

Sample Bank II

Anywhere, U.S.A.



Contingency Performance & Funding Analysis

*Balance Sheet
&
Performance Analysis*

(Comparative Analysis)

*H**yg**arger & Associates*

Updated Branch Acquisition Forecast vs. Status Quo Ante

2015 - 2017

| Category | 2014-2015 | | | | 2015-2016 | | | | 2016-2017 | | | |
|--|----------------|----------------|-----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|-----------------|----------------|
| | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast |
| Balance Sheet | | | | | | | | | | | | |
| <i>Ending Volumes & Rates (Dollars in Thousands)</i> | | | | | | | | | | | | |
| Assets | | | | | | | | | | | | |
| Loans | 338,480 | 345,112 | 352,206 | 358,799 | 362,558 | 367,797 | 373,064 | 378,361 | 382,272 | 387,625 | 393,008 | 398,420 |
| Investments | 179,397 | 177,501 | 175,189 | 169,901 | 168,431 | 165,862 | 165,268 | 164,713 | 165,166 | 164,601 | 165,097 | 164,615 |
| Short-Term Liquidity | 1,971 | 1,958 | 1,946 | 1,934 | 1,921 | 1,909 | 1,897 | 1,885 | 1,874 | 1,862 | 1,850 | 1,839 |
| Earning Assets | 519,848 | 524,572 | 529,341 | 530,634 | 532,911 | 535,568 | 540,229 | 544,959 | 549,311 | 554,088 | 559,955 | 564,873 |
| Non-Earning Assets | 22,105 | 22,870 | 23,565 | 23,139 | 21,150 | 20,487 | 20,274 | 21,012 | 21,230 | 20,575 | 20,326 | 20,939 |
| Assets | 541,952 | 547,442 | 552,906 | 553,772 | 554,060 | 556,055 | 560,503 | 565,971 | 570,541 | 574,663 | 580,281 | 585,812 |
| Liabilities | | | | | | | | | | | | |
| Interest Bearing Checking | 92,660 | 94,009 | 95,363 | 96,525 | 97,293 | 98,067 | 98,846 | 99,630 | 100,419 | 101,213 | 102,012 | 102,817 |
| Savings Deposits | 34,895 | 35,565 | 36,234 | 36,803 | 37,171 | 37,542 | 37,917 | 38,295 | 38,677 | 39,063 | 39,452 | 39,845 |
| Certificates of Deposits | 267,987 | 270,890 | 273,798 | 276,462 | 278,317 | 280,180 | 282,052 | 283,933 | 285,822 | 287,720 | 289,627 | 291,542 |
| Non-Deposit Funding | 46,326 | 45,147 | 43,985 | 40,564 | 38,912 | 37,193 | 37,425 | 38,243 | 38,619 | 38,926 | 40,265 | 41,162 |
| Interest Bearing Liabilities | 441,868 | 445,609 | 449,380 | 450,353 | 451,693 | 452,982 | 456,240 | 460,101 | 463,538 | 466,922 | 471,356 | 475,366 |
| Non-Interest Deposits | 27,965 | 28,195 | 28,485 | 28,084 | 28,401 | 29,164 | 29,987 | 30,272 | 30,593 | 31,359 | 32,186 | 32,473 |
| Total Funding | 469,833 | 473,804 | 477,865 | 478,436 | 480,095 | 482,146 | 486,227 | 490,373 | 494,130 | 498,281 | 503,542 | 507,840 |
| Other Liabilities & Intangibles | 4,797 | 5,475 | 6,082 | 5,517 | 3,311 | 2,433 | 2,002 | 2,472 | 2,507 | 1,672 | 1,241 | 1,622 |
| Equity Capital | 67,323 | 68,163 | 68,959 | 69,819 | 70,655 | 71,476 | 72,274 | 73,127 | 73,904 | 74,710 | 75,499 | 76,350 |
| Liabilities & Shareholders' Equity | 541,952 | 547,442 | 552,906 | 553,772 | 554,060 | 556,055 | 560,503 | 565,971 | 570,541 | 574,663 | 580,281 | 585,812 |
| Capital Accounts Analysis | | | | | | | | | | | | |
| Tangible Equity Capital (Leverage Ratio) | 12.42 | 12.45 | 12.47 | 12.61 | 12.75 | 12.85 | 12.89 | 12.92 | 12.95 | 13.00 | 13.01 | 13.03 |
| Common Equity Tier 1 / Risk-Weighted Assets | - | - | 20.72 | 20.74 | 20.83 | 20.86 | 20.86 | 20.86 | 20.90 | 20.90 | 20.87 | 20.88 |
| Tier 1 Risk-Based Capital Ratio | 20.81 | 20.78 | 20.72 | 20.74 | 20.83 | 20.86 | 20.86 | 20.86 | 20.90 | 20.90 | 20.87 | 20.88 |
| Total Risk-Based Capital Ratio | 22.06 | 22.03 | 21.97 | 22.00 | 22.08 | 22.11 | 22.11 | 22.11 | 22.15 | 22.15 | 22.13 | 22.13 |
