



PRESS RELEASE

KOTAK MAHINDRA BANK ANNOUNCES RESULTS

Bank PAT for Q3FY17 ₹ 880 cr up 39%
Consolidated PAT for Q3FY17 ₹ 1,267 cr up 34%

Mumbai, January 25, 2017: The Board of Directors of Kotak Mahindra Bank ('Kotak Bank') took on record the unaudited standalone and consolidated results for Q3FY17, at the board meeting held in Mumbai, today.

Kotak Mahindra Bank standalone results

Bank PAT for Q3FY17 increased to ₹ 880 cr from ₹ 635 cr in Q3FY16, up by 39%

Net Interest Income (NII) for Q3FY17 up 16% to ₹ 2,050 cr from ₹ 1,766 cr in Q3FY16

Net Interest Margin (NIM) for Q3FY17 at 4.49% up from 4.34% in Q3FY16

Advances as on December 31, 2016 were up 12% YoY to ₹ 129,261 cr (₹ 115,345 cr as on December 31, 2015)

Savings deposits grew by 45% to ₹ 38,566 cr as on December 31, 2016 compared to ₹ 26,579 cr as on December 31, 2015. Current Account deposits grew by 24% to ₹ 24,217 cr as on December 31, 2016 compared to ₹ 19,609 cr as on December 31, 2015. CASA as on December 31, 2016 stood at 42.0% compared to 35.3% as on December 31, 2015. TD Sweep deposits as on December 31, 2016 were 7.3% of the total deposits.

Capital adequacy ratio of the Bank including unaudited profits as per Basel III as on December 31, 2016 is 17.6% and Tier I ratio is 16.5%.

As on December 31, 2016, the Bank has a network of 1,348 full-fledged branches spread across 675 locations and 2,051 ATMs affording it the capacity and means to serve its customers through its wide presence. During this quarter, the Bank received approval from RBI to set up an overseas Branch in DIFC, Dubai.

As on December 31, 2016, the branch footprint was as under

Zone	
West	31%
North	29%
South	34%
East	6%
Total	1,348



As on December 31, 2016, GNPA was 2.42% & NNPA was 1.07%. As on December 31, 2016, restructured loans considered standard were down to ₹ 146 cr i.e. 0.11% of net advances as against ₹ 147 cr i.e. 0.12% of net advances as on September 30, 2016. As on December 31, 2016, SMA2 outstanding was ₹ 242 cr (0.19% of net advances).

Demonetization Effect

Demonetization has seen a significant increase in various payment channels of the Bank. Bank's active Debit card customers saw an increase of 86% in the month of December '16 as compared to the period prior to demonetization. The daily average for first time logins for mobile banking was up 108% and net banking was up 52%. Transactions on all the digital banking channels saw growth in terms of both volumes & value. During the same period, cheque book issuance by the Bank was up 2.8X.

Digital Update

Digital remains an area of focus for the Group. Bank and other subsidiaries like Securities, Life Insurance and Mutual Fund are gaining significant traction and market share. Monthly transactions for the Bank on Mobile platform have crossed ₹ 4,800 cr in December 16. The share of Recurring Deposits sourced digitally was >55% and that of Term Deposits was >60%. On a YoY basis, Payment Gateway transactions have grown 94% and the Payment Gateway transactions from mobiles now constitute 45% of transactions.

Kotak Securities mobile transaction volumes touched a peak of ₹ 8,300 cr in the quarter. Brokerage Contribution of Kotak Stock Trader app was 10% of total brokerage. 60% of sales of Kotak Life Insurance policies through Banca channel in Q3FY17 were through Genie - Tablet based end to end sales solution. 50% of switch requests serviced were serviced through the online customer portal of Kotak Life Insurance.

Consolidated results at a glance

Consolidated PAT for Q3FY17 increased to ₹ 1,267 cr from ₹ 945 cr in Q3FY16 up 34%

Consolidated advances up 12% to ₹ 157,801 cr as on December 31, 2016 from ₹ 141,136 cr as on December 31, 2015.

Consolidated NIM for Q3FY17 stood at 4.48% (Q3FY16 – 4.41%)

Consolidated capital adequacy ratio (CAR) including unaudited profits as per Basel III as on December 31, 2016 is 18.0%. Tier 1 ratio is 17.2%.

Total assets managed / advised by the Group as on December 31, 2016 are ₹ 133,078 cr (₹ 95,735 cr as on December 31, 2015). Domestic mutual fund AUM grew by 52% to ₹ 81,812 cr as on December 31, 2016.



Consolidated Networth as on December 31, 2016 was ₹ 37,047 cr (₹ 32,349 cr as on December 31, 2015).

Other major subsidiaries who contributed to profit after tax for Q3FY17 are Kotak Mahindra Prime ₹ 133 cr, Kotak Securities ₹ 85 cr, Kotak Mahindra Old Mutual Life Insurance ₹ 68 cr and Kotak Mahindra Investments ₹ 48 cr.

About Kotak Mahindra Group

Established in 1985, Kotak Mahindra Group is one of India's leading financial services conglomerates. In February 2003, Kotak Mahindra Finance Ltd. (KMFL), the Group's flagship company, received banking license from the Reserve Bank of India (RBI), becoming the first nonbanking finance company in India to convert into a bank - Kotak Mahindra Bank Ltd.

As on December 31, 2016, Kotak Mahindra Bank Ltd, has a national footprint of 1,348 branches spread across 675 locations and 2,051 ATMs.

The consolidated net worth of the Group stands at ₹ 37,047 cr (\$ 5.5 billion; \$1.00 @ ₹ 67.925) as on December 31, 2016. The Group offers a wide range of financial services that encompass every sphere of life. From commercial banking, to stock broking, mutual funds, insurance and investment banking, the Group caters to the diverse financial needs of individuals and the corporate sector. The Group has a wide distribution network through branches and franchisees across India, an International Business Unit at GIFT city, Gujarat, and international offices in London, New York, Texas, California, Dubai, Abu Dhabi, Mauritius and Singapore.

For more information, please visit the company's website at www.kotak.com

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