

 **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

12.01.2018

HO: SEC:808: 2017-18

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

Dear Sir,

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

Thank You,

Yours faithfully,


COMPANY SECRETARY



Karnataka Bank Ltd.

Your Family Bank, Across India.

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

Phone : 0824-2228325 Fax: 0824-2225587
E-Mail : pr@ktnbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

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CORPORATE PLANNING DEPARTMENT

PRESS RELEASE

Date: 12-01-2018

KARNATAKA BANK POSTS A NET PROFIT OF ₹ 87.38 CRORES UP BY 27.52 %

Karnataka Bank has posted a net profit of ₹ 87.38 crore for the third quarter of current financial year against ₹ 68.52 crore for the corresponding period of last year by registering an increase of 27.52%. For the nine months period ended Dec 2017, Bank posted a net profit of ₹ 314.61 cores as against ₹ 313.89 crores for the corresponding period of last year.

The Operating profit during Q3 of current year is ₹ 321.90 crores as against ₹ 171.86 crores during the corresponding period of the previous year, registering a growth of 87.30%. Further, for 9 months period of current financial year the operating profit stood at ₹ 997.84 crores as against ₹ 666.53 crores for the corresponding period of previous year.

The Net Interest Income for 9 months period ended December 2017 increased from ₹ 1,138.46 crores to ₹ 1,316.14 crores registering y-o-y growth of 15.61 per cent.

Bank has clocked a business turnover of ₹ 1,02,182 crores as on 31-12-2017, registering a y-o-y growth of 9.61%. Deposits of the Bank rose to ₹ 57,771 crores from ₹ 57,435 crores, registering y-o-y growth of 0.58%. Advances rose to ₹ 44,411 crores from ₹ 35,786 crores, registering y-o-y growth of 24.10%.

Current Account, Savings Account (CASA) deposits stood at ₹ 16,306 crores and constituting 28.23% of total deposits.

The Capital Adequacy Ratio stood at 12.26 per cent [under BASEL III] against the regulatory requirement of minimum 9 per cent.

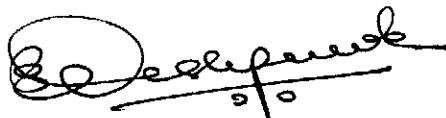
Announcing the results at the Bank's Head Quarters at Mangaluru, Shri Mahabaleshwara M S, Managing Director & CEO, of the Bank said, "The results are

on the expected line and I am happy about the all round performance. The credit has grown by 24.10% and the CD ratio is at a new high of 76.87%. The operating profit has registered a growth of 87.30% and the net profit is up by 27.52%. The Gross NPA which was at 4.30% as of Dec 2016 is now reduced to 3.97% and the Net NPA is also reduced to 2.85% from 2.99%. The slippages are moderating and credit cost is showing favorable traction. Loan book is improving both quantitatively and qualitatively as evidenced from improved CD ratio, decreasing slippage ratio, declined GNPA & NNPA ratios, improved operational profit and improved NII. With sustained credit growth and improved earnings, Bank should be able to wither the provision pressure and further consolidate its position in the ensuing quarter”.

PERFORMANCE HIGHLIGHTS

[₹ in crore]

Parameters	Nine Months Period			Quarter Ended		
	31-12-2016	31-12-2017	Variation	31-12-2016	31-12-2017	Variation
Operating Profit	666.53	997.84	331.31	171.86	321.90	150.04
Net Profit	313.89	314.61	0.72	68.52	87.38	18.86
Net Interest Income	1,138.45	1,316.14	177.69	376.52	451.48	74.96
Advances	35,786	44,411	8,625	35,786	44,411	8,625
Deposits	57,435	57,771	336	57,435	57,771	336
Gross NPA [GNPA] per cent	4.30%	3.97%	-33bps	4.30%	3.97%	-33bps
Net NPA [NNPA] per cent	2.99%	2.85%	-14bps	2.99%	2.85%	-14bps
Net Interest Margin (NIM)	2.92%	3.07%	15 bps	2.84%	3.09%	25bps
Return on Asset [ROA]	0.70%	0.65%	-5bps	0.44%	0.53%	9bps
CASA	30.22%	28.23%	-199bps	30.22%	28.23%	-199bps
CD Ratio [Terminal]	62.31%	76.87%	1,456 bps	62.31%	76.87%	1,456bps



Srinivas Deshpande
(CHIEF MANAGER - PUBLIC RELATIONS)