

January 2008



∞ Overview of Kotak Group **Section I**

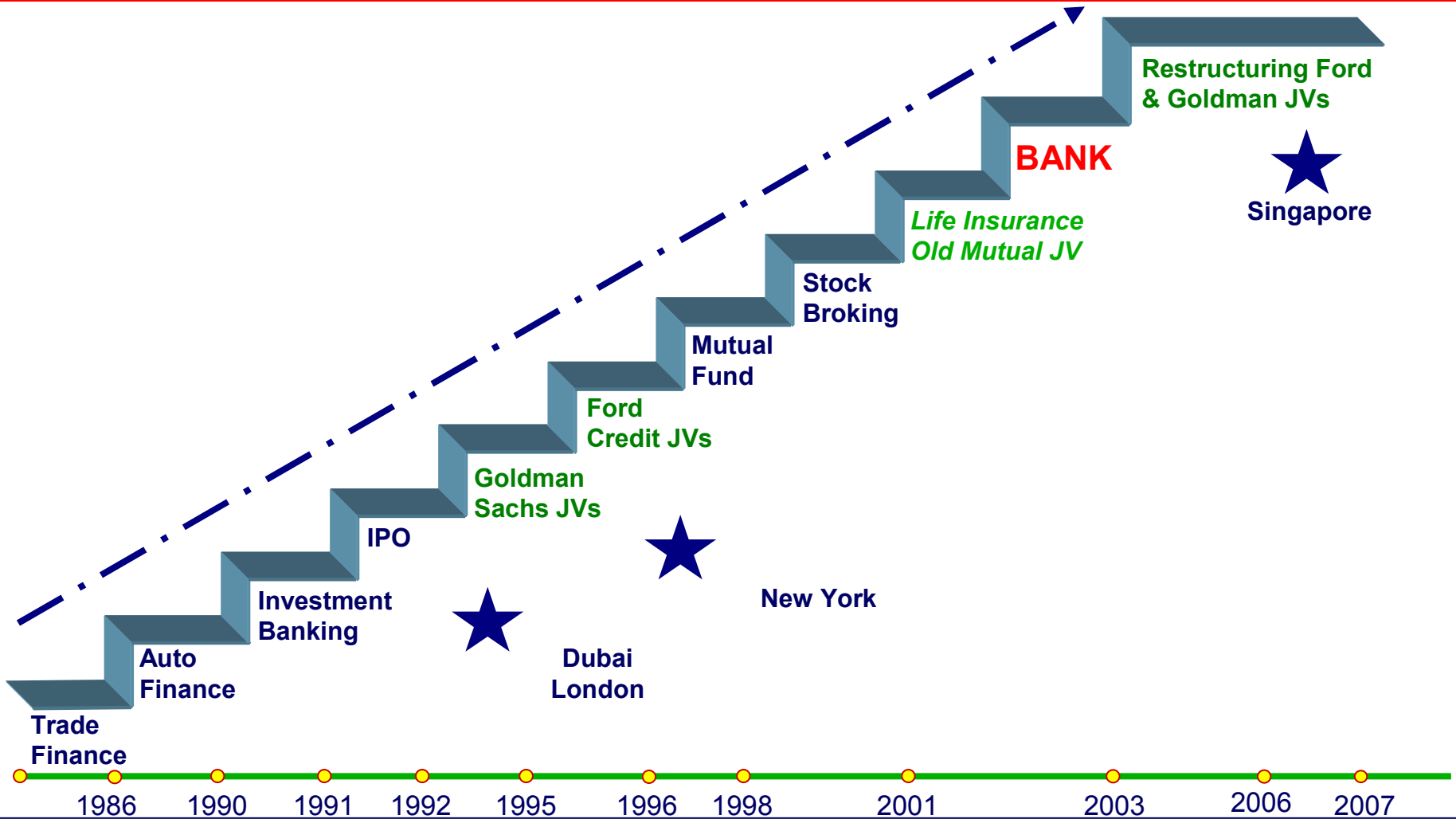
∞ Overview of Kotak Group Businesses **Section II**

∞ Financial Summary **Section III**

Section I : Overview of Kotak Group



Journey so far..



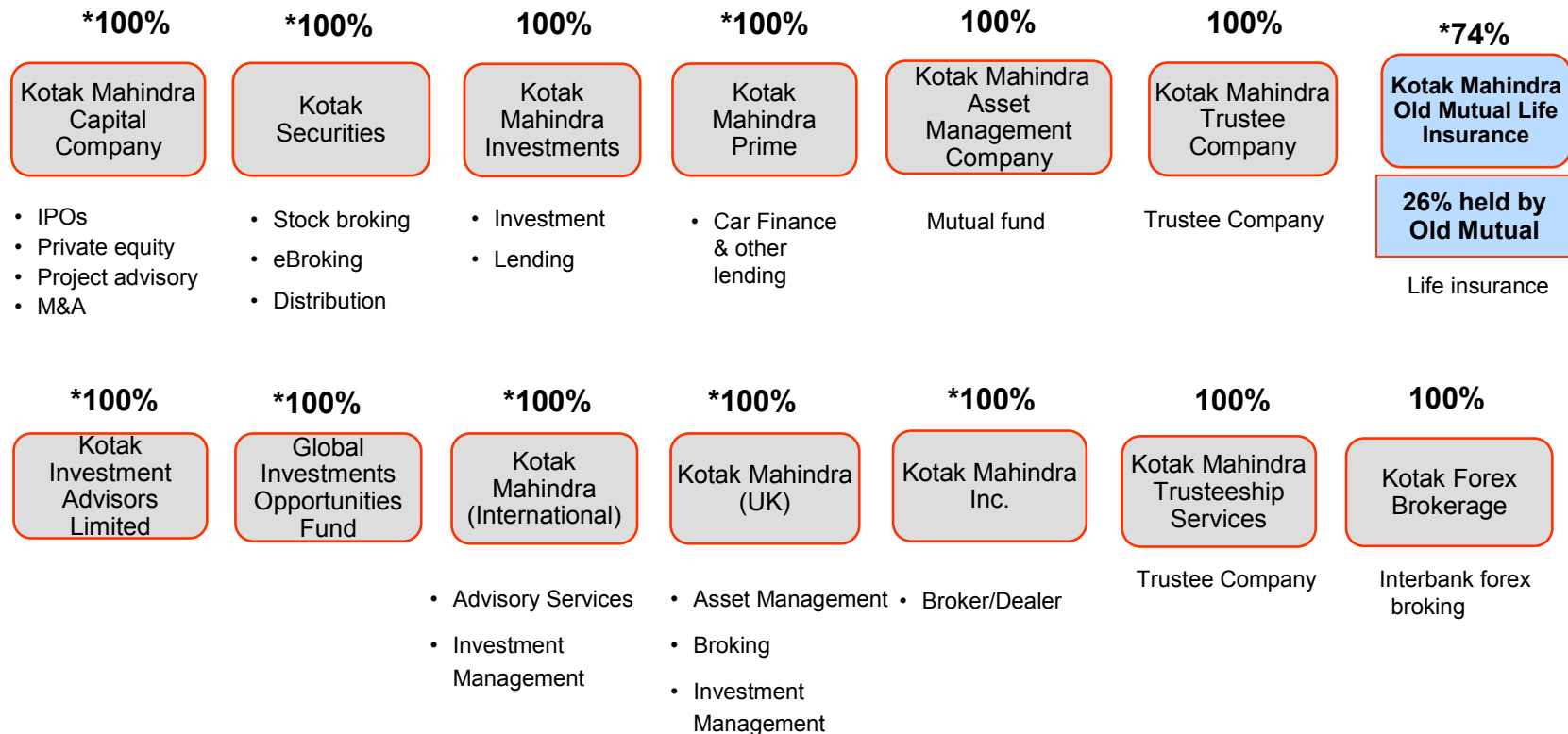
In October 2005, Kotak Group acquired the 40% stake in Kotak Prime held by Ford Credit International (FCI) and FCI acquired the stake in Ford Credit Kotak Mahindra (FCKM) held by Kotak Group.

Kotak Capital and Kotak Securities were established in 1995 as a joint venture between Kotak Group and Goldman Sachs. With effect from May 2006, Kotak Group bought the 25% stake of Goldman Sachs in Kotak Capital and Kotak Securities and Kotak Capital and Kotak Securities became wholly owned subsidiaries of Kotak Bank.

Kotak Mahindra Bank has no international branches.



