



Supplemental Financial Information

**For the quarter ended April 30, 2017
(unaudited)**

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Use of this Report

This financial information is supplementary to the Bank's Second Quarter Press Release and its 2016 audited financial statements and should be read in conjunction with those documents.

This report is unaudited and all amounts are in thousands of Canadian dollars, unless indicated otherwise.

**VERSABANK
HIGHLIGHTS
(unaudited)
(C\$ thousands)**

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2017		2016				2017	2016	2016	2015	2014
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2	2016	2015	2014
Results of Operations											
Total interest income	\$ 17,463	\$ 18,586	\$ 17,462	\$ 17,628	\$ 17,346	\$ 17,226	\$ 36,049	\$ 34,572	\$ 69,662	\$ 64,457	\$ 58,161
Net interest income	10,579	11,145	10,066	9,836	9,360	9,142	21,724	18,502	38,404	33,974	27,874
Non-interest income	(453)	287	320	343	285	325	(166)	610	1,273	1,394	2,633
Total revenue	10,126	11,432	10,386	10,179	9,645	9,467	21,558	19,112	39,677	35,368	30,507
Provision for credit losses	(582)	303	422	24	213	212	(279)	425	871	1,545	919
Non-interest expenses	6,220	6,458	6,779	6,654	6,472	6,051	12,678	12,523	25,956	24,784	22,947
Restructuring charges	1,575	470	549	98	445	-	2,045	445	1,092	-	434
Net income before income tax	2,913	4,201	2,636	3,403	2,515	3,204	7,114	5,719	11,758	9,039	6,207
Income tax provision (recovery)	809	(7,663)	740	947	708	893	(6,854)	1,601	3,288	821	531
Net income	\$ 2,104	\$ 11,864	\$ 1,896	\$ 2,456	\$ 1,807	\$ 2,311	\$ 13,968	\$ 4,118	\$ 8,470	\$ 8,218	\$ 5,676
Per Common Share (\$'s)											
Basic earnings per share	0.07	0.56	0.07	0.09	0.06	0.09	0.62	0.15	0.32	0.33	0.29
Diluted earnings per share	0.07	0.56	0.07	0.09	0.06	0.09	0.62	0.15	0.32	0.33	0.29
Return on average common equity	3.66%	27.22%	3.43%	4.90%	3.40%	4.79%	15.66%	4.05%	4.15%	4.50%	4.17%
Book value/share	8.28	8.20	7.79	7.72	7.63	7.56	8.28	7.63	7.79	7.47	7.14
Closing market price (common share)	4.70	4.84	5.10	5.55	5.50	4.80	4.70	5.50	5.10	5.69	5.61
Weighted average number of common shares	21,124	20,095	20,095	20,095	19,817	19,437	20,601	19,625	19,861	19,437	19,437
Number of common shares outstanding at period end	21,124	21,124	20,095	20,095	20,095	19,437	21,124	20,095	20,095	19,437	19,437
