FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements about Alerus Financial Corporation. Forward-looking statements are neither historical facts nor assurances about future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Forward-looking statements can be identified by words such as: “intend,” “plan,” “believe,” “estimate,” “expect,” “strategy,” “future,” “may,” “will” and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding our projected growth, anticipated future financial performance, financial condition, credit quality and management’s long-term performance goals and the future plans and prospects of Alerus Financial Corporation.

Forward-looking statements involve inherent risks and uncertainties that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: business and economic conditions nationally and in our target markets; our need to maintain sufficient capital to satisfy minimum regulatory requirements and for growth purposes; changes and volatility in interest rates; our ability to execute our business strategy; deterioration in the credit quality of our loan portfolio or in the value of the collateral securing those loans; deterioration in the value of securities held in our investment securities portfolio; effects of recently enacted and future legislation and regulation; competition in the banking, wealth management and mortgage industries; declines in mortgage originations or profitability due to rising interest rates and increased competition and regulation; reductions in the market value of wealth management assets under administration; increasing occurrences of cyber-attacks, hacks and identity theft; failure to keep pace with technological change or difficulties when implementing new technologies; changes in customer behavior and preferences; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management’s ability to effectively manage credit risk, residual value risk, market risk, operational risk, interest rate risk, liquidity risk and cybersecurity.

Forward-looking statements speak only as of the date they are made, and Alerus Financial Corporation undertakes no obligation to update them in light of new information or future events.

Non-GAAP Financial Measures
This presentation includes certain ratios and amounts that do not conform to U.S. Generally Accepted Accounting Principles, or GAAP. Management uses certain non-GAAP financial measures to evaluate financial performance and business trends from period to period and believes that disclosure of these non-GAAP financial measures will help investors, rating agencies and analysts evaluate the financial performance and condition of Alerus Financial Corporation. This presentation includes a reconciliation of each non-GAAP financial measure to the most comparable GAAP equivalent.

Business Line Information
Alerus Financial Corporation operates four principal business lines: banking; mortgage; retirement and benefits; and wealth management. This presentation includes separate operating results and other financial information for each business line. The business line information was prepared by management and has not been audited by our independent accounting firm. Accordingly, you should review such information only in conjunction with a review of the audited, consolidated financial statements published on our investor relations website: investors.Alerus.com.
CORPORATE ORGANIZATION & OVERVIEW
ALERUS

A DIVERSIFIED FINANCIAL SERVICES COMPANY FOCUSED ON RELATIONSHIPS THAT ENABLE CLIENTS TO REACH THEIR GOALS AND DREAMS

ROOTS DATING BACK TO 1879
A proud history of customer-focused perseverance and prosperity includes numerous strategic acquisitions, strong divisional growth, expansion into new markets, and addition of new revenue streams. Our desire to act in clients’ best interest guides us through it all.

ONE ALERUS
OUR FIVE-PART, MULTI-YEAR PLAN TO ADD VALUE AND FACILITATE ORGANIC GROWTH

TECHNOLOGY ROADMAP
to seamlessly integrate products and support financial wellness

CLIENT-ORIENTED
to deliver a holistic and engaging client experience

REINVENTION OF PROCESSES
to enhance client experience and company efficiency

INCOME AND BALANCE SHEET GROWTH OPPORTUNITIES
through synergistic product lines and full, complementary suite of services

PROACTIVE ADVICE
to improve financial well-being
HISTORY AND GROWTH
CONSTANT STRATEGIC PLANNING DISCIPLINE AND PROVEN EXECUTION

Milestones

- 2000: Rebranded to Alerus
- 2006: Opened a trust and investment office in the Twin Cities
- 2007: Opened a business banking office in Minnetonka, MN
- 2012: MI expansion
- 2007: MN expansion
- 2009: AZ expansion
- 2014: NH expansion

Acquisitions

- 1999: Branch purchase from BNC National Bank
- 2002: Acquired Pension Solutions, Inc.—the catalyst to the Retirement Division
- 2003: Branch and asset purchase from BNC National Bank
- 2006: Acquired Stanton Trust Company
- 2007: Acquired Stanton Investment Advisors, Inc.
- 2007: Acquired Tegrit Administrators, LLC
- 2011: Branch and asset purchase from BNC National Bank
- 2011: Acquired Private Bank Minnesota
- 2012: Acquired PensionTrend and PensionTrend Investment Advisers
- 2014: Acquired Retirement Alliance Inc.
- 2014: Acquired Interactive Retirement Systems LTD
- 2016: Acquired Beacon Bank
- 2016: Acquired ABGNCS
DIVERSIFIED REVENUE STREAM
FIRST QUARTER 2019

Data as of 3/31/2019.

RETIREMENT AND BENEFIT REVENUE 34.1%

WEALTH MANAGEMENT REVENUE 8.2%

MORTGAGE BANKING REVENUE 10.3%

BANKING FEES 4.2%

NET INTEREST INCOME 43.3%

NON-INTEREST INCOME 56.7%

DIVERSIFIED CLIENT BASE

46,003 consumers

11,113 businesses

6,788 employer-sponsored retirement plans

359,131 employer-sponsored retirement plan participants

45,740 health savings account participants

22,250 flexible spending account/health reimbursement arrangement participants
Diverse business lines can fulfill any financial need for our clients.

