LOUISIANA-DOMICILED BANKS AND THRIFTS FINANCIAL REPORT

For the Quarter Ended
June 30, 2013

STATE OF LOUISIANA
OFFICE OF FINANCIAL INSTITUTIONS

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FINANCIAL CONDITION OF LOUISIANA-DOMICILED BANKS & THRIFTS AT JUNE 30, 2013

During the second quarter of 2013, total assets for all Louisiana-domiciled banks and thrifts decreased from $70.00 billion to $69.88 billion, a decrease of $113 million or by 0.16 percent. Total loans and leases increased from $43.32 billion to $44.58 billion or by 2.92 percent. Total securities decreased from $16.00 billion to $15.63 billion or by 2.28 percent. Federal funds sold decreased from $972 million to $949 million or by 2.36 percent. Cash decreased from $5.05 billion to $4.10 billion or by 18.80 percent. Regarding liabilities, total deposits increased from $58.24 billion to $58.29 billion or by 0.09 percent, while borrowed money increased from $2.82 billion to $2.89 billion or by 2.58 percent.

For Louisiana state-chartered banks and thrifts, total assets increased by 0.04 percent during the second quarter of 2013. Total loans increased, while Federal funds sold, securities, and cash decreased. Regarding liabilities, total deposits and borrowed money both increased. For Louisiana-domiciled federally-chartered banks and thrifts, total assets decreased by 1.58 percent during the second quarter of 2013. Total loans increased, while Federal funds sold, securities, and cash decreased. Regarding liabilities, total deposits and borrowed money both decreased.

The following chart provides selected performance ratios for all banks and thrifts in the U. S. for the quarter ended June 30, 2013; and for all Louisiana-domiciled banks and thrifts for the quarters ended June 30, 2013 and March 31, 2013, and years ended December 31, 2011, and 2012. **Louisiana-domiciled banks and thrifts continue to compare favorably in most categories when compared to all banks and thrifts in the U.S.**

	U. S. Banks & Thrifts	**All Louisiana-Domiciled Banks & Thrifts**			
TRENDS	Quarter Ended 06/30/2013	Quarter Ended 06/30/2013	Quarter Ended 03/31/2013	Year Ended 12/31/2012	Year Ended 12/31/2011
Earnings					
Yield on Earning Assets	3.69%	4.36%↓	4.37%	4.63%↓	4.88%
Cost of Funds	0.43%	0.51%↓	0.53%	0.64%↓	0.86%
Net Interest Margin	3.26%	3.84%↑	3.83%	3.99%↓	4.02%
Loan Loss Provisions to Average Assets	0.24%	0.17%↑	0.12%	0.22%↓	0.29%
Operating Expenses to Average Assets	2.83%	3.12%↓	3.29%	3.18%↓	3.30%
Return on Average Assets	1.17%	0.95%↑*	0.88%*	0.94%↑*	0.79%*
Asset Quality					
Noncurrent Loans to Total Loans	3.09%	1.87%↓#*	2.14%#*	2.32%↓#*	3.18%#*
Nonperforming Assets to Total Assets	1.90%	1.65%↓#*	1.82%#*	1.93%↓#*	2.49%#*
Net Charge-offs to Total Loans	0.74%	0.14%↓	0.25%	0.31%↓	0.34%
Capital and Liquidity					
Tier 1 Leverage Capital Ratio	9.34%	10.10%↑	10.03%	10.11%↑	9.82%
Earning Assets to Total Assets	89.70%	90.74%↓	91.00%	90.50%↑	89.43%
Loans to Deposits	70.35%	75.46%↑	73.34%	72.74%↓	72.90%

At June 30, 2013 (for all Louisiana-domiciled banks and thrifts), the **year-to-date** return on average assets (ROAA), not shown in the chart above, increased by 5 basis points from the same time period in 2012 and by 3 basis points during the second quarter of 2013. This ratio is 24 basis points below the national average **year-to-date** ROAA (also not shown in the chart above) with the gap between the two remaining the same during the quarter. Although below the national average, a great majority of Louisiana-domiciled banks and thrifts continue to show strong or satisfactory earnings performance as a result of increased net interest and noninterest income and reduced provisions for loan losses (2013 compared to 2012). Capital levels remain sound, with ratios increasing slightly during the second quarter of 2013 and comparing favorably to the same time period in 2012. Asset quality continues to improve as the dollar volumes and ratios of nonperforming assets and noncurrent loans declined and are well below the same time period in 2012. Net charge-offs declined during the second quarter of 2013; therefore, the year-to-date net charge-off ratio is lower when compared to the same time period in 2012.

A majority of the increase in nonperforming assets and noncurrent loans in 2009 and 2010 was attributable to the acquisition of failed out-of-state institutions by Louisiana-domiciled institutions during this time period. However, a significant portion is covered by loss-sharing agreements with the FDIC, mitigating any significant exposure.

 # Ratios impacted by the acquisition of failed out-of-state institutions. *** Refer to page 20 for more details.**

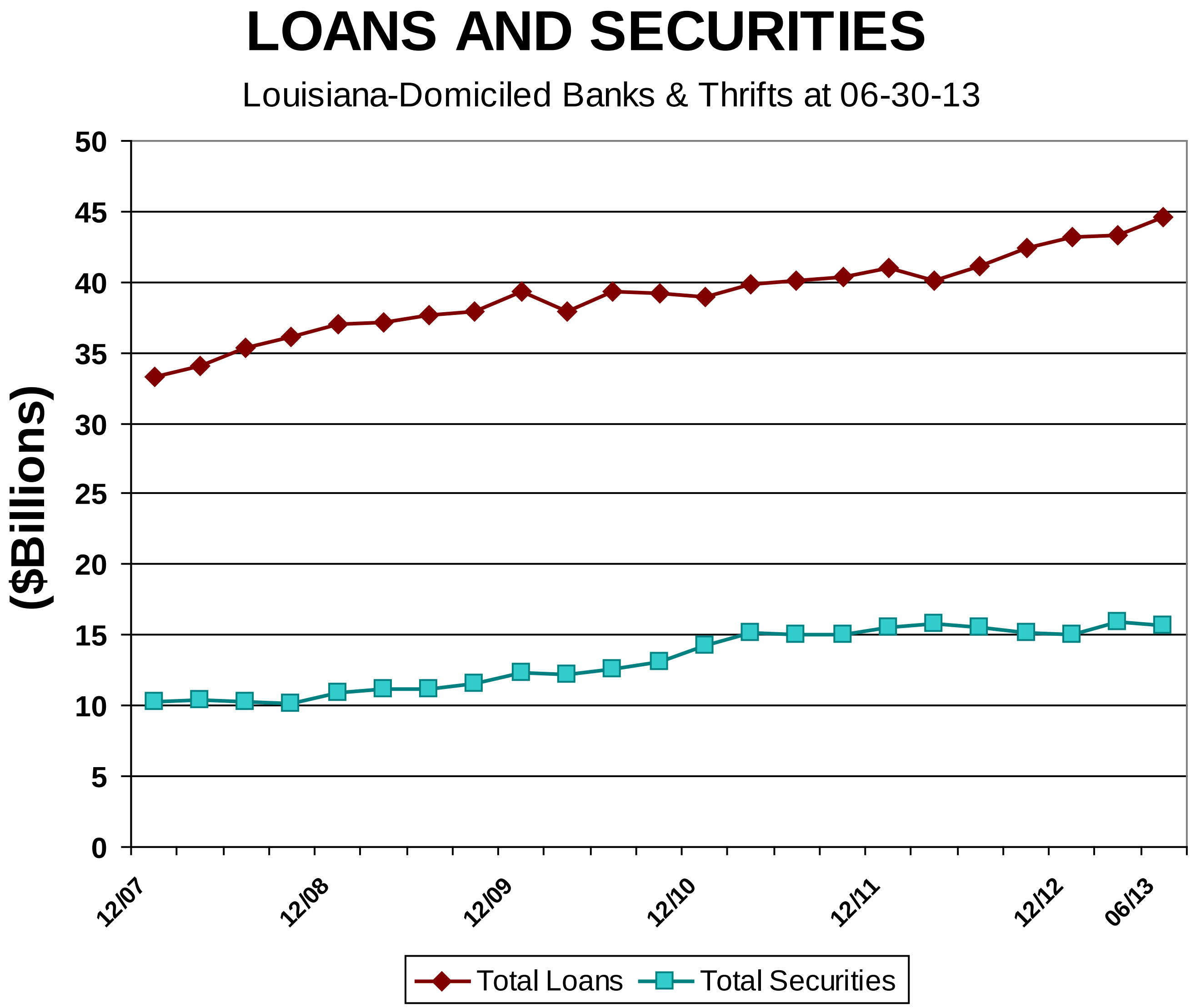

Figure 1

Figure 1 above shows the trend in total loans and leases and securities since year-end 2007. As previously mentioned, total loans and leases increased by 2.92 percent during the second quarter of 2013, from $43.32 billion to $44.58 billion, or by approximately $1.26 billion. Total loans and leases have increased in 16 of the past 20 quarters. **However, total loans and leases would have decreased for the third and fourth quarters of 2009 without the acquisition of failed out-of-state institutions by Louisiana-domiciled institutions during that time period.** During the second quarter of 2013, commercial loans increased from $9.68 billion to $10.15 billion or by approximately $473 million, real estate loans increased from $29.01 billion to $29.48 billion or by approximately $473 million, farm loans increased from $380 million to $570 million or by approximately $190 million, consumer loans increased from $3.07 billion to $3.16 billion or by approximately $91 million, and other loans increased from $1.18 billion to $1.22 billion or by approximately $36 million.

During the second quarter of 2013, Louisiana state-chartered banks and thrifts experienced growth in total loans and all five major reporting categories. From highest to lowest in growth by dollar volume were real estate loans, commercial loans, farm loans, consumer loans, and other loans. Louisiana-domiciled federally-chartered banks and thrifts also experienced growth in total loans and all five major reporting categories. From highest to lowest in growth by dollar volume were commercial loans, real estate loans, farm loans, consumer loans, and other loans. All banks and thrifts in the U.S. experienced growth in total loans and in four of the five categories, with real estate loans the only category declining during the second quarter of 2013. From highest to lowest in dollar volume for growth were other loans, commercial loans, consumer loans, and farm loans.

