

FRANKLIN BANK & TRUST COMPANY
A WHOLLY OWNED SUBSIDIARY OF FRANKLIN BANCORP, INC.
BALANCE SHEET AS OF JUNE 30
(DOLLAR AMOUNTS IN THOUSANDS)

ASSETS	2019	2018
Cash and Balances Due From Depository Institutions:		
Noninterest-Bearing Balances and Currency and Coin	\$18,069	\$14,256
Interest Bearing Balances	34,009	38,630
Securities Available for Sale	6,063	6,787
Federal Funds Sold and Securities Purchased to Resell	2,301	292
Loans and Lease Financing Receivables:		
Loans and Leases, Net of Unearned Income	442,961	422,521
LESS: Allowance for Loan and Lease Losses	4,634	5,108
Loans and Leases, Net of Unearned Income and Allowance	438,327	417,413
Premises and Fixed Assets (Including Capitalized Leases)	9,167	6,649
Other Real Estate Owned	0	509
Other Assets	17,098	16,014
TOTAL ASSETS	<u>\$525,034</u>	<u>\$500,550</u>
LIABILITIES		
Deposits:	\$413,102	\$385,157
Noninterest-Bearing	89,321	82,332
Interest Bearing	323,781	302,825
Federal Funds Purchased and Securities Sold for Repurchase	0	0
Other Borrowed Money	44,969	56,338
Other Liabilities	2,449	3,253
TOTAL LIABILITIES	<u>460,520</u>	<u>444,748</u>
EQUITY CAPITAL		
Common Stock	176	176
Surplus	42,324	39,824
Undivided Profits and Capital Reserves	22,006	15,870
Net unrealized holding gains (losses) on available for sale securities	8	(68)
TOTAL EQUITY CAPITAL	<u>64,514</u>	<u>55,802</u>
TOTAL LIABILITIES AND EQUITY CAPITAL	<u>\$525,034</u>	<u>\$500,550</u>

UNAUDITED

STATEMENT OF INCOME FOR SIX MONTHS ENDED JUNE 30

	2019	2018
INTEREST INCOME:		
Real Estate Loans	\$7,786	\$6,687
Commercial and All Other Loans	3,481	3,117
Interest income on balances due from depository institutions	605	271
Mortgage-backed securities	9	10
All other securities	48	52
Federal Funds Sold	22	12
Other interest income	49	49
TOTAL INTEREST INCOME	<u>12,000</u>	<u>10,198</u>
INTEREST EXPENSE:		
Transaction Deposit Accounts	205	218
Savings Deposits including MMDAs	590	431
Time Deposits of \$250,000 or More	1,901	758
Time Deposits of less than \$250,000	53	13
Other Borrowed Money	565	348
TOTAL INTEREST EXPENSE	<u>3,314</u>	<u>1,768</u>
NET INTEREST INCOME	8,686	8,430
PROVISION FOR LOAN AND LEASE LOSSES	285	694
NONINTEREST INCOME:		
Income from Fiduciary Activities	355	328
Service Charges on Deposit Accounts	1,330	1,242
Other Noninterest Income	325	253
TOTAL NONINTEREST INCOME	<u>2,010</u>	<u>1,823</u>
GAINS(LOSSES) ON SECURITIES	0	0
NONINTEREST EXPENSE:		
Salaries and Employee Benefits	3,453	3,255
Expenses of Premises and Fixed Assets	476	430
Other Noninterest Expense	2,413	2,405
TOTAL NONINTEREST EXPENSE	<u>6,342</u>	<u>6,090</u>
INCOME (LOSS) BEFORE TAXES	4,069	3,469
APPLICABLE INCOME TAXES	<u>811</u>	<u>690</u>
NET INCOME (LOSS)	<u>\$3,258</u>	<u>\$2,779</u>