

Mutual of Omaha Bank



2007 Annual Report



BUILDING ON A SOLID FOUNDATION

For nearly a century, Mutual of Omaha has been a trusted name in insurance. We've formed solid relationships with individuals and businesses around the country by providing quality financial products. We've built a brand that represents our customers' commitment to values such as family, security and integrity. And we've never lost focus on the reason we exist – our customers.

With that combination of experience, financial strength and brand equity as our foundation, we are in an excellent position to become a true leader in banking.

In 2007, Mutual of Omaha formed a subsidiary called Omaha Financial Holdings, Inc., with the purpose of creating a banking entity that would complement the success of our insurance operation. And we took a giant step toward realizing that vision as we celebrated the opening of Mutual of Omaha Bank.

First and foremost, Mutual of Omaha Bank is committed to community banking. Our strategy is to build a network of community banks in key markets across the country. Today, we've already begun to realize that vision with 14 locations in Nebraska, Colorado and Texas and more than \$700 million in assets.

But that's just the beginning. As our network of community banks grows, it will create a foundation for the second phase of our banking strategy – an online virtual bank. This national platform will allow our customers to take care of all their financial needs from anywhere in the United States.

As Mutual of Omaha Bank grows, one thing will never change: whether our customers choose to bank online or in-person, our strategy will always be centered on providing the kind of friendly, personal service that customers have come to expect from Mutual of Omaha.

Thank you for your interest in Mutual of Omaha Bank. We look forward to meeting your financial needs, both now and in the future.

A handwritten signature in black ink, appearing to read "Jeffrey R. Schmid".

Jeffrey R. Schmid
Chairman and Chief Executive Officer

A handwritten signature in black ink, appearing to read "Michael J. Homa".

Michael J. Homa
President and Chief Operating Officer

BUILDING WITH A CLEAR MISSION

At Mutual of Omaha Bank, we will help all our customers – individuals and businesses – build and preserve wealth by understanding their needs and dreams, offering personalized financial solutions and leveraging our financial strength on their behalf.

BUILDING RELATIONSHIPS WITH INDIVIDUALS AND BUSINESSES

Although Mutual of Omaha Bank may sound big, the truth is, we're building our strategy around community banking. Personal relationships, excellent customer service and community involvement are the hallmarks of the way we do business. And as our network of banks grows, we're committed to keeping each bank locally managed and totally focused on the customer.

Whether you are running a business or a household, Mutual of Omaha Bank is committed to offering a wide array of products and services that will help you achieve your dreams.

Solutions for Individuals

At each of our locations, a team of experienced personal bankers is available to meet with you and come up with a plan to help you manage your finances. We offer full service banking; everything from mortgage loans to savings and investment vehicles. And our goal is always to achieve the highest possible return through competitive interest rates.

Solutions for Businesses

Whether your business is big or small, our team of commercial bankers is equipped to understand your needs and provide products and services to help your business succeed. Highly competitive commercial loans, real estate financing, cash management services; everything your business needs to grow and prosper.

Regardless of your situation, as a Mutual of Omaha Bank customer, you will always enjoy a community banking experience that is completely focused on you.

BUILDING ON A LEGACY OF SERVICE

With millions of customers across the country, Mutual of Omaha has earned a reputation of providing top-notch customer service. Mutual of Omaha Bank is no exception. Our experienced team of bankers is committed to providing you with the same personalized service that Mutual of Omaha customers have come to expect for the past 100 years.

BUILDING ON EXPERIENCED LEADERSHIP

While our name might be new to banking, our leadership team is not. Our board of directors and senior officers include some of the most seasoned, successful bankers in the industry.

Omaha Financial Holdings, Inc. Board of Directors

Daniel Neary

Chairman and Chief Executive Officer
Mutual of Omaha

Jeffrey Schmid

President and Chief Executive Officer
Omaha Financial Holdings, Inc.

Samuel Foggie Sr.

Former Chief Executive Officer
National Bankers Association

Robert Clarke

Founder and Senior Partner
Bracewell & Giuliani, LLP

Edward Keller

Former Chief Executive Officer
JP Morgan Chase – Oklahoma

Mutual of Omaha Bank Board of Directors

Thomas Hartley

Former Founder and Chairman
Peak National Bank

Terry Kroeger

President and Chief Operating Officer
Omaha World-Herald Company

George Little

President
HDR Engineering, Inc.

Barry Major

Chief Operating Officer and Director
Nebraska Book Company

John Nahas

President
Corporate Management Consulting

Jeffrey Schmid

Chairman and Chief Executive Officer
Mutual of Omaha Bank

Michael Homa

President and Chief Operating Officer
Mutual of Omaha Bank

Marjorie Heller

Chief Financial Officer
Mutual of Omaha Bank

Tod Ellis

Chief Credit Officer
Mutual of Omaha Bank

Michael Fosdick

Market President
Mutual of Omaha Bank

Mutual of Omaha Bank Market Officers

Warne Kehrli

Market President – Omaha

Michael Fosdick

Market President – Lincoln

Jim Steeples

Market President – Colorado

Marc Krause

Market Chief Operations Officer –
Colorado

Robert Strong

Market President – Texas

BUILDING FINANCIAL STRENGTH

Although 2007 marked the beginning of Mutual of Omaha Bank, we are anything but a startup. Thanks to the financial backing of our parent company and the strength of the banks that joined our family, our customers can have peace of mind that they are dealing with a strong, financial institution.

MUTUAL OF OMAHA BANK FINANCIAL PERFORMANCE

December 31, 2007

STATEMENT OF CONDITION (In thousands)

ASSETS

Cash & Due from Banks	18,056
Loans	532,053
Reserve for Loan Loss	(8,869)
Net Loans	523,184
Securities and Fed Funds Sold	54,785
Other Assets	107,295
Total Assets	703,320

LIABILITIES AND CAPITAL

Deposits:	
Demand Accounts	82,492
NOW Accounts	22,910
Money Market Accounts	98,747
Savings Accounts	29,994
Time Certificates and IRAs	291,344
Total Deposits	525,487
Other Borrowed Funds	34,410
Other Liabilities	7,955
Total Capital	135,468
Total Liabilities & Capital	703,320



