
BANK PERFORMANCE BAROMETER

APRIL 2009

Insights into the financial services industry's quarterly performance – who's on top & how they got there

This report looks at:

BANKS & THRIFTS WITH TOTAL ASSETS OF \$5B to \$20B

SNAPSHOT:



- Declining credit quality continued to impact earnings.
- Core deposit growth increased at top performers as consumers continued to pull money out of the stock market.
- The Federal Government continued to take unprecedented steps to address the banking crisis.
- Not all of the news from 4Q08 was bad – read on to find out which banks were successful despite the adverse operating environment.



I. Performance Summary

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I. Performance Summary

- How the industry performed in **4Q08** and who came out on top

Perhaps the best thing that one can say about 2008 is **that it is over**. Though Congress passed a “bailout” plan in early October and **margins remained relatively stable**, declining credit quality continued to take a toll on earnings. Those mid-size banks that remained healthy were able to **take advantage of disruptions in their markets** and increase loan and core deposit balances.

The next three pages present industry trends for eleven key performance indicators:

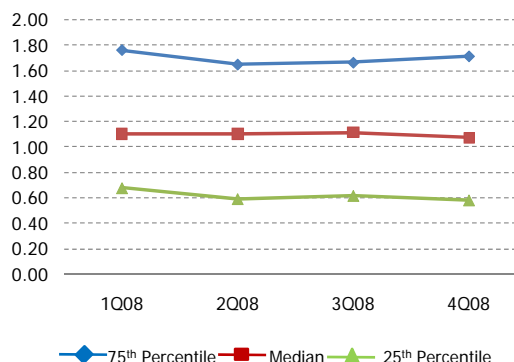
1. Price-to-Earnings
2. EPS Growth
3. Return on Average Equity
4. Operating Revenue to Average Assets
5. Noninterest Income to Average Assets
6. Efficiency Ratio
7. Net Interest Margin
8. Loan Growth
9. Core Deposit Growth
10. Core Deposits to Total Deposits
11. Nonperforming Assets to Total Loans

KEY PERFORMANCE INDICATORS

Noninterest Income/ Avg Assets (%)

Over two-thirds of the peer group saw fee income decline in 4Q08. All but one of the top quartile banks achieved better-than-median contribution from multiple fee income businesses.

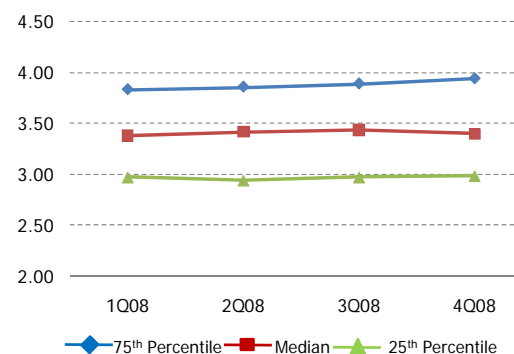
4Q08 TOP PERFORMER: Wilmington Trust (3.51%)



Net Interest Margin, FTE (%)

Both the yield on earning assets and the cost of funds declined at most banks in 2008. Institutions in the 75th percentile were those who were able to decrease their cost of funds significantly by year-end.

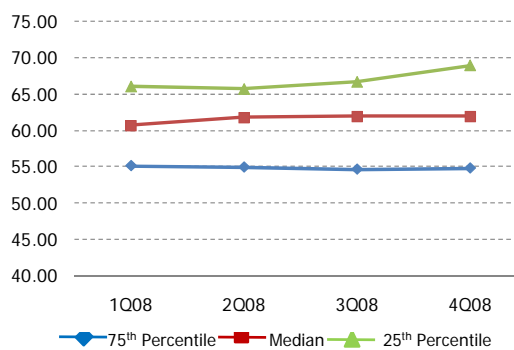
4Q08 TOP PERFORMER: SVB Financial (5.66%)



Efficiency Ratio (%)

The 25th percentile efficiency ratio increased 229 bps, increasing the performance gap between these banks and their peers. This increase was largely driven by asset write-downs and goodwill impairments.