Total market value of common shares	99,283	102,240	102,485	111,527	110,523	93,298	99,283	110,523	102,485	110,597	109,042
Financial Ratios											
Yield	4.14%	4.24%	4.09%	4.15%	4.05%	4.11%	4.28%	4.17%	4.18%	4.20%	4.09%
Cost of funds	1.63%	1.70%	1.73%	1.84%	1.87%	1.93%	1.70%	1.94%	1.87%	1.99%	2.13%
Net interest income (%)	2.51%	2.54%	2.36%	2.31%	2.23%	2.18%	2.58%	2.23%	2.31%	2.21%	1.96%
Non-interest expenses to average total assets (annualized)	1.47%	1.47%	1.59%	1.56%	1.55%	1.44%	1.51%	1.51%	1.56%	1.61%	1.61%
Efficiency ratio	61.43%	56.49%	65.27%	65.37%	67.10%	63.92%	58.81%	65.52%	65.42%	70.07%	75.22%
Number of full time equivalent staff at period end	75	82	80	84	83	84	75	83	80	79	78
Assets to full time employee	\$ 22,669	\$ 21,755	\$ 21,385	\$ 20,063	\$ 20,388	\$ 20,190	\$ 22,669	\$ 20,388	\$ 21,385	\$ 20,502	\$ 18,537
Credit Quality											
Gross impaired loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross impaired loans as a % of total loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net impaired loans	\$ (2,271)	\$ (3,032)	\$ (3,031)	\$ (2,893)	\$ (3,104)	\$ (3,163)	\$ (2,271)	\$ (3,104)	\$ (3,031)	\$ (3,212)	\$ (2,905)
Provision for credit losses as a % of average loans	-0.15%	0.08%	0.11%	0.01%	0.01%	0.01%	-0.04%	0.06%	0.06%	0.12%	0.08%
Financial Position											
Cash and securities	\$ 100,252	\$ 135,949	\$ 103,922	\$ 152,028	\$ 141,534	\$ 170,422	\$ 100,252	\$ 141,534	\$ 103,922	\$ 149,511	\$ 193,940
Cash and securities to total assets (%)	5.94%	7.67%	6.10%	9.02%	8.33%	10.01%	5.94%	8.33%	6.10%	9.20%	13.41%
Total loans	1,543,266	1,590,470	1,563,612	1,499,006	1,522,280	1,501,889	1,543,266	1,522,280	1,563,612	1,447,660	1,224,247
Mortgages and loans to total assets (%)	91.38%	89.70%	91.74%	88.95%	89.64%	88.24%	91.38%	89.64%	91.74%	89.04%	84.67%
Total assets	1,688,852	1,773,004	1,704,400	1,685,294	1,698,305	1,702,015	1,688,852	1,698,305	1,704,400	1,625,806	1,445,860
Average assets	1,730,928	1,738,702	1,694,847	1,691,800	1,700,160	1,663,911	1,696,626	1,662,056	1,665,103	1,535,833	1,425,234
Deposits	1,348,323	1,430,359	1,369,647	1,357,963	1,378,023	1,396,502	1,348,323	1,378,023	1,369,647	1,325,828	1,193,797
Subordinated notes payable	14,124	14,095	14,067	14,039	14,011	13,984	14,124	14,011	14,067	13,959	13,863
Shareholders' equity	204,139	202,583	185,884	184,537	182,633	176,374	204,139	182,633	185,884	174,622	152,519

