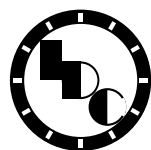


Bank Management Review

Third Quarter 2015 Report

SAMPLE BANK
City, ST



**IDC Financial
Publishing, Inc.**



IDC Financial Publishing, Inc.

P.O. Box 140
700 Walnut Ridge Dr., Ste. 201
Hartland, WI 53029
(262) 367-7231 • 1 800 525-5457
FAX: (262) 367-6497
e-mail: info@idcfp.com
www.idcfp.com

Administration & Product Development

John E. Rickmeier, CFA

President

Kevin M. Rude

Controller

Tom Vandermus

Senior Analyst

Production & Subscription Sales

Trish Laskowski

Manager

Software Engineering

Patrick S. Kowalski

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The quality of a financial institution is not fixed over time, but tends to undergo change. For this reason, changes in ranks occur, reflecting changes in the individual financial ratios.

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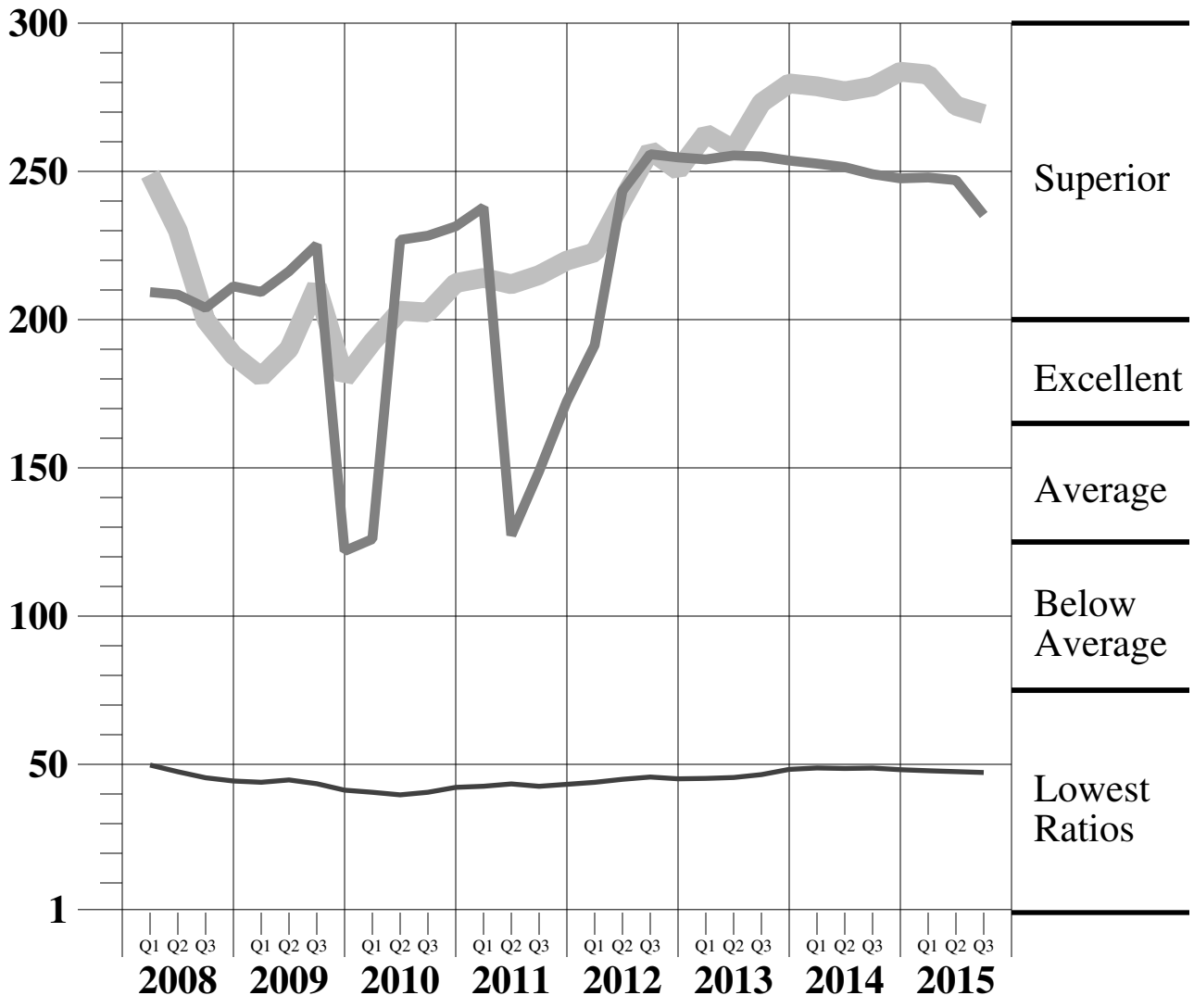
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BANK01 CITY, ST



- Rank of Financial Ratios (Rating of Safety and Soundness)
- Loan Portfolio Performance Rank (Risk Adjusted)
- Operating Profit Margin % (Inverse of Efficiency Ratio)



IDC Management Review

SAMPLE BANK located in City, ST received an IDC rank of 269, which placed it in the "Superior" group.

The rank is based on financial ratios using the bank's September 30, 2015 and prior quarterly statements of Condition & Income as filed with the FDIC.

Superior (200-300): Banks rated Superior are simply the best by all measures. In addition to favorable capital ratios, most consistently generate a return on equity (ROE) above cost of equity (COE).

Excellent (165-199): Banks rated Excellent are strong institutions. Their ratios reflect quality management both from a balance sheet and income performance standpoint. Operating expenses and costs of funding are under control, producing a healthy return on equity (ROE).

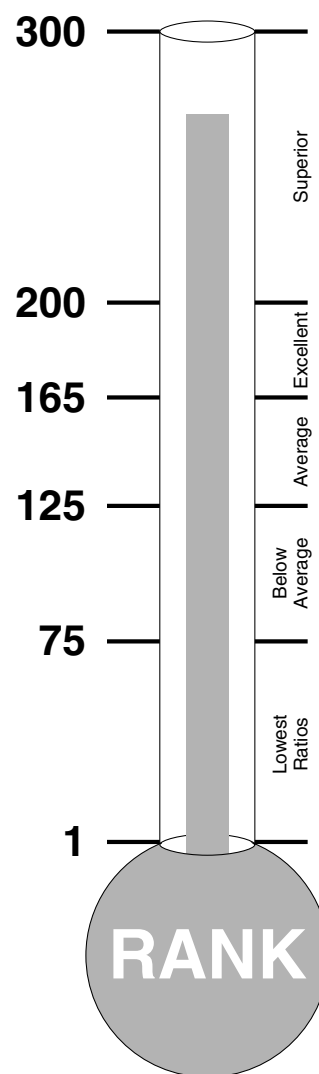
Average (125-164): Banks rated Average meet industry capital standards. When compared to excellent and superior rated banks, most exhibit lower quality loans and narrower profit margins. The marginal problems of the average bank require shifts in policies and practices to raise asset quality or improve profits.

Below Average (75-124): Banks rated Below Average represent institutions under strain. Average loan delinquency is high. In many, excess nonperforming assets are above the loan loss reserve and threaten equity capital. Return on financial leverage is negligible, on average, due to narrow (or negative) leverage spreads. Banks are also rated Below Average if they are deemed "Adequately Capitalized" per FDIC capital definitions.

Lowest Ratios (2-74): The Lowest Ratios group contains some banks with less than the minimum capital required. In many, increasing loan loss provisions expand net losses on the income statement and, along with the excess of net charge-offs, reduce capital ratios. Banks are also rated Lowest Ratios if they are deemed "Under Capitalized" or "Significantly Under Capitalized" per FDIC capital definitions. Banks are also rated Lowest Ratios if they are deemed "Adequately Capitalized" and have excess delinquent, nonaccrual, and restructured loans, or repossessed assets significantly greater than loan loss reserve and capital or as a percent of loans.

Rank of One (1): Banks in the Rank of One group have the highest probability of failure. Loans 90-days past due and nonperforming assets, on average, exceed the loan loss reserve and equity capital by a wide margin. Without major balance sheet improvement, these banks will fail. Banks are also rated Rank of One if they are deemed "Critically Under Capitalized" per FDIC capital definitions.

Since 1990, 99 percent of failed financial institutions were ranked below 75 by IDC prior to failure. The remaining 1 percent of



financial institutions that failed with a rank of 75 or higher excludes those institutions involved in fraud. The vast majority of these failed banks were ranked one. Any future capital additions or losses or dramatic reductions or increases in nonperforming assets (delinquent loans) can change the bank's rank.

Fundamentals of IDC's Analysis... IDC's CAMEL

IDC has developed its own version of the commonly cited "CAMEL" approach to choose the financial ratios that have the greatest impact on the quality of an institution. CAMEL is an acronym that defines a number of areas in which the institution has to perform well in order to be profitable: Capital adequacy, Asset quality, Margins, Earning asset returns, and Leverage and Liquidity.

In the following summary, we quantify the performance of SAMPLE BANK in each area and examine those figures in relationship to each other.

"C" - Capital Adequacy

An institution must have enough capital (its own money, invested in the business) so that there is a solid cushion available in hard times -- for instance, if loan defaults increase. That's why we look at the percent of Equity Capital a bank has, relative to its total assets. Equity capital represents the amount that an institution's assets exceed what it owes to depositors and creditors. Other capital ratios include Tier 1 (Equity Capital) and Tier II (Equity Capital plus secondary capital, like long-term debt) as a percent of risk-adjusted assets. Federal regulations define risk-adjusted assets as a measure of potential safety or risk. Federal regulators consider these capital ratios important measurements and have set minimum levels that institutions must stay above.

Capital Adequacy ranges from best to worst as follows: Well Capitalized, Adequately Capitalized, Under Capitalized, and Significantly or Critically Under Capitalized. ***SAMPLE BANK is deemed to be more than "Well Capitalized." It has a strong Tier I equity capital to assets ratio and a total risk-based capital ratio substantially above regulatory requirements. Strong capital is combined with superior earning power to build new equity capital (retained earnings) from operating profit. The bank's strong capital position and current earning power are sufficient to withstand severe economic risks.***

"A" - Adequacy of Capital

Adequacy of Capital measures how effective an institution is at lending money to people who are willing and able to pay it back. To see if it's doing this well, we look at how many delinquent and **nonaccrual loans**, as well as, restructured loans and repossessed assets it has on its books, relative to its capital and to the **loan loss reserve**, which is the fund it has set aside to cover losses from bad loans. This measures the institution's asset quality, and consequently, the risk to its capital, given delinquent, nonaccrual, or restructured loans default or repossessed assets are charged off. Seldom do other rating services, relying only on capital adequacy, scrutinize this factor adequately.

Loans at risk are delinquent, nonaccrual, and restructured loans and leases, and all other real estate owned, including repossessed assets. That is, they are so troubled that the institution does not expect repayment in full. (IDC is not able to determine the underlying collateral value of nonperforming loans based on regulatory information available.)

Problem loans can have a major impact on both the institution's profitability and its capital adequacy. The regulators require that interest payments no longer can be accrued on nonaccrual loans. Because some of these loans don't pay interest, revenues are reduced. If the full amount of principal on these loans cannot be recovered, the institution must reserve for and then charge-off (or expense) these loans in addition to any legal and collection fees. Any time that too many bad loans force an institution to charge-off more money than it has provided for in the expense item called "loan loss provision," its cash net income is reduced by that amount -- what looked like a cash profit can turn into a loss.

If problem loans are greater than loan loss reserves, the institution may have to make up the difference out of its equity capital. If its capital or collateral value is not adequate for this task, the institution may be in danger of failure.

Asset quality ranges from best to worst as follows: High, Average, Limited, and Poor. ***SAMPLE BANK has "High" asset quality. Nonperforming loans present little or no danger to its capital position.***

"M" - Margins

An institution must price its loans and services in addition to investment yields so that there is an adequate difference between what it earns on assets and what it pays savers in interest on deposits or borrowings. There must also be enough total revenues after interest costs to cover operating expenses. The money left over, after tax, should earn a fair rate of return on equity capital.

All of these differences between revenues and expenses are called **Margins**. And management is measured at the margins. Together, they determine the overall profitability of the institution. By looking at each of several margin measurements individually, we can learn a great deal about an institution's operating and financial strategies.

Here, we examine three kinds of margins: Operating Profit Margin, Leverage Spread, and Return on Equity as compared to Cost of Equity Capital. Margins range from best to worst as follows: Wide, Average, Narrow, and Negative.

First, we will review the Operating Profit Margin and Leverage Spread of SAMPLE BANK.

Operating Profit Margin is defined as net operating revenue less operating costs (excluding the loan loss provision) divided by net operating revenues (net interest income plus noninterest income). This ratio allows us to focus on how well the institution is controlling its operating costs, which is key to profitability. ***SAMPLE BANK has a "Wide" margin between operating profits and net operating revenues, illustrating an efficient operation. SAMPLE BANK has a "Low" standard deviation or volatility in the operating margin, indicating a stable profit***

structure.

Leverage Spread is the difference between after-tax operating income relative to the cost of funding. *SAMPLE BANK has a "Wide" margin between after-tax operating returns and funding costs, indicating that it makes very effective use of leveraged funds.*

The final kind of margin we examine is **Return on Equity** versus Cost of Equity Capital (ROE vs. COE). Return on equity measures the percent return the institution earns, overall, on its own equity investment -- it is the final measure of profitability. The cost of equity capital is the return a prudent investor would require for investments of comparable risk.

Return on equity can be measured in two ways: First is Book ROE, which simply divides net income by equity capital. The second way, used by IDC, is the net operating profit ROE (NOPAT ROE) which divides the sum of net income plus loan loss provision minus net charge-offs by equity capital plus the loan loss reserve. This method adjusts ROE for the actual loan loss experience to the money the institution has set aside to cover it. If the provision exceeds actual losses, ROE is increased by that amount and vice versa. This method also excludes nonrecurring (one time) income or loss whereas Book ROE ignores these impacts, whether positive or negative.

We compare NOPAT ROE to cost of equity capital. An ROE above COE adds value to a financial institution. In comparison, an institution destroys value with an ROE below the cost of equity capital. *SAMPLE BANK has a return on equity capital above estimated cost of equity capital, providing superior growth from operating profit and enhancing shareholder value and safety.*

"E" - Earning Asset Returns

An institution must control its operating (noninterest) expenses so that they do not consume a disproportionate part of its revenues. We can determine how well it's doing this by looking at how much money is left from all revenues (from loans, investments, and services) after both operating expenses and taxes have been paid, and a provision set aside for loan losses. This ratio measures the institution's "Return on Earning Assets."

Earning asset returns measure the institution's operating strategy. They measure what the bank's performance would have been if all the money lent or used to pay funding costs were its own (i.e., no interest had to be paid on savers' deposits or borrowings). By temporarily ignoring the role that leverage plays, we get a better picture of how well it's managing its operating business.

To do this, we calculate the bank's after-tax return on earning assets by subtracting operating expenses (excluding loan loss provisions) and taxes from all revenues (including noninterest income and gains or losses on investments). We adjust this after-tax return to reflect the difference between the loan loss provision and the net charge-offs of loans. Return on earning assets consists of operating income less operating expense and income taxes, but excludes the cost of funding liabilities.

Return on earning assets ranges from best to worst as follows: High, Average, and Low. *SAMPLE BANK has a "High" after-tax return on earning assets (ROEA).*

Now, let's take a look at each of the components of return on earning assets and how the bank performed.

Current yield on loans. This includes interest income from loans divided by the average book value of loans. *SAMPLE BANK earned an "Average" yield on loans.*

Loan to Finance Commercial Real Estate are total real estate loans less 1-4 family real estate loans. A high percentage of earning assets invested in loans to finance commercial real estate indicates risk in the loan portfolio. *Loans to finance commercial real estate as a percent of earning assets is "Above Average" for this bank, indicating above-average loan risk.*

Noninterest income. This is revenue and income (or loss) from sources other than loans and investments, such as income from fees. *This bank's ratio of noninterest income as a percent of earning assets is "Low."*

Noninterest expense. The expense ratio equals operating costs divided by average earning assets. This allows us to focus on how well the bank is controlling its operating costs. *This bank's ratio of noninterest expense to earning assets is "Average."*

Adjustment to net income. In this measurement, we focus on how much of the loan loss provision was added to net income. *This bank's adjustment provides a modest addition to net income, as the loan loss provision exceeds net loan charge-offs.*

"L" - Leverage and Liquidity

Leverage returns along with liquidity make up the "L" in IDC's CAMEL analysis. First, we will look at the institution's Return on Financial Leverage.

Return on Financial Leverage - A Measure of the Financial Strategy. Return on Financial Leverage measures the efficiency with which the institution uses deposits, borrowings, and other forms of debt to leverage its equity capital and reserves. Return on financial leverage is the product of **leverage spread** and **leverage multiplier**.

Leverage spread compares the after-tax return on earning assets (the measurement of the operating strategy) to the after-tax cost of funding these earning assets. Leverage multiplier is the amount of earning assets (funded by deposits and borrowings) used in relationship to equity capital and loan loss reserves provided by the institution. Financial strategy determines how much to leverage capital and at what cost.

Ratios of Leverage Spread, Leverage Multiplier, and Return on Financial Leverage range from best to worst as follows: High, Average, Low, and Negative. *SAMPLE BANK has a "High" return on financial leverage. The cost of funding is "Low," its leverage spread is "High," and its leverage multiplier is "Average."*

Liquidity measures (1) balance sheet cash flow as a percent of the Tier I capital and (2) illiquid loans as a percent of stable deposits and borrowings plus excess liquidity. The large potential risk is the transfer of consumer deposits from stable low paying deposits to large

deposits or borrowings. This can occur as consumers transfer deposits outside the banking system, requiring banks to attract new funds by increasing deposits over \$250,000 or borrowing funds. The loss of stable low-cost deposits or excessive lending is reflected as a lack of liquidity by an increase to over 100% in the percentage of illiquid loans to stable deposits and borrowings plus excess liquidity. Negative balance sheet cash flow indicates the inability of the change in retained earnings to finance the change in growth producing assets (plant and equipment, investments in unconsolidated subsidiaries, and other long term assets) or the change in liabilities (excluding retained earnings) is larger than the change in investments and loans. A negative balance sheet cash flow ratio of -66% to -100%, coupled with a high percentage of loans to earning assets, illustrates a lack of liquidity. A percentage more negative than -100% is a severe illiquid position, especially if nonperforming loans are in excess of 3% of total loans. ***SAMPLE BANK has a percentage of balance sheet cash flow to Tier I capital between a negative 66% and positive 66%, illustrating ample liquidity. The percentage of illiquid loans to stable deposits and borrowings plus excess liquidity is greater than 100% and illustrates a lack of liquidity.***

In summary, SAMPLE BANK received an IDC rank of 269, which placed it in the Superior group.

The Federal Deposit Insurance Corporation (FDIC) and US Government insure all deposits up to \$250,000.

This report was prepared by IDC Financial Publishing, Inc., of Hartland, Wisconsin. For more information on this or other institutions, contact IDC at 1-800-525-5457 or by e-mail at info@idcjp.com.

Ranks provide IDC's opinion about the relative value of financial ratios, and are subject to limitations in their use. In IDC's opinion, the selected ratios provide an ample financial picture for rating a bank. However, the quality of individual banks can also be influenced by factors not taken into account in this analysis. The quality of a bank is not fixed over time; ranks may change with changes in management, strategy, or external conditions.

The data for calculations and ranks and other information found in this report is obtained from sources believed to be

Bank Financial Ratios



BANK FINANCIAL QUARTERLY
DATA ENDING 3rd QTR, 2015

DISTRIBUTIONS BY PERCENTILE
OF FINANCIAL RATIOS FOR
5,502 BANKS

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BankMap®
Rank of Quality

	RANK	SIZE	CAPITAL RATIOS			LOAN RISK % TIER I			LIQUIDITY			ROA	ROE VS COE			
	RANK OF FINANCIAL RATIOS	TOTAL ASSETS DOLLARS IN MILLIONS	TIER I CAPITAL AS A % OF ASSETS	TIER I & II CAPITAL % RISK-BASED ASSETS	TIER I CAPITAL AS A % OF RISK-BASED ASSETS	LOAN LOSS RESERVE	LOANS 90 DAYS OR MORE PAST DUE	LOANS NONACCRUAL & RESTRUCTURED + REO	BALANCE SHEET CASH FLOW % TIER I CAPITAL	ILLIQUID LOANS AS A % OF STABLE DEP & BOR	INT-BEARING LIAB AS A % OF EARNING ASSETS	NET INCOME AS A % OF ASSETS	STOCKHOLDER RETURN ON EQUITY	ESTIMATE OF COST OF EQUITY	NET OPERATING PROFIT (AFTER-TAX) RETURN ON EQUITY	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
HIGHEST QUALITY	300	1,954.125	99.9	999.9	999.9	0	0	0	517	0	0	68.56	167.7	4.0	136.4	102.5
98%	300	8,348	23.7	57.1	56.0	1	0	0	50	24	38	2.94	24.1	4.3	16.5	16.2
96%	300	3,408	18.2	38.5	37.3	2	0	0	35	32	53	2.29	20.5	4.4	14.5	14.3
94%	294	1,951	16.4	33.0	31.8	3	0	0	30	36	56	2.06	18.6	4.5	13.3	13.3
92%	286	1,361	15.3	29.4	28.4	3	0	0	27	39	59	1.88	17.1	4.5	12.5	12.4
90%	280	1,072	14.6	27.4	26.4	4	0	0	24	42	61	1.77	16.1	4.5	12.0	11.9
88%	274	882	14.0	25.9	24.8	4	0	0	22	44	63	1.66	15.1	4.6	11.5	11.4
86%	268	758	13.6	24.4	23.3	4	0	0	21	46	64	1.58	14.3	4.6	11.1	11.0
84%	263	656	13.2	23.4	22.3	5	0	0	20	48	65	1.51	13.8	4.7	10.7	10.6
82%	258	577	12.8	22.5	21.4	5	0	1	18	50	66	1.45	13.2	4.7	10.4	10.3
80%	254	512	12.5	21.7	20.7	5	0	1	17	51	67	1.39	12.8	4.7	10.2	10.0
78%	250	467	12.3	21.2	20.1	6	0	1	16	53	68	1.35	12.3	4.8	9.9	9.8
76%	245	427	12.1	20.6	19.5	6	0	2	15	54	69	1.30	11.9	4.8	9.7	9.5
74%	242	389	11.9	20.1	18.9	6	0	2	15	55	69	1.25	11.5	4.9	9.5	9.3
72%	238	358	11.7	19.5	18.4	6	0	2	14	56	70	1.22	11.2	4.9	9.3	9.2
70%	234	337	11.5	19.1	17.9	6	0	2	13	57	70	1.19	10.9	4.9	9.1	9.0
68%	231	314	11.4	18.6	17.5	7	0	3	12	58	71	1.16	10.6	5.0	8.9	8.8
66%	228	293	11.2	18.3	17.2	7	0	3	12	59	72	1.13	10.3	5.0	8.7	8.6
64%	225	274	11.1	18.0	16.8	7	0	3	11	60	72	1.10	10.1	5.0	8.5	8.4
62%	221	258	11.0	17.7	16.5	7	0	4	10	61	73	1.07	9.7	5.1	8.3	8.2
60%	219	241	10.9	17.4	16.3	7	0	4	10	62	73	1.05	9.5	5.1	8.2	8.0
58%	215	227	10.8	17.1	16.0	8	0	4	9	63	74	1.02	9.3	5.1	8.0	7.8
56%	212	212	10.6	16.9	15.8	8	0	5	9	64	74	1.00	9.0	5.2	7.8	7.6
54%	208	201	10.5	16.6	15.5	8	0	5	8	65	74	0.98	8.8	5.2	7.7	7.5
52%	205	190	10.4	16.4	15.2	8	0	5	7	65	75	0.95	8.6	5.3	7.5	7.3
50%	202	180	10.3	16.2	15.0	8	0	6	7	66	75	0.93	8.3	5.3	7.3	7.1
48%	199	171	10.2	15.9	14.8	8	0	6	6	67	76	0.91	8.1	5.3	7.2	6.9
46%	196	161	10.1	15.7	14.6	9	0	7	5	68	76	0.88	7.9	5.4	7.0	6.7
44%	193	151	10.0	15.5	14.4	9	0	7	5	69	77	0.86	7.7	5.4	6.8	6.5
42%	189	144	9.9	15.3	14.1	9	0	8	4	70	77	0.83	7.5	5.5	6.7	6.4
40%	186	137	9.8	15.1	13.9	9	0	8	4	71	77	0.80	7.3	5.5	6.5	6.2
38%	183	130	9.7	14.8	13.7	9	0	9	3	71	78	0.78	7.1	5.6	6.3	6.0
36%	179	123	9.6	14.6	13.5	9	0	9	2	72	78	0.76	6.8	5.7	6.1	5.8
34%	176	116	9.6	14.4	13.3	10	0	10	1	73	79	0.73	6.6	5.7	6.0	5.6
32%	172	109	9.5	14.2	13.1	10	0	10	1	74	79	0.70	6.4	5.8	5.8	5.4
30%	168	103	9.4	14.0	12.9	10	0	11	0	75	79	0.67	6.1	5.9	5.5	5.2
28%	164	97	9.3	13.8	12.7	10	0	11	-1	76	80	0.64	5.9	6.0	5.3	5.0
26%	160	91	9.2	13.6	12.5	11	1	12	-2	77	80	0.62	5.6	6.1	5.1	4.8
24%	156	84	9.1	13.5	12.3	11	1	13	-4	78	81	0.59	5.3	6.2	4.9	4.5
22%	152	79	9.1	13.3	12.2	11	1	14	-5	79	81	0.55	4.9	6.3	4.6	4.2
20%	148	73	8.9	13.1	12.0	11	1	15	-7	80	82	0.52	4.6	6.5	4.3	3.9
18%	143	67	8.9	12.9	11.8	12	1	17	-8	81	83	0.48	4.3	6.6	4.0	3.6
16%	139	62	8.8	12.7	11.6	12	1	18	-10	83	83	0.44	3.9	6.8	3.8	3.3
14%	134	57	8.6	12.4	11.4	13	2	20	-13	84	84	0.39	3.5	7.0	3.4	2.9
12%	129	52	8.5	12.2	11.2	13	2	22	-16	86	84	0.34	3.0	7.2	3.0	2.4
10%	122	47	8.4	12.1	10.9	14	2	24	-20	88	85	0.29	2.6	7.5	2.5	1.9
8%	115	41	8.2	11.8	10.7	14	3	27	-25	90	86	0.22	1.9	7.9	2.0	1.2
6%	105	35	8.0	11.5	10.4	16	4	33	-33	93	88	0.12	1.1	8.4	1.3	0.0
4%	89	28	7.6	11.2	10.0	17	5	42	-43	96	89	-0.07	-0.8	9.1	0.0	-1.5
2%	61	19	6.9	10.6	9.5	22	8	63	-70	103	92	-0.60	-6.8	10.9	-3.2	-6.0
LOWEST QUALITY	1	3	0.1	0.2	0.2	198	58	999	-999	999	999	-40.51	-240.4	14.1	-169.0	-87.4
2015 Q3	269	135	11.8	13.4	12.2	10	0	6	4	103	65	2.42	21.1	4.9	13.0	12.5
2015 Q2	272	139	11.5	12.9	11.8	10	0	0	-11	103	66	2.44	21.6	5.3	13.3	12.4
DIFFERENCE	-3	-4	0.3	0.5	0.4	0	0	6	15	0	-1	-0.02	-0.5	-0.4	-0.3	0.1

