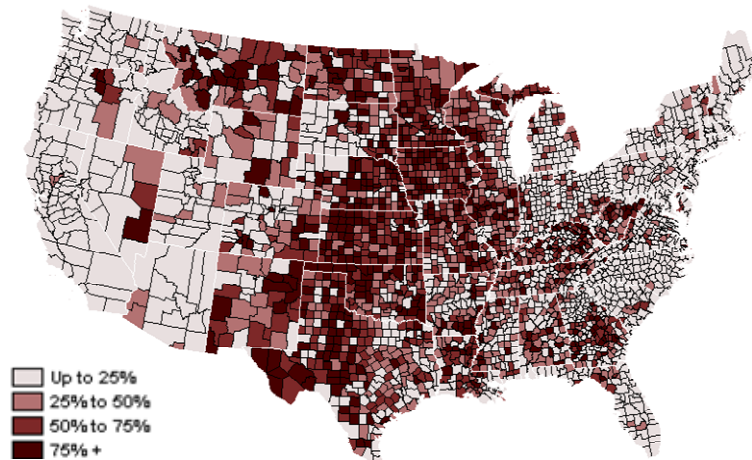
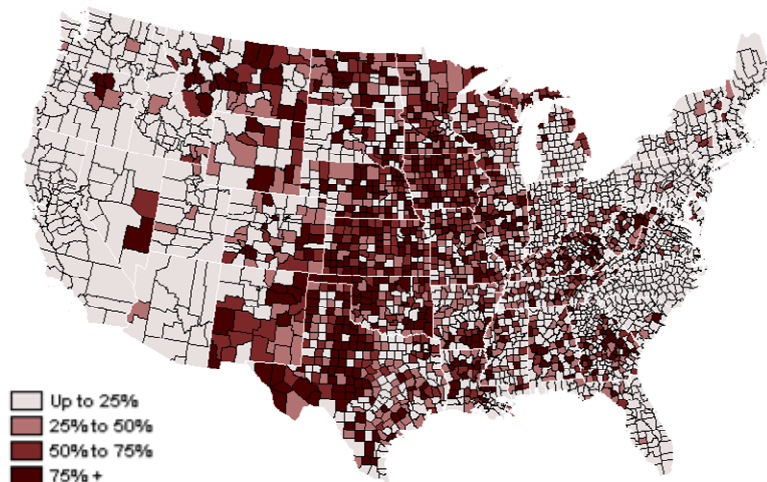


Community Bank Market Share and Location

(Banks With Less Than \$250 Million in Assets)



Percentage of Offices owned by Community Banks



Percentage of Deposits Held by Community Banks

- Community banks hold substantial market share, particularly in the Midwestern states.
- The top map illustrates by county the percentage of bank offices that are owned by community banks. In almost 30% of all counties nationwide, community banks have the majority of banking locations.
- The bottom map illustrates by county the percentage of deposits that are held in offices of community banks. In 28% of all counties, community banks have the majority of commercial bank deposits.
- Despite their dominance in more rural areas, over 40% of community bank offices and 46% of deposits are located in a Metropolitan Statistical Area (MSA). Large banks, in contrast, have 60% of their offices and 54% of their deposits in MSAs.
- The community focus of smaller banks is evidenced in the smaller number of offices; only 43% of community banks have 3 or more offices, compared to 90% of large banks.

Community Bank Summary Statistics

	Tenth District Community Bank (< \$250 Million)	Tenth District Large Banks (>\$250 Million)	All U.S. Community Bank (< \$250 Million)	All U.S. Large Banks (>\$250 Million)
Number of Banks	888	209	4618	2100
Total Assets	75,276,479	202,391,030	487,642,819	11,466,514,181
Total Loans	46,923,733	123,003,177	312,833,579	6,325,023,491
Total Deposits	62,969,382	157,693,608	410,752,663	7,796,175,536
Total Equity Capital	7,978,993	18,119,249	52,157,996	1,245,154,944
Return on Average Assets (2009)	0.59%	0.25%	0.04%	0.06%
Return on Average Assets (March 2010)	0.79%	0.95%	0.41%	0.52%
% Nonaccrual Loans & Other Real Estate Owned	2.89%	4.94%	4.12%	4.15%
Capital Ratio	9.92%	8.09%	10.08%	8.10%
% Change in Lending**	0.64%	-11.14%	1.88%	-6.12%
% Increasing Lending**	52.29%	34.20%	53.15%	39.42%
% Agricultural / Total Loans	23.85%	7.55%	13.67%	1.25%
% Commercial Real Estate / Total Loans	30.84%	41.87%	38.25%	22.82%
% Commercial & Industrial / Total Loans	14.92%	17.65%	14.22%	16.80%
% Residential / Total Loans	20.85%	14.94%	23.74%	22.68%
* Source: Report of Condition and Income (March 2010)				

*Capital Ratio – Tier 1 capital as a percentage of total assets.

