NEWS RELEASE

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BNCCORP, INC. REPORTS SECOND QUARTER NET INCOME TO COMMON SHAREHOLDERS OF $2.0 MILLION, OR $0.58 PER DILUTED SHARE

2016 Second Quarter Highlights

- **2016 second quarter results reflect continued strong financial performance and growing shareholder value**
- **Net income available to common shareholders increased 12.2% to $2.0 million, from $1.8 million in the second quarter of 2015, primarily due to higher net interest income and non-interest income, and the beneficial impact of deleveraging**
- **Basic and diluted earnings per share in the first half of 2016 were $1.00 and $0.98, respectively**
- **Book value per common share was $22.35 at June 30, 2016 compared to $20.12 at December 31, 2015, an increase of 11.1%**
- **Return on equity was 12.05% in the second quarter of 2016 and 10.37% year to date**
- **Nonperforming assets were 0.28% of total assets as of June 30, 2016, comparable to 0.10% of total assets at March 31, 2016**

BISMARCK, ND, July 27, 2016 – BNCCORP, INC. (BNC or the Company) (OTCQX Markets: BNCC), which operates community banking and wealth management businesses in North Dakota, Arizona and Minnesota, and has mortgage banking offices in Arkansas, Illinois, Kansas, Missouri, Minnesota, Arizona and North Dakota, today reported financial results for the second quarter ended June 30, 2016.

Net income available to common shareholders in the 2016 second quarter was $2.035 million, or $0.58 per diluted share, compared to $1.813 million, or $0.52 per diluted share, in the second quarter of 2015. The increase in net income to common shareholders is primarily attributable to higher net interest income, higher non-interest income, and the impact of deleveraging BNC in the fourth quarter of 2015.

Net interest income in the 2016 second quarter increased by $66 thousand from the same quarter in 2015, as growth of loans held for investment resulted in higher yields on earning assets and improved the net interest margin.

Non-interest income in the second quarter of 2016 increased by $755 thousand, or 11.2%, from the same period in 2015 driven by growth in mortgage banking revenue. Excluding the impact of gains on the sale of securities, non-interest income increased $1.282 million, or 22.2%, when compared to the second quarter of 2015. Non-interest expense increased by $970 thousand, or 10.0%, in the second quarter of 2016 due to higher mortgage volume related costs and investments in technology as BNC strives to improve its customers' experience and keep pace with advancements in technology.

The provision for credit losses was $400 thousand in the second quarter of 2016 and $0 for the same period in 2015. The ratio of nonperforming assets to total assets was 0.28% at June 30, 2016 compared to 0.09% at December 31, 2015.

Book value per common share at June 30, 2016 rose to $22.35 compared to $20.12 and $19.23 at December 31, 2015 and June 30, 2015, respectively. Excluding accumulated other comprehensive income, book value per common share at June 30, 2016 was $19.87 compared to $18.93 and $18.06 at December 31, 2015 and June 30, 2015, respectively.

Timothy J. Franz, BNC President and Chief Executive Officer, said, "Our 2016 second quarter continued the extended sequence of quarters where BNC has delivered strong performance and built value. In the last ten quarters BNC's book value per share has increased by 54.7% and since the beginning of 2012 our book value per share has increased by 248.1%. Our earnings per share in recent periods reflect the value we are building. We look forward to continuing our recent history of quarterly earnings that builds shareholder value."

Mr. Franz continued, "The North Dakota economy is notably influenced by the energy and agricultural sectors which have been challenged in recent periods. Despite a small increase in the nonperforming assets ratio this quarter; we have successfully managed these economic challenges as our credit quality metrics remain excellent. In the second quarter, we recognized a provision for credit losses for the first time in two and half years. We believe maintaining our allowance for credit losses results in a balance sheet that is resistant to global and regional economic risks. Our strong balance sheet can provide a solid foundation as we continue building our franchise and creating value for shareholders."

Second Quarter Results

Net interest income for the second quarter of 2016 was $6.482 million, an increase of $66 thousand, or 1.0%, from $6.416 million in the same period of 2015. Overall, the net interest margin increased to 3.01% in the second quarter of 2016 from 2.93% in the second quarter of 2015.

