TIB-The Independent BankersBank

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BHC Name: Independent Bankers Financial Corp
BHC State: TX

Primary Regulator: FRB
Public Enforcement Action: No

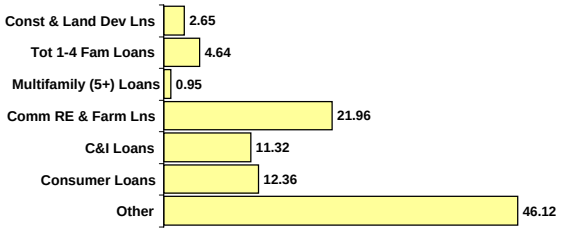
Government Programs	Bank	BHC
TARP Status	No	No
Amount TARP Received	$0	$0
TAG Expiration	12/31/2012	12/31/2012

Correspondent Banking Risk Policy Compliance

CORRESPONDENT BANKING RISK POLICY

	TIB	LIMIT	RESULT
PRIMARY ASSESSMENT RATIOS			
Tier 1 Leverage	7.8%	5.0%	**Pass**
Tier 1 Risk-Based Capital	22.7%	6.0%	**Pass**
Total Risk-Based Cap	24.0%	10.0%	**Pass**
SECONDARY ASSESSMENT RATIOS			
Texas Ratio	8.5%	90.0%	**Pass**
ALLL/Loans	2.8%	1.0%	**Pass**
ROAA	0.7%	0.0%	**Pass**

Loan Portfolio Composition (%)



CRE Portfolio ($) and Limits	9/30/2011	12/31/2010	12/31/2009	12/31/2008	12/31/2007
1-4 Fam Const Lns	0	1,201	7,634	9,902	29,979
Other Const & Dev Lns	16,604	30,567	65,751	96,393	83,581
Multifamily (5+) Const Lns	5,949	6,061	3,332	4,254	4,800
NFNR Loans Other	95,574	106,724	118,563	98,716	69,165
CRE fincd not secured RE	0	0	0	0	0
Total CRE	118,127	144,553	195,280	209,265	187,525
Risk Based Capital	207,243	195,241	183,415	152,823	130,147
Tot Const&Dev/RBC (<100%)	8.01	16.27	40.01	69.55	87.26
Tot CRE/RBC (<300%)	57.00	74.04	106.47	136.93	144.09

Deposit Composition					
Reciprocal Deposits $	0	0	0	0	0
Brokered Deposits $	261,835	261,509	261,840	0	0

Financial Highlights (%)	9/30/2011	12/31/2010	12/31/2009	12/31/2008	12/31/2007
ROAA	0.68	0.58	0.49	0.90	0.69
ROAE	8.54	7.29	7.73	12.45	10.32
Net Interest Margin (FTE)	1.58	1.87	1.97	2.23	1.75
Efficiency Ratio (FTE)	79.60	76.44	74.43	72.89	80.22
Provision/AA	0.11	0.60	0.54	0.53	0.15
Interest Income/ AA	2.15	2.53	2.66	3.90	5.56
Interest Expense/ AA	0.85	0.98	0.99	2.04	4.13
Net Interest Income/AA	1.30	1.54	1.67	1.86	1.43
Non Interest Income/AA	4.07	4.34	3.56	5.30	4.59
Non Interest Expense/ AA	4.44	4.71	4.10	5.45	4.98
Balance Sheet Ratios (%)					
Equity Cap/ Total Assets	7.60	8.17	9.16	6.75	6.74
Tangible Equity/Tangible Assets	7.44	7.96	8.86	6.37	6.19
Total Securities/Assets	16.56	15.08	21.26	30.54	12.28
Cash & Cash Equiv/Assets	55.87	49.69	31.57	21.09	40.03
Loans/Deposits	36.04	50.85	94.08	323.38	189.51
Loans/ Assets	24.31	31.80	42.22	42.81	42.35
Goodwill & Other Intang/Assets	0.17	0.23	0.33	0.41	0.58
Deposit/ Liabilities	73.02	68.10	49.41	14.20	23.96
Pledged Secs/Secs	71.51	81.39	97.38	62.50	17.12
Growth Rates (%)					
Asset Growth Rate	17.13	14.98	-2.63	9.75	15.98
Loan Growth Rate	-18.21	-13.40	-3.96	10.95	12.06
Deposit Growth Rate	28.98	60.21	230.11	-34.98	10.61
Regulatory Capital (%)					
Tier 1 Leverage Ratio	7.84	7.57	6.62	6.18	6.58
Tier 1 Risk Based Ratio	22.70	19.24	15.02	10.84	10.85
Total Risk Based Capital Ratio	23.96	20.51	16.28	11.85	11.72
Asset Quality (%)					
Texas Ratio	8.51	8.99	8.88	5.95	3.68
NPAs/Total Assets	0.67	0.77	0.79	0.37	0.22
NPAs+(Lns 90+PD)/Tot Assets	0.69	0.80	0.87	0.42	0.25
NPAs/Loans + Frclsd RE	2.74	2.43	1.86	0.86	0.51
NCOs/Avg Loans	1.48	1.40	0.92	0.85	0.35
ALLL/Loans	2.78	3.11	2.35	1.50	1.23
Reserves/NPAs	100.55	128.04	126.53	174.69	241.46
LLP/NCOs	27.11	126.44	182.27	150.07	113.19
Lns 90+ Days Past Due/Tot Lns	0.07	0.09	0.20	0.12	0.07
Nonaccrual Loans/Total Loans	1.92	2.38	1.52	0.85	0.07
Total Noncurrent Loans/ Loans	1.99	2.48	1.72	0.97	0.14
NPLs/Tot Lns	1.98	2.38	1.62	0.85	0.07
NPAs/Tot Lns	2.76	2.43	1.86	0.86	0.51
Reserves/ NPAs + Lns 90 PD	97.94	123.23	113.99	153.92	212.02
Yield / Cost Detail (%)					
Yield on Earning Assets	2.30	2.68	2.79	4.17	6.05
Cost of Int Bearing Deposits	0.96	1.10	0.43	3.19	5.16
Cost of Borrowings	2.11	2.32	1.44	2.57	5.45
Cost of Interest Bearing Liab	1.42	1.73	1.40	2.61	5.40
Cost of Funds	0.94	1.12	1.08	2.23	4.48
Yield/ Cost Spread	0.87	0.95	1.39	1.56	0.65

