

# American Bank Incorporated

## Selected Financial Information

(In thousands, except per share data)

	<u>September 30,</u>		<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>	<u>2017</u>	<u>Audited</u>
	<u>Unaudited</u>			
<b><u>Selected Financial Condition Data:</u></b>				
Total assets	\$ 637,499	\$ 570,210	\$ 580,843	
Loans receivable, net	488,547	431,150	458,733	
Allowance for loan losses	(6,497)	(6,080)	(6,214)	
Investment securities available-for-sale (at fair value)	64,670	68,766	62,042	
Investment securities held-to-maturity (at cost)	205	1,005	1,005	
Deposits	470,570	413,076	425,881	
Short-term borrowings	35,109	28,009	26,261	
Long-term borrowings	65,000	65,000	65,000	
Junior subordinated debentures	10,128	10,226	10,218	
Stockholders' equity	54,028	51,891	51,322	
Book value per share	\$ 9.57	\$ 9.15	\$ 9.05	
Shares outstanding	5,643	5,670	5,668	
 <b><u>Selected Operating Data:</u></b>				
<b>For the Three Months Ended September 30,</b>				
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	<u>Unaudited</u>		<u>Unaudited</u>	
Total interest income	\$ 6,205	\$ 5,527	\$ 17,683	\$ 15,964
Total interest expense	1,711	1,382	4,695	3,964
Net interest income	4,494	4,145	12,988	12,000
Provision for loan losses	56	—	383	13
Net interest income after provision for loan losses	4,438	4,145	12,605	11,987
Fees and service charges	28	27	86	84
Net gains on sales of mortgage loans	12	33	32	83
Earnings from bank-owned life insurance	94	96	279	284
Other income	115	76	262	217
Total non-interest income	249	232	659	668
Total non-interest expense	2,371	2,180	7,248	6,693
Income before income taxes	2,316	2,197	6,016	5,962
Income tax expense	467	709	1,119	1,918
Net income	\$ 1,849	\$ 1,488	\$ 4,897	\$ 4,044
Earnings per share - basic	\$ 0.33	\$ 0.26	\$ 0.87	\$ 0.71
Earnings per share - diluted	\$ 0.29	\$ 0.23	\$ 0.77	\$ 0.63
Weighted average shares outstanding for earnings per share calculation - basic	5,600	5,631	5,610	5,634
- diluted	6,765	6,806	6,776	6,811

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	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	Unaudited		Unaudited	
<b><u>Performance Ratios</u></b> <sup>(1)</sup> :				
Return on assets (ratio of net income to average total assets)	1.17%	1.04%	1.07%	0.96%
Return on equity (ratio of net income to average equity)	13.68%	11.39%	12.29%	10.47%
Net interest margin (ratio of net interest income divided by average earning assets)	3.00%	3.05%	2.98%	2.99%
Ratio of operating expense to average total assets	1.49%	1.53%	1.58%	1.59%
Efficiency ratio (ratio of operating expenses divided by net interest income plus non-interest income)	49.96%	49.84%	53.11%	52.83%
 <b><u>Asset Quality Ratios</u></b> :				
Non-accruing loans to loans receivable at end of period	0.09%	0.00%		
Allowance for loan losses to non-accruing loans	n/m	n/m		
Allowance for loan losses to loans receivable	1.31%	1.39%		
 <b><u>Regulatory Capital Ratios - Company</u></b> :				
Common equity Tier 1 to risk weighted assets	10.46%	9.90%		
Tier I to average assets	10.54%	10.42%		
Tier I to risk weighted assets	12.25%	11.88%		
Total capital to risk weighted assets	13.42%	13.09%		
 <b><u>Regulatory Capital Ratios - Bank</u></b> :				
Common equity Tier 1 to risk weighted assets	11.37%	11.62%		
Tier I to average assets	9.84%	10.20%		
Tier I to risk weighted assets	11.37%	11.62%		
Total capital to risk weighted assets	12.55%	12.84%		

<sup>(1)</sup> Ratios for three and nine-month periods are annualized.

n/m – not meaningful.