SAMPLE BANK
City, ST

		LOAN PERFORMANCE						OPERATING PERFORMANCE % EARNING ASSETS						OP PROFIT MARGIN		PROFIT STRUCTURE						15 GROWTH																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
CURRENT YIELD ON INVESTMENTS		LOANS AS A % OF EARNING ASSETS		CURRENT YIELD ON LOANS		LOANS NONCURRENT & RESTRUCTURED + REO		% CHG NONCURRENT & RESTRUCTURED + REO		LOANS TO FINANCE COMMERCIAL RE % LOANS		INC IN LOAN LOSS RES % EARNING ASSETS		NET INTEREST MARGIN		NONINTEREST INCOME		NONINTEREST EXPENSE		OPERATING PROFIT MARGIN		RISK (SD.) IN OP PROFIT MARGIN		RETURN ON EARNING ASSETS (AFTER TAX)		COST OF ADJUSTED DEBT (AFTER TAX)		LEVERAGE SPREAD		LEVERAGE MULTIPLIER		RETURN ON FINANCIAL LEVERAGE		INTERNAL GROWTH OF EQUITY OF CAPITAL																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
11.2	99	37.9	0.0	-99.9	0.0	-1.12	24.17	24.49	999.99	999.99	-0.99	-0.48	590.9	0.5	95.57	99.90	0.00	0.00	76.24	0.0	65.9	65.3	48.1	4.1	93	7.7	0.0	-99.9	0.8	0.00	5.48	5.46	8.62	8.48	1.46	1.54	61.7	1.0	3.02	3.10	0.06	0.11	2.11	2.6	14.3	17.3	13.9	3.6	91	7.0	0.0	-99.8	2.8	0.00	5.06	5.08	3.03	3.05	1.69	1.76	56.3	1.2	2.27	2.38	0.08	0.16	1.76	3.7	12.5	13.9	11.7	3.4	89	6.7	0.0	-90.3	4.3	0.00	4.87	4.87	2.16	2.17	1.84	1.90	53.3	1.4	2.05	2.16	0.10	0.18	1.62	4.2	11.5	12.3	10.7	3.2	88	6.5	0.0	-82.1	5.8	0.00	4.72	4.72	1.74	1.76	1.96	2.04	50.9	1.5	1.93	2.06	0.11	0.20	1.52	4.5	10.7	11.2	9.9	3.1	87	6.4	0.1	-74.3	6.9	0.00	4.61	4.63	1.52	1.56	2.05	2.12	49.0	1.6	1.85	1.96	0.12	0.22	1.45	4.8	10.2	10.5	9.3	2.9	86	6.2	0.1	-68.5	8.4	0.00	4.52	4.54	1.38	1.39	2.13	2.19	47.3	1.7	1.78	1.89	0.14	0.24	1.40	5.0	9.8	9.9	8.8	2.8	85	6.1	0.1	-64.3	9.6	0.00	4.44	4.46	1.28	1.30	2.20	2.26	46.0	1.8	1.74	1.84	0.15	0.26	1.35	5.2	9.4	9.5	8.4	2.8	84	6.0	0.2	-60.0	11.1	0.00	4.38	4.41	1.19	1.22	2.27	2.33	44.8	1.9	1.69	1.79	0.16	0.27	1.32	5.4	9.1	9.0	8.0	2.7	83	5.9	0.2	-55.8	12.4	0.00	4.32	4.35	1.13	1.15	2.32	2.40	43.9	2.0	1.64	1.75	0.16	0.28	1.28	5.5	8.9	8.6	7.7	2.6	82	5.9	0.3	-52.4	13.7	0.00	4.26	4.30	1.07	1.09	2.38	2.46	42.8	2.1	1.61	1.72	0.17	0.29	1.24	5.6	8.6	8.2	7.4	2.6	81	5.8	0.3	-49.1	14.9	0.00	4.21	4.26	1.02	1.02	2.43	2.51	41.9	2.2	1.57	1.68	0.18	0.31	1.21	5.8	8.4	7.9	7.2	2.5	81	5.7	0.4	-46.4	16.2	0.00	4.17	4.22	0.97	0.97	2.47	2.56	41.1	2.3	1.53	1.65	0.19	0.32	1.18	5.9	8.2	7.6	6.9	2.5	80	5.7	0.4	-43.5	17.4	0.00	4.12	4.19	0.93	0.93	2.52	2.61	40.3	2.4	1.50	1.62	0.20	0.33	1.16	6.0	8.0	7.3	6.7	2.4	79	5.6	0.5	-41.1	18.8	0.00	4.09	4.15	0.89	0.89	2.57	2.66	39.5	2.5	1.48	1.59	0.21	0.34	1.13	6.1	7.8	7.0	6.5	2.4	78	5.6	0.5	-38.9	19.9	0.01	4.05	4.11	0.86	0.86	2.62	2.70	38.8	2.6	1.45	1.56	0.21	0.36	1.11	6.2	7.7	6.7	6.3	2.3	77	5.5	0.6	-36.7	21.4	0.01	4.02	4.08	0.83	0.83	2.66	2.75	38.0	2.7	1.42	1.53	0.22	0.37	1.08	6.3	7.5	6.4	6.0	2.3	77	5.5	0.7	-34.6	22.8	0.01	3.98	4.05	0.80	0.80	2.71	2.80	37.4	2.8	1.39	1.51	0.23	0.38	1.06	6.4	7.3	6.2	5.8	2.2	76	5.5	0.7	-32.7	24.5	0.02	3.95	4.02	0.77	0.77	2.75	2.84	36.7	2.9	1.37	1.48	0.24	0.39	1.04	6.5	7.1	6.0	5.6	2.2	75	5.4	0.8	-30.9	25.6	0.02	3.91	3.99	0.74	0.75	2.79	2.88	35.9	3.0	1.35	1.46	0.25	0.40	1.02	6.5	7.0	5.8	5.4	2.1	74	5.4	0.8	-29.2	26.8	0.02	3.88	3.95	0.72	0.72	2.83	2.92	35.3	3.0	1.32	1.43	0.26	0.41	0.99	6.6	6.8	5.6	5.3	2.1	73	5.4	0.9	-27.5	28.0	0.03	3.86	3.92	0.69	0.70	2.87	2.96	34.6	3.0	1.30	1.41	0.26	0.42	0.97	6.7	6.7	5.4	5.1	2.1	72	5.3	0.9	-25.5	29.2	0.03	3.83	3.89	0.66	0.67	2.91	3.00	34.0	3.1	1.27	1.39	0.27	0.43	0.95	6.8	6.5	5.2	4.8	2.0	71	5.3	1.0	-23.9	30.6	0.03	3.80	3.86	0.64	0.65	2.95	3.04	33.4	3.2	1.25	1.36	0.28	0.44	0.93	6.9	6.4	5.0	4.7	2.0	71	5.2	1.1	-22.0	32.0	0.04	3.77	3.83	0.62	0.63	3.00	3.07	32.8	3.3	1.23	1.34	0.29	0.45	0.91	7.0	6.2	4.8	4.5	1.9	70	5.2	1.1	-20.3	33.1	0.04	3.74	3.80	0.59	0.61	3.04	3.11	32.0	3.5	1.21	1.31	0.29	0.46	0.88	7.1	6.1	4.6	4.4	1.9	69	5.2	1.2	-18.7	34.3	0.05	3.70	3.77	0.57	0.58	3.08	3.16	31.2	3.6	1.18	1.29	0.30	0.47	0.87	7.1	5.9	4.5	4.2	1.8	68	5.1	1.3	-16.9	35.4	0.05	3.67	3.74	0.55	0.56	3.12	3.20	30.4	3.7	1.16	1.26	0.31	0.48	0.85	7.2	5.8	4.2	4.0	1.8	67	5.1	1.3	-14.9	36.6	0.06	3.65	3.72	0.53	0.54	3.16	3.24	29.6	3.9	1.14	1.24	0.32	0.49	0.83	7.3	5.7	4.0	3.8	1.7	66	5.1	1.4	-13.0	37.9	0.06	3.62	3.69	0.51	0.53	3.21	3.29	28.9	4.0	1.11	1.21	0.33	0.51	0.80	7.4	5.5	3.9	3.6	1.7	65	5.0	1.5	-11.2	39.0	0.07	3.58	3.66	0.49	0.51	3.25	3.34	28.1	4.2	1.09	1.19	0.34	0.52	0.78	7.5	5.3	3.7	3.5	1.7	64	5.0	1.6	-9.2	40.5	0.07	3.55	3.64	0.47	0.49	3.30	3.39	27.3	4.3	1.07	1.16	0.35	0.53	0.76	7.6	5.2	3.5	3.3	1.6	63	5.0	1.7	-7.1	41.8	0.07	3.52	3.60	0.45	0.47	3.35	3.43	26.6	4.5	1.04	1.14	0.36	0.54	0.74	7.6	5.0	3.2	3.2	1.5	62	5.0	1.8	-4.8	43.1	0.08	3.49	3.57	0.44	0.45	3.40	3.48	25.9	4.7	1.02	1.11	0.37	0.55	0.72	7.7	4.9	3.0	3.0	1.5	60	4.9	1.9	-2.5	44.3	0.09	3.46	3.55	0.42	0.43	3.45	3.54	25.0	4.9	0.99	1.08	0.38	0.56	0.69	7.8	4.7	2.8	2.8	1.5	59	4.9	2.0	0.0	45.6	0.09	3.42	3.51	0.40	0.41	3.50	3.59	24.2	5.1	0.96	1.04	0.39	0.57	0.67	7.9	4.5	2.6	2.6	1.4	58	4.8	2.2	2.6	47.0	0.10	3.39	3.48	0.38	0.40	3.55	3.64	23.1	5.4	0.93	1.02	0.40	0.59	0.64	8.0	4.3	2.4	2.5	1.4	56	4.8	2.3	6.3	48.3	0.11	3.35	3.44	0.36	0.38	3.61	3.71	22.2	5.6	0.91	0.99	0.41	0.60	0.62	8.1	4.1	2.2	2.3	1.3	55	4.8	2.5	9.9	49.8	0.12	3.31	3.41	0.35	0.36	3.68	3.77	21.1	5.9	0.87	0.95	0.42	0.61	0.59	8.2	3.9	2.0	2.0	1.2	53	4.7	2.7	15.0	51.2	0.12	3.26	3.36	0.33	0.34	3.76	3.84	20.1	6.2	0.84	0.92	0.44	0.63	0.55	8.3	3.6	1.7	1.8	1.2	52	4.7	2.9	19.4	52.9	0.13	3.22	3.31	0.31	0.32	3.83	3.93	19.0	6.6	0.80	0.88	0.45	0.64	0.52	8.4	3.4	1.4	1.6	1.1	50	4.7	3.1	24.3	54.7	0.14	3.17	3.26	0.29	0.30	3.94	4.03	17.6	7.0	0.76	0.83	0.47	0.66	0.48	8.5	3.2	1.1	1.3	1.1	48	4.6	3.3	31.0	56.5	0.15	3.12	3.22	0.27	0.28	4.04	4.13	16.2	7.4	0.72	0.79	0.48	0.68	0.44	8.6	2.9	0.8	1.0	1.0	46	4.6	3.6	39.8	58.2	0.17	3.06	3.16	0.25	0.26	4.14	4.26	14.5	7.8	0.67	0.74	0.50	0.70	0.40	8.8	2.6	0.5	0.7	0.9	43	4.5	4.0	52.1	60.3	0.19	2.98	3.10	0.23	0.24	4.29	4.40	12.8	8.4	0.61	0.69	0.52	0.72	0.35	9.0	2.3	0.0	0.2	0.8	41	4.4	4.4	69.1	62.7	0.21	2.90	3.02	0.20	0.22	4.48	4.55	10.9	9.2	0.55	0.62	0.55	0.75	0.29	9.1	1.9	-0.6	-0.4	0.7	38	4.4	4.9	94.9	65.5	0.24	2.79	2.92	0.17	0.19	4.70	4.79	8.4	10.2	0.47	0.54	0.57	0.78	0.23	9.4	1.4	-1.5	-1.3	0.6	34	4.3	5.6	141.5	68.4	0.28	2.64	2.77	0.15	0.15	5.16	5.18	5.3	11.4	0.38	0.40	0.60	0.82	0.14	9.7	0.8	-2.8	-2.4	0.5	28	4.1	7.1	243.0	72.5	0.34	2.38	2.54	0.11	0.11	6.00	5.90	-0.1	13.8	0.23	0.22	0.66	0.88	-0.04	10.2	-0.2	-4.9	-4.5	0.3	15	3.8	10.2	570.0	78.9	0.47	1.72	2.02	0.05	0.03	10.53	10.11	-11.9	18.7	-0.09	-0.19	0.75	0.98	-0.42	11.2	-2.9	-11.5	-10.1	0.0	0	0.0	38.6	999.9	99.8	9.99	-62.92	-81.99	-0.99	-0.70	999.99	99.99	-866.7	99.9	-57.96	-99.90	6.02	26.64	-34.22	23.3	-95.3	-148.7	-71.6	0.2	95	5.7	0.7	999.9	58.7	0.05	5.25	5.00	0.20	0.20	2.88	2.79	47.2	2.2	1.86	1.86	0.19	0.32	1.68	6.6	11.1	3.3	3.5	0.2	96	5.8	0.0	-92.6	59.9	0.05	5.24	4.95	0.19	0.20	2.85	2.78	47.5	2.5	1.87	1.87	0.19	0.35	1.68	6.8	11.4	3.6	3.4	0.0	-1	-0.1	0.7	1092.5	-1.2	0.00	0.01	0.05	0.01	0.00	0.03	0.01	-0.3	-0.3	-0.01	-0.01	0.00	-0.03	0.00	-0.2	-0.3	-0.3	0.1

SAMPLE BANK
City, ST

Glossary

Each bank in the **Bank Financial Quarterly** has a one-line analysis of financial ratios and a one-number summary rank. IDC's unique CAMEL analysis utilizes financial ratios that have a significant impact on the quality of banks:

Capital risk is determined by Tier I capital as a percent of assets and as a percent of risk-based assets. Tier I & II capital as a percent of risk-based assets (risk-based capital ratio) measures credit and interest rate risk as well as estimates risk in the asset base.

Adequacy of Capital and reserves measures the levels of delinquent loans, nonaccrual loans, restructured and foreclosed assets relative to loan loss reserves and capital. Risk-adjusted assets as part of the risk-based capital ratio further define the quality of assets.

Margins are the best measurement of management's financial controls. Margins represent the spreads between 1) operating profit and net operating revenues, 2) after-tax return on earning assets and cost of funding, and 3) the return on equity compared to estimated cost of equity capital.

Earning returns measure the success of the bank's operating strategy. Ratios of revenue yields from investments, loans, and noninterest income with comparison to operating costs, loan loss provision, net loan charge-offs, and net non-operating income ratios are the major components of the net operating after-tax return on earning assets (ROEA). Earnings from financial leverage measure the level of leverage and after-tax cost of funding compared to the after-tax return on earning assets (ROEA). Leverage returns measure the efficiency of the bank's financial strategy. Operating assets are financed with the leverage of deposits and borrowings to Tier I capital and its comparative cost. The leverage multiplier illustrates the degree of leverage, while the leverage spread measures its cost relative to operating returns (ROEA).

Liquidity measures (1) balance sheet cash flow as a percent of Tier I capital and (2) loans compared to stable deposits and borrowings plus estimated unused lines of credit at the Federal Home Loan Bank.

Asset/Rank Matrix for Banks in 2015 Q3

U.S. Bank Holding Companies and U.S. Commercial Banks

Range of Rank	Bank Hold Co's	Total Banks	By Asset Size (Dollars in Millions)						
			\$2,000 or More	\$500 to \$2,000	\$200 to \$500	\$100 to \$200	\$50 to \$100	\$30 to \$50	\$30 or Less
200 - 300 Superior	424	2,845	264	537	786	671	376	116	95
165 - 199 Excellent	118	1,116	48	153	298	306	206	78	27
125 - 164 Average	68	955	11	86	216	249	229	100	64
75 - 124 Below Average	28	433	4	22	80	111	116	54	46
2 - 74 Lowest Ratios	4	95	0	5	15	19	39	12	5
1 Rank of One	3	58	0	4	13	19	15	1	6
NC Not Calculated	0	0	0	0	0	0	0	0	0
Totals:	645	5,502	327	807	1,408	1,375	981	361	243

RANK

Ranks are the opinion of IDC Financial Publishing, Inc. Ranks range from 1 (the lowest) to 300 (the highest) and fall into one of the following six groups. **Descriptions reflect the average ratios of each group listed at the top of the following two pages.**

Superior (200-300)	Banks rated Superior are simply the best by all measures. In addition to favorable capital ratios, most consistently generate an ROE above COE.
Excellent (165-199)	Banks rated Excellent are strong institutions. Their ratios reflect quality management both from a balance sheet and income performance standpoint. Operating expenses and costs of funding are under control, producing a healthy return on equity (ROE).
Average (125-164)	Banks rated Average meet industry capital standards. When compared to excellent and superior rated banks, most exhibit lower quality loans and narrower profit margins. A specific problem is a low operating profit margin, and/or a large standard deviation in the operating profit margin. The marginal problems of the average bank require shifts in policies and practices to raise asset quality or improve profits.
Below Average (75-124)	Banks rated Below Average represent institutions under strain. Average loan delinquency is high. In some banks, liquidity ratios demonstrated risk. In many, excess high risk loans or assets are above the loan loss reserve and threaten equity capital. A specific problem is a low operating profit margin, and/or a large standard deviation in the operating profit margin. Return on financial leverage is negligible, on average, due to narrow (or negative) leverage spreads. Banks are also rated Below Average if they are deemed "Adequately Capitalized" per FDIC capital definitions.
Lowest Ratios (2-74)	This Lowest Ratios group contains some banks with less than minimum capital required. In some banks, liquidity ratios demonstrated risk. In many, increasing loan loss provisions expand net losses on the income statement and, along with the excess of net charge-offs, reduce capital ratios. A specific problem is a low operating profit margin, and/or a large standard deviation in the operating profit margin. A high number of failed banks were rated Lowest Ratios prior to failure. Banks are also rated Lowest Ratios if they are deemed "Under Capitalized" or "Significantly Under Capitalized" per FDIC capital definitions. Banks may also be rated Below Average if they are deemed "Adequately Capitalized" and have a high volatility in operating profit margins.
Rank of One (1)	Banks in the Rank of One group have the highest probability of failure. Loans 90-days past due, nonaccrual loans, restructured loans, and other real estate owned, on average, exceed the loan loss reserve and equity capital by a wide margin. Liquidity ratios demonstrated risk. Without major balance sheet improvement, these banks will fail. Banks are also rated Rank of One if they are deemed "Critically Under Capitalized" per FDIC capital definitions.

RATIOS

Ratios are defined on the following five pages. Ratios that impact the IDC rank are identified with this symbol: 

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	NUMBER OF BANKS	RANK OF FINANCIAL RATIOS	TOTAL ASSETS DOLLARS IN MILLIONS	TIER I CAPITAL AS A % OF ASSETS	TIER I & II CAPITAL % RISK-BASED ASSETS	TIER I CAPITAL AS A % OF RISK-BASED ASSETS	LOAN LOSS RESERVE	LOANS 90 DAYS OR MORE PAST DUE	LOANS NONACCRUAL & RESTRUCTURED + REO	BALANCE SHEET CASH FLOW % TIER I CAPITAL	ILLIQUID LOANS AS A % OF STABLE DEP. & BOR	INT-BEARING LIAB AS A % OF EARNING ASSETS	NET INCOME AS A % OF ASSETS	STOCKHOLDER RETURN ON EQUITY	ESTIMATE OF COST OF EQUITY	NET OPERATING PROFIT (AFTER-TAX) RETURN ON EQUITY
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
BANKS RANKED > 200	2845	257	13,404,757	9.5	14.8	13.5	8	1	7	6	76	71	1.08	9.9	4.8	9.4
BANKS RANKED 165 TO 199	1116	189	992,976	9.8	15.9	14.4	7	1	8	-7	64	75	0.54	5.1	5.6	5.1
BANKS RANKED 125 TO 164	955	146	246,442	9.6	15.9	14.8	9	1	13	3	65	77	0.50	5.2	5.8	4.6
BANKS RANKED 75 TO 124	433	106	87,777	8.7	14.1	13.0	10	2	24	-14	67	76	0.12	1.6	7.4	1.8
BANKS RANKED 2 TO 74	95	48	13,986	7.3	12.9	11.7	16	3	64	-42	63	85	-0.33	-3.5	10.1	-3.1
BANKS RANKED 1	58	1	9,940	4.4	7.4	6.2	36	3	398	-136	55	95	-1.60	-35.1	10.7	-21.0
ALL BANK AVERAGES	5502	249	14,755,878	9.6	14.9	13.6	8	1	8	5	75	72	1.03	9.4	4.9	9.0

SIZE

2. Total Assets

Total assets (in millions of dollars). The banks analyzed in this publication include multi-bank holding companies reporting to the Federal Reserve with the Y-9C and all banks reporting to the FDIC with the Consolidated Reports of Condition and Income. The largest bank holding companies are listed by specific financial ratios in the BHC Special Listings Section.

