

MEMORANDUM

To: Our Valued Customers
From: Sheshunoff Information Services
Subject: Highlights

Enclosed is your 2007 edition to *Banker's Guide to Capital Management*. This edition adds three new chapters that cover these topics:

- *Using Economic Value Added to Measure Bank Capital Performance*. The performance metric that helps those in the profit-generating end of your operation maximize shareholder value. (Chapter 2A)
- *Identifying Capital Management Planning Risks*. Credit risk, interest risk rate, and operational risk — these along with the declining housing and mortgage markets present significant inhibitions to profitability. Pressing capital risk issues are the discussed at length. (Chapter 13A)
- *Determining the Market Value of a Bank's Capital*. Is management growing the bank's shares of stock? Do the institution's stated capital accounts truly reflect its value in the marketplace? A key to finding out is the use of the proper valuation methods, detailed here. (Chapter 13B)

Incorporate these new chapters into your existing policies, procedures and monitoring processes and include this material in your policies on the proper allocation of funds, credit procedures, and asset monitoring.

Begin using the enclosed manual now so that it remains your definitive source for maximizing your institution's awareness of the latest developments in capital management. Don't wait to order your free CD — use the enclosed coupon today!