



West Town Bancorp, Inc. Announces Fourth Quarter 2017 Financial Results

Company Release 02/12/2018 04:30 PM

Contact: Eric Bergevin, 252-482-4400

RALEIGH, NC, February 12, 2018 -- West Town Bancorp, Inc. (OTC PINK: WTWB) (the “Company” or “West Town”), the multi-bank holding company for West Town Bank & Trust and Sound Bank, reported today fourth quarter net earnings of \$552,000 or \$0.20 per diluted share, compared to a net loss of \$537,000, or (\$0.38) per share for the fourth quarter of 2016. The fourth quarter of 2017 included a \$548,000 revaluation of the Company’s net deferred tax liability that was required in light of the December 2017 enactment of the Tax Cuts and Jobs Act. The revaluation lowered the Company’s tax expenses for 2017. Net earnings for the year ended December 31, 2017, totaled \$2,892,000, or \$1.54 per diluted share, an increase of \$1,092,000, or 60.7% as compared to \$1,800,000 and \$1.24 per diluted share for the year ended December 31, 2016. Return on average assets was 0.83%, and return on average shareholders’ equity was 7.27% as compared to 0.74% and 6.99% respectively for fiscal year 2016.

Eric Bergevin, President and CEO commented, “2017 was a monumental year for West Town Bancorp as we made a strategic investment in Windsor Advantage LLC (“Windsor”), which contributed significant noninterest income to the Company, completed a highly successful capital raise with gross proceeds of \$17.5 million, and consummated the closing and system conversion of the Sound Banking Company acquisition. Our governmental guaranteed lending division recorded \$359 million in loan originations during the year, with \$90 million of that production occurring in the fourth quarter of 2017. As anticipated, net income was impacted in the fourth quarter 2017 by two factors: 1) new tax legislation and 2) our “originate and hold” strategy for government guaranteed loans to leverage excess capital that was embarked upon in September 2017. This “originate-and-hold” strategy significantly contributed to our \$56.2 million asset growth in the fourth quarter of 2017 and enhanced interest income. We expect to resume selling the guaranteed portion of these loans into the secondary market during the first quarter of 2018 on a systematic “first in-first out” basis to optimize the gain on sale premium and manage liquidity and capital levels.”

Fourth quarter 2017 highlights:

- Asset growth of \$56.2 million, compared to the linked quarter ended September 30, 2017.
- Return on average assets of 0.44%, compared to (0.80%) for fourth quarter of 2016.
- Return on average common shareholders’ equity of 3.62%, compared to (7.82%) for the fourth quarter of 2016.
- Return on average tangible common shareholders’ equity of 4.31%, compared to (7.82%) for fourth quarter of 2016.
- West Town Bank & Trust earned net income totaling \$560,000 for the fourth quarter of 2017, resulting in a return on average assets of 0.76% and a return on average common shareholders’ equity of 6.29%. Included in net income is a revaluation of West Town Bank & Trust’s deferred tax liability totaling \$605,000, which lowered West Town Bank & Trust’s tax expense.
- Sound Bank recorded a net loss of \$21,000 for the fourth quarter of 2017, resulting in a return on average assets of (0.04%) and a return on average common equity of (0.31%). Included in the net loss is a revaluation of Sound Bank’s deferred tax asset totaling \$115,000, which resulted in a charge to earnings.

Financial Performance (Consolidated)
(Includes Sound Bank as of 9/1/2017)