Corporate Banking
Treasury
Retail Branch Banking
Wealth Management
Retail Lending



*Includes direct and indirect holdings



IR GLOBAL
RANKINGS

- ∞ **www. Kotak.com was voted the most Popular Investor Relation Website for Asia/Pacific**



EUROMONEY
Award for Excellence

- ∞ **Kotak Mahindra Bank was awarded in sixteen categories at the Annual Euromoney Private Banking Survey Poll (2007) for India**



Bloomberg

- ∞ **Kotak Mahindra Capital Company was ranked No. 1 by Bloomberg for the nine months of calendar year 2007 for**
 - **India Domestic IPOs**
 - **India Domestic Equity Offerings (IPO, Additional Offerings and QIP)**
 - **Indian Domestic Equity & Rights Offerings**



- ∞ **Kotak Capital - Best Domestic Investment Bank : 2006**
- ∞ **Kotak Capital - Best Equity House : 2006**



- ∞ **Kotak Capital - Best Investment Bank in India : 2007,2006**
- ∞ **Kotak Securities - Best Broker : 2006, 2005**



- ∞ **Kotak Securites - Topped the Brokers Poll as the Best Local Broker: 2006**
- ∞ **Kotak Bank - Winner in 33 categories in the Asiamoney Private Banking Poll :2006; including the Best Private Bank award in South Asia**



- ∞ **Kotak Mutual - Best Bond Fund House: 2006**
- ∞ **Kotak Bond Regular Plan was ranked the best debt fund over 3 years :2006**



- ∞ **'Kotak Bond Regular Plan' was ranked ICRA-MFR1 and was the recipient of the Silver Award**



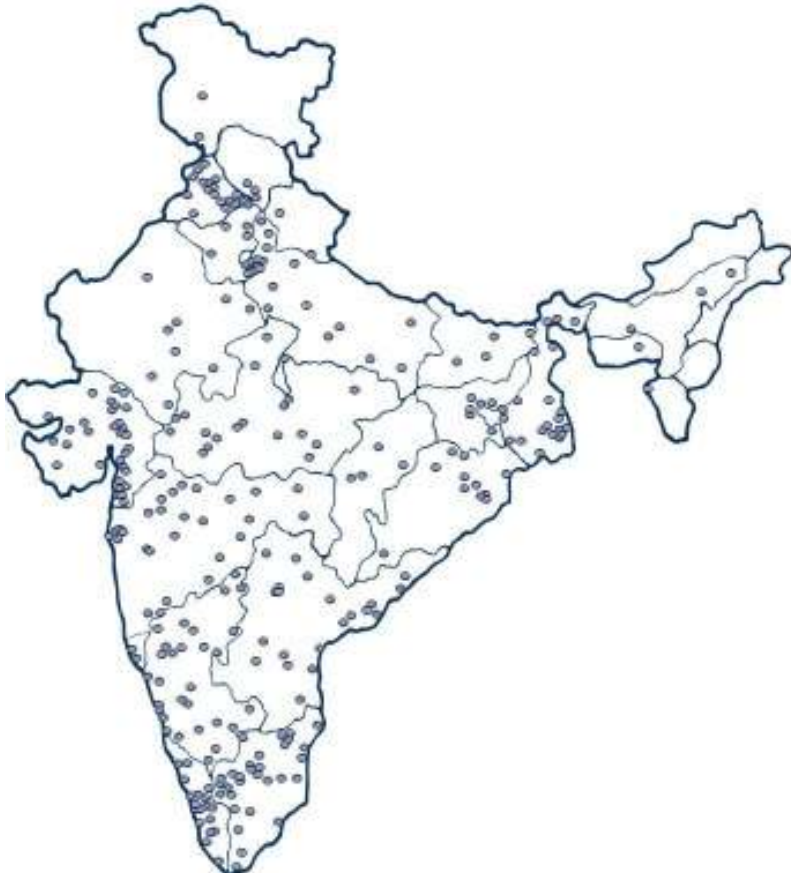
- ∞ **Kotak Mutual - Best Mutual Fund House in the NDTV Business Leadership Award :2006**



AVAYA
GLOBALCONNECT
INDIA'S LEADING ENTERPRISE COMMUNICATION COMPANY

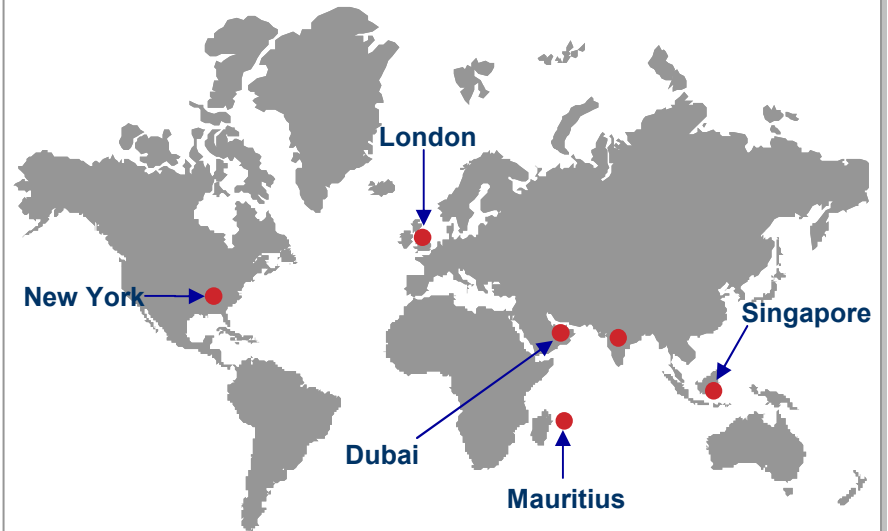
- ∞ **Kotak Securities - The Most Customer Responsive Company :2006**

Strong National Footprint...



