

**KS BANCORP, INC.**

	CPP Disbursement Date 08/21/2009	RSSD (Holding Company) 2155276	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>	<b>2008</b> \$ millions	<b>2009</b> \$ millions	%chg from prev	
<b>Assets</b>	\$325	\$349	7.4%	
Loans	\$249	\$231	-7.2%	
<i>Construction &amp; development</i>	\$69	\$37	-45.8%	
<i>Closed-end 1-4 family residential</i>	\$78	\$88	12.6%	
<i>Home equity</i>	\$17	\$18	4.0%	
<i>Credit card</i>	\$0	\$0	-0.4%	
<i>Other consumer</i>	\$3	\$3	-9.8%	
<i>Commercial &amp; Industrial</i>	\$17	\$15	-10.4%	
<i>Commercial real estate</i>	\$62	\$61	-0.3%	
Unused commitments	\$38	\$34	-9.6%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$20	\$37	80.2%	
Asset-backed securities	\$0	\$0		
Other securities	\$34	\$51	47.8%	
Cash & balances due	\$5	\$4	-6.9%	
<b>Residential mortgage originations</b>				
<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>	\$299	\$318	6.5%	
Deposits	\$242	\$259	6.9%	
Total other borrowings	\$55	\$57	4.7%	
FHLB advances	\$52	\$54	4.4%	
<b>Equity</b>				
Equity capital at quarter end	\$26	\$30	18.0%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$4	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	8.2%	8.7%	--	
Tier 1 risk based capital ratio	11.3%	12.9%	--	
Total risk based capital ratio	12.6%	14.1%	--	
Return on equity <sup>1</sup>	-5.4%	-4.7%	--	
Return on assets <sup>1</sup>	-0.4%	-0.4%	--	
Net interest margin <sup>1</sup>	3.0%	3.4%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	63.5%	66.4%	--	
Loss provision to net charge-offs (qtr)	1084.5%	106.8%	--	
Net charge-offs to average loans and leases <sup>1</sup>	0.2%	1.8%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>	<b>2009</b>
<i>Construction &amp; development</i>	4.3%	6.3%	0.0%	1.6%
<i>Closed-end 1-4 family residential</i>	3.2%	1.6%	0.1%	0.2%
<i>Home equity</i>	0.8%	1.5%	0.0%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.4%	5.2%
<i>Other consumer</i>	0.0%	0.1%	0.3%	0.9%
<i>Commercial &amp; Industrial</i>	0.5%	3.3%	0.4%	0.2%
<i>Commercial real estate</i>	0.3%	2.2%	0.0%	0.2%
<i>Total loans</i>	2.4%	2.6%	0.0%	0.5%