



# Standing Strong

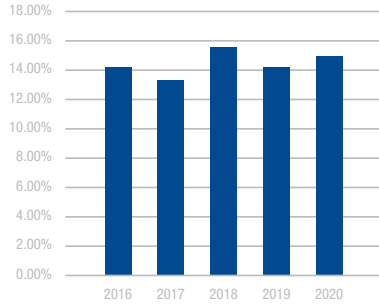
**W** West Bancorporation

2020 ANNUAL REPORT

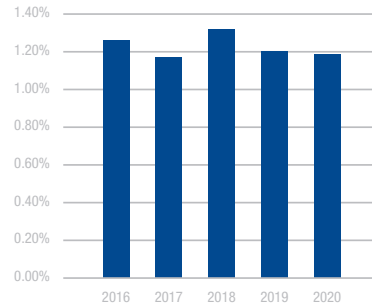


# 2020 FINANCIAL PERFORMANCE

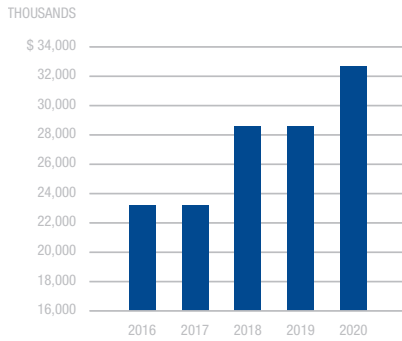
### Return on Average Equity



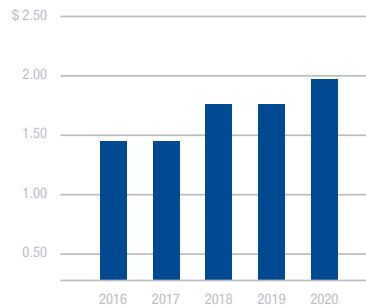
### Return on Average Assets



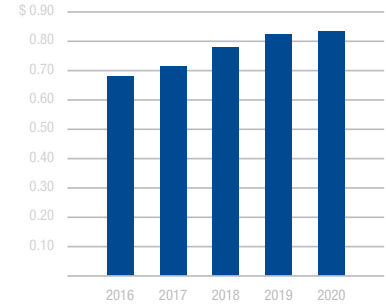
### Net Income



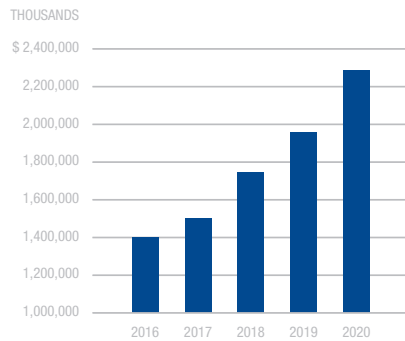
### Earnings Per Share



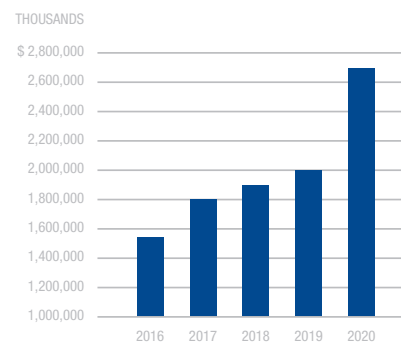
### Dividends Per Share



### Total Loans



### Total Deposits



Dear Stockholders:

Our Company entered 2020 with great momentum and optimism for another year of outstanding performance. We started the year with a strong balance sheet, exceptional credit quality and profitable operations in our newest Minnesota market expansion. It was that momentum and optimism that sustained our performance during the unprecedented challenges of 2020.



Our strategy of being the best, not the biggest, served us well this year. Our business model allowed us to be a source of strength for our communities. Despite the unique operating conditions and demands, our team remained focused on responding to the needs of our customers and communities, while keeping the health and safety of everyone a top priority. The pandemic provided an opportunity for West Bank to live its brand and be agile in working to meet the needs of clients. These efforts included originating nearly 1,000 Small Business Administration Paycheck Protection Program (PPP) loans and providing nearly 300 payment deferral modifications related to the pandemic.

