



Karnataka Bank Ltd.

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

Phone : 0824-2228222 Fax: 0824-2225589
E-Mail : info@ktnbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

REVIEWED FINANCIAL RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2018.

(Rs in Crore)

		Quarter ended 31.12.2018	Quarter ended 30.09.2018	Quarter ended 31.12.2017	Nine months ended 31.12.2018	Nine months ended 31.12.2017	Year ended 31.03.2018
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1	Interest Earned (a+b+c+d)	1514.42	1452.61	1332.24	4374.67	3980.71	5423.75
a)	Interest/Discount on advances/ bills	1214.97	1152.36	1042.52	3473.12	3001.85	4081.93
b)	Income on Investments	276.23	279.33	272.13	826.05	893.96	1161.53
c)	Interest on balances with Reserve Bank of India and other interbank funds	5.73	5.27	1.59	13.02	15.09	15.87
d)	Others	17.49	15.65	16.00	62.48	69.81	164.42
2	Other Income	301.37	201.20	194.62	711.37	659.83	954.34
3	TOTAL INCOME (1+2)	1815.79	1653.81	1526.86	5086.04	4640.54	6378.09
4	Interest expended	1026.47	984.90	880.76	2950.43	2664.57	3566.10
5	Operating expenses (i+ii)	388.95	312.58	324.20	1010.03	978.13	1338.82
i)	Employees Cost	180.76	110.85	121.39	402.11	382.97	524.79
ii)	Other operating Expenses	208.19	201.73	202.81	607.92	595.16	814.03
6	TOTAL EXPENDITURE ((4+5) excluding provisions & Contingencies)	1415.42	1297.48	1204.96	3960.46	3642.70	4904.92
7	Operating Profit before provisions & contingencies (3-6)	400.37	356.33	321.90	1125.58	997.84	1473.17
8	Provisions (other than tax) and Contingencies	208.99	193.22	196.40	624.27	621.26	1163.01
9	Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	191.38	163.11	125.50	501.31	376.58	310.16
11	Tax Expense	50.97	51.25	38.12	85.80	61.97	-15.45
12	Net Profit (+)/Loss (-) from Ordinary activities after Tax (10-11)	140.41	111.86	87.38	415.51	314.61	325.61
13	Extraordinary Items (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00

		Quarter ended 31.12.2018 (Reviewed)	Quarter ended 30.09.2018 (Reviewed)	Quarter ended 31.12.2017 (Reviewed)	Nine months ended 31.12.2018 (Reviewed)	Nine months ended 31.12.2017 (Reviewed)	Year ended 31.03.2018 (Audited)
14	Net Profit (+)/Loss (-) for the period (12-13)	140.41	111.86	87.38	415.51	314.61	325.61
15	Paid up equity share capital Face Value Rs 10/-)	282.62	282.62	282.62	282.62	282.62	282.62
16	Reserves excluding revaluation reserves	---	---	---	---	---	4711.32
17	<u>Analytical Ratios</u>						
i)	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii)	Capital Adequacy Ratio (%) -Basel III (%)	11.98	11.30	12.26	11.98	12.26	12.04
iii)	Earnings per share (EPS) (Rs) before Extraordinary items (net of Tax expense) * Not Annualized						
	- Basic EPS	4.97*	3.96*	3.09*	15.72*	11.13*	11.52
	- Diluted EPS	4.97*	3.96*	3.09*	15.72*	11.13*	11.52
	Earnings per share (EPS) (Rs) after extraordinary items (net of Tax expense) *Not Annualized						
	- Basic EPS	4.97*	3.96*	3.09*	15.72*	11.13*	11.52
	- Diluted EPS	4.97*	3.96*	3.09*	15.72*	11.13*	11.52
iv)	NPA Ratios as on date						
	Gross NPA	2345.93	2371.62	1784.31	2345.93	1784.31	2376.07
	Net NPA	1560.94	1497.68	1262.96	1560.94	1262.96	1400.51
	% of Gross NPA	4.45	4.66	3.97	4.45	3.97	4.92
	% of Net NPA	3.00	3.00	2.85	3.00	2.85	2.96
	Return on Assets	0.74	0.61	0.53	0.75	0.65	0.49

