



# Financial *focus*

First Quarter  
2017 Financial Report

## Message from President Dirk Meminger:

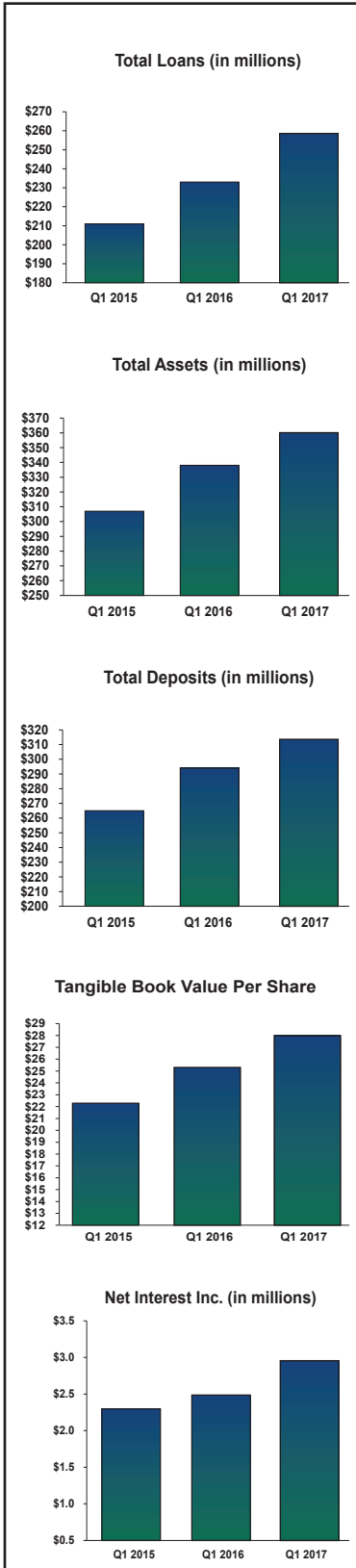
Our results in the first quarter of 2017 reflect our consistent focus on building customer relationships. We continue to have strong momentum driving our loan growth. Total loans grew to \$258.5 million, up 10.9% or \$25.4 million from a year ago, with Commercial lending experiencing almost 13% growth, and Ag lending experiencing 10.5%. Our net income for the first quarter was \$549,000, versus \$564,000 a year ago. Net income was impacted by higher compensation expense, and data processing, both of which are expected to continue at a lower pace throughout the remainder of 2017. Our balance sheet continues to see growth in every facet. Total assets were \$360.1 million at March 31, 2017, compared to \$338 million at March 31, 2016. Total deposits were \$313.5 at March 31, 2017, increasing almost 7% from March 31, 2016. While our growth was strong this quarter, we expect to experience more moderate growth through the remainder of 2017.

Three years ago we launched our mobile banking solution knowing we needed a robust application to answer the growing trend of easier accessibility. We all know time passes quickly, especially when a product such as this has served our customers well. However, when it comes to the products and services we offer, we do not remain complacent, but rather focus on continuing to improve what we offer. That translates through more than just the reevaluation of mobile banking. One of our initiatives for 2017 is investing and upgrading our suite of solutions to ensure we are delighting our customers with our product delivery. Some of the enhancements our customers can expect this year are; upgraded online banking, upgraded bill pay, and enhanced capabilities within our online channel. Our enhancements also open the door to evaluate and create more efficiency within our organization.

While change is constant, one key aspect of our organization that will not change is the manner with which we deliver service. Customer focus will always remain at the forefront of what we do, and how we do it.

We look forward to sharing our progress and success as we move through 2017.

  
Dirk Meminger, President & CEO





Sauk Valley Bank welcomes  
**JOHN BEAN**  
Chief Lending Officer



John Bean joined Sauk Valley Bank as the Chief Lending Officer in January. John has been in the financial industry for over 30 years, with experience in all facets of lending with the primary focus towards C & I, CRE and Agribusiness. In his role with the bank, John coordinates managing his team, and all of the lending activities. He does this while ensuring complete compliance with state and federal regulations. He also develops strategies to streamline the lending operations, and look for ways to ensure our product offerings are appropriate for the needs in all of our communities.

John graduated with his Bachelors of Science Degree in Finance from the University of Nevada, Las Vegas, and he received his MBA from University of Illinois at Urbana-Champaign. In prior roles, John has served as the Chief Executive Officer, EVP-Senior Commercial Manager, and President and CEO for financial institutions.

When he is not working with his lending team, John enjoys spending time with his family, traveling, playing golf, and cooking.