F. No. 1303 (H.O.)

Karnataka Bank Ltd.

Estd : 1924

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

Phone : 2228222
Grams : Abhyuday
Fax : 0824-2225588 / 2225589

29.01.2013 SECRETARIAL DEPARTMENT

HO: SEC: 770: 2012-13

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

Dear Sir,

We enclose copy of the press communiqué released by us on occasion of Regional Heads Review Conference, for your kind information.

Thank You,
Yours faithfully,

Y V Balachandra
COMPANY SECRETARY

OR 3295/12-13

Karnataka Bank Ltd.

Estd: 1924

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

Phone : 0824-2228222
Grams : Abhyudaya, FAX: 0824-2225587
E-mail : plgdev@ktkbank.com

HO:DEV:Press:2012/13 **PLANNING & DEVELOPMENT DEPARTMENT** Date: 28.01.2013

Press Release

Extend Service and Expand Business

Shri P Jayarama Bhat,
Managing Director & CEO
Karnataka Bank .

"Banks can find opportunities and thrive inspite of challenging economic scenario and stiff competition in the industry, Bank can expand its business under retail and MSME segments with aggressive marketing and efficient processing of loan proposals. Karnataka Bank has shown an impressive growth in priority sector advances including weaker section and farm credit. Lending to priority sector is National Priority and should be taken as a business opportunity" said Shri P Jayarama Bhat, Managing Director & CEO of the Bank, while delivering key note address at Regional Heads' Review Conference for the Quarter ended Dec 2012.

He advised Regional Heads to work by focusing on critical parameters like Net Interest Margin, Cost to Income ratio, NPA levels etc. The health of credit portfolio has to be kept intact with effective and efficient follow up through multilevel approach. NPAs need aggressive action for early recovery. Financial Inclusion has to be taken on top priority and banking services to be extended to remote areas through Ultra Small Braches, he said.

All the Ten Regional Heads of Karnataka Bank across India attended the Conference.

Shri M S Mahabaleshwara Bhat, General Manager welcomed and reviewed the performance of the Bank. Shri P Jairama Hande, N Upendra Prabhu, MVCS Karanth and Dr. Meera B Aranha, General Managers spoke on the occasion. . Shri N R Ravishankar, Assistant General Manager proposed vote of thanks.

Chief Manager