Interest income was $7.346 million for the quarter ended June 30, 2016 compared to $7.112 million in the second quarter of 2015. This increase is the result of higher yields on earning assets partially offset by lower average balances. The yield on assets increased to 3.42% in the second quarter of 2016 from 3.25% in the second quarter of 2015, while the average balance of interest earning assets decreased by $12.3 million. Our average loans held for investment increased by $44.6 million year-over-year while the average balances of loans held for sale and investments were $15.4 million and $31.4 million lower, respectively. Despite the overall decrease in average investments, we have increased our investment in tax exempt municipal securities, which aggregated $90.7 million at June 30, 2016, due to the relatively attractive attributes of these securities in the context of our overall portfolio and balance sheet management activities and value provided via reduced income tax expense.

Interest expense in the second quarter of 2016 was $864 thousand, an increase of $168 thousand from the same period in 2015. In the second quarters of 2016 and 2015, BNC submitted notices to redeem $14.6 million and $20.0 million, respectively, of higher rate callable brokered certificates of deposit, at a cost of $92 thousand and $87 thousand, respectively. The cost of interest bearing liabilities increased to 0.50% in the current quarter from 0.42% in the same period of 2015, primarily due to the issuance of subordinated debt in the fourth quarter of 2015, and an increase in retail certificates of deposit balances in recent quarters. The cost of these liabilities were partially offset by redeeming higher cost brokered certificates of deposit in the second quarter of 2015 and first quarter of 2016. The cost of core deposits was 0.22% in the second quarter of 2016 and 0.16% in the second quarter of 2015, due largely to higher balances of retail certificates of deposits which generally have higher rates than non-maturity deposits. Average interest bearing deposits decreased $23.6 million, or 3.9%, during the second quarter of 2016 compared to the second quarter of 2015, primarily due to the redemption of brokered certificates of deposits.

Provision for credit losses was $400 thousand in the second quarter of 2016. As a result, our allowance for credit losses has remained essentially flat in 2016. This compares with $0 provision for the same period in 2015.

Preferred stock costs were $0 in the second quarter of 2016 due to the redemption of the preferred stock in the fourth quarter of 2015, and $474 thousand in the second quarter of 2015.

Non-interest income for the second quarter of 2016 was $7.495 million, an increase of $755 thousand, or 11.2%, from $6.740 million in the second quarter of 2015. Excluding the impact of gains on the sale of securities, noninterest income increased $1.282 million or 22.2% primarily due to an increase in mortgage revenue. Mortgage banking production resulted in revenues of $5.354 million in the second quarter of 2016 compared to $4.015 million in the second quarter of 2015. During the second quarter of 2016, we recorded net gains on sales of investments and SBA loan sales of $615 thousand compared to $1.221 million of net gains on sales of these assets in the same period of 2015. Gains on sales of SBA loans have declined as the Company’s loan growth has recently favored conventional loans. Gains and losses on sales of assets can vary significantly from period to period.

Non-interest expense for the second quarter of 2016 increased $970 thousand to $10.628 million from $9.658 million in the second quarter of 2015. This increase is primarily related to elevated mortgage banking activities and investment in our technology.

In the second quarter of 2016, income tax expense was $914 thousand compared to $1.211 million in the second quarter of 2015. The effective tax rate was 31.0% in the second quarter of 2016 compared to 34.6% in the same period of 2015. The decrease in the effective tax rate in the second quarter of 2016 is due to a higher percentage of tax exempt income than in the second quarter 2015.

Net income available to common shareholders was $2.035 million, or $0.58 per diluted share, for the second quarter of 2016. Net income available to common shareholders in the second quarter of 2015 was $1.813 million, or $0.52 per diluted share after accounting for dividends paid on preferred stock. The preferred stock costs were $0 in the second quarter of 2016 due to the redemption of the preferred stock in the fourth quarter of 2015, and $474 thousand in the second quarter of 2015.