**CONSUMER FOCUSED**
- Payment account
- Emergency Savings
- Maximizing 401(k)
- Maximizing HSA
- Auto loan
- Save for mortgage down payment
- Mortgage financing
- Insurance planning
- College savings
- Retirement savings (after tax)
- Vacation savings

**BUSINESS FOCUSED**
- Payment account
- Treasury Management
- Ancillary Services
  - Lending
- 401(k) plan, ESOP
  - Payroll
- Employee Benefits
- Insurance planning
- Investment (after tax)
OUR MOTIVATED, DEDICATED, AND ENERGETIC LEADERS KEEP US ON THE RIGHT PATH

SENIOR EXECUTIVE TEAM

RANDY NEWMAN
Chairman, President, and Chief Executive Officer
38 years with Alerus

KATIE LORENSON
Executive Vice President and Chief Financial Officer
2 years with Alerus

KRIS COMPTON
Executive Vice President and Chief Strategy Officer
44 years with Alerus

ANN MCCONN
Executive Vice President and Chief Business Officer
17 years with Alerus

KARIN TAYLOR
Executive Vice President and Chief Risk Officer
Joined Alerus in 2018

ALERUS LEADERSHIP COUNCIL

Lori Day
Director of Mortgage
Joined Alerus in 2018

Maria Biessener Duncan
Director of Operations
Joined Alerus in 2018

Scott Fenske
Ex Officio
General Counsel and Corporate Secretary
3 years with Alerus

Jon Hendry
Chief Information Officer
35 years with Alerus

Travis Ingebritston
Director of Finance
4 years with Alerus

Chad Johnson, CPA
Ex Officio
Director of Internal Audit
16 years with Alerus

Missy Keney
Director of Marketing and Client Experience
14 years with Alerus

Karna Loyland
Director of Deposits
20 years with Alerus

Chip Norris
Group President, Director of Sales and Service
12 years with Alerus

Brian Overby
President of Alerus Retirement and Benefits
24 years with Alerus

Brian Schumacher
Director of Wealth Management
8 years with Alerus

Teresa Wasvick
Director of Human Resources
28 years with Alerus

ALERUS LEADERSHIP

KARIN TAYLOR
Executive Vice President and Chief Risk Officer
Joined Alerus in 2018
BOARD OF DIRECTORS
ALERUS IS STEERED BY SOME OF THE TOP BUSINESS AND FINANCIAL MINDS IN THE MIDWEST

RANDY NEWMAN
Since 1988
Chairman, President, and CEO
Alerus Financial, N.A.
Alerus Financial Corporation
Grand Forks, ND

HAROLD GERSHMAN
Since 1989
Chairman and President
Gershman Enterprises, LLC and Happy Harry’s Bottle Shops
Grand Forks, ND

KEVIN LEMKE
Since 1994
President
Virtual Systems
Grand Forks, ND

KAREN BOHN
Since 1999
President, Galeo Group, LLC
Former Chief Administrative Officer, Piper Jaffray Co.
Former Chief Executive Officer, Piper Trust Company
Edina, MN

LLOYD CASE
Since 2005
Past President and CEO
Forum Communications Co.
Board of Directors, Forum Communications
Fargo, ND

SALLY SMITH
Since 2007
Retired, President and CEO
Buffalo Wild Wings, Inc.
Minneapolis, MN

GALEN VETTER
Since 2013
Retired, CFO
Franklin Templeton Investments
Former Partner In-Charge, (Upper Midwest region) RSM
Board of Directors, Land O’ Lakes
Minneapolis, MN

DAN COUGHLIN
Since 2016
Former Managing Director & Co-Head – Financial Services, Raymond James & Assoc.
Former Chairman & CEO, Howe Barnes Hoefer & Arnett
Chicago, IL

MICHAEL MATHEWS
Since 2018
CIO, Deluxe Corporation
Former SVP, Technology and Enterprise Programs, UnitedHealth Group
Former Global Head/Director, Global Technology, Operations and Six Sigma, Merrill Lynch
Minneapolis, MN

As of 3/31/2019.
COMPANY STRATEGY
### KEY STRATEGIC INITIATIVES

**GROWING THE ALERUS FRANCHISE**

#### ORGANIC GROWTH | “ONE ALERUS”

- Collaborative and engaged leadership team focused on **growing organically** by adding value and deepening relationships with existing clients.
  - **Proactive advice** centered on improving client’s **financial wellbeing**
  - **Technology roadmap** to support financial fitness, automate account opening, and integrate our full product and service offering (fast-follower mindset)
  - **Harness synergies** within our diverse balance sheet and **deepen relationships** with 350,000+ single service retirement and benefit clients
  - **Reinvention of operational processes** aided by technology to **enhance client experience**

#### ACQUISITIONS

- Capitalize on **strategic and opportunistic** opportunities to grow in our existing markets or chosen, new markets
- Acquisition targets include **banks and fee income** companies with **complementary** business models, cultural similarities, and growth opportunities

#### LIFT OUT’S

- Recruit **top talent** (individuals, teams, or both) from outside of our organization to **accelerate growth** in our existing markets or jumpstart our entrance into chosen, new markets
- Lift out’s allow us to take advantage of unplanned market disruption by our competitors (i.e. acquisitions, mergers, etc.)
Through trusted relationships with our clients, we help them achieve financial fitness throughout their journey ...

Simply put, wherever you are on your financial journey, your Alerus advisor is there to help you every step of the way.
TECHNOLOGY INVESTMENTS

- Technology Strategic Direction supports the client strategy. Alerus is a “fast-follower” in today’s rapidly changing tech environment.
- Alerus partners with Fintech Companies and Vendors to implement innovative client solutions.
- Our strategy is not to BUILD, but to BUY and integrate with our strategic technology partners.
LONG-TERM STRATEGIC OBJECTIVES
SUSTAINING THE VISION OF ALERUS

1. Position Alerus as “the place to go for financial wellness, wisdom, and education at every turn in a client’s life long journey.”

2. Maintain a relationship-driven business model while diversifying our composition of revenue.

3. Sustain a strong balance sheet and income statement with diversified assets and liabilities.

4. Grow the Alerus brand with a focused organic growth strategy organically and also through strategic acquisitions.

5. Be a relevant competitor by strengthening and enhancing our digital competencies to provide clients with speed and access.