| Weighted Rates | | | | | | | | | | | | |
| Loans | 4.15 | 4.15 | 4.12 | 4.12 | 4.14 | 4.16 | 4.20 | 4.24 | 4.28 | 4.33 | 4.39 | 4.47 |
| Investments | 2.61 | 2.61 | 2.60 | 2.57 | 2.56 | 2.55 | 2.56 | 2.57 | 2.59 | 2.63 | 2.65 | 2.71 |
| Short-Term Liquidity | 0.15 | 0.15 | 0.15 | 0.40 | 0.65 | 0.90 | 1.15 | 1.15 | 1.40 | 1.65 | 1.90 | 2.15 |
| Earning Assets | 3.61 | 3.61 | 3.60 | 3.61 | 3.63 | 3.65 | 3.69 | 3.72 | 3.76 | 3.82 | 3.87 | 3.95 |
| Non-Earning Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Assets | 3.46 | 3.46 | 3.45 | 3.46 | 3.49 | 3.52 | 3.55 | 3.59 | 3.62 | 3.68 | 3.73 | 3.81 |
| Interest Bearing Checking | 0.16 | 0.16 | 0.16 | 0.22 | 0.27 | 0.34 | 0.40 | 0.40 | 0.46 | 0.53 | 0.59 | 0.65 |
| Savings Deposits | 0.17 | 0.17 | 0.17 | 0.20 | 0.23 | 0.26 | 0.29 | 0.29 | 0.33 | 0.36 | 0.40 | 0.44 |
| Certificates of Deposits | 0.86 | 0.84 | 0.83 | 0.84 | 0.89 | 0.96 | 1.05 | 1.10 | 1.18 | 1.28 | 1.42 | 1.56 |
| Non-Deposit Funding | 1.87 | 1.91 | 1.95 | 2.23 | 2.43 | 2.62 | 2.73 | 2.70 | 2.03 | 2.22 | 2.14 | 2.31 |
| Interest Bearing Liabilities | 0.76 | 0.75 | 0.74 | 0.78 | 0.83 | 0.91 | 0.98 | 1.01 | 1.03 | 1.12 | 1.21 | 1.34 |
| Non-Interest Deposits | - | - | - | - | - | - | - | - | - | - | - | - |
| Cost of Funds | 0.72 | 0.70 | 0.70 | 0.73 | 0.78 | 0.85 | 0.92 | 0.95 | 0.96 | 1.05 | 1.14 | 1.25 |
| Other Liabilities & Intangibles | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Capital | - | - | - | - | - | - | - | - | - | - | - | - |
| Liabilities & Shareholders' Equity | 0.62 | 0.61 | 0.60 | 0.63 | 0.68 | 0.74 | 0.80 | 0.82 | 0.83 | 0.91 | 0.99 | 1.08 |

| Category | 2014-2015 | | | | 2015-2016 | | | | 2016-2017 | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast |
| Income Statement | | | | | | | | | | | | |
| Interest Income | 4,686,050 | 4,716,667 | 4,707,103 | 4,757,495 | 4,814,660 | 4,864,316 | 4,907,096 | 5,000,152 | 5,117,439 | 5,222,698 | 5,294,546 | 5,453,225 |
| Interest Expense | 847,886 | 845,708 | 819,894 | 840,752 | 899,131 | 976,401 | 1,059,659 | 1,140,536 | 1,154,756 | 1,241,471 | 1,340,227 | 1,481,713 |
| Net Interest Income | 3,838,164 | 3,870,959 | 3,887,209 | 3,916,743 | 3,915,528 | 3,887,915 | 3,847,437 | 3,859,617 | 3,962,683 | 3,981,227 | 3,954,320 | 3,971,512 |
| Provisions for Loan Losses | 180,000 | 180,000 | 180,000 | 180,000 | 52,500 | 52,500 | 52,500 | 52,500 | 90,000 | 90,000 | 90,000 | 90,000 |
| Security Gains and Losses | (204,329) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Interest Income | 673,552 | 643,153 | 649,919 | 734,166 | 644,680 | 655,805 | 665,150 | 751,696 | 666,076 | 673,701 | 682,335 | 772,223 |
| Non-Interest Expenses | 3,287,733 | 3,179,985 | 3,273,741 | 3,280,174 | 3,353,367 | 3,359,955 | 3,367,573 | 3,374,270 | 3,480,997 | 3,457,531 | 3,469,796 | 3,470,643 |
| Net Income Before Taxes | 839,654 | 1,154,127 | 1,083,387 | 1,190,735 | 1,154,341 | 1,131,265 | 1,092,514 | 1,184,543 | 1,057,762 | 1,107,397 | 1,076,859 | 1,183,092 |
| Provision for Income Taxes | 274,762 | 412,922 | 385,301 | 429,717 | 417,111 | 408,510 | 393,457 | 430,540 | 379,509 | 399,494 | 387,327 | 430,130 |
| Net Income | 564,891 | 741,205 | 698,086 | 761,018 | 737,231 | 722,755 | 699,057 | 754,003 | 678,254 | 707,904 | 689,532 | 752,962 |
| Annual Cumulative Income | 564,891 | 1,306,096 | 2,004,182 | 2,765,200 | 737,231 | 1,459,986 | 2,159,043 | 2,913,046 | 678,254 | 1,386,157 | 2,075,690 | 2,828,652 |