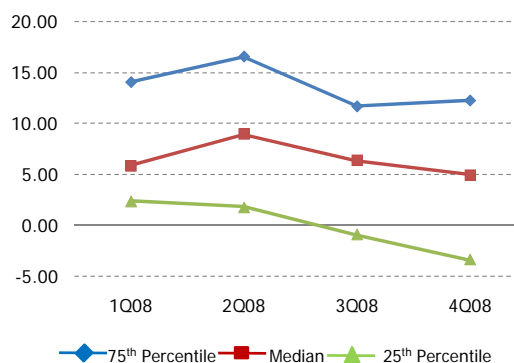
4Q08 TOP PERFORMER: Washington Federal Savings & Loan (25.71%)



Loan Growth (%)

Loan growth recovered at banks in the 75th percentile but slowed elsewhere. A bank's ability to lend depended on the credit quality of its existing portfolio and whether or not market disruptions created opportunities to gain share. In many cases, gains were realized through acquisition.

4Q08 TOP PERFORMER: Harleysville National (180.57%; organic growth of 4.0%)



II. Spotlight on...

- Each quarter, CPG examines a current issue affecting all institutions. This quarter, we look at **deposits**, and specifically, at strategies that banks are using to gather and retain core funds.

CPG'S VIEW: Despite benefiting from **a flight to quality** that increased deposit growth in 4Q08, banks remain heavily focused on deposit generation. **The disappearance of the secondary investors and the instability and cost of other sources of liquidity** has made core deposits an even more important source of funding for institutions of all sizes.

As competition for deposits increases, many institutions are promoting **safety and soundness** heavily in their advertising in an attempt to counter very negative perceptions in the marketplace. We believe that banks with aggressive deposit growth objectives must **consider both the acquisition and retention** of these deposits and should therefore also be:

FULL TEXT AVAILABLE IN PURCHASED REPORT

III. Performance Rankings

- The best institutions in several categories, based on **4Q08** data, and notes on how they got there

REVENUE GENERATION

OPERATING REVENUE TO AVERAGE ASSETS: Despite a 24 bps decline in 4Q08, SVB Financial remained the peer group leader. SVB's dedication to technology, life sciences, venture capital/private equity, and premium wine businesses and the unique set of capabilities the bank has built to serve them enable SVB to make high-yield loans funded almost exclusively by noninterest bearing deposits.

Top 10	2007 Rank	2006 Rank	Institution	Operating Rev/ Avg Assets YTD (%)		
				4Q08	3Q08	2007
1	1	1	SVB Financial Group	7.56	7.80	9.77
2	9	10	Bank of Hawaii Corporation	6.92	7.01	6.18
3	2	3	Pacific Capital Bancorp	6.61	7.78	7.33
4	7	8	UMB Financial Corporation	6.58	6.76	6.50
5	4	4	TCF Financial Corporation	6.55	6.60	7.08
6	5	6	Wilmington Trust Corporation	6.51	6.52	6.81
7	6	5	Arvest Bank Group, Inc.	6.43	6.60	6.55
8	8	7	Boston Private Financial Holdings, Inc.	6.04	6.39	6.45
9	10	9	Commerce Bancshares, Inc.	5.99	6.12	6.00
10	12	11	Cullen/Frost Bankers, Inc.	5.92	5.99	5.88
75th Percentile				5.05	5.06	5.06
Median				4.19	4.24	4.33
25th Percentile				3.31	3.41	3.50

NONINTEREST INCOME TO AVERAGE ASSETS: Wilmington Trust jumped ahead of UMB Financial in 4Q08, thanks to its multi-state trust and private banking business and the peer-group-leading fiduciary income it generates. UMB Financial fee income is more diversified and includes sizable contributions from UMB Scout (trust and securities business), corporate deposit service charges, and the bank's national Healthcare Services (HSA) business.

Top 10	2007 Rank	2006 Rank	Institution	Noninterest Inc/ Avg Assets YTD (%)		
				4Q08	3Q08	2007
1	2	4	Wilmington Trust Corporation	3.51	3.53	3.46
2	1	3	UMB Financial Corporation	3.43	3.65	3.59
3	3	5	Boston Private Financial Holdings, Inc.	3.19	3.52	3.42
4	5	1	Dickinson Financial Corporation II	3.08	3.04	3.23
5	29	53	Chevy Chase Bank, F.S.B.	3.06	3.25	1.54
6	7	7	Arvest Bank Group, Inc.	3.02	3.08	2.94
7	4	2	TCF Financial Corporation	2.85	2.87	3.38
8	11	13	Bank of Hawaii Corporation	2.85	2.97	2.34
9	9	8	Commerce Bancshares, Inc.	2.39	2.55	2.52
10	6	9	SVB Financial Group	2.32	2.45	3.20
75th Percentile				1.71	1.66	1.65
Median				1.07	1.11	1.05
25th Percentile				0.58	0.62	0.65

