



Supplemental Financial Information

For the quarter ended April 30, 2018
(unaudited)

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Use of this Report

This financial information is supplementary to the Bank's Second Quarter Earnings Release and its 2017 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)**

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	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2018		2017				2018	2017	2017		
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2	2017	2016	2015
Results of Operations											
Total interest income	\$ 19,363	\$ 19,069	\$ 18,132	\$ 17,584	\$ 17,463	\$ 18,586	\$ 38,432	\$ 36,049	\$ 71,765	\$ 69,662	\$ 64,457
Net interest income	12,432	12,395	11,508	10,751	10,579	11,145	24,827	21,724	43,983	43,226	33,974
Non-interest income	37	12	13	12	(453)	287	49	(166)	(141)	1,273	1,394
Total revenue	12,469	12,407	11,521	10,763	10,126	11,432	24,876	21,558	43,842	44,499	35,368
Provision for credit losses (recovery)	(50)	65	116	38	(582)	303	15	(279)	(125)	871	1,545
Non-interest expenses	6,617	6,890	7,500	7,012	6,220	6,458	13,507	12,678	27,190	25,956	24,784
Restructuring charges	-	-	-	-	1,575	470	-	2,045	2,045	1,092	-
Net income before income tax	5,902	5,452	3,905	3,713	2,913	4,201	11,354	7,114	14,732	16,580	9,039
Income tax provision (recovery)	1,646	1,476	1,083	1,031	809	(7,663)	3,122	(6,854)	(4,740)	3,288	821
Net income	\$ 4,256	\$ 3,976	\$ 2,822	\$ 2,682	\$ 2,104	\$ 11,864	\$ 8,232	\$ 13,968	\$ 19,472	\$ 13,292	\$ 8,218
Per Common Share (\$'s)											
Basic earnings per share	0.18	0.16	0.11	0.10	0.07	0.56	0.34	0.62	0.83	0.32	0.33
Diluted earnings per share	0.18	0.16	0.11	0.10	0.07	0.56	0.34	0.62	0.83	0.32	0.33
Return on average common equity	8.25%	7.50%	5.06%	4.81%	3.66%	27.22%	7.88%	15.66%	10.29%	4.15%	4.50%
Book value/share	8.80	8.64	8.48	8.38	8.28	8.20	8.80	8.28	8.48	7.79	7.47
Closing market price (common share)	7.05	7.17	5.80	4.50	4.70	4.84	7.05	4.70	5.80	5.10	5.69
Weighted average number of common shares	21,124	21,124	21,124	21,124	21,124	20,095	21,124	20,601	20,864	19,861	19,437
Number of common shares outstanding at period end	21,124	21,124	21,124	21,124	21,124	21,124	21,124	21,124	20,095	20,095	19,437
Total market value of common shares	148,924	151,459	122,519	95,058	99,283	102,240	148,924	99,283	116,551	102,485	110,597
