



# Customized Comparative Analysis Report

Data as of March 31, 2011

Composite Competitor Bank	Your Bank	Choice One	Choice Two	Choice Three	Choice Four	Choice Five	Choice Six	Choice Seven	Choice Eight
	Your City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST
FDIC Certificate Number	11111	22222	33333	44444	55555	66666	77777	88888	99999
Sub S Corp (True or False)	True	True	False	True	True	False	False	False	True
Capital Classification	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized
Bauer's Star Rating	*****	***	***	ZERO	***	**	****	**	***

## Balance Sheet (\$ millions)

Assets:	Your Bank	Choice One	Choice Two	Choice Three	Choice Four	Choice Five	Choice Six	Choice Seven	Choice Eight	
Cash & Due From Banks	\$32.708	\$4.195	\$11.150	\$46.620	\$5.517	\$13.041	\$13.758	\$104.802	\$30.250	\$36.529
Securities & Fed Funds Sold	\$113.704	\$66.006	\$25.844	\$255.525	\$46.522	\$3.150	\$11.462	\$243.601	\$34.322	\$289.205
Loans (net)	\$340.053	\$70.025	\$81.013	\$881.879	\$120.672	\$56.594	\$53.651	\$695.000	\$152.155	\$679.457
Other Real Estate Owned	\$7.523	\$0.378	\$1.252	\$10.480	\$17.581	\$1.925	\$2.031	\$10.378	\$3.379	\$13.159
Premises & Fixed Assets	\$12.967	\$0.229	\$4.509	\$30.479	\$3.935	\$3.944	\$1.433	\$25.696	\$10.654	\$23.082
Investments in Subsidiaries	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Intangible Assets	\$12.286	\$0.000	\$0.000	\$1.479	\$0.039	\$0.300	\$0.000	\$36.974	\$3.824	\$55.675
Other Assets	\$16.427	\$2.094	\$2.517	\$36.770	\$1.188	\$1.930	\$1.891	\$45.258	\$8.390	\$33.474
<b>Total Assets</b>	<b>\$535.668</b>	<b>\$142.927</b>	<b>\$126.285</b>	<b>\$1,263.232</b>	<b>\$195.454</b>	<b>\$80.884</b>	<b>\$84.226</b>	<b>\$1,161.709</b>	<b>\$242.974</b>	<b>\$1,130.581</b>
<b>Liabilities &amp; Owner's Equity:</b>										
*Non-Interest Bearing Deposits	\$61.081	\$17.608	\$22.492	\$256.120	\$18.961	\$11.082	\$11.721	\$120.482	\$21.626	\$26.167
*Interest Bearing Deposits	\$388.424	\$106.691	\$92.984	\$832.143	\$161.506	\$56.051	\$56.774	\$803.083	\$180.225	\$924.627
Fed Funds Purchased & Repos	\$11.376	\$0.000	\$0.000	\$27.141	\$0.000	\$0.000	\$0.000	\$45.977	\$0.000	\$17.889
Subordinated Debt	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Borrowed Money	\$13.522	\$0.000	\$0.000	\$28.609	\$0.000	\$6.500	\$7.560	\$37.969	\$16.700	\$10.841
Other Liabilities	\$4.639	\$0.387	\$0.235	\$6.557	\$1.194	\$0.268	\$0.487	\$20.746	\$2.159	\$5.465
<b>Total Liabilities</b>	<b>\$479.043</b>	<b>\$124.686</b>	<b>\$115.711</b>	<b>\$1,150.570</b>	<b>\$181.661</b>	<b>\$73.901</b>	<b>\$76.542</b>	<b>\$1,028.258</b>	<b>\$220.710</b>	<b>\$984.989</b>
Preferred Stock (Reserves for Credit Unions)	\$0.250	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$2.000	\$0.000	\$0.000	\$0.000
Common Stock & Surplus	\$32.999	\$6.000	\$1.900	\$29.656	\$16.273	\$6.150	\$5.000	\$52.330	\$18.250	\$134.430
Retained Earnings	\$23.143	\$12.290	\$8.890	\$82.988	(\$2.487)	\$0.785	\$0.666	\$79.108	\$4.052	\$11.145
Other Equity	\$0.233	(\$0.049)	(\$0.216)	\$0.018	\$0.007	\$0.048	\$0.018	\$2.012	(\$0.038)	\$0.017
<b>Total Equity</b>	<b>\$56.625</b>	<b>\$18.241</b>	<b>\$10.574</b>	<b>\$112.662</b>	<b>\$13.793</b>	<b>\$6.983</b>	<b>\$7.684</b>	<b>\$133.450</b>	<b>\$22.264</b>	<b>\$145.592</b>
<b>Total Liabilities &amp; Owner's Equity</b>	<b>\$535.668</b>	<b>\$142.927</b>	<b>\$126.285</b>	<b>\$1,263.232</b>	<b>\$195.454</b>	<b>\$80.884</b>	<b>\$84.226</b>	<b>\$1,161.709</b>	<b>\$242.974</b>	<b>\$1,130.581</b>

