



For Immediate Release

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Town & Country Bank Posts Solid Quarterly Profit

ST. GEORGE, UT—Town & Country Bank announced second quarter net income of \$112,700. Diluted earnings per common share increased \$0.38 from the same period last year, while the three year-old bank's balance sheet grew by 9.3%. Assets stood at \$70,862,000 as of June 30, 2011 with outstanding loans of \$53,075,000 and deposits of \$62,672,000.

Brad Hales, Executive Vice President & Chief Financial Officer said, "Having completed the last of our start-up expensing in March, Town & Country Bank realized strong earnings during the three months ending June 30th. We anticipate that revenue will continue to increase for the balance of the year."



CFO Brad Hales

The bank's quarter-end risk based capital ratio remained strong at 15.7%, nearly double the regulatory requirement, and year-to-date provision for loan loss amounted to \$0. Year over year, the bank's non-interest income rose by 46%, and non-interest expense decreased by 8%.

Hales said, "While we're pleased with financial performance and the overall direction of the bank, we're keeping a watchful eye on our loan portfolio. Like all banks operating in the weak economy, we've seen some borrower credit deterioration." As of June 30th, loan delinquencies over 90 days at Town & Country totaled \$45,000, and loans on non-accrual status stood at \$1,570,000. Other Real Estate Owned (OREO) amounted to

\$1,333,784 and other repossessed assets were \$416,438. “Fortunately, most of our problem loans are confined to just a few relationships,” added Hales.

Town & Country Bank has pioneered several innovative customer service concepts, including its “concierge” private banking style approach for all customers and its free business courier service. The bank also offers its proprietary “Town Card”, a debit/ATM card offering time-of-purchase discounts at hundreds of local restaurants and businesses. Last month, Town & Country CEO Bruce Jensen, was elected to the Board of Directors of the Utah Bankers Association.

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