

NEWS RELEASE



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FOR IMMEDIATE RELEASE – July 17, 2013

Bank First reports second quarter 2013 net income of \$3.2 million

Bank First, subsidiary of the parent company First Manitowoc Bancorp, Inc. ([OTCQB: BFNC](#)), reported net income for the second quarter of 2013 of \$3.2 million, or \$0.49 per share, compared to net income of \$2.9 million, or \$0.44 per share in the prior year quarter of 2012. For the six months ended June 30, 2013, First Manitowoc Bancorp, Inc. earned \$6.2 million or \$0.95 per share, up 1% over the same period in 2012. Return on average assets was 1.26% for the six months June 30, 2013, compared to 1.33% in the prior year six months.

“Our relationship-based model of growing one relationship at a time has yielded 11% loan growth and 8% core deposit growth on a year-over-year basis. The growth of our core bank has resulted in 4% growth in net interest income,” said Mike Molepske, President and Chief Executive Officer at Bank First. “Our continued strong asset quality trends are also positively contributing to our profitability with a reduced provision for loan loss. Net interest income after provision for loan loss grew by \$ 1 million year-over-year or 7%.”

Total other income was \$4.1 million for the six months ended June 30, 2013, compared to \$4.3 million in the prior year period and includes an anticipated decrease in other income for 2013 compared to 2012. Gains on sales of mortgage loans were \$815,000, up 7% compared to \$762,000 in the prior year period.

Noninterest expense was \$11.0 million, up 7% compared to \$10.2 million in the prior year period. “The increase in noninterest expense reflects our focus of investing in our core banking model to enable our strategy of continued growth in our footprint, as well

as exploring opportunities for growth outside our footprint. Our profitability and sound capital base provides us with the opportunity for investment in talent, technology and resources as a recipe to deliver our Bank First service model,” added Molepske. “We remain focused on growing high quality market share one relationship at a time. This disciplined approach has translated into core revenue growth and sustained profitability,” Molepske stated.

First Manitowoc Bancorp, Inc. (FMWC) provides financial services through its sole subsidiary, Bank First National, which was incorporated in 1894. The Bank is an independent community bank with 12 banking locations in Manitowoc, Brown, and Sheboygan and Winnebago counties. The Bank has grown through both acquisitions and de novo branch expansion. The Bank offers loan, deposit, investment advisory and trust products at each of its banking offices. Insurance products are available through Ansay & Associates, LLC. Trust, investment advisory and other financial services are offered through the Bank’s partnership with Legacy Private Trust and through an alliance with Morgan Stanley Smith Barney. The Bank is a co-owner of a data processing subsidiary, United Financial Services, Inc., which provides data services for over 56 banks in Wisconsin, Missouri, Kansas, Illinois, and Arkansas. The Bank employs approximately 167 full-time equivalent staff and has assets of \$989 million as of June 30, 2013. Further information about First Manitowoc Bancorp, Inc. is available by clicking on the Investor Relations tab at www.BankFirstNational.com.

First Manitowoc Bancorp is traded on the OTCQB marketplace under the symbol BFNC. The BFNC stock is traded on the OTC Markets Group platform that links to a diverse network of broker-dealers that provide liquidity and execution services in almost 10,000 equity and debt securities. To learn more about the OTC Markets Group visit www.otcmarkets.com

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Forward Looking Statements: This news release may contain certain “forward-looking statements” that represent First Manitowoc Bancorp’s expectations or beliefs concerning future events. Such forward-looking statements are about matters that are inherently subject to risks and uncertainties. Because of the risks and uncertainties inherent in forward looking statements, readers are cautioned not to place undue reliance on them, whether included in this news release or made elsewhere from time to time by First Manitowoc Bancorp or on its behalf. First Manitowoc Bancorp disclaims any obligation to update such forward-looking statements. In addition, statements regarding historical stock price performance are not indicative of or guarantees of future price performance.

