



MEDIA RELEASE

KOTAK MAHINDRA BANK ANNOUNCES RESULTS

Consolidated PAT for FY18 ₹ 6,201 cr up 26%

Bank PAT for FY18 ₹ 4,084 cr up 20%

Mumbai, April 30, 2018: The Board of Directors of Kotak Mahindra Bank ('Kotak Bank') took on record the audited standalone and consolidated results for Q4FY18 and FY18, at the Board meeting held in Mumbai, today

Consolidated results at a glance

PAT for FY18 increased to ₹ 6,201 cr from ₹ 4,940 cr in FY17 up 26% and for Q4FY18 increased to ₹ 1,789 cr from ₹ 1,404 cr in Q4FY17 up 27%

For FY18, the Bank's contribution to the PAT was ₹ 4,084 cr; the subsidiaries & associates contributed ₹ 2,117 cr to the profit. For the quarter, the Bank's contribution to the PAT was ₹ 1,124 cr; the subsidiaries & associates net contributed ₹ 665 cr to the profit. The subsidiaries & associates net contribution was 37% of the consolidated PAT

Kotak Mahindra Life Insurance reported profit after tax for FY18 of ₹ 413 cr and for Q4FY18 of ₹ 114 cr. The Embedded Value (IEV methodology) of Kotak Mahindra Life Insurance as on March 31, 2018 was ₹ 5,824 cr. The Value of New Business (VNB) was ₹ 522 cr and the New Business (VNB) Margin was 29.3%. The 13th month persistency was 85.2% for policies written till February 28, 2018

Kotak Securities reported profit after tax for FY18 of ₹ 531 cr and Q4FY18 of ₹ 134 cr. The market share of Kotak Securities in the cash segment was 8.5% for FY18.

The two lending subsidiaries, Kotak Mahindra Prime contributed ₹ 590 cr for FY18 and ₹ 160 cr for Q4FY18 and Kotak Mahindra Investments contributed ₹ 245 cr for FY18 and ₹ 95 cr for Q4FY18. All the above four subsidiaries have recorded the highest ever profits on an annual business.

Consolidated Networth as on March 31, 2018 was ₹ 50,486 cr (₹ 38,491 cr as on March 31, 2017)

Consolidated Advances were ₹ 205,997 cr as on March 31, 2018

Capital adequacy ratio (CAR), as per Basel III, as on March 31, 2018 is 18.4%. Tier 1 ratio is 17.8%.

Total assets managed / advised by the Group as on March 31, 2018 were up 29% at ₹ 182,519 cr (₹ 141,336 cr as on March 31, 2017).

Kotak Mahindra Bank standalone results

Bank PAT for FY18 increased to ₹ 4,084 cr from ₹ 3,411 cr in FY17 up 20% and for Q4FY18 increased to ₹ 1,124 cr from ₹ 976 cr in Q4FY17, up by 15%



Employee cost impacted by ₹ 82 cr due to change in gratuity ceiling.

Dispensation given by RBI on amortisation of mark-to-market losses not availed.

Net Interest Income (NII) for FY18 increased to ₹ 9,532 cr from ₹ 8,126 cr in FY17 up 17% and for Q4FY18 up 19% to ₹ 2,580 cr from ₹ 2,161 cr in Q4FY17

Net Interest Margin (NIM) for Q4FY18 at 4.35% as against 4.63% in Q4FY17

Advances as on March 31, 2018 were up 25% to ₹ 169,718 cr (₹ 136,082 cr as on March 31, 2017).

Average Savings deposits grew by 58% to ₹ 61,223 cr for Q4FY18 compared to ₹ 38,628 cr for Q4FY17. Average Current Account deposits grew by 25% to ₹ 27,024 cr for Q4FY18 compared to ₹ 21,637 cr for Q4FY17. CASA ratio as on March 31, 2018 stood at 50.8% compared to 44.0% as on March 31, 2017. TD Sweep deposits as on March 31, 2018 were 6.2% of the total deposits.

Kotak Wealth Management, housed in Kotak Mahindra Bank Ltd, is one of the largest, oldest and the most respected team in India since 1998. It caters to ~40% of India's top 100 families and has consistently featured as the Best Private Bank, India across multiple Banking Surveys. The Relationship Value of all the customers of Wealth and Priority Banking Offering exceeded ₹ 225,000 cr as on March 31, 2018.

Capital adequacy ratio of the Bank, as per Basel III, as on March 31, 2018 is 18.2% and Tier I ratio is 17.6%.

As on March 31, 2018, the Bank has a network of 1,388 full-fledged branches and 2,199 ATMs affording it the capacity and means to serve its customers through its wide presence.

As on March 31, 2018, GNPA was 2.22% & NNPA was 0.98%. As on March 31, 2018, SMA2 outstanding was ₹ 72 cr (0.04% of net advances).

The Board of Directors at its meeting held today has recommended a dividend of ₹ 0.70 per equity share having face value of ₹ 5 for the year ended 31st March, 2018 (Previous Year ₹ 0.60 per equity share having face value of ₹ 5). The dividend will be paid after the approval of shareholders at the Annual General Meeting.

Digital Update

On March 29, 2017, the Bank launched 811 – a completely digital and paperless account opening experience. Using 811, a customer could open a bank account from the comfort of her home, in just 5 minutes, and with just an Aadhaar and PAN.

Digital remains an area of focus for the Group. We launched India's first AI-powered voicebot in the banking sector by the name of 'Keya'. Bank and other subsidiaries like Securities, Insurance, Mutual Fund and Kotak Prime are gaining significant traction and market share. Transactions for the Bank on mobile platform grew by 114% in terms of volume and 76% in terms of value in Q4FY18 vis a vis a year ago. During Q4FY18, the share of Recurring Deposits sourced digitally was 88% and that of Term Deposits was 69%. The digital share of salaried personal loans rose to 32% in Q4FY18. On a



YoY basis, total payment gateway transactions for the month of March, 2018 have grown 76% in terms of value. mstore transactions have grown 402% in terms of volume in March, 2018. For Q4FY18, 67% of individual savings bank accounts were sourced through Biometric mode and have also introduced 'individual current account' sourcing through Biometric.

Kotak Securities mobile transaction cash ADVs grew 171% YoY in Q4FY18. 86% of the individual policies written by Kotak Life Insurance were sourced through Genie - tablet based end to end sales solution. Further, 93% of the Banca channel sales in Q4FY18 were through Genie. In the case of Kotak General Insurance, more than 30% of new business sourced through digital channels in Q4FY18 and its digital business in terms of volume grew 118% YoY.

About Kotak Mahindra Group

Established in 1985, Kotak Mahindra Group (Group) is one of India's leading financial services conglomerate. 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 March 31, 2018, Kotak Mahindra Bank Ltd, has a national footprint of 1,388 branches and 2,199 ATMs. The network of the Group stands at ₹ 50,486 cr as on March 31, 2018. 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, California, Dubai, Abu Dhabi, Mauritius and Singapore.

For more information, please visit the company's website at <http://www.kotak.com>

For further information, please contact

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