*Agricultural Loans - Agricultural production loans and real estate loans secured by farmland.

* Commercial Real Estate Loans - Real estate construction and development loans, loans secured by commercial real estate properties, loans secured by multi-family properties, and loans to finance commercial real estate not secured by real estate.

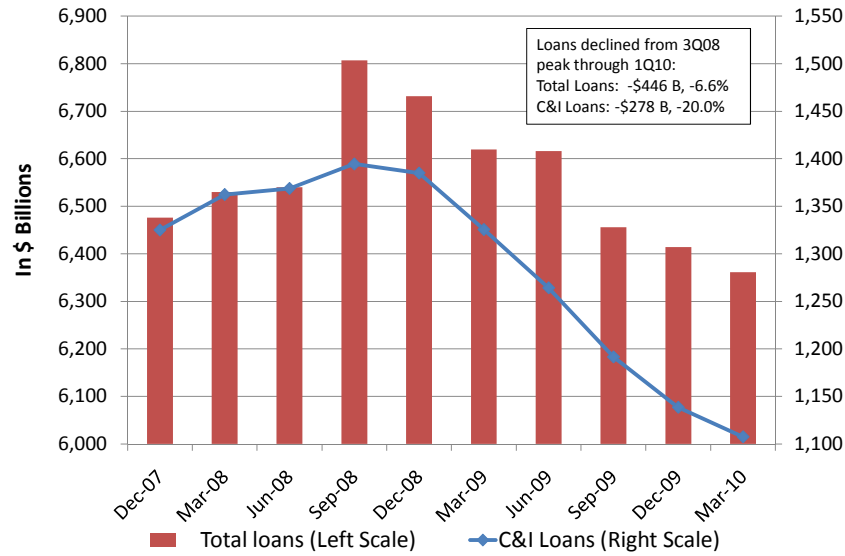
*Commercial & Industrial Loans - Commercial and industrial loans

*Residential Loans - Residential mortgage loans (first and second lien).

**Note: The sample of banks used to calculate these trends was adjusted to eliminate distortions from acquisitions, including failed banks, and the accounting changes for credit card loans that took effect in 2010.

- Community banks have performed as well or better than large banks over the last 15 months; earnings and problem asset ratios, while clearly impacted by economic conditions, were on par with larger banks while capital ratios were generally higher.
- Community banks in the Tenth District (20% of all community banks) performed better than the average for all community banks, with stronger earnings, fewer problem assets, and only slightly less capital.
- For both the district and nationwide, community banks increased their outstanding loans over the last 15 months, while larger banks reported declines.
- Over 53% of all community banks increased their lending over the last 15 months, compared to less than 40% of larger banks.

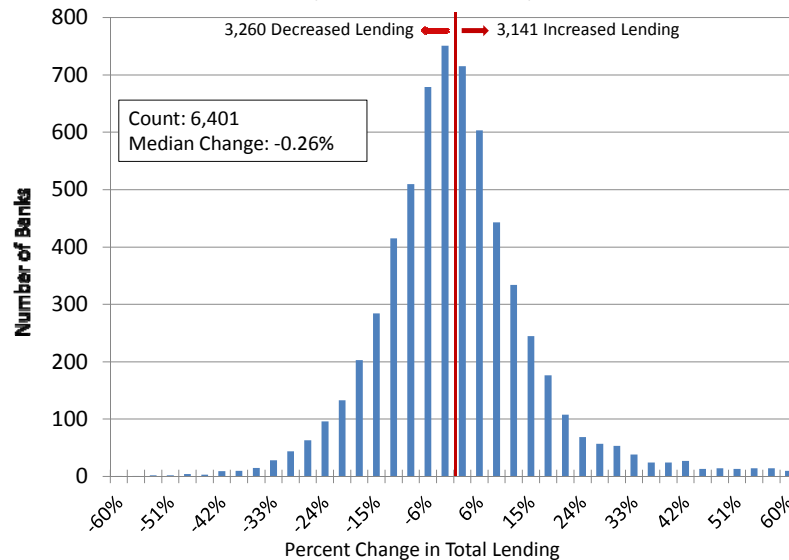
Bank Lending Contracted Over the Last 6 Quarters