Financial Ratios											
Yield	4.59%	4.41%	4.22%	4.14%	4.14%	4.24%	4.46%	4.28%	4.19%	4.20%	4.20%
Cost of funds	1.64%	1.54%	1.54%	1.61%	1.63%	1.70%	1.58%	1.70%	1.62%	1.64%	1.99%
Net interest income (%)	2.95%	2.87%	2.68%	2.53%	2.51%	2.54%	2.88%	2.58%	2.57%	2.55%	2.21%
Non-interest expenses to average total assets (annualized)	1.57%	1.59%	1.75%	1.65%	1.47%	1.47%	1.57%	1.51%	1.59%	1.53%	1.61%
Efficiency ratio	53.07%	55.53%	65.10%	65.15%	61.43%	56.49%	54.30%	58.81%	62.02%	58.33%	70.07%
Number of full time equivalent staff at period end	82	81	80	77	75	82	82	75	80	80	79
Assets to full time employee	\$ 21,350	\$ 21,069	\$ 21,464	\$ 21,877	\$ 22,669	\$ 21,755	\$ 21,350	\$ 22,908	\$ 21,644	\$ 21,136	\$ 20,502
Credit Quality											
Gross impaired loans	\$ 627	\$ 627	\$ 627	\$ 627	\$ -	\$ -	\$ 627	\$ -	\$ 627	\$ 627	\$ -
Gross impaired loans as a % of total loans	0.04%	0.04%	0.04%	0.04%	0.00%	0.00%	0.04%	0.00%	0.04%	0.04%	0.00%
Net impaired loans	\$ (1,813)	\$ (1,863)	\$ (1,798)	\$ (1,682)	\$ (2,271)	\$ (3,032)	\$ (1,813)	\$ (2,271)	\$ (1,893)	\$ (1,815)	\$ (3,212)
Provision for credit losses as a % of average loans	0.00%	0.02%	0.01%	0.00%	-0.15%	0.08%	0.00%	-0.04%	-0.01%	0.06%	0.12%
Financial Position											
Cash and securities	\$ 144,220	\$ 84,658	\$ 160,171	\$ 103,579	\$ 100,252	\$ 135,949	\$ 144,220	\$ 100,252	\$ 160,171	\$ 103,579	\$ 149,511
Cash and securities to total assets (%)	8.24%	4.96%	9.29%	6.15%	5.94%	7.67%	8.24%	5.87%	9.29%	6.15%	9.20%
Total loans	1,564,424	1,577,675	1,520,857	1,534,893	1,543,266	1,590,470	1,564,424	1,543,266	1,520,857	1,534,893	1,447,660
Mortgages and loans to total assets (%)	89.36%	92.44%	88.16%	91.12%	91.38%	89.70%	89.36%	90.43%	88.16%	91.12%	89.04%
Total assets	1,750,697	1,706,613	1,725,049	1,684,523	1,688,852	1,773,004	1,750,697	1,706,613	1,725,049	1,684,523	1,625,806
Average assets	1,728,656	1,715,832	1,704,786	1,686,688	1,696,626	1,738,702	1,737,873	1,696,626	1,714,725	1,694,462	1,535,833
Deposits	1,393,916	1,353,142	1,376,006	1,343,612	1,348,323	1,430,359	1,393,916	1,348,323	1,376,006	1,343,612	1,325,828
Subordinated notes payable	9,814	9,799	9,786	9,772	14,124	14,095	9,814	14,095	9,786	9,772	13,959
Shareholders' equity	215,247	211,752	208,541	206,267	204,139	202,583	215,247	204,139	208,541	206,267	174,622