Six Months Ended June 30, 2016

Net interest income in the first half of 2016 was $12.758 million, a decrease of $265 thousand, or 2.0%, from $13.023 million in the first half of 2015 as the impact of higher yields on earning assets was offset by the impact of lower average earning assets. Yields on earning assets overall increased to 3.43% in the six month period ended June 30, 2016 compared to 3.28% in the same period of 2015, as average loan balances increased as a percentage of average earning assets from approximately 46% to 51%. Average loans held for investment increased $38.9 million, or 11.0%, compared to the first half of the prior year. On average, mortgage loans held for sale decreased by $12.6 million when compared to 2015. The average balance of investment securities decreased by $32.3 million in the first six months of 2016 compared to the same period a year ago. Overall, the net interest margin increased to 3.01% in the first six months of 2016 from 2.98% in the first six months of 2015.

Interest expense in the first half of 2016 increased to $1.763 million from $1.307 million, or 34.8%, in the same period of 2015. In the first half of 2016 and 2015, BNC submitted notices to redeem $33.4 million and $20.0 million, respectively, of higher rate callable brokered certificates of deposit, at a cost of $233 thousand, and $87 thousand, respectively. Excluding the costs to redeem these brokered deposits, interest expense increased by $311 thousand. The cost of interest bearing liabilities increased to 0.52% in the first half of 2016 from 0.39% in the same period of 2015, primarily due to the issuance of subordinated debt in 2015, and an increase in retail certificates of deposit balances partially offset by the effects of redeeming brokered deposits. The cost of core deposits increased to 0.21% in the first half of 2016 from 0.16% in the first half of 2015 as retail certificates of deposits have increased in recent quarters.

Provision for credit losses was $400 thousand in the first six months of 2016. This provision compares with $0 provision for the same period in 2015.

Non-interest income for the first six months of 2016 was $13.146 million, a decrease of $1.245 million, or 8.7% from $14.391 million in the same period of 2015. The decrease primarily relates to a $1.123

million, or 72.0%, decrease in gains on sales of securities. During the six month period ended June 30, 2016, we recorded a net gain on sales of investments of $437 thousand, compared to a $1.560 million net gain on sales of investments in the same period of 2015. Excluding securities gains, non-interest income decreased 1.0%.

Non-interest expense for the first six months of 2016 was $20.474 million, an increase of $1.150 million, or 6.0%, from $19.324 million in the same period of 2015. This increase is primarily related to compensation for producers, expenses associated with higher mortgage banking activity, as well as investments in technology.

During the six month period ended June 30, 2016, we recorded a tax expense of $1.580 million, equating to an effective tax rate of 31.4%. We recorded tax expense of $2.589 million during the six month period ended June 30, 2015, which resulted in an effective tax rate of 32.0%.

Preferred stock costs were $0 in the first six months of 2016 due to the redemption of the preferred stock in the fourth quarter of 2015, versus $949 thousand in the first half of 2015.

Net income available to common shareholders was $3.450 million, or $0.98 per diluted share, for the six months ended June 30, 2016. Net income available to common shareholders in the first six months of 2015 was $4.552 million, or $1.30 per diluted share after accounting for dividends paid on preferred stock.

Assets, Liabilities and Equity

Total assets were $927.0 million at June 30, 2016, an increase of $22.8 million, or 2.5%, compared to $904.2 million at December 31, 2015. Loans held for investment aggregated $399.7 million at June 30, 2016, an increase of $19.8 million, or 5.2% since December 31, 2015. In addition, mortgage loans held for sale as of June 30, 2016 were up $8.7 million from December 31, 2015 as mortgage volume continues to remain strong. Investment balances remained relatively unchanged from year-end 2015.

Total deposits were $757.0 million at June 30, 2016, a decrease of $23.4 million from $780.4 million at 2015 year-end. We exercised our right to call $18.8 million of brokered deposits in the first quarter of 2016. As a result, core deposit balances of $756.5 million at June 30, 2016 decreased only $4.4 million, or 0.6%, from $760.9 million at December 31, 2015. The Company has utilized Federal Home Loan

Bank short term advances with an average cost of 0.48% to fund loan growth.

The table below shows changes in total deposits since 2012:

(In Thousands)	June 30, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
ND Bakken Branches	$ 180,834	$ 190,670	$ 178,565	$ 166,904	$ 144,662
ND Non-Bakken Branches	377,937	388,630	433,129	382,225	335,452
Total ND Branches	558,771	579,300	611,694	549,129	480,114
Other	198,268	201,149	199,537	174,100	169,490
Total Deposits	$ 757,039	$ 780,449	$ 811,231	$ 723,229	$ 649,604

Trust assets under management or administration increased to $263.1 million at June 30, 2016, compared to $248.4 million at December 31, 2015.

