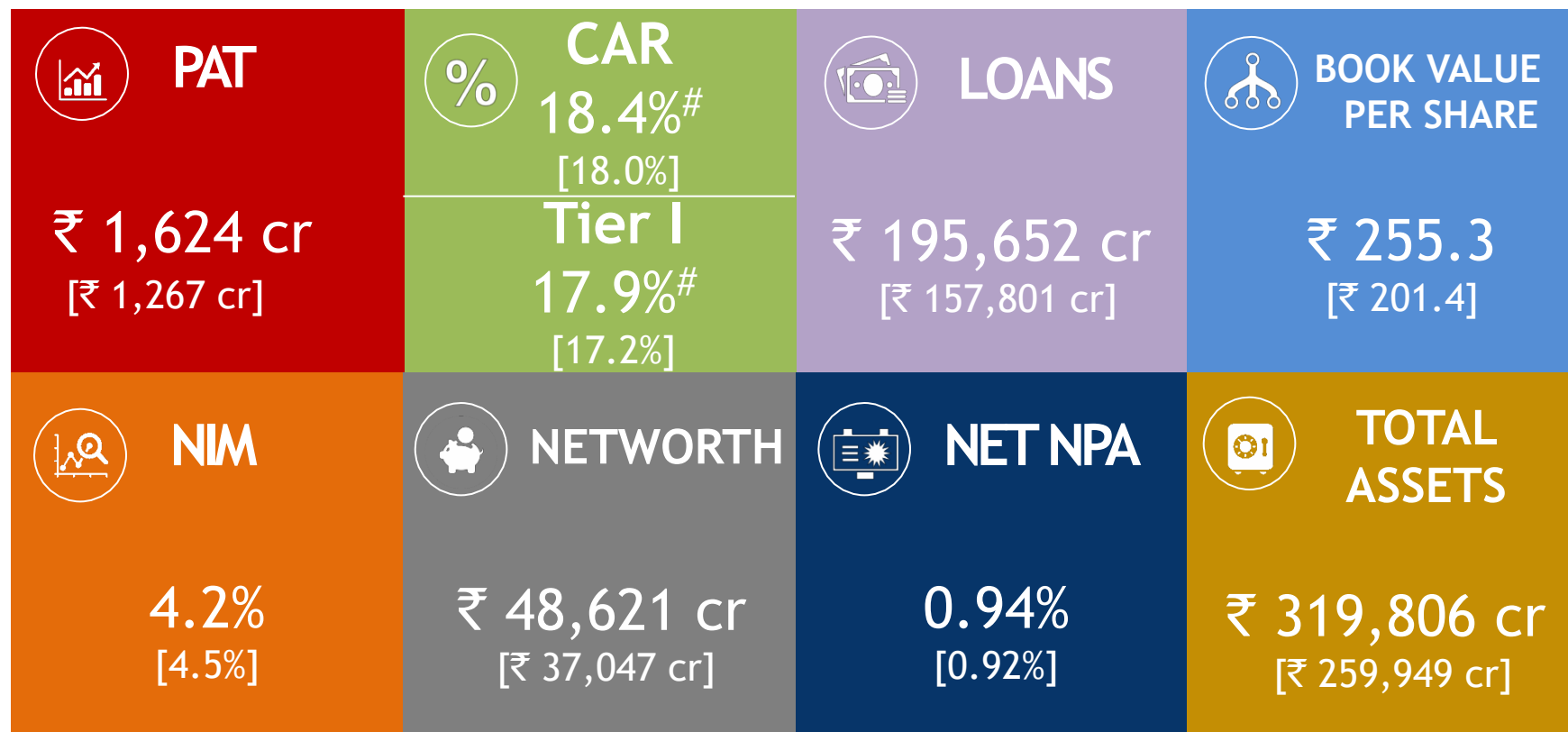


# EARNINGS UPDATE Q3FY18

Presentation on financial results for the period ended December 31, 2017

January 19, 2018

# Consolidated Highlights Q3FY18



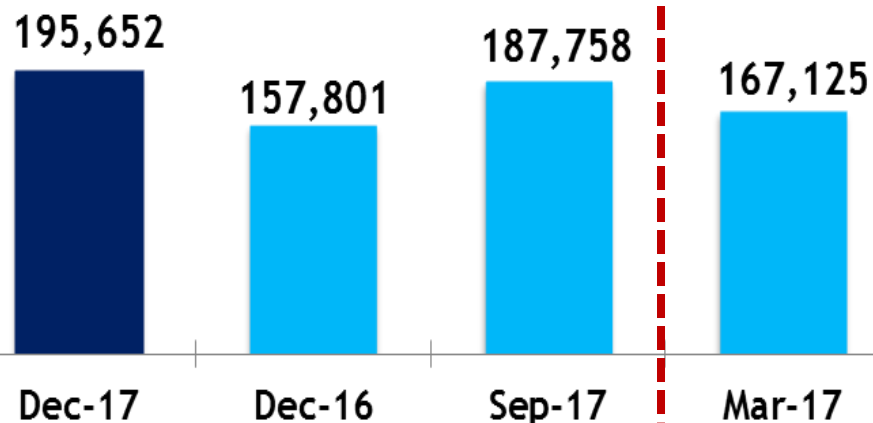
*Figures in [brackets] are Q3FY17 numbers*

# As per Basel III, including unaudited profits. Excluding profits CAR 16.8%, Tier I 16.2% [CAR 16.4% and Tier I 15.5%]

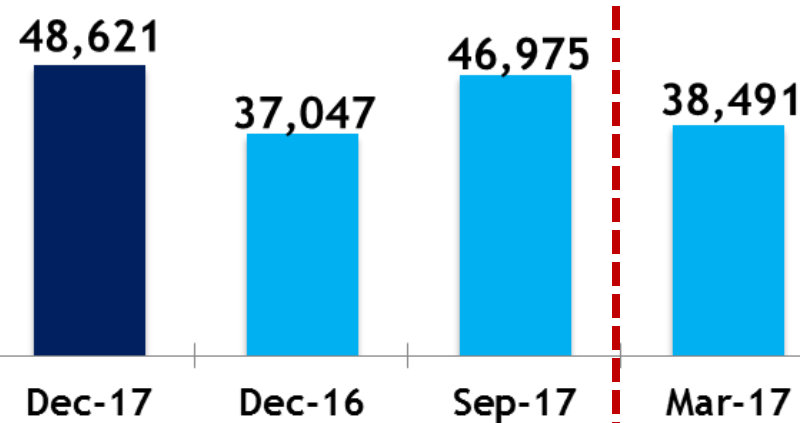
# Consolidated Key Financials



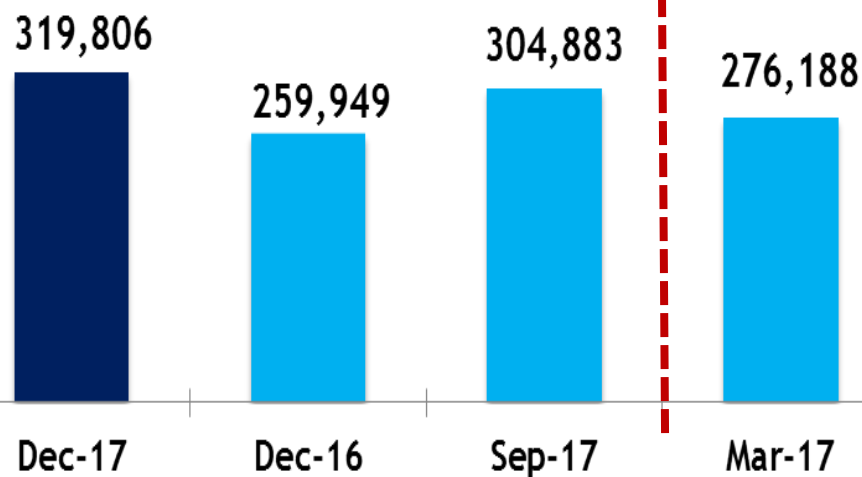
Advances [₹ cr]



