

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

(Dollars in thousands)

Three months ended June 30,

	2016			2015		
ASSETS	Avg Balance	Interest	Avg Yield	Avg Balance	Interest	Avg Yield
Taxable loans and leases	\$ 283,373	\$ 3,445	4.89%	\$ 267,888	\$ 3,339	5.00%
Tax-exempt loans and leases	17,050	232	5.47%	9,083	123	5.43%
Taxable investment securities	240,997	1,441	2.40%	254,676	1,657	2.61%
Tax-exempt investment securities	23,336	215	3.71%	26,202	255	3.90%
Corporate stock	76	8	42.34%	74	11	59.62%
Interest-bearing deposits in banks	999	2	0.81%	978	1	0.41%
Total earning assets	565,831	5,343	3.80%	558,901	5,386	3.87%
Cash & due from banks	28,070			22,221		
Other assets	36,849			39,715		
Allowance for loan & lease losses	(5,098)			(5,345)		
	\$ 625,652			\$ 615,492		
LIABILITIES & SHAREHOLDERS'						
EQUITY						
Interest checking and money market	\$ 188,365	\$ 35	0.07%	\$ 189,816	\$ 62	0.13%
Savings	59,679	5	0.03%	57,915	9	0.06%
Time deposits	83,087	142	0.69%	88,116	137	0.62%
Other borrowings	14,286	39	1.10%	14,544	36	0.99%
Total interest bearing liabilities	345,417	221	0.26%	350,391	244	0.28%
Noninterest bearing demand deposits	190,646			170,792		
Other liabilities	6,258			6,266		
Total liabilities	542,321			527,449		
Shareholders' equity	83,331			88,043		
	\$ 625,652			\$ 615,492		
Net interest income & margin		\$ 5,122	3.64%		\$ 5,142	3.69%

Six months ended June 30, 2016

	2016			2015		
ASSETS	Avg Balance	Interest	Avg Yield	Avg Balance	Interest	Avg Yield
Taxable loans and leases	\$ 281,143	\$ 6,807	4.87%	\$ 263,161	\$ 6,596	5.05%
Tax-exempt loans and leases	16,621	462	5.59%	6,637	167	5.07%
Taxable investment securities	245,310	2,993	2.45%	259,312	3,073	2.39%
Tax-exempt investment securities	24,446	461	3.79%	26,314	509	3.90%
Corporate stock	72	14	39.10%	73	12	33.15%
Interest-bearing deposits in banks	992	3	0.61%	989	2	0.41%
Total earning assets	568,584	10,740	3.80%	556,486	10,359	3.75%
Cash & due from banks	28,108			21,746		
Other assets	38,723			39,511		
Allowance for loan & lease losses	(5,051)			(5,325)		
	\$ 630,364			\$ 612,418		
LIABILITIES & SHAREHOLDERS'						
EQUITY						
Interest checking and money market	\$ 188,463	\$ 75	0.08%	\$ 195,141	\$ 131	0.14%
Savings	59,442	10	0.03%	58,405	17	0.06%
Time deposits	83,449	281	0.68%	87,907	274	0.63%
Other borrowings	19,327	89	0.93%	12,765	70	1.11%
Total interest bearing liabilities	350,681	455	0.26%	354,218	492	0.28%
Noninterest bearing demand deposits	188,791			163,635		
Other liabilities	6,362			6,403		
Total liabilities	545,834			524,256		
Shareholders' equity	84,530			88,162		
	\$ 630,364			\$ 612,418		
Net interest income & margin		\$ 10,285	3.64%		\$ 9,867	3.58%