

TRC GLOBAL MOBILITY
Relocation Services



PLASTI-COIL & TRI-TEC
Manufacturing



WISCONSIN UTILITY EXPOSURE
Hydrovac Excavating



WANTABLE
E-Commerce

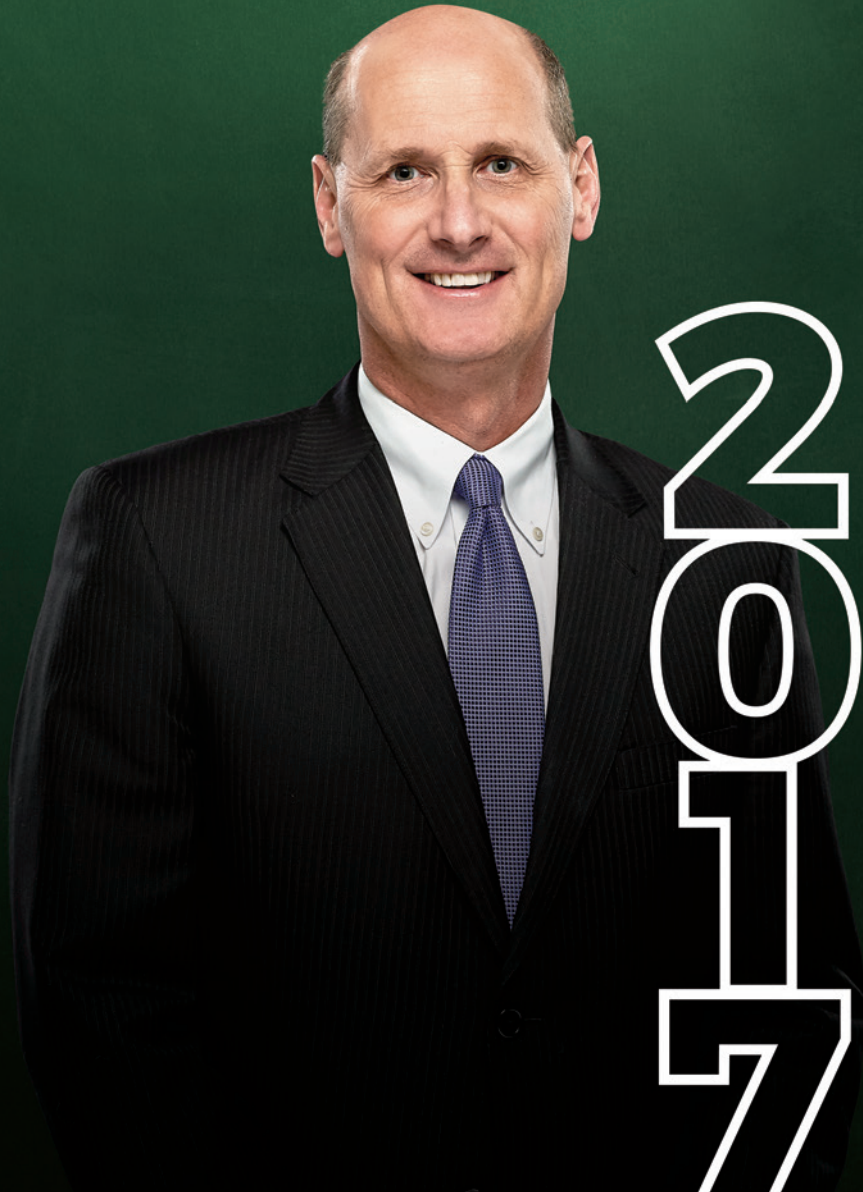


PIEPER PROPERTIES
Real Estate

PARK BANK

2017 ANNUAL REPORT

A YEAR MARKED BY **SUCCESS**



“
*Working
Together
To Achieve
More”*

Letter from the President

It has been said that growth is the direct result of forces working together. This was evidenced more strongly than ever at Park Bank in 2017 as we grew capital, earnings and our loan portfolio – a direct result of our strong customer partnerships and our commitment to local growing businesses.

