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COMPANY NOTE
April 18, 2024

First Community Corporation (FCCO) — Neutral

1Q24 Earnings Review

CONCLUSION

We took our estimates down following results on a lower NII starting point and higher expenses, with the partial offsets of higher fees and a lower provision. Credit remains pristine, while deposit growth was a highlight with a loan-to-deposit ratio of just 73%. We believe that FCCO has reached NIM/NII inflection, and it should also see some expense relief in the 2Q. We model a steadily improving ROA, from 56 bps in 1Q24 to 72 bps in 4Q24. We are lowering our PT to $18, ~10x our 2025 EPS estimate (vs. ~12x our 2024 EPS previously with lower peer multiples, our reduced estimates, and as we roll our methodology forward). We recognize FCCO's franchise value/strong deposit base in attractive SE markets, but remain Neutral rated ahead of the Russell rebalancing (FCCO is in a position to potentially be removed this year) and as we await a more accommodative rate environment.

Reported EPS: $0.34 | Core: $0.34 | PSC: $0.35 | Consensus: $0.34

- **Delta vs. expectations:** Results matched consensus and were a penny below our model on higher expenses ($0.07 per share delta), mostly offset by higher fees ($0.03) and a lower loan loss provision ($0.03). NII was in line with our model.

- **Loans up 8% annualized.** This was a slowdown from the 16% growth last year but at the high end of our mid-to-high single digit expectation. Deposit growth was much stronger than loan growth (up 18% annualized, 15% ex brokered CDs). NIB were up and measured 28% of total deposits, while the L/D ratio is just 73%. With the deposit inflow in the quarter and the excess cash on the balance sheet at 3/31, we assume that we will see the overall balance sheet flat to down over the next few quarters. We note that it has provided notice that it will call an $18M 5.70% brokered CD on 4/25/24.

- **Revenues flat with strength in fees.** The NIM was down 10 bps in the quarter (to 2.79%) but with more average balance sheet growth, so NII down 1.8% matched our model. Deposit costs remain managed at 1.90% in the quarter (1.69% in 4Q). Management noted that the NIM has been relatively stable over the last 4 months, at 2.81% in December, 2.79% in January, 2.77% in February, and 2.79% in March. We expect the NIM to be relatively stable in 2Q and for expansion in 2H24. Rate cuts are helpful for FCCO considering fixed rate loans that have not yet repriced higher, while a steeper yield curve would be very helpful. Higher fees were an offset to the lower NII in the quarter, with fees up 9%, versus a 2% decline modeled. FCCO saw strength in wealth management fees (record AUM of $833M) and mortgage fees with higher production.

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RISKS TO ACHIEVEMENT OF PT & RECOMMENDATION

Deterioration in FCCO's credit quality, interest rate risk, a general decline in bank valuations, and a capital raise.

COMPANY DESCRIPTION

First Community is a $1.9B-in-asset bank based in the Columbia, SC MSA.

YEAR	EARNINGS PER SHARE (US$)					
	Mar	Jun	Sep	Dec	FY	FY P/E
2023A	0.45	0.42	0.36	0.43	1.66	9.6x
2024E	0.34A	0.37	0.43	0.44	1.58	10.1x
2025E	0.42	0.46	0.49	0.48	1.85	8.6x

PRICE: US$15.95
TARGET: US$18.00
~10x our 2025 EPS estimate

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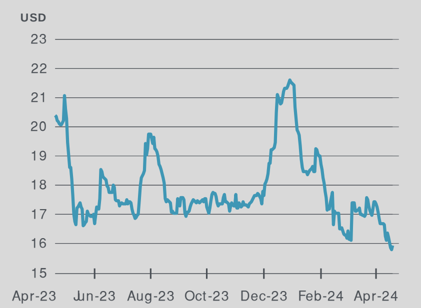
Changes	Previous	Current
Rating	—	Neutral
Price Tgt	US$19.00	US$18.00
FY24E EPS	US$1.65	US$1.58
FY25E EPS	US$1.98	US$1.85

