

**CONSOLIDATED INCOME STATEMENT (000s)**  
**MARCH 31, 2017**

**INTEREST INCOME**

Interest and fees on loans.....	\$ 4,062
Interest on investment securities .....	981
Interest on Federal funds sold and balances at Federal Reserve Bank .....	42
TOTAL INTEREST INCOME.....	5,085

**INTEREST EXPENSE**

Demand deposits.....	67
Savings deposits.....	58
Time deposits .....	76
Federal funds purchased.....	1
Other borrowed funds.....	6
TOTAL INTEREST EXPENSE .....	208

NET INTEREST INCOME ..... 4,877

Provision for possible loan losses ..... -

NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES ..... 4,877

**OTHER INCOME**

Service fees on deposit accounts .....	445
Other .....	1,090
TOTAL OTHER INCOME .....	1,535

**OTHER EXPENSES**

Salaries and employee benefits .....	2,624
Net occupancy expense .....	438
Other .....	1,519
TOTAL OTHER EXPENSE.....	4,581

**INCOME BEFORE PROVISION FOR FEDERAL INCOME TAX** ..... 1,831

Provision for Federal income tax..... 492

NET INCOME ..... \$ 1,339

**EARNINGS PER SHARE**

Net Income .....	\$ 0.77
Cash Dividend Paid.....	\$ 0.29



**County Bank Corp**

and its wholly owned subsidiary

Lakestone Bank & Trust



**Send all mail to:**

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**QUARTERLY  
REPORT**

**March 31, 2017**

**LAKESTONEbank.com**

Member FDIC | Equal Housing Lender

**CBC**

# County Bank Corp

March 31, 2017

Dear Shareholder:

I am pleased to announce the Board of Directors of County Bank Corp has approved a cash dividend of \$.29 per share payable on March 31, 2017 to shareholders of record on March 17, 2017. The dividend totals \$507,091.68 and marks the 16th consecutive quarter the corporation has paid a cash dividend.

At this writing, the bank merger is nearly four months old. The process was not without difficulty; however, our excellent team consisting of dedicated employees from both organizations, were able to complete the data conversion with as little disruption as possible.

Our newest facility located at 1175 S. Lapeer Rd. is now fully operational. The Wealth Management Group and the residential mortgage origination team along with the board room have relocated to this location. We anticipate the additional exposure created by the move will assist business development in both of these important areas of the Bank.

Turning to key financial information, corporate assets at March 31, 2017 total \$597 million, an increase of \$13 million since 2016 year-end. Total deposits are \$535 million and loans outstanding are \$314 million. Net profit at the corporate level through March, 2017 is \$1.3 million.

The 2017 profit plan has been finalized and earnings have reached expectations for the few months of combined operations. We're confident the financial performance of the Bank will improve throughout the year and both the Bank and Corporation will reach their respective financial goals.

The stock price has reacted very favorably to the merger and recently achieved a 52-week high. Currently, the stock is trading at \$39.75, or 122% of book value per share. Additional information regarding the stock, the corporation's market-maker and financial details are available at the Bank's website, LAKESTONEbank.com.

As always, I welcome your comments, observations or any other information you would like to share about your investment or your Bank.

Very truly yours,



Bruce J. Cady  
Chairman & CEO

**CONSOLIDATED BALANCE SHEET (000s)****MARCH 31, 2017****ASSETS**

Cash and due from banks .....	\$ 42,454
Investment securities available for sale.....	203,063
Other investments .....	<u>2,503</u>
TOTAL INVESTMENT SECURITIES .....	205,566
Federal funds sold .....	-
Loans .....	315,476
Less: Reserve for possible loan losses .....	<u>1,871</u>
NET LOANS.....	313,605
Bank premises & equipment.....	10,085
Interest receivable and other assets.....	<u>25,208</u>
TOTAL ASSETS .....	<u>\$ 596,918</u>

**LIABILITIES & STOCKHOLDERS' EQUITY****LIABILITIES**

Deposits:	
Demand.....	\$ 258,896
Savings .....	205,698
Time .....	<u>70,368</u>
TOTAL DEPOSITS .....	534,963
Fed funds purchased .....	-
Other borrowed funds.....	2,565
Interest payable and other liabilities.....	<u>2,645</u>
TOTAL LIABILITIES .....	540,173

**STOCKHOLDERS' EQUITY**

Common stock - \$5.00 par value, 3,000,000 shares authorized, 1,748,592 shares outstanding in 2017 .....	8,743
Surplus.....	25,994
Undivided profits.....	25,285
Unrealized gain/(loss) on securities available for sale .....	<u>(3,277)</u>
TOTAL STOCKHOLDERS' EQUITY .....	56,745
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY .....	<u>\$ 596,918</u>