

FDIC State Profile

Indiana

Second Quarter 2017

ECONOMIC INDICATORS

Employment Growth Rates (change from year ago, unless noted)

| | Q2-17 | Q1-17 | Q2-16 | 2016 | 2015 |
|--|-------|-------|-------|------|------|
| Total Nonfarm (share of trailing four quarter employment in parentheses) | 1.4% | 1.4% | 1.2% | 1.5% | 1.9% |
| Manufacturing (17%) | 1.0% | 1.4% | 1.0% | 1.0% | 2.3% |
| Other (non-manufacturing) Goods-Producing (4%) | 4.5% | 2.1% | 2.4% | 2.2% | 2.9% |
| Private Service-Providing (65%) | 1.4% | 1.4% | 1.6% | 1.9% | 2.0% |
| Government (14%) | 0.6% | 0.9% | -0.4% | 0.5% | 0.4% |
| Unemployment Rate (% of labor force) | 3.3% | 4.0% | 4.6% | 4.5% | 4.8% |

Other Indicators (change from year ago, unless noted)

| | Q2-17 | Q1-17 | Q2-16 | 2016 | 2015 |
|---|--------|--------|--------|--------|-------|
| Single-Family Home Permits | 8.6% | 17.1% | 13.0% | 14.3% | -1.8% |
| Multifamily Building Permits | 123.1% | -11.7% | -52.8% | -27.9% | 7.3% |
| Home Price Index | 4.9% | 3.8% | 3.4% | 3.9% | 3.9% |
| Nonbusiness Bankruptcy Filings per 1000 people (quarterly annualized level) | 3.95 | 3.38 | 4.02 | 3.59 | 3.96 |

BANKING TRENDS

General Information

| | Q2-17 | Q1-17 | Q2-16 | 2016 | 2015 |
|--------------------------------|--------|--------|--------|--------|--------|
| Institutions (#) | 111 | 111 | 116 | 111 | 119 |
| Total Assets (in millions) | 89,081 | 86,155 | 84,505 | 85,352 | 79,158 |
| New Institutions (# < 3 years) | 0 | 0 | 0 | 0 | 0 |
| Subchapter S Institutions | 18 | 18 | 18 | 18 | 18 |

Asset Quality

| | Q2-17 | Q1-17 | Q2-16 | 2016 | 2015 |
|--|-------|-------|-------|------|------|
| Past-Due and Nonaccrual Loans / Total Loans (median %) | 1.35 | 1.47 | 1.37 | 1.47 | 1.71 |
| Noncurrent Loans / Total Loans (median %) | 0.73 | 0.81 | 0.81 | 0.75 | 0.89 |
| ALLL/Total Loans (median %) | 1.24 | 1.25 | 1.29 | 1.26 | 1.30 |
| ALLL/Noncurrent Loans (median multiple) | 1.67 | 1.66 | 1.52 | 1.67 | 1.56 |
| Net Loan Losses / Total Loans (median %) | 0.02 | 0.02 | 0.04 | 0.09 | 0.07 |

Capital / Earnings

| | Q2-17 | Q1-17 | Q2-16 | 2016 | 2015 |
|--|-------|-------|-------|-------|-------|
| Tier 1 Leverage (median %) | 10.32 | 10.37 | 10.35 | 10.23 | 10.25 |
| Return on Assets (median %) | 0.90 | 0.80 | 0.83 | 0.85 | 0.81 |
| Pretax Return on Assets (median %) | 1.22 | 1.06 | 1.14 | 1.15 | 1.08 |
| Net Interest Margin (median %) | 3.62 | 3.58 | 3.58 | 3.54 | 3.60 |
| Yield on Earning Assets (median %) | 4.04 | 3.95 | 3.95 | 3.93 | 3.96 |
| Cost of Funding Earning Assets (median %) | 0.42 | 0.39 | 0.42 | 0.41 | 0.41 |
| Provisions to Avg. Assets (median %) | 0.05 | 0.05 | 0.06 | 0.07 | 0.06 |
| Noninterest Income to Avg. Assets (median %) | 0.68 | 0.67 | 0.73 | 0.74 | 0.70 |
| Overhead to Avg. Assets (median %) | 2.79 | 2.80 | 2.90 | 2.89 | 2.92 |

Liquidity/Sensitivity

| | Q2-17 | Q1-17 | Q2-16 | 2016 | 2015 |
|--|-------|-------|-------|-------|-------|
| Net Loans to Assets (median %) | 67.59 | 66.10 | 66.37 | 66.70 | 65.21 |
| Noncore Funding to Assets (median %) | 9.42 | 8.78 | 8.95 | 8.82 | 9.60 |
| Long-term Assets to Assets (median %, call filers) | 42.21 | 42.48 | 42.42 | 42.83 | 42.52 |
| Brokered Deposits (number of institutions) | 48 | 44 | 46 | 44 | 48 |
| Brokered Deposits to Assets (median % for those above) | 2.79 | 2.92 | 2.44 | 2.62 | 1.85 |

Loan Concentrations (median % of Qualifying Total Capital)

| | Q2-17 | Q1-17 | Q2-16 | 2016 | 2015 |
|-------------------------------------|--------|--------|--------|--------|--------|
| Commercial and Industrial | 55.20 | 53.32 | 51.91 | 55.03 | 50.42 |
| Commercial Real Estate | 141.07 | 135.21 | 132.36 | 135.65 | 129.66 |
| Construction & Development | 20.82 | 19.85 | 16.42 | 20.62 | 17.59 |
| Multifamily Residential Real Estate | 10.43 | 10.20 | 10.29 | 9.31 | 10.61 |
| Nonresidential Real Estate | 100.15 | 101.98 | 99.67 | 99.19 | 103.57 |
| Residential Real Estate | 212.61 | 217.37 | 215.17 | 211.79 | 215.58 |
| Consumer | 14.38 | 14.91 | 14.91 | 15.56 | 14.43 |
| Agriculture | 37.16 | 36.30 | 33.16 | 38.28 | 37.97 |

BANKING PROFILE

Largest Deposit Markets (from 2016 Summary of Deposits)

| | Institutions in Market | Deposits (\$ millions) | Asset Distribution | Institutions |
|------------------------------------|------------------------|------------------------|--------------------------------|--------------|
| Chicago-Naperville-Elgin, IL-IN-WI | 208 | 391,331 | < \$100 million | 20 (18%) |
| Cincinnati, OH-KY-IN | 67 | 106,807 | \$100 million to \$250 million | 35 (31.5%) |
| Indianapolis-Carmel-Anderson, IN | 49 | 45,100 | \$250 million to \$1 billion | 40 (36%) |
| Louisville-Jefferson County, KY-IN | 40 | 25,223 | \$1 billion to \$10 billion | 15 (13.5%) |
| Fort Wayne, IN | 26 | 7,814 | > \$10 billion | 1 (0.9%) |