Market Cap. (mil)	US$121.7
Book Value/Share	US$17.50
Tang. Book/Share	$15.51
Price/Book	91%
Price/Tang.Book	103%
52-Week High / Low	US$22.00 / US$15.40
Avg Daily Vol (000)	22
Div Yield	3.51%
Total Assets ($mil)	1,887
ROTCE	9.05%
Shares Out (mil)	7.6
Div (ann)	US$0.56
Institutional Ownership	49.7%
Insider Ownership	4.2%
Fiscal Year End	Dec

Price Performance - 1 Year



Source: Bloomberg

- **Expenses up 11%, versus 4% growth modeled.** Recall expenses were down 5% last quarter, and we expected to see some of those expenses return. There were elevated marketing expenses as well as seasonal payroll taxes and higher incentive accruals. We note that the company is closing its downtown Augusta, GA branch in June. We expect to see expenses come down 4% in 2Q and we now expect 7% growth for the year in 2024.

- **4 bps of NPAs.** The company has minimal NPAs and recorded just 1 bp of NCOs. Reserve-to-loans was stable at 1.08%.

- **TBV up 2%.** The TCE ratio is 6.3%, vs. 6.4% last quarter given balance sheet growth. We don't expect the company to be active with buybacks, and we have the TCE ratio growing with little balance sheet growth going forward.

First Community Corporation (FCCO)

