ALLEGIANT BANCORP INC/MO/
Form 10-Q
August 13, 2002

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended JUNE 30, 2002

Commission file number 0-10849

ALLEGIANT BANCORP, INC.
(Exact name of registrant as specified in its charter)

MISSOURI	43-1262037
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2122 KRATKY ROAD
ST. LOUIS, MISSOURI 63114
(Address of principal executive offices)
(Zip Code)

(314) 692-8200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. |X| Yes | | No

Title of class	Number of shares outstanding as of August 1, 2002
Common stock, $0.01 par value	15,881,661

ALLEGIANT BANCORP, INC.
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PART 1. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ALLEGIANT BANCORP, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2002 (Unaudited)	December 31, 2001
	(Dollars in thousand	
ASSETS:		
Cash and due from banks..................................	$ 41,963	$ 56,992
Federal funds sold and other investments.................	9,902	14,642
Investment securities:		
Available-for-sale (at estimated market value).........	435,408	439,038
Held-to-maturity (estimated market value of $19,209, $24,532 and $4,580, respectively)...........	19,040	24,599
Loans, net of allowance for loan losses of $18,314, $18,905 and $12,368, respectively...........	1,493,181	1,400,891
Loans held for sale......................................	45,611	61,459
Premises and equipment...................................	47,084	47,941
Accrued interest and other assets........................	72,259	68,506
Cost in excess of fair value of net assets acquired.......	55,837	56,411
Total assets..	$ 2,220,285	$ 2,170,479
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Deposits:		
Non-interest bearing.................................	$ 175,933	$ 201,216
Interest bearing.....................................	1,262,661	1,291,351
Certificates of deposit of $100,000 or more............	164,976	195,048
Total deposits......................................	1,603,570	1,687,615
Short-term borrowings....................................	83,586	73,027
Federal Home Loan Bank advances..........................	305,784	196,191
Guaranteed preferred beneficial interests in Subordinated debentures...............................	57,250	57,250
Accrued expenses and other liabilities...................	16,414	18,328
Total liabilities..................................	2,066,604	2,032,411
Shareholders' equity:		
Common Stock, $0.01 par value - authorized 20,000,000 shares; issued 15,847,511 shares, 15,209,566 shares and 8,976,306 shares, respectively..................	162	157
Capital surplus......................................	115,326	111,234
Retained earnings....................................	35,003	27,223
Accumulated other comprehensive income (loss)..........	3,190	(546)
Total shareholders' equity.........................	153,681	138,068
Total liabilities and shareholders' equity..........	$ 2,220,285	$ 2,170,479

See Notes to Condensed Consolidated Financial Statements

ALLEGIANT BANCORP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Three Months Ended June 30,		Si
	(In thousands, except share and p		
	2002	2001	200
Interest income:			
Interest and fees on loans........................	$ 25,303	$ 18,693	$ 50
Investment securities.............................	5,274	2,469	10
Federal funds sold and overnight investments.......	63	359	
Total interest income...........................	30,640	21,521	60
Interest expense:			
Deposits..	9,611	9,919	20
Short-term borrowings.............................	1,098	1,448	1
Federal Home Loan Bank advances...................	2,490	986	4
Guaranteed preferred beneficial interests in subordinated debentures........................	1,372	442	2
Total interest expense..........................	14,571	12,795	29
Net interest income.................................	16,069	8,726	30
Provision for loan losses...........................	2,000	850	3
Net interest income after provision for loan losses.................................	14,069	7,876	27
Other income:			
Service charges on deposits.......................	1,769	992	3
Net gain on sale of securities....................	1,683	383	1
Other income......................................	2,511	1,994	4
Total other income..............................	5,963	3,369	10
Other expenses:			
Salaries and employee benefits....................	6,166	3,903	11
Occupancy and furniture and equipment.............	1,796	999	3
Other operating expenses..........................	4,095	2,049	7
Total other expenses............................	12,057	6,951	22
Income before income taxes..........................	7,975	4,294	14
Provision for income taxes..........................	2,895	1,490	4
Net Income......................................	$ 5,080	$ 2,804	$ 9

Per share data:			
Earnings per share:			
Basic..	$ 0.32	$ 0.31	$
Diluted..	0.32	0.31	
Weighted average common shares oustanding:			
Basic..	15,698,542	8,912,501	15,538
Diluted..	16,088,947	8,977,700	15,882

See Notes to Condensed Consolidated Financial Statements.

