



AMERICAN RIVIERA  
BANK

# 2009 Year To Date Performance

As of June 30, 2009



## 2009 Actual Performance Monthly Trend Balance Sheet

<i>(\$ in thousands)</i>	<u>Jan</u>	<u>Feb</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
<b>Total Loans</b>	\$86,061	\$90,457	\$91,172	\$96,050	\$99,663	\$103,736
<b>Total Deposits</b>	\$92,264	\$100,410	\$105,167	\$101,857	\$102,734	\$103,881
<b>Loan to Deposit Ratio (LTD)</b>	96%	93%	90%	89%	95%	100%
<b>Total Liquidity*</b>	\$31,336	\$35,141	\$39,072	\$31,106	\$28,453	\$25,763
<b>Liquidity Ratio</b>	32%	33%	35%	29%	26%	23%
<b>Net Interest Margin (NIM)</b>	3.36%	3.30%	3.47%	3.58%	3.99%	4.30%
<b>Tier 1 Leverage</b>	16%	15%	15%	15%	15%	15%

Loan funding in 2Q caught up with 1Q excess deposit liquidity; improving NIM significantly in 2Q.

\* Liquidity = Cash, CD's at other Institutions, FF Sold and Investments



## 2009 Actual Performance Monthly Trend Net Interest Margin

<i>(\$ in thousands)</i>	<u>Jan</u>	<u>Feb</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
<b>Net Interest Margin</b>	3.36%	3.30%	3.47%	3.58%	3.99%	4.30%
<b>Avg. Loan Yield</b>	6.92%	6.95%	6.89%	6.93%	6.90%	6.90%
<b>Avg. Securities Yield</b>	4.11%	3.54%	4.93%	3.73%	2.87%	2.82%
<b>Cost of Funds</b>	2.90%	2.86%	2.63%	2.41%	2.20%	2.06%

Loan yield is stable and benefitting from interest rate floors and lack of loan competition.

Yield on securities has dropped as legacy investments are called or mature; we are not chasing yield and committed to stay short with high quality issuers.

Active management of deposit pricing has benefitted cost of funds; yet we still remain highly competitive in our market, with continued growth of deposits.



## 2009 Actual Performance Quarterly Trend Income Statement

<i>(\$ in thousands)</i>	<u>First Quarter 2009</u>	<u>Second Quarter 2009</u>
<b>Net Income (Loss)</b>	\$ 7	(\$ 104)
<b>‘Special’ 2Q FDIC Assessment</b>	\$ 0	\$ 55
<b>Loan Loss Provision</b>	\$ 46	\$ 326
<b>Adjusted Net Income</b>	<b>\$ 53</b>	<b>\$ 277</b>
<b>Efficiency Ratio*</b>	94%	82%

Net income adjusted for all loan loss provision and the “special” 2Q FDIC assessment shows an improving trend. Although it is useful to compare 1Q to 2Q, not all loan loss provision is non-recurring as provisioning occurs for loan growth as well as for potential loss associated with specific loans. At a minimum, ongoing monthly provisioning at approximately 1.20% of monthly loan growth is expected.

\* Efficiency ratio is before loan loss provision. A lower number is more efficient.