Earnings Update

May 5, 2015

Kotak Bank - Standalone Highlights – FY15

PAT
₹ 1,866 cr
(₹ 1,503 cr)
Up 24%

RoA
2.0% (1.8%)

Loans
₹ 66,161 cr
(₹ 53,028 cr)
Up 25%

Branches
684
(605)

NIM
4.87%
(4.90%)

CAR
17.2% (18.8%)
Tier 1
16.2% (17.8%)

Net NPA
0.92% (1.08%)

CASA
₹ 27,217 cr
(₹ 18,828 cr)
Up 45%

Merger with ING Vysya Bank effective from April 1, 2015

Board approves 1:1 Bonus and a dividend of ₹0.90 per equity share

Figures in brackets are FY14 numbers

Bank Profit & Loss

₹ cr	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
Net Interest Income	1,060	967	1,123	3,720	4,224
Other Income	494	340	668	1,400	2,028
Net Total Income	**1,554**	**1,307**	**1,791**	**5,120**	**6,252**
Employee Cost	368	316	379	1,159	1,450
Other Operating Expenses*	448	384	552	1,384	1,805
Operating Expenditure	**816**	**700**	**931**	**2,543**	**3,255**
Operating Profit	**738**	**607**	**860**	**2,577**	**2,997**
Provision on advances (net)	84	(35)	61	147	275
Provision on other receivables	2	1	-	(19)	-
Provision on investments	(56)	28	5	176	(111)
Provision & contingencies	**30**	**(6)**	**66**	**304**	**164**
PBT	**708**	**613**	**794**	**2,273**	**2,833**
Provision for Tax	243	206	267	770	967
PAT	**465**	**407**	**527**	**1,503**	**1,866**

** Includes merger related expenses of ₹54 cr for Q4FY15 and FY15*

Bank Performance

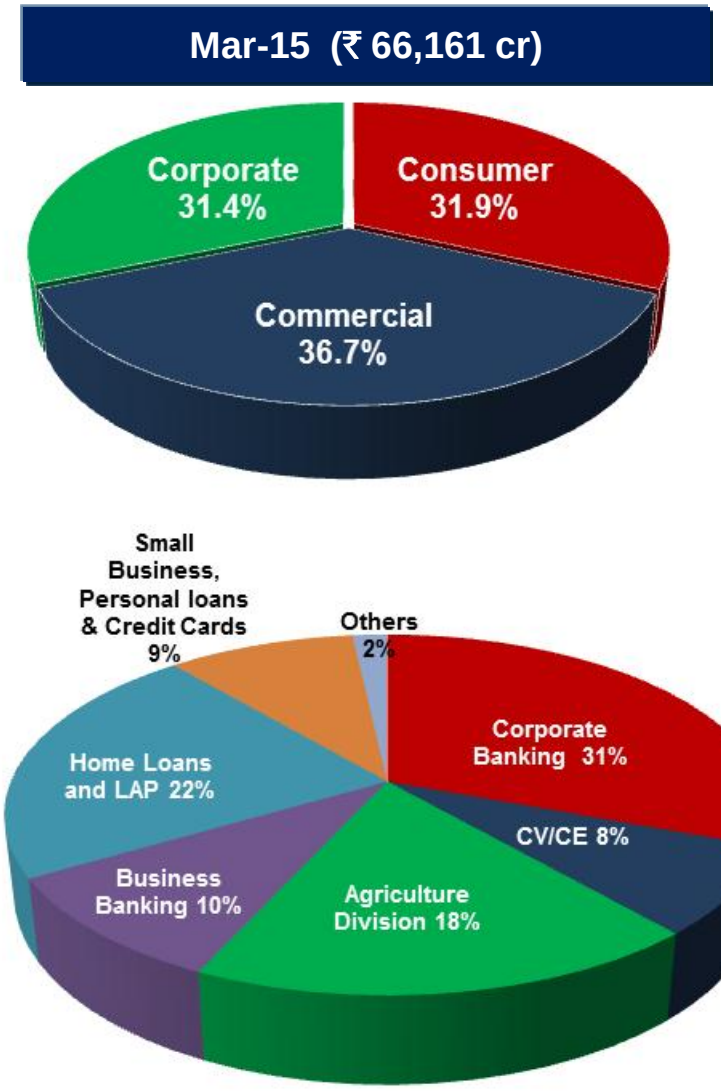
Other Income (₹ cr)	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
Fee and Services	328	276	389	942	1,353
Treasury Income	118	12	164	299	421
ARD Buyout Income	46	46	116	141	239
Others	2	6	(1)	18	15
Total	**494**	**340**	**668**	**1,400**	**2,028**

Bank Segmental Performance

As per RBI (₹ cr)	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
Corporate/Wholesale Banking	338	380	438	1,301	1,402
Retail Banking	240	226	292	793	957
Treasury & BMU *	130	7	63	176	468
Unallocated Income	-	-	1	3	6
Total	**708**	**613**	**794**	**2,273**	**2,833**

* *Balance Sheet Management Unit*

Bank Advances & Investments



₹ cr	Mar 31, 2014	Mar 31, 2015
Corporate Banking	14,377	20,299
CV/CE	5,441	5,204
Agriculture Division	10,468	12,106
Business Banking	5,388	6,422
Home Loans and LAP	12,100	14,709
Small Business, Personal loans & Credit Cards	4,632	6,263
Others	622	1,158
Total Advances	**53,028**	**66,161**

Advances – as per segmental classification

₹ cr	Mar 31, 2014	Mar 31, 2015
Retail	23,682	29,113
Corporate	29,346	37,048
Total Advances	**53,028**	**66,161**
Investments / Treasury Assets	25,485	30,421
Total Advances and Investments	**78,513**	**96,582**

Bank Balance Sheet

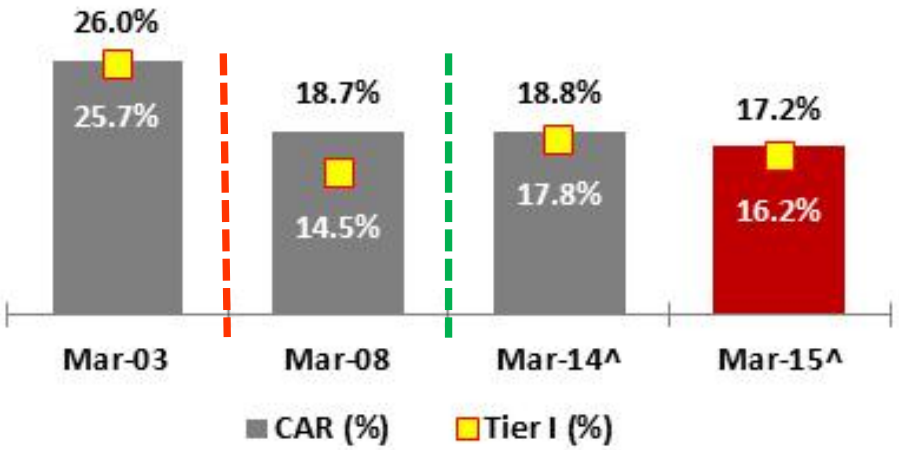
₹ cr	Mar 31, 2014	Mar 31, 2015	YoY Growth
Net Worth	12,275	14,141	15%
Deposits	59,072	74,860	27%
CA	*8,741*	*13,181*	*51%*
SA	*10,087*	*14,036*	*39%*
Certificate of Deposit	*5,726*	*3,785*	*(34%)*
Term Deposit Others	*34,518*	*43,858*	*27%*
Borrowings	12,896	12,150	(6%)
Other Liabilities and Provisions	3,342	4,861	45%
Total	**87,585**	**106,012**	**21%**

