking which is now part of Commercial Banking

Kotak Mahindra Prime

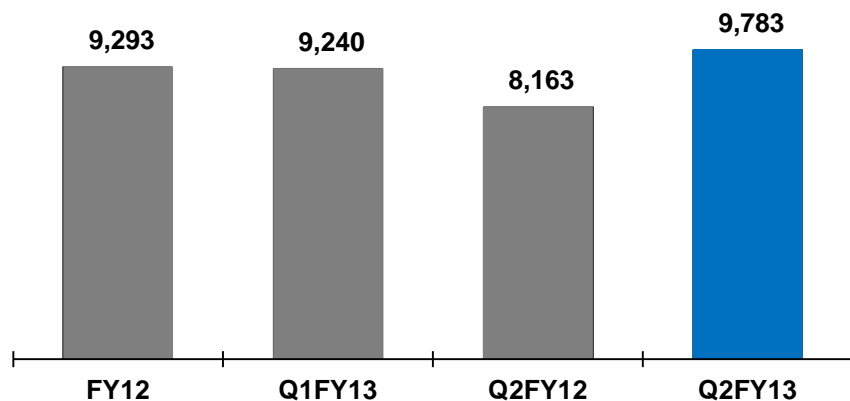
₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Total income	1,805	510	430	551
Profit before tax	570	139	134	170
Profit after tax	385	94	90	114

₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Total Advances	13,386	14,114	12,547	15,173
Car Advances	10,577	11,154	9,821	11,756
Net NPA*	22	21	22	30
Net NPA* (%)	0.2%	0.1%	0.2%	0.2%
CAR (%)	16.3%	15.9%	15.9%	15.8%
ROA (%) - annualised	2.9%	2.4%	2.8%	2.8%

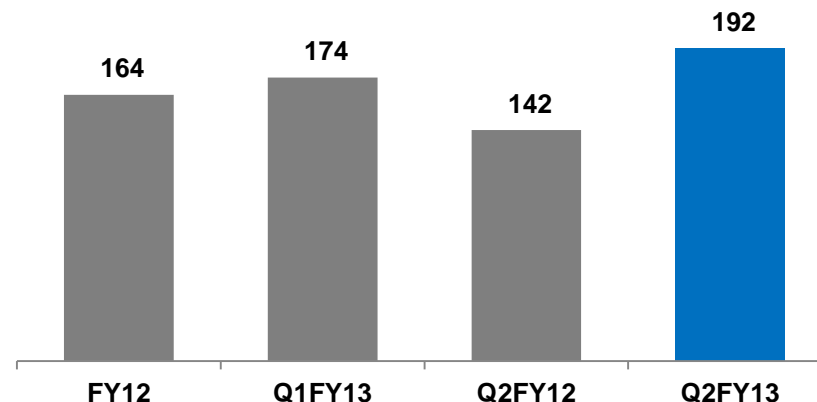
* Excluding acquired stressed assets portfolio

Kotak Mahindra Life Insurance

Policyholders' AUM (₹ cr)



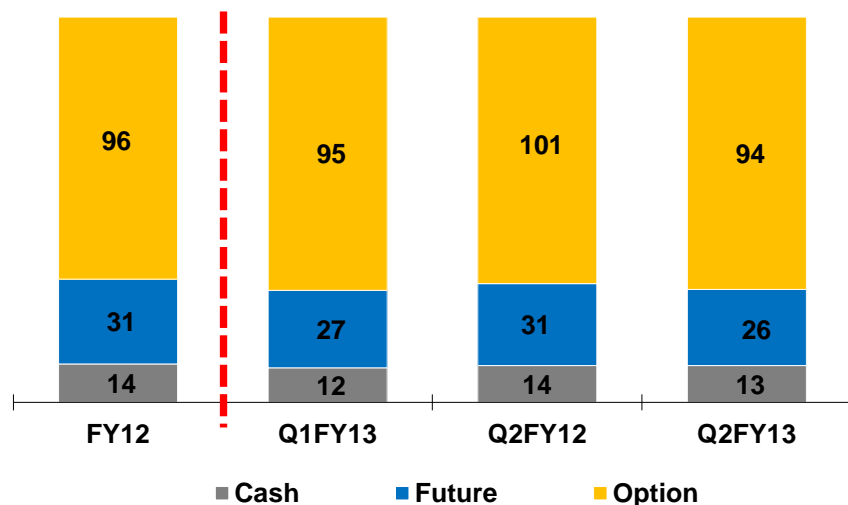
Sum Assured (₹ '000 cr)



