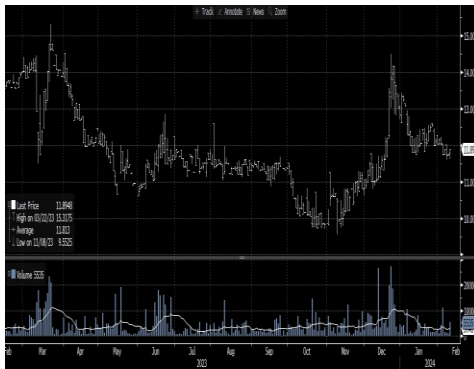


www.evaluateresearch.com

Target Price	US\$ 20.00
Current Price	US\$ 11.74
Total Return	70%
Rating	BUY

Market Cap.	US\$70 mn
Shares Outstanding	5.9 mn
Free Float (%)	Approx. 88%
52 Week Range (US\$)	9.70 – 16.00
Avg. Daily Value	US\$ 60,000
Russell 2000 Index	2,010
Insider Holding %	12%



Risk: Above Average
Forecasting and Valuations

(US\$mn except ratios)	2023A	2024E
Net Interest Income	25.8	27.1
Profit Before Tax	9.5	9.5
EPS (US\$)	1.57	1.59
EPS Growth	5.0%	1.1%
PE	7.4	7.4
Dividend Yield	6.9%	7.0%
Price/Book	1.1	1.1
ROE	17.1%	17.2%

Analyst:
Sandy Mehta, CFA
sandy@evaluateresearch.com

United Bancorp Inc. [UBCP] Q4 (Dec-end) Earnings Update

Industry: Banking Regional

Solid Q4 & Full-year Results, 7.0% Yield

United Bancorp [UBCP] reported solid and high-quality results for Q4 [ended December], which were ahead of our expectations, and this performance capped off an overall robust and remarkably consistent showing for full-year 2023, especially given the turmoil within the broader banking industry. UBCP's track record of strong results over the past several years, and particularly in 2023, is in sharp contrast to most industry peers, large and small. UBCP reported \$0.42 in EPS for Q4, which was 5% higher YoY than the prior year, while full-year 2023 at \$1.57 was also 5% ahead of the prior year. The EPS was 5% ahead of our published estimates. It should be noted that both the quarter and full-year were against tough prior period comparisons. As detailed in our report, asset quality, capital, deposit and profitability metrics were robust. With a solid 2023 [as well as prior years], UBCP is setting a firm foundation from which it should continue to grow its earnings and dividends this new year and beyond.

UBCP's phenomenal streak of 14 consecutive dividend increases continues unabated, with the 14th hike announced a couple months ago. The regular dividend is now 17 cents per quarter, and the annualized regular dividend run-rate is now \$0.68. Including the special dividend announcement in early 2023 of \$0.15, UBCP exited last year with a regular plus special dividend run-rate of \$0.83, or a 7.0% yield. The next dividend is scheduled to be announced shortly in late February, and it remains to be seen if the string of dividend and special dividend hikes will continue.

We are reiterating our Buy rating and maintaining our \$20.00 price target, implying over 70% total return potential. Our 2024 estimate is deliberately conservative, given the start of a new year, at \$1.59 EPS, but we feel there is an upside bias to it. Bank earnings are challenging to predict, given numerous ongoing cross-currents, and with a likely major interest inflection point coming up this year. Given UBCP reported \$1.57 last year, our current year estimate should be easily achievable, in our view.

We believe our price target is both credible and achievable, given UBCP's stock has actually traded as high as \$20.82 in 2022. Currently UBCP's stock is trading at modest P/E multiples of 7.5x on trailing/actual 2023 results, and 7.4x on our 2024 and 6.4x on 2025 estimates. On a Price/Book basis, the stock is trading at a modest 1.1x as of December-end 2023. Our \$20.00 target would suggest a reasonable and modest 11.3x P/E multiple on our forward 2025 estimate.

After the Fed Reserve's decision to pause rate hikes a couple months back, there is now increasingly speculation regarding rate decreases going forward. Indeed, the financial markets are pricing in multiple rate decreases just this year, and investors are now focused on how many cuts and starting from when. Rising interest rates in the US have severely impacted bond yields and therefore banking industry results and stock prices particularly last year. There is growing optimism that the worst may now be over in this regard. This is likely to be a major catalyst for both fundamentals and stock prices for the entire industry. We would continue to encourage investors to take advantage of the bear market in banking stocks to buy UBCP shares, especially since they are being paid one of the highest dividend yields in the US while they wait for a stock price rebound. The risk-reward for UBCP's stock is extremely favorable here, we firmly believe, with several catalysts including a growing dividend. UBCP continues to be an undiscovered investment opportunity, and Evaluate Research remains the only firm actively following the stock.

CEO Scott Everson, commenting on Q4 results, stated, "...We are very optimistic about the future growth and earnings potential of UBCP. We firmly believe that with the challenges that our industry has experienced over the course of the past few years, our company has evolved into a fundamentally sound organization with a focus of growing to achieve greater efficiencies and scale, while controlling overall costs....We still have a vision of growing UBCP to an asset threshold of \$1.0 billion or greater in the near-term in a prudent and profitable fashion."

