

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

ASSETS	2019	2018
Cash and Balances Due From Depository Institutions:		
Noninterest-Bearing Balances and Currency and Coin	\$19,733	\$16,999
Interest Bearing Balances	37,373	38,446
Securities Available for Sale	5,469	6,461
Federal Funds Sold and Securities Purchased to Resell	1,060	602
Loans and Lease Financing Receivables:		
Loans and Leases, Net of Unearned Income	462,834	434,233
LESS: Allowance for Loan and Lease Losses	4,882	5,712
Loans and Leases, Net of Unearned Income and Allowance	457,952	428,521
Premises and Fixed Assets (Including Capitalized Leases)	10,148	7,288
Other Real Estate Owned	1,328	0
Other Assets	18,472	16,619
TOTAL ASSETS	<u>\$551,535</u>	<u>\$514,936</u>
LIABILITIES		
Deposits:	\$441,679	\$388,319
Noninterest-Bearing	96,334	88,829
Interest Bearing	345,345	299,490
Federal Funds Purchased	0	0
Other Borrowed Money	39,058	62,046
Other Liabilities	2,757	2,976
TOTAL LIABILITIES	<u>483,494</u>	<u>453,341</u>
EQUITY CAPITAL		
Common Stock	176	176
Surplus	46,490	42,324
Undivided Profits and Capital Reserves	21,339	19,153
Net Unrealized Holding Gains (Losses) on Available for Sale Securities	36	(58)
TOTAL EQUITY CAPITAL	<u>68,041</u>	<u>61,595</u>
TOTAL LIABILITIES AND EQUITY CAPITAL	<u>\$551,535</u>	<u>\$514,936</u>

UNAUDITED

STATEMENT OF INCOME FOR TWELVE MONTHS ENDED DECEMBER 31

	2019	2018
INTEREST INCOME:		
Real Estate Loans	\$15,988	\$14,115
Commercial and All Other Loans	8,760	6,594
Interest Income on Balances Due from Depository Institutions	882	653
All Securities	112	122
Federal Funds Sold	42	25
Other Interest Income	83	104
TOTAL INTEREST INCOME	<u>25,867</u>	<u>21,613</u>
INTEREST EXPENSE:		
Transaction Deposit Accounts	389	450
Savings Deposits	1,116	975
Time Certificates of Deposit of \$250,000 or More	101	42
All Other Time Deposits	3,936	1,894
Other Borrowed Money	1111	971
TOTAL INTEREST EXPENSE	<u>6,653</u>	<u>4,332</u>
NET INTEREST INCOME	19,214	17,281
PROVISION FOR LOAN AND LEASE LOSSES	1,672	1,383
NONINTEREST INCOME:		
Income from Fiduciary Activities	787	674
Service Charges on Deposit Accounts	2,702	2,522
Other Noninterest Income	747	611
TOTAL NONINTEREST INCOME	<u>4,236</u>	<u>3,807</u>
GAINS(LOSSES) ON SECURITIES	0	0
NONINTEREST EXPENSE:		
Salaries and Employee Benefits	6,850	6,447
Expenses of Premises and Fixed Assets	995	892
Other Noninterest Expense	4,838	4,751
TOTAL NONINTEREST EXPENSE	<u>12,683</u>	<u>12,090</u>
INCOME (LOSS) BEFORE TAXES	9,095	7,615
APPLICABLE INCOME TAXES	<u>1,823</u>	<u>1,520</u>
NET INCOME (LOSS)	<u>\$7,272</u>	<u>\$6,095</u>

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