

**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>2011</b> \$ millions	<b>2012</b> \$ millions	%chg from prev	
<b>Assets</b>	\$323	\$315	-2.5%	
Loans	\$200	\$201	0.6%	
Construction & development	\$20	\$21	5.8%	
Closed-end 1-4 family residential	\$85	\$82	-3.3%	
Home equity	\$13	\$11	-20.7%	
Credit card	\$0	\$0	10.7%	
Other consumer	\$1	\$1	5.0%	
Commercial & Industrial	\$12	\$11	-8.0%	
Commercial real estate	\$59	\$67	13.3%	
Unused commitments	\$28	\$28	2.9%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$64	\$69	8.5%	
Asset-backed securities	\$0	\$0		
Other securities	\$27	\$13	-52.7%	
Cash & balances due	\$5	\$12	126.0%	
<b>Residential mortgage originations</b>				
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		
<b>Liabilities</b>	\$290	\$281	-3.1%	
Deposits	\$247	\$244	-1.0%	
Total other borrowings	\$42	\$35	-16.2%	
FHLB advances	\$41	\$35	-14.6%	
<b>Equity</b>				
Equity capital at quarter end	\$32	\$33	3.0%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	8.9%	9.7%	--	
Tier 1 risk based capital ratio	14.7%	15.4%	--	
Total risk based capital ratio	15.9%	16.7%	--	
Return on equity <sup>1</sup>	3.5%	2.8%	--	
Return on assets <sup>1</sup>	0.3%	0.3%	--	
Net interest margin <sup>1</sup>	3.4%	3.5%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	40.7%	61.3%	--	
Loss provision to net charge-offs (qtr)	15.0%	200.0%	--	
Net charge-offs to average loans and leases <sup>1</sup>	2.0%	0.1%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>
Construction & development	7.0%	4.4%	0.6%	0.3%
Closed-end 1-4 family residential	4.3%	3.1%	0.2%	0.0%
Home equity	2.2%	1.3%	0.0%	0.1%
Credit card	0.0%	0.0%	0.4%	0.0%
Other consumer	0.0%	0.4%	0.1%	0.3%
Commercial & Industrial	2.8%	3.7%	0.6%	0.0%
Commercial real estate	4.7%	2.2%	1.1%	0.0%
Total loans	4.3%	2.8%	0.5%	0.1%