## Year-to-Date Income Statement

Interest Income	\$5.827	\$1.690	\$1.422	\$14.019	\$1.948	\$0.932	\$0.888	\$13.041	\$2.575	\$11.788
Interest Expense	\$1.028	\$0.458	\$0.258	\$2.049	\$0.531	\$0.277	\$0.207	\$2.598	\$0.719	\$1.585
<b>Net Interest Income</b>	<b>\$4.799</b>	<b>\$1.232</b>	<b>\$1.164</b>	<b>\$11.970</b>	<b>\$1.417</b>	<b>\$0.655</b>	<b>\$0.681</b>	<b>\$10.443</b>	<b>\$1.856</b>	<b>\$10.203</b>
Provisions	\$0.537	\$0.226	\$0.120	\$2.084	\$0.048	\$0.268	\$0.000	\$0.491	\$0.150	\$1.137
Non Interest Income	\$1.326	\$0.107	\$0.354	\$3.360	\$0.325	\$0.223	\$0.054	\$3.462	\$0.353	\$2.474
Non Interest Expense	\$4.400	\$0.589	\$1.126	\$10.263	\$1.396	\$0.890	\$0.690	\$9.295	\$2.095	\$9.448
Gains (Losses) Securities Transactions	\$0.044	\$0.000	\$0.000	\$0.047	\$0.017	\$0.000	\$0.000	\$0.241	\$0.000	\$0.046
Tax Provision (per Call Report)	\$0.300	\$0.000	\$0.002	\$0.932	\$0.000	\$0.000	\$0.000	\$1.491	(\$0.028)	\$0.003
Other Income (Expense)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Net Income</b>	<b>\$0.931</b>	<b>\$0.524</b>	<b>\$0.270</b>	<b>\$2.098</b>	<b>\$0.315</b>	<b>(\$0.280)</b>	<b>\$0.045</b>	<b>\$2.869</b>	<b>(\$0.008)</b>	<b>\$2.135</b>

\*All credit union shares and deposits are included as interest bearing.

This report was compiled from data for the period noted, as reported to federal regulators. The data obtained from these sources is consistently reliable, although; the accuracy and completeness of the data cannot be guaranteed by BauerFinancial, Inc.

BauerFinancial relies upon this data in its judgment and in rendering its opinion (e.g. determination of star ratings) as well as supplying the data fields incorporated herein. BauerFinancial, Inc. is not a financial advisor; it is an independent bank research firm.

