

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 RATIOS			
Leverage Ratio	9.08%	5.0%	Pass
CET1 Ratio	18.35%	7.0%	Pass
Tier 1 Capital Ratio	18.35%	8.5%	Pass
Total Capital Ratio	19.52%	10.5%	Pass
SECONDARY RATIOS			
Texas Ratio	0.19%	90.0%	Pass
ALLL/Loans	1.63%	1.0%	Pass
ROAA	0.85%	0.0%	Pass

Financial Highlights (%)	12/31/2015	12/31/2014	12/31/2013	12/31/2012
ROAA	0.85	0.80	0.90	0.82
ROAE	8.61	8.31	9.44	10.26
Net Interest Margin (FTE)	1.74	1.72	1.52	1.36
Efficiency Ratio (FTE)	76.59	77.83	77.13	75.20
Provision/AA	0.05	0.01	0.08	0.12
Interest Income / AA	1.99	2.01	1.92	1.87
Interest Expense / AA	0.48	0.52	0.61	0.69
Net Interest Income/AA	1.51	1.49	1.31	1.18
Non Interest Income / AA	4.34	4.17	4.58	4.13
Non Interest Expense / AA	4.63	4.56	4.68	4.09

Balance Sheet Ratios (%)

Equity Capital / Assets	9.39	10.62	9.74	8.32
Tangible Equity / Tangible Asst	9.14	10.28	9.47	8.04
Total Securities / Assets	16.42	21.24	24.01	25.89
Cash & Equivalents / Assets	42.88	34.11	40.62	44.23
Loans / Deposits	44.44	47.97	38.31	34.99
Loans / Assets	35.98	39.51	30.44	25.87
Goodwill & Other Intang / Asse	0.27	0.37	0.30	0.31
Deposits / Liabilities	89.36	92.14	88.04	80.65
Pledged Securities / Securities	65.88	71.91	68.31	76.36

Growth Rates (%)

Asset Growth Rate	17.64	-0.16	-15.57	3.18
Loan Growth Rate	7.15	29.56	-0.65	2.18
Deposit Growth Rate	15.66	3.46	-9.25	8.61

Regulatory Capital (%)

Tier 1 Leverage Ratio	9.08	9.91	9.95	8.32
Common Equity Tier 1 Ratio	18.35	18.73	22.88	21.75
Tier 1 Risk Based Ratio	18.35	18.73	22.88	21.75
Total Risk Based Capital Ratio	19.52	19.98	24.13	23.01

Asset Quality (%)

Texas Ratio	0.19	1.23	3.63	5.24
NPAs/Total Assets	0.01	0.13	0.37	0.45
NPAs+(Lns 90+PD)/Tot Assets	0.02	0.15	0.38	0.46
NPAs/Loans + Frclsd RE	0.02	0.34	1.20	1.72
NCOs/Avg Loans	0.19	0.24	0.27	0.58
ALLL/Loans	1.63	1.81	2.57	2.53
Reserves/NPAs	NM	532.86	213.35	146.99
LLP/NCOs	68.06	12.11	106.84	84.77
Lns 90+ Days Past Due/Tot Ln	0.04	0.03	0.04	0.04
Nonaccrual Loans/Total Loans	0.01	0.08	0.64	0.81
Total Noncurrent Loans/ Loans	0.05	0.11	0.68	0.85
NPLs/Total Loans	0.01	0.32	1.10	1.31
NPAs/Total Loans	0.02	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	2.10	2.13	2.04	1.95
Cost of Int Bearing Deposits	0.87	0.79	0.83	0.83
Cost of Borrowings	0.07	1.42	1.66	1.99
Cost of Interest Bearing Liab	0.79	0.88	1.02	1.19
Cost of Funds	0.57	0.60	0.69	0.77
Yield/ Cost Spread	1.31	1.26	1.02	0.75

Balance Sheet (\$000)	12/31/2015	12/31/2014	12/31/2013	12/31/2012
Cash & Equivalents	1,100,059	743,915	887,352	1,144,244
Total Securities	421,268	463,192	524,470	669,796
Total Cash & Secs	1,521,327	1,207,107	1,411,822	1,814,040
Total Loans & Leases	923,143	861,543	664,996	669,357
Total Reserves	15,083	15,618	17,070	16,958
Net Loans & Leases	908,060	845,925	647,926	652,399
Other Real Estate Owned	90	197	708	2,735
Goodwill & Intangibles	6,949	8,104	6,466	7,895
Total Assets	2,565,602	2,180,805	2,184,373	2,587,134
Total Deposits	2,077,355	1,796,044	1,735,903	1,912,922
FFunds Purchased	101,737	132,839	210,432	325,836
Commercial Paper	0	0	0	0
FHLB Advances	125,000	0	0	100,000
Other Borrowings	0	0	0	0
Total Liabilities	2,324,753	1,949,252	1,971,670	2,371,940
Total Equity Capital	240,849	231,553	212,703	215,194
Common Equity Tier 1	235,963	221,609	217,715	209,198
Tier 1 Capital	235,963	221,609	217,715	209,198
Total Capital	251,046	236,409	229,675	221,281
Assets for Leverage	2,597,811	2,236,521	2,188,980	2,515,674
Risk Weighted Assets	1,285,960	1,183,165	951,670	961,780

Income Statement (\$000)

Total Interest Income	48,042	46,565	42,994	47,677
Total Interest Expense	11,543	12,029	13,624	17,598
Net Interest Inc Before Provisio	36,499	34,536	29,370	30,079
Provisions for Loan Losses	1,140	200	1,750	2,962
Net Interest Inc After Provisio	35,359	34,336	27,620	27,117
Fiduciary Activities Charges	0	0	0	0
Deposit Service Charges	28	4	0	0
Trading Revenue	0	0	0	0
Other Charges and Fees	104,821	96,558	102,689	105,247
Total Noninterest Income	104,849	96,562	102,689	105,247
General & Administrative	42,325	40,222	40,472	39,685
Intangible Amortization	1,061	1,265	953	213
Other Expenses	68,462	64,123	63,424	64,531
Total Noninterest Expense	111,848	105,610	104,849	104,429
Gain (Loss) on Securities	0	419	2,723	1,036
Gain (Loss) on Other Assets	2,371	51	12	10
Net Income before Taxes	28,360	25,707	28,183	28,971
Income Tax	7,914	7,130	8,113	8,044
Minority Interest	0	0	0	0
Extraordinary Items	0	0	0	0
Net Income	20,446	18,577	20,070	20,927
Dividends Declared	10,500	13,000	12,000	0

Loan Portfolio Composition (%)

Const & Land Dev Lns	5.91
Tot 1-4 Fam Loans	3.18
Multifamily (5+) Loans	3.32
Comm RE & Farm Lns	10.07
C&I Loans	13.69
Consumer Loans	9.36
Other	54.46

CRE Portfolio (\$) and Limit 12/31/2015 12/31/2014 12/31/2013 12/31/2012

1-4 Fam Const Lns	11,891	4,453	1,964	2,184
Other Const & Dev Lns	42,694	21,902	30,220	26,089
Multifamily (5+) Const Lns	30,682	15,418	10,104	8,178
NFNR Loans Other	64,408	70,508	59,747	79,302
CRE fincd not secured RE	0	0	0	0
Total Commercial Real Estate	149,675	112,281	102,035	115,753
Tot Const&Dev / RBC (<100%)	21.74	11.15	14.01	12.78
Tot CRE / RBC (<300%)	59.62	47.49	44.43	52.31

Deposit Composition (\$000)

Reciprocal Deposits	0	0	0	0
Brokered Deposits	306,614	342,011	305,020	262,313