



## PRESS RELEASE

### KOTAK MAHINDRA BANK ANNOUNCES RESULTS FOR Q3 FY06

#### ***Consolidated net profit up 88% to Rs. 81.8 crore***

**Mumbai, January 17, 2006:** The Board of Directors of Kotak Mahindra Bank took on record the unaudited (consolidated and stand-alone) results for the quarter and nine month period ended December 31, 2005, at a board meeting held in Mumbai, today.

#### **Consolidated results**

Consolidated profit after tax (PAT) for Q3FY06 was up 88% to Rs. 81.8 crore as compared to Rs. 43.4 crore (quarter ended December 31, 2004). Consolidated PAT for the nine month period ended December 31, 2005 was up 99% to Rs. 211.6 crore vis-à-vis Rs. 106.6 crore for the nine month period ended December 31, 2004.

Consolidated total income for the quarter was up 65% to Rs. 653.6 crore as compared to Rs. 396.9 crore in Q3FY05.

During Q3FY06, consolidated fee income (including life insurance premium) increased 85% to Rs. 310.2 crore from Rs. 167.9 crore in Q3FY05. Significant contributors to the growth in revenues were the securities broking income, fees from investment banking, fees on distribution of financial products and premium income from life insurance business.

Consolidated advances were up 44% to Rs. 8,986.6 crore as on December 31, 2005 (Rs. 6,225.0 crore as on December 31, 2004) with retail loans comprising 89% of the portfolio. Consolidated net NPAs as on December 31, 2005 were 0.4% of net advances.

Consolidated book value per share as on December 31, 2005 was Rs. 56.89 (Rs 44.78 as on December 31, 2004) after adjusting for the 3:2 bonus issue in August 2005.

Announcing the results, ***Uday Kotak, Executive Vice Chairman & Managing Director, Kotak Mahindra Bank*** said, "We continue to build an integrated financial services business. We see three big opportunities for growth: growing urbanisation, increased smaller town and rural participation and international integration."

#### **Bank stand-alone results**

Net Interest Income (NII) of Kotak Mahindra Bank on a stand-alone basis for Q3FY06 was Rs. 91.3 crore, up 59% from Rs. 57.5 crore in Q3FY05. Other income of the Bank for Q3FY06 increased by 61% YoY to 48.7 Rs crore.



Profit before tax of the Bank for the quarter was Rs. 44.1 crore up 67% from Rs. 26.5 crore in Q3FY05. PAT for Q3FY06 grew by 71% to Rs 32.6 crore as compared to Rs. 19.1 crore in Q3FY05.

The Bank had 53 full-fledged branches across 34 cities in India as on December 31, 2005.

As on December 31, 2005, the deposits of the Bank were Rs. 6,550 crore up 88% as compared to Rs. 3,480 crore as on December 31, 2004. The Bank had around 139,700 deposit accounts as on December 31, 2005 (39,600 deposit accounts as on December 31, 2004).

Advances of the Bank grew by 72% YoY to Rs. 5,317 crore as on December 31, 2005,

Capital adequacy ratio of the Bank as on December 31, 2005 was 11.05%.

### **Business highlights**

- Kotak Investment Banking topped the Bloomberg India IPO Underwriter and M&A Financial Advisory (India announced deals) league table and the India Advisory Partners Indata League table for the year ended December 31, 2005.
- Kotak Securities clocked average daily volumes of around Rs. 2,500 crore during Q3FY06 (around Rs. 1,160 crore in Q3FY05). PAT up 91% YoY to Rs. 49 crore in Q3FY06.
- Kotak Life Insurance recorded 74% growth in premium income to Rs. 121.0 crore in Q3FY06 from Rs. 69.5 crore in Q3FY05.
- Equity assets managed by the group in mutual fund, portfolio management and offshore funds was Rs. 6,550 crore as on December 31, 2005 (Rs. 3,230 crore as on December 31, 2004).
- During the quarter, the Kotak Mahindra Group ownership in Kotak Mahindra Primus Ltd has gone up to 100% following the acquisition of 40% stake held by Ford Credit International (FCI). Simultaneously, Kotak Mahindra Group has sold its entire holding in Ford Credit Kotak Mahindra to FCI. Further, the name of Kotak Mahindra Primus Ltd has been changed to Kotak Mahindra Prime Ltd (KMP).
- Kotak Mahindra (UK) Ltd received the license to conduct its operation in Dubai from its branch in the Dubai International Finance Centre (DIFC).



## **ABOUT KOTAK MAHINDRA**

Kotak Mahindra is one of India's leading financial institutions, offering complete financial solutions that encompass every sphere of life. From commercial banking, to stock broking, to mutual funds, to life insurance, to investment banking, the group caters to the financial needs of individuals and corporates.

The group has a net worth of around Rs. 2,000 crore, employs around 6,000 people in its various businesses and has a distribution network of 851 branches, franchisees, representative offices and satellite offices across 216 cities and towns in India and offices in New York, London, Dubai and Mauritius.

### **For further information, please contact:**

Arijit De / Sudhir Shetty  
Genesis Public Relations  
Tel: +91 22 5660 7681  
[ade@genesispr.com](mailto:ade@genesispr.com) /  
[sushetty@genesispr.com](mailto:sushetty@genesispr.com)

Jaimin Bhatt / Naozad Sirwalla  
Kotak Mahindra Bank  
Tel: +91 22 5658 1100  
[jaimin.bhatt@kotak.com](mailto:jaimin.bhatt@kotak.com)/  
[naozad.sirwalla@kotak.com](mailto:naozad.sirwalla@kotak.com)