

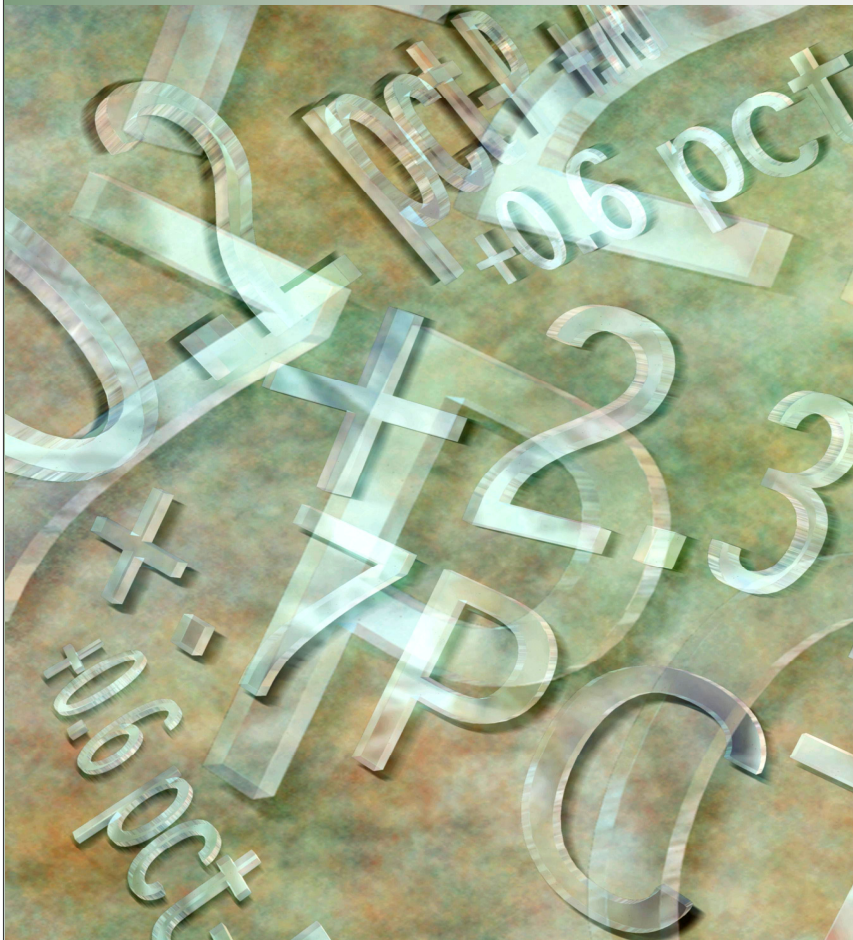


PerformanceEdge™

Earnings & Trends Analysis

, MN

June 30, 2012





Introduction

PerformanceEdge™ Earnings & Trends Analysis is a peer report analysis that utilizes a “Peer Score Criteria” to match the most relevant peer group to your financial institution. The Peer Score is calculated by summing the number of standard deviations each peer is from your financial institution based on the following criteria: Capital, Asset size, number of employees, number of Offices, and Tax Status.

If you have any questions or would like to discuss the information in this report, contact Jim Nowak or David Kvist at 1-800-752-8140.

Disclaimer:

Although the information included in this report has been obtained from what we believe to be reliable sources, we do not guarantee its accuracy. All assumptions and opinions in this report are subject to change without notice as deemed necessary. The decision whether or not to use this information as a basis for management decisions is not our responsibility.

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Key Ratio Analysis vs. Custom Peer Group

, MN

Earnings

	Your Bank	15 Bank Peer	Variance
ROAE	4.78%	11.51%	-6.72%
ROAA	0.45%	1.09%	-0.64%
NIM/Earning Assets	3.79%	3.76%	0.03%
NIM/Avg Assets	3.55%	3.43%	0.12%
Efficiency Ratio	81.57	72.08	9.48
Interest Income Coverage Ratio	1.12	1.13	0.00

Liquidity

	Your Bank	15 Bank Peer	Variance
Loan & Leases/Deposit Ratio	66.96	62.55	4.41
AFS Securities, Net Pledged/Total Assets	21.63%	17.00%	4.62%
Net Non-core Funding Dependence	-10.74	-2.72	-8.02

Income Statement

	Your Bank	15 Bank Peer	Variance
Avg Earning Assets-Avg Assets %	93.59%	91.22%	2.38%
Asset Leverage Multiple	10.63%	10.50%	0.13%
Interest Inc-% of Avg Assets	2.08%	2.06%	0.02%
Interest Exp-% of Avg Assets	0.30%	0.34%	-0.04%
Allowance for Loan Loss-% of Avg Assets	1.07%	0.74%	0.33%
Interest Expense % of Interest Income	14.52%	16.68%	-2.16%
Non-Int Expense % of Non-Int Income	1221.33%	428.71%	792.63%

Per Employee Data

	Your Bank	15 Bank Peer	Variance
Number of Full-Time Equivalent Employees	19	17	2
Assets Per Employee (\$Millions)	\$ 3.15	\$ 3.53	\$ (0.38)
Loans Per Employee (\$Millions)	\$ 1.94	\$ 1.96	\$ (0.02)
Avg Salary & Benefits Per Emp (\$Thou)	\$ 25.26	\$ 28.94	\$ (3.68)
Pre-tax Income Per Employee (\$Thou)	\$ 7.00	\$ 19.53	\$ (12.53)

Growth Rates YOY

	Your Bank	15 Bank Peer	Variance
Net Income	-45.93%	0.93%	-46.86%
Total Assets	2.16%	2.51%	-0.36%
Net Loans & Leases	-3.14%	-0.74%	-2.39%
Investments	22.42%	2.12%	20.30%
Non-Performing Loans (minus insured portion)	825.64%	-14.88%	840.52%
Total Deposits	2.54%	3.11%	-0.56%
Other Borrowed Funds	0.00%	-17.47%	17.47%
Tier 1 Capital	-1.53%	0.85%	-2.38%
Risk-Based Capital	-0.84%	0.60%	-1.44%
Capital Formation Rate (current qtr. annualized)	3.01%	0.78%	2.23%

Peer Group Summary

The peer group has been customized to represent your institution's characteristics as closely as possible. The Peer group was defined by utilizing a "Peer Score Criteria"

The Peer Score is an indication of how similar each peer is to your Bank. The Peer Score is calculated by summing the number of standard deviations each peer is from your Bank based on the following criteria: Capital, Asset size, number of employees, number of offices, and tax status (sub S or C Corp). The Peer Score compares your Bank to your top 15 Bank Peers.

Estimated CAMELS Score presents how Veribanc Safety ratings theoretically line up with CAMELS ratings. The actual CAMELS ratings are confidential and are not released to the public by supervisory Agencies. Each letter in CAMELS stands for a type of measure as follows: Capital adequacy, Asset Quality, Management, earnings, Liquidity, and Sensitivity to market risk.

The ratings are assigned on a scale from 1 to 5, where 1 is the best and 5 the worst. Banks with ratings of 1 or 2 present very few supervisory concerns, while banks with ratings of 3,4,5 present moderate to extreme degrees of supervisory concern. In this theoretical line-up, each estimated CAMELS score equates to one or more Veribanc ratings as seen below:

Est CAMELS=1: Veribanc=Green/**/B, Est CAMELS between 1 and 2 (not directly comparable: Green/***, Est CAMELS=2: Green/**, Est CAMELS between 2 and 3 (not directly comparable);Yellow/**

Est CAMELS=3;Green/* and Green, Est CAMELS=4:Yellow/* and Yellow, Est CAMELS=5:Red.

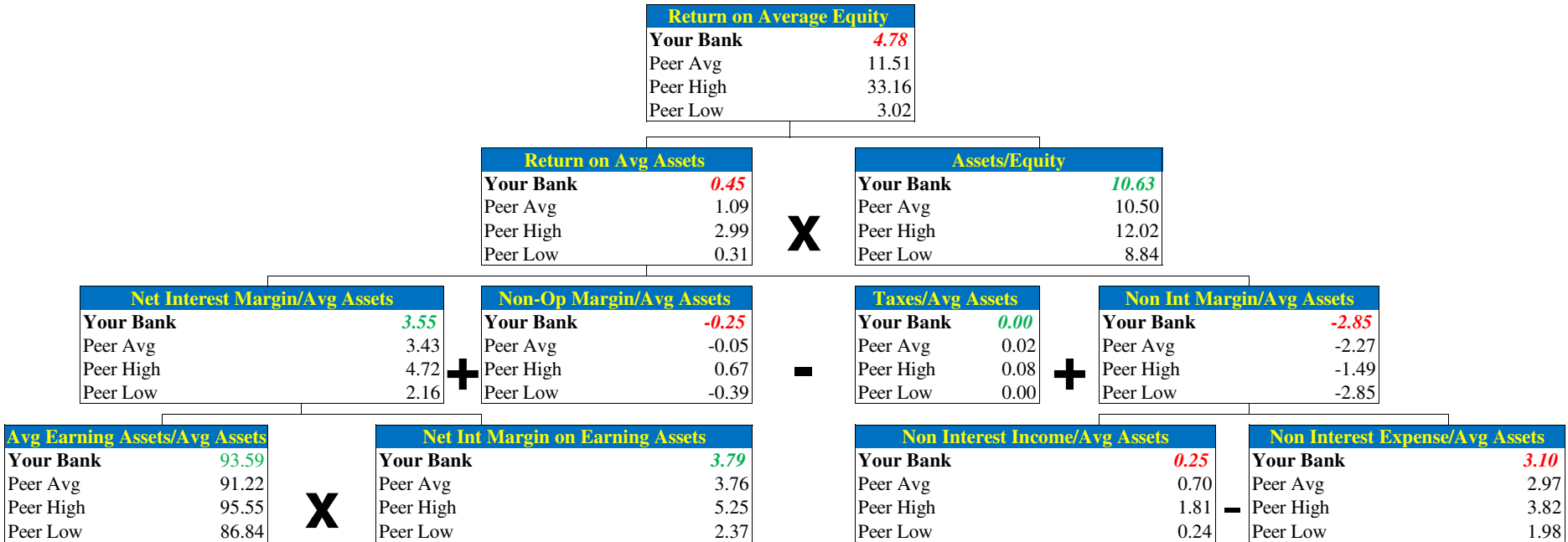
Peer Score	Bank Name	City	State	ROAE	ROAA	Avg Assets	Avg Loan Yield	Avg Sec Yield	Full-time Employees	Estimated CAMELS
	Kasson State Bank	Kasson	MN	4.78	0.45	\$ 59,084	5.76	2.64	19	1.5

0.09	Alton Bank	Alton	MO	15.01	1.70	\$ 59,845	7.32	1.90	16	1.0
0.09	Bank of Yates City	Yates City	IL	3.02	0.33	\$ 58,643	5.62	2.96	18	1.0
0.11	Citizens State Bank of Waverly	Waverly	MN	14.44	1.35	\$ 60,419	6.44	2.31	16	1.0
0.12	City Bank of Hartford	Hartford	AL	3.05	0.31	\$ 57,005	6.21	3.05	20	1.5
0.12	Landmands Bank	Audubon	IA	16.20	1.50	\$ 61,570	4.99	2.14	14	1.0
0.13	Bank of Milan	Milan	TN	11.09	1.06	\$ 64,075	6.56	2.84	19	1.0
0.13	Farmers and Merchants State Bank of Neola	Neola	IA	4.63	0.42	\$ 58,864	5.57	2.02	14	1.0
0.14	Riverside Bank	Sparkman	AR	33.16	2.99	\$ 57,919	6.96	4.05	17	1.5
0.15	DNB National Bank	Clear Lake	SD	4.94	0.46	\$ 62,445	5.81	3.06	21	1.5
0.16	Bank of Hartington	Hartington	NE	11.58	1.02	\$ 61,368	6.17	2.79	16	1.0
0.16	Bank of Turtle Lake	Turtle Lake	WI	9.29	0.81	\$ 67,654	5.72	2.24	17	1.0
0.16	First State Bank Minnesota	Le Roy	MN	10.96	0.91	\$ 63,583	5.91	2.00	18	1.0
0.17	BankStar Financial	Elkton	SD	9.56	0.91	\$ 62,297	5.89	3.15	17	1.0
0.17	Farmers State Bank	Booneville	KY	13.79	1.39	\$ 55,097	6.48	3.16	16	1.0
0.18	Prairie National Bank	Stewardson	IL	11.87	1.23	\$ 54,165	5.56	2.53	18	3.0

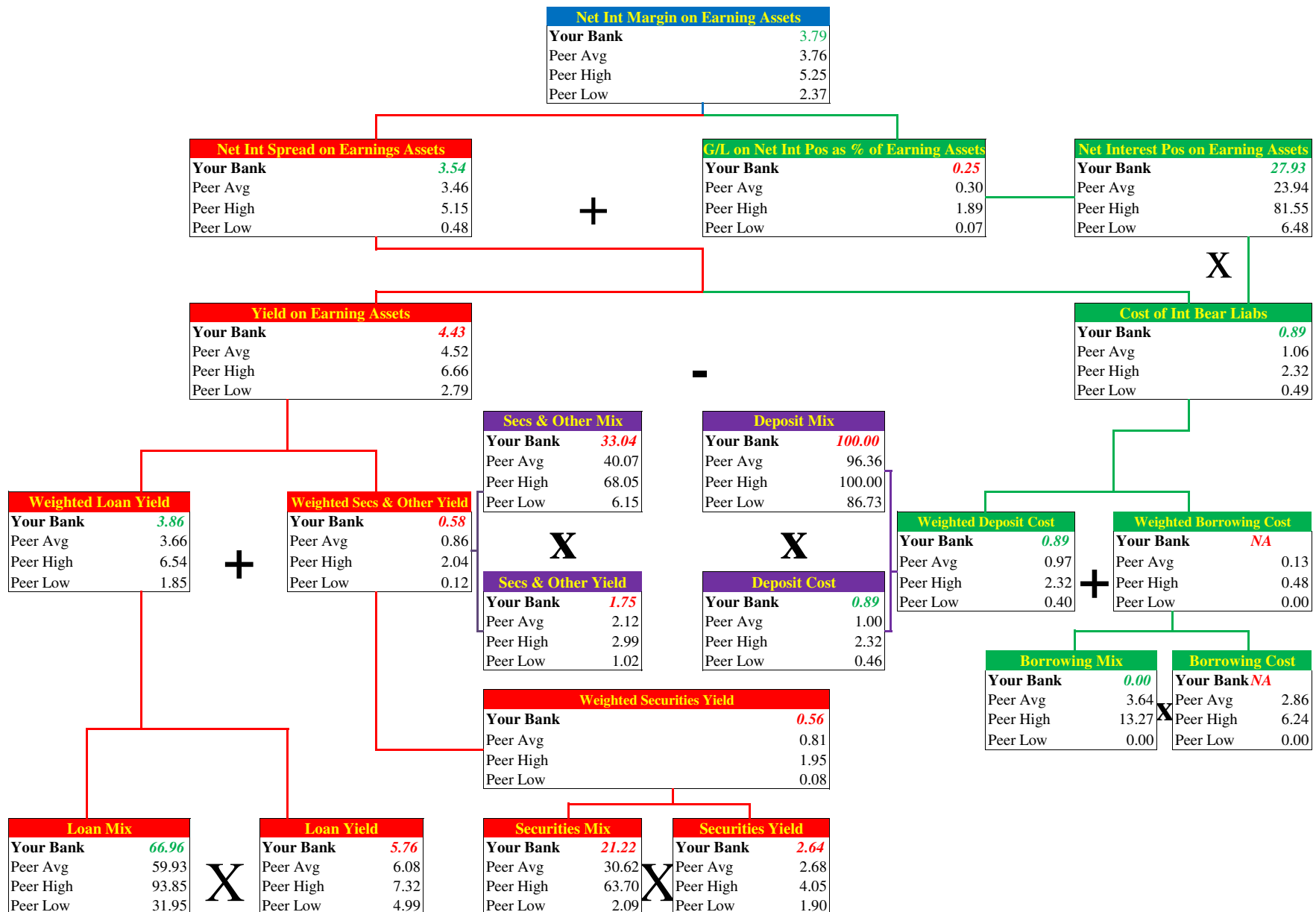
Peer Minimum	3.02	0.31	\$54,165	4.99	1.90	14	1.0
Peer Median	11.09	1.02	\$60,419	5.91	2.79	17	1.0
Peer Average	11.51	1.09	\$60,330	6.08	2.68	17	1.2
Peer Maximum	33.16	2.99	\$67,654	7.32	4.05	21	3.0

ROAE ANALYSIS

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MARGIN ANALYSIS



Income Statement Summary

Interest Income

	Your Bank	15 Bank Peer Avg	Variance
Loans secured by 1-4 family residential properties	\$ 193	\$ 299	\$ (106)
All other loans secured by real estate	\$ 324	\$ 315	\$ 9
Commercial and Industrial loans	\$ 342	\$ 140	\$ 202
Credit Cards	\$ -	\$ 5	\$ (5)
Other (includes single payment, installment, all student loans, and revolving credit plans)	\$ 142	\$ 99	\$ 43
Loans to foreign governments and official institutions	\$ -	\$ -	\$ -
All other loans	\$ 65	\$ 143	\$ (78)
Interest and fee income on loans	\$ 1,066	\$ 1,000	\$ 66
Income from lease financing receivables	\$ -	\$ 4	\$ (4)
Interest income on balances due from depository institutions	\$ -	\$ 9	\$ (9)
U.S. Treasury Securities and U.S. Government agency obligations	\$ 24	\$ 69	\$ (45)
Mortgage-backed securities	\$ 47	\$ 77	\$ (30)
All other securities (includes securities issued by state and political subdivisions)	\$ 84	\$ 77	\$ 7
Interest and dividend income on securities	\$ 155	\$ 223	\$ (68)
Interest income from trading assets	\$ -	\$ -	\$ -
Interest income on federal funds sold and securities purchased under agreements to resell	\$ 2	\$ 3	\$ (1)
Other Interest Income	\$ 3	\$ 2	\$ 1
Total Interest Income	\$ 1,226	\$ 1,241	\$ (15)

Interest Expense

	Your Bank	15 Bank Peer Avg	Variance
Interest Expense on Deposits			
Transaction accounts (NOW, ATS, and telephone and preauthorized transfer accounts)	\$ 2	\$ 11	\$ (9)
Savings	\$ 47	\$ 41	\$ 6
Time Deposits of \$100,000 or more	\$ 41	\$ 57	\$ (16)
Time Deposits of less than \$100,000	\$ 88	\$ 79	\$ 9
Expense of federal funds purchased and securities sold under agreements to repurchase	\$ -	\$ 1	\$ (1)
Interest on trading liabilities and other borrowed money	\$ -	\$ 18	\$ (18)
Interest on subordinated notes and debentures	\$ -	\$ -	\$ -
Total Interest Expense	\$ 178	\$ 207	\$ (29)

NET INTEREST INCOME \$ 1,048 \$ 1,034 \$ 14

Noninterest Income

	Your Bank	15 Bank Peer Avg	Variance
Income from fiduciary activities	\$ -	\$ -	\$ -
Service charges on deposit accounts	\$ 71	\$ 102	\$ (31)
Trading revenue	\$ -	\$ -	\$ -
Fees and commissions from securities brokerage	\$ -	\$ 1	\$ (1)
Investment banking, advisory, and underwriting fees and commissions	\$ -	\$ -	\$ -
Fees and commissions from annuity sales	\$ -	\$ -	\$ -
Underwriting income from insurance and reinsurance activities	\$ -	\$ -	\$ -
Income from Other insurance activities	\$ -	\$ 23	\$ (23)
Venture capital revenue	\$ -	\$ -	\$ -
Net servicing fees	\$ -	\$ -	\$ -
Net securitization income	\$ -	\$ -	\$ -
Net gains (losses) on sales of loans and leases	\$ -	\$ 11	\$ (11)
Net gains (losses) on sales of other real estate owned	\$ -	\$ (4)	\$ 4
Net gains (losses) on sales of other assets (excluding securities)	\$ -	\$ 3	\$ (3)
Other noninterest income	\$ 4	\$ 73	\$ (69)
Total Noninterest Income	\$ 75	\$ 209	\$ (134)

Noninterest Expense

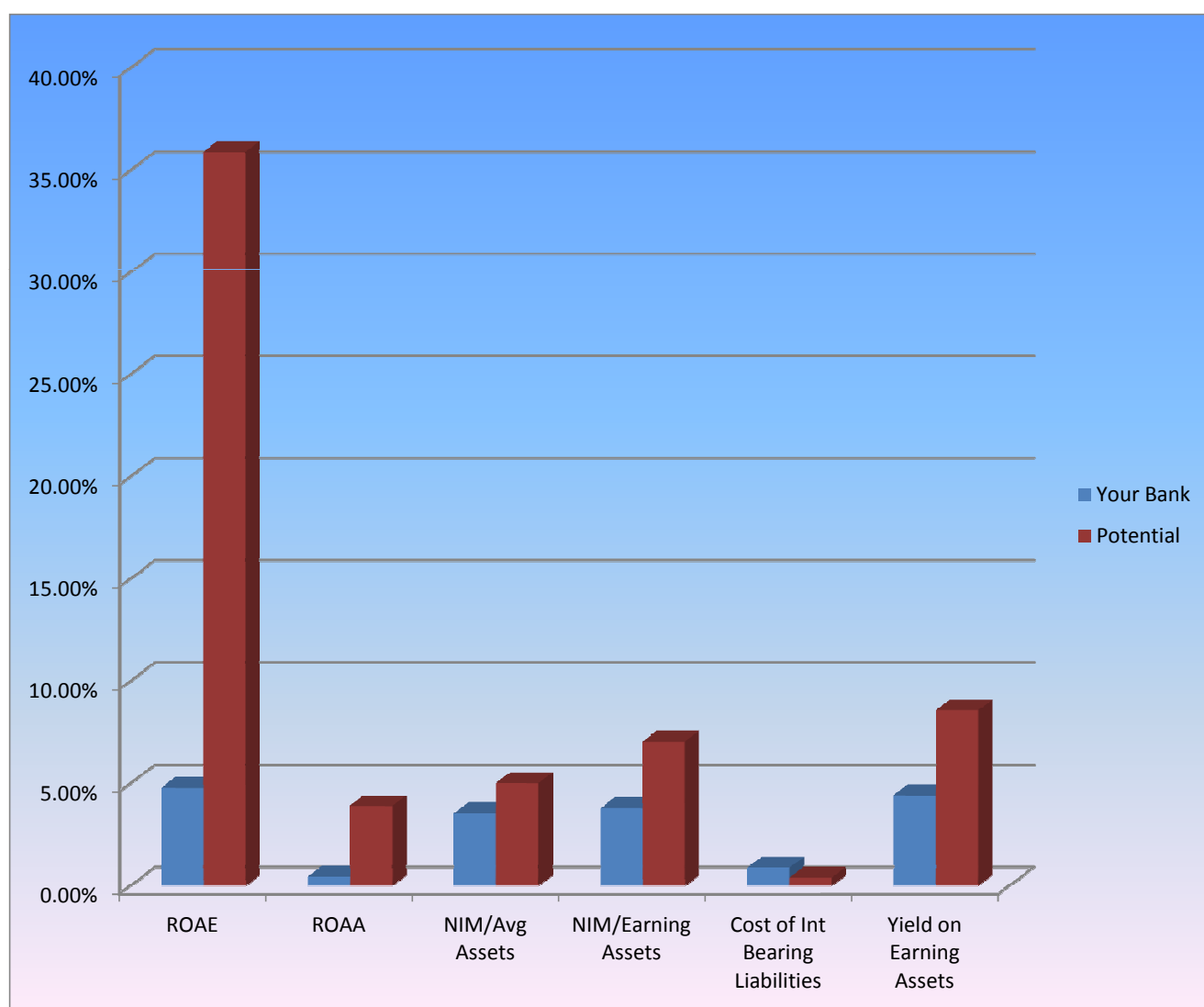
	Your Bank	15 Bank Peer Avg	Variance
Salaries and employee benefits	\$ 480	\$ 492	\$ (12)
Expenses of premises and fixed assets (exclude salaries, employee benefits, mortgage int)	\$ 174	\$ 109	\$ 65
Goodwill impairment losses	\$ -	\$ -	\$ -
Amortization expense and impairment losses for other tangible assets	\$ -	\$ 1	\$ (1)
Other noninterest expense	\$ 262	\$ 294	\$ (32)
Total Noninterest Expense	\$ 916	\$ 896	\$ 20
Realized gains (losses) on securities	\$ (4)	\$ 38	\$ (42)
Applicable income taxes	\$ -	\$ 5	\$ (5)
Extraordinary items and other adjustments	\$ -	\$ -	\$ -
Provision	\$ 70	\$ 52	\$ 18

NET INCOME \$ 133 \$ 327 \$ (194)

POTENTIAL KEY RATIOS

The Key Ratio Analysis takes the best ratio from the ROAE pyramid categories and applies them to your bank. This shows the potential ROAE for your bank if you had the best ratio in each category.

	Your Bank	Potential	Variance
ROAE	4.78%	35.89%	-31.11%
ROAA	0.45%	3.90%	-3.45%
NIM/Avg Assets	3.55%	5.02%	-1.47%
NIM/Earning Assets	3.79%	7.04%	-3.25%
Cost of Int Bearing Liabilities	0.89%	0.40%	0.49%
Yield on Earning Assets	4.43%	8.57%	-4.14%

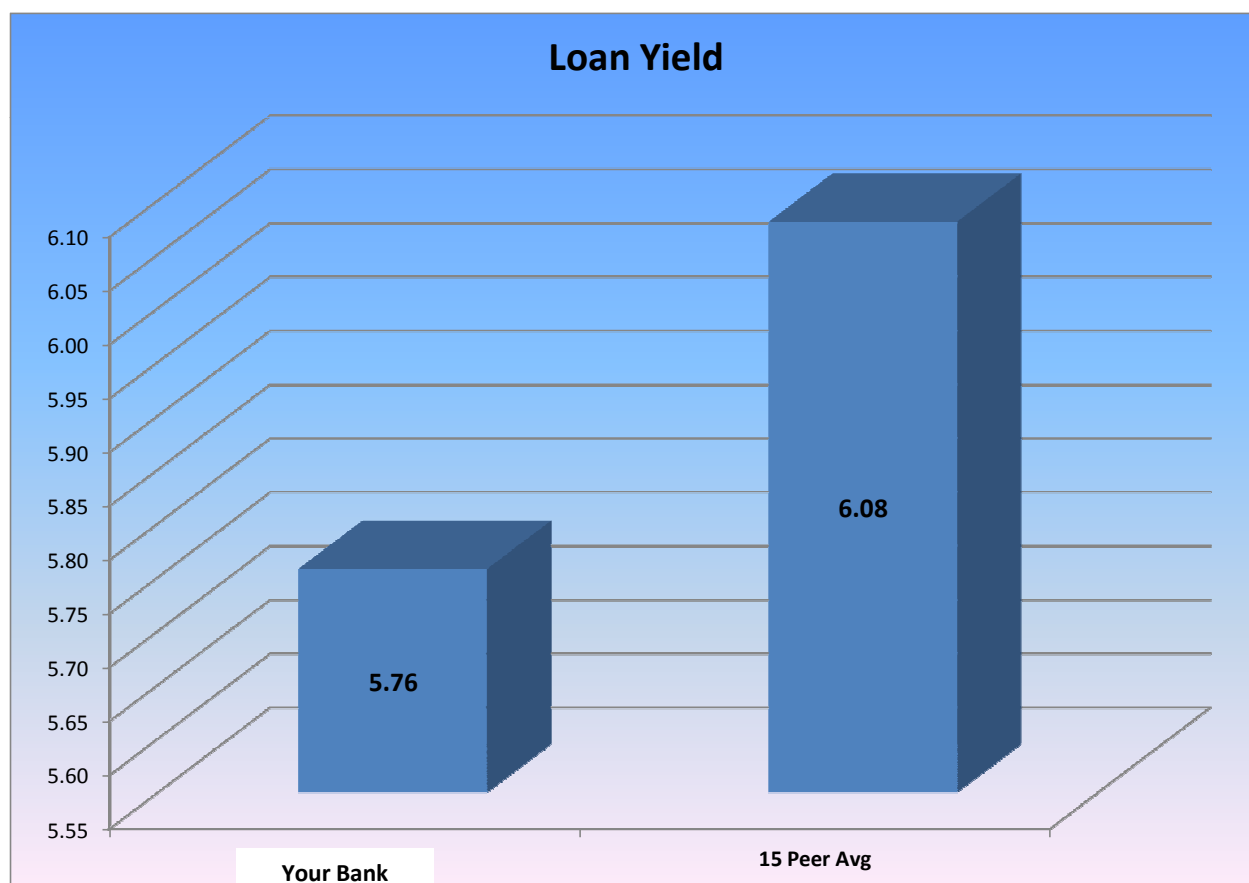


LOAN MIX SUMMARY

Peer Score	Bank Name	City	State	Loan Yield	Loan Mix	Weighted Loan Yield
	Kasson State Bank	Kasson	MN	5.76	66.96	3.86

0.09	Alton Bank	Alton	MO	7.32	56.73	4.15
0.09	Bank of Yates City	Yates City	IL	5.62	53.33	3.00
0.11	Citizens State Bank of Waverly	Waverly	MN	6.44	71.74	4.62
0.12	City Bank of Hartford	Hartford	AL	6.21	54.29	3.37
0.12	Landmands Bank	Audubon	IA	4.99	85.08	4.25
0.13	Bank of Milan	Milan	TN	6.56	56.16	3.68
0.13	Farmers and Merchants State Bank of N	Neola	IA	5.57	38.99	2.17
0.14	Riverside Bank	Sparkman	AR	6.96	93.85	6.54
0.15	DNB National Bank	Clear Lake	SD	5.81	31.95	1.85
0.16	Bank of Hartington	Hartington	NE	6.17	55.98	3.45
0.16	Bank of Turtle Lake	Turtle Lake	WI	5.72	50.18	2.87
0.16	First State Bank Minnesota	Le Roy	MN	5.91	53.49	3.16
0.17	BankStar Financial	Elkton	SD	5.89	78.89	4.65
0.17	Farmers State Bank	Booneville	KY	6.48	62.28	4.04
0.18	Prairie National Bank	Stewardson	IL	5.56	56.07	3.12

Peer Minimum	4.99	31.95	1.85
Peer Median	5.91	56.07	3.45
Peer Average	6.08	59.93	3.66
Peer Maximum	7.32	93.85	6.54



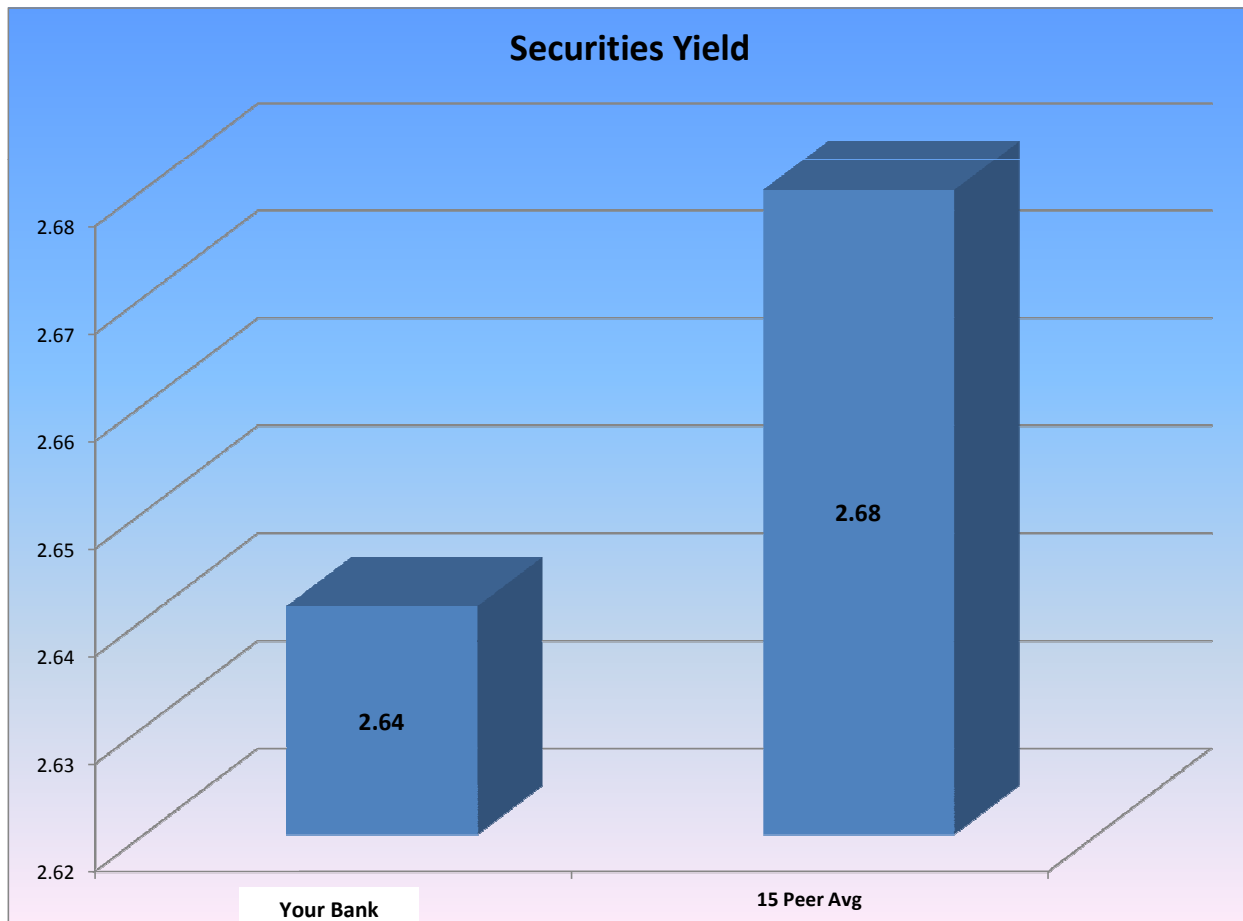
SECURITIES MIX SUMMARY

Peer Score	Bank Name	City	State	Securities Yield	Securities Mix	Weighted Securities Yield
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	Kasson State Bank	Kasson	MN	2.64	21.22	0.56
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0.09	Alton Bank	Alton	MO	1.90	33.64	0.64
0.09	Bank of Yates City	Yates City	IL	2.96	46.59	1.38
0.11	Citizens State Bank of Waverly	Waverly	MN	2.31	11.61	0.27
0.12	City Bank of Hartford	Hartford	AL	3.05	22.35	0.68
0.12	Landmands Bank	Audubon	IA	2.14	13.08	0.28
0.13	Bank of Milan	Milan	TN	2.84	43.44	1.23
0.13	Farmers and Merchants State Bank of Neola	Neola	IA	2.02	27.36	0.55
0.14	Riverside Bank	Sparkman	AR	4.05	2.09	0.08
0.15	DNB National Bank	Clear Lake	SD	3.06	63.70	1.95
0.16	Bank of Hartington	Hartington	NE	2.79	34.79	0.97
0.16	Bank of Turtle Lake	Turtle Lake	WI	2.24	37.83	0.85
0.16	First State Bank Minnesota	Le Roy	MN	2.00	34.84	0.70
0.17	BankStar Financial	Elkton	SD	3.15	16.65	0.52
0.17	Farmers State Bank	Booneville	KY	3.16	31.23	0.99
0.18	Prairie National Bank	Stewardson	IL	2.53	40.03	1.01

Peer Minimum	1.90	2.09	0.08
Peer Median	2.79	33.64	0.70
Peer Average	2.68	30.62	0.81
Peer Maximum	4.05	63.70	1.95



Balance Sheet Summary

	Current Quarter	Prior Quarter	Change		Current Quarter	Prior Quarter
Total Assets	59,820	60,136	-0.53%	Full-Time Empl.	19	19
Investments	Current Quarter	Prior Quarter		Loans	Current Quarter	Prior Quarter
(511)	17,425 % of Total	17,936 % of Total		(23)	36,850 % of Total	36,873 % of Total
Fed Funds	4,692 26.93%	7,205 40.17%		Real Estate	20,523 55.69%	21,647 58.71%
Treasury	- 0.00%	- 0.00%		L.O.C.	768 2.08%	203 0.55%
Agency	2,549 14.63%	2,059 11.48%		Bankers Acceptance	- 0.00%	- 0.00%
Muni's	7,902 45.35%	5,209 29.04%		Ag	2,213 6.01%	1,870 5.07%
MBS	794 4.56%	509 2.84%		Commercial	8,130 22.06%	8,005 21.71%
CMO's	1,488 8.54%	2,954 16.47%		Consumer	5,216 14.15%	5,148 13.96%
ABS	- 0.00%	- 0.00%		Other	- 0.00%	- 0.00%
Mutual Funds	- 0.00%	- 0.00%		Unearned Discount	- 0.00%	- 0.00%
AFS	13,328 100.00%	11,326 100.00%		% of Total Assets	61.60%	61.32%
HTM	- 0.00%	- 0.00%				
Pledged	391 2.93%	391 3.45%				
% of Total Assets	29.13%	29.83%		Net Charge-offs/Avg. Tot Loans	0.36%	
				30-89 Days Past Due Still Accruing	\$187	
				High-Risk Loans/Tier 1 Capital	262.98%	
				Unused Commitments/Tot Assets	0.47%	
Int.-Bearing Liab.	Current Quarter	Prior Quarter		Capital	Current Quarter	Prior Quarter
(384)	39,736 % of Total	40,120 % of Total		Total Capital	5,602	5,572
NOW Accounts	2,846 7.16%	3,259 8.12%		Tier 1 Capital	5,349	5,304
Savings	16,720 42.08%	16,613 41.41%		Total Risk-Based	5,916	5,871
Money Market	1,686 4.24%	1,846 4.60%		Net unrealized gain (loss)	253	268
CD's > \$100K	6,199 15.60%	6,175 15.39%		on AFS Securities (% of AFS port)	1.90%	2.37%
CD's < \$100K	12,506 31.47%	12,563 31.31%				
Other Borrowed	- 0.00%	- 0.00%		Holding Company Transactions	0	0
Fed Funds Purchased	- 0.00%	- 0.00%		Dividends Paid	0	0
% of Total Liabilities	73.29%	73.53%		Total Risk-Based Capital (RBC)-Current:		12.69%
Core Deposits/Tot Liab	99.75%	99.69%		At your current capital formation rate of:		3.01%
Non-Int. Bearing				and your risk-wieghted asset growth rate of:		4.33%
Non-Int. Bearing Dep.	14,348	14,273		Your projected RBC ratio next quarter:		12.65%
% of Total Liabilities	26.71%	26.47%		Your projected RBC ratio 4 qtr's. out:		12.53%
\$Amount Deposit Acct >\$250K/Total Deposits	8.67%	9.97%				

Income Statement

Income Statement ('000's)	Current Quarter	Prior Quarter	\$ Change
Interest income	\$615	\$628	(\$13)
Non-Interest Income	\$28	\$71	(\$43)
Interest Expense	\$84	\$110	(\$26)
Non-Interest Expense	\$460	\$495	(\$35)
Provision For Loan Loss	\$50	\$0	\$50
Realized Gain/(Loss) On Securities	-\$4	\$1	(\$5)
Taxes Paid	\$0	\$0	\$0
Current Quarter's Net Income	\$45	\$95	(\$50)
Qtr Interest Expense % of Interest Income	13.66%	17.52%	-3.86%
Qtr Non-Int Expense % of Non-Int Inocme	1642.86%	697.18%	945.67%
Qtr Current Interest Income Coverage Ratio	1.13	1.04	0.09

Efficiency/Productivity

	Current Quarter	Prior Quarter	% Change	Annualized
Efficiency Ratio	82.29	84.04	-2.08%	-8.36%
Assets Per Employee (\$Millions)	\$3.15	\$3.17	-0.53%	-2.11%
Loans Per Employee (\$Millions)	\$1.94	\$1.94	-0.06%	-0.25%
Avg Salary & Benefits Per Emp (\$Thou)	\$12.26	\$12.84	-4.51%	-18.08%

DEFINITIONS

Description	Formula
Asset Leverage Multiple	Average Assets/Average Equity
Avg Earning Assets/Avg Assets	Average Earning Assets/ Avg Assets
Borrowing Cost	(Int Expense: Total Deposits - Int Expense:Total)/ Average Borrowings
Borrowing Mix	Average Borrowings/Average Interest Bearing Liabilities*100
Cost of Int Bear Liabs	Weighted Deposit Cost + Weighted Borrowing Cost
Deposit Cost	Int Exp:Total Deposits/Avg Int Bearing Deposits
Deposit Mix	Average Int Bearing Deposits/Avg Int Bearing Liabilities*100
G/L on Net Int Pos as % of EA	Cost of Interest Bearing Liabilities x Net Interest Position on Earning Assets
Loan Mix	Avg Loans & Leases/Average Earning Assets x 100
Loan Yield	Int Income:Loans & Leases/Avg Loans & Leases x 100
Net Int Margin on Earning Assets	Net Interest Spread on Earning Assets + (Gain (loss) on Net Interest Position/Earning Assets)
Net Int Spread on Earnings Assets	Yield on Earning Assets - Cost of Interest Bearing Liabilities
Net Int Margin/Average Assets	(Average Earning Assets/Average Assets) x (Net Interest Margin/Average Earning Assets)
Net Int Position on Earning Assets	(Average Earning Assets - Average Interest Bearing Liabilities)/Average Earning Assets
Non Int Margin/Avg Assets	(Non Interest Income/Average Assets) - (Non Interest Expense/Average Assets)
Non Int Expense/Avg Assets	Non Interest Expense/Average Assets
Non Int Income/Avg Assets	Non Interest Income/Average Assets
Non-Operating Margin/Avg Assets	[(Total gain (loss) on securities + Extraordinary items) - (Net income (noncontrolling interests) + Minority Interest (BHC only))/Average Assets] - [(Total Prov for losses/ Avg Earning Assets) x (Avg Earnings Assets/Avg Assets)]
Return on Average Assets (ROAA)	(Non Operating Margin/Average Assets) + (Net Interest Margin/Average Assets) - (Taxes/Average Assets) + (Non Interest Margin/Average Assets)
Return on Equity (ROAE)	Return on Average Assets x (Average Assets/Average Equity)
Secs & Other Mix	100 - Loan Mix
Secs & Other Yield	(Int Income: Total - Int Income:Loans & Leases)/(Avg Earning Assets - Avg Loans & Leases) x 100
Securities Mix	Avg Securities/Avg Earning Assets x 100
Securities Yield	Int Income:Total Securities/Avg Securities x 100
Taxes/Avg Assets	Income tax/Average Assets
Weighted Borrowing Cost	Borrowing Cost x (Borrowing Mix/100)
Weighted Deposit Cost	Deposit Cost x (Deposit Mix/100)
Weighted Loan Yield	Loan Yield x Loan Mix/100
Weighted Secs & Other Yield	Securities & Other Yield x Securities & Other Mix/100
Weighted Securities Yield	Securities Yield x Securities Mix/100
Yield on Earning Assets	Weighted Loan Yield + Weighted Securities & Other Yield