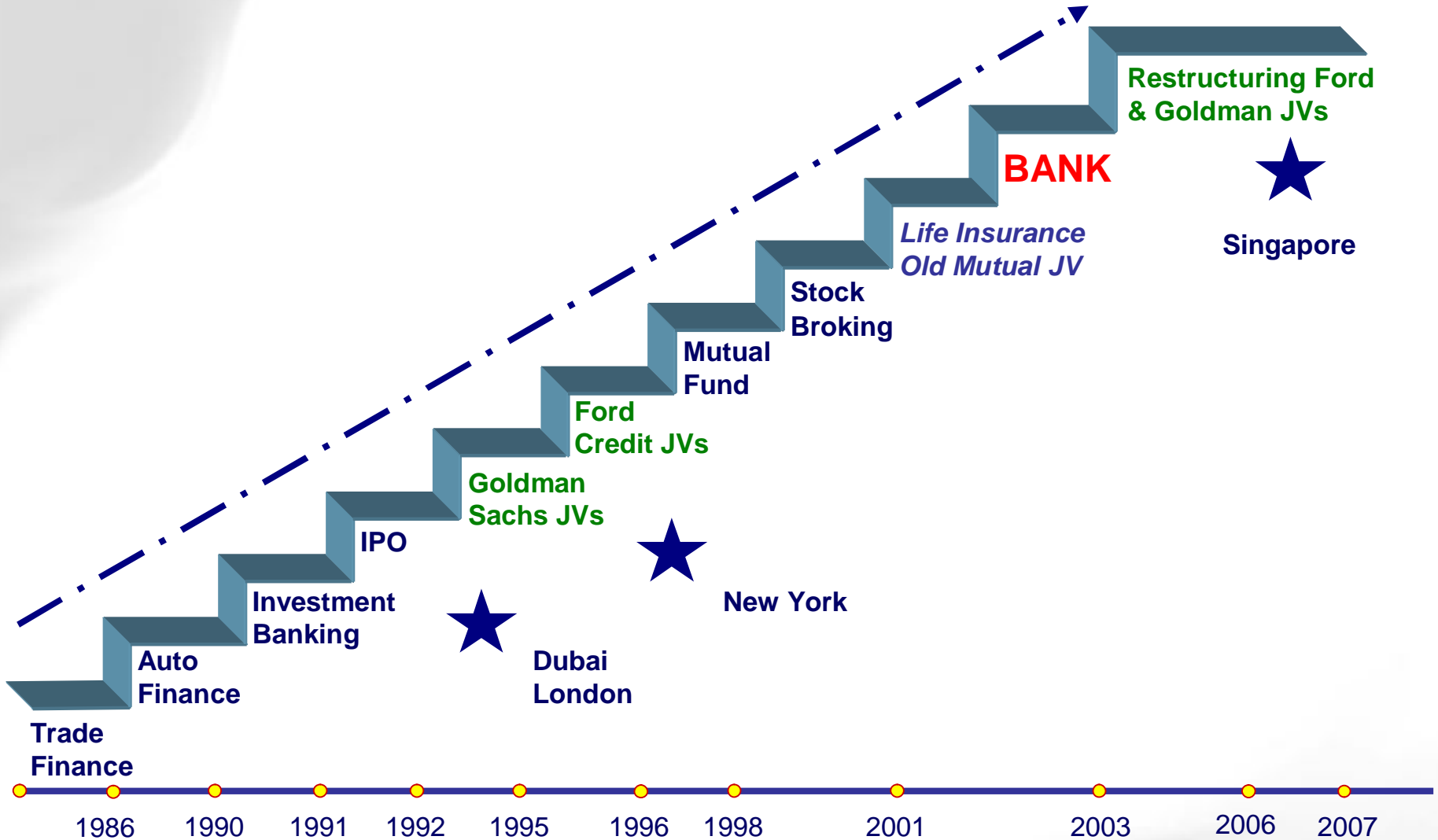


July 2007



Journey so far...



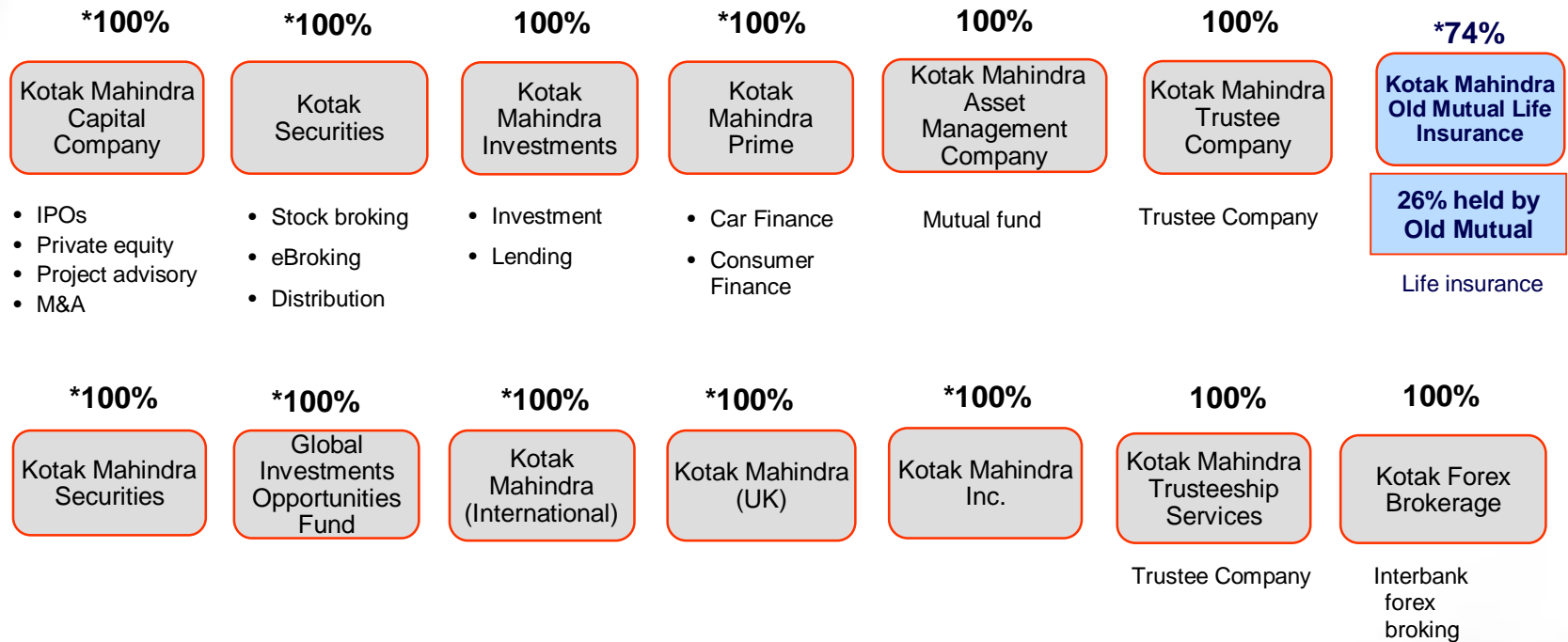
In October 2005, Kotak Group acquired the 40% stake in Kotak Prime held by Ford Credit International (FCI) and FCI acquired the stake in Ford Credit Kotak Mahindra (FCKM) held by Kotak Group.

