

News Release
For Release Immediately
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TOWN CENTER BANK REPORTS MARCH 31, 2019 RESULTS

New Lenox, IL, April 29, 2019 – Town Center Bank (the “Bank”) (TCNB), announced its financial results for the three months ended March 31, 2019. The Bank reported net income of \$76,000 and \$240,000 for the three months ended March 31, 2019 and 2018, respectively.

Other significant items to note include:

Net interest income was \$890,000 and \$991,000 for the three months ended March 31, 2019 and 2018, respectively.

Non-interest income was \$73,000 and \$50,000 for the three months ended March 31, 2019 and 2018. Non-interest expense was \$886,000 and \$801,000 for the three months ended March 31, 2019 and 2018.

No provision for loan losses was required in the three months ended March 31, 2019 and 2018.

Total shareholders’ equity at March 31, 2019 was \$11.9 million. The Bank’s capital to average total assets ratio was 10.80% and the total capital to risk-weighted assets ratio was 13.76%.

The Bank’s total assets decreased \$2.3 million in the three months ended March 31, 2019, due to decreases in Loans of \$1.2 million and other asset decreases totaling \$1.1 million.

Total deposits decreased \$2.7 million during the three months ended March 31, 2019 to \$86.6 million from \$89.3 million at December 31, 2018.

Statements contained in this report that are not purely historical are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including our expectations, intentions, beliefs, or strategies regarding the future. Any forward-looking statements set forth herein are necessarily subject to significant uncertainties and risks. Any statements in this document about expectations, intentions, beliefs, plans, objectives, assumptions, future events or performance are not historical facts and are forward-looking statements. These statements may often, but not always, be identified by words such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would” and “outlook,” and similar expressions. Examples of forward-looking statements include, but are not limited to, statements we make regarding “beliefs about loan losses” and “expectations regarding customer preference.” The foregoing is not an exclusive list of all forward-looking statements we make.

TOWN CENTER BANK
BALANCE SHEETS
(Unaudited)
(Dollar amounts in thousands, except share and per share data)

	March 31, <u>2018</u>	December 31, <u>2018</u>
ASSETS		
Cash and due from banks	\$ 615	\$ 1,236
Interest-bearing deposits with banks	2,285	2,054
Federal funds sold	<u>2,428</u>	<u>2,402</u>
Cash and cash equivalents	5,328	5,692
Securities available-for-sale, at fair value	22,302	22,860
Loans, net of allowance for loan losses of \$864 at March 31, 2019 and \$879 at December 31, 2018	71,890	73,123
Federal Home Loan Bank stock	135	135
Premises and equipment, net	297	302
Accrued interest receivable and other assets	<u>1,671</u>	<u>1,777</u>
	<u>\$ 101,623</u>	<u>\$ 103,890</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Non-interest bearing	\$ 15,782	\$ 20,357
Interest-bearing	<u>70,831</u>	<u>68,983</u>
Total deposits	86,613	89,340
Federal Home Loan Bank borrowings	3,000	3,000
Federal Funds Purchased	-	-
Accrued interest payable and other liabilities	<u>128</u>	<u>173</u>
Total liabilities	89,741	92,513
Shareholders' equity		
Common stock, \$1 par value; 3,234,000 shares authorized at March 31, 2019 and December 31, 2018; 2,333,660 shares issued and outstanding at March 31, 2019 and December 31, 2018	2,333	2,333
Additional paid-in capital	20,785	20,785
Accumulated deficit	(11,089)	(11,165)
Accumulated other comprehensive income (loss)	<u>(147)</u>	<u>(576)</u>
Total shareholders' equity	<u>11,882</u>	<u>11,377</u>
	<u>\$ 102,618</u>	<u>\$ 103,890</u>

TOWN CENTER BANK
STATEMENTS OF OPERATIONS and COMPREHENSIVE INCOME
(Unaudited)

(Dollar amounts in thousands, except share and per share data)

	Three Months Ended March 31, <u>2019</u>	Three Months Ended March 31, <u>2018</u>
Interest income		
Loans, including fees	\$ 967	\$ 975
Securities	149	153
Federal funds sold and other	<u>23</u>	<u>8</u>
Total interest income	1,139	1,136
Interest expense		
Deposits	236	131
Federal Funds Purchased		
Federal Home Loan Bank and other borrowings	<u>13</u>	<u>13</u>
Total interest expense	249	144
Net interest income	890	991
Provision for loan losses	<u>-</u>	<u>-</u>
Net interest income after provision for loan losses	890	991
Noninterest income		
Service charges on deposits	41	28
Mortgage banking income		1
Other income	<u>32</u>	<u>21</u>
Total noninterest income	73	50
Noninterest expense		
Salaries and employee benefits	428	489
Occupancy and equipment	106	105
Data processing	170	153
Professional fees	36	47
FDIC deposit insurance	8	10
Advertising and marketing	16	16
Gain on sale of other real estate	-	
Litigation settlement	6	(55)
Other real estate expenses	-	1
Other	<u>116</u>	<u>95</u>
Total noninterest expense	<u>886</u>	<u>861</u>
Income before income taxes	76	180
Income tax expense	<u>-</u>	<u>-</u>
Net income	<u>\$ 76</u>	<u>\$ 180</u>
Other comprehensive income (loss)		
Holding gains (losses) on securities available-for-sale	<u>\$ 429</u>	<u>\$ (335)</u>
Comprehensive income (loss)	<u>\$ 505</u>	<u>\$ (155)</u>
Basic and diluted income per share	<u>\$ 0.03</u>	<u>\$ 0.08</u>
Basic and diluted weighted average common shares outstanding	2,333,660	2,333,660