Loan Growth May Soon Pick Up

Net loans grew +4.5% for 2023, which is a solid showing given the overall economic and high interest rates backdrop. Encouragingly, UBCP did witness an uptick in loan growth towards the end of the fourth quarter. In our view, this was likely a result of the Fed pause news. UBCP continues to plan for future growth, and recently announced the breaking of ground for a new regional banking center in the appealing market of Wheeling, West Virginia. UBCP believes there are attractive customer servicing opportunities in this underserved market. We remain optimistic that more clarity on the economy, and likely lower interest rates, will lead to decent loan demand going forward.

Rising Book Value & Strong Capital Position

UBCP has ample liquidity, with excess cash invested at the fed funds rate. Overall, capital adequacy at 14.2% total risk-based capital ratio and 14.2% Tier 1 capital [both as of most recent 10-Q disclosure at September-end] all remain at healthy levels, and considered “well capitalized” based on industry and regulatory norms. Note the total capital level is up QoQ from 13.7%, and Tier 1 also up from 13.0%, both at June-end.

In conjunction with rising capital and liquidity levels, UBCP is seeing a share rebound in tangible book value per share. This is something we had envisioned and highlighted in our prior Update Notes. Tangible book value per share has increased to \$10.66, an increase of 7.5% YoY, and an impressive jump of 21.6% sequentially versus the end of Q3. We see tangible book value per share rebounding soon to past the \$11.80 prior highs level of year-end 2021. The prior declines in book value in 2022 and 2023 did not reflect any negative charge flowing through the income statement, but rather marked-to-market revaluation reductions on various securities. It is important to note that this was a non-cash balance sheet adjustment, and a notional charge in that the securities have not been sold, and the lower valuations have not been realized. Thus, we are seeing those marked-to-market charges being reversed.

Deposit Base Remains Resilient

Deposit flight has emerged as an issue with some banks in the headlines earlier this year, and some customers are switching from banks to seek higher yields elsewhere. A lower interest rate environment, if the Fed does eventually cut rates, may help ease this pressure across the industry. In this environment, it is comforting to see relative stability and consistency in UBCP’s deposit base. Total deposits at December-end were \$621 million, representing 76% of total liabilities [consistent with the prior sequential quarter], and were marginally down -1% QoQ and -4% YoY. The mix within deposits, noninterest bearing versus savings/time/CD, remains relatively steady and favorable for the bank.

Pristine Credit Quality & Provisioning

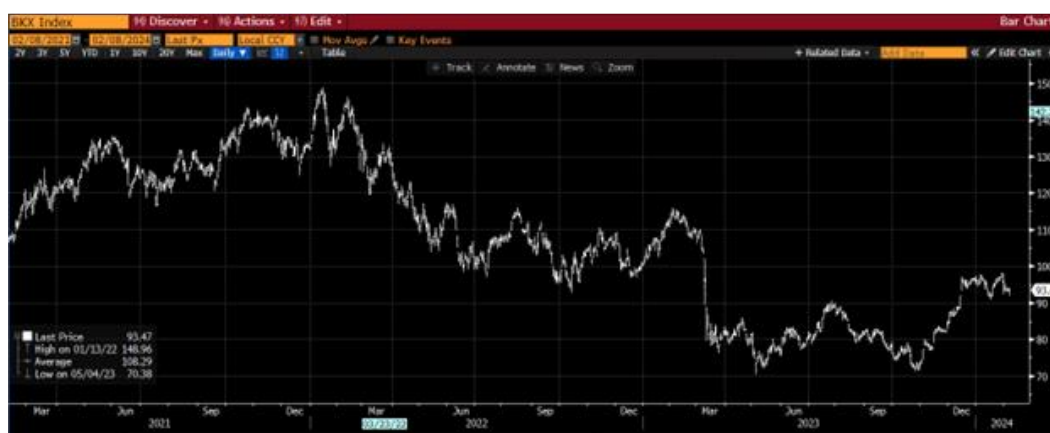
Credit quality remains solid, as UBCP recorded negative provisioning expense [i.e., a credit/positive line item on the income statement] – once again – further details in this report. Unrealized losses on securities, a phenomenon impacting all banks globally resulting from higher market interest rates, are generally on securities UBCP intends to hold up to maturity, which will mitigate short-term notional losses. UBCP’s investments tend to be in municipal bonds and other higher quality agencies, which are broadly diversified by issuer and geography. As per 10-Q disclosure, net unrealized losses on securities [government agencies,

state/municipal obligations, subordinated notes/bonds] totaled about \$20.7 million as of Sept-end [the most recent 10-Q disclosure], which represents 8% of original value [amortized cost] of the bond securities. In our view, this exposure is manageable for UBCP, given its liquidity and capital reserves. Also, this notional loss should reduce rapidly once interest rate levels recede. In that sense, the worst is likely over in this regard. Finally, other banks, both large and small, have much greater relative exposure in this regard.

