

## **Second Quarter 2019 Financial Summary (Consolidated)**

Pilot Bancshares, Inc., the parent company of Pilot Bank, reported consolidated total assets as of June 30, 2019 of \$403.25MM, an increase of \$18.86MM from March 31, 2019, or 4.9%. Compared to June 30, 2018, total assets grew \$69.67MM, or 20.88%. Gross loans for the first half of the year ended at \$319.5MM, representing quarterly growth of \$20MM or 6.7% and year-over-year growth of \$60.3MM, or 23.27%. Total deposits for June 30 were \$331.6MM, an increase of \$14.2MM or 4.5% from first quarter and \$49.4MM, or 17.53% from the same period one year ago. Total equity capital was \$41.9MM, up \$11.5MM or 37.8% from June 2018. (Pilot Bancshares, Inc. completed a \$10MM common equity raise in October 2018). Overall asset growth for the first half of 2019 has been robust while maintaining strong asset quality and liquidity, and safe and sound underwriting practices.

Consolidated interest income on loans and investments for Q2 was \$4.4MM, up 9.1% from first quarter and YTD interest income of \$8.4MM is up 32.83% from the first six months of 2018. Net interest income (NII) for Q2 was \$3.05MM, a 7.9% increase from March 31, 2019. YTD NII was \$5.88MM, 19.18% ahead of the same time frame last year. Non-interest income grew 63% in second quarter and was \$786M YTD, driven in large part by success in the Small Business Administration, or “SBA”, lending program. Non-interest expense was stable in the second quarter and ended at \$5.67MM on a YTD basis. This represents an increase of approximately 21% over the same period last year, due largely to the opening of a new retail banking center in the St. Petersburg, Florida market and staffing additions to support the new SBA lending division. Resulting consolidated pre-tax income for Pilot Bancshares, Inc. was \$557M for the second quarter, a substantial increase from Q1’s pre-tax income of \$203M, and ended at \$760M YTD. The Company’s focus for the remainder of fiscal year 2019 continues to be on developing and enhancing relationships with its clients, community, employees, and shareholders.

### **About Pilot Bancshares, Inc.**

Pilot Bancshares, Inc. is a bank holding company, with Pilot Bank as its primary asset. Pilot Bank is a Florida state-chartered commercial bank and a member of the Federal Reserve System. The Bank began operation in 1987. The deposits of the Bank are insured up to applicable limits by the Federal Deposit Insurance Corporation (FDIC). The Bank provides a variety of banking services to individuals and businesses through its six full-service offices located in Hillsborough, Pinellas, and Polk Counties, Florida. The Bank’s affiliate, National Aircraft Finance Company (NAFCO) specializes in the origination of airplane loans, the majority of which are purchased by the Bank.