

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

(Dollars in thousands)

Three months ended March 31,

	2017			2016		
<b>ASSETS</b>	<b>Avg Balance</b>	<b>Interest</b>	<b>Avg Yield</b>	<b>Avg Balance</b>	<b>Interest</b>	<b>Avg Yield</b>
Taxable loans and leases	\$ 305,625	\$ 3,430	4.55%	\$ 278,734	\$ 3,362	4.85%
Tax-exempt loans and leases	14,488	176	4.93%	16,372	230	5.65%
Taxable investment securities	235,213	1,323	2.28%	249,622	1,552	2.50%
Tax-exempt investment securities	22,725	210	3.75%	25,557	246	3.87%
Corporate stock	63	10	64.37%	69	6	34.97%
Interest-bearing deposits in banks	1,118	2	0.73%	985	1	0.41%
<b>Total earning assets</b>	<b>579,232</b>	<b>5,151</b>	<b>3.61%</b>	<b>571,339</b>	<b>5,397</b>	<b>3.80%</b>
Cash & due from banks	39,314			28,145		
Other assets	39,047			40,595		
Allowance for loan & lease losses	(4,828)			(5,003)		
	<b>\$ 652,765</b>			<b>\$ 635,076</b>		
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>						
Interest checking and money market	\$ 196,397	\$ 34	0.07%	\$ 188,560	\$ 40	0.09%
Savings	63,265	5	0.03%	59,206	5	0.03%
Time deposits	82,302	155	0.76%	83,811	139	0.67%
Other borrowings	15,500	48	1.26%	24,368	50	0.83%
<b>Total interest bearing liabilities</b>	<b>357,464</b>	<b>242</b>	<b>0.27%</b>	<b>355,945</b>	<b>234</b>	<b>0.26%</b>
Noninterest bearing demand deposits	203,947			186,935		
Other liabilities	7,719			6,467		
<b>Total liabilities</b>	<b>569,130</b>			<b>549,347</b>		
<b>Shareholders' equity</b>	<b>83,635</b>			<b>85,729</b>		
	<b>\$ 652,765</b>			<b>\$ 635,076</b>		
<b>Net interest income &amp; margin</b>		<b>\$ 4,909</b>	<b>3.44%</b>		<b>\$ 5,163</b>	<b>3.63%</b>