TIB-The Independent BankersBank

350 Phelps Drive
Irving, TX 75038
Phone: (972) 650-6000
website: www.mybankersbank.com

BHC Name: Independent Bankers Financial Corp
BHC State: TX

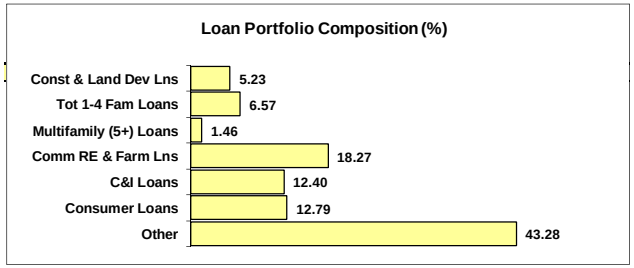
Primary Regulator: FRB
Public Enforcement Action: No

Government Programs	Bank	BHC
TARP Status	No	No
Amount TARP Received	NA	NA

Correspondent Banking Risk Policy Compliance

CORRESPONDENT BANKING RISK POLICY

	TIB	LIMIT	RESULT
PRIMARY ASSESSMENT RATIOS			
Tier 1 Leverage	8.4%	5.0%	**Pass**
Tier 1 Risk-Based Capital	24.8%	6.0%	**Pass**
Total Risk-Based Cap	26.0%	10.0%	**Pass**
SECONDARY ASSESSMENT RATIOS			
Texas Ratio	4.3%	90.0%	**Pass**
ALLL/Loans	2.9%	1.0%	**Pass**
ROAA	1.2%	0.0%	**Pass**



CRE Portfolio ($) and Limits	3/31/2013	12/31/2012	12/31/2011	12/31/2010	12/31/2009
1-4 Fam Const Lns	2,570	2,184	1,174	1,201	7,634
Other Const & Dev Lns	28,400	26,089	17,913	30,567	65,751
Multifamily (5+) Const Lns	8,682	8,178	8,014	6,061	3,332
NFNR Loans Other	71,963	79,302	82,014	106,724	118,563
CRE fincd not secured RE	0	0	0	0	0
Total CRE	111,615	115,753	109,115	144,553	195,280
Risk Based Capital	223,471	221,281	203,714	195,241	183,415
Tot Const&Dev/RBC (<100%)	13.86	12.78	9.37	16.27	40.01
Tot CRE/RBC (<300%)	49.95	52.31	53.56	74.04	106.47

Deposit Composition					
Reciprocal Deposits $	0	0	0	0	0
Brokered Deposits $	262,648	262,313	262,469	261,509	261,840

Financial Highlights (%)	3/31/2013	12/31/2012	12/31/2011	12/31/2010	12/31/2009
ROAA	1.16	0.82	0.67	0.58	0.49
ROAE	13.62	10.26	8.51	7.29	7.73
Net Interest Margin (FTE)	1.26	1.37	1.51	1.87	1.97
Efficiency Ratio (FTE)	72.19	75.20	79.93	76.44	74.43
Provision/AA	0.12	0.12	0.11	0.60	0.54
Interest Income/ AA	1.70	1.87	2.08	2.53	2.66
Interest Expense/ AA	0.63	0.69	0.83	0.98	0.99
Net Interest Income/AA	1.07	1.18	1.25	1.54	1.67
Non Interest Income/AA	4.25	4.13	3.93	4.34	3.56
Non Interest Expense/ AA	3.95	4.09	4.29	4.71	4.10
Balance Sheet Ratios (%)					
Equity Cap/ Total Assets	9.07	8.32	7.57	8.17	9.16
Tangible Equity/Tangible Assets	8.79	8.04	7.41	7.96	8.86
Total Securities/Assets	22.77	25.89	16.02	15.08	21.26
Cash & Cash Equiv/Assets	47.95	44.23	54.61	49.69	31.57
Loans/Deposits	33.71	34.99	37.19	50.85	94.08
Loans/ Assets	24.85	25.87	26.12	31.80	42.22
Goodwill & Other Intang/Assets	0.31	0.31	0.18	0.23	0.33
Deposit/ Liabilities	81.05	80.65	76.00	68.10	49.41
Pledged Secs/Secs	53.45	76.36	66.18	81.39	97.38
Growth Rates (%)					
Asset Growth Rate	-31.16	3.18	9.71	14.98	-2.63
Loan Growth Rate	-45.81	2.18	-9.87	-13.40	-3.96
Deposit Growth Rate	-32.38	8.61	23.23	60.21	230.11
Regulatory Capital (%)					
Tier 1 Leverage Ratio	8.44	8.32	7.35	7.57	6.62
Tier 1 Risk Based Ratio	24.77	21.75	21.68	19.24	15.02
Total Risk Based Capital Ratio	26.03	23.01	22.94	20.51	16.28
Asset Quality (%)					
Texas Ratio	4.30	5.27	8.35	8.99	8.88
NPAs/Total Assets	0.40	0.45	0.65	0.77	0.79
NPAs+(Lns 90+PD)/Tot Assets	0.41	0.46	0.68	0.80	0.87
NPAs/Loans + Frclsd RE	1.60	1.72	2.48	2.43	1.86
NCOs/Avg Loans	0.31	0.58	1.26	1.40	0.92
ALLL/Loans	2.91	2.53	2.67	3.11	2.35
Reserves/NPAs	181.12	146.99	106.92	128.04	126.53
LLP/NCOs	159.24	84.77	33.24	126.44	182.27
Lns 90+ Days Past Due/Tot Lns	0.04	0.04	0.09	0.09	0.20
Nonaccrual Loans/Total Loans	0.94	0.81	1.81	2.38	1.52
Total Noncurrent Loans/ Loans	0.98	0.85	1.90	2.48	1.72
NPLs/Tot Lns	1.25	1.31	1.87	2.38	1.62
NPAs/Tot Lns	1.61	1.72	2.50	2.43	1.86
Reserves/ NPAs + Lns 90 PD	176.99	143.61	103.25	123.23	113.99
Yield / Cost Detail (%)					
Yield on Earning Assets	1.83	1.95	2.22	2.68	2.79
Cost of Int Bearing Deposits	0.77	0.83	0.96	1.10	0.43
Cost of Borrowings	1.87	1.99	2.11	2.32	1.44
Cost of Interest Bearing Liab	1.07	1.19	1.41	1.73	1.40
Cost of Funds	0.72	0.77	0.94	1.13	1.07
Yield/ Cost Spread	0.76	0.76	0.81	0.95	1.39

