

2017

Annual Report



LEADERSHIP
TEAMWORK
GROWTH
COMMUNITY
QUALITY
COMMITMENT


Austin Bank
Member FDIC

LOCAL PEOPLE. LOCAL DECISIONS.
www.austinbank.com

TEAMWORK

“As with any successful business, the strength of our organization lies in our people. We are proud to claim an outstanding team that not only enthusiastically upholds our Bank’s core values of honesty and integrity but also actively supports the communities we serve. Our philosophy of making excellence in customer service our number one priority remains unchanged. Rest assured that our entire team is confident about the future and we look forward to working with our customers and communities in 2018.”

- Jeff Austin, Jr., Chairman of the Board

COMMUNITY

“A stable community bank is the financial foundation of our country – it keeps money local and the focus on people, relationships and opportunities. Since 1900, Austin Bank continues to demonstrate our commitment to East Texas families and businesses. For generations we have been local people making local decisions and as a true community bank, we have a genuine interest in the growth, welfare and future of East Texas.”

- Jeff Austin III, Vice-Chairman of the Board

GROWTH

“The growth of Austin Bank is a testament to the soundness of our strategy and the commitment of our officers, employees and directors. Opening new offices in Lufkin and Lindale, our Bank continues to be guided by prudent, conservative fundamentals that have allowed us to experience quality growth in loans, deposits and assets for 2017. Austin Bank will continue to build on this success. Thank you for the opportunity to serve and be your ‘Bank of Choice’.”

- John P. Williams, President and CEO

OUR CORE VALUES

Honesty
Service
Integrity
Confidentiality

HIGHLIGHTS

336,098 total services being used by customers

68,018 consumer and business relationships

\$733,232 property taxes paid

\$303 mil total loans closed in 2017

390 college scholarships awarded to East Texas students since 2005

\$536,768 in charitable giving

32 partner organizations for Building East Texas Together initiative

EMPLOYEES

471 employees with 4,312 years of progressive service

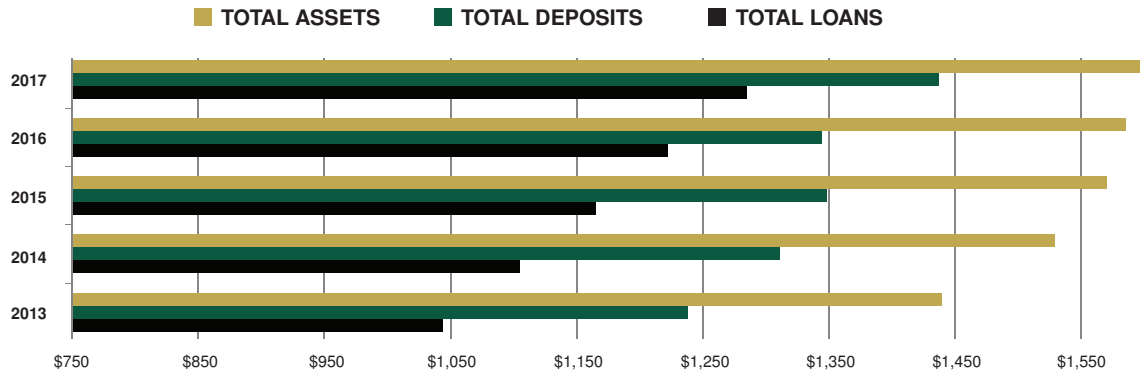
23,246 total training hours for employees

2,506 hours of community service performed

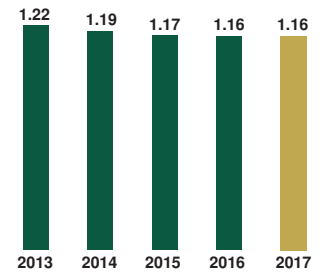
LEADERSHIP

Executive Team

STRONG, FINANCIALLY SECURE



RETURN ON ASSETS (%)



