

Idaho First Bank Announces 1st Quarter 2019 Results

McCall, Idaho – April 23, 2019 – Today Idaho First Bank (the “Bank”) (OTC: IDFB) announced unaudited financial results for the first quarter of 2019.

Net income for the first quarter was \$152,000, compared to \$26,000 in the first quarter of 2018. The major factor driving this improvement was the \$376,000 increase in net interest income. This 23% improvement was driven by a 12% increase in average loan balances, and further benefited from net interest margin improving from 3.84% to 4.08%.

At March 31, 2019, the Bank’s total assets were \$212 million, an increase of \$27 million, or 14% over March 31, 2018. Deposits increased 14% 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 foster a culture of excellence. We appreciate their efforts.”

The allowance for loan losses stood at \$2,003,000, or 1.24% of loans at March 31, 2019. Troubled asset ratios improved to remarkable lows at March 31, 2019, with nonperforming loans to total loans measuring just 0.09%. Net charge-offs for the quarter were \$297,000, decreasing nonperforming assets to \$149,000 at March 31, 2019. The Bank has no other real estate owned. Kathleen Lewis, EVP and Chief Credit Officer commented, “It is virtually impossible to beat, and certainly a noteworthy achievement, to see a ratio of nonperforming loans to total loans of 0.09%. At the same time, we are constantly evaluating the loan portfolio for the first signs of trouble.”

Shareholders’ equity at March 31, 2019, was \$18.4 million. Book value per share improved from \$5.62 at March 31, 2018 to \$5.91 at March 31, 2019, as a result of the improvement in profitability and accretive stock issuances. “The Bank’s capital ratios remain strong and exceed the regulatory requirements 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, except per share)

For the three months ended

March 31:

	<u>2019</u>	<u>2018</u>	<u>Change</u>	
Net interest income	\$ 2,013	\$ 1,637	\$ 376	23%
Provision for loan losses	185	70	115	164%
Mortgage banking income	233	593	(360)	-61%
Other noninterest income	133	126	7	6%
Noninterest expenses	1,974	2,201	(227)	-10%
Net income before taxes	220	85	135	159%
Tax provision	68	59	9	15%
Net income	\$ 152	\$ 26	\$ 126	485%

At March 31:

	<u>2019</u>	<u>2018</u>	<u>Change</u>	
Loans	\$ 161,243	\$ 149,157	\$ 12,086	8%
Allowance for loan losses	2,003	1,762	241	14%
Assets	212,454	185,793	26,661	14%
Deposits	188,207	165,431	22,776	14%
Stockholders' equity	18,387	16,853	1,534	9%
Nonaccrual loans	149	1,255	(1,106)	-88%
Accruing loans more than 90 days past due	-	2	(2)	
Other real estate owned	-	-		
Total nonperforming assets	149	1,257	(1,108)	-88%
Book value per share	5.91	5.62	0.29	5%
Shares outstanding	3,110,857	3,000,819	110,038	4%
Allowance to loans	1.24%	1.18%		
Allowance to nonperforming loans	1344%	140%		
Nonperforming loans to total loans	0.09%	0.84%		

Averages for the quarter ended March 31:

	<u>2019</u>	<u>2018</u>	<u>Change</u>	
Loans	\$ 164,898	\$ 146,756	\$ 18,142	12%
Earning assets	199,974	173,075	26,899	16%
Assets	209,341	182,907	26,434	14%
Deposits	185,035	162,292	22,743	14%
Stockholders' equity	18,452	17,127	1,325	8%
Loans to deposits	89%	90%		
Net interest margin	4.08%	3.84%		

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

Income Statement	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	\$ 2,013	\$ 1,927	\$ 1,832	\$ 1,687	\$ 1,637
Provision for loan losses	185	175	140	70	70
Mortgage banking income	233	314	342	334	593
Other noninterest income	133	162	138	126	126
Noninterest expenses	1,974	1,891	1,885	1,960	2,201
Net income before taxes	220	337	287	117	85
Tax provision	68	91	75	32	59
Net income (loss)	\$ 152	\$ 246	\$ 212	\$ 85	\$ 26
Period End Information	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans	\$161,243	\$166,830	\$161,904	\$153,687	\$ 149,157
Allowance for loan losses	2,003	2,114	1,988	1,847	1,762
Nonperforming loans	149	449	1,255	1,255	1,257
Other real estate owned	-	-	-	-	-
Quarterly net charge-offs (recoveries)	297	49	(1)	(15)	(33)
Allowance to loans	1.24%	1.27%	1.23%	1.20%	1.18%
Allowance to nonperforming loans	1344%	471%	158%	147%	140%
Nonperforming loans to loans	0.09%	0.27%	0.78%	0.82%	0.84%
Average Balance Information	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans	\$164,898	\$164,836	\$158,991	\$150,791	\$ 146,756
Earning assets	199,974	191,291	186,270	174,190	173,075
Assets	209,341	200,387	195,520	183,518	182,907
Deposits	185,035	177,021	172,548	162,091	162,292
Stockholders' equity	18,452	17,651	17,407	17,159	17,127
Loans to deposits	89%	93%	92%	93%	90%
Net interest margin	4.08%	4.00%	3.90%	3.88%	3.84%