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

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	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2018		2017				2018	2017			
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2	2017	2016	2015
Interest Income											
Loans	\$ 18,732	\$ 18,568	\$ 17,703	\$ 17,259	\$ 17,138	\$ 18,324	\$ 37,300	35,462	\$ 70,424	\$ 68,496	\$ 62,973
Securities	631	501	429	325	325	262	1,132	587	1,341	1,166	1,484
Total interest income	19,363	19,069	18,132	17,584	17,463	18,586	38,432	36,049	71,765	69,662	64,457
Yield %	4.59%	4.41%	4.22%	4.14%	4.14%	4.24%	4.46%	4.28%	4.19%	4.11%	4.20%
Interest Expense											
Deposits and other	6,721	6,459	6,409	6,443	6,536	7,085	13,180	13,621	26,473	29,855	29,091
Notes	210	215	215	390	348	356	425	704	1,309	1,403	1,392
Total interest expense	6,931	6,674	6,624	6,833	6,884	7,441	13,605	14,325	27,782	31,258	30,483
Cost of funds %	1.64%	1.54%	1.54%	1.61%	1.63%	1.70%	1.58%	1.70%	1.62%	1.83%	1.99%
Net interest income	12,432	12,395	11,508	10,751	10,579	11,145	24,827	21,724	43,983	38,404	33,974
Spread %	2.95%	2.87%	2.68%	2.53%	2.51%	2.54%	2.88%	2.58%	2.57%	2.27%	2.21%
Non-interest income	37	12	13	12	(453)	287	49	(166)	(141)	1,273	1,394
Total revenue	12,469	12,407	11,521	10,763	10,126	11,432	24,876	21,558	43,842	39,677	35,368
Provision for credit losses (recovery)	(50)	65	116	38	(582)	303	15	(279)	(125)	871	1,545
	12,519	12,342	11,405	10,725	10,708	11,129	24,861	21,837	43,967	38,806	33,823
Non-interest expenses	6,617	6,890	7,500	7,012	6,220	6,458	13,507	12,678	27,190	25,956	24,784
Restructuring charges	-	-	-	-	1,575	470	0	2,045	2,045	1,092	-
	6,617	6,890	7,500	7,012	7,795	6,928	13,507	14,723	29,235	27,048	24,784
Net income before taxes	5,902	5,452	3,905	3,713	2,913	4,201	11,354	7,114	14,732	11,758	9,039
Income taxes (recovery)	1,646	1,476	1,083	1,031	809	(7,663)	3,122	(6,854)	(4,740)	3,288	821
Net income	\$ 4,256	\$ 3,976	\$ 2,822	\$ 2,682	\$ 2,104	\$ 11,864	\$ 8,232	\$ 13,968	\$ 19,472	\$ 8,470	\$ 8,218
Earnings per common share:											
Basic	\$ 0.18	\$ 0.16	\$ 0.11	\$ 0.10	\$ 0.07	\$ 0.56	\$ 0.34	\$ 0.63	\$ 0.83	\$ 0.32	\$ 0.33
Diluted	\$ 0.18	\$ 0.16	\$ 0.11	\$ 0.10	\$ 0.07	\$ 0.56	\$ 0.34	\$ 0.63	\$ 0.83	\$ 0.32	\$ 0.33
Comprehensive Income											
Net income	\$ 4,256	\$ 3,976	\$ 2,822	\$ 2,682	\$ 2,104	\$ 11,864	\$ 8,232	\$ 13,968	\$ 19,472	\$ 8,470	\$ 8,218
Other comprehensive income (loss), net of tax											
Net unrealized gains (losses) on assets held as available-for-sale	-	(4)	3	(4)	2	(3)	(4)	(1)	(2)	(7)	(6)
Amount transferred to net income (loss) for available-for-sale assets	-	-	-	-	-	-	-	-	-	-	-
	-	(4)	3	(4)	2	(3)	(4)	(1)	(6)	(7)	(6)
Total comprehensive income	\$ 4,256	\$ 3,972	\$ 2,825	\$ 2,678	\$ 2,106	\$ 11,861	\$ 8,228	\$ 13,967	\$ 19,470	\$ 8,463	\$ 8,212

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

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	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2018		2017				2018	2017	2017	2016	2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2			
Net Interest Income	\$ 12,432	\$ 12,395	\$ 11,508	\$ 10,751	\$ 10,579	\$ 11,145	\$ 24,827	\$ 21,724	\$ 43,983	\$ 38,404	\$ 33,974
Net Interest Income (NII)	12,432	12,395	11,508	10,751	10,579	11,145	24,827	21,724	43,983	38,404	33,974
Credit card non-interest revenue	-	-	-	-	(464)	249	-	(215)	(215)	1,234	1,308
Other income	37	12	13	12	11	38	49	49	74	39	86
Total non-interest income	37	12	13	12	(453)	287	49	(166)	(141)	1,273	1,394
Total revenue	\$ 12,469	\$ 12,407	\$ 11,521	\$ 10,763	\$ 10,126	\$ 11,432	\$ 24,876	\$ 21,558	\$ 43,842	\$ 39,677	\$ 35,368
Non-interest income as a % of total revenue	0.30%	0.10%	0.11%	0.11%	-4.47%	2.51%	0.20%	-0.77%	-0.32%	3.21%	3.94%
Net interest income per average assets	2.95%	2.87%	2.68%	2.53%	2.51%	2.54%	2.88%	2.58%	2.57%	2.32%	2.21%

