

American Bank Incorporated

Selected Financial Information

(In thousands, except per share data)

	<u>June 30,</u>		<u>December 31,</u>	
	<u>2019</u>	<u>2018</u>	<u>2018</u>	
	Unaudited		Audited	
<u>Selected Financial Condition Data:</u>				
Total assets	\$ 637,824	\$ 643,946	\$ 621,903	
Cash and cash equivalents	33,182	61,858	29,861	
Loans receivable, net	511,128	476,955	494,033	
Allowance for loan losses	(6,766)	(6,441)	(6,605)	
Investment securities available-for-sale (at fair value)	56,234	67,338	61,544	
Investment securities held-to-maturity (at cost)	205	1,205	205	
Deposits	476,786	479,444	468,659	
Short-term borrowings	25,242	34,320	30,331	
Long-term borrowings	65,181	65,000	55,000	
Junior subordinated debentures	10,111	10,199	10,111	
Stockholders' equity	58,045	52,862	55,232	
Book value per share	\$ 10.34	\$ 9.36	\$ 9.82	
Shares outstanding	5,612	5,647	5,625	
	<u>For the Three</u>		<u>For the Six</u>	
	<u>Months Ended June 30,</u>		<u>Months Ended June 30,</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	Unaudited		Unaudited	
<u>Selected Operating Data:</u>				
Total interest income	\$ 6,520	\$ 5,894	\$ 12,796	\$ 11,478
Total interest expense	1,876	1,623	3,596	2,984
Net interest income	4,644	4,271	9,200	8,494
Provision for loan losses	12	200	161	327
Net interest income after provision for loan losses	4,632	4,071	9,039	8,167
Fees and service charges	29	30	58	58
Net (losses) gains on equity securities	(16)	—	78	—
Net gains on sales of mortgage loans	13	6	17	20
Earnings from bank-owned life insurance	91	89	184	185
Other income	225	79	397	147
Total non-interest income	342	204	734	410
Total non-interest expense	2,519	2,357	4,841	4,877
Income before income taxes	2,455	1,918	4,932	3,700
Income tax expense	508	383	1,027	652
Net income	\$ 1,947	\$ 1,535	\$ 3,905	\$ 3,048
Earnings per share - basic	\$ 0.35	\$ 0.27	\$ 0.70	\$ 0.54
Earnings per share - diluted	\$ 0.30	\$ 0.24	\$ 0.61	\$ 0.48
Weighted average shares outstanding for earnings per share calculation - basic	5,580	5,621	5,576	5,615
- diluted	6,743	6,794	6,739	6,788

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	For the Three		For the Six	
	Months Ended June 30,		Months Ended June 30,	
	2019	2018	2019	2018
	Unaudited		Unaudited	
<u>Performance Ratios</u> ⁽¹⁾ :				
Return on assets (ratio of net income to average total assets)	1.24%	0.99%	1.25%	1.02%
Return on equity (ratio of net income to average equity)	13.45%	11.58%	13.65%	11.58%
Net interest margin (ratio of net interest income divided by average earning assets)	3.13%	2.87%	3.13%	2.97%
Ratio of operating expense to average total assets	1.60%	1.52%	1.55%	1.63%
Efficiency ratio (ratio of operating expenses divided by net interest income plus non-interest income)	50.50%	52.69%	48.73%	54.77%
	At June 30,			
	2019	2018		
<u>Asset Quality Ratios:</u>				
Non-accruing loans to loans receivable at end of period	0.06%	0.15%		
Allowance for loan losses to non-accruing loans	2,192.42%	882.50%		
Allowance for loan losses to loans receivable	1.31%	1.33%		
<u>Regulatory Capital Ratios – Company:</u>				
Common equity Tier I to risk weighted assets	10.94%	10.40%		
Tier I to average assets	11.26%	10.44%		
Tier I to risk weighted assets	12.69%	12.22%		
Total capital to risk weighted assets	13.90%	13.40%		
<u>Regulatory Capital Ratios – Bank:</u>				
Common equity Tier I to risk weighted assets	11.81%	11.37%		
Tier I to average assets	10.54%	9.78%		
Tier I to risk weighted assets	11.81%	11.37%		
Total capital to risk weighted assets	13.03%	12.55%		

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