

December 2017

HERITAGE

BANK & TRUST



Jim Robinson
President & CEO

Dear Fellow Shareholder:

The management team at Heritage Bank & Trust would like to provide you, as shareholders, with an update of your Bank.

We are proud to announce earnings of \$804,000 through September 30, 2017 for a Return on Assets of .90%, and Return on Equity of 9.17%. This translates to

increasing your book value by \$.38 per share to \$5.93 since December 31, 2016.

As you may know, quality growth has been the



Shareholders and guests enjoyed appetizers prepared by the Mount Pleasant Grille at the 2017 Shareholder meeting.

bank's emphasis in 2017. The Bank has been quite successful in so doing; as of September 30 gross loans have increased by 14.58% in the last twelve months and 31.73% from 24 months prior.

The Bank has seen some significant changes in 2017. We opened

a loan production office in Lawrenceburg in the spring. Also, the Bank now has a full service location in Mount Pleasant at 109 South Main Street.

The grand opening of the Mount Pleasant location was held on November 9 with a Mount Pleasant Chamber of Commerce & Maury Alliance after hours event to follow.

I would also like to personally thank those of you who attended our shareholder meeting on September 29 at the Mount Pleasant Grille. We had a great turn out and were able to give tours of our new Mount Pleasant location.

We remain optimistic for 2018 and hope to continue to reward you with sustained earnings for years to come. In the meantime, please review the attached graphs that show some of the increasingly positive trends we have discussed for the past several quarters.

Should you have any questions at all, please contact me at (931) 388-1970.

Sincerely,

Jim Robinson
President & CEO



Follow us on social media!

217 South James Campbell Blvd.
Columbia, TN

109 South Main Street
Mount Pleasant, TN

106 Weakley Creek Road
Lawrenceburg, TN



Institution ID:
478373

Heritage Bank & Trust Opens a Full Service Branch in Mount Pleasant

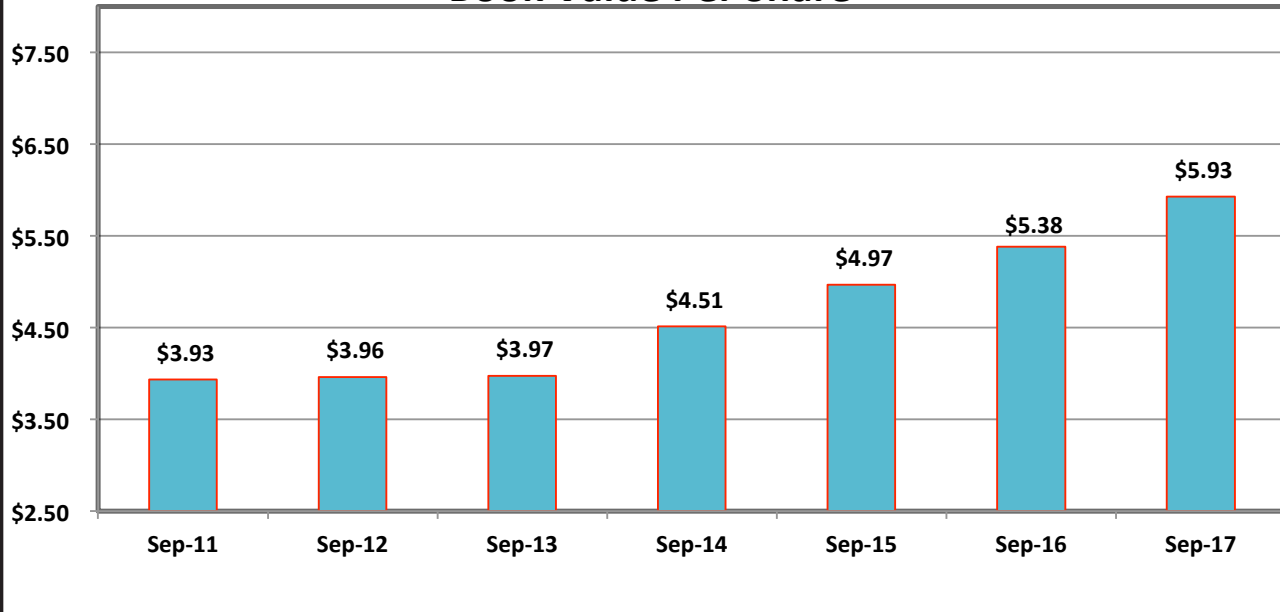
Heritage Bank & Trust held its grand opening for the Mount Pleasant branch on November 9 at 4:30 p.m. The Mount Pleasant Chamber and Maury Alliance held a business after hours immediately following the ribbon cutting until 7 p.m.

