



# **Strength & Opportunity vs. All Peer Banks**

**National Bank**

Anytown, USA

# Strength & Opportunity vs. Peers (All Banks, \$300M-\$500M Assets)

## National Bank

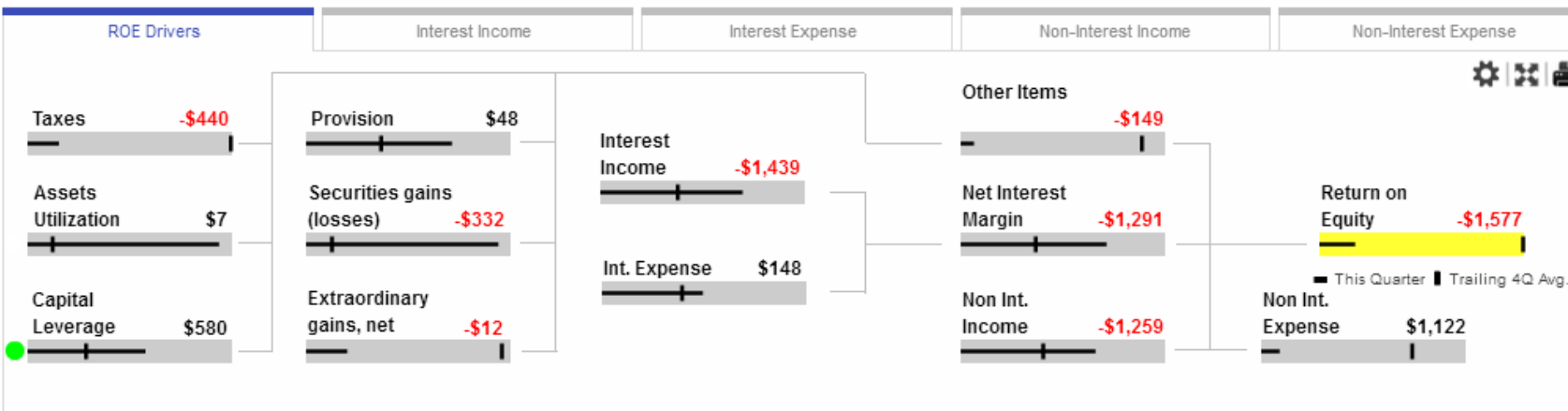
Hillsboro, IL

Assets \$333.6 mm | ROE 7.93% | ROA 0.74% | Efficiency Ratio 64.08%

## Asset Band: 300M - 500M

Banks 754

Assets \$385.1 mm | ROE 8.33% | ROA 0.91% | Efficiency Ratio 69.02%



Overview | Variance Analysis | Ratios & Metrics

Loans | Deposits | Assets | Securities | Loan Repr | Deposit Rej

Dec-14 | Mar-15 | Jun-15 | Sep-15 | Dec-15

## BankTrends Strengths & Opportunities Report

All \$\$ are in thousands and quarterly information is annualized

### Important Strengths

- Salary & Compensation \$2,499
- Total Personnel Exp. \$1,366
- Branch Infrastructure \$955
- Capital Leverage \$580
- Non Int. Dep. Utilization \$226

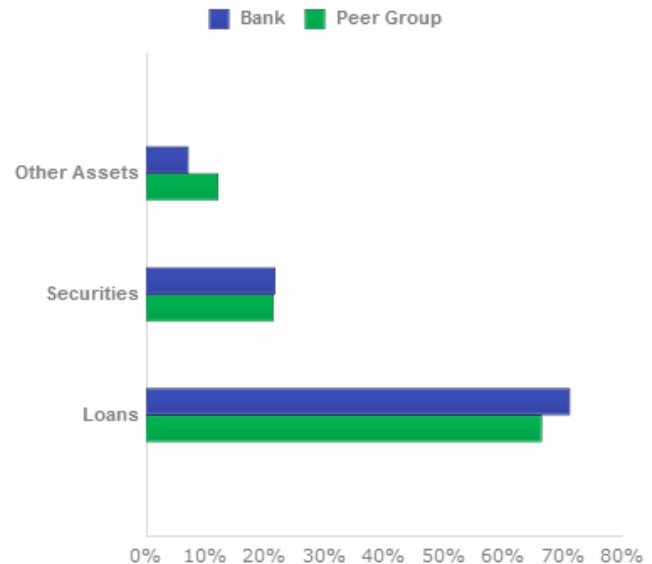
### Important Opportunities

- Loan Yield -\$1,825
- Assets per Employee -\$1,133
- Assets per Branch -\$1,103
- Other Income -\$865
- Fiduciary Activities -\$218

## Summary Analysis for ROE Drivers

	Mar-15	Jun-15	Sep-15	Dec-15	Trailing 4Qs
<b>National Bank</b>	7.49%	7.79%	8.35%	8.09%	7.94%
<b>Peer Group</b>	7.73%	4.59%	7.87%	12.97%	8.32%
<b>Variance</b>	-0.24%	3.21%	0.48%	-4.87%	-0.39%
<b>Impact to Income</b>	-\$74	\$1,005	\$152	-\$1,577	-\$122

## Asset Composition



# Strength & Opportunity vs. Peer Metrics

## National Bank

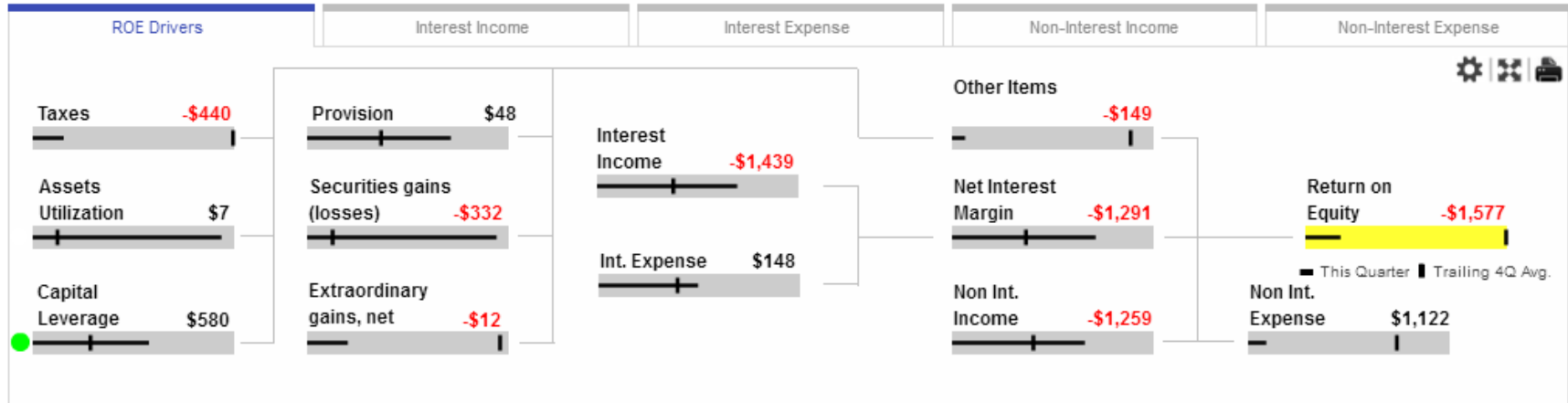
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## Overview | Variance Analysis | Ratios & Metrics

