

STERLING BANCSHARES, INC.

	CPP Disbursement Date 12/12/2008	RSSD (Holding Company) 1105425	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items				
	2008 \$ millions	2009 \$ millions	%chg from prev	
Assets	\$5,082	\$4,937	-2.8%	
Loans	\$3,794	\$3,245	-14.5%	
Construction & development	\$545	\$360	-33.9%	
Closed-end 1-4 family residential	\$251	\$274	9.2%	
Home equity	\$22	\$31	41.7%	
Credit card	\$0	\$0		
Other consumer	\$61	\$50	-18.4%	
Commercial & Industrial	\$1,055	\$785	-25.6%	
Commercial real estate	\$1,758	\$1,670	-5.0%	
Unused commitments	\$866	\$704	-18.7%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$692	\$884	27.8%	
Asset-backed securities	\$0	\$0		
Other securities	\$114	\$185	61.9%	
Cash & balances due	\$113	\$246	117.9%	
Residential mortgage originations				
Closed-end mortgage originated for sale (quarter)	\$3	\$8	139.5%	
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$4	\$7	74.1%	
Open-end HELOC originations sold (quarter)	\$0	\$0		
Liabilities	\$4,363	\$4,329	-0.8%	
Deposits	\$3,829	\$4,112	7.4%	
Total other borrowings	\$409	\$97	-76.2%	
FHLB advances	\$213	\$41	-80.9%	
Equity				
Equity capital at quarter end	\$719	\$608	-15.5%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$125	-\$75	NA	
Performance Ratios				
Tier 1 leverage ratio	10.5%	8.6%	--	
Tier 1 risk based capital ratio	12.0%	11.3%	--	
Total risk based capital ratio	14.8%	14.1%	--	
Return on equity ¹	6.7%	2.0%	--	
Return on assets ¹	0.9%	0.2%	--	
Net interest margin ¹	4.6%	4.4%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	51.3%	72.8%	--	
Loss provision to net charge-offs (qtr)	211.6%	173.9%	--	
Net charge-offs to average loans and leases ¹	0.4%	0.8%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2008	2009	2008	2009
Construction & development	1.6%	3.4%	0.1%	0.4%
Closed-end 1-4 family residential	2.1%	2.4%	0.4%	0.2%
Home equity	0.3%	0.4%	0.0%	0.0%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	0.6%	0.7%	0.4%	0.6%
Commercial & Industrial	3.4%	0.6%	0.2%	0.1%
Commercial real estate	2.6%	4.3%	0.0%	0.2%
Total loans	2.5%	3.2%	0.1%	0.2%