In May 2006, Kotak Group bought 25% stake held by Goldman Sachs in Kotak Mahindra Capital Company and Kotak Securities

Group Structure



Wealth Management
Retail Branch Banking
Retail Lending
Corporate Banking
Treasury



*Includes direct and indirect holdings



Highlights

Q1 FY08 Highlights



- Consolidated Q1FY08 PAT (excl Life Insurance) up 43% YoY to Rs 1,642 mn
 - Consolidated Q1FY08 PAT (incl Life Insurance) up 40% YoY to Rs 1,459 mn
- 123 full-fledged bank branches across 87 locations (65 branches June 06)
 - Target 200 bank branches by mid next year
- Consolidated advances up 56% YoY to Rs 166 bn
 - Bank standalone up 60% YoY to Rs 116 mn
- Consolidated NIM 5.1% (5.3% June 06)
- CASA deposits¹ grew 105% YoY to Rs 25.5 bn
 - CASA ratio¹ 22% (16% June 06)
- Consolidated net NPAs² 0.29% (0.24% June 06)
- Bank proposed to issue 17 mn equity shares, through an offering either in the domestic or international market subject to approvals.

1 excluding monies held as collection bankers

2 excluding stressed assets portfolio

Q1 FY08 Highlights

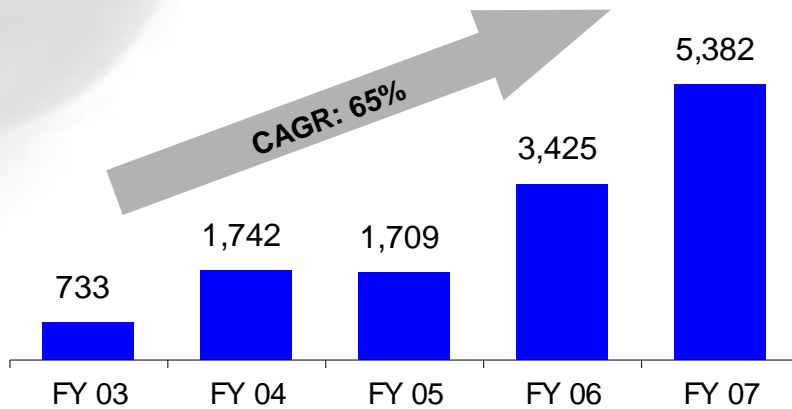


- Kotak Securities – India’s leading stock broking house
 - Over 8.3% of total average daily volumes in Q1FY08
 - Average daily volumes in Q1FY08 - Rs 40 bn (Rs 40 bn Q1FY07)
- Kotak Investment Banking
 - Acted as Global Co-ordinator and the BRLM to the Rs 92 bn DLF IPO, the largest IPO in India till date
 - #5 for Asia deals by value by Mergermarket
 - #3 in India by Bloomberg in the M&A league table by value
 - #1 lead manager of QIPs & PSU divestments through auctions by value – PRIME database
- Assets managed/advised by the group US\$ 7.2 bn (US\$ 5.1 bn Mar 07)
- Commitments of alternate assets under management – Rs 30 bn
- Kotak Life Insurance premium income up 66% YoY to Rs 2,051 mn
 - First year regular premium income up 120% YoY to Rs 949.2 mn
- Total group headcount 12,300

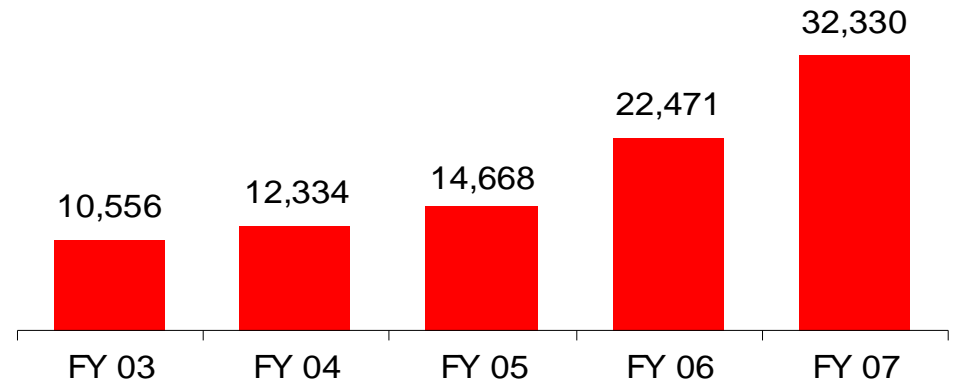
Highlights – 5 year Snapshot



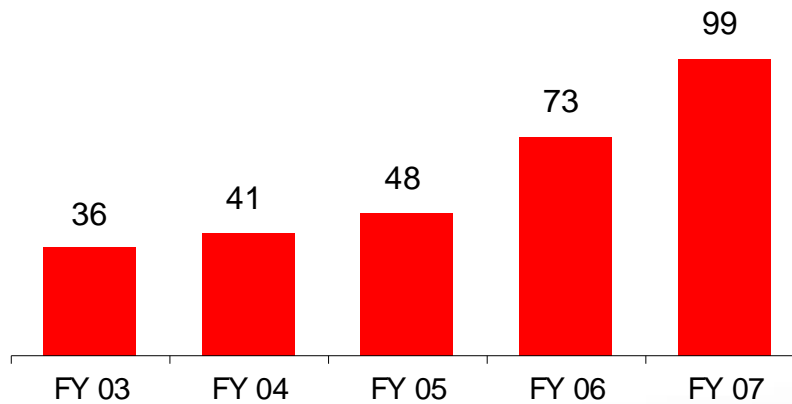
Consolidated Net Profit (Rs mn)



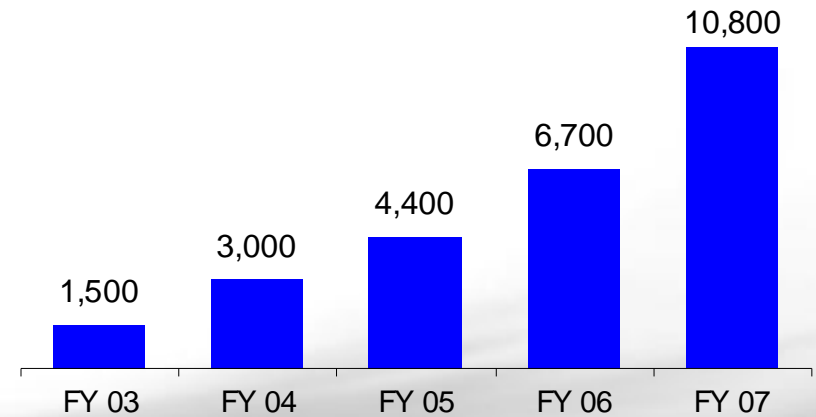
Consolidated Net Worth (Rs mn)



