



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

24.01.2013

SECRETARIAL DEPARTMENT

HO: SEC: 756: 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 regarding financial results for the quarter and nine months ended December 31, 2012, for your kind information.

Thank You,
Yours faithfully,


Y V Balachandra
COMPANY SECRETARY



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

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PLANNING & DEVELOPMENT DEPARTMENT

HO:DEV:PR:2012-13

January 23, 2013

PRESS RELEASE

Karnataka Bank Net Profit ₹ 280.69 crore up by 72.3%

Karnataka Bank has registered a 72.3 per cent growth in Net Profit for the nine months period ending December 2012 at ₹ 280.69 crore against ₹ 162.91 crore for the corresponding period last year. The total business has also increased by ₹ 8,549 crore from ₹ 49,475 crore to ₹ 58,024 crore during the period, registering a y.o.y growth of 17.3 per cent.

The total deposits increased by ₹ 4,835 crore from ₹ 29,785 crore to ₹ 34,620 crore, registering a y.o.y growth of 16.2 per cent. The advances increased by ₹ 3,715 crore from ₹ 19,689 crore to ₹ 23,404 crore, registering a y.o.y growth of 18.9 per cent. The clientele base increased by 10 lakhs from 58 lakhs as on December 2011 to 68 lakhs as on December 2012.

Current account, Savings account [CASA] increased by ₹ 975 crore from ₹ 7,138 crore to ₹ 8,114 crore, registering a y.o.y growth of 13.7 per cent.

The bank earned a total income of ₹ 3,072 crore for the nine months ended December 2012 as against ₹ 2,492 crore for the corresponding period last year, registering a growth of 23.3 per cent. The Operating Profit has increased by ₹ 154 crore from ₹ 328 crore [as on December 2011] to ₹ 482 crore [as on December 2012] and the growth rate is 46.9 per cent. The net interest income has increased by ₹ 164 crore from ₹ 518 crore to ₹ 682 crore registering a growth of 31.7 per cent. The NIM [net interest margin] also increased from 2.10 per cent to 2.36 per cent.



The annualised Earnings Per Share increased from ₹ 11.55 as on December 31, 2011 to ₹ 19.87 as on December 31, 2012. The Book Value per share increased from ₹ 137.71 to ₹ 152.88. The capital adequacy ratio stood at 12.93 per cent [under BASEL II standards] against the regulatory requirement of minimum 9 per cent.

Shri P Jayarama Bhat, Managing Director and CEO of the bank, stated that the sustained growth in business enabled the bank to attain the present level of performance. The Bank has registered higher growth in both Deposits and Advances than the Industry level which is 16.2 per cent & 18.9 per cent respectively as against Industry level Deposit growth of 11.1 per cent and Advances growth of 15.1 per cent. There has been impressive growth in advances during the quarter as depicted by incremental CD Ratio of 154.71 per cent. The Bank is focusing on retail loan book and on account of "retail loan push" the yield is consistent. The Bank is aiming to raise the retail loan portfolio to 60 per cent and in this connection the Bank is observing "Retail Credit Utsav" and also "CASA Campaign" he added.

The Bank is planning to increase the number of Service Outlets to 1,000 by increasing the number of branches to 550 and ATMs to 450 by the year end. Against this, the Bank has already opened 15 branches and 100 ATMs and as a result, at present Bank has 518 branches & 447 ATMs. The process of opening remaining branches & ATMs is on the way. The Bank has plans to open about 15 Financial Inclusion Branches and 28 Ultra Small Branches during the current year, in line with its Financial Inclusion Agenda.

The Bank is eyeing Business Turnover of ₹ 65,000 crore for FY 2012-13 with Deposits of ₹ 39,000 crore and Advances of ₹ 26,000 crore, he said.



PERFORMANCE HIGHLIGHTS

[₹ in crore]

	Nine months Period			Quarter ended		
	31.12.2011	31.12.2012	% of Change	31.12.2011	31.12.2012	% of Change
Net Profit	162.91	280.69	72.3%	72.05	80.07	11.1%
Operating Profit	327.86	481.74	46.9%	104.07	154.04	48.0%
Net Interest Income [NII]	517.93	682.33	31.7%	184.67	227.80	23.4%
Other Income	251.67	268.46	6.7%	87.34	86.24	(-) 1.3%
Advances	19,689	23,404	18.9%	19,689	23,404	18.9%
Deposits	29,785	34,620	16.2%	29,785	34,620	16.2%
Net NPA %	2.23%	2.19%		2.23%	2.19%	
CRAR %	12.46%	12.93%		12.46%	12.93%	
Net Interest Margin [NIM] %	2.10%	2.36%		2.10%	2.36%	
CASA %	24.00%	23.45%		24.00%	23.45%	
CD Ratio %	66.10%	67.60%		66.10%	67.60%	


Chief Manager & PRO

