



VALUEBUILDING FUTUREFOCUSED



BANKERS' BANK
OF KANSAS

2019 ANNUAL REPORT

DESIGNING THE *FUTURE*

2019 WAS A GOOD YEAR FOR YOUR BANKERS' BANK.

Net interest income was up nearly \$100,000 and non-interest income was up a little over \$470,000 from 2018. When you review the financials, you will notice that net income was down \$181,000. This is the result of taking \$515,000 from a reserve account that was no longer needed, which bolstered the 2018 after tax income by \$400,000. Taking this into account along with other factors, the 2019 after tax income of \$1,897,000 is \$215,000 higher than 2018. This positive trend helps us continue to meet a five-year goal the board set in 2017 to grow capital balances with steady dividends.

Consolidation continued in Kansas this year, and while the number of banks we serve decreased slightly, activity remains high and the relationships we have with customers continues to grow. You can see the proof on the inside spread. Increasing our number of services per customer converts to: more sales activity in Bank Card, resulting in increased interchange; higher transaction volumes in operations and safekeeping; and ultimately more non-interest income.

1.07%

ROA

7.07%

ROE

48:52

Interest Income to Non-Interest Income



WE CONTINUED TO BUILD A SOLID FOUNDATION, FOCUSING ON THE FUTURE OF YOUR BANKERS' BANK.

Some of our investments include:

- Online card application solution with automated processes to streamline and enhance customer experience.
- A new safekeeping platform with enhanced customer functionality.
- Continued time and resources dedicated to a faster payments solution.
- Conversion of ABIL to the cloud.
- Additional loan review staff member to support growth within that department.

We will miss the guidance and commitment from retiring directors Mark Keeny, Dan Coup and John Lehman. Mark is completing his role as chairman of BBOK, and Dan and John were valuable committee members who served you well the past six years. The board is made up of members from a variety of markets and geographies throughout the state. We appreciate the time and dedication of each board member to forward the mission of BBOK.

Each day I wake up feeling honored to serve the Kansas bank community. Kansas bankers built this organization on a solid foundation, and we continue to succeed because of your support. Thank you for your confidence.

CALVIN COADY, PRESIDENT/CEO





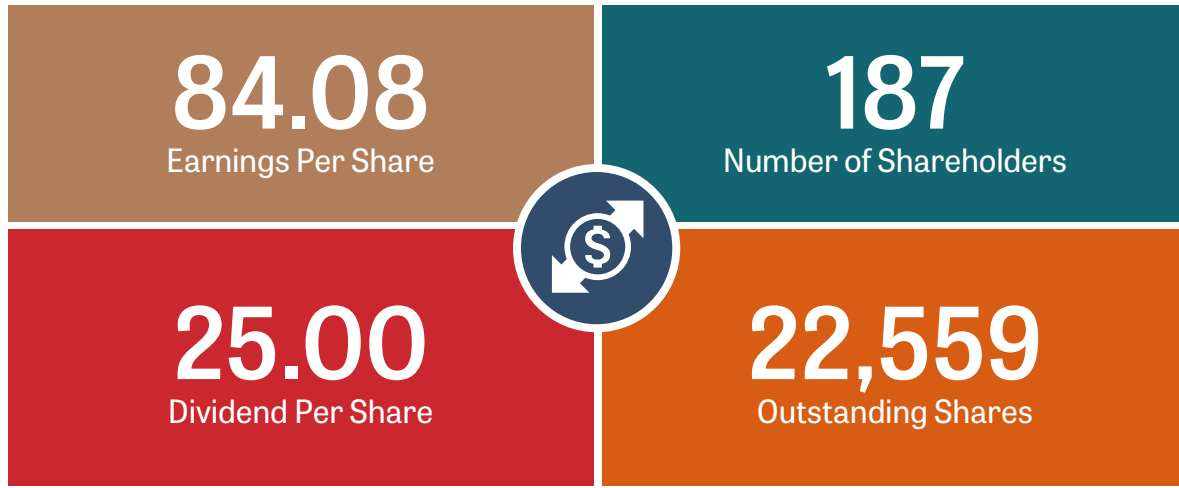
COMPREHENSIVE

Your customers expect easy accessibility, advanced technology and quick solutions. To deliver on your promises, you need a correspondent bank dedicated to providing all the solutions you need in one place, delivered by smart people who treat you as a valued partner. Bankers' Bank of Kansas has invested in people and products to help you provide for your customers' financial needs. Your success is our success.

