

Liberty Bay Bank

Financial Report (Unaudited)

September 30, 2015

(All dollars in thousands)

Balance Sheet			Income Statement				
	September 30, 2015	December 31, 2014		3rd Quarter September 30, 2015	September 30, 2014	Nine Months Ended	
				September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
ASSETS			Interest income:				
Cash and due from banks	\$ 2,120	\$ 1,157	Loans	\$ 848	\$ 718	\$ 2,468	\$ 2,078
Short-term and overnight investments	3,698	3,761	Investment securities	60	53	163	145
Investment securities	10,303	13,688	Other	-	3	6	8
			Total interest income	908	774	2,637	2,231
Total loans	59,347	55,718	Interest expense:				
Allowance for loan & lease losses	(705)	(660)	Interest on Deposits	73	61	221	174
Net Loans	58,642	55,058	Borrowed Funds	15	1	36	1
			Total interest expense	88	62	257	175
Premises & equipment	468	499	Net interest income	820	712	2,380	2,056
Other Assets	2,164	1,883	Provision for loan losses	18	-	45	-
Total Assets	\$ 77,395	\$ 76,046	Net interest income after provision	802	712	2,335	2,056
			Non-interest income:				
LIABILITIES & EQUITY			Service charges and fees	13	14	34	40
Deposits:			Mortgage banking income, net	14	10	30	28
Non-interest checking	\$ 14,234	\$ 14,326	Other Income	1	-	45	44
Interest checking, money market & savings	33,227	28,028	Total non-interest income	28	24	109	112
Time deposits	13,648	22,638	Non-interest expense:				
Total deposits	61,109	64,992	Compensation and benefits	439	420	1,357	1,200
Borrowed Funds	8,000	3,000	Occupancy & equipment expense	96	95	291	289
Other liabilities	224	215	Other expenses	218	203	657	642
Total Liabilities	69,333	68,207	Total non-interest expense	753	718	2,305	2,131
Shareholders' equity	8,062	7,839	Pretax Income	77	18	139	37
			Federal Income Taxes	-	-	-	-
Total Liabilities and Equity	\$ 77,395	\$ 76,046	Net Income (Loss)	\$ 77	\$ 18	\$ 139	\$ 37
Balance Sheet Ratios:			Operating Ratios:				
Leverage Capital	10.20%	10.44%	Return on Average Assets	0.39%	0.10%	0.24%	0.07%
Tier I Risk Based Capital	12.93%	13.93%	Return on Average Equity	3.80%	0.93%	2.32%	0.65%
Total Risk Based Capital	14.10%	15.12%	Net Interest Margin	4.44%	4.29%	4.28%	4.24%
Allowance for Loan Loss Reserves to Loans	1.19%	1.18%					