

FARMERS ENTERPRISES, INC.

| | CPP Disbursement Date 06/19/2009 | RSSD (Holding Company) 1055155 | Number of Insured Depository Institutions 1 | |
|---|-------------------------------------|-----------------------------------|---|-------------|
| Selected balance and off-balance sheet items | 2011 \$ millions | 2012 \$ millions | %chg from prev | |
| Assets | \$649 | \$670 | 3.2% | |
| Loans | \$258 | \$254 | -1.3% | |
| Construction & development | \$11 | \$6 | -42.6% | |
| Closed-end 1-4 family residential | \$61 | \$82 | 33.6% | |
| Home equity | \$3 | \$2 | -14.2% | |
| Credit card | \$0 | \$0 | | |
| Other consumer | \$0 | \$1 | 13.8% | |
| Commercial & Industrial | \$18 | \$15 | -20.6% | |
| Commercial real estate | \$67 | \$50 | -25.5% | |
| Unused commitments | \$38 | \$35 | -5.8% | |
| Securitization outstanding principal | \$0 | \$0 | | |
| Mortgage-backed securities (GSE and private issue) | \$119 | \$122 | 2.6% | |
| Asset-backed securities | \$0 | \$0 | | |
| Other securities | \$221 | \$234 | 5.7% | |
| Cash & balances due | \$13 | \$15 | 18.2% | |
| Residential mortgage originations | | | | |
| Closed-end mortgage originated for sale (quarter) | \$300 | \$438 | 46.3% | |
| Open-end HELOC originated for sale (quarter) | \$0 | \$0 | | |
| Closed-end mortgage originations sold (quarter) | \$300 | \$435 | 45.0% | |
| Open-end HELOC originations sold (quarter) | \$0 | \$0 | | |
| Liabilities | \$571 | \$582 | 1.9% | |
| Deposits | \$454 | \$450 | -1.0% | |
| Total other borrowings | \$113 | \$122 | 7.9% | |
| FHLB advances | \$107 | \$111 | 4.2% | |
| Equity | | | | |
| Equity capital at quarter end | \$78 | \$88 | 13.0% | |
| Stock sales and transactions with parent holding company (cumulative through calendar year) | \$0 | \$0 | NA | |
| Performance Ratios | | | | |
| Tier 1 leverage ratio | 11.5% | 12.3% | -- | |
| Tier 1 risk based capital ratio | 17.7% | 19.1% | -- | |
| Total risk based capital ratio | 19.1% | 20.5% | -- | |
| Return on equity ¹ | 12.0% | 12.7% | -- | |
| Return on assets ¹ | 1.4% | 1.8% | -- | |
| Net interest margin ¹ | 3.0% | 2.8% | -- | |
| Coverage ratio ((ALLL+Alloc transfer risk)/Noncurrent loans) | 66.1% | 68.7% | -- | |
| Loss provision to net charge-offs (qtr) | 72.0% | 0.0% | -- | |
| Net charge-offs to average loans and leases ¹ | 0.8% | 0.3% | -- | |
| ¹ Quarterly, annualized. | | | | |
| | Noncurrent Loans | | Gross Charge-Offs | |
| Asset Quality (% of Total Loan Type) | 2011 | 2012 | 2011 | 2012 |
| Construction & development | 62.7% | 35.2% | 0.0% | 0.0% |
| Closed-end 1-4 family residential | 0.7% | 0.9% | 0.1% | 0.1% |
| 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 | 1.2% | 0.2% | 0.2% | 0.5% |
| Commercial real estate | 2.9% | 8.6% | 0.8% | 0.2% |
| Total loans | 4.3% | 3.0% | 0.3% | 0.1% |