

First BancTrust Corporation
Condensed Consolidated Balance Sheets

	June 30, 2015	December 31, 2014
	(unaudited)	
Assets		
Cash and due from banks	\$ 3,959,456	\$ 3,520,446
Interest-bearing deposits	5,847,508	16,751,503
Federal Funds Sold	881,360	880,237
Cash and cash equivalents	<u>10,688,324</u>	<u>21,152,186</u>
Interest-bearing time deposits in banks	1,245,000	1,245,000
Available-for-sale securities	59,992,090	55,969,830
Held-to-maturity securities (fair value of \$329,691 and \$416,450)	317,276	398,469
Loans held for sale, net of unrealized loss	121,428	221,000
Loans, net of allowance for loan losses of \$4,444,993 and \$4,475,702	335,030,147	326,293,940
Premises and equipment	11,473,900	11,670,537
Federal Home Loan Bank stock	2,610,490	2,610,490
Foreclosed assets held for sale, net	207,166	261,374
Interest receivable	2,073,276	2,450,615
Deferred income taxes	2,266,318	2,059,292
Loan servicing rights	373,718	381,477
Cash surrender value of life insurance	7,875,914	7,743,336
Goodwill	541,474	541,474
Core deposit intangibles	56,282	80,580
Other assets	<u>840,073</u>	<u>671,741</u>
 Total assets	 <u><u>\$ 435,712,876</u></u>	 <u><u>\$ 433,751,341</u></u>
Liabilities and Stockholders' Equity		
Deposits		
Demand	\$ 33,569,530	\$ 35,113,798
Savings, NOW and money market	139,129,725	138,908,271
Time	168,914,286	166,973,544
Brokered time	4,934,381	6,254,406
Total deposits	<u>346,547,922</u>	<u>347,250,019</u>
Short term borrowings	2,000,000	-
Federal Home Loan Bank advances	36,000,000	36,000,000
Junior subordinated debentures	6,186,000	6,186,000
Pass through payments received on loans sold	3,274	0
Advances from borrowers for taxes and insurance	513,577	395,367
Interest payable	310,036	330,962
Other	3,131,738	3,046,658
Total liabilities	<u>394,692,547</u>	<u>393,209,006</u>
Stockholders' Equity		
Common stock, \$.01 par value; authorized 5,000,000 shares; 2,114,761 shares Issued; 2,085,116 and 2,114,761 shares outstanding	21,664	21,664
Additional paid-in capital	6,282,944	6,282,944
Retained earnings	35,409,087	34,179,589
Accumulated other comprehensive income	(206,363)	58,138
Treasury stock, at cost - 21,664 and 0 shares	<u>(487,003)</u>	<u>0</u>
Total stockholders' equity	<u>41,020,329</u>	<u>40,542,335</u>
 Total liabilities and stockholders' equity	 <u><u>\$ 435,712,876</u></u>	 <u><u>\$ 433,751,341</u></u>

First BancTrust Corporation
Condensed Consolidated Statements of Income
(unaudited)

Three months Ended June 30	2015	2014
Interest and Dividend Income		
Loans		
Taxable	\$ 3,965,750	\$ 3,850,893
Tax exempt	8,504	9,331
Securities		
Taxable	223,163	244,446
Tax exempt	105,364	86,699
Deposits with financial institutions and other	13,263	11,623
Total interest and dividend income	4,316,044	4,202,992
Interest Expense		
Deposits	427,088	388,732
Federal Home Loan Bank advances and other debt	367,975	357,144
Total interest expense	795,063	745,876
Net Interest Income	3,520,981	3,457,116
Provision for loan losses	120,000	199,500
Net Interest Income After Provision for Loan Losses	3,400,981	3,257,616
Noninterest Income		
Customer service fees	138,422	207,378
Other service charges and fees	346,988	353,755
Net gains on loan sales	176,522	119,332
Net loan servicing fees	105,399	100,250
Brokerage fees	5,422	5,747
Abstract and title fees	101,674	101,162
Increase in cash surrender value of life insurance	66,644	66,173
Other	94,762	55,318
Total noninterest income	1,035,833	1,009,115
Noninterest Expense		
Salaries and employee benefits	1,772,632	1,642,637
Net occupancy expense	254,529	222,854
Equipment expense	256,219	238,493
Data processing fees	308,859	216,286
Professional fees	100,009	81,259
Foreclosed assets expense, net	(531)	40,692
Marketing expense	107,616	90,954
Printing and office supplies	37,116	30,543
Amortization of loan servicing rights	51,393	56,354
FDIC Insurance	63,558	63,510
Other expenses	336,073	336,408
Total noninterest expense	3,287,473	3,019,990
Income Before Income Tax	\$ 1,149,341	\$ 1,246,741
Income tax expense	401,319	438,958
Net Income Available to Common Stockholders	\$ 748,022	\$ 807,783
Basic Earnings Per Share	\$ 0.36	\$ 0.38
Diluted Earnings Per Share	\$ 0.36	\$ 0.38

First BancTrust Corporation
Condensed Consolidated Statements of Income
(unaudited)