Over the past year, we had the privilege of working alongside many valued customers, hand-in-hand, offering support as they realize their own visions of growth. The companies highlighted in this year's annual report – Pieper Properties, Plasti-Coil & Tri-Tec, TRC Global Mobility, Wantable and Wisconsin Utility Exposure – serve as shining examples of the tenacity and motivation that exemplifies business leadership throughout southeastern Wisconsin. Each of these customers leveraged capital from Park Bank to grow their business in 2017, giving us the exciting opportunity to accelerate their ability to expand, invest and acquire. What a privilege it is to support our customers' needs, walk with them as they thrive and watch the incredible impact each is making within our community.

For more than 100 years, Park Bank has maintained a commitment to our community and the businesses that call it home. That commitment remains unchanged during this exciting time in southeastern Wisconsin, with numerous developments taking shape in 2018. We remain optimistic and enthusiastic about our community's growth and Park Bank's ability to help existing and new customers bring these opportunities to fruition.

Our dedication to forging lasting relationships dictates the way we operate, and these relationships are the reason we maintain confidence in our vision: to be the best bank for growing businesses in southeastern Wisconsin. We value your ongoing patronage and, most importantly, your trust as we continue to serve the companies that make our region so remarkable.

Thank you for your loyalty and support,



David P. Werner
President and CEO

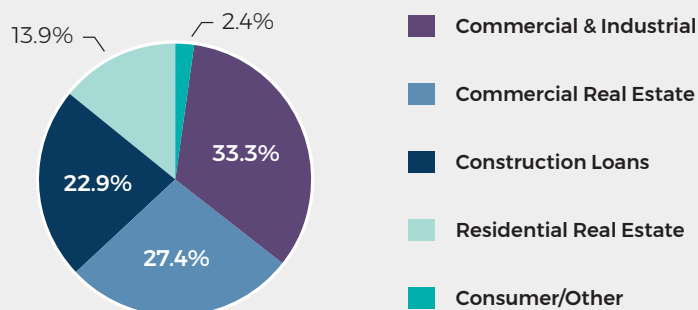
BALANCE SHEET (Dollars in thousands)

Assets	2017	2016	2015
Cash and Due from Banks	\$19,371	\$26,789	\$24,744
U.S. Government Securities	220,311	276,325	214,349
Asset-Based Securities	0	0	4,598
Mortgage-Based Securities	0	0	0
Other Investments	2,906	4,421	1,771
Federal Funds Balances	73,719	80,711	90,900
Loans	631,709	559,229	562,995
Less Loan Loss Reserve	(9,919)	(9,225)	(8,440)
Land, Building and Equipment	1,303	1,521	1,084
Interest Earned (Not Collected)	2,342	2,054	1,424
Other Assets	1,839	2,146	5,440
Total Assets	\$943,581	\$943,971	\$898,865
Liabilities & Shareholders' Equity			
Noninterest-Bearing Demand Deposits	\$322,931	\$310,626	\$265,931
Adjustable Interest-Bearing Deposits	435,248	453,370	451,686
Certificates of Deposit	57,671	61,494	67,529
Total Deposits	\$815,850	\$825,490	\$785,146
Repurchase Agreements	25,658	22,604	20,616
Other Liabilities	3,469	3,671	3,485
Total Liabilities	\$844,977	\$851,765	\$809,247
Capital Stock	2,500	2,500	2,500
Capital Surplus	20,000	20,000	20,000
Unrealized Investment Depreciation	(4,712)	(4,776)	(1,744)
Undivided Profits	80,816	74,482	68,862
Total Shareholders' Equity	\$98,604	\$92,206	\$89,618
Total Liabilities & Shareholders' Equity	\$943,581	\$943,971	\$898,865

INCOME STATEMENT (Dollars in thousands)