FOCUSED

With every interaction, BBOK staff of nearly 50 experienced professionals are dialed in to the bank's mission and how it relates to our customer and company goals. Staying nimble allows us to creatively respond to changing market conditions and help our banks continue to overcome community banking obstacles. In 2019 we positioned ourselves to pursue new opportunities and introduce new staff, further developing long-term value to banks throughout Kansas.

IN 2019...



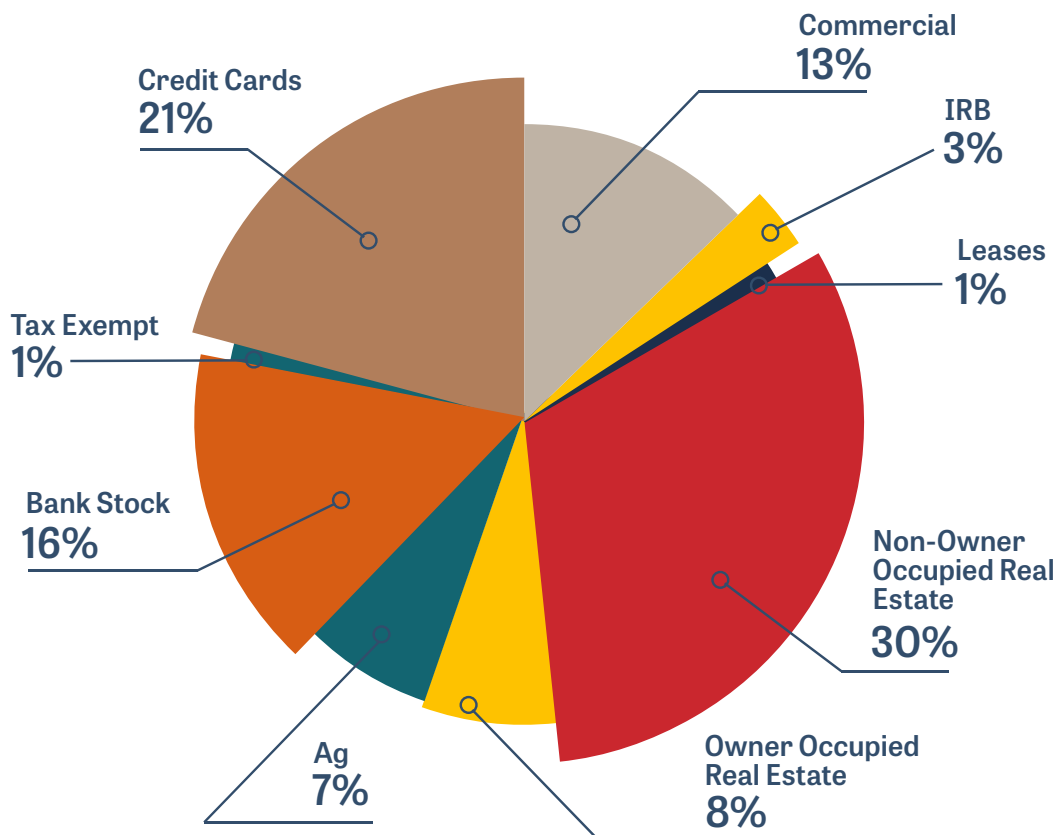
BOOK VALUE PER SHARE



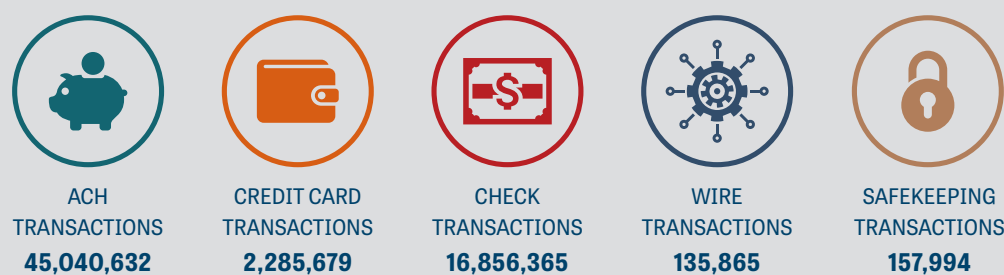
PARTICIPATIONS SOLD



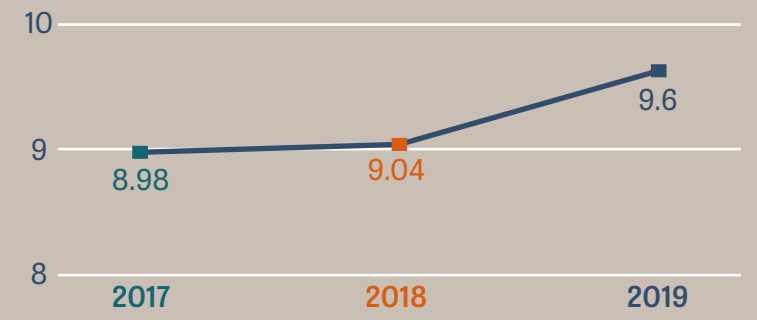
LOAN MIX



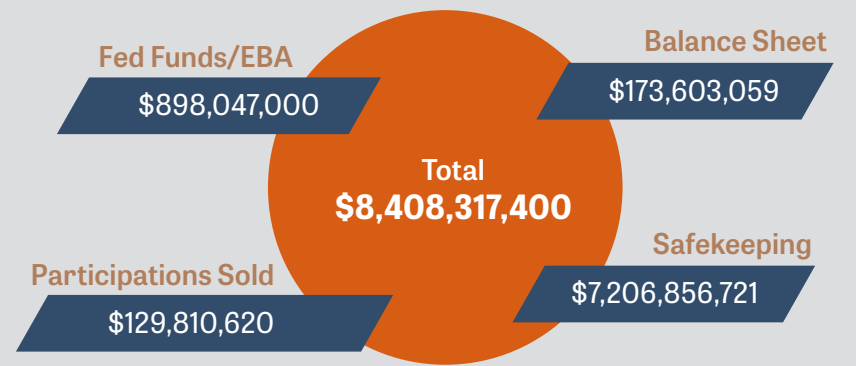
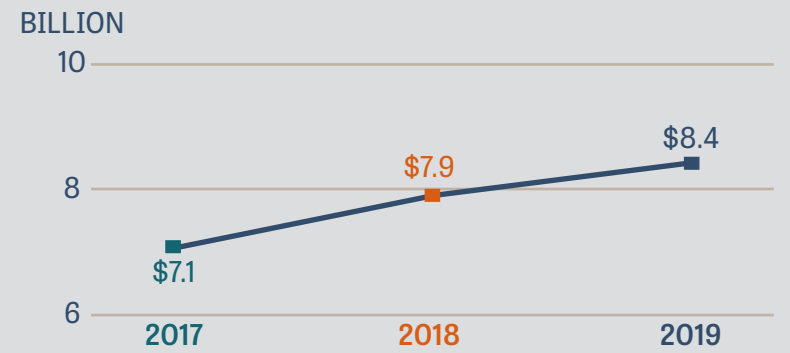
TRANSACTIONS PROCESSED IN VOLUME