VERSABANK
NET INCOME
(unaudited)
(C\$ thousands except per share amounts)

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	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2017		2016				2017	2016	2016	2015	2014
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2	2016	2015	2014
Interest Income											
Loans	\$ 17,138	\$ 18,324	\$ 17,209	\$ 17,288	\$ 17,079	\$ 16,920	\$ 35,462	33,999	\$ 68,496	\$ 62,973	\$ 55,278
Securities	325	262	253	340	267	306	587	573	\$ 1,166	1,484	2,883
Total interest income	17,463	18,586	17,462	17,628	17,346	17,226	36,049	34,572	69,662	64,457	58,161
Yield %	4.14%	4.24%	4.09%	4.15%	4.05%	4.11%	4.28%	4.17%	4.18%	4.20%	4.09%
Interest Expense											
Deposits and other	6,536	7,085	7,043	7,438	7,641	7,733	13,621	15,374	29,855	29,091	28,767
Notes	348	356	353	354	345	351	704	696	1,403	1,392	1,520
Total interest expense	6,884	7,441	7,396	7,792	7,986	8,084	14,325	16,070	31,258	30,483	30,287
Cost of funds %	1.63%	1.70%	1.73%	1.84%	1.87%	1.93%	1.70%	1.94%	1.87%	1.99%	2.13%
Net interest income	10,579	11,145	10,066	9,836	9,360	9,142	21,724	18,502	38,404	33,974	27,874
Spread %	2.51%	2.54%	2.36%	2.31%	2.18%	2.18%	2.58%	2.23%	2.31%	2.21%	1.96%
Non-interest income	(453)	287	320	343	285	325	(166)	610	1,273	1,394	2,633
Total revenue	10,126	11,432	10,386	10,179	9,645	9,467	21,558	19,112	39,677	35,368	30,507
Provision for credit losses	(582)	303	422	24	213	212	(279)	425	871	1,545	919
	10,708	11,129	9,964	10,155	9,432	9,255	21,837	18,687	38,806	33,823	29,588
Non-interest expenses	6,220	6,458	6,779	6,654	6,472	6,051	12,678	12,523	25,956	24,784	22,947
Restructuring charges	1,575	470	549	98	445	-	2,045	445	1,092	-	434
	7,795	6,928	7,328	6,752	6,917	6,051	14,723	12,968	27,048	24,784	23,381
Net income before taxes	2,913	4,201	2,636	3,403	2,515	3,204	7,114	5,719	11,758	9,039	6,207
Income taxes (recovery)	809	(7,663)	740	947	708	893	(6,854)	1,601	3,288	821	531
Net income	\$ 2,104	\$ 11,864	\$ 1,896	\$ 2,456	\$ 1,807	\$ 2,311	\$ 13,968	\$ 4,118	\$ 8,470	\$ 8,218	\$ 5,676
Earnings per common share:											
Basic	\$ 0.07	\$ 0.56	\$ 0.07	\$ 0.09	\$ 0.06	\$ 0.09	\$ 0.62	\$ 0.15	\$ 0.32	\$ 0.33	\$ 0.29
Diluted	\$ 0.07	\$ 0.56	\$ 0.07	\$ 0.09	\$ 0.06	\$ 0.09	\$ 0.62	\$ 0.15	\$ 0.32	\$ 0.33	\$ 0.29
Comprehensive Income											
Net income	\$ 2,104	\$ 11,864	\$ 1,896	\$ 2,456	\$ 1,807	\$ 2,311	\$ 13,968	\$ 4,118	\$ 8,470	\$ 8,218	\$ 5,676
Other comprehensive income (loss), net of tax											
Net unrealized gains (losses) on assets held as available-for-sale	2	(3)	2	(2)	2	(9)	(1)	(7)	(7)	(6)	(5)
Amount transferred to net income (loss) for available-for-sale assets	-	-	-	-	-	-	-	-	-	-	-
	2	(3)	2	(2)	2	(9)	(1)	(7)	(7)	(6)	(5)
Total comprehensive income	\$ 2,106	\$ 11,861	\$ 1,898	\$ 2,454	\$ 1,809	\$ 2,302	\$ 13,967	\$ 4,111	\$ 8,463	\$ 8,212	\$ 5,671

VERSABANK
NET INTEREST INCOME, NON-INTEREST INCOME AND TOTAL REVENUES
(unaudited)
(C\$ thousands)

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	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2017		2016				2017	2016	2016		
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2	2016	2015	2014
Net Interest Income	\$ 10,579	\$ 11,145	\$ 10,066	\$ 9,836	\$ 9,360	\$ 9,142	\$ 21,724	\$ 18,502	\$ 38,404	\$ 33,974	\$ 27,874
Net Interest Income (NII)	10,579	11,145	10,066	9,836	9,360	9,142	21,724	18,502	38,404	33,974	27,874
Gain on sale of loans	-	-	-	-	-	-	-	-	-	-	1,207
Credit card non-interest revenue	(464)	249	318	328	277	311	(215)	588	1,234	1,308	1,369
Other income	11	38	2	15	8	14	49	22	39	86	57
Total non-interest income	(453)	287	320	343	285	325	(166)	610	1,273	1,394	2,633
Total revenue	\$ 10,126	\$ 11,432	\$ 10,386	\$ 10,179	\$ 9,645	\$ 9,467	\$ 21,558	\$ 19,112	\$ 39,677	\$ 35,368	\$ 30,507
Non-interest income as a % of total revenue	-4.47%	2.51%	3.08%	3.37%	2.95%	3.43%	-0.77%	3.19%	3.21%	3.94%	8.63%
Net interest income per average assets	2.51%	2.54%	2.36%	2.31%	2.23%	2.18%	2.58%	2.23%	2.31%	2.21%	1.96%

