

**MECHANICS&FARMERS BANK**

	Disbursement Date 08/20/2010	RSSD (Holding Company) 2807810	Number of Insured Depository Institutions 1		
<b>Selected balance and off-balance sheet items</b>	<b>2015</b> \$ millions	<b>2016</b> \$ millions	%chg from prev		
<b>Assets</b>	\$256	\$298	16.3%		
Loans	\$150	\$165	9.7%		
Construction & development	\$12	\$15	26.2%		
Closed-end 1-4 family residential	\$6	\$19	198.9%		
Home equity	\$1	\$2	16.6%		
Credit card	\$0	\$0			
Other consumer	\$0	\$0	4.7%		
Commercial & Industrial	\$12	\$8	-33.9%		
Commercial real estate	\$114	\$112	-1.3%		
Unused commitments	\$24	\$22	-8.2%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$44	\$41	-7.9%		
Asset-backed securities	\$0	\$0			
Other securities	\$21	\$39	89.7%		
Cash & balances due	\$21	\$35	67.1%		
<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>	\$234	\$262	11.9%		
Deposits	\$230	\$255	11.0%		
Total other borrowings	\$1	\$1	8.8%		
FHLB advances	\$1	\$1	3.9%		
<b>Equity</b>					
Equity capital at quarter end	\$22	\$36	64.2%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA		
<b>Performance Ratios</b>					
Tier 1 leverage ratio	7.5%	12.4%	--		
Tier 1 risk based capital ratio	11.3%	18.8%	--		
Total risk based capital ratio	12.6%	20.1%	--		
Return on equity <sup>1</sup>	-2.2%	-0.4%	--		
Return on assets <sup>1</sup>	-0.2%	0.0%	--		
Net interest margin <sup>1</sup>	3.4%	3.5%	--		
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	81.9%	63.9%	--		
Loss provision to net charge-offs (qtr)	87.8%	0.0%	--		
Net charge-offs to average loans and leases <sup>1</sup>	1.7%	0.0%	--		
<sup>1</sup> Quarterly, annualized.					
<b>Asset Quality (% of Total Loan Type)</b>	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>		
	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	
Construction & development	0.0%	0.0%	0.0%	0.0%	--
Closed-end 1-4 family residential	3.1%	13.1%	0.0%	0.0%	--
Home equity	0.0%	3.2%	0.0%	0.0%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.0%	0.0%	0.0%	0.1%	--
Commercial & Industrial	0.0%	0.0%	0.0%	0.0%	--
Commercial real estate	2.4%	2.6%	0.6%	0.0%	--
Total loans	2.0%	3.3%	0.4%	0.0%	--