Balance Sheet ($000)	3/31/2013	12/31/2012	12/31/2011	12/31/2010	12/31/2009
Cash & Equivalents	1,143,866	1,144,244	1,369,361	1,135,643	627,593
Total Securities	543,299	669,796	401,797	344,589	422,541
Total Cash & Secs	1,687,165	1,814,040	1,771,158	1,480,232	1,050,134
Total Lns & Leases	592,699	669,357	655,062	726,805	839,293
Total Reserves	17,237	16,958	17,490	22,633	19,764
Net Lns & Leases	575,462	652,399	637,572	704,172	819,529
Other Real Estate Owned	2,126	2,735	4,108	364	1,983
Goodwill & Other Intang	7,384	7,895	4,486	5,148	6,607
Total Assets	2,385,584	2,587,134	2,507,508	2,285,632	1,987,814
Total Deposits	1,758,069	1,912,922	1,761,313	1,429,281	892,118
FFunds Purch & Repos	278,196	325,836	303,262	435,594	680,200
Commercial Paper	NA	NA	NA	NA	NA
FHLB Advances	100,000	100,000	200,000	200,000	200,000
Other Borrowings	0	0	3,366	1,000	192
Total Other Borrowings	100,000	100,000	203,366	201,000	200,192
Total Liabilities	2,169,111	2,371,940	2,317,650	2,098,890	1,805,667
Total Equity Cap	216,473	215,194	189,858	186,742	182,147
Tier 1 Capital	212,657	209,198	192,532	183,207	169,258
Income Statement ($000)					
Int Inc: Total	10,753	47,677	51,356	58,180	71,186
Int Exp: Total	4,004	17,598	20,587	22,665	26,412
Net Int Inc Before Loss Prov	6,749	30,079	30,769	35,515	44,774
Total Prov for Losses	750	2,962	2,719	13,720	14,481
Net Int Inc after Prov	5,999	27,117	28,050	21,795	30,293
Noninterest Income ($000)					
Nonint Inc: Fiduciary Activities	0	0	0	0	0
Nonint Inc: Svc Chgs on Dep Acct	0	0	6	129	47
Nonint Inc: Trading Revenue	0	0	0	0	0
Nonint Inc: Oth Svc Chgs & NII	26,814	105,247	96,983	99,863	95,209
Nonint Inc: Fees & Oth Charges	NA	NA	NA	NA	NA
Nonint Inc: Other	NA	NA	NA	NA	NA
Nonint Inc: Total	26,814	105,247	96,989	99,992	95,256
Noninterest Expense ($000)					
Nonint Exp: Gen & Admin	9,798	39,685	38,944	39,597	41,684
Nonint Exp: Amort of Intang	238	213	563	895	1,248
Nonint Exp: Other	14,910	64,531	66,407	67,816	66,627
Nonint Exp: Total	24,946	104,429	105,914	108,308	109,559
Gain (Loss) on Sale of Secs	2,723	1,036	1,381	2,747	0
Gain (Loss) on Other Assets	NA	NA	NA	NA	NA
Net Income ($000)					
Net Income before Tax/Adjust	10,590	28,971	20,506	16,226	15,990
Income Tax	3,243	8,044	4,092	2,836	2,973
Minority Interest	NA	NA	NA	NA	NA
Net Income before Extra Items	7,347	20,927	16,414	13,390	13,017
Extraordinary Items	0	0	0	0	0
Net Income	7,347	20,927	16,414	13,390	13,017

Financial Source: SNL Financial