

CHANGE: ALLOWANCE FOR LOAN AND LEASE  
 LOSSES EXCLUDING ATTR (\$000)

	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
Beginning Balance	1,051,685	1,441,943	1,441,943	1,532,379	687,831
Gross Credit Losses	153,699	310,412	560,157	1,073,813	1,255,652
Write-downs, Transf to Lns Held For Sale	0	0	0	0	1,022
Recoveries	55,853	51,150	104,218	90,860	80,755
Net Credit Losses	97,846	259,262	455,939	982,953	1,174,897
Provision for Loan and Lease Losses	26,517	61,390	74,532	852,693	2,017,142
Adjustments	-6,913	-4,676	-8,851	39,824	2,303
Ending Balance	973,443	1,239,395	1,051,685	1,441,943	1,532,379

Memo: Alloc Transfer Risk Reserve (ATTR) 0 0 0 0 0

ANALYSIS RATIOS

	BHC PEER 01 PCT			BHC PEER 01 PCT			BHC PEER 01 PCT			BHC PEER 01 PCT			
Provision for Ln&Ls Losses/Avg Assets	0.10	0.32	25	0.24	0.52	29	0.14	0.49	19	1.64	1.10	3.73	1.96
Provision for Ln&Ls Losses/Avg Lns&Ls	0.14	0.53	21	0.33	0.86	23	0.20	0.80	15	2.22	1.80	4.82	3.07
Provision for Ln&Ls Losses/Net Losses	27.10	69.68	19	23.68	72.46	11	16.35	70.36	11	86.75	100.32	171.69	139.96
Ln&Ls Allowance/Total Ln&Ls not HFS	2.63	1.78	84	3.36	2.41	80	2.82	2.13	80	3.92	2.67	3.81	2.84
Ln&Ls Allowance/Total Loans & Leases	2.62	1.74	84	3.34	2.39	80	2.81	2.11	80	3.89	2.63	3.79	2.80
Ln&Ls Allowance/Net Ln&Ls Losses (X)	4.97	3.33	80	2.39	2.23	65	2.31	2.24	63	1.47	1.70	1.30	1.52
ALL/Nonaccrual Assets	104.19	122.70	52	83.22	107.65	41	101.54	115.79	50	83.12	99.32	60.08	92.12
Ln&Ls Allow/90+ Days PD+Nonaccr Ln&Ls	108.96	93.17	68	89.65	84.37	70	104.79	87.76	73	86.31	78.33	60.27	72.80
Gross Ln&Ls Losses/Avg Loans & Leases	0.83	0.98	47	1.68	1.55	58	1.51	1.40	61	2.79	2.26	3.00	2.47
Recoveries/Avg Loans and Leases	0.30	0.19	75	0.28	0.24	63	0.28	0.23	67	0.24	0.20	0.19	0.13
Net Losses/Avg Loans and Leases	0.53	0.77	46	1.40	1.31	61	1.23	1.17	61	2.56	2.04	2.81	2.33
Write-downs, Trans Lns HFS/Avg Lns&Ls	0.00	0.01	38	0.00	0.01	36	0.00	0.02	33	0.00	0.06	0.00	0.02
Recoveries/Prior Year-End Losses	9.97	9.21	63	4.76	6.05	41	9.71	12.27	42	7.24	9.74	19.47	13.00
Earnings Coverage of Net Losses (X)	3.17	7.94	43	1.07	3.34	18	1.31	3.51	22	0.46	2.53	0.34	1.67

NET LOAN AND LEASE LOSSES BY TYPE

Real Estate Loans	0.57	0.75	46	1.60	1.40	63	1.42	1.20	64	2.75	2.17	3.01	2.21
RE Loans Secured By 1-4 Family	0.81	0.80	58	1.04	1.10	47	0.87	0.96	44	1.51	1.43	1.52	1.41
Revolving	0.91	0.94	57	1.15	1.18	58	1.06	1.12	52	1.23	1.31	0.68	1.65
Closed-End	0.76	0.73	58	0.98	1.08	56	0.78	0.93	49	1.66	1.45	1.97	1.42
Commercial Real Estate Loans	0.49	0.60	54	1.79	1.37	70	1.62	1.21	68	3.15	2.64	3.46	2.81
Construction and Land Dev	-0.25	1.72	5	5.83	3.44	74	4.75	3.38	69	8.85	6.60	9.67	6.64
1-4 Fam	-0.04	0.26	10	0.86	0.83	68	0.52	0.88	55	0.91	1.64	1.44	2.31
Other	-0.21	1.35	5	4.96	2.52	80	4.23	2.32	78	7.95	4.58	8.23	3.96
Multi family	0.16	0.30	60	0.51	0.83	55	0.87	0.78	67	1.09	1.20	1.15	1.09
Nonfarm Nonresidential	0.65	0.42	71	1.01	0.84	64	1.09	0.74	68	1.73	1.38	0.95	1.00
Owner Occupied	0.23	0.15	71	0.51	0.26	76	0.62	0.25	87	0.86	0.31	0.37	0.23
Other	0.42	0.24	72	0.50	0.54	56	0.47	0.44	54	0.87	1.00	0.58	0.67
RE Loans Secured by Farmland	-0.13	0.35	6	0.94	1.05	77	0.81	1.03	69	0.74	0.60	-0.07	0.41
Commercial and Industrial Loans	0.39	0.52	53	0.85	0.91	54	0.68	0.81	54	2.58	1.57	2.75	2.44
Loans to Depository Institutions	-0.22	0.03	4	0.00	0.00	47	-0.69	-0.02	5	0.00	0.05	0.00	0.04
Loans to Individuals	1.35	1.54	51	2.08	2.29	51	1.74	1.96	52	3.34	2.88	4.70	3.39
Credit Card Loans	3.24	2.89	57	3.84	4.26	42	2.93	3.76	29	4.42	5.94	4.69	5.75
Agricultural Loans	2.01	0.29	91	2.30	0.37	92	1.04	0.34	81	0.68	0.62	0.23	0.33
Loans to Foreign Governments & Inst	N/A	0.00	N/A	N/A	-0.04	N/A	N/A	-0.11	N/A	N/A	-0.13	N/A	0.00
Other Loans and Leases	0.21	0.16	63	0.73	0.41	78	1.06	0.37	88	1.38	0.72	1.01	1.44