SEGMENT RESULTS FOR THE QUARTER/NINE MONTH ENDED 31.12.2018

	Segment wise Results	UNAUDITED					AUDITED
		Quarter Ended			Nine Months Ended		Year ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
Particulars	(Rs. in crores)						
1	Segment Revenue						
	(a) Treasury Operations	393.73	298.35	304.18	976.25	1115.46	1404.18
	(b) Corporate Banking	753.43	686.17	627.61	2066.95	1625.71	2174.98
	(c) Retail Banking	579.50	584.92	522.42	1753.46	1662.56	2367.95
	(d) Other Banking Operations	89.13	84.37	72.65	276.12	217.17	332.57
	(e) Unallocated	-	-	-	13.26	19.64	98.41
	Total	1815.79	1653.81	1526.86	5086.04	4640.54	6378.09
2	Segment Results (after Provisions before Tax)						
	(a) Treasury Operations	144.91	30.31	36.22	204.53	243.89	267.76
	(b) Corporate Banking	25.22	29.74	22.67	37.26	-87.09	-449.42
	(c) Retail Banking	26.76	100.18	71.63	232.99	204.64	392.65
	(d) Other Banking Operations	8.32	16.12	7.41	53.46	32.92	50.82
	(e) Unallocated	- 13.83	-13.24	-12.43	-26.93	-17.78	48.35
	Total Profit / Loss before tax	191.38	163.11	125.50	501.31	376.58	310.16
3	Segment Assets						
	(a) Treasury Operations	19457.70	19876.06	18889.92	19457.70	18889.92	19451.00
	(b) Corporate Banking	29609.81	27885.70	23712.26	29609.81	23712.26	25888.90
	(c) Retail Banking	23070.07	22728.46	20997.16	23070.07	20997.16	21662.73
	(d) Other Banking Operations	1543.48	1389.29	1284.63	1543.48	1284.63	1360.32
	(e) Unallocated	1653.27	1609.10	1618.09	1653.27	1618.09	2010.73
	Total	75334.33	73488.61	66502.06	75334.33	66502.06	70373.68
	Segment Liabilities						
	(a) Treasury Operations	17898.84	18286.25	17276.55	17898.84	17276.55	17892.70
	(b) Corporate Banking	27444.03	25853.70	21929.15	27444.03	21929.15	23948.50
	(c) Retail Banking	21315.79	20995.31	19293.71	21315.79	19293.71	20015.57
	(d) Other Banking Operations	1432.45	1290.92	1181.27	1432.45	1181.27	1258.38
	(e) Unallocated	1519.78	1479.39	1478.83	1519.78	1478.83	1848.38
	Total	69610.89	67905.57	61159.51	69610.89	61159.51	64963.53
	Capital employed (Segment Assets-Segment Liabilities)						
	(a) Treasury Operations	1558.86	1589.81	1613.37	1558.86	1613.37	1558.30
	(b) Corporate Banking	2165.78	2032.00	1783.11	2165.78	1783.11	1940.40
	(c) Retail Banking	1754.28	1733.15	1703.45	1754.28	1703.45	1647.16
	(d) Other Banking Operations	111.03	98.37	103.36	111.03	103.36	101.94
	(e) Unallocated	133.49	129.71	139.26	133.49	139.26	162.35
	Total	5723.44	5583.04	5342.55	5723.44	5342.55	5410.15

Notes forming part of the unaudited financial results for the period ended December 31, 2018.