○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15 ○ Trailing 4Qs

### ROE Drivers

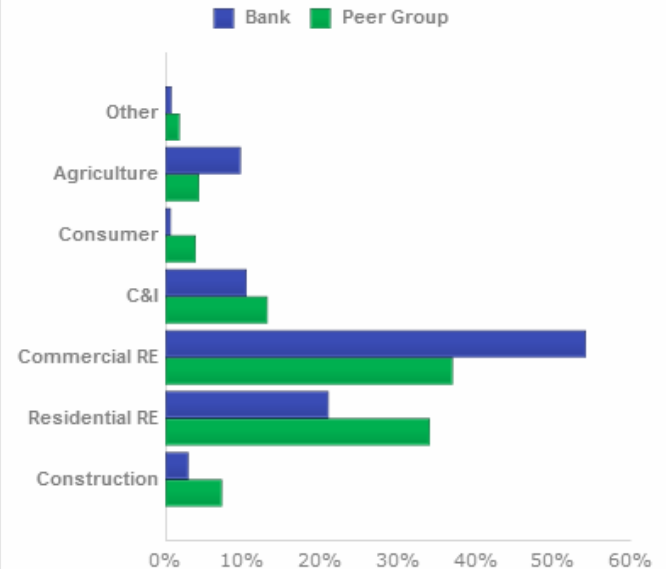
**Bank** **Peers** **Variance**

	Bank	Peers	Variance
Return on Equity	7.93%	8.33%	-4.72%
Return on Assets	0.74%	0.91%	-18.95%
Net Interest Margin	3.26%	3.68%	-11.21%
Earning Assets / Total Assets	92.80%	92.98%	-0.19%
Loans / Deposits	77.86%	78.48%	-0.80%
Efficiency Ratio	64.08%	69.02%	-7.16%
Non-Interest Income / Earning Assets	0.58%	1.00%	-42.04%
Non-Interest Expense / Earning Assets	2.44%	3.16%	-22.77%
Equity Capital to Assets	9.77%	10.89%	-10.30%
Core Capital Leverage	9.47%	10.76%	-12.00%
Tier-1 Risk-Based Capital Ratio	12.43%	14.99%	-17.08%
Total Risk-Based Capital Ratio	13.68%	16.12%	-15.14%
Net Charge-offs to Loans	0.06%	0.14%	-60.38%
Noncurrent Loans to Loans	0.54%	1.02%	-47.55%
Delinquencies 90+ Days (\$ 000s)	0	3	-100.00%

## Loans | Deposits | Assets | Securities | Loan Repr | Deposit Repr

○ Dec-14 ○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15

### Loan Composition



# Interest Income Drivers & Metrics

## National Bank

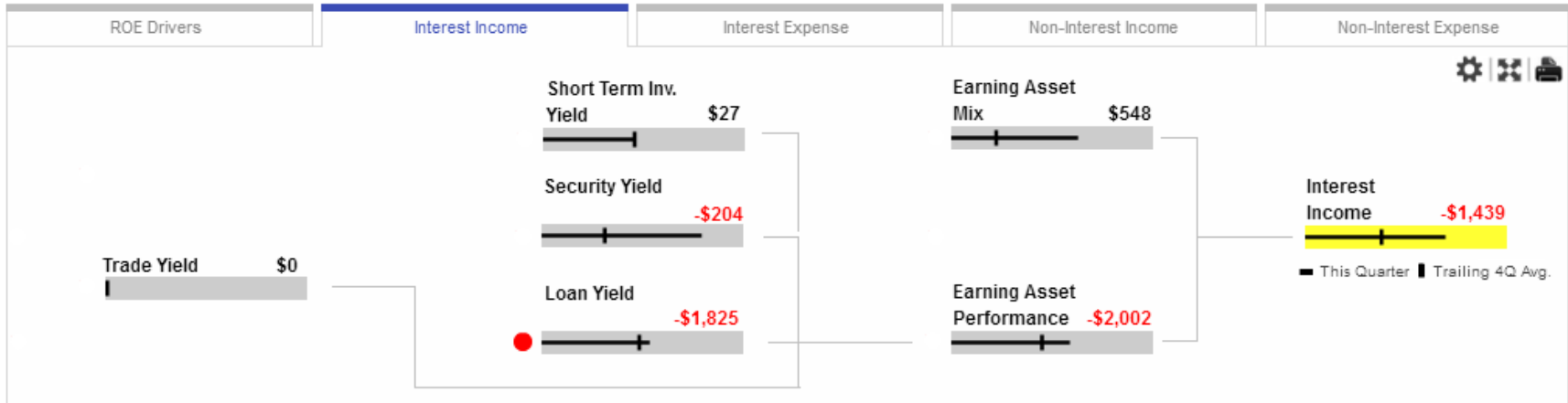
Hillsboro, IL

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## Asset Band: 300M - 500M

Banks 754

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### Overview | Variance Analysis | **Ratios & Metrics**

○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15 ○ Trailing 4Qs

#### Interest Income Items

Bank Peers Variance

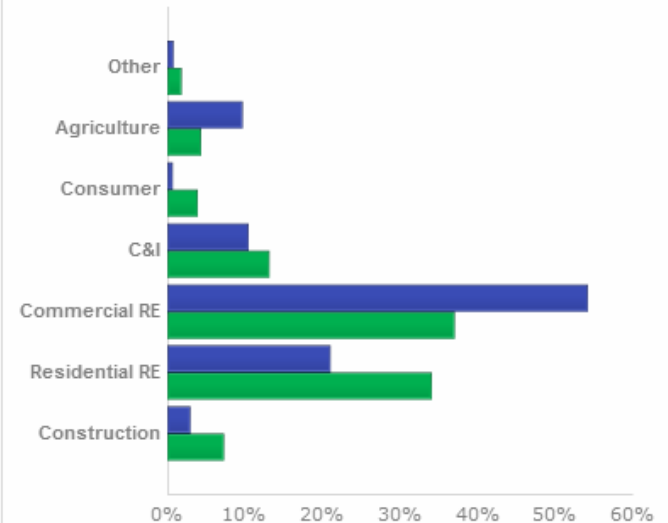
Interest Income Items	Bank	Peers	Variance
Net Interest Margin	3.26%	3.68%	-11.21%
Net Interest Spread	3.05%	3.50%	-12.70%
Cost of Funding Earning Assets	0.40%	0.44%	-10.67%
Yield on Interest Earning Assets	3.66%	4.12%	-11.16%
Securities Yield	1.98%	2.24%	-11.39%
Loan Yield	4.29%	5.09%	-15.66%
Other Investment Yield	1.11%	0.43%	158.33%

