

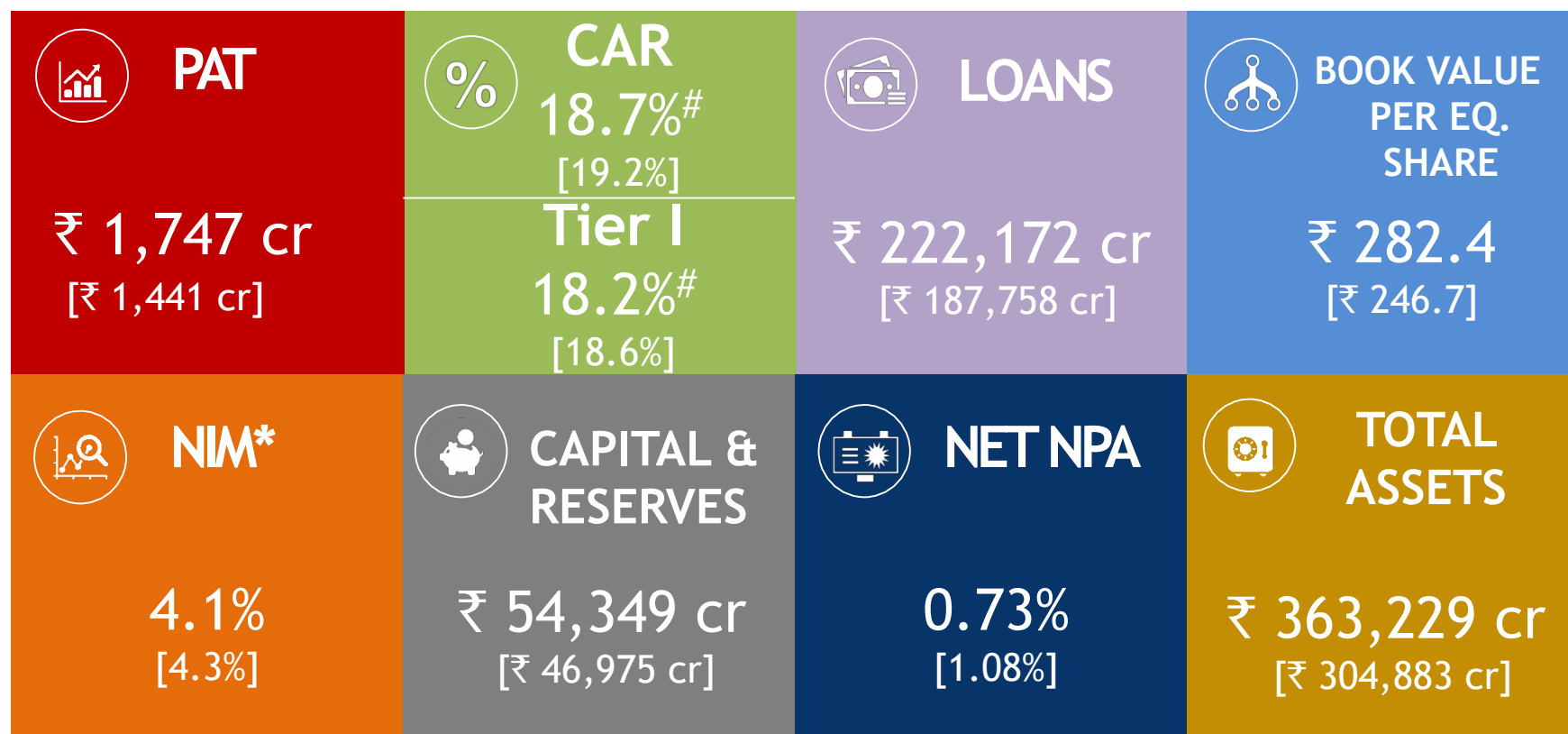
EARNINGS UPDATE Q2FY19

Presentation on financial results for the period ended September 30, 2018

October 24, 2018



Consolidated Highlights Q2FY19



Figures in [brackets] are Q2FY18 numbers

As per Basel III, including unaudited profits. Excluding profits CAR 17.6%, Tier I 17.0% (CAR 18.1% and Tier I 17.5%)

* Doesn't include dividend income and interest on income-tax refund

Financial results have been prepared under Indian Generally Accepted Accounting Principles

Consolidated PAT



₹ cr	Q2FY19	Q2FY18	Q1FY19	FY18
Kotak Mahindra Bank	1,142	994	1,025	4,084
Kotak Mahindra Prime	157	150	139	590
Kotak Mahindra Investments	45	55	48	245
Kotak Securities	112	118	130	531
Kotak Mahindra Capital	14	(1)	25	65
Kotak Mahindra Life Insurance	127	100	117	413
Kotak AMC and TC	52	23	51	115
International Subsidiaries	47	28	33	114
Others	13	(2)	28	13
Total	1,709	1,465	1,596	6,170
Minority Interest	-	(26)	-	(57)
Affiliates and Others	38	2	(22)	88
Consolidated PAT	1,747	1,441	1,574	6,201

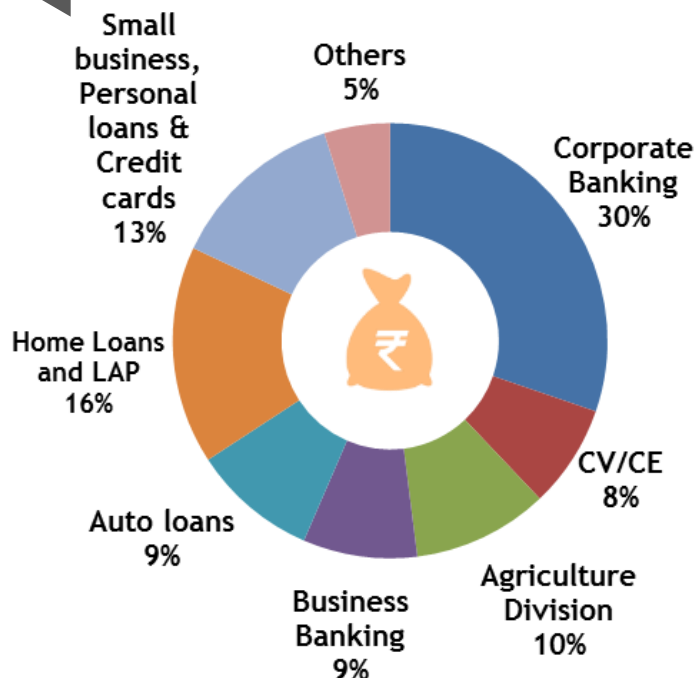
Entity wise Capital & Reserves and Surplus



