LAKSHMI VILAS BANK

Secretarial Department

Ref/Sec/205 & 266/36/2014-2015 May 15, 2014

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	**The General Manager** Department of Corporate Services **BSE Limited** Listing Department Phiroze Jeejeeboy Tower Dalal Street, Fort Mumbai - 400 001

Dear Sir,

We are enclosing the press release **(LVB's Audited Financial Results for the Year Ended 31.03.2014)** as disclosure pursuant to Clause 36 of Listing Agreement.

Thanking you,

Yours faithfully,

N. Ramanathan
Company Secretary

SECRETARIAL DEPARTMENT LVB A.O KARUR-6

Encl : A/a

The Lakshmi Vilas Bank Ltd., Regd. & Admn. Office, Salem Road, Kathaparai, Karur- 639006
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LAKSHMI VILAS BANK

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

14th May 2014

PRESS RELEASE – FY14 Performance

LVB – Q4 Net Profit up by 23%, Y-o-Y

Lakshmi Vilas Bank (LVB), a private sector Bank in its transformational journey, has registered the following business performance during the financial year 2013-14 (FY14) in a challenging environment.

Q4 Results:

- Net Profit up by 22.98%, from ₹17.10 Crs to ₹21.03 Crs, Y-o-Y.
- Total business increased from ₹30213 crores to ₹31611 crores, during the last quarter.
- Total income grown from ₹557.25 crores to ₹575.47 crores.
- Gross NPA sequentially declined from 5.60% to 4.19% and Net NPA from 4.33% to 3.44%.

Y-o-Y Results:

- Operating Profit for the year up by 23.03%, Y-o-Y.
- Total income for FY14 was at ₹2201.94 Crs, with a growth of 12.48% over the previous year ₹1957.61 Crs.
- Interest Income improved by 12.69% over the last fiscal.
- Cost of Deposit of the bank has come down from 8.96% to 8.74%, Y-o-Y.
- Yield on Advances improved from 13.00% to 13.21%, Y-o-Y.
- Total Deposits rose from ₹15618.98 Crs in FY13 to ₹18572.88 Crs, registering Y-o-Y growth of 18.91%.
- CASA grown from ₹2261.74 Crs to ₹2640.90 Crs, registering Y-o-Y growth of 16.76%.
- Gross Credit expanded from ₹11892.25 Crs to ₹13037.70 Crs registering Y-O-Y growth of 9.63%.
- Total Business of the bank reached ₹31610.58 Crs, showing an increase of 14.90% on a Y-o-Y basis.
- NIM improved from 2.62% to 2.87%, Y-o-Y.
- Net profit was at ₹59.66 Crs for FY14 compared with ₹91.57 Crs for FY13.
- The Capital Adequacy Ratio stood at 10.90%, under Basel III (10.93% under Basel II) as at 31st Mar 2014.

Branch Expansion:

Bank has opened 70 new branches during the financial year 2013-14 and the network of branches as of 31st March 2014 was 361.

The Bank is targeting quality growth with consistency.

Our bank has engaged EY as Management Consultant for Bank's Transformation Exercise to achieve the next phase of growth for becoming a leading commercial Bank. The project is under implementation stage.

(Rakesh Sharma)
Managing Director & CEO

Disclaimer

"The Lakshmi Vilas Bank Limited is proposing, subject to, market conditions and other considerations, a rights issue of its equity shares and has filed a Draft Letter of Offer with the Securities and Exchange Board of India ("SEBI"). The Draft Letter of Offer is available on the website of the SEBI at www.sebi.gov.in and the website of the Lead Manager i.e. Axis Capital Limited at www.axiscap.in. Investors should note that investment in equity shares involves a high degree or risk and for details relation to the same, see the section titled "Risk Factors" in the Draft Letter of Offer."