

Quarterly Financial Update

3rd Quarter 2017

The following table presents selected consolidated financial data for the Company. This data is derived from the Company's quarterly unaudited financial statements and should be read in conjunction with the Company's audited financial statements and related notes for the year ended December 31, 2016. The Company's 2016 Annual Report is available online at www.edocumentview.com/sebc.

	Quarterly Results					Year-To-Date Results	
	Sep. 30, 2017	Jun. 30, 2017	Mar. 31, 2017	Dec. 31, 2016	Sep. 30, 2016	Sep. 30, 2017	Sep. 30, 2016
As of and for the periods ended:							
<i>(Dollars in thousands except per share data)</i>							
Summary of Operations:							
Interest income	\$ 3,800	\$ 3,677	\$ 3,521	\$ 3,462	\$ 3,451	\$10,998	\$10,353
Interest expense	173	167	161	161	159	501	482
Net interest income	3,627	3,510	3,360	3,301	3,292	10,497	9,871
Provision for (recovery of) loan losses	-	-	(100)	-	-	(100)	(700)
Net gain (loss) on investments	(7)	-	-	-	-	(7)	2
Net gain on sales of foreclosed properties	218	121	304	258	19	643	1,045
Other noninterest income	813	833	757	787	782	2,403	2,236
Valuation write-downs on foreclosed properties	7	2	-	75	-	9	1,635
Other noninterest expense	2,803	2,769	2,710	2,580	2,718	8,282	8,440
Net income before tax	1,841	1,693	1,811	1,691	1,375	5,345	3,779
Income tax	579	535	571	440	422	1,685	1,158
Net income	\$ 1,262	\$ 1,158	\$ 1,240	\$ 1,251	\$ 953	\$ 3,660	\$ 2,621
Per Share Ratios:							
Basic earnings	\$ 0.40	\$ 0.37	\$ 0.40	\$ 0.40	\$ 0.30	\$ 1.17	\$ 0.84
Diluted earnings	0.40	0.37	0.40	0.40	0.30	1.17	0.84
Dividends	0.10	0.10	0.10	0.10	0.08	0.30	0.24
Book value at end of period	16.62	16.36	15.92	15.60	15.76	16.62	15.76
Stock trading price:							
High	19.00	16.00	16.10	13.33	12.98	19.00	12.98
Low	15.55	15.25	13.30	11.50	11.06	13.30	10.50
Profitability Ratios:							
Return on average assets	1.20%	1.10%	1.21%	1.20%	0.94%	1.17%	0.86%
Return on average equity	9.66%	9.16%	10.16%	10.05%	7.72%	9.66%	7.28%
Net interest margin	3.77%	3.65%	3.62%	3.52%	3.60%	3.68%	3.59%
Selected Quarter-End Balances:							
Total assets	\$417,517	\$426,884	\$423,030	\$414,188	\$407,435		
Loans, net of unearned income	196,436	203,770	202,425	191,031	193,081		
Allowance for loan losses	3,829	3,845	4,154	3,624	3,466		
Investment securities, at amortized cost	117,040	119,410	119,011	114,235	112,034		
Deposits	363,754	374,515	372,291	364,379	356,832		
Shareholders' equity	51,997	51,185	49,829	48,818	49,328		
Nonperforming assets:							
Nonperforming loans	\$ 2,550	\$ 1,997	\$ 1,937	\$ 2,146	\$ 3,137		
Foreclosed and repossessed properties	5,675	6,066	6,521	6,657	6,413		
Total nonperforming assets	\$ 8,225	\$ 8,063	\$ 8,458	\$ 8,803	\$ 9,550		
Asset Quality Ratios:							
Annualized net charge-offs (recoveries) per quarter to quarterly average loans	0.03%	0.61%	-1.30%	-0.33%	0.24%		
Nonperforming assets to total assets	1.97%	1.89%	2.00%	2.13%	2.34%		
Allowance for loan losses to net loans	1.95%	1.89%	2.05%	1.90%	1.80%		
Allowance to nonperforming loans	150.16%	192.52%	214.46%	168.87%	110.52%		
Liquidity Ratios:							
Liquid assets to total assets	18.46%	17.84%	17.58%	19.49%	17.82%		
Loans, net to total deposits	54.00%	54.41%	54.37%	52.43%	54.11%		
Average loans to average earning assets (quarterly)	52.11%	51.72%	51.59%	51.02%	53.11%		
Noninterest-bearing deposits to total deposits	24.23%	24.65%	23.96%	21.50%	22.86%		
Capital Adequacy Ratios (consolidated):							
Tier 1 risk-based capital ratio	19.98%	19.09%	18.74%	19.11%	18.46%		
Total risk-based capital ratio	21.24%	20.35%	20.00%	20.37%	19.72%		
Tier 1 leverage ratio	12.27%	11.76%	11.63%	11.35%	11.22%		

