

September 2015  
**Quarterly Report**

SOUTHERN BANCSHARES (N.C.), INC.



Our interest is *You.*

Southern BancShares (N.C.), Inc. and Subsidiary  
Financial Highlights (Unaudited)  
(Dollars in thousands, except per share data)

	For the Quarter Ended September 30,		Year to Date, September 30,		Percent Change YTD
	2015	2014	2015	2014	
<b>ASSETS</b>					
Cash, due from banks and overnight funds sold			\$ 376,883	\$ 418,163	-10%
Investments			635,036	518,327	23%
Loans less loss allowance of \$15,355 and \$17,044			1,134,076	1,120,302	1%
Other assets			102,634	142,672	-28%
Total assets			\$ 2,248,629	\$ 2,199,464	2%
<b>LIABILITIES</b>					
Deposits:					
Noninterest-bearing			\$ 489,892	\$ 451,388	9%
Interest-bearing			1,391,544	1,393,068	0%
Total deposits			1,881,436	1,844,456	2%
Borrowings			122,964	111,560	10%
Other liabilities			33,554	33,521	0%
Total other liabilities			156,518	145,081	8%
Total liabilities			2,037,954	1,989,537	2%
<b>SHAREHOLDERS' EQUITY</b>					
Preferred stock			1,851	1,851	0%
Common stock			409	409	0%
Surplus			49,862	49,862	0%
Retained earnings			138,071	133,026	4%
Accumulated other comprehensive income			20,482	24,779	-17%
Total shareholders' equity			210,675	209,927	0%
Total liabilities and shareholders' equity			\$ 2,248,629	\$ 2,199,464	2%
<b>EARNINGS PERFORMANCE</b>					
Interest income	\$ 21,145	\$ 22,802	\$ 59,952	\$ 69,450	-14%
Interest expense	1,387	1,567	4,314	4,979	-13%
Net interest income	19,758	21,235	55,638	64,471	-14%
Provision (recovery) for loan losses	163	3,057	(1,535)	4,093	-138%
Noninterest income	(356)	1,240	3,562	(1,001)	456%
Noninterest expense	17,347	16,873	53,239	52,066	2%
Income before income taxes	1,892	2,545	7,496	7,311	3%
Income taxes	604	861	2,690	2,471	9%
Net income	\$ 1,288	\$ 1,684	\$ 4,806	\$ 4,840	-1%
Earnings per share	\$ 12.44	\$ 17.31	\$ 48.94	\$ 49.40	
Return on average assets	0.24%	0.31%	0.29%	0.29%	
Return on average equity	2.43%	3.17%	3.02%	3.11%	
<b>SAFETY AND SOUNDNESS</b>					
Nonperforming assets as a percentage of total assets			0.72%	1.47%	A
Allowance for loan loss as a percentage of loans			1.30%	1.45%	B
Net annualized charge-offs/average loans			0.04%	0.07%	B
Allowance for loan loss/nonperforming loans			125.26%	103.34%	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 \$23,157 and \$71,224 for periods ended September 30, 2015 and 2014, respectively.

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

Southern's common stock occasionally trades over-the-counter with the symbol SBNC.

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

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