



MEDIA RELEASE

KOTAK MAHINDRA BANK ANNOUNCES RESULTS

Bank PAT for Q4FY19 ₹ 1,408 up 25%

Bank PAT for FY19 ₹ 4,865 cr up 19%

Mumbai, April 30, 2019: The Board of Directors of Kotak Mahindra Bank (“Kotak Bank”) took on record the audited standalone and consolidated results for Q4FY19 and FY19, at the Board meeting held in Mumbai, today.

Kotak Mahindra Bank standalone results

Net Interest Income (NII) for FY19 increased to ₹ 11,259 cr from ₹ 9,532 cr in FY18 and Q4FY19 increased to ₹ 3,048 cr from ₹ 2,580 cr in Q4FY18

Net Interest Margin (NIM) for FY19 at 4.33% and Q4FY19 at 4.48%

Bank PAT for for FY19 increased to ₹ 4,865 cr from ₹ 4,084 cr in FY18 and for Q4FY19 increased to ₹ 1,408 cr from ₹ 1,124 cr in Q4FY18 up 25%

Advances as on March 31, 2019 were up 21% to ₹ 205,695 cr (₹ 169,718 cr as on March 31, 2018) and the total Balance Sheet size has crossed ₹ 300,000 cr

CASA ratio as on March 31, 2019 stood at 52.5 % compared to 50.8% as on March 31, 2018. Average Savings deposits grew by 25% to ₹ 76,289 cr for Q4FY19 compared to ₹ 61,223 cr for Q4FY18. Average Current Account deposits grew by 14% to ₹ 30,926 cr for Q4FY19 compared to ₹ 27,024 cr for Q4FY18. TD Sweep deposits as on March 31, 2019 were 6.5% of the total deposits.

The Relationship Value of all the customers of Wealth and Priority Banking Offering ~ ₹270,000 cr as on March 31, 2019 up from ~ ₹ 225,000 cr as on March 31, 2018.

Capital adequacy ratio of the Bank as per Basel III, as on March 31, 2019 is 17.5% and Tier I ratio is 16.9%.

As on March 31, 2019, the Bank had a network of 1,500 full-fledged branches and 2,352 ATMs affording it the capacity and means to serve its customers through its wide presence.

As on March 31, 2019, GNPA was 2.14% & NNPA was 0.75%. As on March 31, 2019, SMA2 outstanding was ₹ 138 cr (0.07% of net advances).

The Board of Directors at its meeting held today has recommended a dividend of ₹ 0.80 per equity share having face value of ₹ 5 for the year ended March 31, 2019 (Previous Year ₹ 0.70 per equity share having face value of ₹ 5). The aforesaid dividend will be paid after the approval of shareholders at the Annual General Meeting.

Consolidated results at a glance

Consolidated PAT for FY19 increased to ₹ 7,204 cr up from ₹ 6,201 cr in FY18 and for Q4FY19 increased to ₹ 2,038 cr up from ₹ 1,789 cr in Q4FY18.

For FY19, the Bank's contribution to the PAT was ₹ 4,865 cr. The subsidiaries & associates net contribution was 32% of the consolidated PAT. The contribution of key subsidiaries is given below:

| Subsidiaries | FY19 PAT (₹ cr) |
|-------------------------------|-----------------|
| Kotak Mahindra Prime | 599 |
| Kotak Mahindra Investments | 207 |
| Kotak Securities | 452 |
| Kotak Mahindra Life Insurance | 507 |
| Kotak AMC & TC | 255 |
| International Subsidiaries | 148 |

The Embedded Value (IEV methodology) of Kotak Mahindra Life Insurance as on March 31, 2019 was ₹ 7,306 cr up from ₹ 5,824 cr in FY18. The Value of New Business (VNB) for FY19 was ₹ 799 cr up from ₹ 522 cr in FY18 and the New Business (VNB) Margin for FY19 was 36.9%. The 13th month persistency was 87.2% for policies written till February 28, 2019 as compared to 85.2% for policies written till February 28, 2018

The market share of Kotak Securities in the cash segment was 9.1% for FY19. (8.5% FY18)

Consolidated Capital & Reserves and Surplus as on March 31, 2019 was ₹ 58,280 cr (₹ 50,486 cr as on March 31, 2018). The Book Value per Share was ₹ 302.7

Consolidated Advances were ₹ 243,462 cr as on March 31, 2019 (₹ 205,997 cr as on March 31, 2018)

Total assets managed / advised by the Group as on March 31, 2019 were up 23% at ₹ 225,274 cr (₹ 182,519 cr as on March 31, 2018).

Digital Update

Digital remains an area of focus for the Group. Our Voicebot 'Keya' handled 1.3 million monthly average interactions with enhanced user interface and handling queries for personal loan, bill payment and fixed deposit. Kotak also became one of the first banks in India to pilot the Whats App enterprise solution to offer a range of banking services and answer queries and as on 31st March, 2019 we had ~2 million users registered since July 2018. Bank and other subsidiaries like Securities, Insurance, Mutual Fund and Kotak Prime are gaining significant traction and market share. Kotak Bank continued to overachieve Digital Payments targets set by MeitY by 110%.

In Q4FY19, we processed ~ 100 million UPI transactions thereby clocking 5x growth. During Q4FY19, the share of Recurring Deposits sourced digitally was 86% and that of Term Deposits was 69%. Mobile banking growth in terms of volume recorded a YoY growth of 198%. The digital share of salaried personal loans was 32% in Q4FY19.

Kotak Securities mobile transaction cash ADVs grew 29% YoY and online total ADV grew by 58% YoY in Q4FY19. 88% of the individual policies written by Kotak Life Insurance were sourced through Genie - tablet based end to end sales solution. Further, 94% of the Banca channel sales in Q4FY19 were through Genie. In the case of Kotak General Insurance, its digital business in terms of volume grew 123% YoY.

The financial results of the subsidiaries (excluding insurance companies) and associates used for preparation of the consolidated financial results are in accordance with Generally Accepted Accounting Principles in India ('GAAP') specified under Section 133 and relevant provision of Companies Act, 2013. The financial statements of such subsidiaries and associates are being prepared as per Indian Accounting Standards in accordance with the Companies (Indian Accounting Standards) Rules, 2015.



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, 2019, Kotak Mahindra Bank Ltd, has a national footprint of 1,500 branches and 2,352 ATMs. The Capital & Reserves and Surplus of the Group stands at ₹ 58,280 cr as on March 31, 2019. 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, 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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