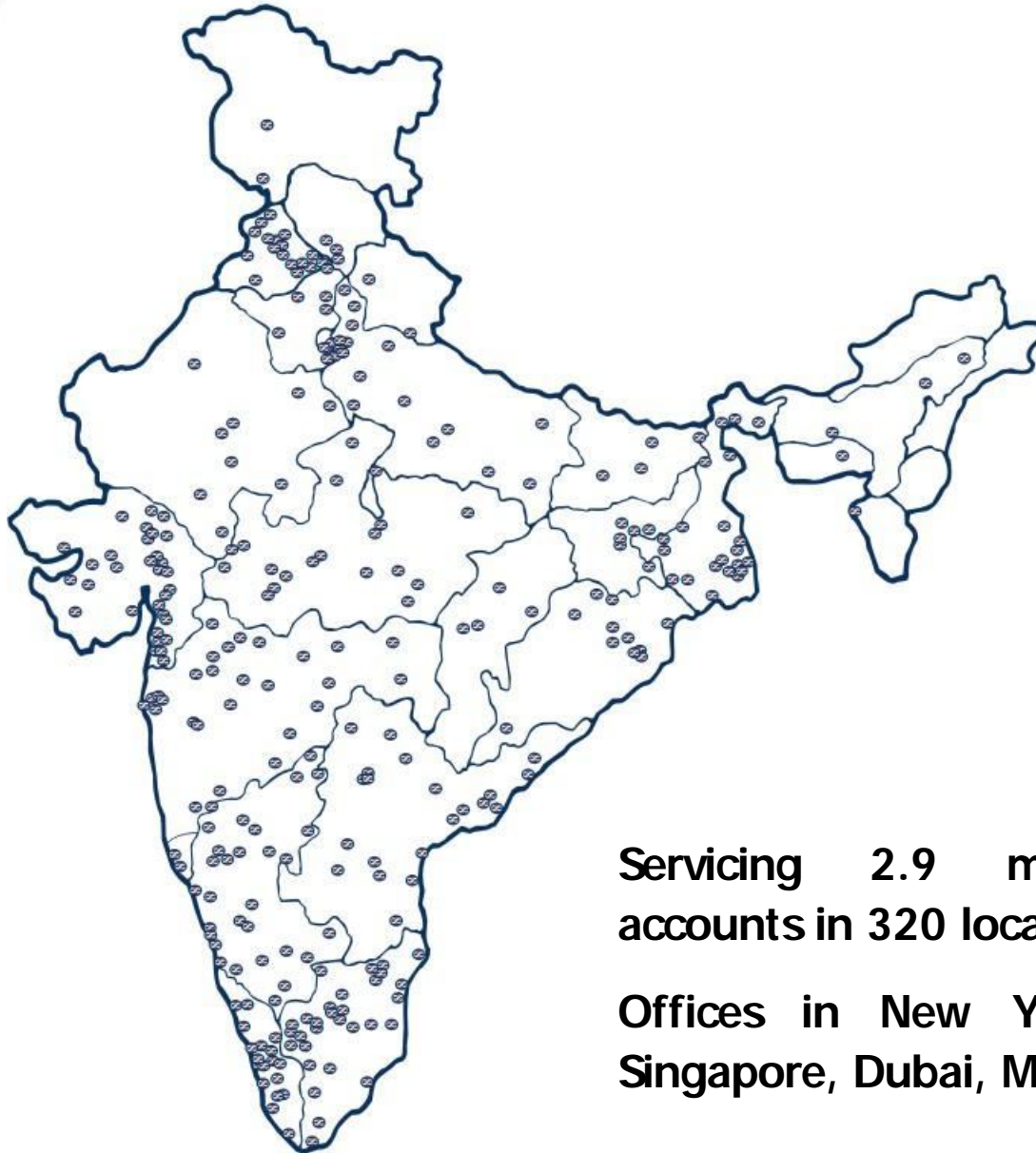
Consolidated Book Value per share (Rs)