Capital

Banks and bank holding companies operate under separate regulatory capital requirements.

At June 30, 2016, our capital ratios exceeded all regulatory capital thresholds and maintained sufficient capital conservation buffers to avoid limitations on certain types of capital distributions.

A summary of our capital ratios at June 30, 2016 and December 31, 2015 are presented below:

	June 30, 2016	December 31, 2015
BNCCORP, INC (Consolidated)		
Tier 1 leverage	9.07%	9.00%
Total risk based capital	19.48%	20.07%
Common equity tier 1 risk based capital	13.34%	13.57%
Tier 1 risk based capital	16.28%	16.72%
Tangible common equity	8.29%	7.62%
BNC National Bank		
Tier 1 leverage	9.50%	9.45%
Total risk based capital	18.30%	18.71%
Common equity tier 1 risk based capital	17.04%	17.45%
Tier 1 risk based capital	17.04%	17.45%

The CET 1 ratio, which is generally a comparison of a bank’s core equity capital to its total risk weighted assets, is a measure of the current risk profile of our asset base from a regulatory perspective. The Tier 1 leverage ratio, which is based on average assets, does not consider the mix of risk weighted assets. In recent periods, regulators have required Tier 1 leverage ratios that significantly exceed "Well Capitalized" ratio levels. As a result, management believes the Bank's Tier 1 leverage ratio is our most restrictive capital measurement and we are managing the Tier 1 leverage ratio to levels significantly above the "Well Capitalized" ratio threshold.

In addition to regulatory risk based capital standards, we believe that regulators and investors also monitor the capital ratio of tangible common equity to total period end assets.

Book value per common share of the Company was $22.35 as of June 30, 2016, compared to $20.12 at December 31, 2015. Book value per common share, excluding accumulated other comprehensive income, was $19.87 as of June 30, 2016, compared to $18.93 at December 31, 2015.

Asset Quality

The allowance for credit losses was $8.7 million at June 30, 2016, compared to $8.6 million at December 31, 2015. The allowance for credit losses as a percentage of total loans at June 30, 2016 was 1.90%, compared to 2.00% at December 31, 2015. The allowance as a percentage of loans and leases held for investment at June 30, 2016 was 2.18% and at December 31, 2015 was 2.27%.

Nonperforming assets were $2.6 million at June 30, 2016, up from $807 thousand at December 31, 2015. The ratio of nonperforming assets to total assets was 0.28% at June 30, 2016 and 0.09% at December 31, 2015. Nonperforming loans were $2.3 million at June 30, 2016, up from $565 thousand at December 31, 2015. The increase in nonperforming assets relates to one relationship in the energy sector.

Since the beginning of 2016 our classified loans have decreased and non-accrual loans have increased. At June 30, 2016, BNC had $4.1 million of classified loans, $2.3 thousand of loans on non-accrual and $225 thousand of other real estate owned. At December 31, 2015, BNC had $9.8 million of classified loans, $390 thousand of loans on non-accrual and $242 thousand of other real estate owned. BNC had $8.7 million of potentially problematic loans, which are risk rated "watch list", at June 30, 2016 compared with $7.9 million as of December 31, 2015. The decrease in classified loans relates primarily to one relationship in North Dakota.

As evidenced by our nonperforming asset ratios and delinquency rates, as of June 30, 2016, the decrease in oil and agricultural commodity prices have yet to have a significant negative effect on our credit quality. However, prolonged depressed oil prices could have an adverse economic impact on the North Dakota economy, commodity dependent businesses, and our loan portfolio. Oil prices most directly impact the underlying collateral for our oil exploration and production (E&P) loans. Loans outstanding for the purpose of and secured by E&P in North Dakota were approximately $11.8 million, or 2.9% of total loans held for investment at June 30, 2016 compared to $11.7 million, or 3.1%, of loans held for investment at December 31, 2015. Advances on E&P lines are generally limited to 50% of the value of proven, developed and producing oil reserves with valuations generally being performed on a semi-annual basis. In addition to E&P loans, loans to customers serving the energy industries will be impacted by protracted low energy prices.