CAPITAL RATIOS

3. Tier I Capital as % of Assets

The Tier I Capital Ratio is provided by bank and bank holding company call reports.

Computations of Tier I Capital Ratios are based on Tier I capital and average assets as filed by banks on FDIC call reports and by bank holding companies on Y-9C reports. Prior to banks and BHCs reporting Tier I Capital components, total equity capital, including minority interests in the equity of consolidated subsidiaries but excluding non-cumulative perpetual preferred stock and related surplus and non-qualifying intangibles, is divided by average assets less all assets deducted from Tier I, as a percentage. Tier I equity capital is used for evaluation and computation of rank rather than primary or secondary capital. Primary capital includes the loan loss reserve in addition to equity capital. The value of adding in the loan loss reserve to compute capital ratios is suspect since, in most cases, loan delinquency exceeds the value of the loan loss reserve.

4. Tier I & II Capital as % of Risk-based Assets

The Risk-based Capital Ratio is provided by bank and bank holding company call reports.

Computations of risk-based capital ratios are based on qualifying capital and risk-adjusted assets as filed by banks on FDIC call reports and by bank holding companies on Y-9C reports.

Capital Category Distribution						
Financial institution provides capital ratios in financial report. Capital categories defined below, but can be superseded by higher capital requirements issued in consent orders.						
	Column 3		Column 4		Column 5	
	Tier 1 Leverage		Total Risk-Based Capital*		Tier 1 Risk-Based Capital*	# BHCs
						# Banks
Well Capitalized	≥5	and	≥10	and	≥6	636 5,410
Adequately Capitalized	≥4	and	≥8	and	≥4	7 65
Under-Capitalized	≥3	and	≥6	and	≥3	1 11
Significantly Under-Capitalized	<3	or	<6	or	<3	0 13
Critically Under-Capitalized	<2		---		---	1 3

* Tier I and II capital percent risk-based assets.

5. Tier I Capital as % of Risk-based Assets

The Tier I Risk-based Capital Ratio is provided by bank and bank holding company call reports.

Tier I capital is divided by risk-based assets (as provided by banks and BHCs), and is shown as a percentage.

LOAN RISK % TIER I

6. Loan Loss Reserve as % of Tier I Capital

The loan loss allowance is divided by Tier I capital (as defined in Column 3), and is shown as a percentage.

7. & 8. Loan Risk as % of Tier I Capital

Loan risk to Tier I capital is defined as the level of loan delinquency not provided for by the loan loss reserve. The two categories of loan delinquency—loans 90-days

CURRENT YIELD ON INVESTMENTS			LOAN PERFORMANCE					OPERATING PERFORMANCE % EARNING ASSETS					OP PROFIT MARGIN		PROFIT STRUCTURE					GROWTH			
1YR	LOANS AS A % OF EARNING ASSETS	CURRENT YIELD ON LOANS	LOANS NONCURRENT & RESTRUCTURED + REO	% CHG NONCURRENT & RESTRUCTURED + REO	LOANS TO FINANCE COMMERCIAL RE % LOANS	INC IN LOAN LOSS RES % EARNING ASSETS	NET INTEREST MARGIN		NONINTEREST INCOME		NONINTEREST EXPENSE	OPERATING PROFIT MARGIN	RISK (SD.) IN OP PROFIT MARGIN	RETURN ON EARNING ASSETS (AFTER TAX)	COST OF ADJUSTED DEBT (AFTER TAX)	LEVERAGE SPREAD	LEVERAGE MULTIPLIER	RETURN ON FINANCIAL LEVERAGE	INTERNAL GROWTH OF EQUITY CAPITAL				
17	18	19	20	21	22	23	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR	1YR	5YR			
24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40							
1.7	58	4.3	1.4	-5.7	18.3	0.08	3.01	3.23	1.91	2.09	2.94	3.12	40.1	3.3	1.43	1.55	0.23	0.32	1.18	7.0	8.0	4.1	3.4
1.7	60	4.2	1.5	-2.7	30.1	0.15	2.84	2.94	0.82	0.90	2.68	2.83	26.5	7.7	0.87	0.93	0.25	0.34	0.63	6.7	4.3	3.1	2.6
1.7	67	4.7	2.1	-8.5	40.2	0.06	3.33	3.43	1.02	1.10	3.56	3.62	18.5	6.1	0.79	0.94	0.29	0.45	0.50	7.5	3.8	2.7	2.9
1.6	68	4.8	3.6	-0.5	42.4	0.07	3.37	3.42	0.89	0.80	3.95	3.72	6.6	8.5	0.48	0.65	0.33	0.51	0.15	8.4	1.3	-0.1	-0.3
1.6	72	5.3	7.0	-5.4	48.1	0.08	3.57	3.58	0.79	0.98	4.87	4.63	-15.1	21.2	0.08	0.27	0.48	0.70	-0.40	10.0	-3.2	-6.6	-6.2
1.4	71	5.0	17.6	-18.0	56.2	0.17	3.29	3.27	0.83	1.09	5.59	4.63	-73.7	17.4	-1.09	-0.15	0.51	0.78	-1.60	13.6	-9.3	-23.3	-13.1
1.7	59	4.3	1.5	-5.6	19.7	0.08	3.01	3.22	1.81	1.99	2.95	3.12	38.5	3.7	1.38	1.49	0.23	0.33	1.12	7.0	7.6	3.9	3.3

past due and accruing (Column 7) and nonaccrual, a portion of restructured loans, and other real estate owned (Column 8) less loans and repossessed assets guaranteed by U.S. Government or Rebooked "GNMA Loans" repurchased,— are divided by Tier I capital (as defined in Column 3). An excess of high risk loans or assets over loan loss reserves indicates capital risk, especially if the charge-off rate is significant.

LIQUIDITY

9. Balance Sheet Cash Flow % Tier I Net Worth

Balance sheet cash flow measures the profit return on physical assets in computing operating cash flow. Balance sheet cash flow separates cash and equivalents (cash and balances due from depository institutions) from investments and loans when computing financial cash flow. The end result is balance sheet cash flow, which equals operating cash flow less financial cash flow.

Operating cash flow for a financial institution measures the liquidity demand from growth. Operating cash flow equals changes in retained earnings adjusted for changes in goodwill minus the quarterly changes in growth producing assets (property, equipment, other long term assets and other real estate owned). The purpose of operating cash flow is to determine the ability to finance internally the change in growth producing assets.

Financial cash flow isolates the sources and uses of funds, other than the changes in retained earnings, growth producing assets and cash and equivalents. Financial cash flow equals the change in liabilities (excluding retained earnings) less the change in loans and investments and other non-cash and equivalent current assets. Balance sheet cash flow subtracts the financial cash flow from operating cash flow. If a financial institution finances its growth with increases in retained earnings equal to increases in growth producing assets, but the financial cash flow was positive, then the balance sheet cash flow would be negative, reflecting the change in liabilities (excluding retained earnings) is in excess of the change in loans and investments. An

institution with poor loan quality or risky investments experiences asset write-offs or write-downs, and at the same time, deposits are increased or new borrowings incurred to finance the asset base. Balance sheet cash flow recognizes the shortfall and the risk to net capital of the institution.

10. Illiquid Loans as % of Stable Deposits and Borrowings Plus Excess Liquidity

Another measure of liquidity is the match between illiquid loans and stable deposits and borrowings plus available lines of credit at the Federal Home Loan Bank (FHLB).

Illiquid loans are defined as loans and leases (net of unearned income allowance, and reserves for loan losses) less loans and leases held for sale. Stable deposits and borrowings are total domestic deposits less total time deposits greater than \$250,000 and other borrowed money with remaining maturity of one year or less plus excess of 80% of loans secured by 1-4 family 1st lien mortgages, 5 or more family mortgages and home equity loans, if greater than FHLB advances. The latter is added to deposits due to the ability to finance 80% of single family first mortgage, 5 or more family mortgages and home equity loans at the FHLB.

11. Interest-Bearing Liabilities as % of Earning Assets (*Burden Ratio*)

The latest quarterly interest-bearing liabilities are divided by earning assets, as a percentage. A high level of liabilities requiring interest relative to earning assets paying interest creates a burden to the bank.

RETURN ON ASSETS (ROA)

All financial ratios in this section are four quarter ratios to eliminate seasonal impact.

12. Net Income as % of Average Assets (1 year)

Net income for the last 12 months, as reported, is divided by last year's average assets, as a percentage.

Glossary

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	RANK	SIZE	CAPITAL RATIOS			LOAN RISK % TIER I			LIQUIDITY			ROA	ROE VS COE				
	NUMBER OF BANK HOLDING COS	RANK OF FINANCIAL RATIOS	TOTAL ASSETS DOLLARS IN MILLIONS	TIER I CAPITAL AS A % OF ASSETS	TIER I & II CAPITAL % RISK-BASED ASSETS	TIER I CAPITAL AS A % OF RISK-BASED ASSETS	LOAN LOSS RESERVE	LOANS 90 DAYS OR MORE PAST DUE	LOANS NONACCRUAL & RESTRUCTURED + REO	BALANCE SHEET CASH FLOW % TIER I CAPITAL	ILLIQUID LOANS AS A % OF STABLE DEP & BOR	INT-BEARING LIAB AS A % OF EARNING ASSETS	NET INCOME AS A % OF ASSETS	STOCKHOLDER RETURN ON EQUITY	ESTIMATE OF COST OF EQUITY	NET OPERATING PROFIT (AFTER-TAX) RETURN ON EQUITY	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
BANK HOLDING COS RANKED > 200	424	256	14,889,098	9.4	15.5	13.5	7	1	7	12	79	72	1.05	9.4	5.1	9.2	8.5
BANK HOLDING COS RANKED 165 TO 199	118	180	1,798,038	8.1	17.0	14.9	3	0	6	26	61	72	0.53	5.2	5.1	5.7	6.4
BANK HOLDING COS RANKED 125 TO 164	68	158	606,311	10.1	17.9	15.0	5	0	9	7	94	86	0.32	3.2	7.8	2.4	0.9
BANK HOLDING COS RANKED 75 TO 124	28	109	53,872	8.2	13.1	10.9	10	3	17	-22	83	75	0.26	3.5	6.6	4.1	6.3
BANK HOLDING COS RANKED 2 TO 74	4	63	6,112	5.7	11.3	8.1	15	1	28	1	50	73	0.59	11.0	7.4	11.0	-6.6
BANK HOLDING COS RANKED 1	3	1	2,119	0.4	2.6	0.3	28	0	124	58	70	91	-0.89	-20.1	10.5	-10.2	-18.4
ALL BANK HOLDING COS	645	244	17,355,550	9.3	15.7	13.7	7	1	7	13	78	73	0.97	8.7	5.2	8.6	8.0

ROE vs. COE

All financial ratios in this section are four quarter totals in order to limit the seasonal impact.

Banks electing sub chapter S tax status reduce the reports tax rate to zero overstating profitability (ROE) relative to banks not electing sub chapter S tax status. For comparative purposes, IDC restates net operating after-tax ROE (Columns 15 & 16, and the components of ROE, columns 32 through 38) imputing a 34% tax rate. Book return on equity (Column 13) is unadjusted and reflects the reported return in equity with the zero or low tax rate for a bank electing sub chapter S status.

13. Stockholder ROE (1 Year)

The traditional ROE, calculated as return on stockholder's equity, equals net income divided by average total equity capital.

This traditional ROE tends to overstate profitability for banks with loan loss reserves in excess of 10% of equity capital. Therefore, the stockholder's ROE (without the change in the loan loss reserve in the numerator and loan loss reserves in the denominator) is less useful in measuring return on equity and its components than the NOPAT ROE as calculated by the **Bank Financial Quarterly** (Columns 15 & 16).

14. Estimated Cost of Equity Capital (COE)

The measure of a financial institution's cost of capital is the price at which the institution raises additional equity capital. In appraising firms that are not public or subsidiaries of publicly-traded holding companies, IDC uses general risk, demonstrated by the 30-year T-Bond yield and the risk premium for financial equities. The risk premium is 50% of the T-Bond yield adjusted by a risk multiplier for an institution's specific financial risk.

The specific COE for an individual financial institution is determined by asset size, pretax coverage of net loan charge-offs, and loan delinquency risk to capital adjusted for variations in operating profit margins. In order to quantify specific risk, a risk multiplier incorporates the following:

- Size Risk - The risk multiplier is multiplied by 0.9x for institutions with assets over \$1 billion, 1.0x for assets between \$500 million and \$1 billion, 1.1x for assets \$200 million to \$500 million, 1.2x for assets \$100 to \$200 million, and 1.3x for assets less than \$100 million.
- Financial Risk - The risk multiplier is set in a range of 0.8 to 1.2 based on pretax income (adjusted for nonrecurring noninterest income or expense) plus the loan loss provision, together covering net charge-offs.
- Loan Risk to Capital - Financial institutions with loan delinquency (Col.7) plus nonperforming loans (Col. 8) greater than loan loss reserve (Col. 6), all stated as a percent of equity, are evaluated to measure potential loan loss risk to Tier 1 capital. If this risk-adjusted Tier 1 equity ratio is below 5%, the institution is assigned a risk ratio of 2.0. All other institutions with adequate risk-adjusted Tier 1 capital above 5% use a risk ratio of 1.0. Loan Risk is adjusted by the Operating Profit Risk, which is 20% of the 5-year standard deviation of the operating profit margin with a cap of 3.0.

As an example, a large institution with low coverage of net charge-offs coupled with moderate loan delinquency above the loan loss reserve and a risk (SD) in operating profit margin of 3.6 times 20% would compute as follows: (.9 x .8 x (1.0 + (.2 x 3.6))) or (.9x.8x1.7) times equity risk premium of 50% of the long bond yield of 2.9%, on September 30, 2015, equals a risk premium of 1.8% which is then added to the 2.9% yield on bonds to provide an estimate of 4.7% for the cost of equity capital.

A smaller bank with a lower coverage ratio, modest loan delinquency, but larger variations in the operating profit margin of 5.0 would compute as follows: (1.1 x 1.0 x ((1.0 + (.2x5.0)))) or 2.2 times 50% of the long bond yield of 2.9%, on September 30, 2015, for a risk premium of 3.2% added to the 2.9% long bond yield for an estimate of 6.1% for the cost of capital.

CURRENT YIELD ON INVESTMENTS		LOAN PERFORMANCE						OPERATING PERFORMANCE % EARNING ASSETS						OP PROFIT MARGIN		PROFIT STRUCTURE						GROWTH	
1YR	LOANS AS A % OF EARNING ASSETS	CURRENT YIELD ON LOANS	LOANS NONCURRENT & RESTRUCTURED + REO	% CHG NONCURRENT & RESTRUCTURED + REO	LOANS TO FINANCE COMMERCIAL RE % LOANS	INC IN LOAN LOSS RES % EARNING ASSETS	NET INTEREST MARGIN	NONINTEREST INCOME	NONINTEREST EXPENSE	OPERATING PROFIT MARGIN	RISK (SD.) IN OP PROFIT MARGIN	RETURN ON EARNING ASSETS (AFTER TAX)	COST OF ADJUSTED DEBT (AFTER TAX)	LEVERAGE SPREAD	LEVERAGE MULTIPLIER	RETURN ON FINANCIAL LEVERAGE	INTERNAL GROWTH OF EQUITY OF CAPITAL	1YR	5YR				
17	18	19	20	21	22	23	1YR 24	5YR 25	1YR 26	5YR 27	1YR 28	5YR 29	1YR 30	5YR 31	1YR 32	5YR 33	1YR 34	5YR 35	1YR 36	5YR 37	1YR 38	1YR 39	5YR 40
2.0	51	4.2	1.8	-12.9	15.9	0.08	2.75	2.80	2.33	2.42	3.24	3.45	36.1	4.2	1.50	1.49	0.35	0.48	1.16	6.9	7.7	7.0	5.6
1.2	32	2.8	2.0	-9.0	15.8	0.10	1.43	1.26	3.00	3.22	3.66	3.55	16.8	5.3	0.92	1.11	0.30	0.44	0.59	8.1	4.8	4.4	5.2
1.2	55	3.9	2.2	-26.8	17.9	0.03	1.77	1.67	1.51	1.66	2.86	2.94	8.4	14.2	0.87	0.93	0.69	0.97	0.18	7.7	1.6	-0.1	-1.3
1.8	72	4.4	2.5	-18.5	51.8	0.08	3.25	3.17	1.77	1.71	4.48	4.11	11.3	7.9	0.72	1.03	0.36	0.47	0.36	8.2	3.4	1.8	2.5
1.2	64	5.1	2.3	-28.6	36.5	0.07	2.79	2.88	1.38	0.91	2.86	3.61	31.3	12.6	1.30	0.17	0.50	0.63	0.80	12.1	9.7	7.3	-12.4
1.1	69	4.6	9.2	-40.6	28.6	0.02	2.77	2.71	3.13	5.76	6.95	8.61	-27.4	19.4	0.43	-0.58	0.52	0.73	-0.09	16.1	-10.0	-26.5	-23.4
1.9	49	4.1	1.9	-13.0	16.1	0.08	2.58	2.60	2.37	2.48	3.27	3.44	33.1	4.6	1.42	1.43	0.35	0.49	1.06	7.0	7.2	6.4	5.3

15. & 16. NOPAT Return on Equity (1 and 5-Year)

The net operating profit after-tax (NOPAT) return on equity is the sum of return on earning assets (before funding) and return on financial leverage (ROEA + ROFL).

Note: Last 1-year and 5-year periods are calculated for the NOPAT ROE and its components. Banks filing before 09/30/10 have 5-year ratios reflecting data available. Those starting to file after 09/30/10 have 5-year ratios not calculated (NC).

INVESTMENT YIELD

All financial ratios in this section are four quarter totals in order to limit the seasonal impact.

17. Current Yield on Investments (1 Year)

Investment and tax-equivalent income for the last four quarters is divided by the quarterly average book value of investments, as a percentage.

LOAN PERFORMANCE

Yield and expense financial ratios in this section are four quarter totals in order to limit the seasonal impact.

18. Loans as % of Earning Assets

The latest quarterly average of loans and lease finance receivables is divided by the average of earning assets, as a percentage. Institutions with a ratio below 1% are not evaluated by the **Bank Financial Quarterly**.

19. Current Yield on Loans (1 Year)

Loan and tax-equivalent lease income for the last four quarters is divided by the quarterly average of loans and leases, as a percentage.

20. Loans Noncurrent + Restructured + Other Real Estate Owned as a % of Loans

High risk loans and assets, which include loans 90-days past due, nonaccrual and a portion of restructured loans plus other real estate owned are divided by total loans plus other real estate owned.

21. Percent Change in 90 days past due, Nonaccrual Loans, Restructured Loans, and Other Real Estate Owned

High risk loans and assets, as defined in Column 20, are compared to the year-earlier values, as a percentage.

22. Loans to Finance Commercial Real Estate as a % of Loans

Loans to Finance Commercial Real Estate Loans are defined as loans secured by nonfarm real estate less those secured by 1-4 family properties, plus real estate loans not secured by real estate.

23. Increase in the Loan Loss Reserve as % of Earning Assets (1 Year)

The increase in the loan loss reserve equals the amount of the provision for loan loss in excess of net loan charge-offs. The increase in the loan loss reserve cannot exceed the provision for loan losses. Other income adjustments include adding back extraordinary losses or subtracting extraordinary gains (after tax).

OPERATING PERFORMANCE

All financial ratios in this section are four quarter totals in order to limit the seasonal impact.

24. & 25. Net Interest Margin (1 and 5-Year)

Interest income from loans and investments less interest expense is divided by average earning assets, as a percentage.

26. & 27. Noninterest Income (1 and 5-Year)

Noninterest income from foreign currency or security trading, service charges on deposits, credit card fee income, and income from fiduciary activities provides additional revenue sources to a bank. Unusual, one-time noninterest income greater than 10% of total noninterest income is excluded from noninterest income. Gains and losses on financial assets carried at fair value and bargain purchase income are excluded.

²²**28. & 29. Noninterest Expense (1 and 5-Year)** ✍

The operating expense measures a bank's operating efficiency, especially in relation to the net adjusted revenues and noninterest income listed above. Noninterest expense includes salaries and employee benefits, expenses of premises and fixed assets, and other noninterest expenses. Unusual, one-time noninterest expense above 10% of total noninterest expense is excluded from noninterest expense.

OPERATING PROFIT MARGIN

All financial ratios in this section are four quarter totals in order to limit the seasonal impact.

30. Operating Profit Margin: ✍

Net operating revenues less salaries, employee benefits, expenses of premises and fixed assets, and other operating expenses (excluding loan loss provision and losses on the sale of non-loan assets and amortization expense of intangible assets) are divided by net operating revenue, as a percentage. Net operating revenue is defined as interest income from loans and investments less interest expense plus noninterest operating income (excluding gains on the sale of non-loan assets, gains and losses on financial assets carried at fair market value, and bargain purchase income).

31. Risk (SD) to the Operating Profit Margin: ✍

One standard deviation of the operating profit margin over five years (but not less than five quarters) measures risk or volatility in profit margins. The risk level is also a measure of a bank's complexity.

PROFIT STRUCTURE

All financial ratios in this section are four quarter totals in order to limit the seasonal impact.

Return on Equity (ROE) is the sum of return on earning assets (before funding costs) and return on financial leverage. The components of ROE are analyzed separately in order to focus on two individual sets of management decisions: the operating strategy and financial structure.

A bank's return on earning assets (ROEA) measures the results of its operations as if they are financed entirely with equity funds. Pretax ROEA is the sum of revenues from loans and investments, plus the noninterest income, less the loan loss provision and operating expenses. The after-tax ROEA is the product of pretax ROEA and the preinterest tax multiplier, plus the change in the loan loss reserve in order to derive after-tax operating profit returns.

The second component of the NOPAT ROE Equation measures the impact to return on equity from the amount and cost of deposits and debt funds raised to finance earning assets. ROFL is calculated by multiplying the leverage spread by the leverage multiplier.

Banks electing sub chapter S tax status reduce the reports tax rate to zero overstating profitability (ROE) relative to banks not electing sub chapter S tax status. For comparative purposes, IDC restates net operating after-tax ROE (Columns 15 & 16, and the components of ROE, columns 32 through

38) imputing a 34% tax rate. Book return on equity (Column 13) is unadjusted and reflects the reported return in equity with the zero or low tax rate for a bank electing sub chapter S status.

32. & 33. Return on Earning Assets (1 and 5-Year) ✍

The interest income from loans and investments plus noninterest income less operating and loan loss expenses (excluding gain or loss on the sale of non-loan assets) less the applicable tax rate amount is divided by average earning assets, as a percentage. Net income for NOPAT ROE adds back the increase in the loan loss expense, but subtracts the difference between charge-offs and recoveries to reflect cash accounting.

34. & 35. Cost of Adjusted Debt (1 & 5-Year) ✍

The interest expense, when multiplied by the tax multiplier (1.0 minus the marginal federal tax rate), provides the after-tax cost of funds. The tax rate is not applied to nondeductible interest. Adjusted debt, as the denominator, is defined as earning assets less equity capital and the loan loss reserve.

36. Leverage Spread (1 Year) ✍

The leverage spread equals the return on earning assets less the cost of adjusted debt, both after tax. The leverage spread is multiplied by leverage to calculate ROFL.

37. Leverage Multiplier (1 Year)

The leverage multiplier is defined as the ratio of adjusted debt to adjusted equity. Adjusted debt equals earning assets (which include the loan loss reserve) less equity capital and the loan loss reserve. Adjusted equity equals equity capital plus the loan loss reserve.

38. Return on Financial Leverage (1 Year)

The second component of ROE is the bank's return on financial leverage (ROFL). It reflects both the degree to which a bank uses debt and deposit funds to finance its operating strategy and the after-tax cost of these debt funds.

GROWTH

39. & 40. Internal Growth of Equity Capital (1 and 5-Year) ✍

The internal growth of equity capital is the reinvestment rate of retained earnings after dividends plus the change in the loan loss reserve as a percentage of the previous periods equity capital and loan loss reserve. The internal growth rate of equity can indicate sustainable future growth.