| Total Cumulative Income | 564,891 | 1,306,096 | 2,004,182 | 2,765,200 | 3,502,431 | 4,225,186 | 4,924,243 | 5,678,246 | 6,356,499 | 7,064,403 | 7,753,935 | 8,506,898 |
| Balance Sheet & Performance Ratios | | | | | | | | | | | | |
| Return on Assets | 0.41 | 0.54 | 0.51 | 0.55 | 0.53 | 0.52 | 0.50 | 0.53 | 0.48 | 0.49 | 0.48 | 0.52 |
| Return on Equity | 3.37 | 4.37 | 4.06 | 4.38 | 4.19 | 4.06 | 3.88 | 4.14 | 3.68 | 3.80 | 3.66 | 3.96 |
| Yield on Earning Assets | 3.61 | 3.61 | 3.60 | 3.61 | 3.63 | 3.65 | 3.69 | 3.72 | 3.76 | 3.82 | 3.87 | 3.95 |
| Cost of Earning Assets | 0.65 | 0.64 | 0.63 | 0.66 | 0.71 | 0.77 | 0.83 | 0.86 | 0.87 | 0.94 | 1.02 | 1.12 |
| Net Interest Margin | 2.96 | 2.98 | 2.97 | 2.95 | 2.92 | 2.89 | 2.86 | 2.87 | 2.90 | 2.87 | 2.84 | 2.82 |
| Yield on Earning Assets | 3.61 | 3.61 | 3.60 | 3.61 | 3.63 | 3.65 | 3.69 | 3.72 | 3.76 | 3.82 | 3.87 | 3.95 |
| Cost of Interest Bearing Liabilities | 0.76 | 0.75 | 0.74 | 0.78 | 0.83 | 0.91 | 0.98 | 1.01 | 1.03 | 1.12 | 1.21 | 1.34 |
| Spread | 2.84 | 2.86 | 2.86 | 2.83 | 2.79 | 2.75 | 2.71 | 2.71 | 2.74 | 2.70 | 2.65 | 2.61 |
| Non-Interest Income/Assets | 0.49 | 0.47 | 0.47 | 0.53 | 0.47 | 0.47 | 0.48 | 0.53 | 0.47 | 0.47 | 0.47 | 0.53 |
| Non-Interest Expense/Assets | 2.41 | 2.33 | 2.38 | 2.37 | 2.42 | 2.42 | 2.41 | 2.40 | 2.45 | 2.42 | 2.40 | 2.38 |
| Operating Efficiency Ratio | 77.53 | 75.84 | 77.13 | 75.05 | 80.31 | 80.09 | 80.26 | 77.73 | 83.08 | 82.47 | 82.32 | 79.74 |
| Loans/Deposits | 79.92 | 80.51 | 81.18 | 81.94 | 82.18 | 82.66 | 83.12 | 83.68 | 83.92 | 84.38 | 84.83 | 85.37 |
| Reserve for Loan Losses/Net Loans | 1.22 | 1.25 | 1.27 | 1.29 | 1.28 | 1.27 | 1.27 | 1.26 | 1.26 | 1.26 | 1.26 | 1.26 |
| Earning Assets/Assets | 95.92 | 95.82 | 95.74 | 95.82 | 96.18 | 96.32 | 96.38 | 96.29 | 96.28 | 96.42 | 96.50 | 96.43 |
| Interest Bearing Liabilities/Assets | 81.53 | 81.40 | 81.28 | 81.32 | 81.52 | 81.46 | 81.40 | 81.29 | 81.25 | 81.25 | 81.23 | 81.15 |
| Earning Assets/Interest Bearing Liab | 117.65 | 117.72 | 117.79 | 117.83 | 117.98 | 118.23 | 118.41 | 118.44 | 118.50 | 118.67 | 118.80 | 118.83 |
| Interest Rate Trends & Forecast (Ending) | | | | | | | | | | | | |
| Prime Rate | 3.25 | 3.25 | 3.25 | 3.50 | 3.75 | 4.00 | 4.25 | 4.25 | 4.50 | 4.75 | 5.00 | 5.25 |
| Three Month Treasury Bill | 0.04 | 0.05 | 0.06 | 0.29 | 0.53 | 0.78 | 1.02 | 1.03 | 1.28 | 1.52 | 1.77 | 2.02 |
| Three Month LIBOR | 0.23 | 0.23 | 0.23 | 0.49 | 0.74 | 1.00 | 1.25 | 1.26 | 1.52 | 1.77 | 2.03 | 2.28 |
| Five Year Treasury Note | 1.67 | 1.67 | 1.65 | 1.85 | 2.06 | 2.29 | 2.51 | 2.49 | 2.72 | 2.94 | 3.17 | 3.39 |
| Fed Funds Rate | 0.25 | 0.25 | 0.25 | 0.50 | 0.75 | 1.00 | 1.25 | 1.25 | 1.50 | 1.75 | 2.00 | 2.25 |
| "Yield Curve" Spread | 1.42 | 1.42 | 1.40 | 1.35 | 1.31 | 1.29 | 1.26 | 1.24 | 1.22 | 1.19 | 1.17 | 1.14 |

| Category | 2014-2015 | | | | 2015-2016 | | | | 2016-2017 | | | |
|--|----------------|----------------|-----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|-----------------|----------------|
| | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast |
| Balance Sheet | | | | | | | | | | | | |
| <i>Ending Volumes & Rates (Dollars in Thousands)</i> | | | | | | | | | | | | |
| Assets | | | | | | | | | | | | |
| Loans | 338,480 | 345,112 | 356,206 | 366,799 | 374,558 | 383,797 | 393,064 | 402,361 | 410,272 | 419,625 | 425,008 | 430,420 |
| Investments | 179,397 | 177,501 | 175,189 | 169,901 | 168,431 | 165,862 | 165,268 | 164,713 | 165,166 | 164,601 | 165,097 | 164,615 |