6. Be an employer of choice.

7. Be an acquirer of choice.

8. Align everything we do (processes, policies, and procedures) around the client experience to add value while also Achieve operational excellence by designing policies, procedures, and processes that keep the client impact in mind while creating efficiencies and managing risk.
FINANCIAL OVERVIEW
# Q1 2019 RESULTS

<table>
<thead>
<tr>
<th>Results of Operation (000’s)</th>
<th>Year-to-Date Actual March 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
</tr>
<tr>
<td>Net Interest Income</td>
<td>$19,120</td>
</tr>
<tr>
<td>Non-Interest Income</td>
<td>25,074</td>
</tr>
<tr>
<td>Provision expense for losses on loans</td>
<td>2,220</td>
</tr>
<tr>
<td>Non-Interest Expense</td>
<td>33,514</td>
</tr>
<tr>
<td>Net Income before Tax</td>
<td>$8,460</td>
</tr>
<tr>
<td>Tax Expense</td>
<td>2,024</td>
</tr>
<tr>
<td>Net Income after Tax</td>
<td>$6,436</td>
</tr>
</tbody>
</table>
### ON-BALANCE SHEET

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Gross Loans</th>
<th>Total Deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$1,126,921</td>
<td>$1,458,021</td>
</tr>
<tr>
<td>2016</td>
<td>$1,366,952</td>
<td>$1,785,209</td>
</tr>
<tr>
<td>2017</td>
<td>$1,574,474</td>
<td>$1,834,962</td>
</tr>
<tr>
<td>2018</td>
<td>$1,733,881</td>
<td>$1,799,293</td>
</tr>
<tr>
<td>Q1 2019</td>
<td>$1,742,351</td>
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### OFF-BALANCE SHEET

<table>
<thead>
<tr>
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<th>AUA</th>
<th>AUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$27,000,000</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>$22,000,000</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>$17,000,000</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>$12,000,000</td>
<td></td>
</tr>
<tr>
<td>Q1 2019</td>
<td>$7,000,000</td>
<td></td>
</tr>
</tbody>
</table>

### Key Business Drivers ($ in thousands)

**Total Assets**
- 2015: $1,744,324
- 2016: $2,050,045
- 2017: $2,136,081
- 2018: $2,179,070
- Q1 2019: $2,213,758

**Total Gross Loans**
- 2015: $1,126,921
- 2016: $1,366,952
- 2017: $1,574,474
- 2018: $1,733,881
- Q1 2019: $1,742,351

**Total Deposits**
- 2015: $1,458,021
- 2016: $1,785,209
- 2017: $1,834,962
- 2018: $1,799,293
- Q1 2019: $1,902,494

**Assets under Management**
- 2015: $2,619,850
- 2016: $3,379,787
- 2017: $3,848,086
- 2018: $4,584,359
- Q1 2019: $4,784,448

**Assets under Administration**
- 2015: $17,435,446
- 2016: $25,032,897
- 2017: $28,220,245
- 2018: $25,854,605
- Q1 2019: $27,697,700

**Mortgage Originations**
- 2015: $986,979
- 2016: $1,065,132
- 2017: $867,253
- 2018: $779,708
- Q1 2019: $125,536

---

**CAGR**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Assets</th>
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<th>Total Deposits</th>
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<td>$4,784,448</td>
<td>$27,697,700</td>
<td>$125,536</td>
</tr>
</tbody>
</table>

**CAGR**

- **Total Assets**: 7.6%
- **Total Gross Loans**: 14.3%
- **Total Deposits**: 8.5%
- **Assets under Management**: 18.8%
- **Assets under Administration**: 15.2%
- **Mortgage Originations**: n/a

---

^Three and one-quarter year compounded annual growth rate (CAGR).

1 Includes loans of $28.7M and deposits of $20.1M in the Duluth market which were sold on 4/26/2019.

2 Excludes loans held for sale.
**SUSTAINED PROFITABILITY**

THE POWER OF A DIVERSIFIED BUSINESS MODEL

**EARNINGS & CASH EARNINGS PER SHARE**

<table>
<thead>
<tr>
<th>Year</th>
<th>EPS</th>
<th>CEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$1.21</td>
<td>$1.41</td>
</tr>
<tr>
<td>2016</td>
<td>$1.00</td>
<td>$1.33</td>
</tr>
<tr>
<td>2017</td>
<td>$1.07</td>
<td>$1.68</td>
</tr>
<tr>
<td>2017*</td>
<td>$1.43</td>
<td>$1.68</td>
</tr>
<tr>
<td>2018</td>
<td>$1.84</td>
<td>$2.10</td>
</tr>
<tr>
<td>3/31/2018 YTD</td>
<td>$0.56</td>
<td>$0.52</td>
</tr>
<tr>
<td>3/31/2019 YTD</td>
<td>$0.40</td>
<td>$0.46</td>
</tr>
</tbody>
</table>

**NET INTEREST MARGIN**

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2017*</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3.81%</td>
<td>3.63%</td>
<td>3.76%</td>
<td>3.86%</td>
<td>3.90%</td>
</tr>
<tr>
<td>3/31/2018 YTD</td>
<td>3.86%</td>
<td>3.86%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3/31/2019 YTD</td>
<td>3.86%</td>
<td>3.86%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Net Income excluding the impact of $4.6 million charge to deferred tax asset due to tax reform.

1 Fully diluted common shares. Cash Earnings Per Share are non-GAAP measures. See appendix for non-GAAP reconciliation schedules.
MANAGING NONINTEREST EXPENSE
DELIBERING TOP LINE REVENUE TO THE BOTTOM LINE

EFFICIENCY RATIO 1

1 Source: Alerus Financial Corporation, S&P Global Market Intelligence. (S&P MI KeyField: 215449; Total noninterest expense, less amortization of intangible assets, divided by net interest income on a fully taxable equivalent basis and noninterest income

^ All U.S. Depository Institutions between $1B and $10B in Banking Assets and non-interest income as a percentage of total revenue equal to or greater than 30%; peer data as of 12/31/2018.
ASSET QUALITY
SOLID ASSET QUALITY

- **Reserves / NPA**
  - 2015: 136.40%
  - 2016: 154.47%
  - 2017: 260.60%
  - 2018: 345.98%
  - Q1 2019: 269.69%

- **Total PD / Avg Loans**
  - 2015: 1.14%
  - 2016: 0.61%
  - 2017: 0.68%
  - 2018: 0.39%
  - Q1 2019: 0.46%

