



Karnataka Bank Ltd.

F. No. 1303 (H.O.)

Estd : 1924

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

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

03.11.2012

SECRETARIAL DEPARTMENT

HO: SEC: 534: 2012-13

The Manager- Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (E), MUMBAI - 400 051.

Dear Sir,

We enclose copy of the press communiqué released by us regarding Managing Director's address at Regional Heads Review Conference of the Bank, held at Mangalore on 31.10.2012, for your kind information.

Thank You,

Yours faithfully,


COMPANY SECRETARY.



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

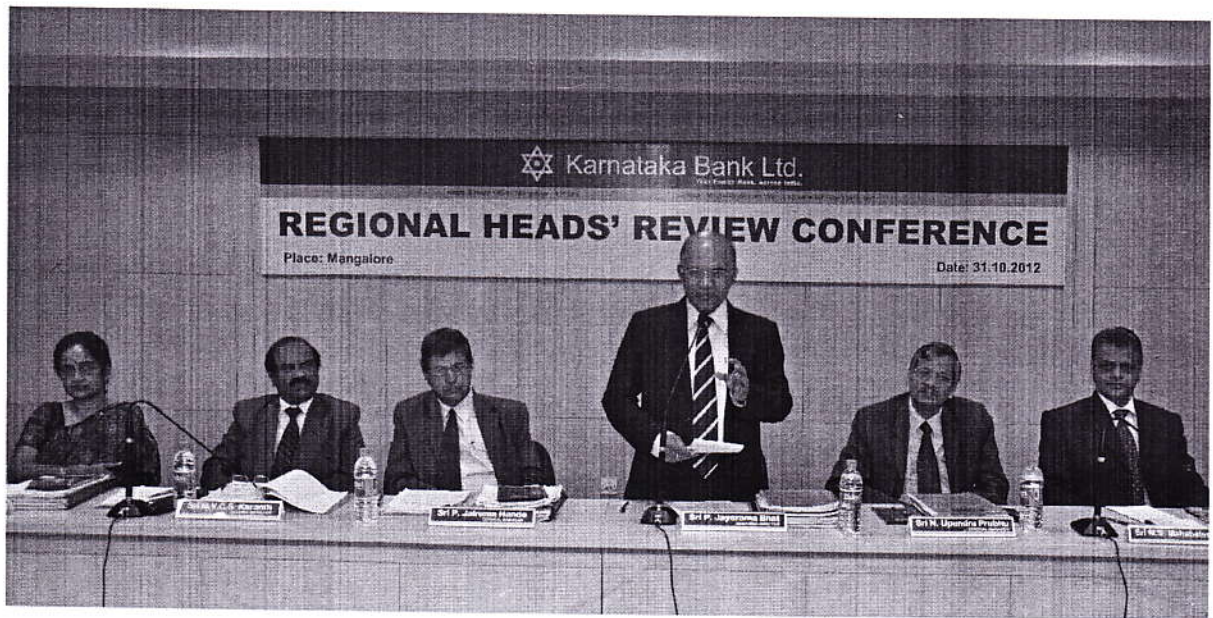
PLANNING & DEVELOPMENT DEPARTMENT

PRESS RELEASE

Date: October 31, 2012

PAST PERFORMANCE SHOULD BE GUIDANCE FOR A BETTER TOMORROW

-Shri P. Jayarama Bhat, Managing Director & CEO



(Shri P Jayarama Bhat, Managing Director & CEO of the Bank delivering the key note address at Regional Heads Review Conference for the Half Year ended September 2012, held on 31.10.2012 at Mangalore, is seen with Sarvashri P. Jairama Hande, N. Upendra Prabhu, M.V.C.S. Karanth, M.S. Mahabaleshwara Bhat and Dr Meera Aranha, General Managers.)

“Global economy is marked by uncertainty, slowdown is continuing and outlook is not so encouraging. Even though Indian economy continued to be sluggish, the recent policy initiatives of Govt. of India is expected to improve the investment climate. The Reserve Bank



of India (RBI) is optimistic of achieving 5.8% GDP growth, in spite of continuing inflationary pressures. The Reserve Bank of India (RBI) left interest rates on hold on Tuesday but cut the cash reserve ratio for banks by 25 basis points indicating continuance of Inflation centered policy. As a result of this, interest rates may soften gradually”, said Shri P Jayarama Bhat, Managing Director & CEO of Karnataka Bank. He was addressing the All India Regional Heads of the Bank at the “Regional Heads’ Review Conference” held at Mangalore on 31.10.2012 to review the performance of all the 10 regions for the half year ended September 2012.

He said it is time for the Bank to concentrate more on CASA deposits, retail advances along with reasonable exposure under corporate portfolio to consolidate the growth and show better results. He highlighted the Bank’s priority as “credit growth with superior quality”, reduction in cost by improving CASA share and reduction in NPA with aggressive recovery efforts & effective monitoring of credit portfolio and better management of operating expenses, ultimately improving Net Interest Margin (NIM) by increasing CD ratio.

Performance of the Bank for the half year ended September 2012 was satisfactory. Bank has an array of technology based products like Mobile Banking, Internet Banking, ASBA facility, Point of Sales (POS) etc., which will not only attract the new group of customers but also enhance the convenience to the customers. He urged Regional Heads to aggressively market all these Alternate Delivery Channels through branches to enhance customer service, convenience and comfort which will enable the Bank to increase the clientele base & improve CASA deposits. He also advised the Regional Heads to focus on the opportunities available at their command area for a sustained growth.



General Manager Shri Mahabaleshwara M.S., welcomed the members and highlighted the performance of the Bank for the half year ended September 2012 and elaborated the impact of macro economic developments on banking sector. Sarvashri P. Jairama Hande, N Upendra Prabhu, MVCS Karanth & Dr. Meera Aranha, General Managers also spoke on the occasion.

Shri N R Ravishankar, Assistant General Manager proposed a vote of thanks.


Chief Manager

KBL:PRESS RELEASE:31.10.2012