One-year income ratios — New banks or merged banks within one year have one-year income and expense ratios calculated based on the latest quarter's information.

NC = Not Calculated

**Bank
Components of Rank
with
Instructions
for Calculating Rank**

BANK FINANCIAL QUARTERLY
DATA ENDING 3rd QTR, 2015

DISTRIBUTIONS BY PERCENTILE
OF FINANCIAL RATIOS FOR
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		RANK	SIZE	CAPITAL RATIOS			LOAN RISK % TIER I			LIQUIDITY			ROA	ROE VS COE				
		RANK OF FINANCIAL RATIOS	TOTAL ASSETS DOLLARS IN MILLIONS	TIER I CAPITAL AS A % OF ASSETS	TIER I & II CAPITAL % RISK-BASED ASSETS	TIER I CAPITAL AS A % OF RISK-BASED ASSETS	LOAN LOSS RESERVE	LOANS 90 DAYS OR MORE PAST DUE	LOANS NONACCRUAL & RESTRUCTURED + REO	BALANCE SHEET CASH FLOW % TIER I CAPITAL	ILLIQUID LOANS AS A % OF STABLE DEP & BOR	INT-BEARING LIAB AS A % OF EARNING ASSETS	NET INCOME AS A % OF ASSETS	STOCKHOLDER RETURN ON EQUITY	ESTIMATE OF COST OF EQUITY	NET OPERATING PROFIT (AFTER-TAX) RETURN ON EQUITY		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
		HIGHEST QUALITY	300	1,954.125	99.9	999.9	999.9	0	0	0	517	0	68.56	167.7	4.0	136.4	102.5	
Plus Multiplier	Contra Multiplier	98%	300	8,348	23.7	57.1	56.0	1	0	0	50	24	38	2.94	24.1	4.3	16.5	16.2
		96%	300	3,408	18.2	38.5	37.3	2	0	0	35	32	53	2.29	20.5	4.4	14.5	14.3
		94%	294	1,951	16.4	33.0	31.8	3	0	0	30	36	56	2.06	18.6	4.5	13.3	13.3
		92%	286	1,361	15.3	29.4	28.4	3	0	0	27	39	59	1.88	17.1	4.5	12.5	12.4
		90%	280	1,072	14.6	27.4	26.4	4	0	0	24	42	61	1.77	16.1	4.5	12.0	11.9
8	1	88%	274	882	14.0	25.9	24.8	4	0	0	22	44	63	1.66	15.1	4.6	11.5	11.4
		86%	268	758	13.6	24.4	23.3	4	0	0	21	46	64	1.58	14.3	4.6	11.1	11.0
		84%	263	656	13.2	23.4	22.3	5	0	0	20	48	65	1.51	13.8	4.7	10.7	10.6
		82%	258	577	12.8	22.5	21.4	5	0	1	18	50	66	1.45	13.2	4.7	10.4	10.3
		80%	254	512	12.5	21.7	20.7	5	0	1	17	51	67	1.39	12.8	4.7	10.2	10.0
7	2	78%	250	467	12.3	21.2	20.1	6	0	1	16	53	68	1.35	12.3	4.8	9.9	9.8
		76%	245	427	12.1	20.6	19.5	6	0	2	15	54	69	1.30	11.9	4.8	9.7	9.5
		74%	242	389	11.9	20.1	18.9	6	0	2	15	55	69	1.25	11.5	4.9	9.5	9.3
		72%	238	358	11.7	19.5	18.4	6	0	2	14	56	70	1.22	11.2	4.9	9.3	9.2
		70%	234	337	11.5	19.1	17.9	6	0	2	13	57	70	1.19	10.9	4.9	9.1	9.0
6	3	68%	231	314	11.4	18.6	17.5	7	0	3	12	58	71	1.16	10.6	5.0	8.9	8.8
		66%	228	293	11.2	18.3	17.2	7	0	3	12	59	72	1.13	10.3	5.0	8.7	8.6
		64%	225	274	11.1	18.0	16.8	7	0	3	11	60	72	1.10	10.1	5.0	8.5	8.4
		62%	221	258	11.0	17.7	16.5	7	0	4	10	61	73	1.07	9.7	5.1	8.3	8.2
		60%	219	241	10.9	17.4	16.3	7	0	4	10	62	73	1.05	9.5	5.1	8.2	8.0
5	4	58%	215	227	10.8	17.1	16.0	8	0	4	9	63	74	1.02	9.3	5.1	8.0	7.8
		56%	212	212	10.6	16.9	15.8	8	0	5	9	64	74	1.00	9.0	5.2	7.8	7.6
		54%	208	201	10.5	16.6	15.5	8	0	5	8	65	74	0.98	8.8	5.2	7.7	7.5
		52%	205	190	10.4	16.4	15.2	8	0	5	7	65	75	0.95	8.6	5.3	7.5	7.3
		50%	202	180	10.3	16.2	15.0	8	0	6	7	66	75	0.93	8.3	5.3	7.3	7.1
4	5	48%	199	171	10.2	15.9	14.8	8	0	6	6	67	76	0.91	8.1	5.3	7.2	6.9
		46%	196	161	10.1	15.7	14.6	9	0	7	5	68	76	0.88	7.9	5.4	7.0	6.7
		44%	193	151	10.0	15.5	14.4	9	0	7	5	69	77	0.86	7.7	5.4	6.8	6.5
		42%	189	144	9.9	15.3	14.1	9	0	8	4	70	77	0.83	7.5	5.5	6.7	6.4
		40%	186	137	9.8	15.1	13.9	9	0	8	4	71	77	0.80	7.3	5.5	6.5	6.2
3	6	38%	183	130	9.7	14.8	13.7	9	0	9	3	71	78	0.78	7.1	5.6	6.3	6.0
		36%	179	123	9.6	14.6	13.5	9	0	9	2	72	78	0.76	6.8	5.7	6.1	5.8
		34%	176	116	9.6	14.4	13.3	10	0	10	1	73	79	0.73	6.6	5.7	6.0	5.6
		32%	172	109	9.5	14.2	13.1	10	0	10	1	74	79	0.70	6.4	5.8	5.8	5.4
		30%	168	103	9.4	14.0	12.9	10	0	11	0	75	79	0.67	6.1	5.9	5.5	5.2
2	7	28%	164	97	9.3	13.8	12.7	10	0	11	-1	76	80	0.64	5.9	6.0	5.3	5.0
		26%	160	91	9.2	13.6	12.5	11	1	12	-2	77	80	0.62	5.6	6.1	5.1	4.8
		24%	156	84	9.1	13.5	12.3	11	1	13	-4	78	81	0.59	5.3	6.2	4.9	4.5
		22%	152	79	9.1	13.3	12.2	11	1	14	-5	79	81	0.55	4.9	6.3	4.6	4.2
		20%	148	73	8.9	13.1	12.0	11	1	15	-7	80	82	0.52	4.6	6.5	4.3	3.9
1	8	18%	143	67	8.9	12.9	11.8	12	1	17	-8	81	83	0.48	4.3	6.6	4.0	3.6
		16%	139	62	8.8	12.7	11.6	12	1	18	-10	83	83	0.44	3.9	6.8	3.8	3.3
		14%	134	57	8.6	12.4	11.4	13	2	20	-13	84	84	0.39	3.5	7.0	3.4	2.9
		12%	129	52	8.5	12.2	11.2	13	2	22	-16	86	84	0.34	3.0	7.2	3.0	2.4
		10%	122	47	8.4	12.1	10.9	14	2	24	-20	88	85	0.29	2.6	7.5	2.5	1.9
0	9	8%	115	41	8.2	11.8	10.7	14	3	27	-25	90	86	0.22	1.9	7.9	2.0	1.2
		6%	105	35	8.0	11.5	10.4	16	4	33	-33	93	88	0.12	1.1	8.4	1.3	0.0
		4%	89	28	7.6	11.2	10.0	17	5	42	-43	96	89	-0.07	-0.8	9.1	0.0	-1.5
		2%	61	19	6.9	10.6	9.5	22	8	63	-70	103	92	-0.60	-6.8	10.9	-3.2	-6.0
		LOWEST QUALITY	1	3	0.1	0.2	0.2	198	58	999	-999	999	999	-40.51	-240.4	14.1	-169.0	-87.4

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Value	269	135	11.8	13.4	12.2	10	0	6	4	103	65	2.42	21.1	4.9	13.0	12.5
Quality Level Multiplier		3		2												
Weight	☆3	☆	☆1	NA	☆	NA	NA	☆	☆	☆	NA	NA	NA	☆	NA	
Cap	☆	☆	+200	☆		☆			-100	-25	☆				+60	
Score		9.1	118	2.0		4.2			NC	NC	30.0				40.6	
Summation		9.1	127	129.2		133					163				204.0	

☆ Refer to Instructions for Calculating Your Rank

SAMPLE BANK
City, ST

GROWTH

			LOAN PERFORMANCE					OPERATING PERFORMANCE % EARNING ASSETS					OP PROFIT MARGIN		PROFIT STRUCTURE																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
CURRENT YIELD ON INVESTMENTS			LOANS AS A % OF EARNING ASSETS		CURRENT YIELD ON LOANS			LOANS NONCURRENT & RESTRUCTURED + REO		% CHG NONCURRENT & RESTRUCTURED + REO			LOANS TO FINANCE COMMERCIAL RE % LOANS		INC IN LOAN LOSS RES % EARNING ASSETS		NET INTEREST MARGIN		NONINTEREST INCOME			NONINTEREST EXPENSE		OPERATING PROFIT MARGIN		RISK (SD.) IN OP PROFIT MARGIN		RETURN ON EARNING ASSETS (AFTER TAX)		COST OF ADJUSTED DEBT (AFTER TAX)		LEVERAGE SPREAD		LEVERAGE MULTIPLIER		RETURN ON FINANCIAL LEVERAGE		INTERNAL GROWTH OF EQUITY OF CAPITAL																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
11.2	99	37.9	0.0	-99.9	0.0	-1.12	24.17	24.49	999.99	999.99	-0.99	-0.48	590.9	0.5	95.57	99.90	0.00	0.00	76.24	0.0	65.9	65.3	48.1	4.1	93	7.7	0.0	-99.9	0.8	0.00	5.48	5.46	8.62	8.48	1.46	1.54	61.7	1.0	3.02	3.10	0.06	0.11	2.11	2.6	14.3	17.3	13.9	3.6	91	7.0	0.0	-99.8	2.8	0.00	5.06	5.08	3.03	3.05	1.69	1.76	56.3	1.2	2.27	2.38	0.08	0.16	1.76	3.7	12.5	13.9	11.7	3.4	89	6.7	0.0	-90.3	4.3	0.00	4.87	4.87	2.16	2.17	1.84	1.90	53.3	1.4	2.05	2.16	0.10	0.18	1.62	4.2	11.5	12.3	10.7	3.2	88	6.5	0.0	-82.1	5.8	0.00	4.72	4.72	1.74	1.76	1.96	2.04	50.9	1.5	1.93	2.06	0.11	0.20	1.52	4.5	10.7	11.2	9.9	3.1	87	6.4	0.1	-74.3	6.9	0.00	4.61	4.63	1.52	1.56	2.05	2.12	49.0	1.6	1.85	1.96	0.12	0.22	1.45	4.8	10.2	10.5	9.3	2.9	86	6.2	0.1	-68.5	8.4	0.00	4.52	4.54	1.38	1.39	2.13	2.19	47.3	1.7	1.78	1.89	0.14	0.24	1.40	5.0	9.8	9.9	8.8	2.8	85	6.1	0.1	-64.3	9.6	0.00	4.44	4.46	1.28	1.30	2.20	2.26	46.0	1.8	1.74	1.84	0.15	0.26	1.35	5.2	9.4	9.5	8.4	2.8	84	6.0	0.2	-60.0	11.1	0.00	4.38	4.41	1.19	1.22	2.27	2.33	44.8	1.9	1.69	1.79	0.16	0.27	1.32	5.4	9.1	9.0	8.0	2.7	83	5.9	0.2	-55.8	12.4	0.00	4.32	4.35	1.13	1.15	2.32	2.40	43.9	2.0	1.64	1.75	0.16	0.28	1.28	5.5	8.9	8.6	7.7	2.6	82	5.9	0.3	-52.4	13.7	0.00	4.26	4.30	1.07	1.09	2.38	2.46	42.8	2.1	1.61	1.72	0.17	0.29	1.24	5.6	8.6	8.2	7.4	2.6	81	5.8	0.3	-49.1	14.9	0.00	4.21	4.26	1.02	1.02	2.43	2.51	41.9	2.2	1.57	1.68	0.18	0.31	1.21	5.8	8.4	7.9	7.2	2.5	81	5.7	0.4	-46.4	16.2	0.00	4.17	4.22	0.97	0.97	2.47	2.56	41.1	2.3	1.53	1.65	0.19	0.32	1.18	5.9	8.2	7.6	6.9	2.5	80	5.7	0.4	-43.5	17.4	0.00	4.12	4.19	0.93	0.93	2.52	2.61	40.3	2.4	1.50	1.62	0.20	0.33	1.16	6.0	8.0	7.3	6.7	2.4	79	5.6	0.5	-41.1	18.8	0.00	4.09	4.15	0.89	0.89	2.57	2.66	39.5	2.5	1.48	1.59	0.21	0.34	1.13	6.1	7.8	7.0	6.5	2.4	78	5.6	0.5	-38.9	19.9	0.01	4.05	4.11	0.86	0.86	2.62	2.70	38.8	2.6	1.45	1.56	0.21	0.36	1.11	6.2	7.7	6.7	6.3	2.3	77	5.5	0.6	-36.7	21.4	0.01	4.02	4.08	0.83	0.83	2.66	2.75	38.0	2.7	1.42	1.53	0.22	0.37	1.08	6.3	7.5	6.4	6.0	2.3	77	5.5	0.7	-34.6	22.8	0.01	3.98	4.05	0.80	0.80	2.71	2.80	37.4	2.8	1.39	1.51	0.23	0.38	1.06	6.4	7.3	6.2	5.8	2.2	76	5.5	0.7	-32.7	24.5	0.02	3.95	4.02	0.77	0.77	2.75	2.84	36.7	2.9	1.37	1.48	0.24	0.39	1.04	6.5	7.1	6.0	5.6	2.2	75	5.4	0.8	-30.9	25.6	0.02	3.91	3.99	0.74	0.75	2.79	2.88	35.9	3.0	1.35	1.46	0.25	0.40	1.02	6.5	7.0	5.8	5.4	2.1	74	5.4	0.8	-29.2	26.8	0.02	3.88	3.95	0.72	0.72	2.83	2.92	35.3	3.0	1.32	1.43	0.26	0.41	0.99	6.6	6.8	5.6	5.3	2.1	73	5.4	0.9	-27.5	28.0	0.03	3.86	3.92	0.69	0.70	2.87	2.96	34.6	3.0	1.30	1.41	0.26	0.42	0.97	6.7	6.7	5.4	5.1	2.1	72	5.3	0.9	-25.5	29.2	0.03	3.83	3.89	0.66	0.67	2.91	3.00	34.0	3.1	1.27	1.39	0.27	0.43	0.95	6.8	6.5	5.2	4.8	2.0	71	5.3	1.0	-23.9	30.6	0.03	3.80	3.86	0.64	0.65	2.95	3.04	33.4	3.2	1.25	1.36	0.28	0.44	0.93	6.9	6.4	5.0	4.7	2.0	71	5.2	1.1	-22.0	32.0	0.04	3.77	3.83	0.62	0.63	3.00	3.07	32.8	3.3	1.23	1.34	0.29	0.45	0.91	7.0	6.2	4.8	4.5	1.9	70	5.2	1.1	-20.3	33.1	0.04	3.74	3.80	0.59	0.61	3.04	3.11	32.0	3.5	1.21	1.31	0.29	0.46	0.88	7.1	6.1	4.6	4.4	1.9	69	5.2	1.2	-18.7	34.3	0.05	3.70	3.77	0.57	0.58	3.08	3.16	31.2	3.6	1.18	1.29	0.30	0.47	0.87	7.1	5.9	4.5	4.2	1.8	68	5.1	1.3	-16.9	35.4	0.05	3.67	3.74	0.55	0.56	3.12	3.20	30.4	3.7	1.16	1.26	0.31	0.48	0.85	7.2	5.8	4.2	4.0	1.8	67	5.1	1.3	-14.9	36.6	0.06	3.65	3.72	0.53	0.54	3.16	3.24	29.6	3.9	1.14	1.24	0.32	0.49	0.83	7.3	5.7	4.0	3.8	1.7	66	5.1	1.4	-13.0	37.9	0.06	3.62	3.69	0.51	0.53	3.21	3.29	28.9	4.0	1.11	1.21	0.33	0.51	0.80	7.4	5.5	3.9	3.6	1.7	65	5.0	1.5	-11.2	39.0	0.07	3.58	3.66	0.49	0.51	3.25	3.34	28.1	4.2	1.09	1.19	0.34	0.52	0.78	7.5	5.3	3.7	3.5	1.7	64	5.0	1.6	-9.2	40.5	0.07	3.55	3.64	0.47	0.49	3.30	3.39	27.3	4.3	1.07	1.16	0.35	0.53	0.76	7.6	5.2	3.5	3.3	1.6	63	5.0	1.7	-7.1	41.8	0.07	3.52	3.60	0.45	0.47	3.35	3.43	26.6	4.5	1.04	1.14	0.36	0.54	0.74	7.6	5.0	3.2	3.2	1.5	62	5.0	1.8	-4.8	43.1	0.08	3.49	3.57	0.44	0.45	3.40	3.48	25.9	4.7	1.02	1.11	0.37	0.55	0.72	7.7	4.9	3.0	3.0	1.5	60	4.9	1.9	-2.5	44.3	0.09	3.46	3.55	0.42	0.43	3.45	3.54	25.0	4.9	0.99	1.08	0.38	0.56	0.69	7.8	4.7	2.8	2.8	1.5	59	4.9	2.0	0.0	45.6	0.09	3.42	3.51	0.40	0.41	3.50	3.59	24.2	5.1	0.96	1.04	0.39	0.57	0.67	7.9	4.5	2.6	2.6	1.4	58	4.8	2.2	2.6	47.0	0.10	3.39	3.48	0.38	0.40	3.55	3.64	23.1	5.4	0.93	1.02	0.40	0.59	0.64	8.0	4.3	2.4	2.5	1.4	56	4.8	2.3	6.3	48.3	0.11	3.35	3.44	0.36	0.38	3.61	3.71	22.2	5.6	0.91	0.99	0.41	0.60	0.62	8.1	4.1	2.2	2.3	1.3	55	4.8	2.5	9.9	49.8	0.12	3.31	3.41	0.35	0.36	3.68	3.77	21.1	5.9	0.87	0.95	0.42	0.61	0.59	8.2	3.9	2.0	2.0	1.2	53	4.7	2.7	15.0	51.2	0.12	3.26	3.36	0.33	0.34	3.76	3.84	20.1	6.2	0.84	0.92	0.44	0.63	0.55	8.3	3.6	1.7	1.8	1.2	52	4.7	2.9	19.4	52.9	0.13	3.22	3.31	0.31	0.32	3.83	3.93	19.0	6.6	0.80	0.88	0.45	0.64	0.52	8.4	3.4	1.4	1.6	1.1	50	4.7	3.1	24.3	54.7	0.14	3.17	3.26	0.29	0.30	3.94	4.03	17.6	7.0	0.76	0.83	0.47	0.66	0.48	8.5	3.2	1.1	1.3	1.1	48	4.6	3.3	31.0	56.5	0.15	3.12	3.22	0.27	0.28	4.04	4.13	16.2	7.4	0.72	0.79	0.48	0.68	0.44	8.6	2.9	0.8	1.0	1.0	46	4.6	3.6	39.8	58.2	0.17	3.06	3.16	0.25	0.26	4.14	4.26	14.5	7.8	0.67	0.74	0.50	0.70	0.40	8.8	2.6	0.5	0.7	0.9	43	4.5	4.0	52.1	60.3	0.19	2.98	3.10	0.23	0.24	4.29	4.40	12.8	8.4	0.61	0.69	0.52	0.72	0.35	9.0	2.3	0.0	0.2	0.8	41	4.4	4.4	69.1	62.7	0.21	2.90	3.02	0.20	0.22	4.48	4.55	10.9	9.2	0.55	0.62	0.55	0.75	0.29	9.1	1.9	-0.6	-0.4	0.7	38	4.4	4.9	94.9	65.5	0.24	2.79	2.92	0.17	0.19	4.70	4.79	8.4	10.2	0.47	0.54	0.57	0.78	0.23	9.4	1.4	-1.5	-1.3	0.6	34	4.3	5.6	141.5	68.4	0.28	2.64	2.77	0.15	0.15	5.16	5.18	5.3	11.4	0.38	0.40	0.60	0.82	0.14	9.7	0.8	-2.8	-2.4	0.5	28	4.1	7.1	243.0	72.5	0.34	2.38	2.54	0.11	0.11	6.00	5.90	-0.1	13.8	0.23	0.22	0.66	0.88	-0.04	10.2	-0.2	-4.9	-4.5	0.3	15	3.8	10.2	570.0	78.9	0.47	1.72	2.02	0.05	0.03	10.53	10.11	-11.9	18.7	-0.09	-0.19	0.75	0.98	-0.42	11.2	-2.9	-11.5	-10.1	0.0	0	0.0	38.6	999.9	99.8	9.99	-62.92	-81.99	-0.99	-0.70	999.99	99.99	-866.7	99.9	-57.96	-99.90	6.02	26.64	-34.22	23.3	-95.3	-148.7	-71.6

17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
0.2	95	5.7	0.7	999.9	58.7	0.05	5.25	5.00	0.20	0.20	2.88	2.79	47.2	2.2	1.86	1.86	0.19	0.32	1.68	6.6	11.1	3.3	3.5
0		7							0		4				9		2					3	
1	NA	1	NA	☆	☆	NA	NA	NA	2	NA	-2	NA	☆	☆	3	NA	-1	NA	☆	NA	NA	2	NA
				-20	-25				☆				±15	-25					☆				
0.0		7.0		NC	-8.2				0.0		-8.0		12.2	-2.2	27.0		-2.0		33.6			6.0	
204.0		211.0			202.7				202.7		194.7		207.0	204.									

26 Instructions for Calculating a Rank of a Bank

There are four steps to follow when calculating a rank:

1) In the lower boxes on the following pages, fill-in the calculated value for each ratio (Columns 2 through 40) for the bank or bank holding company you are ranking in the row titled "value". 2) Find the location of the ratio in the column above the chart and select the proper multiplier from the left-hand scale where noted. As an example, a bank with \$200 million in assets (or a bank holding company with \$2.0 billion in assets) (Column 2) uses a **level 5 plus multiplier**. Write the multipliers in the quality level row of boxes for each calculation. 3) Multiply the weight times the quality level multiplier to determine column score. 4) Add together each column score to derive the rank. *Note: If an institution's value being used to calculate the score does not meet the criteria in the instructions, a score is not calculated and you should proceed to the next column.*

If the Tier I Capital Ratio (Column 3) is greater than 40% after adjusting for 90 day loan delinquencies, nonaccrual loans, restructured loans, and other real estate owned in excess of the loan loss reserve, the rank is set to 300.

If the rank is less than 200 and the Tier I Capital Ratio (Column 3) is greater than 20%, after adjusting for 90 day loan delinquencies, nonaccrual loans, restructured loans, and other real estate owned in excess of the loan loss reserve, the rank is set to 200.

If the rank is greater than 74, and the reported Tier I Capital Ratio is less than 8% and Tier II Capital Ratio is less than 12%, and the Adjusted Tier I Capital Ratio (Column 3) is less than 4%, after adjusting for 90 day loan delinquencies, nonaccrual loans, restructured loans, and other real estate owned in excess of the loan loss reserve, the rank is set to 74.

Rank Caps Based on Capital Categories (Cols 3-5): IDC caps rankings under the following conditions:

Category	Tier 1 Capital (Column 3)	Total RB Cap'l (Col. 4)	Tier 1 RB Cap'l (Col. 5)	Rank Cap
Well Capitalized	≥ 5%	& ≥ 10%	& ≥ 6%	None
Adequately Capitalized*	≥ 4%	& ≥ 8%	& ≥ 4%	124
Under Capitalized	≥ 3%	& ≥ 6%	& ≥ 3%	74
Significantly Under Capitalized	< 3%	or < 6%	or < 3%	2
Critically Under Capitalized	< 2%			1

Consent Orders Alter Capital Requirements

* Rank is capped at 74 for banks "Adequately Capitalized" if the standard deviation of operating profit margin (Column 31) is greater than 10.