- **NPA / Total Assets**
  - 2015: 0.60%
  - 2016: 0.47%
  - 2017: 0.30%
  - 2018: 0.33%
  - Q1 2019: 0.38%
NET CHARGE-OFFS/AVERAGE LOANS

25 YEAR LOSS HISTORY OF 0.28% AVERAGE NET CHARGE-OFF RATE

Net Chargeoffs/ Avg Loans

Historical Average

 Sources: Alerus Financial Corporation and S&P Global Market Intelligence.
FRANCHISE FOOTPRINT

MARKET PRESENCE: BANKING, MORTGAGE AND WEALTH MANAGEMENT

Grand Forks, ND
- 5 full-service banking, mortgage and wealth management offices

Fargo, ND
- 3 full-service banking, mortgage and wealth management offices

Twin Cities, MN
- 6 full-service banking, mortgage and wealth management offices
- 1 mortgage office
- 1 mortgage and deposit and loan production office

Phoenix, AZ
- 1 full-service banking and wealth management office
- 1 loan and deposit production office

NEWLY ESTABLISHED NATIONAL MARKET

MARKET PRESENCE: RETIREMENT SERVICES

- Serves clients in all 50 states
- Services at all banking and wealth management offices in our three primary markets
- 2 retirement and benefits offices in Minnesota
- 2 retirement and benefits offices in Michigan
- 1 retirement and benefits office in New Hampshire
- NEWLY ESTABLISHED NATIONAL MARKET

Data as of 3/31/2019.
MARKET DISTRIBUTION
STRONG GROWTH MARKETS AND STABLE CORE FUNDING
(IN MILLIONS)

LOANS\(^2\) ($1,742\(^1\))

- Twin Cities, MN 50.4%
- Grand Forks, ND 19.6%
- Fargo, ND 19.1%
- Scottsdale, AZ 8.5%
- Duluth, MN 2.1%
- Other 0.3%

DEPOSITS ($1,902\(^1\))

- Twin Cities, MN 32.9%
- Grand Forks, ND 24.3%
- Fargo, ND 18.3%
- Scottsdale, AZ 4.7%
- Duluth, MN 1.1%
- National 18.8%
- Other 0.3%

MORTGAGE ORIGINATIONS ($125.5)

- Twin Cities, MN 89.1%
- Fargo, ND 4.5%
- Scottsdale, AZ 1.7%
- Grand Forks, ND 3.8%
- Other 0.3%

ASSETS UNDER MGMT. ($4,784)

- Twin Cities, MN 7.9%
- Grand Forks, ND 42.9%
- Fargo, ND 30.8%
- National 15.9%
- Other 2.5%

ASSETS UNDER ADMIN. ($27,698)

- National 76.7%
- Twin Cities, MN 14.3%
- Grand Forks, ND 4.6%
- Fargo, ND 3.9%

- Other, 0.6%

\(^1\) Includes loans of $28.7M and deposits of $20.1M in the Duluth market which were sold on 4/26/2019.

\(^2\) Excludes loans held for sale.

Data as of 3/31/2019.
Alerus has a strong presence in the established “legacy” Red River Valley markets.

### DEPOSIT MARKET SHARE

**ALERUS VS. PEERS**

#### Grand Forks, ND-MN

<table>
<thead>
<tr>
<th>Rank</th>
<th>Institution (ST)</th>
<th>Number of Branches</th>
<th>Total Deposits in Market (000)</th>
<th>Total Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Alerus Financial Corp. (ND)</td>
<td>5</td>
<td>$615,201</td>
<td>21.75%</td>
</tr>
<tr>
<td>2</td>
<td>Bremer Financial Corp. (MN)</td>
<td>4</td>
<td>609,881</td>
<td>21.56%</td>
</tr>
<tr>
<td>3</td>
<td>U.S. Bancorp (MN)</td>
<td>3</td>
<td>252,876</td>
<td>8.94%</td>
</tr>
<tr>
<td>4</td>
<td>Frandsen Financial Corporation (MN)</td>
<td>2</td>
<td>214,075</td>
<td>7.57%</td>
</tr>
<tr>
<td>5</td>
<td>Gate City Bank (ND)</td>
<td>3</td>
<td>183,955</td>
<td>6.50%</td>
</tr>
<tr>
<td>6</td>
<td>Choice Financial Holdings Inc (ND)</td>
<td>2</td>
<td>167,883</td>
<td>5.93%</td>
</tr>
<tr>
<td>7</td>
<td>American Federal Corp. (ND)</td>
<td>5</td>
<td>155,267</td>
<td>5.49%</td>
</tr>
<tr>
<td>8</td>
<td>Wells Fargo &amp; Co. (CA)</td>
<td>2</td>
<td>119,803</td>
<td>4.23%</td>
</tr>
<tr>
<td>9</td>
<td>Financial Svcs of Winger Inc. (MN)</td>
<td>2</td>
<td>117,593</td>
<td>4.16%</td>
</tr>
<tr>
<td>10</td>
<td>Full Service Ins Agcy Inc (ND)</td>
<td>2</td>
<td>109,352</td>
<td>3.87%</td>
</tr>
<tr>
<td>11</td>
<td>First Hldg Co of Cavalier Inc (ND)</td>
<td>3</td>
<td>109,083</td>
<td>3.86%</td>
</tr>
</tbody>
</table>

**Total For Institutions in Market**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Number of Branches</th>
<th>Total Deposits in Market (000)</th>
<th>Total Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>42</td>
<td>$2,829,135</td>
<td></td>
</tr>
</tbody>
</table>

