August 9, 2018

Dear Shareholder,

CIB Marine Bancshares, Inc. ("CIB Marine" or the "Company") is pleased to report its financial results for the quarter and six months ended June 30, 2018.

Result of Operations – Summary

Pre-tax net income for the three months ended June 30, 2018, was $1.1 million compared to $1.0 million for the same period of 2017, and $2.1 million for the six months ended June 30, 2018, compared to $1.9 million for the same period of 2017.

Highlights for the first six months of 2018 include:

- CIB Marine's revenues represented by net interest income and non-interest income were both higher during the six months ended June 30, 2018, versus the same period of 2017. Although average interest-earning assets were nearly unchanged, the net interest margin increased to 3.18% from 3.06%. In addition, SBA loan production and mortgage production were higher during the first six months of 2018 versus the same period of 2017.
- Pre-tax net income for subsidiary CIBM Bank was $2.6 million for the six months ended June 30, 2018, compared $2.3 to the same period of 2017. Higher revenues and lower provisions for loan losses offset higher expenses.

Financial Condition - Summary

Total assets were up $32 million from December 31, 2017, to June 30, 2018, reflecting higher earning assets in most all categories. Deposits were $39 million higher over the same period in part to fund the asset growth and to reduce short-term borrowings.

Highlights of our financial condition as of June 30, 2018, include:

- CIB Marine's stated book value per share of common stock, inclusive of the net deferred tax assets, was $2.10 at June 30, 2018, compared to $2.04 at December 31, 2017. The tangible book value per share, inclusive of the net deferred tax assets, increased to $2.58 from $2.53 over the same time period.
- Nonperforming assets to total assets were 0.94% at June 30, 2018, compared to 1.13% at December 31, 2017, and 1.51% at June 30, 2017; the result of decreased non-accrual loans and other real estate owned.

Attached please find unaudited financial results for the quarter ended June 30, 2018, including selected financial information, a summary balance sheet, and a summary income statement.

We encourage you to visit our website, www.cibmarine.com, for additional detailed financial results and a link to the quarterly reports we file with our regulators. We will continue to release our financial results on a quarterly basis on our website. Should you want a mailed or e-mailed copy of our quarterly results, please contact Shareholder Relations Manager, Elizabeth Neighbors, directly at (262) 695-6010 or Elizabeth.Neighbors@cibmarine.com to be added to our distribution list.

First Modified Dutch Auction

CIB Marine concluded the first of three anticipated modified Dutch auctions to repurchase preferred stock (both Series A and Series B) in late June. While 43,003 preferred shares were offered, at a weighted average price of $806.27 per share, the Company accepted offers representing fewer than 5% of the shares offered in the solicitation. The Company was disciplined in its approach to preferred share repurchases and only accepted offers that were both accretive and did not trigger any loss of deferred tax assets – employing the criteria we announced in advance of the modified Dutch auction. For additional discussion on the results of the solicitation, including details related

Phone: (262) 695-6010 • Fax: (262) 695-6014
19601 West Bluemound Road • Brookfield, WI 53045

to the rejected offers, please see our shareholder letter dated June 29, 2018, which is available on our website.

The Second Amendment to the Amended and Restated Articles of Incorporation approved by the common and preferred shareholders allows the Company flexibility to pursue preferred stock repurchase opportunities outside the modified Dutch auction process. Employing the same disciplined approach, the Company is exploring accretive preferred stock repurchase opportunities with interested shareholders.

Concluding Comments

CIB Marine has shown results year-to-date in our main focus areas: improving net interest income, and growing non-interest income through net mortgage banking revenue, gains on sales of SBA loans, and other traditional fee-based banking activities. These gains are partially offset by higher expenses related to recent hires and activities to support current and future growth plans. We also experienced higher professional fee expenses related to the recent amendment to the Articles of Incorporation and activities associated with the modified Dutch auctions.