₹ cr	30-Sep-18	30-Sep-17	30-Jun-18
Kotak Mahindra Bank	40,103	35,206	38,538
Kotak Mahindra Prime	5,112	4,509	4,955
Kotak Mahindra Investments	1,476	1,137	1,431
Kotak Securities	3,768	3,239	3,656
Kotak Mahindra Capital	548	497	534
Kotak Mahindra Life Insurance	2,482	2,027	2,355
Kotak AMC and TC	432	257	379
Kotak Infrastructure Debt Fund	337	316	329
Kotak Mahindra General Insurance	126	114	135
International Subsidiaries	987	744	887
Kotak Investment Advisors	354	332	355
Other Entities	185	137	169
Total	55,910	48,515	53,723
Add: Affiliates	921	791	888
Less: Minority, Inter-company and Others	(2,482)	(2,331)	(2,487)
Consolidated Capital & Reserves and Surplus	54,349	46,975	52,124

Consolidated Advances

30-Sep-18 (₹ 222,172 cr)











GNPA: 1.91%, NNPA: 0.73%

Consolidated Advances

₹ cr	30-Sep-18	30-Sep-17	30-Jun-18
Corporate Banking	67,319	56,493	66,178
CV/CE	17,048	12,205	16,024
Agriculture Division	22,425	19,741	21,249
Business Banking	18,575	18,113	18,116
Auto loans	20,696	19,900	20,365
Home Loans and LAP	36,064	29,429	34,005
Small Business, PL & Credit Cards	29,143	20,918	26,276
Others	10,902	10,959	11,149
Total Advances	222,172	187,758	213,362

Standalone Highlights Q2FY19

 PAT ₹ 1,142 cr [₹ 994 cr]	 NIM* 4.2% [4.4%]	 LOANS ₹ 184,940 cr [₹ 152,574 cr]	 NET NPA 0.81% [1.26%]
 TOTAL ASSETS ₹ 288,836 cr [₹ 236,970 cr]	 CAR 18.0%# [19.4%] Tier I 17.4%# [18.7%]	 BRANCHES 1,425 [1,362] CUSTOMERS > 16 mn [~ 10.5 mn]	 CASA 50.2% [47.8%]

Figures in [brackets] are Q2FY18 numbers

As per Basel III, including unaudited profits. Excluding profits CAR 17.0%, Tier I 16.4% (CAR 18.4% and Tier I 17.6%)

* Doesn't include dividend income and interest on income-tax refund

Profit and Loss Account

₹ cr	Q2FY19	Q2FY18	Q1FY19	FY18
Net Interest Income	2,689	2,313	2,583	9,532
Other Income	1,205	954	1,165	4,052
Net Total Income	3,894	3,267	3,748	13,584
Employee Cost	745	723	720	2,930
Other Operating Expenses	1,054	819	995	3,496
Operating Expenditure	1,799	1,542	1,715	6,426
Operating Profit	2,095	1,725	2,033	7,158
Provision On Adv/Receivables (net)	221	206	260	743
Provision On Investments	133	11	210	197
Provision & Contingencies	354	217	470	940
PBT	1,741	1,508	1,563	6,218
Provision For Tax	599	514	538	2,134
PAT	1,142	994	1,025	4,084

Segment Performance and Other Income

Bank Segmental PBT

As per RBI (₹ cr)	Q2FY19	Q2FY18	Q1FY19	FY18
Corporate/Wholesale Banking	796	685	645	2,984
Retail Banking	520	341	543	1,511
Treasury, BMU* & Corporate Centre	425	482	375	1,723
Total	1,741	1,508	1,563	6,218

* Balance Sheet Management Unit

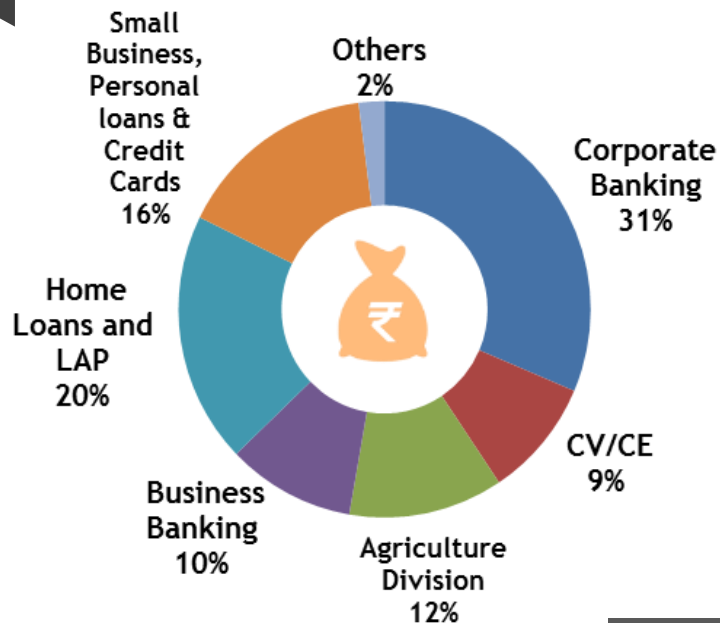
Advances as per segmental - ₹ cr	30-Sep-18	30-Sep-17	30-Jun-18
Retail	78,167	61,178	72,775
Corporate	106,773	91,396	104,152
Total Advances	184,940	152,574	176,927

Other Income (₹ cr)	Q2FY19	Q2FY18	Q1FY19	FY18
Fee and Services	1,019	810	989	3,454
Others	186	144	176	598
Total	1,205	954	1,165	4,052

- Relationship Value of Wealth + Priority ~ ₹ 248,000 cr

Advances

30-Sep-18 (₹ 184,940 cr)



