

SECRETARIAL DEPARTMENT

HO:SEC:36:2026-27

Date: 19.05.2026

The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra-Kurla Complex, Bandra (E) MUMBAI - 400051	The Manager Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street MUMBAI - 400001
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NSE Scrip Code: KTKBANK	BSE Scrip Code: 532652
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Madam / Dear Sir,

Sub: Press Release - Karnataka Bank's Annual Net Profit - All Time High at Rs. 1,310.50 Crores.

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the press communiqué released by the Bank on 19.05.2026 on the subject matter.

This is for your kind information and dissemination.

Yours faithfully,

Sham K
Company Secretary &
Compliance Officer

BRANCH BANKING DEPARTMENT -MMCE CELL

HO/MMCE&PR/PR.No.2/OR.No.185 /2026-27

Date: 19-05-2026

PRESS RELEASE

KARNATAKA BANK'S ANNUAL NET PROFIT - ALL TIME HIGH AT

Rs. 1,310.50 CRORES.

Karnataka Bank has reported a record annual net profit of Rs 1,310.50 crore for FY 2025-26. Further, Bank has also recorded significant progress in the Full Year FY'26 financials with an all-time high Aggregate Business at Rs. 1,92,118.67 Crores.

During a meeting held in Mangaluru today, the Board of Directors approved the Audited Annual financial results for the quarter and full year ended March 31, 2026 and proposed a dividend of 50% for approval in the forthcoming Annual General Meeting.

Bank's Aggregate Deposits stood at Rs. 1,08,778.75 crores as on 31st March 2026, registering a QoQ growth of 4% from Rs.1,04,111.52 crores as on 31st December 2025, while the Bank's CASA Deposits grew by 11% QoQ to Rs. 36,559.66 crores as on 31st March 2026, from Rs. 32,828.70 crores as on 31st December 2025, registering a CASA Ratio 33.61% as on 31st March 2026, as against 31.53% as on 31st December 2025. Gross Advances stood at Rs. 83,339.92 crores registering QoQ growth of 8%, as against Rs. 77,282.85 crores as on 31st December 2025. Bank's NIMs have improved from 2.92% for the quarter ended 31st December 2025, to 3.07% for the quarter ended 31st March 2026, thereby registering a 15bps QoQ increase.

Bank's Net Profit for the quarter ended 31st March 2026 was Rs.408.19 crores as against Rs.290.79 crores for the quarter ended 31st December 2025, which is a 40% QoQ improvement. The full year net profit for FY2025-26 was Rs. 1,310.50 crores as against Rs.1,272.37 crores for FY24-25, recording a 3% YoY improvement. Consequently, Bank's ROA and ROE have improved from 0.92% and 9.06% for the quarter ended 31st December 2025, to 1.27% and 12.69% for the quarter ended 31st March 2026.



The Asset quality has improved significantly during FY25-26 with GNPA% declining by 54 bps to 2.78% from 3.32% as compared to December 2025. Similarly, the NNPA% also declined by 33 bps to 0.98% from 1.31% as compared to December 2025. The PCR (excluding TWO) improved to 65.39% in March 2026 from 61.23% in December 2025.

Announcing the results at the Bank's Head Quarters at Mangaluru, **Shri Raghavendra S. Bhat**, Managing Director & CEO, said,

"The Bank has achieved an all-time high annual net profit of Rs. 1,310.50 crore, reflecting the strength of its resilient business model, focused growth strategy, and continued emphasis on operational efficiency.

The asset quality of the Bank has also improved significantly, supported by sound lending practices, effective recovery mechanisms, and sustained monitoring of the loan portfolio. Further, the Bank has achieved an all-time high aggregate business turnover of Rs. 1,92,118.67 crore, underlining the strong momentum in both deposits and advances and reaffirming the confidence reposed by customers and stakeholders.

The strategic focus will also remain on building a high-quality and diversified credit portfolio, improving operational efficiency through technology and analytics-driven initiatives, enhancement of low-cost deposits and enhancing digital capabilities to deliver a seamless customer experience. The Bank aims to deepen its presence across key markets by leveraging its distribution network and strengthening customer engagement.

Further, the Bank will continue to emphasize cross-sell and up-sell opportunities through a comprehensive customer-centric product suite, while maintaining strong governance standards and a prudent risk management framework to ensure sustainable and profitable growth."

Pallavi T.S

Pallavi T.S
CHIEF MANAGER & PRO



PERFORMANCE HIGHLIGHTS

[Rupees in Crores]

Parameters	FY26	FY25	Variation (%) (FY26 to FY25)	Q4		Variation (%) (Q4-FY26 to Q4- FY25)	Q3	Variation (%) (Q4-FY26 to Q3- FY26)	
				FY26	FY25		FY26		
Aggregate Business (Gross)	1,92,118.67	1,82,766.21	5.12%	1,92,118.67	1,82,766.21	5.12%	1,81,394.37	5.91%	
Gross Advances	83,339.92	77,958.72	6.90%	83,339.92	77,958.72	6.90%	77,282.85	7.84%	
Total Deposits	1,08,778.75	1,04,807.49	3.79%	1,08,778.75	1,04,807.49	3.79%	1,04,111.52	4.48%	
CASA	36,559.66	33,281.00	9.85%	36,559.66	33,281.00	9.85%	32,828.70	11.36%	
CASA Ratio (%)	33.61	31.75	186 bps	33.61	31.75	186 bps	31.53	208 bps	
Operating Profit	1,974.17	1,827.04	8.05%	615.04	375.02	64.00%	451.80	36.13%	
Net Profit	1,310.50	1,272.37	3.00%	408.19	252.37	61.74%	290.79	40.37%	
Net Interest Income	3,118.73	3,310.38	-5.79%	842.95	780.68	7.98%	792.06	6.43%	
Net Interest Margin (%)	2.88	3.19	-31 bps	3.07	2.98	9 bps	2.92	15 bps	
Return on Assets (%)	1.05	1.05	0 bps	1.27	0.81	46 bps	0.92	35 bps	
Gross NPA	Amount	2,320.93	2,402.08	-3.38%	2,320.93	2,402.08	-3.38%	2,565.31	-9.53%
	(%)	2.78	3.08	-30 bps	2.78	3.08	-30 bps	3.32	-54 bps
Net NPA	Amount	803.22	1,004.55	-20.04%	803.22	1,004.55	-20.04%	994.70	-19.25%
	(%)	0.98	1.31	-33 bps	0.98	1.31	-33 bps	1.31	-33 bps
PCR (%)	83.54	81.42	212 bps	83.54	81.42	212 bps	80.90	264 bps	

