

LONE STAR BANK

	CPP Disbursement Date 02/06/2009	Cert 58324	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items	2011 \$ millions	2012 \$ millions	%chg from prev	
Assets	\$115	\$111	-3.5%	
Loans	\$88	\$90	1.4%	
<i>Construction & development</i>	\$10	\$9	-17.3%	
<i>Closed-end 1-4 family residential</i>	\$17	\$21	23.2%	
<i>Home equity</i>	\$0	\$0		
<i>Credit card</i>	\$0	\$0		
<i>Other consumer</i>	\$1	\$0	-72.3%	
<i>Commercial & Industrial</i>	\$16	\$14	-16.7%	
<i>Commercial real estate</i>	\$42	\$44	5.5%	
Unused commitments	\$7	\$5	-28.7%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$3	\$2	-48.3%	
Asset-backed securities	\$0	\$0		
Other securities	\$2	\$0	-68.1%	
Cash & balances due	\$9	\$12	32.5%	
Residential mortgage originations				
<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		
Liabilities	\$104	\$100	-4.3%	
Deposits	\$98	\$94	-4.3%	
Total other borrowings	\$6	\$6	0.0%	
FHLB advances	\$6	\$6	0.0%	
Equity				
Equity capital at quarter end	\$10	\$11	4.3%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$1	NA	
Performance Ratios				
Tier 1 leverage ratio	8.4%	9.7%	--	
Tier 1 risk based capital ratio	11.4%	12.6%	--	
Total risk based capital ratio	12.6%	13.9%	--	
Return on equity ¹	-42.3%	-2.2%	--	
Return on assets ¹	-3.8%	-0.2%	--	
Net interest margin ¹	2.9%	3.6%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	33.3%	38.1%	--	
Loss provision to net charge-offs (qtr)	0.0%	0.0%	--	
Net charge-offs to average loans and leases ¹	0.7%	0.5%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2011	2012	2011	2012
<i>Construction & development</i>	16.7%	33.7%	0.0%	0.4%
<i>Closed-end 1-4 family residential</i>	0.3%	0.0%	0.3%	0.0%
<i>Home equity</i>	0.0%	0.0%	0.0%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.0%	0.0%
<i>Other consumer</i>	0.0%	0.0%	0.0%	0.0%
<i>Commercial & Industrial</i>	2.7%	1.4%	0.3%	0.8%
<i>Commercial real estate</i>	0.0%	0.0%	0.4%	0.0%
<i>Total loans</i>	4.2%	3.7%	0.3%	0.2%