	Historical				1Q24		Variance		Q/Q Change		Y/Y Change	
	1Q23	2Q23	3Q23	4Q23	Actual	Expected	Beat / Miss ($000s)	(per share)	Actual	Expected	Actual	Expected
INCOME STATEMENT ($000s)												
FTE Net Interest Income	12,455	12,213	12,165	12,343	12,117	12,127	(10)	($0.00)	-2%	-2%	-3%	-3%
Net Interest Margin	3.19%	3.02%	2.96%	2.89%	2.79%	2.86%	-7 bps		-10 bps	-3 bps	-40 bps	-33 bps
Average Earning Assets	1,582	1,622	1,628	1,695	1,746	1,704	42		3%	1%	10%	8%
Loan Loss Provision	70	186	474	399	129	427	(298)	$0.03	-68%	7%	84%	509%
Deposit Service Charges	232	220	240	271	259	257	2	$0.00	-4%	-5%	12%	11%
Mortgage Banking Income	155	371	508	372	425	316	109	$0.01	14%	-15%	174%	104%
Wealth Management	1,067	1,081	1,187	1,176	1,358	1,188	170	$0.02	15%	1%	27%	11%
Other Income	1,121	1,258	1,178	1,112	1,142	1,123	19	$0.00	3%	1%	2%	0%
Noninterest Income	**2,575**	**2,930**	**3,113**	**2,931**	**3,184**	**2,885**	**299**	**$0.03**	**9%**	**-2%**	**24%**	**12%**
Operating Revenues	**15,030**	**15,143**	**15,278**	**15,274**	**15,301**	**15,011**	**290**	**$0.03**	**0%**	**-2%**	**2%**	**0%**
Salaries & Employee Benefits	6,331	6,508	6,613	6,412	7,101	6,604	497	($0.05)	11%	3%	12%	4%
Occupancy & Equipment	1,166	1,190	1,192	1,175	1,120	1,157	(37)	$0.00	-5%	-2%	-4%	-1%
Marketing & Public Relations	346	370	609	171	566	428	139	($0.01)	231%	150%	64%	24%
FDIC Assessment	182	221	211	290	278	291	(13)	$0.00	-4%	0%	53%	60%
Other Real Estate Expenses	-133	-30	21	30	12	30	(18)	$0.00	-60%	0%	-109%	-123%
Amortization of Intangibles	39	40	39	40	39	40	(1)	$0.00	-3%	0%	0%	3%
Other Expenses	2,505	2,456	2,588	2,562	2,689	2,536	153	($0.02)	5%	-1%	7%	1%
Total Expenses	**10,436**	**10,755**	**11,273**	**10,680**	**11,805**	**11,086**	**719**	**($0.07)**	**11%**	**4%**	**13%**	**6%**
Pre-tax, Pre-Provision Operating Income	**4,594**	**4,388**	**4,005**	**4,594**	**3,496**	**3,925**	**(429)**	**($0.04)**	**-24%**	**-15%**	**-24%**	**-15%**
Pre-tax Operating Income	**4,524**	**4,202**	**3,531**	**4,195**	**3,367**	**3,498**	**(131)**	**($0.01)**	**-20%**	**-17%**	**-26%**	**-23%**
Securities Gains	0	0	(1,249)	0	0	0						
Other Nonrecurring Items	0	121	0	0	0	0						
Income before Taxes	4,524	4,323	2,282	4,195	3,367	3,498	(131)	($0.01)	-20%	-17%	-26%	-23%
Income Taxes	963	920	464	850	730							
Income Taxes + FTE Adjustment	1,061	996	526	898	770	822	(52)		-14%	-8%	-27%	-23%
FTE Tax Rate	23%	23%	23%	21%	23%	24%	-1%	$0.00				
Net Income	**3,463**	**3,327**	**1,756**	**3,297**	**2,597**	**2,676**	**(79)**	**($0.01)**	**-21%**	**-19%**	**-25%**	**-23%**
PER SHARE INFORMATION												
Diluted EPS	$0.45	$0.43	$0.23	$0.43	$0.34	$0.35	($0.01)	($0.01)	-21%	-19%	-25%	-23%
Operating EPS	**$0.45**	**$0.42**	**$0.36**	**$0.43**	**$0.34**	**$0.35**	**($0.01)**	**($0.01)**	**-21%**	**-19%**	**-25%**	**-23%**
Book Value / Share	16.29	16.35	16.26	17.23	17.50	17.41	0.09		2%	1%	7%	7%
Tangible Book Value / Share	14.26	14.33	14.25	15.23	15.51	15.44	0.06		2%	1%	9%	8%
Dividend	0.14	0.14	0.14	0.14	0.14	0.14	0.00					
Dividend Payout Ratio	31%	32%	61%	33%	41%	40%	1%					
Avg. Diluted Shares	7,644	7,655	7,655	7,659	7,680	7,659	21		0%	0%	0%	0%
Shares Outstanding	7,588	7,594	7,600	7,606	7,629	7,606	23		0%	0%	1%	0%
PROFITABILITY												
PTPP Operating ROA	1.10%	1.01%	0.91%	1.01%	0.76%	0.87%	-11 bps		-25 bps	-14 bps	-34 bps	-23 bps
Operating ROAA	0.83%	0.75%	0.62%	0.72%	0.56%	0.59%	-3 bps		-16 bps	-13 bps	-27 bps	-24 bps
Operating ROAE	11.70%	10.44%	8.70%	10.48%	7.91%	8.13%	-22 bps		-257 bps	-235 bps	-379 bps	-357 bps
Operating ROATCE	13.54%	12.02%	10.02%	12.05%	9.05%	8.13%	+92 bps		-300 bps	-392 bps	-449 bps	-541 bps
Net Interest Margin	3.19%	3.02%	2.96%	2.89%	2.79%	2.86%	-7 bps		-10 bps	-3 bps	-40 bps	-33 bps
Efficiency Ratio	69.4%	71.0%	73.8%	69.9%	77.2%	73.9%						
Fee Income / Operating Revenues	17%	19%	20%	19%	21%	19%						
TCE / TA	6.29%	6.31%	6.09%	6.39%	6.32%	6.45%	-13 bps		-7 bps	+6 bps	+3 bps	+16 bps
NCO Ratio	0.00%	0.00%	0.00%	0.00%	0.01%	0.10%	-9 bps		+1 bps		+1 bps	
Allowance/Loans	1.15%	1.12%	1.08%	1.08%	1.08%	1.07%	+1 bps		-0 bps	-1 bps	-7 bps	-8 bps
NPAs	5,060	1,009	727	649	678				4%		-87%	
NPAs/Assets	0.29%	0.06%	0.04%	0.04%	0.04%				+0 bps		-25 bps	