LOAN PORTFOLIO MIX

Louisiana-Domiciled Banks & Thrifts at June 30, 2013

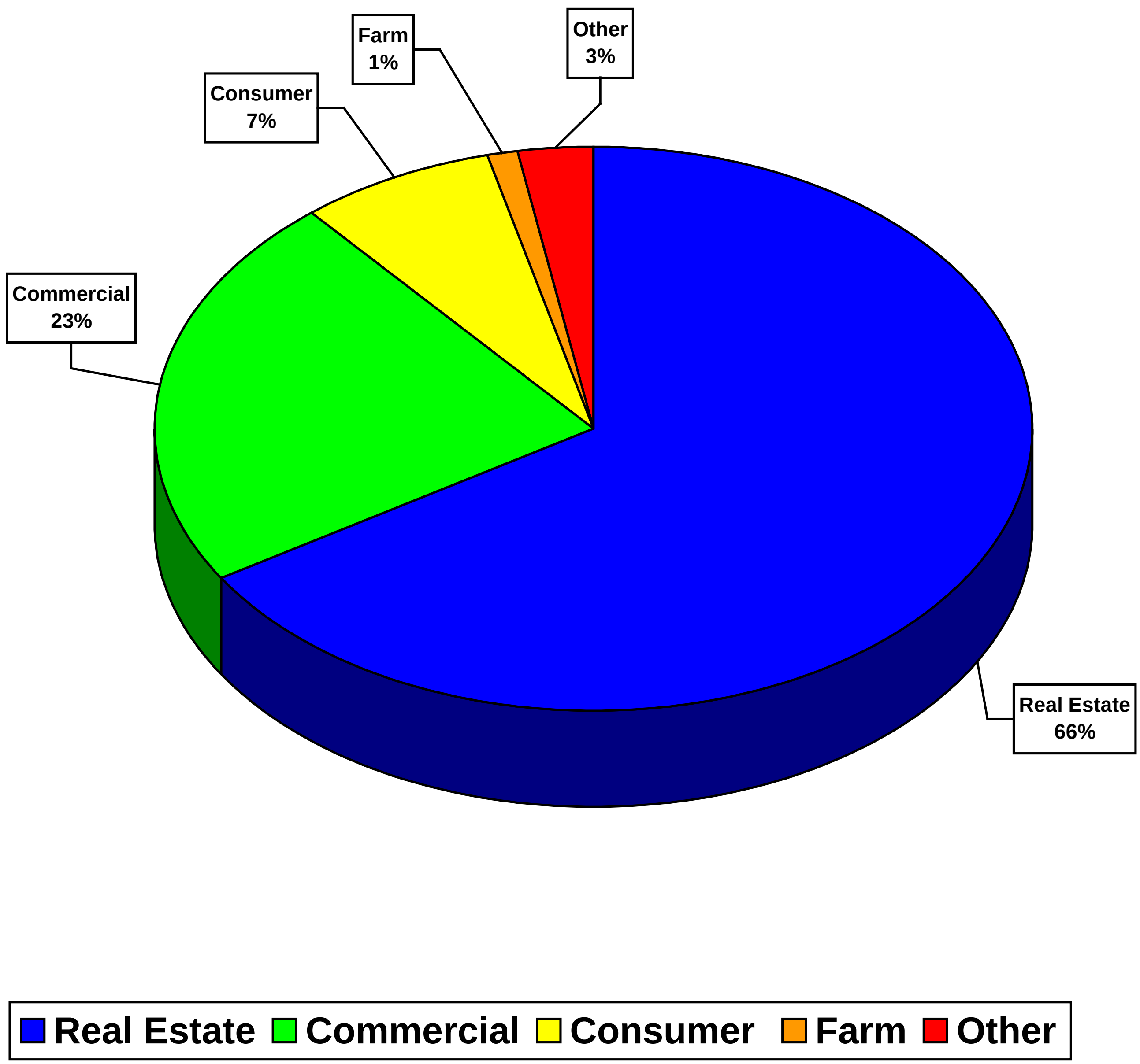

Figure 2

Figure 2 shows the June 30, 2013, loan portfolio mix for all Louisiana-domiciled banks and thrifts. At June 30, 2013, Louisiana state-chartered banks and thrifts showed a loan portfolio mix as follows: real estate loans – 64 percent; commercial loans – 24 percent; consumer loans – 8 percent; other loans – 3 percent; and farm loans – 1 percent. As of this same date, for Louisiana-domiciled federally-chartered banks and thrifts, the loan portfolio mix is as follows: real estate loans – 79 percent; commercial loans – 13 percent; consumer loans – 4 percent; other loans – 3 percent; and farm loans – 1 percent.

At June 30, 2013, for all banks and thrifts in the U.S., the loan portfolio mix is as follows: real estate loans – 52 percent; commercial loans – 20 percent; consumer loans – 17 percent; other loans – 10 percent; and farm loans – 1 percent.

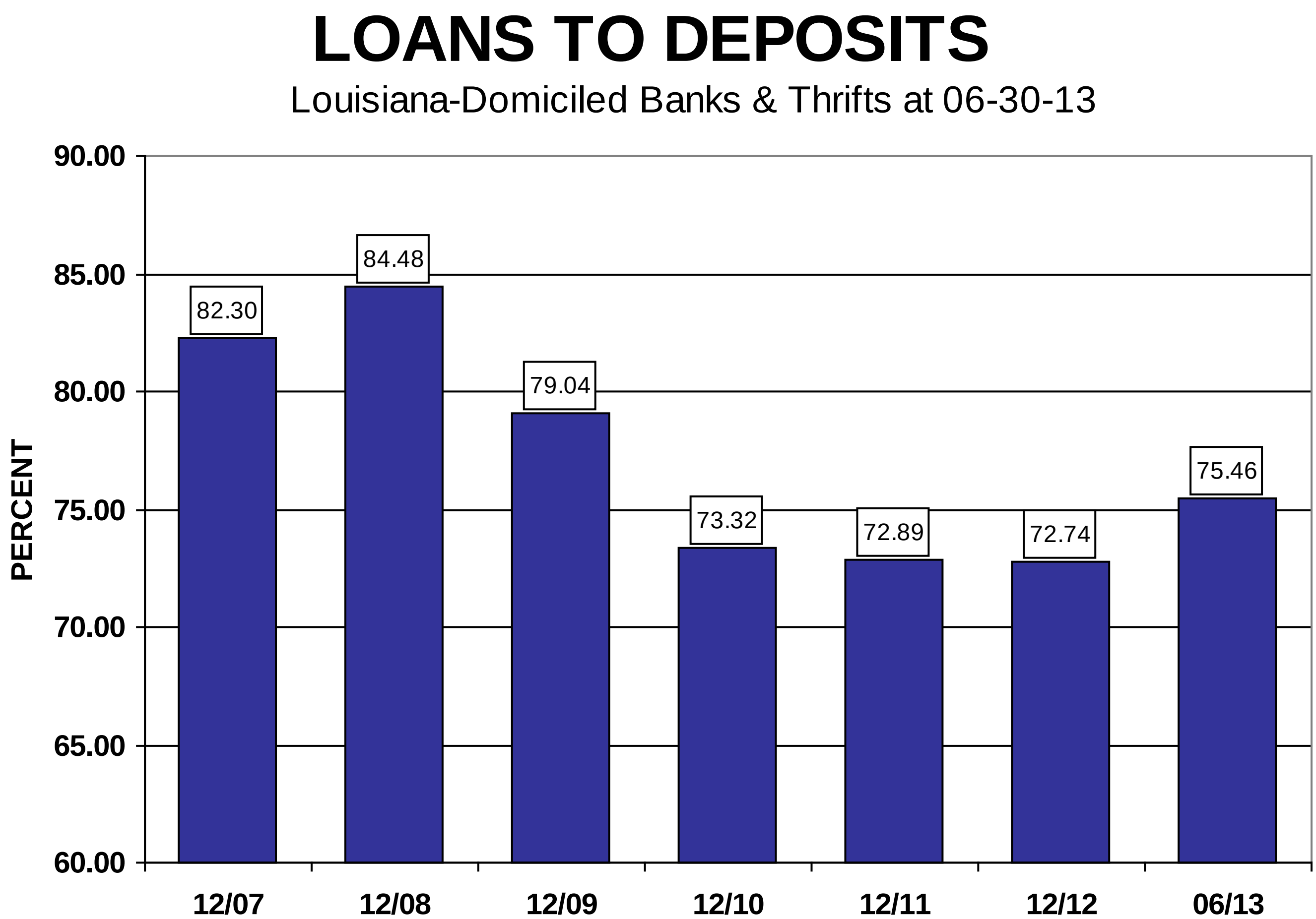

Figure 3

Figure 3 above illustrates the aggregate year-end loan-to-deposit ratio trend since year-end 2007. The ratio of net loans to deposits increased during the second quarter of 2013, from 73.34 percent as of March 31, 2013, to 75.46 percent as of June 30, 2013, as net loans grew at a faster rate than deposits. The ratio also represents a 272 basis point decline from December 31, 2012, as shown in Figure 3 above.

For Louisiana state-chartered banks and thrifts, the ratio of net loans to deposits increased from 72.80 percent as of March 31, 2013, to 74.77 percent as of June 30, 2013, as net loans increased faster than deposits. For Louisiana-domiciled federally-chartered banks and thrifts, the ratio of net loans to deposits increased from 77.47 percent as of March 31, 2013, to 80.89 percent as of June 30, 2013, as net loans increased, and deposits declined.

For all banks and thrifts in the U.S., the ratio of net loans to deposits increased from 69.35 percent as of March 31, 2013, to 70.35 percent as of June 30, 2013, as net loans increased, and deposits declined.

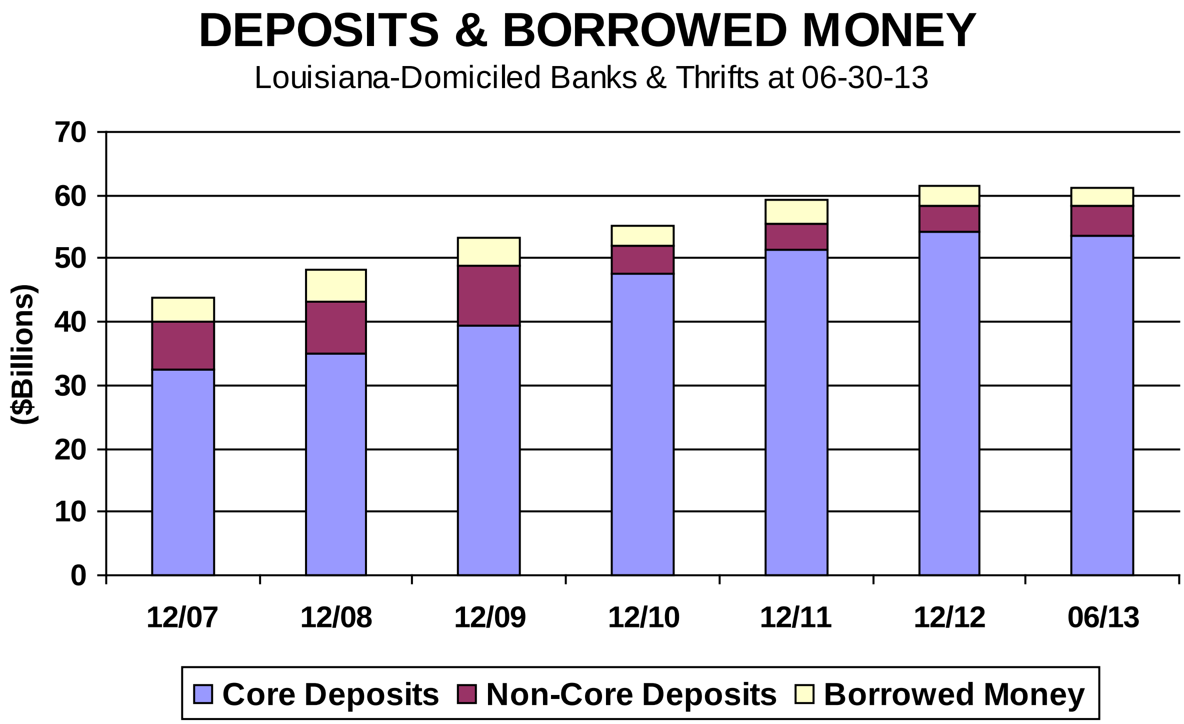

Figure 4

Figure 4 shows the mix of deposits and borrowed money since year-end 2007. Regarding liabilities, total deposits increased from $58.24 billion as of March 31, 2013, to $58.29 billion as of June 30, 2013, or by 0.09 percent, while borrowed money increased from $2.82 billion as of March 31, 2013, to $2.89 billion as of June 30, 2013, or by 2.58 percent. During the second quarter of 2013, total deposits at Louisiana state-chartered banks and thrifts and Louisiana-domiciled federally-chartered banks and thrifts increased and decreased, respectively. Core deposits, however, decreased from $53.69 billion as of March 31, 2013, to $53.45 billion as of June 30, 2013, or by 0.43 percent. Louisiana state-chartered banks and thrifts and Louisiana-domiciled federally chartered banks and thrifts also both experienced a decline in core deposits during the second quarter of 2013.

As noted previously, borrowed money increased during the second quarter of 2013. At March 31, 2013, borrowed money totaled $2.82 billion and consisted of Federal funds purchased totaling $1.44 billion, Federal Home Loan Bank (FHLB) advances totaling $1.15 billion, and other borrowings totaling $235 million. At June 30, 2013, borrowed money totaled $2.89 billion and consisted of Federal funds purchased totaling $1.47 billion, FHLB advances totaling $1.18 billion, and other borrowings totaling $242 million. Total borrowed money for Louisiana state-chartered banks and thrifts increased by $146 million during the second quarter with increases in Federal funds purchased and in other borrowings and declines in FHLB advances. Total borrowed money for Louisiana-domiciled federally-chartered banks and thrifts decreased by $73 million during the second quarter with an increase in FHLB advances and declines in Federal funds purchased and other borrowings.

