

# Southern BancShares (N.C.), Inc.

## Consolidated Comparative Quarterly Report

Executive Offices  
P.O. Box 729  
116 East Main Street  
Mount Olive, NC 28365  
919.658.7022

Southern Bank Customer Care  
855.275.7226

Shareholders Contact Center  
800.821.0655 ext. 7074



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March 31, 2016



# Summary Balance Sheet

## Southern BancShares (N.C.), Inc. and Subsidiary Financial Highlights (Unaudited)

(Dollars in thousands, except per share data)

	Year to Date, March 31,		Percent Change YTD
	2016	2015	
<b>Assets</b>			
Cash, due from banks and overnight funds sold	\$ 312,242	\$ 475,058	-34%
Investments	666,616	568,171	17%
Loans less loss allowance of \$14,667 and \$16,951	1,347,795	1,070,810	26%
Other assets	128,518	118,338	9%
Total assets	\$ 2,455,171	\$ 2,232,377	10%
<b>Liabilities</b>			
Deposits:			
Noninterest-bearing	\$ 602,732	\$ 451,225	34%
Interest-bearing	1,468,651	1,427,683	3%
Total deposits	2,071,383	1,878,908	10%
Borrowings	106,882	99,409	8%
Other liabilities	36,425	39,825	-9%
Total other liabilities	143,307	139,234	3%
Total liabilities	2,214,690	2,018,142	10%
<b>Shareholders' equity</b>			
Preferred stock	1,851	1,851	0%
Common stock	409	409	0%
Surplus	69,862	49,862	40%
Retained earnings	141,922	135,439	5%
Accumulated other comprehensive income	26,437	26,674	-1%
Total shareholders' equity	240,481	214,235	12%
Total liabilities and shareholders' equity	\$ 2,455,171	\$ 2,232,377	10%
<b>Earnings performance</b>			
Interest income	\$ 21,725	\$ 19,729	10%
Interest expense	1,266	1,480	-14%
Net interest income	20,459	18,249	-12%
Provision for loan losses	(44)	160	-128%
Noninterest income	2,787	2,437	14%
Noninterest expense	20,665	18,172	14%
Income before income taxes	2,625	2,354	12%
Income tax expense	1,031	782	32%
Net income	\$ 1,594	\$ 1,572	1%
Earnings per share	\$ 13.91	\$ 15.97	
Return on average assets	0.27%	0.28%	
Return on average equity	2.74%	3.00%	
<b>Safety and soundness</b>			
Nonperforming assets as a percentage of total assets	0.50%	1.14%	A
Allowance for loan loss as a percentage of loans	1.28%	1.40%	B
Net annualized charge-offs/average loans	0.01%	0.01%	B
Allowance for loan loss/nonperforming loans	140.76%	108.44%	B

A - Nonperforming assets in the "Nonperforming Assets As A Percentage Of Total Assets" has been reduced by the coverage afforded to Southern by the loss share agreements with the FDIC. As such, 80% of the book value of covered assets have been removed from total nonperforming assets, which represents assets totaling \$11,082 and \$48,477 for periods ended March 31, 2016 and 2015, respectively.

B - These ratios do not include assets covered by loss share agreements