

## **Idaho First Bank Announces 3<sup>rd</sup> Quarter Results**

McCall, Idaho – October 17, 2018 – Today Idaho First Bank (the “Bank”) (OTC: IDFB) announced record net income before taxes of \$287,000 for the third quarter of 2018. Net income after taxes for the third quarter of 2018 was \$212,000 compared to \$41,000 in the same quarter of 2017.

Net income for the first nine months of 2018 was \$323,000, an improvement of \$414,000, from the net loss of \$91,000 in the first nine months of 2017. The major factor driving this improvement was the \$1,148,000 growth in net interest income. This 29% year-to-year improvement was primarily due to a 24% increase in average loan balances. Net interest income also benefited from net interest margin improving from 3.77% to 3.88%.

Mark Miller, Chairman of the Board, commented, “The Board is pleased with the record pre-tax results for the quarter. The Board continues to be active in their oversight responsibilities and in referring business to the Bank. I believe that everyone in the organization is focused on growing safely and profitably.”

Greg Lovell, President and CEO commented, “The branches in Eagle and New Meadows, which opened in late 2016, are growing and are helping the Bank improve earnings. The Eagle Branch is now profitable.”

At September 30, 2018, the Bank’s total assets were \$198 million, an increase of \$34 million, or 21% over September 30, 2017. At the same time, total loans increased 20%, or \$27 million. Deposits increased 22% during the same 12 months. The Bank’s local core deposit growth was strong, which allowed for a significant reduction in wholesale deposits. President Lovell commented, “The growth in assets shows the strength of our core markets. Our team is doing a great job of providing remarkable experiences to our clients. Our Associates drive the growth of this Bank and we appreciate their efforts.”

The allowance for loan losses stood at \$1,988,000, or 1.23% of loans at September 30, 2018. Total nonperforming assets were \$1.3 million at September 30, 2018. The Bank has no other real estate owned.

Shareholders’ equity at September 30, 2018, was \$17.2 million, and book value per share was \$5.71. “The Bank’s capital ratios remain strong and exceed the regulatory thresholds required for well-capitalized banks”, stated Don Madsen, EVP and Chief Financial Officer.

Idaho First Bank is a state-chartered commercial bank that opened for business in October 2005. Its headquarters are located in McCall, Idaho, with branches in Boise, Eagle and New Meadows.

This release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (“PSLRA”). Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, economic conditions, the regulatory environment, loan concentrations, vendors, employees, technology, competition, and interest rates. Readers are cautioned not to place undue reliance on the forward-looking statements. Idaho First Bank has no obligation to publicly update the forward-looking statements after the date of this release. This statement is included for the express purpose of invoking PSLRA’s safe harbor provisions.

Contacts: Greg Lovell - 208.630.2001; Don Madsen - 208.947.0430

**Idaho First Bank**  
**Financial Highlights (unaudited)**  
(Dollars in thousands)

<b>For the nine months ended Sept 30:</b>	<b>2018</b>	<b>2017</b>	<b>Change</b>	
Net interest income	\$ 5,156	\$ 4,008	\$ 1,148	29%
Provision for loan losses	280	120	160	133%
Mortgage banking income	1,269	1,498	(229)	-15%
Other noninterest income	390	373	17	5%
Noninterest expenses	6,046	5,908	138	2%
Net income (loss) before taxes	489	(149)	638	428%
Tax provision (benefit)	166	(58)	224	386%
Net income (loss)	\$ 323	\$ (91)	\$ 414	455%
<b>At September 30:</b>	<b>2018</b>	<b>2017</b>	<b>Change</b>	
Loans	\$ 161,904	\$ 135,177	\$ 26,727	20%
Allowance for loan losses	1,988	1,574	414	26%
Assets	197,674	163,193	34,481	21%
Deposits	174,897	143,083	31,814	22%
Stockholders' equity	17,165	16,616	549	3%
Nonaccrual loans	1,255	1,264	(9)	-1%
Accruing loans more than 90 days past due	-	-	-	
Other real estate owned	-	-		
Total nonperforming assets	1,255	1,264	(9)	-1%
Book value per share	5.71	6.19	(0.48)	-8%
Shares outstanding	3,008,151	2,682,449	325,702	12%
Allowance to loans	1.23%	1.16%		
Allowance to nonperforming loans	158%	125%		
Nonperforming loans to total loans	0.78%	0.94%		
<b>Averages for the nine months ended Sept 30:</b>	<b>2018</b>	<b>2017</b>	<b>Change</b>	
Loans	\$ 152,224	\$ 122,496	\$ 29,728	24%
Earning assets	177,893	142,026	35,867	25%
Assets	187,361	154,373	32,988	21%
Deposits	165,681	134,296	31,385	23%
Stockholders' equity	17,232	16,621	611	4%
Loans to deposits	92%	91%		
Net interest margin	3.88%	3.77%		

**Idaho First Bank**  
**Quarterly Financial Highlights (unaudited)**  
(Dollars in thousands)

<b>Income Statement</b>	<b>Q3 2018</b>	<b>Q2 2018</b>	<b>Q1 2018</b>	<b>Q4 2017</b>	<b>Q3 2017</b>
Net interest income	\$ 1,832	\$ 1,687	\$ 1,637	\$ 1,555	\$ 1,406
Provision for loan losses	140	70	70	85	70
Mortgage banking income	342	334	593	503	606
Other noninterest income	138	126	126	144	135
Noninterest expenses	1,885	1,960	2,201	1,966	2,011
Net income before taxes	287	117	85	151	66
Tax provision	75	32	59	1,098	25
Net income (loss)	\$ 212	\$ 85	\$ 26	\$ (947)	\$ 41
<b>Period End Information</b>	<b>Q3 2018</b>	<b>Q2 2018</b>	<b>Q1 2018</b>	<b>Q4 2017</b>	<b>Q3 2017</b>
Loans	\$ 161,904	\$ 153,687	\$ 149,157	\$ 144,114	\$ 135,177
Allowance for loan losses	1,988	1,847	1,762	1,659	1,574
Nonperforming loans	1,255	1,255	1,257	1,264	1,264
Other real estate owned	-	-	-	-	-
Quarterly net charge-offs (recoveries)	(1)	(15)	(33)	(1)	(1)
Allowance to loans	1.23%	1.20%	1.18%	1.15%	1.16%
Allowance to nonperforming loans	158%	147%	140%	131%	125%
Nonperforming loans to loans	0.78%	0.82%	0.84%	0.88%	0.94%
<b>Average Balance Information</b>	<b>Q3 2018</b>	<b>Q2 2018</b>	<b>Q1 2018</b>	<b>Q4 2017</b>	<b>Q3 2017</b>
Loans	\$ 158,991	\$ 150,791	\$ 146,756	\$ 139,476	\$ 127,345
Earning assets	186,270	174,190	173,075	161,956	148,785
Assets	195,520	183,518	182,907	172,735	161,352
Deposits	172,548	162,091	162,292	152,250	141,176
Stockholders' equity	17,407	17,159	17,127	16,953	16,677
Loans to deposits	92%	93%	90%	92%	90%
Net interest margin	3.90%	3.88%	3.84%	3.81%	3.75%