#### Fargo, ND-MN

<table>
<thead>
<tr>
<th>Rank</th>
<th>Institution (ST)</th>
<th>Number of Branches</th>
<th>Total Deposits in Market (000)</th>
<th>Total Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>State Bankshares Inc. (ND)</td>
<td>11</td>
<td>$2,864,127</td>
<td>37.02%</td>
</tr>
<tr>
<td>2</td>
<td>Wells Fargo &amp; Co. (CA)</td>
<td>6</td>
<td>769,885</td>
<td>9.95%</td>
</tr>
<tr>
<td>3</td>
<td>U.S. Bancorp (MN)</td>
<td>7</td>
<td>626,102</td>
<td>8.09%</td>
</tr>
<tr>
<td>4</td>
<td>Gate City Bank (ND)</td>
<td>15</td>
<td>558,181</td>
<td>7.22%</td>
</tr>
<tr>
<td>5</td>
<td>Watford City Bancshares Inc. (ND)</td>
<td>5</td>
<td>534,821</td>
<td>6.91%</td>
</tr>
<tr>
<td>6</td>
<td>Alerus Financial Corp. (ND)</td>
<td>3</td>
<td>323,882</td>
<td>4.18%</td>
</tr>
<tr>
<td>7</td>
<td>Bremer Financial Corp. (MN)</td>
<td>3</td>
<td>278,915</td>
<td>3.61%</td>
</tr>
<tr>
<td>8</td>
<td>BNP Paribas</td>
<td>3</td>
<td>187,469</td>
<td>2.42%</td>
</tr>
<tr>
<td>9</td>
<td>Western State Agency Inc. (ND)</td>
<td>2</td>
<td>183,004</td>
<td>2.37%</td>
</tr>
<tr>
<td>10</td>
<td>Choice Financial Holdings Inc (ND)</td>
<td>3</td>
<td>163,139</td>
<td>2.11%</td>
</tr>
<tr>
<td>11</td>
<td>American Federal Corp. (ND)</td>
<td>3</td>
<td>160,901</td>
<td>2.08%</td>
</tr>
</tbody>
</table>

**Total For Institutions in Market**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Number of Branches</th>
<th>Total Deposits in Market (000)</th>
<th>Total Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>91</td>
<td>$7,736,016</td>
<td></td>
</tr>
</tbody>
</table>

---

Source: S&P Global Market Intelligence; Deposit balances as of 6/30/2018, Number of Branches and Institution (ST) as of 4/16/2019.
Alerus market share is below 0.5% in Minneapolis-St. Paul and Phoenix
- Wells Fargo and U.S. Bank control 74% of Minneapolis-St. Paul market; top 3 control 66% of Phoenix market
- Growth opportunities within Community Banking, Small Business Lending tier and Wealth Management space

<table>
<thead>
<tr>
<th>Minneapolis-St. Paul-Bloomington, MN-WI</th>
<th>Phoenix-Mesa-Scottsdale, AZ</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q2 2018</strong></td>
<td><strong>Q2 2018</strong></td>
</tr>
<tr>
<td>Rank</td>
<td>Rank</td>
</tr>
<tr>
<td><strong>Institution (ST)</strong></td>
<td><strong>Institution (ST)</strong></td>
</tr>
<tr>
<td><strong>Number of Branches</strong></td>
<td><strong>Number of Branches</strong></td>
</tr>
<tr>
<td><strong>Total Deposits in Market (000)</strong></td>
<td><strong>Total Deposits in Market (000)</strong></td>
</tr>
<tr>
<td><strong>Total Market Share</strong></td>
<td><strong>Total Market Share</strong></td>
</tr>
<tr>
<td>1 U.S. Bancorp (MN)</td>
<td>1 JPMorgan Chase &amp; Co. (NY)</td>
</tr>
<tr>
<td>2 Wells Fargo &amp; Co. (CA)</td>
<td>2 Wells Fargo &amp; Co. (CA)</td>
</tr>
<tr>
<td>3 Associated Banc-Corp (WI)</td>
<td>3 Bank of America Corporation (NC)</td>
</tr>
<tr>
<td>4 University Financial Corp GBC (MN)</td>
<td>4 U.S. Bancorp (MN)</td>
</tr>
<tr>
<td>5 MidWestOne Financial Grp Inc. (IA)</td>
<td>5 Midland Financial Co. (OK)</td>
</tr>
<tr>
<td>6 Alerus Financial Corp. (ND)</td>
<td>6 Alerus Financial Corp. (ND)</td>
</tr>
<tr>
<td>7 BNP Paribas</td>
<td>7 JPMorgan Chase &amp; Co. (NY)</td>
</tr>
<tr>
<td>8 Premier Bank</td>
<td>8 Wells Fargo &amp; Co. (CA)</td>
</tr>
<tr>
<td>9 Choice Financial Holdings Inc (ND)</td>
<td>9 Associated Banc-Corp (WI)</td>
</tr>
<tr>
<td>10 American National Corp. (NE)</td>
<td>10 University Financial Corp GBC (MN)</td>
</tr>
<tr>
<td><strong>Total For Institutions in Market</strong></td>
<td><strong>Total For Institutions in Market</strong></td>
</tr>
<tr>
<td>773 $184,123,824</td>
<td>802 $100,094,813</td>
</tr>
</tbody>
</table>

Source: S&P Global Market Intelligence; Deposit balances as of 6/30/2018, Number of Branches and Institution (ST) as of 4/16/2019.
DIVERSIFIED LOAN PORTFOLIO

$1,742MM\(^1\)

CONCENTRATION BY TYPE

- Loans to Finance Agriculture 1.8%
- Consumer Loans 5.4%
- Construction and Land Devel. 1.7%
- Secured by Farmland 0.6%
- Secured by 1-4 Family Residential Properties 37.4%
- Secured by Non Farm Non Residential Properties 21.0%
- Secured by Multifamily 4.3%
- Commercial and Industrial Loans 27.7%
- Reprice (<1y) 33%
- Reprice (1-5y) 35%
- Reprice (>5y) 32%

CONCENTRATION BY INDUSTRY

- Real Estate and Rental 27.8%
- Retail Trade 12.7%
- Hospitality & Food Service 3.0%
- Agriculture 9.7%
- Construction 7.8%
- Finance & Insurance 6.4%
- Health Care 6.4%
- Manufacturing 6.9%
- Professional Services 4.2%
- Oil & Gas, Mining 0.2%
- Transportation 2.8%
- Other 5.6%

Reprice (<12m)\(^2\): 33%
Reprice (1y-5y)\(^2\): 35%
Reprice (>5y)\(^2\): 32%

\(^1\) Excludes loans held for sale. Includes loans of $28.7M in the Duluth market which were sold on 4/26/2019. Data as of 3/31/2019.