Servicing approx 3.2 mn customer accounts in
340 cities and towns in India

...Expanding Global Presence

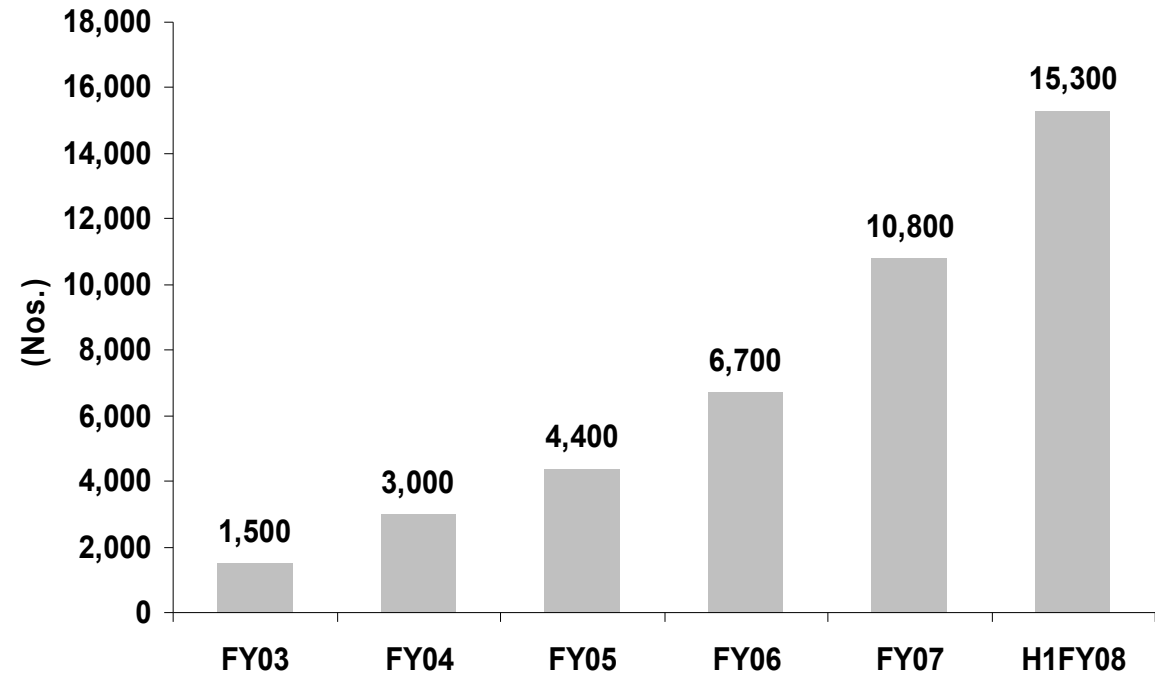


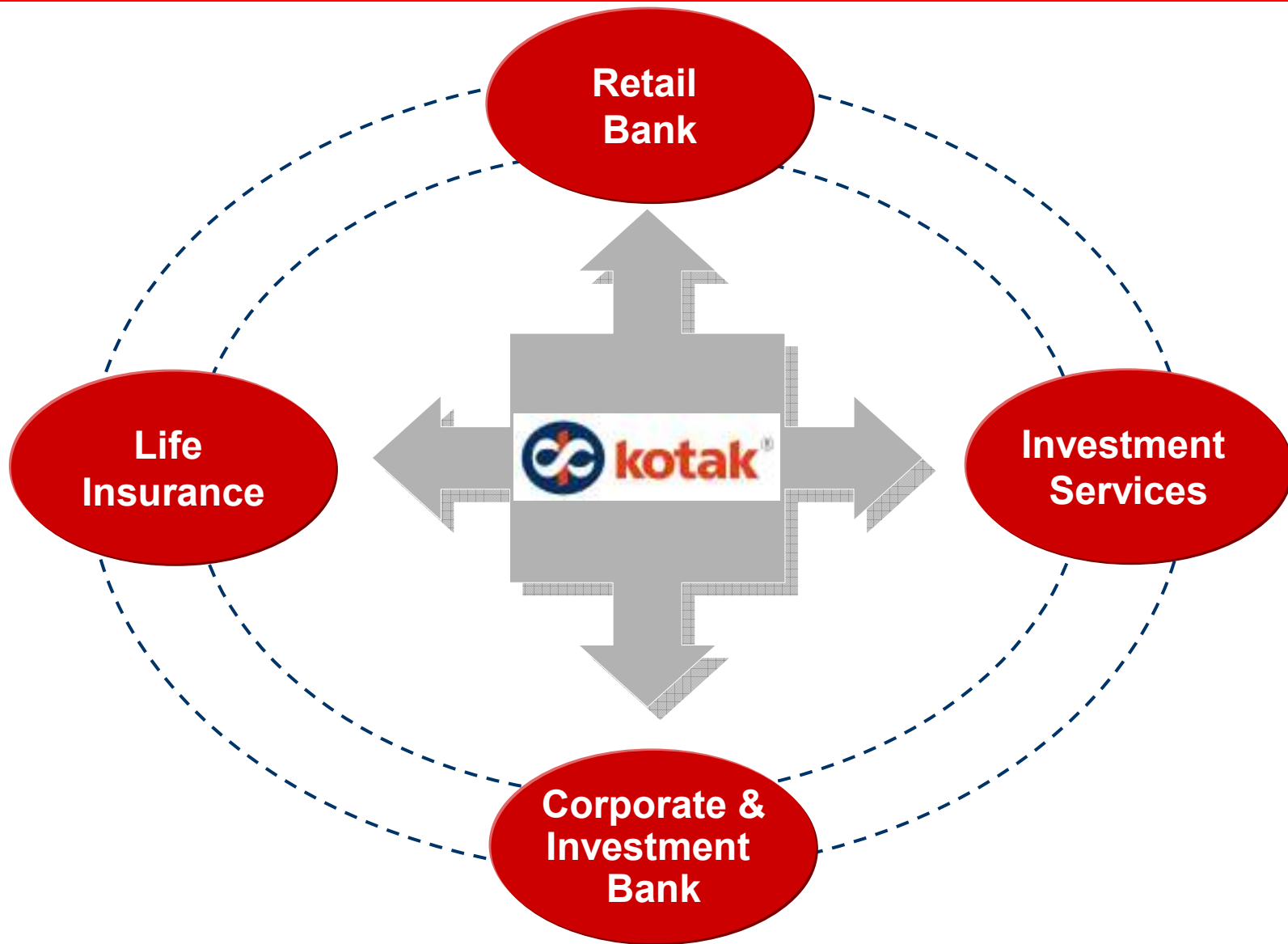
Offices in New York, London, Dubai,
Mauritius and Singapore



**Kotak Bank # 10th
Best employer in
India by Hewitt
Associates : 2007**

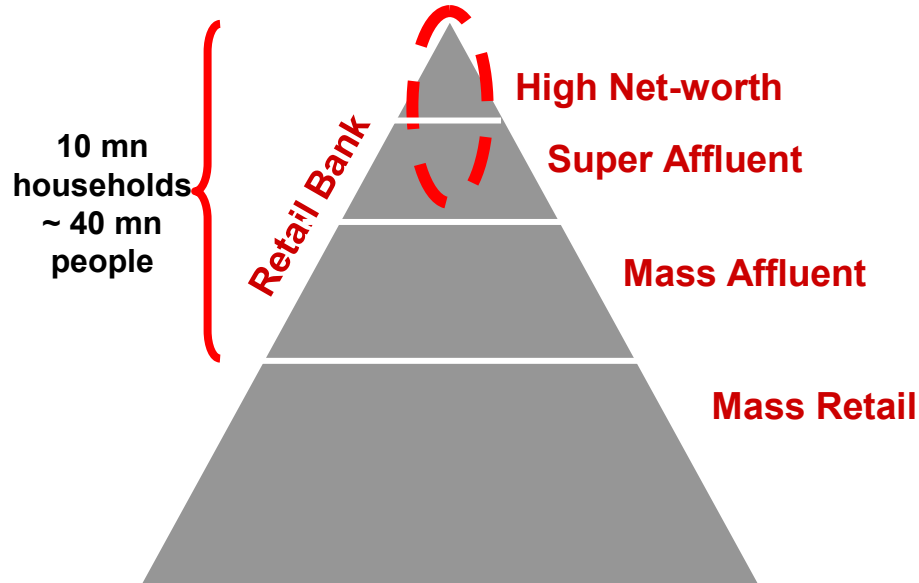
Group Employees





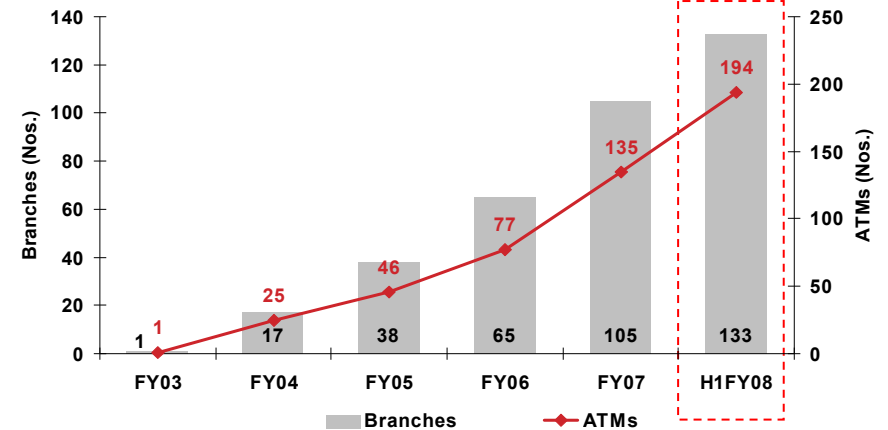
Section II : Overview of Kotak Group Business

Customer Focus

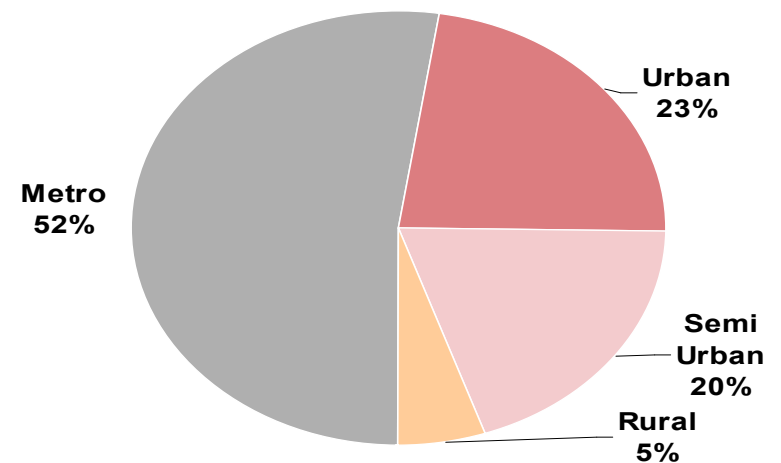


- ∞ Focus on HNI and mass affluent population
- ⚙ Convenience and solutions led strategy
- ∞ Distribution of multiple financial products
- ∞ Target 200 branches by mid 2008

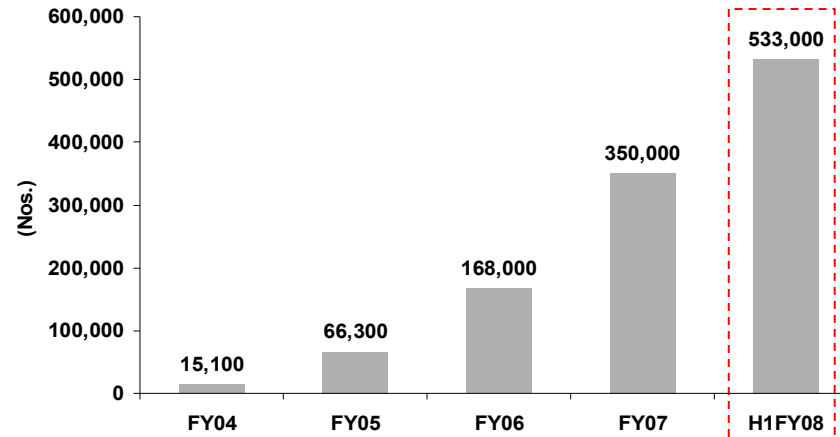
Footprint



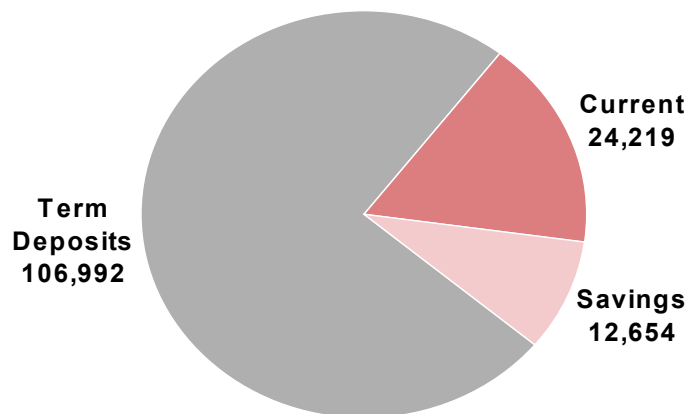
Presence



Deposit Accounts

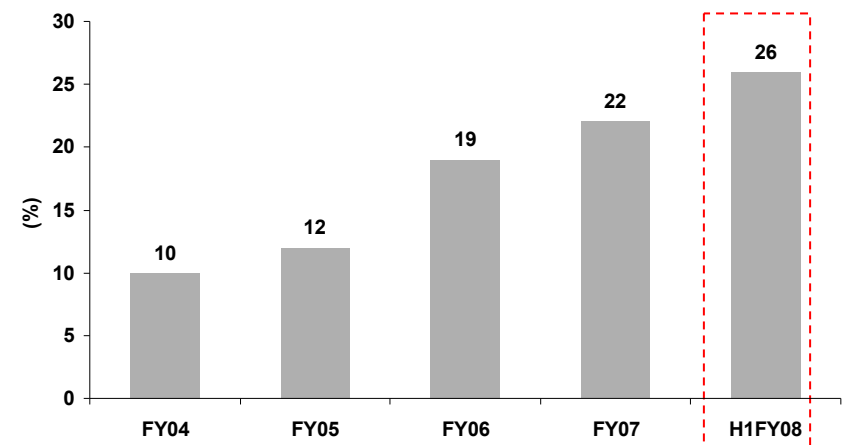


Total Deposit Breakdown* (Rs mn) (Sept 07)