In thousands, except per share data	Three Months Ended					Twelve Months Ended	
	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16	12/31/17	12/31/16
Interest income							
Interest and fees on loans	\$ 6,062	\$ 4,223	\$ 3,288	\$ 3,373	\$ 3,311	\$ 16,946	\$ 11,895
Investment securities & deposits	155	142	78	73	55	448	209
Total interest income	6,217	4,365	3,366	3,446	3,366	17,394	12,104
Interest expense							
Interest on deposits	792	712	684	677	674	2,865	2,353
Interest on borrowed funds	191	102	92	56	38	441	117
Total interest expense	983	814	776	733	712	3,306	2,470
Net interest income	5,234	3,551	2,590	2,713	2,654	14,088	9,634
Provision for loan losses	1,129	491	281	276	570	2,177	1,319
Noninterest income							
Government lending revenue	192	1,537	730	1,636	2,111	4,095	7,129
Mortgage revenue	515	699	1,938	1,555	1,809	4,707	8,539
Service charge revenue	203	89	15	17	21	324	105
Bank owned life insurance income	60	42	37	31	32	170	139
Income from Windsor investment	203	519	573	205	0	1,500	0
Gain (loss) on sale of securities	0	(7)	0	0	2	(7)	0
Other noninterest income	373	134	119	112	118	738	658
Total noninterest income	1,546	3,013	3,412	3,556	4,093	11,527	16,570
Noninterest expense							
Compensation	3,248	2,481	2,812	2,801	3,525	11,342	12,291
Occupancy and equipment	434	303	314	366	331	1,417	1,336
Loan, foreclosure and OREO	373	287	408	19	275	1,087	1,597
Professional services	313	155	404	258	1,606	1,130	2,444
Data processing	316	247	143	148	303	854	915
Communication	188	112	85	84	106	469	372
Advertising	109	91	77	92	185	369	666
Transaction-related expenses	60	231	125	172	176	588	298
Other operating expense	856	547	438	482	488	2,323	1,735
Total noninterest expense	5,897	4,454	4,806	4,422	6,995	19,579	21,654
Income before income taxes	(246)	1,619	915	1,571	(818)	3,859	3,231
Income tax expense	(798)	672	401	692	(281)	967	1,431
Net income (loss)	\$ 552	\$ 947	\$ 514	\$ 879	\$ (537)	\$ 2,892	\$ 1,800
Basic earnings (loss) per common share ^{(1) (3)}	\$ 0.21	\$ 0.59	\$ 0.35	\$ 0.60	\$ (0.39)	\$ 1.60	\$ 1.31
Diluted earnings (loss) per common share ^{(1) (3)}	\$ 0.20	\$ 0.56	\$ 0.34	\$ 0.57	\$ (0.38)	\$ 1.54	\$ 1.24
Weighted average common shares outstanding ⁽¹⁾	2,649	1,626	1,467	1,465	1,380	1,804	1,375
Diluted average common shares outstanding ⁽¹⁾	2,755	1,932	1,534	1,531	1,445	1,881	1,450

Performance Ratios

	Three Months Ended					Twelve Months Ended	
	12/31/17	9/30/17 ⁽¹⁾	6/30/17 ⁽²⁾	3/31/17 ⁽²⁾	12/31/16	12/31/17	12/31/16
PER COMMON SHARE							
Basic earnings (loss) per common share	\$ 0.21	\$ 0.59	\$ 0.35	\$ 0.60	\$ (0.39)	\$ 1.60	\$ 1.31
Diluted earnings (loss) per common share	\$ 0.20	\$ 0.56	\$ 0.34	\$ 0.57	\$ (0.38)	\$ 1.54	\$ 1.24
Book value per common share	\$ 22.21	\$ 22.03	\$ 20.62	\$ 20.25	\$ 19.11	\$ 22.21	\$ 21.61
Tangible book value per common share	\$ 19.07	\$ 18.69	\$ 20.62	\$ 20.25	\$ 19.11	\$ 19.07	\$ 19.11
FINANCIAL RATIOS (ANNUALIZED)							
Return on average assets	0.44%	1.09%	0.75%	1.31%	(0.80%)	0.83%	0.74%
Return on average common shareholders' equity	3.62%	9.62%	6.78%	12.40%	(7.82%)	7.27%	6.99%
Return on tangible common equity	4.31%	9.99%	6.96%	12.57%	(7.82%)	10.58%	9.35%
Net interest margin (FTE)	4.66%	4.58%	4.27%	4.46%	4.33%	6.05%	5.87%
Efficiency ratio	87.0%	67.8%	80.1%	70.5%	103.7%	76.4%	82.6%

⁽¹⁾ Calculation of book value per common share and tangible book value per common share for September 30, 2017, includes the 698,580 common shares that were issued in October 2017 for the Sound Bank acquisition and the convertible preferred equity as if converted to 329,130 shares of common stock. **These incremental shares are not included in EPS calculations for the quarter ended September 30, 2017.**

⁽²⁾ Calculation of book value per common share and tangible book value per common share for June 30, 2017 and March 31, 2017 include the convertible preferred equity outstanding as of such dates as if converted to 21,739 shares of common stock. **These incremental shares are not included in the quarter-end EPS calculations as of such dates.**