| Short-Term Liquidity | 1,971 | 1,958 | 1,946 | 1,934 | 1,921 | 1,909 | 1,897 | 1,885 | 1,874 | 1,862 | 1,850 | 1,839 |
| Earning Assets | 519,848 | 524,572 | 533,341 | 538,634 | 544,911 | 551,568 | 560,229 | 568,959 | 577,311 | 586,088 | 591,955 | 596,873 |
| Non-Earning Assets | 22,105 | 22,870 | 23,565 | 23,139 | 21,150 | 20,487 | 20,274 | 21,012 | 21,230 | 20,575 | 20,326 | 20,939 |
| Assets | 541,952 | 547,442 | 556,906 | 561,772 | 566,060 | 572,055 | 580,503 | 589,971 | 598,541 | 606,663 | 612,281 | 617,812 |
| Liabilities | | | | | | | | | | | | |
| Interest Bearing Checking | 92,660 | 94,009 | 97,238 | 100,275 | 102,918 | 105,567 | 108,221 | 110,880 | 113,544 | 116,213 | 117,012 | 117,817 |
| Savings Deposits | 34,895 | 35,565 | 36,234 | 36,803 | 37,171 | 37,542 | 37,917 | 38,295 | 38,677 | 39,063 | 39,452 | 39,845 |
| Certificates of Deposits | 267,987 | 270,890 | 275,048 | 278,962 | 282,067 | 285,180 | 288,302 | 291,433 | 294,572 | 297,720 | 299,627 | 301,542 |
| Non-Deposit Funding | 46,326 | 45,147 | 44,909 | 42,389 | 41,617 | 40,754 | 41,822 | 43,453 | 44,617 | 45,688 | 46,910 | 47,694 |
| Interest Bearing Liabilities | 441,868 | 445,609 | 453,429 | 458,428 | 463,773 | 469,044 | 476,263 | 484,061 | 491,410 | 498,684 | 503,002 | 506,898 |
| Non-Interest Deposits | 27,965 | 28,195 | 28,485 | 28,084 | 28,401 | 29,164 | 29,987 | 30,272 | 30,593 | 31,359 | 32,186 | 32,473 |
| Total Funding | 469,833 | 473,804 | 481,914 | 486,512 | 492,174 | 498,208 | 506,250 | 514,333 | 522,003 | 530,043 | 535,187 | 539,371 |
| Other Liabilities & Intangibles | 4,797 | 5,475 | 6,082 | 5,517 | 3,311 | 2,433 | 2,002 | 2,472 | 2,507 | 1,672 | 1,241 | 1,622 |
| Equity Capital | 67,323 | 68,163 | 68,911 | 69,744 | 70,575 | 71,415 | 72,251 | 73,167 | 74,031 | 74,948 | 75,853 | 76,819 |
| Liabilities & Shareholders' Equity | 541,952 | 547,442 | 556,906 | 561,772 | 566,060 | 572,055 | 580,503 | 589,971 | 598,541 | 606,663 | 612,281 | 617,812 |
| Capital Accounts Analysis | | | | | | | | | | | | |
| Tangible Equity Capital (Leverage Ratio) | 12.42 | 12.45 | 12.37 | 12.41 | 12.47 | 12.48 | 12.45 | 12.40 | 12.37 | 12.35 | 12.39 | 12.43 |
| Common Equity Tier 1 / Risk-Weighted Assets | - | - | 20.48 | 20.27 | 20.14 | 19.97 | 19.78 | 19.62 | 19.49 | 19.34 | 19.37 | 19.42 |
| Tier 1 Risk-Based Capital Ratio | 20.81 | 20.78 | 20.48 | 20.27 | 20.14 | 19.97 | 19.78 | 19.62 | 19.49 | 19.34 | 19.37 | 19.42 |
| Total Risk-Based Capital Ratio | 22.06 | 22.03 | 21.73 | 21.52 | 21.39 | 21.22 | 21.03 | 20.87 | 20.74 | 20.59 | 20.62 | 20.67 |
| Weighted Average Rates | | | | | | | | | | | | |
| Loans | 4.15 | 4.15 | 4.12 | 4.13 | 4.14 | 4.17 | 4.22 | 4.26 | 4.31 | 4.37 | 4.42 | 4.50 |
| Investments | 2.61 | 2.61 | 2.60 | 2.57 | 2.56 | 2.55 | 2.56 | 2.57 | 2.59 | 2.63 | 2.65 | 2.71 |
| Short-Term Liquidity | 0.15 | 0.15 | 0.15 | 0.40 | 0.65 | 0.90 | 1.15 | 1.15 | 1.40 | 1.65 | 1.90 | 2.15 |
| Earning Assets | 3.61 | 3.61 | 3.61 | 3.62 | 3.64 | 3.68 | 3.72 | 3.76 | 3.81 | 3.87 | 3.92 | 4.00 |
| Non-Earning Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Assets | 3.46 | 3.46 | 3.45 | 3.47 | 3.50 | 3.54 | 3.59 | 3.63 | 3.68 | 3.74 | 3.79 | 3.86 |
| Interest Bearing Checking | 0.16 | 0.16 | 0.16 | 0.22 | 0.27 | 0.34 | 0.40 | 0.40 | 0.46 | 0.53 | 0.59 | 0.65 |
| Savings Deposits | 0.17 | 0.17 | 0.17 | 0.20 | 0.23 | 0.26 | 0.29 | 0.29 | 0.33 | 0.36 | 0.40 | 0.44 |
| Certificates of Deposits | 0.86 | 0.84 | 0.83 | 0.84 | 0.89 | 0.97 | 1.05 | 1.11 | 1.19 | 1.29 | 1.42 | 1.56 |