Non-core deposits increased during the second quarter of 2013. At March 31, 2013, non-core deposits totaled $4.55 billion and consisted of time deposits of $250,000 or more totaling $3.05 billion, brokered deposits under $250,000 totaling $1.30 billion, and deposits held in foreign offices totaling $199 million. At June 30, 2013, non-core deposits totaled $4.84 billion and consisted of time deposits of $250,000 or more totaling $3.02 billion, brokered deposits under $250,000 totaling $1.37 billion, and deposits in foreign offices totaling $453 million. During the second quarter, non-core deposits in Louisiana state-chartered banks and thrifts increased by $299 million, with increases of $253 million in deposits held in foreign offices and $67 million in brokered deposits under $250,000, and decreases of $21 million in time deposits of $250,000 or more. During this same period, non-core deposits in Louisiana-domiciled federally-chartered banks and thrifts decreased by $14 million, with a decrease of $13 million in time deposits of $250,000 or more and $285 thousand in brokered deposits under $250,000, with no deposits held in foreign offices reported.

During the second quarter of 2013, all banks and thrifts in the U.S. experienced a decline in total deposits, with core deposits, and deposits in foreign offices also declining, and non-core deposits, time deposits over $250,000, and brokered deposits of $250,000 or less all increasing. Borrowed money also increased during the second quarter, with increases in FHLB advances and Federal funds purchased, and declines in other borrowings.

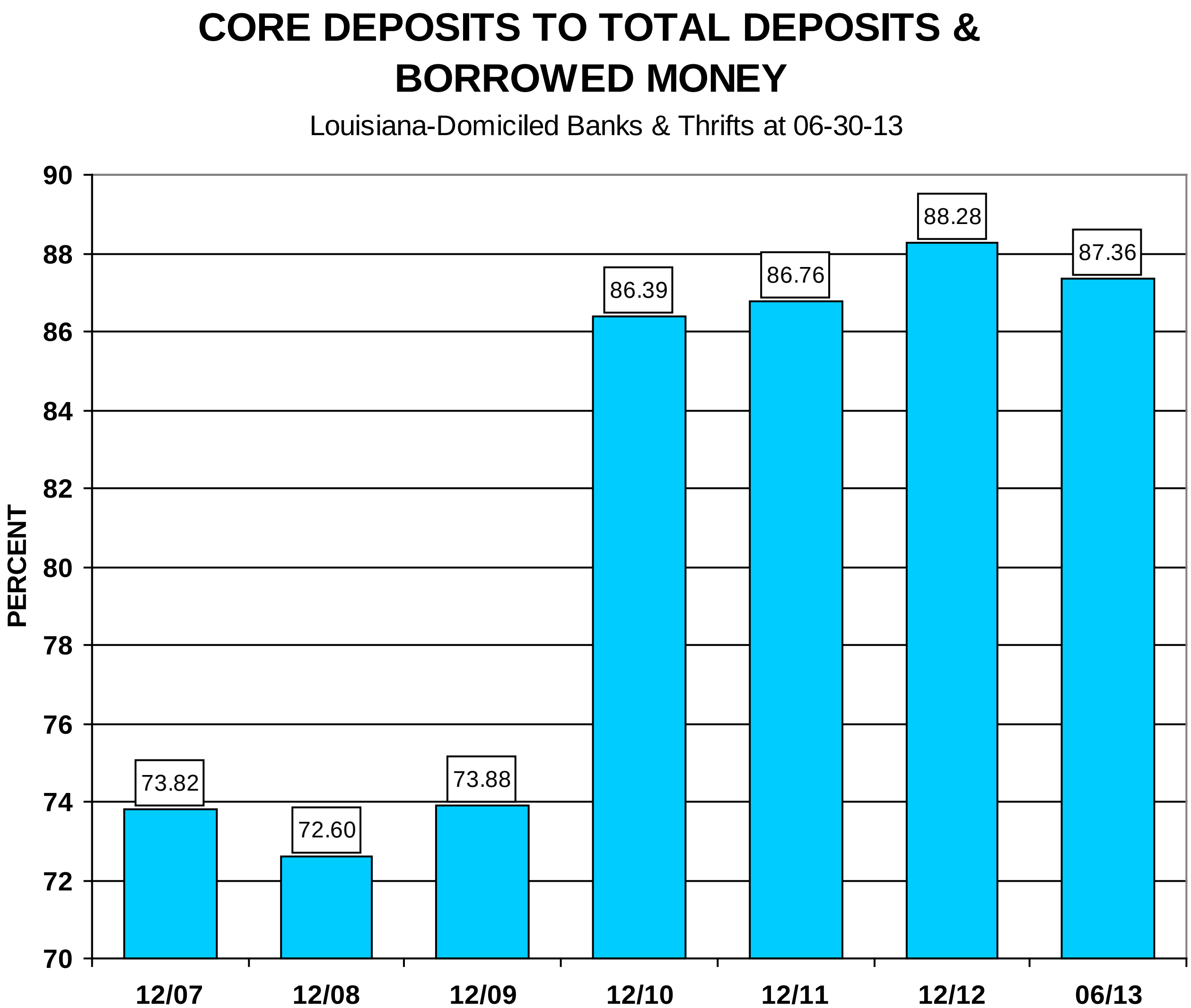

Figure 5

Figure 5 illustrates the trend in the core deposits to total deposits and borrowed money ratio since year-end 2007. The ratios shown in Figure 5 above from December 31, 2010, forward, reflect the change in the definition of core deposits based on the increase in the FDIC insurance limit to $250,000 (see note on page 20). The ratio of core deposits to total deposits and borrowed money decreased during the second quarter of 2013, going from 87.93 percent at March 31, 2013, to 87.36 percent at June 30, 2013, with the latter ratio decreasing from year-end 2012 as shown in the chart above.

For Louisiana state-chartered banks and thrifts, the ratio of core deposits to total deposits and borrowed money decreased from 88.44 percent as of March 31, 2013, to 87.66 percent as of June 30, 2013. For Louisiana-domiciled federally-chartered banks and thrifts, this ratio increased from 84.26 percent as of September 30, 2012, to 85.17 percent as of June 30, 2013.

For all banks and thrifts in the U.S., the ratio of core deposits to total deposits and borrowed money decreased from 70.26 percent at March 31, 2013, to 69.80 percent at June 30, 2013.

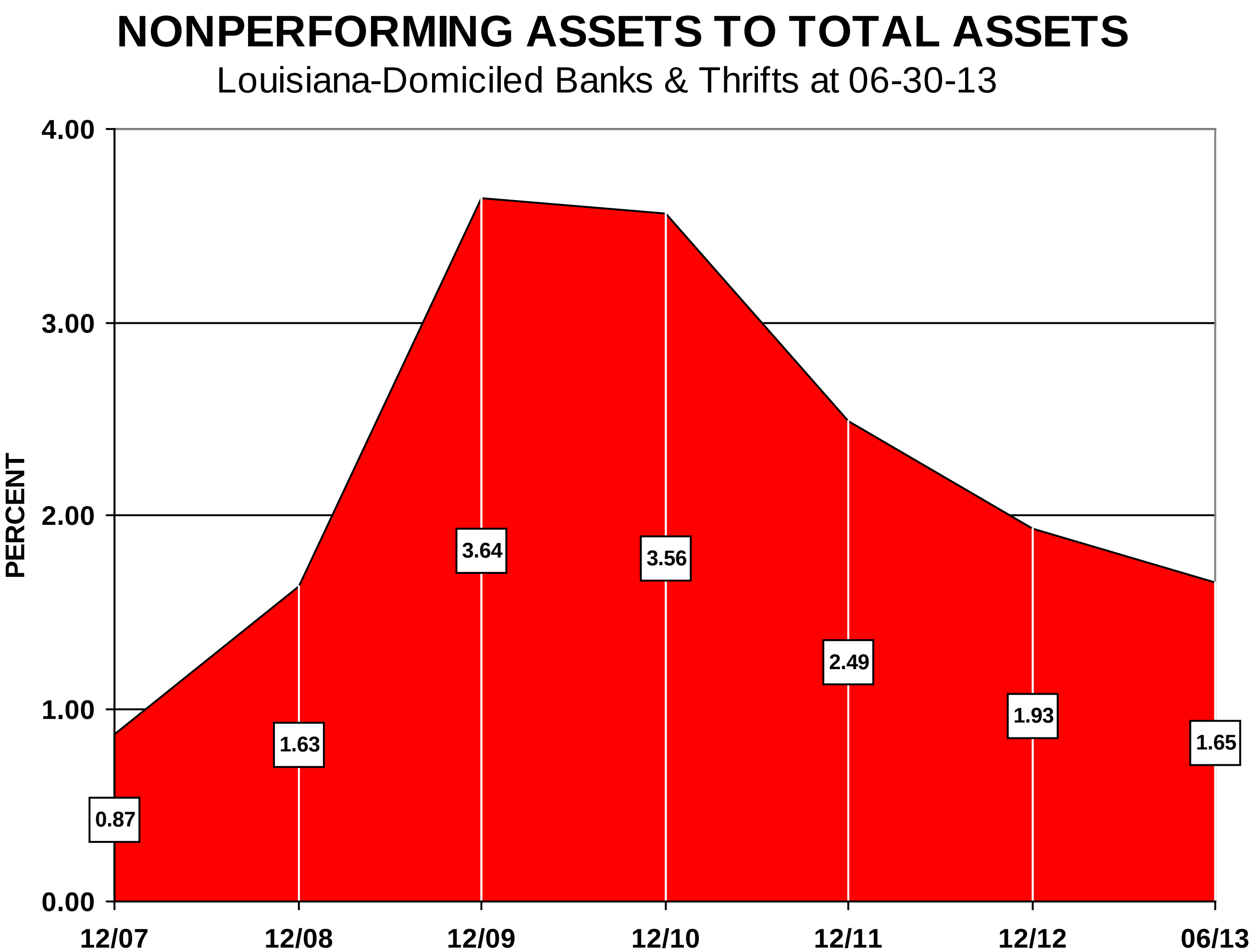

Figure 6

Figure 6 above illustrates the ratio of nonperforming assets to total assets since year-end 2007. This ratio steadily increased between 10 and 30 basis points from the fourth quarter of 2007 through the third quarter of 2009 with a more significant increase of 139 basis points in the fourth quarter of 2009. However, a substantial portion of the increase in nonperforming assets, beginning in the third quarter of 2009, resulted from the acquisition of out-of-state failed institutions by a Louisiana state-chartered bank in the third and fourth quarters of 2009. Excluding the acquired assets, the ratio of nonperforming assets would show a less severe upturn of only 54 basis points from year-end 2008 to year-end 2009. In 2010, with the exception of the third quarter, the ratio declined on a quarterly basis. The increase in the third quarter of 2010 was primarily because a Louisiana state-chartered bank acquired another out-of-state failed institution. Since that date, the ratio, which includes the acquired assets, has trended downward, with the exception of a 2 basis point increase in the first quarter of 2012. The dollar volume of unadjusted nonperforming assets has actually declined each quarter since the fourth quarter of 2010, but the ratio increased in the first quarter of 2012 due to a decline in total assets.

The level of nonperforming assets, excluding those from the failed out-of-state institutions, began declining in the fourth quarter of 2010 and continued through all four quarters of 2011. In 2012, the level increased in the first quarter and declined again in the second through the fourth quarters to below the level at year-end 2011. While the dollar volume of nonperforming assets associated with all the acquisitions of out-of-state failed institutions was available, the dollar volume of total assets was not available. Therefore, the estimated change in the ratio of nonperforming assets to total assets from September 30, 2010, forward, adjusted for these specific assets, was not available.