We continue to pay close attention to our asset quality ratios, like the non-performing asset and the non-accrual loan ratios, which remain relatively strong and near historic lows for CIB Marine. While our allowance for loan loss balances and ratio are higher versus year-end due to a few larger commercial credits, we compare well to national and local peer bank allowance for loan loss ratios. We continue to be vigilant given the length of the economic expansion and credit cycle.

We will continue to work diligently as a dedicated team to achieve favorable outcomes for the Company and our shareholders in the months and years ahead.

Sincerely,

J. Brian Chaffin
President & Chief Executive Officer

***** Please note that, effective July 24, 2018, the corporate headquarters of CIB Marine Bancshares, Inc. is now located at 19601 West Bluemound Road, Brookfield, Wisconsin 53045 *****

FORWARD-LOOKING STATEMENTS

CIB Marine has made statements in this Shareholder Letter that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. CIB Marine intends these forward-looking statements to be subject to the safe harbor created thereby and is including this statement to avail itself of the safe harbor. Forward-looking statements are identified generally by statements containing words and phrases such as "may," "project," "are confident," "should be," "intend," "predict," "believe," "plan," "expect," "estimate," "anticipate" and similar expressions. These forward-looking statements reflect CIB Marine's current views with respect to future events and financial performance that are subject to many uncertainties and factors relating to CIB Marine's operations and the business environment, which could change at any time.

There are inherent difficulties in predicting factors that may affect the accuracy of forward-looking statements.

Stockholders should note that many factors, some of which are discussed elsewhere in this Shareholder Letter and in the documents that are incorporated by reference, could affect the future financial results of CIB Marine and could cause those results to differ materially from those expressed in forward-looking statements contained or incorporated by reference in this document. These factors, many of which are beyond CIB Marine's control, include but are not limited to:

- operating, legal, execution, credit, market, security (including cyber), and regulatory risks;
- economic, political, and competitive forces affecting CIB Marine's banking business;
- the impact on net interest income and securities values from changes in monetary policy and general economic and political conditions; and
- the risk that CIB Marine's analyses of these risks and forces could be incorrect and/or that the strategies developed to address them could be unsuccessful.

These factors should be considered in evaluating the forward-looking statements, and undue reliance should not be placed on such statements. Forward-looking statements speak only as of the date they are made. CIB Marine undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Forward-looking statements are subject to significant risks and uncertainties and CIB Marine's actual results may differ materially from the results discussed in forward-looking statements.