(unaudited)
(C\$ thousands)

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2017		2016				2017	2016	2016		
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2	2016	2015	2014
Average loans	\$ 1,566,868	\$ 1,577,041	\$ 1,531,309	\$ 1,510,643	\$ 1,512,085	\$ 1,474,775	\$ 1,553,439	\$ 1,484,970	\$ 1,505,636	\$ 1,335,954	\$ 1,191,590
Average total assets	\$ 1,730,928	\$ 1,738,702	\$ 1,694,847	\$ 1,691,800	\$ 1,700,160	\$ 1,663,911	\$ 1,696,626	\$ 1,662,056	\$ 1,665,103	\$ 1,535,833	\$ 1,425,234

VERSABANK
NON-INTEREST EXPENSES
(unaudited)
(C\$ thousands)

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2017		2016				2017	2016	2016	2015	2014
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2			
Salaries and Employee Benefits											
Salaries	\$ 2,772	\$ 2,748	\$ 2,919	\$ 2,945	\$ 2,887	\$ 2,757	\$ 5,520	\$ 5,644	\$ 11,508	\$ 10,667	\$ 9,277
Employee benefits	590	580	678	644	628	632	\$ 1,170	\$ 1,260	\$ 2,582	2,374	1,996
Total	3,362	3,328	3,597	3,589	3,515	3,389	6,690	6,904	14,090	13,041	11,273
Premises											
Rent	188	187	184	176	177	176	375	353	713	673	610
Depreciation	143	99	190	199	297	90	242	387	776	393	395
Other	165	284	197	388	60	251	449	311	896	1,029	1,080
Total	496	570	571	763	534	517	1,066	1,051	2,385	2,095	2,085
General and administrative											
Capital taxes and other assessments	952	950	947	790	724	725	1,902	1,449	3,186	3,641	3,313
Insurance	118	102	110	104	100	101	220	201	415	394	385
Listing, sustaining and annual meeting fees	97	84	39	52	132	61	181	193	284	310	227
Marketing and business development	82	98	123	74	83	93	180	176	373	298	482
Professional fees and consulting services	164	186	259	194	347	150	350	497	950	754	626
Credit card administration	145	326	300	273	360	383	471	743	1,316	1,394	1,476
Other	804	814	833	815	677	632	1,618	1,309	2,957	2,857	3,080
Total	2,362	2,560	2,611	2,302	2,423	2,145	4,922	4,568	9,481	9,648	9,589
Restructuring charges	1,575	470	549	98	445	-	2,045	445	1,092	-	434
Total non-interest expenses	\$ 7,795	\$ 6,928	\$ 7,328	\$ 6,752	\$ 6,917	\$ 6,051	\$ 14,723	\$ 12,968	\$ 27,048	\$ 24,784	\$ 23,381

