Karnataka Bank Ltd.
Your Family Bank. Across India.

Regd. & Head Office
Post Box No.599, Mahaveera Circle
Kankanady
Mangaluru – 575 002

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E-Mail : comsec@ktk.bank.in
Website : www.karnatakabank.bank.in
CIN : L85110KA1924PLC001128

SECRETARIAL DEPARTMENT

HO:SEC:101:2026-27

Date: 29.07.2026

The Manager Listing Department **National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G Bandra-Kurla Complex, Bandra (E) MUMBAI - 400051	The Manager Corporate Relationship Department **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street MUMBAI - 400001

NSE Scrip Code: KTKBANK	**BSE Scrip Code: 532652**

Madam / Dear Sir,

Sub: **Press Release – Karnataka Bank records highest ever quarterly Net Profit of Rs. 418.95 Crores and an all-time high of Rs. 1,97,006.62 Crores in Aggregate Business**

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the press communiqué released by the Bank on 29.07.2026 on the subject matter.

This is for your kind information and dissemination.

Yours faithfully,

Sham Kanathila Digitally signed by Sham Kanathila
Date: 2026.07.29 17:04:16 +05'30'

Sham K
Company Secretary &
Compliance Officer

Karnataka Bank Ltd.
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MEDIA MARKETING & PUBLIC RELATIONS DEPARTMENT

HO/MM&PR/PR/No.10 /OR.No.475 /2026-27 **Date: 29-07-2026**

PRESS RELEASE

KARNATAKA BANK RECORDS HIGHEST – EVER QUARTERLY NET PROFIT OF Rs. 418.95 CRORES AND AN ALL-TIME HIGH OF Rs. 1,97,006.62 CRORES IN AGGREGATE BUSINESS

In the Meeting of the Board of Directors held today at Mangaluru, the Board approved the financial results for the quarter ended June 30, 2026.

Bank's Aggregate Deposits stood at Rs. 1,10,396.41 crores as on 30th June 2026, registering a YoY growth of 7% from Rs.1,03,242.17 crores as on 30th June 2025, while Retail Term Deposits (RTD) was Rs. 69,410.29 crores as on 30th June 2026, as against Rs. 65,786.24 crores, with a 6% YoY increase from 30th June 2025.

Gross Advances stood at Rs. 86,610.21 crores registering YoY growth of 17%, as against Rs. 74,267.02 crores as on 30th June 2025. Bank's NIM has improved from 2.82% for the quarter ended 30th June 2025, to 3.20% for the quarter ended 30th June 2026, thereby registering a 38bps YoY increase.

Bank's Net Profit for the quarter ended 30th June 2026 was Rs.418.95 crores as against Rs. 292.40 crores for the quarter ended 30th June 2025, which is a 43% YoY improvement. Consequently, Bank's ROA has improved from 0.97% for the quarter ended 30th June 2025, to 1.29% for the quarter ended 30th June 2026.

Asset quality has improved significantly, with GNPA% improved by 88 bps to 2.58% from 3.46% as compared to June 2025. Similarly, the NNPA% also improved by 57 bps to 0.87% from 1.44% as compared to June 2025. The PCR (excluding TWO) improved to 67.03% in June 2026 from 59.18% in June 2025.

Announcing the results at the Bank's Head Quarters at Mangaluru, **Shri Raghavendra S. Bhat**, Managing Director & CEO, said,

"The Bank has achieved an all-time high aggregate business of Rs.1,97,006.62 crore and a net profit of Rs. 418.95 crore for Q1 FY27, reflecting the Bank's unwavering commitment to sustainable growth, prudent financial management, and customer-centric banking. The

KARNATAKA H.O. MANGA MEDIA MARKETING & PUBLIC RELATIO DEPARTMENT steadfast support and guidance of the Chairman and the Board, together with the continued trust of our customers, the confidence of our shareholders, and the relentless efforts of our employees have been the driving force behind our progress.

The asset quality of the Bank has also improved significantly, supported by sound lending practices, effective recovery mechanisms, and sustained monitoring of the loan portfolio with GNPA improving YoY by 88 bps to 2.58% and NNPA improving YoY by 57 bps to 0.87%. Further, Bank has improved its CRAR from 20.46% as on 30th June 2025 to 21.10% as on 30th June 2026, reflecting its strong capital position and continued commitment to financial resilience.