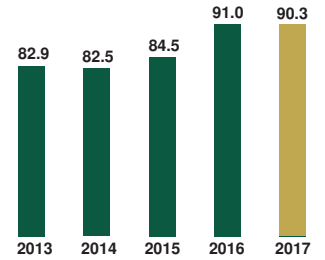
FINANCIAL REVIEW

(in thousands)

ASSETS

| | 2017 | 2016 |
|----------------------------------|---------------------|---------------------|
| Cash and balances due from banks | \$ 87,487 | \$ 88,909 |
| Securities | 230,012 | 192,070 |
| Net loans | 1,281,176 | 1,213,904 |
| Other assets | 95,454 | 94,552 |
| TOTAL ASSETS | \$ 1,694,129 | \$ 1,589,435 |

LOANS TO DEPOSITS (%)



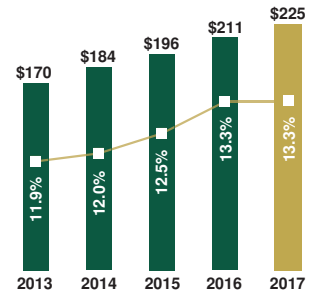
LIABILITIES AND STOCKHOLDERS' EQUITY

| | 2017 | 2016 |
|--|---------------------|---------------------|
| Non-interest bearing deposits | \$ 529,781 | \$ 463,474 |
| Interest bearing deposits | 907,150 | 880,478 |
| Total deposits | 1,436,931 | 1,343,952 |
| Securities sold under agreements to repurchase | 14,817 | 16,849 |
| Other liabilities | 17,056 | 17,740 |
| Total liabilities | 1,468,804 | 1,378,541 |
| Total stockholders' equity | 225,325 | 210,894 |
| TOTAL LIABILITIES AND EQUITY | \$ 1,694,129 | \$ 1,589,435 |

TOTAL CAPITAL

(in millions)