Advances

₹ cr	30-Sep-18	30-Sep-17	30-Jun-18
Corporate Banking	58,072	48,995	57,683
CV/CE	17,048	12,205	16,024
Agriculture Division	22,425	19,741	21,249
Business Banking	18,575	18,113	18,116
Home Loans and LAP	36,064	29,429	34,005
Small Business, PL & Credit Cards	29,039	20,876	26,210
Others	3,717	3,215	3,640
Total Advances	184,940	152,574	176,927

Specific Sectors as per Basel III

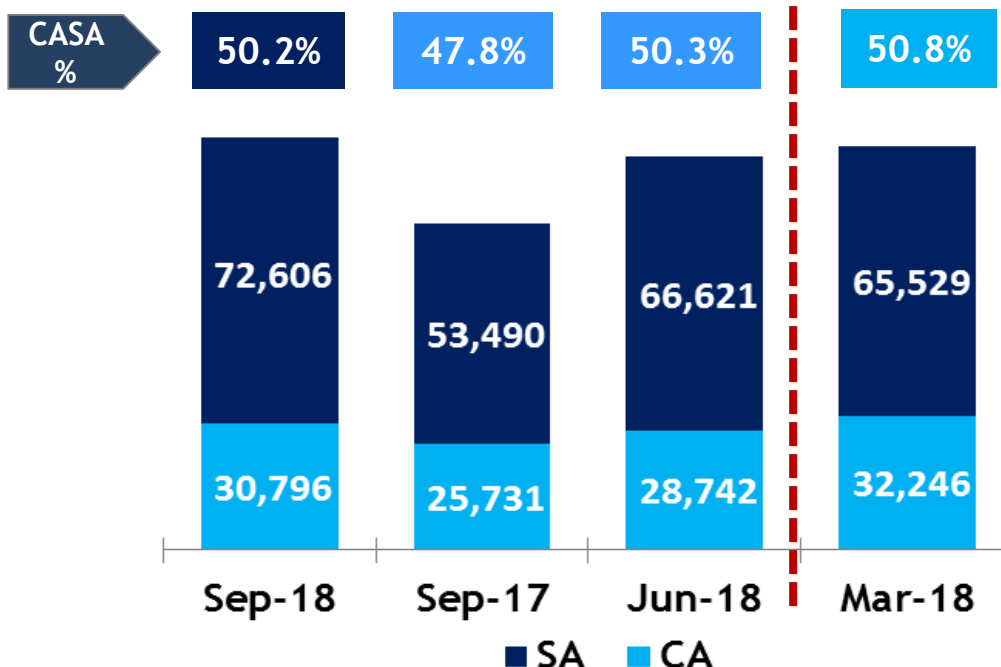
Outstanding* (₹ cr)	30-Sep-18	%	30-Sep-17	%	YoY
NBFCs	13,018	5.2%	12,129	5.7%	7.3%
CRE	7,740	3.1%	7,930	3.7%	-2.4%
- of which LRD	3,176	1.3%	3,059	1.4%	3.8%
Total	249,816		212,601		17.5%

- SMA2 outstanding - ₹ 165 cr
 - 0.09% of net advances
- GNPA: 2.15%; NNPA: 0.81%

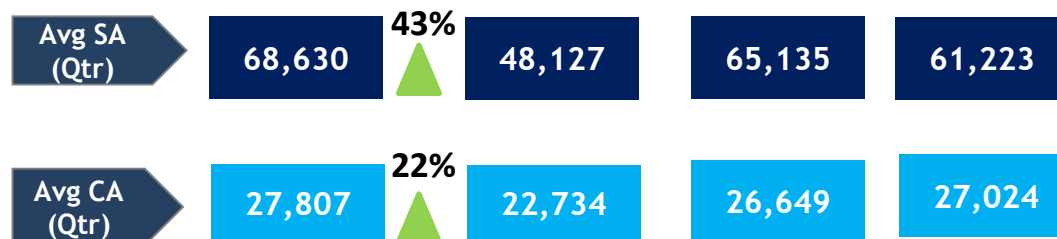
*Loans, non-SLR investments, bank balances, current exposure and non-fund

Deposits

CASA (₹ cr)



YoY %



Highlights

- CASA and TDs below ₹ 5 cr constitute 79% of total deposits
- TDs below ₹ 1 cr were ₹ 49,743 cr
- TD Sweep: 6.6% of total deposits
- Cost of SA for Q2FY19: 5.65%
- 1,425 branches as on 30th Sep, 2018

Balance Sheet

₹ cr	30-Sep-18	30-Sep-17	30-Jun-18
Capital & Reserves and Surplus	40,103	35,206	38,538
Deposits	205,830	165,671	189,744
CA	30,796	25,731	28,742
SA	72,606	53,490	66,621
Term Deposits	102,428	86,450	94,381
Of which: TD Sweep	13,541	11,559	13,111
Borrowings	32,584	25,923	33,494
Other Liabilities and Provisions	10,319	10,170	9,713
Total Liabilities	288,836	236,970	271,489

₹ cr	30-Sep-18	30-Sep-17	30-Jun-18
Cash, Bank and Call	24,598	20,823	12,849
Investments	67,915	52,796	71,025
Government Securities	55,944	41,922	54,937
Others	11,971	10,874	16,088
Advances	184,940	152,574	176,927
Fixed Assets and Other Assets	11,383	10,777	10,688
Total Assets	288,836	236,970	271,489



Highest Rated Banking App in India (4.8 in Apple Store & 4.5 in Google Playstore)

Q2FY19

90%

Recurring Deposit sourced digitally

69%

Fixed Deposit sourced digitally

250%

Mobile Banking growth YoY* (volume)

100% growth YoY in monthly active customers on mobile app.