Bank Stocks: Bounce Off Lows, But Still “No Love” Out of Favor

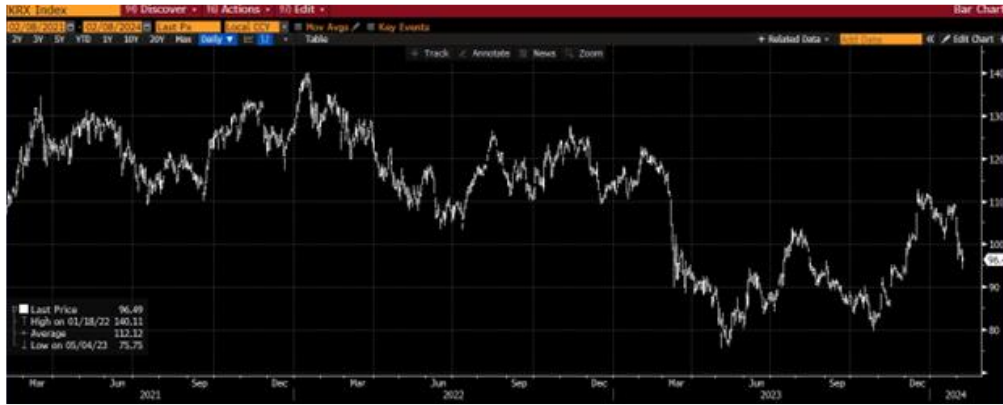
Bank stocks have had an extremely difficult 2023, and many are trading close to near-term lows.

While the sector has had some bounce since November last year, the sector is still well below the highs of last year, and has considerably underperforming the broader S&P 500 Index. This is evident in the following chart, the KBW [the old Keefe Bruyette & Woods] Bank Index is still -28% below where it started last year.



The recent bounce has corresponded to Fed actions: the pause in higher rates and market expectations of rate cuts. As mentioned earlier, we too believe the bounce upwards of the sector will sustain and push even higher throughout this new year.

The KBW Regional Bank Index has fared better, but is still down -15% from the start of 2023, as seen in the following chart. A promising bounce up from lows in Q4 has run into concerns early this year related to large city commercial property losses. UBCP is not impacted by this ongoing significant risk area.



Conclusion: \$20.00 Target; Reiterate Buy at 6.6x P/E, 7.0% Yield

We reiterate our Buy rating and our unchanged \$20.00 price target based on the stock currently trading at a 7.5x P/E based on trailing 2023 results, and 7.4x on our 2024 and 6.6x on 2025 estimates. The stock is also trading at 1.1x current Price/Book. Our target price suggests over 70% total return potential.

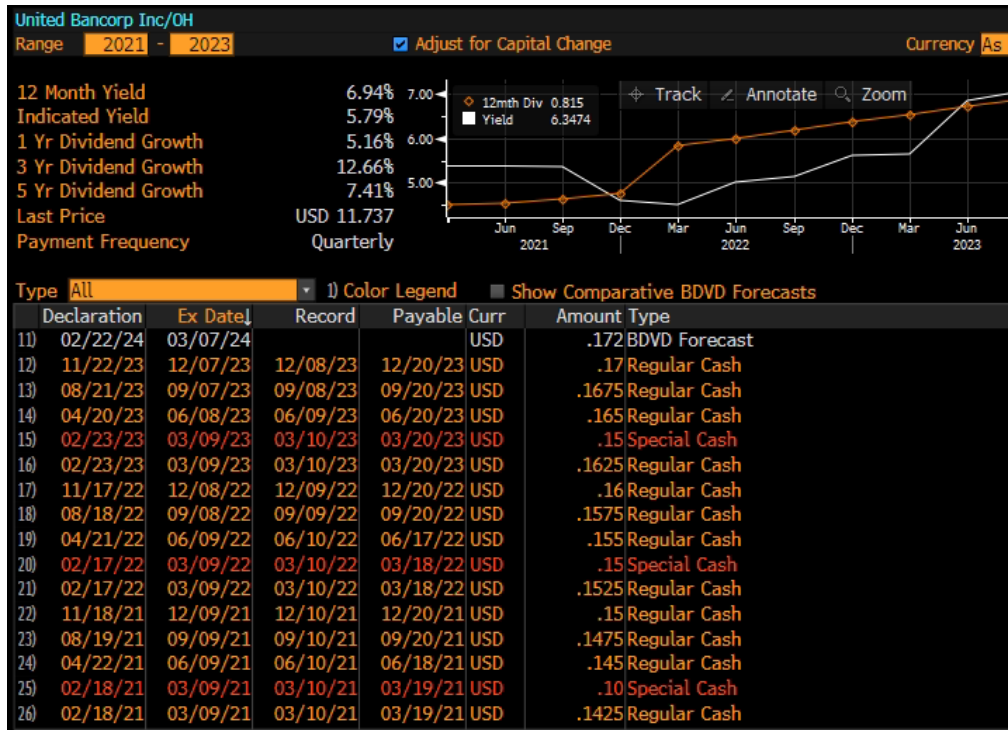
Our \$20.00 price target implies a forward P/E multiple of 12.6x on our current year 2024 estimate and 11.3x P/E on our forward 2025 estimate, which is a huge discount to the overall market’s current multiples. Our target price also suggests a 4.3% dividend yield and 1.5x price/book on our 2025 dividend and year-end book value estimates. We believe the valuations implied by our \$20.00 target are reasonable, despite the recent decline in the banking industry stocks.

14 in a Row, 7.0% Yield, Top 5% of all USA Stocks

UBCP’s amazing streak of dividend increases continues unabated, with a 14th consecutive hike announced a few months ago. The regular dividend is now 17.0 cents per quarter, and was increased by 6.4% YoY. This is the 5th dividend hike last year. The annualized regular dividend is now \$0.68. Including the special dividend announcement earlier this year of 15.0 cents, the full year run-rate 2023 regular plus special total dividend is now \$0.83, or a 7.0% dividend yield. It remains to be seen whether this amazing streak – both regular as well as special dividend - can continue when UBCP declares its next dividend likely in two weeks’ time.