First Maniowoc Bancorp, Inc.
Financial Data

Dec 2012 Actual YTD		Jun 2013 Actual YTD	Jun 2012 Actual YTD
Net Income and per share data			
\$10,870,333	Net Income (Bank)	\$6,311,484	\$6,250,858
\$10,419,981	Net Income (Consol)	\$6,218,160	\$6,185,790
\$1.58	Earnings per Share (Consol)	\$0.95	\$0.94
22.1%	Change over prior period	1.5%	
\$0	Branch closing expense	\$0	\$0
\$5,779,132	Dividends (Holding Co.)	\$0	\$1,455,086
56%	Dividend Payout Ratio (DPS/EPS)	0%	23%
5.71%	Dividend Yield (DPS/Stock Price)	0.00%	2.85%
\$14.71	Book Value	\$15.40	\$14.76
\$13.01	Tangible Book Value less AFS impact	\$13.87	\$13.04
\$13.48	Tangible Book Value	\$14.14	\$13.54
9.80	Price Earnings Ratio	8.41	8.25
1.05	Book Value Multiple	1.04	1.05
15.50	Market Value	16.00	15.45
6,531,121	Period End Shares	6,402,152	6,613,789
101,232,376	Market Capitalization	102,434,432	102,183,040
Performance Ratios (1)			
3.90%	Net Interest Margin (YTD)	3.83%	3.95%
20.57%	Fee Income to Total Revenue	19.63%	21.11%
55.57%	Efficiency Ratio	51.00%	48.70%
1.11%	ROA	1.26%	1.33%
10.69%	ROE	12.54%	12.89%
165.750	FTE - period end	167.050	173.540
165.985	Avg. number of FTE	166.400	169.880
62,777	Earnings per Avg Employee	37,369	36,413
5,664,030	Avg Assets per Avg Employee	5,929,274	5,459,986
Selected Financial Condition (EOP)			
\$453,532	Fed Funds Sold	\$31,000	\$573,981
\$121,032,787	Total Securities	\$116,107,705	\$137,483,430
\$731,616,145	Total Loans	\$788,078,901	\$712,837,220
\$7,949,992	Allowance for loan losses	\$8,359,727	\$7,954,884
\$7,983,933	Goodwill	\$7,983,933	\$7,983,933
\$1,020,425,758	Total Assets	\$988,732,883	\$938,593,995
\$940,144,007	Average Assets	\$986,631,165	\$927,542,381
\$871,882,242	Core Deposits	\$826,026,201	\$764,633,588
\$871,882,242	Total Deposits	\$841,026,201	\$786,630,588
\$0	Brokered Deposits (includes CDARS one-way buys)	\$15,000,000	\$21,997,000
\$14,337,112	CDARS Core Deposits	\$10,616,552	\$14,997,819
\$2,820,040	Other Borrowings	\$5,350,000	\$13,170,030
\$43,098,904	Repos	\$39,225,505	\$35,538,425
\$45,918,944	Total Wholesale Funding	\$68,723,524	\$70,705,455
\$0	Fed Funds Purchased	\$9,148,019	\$0
\$96,093,453	Total Equity	\$98,578,327	\$97,639,324
\$97,446,304	Average Stockholder's Equity	\$99,187,952	\$95,981,902
(1) Interim amounts are for bank only, annual amounts are consolidated			
Balance Sheet Ratios			
83%	Loans to Deposits	94%	91%
12%	Investments to Total Assets	12%	15%
130%	Avg Earnings to Avg Bearing Liabilities	130%	127%
0%	Brokered Deposits to Total Deposits	2%	3%
2%	CDARS Deposits to Total Deposits	1%	2%
5%	Repos to Total Deposits plus repos	4%	4%
5%	Wholesale funding to total Liabilities	8%	8%
49%	Wholesale funding to Risk Based Capital	72%	77%