| Non-Deposit Funding | 1.87 | 1.91 | 1.91 | 2.15 | 2.32 | 2.48 | 2.58 | 2.52 | 1.96 | 2.15 | 2.12 | 2.30 |
| Interest Bearing Liabilities | 0.76 | 0.75 | 0.74 | 0.78 | 0.83 | 0.90 | 0.98 | 1.01 | 1.02 | 1.12 | 1.21 | 1.33 |
| Non-Interest Deposits | - | - | - | - | - | - | - | - | - | - | - | - |
| Cost of Funds | 0.72 | 0.70 | 0.70 | 0.73 | 0.78 | 0.85 | 0.92 | 0.95 | 0.96 | 1.05 | 1.14 | 1.25 |
| Other Liabilities & Intangibles | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Capital | - | - | - | - | - | - | - | - | - | - | - | - |
| Liabilities & Shareholders' Equity | 0.62 | 0.61 | 0.60 | 0.63 | 0.68 | 0.74 | 0.80 | 0.83 | 0.84 | 0.92 | 0.99 | 1.09 |

| Category | 2014-2015 | | | | 2015-2016 | | | | 2016-2017 | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast |
| Income Statement | | | | | | | | | | | | |
| Interest Income | 4,686,050 | 4,716,667 | 4,727,656 | 4,819,889 | 4,921,471 | 5,017,753 | 5,107,209 | 5,250,967 | 5,422,233 | 5,581,506 | 5,675,298 | 5,837,768 |
| Interest Expense | 847,886 | 845,708 | 822,048 | 847,747 | 913,304 | 999,831 | 1,094,127 | 1,186,924 | 1,212,587 | 1,315,738 | 1,425,600 | 1,575,704 |
| Net Interest Income | 3,838,164 | 3,870,959 | 3,905,608 | 3,972,143 | 4,008,167 | 4,017,923 | 4,013,082 | 4,064,043 | 4,209,646 | 4,265,768 | 4,249,699 | 4,262,063 |
| Provisions for Loan Losses | 180,000 | 180,000 | 180,000 | 180,000 | 52,500 | 52,500 | 52,500 | 52,500 | 90,000 | 90,000 | 90,000 | 90,000 |
| Security Gains and Losses | (204,329) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Interest Income | 673,552 | 643,153 | 649,919 | 734,166 | 644,680 | 655,805 | 665,150 | 751,696 | 666,076 | 673,701 | 682,335 | 772,223 |
| Non-Interest Expenses | 3,287,733 | 3,179,985 | 3,373,740 | 3,380,173 | 3,453,366 | 3,459,954 | 3,467,572 | 3,474,269 | 3,580,996 | 3,557,530 | 3,569,795 | 3,570,642 |
| Net Income Before Taxes | 839,654 | 1,154,127 | 1,001,787 | 1,146,136 | 1,146,981 | 1,161,274 | 1,158,160 | 1,288,970 | 1,204,726 | 1,291,939 | 1,272,239 | 1,373,644 |
| Provision for Income Taxes | 274,762 | 412,922 | 352,440 | 411,757 | 414,147 | 420,595 | 419,892 | 472,593 | 438,691 | 473,809 | 466,006 | 506,865 |
| Net Income | 564,891 | 741,205 | 649,346 | 734,379 | 732,835 | 740,679 | 738,268 | 816,377 | 766,035 | 818,131 | 806,233 | 866,779 |
| Annual Cumulative Income | 564,891 | 1,306,096 | 1,955,442 | 2,689,821 | 732,835 | 1,473,514 | 2,211,782 | 3,028,159 | 766,035 | 1,584,166 | 2,390,399 | 3,257,178 |
| Total Cumulative Income | 564,891 | 1,306,096 | 1,955,442 | 2,689,821 | 3,422,656 | 4,163,335 | 4,901,603 | 5,717,980 | 6,484,015 | 7,302,146 | 8,108,379 | 8,975,158 |
| Balance Sheet & Performance Ratios | | | | | | | | | | | | |
| Return on Assets | 0.41 | 0.54 | 0.47 | 0.52 | 0.52 | 0.52 | 0.51 | 0.56 | 0.51 | 0.54 | 0.53 | 0.56 |
| Return on Equity | 3.37 | 4.37 | 3.78 | 4.23 | 4.17 | 4.16 | 4.10 | 4.48 | 4.15 | 4.38 | 4.27 | 4.53 |
| Yield on Earning Assets | 3.61 | 3.61 | 3.61 | 3.62 | 3.64 | 3.68 | 3.72 | 3.76 | 3.81 | 3.87 | 3.92 | 4.00 |
| Cost of Earning Assets | 0.65 | 0.64 | 0.63 | 0.66 | 0.70 | 0.77 | 0.83 | 0.86 | 0.87 | 0.95 | 1.03 | 1.13 |
| Net Interest Margin | 2.96 | 2.98 | 2.98 | 2.96 | 2.94 | 2.91 | 2.89 | 2.91 | 2.94 | 2.92 | 2.89 | 2.86 |
| Yield on Earning Assets | 3.61 | 3.61 | 3.61 | 3.62 | 3.64 | 3.68 | 3.72 | 3.76 | 3.81 | 3.87 | 3.92 | 4.00 |