Despite this being an incredibly unique and challenging year, we are proud of what our team has accomplished and happy to share some of the Company's achievements. First, loans grew over eight percent, not including PPP loans. Our employees engaged in extraordinary efforts to meet the ongoing business needs of our customers and communities in addition to delivering pandemic-related relief programs. Second, net income for 2020 was \$32.7 million, a 14 percent increase over last year. This represents an all-time record year for earnings even while the Bank recorded a provision for loan losses of \$12 million as the risk for loan defaults continues to be elevated with uncertainty surrounding the duration of the pandemic and impact of government actions. Finally, because of the success of our 2019 expansion in Minnesota, we began construction of a permanent branch office in Sartell, Minnesota, a suburb of St. Cloud.

The Company's board and management wish to thank all of our employees for their dedication and hard work during the past year while adjusting to ongoing changes and unique work demands in response to the pandemic.

We see a bright future for your Company. We believe we have the right people doing the right things on purpose every day. Those efforts will allow us to create value for our stockholders for years to come.

Sincerely,

A handwritten signature in black ink that reads 'David D. Nelson'.

David D. Nelson  
CEO and President, West Bancorporation, Inc.  
Chairman and CEO, West Bank



## OUR VISION

Our vision is to achieve and sustain a position of industry envy and admiration.



## 2020 HIGHLIGHTS

Despite a turbulent year for our country, we remained steadfast in our focus to:

### Enhance the service experience

- During June and July, more than 8,000 West Bank customers received email surveys to provide feedback on opportunities for banking service improvements.
- Based on the results, we updated our Customer Service training manual and implemented new teller service standards to ensure our customers receive the highest level of assistance every time.
- In October, West Bank launched a new website to improve the online user experience featuring a fresh new look, streamlined navigation and updated video tutorials.

### Support our communities

- With social distancing identified as a key safety measure during the COVID-19 pandemic, we held a contact-free paper shred day so the community could dispose of personal identifying information safely.
- West Bank employees and the West Bancorporation Foundation supported more than 170 nonprofits in 2020.

## OUR MISSION

Our mission is to build strong relationships, build strong communities, and build upon our strong reputation to ensure our clients receive exceptional care, our communities receive outstanding support, and the loyalty of our employees and stockholders is rewarded.



# Standing Strong With Our Community Businesses

The year 2020 was unlike any we've seen in our lifetime. For more than 127 years, we have remained a dedicated partner to community businesses, yet the COVID-19 pandemic presented some of the toughest, unexpected challenges for our communities we've seen in decades.

As a bank serving communities across Iowa and Minnesota, the financial strain created by the pandemic for some of our business customers became evident early in the year. Some businesses were forced to temporarily close, while others experienced drastic reductions in income and profits. Retailers struggled to balance cash flow, often resulting in trouble covering payroll.

When the United States Treasury announced on March 27 the Paycheck Protection Program (PPP), with \$349 billion available in forgivable small business loans, we immediately jumped to action, converting the Bank almost overnight into an SBA "loan factory." The people counting on us weren't just our customers—they were our neighbors, our community retailers and our friends. Despite the initial uncertainty surrounding the requirements and process for PPP loans, our bankers began alerting business customers of the loan opportunity, gathering information and quickly processing as many applications as possible for the "first come, first served" loans.



OPEN



"The West Bank team has always valued the local connections that make us a community bank. I credit the strength of these relationships for putting us in a position to successfully help our customers navigate challenges related to COVID-19."

- **David Nelson**, CEO and President, West Bancorporation, Inc.

The first major hurdle faced by West Bank staff was experiencing a block when attempting to access the online SBA portal for submitting data. Thanks to Senator Joni Ernst and her staff, we were granted access within a couple days. Due to the overwhelming number of forms submitted nationwide through the portal, the West Bank team found that entering data during off-business hours offered the least interference. Our team worked tirelessly for weeks around the clock in a race against millions of other applicants from across the nation to submit applications for as many of our customers as possible.

By the end of 2020, West Bank processed nearly 1,000 PPP loans equaling approximately a quarter of a billion dollars for community businesses across Iowa and Minnesota.

The year 2020 was tough. Yet we are proud to look back and share the stories that illustrate—to our team, our customers and our partners—that we are reliable, we are steadfast, and we are undeniably “West Bank Strong.”



Just as our business bankers and credit teams exhibited perseverance in helping our commercial clients, we would be remiss not to highlight the commitment of our entire team to address the needs of every customer despite the unusual, and even uncomfortable, circumstances of 2020.

