

News Release  
For Release Immediately  
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## **TOWN CENTER BANK REPORTS SEPTEMBER 30, 2017 RESULTS**

New Lenox, IL, November 15, 2017 – Town Center Bank (the “Bank”) (TCNB), announced its financial results for the nine months ended September 30, 2017. The Bank reported net income of \$195,000 and \$513,000 for the nine months ended September 30, 2017 and 2016, respectively.

Other significant items to note include:

Net interest income for the nine months ended September 30, 2017 and 2016 was \$2.9 million and \$2.8 million, respectively.

Non-interest income was \$245,000 and \$257,000 for the nine months ended September 30, 2017 and 2016, respectively, while non-interest expense increased to \$2,609,000 from \$2,571,000

A provision for loan losses of \$25,000 was recorded in June 2017 and \$550,000 in provision for loan losses was reversed in September 2016.

Total shareholders’ equity at September 30, 2017 was \$10.1 million. The Bank’s Tier 1 capital to average total assets ratio was 10.29% and the total capital to risk-weighted assets ratio was 13.61%.

The Bank’s total assets increased \$6.6 million in the nine months ended September 30, 2017 from growth in loans of \$12.8 million and reduction in securities available for sale of \$4.3 million and cash and cash equivalents of \$1.9 million.

Total deposits increased \$1.3 million during the nine months ended September 30, 2017 to \$85.7 million from \$84.4 million at December 31, 2016. Non-interest bearing deposits increased by \$5.2 million during the period and interest-bearing deposits decreased by \$3.9 million. Federal Home Loan Bank advances increased by \$3 million and federal funds purchased increased by \$1.9 million during the period.

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)

	September 30, <u>2017</u>	December 31, <u>2016</u>
<b>ASSETS</b>		
Cash and due from banks	\$ 724	\$ 895
Interest-bearing deposits with banks	3,625	3,834
Federal funds sold	<u>-</u>	<u>1,559</u>
Cash and cash equivalents	4,349	6,288
Securities available-for-sale, at fair value	26,751	31,103
Loans, net of allowance for loan losses of \$876 at September 30, 2017 and \$817 at December 31, 2016	68,768	55,996
Federal Home Loan Bank stock	135	74
Premises and equipment, net	408	442
Accrued interest receivable and other assets	<u>447</u>	<u>395</u>
	<u>\$ 100,859</u>	<u>\$ 94,298</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits		
Non-interest bearing	\$ 18,373	\$ 13,149
Interest-bearing	<u>67,336</u>	<u>71,257</u>
Total deposits	85,709	84,406
Federal funds purchased	1,894	-
Federal Home Loan Bank borrowings	3,000	-
Accrued interest payable and other liabilities	<u>156</u>	<u>151</u>
Total liabilities	90,759	84,557
Shareholders' equity		
Common stock, \$1 par value; 3,234,000 shares authorized at September 30, 2017 and December 31, 2016; 2,333,660 shares issued and outstanding at September 30, 2017 and December 31, 2016	2,333	2,333
Additional paid-in capital	20,680	20,680
Accumulated deficit	(12,848)	(13,042)
Accumulated other comprehensive income (loss)	<u>(66)</u>	<u>(230)</u>
Total shareholders' equity	<u>10,099</u>	<u>9,741</u>
	<u>\$ 100,858</u>	<u>\$ 94,298</u>

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

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

	Nine Months Ended September 30, <u>2017</u>	Nine Months Ended September 30, <u>2016</u>
Interest income		
Loans, including fees	\$ 2,394	\$ 2,224
Securities	523	538
Federal funds sold and other	<u>19</u>	<u>49</u>
Total interest income	2,935	2,811
Interest expense		
Deposits	327	405
Federal Home Loan Bank and other borrowings	<u>24</u>	<u>19</u>
Total interest expense	351	424
<b>Net interest income</b>	2,584	2,387
Provision for loan losses	<u>25</u>	<u>(550)</u>
<b>Net interest income after provision for loan losses</b>	2,559	2,937
Noninterest income		
Service charges on deposits	92	71
Securities gains	-	-
Mortgage banking income	93	130
Other income	<u>60</u>	<u>56</u>
Total noninterest income	245	257
Noninterest expense		
Salaries and employee benefits	1,203	1,123
Occupancy and equipment	318	319
Data processing	447	448
Professional fees	269	174
FDIC deposit insurance	22	98
Advertising and marketing	40	47
Other real estate expenses, net of rental income	(12)	-
Other	<u>322</u>	<u>362</u>
Total noninterest expense	2,609	2,571
<b>Income before income taxes</b>	195	623
Income tax expense	<u>-</u>	<u>-</u>
<b>Net income</b>	<u>\$ 195</u>	<u>\$ 623</u>
<b>Other comprehensive income</b>		
Holding gains on securities available-for-sale	\$ 163	\$ 513
Reclassification adjustment for net gains included in income	<u>-</u>	<u>-</u>
Total other comprehensive income	163	513
<b>Comprehensive income</b>	<u>\$ 358</u>	<u>\$ 1,136</u>
Basic and diluted income per share	<u>\$ 0.08</u>	<u>\$ 0.27</u>
Basic and diluted weighted average common shares outstanding	2,333,660	2,333,660