Six months Ended June 30	2015	2014
Interest and Dividend Income		
Loans		
Taxable	\$ 7,834,708	\$ 7,590,712
Tax exempt	17,217	18,863
Securities		
Taxable	433,008	482,463
Tax exempt	198,679	169,086
Deposits with financial institutions and other	31,575	23,659
Total interest and dividend income	8,515,187	8,284,783
Interest Expense		
Deposits	847,241	773,880
Federal Home Loan Bank advances and other debt	730,769	710,365
Total interest expense	1,578,010	1,484,245
Net Interest Income	6,937,177	6,800,538
Provision for loan losses	240,000	392,550
Net Interest Income After Provision for Loan Losses	6,697,177	6,407,988
Noninterest Income		
Customer service fees	276,582	390,715
Other service charges and fees	685,070	662,183
Net gains on loan sales	341,209	195,301
Net loan servicing fees	204,054	200,718
Brokerage fees	12,585	11,713
Abstract and title fees	200,318	168,148
Increase in cash surrender value of life insurance	132,578	131,663
Other	183,307	110,461
Total noninterest income	2,035,703	1,870,902
Noninterest Expense		
Salaries and employee benefits	3,527,756	3,248,833
Net occupancy expense	512,296	447,871
Equipment expense	497,972	447,242
Data processing fees	587,780	427,636
Professional fees	189,992	176,191
Foreclosed assets expense, net	14,149	35,889
Marketing expense	228,932	175,504
Printing and office supplies	73,210	57,022
Amortization of loan servicing rights	104,511	117,388
FDIC Insurance	126,424	127,538
Other expenses	663,287	642,790
Total noninterest expense	6,526,309	5,903,904
Income Before Income Tax	\$ 2,206,571	\$ 2,374,986
Income tax expense	762,123	845,488
Net Income Available to Common Stockholders	\$ 1,444,448	\$ 1,529,498
Basic Earnings Per Share	\$ 0.69	\$ 0.72
Diluted Earnings Per Share	\$ 0.69	\$ 0.72

First BancTrust Corporation
Condensed Consolidated Statements of Cash Flows
(unaudited)

Six months ended June 30	2015	2014
Operating Activities		
Net income	\$ 1,444,448	\$ 1,529,498
Items not requiring (providing) cash		
Depreciation and amortization	488,056	422,100
Provision for loan losses	240,000	392,550
Gain on foreclosed assets, net	(6,048)	(14,901)
Other than tempoary impairment on foreclosed assets	13,500	-
Gain on disposition of premises and equipment	(12,700)	-
Amortization of premiums and discounts on securities, net	224,360	126,427
Amortization of loan servicing rights	104,513	117,388
Deferred income taxes	(34,149)	(194,325)
Amortization of intangible assets	24,298	34,381
Net gain on loan sales	(341,209)	(195,302)
Loans originated for sale	(11,458,643)	(7,482,365)
Proceeds from sales of loans originated for sale	11,802,670	6,785,792
Changes in		
Interest receivable	377,339	348,462
Cash surrender value of life insurance	(132,578)	(131,663)
Other assets	(168,332)	(68,736)
Interest payable	(20,926)	(42,360)
Other liabilities	85,080	318
Net cash provided by operating activities	2,629,679	1,627,264
Investing Activities		
Purchases of available-for-sale securities	(13,779,151)	(6,491,026)
Proceeds from maturities of available-for-sale securities	9,095,133	3,928,123
Proceeds from maturities of held-to-maturity securities	81,213	115,531
Net change in loans	(9,030,776)	(12,009,768)
Proceeds from sales of foreclosed assets	101,325	1,009,662
Purchases of premises and equipment	(291,419)	(498,966)
Proceeds from disposal of premises and equipment	12,700	-
Net cash provided (used) by investing activities	(13,810,975)	(13,946,444)
Financing Activities		
Net increase in demand deposits, money market, NOW and savings accounts	\$ (1,322,814)	\$ 5,978,548
Net decrease in time and brokered time deposits	620,717	(139,612)
Net change in federal funds purchased	2,000,000	2,000,000
Proceeds from Federal Home Bank advances	2,000,000	-
Repayment of Federal Home Loan Bank advances	(2,000,000)	-
Net change in pass through payments received on loans sold	3,274	147,335
Net change in advances from borrowers for taxes and insurance	118,210	402,052
Dividends paid on common stock	(214,950)	(129,985)
Purchase of treasury stock	(487,003)	-
Net cash provided by financing activities	717,434	8,258,338
Decrease in Cash and Cash Equivalents	(10,463,862)	(4,060,842)
Cash and Cash Equivalents, Beginning of Period	21,152,186	13,567,830
Cash and Cash Equivalents, End of Period	\$ 10,688,324	\$ 9,506,988
Supplemental Cash Flows Information		
Interest paid	\$ 1,598,936	\$ 1,526,605
Income taxes paid (net of refunds)	\$ 960,000	\$ 975,000
Real estate and other property acquired in settlement of loans	\$ 54,569	\$ 64,700