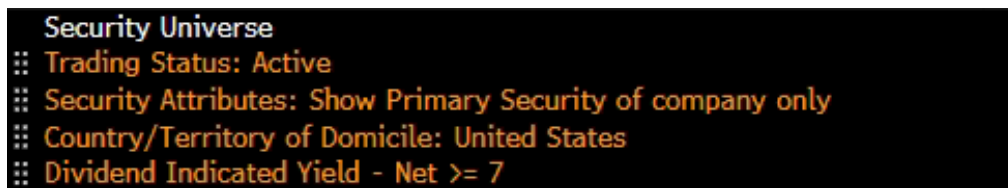
As we have previously emphasized, UBCP has now declared 7 Special Dividends during the past 8 years, which highlights the Board’s keen focus on rewarding shareholders, especially retail investors, with a high yield. Both this regular dividend increase, as well as the special dividend announcement, were above our expectations, especially as the overall macro environment for the broad banking sector has become increasingly challenging as this year progresses.

The regular dividend annualized run-rate is now 5.9%. There are very few companies globally, especially in the banking and even the broad financial sector, that can boast of such prolific dividend increases during the past years!!



The current regular dividend payout ratio remains moderate, and therefore quite sustainable in our view, at 43% of trailing as well as our current year annual EPS forecast. As a reminder, UBCP had paid out as high as 63% of EPS via dividends as recently as 2018. Including the special dividend, the payout is 53% of current earnings, which is towards the higher end of possible payout levels, in our opinion, but still imminently sustainable for UBCP.

As can be seen in the following Bloomberg screen which we have updated, out of 14,462 stocks in the USA [which comprise 15% of the entire world's 93,937 listed stocks], only 747 stocks have dividend yields higher than UBCP's total full-year 7.0% dividend. Thus, UBCP is among the top 5% of all USA dividend yields:



Solid Asset Quality with Negative [Credit] Provisioning in Q4

Despite higher rates which have caused higher interest payments for many borrowers, UBCP continues to maintain pristine credit quality metrics. Provisioning expense for Q4 was actually negative, implying a positive [credit] line item on the income statement. This was better than our expectations, as we did not foresee more quarters with provisioning expenses at zero or less. At December-end, nonaccrual loans [loans past due 30 days] stood at 0.24% of gross loans, versus 0.15% at Sept-end.

For full-year 2023, UBCP actually had a positive net loan recovery of \$20,000 – which is remarkable in a rapidly rising interest rate scenario! Adopting new CECL [credit loss accounting standards], UBCP's total allowance for credit losses to total loans is 0.81% [down slightly sequentially] and total allowance for credit losses to nonperforming loans stands at 804%.

Well Capitalized with 14.2% Total Capital

In addition to ample liquidity following the FHLB liquidity infusion, UBCP remains well capitalized with 14.2% total capital to risk-weighted assets as of September-end 2023 [the most recent data available as per the 10-Q]. Of this, common equity Tier 1 capital [to risk-weighted assets] was also at a healthy 14.2%, suggesting solid levels of both total capital as well as Tier 1 capital. The ratio of Tier 1 capital to total capital is very high, suggesting a higher quality of overall capital.

We expect UBCP's overall capital ratios to improve back to the mid-to-high teens over time, given earnings growth and a moderate dividend payout ratio.

