

LOUISIANA-DOMICILED BANKS AND THRIFTS FINANCIAL REPORT

For the Quarter Ended
June 30, 2009



STATE OF LOUISIANA OFFICE OF FINANCIAL INSTITUTIONS

Post Office Box 94095
Baton Rouge, Louisiana 70804-9095
(225) 925-4660
www.ofi.louisiana.gov

Bobby Jindal
Governor

John Ducrest
*Commissioner of
Financial Institutions*

FINANCIAL CONDITION OF LOUISIANA-DOMICILED BANKS & THRIFTS AS OF JUNE 30, 2009

During the second quarter of 2009, total assets for all Louisiana-domiciled banks and thrifts increased slightly from \$55.29 billion to \$55.44 billion, an increase \$0.15 billion or by 0.27 percent. During the second quarter, two of the four major asset categories increased. Total loans and leases increased from \$37.14 billion to \$37.72 billion or by 1.56 percent. Total securities increased from \$11.17 billion to \$11.22 billion or by 0.42 percent. Cash decreased from \$2.63 billion to \$2.55 billion or by 3.00 percent. Federal funds sold decreased from \$1.31 billion to \$852 million or by 34.76 percent. On the liabilities side, total deposits increased from \$44.39 billion to \$44.48 billion or by 0.21 percent, while borrowed money increased from \$4.28 billion to \$4.33 billion or by 1.15 percent.

For Louisiana state-chartered banks and thrifts, total assets increased by 1.01 percent during the second quarter of 2009, with increases in total loans and cash and decreases in securities and Federal funds sold. On the liabilities side, total deposits and borrowed money increased. For Louisiana-domiciled federally-chartered banks and thrifts, total assets decreased by 1.11 percent during the second quarter of 2009, with an increase in cash and decreases in total loans, Federal funds sold, and securities. On the liabilities side, total deposits and borrowed money decreased.

The following chart provides selected performance indicators for all banks and thrifts in the U. S. for the quarter ended June 30, 2009; and for all Louisiana-domiciled banks and thrifts for the quarters ended June 30, 2009, and March 31, 2009; and for calendar years 2008 and 2007:

TRENDS	U. S. Banks & Thrifts	All Louisiana-Domiciled Banks & Thrifts			
	Quarter Ended 06/30/2009	Quarter Ended 06/30/2009	Quarter Ended 03/31/2009	Year Ended 12/31/2008	Year Ended 12/31/2007
Earnings					
Yield on Earning Assets	4.83%	5.62%↔	5.62%	6.37%↓	7.15%
Cost of Funds	1.35%	1.45%↓	1.54%	2.04%↓	2.68%
Net Interest Margin	3.48%	4.17%↑	4.08%	4.33%↓	4.47%
Loan Loss Provisions to Average Assets	1.99%	0.93%↑	0.74%	0.58%↑	0.15%
Operating Expenses to Average Assets	2.99%	3.41%↑	3.17%	3.25%↓	3.39%
Return on Average Assets	-0.11%	0.45%↓	0.64%	0.88%↓	1.23%
Asset Quality					
Noncurrent Loans to Total Loans	4.35%	2.47%↑	2.39%	2.08%↑	1.14%
Nonperforming Assets to Total Assets	2.77%	2.04%↑	1.88%	1.64%↑	0.87%
Net Charge-offs to Total Loans	2.55%	0.95%↑	0.70%	0.53%↑	0.19%
Capital and Liquidity					
Tier 1 Leverage Capital Ratio	8.25%	9.55%↑	9.53%	9.60%↑	9.36%
Earning Assets to Total Assets	88.41%	91.17%↓	91.28%	91.01%↓	91.36%
Loans to Deposits	82.19%	83.49%↑	82.45%	84.49%↑	82.30%

For all Louisiana-domiciled banks and thrifts, the **year-to-date** 2009 return on average assets (ROAA) declined by 9 basis points in the second quarter and by 49 basis points from the same time period in 2008. Although decreasing, this ratio, at 0.55 percent, is still well above the national average, at 0.04 percent. Although returns are declining, a majority of banks and thrifts continues to show satisfactory earnings performance as a result of satisfactory net interest margins and stable and controlled operating expenses. However, provisions for loan losses have continued to increase. Capital levels remain sound and grew at a slightly faster rate than average assets through earnings retention and sales of additional capital. Asset quality continues to show signs of weakening as the dollar volume and ratio of nonperforming assets continue to increase from the previous quarter and from the same time period last year as shown above. Net charge-offs and net charge-off ratios also increased during the second quarter, with both above the level reported in 2008. However, Louisiana-domiciled banks and thrifts compare very favorably in most categories when compared to all banks and thrifts in the U.S., as shown in the table above and other pages throughout this report.

LOANS AND SECURITIES

Louisiana-Domiciled Banks & Thrifts

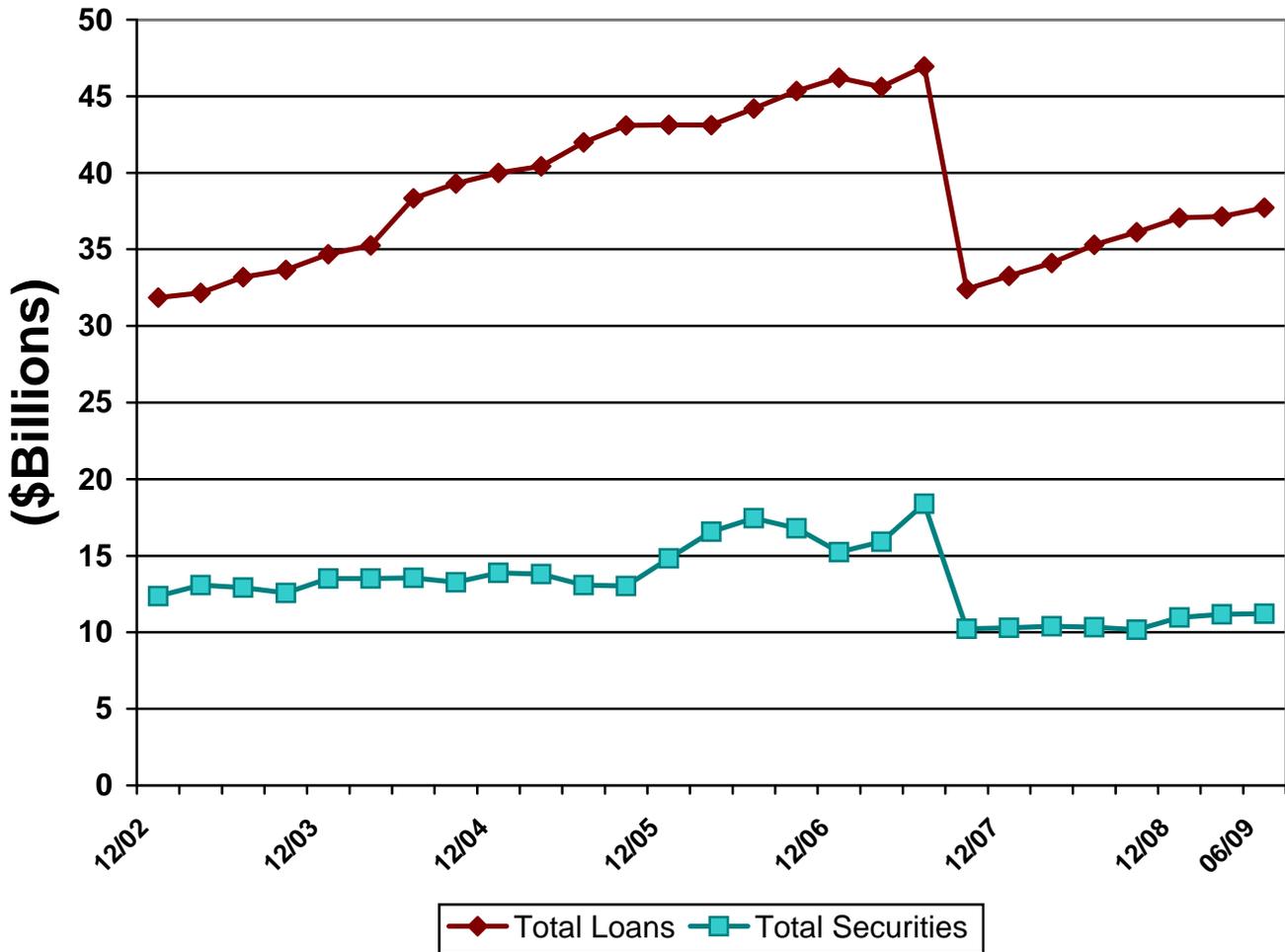


Figure 1

Figure 1 above shows the trend in total loans and leases and securities since year-end 2002 with the significant decline in mid-2007 caused by the relocation of a large national bank's headquarters from Louisiana in July 2007. As previously mentioned, total loans and leases increased by 1.56 percent during the second quarter of 2009, from \$37.14 billion to \$37.72 billion or by approximately \$0.58 billion. Total loans and leases have increased in 21 of the past 24 quarters with one of the decreases occurring because of the relocation of the headquarters of a large national bank from Louisiana. During the second quarter, increases were noted in all categories in the following order: real estate loans, farm loans, consumer loans, other loans, and commercial loans. Real estate loans increased from \$26.13 billion to \$26.44 billion or by \$311 million. Farm loans increased from \$335 million to \$484 million or by \$149 million. Consumer loans increased from \$2.93 billion to \$3.03 billion or by \$93 million. Other loans increased from \$620 million to \$635 million or by \$15 million. Commercial loans increased from \$7.13 billion to \$7.14 billion or by \$10 million.

During the second quarter of 2009, Louisiana state-chartered banks and thrifts experienced growth in all five reported loan categories in the same order, except that commercial loans grew more than other loans. Louisiana-domiciled federally-chartered banks and thrifts experienced loan growth in four of the five categories with the exception of commercial loans.