77% of mobile banking customers are ONLY on mobile app

Mobile Banking login is 8X of Net Banking

Conversational Banking

Keya Chatbot for Online customer service

Whatsapp Banking launched with 23 features



811 Digital Bank Account - Highlights



#IndiaInvited: Scaled new heights with '811 is for everyone' campaign running successfully across platforms



43% salaried while 28% self-employed

91% of customers are 18-40 years of age

58% of customers are from the top 20 cities

Group Personal Accident Cover journey for instant purchase for 811 customers

Virtual Prepaid Card for 811 Lite customers introduced to enable online shopping

We are reviewing 811 strategy in view of Supreme Court judgement

Payment and Digital Lending Solutions

Highlights:

45%

Payment Gateway Volume growth
(Sep'18 vs Sep'17)
Volume crosses 2mn mark in Sep'18

25x

Growth in UPI transactions -
Fund Transfer + Merchant
Payments (Sep'18 vs Sep'17)

**~23
Mn**

UPI transactions recorded in a
single month - Sep'18. Highest
since launch

274%

YoY Growth in KayMall (mComm+
eComm) transaction volumes
(Sep'18 vs Sep'17)



Kotak amongst 3 Banks to
perform a LIVE Demo of UPI 2.0
@ 16th August 2018 UPI 2.0
Launch



Launched Industry First UPI 2.0
Hackathon in collaboration with
NASSCOM & iSPIRIT in Aug 2018



One of the first banks to
launch Open Banking
platform for collaboration
with Fintechs, Corporates &
Enterprises



Launch of AEPS with: Meeseva -
Govt. of Telangana. Q2 Rollout at
1,748 BC agents

Digital Lending Business - Credit Card, Personal Loan, Home Loan, Business Loan



Credit Card	1.8x	YOY increase for digital card acquisition
	17%	Contribution of 811 customers to the overall digital credit card acquisition
Personal Loan	1.5x	YOY increase for digital salaried personal loan disbursed
	32%	Total digital contribution of salaried personal loans
Home Loan	1.4x	QoQ increase in Salaried Home Loans - Digitally enabled by 4 hour sanction process
Business Loan	2x	QoQ increase for digital business loan disbursed
	14%	total digital contribution of total business



Kotak Securities



91% growth YoY in Mobile Cash ADV



205% growth YoY in Mobile Total ADV



Kotak Life Insurance

89%

Individual Policies sourced in Q2FY19 through Genie (Tablet based end to end sales solution)

96%

Business (sales in Q2FY19) comes through Genie for BANCA channel



Kotak General Insurance

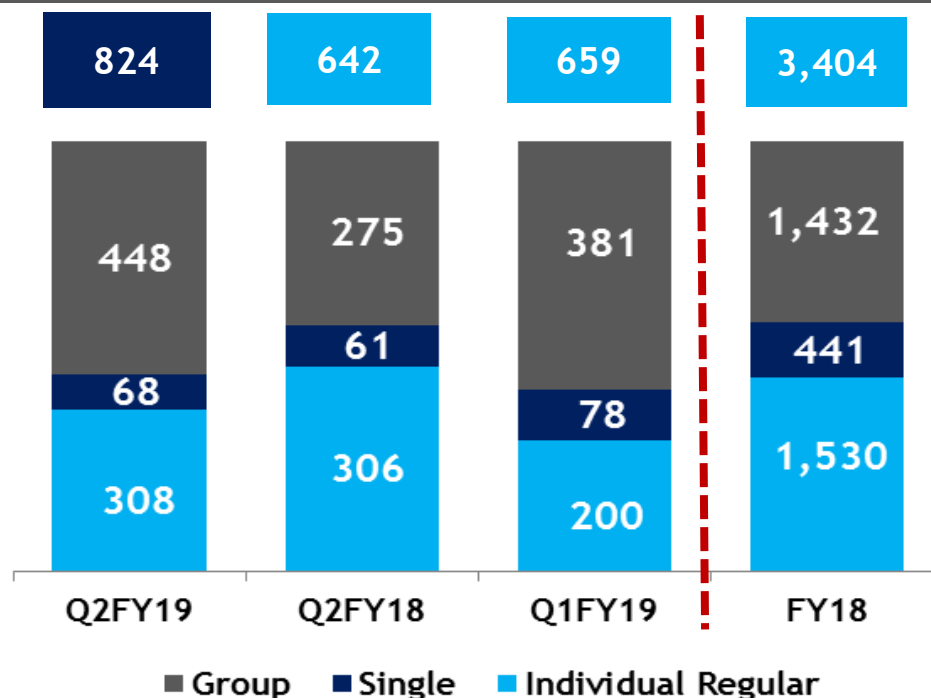
77%

YoY growth in volume of digital business

70%

YoY growth in value of digital business

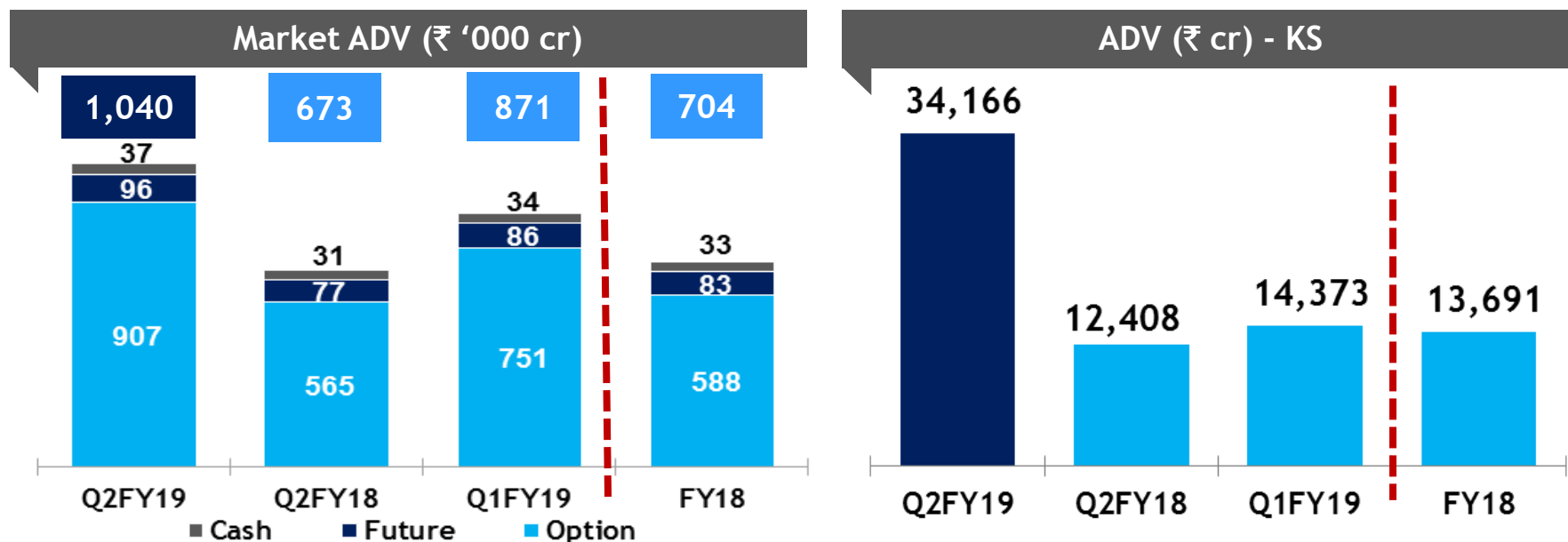
New Business Premium (₹ cr)



