

Liquidity GAP Report

Any Bank, USA

MARCH 2002

FINANCIAL STRATEGIES GROUP



Liquidity GAP

(\$ in 000s)	0 To 3 Mths		4 To 12 Mths		1 To 3 Years		3 To 5 Years		Over 5 Years		Totals	
	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate
Fixed-Rate Sensitive Assets:												
U.S. Treasury Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
U.S. Agency Securities	345.00	5.22	862.50	2.71	3,392.50	2.96	1,207.50	5.71	1,138.50	4.03	6,946.00	3.70
Municipal Securities - Tax-Exempt	592.25	5.87	1,163.63	5.26	2,887.36	5.99	2,343.24	6.74	5,813.25	5.51	12,799.73	5.84
Municipal Securities - Taxable	155.25	8.33	463.85	7.09	719.90	6.46	897.00	7.06	764.75	5.82	3,000.75	6.67
CMOs	80.39	4.92	214.26	4.92	467.78	4.92	401.97	5.74	2,459.13	5.22	3,623.53	5.21
Mortgage-Backed Securities	651.04	6.25	3,469.68	6.25	2,549.35	6.12	1,483.55	6.96	3,705.01	5.98	11,858.63	6.23
Corporates	0.00	0.00	287.50	6.15	0.00	0.00	287.50	7.55	0.00	0.00	575.00	6.85
Bank CDs	0.00	0.00	0.00	0.00	109.25	0.00	0.00	0.00	0.00	0.00	109.25	0.00
Other Investments	776.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	247.25	0.00	1,023.50	0.00
Fixed-Rate Investments	2,600.18	4.24	6,461.42	5.61	10,126.14	4.93	6,620.76	6.62	14,127.89	5.38	39,936.40	5.44
Real Estate Loans	512.00	7.55	1,873.22	8.75	2,609.74	8.06	98.14	8.04	362.85	7.60	5,455.96	8.22
Credit Card Loans	0.00	0.00	0.00	0.00	112.44	14.90	0.00	0.00	0.00	0.00	112.44	14.90
Other Loans	4,359.72	7.31	8,619.07	8.62	8,339.01	8.91	2,936.98	9.29	2,904.00	7.00	27,158.77	8.40
Fixed-Rate Loans	4,871.72	7.33	10,492.29	8.64	11,061.19	8.77	3,035.12	9.25	3,266.86	7.07	32,727.17	8.39
Fixed-Rate Assets	7,471.89	6.26	16,953.71	7.49	21,187.33	6.94	9,655.88	7.44	17,394.75	5.70	72,663.57	6.77
Floating-Rate Sensitive Assets												
TCD Due From	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fed Funds Sold	1,627.25	1.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,627.25	1.56
Floating-Rate Investments	1,627.25	1.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,627.25	1.56
Floating-Rate Loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Floating-Rate Assets	1,627.25	1.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,627.25	1.56
Total Earning Assets	9,099.14	5.42	16,953.71	7.49	21,187.33	6.94	9,655.88	7.44	17,394.75	5.70	74,290.82	6.65
Non-Earning Assets												
Cash and Due From	0.00		0.00		0.00		0.00		3,611.71		3,611.71	0.00
Investment Adjustments	0.00		0.00		0.00		0.00		(1,900.47)		(1,900.47)	0.00
Loan Adjustments	0.00		0.00		0.00		0.00		183.18		183.18	0.00
Loan Loss Reserve	0.00		0.00		0.00		0.00		(663.24)		(663.24)	0.00
Other Assets	0.00		0.00		0.00		0.00		2,387.86		2,387.86	0.00
Non-Earning Assets	0.00		0.00		0.00		0.00		3,619.05		3,619.05	0.00
Total Assets	9,099.14	5.42	16,953.71	7.49	21,187.33	6.94	9,655.88	7.44	21,013.80	4.72	77,909.87	6.34

Liquidity GAP

(\$ in 000s)