⁽³⁾ Sum of quarterly EPS may not total YTD EPS due to the 698,580 common shares issued in October 2017 as part of the Sound Bank acquisition and the 329,130 common shares issued December 1, 2017, due to the conversion of the convertible preferred stock into common stock at the preferred stock's conversion ratio

Noninterest Income and Expense Data (Consolidated) (Includes Sound Bank as of 9/1/2017)

Dollars in thousands	Three Months Ended					Twelve Months Ended	
	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16	Unaudited 12/31/17	Audited 12/31/16
Noninterest income							
Government lending revenue	\$ 192	\$ 1,537	\$ 730	\$ 1,636	\$ 2,111	\$ 4,095	\$ 7,129
Mortgage revenue	515	699	1,938	1,555	1,809	4,707	8,539
Service charge revenue	203	89	15	17	21	324	105
Bank owned life insurance income	60	42	37	31	32	170	139
Income from Windsor investment	203	519	573	205	0	1,500	0
Gain (loss) on sale of securities	0	(7)	0	0	2	(7)	0
Other noninterest income	373	134	119	112	118	738	658
Total noninterest income	\$ 1,546	\$ 3,013	\$ 3,412	\$ 3,556	\$ 4,093	\$ 11,527	\$ 16,570
Noninterest expense							
Compensation	\$ 3,248	\$ 2,481	\$ 2,812	\$ 2,801	\$ 3,525	\$ 11,342	\$ 12,291
Occupancy and equipment	434	303	314	366	331	1,417	1,336
Loan, foreclosure and OREO	373	287	408	19	275	1,087	1,597
Professional services	313	155	404	258	1,606	1,130	2,444
Data processing	316	247	143	148	303	854	915
Communication	188	112	85	84	106	469	372
Advertising	109	91	77	92	185	369	666
Transaction-related expenses	60	231	125	172	176	588	298
Other operating expense	856	547	438	482	488	2,323	1,735
Total noninterest expense	\$ 5,897	\$ 4,454	\$ 4,806	\$ 4,422	\$ 6,995	\$ 19,579	\$ 21,654

Total noninterest income for the fourth quarter of 2017 was \$1,547,000, a decrease of \$1,466,000 or 48.6% from \$3,013,000 for the third quarter of 2017. The decrease in noninterest income was primarily attributable to the governmental lending "originate and hold" strategy implemented in the fourth quarter of 2017. Other notable changes in the noninterest category, as compared to the linked quarter are an increase in service charge revenue

derived from having a full three months included for Sound Bank for the fourth quarter of 2017, as compared to only one month of Sound Bank activity for the third quarter of 2017; a reduction in income from Windsor resulting primarily from year-end tax entries; and an increase in other noninterest income resulting from a gain recorded on the sale of fixed assets at West Town Bank & Trust.

In comparison to the prior year, noninterest income totaled \$11,526,000, a decrease of \$5,043,000, or 30.4% as compared to 2016. The reduction was driven by a \$3,832,000, or 44.8% decrease in mortgage revenue and a \$1,736,000, or 29.7% decrease in governmental lending revenue. Mortgage revenue is down year over year due to the Company's shift away from a national mortgage operation that was primarily dependent upon refinance activity, while the reduction in governmental lending revenue is due to the "originate-and-hold" strategy implemented in the fourth quarter of 2017. These reductions were offset by increases in service charge revenue and BOLI income due to the Sound Bank acquisition and the income earned from the Company's investment in Windsor.

Total noninterest expense was \$5,898,000 for the fourth quarter of 2017, an increase of \$1,444,000 from \$4,454,000 for the linked quarter ended September 30, 2017. The increases are primarily related to having a full three-months of activity for Sound Bank for the fourth quarter of 2017, as compared to only one-month of Sound Bank activity included in the Company's consolidated results for the linked quarter.

