

TIB-The Independent BankersBank

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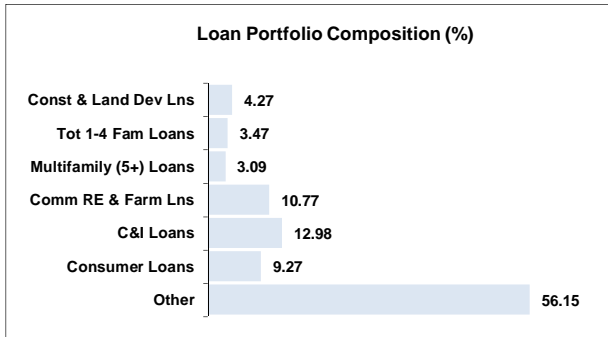
BHC Name: Independent Bankers Financial Corp
BHC State: TX

Primary Regulator: FRB
Public Enforcement Action: No



Correspondent Banking Risk Policy Compliance

CORRESPONDENT BANKING RISK POLICY			
	TIB	LIMIT	RESULT
PRIMARY ASSESSMENT RATIOS			
Tier 1 Leverage	10.20%	5.0%	Pass
Common Equity Tier 1 Ratio	18.74%	7.0%	Pass
Tier 1 Risk-Based Capital	18.74%	8.5%	Pass
Total Risk-Based Cap	19.99%	10.5%	Pass
SECONDARY ASSESSMENT RATIOS			
Texas Ratio	0.16%	90.0%	Pass
ALLL/Loans	1.78%	1.0%	Pass
ROAA	0.99%	0.0%	Pass



CRE Portfolio (\$) and Limits	6/30/2015	12/31/2014	12/31/2013	12/31/2012
1-4 Fam Const Lns	8,284	4,453	1,964	2,184
Other Const & Dev Lns	29,723	21,902	30,220	26,089
Multifamily (5+) Const Lns	27,542	15,418	10,104	8,178
NFNR Loans Other	54,874	70,508	59,747	79,302
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	120,423	112,281	102,035	115,753
Tot Const&Dev / RBC (<100%)	15.35	11.15	14.01	12.78
Tot CRE / RBC (<300%)	48.64	47.49	44.43	52.31

Deposit Composition (\$000)

Reciprocal Deposits	0	0	0	0
Brokered Deposits	306,803	342,011	305,020	262,313

Financial Highlights (%)	6/30/2015	12/31/2014	12/31/2013	12/31/2012
ROAA	0.99	0.80	0.90	0.82
ROAE	9.69	8.31	9.44	10.26
Net Interest Margin (FTE)	1.82	1.72	1.52	1.36
Efficiency Ratio (FTE)	74.27	77.83	77.13	75.20
Provision/AA	0.08	0.01	0.08	0.12
Interest Income / AA	2.06	2.01	1.92	1.87
Interest Expense / AA	0.48	0.52	0.61	0.69
Net Interest Income/AA	1.58	1.49	1.31	1.18
Non Interest Income / AA	4.71	4.17	4.58	4.13
Non Interest Expense / AA	4.82	4.56	4.68	4.09

Balance Sheet Ratios (%)

Equity Capital / Assets	11.49	10.62	9.74	8.32
Tangible Equity / Tangible Assets	11.16	10.28	9.47	8.04
Total Securities / Assets	20.20	21.24	24.01	25.89
Cash & Equivalents / Assets	31.38	34.11	40.62	44.23
Loans / Deposits	52.88	47.97	38.31	34.99
Loans / Assets	42.91	39.51	30.44	25.87
Goodwill & Other Intang / Assets	0.37	0.37	0.30	0.31
Deposits / Liabilities	91.67	92.14	88.04	80.65
Pledged Securities / Securities	72.29	71.91	68.31	76.36

Growth Rates (%)

Asset Growth Rate	-9.76	-0.16	-15.57	3.18
Loan Growth Rate	6.62	29.56	-0.65	2.18
Deposit Growth Rate	-12.57	3.46	-9.25	8.61

Regulatory Capital (%)

Tier 1 Leverage Ratio	10.20	9.91	9.95	8.32
Common Equity Tier 1 Ratio	18.74	18.73	22.88	21.75
Tier 1 Risk Based Ratio	18.74	18.73	22.88	21.75
Total Risk Based Capital Ratio	19.99	19.98	24.13	23.01

Asset Quality (%)