Like many other businesses experienced in the spring, West Bank was suddenly faced with the extraordinary challenge of temporarily closing our physical doors to help curb the spread of the COVID-19 virus. While our lobbies and branches may have been closed to walk-in traffic, we made sure our banking services remained accessible. We know that thousands of businesses, families and individuals count on us as their financial resource and advisors, so it was essential to keep our full range of banking services available no matter the circumstantial challenge.

With our commitment to maintaining strong communities in mind, the West Bank team quickly mobilized to make the appropriate adjustments to continue supporting our customers:

- ▶ When in-person meetings were restricted, our bankers continued to help customers through e-communications, telephone and secure electronic document sharing tools.
- ▶ The West Bank Mobile App, Mobile Deposit and Video Teller Machines became invaluable for check deposits and completing routine bank transactions without requiring in-person interaction between bankers and customers.
- ▶ While tellers continued to provide drive-up services, bankers joined them at the windows to provide services: opening accounts and new services, signatures on account and loan documents, new and replacement debit cards, and more.
- ▶ A new “digital teller” was implemented through West Bank Online Banking and the Mobile App to provide product and service descriptions and other information.

We are proud of the irrepressible spirit demonstrated by more than 175 employees throughout our West Bank locations in Iowa and Minnesota. Their care, strength and resolve for each other and our customers through a time of great uncertainty was unshakable. We know, without a doubt, that it is because of each team member that we are collectively “West Bank Strong.”







# Standing Strong

With Our Team



# Standing Strong With Our Communities

While many aspects of 2020 looked different, one thing remained the same—our love for giving back. As a community bank, we know the health of our communities is critical. For this reason, it was more important than ever to support the organizations that help fill the gaps of community need.

In fact, between the West Bancorporation Foundation and West Bank, we supported more than 170 nonprofit organizations with more than \$600,000 in donations and grants—on par with our giving history despite the challenges faced throughout the year.

- ▶ West Bancorporation provided grants to organizations in three focus areas: Education (\$47,500), Arts and Culture (\$39,000) and Human Services (\$181,500).
- ▶ West Bankers were able to offer contact-free, socially distanced paper shredding to help the community safely dispose of personal identifying documents.
- ▶ West Bank contributed more than \$356,000 through sponsorships to support community organizations and events.

Together with our nonprofit partners, our passionate team members and community groups, we are proud to contribute to the success and strength of the communities we serve.



## BOARD OF DIRECTORS



**Jim Noyce\***  
Chairman,  
West Bancorporation



**Dave Nelson\***  
CEO and President,  
West Bancorporation;  
Chairman and CEO,  
West Bank



**Douglas Gulling\*\***  
EVP, Treasurer and  
Chief Financial Officer;  
West Bancorporation;  
EVP and Chief Financial  
Officer, West Bank



**Brad Winterbottom\*\***  
EVP,  
West Bancorporation;  
President, West Bank



**Harlee Olafson\*\***  
EVP and Chief Risk Officer,  
West Bancorporation;  
EVP and Chief Risk Officer,  
West Bank



**Patrick Donovan\***  
Retired



**Steven Gaer\***  
R & R Realty Group;  
Mayor, West Des Moines



**Mike Gerdin\***  
Heartland Express, Inc.



**Sean McMurray\***  
Businessolver, Inc.



**David Milligan\***  
Retired West Bank  
Executive



**George Milligan\***  
The Graham Group, Inc.



**Lou Ann Sandburg\***  
Retired



**Steven Schuler\***  
Retired



**Therese Vaughan\***  
Drake University



**Jason Worth\***  
Gilcrest/Jewett  
Lumber Company

\* Director of West Bancorporation, Inc. and West Bank \*\* Director of West Bank

