**KOTAK MAHINDRA BANK LIMITED (CONSOLIDATED)**
**Registered Office: 36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021**

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2012**

**₹ in lakhs**

| Sr No | Particulars | Quarter Ended | | | Year Ended |
|---|---|---|---|---|---|
| | | June-12 (Unaudited) | March-12 (Unaudited) | June-11 (Unaudited) | March-12 (Audited) |
| 1 | **Interest earned (a+b+c+d)** | **246,982.41** | **234,866.39** | **186,960.88** | **847,041.98** |
| | (a) Interest/discount on advances/bills | 186,414.69 | 180,803.22 | 143,191.55 | 655,192.92 |
| | (b) Income on investments | 57,567.72 | 51,706.88 | 41,957.91 | 184,053.97 |
| | (c) Interest on balances with RBI & other banks | 2,036.83 | 1,323.47 | 780.68 | 4,110.50 |
| | (d) Others | 963.17 | 1,032.82 | 1,030.74 | 3,684.59 |
| 2 | **Other income (a+b+ c)** | **86,181.36** | **201,493.39** | **84,003.82** | **446,696.94** |
| | (a) Profit/(Loss) on sale of investments including revaluation (insurance business) | 2,227.61 | 45,029.14 | (7,058.80) | (21,269.14) |
| | (b) Premium on Insurance Business | 44,486.47 | 109,695.07 | 50,027.53 | 289,153.64 |
| | (c) Other income (see Notes 1,5 and 6) | 39,467.28 | 46,769.18 | 41,035.09 | 178,812.44 |
| 3 | **Total income (1+2)** | **333,163.77** | **436,359.78** | **270,964.70** | **1,293,738.92** |
| 4 | Interest expended | 136,921.22 | 129,934.88 | 94,923.60 | 454,195.68 |
| 5 | **Operating expenses (a+b+c)** | **130,436.69** | **231,077.48** | **113,375.61** | **564,019.64** |
| | (a) Payments to and provisions for employees | 43,332.45 | 41,004.77 | 38,481.48 | 160,154.16 |
| | (b) Policy holders' reserves, surrender expense and claims | 43,658.10 | 141,572.04 | 37,253.95 | 231,306.62 |
| | (c) Other operating expenses (see Note 2 and 5) | 43,446.14 | 48,500.67 | 37,640.18 | 172,558.86 |
| 6 | **Total expenditure (4+5) (excluding provisions and contingencies)** | **267,357.91** | **361,012.36** | **208,299.21** | **1,018,215.32** |
| 7 | **Operating Profit before provisions and contingencies (3-6)** | **65,805.86** | **75,347.42** | **62,665.49** | **275,523.60** |
| 8 | **Provisions (other than tax) and contingencies (see Note 3)** | **1,929.85** | **225.54** | **2,416.20** | **9,869.80** |
| 9 | Exceptional items | - | - | - | - |
| 10 | **Profit from ordinary activities before tax (7-8-9)** | **63,876.01** | **75,121.88** | **60,249.29** | **265,653.80** |
| 11 | Tax expense | 20,047.00 | 22,245.07 | 18,312.66 | 80,600.91 |
| 12 | **Profit from Ordinary activities after tax before Minority Interest (10 – 11)** | **43,829.01** | **52,876.81** | **41,936.63** | **185,052.89** |
| 13 | Extraordinary items (net of tax expense) | - | - | - | - |
| 14 | **Profit from ordinary activities after tax before Minority Interest (12 – 13)** | **43,829.01** | **52,876.81** | **41,936.63** | **185,052.89** |
| 15 | Less: Share of Minority Interest | 837.14 | 1,488.62 | 1,203.44 | 5,284.45 |
| 16 | Add: Share in Profit of associates | 1,355.81 | 704.35 | 876.91 | 3,455.09 |
| 17 | Profit after tax (14-15+16) | **44,347.68** | **52,092.54** | **41,610.10** | **183,223.53** |
| 18 | Paid Up Equity Capital - (Face Value of ₹ 5 per share) | 37,123.79 | 37,034.48 | 36,890.52 | 37,034.48 |
| 19 | Group Reserves (excluding Minority Interest) | | | | 1,253,070.15 |
| 20 | Minority Interest | | | | 16,005.57 |
| 21 | **Analytical Ratios** | | | | |
| | **(i) Earnings per Share (before and after extraordinary items)** | | | | |
| | (a) Basic (not annualized) ₹ | 5.98 | 7.04 | 5.64 | 24.81 |
| | (b) Diluted (not annualized) ₹ | 5.95 | 7.00 | 5.61 | 24.67 |
| | **(ii) NPA Ratios** | | | | |
| | (a) Gross NPA | 77,038.19 | 69,973.55 | 71,738.61 | 69,973.55 |
| | (b) Net NPA | 37,509.12 | 27,342.90 | 24,066.96 | 27,342.90 |
| | (c) % of Gross NPA/ Gross Advances | 1.34 | 1.31 | 1.59 | 1.31 |
| | (d) % of Net NPA/ Net Advances | 0.66 | 0.51 | 0.54 | 0.51 |
| | (e) % of Gross NPA/ Gross Advances (excluding NPAs acquired from other banks/ NBFCs) | 1.18 | 1.05 | 1.07 | 1.05 |
| | (f) % of Net NPA/ Net Advances (excluding NPAs acquired from other banks/ NBFCs) | 0.64 | 0.49 | 0.41 | 0.49 |
| | (iii) Return on Assets (average) (not annualised) | 0.47 | 0.58 | 0.55 | 2.20 |