CIB MARINE BANCSHARES, INC.
Selected Unaudited Consolidated Financial Data

	Quarters Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
	(Dollars in thousands, except share and per share data)			
Selected Statements of Operations Data				
Interest and dividend income	$6,387	$5,732	$12,396	$11,294
Interest expense	1,406	973	2,591	1,865
Net interest income	4,981	4,759	9,805	9,429
Provision for loan losses	149	47	23	275
Net interest income after provision for loan losses	4,832	4,712	9,782	9,154
Noninterest income (1)	2,986	2,611	4,857	4,458
Noninterest expense	6,737	6,279	12,561	11,680
Income before income taxes	1,081	1,044	2,078	1,932
Income tax expense	246	20	546	20
Net income	$835	$1,024	1,532	1,912
Common Share Data				
Basic net income	$0.05	$0.06	$0.08	$0.11
Diluted net income	0.02	0.03	0.04	0.05
Dividends	—	—	—	—
Tangible book value per share (2)	2.58	1.16	2.58	1.16
Book value per share (2)	2.10	0.68	2.10	0.68
Financial Condition Data				
Total assets	$694,812	$650,051	$694,812	$650,051
Loans	488,762	488,289	488,762	488,289
Allowance for loan losses	(8,055)	(7,653)	(8,055)	(7,653)
Investment securities	119,571	111,160	119,571	111,160
Deposits	517,452	493,364	517,452	493,364
Borrowings	76,427	82,025	76,427	82,025
Stockholders' equity	97,313	72,279	97,313	72,279
Financial Ratios and Other Data				
Performance Ratios:				
Net interest margin (3)	3.15%	3.09%	3.18%	3.06%
Net interest spread (4)	2.92	2.92	2.96	2.89
Noninterest income to average assets (5)	1.77	1.65	1.47	1.40
Noninterest expense to average assets	3.99	3.96	3.82	3.68
Efficiency ratio (6)	84.56	85.20	85.80	84.11
Earnings on average assets (7)	0.49	0.65	0.47	0.60
Earnings on average equity (8)	3.41	5.71	3.15	5.41
Asset Quality Ratios:				
Nonaccrual loans to total loans (9)	0.53%	0.99%	0.53%	0.99%
Nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing to total loans (9)	0.82	1.36	0.82	1.36
Nonperforming assets, restructured loans and loans 90 days or more past due and still accruing to total asset (9)	0.94	1.51	0.94	1.51
Allowance for loan losses to total loans	1.65	1.57	1.65	1.57
Allowance for loan losses to nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing (9)	200.97	115.15	200.97	115.15
Net charge-offs (recoveries) to average loans	(0.48)	(0.03)	(0.14)	0.09
Capital Ratios:				
Total equity to total assets	14.01%	11.12%	14.01%	11.12%
Total risk-based capital ratio	16.42	15.93	16.42	15.93
Tier 1 risk-based capital ratio	15.16	14.68	15.16	14.68
Leverage capital ratio	11.72	11.56	11.72	11.56
Other Data:				
Number of employees (full-time equivalent)	184	181	184	181
Number of banking facilities	11	11	11	11

(1) Noninterest income includes gains and losses on securities.
(2) Tangible book value per share is the shareholder equity less the carry value of the preferred stock and less the goodwill and intangible assets, divided by the total shares of common outstanding. Book value per share is the shareholder equity less the liquidation preference of the preferred stock, divided by the total shares of common outstanding. Both book value measures are reported inclusive of the net deferred tax assets.
(3) Net interest margin is the ratio of net interest income to average interest-earning assets.
(4) Net interest spread is the yield on average interest-earning assets less the rate on average interest-bearing liabilities.
(5) Noninterest income to average assets excludes gains and losses on securities.
(6) The efficiency ratio is noninterest expense divided by the sum of net interest income plus noninterest income, excluding gains and losses on securities.
(7) Earnings on average assets are net income divided by average total assets.
(8) Earnings on average equity are net income divided by average common equity.
(9) Excludes loans held for sale.

CIB MARINE BANCSHARES, INC.
Summary Consolidated Balance Sheets (unaudited)

	June 30, 2018	December 31, 2017
	(Dollars in thousands)	
Assets		
Cash and due from banks	$9,752	$14,371
Reverse repurchase agreements	28,403	5,449
Securities available for sale	119,571	114,801
Loans held for sale	15,407	11,070
Net Loans	480,707	475,910
Other assets	40,972	40,793
Total assets	$694,812	$662,394
Liabilities and Stockholders' Equity		
Deposits	517,452	478,633
Short-term borrowings	76,427	84,217
All other liabilities	3,620	2,478
Total liabilities	597,499	565,328
Stockholders' Equity		
Total stockholders' equity	97,313	97,066
Total liabilities and stockholders' equity	$694,812	$662,394

CIB MARINE BANCSHARES, INC.
Summary Consolidated Statements of Operations (unaudited)

	Quarters Ended June 30,		Six Months Ended June 30,	
	2018	**2017**	**2018**	**2017**
	(Dollars in thousands)			
Interest income	6,387	5,732	12,396	11,294
Interest expense	1,406	973	2,591	1,865
Net interest income	4,981	4,759	9,805	9,429
Provision for loan losses	149	47	23	275
Net interest income after provision for loan losses	4,832	4,712	9,782	9,154
Noninterest income	2,986	2,611	4,857	4,458
Compensation and employee benefits	4,682	4,333	8,738	8,038
Occupancy and premises	759	700	1,487	1,380
Other expense	1,296	1,246	2,336	2,262
Total noninterest expense	6,737	6,279	12,561	11,680
Income from operations before income taxes	1,081	1,044	2,078	1,932
Income tax expense	246	20	546	20
Net income	835	1,024	1,532	1,912
Preferred stock dividends	0	0	0	0
Net income allocated to common stockholders	**$835**	**$1,024**	**$1,532**	**$1,912**