\(^2\) Based on call report data as of 3/31/2019.
LENDING BALANCE SHEET MIX

*Balances shown as of 3/31/2019 net of sold positions
LENDING BALANCE SHEET MIX
COMMERCIAL REAL ESTATE

*Balances shown as of 3/31/2019 net of sold positions
LENDING BALANCE SHEET MIX
COMMERCIAL & INDUSTRIAL

*Balances shown as of 3/31/2019 net of sold positions
MORTGAGE SYNERGIES – RESIDENTIAL PORTFOLIO

TOTAL PORTFOLIO OF 1-4 FAMILY 1ST LIENS SERVICED BY DMI ~ $412M

*Balances and percentages shown as of 3/31/2019. $ in Thousands
ALERUS BUSINESS LINES
ALERUS RETIREMENT AND BENEFITS

DIVISION OVERVIEW

- **Retirement** – Provide recordkeeping and administration services to qualified retirement plans
- **ESOP** – Provide trustee, recordkeeping and administration to employee stock ownership plans
- **Advisory services** – Provide investment fiduciary services to retirement plans
- **Health and Welfare** – Provide HSA, FSA, Cobra recordkeeping and administration services to employers
- **Payroll** – Provide payroll and HRIS services for employers
- **Synergies**
  - IRA Rollovers – over $390 million, capturing only 7%
  - Deposits – HSA deposits, 401(k) Money Market Funds, Emergency Savings, Terminated Participants
## RETIREMENT AND BENEFITS
### TRAILING FIVE QUARTERS

### ASSETS UNDER MANAGEMENT & ADMINISTRATION ($MM, ENDING)

<table>
<thead>
<tr>
<th></th>
<th>Q1-2018</th>
<th>Q2-2018</th>
<th>Q3-2018</th>
<th>Q4-2018</th>
<th>Q1-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUM</td>
<td>$27,521</td>
<td>$27,911</td>
<td>$28,447</td>
<td>$25,777</td>
<td>$27,616</td>
</tr>
<tr>
<td>AUA</td>
<td>$1,930</td>
<td>$2,077</td>
<td>$2,095</td>
<td>$2,035</td>
<td>$2,145</td>
</tr>
</tbody>
</table>

### RETIREMENT AND BENEFITS PROFIT MARGIN ($000’s)

<table>
<thead>
<tr>
<th></th>
<th>Q1-2018</th>
<th>Q2-2018</th>
<th>Q3-2018</th>
<th>Q4-2018</th>
<th>Q1-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$6,413</td>
<td>$6,336</td>
<td>$6,487</td>
<td>$7,666</td>
<td>$5,972</td>
</tr>
<tr>
<td>Net Income^</td>
<td>$15,943</td>
<td>$15,394</td>
<td>$15,536</td>
<td>$16,443</td>
<td>$15,059</td>
</tr>
</tbody>
</table>

### Profit Margin
- Q1-2018: 40.2%
- Q2-2018: 41.2%
- Q3-2018: 41.8%
- Q4-2018: 46.6%
- Q1-2019: 39.7%

^ Net Income before Tax and Indirect Allocations.
RETIREMENT AND BENEFITS

REVENUE MIX, FIRST QUARTER 2019 (000’S)

- **Asset Management**: $5,907 (39%)
- **Record Keeping**: $2,565 (17%)
- **Trust, Custody & Advisory**: $1,337 (9%)
- **Other**: $1,023 (7%)
- **ESOP**: $942 (6%)
- **Payroll Servicing**: $441 (3%)
- **Health & Welfare**: $1,116 (7%)
- **Other**: $1,023 (7%)

**MARKET SENSITIVE REVENUE**: 51%

- Asset based revenue – 48%
- Plan administration and participant based revenue – 46%
- Loan and distribution based revenue – 6%

Sources: Alerus Financial Corporation, Data as of 3/31/2019.
ALERUS RETIREMENT AND BENEFITS GROWTH HISTORY

ASSETS IN BILLIONS

Data as of 3/31/2019
WEALTH MANAGEMENT SERVICES
BUILDING, PROTECTING AND TRANSFERRING WEALTH

ADVISORY AND PLANNING SERVICES
- Financial Planning
- Tax Planning
- Insurance Planning
- Wealth Transfer Planning
- Trust and Estate Planning

INVESTMENT MANAGEMENT
- Global Asset Allocation
- Tax-Efficient Management
- Risk Management
- Manager/Consultant
- Competitive Pricing

TRUST AND FIDUCIARY SERVICES
- Trustee
- Personal Representative
- Conservator
- IRA Administration
A SERVICE MODEL BUILT FOR YOUR SUCCESS

**ADVISORY**
- ✓ ADVICE AND PLANNING
- ✓ ASSURES PLAN IMPLEMENTATION
- ✓ PROVIDES ONGOING REVIEW AND RECOMMENDATIONS
- ✓ GOAL TRACKING

**ADMINISTRATION**
- ✓ SERVES AS DAY-TO-DAY CONTACT FOR CLIENTS
- ✓ MANAGES CONTRIBUTIONS AND DISTRIBUTIONS
- ✓ WORKS HAND-IN-HAND WITH YOUR ADVISOR

**INVESTMENT MANAGEMENT**
- ✓ INDIVIDUAL SECURITY MANAGEMENT
- ✓ RISK MANAGEMENT
- ✓ DEVELOP AND IMPLEMENT INVESTMENT STRATEGIES
- ✓ CREATE AND MANAGE ASSET ALLOCATION

**OPERATIONS**
- ✓ MANAGES OPERATIONAL-RELATED ISSUES
- ✓ ACCOUNTING AND RECORDKEEPING
- ✓ MAINTAINS ACCOUNTING FOR CLIENT ACCOUNTS
- ✓ PROCESSES ACCOUNT CASH AND SECURITY TRANSFERS
WEALTH MANAGEMENT
TRAILING FIVE QUARTERS

ASSETS UNDER MANAGEMENT & ADMINISTRATION ($MM, ENDING)