**NOTES**:

1. Details of other income forming part of the Consolidated results are as follows:

**₹ in lakhs**

| Particulars | Quarter Ended | | | Year Ended |
|---|---|---|---|---|
| | June-12 (Unaudited) | March-12 (Unaudited) | June-11 (Unaudited) | March-12 (Audited) |
| Commission, fees, exchange, brokerage and others | 37,053.78 | 40,855.55 | 38,559.52 | 166,435.19 |
| Profit on sale of investments (other than insurance business) | 2,413.50 | 5,913.63 | 2,475.57 | 12,377.25 |
| **Total – Other income** | **39,467.28** | **46,769.18** | **41,035.09** | **178,812.44** |

2. Details of other expenditure forming part of Consolidated results are as follows:

**₹ in lakhs**

| Particulars | Quarter Ended | | | Year Ended |
|---|---|---|---|---|
| | June-12 (Unaudited) | March-12 (Unaudited) | June-11 (Unaudited) | March-12 (Audited) |
| Brokerage | 5,247.40 | 6,925.70 | 4,733.78 | 23,097.24 |
| Depreciation | 4,403.76 | 4,454.29 | 3,778.44 | 16,433.11 |
| Rent, taxes and lighting | 6,156.89 | 5,545.95 | 5,735.33 | 23,272.97 |
| Others | 27,638.09 | 31,574.73 | 23,392.63 | 109,755.54 |
| **Total – Other operating expenses** | **43,446.14** | **48,500.67** | **37,640.18** | **172,558.86** |

3. Details of Provisions (other than tax) and contingencies forming part of Consolidated results are as follows:

**₹ in lakhs**

| Particulars | Quarter Ended | | | Year Ended |
|---|---|---|---|---|
| | June-12 (Unaudited) | March-12 (Unaudited) | June-11 (Unaudited) | March-12 (Audited) |
| Provision towards Advances and Receivables | 5,687.90 | 2,094.97 | 699.38 | 8,554.76 |
| Provision /(Write Back of provisions) towards Investments | (3,758.05) | (1,869.43) | 1,716.82 | 1,315.04 |
| **Total – Provisions (other than tax) and contingencies** | **1,929.85** | **225.54** | **2,416.20** | **9,869.80** |

Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous periods/ year.

