



FOR IMMEDIATE RELEASE
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LEGACY BANK OF FLORIDA REPORTS NET INCOME OF \$4.1 MILLION FOR 2018

Boca Raton, Florida – Legacy Bank of Florida (“Bank”) reported pretax income of \$5.4 million for 2018 compared to the pretax income of \$3.9 million for 2017, a 36.0% increase. The Bank’s net income for the year ended December 31, 2018, of \$4.1 million, or \$0.26 per share, compared to the net income of \$556,000, or \$0.04 per share, for the year ended December 31, 2017. In 2017 the Bank net income was affected by a \$1.9 million expense related to the Tax Reform Act enacted in December 2017. The Bank’s net interest income after the provision for loan losses was \$13.4 million for 2018 compared to the \$11.9 million for 2017, a 13.1% increase.

The Bank’s total assets at December 31, 2018, were \$427.0 million, as compared to \$377.9 million at December 31, 2017, an increase of \$49.1 million or 13.0%. The Bank’s loans net of reserves at December 31, 2018 were \$362.5 million as compared to \$309.0 million at December 31, 2017, an increase of \$53.5 million or 17.3%. Total deposits ending December 31, 2018, were \$305.9 million as compared to \$276.3 million at December 31, 2017, a \$29.6 million increase or 10.7%. The Bank's stockholders' equity at December 31, 2018, was \$45.7 million compared to \$39.7 million at December 31, 2017, a \$6.0 million or 15.0% increase, reflected in part, from the sale of 648,000 shares of common stock, or net proceeds of \$2.1 million, concluding our Capital Offering.

Dennis G. Bedley, Chairman and CEO commented, “This year produced marked improvement in the performance of the Bank achieving over a 1.02% return on assets (1.34% pretax) and a 9.52% return on our shareholder equity (12.54% pretax) as we still have a small DTA left. We finished 2018 with a strong fourth quarter, loan production alone accounted for the over 70% of the net \$53.5 million increase in our portfolio from December 2017. We believe our net interest margin has begun to stabilize for three compelling reasons, one, the new loans we are originating are at higher rates, two, the loans we originated from 2013, when the Bank was re-capitalized, are resetting at higher rates and, three, our new loan volume will continue to add additional fees and revenue to the Bank. Lowering our efficiency ratio from 63% to below 60% remains a top priority for Management. As always, we continue to remain focused on implementing strategies that produce long term value for our Shareholders.”

Legacy Bank of Florida, founded in 2006, is a locally owned and managed community Bank with offices in Boca Raton, West Palm Beach, Fort Lauderdale, Delray Beach and Pompano. The Bank specializes in business and professional banking, including commercial credit and deposit products, and a full line of retail and corporate cash management products. For additional information, please visit www.legacybankfl.com.

Forward-Looking Statements

This document contains certain forward-looking statements relating to present or future trends or factors affecting the banking industry and specifically the operations, markets and products of the Bank. Actual results could differ materially from those projected and may be affected by changing events and trends that have influenced the Bank's assumptions, but that are beyond the control of the Bank. These trends and events

include changes in the interest rate environment, expected cost savings, anticipated growth in the Bank's newly established or augmented sources of noninterest income, changes in the domestic and foreign business environments and securities markets and changes in the regulatory authorities and policies affecting the Bank.

SELECTED FINANCIAL DATA

(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
	(AUDITED)	(AUDITED)
Operating Data:		
Interest Income	17,414	14,717
Interest Expense	3,981	2,384
Net interest income	13,433	12,333
Provision for loan and lease losses	30	480
Net interest income after provision for losses	13,403	11,853
Noninterest income	992	712
Noninterest expense	9,038	8,627
Income before income tax	5,357	3,938
Income tax (benefit)	1,293	3,382
Net earnings	4,064	556
Per Share Outstanding Data:		
Basic net earnings per common share	\$0.26	\$0.04
Book value per common share at year or period end	\$2.88	\$2.63
Common shares outstanding, year or period end	15,861,783	15,114,184
Average common shares outstanding, basic	15,795,839	14,008,676
Balance Sheet Data:		
Total assets	\$426,998	\$377,868
Total loans, net	362,498	309,023
Allowance for Loan Losses	2,600	2,498
Total deposits	305,876	276,324
Shareholders' Equity	45,664	39,697
Capital Ratios:		
Total risk-based capital ratio	11.97%	11.94%
Common Equity Tier I risk-based capital ratio	11.31%	11.18%
Tier 1 risk-based capital ratio	11.31%	11.18%
Tier 1 leverage capital ratio	10.68%	9.88%
Total equity to total assets	10.69%	10.51%
Selected Performance Ratios:		
Return on average assets	1.02%	0.16%
Return on average equity	9.52%	1.51%
Net interest margin	3.48%	3.54%
Efficiency ratio	62.62%	65.90%
Asset Quality Ratios:		
Allowance for loan losses to period-end loans	0.71%	0.80%
Nonperforming assets to total assets	0.00%	0.00%
Nonperforming assets & loans 90+ days past due to total assets:	0.00%	0.00%
Net loan charge-offs to average loans (annualized)	-0.02%	0.31%