First Manitowoc Bancorp, Inc.
Financial Data

Dec 2012 Actual YTD		Jun 2013 Actual YTD	Jun 2012 Actual YTD
Asset Quality			
1.09%	Allowance for probable credit losses to total loans	1.06%	1.12%
0.33%	Net charge-offs to average total loans	0.09%	0.23%
0.54%	Non Accrual loans to total loans	0.26%	0.68%
0.11%	Loans past due 30 days to total loans	0.15%	0.00%
0.96%	Non-performing assets to total assets	0.68%	1.06%
3,959,183	Non accrual loans	2,021,964	4,838,918
276,980	Loans 90 days past due	105,684	96,253
5,567,117	OREO	4,630,880	4,981,232
<u>\$9,803,280</u>	Non-performing assets	<u>\$6,758,528</u>	<u>\$9,916,403</u>
\$2,900,000	Provision for loan losses	\$775,000	\$1,300,000
2,596,008	Gross charge-offs	652,939	976,434
(165,737)	Recoveries	(287,674)	(151,055)
<u>\$2,430,271</u>	Net Charge-offs	<u>\$365,265</u>	<u>\$825,379</u>
\$469,729	Provision less charge-offs	\$409,735	\$474,621
Condensed Income Statement			
28,531	Short-term investment income	30,324	12,461
3,613,966	Investment securities income	1,573,322	1,885,972
34,514,509	Loan income	17,503,664	17,218,549
<u>\$38,157,005</u>	Total Interest Income	<u>\$19,107,310</u>	<u>\$19,116,982</u>
5,185,739	Deposit interest expense	2,238,677	2,659,204
483,809	Repo interest expense	145,900	296,172
143,330	Other borrowings interest expense	59,659	76,352
<u>\$5,812,919</u>	Total Interest Expense	<u>\$2,444,237</u>	<u>\$3,031,729</u>
32,344,086	Net interest income	16,663,073	16,085,253
2,900,000	Provision for loan losses	775,000	1,300,000
<u>\$29,444,086</u>	Net interest income after provision for loan loss	<u>\$15,888,073</u>	<u>\$14,785,253</u>
8,376,443	Noninterest income	4,068,981	4,304,369
23,331,240	Noninterest expense	10,906,139	10,237,300
<u>\$14,489,289</u>	Net Income before Taxes	<u>\$9,050,914</u>	<u>\$8,852,321</u>
\$4,069,308	Taxes	\$2,832,754	\$2,666,531
<u>\$10,419,981</u>	NET INCOME	<u>\$6,218,160</u>	<u>\$6,185,790</u>