AVERAGE SERVICES PER CUSTOMER



ASSETS UNDER MANAGEMENT



FINANCIALS

OPERATING DATA	2019	2018	2017
Interest income	7,957,588	7,329,353	6,867,006
Interest expense	1,921,336	1,389,701	792,704
Net Interest Income	6,036,252	5,939,652	6,074,302
Provision for loan losses	420,000	420,000	420,000
Other income	8,489,273	8,017,723	8,518,375
Other expenses	11,594,023	10,728,413	11,166,128
Income before taxes	2,511,502	2,808,962	3,006,549
Taxes on income	614,788	730,923	1,463,779
Net Income	1,896,714	2,078,039	1,542,770

FINANCIAL CONDITION DATA	2019	2018	2017
Gross loans	129,163,125	130,981,686	127,871,086
Less: allowance for loan losses	2,791,389	2,819,085	2,790,374
Net Loans	126,371,736	128,162,601	125,080,712
Due from banks and federal funds sold	32,218,030	22,683,466	41,959,096
Investment securities and CD's with other banks	4,395,976	8,276,910	8,559,665
Property and equipment	1,019,099	1,090,598	1,184,357
Other investments	1,504,336	1,194,513	1,438,356
Other real estate owned	-	-	550,507
Other assets	8,391,434	8,085,165	9,230,683
Total Assets	173,900,611	169,493,253	188,003,376
Deposits	137,366,870	130,497,690	148,892,606
Borrowings	4,000,000	7,000,000	9,000,000
Other liabilities	3,619,233	3,923,724	3,683,689
Stockholders' equity	28,914,508	28,071,839	26,427,081
Total Liabilities and Stockholders' Equity	\$173,900,611	169,493,253	188,003,376

Go to BBOK.com for the full 2019 audited financial statement.



BOARD OF DIRECTORS

MARK KEENY
Chairman of the Board, BBOK;
CEO, Citizens Bank of Kansas, Kingman

LLOYD CULBERTSON
Vice Chairman of the Board, BBOK;
President, First National Bank and Trust, Phillipsburg

ROBERT BEYMER
Chairman/CFD/Senior Trust Officer,
The Kearney County Bank, Lakin

SCOTT BIRD
President/Chairman, KansasLand
Bank, Quinter

BRIAN CHAMBERLIN
President/CEO, Andover State Bank,
Andover

CALVIN COADY
President/CEO, BBOK, Wichita

DAN COUP
President/CEO, The First National
Bank, Hope

MARK EMLEY
Market President, Academy Bank,
Overland Park

MICHAEL EWY
CEO, Community State Bank,
Coffeyville

LARRY FIEF
President, The Bank of Tescott, Salina

JOHN LEHMAN
Corporate Services President,
GNBank N.A., Girard

STEVEN NIEMACK
President/CEO, Stockgrowers
State Bank, Maple Hill

MICHAEL SCHEOPNER
President/CEO, Landmark National
Bank, Topeka

OFFICERS STAFF

EXECUTIVE

Calvin Coady, President/CEO

Craig Ellis, Executive Vice
President

FINANCE

Ashley Snaveley

Tara Breault

Jesus Garcia

Carol Koehn

Julie Lyman

Michael Ray

Tonya Rolo

Ann Sathngam

ADMINISTRATION

Rachel Walcher

Cheryl Warashina

BANK CARD

Sherry Beard

Abby Cranmer

Nicki Gray

Lea Gubitzi

Joy Holden

Sandy Huxman

Shasta Jenkins

Betty Nguyen

Christy Simonsen

Karen Schultz

IT

Scott Fowler

Steve Madewell

Derek Ratliff

Cade Snedden

LENDING

Paul Biel

Tim Binns*

Alison Clutter*

Cathy Gaines

Mike Sikes*

Kyler Steadman

Dennis Willey

RISK MANAGEMENT

Peg Baldwin

ELECTRONIC BANKING/ OPERATIONS

Sharla Cook

Chris Gilbert

Candice Jackson

Megan Rush

Ashley Smith

T.S. Stewart

Lisa Valentine

MARKETING

Terry Puett*

Amanda Williams

FINANCIAL SERVICES

Jacob Irvin

Todd Schoenhofer

Andrew Smarsh

*BBOK Relationship Managers



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financial strength, superior products
and unwavering customer service.**

BBOK MISSION