Group Employees



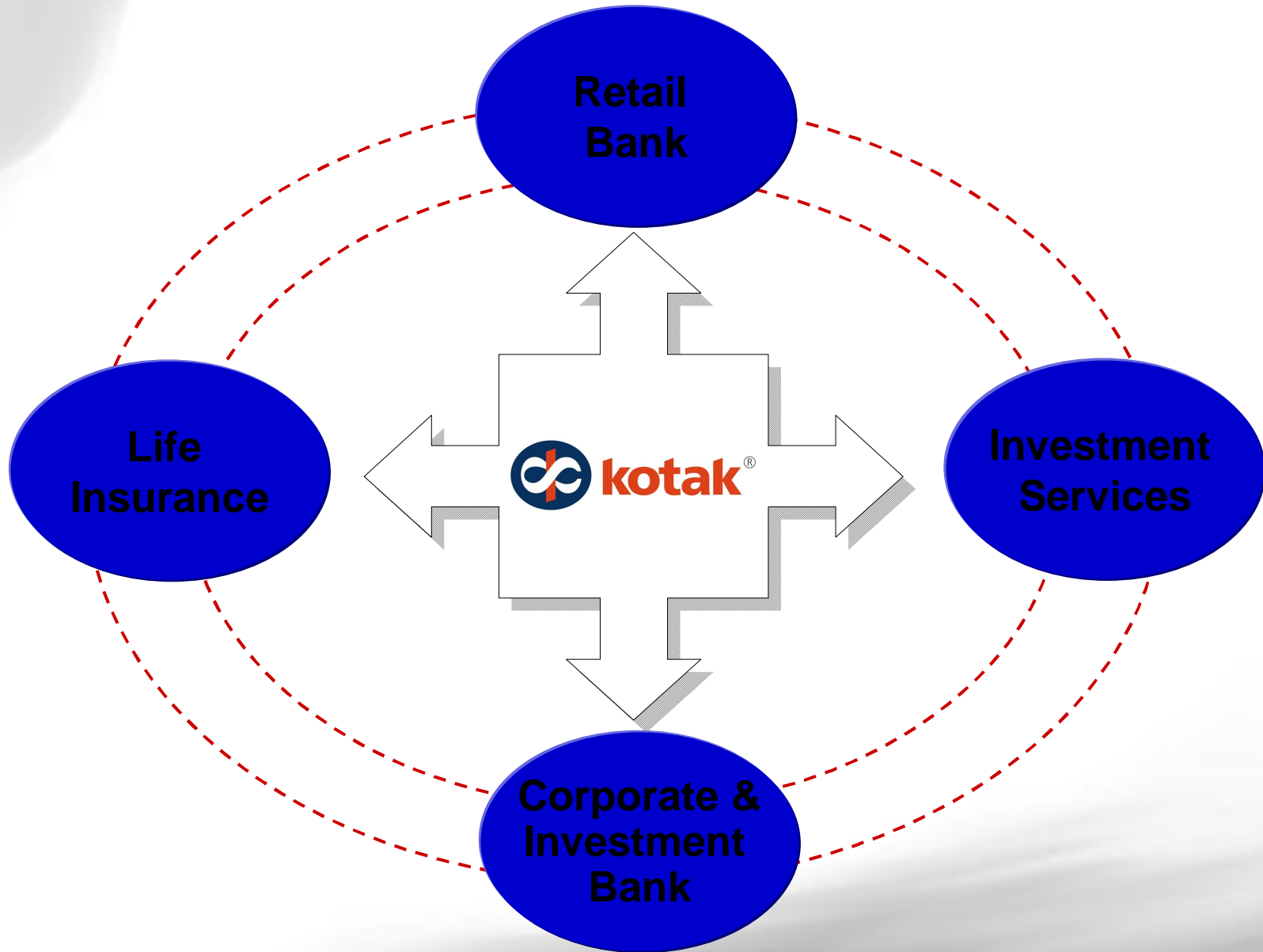
Footprint



Servicing 2.9 mn customer accounts in 320 locations in India

Offices in New York, London, Singapore, Dubai, Mauritius

Integrated Financial Institution





Businesses

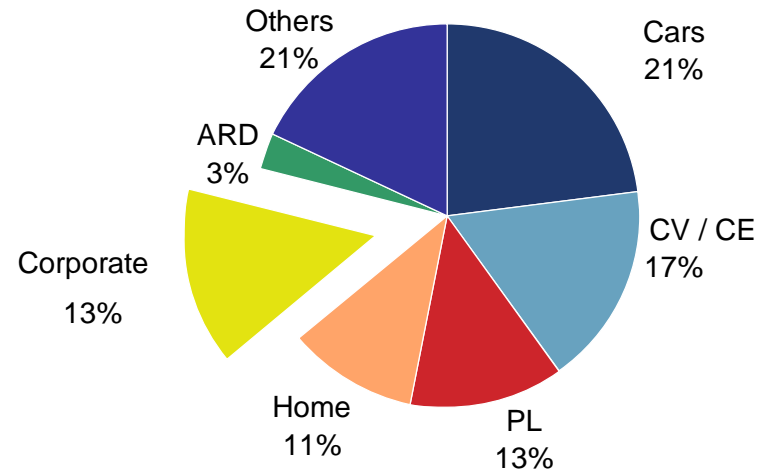
Retail Bank

Consolidated Advances

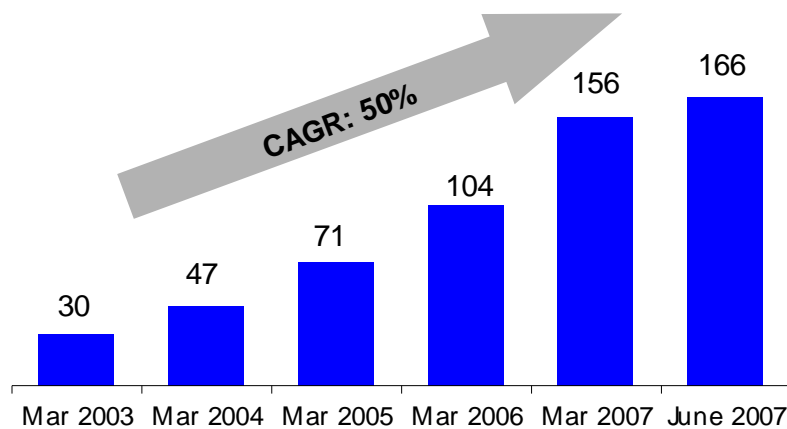


- Retail & commercial lending
 - 87% of advances
- Stressed assets portfolio Rs 4.9 bn; Principal outstanding Rs 30.5 bn – potential for significant returns

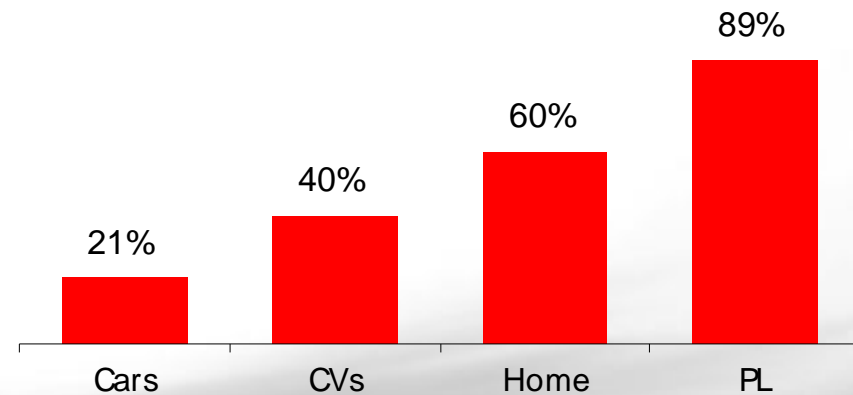
Advances Rs 166.2 bn (June 07)



Total Advances Growth (Rs bn)



