



# News Release

April 12, 2011

---

## **SIUSLAW FINANCIAL GROUP REPORTS 18% INCREASE IN EARNINGS FOR 1<sup>ST</sup> QUARTER, 2011**

Florence, OR: (BUSINESS WIRE) Siuslaw Financial Group (SFGP), parent company of Siuslaw Bank, today announced its earnings for the first quarter ending March 31, 2011 at \$811,900 net after tax. This is an 18% increase over earnings of \$688,000 reported for the first quarter of 2010. Earnings per diluted common share totaled \$0.20 for the quarter and represented a return of average shareholder equity of 9.93%.

The company reported \$307.1 million in total assets, deposits of \$262.4 million and net loans of \$204.9 million on March 31, 2011 compared to \$283.9 million, \$241 million and \$216.8 million respectively for the same period in 2010.

“Siuslaw’s earnings performance continues to reflect its strategy to limit our lending within our market area of Lane County where we know our customers, and we stayed with the traditional investments found in small bank portfolios. We do have some financially distressed customers we are working with to reduce or minimize their exposure as well as the risk to the bank,” says Johan Mehlum, chairman of the board and chief executive.

Siuslaw is dedicated to creating industry in the areas we serve. A current project includes financing of the 50,000 square foot Woolworth Building in downtown Eugene. Site work for this project began last week.

Siuslaw is also committed to philanthropy and charitable giving in Oregon. The bank has been recognized for the past four years as a Top 10 Philanthropic Company in the *Portland Business Journal*.

Headquartered in Florence, Siuslaw Financial Group is the parent company of Siuslaw Bank, with offices in Cottage Grove, Creswell, Eugene, Mapleton, Oakridge, Pleasant Hill, Springfield and Veneta, all in Lane County.

**CONTACT:**

Johan Mehlum  
Chairman of the Board and Chief Executive  
541.342.4000/johan.mehlum@siuslawbank.com

Lonnie Iholts  
President  
541.997.3486/lonnie.iholts@siuslawbank.com