The volume of nonperforming assets (noncurrent loans as defined below plus other real estate owned (OREO)) decreased during the second quarter of 2013, going from $1.27 billion at March 31, 2013, to $1.15 billion at June 30, 2013, or a decrease of 9.69 percent. Nonperforming assets associated with the acquisition of failed out-of-state institutions totaled $409 million and $370 million at of March 31, 2013, and June 30, 2013, respectively. Excluding these assets, the volume of nonperforming assets would decline from $862 million at March 31, 2013, to $778 million at June 30, 2013, or by 9.76 percent. The ratio of nonperforming assets to total assets decreased from 1.82 percent at March 31, 2013, to 1.65 percent at June 30, 2013. This ratio, excluding the assets acquired from the out-of-state failed institutions, would have also likely declined from March 31, 2013, to June 30, 2013; however, because the assets associated with these acquisitions were not available, the estimated change in the ratio was not available.

Aggregate noncurrent loans (loans past due 90 days or more and accruing interest plus nonaccrual loans) decreased from $928 million at March 31, 2013, to $832 million at June 30, 2103, or by 10.36 percent. Excluding the loans acquired from the out-of-state failed institutions, aggregate noncurrent loans decreased from $607 million at March 31, 2013, to $557 million at June 30, 2013, or by 8.33 percent. With this decline and loan growth in the second quarter, the ratio of noncurrent loans to gross loans decreased from 2.14 percent at March 31, 2013, to 1.87 percent at June 30, 2013. Although the dollar volume of noncurrent loans acquired from the out-of-state failed institutions was available, the dollar volume of gross loans was not available. Therefore, an adjusted ratio of noncurrent loans to gross loans for March 31, 2013, and June 30, 2013, was not available. OREO decreased from $343 million as of March 31, 2013, to $316 million as of June 30, 2013, or by 7.87 percent. Excluding the OREO that was acquired from the out-of-state failed institutions, OREO decreased from $255 million at March 31, 2013, to $222 million at June 30, 2013, or by 13.16 percent.

Figure 7 below illustrates the level of noncurrent loans and OREO for all Louisiana-domiciled banks and thrifts since year-end 2007. A**djusted noncurrent loans and adjusted OREO in Figure 7 below are net of the assets acquired from the failed out-of-state institutions acquired in 2009 and 2010.**

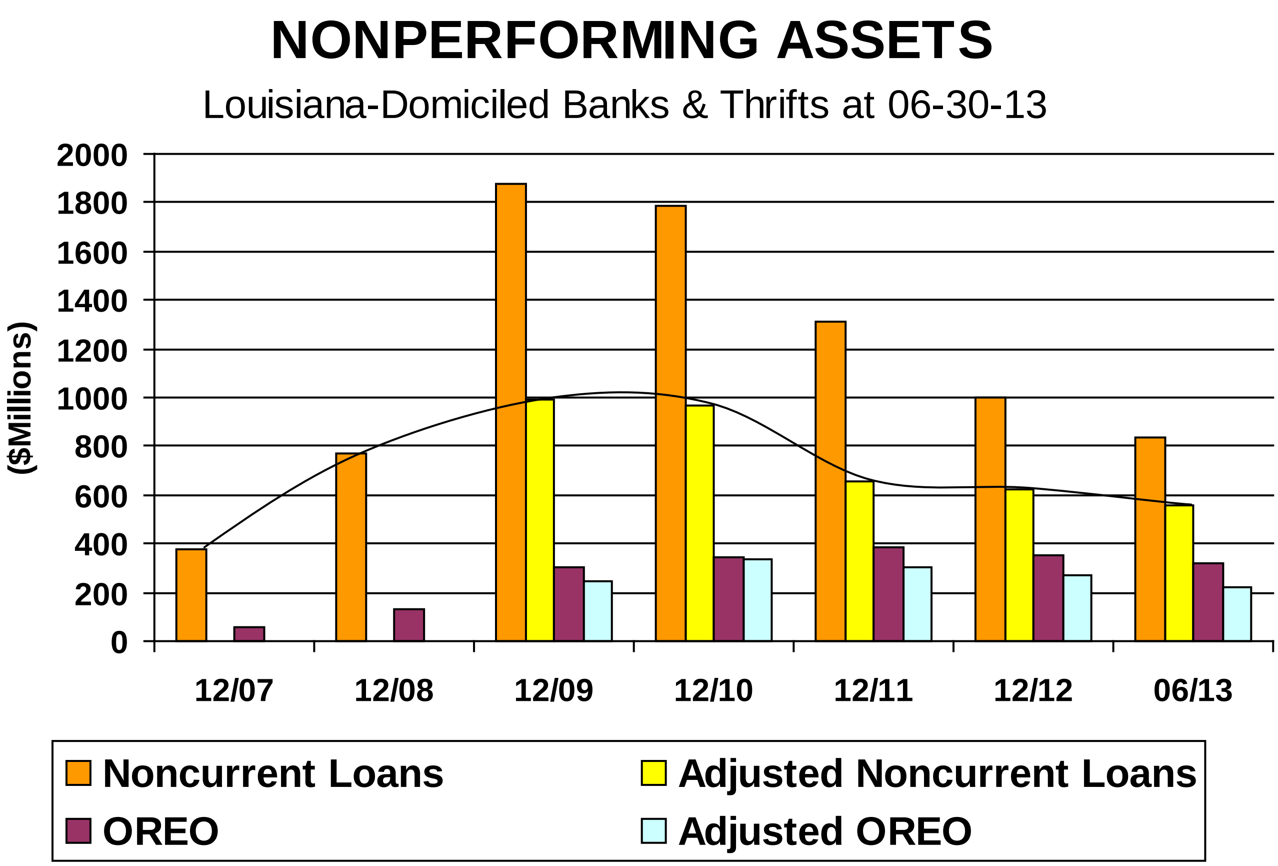

Figure 7

In the second quarter of 2013, for Louisiana state-chartered banks and thrifts, noncurrent loans decreased from $831 million to $748 million, and OREO decreased from $306 million to $286 million. From March 31, 2013, to June 30, 2013, the ratios of nonperforming assets to total assets and noncurrent loans to gross loans for Louisiana state-chartered banks and thrifts decreased from 1.86 percent to 1.69 percent and from 2.18 percent to 1.91 percent, respectively. Excluding the assets acquired from the out-of-state failed institutions, noncurrent loans would decrease from $510 million to $472 million, while OREO would decrease from $218 million to $192 million. As noted previously, assets and gross loans acquired from the out-of-state failed institutions were unavailable. Adjusted noncurrent loans and nonperforming assets decreased in the first and second quarters of 2013, while the unadjusted gross loans increased and unadjusted total assets decreased in the first quarter and increased in the second quarter. However, it is still likely that the adjusted ratios would have declined in both quarters, if gross loans and total assets associated with the out-of-state failed institutions were still available.

In the second quarter, noncurrent loans decreased from $97 million to $84 million and OREO decreased slightly from $65 million to $64 million in Louisiana-domiciled federally-chartered banks and thrifts. From March 31, 2013, to June 30, 2013, the ratios of nonperforming assets to total assets and noncurrent loans to gross loans for Louisiana-domiciled federally-chartered banks and thrifts decreased from 1.55 percent to 1.34 percent and from 1.85 percent to 1.55 percent, respectively. For all commercial banks and thrifts in the U.S., nonperforming assets decreased from March 31, 2013, to June 30, 2013, as noncurrent loans and OREO both decreased. As a result, the ratio of nonperforming assets to total assets decreased from 2.07 percent to 1.90 percent, and the ratio of noncurrent loans to total loans decreased from 3.41 percent to 3.09 percent.

Beginning with the March 31, 2010, Call and Thrift Financial Reports, banks and thrifts began reporting the carrying amount of assets covered by FDIC loss-sharing agreements. Both reports contain information for the following category of assets: covered loans, other real estate owned, debt securities, and other assets. At June 30, 2013, Louisiana-domiciled banks and thrifts reported the carrying amount of loans, OREO, and other assets covered by FDIC loss-sharing agreements at $946 million, $104 million, and $45 thousand, respectively, or a total of $1.05 billion. The total carrying amount of these assets represented 2.34 percent and 1.50 percent of gross loans plus OREO and total assets, respectively. At March 31, 2013, Louisiana-domiciled banks and thrifts reported the carrying amount of loans, OREO, and other assets covered by FDIC loss-sharing agreements at $1.05 billion, $96 million, and $13 thousand, respectively, or a total of $1.14 billion. The total carrying amount of these assets represented 2.62 percent and 1.63 percent of gross loans plus OREO and total assets, respectively, reported as of this date.

At June 30, 2013, noncurrent loans covered by the FDIC loss-share agreements totaled $282 million, or 33.95 percent of the total noncurrent loans, compared to $329 million, or 35.46 percent of total noncurrent loans, at March 31, 2013. At June 30, 2013, OREO covered by these loss-sharing agreements totaled $104 million, or 32.80 percent of total OREO, compared to $96 million, or 28.09 percent of total OREO, at March 31, 2013.

Beginning with the March 31, 2011, Call and Thrift Financial Reports, banks and thrifts also began reporting the portion of loans and OREO protected by these loss-sharing agreements, which is the amount recoverable from the FDIC on the assets covered by the loss-sharing agreements. At June 30, 2013, the portion of noncurrent loans protected by these loss-sharing agreements totaled $255 million, or 30.62 percent of total noncurrent loans, compared to $296 million, or 31.89 percent of total noncurrent loans, at March 31, 2013. At June 30, 2013, the portion of OREO protected by these loss-sharing agreements totaled $82 million, or 26.06 percent of total OREO, compared to $85 million, or 24.69 percent of total OREO, at March 31, 2013.

For all commercial banks and thrifts in the U.S., the carrying amounts of loans and OREO covered by loss-sharing agreements both declined, representing 0.79 percent and 0.86 percent of gross loans and OREO, respectively, at June 30, 2013, and March 31, 2013. With declines in the carrying of amounts of debt securities and a slight increase in other assets covered by loss-sharing agreements, the ratio of covered assets to total assets declined to 0.44 percent at June 30, 2013, from 0.48 percent at March 31, 2013.

For all commercial banks and thrifts in the U.S., at June 30, 2013, covered noncurrent loans represented 4.00 percent of total noncurrent loans, compared to 4.02 percent at March 31, 2013. At June 30, 2013, covered OREO represented 9.30 percent of total OREO, compared to 9.19 percent at March 31, 2013. At June 30, 2013, protected noncurrent loans represented 3.25 percent of total noncurrent loans, compared to 3.28 percent at March 31, 2013. At June 30, 2013, protected OREO represented 7.02 percent of total OREO, compared to 7.07 percent at March 31, 2013.