ALLEGIANT BANCORP, INC.
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (UNAUDITED)

	Common Stock	Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Gain (Loss)	T Shareh Eq
			(In thousands)		
Balance December 31, 2001......	$ 157	$ 111,234	$ 27,223	$ (546)	$ 1
Net income.....................	-	-	9,710	-	
Change in net unrealized gains (losses) on available-for-sale securities............	-	-	-	3,736	
Comprehensive income..........	-	-	-	-	
Issuance of common stock.......	5	4,092	-	-	
Dividends......................	-	-	(1,930)	-	
Balance June 30, 2002..........	$ 162	$ 115,326	$ 35,003	$ 3,190	$ 1

Reclassification adjustments:	
Unrealized gains on available-for-sale securities	$ 5,428
Less:	
Reclassification adjustment for gains realized included in net income..................	1,692
Net unrealized gains on available-for-sale securities	$ 3,736

See Notes to Condensed Consolidated Financial Statements.

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ALLEGIANT BANCORP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Six Months Ended June 30, 2002	Six Months Ended June 30, 2001
	(In thousands)	
OPERATING ACTIVITIES:		
Net income	$ 9,710	$ 5,365
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,520	1,435
Provision for loan losses	3,500	1,700
Net gain on sale of fixed assets	(67)	-
Net realized gains on securities available-for-sale	(1,692)	(915
Net gain on sale of mortgage loans	-	(20
Other changes in assets and liabilities:		
Accrued interest receivable and other assets	(4,518)	1,322
Accrued expenses and other liabilities	(1,914)	(3,102
Cash provided by operating activities	7,539	5,785
INVESTING ACTIVITIES:		
Merger-related recapitalization related to the acquisition of Equality Bancorp, Inc.	-	(922
Adjustment to cash received in acquisition of branches	(312)	-
Proceeds from maturities of securities held-to-maturity	5,559	582
Proceeds from maturities of securities available-for-sale	69,854	35,778
Proceeds from sales of securities available-for-sale	81,638	5,127
Purchase of investment securities available-for-sale	(140,432)	(66,576
Loans made to customers, net of repayments	(79,942)	(66,547
Proceeds from sale of mortgage loans	-	67,432
Purchase of bank-owned life insurance	(1,237)	(5,506
Additions to premises and equipment	(710)	(1,693
Cash used in investing activities	(65,582)	(32,325
FINANCING ACTIVITIES:		
Net increase (decrease) in deposits	(84,045)	13,726
Net increase (decrease) in short-term borrowings	120,533	(30,523
Increase in long-term debt	-	35,000
Repayment of long-term debt	(381)	(155
Proceeds from issuance of common stock	4,097	1,496
Payment of dividends	(1,930)	(1,015
Cash provided by financing activities	38,274	18,529
Net decrease in cash and cash equivalents	(19,769)	(8,011

Cash and cash equivalents, beginning of period...............	71,634	47,143
Cash and cash equivalents, end of period.....................	$ 51,865	$ 39,132

See Notes to Condensed Consolidated Financial Statements.

ALLEGIANT BANCORP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Basis of Presentation

The accompanying condensed consolidated financial statements include the accounts of Allegiant Bancorp, Inc. and its subsidiaries. The terms "Allegiant," "company," "we," "our," and "corporation" as used in this report refer to Allegiant Bancorp, Inc. and its subsidiaries as a consolidated entity, except where we clearly indicate that it means only Allegiant Bancorp, Inc. Also, sometimes we refer to Allegiant Bank, Bank of Ste. Genevieve and State Bank of Jefferson County, our bank subsidiaries, as the "banks."