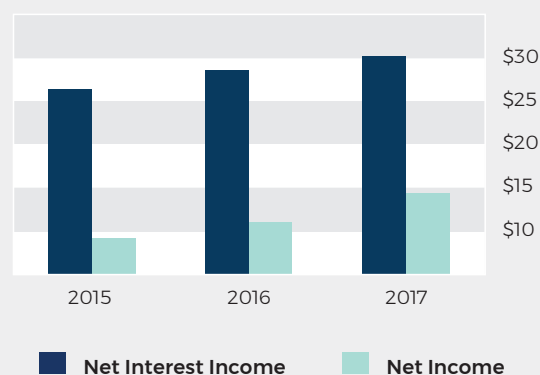
	2017	2016	2015
Interest Income	\$32,073	\$29,501	\$28,007
Interest Expense	(1,501)	(1,382)	(1,435)
Net Interest Income	\$30,572	\$28,119	\$26,572
Provision for Loan Losses	0	(802)	0
Net Interest Income After Provision for Loan Losses	\$30,572	\$28,921	\$26,572
Other Income	2,899	3,203	2,990
Other Expense	(19,067)	(20,210)	(20,282)
Income Before Income Taxes and Security Gains (Losses)	\$14,404	\$11,914	\$9,280
Provision for Income Taxes	(351)	(346)	(271)
Income Before Security Gains (Losses)	\$14,053	\$11,568	\$9,009
Security Gains (Losses)	31	(148)	0
Total Net Income	\$14,084	\$11,420	\$9,009

Average Loan Growth by Type



The \$86.8 million average loan growth in 2017 was well-balanced among the three primary commercial lending categories.

Earnings (Dollars in millions)



As the economy grows, so does the bank's loan portfolio and primary income generator, represented by net interest income.



Lending Limit
\$20 million

We raised our lending limit from \$18.5 million to \$20 million for any one customer relationship.

A CLOSER LOOK AT THE NUMBERS

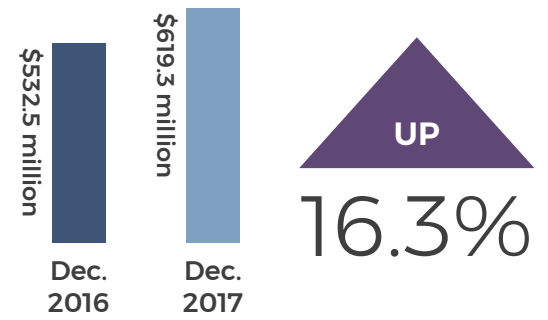
Monthly average loans in December 2017

619M



2017 Financial Highlights

Average Loan Growth



Tier 1 Regulatory Capital



Our capital level is extremely strong and composed completely of retained earnings and shareholders' equity.

FIRING ON ALL CYLINDERS

Sustainable growth, confidence and balance – these are the forces that drove a strong 2017 for Park Bank. Buoyed by economic optimism and pent-up demand, our business customers invested in equipment and technology, expanded product lines and started new real estate projects. This jump in activity raised our monthly average loans by 16.3 percent from \$532.5 million in 2016 to \$619.3 million in 2017. As a result of this loan growth, combined with the Federal Reserve’s interest rate hikes in March, June and December, net earnings increased by 8.7 percent. Strong credit quality and expense control also positively impacted our 2017 earnings.

Our total assets as of December 31, 2017 were \$943.6 million, virtually unchanged from 2016. The strength of our loan demand allowed us to sell securities and reinvest those lower-yielding funds into higher-yielding loans balanced between commercial and industrial, construction and development, and commercial real estate – a reflection of the overall strength of Wisconsin’s economy. Thanks to our strong earnings, Tier 1 regulatory capital exceeded \$100 million for the first time in our history, which we invested back into the bank. As our capital levels grow, so does our capacity to help more businesses in the market grow, as evidenced by the raising of our lending limit to \$20 million for any one customer relationship. All of this serves as a springboard to our continued optimism and growth in 2018.



Robert J. Makowski, Jr.
Executive Vice President
Chief Financial Officer

Plasti-Coil & Tri-Tec

Manufacturing

EVERY SUCCESS HAS A STORY

Our customers serve as the foundation of our ongoing success.

We're honored that these companies feel the same way—that the financial support they've received from Park Bank has been instrumental in achieving success in 2017. We are proud to participate in a journey of growth with each of these companies, helping to further strengthen their business and pave the way for their future.

Throughout this first year as a customer, Park Bank has really gotten to know me and my business. They understand that I want to create plastic parts and I don't want to worry about bank transactions. In my opinion, Park Bank is what every business bank should be: responsive, supportive and knowledgeable."

