

SOUND BANKING CO

	CPP Disbursement Date 01/09/2009	Cert 57095	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items	2008 \$ millions	2009 \$ millions	%chg from prev	
Assets	\$127	\$128	0.6%	
Loans	\$97	\$99	1.7%	
<i>Construction & development</i>	\$28	\$25	-10.8%	
<i>Closed-end 1-4 family residential</i>	\$22	\$25	15.5%	
<i>Home equity</i>	\$14	\$13	-7.6%	
<i>Credit card</i>	\$0	\$0		
<i>Other consumer</i>	\$6	\$5	-16.6%	
<i>Commercial & Industrial</i>	\$7	\$7	-0.8%	
<i>Commercial real estate</i>	\$18	\$22	19.4%	
Unused commitments	\$16	\$12	-24.2%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$10	\$11	8.0%	
Asset-backed securities	\$0	\$0		
Other securities	\$6	\$8	22.2%	
Cash & balances due	\$3	\$4	14.0%	
Residential mortgage originations				
<i>Closed-end mortgage originated for sale (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originated for sale (quarter)</i>	\$0	\$0		
<i>Closed-end mortgage originations sold (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originations sold (quarter)</i>	\$0	\$0		
Liabilities	\$118	\$118	-0.1%	
Deposits	\$99	\$99	-0.3%	
Total other borrowings	\$16	\$16	0.4%	
FHLB advances	\$16	\$10	-38.2%	
Equity				
Equity capital at quarter end	\$9	\$10	10.4%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$3	NA	
Performance Ratios				
Tier 1 leverage ratio	7.5%	7.7%	--	
Tier 1 risk based capital ratio	8.8%	9.7%	--	
Total risk based capital ratio	12.0%	13.0%	--	
Return on equity ¹	-4.3%	6.0%	--	
Return on assets ¹	-0.3%	0.5%	--	
Net interest margin ¹	3.0%	4.2%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	67.3%	89.2%	--	
Loss provision to net charge-offs (qtr)	513.8%	196.4%	--	
Net charge-offs to average loans and leases ¹	0.2%	0.7%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2008	2009	2008	2009
<i>Construction & development</i>	7.2%	3.6%	0.0%	0.3%
<i>Closed-end 1-4 family residential</i>	2.4%	4.5%	0.0%	0.0%
<i>Home equity</i>	0.0%	0.1%	0.0%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.0%	0.0%
<i>Other consumer</i>	0.6%	1.1%	0.3%	0.5%
<i>Commercial & Industrial</i>	0.0%	0.1%	0.5%	0.8%
<i>Commercial real estate</i>	0.0%	1.3%	0.0%	0.0%
<i>Total loans</i>	2.6%	2.4%	0.1%	0.2%