**VERSABANK
BALANCE SHEET
(unaudited)
(C\$ thousands)**

	QUARTER						YEAR ENDED		
	2017		2016				2016	2015	2014
	Q2	Q1	Q4	Q3	Q2	Q1			
Cash and cash equivalents	\$ 99,911	\$ 135,606	\$ 93,964	\$ 142,048	\$ 119,091	\$ 147,982	\$ 93,964	\$ 127,078	\$ 145,140
Securities	341	343	9,958	9,980	22,443	22,440	9,958	22,433	48,800
Total	100,252	135,949	103,922	152,028	141,534	170,422	103,922	149,511	193,940
Loans									
Government loans	58,958	64,126	66,016	65,112	67,067	69,734	66,016	72,181	87,332
Loan and lease receivables	779,644	796,766	783,669	739,735	706,072	670,923	783,669	618,432	392,175
Residential mortgages	89,416	90,555	95,624	99,681	121,427	113,376	95,624	112,759	122,686
Commerical mortgages	259,244	237,079	227,816	220,699	263,792	286,628	227,816	269,193	266,250
Construction mortgages	244,839	258,811	256,429	260,711	236,053	228,774	256,429	237,100	212,571
Commercial loans	105,069	114,434	102,265	82,023	98,268	99,809	102,265	104,996	109,811
Credit card receivables and other	3,022	26,238	29,373	28,733	27,549	30,687	29,373	31,168	31,939
Allowance for credit losses	(2,271)	(3,032)	(3,031)	(2,893)	(3,104)	(3,163)	(3,031)	(3,212)	(2,905)
Accrued interest	5,345	5,493	5,451	5,205	5,156	5,121	5,451	5,043	4,388
Total	1,543,266	1,590,470	1,563,612	1,499,006	1,522,280	1,501,889	1,563,612	1,447,660	1,224,247
Other assets									
Capital assets	7,353	6,600	4,330	4,335	4,251	4,273	4,330	4,349	4,507
Other assets	37,981	39,985	32,536	29,925	30,240	25,431	32,536	24,286	23,166
Total	45,334	46,585	36,866	34,260	34,491	29,704	36,866	28,635	27,673
Total assets	\$ 1,688,852	\$ 1,773,004	\$ 1,704,400	\$ 1,685,294	\$ 1,698,305	\$ 1,702,015	\$ 1,704,400	\$ 1,625,806	\$ 1,445,860
Deposits									
Demand	\$ 19,328	\$ 18,134	\$ 17,458	\$ 17,335	\$ 17,861	\$ 17,137	\$ 17,458	\$ 17,048	\$ 19,067
Trustee chequing accounts	213,431	197,174	189,074	160,293	141,435	119,831	189,074	110,575	83,814
Term (including accrued interest)	1,115,564	1,215,051	1,163,115	1,180,335	1,218,727	1,259,534	1,163,115	1,198,205	1,090,916
Total	1,348,323	1,430,359	1,369,647	1,357,963	1,378,023	1,396,502	1,369,647	1,325,828	1,193,797
Securitization liabilities	33,230	33,382	43,585	43,685	43,555	43,655	43,585	43,525	43,466
Other liabilities	89,036	92,585	91,217	85,070	80,083	71,500	91,217	67,872	42,215
Subordinated notes payable	14,124	14,095	14,067	14,039	14,011	13,984	14,067	13,959	13,863
Shareholders' equity									
Share capital	182,094	182,094	176,706	176,706	176,706	171,706	176,706	171,706	155,993
Retained earnings (deficit)	22,040	20,486	9,172	7,827	5,921	4,664	9,172	2,903	(3,493)
Accumulated other comprehensive income	5	3	6	4	6	4	6	13	19
Total	204,139	202,583	185,884	184,537	182,633	176,374	185,884	174,622	152,519
Total liabilities and shareholders' equity	\$ 1,688,852	\$ 1,773,004	\$ 1,704,400	\$ 1,685,294	\$ 1,698,305	\$ 1,702,015	\$ 1,704,400	\$ 1,625,806	\$ 1,445,860

VERSABANK
IMPAIRED LOANS AND ALLOWANCE FOR CREDIT LOSSES
(unaudited)
(C\$ thousands)

