Zacks Small-Cap Research

February 26, 2013
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QCR Holdings, Inc.

(QCRH-NASDAQ)

QCRH: QCRH Acquires Community National Bancorporation

Current Recommendation	**Neutral**
Prior Recommendation	Outperform
Date of Last Change	02/05/2013
Current Price (02/25/13)	$16.34
Twelve- Month Target Price	**$17.50**

OUTLOOK

QCRH is purchasing Community National Bancorporation (CNB), headquartered in Waterloo, Iowa with approximately $290 million in total assets and eight banking locations, in a $20.1 million cash and stock transaction that is expected to be completed toward the end of the second quarter. We view the acquisition positively, noting the close fit between the two companies' relationship-oriented community banking models, and the fact that the acquisition is manageable, with CNB roughly 15% the size of QCRH. In addition, this transaction provides the opportunity for QCRH to expand its footprint in Iowa, while adding another strong commercial and industrial lending market to its roster. As a result of the acquisition, we are raising our 2013 diluted EPS estimate to $2.10 from $2.05, as expected costs savings will outpace the higher number of shares outstanding. Our estimate excludes a couple of items that are part of the acquisition and offer QCRH downside protection, including a $400,000 bump-up in the CNB loan loss reserve and a $1.0 million addition to the litigation reserve at CNB. However, our 2013 EPS estimate includes an $0.8 million pretax gain (an estimated $0.12 per share on an aftertax basis) on the recently-announced sale of the credit card business, which is comparable to the $0.6 million pretax gain on the sale of an interest in a data processing provider in 2012's third quarter. Our 2013 EPS estimate assumes no conversion of the Series E preferred stock. Assuming the Series E preferred stock were converted during 2013's third quarter, our EPS estimate would increase to $2.00 from $1.95 before the acquisition.

SUMMARY DATA

52-Week High	**$16.84**
52-Week Low	**$9.66**
One-Year Return (%)	**63.24**
Beta	**0.39**
Average Daily Volume (sh)	**3,035**
Shares Outstanding (mil)	**5**
Market Capitalization ($mil)	**$80**
Short Interest Ratio (days)	**0.69**
Institutional Ownership (%)	**14**
Insider Ownership (%)	**18**
Annual Cash Dividend	**$0.08**
Dividend Yield (%)	**0.49**
5-Yr. Historical Growth Rates	
Net Revenue (%)	**8.0**
Earnings Per Share (%)	**12.6**
Dividend (%)	**0.0**
P/E using TTM EPS	**8.8**
P/E using 2012	**8.8**
P/E using 2013 Estimate	**7.8**
Zacks Rank	**2**

Risk Level	**Average**
Type of Stock	**Small-Value**
Industry	**Banks-Midwest**
Zacks Rank in Industry	**3 of 37**

ZACKS ESTIMATES

Net Revenue

(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2010	15.7 A	16.1 A	16.5 A	17.0 A	65.3 A
2011	17.3 A	18.1 A	18.1 A	18.1 A	71.6 A
2012	18.2 A	18.6 A	18.7 A	18.8 A	74.3 A
2013					83.2 E

Earnings per Share

(EPS is operating earnings before nonrecurring items)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2010	0.06 A	0.15 A	0.21 A	0.11 A	0.53 A
2011	0.23 A	0.34 A	0.24 A	0.35 A	1.17 A
2012	0.48 A	0.44 A	0.44 A	0.49 A	1.85 A
2013					2.10 E

Quarterly EPS may not add to total due to changes in shares outstanding.

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COMMUNITY NATIONAL BANCORPORATION ACQUISITION

QCRH is purchasing Community National Bancorporation (CNB), headquartered in Waterloo, Iowa with approximately $290 million in total assets, in a $20.1 million cash and stock transaction that is expected to be completed toward the end of the second quarter. We view the acquisition positively, noting the close fit between the two companies' relationship-oriented community banking models, and the fact that the acquisition is manageable, with CNB roughly 15% the size of QCRH. In addition, this transaction provides the opportunity for QCRH to expand its footprint in Iowa, while adding another strong commercial and industrial lending market to its roster.