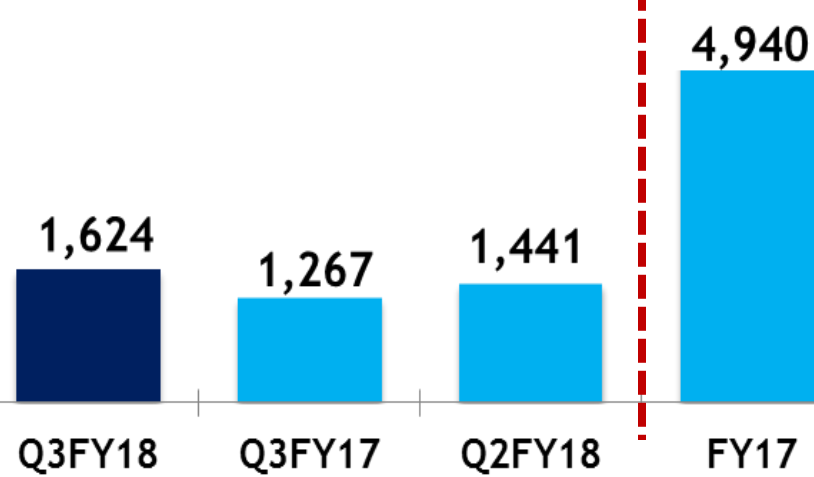
Networth [₹ cr]



Total Assets [₹ cr]

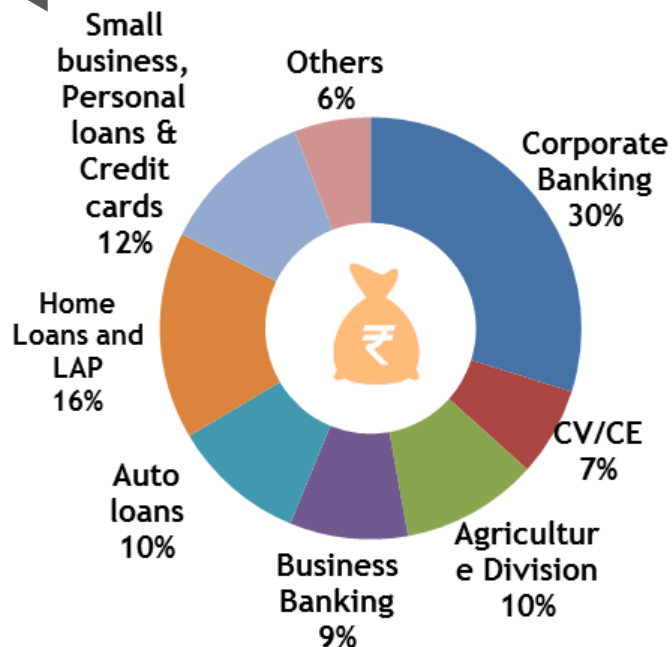


PAT [₹ cr]



# Consolidated Customer Assets

31-Dec-17 (₹ 195,652 cr)



## Advances

**Advances growth: 24% YoY**

**GNPA: 2.01%, NNPA: 0.94%**

## Customer Assets

₹ cr	31-Dec-17	31-Dec-16	30-Sep-17
Corporate Banking	58,182	48,167	56,493
CV/CE	13,251	9,645	12,205
Agriculture Division	20,550	16,519	19,741
Business Banking	18,017	16,628	18,113
Auto loans	20,005	17,490	19,900
Home Loans and LAP	30,944	25,046	29,429
Small Business, PL & Credit Cards	22,958	15,797	20,918
Others	11,745	8,509	10,959
<b>Total Advances</b>	<b>195,652</b>	<b>157,801</b>	<b>187,758</b>
Investment Credit Substitutes	7,927	6,473	9,007
<b>Total Customer Assets</b>	<b>203,579</b>	<b>164,274</b>	<b>196,765</b>

# Consolidated PAT



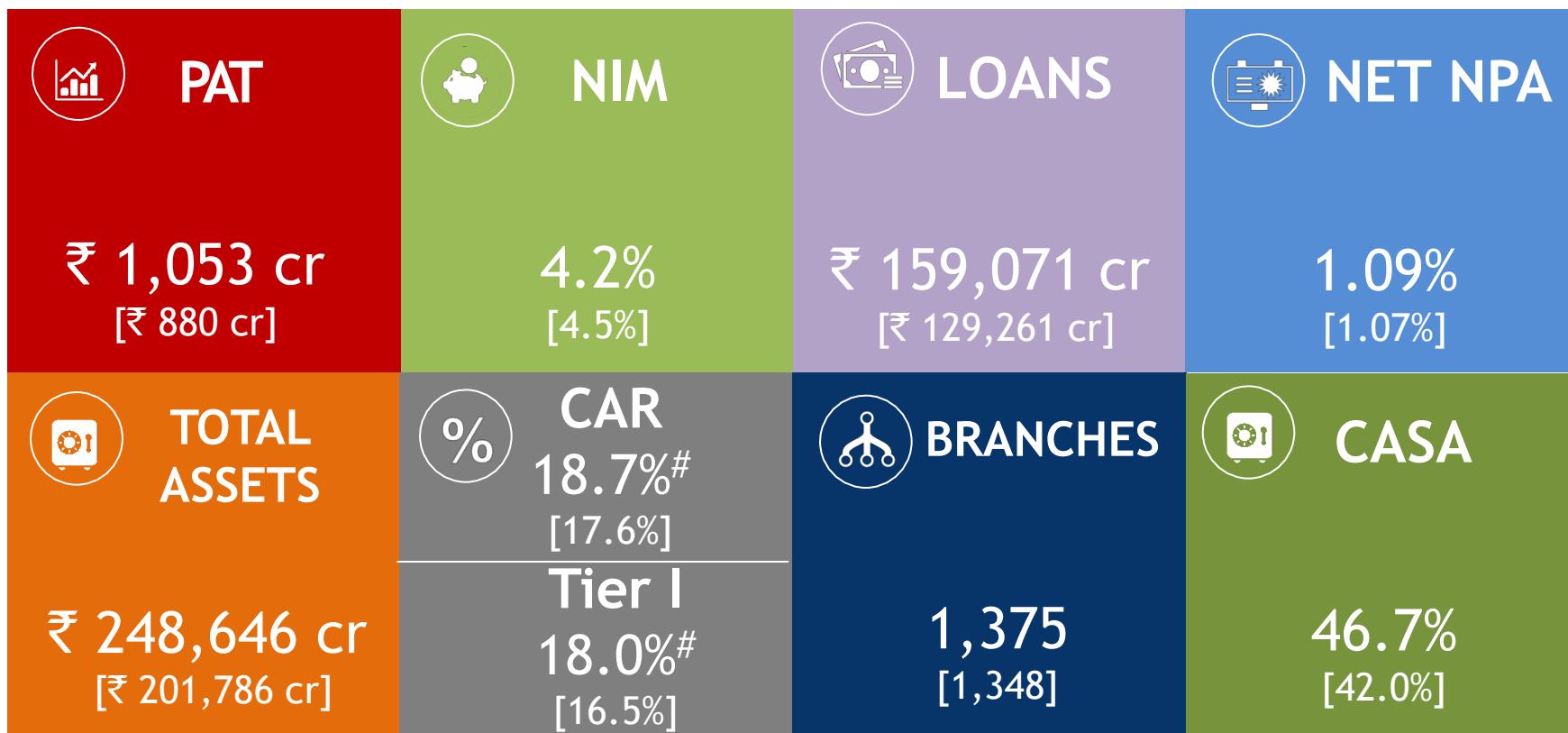
₹ cr	Q3FY18	Q3FY17	Q2FY18	FY17
Kotak Mahindra Bank	1,053	880	994	3,411
Kotak Mahindra Prime	148	133	150	515
Kotak Mahindra Investments	50	48	55	196
Kotak Securities	154	85	118	361
Kotak Mahindra Capital	36	7	(1)	46
Kotak Mahindra Life Insurance*	97	68	100	303
Kotak AMC and TC	38	16	23	56
International Subsidiaries	32	22	28	86
Others	12	(9)	(2)	(23)
<b>Total</b>	<b>1,620</b>	<b>1,250</b>	<b>1,465</b>	<b>4,951</b>
Minority Interest	(4)	(18)	(26)	(79)
Affiliates and Others	8	35	2	68
<b>Consolidated PAT</b>	<b>1,624</b>	<b>1,267</b>	<b>1,441</b>	<b>4,940</b>

\*Formerly known as Kotak Mahindra Old Mutual Life Insurance Limited

# Entity wise Networth

₹ cr	31-Dec-17	31-Dec-16	30-Sep-17	31-Mar-17
Kotak Mahindra Bank	36,297	26,568	35,206	27,616
Kotak Mahindra Prime	4,657	4,094	4,509	4,227
Kotak Mahindra Investments	1,187	981	1,137	1,038
Kotak Securities	3,393	2,875	3,239	2,996
Kotak Mahindra Capital	533	482	497	493
Kotak Mahindra Life Insurance	2,124	1,723	2,027	1,825
Kotak AMC and TC	295	215	257	229
Kotak Infrastructure Debt Fund	320	307	316	309
Kotak Mahindra General Insurance	108	101	114	90
International Subsidiaries	760	705	744	693
Kotak Investment Advisors	336	280	332	277
Other Entities	147	45	137	44
<b>Total</b>	<b>50,157</b>	<b>38,376</b>	<b>48,515</b>	<b>39,837</b>
Add: Affiliates	801	741	791	750
Less: Minority, Inter-company and Others	(2,337)	(2,070)	(2,331)	(2,096)
<b>Consolidated Networth</b>	<b>48,621</b>	<b>37,047</b>	<b>46,975</b>	<b>38,491</b>