(unaudited)
(C\$ thousands)

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2018		2017				2018	2017	2017	2016	2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2			
Average loans	\$ 1,571,050	\$ 1,549,266	\$ 1,527,875	\$ 1,539,080	\$ 1,566,868	\$ 1,577,041	\$ 1,542,641	\$ 1,553,439	\$ 1,542,235	\$ 1,491,277	\$ 1,335,954
Average total assets	\$ 1,728,656	\$ 1,715,832	\$ 1,704,786	\$ 1,686,688	\$ 1,730,928	\$ 1,738,702	\$ 1,737,873	\$ 1,696,626	\$ 1,714,725	\$ 1,655,165	\$ 1,535,833

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

	QUARTER						6 MONTHS ENDED		YEAR ENDED		
	2018		2017				2018	2017	2017	2016	2015
	Q2	Q1	Q4	Q3	Q2	Q1	Q2	Q2			
Salaries and Employee Benefits											
Salaries	\$ 2,888	\$ 2,882	\$ 2,859	\$ 2,828	\$ 2,772	\$ 2,748	\$ 5,770	\$ 8,439	\$ 11,207	\$ 11,508	\$ 10,667
Employee benefits	551	586	658	621	590	580	1,137	1,848	2,449	2,582	2,374
Total	3,439	3,468	3,517	3,449	3,362	3,328	6,907	10,287	13,656	14,090	13,041
Premises											
Rent	184	178	179	177	188	187	362	559	731	713	673
Depreciation	137	127	167	144	143	99	264	432	553	776	393
Other	281	200	207	195	165	284	481	646	851	896	1,029
Total	602	505	553	516	496	570	1,107	1,637	2,135	2,385	2,095
General and administrative											
Capital taxes and other assessments	775	1,064	1,068	969	952	950	1,839	2,849	3,939	3,186	3,641
Insurance	122	123	118	118	118	102	245	330	456	415	394
Listing, sustaining and annual meeting fees	104	71	498	44	97	84	175	220	723	284	310
Marketing and business development	103	99	86	120	82	98	202	303	386	373	298
Professional fees and consulting services	290	822	504	757	164	186	1,112	609	1,611	950	754
Credit card administration	-	-	-	-	145	326	-	771	471	1,316	1,394
Other	1,182	738	1,156	1,039	804	814	1,920	2,451	3,813	2,957	2,857
Total	2,576	2,917	3,430	3,047	2,362	2,560	5,493	7,533	11,399	9,481	9,648
Restructuring charges											
	-	-	-	-	1,575	470	-	2,594	2,045	1,092	-
Total non-interest expenses	\$ 6,617	\$ 6,890	\$ 7,500	\$ 7,012	\$ 7,795	\$ 6,928	\$ 13,507	\$ 22,051	\$ 29,235	\$ 27,048	\$ 24,784