₹ cr	Mar 31, 2014	Mar 31, 2015	YoY Growth
Cash, Bank and Call	5,980	6,262	5%
Investments	25,485	30,421	19%
Government Securities	*17,466*	*22,882*	*31%*
Others	*8,019*	*7,539*	*(6%)*
Advances	53,028	66,161	25%
Fixed Assets and Other Assets	3,092	3,168	2%
Total	**87,585**	**106,012**	**21%**

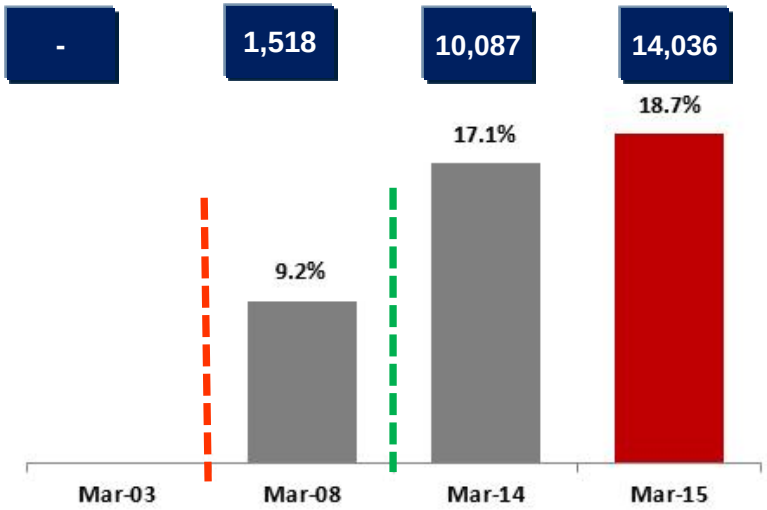
Bank Key Ratios

CAR & Tier I (%)

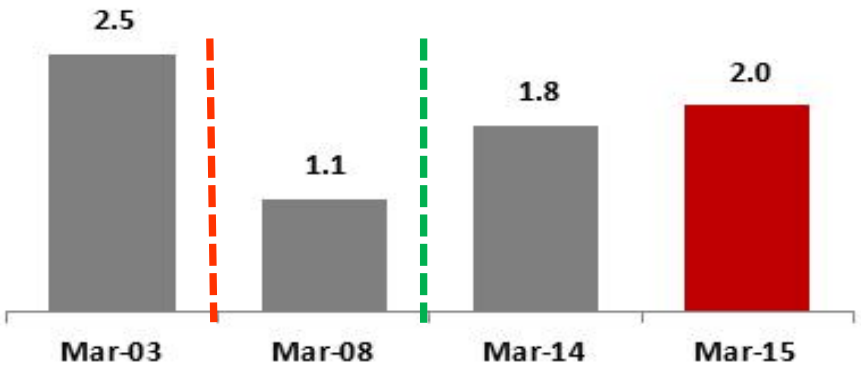
^ as per BASEL III



Savings Account (₹ cr & % of deposits)



RoA (%)



Asset Quality

Restructured loans considered standard

₹ 158.1 cr (0.24%)

No CDR participation

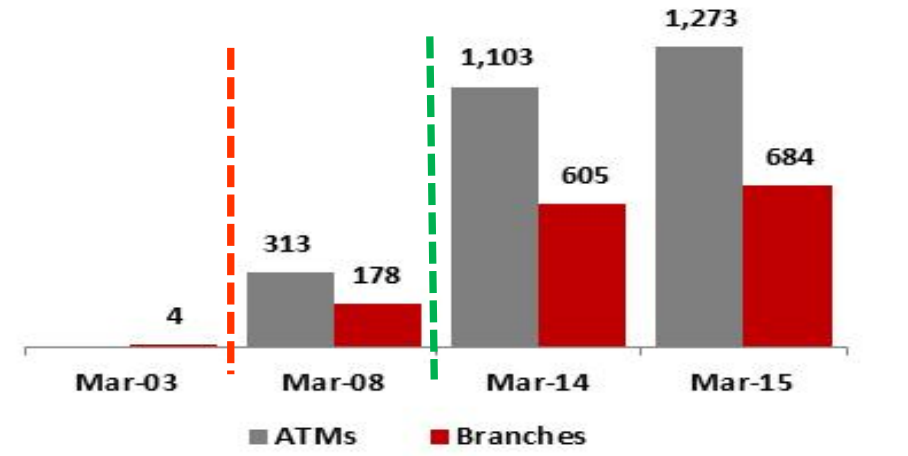
No transfer to ARC

No conversion to off-Balance sheet

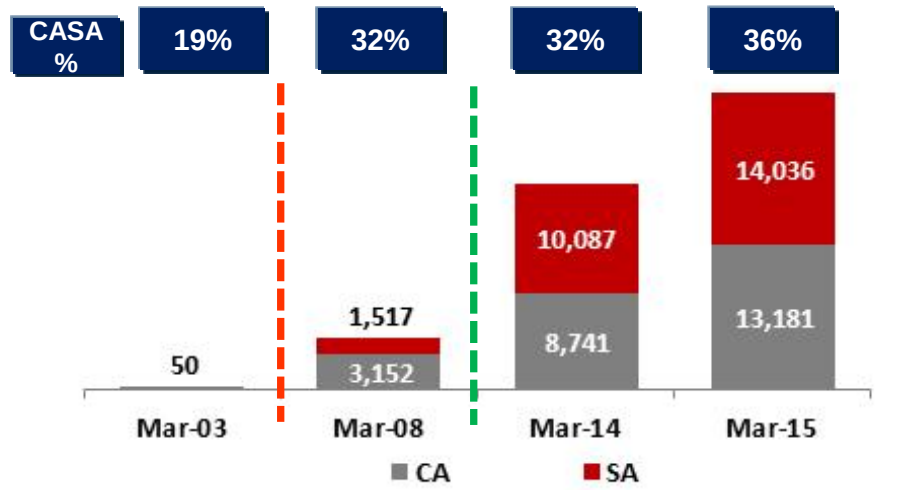
Consumer Banking Liabilities

- CA grew 51% yoy and SA grew 39% yoy
- TD sweep to total deposit ratio at 7.3% (7.2% as on Mar-14)
- CASA and TDs below ₹ 5 cr constitute 70% of total deposits (63% as on Mar-14)
- TDs below ₹ 1 cr grew 34% yoy
- Added ~ 2.4 lac customer accounts for the quarter
- Digital initiatives: Kaypay, Kotak Jifi, Mail Money
- Cost of SA – 5.43%

