

*Sample Bank*

*Anywhere, USA*



*BankLink Solutions<sup>SM</sup>*  
*Forecasting & Reporting Systems*

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*Directors'*  
*Financial Digest*

*Hybarger* & *Associates*

*January 2018 Board Meeting*

*As of December 31, 2017*

*Directors' Financial Digest*  
*Year End Performance Analysis*

Category	Dec 17	Dec 17			Nov 17	Dec 16						
	Actual	Budget	Variance	Percent	Actual	Variance	Actual	Variance	Actual	Budget	Variance	Percent
	Current Period Budget Comparison				Prior Period Comparisons				**** Year-to-Date Average **** Budget Comparison			
<b>Balance Sheet</b> (Dollars in Thousands)												
<b>Assets</b>												
Loans	256,350	221,656	34,694	15.65	253,965	2,385	211,028	45,322	228,792	216,408	12,384	5.72
Investments	141,320	148,747	(7,427)	(4.99)	142,051	(731)	153,229	(11,909)	161,723	152,274	9,449	6.21
Short Term Liquidity	398	44	354	804.55	498	(100)	47	351	1,537	4,931	(3,394)	(68.83)
<b>Earning Assets</b>	<b>398,068</b>	<b>370,447</b>	<b>27,621</b>	<b>7.46</b>	<b>396,514</b>	<b>1,554</b>	<b>364,304</b>	<b>33,764</b>	<b>392,052</b>	<b>373,613</b>	<b>18,439</b>	<b>4.94</b>
Non-Earning Assets	14,364	9,818	4,546	46.30	16,754	(2,390)	9,815	4,549	14,623	11,325	3,298	29.12
<b>Assets</b>	<b>412,432</b>	<b>380,265</b>	<b>32,167</b>	<b>8.46</b>	<b>413,268</b>	<b>(836)</b>	<b>374,119</b>	<b>38,313</b>	<b>406,675</b>	<b>384,938</b>	<b>21,737</b>	<b>5.65</b>
<b>Liabilities</b>												
Interest Bearing Checking	182,750	179,235	3,515	1.96	176,759	5,991	179,605	3,145	183,997	184,199	(202)	(0.11)
Savings Deposits	26,143	25,415	728	2.86	25,971	172	24,719	1,424	25,521	25,096	425	1.69
Certificates of Deposits	119,756	105,389	14,367	13.63	119,441	315	98,533	21,223	107,291	102,873	4,418	4.29
Non-Deposit Funding	-	3,240	(3,240)	(100.00)	7,561	(7,561)	8,450	(8,450)	13,603	6,536	7,067	108.12
<b>Interest Bearing Liabilities</b>	<b>328,649</b>	<b>313,278</b>	<b>15,371</b>	<b>4.91</b>	<b>329,732</b>	<b>(1,083)</b>	<b>311,307</b>	<b>17,342</b>	<b>330,411</b>	<b>318,704</b>	<b>11,707</b>	<b>3.67</b>
Non-Interest Deposits	47,631	35,065	12,566	35.84	49,760	(2,129)	31,817	15,814	43,160	34,081	9,079	26.64
Total Funding	376,280	348,343	27,937	8.02	379,492	(3,212)	343,124	33,156	373,571	352,784	20,787	5.89
Other Liabilities & Intangibles	(1,184)	(3,464)	2,280	65.78	(690)	(494)	(2,375)	1,191	(779)	(2,073)	1,294	62.36
<b>Equity Capital</b>	<b>37,336</b>	<b>35,386</b>	<b>1,950</b>	<b>5.51</b>	<b>34,466</b>	<b>2,870</b>	<b>33,370</b>	<b>3,966</b>	<b>33,883</b>	<b>34,228</b>	<b>(345)</b>	<b>(1.01)</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>412,432</b>	<b>380,265</b>	<b>32,167</b>	<b>8.46</b>	<b>413,268</b>	<b>(836)</b>	<b>374,119</b>	<b>38,313</b>	<b>406,675</b>	<b>384,938</b>	<b>21,737</b>	<b>5.65</b>
<b>Rates</b>												
Loans	5.24	5.17	0.07	1.35	5.11	0.13	5.06	0.18	5.15	5.05	0.10	1.98
Investments	2.58	2.37	0.21	8.86	2.50	0.08	2.33	0.25	2.50	2.36	0.14	5.93
Short-Term Liquidity	1.43	1.13	0.30	26.55	1.18	0.25	0.38	1.05	0.84	0.80	0.04	5.00
<b>Earning Assets</b>	<b>4.29</b>	<b>4.05</b>	<b>0.24</b>	<b>5.93</b>	<b>4.17</b>	<b>0.12</b>	<b>3.91</b>	<b>0.38</b>	<b>4.04</b>	<b>3.89</b>	<b>0.15</b>	<b>3.86</b>
Non-Earning Assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>	<b>4.14</b>	<b>3.94</b>	<b>0.20</b>	<b>5.08</b>	<b>4.00</b>	<b>0.14</b>	<b>3.81</b>	<b>0.33</b>	<b>3.89</b>	<b>3.78</b>	<b>0.11</b>	<b>2.91</b>
Interest Bearing Checking	0.66	0.62	(0.04)	(6.45)	0.59	(0.07)	0.52	(0.14)	0.60	0.58	(0.02)	(3.45)
Savings Deposits	0.35	0.41	0.06	14.63	0.35	-	0.35	-	0.35	0.37	0.02	5.41
Certificates of Deposits	1.34	1.02	(0.32)	(31.37)	1.27	(0.07)	0.87	(0.47)	1.05	0.93	(0.12)	(12.90)
Non-Deposit Funding	-	1.28	1.28	100.00	1.25	1.25	3.33	3.33	2.15	3.20	1.05	32.81
<b>Interest Bearing Liabilities</b>	<b>0.88</b>	<b>0.75</b>	<b>(0.13)</b>	<b>(17.33)</b>	<b>0.84</b>	<b>(0.04)</b>	<b>0.70</b>	<b>(0.18)</b>	<b>0.79</b>	<b>0.73</b>	<b>(0.06)</b>	<b>(8.22)</b>
Non-Interest Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Funds	0.77	0.67	(0.10)	(14.93)	0.73	(0.04)	0.63	(0.14)	0.70	0.66	(0.04)	(6.06)
Other Liabilities & Intangibles	-	-	-	-	-	-	-	-	-	-	-	-
<b>Equity Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>0.70</b>	<b>0.61</b>	<b>(0.09)</b>	<b>(14.75)</b>	<b>0.67</b>	<b>(0.03)</b>	<b>0.58</b>	<b>(0.12)</b>	<b>0.64</b>	<b>0.60</b>	<b>(0.04)</b>	<b>(6.67)</b>