Community National Bancorporation, which began operations in 1997, is a single bank holding company that owns 100% of Community National Bank, with eight banking locations in Waterloo, Cedar Falls, and Mason City, Iowa, and Austin, Minnesota. We note that Waterloo is #15 of the top 25 metropolitan statistical areas (MSAs) located in Iowa and Illinois, and appears to be an attractive lending market.

CNB is primarily a business lender, with its loan portfolio divided 47% commercial real estate, 27% commercial and industrial, 24% residential real estate, and 2% other. Primary competitors include US Bancorporation and Wells Fargo & Company, banks from which QCRH has successfully won market share in its own markets, and we expect this to be no different for CNB under QCRH's tutelage.

The table on the following page includes 2012 data for QCRH, CNB (based upon Community National Bank's 12/31/12 call report and Zacks estimates), and pro forma results for the combined company of QCRH and CNB. Results for the two companies are similar, with a few notable exceptions.

- CNB is less efficient than QCRH, having a tangible efficiency ratio of 80% versus QCRH's 70%.

- Asset quality is a bit worse at CNB, with an NPA ratio of 3.15%, than at QCRH, with an NPA ratio of 2.29%, and reserves to NPAs are somewhat weaker at 57% and 67%, respectively.

- Loan leverage is higher at CNB (loans at 72% of total assets) compared to QCRH (loans at 61% of total assets).

As to the transaction, QCRH will pay about $9.63 per share ($20.1 million total) to CNB shareholders in the form of 0.40 shares of QCR Holdings common stock and cash of $3.00, or about 70% stock/30% cash. The price equates to 104% of tangible book value and adds 835,173 shares, or 17%, to QCRH's outstanding shares. Following the acquisition, the outstanding stock will be owned 85% by QCRH shareholders and 15% by CNB shareholders. In addition, CNB Chairman Michael Peterson will join the QCRH Board.

A primary driver of profitability for the combined company going forward is the opportunity for substantial cost savings, which QCRH estimates will run at 20% of CNB's cost base, or $2 million, about 75% of which is expected to be realized in 2013's fourth quarter and the 25% balance in 2014's first quarter. QCRH expects costs savings to be realized by eliminating duplicate overhead and technology expenses. In addition, we would not be surprised to see some branch closings, given QCRH's preference for running a lean branch structure (QCRH has 10 branches for $2.1 billion in assets, while CNB has 8 branches for $290 million in assets). QCRH estimates the transaction will add $0.11-0.13 to 2014 EPS, assuming conversion of the Series E preferred stock.

As a result of the acquisition, we are raising our 2013 diluted EPS estimate to $2.10 from $2.05, as expected costs savings will outpace the higher number of shares outstanding. Our estimate excludes a couple of items that are part of the acquisition and offer QCRH downside protection, including a $400,000 bump-up in the CNB loan loss reserve and a $1.0 million addition to the litigation reserve at CNB. However, our 2013 EPS estimate includes an $0.8 million pretax gain (an estimated $0.12 per share on

an aftertax basis) on the recently-announced sale of the credit card business, which is comparable to the $0.6 million pretax gain on the sale of an interest in a data processing provider in 2012's third quarter.

Our 2013 EPS estimate assumes no conversion of the Series E preferred stock. Assuming the Series E preferred stock were converted during 2013's third quarter, our EPS estimate would increase to $2.00 from $1.95 before the acquisition

Details of our projections are shown at the back of the report.