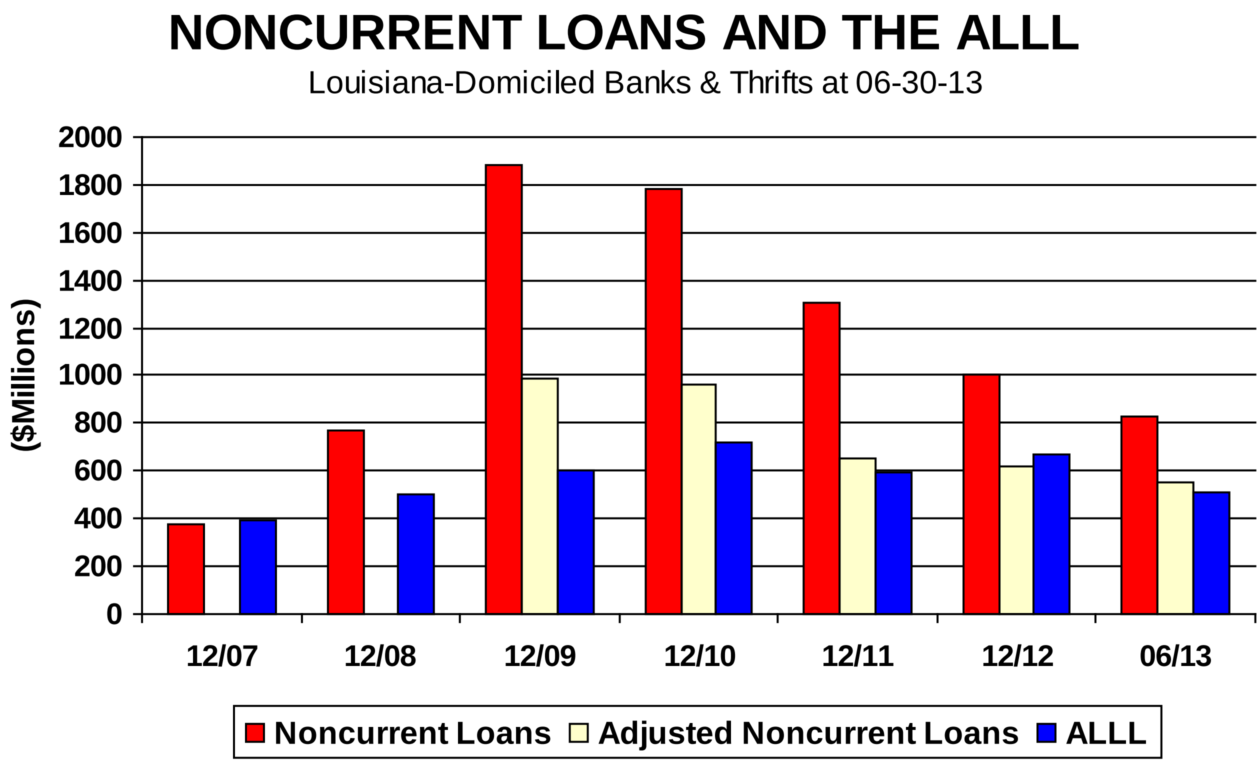

Figure 8

Figure 8 above illustrates the level of the ALLL for Louisiana-domiciled banks and thrifts as compared to the level of noncurrent loans (those loans 90 days or more past due and still accruing interest or on nonaccrual status) since year-end 2007. **Adjusted noncurrent loans are net of those loans acquired from the out-of-state failed institutions in 2009 and 2010.** Institutions are expected to continually review the level of the ALLL to noncurrent loans to ensure that the more severely delinquent loans do not cause the ALLL to fall below the level needed to cover risks in the remainder of the loan portfolio. At year-end 2007, the level maintained in the ALLL exceeded the level of noncurrent loans; however, in the 22 quarters since, the level of noncurrent loans has exceeded the level of the ALLL.

For Louisiana state-chartered banks and thrifts, the level maintained in the ALLL has exceeded the level of noncurrent loans from year-end 2007 through the first quarter of 2008, while the level of noncurrent loans exceeded the level of noncurrent loans for the 21 quarters since then. For Louisiana-domiciled federally-chartered banks and thrifts, the level of noncurrent loans exceeded the level of the ALLL at year-end 2007 and has stayed that way for the 22 quarters since then.

For all banks and thrifts in the U. S., the level of noncurrent loans exceeded the level of the ALLL at year-end 2007 and has remained that way for the 22 subsequent quarters.

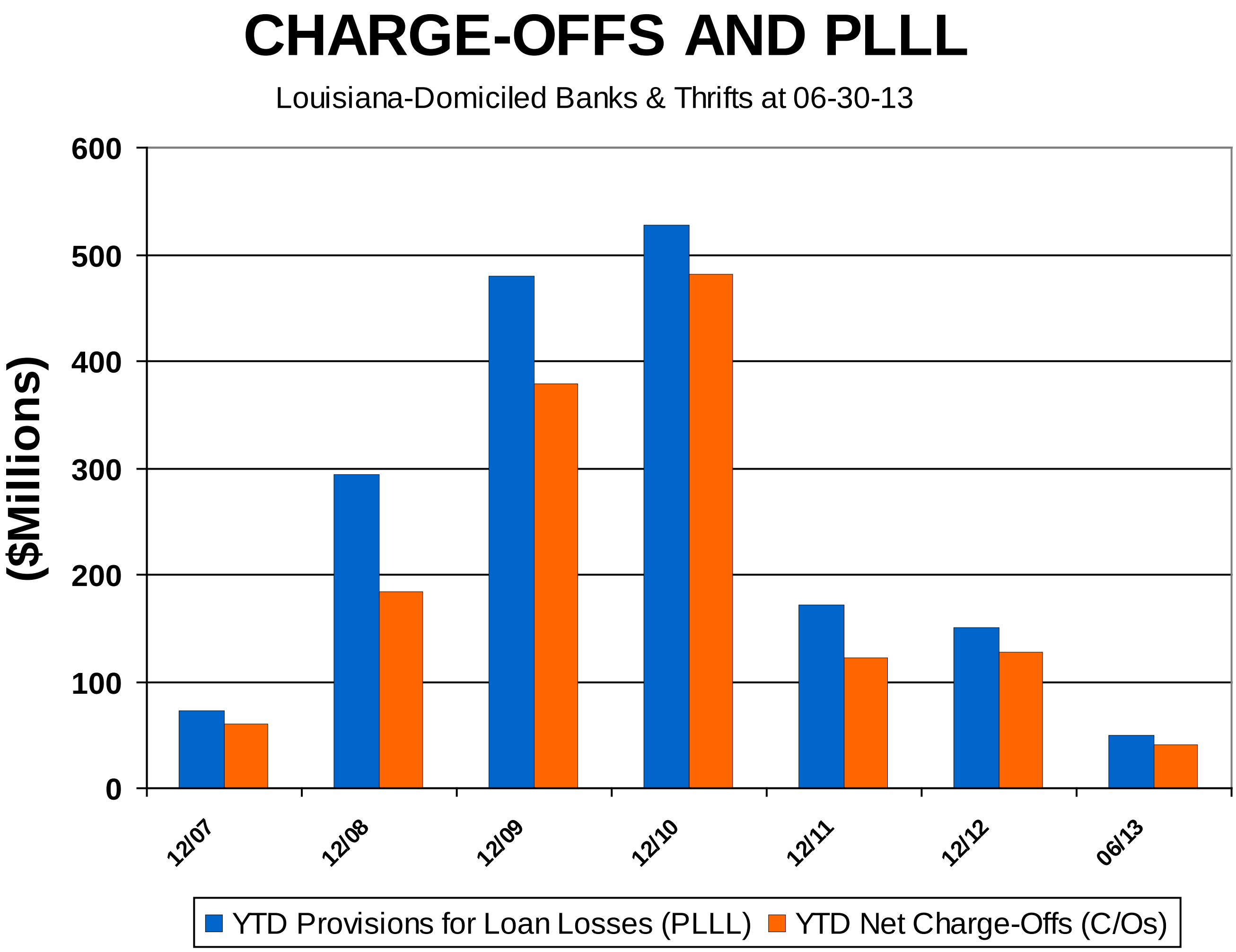

Figure 9

Figure 9 above illustrates the level of year-to-date provisions for loan and lease losses (PLLL) and net charge-offs for all Louisiana-domiciled banks and thrifts since year-end 2007. This chart shows that PLLLs have exceeded net charge-offs for each year-end and the current period for Louisiana-domiciled banks and thrifts.

For Louisiana-domiciled banks and thrifts, net charge-offs recognized in the second quarter of 2013 totaled $13 million, a significant decrease from the $27 million in the first quarter of 2013. The annualized net charge-off ratio for the quarter ending June 30, 2013, decreased to 0.14 percent, from 0.25 percent for the quarter ending March 31, 2013. Based on year-to-date (YTD) net charge-offs reported at $40 million, the YTD 2013 ratio of net charge-offs to total loans decreased slightly to 0.19 percent at June 30, 2013, from 0.25 percent at March 31, 2013. For the calendar years 2012, 2011, and 2010, net charge-offs totaled $127 million, $126 million, and $485 million, respectively, with the net charge-off ratios of 0.31 percent, 0.34 percent, and 1.24 percent, respectively.

From March 31, 2013, to June 30, 2013, quarterly net charge-offs decreased substantially from $25 million to $10 million for Louisiana state-chartered banks and thrifts. For these institutions, the annualized net charge-off ratio, based on quarterly charge-offs, decreased from 0.26 percent to 0.12 percent. The YTD net charge-off ratio, based on net charge-offs of $35 million for the first six months of 2013, decreased from 0.26 percent at March 31, 2013, to 0.18 percent at June 30, 2013. In comparison, net charge-offs totaled $114 million, $109 million, and $142 million, for the calendar years 2012, 2011, and 2010, respectively, with the net charge-off ratios of 0.31 percent, 0.34 percent, and 0.54 percent, respectively.

From March 31, 2013, to June 30, 2013, quarterly net charge-offs increased from $2 million to $4 million for Louisiana-domiciled federally-chartered banks and thrifts. These institutions saw the annualized net charge-off ratio, based on quarterly net charge-offs, increase from 0.18 percent to 0.27 percent. The YTD net charge-off ratio, based on net charge-offs of $6 million for the first six months of 2013, increased from 0.18 percent at March 31, 2013, to 0.23 percent at June 30, 2013. In comparison, net charge-offs totaled $13 million, $17 million, and $343 million, for the calendar years 2012, 2011, and 2010, respectively, with the YTD net charge-off ratios at 0.26 percent, 0.38 percent, and 2.67 percent, respectively. The merger of a large national bank into a state-chartered bank in the second quarter of 2011 significantly reduced the dollar volume of net charge-offs for Louisiana-domiciled federally-chartered banks and thrifts in 2011 from prior years.

For Louisiana-domiciled banks and thrifts, loan loss reserves decreased to $591 million at June 30, 2013, from $606 million at March 31, 2013, and the ratio of loan loss reserves to total loans decreased to 1.33 percent at June 30, 2013, from 1.40 percent at March 31, 2013. This ratio (loan loss reserves to total loans), for each year-end since 2007, is as follows: 1.22 percent as of December 31, 2007; 1.36 percent as of December 31, 2008; 1.56 percent as of December 31, 2009; 1.85 percent as of December 31, 2010; 1.44 percent as of December 31, 2011; and 1.55 as of December 31, 2012.

For Louisiana-domiciled banks and thrifts, loan loss provisions totaled $21 million during the first quarter of 2013, or 0.12 percent of average assets, as compared to $29 million during the second quarter of 2013, or 0.17 percent of average assets. For the calendar years 2012, 2011, and 2010, loan loss provisions totaled $151 million, $173 million, and $531 million, respectively.

For Louisiana state-chartered banks and thrifts, loan loss reserves totaled $528 million at June 30, 2013, a decrease from $545 million at March 31, 2013. During the second quarter, the ratio of loan loss reserves to total loans decreased to 1.35 percent at June 30, 2013, from 1.43 percent at March 31, 2013. Loan loss provisions in the second quarter totaled $24 million, an increase from $19 million in the first quarter. For the calendar years 2012, 2011, and 2010, loan loss provisions totaled $136 million, $155 million, and $187 million, respectively.

For Louisiana-domiciled federally-chartered banks and thrifts, loan loss reserves increased to $62 million at June 30, 2013, from $61 million at March 31, 2013. As a result of loan growth in the second quarter, the ratio of loan loss reserves to total loans decreased nominally to 1.15 percent at June 30, 2013, from 1.16 percent at March 31, 2013. Loan loss provisions for the second quarter totaled $5 million, an increase from $3 million in the first quarter. For the calendar years 2012, 2011, and 2010, loan loss provisions totaled $15 million, $18 million, and $344 million, respectively. The merger of a large national bank into a state-chartered bank in the second quarter of 2011 significantly reduced the dollar volume of loan loss provisions for Louisiana-domiciled federally-chartered banks and thrifts in 2011 from the prior year.

For all banks and thrifts in the U.S., net charge-offs recognized in the second quarter of 2013 totaled $14.13 billion, a decrease from the $16.00 billion in the first quarter of 2013. As a result, the annualized net charge-off ratio for the quarter ending June 30, 2013, declined to 0.74 percent, from 0.83 percent for the quarter ending March 31, 2013. Net charge-offs for the first six months of 2013 totaled $30.13 billion, with the YTD net charge-off ratio decreasing to 0.78 percent as of June 30, 2013, from 0.83 percent as of March 31, 2013. For the calendar years 2012, 2011, and 2010, net charge-offs totaled $82.78 billion, $113.23 billion, and $187.62 billion, respectively, with YTD net charge-off ratios of 1.10 percent, 1.55 percent, and 2.55 percent, respectively.