*Directors' Financial Digest*  
*Year End Performance Analysis*

Category	Dec 17	Dec 17			Nov 17	Dec 16			Actual	Budget	Variance	Percent
	Actual	Budget	Variance	Percent	Actual	Variance	Actual	Variance				
	Current Period				Prior Period				**** Year-to-Date Total /Average ****			
	Budget Comparison				Comparisons				Budget Comparison			
<b>Income Statement</b>												
Interest Income	1,455,659	1,274,471	181,188	14.22	1,404,356	51,303	1,221,507	234,152	15,814,797	14,558,626	1,256,171	8.63
Interest Expense	240,290	192,358	(47,932)	(24.92)	233,751	(6,539)	177,054	(63,236)	2,581,772	2,322,529	(259,243)	(11.16)
<b>Net Interest Income</b>	<b>1,215,369</b>	<b>1,082,113</b>	<b>133,256</b>	<b>12.31</b>	<b>1,170,605</b>	<b>44,764</b>	<b>1,044,453</b>	<b>170,916</b>	<b>13,233,025</b>	<b>12,236,097</b>	<b>996,928</b>	<b>8.15</b>
Provisions for Loan Losses	30,000	38,000	8,000	21.05	30,000	-	50,000	20,000	355,000	456,000	101,000	22.15
Security Gains and Losses	-	-	-	-	(28,007)	28,007	-	-	58,325	-	58,325	100.00
<b>Non-Interest Income</b>	<b>262,301</b>	<b>257,993</b>	<b>4,308</b>	<b>1.67</b>	<b>273,612</b>	<b>(11,311)</b>	<b>327,975</b>	<b>(65,674)</b>	<b>3,049,159</b>	<b>3,112,832</b>	<b>(63,673)</b>	<b>(2.05)</b>
<b>Non-Interest Expenses</b>	<b>1,078,288</b>	<b>840,621</b>	<b>(237,667)</b>	<b>(28.27)</b>	<b>1,012,885</b>	<b>(65,403)</b>	<b>816,022</b>	<b>(262,266)</b>	<b>11,315,929</b>	<b>9,996,613</b>	<b>(1,319,616)</b>	<b>(13.20)</b>
<b>Net Income Before Taxes</b>	<b>369,382</b>	<b>461,485</b>	<b>(92,103)</b>	<b>(19.96)</b>	<b>373,325</b>	<b>(3,943)</b>	<b>506,406</b>	<b>(137,024)</b>	<b>4,669,580</b>	<b>4,896,616</b>	<b>(227,036)</b>	<b>(4.64)</b>
Provision for Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>369,382</b>	<b>461,485</b>	<b>(92,103)</b>	<b>(19.96)</b>	<b>373,325</b>	<b>(3,943)</b>	<b>506,406</b>	<b>(137,024)</b>	<b>4,669,580</b>	<b>4,896,616</b>	<b>(227,036)</b>	<b>(4.64)</b>
<b>Balance Sheet &amp; Performance Ratios</b>												
<b>Return on Assets</b>	<b>1.07</b>	<b>1.46</b>	<b>(0.39)</b>	<b>(26.71)</b>	<b>1.08</b>	<b>(0.01)</b>	<b>1.62</b>	<b>(0.55)</b>	<b>1.15</b>	<b>1.27</b>	<b>(0.12)</b>	<b>(9.45)</b>
<b>Return on Equity</b>	<b>11.87</b>	<b>15.65</b>	<b>(3.78)</b>	<b>(24.15)</b>	<b>13.00</b>	<b>(1.13)</b>	<b>18.21</b>	<b>(6.34)</b>	<b>13.78</b>	<b>14.31</b>	<b>(0.53)</b>	<b>(3.70)</b>
<b>Tangible Equity Capital (Leverage Ratio)</b>	<b>9.05</b>	<b>9.31</b>	<b>(0.26)</b>	<b>(2.79)</b>	<b>8.34</b>	<b>0.71</b>	<b>8.92</b>	<b>0.13</b>	<b>8.33</b>	<b>8.89</b>	<b>(0.56)</b>	<b>(6.30)</b>
Yield on Earning Assets	4.29	4.05	0.24	5.93	4.17	0.12	3.91	0.38	4.04	3.89	0.15	3.86
Cost of Earning Assets	0.73	0.63	(0.10)	(15.87)	0.70	(0.03)	0.60	(0.13)	0.67	0.62	(0.05)	(8.06)
<b>Net Interest Margin</b>	<b>3.56</b>	<b>3.42</b>	<b>0.14</b>	<b>4.09</b>	<b>3.47</b>	<b>0.09</b>	<b>3.31</b>	<b>0.25</b>	<b>3.37</b>	<b>3.27</b>	<b>0.10</b>	<b>3.06</b>
Yield on Earning Assets	4.29	4.05	0.24	5.93	4.17	0.12	3.91	0.38	4.04	3.89	0.15	3.86
Cost of Interest Bearing Liabilities	0.88	0.75	(0.13)	(17.33)	0.84	(0.04)	0.70	(0.18)	0.79	0.73	(0.06)	(8.22)
<b>Spread</b>	<b>3.41</b>	<b>3.30</b>	<b>0.11</b>	<b>3.33</b>	<b>3.33</b>	<b>0.08</b>	<b>3.21</b>	<b>0.20</b>	<b>3.25</b>	<b>3.16</b>	<b>0.09</b>	<b>2.85</b>
Loan Funding Margin	4.26	4.35	(0.09)	(2.07)	4.18	0.08	4.26	-	4.25	4.22	0.03	0.71
Investment Funding Margin	2.30	2.02	0.28	13.86	2.23	0.07	2.01	0.29	2.16	2.00	0.16	8.00
Non-Interest Income/Assets	0.76	0.81	(0.05)	(6.17)	0.79	(0.03)	1.05	(0.29)	0.75	0.81	(0.06)	(7.41)
Non-Interest Expense/Assets	3.14	2.65	(0.49)	(18.49)	2.94	(0.20)	2.62	(0.52)	2.78	2.60	(0.18)	(6.92)
<b>Operating Efficiency Ratio</b>	<b>70.81</b>	<b>62.23</b>	<b>(8.58)</b>	<b>(13.79)</b>	<b>69.72</b>	<b>(1.09)</b>	<b>58.13</b>	<b>(12.68)</b>	<b>68.68</b>	<b>64.62</b>	<b>(4.06)</b>	<b>(6.28)</b>
<b>Loans/Deposits</b>	<b>68.13</b>	<b>64.23</b>	<b>3.90</b>	<b>6.07</b>	<b>68.28</b>	<b>(0.15)</b>	<b>63.05</b>	<b>5.08</b>	<b>63.56</b>	<b>62.50</b>	<b>1.06</b>	<b>1.70</b>
Reserve for Loan Losses/Net Loans	1.22	1.52	(0.30)	(19.74)	1.22	-	1.50	(0.28)	1.36	1.52	(0.16)	(10.53)
Earning Assets/Assets	96.52	97.42	(0.90)	(0.92)	95.95	0.57	97.38	(0.86)	96.40	97.06	(0.66)	(0.68)
Interest Bearing Liabilities/Assets	79.69	82.38	2.69	3.27	79.79	0.10	83.21	3.52	81.25	82.79	1.54	1.86
<b>Earning Assets/Interest Bearing Liab</b>	<b>121.12</b>	<b>118.25</b>	<b>2.87</b>	<b>2.43</b>	<b>120.25</b>	<b>0.87</b>	<b>117.02</b>	<b>4.10</b>	<b>118.66</b>	<b>117.23</b>	<b>1.43</b>	<b>1.22</b>
<b>Interest Rate Trends</b>												
Prime Rate	4.50	4.25	0.25	5.88	4.25	0.25	3.75	0.75	4.13	3.92	0.21	5.36
Three Month Treasury Bill	1.40	1.03	0.37	35.92	1.31	0.09	0.49	0.91	0.98	0.69	0.29	42.03
Three Month LIBOR	1.69	1.33	0.36	27.07	1.46	0.23	1.00	0.69	1.29	1.04	0.25	24.04
One Year Constant Maturity	1.75	1.24	0.51	41.13	1.30	0.45	0.85	0.90	1.18	0.95	0.23	24.21
Five Year Treasury Note	2.23	2.40	(0.17)	(7.08)	2.09	0.14	1.99	0.24	1.91	2.07	(0.16)	(7.73)
Fed Funds Rate	1.50	1.25	0.25	20.00	1.25	0.25	0.75	0.75	1.13	0.92	0.21	22.83
<b>"Yield Curve" Spread</b>	<b>0.73</b>	<b>1.15</b>	<b>(0.42)</b>	<b>(36.52)</b>	<b>0.84</b>	<b>(0.11)</b>	<b>1.24</b>	<b>(0.51)</b>	<b>0.78</b>	<b>1.15</b>	<b>(0.37)</b>	<b>(32.17)</b>