No of Branches / ATM's



CASA (₹ cr)



Consolidated Highlights – FY15

PAT
₹ 3,045 cr
(₹ 2,465 cr)
Up 24%

Networth
₹ 22,153 cr
(₹ 19,076 cr)

Total Assets
₹ 148,576 cr
(₹ 122,237 cr)

Loans
₹ 88,632 cr
(₹ 71,693 cr)
Up 24%

NIM
4.93% (4.97%)

Book Value
(per share)
₹ 286.8
(₹ 247.6)

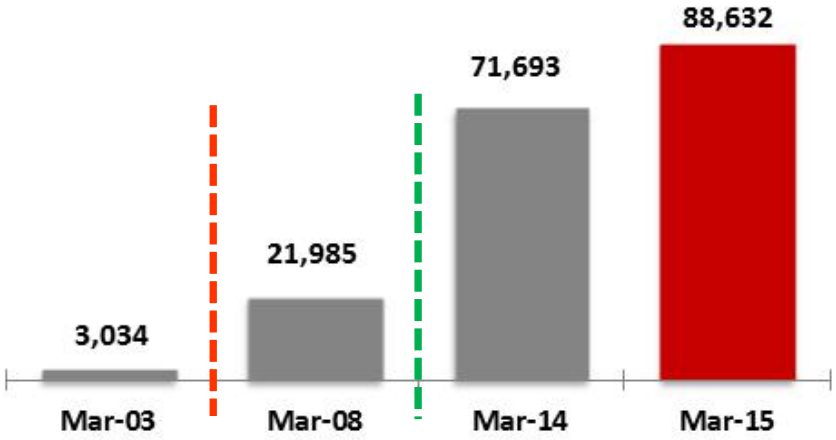
RoA
2.3% (2.1%)

Net NPA
0.79% (0.88%)

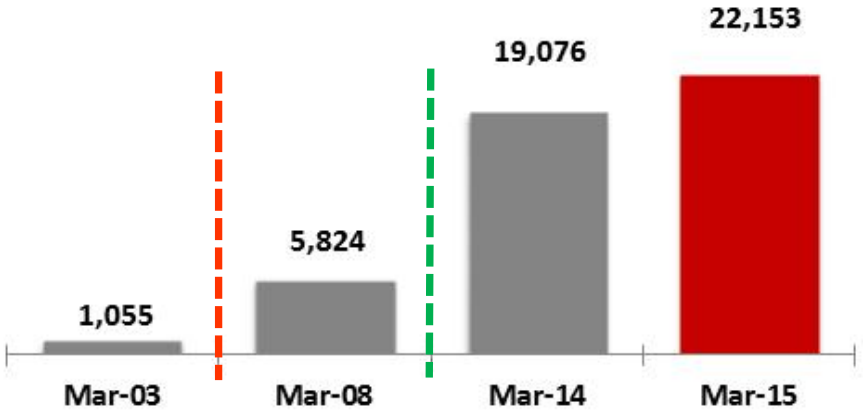
Figures in brackets are FY14 numbers

Consolidated Key Financials

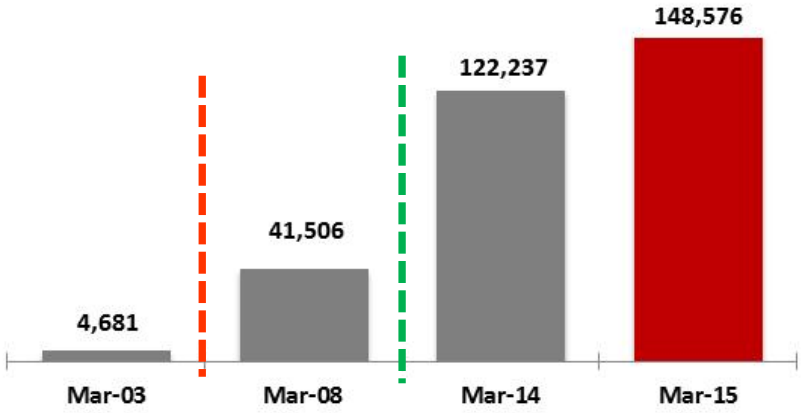
Advances (₹ cr)



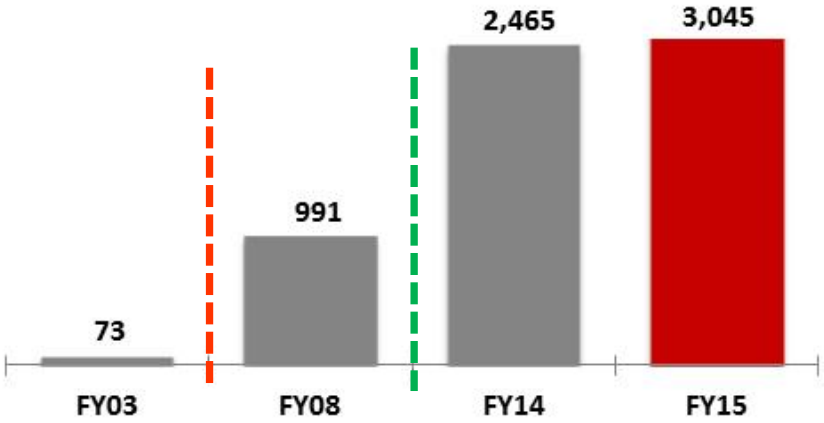
Networth (₹ cr)



Total Assets (₹ cr)



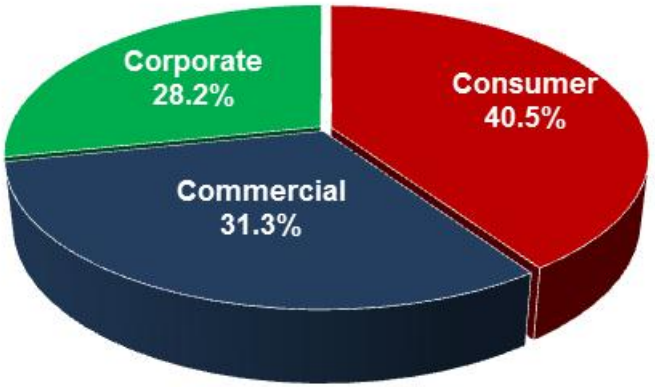
PAT (₹ cr)

