TIB-The Independent BankersBank

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BHC Name: Independent Bankers Financial Corp
BHC State: TX

Primary Regulator: FRB
Public Enforcement Action: No

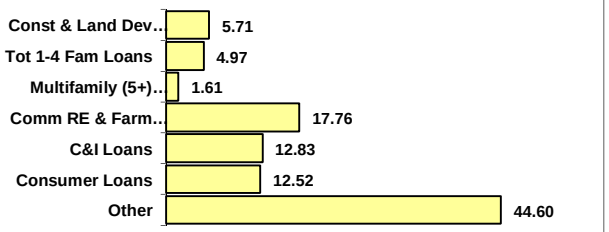
Government Programs	Bank	BHC
TARP Status	No	No
Amount TARP Received	NA	NA

Correspondent Banking Risk Policy Compliance

CORRESPONDENT BANKING RISK POLICY

	TIB	LIMIT	RESULT
PRIMARY ASSESSMENT RATIOS			
Tier 1 Leverage	9.7%	5.0%	Pass
Tier 1 Risk-Based Capital	23.7%	6.0%	Pass
Total Risk-Based Cap	24.9%	10.0%	Pass
SECONDARY ASSESSMENT RATIOS			
Texas Ratio	4.3%	90.0%	Pass
ALLL/Loans	2.9%	1.0%	Pass
ROAA	1.0%	0.0%	Pass

Loan Portfolio Composition (%)



CRE Portfolio ($) and Limits	6/30/2013	12/31/2012	12/31/2011	12/31/2010
1-4 Fam Const Lns	3,225	2,184	1,174	1,201
Other Const & Dev Lns	31,318	26,089	17,913	30,567
Multifamily (5+) Const Lns	9,755	8,178	8,014	6,061
NFNR Loans Other	70,184	79,302	82,014	106,724
CRE fincd not secured RE	0	0	0	0
Total CRE	114,482	115,753	109,115	144,553
Risk Based Capital	224,644	221,281	203,714	195,241
Tot Const&Dev/RBC (<100%)	15.38	12.78	9.37	16.27
Tot CRE/RBC (<300%)	50.96	52.31	53.56	74.04

Deposit Composition				
Reciprocal Deposits $	0	0	0	0
Brokered Deposits $	262,998	262,313	262,469	261,509

Financial Highlights (%)	6/30/2013	12/31/2012	12/31/2011	12/31/2010
ROAA	1.01	0.82	0.67	0.58
ROAE	11.15	10.26	8.51	7.29
Net Interest Margin (FTE)	1.36	1.37	1.51	1.87
Efficiency Ratio (FTE)	74.89	75.20	79.93	76.44
Provision/AA	0.13	0.12	0.11	0.60
Interest Income/ AA	1.79	1.87	2.08	2.53
Interest Expense/ AA	0.63	0.69	0.83	0.98
Net Interest Income/AA	1.16	1.18	1.25	1.54
Non Interest Income/AA	4.62	4.13	3.93	4.34
Non Interest Expense/ AA	4.45	4.09	4.29	4.71

Balance Sheet Ratios (%)				
Equity Cap/ Total Assets	9.76	8.32	7.57	8.17
Tangible Equity/Tangible Assets	9.46	8.04	7.41	7.96
Total Securities/Assets	27.16	25.89	16.02	15.08
Cash & Cash Equiv/Assets	39.03	44.23	54.61	49.69
Loans/Deposits	37.86	34.99	37.19	50.85
Loans/ Assets	28.66	25.87	26.12	31.80
Goodwill & Other Intang/Assets	0.33	0.31	0.18	0.23
Deposit/ Liabilities	83.89	80.65	76.00	68.10
Pledged Secs/Secs	30.18	76.36	66.18	81.39

Growth Rates (%)				
Asset Growth Rate	-36.82	3.18	9.71	14.98
Loan Growth Rate	-19.24	2.18	-9.87	-13.40
Deposit Growth Rate	-32.94	8.61	23.23	60.21

Regulatory Capital (%)				
Tier 1 Leverage Ratio	9.68	8.32	7.35	7.57
Tier 1 Risk Based Ratio	23.66	21.75	21.68	19.24
Total Risk Based Capital Ratio	24.92	23.01	22.94	20.51