Growth in Advances – June 07 v/s June 06

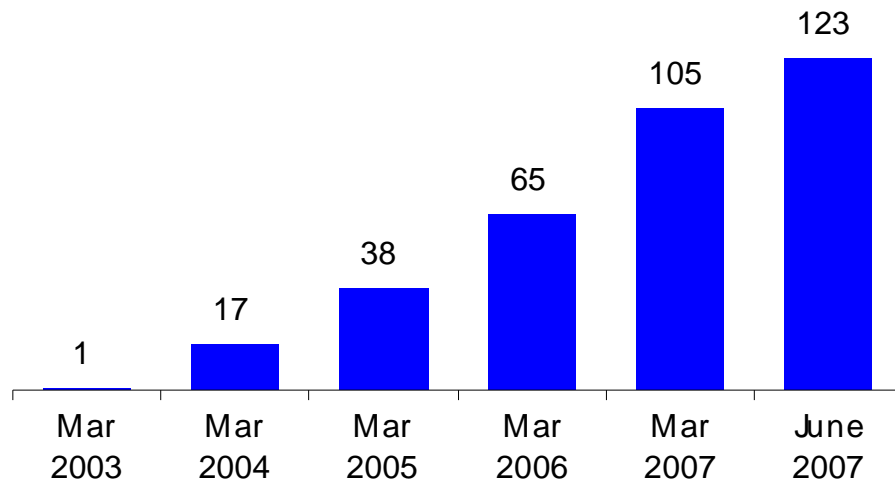


Retail Liabilities

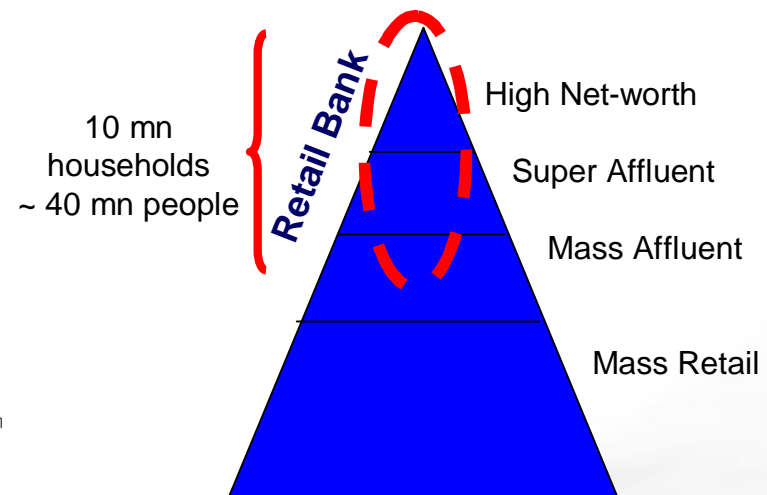


- High focus on HNI and mass affluent population
 - Convenience and solutions led strategy
- Significant contribution from distribution of financial products
- No of Deposit Accounts – 4,33,000 (200,000 June 06)

No. of full fledged Bank branches



Customer Focus





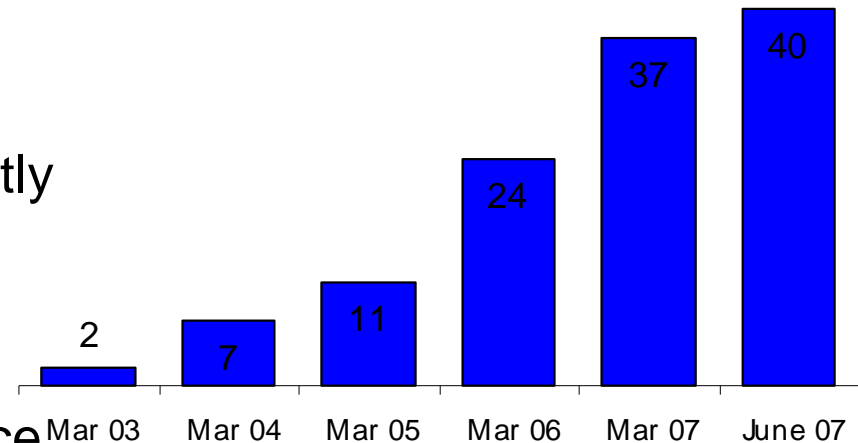
Businesses

Investment Services

India's leading securities brokerage firm
8.3% of total average daily volumes Q1FY08

- Strong presence in retail and institutional segments
- Network of 835 offices in 295 cities
- Plan to leverage network significantly for distribution of financial products
- Significantly investing to enhance distribution channel for life insurance and asset management products.

KS Average Daily Volumes (Rs bn)

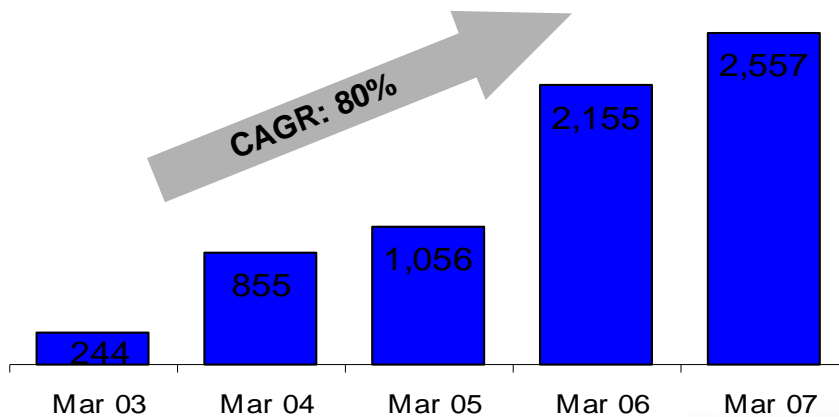


Securities

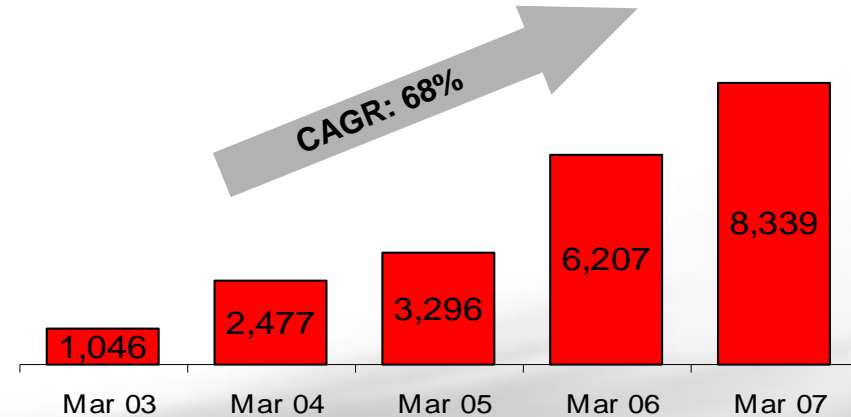


- Strong research team
- Wide coverage
 - Institutional research 144 companies
 - Retail research of around 150 companies
- PMS AUM Rs 26.0 bn of which > 50% on profit sharing
- 338,000 secondary market customers
- Q1FY08 PAT down 10% YoY to Rs 618 mn

KS PAT (Rs mn)



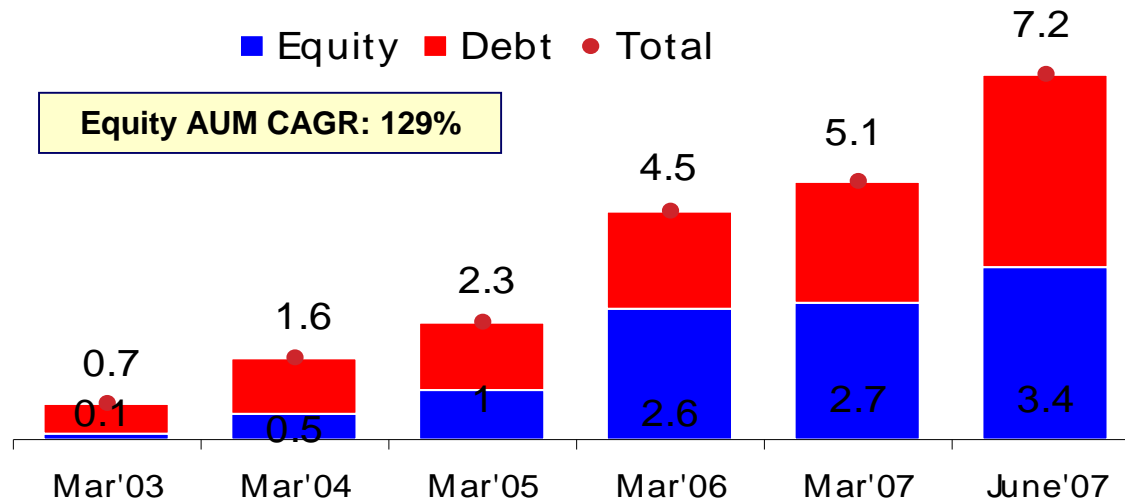
KS Total Income (Rs mn)