	0 To 3 Mths		4 To 12 Mths		1 To 3 Years		3 To 5 Years		Over 5 Years		Totals	
	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate
Fixed-Rate Sensitive Liabilities:												
Time Deposits - Under \$100,000	5,527.06	3.85	12,038.26	4.22	14,340.68	4.48	3,112.05	4.95	0.00	0.00	35,018.05	4.34
Time Deposits - Over \$100,000	1,943.20	3.37	1,759.45	4.47	1,067.98	4.47	0.00	0.00	0.00	0.00	4,770.64	4.02
Fixed-Rate Deposits	7,470.26	3.73	13,797.72	4.25	15,408.66	4.48	3,112.05	4.95	0.00	0.00	39,788.69	4.30
FHLB Advances - 1	0.00	0.00	0.00	0.00	0.00	0.00	132.90	0.00	460.00	5.13	592.90	3.98
FHLB Advances - 2	0.00	0.00	61.41	5.25	0.00	5.25	0.00	0.00	776.94	5.25	838.35	5.25
Subordinated Debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed-Rate Borrowings	0.00	0.00	61.41	5.25	0.00	0.00	132.90	0.00	1,236.94	5.21	1,431.25	4.72
Fixed-Rate Liabilities	7,470.26	3.73	13,859.12	4.26	15,408.66	4.48	3,244.95	4.75	1,236.94	5.21	41,219.94	4.31
Floating-Rate Sensitive Liabilities:												
Demand Deposits	4,822.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,822.52	0.00
NOW Accounts	7,829.58	0.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,829.58	0.99
Money Market Deposits	3,801.67	1.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,801.67	1.63
Regular Savings	5,255.44	1.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,255.44	1.21
Floating-Rate Deposits	21,709.21	0.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,709.21	0.94
Fed Funds Purchased	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Floating-Rate Borrowings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Floating-Rate Liabilities	21,709.21	0.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,709.21	0.94
Total Paying Liabilities	29,179.47	1.65	13,859.12	4.26	15,408.66	4.48	3,244.95	4.75	1,236.94	5.21	62,929.15	3.15
Non-Paying Liabilities & Equity												
Deposit Adjustments	0.00		0.00		0.00		0.00		0.00		0.00	
Other Liabilities	0.00		0.00		0.00		0.00		700.62		700.62	
Shareholder's Equity	0.00		0.00		0.00		0.00		14,280.09		14,280.09	
Non-Paying Liab. & Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,980.72	0.00	14,980.72	0.00
Total Liabilities & Equity	29,179.47	1.65	13,859.12	4.26	15,408.66	4.48	3,244.95	4.75	16,217.66	0.40	77,909.87	2.54
Ratio of Earning Assets to Paying Liabilities	0.31		1.22		1.38		2.98		14.06		1.18	
Period GAP (% of Total Assets)	(20,080.33)	(0.26)	3,094.58	0.04	5,778.67	0.07	6,410.93	0.08	4,796.14	0.06		
Cumulative GAP (% of Total Assets)	(20,080.33)	(0.26)	(16,985.74)	(0.22)	(11,207.07)	(0.14)	(4,796.14)	(0.06)				

Liquidity GAP - Summary

(\$ in 000s)

	0 To 3 Mths		4 To 12 Mths		1 To 3 Years		3 To 5 Years		Over 5 Years		Totals	
	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate
Fixed-Rate Sensitive Assets	7,471.89	6.26	16,953.71	7.49	21,187.33	6.94	9,655.88	7.44	17,394.75	5.70	72,663.57	6.77
Fixed-Rate Sensitive Liabilities	7,470.26	3.73	13,859.12	4.26	15,408.66	4.48	3,244.95	4.75	1,236.94	5.21	41,219.94	4.31
Fixed-Rate GAP	1.63	2.53	3,094.58	3.23	5,778.67	2.45	6,410.93	2.69	16,157.81	0.50	31,443.63	2.45
Floating-Rate Sensitive Assets	1,627.25	1.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,627.25	1.56
Floating-Rate Sensitive Liabilities	21,709.21	0.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,709.21	0.94
Floating-Rate GAP	(20,081.96)	0.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(20,081.96)	0.63
Total Sensitive GAP	(20,080.33)	0.63	3,094.58	3.23	5,778.67	2.45	6,410.93	2.69	16,157.81	0.50	11,361.66	5.68

