

**TOUCHMARK BANCSHARES, INC.  
AND SUBSIDIARY**

**Consolidated Balance Sheet  
September 30, 2016 and December 31, 2015  
(Unaudited)**

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Cash and due from banks	\$ 5,586,106	\$ 2,299,497
Federal funds sold	4,000,000	-
Interest-bearing accounts with other banks	2,847,304	2,836,603
Investment securities	19,979,705	28,479,841
Restricted stock	1,832,250	1,968,300
Loan held for sale	-	-
Loans	197,244,026	153,791,891
Premises and equipment	1,552,427	1,510,988
Foreclosed real estate	-	525,000
Land held for sale	-	1,650,000
Other assets	3,115,029	3,894,399
Total assets	\$ 236,156,847	\$ 196,956,519
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Liabilities:		
Deposits:		
Non-interest bearing demand	\$ 17,038,417	\$ 12,898,398
Interest-bearing	164,955,229	129,046,218
Total deposits	181,993,646	141,944,616
Federal Home Loan Bank advances	17,000,000	21,750,000
Federal funds purchased	-	408,000
Other liabilities	3,044,906	552,446
Total liabilities	\$ 202,038,552	\$ 164,655,062
Shareholders' Equity		
Preferred stock, no par value, 10,000,000 shares authorized, none issued	-	-
Common stock	34,654	34,654
Paid in capital	36,260,695	36,260,695
Accumulated deficit	(2,346,990)	(3,984,427)
Accumulated other comprehensive income	169,936	(9,465)
Total shareholders' equity	\$ 34,118,295	\$ 32,301,457
Total liabilities and shareholders' equity	\$ 236,156,847	\$ 196,956,519

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AND SUBSIDIARY**

**Condensed Statement of Income  
For the Nine Months Ended September 30, 2016 and 2015  
(Unaudited)**

	<u>2016</u>	<u>2015</u>
Net interest income	6,063,599	4,648,706
Provision for loan losses	450,000	475,000
Net interest income after provision for loan losses	<u>5,613,599</u>	<u>4,173,706</u>
Total noninterest income	2,257,339	2,295,330
Total noninterest expense	5,326,759	4,687,840
Net income before taxes	<u>2,544,179</u>	<u>1,781,196</u>
Income tax benefit (expense)	<u>(913,000)</u>	<u>(720,000)</u>
Net income	<u><u>1,631,179</u></u>	<u><u>1,061,196</u></u>

**Key Ratios**

Basic Earnings Per Share	\$ 0.47	\$ 0.31
Diluted Earnings Per Share	\$ 0.47	\$ 0.31
Dividends Per Share	\$ -	\$ -
Book Value Per Share	\$ 9.85	\$ 9.16
Return on Average Assets	1.00%	0.78%
Return on Average Equity	6.55%	4.54%
Efficiency Ratio	64.02%	67.51%