Column 2 - Total Assets

Column 2 has a weight of 3 and uses the plus multiplier. An additional point is added to the score for each \$1 billion in assets, up to a maximum of 30 points. Holding companies score an additional 10 points for their relative starting size and access to financial markets.

Column 3 - Tier I Capital as % of Assets

Column 3 is multiplied by 10 with the score capped at +150. The multipliers are not used.

In addition, if Column 3 > 15%, add one point for each percent of difference (up to a total of 50 points) to the column score (e.g. if Column 3 = 28%, add 13 points). The column score is capped at 200 (150 +50).

Column 4 - Tier I & II Capital as % of Risk-based Assets (Risk-based Capital)

If Column 4 is less than 8%, the score equals 20 times the value of the difference [(Column 4 - 8%) × 20].

The column score is capped at -40. If Column 4 is 8% or more, the column weight is 1 and uses the plus multiplier.

Columns 6, 7, & 8 - Loan Risk % Tier I

If Column 6 is greater than delinquencies (Column 7 + Column 8), the difference [Column 6 - (Column 7 + Column 8)] is added to the rank. The multipliers are not used and the column score is capped at +30.

If Column 6 is less than loan risk, the score equals Column 6 less ½ of (Column 7 + Column 8). The multipliers are not used and the column score is capped at -150 (-90 prior to 1992).

Column 9 - Balance Sheet Cash Flow % Tier I capital

All of the following must be true to calculate a score for column 9; otherwise skip to column 10:

- 1) Column 9 is negative, **and**
- 2) Column 20 is greater than 4%, **and**
- 3) [(Column 20 × Column 18) ÷ 100] is greater than 3%, **and**
- 4) Column 4 is less than 14%, **and**
- 5) Column 3 is less than 9%.

The value from column 9 is entered as the column score. The column score is capped at -100.

Column 10 - Illiquid Loans as a % of Stable Deposits & Borrowings Plus Excess Liquidity

If Column 10 is greater than 125, subtract Column 10 from 125, multiply the difference by Column 18, then divide by 100. The column score is capped at -25. The multipliers are not used.

Column 11 - Interest-Bearing Liabilities as % of Earning Assets

The value of Column 11 is subtracted from 100.

- 1) A positive result is entered as the column score and capped at +30: **OR**
- 2) A negative result is multiplied by 10 and compared to the value in Column 9. Enter the negative number closest to zero as the column score for Column 11. The negative column score is capped at -100: **OR**
- 3) Column 20 is greater than 4%, **and**
- 4) $[(\text{Column } 20 \times \text{Column } 18) \div 100]$ is greater than 3%, **and**
- 5) If a negative result and the value in Column 9 is positive, enter 0 for the column score.

Columns 14 & 15 - Return on Equity (Last 12 Months) vs. Cost of Equity

Compute risk-adjusted capital according to COE definition in the Glossary.

All of the following must be true to calculate a score; otherwise skip to column 17:

- 1) Column 3 is greater than 3%, **and**
 - 2) Column 13 is greater than Column 14, **and**
 - 3) Column 15 is greater than Column 14.
- Step 1 — Calculate the surplus/deficit of the loan loss reserve (LLR) vs. delinquencies.
Col. 6 - [Col. 7 + Col. 8] = Surplus/Deficit. **If surplus, proceed to Step 4.**
 - Step 2 — Multiply Tier I Capital (Column 3) by the result of Step 1 (stated as a percent).
Col. 3 \times Deficit divided by 100 = Adjustment
 - Step 3 — Reduce Tier I Capital by the Adjustment to compute risk-adjusted capital.
Col. 3 + (- Adjustment) = Risk-adjusted Capital.
If this risk-adjusted capital is greater than 2%, proceed to Step 4.
 - Step 4 — Multiply the difference (NOPAT ROE minus COE) by 5. Cap at +60. The multipliers are not used. (E.g. If NOPAT ROE = 17.5 and COE = 12.6; then the score equals 24.5.)

Column 17 - Current Yield on Investments

Column 17 has a weight of 1 and uses the plus multiplier.

Column 19 - Current Yield on Loans

Column 19 has a weight of 1 and uses the plus multiplier.

Column 21 - Percent Change in 90 days past due, nonaccrual loans, restructured loans, and other real estate owned % total loans

If Column 21 is positive and Column 20 is greater than 2%, then divide Column 21 by 10. Enter the result as a negative value in the column score. The column score is capped at -20.

Column 22 - Loans to Finance Commercial Real Estate as a % of Loans

If Column 22 is greater than 50%, take the value greater than 50 and multiply it by Column 18, then divide by 100. Enter the negative value of the result in the column score. (E.g. If the result = 23.4, the score becomes -23.4.) The column score is capped at -25.

Column 26 - Noninterest Income (Last 12 Months)

Column 26 has a weight of 2 and uses the plus multiplier.

Column 28 - Noninterest Expense (Last 12 Months)

Column 28 has a weight of -2 and uses the contra multiplier.

Column 30 - Operating Profit Margin (Last 12 Months)

Subtract 35 from value in Column 30 and enter the result in the column score. The column score is capped at ± 15 .

Column 31 - Risk (SD) in Operating Profit Margin

The negative value of Column 31 is entered in the column score. The column score is capped at -25. (E.g. If Column 31 = 1.9, the column score becomes -1.9.)

Column 32 - Return on Earning Assets (Last 12 Months)

Column 32 has a weight of 3 and uses the plus multiplier.

Column 34 - Cost of Adjusted Debt (Last 12 Months)

Column 34 has a weight of -1 and uses the contra multiplier.

Column 36 - Leverage Spread (Last 12 Months)

Column 36 is multiplied by 20, with the column score capped at +40. The multipliers are not used.

Column 39 - Internal Growth in Equity Capital (Last 1 Year or for Period Measured)

Column 39 has a weight of 2 and uses the plus multiplier.

If the rank that you have calculated differs from IDC's published rank

If your score is within a few points, the difference is often due to rounding errors. Check to see that you have chosen the proper PLUS (add to score) or CONTRA (subtract from score) multiplier for the component you are calculating. Verify that you have restricted scores for those columns that are capped.

If you still have questions, call IDC at 1-800-525-5457 for assistance.



Cost Ratio Analysis



BANK COST RATIO ANALYSIS
DATA ENDING 3rd QTR, 2015

DISTRIBUTIONS BY PERCENTILE
OF COST RATIOS FOR
5,502 BANKS

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	RANK OF FINANCIAL RATIOS	COMPONENTS OF NET OPERATING PROFIT AFTER TAX ROE			OPERATING EXP % NET OP REVENUE			TAX RATE		EMPLOYEE RATIOS		
		INVESTMENT INCOME PLUS REALIZED SEC GAIN OR LOSS ROE	LOAN INCOME ROE	NONINTEREST INCOME AND OTHER INCOME OR LOSS ROE	PERSONNEL EXPENSE	OFFICE EXPENSE	OTHER NONINTEREST EXPENSE	ADJUSTED TAX RATE - ONE YEAR	ADJUSTED TAX RATE - FIVE YEAR	EMPLOYEES PER \$ MILLION ASSETS	EMPLOYEES PER \$ MILLIONS OF NET OP REVENUE	PERSONNEL EXPENSE PER EMPLOYEE
	1	2	3	4	5	6	7	8	9	10	11	12
HIGHEST QUALITY	300	25.3	58.6	135.4	0.0	0.0	1.3	0.0	0.0	0.00	0.00	-75.8
98%	300	5.3	13.5	5.8	18.5	1.9	9.8	0.0	0.0	0.08	1.87	41.6
96%	300	4.5	12.1	4.0	22.8	2.9	11.3	5.0	7.4	0.10	2.59	45.3
94%	294	3.9	11.2	3.0	24.8	3.4	12.3	12.7	15.7	0.11	2.91	47.8
92%	286	3.6	10.6	2.6	26.2	3.8	13.0	16.3	19.2	0.12	3.17	49.5
90%	280	3.3	10.2	2.3	27.4	4.2	13.6	19.0	20.9	0.13	3.36	51.0
88%	274	3.0	9.8	2.0	28.5	4.5	14.2	21.4	22.7	0.14	3.58	52.2
86%	268	2.8	9.4	1.8	29.4	4.7	14.8	23.0	23.9	0.15	3.75	53.2
84%	263	2.7	9.1	1.6	30.1	5.0	15.2	24.3	24.9	0.15	3.88	54.2
82%	258	2.5	8.8	1.5	30.8	5.2	15.7	25.5	25.8	0.16	4.03	55.0
80%	254	2.4	8.6	1.3	31.4	5.4	16.1	26.5	26.5	0.16	4.16	56.0
78%	250	2.3	8.3	1.2	31.9	5.6	16.5	27.4	27.2	0.17	4.26	56.8
76%	245	2.2	8.2	1.1	32.5	5.8	16.8	28.2	27.8	0.18	4.36	57.7
74%	242	2.1	8.0	1.0	32.9	6.0	17.2	29.0	28.4	0.18	4.47	58.5
72%	238	2.0	7.8	0.9	33.3	6.1	17.5	29.6	29.1	0.18	4.57	59.2
70%	234	1.9	7.6	0.8	33.8	6.3	17.9	30.2	29.7	0.19	4.67	59.9
68%	231	1.8	7.5	0.7	34.3	6.5	18.2	30.8	30.3	0.19	4.76	60.7
66%	228	1.7	7.3	0.5	34.6	6.6	18.6	31.3	30.8	0.20	4.86	61.4
64%	225	1.6	7.2	0.4	35.0	6.8	18.9	31.8	31.3	0.20	4.94	62.2
62%	221	1.5	7.0	0.3	35.5	7.0	19.2	32.3	31.7	0.21	5.04	63.0
60%	219	1.5	6.9	0.2	35.9	7.1	19.5	32.9	32.2	0.21	5.12	63.8
58%	215	1.4	6.7	0.1	36.3	7.2	19.9	33.5	32.7	0.21	5.21	64.5
56%	212	1.3	6.6	0.0	36.7	7.4	20.2	34.0	33.1	0.22	5.28	65.3
54%	208	1.3	6.5	-0.2	37.1	7.6	20.5	34.0	33.5	0.22	5.37	66.1
52%	205	1.2	6.3	-0.3	37.4	7.7	20.9	34.0	34.0	0.22	5.44	66.8
50%	202	1.1	6.2	-0.4	37.8	7.9	21.2	34.0	34.0	0.23	5.53	67.5
48%	199	1.1	6.1	-0.5	38.2	8.1	21.6	34.0	34.0	0.23	5.61	68.4
46%	196	1.0	5.9	-0.6	38.6	8.2	21.9	34.0	34.0	0.24	5.68	69.3
44%	193	1.0	5.8	-0.7	39.0	8.4	22.3	34.0	34.0	0.24	5.75	70.3
42%	189	0.9	5.7	-0.8	39.4	8.5	22.6	34.0	34.0	0.24	5.84	71.1
40%	186	0.9	5.6	-0.9	39.8	8.7	23.0	34.0	34.0	0.25	5.92	72.0
38%	183	0.8	5.4	-1.0	40.3	8.9	23.4	34.0	34.0	0.25	6.02	73.1
36%	179	0.8	5.3	-1.2	40.6	9.1	23.8	34.0	34.0	0.26	6.11	74.3
34%	176	0.7	5.2	-1.3	41.1	9.3	24.3	34.0	34.0	0.26	6.21	75.5
32%	172	0.7	5.0	-1.4	41.6	9.5	24.8	34.0	34.0	0.27	6.30	76.7
30%	168	0.7	4.9	-1.5	42.2	9.7	25.2	34.0	34.0	0.27	6.42	77.9
28%	164	0.6	4.8	-1.7	42.6	9.9	25.7	34.0	34.0	0.28	6.53	79.1
26%	160	0.6	4.6	-1.8	43.1	10.1	26.3	34.0	34.0	0.28	6.63	80.6
24%	156	0.5	4.5	-1.9	43.6	10.4	26.9	34.0	34.0	0.29	6.74	82.0
22%	152	0.5	4.4	-2.1	44.2	10.6	27.6	34.0	34.0	0.29	6.85	83.9
20%	148	0.4	4.2	-2.2	44.8	10.8	28.4	34.0	34.0	0.30	6.98	86.0
18%	143	0.4	4.0	-2.4	45.3	11.2	29.2	34.3	34.0	0.31	7.13	88.4
16%	139	0.3	3.8	-2.6	46.0	11.5	30.1	34.8	34.1	0.31	7.29	90.7
14%	134	0.3	3.6	-2.8	46.9	11.8	31.3	35.2	34.6	0.32	7.45	93.3
12%	129	0.3	3.3	-3.0	47.8	12.3	32.4	35.8	35.2	0.33	7.65	96.9
10%	122	0.2	3.0	-3.3	48.8	12.8	33.8	36.4	35.8	0.35	7.90	100.7
8%	115	0.2	2.8	-3.5	50.1	13.6	35.8	37.2	36.6	0.36	8.23	106.0
6%	105	0.1	2.4	-3.9	51.4	14.4	38.4	38.1	37.6	0.39	8.67	113.9
4%	89	0.1	1.9	-4.5	53.9	15.7	43.2	39.3	39.7	0.43	9.29	123.9
2%	61	0.0	1.0	-5.5	58.6	17.8	52.3	43.2	54.0	0.56	10.47	141.8
LOWEST QUALITY	1	-6.7	-9.2	-21.9	999.9	155.2	999.9	99.9	99.9	9.99	99.99	994.3
2015 Q3	269	0.0	12.6	0.4	22.8	4.5	25.4	34.0	34.0	0.21	3.86	59.1
2015 Q2	272	0.0	13.1	0.2	22.1	4.6	25.8	34.0	34.0	0.20	3.82	57.8
DIFFERENCE	-3	0.0	-0.5	0.2	0.7	-0.1	-0.4	0.0	0.0	0.01	0.04	1.3

BankMap®
Cost Ratio Analysis

SAMPLE BANK
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DISTRIBUTION OF REAL ESTATE LOANS						DISTRIBUTION OF DOMESTIC DEPOSITS										INTEREST RATE ON DEPOSITS				INSURED DEPOSITS % EARNING ASSETS LESS FHLB ADV & PROBLEM LOANS		FHLB ADVANCES % EARNING ASSETS LESS PROBLEM LOANS		TOTAL ASSETS DOLLARS IN MILLIONS
1-4 FAMILY CONSTRUCTION % REAL ESTATE LOANS	OTHER CONSTRUCTION % REAL ESTATE LOANS	1-4 FAMILY 1ST LIEN % REAL ESTATE LOANS	1-4 FAMILY JUNIOR LIENS % REAL ESTATE LOANS	MULTI FAMILY % REAL ESTATE LOANS	NON-FARM & NON-RES LOANS % REAL ESTATE LOANS	PRETAX COVERAGE OF NET CHARGE-OFFS - ONE YEAR	TIME DEPOSITS GREATER THAN \$100,000	TIME DEPOSITS LESS THAN \$100,000	TRANSACTION ACCOUNTS	MMDA	OTHER SAVINGS (PASSBOOKS)	DEMAND DEPOSITS	BORROWINGS % INT-BEARING LIABILITIES	TIME DEPOSITS GREATER THAN \$100,000	TIME DEPOSITS LESS THAN \$100,000	TRANSACTION ACCOUNTS	MMDA	INSURED DEPOSITS % EARNING ASSETS LESS FHLB ADV & PROBLEM LOANS	FHLB ADVANCES % EARNING ASSETS LESS PROBLEM LOANS	TOTAL ASSETS DOLLARS IN MILLIONS				
13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33				
76.8	78.4	100.0	80.5	100.0	100.0	999.9	100.0	99.9	76.4	99.6	100.0	100.0	0.0	0.00	0.00	0.00	0.00	565.0	33.0	1,954,125				
13.5	19.3	77.5	18.7	18.9	77.9	999.9	47.9	34.8	37.2	67.0	58.2	48.4	0.0	0.22	0.22	0.01	0.04	95.9	16.1	8,348				
10.3	16.2	71.2	15.2	14.6	71.9	999.9	41.1	30.2	32.4	55.8	52.4	41.1	0.0	0.31	0.30	0.03	0.06	93.3	13.0	3,408				
8.6	14.4	66.2	13.3	12.4	67.3	999.9	37.2	27.7	29.4	49.1	46.7	37.5	0.0	0.37	0.34	0.04	0.07	91.6	11.1	1,951				
7.5	13.0	62.3	12.0	10.5	64.2	999.9	33.2	26.2	27.5	43.9	42.7	34.8	0.0	0.41	0.38	0.05	0.08	90.4	9.9	1,361				
6.8	12.0	59.7	10.9	9.4	61.6	999.9	31.0	25.1	26.2	39.6	38.2	32.9	0.0	0.45	0.42	0.05	0.09	89.3	9.0	1,072				
6.2	11.2	56.6	10.2	8.6	59.3	999.9	29.2	24.2	24.9	37.0	34.9	31.2	0.0	0.47	0.45	0.05	0.10	88.6	8.2	882				
5.6	10.5	54.1	9.6	7.9	57.0	999.9	27.6	23.3	23.5	34.7	31.6	29.7	0.0	0.50	0.47	0.06	0.10	87.8	7.5	758				
5.1	9.8	52.2	9.0	7.3	55.1	999.9	26.4	22.7	22.6	32.7	28.8	28.6	0.0	0.52	0.49	0.06	0.11	87.1	6.8	656				
4.8	9.2	50.4	8.4	6.8	53.6	999.9	25.3	22.0	21.8	31.0	26.5	27.5	0.0	0.55	0.51	0.07	0.12	86.5	6.3	577				
4.4	8.7	48.5	7.9	6.4	52.1	999.9	24.3	21.3	20.9	29.6	24.7	26.7	0.0	0.57	0.53	0.07	0.12	85.8	5.7	512				
4.1	8.2	46.7	7.5	6.0	50.4	999.9	23.2	20.8	20.1	28.3	22.9	25.9	0.0	0.59	0.55	0.08	0.13	85.3	5.2	467				
3.8	7.7	44.6	6.9	5.6	49.1	999.9	22.1	20.3	19.4	27.0	21.5	25.2	0.0	0.61	0.56	0.08	0.13	84.8	4.7	427				
3.6	7.3	43.3	6.5	5.3	47.5	999.9	21.3	19.7	18.7	25.9	20.4	24.5	0.0	0.63	0.58	0.09	0.14	84.3	4.4	389				
3.4	6.9	41.9	6.2	4.9	46.3	683.0	20.6	19.2	18.0	24.9	19.5	23.9	0.0	0.65	0.60	0.09	0.15	83.7	4.0	358				
3.2	6.5	40.7	5.8	4.6	45.2	303.1	19.7	18.8	17.4	24.0	18.4	23.3	0.0	0.67	0.62	0.10	0.15	83.2	3.7	337				
3.0	6.2	39.6	5.5	4.3	43.9	178.8	19.0	18.4	16.7	22.9	17.5	22.7	0.0	0.69	0.64	0.10	0.16	82.7	3.3	314				
2.8	5.8	38.4	5.2	4.0	42.7	128.4	18.4	17.9	16.1	22.1	16.8	22.2	0.3	0.71	0.65	0.11	0.17	82.1	3.0	293				
2.6	5.5	37.2	4.9	3.8	41.5	96.4	17.8	17.4	15.6	21.2	16.1	21.7	0.6	0.73	0.67	0.11	0.17	81.7	2.6	274				
2.5	5.2	36.3	4.6	3.5	40.5	76.0	17.2	17.0	15.1	20.4	15.3	21.1	0.9	0.74	0.68	0.12	0.18	81.1	2.3	258				
2.3	4.8	35.1	4.3	3.3	39.3	63.8	16.6	16.7	14.5	19.6	14.7	20.7	1.3	0.76	0.70	0.12	0.19	80.7	2.0	241				
2.2	4.6	34.1	4.0	3.1	38.1	54.4	16.1	16.2	13.9	18.8	14.2	20.1	1.7	0.77	0.71	0.12	0.20	80.1	1.7	227				
2.0	4.2	33.0	3.8	2.9	37.1	47.1	15.6	15.8	13.3	18.0	13.6	19.6	2.0	0.79	0.73	0.13	0.20	79.6	1.5	212				
1.9	3.9	32.1	3.5	2.7	36.2	40.9	15.2	15.4	12.5	17.2	13.1	19.1	2.3	0.81	0.74	0.14	0.21	79.0	1.2	201				
1.8	3.7	31.2	3.3	2.5	35.2	35.6	14.6	15.1	11.9	16.4	12.6	18.6	2.7	0.83	0.75	0.14	0.22	78.5	0.9	190				
1.7	3.4	30.2	3.1	2.3	34.2	31.5	14.1	14.6	11.3	15.7	12.1	18.1	3.1	0.84	0.77	0.15	0.22	77.9	0.6	180				
1.6	3.2	29.1	2.9	2.0	33.2	27.8	13.6	14.2	10.7	15.2	11.7	17.7	3.5	0.86	0.79	0.15	0.23	77.4	0.3	171				
1.5	2.9	28.2	2.7	1.8	32.2	24.5	13.2	13.8	10.2	14.5	11.3	17.2	3.8	0.88	0.80	0.16	0.24	76.7	0.0	161				
1.3	2.7	27.3	2.5	1.7	30.9	21.9	12.7	13.5	9.6	13.9	10.9	16.7	4.2	0.90	0.82	0.17	0.25	76.2	0.0	151				
1.2	2.5	26.5	2.2	1.5	29.9	19.7	12.3	13.1	9.1	13.2	10.4	16.1	4.7	0.91	0.83	0.18	0.25	75.6	0.0	144				
1.2	2.3	25.5	2.0	1.3	28.6	17.8	11.8	12.7	8.5	12.6	10.0	15.7	5.1	0.93	0.85	0.18	0.26	75.0	0.0	137				
1.1	2.0	24.9	1.8	1.2	27.7	16.2	11.4	12.2	7.9	12.0	9.6	15.2	5.5	0.95	0.87	0.19	0.27	74.3	0.0	130				
1.0	1.8	23.9	1.7	1.0	26.7	14.5	10.9	11.8	7.3	11.4	9.2	14.7	6.0	0.97	0.89	0.20	0.28	73.7	0.0	123				
0.9	1.5	22.9	1.5	0.8	25.4	13.0	10.6	11.4	6.8	10.8	8.8	14.2	6.4	0.99	0.91	0.21	0.29	73.0	0.0	116				
0.8	1.3	22.0	1.4	0.6	24.3	11.7	10.2	10.9	6.2	10.2	8.4	13.7	6.9	1.01	0.93	0.22	0.31	72.2	0.0	109				
0.7	1.1	21.0	1.2	0.5	23.2	10.4	9.8	10.6	5.7	9.6	8.0	13.0	7.4	1.03	0.95	0.23	0.32	71.6	0.0	103				
0.6	0.9	20.1	1.1	0.4	22.1	9.4	9.4	10.2	5.2	9.0	7.6	12.4	8.0	1.05	0.97	0.24	0.33	70.8	0.0	97				
0.5	0.7	19.1	0.9	0.2	20.9	8.6	9.0	9.7	4.6	8.4	7.2	11.6	8.6	1.08	0.99	0.25	0.34	70.0	0.0	91				
0.4	0.5	18.1	0.8	0.1	19.7	7.7	8.7	9.2	4.1	7.7	6.8	10.8	9.2	1.10	1.02	0.26	0.36	69.0	0.0	84				
0.3	0.3	17.1	0.6	0.0	18.5	6.9	8.2	8.7	3.7	7.0	6.3	10.1	9.9	1.12	1.04	0.28	0.37	67.8	0.0	79				
0.2	0.1	15.8	0.5	0.0	17.1	6.1	7.8	8.1	3.3	6.2	5.7	9.2	10.5	1.14	1.07	0.30	0.39	66.5	0.0	73				
0.1	0.0	14.8	0.4	0.0	15.8	5.3	7.4	7.6	2.9	5.6	5.2	8.4	11.1	1.17	1.10	0.32	0.41	65.4	0.0	67				
0.0	0.0	13.7	0.3	0.0	14.5	4.6	6.9	7.1	2.5	5.0	4.5	7.7	11.9	1.21	1.13	0.34	0.43	63.9	0.0	62				
0.0	0.0	12.5	0.2	0.0	13.1	3.8	6.4	6.5	2.1	4.3	4.0	7.0	12.8	1.24	1.17	0.37	0.45	62.3	0.0	57				
0.0	0.0	11.2	0.1	0.0	11.9	3.2	6.0	5.9	1.8	3.4	3.2	6.4	13.8	1.28	1.21	0.40	0.47	60.3	0.0	52				
0.0	0.0	9.5	0.0	0.0	10.5	2.5	5.5	5.2	1.3	2.7	2.6	5.6	15.0	1.32	1.26	0.44	0.50	57.8	0.0	47				
0.0	0.0	8.2	0.0	0.0	9.0	1.8	4.9	4.2	0.8	1.8	1.7	5.0	16.3	1.37	1.32	0.49	0.54	54.7	0.0	41				
0.0	0.0	6.4	0.0	0.0	7.2	1.0	4.3	3.4	0.3	0.7	1.0	4.3	18.0	1.44	1.39	0.55	0.59	50.9	0.0	35				
0.0	0.0	4.4	0.0	0.0	5.1	0.0	3.3	2.3	0.0	0.0	0.4	3.5	20.6	1.55	1.52	0.65	0.67	44.7	0.0	28				
0.0	0.0	1.6	0.0	0.0	2.6	0.0	1.9	0.9	0.0	0.0	0.0	2.0	24.5	1.76	1.70	0.87	0.78	26.8	0.0	19				
0.0	0.0	0.0	0.0	0.0	0.0	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	99.9	18.23	8.70	32.88	7.70	0.0	0.0	3				
16.1	24.9	17.0	0.4	0.0	33.9	55.3	24.3	16.2	14.1	2.9	13.3	29.2	0.0	0.49	0.51	0.10	0.25	69.4	0.0	135				
14.2	25.1	15.4	0.4	0.0	35.5	58.1	25.4	16.3	14.6	2.8	12.5	28.3	0.0	0.49	NC	NC	0.24	69.0	0.0	139				
1.9	-0.2	1.6	0.0	0.0	-1.6	-2.8	-1.1	-0.1	-0.5	0.1	0.8	0.9	0.0	0.00	NC	NC	0.01	0.4	0.0	-4				