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

	QUARTER						YEAR ENDED		
	2018		2017				2017	2016	2015
	Q2	Q1	Q4	Q3	Q2	Q1			
Cash and cash equivalents	\$ 144,220	\$ 84,658	\$ 159,909	\$ 103,323	\$ 99,911	\$ 135,606	\$ 159,909	\$ 93,964	\$ 127,078
Securities	-	-	262	256	341	343	262	9,958	22,433
Total	144,220	84,658	160,171	103,579	100,252	135,949	160,171	103,922	149,511
Loans									
Government loans	19,227	21,137	22,574	56,568	58,958	64,126	22,574	66,016	72,181
Loan and lease receivables	839,853	833,392	806,347	800,215	779,644	796,766	806,347	783,669	618,432
Residential mortgages	91,847	93,796	81,190	88,213	89,416	90,555	81,190	95,624	112,759
Commerical mortgages	261,965	265,994	284,329	262,015	259,244	237,079	284,329	227,816	269,193
Construction mortgages	232,910	239,536	224,727	215,565	244,839	258,811	224,727	256,429	237,100
Commercial loans	112,203	117,531	95,293	106,031	105,069	114,434	95,293	102,265	104,996
Credit card receivables and other	2,738	2,757	3,012	2,982	3,022	26,238	3,012	29,373	31,168
Allowance for credit losses	(2,440)	(2,490)	(2,425)	(2,309)	(2,271)	(3,032)	(2,425)	(3,031)	(3,212)
Accrued interest	6,121	6,022	5,810	5,613	5,345	5,493	5,810	5,451	5,043
Total	1,564,424	1,577,675	1,520,857	1,534,893	1,543,266	1,590,470	1,520,857	1,563,612	1,447,660
Other assets									
Capital assets	8,096	8,033	8,020	7,625	7,353	6,600	8,020	4,330	4,349
Other assets	33,957	36,247	36,001	38,426	37,981	39,985	36,001	32,536	24,286
Total	42,053	44,280	44,021	46,051	45,334	46,585	44,021	36,866	28,635
Total assets	\$ 1,750,697	\$ 1,706,613	\$ 1,725,049	\$ 1,684,523	\$ 1,688,852	\$ 1,773,004	\$ 1,725,049	\$ 1,704,400	\$ 1,625,806
Deposits									
Demand	\$ 17,256	\$ 18,589	\$ 18,983	\$ 18,648	\$ 19,328	\$ 18,134	\$ 18,983	\$ 17,458	\$ 17,048
Trustee chequing accounts	334,081	287,937	275,182	252,367	213,431	197,174	275,182	189,074	110,575
Term (including accrued interest)	1,042,579	1,046,616	1,081,841	1,072,597	1,115,564	1,215,051	1,081,841	1,163,115	1,198,205
Total	1,393,916	1,353,142	1,376,006	1,343,612	1,348,323	1,430,359	1,376,006	1,369,647	1,325,828
Securitization liabilities	33,283	33,435	33,256	33,409	33,230	33,382	33,256	43,585	43,525
Other liabilities	98,437	98,485	97,460	91,463	89,036	92,585	97,460	91,217	67,872
Subordinated notes payable	9,814	9,799	9,786	9,772	14,124	14,095	9,786	14,067	13,959
Shareholders' equity									
Share capital	182,094	182,094	182,094	182,094	182,094	182,094	182,094	176,706	171,706
Retained earnings (deficit)	33,153	29,658	26,443	24,172	22,040	20,486	26,443	9,172	2,903
Accumulated other comprehensive income	-	-	4	1	5	3	4	6	13
Total	215,247	211,752	208,541	206,267	204,139	202,583	208,541	185,884	174,622
Total liabilities and shareholders' equity	\$ 1,750,697	\$ 1,706,613	\$ 1,725,049	\$ 1,684,523	\$ 1,688,852	\$ 1,773,004	\$ 1,725,049	\$ 1,704,400	\$ 1,625,806