Total noninterest expense for the year was \$19,580,000, a decrease of \$2,074,000, or 9.5% as compared to the \$21,654,000 reported for 2016. Compensation is down year over year despite the Sound Bank acquisition, due primarily to the change in mortgage strategy, and professional fees are down significantly year over year due to the \$1.4 million litigation settlement that was recorded during the fourth quarter of 2016. The litigation settlement reserve that was finalized in the fourth quarter of 2017 for a total of \$1,243,000. The \$297,000, or 44.5% reduction in advertising expense for 2017, as compared to 2016, is also related to the change in mortgage strategy. Transaction-related expenses totaled \$588,000, an increase of \$290,000, or 97.3% as compared to the \$298,000 incurred in fiscal year 2016.

Selected Consolidated Balance Sheet Data

Dollars in thousands

	Ending Balance				
	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16
Portfolio loans:					
Originated loans	\$ 242,744	\$ 206,133	\$ 200,863	\$ 175,862	\$ 170,112
Acquired loans, net	135,808	144,994	0	0	0
Allowance for loan losses	(3,427)	(2,841)	(2,580)	(2,537)	(2,318)
Portfolio loans, net	375,125	348,286	198,283	173,325	167,794
Loans held for sale	66,706	21,023	30,166	45,266	58,923
Investment securities and deposits	48,080	64,970	25,953	26,807	28,399
Total interest-earning assets	489,911	433,896	254,402	245,398	255,116
Loan servicing rights	5,237	5,568	5,721	5,624	5,569
Goodwill	7,016	7,016	0	0	0
Other intangible assets, net	2,272	2,450	0	0	0
Total assets	544,134	487,904	283,628	275,343	280,158
Deposits					
Noninterest bearing deposits	\$ 84,178	\$ 70,984	\$ 24,141	\$ 22,926	\$ 20,820
Interest-bearing deposits	308,556	317,714	201,072	201,179	195,999
Total deposits	392,734	388,698	225,213	224,105	216,819
Borrowings	78,903	19,309	22,599	16,000	30,000
Total interest-bearing liabilities	471,637	408,007	247,812	240,105	246,819
Shareholders' equity:					
Preferred equity	\$ 0	\$ 7,570	\$ 500	\$ 500	\$ 0
Common equity	46,503	38,688	12,421	12,362	12,359
Retained earnings	18,284	17,895	16,949	16,434	15,556
Accumulated other comprehensive income	(4)	28	50	42	40

The performing acquired loan pool decreased \$9,241,000 during the fourth quarter of 2017. The reduction is due to \$6,629,000 in principal payments and \$2,612,000 in renewals. The PCI loan pool decreased \$271,000 during the fourth quarter due to \$168,000 in principal payments and \$103,000 in net charge-offs.

Asset Quality

The Company's nonperforming assets to total assets ratio decreased 33 basis points during the fourth quarter of 2017 from 1.68% at September 30, 2017, to 1.35% at December 31, 2017. Excluding acquired loans, nonperforming assets to total assets declined 78 basis points from 3.31% at September 30, 2017, to 2.53% at December 31, 2017. The reduction is related to the net charge-offs during the quarter and a decline in nonaccrual balances. In comparison to the prior year, the Company's nonperforming assets to total assets ratio decreased 19 basis points from 1.54% at December 31, 2016, to 1.35% at December 31, 2017.

The Company recorded a \$1,129,000 provision for loan losses during the fourth quarter of 2017, as compared to a provision of \$491,000 in the third quarter 2017 and \$570,000 in fourth quarter 2016. For the year, the Company recorded a \$2,177,000 provision for loan losses, an increase of \$858,000 from the \$1,319,000 recorded in 2016. The increased provision expense is reflective of the organic growth in portfolio loans (primarily government guaranteed lending) and the \$1,069,000 in net charge-offs recorded during 2017. Excluding acquired loans, the ratio of allowance for loan and lease losses as a percentage of total portfolio loans increased from 1.36% at December 31, 2016, to 1.41% at December 31, 2017.

