

	Quarterly		Year-To-Date		2nd Qtr 2017
	2nd Qtr 2018	1st Qtr 2018	6 Mo 2018	6 Mo 2017	
(\$ in thousands except for share data)					
<b>Earnings</b>					
Net interest income	\$ 8,554	\$ 8,340	\$ 16,894	\$ 15,351	\$ 7,822
Less: Provision for loan losses	<u>539</u>	<u>480</u>	<u>1,019</u>	<u>850</u>	<u>550</u>
Net interest income after provision for loan losses	\$ 8,015	\$ 7,860	\$ 15,875	\$ 14,501	\$ 7,272
Gains on sales of securities	0	(35)	(35)	(17)	0
Gains on sales of loans	335	226	561	494	297
Noninterest income	2,453	2,343	4,796	4,179	2,122
Noninterest expense	<u>7,956</u>	<u>7,628</u>	<u>15,584</u>	<u>13,672</u>	<u>6,871</u>
Income before income taxes	\$ 2,847	\$ 2,766	\$ 5,613	\$ 5,485	\$ 2,820
Income taxes	<u>604</u>	<u>603</u>	<u>1,207</u>	<u>1,611</u>	<u>832</u>
Net income	\$ <u>2,242</u>	\$ <u>2,163</u>	\$ <u>4,406</u>	\$ <u>3,874</u>	\$ <u>1,988</u>
Preferred stock dividends	63	63	125	125	63
Net Income available to common shareholders	\$ <u>2,180</u>	\$ <u>2,101</u>	\$ <u>4,281</u>	\$ <u>3,749</u>	\$ <u>1,926</u>
<b>Share and Per Share Data</b>					
Average common shares (basic)	3,177,311	3,189,350	3,183,297	3,190,907	3,191,139
Average common shares (dilutive)	3,297,311	3,309,350	3,303,297	3,195,907	3,196,139
Period-end common shares (basic)	3,175,720	3,177,650	3,175,720	3,192,981	3,192,981
Period-end common shares (dilutive)	3,295,720	3,297,650	3,295,720	3,197,981	3,197,981
Net income per common (basic)*	\$ 0.68	\$ 0.66	\$ 1.34	\$ 1.17	\$ 0.60
Net income per common (dilutive)*	\$ 0.68	\$ 0.65	\$ 1.33	\$ 1.17	\$ 0.60
Cash dividend declared	\$ 0.27	\$ 0.27	\$ 0.54	\$ 0.52	\$ 0.26
Book value (incl. conv. Pref.) <sup>1</sup>	\$ 22.27	\$ 22.06	\$ 22.27	\$ 22.79	\$ 22.79
Book value (excl. conv. Pref.) <sup>1</sup>	\$ 21.56	\$ 21.34	\$ 21.56	\$ 21.25	\$ 21.25
Last stock trade @ period end	\$ 35.77	\$ 37.50	\$ 35.77	\$ 39.00	\$ 39.00
<b>Period-end balances</b>					
Assets	\$ 1,053,023	\$ 1,024,816	\$ 1,053,023	\$ 997,239	\$ 997,239
Earning assets (excl mark to market)	\$ 999,307	\$ 974,837	\$ 999,307	\$ 942,282	\$ 942,282
Gross Loans	\$ 773,340	\$ 749,756	\$ 773,340	\$ 694,253	\$ 694,253
Allowance for loan losses	\$ 9,187	\$ 8,854	\$ 9,187	\$ 8,261	\$ 8,261
Deposits	\$ 963,302	\$ 918,653	\$ 963,302	\$ 898,574	\$ 898,574
Shareholders' equity	\$ 73,403	\$ 72,732	\$ 73,403	\$ 72,773	\$ 72,773
<b>Average Balances</b>					
Assets	\$ 1,032,864	\$ 1,027,232	\$ 1,030,064	\$ 984,057	\$ 992,326
Earning assets (excl mark to market)	\$ 980,698	\$ 974,969	\$ 977,849	\$ 933,798	\$ 942,234
Gross Loans	\$ 756,200	\$ 743,402	\$ 749,837	\$ 679,619	\$ 684,325
Allowance for loan losses	\$ 8,982	\$ 8,774	\$ 8,878	\$ 7,926	\$ 7,940
Deposits	\$ 936,914	\$ 910,121	\$ 923,592	\$ 896,259	\$ 905,935
Shareholders' equity	\$ 73,153	\$ 74,601	\$ 73,873	\$ 71,388	\$ 72,334
<b>Performance Ratios</b>					
Return on average assets	0.87%	0.85%	0.86%	0.79%	0.80%
Return on average equity	12.30%	11.76%	12.03%	10.94%	11.02%
Net interest margin	3.50%	3.47%	3.48%	3.32%	3.33%
Net interest margin (T/E)	3.53%	3.51%	3.52%	3.39%	3.41%
Efficiency ratio**	70.15%	69.92%	70.04%	70.01%	69.10%
<b>Asset Quality</b>					
Net charge-offs	\$ 206	\$ 255	\$ 461	\$ 385	\$ 18
Net loan charge-offs	0.03%	0.03%	0.06%	0.06%	0.00%
Allowance for loan losses	\$ 9,187	\$ 8,854	\$ 9,187	\$ 8,261	\$ 8,261
Allowance for loan losses to total loans	1.19%	1.18%	1.19%	1.19%	1.19%
Non-performing loans	\$ 1,741	\$ 1,813	\$ 1,741	\$ 1,323	\$ 1,323
Non-performing loans to total loans	0.23%	0.24%	0.23%	0.19%	0.19%

1) In 12/16 Company issued \$4.9 million 5.00% convertible preferred stock.

\*Basic earnings per share are calculated based upon net income available to common shareholders after preferred stock dividends

\*Dilutive earnings per share are calculated based upon net income

\*\* Calculated by dividing total noninterest expense by net interest income plus noninterest income (adjusted for certain items) and Gain on sale of loans included for YTD 2017 and 2018.