*Directors' Financial Digest*  
*Year End Report*

<b>2017</b>													
<i>Category</i>	<i>January Actual</i>	<i>February Actual</i>	<i>March Actual</i>	<i>April Actual</i>	<i>May Actual</i>	<i>June Actual</i>	<i>July Actual</i>	<i>August Actual</i>	<i>September Actual</i>	<i>October Actual</i>	<i>November Actual</i>	<i>December Actual</i>	<i>Average</i>
<b>Balance Sheet</b> <i>(Dollars in Thousands)</i>													
<b>Assets</b>													
Loans	209,722	209,457	211,790	213,617	217,659	220,244	232,143	232,556	235,734	250,666	253,965	256,350	228,792
Investments	154,842	163,389	175,294	179,728	176,296	170,946	172,779	160,442	154,521	149,243	142,051	141,320	161,723
Short Term Liquidity	3,707	4,904	32	1,629	55	4,872	292	736	1,035	671	498	398	1,537
<b>Earning Assets</b>	<b>368,271</b>	<b>377,750</b>	<b>387,116</b>	<b>394,974</b>	<b>394,010</b>	<b>396,062</b>	<b>405,214</b>	<b>393,734</b>	<b>391,290</b>	<b>400,580</b>	<b>396,514</b>	<b>398,068</b>	<b>392,052</b>
Non-Earning Assets	10,850	12,096	10,661	15,022	15,550	14,927	15,753	17,842	16,260	15,294	16,754	14,364	14,623
<b>Assets</b>	<b>379,121</b>	<b>389,846</b>	<b>397,777</b>	<b>409,996</b>	<b>409,560</b>	<b>410,989</b>	<b>420,967</b>	<b>411,576</b>	<b>407,550</b>	<b>415,874</b>	<b>413,268</b>	<b>412,432</b>	<b>406,675</b>
<b>Liabilities</b>													
Interest Bearing Checking	185,580	193,018	193,718	196,851	183,211	185,731	180,166	178,367	176,453	176,229	176,759	182,750	183,997
Savings Deposits	23,529	25,888	24,545	24,780	25,644	25,775	25,880	26,081	25,989	26,071	25,971	26,143	25,521
Certificates of Deposits	97,726	97,578	95,083	107,054	107,142	108,585	106,345	110,421	107,557	110,293	119,441	119,756	107,291
Non-Deposit Funding	8,000	8,000	18,650	8,000	22,480	8,000	24,568	13,235	18,481	25,318	7,561	-	13,603
<b>Interest Bearing Liabilities</b>	<b>314,835</b>	<b>324,484</b>	<b>331,996</b>	<b>336,685</b>	<b>338,477</b>	<b>328,091</b>	<b>336,959</b>	<b>328,104</b>	<b>328,480</b>	<b>337,911</b>	<b>329,732</b>	<b>328,649</b>	<b>330,411</b>
Non-Interest Deposits	33,504	33,805	34,303	41,282	38,074	49,885	51,057	48,835	44,837	44,461	49,760	47,631	43,160
Total Funding	348,339	358,289	366,299	377,967	376,551	377,976	388,016	376,939	373,317	382,372	379,492	376,280	373,571
Other Liabilities & Intangibles	(2,138)	(1,600)	(2,145)	(904)	(93)	(341)	(626)	685	244	(591)	(690)	(1,184)	(779)
<b>Equity Capital</b>	<b>32,920</b>	<b>33,157</b>	<b>33,623</b>	<b>32,933</b>	<b>33,102</b>	<b>33,354</b>	<b>33,577</b>	<b>33,952</b>	<b>33,989</b>	<b>34,093</b>	<b>34,466</b>	<b>37,336</b>	<b>33,883</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>379,121</b>	<b>389,846</b>	<b>397,777</b>	<b>409,996</b>	<b>409,560</b>	<b>410,989</b>	<b>420,967</b>	<b>411,576</b>	<b>407,550</b>	<b>415,874</b>	<b>413,268</b>	<b>412,432</b>	<b>406,675</b>
Dividends	853	156	-	987	156	133	160	186	316	280	-	-	
<b>Capital Accounts Analysis</b>													
Tangible Equity Capital (Leverage Ratio)	8.68	8.51	8.45	8.03	8.08	8.12	7.98	8.25	8.34	8.20	8.34	9.05	8.33
Common Equity Tier 1 / Risk-Weighted Assets	13.53	13.52	13.19	12.64	12.60	12.24	11.70	11.94	11.97	11.39	11.52	12.31	12.38
Tier 1 Risk-Based Capital Ratio	13.53	13.52	13.19	12.64	12.60	12.24	11.70	11.94	11.97	11.39	11.52	12.31	12.38
Total Risk-Based Capital Ratio	14.78	14.77	14.40	13.83	13.73	13.35	12.77	13.01	12.98	12.40	12.54	13.33	13.44
<b>Rates</b>													
Loans	5.08	5.08	5.08	5.09	5.07	5.14	5.11	5.28	5.14	5.29	5.11	5.24	5.15
Investments	2.37	2.47	2.45	2.51	2.52	2.47	2.51	2.51	2.57	2.59	2.50	2.58	2.50
Short-Term Liquidity	0.72	0.73	0.88	0.98	0.88	1.23	0.14	0.08	0.56	0.09	1.18	1.43	0.84
<b>Earning Assets</b>	<b>3.90</b>	<b>3.89</b>	<b>3.89</b>	<b>3.90</b>	<b>3.93</b>	<b>3.94</b>	<b>4.00</b>	<b>4.14</b>	<b>4.11</b>	<b>4.28</b>	<b>4.17</b>	<b>4.29</b>	<b>4.04</b>
Non-Earning Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>	<b>3.78</b>	<b>3.77</b>	<b>3.79</b>	<b>3.75</b>	<b>3.78</b>	<b>3.80</b>	<b>3.85</b>	<b>3.96</b>	<b>3.95</b>	<b>4.12</b>	<b>4.00</b>	<b>4.14</b>	<b>3.89</b>
Interest Bearing Checking	0.57	0.56	0.58	0.59	0.57	0.62	0.62	0.61	0.61	0.59	0.59	0.66	0.60
Savings Deposits	0.35	0.34	0.35	0.35	0.36	0.34	0.34	0.34	0.34	0.34	0.35	0.35	0.35
Certificates of Deposits	0.87	0.88	0.88	0.91	0.93	1.01	1.02	1.06	1.09	1.22	1.27	1.34	1.05
Non-Deposit Funding	3.48	3.48	2.05	3.48	1.86	3.48	1.98	1.98	1.77	1.63	1.25	-	2.15
<b>Interest Bearing Liabilities</b>	<b>0.72</b>	<b>0.71</b>	<b>0.73</b>	<b>0.74</b>	<b>0.76</b>	<b>0.80</b>	<b>0.82</b>	<b>0.80</b>	<b>0.81</b>	<b>0.85</b>	<b>0.84</b>	<b>0.88</b>	<b>0.79</b>
Non-Interest Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Funds	0.65	0.64	0.66	0.66	0.68	0.69	0.71	0.69	0.71	0.75	0.73	0.77	0.70
Other Liabilities & Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Equity Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>0.60</b>	<b>0.59</b>	<b>0.61</b>	<b>0.61</b>	<b>0.62</b>	<b>0.64</b>	<b>0.66</b>	<b>0.64</b>	<b>0.65</b>	<b>0.69</b>	<b>0.67</b>	<b>0.70</b>	<b>0.64</b>



