

NASB Financial, Inc. and Subsidiary
Consolidated Balance Sheets

	March 31, 2018	September 30, 2017
	(Unaudited)	
ASSETS		
	(Dollars in thousands)	
Cash and cash equivalents	\$ 31,155	38,342
Interest bearing deposits	4,716	4,972
Securities available for sale, at fair value	123,290	210,593
Stock in Federal Home Loan Bank, at cost	10,277	21,598
Mortgage-backed securities available for sale, at fair value	4,100	4,871
Loans receivable:		
Held for sale, at fair value	86,195	171,992
Held for investment, net	1,604,026	1,558,047
Allowance for loan losses	(18,546)	(18,230)
Accrued interest receivable	6,803	7,184
Foreclosed assets held for sale, net	5,645	4,401
Premises and equipment, net	11,455	12,050
Investment in LLCs	10,820	13,784
Mortgage servicing rights, net	10,714	11,051
Deferred income tax asset, net	3,024	4,916
Goodwill and other intangibles	6,628	6,859
Other assets	10,213	9,872
	<u>\$ 1,910,515</u>	<u>2,062,302</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Customer deposit accounts	\$ 1,269,456	1,268,670
Brokered deposit accounts	177,491	27,442
Advances from Federal Home Loan Bank	196,000	483,000
Subordinated debentures	25,774	25,774
Escrows	8,600	14,677
Income taxes payable	1,697	511
Accrued expenses and other liabilities	7,519	9,259
Total liabilities	<u>1,686,537</u>	<u>1,829,333</u>
Stockholders' equity:		
Common stock of \$0.15 par value: 20,000,000 authorized; 9,865,281 shares issued at March 31, 2018, and 9,864,731 shares issued at September 30, 2017	1,480	1,480
Additional paid-in capital	16,806	16,773
Retained earnings	255,789	263,773
Treasury stock, at cost; 2,480,430 shares at March 31, 2018, and September 30, 2017	(50,461)	(50,461)
Accumulated other comprehensive income	364	1,404
Total stockholders' equity	<u>223,978</u>	<u>232,969</u>
	<u>\$ 1,910,515</u>	<u>2,062,302</u>

NASB Financial, Inc. and Subsidiary
Condensed Consolidated Statements of Operations (Unaudited)

	Three months ended		Six months ended	
	March 31,		March 31,	
	2018	2017	2018	2017
	(Dollars in thousands, except per share data)			
Interest on loans receivable	\$ 21,572	19,440	43,745	39,076
Interest on mortgage-backed securities	38	6	78	13
Interest and dividends on securities	1,510	1,888	3,112	3,753
Other interest income	68	37	153	73
Total interest income	<u>23,188</u>	<u>21,371</u>	<u>47,088</u>	<u>42,915</u>
Interest on customer and brokered deposit accounts	3,336	2,506	6,439	5,193
Interest on advances from Federal Home Loan Bank	1,291	1,195	2,843	2,287
Interest on subordinated debentures	206	165	398	321
Other interest expense	10	9	16	14
Total interest expense	<u>4,843</u>	<u>3,875</u>	<u>9,696</u>	<u>7,815</u>
Net interest income	18,345	17,496	37,392	35,100
Provision for loan losses	1,850	550	1,850	550
Net interest income after provision for loan losses	<u>16,495</u>	<u>16,946</u>	<u>35,542</u>	<u>34,550</u>
Other income (expense):				
Loan servicing fees, net	364	385	693	649
Impairment recovery on mortgage servicing rights	--	--	--	965
Customer service fees and charges	822	697	1,704	1,631
Provision for loss on real estate owned	(12)	--	(27)	(16)
Income (expense) on real estate owned, net	(27)	(59)	(232)	8
Loss on disposal of securities available for sale	(8)	--	(8)	--
Gain from loans receivable held for sale	7,334	9,131	16,470	25,359
Other income (expense), net	(87)	(1,094)	1,448	140
Total other income	<u>8,386</u>	<u>9,060</u>	<u>20,048</u>	<u>28,736</u>
General and administrative expenses:				
Compensation and fringe benefits	8,652	8,646	17,045	17,896
Commission-based mortgage banking compensation	2,781	2,737	6,367	7,839
Premises and equipment	1,759	1,755	3,499	3,502
Advertising and business promotion	1,619	2,099	3,488	3,909
Federal deposit insurance premiums	146	178	319	258
Other	2,248	2,450	4,289	4,989
Total general and administrative expenses	<u>17,205</u>	<u>17,865</u>	<u>35,007</u>	<u>38,393</u>
Income before income tax expense	7,676	8,141	20,583	24,893
Income tax expense	1,268	3,134	7,460	9,424
Net income	<u>\$ 6,408</u>	<u>5,007</u>	<u>13,123</u>	<u>15,469</u>
Basic earnings per share	<u>\$ 0.87</u>	<u>0.68</u>	<u>1.78</u>	<u>2.09</u>
Basic weighted average shares outstanding	<u>7,384,411</u>	<u>7,397,964</u>	<u>7,384,355</u>	<u>7,405,569</u>