



**HOME
BANCORP**
WISCONSIN, INC.

Quarterly Report *June 30, 2019*

Stockholder Information

Stock Symbol:
HWIS

Investor Relations:
Jim Bradley
President & CEO
608.282.6116



home-savings.com
3672 E. Washington Ave.
Madison, WI 53704



Financial Highlights

Home Bancorp Wisconsin Inc.'s (the "Company") net income for the quarter ended June 30, 2019 was \$153,000, or \$0.12 per share. Net income increased from \$125,000 for the quarter ended March 31, 2019. Fiscal year-to-date net income for the nine months ended June 30, 2019 was \$387,000.

Net interest income for the quarter ended June 30, 2019 increased to \$1.2 million, up from \$1.1 million for the three months ended March 31, 2019.

Non-interest income of \$73,000 for the most recent quarter was comparable to the quarter ended March 31, 2019.

Non-interest expense of \$1.1 million for the three months ended June 30, 2019 was comparable to the quarter ended March 31, 2019.

Loan balances, net of allowance, was \$118.6 million at June 30, 2019, down from \$122.8 million at June 30, 2018.

Noncurrent loans as a percentage of total loans at June 30, 2019 was 0.34%, up from 0.22% at June 30, 2018. The allowance for loan losses was 1.12% at June 30, 2019; there was no provision expense during the most recent quarter.

Total deposits were \$117.5 million at June 30, 2019, up from \$115.6 million at June 30, 2018.

Total equity increased to \$15.9 million, up from \$12.0 million at March 31, 2019, primarily due to net income for the quarter and the net proceeds of the private placement of common stock more fully described below.

On May 31, 2019, the Company completed a private placement of 417,949 shares of its common stock at a price of \$9.75 per share, resulting in gross proceeds to the Company of approximately \$4,075,000, before deducting expenses. The shares were sold pursuant to purchase agreements with institutional investors and certain other accredited investors including directors and executive officers of the Company. FIG Partners LLC served as placement agent for the offering. The proceeds from the sale of common stock will be used for general corporate purposes, including strengthening Home Savings Bank's (the "Bank") capital position with the contribution of \$3.7 million of the proceeds to the Bank, funding loan growth, and maintaining regulatory requirements. The Bank's Tier 1 Capital Ratio increased to 9.96% as of June 30, 2019, up from 7.45% on March 31, 2019.

On June 28, 2019, the Bank closed its office located at 2 South Carroll Street in Madison. Bank customers will continue to be served by the Bank's two remaining Madison offices and its office in Stoughton, Wisconsin and a robust suite of alternative product and service delivery channels.

On August 1, 2019, Matt Rosenthal was named President of Home Savings Bank. Mr. Rosenthal has been with the Bank since 2013 and previously served as the Bank's Executive Vice President of Commercial Banking. James Bradley will continue to serve as the Bank's CEO and Board Chair, and President, CEO, and Board Chair of Home Bancorp Wisconsin, Inc.

This communication may contain certain forward-looking statements. Forward-looking statements include statements regarding anticipated future events and can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements, by their nature, are subject to risks and uncertainties. Certain factors that could cause actual results to differ materially from expected results include increased competitive pressures, changes in the interest rate environment, general economic conditions or conditions within the securities markets, and legislative and regulatory changes that could adversely affect the business in which the Company and Home Savings Bank are engaged. The Company and Home Savings Bank assume no obligation to publicly revise any forward-looking statements to reflect subsequent events or circumstances.

HOME BANCORP WISCONSIN, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET
(DOLLARS IN THOUSANDS)

ASSETS	06/30/19	09/30/18
	<u>UNAUDITED</u>	<u>AUDITED</u>
Cash and Due from Banks	\$ 5,284	\$ 3,231
Interest-Bearing Deposits	1,266	1,018
Cash and Cash Equivalents	6,549	4,249
Other Interest-Bearing Deposits	16,655	7,010
Securities Available-for-Sale	436	580
Securities Held to Maturity	1,280	1,492
Loans, Net of Allowance for Loan Losses	118,587	121,601
Premises and Equipment, Net	5,059	5,081
Federal Home Loan Bank Stock, at Cost	658	545
Cash Value of Life Insurance	3,603	3,546
Other Assets	998	872
Total Assets	<u>\$ 153,826</u>	<u>\$ 144,976</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Demand Deposits	\$ 33,843	\$ 35,325
Money Market and Savings Deposits	48,022	47,702
Time Deposits	35,622	33,901
Total Deposits	117,487	116,928
Advance Payments by Borrowers for Taxes and Insurance	575	839
Borrowed Funds	16,654	14,450
Other Liabilities	3,171	989
Total Liabilities	<u>137,887</u>	<u>133,206</u>

STOCKHOLDERS' EQUITY

Common Stock - \$0.01 par Value; 30,000,000 Shares Authorized; 1,317,139 Shares Issued and Outstanding	13	9
Additional Paid-In Capital	11,171	7,416
Retained Earnings	5,316	4,929
Unearned Employee Stock Ownership Plan (ESOP) Shares	(561)	(583)
Accumulated Other Comprehensive Loss	(1)	(1)
Total Stockholders' Equity	<u>15,938</u>	<u>11,770</u>

Total Liabilities and Stockholders' Equity	<u>\$ 153,826</u>	<u>\$ 144,976</u>
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BOOK VALUE PER SHARE

	<u>\$ 12.10</u>	<u>\$ 13.09</u>
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HOME BANCORP WISCONSIN, INC. AND SUBSIDIARY
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
CURRENT QUARTER END AND FISCAL YTD
(DOLLARS IN THOUSANDS)

	CURRENT QUARTER 6/30/2019	FISCAL YTD 6/30/2019
INTEREST INCOME		
Loans, Including Fees	\$ 1,389	\$ 4,172
Interest-Bearing Deposits	110	215
Securities	9	28
Total Interest Income	1,508	4,414
INTEREST EXPENSE		
Deposits	260	643
Borrowed Funds	89	286
Total Interest Expense	349	928
NET INTEREST INCOME	1,158	3,486
PROVISION (CREDIT) FOR LOAN LOSSES	0	7
Net Interest Income, After Provision for Loan Losses	1,158	3,479
NONINTEREST INCOME		
Service Fees	42	144
Increase in Cash Value of Life Insurance	19	57
Rental Income	6	18
Other Noninterest Income	5	22
Total Noninterest Income	73	242
NONINTEREST EXPENSE		
Compensation and Employee Benefits	553	1,665
Occupancy and Equipment	170	521
Data Processing and Office Expense	246	726
Advertising and Promotions	16	54
Professional Fees	28	168
Examinations and Assessments	31	98
Other Noninterest Expense	33	103
Total Noninterest Expense	1,078	3,334
Net Income Before Income Taxes	153	387
PROVISION FOR INCOME TAXES	-	-
NET INCOME	\$ 153	\$ 387
EARNINGS PER SHARE	\$ 0.12	\$ 0.29