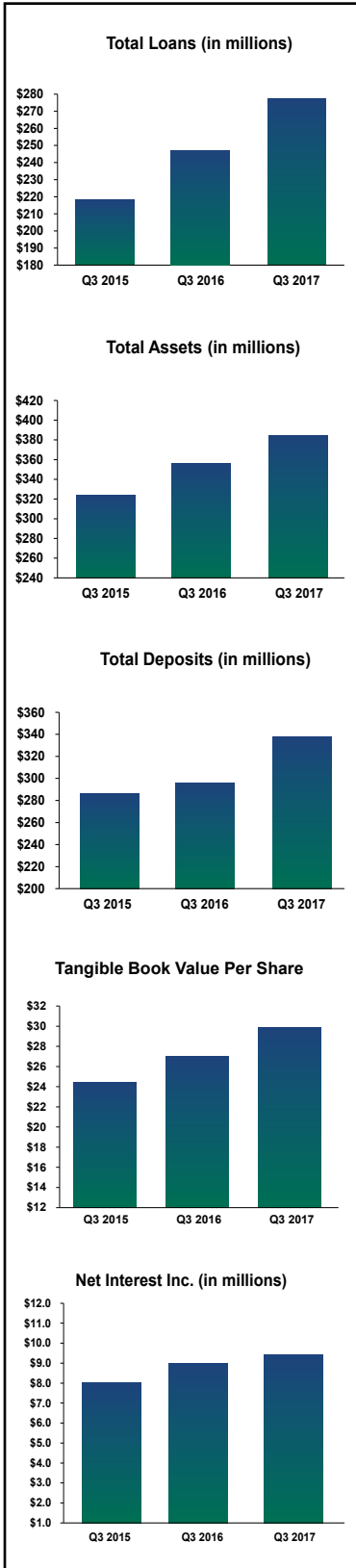




# Financial *focus*

Third Quarter  
2017 Financial Report



## Message from President Dirk Meminger:


The strength of our third quarter performance reflects our overall continued growth. One of our key drivers is the continued growth of our business and ag loan programs. Sauk Valley Bank continues its success in partnering with local businesses and farmers. The loan portfolio totaled \$277.6 million at the end of September which is \$30.5 million more than this time last year. Commercial lending grew \$22.6 million or 17.7%, and Agriculture lending increased \$11.4 million or 13.7%. The projected outlook shows sustained growth for the remainder of the year. Deposits experienced an increase of \$41.9 million or 14.2% more than this time last year, due in part from some of our larger relationships, and successful retail initiatives. Net income for the first nine months was \$2.27 million, an increase of almost 9% from last year's \$2.08 million. Our year-to-date earnings represent \$2.53 per share, an increase of 9.1% from this time last year.

We have built Sauk Valley Bank on the foundation that when we put our customer first, we can do more. This approach drives customized solutions, personalized service and products that are more meaningful to our customers. Building on this premise of high-touch service, we will be introducing a new role within our organization. Innovative Client Solutions (ICS) will develop meaningful products and services for our relationships, and will be led by Pam Fluck. ICS has been constructed as a differentiated banking model with coordinated solutions driven by the needs of the customer.

Innovative Client Solutions will also leverage added digital technology to provide solutions to our customers to respond based on how they prefer to bank. These enhancements will also be applicable to our customer base who wishes to bank in a more digital environment. Our ongoing concentration to build out technology is continuously evolving-with the goal to create an enhanced and safer experience for our customer.

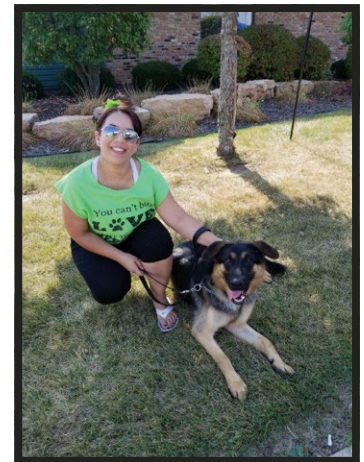
Last year at this time, we discussed the importance of planning and preparing resources devoted to cybersecurity, and given the current climate, the value of this investment continues to be just as important. We remain diligent with the priority placed on ensuring that our customers' information is safeguarded. We also recognize that the landscape is ever-changing, and we need to always be cognizant of security and continue to expand our technology to respond appropriately.

Thank you for your continued support of Sauk Valley Bank.

  
Dirk Meminger, President & CEO



Our 1st adoption event was held on 09/23/17. We partnered with our local animal shelters to help pets find their forever home!



You can't buy  
**LOVE**  
BUT YOU CAN  
**RESCUE IT**  
Sauk Valley Bank  
Adoption Event



Sauk Valley Bank and our employees are proud to support our local animal shelters and enjoy volunteering to help make a difference in our communities.