Highlights

- ULIP Mix H1FY19: 25% (FY18: 36%)
- Individual renewal premium grew 31% over Q2FY18
- 13th Month Persistency YTD Jun18: 84.6%
- Claims settlement ratio FY18: 99.3%

₹ cr	Q2FY19	Q2FY18	Q1FY19	FY18
Capital	562	562	562	562
Other Reserves and Surplus	1,920	1,465	1,793	1,676
Total Premium	1,718	1,308	1,188	6,599
Profit After Tax	127	100	117	413
Solvency Ratio (x)	3.10	3.08	3.11	3.05



₹ cr	Q2FY19	Q2FY18	Q1FY19	FY18
Total Income	407	366	415	1,655
Profit Before Tax	169	177	196	796
Profit After Tax	112	118	130	531
Market Share* (%) (YTD)	2.5	1.9	1.7	1.9

*excluding BSE Derivative segment

Market Share in Cash Segment H1FY19 - 8.7%

Advisory



Merger of Excel Cropcare with Sumitomo Chemical

₹ 3,593 cr



Sale of stake in SBI General Insurance by SBI to Axis AIF and PremjiInvest

₹ 482 cr

Asia
Healthcare
Holdings
₹ 365 cr

Sale of 32% stake in AHH to Temasek

Equity



HDFC ASSET MANAGEMENT CO.LIMITED
Initial Public Offering

₹ 2,800 cr



CREDITACCESS GRAMEEN LIMITED
Initial Public Offering

₹ 1,131 cr



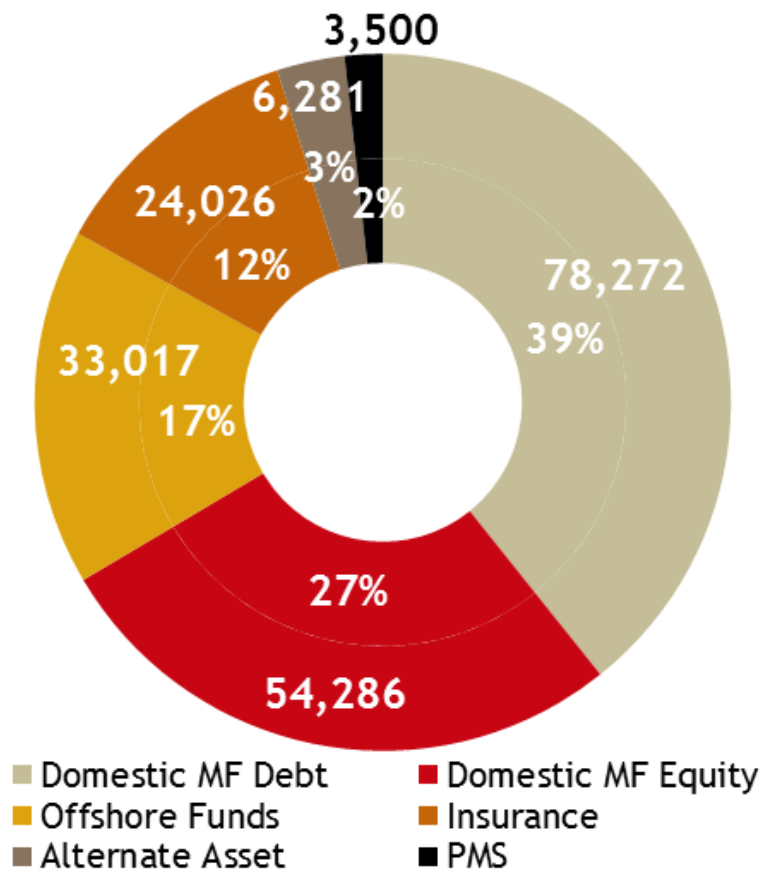
TCNS CLOTHING CO.LIMITED
Initial Public Offering

₹ 1,125 cr

₹ cr	Q2FY19	Q2FY18	Q1FY19	FY18
Total Income	43	15	56	181
Profit Before Tax	21	(2)	36	102
Profit After Tax	14	(1)	25	65

