



7820 West 26th Street  
North Riverside, IL 60546

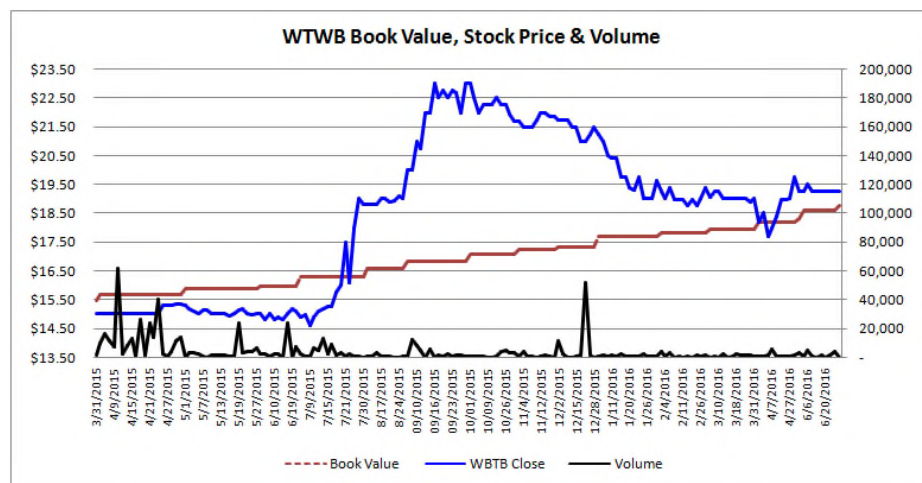
**RAYMOND JAMES**  
INVESTMENT SERVICES

The book value of West Town Bancorp continues its steady rise in value starting at \$18.21 and finishing the quarter at \$18.75, which is a 3% increase in value. Market value also saw favorable results with a 6% increase, with the last trade price for the quarter being \$19.25.

"West Town stock continues to be strong and provide good returns to investors," said CEO Eric Bergevin. "With our new restructured business model, we expect even stronger returns in the final two quarters of 2016."

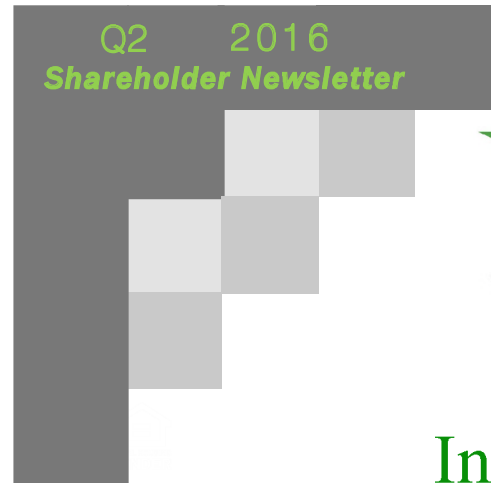
**Lou Coines**  
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222 S. Riverside Plaza, 7th Fl  
Chicago IL 60606

**Update on Stock Trading (WTWB)**



Shareholder inquiries are welcome regarding the buying and selling of shares of West Town Bank & Trust. Please contact Lou Coines at the numbers provided.

Please keep in mind that, as with any stock, the quoted price can change over time based mostly on the supply and demand for the shares.



**Interest Income, Deposits Continue Upward Trends in 2nd Quarter**

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A double-digit increase in interest income from second quarter 2015 was just one of the upward trends for second quarter 2016 when West Town Bancorp, Inc. (WTWB), the holding company for West Town Bank & Trust, announced its financial results for the quarter ended June 30, 2016. Another important increase was deposits, which were up by 10.4% from the same time period of 2015.

In the announcement, WTWB reported earned net income of \$712,000, or \$0.49 per diluted common share, a decrease of \$354,000 or 33% as compared to financial results reported for the Bank for the quarter ended June 30, 2015. Return on average total assets was 1.21% and return on average shareholder's equity was 11.17% for the quarter ended June 30, 2016 as compared to 2.02% and 18.85% respectively for the second quarter of 2015. In comparison to the linked quarter ended March 31, 2016, net income decreased \$76,000 or 9.6%. The second quarter 2016 financial results were negatively impacted by one-time non-recurring \$160,000 charges related to the conversion of the Company's core system and \$300,000 in charge-offs related to the strategic decision to sell a portion of its classified assets portfolio.