SAMPLE BANK
City, ST

Glossary

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	NUMBER OF BANKS	RANK OF FINANCIAL RATIOS	INVESTMENT INCOME PLUS REALIZED SEC GAIN OR LOSS ROE	LOAN INCOME ROE	NONINTEREST INCOME AND OTHER INCOME OR LOSS ROE	PERSONNEL EXPENSE	OFFICE EXPENSE	OTHER NONINTEREST EXPENSE	ADJUSTED TAX RATE - ONE YEAR	ADJUSTED TAX RATE - FIVE YEAR	EMPLOYEES PER \$ MILLION ASSETS	EMPLOYEES PER \$ MILLIONS OF NET OP REVENUE	PERSONNEL EXPENSE PER EMPLOYEE
		1	2	3	4	5	6	7	8	9	10	11	12
BANKS RANKED > 200	2845	257	1.1	5.3	3.1	29.1	6.9	22.9	31.0	31.4	0.13	2.98	108.8
BANKS RANKED 165 TO 199	1116	189	0.9	4.0	0.3	33.9	9.0	29.8	28.3	31.4	0.14	3.88	100.7
BANKS RANKED 125 TO 164	955	146	0.9	4.1	-0.3	43.8	10.1	27.2	30.8	31.2	0.24	5.94	83.9
BANKS RANKED 75 TO 124	433	106	0.5	2.9	-1.5	45.0	12.6	35.5	30.1	32.3	0.23	6.06	82.9
BANKS RANKED 2 TO 74	95	48	0.1	1.8	0.0	53.6	14.0	49.0	33.6	29.0	0.28	7.20	77.7
BANKS RANKED 1	58	1	0.0	-0.9	-1.5	56.2	20.5	96.6	31.2	34.5	0.27	8.91	66.7
ALL BANK AVERAGES	5502	249	1.1	5.2	2.9	29.8	7.1	23.6	30.8	31.4	0.13	3.12	107.6

1. Rank of Financial Ratios

Summary rank of financial ratios which determines the overall quality of a bank based on IDC's version of the CAMEL analysis.

COMPONENTS OF NET OPERATING PROFIT AFTER TAX ROE

Each component described below is expressed as a percentage of the institution's average equity plus loan loss reserve. The sum of the 3 components is equal to the "Net Operating Profit (After-Tax) Return on Equity" (Financial Ratios-column 15). Operating and funding costs are allocated based on the relative revenue percent (i.e. Investment Income as a percent of investment, loan, and noninterest income).

2. Investment Income plus Realized Security Gains or Losses ROE

After tax interest income from balances with depository institutions, Fed funds sold and other investment securities plus gains and losses from the sale of non-trading securities net of proportional operating and funding costs.

3. Loan income ROE

After tax loan income net of proportional operating and funding costs.

4. Noninterest Income and Other Income or Loss ROE

Noninterest Income and Other Income or Loss ROE is a residual of the NOPAT ROE (Financial Ratios-column 15) less the Investment Income ROE and Loan Income ROE.

THE EFFICIENCY RATIO — OPERATING EXPENSE AS A % OF NET OPERATING REVENUES

A bank needs to control operating expenses in order to adapt to changing economic environments, compete in the marketplace, and insure long-term success. Operating expenses are shown as a percentage of net operating revenues to illustrate the marginal efficiency in earning a profit.

Net operating revenue is defined as interest income less interest expense plus noninterest income.

5. Personnel Expense

Total personnel expense includes all salaries and benefits for full-time and part-time employees.

6. Office Expense

Office expenses include the expenses of premises and fixed assets (net of rental income and excluding mortgage interest).

7. Other Noninterest Expenses

These expenses include the amortization of intangible assets, tax expenses based on the bank's gross revenues, and credits resulting from capitalization of imputed interest from internal financing of construction.

TAX RATE

8 & 9. Adjusted Tax Rate (1 and 5-Year Periods)

The tax rate is the rate at which the bank would be taxed if its interest expenses were not deductible, given that taxable revenues are calculated to reflect the grossing-up of nontaxable interest.

EMPLOYEE RATIOS

Employee expenses usually comprise the largest single expense of a commercial bank. The total number of employees for a given level of assets indicates the degree of labor intensiveness, and when viewed as a percent of net operating revenues, the efficiency of those workers.

10. Employees per \$1 Million Dollar of Assets

The number of employees is divided by total assets, expressed as the number of employees for each \$1 million of assets.

11. Employees per \$1 Million Dollar of Net Operating Revenues

The number of employees is divided by net operating revenue, expressed as the number of employees for each \$1 million of net operating revenues.

12. Personnel Expense Per Employee

DISTRIBUTION OF REAL ESTATE LOANS					DISTRIBUTION OF DOMESTIC DEPOSITS					INTEREST RATE ON DEPOSITS										
1-4 FAMILY CONSTRUCTION % REAL ESTATE LOANS	OTHER CONSTRUCTION % REAL ESTATE LOANS	1-4 FAMILY 1ST LIEN % REAL ESTATE LOANS	1-4 FAMILY JUNIOR LIENS % REAL ESTATE LOANS	MULTI-FAMILY % REAL ESTATE LOANS	NON-FARM & NON-RES LOANS % REAL ESTATE LOANS	PRE-TAX COVERAGE OF NET CHARGE-OFFS - ONE YEAR	TIME DEPOSITS GREATER THAN \$100,000	TIME DEPOSITS LESS THAN \$100,000	TRANSACTION ACCOUNTS	MMDA	OTHER SAVINGS (PASSBOOKS)	DEMAND DEPOSITS	BORROWINGS % INT-BEARING LIABILITIES	TIME DEPOSITS GREATER THAN \$100,000	TIME DEPOSITS LESS THAN \$100,000	TRANSACTION ACCOUNTS	MMDA	INSURED DEPOSITS % EARNING ASSETS LESS FHLB ADV & PROBLEM LOANS	FHLB ADVANCES % EARNING ASSETS LESS PROBLEM LOANS	TOTAL ASSETS DOLLARS IN MILLIONS
13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
0.9	5.2	46.5	15.2	6.8	24.1	110.1	8.9	5.4	2.5	49.3	18.6	15.4	16.6	0.62	0.65	0.30	0.13	42.2	2.8	13,404,757
1.4	6.4	35.7	10.0	6.8	36.3	133.2	12.3	7.3	4.9	37.6	22.8	15.2	8.5	0.82	0.76	0.17	0.18	59.2	2.8	992,976
2.8	5.6	31.9	6.9	5.0	41.3	299.2	14.9	13.2	9.6	27.4	17.8	17.1	6.5	0.85	0.76	0.23	0.23	76.6	3.8	246,442
2.4	5.7	27.8	6.3	6.4	46.6	122.6	18.1	12.5	11.5	24.1	15.2	18.6	5.9	0.93	0.74	0.23	0.26	75.3	3.7	87,777
2.5	5.6	30.2	6.3	10.5	41.0	47.0	23.7	20.0	11.6	15.8	13.4	15.7	7.2	0.98	0.96	0.23	0.29	80.6	5.2	13,986
3.5	12.1	23.9	6.4	4.0	46.1	27.1	27.8	21.1	10.5	16.1	11.8	12.7	4.5	0.94	1.00	0.18	0.33	84.7	4.0	9,940
0.9	5.3	45.4	14.6	6.8	25.3	114.8	9.3	5.7	2.8	47.9	18.9	15.4	15.8	0.64	0.67	0.29	0.14	44.2	2.8	14,755,878

DISTRIBUTION OF REAL ESTATE LOANS

Each type of loan described below is expressed as a percentage of the institution's total real estate loans.

13. 1-4 Family Construction Loans
14. Other Construction Loans
15. 1-4 Family Residential Loans (1st Liens)
16. 1-4 Family Residential Loans (Junior Liens)
17. Multi-Family (5 or more) Residential Loans
18. Non-Farm Non-Residential Real Estate Loans

PRE-TAX COVERAGE OF NET CHARGE OFFS

19. Pre-Tax Coverage of Net Charge Offs

DISTRIBUTION OF DOMESTIC DEPOSITS

Each type of deposit described below is expressed as a percentage of the bank's total deposits.

20. Time Deposits of \$100,000 or more
21. Time Deposits of less than \$100,000
22. Transaction Accounts
23. Money Market Deposit Accounts
24. Other Savings Deposits (such as Passbook Accounts)
25. Demand Deposits

BORROWINGS % INT-BEARING LIABILITIES

26. Borrowings % Int-Bearing Liabilities

INTEREST RATE ON DEPOSITS

The interest rate paid on deposits is presented for each of the following deposit types.

27. Domestic Time Deposits of \$100,000 or more
28. Domestic Time Deposits of less than \$100,000
29. Transaction Accounts
30. Money Market Deposit Accounts

INSURED DEPOSITS AND FHLB ADVANCES

FHLB Advances require pledged investments and loans, which are not available to cover insured deposits. Problem loans include loans 90 days past due, nonaccrual or restructured.

31. Insured Deposits as a Percent of Earning Assets Less FHLB Advances and Problem Loans
32. FHLB Advances as a Percent of Earning Assets Less Problem Loans

TOTAL ASSETS

33. Total Assets, Dollars in Millions



Loan Performance Ratios



LOAN PERFORMANCE DIGEST
DATA ENDING - 3rd QTR, 2015

DISTRIBUTIONS BY PERCENTILE
OF LOAN RATIOS FOR
6,224 BANKS

IDC Financial Publishing, Inc.
(800)525-5457

BankMap®
Rank of Loan Performance

	RANK	LOANS & CAPITAL					LOAN SPREAD LAST 5 YEARS				LOAN SPREAD LAST 4 QTRS			TOTAL LOANS		
	RANK OF LOAN ACTIVITY	TOTAL LOANS \$ IN MILLIONS	TIER 1 CAPITAL + LLR LESS PROBLEM LOANS % TOTAL LOANS	LOAN LOSS RESERVE % PROBLEM LOANS	EARNINGS COVERAGE OF PROJECTED CHARGE-OFFS	TOTAL LOANS % EARNING ASSETS	LOAN YIELD LESS COST OF FUNDING DEBT	RISK-ADJUSTED YIELD LESS COST OF DEBT	RISK-ADJUSTED YIELD LESS 3 MO T-BILL YIELD	RISK-ADJUSTED YIELD LESS COST OF DEBT	RISK-ADJ YIELD LESS COST OF INT-BEAR LIAB	COST OF DEBT 4 QTRS % 5 YR AVG	TOTAL LOANS % EARNING ASSETS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
HIGHEST QUALITY	300	878,507	99.9	999	99.9	100	51.0	51.0	50.8	37.8	37.6	7	99	28.7	0.1	
98%	272	6,047	62.0	999	35.2	92	7.1	6.7	7.2	6.2	6.1	37	94	7.6	0.1	
96%	260	2,486	45.7	999	28.5	89	6.6	6.3	6.6	5.8	5.7	42	91	6.9	0.1	
94%	252	1,423	38.4	999	24.9	88	6.3	6.0	6.3	5.5	5.4	45	90	6.6	0.1	
92%	244	990	33.7	772	22.1	86	6.1	5.8	6.2	5.3	5.2	47	88	6.5	0.1	
90%	239	767	30.9	609	19.5	85	5.9	5.7	6.0	5.2	5.1	49	87	6.3	0.1	
88%	235	645	28.6	502	17.3	84	5.8	5.5	5.9	5.0	5.0	50	86	6.2	0.1	
86%	230	554	26.6	427	15.4	83	5.7	5.5	5.8	4.9	4.9	51	86	6.1	0.1	
84%	227	475	25.3	370	13.7	82	5.6	5.4	5.7	4.8	4.8	53	85	6.0	0.1	
82%	223	421	24.1	327	12.3	81	5.6	5.3	5.6	4.8	4.7	54	84	5.9	0.2	
80%	220	373	23.1	291	11.1	81	5.5	5.2	5.6	4.7	4.6	55	83	5.8	0.2	
78%	217	333	22.2	263	9.8	80	5.4	5.1	5.5	4.6	4.6	56	82	5.8	0.2	
76%	213	301	21.4	240	8.9	79	5.4	5.1	5.5	4.6	4.5	57	81	5.7	0.2	
74%	211	277	20.7	220	8.2	78	5.3	5.0	5.4	4.5	4.4	57	81	5.6	0.2	
72%	208	255	20.2	200	7.5	77	5.2	5.0	5.4	4.5	4.4	58	80	5.6	0.3	
70%	205	236	19.6	184	6.8	77	5.2	4.9	5.3	4.4	4.3	59	79	5.5	0.3	
68%	202	217	19.0	171	6.3	76	5.2	4.9	5.3	4.3	4.3	60	78	5.5	0.3	
66%	199	201	18.6	157	5.8	75	5.1	4.8	5.2	4.3	4.2	60	77	5.4	0.3	
64%	196	186	18.1	149	5.3	74	5.1	4.8	5.2	4.2	4.2	61	77	5.4	0.4	
62%	192	173	17.7	140	4.9	74	5.0	4.7	5.1	4.2	4.1	62	76	5.4	0.4	
60%	188	162	17.3	132	4.5	73	5.0	4.7	5.1	4.1	4.1	62	75	5.3	0.4	
58%	185	153	17.0	125	4.2	72	5.0	4.6	5.1	4.1	4.0	63	74	5.3	0.4	
56%	180	144	16.6	118	3.9	71	4.9	4.6	5.0	4.0	4.0	64	73	5.3	0.5	
54%	176	135	16.3	112	3.6	70	4.9	4.6	5.0	4.0	3.9	64	72	5.2	0.5	
52%	172	128	16.0	106	3.4	70	4.8	4.5	4.9	4.0	3.9	65	72	5.2	0.5	
50%	168	120	15.7	101	3.1	69	4.8	4.5	4.9	3.9	3.8	66	71	5.2	0.6	
48%	164	112	15.4	94	2.9	68	4.8	4.4	4.9	3.9	3.8	66	70	5.1	0.6	
46%	160	105	15.1	90	2.7	67	4.7	4.4	4.8	3.8	3.8	67	69	5.1	0.7	
44%	156	98	14.9	85	2.5	67	4.7	4.3	4.8	3.8	3.7	68	68	5.1	0.7	
42%	151	93	14.6	81	2.4	66	4.6	4.3	4.7	3.7	3.6	68	67	5.0	0.7	
40%	147	87	14.4	77	2.2	65	4.6	4.2	4.7	3.6	3.6	69	66	5.0	0.8	
38%	143	82	14.1	72	2.0	64	4.6	4.2	4.7	3.6	3.5	70	65	4.9	0.9	
36%	139	77	13.9	69	1.9	63	4.5	4.2	4.6	3.5	3.5	70	64	4.9	0.9	
34%	134	72	13.7	65	1.8	62	4.5	4.1	4.6	3.5	3.4	71	63	4.9	1.0	
32%	129	67	13.5	62	1.6	61	4.4	4.1	4.5	3.4	3.3	72	62	4.8	1.0	
30%	125	63	13.2	59	1.5	60	4.4	4.0	4.5	3.3	3.3	73	61	4.8	1.1	
28%	121	59	13.0	55	1.3	59	4.4	4.0	4.4	3.3	3.2	74	59	4.8	1.2	
26%	115	55	12.8	53	1.2	58	4.3	3.9	4.4	3.2	3.1	74	58	4.7	1.3	
24%	110	50	12.5	50	1.1	56	4.3	3.8	4.3	3.1	3.1	75	57	4.7	1.3	
22%	105	46	12.3	46	1.0	55	4.2	3.8	4.2	3.0	3.0	76	55	4.7	1.4	
20%	98	43	12.1	44	0.9	53	4.2	3.7	4.2	2.9	2.9	77	53	4.6	1.5	
18%	91	40	11.8	41	0.8	52	4.1	3.6	4.1	2.8	2.8	78	51	4.6	1.6	
16%	84	36	11.5	38	0.7	50	4.1	3.6	4.0	2.7	2.7	79	50	4.5	1.8	
14%	74	33	11.2	35	0.6	48	4.0	3.5	3.9	2.6	2.5	80	47	4.5	1.9	
12%	62	29	10.9	32	0.5	46	3.9	3.4	3.8	2.4	2.4	82	45	4.4	2.2	
10%	50	26	10.6	30	0.4	44	3.8	3.2	3.7	2.2	2.1	83	43	4.3	2.4	
8%	34	22	10.1	27	0.2	41	3.7	3.1	3.6	1.9	1.8	85	40	4.3	2.8	
6%	17	19	9.5	23	0.1	38	3.5	2.9	3.4	1.5	1.4	87	37	4.1	3.3	
4%	1	15	8.5	19	0.0	34	3.3	2.7	3.1	0.8	0.8	90	32	4.0	4.0	
2%	1	10	5.3	13	0.0	27	3.0	2.2	2.6	-0.4	-0.4	97	24	3.8	5.3	
LOWEST QUALITY	1	0	-33.0	0	0.0	3	0.7	-3.6	0.0	-17.3	-17.6	294	0	1.4	20.5	
2015 Q3	235	127	13.2	171	15.8	90	5.5	5.4	5.7	5.3	5.2	58	95	5.7	0.2	
2015 Q2	247	129	13.7	999	27.1	90	5.4	5.4	5.7	5.4	5.3	54	96	5.8	0.1	
DIFFERENCE	-12	-2	-0.5	-828	-11.3	0	0.1	0.0	0.0	-0.1	-0.1	4	-1	-0.1	0.1	