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

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	QUARTER						YEAR ENDED		
	2018		2017				2017	2016	2015
	Q2	Q1	Q4	Q3	Q2	Q1			
Gross impaired loans									
Residential mortgages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial and government loans	-	-	-	-	-	-	-	-	-
Other loans	627	627	627	627	-	-	627	-	-
Total gross impaired loans	\$ 627	\$ 627	\$ 627	\$ 627	\$ -	\$ -	\$ 627	\$ -	\$ -
Allowance for credit losses									
Individual allowance	\$ 200	\$ 200	\$ 200	\$ 200	\$ -	\$ -	\$ 200	\$ -	\$ -
Collective allowance	2,240	2,290	2,225	2,118	2,262	2,048	2,225	1,976	2,146
Collective allowance - credit cards and other	-	-	-	-	9	984	-	1,055	1,066
Total allowance for credit losses	\$ 2,440	\$ 2,490	\$ 2,425	\$ 2,309	\$ 2,271	\$ 3,032	\$ 2,425	\$ 3,031	\$ 3,212
Reconciliation of allowance for credit losses									
Balance, beginning of period	\$ 2,490	\$ 2,425	\$ 2,309	\$ 2,271	\$ 3,032	\$ 3,031	\$ 3,125	\$ 3,212	\$ 2,905
Provision for credit losses	(50)	65	116	38	(582)	303	(125)	1,190	1,545
Recoveries (write-offs)	-	-	-	-	(179)	(302)	(480)	(1,277)	(1,238)
Balance, end of period	\$ 2,440	\$ 2,490	\$ 2,425	\$ 2,309	\$ 2,271	\$ 3,032	\$ 2,520	\$ 3,125	\$ 3,212
Total net impaired loans	\$ (1,813)	\$ (1,863)	\$ (1,798)	\$ (1,682)	\$ (2,271)	\$ (3,032)	\$ (1,893)	\$ (3,125)	\$ (3,212)
Total loans	\$ 1,564,424	\$ 1,577,675	\$ 1,520,857	\$ 1,534,893	\$ 1,543,266	\$ 1,590,470	\$ 1,520,857	\$ 1,563,612	\$ 1,447,660
Gross impaired loans as a % of total loans	0.04%	0.04%	0.04%	0.04%	0.00%	0.00%	0.04%	0.00%	0.00%
Provision for credit losses as a % of average loans	0.00%	0.02%	0.01%	0.00%	-0.15%	0.02%	-0.01%	-0.01%	0.12%

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

Modified Capital Disclosure Template

Common Equity Tier 1 capital: instruments and reserves

1	Directly issued qualifying common share capital	\$	152,757	\$	152,757	\$	152,757	\$	152,757	\$	152,757
2	Retained earnings		33,153		29,658		26,443		24,172		22,040
3	Accumulated other comprehensive income		0		0		4		1		5
6	Common Equity Tier 1 capital before regulatory adjustments		185,910		182,415		179,204		176,930		174,802
28	Total regulatory adjustments to Common Equity Tier 1		23,637		25,113		26,415		27,328		28,221
29	Common Equity Tier 1 capital (CET1)		162,273		157,302		152,789		149,602		146,581

Additional Tier 1 capital: instruments

30	Directly issued qualifying Additional Tier 1 instruments		29,337		29,337		29,337		29,337		29,337
45	Tier 1 capital (T1 = CET1 + AT1)		191,610		186,639		182,126		178,939		175,918

Tier 2 capital: instruments and allowances

47	Directly issued capital instruments subject to phase out from Tier 2		10,000		10,000		10,000		6,000		6,900
51	Tier 2 capital before regulatory adjustments		10,000		10,000		10,000		6,000		6,900
57	Total regulatory adjustments to Tier 2 capital		6,000		4,000		4,000		-		-
58	Tier 2 capital (T2)		4,000		6,000		6,000		6,000		9,800

59 Total capital (TC = T1 + T2)

60 Total risk-weighted assets

Capital ratios

61	Common Equity Tier 1 (as a % of risk-weighted assets)		11.07%		10.68%		10.76%		11.00%		10.68%
62	Tier 1 (as a % of risk-weighted assets)		13.08%		12.67%		12.82%		13.16%		12.81%
63	Total capital (as a % of risk-weighted assets)		13.35%		13.07%		13.25%		13.60%		13.31%

OSFI all-in target

69	Common Equity Tier 1 all-in target ratio		7.00%		7.00%		7.00%		7.00%		7.00%
70	Tier 1 capital all-in target ratio		8.50%		8.50%		8.50%		8.50%		8.50%
71	Total capital all-in target ratio		10.50%		10.50%		10.50%		10.50%		10.50%

Capital instruments subject to phase-out arrangements

84	Current cap on T2 instruments subject to phase-out arrangements	\$	25,750	\$	25,750	\$	25,750	\$	25,750	\$	25,750
85	Amounts excluded from T2 due to cap		-		-		-		-		-