<table>
<thead>
<tr>
<th>Period</th>
<th>Internal</th>
<th>AUA</th>
<th>AUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-2018</td>
<td>$518</td>
<td>$2,637</td>
<td>$85</td>
</tr>
<tr>
<td>Q2-2018</td>
<td>$512</td>
<td>$2,672</td>
<td>$84</td>
</tr>
<tr>
<td>Q3-2018</td>
<td>$531</td>
<td>$2,759</td>
<td>$88</td>
</tr>
<tr>
<td>Q4-2018</td>
<td>$494</td>
<td>$2,550</td>
<td>$77</td>
</tr>
<tr>
<td>Q1-2019</td>
<td>$518</td>
<td>$2,639</td>
<td>$82</td>
</tr>
</tbody>
</table>

WEALTH MANAGEMENT PROFIT MARGIN ($000’s)

<table>
<thead>
<tr>
<th>Period</th>
<th>Net Income^</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-2018</td>
<td>$1,720</td>
<td>$3,679</td>
</tr>
<tr>
<td>Q2-2018</td>
<td>$1,894</td>
<td>$3,653</td>
</tr>
<tr>
<td>Q3-2018</td>
<td>$2,145</td>
<td>$3,714</td>
</tr>
<tr>
<td>Q4-2018</td>
<td>$2,379</td>
<td>$3,916</td>
</tr>
<tr>
<td>Q1-2019</td>
<td>$1,824</td>
<td>$3,612</td>
</tr>
</tbody>
</table>

Profit Margin:
- Q1-2018: 46.8%
- Q2-2018: 51.9%
- Q3-2018: 57.7%
- Q4-2018: 60.7%
- Q1-2019: 50.5%

^ Net Income before Tax and Indirect Allocations.
WEALTH MANAGEMENT
FIRST QUARTER 2019 (000’S)

ASSETS UNDER MANAGEMENT

- Bank Investment Portfolio: $258,817 (8%)
- Collective Fund: $259,627 (8%)
- Brokerage: $706,777 (23%)
- Trust: $239,043 (8%)
- Blueprint: $389,973 (12%)
- Dimension: $1,303,447 (41%)
- TOTAL AIFS AUM: $3,157,684 (61%)

REVENUE

- Insurance & Advisory: $44,543 (1%)
- Brokerage: $410,809 (11%)
- Asset Management: $3,157,145 (88%)

Source: Alerus Financial Corporation, data as of 3/31/2019. Period-end median account balances for Blueprint, Dimension and Trust products are $37.3k, $608.8k, and $984.4k, respectively. Period-end maximum account balances for Blueprint, Dimension and Trust products are $4.59M, $36.2M, and $18.8M, respectively.
For comparative purposes, historical expense and net income figures have been adjusted to reflect intercompany expense from banking to mortgage for loan purchases.

^ Net Income before Tax and Indirect Allocations.
Talent

- The Twin Cities originators averaged $30 million in volume in 2018
- Capital markets division added seven new investors in 2018
- Highly skilled operations team allowing for seamless transition to mandatory delivery

Technology

- Blend: Industry leading partner providing online application process with seamless integration and intuitive technology which translates to operational efficiencies
- Optimal Blue: Industry leading partner providing mandatory delivery hedge advisory services and pricing engine analytics
- Total Expert: Industry leading partner providing mortgage marketing technology that offers RESPA-compliant, co-marketing options
- Salesforce: The Alerus CRM allows us the ability to holistically manage our mortgage client relationships to offer them additional Alerus products and programs

Solutions

- Continue to provide solutions to clients in our geographical markets with more solutions and digital delivery
- Provide solutions to participants in our national market
TRAILING FIVE QUARTERS

BANKING

AVERAGE EARNING ASSETS ($MM)

<table>
<thead>
<tr>
<th></th>
<th>Q1-2018</th>
<th>Q2-2018</th>
<th>Q3-2018</th>
<th>Q4-2018</th>
<th>Q1-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,878</td>
<td>$1,939</td>
<td>$1,952</td>
<td>$1,986</td>
<td>$1,995</td>
<td></td>
</tr>
</tbody>
</table>

AVERAGE DEPOSITS ($MM)

<table>
<thead>
<tr>
<th></th>
<th>Q1-2018</th>
<th>Q2-2018</th>
<th>Q3-2018</th>
<th>Q4-2018</th>
<th>Q1-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,749</td>
<td>$1,752</td>
<td>$1,765</td>
<td>$1,801</td>
<td>$1,799</td>
<td></td>
</tr>
</tbody>
</table>

BANKING PROFIT MARGIN ($000’s)¹

<table>
<thead>
<tr>
<th></th>
<th>Q1-2018</th>
<th>Q2-2018</th>
<th>Q3-2018</th>
<th>Q4-2018</th>
<th>Q1-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>$8,727</td>
<td>$20,478</td>
<td>$21,363</td>
<td>$21,278</td>
<td>$21,721</td>
<td>$21,731</td>
</tr>
</tbody>
</table>

¹ For comparative purposes, historical expense and net income figures have been adjusted to reflect intercompany expense from banking to mortgage for loan purchases.

^ Net Income before Tax and Indirect Allocations.
CORPORATE OVERHEAD

INDIRECT AND DIRECT EXPENSE ALLOCATION METHODOLOGY, BY DEPARTMENT

INDIRECT

- Based on percentage of time spent in each market and/or division:
  - Finance & Accounting
  - Administrative Services
  - Executive
  - Compliance
  - Enterprise Risk Management
  - Legal
  - Audit (50%)
- Based on FTE count as a percentage of total FTE:
  - Human Resources
  - Facilities
  - Information Technology
  - Audit (50%)
  - Insurance
- Based division revenue:
  - Marketing overhead

DIRECT

- Personnel
- Technology expense (core providers)
- Specific Vendors/Service Contracts
- Travel
- Legal
- Consulting
- Assessments
- Donations
- Operational Losses/Charge-offs
- Based on FTE count/actual location as a percentage of total FTE:
  - Facilities
- Allocated based on actual spend by market/business line
  - Marketing (excludes personnel and ancillary expense)
INVESTMENT PORTFOLIO & CONTINGENT LIQUIDITY SOURCES
ALERUS FINANCIAL CORPORATION