### Loans | Deposits | Assets | Securities | Loan Repr | Deposit Rej

○ Dec-14 ○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15

#### Loan Composition

■ Bank ■ Peer Group



# Interest Expense Drivers & Metrics

## National Bank

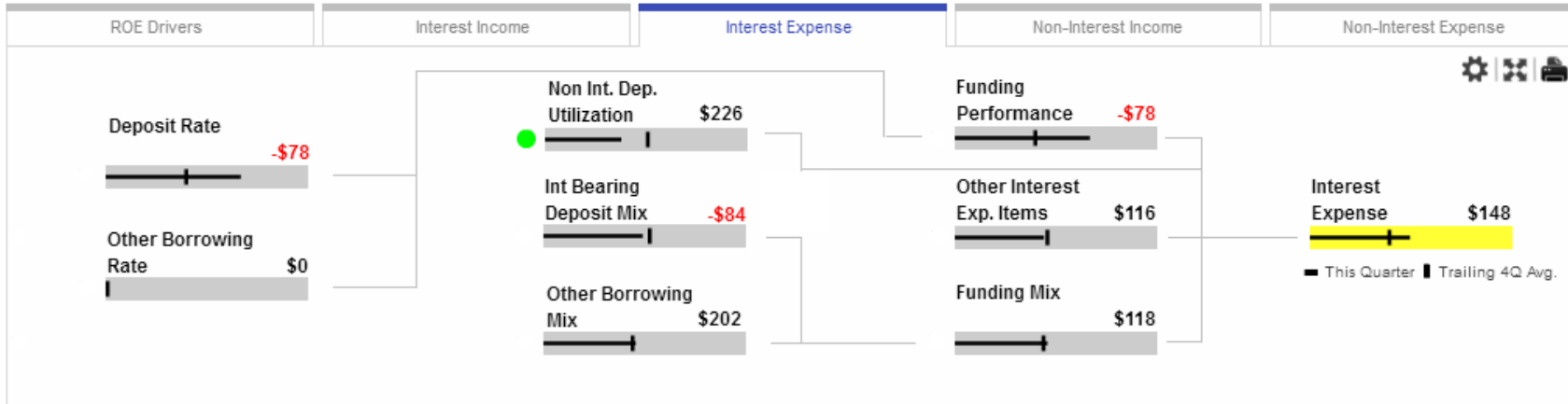
Hillsboro, IL

Assets \$333.6 mm | ROE 7.93% | ROA 0.74% | Efficiency Ratio 64.08%

## Asset Band: 300M - 500M

Banks [754](#)

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### Overview | Variance Analysis | **Ratios & Metrics**

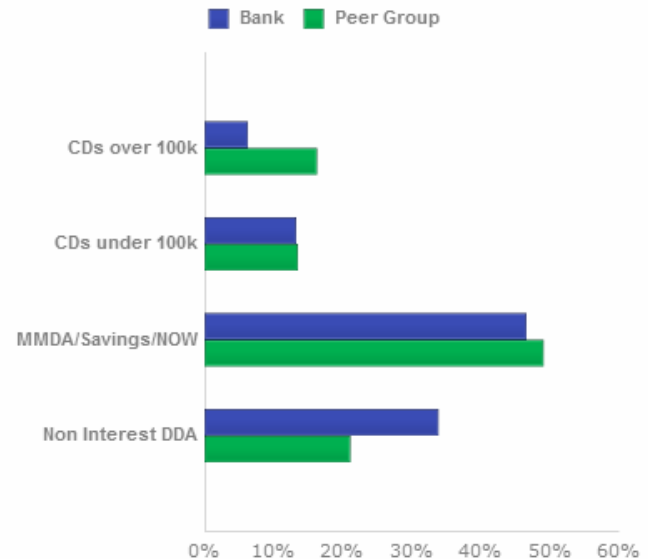
○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15 ○ Trailing 4Qs

Interest Expense Items	Bank	Peers	Variance
Net Interest Margin	3.26%	3.68%	-11.21%
Net Interest Spread	3.05%	3.50%	-12.70%
Cost of Int. Bearing Fund	0.61%	0.62%	-2.49%
Deposit Rate	0.60%	0.57%	6.76%
Other Borrowing Rate	0.00%	1.36%	-100.00%
Cost of Funding Earning Assets	0.40%	0.44%	-10.67%
Loans to Deposits	77.86%	78.48%	-0.80%
Brokered/Total Deposits	0.00%	3.38%	#VALUE!
Other Borrowings/Total Deposits	0.00%	4.58%	-100.00%
Wholesale Funding/Total Deposits	0.00%	9.01%	-100.00%
Number of Branches	12	7	72.18%
Deposits per Branch (\$ 000s)	25,022	46,168	-45.80%

### Loans | **Deposits** | Assets | Securities | Loan Repr | Deposit Rej

○ Dec-14 ○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15

### Deposit Composition



# Non-Interest Income Drivers & Metrics

## National Bank

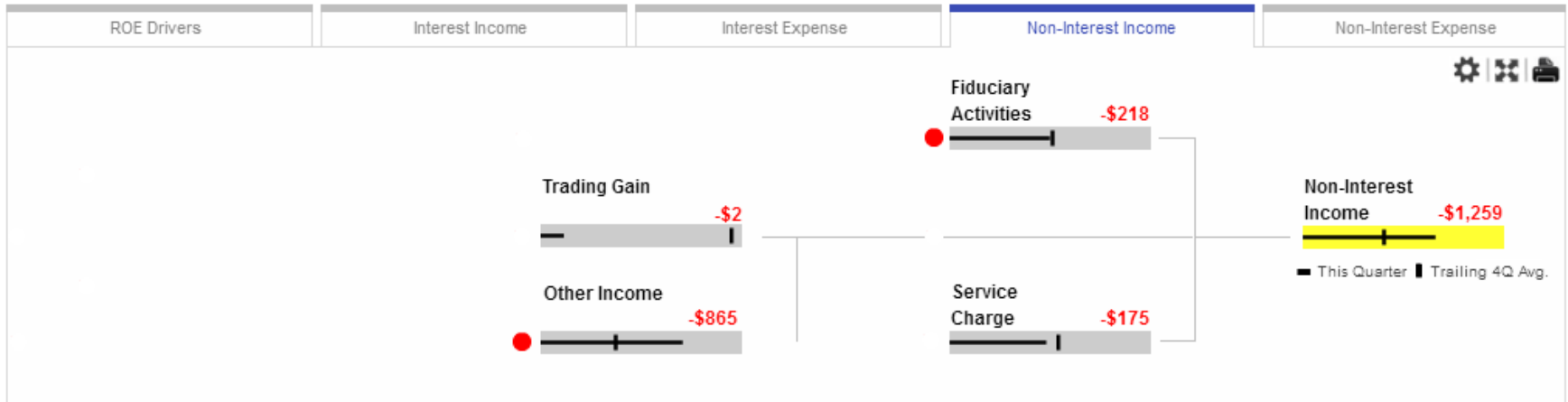
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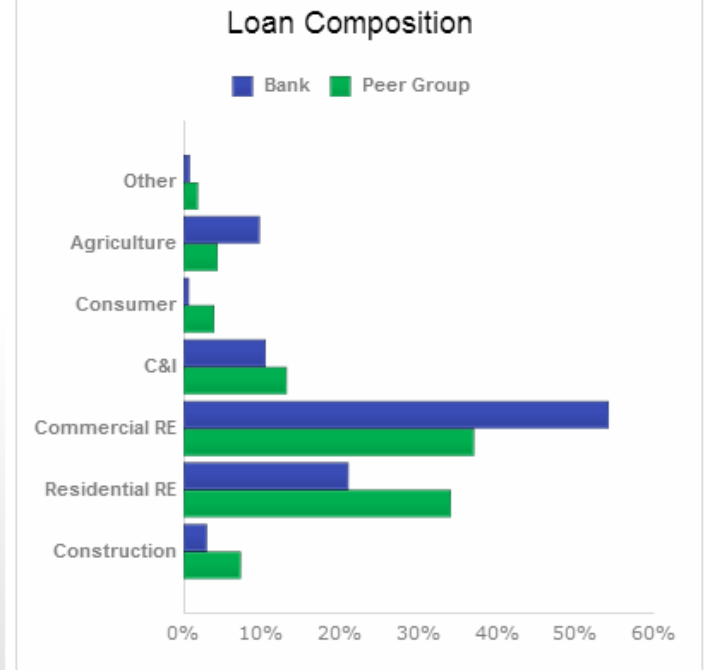
## Overview | Variance Analysis | Ratios & Metrics

