

**TOUCHMARK BANCSHARES, INC.  
AND SUBSIDIARY**

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

<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Cash and due from banks	\$ 1,598,054	\$ 2,299,497
Federal funds sold	2,767,306	-
Interest-bearing accounts with other banks	5,856,678	2,836,603
Investment securities	19,692,371	28,479,841
Restricted stock	1,920,900	1,968,300
Loans	193,695,454	153,791,891
Premises and equipment	1,509,621	1,510,988
Foreclosed real estate	525,000	525,000
Land held for sale	-	1,650,000
Other Assets	3,297,522	3,894,399
Total assets	\$ 230,862,906	\$ 196,956,519
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
Liabilities:		
Deposits:		
Non-interest bearing demand	\$ 17,666,715	\$ 12,898,398
Interest-bearing	161,850,762	129,046,218
Total deposits	179,517,477	141,944,616
Federal Home Loan Bank advances	17,250,000	21,750,000
Federal funds purchased	-	408,000
Other liabilities	573,865	552,446
Total liabilities	\$ 197,341,342	\$ 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	(3,013,588)	(3,984,427)
Accumulated other comprehensive income	239,803	(9,465)
Total shareholders' equity	\$ 33,521,564	\$ 32,301,457
Total liabilities and shareholders' equity	\$ 230,862,906	\$ 196,956,519

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AND SUBSIDIARY**

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

	<u>2016</u>	<u>2015</u>
Net interest income	3,833,345	2,951,497
Provision for loan losses	200,000	300,000
Net interest income after provision for loan losses	<u>3,633,345</u>	<u>2,651,497</u>
Total noninterest income	1,202,940	1,485,454
Total noninterest expense	3,345,703	3,194,521
Net income before taxes	<u>1,490,582</u>	<u>942,430</u>
Income tax benefit (expense)	<u>(526,000)</u>	<u>(330,000)</u>
Net income	<u><u>964,582</u></u>	<u><u>612,430</u></u>

**Key Ratios**

Basic Earnings Per Share	\$ 0.28	\$ 0.18
Diluted Earnings Per Share	\$ 0.28	\$ 0.18
Dividends Per Share	\$ -	\$ -
Book Value Per Share	\$ 9.67	\$ 8.95
Return on Average Assets	0.90%	1.44%
Return on Average Equity	5.86%	7.95%
Efficiency Ratio	66.43%	72.00%