# Standalone Highlights Q3FY18



Figures in [brackets] are Q3FY17 numbers

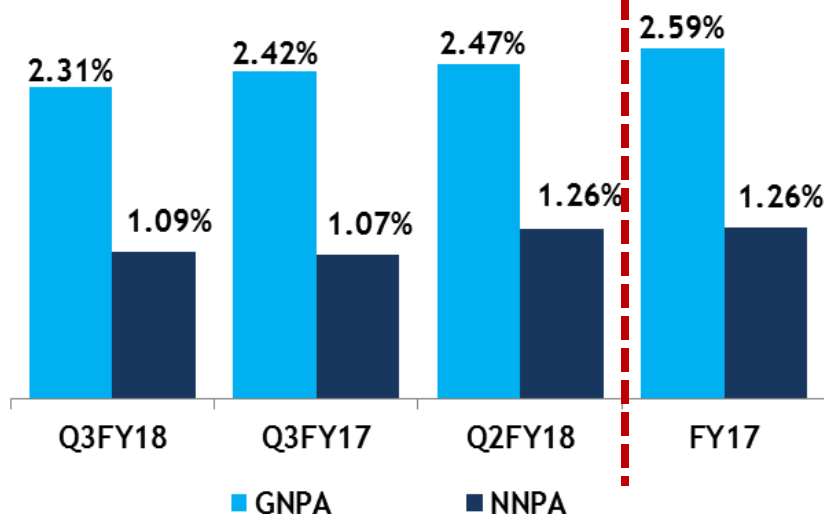
<sup>#</sup> As per Basel III, including unaudited profits. Excluding profits CAR 17.1%, Tier I 16.4% [CAR 16.0% and Tier I 14.9%]

# Profit and Loss Account

₹ cr	Q3FY18	Q3FY17	Q2FY18	FY17
Net Interest Income	2,394	2,050	2,313	8,126
Other Income	1,040	910	954	3,477
<b>Net Total Income</b>	<b>3,434</b>	<b>2,960</b>	<b>3,267</b>	<b>11,603</b>
Employee Cost	734	697	723	2,745
Other Operating Expenses	880	735	819	2,873
<b>Operating Expenditure</b>	<b>1,614</b>	<b>1,432</b>	<b>1,542</b>	<b>5,618</b>
<b>Operating Profit</b>	<b>1,820</b>	<b>1,528</b>	<b>1,725</b>	<b>5,985</b>
Provision On Advances/Receivables (net)	170	137	206	698
Provision On Investments	43	55	11	139
<b>Provision &amp; Contingencies</b>	<b>213</b>	<b>192</b>	<b>217</b>	<b>837</b>
<b>PBT</b>	<b>1,607</b>	<b>1,336</b>	<b>1,508</b>	<b>5,148</b>
Provision For Tax	554	456	514	1,737
<b>PAT</b>	<b>1,053</b>	<b>880</b>	<b>994</b>	<b>3,411</b>



## GNPA and NNPA



## Asset Quality

- Restructured loans considered standard ₹ 67 cr; 0.04% of net advances
- SMA2 outstanding - ₹ 308 cr
  - 0.19% of net advances
- GNPA: 2.31%
- NNPA: 1.09%

Other Income (₹ cr)	Q3FY18	Q3FY17	Q2FY18	FY17
Fee and Services	829	725	810	2,677
Others	211	185	144	800
<b>Total</b>	<b>1,040</b>	<b>910</b>	<b>954</b>	<b>3,477</b>

# Segment Performance

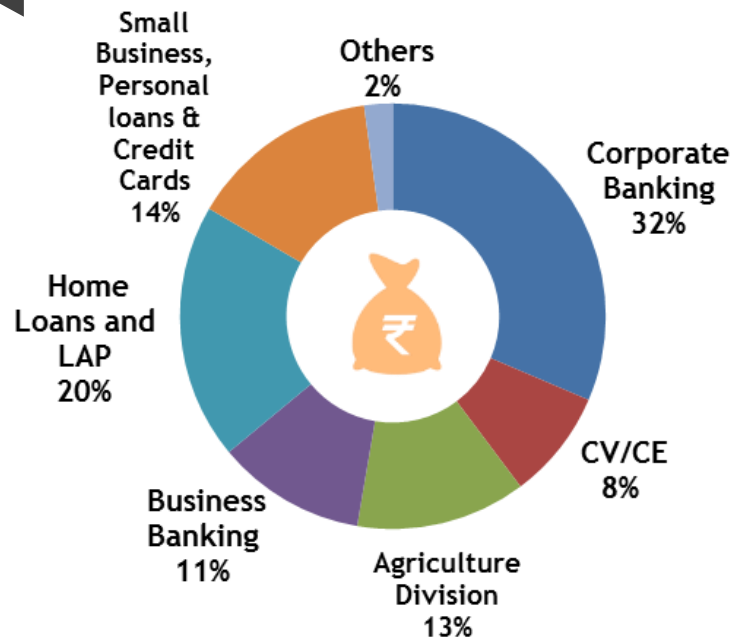
## Bank Segmental PBT

As per RBI (₹ cr)	Q3FY18	Q3FY17	Q2FY18	FY17
Corporate/Wholesale Banking	784	729	685	2,695
Retail Banking	391	322	341	1,195
Treasury, BMU* & Corporate Centre	432	285	482	1,258
<b>Total</b>	<b>1,607</b>	<b>1,336</b>	<b>1,508</b>	<b>5,148</b>

\* Balance Sheet Management Unit

# Customer Assets

31-Dec-17 (₹ 159,071 cr)



## Advances

**Advances growth: 23% YoY**

## Customer Assets

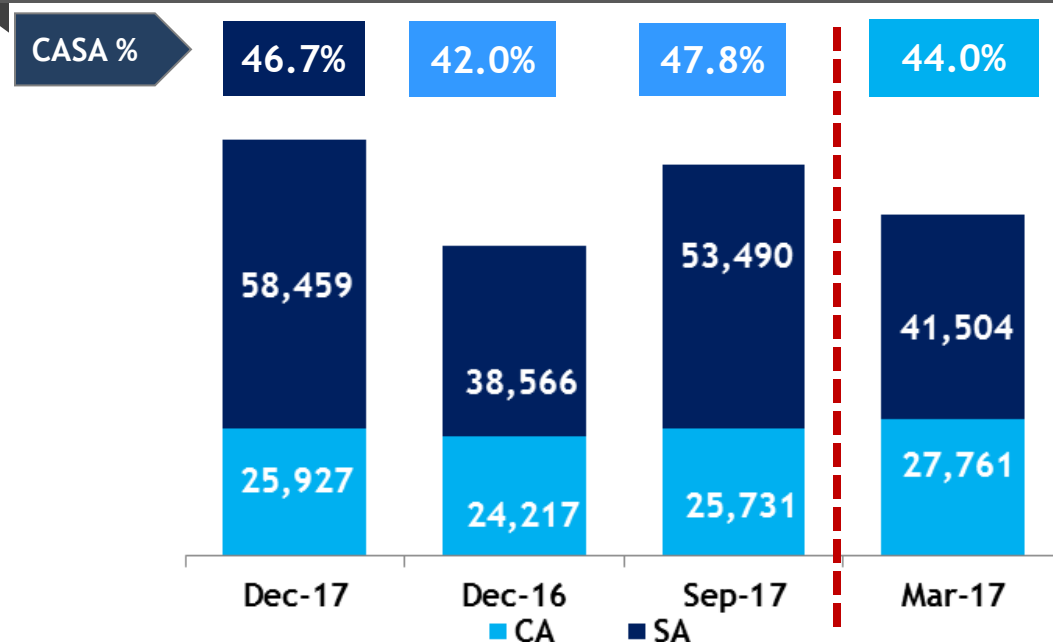
₹ cr	31-Dec-17	31-Dec-16	30-Sep-17
Corporate Banking	49,961	42,578	48,995
CV/CE	13,251	9,645	12,205
Agriculture Division	20,550	16,519	19,741
Business Banking	18,017	16,628	18,113
Home Loans and LAP	30,944	25,046	29,429
Small Business, PL & Credit Cards	22,904	15,784	20,876
Others	3,444	3,062	3,215
<b>Total Advances</b>	<b>159,071</b>	<b>129,261</b>	<b>152,574</b>
Investment Credit Substitutes	7,286	5,541	8,483
<b>Total Customer Assets</b>	<b>166,357</b>	<b>134,802</b>	<b>161,057</b>