Mar-15
  Jun-15
  Sep-15
  Dec-15
  Trailing 4Qs

Non-Interest Income Items	Bank	Peers	Variance
Non-Interest Income to Earning Assets	0.58%	1.00%	-42.04%
Service Charges to Total Deposits	0.20%	0.27%	-26.78%
Service Charges to Interest Bearing Deposits	0.30%	0.35%	-12.69%
Additional Non-Interest Income to Deposits	0.40%	0.73%	-45.05%
Service Charges per Branch (\$ 000s)	50	126	-60.31%
Revenue per Full-Time Employee (\$ 000s)	119	162	-26.49%
Insurance Fees & Commissions (\$ 000s)	24	102	-76.39%
Advisory & Brokerage Fees (\$ 000s)	0	128	-100.00%
Other (ATM, Safety Dep., BOLI, etc.) (\$ 000s)	550	1,127	-51.21%
Net servicing fees (\$ 000s)	276	148	86.14%
Gains (losses) on sales of OREO (\$ 000s)	-12	-46	-74.12%
Gains (losses) on sales of loans (\$ 000s)	366	1,003	-63.53%
Total Assets (\$ 000s)	333,575	385,070	-13.37%

## Loans | Deposits | Assets | Securities | Loan Repr | Deposit Repr

Dec-14
  Mar-15
  Jun-15
  Sep-15
  Dec-15



# Non-Interest Expense Drivers & Metrics

## National Bank

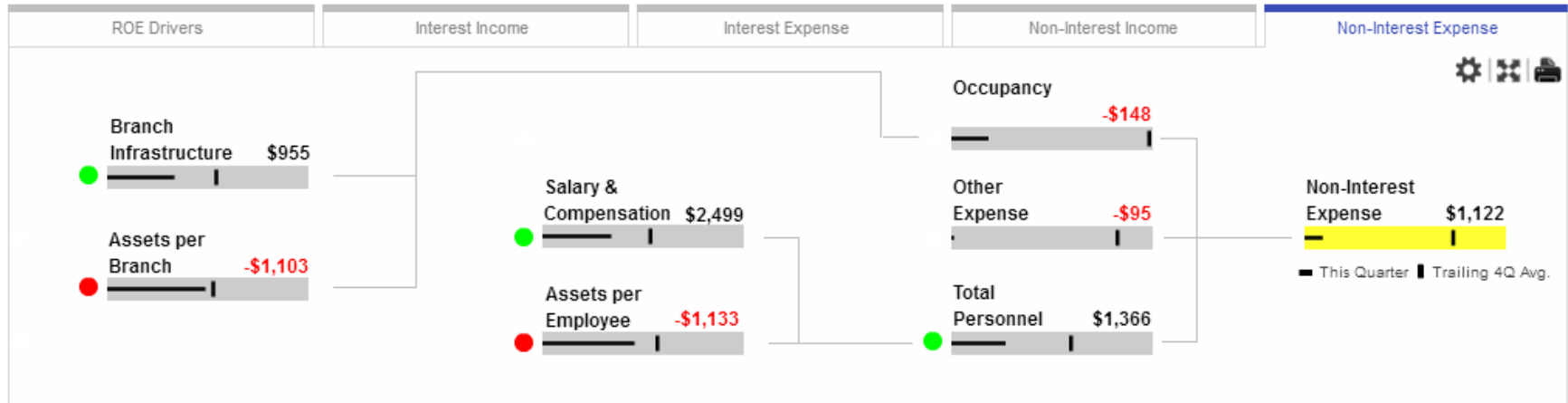
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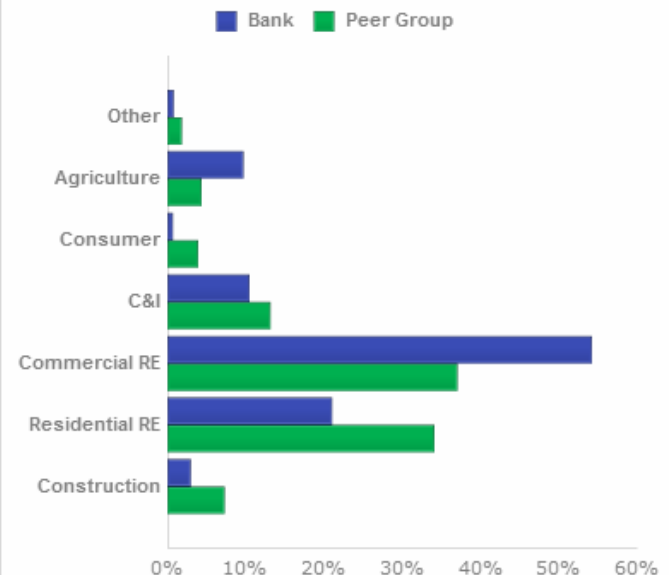
#### Non-Interest Expense Items

Non-Interest Expense Items	Bank	Peers	Variance
Efficiency Ratio	64.08%	69.02%	-7.16%
Non-Interest Expense to Earning Assets	2.44%	3.16%	-22.77%
Occupancy Expense (% of EA)	0.42%	0.37%	15.11%
Salaries & Benefits to Earning Assets	1.40%	1.81%	-22.36%
Intangible Amortization & Impairment (% of EA)	0.01%	0.01%	-52.06%
Other (Prof Srv.Fees, Printing, Supplies,etc) (%)	0.72%	0.68%	6.61%
Net charge-offs (% of EA)	0.26%	0.16%	62.99%
Earning Assets per Employee (\$ 000s)	3,225	3,977	-18.93%
Compensation per Full-Time Emp. (\$ 000s)	45	72	-37.05%
Deposits per Employee (\$ 000s)	3,128	3,575	-12.50%
Deposits per Branch (\$ 000s)	25,022	46,168	-45.80%
Number of Full Time Employees	96	90	6.65%