# Directors' Financial Digest

## Year End Report

2017													
Category	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	Total/ Average
<b>Income Statement</b>													
Interest Income	1,213,718	1,153,297	1,259,353	1,261,288	1,307,785	1,291,528	1,346,989	1,383,610	1,331,193	1,406,021	1,404,356	1,455,659	15,814,797
Interest Expense	193,812	177,044	202,079	205,970	216,000	213,759	226,694	228,002	213,288	231,083	233,751	240,290	2,581,772
<b>Net Interest Income</b>	<b>1,019,906</b>	<b>976,253</b>	<b>1,057,274</b>	<b>1,055,318</b>	<b>1,091,785</b>	<b>1,077,769</b>	<b>1,120,295</b>	<b>1,155,608</b>	<b>1,117,905</b>	<b>1,174,938</b>	<b>1,170,605</b>	<b>1,215,369</b>	<b>13,233,025</b>
Provisions for Loan Losses	50,000	35,000	-	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	355,000
Security Gains and Losses	-	-	-	25,071	(8,860)	52,406	-	25,887	(12,000)	3,828	(28,007)	-	58,325
<b>Non-Interest Income</b>	<b>239,222</b>	<b>245,138</b>	<b>295,297</b>	<b>252,811</b>	<b>208,118</b>	<b>219,517</b>	<b>248,018</b>	<b>356,328</b>	<b>241,551</b>	<b>207,246</b>	<b>273,612</b>	<b>262,301</b>	<b>3,049,159</b>
<b>Non-Interest Expenses</b>	<b>805,975</b>	<b>793,913</b>	<b>886,214</b>	<b>1,005,764</b>	<b>936,536</b>	<b>935,102</b>	<b>951,116</b>	<b>950,575</b>	<b>987,354</b>	<b>972,207</b>	<b>1,012,885</b>	<b>1,078,288</b>	<b>11,315,929</b>
<b>Net Income Before Taxes</b>	<b>403,153</b>	<b>392,478</b>	<b>466,357</b>	<b>297,436</b>	<b>324,507</b>	<b>384,590</b>	<b>387,197</b>	<b>557,248</b>	<b>330,102</b>	<b>383,805</b>	<b>373,325</b>	<b>369,382</b>	<b>4,669,580</b>
Provision for Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>403,153</b>	<b>392,478</b>	<b>466,357</b>	<b>297,436</b>	<b>324,507</b>	<b>384,590</b>	<b>387,197</b>	<b>557,248</b>	<b>330,102</b>	<b>383,805</b>	<b>373,325</b>	<b>369,382</b>	<b>4,669,580</b>

<b>Balance Sheet &amp; Performance Ratios</b>													
<b>Return on Assets</b>	<b>1.28</b>	<b>1.21</b>	<b>1.41</b>	<b>0.87</b>	<b>0.95</b>	<b>1.12</b>	<b>1.10</b>	<b>1.62</b>	<b>0.97</b>	<b>1.11</b>	<b>1.08</b>	<b>1.07</b>	<b>1.15</b>
<b>Return on Equity</b>	<b>14.70</b>	<b>14.20</b>	<b>16.64</b>	<b>10.84</b>	<b>11.76</b>	<b>13.84</b>	<b>13.84</b>	<b>19.70</b>	<b>11.65</b>	<b>13.51</b>	<b>13.00</b>	<b>11.87</b>	<b>13.78</b>
Yield on Earning Assets	3.90	3.89	3.89	3.90	3.93	3.94	4.00	4.14	4.11	4.28	4.17	4.29	4.04
Cost of Earning Assets	0.61	0.61	0.63	0.63	0.65	0.66	0.68	0.66	0.68	0.72	0.69	0.73	0.66
<b>Net Interest Margin</b>	<b>3.29</b>	<b>3.28</b>	<b>3.26</b>	<b>3.27</b>	<b>3.28</b>	<b>3.28</b>	<b>3.32</b>	<b>3.48</b>	<b>3.43</b>	<b>3.56</b>	<b>3.48</b>	<b>3.56</b>	<b>3.38</b>
Yield on Earning Assets	3.90	3.89	3.89	3.90	3.93	3.94	4.00	4.14	4.11	4.28	4.17	4.29	4.04
Cost of Interest Bearing Liabilities	0.72	0.71	0.73	0.74	0.76	0.80	0.82	0.80	0.81	0.85	0.84	0.88	0.79
<b>Spread</b>	<b>3.18</b>	<b>3.18</b>	<b>3.16</b>	<b>3.16</b>	<b>3.17</b>	<b>3.14</b>	<b>3.18</b>	<b>3.34</b>	<b>3.30</b>	<b>3.43</b>	<b>3.33</b>	<b>3.41</b>	<b>3.25</b>
Loan Funding Margin	4.26	4.26	4.23	4.23	4.19	4.22	4.17	4.38	4.22	4.32	4.18	4.26	4.25
Investment Funding Margin	2.01	2.11	2.08	2.14	2.16	2.12	2.17	2.19	2.25	2.29	2.23	2.30	2.16
Non-Interest Income/Assets	0.76	0.75	0.89	0.74	0.61	0.64	0.71	1.04	0.71	0.60	0.79	0.76	0.75
Non-Interest Expense/Assets	2.55	2.44	2.67	2.94	2.74	2.73	2.71	2.77	2.91	2.81	2.94	3.14	2.78
<b>Operating Efficiency Ratio</b>	<b>63.85</b>	<b>64.91</b>	<b>63.64</b>	<b>76.25</b>	<b>71.27</b>	<b>71.09</b>	<b>67.12</b>	<b>64.28</b>	<b>71.45</b>	<b>69.66</b>	<b>69.72</b>	<b>70.81</b>	<b>68.68</b>
<b>Loans/Deposits</b>	<b>61.62</b>	<b>59.80</b>	<b>60.92</b>	<b>57.74</b>	<b>61.47</b>	<b>59.53</b>	<b>63.87</b>	<b>63.94</b>	<b>66.43</b>	<b>70.20</b>	<b>68.28</b>	<b>68.13</b>	<b>63.56</b>
Reserve for Loan Losses/Net Loans	1.54	1.60	1.48	1.48	1.39	1.39	1.35	1.32	1.24	1.22	1.22	1.22	1.36
Earning Assets/Assets	97.14	96.90	97.32	96.34	96.20	96.37	96.26	95.66	96.01	96.32	95.95	96.52	96.40
Interest Bearing Liabilities/Assets	83.04	83.23	83.46	82.12	82.64	79.83	80.04	79.72	80.60	81.25	79.79	79.69	81.25
<b>Earning Assets/Interest Bearing Liab</b>	<b>116.97</b>	<b>116.42</b>	<b>116.60</b>	<b>117.31</b>	<b>116.41</b>	<b>120.72</b>	<b>120.26</b>	<b>120.00</b>	<b>119.12</b>	<b>118.55</b>	<b>120.25</b>	<b>121.12</b>	<b>118.66</b>

<b>Interest Rate Trends &amp; Forecast</b>													
Prime Rate	3.75	3.75	4.00	4.00	4.00	4.25	4.25	4.25	4.25	4.25	4.25	4.50	4.13
Three Month Treasury Bill	0.51	0.52	0.78	0.80	0.93	1.11	1.18	1.00	1.07	1.11	1.31	1.40	0.98
Three Month LIBOR	1.04	1.05	1.18	1.17	1.20	1.30	1.31	1.32	1.33	1.37	1.46	1.69	1.29
One Year Constant Maturity	0.82	0.80	1.03	1.03	1.17	1.22	1.22	1.23	1.31	1.42	1.63	1.75	1.22
Five Year Treasury Note	1.93	1.88	1.94	1.83	1.79	1.81	1.84	1.75	1.86	2.01	2.09	2.23	1.91
Fed Funds Rate	0.75	0.75	1.00	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.50	1.13
<b>"Yield Curve" Spread</b>	<b>1.18</b>	<b>1.13</b>	<b>0.94</b>	<b>0.83</b>	<b>0.79</b>	<b>0.56</b>	<b>0.59</b>	<b>0.50</b>	<b>0.61</b>	<b>0.76</b>	<b>0.84</b>	<b>0.73</b>	<b>0.79</b>

