



# PRESS RELEASE

---

**CONTACT:**

**Jack W. Gustavel**  
**IDAHO INDEPENDENT BANK**  
**1260 W. Riverstone Drive**  
**Coeur d'Alene, Idaho 83814**  
**(208) 292-1902**

**FOR IMMEDIATE RELEASE**

**April 11, 2018**

**IDAHO INDEPENDENT BANK ANNOUNCES  
2018 FIRST QUARTER RESULTS**

**Coeur d'Alene, Idaho** – Jack W. Gustavel, Executive Chairman of Idaho Independent Bank (“IIB” or the “Bank”) (OTC Pink: IIBK), announced IIB’s unaudited, consolidated financial results for the first quarter ended March 31, 2018.

Mr. Gustavel reported that IIB’s net income for the quarter was \$1.4 million, or \$0.18 per diluted share, compared to net income of \$783,000, or \$0.10 per diluted share, for the same period a year ago. “The improvement was primarily due to loan and deposit growth, improved yields on earning assets, and a lower corporate income tax rate,” Chairman Gustavel stated. Gustavel noted that the Tax Cuts and Jobs Act that was signed into law on December 22, 2017, lowered the Bank’s top federal income tax rate from 35% to 21% and will be a significant benefit to IIB in 2018 and into the future.

At March 31, 2018, the Bank's total assets were \$698.8 million, an increase of \$32.2 million, or 4.8%, when compared to March 31, 2017. Total loans, including loans held-for-sale, increased \$36.2 million, or 11.0%, to \$365.8 million; while deposits and repurchase agreements increased \$29.8 million, or 5.0%, to \$614.3 million over the same timeframe. As of March 31, 2018, the allowance for loan and lease losses was \$6.2 million, or 1.7% of total loans, excluding loans held-for-sale, and nonperforming assets continued to be less than 0.3% of total assets.

As of quarter end, the Bank’s stockholders' equity to average total assets was 10.0%, and IIB’s capital ratios exceeded the regulatory thresholds required to be considered “Well-Capitalized.” During the quarter, the Bank purchased 3,715 shares of its common stock at a cost of \$46,080. IIB may still purchase shares worth up to \$774,000 under its current buyback approval.

IIB will file its Consolidated Report of Condition and Income for the quarter ended March 31, 2018, ("Call Report") with the Federal Deposit Insurance Corporation by April 30, 2018, and will be available on the Federal Financial Institutions Examinations Council website at <http://cdr.ffiec.gov/public/>.

## **About IIB**

IIB was established in 1993 as an Idaho state-chartered, commercial bank that operates branches in Boise (3), Caldwell, Coeur d'Alene, Hayden, Meridian, Mountain Home, Nampa, Star, and Sun Valley/Ketchum, Idaho. IIB earned Top Ten Best Places to Work in Idaho through a survey conducted by Populus in 2018, was one of the 2018 Top Ranked Community Banks in the Idaho Business Review Reader Rankings, and was named among the top 1% most extraordinary banks in the U.S. by The Institute for Extraordinary Banking™ in 2016. The Bank has approximately 200 employees throughout the State of Idaho. To learn more about IIB, visit us online at [www.theidahobank.com](http://www.theidahobank.com).

*Statements contained herein concerning future performance, developments or events, expectations for earnings, growth and market forecasts, and similar statements that are not historical facts are intended to be "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995, and as such, are subject to a number of risks and uncertainties that may cause actual results to differ materially from expectations or our stated objectives. Factors that could cause actual results to differ materially, include, but are not limited to, declines in regional and general economic conditions; changes in interest rates, deposit flows, demand for loans, real estate values, competition, and/or loan delinquency rates; changes in accounting principles, practices, policies, or guidelines; changes in legislation or regulations; changes in the regulatory environment; changes in monetary policy of the Federal Reserve Bank; changes in fiscal policy of the Federal government and the State of Idaho; changes in other economic, competitive, governmental, regulatory, and technological factors affecting operations, pricing, products, and services; material unforeseen changes in the liquidity, results of operations, or financial condition of the Bank's customers. Accordingly, these factors should be considered in evaluating forward-looking statements, and there should not be undue reliance placed on such statements. The Bank undertakes no responsibility to update or revise any forward-looking statements.*

**Idaho Independent Bank**  
**Financial Highlights (unaudited)**  
(dollars in thousands, except share data)

CONDENSED STATEMENT OF OPERATIONS	Three Months Ended	
	March 31,	
	2018	2017
Net interest income	\$ 6,289	\$ 4,971
Provision for loan losses	200	-
Net interest income after provision for loan losses	6,089	4,971
Noninterest income	1,574	1,775
Noninterest expense	5,712	5,513
Income before provision for income tax expense	1,951	1,233
Provision for income tax expense	523	450
Net income	\$ 1,428	\$ 783

Earnings per share:

Basic	\$ 0.19	\$ 0.10
Diluted	\$ 0.18	\$ 0.10

**SELECTED BALANCE SHEET ACCOUNTS**

	March 31, 2018	March 31, 2017
Loans held for sale	\$ 6,307	\$ 3,418
Loans receivable	359,508	326,150
Gross loans	365,815	329,568
Allowance for loan losses	6,193	6,259
Total assets	698,827	666,591
Deposits	585,313	556,990
Customer repurchase agreements	28,945	27,504
Total deposits and repurchase agreements	614,258	584,494
Stockholders' equity	67,258	64,889

**PER SHARE DATA**

Common shares outstanding	7,516,497	7,629,190
Book value per share	\$ 8.95	\$ 8.51

PERFORMANCE RATIOS (annualized)	Three Months Ended	
	March 31,	
	2018	2016
Return on average assets	0.86%	0.50%
Return on average equity	8.69%	4.92%
Efficiency ratio	72.64%	81.72%
Net interest margin	4.03%	3.39%