### Loans | Deposits | Assets | Securities | Loan Repr | Deposit Repr

○ Dec-14 ○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15

#### Loan Composition





# Strength & Opportunity vs. SBA Peer Group

**National Bank**  
Anytown, USA



# Strength & Opportunity vs. Peers (SBA Peer Group)

## National Bank

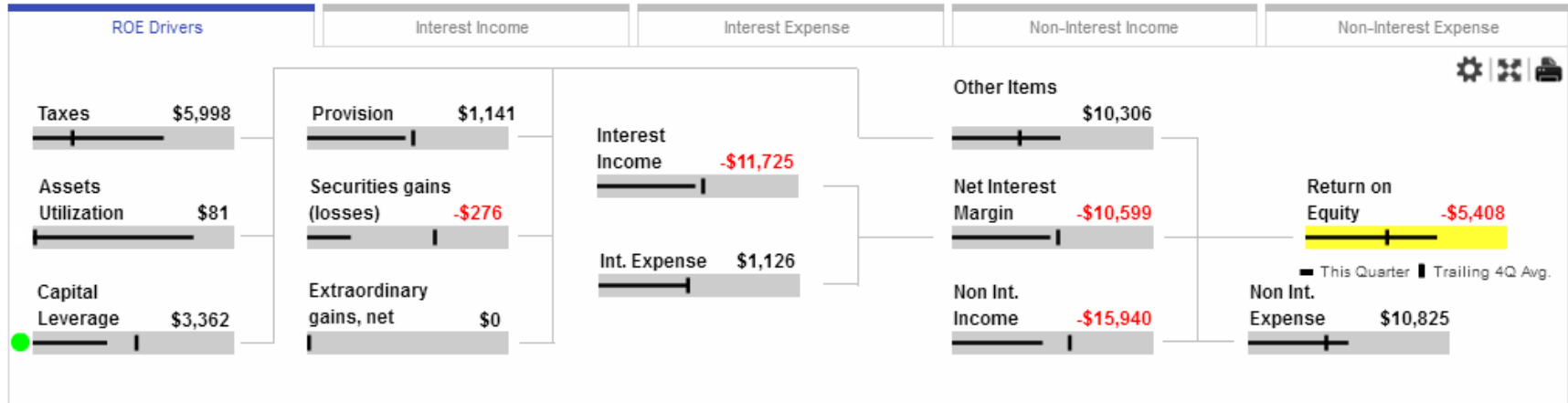
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Assets \$333.6 mm | ROE 7.93% | ROA 0.74% | Efficiency Ratio 64.08%

## Custom Peer Group SBA Peer Group

Banks 5

Assets \$841.1 mm | ROE 27.59% | ROA 3.62% | Efficiency Ratio 47.57%



Overview | Variance Analysis | Ratios & Metrics

## BankTrends Strengths & Opportunities Report

All \$\$ are in thousands and quarterly information is annualized

### Important Strengths

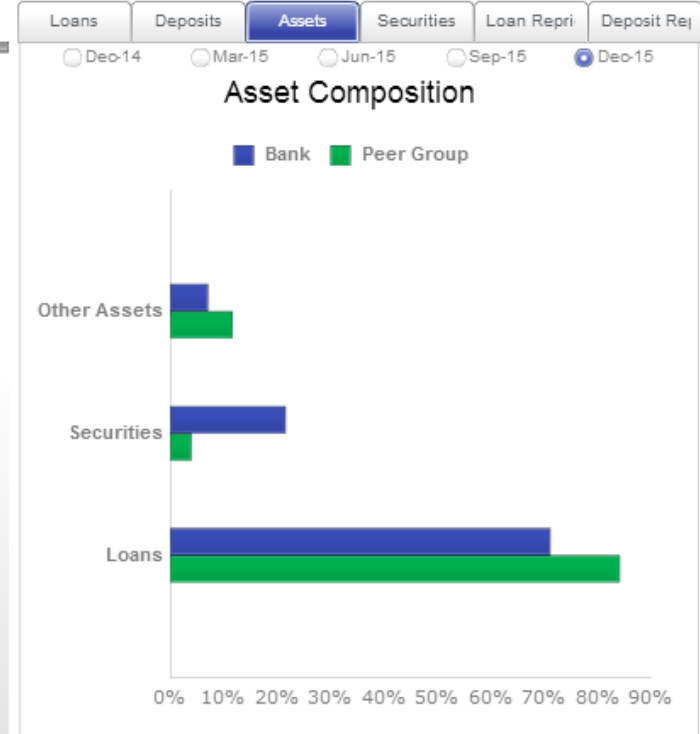
1. Branch Infrastructure \$8,785
2. Salary & Compensation \$7,746
3. Total Personnel Exp. \$6,197
4. Other Expense \$4,427
5. Capital Leverage \$3,362

### Important Opportunities

1. Other Income -\$16,436
2. Loan Yield -\$8,909
3. Assets per Branch -\$8,584
4. Assets per Employee -\$1,549
5. Security Yield -\$313

## Summary Analysis for ROE Drivers

	Mar-15	Jun-15	Sep-15	Dec-15	Trailing 4Qs
<b>National Bank</b>	7.49%	7.79%	8.35%	8.09%	7.94%
<b>Peer Group</b>	39.14%	22.97%	24.73%	24.80%	27.58%
<b>Variance</b>	-31.66%	-15.17%	-16.38%	-16.71%	-19.64%
<b>Impact to Income</b>	-\$9,824	-\$4,758	-\$5,203	-\$5,408	-\$6,213



# Strength & Opportunity vs. Peer Metrics

## National Bank

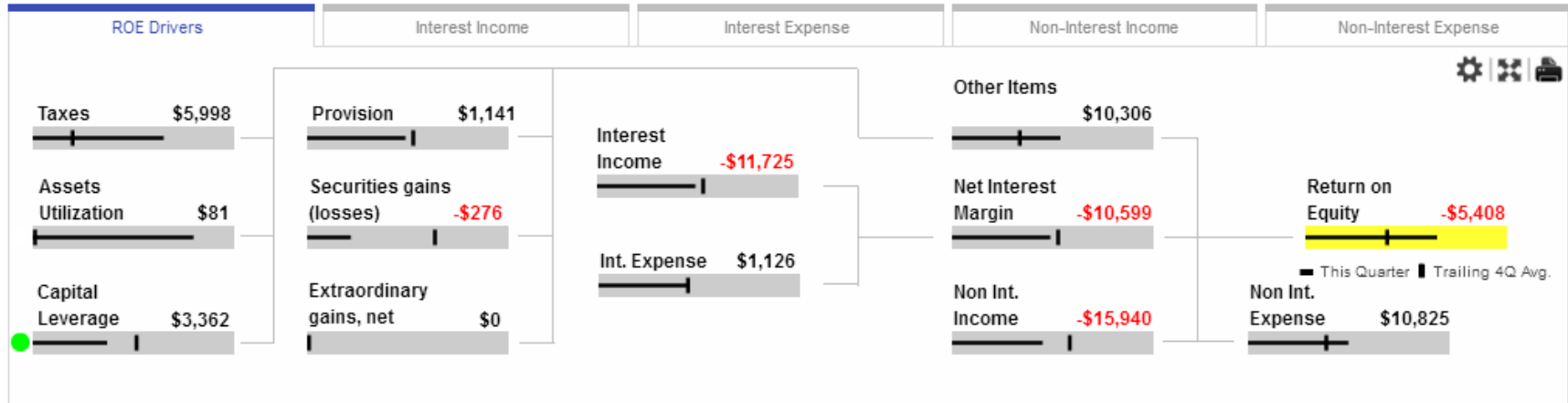
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## Overview | Variance Analysis | Ratios & Metrics

