PARAGON COMMERCIAL CORP
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)
(Unaudited)

	Three Months Ended					Year to Date as of September 30,	
	Sept. 30, 2015	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014	2015	2014
Loans and loan fees	$ 11,223	$ 10,899	$ 10,067	$ 9,896	$ 9,686	$ 32,189	$ 28,103
Investment securities	1,249	1,072	1,227	1,408	1,098	3,548	3,290
Federal funds and other interest income	38	40	26	23	23	104	63
Total Interest and Dividend Income	12,510	12,011	11,320	11,327	10,807	35,841	31,456
Interest-bearing checking and money markets	727	645	615	582	563	1,987	1,562
Time deposits	799	846	964	1,211	1,350	2,609	4,160
Borrowings and repurchase agreements	328	307	289	268	266	924	895
Total Interest Expense	1,854	1,798	1,868	2,061	2,179	5,520	6,617
Net Interest Income	10,656	10,213	9,452	9,266	8,628	30,321	24,839
Provision for loan losses	-	179	571	-	-	750	538
Net Interest Income after Provision for Loan Losses	10,656	10,034	8,881	9,266	8,628	29,571	24,301
Non-interest Income							
Mortgage banking revenues	44	75	37	32	30	156	80
Deposit service charges and other fees	58	54	51	22	67	163	185
Net gain on sale of securities	145	-	423	-	-	568	87
Increase in cash surrender value of bank owned life insurance	225	206	201	206	197	632	593
Net loss on sale or write-down of other real estate	(9)	(126)	(337)	(2)	(720)	(472)	(901)
Other noninterest income	81	115	109	212	46	305	190
Total Non-interest Income	544	324	484	470	(380)	1,352	234
Non-interest Expense							
Salaries and employee benefits	3,378	3,117	3,219	2,982	3,037	9,714	8,844
Occupancy	366	488	349	304	339	1,203	695
Unreimbursed loan costs and foreclosure related expenses	281	298	171	84	154	750	412
FDIC and other supervisory assessments	231	252	227	227	208	710	705
Data processing	267	299	280	330	347	846	899
Professional fees	159	318	137	210	283	614	909
Furniture and equipment	482	451	450	413	344	1,383	927
Directors fees and expenses	253	211	206	273	261	670	704
Other expenses	763	966	841	730	711	2,570	2,261
Total Non-interest Expenses	6,180	6,400	5,880	5,553	5,684	18,460	16,356
Income before income taxes	5,020	3,958	3,485	4,183	2,564	12,463	8,179
Income tax expense	1,707	1,308	1,177	1,481	1,036	4,192	2,922
Net income	**$ 3,313**	**$ 2,650**	**$ 2,308**	**$ 2,702**	**$ 1,528**	**$ 8,271**	**$ 5,257**
Basic earnings per share	**$ 0.73**	**$ 0.59**	**$ 0.52**	**$ 0.60**	**$ 0.34**	**$ 1.84**	**$ 1.17**
Diluted earnings per share	**$ 0.73**	**$ 0.59**	**$ 0.51**	**$ 0.60**	**$ 0.34**	**$ 1.82**	**$ 1.16**

PARAGON COMMERCIAL CORP
CONSOLIDATED BALANCE SHEETS
(Dollars and shares in thousands)
(Unaudited)

	Sept. 30, 2015	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Assets					
Cash and due from banks	$ 118,297	$ 77,949	$ 98,110	$ 36,395	$ 60,594
Investment securities - available for sale, at fair value	172,513	168,048	154,185	185,250	185,337
Loans-net of unearned income and deferred fees	998,232	991,445	944,039	868,405	820,932
Allowance for loan losses	(7,618)	(7,569)	(7,553)	(6,869)	(7,009)
	990,614	983,876	936,486	861,536	813,923
Premises and equipment, net	16,538	16,611	16,824	17,071	16,896
Bank owned life insurance	28,052	27,827	27,621	27,421	27,214
Federal Home Loan Bank stock, at cost	7,636	8,699	8,274	5,431	5,431
Interest receivable	3,609	3,944	3,530	3,636	3,290
Deferred tax assets	5,141	5,527	5,004	4,925	5,930
Other real estate owned and reposessed property	13,017	13,679	14,577	14,991	14,788
Other assets	5,776	7,259	6,566	8,599	6,961
Total Assets	$ 1,361,193	$ 1,313,419	$ 1,271,177	$ 1,165,255	$ 1,140,364
Liabilities and Shareholders' Equity					
Liabilities					
Deposits:					
Demand, non-interest bearing	$ 161,878	$ 162,758	$ 145,799	$ 118,895	$ 103,372
Money market accounts and interest checking	501,822	489,675	447,774	375,833	362,944
Time deposits	392,080	372,402	354,512	388,912	413,524
Total deposits	1,055,780	1,024,835	948,085	883,640	879,840
Repurchase agreements and federal funds purchased	25,978	26,546	33,183	27,482	29,571
Borrowings	160,422	146,039	176,650	142,256	122,854
Subordinated debentures	18,558	18,558	18,558	18,558	18,558
Other liabilities	6,162	6,297	4,677	5,657	5,200
Total Liabilities	1,266,900	1,222,275	1,181,153	1,077,593	1,056,023
Stockholders' equity					
Common stock, $0.008 par value	37	36	36	36	36
Additional paid in capital	52,993	52,694	52,567	52,358	52,220
Retained earnings	42,397	39,084	36,434	34,126	31,424
Accumulated other comprehensive (loss) income	(1,134)	(670)	987	1,142	661
Total Shareholders' Equity	94,293	91,144	90,024	87,662	84,341
Total Liabilities and Shareholders' Equity	$ 1,361,193	$ 1,313,419	$ 1,271,177	$ 1,165,255	$ 1,140,364

