Planning & Development Department, A.O., Karur-6.

12th February 2011

PRESS RELEASE – Q3 Performance

Q3 Operating Profit up 49.68% and Net Profit up 279.47%; Consistent growth

Lakshmi Vilas Bank (LVB), a fast-growing private sector Bank has registered a consistently strong business performance during the third quarter of 2010-11 (Q3 of FY '11).

The Operating profit of the bank for the third quarter ended 31st Dec 2010 (Q3 of FY '11) was ₹ **58.48** Cr, representing a robust growth of **49.68%** over the corresponding quarter ended 31st Dec 2009 (₹ 39.07 Cr).

This has enabled a quality growth in the Net profit of the bank, ₹ 25.69 Cr for Q3 of FY'11 compared with ₹ 6.77 Cr of corresponding quarter ended 31st Dec 2009 registering increase of 279.47%. This is the third successive quarter of growth, reflecting qualitatively improving fundamentals.

Total Income of the bank for Q3 FY 11 has grown **10.80%** to ₹ **287.58 Cr** over Q3 FY 10.

The operating profit for 9 months ended 31st Dec 2010 was ₹ 184.76 Cr and Net profit was ₹ 73.76 Cr representing a growth of 65.75% and 43.39% respectively over the corresponding period ended 31st Dec 2009. Total Income for 9 months also grew from ₹ 743.87 Cr to ₹ 858.52 Cr.

- Total Deposits rose from ₹ **8772 Cr** to ₹ **9954 Cr,** registering Y-o-Y growth of ~**14%.**
- CASA deposits have increased from ₹ **1262 Cr** to ₹ **1980 Cr** registering Y-o-Y growth of **57%.**
- Gross Credit expanded from ₹ **6188 Cr** to ₹ **6905 Cr** registering Y-O-Y growth of **12%.**
- Total Business improved to ₹ **16859 Cr** from ₹ **14960 Cr,** growing at **13%** Y-O-Y.
- The Capital Adequacy Ratio stood comfortable at **12.51%**, as per Basel II as at 31st Dec 2010.

Focused reduction in NPA levels to strengthen fundamentals

- The Bank's Gross NPA stands reduced to 2.98% from 5.69% of corresponding previous quarter.
- The Bank's Net NPA stands reduced to 2.04% from 4.17% of corresponding previous quarter.
- The Provision Coverage Ratio has reached 70.12% as at 31st Dec 2010, up from 62.33% as at 30th Sep 2010.

The Bank has national presence serving customers through its **274** branches, spread across **15** States and **1** Union Territory of the Country. The bank has a network of **197** ATMs. Bank continues to invest behind expanding the network of ATMs. The Bank, in association with NPCI, recently launched the Inter Bank Mobile Payment Service (IMPS) for its customers and joined the ranks of the first ten banks in the country to have launched this service, and is the first private bank in the South to do so.

The unaudited results have been subjected to limited review by the statutory auditors as per clause 41 of the Listing Agreement with the stock exchanges and the same were taken on record by the Board in its meeting held on 12 February 2011 at Karur.

(P. R. SOMASUNDARAM)
Managing Director & CEO

The Lakshmi Vilas Bank Ltd. REGD OFFICE Karur -639006