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## Allowance and Net Loan and Lease Losses

BHCPR page 12 provides information on loan and lease losses as well as provisions and the allowance for loan and lease losses. Data on this page are derived primarily from Schedule HI-B of the FR Y-9C.

The first section itemizes the dollar amounts of each source of change in the valuation reserve. The second section presents ratios that relate to the allowance for loan and lease losses, provision for loan and lease losses, charge-offs, write-downs from transfers to loans held for sale, and recoveries. The last section displays net charge-offs (annualized) as a percentage of various loan categories.

### **Change: Allowance for Loan and Lease Losses, Excluding Allocated Transfer Risk Reserve (\$000)**

#### *Beginning Balance*

The balance of the allowance for loan and lease losses at the end of the previous calendar year after the effect of all corrections and adjustments that were made in amended reports.

#### *Gross Credit Losses*

Loan and lease losses charged against the allowance for loan and lease losses.

#### *Write-Downs from Transfers to Loans Held for Sale*

The reduction in the value of loans transferred to the held-for-sale account through a write-down of the recorded investment to fair value upon transfer.

#### *Recoveries*

Recoveries credited to the allowance for loan and lease losses.

#### *Net Credit Losses*

Gross loan and lease losses minus recoveries.

#### *Provision for Loan and Lease Losses*

The year-to-date provision for loan and lease losses.

#### *Adjustments*

All other allowable adjustments during the reporting period.

#### *Ending Balance*

The sum of the beginning allowance for loan and lease losses, the provision for loan and lease losses, and adjustments minus net loan and lease losses.

#### *Memo: Allocated Transfer Risk Reserve (ATTR)*

The required reserve for allocated transfer risk as specified in Section 905(a) of the International Lending Supervision Act of 1983, in the agency regulations implementing the Act (Subpart D of Federal Reserve Regulation K, Part 351 of the FDIC's Rules and Regulations, and Part 20 of the Comptroller of the Currency's Regulations), and in any guidelines, letters, or instructions issued by the agencies.

### **Analysis Ratios**

#### *Provision for Loan and Lease Losses/ Average Assets*

Provision for loan and lease losses divided by (four-point) average assets. (See the definition of average assets on page 3-13.)

#### *Provision for Loan and Lease Losses/ Average Loans and Leases*

Provision for loan and lease losses divided by (four-point) average loans and leases, net of unearned income. (See the definition of average loans and leases on page 3-13.)

#### *Provision for Loan and Lease Losses/ Net Losses*

Provision for loan and lease losses divided by net loan and lease losses.

#### *Loan and Lease Allowance/Total Loans and Leases Not Held-For-Sale*

Allowance for loan and lease losses divided by total loans and lease not held-for-sale.

#### *Loan and Lease Allowance/ Total Loans and Leases*

The allowance for loan and lease losses divided by loans and leases net of unearned income.

#### *Loan and Lease Allowance/ Net Loan and Lease Losses (X)*

The allowance for loan and lease losses divided by net loan and lease losses (annualized). If recoveries exceed gross loan and lease losses, the BHCPR displays an "NA" in lieu of the ratio value or the percentile rank. (This ratio is not expressed as a percent and is, therefore, not multiplied by 100.)

#### *Allowance for Loan and Lease Losses/ Nonaccrual Assets*

The allowance for loan and lease losses divided by the aggregate amount of nonaccrual assets.

#### *Loan and Lease Allowance/ 90 Days and over Past Due and Nonaccrual Loans and Leases*

The allowance for loan and lease losses divided by the sum of loans and leases on which payment is due and unpaid for 90 days or more and those that are placed in nonaccrual status.

#### *Gross Loan and Lease Losses/ Average Loans and Leases*

Loans and lease losses charged against the allowance for loan and lease losses (annualized) divided by (four-point) average loans and leases, net of unearned income. (See the definition of average loans and leases on page 3-13.)