## As per segmental classification

₹ cr	31-Dec-17	31-Dec-16	30-Sep-17
Retail	65,381	51,582	61,178
Corporate	93,690	77,679	91,396
<b>Total Advances</b>	<b>159,071</b>	<b>129,261</b>	<b>152,574</b>
Investment Credit Substitutes	7,286	5,541	8,483
<b>Total Customer Assets</b>	<b>166,357</b>	<b>134,802</b>	<b>161,057</b>

# Branches & Deposits

## CASA (₹ cr)



## Highlights

- 1,375 branches as on 31<sup>st</sup> Dec, 2017
- CASA and TDs below ₹ 5 cr constitute 75% of total deposits
- TDs below ₹ 1 cr were ₹ 42,027 cr
- TD Sweep deposits 6.4% of the total deposits
- Cost of SA for Q3FY18 - 5.58%

## YoY %

### Avg SA (Qtr)



### Avg CA (Qtr)



# Balance Sheet

₹ cr	31-Dec-17	31-Dec-16	30-Sep-17	31-Mar-17
Networth	36,297	26,568	35,206	27,616
Deposits	180,826	149,352	165,671	157,426
CA	25,927	24,217	25,731	27,761
SA	58,459	38,566	53,490	41,504
Term Deposits	96,440	86,569	86,450	88,161
Of which: TD Sweep	11,532	10,941	11,559	10,079
Borrowings	23,193	18,160	25,923	21,095
Other Liabilities and Provisions	8,330	7,706	10,170	8,453
<b>Total Liabilities</b>	<b>248,646</b>	<b>201,786</b>	<b>236,970</b>	<b>214,590</b>

₹ cr	31-Dec-17	31-Dec-16	30-Sep-17	31-Mar-17
Cash, Bank and Call	24,172	15,046	20,823	22,572
Investments	55,170	46,550	52,796	45,074
Government Securities	44,193	39,499	41,922	36,190
Others	10,977	7,051	10,874	8,884
Advances	159,071	129,261	152,574	136,082
Fixed Assets and Other Assets	10,233	10,929	10,777	10,862
<b>Total Assets</b>	<b>248,646</b>	<b>201,786</b>	<b>236,970</b>	<b>214,590</b>

# Digital - Best In Class Experience

**Q3FY18**

**New  
Age  
Banking**



**Biometric  
Authentication  
for Mobile  
Banking App  
login**



**Instant online  
remittance  
thru Forex  
Portal 'Kotak  
Remit'**



**Online shopping  
made easy: Can opt  
for no OTP for < ₹  
2,000**

**83%**

**Recurring  
Deposit  
sourced  
digitally**

**65%**

**Fixed  
Deposit  
sourced  
digitally**

**32%**

**Digital share  
of Salaried  
Personal  
Loan (Value)**

## **Mobile Banking Growth**

**Value (YoY)  
111%**

**Volume  
(YoY) 120%**



**Personal loans  
thru Digital  
growth - 192%  
(YoY)**



**Credit Card  
growth - YoY  
310% for  
paperless card  
acquisition**



**Launch of Super  
Fast Home Loans  
in Dec with  
Sanction TAT of 4  
hrs for Salaried  
HL**



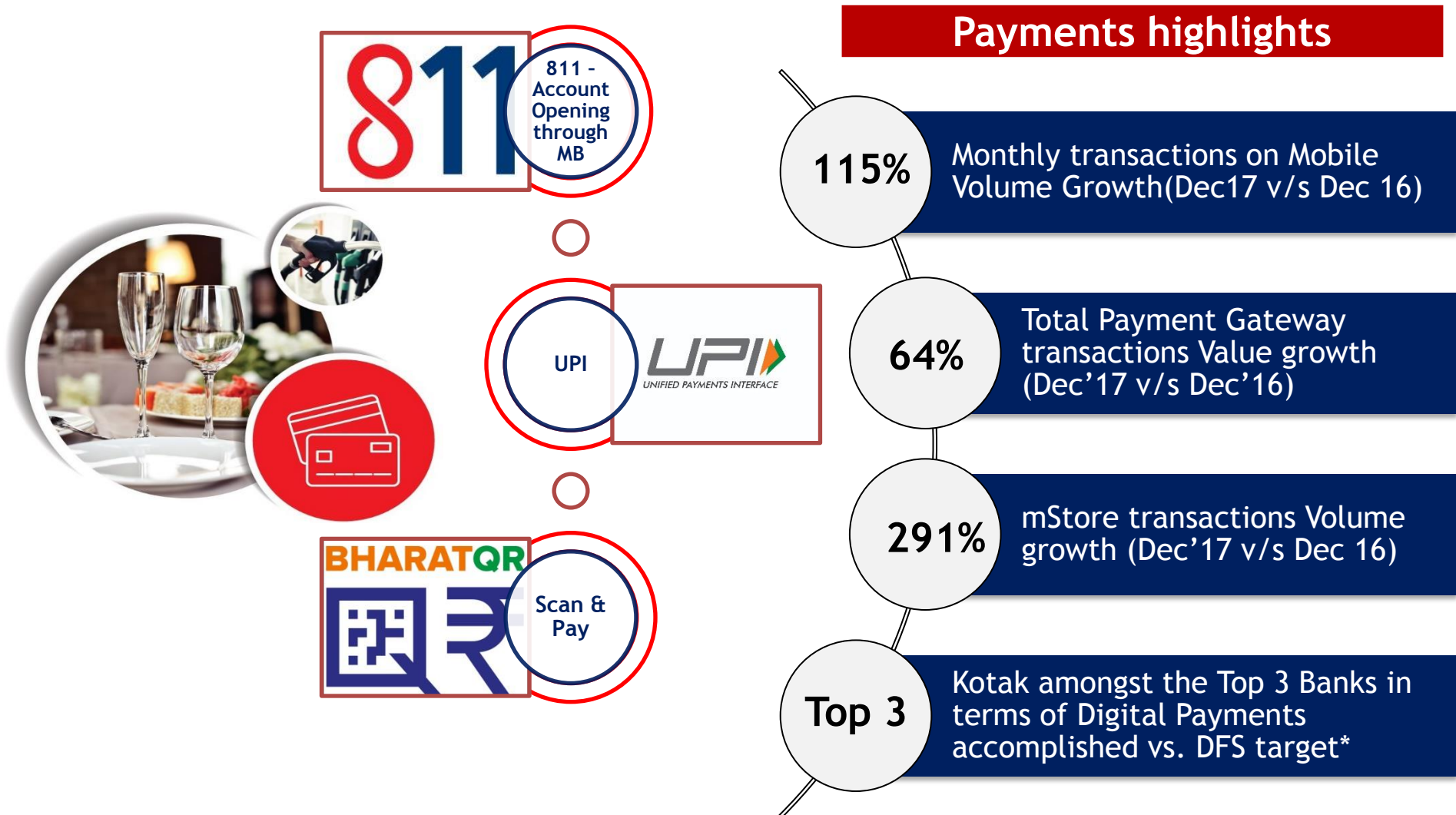
**Mobile Banking  
login more than  
5X of Net  
Banking**



