

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

(Dollars in thousands)

Three months ended September 30,	2018			2017		
ASSETS	Avg Balance	Interest	Avg Yield	Avg Balance	Interest	Avg Yield
Taxable loans and leases	\$ 286,261	\$ 3,405	4.72%	\$ 308,679	\$ 3,496	4.49%
Tax-exempt loans and leases	13,673	152	4.41%	14,225	147	4.10%
Taxable investment securities	270,014	1,902	2.79%	237,907	1,292	2.15%
Tax-exempt investment securities	15,690	122	3.08%	22,855	241	4.18%
Corporate stock	-	-	-	97	-	0.00%
Federal funds sold	24,359	120	1.95%	-	-	-
Interest-bearing deposits in banks	1,746	10	2.27%	1,248	4	1.27%
<b>Total earning assets</b>	<b>611,743</b>	<b>5,711</b>	<b>3.70%</b>	<b>585,011</b>	<b>5,180</b>	<b>3.51%</b>
Cash & due from banks	26,272			30,229		
Other assets	40,343			39,063		
Allowance for loan & lease losses	(4,399)			(4,876)		
	<b>\$ 673,959</b>			<b>\$ 649,427</b>		
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>						
Interest checking and money market	\$ 212,872	\$ 63	0.12%	\$ 195,270	\$ 34	0.07%
Savings	72,580	6	0.03%	65,458	6	0.04%
Time deposits	77,411	277	1.42%	80,232	184	0.91%
Other borrowings	15,630	63	1.60%	15,587	55	1.40%
<b>Total interest bearing liabilities</b>	<b>378,493</b>	<b>409</b>	<b>0.43%</b>	<b>356,547</b>	<b>279</b>	<b>0.31%</b>
Noninterest bearing demand deposits	216,732			203,473		
Other liabilities	6,887			7,482		
<b>Total liabilities</b>	<b>602,112</b>			<b>567,502</b>		
<b>Shareholders' equity</b>	<b>71,847</b>			<b>81,925</b>		
	<b>\$ 673,959</b>			<b>\$ 649,427</b>		
<b>Net interest income &amp; margin</b>		<b>\$ 5,302</b>	<b>3.44%</b>		<b>\$ 4,901</b>	<b>3.32%</b>

Nine months ended September 30,	2018			2017		
ASSETS	Avg Balance	Interest	Avg Yield	Avg Balance	Interest	Avg Yield
Taxable loans and leases	\$ 290,142	\$ 10,216	4.71%	\$ 305,467	\$ 10,384	4.54%
Tax-exempt loans and leases	13,809	458	4.43%	14,357	503	4.68%
Taxable investment securities	261,482	4,930	2.52%	238,775	3,978	2.23%
Tax-exempt investment securities	19,983	494	3.31%	22,797	663	3.89%
Corporate stock	-	-	-	95	16	22.52%
Federal funds sold	20,139	268	1.78%	-	-	-
Interest-bearing deposits in banks	1,744	23	1.76%	1,209	9	1.00%
<b>Total earning assets</b>	<b>607,299</b>	<b>16,389</b>	<b>3.61%</b>	<b>582,700</b>	<b>15,553</b>	<b>3.57%</b>
Cash & due from banks	37,537			32,902		
Other assets	39,678			39,099		
Allowance for loan & lease losses	(4,458)			(4,856)		
	<b>\$ 680,056</b>			<b>\$ 649,845</b>		
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>						
Interest checking and money market	\$ 219,797	\$ 196	0.12%	\$ 197,606	\$ 104	0.07%
Savings	70,785	19	0.04%	64,072	16	0.03%
Time deposits	78,761	730	1.24%	81,385	501	0.82%
Other borrowings	15,544	171	1.47%	15,529	152	1.31%
<b>Total interest bearing liabilities</b>	<b>384,887</b>	<b>1,116</b>	<b>0.39%</b>	<b>358,592</b>	<b>773</b>	<b>0.29%</b>
Noninterest bearing demand deposits	215,537			201,227		
Other liabilities	7,013			7,559		
<b>Total liabilities</b>	<b>607,437</b>			<b>567,378</b>		
<b>Shareholders' equity</b>	<b>72,619</b>			<b>82,467</b>		
	<b>\$ 680,056</b>			<b>\$ 649,845</b>		
<b>Net interest income &amp; margin</b>		<b>\$ 15,273</b>	<b>3.36%</b>		<b>\$ 14,780</b>	<b>3.39%</b>