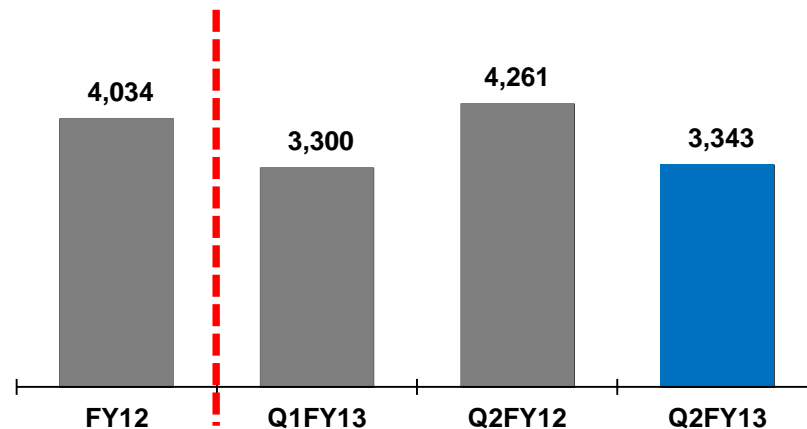
	FY12	Q1FY13	Q2FY12	Q2FY13
Capital (₹ cr)	562	562	562	562
Solvency ratio (%)	3.06	2.97	3.04	2.90
PAT	203	32	53	47
<i>Individual Regular</i>	436	58	90	96
<i>Single</i>	374	17	78	21
<i>Group</i>	354	63	82	107
<i>Renewal</i>	1,773	319	426	396
Total	2,937	457	676	620

Kotak Securities

Market ADV (₹ '000 cr)



ADV (₹ cr) - KS



₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Total income	610	132	152	155
Profit before tax	191	35	44	59
Profit after tax	126	23	29	40
Market Share (%)	2.9	2.5	2.9	2.5

Kotak Securities services around 7.9 lac secondary market customers through 1,346 branches and franchises

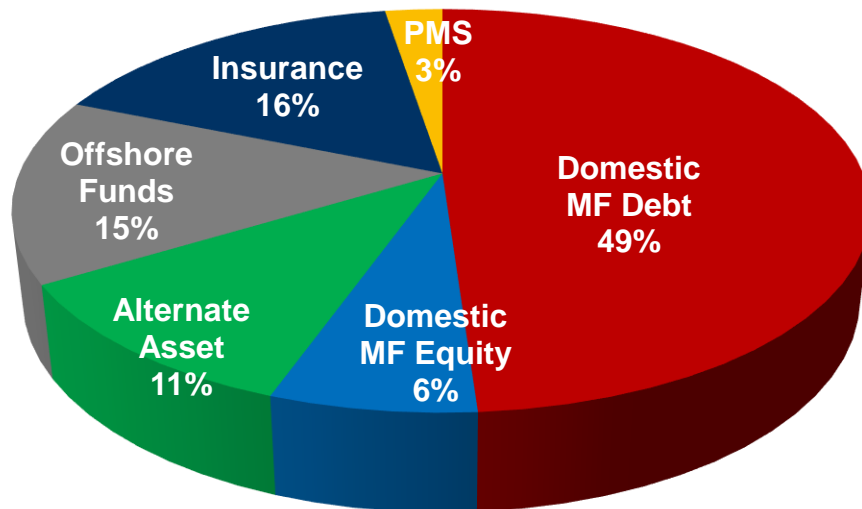
Kotak Mahindra Capital Co.

