

## From Survival to Profitability

### Improving Your Bottom Line in the Wake of Industry Turmoil

Nobody enjoys storm recovery. Unfortunately, it is a fact of life for many people – both in everyday life and in business. Many financial institutions are still recovering from the huge “storm” that hit our industry over the past few years.

Today the number of problem banks – while still very high – has leveled out. Now is the perfect time to focus on improving profitability in the industry as a way to recapitalize the balance sheet of community banks and credit unions.

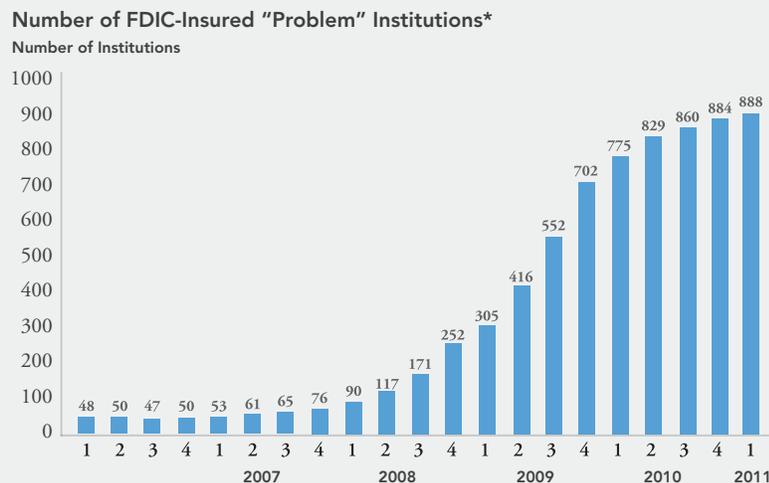
#### “Why Should We Consider Doing Something New/Different?”

Do your current profitability-monitoring measures allow you to answer a few key questions below? If you can answer these five questions accurately, your financial institution is likely well-positioned moving forward. If not, it may be time for a new approach.

1. Can you identify your most profitable branches, products, customers, and relationships?
2. If profitability changes, do you know why?
3. Do you have a tool for modeling changes to improve profitability?
4. Are lenders, branch managers, and product managers rewarded for improvements in profitability?
5. Are profitability results shared throughout your organization?

#### “Why Now?”

In 2007, the FDIC had a total of 76 institutions on its “Problem” institutions list. As of the latest Quarterly Banking Profile for the period ending March 31, 2011, the number of problem banks increased to 888.



\*Figures from the FDIC Quarterly Banking Profile, March 31, 2011

One sign of progress, however, is that the increase in the number of problem banks is the smallest in three and a half years. It's more important than ever to measure your strengths and weaknesses and have an accurate view of profitability across your organization going forward. Improved profitability can ultimately improve the health of the entire industry.

### “Why ProfitStars?”

Whether your institution struggles with the time, commitment, or expertise to effectively manage and measure profitability, ProfitStars can help. Our experts can tailor a solution to meet your institution's unique needs, whether through an internal profitability software model or an outsourced profitability solution. Our lineup is designed to help you demystify the process:

- **PROFITability®**  
Organizational and product profitability system
- **PROFITability® Reporting Service**  
Outsourced profitability service providing quarterly reports and analysis
- **Relationship Profitability Management (RPM)**  
Enterprise-wide profitability solution

Whichever direction you choose, when you go with ProfitStars, a division of Jack Henry & Associates, you can expect optimized performance, less guesswork, superior tracking, and an improved bottom line. For more information on how your institution can start benefitting from ProfitStars' industry-leading profitability solutions, contact us today at **1-800-356-9099** or **sales@profitstars.com**.

Improving Your Bottom Line in the  
Wake of Industry Turmoil