| Cost of Interest Bearing Liabilities | 0.76 | 0.75 | 0.74 | 0.78 | 0.83 | 0.90 | 0.98 | 1.01 | 1.02 | 1.12 | 1.21 | 1.33 |
| Spread | 2.84 | 2.86 | 2.87 | 2.85 | 2.81 | 2.77 | 2.74 | 2.76 | 2.79 | 2.76 | 2.71 | 2.66 |
| Non-Interest Income/Assets | 0.49 | 0.47 | 0.47 | 0.52 | 0.46 | 0.46 | 0.46 | 0.51 | 0.45 | 0.45 | 0.45 | 0.50 |
| Non-Interest Expense/Assets | 2.41 | 2.33 | 2.44 | 2.41 | 2.45 | 2.43 | 2.41 | 2.37 | 2.41 | 2.36 | 2.34 | 2.32 |
| Operating Efficiency Ratio | 77.53 | 75.84 | 78.81 | 76.12 | 80.70 | 79.78 | 79.29 | 76.31 | 80.74 | 79.45 | 79.30 | 77.19 |
| Loans/Deposits | 79.92 | 80.51 | 81.51 | 82.59 | 83.13 | 83.90 | 84.63 | 85.45 | 85.94 | 86.64 | 87.04 | 87.54 |
| Reserve for Loan Losses/Net Loans | 1.22 | 1.25 | 1.25 | 1.26 | 1.24 | 1.22 | 1.20 | 1.18 | 1.17 | 1.16 | 1.17 | 1.17 |
| Earning Assets/Assets | 95.92 | 95.82 | 95.77 | 95.88 | 96.26 | 96.42 | 96.51 | 96.44 | 96.45 | 96.61 | 96.68 | 96.61 |
| Interest Bearing Liabilities/Assets | 81.53 | 81.40 | 81.42 | 81.60 | 81.93 | 81.99 | 82.04 | 82.05 | 82.10 | 82.20 | 82.15 | 82.05 |
| Earning Assets/Interest Bearing Liab | 117.65 | 117.72 | 117.62 | 117.50 | 117.50 | 117.59 | 117.63 | 117.54 | 117.48 | 117.53 | 117.68 | 117.75 |
| Interest Rate Trends & Forecast (Ending) | | | | | | | | | | | | |
| Prime Rate | 3.25 | 3.25 | 3.25 | 3.50 | 3.75 | 4.00 | 4.25 | 4.25 | 4.50 | 4.75 | 5.00 | 5.25 |
| Three Month Treasury Bill | 0.04 | 0.05 | 0.06 | 0.29 | 0.53 | 0.78 | 1.02 | 1.03 | 1.28 | 1.52 | 1.77 | 2.02 |
| Three Month LIBOR | 0.23 | 0.23 | 0.23 | 0.49 | 0.74 | 1.00 | 1.25 | 1.26 | 1.52 | 1.77 | 2.03 | 2.28 |
| Five Year Treasury Note | 1.67 | 1.67 | 1.65 | 1.85 | 2.06 | 2.29 | 2.51 | 2.49 | 2.72 | 2.94 | 3.17 | 3.39 |
| Fed Funds Rate | 0.25 | 0.25 | 0.25 | 0.50 | 0.75 | 1.00 | 1.25 | 1.25 | 1.50 | 1.75 | 2.00 | 2.25 |
| "Yield Curve" Spread | 1.42 | 1.42 | 1.40 | 1.35 | 1.31 | 1.29 | 1.26 | 1.24 | 1.22 | 1.19 | 1.17 | 1.14 |

| Category | 2014-2015 | | | | 2015-2016 | | | | 2016-2017 | | | |
|--|---------------|----------------|-----------------|----------------|---------------|----------------|-----------------|----------------|---------------|----------------|-----------------|----------------|
| | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast |
| Balance Sheet | | | | | | | | | | | | |
| <i>Ending Volumes & Rates (Dollars in Thousands)</i> | | | | | | | | | | | | |
| Assets | | | | | | | | | | | | |
| Loans | 0 | 0 | 4,000 | 8,000 | 12,000 | 16,000 | 20,000 | 24,000 | 28,000 | 32,000 | 32,000 | 32,000 |
| Investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Short-Term Liquidity | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Earning Assets | 0 | 0 | 4,000 | 8,000 | 12,000 | 16,000 | 20,000 | 24,000 | 28,000 | 32,000 | 32,000 | 32,000 |
| Non-Earning Assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assets | 0 | 0 | 4,000 | 8,000 | 12,000 | 16,000 | 20,000 | 24,000 | 28,000 | 32,000 | 32,000 | 32,000 |
| Liabilities | | | | | | | | | | | | |
| Interest Bearing Checking | 0 | 0 | 1,875 | 3,750 | 5,625 | 7,500 | 9,375 | 11,250 | 13,125 | 15,000 | 15,000 | 15,000 |
| Savings Deposits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Certificates of Deposits | 0 | 0 | 1,250 | 2,500 | 3,750 | 5,000 | 6,250 | 7,500 | 8,750 | 10,000 | 10,000 | 10,000 |
| Non-Deposit Funding | 0 | 0 | 924 | 1,825 | 2,705 | 3,562 | 4,398 | 5,210 | 5,997 | 6,762 | 6,646 | 6,532 |
| Interest Bearing Liabilities | 0 | 0 | 4,049 | 8,075 | 12,080 | 16,062 | 20,023 | 23,960 | 27,872 | 31,762 | 31,646 | 31,532 |