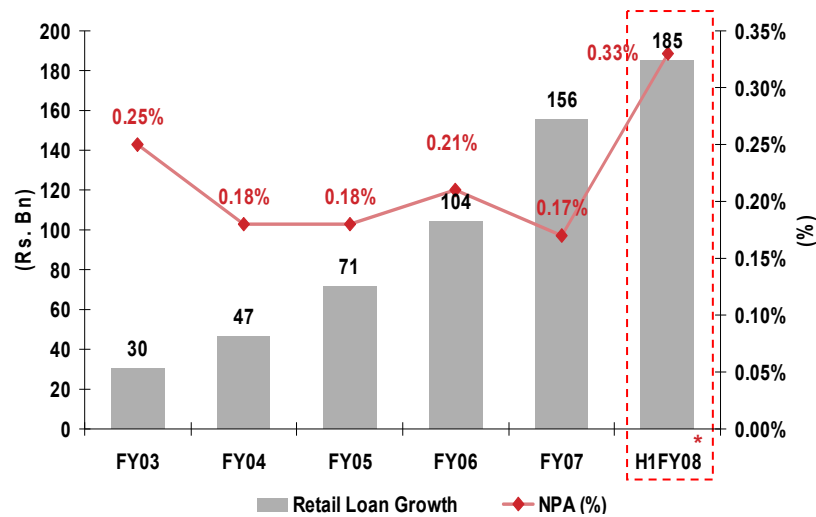


*excluding monies received as collection bankers

CASA Ratio



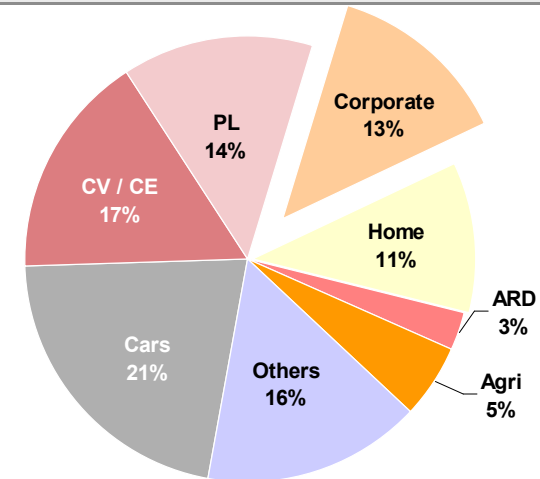
Total Advances (Rs bn)



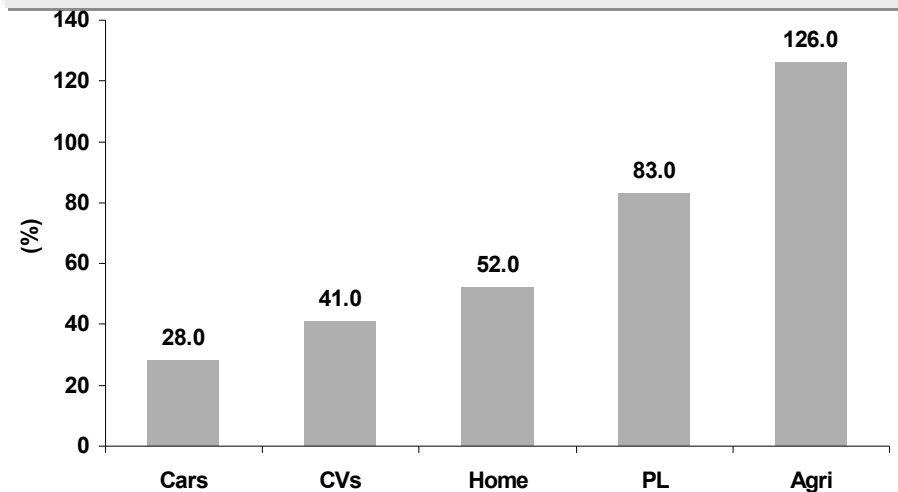
*Excluding stressed assets portfolio

- ∞ Stressed assets portfolio Rs 5.0 bn; Principal outstanding Rs 31.7 bn – potential for significant returns
- ∞ Consolidated NIM
 - ☀ Q2FY08 – 5.2%
 - ☀ FY07 – 5.1%

Advances Rs 185.4 bn (Sept 07)



Growth in Advances – Sept 07 v/s Sept06



One of the leading Wealth Management teams in India

- ∞ 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
- ∞ One of the leading distributors of equity products in India
- ∞ Thrust on structured products

Wide Range of Products

Mutual Funds

Life Insurance

Private Equity

**Equity and
Derivatives**

**Portfolio
Management
Services**

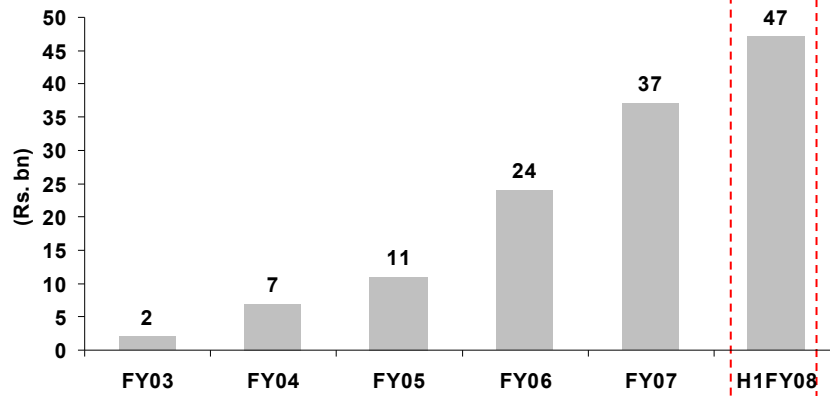
Real Estate fund

**Structured
Products**

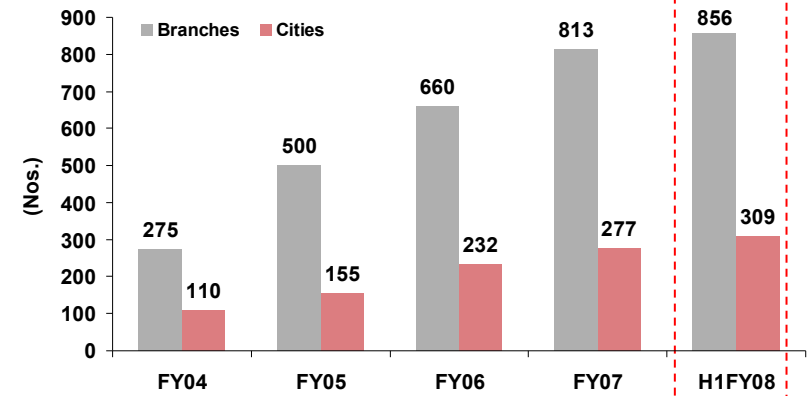
IPO

India's leading securities brokerage firm – 8.2% of total average daily volumes H1FY08

KS Average Daily Volumes (Rs bn)