Summary Financial Data	**QCRH 12/12**	**CNB 12/12**	**Pro Forma 12/12**
Net interest income	57.6	9.6	67.2
Non-interest income	16.6	2.9	19.5
Total net revenue	74.2	12.5	86.7
Loan loss provision	4.4	0.0	4.4
Non-interest expense	52.2	9.9	62.1
Income taxes & other	8.5	0.9	9.4
Zacks adjusted income before NRI	9.1	1.7	10.8
GAAP net income	9.1	1.7	10.8
Liquid assets	612.7	48.3	654.8
Loans & leases, gross	1,287.4	207.5	1,494.9
Total assets	2,093.7	290.1	2,383.8
Core deposits	1,129.5	220.3	1,349.9
Purchased funds	266.2	33.6	299.8
Long-term debt	355.0	6.7	361.7
Shareholders' equity	140.4	20.0	154.2
Profitability			
Return on avg assets	0.62%	0.59%	0.58%
Return on avg equity	8.90%	8.78%	8.33%
Noninterest income % avg assets	0.82%	1.02%	0.84%
Noninterest expense % avg assets	2.58%	3.51%	2.69%
Preprovision pretax income % avg assets	1.09%	0.91%	1.07%
Tangible efficiency ratio	70%	80%	72%
Asset Quality			
Allowance % loans	1.55%	1.82%	1.58%
NPAs % loans & related assets	2.29%	3.15%	2.41%
Allowance % NPAs	67%	57%	66%
Liquidity & Funding			
Liquid assets % assets	29%	17%	27%
Loans % assets	61%	72%	63%
Capital Adequacy			
Total equity % assets	6.71%	6.89%	6.47%
Tangible equity % assets	6.56%	6.89%	6.34%
Tier 1 capital ratio	11.16%	12.81%	
Total capital ratio	12.66%	14.06%	

OVERVIEW

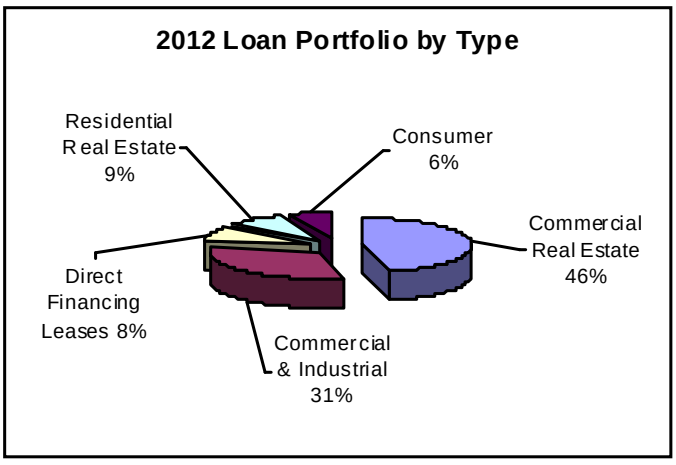
QCR Holdings, Inc. (QCRH or the Company) is a multibank holding company, which was founded in 1993 and is headquartered in Moline, Illinois, with $2.1 billion in total assets at December 31, 2012 and 10 offices. QCRH provides a broad range of business and retail lending products and investment services through three wholly owned, full-service banking subsidiaries that are located in Illinois and Iowa. These subsidiaries include Quad City Bank and Trust Company (QCBT), based in Bettendorf, Iowa; Cedar Rapids Bank and Trust Company (CRBT), based in Cedar Rapids, Iowa; and Rockford Bank and Trust Company (RB&T), based in Rockford, Illinois.

By far the largest of these subsidiaries is QCBT, which accounts for $1.2 billion, or approximately 56%, of QCRH's total assets, and is also the oldest of its subsidiaries, having begun operations in January 1994. Its five offices are located in Bettendorf and Davenport, Iowa and Moline, Illinois. CRBT, begun in June 2001, is the next largest with $626 million of total assets, or about 29% of consolidated assets, and two offices in Cedar Rapids. RB&T is the final banking subsidiary, having begun operations in September 2004. RB&T has $314 million in total assets, or roughly 15% of QCRH's total assets, and operates through two offices located in Rockford, Illinois.

In addition, the Company has three non-bank subsidiaries that help manage other aspects of its business. These include: (1) a 100% equity interest in m2 Lease Funds, LLC (m2), which is owned by QCBT and was acquired in August 2005. m2, which is based in Brookfield, Wisconsin and operates through one office, is engaged in the business of leasing machinery and equipment to commercial and industrial clients through full-payout direct financing leases. Accounting for $110 million, or approximately 5%, of total consolidated assets, m2 is a niche player and specializes in the key areas of marine equipment, printing, office technology, machinery/machine tools, and telecom; (2) a 100% ownership interest in Velie Plantation Holding Company, LLC (VPHC), acquired through a series of transactions beginning in 1998. VPHC manages the real estate property known as Velie Plantation Mansion in Moline, Illinois, which serves as the headquarters and Moline branch for QCRH; and (3) a 100% interest in Quad City Investment Advisors, LLC, an investment management business that was acquired in January 2008 and was formerly known as CMG Investment Advisors, LLC.

