

**TOUCHMARK BANCSHARES, INC.
AND SUBSIDIARY**

**Consolidated Balance Sheet
June 30, 2017 and December 31, 2016
(Unaudited)**

<u>ASSETS</u>	<u>2017</u>	<u>2016</u>
Cash and due from banks	\$ 7,276,912	\$ 9,731,640
Federal funds sold	4,925,000	10,750,000
Interest-bearing accounts with other banks	7,162,662	2,473,233
Investment securities	23,212,812	24,691,582
Restricted stock	1,532,650	1,959,750
Loan held for sale	-	-
Loans	264,204,335	222,262,760
Premises and equipment	1,519,060	1,560,265
Foreclosed real estate	-	0
Land held for sale	-	0
Other assets	3,388,113	3,564,735
Total assets	\$ 313,221,544	\$ 276,993,965
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Liabilities:		
Deposits:		
Non-interest bearing demand	\$ 35,208,488	\$ 27,678,718
Interest-bearing	233,457,226	193,260,824
Total deposits	268,665,714	220,939,542
Federal Home Loan Bank advances	7,500,000	19,750,000
Federal funds purchased	-	-
Other liabilities	1,301,987	2,261,368
Total liabilities	\$ 277,467,701	\$ 242,950,910
Shareholders' Equity		
Preferred stock, no par value, 10,000,000 shares authorized, none issued	-	-
Common stock	34,654	34,654
Paid in capital	36,319,031	36,260,695
Accumulated deficit	(561,580)	(2,055,331)
Accumulated other comprehensive income	(38,262)	(196,963)
Total shareholders' equity	\$ 35,753,843	\$ 34,043,055
Total liabilities and shareholders' equity	\$ 313,221,544	\$ 276,993,965

Condensed Statement of Income
For the Six Months Ended June 30, 2017 and 2016
(Unaudited)

	<u>2017</u>	<u>2016</u>
Net interest income	5,319,522	3,833,345
Provision for loan losses	150,000	200,000
Net interest income after provision for loan losses	<u>5,169,522</u>	<u>3,633,345</u>
Total noninterest income	2,004,397	1,202,940
Total noninterest expense	4,800,168	3,345,703
Net income before taxes	<u>2,373,751</u>	<u>1,490,582</u>
Income tax benefit (expense)	<u>(880,000)</u>	<u>(526,000)</u>
Net income	<u><u>1,493,751</u></u>	<u><u>964,582</u></u>

Key Ratios

Basic Earnings Per Share	\$ 0.43	\$ 0.28
Diluted Earnings Per Share	\$ 0.43	\$ 0.28
Dividends Per Share	\$ -	\$ -
Book Value Per Share	\$ 10.32	\$ 9.67
Return on Average Assets	1.01%	0.90%
Return on Average Equity	8.56%	5.86%
Efficiency Ratio	65.54%	66.43%