LOAN PORTFOLIO MIX

Louisiana-Domiciled Banks & Thrifts as of June 30, 2009

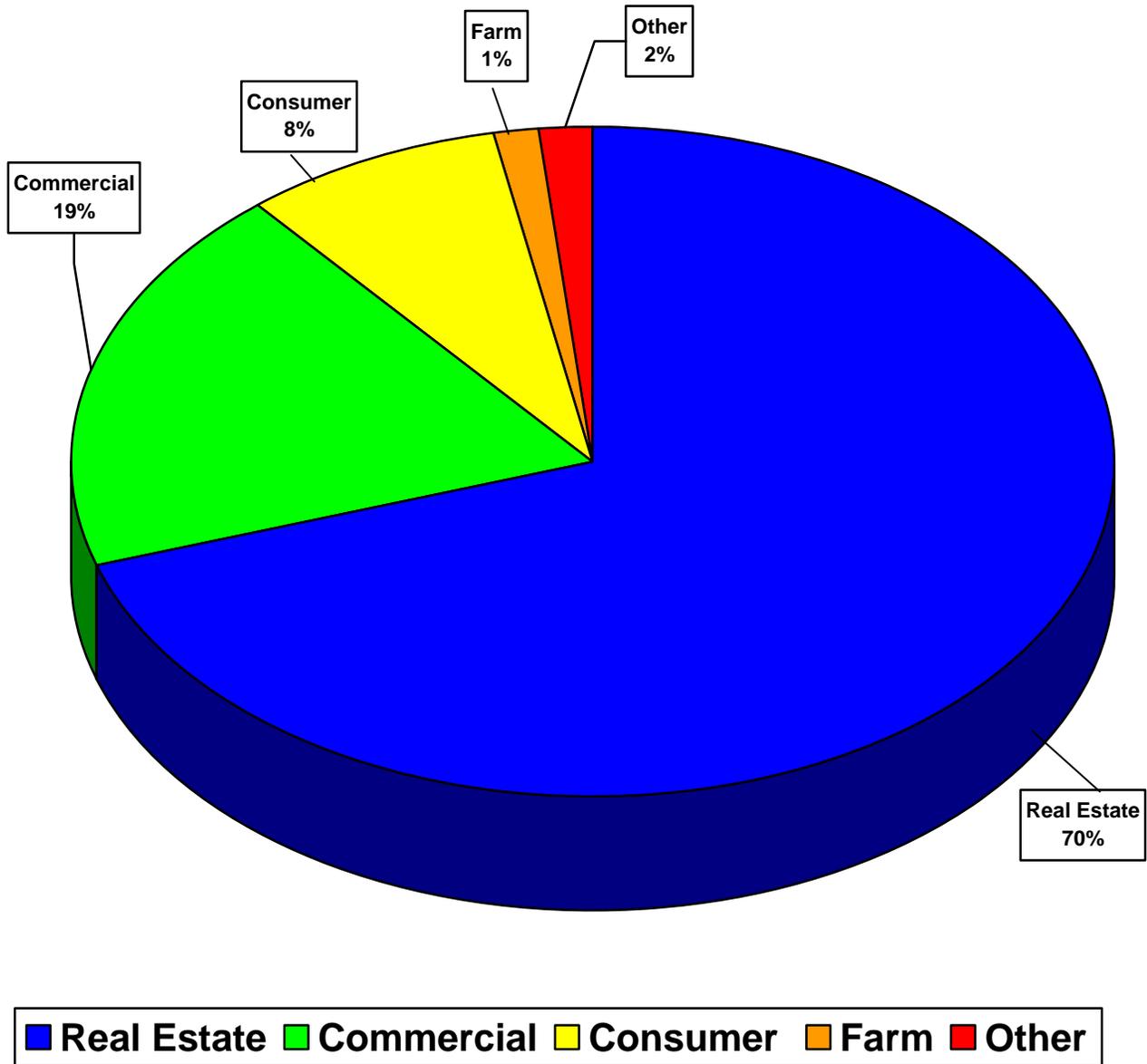


Figure 2

Figure 2 shows the composition in the June 30, 2009, loan portfolio mix for all Louisiana-domiciled banks and thrifts. As of June 30, 2009, Louisiana state-chartered banks and thrifts showed a loan portfolio mix as follows: real estate loans - 71 percent; commercial loans - 15 percent; consumer loans - 10 percent; other loans - 2 percent; and farm loans - 2 percent. As of this same date, for Louisiana-domiciled federally-chartered banks and thrifts, the loan portfolio mix is as follows: real estate loans - 68 percent; commercial loans - 26 percent; consumer loans - 4 percent; other loans - 2 percent; and farm loans - 0 percent.

As of June 30, 2009, for all banks and thrifts in the U.S., the loan portfolio mix is as follows: real estate - 61 percent; commercial loans - 18 percent; consumer loans - 13 percent; other loans - 7 percent; and farm loans - 1 percent.

LOANS TO DEPOSITS

Louisiana-Domiciled Banks & Thrifts

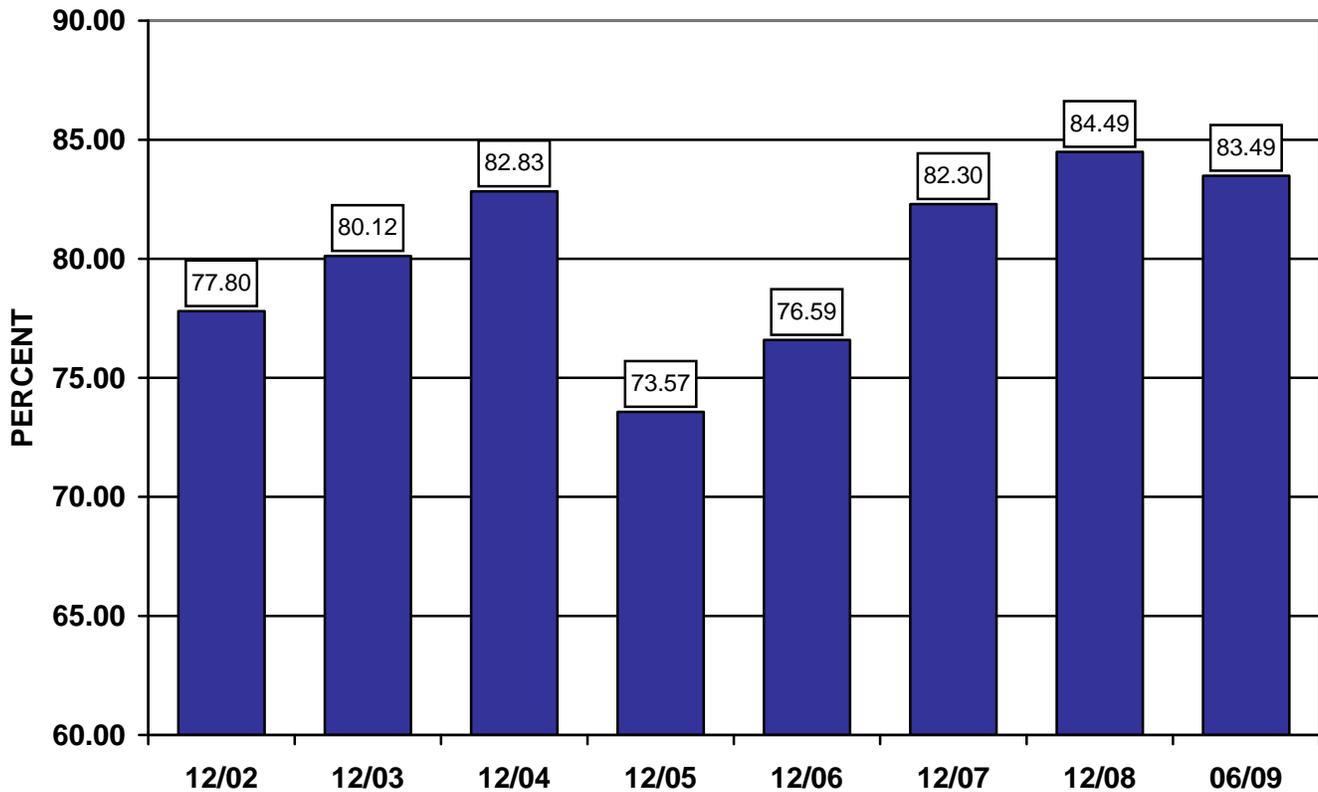


Figure 3

Figure 3 above illustrates the aggregate loan-to-deposit ratio trend since year-end 2002. The ratio of loans to deposits increased during the second quarter of 2009, going from 82.45 percent as of March 31, 2009, to 83.49 percent as of June 30, 2009, as net loans increased at a faster rate than total deposits.

During the second quarter of 2009, for Louisiana state-chartered banks and thrifts, the ratio of loans to deposits increased from 77.27 percent as of March 31, 2009, to 78.84 percent as of June 30, 2009, as net loans grew at a faster rate than deposits. For Louisiana-domiciled federally-chartered banks and thrifts, the ratio increased slightly from 93.10 percent as of March 31, 2009, to 93.17 percent as of June 30, 2009, as deposits shrunk at a faster rate than net loans.

For all banks and thrifts in the U.S., the ratio of loans to deposits decreased from 84.21 percent as of March 31, 2009, to 82.19 percent as of June 30, 2009. During this time period, net loans declined while deposits increased.

