NorthWest Indiana Bancorp Financial Report

Key Ratios	Three Mon		Twelve Mon	
	Deceml (Unau-	,	Decemb (Unaud	
	2012	2011	2012	2011
Return on equity	9.31%	8.86%	10.27%	8.90%
Return on assets	0.95%	0.87%	1.02%	0.84%
Basic earnings per share	\$0.57	\$0.50	\$2.41	\$1.90
Diluted earnings per share	\$0.57 4.77%	\$0.50 5.08%	\$2.41 4.88%	\$1.90
Yield on loans Yield on security investments	2.40%	3.08% 2.94%	4.88% 2.62%	5.10% 3.20%
Total yield on earning assets	3.99%	4.38%	4.14%	4.49%
Cost of deposits	0.24%	0.39%	0.29%	0.47%
Cost of borrowings	1.25%	1.40%	1.32%	1.50%
Total cost of funds	0.34%	0.48%	0.39%	0.56%
Net interest margin - tax equivalent	3.86%	4.14%	3.96%	4.17%
Noninterest income / average assets	1.25%	0.97%	1.12%	0.97%
Noninterest expense / average assets	3.06%	3.00%	3.00%	3.10%
Net noninterest margin / average assets	-1.81% 64.98%	-2.03% 64.77%	-1.88% 64.36%	-2.13% 66.42%
Efficiency ratio Effective tax rate	22.71%	20.54%	22.07%	17.96%
Dividend declared per common share	\$0.19	\$0.15	\$0.72	\$0.60
	December 31,			
	2012	December 31,		
Net worth / total assets	(Unaudited) 9.78%	<u>2011</u> 9.66%		
Book value per share	\$23.83	\$22.20		
Non-performing assets to total assets	1.84%	2.68%		
Non-performing loans to total loans	2.63%	3.56%		
Allowance for loan losses to non-performing loans	73.34%	56.03%		
Allowance for loan losses to loans outstanding	1.93%	1.99%		
Foreclosed real estate to total assets	0.06%	0.38%		
Consolidated Statements of Income	Three Mon	ths Ended	Twelve Mon	ths Ended
(Dollars in thousands)	Deceml (Unau	dited)	Decemb (Unaud	er 31, lited)
				er 31,
(Dollars in thousands) Interest income: Loans	(Unau-	dited)	(Unaud	er 31, lited)
Interest income:	2012 (Unau-	2011	(Unaud 2012	er 31, lited) 2011
Interest income: Loans Securities & short-term investments Total interest income	(Unaud 2012 \$ 5,153	2011 \$ 5,183	(Unaud 2012 \$ 20,665	er 31, lited) 2011 \$ 20,893
Interest income: Loans Securities & short-term investments Total interest income Interest expense:	\$ 5,153 1,278 6,431	\$ 5,183 1,448 6,631	\$ 20,665 5,410 26,075	er 31, lited) 2011 \$ 20,893 6,093 26,986
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits	\$ 5,153 1,278 6,431	\$ 5,183	\$ 20,665 5,410 26,075	er 31, lited) 2011 \$ 20,893 6,093 26,986
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings	\$ 5,153 1,278 6,431 337 178	\$ 5,183 1,448 6,631 507 189	\$ 20,665 5,410 26,075 1,575 773	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense	\$ 5,153 1,278 6,431 337 178 515	\$ 5,183 1,448 6,631 507 189 696	\$ 20,665 5,410 26,075 1,575 773 2,348	\$ 20,893 6,093 26,986 2,473 758 3,231
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings	\$ 5,153 1,278 6,431 337 178	\$ 5,183 1,448 6,631 507 189	\$ 20,665 5,410 26,075 1,575 773	\$ 20,893 6,093 26,986 2,473 758 3,231 23,755
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income	\$ 5,153 1,278 6,431 337 178 515 5,916	\$ 5,183 1,448 6,631 507 189 696 5,935	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727	\$ 20,893 6,093 26,986 2,473 758 3,231
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income:	\$ 5,153 1,278 6,431 337 178 515 5,916 725	\$ 5,183 1,448 6,631 507 189 696 5,935 875	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377	ser 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Cain on sale of loans, net Wealth management operations	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Cain on sale of loans, net Wealth management operations Cain on sale of securities, net Benefit from bank owned life insurance	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 -
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 -	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Cain on sale of loans, net Wealth management operations Cain on sale of securities, net Benefit from bank owned life insurance	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 -	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 -
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 -	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1)	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6)	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1)
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 -	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101	\$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense:	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 966 - 966 (1) 887 63 6,247
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense: Compensation & benefits	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887 63 6,247
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense: Compensation & benefits Occupancy & equipment	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150 2,976 709	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887 63 6,247 9,953 3,333
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense: Compensation & benefits Occupancy & equipment Federal deposit insurance premiums	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150 2,976 709 137	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563 2,523 764 141	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536 10,783 3,064 571	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887 63 6,247 9,953 3,333 946
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Cain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense: Compensation & benefits Occupancy & equipment Federal deposit insurance premiums Data processing	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150 2,976 709	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887 63 6,247 9,953 3,333
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense: Compensation & benefits Occupancy & equipment Federal deposit insurance premiums	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150 2,976 709 137 240	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563 2,523 764 141 258	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536 10,783 3,064 571 1,073	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887 63 6,247 9,953 3,333 946 1,005
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Cain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense: Compensation & benefits Occupancy & equipment Federal deposit insurance premiums Data processing Marketing	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150 2,976 709 137 240 146	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563 2,523 764 141 258 99	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536 10,783 3,064 571 1,073 380	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887 63 6,247 9,953 3,333 946 1,005 403
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense: Compensation & benefits Occupancy & equipment Federal deposit insurance premiums Data processing Marketing Other Total noninterest expense Income before income taxes	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150 2,976 709 137 240 146 1,033 5,241 2,100	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563 2,523 764 141 258 99 1,071 4,856 1,767	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536 10,783 3,064 571 1,073 380 4,248 20,119 8,794	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887 63 6,247 9,953 3,333 946 1,005 403 4,288 19,928 6,564
Interest income: Loans Securities & short-term investments Total interest income Interest expense: Deposits Borrowings Total interest expense Net interest income Provision for loan losses Net interest income after provision for loan losses Noninterest income: Fees & service charges Gain on sale of loans, net Wealth management operations Gain on sale of securities, net Benefit from bank owned life insurance Cash value increase from bank owned life insurance Other-than-temporary impairment of securities Gain on foreclosed real estate Other income Total noninterest income Noninterest expense: Compensation & benefits Occupancy & equipment Federal deposit insurance premiums Data processing Marketing Other Total noninterest expense	\$ 5,153 1,278 6,431 337 178 515 5,916 725 5,191 762 322 313 385 - 91 - 260 17 2,150 2,976 709 137 240 146 1,033 5,241	\$ 5,183 1,448 6,631 507 189 696 5,935 875 5,060 636 119 300 283 - 99 (1) 101 26 1,563 2,523 764 141 258 99 1,071 4,856	(Unaud 2012 \$ 20,665 5,410 26,075 1,575 773 2,348 23,727 2,350 21,377 2,677 987 1,264 1,120 587 381 (6) 430 96 7,536 10,783 3,064 571 1,073 380 4,248 20,119	er 31, lited) 2011 \$ 20,893 6,093 26,986 2,473 758 3,231 23,755 3,510 20,245 2,501 256 1,177 966 - 398 (1) 887 63 6,247 9,953 3,333 946 1,005 403 4,288 19,928