| Non-Interest Deposits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Funding | 0 | 0 | 4,049 | 8,075 | 12,080 | 16,062 | 20,023 | 23,960 | 27,872 | 31,762 | 31,646 | 31,532 |
| Other Liabilities & Intangibles | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Equity Capital | 0 | 0 | (49) | (75) | (80) | (62) | (23) | 40 | 128 | 238 | 354 | 468 |
| Liabilities & Shareholders' Equity | 0 | 0 | 4,000 | 8,000 | 12,000 | 16,000 | 20,000 | 24,000 | 28,000 | 32,000 | 32,000 | 32,000 |
| Capital Accounts Analysis | | | | | | | | | | | | |
| Tangible Equity Capital (Leverage Ratio) | 0.00 | 0.00 | (0.10) | (0.19) | (0.28) | (0.37) | (0.45) | (0.52) | (0.58) | (0.65) | (0.62) | (0.60) |
| Common Equity Tier 1 / Risk-Weighted Assets | - | - | (0.24) | (0.47) | (0.69) | (0.89) | (1.07) | (1.24) | (1.41) | (1.55) | (1.50) | (1.46) |
| Tier 1 Risk-Based Capital Ratio | 0.00 | 0.00 | (0.24) | (0.47) | (0.69) | (0.89) | (1.07) | (1.24) | (1.41) | (1.55) | (1.50) | (1.46) |
| Total Risk-Based Capital Ratio | 0.00 | 0.00 | (0.25) | (0.47) | (0.69) | (0.89) | (1.07) | (1.25) | (1.41) | (1.56) | (1.51) | (1.46) |
| Weighted Average Rates | | | | | | | | | | | | |
| Loans | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | 0.02 | 0.02 | 0.03 | 0.04 | 0.03 | 0.03 |
| Investments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Short-Term Liquidity | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Earning Assets | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | 0.02 | 0.03 | 0.04 | 0.05 | 0.05 | 0.05 | 0.05 |
| Non-Earning Assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Assets | 0.00 | 0.00 | 0.01 | 0.01 | 0.02 | 0.02 | 0.03 | 0.04 | 0.05 | 0.06 | 0.06 | 0.05 |
| Interest Bearing Checking | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Savings Deposits | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Certificates of Deposits | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Non-Deposit Funding | 0.00 | 0.00 | 0.03 | 0.07 | 0.11 | 0.14 | 0.16 | 0.17 | 0.07 | 0.07 | 0.02 | 0.01 |
| Interest Bearing Liabilities | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | 0.01 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 |
| Non-Interest Deposits | - | - | - | - | - | - | - | - | - | - | - | - |
| Cost of Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other Liabilities & Intangibles | - | - | - | - | - | - | - | - | - | - | - | - |
| Equity Capital | - | - | - | - | - | - | - | - | - | - | - | - |
| Liabilities & Shareholders' Equity | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (0.01) | (0.01) | (0.01) | (0.01) |

| Category | 2014-2015 | | | | 2015-2016 | | | | 2016-2017 | | | |
|---|---------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|-----------------|----------------|
| | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast | I Forecast | II Forecast | III Forecast | IV Forecast |
| Income Statement | | | | | | | | | | | | |
| Interest Income | 0 | 0 | 20,553 | 62,394 | 106,812 | 153,437 | 200,113 | 250,815 | 304,795 | 358,808 | 380,752 | 384,542 |
| Interest Expense | 0 | 0 | (2,154) | (6,994) | (14,173) | (23,430) | (34,467) | (46,388) | (57,831) | (74,267) | (85,373) | (93,991) |
| Net Interest Income | 0 | 0 | 18,399 | 55,400 | 92,639 | 130,008 | 165,645 | 204,426 | 246,963 | 284,541 | 295,379 | 290,551 |