DEPOSITS & BORROWED MONEY

All Louisiana-Domiciled Banks & Thrifts

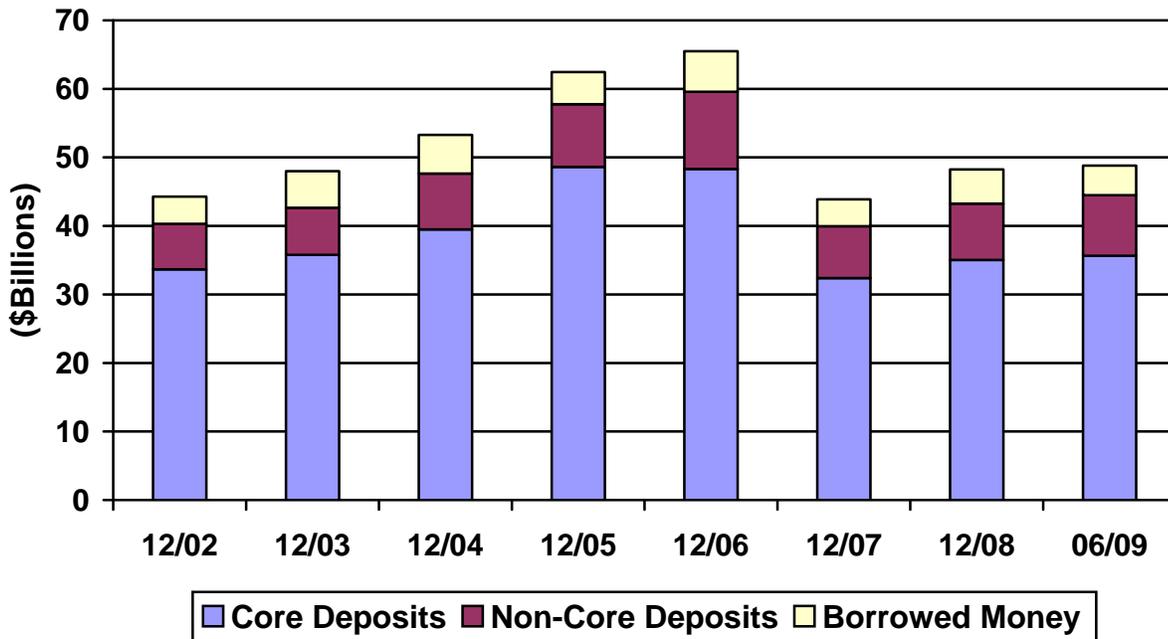


Figure 4

Figure 4 shows the mix of deposits and borrowed money since year-end 2002. On the liabilities side, total deposits increased from \$44.39 billion as of March 31, 2009, to \$44.48 billion as of June 30, 2009, or by 0.21 percent, while borrowed money increased from \$4.28 billion as of March 31, 2009, to \$4.33 billion as of June 30, 2009, or by 1.15 percent. Core deposits remained essentially the same at \$35.65 billion as of March 31, 2009, and June 30, 2009.

As noted previously, borrowed money increased during the second quarter of 2009. As of June 30, 2009, borrowed money totaled \$4.33 billion and consisted of Federal funds purchased totaling \$1.70 billion, Federal Home Loan Bank (FHLB) advances totaling \$2.44 billion, and other borrowings totaling \$187 million. As of March 31, 2009, borrowed money totaled \$4.28 billion and consisted of Federal funds purchased totaling \$2.00 billion, FHLB advances totaling \$2.18 billion, and other borrowings totaling \$88 million. Total borrowed money for Louisiana state-chartered banks and thrifts increased by \$94 million during the second quarter with increases in Federal funds purchased and FHLB advances, and a decrease in other borrowings. Total borrowed money for Louisiana-domiciled federally-chartered banks and thrifts decreased by \$45 million during the second quarter with increases in FHLB advances and other borrowings and a decrease in Federal funds purchased.

Non-core deposits increased during the second quarter of 2009. As of June 30, 2009, non-core deposits totaled \$8.83 billion and consisted of time deposits of \$100,000 or more totaling \$8.55 billion and deposits held in foreign offices totaling \$277 million. As of March 31, 2009, non-core deposits totaled \$8.74 billion and consisted of time deposits of \$100,000 or more totaling \$8.43 billion and deposits in foreign offices totaling \$313 million. During the second quarter, non-core deposits in Louisiana state-chartered banks and thrifts, consisting entirely of time deposits of \$100,000 or more, increased by \$184 million. During this same time, non-core deposits in Louisiana-domiciled federally-chartered banks and thrifts decreased by \$92 million with a \$57 million decrease in time deposits of \$100,000 or more and a \$35 million decrease in deposits held in foreign offices.

Note: The decreases in all three categories at December 31, 2007, shown in the chart above compared to prior years, was the result of the large national bank moving its headquarters out of Louisiana in July 2007.

CORE DEPOSITS TO TOTAL DEPOSITS & BORROWED MONEY

Louisiana-Domiciled Banks & Thrifts

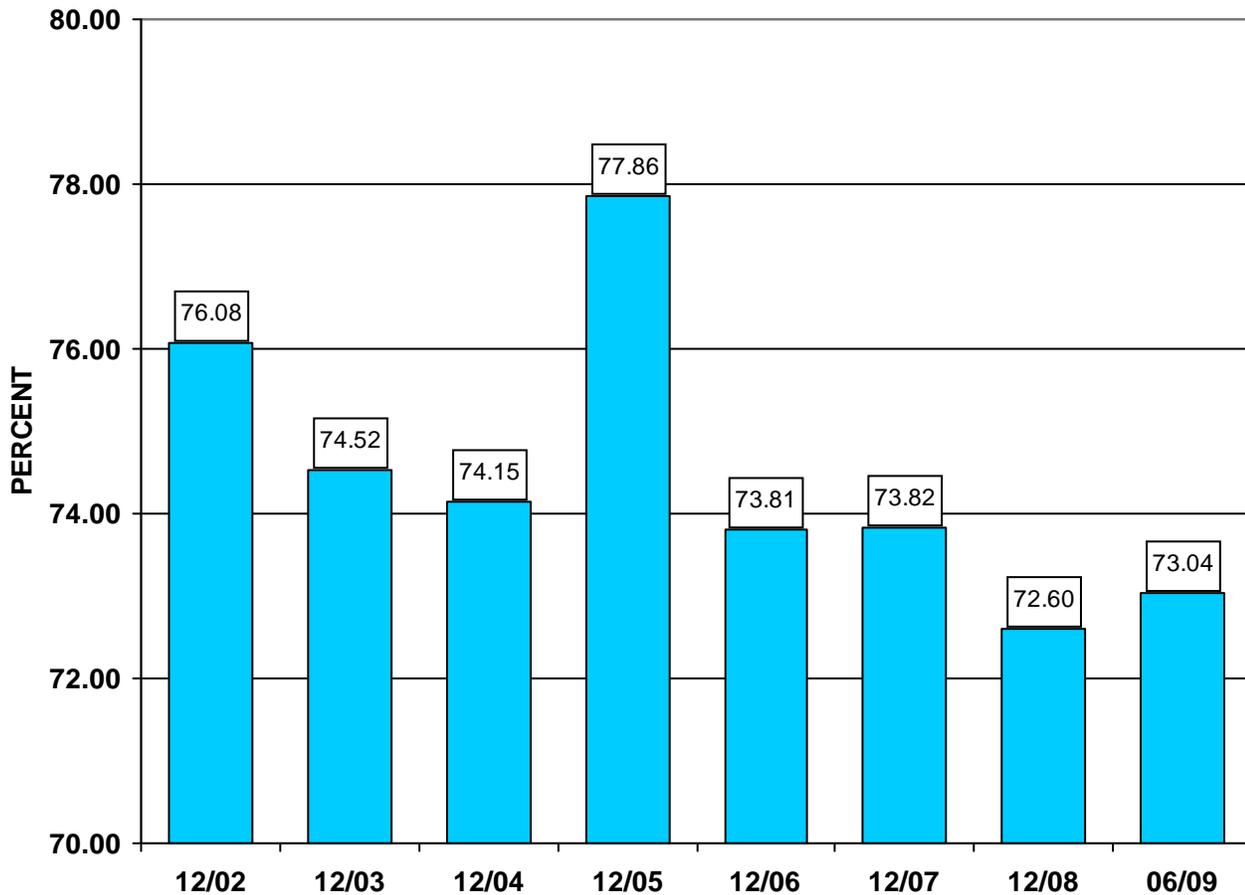


Figure 5

Figure 5 illustrates the trend in the core deposits to total deposits and borrowed money ratio since year-end 2002. The ratio of core deposits to total deposits and borrowed money decreased during the second quarter of 2009, going from 73.25 percent as of March 31, 2009, to 73.04 percent as of June 30, 2009. This ratio has generally fluctuated between approximately 72 and 78 percent in the last 24 quarters although it fell below 72 percent in the second quarter of 2007.

For Louisiana state-chartered banks and thrifts, the ratio of core deposits to total deposits and borrowed money decreased to 73.13 percent as of June 30, 2009, from 73.77 percent as of March 31, 2009. For Louisiana-domiciled federally-chartered banks and thrifts, this ratio increased to 72.85 percent as of June 30, 2009, from 72.24 percent as of March 31, 2009.

For all banks and thrifts in the U.S., the ratio of core deposits to total deposits and borrowed money increased to 57.79 percent as of June 30, 2009, from 56.23 percent as of March 31, 2009.