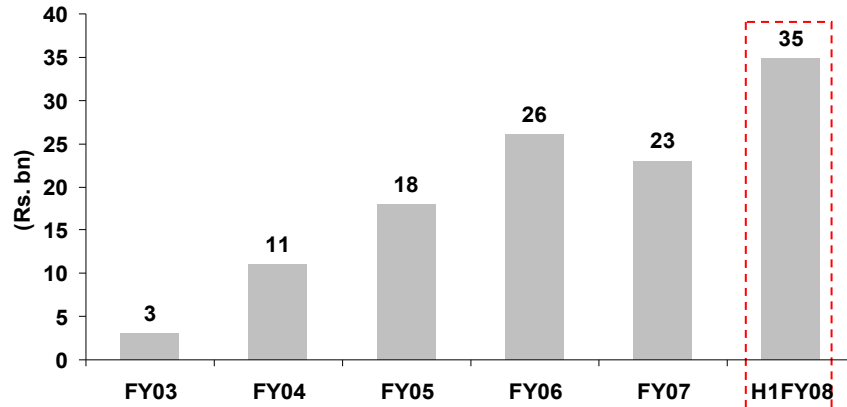


Branches*

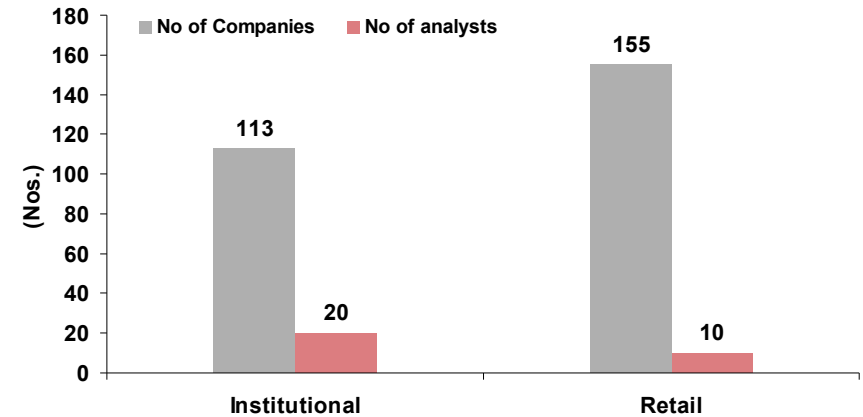


* Includes franchisees

PMS – AUM (Rs bn)



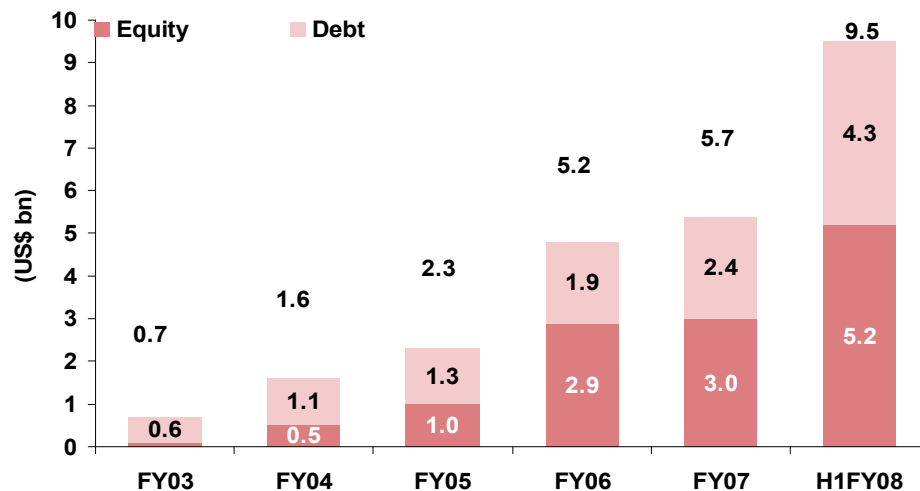
Research Coverage



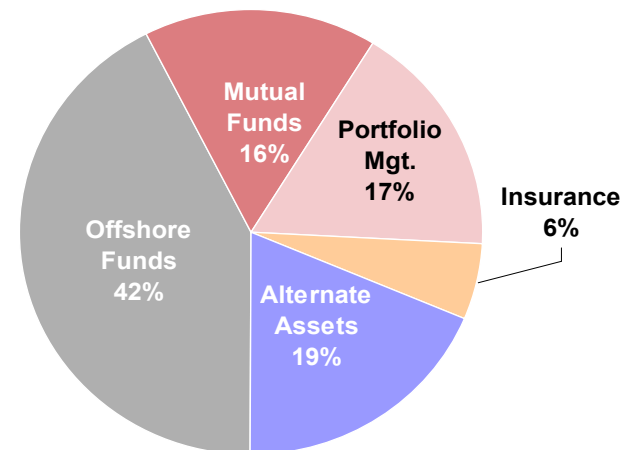
Segment Overview

- ∞ Over US\$ 9.5 bn of assets managed / advised through mutual funds, insurance, portfolio management & offshore funds (including alternate assets)
- ∞ Kotak Mutual Fund has 68 branches and satellite offices
 - ✿ Kotak Mutual Fund collected Rs 5.1 bn in Kotak Global Emerging Market Fund for resident Indians to invest in T. Rowe Price Global Emerging Markets Equity Fund

Assets Under Management*



Equity AUM – Sept 07



- ∞ Total commitments of US \$ 920 mn

India Growth Fund

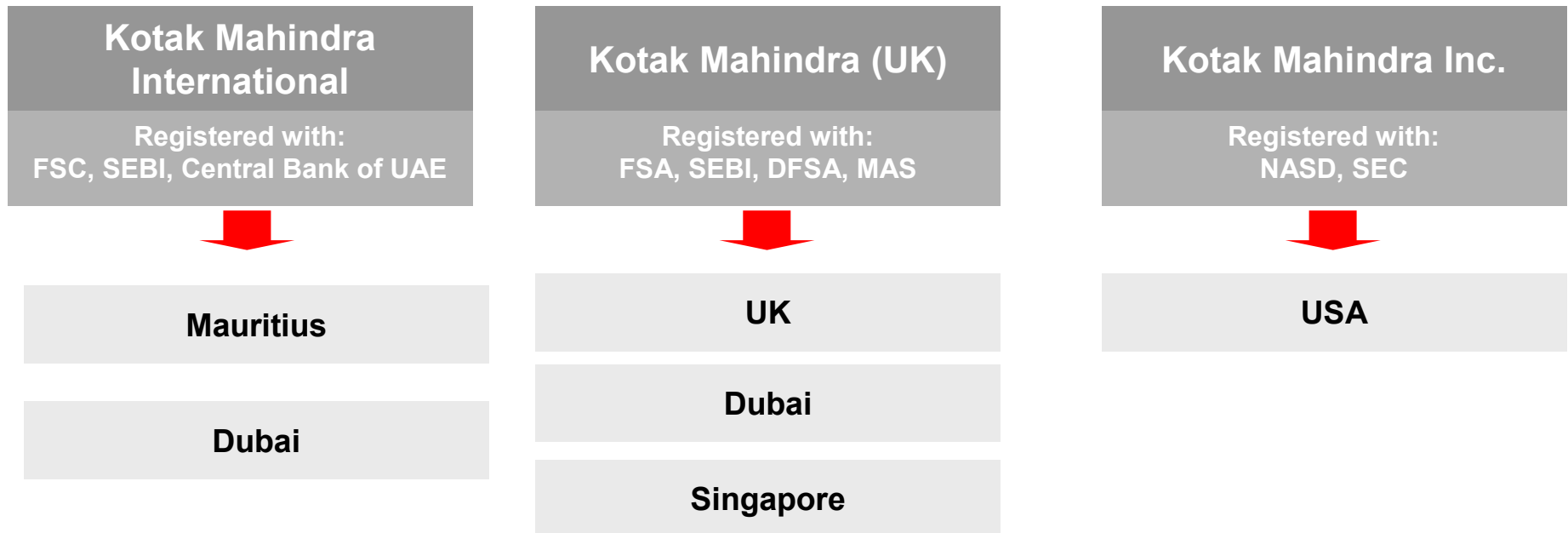
- ∞ Received commitments of US\$ 170 mn
- ∞ 2/3rd committed
- ∞ Invested in 11 companies