# Directors' Financial Digest

## Preliminary Budget

2018

Category	January Forecast	February Forecast	March Forecast	April Forecast	May Forecast	June Forecast	July Forecast	August Forecast	September Forecast	October Forecast	November Forecast	December Forecast	Average
<b>Balance Sheet</b>													
(Dollars in Thousands)													
<b>Assets</b>													
Loans	259,489	262,020	264,552	267,084	269,617	272,150	274,684	277,219	279,754	282,290	284,827	287,364	273,487
Investments	143,334	142,570	142,726	142,037	141,401	140,663	140,097	139,489	138,938	138,340	137,795	137,247	140,374
Short Term Liquidity	2,511	3,664	714	963	227	250	227	251	227	251	227	251	794
<b>Earning Assets</b>	<b>405,334</b>	<b>408,254</b>	<b>407,992</b>	<b>410,083</b>	<b>411,245</b>	<b>413,063</b>	<b>415,008</b>	<b>416,959</b>	<b>418,919</b>	<b>420,881</b>	<b>422,849</b>	<b>424,862</b>	<b>414,655</b>
Non-Earning Assets	14,730	14,554	14,439	13,733	13,026	12,373	12,439	12,505	12,651	12,320	11,990	11,726	13,032
<b>Assets</b>	<b>420,064</b>	<b>422,808</b>	<b>422,431</b>	<b>423,816</b>	<b>424,271</b>	<b>425,436</b>	<b>427,447</b>	<b>429,464</b>	<b>431,570</b>	<b>433,201</b>	<b>434,839</b>	<b>436,588</b>	<b>427,687</b>
<b>Liabilities</b>													
Interest Bearing Checking	189,554	191,811	190,616	192,324	191,180	189,689	187,928	186,970	185,511	184,704	183,445	184,189	188,135
Savings Deposits	26,204	26,265	26,326	26,387	26,449	26,510	26,572	26,634	26,696	26,758	26,820	26,883	26,543
Certificates of Deposits	119,958	120,140	120,321	120,605	120,888	123,172	126,624	127,075	128,527	128,979	129,432	129,884	124,662
Non-Deposit Funding	-	-	-	-	1,307	2,047	1,724	3,451	5,148	6,853	8,733	8,686	3,179
<b>Interest Bearing Liabilities</b>	<b>335,716</b>	<b>338,215</b>	<b>337,263</b>	<b>339,315</b>	<b>339,824</b>	<b>341,417</b>	<b>342,847</b>	<b>344,130</b>	<b>345,881</b>	<b>347,294</b>	<b>348,430</b>	<b>349,642</b>	<b>342,519</b>
Non-Interest Deposits	48,152	48,402	48,654	48,906	49,160	49,414	49,669	49,925	50,181	50,439	50,698	50,957	49,553
Total Funding	383,868	386,618	385,917	388,222	388,984	390,831	392,516	394,055	396,063	397,733	399,128	400,599	392,072
Other Liabilities & Intangibles	(1,139)	(1,281)	(1,430)	(2,092)	(2,753)	(3,436)	(3,317)	(3,199)	(3,078)	(3,358)	(3,638)	(3,928)	(2,729)
<b>Equity Capital</b>	<b>37,335</b>	<b>37,472</b>	<b>37,944</b>	<b>37,686</b>	<b>38,041</b>	<b>38,041</b>	<b>38,248</b>	<b>38,608</b>	<b>38,585</b>	<b>38,826</b>	<b>39,349</b>	<b>39,916</b>	<b>38,344</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>420,064</b>	<b>422,808</b>	<b>422,431</b>	<b>423,816</b>	<b>424,271</b>	<b>425,436</b>	<b>427,447</b>	<b>429,464</b>	<b>431,570</b>	<b>433,201</b>	<b>434,839</b>	<b>436,588</b>	<b>427,687</b>
Dividends	421	233	-	697	148	487	290	150	509	304	-	-	-
<b>Capital Accounts Analysis</b>													
Tangible Equity Capital (Leverage Ratio)	8.89	8.86	8.98	8.89	8.97	8.94	8.95	8.99	8.94	8.96	9.05	9.14	8.97
Common Equity Tier 1 / Risk-Weighted Assets	12.16	12.10	12.18	12.00	12.02	11.93	11.91	11.93	11.83	11.82	11.89	11.97	11.98
Tier 1 Risk-Based Capital Ratio	12.16	12.10	12.18	12.00	12.02	11.93	11.91	11.93	11.83	11.82	11.89	11.97	11.98
Total Risk-Based Capital Ratio	13.18	13.12	13.18	13.00	13.04	12.93	12.91	12.93	12.82	12.81	12.89	12.95	12.98
<b>Rates</b>													
Loans	5.27	5.30	5.35	5.37	5.46	5.51	5.54	5.58	5.63	5.70	5.74	5.77	5.52
Investments	2.59	2.60	2.63	2.63	2.63	2.64	2.64	2.64	2.64	2.64	2.64	2.65	2.63
Short-Term Liquidity	1.35	1.38	1.19	1.29	0.04	0.05	0.05	0.05	0.05	0.05	0.05	0.07	1.08
<b>Earning Assets</b>	<b>4.30</b>	<b>4.32</b>	<b>4.39</b>	<b>4.41</b>	<b>4.48</b>	<b>4.53</b>	<b>4.56</b>	<b>4.59</b>	<b>4.63</b>	<b>4.69</b>	<b>4.73</b>	<b>4.76</b>	<b>4.54</b>
Non-Earning Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>	<b>4.15</b>	<b>4.17</b>	<b>4.24</b>	<b>4.27</b>	<b>4.34</b>	<b>4.40</b>	<b>4.42</b>	<b>4.46</b>	<b>4.50</b>	<b>4.56</b>	<b>4.60</b>	<b>4.63</b>	<b>4.40</b>
Interest Bearing Checking	0.69	0.70	0.76	0.77	0.77	0.82	0.82	0.81	0.81	0.79	0.79	0.85	0.78
Savings Deposits	0.35	0.35	0.36	0.36	0.36	0.37	0.37	0.37	0.37	0.37	0.37	0.39	0.37
Certificates of Deposits	1.35	1.38	1.40	1.43	1.45	1.55	1.64	1.66	1.67	1.72	1.78	1.82	1.58
Non-Deposit Funding	-	-	-	-	1.78	2.03	2.03	2.03	2.03	2.03	2.03	2.28	2.08
<b>Interest Bearing Liabilities</b>	<b>0.90</b>	<b>0.91</b>	<b>0.96</b>	<b>0.97</b>	<b>0.98</b>	<b>1.06</b>	<b>1.09</b>	<b>1.10</b>	<b>1.11</b>	<b>1.13</b>	<b>1.16</b>	<b>1.21</b>	<b>1.05</b>
Non-Interest Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Funds	0.79	0.80	0.84	0.85	0.86	0.92	0.96	0.96	0.97	0.99	1.01	1.05	0.92
Other Liabilities & Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Equity Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>0.72</b>	<b>0.73</b>	<b>0.77</b>	<b>0.78</b>	<b>0.79</b>	<b>0.85</b>	<b>0.88</b>	<b>0.88</b>	<b>0.89</b>	<b>0.91</b>	<b>0.93</b>	<b>0.97</b>	<b>0.84</b>