NONPERFORMING ASSETS TO TOTAL ASSETS

Louisiana-Domiciled Banks & Thrifts

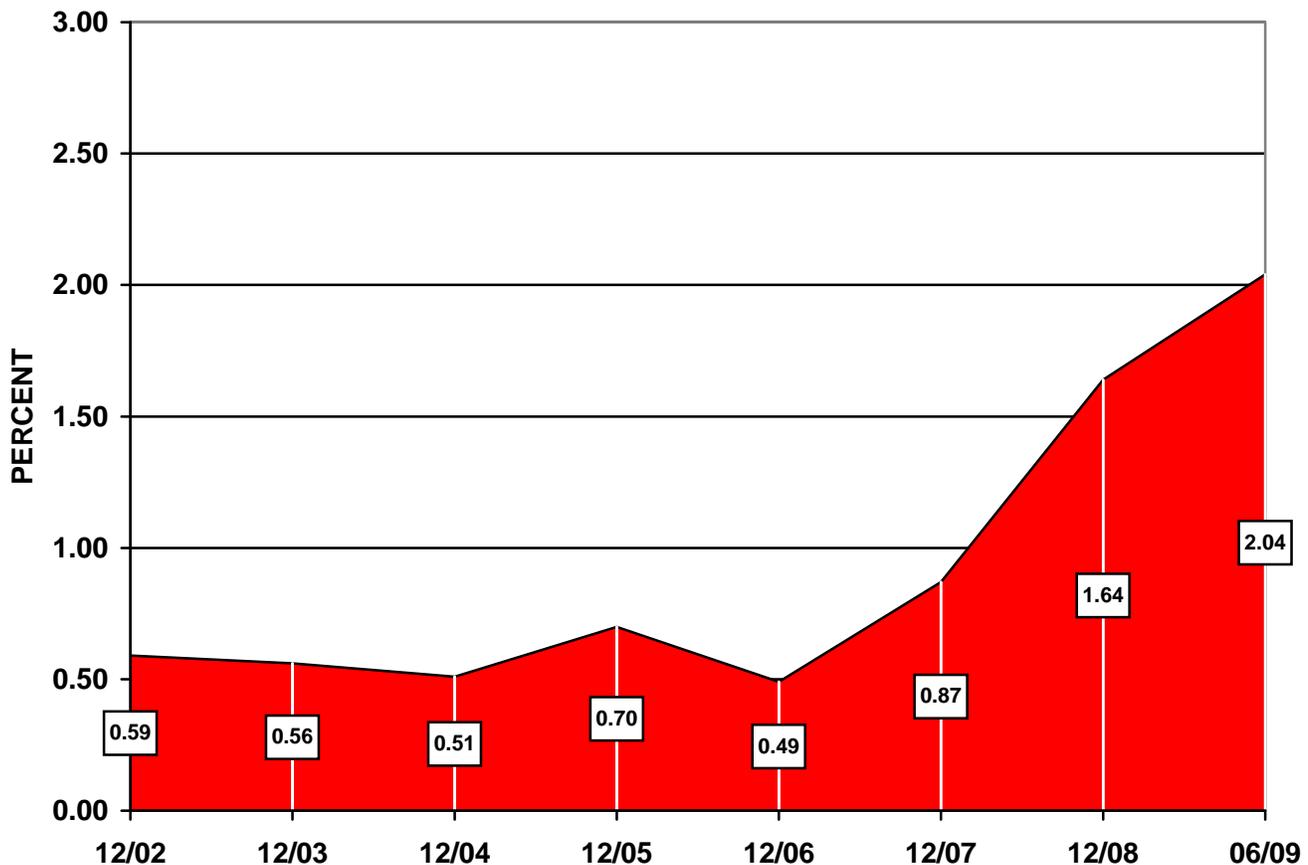


Figure 6

Figure 6 above illustrates that the ratio of nonperforming assets to total assets from year-end 2002 through the current quarter-end. This ratio has steadily increased since the second quarter of 2007. The volume of nonperforming assets (noncurrent loans as defined below plus other real estate owned) increased during the second quarter of 2009, from \$1.05 billion as of March 31, 2009, to \$1.13 billion as of June 30, 2009, or an increase of 8.19 percent. The percentage of nonperforming assets to total assets increased from 1.88 percent at March 31, 2009, to 2.04 percent at June 30, 2009.

The aggregate of noncurrent loans (loans past due 90 days or more and accruing interest plus nonaccrual loans) increased from \$889 million as of March 31, 2009, to \$930 million as of June 30, 2009, or by 4.62 percent. The ratio of noncurrent loans to total loans increased from 2.39 percent as of March 31, 2009, to 2.47 percent as of June 30, 2009. Other real estate owned increased from \$157 million as of March 31, 2009, to \$202 million as of June 30, 2009, or by 28.34 percent.

Figure 7 below illustrates the level of noncurrent loans and other real estate owned for all Louisiana-domiciled banks from year-end 2002 through the current quarter-end. In the second quarter of 2009, noncurrent loans increased from \$423 million to \$425 million in Louisiana state-chartered banks and thrifts and from \$466 million to \$506 million for Louisiana-domiciled federally-chartered banks and thrifts. In this same quarter, other real estate owned increased from \$101 million to \$137 million in Louisiana state-chartered banks and thrifts and increased from \$56 million to \$65 million in Louisiana-domiciled federally-chartered banks and thrifts. From March 31, 2009, to June 30, 2009, the ratio of nonperforming assets to total assets increased from 1.45 percent to 1.55 percent in Louisiana state-chartered banks and thrifts and increased from 2.70 percent to 2.98 percent in Louisiana-domiciled federally-chartered banks and thrifts. In this same time period, the ratio of noncurrent loans to total loans decreased from 1.81 percent to 1.77 percent and increased from 3.39 percent to 3.69 percent in Louisiana state-chartered banks and thrifts and Louisiana-domiciled federally-chartered banks and thrifts, respectively.

For all commercial banks and thrifts in the U.S., nonperforming assets increased from March 31, 2009, to June 30, 2009, with both noncurrent loans and other real estate owned increasing. As a result, the ratio of nonperforming assets to total assets increased from 2.39 percent to 2.77 percent, and the ratio of noncurrent loans to total loans increased from 3.76 percent to 4.35 percent.

NONPERFORMING ASSETS

Louisiana-Domiciled Banks & Thrifts

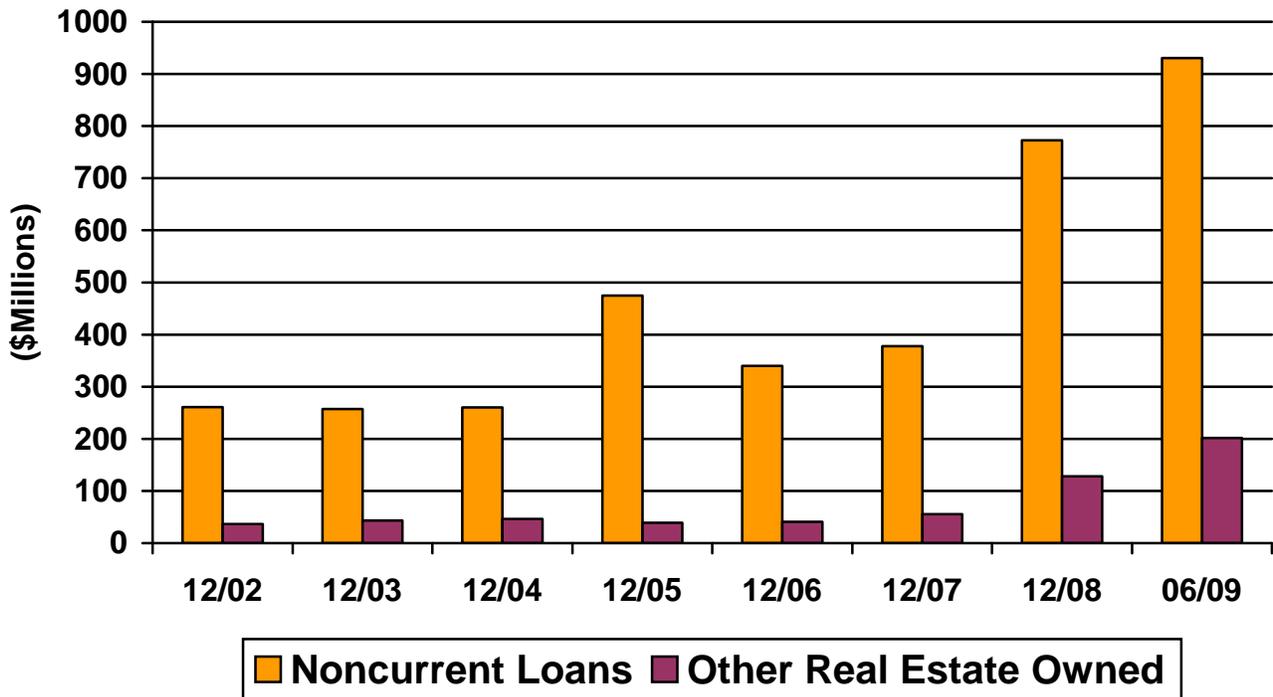


Figure 7

NONCURRENT LOANS AND THE ALLL

Louisiana-Domiciled Banks & Thrifts

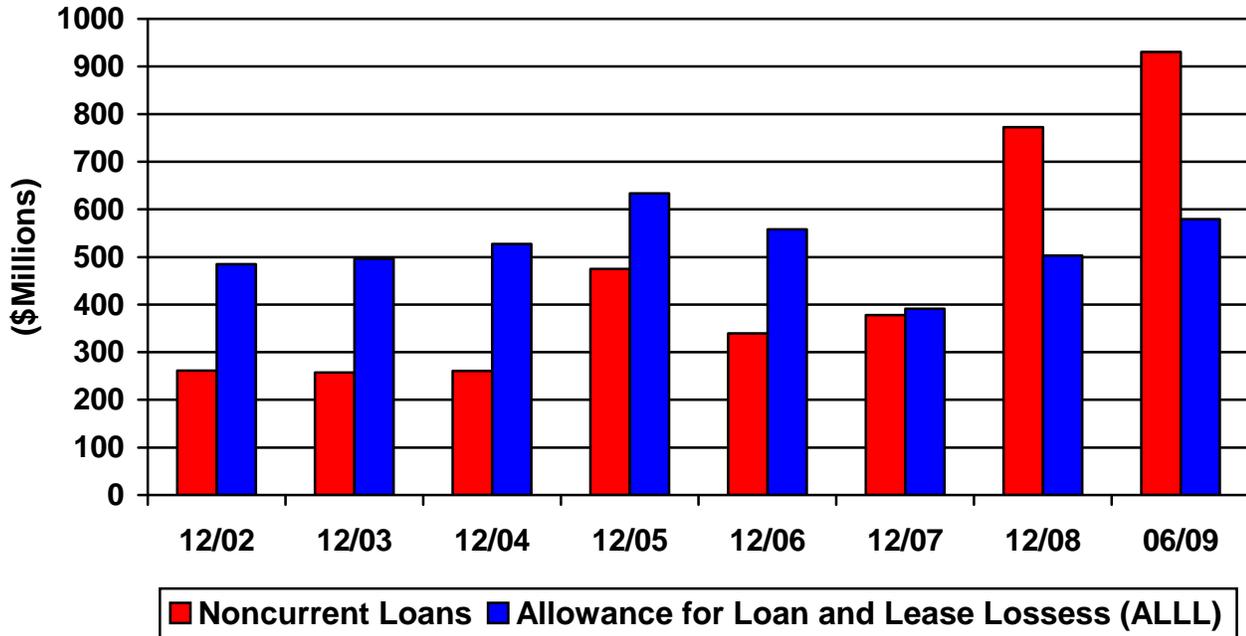


Figure 8

Figure 8 above illustrates that the level of the ALLL for Louisiana-domiciled banks as compared to the level of noncurrent loans (those loans 90 days or more past due and still accruing interest or on nonaccrual status) from year-end 2002 through the current quarter-end. For each quarter-end from year-end 2002 through year-end 2007, the level maintained in the ALLL exceeded the level of noncurrent loans; however, in the six quarters since, the level of noncurrent loans 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 for each quarter from year-end 2002 through the first quarter of 2008, while the level of noncurrent loans exceeded the level of noncurrent loans for the five quarters since then. For Louisiana-domiciled federally-chartered banks and thrifts, the level maintained in the ALLL has exceeded the level of noncurrent loans for each quarter from year-end 2002 through the third quarter of 2007, while the level of noncurrent loans exceeded the level of noncurrent loans for the last seven quarters, from the fourth quarter of 2007 through the second quarter of 2009.