QCRH has smaller ownership interests in Nobel Real Estate Investors, LLC (20%) and Cedar Rapids Mortgage Company, LLC (50%), though these do not contribute meaningfully to assets or net income.

QCRH has disposed of several operating subsidiaries over the past few years as they did not contribute significantly to earnings and no longer fit into the Company's long-term strategic plans. These include: (1) the sale of the merchant credit card processing business and the liquidation of Quad City Bancard, Inc., a subsidiary that issued credit cards to consumers and businesses, in the third quarter of 2008, for which the Company recorded a $3.0 million aftertax gain; (2) the sale of First Wisconsin Bank and Trust Company, QCRH's Milwaukee, Wisconsin banking subsidiary, for which the Company posted a $0.5 million aftertax gain on December 31, 2008; and (3) the sale of the $10 million credit card portfolio of QCBT, which was sold at an $0.8 million pretax gain in 2013. In 2008, these were reported as discontinued operations in the Company's financial statements (we have not adjusted prior-year financial data for these changes).



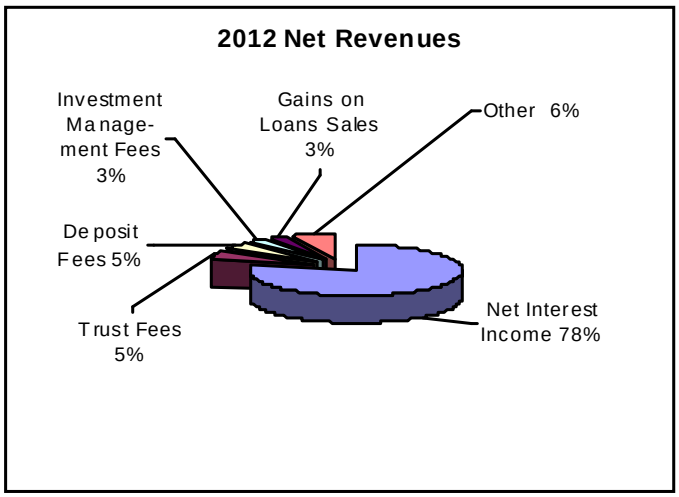
The $1.3 billion loan portfolio has a concentration in commercial real estate, accounting for 46% of total loans at December 31, 2012, of which about 60% is nonowner-occupied, 30% is owner-occupied, and 10% is construction and land development. The rest of the lending book consists of

commercial and industrial (accounting for 31% of total gross loans), direct financing leases (8%), residential real estate (9%), and consumer (6%). Most loans are secured, usually by real estate, inventory, accounts receivable, equipment, machinery, or corporate assets.

The liquidity portfolio, consisting of cash, short-term investments, and US agency/residential mortgage-backed securities (RMBS) obligations, represents 29% of total assets, while gross loans and leases account for 61%. Noninterest-bearing demand deposits accounted for 33% of total deposits of $1.4 billion at December 31, 2012, with interest-bearing demand and savings deposits at 43%, time deposits at 21%, and brokered time deposits at 3%.

In 2012, net interest income contributed 78% of net revenue. Other significant revenue sources include deposit service fees (5% of net revenues), trust department fees (5%), gains on loan sales (3%), investment management and advisory fees (3%), and other (6%).

QCRH also managed $1.1 billion in trust accounts and $479 million in brokerage accounts at December 31, 2011.



