

HAWTHORN BANCSHARES, INC

	CPP Disbursement Date 12/19/2008	RSSD (Holding Company) 2038409	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>	<b>2010</b> \$ millions	<b>2011</b> \$ millions	%chg from prev	
<b>Assets</b>	\$1,182	\$1,152	-2.5%	
Loans	\$885	\$830	-6.2%	
Construction & development	\$82	\$70	-14.4%	
Closed-end 1-4 family residential	\$194	\$190	-1.8%	
Home equity	\$14	\$13	-5.0%	
Credit card	\$1	\$1	12.5%	
Other consumer	\$29	\$8	-70.9%	
Commercial & Industrial	\$111	\$108	-2.2%	
Commercial real estate	\$346	\$318	-8.2%	
Unused commitments	\$94	\$117	24.7%	
Securitization outstanding principal	\$2	\$0	-79.6%	
Mortgage-backed securities (GSE and private issue)	\$90	\$107	19.0%	
Asset-backed securities	\$0	\$0		
Other securities	\$89	\$106	19.9%	
Cash & balances due	\$51	\$43	-15.2%	
<b>Residential mortgage originations</b>				
Closed-end mortgage originated for sale (quarter)	\$32	\$29	-9.3%	
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$37	\$31	-17.0%	
Open-end HELOC originations sold (quarter)	\$0	\$0		
<b>Liabilities</b>	\$1,061	\$1,029	-3.1%	
Deposits	\$960	\$972	1.2%	
Total other borrowings	\$97	\$53	-45.5%	
FHLB advances	\$67	\$28	-57.6%	
<b>Equity</b>				
Equity capital at quarter end	\$121	\$123	2.2%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	10.0%	10.4%	--	
Tier 1 risk based capital ratio	12.9%	13.7%	--	
Total risk based capital ratio	14.2%	15.0%	--	
Return on equity <sup>1</sup>	-16.5%	-1.4%	--	
Return on assets <sup>1</sup>	-1.7%	-0.1%	--	
Net interest margin <sup>1</sup>	4.0%	4.1%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	38.2%	40.3%	--	
Loss provision to net charge-offs (qtr)	108.1%	123.5%	--	
Net charge-offs to average loans and leases <sup>1</sup>	3.3%	2.3%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>
Construction & development	7.2%	2.0%	5.3%	0.0%
Closed-end 1-4 family residential	2.4%	1.7%	0.4%	0.0%
Home equity	0.2%	0.9%	0.0%	0.4%
Credit card	0.3%	0.1%	0.2%	0.2%
Other consumer	0.5%	1.1%	0.3%	0.8%
Commercial & Industrial	3.1%	1.9%	0.2%	0.0%
Commercial real estate	6.5%	7.8%	0.4%	1.4%
Total loans	4.2%	4.0%	0.9%	0.6%