LAKSHMI VILAS BANK

Secretarial Department CIN: L65110TN1926PLC001377

Ref/Sec/205 & 266/271/2017-2018 January 30, 2018

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 31.12.2017** is enclosed for your information and records.

Thanking you,

Yours faithfully,

N Ramanathan
Company Secretary

THE LAKSHMI VILAS BANK LTD. Secretarial Department Corp. 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)

30th January, 2018

PRESS RELEASE

FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED 31st DECEMBER 2017

Major Performance Highlights

- ✓ **Business expanded by 17.67% Y-o-Y.**
- ✓ **CASA portfolio increased by Rs.538.26 crore, Y-o-Y.**
- ✓ **Core Operating Profit (Excl.trading profit) increased by 28.57%, Y-O-Y**
- ✓ **Operating Profit decreased by 6.82%, Y-o-Y.**
- ✓ **Net Interest Income (NII) recorded growth of 20.78%, Y-o-Y.**
- ✓ **NIM stood at 2.77% for 9MFY18.**

Lakshmi Vilas Bank (LVB), a private sector Bank in its transformational journey, has reported its third 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 **₹55,850.69 crore** as of 31/12/2017, showing an increase of 17.67%, Y-o-Y.
- Gross Advances increased from ₹19,713.57 crore to **₹25,230.64 crore** registering Y-O-Y growth of 27.99%.
- Total Deposits rose from ₹27,750.59 crore as on 31/12/2016 to **₹30,620.05 crore** as on 31/12/2017, registering Y-o-Y growth of 10.34%.
- CASA grew from ₹5,943.49 crore to **₹6,481.75 crore**, registering Y-o-Y growth of 9.06%.
- CASA as a percentage to deposits stood at 21.17% from 21.42% a year ago.
- Core Operating Profit (Excl.trading profit) for the nine months period has increased by 28.57% (from ₹253.83 crore to ₹326.33 crore).
- However on account of trading loss, Operating Profit for the nine months period is lower by 6.82% (from ₹455.70 crore to ₹424.62 crore) and Net profit stood at Rs.37.38 crore.
- Net Interest Income (NII) for the nine months period recorded a growth of ₹115.29 crore (20.78%) from ₹554.84 crore to **₹670.13 crore**, Y-o-Y.

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

- Net Interest Margin (NIM) of the bank stood at 2.77% as of 31st December 2017 as against 2.77% as of 31st December 2016.
- Cost to Income ratio stood at 56.61% (9MFY17-50.80%)

Quarter-on-Quarter Highlights

- Core Operating Profit (Excl.trading profit) for the quarter has increased by 18.11% (from ₹71.25 crore to ₹84.15 crore
- However on account of trading loss, Operating Profit for the quarter is lower by 73.10% (from ₹171.45 crore to ₹46.12 crore), resulting in net loss of Rs.39.23 crore.
- Net Interest Income (NII) for the quarter recorded a growth of ₹29.05 crore (15.24%) from ₹190.62 crore to ₹219.67 crore.
- Net Interest Margin (NIM) of the bank for the quarter ended Dec'17 stood at 2.63% as against 2.72% for the quarter ended Dec'16.
- Cost to Income ratio stood at 81.33% for the quarter ended Dec'17 as against 49.70% for the quarter ended Dec'16

Business

Total deposits as of 31.12.2017 stood at ₹30620.05 crore, registered a growth of 10.34% over 31.12.2016. CASA deposits have grown by 9.06% (₹538.26 crore) over the previous period and stood at ₹6,481.75 crore. Term deposits stood at ₹24,137.07 crore, while CASA proportion to total deposits stood at 21.17% as on 31.12.2017. Gross Advances as of 31.12.2017 stood at ₹25,230.64 crore, registered an increase of 27.99% over previous period.

Capital Adequacy:

The Bank's total Capital Adequacy Ratio (CAR) as per Basel III guidelines, was at 9.75% as at December 31, 2017 as against 10.21% as at December 31, 2016.

The Bank vide its letter of offer dated 27.11.2017 offered up to 6,44,97,155 Equity Shares of Face Value Rs.10/-each at a price of Rs.122/- per Equity Share (including a share premium of Rs.112/- per Equity Share) for an amount aggregating to Rs.786.87 crore to the Existing Equity Shareholders of the bank on a rights basis in the ratio of one Equity Share for three Equity Shares held by the Equity Shareholders on the record date i.e. 06.12.2017. The Bank has alloted 6,39,87,006 equity shares on 03/01/2018, the remaining 5,10,149 Equity shares being kept in abeyance. Consequently, the capital adequacy ratio would improve accordingly.

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

Network

As on 31.12.2017, Bank has 519 branches, 7 Extension Counters, 981 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.

The Board of Directors of The Lakshmi Vilas Bank Limited approved the unaudited financial results for the quarter/nine months ended December 31, 2017 at their meeting held in Chennai on 30th January, 2018.

(P.Mukherjee)
Managing Director & CEO

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