Client	Deals - Q2FY13	Size (₹ cr)
 APM TERMINALS <small>Lifting Global Trade.</small> Gujarat Pipavav Port Limited	Qualified Institutional Placement (QIP) + Preferential Allotment	350
 GODREJ INDUSTRIES	Institutional Placement Programme (IPP)	371
 Tech Mahindra	Acquisition of Hutchison Global Services by Tech Mahindra	~487
 SOLVAY	Open Offer for Sunshield Chemicals Ltd by Rhodia Amines Chemicals Pte. Ltd and Solvay S. A.	10
 SHRIRAM Commercial Vehicle Finance GETS YOU GOING	Public Issue of Secured Non Convertible Debentures	600

₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Total income	79	23	13	20
Profit before tax	9	8	(5)	6
Profit after tax	6	6	(4)	4

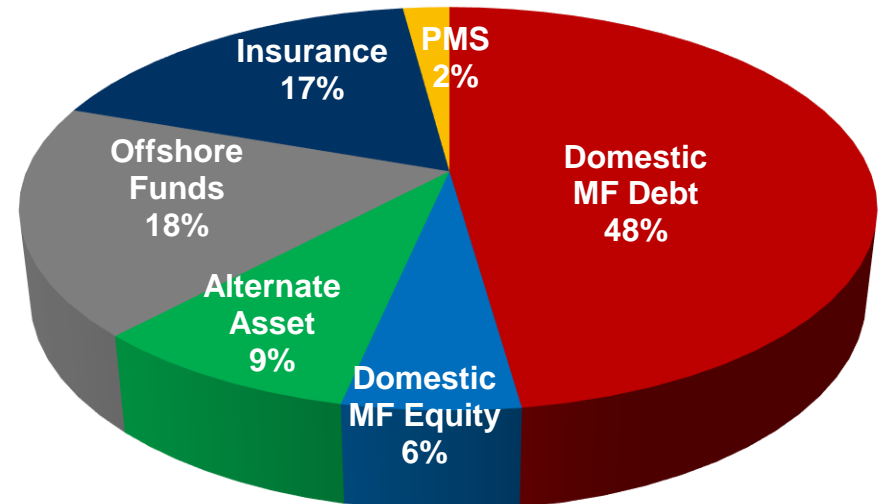
Asset Under Management

AUM ₹ 50,467 cr



Sep 30, 2011

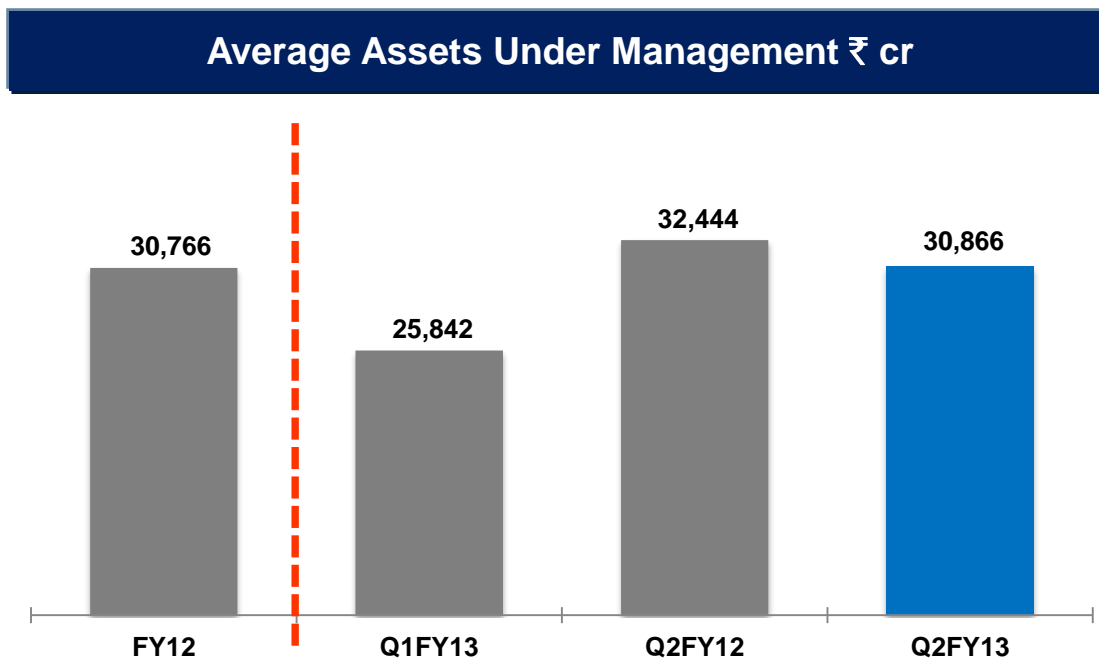
AUM ₹ 55,850 cr



Sep 30, 2012

Kotak Mahindra AMC and Trustee Co.

- Over 9 lac folios
- 79 Branches
- 4 Kotak Equity Funds in quartile 1 of top performing equity funds



₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Total income	125	28	33	23
Profit before tax	31	4	10	(5)
Profit after tax	22	4	7	(5)

Numbers in table are for KMAMC & KMTC combined

Kotak Investment Advisors

Realty Fund

- Corpus advised / managed – ₹ 2,772 cr
- 49 Investments

Private Equity Fund

- Corpus advised / managed – ₹ 2,025 cr
- 35 Investments

Propose to launch Infrastructure fund with SMBC and Brookfield

₹ cr	FY12	Q1FY13	Q2FY12	Q2FY13
Total income	97	22	24	22
Profit before tax	52	11	13	12
Profit after tax	36	8	8	9