Select financial highlights for 2Q 2016:

- Increase in net interest income of \$302,000 or 15.3% as compared to second quarter 2015.
- Increase in net loans held for investment of \$11,769,000 or 8.0% as compared June 30, 2015.
- Increase in total deposits of \$16,868,000 or 10.4% as compared to June 30, 2015.
- Total nonperforming assets (NPAs) to total assets decreased from 1.94% at June 30, 2015 and 1.55% at March 31, 2016 to 1.52% at June 30, 2016.
- The Bank's Allowance for Loan and Lease Losses ("ALLL") to loans held for investment stood at 1.22% as of June 30, 2016, an increase of 10 basis points from 1.12% at December 31, 2015 and 5 basis points from 1.17% one year earlier.

The Company earned \$1,500,000 for the six months ended June 30, 2016, a \$515,000 or 25.6% decrease when compared to the \$2,015,000 earned for the same period last year. Return on average total assets was 1.33% and return on average shareholder's equity was 12.16% for the six-month period as compared to 2.09% and 18.93% respectively for the six-month period ending June 30, 2015. 2016 results have been negatively impacted by the one-time \$160,000 conversion costs, the \$300,000 charge-offs taken on the sale of a portion of its classified assets portfolio and the \$139,000 tax adjustment taken in the first quarter.

Eric Bergevin, President and CEO commented, "While our financial performance for the first half of 2016 has been impacted by the one-time non-recurring charges noted above as well as the significant reduction in mortgage originations, we remain optimistic about the second half of 2016. Our SBA/USDA lending continues to hit on all cylinders and we see this as the primary driver to our business model moving forward. We have completed the initial restructure of the mortgage department and beginning in July, we will realize the savings and see the mortgage department, once again, contribute significantly to overall bank earnings. The core system conversion is also complete which has consumed significant time and expense on the operational side of our bank."

**West Town Bank & Trust**

**North Riverside Branch**  
7820 West 26th Street  
North Riverside, IL 60546  
708.447.3330

**Cicero Branch:**  
4852 West 30th Street  
Cicero, IL 60804  
708.652.2000

**Raleigh LPO:**  
8450 Falls of Neuse Rd  
Suite 202  
Raleigh, NC 27615  
919.948.1987

**Albemarle Bank & Trust**  
"A West Town Bank"

**Greenville Branch**  
4051 S. Memorial Blvd  
Suite B  
Winterville, NC 28590  
252.321.2507

**Edenton Branch:**  
216 South Broad Street  
Edenton, NC 27932  
252.482.4400

**Insurance Agency:**  
216 South Broad Street  
Edenton, NC 27932  
252.368.4017

## Financial Highlights — Second Quarter 2016

(Dollars in thousands)

	YTD Ended June 30, 2016	YTD Ended June 30, 2015		YTD Ended June 30, 2016	YTD Ended June 30, 2015
<b>Income Summary</b>	<b>Actual</b>	<b>Actual</b>	<b>Balance Sheet</b>	<b>Actual</b>	<b>Actual</b>
Net Interest Income	\$ 4,442	\$ 3,804	Assets	\$ 242,278	\$ 203,022
Provision for Loan Losses	523	229	Loans Held for Investment	159,362	147,593
Non-Interest Income	8,225	12,491	Loans Held for Sale	35,942	21,242
Non-Interest Expense	9,497	12,709	Earning Assets	195,304	168,835
Earnings Before Taxes	2,647	3,357	Deposits	178,870	162,002
Income Tax Expense	1,147	1,342	FHLB Advances & Other Borrowings	35,000	15,000
<b>Net Income</b>	<b>\$ 1,500</b>	<b>\$ 2,015</b>	Stockholders' Equity	25,762	22,038
<b>Key Performance Ratios</b>			<b>Capital</b>		
Return on Average Assets	1.33%	2.09%	Book Value of Stock	\$18.75	\$16.29
Return on Average Stockholders' Equity	12.16%	18.93%	Tier 1 Leverage Ratio	10.88%	10.93%
Net Interest Margin	4.29%	4.35%			

## Holly White Named Edenton Branch Manager

Having grown up in nearby Hobbsville, Holly White understands the unique financial needs of the residents of Edenton and surrounding communities. That is just one of the many reasons she was recently promoted to Branch Manager for the Albemarle Bank & Trust office in Edenton.