Source: Reports of Condition and Income, excludes impact from FAS 166/167 in 1Q10

Loans Outstanding Increased at 49% of All Banks

(Dec 2008 – Mar 2010)

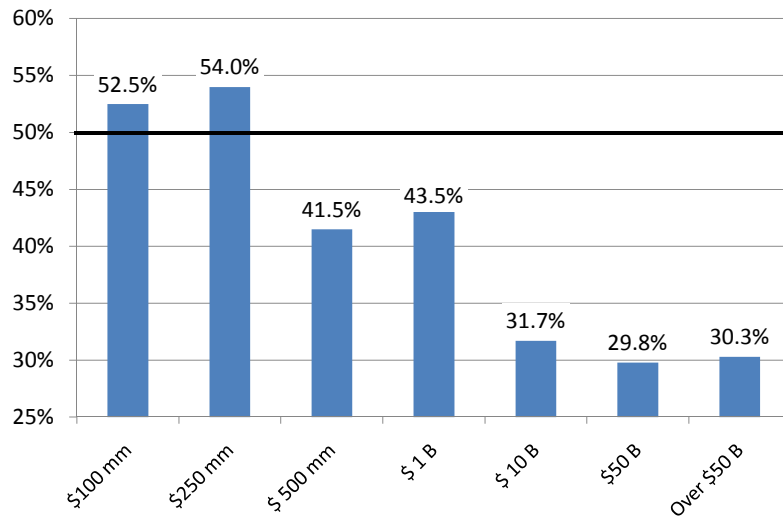


Note: The sample of banks used to calculate these trends was adjusted to eliminate distortions from acquisitions, including failed banks, and the accounting changes for credit card loans that took effect in 2010.

- Lending for the banking industry has declined since the peak at September 2008. Total loans have declined almost 7%, while commercial and industrial (C&I) loans have declined by 20%.
- Reductions in lending were not uniform across banks. Almost half of all banks increased their loans outstanding over this 15-month period. While total loans outstanding dropped in aggregate for the industry, the median change at all U.S. banks was actually a decrease of 0.26%.

Over Half of Community Banks Increased Lending

(Dec 2008 – Mar 2010)

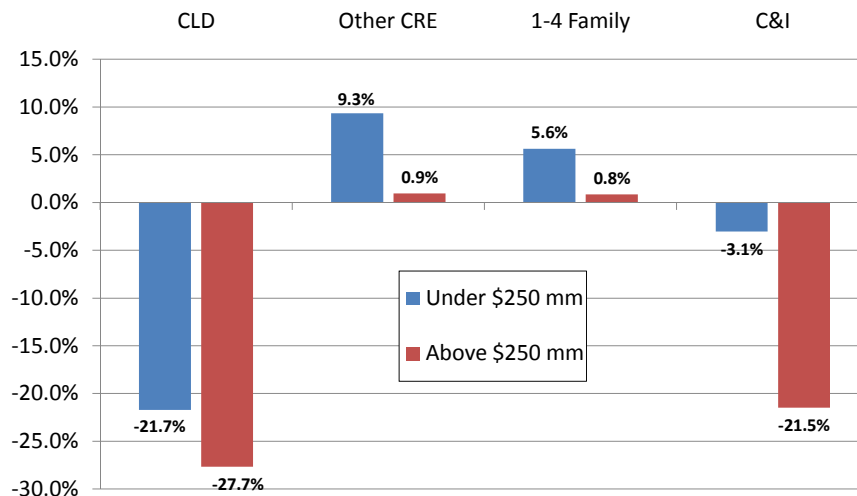


Bank Count:	2,418	2,073	874	536	420	47	33
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*Note: The sample of banks used to calculate these trends was adjusted to eliminate distortions from acquisitions, including failed banks, and the accounting changes for credit card loans that took effect in 2010.

Changes in Lending Varied by Loan Type

(Dec 2008 to Mar 2010)



Source: Reports of Condition and Income

- There were also differences in lending across different sizes of banks. A majority of community banks increased their outstanding loans over this period, while a much smaller number of larger banks reported increases. Only 30% of banks over \$10 billion increased outstanding loans.
- Changes in loan volume varied widely by loan type. Construction and land development (CLD) outstanding loans dropped across all sizes of banks, reflecting stressed real estate conditions. For commercial and industrial (C&I) loans, volume changes were relatively smaller for community banks compared to a decline of 21.5% for larger banks.