

First BancTrust Corporation
Condensed Consolidated Balance Sheets

	December 31, 2015	December 31, 2014
	(unaudited)	
Assets		
Cash and due from banks	\$ 3,952,823	\$ 3,520,446
Interest-bearing deposits	8,090,590	16,751,503
Federal Funds Sold	381,033	880,237
Cash and cash equivalents	12,424,446	21,152,186
Interest-bearing time deposits in banks	1,245,000	1,245,000
Available-for-sale securities	58,621,816	55,969,830
Held-to-maturity securities (fair value of \$242,028 and \$416,450)	235,038	398,469
Loans held for sale, net of unrealized loss	463,445	221,000
Loans, net of allowance for loan losses of \$4,549,590 and \$4,475,702	348,567,981	326,293,940
Premises and equipment	11,210,998	11,670,537
Federal Home Loan Bank stock	2,610,490	2,610,490
Foreclosed assets held for sale, net	232,730	261,374
Interest receivable	2,526,318	2,450,615
Deferred income taxes	2,186,321	2,059,292
Loan servicing rights	382,139	381,477
Cash surrender value of life insurance	8,012,560	7,743,336
Goodwill	541,474	541,474
Core deposit intangibles	31,985	80,580
Other assets	1,006,088	671,741
Total assets	\$ 450,298,829	\$ 433,751,341
Liabilities and Stockholders' Equity		
Deposits		
Demand	\$ 35,421,888	\$ 35,113,798
Savings, NOW and money market	140,478,375	138,908,271
Time	175,194,148	166,973,544
Brokered time	8,370,735	6,254,406
Total deposits	359,465,146	347,250,019
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
Advances from borrowers for taxes and insurance	386,166	395,367
Interest payable	350,335	330,962
Other	3,154,035	3,046,658
Total liabilities	407,541,682	393,209,006
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	36,974,268	34,179,589
Accumulated other comprehensive income	(34,726)	58,138
Treasury stock, at cost - 21,664 and 0 shares	(487,003)	0
Total stockholders' equity	42,757,147	40,542,335
Total liabilities and stockholders' equity	\$ 450,298,829	\$ 433,751,341

First BancTrust Corporation
Condensed Consolidated Statements of Income
(unaudited)

Twelve months Ended December 31	2015	2014
Interest and Dividend Income		
Loans		
Taxable	\$ 16,054,283	\$ 15,644,433
Tax exempt	33,587	36,910
Securities		
Taxable	864,051	975,385
Tax exempt	414,168	342,941
Deposits with financial institutions and other	55,522	46,183
Total interest and dividend income	<u>17,421,611</u>	<u>17,045,852</u>
Interest Expense		
Deposits	1,797,795	1,603,964
Federal Home Loan Bank advances and other debt	1,477,003	1,441,067
Total interest expense	<u>3,274,798</u>	<u>3,045,031</u>
Net Interest Income	14,146,813	14,000,821
Provision for loan losses	580,000	764,450
Net Interest Income After Provision for Loan Losses	<u>13,566,813</u>	<u>13,236,371</u>
Noninterest Income		
Customer service fees	571,977	816,693
Other service charges and fees	1,464,752	1,422,023
Net gains on loan sales	735,410	475,916
Net realized gains on sales of available-for-sale securities	40,360	-
Net loan servicing fees	403,554	303,642
Brokerage fees	21,389	20,539
Abstract and title fees	410,697	388,902
Increase in cash surrender value of life insurance	269,224	266,246
Other	353,899	272,522
Total noninterest income	<u>4,271,262</u>	<u>3,966,483</u>
Noninterest Expense		
Salaries and employee benefits	6,929,906	6,627,232
Net occupancy expense	1,023,501	892,766
Equipment expense	1,004,080	926,317
Data processing fees	1,198,458	947,506
Professional fees	341,608	331,575
Foreclosed assets expense, net	(9,411)	49,432
Marketing expense	432,955	387,791
Printing and office supplies	138,558	142,377
Amortization of loan servicing rights	208,541	227,646
FDIC Insurance	251,620	254,427
Other expenses	1,399,003	1,355,762
Total noninterest expense	<u>12,918,819</u>	<u>12,142,831</u>
Income Before Income Tax	\$ 4,919,256	\$ 5,060,023
Income tax expense	1,695,950	1,814,528
Net Income Available to Common Stockholders	<u>\$ 3,223,306</u>	<u>\$ 3,245,495</u>
Basic Earnings Per Share	<u>\$ 1.54</u>	<u>\$ 1.53</u>
Diluted Earnings Per Share	<u>\$ 1.54</u>	<u>\$ 1.53</u>

First BancTrust Corporation
Condensed Consolidated Statements of Income
(unaudited)