Data herein is intended for the recipient's use; it may not be re-published in any form. All rights reserved by BauerFinancial, Inc. PO Box 143520, Coral Gables, FL 33134



# Customized Comparative Analysis Report

Data as of March 31, 2011

	Composite Competitor Bank	Your Bank	Choice One	Choice Two	Choice Three	Choice Four	Choice Five	Choice Six	Choice Seven	Choice Eight
		Your City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST
FDIC Certificate Number		11111	22222	33333	44444	55555	66666	77777	88888	99999
Sub S Corp (True or False)		True	True	False	True	True	False	False	False	True
Capital Classification		Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized
Bauer's Star Rating		*****	***	***	ZERO	***	**	****	**	***
<b>Balance Sheet (% of Assets)</b>										
<b>Assets:</b>										
Cash & Due From Banks	6.106%	2.935%	8.829%	3.691%	2.823%	16.123%	16.335%	9.021%	12.450%	3.231%
Securities & Fed Funds Sold	21.227%	46.182%	20.465%	20.228%	23.802%	3.894%	13.609%	20.969%	14.126%	25.580%
Loans (net)	63.482%	48.994%	64.151%	69.811%	61.739%	69.969%	63.699%	59.826%	62.622%	60.098%
Other Real Estate Owned	1.404%	0.264%	0.991%	0.830%	8.995%	2.380%	2.411%	0.893%	1.391%	1.164%
Premises & Fixed Assets	2.421%	0.160%	3.570%	2.413%	2.013%	4.876%	1.701%	2.212%	4.385%	2.042%
Investments in Subsidiaries	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Intangible Assets	2.294%	0.000%	0.000%	0.117%	0.020%	0.371%	0.000%	3.183%	1.574%	4.924%
Other Assets	3.067%	1.465%	1.993%	2.911%	0.608%	2.386%	2.245%	3.896%	3.453%	2.961%
<b>Total Assets</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>
<b>Liabilities &amp; Owner's Equity:</b>										
*Non-Interest Bearing Deposits	11.403%	12.320%	17.811%	20.275%	9.701%	13.701%	13.916%	10.371%	8.901%	2.314%
*Interest Bearing Deposits	72.512%	74.647%	73.630%	65.874%	82.631%	69.298%	67.407%	69.129%	74.175%	81.783%
Fed Funds Purchased & Repos	2.124%	0.000%	0.000%	2.149%	0.000%	0.000%	0.000%	3.958%	0.000%	1.582%
Subordinated Debt	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Other Borrowed Money	2.524%	0.000%	0.000%	2.265%	0.000%	8.036%	8.976%	3.268%	6.873%	0.959%
Other Liabilities	0.866%	0.271%	0.186%	0.519%	0.611%	0.331%	0.578%	1.786%	0.889%	0.483%
<b>Total Liabilities</b>	<b>89.429%</b>	<b>87.238%</b>	<b>91.627%</b>	<b>91.081%</b>	<b>92.943%</b>	<b>91.367%</b>	<b>90.877%</b>	<b>88.513%</b>	<b>90.837%</b>	<b>87.122%</b>
Preferred Stock (Reserves for Credit Unions)	0.047%	0.000%	0.000%	0.000%	0.000%	0.000%	2.375%	0.000%	0.000%	0.000%
Common Stock & Surplus	6.160%	4.198%	1.505%	2.348%	8.326%	7.603%	5.936%	4.505%	7.511%	11.890%
Retained Earnings	4.320%	8.599%	7.040%	6.569%	(-1.272%)	0.971%	0.791%	6.810%	1.668%	0.986%
Other Equity	0.043%	(-0.034%)	(-0.171%)	0.001%	0.004%	0.059%	0.021%	0.173%	(-0.016%)	0.002%
<b>Total Equity</b>	<b>10.571%</b>	<b>12.762%</b>	<b>8.373%</b>	<b>8.919%</b>	<b>7.057%</b>	<b>8.633%</b>	<b>9.123%</b>	<b>11.487%</b>	<b>9.163%</b>	<b>12.878%</b>
<b>Total Liabilities &amp; Owner's Equity</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>
<b>Year-to-Date Income Statement (% of Assets)</b>										
Interest Income	1.091%	1.202%	1.140%	1.104%	0.992%	1.156%	1.055%	1.158%	1.073%	1.025%
Interest Expense	0.193%	0.326%	0.207%	0.161%	0.270%	0.343%	0.246%	0.231%	0.300%	0.138%
<b>Net Interest Income</b>	<b>0.899%</b>	<b>0.876%</b>	<b>0.933%</b>	<b>0.943%</b>	<b>0.722%</b>	<b>0.812%</b>	<b>0.809%</b>	<b>0.928%</b>	<b>0.774%</b>	<b>0.887%</b>
Provisions	0.101%	0.161%	0.096%	0.164%	0.024%	0.332%	0.000%	0.044%	0.063%	0.099%
Non Interest Income	0.248%	0.076%	0.284%	0.265%	0.166%	0.277%	0.064%	0.308%	0.147%	0.215%
Non Interest Expense	0.824%	0.419%	0.903%	0.808%	0.711%	1.104%	0.820%	0.826%	0.873%	0.821%
Gains (Losses) Securities Transactions	0.008%	0.000%	0.000%	0.004%	0.009%	0.000%	0.000%	0.021%	0.000%	0.004%
Tax Provision (per Call Report)	0.056%	0.000%	0.002%	0.073%	0.000%	0.000%	0.000%	0.132%	(-0.012%)	0.000%
Other Income (Expense)	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
<b>Net Income</b>	<b>0.174%</b>	<b>0.373%</b>	<b>0.216%</b>	<b>0.165%</b>	<b>0.160%</b>	<b>(-0.347%)</b>	<b>0.053%</b>	<b>0.255%</b>	<b>(-0.003%)</b>	<b>0.186%</b>