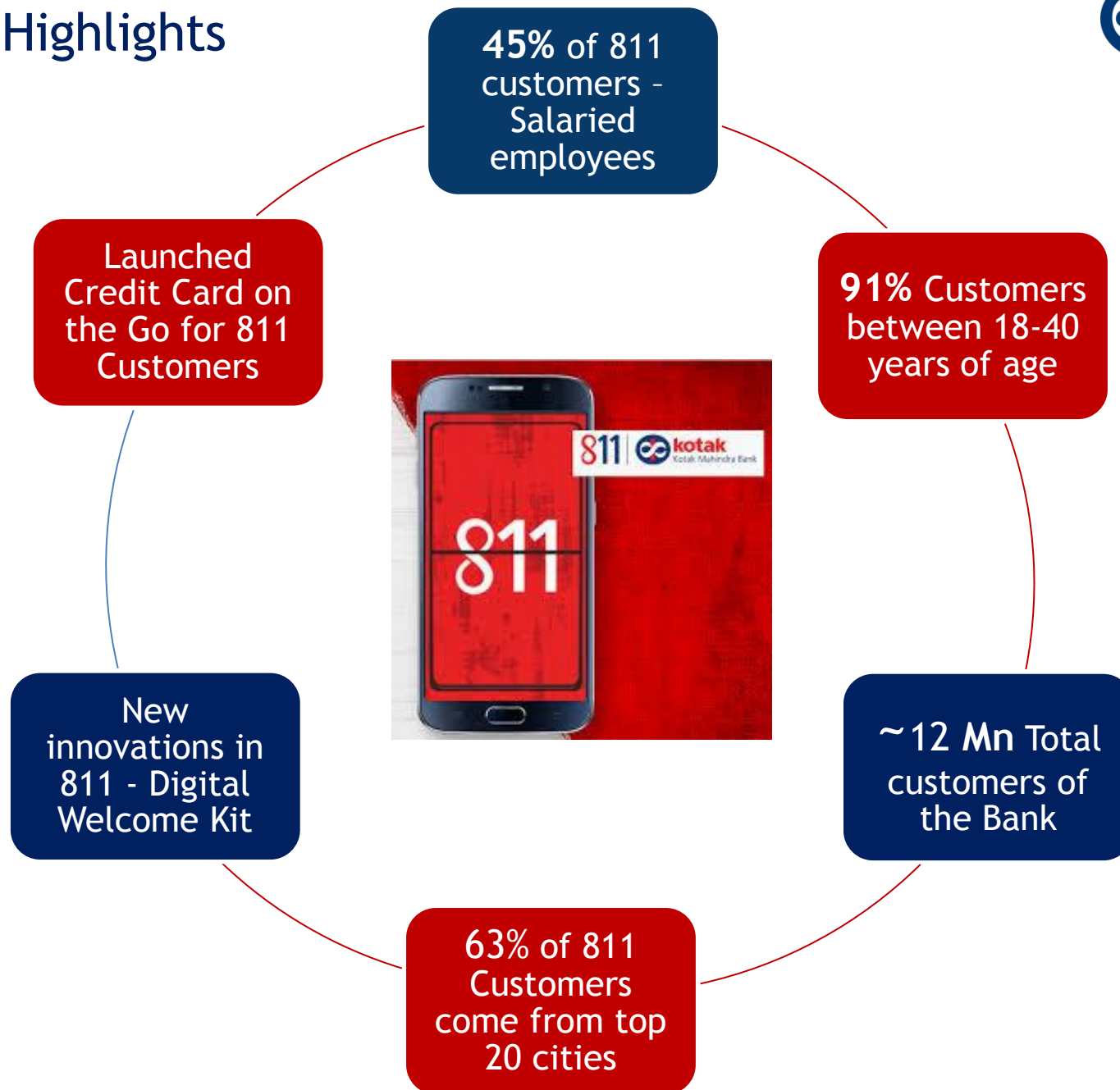
**63% of Bank  
Active are  
Digitally Active**



**70% of Mobile  
banking  
customers bank  
ONLY on Mobile  
App.**



# 811 Highlights





# Digital Update - Subsidiaries

## Kotak Securities



**127%** growth YoY  
in Mobile average  
daily volumes



Launched 'Super Multiple product' with limit order & 'Offer to buy' order placement across online platforms



Launched products like 'Chat to Trade' for all online customers, Kotak Stock Trader app exclusively for iPad & Tablet

## Kotak Life Insurance

**78%**

Individual Policies sourced in Q3FY18 through Genie (Tablet based end to end sales solution)

**90%**

Business (sales in Q3FY18) comes through Genie for BANCA channel

## Kotak General Insurance

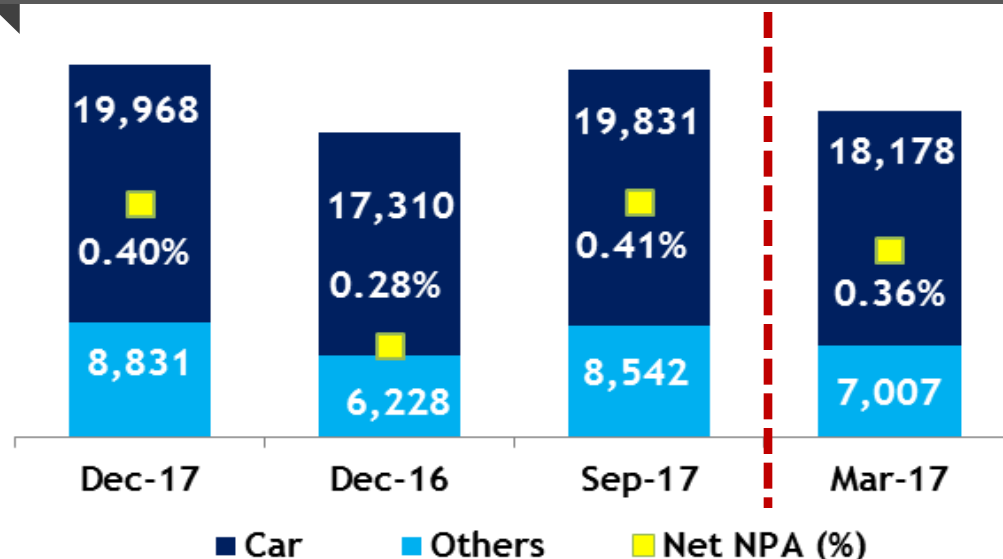


**>30%** of new business sourced through digital channels in Q3FY18

**135%**

**YoY growth in digital business**

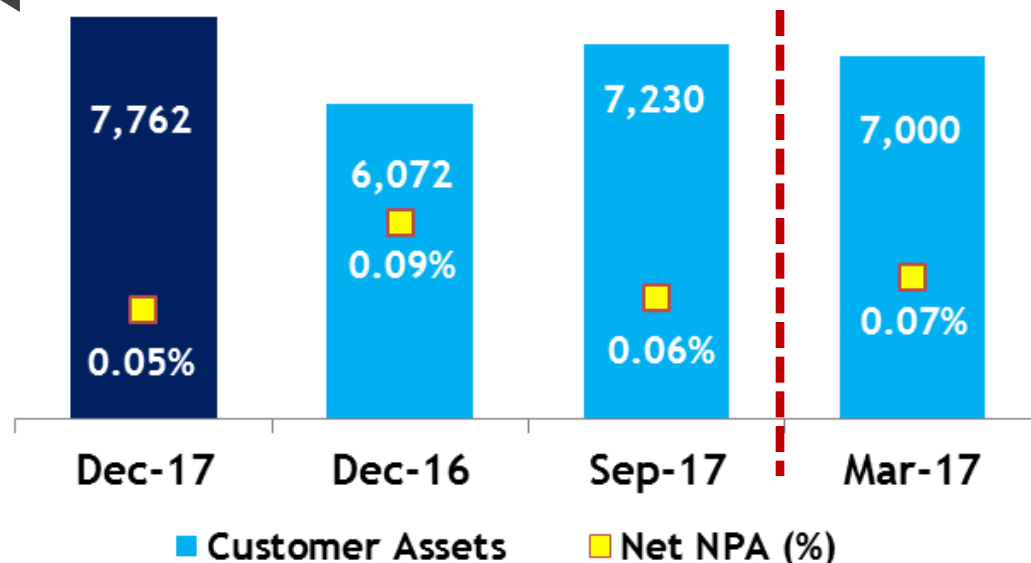
## Customer Assets\* (₹ cr) & NNPA (%)



₹ cr	Q3FY18	Q3FY17	Q2FY18	FY17
NII	286	263	276	1,017
Other Income	61	47	64	225
<b>NII and Other Income</b>	<b>347</b>	<b>310</b>	<b>340</b>	<b>1,242</b>
Profit Before Tax	226	203	229	788
<b>Profit After Tax</b>	<b>148</b>	<b>133</b>	<b>150</b>	<b>515</b>
CAR (incl unaudited profits) (%)	16.6			
ROA (%) - annualised	1.9			

\* Includes loans and credit substitutes

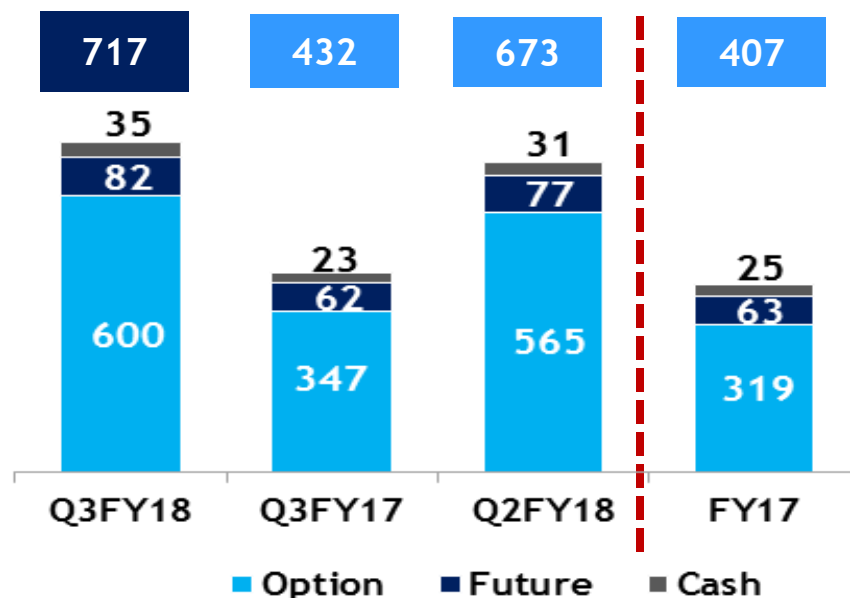
## Customer Assets\* (₹ cr) & NNPA (%)