## CENTRAL IOWA COMMUNITY BOARD



**Jerry Deegan**  
*Retired*



**Darin Ferguson**  
*Ferguson Commercial  
Real Estate Services*



**Ryan Flynn, CPA**  
*Flynn + Sweeney, LLC*



**Kevin Grimm**  
*Wexford & James, LLC*



**Greg LaMair**  
*LMC Insurance and  
Risk Management*



**Gene Loffredo**  
*Loffredo Fresh  
Produce Co., Inc.*



**Dave Moench**  
*The Rasmussen  
Group, Inc.*



**Austin Palmer**  
*The Palmer Group*



**Victoria Veiock**  
*Bing's*



**Mark Wackerbarth**  
*Denman & Company*



**Nancy Williams**  
*American Land and  
Redevelopment, Corp.*



**Jeff Yurgae**  
*Mueller-Yurgae  
Associates, Inc.*

## EASTERN IOWA COMMUNITY BOARD



**Jesse Allen**  
*Allen Homes, Inc.*



**Rodney Anderson**  
*Panuchos Mexican Grill*



**Jill Armstrong**  
*Skogman Realty*



**David Barker**  
*Barker Apartments*



**Kevin Digmann**  
*Hodge Construction*



**Mark Mysnyk**  
*Steindler Orthopedic  
Clinic, PLC*



**Ravi Patel**  
*Hawkeye Hotels*



**Luke Recker**  
*Stryker Instruments*



**Chuck Skaugstad**  
*The Mansion*



**Leighton Smith**  
*BerganKDV*

*All six of our community boards are non-voting advisory boards with knowledge of the communities we serve.*

## MANKATO COMMUNITY BOARD



**Bryan Bode**  
*Investor/Consultant*



**Mark Draper**  
*River City Electric Company*



**Mike Hennek**  
*4.0 School Services, Inc.*



**Dr. Wynn Kearney**  
*Retired Surgeon/Investor*



**Steve Kibble**  
*Farmer/Investor*



**Bruce Kinsella**  
*Retired Trust Officer  
Non-Profit Consultant*



**Tim Lidstrom**  
*Lidstrom Commercial Realtors*



**David Pfeffer**  
*Vintage Fine Homes, Inc.*



**Mark Phinney**  
*C&N Sales Company  
Shield Security Systems*



**Randy Westman**  
*Westman Investments*



**Art Westphal**  
*Bethany Lutheran College*



**Andrew Willaert**  
*Gislason & Hunter LLP*

## OWATONNA COMMUNITY BOARD



**Dale Buytaert**  
*CliftonLarsonAllen LLP*



**Joseph Effertz**  
*Black Forest*



**Chad Hanson**  
*Main Street Dental*



**Theresa James**  
*James Brothers Construction*



**Wayne James**  
*James Brothers Construction*



**Scott Mohs**  
*Mohs Contracting  
Mohs Homes*



**Mike Noble**  
*Noble RV*



**Pat Noble**  
*Noble RV*



**Robert Randall**  
*Transcend Engagement*



**Darren Roemhildt**  
*Bridge Street Chiropractic*



**Brandon Wayne**  
*Ameriprise*

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ROCHESTER COMMUNITY BOARD



**Jason Boynton, CPA**  
*Smith Schafer & Associates*



**Jeff Brown**  
*Jeff Brown Real Estate*



**Michael Busch**  
*Paramark Corp.*



**Patrick Deutsch**  
*Pace International*



**Bobbie Gostout, M.D.**  
*Mayo Clinic &  
Mayo Health Systems*



**Greg Groves**  
*In Memoriam 1953-2020*



**Hal Henderson**  
*HGA, Architect and  
Developer*



**Charlie Kuehn**  
*Kuehn Motors*



**Dick Kuehn**  
*Kuehn Motors*



**David Pederson**  
*Dunlap & Seeger, P.A.*



**Peter Schuller**  
*A.B. Systems, Inc.*



**Ed Stanley**  
*Merit Building  
Enclosure Systems*



**Tim Weir**  
*Olmsted Medical Center*

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## ST. CLOUD COMMUNITY BOARD



**David Berdan**  
*J-Berd Mechanical*



**Byron Bjorklund**  
*Short Stop Restaurants*



**Steve Feneis**  
*Granite City Real Estate*



**Jason Ferche**  
*Ferche Excavating*



**Marc Sanderson**  
*Wilkie Sanderson*



**Dr. Kevin Smith**  
*Regional Diagnostic  
Radiology*



**Eric Stack**  
*Millerbernd  
Manufacturing*



**Tim Torborg**  
*Torborg Builders, LLC*



**Heidi Weikert**  
*S.T. Cotter  
Turbine Services*

West Bank invests a great deal in relationships because we believe they're the cornerstone of our success — it's one of the reasons we form a community board where we do business. We turn to these leaders for their insight, perspective and collective wisdom. We know it's impossible to be a community bank without local connections and support, so we're grateful for their assistance in helping us achieve our business and community relations goals.

