News Release
For Release Immediately
Contact: Dan Regan
President
(815) 806-7015

TOWN CENTER BANK REPORTS SEPTEMBER 30, 2015 RESULTS

New Lenox, IL, November 3, 2015 – Town Center Bank (the "Bank") (TCNB), announced its financial results for the three and six months ended September 30, 2015. The Bank reported net income of $69,000 and $117,000 for the three months ended September 30, 2015 and 2014, respectively. The decline in operating results for the quarter is due to less interest income from loans and securities available-for-sale offset by gains from the sale of securities available-for-sale. The Bank reported net income of $50,000 and $292,000 for the nine months ended September 30, 2015 and 2014, respectively. The decline in operating results is primarily due to less interest income from loans and 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 September 30, 2015 and 2014 was $0.8 million and $0.9 million, respectively. Net interest income for the nine months ended September 30, 2015 and 2014 was $2.3 million and $2.4 million, respectively. The decline in net interest income for 2015 is due to less interest income from loans and securities available-for-sale.

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

Non-interest income increased to $121,000 for the three months ended September 30, 2015 as compared to $85,000 for the three months ended September 30, 2014 due to gains from the sale of securities available-for-sale. Non-interest income increased to $337,000 for the nine months ended September 30, 2015, compared to $323,000 for the nine months ended September 30, 2014, due to an increase in mortgage banking income offset by less gains from the sale of securities available-for-sale.

Non-interest expense for the three months ended September 30, 2015 and 2014 was $0.8 million, respectively. Non-interest expense for the nine months ended September 30, 2015 and 2014 was $2.6 million and $2.5 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 September 30, 2015 was $9.6 million. The Bank's Tier 1 capital to average total assets ratio was 8.87% and the total capital to risk-weighted assets ratio was 13.54%.

The Bank's total assets decreased by $6.3 million at September 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 $2.5 million at September 30, 2015 to $59.3 million from $56.8 million at December 31, 2014. Available-for-sale securities decreased $6.3 million at September 30, 2015 to $30.1 million from $36.4 million at December 31, 2014.

Total deposits have decreased $4.2 million at September 30, 2015 to $92.4 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)

	September 30, 2015	December 31, 2014
ASSETS		
Cash and due from banks	$ 909	$ 594
Interest-bearing deposits with banks	9,757	9,331
Federal funds sold	2,878	5,667
Cash and cash equivalents	13,544	15,592
Securities available-for-sale, at fair value	30,149	36,347
Loans, net of allowance for loan losses of $1,407 in 2015 and $1,260 in 2014	59,331	56,801
Federal Home Loan Bank stock	214	452
Premises and equipment, net	501	507
Other real estate owned, net	-	266
Accrued interest receivable and other assets	462	511
	$ 104,201	$ 110,476
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Non-interest bearing	$ 13,029	$ 12,153
Interest-bearing	79,408	84,450
Total deposits	92,437	96,603
Federal Home Loan Bank borrowings	2,000	2,000
Accrued interest payable and other liabilities	171	2,363
Total liabilities	94,608	100,966
Shareholders' equity		
Common stock, $1 par value; 3,234,000 shares authorized at September 30, 2015 and December 31, 2014; 2,333,660 shares issued and outstanding at September 30, 2015 and December 31, 2014	2,333	2,333
Additional paid-in capital	20,680	20,680
Accumulated deficit	(13,765)	(13,815)
Accumulated other comprehensive income	345	312
Total shareholders' equity	9,593	9,510
	$ 104,201	$ 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 September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Interest income				
Loans, including fees	$ 766	$ 819	$ 2,205	$ 2,280
Securities	142	204	531	573
Federal funds sold and other	6	2	20	11
Total interest income	914	1,025	2,756	2,864
Interest expense				
Deposits	144	154	437	433
Federal Home Loan Bank advances	7	-	21	-
Total interest expense	151	154	458	433
Net interest income	763	871	2,298	2,431
Provision for loan losses	-	-	-	(33)
Net interest income after provision for loan losses	763	871	2,298	2,464
Noninterest income				
Service charges on deposits	28	21	74	63
Securities gains, net	52	-	102	128
Mortgage banking income	22	34	108	68
Other income	19	30	53	64
Total noninterest income	121	85	337	323
Noninterest expense				
Salaries and employee benefits	360	361	1,053	1,060
Occupancy and equipment	106	98	305	297
Data processing	140	141	413	407
Professional fees	73	83	308	234
FDIC deposit insurance	37	33	110	88
Advertising and marketing	9	13	31	33
Other real estate expenses, net of rental income	(30)	4	(1)	54
Other real estate valuation provision	-	-	-	33
Other	120	106	366	289
Total noninterest expense	815	839	2,585	2,495
Income (loss) before income taxes	69	117	50	292
Income tax expense	-	-	-	-
Net income	$ 69	$ 117	$ 50	$ 292
Other comprehensive income(loss)				
Holding gains(loss) on securities available-for-sale	$ 309	$ (17)	$ 135	$ 342
Reclassification adjustment for net gains included in income	(52)	-	(102)	(128)
Total other comprehensive income (loss)	257	(17)	33	214
Comprehensive income (loss)	$ 326	$ 100	$ 83	$ 506
Basic and diluted income per share	$ 0.03	$ 0.05	$ 0.02	$ 0.13
Basic and diluted weighted average common shares outstanding	2,333,660	2,333,660	2,333,660	2,333,660