# Directors' Financial Digest

## Preliminary Budget

2018

Category	January Forecast	February Forecast	March Forecast	April Forecast	May Forecast	June Forecast	July Forecast	August Forecast	September Forecast	October Forecast	November Forecast	December Forecast	Total / Average
<b>Income Statement</b>													
Interest Income	1,467,203	1,374,044	1,509,149	1,488,767	1,549,994	1,545,254	1,598,183	1,616,564	1,595,070	1,663,823	1,644,005	1,716,981	18,769,036
Interest Expense	252,221	234,942	268,653	268,654	281,533	285,454	312,385	320,323	313,769	330,162	327,278	351,705	3,547,081
<b>Net Interest Income</b>	<b>1,214,982</b>	<b>1,139,102</b>	<b>1,240,496</b>	<b>1,220,113</b>	<b>1,268,461</b>	<b>1,259,800</b>	<b>1,285,798</b>	<b>1,296,241</b>	<b>1,281,300</b>	<b>1,333,660</b>	<b>1,316,727</b>	<b>1,365,275</b>	<b>15,221,955</b>
Provisions for Loan Losses	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	480,000
Security Gains and Losses	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Interest Income</b>	<b>244,572</b>	<b>272,334</b>	<b>269,757</b>	<b>262,988</b>	<b>270,609</b>	<b>266,486</b>	<b>259,591</b>	<b>263,950</b>	<b>257,469</b>	<b>263,668</b>	<b>261,520</b>	<b>257,165</b>	<b>3,150,109</b>
<b>Non-Interest Expenses</b>	<b>999,806</b>	<b>1,001,193</b>	<b>998,343</b>	<b>1,004,279</b>	<b>995,675</b>	<b>998,691</b>	<b>1,007,563</b>	<b>1,010,875</b>	<b>1,012,442</b>	<b>1,012,252</b>	<b>1,015,578</b>	<b>1,015,401</b>	<b>12,072,098</b>
<b>Net Income Before Taxes</b>	<b>419,748</b>	<b>370,243</b>	<b>471,910</b>	<b>438,822</b>	<b>503,395</b>	<b>487,595</b>	<b>497,826</b>	<b>509,316</b>	<b>486,327</b>	<b>545,076</b>	<b>522,669</b>	<b>567,039</b>	<b>5,819,966</b>
Provision for Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>419,748</b>	<b>370,243</b>	<b>471,910</b>	<b>438,822</b>	<b>503,395</b>	<b>487,595</b>	<b>497,826</b>	<b>509,316</b>	<b>486,327</b>	<b>545,076</b>	<b>522,669</b>	<b>567,039</b>	<b>5,819,966</b>
<b>Baseline Forecast</b>	<b>454,775</b>	<b>370,887</b>	<b>460,322</b>	<b>433,736</b>	<b>472,710</b>	<b>452,552</b>	<b>450,724</b>	<b>459,211</b>	<b>430,624</b>	<b>470,382</b>	<b>443,242</b>	<b>472,462</b>	<b>5,371,626</b>
<b>Baseline Forecast Variance</b>	<b>(35,028)</b>	<b>(644)</b>	<b>11,588</b>	<b>5,086</b>	<b>30,684</b>	<b>35,043</b>	<b>47,102</b>	<b>50,104</b>	<b>55,703</b>	<b>74,695</b>	<b>79,427</b>	<b>94,578</b>	<b>448,340</b>

### Balance Sheet & Performance Ratios

<b>Return on Assets</b>	<b>1.20</b>	<b>1.05</b>	<b>1.34</b>	<b>1.24</b>	<b>1.42</b>	<b>1.38</b>	<b>1.40</b>	<b>1.42</b>	<b>1.35</b>	<b>1.51</b>	<b>1.44</b>	<b>1.56</b>	<b>1.36</b>
<b>Return on Equity</b>	<b>13.49</b>	<b>11.86</b>	<b>14.92</b>	<b>13.97</b>	<b>15.88</b>	<b>15.38</b>	<b>15.62</b>	<b>15.83</b>	<b>15.12</b>	<b>16.85</b>	<b>15.94</b>	<b>17.05</b>	<b>15.18</b>
Yield on Earning Assets	4.30	4.32	4.39	4.41	4.48	4.53	4.56	4.59	4.63	4.69	4.73	4.76	4.54
Cost of Earning Assets	0.75	0.76	0.79	0.81	0.81	0.87	0.90	0.91	0.92	0.93	0.95	0.99	0.87
<b>Net Interest Margin</b>	<b>3.55</b>	<b>3.56</b>	<b>3.60</b>	<b>3.60</b>	<b>3.67</b>	<b>3.66</b>	<b>3.66</b>	<b>3.68</b>	<b>3.71</b>	<b>3.76</b>	<b>3.78</b>	<b>3.77</b>	<b>3.67</b>
Yield on Earning Assets	4.30	4.32	4.39	4.41	4.48	4.53	4.56	4.59	4.63	4.69	4.73	4.76	4.54
Cost of Interest Bearing Liabilities	0.90	0.91	0.96	0.97	0.98	1.06	1.09	1.10	1.11	1.13	1.16	1.21	1.05
<b>Spread</b>	<b>3.40</b>	<b>3.41</b>	<b>3.43</b>	<b>3.44</b>	<b>3.50</b>	<b>3.47</b>	<b>3.47</b>	<b>3.49</b>	<b>3.52</b>	<b>3.56</b>	<b>3.57</b>	<b>3.55</b>	<b>3.49</b>
Loan Funding Margin	4.27	4.29	4.30	4.30	4.38	4.35	4.33	4.37	4.41	4.45	4.46	4.44	4.36
Investment Funding Margin	2.28	2.29	2.31	2.31	2.32	2.31	2.32	2.33	2.33	2.34	2.35	2.35	2.32
Non-Interest Income/Assets	0.70	0.77	0.77	0.74	0.77	0.75	0.73	0.74	0.72	0.73	0.72	0.71	0.74
Non-Interest Expense/Assets	2.86	2.84	2.84	2.84	2.82	2.82	2.83	2.82	2.82	2.80	2.80	2.79	2.82
<b>Operating Efficiency Ratio</b>	<b>67.59</b>	<b>69.99</b>	<b>65.22</b>	<b>66.81</b>	<b>63.82</b>	<b>64.55</b>	<b>64.32</b>	<b>63.92</b>	<b>64.91</b>	<b>62.52</b>	<b>63.48</b>	<b>61.74</b>	<b>64.83</b>
<b>Loans/Deposits</b>	<b>67.60</b>	<b>67.77</b>	<b>68.55</b>	<b>68.80</b>	<b>69.55</b>	<b>70.00</b>	<b>70.29</b>	<b>70.97</b>	<b>71.56</b>	<b>72.22</b>	<b>72.96</b>	<b>73.32</b>	<b>70.32</b>
Reserve for Loan Losses/Net Loans	1.22	1.22	1.20	1.20	1.20	1.18	1.18	1.19	1.16	1.17	1.17	1.15	1.19
Earning Assets/Assets	96.49	96.56	96.58	96.76	96.93	97.09	97.09	97.09	97.07	97.16	97.24	97.31	96.95
Interest Bearing Liabilities/Assets	79.92	79.99	79.84	80.06	80.10	80.25	80.21	80.13	80.14	80.17	80.13	80.09	80.09
<b>Earning Assets/Interest Bearing Liab</b>	<b>120.74</b>	<b>120.71</b>	<b>120.97</b>	<b>120.86</b>	<b>121.02</b>	<b>120.98</b>	<b>121.05</b>	<b>121.16</b>	<b>121.12</b>	<b>121.19</b>	<b>121.36</b>	<b>121.51</b>	<b>121.06</b>

### Interest Rate Trends & Forecast

Prime Rate	4.50	4.50	4.75	4.75	4.75	5.00	5.00	5.00	5.00	5.00	5.00	5.25	4.88
Three Month Treasury Bill	1.42	1.42	1.67	1.67	1.67	1.92	1.92	1.92	1.92	1.93	1.93	2.17	1.80
Three Month LIBOR	1.68	1.66	1.88	1.85	1.83	2.05	2.03	2.01	1.99	1.96	1.94	2.16	1.92
One Year Constant Maturity	1.83	1.82	2.06	2.06	2.05	2.29	2.29	2.29	2.28	2.28	2.28	2.52	2.17
Five Year Treasury Note	2.22	2.21	2.44	2.42	2.40	2.63	2.62	2.60	2.59	2.57	2.55	2.78	2.50
Fed Funds Rate	1.50	1.50	1.75	1.75	1.75	2.00	2.00	2.00	2.00	2.00	2.00	2.25	1.88
<b>"Yield Curve" Spread</b>	<b>0.72</b>	<b>0.71</b>	<b>0.69</b>	<b>0.67</b>	<b>0.65</b>	<b>0.63</b>	<b>0.62</b>	<b>0.60</b>	<b>0.59</b>	<b>0.57</b>	<b>0.55</b>	<b>0.53</b>	<b>0.63</b>

