

Grandpoint Bank

Balance Sheets (unaudited)

DOLLARS IN THOUSANDS

SEPTEMBER 30, 2012 DECEMBER 31, 2011 SEPTEMBER 30, 2011

Assets

Cash and due from banks	\$ 20,581	\$ 16,892	\$ 28,379
Interest-bearing deposits in banks	<u>36,793</u>	<u>58,262</u>	<u>129,919</u>
Cash and cash equivalents	57,374	75,154	158,298
Investment securities	115,149	160,570	151,336
Loans, total	642,891	578,353	522,133
Deferred loan fees, costs and discounts	(3,523)	(6,658)	(8,606)
Allowance for loan losses	<u>(5,452)</u>	<u>(4,622)</u>	<u>(3,113)</u>
Net loans	633,916	567,073	510,414
Goodwill	24,820	25,337	24,706
Core deposit and other intangibles	3,139	3,460	4,151
Other assets	<u>26,661</u>	<u>23,256</u>	<u>25,137</u>
Total assets	<u>\$ 861,059</u>	<u>\$ 854,850</u>	<u>\$ 874,042</u>

Liabilities and Shareholders' Equity

Liabilities

Deposits

Demand deposits	\$ 270,650	\$ 244,296	\$ 228,631
NOW accounts	36,320	34,474	27,559
Money market accounts	342,924	368,850	401,835
Savings accounts	7,507	6,524	6,671
Time deposits	<u>71,745</u>	<u>72,505</u>	<u>81,408</u>
Total deposits	729,146	726,649	746,104
Other liabilities	<u>6,942</u>	<u>8,581</u>	<u>7,093</u>
Total liabilities	736,088	735,230	753,197
Shareholders' equity	<u>124,971</u>	<u>119,620</u>	<u>120,845</u>
Total liabilities and shareholders' equity	<u>\$ 861,059</u>	<u>\$ 854,850</u>	<u>\$ 874,042</u>

Capital ratios considered
"Well Capitalized"
by bank regulators

Capital ratios

September 30, 2012

Tier 1 Leverage Ratio	11.2%	5%
Tier 1 Risk-Based Capital Ratio	13.8%	6%
Total Risk-Based Capital Ratio	14.6%	10%

Grandpoint Bank

Income Statements (unaudited)

DOLLARS IN THOUSANDS

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2012	2011	2012	2011
Interest Income	\$ 8,827	\$ 7,343	\$ 27,644	\$ 20,211
Interest Expense	385	828	1,336	2,406
Net Interest Income	8,442	6,515	26,308	17,805
Provision for Loan Losses	220	566	950	2,836
Noninterest Income	1,316	1,510	3,350	3,010
Noninterest Expense:				
Salaries and Benefits	5,437	4,338	16,360	12,033
Occupancy Expenses	650	487	1,904	1,397
Furniture and Equipment Expenses	439	375	1,332	995
Promotion Expenses	177	206	551	533
Data Processing Expenses	238	123	705	400
Professional Services	440	427	1,440	940
M&A Expenses	–	870	–	3,521
Office Supplies and Costs	184	140	559	452
Assessments and Insurance	288	206	832	801
Loan Expenses	153	–	493	–
Other Expenses	280	306	977	949
	8,286	7,478	25,153	22,021
Income (Loss) before Income Taxes	1,252	(19)	3,555	(4,042)
Income Taxes	–	–	–	–
Net Income (Loss)	\$ 1,252	\$ (19)	\$ 3,555	\$ (4,042)