CIB Marine Bancshares, Inc. (OTCQB: CIBH). This report provides additional detailed financial information for the quarter and six months ended June 30, 2018. Please see our Shareholder Letter dated August 9, 2018, located at www.cibmarine.com for a summary description of our financial results.

CIB MARINE BANCSHARES, INC.
Net Interest Income (unaudited)

	2018			2017		
	Average Balance	Interest Earned/Paid	Average Yield/Cost	Average Balance	Interest Earned/Paid	Average Yield/Cost
	(Dollars in thousands)					
Quarter Ended June 30,						
Interest-earning assets						
Securities (1)	$115,931	$720	2.48%	$110,172	$598	2.17%
Loans held for sale (1)	8,470	117	5.52	6,813	79	4.66
Loans (1)(2)	480,419	5,372	4.48	486,720	4,997	4.12
Federal funds sold, reverse repos and interest-earning due from banks	29,795	179	2.41	14,344	58	1.61
Total interest-earning assets	634,615	6,387	4.04	618,049	5,732	3.72
Noninterest-earning assets	42,286			17,379		
Total assets	$676,901			$635,428		
Interest-bearing liabilities						
Interest-bearing deposits	$417,544	$1,038	1.00%	$416,559	$817	0.79%
Borrowed funds	86,719	368	1.70	68,864	156	0.91
Total interest-bearing liabilities	504,263	1,406	1.12	485,423	973	0.80
Noninterest-earning liabilities:						
Noninterest-bearing demand deposits	72,233			75,940		
Accrued interest and other liabilities	2,156			2,150		
Preferred equity	50,990			51,000		
Common equity	47,259			20,915		
Total stockholders' equity	98,249			71,915		
Total liabilities and stockholders' equity	$676,901			$635,428		
Net interest-earning assets, interest income and net interest spread (1)(3)	$130,352	$4,981	2.92%	$132,626	$4,759	2.92%
Net interest margin (1)(4)			3.15%			3.09%
Ratio of average interest-earning assets to average interest-bearing liabilities	1.26			1.27		

	2018			2017		
	Average Balance	Interest Earned/Paid	Average Yield/Cost	Average Balance	Interest Earned/Paid	Average Yield/Cost
	(Dollars in thousands)					
Six Months Ended June 30,						
Interest-earning assets						
Securities (1)	$116,075	$1,495	2.58%	$111,310	$1,209	2.17%
Loans held for sale (1)	7,544	190	5.07	5,560	125	4.54
Loans (1)(2)	480,061	10,497	4.41	486,642	9,823	4.07
Federal funds sold, reverse repos and interest-earning due from banks	18,573	214	2.32	18,795	137	1.47
Total interest-earning assets	622,253	12,396	4.02	622,307	11,294	3.66
Noninterest-earning assets	41,478			17,815		
Total assets	$663,731			$640,122		
Interest-bearing liabilities						
Interest-bearing deposits	$414,025	$1,986	0.97%	$412,912	$1,566	0.76%
Borrowed funds	79,267	605	1.54	78,682	299	0.77
Total interest-bearing liabilities	493,292	2,591	1.06	491,594	1,865	0.77
Noninterest-earning liabilities:						
Noninterest-bearing demand deposits	70,304			74,896		
Accrued interest and other liabilities	2,149			2,376		
Preferred equity	50,995			51,000		
Common equity	46,991			20,256		
Total stockholders' equity	97,986			71,256		
Total liabilities and stockholders' equity	$663,731			$640,122		
Net interest-earning assets, interest income and net interest spread (1)(3)	$128,961	$9,805	2.96%	$130,713	$9,429	2.89%
Net interest margin (1)(4)			3.18%			3.06%
Ratio of average interest-earning assets to average interest-bearing liabilities	1.26			1.27		