Asset Management



Group AUM (US\$ bn)



- Manage /advise assets under
 - Domestic mutual funds; PMS; Offshore funds; Life insurance
- Kotak Mutual Fund has tied up with T. Rowe Price for resident Indians to invest in a global fund
 - T. Rowe Price Funds SICAV – Global Emerging Markets Equity Fund

Alternate Assets



- Total commitments of alternate assets under portfolio ~ US\$ 750 mn
- Private Equity
 - Kotak India Venture Fund 1
 - o Received commitments of over US\$ 50 mn
 - India Growth Fund with commitments of US\$ 170 mn
 - o 2/3rd committed
 - o Invested in 10 companies
- Realty Fund
 - Kotak India Alternate Opportunities Fund
 - o Received commitments of ~ US\$ 400 mn
 - KIREF 1
 - o Domestic commitments of over US\$ 100 mn
 - o 90% committed
 - o Invested in 6 companies

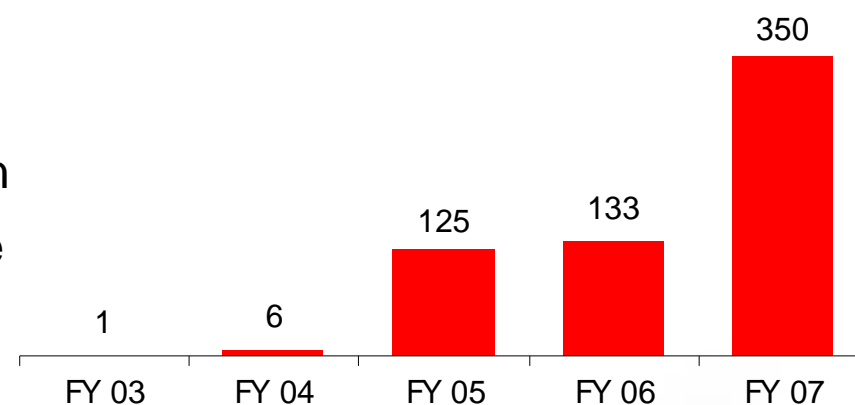
International Subsidiaries



International Subsidiaries	Registered with		
- Kotak Mahindra (UK)	- FSA, SEBI, DFSA, MAS	▶	- Investment Management
- Kotak Mahindra Inc	- NASD, SEC		- International Offerings
- Kotak Mahindra (International)	- FSC, Central Bank of UAE		

- Business
 - Investment management / advisory
 - Financial intermediary
 - Management of GDR, ADR and FCCB issuances
- Equity assets managed/ advised US\$ 1.8 bn
- Raised A\$ 75 mn India Equities Fund on the Australian SE to invest in listed Indian companies
- Propose to launch a Shariah compliant fund
- Presence in London, New York, Dubai, Mauritius & Singapore

PAT Rs mn



Wealth Management



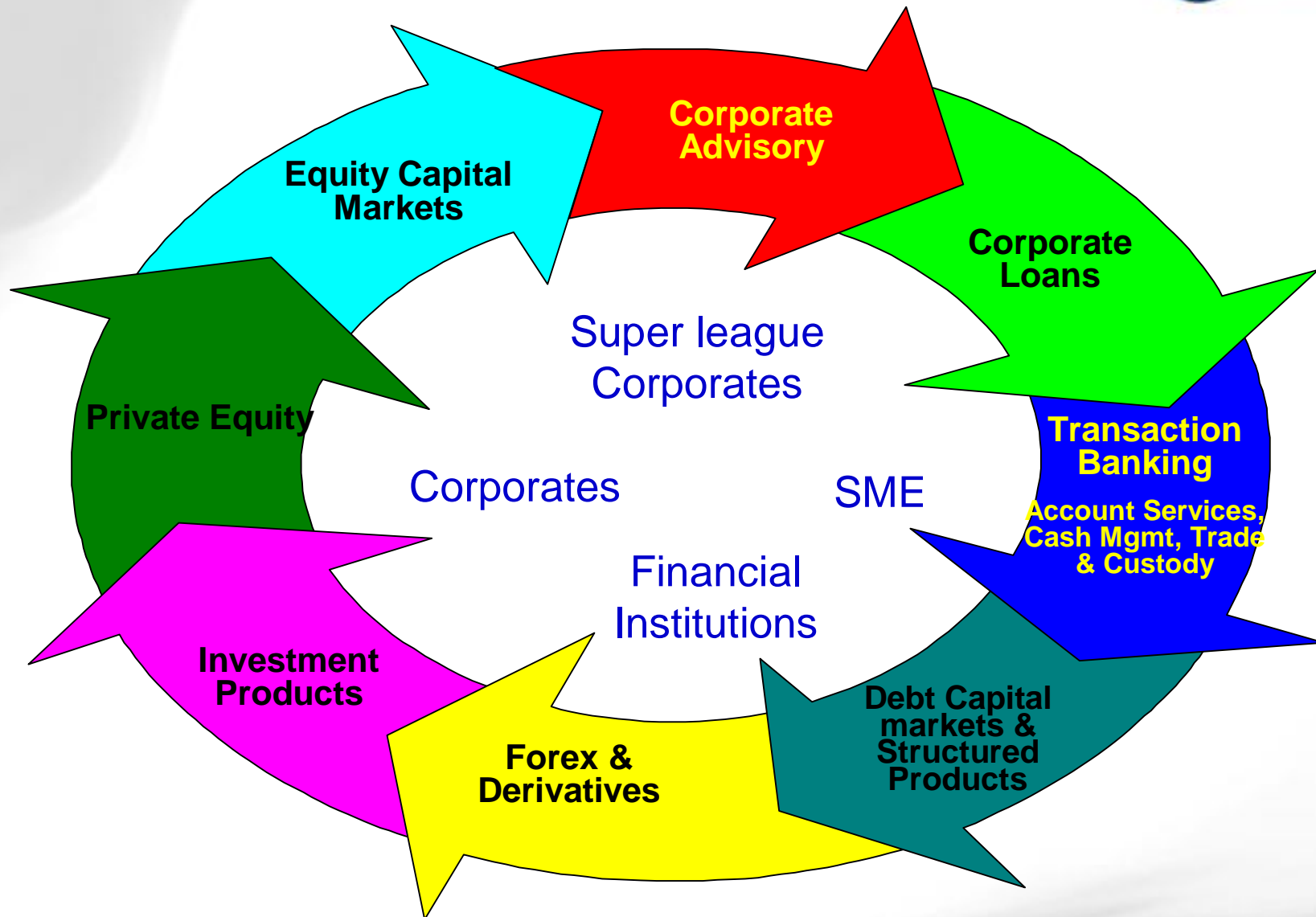
- Focus on HNI customers (investible surplus > US\$ 1 mn)
 - Manage /advise wealth of over 3,700 families
 - Around 30% of the top 300 wealthy families in India
- Presence in 14 cities with over 110 relationship managers
- Amongst top 3 distributors of equity products in India
- Thrust on structured products



