

American Bank Incorporated

Selected Financial Information

(In thousands, except per share data)

	<u>March 31,</u>	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>	<u>2017</u>
	<u>Unaudited</u>		
<u>Selected Financial Condition Data:</u>			
Total assets	\$ 600,200	\$ 561,819	\$ 580,843
Loans receivable, net	468,391	435,803	458,733
Allowance for loan losses	(6,341)	(6,088)	(6,214)
Investment securities available-for-sale (at fair value)	58,941	67,676	62,042
Investment securities held-to-maturity (at cost)	1,005	1,005	1,005
Deposits	441,567	417,392	425,881
Short-term borrowings	29,397	16,155	26,261
Long-term borrowings	65,000	65,000	65,000
Junior subordinated debentures	10,212	10,253	10,218
Stockholders' equity	52,024	50,498	51,322
Book value per share	\$ 9.20	\$ 8.89	\$ 9.05
Shares outstanding	5,656	5,680	5,668
 <u>For the Three</u>			
<u>Months Ended March 31,</u>			
	<u>2018</u>	<u>2017</u>	
	<u>Unaudited</u>		
<u>Selected Operating Data:</u>			
Total interest income	\$ 5,584	\$ 5,174	
Total interest expense	1,361	1,245	
Net interest income	4,223	3,929	
Provision for loan losses	127	13	
Net interest income after provision for loan losses	4,096	3,916	
Fees and service charges	28	27	
Net gains on sales of mortgage loans	14	17	
Earnings from bank-owned life insurance	96	98	
Other income	68	75	
Total non-interest income	206	217	
Total non-interest expense	2,520	2,225	
Income before income taxes	1,782	1,908	
Income tax expense	269	611	
Net income	\$ 1,513	\$ 1,297	
Earnings per share - basic	\$ 0.27	\$ 0.23	
Earnings per share - diluted	\$ 0.24	\$ 0.20	
Weighted average shares outstanding for earnings per share calculation - basic	5,623	5,637	
- diluted	6,799	6,822	

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Unaudited

	For the Three Months Ended March 31,	
	2018	2017
<u>Performance Ratios⁽¹⁾:</u>		
Return on assets (ratio of net income to average total assets)	1.05%	0.94%
Return on equity (ratio of net income to average equity)	11.57%	10.24%
Net interest margin (ratio of net interest income divided by average earning assets)	3.06%	3.00%
Ratio of operating expense to average total assets	1.75%	1.62%
Efficiency ratio (ratio of operating expenses divided by net interest income plus non-interest income)	56.89%	53.67%
 <u>At March 31,</u>		
	2018	2017
<u>Asset Quality Ratios:</u>		
Non-accruing loans to loans receivable at end of period	0.40%	0.02%
Allowance for loan losses to non-accruing loans	332.53%	n/m
Allowance for loan losses to loans receivable	1.34%	1.38%
 <u>Regulatory Capital Ratios - Company:</u>		
Common equity Tier 1 to risk weighted assets	10.65%	9.49%
Tier I to average assets	11.16%	10.40%
Tier I to risk weighted assets	12.54%	11.48%
Total capital to risk weighted assets	13.75%	12.69%
 <u>Regulatory Capital Ratios - Bank:</u>		
Common equity Tier I to risk weighted assets	11.71%	11.24%
Tier I to average assets	10.49%	10.18%
Tier I to risk weighted assets	11.71%	11.24%
Total capital to risk weighted assets	12.92%	12.46%

⁽¹⁾ Ratios for three month periods are annualized.

n/m – not meaningful.