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three-month and six-month period ended June 30, 2002 are not necessarily indicative of the results that may be expected for the year ending December 31, 2002.

The balance sheet at December 31, 2001 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

For further information, refer to the consolidated financial statements and footnotes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2001.

Comprehensive Income

During the second quarter of 2002 and 2001, total comprehensive income amounted to $9.2 million and $2.8 million, respectively. Year-to-date comprehensive income for the first half of 2002 and 2001 was $13.4 million and $6.7 million, respectively.

Acquisitions

On September 28, 2001, we acquired Southside Bancshares Corp. ("Southside"). Before the acquisition, Southside was a bank holding company with four subsidiary banks in and around St. Louis, Missouri, which at closing reported consolidated total assets of approximately $804.9 million. Under the terms of the agreement, one-half of the Southside shares were converted into the right to receive cash in the amount of $14 per share and the other half into the right to receive 1.39 shares of Allegiant stock per share. Under the terms of the agreement, we exchanged a total of approximately 5.9 million shares of Allegiant common stock plus $59 million in cash for all of the outstanding common stock of Southside. The issuance of Allegiant shares and cash to the former Southside shareholders was completed on November 2, 2001. We financed the cash portion of the purchase price through the issuance of trust preferred securities and bank borrowings. We accounted for the acquisition under the purchase method and recorded goodwill and a core deposit intangible of $33.6 million and $11.0 million, respectively. The core deposit intangible is being amortized over an estimated

useful life of ten years and none of this amortization is expected to be deductible for tax purposes. During October 2001 and May 2002, respectively, we merged Southside National Bank and the Bank of St. Charles County, two of the four subsidiary banks acquired from Southside, into Allegiant Bank.

On December 12, 2001, we acquired five St. Louis County branches from Guardian Savings Bank ("Guardian") which is headquartered in Houston, Texas. In addition to the branch facilities, we assumed $109.3 million in related deposit liabilities. As a result of the Guardian branch acquisition, we recorded $2.2 million of goodwill. In accordance with current accounting standards, we will amortize this premium paid for these branches over an estimated useful life of ten years. We expect this amortization will be deductible for tax purposes. We believe the acquisitions of Southside and the Guardian branches significantly enhanced the scale of our banking business and positioned us for further growth and to compete effectively by offering personalized banking products and services in the St. Louis community.

Subsequent Event

On July 31, 2002, we announced the signing of a definitive agreement to acquire Investment Counselors, Incorporated (Investment Counselors), a privately held investment advisory firm located in St. Louis, Missouri. Under terms of the agreement, the total consideration to be received by Investment Counselors' shareholders will be shares of Allegiant Bancorp common stock. This acquisition is consistent with our strategy of focusing on the growth of non-interest income. Investment Counselors has been serving institutional and high net worth individuals in the Midwest since 1968. Upon completion of this transaction, which is expected to be completed in the fourth quarter of 2002, our Wealth Management division will have Trust and Investment Advisory assets in excess of $800 million.