	QUARTER						YEAR ENDED		
	2017		2016				2016	2015	2014
	Q2	Q1	Q4	Q3	Q2	Q1			
Gross impaired loans									
Residential mortgages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial and government loans	-	-	-	-	-	-	-	-	-
Other loans	-	-	-	-	-	-	-	-	-
Total gross impaired loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance for credit losses									
Individual allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Collective allowance	2,262	2,048	1,976	1,835	2,042	2,090	1,976	2,146	1,918
Collective allowance - credit cards and other	9	984	1,055	1,058	1,062	1,073	1,055	1,066	987
Total allowance for credit losses	\$ 2,271	\$ 3,032	\$ 3,031	\$ 2,893	\$ 3,104	\$ 3,163	\$ 3,031	\$ 3,212	\$ 2,905
Reconciliation of allowance for credit losses									
Balance, beginning of period	\$ 3,032	\$ 3,031	\$ 2,894	\$ 3,104	\$ 3,163	\$ 3,212	\$ 3,212	\$ 2,905	\$ 3,275
Provision for credit losses	(582)	303	422	24	213	212	871	1,545	919
Recoveries (write-offs)	(179)	(302)	(285)	(235)	(272)	(261)	(1,052)	(1,238)	(1,289)
Balance, end of period	\$ 2,271	\$ 3,032	\$ 3,031	\$ 2,893	\$ 3,104	\$ 3,163	\$ 3,031	\$ 3,212	\$ 2,905
Total net impaired loans	\$ (2,271)	\$ (3,032)	\$ (3,031)	\$ (2,893)	\$ (3,104)	\$ (3,163)	\$ (3,031)	\$ (3,212)	\$ (2,905)
Total loans	\$ 1,543,266	\$ 1,590,470	\$ 1,563,612	\$ 1,499,006	\$ 1,522,280	\$ 1,501,889	\$ 1,563,612	\$ 1,447,660	\$ 1,224,247
Gross impaired loans as a % of total loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Provision for credit losses as a % of average loans	-0.15%	0.02%	0.03%	0.01%	0.01%	0.01%	0.06%	0.12%	0.08%

VERSABANK
BASEL III DISCLOSURE
(unaudited)
(C\$ thousands)

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Modified Capital Disclosure Template

Common Equity Tier 1 capital: instruments and reserves

1	Directly issued qualifying common share capital						
2	Retained earnings						
3	Accumulated other comprehensive income						
6	Common Equity Tier 1 capital before regulatory adjustments						
28	Total regulatory adjustments to Common Equity Tier 1						
29	Common Equity Tier 1 capital (CET1)						

Additional Tier 1 capital: instruments

30	Directly issued qualifying Additional Tier 1 instruments						
45	Tier 1 capital (T1 = CET1 + AT1)						

Tier 2 capital: instruments and allowances

47	Directly issued capital instruments subject to phase out from Tier 2						
51	Tier 2 capital before regulatory adjustments						
57	Total regulatory adjustments to Tier 2 capital						
58	Tier 2 capital (T2)						

59 Total capital (TC = T1 + T2)

60 Total risk-weighted assets

Capital ratios

61	Common Equity Tier 1 (as a % of risk-weighted assets)						
62	Tier 1 (as a % of risk-weighted assets)						
63	Total capital (as a % of risk-weighted assets)						

OSFI all-in target

69	Common Equity Tier 1 all-in target ratio						
70	Tier 1 capital all-in target ratio						
71	Total capital all-in target ratio						