For commercial banks and thrifts throughout the U. S., the level maintained in the ALLL has exceeded the level of noncurrent loans for each quarter from year-end 2002 through the third quarter of 2007 while the level of noncurrent loans exceeded the level of noncurrent loans for the fourth quarter of 2007, all four quarters of 2008, and the first two quarters of 2009.

Net charge-offs recognized in the second quarter of 2009 totaled \$89 million, an increase from the \$65 million in the first quarter of 2009. The annualized net charge-off ratio for the quarter ending June 30, 2009, increased to 0.95 percent, from 0.70 percent for the quarter ending March 31, 2009. The year-to-date (YTD) ratio of net charge-offs to total loans increased to a lesser extent from 0.70 percent as of March 31, 2009, to 0.83 percent as of June 30, 2009. For the calendar years 2008 and 2007, net charge-offs totaled \$185 million and \$60 million, respectively, with the net charge-off ratios of 0.53 percent and 0.19 percent, respectively.

From March 31, 2009, to June 30, 2009, quarterly net charge-offs increased from \$30 million to \$36 million for Louisiana state-chartered banks and thrifts. For these banks, the annualized net charge-off ratio, based on quarterly charge-offs, increased from 0.52 percent to 0.62 percent, while the YTD net charge-off ratio increased from 0.52 percent to 0.57 percent. Net charge-offs totaled \$107 million and \$47 million for the calendar years 2008 and 2007, respectively, with the net charge-off ratios of 0.49 percent and 0.24 percent, respectively. From March 31, 2009, to June 30, 2009, quarterly net charge-offs increased from \$34 million to \$53 million for Louisiana-domiciled federally-chartered banks and thrifts. These banks and thrifts saw the annualized net charge-off ratio increase from 0.99 percent to 1.54 percent, while the YTD ratio increased from 0.99 percent to 1.26 percent. Net charge-offs totaled \$78 million and \$13 million for the calendar years 2008 and 2007, respectively, with the YTD net charge-off ratios at 0.61 percent and 0.11 percent, respectively.

For Louisiana-domiciled banks and thrifts, loan loss reserves increased to \$579 million as of June 30, 2009, from \$540 million as of March 31, 2009, and the ratio of loan loss reserves to total loans increased to 1.54 percent as of June 30, 2009, from 1.45 percent as of March 31, 2009. This ratio has steadily increased for the past five quarters. With the exception of year-ends 2005 and 2008, this ratio primarily trended downward since year-end 2002 as follows: 1.63 percent as of December 31, 2002; 1.52 percent as of December 31, 2003; 1.38 percent as of December 31, 2004; 1.49 percent as of December 31, 2005; 1.22 percent as of December 31, 2006; 1.22 percent as of December 31, 2007; and 1.36 percent as of December 31, 2008.

For Louisiana-domiciled banks and thrifts, loan loss provisions totaled \$101 million during the first quarter of 2009, or 0.74 percent of average assets, as compared to \$129 million during the second quarter of 2009, or 0.93 percent of average assets. Loan loss provisions totaled \$294 million and \$73 million for calendar years 2008 and 2007, respectively.

As of June 30, 2009, loan loss reserves totaled \$310 million for Louisiana state-chartered banks and thrifts, an increase from \$296 million as of March 31, 2009. With an increase in loans, the ratio of loan loss reserves to total loans increased minimally to 1.29 percent as of June 30, 2009, from 1.27 percent as of March 31, 2009. Loan loss provisions in the second quarter totaled \$51 million, an increase from \$32 million in the first quarter. For the calendar years 2008 and 2007, loan loss provisions totaled \$140 million and \$49 million, respectively.

As of June 30, 2009, loan loss reserves totaled \$269 million for Louisiana-domiciled federally-chartered banks and thrifts, an increase from \$244 million as of March 31, 2009. The ratio of loan loss reserves to total loans increased to 1.96 percent as of June 30, 2009, from 1.77 percent as of March 31, 2009. Loan loss provisions for the second quarter totaled \$78 million, an increase from \$69 million for the first quarter of 2009 for Louisiana-domiciled federally-chartered banks and thrifts. For the calendar years 2008 and 2007, loan loss provisions totaled \$154 million and \$24 million for Louisiana-domiciled federally-chartered banks and thrifts.

CHARGE-OFFS AND PLLL

Louisiana-Domiciled Banks & Thrifts

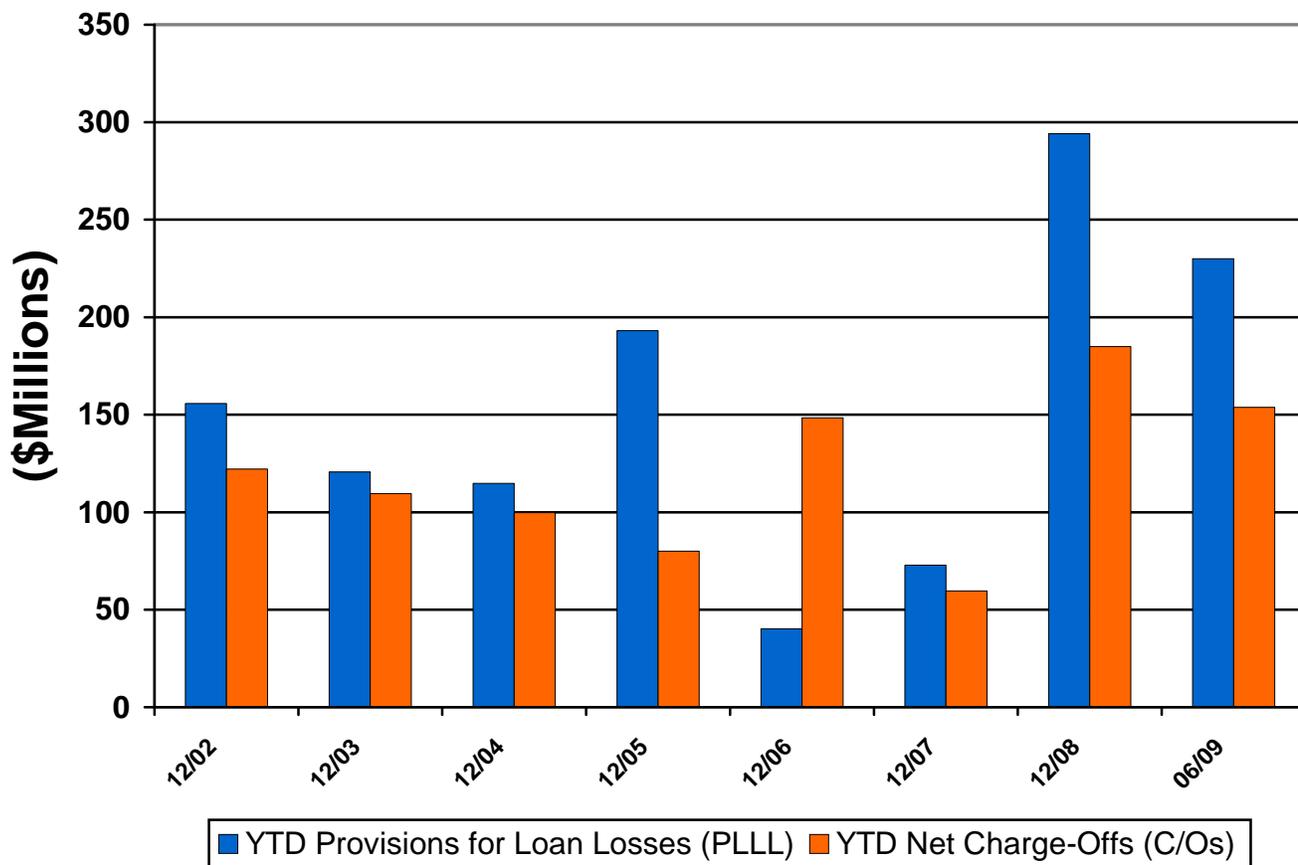


Figure 9

Figure 9 above illustrates the level of year-to-date net charge-offs and provisions for loan and lease losses (PLLL) for all Louisiana-domiciled banks and thrifts from year-end 2002 through the current quarter-end.

From March 31, 2009, to June 30, 2009, banks and thrifts in the U.S. reported an increase in quarterly net charge-offs from \$37.90 billion to \$48.90 billion. The quarterly net charge-off ratio increased from 1.94 percent for the quarter ending March 31, 2009, to 2.55 percent for the quarter ending June 30, 2009. The YTD net charge-off ratio for these banks increased from 1.94 percent as of March 31, 2009, to 2.24 percent as of June 30, 2009. These banks and thrifts reported net charge-offs of \$100.30 billion and \$44.11 billion for the calendar years 2008 and 2007, respectively, with net charge-off ratios for 2008 and 2007 at 1.29 percent and 0.59 percent, respectively.

For all banks and thrifts in the U.S., loan loss reserves increased from \$194.21 billion as of March 31, 2009, to \$210.97 billion as of June 30, 2009. The ratio of loan loss reserves to total loans increased from 2.51 percent as of March 31, 2009, to 2.77 percent as of June 30, 2009. Loan loss provisions totaled \$61.44 billion for the first quarter of 2009, compared to \$66.88 billion for the second quarter of 2009. For the calendar years 2008 and 2007, all banks and thrifts in the U.S. recognized loan loss provisions totaling \$176.07 billion and \$69.25 billion, respectively.

