

NEWS RELEASE



P.O. Box 10
Manitowoc, WI 54221-0010
For further information, contact:
Lisa M. O'Neill, Chief Financial Officer
Phone: (920) 892-3200
loneill@bankfirstnational.com

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Bank First reports third quarter 2013 net income of \$2.5 million or \$0.39 per share, up 13% over third quarter 2012

Bank First, subsidiary of the parent company First Manitowoc Bancorp, Inc. ([OTCQB: BFNC](#)), reported net income for the third quarter of 2013 of \$2.5 million, or \$0.39 per share, up 13% compared to \$0.34 per share in the prior year quarter of 2012. For the nine months ended September 30, 2013, First Manitowoc Bancorp, Inc. earned \$8.7 million or \$1.34 per share, up 5% over the same period in 2012.

“Our relationship-based model of growing one relationship at a time has yielded 11% loan growth and 12% core deposit growth on a year-over-year basis. The growth of our core bank has resulted in 13% growth in quarter earnings per share as compared to last year’s quarter,” 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 grew by \$613,000, or 8%, for the third quarter.”

Total other income was \$1.6 million in the third quarter 2013, down from \$2.1 million in the third quarter 2012. For the nine months ended September 30, 2013, total other income was \$5.7 million compared to \$6.4 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 \$935,000, down 30% compared to \$1.3 million in the prior nine month period. “The slowdown in mortgage refinancing activity has been anticipated. More importantly, we are pleased that our core banking model is generating growing profitability,” Molepske stated.

Noninterest expense was \$6.4 million in the third quarter, down from \$6.7 million in the prior year quarter. For the nine months ended September 30, 2013, other expenses were \$17.3 million, up 2% compared to \$16.9 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 provide us with the opportunity for investment in talent, technology and resources as a recipe to deliver our Bank First service model in current and new markets,” added Molepske. “We remain focused on growing high quality market share one relationship at a time in our footprint and in geographies adjacent to our footprint. This disciplined approach has translated into core revenue growth and sustained profitability,” Molepske stated.

First Manitowoc Bancorp, Inc. ([BFNC](#)) 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 155 full-time equivalent staff and has assets of \$1.039 billion as of September 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		Sep 2013 Actual YTD	Sep 2012 Actual YTD
Net Income and per share data			
\$10,870,333	Net Income (Bank)	\$9,183,211	\$8,536,561
\$10,419,981	Net Income (Consolidated)	\$8,695,191	\$8,457,307
\$1.58	Earnings per Share (Consolidated)	\$1.34	\$1.28
22.1%	Change over prior period	4.5%	
\$0	Branch closing expense	\$0	\$0
\$5,779,132	Dividends (Holding Co.)	\$0	\$2,178,434
56%	Dividend Payout Ratio (DPS/EPS)	0%	26%
5.71%	Dividend Yield (DPS/Stock Price)	2.67%	2.98%
\$14.71	Book Value	\$15.56	\$15.01
\$13.01	Tangible Book Value less AFS impact	\$14.15	\$13.26
\$13.48	Tangible Book Value	\$14.30	\$13.78
9.80	Price Earnings Ratio	9.24	8.63
1.05	Book Value Multiple	1.06	0.98
15.50	Market Value	16.50	14.75
6,531,121	Period End Shares	6,386,221	6,555,824
101,232,376	Market Capitalization	105,372,647	96,698,404
Performance Ratios (1)			
3.90%	Net Interest Margin (YTD)	3.84%	3.93%
20.57%	Fee Income to Total Revenue	18.24%	21.00%
55.57%	Efficiency Ratio	54.11%	53.62%
1.11%	ROA	1.16%	1.21%
10.69%	ROE	11.70%	11.65%
165.750	FTE - period end	155.440	168.040
165.985	Avg. number of FTE	160.595	167.130
62,777	Earnings per Avg. Employee	54,144	50,603
5,664,030	Avg Assets per Avg. Employee	6,200,663	5,580,608
Selected Financial Condition (EOP)			
\$453,532	Fed Funds Sold	\$146,150	\$320,102
\$121,032,787	Total Securities	\$114,097,623	\$126,425,597
\$731,616,145	Total Loans	\$803,401,153	\$725,312,916
\$7,949,992	Allowance for loan losses	\$8,717,034	\$7,878,435
\$7,983,933	Goodwill	\$7,983,933	\$7,983,933
\$1,020,425,758	Total Assets	\$1,038,738,497	\$937,621,203
\$940,144,007	Average Assets	\$995,795,541	\$932,687,045
\$871,882,242	Core Deposits	\$879,843,676	\$786,844,664
\$871,882,242	Total Deposits	\$881,576,176	\$803,344,664
\$0	Brokered Deposits (includes CDARS one-way buys)	\$1,732,500	\$16,500,000
\$14,337,112	CDARS Core Deposits	\$10,382,028	\$13,852,994
\$2,820,040	Other Borrowings	\$32,195,000	\$3,600,030
\$43,098,904	Repurchase Agreements	\$22,777,297	\$25,473,315
\$45,918,944	Total Wholesale Funding	\$56,704,797	\$45,573,345
\$0	Fed Funds Purchased	\$0	\$0
\$96,093,453	Total Equity	\$99,354,573	\$98,416,316
\$97,446,304	Average Stockholder's Equity	\$99,085,949	\$96,810,296
(1) Interim amounts are for bank only, annual amounts are consolidated			
Balance Sheet Ratios			
83%	Loans to Deposits	91%	90%
12%	Investments to Total Assets	11%	13%
130%	Avg Earnings to Avg Bearing Liabilities	131%	128%
0%	Brokered Deposits to Total Deposits	0%	2%
2%	CDARS Deposits to Total Deposits	1%	2%
5%	Repos to Total Deposits plus repos	3%	3%
5%	Wholesale funding to total Liabilities	6%	5%
49%	Wholesale funding to Risk Based Capital	59%	48%