Dollars in thousands

	Ending Balance				
	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16
Nonaccrual loans – non-acquired	\$ 6,218	\$ 6,803	\$ 6,967	\$ 3,717	\$ 3,447
Nonaccrual loans – acquired	413	0	0	0	0
OREO – non-acquired	0	0	270	270	873
OREO – acquired	0	0	0	0	0
90 days past due – non-acquired	0	0	0	0	0
90 days past due – acquired	697	1,396	0	0	0
Total nonperforming assets	7,328	8,199	7,237	3,987	4,320
Total nonperforming assets – non-acquired	6,218	6,803	7,237	3,986	4,320
Net charge-offs, QTD	\$ 543	\$ 230	\$ 238	\$ 58	\$ 420
Annualized net charge-offs to total average portfolio loans	0.54%	0.34%	0.43%	0.10%	0.74%
Ratio of total nonperforming assets to total assets	1.35%	1.68%	2.55%	1.45%	1.54%
Ratio of total nonperforming loans to total portfolio loans	1.95%	2.35%	3.51%	2.14%	2.05%
Ratio of total allowance for loan losses to total portfolio loans	0.91%	0.81%	1.28%	1.44%	1.36%
Excluding acquired (Non-GAAP)					
Ratio of nonperforming assets to loans and OREO	2.56%	3.30%	3.60%	2.26%	2.53%
Ratio of nonperforming loans to loans	2.56%	3.30%	3.47%	2.11%	2.03%
Ratio of allowance for loan losses to loans	1.41%	1.38%	1.28%	1.44%	1.36%

Net Interest Income and Margin
(Includes Sound Bank as of 9/1/2017)

Dollars in thousands

	Three Months Ended					Twelve Months Ended	
	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16	12/31/17	12/31/16
Quarterly average balances:							
Loans	\$ 400,324	\$ 273,225	\$ 222,099	\$ 226,218	\$ 226,624	\$ 280,924	\$ 201,199
Investment securities	7,346	6,944	4,778	4,954	5,178	6,014	5,629
Interest-bearing balances and other	37,640	27,171	16,482	15,384	11,627	24,238	12,628
Total interest-earning assets	445,310	307,340	243,359	246,556	243,429	311,176	219,456
Noninterest deposits	75,707	40,028	21,089	22,576	19,339	39,996	14,928
Interest-bearing liabilities:							
Interest bearing deposits	312,155	239,475	201,027	199,399	191,852	238,327	171,198
Borrowed funds	31,574	13,748	15,680	16,249	23,784	19,340	26,723
Total interest-bearing liabilities	343,729	253,223	216,707	215,648	215,636	257,667	197,921
Total assets	495,958	343,328	274,137	272,015	266,066	347,781	241,753
Common shareholders' equity	60,432	40,848	29,629	28,334	27,264	39,746	25,731
Tangible common equity	50,795	37,617	29,629	28,334	27,264	36,503	25,731

Dollars in thousands

	Three Months Ended					Twelve Months Ended	
	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16	12/31/17	12/31/16
Interest Income/Expense:							
Loans	\$ 6,061	\$ 4,223	\$ 3,288	\$ 3,373	\$ 3,311	\$ 16,945	\$ 11,895
Investment securities, tax	39	47	29	29	28	144	101
Interest-bearing balances and other	117	95	49	44	27	304	108
Total interest income	6,217	4,365	3,366	3,446	3,366	17,393	12,104
Deposits	791	712	684	677	674	2,865	2,353
Borrowings	192	102	92	56	38	441	117
Total interest expense	983	814	776	733	712	3,306	2,470
Net interest income	\$ 5,234	\$ 3,551	\$ 2,590	\$ 2,713	\$ 2,654	\$ 14,087	\$ 9,634

Average Yields and Costs:

Loans	6.01%	6.13%	5.94%	6.05%	5.80%	8.06%	7.90%
Investment securities	2.12%	2.71%	2.43%	2.34%	2.16%	3.19%	2.39%
Interest-bearing balances and other	1.23%	1.39%	1.19%	1.16%	0.92%	1.68%	1.14%
Total interest-earning assets	5.54%	5.63%	5.55%	5.67%	5.49%	7.47%	7.37%
Total interest-bearing deposits	1.01%	1.18%	1.36%	1.38%	1.39%	1.61%	1.84%
Borrowed funds	2.41%	2.94%	2.35%	1.40%	0.63%	3.05%	0.59%
Total interest-bearing liabilities	1.13%	1.28%	1.44%	1.38%	1.31%	1.72%	1.67%
Cost of funds	0.93%	1.10%	1.31%	1.25%	1.20%	1.48%	1.55%
Net interest margin	4.66%	4.58%	4.27%	4.46%	4.33%	6.05%	5.87%

Net interest income for the fourth quarter of 2017 was \$5,234,000, an increase from \$3,551,000 for the third quarter of 2017.