CORE CAPITAL (LEVERAGE) RATIO

Louisiana-Domiciled Banks & Thrifts

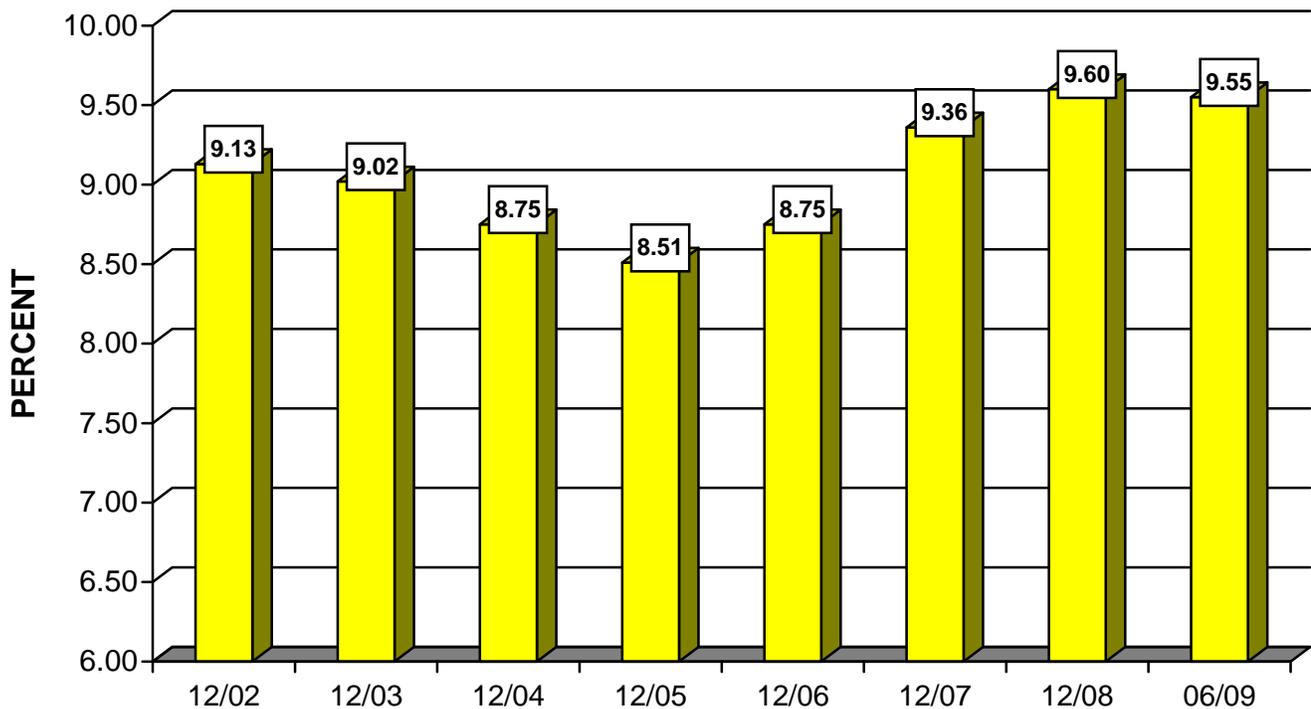


Figure 10

Figure 10 above illustrates the trend in the Tier 1 (core) capital ratio since year-end 2002 for all Louisiana-domiciled banks and thrifts. Tier 1 (core) capital increased from \$5.17 billion as of March 31, 2009, to \$5.23 billion as of June 30, 2009. However, the Core capital (leverage) ratio only increased slightly from 9.53 percent at March 31, 2009, to 9.55 percent as of June 30, 2009, because of growth in quarterly average assets.

During the second quarter of 2009, Tier 1 (core) capital increased by \$87 million in Louisiana state-chartered banks and thrifts. With growth in quarter-end average assets, the Core capital (leverage) ratio only increased from 9.28 percent to 9.37 percent. Dividends paid by Louisiana state-chartered banks and thrifts during the second quarter increased by \$8 million from the level paid in the first quarter. During the second quarter of 2009, Tier 1 (core) capital decreased by \$20 million in Louisiana-domiciled federally-chartered banks and thrifts. With the decrease in Tier 1 (core) capital and a decrease in quarterly average assets, the Core capital (leverage) ratio declined slightly from 9.99 percent to 9.90 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 2009. With the increase in Tier 1 (core) capital and a decrease in quarterly average assets, the Core capital (leverage) ratio increased from 8.02 percent as of March 31, 2009, to 8.25 percent as of June 30, 2009. Cash dividends paid by these banks in the second quarter of 2009 declined by \$993 million over the level paid during the first quarter of 2009.

As of June 30, 2009, there are 53 Louisiana state-chartered and 6 Louisiana-domiciled federally-chartered banks and thrifts, or approximately 37 percent, of the 158 Louisiana-domiciled banks and thrifts, as compared to approximately 31 percent of all banks and thrifts in the U.S, that have elected tax treatment as a Subchapter S corporation.

RETURN ON AVERAGE ASSETS

Louisiana-Domiciled Banks & Thrifts

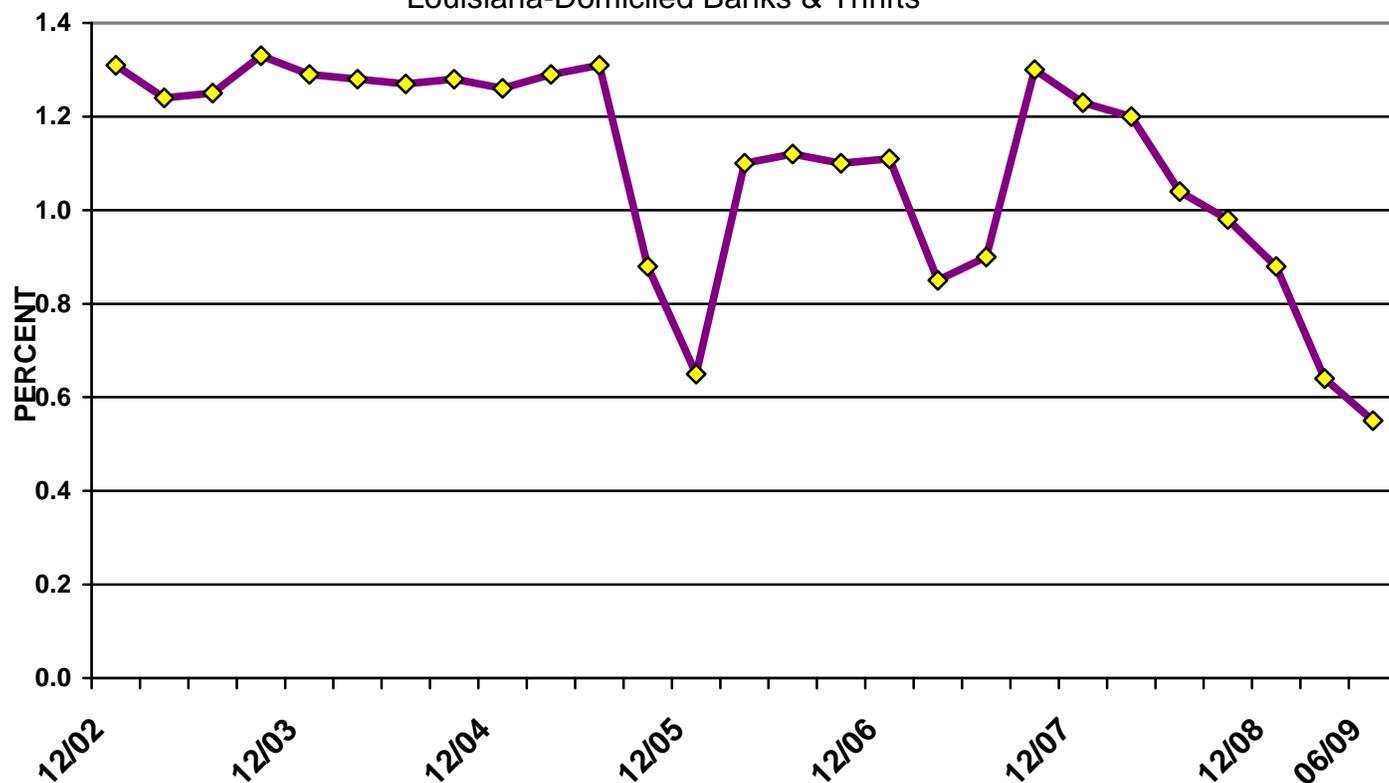


Figure 11

Figure 11 above reflects the annual year-to-date ROAA for all Louisiana banks and thrifts for every quarter since year-end 2002. Earnings for the second quarter of 2009 decreased from the previous quarter. Net income in the second quarter of 2009 totaled \$61.71 million, for a return on average assets (ROAA) of 0.45 percent annualized, as compared to net income for the first quarter of 2009, which totaled \$88.37 million, or an ROAA of 0.64 percent annualized. Increased non-interest expenses and loan loss provisions were the primary factors contributing to the decrease in net income during the second quarter of 2009. The year-to-date ROAA declined to 0.55 percent as of June 30, 2009, from 0.64 percent as of March 31, 2009. As of June 30, 2009, 15 Louisiana banks and thrifts reported YTD net operating losses as of June 30, 2009, up from the 12 banks and thrifts reporting YTD net operating losses as of March 31, 2009.

In the second quarter of 2009, all banks and thrifts in the U.S. reported a net loss of \$3.7 billion, for an annualized ROAA of (0.11) percent, as compared to net income of \$5.54 billion, for an annualized ROAA of 0.16 percent, in the first quarter of 2009. Increased loan loss provisions and non-interest expenses, and to a lesser extent, losses on securities and a decline in non-interest income, contributed to the net loss in the second quarter. With the second quarter loss, the YTD ROAA declined from 0.16 percent as of March 31, 2009, to 0.04 percent as of June 30, 2009.

