News Release
For Release Immediately
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TOWN CENTER BANK REPORTS JUNE 30, 2015 RESULTS

New Lenox, IL, August 5, 2015 – Town Center Bank (the "Bank") (TCNB), announced its financial results for the three and six months ended June 30, 2015. The Bank reported net income of $16,000 and $165,000 for the three months ended June 30, 2015 and 2014, respectively. The decline in operating results for the quarter is due to less interest income from securities available-for-sale and less gains from the sale of securities available-for-sale as well as an increase in professional fees for consulting services offset by an increase in mortgage banking income and less other real estate owned expenses. The Bank reported a net loss of $19,000 and net income of $175,000 for the six months ended June 30, 2015 and 2014, respectively. The decline in operating results is primarily due to less gains from the sale of securities available-for-sale as well as an increase in professional fees for consulting services offset by an increase in mortgage banking income and less other real estate owned expenses.

Other significant items to note include:

Net interest income for the three months ended June 30, 2015 and 2014 was $0.8 million, respectively. Net interest income for the six months ended June 30, 2015 and 2014 was $1.5 million and $1.6 million, respectively. The slight decline in net interest income for 2015 is from the increase in interest expense on deposits as well as the interest expense on the Federal Home Loan Bank (FHLB) advance.

There was a $16,000 negative provision for loan loss for the three months ended June 30, 2014 due to there being a balance in excess of the amount required. There was a $33,000 provision for loan loss for the six months ended June 30, 2014. There was a corresponding other real estate valuation provision of the same amount; therefore, the adjustment did not impact the income statement for the three and six months ended June 30, 2014, respectively. There was no reported negative provision for loan loss during 2015.

Non-interest income decreased to $133,000 for the three months ended June 30, 2015 as compared to $193,000 for the three months ended June 30, 2014 due to less gains from the sale of securities available-for-sale offset by an increase in mortgage banking income. Non-interest income decreased to $216,000 for the six months ended June 30, 2015, compared to $239,000 for the six months ended June 30, 2014, due to less gains from the sale of securities available-for-sale offset by an increase in mortgage banking income.

Non-interest expense for the three months ended June 30, 2015 and 2014 was $0.9 million and $0.8 million, respectively. The Bank has incurred more professional fees period over period as a result of consulting services. Non-interest expense for the six months ended June 30, 2015 and 2014 was $1.8 million and $1.7 million, respectively. The increase in non-interest expense is due to more professional fees as a result of consulting services offset by a decrease in other real estate expenses. The other real estate valuation provision in 2014 was due to a decline in real estate values but offset with a negative loan loss provision of the same amount due to an excess of the required reserve balance.

Total Shareholder's Equity at June 30, 2015 was $9.3 million. The Bank's Tier 1 capital to average total assets ratio was 8.57% and the total capital to risk-weighted assets ratio was 13.48%.

The Bank's total assets decreased at June 30, 2015 due to a decrease in cash and cash equivalents and securities available-for sale offset by an increase in loan balances. Loans increased $2.9 million at June 30, 2015 to $59.7 million from $56.8 million at December 31, 2014. Available-for-sale securities decreased $3.0 million at June 30, 2015 to $33.4 million from $36.4 million at December 31, 2014.

Total deposits have decreased $2.9 million at June 30, 2015 to $93.7 million from $96.6 million at December 31, 2014.

Statements contained in this report that are not purely historical are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including our expectations, intentions, beliefs, or strategies regarding the future. Any forward-looking statements set forth herein are necessarily subject to significant uncertainties and risks. Any statements in this document about expectations, intentions, beliefs, plans, objectives, assumptions, future events or performance are not historical facts and are forward-looking statements. These statements may often, but not always, be identified by words such as "may," "should," "could," "predict," "potential," "believe," "will likely result," "expect," "anticipate," "seek," "estimate," "intend," "plan," "projection," "would" and "outlook," and similar expressions. Examples of forward-looking statements include, but are not limited to, statements we make regarding "beliefs about loan losses" and "expectations regarding customer preference." The foregoing is not an exclusive list of all forward-looking statements we make.

TOWN CENTER BANK
BALANCE SHEETS
(Unaudited)
(Dollar amounts in thousands, except share and per share data)

	June 30, 2015	December 31, 2014
ASSETS		
Cash and due from banks	$ 617	$ 594
Interest-bearing deposits with banks	8,376	9,331
Federal funds sold	1,665	5,667
Cash and cash equivalents	10,658	15,592
Securities available-for-sale, at fair value	33,387	36,347
Loans, net of allowance for loan losses of $1,374 in 2015 and $1,260 in 2014	59,676	56,801
Federal Home Loan Bank stock	214	452
Premises and equipment, net	509	507
Other real estate owned, net	266	266
Accrued interest receivable and other assets	454	511
	$ 105,164	$ 110,476
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Non-interest bearing	$ 13,459	$ 12,153
Interest-bearing	80,270	84,450
Total deposits	93,729	96,603
Federal Home Loan Bank borrowings	2,000	2,000
Accrued interest payable and other liabilities	168	2,363
Total liabilities	95,897	100,966
Shareholders' equity		
Common stock, $1 par value; 3,234,000 shares authorized at June 30, 2015 and December 31, 2014; 2,333,660 shares issued and outstanding at June 30, 2015 and December 31, 2014	2,333	2,333
Additional paid-in capital	20,680	20,680
Accumulated deficit	(13,834)	(13,815)
Accumulated other comprehensive income	88	312
Total shareholders' equity	9,267	9,510
	$ 105,164	$ 110,476

TOWN CENTER BANK
STATEMENTS OF OPERATIONS and COMPREHENSIVE LOSS
(Unaudited)
(Dollar amounts in thousands, except share and per share data)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Interest income				
Loans, including fees	$ 738	$ 744	$ 1,439	$ 1,460
Securities	167	207	389	370
Federal funds sold and other	8	4	14	9
Total interest income	913	955	1,842	1,839
Interest expense				
Deposits	154	151	307	279
Total interest expense	154	151	307	279
Net interest income	759	804	1,535	1,560
Provision for loan losses	-	(16)	-	(33)
Net interest income after provision for loan losses	759	820	1,535	1,593
Noninterest income				
Service charges on deposits	21	21	46	42
Securities gains, net	50	128	50	128
Mortgage banking income	43	25	86	34
Other income	19	19	34	35
Total noninterest income	133	193	216	239
Noninterest expense				
Salaries and employee benefits	337	357	693	700
Occupancy and equipment	100	99	198	199
Data processing	138	135	273	266
Professional fees	113	86	236	151
FDIC deposit insurance	37	31	74	55
Advertising and marketing	11	11	23	20
Other real estate expenses, net of rental income	14	23	28	49
Other real estate valuation provision	-	16	-	33
Other	126	90	245	184
Total noninterest expense	876	848	1,770	1,657
Income (loss) before income taxes	16	165	(19)	175
Income tax expense	-	-	-	-
Net income (loss)	$ 16	$ 165	$ (19)	$ 175
Other comprehensive income(loss)				
Holding gains(loss) on securities available-for-sale	$ (515)	$ 319	$ (174)	$ 359
Reclassification adjustment for net gains included in income	(50)	(128)	(50)	(128)
Total other comprehensive income (loss)	(565)	191	(224)	231
Comprehensive income (loss)	$ (549)	$ 356	$ (243)	$ 406
Basic and diluted income (loss) per share	$ 0.01	$ 0.07	$ (0.01)	$ 0.07
Basic and diluted weighted average common shares outstanding	2,333,660	2,333,660	2,333,660	2,333,660