Source: Company Reports and PSC

First Community Corporation (FCCO)
Earnings Forecast
4/18/2024

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	$0.45		$0.42		$0.36		$0.43	$1.66			$0.34		$0.37		$0.43		$0.44	$1.58			$0.42		$0.46		$0.49		$0.48	$1.85	
Red = Forecast Inputs	1Q23A	△	2Q23A	△	3Q23A	△	4Q23A	2023A		△	1Q24A	△	2Q24E	△	3Q24E	△	4Q24E	2024E		△	1Q25E	△	2Q25E	△	3Q25E	△	4Q25E	2025E	
ASSUMPTIONS ($mil.)																													
Average Cash Equivalents	30	41.3%	43	-30.8%	29	134.8%	69	43	-15%	40.7%	97	-15.0%	83	-12.0%	73	-5.0%	69	81	88%	0.0%	69	0.0%	69	0.0%	69	0.0%	69	69	-14%
Average Securities	565	-0.4%	563	-5.2%	533	-5.4%	504	541	-5%	-1.0%	499	-2.0%	489	-2.0%	480	-2.0%	470	485	-10%	-2.0%	461	-2.0%	451	-2.0%	442	-2.0%	434	447	-8%
Average Non PPP Loans	986	3.1%	1,017	4.8%	1,066	5.2%	1,121	1,048	14%	2.5%	1,149	2.0%	1,172	2.0%	1,196	2.0%	1,220	1,184	13%	1.5%	1,238	2.0%	1,263	2.0%	1,288	2.0%	1,314	1,276	8%
Average Interest Earning Assets	1,582	2.6%	1,622	0.4%	1,628	4.1%	1,695	1,632	6%	3.0%	1,746	-0.1%	1,744	0.2%	1,748	0.6%	1,759	1,749	7%	0.5%	1,768	0.9%	1,783	0.9%	1,799	0.9%	1,816	1,792	2%
Average Assets	1,696	2.4%	1,737	0.4%	1,745	3.7%	1,810	1,747	6%	2.7%	1,858	-0.1%	1,856	0.2%	1,860	0.6%	1,871	1,861	7%	0.5%	1,881	0.9%	1,897	0.9%	1,915	0.9%	1,933	1,906	2%
Net Interest Margin	3.19%	-17 bps	3.02%	-6 bps	2.96%	-7 bps	2.89%	3.01%	-13 bps	-10 bps	2.79%	+1 bps	2.80%	+9 bps	2.89%	+4 bps	2.93%	2.85%	-16 bps	+5 bps	2.98%	+5 bps	3.03%	+2 bps	3.05%	-3 bps	3.02%	3.02%	+17 bps
NIM (ex PPP)	3.19%	-17 bps	3.02%	-6 bps	2.96%	-7 bps	2.89%	3.02%	-12 bps	-10 bps	2.79%	+1 bps	2.80%	+9 bps	2.89%	+4 bps	2.93%	2.85%	-17 bps	+5 bps	2.98%	+5 bps	3.03%	+2 bps	3.05%	-3 bps	3.02%	3.02%	+17 bps
Provision / Average Loans	0.03%	+4 bps	0.07%	+11 bps	0.18%	-4 bps	0.14%	0.11%		-10 bps	0.04%	+6 bps	0.10%	+2 bps	0.12%	0 bps	0.12%	0.10%		+2 bps	0.14%	0 bps	0.14%	0 bps	0.14%	0 bps	0.14%	0.14%	
NCO Ratio	0.00%	+0 bps	0.00%	0 bps	0.00%	0 bps	0.00%	0.00%		+1 bps	0.01%	+4 bps	0.05%	+5 bps	0.10%	0 bps	0.10%	0.07%		0 bps	0.10%	0 bps	0.10%	0 bps	0.10%	0 bps	0.10%	0.10%	
Allowance/Loans	1.15%		1.12%		1.08%		1.08%	1.08%			1.08%		1.07%		1.05%		1.04%	1.04%			1.03%		1.02%		1.01%		1.00%	1.00%	
INCOME STATEMENT ($000s)																													
FTE Net Interest Income	**12,455**	**-1.9%**	**12,213**	**-0.4%**	**12,165**	**1.5%**	**12,343**	**49,176**	**1%**	**-1.8%**	**12,117**	**0.3%**	**12,158**	**4.3%**	**12,686**	**2.1%**	**12,947**	**49,908**	**1%**	**0.4%**	**13,000**	**3.7%**	**13,480**	**2.7%**	**13,850**	**0.0%**	**13,845**	**54,176**	**9%**