**FIRST MANITOWOC BANCORP, INC.
AND SUBSIDIARIES**

Consolidated Balance Sheets

ASSETS	6/30/2013	12/31/2012	6/30/2012	YOY Quarter Change
Cash and due from Banks	\$ 20,086,758	\$ 38,598,912	\$ 20,503,688	\$ (416,930)
Interest-bearing deposits	9,369,466	72,562,389	11,070,026	(1,700,560)
Federal funds sold	31,000	453,532	573,981	(542,981)
Cash and cash equivalents	29,487,223	111,614,834	32,147,694	(2,660,471)
Securities available for sale, at fair value	113,145,025	117,954,713	134,401,939	(21,256,915)
Other investments, at cost	2,958,417	2,958,417	2,958,417	-
Loans held for sale	405,000	542,300	1,313,400	(908,400)
Loans	787,673,901	731,073,845	711,523,820	76,150,082
Allowance for loan loss	(8,359,727)	(7,949,992)	(7,954,884)	(404,843)
Loans, net	779,314,175	723,123,854	703,568,936	75,745,239
Premises and equipment, net	10,028,209	10,050,581	9,445,842	582,367
Goodwill	7,983,933	7,983,933	7,983,933	-
Intangible assets, net	66,590	75,670	84,750	(18,161)
Mortgage Servicing Rights	2,426,654	2,010,928	1,703,793	722,861
Investment in minority owned subsidiaries	14,809,399	14,170,254	15,169,657	(360,258)
Deferred tax	-	-	47,925	(47,925)
Other real estate owned	4,630,880	5,567,117	4,981,232	(350,352)
Cash value of life insurance	20,032,147	19,752,669	19,472,873	559,275
Other assets	3,445,233	4,620,489	5,313,606	(1,868,373)
Total Assets	\$ 988,732,883	\$ 1,020,425,758	\$ 938,593,995	\$ 50,138,888
LIABILITIES AND SHAREHOLDERS' EQUITY				
Deposits	840,904,189	869,162,768	786,591,423	54,312,766
Fed funds purchased	9,148,019	-	-	9,148,019
Securities sold under repurchase agreements	30,077,485	43,098,904	35,538,425	(5,460,940)
Borrowed funds	-	-	10,000,000	(10,000,000)
Notes payable	5,350,000	2,820,040	3,170,030	2,179,970
Other liabilities	4,674,862	9,250,593	5,654,793	(979,930)
Total liabilities	\$ 890,154,556	\$ 924,332,305	\$ 840,954,671	\$ 49,199,885
Stockholders' Equity				
Common stock--\$0.01 par value: Authorized-- 20,000,000 shares Issued--6,714,252	\$ 67,146	\$ 67,146	\$ 67,146	\$ -
Additional paid-in-capital	2,518,228	2,451,266	2,451,266	66,962
Retained earnings	99,690,990	93,472,830	93,562,681	6,128,309
Accumulated other comprehensive income	1,754,659	3,058,177	3,307,533	(1,552,873)
Treasury stock, at cost	(5,452,696)	(2,955,965)	(1,749,301)	(3,703,395)
Total stockholders' equity	\$ 98,578,327	\$ 96,093,453	\$ 97,639,324	\$ 939,003
Total Liabilities and Stockholders' Equity	\$ 988,732,883	\$ 1,020,425,758	\$ 938,593,995	\$ 50,138,888

**FIRST MANITOWOC BANCORP, INC.
AND SUBSIDIARIES**
Consolidated Quarterly Statements of Income

	<u>6/30/2013</u>	<i>% of gross revenue</i>	<u>6/30/2012</u>	<i>% of gross revenue</i>	YOY Quarter Change
Interest/Dividend income:					
Loans, including fees	\$ 8,876,083	76.2%	\$ 8,673,624	74.6%	\$ 202,459
Federal funds sold	4,518	0.0%	7,190	0.1%	(2,672)
Securities:	-	0.0%	-	0.0%	-
Taxable	357,717	3.1%	437,092	3.8%	(79,375)
Tax-exempt	508,570	4.4%	490,421	4.2%	18,149
Other	(25,932)	-0.2%	(3,389)	0.0%	(22,543)
Total interest income	9,720,956	83.5%	9,604,937	82.6%	116,019
Interest expense:					
Deposits	1,079,021	9.3%	1,262,718	10.9%	(183,697)
Securities sold under repurchase agreements	77,283	0.7%	152,374	1.3%	(75,091)
Borrowed funds	29,671	0.3%	35,244	0.3%	(5,573)
Total interest expense	1,185,975	10.2%	1,450,336	12.5%	(264,361)
Net interest income	8,534,981	73.3%	8,154,601	70.2%	380,380
Provision for loan losses	425,000	3.7%	850,000	7.3%	(425,000)
Net interest income after provision	8,109,981	69.7%	7,304,601	62.9%	805,380
Other income:					
Wealth Management Revenue	26,653	0.2%	27,277	0.2%	(624)
Service charges	529,392	4.5%	887,114	7.6%	(357,721)
Income from Ansay	259,254	2.2%	230,448	2.0%	28,807
Loan servicing income	594,875	5.1%	159,220	1.4%	435,655
Income from UFS	198,109	1.7%	163,253	1.4%	34,856
Net gain on sales of mortgage loans	383,485	3.3%	382,296	3.3%	1,189
Net gain on sales of securities	(339,563)	-2.9%	-	0.0%	(339,563)
Other	268,760	2.3%	167,281	1.4%	101,479
Total other income	1,920,965	16.5%	2,016,888	17.4%	(95,923)
Other expenses:					
Salaries, commissions, and employee benefits	2,622,973	22.5%	2,683,848	23.1%	(60,875)
Occupancy	700,590	6.0%	706,241	6.1%	(5,651)
Data processing	359,840	3.1%	355,096	3.1%	4,745
Loss (gain) on sales of OREO	297,333	2.6%	183,127	1.6%	114,206
Postage, stationery, and supplies	100,730	0.9%	95,827	0.8%	4,904
Advertising	25,160	0.2%	32,551	0.3%	(7,391)
Outside service fees	408,252	3.5%	475,568	4.1%	(67,316)
Amortization of intangibles	4,540	0.0%	4,540	0.0%	-
Other	851,885	7.3%	719,157	6.2%	132,728
Total other expenses	5,371,305	46.1%	5,255,956	45.2%	115,349
Income before provision for income taxes	4,659,641	40.0%	4,065,533	35.0%	594,108
Provision for income taxes	1,459,976	12.5%	1,156,437	10.0%	303,539
Net income	\$ 3,199,665	0	\$ 2,909,096	0	\$ 290,569
	-				
QTR Average Shares outstanding	6,533,074		6,612,268		(79,194)
Earnings per share--common shareholders	\$ 0.49		\$ 0.44		\$ 0.05

