

American Bank Incorporated

Selected Financial Information

(In thousands, except per share data)

	<u>September 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	\$ 650,890	\$ 637,499	\$ 621,903	
Cash and cash equivalents	45,688	47,778	29,861	
Loans receivable, net	507,470	488,547	494,033	
Allowance for loan losses	(6,766)	(6,497)	(6,605)	
Investment securities available-for-sale (at fair value)	59,771	64,670	61,544	
Investment securities held-to-maturity (at cost)	205	205	205	
Deposits	490,760	470,570	468,659	
Short-term borrowings	23,083	35,109	30,331	
Long-term borrowings	65,168	65,000	55,000	
Junior subordinated debentures	10,111	10,128	10,111	
Stockholders' equity	59,343	54,028	55,232	
Book value per share	\$ 10.60	\$ 9.57	\$ 9.82	
Shares outstanding	5,601	5,643	5,625	
	<u>For the Three Months</u>		<u>For the Nine Months</u>	
	<u>Ended September 30,</u>		<u>Ended September 30,</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	Unaudited		Unaudited	
<u>Selected Operating Data:</u>				
Total interest income	\$ 6,678	\$ 6,205	\$ 19,474	17,683
Total interest expense	2,042	1,711	5,638	4,695
Net interest income	4,636	4,494	13,836	12,988
Provision for loan losses	—	56	161	383
Net interest income after provision for loan losses	4,636	4,438	13,675	12,605
Fees and service charges	34	28	92	86
Net gains on equity securities	—	—	78	—
Net gains on sales of mortgage loans	28	12	45	32
Earnings from bank-owned life insurance	95	94	279	279
Other income	183	115	580	262
Total non-interest income	340	249	1,074	659
Total non-interest expense	2,430	2,371	7,271	7,248
Income before income taxes	2,546	2,316	7,478	6,016
Income tax expense	526	467	1,553	1,119
Net income	\$ 2,020	\$ 1,849	\$ 5,925	\$ 4,897
Earnings per share - basic	\$ 0.36	\$ 0.33	\$ 1.06	\$ 0.87
Earnings per share - diluted	\$ 0.32	\$ 0.29	\$ 0.93	\$ 0.77
Weighted average shares outstanding for earnings per share calculation - basic	5,577	5,600	5,572	5,610
- diluted	6,740	6,765	6,735	6,776

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	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	Unaudited		Unaudited	
<u>Performance Ratios</u> ⁽¹⁾ :				
Return on assets (ratio of net income to average total assets)	1.25%	1.17%	1.25%	1.07%
Return on equity (ratio of net income to average equity)	13.61%	13.68%	13.63%	12.29%
Net interest margin (ratio of net interest income divided by average earning assets)	3.04%	3.00%	3.10%	2.98%
Ratio of operating expense to average total assets	1.51%	1.49%	1.54%	1.58%
Efficiency ratio (ratio of operating expenses divided by net interest income plus non-interest income)	48.82%	49.97%	48.76%	53.11%
	<u>At September 30,</u>			
	<u>2019</u>	<u>2018</u>		
<u>Asset Quality Ratios:</u>				
Non-accruing loans to loans receivable at end of period	0.06%	0.09%		
Allowance for loan losses to non-accruing loans	n/m	n/m		
Allowance for loan losses to loans receivable	1.32%	1.31%		
<u>Regulatory Capital Ratios - Company:</u>				
Common equity Tier 1 to risk weighted assets	11.17%	10.45%		
Tier I to average assets	11.07%	10.54%		
Tier I to risk weighted assets	12.91%	12.24%		
Total capital to risk weighted assets	14.13%	13.41%		
<u>Regulatory Capital Ratios - Bank:</u>				
Common equity Tier 1 to risk weighted assets	11.93%	11.36%		
Tier I to average assets	10.40%	9.84%		
Tier I to risk weighted assets	11.93%	11.36%		
Total capital to risk weighted assets	13.15%	12.53%		

⁽¹⁾ Ratios for three and nine-month periods are annualized.
n/m – not meaningful.