Loan Loss Provision	70		186		474		399	1,129			129		291		361		368	1,149			427		441		454		464	1,786	
Deposit Service Charges	232	-5.2%	220	9.1%	240	12.9%	271	963	0%	-4.4%	259	4.0%	269	3.0%	277	3.0%	286	1,092	13%	-5.0%	271	4.0%	282	3.0%	291	3.0%	300	1,144	5%
Mortgage Banking Income	155	139.4%	371	36.9%	508	-26.8%	372	1,406	-26%	14.2%	425	10.0%	468	5.0%	491	0.0%	491	1,874	33%	-25.0%	368	25.0%	460	8.0%	497	0.0%	497	1,822	-3%
Wealth Management	1,067	1.3%	1,081	9.8%	1,187	-0.9%	1,176	4,511	1%	15.5%	1,358	1.0%	1,372	0.0%	1,372	0.0%	1,372	5,473	21%	1.0%	1,385	1.0%	1,399	1.0%	1,413	1.0%	1,427	5,625	3%
Other Income	1,121	12.2%	1,258	-6.4%	1,178	-5.6%	1,112	4,669	8%	2.7%	1,142	-2.0%	1,119	3.0%	1,153	3.0%	1,187	4,601	-1%	1.0%	1,199	-2.0%	1,175	3.0%	1,210	3.0%	1,247	4,832	5%
Noninterest Income	**2,575**	**13.8%**	**2,930**	**6.2%**	**3,113**	**-5.8%**	**2,931**	**11,549**	**-1%**	**8.6%**	**3,184**	**1.4%**	**3,228**	**2.0%**	**3,293**	**1.3%**	**3,336**	**13,040**	**13%**	**-3.3%**	**3,224**	**2.9%**	**3,317**	**2.9%**	**3,411**	**1.7%**	**3,471**	**13,423**	**3%**
Operating Revenue	**15,030**	**0.8%**	**15,143**	**0.9%**	**15,278**	**0.0%**	**15,274**	**60,725**	**1%**	**0.2%**	**15,301**	**0.6%**	**15,385**	**3.9%**	**15,979**	**1.9%**	**16,283**	**62,948**	**4%**	**-0.4%**	**16,225**	**3.5%**	**16,797**	**2.8%**	**17,262**	**0.3%**	**17,316**	**67,599**	**7%**
Salaries & Employee Benefits	6,331	2.8%	6,508	1.6%	6,613	-3.0%	6,412	25,864	2%	10.7%	7,101	-4.0%	6,817	0.0%	6,817	1.0%	6,885	27,620	7%	2.0%	7,023	1.0%	7,093	1.0%	7,164	1.0%	7,236	28,516	3%
Occupancy & Equipment	1,166	2.1%	1,190	0.2%	1,192	-1.4%	1,175	4,723	9%	-4.7%	1,120	2.5%	1,148	-5.0%	1,091	1.0%	1,102	4,460	-6%	-1.5%	1,085	2.5%	1,112	1.5%	1,129	1.0%	1,140	4,466	0%
Marketing & Public Relations	346	6.9%	370	64.6%	609	-71.9%	171	1,496	19%	231.0%	566	-50.0%	283	0.0%	283	0.0%	283	1,415	-5%	0.0%	283	0.0%	283	0.0%	283	0.0%	283	1,132	-20%
FDIC Assessment	182	21.4%	221	-4.5%	211	37.4%	290	904	93%	-4.1%	278	0.3%	279	6.0%	296	0.3%	296	1,149	27%	0.3%	297	0.3%	298	6.0%	316	0.3%	317	1,229	7%
Other Real Estate Expenses	(133)	77.4%	(30)	170.0%	21	42.9%	30	(112)	-136%	-60.0%	12	0.0%	12	0.0%	12	0.0%	12	48	143%	0.0%	12	0.0%	12	0.0%	12	0.0%	12	48	0%
Amortization of Intangibles	39	2.6%	40	-2.5%	39	2.6%	40	158	0%	-2.5%	39	-0.5%	39	-0.5%	39	-0.5%	38	155	-2%	0.0%	38	-0.5%	38	-0.5%	38	-0.5%	38	153	-1%