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<i>Category</i>	<i>January Forecast</i>	<i>February Forecast</i>	<i>March Forecast</i>	<i>April Forecast</i>	<i>May Forecast</i>	<i>June Forecast</i>	<i>July Forecast</i>	<i>August Forecast</i>	<i>September Forecast</i>	<i>October Forecast</i>	<i>November Forecast</i>	<i>December Forecast</i>	<i>Average</i>
<b>Balance Sheet</b>													
<i>(Dollars in Thousands)</i>													
<b>Assets</b>													
Loans	289,902	292,441	294,980	297,520	300,060	302,602	305,143	307,686	310,229	312,773	315,318	317,863	303,943
Investments	136,747	135,244	134,756	134,221	133,737	133,113	132,660	132,164	131,724	131,234	130,796	130,334	133,049
Short Term Liquidity	227	251	227	251	228	251	228	252	228	252	228	252	240
<b>Earning Assets</b>	<b>426,876</b>	<b>427,935</b>	<b>429,964</b>	<b>431,992</b>	<b>434,025</b>	<b>435,966</b>	<b>438,031</b>	<b>440,101</b>	<b>442,181</b>	<b>444,259</b>	<b>446,341</b>	<b>448,449</b>	<b>437,231</b>
Non-Earning Assets	12,019	12,306	12,682	12,974	13,263	13,639	13,719	13,796	13,955	14,034	14,113	14,271	13,403
<b>Assets</b>	<b>438,895</b>	<b>440,242</b>	<b>442,645</b>	<b>444,966</b>	<b>447,288</b>	<b>449,604</b>	<b>451,750</b>	<b>453,897</b>	<b>456,135</b>	<b>458,293</b>	<b>460,454</b>	<b>462,720</b>	<b>450,635</b>
<b>Liabilities</b>													
Interest Bearing Checking	191,165	193,592	192,569	194,430	193,440	192,102	190,414	189,526	188,139	187,431	186,273	187,116	190,494
Savings Deposits	26,945	27,008	27,071	27,134	27,197	27,260	27,324	27,388	27,451	27,515	27,579	27,644	27,295
Certificates of Deposits	130,404	130,923	131,443	132,030	132,616	133,203	134,790	137,377	138,964	139,609	140,255	140,900	135,235
Non-Deposit Funding	3,146	723	2,361	1,895	3,520	5,927	7,437	6,970	8,569	10,028	11,592	11,201	6,149
<b>Interest Bearing Liabilities</b>	<b>351,659</b>	<b>352,246</b>	<b>353,444</b>	<b>355,488</b>	<b>356,774</b>	<b>358,492</b>	<b>359,965</b>	<b>361,261</b>	<b>363,124</b>	<b>364,584</b>	<b>365,699</b>	<b>366,860</b>	<b>359,173</b>
Non-Interest Deposits	51,218	51,479	51,741	52,005	52,269	52,534	52,800	53,067	53,335	53,604	53,874	54,144	52,679
Total Funding	402,877	403,725	405,186	407,493	409,043	411,026	412,765	414,328	416,459	418,187	419,572	421,005	411,852
Other Liabilities & Intangibles	(3,584)	(3,247)	(2,896)	(2,554)	(2,215)	(1,865)	(1,729)	(1,595)	(1,456)	(1,320)	(1,186)	(1,046)	(2,051)
<b>Equity Capital</b>	<b>39,602</b>	<b>39,763</b>	<b>40,356</b>	<b>40,027</b>	<b>40,461</b>	<b>40,443</b>	<b>40,713</b>	<b>41,165</b>	<b>41,132</b>	<b>41,426</b>	<b>42,068</b>	<b>42,761</b>	<b>40,834</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>438,895</b>	<b>440,242</b>	<b>442,645</b>	<b>444,966</b>	<b>447,288</b>	<b>449,604</b>	<b>451,750</b>	<b>453,897</b>	<b>456,135</b>	<b>458,293</b>	<b>460,454</b>	<b>462,720</b>	<b>450,635</b>
Dividends	879	303	-	895	181	603	358	189	641	377	-	-	
<b>Capital Accounts Analysis</b>													
Tangible Equity Capital (Leverage Ratio)	9.02	9.03	9.12	9.00	9.05	9.00	9.01	9.07	9.02	9.04	9.14	9.24	9.06
Common Equity Tier 1 / Risk-Weighted Assets	11.79	11.76	11.85	11.67	11.72	11.63	11.63	11.67	11.59	11.59	11.69	11.80	11.70
Tier 1 Risk-Based Capital Ratio	11.79	11.76	11.85	11.67	11.72	11.63	11.63	11.67	11.59	11.59	11.69	11.80	11.70
Total Risk-Based Capital Ratio	12.78	12.75	12.83	12.65	12.70	12.59	12.60	12.65	12.54	12.55	12.66	12.75	12.67
<b>Rates</b>													
Loans	5.79	5.83	5.85	5.88	5.91	5.95	5.98	6.01	6.04	6.08	6.10	6.15	5.97
Investments	2.65	2.66	2.66	2.66	2.66	2.66	2.66	2.66	2.66	2.66	2.66	2.66	2.66
Short-Term Liquidity	0.07	0.07	0.07	0.07	0.07	0.09	0.09	0.09	0.09	0.09	0.10	0.13	0.09
<b>Earning Assets</b>	<b>4.78</b>	<b>4.82</b>	<b>4.85</b>	<b>4.88</b>	<b>4.91</b>	<b>4.95</b>	<b>4.97</b>	<b>5.00</b>	<b>5.03</b>	<b>5.07</b>	<b>5.09</b>	<b>5.13</b>	<b>4.96</b>
Non-Earning Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>	<b>4.65</b>	<b>4.69</b>	<b>4.71</b>	<b>4.73</b>	<b>4.76</b>	<b>4.80</b>	<b>4.82</b>	<b>4.85</b>	<b>4.88</b>	<b>4.91</b>	<b>4.93</b>	<b>4.97</b>	<b>4.81</b>
Interest Bearing Checking	0.90	0.90	0.90	0.90	0.90	0.95	0.95	0.94	0.93	0.92	0.92	0.98	0.93
Savings Deposits	0.39	0.39	0.39	0.39	0.39	0.41	0.41	0.41	0.41	0.41	0.41	0.44	0.40
Certificates of Deposits	1.83	1.85	1.86	1.89	1.89	1.94	1.96	1.99	2.00	2.01	2.04	2.12	1.95
Non-Deposit Funding	2.28	2.28	2.28	2.28	2.28	2.53	2.53	2.53	2.53	2.53	2.53	2.78	2.53
<b>Interest Bearing Liabilities</b>	<b>1.22</b>	<b>1.22</b>	<b>1.23</b>	<b>1.24</b>	<b>1.25</b>	<b>1.30</b>	<b>1.32</b>	<b>1.33</b>	<b>1.34</b>	<b>1.34</b>	<b>1.36</b>	<b>1.43</b>	<b>1.30</b>
Non-Interest Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Funds	1.06	1.06	1.07	1.08	1.09	1.14	1.15	1.16	1.17	1.17	1.19	1.25	1.13
Other Liabilities & Intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Equity Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liabilities &amp; Shareholders' Equity</b>	<b>0.97</b>	<b>0.98</b>	<b>0.98</b>	<b>0.99</b>	<b>0.99</b>	<b>1.04</b>	<b>1.05</b>	<b>1.06</b>	<b>1.07</b>	<b>1.07</b>	<b>1.08</b>	<b>1.13</b>	<b>1.04</b>