Recently Issued Accounting Standards

Effective January 1, 2002, the Company adopted Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 142, Goodwill and Other Intangible Assets. In accordance with this statement, goodwill and intangible assets deemed to have indefinite lives will no longer be amortized but will be subject to impairment tests in accordance with the Statement. Other intangible assets will continue to be amortized over their estimated useful lives. During 2002, the Company is performing the first of the required impairment tests of goodwill and indefinite lived intangible assets as of January 1, 2002 and has not yet determined what the effect of those tests will be on the future consolidated earnings and financial position of the Company. If for any future period we determine that there has been impairment in the carrying value of our goodwill balances, we will record a charge to our earnings, which could have a material adverse effect on our net income.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This report contains certain forward-looking statements with respect to the financial condition, results of operations and business of Allegiant and our subsidiaries. These forward-looking statements involve certain risks and uncertainties. For example, by accepting deposits at fixed rates, at different times and for different terms, and lending funds at fixed rates for fixed periods, we accept the risk that the cost of funds may rise and interest on loans and investment securities may be at a fixed rate. Similarly, the cost of funds may fall, but we may have committed by virtue of the term of a deposit to pay what becomes an above-market rate. Investments may decline in value in a rising interest rate environment. Loans have the risk that the borrower will not repay all funds in a timely manner, as well as the risk of total loss. Collateral may or may not have the value attributed to it. The loan loss reserve, while believed adequate, may prove inadequate if one or more large borrowers, or numerous smaller borrowers, or a combination of both, experience financial difficulty for individual, national or international reasons. Because the business of banking is highly regulated, decisions of governmental authorities, such as the rate of deposit insurance, can have a major effect on operating results. All of these uncertainties, as well as others, are present in a banking operation and we caution shareholders that management's view of the future on which it prices our products, evaluates collateral, sets loan loss reserves and estimates costs of operation and regulation may prove to be other than anticipated.

The profitability of our operations depends on our net interest income, provision for loan losses, non-interest income and non-interest expense. Net interest income is the difference between the income we receive on our loan and investment portfolios and our cost of funds, which consists of interest paid on deposits and borrowings. The provision for loan losses reflects the cost of credit risk in our loan portfolio. Non-interest income consists primarily of service charges on deposit accounts and fees for ancillary banking services and, to a lesser extent, revenues generated from our mortgage banking, securities brokerage, insurance brokerage and trust operations. Non-interest expense includes salaries and employee benefits, as well as occupancy, data processing, marketing, professional fees, insurance and other expenses. Under recently adopted accounting rules, we will be required to periodically evaluate the carrying values of our goodwill balances to determine whether the values have been impaired. If we determine that there has been an impairment, we will recognize a charge to our earnings, which could be material.

Our net interest income depends on the amounts and yields of interest-earning assets compared to the amounts and rates on interest-bearing liabilities. Net interest income is sensitive to changes in market rates of interest and our asset/liability management procedures in managing those changes. The provision for loan losses is dependent on increases in the loan portfolio, management's assessment of the collectibility of the loan portfolio and loss experience, as well as economic and market factors.

OVERVIEW

We are a bank holding company headquartered in St. Louis, Missouri. Our bank subsidiaries, Allegiant Bank, Bank of Ste. Genevieve and State Bank of Jefferson County, offer full-service banking and personal trust services to individuals, commercial business and municipalities in the St. Louis metropolitan area. Our services include commercial, real estate and installment loans, checking, savings and time deposit accounts, personal trust and other fiduciary services and other financial services such as securities brokerage, insurance and safe

deposit boxes. As of June 30, 2002, we reported, on a consolidated basis, total assets of $2.2 billion, loans of $1.5 billion, deposits of $1.6 billion and shareholders' equity of $153.7 million.

Since our inception in 1989, we have grown through a combination of internal growth and acquisitions of other financial institutions. Our internal growth has been achieved by positioning Allegiant as one of the leading St. Louis community banking operations. We have supplemented our growth by acquiring 31 branch locations in our community from four different thrifts and another banking organization. Our primary goals have been to expand our branch network in the St. Louis market while increasing our earnings per share. We have also acquired a mortgage company and an asset management firm. In December 1998, we sold four branches located in more rural markets in northeast Missouri, in order to focus our operations exclusively in the St. Louis metropolitan area. In November 2000, we acquired Equality Bancorp, Inc. a community-based thrift holding company with seven branches in the St. Louis area and total assets of approximately $300.4 million. As a continuation of our acquisition and growth strategies, in September 2001, we acquired Southside Bancshares Corp., another community-based bank holding company serving the St. Louis area, with total assets of approximately $804.9 million. In addition, in December 2001, we acquired five St. Louis branch facilities from Guardian Savings Bank and assumed approximately $109.3 million in related deposit liabilities.