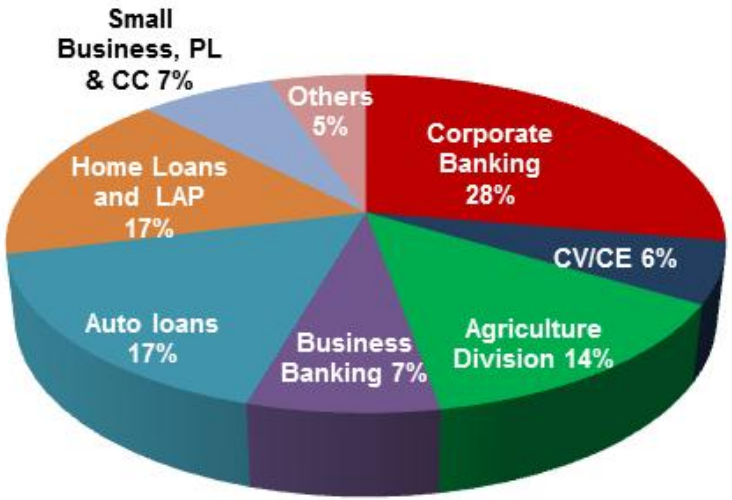


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Consolidated Advances and Investments

Mar -15 (₹ 88,632 cr)





₹ cr	Mar 31, 2014	Mar 31, 2015
Corporate Banking	17,319	24,546
CV/CE	5,441	5,204
Agriculture Division	10,468	12,106
Business Banking	5,388	6,422
Auto loans	13,223	14,691
Home Loans and LAP	12,100	14,709
Small Business, Personal loans & Credit Cards	4,667	6,298
Others	3,087	4,656
Total Advances	**71,693**	**88,632**
Investments/ Treasury Assets *	27,788	33,672
Total Advances and Investments	**99,481**	**122,304**

** Does not include policy holders' investments*

Consolidated PAT

₹ cr	FY03	FY08	FY14	FY15	YoY%
Kotak Mahindra Bank	45	294	1,503	1,866	24%
Kotak Mahindra Prime	11	101	491	507	3%
Kotak Mahindra Investments	15	43	42	106	153%
Kotak Securities	24	409	160	290	81%
Kotak Mahindra Capital Company	31	115	14	12	(13%)
Kotak Mahindra Old Mutual Life Insurance	(42)	(72)	239	229	(4%)
Kotak Mahindra AMC & Trustee Co	3	8	41	(29)	
International subsidiaries	-	64	7	51	
Kotak Investment Advisors	(1)	13	18	26	50%
Total	**86**	**975**	**2,515**	**3,058**	**22%**
Minority Interest, Affiliates, others	(13)	16	(50)	(13)	
Consolidated PAT	**73**	**991**	**2,465**	**3,045**	**24%**

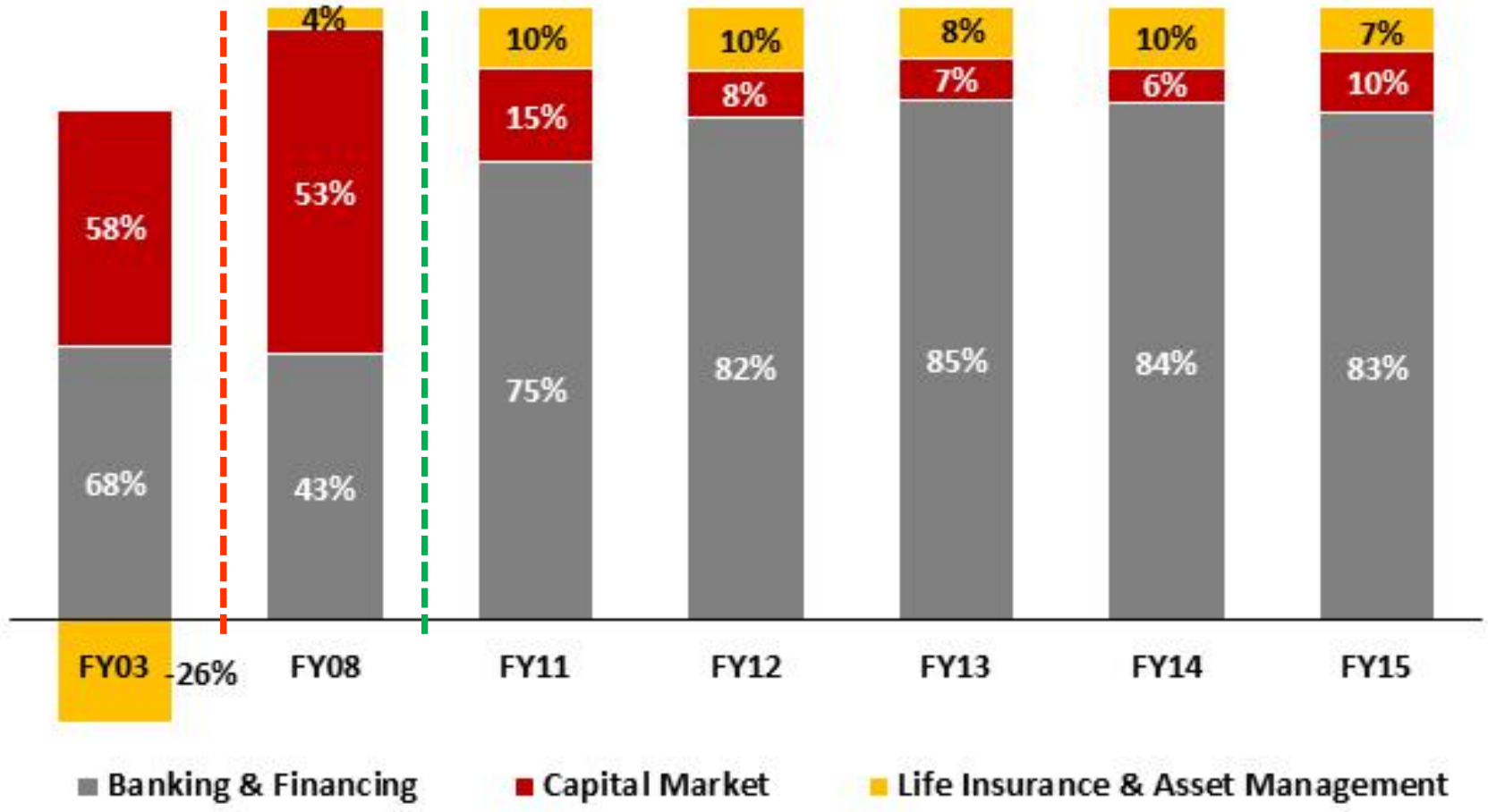
Consolidated PAT – cont'd

₹ cr	Q3FY15	Q4FY14	Q4FY15	QoQ%	YoY%
Kotak Mahindra Bank	465	407	527	13%	29%
Kotak Mahindra Prime	120	126	143	19%	13%
Kotak Mahindra Investments	24	16	40	66%	158%
Kotak Securities	60	44	96	62%	121%
Kotak Mahindra Capital Company	(6)	5	30		
Kotak Mahindra Old Mutual Life Insurance	51	65	76	49%	18%
Kotak Mahindra AMC & Trustee Co	(10)	4	(18)		
International subsidiaries	14	6	18	26%	190%
Kotak Investment Advisors	2	5	11		116%
Total	**720**	**678**	**923**	**28%**	**36%**
Minority Interest, Affiliates, others	(3)	(15)	(10)		
Consolidated PAT	**717**	**663**	**913**	**27%**	**38%**

