

PINNACLE BANKSHARES CORPORATION AND SUBSIDIARY  
CONSOLIDATED BALANCE SHEETS  
(Unaudited)  
(Amounts in thousands of dollars)

<b>Assets</b>	March 31, 2017 (Unaudited)	December 31, 2016 (Unaudited)
Cash and cash equivalents:		
Cash and due from banks	\$47,760	\$48,669
Federal funds sold	0	0
<b>Total cash and cash equivalents</b>	<b>47,760</b>	<b>48,669</b>
Securities:		
Available-for-sale, at fair value	28,505	23,842
Held-to-maturity, at amortized cost	2,975	3,727
Federal Reserve Bank stock, at cost	147	146
Federal Home Loan Bank stock, at cost	395	333
Loans, net	342,226	338,423
Bank premises and equipment, net	13,313	11,695
Accrued income receivable	1,000	1,054
Bank owned life insurance	9,678	6,620
Goodwill	539	539
Other real estate owned	552	642
Other assets	3,936	4,414
<b>Total assets</b>	<b>\$451,026</b>	<b>\$440,104</b>
<b>Liabilities and Stockholders' Equity</b>		
Liabilities:		
Deposits:		
Demand	\$82,592	\$84,111
Savings and NOW accounts	228,020	214,999
Time	99,423	100,633
Total deposits	410,035	399,743
Note payable under line of credit	726	801
Accrued interest payable	138	135
Other liabilities	2,725	2,876
<b>Total liabilities</b>	<b>413,624</b>	<b>403,555</b>
Stockholders' equity:		
Common stock, \$3 par value. Authorized 3,000,000 shares, issued and outstanding 1,526,769 shares in 2017 and 1,522,351 in 2016	4,523	4,506
Capital surplus	1,181	1,050
Retained earnings	33,529	32,865
Accumulated other comprehensive income	(1,831)	(1,872)
<b>Total stockholders' equity</b>	<b>37,402</b>	<b>36,549</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$451,026</b>	<b>\$440,104</b>

PINNACLE BANKSHARES CORPORATION AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(Amounts in thousands of dollars, except for per share amounts)

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016
Interest income:		
Interest and fees on loans	\$3,739	\$3,494
Interest on securities:		
U.S. Government agencies	83	74
States and political subdivisions (taxable)	19	17
States and political subdivisions (tax exempt)	38	23
Other	65	15
Interest on federal funds sold	1	0
Total interest income	<u>3,945</u>	<u>3,623</u>
Interest expense:		
Interest on deposits:		
Savings and NOW accounts	147	102
Time - under \$250,000	173	166
Time - \$250,000 and over	87	84
Other interest expense	0	2
Total interest expense	<u>407</u>	<u>354</u>
Net interest income	3,538	3,269
Provision for loan losses	106	29
Provision for overdraft losses	(1)	(2)
Net interest income after provision for loan losses	3,433	3,242
Noninterest income:		
Service charges on deposit accounts	436	393
Fees on sales of mortgage loans	113	60
Commissions and fees	136	91
Other operating income	300	296
Total noninterest income	<u>985</u>	<u>840</u>
Noninterest expense:		
Salaries and employee benefits	1,770	1,701
Occupancy expense	194	187
Furniture and equipment	166	165
Office supplies and printing	41	57
Federal deposit insurance premiums	72	65
Capital stock tax	61	54
Advertising expense	46	44
Other operating expenses	892	863
Total noninterest expense	<u>3,241</u>	<u>3,136</u>
Income before income tax expense	1,177	946
Income tax expense	360	300
Net income	<u>\$ 817</u>	<u>\$ 646</u>
Net income per share:		
Basic	\$0.53	\$0.42
Diluted	\$0.52	\$0.42