Assets Under Management

Sep 30, 2018

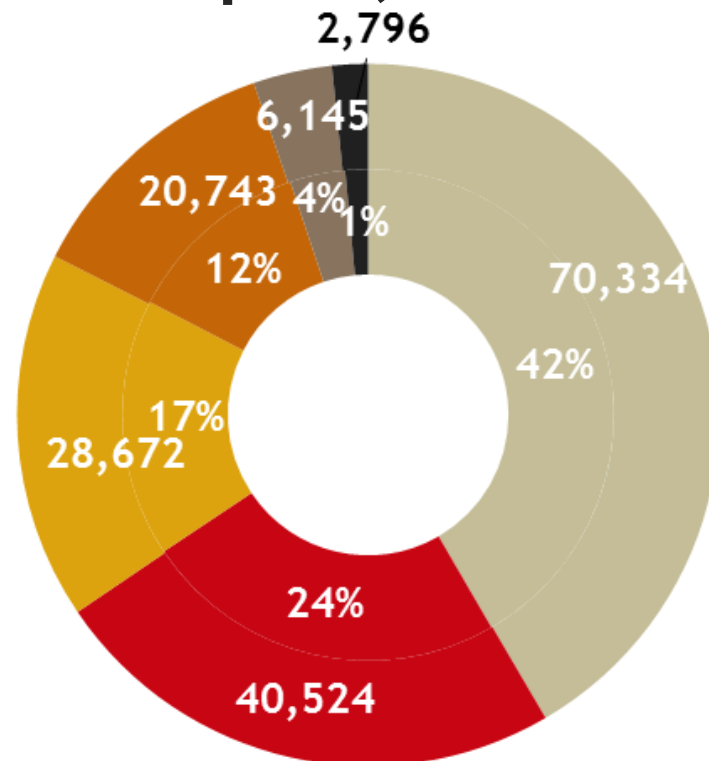


AUM ₹ 199,382 cr

18%

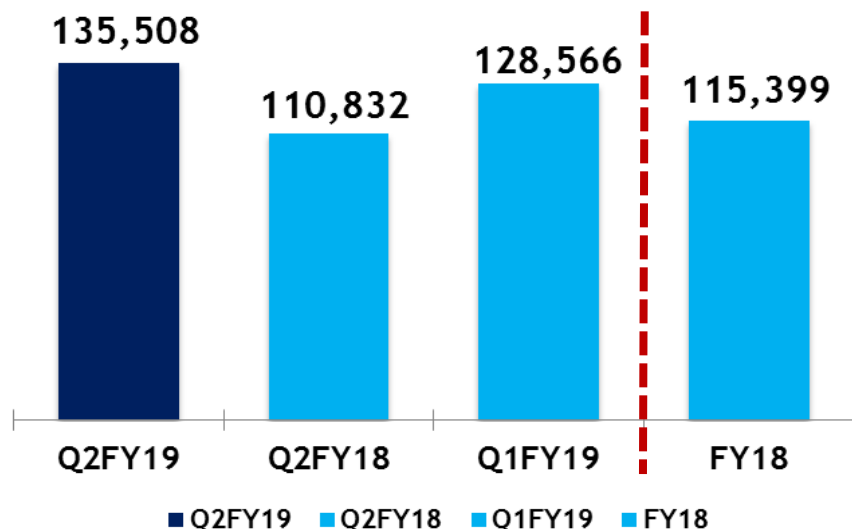


Sep 30, 2017

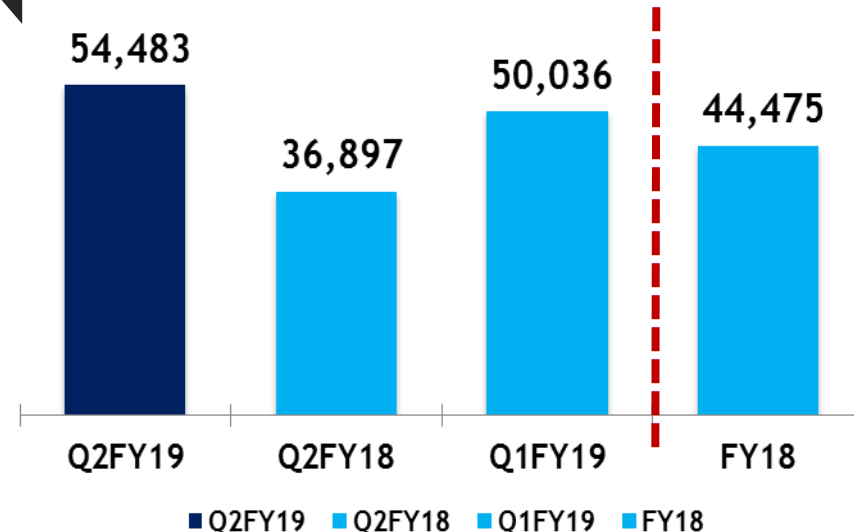


AUM ₹ 169,214 cr

Average Assets Under Management (₹ cr) - Overall



Average Assets Under Management (₹ cr) - Equity



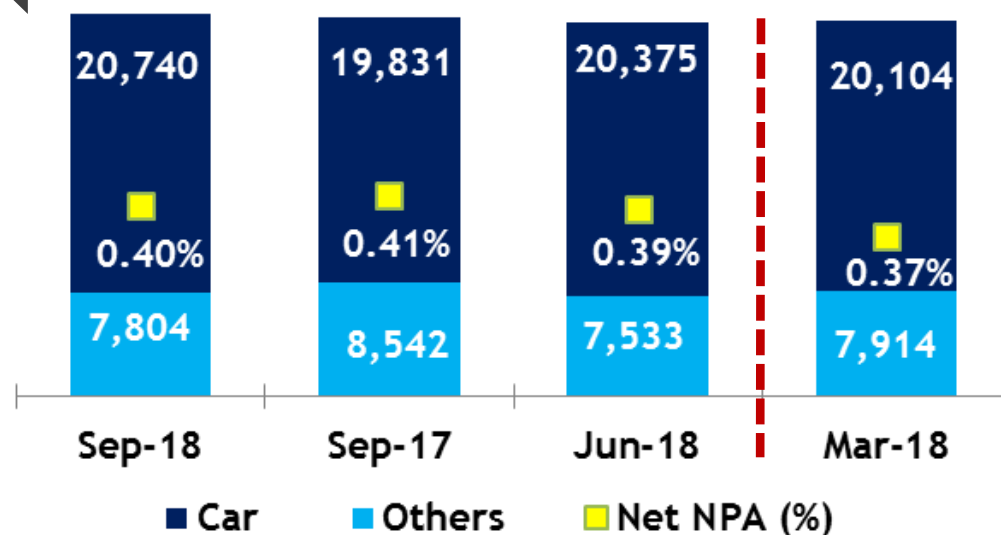
₹ cr	Q2FY19	Q2FY18	Q1FY19	FY18
Profit Before Tax	79	34	77	170
Profit After Tax	52	23	51	115

Highlights

- Equity AAUM market share rose to 3.96% in Q2FY19 (Q2FY18: 3.60%)
- Overall Market share on AAUM rose to 5.53% in Q2FY19 (Q2FY18: 5.28%)
- PMS AUM grew 1.28x YoY