UBCP's Commercial Real Estate Exposure Stable

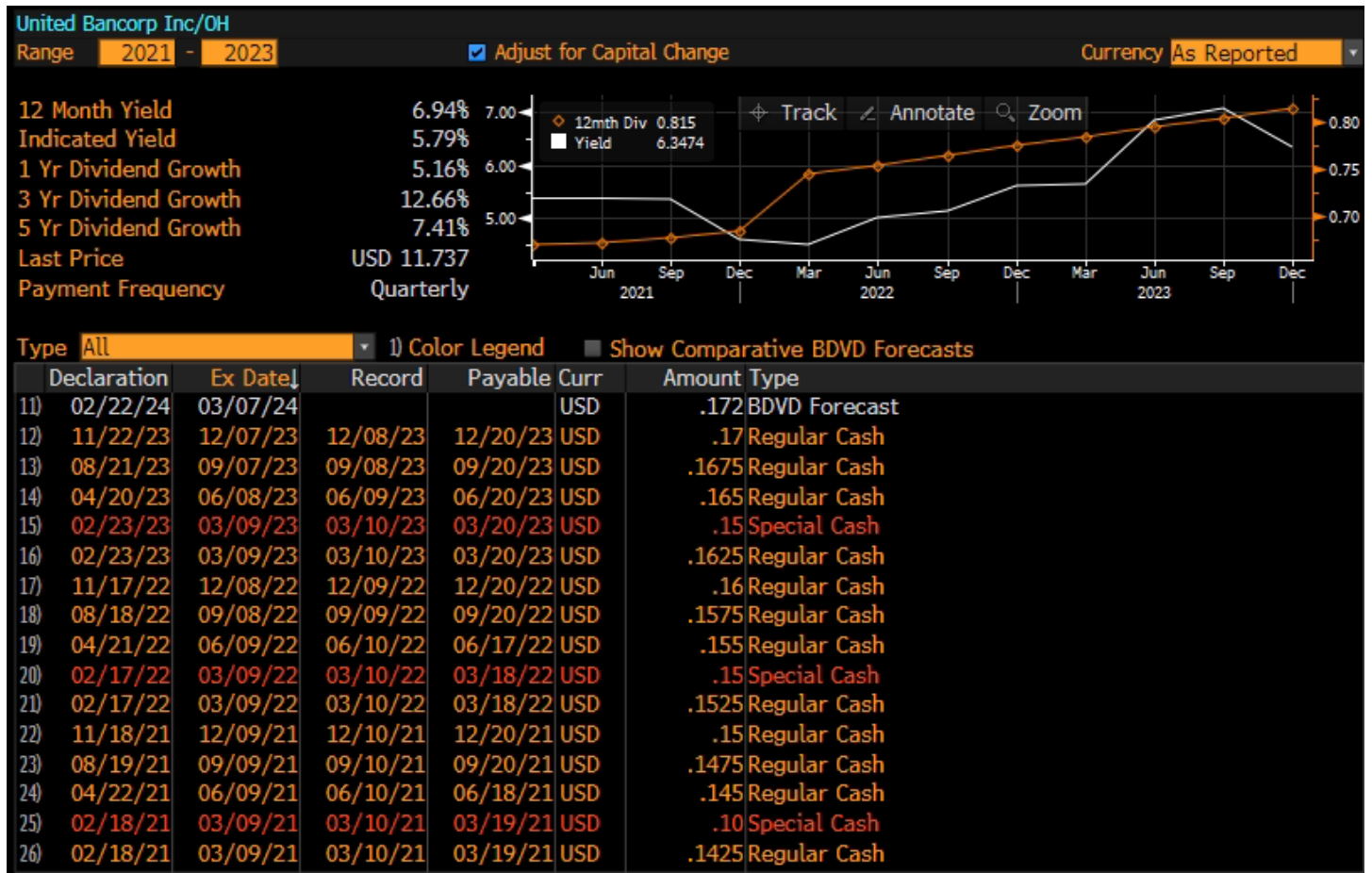
While commercial real estate exposure remains a concern for the broader banking sector, as mentioned in our prior Update Notes, UBCP's commercial real estate exposure [total loans breakdown is detailed in our financial model at the end of this report] is primarily in small-town and rural locations which is not impacted by most of the larger city trends. Additionally, it's our understanding that the majority of UBCP's commercial real estate exposure tends to be owner-occupied premises, which mitigates risk significantly. This is not to say that NPLs will not arise, but rather that the risk is reduced and certainly manageable. To date, UBCP's credit metrics have been rock solid.

For the broader banking sector, much of the commercial real estate stress appears to be in the larger metros where there are issues of empty older office buildings [new environmental norms for office buildings are compounding the problem], crime, shoplifting, high rents and costs, longer commutes for employees [and hence more WFH - work from home], higher taxes, etc. However, smaller regional, local and rural community banks are more insulated from larger banks serving major cities, in our opinion.

5 Year Price Chart



Dividend History



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Income Statement [US\$ Thousands]