Balance Sheet ($000)	9/30/2011	12/31/2010	12/31/2009	12/31/2008	12/31/2007
Cash & Equivalents	1,441,489	1,135,643	627,593	430,600	744,525
Total Securities	427,325	344,589	422,541	623,421	228,361
Total Cash & Secs	1,868,814	1,480,232	1,050,134	1,054,021	972,886
Total Lns & Leases	627,289	726,805	839,293	873,923	787,697
Total Reserves	17,431	22,633	19,764	13,074	9,685
Net Lns & Leases	609,858	704,172	819,529	860,849	778,012
Other Real Estate Owned	4,896	364	1,983	30	3,460
Goodwill & Other Intang	4,487	5,148	6,607	8,303	10,879
Total Assets	2,579,958	2,285,632	1,987,814	2,041,440	1,860,032
Total Deposits	1,740,715	1,429,281	892,118	270,247	415,643
FFunds Purch & Repos	402,345	435,594	680,200	1,379,161	1,218,608
Commercial Paper	0	0	0	0	0
FHLB Advances	200,000	200,000	200,000	200,000	50,000
Other Borrowings	0	1,000	192	5,800	26,100
Total Other Borrowings	200,000	201,000	200,192	205,800	76,100
Total Liabilities	2,383,880	2,098,890	1,805,667	1,903,544	1,734,755
Total Equity Cap	196,078	186,742	182,147	137,896	125,277
Tier 1 Capital	196,350	183,207	169,258	139,749	120,457
Income Statement ($000)					
Int Inc: Total	38,857	58,180	71,186	73,135	100,824
Int Exp: Total	15,322	22,665	26,412	38,285	74,868
Net Int Inc Before Loss Prov	23,535	35,515	44,774	34,850	25,956
Total Prov for Losses	1,966	13,720	14,481	9,951	2,754
Net Int Inc after Prov	21,569	21,795	30,293	24,899	23,202
Noninterest Income ($000)					
Nonint Inc: Fiduciary Activities	0	0	0	0	0
Nonint Inc: Svc Chgs on Dep Acct	6	129	47	225	181
Nonint Inc: Trading Revenue	0	0	0	0	0
Nonint Inc: Oth Svc Chgs & NII	73,647	99,863	95,209	99,202	83,066
Nonint Inc: Fees & Oth Charges	0	0	0	0	0
Nonint Inc: Other	0	0	0	0	0
Nonint Inc: Total	73,653	99,992	95,256	99,427	83,247
Noninterest Expense ($000)					
Nonint Exp: Gen & Admin	29,442	39,597	41,684	37,893	32,986
Nonint Exp: Amort of Intang	510	895	1,248	1,248	0
Nonint Exp: Other	50,388	67,816	66,627	63,042	57,221
Nonint Exp: Total	80,340	108,308	109,559	102,183	90,207
Gain (Loss) on Sale of Secs	1,381	2,747	0	409	47
Gain (Loss) on Other Assets	0	0	0	0	0
Net Income ($000)					
Net Income before Tax/Adjust	16,263	16,226	15,990	22,552	16,289
Income Tax	3,907	2,836	2,973	5,663	3,831
Minority Interest	0	0	0	0	0
Net Income before Extra Items	12,356	13,390	13,017	16,889	12,458
Extraordinary Items	0	0	0	0	0
Net Income	12,356	13,390	13,017	16,889	12,458

Financial Source: SNL Financial