		ALL-IN					
		2018		2017			
		Q2	Q1	Q4	Q3	Q2	Q1
		\$		\$		\$	
		152,757	152,757	152,757	152,757	152,757	152,756
		33,153	29,658	26,443	24,172	22,040	20,486
		0	0	4	1	5	3
		185,910	182,415	179,204	176,930	174,802	173,245
		23,637	25,113	26,415	27,328	28,221	28,869
		162,273	157,302	152,789	149,602	146,581	144,376
		29,337	29,337	29,337	29,337	29,337	29,337
		191,610	186,639	182,126	178,939	175,918	173,714
		10,000	10,000	10,000	6,000	6,900	9,800
		10,000	10,000	10,000	6,000	6,900	9,800
		6,000	4,000	4,000	-	-	-
		4,000	6,000	6,000	6,000	6,900	9,800
		\$	\$	\$	\$	\$	\$
		195,610	192,639	188,126	184,939	182,818	183,514
		\$	\$	\$	\$	\$	\$
		1,465,303	1,473,420	1,420,276	1,360,050	1,373,051	1,403,760
		11.07%	10.68%	10.76%	11.00%	10.68%	10.28%
		13.08%	12.67%	12.82%	13.16%	12.81%	12.37%
		13.35%	13.07%	13.25%	13.60%	13.31%	13.07%
		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	25,750	25,750	25,750	25,750
		-	-	-	-	-	-

Modified Capital Disclosure Template

29	Common Equity Tier 1 capital (CET1)	\$	167,000	\$	162,325	\$	158,072	\$	155,068	\$	152,226
45	Tier 1 capital (T1 = CET1 + AT1)	\$	196,337	\$	191,721	\$	187,409	\$	184,405	\$	181,563
59	Total capital (TC = T1 + T2)	\$	200,337	\$	197,721	\$	193,409	\$	190,405	\$	188,463

60 Total risk-weighted assets

Capital ratios

61	Common Equity Tier 1 (as a % of risk-weighted assets)		11.36%		10.98%		11.09%		11.36%		11.04%
62	Tier 1 (as a % of risk-weighted assets)		13.36%		12.97%		13.15%		13.50%		13.17%
63	Total capital (as a % of risk-weighted assets)		13.63%		13.37%		13.57%		13.94%		13.67%

		TRANSITIONAL					
		2018		2017			
		Q2	Q1	Q4	Q3	Q2	Q1
		\$		\$		\$	
		167,000	162,325	158,072	155,068	152,226	150,150
		196,337	191,721	187,409	184,405	181,563	179,488
		200,337	197,721	193,409	190,405	188,463	189,288
		\$	\$	\$	\$	\$	\$
		1,470,030	1,478,443	1,425,559	1,365,516	1,378,694	1,409,534
		11.36%	10.98%	11.09%	11.36%	11.04%	10.65%
		13.36%	12.97%	13.15%	13.50%	13.17%	12.73%
		13.63%	13.37%	13.57%	13.94%	13.67%	13.43%

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

On-Balance Sheet Exposures

- 1 On-balance sheet assets
- 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					
		2018		2017			
		Q2	Q1	Q4	Q3	Q2	Q1
	\$	1,750,697	\$ 1,706,613	\$ 1,725,049	\$ 1,684,523	\$ 1,688,851	\$ 1,773,004
		(23,637)	(25,113)	(26,415)	(27,328)	(28,220)	(28,869)
		1,727,060	1,681,500	1,698,634	1,657,195	1,660,631	1,744,135
	\$	265,644	\$ 282,807	\$ 295,124	\$ 228,797	\$ 227,252	\$ 254,133
		(152,330)	(160,126)	(182,977)	(142,957)	(141,141)	(160,972)
		113,314	122,681	112,147	85,840	86,111	93,161
		191,610	186,639	182,126	178,939	175,918	173,714
		1,840,374	1,804,181	1,810,781	1,743,035	1,746,742	1,837,296
		10.41%	10.34%	10.06%	10.27%	10.07%	9.45%