○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15 ○ Trailing 4Qs

### ROE Drivers

**Bank** **Peers** **Variance**

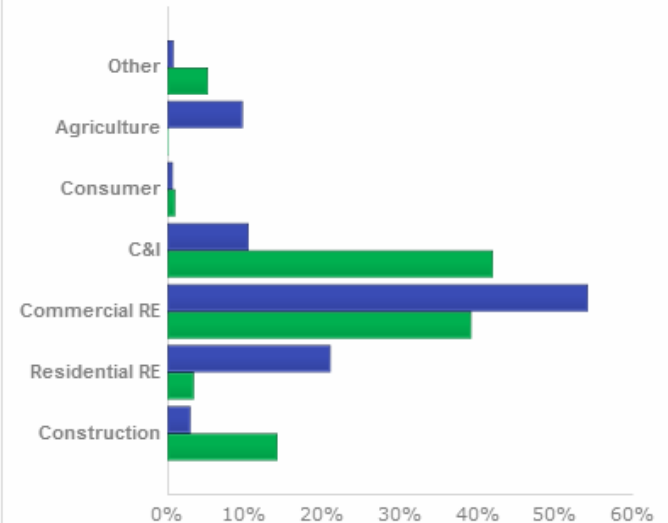
	Bank	Peers	Variance
Return on Equity	7.93%	27.59%	-71.24%
Return on Assets	0.74%	3.62%	-79.61%
Net Interest Margin	3.26%	6.65%	-50.91%
Earning Assets / Total Assets	92.80%	92.37%	0.47%
Loans / Deposits	77.86%	98.99%	-21.35%
Efficiency Ratio	64.08%	47.57%	34.69%
Non-Interest Income / Earning Assets	0.58%	4.97%	-88.34%
Non-Interest Expense / Earning Assets	2.44%	5.23%	-53.33%
Equity Capital to Assets	9.77%	13.86%	-29.54%
Core Capital Leverage	9.47%	14.51%	-34.74%
Tier-1 Risk-Based Capital Ratio	12.43%	15.79%	-21.28%
Total Risk-Based Capital Ratio	13.68%	16.99%	-19.47%
Net Charge-offs to Loans	0.06%	0.47%	-87.99%
Noncurrent Loans to Loans	0.54%	1.11%	-51.80%
Delinquencies 90+ Days (\$ 000s)	0	0	-100.00%

## Loans | Deposits | Assets | Securities | Loan Repr | Deposit Rej

○ Dec-14 ○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15

### Loan Composition

■ Bank ■ Peer Group



# Interest Income Drivers & Metrics

## National Bank

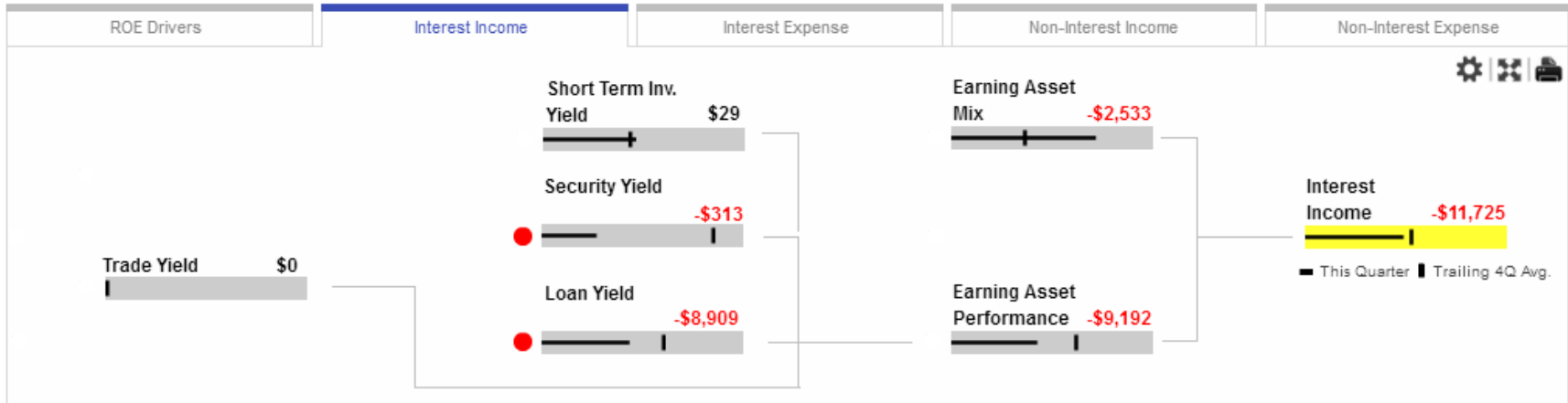
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### Overview | Variance Analysis | Ratios & Metrics

Mar-15
  Jun-15
  Sep-15
  Dec-15
  Trailing 4Qs

#### Interest Income Items

**Bank**    **Peers**    **Variance**

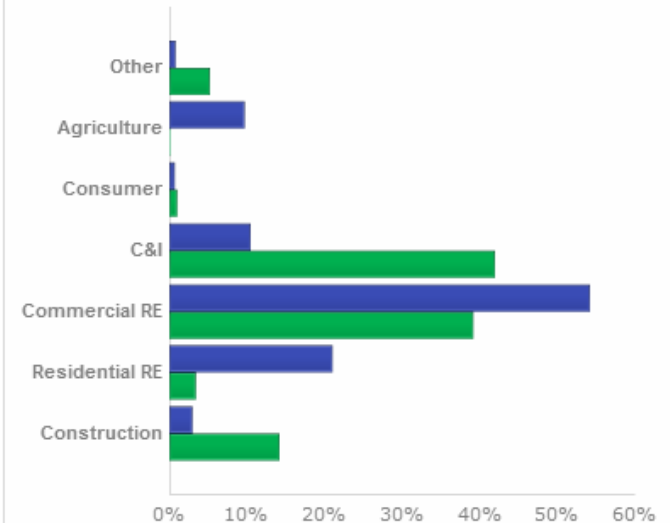
Net Interest Margin	3.26%	6.65%	-50.91%
Net Interest Spread	3.05%	6.42%	-52.46%
Cost of Funding Earning Assets	0.40%	0.76%	-47.60%
Yield on Interest Earning Assets	3.66%	7.41%	-50.57%
Securities Yield	1.98%	2.37%	-16.48%
Loan Yield	4.29%	8.18%	-47.54%
Other Investment Yield	1.11%	0.37%	197.14%