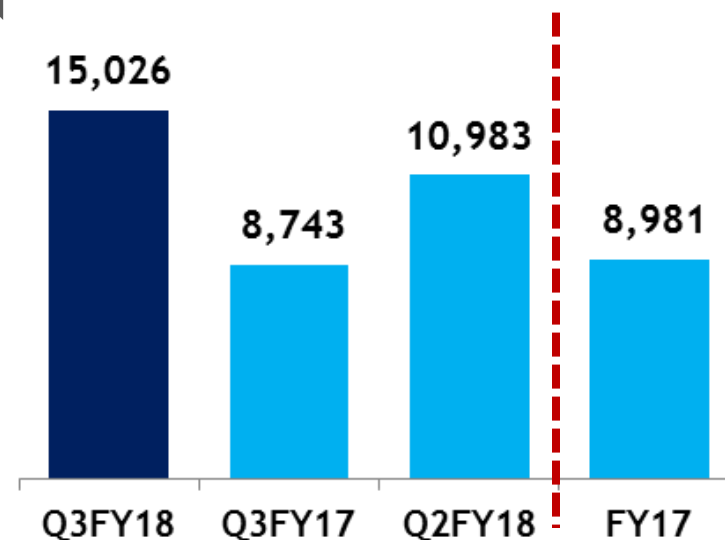
₹ cr	Q3FY18	Q3FY17	Q2FY18	FY17
NII	77	71	76	270
Other Income	16	15	24	81
NII and Other Income	93	86	100	351
Profit Before Tax	77	71	84	290
Profit After Tax	50	48	55	196
CAR (incl unaudited profits) (%)	16.8			
ROA (%) - annualised	2.4			

\* Includes loans and credit substitutes

Market ADV (₹ '000 cr)



ADV (₹ cr) - KS

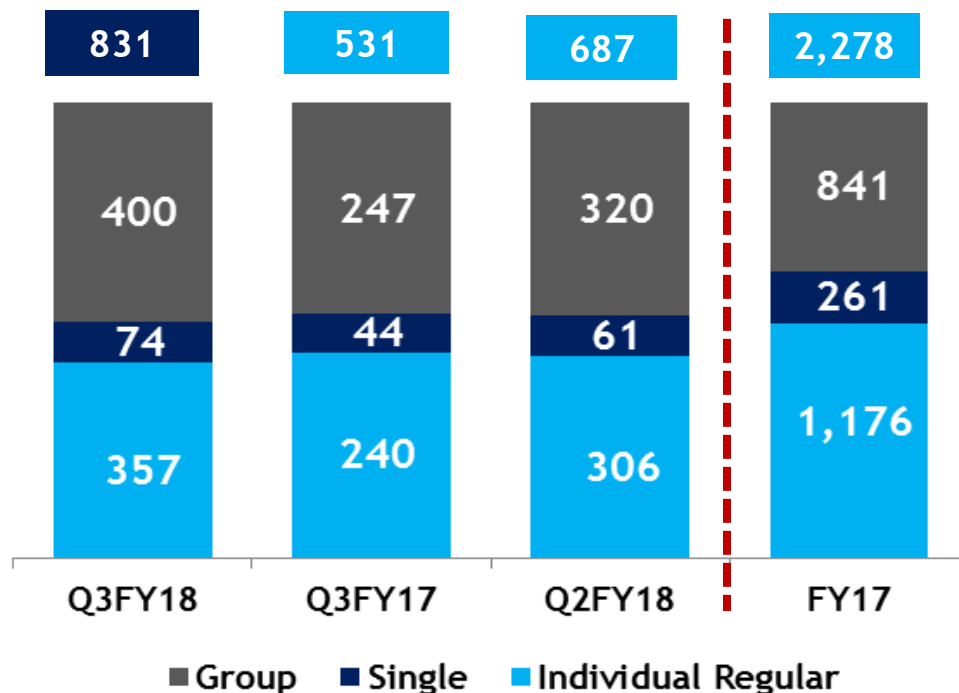


₹ cr	Q3FY18	Q3FY17	Q2FY18	FY17
Total Income	452	287	351	1,184
Profit Before Tax	231	125	177	543
Profit After Tax	154	85	118	361
Market Share * (%) (YTD)	2.0	2.2	1.9	2.2

\*excluding BSE Derivative segment

~ 1.5 million secondary market customers serviced thru' 1,305 branches, franchises and referral co-ordinators

## New Business Premium (₹ cr)



## Highlights












- Individual Regular NBP grew at 37.9% YoY (9MFY18)
- Individual renewal premium grew 27.3% YoY (9MFY18)
- Investment Performance of 100% Frontline Equity Funds Quartile 1 on three and five year basis
- 9MFY18 conservation ratio of 87.2%
- Sum assured increased by 21.9% YoY
- Claims settlement ratio FY17: 99.5%

₹ cr	Q3FY18	Q3FY17	Q2FY18	FY17
Capital	562	562	562	562
Other Reserves and Surplus	1,562	1,161	1,465	1,263
Total Premium	1,540	1,090	1,308	5,140
Profit After Tax	97	68	100	303
Solvency Ratio (x)	3.08	3.06	3.08	3.00





# Kotak Mahindra Capital Company



## Equity

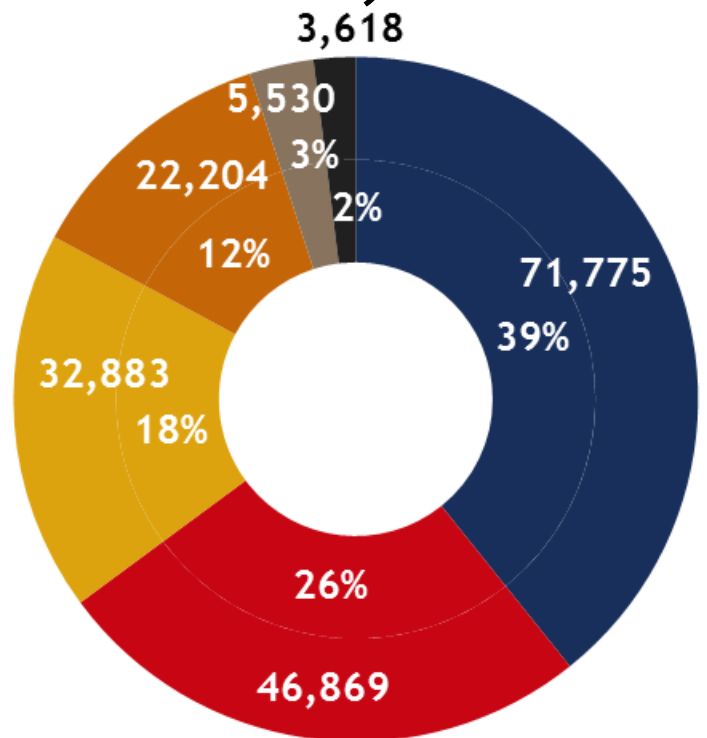
 <b>General Insurance Corp. of India</b> Initial Public Offering ₹ 11,257 cr	 <b>Punjab National Bank</b> Qualified Institutional Placement ₹ 5,000 cr
 <b>New India Assurance Co. Ltd</b> Initial Public Offering ₹ 9,586 cr	 <b>Piramal Enterprises Ltd</b> Qualified Institutional Placement ₹ 4,996 cr
 <b>PNB Housing Finance Ltd</b> Offer For Sale ₹ 1,306 cr	 <b>Edelweiss Financial Services Ltd</b> Qualified Institutional Placement ₹ 1,528 cr
 <b>Interglobe Aviation Ltd</b> Offer For Sale ₹ 1,265 cr	 <b>Apollo Tyres Ltd.</b> Qualified Institutional Placement ₹ 1,500 cr
 <b>Godrej Agrovet Ltd</b> Initial Public Offering ₹ 1,157 cr	 <b>Mahindra &amp; Mahindra Financial Services Ltd</b> Qualified Institutional Placement ₹ 1,056 cr
 <b>Indian Energy Exchange Ltd</b> Initial Public Offering ₹ 1,001 cr	 <b>Sunteck Realty Ltd.</b> Qualified Institutional Placement ₹ 500 cr
 <b>Mahindra Logistics Ltd</b> Initial Public Offering ₹ 829 cr	