Square foot building addition in 2017

21,000

35%

Increase in facility footprint

80.25%

Sales outside Wisconsin

Larry Austin
President and CEO

Square feet of new building space

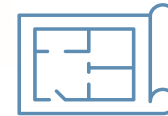
46,000

Pieper Properties

Real Estate

“Throughout my 11-year relationship with Park Bank, the culture has consistently been one of creativity and unmatched support. Park Bank stood by us through the recession and although I maintain relationships with several banks, Park Bank is my number one go-to. I call them first because I know my banker will find a way to facilitate my request in a mutually beneficial way.”

Ann Pieper Eisenbrown
President



286,000

Square feet of space currently managed



21

Years in business

“The innovation, determination and growth-driven strategies displayed by these companies produced remarkable results in 2017—not only for each business but for Park Bank as well. These relationships truly are the cornerstone of our success.”

Dave Werner

From left to right: **Steve Wyderka**, Operations Manager; **Lori Roberts**, Vice President; **Kim Wehse**, President

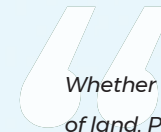


Wisconsin Utility Exposure

Hydrovac Excavating

Revenue growth per year

25%

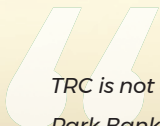


Whether it's a truck, a building, equipment, or a piece of land, Park Bank has given us the tools we needed to grow Wisconsin Utility Exposure at a steady pace. As we move forward, we'll continue to build our business with qualified, hard-working employees. Alongside us, we'll continue to need a qualified, hard-working financial institution – and that is Park Bank.”

From left to right: **Sean Lickver**, President; **Paul Haislmaier**, CEO & Chairman of the Board; **Amy Kust**, Chief Financial Officer

TRC Global Mobility

Relocation Services



TRC is not a traditional company with typical cash flow needs. Park Bank was one of the few financial institutions that was willing to research and understand our company and how we operate. Our banker really took time to know our business and find a flexible, efficient way to handle a complex need. In 2017, with the help of Park Bank, we acquired a portfolio of business that allowed us to increase our revenue by nearly 10 percent.”

Worldwide moves in 2017

4,000



Wantable

E-Commerce

“Park Bank was willing to build a relationship with me prior to my business becoming successful. They’ve proven themselves a trusted partner as I’ve navigated the ups and downs of both the financial and business climate. I value Park Bank’s ability to celebrate successes and, alternatively, to support my ventures when times were challenging.”



Sales growth



Personnel growth



Products shipped in 2017

17M

Jalem Getz
President

Park Bank takes pride in the successes realized by each and every one of our customers who continually demonstrate the value of hard work, dedication, goal setting and steadfast follow-through. We look forward to continuing our support of these businesses in 2018 and beyond as they further their own growth efforts and make a meaningful difference in our community.

STRENGTHENING OUR COMMUNITY

Donations dedicated to education

1
3
%

“Supporting
the Future,
Today”

A Message from the Chairman

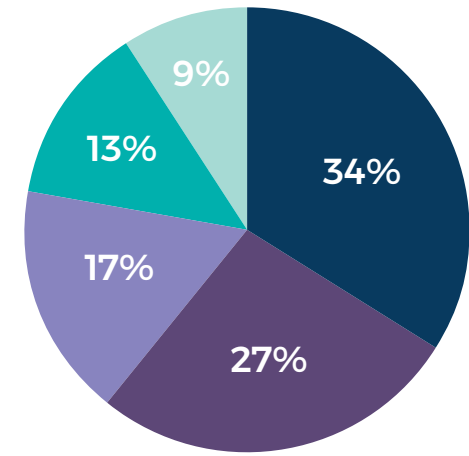
Supporting the southeastern Wisconsin community as it grows and thrives is a cornerstone at Park Bank. We hold an ongoing commitment to leveraging our human and financial capital to positively impact our community and support the companies that drive our region's economic growth. We remain committed to ongoing engagement with local non-profit associations like Scale-Up Milwaukee and its SPARC program, The Business Council, Inc. and BizStarts to foster an entrepreneurial culture throughout southeastern Wisconsin.

In addition to supporting entrepreneurs, we recognize the value of contributing to social and charitable needs. Park Bank believes this investment is critical to fostering ongoing growth in our community, in addition to helping those in need. By distributing contributions locally, we help community-based nonprofits grow and make a meaningful impact. In this vein, we are honored to distribute funds to the inaugural recipients of our Education Empowers Scholarship—a program we began on our 100th anniversary that provides financial assistance to college-bound students of low-to-moderate income families.