FIRST MANITOWOC BANCORP, INC. AND SUBSIDIARIES
Consolidated Statements of Income YTD

	<u>YTD</u> <u>6/30/2013</u>	<u>YTD</u> <u>6/30/2012</u>	<u>YOY</u> <u>Change</u>
Loans, including fees	17,403,829	17,218,549	185,280
Federal funds sold	30,324	12,461	17,863
Securities:			
Taxable	700,245	897,496	(197,252)
Tax-exempt	1,019,326	993,878	25,448
Other	(46,414)	(5,402)	(41,013)
Total interest income	19,107,310	19,116,982	(9,672)
Interest expense:			
Deposits	2,238,677	2,659,204	(420,527)
Securities sold under repurchase agreements	148,621	299,600	(150,979)
Borrowed funds	56,938	72,924	(15,986)
Total interest expense	2,444,237	3,031,729	(587,492)
Net interest income	16,663,073	16,085,253	577,820
Provision for loan losses	775,000	1,300,000	(525,000)
Net interest income after provision	15,888,073	14,785,253	1,102,820
Other income:			
Wealth Management Revenue	52,416	27,277	25,139
Service charges	1,182,443	1,462,276	(279,832)
Income from Ansay	803,624	1,057,500	(253,876)
Loan servicing income	759,673	313,581	446,091
Dividend Income	-	-	-
Income from UFS	421,050	343,159	77,892
Loss on sales of OREO	-	-	-
Net gain on sales of mortgage loans	815,046	761,671	53,375
Net gain on sales of securities	(339,563)	-	(339,563)
Other	418,250	338,905	79,345
Total other income	4,112,939	4,304,369	(191,430)
Other expenses:			
Salaries, commissions, and employee benefits	5,717,778	5,624,690	93,088
Occupancy	1,349,573	1,350,569	(996)
Data processing	735,419	719,861	15,558
Loss (gain) on sales of OREO	262,485	128,918	133,566
Postage, stationery, and supplies	206,705	214,081	(7,376)
Advertising	73,720	85,397	(11,678)
Outside service fees	822,352	774,014	48,338
Amortization of intangibles	9,080	9,080	-
Branch Closing Expense	-	-	-
Other	1,772,986	1,330,690	442,296
Total other expenses	10,950,098	10,237,301	712,797
Income before provision for income taxes	9,050,914	8,852,321	198,593
Provision for income taxes	2,832,754	2,666,531	166,223
Net income	6,218,160	6,185,790	32,370
Preferred Stock, Series A, Accretion	-	-	-
Preferred Stock Dividends	-	-	-
Net Income Available to Common Stockholders	6,218,160	6,185,790	32,370
QTR Average Shares outstanding	6,539,043	6,604,794	(65,751)
Earnings per share--common shareholders	\$ 0.95	\$ 0.94	\$ 0.01