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<b><i>Income Statement</i></b>													
Interest Income	1,726,936	1,604,966	1,763,553	1,733,866	1,801,026	1,781,205	1,843,692	1,862,321	1,830,938	1,904,196	1,871,004	1,953,242	21,676,942
Interest Expense	361,162	328,758	366,829	359,518	375,677	375,258	400,994	406,296	397,599	415,145	406,139	435,492	4,628,865
<b>Net Interest Income</b>	<b>1,365,774</b>	<b>1,276,208</b>	<b>1,396,725</b>	<b>1,374,348</b>	<b>1,425,349</b>	<b>1,405,946</b>	<b>1,442,697</b>	<b>1,456,025</b>	<b>1,433,339</b>	<b>1,489,050</b>	<b>1,464,865</b>	<b>1,517,750</b>	<b>17,048,077</b>
Provisions for Loan Losses	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	480,000
Security Gains and Losses	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-Interest Income</b>	<b>264,982</b>	<b>255,522</b>	<b>259,866</b>	<b>262,903</b>	<b>259,272</b>	<b>253,362</b>	<b>259,430</b>	<b>260,679</b>	<b>254,500</b>	<b>260,557</b>	<b>258,512</b>	<b>257,701</b>	<b>3,107,286</b>
<b>Non-Interest Expenses</b>	<b>1,025,874</b>	<b>1,027,454</b>	<b>1,023,778</b>	<b>1,030,627</b>	<b>1,030,472</b>	<b>1,033,825</b>	<b>1,033,671</b>	<b>1,037,038</b>	<b>1,038,636</b>	<b>1,038,495</b>	<b>1,041,871</b>	<b>1,041,735</b>	<b>12,403,476</b>
<b>Net Income Before Taxes</b>	<b>564,882</b>	<b>464,276</b>	<b>592,813</b>	<b>566,624</b>	<b>614,149</b>	<b>585,483</b>	<b>628,456</b>	<b>639,666</b>	<b>609,203</b>	<b>671,112</b>	<b>641,506</b>	<b>693,716</b>	<b>7,271,887</b>
Provision for Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>564,882</b>	<b>464,276</b>	<b>592,813</b>	<b>566,624</b>	<b>614,149</b>	<b>585,483</b>	<b>628,456</b>	<b>639,666</b>	<b>609,203</b>	<b>671,112</b>	<b>641,506</b>	<b>693,716</b>	<b>7,271,887</b>
<b>Baseline Forecast</b>	<b>471,424</b>	<b>384,091</b>	<b>481,818</b>	<b>457,655</b>	<b>497,876</b>	<b>470,065</b>	<b>489,685</b>	<b>495,201</b>	<b>464,648</b>	<b>509,811</b>	<b>481,537</b>	<b>518,864</b>	<b>5,722,674</b>
<b>Baseline Variance</b>	<b>93,458</b>	<b>80,186</b>	<b>110,995</b>	<b>108,970</b>	<b>116,273</b>	<b>115,418</b>	<b>138,771</b>	<b>144,466</b>	<b>144,555</b>	<b>161,302</b>	<b>159,970</b>	<b>174,852</b>	<b>1,549,213</b>

***Balance Sheet & Performance Ratios***

<b>Return on Assets</b>	<b>1.54</b>	<b>1.27</b>	<b>1.61</b>	<b>1.53</b>	<b>1.65</b>	<b>1.56</b>	<b>1.67</b>	<b>1.69</b>	<b>1.60</b>	<b>1.76</b>	<b>1.67</b>	<b>1.80</b>	<b>1.61</b>
<b>Return on Equity</b>	<b>17.12</b>	<b>14.01</b>	<b>17.63</b>	<b>16.99</b>	<b>18.21</b>	<b>17.37</b>	<b>18.52</b>	<b>18.65</b>	<b>17.77</b>	<b>19.44</b>	<b>18.30</b>	<b>19.47</b>	<b>17.81</b>
Yield on Earning Assets	4.78	4.82	4.85	4.88	4.91	4.95	4.97	5.00	5.03	5.07	5.09	5.13	4.96
Cost of Earning Assets	1.00	1.00	1.01	1.02	1.02	1.07	1.09	1.09	1.10	1.10	1.11	1.17	1.07
<b>Net Interest Margin</b>	<b>3.78</b>	<b>3.82</b>	<b>3.84</b>	<b>3.86</b>	<b>3.89</b>	<b>3.88</b>	<b>3.88</b>	<b>3.91</b>	<b>3.93</b>	<b>3.97</b>	<b>3.98</b>	<b>3.96</b>	<b>3.89</b>
Yield on Earning Assets	4.78	4.82	4.85	4.88	4.91	4.95	4.97	5.00	5.03	5.07	5.09	5.13	4.96
Cost of Interest Bearing Liabilities	1.22	1.22	1.23	1.24	1.25	1.30	1.32	1.33	1.34	1.34	1.36	1.43	1.30
<b>Spread</b>	<b>3.56</b>	<b>3.60</b>	<b>3.62</b>	<b>3.64</b>	<b>3.66</b>	<b>3.65</b>	<b>3.65</b>	<b>3.67</b>	<b>3.69</b>	<b>3.73</b>	<b>3.73</b>	<b>3.70</b>	<b>3.66</b>
Loan Funding Margin	4.46	4.50	4.51	4.53	4.55	4.53	4.54	4.57	4.58	4.62	4.62	4.60	4.56
Investment Funding Margin	2.34	2.36	2.37	2.37	2.38	2.37	2.37	2.39	2.39	2.40	2.41	2.40	2.38
Non-Interest Income/Assets	0.72	0.70	0.70	0.71	0.70	0.68	0.69	0.69	0.67	0.68	0.67	0.67	0.69
Non-Interest Expense/Assets	2.80	2.80	2.78	2.78	2.76	2.76	2.75	2.74	2.73	2.72	2.72	2.70	2.75
<b>Operating Efficiency Ratio</b>	<b>62.07</b>	<b>66.18</b>	<b>60.97</b>	<b>62.10</b>	<b>60.35</b>	<b>61.47</b>	<b>59.91</b>	<b>59.60</b>	<b>60.71</b>	<b>58.55</b>	<b>59.64</b>	<b>57.88</b>	<b>60.71</b>
<b>Loans/Deposits</b>	<b>72.52</b>	<b>72.57</b>	<b>73.23</b>	<b>73.35</b>	<b>73.99</b>	<b>74.70</b>	<b>75.28</b>	<b>75.53</b>	<b>76.06</b>	<b>76.63</b>	<b>77.29</b>	<b>77.56</b>	<b>74.92</b>
Reserve for Loan Losses/Net Loans	1.15	1.16	1.13	1.14	1.14	1.12	1.12	1.13	1.11	1.11	1.11	1.09	1.13
Earning Assets/Assets	97.26	97.20	97.14	97.08	97.03	96.97	96.96	96.96	96.94	96.94	96.94	96.92	97.03
Interest Bearing Liabilities/Assets	80.12	80.01	79.85	79.89	79.76	79.74	79.68	79.59	79.61	79.55	79.42	79.28	79.70
<b>Earning Assets/Interest Bearing Liab</b>	<b>121.39</b>	<b>121.49</b>	<b>121.65</b>	<b>121.52</b>	<b>121.65</b>	<b>121.61</b>	<b>121.69</b>	<b>121.82</b>	<b>121.77</b>	<b>121.85</b>	<b>122.05</b>	<b>122.24</b>	<b>121.73</b>

***Interest Rate Trends & Forecast***

Prime Rate	5.25	5.25	5.25	5.25	5.25	5.50	5.50	5.50	5.50	5.50	5.50	5.75	5.42
Three Month Treasury Bill	2.17	2.17	2.16	2.16	2.16	2.40	2.39	2.39	2.39	2.38	2.38	2.62	2.32
Three Month LIBOR	2.16	2.15	2.15	2.15	2.14	2.38	2.38	2.37	2.37	2.36	2.36	2.60	2.30
One Year Constant Maturity	2.51	2.50	2.49	2.48	2.47	2.70	2.69	2.69	2.68	2.67	2.66	2.89	2.62
Five Year Treasury Note	2.76	2.73	2.71	2.68	2.66	2.88	2.86	2.83	2.81	2.78	2.76	2.98	2.79
Fed Funds Rate	2.25	2.25	2.25	2.25	2.25	2.50	2.50	2.50	2.50	2.50	2.50	2.75	2.42
<b>"Yield Curve" Spread</b>	<b>0.51</b>	<b>0.48</b>	<b>0.46</b>	<b>0.43</b>	<b>0.41</b>	<b>0.38</b>	<b>0.36</b>	<b>0.33</b>	<b>0.31</b>	<b>0.28</b>	<b>0.26</b>	<b>0.23</b>	<b>0.37</b>