

# FRANKLIN BANCORP, INC.

To Our Shareholders and Customers:

Your bank began 2019 with a strong first quarter. Net interest income increased approximately 4.5% for the three- month period ending 3/31/19 over the same period in 2018 and total loans increased by 6.8%. Net income for the first quarter of 2019 is up approximately 22.1% over the same period in 2018.

As we announced in our 2019 Annual Shareholder's Meeting in April, we are looking forward to opening our newest branch at 398 Lovers Lane, Bowling Green, Ky, during the third quarter of 2019. We will be closing our Fairview Avenue branch in Bowling Green and will be providing detailed information regarding closing and opening dates in the coming weeks. We are excited about the opportunity to continue to serve our customers and our communities with the addition of a new location.

We are pleased to announce that your Board has approved a dividend of 31c per share payable on June 14, 2019, to shareholders of record on June 5, 2019.

We appreciate your loyalty and support of Franklin Bank & Trust Company and Franklin Bancorp, Inc.

Sincerely,

/s/ Gary L. Broady  
Gary L. Broady  
Chief Executive Officer

/s/ H. Alex Downing  
H. Alex Downing  
President

## **MANAGEMENT'S STATEMENT ON RESPONSIBILITY FOR FINANCIAL REPORTING**

The management of Franklin Bank & Trust Co. is responsible for the content and integrity of the financial statements included in this unaudited quarterly report. We are presenting a portion of the information included in our Reports of Income and Condition submitted to the Federal Financial Institutions Examination Council for the period ending March 31, 2019. We have reviewed these financial statements and do hereby declare that these reports have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true to the best of our knowledge and belief.

/s/ Gary L. Broady  
Gary L. Broady  
Chief Executive Officer

/s/ H. Alex Downing  
H. Alex Downing  
President

/s/ Jill F. Gregory  
Jill F. Gregory  
Executive Vice President  
& Chief Financial Officer