LAKSHMI VILAS BANK

Secretarial Department CIN: L65110TN1926PLC001377

Ref/Sec/205 & 266/190/2017-2018 October 11, 2017

The General Manager Department of Corporate Services **National Stock Exchange of India** Exchange Plaza, C-1-Block G Bandra Kurla Complex, Bandra-E Mumbai - 400 051 Company Symbol: LAKSHVILAS	**The General Manager** Department of Corporate Services **BSE Limited** Listing Department Phiroze Jeejeeboy Tower Dalal Street, Fort Mumbai - 400 001 Scrip Code: 534690

Dear Sir,

Sub: Press Release

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In compliance of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the press release pertaining to our bank's **Un-Audited Financial Results for the Quarter Ended 30.09.2017** is enclosed for your information and records.

Thanking you,

Yours faithfully,

N Ramanathan
Company Secretary

THE LAKSHMI VILAS BANK LTD Secretarial Department Post Office, Chennai

Encl : A/a

LAKSHMI VILAS BANK

Corporate Office, "LVB HOUSE", No.4 Sardar Patel Road, Guindy, Chennai 600 032
(Regd. Office: Salem Road, Kathaparai, Karur - 639 006)

11th October , 2017

PRESS RELEASE

FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30th SEPTEMBER 2017

Major Performance Highlights

- ✓ **Business expanded by 11.62% Y-o-Y.**
- ✓ **CASA increased by 32.45%, Y-o-Y.**
- ✓ **Operating Profit increased by 33.16%, Y-o-Y.**
- ✓ **Net Interest Income (NII) recorded growth of 23.68%, Y-o-Y.**
- ✓ **NIM stood at 2.83% for Q2FY18.**

Lakshmi Vilas Bank (LVB), a private sector Bank in its transformational journey, has reported its second quarter results today. The prevailing difficult environment has had its impact on the numbers as indicated below.

Year-on-Year Highlights:

- Total Business of the bank reached **₹52,386.99 crore** as of 30/09/2017, showing an increase of 11.62%, Y-o-Y.
- Gross Advances increased from ₹20,253.32 crore to **₹23,215.88 crore** registering Y-O-Y growth of 14.63%.
- Total Deposits rose from ₹26,680.14 crore as on 30/09/2016 to **₹29,171.11 crore** as on 30/09/2017, registering Y-o-Y growth of 9.34%.
- CASA grew from ₹4,619.09 crore to **₹6,117.95 crore**, registering Y-o-Y growth of 32.45%.
- CASA as a percentage to deposit improved to 20.97% from 17.31% Y-O-Y.
- Operating Profit for the six months period went up by 33.16% (from ₹284.26 crore to **₹378.51 crore**).
- Net Interest Income (NII) for the six months period recorded a growth of ₹86.24 crore (23.68%) from ₹364.23 crore to **₹450.47 crore**, Y-o-Y.
- Net Interest Margin (NIM) of the bank stood at 2.83% as of 30th September 2017 as against 2.78% as of 30th September 2016.
- Cost to Income ratio has improved at 48.27% (H1FY17-51.44%)

THE LAKSHMI VILAS BANK LTD. Accounts Department Corp. Office, Chennai

Business

Total deposits as of 30.09.2017 stood at ₹29171.11 crores, registered a growth of 9.34% over 30.09.2016. CASA deposits have grown significantly by 32.45% (₹1,498.86 crore) over the previous period and stood at ₹6,117.95 crore. Term deposits stood at ₹21,999.46 crores, while CASA proportion to total deposits improved to 20.97% as on 30.09.2017. Gross Advances as of 30.09.2017 stood at ₹23,215.88 crores, registered an increase of 14.63% over previous period.

At the end of Q1FY18, Bank had identified a "watch list" of accounts amounting to Rs 2200/2300 crores. The slippages during the quarter were almost entirely from the 'watch list' accounts and the same is also reflected in the provisions. Consesquent upon the slippages during the quarter, the 'watch list' now stands at around Rs.1700 crore.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines, was at 10.57% as at September 30, 2017 as against 10.10% as at September 30, 2016.

Network

As on 30.09.2017, bank has 511 branches, 7 Extension Counters, 983 ATMs in 16 states and 1 union territory, the bank offers various bouquets of products and services. The bank is committed to build a sustainable business over the long term and upholding high standards of customer service - Life Smiles Where Lvb Serves.

As a part of its continuing focus on strengthening systems and processes, the Bank has opened a Commercial Banking Branch, to serve corporate and MSME clients, end-to-end. Similarly, with a view to improve its client coverage at the retail end, the Bank has opened two Personal Banking Branches at Chennai and Bengaluru. The Bank has also set up two Retail Assets Centres at Chennai and Bengaluru, to process consumer lending transactions.

The Board of Directors of The Lakshmi Vilas Bank Limited approved the unaudited financial results for the quarter ended September 30, 2017 at their meeting held in Chennai on 11th October, 2017.

(P.Mukherjee)
Managing Director & CEO

THE LAKSHMI VILAS BANK LTD. Accounts Department Corp. Office, Chennai