BNCCORP, INC., headquartered in Bismarck, N.D., is a registered bank holding company dedicated to providing banking and wealth management services to businesses and consumers in its local markets. The Company operates community banking and wealth management businesses in North Dakota, Arizona and Minnesota from 16 locations. BNC also conducts mortgage banking from 17 offices in Arkansas, Illinois, Kansas, Missouri, Minnesota, Arizona and North Dakota.

This news release may contain "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of BNC. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of our management and on information currently available to management are generally identifiable by the use of words such as “expect”, “believe”, “anticipate”, “plan”, “intend”, “estimate”, “may”, “will”, “would”, “could”, “should”, “future” and other expressions relating to future periods. Examples of forward-looking statements include, among others, statements we make regarding our belief that we have exceptional liquidity, our expectations regarding future market conditions and our ability to capture opportunities and pursue growth strategies, our expected operating results such as revenue growth and earnings and our expectations of the effects of the regulatory environment on our earnings for the foreseeable future. Forward-looking statements are neither historical facts nor assurances of future performance. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, but are not limited to: the impact of current and future regulation; the risks of loans and investments, including dependence on local and regional economic conditions; competition for our customers from other providers of financial services; possible adverse effects of changes in interest rates, including the effects of such changes on mortgage banking revenues and derivative contracts and associated accounting consequences; risks associated with our acquisition and growth strategies; and other risks which are difficult to predict and many of which are beyond our control. In addition, all statements in this news release, including forward-looking statements, speak only of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events.

This press release contains references to financial measures which are not defined in generally accepted accounting principles ("GAAP"). Such non-GAAP financial measures include the Company’s tangible equity to assets ratio and information presented excluding nonrecurring transactions. These non-GAAP financial measures have been included as the Company believes they are helpful for investors to analyze and evaluate the Company’s financial condition.

(Financial tables attached)

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BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except per share data)	For the Quarter Ended June 30, 2016	For the Quarter Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
SELECTED INCOME STATEMENT DATA				
Interest income	$ 7,346	$ 7,112	$ 14,521	$ 14,330
Interest expense	864	696	1,763	1,307
Net interest income	6,482	6,416	12,758	13,023
Provision for credit losses	400	-	400	-
Non-interest income	7,495	6,740	13,146	14,391
Non-interest expense	10,628	9,658	20,474	19,324
Income before income taxes	2,949	3,498	5,030	8,090
Income tax expense	914	1,211	1,580	2,589
Net income	2,035	2,287	3,450	5,501
Preferred stock costs	-	474	-	949
Net income available to common shareholders	$ 2,035	$ 1,813	$ 3,450	$ 4,552
EARNINGS PER SHARE DATA				
Basic earnings per common share	$ 0.59	$ 0.53	$ 1.00	$ 1.34
Diluted earnings per common share	$ 0.58	$ 0.52	$ 0.98	$ 1.30

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except per share data)	For the Quarter Ended June 30, 2016	For the Quarter Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
ANALYSIS OF NON-INTEREST INCOME				
Bank charges and service fees	$ 689	$ 732	$ 1,363	$ 1,424
Wealth management revenues	395	394	783	772
Mortgage banking revenues	5,354	4,015	9,729	9,484
Gains on sales of loans, net	178	257	223	572
Gains on sales of investments, net	437	964	437	1,560
Other	442	378	611	579
Total non-interest income	$ 7,495	$ 6,740	$ 13,146	$ 14,391
ANALYSIS OF NON-INTEREST EXPENSE				
Salaries and employee benefits	$ 5,529	$ 5,087	$ 10,781	$ 10,679
Professional services	1,266	1,058	2,224	1,852
Data processing fees	947	742	1,807	1,502
Marketing and promotion	979	895	1,902	1,556
Occupancy	545	443	1,069	950
Regulatory costs	167	178	334	347
Depreciation and amortization	378	355	721	704
Office supplies and postage	173	176	349	339
Other real estate costs	20	-	22	15
Other	624	724	1,265	1,380
Total non-interest expense	$ 10,628	$ 9,658	$ 20,474	$ 19,324
WEIGHTED AVERAGE SHARES				
Common shares outstanding (a)	3,447,687	3,387,718	3,444,242	3,385,275
Incremental shares from assumed conversion of options and contingent shares	74,346	112,371	74,702	113,235
Adjusted weighted average shares (b)	3,522,033	3,500,089	3,518,944	3,498.510

