

# Third Quarter Review

October 2019



**Parkside Financial**

BANK & TRUST

## PARKSIDE FINANCIAL BANK & TRUST FINANCIAL HIGHLIGHTS

<b>TOTAL ASSETS</b>	\$527 Million	<i>\$42 million increase (+9%) from September 2018</i>
<b>TOTAL WEALTH MANAGEMENT ASSETS</b>	\$1.5 Billion	<i>\$155 million increase (+12%) from September 2018</i>
<b>YTD COMPANY REVENUE</b>	\$20 Million	<i>\$1.3 million increase (+7%) from YTD September 2018</i>
<b>YTD NET INCOME</b>	\$6 Million	<i>\$672 thousand increase (+13%) from YTD September 2018</i>
<b>YTD BANKING DIVISION NET INCOME</b>	\$5.3 Million	<i>\$433 thousand increase (+9%) from YTD September 2018</i>
<b>TOTAL OUTSTANDING LOANS</b>	\$417 Million	<i>\$43 million increase (+12%) from September 2018</i>
<b>YTD TFO REVENUE</b>	\$5.2 Million	<i>\$405 thousand increase (+8%) from YTD September 2018</i>
<b>YTD TFO DIVISION NET INCOME</b>	\$711 Thousand	<i>\$238 thousand increase (+50%) from YTD September 2018</i>
<b>TTM BASIC EARNINGS PER SHARE</b>	\$2.70	<i>\$0.24 increase (+10%) from TTM September 2018</i>



As we approach the end of the year and look forward to the holidays, we are grateful for three very good quarters in both our Banking and TFO divisions. Increased TFO assets under management coupled with continued strong loan growth helped to offset our second interest rate decrease of the year.

### ***Our Growing Team***

We are excited to welcome Jessica Koch to our team. Jessica joined Parkside in August as the Executive Administrative Assistant to Jim Wagner and Andrew Hereford. Offering nearly 15 years of experience, she recently supported a variety of senior executives at Centene Corporation. Jessica can be reached at [jkoch@pfbt.com](mailto:jkoch@pfbt.com) or 314.290.8720.

### ***Parkside's 'Step It Up Challenge'***

As part of Parkside's ongoing commitment to employee wellness, we recently completed a 30 day step challenge. Encouraging movement as we head into the more sluggish winter months, from September 15th - October 15th 48 participants utilized personal fitness trackers to record each step. Competing for both individual and team prizes, Parksidiers traversed a total of 19,505,140 steps! This equates to approximately 9,753 miles - nearly 40% of

the way around the world! Competitive spirit and teamwork were on full display throughout this fun challenge. Congratulations to all our steppers!

### ***Best In Business Awards: Best in Customer Service***

Parkside is proud to have been selected as a 2019 Best in Business finalist by St. Louis Small Business Monthly. SBM's annual reader survey allowed more than 10,000 individuals to vote for companies in 18 categories. Parkside was recognized as a Best in Customer Service finalist. This recognition aligns with our commitment to deliver first-class service, simplifying and streamlining every experience!

### ***Paint the Date***

Thank you to all those who joined us to Paint the Date at another fun Parkside Art Fair Party! Throughout the beautiful summer evening, we welcomed more than 600 clients, colleagues, friends and family - a new record high for attendees! WOW!

The holiday season ahead provides the opportunity to reflect and be thankful for those who have supported Parkside in achieving our goals. We value our relationship with you, thank you for your support and look forward to working with you in 2020 and beyond.

From our family to yours – we wish you a safe and happy holiday season.

As always, should you have any questions or comments, please feel free to contact us.

Sincerely,

James C. Wagner - CEO

Andrew S. Hereford - President, Bank

Matthew A. Wagner - President, TFO

**PARKSIDE FINANCIAL, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)**

<b>ASSETS</b>	September 30, 2019		September 30, 2018	
Cash and investments	\$	99,157,624	\$	102,359,693
Loans		416,629,202		373,198,366
Allowance for loan losses		(8,025,000)		(7,100,000)
Other assets		19,438,586		16,499,648
<b>Total assets</b>	<b>\$</b>	<b>527,200,412</b>	<b>\$</b>	<b>\$484,957,707</b>

<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
Non-interest bearing deposits	\$	110,774,200	\$	131,435,463
Interest bearing deposits		299,461,279		279,205,746
<b>Total deposits</b>		<b>410,235,479</b>		<b>410,641,209</b>
FHLB borrowings		50,000,000		21,000,000
Sub debt net of unamortized costs		6,735,457		-
Other liabilities		6,647,726		5,543,299
<b>Total liabilities</b>		<b>473,618,662</b>		<b>437,184,508</b>
<b>Total stockholders' equity</b>		<b>53,581,750</b>		<b>47,773,199</b>
<b>Total liabilities and equity</b>	<b>\$</b>	<b>527,200,412</b>	<b>\$</b>	<b>484,957,707</b>

**PARKSIDE FINANCIAL, INC.**  
**CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)**

<b>REVENUE</b>	September 30, 2019		September 30, 2018	
Net interest margin	\$	13,603,951	\$	13,132,798
Trust and family office revenue		5,229,352		4,824,591
Bank service charges and other income		876,054		777,187
<b>Total revenue</b>	<b>\$</b>	<b>19,709,357</b>	<b>\$</b>	<b>18,734,576</b>

<b>EXPENSES</b>	September 30, 2019		September 30, 2018	
Provision for possible loan losses	\$	1,125,000	\$	575,000
Noninterest expenses		11,349,281		11,183,480
<b>Total expenses</b>		<b>12,474,281</b>		<b>11,758,480</b>
Income taxes		1,485,745		1,680,563
<b>Net income</b>	<b>\$</b>	<b>5,749,331</b>	<b>\$</b>	<b>5,295,533</b>

Return on average assets	1.61%	1.51%
Return on average equity	15.29%	15.69%
Book value per share	\$18.91	\$16.97
TTM Basic earnings per share	\$2.70	\$2.46

## MOST RECENT STOCK TRANSACTIONS\*

10/1/19	2,500	shares @ \$38.00	
8/26/19	2,500	shares @ \$37.00	
6/28/19	37,815	shares @ \$36.00	2019 Offer to Purchase
6/24/19	4,500	shares @ \$37.00	
4/30/19	250	shares @ \$37.00	
4/9/19	3,500	shares @ \$36.80	

## DIVIDEND HISTORY

2019	\$0.80 per share
2018	\$0.625 per share
2017	\$0.50 per share
2016	\$0.40 per share
2015	\$0.30 per share
2014	\$0.20 per share

\*The Company is aware of the following recent transactions in the Company's stock. No assurances can be given that such information reflects all transactions in the Company's stock during the period or that such transactions accurately and completely reflect the value of the Company's stock. Such information is provided for convenience and should not be relied upon. The Company does not make a market in or otherwise trade in its stock. However, the Company can assist in the settlement of transactions in its stock between buyers and sellers who have independently negotiated the terms of their transactions.

Investments are not insured by the FDIC or any federal government agency, provide no bank guarantee, are not a deposit and may lose value.