

LONE STAR BANK

	CPP Disbursement Date 02/06/2009	Cert 58324	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev		
Assets	\$127	\$115	-9.8%		
Loans	\$94	\$88	-6.2%		
Construction & development	\$22	\$10	-51.8%		
Closed-end 1-4 family residential	\$14	\$17	18.3%		
Home equity	\$0	\$0			
Credit card	\$0	\$0			
Other consumer	\$1	\$1	-14.9%		
Commercial & Industrial	\$18	\$16	-9.1%		
Commercial real estate	\$38	\$42	8.8%		
Unused commitments	\$8	\$7	-18.1%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$6	\$3	-38.1%		
Asset-backed securities	\$0	\$0			
Other securities	\$7	\$2	-77.8%		
Cash & balances due	\$7	\$9	22.6%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$115	\$104	-9.2%		
Deposits	\$108	\$98	-9.4%		
Total other borrowings	\$6	\$6	0.0%		
FHLB advances	\$6	\$6	0.0%		
Equity					
Equity capital at quarter end	\$12	\$10	-15.4%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$1	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	9.2%	8.4%	--		
Tier 1 risk based capital ratio	11.6%	11.4%	--		
Total risk based capital ratio	12.8%	12.6%	--		
Return on equity ¹	-32.3%	-42.3%	--		
Return on assets ¹	-3.1%	-3.8%	--		
Net interest margin ¹	3.2%	2.9%	--		
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	39.2%	32.7%	--		
Loss provision to net charge-offs (qtr)	428.8%	0.0%	--		
Net charge-offs to average loans and leases ¹	0.6%	0.7%	--		
¹ Quarterly, annualized.					
Asset Quality (% of Total Loan Type)	Noncurrent Loans		Gross Charge-Offs		
	2010	2011	2010	2011	
Construction & development	17.0%	16.7%	0.0%	0.0%	--
Closed-end 1-4 family residential	0.0%	0.3%	0.8%	0.3%	--
Home equity	0.0%	0.0%	0.0%	0.0%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.0%	0.0%	0.0%	0.0%	--
Commercial & Industrial	1.7%	3.0%	0.9%	0.3%	--
Commercial real estate	0.0%	0.0%	0.0%	0.4%	--
Total loans	4.2%	4.2%	0.3%	0.3%	--