

## KOTAK MAHINDRA ANNOUNCES RESULTS FOR FY04

**Consolidated income crosses Rs. 1,000 crore**  
**Consolidated net profit up 138% to Rs. 174.44 crore**  
**Declares 1: 1 Bonus and 24% Dividend**

(Mumbai, May 25, 2004)

The Board of Directors of Kotak Mahindra Bank took on record the consolidated unaudited Q4 and FY 03-04 results, at a board meeting held in Mumbai, today.

Rs. crore

	Q4 FY04	Q4 FY03	Growth%	FY04	FY03	Growth%
Total income	394.73	190.72	107%	1,167.74	711.00	64%
Profit before tax	114.05	20.18	465%	331.08	141.96	133%
Profit after tax	62.20	9.16	579%	174.44	73.32	138%
EPS diluted (Rs.)	10.35	1.55	568%	29.05	12.38	135%

Consolidated profit after tax for the quarter was up by 579% at Rs. 62.20 crore as against Rs. 9.16 crore in the corresponding quarter during the previous year (quarter ended March 31, 2003).

Consolidated profit after tax for FY04 was up by 138% at Rs. 174.44 crore as against Rs. 73.32 crore during the previous year.

Consolidated total income was higher by 107% at Rs. 394.73 crore for the quarter ended March 31, 2004 (Rs. 190.72 crore for quarter ended March 31, 2003).

Consolidated total income was higher by 64% at Rs. 1,167.74 crore for year ended March 31, 2004 (Rs. 711.00 crore for year ended March 31, 2003).

The consolidated advances were Rs. 4,609 crore of which Rs 3,848 crore were retail advances.

The Board has declared a dividend of 24% for the year 2003-04 (21% in the previous year).

The Board has also announced bonus issue of one share for each share held subject to approval of the shareholders at the Annual General Meeting.

Announcing the results, Uday Kotak, Executive Vice Chairman & Managing Director, Kotak Mahindra Bank said, "This is an important milestone as we have completed the first full year as a Bank. The focus this year has been consolidation of all our businesses under one platform and gradual evolution of the Bank. The year's performance validates the fact that having a banking platform has given the added thrust to our growth. Our experience and expertise in advisory services has been a significant contributor to our growth this year".

Proportion of fee income and insurance premium to total income increased to 36% for FY04 compared to 24% in the previous year. Significant contributors to the growth in revenues were the securities broking business and premium income from life insurance business.

Kotak Mahindra Bank (audited stand-alone) profit after tax for FY04 was up 75% at Rs. 78.73 crore as against Rs. 44.96 crore for previous year. Total income for FY04 at Rs. 383.91 crore was higher by 52% as against Rs. 253.32 crore during the previous year.

The profit after tax of Kotak Mahindra Bank, on a stand-alone basis, for the quarter was up 105% at Rs. 20.59 crore as against Rs. 10.06 crore for the corresponding quarter in the previous year (for quarter ended March 31, 2003). Total income at Rs. 116.92 crore was higher by 46% as against Rs. 80.09 crore during the corresponding quarter in the previous year (for quarter ended March 31, 2003).

On May 13, 2004, the Bank approved a grant of 2,31,900 options to certain employees of the Bank and its subsidiaries under the Option Plan 2002-03 / Series 04. The total number of options outstanding now stand at 8,95,200.

### **Consolidated Financial Highlights**

- Consolidated income crosses Rs 1,000 crore.
- Consolidated total advances portfolio grew by 53% during FY04 to Rs. 4,609 crore. Portfolio of passenger cars crossed the Rs. 2,200 crore mark and commercial vehicles portfolio was over Rs. 1,200 crore.
- Consolidated net NPAs as on March 31, 2004 were at Rs. 6.4 crore constituting 0.14% of net advances.
- Consolidated book value per share as on March 31, 2004 was Rs. 207 (Rs. 178 as on March 31, 2003).
- Consolidated earnings per share (diluted) for FY04 was Rs. 29.05 as against Rs. 12.38 in FY03.

### **Business Highlights**

- Kotak Mahindra Bank has 17 full-fledged branches across 11 cities.
- The Bank plans to have a total of around 40 full-fledged branches by end of FY05.
- Kotak Investment Banking was ranked No. 1 in League Tables for Book Running Lead Managers in public equity offerings during 2003-04 (PRIME Database). Awarded "Best Equity Domestic House 2004" by Asiamoney. It lead managed 12 equity IPOs in FY04 with 85% of the market share of the issue amount.
- Securities broking business continued to grow; clocked average daily volumes of over Rs. 1,000 crore during Q4FY04.
- Assets Under Management (AUM) in Kotak Mahindra Mutual Fund were up 77% at Rs 5,290 crore as on March 31, 2004. Kotak Mahindra Asset Management

Company was awarded the "Best Wealth Creator Debt (2003)" by Outlook Money.

- Equity AUM managed by the group in the mutual fund, portfolio management and offshore funds was around Rs. 2,000 crore as on March 31, 2004.
- AUM of various mutual funds distributed by Kotak Mahindra Bank and Kotak Securities stood at over Rs. 3,600 crore as on March 31, 2004.
- Life insurance premium income grew 274% during FY04 to Rs 150.72 crore. First year premium growth was up 254% as against 146% growth recorded by companies in the private sector.