

STATEMENT OF INCOME AND EXPENSE OF VERMONT FINANCIAL INSTITUTIONS

For the Year Ended December 31, 2015 (000 Omitted)

	2	5	7
	<u>Mutual Financial Institutions</u>	<u>Investor Financial Institutions</u>	<u>Total Financial Institutions</u>
<u>Interest Income</u>			
Loans	\$10,964	\$119,344	\$130,308
Lease Financing Receivables	0	0	0
U.S. Government and Agency Securities	0	5,652	5,652
Mortgage-Backed Securities	706	7,826	8,532
Other Securities	703	2,366	3,069
Assets Held in Trading Accounts	0	0	0
Federal Funds Sold and Securities Purchased Under Agreement to Resell	1	100	101
Interest on Balances Due From Depository Institutions	32	464	496
Other Interest Income	<u>76</u>	<u>459</u>	<u>535</u>
Total Interest Income	\$12,482	\$136,211	\$148,693
<u>Interest Expense</u>			
Deposits	\$972	\$9,822	\$10,794
Subordinated Notes and Debentures	0	0	0
Borrowed Funds	491	1,886	2,377
Federal Funds Purchased and Securities Sold Under Agreement to Repurchase	<u>0</u>	<u>671</u>	<u>671</u>
Total Interest Expense	\$1,463	\$12,379	\$13,842
<u>Net Interest Income</u>	\$11,019	\$123,832	\$134,851
Less Provisions for Loan Losses	<u>(547)</u>	<u>(3,634)</u>	<u>(4,181)</u>
<u>Net Interest Income After Loss Provisions</u>	\$10,472	\$120,198	\$130,670
<u>Other Operating Income</u>			
Service Charges, Commissions, & Fees	\$938	\$11,253	\$12,191
Other Income	2,017	23,842	25,859
<u>Other Operating Expense</u>			
Net Occupancy, Furniture, & Fixtures	\$1,339	\$17,838	\$19,177
Salaries and Benefits	6,397	63,838	70,235
Other Expenses	5,187	37,344	42,531
<u>Realized Securities Gains (Losses)</u>	417	1,499	1,916
<u>Other Gains (Losses)</u>	0	0	0
<u>Applicable Income Taxes</u>	<u>(365)</u>	<u>8,120</u>	<u>7,755</u>
<u>Net Income</u>	<u>\$1,286</u>	<u>\$29,652</u>	<u>\$30,938</u>
Net Worth December 31, 2013	\$35,210	\$394,887	\$430,097
Less Dividends to Stockholders	\$0	\$13,635	\$13,635
Other Changes to Net Worth	(\$662)	\$13,764	\$13,102
Net Worth December 31, 2014	\$35,834	\$424,668	\$460,502
Net Worth (Percent Change)	1.8%	7.5%	7.1%