For all banks and thrifts in the U.S., loan loss reserves totaled $149.04 billion at June 30, 2013, a decrease from $155.47 billion at March 31, 2013. As a result, the ratio of loan loss reserves to total loans declined to 1.93 percent at June 30, 2013, from 2.03 percent at March 31, 2013. Loan loss provisions for the second quarter totaled $8.602 billion, a decrease from $11.03 billion during the first quarter. For the calendar years 2012, 2011, and 2010, loan loss provisions totaled $58.24 billion, $77.51 billion, and $157.97 billion, respectively.

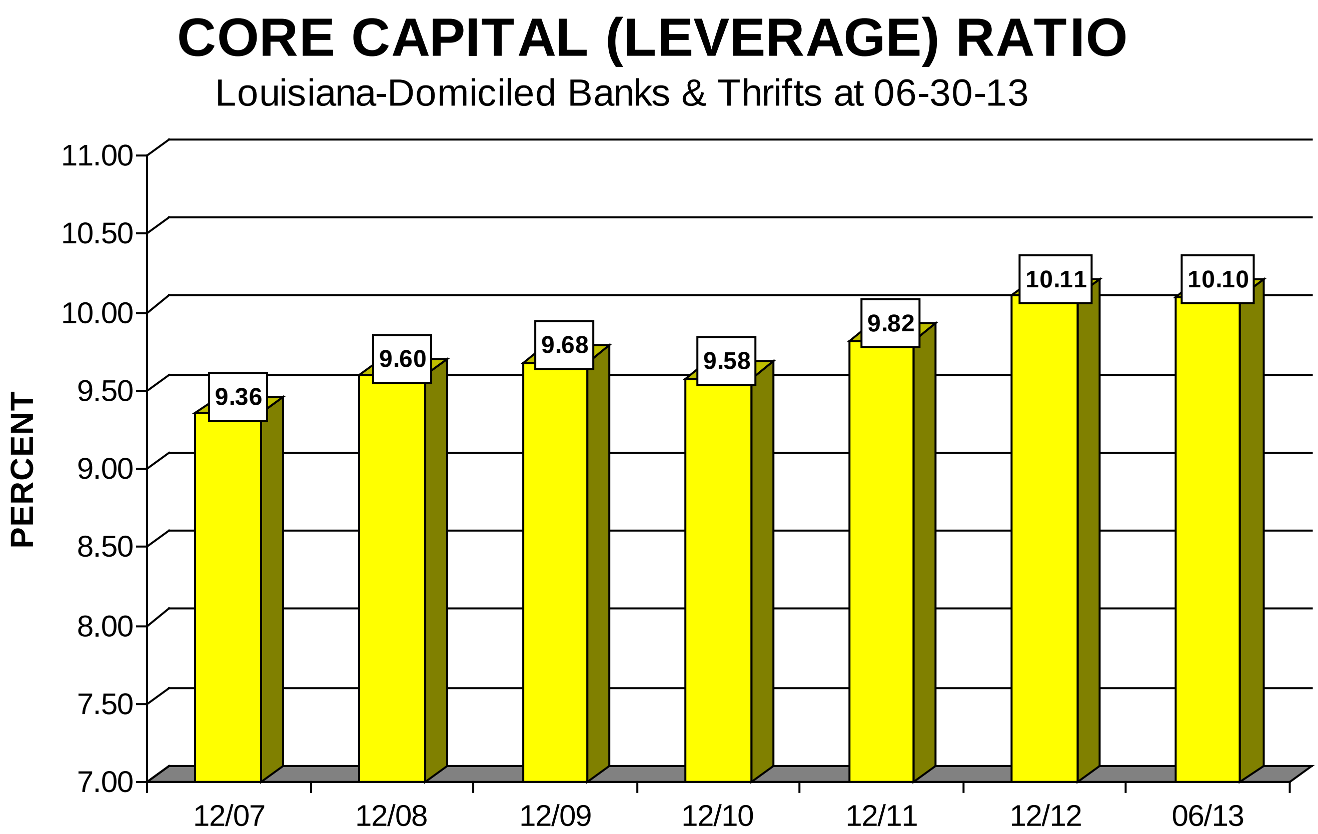

Figure 10

Figure 10 above illustrates the trend in the Tier 1 (core) capital ratio since year-end 2007. As Figure 10 above shows, the Core capital (leverage) ratio at June 30, 2013, decreased by 1 basis point from the ratio reported at year-end 2012. During the second quarter, the Core capital (leverage) ratio increased, going from 10.03 percent at March 31, 2013, to 10.10 percent at June 30, 2013, as Tier 1 (core) capital increased from $6.89 billion at March 31, 2013, to $6.93 billion at June 30, 2013, and quarterly average assets decreased. Louisiana-domiciled banks and thrifts paid dividends of $199 million in the second quarter of 2013, compared to dividends of $72 million in the first quarter.

During the second quarter of 2013, Tier 1 (core) capital increased by $24 million in Louisiana state-chartered banks and thrifts. With this increase and a decline in quarterly average assets, the Core capital (leverage) ratio increased slightly from 9.75 percent to 9.78 percent. In addition, dividends paid by Louisiana state-chartered banks and thrifts during the second quarter increased by $126 million from the level paid in the first quarter. During the second quarter of 2013, Tier 1 (core) capital increased by $13 million in Louisiana-domiciled federally-chartered banks and thrifts, and their Core capital (leverage) ratio increased from 12.01 percent to 12.36 percent. Dividends paid by Louisiana-domiciled federally-chartered banks and thrifts during the second quarter remained essentially the same as the level paid in the first quarter.

For all banks and thrifts in the U.S., Tier 1 (core) capital increased during the second quarter of 2013. With this increase and a decline in quarterly average assets, the Core capital (leverage) ratio increased from 9.26 percent at March 31, 2013, to 9.34 percent at June 30, 2013. Cash dividends paid by these banks and thrifts in the second quarter of 2013 increased by $6.54 billion over the level paid during the first quarter of 2013.

At June 30, 2013, there were 57 state-chartered banks and thrifts and 7 national banks and federally-chartered thrifts, or approximately 45 percent, of the 142 Louisiana-domiciled banks and thrifts, that had elected tax treatment as a Subchapter S corporation, as compared to approximately 32 percent of all banks and thrifts in the U.S.

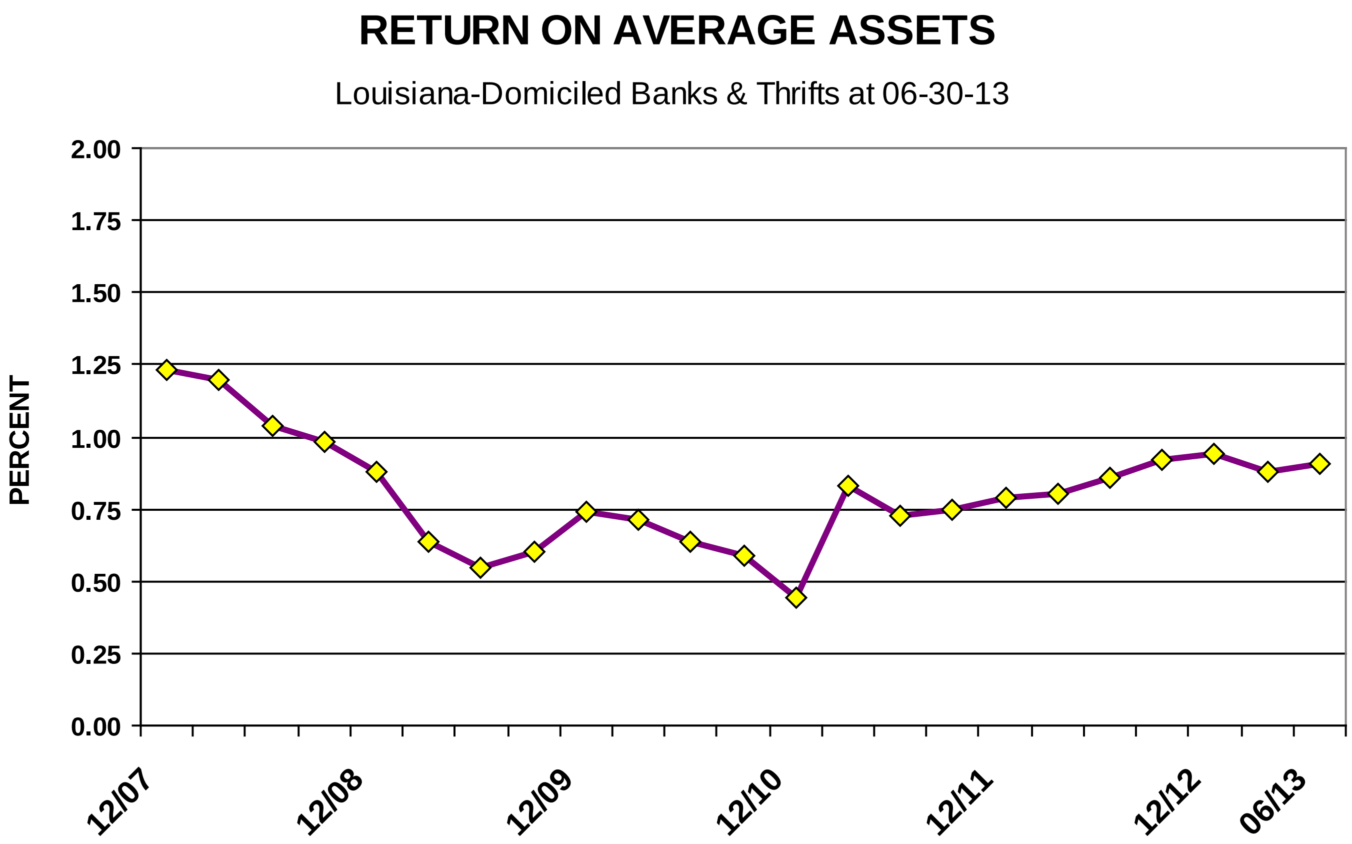

Figure 11

Figure 11 above reflects the annualized year-to-date ROAA for all Louisiana banks and thrifts since year-end 2007. Earnings for the second quarter of 2013 increased from the previous quarter. Net income for the second quarter of 2013 totaled $165.17 million, for a return on average assets (ROAA) of 0.95 percent annualized, as compared to net income for the first quarter of 2013, which totaled $153.27 million, or an ROAA of 0.88 percent annualized. An increase in provisions for loan losses was offset by increased noninterest income and a decline in noninterest expenses. As shown in the chart above, the YTD ROAA increased to 0.91 percent at June 30, 2013, from 0.88 percent at March 31, 2013. At June 30, 2013, two Louisiana banks and thrifts reported YTD net operating losses, with three banks and thrifts also reporting YTD net operating losses at March 31, 2013. At June 30, 2013, the percentage of unprofitable Louisiana-domiciled bank and thrifts was 1.41 percent, while the nationwide percentage was 8.16 percent.

For the second quarter of 2013, all banks and thrifts in the U.S. reported net income of $42.23 billion, for an annualized ROAA of 1.17 percent, as compared to net income of $40.28 billion, for an annualized ROAA of 1.12 percent for the first quarter of 2013. Decreased provisions for loan losses and noninterest expenses were the primary factors contributing to the increase in net income for the second quarter. With the increase in net income in the second quarter, the YTD ROAA also increased slightly from 1.12 percent at March 31, 2013, to 1.15 percent at June 30, 2013.

