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## DIVISION OF FINANCE

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Commissioner of Finance

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The attached report represents a consolidation of Reports of Condition filed by state-chartered banks with the Missouri Division of Finance as of September 30, 2008, and a comparison with the statements filed one year earlier.

Also included is a comparison of financial statements of state-chartered and national banks.

During the previous twelve months, the number of state-chartered banks and trust companies decreased by eight to 293. Five banks and one nondeposit trust company merged into out-of-state banks, three banks merged into other Missouri state-chartered banks, and one bank merged into a Missouri national bank. One nondeposit trust company was dissolved. There was one bank failure when Hume Bank was closed on March 7, 2008. There were four new bank charters granted, two of which were issued when national banks converted to a state charter.

Assets in state-chartered banks totaled \$74.8 billion on September 30, 2008, an increase of 11.8 percent from one year earlier. Deposits were \$58.9 billion, up 10.1 percent.

Total loans were \$54.9 billion on September 30, 2008, up 10.4 percent.

The equity capital ratio decreased to 10.36 percent. Primary capital, which includes the allowance for loan and lease losses, was also down, to 11.38 percent. The tangible equity capital ratio was down to 8.85 percent. Despite the ratio declines, Missouri banks continue to maintain a strong overall capital position.

Net income in state banks was down 54.9 percent for the first nine months of 2008. Return on assets among state-chartered banks was 0.42 percent, compared to 1.04 percent for the same period in 2007. The income decline continues to be primarily influenced by a small number of banks. After adjusting out ten banks with the largest losses, the return on assets for the remaining 276 banks was 0.81 percent.

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**COMPARATIVE STATEMENT OF CONDITION  
STATE BANKS AND TRUST COMPANIES IN MISSOURI  
AS OF SEPTEMBER 30, 2008**

THOUSANDS OF DOLLARS	286 BANKS 9/30/2008	292 BANKS 9/30/2007	INCREASE DECREASE()	PERCENT CHANGE
<b>ASSETS</b>				
Total Loans	\$54,866,568	\$49,677,292	\$5,189,276	10.4%
Allowance for Loan Losses	865,397	665,433	199,964	30.1%
Total Assets	74,754,442	66,888,670	7,865,772	11.8%
<b>LIABILITIES</b>				
Total Deposits	58,917,868	53,520,516	5,397,352	10.1%
Total Equity Capital	7,741,333	7,301,399	439,934	6.0%

OPERATING RATIOS	9/30/2008	9/30/2007	CHANGE
Equity Capital/Assets	10.36%	10.92%	-0.56%
Tangible Equity Capital/Assets	8.85%	9.45%	-0.60%
Capital and Allowance for Loan Losses/Assets	11.38%	11.79%	-0.41%
Total Loans/Assets	73.40%	74.27%	-0.87%
Past Due and Nonaccrual Loans/Total Loans	3.28%	2.13%	1.15%
Allowance for Loan Losses/Loans	1.58%	1.34%	0.24%
Average Net Interest Margin	3.86%	4.02%	-0.16%
Return on Assets	0.42%	1.04%	-0.62%

**NOTES:**

2007 does not include nine nondeposit trust companies.  
2008 does not include seven nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION  
STATE AND NATIONAL BANKS IN MISSOURI  
AS OF SEPTEMBER 30, 2008**

MILLIONS OF DOLLARS	9/30/2008			9/30/2007	PERCENT CHANGE
	286 STATE BANKS	37 NATIONAL BANKS	323 ALL BANKS	334 ALL BANKS	
<b>ASSETS</b>					
Cash and Due from Banks	2,117	1,561	3,678	3,101	18.6%
Investment Securities	10,716	8,150	18,866	17,665	6.8%
Total Loans and Leases	54,867	24,200	79,067	73,343	7.8%
Less: Reserves	865	344	1,209	974	24.1%
Federal Funds Sold	2,733	1,101	3,834	2,292	67.3%
Fixed Assets	1,584	808	2,392	2,260	5.8%
Other Real Estate	435	57	492	243	102.5%
Intangible Assets	1,231	258	1,489	1,366	9.0%
Other assets	1,936	878	2,814	2,281	23.4%
<b>TOTAL ASSETS</b>	<b>\$74,754</b>	<b>\$36,669</b>	<b>\$111,423</b>	<b>\$101,577</b>	<b>9.7%</b>
<b>LIABILITIES</b>					
Total Deposits	58,918	27,558	86,476	80,025	8.1%
Deposits over 100M	10,680	3,616	14,296	13,677	4.5%
Brokered Deposits	6,275	374	6,649	2,905	128.9%
Federal Funds Purchased	2,761	3,362	6,123	6,472	-5.4%
Other liabilities	5,334	2,551	7,885	4,672	68.8%
Total Equity Capital	7,741	3,198	10,939	10,408	5.1%
<b>TOTAL LIABILITIES</b>	<b>\$74,754</b>	<b>\$36,669</b>	<b>\$111,423</b>	<b>\$101,577</b>	<b>9.7%</b>
<b>EARNINGS</b>					
Interest Income	3,120	1,403	4,523	4,884	-7.4%
Interest Expense	1,336	522	1,858	2,260	-17.8%
Net Interest Income	1,784	881	2,665	2,624	1.6%
Provision for Loan Losses	494	133	627	186	237.1%
Net Income	234	259	493	850	-42.0%
Cash Dividends	311	145	456	492	-7.3%
Net Loan Losses	363	86	449	142	216.2%