Bank Awards & Recognition



Best Private Bank by Finance Asia Country Awards 2012



Best Local Cash Management Bank In India, as voted by corporates for Small companies (turnover < US\$ 100 Mn) by Asiamoney in 2012

Kotak Mahindra Bank has made it once again in the list of the prestigious Forbes Asia's Fab 50 Companies in 2012



Ranked # 1 in 7 categories including range of investment products / advisory services by Euromoney



Ranked #2 in India for companies with "Best Corporate Governance Practices" – IR Global Rankings 2010 & 2011.

Ranked among Top 5 in India by IR Global as " Best Ranked IR website in India"



Kotak Mahindra Bank has been rated amongst the Top 25 Best Employers in India for 3 consecutive studies conducted since 2007 by Aon Hewitt



Awarded Gold in the "Best Local Trade Bank in India" category of Trade and Forfaiting Review Awards 2012



Kotak Mahindra Bank has been rated amongst the Top 10 in Top Companies for Leaders to work, in Asia Pacific in a Study conducted by RBL Group, Aon Hewitt and Fortune in 2011



The New Indian Express Group conferred Mr. Uday Kotak with the Runner-Up award for 'Best Banker – Growth and Expansion' at The Sunday Standard FINWIZ 2012 Best Bankers' Awards 2012

Awards & Recognition



**Best Investment Manager
in India**

 **kotak**® Investment Banking



2012: Best Investment Bank in India
(Seventh year in a row)

2012: Best Equity House
(Third year in a row)

 **kotak**® Investment Banking

ASIAMONEY

2011: Best Domestic Equity House
(Fourth year in a row)