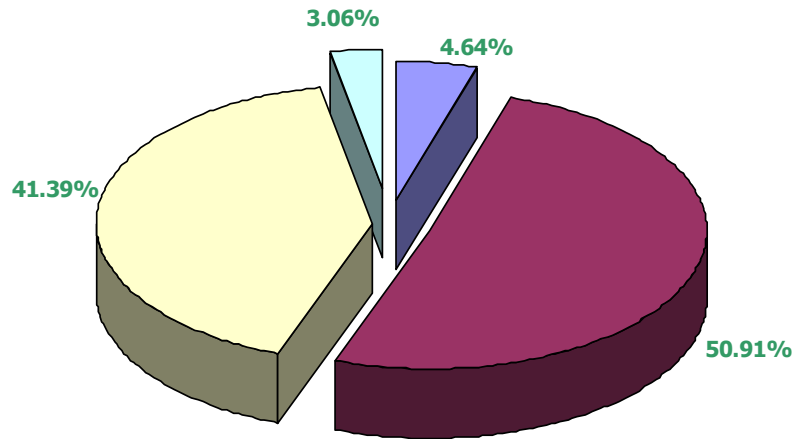
Note:

- Static Liquidity Gap is one of the tools that a bank may use to estimate liquidity risk. Liquidity Risk defines a potential shortage of cash funds to meet deposit withdrawals, loan disbursements, or other obligations on a timely basis.
- Gap analysis is based on the idea that the quantity of assets maturing within any given period should be compared to the quantity of liabilities within the same predefined period. The difference between those two quantities is the bank's "gap," or mismatch.
- If more assets than liabilities mature in the period, the bank is said to have a **positive gap**. If more liabilities mature, the bank is said to have a **negative gap**.
- In periods of rising interest rates, banks with a negative gap will experience a negative impact in their interest rate margin while banks with a positive gap will enjoy a positive change in their interest rate margin.

Asset - Liability Breakdown

ASSETS - March 31, 2002

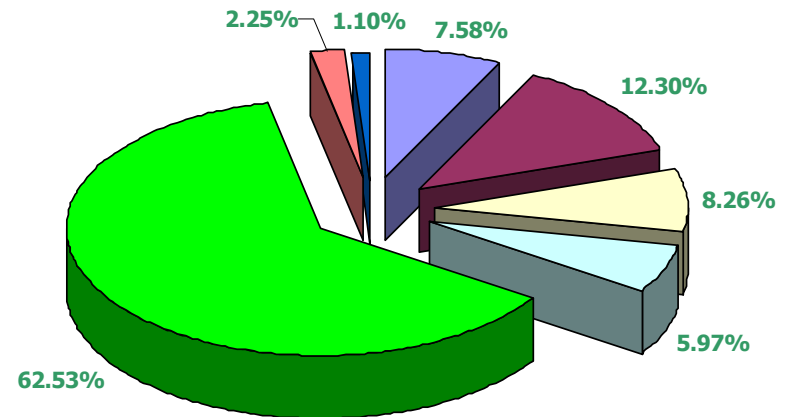
Total Assets (000s): \$67,747.71



- Total Cash & Cash Equivalents
- Total Investments
- Net Total Loans
- Total Other Assets

LIABILITIES - March 31, 2002

Total Liabilities (000s): \$55,330.24



- Total Demand Deposits
- Total Now Accounts
- Total Savings Accounts
- Total Money Market Accounts
- Total Certificates of Deposit
- FHLB Borrowings
- Total Other Liabilities