(1) Balance totals include respective nonaccrual assets.
(2) Interest earned on loans includes a nominal amount of amortized loan costs for all periods presented.
(3) Net interest spread is the yield on average interest-earning assets less the rate on interest-bearing liabilities.
(4) Net interest margin is the ratio of net interest income to average interest-earning assets.

Net interest income increased $0.2 million in the second quarter of 2018 versus the same period of 2017 as interest earnings assets volumes increased and the net interest spread was the same. Although the increase in yields for the second quarter of 2018 was the same as the increase in costs for the same period, the net interest margin increased since there are more interest earning assets than interest bearing costs.

CIB MARINE BANCSHARES, INC.
Loans and Allowance for Loan and Losses

Loan Portfolio Segments (unaudited)

	June 30, 2018		December 31, 2017		June 30, 2017	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
	(Dollars in thousands)					
Commercial	$56,794	11.6%	$57,134	11.8%	$54,609	11.2%
Commercial real estate	253,106	51.9	243,070	50.4	245,726	50.4
Construction and development	16,971	3.5	17,978	3.7	15,518	3.2
Residential real estate	132,468	27.2	131,313	27.2	133,757	27.5
Home equity	23,450	4.8	27,263	5.6	30,550	6.3
Purchased home equity pools	4,427	0.9	5,173	1.1	6,144	1.2
Other consumer	635	0.1	705	0.2	954	0.2
Gross loans	487,851	100.0%	482,636	100.0%	487,258	100.0%
Deferred loan costs	911		975		1,031	
Loans	488,762		483,611		488,289	
Allowance for loan losses	(8,055)		(7,701)		(7,653)	
Loans, net	$480,707		$475,910		$480,636	

Nonperforming Assets and Selected Asset Quality Ratios (unaudited)

	June 30, 2018	December 31, 2017	June 30, 2017
Nonperforming assets		(Dollars in thousands)	
Nonaccrual loans:			
Commercial	$1,626	$43	$59
Commercial real estate	—	1,390	2,527
Construction and development	—	—	—
Residential real estate	242	984	808
Home equity	743	934	1,334
Other consumer	—	—	104
	2,611	3,351	4,832
Loans held for sale	—	—	—
Total nonaccrual loans	2,611	3,351	4,832
Other real estate owned	2,494	2,584	3,153
Total nonperforming assets	$5,105	$5,935	$7,985
Restructured loans accruing			
Commercial	$—	$—	$2
Commercial real estate	235	569	526
Residential real estate	753	628	573
Home equity	—	—	341
Purchased home equity pools	362	367	372
Other consumer	—	—	—
Total restructured loans accruing	$1,350	$1,564	$1,814
90 days or more past due still accruing	$47	$—	$—
Ratios			
Nonaccrual loans to total loans (1)	0.53%	0.69%	0.99%
Other real estate owned to total assets	0.36	0.39	0.49
Nonperforming assets to total assets (1)	0.73	0.90	1.23
Nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing to total loans (1)	0.82	1.02	1.36
Nonperforming assets, restructured loans and 90 days or more past due and still accruing loans to total assets (1)	0.94	1.13	1.51

(1) Excludes loans held for sale from nonaccrual loans, nonperforming assets, restructured loans accruing and 90 days or more past due and still accruing loans.

