

American Bank Incorporated

Selected Financial Information

(In thousands, except per share data)

| | <u>June 30,</u> | | <u>December 31,</u> |
|--|-----------------|-------------|---------------------|
| | <u>2017</u> | <u>2016</u> | <u>2016</u> |
| | Unaudited | | Audited |
| <u>Selected Financial Condition Data:</u> | | | |
| Total assets | \$ 575,406 | \$ 558,927 | \$ 557,136 |
| Loans receivable, net | 432,647 | 408,263 | 440,418 |
| Allowance for loan losses | (6,084) | (5,941) | (6,092) |
| Investment securities available-for-sale (at fair value) | 70,332 | 64,327 | 65,352 |
| Investment securities held-to-maturity (at cost) | 1,005 | 1,005 | 1,005 |
| Deposits | 422,541 | 421,847 | 408,087 |
| Short-term borrowings | 24,285 | 11,656 | 21,784 |
| Long-term borrowings | 65,000 | 65,000 | 65,000 |
| Junior subordinated debentures | 10,247 | 10,290 | 10,265 |
| Stockholders' equity | 51,357 | 48,106 | 49,649 |
| Book value per share | \$ 9.05 | \$ 8.47 | \$ 8.74 |
| Shares outstanding | 5,676 | 5,679 | 5,678 |

| | <u>For the Three</u> | | <u>For the Six</u> | |
|--|------------------------------|-------------|------------------------------|-------------|
| | <u>Months Ended June 30,</u> | | <u>Months Ended June 30,</u> | |
| | <u>2017</u> | <u>2016</u> | <u>2017</u> | <u>2016</u> |
| | Unaudited | | Unaudited | |
| <u>Selected Operating Data:</u> | | | | |
| Total interest income | \$ 5,263 | \$ 4,922 | \$ 10,437 | \$ 9,881 |
| Total interest expense | 1,337 | 1,292 | 2,582 | 2,595 |
| Net interest income | 3,926 | 3,630 | 7,855 | 7,286 |
| Provision for loan losses | — | 70 | 13 | 379 |
| Net interest income after provision for loan losses | 3,926 | 3,560 | 7,842 | 6,907 |
| Fees and service charges | 30 | 29 | 57 | 57 |
| Net gains on available-for-sale investment securities | — | 2 | — | 2 |
| Net gains on sales of mortgage loans | 33 | 33 | 50 | 51 |
| Earnings from bank-owned life insurance | 90 | 99 | 188 | 197 |
| Other income | 66 | 64 | 141 | 126 |
| Total non-interest income | 219 | 227 | 436 | 433 |
| Total non-interest expense | 2,288 | 2,087 | 4,513 | 4,285 |
| Income before income taxes | 1,857 | 1,700 | 3,765 | 3,055 |
| Income tax expense | 598 | 528 | 1,209 | 947 |
| Net income | \$ 1,259 | \$ 1,172 | \$ 2,556 | \$ 2,108 |
| Earnings per share - basic | \$ 0.22 | \$ 0.21 | \$ 0.45 | \$ 0.37 |
| Earnings per share - diluted | \$ 0.20 | \$ 0.19 | \$ 0.40 | \$ 0.34 |
| Weighted average shares outstanding for earnings per share calculation - basic | 5,636 | 5,669 | 5,636 | 5,676 |
| - diluted | 6,814 | 6,857 | 6,816 | 6,864 |

American Bank Incorporated

Selected Financial Information

| | For the Three Months Ended June 30, | | For the Six Months Ended June 30, | |
|---|--|-------------|--------------------------------------|-------------|
| | <u>2017</u> | <u>2016</u> | <u>2017</u> | <u>2016</u> |
| | Unaudited | | Unaudited | |
| <u>Performance Ratios</u> ⁽¹⁾ : | | | | |
| Return on assets (ratio of net income to average total assets) | 0.89% | 0.83% | 0.92% | 0.75% |
| Return on equity (ratio of net income to average equity) | 9.77% | 9.78% | 10.00% | 8.83% |
| Net interest margin (ratio of net interest income divided by average earning assets) | 2.91% | 2.70% | 2.96% | 2.73% |
| Ratio of operating expense to average total assets | 1.62% | 1.48% | 1.62% | 1.53% |
| Efficiency ratio (ratio of operating expenses divided by net interest income plus non-interest income) | 55.22% | 54.11% | 54.43% | 55.50% |
| | | | | |
| | At June 30, | | | |
| | <u>2017</u> | <u>2016</u> | | |
| <u>Asset Quality Ratios:</u> | | | | |
| Non-accruing loans to loans receivable at end of period | 0.02% | 0.00% | | |
| Allowance for loan losses to non-accruing loans | n/m | n/a | | |
| Allowance for loan losses to loans receivable | 1.39% | 1.44% | | |
| | | | | |
| <u>Regulatory Capital Ratios - Bank:</u> | | | | |
| Common equity Tier 1 to risk weighted assets | 11.49% | 11.52% | | |
| Tier I to average assets | 10.12% | 9.65% | | |
| Tier I to risk weighted assets | 11.49% | 11.52% | | |
| Total capital to risk weighted assets | 12.71% | 12.78% | | |

⁽¹⁾ Ratios for three and six month periods are annualized.

n/m – not meaningful.

n/a – not applicable.