Since the beginning of 1998, we have focused on improving the profitability of our banking operations. As a result, we have reduced the amount of one- to four-family mortgages we hold in our loan portfolio and have increased our amount of higher yielding commercial loans. We have hired more than 20 banking professionals averaging more than 10 years of experience in the St. Louis metropolitan area to help grow our commercial loans and deposits. We have also implemented company-wide cost-control efforts to enhance efficiencies throughout our operations. These steps taken since the beginning of 1998 have improved our efficiency, return on average assets, return of average equity and earnings per share.

Our primary financial objectives are to continue to grow our loan portfolio while maintaining high asset quality, expand our core deposit base to provide a cost-effective and stable source of funding our loan portfolio and increase non-interest income while maintaining strong expense controls. We have sought to maintain high asset quality while managing growth both internally and by acquisition.

RESULTS OF OPERATIONS

Net income for the three months ended June 30, 2002 was $5.08 million, an 81% increase over the $2.80 million earned in the second quarter of 2001. Basic earnings per share were $0.32 for the second quarter of 2002 compared to $0.31 for the second quarter of 2001. Diluted earnings per share increased 3.2% to $0.32 for the second quarter of 2002 compared to $0.31 for the second quarter of 2001. The annualized return on average assets for the second quarter of 2002 was 0.93%, compared to the 0.98% annualized return on average assets reported for the second quarter of 2001. The return on average equity on an annualized basis was 13.65% for the second quarter of 2002 compared to 13.58% for the second quarter of 2001.

Net income for the six-month period ended June 30, 2002 was $9.71 million, an 81% increase over the $5.37 million earned in the six-month period ended June 30, 2001. Basic earnings per share were $0.62 and $0.60, respectively, for the six-month periods ended June 30, 2002 and 2001. Diluted earnings per share were $0.61 and $0.60, respectively, for the six-

month periods ended June 30, 2002 and 2001. The annualized return on average assets for the first six months of 2002 was 0.89%, compared to the 0.94% annualized return on average assets reported for the first six months of 2001. The return on average equity on an annualized basis was 13.35% for the first six months of 2002 compared to 13.18% for the first six months of 2001.

As a result of newly effective accounting pronouncements, we have discontinued the amortization of goodwill in 2002 and will periodically determine whether the carrying value of our goodwill is impaired. As required by these pronouncements, we continue to amortize core deposit premiums and other identifiable intangibles as a noncash charge that increases our operating expenses. Intangible asset amortization included as an operating expense totaled $443,000 (including $147,000 of pre-2002 goodwill related to the premium paid on the acquisition of thrift deposits) and $238,000 for the three-month periods ended June 30, 2002 and 2001, respectively. Intangible asset amortization included as an operating expense totaled $886,000 (including $294,000 of pre-2002 goodwill related to the premium paid on the acquisition of thrift deposits) and $474,000 for the six-month periods ended June 30, 2002 and 2001, respectively.

Total assets at June 30, 2002 were $2.2 billion and reflected a 92% increase from June 30, 2001. Total loans increased to $1.5 billion and total deposits increased to $1.6 billion at June 30, 2002.

Net Interest Income. Net interest income for the three months ended June 30, 2002 was $16.07 million, an 84% increase compared to the $8.73 million reported for the second quarter of 2001. This $7.34 million increase was attributable to an increase of $929 million in average earning assets primarily from our September 2001 acquisition of Southside Bancshares Corp. The $9.12 million increase in interest income was partially offset by a $1.78 million increase in interest expense. The increase in interest expense was the result of an $888 million increase in average interest-bearing liabilities partially offset by a decrease of 215 basis points in the average interest rate paid between the periods.

Net interest margin for the second quarter of 2002 decreased 6 basis points compared to the second quarter of 2001. The earning assets yield decreased 195 basis points while the overall interest rate paid on interest-bearing liabilities decreased 215 basis points. The net interest spread increased 20 basis points comparing the second quarter 2002 to the second quarter 2001.

