

PEOPLES BANCSHARES OF TN, INC.

	CPP Disbursement Date 03/20/2009	RSSD (Holding Company) 3403161	Number of Insured Depository Institutions 1	
<b>Selected balance and off-balance sheet items</b>	<b>2009</b> \$ millions	<b>2010</b> \$ millions	%chg from prev	
<b>Assets</b>	\$171	\$222	29.6%	
Loans	\$129	\$152	18.1%	
Construction & development	\$15	\$17	14.0%	
Closed-end 1-4 family residential	\$58	\$66	13.1%	
Home equity	\$9	\$10	4.3%	
Credit card	\$0	\$0		
Other consumer	\$11	\$11	-3.9%	
Commercial & Industrial	\$8	\$9	17.9%	
Commercial real estate	\$23	\$33	43.1%	
Unused commitments	\$9	\$10	5.3%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$0	\$0		
Asset-backed securities	\$0	\$0		
Other securities	\$20	\$20	-2.9%	
Cash & balances due	\$9	\$22	133.7%	
<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>	\$156	\$205	31.4%	
Deposits	\$152	\$200	31.3%	
Total other borrowings	\$3	\$3	0.0%	
FHLB advances	\$3	\$3	0.0%	
<b>Equity</b>				
Equity capital at quarter end	\$15	\$17	11.1%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$4	\$0	NA	
<b>Performance Ratios</b>				
Tier 1 leverage ratio	8.8%	8.1%	--	
Tier 1 risk based capital ratio	11.9%	12.7%	--	
Total risk based capital ratio	13.2%	13.9%	--	
Return on equity <sup>1</sup>	-12.4%	46.4%	--	
Return on assets <sup>1</sup>	-1.1%	3.9%	--	
Net interest margin <sup>1</sup>	3.2%	4.0%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	57.5%	30.9%	--	
Loss provision to net charge-offs (qtr)	291.7%	225.7%	--	
Net charge-offs to average loans and leases <sup>1</sup>	1.1%	2.3%	--	
<sup>1</sup> Quarterly, annualized.				
	<b>Noncurrent Loans</b>		<b>Gross Charge-Offs</b>	
<b>Asset Quality (% of Total Loan Type)</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>	<b>2010</b>
Construction & development	0.0%	21.0%	1.2%	0.0%
Closed-end 1-4 family residential	4.0%	4.2%	0.4%	0.8%
Home equity	0.0%	0.3%	0.0%	0.0%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	4.5%	0.9%	0.2%	0.6%
Commercial & Industrial	0.0%	5.3%	0.0%	2.3%
Commercial real estate	2.8%	5.8%	0.0%	0.2%
Total loans	2.8%	5.9%	0.3%	0.6%