



May 5, 2015

To our shareholders:

Our momentum from last year has carried over into the first quarter of 2015. Touchmark National Bank’s growth remains strong and core earnings as well as non-interest revenue continue to improve. Net interest income after provisions for loan losses increased by 45% to $1.3 million year over year, even though our net income after taxes was $17 thousand less than last year due to an OREO write-down of $140 thousand in the first quarter. Total revenue grew 21% over last year on strong interest income.

**Touchmark National Bank - 1st Quarter Financial Highlights:**

 **Net interest income before provision for loan losses increased 29%** from 2014 to $1.4 million. Our net interest margin decreased by 7bp to 3.74% from 3.81% a year earlier, due to an increase in the cost of funds.

 **Non-interest income remained relatively unchanged at** **$644 thousand** despite a 10% decline in SBA loan related fees.

 **Non-interest expense increased by 38%** due to increased staffing costs coupled with a direct write-down on Other Real Estate Owned.

 **Gross loan balances were $34.5 million, up 37%** year over year.

 D**eposits increased 37%** to **$130** **million**. The overall cost of funds was 0.92%

during the quarter as compared to 0.84% during the same period last year.

 **The Allowance for Loan Losses was $2.00 million or 1.58% of loans** compared to $1.47 million or 1.59% of loans a year earlier. Non-performing assets were $525 thousand or 0.32% of total assets as compared to $5.4 million or 4.0% last year. We experienced no charge offs during the quarter.

You may view our unaudited first quarter financial statements by visiting the investor relations section on our website at [www.touchmarknb.com](http://www.touchmarknb.com).

We are aware of the need to leverage capital in order to maximize shareholder value. With that in mind, we made a sizeable investment in human capital in order to accelerate the pace of growth. We will remain committed to this strategy in order to achieve our growth objectives and our first quarter results reflect some of the fruits of these efforts. Our loan pipeline remains strong, our credit quality is good and our non-performing assets are at a manageable level. All this gives us optimism about our future prospects.

Thank you for your continued support and I welcome your questions, comments, or suggestions.

Sincerely,



Jorge L. Forment

President & CEO