### Loans | Deposits | Assets | Securities | Loan Repr | Deposit Rej

Dec-14
  Mar-15
  Jun-15
  Sep-15
  Dec-15

#### Loan Composition

■ Bank    ■ Peer Group



# Interest Expense Drivers & Metrics

## National Bank

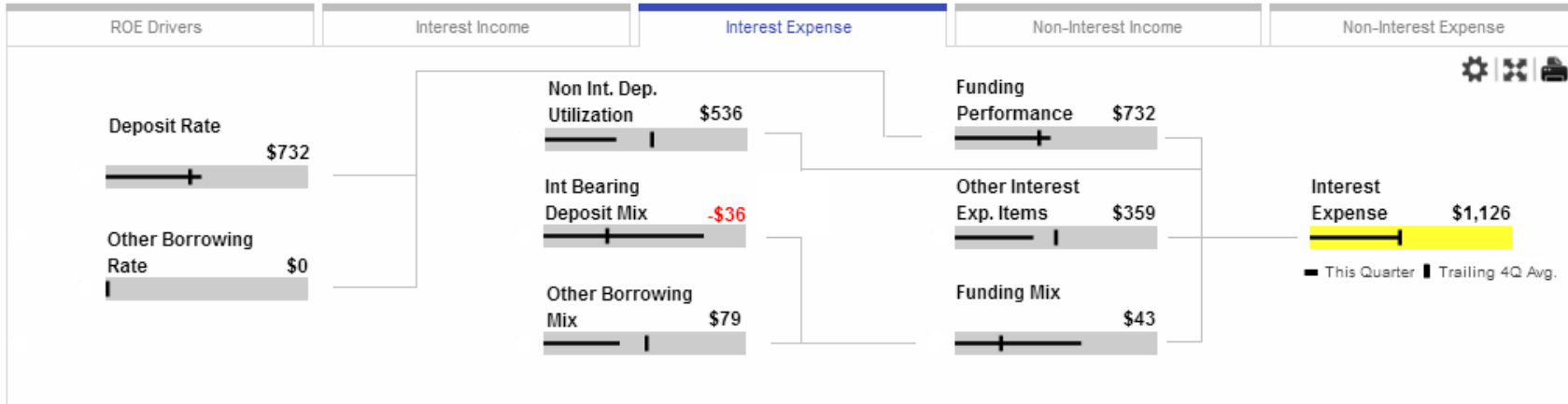
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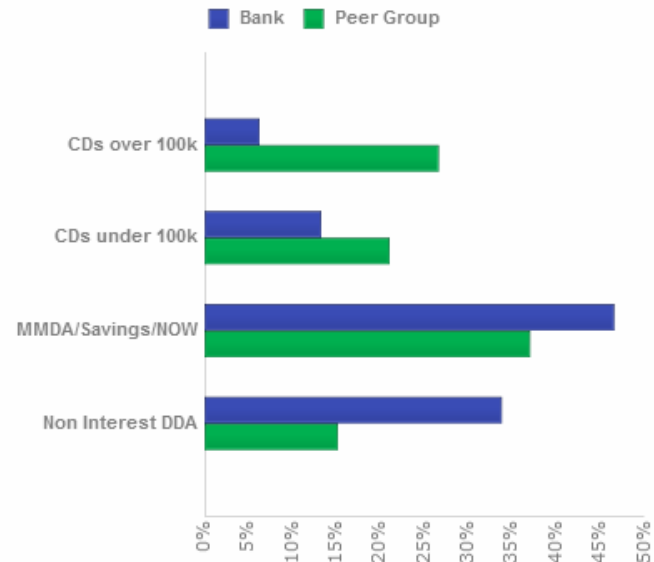
#### Interest Expense Items

	Bank	Peers	Variance
Net Interest Margin	3.26%	6.65%	-50.91%
Net Interest Spread	3.05%	6.42%	-52.46%
Cost of Int. Bearing Fund	0.61%	0.99%	-38.24%
Deposit Rate	0.60%	0.96%	-37.29%
Other Borrowing Rate	0.00%	2.11%	-100.00%
Cost of Funding Earning Assets	0.40%	0.76%	-47.60%
Loans to Deposits	77.86%	98.99%	-21.35%
Brokered/Total Deposits	0.00%	27.33%	-100.00%
Other Borrowings/Total Deposits	0.00%	0.27%	-100.00%
Wholesale Funding/Total Deposits	0.00%	28.60%	-100.00%
Number of Branches	12	4	172.73%
Deposits per Branch (\$ 000s)	25,022	159,070	-84.27%

### Loans | Deposits | Assets | Securities | Loan Repr | Deposit Rej

○ Dec-14 ○ Mar-15 ○ Jun-15 ○ Sep-15 ● Dec-15

#### Deposit Composition



# Non-Interest Income Drivers & Metrics

## National Bank

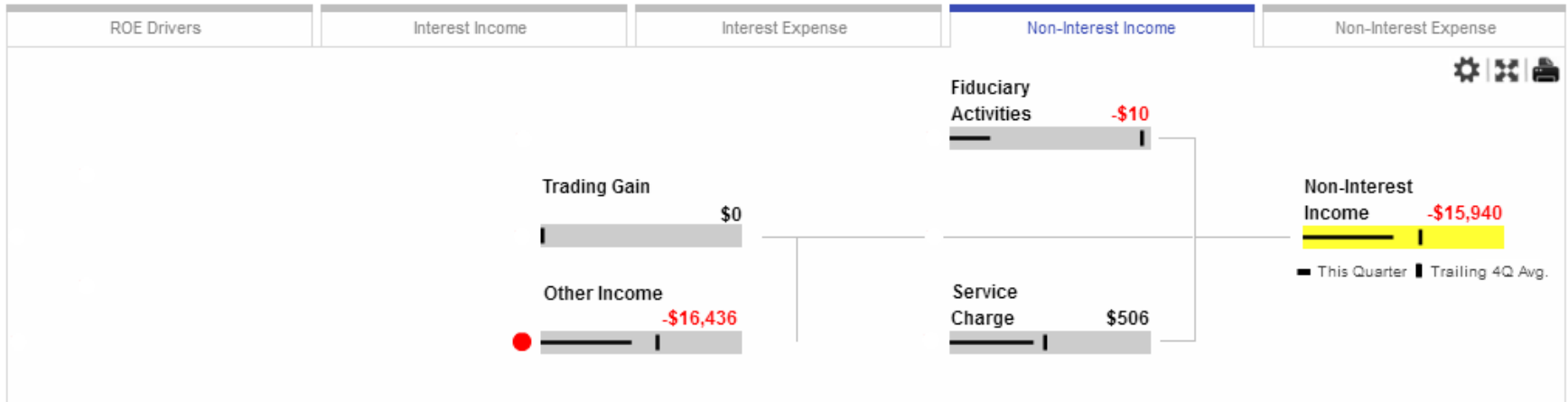
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## Custom Peer Group SBA Peer Group

Banks

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### Overview | Variance Analysis | Ratios & Metrics