More than 60 people attended the event. The Mount Pleasant shops on the square stayed open in conjunction with our event as well.

Heritage Bank & Trust Mount Pleasant City President Hendley Edwards and President & CEO Jim Robinson welcomed attendees to the event. Mount Pleasant Chamber of Commerce President William Moon and Maury Alliance Chamber Director Kara Huckaby also spoke at the event about the importance of supporting local businesses and congratulated Heritage Bank & Trust on their new location in downtown Mount Pleasant.



Book Value Per Share



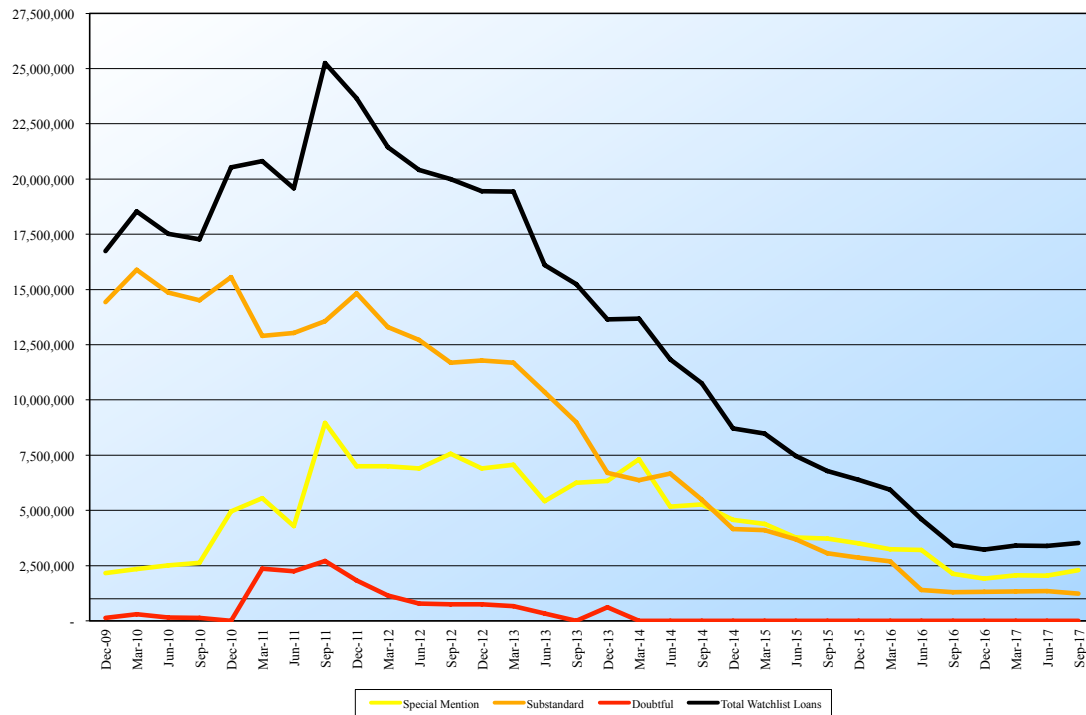
Heritage Happenings



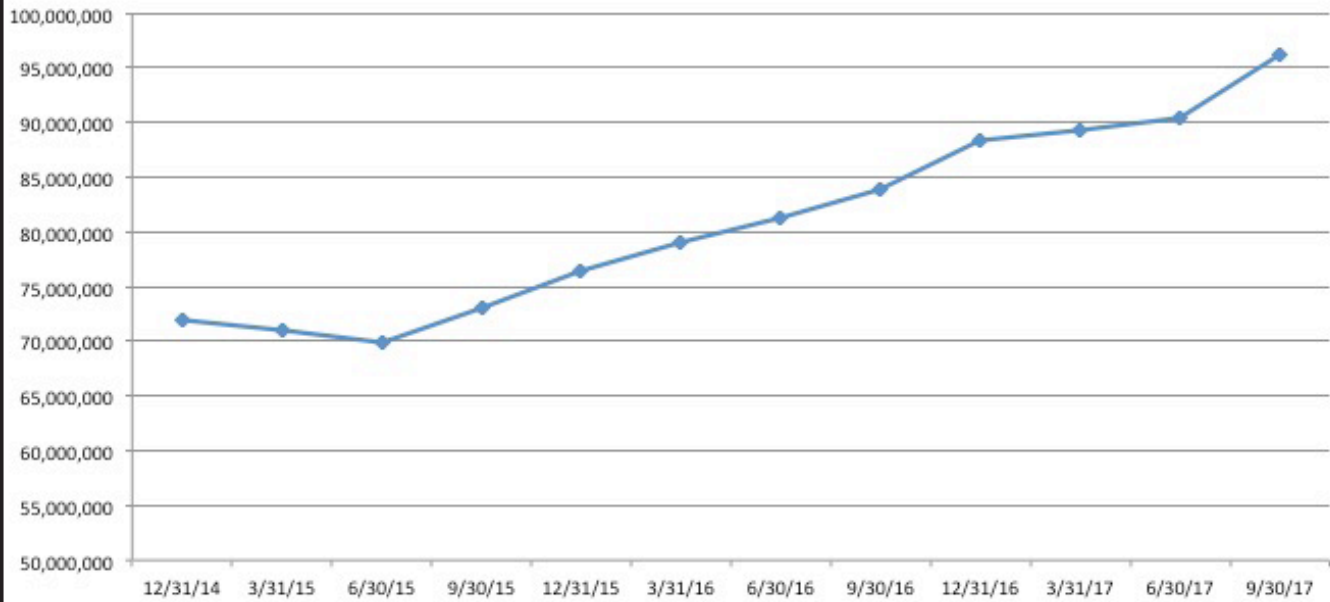
Heritage Bank & Trust recently revealed a mural on the front of the Mount Pleasant Branch and a mule mural on the back wall at the Main Office.



Watchlist Loan Totals



Loan Growth



Heritage Bank & Trust is proud to support our veterans. On November 8, Loan Processor Lindsey Jones and Chief Risk Officer Shelli Golden presented gift cards to veterans who participated in the Maury County Senior Citizens Center Veterans Day Program.

Heritage Bank & Trust Creates a Youth Advisory Board for Maury

Heritage Bank & Trust is proud to announce the creation of a Youth Advisory Board for Maury County students. The purpose of the Youth Advisory Board is for the youth in our community to have a better understanding of a community bank, careers in banking and to learn what it means to be on a board.

