

Signature Bank, N.A.

August 22, 2019

Dear Shareholder:

We are pleased to report our financial results and the updated stock value for Signature Bancorp, Inc. Financial highlights for the first six months of 2019 include:

- Net income totaled \$6.4 million for the first half of 2019 – a 12.3% increase over the same period last year. Our Return on Assets and Return on Equity were strong at 1.40% and 12.93% respectively.
- Balance sheet growth has been the challenge thus far this year. You will see in the attached financial summary, we have experienced a slight decrease in our loan and deposit balances from the end of last year. Our loan pipeline has been building the last 60 days, and we expect to see overall growth in our loan portfolio and balance sheet by the end of the year.
- Net loan charge-offs are \$0 thus far this year. Our loan loss reserve remains at a very healthy \$8.8 million.
- ProBank Austin, LLC valued our stock at \$122.00 per share as of June 30, 2019. This is a \$5.00 per share increase from December 31, 2018. Over the past 12 months the share increase, combined with the cash dividend, represents an annual return of 12.4%

We remain focused on building a quality loan portfolio and will not diminish our underwriting standards to generate “quantity”. We are working closely with our clients to identify good loan opportunities to build our respective businesses.

As always, we thank you for your loyal support of our Bank. Your business and referrals are greatly appreciated.

Best regards,



Richard J. Brunner
Chairman & CEO



David A. Reed
President