

QUARTERLY EARNINGS REPORT - SEPTEMBER 30, 2015

Summit Bank reported net income for the third quarter of \$705 thousand or 30 cents per fully diluted share. Earnings for the comparable period one year ago were \$621 thousand or 28 cents per fully diluted share. Year to date earnings were \$2.09 million or 92 cents per fully diluted share, representing a 16.2 percent increase over the 79 cents per share that the Bank earned during the first nine months of 2014. Year to date non-interest income increased from \$765 thousand in 2014 to \$1.13 million in 2015, which, combined with continued solid loan growth, strong and stable net interest margins, and managed growth of non-interest expenses allowed Summit to achieve its earnings per share increase. Fully diluted earnings per share for the trailing four quarters totaled \$1.26.

The Bank continues to experience significant growth in its loan and deposit portfolios. Total net loans as of September 30, 2015, were \$179.1 million, representing a 30.4 percent increase over the third quarter 2014 total of \$137.4 million. Total deposits increased by \$53.7 million or 34.7 percent over the previous year. Solid earnings over the last four quarters combined with new capital resulting from the Bank's 2015 common stock offering have allowed Summit to increase its already strong levels of regulatory capital. Total shareholders' equity at September 30, 2015, was \$20.6 million, an increase of 27.0 percent over Summit's September 30, 2014 total of \$16.2 million.

"We are very pleased with the growth of the Bank as well as our increased profitability, especially during the same quarter we made a significant investment to open our Central Oregon office in Bend," said Craig Wanichek, president and CEO. "The reception of Summit Bank by the communities and businesses in the Bend area has been wonderful. Our Central Oregon office is fully staffed and we are making good inroads into the market."

"The Bank's loan growth is noteworthy and reflects the expanding business activity of our clients," said Wanichek. "The success of our clients together with our local, relationship-based service model has resulted in significant deposit growth."

The Bank recently closed its 2015 Common Stock Offering on October 16th after successfully raising \$2.0 million. New equity from the offering consisted of investments from both existing and new investors in both of Summit's Eugene/Springfield and Central Oregon market areas.

The Bank continues to hold very low levels of non-performing assets. Total non-performing assets at September 30, 2015, consisted primarily of one parcel of other real estate owned and represented just 0.4 percent of total assets, down slightly from 0.5 percent at September 30 2014.

Paul Weinhold
Board Chair

Craig Wanichek
President & Chief Executive Officer



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QUARTERLY FINANCIAL REPORT - SEPTEMBER 2015

(in thousands except per share data)

	Unaudited As of Sep. 30, 2015	Unaudited As of Sep. 30, 2014
SUMMARY STATEMENTS OF CONDITION		
Cash and short term investments	\$ 37,329	\$ 23,855
Securities	7,002	6,238
Loans:		
Commercial	57,851	48,395
Commercial real estate	102,264	74,886
Other	22,361	16,674
Loan loss reserve and unearned income	(3,303)	(2,537)
Total net loans	179,173	137,419
Property and other assets	9,673	6,843
Repossessed property	830	723
Total assets	\$ 234,007	\$ 175,077
Deposits:		
Noninterest-bearing demand	\$ 58,721	\$ 53,558
Interest-bearing demand	138,426	87,755
Certificates of deposit	11,385	13,527
Total deposits	208,531	154,839
Other liabilities	4,896	4,030
Shareholders' equity	20,579	16,208
Total liabilities and shareholders' equity	\$ 234,007	\$ 175,077
Book value per share	\$ 8.95	\$ 7.47
	Unaudited	Unaudited
SUMMARY STATEMENTS OF INCOME		
	For the nine months ending Sep. 30, 2015	For the nine months ending Sep. 30, 2014
Interest income	\$ 7,740	\$ 6,213
Interest expense	(225)	(184)
Net interest income	7,516	6,029
Provision for loan losses	(682)	(319)
Noninterest income	1,127	765
Noninterest expense	(4,598)	(3,713)
Net income before income taxes	3,363	2,762
Provision for income taxes	(1,269)	(1,034)
Net income	\$ 2,093	\$ 1,728
Net income per share, basic	\$0.94	\$0.81
Net income per share, fully diluted	\$0.92	\$0.79



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