4 The consolidated financial results are prepared in accordance with Accounting Standard – 21 (AS-21), "Consolidated Financial Statements" and Accounting Standard – 23 (AS–23) "Accounting for investment in associates in consolidated financial statement" notified under the Companies (Accounting Standard) Rules, 2006 "as amended".

5 Other income in the consolidated results for the reporting periods is net of sub-brokerage paid in the broking subsidiary amounting to ₹ 1,238.84 lakhs for the quarter ended 30th June, 2012 (₹ 3,521.11 lakhs for the quarter ended 31st March, 2012, ₹ 2,099.36 lakhs for the quarter ended 30th June, 2011), for year ended 31st March, 2012 ₹ 7,642.81 lakhs.

6 Other Income includes non fund based income such as commission earned from guarantees/letters of credit, financial advisory fees, selling of third party products, earnings from exchange transactions and profit/loss from the sale of securities.

7 There has been no change in significant accounting policies during the quarter.

8 Figures for the previous periods/ year have been regrouped wherever necessary to conform to current period's presentation.

**KOTAK MAHINDRA BANK LIMITED (STANDALONE)**
**Registered Office: 36-38A, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021**

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2012**

**₹ in lakhs**

| Sr No | Particulars | Quarter Ended | | | Year Ended |
|---|---|---|---|---|---|
| | | June-12 (Unaudited) | March-12 (Unaudited) | June-11 (Unaudited) | March-12 (Audited) |
| 1 | **Interest earned (a+b+c+d)** | **181,583.30** | **174,482.65** | **132,978.22** | **618,023.62** |
| | (a) Interest/ discount on advances/ bills | 139,385.36 | 135,970.85 | 104,217.48 | 486,744.31 |
| | (b) Income on investments | 41,883.09 | 38,127.55 | 28,635.93 | 130,635.14 |
| | (c) Interest on balances with RBI & other banks | 220.31 | 203.76 | 88.24 | 406.72 |
| | (d) Others | 94.54 | 180.49 | 36.57 | 237.45 |
| 2 | **Other Income** (Refer Note 1) | **24,114.96** | **25,423.16** | **22,866.21** | **97,734.58** |
| 3 | **Total income (1+2)** | **205,698.26** | **199,905.81** | **155,844.43** | **715,758.20** |
| 4 | Interest expended | 109,452.75 | 105,709.64 | 76,193.23 | 366,774.60 |
| 5 | **Operating expenses (a+b)** | **51,407.89** | **49,663.93** | **41,045.62** | **183,482.99** |
| | (a) Payments to and Provisions for employees | 25,655.13 | 22,482.46 | 20,619.05 | 87,218.68 |
| | (b) Other Operating expenses | 25,752.76 | 27,181.47 | 20,426.57 | 96,264.31 |
| 6 | **Total expenditure (4+5)** (Excluding provisions & contingencies ) | **160,860.64** | **155,373.57** | **117,238.85** | **550,257.59** |
| 7 | **Operating Profit (3-6)** (Profit before provisions and contingencies ) | **44,837.62** | **44,532.24** | **38,605.58** | **165,500.61** |
| 8 | Provisions & contingencies (Other than tax ) (Refer Note 2) | 3,413.81 | 463.12 | 2,208.49 | 5,507.96 |
| 9 | Exceptional items | - | - | - | - |
| 10 | **Profit from Ordinary Activities before tax (7-8-9)** | **41,423.81** | **44,069.12** | **36,397.09** | **159,992.65** |