The Company ‘s financial goals over the next thee-five years include: (1) growing tangible common equity to 6% of tangible assets from about 3.9% at the end of 2012 through growth in retained earnings and conversion of the Series E preferred to common equity; (2) funding the redemption of the remaining $30 million in SBLF preferred stock through growth in retained earnings; (3) increasing profitability as measured by the return on average assets (ROA) to the around the 70 basis-point level over the near term and to 100 basis points over the longer term from 62 basis points in 2012, by driving down the efficiency ratio to the 60%-plus area from 70% in 2012; (4) continuing to improve asset quality; and (5) continuing to shift the deposit mix toward noninterest-bearing deposits from more expensive retail and wholesale borrowings, thereby expanding the net interest margin.

Importantly, QCRH is committed to not diluting existing shareholder interests by issuing common shares at below book value.

VALUATION

QCRH stock has risen 23.6% year to date and has outperformed the S&P 500’s 4.3% advance by a wide margin, and it has also beaten the industry’s median price increase of 7.3%, as shown in the following table. Just as important, the stock was up 45.3% in 2012.

At its current price, QCRH is trading at a discount to the industry median P/E of 35% in 2013 (compared to 32% at the time of our last report on February 6, 2013), based upon our diluted EPS estimate for 2013.

Turning to Price/Tangible Book Value, QCRH is valued at 0.98X versus the industry median of 1.01X. This represents a 3% discount to the median, or about 13 points better than QCRH’s average historical discount of 16% since the end of 2005. We believe a higher valuation is justified as the Company’s earnings and profitability prospects are much improved and QCRH has taken a number of steps over the last few years to strengthen its balance sheet. Moreover, the CNB acquisition will provide additional growth opportunities in the future.

Applying the 3% discount to our estimated book value for QCRH twelve months out results in a price of approximately $17.50. When combined with the dividend yield, this represents a total return of 7.6%, in line with our expectations for gains in the broader market index over the next year.

Thus, we are maintaining our recommendation at Neutral and our $17.50 twelve-month target price.

Industry Comparables- Small-Cap Banks

		Price / Earnings Ratios				Return on Equity		Return on Assets		
	Pr Chg YTD	TTM* EPS	2013E	2014E	Price/ Book	TTM*	5-Yr Avg	TTM*	5-Yr Avg	Div Yld
QCR Holdings	**23.6**	**8.8**	**7.8**		**0.98**	**8.9**	**5.9**	**0.62**	**0.34**	**0.5**
S&P 500	4.3	15.2	13.7	12.7	5.9	43.9	-----	8.9	-----	2.7
Median	**7.3**	**14.1**	**12.0**	**12.6**	**1.01**	**8.0**	**3.9**	**0.75**	**0.34**	**0.4**
Average	14.3	15.7	13.8	12.2	1.0	7.0	1.7	0.7	0.3	1.1
High	85.9	46.4	47.7	18.5	2.0	19.0	14.3	1.7	2.1	4.9
Low	(6.8)	4.7	5.6	6.0	0.6	(16.9)	(78.0)	(1.6)	(2.4)	-----

*Trailing twelve months

QCR Holdings, Inc.

Income Statement and Balance Sheet

(Dollars in millions, except per share data)

