



## DIVISION OF FINANCE

301 West High Street, Room 630  
P.O. Box 716  
Jefferson City, MO 65102-0716  
(573) 751-3242  
(573) 751-9192 FAX  
finance.mo.gov

Richard J. Weaver  
Commissioner of Finance

September 9, 2011

The attached report represents a consolidation of Reports of Condition filed by state-chartered banks with the Missouri Division of Finance as of June 30, 2011, and a comparison with the statements filed one year earlier. Also included is a comparison of financial statements of state-chartered and national banks.

During the previous twelve months, the number of state-chartered banks and trust companies decreased by four from 285 to 281. Four banks merged into other institutions. Two state chartered banks closed in the twelve month period. There were two new bank charters granted when national institutions converted to state-chartered banks.

Assets in state-chartered banks totaled \$91.3 billion on June 30, 2011, an increase of 18.6 percent from one year earlier. Deposits were \$75.6 billion, up 20.3 percent. Total loans were \$54.9 billion on June 30, 2011, up 7.1 percent. The largest impact on all of these numbers was the conversion of a large national bank to a state charter in the second quarter of 2011.

There are indicators of improvement in the overall condition of state-chartered banks. Evidence of asset quality improvement includes the significantly lower loan past due ratio: 4.08 percent at the end of June 2011 versus 4.87 percent as of June 30, 2010. An additional indicator is the lower volume of net loan losses in the first half of 2011 (\$256 million), compared to the first half of 2010 (\$377 million).

Earnings performance improved dramatically in the first half of 2011. The return on assets for all state-chartered banks was 0.81 percent, compared to 0.26 percent a year ago. A major factor in the improvement was the reduced level of provision expense, \$229 million, compared to \$378 million in the first half of 2010. The average net interest margin remained stable, at 3.94 percent as of June 30, 2011.

Capital levels remained strong, with the ratio of tangible equity capital to assets increasing to 9.22 percent, from 8.88 percent one year ago.

A handwritten signature in cursive script that reads "Richard J. Weaver".

Richard J. Weaver  
Commissioner of Finance

**COMPARATIVE STATEMENT OF CONDITION  
STATE BANKS AND TRUST COMPANIES IN MISSOURI  
AS OF JUNE 30, 2011**

| THOUSANDS OF DOLLARS      | 275<br>BANKS<br>6/30/2011 | 279<br>BANKS<br>6/30/2010 | INCREASE<br>DECREASE() | PERCENT<br>CHANGE |
|---------------------------|---------------------------|---------------------------|------------------------|-------------------|
| <b>ASSETS</b>             |                           |                           |                        |                   |
| Total Loans               | \$54,934,103              | \$51,299,715              | \$3,634,388            | 7.1%              |
| Allowance for Loan Losses | 1,218,877                 | 1,163,946                 | 54,931                 | 4.7%              |
| Total Assets              | 91,302,024                | 77,012,882                | 14,289,142             | 18.6%             |
| <b>LIABILITIES</b>        |                           |                           |                        |                   |
| Total Deposits            | 75,630,594                | 62,863,838                | 12,766,756             | 20.3%             |
| Total Equity Capital      | 9,020,241                 | 7,802,001                 | 1,218,240              | 15.6%             |

| OPERATING RATIOS                             | 6/30/2011 | 6/30/2010 | CHANGE |
|--|-----------|-----------|--------|
| Equity Capital/Assets                        | 9.88%     | 10.13%    | -0.25% |
| Tangible Equity Capital/Assets               | 9.22%     | 8.88%     | 0.34%  |
| Capital and Allowance for Loan Losses/Assets | 11.07%    | 11.64%    | -0.57% |
| Total Loans/Assets                           | 60.17%    | 66.61%    | -6.44% |
| Past Due and Nonaccrual Loans/Total Loans    | 4.08%     | 4.87%     | -0.79% |
| Allowance for Loan Losses/Loans              | 2.22%     | 2.27%     | -0.05% |
| Average Net Interest Margin                  | 3.94%     | 3.89%     | 0.05%  |
| Return on Assets                             | 0.81%     | 0.26%     | 0.55%  |

**NOTES:**

2010 & 2011 do not include six nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION  
STATE AND NATIONAL BANKS IN MISSOURI  
AS OF JUNE 30, 2011**

| MILLIONS OF DOLLARS         | 6/30/2011       |                   |                  | 6/30/2010        | PERCENT CHANGE |
|-----------------------------|-----------------|-------------------|------------------|------------------|----------------|
|                             | 275 STATE BANKS | 30 NATIONAL BANKS | 305 ALL BANKS    | 313 ALL BANKS    |                |
| <b>ASSETS</b>               |                 |                   |                  |                  |                |
| Cash and Due from Banks     | 6,576           | 2,569             | 9,145            | 9,644            | -5.2%          |
| Investment Securities       | 23,651          | 7,883             | 31,534           | 26,650           | 18.3%          |
| Total Loans and Leases      | 54,934          | 10,699            | 65,633           | 73,910           | -11.2%         |
| Less: Reserves              | 1,219           | 187               | 1,406            | 1,712            | -17.9%         |
| Federal Funds Sold          | 1,460           | 464               | 1,924            | 985              | 95.3%          |
| Fixed Assets                | 1,895           | 453               | 2,348            | 2,394            | -1.9%          |
| Other Real Estate           | 976             | 87                | 1,063            | 1,272            | -16.4%         |
| Intangible Assets           | 660             | 186               | 846              | 1,222            | -30.8%         |
| Other assets                | 2,369           | 412               | 2,781            | 3,995            | -30.4%         |
| <b>TOTAL ASSETS</b>         | <b>\$91,302</b> | <b>\$22,566</b>   | <b>\$113,868</b> | <b>\$118,360</b> | <b>-3.8%</b>   |
| <b>LIABILITIES</b>          |                 |                   |                  |                  |                |
| Total Deposits              | 75,631          | 18,338            | 93,969           | 95,914           | -2.0%          |
| Deposits over 250M/100M**   | 4,123           | 693               | 4,816            | 15,423           | -68.8%         |
| Brokered Deposits           | 3,497           | 230               | 3,727            | 4,996            | -25.4%         |
| Federal Funds Purchased     | 3,329           | 1,823             | 5,152            | 5,263            | -2.1%          |
| Other liabilities           | 3,322           | 348               | 3,670            | 5,802            | -36.7%         |
| <b>TOTAL EQUITY CAPITAL</b> | <b>9,020</b>    | <b>2,057</b>      | <b>11,077</b>    | <b>11,381</b>    | <b>-2.7%</b>   |
| <b>TOTAL</b>                | <b>\$91,302</b> | <b>\$22,566</b>   | <b>\$113,868</b> | <b>\$118,360</b> | <b>-3.8%</b>   |
| <b>EARNINGS</b>             |                 |                   |                  |                  |                |
| Interest Income             | 1,939           | 387               | 2,326            | 2,542            | -8.5%          |
| Interest Expense            | 367             | 56                | 423              | 649              | -34.8%         |
| Net Interest Income         | 1,572           | 331               | 1,903            | 1,893            | 0.5%           |
| Provision for Loan Losses   | 229             | 41                | 270              | 511              | -47.2%         |
| Net Income                  | 366             | 82                | 448              | 234              | 91.5%          |
| Cash Dividends              | 212             | 36                | 248              | 188              | 31.9%          |
| Net Loan Losses             | 256             | 41                | 297              | 507              | -41.4%         |

\*\*2011 figure is deposits over \$250M, but 2010 figure is deposits over \$100M, due to increase in FDIC deposit insurance