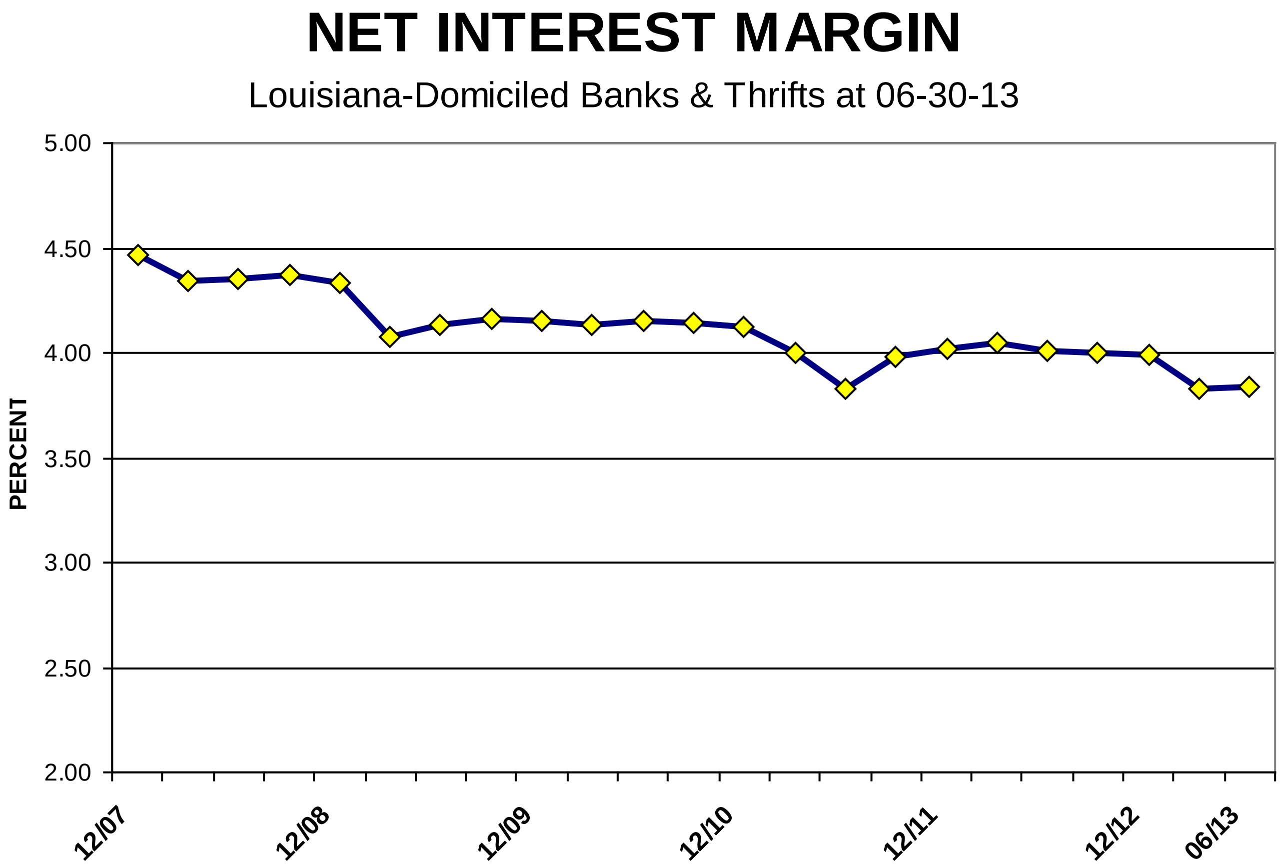

Figure 12

Figure 12 above reflects the annualized YTD net interest margin for all Louisiana banks and thrifts since year-end 2007. The net interest margin for all Louisiana-domiciled banks and thrifts increased nominally from 3.83 percent at March 31, 2013, to 3.84 percent at June 30, 2013. The aggregate yield on earning assets declined from 4.37 percent to 4.36 percent, while the cost of funds decreased from 0.53 percent to 0.52 percent.

During the second quarter of 2013, the net interest margin for Louisiana state-chartered banks and thrifts remained at 3.83 percent, while the net interest margin for Louisiana-domiciled federally-chartered banks and thrifts increased from 3.82 percent to 3.88 percent. The yield on earning assets decreased from 4.37 percent to 4.35 percent for Louisiana state-chartered banks and thrifts, while it increased from 4.36 percent to 4.41 percent for Louisiana-domiciled federally-chartered banks and thrifts. The cost of funds for Louisiana state-chartered banks and thrifts decreased nominally from 0.53 percent to 0.52 percent and for Louisiana-domiciled federally-chartered banks and thrifts also decreased nominally from 0.54 percent to 0.53 percent.

For all banks and thrifts in the U.S., the net interest margin remained at 3.27 percent from March 31, 2013, to June 30, 2013. During the same time frame, the yield on earning assets decreased nominally from 3.72 percent to 3.71 percent, while the cost of funds also decreased nominally from 0.45 percent to 0.44 percent.

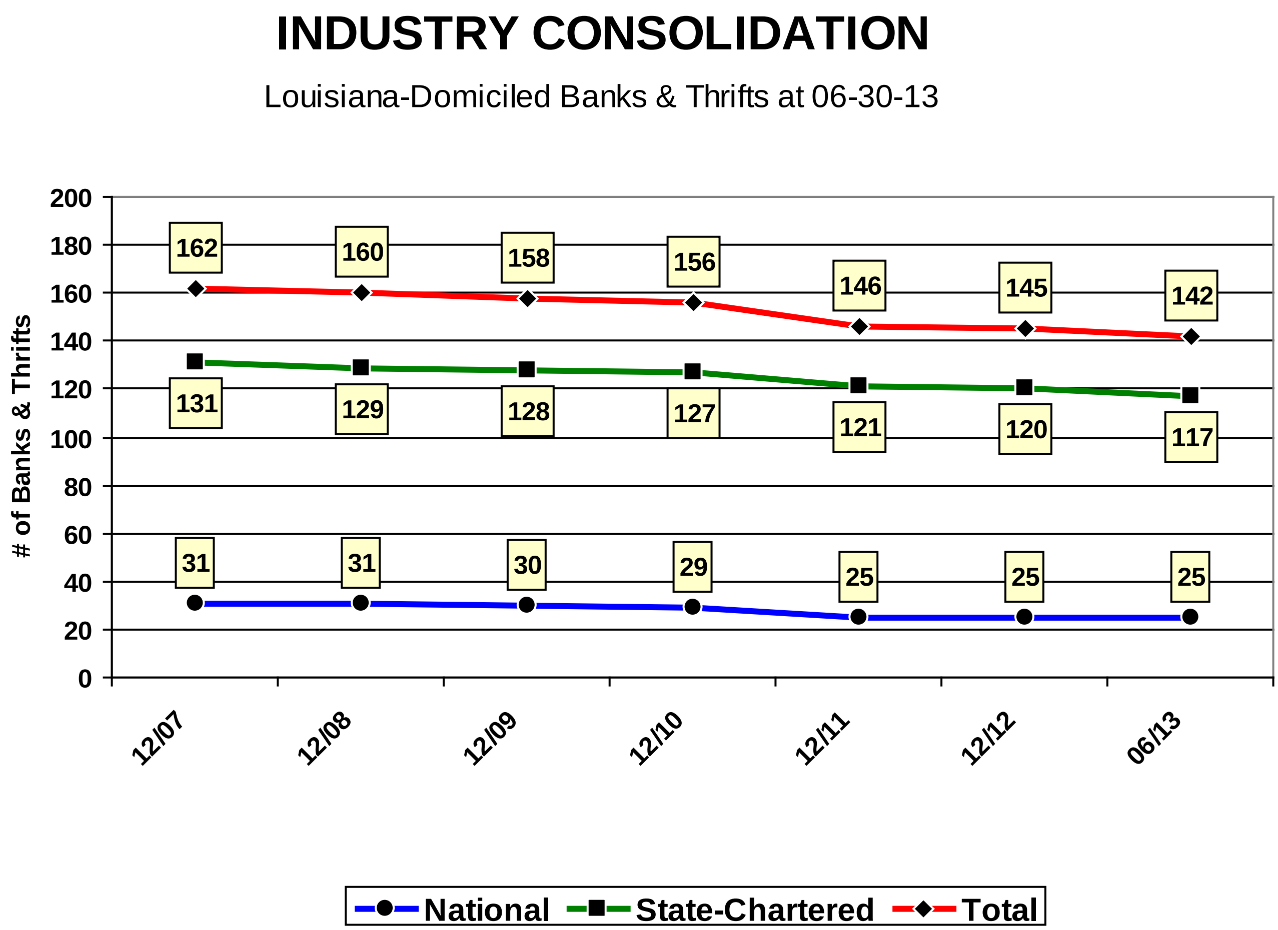

Figure 13

MERGERS AND ACQUISITIONS

Figure 13 above reflects the number of Louisiana-domiciled bank and thrifts since year-end 2007. Since year-end 2012, there were three Louisiana state-chartered banks that have merged into other Louisiana state-chartered banks, with these mergers taking place effective January 1, 2013, April 1, 2013, and May 1, 2013. In addition, a Louisiana state-chartered bank and an Arkansas state-chartered bank, both owned by the same parent company, filed a merger application with the Louisiana bank the surviving entity.

As of June 30, 2013, there were 142 banks and thrifts domiciled in Louisiana. This included 117 state-chartered banks and thrifts, which represents 82 percent of the total number of Louisiana-domiciled banks and thrifts. As Figure 13 above illustrates, since December 31, 2007, the total number of Louisiana-domiciled banks and thrifts has decreased from 162 to 142, or by 12.35 percent.

Nationwide, the number of banks and thrifts declined from 7,019 as of March 31, 2013, to 6,940 as of June 30, 2013, or by 79 institutions during the second quarter. During the second quarter of 2013, 12 banks and thrifts failed, compared to 4 failures in the first quarter of 2013. For 2012, 2011, and 2010, there were 51, 92, and 157 failures, respectively.

In Louisiana, we experienced one bank failure in both 2010 and 2011. During the first and second quarters of 2013, there were no de novo institutions chartered, including those chartered to acquire failed banks. The last two de novo institutions (not chartered to acquired failed banks) were chartered in 2010, including one Louisiana state-chartered institution that opened on July 26, 2010.