NorthWest Indiana Bancorp

Financial Report

Balance Sheet Data						
(Dollars in thousands)	Dec	ember 31,				
		2012	De	cember 31,	Change	Mix
	$\overline{}$	audited)		2011	%	%
Total assets	\$	691,845	\$	651,758	6.2%	
Cash & cash equivalents		33,751		26,367	28.0%	
Securities - available for sale		187,475		186,962	0.3%	
Loans receivable:						
Construction and land development		23,984		21,143	13.4%	5.5%
1-4 first liens		135,143		132,231	2.2%	30.9%
Multifamily		31,669		7,313	333.1%	7.2%
Commercial real estate		148,156		146,402	1.2%	33.9%
Commercial business		69,329		63,293	9.5%	15.9%
1-4 Junior Liens		1,587		1,814	-12.5%	0.4%
HELOC		15,249		17,434	-12.5%	3.5%
Lot loans		2,648		2,656	-0.3%	0.6%
Consumer		347		472	-26.5%	0.1%
Government and other		8,869		8,643	2.6%	2.0%
Total loans		436,981		401,401	8.9%	100.0%
Deposits:						
Core deposits:						
Noninterest bearing checking		75,228		55,577	35.4%	13.3%
Interest bearing checking		117,849		102,294	15.2%	20.8%
Savings		77,650		71,417	8.7%	13.7%
MMDA		124,021		120,671	2.8%	21.9%
Total core deposits		394,748		349,959	12.8%	69.7%
Certificates of deposit		171,661		176,922	-3.0%	30.3%
Total deposits		566,409		526,881	7.5%	100.0%
Borrowings and repurchase agreements		49,505		52,013	-4.8%	
Stockholder's equity		67,651		62,960	7.5%	
Asset Quality	Dec	ember 31,				
(Dollars in thousands)	БСС	2012	De	cember 31,	Change	
(Bollars in thousands)	lun	audited)	DC	2011	%	
Nonaccruing loans	\$	11,253	\$	14,010	-19.7%	
Accruing loans delinquent more than 90 days	Ψ	229	Ψ	279	-17.9%	
Securities in non-accrual		823		717	14.8%	
Foreclosed real estate		425		2,457	-82.7%	
Total nonperforming assets		12,730		17,463	-27.1%	
Allowance for loan losses (ALL):						
ALL specific allowances for impaired loans		2,001		1,609	24.4%	
ALL general allowances for loan portfolio		6,420		6,396	0.4%	
Total ALL		8,421		8,005	5.2%	
Troubled Debt Restructurings:						
Nonaccruing troubled debt restructurings, non-compliant (1) (2)		4,846		5,794	-16.4%	
Nonaccruing troubled debt restructurings, non compliant (2)		546		463	17.9%	
Accruing troubled debt restructurings		9,735		8,496	14.6%	
Total troubled debt restructurings		15,127		14,753	2.5%	
(1) "non-compliant" refers to not being within the guidelines of the	restruct	,	ent	,,,,,,	2.070	
(2) included in nonaccruing loan balances presented above						
·						
		At Decemb	21	2012		

	At December 31, 2012 (unaudited)			
Capital Adequacy	Actual Ratio	Required to be well capitalized		
Total capital to risk-weighted assets	14.6%	10.0%		
Tier 1 capital to risk-weighted assets	13.4%	6.0%		
Tier 1 capital to adjusted average assets	9.4%	5.0%		