

Second Quarter Review

July 2018



Parkside Financial

BANK & TRUST

FINANCIAL HIGHLIGHTS

TOTAL BANKING ASSETS	\$473 Million	\$50 million increase (+13%) from June 2017
TOTAL OUTSTANDING LOANS	\$371 Million	\$17 million increase (+5%) from June 2017
TOTAL WEALTH MANAGEMENT ASSETS	\$1.26 Billion	\$139 million increase (+12%) from June 2017
TRAILING TWELVE MONTH BASIC EARNINGS PER SHARE	\$2.33	\$0.50 increase (+27%) from June 2017
YEAR-TO-DATE (YTD) NET INCOME	\$3.5 Million	\$901 thousand increase (+35%) from June 2017
YTD BANKING DIVISION NET INCOME	\$3.2 Million	\$779 thousand increase (+33%) from June 2017
YTD TFO DIVISION NET INCOME	\$314 Thousand	\$122 thousand increase (+63%) from June 2017

Welcome to the new Parkside Financial, Inc. Shareholder Newsletter! We are excited to share with you a refreshed layout reflecting the new look we released in May. The updated newsletter will include a quick reference section for some of the more important financial data, performance and corporate development commentary, recent trades and information for upcoming events. We hope these changes allow for an informative and engaging shareholder experience.

As announced at our 2018 Shareholder Meeting, a dividend of \$0.625 per share of Parkside Financial, Inc. stock was issued on June 15th. Checks were mailed directly to the address of record or to the custodian of record if held in a retirement account. If you have not received your check, please contact Karen Turner at 314.290.8615.

We continued our annual share repurchase program in 2018, marking the third consecutive year we've offered to repurchase shares. This program continues to improve liquidity for our shareholders as we stated we would do when we formed Parkside. This year, we offered to repurchase up to 50,000 shares of our stock at \$33.00 per share. The tender offer was undersubscribed, allowing the repurchase of all 31,150 tendered shares.

Transactions for Parkside Financial, Inc. shares are negotiated throughout the year on BancList.com. In the last year, approximately 27,000 shares have been negotiated using this site. Should you have any questions regarding BancList, please contact Leigh Ann Gruenewald at 314.290.8621.

In April, Hailey Wilson joined our team as a Customer Service Representative. Hailey has extensive customer service experience and most recently worked as a personal banker at another local bank. In early July, we welcomed Michael Frasca as a Commercial Credit Analyst. Michael recently earned his MBA with a concentration in finance from University of Dayton. He earned his Bachelor of Science degree in finance while competing as a midfielder for the Flyer soccer team. Welcome to Parkside!

We wish you and your families a safe and fun summer! As always, should you have any questions or comments, please feel free to contact us.

Sincerely,
James C. Wagner - CEO
Andrew S. Hereford - President, Bank
Matthew A. Wagner - President, TFO

CONDENSED BALANCE SHEET (UNAUDITED)

ASSETS	June 30, 2018		June 30, 2017	
Cash and investments	\$	91,772,469	\$	58,406,969
Loans		370,679,080		353,408,321
Allowance for loan losses		(6,900,000)		(6,250,000)
Other assets		17,978,333		18,280,285
Total assets	\$	473,529,882	\$	\$423,845,575

LIABILITIES AND STOCKHOLDERS' EQUITY				
Non-interest bearing deposits	\$	124,079,910	\$	122,715,930
Interest bearing deposits		275,603,165		233,122,776
Total deposits		399,683,075		355,838,706
FHLB borrowings		23,000,000		23,000,000
Other liabilities		3,867,101		2,803,926
Total liabilities		426,550,176		381,642,632
Total stockholders' equity		46,979,706		42,202,943
Total liabilities and equity	\$	473,529,882	\$	423,845,575

CONDENSED INCOME STATEMENT (UNAUDITED)

REVENUE	YTD June 30, 2018		YTD June 30, 2017	
Net interest margin	\$	8,570,767	\$	7,652,160
Trust and family office revenue		3,178,599		2,691,161
Bank service charges and other income		505,788		652,839
Total revenue	\$	12,255,154	\$	10,996,160

EXPENSES				
Provision for possible loan losses	\$	375,000	\$	352,498
Noninterest expenses		7,333,740		6,618,718
Total expenses		7,708,740		6,971,216
Income taxes		1,094,933		1,451,105
Net income	\$	3,451,481	\$	2,573,839

Return on average assets	1.49%	1.24%
Return on average equity	15.38%	12.69%
Book value per share	\$16.51	\$15.52
YTD basic earnings per share	\$1.26	\$0.96
Trailing 12 month basic earnings per share	\$2.33	\$1.83

MOST RECENT STOCK TRANSACTIONS*

7/13/18	1,000	shares @ \$33.00	
7/9/18	31,150	shares @ \$33.00	2018 Offer to Purchase
6/26/18	1,500	shares @ \$33.00	
3/16/18	10,568	shares @ \$30.00	
3/14/18	2,000	shares @ \$27.00	

DIVIDEND HISTORY

2018	\$0.625 per share
2017	\$0.50 per share
2016	\$0.40 per share
2015	\$0.30 per share
2014	\$0.20 per share

*The Company is aware of the following transactions in the Company's stock during the previous calendar quarter. No assurances can be given that such information reflects all transactions in the Company's stock during the period or that such transactions accurately and completely reflect the value of the Company's stock. Such information is provided for convenience and should not be relied upon.

The Company does not make a market in or otherwise trade in its stock. However, the Company can assist in the settlement of transactions in its stock between buyers and sellers who have independently negotiated the terms of their transactions.