| 11 | Provision for taxes | 13,179.00 | 14,376.53 | 11,193.60 | 51,487.35 |
| 12 | **Net Profit from Ordinary Activities after tax (10-11)** | **28,244.81** | **29,692.59** | **25,203.49** | **108,505.30** |
| 13 | Extraordinary items (Net of tax expense) | - | - | - | - |
| 14 | **Net Profit for the Period (12-13)** | **28,244.81** | **29,692.59** | **25,203.49** | **108,505.30** |
| 15 | **Paid Up Equity Capital - (Face Value ₹ 5 per share)** | **37,123.79** | **37,034.48** | **36,890.52** | **37,034.48** |
| 16 | **Reserves excluding revaluation reserves** | | | | 757,559.42 |
| 17 | **Analytical Ratios** | | | | |
| | (i) % of shares held by Govt. of India | - | - | - | - |
| | (ii) % Capital adequacy ratio ( Basel II ) | 16.57 | 17.52 | 18.15 | 17.52 |
| | (iii) Earnings Per Share (EPS) for the period -Not Annualized | | | | |
| | - Basic ₹ | 3.81 | 4.01 | 3.42 | 14.69 |
| | - Diluted ₹ | 3.79 | 3.99 | 3.40 | 14.61 |
| | (iv) NPA Ratios | | | | |
| | a) Gross Non-performing assets | 68,468.15 | 61,418.96 | 61,570.81 | 61,418.96 |
| | b) Net Non-performing assets | 34,024.95 | 23,738.44 | 21,352.49 | 23,738.44 |
| | c) % of Gross NPA to Gross Advances | 1.60 | 1.56 | 1.88 | 1.56 |
| | d) % of Net NPA to net Advances | 0.80 | 0.61 | 0.66 | 0.61 |
| | e) % of Gross NPA to Gross Advances (excluding NPAs acquired from other banks and NBFCs) | 1.39 | 1.22 | 1.16 | 1.22 |
| | f) % of Net NPA to net Advances (excluding NPAs acquired from other banks and NBFCs) | 0.78 | 0.57 | 0.49 | 0.57 |
| | g) Return on Assets %(Average) – Not Annualized | 0.42 | 0.46 | 0.47 | 1.83 |
| 18 | **Public Shareholding** | | | | |
| | (i) No. of shares | 406,793,158 | 405,006,286 | 402,020,101 | 405,006,286 |
| | (ii) % of shareholding | 54.79 | 54.68 | 54.49 | 54.68 |
| 19 | Promoters and promoter group Shareholding | | | | |
| | a) Pledged/Encumbered | | | | |
| | - Number of shares | - | - | - | - |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | - | - | - | - |
| | - Percentage of shares (as a % of the total share capital of the company) | - | - | - | - |
| | b) Non-encumbered | | | | |
| | - Number of Shares | 335,682,724 | 335,683,224 | 335,790,268 | 335,683,224 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100 | 100 | 100 | 100 |
| | - Percentage of shares (as a % of the total share capital of the company) | 45.21 | 45.32 | 45.51 | 45.32 |

**Segment Results**

The reportable segments of the bank are as under:

| Segment | Principal activity |
|---|---|
| Treasury and BMU | Money market, forex market, derivatives, investments and primary dealership of government securities and Balance Sheet Management Unit (BMU) responsible for Asset Liability Management. |
| Retail Banking | Includes lending, deposit taking and other services/ products including credit cards. |
| Corporate/Wholesale Banking | Wholesale borrowings and lendings and other related services to the corporate sector which are not included under retail banking |