\*All credit union shares and deposits are included as interest bearing.

This report was compiled from data for the period noted, as reported to federal regulators. The data obtained from these sources is consistently reliable, although; the accuracy and completeness of the data cannot be guaranteed by BauerFinancial, Inc. BauerFinancial relies upon this data in its judgment and in rendering its opinion (e.g. determination of star ratings) as well as supplying the data fields incorporated herein. BauerFinancial, Inc. is not a financial advisor; it is an independent bank research firm. Data herein is intended for the recipient's use; it may not be re-published in any form. All rights reserved by BauerFinancial, Inc. PO Box 143520, Coral Gables, FL 33134



# Customized Comparative Analysis Report

Data as of March 31, 2011

	Composite Competitor Bank	Your Bank	Choice One	Choice Two	Choice Three	Choice Four	Choice Five	Choice Six	Choice Seven	Choice Eight
		Your City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST
FDIC Certificate Number		11111	22222	33333	44444	55555	66666	77777	88888	99999
Sub S Corp (True or False)		True	True	False	True	True	False	False	False	True
Capital Classification		Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized
Bauer's Star Rating		*****	***	***	ZERO	***	**	****	**	***

### Key Capital Ratios:

Leverage Capital Ratio	8.89%	13.01%	8.65%	8.77%	7.00%	8.57%	9.11%	10.44%	7.19%	8.21%
Tier 1 Risk-based Capital Ratio	11.90%	22.44%	13.21%	11.58%	9.77%	11.90%	13.66%	12.98%	9.79%	11.64%
Total Risk-based Capital Ratio	13.16%	23.70%	14.47%	12.84%	11.04%	13.15%	14.93%	14.24%	11.07%	12.90%

### Asset Quality Ratios:

Nonperforming Assets/Assets	3.50%	1.61%	4.10%	2.65%	13.31%	3.64%	5.55%	2.23%	7.28%	3.03%
Texas Ratio (Nonperforming Assets/TCE+Resv.)	29.11%	11.68%	37.78%	23.54%	141.98%	39.50%	64.06%	23.60%	67.81%	32.79%
Repossessed Assets/Net Worth	13.29%	2.07%	11.84%	9.30%	127.46%	27.57%	26.43%	7.78%	15.18%	9.04%
Repossessed Assets/Assets	1.40%	0.26%	0.99%	0.83%	8.99%	2.38%	2.41%	0.89%	1.39%	1.16%
Delinquent Loans/Net Worth	19.85%	10.58%	37.18%	20.44%	61.11%	14.62%	34.37%	11.62%	64.27%	14.47%
Delinquent Loans/Loans	3.16%	2.70%	4.75%	2.56%	6.73%	1.78%	4.78%	2.19%	9.01%	3.04%
Net Year-to-Date Chargeoffs/Loans	0.11%	0.20%	<span style="color: red;">(-0.07%)</span>	0.37%	0.31%	2.27%	0.40%	0.09%	0.94%	0.71%
Loan Loss Reserve/Loans	2.25%	2.11%	2.16%	2.17%	3.65%	1.35%	2.91%	1.86%	4.23%	2.08%
Loan Loss Reserve/Delinquent Loans	69.61%	78.33%	45.59%	84.77%	54.17%	76.00%	60.92%	84.98%	47.02%	68.53%