## Advisory

 <b>TATA CHEMICALS</b> ₹ 375 cr	Transaction Advisor to Tata Chemicals Limited for Sale of its Phosphatic Fertilisers Business by way of Slump sale to IRC Agrochemicals Pvt Ltd
 <b>AMERICAN TOWER CORPORATION</b> ₹ 7,850 cr	Transaction Advisor to American Tower Corporation for the acquisition of 20,000 communications sites from Vodafone India Ltd and Idea Cellular Ltd
 <b>Undisclosed</b>	Financial Advisor to Karam Chand Thapar Group for the sale of wind assets (aggregating 103 MW) to ReNew Power
 <b>Tech Mahindra</b> ₹ 328 cr	Financial Advisor to Tech Mahindra for the acquisition of 30% stake in Mahindra Comviva from Bharti Group & Westbridge
 <b>TATA</b> ₹ 153 cr	Financial Advisor to Tata Group for sale of 51% stake in Tata Business Support Services by Tata Sons to Qess Corp Limited
 <b>SWARAJ</b> ₹ 71 cr	Buyback of equity shares by Swaraj Engines via tender offer route

₹ cr	Q3FY18	Q3FY17	Q2FY18	FY17
Total Income	76	26	15	136
Profit Before Tax	54	9	(2)	61
Profit After Tax	36	7	(1)	46

## Dec 31, 2017

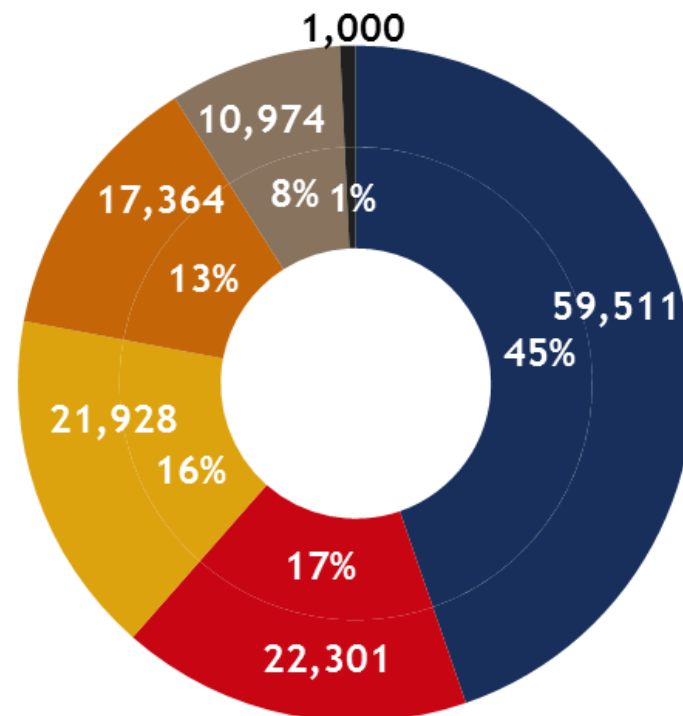


- Domestic MF Debt
- Domestic MF Equity
- Offshore Funds
- Insurance
- Alternate Asset
- PMS