SAMPLE BANK
City, ST

TOTAL LOANS

REAL ESTATE

C & I LOANS

PERSONAL LOANS

WEIGHTED AVERAGE RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % TOTAL LOANS	LOAN GROWTH % YEAR OVER YEAR	REAL ESTATE LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % REAL ESTATE LOANS	LOAN GROWTH % YEAR OVER YEAR	COMMERCIAL LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % C & I LOANS	LOAN GROWTH % YEAR OVER YEAR	PERSONAL LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % PERSONAL LOANS	LOAN GROWTH % YEAR OVER YEAR
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
28.3	-99	0.0	99	100	29.7	0.0	28.4	-99	0.0	99	100	19.7	0.0	18.1	-99	0.0	99	100	29.6	0.0	26.9	-99	0.0	99
6.4	-99	0.0	34	100	7.3	0.0	6.3	-99	0.0	44	43	9.8	0.0	9.2	-99	0.0	99	35	13.1	0.0	11.0	-99	0.0	99
5.9	-99	0.0	26	99	6.7	0.0	5.8	-99	0.0	32	35	8.7	0.0	7.9	-99	0.0	67	24	11.6	0.1	9.5	-99	0.0	56
5.7	-88	0.0	23	97	6.4	0.0	5.6	-88	0.0	27	31	8.0	0.0	7.2	-99	0.0	54	19	10.6	0.1	8.8	-99	0.0	41
5.5	-79	0.0	20	96	6.2	0.0	5.4	-75	0.0	24	28	7.4	0.0	6.8	-99	0.0	46	17	10.1	0.2	8.3	-99	0.0	32
5.3	-72	0.1	19	94	6.1	0.0	5.3	-67	0.0	21	26	7.1	0.0	6.5	-99	0.0	40	15	9.7	0.2	8.0	-99	0.0	27
5.2	-67	0.1	17	93	6.0	0.0	5.2	-61	0.1	19	25	6.9	0.0	6.3	-99	0.0	35	13	9.4	0.3	7.7	-99	0.0	23
5.1	-63	0.2	16	91	5.9	0.1	5.1	-56	0.2	18	23	6.7	0.0	6.1	-99	0.0	32	12	9.1	0.3	7.5	-99	0.0	20
5.0	-59	0.2	15	90	5.8	0.1	5.0	-52	0.3	16	22	6.5	0.0	5.9	-98	0.0	29	11	8.9	0.3	7.3	-99	0.0	18
5.0	-55	0.3	14	89	5.7	0.1	4.9	-48	0.4	15	21	6.4	0.0	5.8	-93	0.0	26	11	8.7	0.4	7.1	-92	0.0	16
4.9	-51	0.3	13	88	5.7	0.1	4.8	-45	0.4	14	20	6.3	0.0	5.7	-88	0.0	24	10	8.5	0.4	6.9	-86	0.0	15
4.8	-48	0.4	12	87	5.6	0.2	4.8	-42	0.5	13	19	6.2	0.0	5.6	-83	0.0	22	9	8.4	0.5	6.7	-83	0.0	13
4.7	-46	0.4	12	87	5.6	0.2	4.7	-40	0.6	12	18	6.1	0.0	5.5	-78	0.0	20	9	8.2	0.5	6.6	-76	0.0	12
4.7	-43	0.5	11	86	5.5	0.2	4.7	-37	0.7	12	18	6.0	0.0	5.4	-74	0.0	19	8	8.1	0.6	6.5	-72	0.0	10
4.7	-41	0.5	11	85	5.5	0.2	4.6	-35	0.8	11	17	5.9	0.0	5.3	-69	0.0	17	8	7.9	0.6	6.3	-68	0.0	9
4.6	-38	0.6	10	84	5.4	0.2	4.6	-33	0.8	10	16	5.8	0.0	5.2	-65	0.0	16	7	7.8	0.6	6.2	-63	0.0	8
4.5	-36	0.6	10	83	5.4	0.3	4.5	-31	0.9	10	16	5.8	0.0	5.1	-60	0.0	14	7	7.7	0.7	6.1	-59	0.0	7
4.5	-34	0.7	9	82	5.3	0.3	4.5	-29	1.0	9	15	5.7	0.0	5.1	-55	0.0	13	6	7.5	0.7	6.0	-55	0.0	6
4.4	-32	0.7	9	81	5.3	0.3	4.4	-27	1.1	9	15	5.6	0.0	5.0	-50	0.0	12	6	7.4	0.7	5.9	-50	0.0	6
4.4	-30	0.8	8	81	5.3	0.3	4.4	-25	1.1	8	14	5.6	0.0	4.9	-46	0.1	11	6	7.3	0.8	5.8	-46	0.0	5
4.3	-29	0.8	8	80	5.2	0.4	4.3	-24	1.2	8	14	5.5	0.1	4.9	-41	0.1	10	6	7.2	0.8	5.7	-40	0.0	4
4.3	-27	0.9	7	79	5.2	0.4	4.3	-22	1.3	7	13	5.5	0.1	4.8	-37	0.2	9	5	7.1	0.9	5.6	-37	0.1	3
4.3	-25	1.0	7	78	5.2	0.4	4.2	-21	1.4	7	13	5.4	0.1	4.8	-33	0.2	8	5	7.0	0.9	5.5	-33	0.1	3
4.2	-23	1.0	7	77	5.1	0.5	4.2	-19	1.5	6	13	5.4	0.1	4.7	-29	0.3	7	5	6.9	0.9	5.4	-30	0.1	2
4.2	-22	1.1	6	76	5.1	0.5	4.1	-17	1.6	6	12	5.3	0.1	4.6	-26	0.3	6	5	6.8	1.0	5.3	-25	0.1	1
4.1	-20	1.1	6	75	5.1	0.5	4.1	-16	1.7	5	12	5.3	0.1	4.6	-22	0.4	6	4	6.7	1.0	5.2	-22	0.1	0
4.1	-19	1.2	6	75	5.0	0.6	4.0	-15	1.8	5	11	5.2	0.2	4.6	-20	0.5	5	4	6.7	1.1	5.1	-17	0.2	0
4.0	-17	1.3	5	74	5.0	0.6	4.0	-13	1.9	5	11	5.2	0.2	4.5	-17	0.5	4	4	6.6	1.1	5.0	-13	0.2	-1
4.0	-15	1.4	5	73	5.0	0.7	3.9	-12	2.0	4	11	5.1	0.2	4.4	-14	0.6	3	4	6.5	1.2	4.9	-9	0.2	-2
3.9	-13	1.4	4	72	4.9	0.7	3.9	-10	2.2	4	10	5.1	0.2	4.4	-11	0.7	2	4	6.4	1.2	4.9	-5	0.2	-2
3.9	-11	1.5	4	71	4.9	0.7	3.8	-8	2.3	3	10	5.0	0.3	4.3	-9	0.8	1	3	6.3	1.3	4.8	0	0.3	-3
3.8	-9	1.6	4	69	4.9	0.8	3.8	-6	2.5	3	10	5.0	0.3	4.3	-7	0.9	0	3	6.2	1.4	4.7	2	0.3	-3
3.8	-7	1.7	3	68	4.8	0.9	3.7	-5	2.6	2	9	4.9	0.3	4.2	-4	1.0	-1	3	6.1	1.4	4.6	8	0.4	-4
3.7	-5	1.8	3	67	4.8	0.9	3.7	-4	2.8	2	9	4.9	0.4	4.1	0	1.2	-2	3	6.0	1.5	4.4	13	0.4	-5
3.7	-3	1.9	2	66	4.8	1.0	3.6	-2	2.9	1	9	4.8	0.4	4.1	2	1.3	-3	3	5.9	1.6	4.3	17	0.4	-6
3.6	0	2.1	2	65	4.7	1.1	3.5	0	3.1	1	8	4.8	0.5	4.0	8	1.4	-4	3	5.9	1.7	4.2	24	0.5	-6
3.5	2	2.2	2	63	4.7	1.1	3.5	2	3.3	1	8	4.7	0.5	3.9	15	1.6	-5	3	5.8	1.8	4.1	31	0.5	-7
3.4	6	2.4	1	62	4.7	1.2	3.4	4	3.5	0	7	4.7	0.6	3.9	23	1.8	-5	2	5.7	1.9	4.0	42	0.6	-8
3.4	9	2.5	1	61	4.6	1.3	3.3	7	3.8	-1	7	4.6	0.7	3.8	33	2.1	-7	2	5.6	2.0	3.9	50	0.7	-9
3.3	14	2.7	0	59	4.6	1.4	3.2	10	4.0	-1	7	4.6	0.8	3.7	46	2.4	-8	2	5.5	2.1	3.7	63	0.8	-10
3.2	18	2.9	0	57	4.5	1.5	3.1	15	4.3	-2	6	4.5	0.9	3.6	61	2.7	-9	2	5.3	2.3	3.5	75	0.8	-11
3.1	23	3.1	-1	55	4.5	1.7	3.0	19	4.7	-2	6	4.4	1.0	3.5	78	3.0	-10	2	5.2	2.4	3.4	89	0.9	-12
3.0	29	3.3	-2	53	4.5	1.8	2.9	25	5.0	-3	6	4.4	1.1	3.4	100	3.4	-12	2	5.1	2.6	3.2	105	1.0	-13
2.9	38	3.7	-2	51	4.4	2.0	2.7	32	5.4	-4	5	4.3	1.3	3.3	138	4.0	-14	2	4.9	2.8	2.9	131	1.2	-14
2.7	49	4.0	-3	48	4.3	2.3	2.5	40	6.0	-5	5	4.2	1.5	3.1	191	4.6	-16	2	4.7	3.2	2.7	162	1.3	-15
2.5	64	4.4	-4	45	4.3	2.6	2.2	49	6.6	-6	4	4.1	1.7	2.9	249	5.4	-18	1	4.6	3.5	2.3	200	1.6	-17
2.2	87	4.9	-5	42	4.2	3.0	1.9	64	7.5	-7	4	4.0	2.0	2.6	375	6.4	-21	1	4.3	4.0	2.0	275	1.9	-20
1.7	132	5.7	-6	38	4.1	3.6	1.3	101	8.6	-9	3	3.9	2.5	2.3	525	8.0	-25	1	4.0	4.8	1.3	391	2.3	-22
1.2	219	7.1	-8	33	4.0	4.4	0.5	167	10.7	-12	2	3.7	3.1	1.7	974	10.5	-29	1	3.6	5.9	0.3	589	3.0	-28
-0.1	523	10.2	-12	25	3.8	6.1	-0.9	341	14.9	-17	2	3.4	4.9	0.1	999	15.5	-37	1	2.9	8.8	-2.7	999	4.5	-35
-16.8	999	50.0	-80	1	1.5	48.2	-29.6	999	61.1	-69	1	0.5	26.2	-20.8	999	92.5	-89	1	0.7	20.0	-16.7	999	85.2	-99

5.3	999	0.7	-2	79	5.2	0.2	4.7	NC	1.0	0	9	8.6	0.0	8.4	NC	0.0	-35	NC	NC	NC	NC	NC	NC	NC
5.4	-93	0.0	3	80	5.2	0.0	5.0	NC	0.0	6	9	8.1	0.0	7.9	NC	0.0	-26	NC	NC	NC	NC	NC	NC	NC
-0.1	1092	0.7	-5	-1	0.0	0.2	-0.3	NC	1.0	-6	0	0.5	0.0	0.5	NC	0.0	-9	NC	NC	NC	NC	NC	NC	NC

SAMPLE BANK
City, ST

38 Glossary

Each bank in the **Loan Performance Digest** (LPD) has a one-line analysis and a one-number summary rank of quality. Ranks are the opinion of IDC Financial Publishing, Inc., and reflect the efficiency of each bank's lending activities.

Ranks reflect the coverage of problem loans by loan loss reserves and of net charge-offs by earnings. Also, historic net charge-off rates (expected losses) and their standard deviation (unexpected losses) risk adjust the yield spreads between loan income and cost of funds or U.S. T-Bill yields — in total and by type of loan. Levels and growth in problem loans are reflected in ranks.

Ranks range from 1 (the lowest) to 300 and are categorized into six groups. The table below presents a breakdown of loan portfolio quality by portfolio size.

Bank Type/Rank Matrix of Loan Performance in 2015 Q3

U.S. Bank Holding Companies, U.S. Commercial Banks, & Savings Institutions

<u>Range of Rank</u>		<u>Bank Hold Co's</u>	<u>Total Banks</u>	<u>Assets In Foreign Offices</u>	<u>Assets In Domestic Offices</u>
200 - 300	Superior	126	2,097	5	2,092
165 - 199	Excellent	173	1,120	16	1,104
125 - 164	Average	179	1,159	28	1,131
75 - 124	Below Average	102	974	23	951
2 - 74	Lowest Ratios	36	565	5	560
1	Rank of One	15	309	3	306
NC	Not Calculated	0	0	0	0
Totals:		631	6,224	80	6,144


NC = Not Calculated

RANK

Ranks are the opinion of IDC Financial Publishing, Inc. Ranks range from 1 (the lowest) to 300 (the highest) and fall into one of the following six groups. **Descriptions reflect the average ratios of each group listed at the top of the following two pages.**

Superior (200-300)	These bank loan portfolios exhibit excess-coverage of potential loan losses, wide risk-adjusted spreads to cost of funds, and risk-adjusted loan yields more than T-Bill yields over the last 12 months.
Excellent (165-199)	Banks ranked excellent have equity capital more than adequately covering problem assets, generating a wide risk-adjusted loan spread to cost of funds, and earning more than T-Bill yields during the past 5 years and 12 months.
Average (125-164)	Reasonable coverage of problem loans and a minimum risk-adjusted loan yield premium to T-Bills over 5 years highlights the bank loan portfolios ranked average.
Below Average (75-124)	Banks with below average loan ranks have loan loss reserves of almost one-half of problem loans, a minimum earnings coverage, and generally inefficient risk-adjusted loan yields to cost of funds and T-Bill yields. Risk-adjusted loan yields over funding costs and over the alternative investment in T-Bills, experienced during the last year, are uneconomical. Risk adjusted capital as a percent of loans is minimal.
Lowest Ratios (2-74)	Bank loan portfolios with lowest ratios have narrow risk-adjusted yield spreads to cost of funds over five years and over the last 12 months. Risk-adjusted loan yields over the last year were quite low, raising questions as to asset allocation and profitability. Loan delinquency is high with limited coverage of projected net charge-offs.
Banks with Loan Rank of One (1)	Banks with a loan rank of one (1) have excessive loan delinquency, limited earnings coverage of projected loan charge-offs and narrow risk adjusted spreads to cost of funding.

RATIOS

Ratios are defined on the following three pages. Ratios that impact the IDC rank are identified with this symbol: 

Instructions for calculating the rank follow the Glossary.

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	NUMBER OF BANKS	RANK OF LOAN ACTIVITY	TOTAL LOANS \$ IN MILLIONS	TIER I CAPITAL + LLR LESS PROBLEM LOANS % TOTAL LOANS	LOAN LOSS RESERVE % PROBLEM LOANS	EARNINGS COVERAGE OF PROJECTED CHARGE-OFFS	TOTAL LOANS % EARNING ASSETS	LOAN YIELD LESS COST OF FUNDING DEBT	RISK-ADJUSTED YIELD LESS COST OF DEBT	RISK-ADJUSTED YIELD LESS 3 MO T-BILL YIELD	RISK-ADJUSTED YIELD LESS COST OF DEBT	RISK-ADI YIELD LESS COST OF INT-BEAR LIAB	COST OF DEBT	TOTAL LOANS % EARNING ASSETS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
BANKS RANKED > 200	2097	238	888,904	17.7	454	9.5	75	8.1	6.5	7.1	6.3	6.3	74	75	8.7	1.7
BANKS RANKED 165 TO 199	1120	181	977,585	18.3	242	15.2	68	4.2	3.9	4.2	3.6	3.6	69	71	4.5	0.5
BANKS RANKED 125 TO 164	1159	142	3,522,631	16.5	104	6.9	62	3.8	3.2	3.4	2.9	2.9	65	62	3.9	0.7
BANKS RANKED 75 TO 124	974	112	2,982,905	16.9	105	2.6	64	4.2	3.2	3.4	2.6	2.6	63	63	4.2	1.3
BANKS RANKED < 75	874	31	270,264	14.8	36	2.3	74	4.2	3.3	3.8	1.1	1.0	66	70	5.0	3.1
ALL BANKS	6224	143	8,642,289	16.9	153	6.5	65	4.4	3.6	3.9	3.2	3.2	66	65	4.6	1.0

RANK

1. Rank of Loan Activity

The summary rank of loan activity is an evaluation of the economic value of lending. The loan ratios analyzed include loan loss reserves to problem loans, earnings coverage of net charge-offs, risk-adjusted loan yield spreads to costs of funds and 90-day T-Bill yields, growth in problem loans, and problem loans to total loans.

LOANS AND CAPITAL

2. Total Loans in Millions of Dollars

Total loans and leases including loan loss reserves and unearned income (in millions of dollars).

3. Equity Capital and Loan Loss Reserve (LLR) Less Problem Loans as a % of Loans

Equity capital (Tier I) and loan loss reserve less problem loans are divided by total loans, as a percentage. Problem loans include loans 90-days past due and accruing, nonaccrual loans, restructured loans, and repossessed property. A ratio below 6% indicates a potential lack of capital to support future loan delinquency in recessionary periods.

4. Loan Loss Reserve % Problem Loans

The reserve for loan and lease losses is divided by problem loans which include loans 90-days past due, nonaccrual and restructured loans (excluding restructured loans to foreign governments), and repossessed property, as a percentage.

5. Earnings Coverage of Projected Net Charge-offs

Earnings before taxes plus the loan loss provision are divided by projected net charge-offs.

LOAN SPREADS-LAST 5 YEARS

6. Total Loans % Earning Assets

The last 5-year quarterly averages of total loans and leases are divided by earning assets, as a percentage. Earning assets are defined as loans and leases, interest-bearing balances, securities, trading account plus the net of federal funds sold, and securities purchased for resale.

7. Loan Yield Less Cost of Funding Debt

The last 5-year loan and tax-equivalent lease income is divided by average quarterly loans and leases, as a percentage. Interest costs for the last five years, as a percentage of quarterly average adjusted debt, are subtracted from the loan yield, providing the spread. Adjusted debt is defined as earning assets less equity capital and loan loss reserves, or the deposits and borrowings required to fund these net earning assets.

8. Risk-adjusted Yield Less Cost of Debt

Loan income and cost of debt, as calculated in Column 7, with the spread differential reduced by the 5-year average of the historic charge-off rate.

9. Risk-adjusted Yield Less 3-month T-Bill Yield

The 5-year yield on loans and leases less the same period's weighted average of the historic net charge-off rate and the 3-month T-Bill yield, provides the risk-adjusted spread.

TOTAL LOANS					REAL ESTATE					C & I LOANS					PERSONAL LOANS									
WEIGHTED AVERAGE RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % TOTAL LOANS	LOAN GROWTH % YEAR OVER YEAR	REAL ESTATE LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % REAL ESTATE LOANS	LOAN GROWTH % YEAR OVER YEAR	COMMERCIAL LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % C & I LOANS	LOAN GROWTH % YEAR OVER YEAR	PERSONAL LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % PERSONAL LOANS	LOAN GROWTH % YEAR OVER YEAR
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
6.7	2	0.7	11	69	5.3	0.3	4.8	-13	1.0	12	17	6.1	0.3	5.5	46	0.8	10	53	10.3	2.7	7.4	18	0.8	8
3.8	-4	0.7	12	64	4.3	0.4	3.7	-11	1.2	11	22	4.6	0.3	4.0	93	1.0	19	16	5.4	1.3	3.8	7	0.3	17
3.0	0	1.4	7	53	4.0	0.8	3.0	-18	3.3	7	19	3.7	0.3	3.1	73	1.0	10	15	6.0	1.6	4.1	-3	0.7	6
2.6	-18	1.6	2	41	3.8	1.5	2.0	-18	4.9	-4	22	3.7	0.4	3.0	53	1.0	11	16	7.4	4.4	2.8	-5	0.9	2
1.5	14	5.6	-5	76	4.9	3.4	1.2	5	8.3	-4	19	5.6	1.5	3.9	102	4.5	3	9	7.9	3.4	4.2	36	1.2	4
3.3	-6	1.5	6	52	4.1	1.0	2.8	-16	3.7	3	20	4.0	0.4	3.4	66	1.1	11	19	6.9	2.8	3.9	0	0.7	6

LOAN SPREADS-LAST 4 QTRS

The risk-adjusted loan yield is compared to the cost of debt (or that portion of deposits and borrowings funding earning assets, less equity capital and loan loss reserves). This yield is also compared to the interest cost of interest-bearing liabilities. The latter spread ignores any funding of earning assets by demand deposits. If interest-bearing liabilities are greater than net adjusted debt (earning assets less equity capital and the loan loss reserve), then these deposits or borrowings fund nonearning assets.

10. Risk-adjusted Yield Less Cost of Debt

This risk-adjusted loan yield is the ratio of loan and tax-equivalent lease income (over 4 quarters) to average loans and leases, less the weighted average of the projected net charge-off rate to loans and the interest cost of adjusted debt, as defined in Column 7.

11. Risk-adjusted Yield Less Cost of Interest-bearing Liabilities

This risk-adjusted loan yield is the ratio of loan and tax-equivalent lease income (over four quarters) to average loans and leases, less the weighted average of projected net charge-off rate to loans and the interest cost of interest-bearing liabilities.

12. Interest Costs % Adjusted Debt-Last 4 Quarters to Last 5-year Annual Average

The comparison of interest costs as a percent of adjusted debt over the last four quarters is divided by the 5-year average. This ratio demonstrates the degree of deposit cost pressure experienced over the past year.

RISK-ADJUSTED LOAN YIELDS BY TYPE OF LOAN

The combination of problem loan growth greater than 100% at quarter end, and problem loans greater than 2% of average loans outstanding indicates the potential for excessive loan delinquency.

13. Total Loans % Earning Assets

The quarterly average of total loans is divided by earning assets, as a percentage.

14. Yield on Total Loans — Last 4 Quarters

Loan and tax-equivalent lease income for the last four quarters is divided by the quarterly average of loans and leases, as a percentage.

15. Projected Net Charge-offs % Loans

The projected net charge-off rate (net of loan recoveries) is a weighted average of NCO and its standard deviation by the level of loan type.

Projected Loan Net Charge-offs

The changing mix of loans concentrated in real estate lending requires a projection of net loan charge-offs grounded in recent economic performance at financial institutions. Good bank examiners would argue that provisions should also reflect changes in economic cycles and potential loan losses that might occur over more than one year.

After all, what happens when the economy declines into recession and a financial institution suddenly receives through foreclosure a large group of properties that can only be resold at a significant loss?

This is why three-, four-, or five-year trends should be examined for a base projection of expected loss. IDC estimates projected charge-offs from a five-year (to only a

LOAN PERFORMANCE DIGEST
DATA ENDING - 3rd QTR, 2015
AVERAGES OF
LOAN QUALITY RATIOS
GROUPED BY RANK

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	NUMBER OF HOLDING COMPANIES	RANK OF LOAN ACTIVITY	LOANS & CAPITAL			LOAN SPREAD LAST 5 YEARS				LOAN SPREAD LAST 4 QTRS			TOTAL LOANS			
			TOTAL LOANS \$ IN MILLIONS	TIER 1 CAPITAL + LLR LESS PROBLEM LOANS % TOTAL LOANS	LOAN LOSS RESERVE % PROBLEM LOANS	EARNINGS COVERAGE OF PROJECTED CHARGE-OFFS	TOTAL LOANS % EARNING ASSETS	LOAN YIELD LESS COST OF FUNDING DEBT	RISK-ADJUSTED YIELD LESS COST OF DEBT	RISK-ADJUSTED YIELD LESS 3 MO T-BILL YIELD	RISK-ADJUSTED YIELD LESS COST OF DEBT	RISK-ADI YIELD LESS COST OF INT-BEAR LIAB	COST OF DEBT 4 QTRS % 5 YR AVG	TOTAL LOANS % EARNING ASSETS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS
HOLDING COMPANIES RANKED > 200	126	228	750,667	17.0	194	14.0	74	6.3	4.8	5.5	5.6	5.6	80	75	7.5	1.0
HOLDING COMPANIES RANKED 165 TO 199	173	181	609,908	19.0	214	16.3	65	4.1	3.8	4.3	3.5	3.5	69	67	4.4	0.4
HOLDING COMPANIES RANKED 125 TO 164	179	143	4,048,657	19.1	95	5.4	57	3.7	2.8	3.2	2.8	2.7	68	56	4.0	0.7
HOLDING COMPANIES RANKED 75 TO 124	102	106	1,034,871	19.4	104	6.8	65	3.4	2.8	3.1	2.3	2.2	70	65	3.5	0.8
HOLDING COMPANIES RANKED < 75	51	52	1,271,949	23.7	56	1.6	47	3.0	1.8	2.3	0.9	0.8	73	46	3.6	2.0
ALL HOLDING COMPANIES	631	134	7,716,052	19.7	109	6.7	59	3.8	2.9	3.3	2.7	2.7	71	58	4.2	0.9

three-year) average experience (expected loss) plus one standard deviation around the mean (to account for unexpected loss) given problem assets are below levels noted in the table at left.

High problem assets require special projections to reflect a cross section analysis of current charge-offs versus problem loans for all banks in the country.

The minimum standards for individual types of non-real estate loans were established by analyzing all bank data. Net charge-off rates for each type of loan were compared to their level of problem by type.

16. Risk-adjusted Loan Yield — Last 4 Qtrs.

The T-Bill yield and net charge-offs are subtracted from the loan income yield, providing the risk-adjusted yield spread. The 3-month T-Bill total yield is used for comparison as a risk-free asset alternative.

17. Problem Loan Growth — Year To Year % Change

Problem loans, which include loans 90-days past due, nonaccrual and restructured loans (excluding restructured loans to foreign governments) and repossessed assets (repossessed assets are only included in real estate and total problem loans) are compared to the year-earlier values, as a percentage.

18. Problem Loans % Total Loans

Problem loans, as defined in Column 17, are divided by the quarter's average of loans.

Given Problem Loans Are Greater Than 2% of Total Loans	
Type of Loan	Limit on Projected Net Charge-offs Equals
I. Real Estate Loans	
a) Construction	40% of Constr. RE loans 90-days PD + Nonaccr. + REO
b) Nonresidential	40% of Nonres. RE Loans 90-days PD + Nonaccr. + REO
c) Farm	10% of Farm RE Loans 90-days PD + Nonaccr. + REO
d) 5 + Family	30% of 5+ RE 90-days PD + Nonaccr. + REO
e) 1-4 Family	20% of 1-4 RE 90-days PD + Nonaccr. + REO
	Max. 40% and min. 20% of 90-day past due, nonaccrual and REO.
II. Personal Loans (incl. credit card)	If rate of last 12 mos. exceeds 5-yr. avg. plus 1 SD, use recent experience w/a minimum of 40% 90-day PD plus nonaccrual.
III. Commercial & Industrial	Max. 40% and min. 20% of 90-day past due nonaccrual.
IV. Farm Loans	
V. Foreign Loans	
VI. All Other Loans	

TOTAL LOANS				REAL ESTATE				C & I LOANS				PERSONAL LOANS												
WEIGHTED AVERAGE RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % TOTAL LOANS	LOAN GROWTH % YEAR OVER YEAR	REAL ESTATE LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % REAL ESTATE LOANS	LOAN GROWTH % YEAR OVER YEAR	COMMERCIAL LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % C & I LOANS	LOAN GROWTH % YEAR OVER YEAR	PERSONAL LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % PERSONAL LOANS	LOAN GROWTH % YEAR OVER YEAR
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
6.2	20	1.2	9	46	4.5	0.4	3.8	-15	1.8	3	17	5.0	0.5	4.1	120	1.4	14	48	10.1	3.2	6.7	6	1.0	11
3.7	-13	0.8	11	62	4.5	0.5	3.7	-18	1.4	10	23	5.0	0.3	4.3	74	1.0	28	8	5.3	1.4	3.6	31	0.9	23
3.0	-18	1.7	4	45	4.0	1.3	2.4	-25	4.8	4	18	3.8	0.5	3.1	35	1.2	10	16	6.7	2.2	4.2	-12	0.7	5
2.5	-14	1.4	9	47	4.1	1.1	2.8	-8	3.2	10	26	3.7	0.4	3.0	32	1.2	11	12	4.2	1.1	2.8	25	0.7	12
1.3	-20	2.7	-1	40	3.8	3.7	-0.1	-17	9.5	-6	20	3.6	0.5	2.9	66	1.5	20	15	10.1	7.4	2.4	-21	1.4	77
3.0	-14	1.7	5	46	4.0	1.5	2.2	-20	4.9	3	20	3.9	0.5	3.2	50	1.2	13	17	7.2	3.1	3.8	-5	0.9	22

19. Loan Growth — Year To Year % Change

The quarter's average loan balance is compared to the year-earlier levels, as a percentage.