| Provisions for Loan Losses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Security Gains and Losses | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Interest Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Interest Expenses | 0 | 0 | (99,999) | (99,999) | (99,999) | (99,999) | (99,999) | (99,999) | (99,999) | (99,999) | (99,999) | (99,999) |
| Net Income Before Taxes | 0 | 0 | (81,600) | (44,599) | (7,360) | 30,009 | 65,646 | 104,427 | 146,964 | 184,542 | 195,380 | 190,552 |
| Provision for Income Taxes | 0 | 0 | 32,861 | 17,960 | 2,964 | (12,085) | (26,435) | (42,053) | (59,182) | (74,315) | (78,679) | (76,735) |
| Net Income | 0 | 0 | (48,740) | (26,639) | (4,396) | 17,924 | 39,211 | 62,374 | 87,782 | 110,227 | 116,700 | 113,817 |
| Annual Cumulative Income | 0 | 0 | (48,740) | (75,379) | (4,396) | 13,528 | 52,739 | 115,113 | 87,782 | 198,009 | 314,709 | 428,526 |
| Total Cumulative Income | 0 | 0 | (48,740) | (75,379) | (79,775) | (61,851) | (22,640) | 39,734 | 127,516 | 237,743 | 354,443 | 468,260 |
| Balance Sheet & Performance Ratios | | | | | | | | | | | | |
| Return on Assets | 0.00 | 0.00 | (0.04) | (0.03) | (0.01) | 0.00 | 0.01 | 0.02 | 0.04 | 0.05 | 0.05 | 0.05 |
| Return on Equity | 0.00 | 0.00 | (0.28) | (0.15) | (0.02) | 0.10 | 0.22 | 0.34 | 0.47 | 0.58 | 0.60 | 0.57 |
| Yield on Earning Assets | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | 0.02 | 0.03 | 0.04 | 0.05 | 0.05 | 0.05 | 0.05 |
| Cost of Earning Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | (0.01) | (0.01) | (0.01) |
| Net Interest Margin | 0.00 | 0.00 | 0.01 | 0.01 | 0.02 | 0.02 | 0.03 | 0.04 | 0.04 | 0.05 | 0.04 | 0.04 |
| Yield on Earning Assets | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | 0.02 | 0.03 | 0.04 | 0.05 | 0.05 | 0.05 | 0.05 |
| Cost of Interest Bearing Liabilities | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.01 | 0.01 | 0.01 | 0.00 | 0.00 | 0.00 | 0.00 |
| Spread | 0.00 | 0.00 | 0.01 | 0.01 | 0.02 | 0.03 | 0.04 | 0.05 | 0.05 | 0.06 | 0.06 | 0.05 |
| Non-Interest Income/Assets | 0.00 | 0.00 | 0.00 | (0.01) | (0.01) | (0.01) | (0.01) | (0.02) | (0.02) | (0.02) | (0.02) | (0.03) |
| Non-Interest Expense/Assets | 0.00 | 0.00 | (0.06) | (0.05) | (0.03) | (0.01) | 0.01 | 0.02 | 0.04 | 0.05 | 0.06 | 0.06 |
| Operating Efficiency Ratio | 0.00 | 0.00 | (1.68) | (1.07) | (0.39) | 0.32 | 0.97 | 1.43 | 2.34 | 3.02 | 3.01 | 2.55 |
| Loans/Deposits | 0.00 | 0.00 | 0.33 | 0.65 | 0.95 | 1.24 | 1.51 | 1.76 | 2.02 | 2.25 | 2.21 | 2.17 |
| Reserve for Loan Losses/Net Loans | 0.00 | 0.00 | (0.01) | (0.03) | (0.04) | (0.05) | (0.07) | (0.08) | (0.09) | (0.10) | (0.10) | (0.09) |
| Earning Assets/Assets | 0.00 | 0.00 | 0.03 | 0.06 | 0.08 | 0.10 | 0.12 | 0.15 | 0.17 | 0.19 | 0.18 | 0.19 |
| Interest Bearing Liabilities/Assets | 0.00 | 0.00 | (0.14) | (0.28) | (0.41) | (0.53) | (0.64) | (0.75) | (0.86) | (0.95) | (0.92) | (0.90) |
| Earning Assets/Interest Bearing Liab | 0.00 | 0.00 | (0.17) | (0.33) | (0.49) | (0.64) | (0.78) | (0.90) | (1.02) | (1.14) | (1.11) | (1.08) |
| Interest Rate Trends & Forecast (Ending) | | | | | | | | | | | | |
| Prime Rate | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Three Month Treasury Bill | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Three Month LIBOR | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Five Year Treasury Note | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fed Funds Rate | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| "Yield Curve" Spread | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |