



2012 ANNUAL REPORT



*What is important
to
East Texas:*

Honesty

Integrity

Service

Stability

Performance

ASSETS

	2012	2011
Cash and balances due from banks	\$ 175,714,000	\$ 83,072,000
Securities available for sale	159,153,000	170,130,000
Net loans	983,391,000	974,422,000
Other assets	90,873,000	101,864,000

TOTAL ASSETS

\$ 1,409,131,000 **\$ 1,329,488,000**

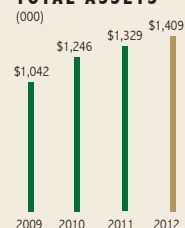
LIABILITIES AND STOCKHOLDERS' EQUITY

Non-interest bearing deposits	\$ 380,048,000	\$ 327,079,000
Interest bearing deposits	838,474,000	826,545,000
Total deposits	1,218,522,000	1,153,624,000
Securities sold under agreements to repurchase	13,594,000	10,280,000
Other liabilities	19,688,000	22,124,000
Total liabilities	1,251,804,000	1,186,028,000
Total stockholders' equity	157,327,000	143,460,000

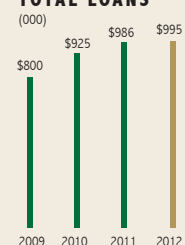
TOTAL LIABILITIES AND EQUITY

\$ 1,409,131,000 **\$ 1,329,488,000**

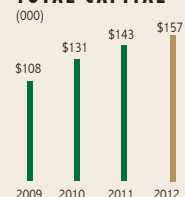
TOTAL ASSETS



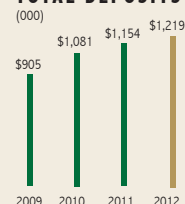
TOTAL LOANS



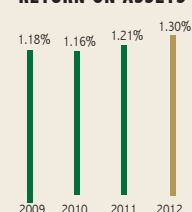
TOTAL CAPITAL



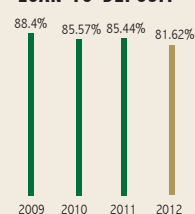
TOTAL DEPOSITS



RETURN ON ASSETS



LOAN-TO-DEPOSIT



Leadership

Austin Bank Executive Committee



Jeff Austin, Jr.
Chairman of the Board
Jacksonville



Jeff Austin III
Vice Chairman of the Board
Tyler / Jacksonville



John P. Williams
President/CEO
Jacksonville / Whitehouse



Sissy Austin
Senior Executive Vice President
Jacksonville



Michael Austin Neill
Director
Athens



E. Glenn Bass
Senior Executive Vice President
Deposit Operations
Longview



Larry Bolton
Senior Executive Vice President
Chief Lending Officer
Tyler



Keith Chambers
Senior Executive Vice President/CFO
Jacksonville



Russ Gideon
Senior Executive Vice President
Regional President
Frankston



Billy Mullins
Senior Executive Vice President
Risk Management and Operations,
Longview

Jane Austin Chapman

Director
Frankston

(Not pictured)

Integrity

Austin Bank entered 2012 with good momentum and continued to adapt and excel. We kept our focus on being responsive, controlling what we could and preparing for what we could not. Our progress is a testimony to the soundness of our strategy and the commitment of our officers, employees and directors. We work hard each day doing what is right for our customers and our communities. We understand that what is important to East Texas is also what is important to Austin Bank.

Jeff Austin, Jr.
Chairman of the Board

Innovation

Our goal...continually listening and responding to customer needs, constantly researching and reviewing new technology opportunities for improved banking services and delivery channels. From multiple online banking channels for our consumers to treasury management for our business partners, emphasis on security is our top priority. We are excited about the future with even more innovation and proactive solutions planned to improve our customers' access and safety along with our bank's efficiency.

Jeff Austin III
Vice Chairman of the Board

Stability

At Austin Bank, our principles of honesty, integrity and service ground us in stability. A stable community bank is the financial foundation of our country—it keeps money local and the focus on people, relationships and opportunities. Austin Bank demonstrates our commitment to East Texas by making loans to businesses and to families. These loan decisions are made by our bankers who live and work in the community. We believe there will always be an important role for strong and stable community banks. We look forward to serving you as your “Bank of Choice” for East Texas.