First Manitowoc Bancorp, Inc.
Financial Data

Dec 2012 Actual YTD		Sep 2013 Actual YTD	Sep 2012 Actual YTD
Asset Quality			
1.09%	Allowance for probable credit losses to total loans	1.09%	1.09%
0.33%	Net charge-offs to average total loans	0.08%	0.24%
0.54%	Nonaccrual loans to total loans	0.35%	0.77%
0.11%	Loans past due 30 days to total loans	0.12%	0.25%
0.96%	Non-performing assets to total assets	0.60%	1.14%
3,959,183	Nonaccrual loans	2,836,303	5,613,026
276,980	Loans 90 days past due	15,721	8,307
5,567,117	Other Real Estate Owned	3,385,064	5,088,423
<u>\$9,803,280</u>	Non-performing assets	<u>\$6,237,088</u>	<u>\$10,709,756</u>
\$2,900,000	Provision for loan losses	\$1,225,000	\$1,700,000
2,596,008	Gross charge-offs	771,287	1,446,676
(165,737)	Recoveries	(313,330)	(144,849)
<u>\$2,430,271</u>	Net Charge-offs	<u>\$457,958</u>	<u>\$1,301,827</u>
\$469,729	Provision less charge-offs	\$767,042	\$398,173
Condensed Income Statement			
28,531	Short-term investment income	30,734	17,383
3,613,966	Investment securities income	2,326,098	2,778,650
34,514,509	Loan income	26,705,715	25,869,932
<u>\$38,157,005</u>	Total Interest Income	<u>\$29,062,548</u>	<u>\$28,665,965</u>
5,185,739	Deposit interest expense	3,358,096	3,940,291
483,809	Repo interest expense	208,397	410,996
143,330	Other borrowings interest expense	99,605	108,643
<u>\$5,812,919</u>	Total Interest Expense	<u>\$3,666,098</u>	<u>\$4,459,970</u>
32,344,086	Net interest income	25,396,450	24,205,995
2,900,000	Provision for loan losses	1,225,000	1,700,000
<u>\$29,444,086</u>	Net interest income after provision for loan loss	<u>\$24,171,450</u>	<u>\$22,505,995</u>
8,376,443	Noninterest income	5,667,163	6,436,434
23,331,240	Noninterest expense	17,343,228	16,935,509
<u>\$14,489,289</u>	Net Income before Taxes	<u>\$12,495,385</u>	<u>\$12,006,920</u>
\$4,069,308	Taxes	\$3,800,194	\$3,549,613
<u>\$10,419,981</u>	NET INCOME	<u>\$8,695,191</u>	<u>\$8,457,307</u>