*All six of our community boards are non-voting advisory boards with knowledge of the communities we serve.*



As of and for the years ended December 31, 2020, 2019, and 2018  
(dollars in thousands, except per share data)

	2020	2019	2018
<b>Results of operations</b>			
Net interest income	\$ 82,833	\$ 66,430	\$ 62,058
Provision for loan losses	12,000	600	(250)
Noninterest income	9,602	8,318	7,752
Noninterest expense	39,054	38,406	34,992
Income before income taxes	41,381	35,742	35,068
Net income	32,712	28,690	28,508
<b>Per common share</b>			
Cash dividends	\$ 0.84	\$ 0.83	\$ 0.78
Basic earnings	1.99	1.75	1.75
Diluted earnings	1.98	1.74	1.74
Closing stock price	19.30	25.63	19.09
Book value	13.58	12.93	11.72
<b>Year-end balances</b>			
Assets	\$3,185,744	\$ 2,473,691	\$ 2,296,568
Investment securities	432,294	411,069	465,795
Loans	2,280,575	1,941,663	1,721,830
Nonperforming loans	16,194	538	1,928
Other real estate owned	-	-	-
Deposits	2,700,994	2,014,756	1,894,529
Stockholders' equity	223,695	211,820	191,023
<b>Ratios</b>			
Return on average assets	1.19%	1.20%	1.31%
Return on average equity	15.49%	14.34%	15.68%
Texas ratio <sup>(1)</sup>	6.40%	0.23%	0.93%
Efficiency ratio <sup>(1) (2)</sup>	41.96%	50.96%	48.33%
Dividend payout ratio	42.23%	47.33%	44.53%
Dividend yield	4.35%	3.24%	4.09%
Net interest margin <sup>(2)</sup>	3.20%	2.95%	3.06%
Allowance for loan losses as % of loans	1.29%	0.89%	0.97%
Net (charge-offs) recoveries as % of average loans	0.01%	0.00%	0.03%
Nonperforming loans as % of loans	0.71%	0.03%	0.11%
Tangible common equity to tangible assets	7.02%	8.56%	8.32%

(1) A lower ratio is better.

(2) As presented, this is a non-GAAP measure – see “Non-GAAP Financial Measures” for additional details.

# CONSOLIDATED BALANCE SHEETS



December 31, 2020 and 2019  
(dollars in thousands, except per share data)

## Assets

Cash and due from banks	\$ 77,693	\$ 37,808
Federal funds sold	<u>318,742</u>	<u>15,482</u>
<b>Cash and cash equivalents</b>	<b>396,435</b>	<b>53,290</b>
Investment securities available for sale, at fair value	<u>420,571</u>	<u>398,578</u>
Federal Home Loan Bank stock, at cost	<b>11,723</b>	12,491
Loans	<b>2,280,575</b>	1,941,663
Allowance for loan losses	<u>(29,436)</u>	<u>(17,235)</u>
<b>Loans, net</b>	<b>2,251,139</b>	<b>1,924,428</b>
Premises and equipment, net	<b>29,077</b>	29,680
Accrued interest receivable	<b>11,231</b>	7,134
Bank-owned life insurance	<b>42,686</b>	34,893
Deferred tax assets, net	<b>11,289</b>	5,361
Other assets	<u>11,593</u>	<u>7,836</u>
<b>Total assets</b>	<b><u>\$ 3,185,744</u></b>	<b><u>\$2,473,691</u></b>

## Liabilities and stockholders' equity

### Liabilities

Deposits		
Noninterest-bearing demand	\$ 696,731	\$ 380,079
Interest-bearing demand	<b>553,881</b>	346,307
Savings	<b>1,274,254</b>	996,836
Time of \$250 or more	<b>46,907</b>	81,871
Other time	<u>129,221</u>	<u>209,663</u>
<b>Total deposits</b>	<b>2,700,994</b>	<b>2,014,756</b>
Federal funds purchased	<b>5,375</b>	2,660
Subordinated notes, net	<b>20,452</b>	20,438
Federal Home Loan Bank advances, net	<b>175,000</b>	179,365
Long-term debt	<b>21,558</b>	22,925
Accrued expenses and other liabilities	<u>38,670</u>	<u>21,727</u>
<b>Total liabilities</b>	<b><u>2,962,049</u></b>	<b><u>2,261,871</u></b>