Kotak Realty Fund

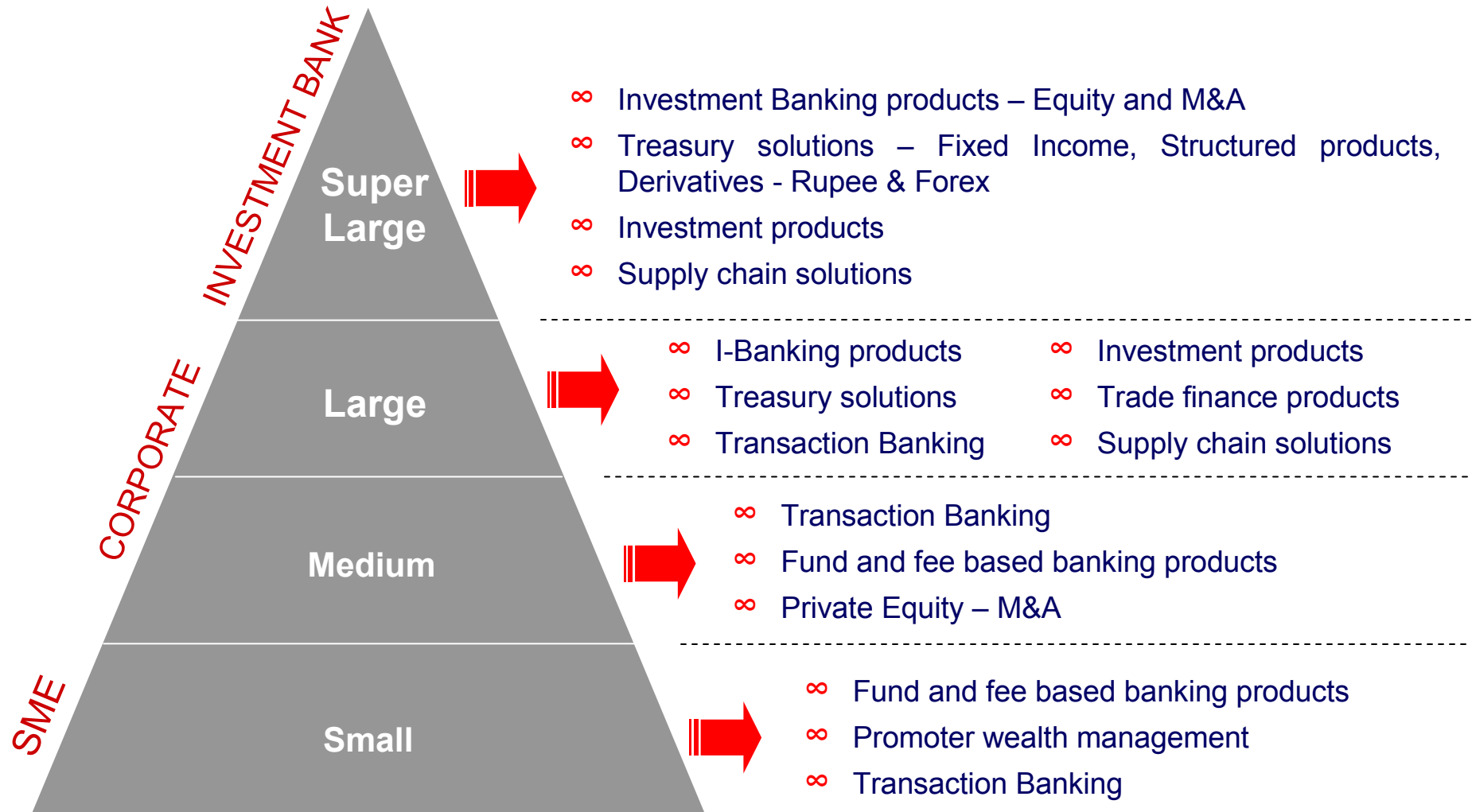
- ∞ Kotak India Real Estate Fund – I
 - Domestic fund raised to make investments in real estate sector and allied services
 - Corpus approx. US\$ 100 mn
 - 75% committed
 - Has invested in 7 companies
- ∞ Kotak Alternate Opportunities (India) Fund
 - Domestic fund raised to make investments in real estate and infrastructure sector and allied services
 - Corpus approx. US\$ 400 mn
 - Closed in July 2007
- ∞ Kotak India Realty Fund Limited
 - Offshore fund: 1st closing corpus US\$ 200 mn

Kotak India Venture Fund

- ∞ Received commitments of over US\$ 50 mn
- ∞ Focused on Biotechnology and Life Sciences sector
- ∞ 25% committed
- ∞ Closed in June 2007

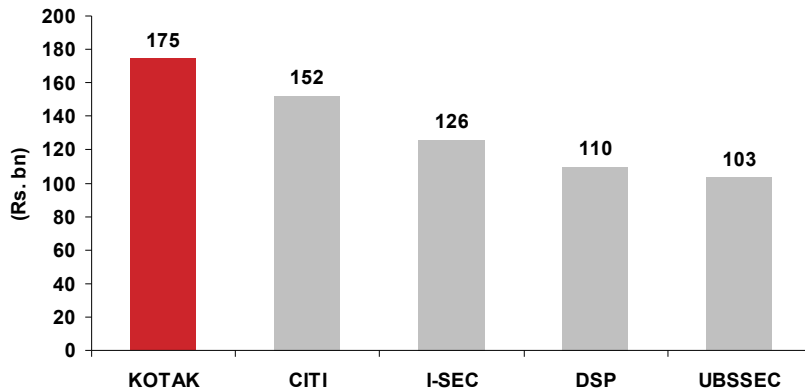


- ∞ Business
 - ✿ Investment management / advisory
 - ✿ Financial intermediary
 - ✿ Management of GDR, ADR and FCCB
- ∞ Equity assets managed / advised: US\$ 2.2 bn

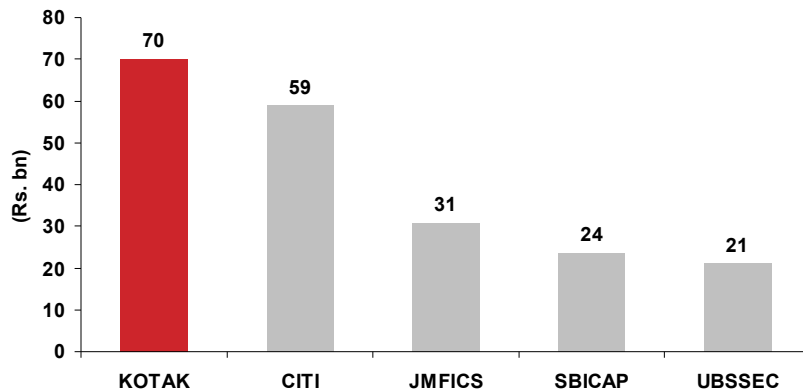


Topped league tables for Equity Offerings in India for seven of the nine years since 1999

IPOs (No. 1 for H1 FY08)



QIPs* (No. 1 for H1 FY08)



Source: Prime Database (Q-1 FY08 data); * includes PSU Disinvestments through Auctions

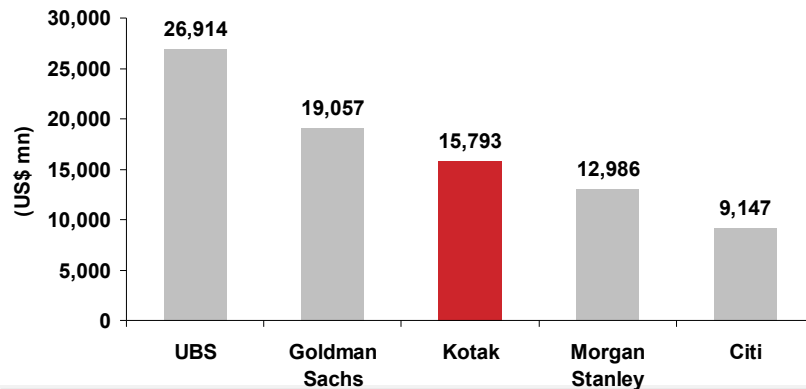
Our Recent Transactions

Logos displayed include: Kotak, Kotak Mahindra Bank, पावरग्रिड, MAYTAS INFRA, PUNJ LLOYD, DLF BUILDING INDIA, PURAVANKARA, Central Bank of India, IVR PRIME, IDFC, marico, GVK, MARUTI, SOBHA, LANCO INSPIRING GROWTH, Mahindra GESCO, SUN TV, Fortis, HDIL, Tech Mahindra, Mahindra Finance, KALPA-TARU POWER TRANSMISSION LIMITED, and CN.