PARAGON COMMERCIAL CORP
LOANS
(In thousands)
(Unaudited)

	Sept. 30, 2015	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Loans					
Non-owner occupied commercial real estate	$ 300,702	$ 303,113	$ 297,074	$ 279,529	$ 286,531
Other commercial construction and land	50,694	56,285	55,811	52,220	54,891
Multifamily commercial real estate	84,229	81,876	78,698	74,956	62,007
1-4 family residential construction and land	21,652	17,636	18,967	19,415	18,788
Total commercial real estate	457,277	458,910	450,550	426,120	422,217
Owner occupied commercial real estate	141,563	134,177	128,554	123,091	107,726
Commercial and industrial	138,571	144,168	134,059	118,559	106,837
Total commercial	280,134	278,345	262,613	241,650	214,563
1-4 family residential	166,531	165,073	155,838	148,136	139,948
Home equity	75,686	69,565	60,785	46,782	36,280
Other consumer	4,839	5,166	5,575	4,319	4,874
Total consumer	247,056	239,804	222,198	199,237	181,102
Other	13,765	14,386	8,678	1,398	3,050
Total loans	$ 998,232	$ 991,445	$ 944,039	$ 868,405	$ 820,932

PARAGON COMMERCIAL CORP
OTHER FINANCIAL HIGHLIGHTS
(In thousands, except per share data)
(Unaudited)

	Three Months Ended				
	Sept. 30, 2015	June 30, 2015	March 31, 2015	Dec. 31, 2014	Sept. 30, 2014
Net loan charge-offs (recoveries)	$ (54)	$ 162	$ (112)	$ 140	$ (54)
Annualized net charge-offs/average loans	-0.02%	0.07%	-0.05%	0.07%	-0.03%
Allowance for loan losses	$ 7,618	$ 7,569	$ 7,553	$ 6,869	$ 7,009
Allowance for loan losses/ total loans	0.76%	0.76%	0.80%	0.79%	0.85%
Non-accrual loans	$ 738	$ 754	$ 3,935	$ 420	$ 740
Loans past due >30 days and still accruing	$ -	$ -	$ 549	$ 256	$ 1,487
Total interest-earning assets	$ 1,280,961	$ 1,223,755	$ 1,187,831	$ 1,078,486	$ 1,056,793
Other real estate owned	$ 13,017	$ 13,679	$ 14,577	$ 14,991	$ 14,788
Tax equivalent net interest margin	3.49%	3.50%	3.52%	3.53%	3.45%
Efficiency ratio	55.18%	60.74%	59.18%	57.04%	68.91%
ROA	0.99%	0.83%	0.77%	0.93%	0.54%
ROE	14.17%	11.70%	10.38%	12.47%	7.27%
Average diluted common shares outstanding	4,565,963	4,528,553	4,514,111	4,474,586	4,458,118
End of quarter common shares outstanding	4,580,434	4,553,141	4,537,595	4,530,000	4,458,894
Average equity	$ 93,498	$ 90,607	$ 88,971	$ 86,704	$ 84,045
Total equity	$ 94,293	$ 91,144	$ 90,024	$ 87,662	$ 84,341
Book value per common share	$ 20.59	$ 20.02	$ 19.84	$ 19.35	$ 18.92
Tangible common equity ratio	6.93%	6.94%	7.08%	7.52%	7.40%
Average assets	$ 1,342,111	$ 1,279,887	$ 1,202,438	$ 1,164,540	$ 1,131,351