

**American River Bankshares**  
**Analysis of Net Interest Margin on Earning Assets**  
(Taxable Equivalent Basis)

(Dollars in thousands)

Three months ended December 31,

	2015			2014		
ASSETS	Avg Balance	Interest	Avg Yield	Avg Balance	Interest	Avg Yield
Taxable loans and leases	\$ 279,137	\$ 3,430	4.88%	\$ 251,740	\$ 3,288	5.18%
Tax-exempt loans and leases	12,943	171	5.24%	1,135	17	5.94%
Taxable investment securities	249,307	1,574	2.51%	268,538	1,444	2.13%
Tax-exempt investment securities	25,925	252	3.86%	26,745	256	3.80%
Corporate stock	81	-	0.00%	45	-	0.00%
Interest-bearing deposits in banks	997	1	0.40%	1,000	1	0.40%
<b>Total earning assets</b>	<b>568,390</b>	<b>5,428</b>	<b>3.79%</b>	<b>549,203</b>	<b>5,006</b>	<b>3.62%</b>
Cash & due from banks	32,118			35,747		
Other assets	40,828			43,428		
Allowance for loan & lease losses	(4,942)			(5,572)		
	<b>\$ 636,394</b>			<b>\$ 622,806</b>		
<b>LIABILITIES &amp; SHAREHOLDERS'</b>						
<b>EQUITY</b>						
Interest checking and money market	\$ 197,773	\$ 52	0.10%	\$ 207,762	\$ 104	0.20%
Savings	60,234	6	0.04%	56,557	9	0.06%
Time deposits	85,253	135	0.63%	87,818	139	0.63%
Other borrowings	12,565	36	1.14%	11,000	34	1.23%
<b>Total interest bearing liabilities</b>	<b>355,825</b>	<b>229</b>	<b>0.26%</b>	<b>363,137</b>	<b>286</b>	<b>0.31%</b>
Noninterest bearing demand deposits	187,484			164,108		
Other liabilities	6,914			6,480		
<b>Total liabilities</b>	<b>550,223</b>			<b>533,725</b>		
<b>Shareholders' equity</b>	<b>86,171</b>			<b>89,081</b>		
	<b>\$ 636,394</b>			<b>\$ 622,806</b>		
<b>Net interest income &amp; margin</b>		<b>\$ 5,199</b>	<b>3.63%</b>		<b>\$ 4,720</b>	<b>3.41%</b>

Twelve months ended December 31,

	2015			2014		
ASSETS	Avg Balance	Interest	Avg Yield	Avg Balance	Interest	Avg Yield
Taxable loans and leases	\$ 270,267	\$ 13,547	5.01%	\$ 253,434	\$ 13,609	5.37%
Tax-exempt loans and leases	9,461	481	5.08%	464	29	6.25%
Taxable investment securities	255,137	6,280	2.46%	257,308	5,528	2.15%
Tax-exempt investment securities	26,128	1,015	3.88%	27,051	1,057	3.91%
Corporate stock	79	12	15.19%	77	15	19.48%
Interest-bearing deposits in banks	994	5	0.50%	1,000	4	0.40%
<b>Total earning assets</b>	<b>562,066</b>	<b>21,340</b>	<b>3.80%</b>	<b>539,334</b>	<b>20,242</b>	<b>3.75%</b>
Cash & due from banks	26,313			28,533		
Other assets	39,941			42,924		
Allowance for loan & lease losses	(5,271)			(5,544)		
	<b>\$ 623,049</b>			<b>\$ 605,247</b>		
<b>LIABILITIES &amp; SHAREHOLDERS'</b>						
<b>EQUITY</b>						
Interest checking and money market	\$ 196,120	\$ 244	0.12%	\$ 201,412	\$ 420	0.21%
Savings	58,910	29	0.05%	53,806	40	0.07%
Time deposits	86,930	544	0.63%	89,392	561	0.63%
Other borrowings	14,092	144	1.02%	11,262	147	1.31%
<b>Total interest bearing liabilities</b>	<b>356,052</b>	<b>961</b>	<b>0.27%</b>	<b>355,872</b>	<b>1,168</b>	<b>0.33%</b>
Noninterest bearing demand deposits	173,130			155,537		
Other liabilities	6,537			6,275		
<b>Total liabilities</b>	<b>535,719</b>			<b>517,684</b>		
<b>Shareholders' equity</b>	<b>87,330</b>			<b>87,563</b>		
	<b>\$ 623,049</b>			<b>\$ 605,247</b>		
<b>Net interest income &amp; margin</b>		<b>\$ 20,379</b>	<b>3.63%</b>		<b>\$ 19,067</b>	<b>3.54%</b>