(a) Denominator for basic earnings per common share
(b) Denominator for diluted earnings per common share

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except share, per share and full time equivalent data)	As of June 30, 2016	As of December 31, 2015	As of June 30, 2015
SELECTED BALANCE SHEET DATA			
Total assets	$ 926,978	$ 904,246	$ 904,852
Loans held for sale-mortgage banking	59,141	50,445	54,637
Loans and leases held for investment	399,671	379,903	360,404
Total loans	458,812	430,348	415,041
Allowance for credit losses	(8,725)	(8,611)	(8,591)
Investment securities available for sale	415,499	419,346	437,036
Other real estate, net	225	242	242
Earning assets	871,479	848,075	852,731
Total deposits	757,039	780,449	766,245
Core deposits (1)	756,520	760,937	750,924
Other borrowings	81,549	46,166	42,615
Cash and cash equivalents	9,855	15,189	15,140
OTHER SELECTED DATA			
Net unrealized gains in accumulated other comprehensive income	$ 8,539	$ 4,081	$ 3,993
Trust assets under supervision	$ 263,087	$ 248,371	$ 266,576
Total common stockholders' equity	$ 77,047	$ 68,988	$ 65,655
Book value per common share	$ 22.35	$ 20.12	$ 19.23
Book value per common share excluding accumulated other comprehensive income, net	$ 19.87	$ 18.93	$ 18.06
Full time equivalent employees	288	263	264
Common shares outstanding	3,447,061	3,428,416	3,414,052
CAPITAL RATIOS			
Common equity Tier 1 risk-based capital (Consolidated)	13.34%	13.57%	12.97%
Tier 1 leverage (Consolidated)	9.07%	9.00%	10.52%
Tier 1 risk-based capital (Consolidated)	16.28%	16.72%	20.59%
Total risk-based capital (Consolidated)	19.48%	20.07%	21.84%
Tangible common equity (Consolidated)	8.29%	7.62%	7.26%
Common equity Tier 1 risk-based capital (Bank)	17.04%	17.45%	19.41%
Tier 1 leverage (Bank)	9.50%	9.45%	9.94%
Tier 1 risk-based capital (Bank)	17.04%	17.45%	19.41%
Total risk-based capital (Bank)	18.30%	18.71%	20.67%
Tangible capital (Bank)	10.39%	9.71%	10.70%

(1) Core deposits consist of all deposits and repurchase agreements with customers and exclude certain brokered certificates of deposit.

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	For the Quarter Ended June 30, 2016	For the Quarter Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
AVERAGE BALANCES				
Total assets	$ 919,300	$ 928,772	$ 905,823	$ 933,157
Loans held for sale-mortgage banking	50,096	65,499	43,634	56,257
Loans and leases held for investment	400,158	355,545	391,976	353,079
Total loans	450,254	421,044	435,610	409,336
Investment securities available for sale	417,171	448,534	418,053	450,306
Earning assets	865,164	877,485	852,014	881,262
Total deposits	748,049	788,566	754,579	799,786
Core deposits	746,370	760,570	746,385	767,359
Total equity	74,555	88,679	73,361	87,121
Cash and cash equivalents	9,900	22,010	11,412	36,565
KEY RATIOS				
Return on average common stockholders' equity (a)	12.05%	11.78%	10.37%	15.22%
Return on average assets (b)	0.89%	0.99%	0.77%	1.19%
Net interest margin	3.01%	2.93%	3.01%	2.98%
Efficiency ratio	76.04%	73.41%	79.04%	70.49%
Efficiency ratio (BNC National Bank)	73.41%	71.75%	75.66%	68.25%

(a) Return on average common stockholders' equity is calculated by using the net income available to common shareholders as the numerator and average common equity (less preferred stock and accumulated other comprehensive income) as the denominator.
(b) Return on average assets is calculated by using net income as the numerator and average total assets as the denominator.