Interest expense on deposits decreased $308,000 due to a $654 million increase in average interest-bearing deposits that was offset by a decrease in the average rate paid on deposits from 5.07% in the second quarter of 2001 to 2.68% for the comparable period in 2002. The growth in our deposit base was primarily the result of the Southside acquisition.

Interest expense on other interest-bearing liabilities increased $2.08 million in the second quarter of 2002 compared to the second quarter of 2001. Average short- and long-term borrowings also increased $194.4 million in the first three months of 2002 compared to the year earlier quarter. The average rate on short-term borrowings decreased 309 basis points while the rate paid on long-term borrowings decreased 95 basis points in the second quarter of 2002 compared to the second quarter of 2001.

Net interest income for the six months ended June 30, 2002 was $30.94 million, a 74% increase compared to the $17.75 million reported for the second quarter of 2001. This $13.19

million increase was attributable to an increase of $921 million in average earning assets primarily from our September 2001 acquisition of Southside Bancshares Corp. The $16.64 million increase in interest income was partially offset by a $3.45 million increase in interest expense. The increase in interest expense was the result of an $878 million increase in average interest-bearing liabilities partially offset by a decrease of 224 basis points in the average interest rate paid between the periods.

Net interest margin for the first six months of 2002 decreased 23 basis points compared to the first six months of 2001. The earning assets yield decreased 222 basis points while the overall interest rate paid on interest-bearing liabilities decreased 224 basis points. The net interest spread increased 2 basis points comparing the year-to-date 2002 to the year-to-date 2001.

The following table sets forth the condensed average balance sheets for the quarterly periods reported. Also shown is the average yield on each category of interest-earning assets and the average rate paid on interest-bearing liabilities for each of the periods reported.

DISTRIBUTION OF AVERAGE ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY AND INTEREST

Three Months Ended June 30,

	2002			
	Average Balance	Int. earned/ Paid	Yield/ Rate	Average Balance
Assets:			(Dollars in thousands)	
Interest earning assets:				
Loans(1) (3)	$1,512,765	$ 25,303	6.71%	$ 883,209
Taxable investment securities	438,155	4,908	4.49	145,279
Non-taxable investment securities(2)	34,887	366	4.21	5,811
Federal funds sold and other investments	8,149	63	3.10	30,643
Total interest earning assets	1,993,956	30,640	6.16	1,064,942
Non-interest earning assets:				
Cash and due from banks	35,372			25,232
Premises and equipment	47,368			19,366
Other assets	129,174			47,207
Allowance for loan losses	(17,430)			(12,040)
Total assets	$2,188,440			$1,144,707
Liabilities and shareholders' equity:				
Interest bearing liabilities:				
Money market and NOW accounts	$ 420,983	$ 1,747	1.66%	$ 220,367
Savings deposits	203,649	1,019	2.01	29,339
Certificates of deposit	568,737	4,460	3.15	395,830
Certificates of deposit over $100,000	160,489	1,379	3.45	93,652
IRA certificates	84,839	1,006	4.76	45,845
Total interest bearing deposits	1,438,697	9,611	2.68	785,033
Federal funds purchased, repurchase agreements and other short-term borrowings	165,485	1,098	2.66	100,995
Other borrowings	195,068	2,490	5.12	65,196
Guaranteed preferred beneficial interest in subordinated debentures	57,250	1,372	9.61	17,250
Total interest bearing liabilities	1,856,500	14,571	3.15	968,474
Non-interest bearing liabilities and equity:				
Demand deposits	168,914			85,568
Other liabilities	14,136			8,094
Shareholders' equity	148,890			82,571
Total liabilities and shareholders' equity	$2,188,440			$1,144,707
Net interest income		$ 16,069		
Net interest spread			3.01%	
Net interest margin			3.23	