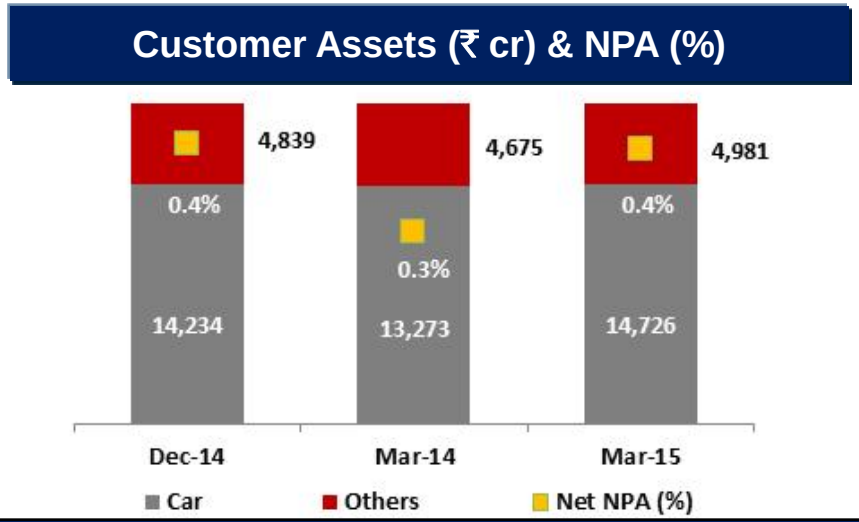
Entity Wise Networth

₹ cr	Mar 31, 2003	Mar 31, 2008	Mar 31, 2014	Mar 31, 2015
Kotak Mahindra Bank	541	3,536	12,275	14,141
Kotak Mahindra Prime	416	708	2,843	3,350
Kotak Mahindra Investments	66	180	436	617
Kotak Securities	108	1,142	2,094	2,384
Kotak Mahindra Capital Company	196	401	403	415
Kotak Mahindra Old Mutual Life Insurance	118	197	1,042	1,291
Kotak Mahindra AMC & Trustee Co	22	44	126	102
International Subsidiaries	11	145	410	480
Kotak Investment Advisors	4	36	240	266
Other Entities	1	1	32	32
Total	**1,483**	**6,390**	**19,901**	**23,078**
Add: Associates	3	417	549	586
Less: Minority, Inter-company and Other Adjustments	(430)	(983)	(1,374)	(1,511)
Consolidated Networth	**1,056**	**5,824**	**19,076**	**22,153**

Consolidated Profit (PBT) Mix

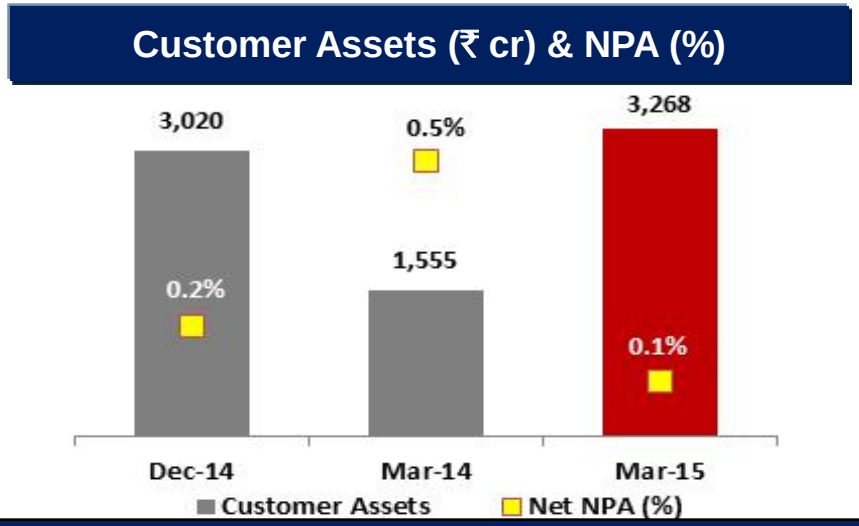


Kotak Mahindra Prime



₹ cr	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
NII	220	240	252	880	915
Other income	48	43	57	181	206
Total Income	268	283	309	1,061	1,121
Profit before tax	183	192	218	752	774
Profit after tax	**120**	**126**	**143**	**491**	**507**
CAR (%)				17.7	18.3
ROA (%) - annualised				2.6	2.5