Eighteen students from Maury County public and private schools attended the first meeting, which was held on October 11 at Heritage Bank & Trust's main office.

"We are thrilled to be able to offer this new program to Maury County students," says President & CEO Jim Robinson. "We hope to gain input from a younger generation while providing an opportunity for students to gain valuable leadership skills that will help prepare them for their bright futures."

The Youth Advisory Board will meet four times in the 2017-2018 school year.



Pictured on the back row, from left, Ethan Seago (Agathos Classical School), Ben Trainor (Agathos Classical School), Aaron Rochelle (Hampshire Unit School), Abbie Cagle (Mount Pleasant High School), Chloe Harris (Columbia Academy), President & CEO Jim Robinson, Juliana Neelley (Zion Christian Academy), Christian Cervantes (Santa Fe Unit School), and Chief Risk Officer Shelli Golden. Pictured on the front row, from left, are Chelsea Palmer (Culleoka Unit School), Jenna Pack (Santa Fe Unit School), Alexa Cathey (Hampshire Unit School), McKinley Stovall (Culleoka Unit School), Anna Craig (Zion Christian Academy), Alejandra Guerrero (Spring Hill High School), and Adam Whitley (Columbia Academy). Not pictured: Madi Hay (Mount Pleasant High School), Jordyn Secrest (Spring Hill High School), and Haddie Pate and Makenzie Liles (Central High School).

217 South James Campbell Blvd.
Columbia, TN 38401

