

The Valley's Home-Owned Bank

- * with high quality service and competitive pricing for our customers,
- * fairly treat and provide a good quality of life for our employees,
- * and to continue with a consistent level of profitability for our stockholders.

Dear Stockholders:

This year is our 39th Anniversary - we continue to focus on the Lewis Clark Valley as the only bank headquartered in the valley.

In 2017, Deposit growth was \$3.6 million (3.9%), Asset growth was \$4.0 million (4.0%) and Loan totals held steady. We focus on good steady growth as we continue to work closely with local businesses in the Lewis Clark Valley.

Our profits increased over last year by \$236,000 (34.5%) which was a good improvement primarily due to a little higher interest rate environment. Your stockholder Return on Average Equity was 14.22% and the board has declared another cash distribution for your investment. In 2017 we paid \$200,000 on our Trust Preferred Securities as compared to \$150,000 in 2017 & \$100,000 in 2016.

Thank you for your support and your banking business. Feel free to stop by. We welcome any suggestions you may have regarding the bank.

Jody Servatius

President / CEO

Financial Statement Disclaimer:

This statement has not been reviewed, or confirmed for accuracy or relevance, by the FDIC or State of Idaho Finance Department. We, the undersigned officers of Twin River Bank attest to the correctness of this statement and declare that to the best of our knowledge and belief it has been presented in conformance with the disclosure requirement as set forth by the regulators

Jody Servatius

President / CEO

Marni Bann

EVP / Cashier / CFO

MANAGEMENT & LOAN TEAM

Jody Servatius

President / CEO

Marni Bann

EVP / Corp. Secretary / Cashier
Chief Financial Officer

Willie Deibel

EVP/ Senior Lender / Facilities Manager

Rick Acuff

EVP / Chief Information Officer

Mandy Benke

VP/ Orchards Manager

Jackie Hough

VP/Asotin Manager / RE & AG Manager

Julie Guinn

VP / Lewiston Manager

Nikki Rogers

VP / Clarkston Manager

Amy Brixen

Compliance Officer / Auditor

Matt Small

Loan Officer / Admin Assistant

Gabe Alexander

Loan Officer

Heather Koppel, Erin Bullock,

Jenni Uhlenkott, Sam Earle,

Jade Gutzman

Loan Assistants

Pursuant to the FDIC Regulation Part 350, our Annual Financial Disclosure Statements for 2016 and 2017 may be obtained at your request in person, by calling 208-746-4848 or writing: Twin River Bank, attn: Marni Bann, 1507 G Street, Lewiston, ID 83501.

BOARD OF DIRECTORS



John D. Vassar, Chairman

Retired, Vassar-Rawls Funeral Home

Rick Wasem, Vice Chairman

Governor, Wasem's Inc. & Confluence Cellars LLC

Jody Servatius, President / CEO

Twin River Bank &
Twin River Financial Corp.

Marni Bann, EVP / CFO

Twin River Bank &
Twin River Financial Corp.

Bryan Bentz

Manager, Bentz Boats, LLC

Brad Cannon

Retired, Cannon's Building Material Center, Inc.

Willie Deibel, EVP / Senior Lender

Twin River Bank &
Twin River Financial Corp.

