

FRANKLIN BANK & TRUST COMPANY
A WHOLLY OWNED SUBSIDIARY OF FRANKLIN BANCORP, INC.
BALANCE SHEET AS OF MARCH 31
(DOLLAR AMOUNTS IN THOUSANDS)

ASSETS	2017	2016
Cash and Balances Due From Depository Institutions:		
Noninterest-Bearing Balances and Currency and Coin	\$12,139	\$9,201
Interest Bearing Balances	40,611	35,749
Securities Available for Sale	10,498	12,956
Federal Funds Sold and Securities Purchased to Resell	409	424
Loans and Lease Financing Receivables:		
Loans and Leases, Net of Unearned Income	398,869	356,182
LESS: Allowance for Loan and Lease Losses	5,009	4,702
Loans and Leases, Net of Unearned Income and Allowance	393,860	351,480
Premises and Fixed Assets (Including Capitalized Leases)	4,611	4,696
Other Real Estate Owned	348	900
Other Assets	15,389	13,971
TOTAL ASSETS	<u>\$477,865</u>	<u>\$429,377</u>
LIABILITIES		
Deposits:	\$382,038	\$356,816
Noninterest-Bearing	72,781	62,093
Interest Bearing	309,257	294,723
Other Borrowed Money	43,059	24,631
Other Liabilities	2,533	1,554
TOTAL LIABILITIES	<u>427,630</u>	<u>383,001</u>
EQUITY CAPITAL		
Common Stock	176	176
Surplus	37,332	35,824
Undivided Profits and Capital Reserves	12,753	10,244
Net unrealized holding gains (losses) on available for sale securities	-26	132
TOTAL EQUITY CAPITAL	<u>50,235</u>	<u>46,376</u>
TOTAL LIABILITIES AND EQUITY CAPITAL	<u>\$477,865</u>	<u>\$429,377</u>

UNAUDITED

STATEMENT OF INCOME FOR THREE MONTHS ENDED MARCH 31

	2017	2016
INTEREST INCOME:		
Real Estate Loans	\$2,992	\$2,832
Commercial and All Other Loans	1,483	1,343
Interest Income on Balances Due from Depository Institutions	74	38
All other securities	46	63
Other Interest Income	17	13
TOTAL INTEREST INCOME	<u>4,612</u>	<u>4,289</u>
INTEREST EXPENSE:		
Transaction Deposit Accounts	96	88
Savings Deposits including MMDAs	134	115
Time Deposits of \$250,000 or Less	322	316
Time Deposits of more than \$250,000	9	7
Other Borrowed Money	141	105
TOTAL INTEREST EXPENSE	<u>702</u>	<u>631</u>
NET INTEREST INCOME	3,910	3,658
PROVISION FOR LOAN AND LEASE LOSSES	119	422
NONINTEREST INCOME:		
Income from Fiduciary Activities	177	104
Service Charges on Deposit Accounts	554	446
Other Noninterest Income	264	203
TOTAL NONINTEREST INCOME	<u>995</u>	<u>753</u>
GAINS(LOSSES) ON SECURITIES	0	0
NONINTEREST EXPENSE:		
Salaries and Employee Benefits	1,544	1,455
Expenses of Premises and Fixed Assets	237	209
Other Noninterest Expense	1,073	1,196
TOTAL NONINTEREST EXPENSE	<u>2,854</u>	<u>2,860</u>
INCOME (LOSS) BEFORE TAXES	1,932	1,129
APPLICABLE INCOME TAXES	<u>593</u>	<u>335</u>
NET INCOME (LOSS)	<u>\$1,339</u>	<u>\$794</u>

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