



CHECKPOINT

Second Quarter 2018 Highlights:

- Net Revenue grew 2.7% in the second quarter compared to 2Q17 and 2.3% year to date compared to the first two quarters of 2017.
- Net Interest Income was up 5.9% in 2Q18 compared to the second quarter of 2017 and 6.4% year to date compared to the same period last year.
- Net Income was up 15.2% compared to 2Q17, and 13.2% year to date compared to the first two quarters of 2017.
- Average Assets were up 15.6% compared to 2Q17 and 16.5% year to date compared to the same period last year.
- Average Loans for the quarter increased 8.2% compared to 2Q17 and 7.6% compared to the same period last year.
- Average Deposits increased 17.4% compared to 2Q17 and 19.2% year to date compared to the first two quarters of 2017.
- Asset Quality remains strong with Non-Performing Assets as a Percent of Total Assets at 0.03% and the bank's Allowance for Loan Losses as a Percent of Total Loans was at 1.36%.
- Average Stockholders' Equity for the quarter declined by 9.0% compared to 2Q17.
- Diluted Earnings Per Share were \$0.22 for 2Q18, up 14.9% from the second quarter of 2017.
- Fully Diluted Book Value Per Share was \$11.34, a decrease of 8.8% from 2Q17.

Following a solid first quarter, AB&T ended the second quarter of 2018 showing positive performance in several key areas. The bank saw Net Revenue growth of 2.7% in 2Q18 compared to the second quarter of last year and 2.3% growth compared to the first two quarters of 2017. That increase, combined with decreased Income Tax Expenses, led to a 15.2% rise in Net Income compared to 2Q17 and a 13.2% increase year to date compared to the first two quarters of 2017.

The second quarter of 2018 also saw continued improvement on the bank's balance sheet with AB&T realizing a 15.6% rise in Average Assets compared to 2Q17. Average Loans were up 8.2% compared to 2Q17 and Average Deposits increased 17.4%.

Once again, AB&T's asset quality remains strong with Non-Performing Assets as a Percent of Total Assets at only 0.03% and the bank's Allowance for Loan Losses as a Percent of Total Loans was at 1.36%.

Despite that solid performance, Average Stockholders' Equity was down 9.0% compared to 2Q17 and the bank's Fully Diluted Book Value Per Share was down 8.8% from 2Q17. Each change was driven by the one-time adjustment to the bank's Deferred Tax Asset following last year's change in the corporate tax rate and a one-time return of \$500,000 in capital from the bank to the holding company in March of this year.

Always striving to improve, the bank's second quarter performance again illustrates that AB&T's high operational standards and practices, combined with the hard work of the entire team, continue to yield impressive results in the key metrics that drive profitability. As the year progresses, we expect to see increased success, further validating that the exceptional products and services the bank provides its present and future clients truly are the Gold Standard of community banking.



FINANCIAL SUMMARY (UNAUDITED)

(in thousands except per share amounts)

	Quarter-end			Year-to-date		%
	June 30, 2018	June 30, 2017	% Change	June 30, 2018	June 30, 2017	
OPERATING RESULTS						
Net Interest Income	1,420	1,341	5.9%	2,827	2,658	6.4%
Non-Interest Income	239	274	-12.8%	488	584	-16.4%
Net Revenue	1,659	1,615	2.7%	3,315	3,242	2.3%
Non-Interest Expense	1,314	1,253	4.9%	2,628	2,503	5.0%
Net Income Before Taxes	345	362	-4.7%	687	739	-7.0%
Income Tax Expense	79	131	-39.7%	156	270	-42.2%
Net Income	266	231	15.2%	531	469	13.2%
BALANCE SHEET						
Average Assets	179,278	155,145	15.6%	179,549	154,136	16.5%
Average Loans	138,869	128,327	8.2%	139,125	129,277	7.6%
Average Non-Interest-Bearing Demand Deposits	38,284	37,742	1.4%	41,548	38,340	8.4%
Average Deposits	149,425	127,283	17.4%	151,298	126,956	19.2%
Average Stockholders' Equity	13,856	15,224	-9.0%	13,730	15,180	-9.6%
Period Ending Stockholders' Equity	13,965	15,279	-8.6%	13,965	15,279	-8.6%
BANK CAPITAL RATIOS						
Tier 1 Leverage Ratio				8.18%	8.99%	
Common Equity Tier 1 (CET1)				10.60%	10.41%	
Total Capital Ratio				11.85%	11.67%	
ASSET QUALITY METRICS						
Non-Performing Assets				60	32	
Non-Performing Assets as % of Total Assets				0.03%	0.02%	
OREO				0	0	
Provision for Loan Losses				0	0	
Allowance for Loan Losses as % of Total Loans				1.36%	1.42%	
PER SHARE *						
Diluted Earnings Per Share	\$0.22	\$0.19	14.9%	\$0.43	\$0.38	13.7%
Average Shares Outstanding (fully diluted)	1,230,938	1,228,477	0.2%	1,230,894	1,236,127	-0.4%
Period Ending Shares Outstanding (fully diluted)	1,231,116	1,228,477	0.2%	1,231,116	1,228,477	0.2%
Fully Diluted Book Value Per Share	\$11.34	\$12.44	-8.8%	\$11.34	\$12.44	-8.8%
PERFORMANCE RATIOS						
Return on Average Assets	0.59%	0.60%		0.59%	0.61%	
Return on Average Common Equity	7.68%	6.07%		7.73%	6.18%	
Efficiency Ratio	79.18%	77.55%		79.28%	77.24%	

* Per share results reflect a 1 for 5 reverse stock split effective June 30, 2018