While attending Meredith College and East Carolina University, White started working in the financial services industry and has continued that for the past 10 years. Before she started as the Teller Supervisor in Edenton, she was most recently the Senior Teller and Branch Banker for the local BB&T office.

She said she wants to spend even more time getting to know the customers and potential customers, but feels comfortable doing that.

"First of all, I want to get to know people," White said. "I consider myself a people person and getting to know them will help me do a better job of fulfilling their financial needs. And my background and knowledge from working at three different banks brings a lot to the table."

White said she is pleased with the staff she has in Edenton, but is working on ways that the employees can improve their teamwork. She wants them to feel comfortable with any transaction and providing support to each other.

"I have two tellers who haven't been tellers before or have banking experience," White said. "It's important to get them acclimated to the whole teller line and help them succeed."

White wants her staff to know the Albemarle story and the community focus. She also wants to make sure everyone knows customers names and to make them feel welcome no matter what their reason is for walking into the Edenton office, which is also home to several bank executives and West Town Insurance.

"They should see how invested we are in the community," White said. "It's nice to have that community feel and we try to personalize every transaction that walks through the doors."



Edenton Branch Manager Holly White

## Core Conversion Will Provide Advanced Technology

The Bank underwent a core processing conversion on June 6th, 2016 to continue to live up to our new tagline "customer-focused, technology-driven." With a new technology partner for our core processing and ancillary products, we feel we can offer what any bank, no matter the size, can offer while maintaining our commitment to our customers to provide the superior customer service our customers have come to expect.

We are able to offer technology for those that may not want or need to come into our branches with our new and improved online services, as well as providing that face to face interaction with our customers that still enjoy coming into our branches and seeing those familiar faces that still call you by name! With a more robust core processing system we can provide an experience that is superior to banks our size while competing at the same level with the larger banks that can't also offer the community banking experience that West Town still provides.



This change in our core processing will allow West Town to continue to compete and grow, to add value for our shareholders, improve our overall efficiency ratios and improve the customer experience both in our branches and online. We are looking forward to continuing our growth and looking to introduce new products to our suite of products now offered. We will also be continually looking for any improvements that we can make overall as we work with our new, advanced core processor.

### Second Quarter Financials from Page 1

#### Strong Loan and Deposit Growth

At June 30, 2016, the Company's total assets were \$242,778,000, loans held for sale at \$35,942,000, loans held for investment at \$159,362,000, total deposits were \$178,870,000 and total shareholder's equity was \$25,762,000. Compared with June 30, 2015, total assets increased \$39,256,000 or 19.3%, loans held for sale increased \$14,700,000 or 69.2%, loans held for investment increased \$11,769,000 or 8.0%, total deposits increased \$16,868,000 or 10.4% and total shareholder's equity increased \$3,724,000 or 16.9%.

Total loan originations for the Bank across all sectors for the three months ended June 30, 2016 totaled \$89,912,000, a decrease of 25% as compared to the same prior year three months of \$120,253,000. The primary driver to the origination decrease was due to a 43% reduction in mortgage originations. The Bank's loans held for investment portfolio grew by 8.0% due mainly to the SBA/USDA loans retained in the portfolio.

The Bank has made great strides in changing the mix of its total deposit portfolio during the last 12 months. Total noninterest bearing deposits have increased \$7,025,000 or 83.5%, total checking deposits have increased \$20,631,000 or 650.6%, total money market deposits have increased \$3,137,000 or 16.5%, while total CDs have decreased \$14,327,000 or 11.9% year-over-year.

CEO Bergevin commented, "We are purposely running off our higher-cost CDs at maturity and supplementing the funding with overnight FHLB advances while we continue our drive to increase retail transactional deposits through our branches. However, we may take advantage of the recent reduction in interest rates to lock in longer-term funding to fund our increased governmental lending pipeline using brokered or other wholesale funding options in the second half of 2016."

#### Capital Levels

West Town Bank & Trust continued to exceed "well capitalized" requirements for each of the four primary capital levels monitored by state and federal regulators:

	"Well Capitalized" Minimums	6/30/2016	12/31/2015	6/30/2015
Common equity tier 1 capital	6.50%	13.61%	13.59%	13.81%
Tier 1 risk based capital ratio	8.00%	13.61%	13.59%	13.81%
Total risk based capital ratio	10.00%	14.66%	14.63%	15.06%
Tier 1 leverage ratio	5.00%	10.88%	11.24%	10.93%