- West Town Bank & Trust contributed \$3,453,000 for the fourth quarter of 2017, as compared to \$2,981,000 for the third quarter of 2017, an increase of \$472,000 or 15.8%.
- Sound Bank contributed \$1,896,000 for the fourth quarter of 2017, as compared to \$692,000 for the third quarter of 2017, an increase of \$1,204,000 or 174.0%. The third quarter of 2017 only reflected one month of activity for Sound Bank.
- Interest expense at the holding company totaled \$115,000 for the fourth quarter of 2017, as compared to \$85,000 for the third quarter of 2017, due to the increased \$4 million in borrowings taken down August 31, 2017, in conjunction with closing the Sound Bank acquisition.

Net interest margin was 4.66% for the fourth quarter of 2017, an 8 basis point increase as compared to 4.58% for the third quarter of 2017.

- West Town Bank & Trust net interest margin was 5.03% for the fourth quarter 2017, as compared to 4.71% for the third quarter of 2017. The driver for the increase was the growth in the average loan balances of \$24,467,000, or 11%.

- Sound Bank net interest margin was 4.35% for the fourth quarter 2017, as compared to 4.46% for the third quarter. Excluding accretion, the Sound Bank net interest margin was 3.82% for the fourth quarter 2017, as compared to 3.67% for the third quarter of 2017.
- On a consolidated basis, the Company's cost of funds declined 17 basis points as compared to the third quarter of 2017. This is primarily due to a full three-month's activity from Sound Bank in the fourth quarter. Sound Bank's cost of funds was 0.30%, as compared to West Town Bank & Trust cost of funds of 1.18% for the fourth quarter of 2017.

Average interest-earning assets for the fourth quarter of 2017 were \$445,310,000, an increase of \$137,970,000, or 44.9% as compared to \$307,340,000 for the third quarter of 2017. The increase was primarily due to the Sound Banking Company acquisition as well as the increased loan production at West Town Bank & Trust coupled with its "originate-and-hold" strategy implemented in the fourth quarter of 2017. Likewise, average interest-bearing liabilities were \$343,729,000, an increase of \$90,506,000, or 35.7%, as compared to the \$253,223,000 for the third quarter of 2017, due primarily to the Sound Banking Company acquisition.

About West Town Bancorp, Inc.

West Town Bancorp, Inc. is the multi-bank holding company for West Town Bank & Trust, a North Riverside, IL based state-chartered bank and Sound Bank, a Morehead City, NC based state-chartered bank. West Town Bank & Trust provides banking services through its offices in Illinois and North Carolina, while Sound Bank provides banking services through its offices in North Carolina. Primary deposit products are checking, savings, and time certificate accounts, and primary lending products are residential mortgage, commercial, and installment loans. Additionally, both banks engage in mortgage banking activities and, as such, originate and sell one-to-four family residential mortgage loans in multiple states. The Company is registered with, and supervised by, the Federal Reserve. West Town Bank & Trust's primary regulators are the Illinois Department of Financial and Professional Regulation and the FDIC. Sound Bank's primary regulators are the North Carolina Commissioner of Banks and the FDIC.

For more information, visit www.westtownbank.com.

Important Note Regarding Forward-Looking Statements

This release contains certain forward-looking statements with respect to the financial condition, results of operations, and business of the Company. These forward-looking statements involve risks and uncertainties and are based on the beliefs and assumptions of the management of the Company and on the information available to management at the time that these disclosures were prepared. These statements can be identified by the use of words like "expect," "anticipate," "estimate," and "believe," variations of these words, and other similar expressions. Readers should not place undue reliance on forward-looking statements as a number of important factors could cause actual results to differ materially from those in the forward-looking statements. Factors that could cause a difference include, among others: changes in the national and local economies or market conditions; changes in interest rates, deposit flows, loan demand, and asset quality, including real estate and other collateral values; recent changes in tax law, including the impact of such changes on our tax assets and liabilities; changes in banking regulations and accounting principles, policies, or guidelines; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with the Sound Banking Company acquisition; and the impact of competition from traditional or new sources. These, and other factors that may emerge, could cause decisions and actual results to differ materially from current expectations. The Company assumes no obligation to revise, update, or clarify forward-looking statements to reflect events or conditions after the date of this release.