Other Expenses	2,505	-2.0%	2,456	5.4%	2,588	-1.0%	2,562	10,111	8%	5.0%	2,689	2.5%	2,756	2.0%	2,811	2.0%	2,868	11,124	10%	-1.0%	2,839	2.5%	2,910	2.0%	2,968	2.0%	3,027	11,744	6%
Noninterest Expense	**10,436**	**3.1%**	**10,755**	**4.8%**	**11,273**	**-5.3%**	**10,680**	**43,144**	**5%**	**10.5%**	**11,805**	**-4.0%**	**11,334**	**0.1%**	**11,348**	**1.2%**	**11,484**	**45,971**	**7%**	**0.8%**	**11,577**	**1.5%**	**11,746**	**1.4%**	**11,910**	**1.2%**	**12,053**	**47,287**	**3%**
PTPP Operating Income	**4,594**	**-4.5%**	**4,388**	**-8.7%**	**4,005**	**14.7%**	**4,594**	**17,581**	**-7%**	**-23.9%**	**3,496**	**15.9%**	**4,051**	**14.3%**	**4,631**	**3.6%**	**4,799**	**16,977**	**-3%**	**-3.2%**	**4,647**	**8.7%**	**5,050**	**6.0%**	**5,352**	**-1.7%**	**5,263**	**20,312**	**20%**
Pretax Operating Income	**4,524**	**-7.1%**	**4,202**	**-16.0%**	**3,531**	**18.8%**	**4,195**	**16,452**	**-14%**	**-19.7%**	**3,367**	**11.7%**	**3,760**	**13.6%**	**4,270**	**3.8%**	**4,431**	**15,828**	**-4%**	**-4.8%**	**4,220**	**9.2%**	**4,610**	**6.2%**	**4,897**	**-2.0%**	**4,799**	**18,526**	**17%**
Securities Gains	0		0		(1,249)		0	(1,249)			0		0		0		0	0			0		0		0		0	0	
Other Nonrecurring Items	0		121		0		0	121			0		0		0		0	0			0		0		0		0	0	
Pretax Income	**4,524**	**-4.4%**	**4,323**	**-47.2%**	**2,282**	**83.8%**	**4,195**	**15,324**	**-19%**	**-19.7%**	**3,367**	**11.7%**	**3,760**	**13.6%**	**4,270**	**3.8%**	**4,431**	**15,828**	**3%**	**-4.8%**	**4,220**	**9.2%**	**4,610**	**6.2%**	**4,897**	**-2.0%**	**4,799**	**18,526**	**17%**
Income Taxes + FTE Adjustment	1,061		996		526		898	3,481	-19%		770		884		1,003		1,041	3,698	6%		992		1,083		1,151		1,128	4,354	18%
FTE Tax Rate	23.5%		23.0%		23.0%		21.4%	22.7%			22.9%		23.5%		23.5%		23.5%	23.4%			23.5%		23.5%		23.5%		23.5%	23.5%	
Net Income	**3,463**	**-3.9%**	**3,327**	**-47.2%**	**1,756**	**87.8%**	**3,297**	**11,843**	**-19%**	**-21.2%**	**2,597**	**10.8%**	**2,876**	**13.6%**	**3,266**	**3.8%**	**3,390**	**12,130**	**2%**	**-4.8%**	**3,228**	**9.2%**	**3,526**	**6.2%**	**3,746**	**-2.0%**	**3,671**	**14,172**	**17%**
Avg. Diluted Shares	7,644	0.1%	7,655	0.0%	7,655	0.0%	7,659	7,653	1%	0.3%	7,680	0	7,680	0	7,680	0	7,680	7,680	0%	0	7,680	0	7,680	0	7,680	0	7,680	7,680	0%
Shares Outstanding	7,588	0.1%	7,594	0.1%	7,600	0.1%	7,606	7,606	0%	0.3%	7,629	0	7,629	0	7,629	0	7,629	7,629	0%	0	7,629	0	7,629	0	7,629	0	7,629	7,629	0%
