

## A Note From Paul Hoffmann



You are probably aware of the recent flooding and damage it caused in Dane County and surrounding areas in August. What you may not realize is that many of the areas affected by the flooding are communities where we have locations, like Cross Plains, Middleton and Monona, as well as many others towns where our clients live and work.

When our communities are hurting, we work hard to help those who need it. For those affected by the flooding, we created several accounts that associates, board members and clients contributed to which will be used to help flood victims.

We also rolled out a 3-year, 0% interest loan that those affected by the storms could borrow up to \$10,000. As a community bank, we felt these loans could be used immediately by those in our communities to secure their homes until their insurance payments came in, or purchase things lost in the flooding to help get their lives back to normal. We were able to help more than 85 families with over \$770,000 worth of much needed funds to start rebuilding their homes, as well as their lives. This is one more reason why I am very proud to work at a community bank like Monona Bank.

## Monona Bankshares News

We often receive the question “What is the value of Monona Bankshares’ stock?” There are three different values to consider when answering this question: Book Value, Sales Value and Limited Use Fair Market Value.

The Book Value is calculated by taking total equity divided by the number of outstanding shares. We calculate this value every quarter-end. As of September 30, 2018, the Book Value was \$120.03 per share.

The Sales Value is the price individuals are willing to pay per share and fluctuates based on share demand and availability. The recent Sales Value has ranged between \$135.00 and \$145.00 per share. While this is close to the market value, we usually do not have enough activity in a year to label this a true market price.

Monona Bankshares also has an annual valuation done of our stock by a third party, which is limited in its use. The main use for this value is to determine the number of shares issued as part of the dividend reinvestment program.

## Dividend Update

Monona Bankshares, Inc. announces a third quarterly dividend for 2018 of \$0.69 per share. This dividend is payable on October 17, 2018 to shareholders of record as of September 18, 2018. On an annualized basis, this dividend is \$2.76 per share. For shareholders in our Dividend Reinvestment Plan (DRIP), the purchase price of additional shares is \$135.08/ share. If you are not enrolled in our DRIP, your dividend check is enclosed. **If you are not currently enrolled in our DRIP but would like to take advantage of this plan to purchase additional shares, contacts are listed on the back.**

## DID YOU KNOW?

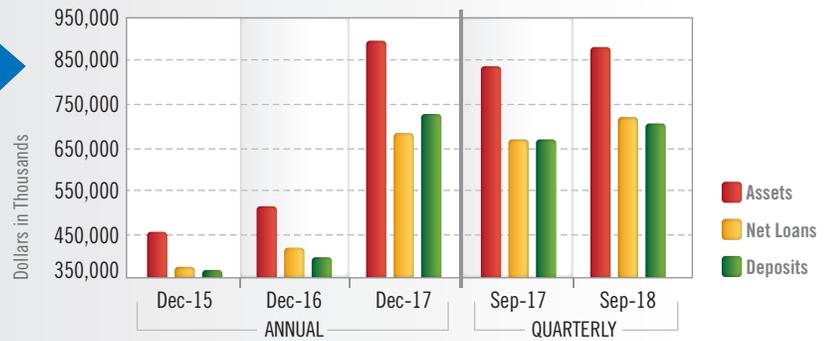


**Monona Bank provides financial services to more than 14,300 households.**

**WHEN WE SAY “LOCALLY-OWNED”, WE MEAN IT.**

## ASSETS, NET LOANS AND DEPOSITS

- Assets total \$883.1 million; 5.3% in growth since Sep-17
- Net loans \$720.6 million; 7.6% in growth since Sep-17
- Deposits \$704.2 million; 5.5% annualized growth since Sep-17
- Middleton Community Bank (MCB) transaction added \$307.0 million in total assets

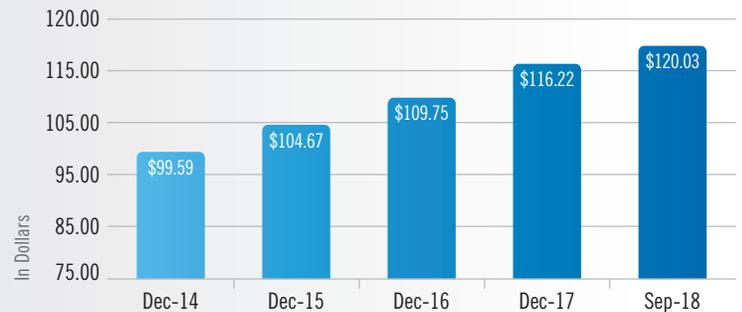


## PER SHARE DATA

- MCB operations included for all of 2017
- December 2017 data includes expense of \$1.84 per share related to MCB merger
- Dividend is being paid at an annualized rate of \$2.76 per share
- Total shares outstanding of 717,246 as of September 2018

## BOOK VALUE PER SHARE

- Book value includes issuing 206,666 shares for the MCB transaction
- Book value has increased 9.4% since Dec-2016
- 70% of Shareholders participate in dividend reinvestment plan



Year	Total Shares Bought/Sold	High	Low
2017	14,134	\$145.00	\$105.00
2016	10,608	\$105.00	\$94.17
2015	13,767	\$105.00	\$91.00
2014	7,599	\$95.00	\$90.00
2013	17,220	\$95.00	\$85.00

## STOCK SALE INFORMATION

Have questions about your stock?  
 Interested in buying or selling shares?  
 Want to enroll in the dividend reinvestment plan (DRIP)?

PLEASE CONTACT:

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