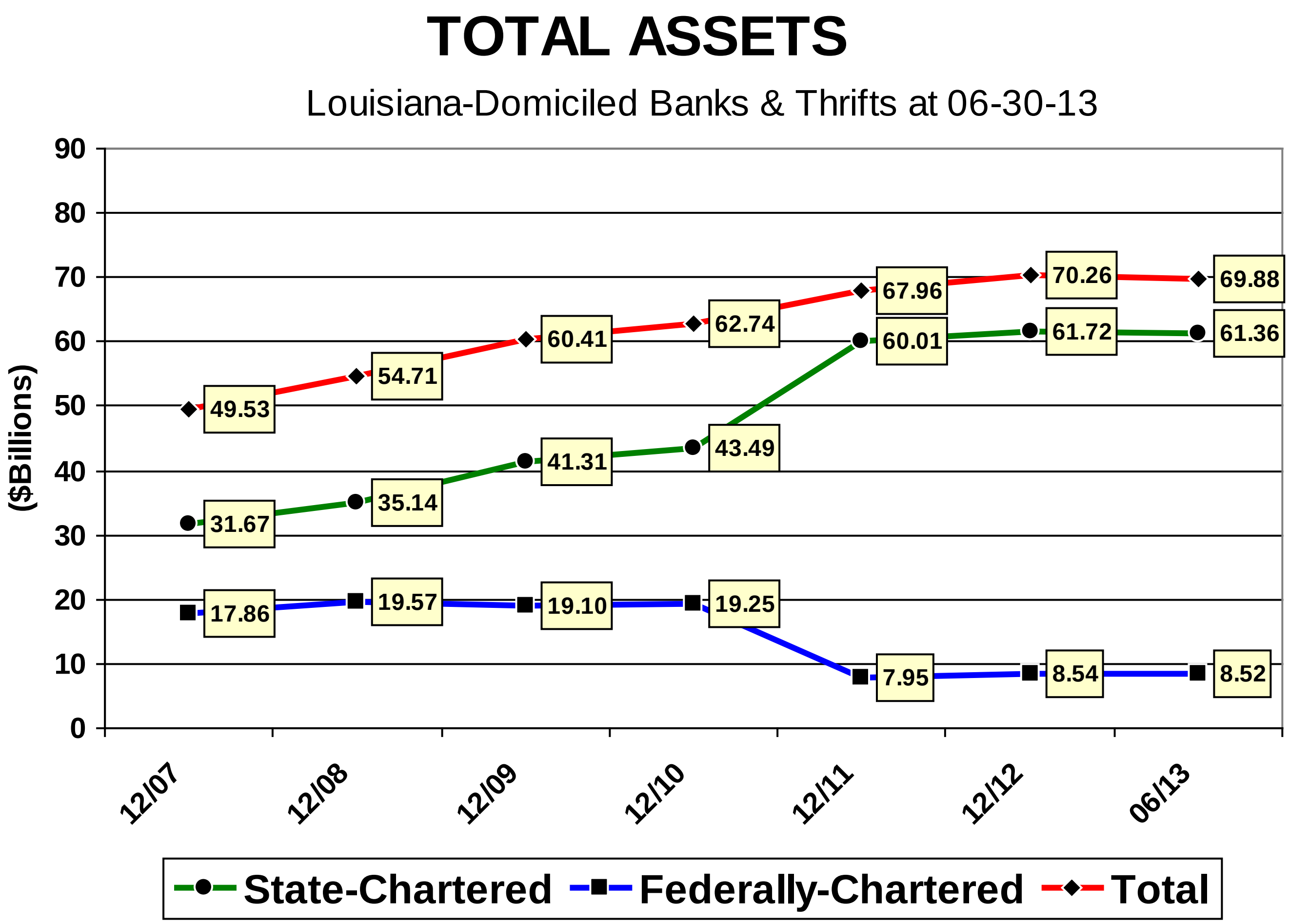

Figure 14

Figure 14 above reflects the trend in total assets for state-chartered banks and thrifts, Louisiana-domiciled federally-chartered banks and thrifts, and all Louisiana-domiciled banks and thrifts since year-end 2007. Total assets for all Louisiana-domiciled banks and thrifts decreased from $70.00 billion at March 31, 2013, to $69.88 billion at June 30, 2013, or by 0.16 percent. **Total assets for all Louisiana-domiciled banks and thrifts grew at a faster rate in the third and fourth quarter of 2009 and the third quarter of 2010 because of the acquisitions of the out-of-state failed institutions. However, total assets specifically associated with these institutions are not available.** Total assets in Louisiana-domiciled banks and thrifts have grown for 16 of the past 20 quarters, despite some industry consolidation since year-end 2007, with declines in the most recent two quarters.

At June 30, 2013, Louisiana state-chartered banks and thrifts held assets totaling $61.36 billion, or 87.81 percent of the Louisiana banking industry's $69.88 billion in total assets. One out-of-state bank holding company located in Mississippi owns a Louisiana-domiciled bank subsidiary, which is a state-chartered bank, with total assets of $12.67 billion, or 18.14 percent of the total assets for all Louisiana-domiciled banks and thrifts. At June 30, 2013, one Louisiana-domiciled bank holding company, which owns a Louisiana state-chartered bank, also owned a state-chartered bank domiciled in Arkansas, with total assets of $30.13 million. However, a merger of these banks is pending, with the Louisiana state-chartered bank the surviving entity.

Total assets for all banks and thrifts in the U.S. decreased from $14.42 trillion at March 31, 2013, to $14.41 trillion at June 30, 2013, and the number of banks and thrifts declined as noted previously.

BANK AND THRIFT SUMMARY AT JUNE 30, 2013

During the second quarter of 2013, the overall financial condition of Louisiana-domiciled banks and thrifts remained sound with further improvement noted in asset quality and an increase in quarterly earnings. The second quarter of 2013 saw a slight decline in total assets and a minimal increase in total deposits and Tier 1 (core) capital. During the second quarter, core deposits as a percent of total deposits and borrowed money declined from the prior quarter, primarily due a slight decline in core deposits and an increase in non-core deposits and borrowed money. Earnings for the second quarter increased moderately, due to a decrease in noninterest expense and an increase in noninterest income. With Tier 1 (core) capital increasing and quarterly average assets declining, the Core capital (leverage) ratio increased, with all capital ratios remaining well above minimum regulatory requirements. During the second quarter of 2013, asset quality continues to show improvement as the dollar volume and ratio of nonperforming assets declined, both with and excluding those associated with the acquisition of the out-of-state failed institutions. The net charge-off ratio declined during the second quarter and is well below the level reported at the same time period of the prior year. State and federal regulatory agencies will continue to closely monitor asset quality to ensure that banks and thrifts continue to adhere to sound underwriting guidelines and properly evaluate the adequacy of their ALLL, earnings performance, and capital levels, especially with the ongoing concerns with local, state, and national economies.

BANK AND THRIFT LAGNIAPPE

- At June 30, 2013, the breakdown of **all** Louisiana-domiciled **banks & thrifts** by asset size is as follows:

Asset Size	Number	No. %	Total Assets *	TA %
Assets < $100 Million	33	23	$2,075,490	3
Assets $100 Million to $300 Million	67	47	12,116,506	17
Assets $300 Million to $500 Million	17	12	6,424,970	9
Assets $500 Million to $1 Billion	18	13	13,118,815	19
Assets $1 Billion to $10 Billion	5	4	10,717,724	15
Assets > $10 Billion	2	1	25,430,166	37
TOTAL ASSETS	142	100	$69,883,671	100

- At June 30, 2013, the breakdown of Louisiana **state-chartered banks & thrifts** by asset size is as follows:

Asset Size	Number	No. %	Total Assets *	TA %
Assets < $100 Million	27	23	$1,713,145	3
Assets $100 Million to $300 Million	55	47	9,736,692	16
Assets $300 Million to $500 Million	15	13	5,744,234	9
Assets $500 Million to $1 Billion	14	12	9,883,264	16
Assets $1 Billion to $10 Billion	4	3	8,856,319	14
Assets > $10 Billion	2	2	25,430,166	42
TOTAL ASSETS	117	100	$61,363,820	100

- At June 30, 2013, the breakdown of Louisiana-domiciled **federally-chartered banks & thrifts** by asset size is as follows:

Asset Size	Number	No. %	Total Assets *	TA %
Assets < $100 Million	6	24	$362,345	4
Assets $100 Million to $300 Million	12	48	2,379,814	28
Assets $300 Million to $500 Million	2	8	680,736	8
Assets $500 Million to $1 Billion	4	16	3,235,551	38
Assets $1 Billion to $10 Billion	1	4	1,861,405	22
TOTAL ASSETS	25	100	$8,519,851	100

* Thousands

CRA RATINGS FOR LOUISIANA-DOMICILED BANKS AND THRIFTS AT JUNE 30, 2013

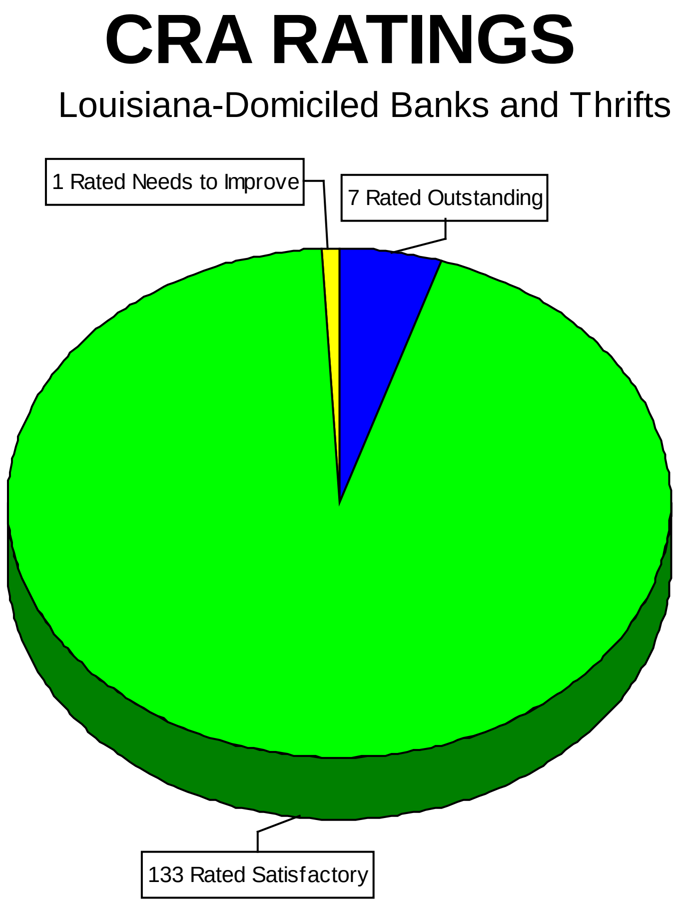

Figure 15

(Note: The above chart does not include a Louisiana-domiciled bankers' bank, since CRA ratings are not applicable. The above chart reflects all ratings issued through June 30, 2013.)

As demonstrated, Louisiana-domiciled banks and thrifts continue to work aggressively to meet the requirements of the Community Reinvestment Act. All but one of the Louisiana-domiciled banks and thrifts that received a CRA rating were rated Satisfactory or better at their last CRA examination. However, the CRA rating for one bank/thrift changed to Needs to Improve from Satisfactory at their last examination. Some ratings shown in the above chart still include those formerly assigned by the OTS, for those institutions that were under their federal supervision until July 21, 2011, when the supervisory authority for these institutions was transferred to either the FDIC or OCC.

All financial information contained within this report was obtained from the Institution Directory and Statistics on Depository Institutions(SDI) sections of the Federal Deposit Insurance Corporation's (FDIC) website, which is based on the quarterly financial reports filed by the individual banks and thrifts. This information was deemed reliable at the time it was obtained; however, the banks and thrifts amend their reports at times, which may result in differences in information contained herein. During preparation of the report, it was noted that some year-end ratios had changed. To the extent possible, the changes to the year-end ratios are reflected in the various charts and graphs within this report.

While dollar amounts within this report may use billions initially, then millions, then thousands, depending on the reported amount, all percentage changes are calculated using the dollar amounts rounded to the nearest thousandth, as reported by the banks and thrifts in their quarterly financial reports (Call Reports and Thrift Financial Reports).

Page 1 Note: *Information gathered from the SDI section of the FDIC website is based on the Standard Peer Group selection. In using this selection, the ratios available on the Performance and Conditions Ratios report and others are based on a weighted average of all the ratios within the selected peer group, which are the same ratios used in the FDIC's Quarterly Banking Profile. However, the weighted average ratios place more emphasis on the ratios of the larger banks and thrifts within the peer group and may slant ratios based on the performance of these larger institutions. With the Standard Peer Group selection, the reports only allow you to view weighted average ratios.*

By changing to a Custom Peer Group, SDI allows you to look at the ratios on the Performance and Conditions Ratios report based on selections other than weighted average, with the selections being maximum, minimum, non-weighted average, and median. Based on the Custom Peer Group with non-weighted averages, which is a straight average of all the ratios in the selected peer group, all of the ratios shown in the chart on Page 1 for Louisiana-domiciled would change somewhat. However, there are several ratios that would show significant positive changes including: Yield on Earning Assets, Net Interest Margin, Return on Average Assets, Noncurrent Loans to Total Loans, Nonperforming Assets to Total Assets, and Tier 1 Leverage Capital. For banks and thrifts in the U.S., most of these same ratios would also show a positive change with the exceptions of Return on Average Assets, which would decline, and Nonperforming Assets to Total Assets, which would increase slightly.

Based on a non-weighted average, the ROAA for Louisiana-domiciled banks and thrifts for the quarter ending June 30, 2013, is 1.11 percent, while the ROAA for U. S. banks and thrifts for the quarter ending June 30, 2013, is 0.93 percent. In addition, the ratios of nonperforming assets to total assets and noncurrent loans to gross loans for Louisiana-domiciled banks and thrifts would both decline and remain below the non-weighted ratios for U.S. banks and thrifts, although both ratios would not compare as favorably to the ratios shown in the chart on page 1.

Pages 5 and 6 (Figures 4 and 5) Note: *The signature of the Dodd-Frank Act in July 2010 impacted the information contained in the narrative and charts related to discussion of core deposits. While the insurance limit was increased upon signature of the act, the definition of core deposits was not changed until a later date. As a result, the December 31, 2010, report contained the same charts that used the old definition since it was not changed at the time the report was issued. However, the charts on these two pages in the current report reflect the December 31, 2010, December 31, 2011, and June 30, 2012, information based on the new definition of core deposits.*