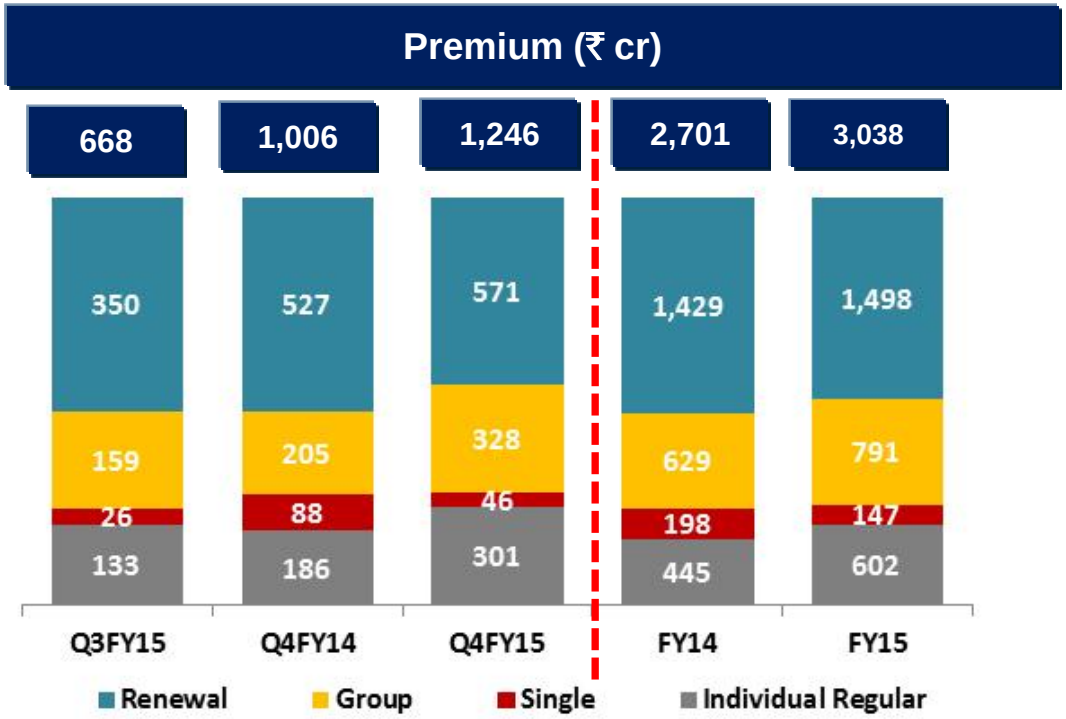
Kotak Mahindra Investment



₹ cr	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
NII	44	27	50	78	164
Other income	3	4	21	10	37
Total Income	47	31	71	88	201
Profit before tax	37	24	57	64	158
Profit after tax	**24**	**16**	**40**	**42**	**106**
CAR (%)				26.3	18.3
ROA (%) - annualised				4.2%	5.0%

Kotak Mahindra Life Insurance

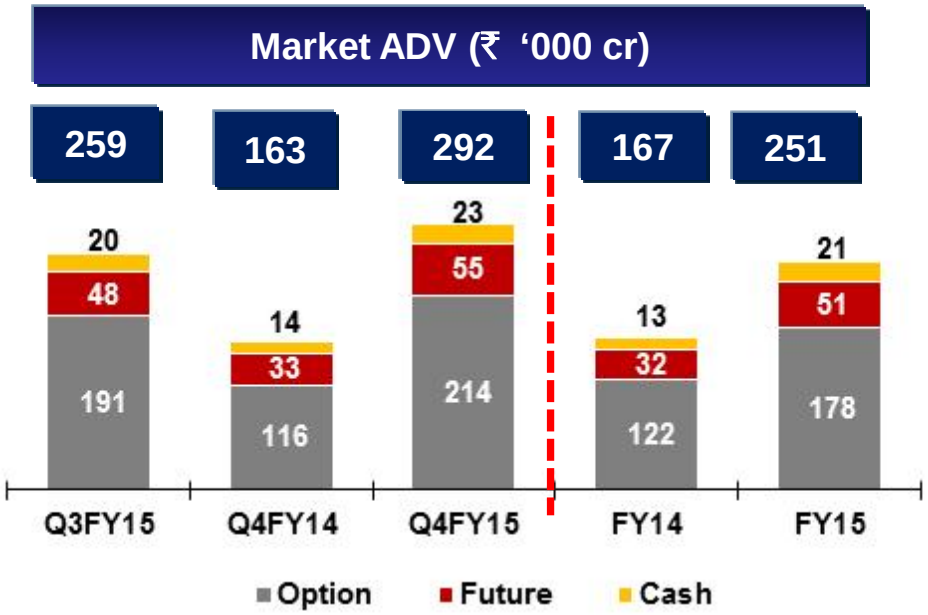
- Individual Business grew by 35% against industry degrowth of 11%
- Agency's Regular Business grew by 42%
- On APE (Single @ 1/10th) Basis, Share of Kotak Bank* for FY15 is at 40% (PY – 36%) for first year individual premium
- Group Business grew by 26 %
- In force Sum Assured has increased 29% from ₹ 2,592 bn to ₹ 3,333 bn

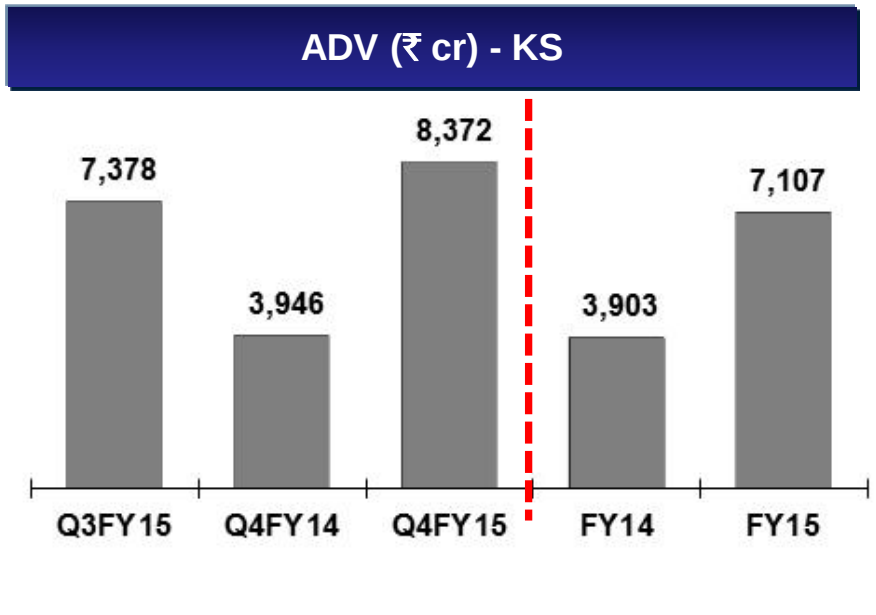


₹ cr	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
Capital	562	562	562	562	562
Solvency ratio (%)	2.95	3.02	3.13	3.02	3.13
PAT	**51**	**65**	**76**	**239**	**229**

** Including ING Vysya Bank*

Kotak Securities





₹ cr	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
Total income	223	160	289	627	960
Profit before tax	91	55	147	234	441
Profit after tax	**60**	**44**	**96**	**160**	**290**
Market Share* (%)	2.8	2.4	2.9	2.3	2.8

**excluding BSE Derivative segment*

Kotak Securities services more than 1 million secondary market customers through 1,128 branches and franchises

Kotak Mahindra Capital Co.