Allowance for Loan Losses (unaudited)

	Commercial	Commercial Real Estate	Construction and Development	Residential Real Estate	Home Equity	Purchased Home Equity Pools	Other Consumer	Total
	(Dollars in thousands)							
Quarter ended June 30, 2018								
Balance at beginning of period	$1,122	$4,726	$192	$571	$537	$169	$14	$7,331
Provision for (reversal of) loan losses	385	(288)	51	(28)	31	1	(3)	149
Charge-offs	—	—	—	—	(14)	(23)	—	(37)
Recoveries	6	551	—	20	11	23	1	612
Balance at end of period	$1,513	$4,989	$243	$563	$565	$170	$12	$8,055
Quarter ended June 30, 2017								
Balance at beginning of period	$1,209	$4,004	$694	$807	$605	$231	$17	$7,567
Provision for (reversal of) loan losses	113	534	(492)	27	137	(271)	(1)	47
Charge-offs	(209)	—	—	—	—	(49)	—	(258)
Recoveries	5	1	—	—	12	279	—	297
Balance at end of period	$1,118	$4,439	$202	$834	$754	$190	$16	$7,653
Six month ended June 30, 2018								
Balance at beginning of period	$1,144	$4,522	$230	$769	$870	$151	$15	$7,701
Provision for (reversal of) loan losses	357	(88)	13	(82)	(54)	(119)	(4)	23
Charge-offs	—	—	—	(144)	(267)	(39)	—	(450)
Recoveries	12	555	—	20	16	177	1	781
Balance at end of period	$1,513	$4,989	$243	$563	$565	$170	$12	$8,055
Six months ended June 30, 2017								
Balance at beginning of period	$1,304	$3,958	$686	$757	$590	$277	$20	$7,592
Provision for (reversal of) loan losses	362	580	(484)	77	127	(383)	(4)	275
Charge-offs	(559)	—	—	—	—	(49)	—	(608)
Recoveries	11	1	—	—	37	345	—	394
Balance at end of period	$1,118	$4,539	$202	$834	$754	$190	$16	$7,653

Nonaccrual loan volumes on net decreased since the start of the year with the resolution of and improvements in some commercial credits. As a result, nonaccrual loans to total loans fell from 0.69% at December 31, 2017, to 0.53% at June 30, 2018.

Provisions for loan losses were $149,000 in the second quarter of 2018, up from $47,000 in the same period of 2017 due to higher impairments and special mention loans. Provisions for loan losses were $23,000 for the six months ended June 30, 2018, down from $275,000 in the same period of 2017 due in part to higher net recoveries of $0.3 million during the first six months ended June 30, 2018 versus net charge-offs of $0.2 million during the same period of 2017.

Allowance for loan losses to loans was 1.65% at June 30, 2018, versus 1.59% at December 31, 2017, reflecting an $8.6 million increase in special mention loans and a $0.3 million increase in impairments on impaired loans; and it is up versus 1.57% at June 30, 2017, reflecting a $6.8 million increase in special mention loans and a $0.3 million increase in impairments on impaired loans.

CIB Marine may record recoveries in excess of charge-offs from time to time. Although it cannot be certain in advance due to a number of factors related to the determination of the provision for loan losses, a net recovery may result in a credit provision (i.e., a reversal of provisions for loan losses) in the period of the net recovery. A net recovery has the potential to increase CIB Marine's net income by an amount up to the net recovery. However, there can be no certainty as to whether CIB Marine will experience improved credit quality or recoveries during future quarters so as to permit it to record further credit provisions or reversals of provisions for loan losses for any of the portfolio segments or in total.

Past Due Accruing Loans (unaudited)