Businesses

Corporate & Investment Bank

Integrated Client Relationship/Products model

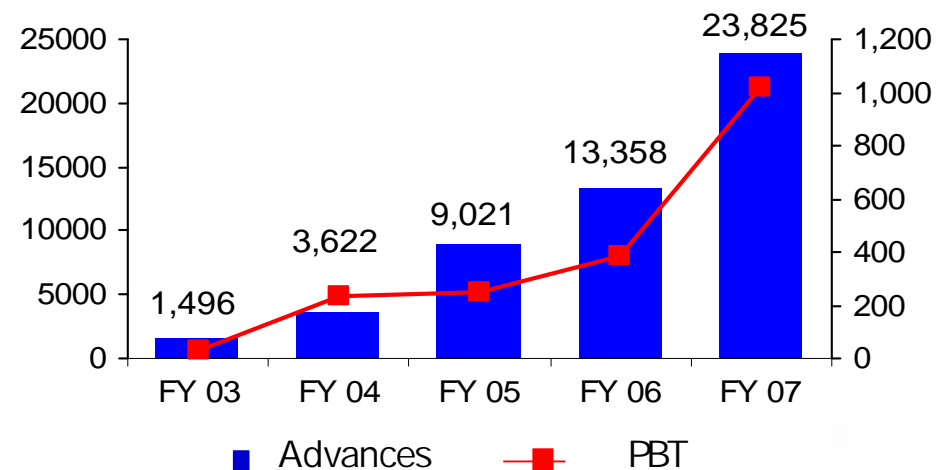


Corporate Banking



- CIB – “Integrated” strategy for top group customers
 - Leverage existing IB relationships to offer other products
 - Leverage banking relationships to offer IB products
- Comprehensive client coverage across spectrum of small, medium and large corporates
- Mix of NII & fee income
- Key products focus
 - Debt Capital markets
 - Fx & Derivatives
 - Transaction Banking
 - Other structured products

Corporate Advances (Rs mn)

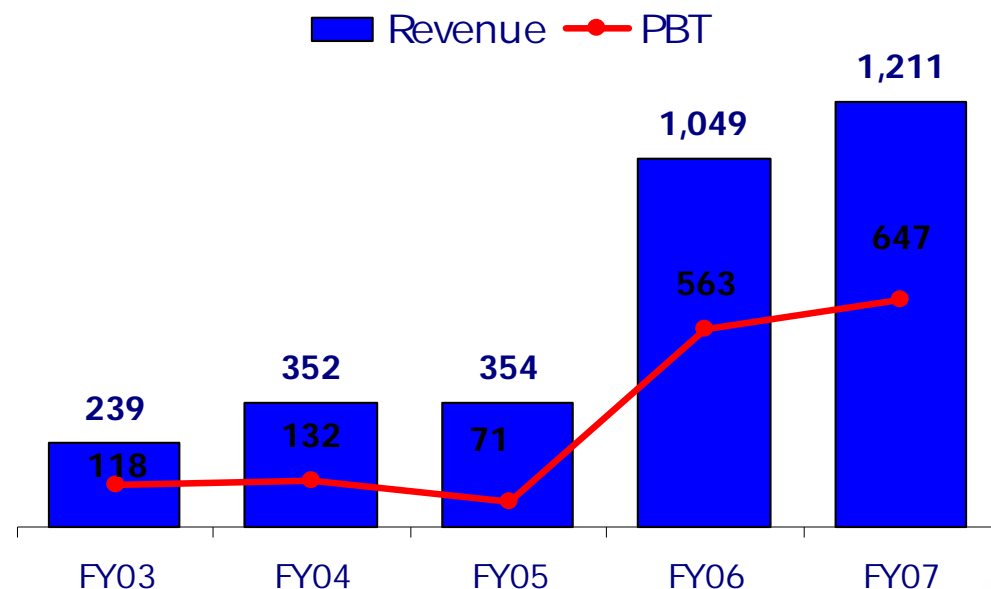


Investment Banking



- Awarded the Best Investment Bank In India for 2006 by FinanceAsia
- Managed a number of deals in IPOs, QIPs, GDRs, Private equity placements, M&A & Advisory
- #1 Lead Manager QIPs and PSU divestments through auctions in Q1FY08 in terms of value of deals (PRIME Database)
- Acted as Global Co-ordinator and BRLM to the Rs 92 bn DLF IPO, the largest IPO in India till date
- #5 for entire Asia (ex Japan) for the first half of CY 2007 by Mergermarket
- #3 in India in the M&A league table for the first half of CY 2007 by Bloomberg

