LAKSHMI VILAS BANK

Secretarial Department

Ref/Sec/205/60 /2012-13 May 30, 2012

To
The Manager
Listing Department
M/s.National Stock Exchange of India Limited
"Exchange Plaza,"
Bandra-Kurla Complex,
Bandra (E)
Mumbai – 400 051.

Symbol	Series
LAKSHVILAS	EQ

Dear Sir,

Sub: Compliance under clause 36 of listing agreement.

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We are enclosing the press release **(LVB's Audited Financial Results for the Year ended 31.03.2012)** as disclosure pursuant to clause 36 of Listing Agreement.

Thanking You,

Yours faithfully,

N.Ramanathan
Company Secretary

Encl: As above.

SECRETARIAL DEPARTMENT LVB A.O KARUR-6

The Lakshmi Vilas Bank Ltd., Regd. & Admn. Office, Salem Road, Kathaparai, Karur- 639006
Phone: 04324-220051-60 Fax: 223607 E-Mail: secretarial@lvbank.in

30th May 2012

PRESS RELEASE – FY12 Performance

Consistent growth amidst challenges, Business grows 32% in Q4 and 26 % in FY 12, Net profit up 6% after absorbing higher interest costs and operating investments for future growth. Profits exceed ₹100 Cr for the second consecutive year.

Lakshmi Vilas Bank (LVB), a private sector Bank in its transformational journey, has registered consistency in business performance during the financial year 2011-12 (FY12) in a challenging environment.

- Total income for FY12 was ₹1677.18 Crs, a growth of 40% over the previous year ₹1201.85 Crs.
- Other Income of the bank for FY12 grew 15 % to ₹157.93 Crs.
- NIM stood at 2.91% against 3.75% in the previous year, driven by higher interest costs on account of substantial growth in Term Deposits.
- Operating expenses grew 28%, primarily on staff and network costs and to enhance I.T capabilities.
- Net profit has grown by 6% to ₹107.02 Crs for FY12 compared with ₹101.14 Crs for FY11.
- Gross Investments increased by 25% from ₹3544.05 Crs to ₹4410.51 Crs.
- Total Deposits rose from ₹11149.51 Crs in FY12 to ₹14114.14 Crs, registering Y-o-Y growth of 27%, of this, Retail Term deposits grew 44%.
- Gross Credit expanded from ₹8187.67 Crs to ₹10328.30 Crs registering Y-O-Y growth of 26%.
- Total Business of the bank reached ₹24442.44 Crs, showing an increase of 26% on a Y-o-Y basis.
- The Capital Adequacy Ratio stood at 13.10%, under Basel II (12.08% under Basel I) as at 31st Mar 2012, against 13.19% on 31st March 2011. Bank raised ₹250 Cr of Tier II Sub-debt capitals in Q4.
- Gross NPA stood at 2.98 % and Net NPA 1.74% reflecting short term stress in a few corporate exposures, provision coverage is 61.27%.

Q4 Results:

- Total business increased from ₹22625 crores to ₹24442 crores, during the last quarter.
- Total income grown by 34.20% (annualised) from ₹429.49 crores to ₹466.25 crores.
- Operating profit stood at ₹55.99 crores.
- Net profit at ₹24.96 crores.

THE LAKSHMI VILAS BANK LTD MD'S SECRETARIAT ADMN. OFFICE KARUR - 639 006

The Lakshmi Vilas Bank Ltd.
Regd. & Admn. Office, Salem Road, Kathaparai, Karur - 639 006, Tamil Nadu, India.
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Website : www.lvbank.com

The board has recommended a dividend of ₹3.50 per share (35%) for FY12 against ₹2.50 per share (25%) for FY11.

New Initiatives during FY12

- 320 additional ATMs opened, total ATM installations at 547.
- Completed financial Inclusion Phase-I covering 50 villages in TN
- New products to expand the suite of services– Demat, New pension System (NPS), Doorstep Banking, Institutional Fee payment through ATMs, E-payment of Income Tax, Facility to open Term Deposit through Net Banking and on-line trading.

The Bank has also taken steps to centralize back office operations at Bangalore with technology support from TCS.

Awards:

SFBC Kerala Excellence Award, 2010-11 – Best Second Private Sector Bank

IDRBT Banking Technology Excellence Award, 2010-11 by Institute for Development and Research in Banking Technology, Hyderabad - Best Second Bank Award for Mobile Banking among Small Banks.

Green IT Award 2010-11by Wipro Ltd.

Branch Expansion:

During the year the Bank has added 17 branches to its network, taking the total branches to 291. Further the Bank also added 320 ATMs taking the total no. of ATMs to 547.

Staff Initiatives

Employee strength increased by 411 from 2643 to 3054 as on March 31, 2012.

The Bank is targeting quality growth with consistency and to continue investments behind network..

The results for the year ended 31st March 2012 have been audited 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 30th May 2012 at Karur.

THE LAKSHMI VILAS BANK LTD. M.D'S SECRETARIAT ADMN. OFFICE, KARUR - 639 006.

(P. R. Somasundaram)
Managing Director & CEO

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