John P. Williams
President / CEO

1900

First National Bank of Jacksonville receives its Charter on September 1.
1900



John Frank Austin, Sr. & Sallie John Brown Austin begin the Austin Family legacy of banking when John Austin, Sr. becomes President of First State Bank of Frankston.
1909



1940

The Austin Family purchases First State Bank in Rusk. (Bank originally chartered in 1907.)
1944



Jeff Austin, Sr. is named President and Chairman of the Board of First State Bank, Frankston.
1946



1950

The Austin Family buys First State Bank in Big Sandy (originally chartered in 1947) and First National Bank in Jacksonville. **1950s**



1960

Jeff Austin, Sr. is named President of First National Bank, Jacksonville.
1960



Overview



8,857

Customers enrolled in Mobile Banking



7,992

Customers enrolled in new Mobile Banking App

33%

eStatement enrollment

Sign up through Austin Bank online banking

www.austinbank.com

3.1 Million

2012 annual visits

44%

Households with active online banking



19%

increase in Likes in 2012

Like us at

www.facebook.com/austinbanktexas

\$1.4 Billion

Total Assets grew 5.99% in 2012

\$995 Million

Total Loans reinvested in our communities and businesses

\$1.2 Billion

Total Deposits grew 5.63% in 2012



2009 - 2013

5th Year Named Best Companies to Work for in Texas

1980

Jeff Austin, Jr. becomes President of First National Bank, Jacksonville.
Jeff Austin, Sr. continues as Chairman of the Board. **1969**



Operations begin in Longview as Texas National Bank with Joe Sharp, Jr. as President.



Bank enters Tyler with acquisition of FNB, Whitehouse and it's Tyler location. **1984**

Stockholders of First National Bank, Jacksonville approve a merger of the bank into a one-bank holding company, Texas East BanCorp, Inc. **1984**



1990

John P. Williams is named President of FNB, Whitehouse. **1991**



Cherokee BanCorp, Inc., a six bank holding company, is established with approximately \$365 million in assets. **1992**



Jeff Austin, Jr. named Chairman of the Board of Cherokee BanCorp.

Ronny Lee is elected President / CEO of First National Bank, Jacksonville. **1995**



The six original banks acquired by Austin BanCorp change their name to Austin Bank. The six banks include: First National Bank, Jacksonville; First National Bank, Whitehouse; Texas National Bank, Longview; First State Bank, Rusk, Big Sandy and Timpson. **1996**

Service

\$661,130

Real Estate Taxes paid

37
Scholarships
Awarded

To East Texas high school students as part of the Austin Bank

Commitment-to-Community program that supports the educational goals of area youth. Recipients include 27 students from the community and 10 students who are children of Austin Bank employees.

193
Scholarships
Awarded

To East Texas students since the program began in 2005

443 employees
with 3,605 years of tenure

18,005 hours of training
attended by employees in 2012



55 employees, with a total of 615 years of experience, were honored at the 2012 Austin Bank Service Awards luncheon

2012 Community Involvement Awards

Austin Bank recognized five bank employees for volunteer work to their community service organization.

Cathy Strickland East Texas Lightnin' Special Olympics Delegation

Debbie Finley Salvation Army Women's Auxiliary

Lynn Littlejohn Rusk High School Athletic Program

Brenda Williams and **Debbie Braune** Gateway to Hope

2000

The six original banks acquired by Austin BanCorp form one Charter with 17 offices.

Jeff Austin III elected President of First State Bank, Frankston. **1999**



Jeff Austin III is named Vice Chairman of the Board.

Russ Gideon is elected President of First State Bank, Frankston. **2003**



John P. Williams is elected President / CEO. **2006**



Austin Bank acquires and merges with City National Bank. This adds five locations - Gladewater, Kilgore, and Longview Pine Tree, Oak Forest and Bar-K - while increasing bank assets to over \$1 billion. **2008**



The Austin Family celebrates 100 years of banking. **2009**



2010

First State Bank, Frankston - including the Noonday and Palestine locations - merges with Austin Bank bringing the Bank locations to a total of 31 and assets to \$1.2 billion. **2010**



First State Bank