KMCC - Investment Banking Rs mn





Businesses

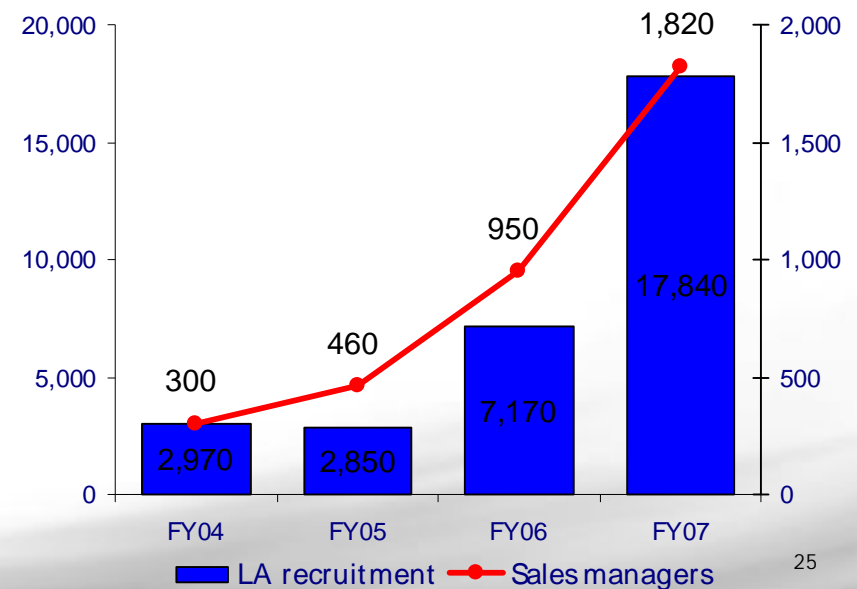
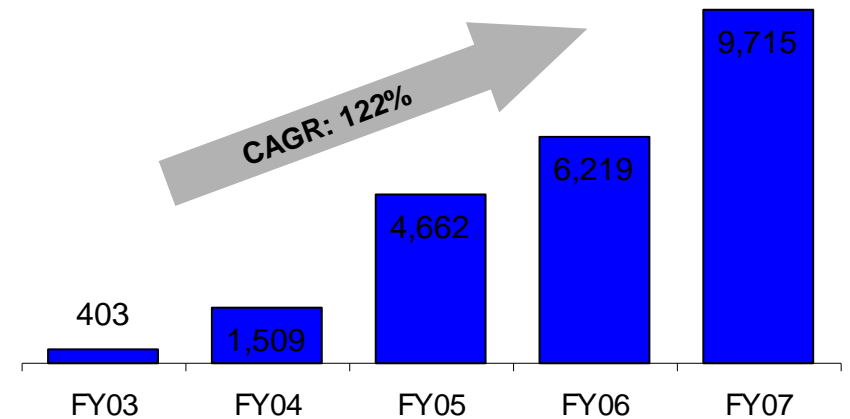
Life Insurance

Life Insurance



- Total premium up 66% YoY to Rs 2,051 mn in Q1FY08
- First year regular premium income up 120% YoY to Rs 949 mn in Q1FY08
- Group synergies contribute to growth
- Capability
 - 3,250 employees
 - 23,800 life advisors
 - 230 corporate agents; 130 brokers
- Geographical reach
 - 79 branches in 51 cities
- Products
 - Full suite of products – risk, saving and pension
 - o 17 products – Individual;
 - o 5 products – Group;
 - o 1 product - Rural

Total Premium Income (Rs mn)





Financials

Consolidated Revenue



Rs mn	Q1FY08	Q1FY07	Growth	Q4FY07	FY07
Financing	5,336	2,986	79%	5,040	15,241
Fees #	2,839	2,478	15%	2,972	10,562
Insurance Premium	1,988	1,214	64%	4,581	9,505
Treasury	3,547	984	260%	1,213	6,769
Others	214	105	104%	427	863
Total Revenue	13,924	7,766	79%	14,233	42,940

brokerage income is net of sub-brokerage

Consolidated PAT



Rs mn	Q1FY08	Q1FY07	Growth	Q4FY07	FY07
Kotak Mahindra Bank	476.8	239.1	99%	372.6	1,413.7
Kotak Mahindra Prime	137.2	111.7	23%	243.8	573.4
Kotak Mahindra Capital Company	191.7	129.5	48%	205.6	678.7
Kotak Securities	617.8	688.0	-10%	750.7	2,557.1
International Subsidiaries	72.1	49.7	45%	79.3	350.1
Kotak Mahindra AMC / Trustee	34.2	33.4	2%	12.4	114.7
Kotak Mahindra Investments	78.5	55.5	41%	152.3	262.5
Others	0.6	0.8		(0.4)	0.3
Total (excl Life Insurance)	1,609.0	1,307.7	23%	1,816.2	5,950.5
Equity Affiliates	33.5	42.8		39.5	144.3
MI and other adjustments (excl Life Insurance)	(0.6)	(204.5)		(77.7)	(280.6)
Consolidated PAT (excl Life Insurance)	1,641.9	1,146.1	43%	1,778.1	5,814.2
Kotak Mahindra Life Insurance (Group Share)	(182.5)	(101.8)		(74.8)	(431.8)
Consolidated PAT	1,459.4	1,044.3	40%	1,703.3	5,382.4

For FY06 & Q4FY06 all numbers are excluding profit on sale of stake in Hutch

Consolidated Ratios



Key Parameters	June 07	June 06	Mar 07
Net worth (Rs mn)	33,774	28,158	32,330
EPS diluted (Rs)	4.43	3.24	16.47
BVPS (Rs) (adjusted for bonus issues)	103.5	86.7	99.1
Net NPA (%) (excl stressed assets)	0.29%	0.24%	0.17%
Net Interest Margin (%)	5.1%	5.3%	5.2%
Post tax return on net worth (%)	17.7%	16.5%	19.6%
Capital Adequacy Ratio (%) (Standalone)	11.33%	14.66%	13.46%
Tier I (%)	7.43%	11.53%	8.81%

Bank Standalone – Segmental



Rs million	Q1FY08 (3M)	Q1FY07 (3M)	Q4FY07 (3M)	FY07 (12M)
Lending	433.2	158.7	476.2	1,124.1
Corporate Banking	310.3	194.2	193.7	1,016.5
Retail Liabilities	(387.2)	(27.5)	(219.2)	(423.3)
Treasury and Investments	277.8	22.8	(13.0)	236.1
Venture Funds Management	11.9	23.4	17.4	78.8
Un-allocable revenue (net)	20.8	-	0.3	0.3
Profit before tax	666.8	371.6	455.4	2,032.5
Profit after tax	476.8	239.1	372.6	1,413.7



Going forward ...

Going Forward ...



Focus on scale with value creation

- Expand reach to 200 Bank branches by mid next year
 - Improve customer acquisition and CASA
- Advances – growth with focus on NIMs and asset quality
- Building a unique Corporate & Investment Bank model
- Expand international presence
 - Around India products and/or India customers
- Continue dominance in securities and wealth management
- Asset Management – key focus for growth
- Increase Alternate Assets AUM
- Unlocking value in asset reconstruction business
- Build scale in life insurance - grow market share

Safe Harbour



This document contains certain forward-looking statements based on current expectations of Kotak Mahindra management. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and outside India, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the businesses of Kotak Mahindra Group as well as its ability to implement the strategy. Kotak Mahindra does not undertake to update these statements.

This document does not constitute an offer or recommendation to buy or sell any securities of Kotak Mahindra Bank or any of its subsidiaries and associate companies. This document also does not constitute an offer or recommendation to buy or sell any financial products offered by Kotak Mahindra, including but not limited to units of its mutual fund and life insurance policies.

All investments in mutual funds and securities are subject to market risks and the NAV of the schemes may go up or down depending upon the factors and forces affecting the securities market. The performance of the sponsor, Kotak Mahindra Bank Limited, has no bearing on the expected performance of Kotak Mahindra Mutual Fund or any schemes thereunder.

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.