Best Broker in India 2012

 **kotak**® Investment Banking



**Securities Advisory
Firm
of the Year in India**

 **kotak**® Investment Banking

**ACQ Global
Awards 2012**

**Investment Bank of
the Year in India**

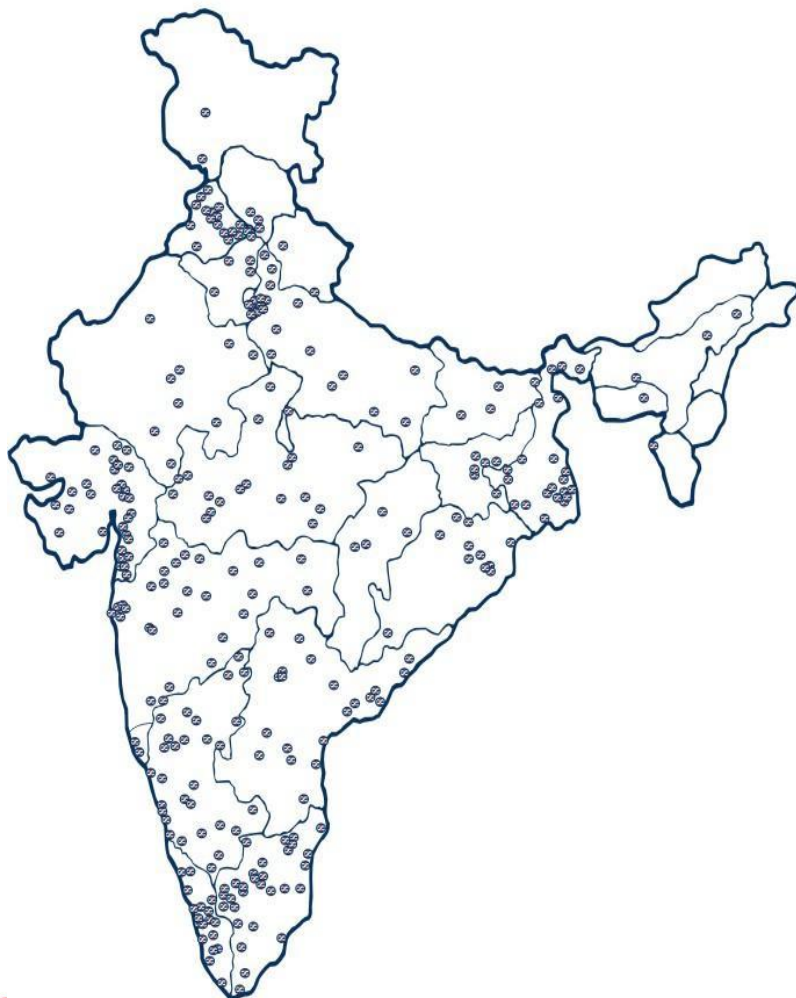
 **kotak**® Investment Banking



2011: Best Domestic Investment Bank
(Fifth year in a row)

Geographical Presence

Wide National Footprint



..... With Multiple Points of Presence

Business	Sep 30, 2012
Banking	389
Car Finance	68
Life Insurance	199
Securities	1,346
Mutual Fund	79
Total	2,081

International offices situated in London, New York, California, Dubai, Abu Dhabi, Bahrain, Mauritius & Singapore

Disclaimer

This presentation is for information purposes only and does not constitute an offer, solicitation or advertisement with respect to the purchase or sale of any security of Kotak Mahindra Bank Limited (the “Bank”) and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. No offering of securities of the Bank will be made except by means of a statutory offering document containing detailed information about the Bank.

This presentation is not a complete description of the Bank. Certain statements in the presentation contain words or phrases that are forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Any opinion, estimate or projection herein constitutes a judgment as of the date of this presentation, and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. The information in this presentation is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the Bank. We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date of this presentation or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

All information contained in this presentation has been prepared solely by the Bank. No information contained herein has been independently verified by anyone else. No representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted with respect to the truthfulness, completeness or accuracy of any information, projection, representation or warranty (expressed or implied) or omissions in this presentation. Neither the Bank nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this presentation or its contents or otherwise arising in connection therewith. This presentation may not be used, reproduced, copied, distributed, shared, or disseminated in any other manner.

The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions.

Figures for the previous period/ year have been regrouped wherever necessary to conform to current period's / year's presentation. Totals in some columns/ rows may not agree due to rounding off.

Contact

Jaimin Bhatt / R Sundarraman

Kotak Mahindra Bank Limited

Tel: +91 22 6672 6000, Fax: +91 22 6672 6430

E-mail: investor.relations@kotak.com