### Margin Ratios:

Interest Income (tax equiv.)/Avg. Assets	4.41%	5.13%	4.59%	4.51%	3.99%	4.62%	4.23%	4.67%	4.29%	4.11%
Interest Expense/Avg. Assets	0.77%	1.30%	0.83%	0.64%	1.08%	1.37%	0.98%	0.92%	1.20%	0.55%
Net Interest Margin (tax equiv.)/Avg. Assets	3.64%	3.83%	3.76%	3.87%	2.91%	3.25%	3.25%	3.75%	3.09%	3.56%
Net Interest Margin (tax equiv.)/Avg. Earning Asts	3.96%	3.95%	4.25%	4.17%	3.26%	3.68%	3.62%	3.90%	3.34%	4.04%
Yield on Loans	5.72%	6.55%	6.15%	5.62%	5.70%	6.17%	6.16%	5.59%	5.70%	5.89%
Yield on Securities	2.57%	3.98%	2.30%	2.51%	1.12%	1.67%	2.74%	3.51%	2.62%	2.14%
Cost of Jumbo CDs (Banks)	2.09%	2.52%	2.11%	1.60%	1.81%	2.71%	2.45%	2.58%	2.05%	1.72%
*Cost Other Interest Bearing Accounts	0.74%	1.52%	0.97%	0.58%	1.23%	1.13%	0.83%	0.87%	1.06%	0.62%

\*Due to reporting limitations, the rate reported for credit unions is the rate being offered on one-year share certificates as of the reporting date.