Mar-15 Jun-15 Sep-15 Dec-15 Trailing 4Qs

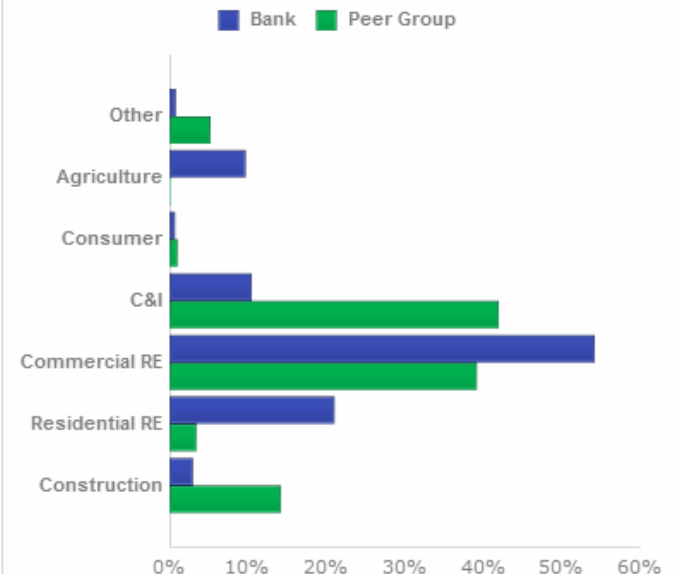
#### Non-Interest Income Items

	Bank	Peers	Variance
Non-Interest Income to Earning Assets	0.58%	4.97%	-88.34%
Service Charges to Total Deposits	0.20%	0.03%	509.13%
Service Charges to Interest Bearing Deposits	0.30%	0.04%	680.93%
Additional Non-Interest Income to Deposits	0.40%	6.18%	-93.53%
Service Charges per Branch (\$ 000s)	50	52	-4.18%
Revenue per Full-Time Employee (\$ 000s)	119	275	-56.66%
Insurance Fees & Commissions (\$ 000s)	24	0	#DIV/0!
Advisory & Brokerage Fees (\$ 000s)	0	3	-100.00%
Other (ATM, Safety Dep., BOLI, etc.) (\$ 000s)	550	1,168	-52.92%
Net servicing fees (\$ 000s)	276	6,346	-95.65%
Gains (losses) on sales of OREO (\$ 000s)	-12	-362	-96.69%
Gains (losses) on sales of loans (\$ 000s)	366	31,217	-98.83%
Total Assets (\$ 000s)	333,575	841,110	-60.34%

### Loans | Deposits | Assets | Securities | Loan Repr | Deposit Repr

Dec-14 Mar-15 Jun-15 Sep-15 Dec-15

#### Loan Composition



# Non-Interest Expense Drivers & Metrics

## National Bank

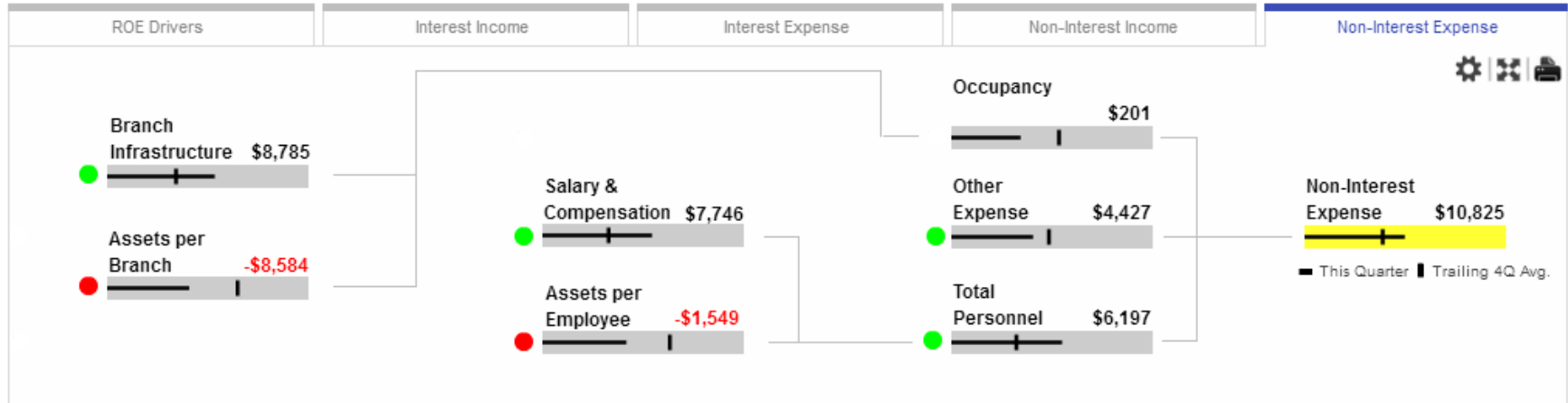
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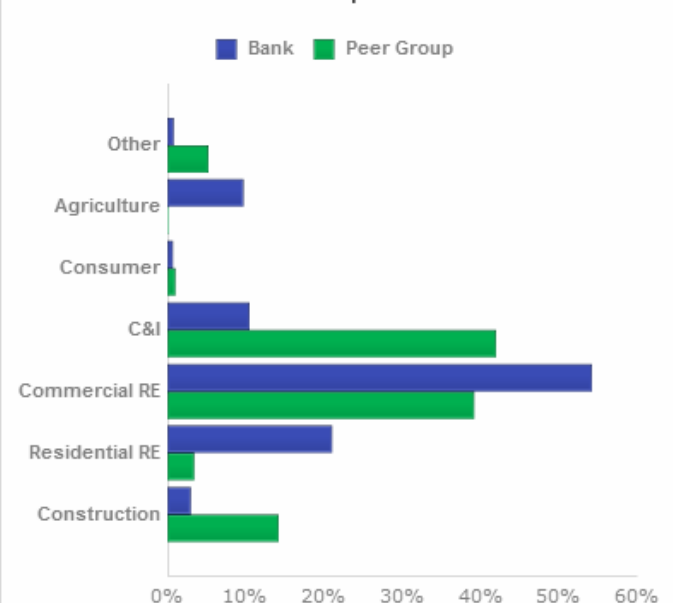
#### Non-Interest Expense Items

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Efficiency Ratio	64.08%	47.57%	34.69%
Non-Interest Expense to Earning Assets	2.44%	5.23%	-53.33%
Occupancy Expense (% of EA)	0.42%	0.48%	-11.30%
Salaries & Benefits to Earning Assets	1.40%	3.33%	-57.82%
Intangible Amortization & Impairment (% of EA)	0.01%	0.00%	#DIV/0!
Other (Prof Srv.Fees, Printing, Supplies,etc) (%)	0.72%	2.10%	-65.69%
Net charge-offs (% of EA)	0.26%	0.66%	-60.86%
Earning Assets per Employee (\$ 000s)	3,225	3,764	-14.33%
Compensation per Full-Time Emp. (\$ 000s)	45	125	-63.86%
Deposits per Employee (\$ 000s)	3,128	3,391	-7.76%
Deposits per Branch (\$ 000s)	25,022	159,070	-84.27%
Number of Full Time Employees	96	206	-53.49%

### Loans | Deposits | Assets | Securities | Loan Repri | Deposit Req

Dec-14 Mar-15 Jun-15 Sep-15 Dec-15

#### Loan Composition





**Report prepared with Q4 Call Report data.**