Summary Financial Data	12/07	12/08	12/09	12/10	12/11	12/12P	12/13E
Net interest income	36.4	45.0	50.4	49.9	54.1	57.6	63.9
Non-interest income	14.1	13.6	15.6	15.4	17.5	16.7	19.3
Total net revenue	50.5	58.6	66.0	65.3	71.6	74.3	83.2
Loan loss provision	2.9	9.2	17.0	7.5	6.6	4.4	5.4
Non-interest expense	39.0	42.3	46.7	48.5	51.0	52.3	58.5
Income taxes & other	3.9	3.9	4.4	6.8	8.4	8.5	7.8
Zacks adjusted income before NRI	4.7	3.2	(2.1)	2.5	5.6	9.1	11.5
GAAP net income	4.7	4.9	(2.1)	2.5	4.4	9.1	11.5
Diluted EPS before NRI	1.02	0.69	(0.46)	0.53	1.17	1.85	2.10
Reported EPS	1.02	1.06	(0.46)	0.53	0.92	1.85	2.10
Dividends per share	0.08	0.08	0.08	0.08	0.08	0.08	0.08
Liquid assets	259.6	287.8	417.3	546.0	638.5	612.7	618.8
Loans & leases, gross	1,106.9	1,214.7	1,244.3	1,172.5	1,200.7	1,287.4	1,555.7
Total assets	1,476.6	1,605.6	1,779.6	1,836.6	1,966.6	2,093.7	2,449.9
Core deposits	684.6	711.3	761.5	844.2	960.9	1,129.5	1,432.5
Purchased funds	267.6	367.6	340.9	307.1	263.6	266.2	265.0
Long-term debt	229.8	310.4	378.8	388.5	358.1	355.0	359.7
Shareholders' equity	86.1	90.6	123.9	130.9	142.4	140.4	144.4
Profitability							
Return on avg assets	0.43%	0.32%	0.10%	0.36%	0.51%	0.62%	0.63%
Return on avg equity	7.70%	5.66%	1.43%	5.03%	7.09%	8.90%	10.25%
Net interest margin	2.97%	3.32%	3.15%	2.92%	3.08%	3.10%	3.00%
Loan loss provision % avg assets	0.21%	0.59%	0.98%	0.41%	0.35%	0.22%	0.23%
Noninterest income % avg assets	1.04%	0.88%	0.91%	0.84%	0.92%	0.82%	0.84%
Noninterest expense % avg assets	2.89%	2.73%	2.71%	2.64%	2.67%	2.58%	2.54%
Preprovision pretax income % avg assets	0.85%	1.04%	1.12%	0.91%	1.08%	1.09%	1.07%
Tangible efficiency ratio	77%	73%	72%	74%	73%	70%	70%
Payout ratio	8%	8%	(18)%	15%	9%	4%	4%
Asset Quality							
Net charge-offs % avg loans	0.14%	0.24%	1.00%	0.79%	0.70%	0.27%	0.26%
Allowance % loans	1.09%	1.47%	1.81%	1.74%	1.56%	1.55%	1.65%
NPAs % loans & related assets	0.68%	2.08%	3.22%	4.24%	3.35%	2.29%	2.13%
Allowance % NPAs	161%	70%	56%	41%	46%	67%	77%
Liquidity & Funding							
Liquid assets % purchased funds	97%	78%	122%	178%	242%	230%	234%
Core deposits % loans	62%	59%	61%	72%	80%	88%	92%
Liquid assets % assets	18%	18%	23%	30%	32%	29%	25%
Loans % assets	75%	76%	70%	64%	61%	61%	64%
Capital Adequacy							
Total equity % assets	5.83%	5.64%	6.96%	7.13%	7.24%	6.71%	5.89%
Tangible equity % assets	5.62%	5.46%	6.79%	6.97%	7.09%	6.56%	5.77%
Tier 1 capital ratio	8.65%	8.36%	11.14%	12.12%	12.24%	11.16%	
Total capital ratio	10.48%	10.39%	12.52%	13.70%	13.84%	12.66%	
Parent Company Statistics							
Interest coverage	2.8X	3.1X	1.4X	0.7X	2.8X		2.0X
Interest & dividend coverage	2.0X	1.8X	0.5X	0.3X	0.8X		0.9X
Short-term debt coverage	0.7X	2.0X	N/A	N/A	N/A		N/A
Total debt coverage	0.1X	0.2X	N/A	N/A	N/A		N/A
Double leverage	144.2%	146.1%	133.4%	132.5%	128.9%		141.4%

QCR Holdings, Inc.

Income Statement and Balance Sheet

(Dollars in millions, except per share data)