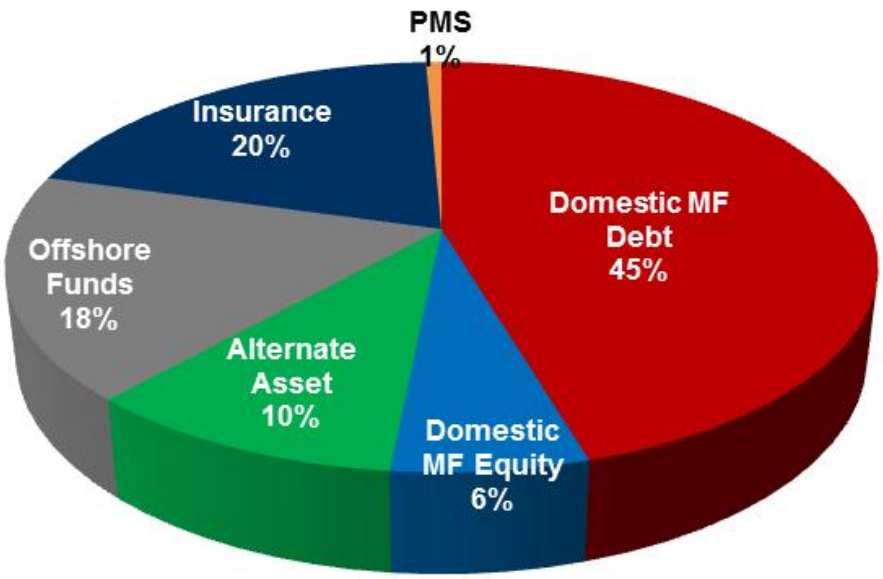
Client (M&A)	Announced Transactions	Size (₹ cr)
TPG	Financial Advisor to TPG Capital for acquisition of significant minority stake in Manipal Health Enterprises Private Limited	900
svb Silicon Valley Bank	Financial Advisor to SVB, USA for sale of 100% shareholding in SVB India to Temasek	280
TUBACEX	Financial Advisor to Tubacex SA, Spain for acquisition of 67.53% stake of Seamless Stainless Steel Tubes division of Prakash Steelage Ltd	254

Client (Equity)	Transactions	Size (₹ cr)
Coal India	Coal India - Offers for Sale (OFS)	22,558
DHFL	Qualified Institutional Placements (QIP)	810
Adlabs Imagica	Initial Public Offerings (IPO)	375
HSIL	Qualified Institutional Placements (QIP)	250
Ortel	Initial Public Offerings (IPO)	174

₹ cr	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
Total income	13	25	52	84	89
Profit before tax	(6)	7	35	18	16
Profit after tax	**(6)**	**5**	**30**	**14**	**12**

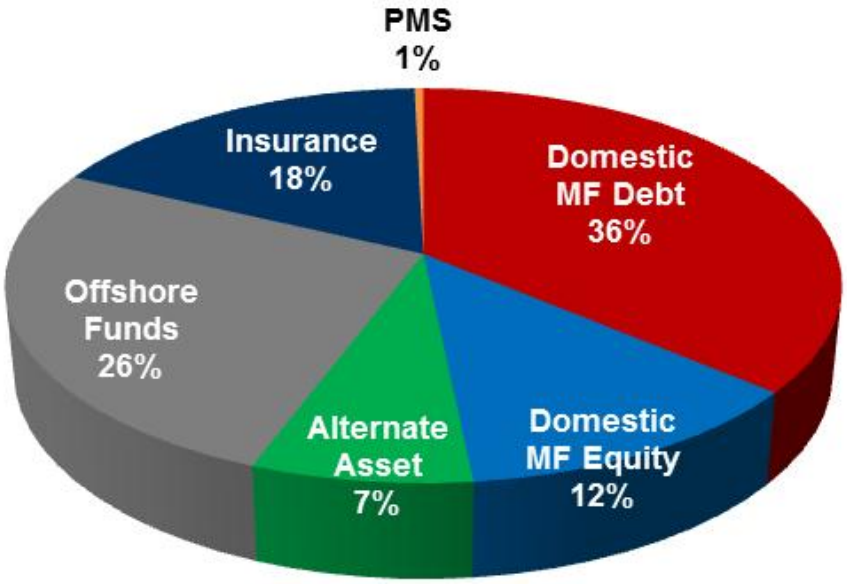
Asset Under Management

AUM ₹ 56,564 cr



Mar 31, 2014

AUM ₹ 80,635 cr

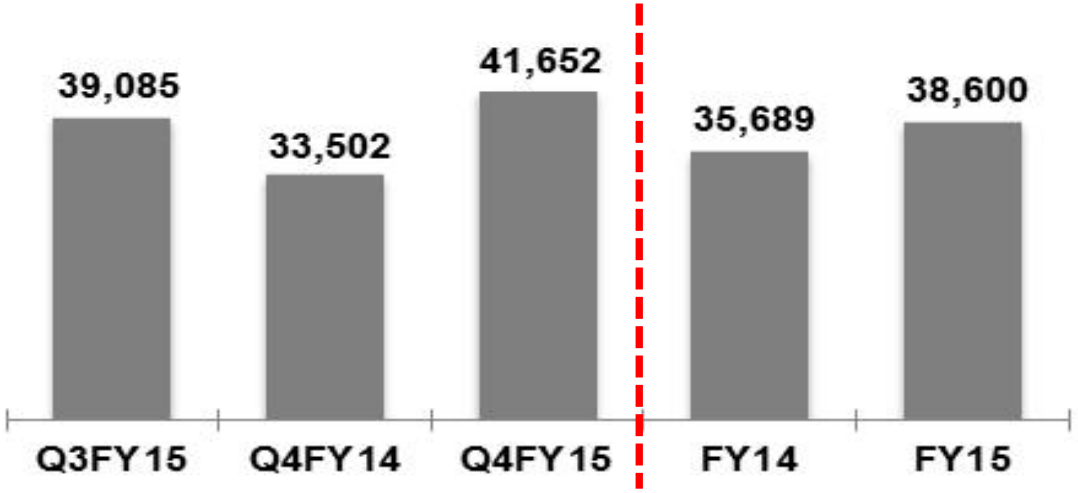


Mar 31, 2015

Kotak Mahindra AMC and Trustee Co.

- Equity AAUM doubled during FY15
- Loss largely on account of higher equity asset acquisition costs
- Pine Bridge schemes acquisition completed in Jan 2015

Average Assets Under Management ₹ cr



₹ cr #	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
Total income	32	42	38	177	137
Profit before tax	(9)	5	(16)	60	(25)
Profit after tax	**(10)**	**4**	**(18)**	**41**	**(29)**
Average AUM (₹ bn)	391	335	417	357	386
Average AUM - Equity (₹ bn)	67	34	90	31	62

 # AMC & Trustee Co

Kotak Investment Advisors Limited

- Set up in 2005 for a focused approach to investing in the Indian Private Equity & Real Estate space
- Advises /manages an AUM of ₹ 5,919 cr with dedicated, independent and experienced investment teams

Real Estate

- AUM - ₹ 3,788 cr
- 59 investments - 6 funds
- Pioneered the Residential Debt strategy

Private Equity

- AUM - ₹ 1,575 cr
- 41 investments - 5 funds
- Amongst the most experienced team
- Several marque transactions

