

**ROYAL BANCSHARES OF PENNSYLVANIA, INC.**

	CPP Disbursement Date 02/20/2009	RSSD (Holding Company) 2324429	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>	<b>2012</b> \$ millions	<b>2013</b> \$ millions	%chg from prev	
<b>Assets</b>	\$767	\$726	-5.4%	
<b>Loans</b>	\$346	\$368	6.3%	
<i>Construction &amp; development</i>	\$37	\$45	21.6%	
<i>Closed-end 1-4 family residential</i>	\$24	\$35	45.1%	
<i>Home equity</i>	\$1	\$5	302.0%	
<i>Credit card</i>	\$0	\$0		
<i>Other consumer</i>	\$1	\$1	-28.9%	
<i>Commercial &amp; Industrial</i>	\$41	\$47	16.5%	
<i>Commercial real estate</i>	\$193	\$181	-6.4%	
Unused commitments	\$45	\$22	-50.6%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$265	\$226	-15.0%	
Asset-backed securities	\$1	\$1	-18.8%	
Other securities	\$82	\$81	-1.4%	
Cash & balances due	\$29	\$15	-46.7%	
<i>Residential mortgage originations</i>				
<i>Closed-end mortgage originated for sale (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originated for sale (quarter)</i>	\$0	\$0		
<i>Closed-end mortgage originations sold (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originations sold (quarter)</i>	\$0	\$0		
<b>Liabilities</b>	\$693	\$663	-4.4%	
<b>Deposits</b>	\$561	\$532	-5.2%	
Total other borrowings	\$108	\$108	-0.4%	
FHLB advances	\$65	\$65	0.0%	
<b>Equity</b>				
Equity capital at quarter end	\$49	\$42	-14.5%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$2	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	9.5%	9.7%	--	
Tier 1 risk based capital ratio	16.3%	15.2%	--	
Total risk based capital ratio	17.6%	16.4%	--	
Return on equity <sup>1</sup>	-50.6%	24.4%	--	
Return on assets <sup>1</sup>	-3.5%	1.4%	--	
Net interest margin <sup>1</sup>	2.7%	3.2%	--	
Coverage ratio ((ALLL+Alloc transfer risk)/Noncurrent loans)	75.0%	134.6%	--	
Loss provision to net charge-offs (qtr)	94.4%	-203.6%	--	
Net charge-offs to average loans and leases <sup>1</sup>	3.2%	0.4%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>
<i>Construction &amp; development</i>	11.5%	5.9%	3.1%	0.0%
<i>Closed-end 1-4 family residential</i>	4.2%	2.0%	0.3%	0.0%
<i>Home equity</i>	0.0%	0.4%	0.0%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.0%	0.0%
<i>Other consumer</i>	0.0%	0.0%	0.0%	0.0%
<i>Commercial &amp; Industrial</i>	12.2%	6.9%	0.6%	0.3%
<i>Commercial real estate</i>	6.5%	1.7%	0.9%	0.2%
<i>Total loans</i>	6.6%	2.8%	1.0%	0.2%