% of assets



Jeff Austin, Jr.
Chairman of the Board



Jeff Austin III
Vice Chairman of the Board



Sissy Austin
Senior Executive Vice President



John P. Williams
President / CEO



Jane A. Chapman
Director



Michael Austin Neill
Director



Todd Burton
Senior Executive Vice President
Chief Financial Officer



Linda Douglas
Senior Executive Vice President
Chief Retail Officer



Russ Gideon
Senior Executive Vice President
Chief Lending Officer



Billy Mullins
Senior Executive Vice President
Chief Risk Officer



John Ory
Senior Executive Vice President
Chief Operations Officer



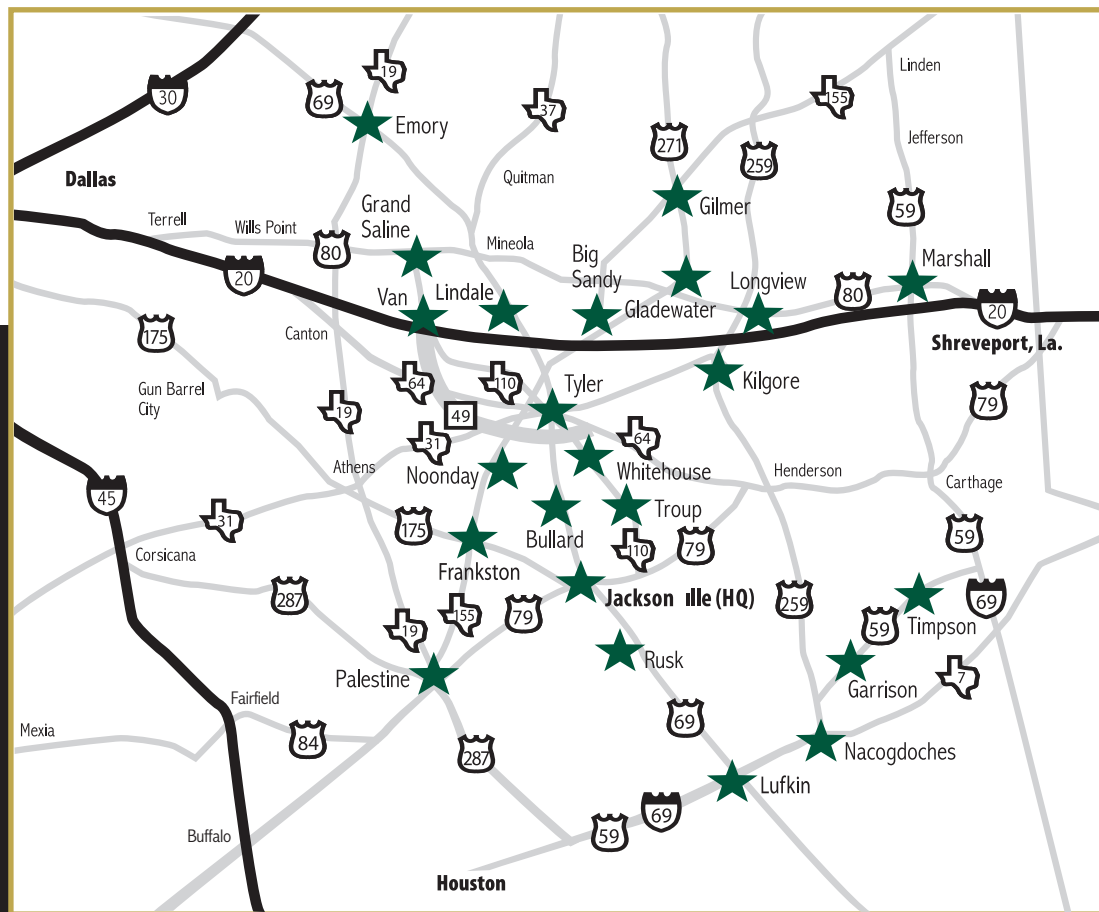
Rick Waldrop
Senior Executive Vice President
Chief Credit Officer

OUR MISSION . . . to be Community Bankers providing Exceptional Service

32 Banking Locations in 23 Cities and 11 Counties

Big Sandy • Bullard • Emory • Frankston • Garrison • Gilmer • Gladewater • Grand Saline
 Jacksonville (2)* • Kilgore • Lindale • Longview (5)* • Lufkin • Marshall • Nacogdoches
 Noonday • Palestine • Rusk • Timpson • Troup • Tyler (5)* • Van • Whitehouse

* Multiple Banking Locations



AUSTIN BANK DIRECTORS

- Jeff Austin, Jr.
- Jeff Austin III
- Sissy Austin
- Nancy Abernathy
- Larry Bolton
- Gene Brumbelow
- Todd Burton
- Keith Chambers
- Jane A. Chapman
- Shannon Dacus
- Russ Gideon
- Martin Heines
- Billy E. Hibbs, Jr.
- Barry Hughes
- Ronny E. Lee
- Billy Mullins
- Michael A. Neill
- Robert Nichols
- Joe Sharp, Jr.
- John P. Williams
- Paul S. Woodard, Jr.

ADVISORY DIRECTORS

- Linda Douglas
- Nathan Jones
- John Ory
- Jason Petersen
- Brenda Sharp
- Francis Spruiell
- Rick Waldrop

DIRECTORS EMERITUS

- Charles Creed
- William M. Holland
- Herbert Riley
- Eddie Smith
- Joe T. Terrell

Headquarters:

200 East Commerce Street
 P.O. Box 951
 Jacksonville, TX 75766
 Cherokee County
 903.586.1526
 Fax: 903.541.2086

Parent Company:

Austin Bancorp, Inc.

Bank Chartered:

October 1, 1900

For Information:

customercare@austinbank.com

Contact:

Patty Steelman, CFMP
 SVP/Director of Marketing
 903.871.2519
 psteelman@austinbank.com



www.austinbank.com