Capital instruments subject to phase-out arrangements

84	Current cap on T2 instruments subject to phase-out arrangements						
85	Amounts excluded from T2 due to cap						

ALL-IN											
2017		2016									
Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
\$	152,757	\$	152,756	\$	147,369	\$	147,369	\$	147,369	\$	142,368
	22,040		20,486		9,172		7,827		5,921		4,664
	5		3		6		4		6		4
	174,802		173,245		156,547		155,200		153,295		147,036
	28,221		28,869		6,562		7,101		7,841		8,348
	146,581		144,376		149,985		148,099		145,454		138,688
	29,337		29,337		29,337		29,337		29,337		29,338
	175,918		173,714		179,322		177,436		174,791		168,026
	6,900		9,800		9,800		9,800		9,800		12,700
	6,900		9,800		9,800		9,800		9,800		12,700
	-		-		-		-		-		-
	6,900		9,800		9,800		9,800		9,800		12,700
\$	182,818	\$	183,514	\$	189,122	\$	187,236	\$	184,591	\$	180,726
\$	1,373,051	\$	1,403,760	\$	1,425,171	\$	1,384,117	\$	1,373,594	\$	1,372,173
	10.68%		10.28%		10.52%		10.70%		10.59%		10.11%
	12.81%		12.37%		12.58%		12.82%		12.73%		12.25%
	13.31%		13.07%		13.27%		13.53%		13.44%		13.17%
	7.00%		7.00%		7.00%		7.00%		7.00%		7.00%
	8.50%		8.50%		8.50%		8.50%		8.50%		8.50%
	10.50%		10.50%		10.50%		10.50%		10.50%		10.50%
\$	25,750	\$	25,750	\$	30,900	\$	30,900	\$	30,900	\$	30,900
	-		-		-		-		-		-

Modified Capital Disclosure Template

29	Common Equity Tier 1 capital (CET1)						
45	Tier 1 capital (T1 = CET1 + AT1)						
59	Total capital (TC = T1 + T2)						

60 Total risk-weighted assets

Capital ratios

61	Common Equity Tier 1 (as a % of risk-weighted assets)						
62	Tier 1 (as a % of risk-weighted assets)						
63	Total capital (as a % of risk-weighted assets)						

TRANSITIONAL											
2017		2016									
Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3				
\$	152,226	\$	150,150	\$	152,610	\$	150,938	\$	148,590	\$	142,027
\$	181,563	\$	179,488	\$	181,947	\$	180,275	\$	177,927	\$	171,365
\$	188,463	\$	189,288	\$	191,747	\$	190,075	\$	187,727	\$	184,065
\$	1,378,694	\$	1,409,534	\$	1,427,796	\$	1,386,957	\$	1,376,730	\$	1,375,512
	11.04%		10.65%		10.69%		10.88%		10.79%		10.33%
	13.17%		12.73%		12.74%		13.00%		12.92%		12.46%
	13.67%		13.43%		13.43%		13.70%		13.64%		13.38%

VERSABANK
LEVERAGE RATIO DISCLOSURE
(unaudited)
(C\$ thousands)

On-Balance Sheet Exposures

- 1 On-balance sheet items
- 2 Asset amounts deducted in determining Basel III 'all-in' Tier 1 Capital
- 3 Total on-balance sheet exposures

Other Off-Balance Sheet Exposures

- 17 Off-balance sheet exposure at gross notional amount
- 18 Adjustments for conversion to credit equivalent amounts
- 19 Off-balance sheet items

Capital and Total Exposures

- 20 Tier 1 Capital
- 21 Total Exposures

Leverage Ratios

- 22 Basel III leverage ratio

		All-in					
		2017		2016			
		Q2	Q1	Q4	Q3	Q2	Q1
	\$	1,688,851	\$ 1,773,004	\$ 1,704,400	\$ 1,685,294	\$ 1,698,305	\$ 1,702,015
		(28,220)	(28,869)	(6,562)	(7,101)	(7,841)	(8,348)
		1,660,631	1,744,135	1,697,838	1,678,193	1,690,464	1,693,667
	\$	227,252	\$ 254,133	\$ 435,556	\$ 472,297	\$ 405,612	\$ 432,629
		(141,141)	(160,972)	(306,877)	(334,857)	(290,895)	(305,973)
		86,111	93,161	128,679	137,440	114,717	126,656
		175,918	173,714	179,322	177,436	174,791	168,026
		1,746,742	1,837,296	1,826,517	1,815,633	1,805,181	1,820,323
		10.07%	9.45%	9.82%	9.77%	9.68%	9.23%