# Customized Comparative Analysis Report

Data as of March 31, 2011

	Composite Competitor Bank	Your Bank	Choice One	Choice Two	Choice Three	Choice Four	Choice Five	Choice Six	Choice Seven	Choice Eight	
		Your City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	City, ST	
FDIC Certificate Number		11111	22222	33333	44444	55555	66666	77777	88888	99999	
Sub S Corp (True or False)		True	True	False	True	True	False	False	False	True	
Capital Classification		Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	Well-Capitalized	
Bauer's Star Rating		*****	***	***	ZERO	***	**	****	**	***	
<b>Liquidity Ratios:</b>											
Loans/Deposits		77.39%	57.55%	71.71%	82.83%	69.40%	85.46%	80.68%	76.68%	78.71%	72.98%
Brokered Deposits/Deposits		1.26%	0.35%	0.00%	1.91%	0.00%	8.82%	0.66%	0.87%	5.06%	0.00%
<b>Additional Ratios:</b>											
Intangible Assets/Net Worth		21.70%	0.00%	0.00%	1.31%	0.28%	4.30%	0.00%	27.71%	17.18%	38.24%
Investments in Subs/Net Worth		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Non Int. Inc./Gross Operating Income		18.53%	5.95%	19.93%	19.33%	14.30%	19.31%	5.73%	20.98%	12.06%	17.35%
Salaries & Benefits/Average Assets		1.75%	0.98%	1.88%	1.93%	0.91%	2.83%	1.63%	1.89%	1.71%	1.49%
Average Assets/Employees		\$4.072	\$5.624	\$3.465	\$4.162	\$5.167	\$2.240	\$3.660	\$3.992	\$3.808	\$4.325
Occupancy Expense/Average Assets		0.43%	0.18%	0.62%	0.51%	0.34%	0.49%	0.62%	0.29%	0.72%	0.42%
Overhead Expense/Average Assets		3.30%	1.68%	3.61%	3.23%	2.84%	4.41%	3.28%	3.30%	3.49%	3.29%
Efficiency Ratio		71.63%	40.57%	73.78%	65.70%	79.69%	101.37%	93.48%	66.31%	94.84%	74.28%
<b>Historical Data:</b>											
% Change in Assets (year)		13.17%	4.71%	1.25%	0.31%	(-1.64%)	(-2.78%)	2.29%	5.17%	3.23%	61.86%
% Change in Equity (year)		15.75%	6.40%	(-1.77%)	5.70%	4.09%	6.79%	(-12.21%)	6.87%	(-5.37%)	49.96%
Year Ended 12/31/10 Net Income (\$ millions)		\$1.955	\$1.825	(\$0.189)	\$4.619	(\$4.762)	\$0.261	(\$0.989)	\$11.018	(\$2.575)	\$8.258
Year Ended 12/31/09 Net Income (\$ millions)		\$1.726	\$1.837	(\$0.593)	\$0.352	(\$1.876)	(\$0.011)	(\$1.385)	\$10.808	(\$0.834)	\$7.348
<b>Profitability:</b>											
Current Quarter's Net Income (\$ millions)		\$0.931	\$0.524	\$0.270	\$2.098	\$0.315	(\$0.280)	\$0.045	\$2.869	(\$0.008)	\$2.135
Year-to-Date Net Income (\$ millions)		\$0.931	\$0.524	\$0.270	\$2.098	\$0.315	(\$0.280)	\$0.045	\$2.869	(\$0.008)	\$2.135
*Annualized Return on Assets		0.66%	1.20%	0.59%	0.66%	0.44%	(1.39%)	0.21%	1.02%	(0.01%)	0.50%
*Annualized Return on Equity		6.29%	9.29%	7.12%	7.49%	6.29%	(15.72%)	2.35%	8.61%	(0.14%)	4.13%

\*Tax Equivalent for Subchapter S Corporations

This report was compiled from data for the period noted, as reported to federal regulators. The data obtained from these sources is consistently reliable, although; the accuracy and completeness of the data cannot be guaranteed by BauerFinancial, Inc. BauerFinancial relies upon this data in its judgment and in rendering its opinion (e.g. determination of star ratings) as well as supplying the data fields incorporated herein. BauerFinancial, Inc. is not a financial advisor; it is an independent bank research firm. Data herein is intended for the recipient's use; it may not be re-published in any form. All rights reserved by BauerFinancial, Inc. PO Box 143520, Coral Gables, FL 33134



# Customized Comparative Analysis Report

This **Customized Comparative Analysis Report** provides the essential data and ratios necessary to perform a comparative financial analysis of financial institutions. The Composite Competitor Institution (if requested) presents all the institutions except the requesting entity consolidated into one peer institution. The data is compiled in an easy-to-read format: balance sheet, income statement and a variety of ratios grouped by analysis category.

To compile this report, **BauerFinancial Inc.** used quarterly call report data supplemented by various other reports released by the regulatory agencies or the institutions themselves. The financial data obtained from these sources is consistently reliable, although; the accuracy and completeness of the data cannot be guaranteed by **BauerFinancial, Inc.** **BauerFinancial** relies upon this data in its judgment and in rendering its opinion (e.g. determination of star ratings) as well as supplying the data fields incorporated herein. **BauerFinancial, Inc.** is not a financial advisor; it is an independent bank research firm. **BauerFinancial** is a registered trademark. Any unauthorized use of its content, logos, name, and/or Star-ratings is forbidden.

## Federal Regulatory Capital Classifications: (banks and thrifts only)

**Well-capitalized** - Total risk-based capital ratio  $\geq 10\%$ ; Tier 1 risk-based capital ratio  $\geq 6\%$ ; Leverage capital ratio  $\geq 5\%$ .

**Adequately capitalized** - Total risk-based capital ratio  $\geq 8\%$ ; Tier 1 risk-based capital ratio  $\geq 4\%$ ; Leverage capital ratio  $\geq 4\%$ .