Our digital transformation journey continues to gather momentum as we strengthen our technology capabilities to deliver innovative, secure, and customer-centric banking solutions. By embracing digital innovation and leveraging data-driven insights, we are simplifying customer experiences, enhancing operational efficiency, and building a future-ready bank that is well positioned to meet the evolving expectations of our customers.

As we move forward, we remain committed to building on our strengths, expanding our business responsibly, and creating long-term value for all our stakeholders. With a clear strategic vision, disciplined execution, and an unwavering focus on trust, innovation, and service excellence, we are confident of sustaining our growth momentum and reinforcing Karnataka Bank's position as a trusted financial partner."

Smt. Biji S. S., Executive Director, said,
"Our continued progress reflects the disciplined execution, strong operational framework, and unwavering commitment of our employees across the organization. We remain focused on delivering consistent performance while creating greater value for our customers and stakeholders.

As we advance our digital transformation journey, we are leveraging technology to simplify processes, enhance customer convenience, and improve service delivery across all channels. Our investments in digital capabilities, process optimization, and innovation are enabling us to build a more agile, efficient, and customer-centric organization.

Alongside our digital initiatives, we continue to strengthen our business fundamentals through prudent risk management, enhanced operational resilience, and a steadfast focus on governance and compliance. Our customer-first approach remains at the heart of everything we do, as we strive to deliver personalized solutions and foster enduring relationships.

Looking ahead, we will continue to focus on sustainable growth, operational excellence, and innovation, while remaining committed to the highest standards of integrity and service. With the collective efforts of our employees and the continued trust of our customers, we are confident of delivering consistent value and contributing meaningfully to the Bank's long-term success".

PERFORMANCE HIGHLIGHTS

(₹.in Crore)

Parameters		Q1 FY27	Q1 FY26	Variation (%) (Q1-FY27 to Q1- FY26)	Q4 FY26	Variation (%) (Q1-FY27 to Q4- FY26)	FY26
Aggregate Business (Gross)		1,97,006.62	1,77,509.19	10.98%	1,92,118.67	2.54%	1,92,118.67
Gross Advances		86,610.21	74,267.02	16.62%	83,339.92	3.92%	83,339.92
Total Deposits		1,10,396.41	1,03,242.17	6.93%	1,08,778.75	1.49%	1,08,778.75
CASA		35,787.30	31,835.26	12.41%	36,559.66	-2.11%	36,559.66
CASA Ratio (%)		32.42	30.84	*158 bps*	33.61	*-119 bps*	33.61
Operating Profit		580.34	467.29	24.19%	615.04	-5.64%	1,974.17
Net Profit		418.95	292.40	43.28%	408.19	2.64%	1,310.50
Net Interest Income		938.29	755.60	24.18%	842.95	11.31%	3,118.73
Net Interest Margin (%)		3.20	2.82	*38 bps*	3.07	*13 bps*	2.88
Return on Assets (%)		1.29	0.97	*32 bps*	1.27	*2 bps*	1.05
Cost to Income Ratio (%)		55.14	58.05	*-291 bps*	50.47	*467 bps*	56.34
Gross NPA	Amount	2,233.25	2,571.09	-13.14%	2,320.93	-3.78%	2,320.93
	(%)	2.58	3.46	*-88 bps*	2.78	*-20 bps*	2.78
Net NPA	Amount	736.38	1,049.53	-29.84%	803.22	-8.32%	803.22
	(%)	0.87	1.44	*-57 bps*	0.98	*-11 bps*	0.98
PCR (%) [Including TWO]		84.70	81.11	*359 bps*	83.54	*116 bps*	83.54
PCR (%) [Excluding TWO]		67.03	59.18	*785 bps*	65.39	*164 bps*	65.39

Pallavi T.S

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CHIEF MANAGER & PUBLIC RELATIONS OFFICER

KARNATAKA BANK MEDIA MARKETING & PUBLIC RELATIONS DEPARTMENT H.O., MANGALURU