**FIRST MANITOWOC BANCORP, INC.
AND SUBSIDIARIES
Consolidated Balance Sheets**

ASSETS	9/30/2013	12/31/2012	9/30/2012	YOY Change	% change
Cash and due from Banks	\$ 35,694,073	\$ 38,598,912	\$ 19,395,072	\$ 16,299,001	
Interest-bearing deposits	32,513,563	72,562,389	9,421,972	23,091,591	
Federal funds sold	146,150	453,532	320,102	(173,952)	
Cash and cash equivalents	68,353,786	111,614,834	29,137,146	39,216,640	135%
Securities available for sale, at fair value	111,139,205	117,954,713	123,467,180	(12,327,975)	-10%
Other investments, at cost	2,958,417	2,958,417	2,958,417	-	0%
Loans held for sale	131,200	542,300	1,410,000	(1,278,800)	
Loans	803,269,953	731,073,845	723,902,916	79,367,037	
Allowance for loan loss	(8,717,034)	(7,949,992)	(7,878,435)	(838,599)	
Loans, net	794,552,919	723,123,854	716,024,481	78,528,438	11%
Premises and equipment, net	9,284,707	10,050,581	9,697,667	(412,960)	
Goodwill	7,983,933	7,983,933	7,983,933	-	
Intangible assets, net	62,049	75,670	80,210	(18,161)	
Mortgage Servicing Rights	2,426,654	2,010,928	1,921,793	504,861	
Investment in minority owned subsidiaries	14,886,375	14,170,254	15,177,251	(290,876)	
Other real estate owned	3,385,064	5,567,117	5,088,423	(1,703,359)	
Cash value of life insurance	20,160,740	19,752,669	19,613,482	547,258	
Other assets	3,413,448	4,620,489	5,061,220	(1,647,772)	
Total Assets	\$ 1,038,738,497	\$ 1,020,425,758	\$ 937,621,203	\$ 101,117,294	11%
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits	880,719,842	869,162,768	803,155,624	77,564,218	10%
Fed funds purchased	-	-	-	-	
Securities sold under repurchase agreements	22,777,297	43,098,904	25,473,315	(2,696,018)	
Borrowed funds	30,000,000	-	-	30,000,000	
Dividend Payable	703,280	-	-	703,280	
Notes payable	2,195,000	2,820,040	3,600,030	(1,405,030)	
Other liabilities	2,988,506	9,250,593	6,975,917	(3,987,411)	
Total liabilities	939,383,925	924,332,305	839,204,886	100,179,039	12%
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	2,561,222	2,451,266	2,097,839	463,383	
Retained earnings	101,464,741	93,472,830	95,110,855	6,353,886	
Accumulated other comprehensive income	974,450	3,058,177	3,406,407	(2,431,957)	
Treasury stock, at cost	(5,712,987)	(2,955,965)	(2,265,930)	(3,447,057)	
Total stockholders' equity	99,354,572	96,093,453	98,416,317	938,255	1%
Total Liabilities and Stockholders' Equity	\$ 1,038,738,497	\$ 1,020,425,758	\$ 937,621,203	\$ 101,117,294	11%

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

	YTD 9/30/2013	YTD 9/30/2012	YOY change
Loans, including fees	\$ 26,551,483	\$ 25,795,335	\$ 756,148
Federal funds sold	30,734	17,383	13,351
Securities:			
Taxable	1,037,247	1,306,971	(269,724)
Tax-exempt	1,518,900	1,551,960	(33,060)
Other	(75,816)	(5,684)	(70,132)
Total interest income	29,062,548	28,665,965	396,583
Interest expense:			
Deposits	3,358,096	3,940,291	(582,195)
Securities sold under repurchase agreements	212,124	414,578	(202,454)
Borrowed funds	95,878	105,101	(9,223)
Total interest expense	3,666,098	4,459,970	(793,872)
Net interest income	25,396,450	24,205,995	1,190,455
Provision for loan losses	1,225,000	1,700,000	(475,000)
Net interest income after provision	24,171,450	22,505,995	1,665,455
Other income:			
Wealth Management Revenue	79,042	50,011	29,031
Service charges	1,865,365	2,189,738	(324,373)
Income from Ansay	929,999	1,162,551	(232,552)
Loan servicing income	962,966	694,839	268,127
Income from UFS	670,190	516,074	154,116
Net gain on sales of mortgage loans	935,482	1,298,298	(362,816)
Net gain on sales of securities	(339,616)	(68)	(339,548)
Other	563,735	524,991	38,744
Total other income	5,667,163	6,436,434	(769,271)
Other expenses:			
Salaries, commissions, and employee benefits	8,766,943	8,729,774	37,169
Occupancy	1,983,842	1,970,564	13,278
Data processing	1,137,719	1,072,899	64,820
Loss (gain) on sales of OREO	836,291	143,263	693,028
Postage, stationery, and supplies	288,785	315,347	(26,562)
Advertising	115,752	131,376	(15,624)
Outside service fees	1,264,173	1,198,200	65,973
Amortization of intangibles	13,621	13,621	-
Other	2,936,102	3,360,466	(424,364)
Total other expenses	17,343,228	16,935,510	407,718
Income before provision for income taxes	12,495,385	12,006,919	488,466
Provision for income taxes	3,800,194	3,549,613	250,581
Net income	8,695,191	8,457,306	237,885
YTD Average Shares outstanding	6,491,779	6,599,516	(107,737)
Earnings per share--common shareholders	\$ 1.34	\$ 1.28	\$ 0.06