James C. Luper

President, Luper Automotive, Inc

Michael T. Rooney, MD

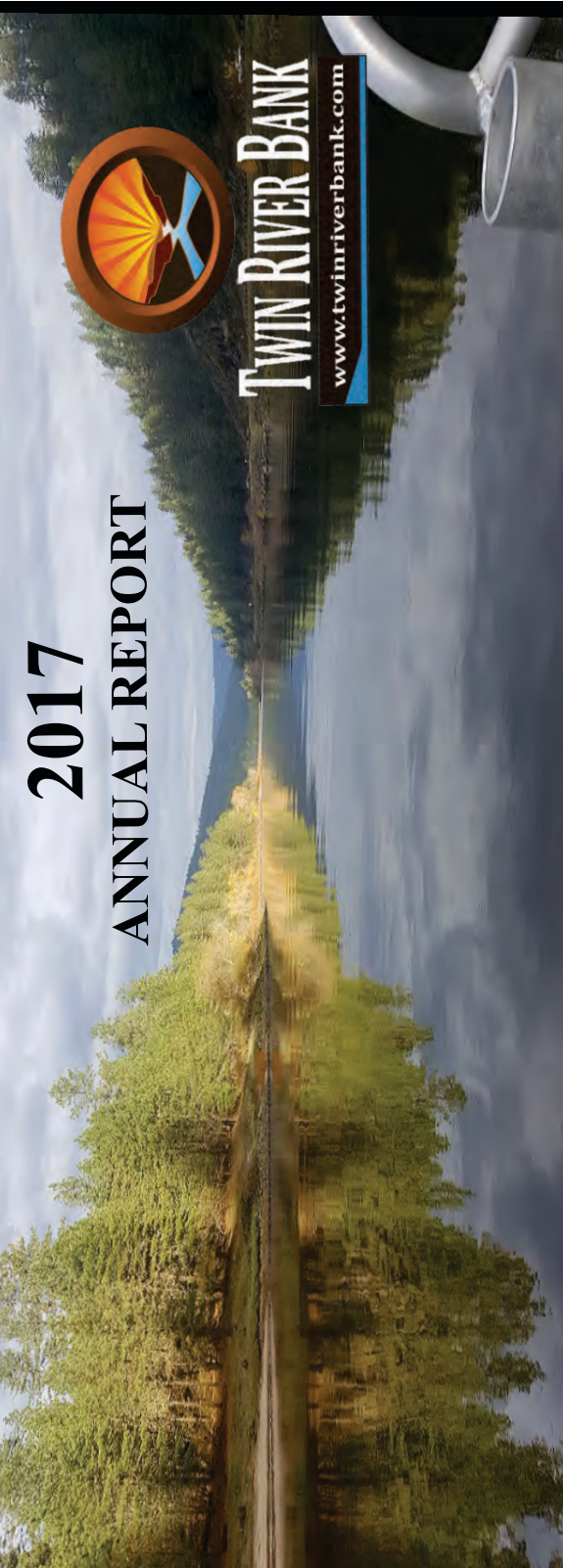
St Joseph Regional Medical Center

David C. Stegner

Retired, Stegner Grain & Seed Company

Tom F. Turnbow

President, Printcraft Printing, Inc.



2017
ANNUAL REPORT



TWIN RIVER BANK

www.twinriverbank.com



BALANCE SHEET

	December	
	2017	2016
ASSETS:		
(Amounts in Thousands)		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin...	\$1,476	\$1,170
Interest-bearing balances.....	\$46,376	\$42,489
Securities:		
Held-to-maturity securities.....	\$2,078	\$2,000
Available-for-sale securities.....	\$1,413	\$1,420
Federal funds sold.....	\$458	\$454
Securities purchased under agreements to resell...	\$0	\$0
Loans		
Loans, net of unearned income.....	\$49,711	\$49,791
LESS: Allowance for loan losses.....	\$495	\$515
Loans, net of unearned income & allowance.....	\$49,216	\$49,276
Premises, fixed assets	\$1,355	\$1,455
Other real estate owned.....	\$338	\$338
Other assets.....	\$277	\$339
Total assets.....	\$102,987	\$98,941

LIABILITIES

Deposits		
Noninterest-bearing.....	\$23,447	\$19,804
Interest-bearing.....	\$71,864	\$71,927
	\$95,311	\$91,731
Federal funds purchased.....	\$0	\$0
Securities sold under agreements to repurchase.....	\$0	\$0
Other liabilities.....	\$115	\$84
Total liabilities.....	\$95,426	\$91,815

EQUITY CAPITAL

Common stock, \$5 par value;		
170,000 shares issued.....	\$850	\$850
Surplus.....	\$927	\$927
Retained earnings.....	\$5,796	\$5,356
Accumulated other comprehensive income.....	(\$12)	(\$7)
Total equity capital.....	\$7,561	\$7,126
Total liabilities and equity capital.....	\$102,987	\$98,941

INCOME STATEMENT

	Twelve Months Ended December 31	
	2017	2016
INTEREST INCOME:		
(Amounts in Thousands)		
Loans secured by real estate.....		
Loans secured by 1-4 family residential.....	\$1,418	\$1,379
All other loans secured by real estate.....	\$733	\$688
Commercial and industrial loans.....	\$545	\$517
Loans to individuals.....	\$120	\$120
All other loans.....	\$52	\$45
Total interest and fee income on loans.....	\$2,868	\$2,749
Balances due from depository institutions.....		
	\$505	\$331
Interest and dividend income on securities		
U.S. Treasury & Government securities.....	\$39	\$36
All other securities.....	\$1	\$0
Fed funds sold and sec purchased to resell...	\$4	\$2
Other interest income.....	\$1	\$3
Total interest income.....	\$3,418	\$3,121
INTEREST EXPENSE:		
Interest on deposits:		
Transaction accounts.....	\$25	\$26
Nontransaction accounts:		
Savings deposits (includes MMDA).....	\$90	\$85
Time deposits of \$250,000 or more.....	\$6	\$5
Time deposits of less than \$250,000.....	\$77	\$80
Fed funds purchased & sec sold under repurch.	\$0	\$0
Total interest expense.....	\$198	\$196
Net interest income.....	\$3,220	\$2,925
Provision for loan and lease losses.....	\$0	\$27
Net interest income after provision.....	\$3,220	\$2,898
NONINTEREST INCOME:		
Service charges on deposit accounts.....	\$72	\$75
Net gains (losses) of OREO sales.....	\$0	\$0
Net gains (losses) of Other Asset sales.....	\$1	\$0
Other noninterest income.....	\$109	\$93
Total noninterest income.....	\$182	\$168
Realized gains (losses) on AFS securities.....	\$0	\$0
NONINTEREST EXPENSE:		
Salaries and employee benefits.....	\$1,632	\$1,519
Premises and fixed assets.....	\$307	\$276
Other noninterest expense.....	\$538	\$582
Total noninterest expense.....	\$2,477	\$2,377
Income (loss) before income taxes.....	\$925	\$689
Applicable income taxes.....	\$0	\$0
Net income (loss).....	\$925	\$689