### Stockholders' equity

Preferred stock, \$0.01 par value; authorized 50,000,000 shares; no shares issued and outstanding at December 31, 2020 and 2019	-	-
Common stock, no par value; authorized 50,000,000 shares; 16,469,272 and 16,379,752 shares issued and outstanding at December 31, 2020 and 2019, respectively	<b>3,000</b>	3,000
Additional paid-in capital	<b>28,823</b>	27,260
Retained earnings	<b>203,718</b>	184,821
Accumulated other comprehensive loss	<u>(11,846)</u>	<u>(3,261)</u>
<b>Total stockholders' equity</b>	<b>223,695</b>	<b>211,820</b>
<b>Total liabilities and stockholders' equity</b>	<b><u>\$ 3,185,744</u></b>	<b><u>\$ 2,473,691</u></b>

# CONSOLIDATED STATEMENTS OF INCOME



Years ended December 31, 2020, 2019, and 2018  
(dollars in thousands, except per share data)

	<b>2020</b>	2019	2018
<b>Interest income</b>			
Loans, including fees	\$ 90,668	\$ 85,512	\$ 71,189
Investment securities:			
Taxable	7,818	10,031	8,124
Tax-exempt	1,443	2,022	4,993
Federal funds sold	304	1,110	487
<b>Total interest income</b>	<u>100,233</u>	<u>98,675</u>	<u>84,793</u>
<b>Interest expense</b>			
Deposits	11,256	25,214	17,064
Federal funds purchased	23	241	188
Subordinated notes	1,016	1,023	1,076
Federal Home Loan Bank advances	4,705	5,130	3,650
Long-term debt	400	637	757
<b>Total interest expense</b>	<u>17,400</u>	<u>32,245</u>	<u>22,735</u>
<b>Net interest income</b>	<u>82,833</u>	<u>66,430</u>	<u>62,058</u>
<b>Provision for loan losses</b>	<u>12,000</u>	<u>600</u>	<u>(250)</u>
<b>Net interest income after provision for loan losses</b>	<u>70,833</u>	<u>65,830</u>	<u>62,308</u>
<b>Noninterest income</b>			
Service charges on deposit accounts	2,360	2,492	2,541
Debit card usage fees	1,632	1,644	1,681
Trust services	2,078	2,026	1,921
Increase in cash value of bank-owned life insurance	593	644	631
Loan swap fees	1,572	-	-
Realized investment securities gains (losses), net	77	(87)	(263)
Other income	1,290	1,599	1,241
<b>Total noninterest income</b>	<u>9,602</u>	<u>8,318</u>	<u>7,752</u>
<b>Noninterest expense</b>			
Salaries and employee benefits	21,591	21,790	18,791
Occupancy	5,467	5,355	4,996
Data processing	2,508	2,735	2,682
FDIC insurance	1,210	404	685
Professional fees	927	814	840
Director fees	868	993	1,014
Write-down of premises	-	-	333
Other expenses	6,483	6,315	5,651
<b>Total noninterest expense</b>	<u>39,054</u>	<u>38,406</u>	<u>34,992</u>
<b>Income before income taxes</b>	<u>41,381</u>	<u>35,742</u>	<u>35,068</u>
<b>Income taxes</b>	<u>8,669</u>	<u>7,052</u>	<u>6,560</u>
<b>Net income</b>	<u>\$ 32,712</u>	<u>\$ 28,690</u>	<u>\$ 28,508</u>
<b>Earnings per common share:</b>			
Basic earnings per common share	<u>\$ 1.99</u>	<u>\$ 1.75</u>	<u>\$ 1.75</u>
Diluted earnings per common share	<u>\$ 1.98</u>	<u>\$ 1.74</u>	<u>\$ 1.74</u>



To the Stockholders and the Board of Directors of West Bancorporation, Inc.

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of West Bancorporation, Inc. and subsidiary as of December 31, 2020 and 2019, and the related consolidated statements of income, comprehensive income (not presented herein), stockholders' equity (not presented herein) and cash flows (not presented herein) for each of the three years in the period ended December 31, 2020; and in our report, dated February 26, 2021, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

*RSM US LLP*

Des Moines, Iowa | February 26, 2021

**NON-GAAP FINANCIAL MEASURES**


Non-GAAP financial measures include the Company's presentation of net interest margin on a fully taxable equivalent (FTE) basis and the presentation of the efficiency ratio on an FTE basis, excluding certain noninterest income and expenses. The following table reconciles the non-GAAP financial measures to GAAP.