BALANCE SHEET MANAGEMENT

CORE DEPOSITS TO TOTAL DEPOSITS: Signature Bank focuses on providing banking services to privately-owned businesses in the greater New York City metro area with an emphasis on deposit (rather than credit) relationships. As a result, 75% of the bank's deposits are in MMDAs or savings accounts. Despite a slight decrease in the ratio of core deposits to total deposits in 4Q08, Signature continues to lead the peer group. To support deposit gathering efforts in both 4Q08 and future quarters, the bank opened branches, expanded its private banking staff, and increased its emphasis on stability in its communications.

Top 10	2007 Rank	2006 Rank	Institution	Core Deposits/ Total Deposits (%)		
				4Q08	3Q08	2007
1	1	2	Signature Bank	87.13	89.73	92.65
2	3	6	City National Corporation	86.75	86.78	87.08
3	5	3	Cullen/Frost Bankers, Inc.	86.39	87.09	85.69
4	4	4	New York Private Bank & Trust Corporation	85.35	84.45	86.21
5	9	10	UMB Financial Corporation	81.08	81.00	77.14
6	6	5	FirstBank Holding Company	77.80	79.19	82.66
7	2	1	SVB Financial Group	76.32	85.11	91.18
8	10	13	TCF Financial Corporation	74.82	75.83	76.80
9	17	15	Bank of Hawaii Corporation	74.74	72.52	71.04
10	7	9	Arvest Bank Group, Inc.	72.82	80.48	80.09
75th Percentile				65.74	65.25	63.73
Median				58.12	57.52	56.84
25th Percentile				41.80	41.79	46.31

CORE DEPOSIT GROWTH: The acquisition of Chittenden Corporation, which closed in January 2008 and increased deposits by 65%, helped People's United to achieve better-than-peer year-over-year core deposit growth. Without this transaction, core deposit growth at the thrift would have been essentially flat. PrivateBancorp, 4Q08's second place institution, implemented a new "Strategic Growth Plan" in 2008 that emphasized new customer acquisition. Under this plan, the bank introduced new treasury management services that helped to increase business DDA balances by 26% in 3Q08 alone. This contributed significantly to PrivateBancorp's overall improvement in core deposit growth.

Top 10	2007 Rank	2006 Rank	Institution	Core Deposit Growth (%)		
				4Q08	3Q08	2007
1	92	NA	People's United Bank	106.73	92.59	-6.14
2	20	9	PrivateBancorp, Inc.	82.48	58.89	1.13
3	4	36	EverBank	62.05	48.18	29.12
4	61	24	National Penn Bancshares, Inc.	56.09	53.43	2.87
5	17	55	Discount Bancorp, Inc.	43.29	6.33	4.96
6	29	32	Washington Federal Savings & Loan Association	42.08	42.70	16.07
7	74	37	F.N.B. Corporation	40.28	39.25	2.46
8	21	18	SVB Financial Group	36.51	27.08	12.30
9	32	71	Midfirst Bank	32.49	35.92	14.74
10	18	77	Harleysville National Corporation	31.84	2.59	7.03
75th Percentile				13.75	11.18	9.50
Median				3.42	3.64	2.94
25th Percentile				-4.65	-3.54	-0.66

CPG's Bank Performance Barometer is available on a subscription basis. Reports can be customized to include institutions that operate within any specific asset tier or region, for example:

Asset Tiers	Regions
✓ Less than \$500MM	✓ New England
✓ \$500MM to \$1B	✓ Mid-Atlantic
✓ \$1B to \$5B	✓ Southeast
✓ \$5B to \$20B	✓ Great Lakes
✓ \$20B+	✓ Great Plains
✓ Custom	✓ Mountain West
	✓ Southwest
	✓ Pacific Coast
	✓ Custom

For information on how to order the Barometer, please see page 24.