CHANGES IN EQUITY CAPITAL

	12/31/2017	12/31/2016
Total equity capital most recently reported at the end of the prior year.....	\$7,126	\$6,904
Net income (loss).....	\$925	\$689
Retirement of capital stock.....	\$0	\$0
LESS: Cash dividends declared on		
common stock.....	\$485	\$472
Other comprehensive income.....	(\$5)	\$5
Transactions with holding company.....	\$0	\$0
Total equity capital at the end of the current period.....	\$7,561	\$7,126

CHANGES IN ALLOWANCE FOR LOAN LOSS

Balance most recently reported at the end of previous year Report of Condition.....	\$515	\$488
Recoveries.....	\$0	\$0
LESS: Charge-offs.....	\$0	\$0
Provision for loan losses.....	\$0	\$27
Adjustments.....	(\$20)	\$0
Balance end of current period.....	\$495	\$515

PAST DUE AND NONACCRUAL LOANS

Past due 90 days or more and still accruing:		
Real estate secured by 1-4 fam residential....	\$0	\$34
Commercial and industrial loans.....	\$0	\$0
Other loans to individuals.....	\$0	\$0
Nonaccrual		
Secured by Real Estate 1-4 fam residential....	\$232	\$232
Secured by Junior Liens	\$0	\$0
Secured by owner occupied nonfarm		
nonresidential properties.....	\$0	\$0
Commercial and industrial loans.....	\$0	\$37
Other (includes installment loans).....	\$0	\$0
Total.....	\$232	\$303
Loans guaranteed by SBA		
SBA guaranteed portion	\$0	\$0
Loans restructured in troubled debt		
Secured by Real Estate 1-4 fam residential....	\$0	\$0
Secured by owner occupied nonfarm nonresidential	\$0	\$0

RATIOS

Return on Average Assets.....	0.92%	0.71%
TRB Return on Average Equity.....	12.61%	9.67%
Bank Book Value per Share.....	\$46.94	\$44.24
Holding Company Book		
Value per Share.....	\$51.38	\$46.88
TRFC Return on Average Equity.....	14.22%	11.45%



BALANCE SHEET

	12/31/2017		12/31/2016	
	(Dollars in Thousands)			
Assets				
Balances with bank subsidiary.....	\$107		\$214	
Investment in nonbank subsidiary.....	\$55		\$55	
Investment in bank subsidiary.....	\$7,561		\$7,126	
Total assets.....	\$7,723		\$7,395	
Liabilities and Equity Capital				
Notes payable.....	\$0		\$0	
Accrued interest payable.....	\$2		\$2	
* Balance due to nonbank subsidiaries.....	\$1,612		\$1,812	
Dividend payable.....	\$0		\$0	
Other liabilities.....	\$2		\$8	
Total liabilities.....	\$1,616		\$1,822	
Stockholders' equity				
Common stock, including related surplus.....	\$1,497		\$1,497	
Other equity capital components.....	(\$1,424)		(\$1,424)	
Retained earnings.....	\$6,046		\$5,507	
Accumulated other comprehensive income.....	(\$12)		(\$7)	
Total equity capital.....	\$6,107		\$5,573	
Total liabilities & equity capital.....	\$7,723		\$7,395	

STATEMENTS OF INCOME

	Twelve Months Ended December 31	
	2017	2016
Operating Income		
Other income.....	\$488	\$474
Total operating income.....	\$488	\$474
Other expense.....	\$59	\$53
Equity in undistributed income (loss) of bank subsidiary.....	\$440	\$217
Net income (loss).....	\$869	\$638
* Less YTD Cash Distributions.....		
	\$329	\$321
Retained earnings YTD.....	\$540	\$317

Additional Information

* Trust Preferred Securities Payment	\$200	\$150
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Bank by Phone



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1507 G St, Lewiston, ID 83501



900 5th St, Clarkston, WA 99403



201 2nd St, Asotin, WA 99402



3330 10th St, Lewiston, ID 83501