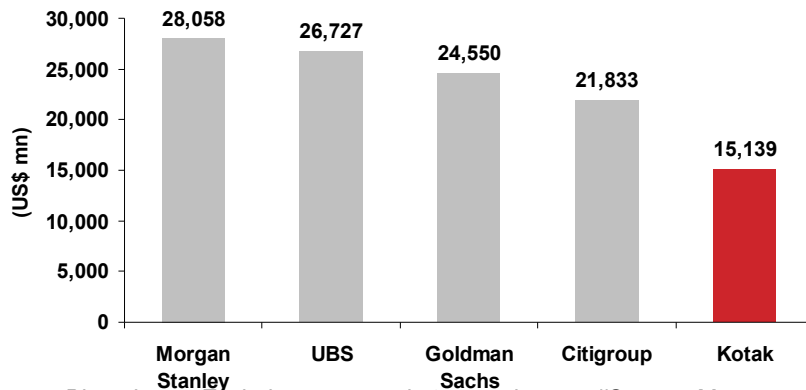
No.3 in India League Tables for H1 2007

No.5 in Asia Ex-Japan League Tables for H1 2007

India Announced Deals*









Asia(Ex-Japan) Announced Deals#

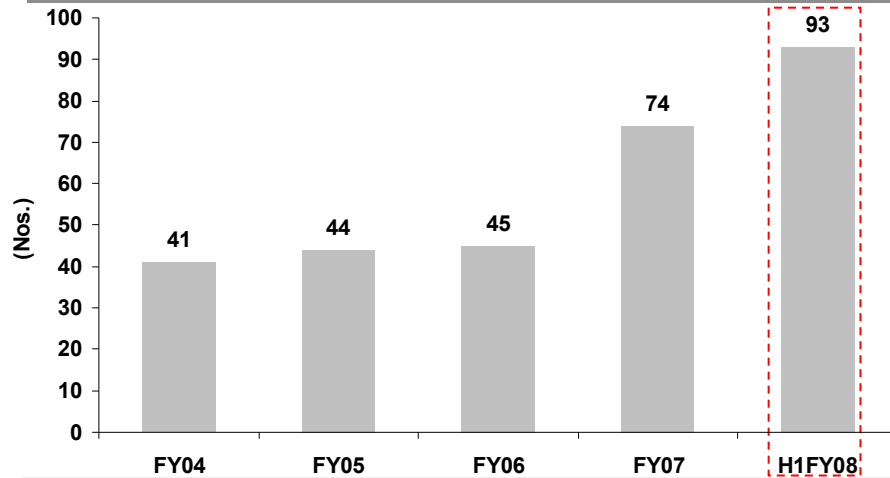


*Source: Bloomberg; Excludes open market repurchases ; #Source: Mergermarkets

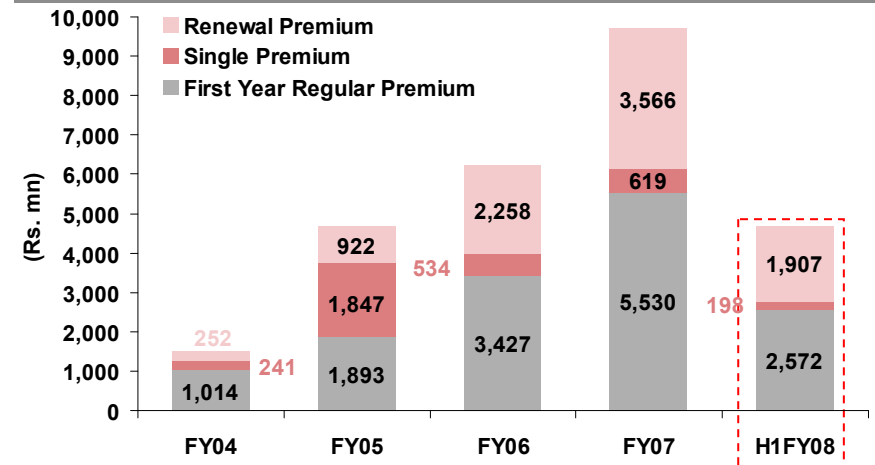
Major Announced Deals

<p>Rs 537,100 mn</p>  <p>Sale of controlling interest in Hutchison Essar to Vodafone</p> <p>Financial Advisor</p> <p>Feb 2007</p>	<p>Rs 20,300 mn</p>  <p>Demutualisation of BSE – Sale of 51% to Deutsche Bourse, SGX and others</p> <p>Exclusive Financial Advisor</p> <p>Mar 2007, Feb 2007</p>
<p>Rs 20,000 mn</p>  <p>Divestment of 80% stake in Anchor Electricals to Matsushita Electrical Works</p> <p>Exclusive Financial Advisor</p> <p>Apr 2007</p>	<p>Rs. 14,400 mn</p>  <p>Acquisition of Punjab Tractors and stake in its subsidiaries</p> <p>Exclusive Advisor</p> <p>Mar 2007</p>
<p>Rs. 7,800 mn</p>  <p>Joint Venture between SREI and BNP Paribas Leasing Group for a strategic partnership in equipment finance in India</p> <p>Exclusive Advisor</p> <p>June 2007</p>	<p>Rs 6,600 mn</p>  <p>Sale of controlling stake by Gokaldas Exports to Blackstone and Manager to the related Open Offer</p> <p>Exclusive Advisor</p> <p>August 2007</p>

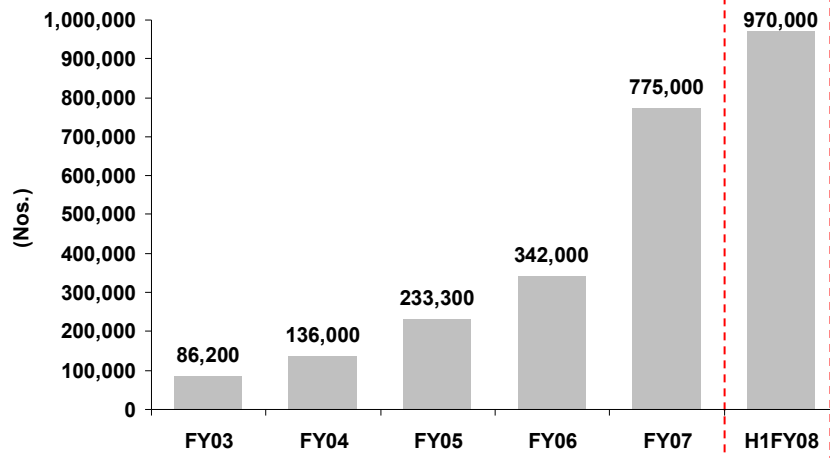
No. of Branches



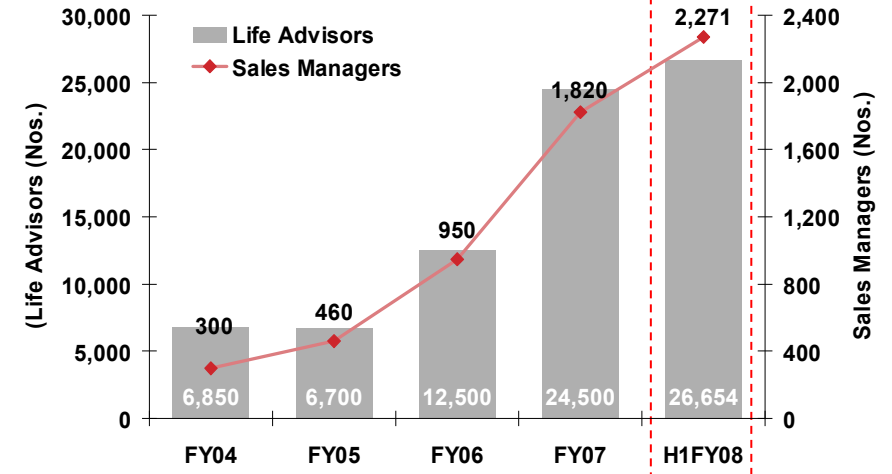
Premium Income



No. of Lives Insured*



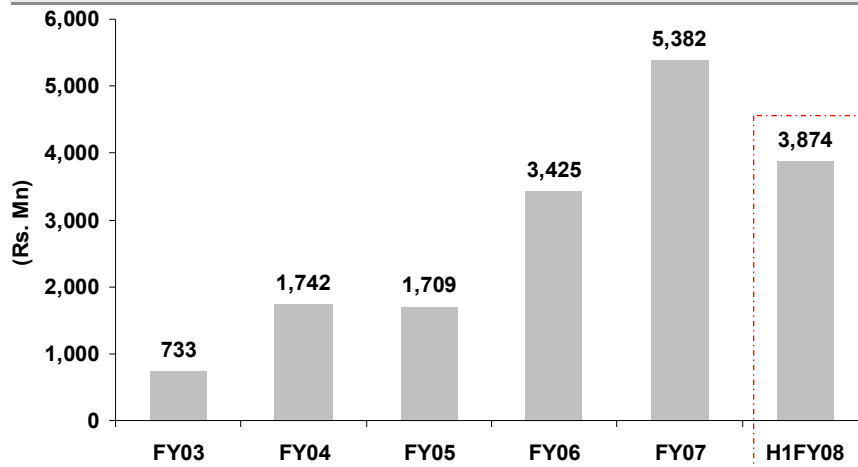
Tied Channel



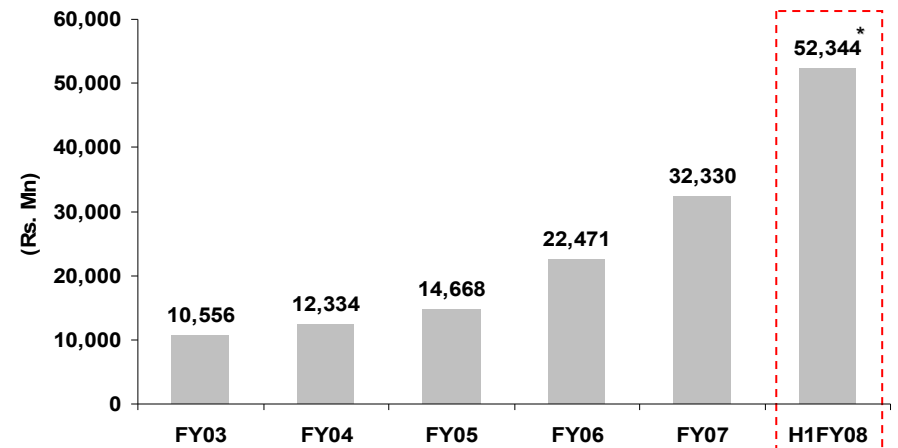
* Including individual and group schemes

Section III : Financial Summary

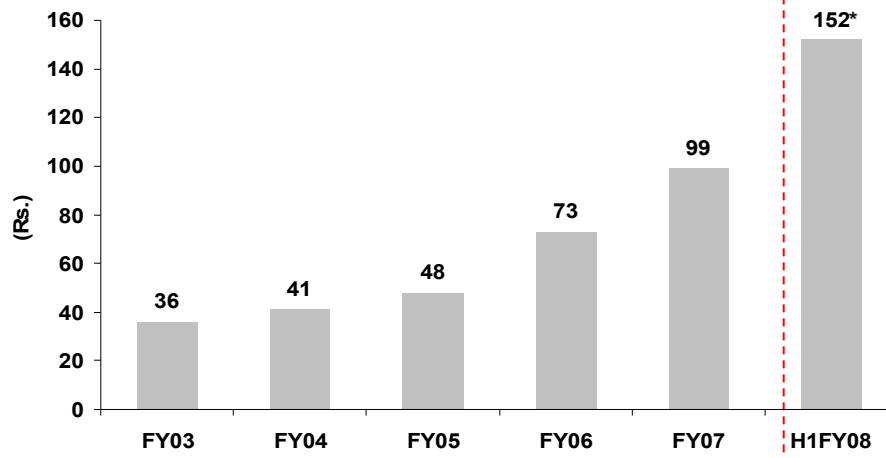
Consolidated Net Profit (Rs mn)