For questions about the Barometer, please contact:

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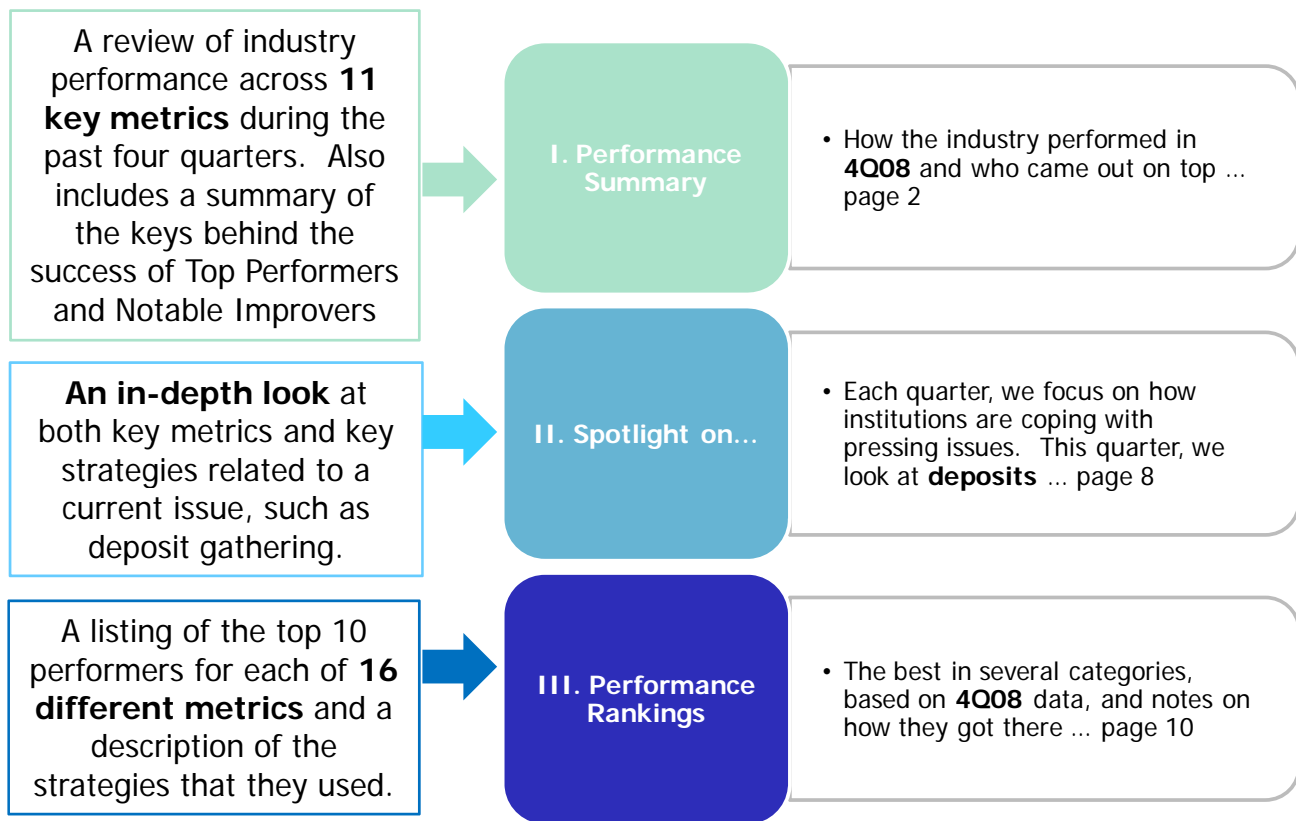
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ABOUT THE BAROMETER

- The Barometer is designed to provide subscribers with information on not only which banks and thrifts have performed well, but how they have managed to succeed.
- The Barometer is published quarterly and is available within 10 days of the date on which the last member of the peer group files.
- Each report includes the following:



The Barometer is available in three versions:

- 1. Standard:** Includes quarterly trend analysis, Spotlight analysis, and rankings for a group of banks. Peer group is defined based on standard CPG asset size cuts.
- 2. Highlights:** Includes the same content as the Standard version. In addition, your bank is highlighted on all graphs, charts, and ranking tables.
- 3. Custom:** Peer group can be customized based on asset size, region, or some combination thereof. If desired, the metrics shown in Sections I and III can also be customized. See previous page for more information

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