**Undercapitalized** - Total risk-based capital ratio  $< 8\%$  or Tier 1 risk-based capital ratio  $< 4\%$  or Leverage capital ratio  $< 4\%$ .

**Significantly undercapitalized** - Total risk-based capital ratio  $< 6\%$  or Tier 1 risk-based ratio  $< 3\%$  or Leverage capital ratio  $< 3\%$ .

**Critically undercapitalized** - A ratio of tangible equity to total assets  $< 2\%$ .

## BauerFinancial's Star Rating:

BauerFinancial's **star rating** classifies each institution based upon a complex formula which factors in relevant data including, but not limited to: current capital levels, proposed regulations, profitability, historical trends, loan delinquencies, repossessed assets, reserves, regulatory compliance and asset quality. Negative trends are projected forward to compensate for the lag time in the data. BauerFinancial employs **conservative** measures when assigning these ratings and consequently our analysis will often be lower than those supplied by the institutions themselves or other rating agencies. They are included here as a supplementary measure of the bank's strength and prospects. As a **general guideline**:

\*\*\*\*\* : Superior. These institutions are on Bauer's **Recommended Bank Report**.

\*\*\*\* : Excellent. These institutions are also on Bauer's **Recommended Bank Report**.

\*\*\* $\frac{1}{2}$  : Good.

\*\* : Adequate.

\*\* : Problematic.

\* : Troubled.

Zero : Our lowest rating.

FDIC: Institution has failed and/or is operating under FDIC conservatorship.

S.U. : Start-up. Institutions that were recently chartered.

## Definitions & Ratios:

**Tier 1 Capital:** Common stock, surplus, retained earnings, and noncumulative preferred stock minus intangible assets – except a portion of purchased loan servicing rights, purchased credit card relationships and qualifying supervisory goodwill, as allowed.

**Total Capital:** Tier 1 Capital plus cumulative preferred stock, limited amounts of loan loss reserves and other redeemable capital instruments (Tier 2 Capital).

**Average Assets:** Sum of the quarterly average of total assets as reported on the Call Report or Thrift Financial Report for each of the quarters year-to-date, divided by the number of quarters elapsed year-to-date.

**Risk-weighted Assets:** Total assets adjusted by a weighting scale relative to credit risk.

**Leverage Capital Ratio:** Tier 1 Capital as a percent of Average Assets minus non-qualifying intangible assets. (For thrifts, period-end assets are used instead of average

**Tier 1 Risk-based Capital Ratio:** Tier 1 Capital as a percent of Risk-weighted Assets.

**Total Risk-based Capital Ratio:** Total Capital as a percent of Risk-weighted Assets. (This ratio is referred to as the risk-based capital ratio.)

**Delinquent Loans:** Loans past due 90 days or more and still accruing plus nonaccrual loans.

**Other Real Estate Owned:** For thrifts, repossessed real estate. For banks, primarily repossessed real estate but may include properties purchased for future use or other unused properties formerly used as banking offices. Does not include Real Estate Ventures or Operative Bank Premises.

**Nonperforming Assets:** Delinquent Loans plus Other Real Estate Owned.

**Interest Income (Tax Equ.):** Total interest income with income from tax-free obligations adjusted for approximate tax effect.

**Interest Expense:** Interest expense minus interest expense on capitalized leases.

**Jumbo CDs (banks):** The average interest of Jumbo CD deposits. The data necessary for this calculation is not provided on the Thrift Financial Report.

**% Change in Assets (year):** The net change in total assets as reported on the statement of condition.

**% Change in Equity (year):** The net change in total equity as reported on the statement of condition.

**Efficiency Ratio:** Non-interest expense less amortization of intangible assets as a percent of net interest income plus non-interest income.

BauerFinancial, Inc.  
PO Box 143520, Coral Gables, FL 33114-3520  
1.800.388.6686  
[www.bauerfinancial.com](http://www.bauerfinancial.com)