**₹ in lakhs**

| | | Quarter Ended | | | Year ended |
|---|---|---|---|---|---|
| | | **June-12 (Unaudited)** | **March-12 (Unaudited)** | **June-11 (Unaudited)** | **March-12 (Audited)** |
| 1 | **Segment Revenue** | | | | |
| | a. Treasury and BMU | 57,637.59 | 53,357.80 | 44,088.36 | 198,099.97 |
| | b. Corporate/ Wholesale Banking | 73,148.62 | 78,880.85 | 55,235.52 | 269,684.92 |
| | c. Retail Banking | 135,731.00 | 124,087.69 | 99,990.16 | 452,360.61 |
| | Sub-total | **266,517.21** | **256,326.34** | **199,314.04** | **920,145.50** |
| | Less : Inter-segmental revenue | 60,888.58 | 56,579.33 | 43,491.14 | 204,567.63 |
| | Add : Unallocated Income | 69.63 | 158.80 | 21.53 | 180.33 |
| | **Total** | **205,698.26** | **199,905.81** | **155,844.43** | **715,758.20** |
| 2 | **Segment Results** | | | | |
| | a. Treasury and BMU | 4,243.56 | 2,208.67 | (894.02) | 3,514.97 |
| | b. Corporate/ Wholesale Banking | 23,796.09 | 29,619.30 | 23,756.62 | 99,713.73 |
| | c. Retail Banking | 13,314.53 | 12,082.35 | 13,513.02 | 56,583.86 |
| | Sub-total | **41,354.18** | **43,910.32** | **36,375.62** | **159,812.56** |
| | Add : Unallocated Income /(expense) | 69.63 | 158.80 | 21.47 | 180.09 |
| | **Total Profit Before Tax** | **41,423.81** | **44,069.12** | **36,397.09** | **159,992.65** |
| 3 | **Capital employed (Segmental Assets less Segmental Liabilities)** | | | | |
| | a. Treasury and BMU | 111,953.39 | 100,180.71 | 129,647.44 | 100,180.71 |
| | b. Corporate/ Wholesale Banking | 301,269.38 | 297,213.90 | 241,586.87 | 297,213.90 |
| | c. Retail Banking | 413,404.25 | 388,084.47 | 329,083.57 | 388,084.47 |
| | Sub-total | **826,627.02** | **785,479.08** | **700,317.88** | **785,479.08** |
| | Add: Unallocated | 2,193.67 | 9,114.82 | 7,335.09 | 9,114.82 |
| | **Total Capital Employed** | **828,820.69** | **794,593.90** | **707,652.97** | **794,593.90** |

**NOTES**:

1. Other Income includes non fund based income such as commission earned from guarantees/Letters of credit, financial advisory fees, selling of third party products, earnings from foreign exchange transactions and profit/loss from the sale of Securities.

2. Provisions and contingencies are net of recoveries made against accounts which have been written off as bad in the previous period/ year.

   Break up of provisions and contingencies (Other than tax):

**₹ in lakhs**

| **Particulars** | Quarter Ended | | | Year Ended |
|---|---|---|---|---|
| | **June-12 (Unaudited)** | **March-12 (Unaudited)** | **June-11 (Unaudited)** | **March-12 (Audited)** |
| Provision towards Advances and Receivables | 5,240.74 | 1,258.89 | 1,307.14 | 7,313.00 |
| Provision /(Write Back of provisions) towards Investments | (1,826.93) | (795.77) | 901.35 | (1,805.04) |
| Total Provisions and Contingencies (other than Tax) | **3,413.81** | **463.12** | **2,208.49** | **5,507.96** |

3. During the quarter, the Bank has granted 1,401,550 options under employee stock option scheme. Stock options aggregating to 1,786,372 were exercised during the quarter and 11,319,076 stock options were outstanding with employees of the Bank and its subsidiaries as at 30th June, 2012.

4. The Bank had no outstanding shareholder complaints as at 31st March, 2012. During the quarter the Bank received seven complaints from shareholders. All shareholder complaints have been resolved and there are no pending complaints as on 30th June, 2012.

5. Figures for the previous period have been regrouped wherever necessary to conform to current period's presentation.

6. There has been no change in significant accounting policies during the quarter.

7. The above results have been approved by the Board of Directors of the Bank at its meeting held today.

8. The results for the period ended 30th June, 2012 have been subject to limited review by the statutory auditors of the Bank.

By order of the Board of Directors
**For Kotak Mahindra Bank Limited**

**Dipak Gupta**
**Joint Managing Director**

**Mumbai, 19th July, 2012**