1. The above interim financial results for the quarter and nine months ended December 31, 2018 have been reviewed by the Audit Committee of the Board at the meeting held on January 10, 2019 and approved by the Board of Directors at the meeting held on January 11, 2019. The same has been subjected to limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the SEBI (LODR) Regulations, 2015.
2. In the preparation of these financial results, the Bank has followed the same accounting policies and generally accepted practices adopted in the preparation of audited financial statements for the year ended March 31, 2018.
3. The above interim financial results have been arrived at after considering the provision for loan losses and depreciation on Investments, Provision for employees' retirement benefits like pension, gratuity, leave encashment and unused sick leave as per actuarial valuations, Provision for exposure to entities with un-hedged foreign currency exposure, Income tax, Provision for arrears of salary pending negotiation & wage settlement and Other contingencies on estimated and proportionate basis and are subject to adjustments at the year end.
4. Reserve Bank of India vide RBI/2017-18/200 DBR.No. BP.BC.113/21.04.048/2017-18 dated June 15, 2018, granted Banks, the option to spread provisioning for their mark to market (MTM) losses on all the investments held under AFS and HFT categories for the quarter ended June 30, 2018 equally over up to four quarters, commencing with the quarter ended June 30, 2018. In accordance to the above stated circular, for the quarter ended December 31, 2018, Bank has provided an amount of Rs 13.41 Crores and deferred an amount of Rs 13.41 Crores to be accounted for the quarter ended 31st March 2019.
5. Provision coverage ratio as at December 31, 2018 stood at 57.20 %.(49.13% as at December 31, 2017)

6. In terms of RBI circular DBR No BP.BC 1/21.06.201/2015-16 dated July 1, 2015, Pillar III disclosures under Basel III Capital Regulations have been made available on our web site at the following link: <http://karnatakaBank.info.com/ktk/BaselDisclosures.jsp#>. These disclosures have not been subjected to limited review by the Statutory Central Auditors.
7. Disclosure about investor complaints for the period ended 31 December 2018: Complaints at the beginning of the period Nil; Received during the period 50. Disposed off during the period 49. Unresolved as on December 31,2018: 1
8. During the period under review, Bank has raised Rs 400 Crores under Tier-II capital , by issue of Basel-III compliant Subordinated debt instruments, on private placement.
9. Corresponding previous period figures have been regrouped/ rearranged wherever necessary to make them comparable with the current period figures.

Mahabaleshwara M S
Managing Director & C.E.O

For Manohar Chowdhry & Associates
Chartered Accountants
Firm Regn No 001997S

For Badari Madusudhan & Srinivasan
Chartered Accountants
Firm Regn. No. 05389S

Murali Mohan Bhat
Partner
M No. 203592

T V Sudarshan
Partner
M No. 19108

Place: Mangaluru

Date: 11th January 2019

Karnataka Bank Ltd

REVIEWED FINANCIAL RESULTS FOR THE QUARTER /NINE MONTHS ENDED DECEMBER 31, 2018 (Rs. In crore)

Particulars	Quarter Ended 31.12.2018 (Reviewed)	Quarter Ended 30.09.2018 (Reviewed)	Quarter Ended 31.12.2017 (Reviewed)	Nine months ended 31.12.2018 (Reviewed)	Nine months ended 31.12.2017 (Reviewed)	Year ended 31.03.2018 (Audited)
Total income from operations (net)	1815.79	1653.81	1526.86	5086.04	4640.54	6378.09
Net Profit / (Loss) from ordinary activities after tax	140.41	111.86	87.38	415.51	314.61	325.61
Net Profit / (Loss) for the period after tax (after Extraordinary items)	140.41	111.86	87.38	415.51	314.61	325.61
Equity Share Capital	282.62	282.62	282.62	282.62	282.62	282.62
Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)	-----	-----	-----	-----	-----	4711.32
Earnings Per Share (before extraordinary items) (of Rs 10/- each)						
Basic:	4.97*	3.96*	3.09*	15.72*	11.13*	11.52
Diluted	4.97*	3.96*	3.09*	15.72*	11.13*	11.52
Earnings Per Share (After extraordinary items)(of Rs 10/- each)						
Basic	4.97*	3.96*	3.09*	15.72*	11.13*	11.52
Diluted	4.97*	3.96*	3.09*	15.72*	11.13*	11.52

*Not annualized

Note: The above is an extract of the detailed format of period ended Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarter/ Nine months ended Financial Results is available on the Stock Exchange websites. BSE: <http://www.bseindia.com>, NSE: <http://www.nseindia.com>, Bank website: <https://www.karnatakaBank.com/index.jsp>

For and on behalf of Board of Directors

Place: Mangaluru

Date: 11th January 2019

Mahabaleshwara M S
MANAGING DIRECTOR & CEO