

KARNATAKA BANK LIMITED
Regd. Office: Mangalore – 575002

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30.09.2011

(Rs. in lakhs)

		UNAUDITED				AUDITED
		Quarter ended		Half year ended		Year Ended
		30.09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
1	Interest Earned (a+b+c+d)	76016	56917	144695	110711	237084
a)	Interest/Discount on advances/bills	57767	39661	109461	78029	170765
b)	Income on Investments	17832	16431	34792	31750	64222
c)	Interest on balances with Reserve Bank of India and other inter bank funds	38	11	48	38	60
d)	Others	379	814	394	894	2037
2	Other Income	8017	6627	16227	14163	29176
3	TOTAL INCOME (1+2)	84033	63544	160922	124874	266260
4	Interest expended	57852	43275	111163	85792	175836
5	Operating expenses (i+ii)	14510	12711	27380	23971	54895
i)	Employees Cost	7787	7173	15566	14015	34508
ii)	Other operating Expenses	6723	5538	11814	9956	20387
6	TOTAL EXPENDITURE ((4+5) excluding provisions & Contingencies)	72362	55986	138543	109763	230731
7	Operating Profit before provisions & contingencies (3-6)	11671	7558	22379	15111	35529
8	Provisions (other than tax) and Contingencies	4793	5768	10751	7183	12035
9	Exceptional Items	0	0	0	0	0
10	Profit (+)/Loss (-) from Ordinary Activities before tax (7-8-9)	6878	1790	11628	7928	23494
11	Tax Expense	2770	-1082	2542	408	3033
12	Net Profit (+)/Loss (-) from Ordinary activities after Tax (10-11)	4108	2872	9086	7520	20461
13	Extraordinary Items (net of tax expense)	0	0	0	0	0
14	Net Profit (+)/Loss (-) for the period (12-13)	4108	2872	9086	7520	20461



		UNAUDITED				AUDITED
		Quarter ended		Half year ended		Year Ended
		30.09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
15	Paid up equity share capital (Face Value Rs 10/-)	18822	13421	18822	13421	18820
16	Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)	-	-	-	-	224089
17	Analytical Ratios					
i)	Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
ii)	Capital Adequacy Ratio (%)					
	Basel I	12.01	11.41	12.01	11.41	12.91
	Basel II	12.85	11.71	12.85	11.71	13.33
iii)	Earning per share (EPS) (Rs) before Extraordinary items (net of Tax expense) * Not Annualized					
	- Basic EPS	2.18*	2.14*	4.83*	5.61*	15.23
	- Diluted EPS before Extra	2.18*	2.14*	4.82*	5.61*	15.20
	Earnings per share (EPS) (Rs) after Extraordinary items (net of Tax expense) *Not Annualized					
	- Basic EPS	2.18*	2.14*	4.83*	5.61*	15.23
	- Diluted EPS before Extra	2.18*	2.14*	4.82*	5.61*	15.20
iv)	NPA Ratios as on date					
	Gross NPA	77714	58738	77714	58738	70217
	Net NPA	42170	17274	42170	17274	28034
	% of Gross NPA	4.01	3.66	4.01	3.66	3.97
	% of Net NPA	2.22	1.11	2.22	1.11	1.82
	Return on Assets	0.50	0.40	0.56	0.54	0.72
18	Public Shareholding					
	No of shares	188217721	134199212	188217721	134199212	188190652
	Percentage of share holding	100%	100%	100%	100%	100%



		UNAUDITED				AUDITED
		Quarter ended		Half year ended		Year Ended
		30.09.2011	30.09.2010	30.09.2011	30.09.2010	31.03.2011
19	Promoters and Promoter group shareholding					
	a) Pledged /encumbered					
	-Number of shares	NA	NA	NA	NA	NA
	- Percentage of shares(as a % of the total shareholding of promoter and promoter group)	NA	NA	NA	NA	NA
	-Percentage of shares (as a % of the total share capital of the company.	NA	NA	NA	NA	NA
	b) Non-encumbered					
	-Number of shares	NA	NA	NA	NA	NA
	- Percentage of shares(as a % of the total shareholding of promoter and promoter group)	NA	NA	NA	NA	NA
	-Percentage of shares (as a % of the total share capital of the company.	NA	NA	NA	NA	NA