Asset Quality (%)				
Texas Ratio	4.27	5.27	8.35	8.99
NPAs/Total Assets	0.43	0.45	0.65	0.77
NPAs+(Lns 90+PD)/Tot Assets	0.44	0.46	0.68	0.80
NPAs/Loans + Frclsd RE	1.49	1.72	2.48	2.43
NCOs/Avg Loans	0.27	0.58	1.26	1.40
ALLL/Loans	2.92	2.53	2.67	3.11
Reserves/NPAs	195.41	146.99	106.92	128.04
LLP/NCOs	185.41	84.77	33.24	126.44
Lns 90+ Days Past Due/Tot Lns	0.04	0.04	0.09	0.09
Nonaccrual Loans/Total Loans	0.84	0.81	1.81	2.38
Total Noncurrent Loans/ Loans	0.88	0.85	1.90	2.48
NPLs/Tot Lns	1.38	1.31	1.87	2.38
NPAs/Tot Lns	1.49	1.72	2.50	2.43
Reserves/ NPAs + Lns 90 PD	190.68	143.61	103.25	123.23

Yield / Cost Detail (%)				
Yield on Earning Assets	1.92	1.95	2.22	2.68
Cost of Int Bearing Deposits	0.80	0.83	0.96	1.10
Cost of Borrowings	1.80	1.99	2.11	2.32
Cost of Interest Bearing Liab	1.06	1.19	1.41	1.73
Cost of Funds	0.71	0.77	0.94	1.13
Yield/ Cost Spread	0.86	0.76	0.81	0.95

Balance Sheet ($000)	6/30/2013	12/31/2012	12/31/2011	12/31/2010
Cash & Equivalents	823,921	1,144,244	1,369,361	1,135,643
Total Securities	573,374	669,796	401,797	344,589
Total Cash & Secs	1,397,295	1,814,040	1,771,158	1,480,232
Total Lns & Leases	604,960	669,357	655,062	726,805
Total Reserves	17,649	16,958	17,490	22,633
Net Lns & Leases	587,310	652,399	637,572	704,172
Other Real Estate Owned	708	2,735	4,108	364
Goodwill & Other Intang	7,013	7,895	4,486	5,148
Total Assets	2,110,805	2,587,134	2,507,508	2,285,632
Total Deposits	1,597,855	1,912,922	1,761,313	1,429,281
FFunds Purch & Repos	276,076	325,836	303,262	435,594
Commercial Paper	NA	NA	NA	NA
FHLB Advances	0	100,000	200,000	200,000
Other Borrowings	0	0	3,366	1,000
Total Other Borrowings	0	100,000	203,366	201,000
Total Liabilities	1,904,714	2,371,940	2,317,650	2,098,890
Total Equity Cap	206,091	215,194	189,858	186,742
Tier 1 Capital	213,296	209,198	192,532	183,207

Income Statement ($000)				
Int Inc: Total	21,246	47,677	51,356	58,180
Int Exp: Total	7,460	17,598	20,587	22,665
Net Int Inc Before Loss Prov	13,786	30,079	30,769	35,515
Total Prov for Losses	1,500	2,962	2,719	13,720
Net Int Inc after Prov	12,286	27,117	28,050	21,795

Noninterest Income ($000)				
Nonint Inc: Fiduciary Activities	0	0	0	0
Nonint Inc: Svc Chgs on Dep Acct	0	0	6	129
Nonint Inc: Trading Revenue	0	0	0	0
Nonint Inc: Oth Svc Chgs & NII	54,684	105,247	96,983	99,863
Nonint Inc: Fees & Oth Charges	NA	NA	NA	NA
Nonint Inc: Other	NA	NA	NA	NA
Nonint Inc: Total	54,684	105,247	96,989	99,992

Noninterest Expense ($000)				
Nonint Exp: Gen & Admin	20,464	39,685	38,944	39,597
Nonint Exp: Amort of Intang	477	213	563	895
Nonint Exp: Other	31,793	64,531	66,407	67,816
Nonint Exp: Total	52,734	104,429	105,914	108,308
Gain (Loss) on Sale of Secs	2,723	1,036	1,381	2,747
Gain (Loss) on Other Assets	NA	NA	NA	NA

Net Income ($000)				
Net Income before Tax/Adjust	16,959	28,971	20,506	16,226
Income Tax	5,050	8,044	4,092	2,836
Minority Interest	NA	NA	NA	NA
Net Income before Extra Items	11,909	20,927	16,414	13,390
Extraordinary Items	0	0	0	0
Net Income	11,909	20,927	16,414	13,390

Financial Source: SNL Financial