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Town & Country Bank posts record annual profits

ST. GEORGE, UT—Locally-owned Town & Country Bank announced net income of \$1,411,808, or \$1.13 per share, for the year ended December 31, 2014. Annual earnings were the highest ever for the almost seven year-old bank, exceeding 2012's record by nearly \$487,000. Fourth quarter net income totaled \$369,586, or \$0.29 per share, representing a 9% increase over the same period last year.

The bank's return on assets (ROA) for the full year was 1.67%, and return on equity (ROE) was 15.26%. Performance in these categories will likely keep Town & Country among the very best performing banks in the U.S. While full-year comparative data is not yet available, the bank has consistently ranked in either the 95th or 96th percentile of all banks in both ROA and ROE through each quarter of 2014, according to Spotlight Financial, Inc.'s "Bank Trends".

Assets at year-end stood at \$84,967,988, representing a year-over-year increase of 5%. Net loans jumped from a year earlier by 15% to \$63,597,522, and deposits climbed by 4% to \$74,511,344.

Town & Country Bank CEO Bruce Jensen said, "We're pleased with last year's results, and with the direction of our institution. Our local economy has improved, we've employed a savvy revenue model and our unique approach to customer service continues to win us business. Importantly, our team members have exceptional entrepreneurial drive and self-discipline, and our corporate culture is success-based. We're also pleased that in mid-February, the bank will fall out of regulatory 'de novo' status, which should permit us to grow assets at a faster rate."

Net interest income at Town & Country improved from 2013 by 49% to \$3,453,428, while non-interest income soared by 215% to \$1,669,661—the majority being derived from the bank's guaranteed loan/sale stratagem. Application of a deferred tax asset also aided earnings by \$279,895. Non-interest expense amounted to \$3,990,126 in 2014 as compared with \$3,458,288 in 2013, with the 15% increase reflecting, in part, the bank's income-boosting strategy to open a loan production office and effect other staff additions.

As of December 31, 2014, loan loss reserves were \$838,000, compared to \$1,054,000 for year-end 2013. Loans over 90 days delinquent and on non-accrual status totaled \$185,249, or 0.29% of outstanding loans, compared to \$782,038, or 1.38% on December

31, 2013. Other real estate owned at year-end 2014 fell to \$45,050 from \$49,986 a year earlier, and other repossessed assets dropped to \$0 from \$743,855 last year.

Town & Country Bank is the only locally-owned and headquartered bank in Washington County, and has established an industry reputation for its inventive banking platform.

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