

Liberty Bay Bank

Financial Report (Unaudited)

June 30, 2016

(All dollars in thousands)

Balance Sheet			Income Statement			
	June 30, 2016	December 31,	2nd Quarter		Six Months Ended	
			June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
ASSETS						
Cash and due from banks	\$ 3,616	\$ 1,817	\$ 823	\$ 816	\$ 1,634	\$ 1,620
Short-term and overnight investments	7,260	7,363	63	50	122	103
Investment securities	19,000	10,926	6	4	11	6
			892	870	1,767	1,729
Total loans	57,477	56,026				
Allowance for loan & lease losses	(730)	(715)	76	77	150	148
Net Loans	56,747	55,311	39	11	67	21
			115	88	217	169
Premises & equipment	401	445	Net interest income	777	1,550	1,560
Other Assets	2,910	2,691	Provision for loan losses	-	15	27
Total Assets	\$ 89,934	\$ 78,553	Net interest income after provision	777	1,535	1,533
LIABILITIES & EQUITY			Non-interest income:			
Deposits:			Service charges and fees	14	10	27
Non-interest checking	\$ 17,376	\$ 14,907	Mortgage banking income, net	13	8	16
Interest checking, money market & savings	38,000	33,688	Other Income	37	17	44
Time deposits	11,521	11,193	Total non-interest income	64	35	145
Total deposits	66,897	59,788				
			Non-interest expense:			
Borrowed Funds	14,000	10,000	Compensation and benefits	453	457	902
Other liabilities	187	207	Occupancy & equipment expense	94	98	188
Total Liabilities	81,084	69,995	Other expenses	222	234	457
			Total non-interest expense	769	789	1,547
Shareholders' equity	8,850	8,558				
Total Liabilities and Equity	\$ 89,934	\$ 78,553	Pretax Income	72	28	133
			Federal Income Taxes	-	-	-
			Net Income (Loss)	\$ 72	\$ 28	\$ 133
Balance Sheet Ratios:			Operating Ratios:			
Leverage Capital	9.72%	10.59%	Return on Average Assets	0.34%	0.14%	0.32%
Tier I Risk Based Capital	13.31%	13.53%	Return on Average Equity	3.26%	1.40%	3.05%
Total Risk Based Capital	14.51%	14.74%	Net Interest Margin	3.87%	4.20%	4.02%
Allowance for Loan Loss Reserves to Loans	1.27%	1.28%				4.22%