

Karnataka Bank Ltd.

Your Family Bank, Across India.

Regd. & Head Office
P. B. No.599, Mahaveera Circle
Kankanady
Mangaluru – 575 002

Phone : 0824-2228222 Fax: 0824-2225587
E-Mail : comsec@ktkbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

SECRETARIAL DEPARTMENT

10.07.2020

HO:SEC: 65:2020-21

1. The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,C-1, Block G
Bandra-Kurla Complex, Bandra (E)
MUMBAI-400 051

2. The General Manager
BSE Limited
Corporate Relationship Dept
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI-400 001

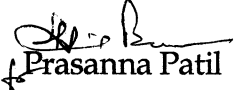
Scrip Code: **KTKBANK**

Scrip Code: **532652**

Dear Sir,

We enclose copy of the press communiqué released by us for your kind information.

Thank You,
Yours faithfully,


Prasanna Patil

COMPANY SECRETARY



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BRANCH BANKING & DIGITAL CHANNELS DEPARTMENT

PRESS RELEASE

Date: 10-07-2020

ALL TIME HIGH NET PROFIT OF ₹ 196.38 CRORE BY KARNATAKA BANK.

Karnataka Bank posted an all time high quarterly Net Profit of Rs 196.38 crores, during Q1 of FY 2020-21 as against the previous high of Rs 175.42 crores recorded during Q1 of FY 2019-20. Thus the net profit grew by 11.95 % Y-O-Y.

In the Meeting of the Board of Directors held today here in Mangaluru through WebEx, the Board has approved the financial results for the quarter ended June 30, 2020.

The operating profit of the Bank has also increased from Rs 350.01 crore to Rs 677.04 crore showing a growth rate of 93.43 %. The Net Interest Income also has increased by 8.19% on year-on-year basis to Rs 535.12 crore from Rs 494.59 crore.

The business turnover of the Bank has touched Rs 1,26,063.48 crore as on 30-06-2020, registering 3.89% growth on year-on-year basis. The deposits of the Bank grew from Rs 68,520.72 crore to Rs 71,853.98 crore and advances grew from Rs 52,818.80 crore to Rs 54,209.50 crore. The CD ratio is at 75.44%.

Gross NPAs declined to 4.64% compared to 4.82% in the sequential previous quarter i.e as of 31-03-2020. Similarly Net NPAs also declined to 3.01% from 3.08%.

The Capital Adequacy Ratio of the Bank has further improved to 13.07% as compared to 12.70% as on 30-06-2019.

Expressing his satisfaction on the Q1 result of the Bank, Shri Mahabaleshwara M. S., Managing Director & CEO of the Bank, said "I am happy that, even though we are not an exception to many challenges and uncertainties triggered by COVID 19 pandemic, this quarter turned out to be a dream quarter on account of all time high quarterly net profit as well as operating profit. It was possible mainly on account of various cost reduction measures, robust treasury profit and a decent growth in interest income on

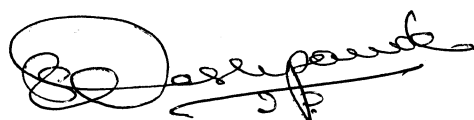
account of improved interest spread. It gives immense satisfaction that we have successfully sailed through the COVID 19 affected first full quarter. Going forward we will continue to be “Cautious and Conservative” and I am confident that we will continue to ensure a steady and sustainable performance as hitherto.”

PERFORMANCE HIGHLIGHTS

(Rupees in Crore)

Parameters	Q1 FY 2020-21	Q1 FY 2019-20	% change / Variation
Net Profit	196.38	175.42	11.95%
Operating Profit	677.04	350.01	93.43%
Total Income	2,134.63	1,794.33*	18.97%
Net Interest Income	535.12	494.59	8.19%
Other Income	518.92	209.96*	147.15%
Net Interest Margin (%)	2.89%	2.81%	2.53%
Return on Assets (%)	0.93%	0.88%	6.24%
Gross NPA %	4.64%	4.55%	1.98%
CRAR (%) [Basel III]	13.07%	12.70%	2.91%
CD Ratio (%)	75.44%	77.08%	-2.13%
Deposits	71,853.98	68,520.72	4.86%
Advances	54,209.50	52,818.80	2.63%
Business Turnover	1,26,063.48	1,21,339.52	3.89%

* NET OF GST.



Srinivas Deshpande
ASSISTANT GENERAL MANAGER