SUMMARY BALANCE SHEET AS ON 30th SEPTEMBER 2011**(Rs in lakhs)**

	As on 30.09.2011	As on 30.09.2010
CAPITAL AND LIABILITIES		
Capital	18823	13421
Reserves and Surplus	233207	177590
Deposits	2884936	2504531
Borrowings	112231	91725
Other Liabilities and Provisions	81429	72722
TOTAL	3330626	2859989
ASSETS		
Cash and balances with Reserve Bank of India	176697	177483
Balances with Banks and Money at Call & Short Notice	8583	4075
Investments	1152791	1043504
Advances	1906700	1568307
Fixed Assets	14554	14608
Other Assets	71301	52012
TOTAL	3330626	2859989
Contingent Liabilities	1214383	928660
Bills for collection	148231	124449



SEGMENT RESULTS FOR THE QUARTER/HALF YEAR ENDED 30.09.2011

(Rs in Lakhs)

Business Segments	3 months ended 30.09.2011	3 months ended 30.09.2010	6 months ended 30.09.2011	6 months ended 30.09.2010	12 Months 31.03.2011 (Audited)
Segment Revenue					
Treasury	20864	18805	40429	37116	75151
Corporate /Wholesale Banking	28640	21985	56544	42912	89030
Retail Banking	33077	21529	60376	41837	96322
Other Banking Operations	1452	1225	3573	3009	5757
Total	84033	63544	160922	124874	266260
Segment Results					
Treasury	-8166	-4902	-15953	-6979	-16581
Corporate /Wholesale Banking	1395	564	3872	1811	4329
Retail Banking	12801	5712	21684	11758	33445
Other Banking Operations	1377	965	3077	2438	4600
Total	7407	2339	12680	9028	25793
Unallocable expenses	529	549	1052	1100	2299
Profit before tax	6878	1790	11628	7928	23494
Capital Employed(Segment Assets-Segment Liabilities)					
(a)Treasury Operations	109089	86871	109089	86871	110778
(b)Corporate Banking	80634	60381	80634	60381	75548
(c)Retail Banking	62411	43725	62411	43725	56602
(d) Other Banking Operations	-104	37	-104	37	-19
Total	252030	191014	252030	191014	242909
Part B - Geographic Segments					
There is only one segment i.e. Domestic segment					



**Notes forming part of the un-audited financial results for the quarter/half year ended
30.09.2011**

1. The above interim financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors in their meeting held on 31st October 2011. The same has been subjected to limited review by the Statutory Central Auditors of the Bank;
2. To the extent applicable to the interim financial reporting, the Bank has consistently followed the same accounting policies and generally accepted practices adopted for the preparation of audited financial statements for the year ended 31st March, 2011;
3. The above interim financial results have been arrived at after considering the provision for loan losses and depreciation on investment as per RBI guidelines. Provision for employees' retirement benefits like pension, gratuity etc., provision for income tax and other contingencies for the current period have been made on an estimated and proportionate basis, which are subject to year end adjustments, if any.
4. The Bank has amortized during the half year ended 30th September 2011 a sum of Rs. 1570.50 lakhs towards proportionate share of the unamortized liability of Pension and Gratuity as of 31st March 2011, which was permitted by the Reserve Bank of India to be amortized over a period of four years commencing from 1st April, 2011;
5. The Bank's operations have been categorized under identified four business segment viz, Treasury, Corporate and wholesale banking, Retail Banking, and Other Banking Operations. The Geographic Segment consists of the Domestic Segment only as the Bank does not have any foreign branch.
6. Disclosure about investor complaints: Complaints at the beginning of the period- 1, Received during the period-97, Disposed off during the period-98, unresolved as on 30.9.2011- NIL;
7. Corresponding previous period figures have been regrouped/ rearranged wherever necessary.

By order of the Board



**P. Jayarama Bhat
Managing Director & C.E.O**

Place: Mangalore

Date: 31st Oct 2011