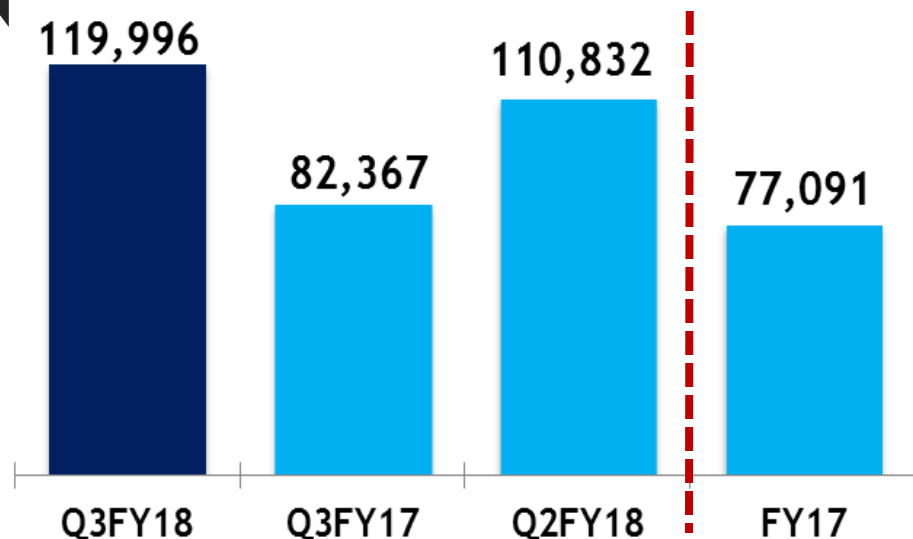
**AUM ₹ 182,879 cr**

## Dec 31, 2016

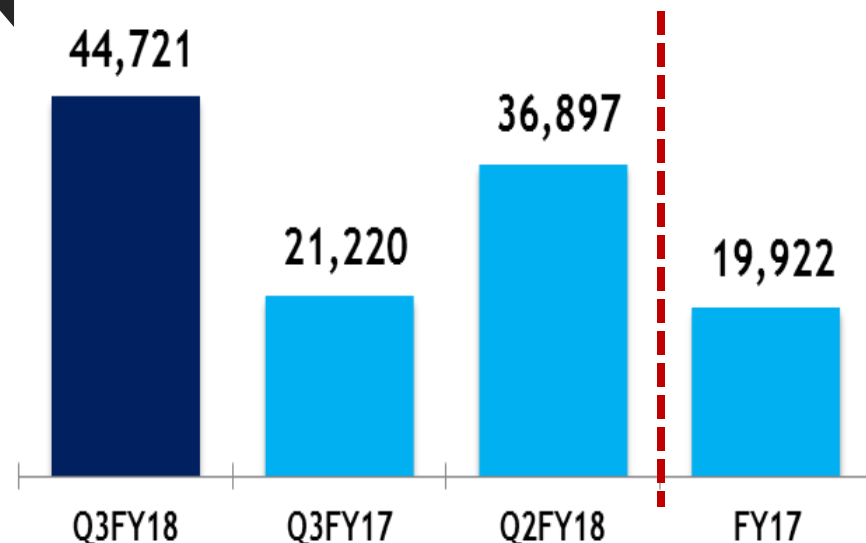


**AUM ₹ 133,078 cr**

Average Assets Under Management (₹ cr) - Overall



Average Assets Under Management (₹ cr) - Equity



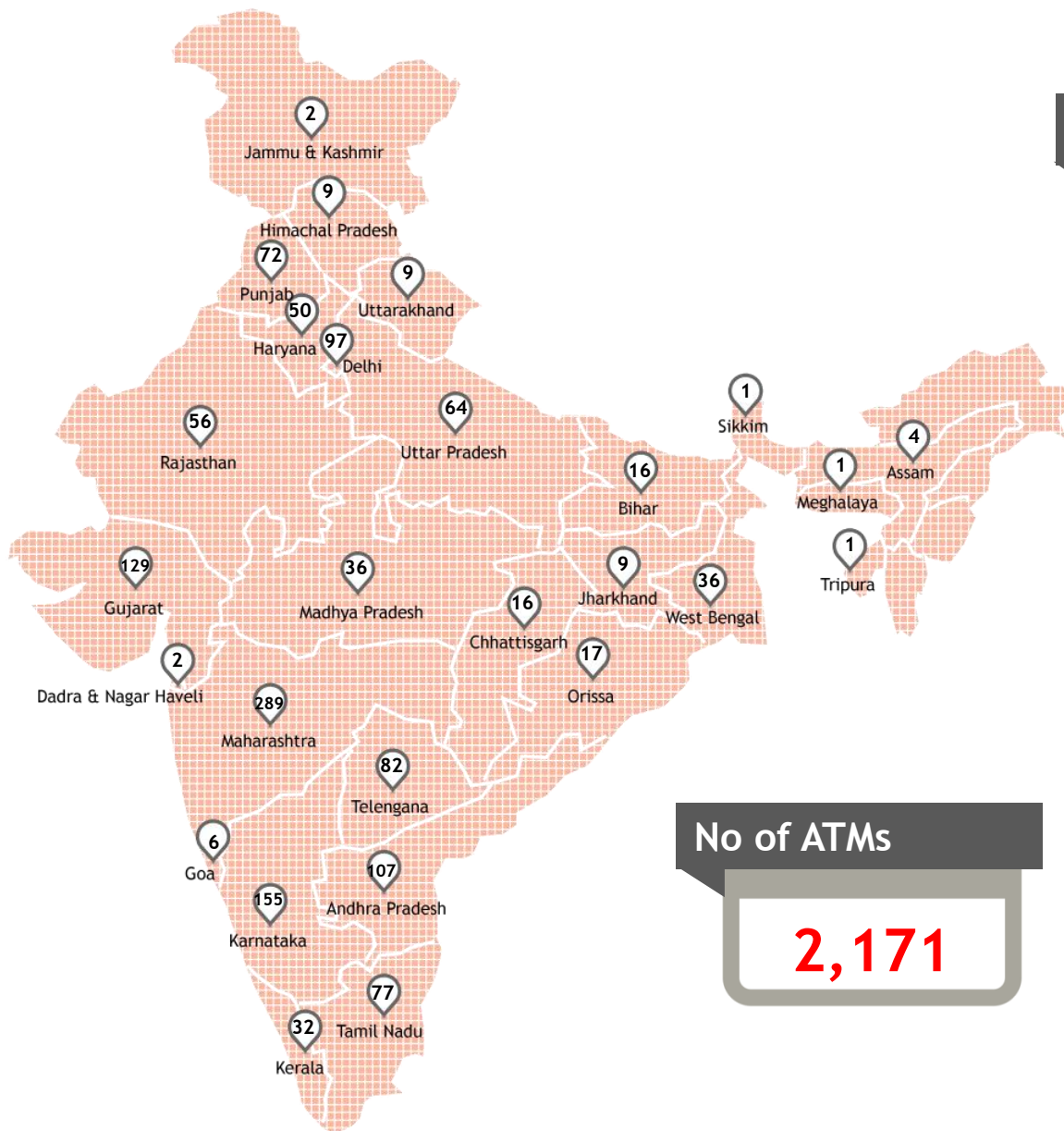
₹ cr	Q3FY18	Q3FY17	Q2FY18	FY17
Profit Before Tax	57	24	34	84
Profit After Tax	38	16	23	56

## Highlights

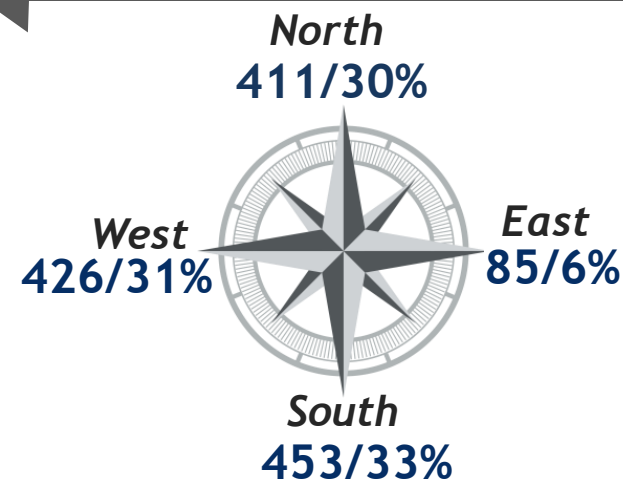
- Equity AAUM (Incl Arbitrage) grew by 111% YoY compared to Industry growth of 68%
- Over all AAUM grew by 46% YoY compared to Industry growth of 32%
- PMS AUM grew 3x YoY



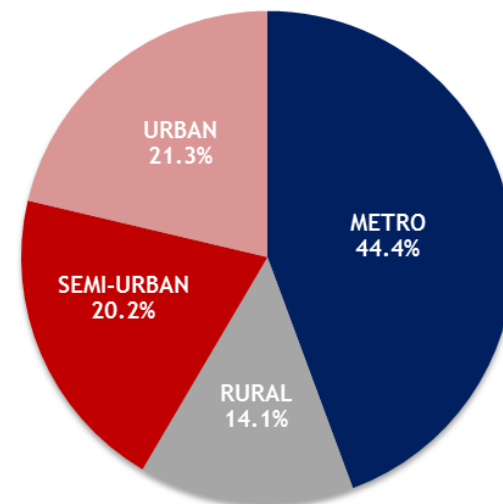
# Geographical Presence



Branches 1,375 [No./%]



Branch Classification



No of ATMs

2,171

# Bank Awards & Recognition



**811-Best Corporate Innovation**  
India Fintech Forum 2017

**Best Bank in India**  
Asiamoney Cash Management  
Customer Satisfaction Awards  
2017

**In-House legal team-The Legal**  
**500 GC Powerlist**  
India Teams

**Best Corporate & Investment**  
**Bank for India**  
Asiamoney Best Bank Awards  
2017 - India

**Fastest Growing Midsized Bank**  
**2017**  
Business Today-Money Today  
Financial Awards

**Best Growing Mid-Size Bank**  
Businessworld Magna Best Banks  
Awards 2017

**National Payments Excellence**  
**Awards 2016 by NPCI:**  
**Best Mid-Sized Bank for**  
**excellent performance in:**  
• Cheque Truncation System  
• IMPS

**Company with Great Managers**  
The Great Managers Award  
2016 by People Business & Tol

**Best Savings Bank Product**  
FE India's Best Banks Award  
2015-16

**AsiaMoney Cash Management**  
**Poll 2016**  
• Best Local Bank in Indian  
mid-cap space

**D&B Banking Awards 2017**  
Best Digital Bank (Online  
Transaction) Award

**Best Cash Management Bank**  
Asian Banker Transaction  
Banking Awards 2017,2016  
(India)

**Best Private Bank India**  
Global Private Banking  
Awards 2016

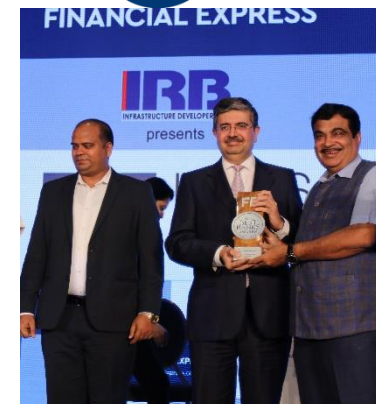
**Best Private Bank India**  
FinanceAsia Country Awards  
2016

**Finnoviti Award 2016**  
for Bharat Banking App  
Banking Frontier's  
magazine

**Mr. Narayan SA**  
**recognized as CA**  
**Business Leader**  
Banking at ICAI Awards  
2016

**Mr. G Murlidhar**  
**recognized as CA**  
**Business Leader**  
Banking at ICAI Awards  
2016

**Ms. Shanti Ekambaram**  
**recognized as one of the**  
**Most Powerful Women in**  
**Business**  
Business Today



**Company of the Year 2016**  
The Economic Times Awards  
for Corporate Excellence

**Mr. Uday Kotak**  
**Lifetime Achievement**  
FE Best Banks' Awards 2015-  
16

**Business Leader**  
LakshmiPat Singhania IIM  
Lucknow National  
Leadership Awards 2017

**Businessman of The Year**  
**2016 - Business India**

**Best Transformational**  
**Leader Award 2015**  
Asian Centre for Corporate  
Governance & Sustainability  
in 2016

**Entrepreneur of the Year**  
Forbes India Leadership  
Awards 2015

# Awards and Recognition



**India Equity House**  
2017 IFR Asia

**Most Innovative Bank**  
Asia Pacific award by The Banker Magazine

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

**The Asset Triple A Country Awards 2016, India**

- Best Equity House
- Best IPO, QIP
- Best M&A Deal

**IPO Dealmaker of the Year**  
Businessworld PwC I-Banking Survey 2016

**Best Domestic Equity House**  
Asiamoney - 2016

**Best Domestic Investment Bank and Best Domestic Equity House over the last 20 years**  
FinanceAsia Platinum Awards -20 Years of Excellence



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

**Best Broker in India**  
FinanceAsia Country Awards for Achievement 2015

**BSE recognised K-Sec (FY 15-16)**

- Top 5 in Equity Retail Segment, Equity Institutional Segment
- Top 3 in OFS Segment

**NSDL Star Performer Awards, 2016**  
#1 in New Accounts opened (Non-Bank category)

**Institutional Investor's 2016**

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



**Business World Award**  
Excellence in L&D for 2016



**Special award for Innovative Approach to Investor Awareness**  
Outlook Money

**Best new ETF and ETF Manager of the Year -India**  
ETFI - ETF & Indexing Awards 2016 by Asia Asset Management - Hong Kong

**I - invest (London) in 2016 ETF Awards**

- Best Asia - Focused ETF Manager
- Best Open-Ended Gold ETF (Since inception): Kotak Gold ETF

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