



EARNINGS RELEASE

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FOR IMMEDIATE RELEASE

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CHOICE BANCORP, INC. REPORTS NET INCOME OF \$3.13 MILLION FOR 2016

**2016 Earnings of \$1.43 per share (11.72% increase)
December 31, 2016 Consolidated Book Value of \$13.05 per share (9.48% increase)
Consolidated Total Assets of \$334.26 million as of December 31, 2016 (20.34% increase)
Company Renews Share Buyback Program**

February 2017 (Oshkosh, WI) – Choice Bancorp, Inc. (the “Company”) today reported net income of \$3.13 million, or \$1.43 per common share, for the year ended December 31, 2016. For the three months ended December 31, 2016, the Company reported net income of \$0.83 million, or \$0.38 per common share. This compares to net income of \$2.60 million, or \$1.28 per common share, for the year ended December 31, 2015, and \$0.68 million, or \$0.33 per common share, for the three months ended December 31, 2015.

“2016 was a year of growth,” said J. Scott Sitter, President and CEO of the Company. “Our consolidated assets grew \$56.5 million for the year. Most of this growth came from our commercial lending area. Choice Bank’s gross loans grew \$49.9 million, or 21.4% during 2016.” Sitter attributes this growth to a strong local economy and a business model that focuses on excellent customer service and local decision making. Nationally, Choice Bank’s growth rate places it in the top 10% of all banks with assets between \$300 million and \$1 billion in assets.

“In addition to our commercial loan activity, mortgage lending was also strong throughout 2016,” said Sitter. “The housing market is relatively strong in the Oshkosh area. Increased activity in our mortgage lending department allowed us to post a 29.8% increase in our non-interest income for 2016. This is after reporting a 36.2% increase for 2015.” Again, Sitter attributed this growth to a strong local economy. In addition, Sitter commented that Choice Bank has a seasoned mortgage lending team with a strong support staff that is familiar with the Oshkosh market. “We know our customers and they know us,” added Sitter. “Purchasing a home is one of the most important decisions that a family can make. Our mortgage department is knowledgeable and can walk families through the process. The customer has confidence in us and we can deliver on our promises.”

Also in 2016, Choice Bank introduced its flagship “Secure Checking” account. Sitter commented that “Secure Checking” has been received well by the Bank’s existing customer base and has been a stimulus for attracting

new customers. “Secure Checking is a comprehensive personal checking account product that addresses the needs of our customers,” Sitter said. “Identity Theft is a problem for all consumers. Our ‘Secure Checking’ account helps protect customers with identity and credit report monitoring as well as identity theft expense reimbursement coverage and identity theft resolution services.” The account also allows for debit and credit card registration, as well as free credit reports on a quarterly basis.

SELECTED FINANCIAL DATA

(In thousands, except per share data)

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Financial Condition		
Gross Loans (not held for resale)	\$ 283,182	\$ 233,288
Allowance for Loan Losses (ALLL)	4,909	5,085
Total Assets	334,264	277,767
Total Deposits	222,535	208,858
Total Other Borrowings	82,177	44,100
Stockholders’ Equity	28,611	24,172
Book Value per Share	\$ 13.05	\$ 11.92
Financial Ratios		
Tier 1 Leverage Capital	11.08%	9.74%
Total Capital to Risk-Weighted Assets	15.21%	13.63%
Nonperforming Assets to Total Assets	0.66%	0.88%
ALLL to Total Loans	1.73%	2.18%
ALLL to Nonaccrual Loans	223%	304%

	<u>For the Three Months Ending</u>		<u>For the Year Ending</u>	
	<u>Dec 31, 2016</u>	<u>Dec 31, 2015</u>	<u>Dec 31, 2016</u>	<u>Dec 31, 2015</u>
Operating Results				
Interest Income	\$ 3,433	\$ 2,810	\$ 12,639	\$ 10,686
Interest Expense	868	679	3,165	2,370
Net Interest Income	2,565	2,131	9,474	8,316
Provision for Loan Losses	150	0	240	0
Non-Interest Income	230	121	859	662
Non-Interest Expense	1,299	1,143	5,036	4,760
Provision for Income Taxes	516	426	1,928	1,616
Net Income	\$ 830	\$ 683	\$ 3,129	\$ 2,602
Earnings per Share	\$ 0.38	\$ 0.33	\$ 1.43	\$ 1.28

At its January 2017 board meeting, the Company approved a continuation of its highly successful Share Buyback Program. Since originally announced in February of 2015, this Share Buyback Program has allowed the Company to repurchase 281,748 shares of its common stock. Sitter stated, "The Company's Share Buyback Program has been well received by our shareholders. It provides a source of liquidity to shareholders that would not exist otherwise." Sitter continued by stating that over 150 shareholders have utilized the Share Buyback Program over the past two years. Choice Bancorp's closing stock price as of February 8, 2017, was \$16.45 per share. Any shareholder interested in utilizing the Share Buyback Program can contact Choice Bancorp at (920) 230-1300. Sitter indicated that the Program is completely voluntary.

Forward-Looking Statements

Statements in this press release relating to the Company's plans, objectives, expectations or future performance are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe," "may," "should," "anticipate," "estimate," "expect," "intend," "objective," "seek," "plan," "strive" or similar words, or negatives of these words, identify forward-looking statements. These forward-looking statements are based on management's current expectations. The Company's actual results in future periods may differ materially from those currently expected due to various risks and uncertainties. The forward-looking statements in this press release are made as of the date of the release and the Company does not assume any responsibility to update these statements.

Choice Bank, established in July 2006, is located at 2450 Witzel Avenue, Oshkosh with a second location at 2201 Jackson Street, Oshkosh. In March 2011, Choice Bank became a wholly-owned subsidiary of Choice Bancorp, Inc. Choice Bancorp, Inc. is a publicly traded, one-bank holding company, trading under the symbol of CBKW. Choice Bank is a locally owned and operated community bank dedicated to making a difference in your community!

Choice Bank...Your Community, Your Choice!

Member FDIC Equal Housing Lender

For additional information about Choice Bank, call (920) 230-1300 or visit www.choicebank.com.