Infrastructure

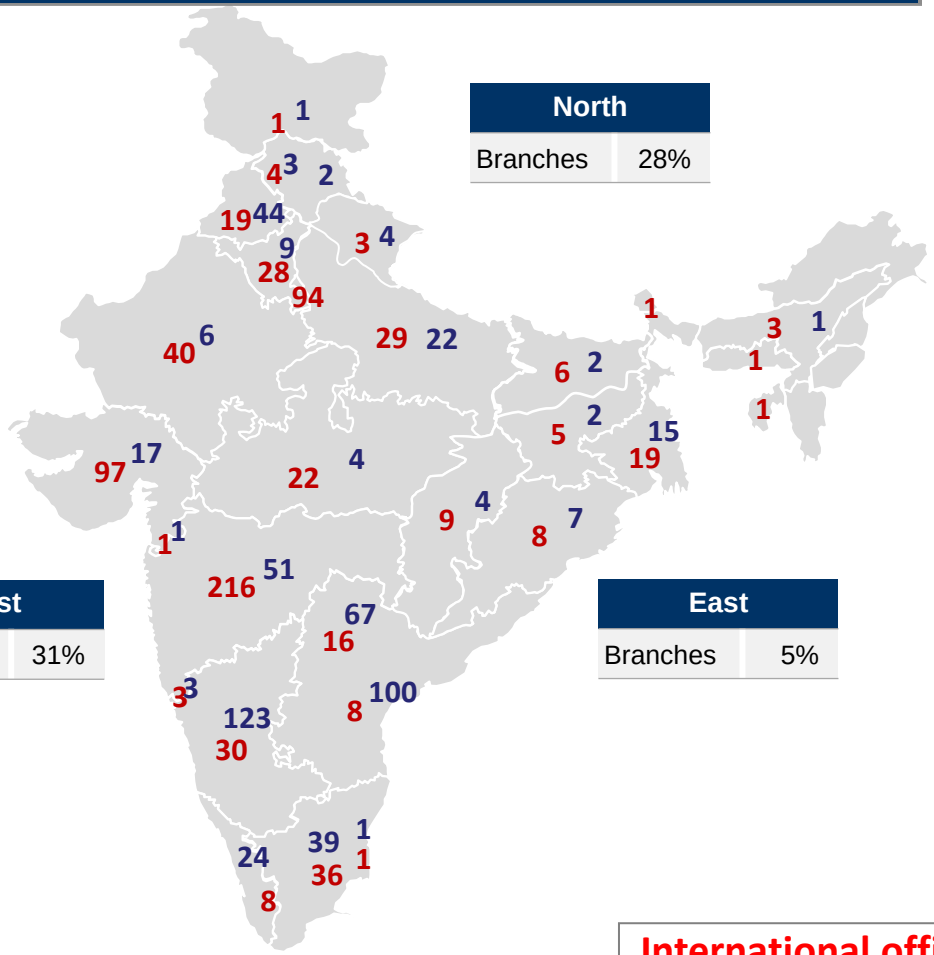
- AUM ₹ 556 cr
- Experienced team
- Focused sectors

₹ cr	Q3FY15	Q4FY14	Q4FY15	FY14	FY15
Total income	15	18	25	83	81
Profit before tax	2	6	12	25	30
Profit after tax	**2**	**5**	**11**	**18**	**26**

kotak

Geographical Presence

Strong Regional Presence *



North	
Branches	28%

West	
Branches	31%

East	
Branches	5%

South	
Branches	36%

Wider Coverage and Balanced Footprint

Branches *	ING Vysya	Kotak	Kotak (Merged)
West	13%	46%	31%
North	22%	33%	28%
South	61%	15%	36%
East	4%	6%	5%
Total	**577**	**684**	**1,261**

Business With Multiple Points of Presence…….	Apr 1, 2015
Banking	1,261
Car Finance	77
Life Insurance	211
Securities	1,128
Mutual Fund	79
Total	**2,756**
ATM Count	**1,930**

International offices situated in Abu Dhabi, Dubai, London, Mauritius, New York and Singapore

* As on April 01, 2015

Bank Awards and Recognition

Best Private Bank 2015 by Euromoney

Best Bank in 2014 by Business India

Excellence in Security under 'Security in Bank' category at Data Security Council of India Excellence Awards 2014

Special Award for Innovation (IMPS) at National Payments Excellence Award 2014

Best Medium Sized Bank of the Year Award by Businessworld

IR Global Ranking – one of the top 5 Best Ranked Companies for Corporate Governance Practices

'Most Imminent Bank 2014' by Outlook Money

Kotak Junior ad, adjudged the Best Banking Ad Worldwide 2013, by Bank Innovation, a leading global blog on Banking

#2 best midsized bank in the BW-PWC Best Bank Survey 2014
#3 fastest growing midsized bank in the BW-PWC Best Bank Survey 2014

Annual Report 2012 – 2013 (LACP Vision Awards, USA & ARC Awards)

Asian Banker's IT Award in Best Self Service category for Courtesy Callback feature

Mr. Uday Kotak

- Ernst & Young World Entrepreneur Of The Year India Award 2014
- Banker of the Year 2014 by Businessworld

Awards and Recognition

kotak® Investment Banking

CorporateINTL GLOBAL AWARDS WINNER 2014

Securities Advisory Firm of the Year in India

kotak® Institutional Equities

Best Brokerage House - India - The Asset Triple A Country Awards 2014

kotak® Institutional Equities

Asiamoney Brokers Poll 2014

Best Local Brokerage

Ninth year in a row

Among all domestic and foreign brokerages,ranked:
#2 for Most Independent Research Brokerage
#2 for Best Overall Country Research
#2 for Best Execution

kotak® Investment Banking

FinanceAsia COUNTRY AWARDS FOR ACHIEVEMENT

2014:Best Investment Bank in India
2014: Best Equity House

D&B
Equity Broking Awards for 2013

Best Equity Broking House
Depository Participant of the year

Asset Country Awards for 2013
Best Brokerage House

kotak® Kotak Securities

FinanceAsia COUNTRY AWARDS FOR ACHIEVEMENT

Best Broker in India 2014

kotak® Investment Banking

Best Domestic Equity House by Asiamoney – 2014

kotak® Kotak Securities

Broker of the Year in India

The Asian Banker Financial Markets Awards 2014

kotak® Investment Banking

2014: Best Domestic Investment Bank
(Ninth year in a row)

kotak® Investment Banking

Euromoney
Awards for Excellence
Best M&A House in India
2013

kotak® Life Insurance
A JOINT VENTURE WITH OLD MUTUAL

Businessworld Survey of India's Most Respected Companies 2013

8th most respected company in India's BFS & Insurance space

kotak® Kotak Securities

NSDL Star Performers Award 2014

Top Performer in New Accounts Opened (Non-Bank Category)

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