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	As of June 30, 2016	As of December 31, 2015	As of June 30, 2015
ASSET QUALITY			
Loans 90 days or more delinquent and still accruing interest	$ -	$ 175	$ 436
Non-accrual loans	2,341	390	286
Total nonperforming loans	$ 2,341	$ 565	$ 722
Other real estate, net	225	242	242
Total nonperforming assets	$ 2,566	$ 807	$ 964
Allowance for credit losses	$ 8,725	$ 8,611	$ 8,591
Troubled debt restructured loans	$ 2,084	$ 2,197	$ 2,142
Ratio of total nonperforming loans to total loans	0.51%	0.13%	0.17%
Ratio of total nonperforming assets to total assets	0.28%	0.09%	0.11%
Ratio of nonperforming loans to total assets	0.25%	0.06%	0.08%
Ratio of allowance for credit losses to loans and leases held for investment	2.18%	2.27%	2.38%
Ratio of allowance for credit losses to total loans	1.90%	2.00%	2.07%
Ratio of allowance for credit losses to nonperforming loans	373%	1,524%	1,190%

	For the Quarter Ended June 30,		For the Six Months Ended June 30,	
(In thousands)	2016	2015	2016	2015
Changes in Nonperforming Loans:				
Balance, beginning of period	$ 672	$ 287	$ 565	$ 61
Additions to nonperforming	1,980	608	2,135	843
Charge-offs	(64)	(146)	(95)	(146)
Reclassified back to performing	(175)	(13)	(175)	(19)
Principal payments received	(72)	(14)	(89)	(17)
Balance, end of period	$ 2,341	$ 722	$ 2,341	$ 722

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	For the Quarter Ended June 30, 2016	For the Quarter Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Changes in Allowance for Credit Losses:				
Balance, beginning of period	$ 8,479	$ 8,736	$ 8,611	$ 8,601
Provision	400	-	400	-
Loans charged off	(174)	(151)	(313)	(195)
Loan recoveries	20	6	27	185
Balance, end of period	$ 8,725	$ 8,591	$ 8,725	$ 8,591
Ratio of net charge-offs to average total loans	(0.034)%	(0.034)%	(0.066)%	(0.002)%
Ratio of net charge-offs to average total loans, annualized	(0.137)%	(0.138)%	(0.131)%	(0.005)%

(In thousands)	For the Quarter Ended June 30, 2016	For the Quarter Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Changes in Other Real Estate:				
Balance, beginning of period	$ 242	$ 242	$ 242	$ 256
Transfers from nonperforming loans	-	-	-	-
Real estate sold	-	-	(4)	-
Net gains on sale of assets	-	-	4	-
Provision	(17)	-	(17)	(14)
Balance, end of period	$ 225	$ 242	$ 225	$ 242

(In thousands)	As of June 30, 2016	As of December 31, 2015	As of June 30, 2015
Other Real Estate:			
Other real estate	$ 954	$ 954	$ 954
Valuation allowance	(729)	(712)	(712)
Other real estate, net	$ 225	$ 242	$ 242

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	As of June 30, 2016	As of December 31, 2015	As of June 30, 2015
CREDIT CONCENTRATIONS			
North Dakota			
Commercial and industrial	$ 44,661	$ 46,311	$ 46,510
Construction	10,259	11,937	17,039
Agricultural	16,972	16,159	11,103
Land and land development	10,405	11,549	9,944
Owner-occupied commercial real estate	37,864	37,832	37,230
Commercial real estate	87,673	79,119	75,748
Small business administration	4,825	2,662	1,367
Consumer	43,043	39,228	37,388
Subtotal loans held for investment	$ 255,702	$ 244,797	$ 236,329
Consolidated			
Commercial and industrial	$ 61,892	$ 62,940	$ 64,822
Construction	14,259	15,187	23,980
Agricultural	17,496	18,003	11,722
Land and land development	16,189	17,627	17,537
Owner-occupied commercial real estate	44,035	44,066	45,407
Commercial real estate	165,891	149,099	134,545
Small business administration	27,512	25,860	21,309
Consumer	52,074	47,073	41,065
Total loans held for investment	$ 399,348	$ 379,855	$ 360,387