We are fortunate to support our community and we look forward to continuing to help build this place that we call home, now and for years to come.



P. Michael Mahoney
Chairman of the Board



The Park Bank Foundation's Donation Breakdown



LOYALTY & LONGEVITY

Total years of service by 10+ year employees

100+

Board of Directors

Helmut M. Adam

*Chairman of the Board
Olympus Group*

Thomas L. Ducrest

*President
Sports Specialists of Milwaukee Inc.*

Kevin P. Egan

*Managing Partner
Jet Center Partners LLC*

Ted Kellner

*Chairman and Chief Executive Officer
T&M Partners*

Michael J. Kelly

Investor

P. Michael Mahoney

*Chairman of the Board
Park Bank*

James H. Schloemer

*Chairman and Chief Executive Officer
Continental Properties Company Inc.*

David P. Werner

*President and Chief Executive Officer
Park Bank*

Gregory M. Wesley

*Senior Vice President
Medical College of Wisconsin*

Michael H. White

*Chairman of the Board
Rite-Hite Holding Corporation*

Park Bank Leadership

Officers

P. Michael Mahoney
Chairman of the Board

David P. Werner
President
Chief Executive Officer

Robert J. Makowski, Jr.
Executive Vice President
Chief Financial Officer

Troy D. Bartoshevich
Senior Vice President
Retail Banking

Dale F. Guenther
Senior Vice President
Chief Credit Officer

Kim D. Schaffer
Senior Vice President
Director of Operations

Jerry J. Schlitz
Senior Vice President
Commercial Banking

Craig A. Schmutzer
Senior Vice President
Relationship Development
Strategy

Cheryl L. Sorgi
First Vice President
Human Resources

Bryan L. Swanson
First Vice President
Commercial Sales and
Strategy

Heather Baylor
Vice President
Commercial Banking

Elizabeth S. Borst
Vice President
Marketing

Michael Bradburn
Vice President
Commercial Banking

Margie Carmichael
Vice President
Controller

C. J. Dykstra
Vice President
Human Resources

Cheree M. Elder
Vice President
Loan Operations

Patrick J. Foran
Vice President
Information Systems

John D. Griffith
Vice President
Commercial Banking

Jane E. Guadagni
Vice President
Compliance and CRA

Nicholas S. Hanson
Vice President
Private Banking

Mark Henschel
Vice President
Commercial Banking

John R. Hutchinson
Vice President
LPL Financial Advisor

Paul W. Jelacic
Vice President
Commercial Banking

Bunny Jordan
Vice President
Private Banking

Victoria L. Kiefer
Vice President
Audit

Tracy L. Meeks
Vice President
Small Business Banking

Robert A. Mihm
Vice President
Special Projects

Kim M. Seidel
Vice President
Treasury Management

Lynn M. Sigfred
Vice President
Commercial Banking

Linda D. Stiyer
Vice President
Deposit Operations

Scott C. Winkel
Vice President
Credit Administration

Ryan D. Behring
Assistant Vice President
Credit Administration

Jillian M. Culver
Assistant Vice President
Private Banking

Mechelle A. King
Assistant Vice President
Digital Marketing

Karen Lanser
Assistant Vice President
Information Systems

David Oldenburg
Assistant Vice President
Security

Richard A. Tobias
Assistant Vice President
Assistant Controller

David Varney
Assistant Vice President
Treasury Management

Pam Vinzani
Assistant Vice President
Bank Secrecy Officer

Adrienne D. Voyles
Assistant Vice President
Audit

Tamie Wallschlaeger
Assistant Vice President
Information Systems

Rosmarie Colla
Manager, Consumer Banking
Officer

Jeffrey G. Gebhardt, Jr.
Manager, Consumer Banking
Officer

Sarah Krebs
Treasury Management
Sales Officer

Jeffrey M. Mair
Accounting Officer

Ashley C. Mueller
Portfolio Manager, Officer

Bea Punke
Accounting Officer

Daniel Repinski
Audit Officer

Toni C. Rush
ReadyServe Officer

Suzette Tyree
Personal Banking Officer

Ken Warnimont
Information Technology
Officer

Jennifer Menzynski
Appraisal Services Officer

PARK BANK

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