Dividend	0.14		0.14		0.14		0.14	0.56			0.14		0.14		0.14		0.14	0.56			0.14		0.14		0.14		0.14	0.56	
Dividend Payout Ratio	30.9%		32.2%		61.0%		32.5%	36.4%			41.4%		37.4%		32.9%		31.7%	35.4%			33.3%		30.5%		28.7%		29.3%	30.3%	
EPS - Diluted	**$0.45**	**-4.1%**	**$0.43**	**-47.2%**	**$0.23**	**87.7%**	**$0.43**	**$1.54**	**-20%**	**-21.4%**	**$0.34**	**10.8%**	**$0.37**	**13.6%**	**$0.43**	**3.8%**	**$0.44**	**$1.58**	**3%**	**-4.8%**	**$0.42**	**9.2%**	**$0.46**	**6.2%**	**$0.49**	**-2.0%**	**$0.48**	**$1.85**	**17%**
Operating EPS	**$0.45**	**-6.8%**	**$0.42**	**-15.1%**	**$0.36**	**20.2%**	**$0.43**	**$1.66**	**-14%**	**-21.4%**	**$0.34**	**10.8%**	**$0.37**	**13.6%**	**$0.43**	**3.8%**	**$0.44**	**$1.58**	**-5%**	**-4.8%**	**$0.42**	**9.2%**	**$0.46**	**6.2%**	**$0.49**	**-2.0%**	**$0.48**	**$1.85**	**17%**
PERFORMANCE ANALYSIS																													
Operating ROAA	0.83%		0.75%		0.62%		0.72%	0.73%			0.56%		0.62%		0.70%		0.72%	0.65%			0.70%		0.75%		0.78%		0.75%	0.74%	
PTPP Operating ROAA	1.1%		1.0%		0.9%		1.0%	1.0%			0.8%		0.9%		1.0%		1.0%	0.9%			1.0%		1.1%		1.1%		1.1%	1.1%	
Operating ROATCE	13.5%		12.0%		10.0%		12.0%	11.9%			9.1%		9.7%		10.7%		10.9%	10.1%			10.4%		11.0%		11.3%		10.9%	10.9%	
Net Interest Margin	3.19%		3.02%		2.96%		2.89%	3.01%			2.79%		2.80%		2.89%		2.93%	2.85%			2.98%		3.03%		3.05%		3.02%	3.02%	
Fee Income / Operating Revenue	17.1%		19.3%		20.4%		19.2%	19.0%			20.8%		21.0%		20.6%		20.5%	20.7%			19.9%		19.7%		19.8%		20.0%	19.9%	
Core Efficiency Ratio	69.4%		71.0%		73.8%		69.9%	71.0%			77.2%		73.7%		71.0%		70.5%	73.0%			71.4%		69.9%		69.0%		69.6%	70.0%	
Book Value / Share	16.29		16.35		16.26		17.23	17.23	10%		17.50		17.70		17.95		18.23	18.23	6%		18.48		18.77		19.09		19.40	19.40	6%
Tangible Book Value / Share	14.26		14.33		14.25		15.23	15.23	12%		15.51		15.75		16.04		16.35	16.35	7%		16.64		16.97		17.32		17.67	17.67	8%
TCE / TA	6.29%		6.31%		6.09%		6.39%	6.39%			6.32%		6.42%		6.53%		6.62%	6.62%			6.70%		6.77%		6.85%		6.92%	6.92%	

Source: Company reports and PSC. Current disclosure information for this company can be found at: http://www.pipersandler.com/researchdisclosures

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N: Neutral
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NA: Not Available
UR: Under Review

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SELL [UW]	**41**	**4.27**	**1**	**2.44**

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