#### *Recoveries/Average Loans and Leases*

Loan recoveries in the current year (annualized) divided by (four-point) average loans and leases, net of

unearned income. (See the definition of average loans and leases on page 3-13.)

#### *Net Losses/Average Loans and Leases*

Gross loan and lease losses less recoveries divided by (four-point) average loans and leases, net of unearned income. (See the definition of average loans and leases on page 3-13.)

#### *Write-downs from Transfers to Loans Held for Sale/Average Loans and Leases*

Total write-downs from transfers to loans held for sale divided by (four point) average loans and leases. (See the definition of average loans and leases on page 3-13.)

#### *Recoveries/Prior Year-End Losses*

Recoveries in the current year divided by gross loan and lease losses of the preceding calendar year.

#### *Earnings Coverage of Net Losses (X)*

The sum of income before taxes, minority interest, and extraordinary items and the provision for possible loan and lease losses divided by net loan and lease losses. (This ratio is not expressed as a percent and is, therefore, not multiplied by 100.)

### **Net Loan and Lease Losses by Type**

#### *(Net Losses, Percent of) Real Estate Loans*

Net losses (gross charge-offs minus recoveries) on real estate loans divided by real estate loans, gross of unearned income.

#### *(Net Losses, Percent of) Real Estate Loans Secured by 1-4 Family*

Net losses on real estate loans secured by one- to four-family residential properties divided by real estate loans secured by one- to four-

family residential properties, gross of unearned income.

#### *(Net Losses, Percent of) Revolving*

Net losses on revolving open-end real estate loans secured by one- to four-family residential properties and extended under lines of credit divided by the outstanding balance of revolving open-end real estate loans secured by one- to four-family residential properties, gross of unearned income.

#### *(Net Losses, Percent of) Closed-End*

Net losses on other real estate loans secured by first and junior liens on one- to four-family residential properties divided by the outstanding balance of other real estate loans secured by first and junior liens on one- to four-family residential properties, gross of unearned income.

#### *(Net Losses, Percent of) Commercial Real Estate Loans*

Net losses on construction and land development loans and real estate loans secured by multifamily residential properties and nonfarm nonresidential properties divided by the sum of the outstanding balances, gross of unearned income, of the same commercial real estate loan categories.

#### *(Net Losses, Percent of) Construction and Land Development*

Net losses on construction and land development loans divided by the outstanding balance of construction and land development loans, gross of unearned income.

#### *(Net Losses, Percent of) 1-4 Family*

Net losses on construction, land development, and other land loans in domestic offices for 1-4 family residential construction divided by the outstanding balance of construction and land development loans, gross of unearned income.

#### *(Net Losses, Percent of) Other*

Net losses on construction, land development, and other land loans in domestic offices for other construction loans and all land development and other land loans divided by the outstanding balance of construction and land development loans, gross of unearned income.

#### *(Net Losses, Percent of) Multifamily*

Net losses on real estate loans secured by multifamily (five dwelling units or more) residential properties divided by the outstanding balance of real estate loans secured by multifamily residential properties, gross of unearned income.

#### *(Net Losses, Percent of) Nonfarm Nonresidential*

Net losses on real estate loans secured by nonfarm nonresidential properties divided by the outstanding balance of real estate loans secured by nonfarm nonresidential properties, gross of unearned income.

#### *(Net Losses, Percent of) Owner-Occupied*

Net losses on nonfarm nonresidential property loans secured by owner-occupied properties divided by the outstanding balance of real estate loans secured by nonfarm nonresidential properties, gross of unearned income.

#### *(Net Losses, Percent of) Other*

Net losses on nonfarm nonresidential property loans secured by other nonfarm nonresidential properties divided by the outstanding balance of real estate loans secured by nonfarm nonresidential properties, gross of unearned income.

#### *(Net Losses, Percent of) Real Estate Loans Secured by Farmland*

Net losses on real estate loans secured by farmland divided by the

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outstanding balance of real estate loans secured by farmland, gross of unearned income.

*(Net Losses, Percent of)  
Commercial and Industrial Loans*

Net losses on commercial and industrial loans divided by commercial and industrial loans, gross of unearned income.

*(Net Losses, Percent of)  
Loans to Depository Institutions*

Net losses on loans to depository institutions divided by loans to depository institutions, gross of unearned income.

*(Net Losses, Percent of)  
Loans to Individuals*

Net losses on consolidated loans to individuals divided by loans to individuals, gross of unearned income.

*(Net Losses, Percent of)  
Credit Card Loans*

Net losses on credit cards divided by the outstanding balance of credit card loans, gross of unearned income.

*(Net Losses, Percent of)  
Agricultural Loans*

Net losses on agricultural loans

divided by agricultural loans, gross of unearned income.

*(Net Losses, Percent of)  
Loans to Foreign Governments and Institutions*

Net losses on loans to foreign governments and official institutions divided by loans to foreign governments and official institutions, gross of unearned income.

*(Net Losses, Percent of)  
Other Loans and Leases*

Net losses on other loans and leases divided by other loans and leases, gross of unearned income.