

**Contact:**  
**Kent M. Gaudian**  
**President / CEO**  
**319.753.9188**

**TWO RIVERS FINANCIAL GROUP, INC. REPORTS SECOND QUARTER RESULTS**

**August 3, 2018 - Two Rivers Financial Group, Inc.** reported consolidated net income of \$5,117,833 for the first six months of 2018, compared to \$2,622,329 for the same time-period one year ago. The Company earned \$2.29 per share during the first six months of the year, matching the earnings recorded for all of 2017. Book value was \$33.93 on June 30, 2018, an increase of more than 5% year-to-date.



**Two Rivers Insurance Company** (“Insurance”) reported net income of \$148,625 for the first six months of 2018. Insurance recorded a net loss of \$568,502 in the first six months of 2017 due to the net charge of \$733,656 related to their settlement with the Iowa Insurance Division. With the overall insurance industry experiencing lower premiums and lower agency commission levels, Insurance placed an emphasis on marketing to grow customer relationships. On June 25, 2018, Insurance launched its new and improved website, [www.tworivers.insurance](http://www.tworivers.insurance). The new .insurance domain provides an opportunity for Insurance to boost their online presence by offering better search capabilities and a more secure experience for their customers.

**Two Rivers Bank & Trust** (“Bank”) reported net income of \$5,390,173 for the first six months of 2018, compared to \$3,390,439 for the same time-period one year ago. Net interest income was \$1,182,776 higher in the first six months of 2018, and net loans \$44 million higher than the same time-period one year ago. Asset quality of the Bank improved in the first six months of 2018, with reductions in nonperforming loans and the sale of other real estate contributing more than \$435,000 in additional income. In April, the Bank recovered \$938,000 from their insurance carrier related to the wire fraud that occurred in the fourth quarter of 2017. Since the incident, additional emphasis on cybersecurity awareness and training has occurred and enhanced security and operational measures have been implemented.

The opening of the Bank’s new branch on Ingersoll Avenue in Des Moines is fast-approaching with the opening to occur later this summer. Two Rivers is excited about becoming a part of

this expanding community by offering new innovative ways to do conventional banking with the introduction of Interactive Teller Machines (ITM) and concierge-type services. The staff from the 4500 Merle Hay Road branch will be re-locating to the new Ingersoll Avenue branch and look forward to serving their clients in the new “neighborhood.”

We are also excited to announce that in June, Forbes ranked the Bank number 3 in Iowa in their “America’s Best in State Banks” list. Forbes asked more than 25,000 study participants to rate banks in Iowa on trustworthiness, digital services, financial advice, branch services and general satisfaction.

The Bank’s Trust & Investment Services (“Trust & Investments”) department reported assets under management of \$1,195,975,089 on June 30, 2018, representing an increase of over \$79,000,000 compared to the same date one year ago. Trust & Investments reported revenue of \$2,009,189 for the first six months of 2018, 18% higher than the same time-period one year ago. Retirement Plan Services is approaching \$70,000,000 of assets under management, and trust continues to add new clients and new client assets at a steady, consistent pace. The transition to a new broker-dealer is complete and brokerage revenue remains strong.

#### **About Two Rivers Financial Group**

Two Rivers Financial Group reported consolidated assets of \$837 million as of June 30, 2018. Both Two Rivers Bank & Trust (which includes Two Rivers Trust & Investment Services) and Two Rivers Insurance Company (which includes EBS) are wholly-owned subsidiaries of Two Rivers Financial Group, Inc. and offer an extensive menu of financial solutions encompassing banking, insurance, third-party administrative services, trust and investment management services with locations in Ankeny, Bettendorf, Burlington, Coralville, Des Moines, Earlham, Fort Madison, Iowa City, Mediapolis, Mount Pleasant, New London, West Burlington and West Des Moines. For more information, please visit [www.tworivers.bank](http://www.tworivers.bank).