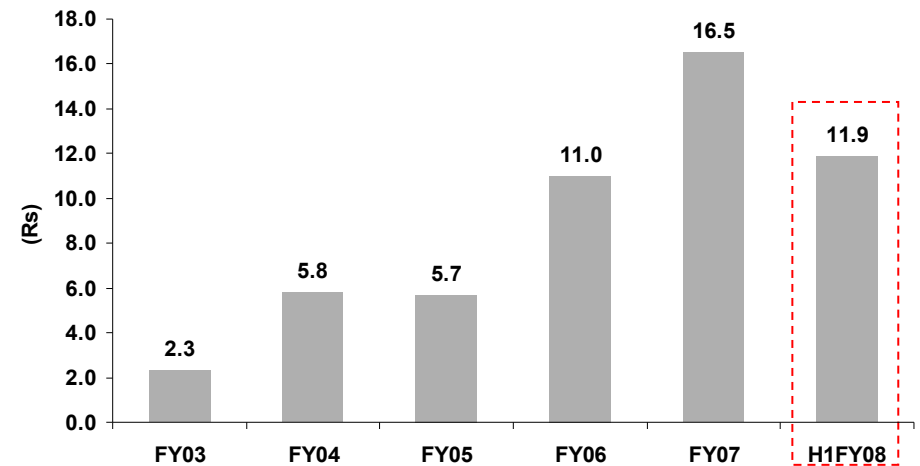
Consolidated Net Worth (Rs mn)



Consolidated Book Value per share (Rs)



Earning Per Share (Rs)



* Consolidated Book value and net worth are post QIP of Rs. 16.2 bn in Oct 07

Rs mn	FY06	FY07	H1 FY07	H1 FY08
Financing	9,879	15,241	6,224	11,208
Fees #	8,670	10,562	4,404	7,417
Insurance Premium	6,121	9,505	2,830	4,539
Treasury	3,700	6,769	2,993	8,087
Others	151	863	350	791
Total Revenue	28,521	42,940	16,801	32,042

brokerage income is net of sub-brokerage

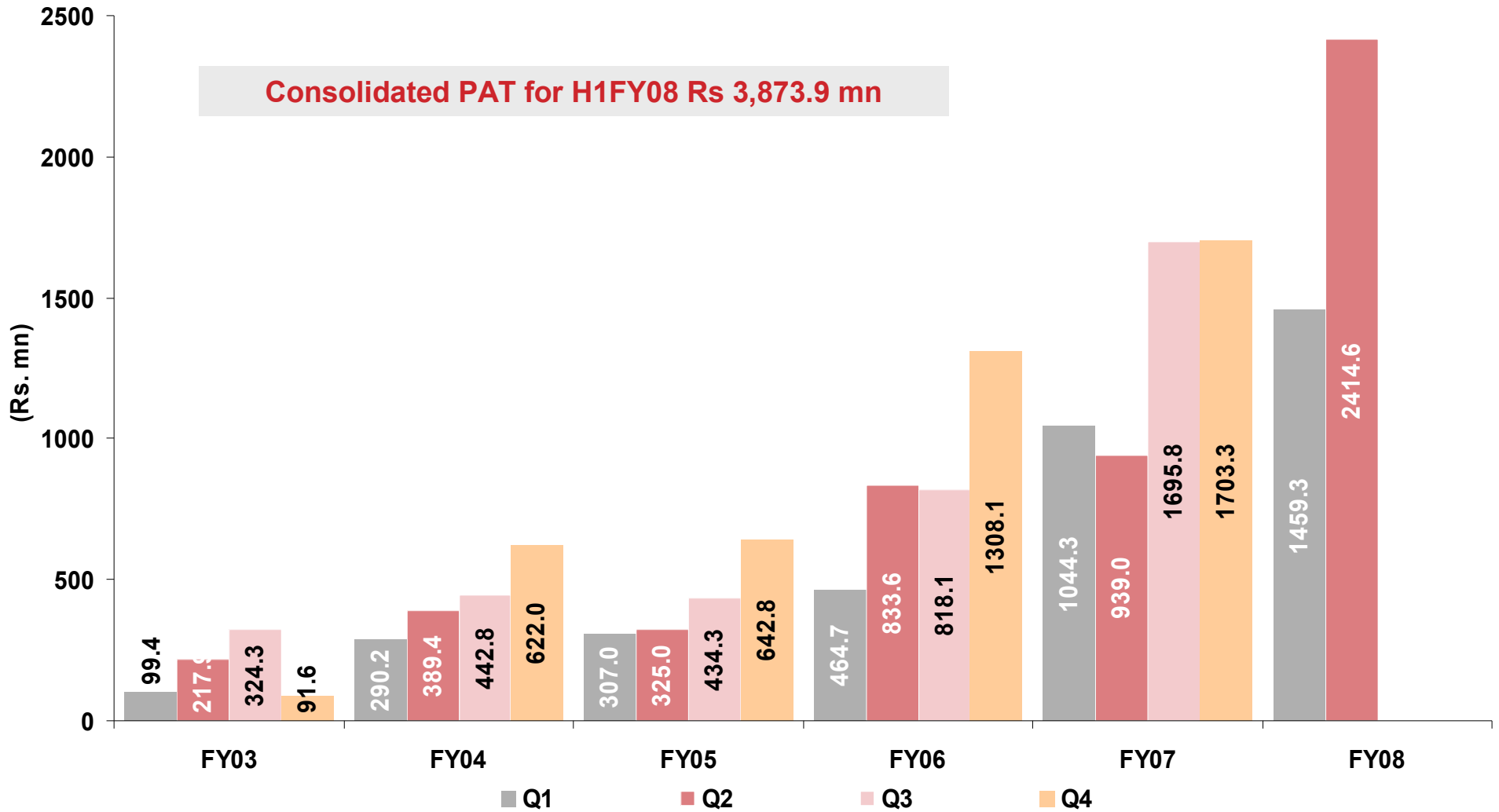
Rs mn	FY06	FY07	H1FY07	H1FY08
Net worth #	22,471.0	32,330.2	28153.0	52,344.0
Deposits	56,166.8	96,609.7	68756.0	158,681.9
Borrowings	57,978.9	99,859.1	66,608.0	80,383.8
Investments	50,487.4	91,284.7	61,022.0	131,055.1
Advances	104,198.8	155,734.4	120,670.6	185,401.3
Total Capital and Liabilities	179,673.4	286,308.1	318,175.9	388,414.0
NIM (%)	5.4	5.1	5.1	5.2
Book value per share (Rs)#	72.7	99.1	89.7	152.0
Return on average Net worth (%)	19.2	17.9	15.4	22.6
Capital Adequacy Ratio (%)*#	11.3	13.5	12.4	17.0
Tier I (%)*#	8.1	8.8	9.7	13.0

Data of H1FY08 is post QIP of 16.2 bn in Oct 07

* Bank Standalone

Rs mn	FY06	FY07	H1FY07	H1FY08
Commercial vehicles	18,730.7	25,780.7	21,698.4	30,658.1
Car Finance	30,637.2	36,107.9	31,334.2	39,969.0
Personal Loans	10,069.5	19,762.8	13,914.0	25,441.7
Home Loans	9,707.2	17,533.2	13,225.0	20,147.2
Corporate Banking	13,356.8	23,784.9	19,451.0	24,907.8
Stressed Assets acquired	4,191.9	5,123.0	4,454.0	5,036.6
Others	17,505.6	27,641.9	16,594.0	39,240.9
Total Advances	104,198.9	155,734.4	120,670.6	185401.3

Rs mn	FY06	FY07	H1FY07	H1FY08
Kotak Mahindra Bank	1,182.3	1,413.7	587.1	1,230.6
Kotak Mahindra Prime	208.8	573.4	220.8	329.7
Kotak Mahindra Capital Company	565.7	678.8	283.7	683.7
Kotak Securities	2,155.4	2,557.1	1,002.4	1,609.0
International Subsidiaries	132.7	350.1	74.5	131.5
Kotak Mahindra AMC / Trustee	76.3	114.7	79.0	70.4
Kotak Mahindra Investments	278.0	270.6	77.2	139.0
Others	67.9	0.3	1.5	1.7
Total (excl Life Insurance)	4,667.1	5,958.7	2,326.2	4,195.7
Equity Affiliates	22.5	144.2	88.7	81.7
MI and other adjustments (excl Life Insurance)	(945.0)	(288.7)	(204.5)	(11.4)
Consolidated PAT (excl Life Insurance)	3,744.6	5,814.2	2,210.2	4,266.0
Kotak Mahindra Life Insurance (Group Share)	(320.0)	(431.8)	(226.9)	(392.1)
Consolidated PAT	3,424.6	5,382.4	1,983.3	3,873.9



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