Three months Ended December 31	2015	2014
Interest and Dividend Income		
Loans		
Taxable	\$ 4,168,993	\$ 3,996,767
Tax exempt	8,078	8,920
Securities		
Taxable	217,532	261,087
Tax exempt	107,509	87,243
Deposits with financial institutions and other	12,938	13,250
Total interest and dividend income	<u>4,515,050</u>	<u>4,367,267</u>
Interest Expense		
Deposits	497,677	420,410
Federal Home Loan Bank advances and other debt	373,126	369,301
Total interest expense	<u>870,803</u>	<u>789,711</u>
Net Interest Income	3,644,247	3,577,556
Provision for loan losses	<u>220,000</u>	<u>165,950</u>
Net Interest Income After Provision for Loan Losses	<u>3,424,247</u>	<u>3,411,606</u>
Noninterest Income		
Customer service fees	136,770	188,480
Other service charges and fees	397,705	366,995
Net gains on loan sales	184,764	151,863
Net realized gains on sales of available-for-sale securities	714	-
Net loan servicing fees	98,833	86,460
Brokerage fees	4,230	3,951
Abstract and title fees	100,048	114,441
Increase in cash surrender value of life insurance	68,933	67,684
Other	82,698	92,461
Total noninterest income	<u>1,074,695</u>	<u>1,072,335</u>
Noninterest Expense		
Salaries and employee benefits	1,645,200	1,707,415
Net occupancy expense	257,089	218,923
Equipment expense	244,497	232,834
Data processing fees	317,140	306,146
Professional fees	68,947	77,271
Foreclosed assets expense, net	(12,247)	12,943
Marketing expense	113,543	133,413
Printing and office supplies	33,701	36,805
Amortization of loan servicing rights	51,662	53,997
FDIC Insurance	56,362	66,837
Other expenses	375,828	372,338
Total noninterest expense	<u>3,151,722</u>	<u>3,218,922</u>
Income Before Income Tax	\$ 1,347,220	\$ 1,265,019
Income tax expense	<u>448,352</u>	<u>454,084</u>
Net Income Available to Common Stockholders	<u>\$ 898,868</u>	<u>\$ 810,935</u>
Basic Earnings Per Share	<u>\$ 0.43</u>	<u>\$ 0.38</u>
Diluted Earnings Per Share	<u>\$ 0.43</u>	<u>\$ 0.38</u>

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

Twelve months ended December 31	2015	2014
Operating Activities		
Net income	\$ 3,223,306	\$ 3,245,495
Items not requiring (providing) cash		
Depreciation and amortization	970,714	881,859
Provision for loan losses	580,000	764,450
Gain on foreclosed assets, net	(23,010)	(9,422)
Other than temporary impairment on foreclosed assets	13,500	-
Gain on disposition of premises and equipment	(11,919)	(5,000)
Amortization of premiums and discounts on securities, net	419,916	485,225
Amortization of loan servicing rights	208,541	227,646
Deferred income taxes	(65,475)	(169,111)
Amortization of intangible assets	48,595	68,760
Net realized gains on available-for-sale securities	(40,360)	-
Net gain on loan sales	(735,410)	(475,916)
Loans originated for sale	(32,060,976)	(16,932,822)
Proceeds from sales of loans originated for sale	32,344,738	17,055,352
Changes in		
Interest receivable	(75,703)	66,795
Cash surrender value of life insurance	(269,224)	(266,246)
Other assets	(334,347)	225,507
Interest payable	19,373	45,778
Other liabilities	107,141	346,575
Net cash provided by operating activities	<u>4,319,400</u>	<u>5,554,925</u>
Investing Activities		
Purchases of available-for-sale securities	(20,622,880)	(9,303,190)
Proceeds from maturities of available-for-sale securities	13,516,098	10,374,799
Proceeds from sales of available-for-sale securities	3,921,027	-
Proceeds from maturities of held-to-maturity securities	163,462	202,668
Net change in loans	(23,019,276)	(21,614,103)
Proceeds from sales of foreclosed assets	203,389	1,125,414
Purchases of premises and equipment	(511,956)	(725,558)
Proceeds from disposal of premises and equipment	12,700	5,000
Net cash provided (used) by investing activities	<u>(26,337,436)</u>	<u>(19,934,970)</u>

Financing Activities

Net increase in demand deposits, money market, NOW and savings accounts	\$ 1,878,194	\$ 8,187,425
Net decrease in time and brokered time deposits	10,336,933	12,139,934
Net change in federal funds purchased	2,000,000	
Proceeds from Federal Home Bank advances	4,500,000	2,000,000
Repayment of Federal Home Loan Bank advances	(4,500,000)	-
Net change in pass through payments received on loans sold	-	(81,111)
Net change in advances from borrowers for taxes and insurance	(9,201)	14,219
Dividends paid on common stock	(428,627)	(296,066)
Purchase of treasury stock	(487,003)	-
	<u>13,290,296</u>	<u>21,964,401</u>
Net cash provided by financing activities		
Decrease in Cash and Cash Equivalents	(8,727,740)	7,584,356
Cash and Cash Equivalents, Beginning of Period	<u>21,152,186</u>	<u>13,567,830</u>
Cash and Cash Equivalents, End of Period	<u>\$ 12,424,446</u>	<u>\$ 21,152,186</u>

Supplemental Cash Flows Information

Interest paid	\$ 3,255,425	\$ 2,999,253
Income taxes paid (net of refunds)	\$ 2,143,318	\$ 1,705,279
Real estate and other property acquired in settlement of loans	\$ 165,235	\$ 385,074