INVESTMENT PORTFOLIO ($258.8MM)

- Agency MBS 63%
- Municipal 24%
- Non-MBS 9%
- Other 4%

Effective Duration: 3.55
Yield: 2.46%

CONTINGENT LIQUIDITY SOURCES

<table>
<thead>
<tr>
<th>LINE</th>
<th>AMOUNT</th>
<th>ADVANCE AMOUNT</th>
<th>AVAILABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fed Funds Purchased</td>
<td>$87,000</td>
<td>$</td>
<td>$87,000</td>
</tr>
<tr>
<td>FHLB Advance</td>
<td>545,465</td>
<td>12,346</td>
<td>533,119</td>
</tr>
<tr>
<td>Promontory CDs</td>
<td>442,120</td>
<td>7,423</td>
<td>434,697</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$1,074,585</td>
<td>$19,769</td>
<td>$1,054,816</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Securities AFS (Unpledged @ Market)</th>
<th>MARKET VALUE</th>
<th>PLEDGED</th>
<th>UNPLEDGED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$255,828</td>
<td>$147,318</td>
<td>$108,510</td>
</tr>
</tbody>
</table>

TOTAL LIQUIDITY $1,330,413 $167,087 $1,163,326

Source: Alerus Financial Corporation, data as of 3/31/2019
STRONG CORE FUNDING MIX

Q1 DEPOSIT FUNDING ($1,902MM)

Non-Interest Bearing Deposits 28.4%
Money Market & Savings Deposits 38.8%
Interest Bearing Demand Deposits 17.3%
Time Deposits 9.6%
H.S.A. Deposits 6.0%

Commercial: 46%  Consumer: 46%
Brokered²: 0%  Internal²: 8%

LOW COST OF FUNDS

Cost of Total Deposits
Cost of Interest Bearing Deposits
Total Cost of Funds

2 Brokered commercial deposits and internal deposits totaled $7.4 million and $144 million, respectively.
GOODWILL AND INTANGIBLES
($ IN THOUSANDS)

INTANGIBLE AMORTIZATION EXPENSE

<table>
<thead>
<tr>
<th>Year</th>
<th>Intangibles</th>
<th>Goodwill</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$7,011</td>
<td>$27,329</td>
</tr>
<tr>
<td>2017</td>
<td>$5,624</td>
<td>$27,329</td>
</tr>
<tr>
<td>2018</td>
<td>$4,639</td>
<td>$27,329</td>
</tr>
<tr>
<td>2019</td>
<td>$4,082</td>
<td>$27,329</td>
</tr>
<tr>
<td>2020</td>
<td>$3,962</td>
<td>$27,329</td>
</tr>
</tbody>
</table>

GOODWILL AND INTANGIBLE BALANCES

<table>
<thead>
<tr>
<th>Year</th>
<th>Intangibles</th>
<th>Goodwill</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$32,730</td>
<td>$27,329</td>
</tr>
<tr>
<td>2017</td>
<td>$27,111</td>
<td>$27,329</td>
</tr>
<tr>
<td>2018</td>
<td>$22,473</td>
<td>$27,329</td>
</tr>
<tr>
<td>2019</td>
<td>$18,391</td>
<td>$27,329</td>
</tr>
<tr>
<td>2020</td>
<td>$14,430</td>
<td>$27,329</td>
</tr>
</tbody>
</table>

Note: Current intangible balances will be fully amortized at the end of 2025.
APPENDIX
## NON-GAAP DISCLOSURE RECONCILIATION

### Average Common Equity Reconciliation

<table>
<thead>
<tr>
<th>($000s)</th>
<th>Q1 2019</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Common Equity</td>
<td>$199,853</td>
<td>$187,341</td>
<td>$176,779</td>
<td>$168,039</td>
<td>$178,087</td>
</tr>
<tr>
<td>Less: average preferred stock</td>
<td>(0)</td>
<td>(0)</td>
<td>(0)</td>
<td>(2,514)</td>
<td>(20,000)</td>
</tr>
<tr>
<td>Less: average other Intangibles, net of tax benefit</td>
<td>(17,329)</td>
<td>(19,522)</td>
<td>(19,358)</td>
<td>(22,372)</td>
<td>(13,978)</td>
</tr>
<tr>
<td>Average Tangible Common Equity</td>
<td>$155,195</td>
<td>$140,490</td>
<td>$130,092</td>
<td>$117,455</td>
<td>$141,744</td>
</tr>
</tbody>
</table>

### Net Income Reconciliation

<table>
<thead>
<tr>
<th>($000s)</th>
<th>Q1 2019</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$6,436</td>
<td>$25,866</td>
<td>$15,001</td>
<td>$14,036</td>
<td>$17,010</td>
</tr>
<tr>
<td>Less: Preferred stock dividends</td>
<td>0</td>
<td>(0)</td>
<td>(0)</td>
<td>(25)</td>
<td>(200)</td>
</tr>
<tr>
<td>Add: Re-measurement due to tax reform</td>
<td>0</td>
<td>0</td>
<td>4,818</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Add: Other intangible, net of tax benefit</td>
<td>830</td>
<td>3,664</td>
<td>3,655</td>
<td>4,553</td>
<td>2,840</td>
</tr>
<tr>
<td>Net Income, Excluding Intangible Amortization</td>
<td>$7,266</td>
<td>$29,530</td>
<td>$23,474</td>
<td>$18,564</td>
<td>$19,650</td>
</tr>
</tbody>
</table>

### Financial Ratios

1. Return on Average Tangible Common Equity: 18.99%, 21.02%, 18.04%, 15.81%, 13.86%
2. Average Common Shares (\$000s): 14,063, 14,063, 14,007, 14,000, 13,947
3. Cash Earnings Per Share: $0.52, $2.10, $1.68, $1.33, $1.41

1 Net Income for Q1 2019 is annualized for historical reference purposes