Awarded as Best Mutual Fund House of the year 2018 by CNBC TV18

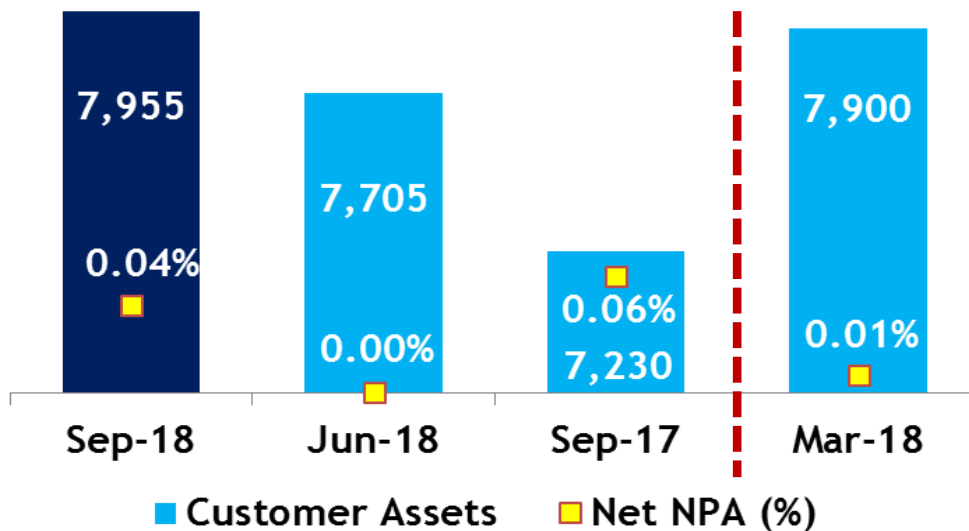
Customer Assets* (₹ cr) & NNPA (%)



₹ cr	Q2FY19	Q2FY18	Q1FY19	FY18
NII	266	276	271	1,115
Other Income	89	64	57	256
NII and Other Income	355	340	328	1,371
Profit Before Tax	238	229	214	902
Profit After Tax	157	150	139	590
CAR (%) (incl unaudited profits)	18.2%			
ROA (%) - annualised	2.0			

* Includes loans and credit substitutes

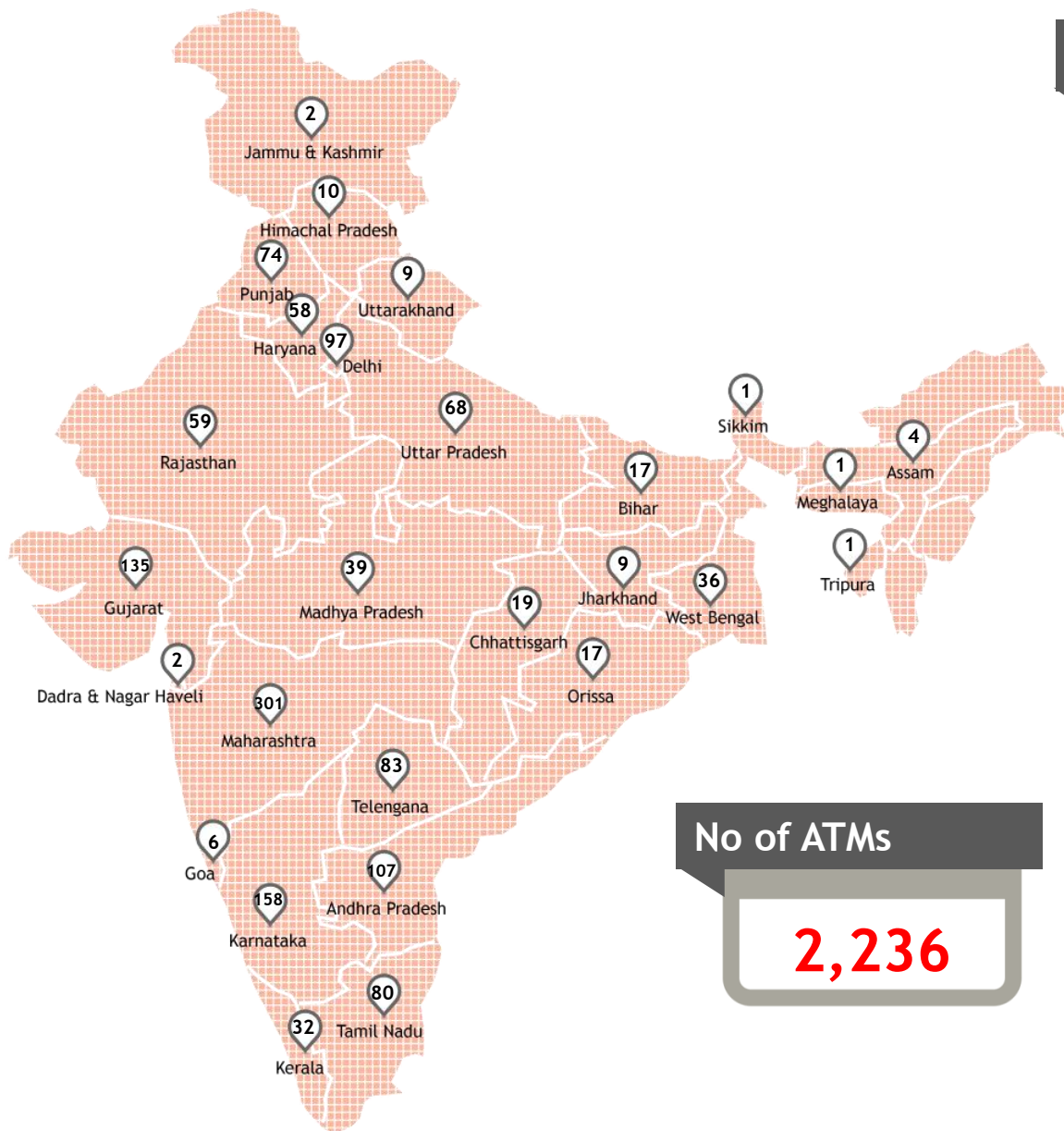
Customer Assets* (₹ cr) & NNPA (%)