	2015A	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E	CAGR (FY19-23)
Average Loans		340,803	360,424	387,054	423,479	438,848	444,539	454,761	469,070	479,278	488,843	
Average interest-earning Assets		390,119	415,714	491,313	599,986	645,562	664,024	693,269	770,423	786,260	752,984	
Net Interest Margin		3.81%	3.82%	3.84%	3.67%	3.76%	3.48%	3.67%	3.72%	3.75%	3.74%	
Interest Income	16,082	16,635	17,651	21,320	27,034	27,628	24,707	27,662	36,849	34,997	31,980	
Interest Expense	2,283	1,784	1,764	3,178	6,123	4,734	2,596	3,274	11,014	7,898	3,530	
Net Interest Income	13,799	14,851	15,887	18,142	20,911	22,894	22,111	24,388	25,835	27,099	28,450	5.4%
Provision for Loan Losses	553	301	100	297	908	3,337	(1,255)	(955)	(454)	400	400	
Customer Service Fees	2,876	2,594	2,502	2,608	2,843	2,580	2,852	2,978	2,970	3,089	3,274	
Earnings on bank-owned insurance	426	463	471	477	533	706	802	708	694	777	777	
Net gains on loan sales	42	97	98	66	54	180	272	36	29	31	33	
Other	458	527	381	509	458	3,449	1,780	361	361	298	316	
Total Non-Interest Income	3,802	3,681	3,452	3,660	3,888	6,915	5,706	4,083	4,054	4,195	4,400	1.0%
Salaries & Employee Benefits	6,393	7,021	7,210	7,964	8,776	9,331	9,698	10,305	10,872	11,307	11,533	
Premises Costs & Equipments	1,918	1,897	2,071	2,140	2,263	2,406	2,364	2,217	2,328	2,351	2,375	
Professional Fees	679	720	825	2,173	1,292	1,232	1,217	1,451	1,495	1,539	1,586	
Other G&A	4,179	4,153	4,368	4,146	4,151	4,921	5,113	5,917	6,158	6,219	6,406	
Total Non-Interest Expenses	12,490	13,071	13,649	16,423	16,482	17,890	18,392	19,890	20,852	21,416	21,899	6.1%
Other Impairment	-	-	-	-	-	-	-	-	-	-	-	
Profit from JVs and associates	-	-	-	-	-	-	-	-	-	-	-	
Income before Taxes	4,558	5,160	5,590	5,082	7,409	8,582	10,681	9,536	9,491	9,477	10,551	
Income Tax expense	1,334	1,580	2,044	800	599	629	1,230	879	542	758	844	
Effective tax rate	29.3%	30.6%	36.6%	15.7%	8.1%	7.3%	11.5%	9.2%	5.7%	8.0%	8.0%	
Preferred Dividends	-	-	-	-	-	-	-	-	-	-	-	
Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	
- Less Non-vested Restricted Stock	(67)	(31)	(115)	(214)	(256)	(200)	-	-	-	-	-	
Reported Net Income	3,157	3,549	3,431	4,068	6,554	7,753	9,451	8,657	8,949	8,719	9,707	8.1%
Underlying Net Income	3,157	3,549	3,431	4,068	6,554	7,753	9,451	8,657	8,949	8,719	9,707	8.1%
YoY			-3.3%	18.6%	61.1%	18.3%	21.9%	-8.4%	3.4%	-2.6%	11.3%	
Shares Outstanding	4,857	5,016	4,982	4,953	5,526	5,479	5,479	5,483	5,492	5,492	5,492	
Diluted Shares Outstanding	4,933	5,016	4,982	4,953	5,526	5,479	5,479	5,483	5,492	5,492	5,492	
Reported EPS	0.64	0.71	0.69	0.82	1.19	1.39	1.62	1.50	1.57	1.59	1.77	7.2%
Underlying EPS	0.64	0.71	0.69	0.82	1.19	1.39	1.62	1.50	1.57	1.59	1.77	7.2%
YoY EPS Growth		10.6%	-2.7%	19.3%	44.9%	16.8%	16.5%	-7.4%	4.7%	1.1%	11.3%	
Total Dividends per Share	0.420	0.470	0.510	0.570	0.545	0.570	0.685	0.770	0.815	0.685	0.705	
Core Regular Dividend	0.370	0.420	0.460	0.520	0.545	0.570	0.585	0.620	0.665	0.685	0.705	
Special Dividends	0.050	0.050	0.050	0.050			0.100	0.150	0.150			
YoY Regular Div Growth [excl Specials]		12.1%	13.5%	9.5%	13.0%	4.8%	4.6%	2.6%	6.0%	7.3%	3.0%	2.9%
YoY Total Div Growth [incl Specials]	27.2%	11.9%	8.5%	11.8%	-4.4%	4.6%	20.2%	12.4%	5.8%	-16.0%	2.9%	
Dividend Payout [Div/EPS]	66%	66%	74%	69%	46%	41%	42%	51%	52%	43%	40%	
Shares for Book Value Computation	4,933	5,016	4,982	4,882	5,526	5,637	5,749	5,864	5,884	6,002	6,122	
Return on Average Common Equity	8.4%	8.4%	7.9%	8.6%	11.9%	12.1%	13.5%	13.2%	17.1%	17.2%	18.0%	
Tangible Book Value per Share	8.54	8.50	8.81	10.23	10.24	11.45	11.82	9.92	10.66	12.18	13.25	1.0%
YoY		-0.5%	3.6%	16.1%	0.1%	11.8%	3.2%	-16.1%	7.5%	14.3%	8.7%	

