

## South Atlantic Bank Selected Financial Highlights

	For the Three Months Ended <u>June 30, 2017</u>	For the Three Months Ended <u>June 30, 2016</u>	For the Six Months Ended <u>June 30, 2017</u>	For the Six Months Ended <u>June 30, 2016</u>
<b>Year End/Quarter End Balances (In Thousands)</b>				
Total assets	\$ 519,339	\$ 462,869	\$ 519,339	\$ 462,869
Investment securities	45,174	33,402	45,174	33,402
Loans, net of unearned income (total loans)	414,987	342,001	414,987	342,001
Deposits	456,026	423,954	456,026	423,954
Shareholders' equity	58,799	37,981	58,799	37,981
<b>Average Balances (In Thousands)</b>				
Total assets	\$ 504,314	\$ 429,306	\$ 479,231	\$ 413,563
Earning assets	470,541	401,559	446,706	385,858
Investment securities	44,291	38,459	44,099	41,584
Loans, net of unearned income	410,916	338,397	393,692	327,955
Deposits	443,022	384,758	418,519	362,011
Shareholders' equity	58,174	37,191	48,337	36,760
<b>Earnings Breakdown (In Thousands)</b>				
		<b>(Year over Year)</b>		
Total interest income	\$ 5,027	\$ 4,064	\$ 9,506	\$ 7,979
Total interest expense	407	369	811	689
Net interest income	4,620	3,696	8,695	7,290
Total noninterest income	838	741	1,537	1,329
Total noninterest expense	3,957	3,408	7,691	6,754
Provision for loan losses	165	170	285	320
Income before taxes	1,336	858	2,256	1,545
Taxes	372	226	606	415
Net income	964	633	1,650	1,130
Diluted earnings per share	0.17	0.11	0.34	0.23
Weighted average diluted shares outstanding	5,649,749	5,649,749	4,899,383	4,899,383
<b>Selected % Increases</b>				
		<b>(Year over Year)</b>		
Total assets	12.20	22.17	12.20	22.17
Total interest earning assets	11.79	20.52	11.79	20.52
Total loans	21.34	24.29	21.34	24.29
Total deposits	7.56	23.09	7.56	23.09
Interest income	23.68	17.36	19.15	16.79
Interest expense	10.43	29.32	17.72	25.06
Noninterest income	13.16	14.33	15.61	(0.55)
Noninterest expense	16.09	11.36	13.87	10.93
Net income	52.34	18.31	46.07	11.04
<b>Selected Ratios</b>				
Return on assets	0.77	0.59	0.69	0.55
Return on equity	6.65	6.82	6.90	6.18
Interest income to total average assets	4.00	3.81	4.00	3.88
Interest expense to total average assets	0.32	0.35	0.34	0.33
Net interest income to total average assets	3.67	3.46	3.66	3.54
Loan loss reserve to total loans	0.75	0.93	0.75	0.93
Nonperforming assets to total average assets	0.02	0.12	0.03	0.13
Net charge-offs to total average loans	0.14	(0.01)	0.14	(0.01)
Net interest margin	4.01	3.82	4.00	3.93