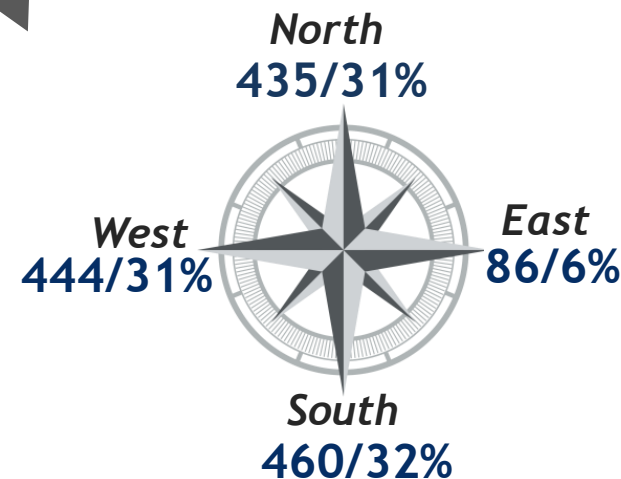
₹ cr	Q2FY19	Q2FY18	Q1FY19	FY18
NII	61	76	72	304
Other Income	24	24	16	122
NII and Other Income	85	100	88	426
Profit Before Tax	70	84	74	367
Profit After Tax	45	55	48	245
CAR (%) (incl unaudited profits)	20.7%			
ROA (%) - annualised	2.0%			

* Includes loans and credit substitutes

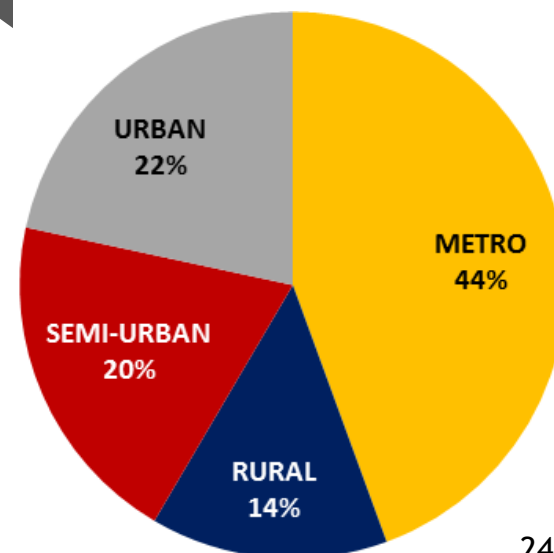
Geographical Presence



Branches 1,425 [No./%]



Branch Classification



No of ATMs

2,236

Bank Awards & Recognition

Euromoney Awards for Excellence 2018

- India's Best Bank
- Best Bank in the Emerging Markets in the Euromoney Regional Awards



Banker's Choice Awards (India):

- Best Cash Mgt Bank
- Best Supplier Relationship Mgt
- Best E-commerce Initiative, Application or Programme: "Kotak ALLPAY"

Icon of Indigenous Excellence Award

2nd Annual Economic Times Iconic Brand Summit 2018

Best Mid-Size Bank

Business Today Best Banks Awards 2018

Best Mid-Size Bank

Businessworld Magna Awards 2018

811 & Biometric-Most Innovative Product

IBAs Banking Technology Awards 2018

Best Technical innovation

Indian Banking Summit & Awards 2018

Asiamoney Best Bank Awards 2018 (India)

- Best Domestic Bank
- Best Corporate & Investment Bank
- Best Bank (Cash Management Poll)
- Best High Yield Syndicate Loan

Customer Service Provider of the Year - Private Bank

India Banking Summit & Awards 2018

Best Bank for CTS Clearing Operations for year 2017

NCPI

The Asset Triple A Treasury, Trade, Supply Chain and Risk Management Awards 2018:

- Best in Treasury and Working Capital-NBFCs, Public Sector
- Best Liquidity Management Solution for Tata Realty & Infrastructure Limited

- Voice Bot (Keya) one of the Best 50 Innovative Applications in AI NASSCOM AI Game Changer Awards 2018

Kotak Wealth Mgt- Best Performing Private Bank, India

- Euromoney Private Banking Survey, 2018
- The banker Global Private banking awards 2018

- TOP Report : "Wealth Management Publication" at the India Wealth Awards 2018, by AIWMI

Excellence in Financial Reporting - Annual Report (Pvt. Sector Banks)

ICAI Awards for 2016-17

Silver Award for Kotak Mahindra Bank's Annual Report

LACP 2017 Vision Award

IR Magazine Forum and Awards:

- Kotak IR Team : Runner up, Best IR Team (Large Cap)
- Nimesh Kampani, SVP & IR-Head : Runner up, Best IR Officer



Company of the Year 2016

The Economic Times Awards for Corporate Excellence

Mr. Uday Kotak

CEO of the Year Award

CNBC-Awaaz CEO Awards 2018

Global Leadership Award

USIBC Global Leadership Award

Banker of the Year

Businessworld Magna Awards 2018

Mr. Jaimin Bhatt

CFO Award

For Sustained Excellence Over a Decade

Best Cash Management Bank

Asian Banker Transaction Banking Awards 2018, 25 2017,2016 (India)

Awards and Recognition



Investment Bank of the year - M&A Award
VC Circle

The Asset Triple A Country Awards 2017, India

- Best IPO
- Best QIP

India Equity House
2017 IFR Asia

Securities Advisory Firm of the Year in India
Corporate Intl Global Awards - 2017, 2016, 2014, 2012

Most Innovative Bank
Asia Pacific award by The Banker Magazine



Early adopter of Analytics
Machine conference 2018

Asiamoney Best Bank Awards 2018 (India)

- Best for Overall Country Research (Brokers Poll)
- Best Local Brokerage (Brokers Poll)

Best Campaign Management Award (Gold Medal) for the *Agar Magar Jigar* campaign
DMAAsia 2017

Institutional Investor's 2017

- #1 in All-India Research Team
- #1 in All-India Sales Team

Best Brokerage, India

- The Asset Triple A Country Awards, 2017



Business World Award
Excellence in L&D for 2016



Special award for Innovative Approach to Investor Awareness
Outlook Money

Kotak Funds-India Midcap A Acc USD- Best Fund in Over 5 Years by:

- Thomson Reuters Lipper Germany 2018 Fund Awards
- Thomson Reuters Lipper Fund Award United Kingdom 2018
- Thomson Reuters Lipper Fund Award Nordics 2018

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Figures for the previous period/ year have been regrouped wherever necessary to conform to current period’s / year’s presentation. Totals in some columns/ rows may not agree due to rounding off.

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