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	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024E	2025E
<u>Valuation Metrics</u>										
Price/Earnings - using Current Stock Price	16.9	17.7	13.4	9.9	8.4	7.2	7.8	7.5	7.4	6.6
Price/Book - using Current Stock Price	1.41	1.39	1.08	1.15	1.03	0.99	1.18	1.10	0.96	0.89
Dividend Yield - using Current Stock Price	3.9%	4.2%	5.2%	4.6%	4.9%	5.8%	6.6%	6.9%	5.8%	6.0%
Book Value per Share	8.50	8.81	10.23	10.24	11.45	11.82	9.92	10.66	12.18	13.25
<u>Dividend Ratios</u>										
Core Dividend Growth [excluding Specials]	13.5%	9.5%	13.0%	4.8%	4.6%	2.6%	6.0%	7.3%	3.0%	2.9%
Total Dividend [Core + Special] Growth	11.9%	8.5%	11.8%	-4.4%	4.6%	20.2%	12.4%	5.8%	-16.0%	2.9%
Dividend Payout [Dividend/EPS]	66%	74%	69%	46%	41%	42%	51%	52%	43%	40%
<u>Capital and Liquidity Ratios</u>										
Tier 1 Leverage Ratio	12.9%	12.6%	11.5%	13.1%	13.3%	15.8%	13.0%	12.8%	13.8%	14.5%
Total Capital Ratio	13.6%	13.2%	12.0%	19.0%	18.2%	21.0%	18.1%	17.7%	18.8%	19.2%
Leverage Ratio	11.0%	10.6%	8.8%	9.6%	10.9%	11.0%	8.6%	8.0%	8.4%	8.9%
Tangible Common Equity/Tangible Assets	9.6%	8.5%	8.7%	8.7%	9.9%	9.9%	7.9%	7.1%	8.6%	9.0%
<u>Growth Ratios</u>										
Average loan growth		5.8%	7.4%	9.4%	3.6%	1.3%	2.3%	3.1%	2.2%	2.0%
Average earning assets growth		6.6%	18.2%	22.1%	7.6%	2.9%	4.4%	11.1%	2.1%	-4.2%
Average deposit growth		9.4%	25.8%	17.8%	5.0%	5.1%	5.9%	5.3%	3.3%	3.3%
Net interest income growth	7.6%	7.0%	14.2%	15.3%	9.5%	-3.4%	10.3%	5.9%	4.9%	5.0%
EPS growth	10.6%	-2.7%	19.3%	44.9%	16.8%	16.5%	-7.4%	4.7%	1.1%	11.3%
<u>Asset Quality Ratios</u>										
NPA/Assets	0.53%	0.42%	0.23%	0.60%	0.19%	0.30%	0.41%	0.35%	0.35%	0.35%
NPA/Loans [ending balance]	0.66%	0.58%	0.50%	0.51%	0.14%	0.25%	0.58%	0.51%	0.51%	0.51%
Reserves/NPAs		110.3	147.0	154	816	280	195	153	155	154
<u>Performance Ratios</u>										
Return on Average Assets (RoAA)	0.84%	0.76%	0.83%	1.07%	1.15%	1.33%	1.17%	1.10%	1.05%	1.22%
Return on Av. Equity (ROE)	8.4%	7.9%	8.6%	11.3%	11.5%	13.5%	13.2%	14.7%	13.5%	13.9%
Yield on Av. Int-earnings asset	4.26%	4.25%	4.34%	4.51%	4.28%	3.72%	3.99%	4.78%	4.45%	4.25%
Av. Rate on deposits & borrowings	0.52%	0.49%	0.82%	1.44%	1.07%	0.58%	0.72%	2.33%	1.63%	0.72%
Net Interest Margin (NIM)	3.81%	3.82%	3.84%	3.67%	3.76%	3.61%	3.68%	3.72%	3.75%	3.74%
Efficiency Ratio	70.5%	70.6%	75.3%	66.5%	60.0%	66.1%	69.9%	69.8%	68.4%	66.7%
<u>Leverage Ratios</u>										
Loans/Deposit	104.6%	94.9%	77.6%	80.2%	75.6%	74.5%	70.6%	71.4%	69.1%	69.5%
Av Loans/Av. Deposits	102.9%	99.5%	84.9%	78.9%	77.8%	75.0%	72.5%	71.0%	70.2%	69.3%

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Balance Sheet [US\$ Thousands]

	2015A	2016A	2017A	2018A	2019A	2020A	2021A	2022A	2023E	2024E	2025E	CAGR (FY19-23)
Commercial Loans	67,247	74,541	81,327	93,690	100,977	103,277	90,892	90,548	92,359	96,053	99,895	
Commercial Real Estate	163,459	191,501	198,936	223,461	240,842	246,167	266,777	270,312	270,312	281,124	292,369	
Residential Real Estate	81,498	76,154	75,853	78,767	84,893	85,789	90,132	94,012	95,892	99,728	103,717	
Installment Loans	17,459	14,637	12,473	13,765	14,836	8,258	6,571	6,003	6,123	6,368	6,623	
Total Loans and Advances	329,663	356,721	368,589	409,683	441,548	443,491	454,372	460,875	483,235	483,274	502,605	
- LESS Allowances	(2,437)	(2,341)	(2,122)	(2,043)	(2,231)	(5,113)	(3,673)	(2,052)	(3,918)	(4,036)	(4,157)	
TOTAL Loans and Advances [Less Allowances]	327,226	354,380	366,467	407,640	439,317	438,378	450,699	458,823	479,317	479,238	498,448	2.2%
Cash Equivalents & Due from Banks	4,954	4,233	4,662	15,573	5,697	11,637	7,653	8,279	106,000	-	-	
Interest-bearing Demand Deposits	7,747	7,308	9,653	9,680	9,288	39,955	75,346	21,801	22,673	23,580	24,523	
Available for sale Securities	34,623	39,766	44,959	123,991	188,785	158,067	146,313	217,624	226,329	235,382	244,797	
TOTAL Interest-Earning Assets	374,550	405,687	425,741	556,884	643,087	648,037	680,011	706,527	834,319	738,200	767,769	6.7%
Bank-owned Life Insurance	11,509	11,822	12,114	13,115	17,196	18,109	18,809	19,000	19,000	19,000	19,000	
Property, Plant and Equipment	10,446	11,884	11,740	12,117	12,402	13,743	12,757	12,144	13,100	13,100	13,100	
Federal Home Loan Bank stock	4,210	4,164	4,164	4,243	4,012	4,177	3,704	2,499	2,499	2,499	2,499	
Other Assets [accrued receivables, intangibles, etc]	4,409	4,461	5,573	6,854	6,854	9,336	9,175	17,230	6,854	6,854	6,854	
TOTAL ASSETS	405,124	438,018	459,332	593,213	685,706	693,402	724,456	757,400	875,772	779,654	809,222	6.3%
Demand Deposits	188,328	203,745	237,980	309,505	334,378	376,287	408,296	402,341	414,411	426,844	439,649	
Savings Deposits	77,672	81,825	82,169	111,251	108,218	122,549	140,598	145,836	150,211	154,717	159,359	
Total Low Cost Deposits	266,000	285,570	320,149	420,756	442,596	498,836	548,894	548,177	564,622	581,561	599,008	
Time Deposits	57,622	53,233	65,817	104,687	105,470	80,699	56,242	101,736	106,823	112,164	117,772	
TOTAL Deposits	323,622	338,803	385,966	525,443	548,068	579,535	605,136	649,913	671,445	693,725	716,780	5.2%
Subordinated Debenture & Long-term Debt	4,124	4,124	4,124	4,124	23,543	23,604	23,665	23,726	23,726	23,726	23,726	
Total Non-Equity Funding	327,746	342,927	390,090	529,567	571,611	603,139	628,801	673,639	695,171	717,451	740,506	5.0%
FHLB advances, repurchase agreements, deferred tax, etc	35,882	52,450	25,347	13,003	54,173	21,935	23,954	24,024	79,363	79,363	79,363	
TOTAL Liabilities	363,628	395,377	415,437	542,570	625,784	625,074	652,755	697,663	774,534	796,814	819,869	5.5%
Common Stock - Issued 5,926,851 shares in 2018	5,385	5,425	5,435	5,927	5,959	6,046	6,046	6,044	6,044	6,044	6,044	
Additional Paid-in Capital	18,245	18,024	18,020	22,556	22,871	23,166	23,635	24,814	22,556	22,556	22,556	
Retained Earnings & Other Equity	21,443	22,483	23,260	24,321	27,905	32,497	37,847	41,945	46,418	51,375	57,210	
- Less ESOP, Stock Deferred Comp,												
Treasury Shares	(3,577)	(3,291)	(2,820)	(2,161)	3,187	6,619	4,173	(13,066)	(13,066)	(13,066)	(13,066)	
Total Stockholders Equity	41,496	42,641	43,895	50,643	59,922	68,328	71,701	59,737	61,952	66,909	72,744	0.8%
TOTAL LIABILITIES & EQUITY	405,124	438,018	459,332	593,213	685,706	693,402	724,456	757,400	875,772	779,654	809,222	6.3%