	30-59 Days Past Due	60-89 Days Past Due	Greater Than 89 Days Past Due	Total Past Due	Loans Not Past Due	Total
	(Dollars in thousands)					
At June 30, 2018						
Commercial	$107	$—	$—	$107	$55,061	$55,168
Commercial real estate	—	—	—	—	253,106	253,106
Construction and development	—	—	—	—	16,971	16,971
Residential real estate	285	—	47	332	131,894	132,226
Home equity	104	72	—	176	22,531	22,707
Purchased home equity pools	87	62	—	149	4,278	4,427
Other consumer	—	—	—	—	635	635
Deferred loan costs	1	—	—	1	910	911
Total	$584	$134	$47	$765	$485,386	$486,151
At December 30, 2017						
Commercial	$—	$—	$—	$—	$57,091	$57,091
Commercial real estate	142	—	—	142	241,538	241,680
Construction and development	100	100	—	200	17,778	17,978
Residential real estate	794	79	—	873	129,456	130,329
Home equity	546	79	—	625	25,704	26,329
Purchased home equity pools	16	—	—	16	5,157	5,173
Other consumer	—	—	—	—	705	705
Deferred loan costs	3	1	—	4	971	975
Total	$1,601	$259	$—	$1,860	$478,400	$480,260
At June 30, 2017						
Commercial	$—	$—	$—	$—	$54,550	$54,550
Commercial real estate	—	12	—	12	243,187	243,199
Construction and development	127	—	—	127	15,391	15,518
Residential real estate	53	86	—	139	132,810	132,949
Home equity	441	27	—	468	28,748	29,216
Purchased home equity pools	67	50	—	117	6,027	6,144
Other consumer	—	—	—	—	850	850
Deferred loan costs	1	—	—	1	1,030	1,031
Total	$689	$175	$—	$864	$482,593	$483,457

CIB MARINE BANCSHARES, INC.
Capital (unaudited)

	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
	(Dollars in thousands)					
June 30, 2018 (1)						
Total capital to risk-weighted assets						
CIB Marine Bancshares, Inc.	$83,324	16.42%	$40,600	8.00%		
CIBM Bank	74,880	14.79	40,501	8.00	$50,626	10.00%
Tier 1 capital to risk-weighted assets						
CIB Marine Bancshares, Inc.	$76,959	15.16%	$30,450	6.00%		
CIBM Bank	68,530	13.54	30,375	6.00	$40,501	8.00%
Tier 1 leverage to average assets						
CIB Marine Bancshares, Inc.	$76,959	11.72%	$26,271	4.00%		
CIBM Bank	68,530	10.45	26,226	4.00	$32,783	5.00%
Common Equity Tier 1 (2)						
CIBM Bank	$68,530	13.54%	$22,782	4.50%	$32,907	6.50%
December 31, 2017						
Total capital to risk-weighted assets						
CIB Marine Bancshares, Inc.	$82,290	16.62%	$39,617	8.00%		
CIBM Bank	73,053	14.76	39,586	8.00	$49,482	10.00%
Tier 1 capital to risk-weighted assets						
CIB Marine Bancshares, Inc.	$76,081	15.36%	$29,713	6.00%		
CIBM Bank	66,804	13.50	29,689	6.00	$39,586	8.00%
Tier 1 leverage to average assets						
CIB Marine Bancshares, Inc.	$76,081	12.39%	$24,567	4.00%		
CIBM Bank	66,804	10.83	24,682	4.00	$30,853	5.00%
Common Equity Tier 1 (2)						
CIBM Bank	$66,804	12.92%	$23,266	4.50%	$33,607	6.50%

(1) Under the new capital regulation implemented January 1, 2015, referred to as Basel III, a capital conservation buffer of 2.5%, comprised of Common Equity Tier 1 ("CET1"), is established above the regulatory minimum capital requirements. The capital conservation buffer will be phased in between January 1, 2016, and year-end 2018, becoming fully effective on January 1, 2019. Non-compliance with the capital conservation buffer can result in limitations of certain types of compensation for executive and equivalent officers. In addition, CIBM Bank made the one-time accumulated other comprehensive income opt-out election on the first Call Report filed after January 1, 2015, which allows community banks under $250 billion a one-time opt-out election to remove the impact of certain unrealized capital gains and losses (e.g., unrealized securities gains and losses) from the calculation of capital. The election cannot be changed in future periods.

(2) CIB Marine is a Small Bank Holding Company under Appendix C of Part 225 of the Federal Reserve regulation and, as a result the CET1 is not applicable to CIB Marine. CET1 is applicable to CIBM Bank.