Texas Ratio	0.16	1.23	3.63	5.24
NPAs/Total Assets	0.02	0.13	0.37	0.45
NPAs+(Lns 90+PD)/Tot Assets	0.03	0.15	0.38	0.46
NPAs/Loans + Frclsd RE	0.04	0.34	1.20	1.72
NCOs/Avg Loans	0.18	0.24	0.27	0.58
ALLL/Loans	1.78	1.81	2.57	2.53
Reserves/NPAs	NM	532.86	213.35	146.99
LLP/NCOs	127.31	12.11	106.84	84.77
Lns 90+ Days Past Due/Tot Lns	0.03	0.03	0.04	0.04
Nonaccrual Loans/Total Loans	0.02	0.08	0.64	0.81
Total Noncurrent Loans/ Loans	0.05	0.11	0.68	0.85
NPLs/Total Loans	0.04	0.32	1.10	1.31
NPAs/Total Loans	0.04	0.34	1.20	1.72
Reserves/ NPAs + Lns 90 PD	NM	488.22	206.13	143.61

Yield / Cost Detail (%)

Yield on Earning Assets	2.18	2.13	2.04	1.95
Cost of Int Bearing Deposits	0.91	0.79	0.83	0.83
Cost of Borrowings	0.07	1.42	1.66	1.99
Cost of Interest Bearing Liab	0.83	0.88	1.02	1.19
Cost of Funds	0.57	0.60	0.69	0.77
Yield/ Cost Spread	1.35	1.26	1.02	0.75

Balance Sheet (\$000)	6/30/2015	12/31/2014	12/31/2013	12/31/2012
Cash & Equivalents	650,977	743,915	887,352	1,144,244
Total Securities	<u>419,002</u>	<u>463,192</u>	<u>524,470</u>	<u>669,796</u>
Total Cash & Secs	1,069,979	1,207,107	1,411,822	1,814,040
Total Loans & Leases	890,057	861,543	664,996	669,357
Total Reserves	<u>15,825</u>	<u>15,618</u>	<u>17,070</u>	<u>16,958</u>
Net Loans & Leases	874,232	845,925	647,926	652,399
Other Real Estate Owned	0	197	708	2,735
Goodwill & Intangibles	<u>7,717</u>	<u>8,104</u>	<u>6,466</u>	<u>7,895</u>
Total Assets	2,074,432	2,180,805	2,184,373	2,587,134
Total Deposits	1,683,144	1,796,044	1,735,903	1,912,922
FFunds Purchased	132,153	132,839	210,432	325,836
Commercial Paper	0	0	0	0
FHLB Advances	0	0	0	100,000
Other Borrowings	0	0	0	0
Total Liabilities	1,836,135	1,949,252	1,971,670	2,371,940
Total Equity Capital	238,297	231,553	212,703	215,194
Common Equity Tier 1	232,095	221,609	217,715	209,198
Tier 1 Capital	232,095	221,609	217,715	209,198
Total Capital	247,582	236,409	229,675	221,281
Assets for Leverage	2,275,708	2,236,521	2,188,980	2,515,674
Risk Weighted Assets	1,238,636	1,183,165	951,670	961,780

Income Statement (\$000)

Total Interest Income	23,787	46,565	42,994	47,677
Total Interest Expense	<u>5,540</u>	<u>12,029</u>	<u>13,624</u>	<u>17,598</u>
Net Interest Inc Before Provisions	18,247	34,536	29,370	30,079
Provisions for Loan Losses	<u>965</u>	<u>200</u>	<u>1,750</u>	<u>2,962</u>
Net Interest Inc After Provisions	17,282	34,336	27,620	27,117
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	1	4	0	0
Trading Revenue	0	0	0	0
Other Charges and Fees	<u>54,417</u>	<u>96,558</u>	<u>102,689</u>	<u>105,247</u>
Total Noninterest Income	54,418	96,562	102,689	105,247
General & Administrative	21,761	40,222	40,472	39,685
Intangible Amortization	539	1,265	953	213
Other Expenses	<u>33,418</u>	<u>64,123</u>	<u>63,424</u>	<u>64,531</u>
Total Noninterest Expense	55,718	105,610	104,849	104,429
Gain (Loss) on Securities	0	419	2,723	1,036
Gain (Loss) on Other Assets	2,355	51	12	10
Net Income before Taxes	15,982	25,707	28,183	28,971
Income Tax	4,598	7,130	8,113	8,044
Minority Interest	0	0	0	0
Extraordinary Items	0	0	0	0
Net Income	11,384	18,577	20,070	20,927
Dividends Declared	5,000	13,000	12,000	0