#### **Notice Regarding Forward-Looking Statements**

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this document other than statements of historical fact, including, without limitation, statements regarding potential future plans and objectives of the company, are forward-looking statements that involve risks and uncertainties. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” and similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. There can be no assurance that these statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The company cautions that these forward-looking statements are further qualified by other factors. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

**TWO RIVERS FINANCIAL GROUP, INC.**  
**CONSOLIDATED BALANCE SHEETS** (unaudited)

	Jun 30, 2018	Mar 31, 2018	Dec 31, 2017	Dec 31, 2016
<b>ASSETS</b>				
CASH AND DUE FROM BANKS	\$16,758,000	\$23,642,000	\$34,616,000	\$33,306,000
FEDERAL FUNDS SOLD	\$259,000	\$267,000	\$203,000	\$102,000
INVESTMENT SECURITIES	\$117,396,000	\$103,402,000	\$107,707,000	\$115,376,000
LOANS BEFORE ALLOWANCE FOR LOAN LOSSES	\$667,454,000	\$672,001,000	\$664,922,000	\$585,879,000
ALLOWANCE FOR LOAN LOSSES	(\$7,735,000)	(\$8,209,000)	(\$7,465,000)	(\$7,624,000)
GOODWILL AND OTHER INTANGIBLES	\$9,977,000	\$9,987,000	\$9,996,000	\$10,042,000
OTHER ASSETS	\$33,020,000	\$30,387,000	\$30,929,000	\$41,017,000
<b>TOTAL ASSETS</b>	<b>\$837,129,000</b>	<b>\$831,477,000</b>	<b>\$840,908,000</b>	<b>\$778,098,000</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
DEPOSITS	\$663,661,000	\$690,470,000	\$698,413,000	\$629,304,000
FEDERAL FUNDS PURCHASED	\$0	\$0	\$0	\$0
SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE	\$46,286,000	\$38,480,000	\$42,768,000	\$55,410,000
BORROWINGS	\$37,500,000	\$15,000,000	\$15,000,000	\$0
JUNIOR SUBORDINATED DEBENTURES	\$10,310,000	\$10,310,000	\$10,310,000	\$10,310,000
OTHER LIABILITIES	\$3,554,000	\$4,150,000	\$2,430,000	\$14,925,000
<b>TOTAL LIABILITIES</b>	<b>\$761,311,000</b>	<b>\$758,410,000</b>	<b>\$768,921,000</b>	<b>\$709,949,000</b>
STOCKHOLDERS' EQUITY	\$75,818,000	\$73,067,000	\$71,987,000	\$68,149,000
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$837,129,000</b>	<b>\$831,477,000</b>	<b>\$840,908,000</b>	<b>\$778,098,000</b>

BOOK VALUE	\$33.93	\$32.70	\$32.21	\$30.50
TANGIBLE BOOK VALUE	\$29.46	\$28.23	\$27.74	\$26.00

**TWO RIVERS FINANCIAL GROUP, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME** (unaudited)

	2018 Q2	2018 Q1	2017	2016
INTEREST INCOME	\$8,632,000	\$8,061,000	\$30,220,000	\$27,056,000
INTEREST EXPENSE	\$1,739,000	\$1,514,000	\$4,802,000	\$3,113,000
<b>NET INTEREST INCOME</b>	<b>\$6,893,000</b>	<b>\$6,547,000</b>	<b>\$25,418,000</b>	<b>\$23,943,000</b>
PROVISION FOR LOAN LOSSES	\$75,000	\$75,000	\$300,000	\$720,000
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>\$6,818,000</b>	<b>\$6,472,000</b>	<b>\$25,118,000</b>	<b>\$23,223,000</b>
NON-INTEREST INCOME	\$5,155,000	\$4,870,000	\$15,882,000	\$16,095,000
OPERATING EXPENSES	\$8,326,000	\$8,259,000	\$34,332,000	\$31,865,000
INCOME TAXES	\$883,000	\$729,000	\$1,562,000	\$2,396,000
<b>NET INCOME</b>	<b>\$2,764,000</b>	<b>\$2,354,000</b>	<b>\$5,106,000</b>	<b>\$5,057,000</b>

EARNINGS PER SHARE	\$1.24	\$1.05	\$2.29	\$2.25
CASH DIVIDENDS DECLARED PER COMMON SHARE	\$0.00	\$0.00	\$0.62	\$0.60
SHARES OUTSTANDING	2,234,622	2,234,622	2,234,622	2,234,622

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