The last seven calculations for total loans (Columns 13 through 19) are repeated for each type of loan:

- Real Estate Loans — Columns 20-26
- C&I Loans — Columns 27-33
- Personal Loans (Including Credit Card) — Columns 34-40

Why can't I find a bank?

The **Loan Performance Digest** lists subsidiary banks directly beneath their holding companies.

Refer to the **Bank Holding Company Subsidiary Directory** in Appendix A to find subsidiaries which are owned by a holding company located within their state or located in a different state.

SPECIAL REPORTS - FARM, FOREIGN, ALL OTHER, AND SMALL COMMUNITY BANKS

The seven loan calculations (Columns 13 - 19) are found in Columns 9 - 15 of the special reports (see colored pages). The first eight columns for these special reports match Columns 1-8, as defined in this Glossary.

NC = Not Calculated

Why an "NC" may appear where a financial ratio would normally be:

- Unavailable data or ratio not calculated.
- IDC establishes filters to preserve the integrity of the analysis. An institution that reported a figure which was clearly erroneous will not show a value in that column.

Three-Month Treasury Bill Yield (Trailing Four Quarters)

2000	2001	2002	2003	2004	2005	2006	2007
Q1 5.05	Q1 5.79	Q1 2.67	Q1 1.48	Q1 0.96	Q1 1.80	Q1 3.68	Q1 4.99
Q2 5.37	Q2 5.25	Q2 2.17	Q2 1.31	Q2 0.97	Q2 2.26	Q2 4.15	Q2 5.00
Q3 5.73	Q3 4.53	Q3 1.77	Q3 1.13	Q3 1.11	Q3 2.74	Q3 4.56	Q3 4.85
Q4 5.97	Q4 3.47	Q4 1.62	Q4 1.02	Q4 1.39	Q4 3.20	Q4 4.84	Q4 4.46
2008	2009	2010	2011	2012	2013	2014	2015
Q1 3.71	Q1 1.01	Q1 0.42	Q1 0.28	Q1 0.14	Q1 0.17	Q1 0.13	Q1 0.19
Q2 2.91	Q2 0.73	Q2 0.38	Q2 0.25	Q2 0.15	Q2 0.16	Q2 0.12	Q2 0.23
Q3 2.19	Q3 0.44	Q3 0.35	Q3 0.21	Q3 0.16	Q3 0.14	Q3 0.12	Q3 0.28
Q4 1.41	Q4 0.47	Q4 0.30	Q4 0.17	Q4 0.18	Q4 0.13	Q4 0.16	



**Loan
Components of Rank
with
Instructions
for Calculating Rank**

LOAN PERFORMANCE DIGEST
DATA ENDING - 3rd QTR, 2015

DISTRIBUTIONS BY PERCENTILE
OF LOAN RATIOS FOR
6,224 BANKS

IDC Financial Publishing, Inc.
(800)525-5457

		RANK	LOANS & CAPITAL					LOAN SPREAD LAST 5 YEARS			LOAN SPREAD LAST 4 QTRS			TOTAL LOANS			
		RANK OF LOAN ACTIVITY	TOTAL LOANS \$ IN MILLIONS	TIER 1 CAPITAL + LLR LESS PROBLEM LOANS % TOTAL LOANS	LOAN LOSS RESERVE % PROBLEM LOANS	EARNINGS COVERAGE OF PROJECTED CHARGE-OFFS	TOTAL LOANS % EARNING ASSETS	LOAN YIELD LESS COST OF FUNDING DEBT	RISK-ADJUSTED YIELD LESS COST OF DEBT	RISK-ADJUSTED YIELD LESS 3 MO T-BILL YIELD	RISK-ADJUSTED YIELD LESS COST OF DEBT	RISK-ADJ YIELD LESS COST OF INT-BEAR LIAB	COST OF DEBT 4 QTRS % 5 YR AVG	TOTAL LOANS % EARNING ASSETS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	
		HIGHEST QUALITY	300	878,507	99.9	99.9	100	51.0	51.0	50.8	37.8	37.6	7	99	28.7	0.1	
9	0	98%	272	6,047	62.0	999	35.2	92	7.1	6.7	7.2	6.1	37	94	7.6	0.1	
		96%	260	2,486	45.7	999	28.5	89	6.6	6.3	6.6	5.8	5.7	42	91	6.9	0.1
		94%	252	1,423	38.4	999	24.9	88	6.3	6.0	6.3	5.5	5.4	45	90	6.6	0.1
		92%	244	990	33.7	772	22.1	86	6.1	5.8	6.2	5.3	5.2	47	88	6.5	0.1
		90%	239	767	30.9	609	19.5	85	5.9	5.7	6.0	5.2	5.1	49	87	6.3	0.1
8	1	88%	235	645	28.6	502	17.3	84	5.8	5.5	5.9	5.0	50	86	6.2	0.1	
		86%	230	554	26.6	427	15.4	83	5.7	5.5	5.8	4.9	4.9	51	86	6.1	0.1
		84%	227	475	25.3	370	13.7	82	5.6	5.4	5.7	4.8	4.8	53	85	6.0	0.1
		82%	223	421	24.1	327	12.3	81	5.6	5.3	5.6	4.8	4.7	54	84	5.9	0.2
		80%	220	373	23.1	291	11.1	81	5.5	5.2	5.6	4.7	4.6	55	83	5.8	0.2
7	2	78%	217	333	22.2	263	9.8	80	5.4	5.1	5.5	4.6	4.6	56	82	5.8	0.2
		76%	213	301	21.4	240	8.9	79	5.4	5.1	5.5	4.6	4.5	57	81	5.7	0.2
		74%	211	277	20.7	220	8.2	78	5.3	5.0	5.4	4.5	4.4	57	81	5.6	0.2
		72%	208	255	20.2	200	7.5	77	5.2	5.0	5.4	4.5	4.4	58	80	5.6	0.3
		70%	205	236	19.6	184	6.8	77	5.2	4.9	5.3	4.4	4.3	59	79	5.5	0.3
6	3	68%	202	217	19.0	171	6.3	76	5.2	4.9	5.3	4.3	4.3	60	78	5.5	0.3
		66%	199	201	18.6	157	5.8	75	5.1	4.8	5.2	4.3	4.2	60	77	5.4	0.3
		64%	196	186	18.1	149	5.3	74	5.1	4.8	5.2	4.2	4.2	61	77	5.4	0.4
		62%	192	173	17.7	140	4.9	74	5.0	4.7	5.1	4.2	4.1	62	76	5.4	0.4
		60%	188	162	17.3	132	4.5	73	5.0	4.7	5.1	4.1	4.1	62	75	5.3	0.4
5	4	58%	185	153	17.0	125	4.2	72	5.0	4.6	5.1	4.1	4.0	63	74	5.3	0.4
		56%	180	144	16.6	118	3.9	71	4.9	4.6	5.0	4.0	4.0	64	73	5.3	0.5
		54%	176	135	16.3	112	3.6	70	4.9	4.6	5.0	4.0	3.9	64	72	5.2	0.5
		52%	172	128	16.0	106	3.4	70	4.8	4.5	4.9	4.0	3.9	65	72	5.2	0.5
		50%	168	120	15.7	101	3.1	69	4.8	4.5	4.9	3.9	3.8	66	71	5.2	0.6
4	5	48%	164	112	15.4	94	2.9	68	4.8	4.4	4.9	3.9	3.8	66	70	5.1	0.6
		46%	160	105	15.1	90	2.7	67	4.7	4.4	4.8	3.8	3.8	67	69	5.1	0.7
		44%	156	98	14.9	85	2.5	67	4.7	4.3	4.8	3.8	3.7	68	68	5.1	0.7
		42%	151	93	14.6	81	2.4	66	4.6	4.3	4.7	3.7	3.6	68	67	5.0	0.7
		40%	147	87	14.4	77	2.2	65	4.6	4.2	4.7	3.6	3.6	69	66	5.0	0.8
3	6	38%	143	82	14.1	72	2.0	64	4.6	4.2	4.7	3.6	3.5	70	65	4.9	0.9
		36%	139	77	13.9	69	1.9	63	4.5	4.2	4.6	3.5	3.5	70	64	4.9	0.9
		34%	134	72	13.7	65	1.8	62	4.5	4.1	4.6	3.5	3.4	71	63	4.9	1.0
		32%	129	67	13.5	62	1.6	61	4.4	4.1	4.5	3.4	3.3	72	62	4.8	1.0
		30%	125	63	13.2	59	1.5	60	4.4	4.0	4.5	3.3	3.3	73	61	4.8	1.1
2	7	28%	121	59	13.0	55	1.3	59	4.4	4.0	4.4	3.3	3.2	74	59	4.8	1.2
		26%	115	55	12.8	53	1.2	58	4.3	3.9	4.4	3.2	3.1	74	58	4.7	1.3
		24%	110	50	12.5	50	1.1	56	4.3	3.8	4.3	3.1	3.1	75	57	4.7	1.3
		22%	105	46	12.3	46	1.0	55	4.2	3.8	4.2	3.0	3.0	76	55	4.7	1.4
		20%	98	43	12.1	44	0.9	53	4.2	3.7	4.2	2.9	2.9	77	53	4.6	1.5
1	8	18%	91	40	11.8	41	0.8	52	4.1	3.6	4.1	2.8	2.8	78	51	4.6	1.6
		16%	84	36	11.5	38	0.7	50	4.1	3.6	4.0	2.7	2.7	79	50	4.5	1.8
		14%	74	33	11.2	35	0.6	48	4.0	3.5	3.9	2.6	2.5	80	47	4.5	1.9
		12%	62	29	10.9	32	0.5	46	3.9	3.4	3.8	2.4	2.4	82	45	4.4	2.2
		10%	50	26	10.6	30	0.4	44	3.8	3.2	3.7	2.2	2.1	83	43	4.3	2.4
0	9	8%	34	22	10.1	27	0.2	41	3.7	3.1	3.6	1.9	1.8	85	40	4.3	2.8
		6%	17	19	9.5	23	0.1	38	3.5	2.9	3.4	1.5	1.4	87	37	4.1	3.3
		4%	1	15	8.5	19	0.0	34	3.3	2.7	3.1	0.8	0.8	90	32	4.0	4.0
		2%	1	10	5.3	13	0.0	27	3.0	2.2	2.6	-0.4	-0.4	97	24	3.8	5.3
		LOWEST QUALITY	1	0	-33.0	0	0.0	3	0.7	-3.6	0.0	-17.3	-17.6	294	0	1.4	20.5

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Value	235	127	13.2	171	15.8	90	5.5	5.4	5.7	5.3	5.2	58	95	5.7	0.2
Quality Level Multiplier															
Weight	NA	☆	☆	☆	☆	NA	NA	NA	NA	☆	NA	NA	NA	☆	NA
Cap			±60	-50	+60					±150					+30
Score			13.2	NC	60.0					105.4					11.4
Summation			13.2		73.2					178.6					190.0

☆ Refer to Instructions for Calculating Your Rank

SAMPLE BANK
City, ST

TOTAL LOANS

REAL ESTATE

C & I LOANS

PERSONAL LOANS

WEIGHTED AVERAGE RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % TOTAL LOANS	LOAN GROWTH % YEAR OVER YEAR	REAL ESTATE LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % REAL ESTATE LOANS	LOAN GROWTH % YEAR OVER YEAR	COMMERCIAL LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % C & I LOANS	LOAN GROWTH % YEAR OVER YEAR	PERSONAL LOANS % TOTAL LOANS	YIELD ON LOANS LAST 4 QTRS	PROJ CHARGE-OFFS % LOANS	RISK-ADJUSTED LOAN YIELD - 4 QTR	PROBLEM LOAN GROWTH % YEAR OVER YEAR	PROBLEM LOANS % PERSONAL LOANS	LOAN GROWTH % YEAR OVER YEAR
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
28.3	-99	0.0	99	100	29.7	0.0	28.4	-99	0.0	99	100	19.7	0.0	18.1	-99	0.0	99	100	29.6	0.0	26.9	-99	0.0	99
6.4	-99	0.0	34	100	7.3	0.0	6.3	-99	0.0	44	43	9.8	0.0	9.2	-99	0.0	99	35	13.1	0.0	11.0	-99	0.0	99
5.9	-99	0.0	26	99	6.7	0.0	5.8	-99	0.0	32	35	8.7	0.0	7.9	-99	0.0	67	24	11.6	0.1	9.5	-99	0.0	56
5.7	-88	0.0	23	97	6.4	0.0	5.6	-88	0.0	27	31	8.0	0.0	7.2	-99	0.0	54	19	10.6	0.1	8.8	-99	0.0	41
5.5	-79	0.0	20	96	6.2	0.0	5.4	-75	0.0	24	28	7.4	0.0	6.8	-99	0.0	46	17	10.1	0.2	8.3	-99	0.0	32
5.3	-72	0.1	19	94	6.1	0.0	5.3	-67	0.0	21	26	7.1	0.0	6.5	-99	0.0	40	15	9.7	0.2	8.0	-99	0.0	27
5.2	-67	0.1	17	93	6.0	0.0	5.2	-61	0.1	19	25	6.9	0.0	6.3	-99	0.0	35	13	9.4	0.3	7.7	-99	0.0	23
5.1	-63	0.2	16	91	5.9	0.1	5.1	-56	0.2	18	23	6.7	0.0	6.1	-99	0.0	32	12	9.1	0.3	7.5	-99	0.0	20
5.0	-59	0.2	15	90	5.8	0.1	5.0	-52	0.3	16	22	6.5	0.0	5.9	-98	0.0	29	11	8.9	0.3	7.3	-99	0.0	18
5.0	-55	0.3	14	89	5.7	0.1	4.9	-48	0.4	15	21	6.4	0.0	5.8	-93	0.0	26	11	8.7	0.4	7.1	-92	0.0	16
4.9	-51	0.3	13	88	5.7	0.1	4.8	-45	0.4	14	20	6.3	0.0	5.7	-88	0.0	24	10	8.5	0.4	6.9	-86	0.0	15
4.8	-48	0.4	12	87	5.6	0.2	4.8	-42	0.5	13	19	6.2	0.0	5.6	-83	0.0	22	9	8.4	0.5	6.7	-83	0.0	13
4.7	-46	0.4	12	87	5.6	0.2	4.7	-40	0.6	12	18	6.1	0.0	5.5	-78	0.0	20	9	8.2	0.5	6.6	-76	0.0	12
4.7	-43	0.5	11	86	5.5	0.2	4.7	-37	0.7	12	18	6.0	0.0	5.4	-74	0.0	19	8	8.1	0.6	6.5	-72	0.0	10
4.7	-41	0.5	11	85	5.5	0.2	4.6	-35	0.8	11	17	5.9	0.0	5.3	-69	0.0	17	8	7.9	0.6	6.3	-68	0.0	9
4.6	-38	0.6	10	84	5.4	0.2	4.6	-33	0.8	10	16	5.8	0.0	5.2	-65	0.0	16	7	7.8	0.6	6.2	-63	0.0	8
4.5	-36	0.6	10	83	5.4	0.3	4.5	-31	0.9	10	16	5.8	0.0	5.1	-60	0.0	14	7	7.7	0.7	6.1	-59	0.0	7
4.5	-34	0.7	9	82	5.3	0.3	4.5	-29	1.0	9	15	5.7	0.0	5.1	-55	0.0	13	6	7.5	0.7	6.0	-55	0.0	6
4.4	-32	0.7	9	81	5.3	0.3	4.4	-27	1.1	9	15	5.6	0.0	5.0	-50	0.0	12	6	7.4	0.7	5.9	-50	0.0	6
4.4	-30	0.8	8	81	5.3	0.3	4.4	-25	1.1	8	14	5.6	0.0	4.9	-46	0.1	11	6	7.3	0.8	5.8	-46	0.0	5
4.3	-29	0.8	8	80	5.2	0.4	4.3	-24	1.2	8	14	5.5	0.1	4.9	-41	0.1	10	6	7.2	0.8	5.7	-40	0.0	4
4.3	-27	0.9	7	79	5.2	0.4	4.3	-22	1.3	7	13	5.5	0.1	4.8	-37	0.2	9	5	7.1	0.9	5.6	-37	0.1	3
4.3	-25	1.0	7	78	5.2	0.4	4.2	-21	1.4	7	13	5.4	0.1	4.8	-33	0.2	8	5	7.0	0.9	5.5	-33	0.1	3
4.2	-23	1.0	7	77	5.1	0.5	4.2	-19	1.5	6	13	5.4	0.1	4.7	-29	0.3	7	5	6.9	0.9	5.4	-30	0.1	2
4.2	-22	1.1	6	76	5.1	0.5	4.1	-17	1.6	6	12	5.3	0.1	4.6	-26	0.3	6	5	6.8	1.0	5.3	-25	0.1	1
4.1	-20	1.1	6	75	5.1	0.5	4.1	-16	1.7	5	12	5.3	0.1	4.6	-22	0.4	6	4	6.7	1.0	5.2	-22	0.1	0
4.1	-19	1.2	6	75	5.0	0.6	4.0	-15	1.8	5	11	5.2	0.2	4.6	-20	0.5	5	4	6.7	1.1	5.1	-17	0.2	0
4.0	-17	1.3	5	74	5.0	0.6	4.0	-13	1.9	5	11	5.2	0.2	4.5	-17	0.5	4	4	6.6	1.1	5.0	-13	0.2	-1
4.0	-15	1.4	5	73	5.0	0.7	3.9	-12	2.0	4	11	5.1	0.2	4.4	-14	0.6	3	4	6.5	1.2	4.9	-9	0.2	-2
3.9	-13	1.4	4	72	4.9	0.7	3.9	-10	2.2	4	10	5.1	0.2	4.4	-11	0.7	2	4	6.4	1.2	4.9	-5	0.2	-2
3.9	-11	1.5	4	71	4.9	0.7	3.8	-8	2.3	3	10	5.0	0.3	4.3	-9	0.8	1	3	6.3	1.3	4.8	0	0.3	-3
3.8	-9	1.6	4	69	4.9	0.8	3.8	-6	2.5	3	10	5.0	0.3	4.3	-7	0.9	0	3	6.2	1.4	4.7	2	0.3	-3
3.8	-7	1.7	3	68	4.8	0.9	3.7	-5	2.6	2	9	4.9	0.3	4.2	-4	1.0	-1	3	6.1	1.4	4.6	8	0.4	-4
3.7	-5	1.8	3	67	4.8	0.9	3.7	-4	2.8	2	9	4.9	0.4	4.1	0	1.2	-2	3	6.0	1.5	4.4	13	0.4	-5
3.7	-3	1.9	2	66	4.8	1.0	3.6	-2	2.9	1	9	4.8	0.4	4.1	2	1.3	-3	3	5.9	1.6	4.3	17	0.4	-6
3.6	0	2.1	2	65	4.7	1.1	3.5	0	3.1	1	8	4.8	0.5	4.0	8	1.4	-4	3	5.9	1.7	4.2	24	0.5	-6
3.5	2	2.2	2	63	4.7	1.1	3.5	2	3.3	1	8	4.7	0.5	3.9	15	1.6	-5	3	5.8	1.8	4.1	31	0.5	-7
3.4	6	2.4	1	62	4.7	1.2	3.4	4	3.5	0	7	4.7	0.6	3.9	23	1.8	-5	2	5.7	1.9	4.0	42	0.6	-8
3.4	9	2.5	1	61	4.6	1.3	3.3	7	3.8	-1	7	4.6	0.7	3.8	33	2.1	-7	2	5.6	2.0	3.9	50	0.7	-9
3.3	14	2.7	0	59	4.6	1.4	3.2	10	4.0	-1	7	4.6	0.8	3.7	46	2.4	-8	2	5.5	2.1	3.7	63	0.8	-10
3.2	18	2.9	0	57	4.5	1.5	3.1	15	4.3	-2	6	4.5	0.9	3.6	61	2.7	-9	2	5.3	2.3	3.5	75	0.8	-11
3.1	23	3.1	-1	55	4.5	1.7	3.0	19	4.7	-2	6	4.4	1.0	3.5	78	3.0	-10	2	5.2	2.4	3.4	89	0.9	-12
3.0	29	3.3	-2	53	4.5	1.8	2.9	25	5.0	-3	6	4.4	1.1	3.4	100	3.4	-12	2	5.1	2.6	3.2	105	1.0	-13
2.9	38	3.7	-2	51	4.4	2.0	2.7	32	5.4	-4	5	4.3	1.3	3.3	138	4.0	-14	2	4.9	2.8	2.9	131	1.2	-14
2.7	49	4.0	-3	48	4.3	2.3	2.5	40	6.0	-5	5	4.2	1.5	3.1	191	4.6	-16	2	4.7	3.2	2.7	162	1.3	-15
2.5	64	4.4	-4	45	4.3	2.6	2.2	49	6.6	-6	4	4.1	1.7	2.9	249	5.4	-18	1	4.6	3.5	2.3	200	1.6	-17
2.2	87	4.9	-5	42	4.2	3.0	1.9	64	7.5	-7	4	4.0	2.0	2.6	375	6.4	-21	1	4.3	4.0	2.0	275	1.9	-20
1.7	132	5.7	-6	38	4.1	3.6	1.3	101	8.6	-9	3	3.9	2.5	2.3	525	8.0	-25	1	4.0	4.8	1.3	391	2.3	-22
1.2	219	7.1	-8	33	4.0	4.4	0.5	167	10.7	-12	2	3.7	3.1	1.7	974	10.5	-29	1	3.6	5.9	0.3	589	3.0	-28
-0.1	523	10.2	-12	25	3.8	6.1	-0.9	341	14.9	-17	2	3.4	4.9	0.1	999	15.5	-37	1	2.9	8.8	-2.7	999	4.5	-35
-16.8	999	50.0	-80	1	1.5	48.2	-29.6	999	61.1	-69	1	0.5	26.2	-20.8	999	92.5	-89	1	0.7	20.0	-16.7	999	85.2	-99

16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40

5.3	999	0.7	-2	79	5.2	0.2	4.7	NC	1.0	0	9	8.6	0.0	8.4	NC	0.0	-35	NC	NC	NC	NC	NC	NC	NC
☆	☆	☆	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
±60	-20	-50																						
52.7	NC	-7.5																						
242.8		235.3																						

☆ Refer to Instructions for Calculating Your Rank

SAMPLE BANK City, ST

Instructions for Calculating Your Rank

- Fill-in the calculated value for each ratio for the institution you are ranking in the row titled “value.”
- Add together the result of each individual score to derive the rank.
- If Column 16 is NC, the rank is NC.
- If Column 3 is less than 2%, the rank is capped at 1.

Banks and Bank Holding Companies

Column 3 - Equity Capital & LLR less Problem Assets as a % of Loans

The value of Column 3 is multiplied by 10.0. Cap at ± 60 .

Column 4 - Loan Loss Reserve % Problem Assets

If the value of Column 4 is less than 100, the score is Column 4 minus 100. Cap at -70.

Column 5 - Earnings Coverage of Net Charge-offs

The value of Column 5 is multiplied by 10 with the score capped at 60.

Column 10 - Risk-adjusted Yield to Cost of Debt - Last Year

The value of Column 10 is multiplied by 20 with the score capped at ± 150 .

Column 14 - Yield on Loans

The value of Column 14 is multiplied by 2 with the score capped at +30.

Column 16 - Weighted Average Risk-adjusted Loan Yield - 4 Qtrs

The value of Column 16 is multiplied by 10 with the score capped at ± 60 .

Column 17 - Problem Loan Growth - Year Over Year

If the Year Over Year percent change is positive, then divide it by -10 to compute the score. Cap at -20.

Column 18 - Problem Loans as a % of Total Loans

If the percentage of nonperforming loans to total loans is positive, then multiply it by -10 to compute the score. Cap at -50.

If the rank that you have manually calculated differs from IDC's published rank;

- There are a number of possibilities - if your estimation is within a few points, the difference is often due to rounding errors. IDC calculates the rank using raw (unrounded) figures.
- Check to see that you have chosen the proper PLUS (add to score) or CONTRA (subtract from score) multiplier for the component you are calculating.
- Verify that you have restricted a score that has a CAP to its weighting.
- If you still have questions, or the difference between your calculation of a rank and IDC's rank appears too large for rounding errors, call IDC for assistance at 1-800-525-5457.