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	2015A	2016A	2017A	2018A	2019A	2020A	2021	2022A	2023E	2024E	2025E
Average Loans		340,803	360,424	387,054	423,479	438,848	444,539	454,761	469,070	479,278	488,843
Average Non-Covered Loans		340,803	360,424	387,054	423,479	438,848	444,539	454,761	469,070	479,278	488,843
Average interest-earning Assets		390,119	415,714	491,313	599,986	645,562	664,024	693,269	770,423	786,260	752,984
Average Common Equity		42,069	43,268	47,269	55,283	64,125	70,015	65,719	60,845	64,431	69,826
Average Total Assets		421,571	448,675	526,273	639,460	689,554	708,929	740,928	816,586	827,713	794,438
Average Securities		44,722	50,843	94,142	165,872	198,048	209,841	230,542	244,214	253,982	264,141
Average Deposits		331,213	362,385	455,705	536,756	563,802	592,336	627,525	660,679	682,585	705,252
Average Customer Loans		343,192	362,655	389,136	425,616	442,520	448,932	457,624	472,055	483,254	492,939
Growth in Loans		8.3%	3.4%	11.2%	7.8%	-0.2%	2.8%	1.8%	4.5%	0.0%	4.0%
Growth in Earning Assets		8.3%	4.9%	30.8%	15.5%	0.8%	4.9%	3.9%	18.1%	-11.5%	4.0%
Growth in Core Deposits		7.4%	12.1%	31.4%	5.2%	12.7%	10.0%	-0.1%	3.0%	3.0%	3.0%
Non-Interest Income / Revenue	21.6%	19.9%	17.8%	16.8%	15.7%	23.2%	20.5%	14.3%	13.6%	13.4%	13.4%
Efficiency Ratio	71.0%	70.5%	70.6%	75.3%	66.5%	60.0%	66.1%	69.9%	69.8%	68.4%	66.7%
Loans/Deposit	101.1%	104.6%	94.9%	77.6%	80.2%	75.6%	74.5%	70.6%	71.4%	69.1%	69.5%
Av Loans/Av. Deposits		102.9%	99.5%	84.9%	78.9%	77.8%	75.0%	72.5%	71.0%	70.2%	69.3%
% of total Loans											
Commercial Loans	20.4%	20.9%	22.1%	22.9%	22.9%	23.3%	20.0%	19.6%	19.1%	19.9%	19.9%
Commercial Real Estate	49.6%	53.7%	54.0%	54.5%	54.5%	55.5%	58.7%	58.7%	55.9%	58.2%	58.2%
Residential Real Estate	24.7%	21.3%	20.6%	19.2%	19.2%	19.3%	19.8%	20.4%	19.8%	20.6%	20.6%
Installment Loans	5.3%	4.1%	3.4%	3.4%	3.4%	1.9%	1.4%	1.3%	1.3%	1.3%	1.3%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	96.2%	100.0%	100.0%
- LESS Allowances	-0.7%	-0.7%	-0.6%	-0.5%	-0.5%	-1.2%	-0.8%	-0.4%	-0.8%	-0.8%	-0.8%
Total	99.3%	99.4%	99.4%	99.5%	99.5%	98.8%	99.2%	99.6%	95.3%	99.2%	99.2%

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