Increases in the FDIC's regular insurance premium assessments began to impact all insured institutions in 2009, and will likely continue going forward, especially the special assessment that the FDIC will collect from insured institutions on September 30, 2009.

NET INTEREST MARGIN

Louisiana-Domiciled Banks & Thrifts

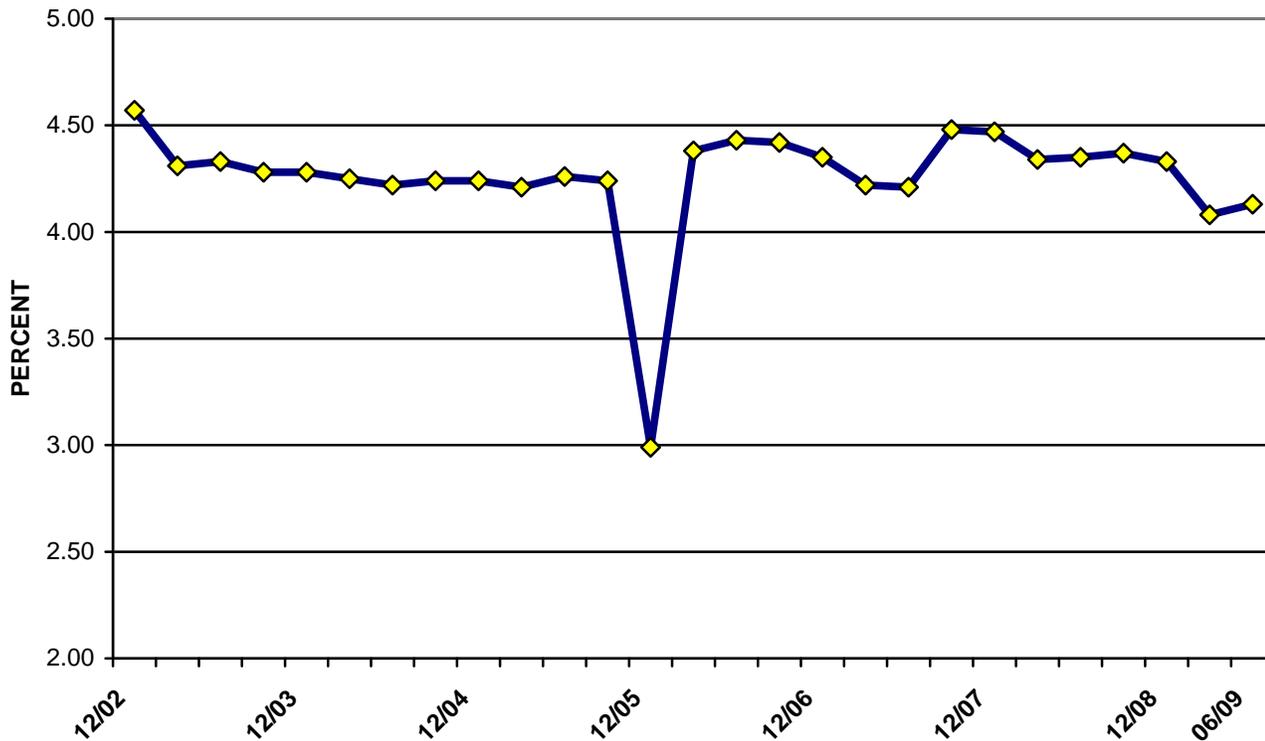


Figure 12

Figure 12 above reflects the annualized YTD net interest margin for all Louisiana banks and thrifts for every quarter since year-end 2002. The net interest margin for all Louisiana-domiciled banks and thrifts increased from 4.08 percent during the first quarter to 4.17 percent during the second quarter of 2009. The aggregate yield on earning assets remained at 5.62 percent, while the cost of funds decreased from 1.54 percent to 1.45 percent.

During the second quarter of 2009, the net interest margin for Louisiana state-chartered banks and thrifts increased from 4.09 percent to 4.19 percent while the net interest margin for Louisiana-domiciled federally-chartered banks and thrifts increased from 4.06 percent to 4.13 percent. The yield on earning assets decreased from 5.82 percent to 5.81 percent for Louisiana state-chartered banks and thrifts while it increased from 5.23 percent to 5.26 percent for Louisiana-domiciled federally-chartered banks and thrifts. The cost of funds for Louisiana state-chartered banks and thrifts and for Louisiana-domiciled federally-chartered banks and thrifts both decreased from 1.74 percent to 1.62 percent and from 1.17 percent to 1.13 percent, respectively.

For all banks and thrifts in the U.S., the net interest margin increased from 3.39 percent to 3.48 percent during the second quarter of 2009. During the same time frame, the yield on earning assets decreased from 4.86 percent to 4.83 percent, while the cost of funds also decreased from 1.47 percent to 1.35 percent.

INDUSTRY CONSOLIDATION

All Louisiana-Domiciled Banks and Thrifts

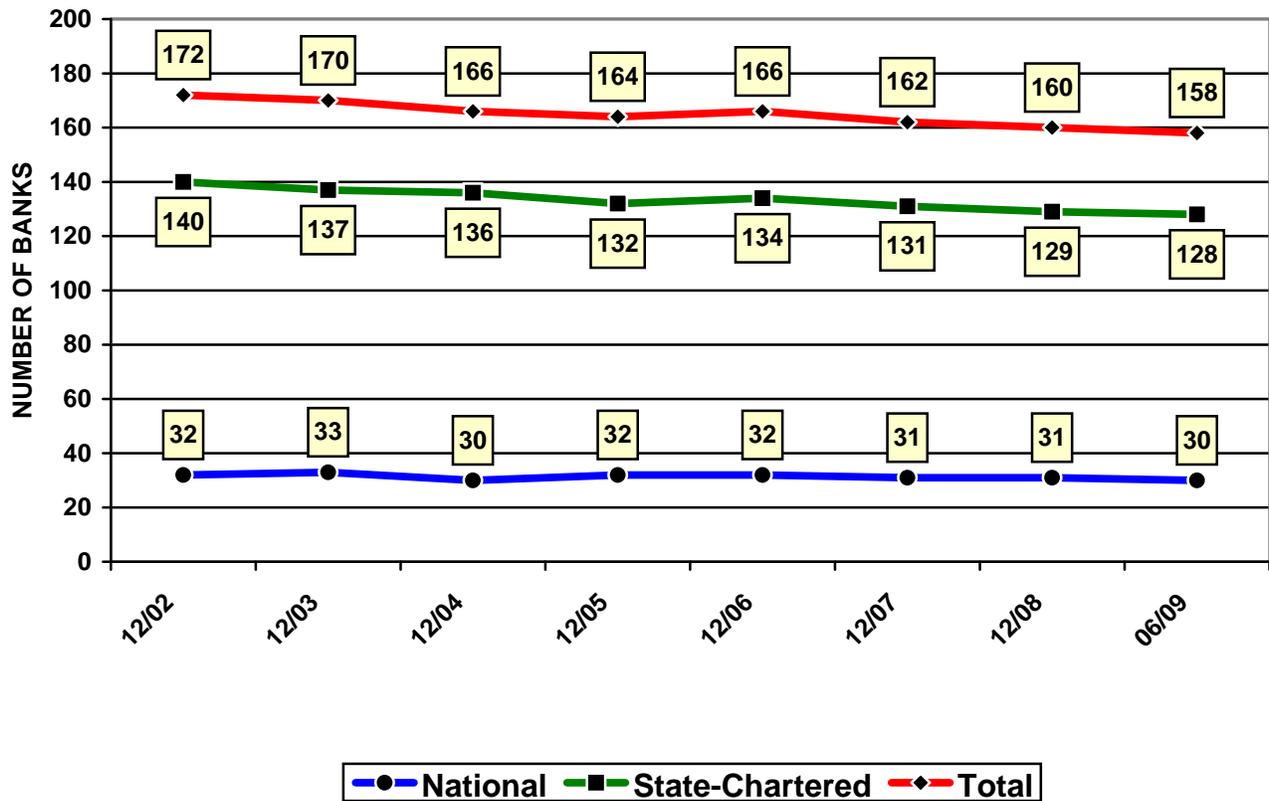


Figure 13

MERGERS AND ACQUISITIONS

Figure 13 above reflects the number of Louisiana-domiciled bank and thrifts for each year-end since 2002 through the current quarter-end. The second quarter of 2009 saw limited merger activity, as one Louisiana state-chartered bank merged with and into another Louisiana state-chartered bank. Two Louisiana-domiciled bank holding companies, which own Louisiana state-chartered bank subsidiaries, announced their intent to merge; however, the banks will remain separate entities. The first quarter of 2009 saw a Louisiana-domiciled federally-chartered thrift merge with and into a Louisiana state-chartered bank.

As of June 30, 2009, there were 158 banks and thrifts domiciled in Louisiana. This included 128 state-chartered banks and thrifts, which represents 81 percent of the total Louisiana-domiciled banks and thrifts. As Figure 13 above illustrates, since December 31, 2002, the total number of Louisiana-domiciled banks and thrifts has decreased from 172 to 158, or by 8.14 percent. Presently, we have one application pending for a commercial bank charter.

The number of banks and thrifts in the U.S. declined from 8,247 as of March 31, 2009, to 8,195 as of June 30, 2009, or by 52 institutions during the second quarter. During the second quarter of 2009, 24 banks and thrifts failed with the FDIC named as receiver, compared to 21 failure in the first quarter of 2009. During the second quarter of 2009, 12 de novo institutions were opened, compared to 13 that opened during the first quarter of 2008.