	2011				2012			
Summary Financial Data	**Q1 A**	**Q2 A**	**Q3 A**	**Q4 A**	**Q1 A**	**Q2 A**	**Q3 A**	**Q4 P**
Net interest income	12.2	14.0	13.8	14.2	14.2	14.5	14.6	14.3
Non-interest income	5.1	4.1	4.3	3.9	4.0	4.1	4.1	4.5
Total net revenue	17.3	18.1	18.1	18.1	18.2	18.6	18.7	18.8
Loan loss provision	1.1	1.7	2.5	1.4	0.8	1.0	1.5	1.1
Non-interest expense	13.0	12.6	12.7	12.7	12.7	13.1	13.0	13.4
Income taxes & other	2.1	2.2	1.7	2.3	2.4	2.4	2.0	1.9
Zacks adjusted income before NRI	1.1	1.6	1.2	1.7	2.3	2.1	2.2	2.4
GAAP net income	1.1	1.6	(0.0)	1.7	2.3	2.1	2.2	2.4
Diluted EPS before NRI	0.23	0.34	0.24	0.35	0.48	0.44	0.44	0.49
Reported EPS	0.23	0.34	(0.01)	0.35	0.48	0.44	0.44	0.49
Dividends per share	-----	0.04	-----	0.04	-----	0.04	-----	0.04
Liquid assets	610.4	581.6	589.4	638.5	625.4	639.1	594.7	612.7
Loans & leases, gross	1,155.8	1,183.9	1,197.6	1,200.7	1,211.7	1,213.3	1,244.3	1,287.4
Total assets	1,873.7	1,878.5	1,899.0	1,966.6	1,993.0	2,043.4	2,023.9	2,093.7
Core deposits	924.2	943.7	936.8	960.9	1,052.2	1,070.9	1,098.7	1,129.5
Purchased funds	292.2	284.0	297.6	263.6	266.2	265.2	266.2	266.2
Long-term debt	368.5	368.5	354.1	358.1	354.4	357.5	349.0	355.0
Shareholders' equity	131.2	135.5	141.2	142.4	143.5	136.9	139.0	140.4
Profitability								
Return on avg assets*	0.45%	0.57%	0.45%	0.56%	0.65%	0.61%	0.60%	0.63%
Return on avg equity *	6.47%	7.95%	6.10%	7.85%	9.00%	8.54%	8.78%	9.28%
Net interest margin	2.78%	3.21%	3.16%	3.18%	3.09%	3.16%	3.16%	3.02%
Loan loss provision % avg assets*	0.23%	0.36%	0.52%	0.29%	0.16%	0.21%	0.29%	0.22%
Noninterest income % avg assets*	1.07%	0.89%	0.91%	0.80%	0.79%	0.81%	0.81%	0.87%
Noninterest expense % avg assets*	2.75%	2.67%	2.68%	2.60%	2.54%	2.61%	2.57%	2.60%
Preprovision pretax inc.% avg assets*	0.90%	1.18%	1.13%	1.11%	1.08%	1.09%	1.13%	1.05%
Tangible efficiency ratio	79%	70%	72%	70%	70%	71%	70%	71%
Payout ratio	-----	12%	-----	11%	-----	9%	-----	8%
Asset Quality								
Net charge-offs % avg loans*	0.24%	0.89%	0.90%	0.74%	0.19%	0.44%	0.26%	0.17%
Allowance % loans	1.79%	1.67%	1.63%	1.56%	1.57%	1.54%	1.56%	1.55%
NPAs % loans & related assets	3.80%	3.17%	3.35%	3.35%	3.19%	2.98%	2.33%	2.29%
Allowance % NPAs	47%	52%	48%	46%	49%	51%	67%	67%
Liquidity & Funding								
Liquid assets % purchased funds	209%	205%	198%	242%	235%	241%	223%	230%
Core deposits % loans	80%	80%	78%	80%	87%	88%	88%	88%
Liquid assets % assets	33%	31%	31%	32%	31%	31%	29%	29%
Loans % assets	62%	63%	63%	61%	61%	59%	61%	61%
Capital Adequacy								
Total equity % assets	7.00%	7.21%	7.44%	7.24%	7.20%	6.70%	6.87%	6.71%
Tangible equity % assets	6.84%	7.05%	7.28%	7.09%	7.05%	6.55%	6.72%	6.56%
Tier 1 capital ratio	12.33%	12.28%	12.42%	12.24%	12.27%	11.52%	11.52%	11.16%
Total capital ratio	13.92%	13.87%	14.01%	13.84%	13.87%	13.14%	12.98%	12.66%

*Annualized.

HISTORICAL ZACKS RECOMMENDATIONS



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