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

	<u>9/30/2013</u>	<i>% of gross revenue</i>	<u>9/30/2012</u>	<i>% of gross revenue</i>	<u>YOY Quarter Change</u>	<u>% change</u>
Interest/Dividend income:						
Loans, including fees	\$ 9,147,654	79.5%	\$ 8,576,786	73%	\$ 570,868	
Federal funds sold	410	0.0%	4,922	0.0%	(4,512)	
Securities:		0.0%	-	0.0%	-	
Taxable	337,002	2.9%	409,475	3.5%	(72,472)	
Tax-exempt	499,574	4.3%	558,082	4.8%	(58,508)	
Other	(29,402)	-0.3%	(282)	0.0%	(29,119)	
Total interest income	9,955,238	86.5%	9,548,983	81.7%	406,255	4%
Interest expense:						
Deposits	1,119,419	9.7%	1,281,087	11.0%	(161,668)	
Securities sold under repurchase agreements	63,503	0.6%	114,978	1.0%	(51,475)	
Borrowed funds	38,940	0.3%	32,177	0.3%	6,763	
Total interest expense	1,221,861	10.6%	1,428,241	12.2%	(206,380)	-14%
Net interest income	8,733,377	75.9%	8,120,742	69.5%	612,635	8%
Provision for loan losses	450,000	3.9%	400,000	3.4%	50,000	13%
Net interest income after provision	8,283,377	72.0%	7,720,742	66.1%	562,635	7%
Other income:						
Wealth Management Revenue	26,626	0.2%	22,734	0.2%	3,892	
Service charges	682,922	5.9%	727,462	6.2%	(44,541)	
Income from Ansay	126,375	1.1%	105,051	0.9%	21,324	
Loan servicing income	203,293	1.8%	381,258	3.3%	(177,964)	
Dividend Income	-	0.0%	-	0.0%	-	
Income from UFS	249,140	2.2%	172,915	1.5%	76,224	
Net gain on sales of mortgage loans	120,436	1.0%	536,627	4.6%	(416,191)	
Net gain on sales of securities	(53)	0.0%	(68)	0.0%	15	
Other	145,485	1.3%	186,086	1.6%	(40,601)	
Total other income	1,554,224	13.5%	2,132,065	18.3%	(577,841)	-27%
Other expenses:						
Salaries, commissions, and employee benefits	3,049,165	26.5%	3,105,084	26.6%	(55,919)	
Occupancy	634,269	5.5%	619,995	5.3%	14,274	
Data processing	402,300	3.5%	353,038	3.0%	49,262	
Loss (gain) on sales of OREO	573,806	5.0%	14,345	0.1%	559,462	
Postage, stationery, and supplies	82,080	0.7%	101,266	0.9%	(19,186)	
Advertising	42,032	0.4%	45,979	0.4%	(3,946)	
Outside service fees	441,821	3.8%	424,186	3.6%	17,635	
Amortization of intangibles	4,541	0.0%	4,541	0.0%	-	
Other	1,163,116	10.1%	2,029,776	17.4%	(866,660)	
Total other expenses	6,393,130	55.5%	6,698,209	57.3%	(305,079)	-5%
Income before provision for income taxes	3,444,471	29.9%	3,154,598	27.0%	289,873	9%
Provision for income taxes	967,440	8.4%	883,082	7.6%	84,358	10%
Net income	\$ 2,477,031	0	\$ 2,271,516	0	\$ 205,515	9%
QTR Average Shares outstanding	6,397,587		6,589,221		(191,634)	
Earnings per share--common shareholders	\$ 0.39		\$ 0.34		\$ 0.04	13%
Operating income before provision and taxes	3,894,471		3,554,598		289,873	8%
Operating income (above) divided by Assets	1.87%		1.70%			