TOTAL ASSETS

All Louisiana-Domiciled Banks & Thrifts

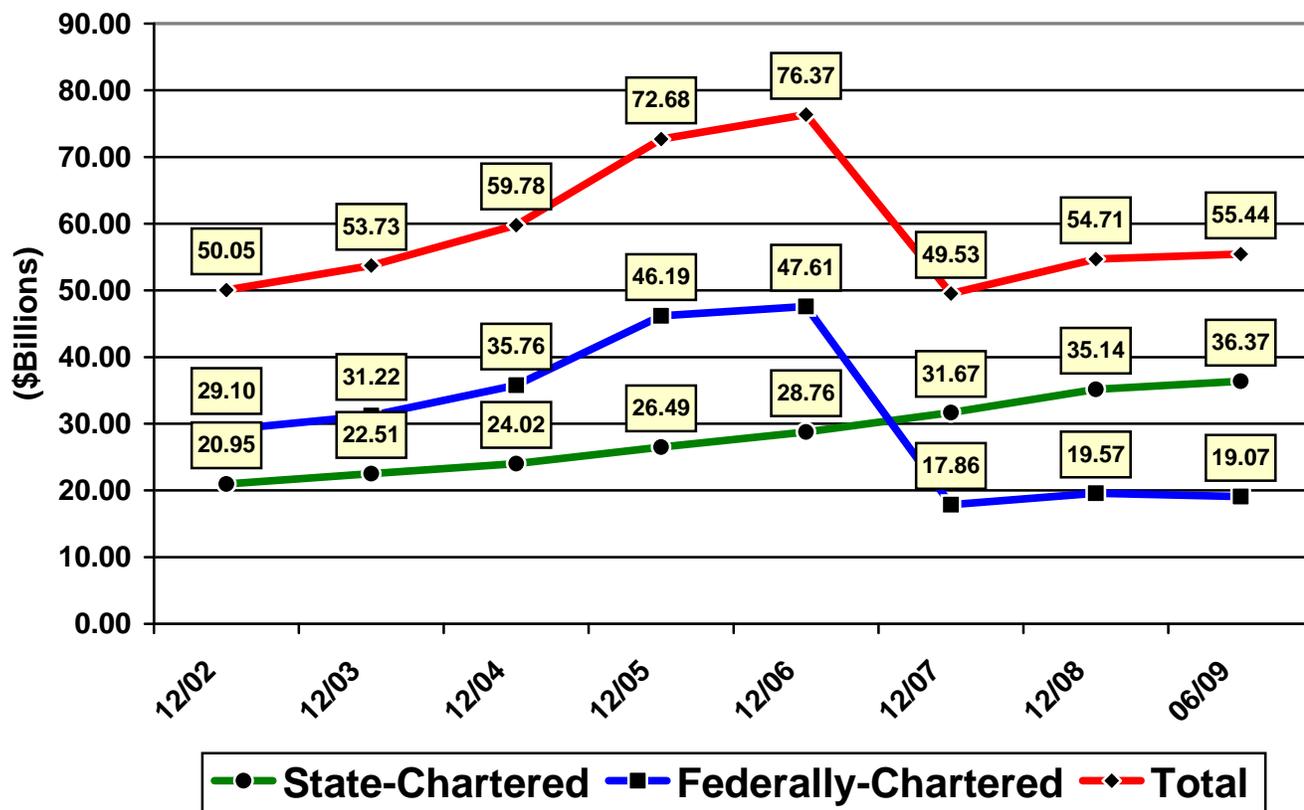


Figure 14

Figure 14 above reflects the trend in total assets for state-chartered banks and thrifts, federally-chartered banks and thrifts, and all banks and thrifts in Louisiana for each year-end since 2002. Total assets for all Louisiana-domiciled banks and thrifts increased from \$55.29 billion as of March 31, 2009, to \$55.44 billion as of June 30, 2009, or by 0.27 percent. Total assets in Louisiana-domiciled banks and thrifts have grown for 21 of the past 24 quarters, despite some industry consolidation since year-end 2002. The biggest drop occurred when a large national bank moved its headquarters out of Louisiana in July 2007, which caused total assets for all banks and thrifts and federally-chartered banks and thrifts to drop from the second quarter to the third quarter of 2007.

As of June 30, 2009, Louisiana state-chartered banks and thrifts held assets totaling \$36.36 billion, or 65.60 percent of the Louisiana banking industry's \$55.44 billion in total assets. One out-of-state bank holding company from Mississippi owns a Louisiana-domiciled bank subsidiary, which is a Louisiana state-chartered bank, with total assets of \$2.90 billion, or 5.24 percent of the total assets for all Louisiana-domiciled banks and thrifts. Three Louisiana-domiciled bank holding companies, which own Louisiana state-chartered banks, own a federal thrift and a state-chartered bank, both in Arkansas, and a state-chartered bank in Texas, with total assets of \$1.44 billion, \$29.60 million, and \$121.39 million, respectively, as of June 30, 2009. One Louisiana-domiciled bank holding company, which owns a Louisiana-domiciled national bank, also owns national banks in Alabama, Arkansas, and Mississippi, with total assets of \$828.08 million as of June 30, 2009.

Total assets for all banks and thrifts in the U.S. decreased from \$13.54 trillion as of March 31, 2009, to \$13.30 trillion as of June 30, 2009, and the number of banks and thrifts declined as noted previously.

BANK AND THRIFT SUMMARY AS OF JUNE 30, 2009

While some slippage is noted, the overall financial condition of Louisiana-domiciled banks and thrifts remains sound. The second quarter of 2009 saw slight increases in total assets, total deposits, and Tier 1 (core) capital. During the second quarter, core deposits as a percent of total deposits and borrowed money decreased slightly from the prior quarter. Earnings for the second quarter decreased, down from the previous quarter primarily because of increased loan loss provisions and overhead expenses. With Tier 1 (core) capital increasing slightly faster than quarterly average assets, the Core capital (leverage) ratio increased slightly, and all capital ratios remain well above minimum regulatory requirements. During the second quarter of 2009, asset quality showed continued signs of deterioration with the dollar volume and ratio of nonperforming assets and net charge-offs increasing. State and federal regulatory agencies will continue to closely monitor asset quality to ensure that banks adhere to sound underwriting guidelines and properly evaluate the adequacy of their ALLL, especially with the ongoing concerns in the financial industry.

BANK LAGNIAPPE

➤ As of June 30, 2009, the breakdown of **all Louisiana-domiciled banks & thrifts** by asset size is as follows:

Asset Size	# of B & T's	%	Total Assets *	%
Assets < \$100 Million	45	28	\$2,711,794	5
Assets \$100 Million to \$300 Million	75	47	13,063,794	23
Assets \$300 Million to \$500 Million	18	11	7,121,634	13
Assets \$500 Million to \$1 Billion	15	10	11,343,342	20
Assets \$1 Billion to \$10 Billion	4	3	9,234,419	17
Assets > \$10 Billion	1	1	11,961,150	22
TOTAL ASSETS	158	100	\$55,436,133	100

➤ As of June 30, 2009, the breakdown of Louisiana **state-chartered banks & thrifts** by asset size is as follows:

Asset Size	# of B & T's	%	Total Assets *	%
Assets < \$100 Million	38	30	\$2,313,972	6
Assets \$100 Million to \$300 Million	61	48	10,583,035	29
Assets \$300 Million to \$500 Million	13	10	5,254,295	15
Assets \$500 Million to \$1 Billion	12	9	8,977,797	25
Assets \$1 Billion to \$10 Billion	4	3	9,234,419	25
TOTAL ASSETS	128	100	\$36,363,518	100

➤ As of June 30, 2009, the breakdown of Louisiana-domiciled **federally-chartered banks & thrifts** by asset size is as follows:

Asset Size	# of B & T's	%	Total Assets *	%
Assets < \$100 Million	7	23	\$397,822	2
Assets \$100 Million to \$300 Million	14	47	2,480,759	13
Assets \$300 Million to \$500 Million	5	17	1,867,339	10
Assets \$500 Million to \$1 Billion	3	10	2,365,545	12
Assets > \$10 Billion	1	3	11,961,150	63
TOTAL ASSETS	30	100	\$19,072,615	100

* Thousands

CRA RATINGS

All Louisiana-Domiciled Banks and Thrifts

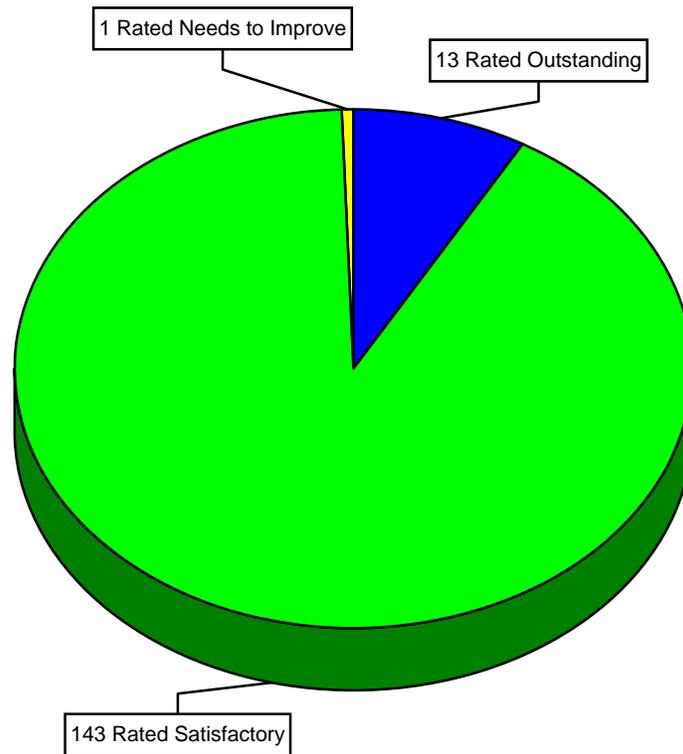


Figure 30

(Note: This chart does not include a bankers' bank since CRA ratings are not applicable, and one de novo bank that is not yet rated, and reflects all ratings issued through June 30, 2009.)

As Figure 30 above demonstrates, Louisiana-domiciled banks and thrifts continue to work aggressively to meet the requirements of the Community Reinvestment Act. Of the 158 banks and thrifts assigned a CRA rating, all but one of the Louisiana banks and thrifts were rated Satisfactory or better at their last CRA examination. Only one bank is assigned a "Needs to Improve" CRA rating, with this rating assigned in the second quarter of 2007. One bank previously assigned a "Satisfactory" rating, was assigned an "Outstanding" CRA rating in the first quarter of 2009.

All financial information contained within this report was obtained from the Institution Directory and Statistics on Depository Institutions 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.

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 bank in their quarterly financial reports (Call Reports).