



# Karnataka Bank Ltd.

Estd : 1924

CIN : L85110KA1924PLC001128

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

Phone : 0824 - 2228222 Fax : 0824-2225588  
Website : www.karnatakabank.com  
email : info@ktkbank.com

## SECRETARIAL DEPARTMENT

13.10.2017

HO: SEC: 434 : 2017-18

To:

1. The Manager  
Listing Department  
National Stock Exchange Of India Limited  
Exchange Plaza, C-1, Block G  
Bandra-Kurla Complex  
Bandra (E), MUMBAI-400051

2. The General Manager  
BSE Limited  
Corporate Relationship Dept.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI-400001

Dear Sir,

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

Thank You,

Yours faithfully,

  
COMPANY SECRETARY

OR No 2835  
17-18**PLANNING AND DEVELOPMENT DEPARTMENT****PRESS RELEASE**

October 13, 2017

**KARNATAKA BANK REGISTERS Q2 NET PROFIT OF ₹ 93.38 CRORES**

Karnataka Bank has posted a Net Profit of ₹ 93.38 crores for Q2 of the current financial year 2017-18 compared to ₹ 123.82 crores during Q2 of 2016-17.

However the operating profit showed a robust growth of 57.35% and improved to ₹ 366.24 crores from ₹ 232.75 crores [Q2 of FY 2016-17].

In the Meeting of the Board of Directors held today here in Mangaluru, the Board has approved the financial results for the quarter and half year ended September 30, 2017.

The Net Interest Income for the half year increased by ₹ 102.71 crores from ₹ 761.94 crores to ₹ 864.65 crores registering a y-o-y growth of 13.48 per cent.

The Bank has clocked a total business of ₹ 97,685.49 crores as on 30-09-2017, registering a y-o-y growth of 8.89%. Deposits of the Bank rose to ₹ 56,558.45 crores registering a y-o-y growth of 6.52%. Advances rose to ₹ 41,127.04 crores registering a y-o-y growth of 12.34%.

The Capital Adequacy Ratio stood at 12.46 per cent [under BASEL III] against the regulatory requirement of minimum 9 per cent.

Gross NPAs stood at ₹ 1,715.70 crores as on 30-09-2017 and constituted 4.13% of gross advances as against 4.34 % as on 30-06-2017.

Net NPAs stood at ₹ 1,246.81 crores as on 30-09-2017, constituting 3.04% of net advances as against 3.20% as on 30-06-2017.

Expressing his satisfaction on the Q2 result of the Bank, Shri Mahabaleshwara M. S., Managing Director & CEO of the Bank, observed that, "Healthy growth in advances

as evidenced by increased CD ratio [72.72%], higher operating profit [growth of 57.35%], moderate CASA, improved NII & NIM are the favorable factors. Even though the asset quality side pressure is easing gradually, provision requirement deserves continued attention. All the growth factors are showing positive traction and hence I am optimistic of strong and sustainable growth going forward”.

### PERFORMANCE HIGHLIGHTS

Parameters	Half Year Ended			Quarter Ended		
	30-09-2017	30-09-2016	Variation [%]	30-09-2017	30-09-2016	Variation [%]
Operating Profit	675.94	494.67	36.64	366.24	232.75	57.35
Net Profit	227.23	245.36	-7.39	93.38	123.82	-24.58
Net Interest Income	864.64	761.94	13.48	440.23	397.25	10.82
Other Income	465.21	364.06	27.78	247.82	189.71	30.63
Advances	41,127	36,611	12.34	41,127	36,611	12.34
Deposits	56,558	53,096	6.52	56,558	53,096	6.52
Business Turnover	97,685	89,707	8.89	97,685	89,707	8.89
Gross NPA [GNPA] per cent	4.13%	3.64%	+ 49 bps	4.13%	3.64%	+ 49 bps
Net NPA [NNPA] per cent	3.04%	2.63%	+ 41 bps	3.04%	2.63%	+ 41 bps
CRAR [Basel III]	12.46%	11.19%	+ 127 bps	12.46%	11.19%	+ 127 bps
Net Interest Margin	3.03%	2.95%	+ 8 bps	3.09%	3.03%	+ 6 bps

  
**Srinivas Deshpande**  
**CHIEF MANAGER - PUBLIC RELATIONS**