As of and for the years ended December 31, 2020, 2019, and 2018  
(dollars in thousands, except per share data)

**Reconciliation of net interest income and net interest margin on an FTE basis to GAAP:**

	<b>2020</b>	2019	2018
Net interest income (GAAP)	\$ <b>82,833</b>	\$ 66,430	\$ 62,058
Tax-equivalent adjustment <sup>(1)</sup>	<b>707</b>	834	1,528
Net interest income on an FTE basis (non-GAAP)	<b>\$ 83,540</b>	\$ 67,264	\$ 63,586
Average interest-earning assets	<b>\$ 2,614,342</b>	\$ 2,277,461	\$ 2,075,372
Net interest margin on an FTE basis (non-GAAP)	<b>3.20%</b>	2.95%	3.06%

**Reconciliation of efficiency ratio on an FTE basis to GAAP:**

Net interest income on an FTE basis (non-GAAP)	<b>\$ 83,540</b>	\$ 67,264	\$ 63,586
Noninterest income	<b>9,602</b>	8,318	7,752
Adjustment for realized investment securities (gains) losses, net	<b>(77)</b>	87	263
Adjustment for losses on disposal of premises and equipment, net	<b>9</b>	-	109
Adjustment for gain on sale of premises	<b>-</b>	(307)	-
Adjusted income	<b>\$ 93,074</b>	\$ 75,362	\$ 71,710
Noninterest expense	<b>\$ 39,054</b>	\$ 38,406	\$ 34,992
Adjustment for write-down of premises	<b>-</b>	-	(333)
Adjusted expense	<b>\$ 39,054</b>	\$ 38,406	\$ 34,659
Efficiency ratio on an adjusted FTE basis (non-GAAP) <sup>(2)</sup>	<b>41.96%</b>	50.96%	48.33%

(1) Computed on a tax-equivalent basis using a federal income tax rate of 21 percent, adjusted to reflect the effect of the nondeductible interest expense associated with owning tax-exempt securities and loans. Management believes the presentation of this non-GAAP measure provides supplemental useful information for proper understanding of the financial results, as it enhances the comparability of income arising from taxable and nontaxable sources.

(2) The efficiency ratio expresses noninterest expense as a percent of fully taxable equivalent net interest income and noninterest income, excluding specific noninterest income and expenses. Management believes the presentation of this non-GAAP measure provides supplemental useful information for proper understanding of the financial performance. It is a standard measure of comparison within the banking industry.



A copy of the Company's annual report on Form 10-K filed with the Securities and Exchange Commission will be available on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov) and through a link on the Company's website, [westbankstrong.com](http://westbankstrong.com), under Investor Relations – SEC Filings – Documents. A copy of the annual report can also be obtained upon request to Alice Jensen at 515-222-2300 or [ajensen@westbankstrong.com](mailto:ajensen@westbankstrong.com).

## STOCK INFORMATION



West Bancorporation's common stock is traded on the Nasdaq Global Select Market, and quotations are furnished by the Nasdaq System. We had 170 common stockholders of record on December 31, 2020, and an estimated 3,200 additional beneficial holders whose stock was held in street name by brokerages or fiduciaries.

### Market and dividend information <sup>(1)</sup>

	High	Low	Close	Dividends
<b>2020</b>				
4th Quarter	<b>\$ 21.79</b>	<b>\$ 15.53</b>	<b>\$ 19.30</b>	<b>\$ 0.21</b>
3rd Quarter	<b>17.99</b>	<b>15.50</b>	<b>15.84</b>	<b>0.21</b>
2nd Quarter	<b>20.67</b>	<b>14.50</b>	<b>17.49</b>	<b>0.21</b>
1st Quarter	<b>25.68</b>	<b>13.74</b>	<b>16.35</b>	<b>0.21</b>
Total				<b><u>\$0.84</u></b>
<b>2019</b>				
4th Quarter	\$ 25.93	\$ 21.01	\$ 25.63	\$ 0.21
3rd Quarter	22.47	19.63	21.74	0.21
2nd Quarter	22.32	20.14	21.22	0.21
1st Quarter	23.74	19.02	20.68	0.20
Total				<b><u>\$0.83</u></b>

(1) The prices shown are the high, low and closing sale prices for the Company's common stock. The market quotations, reported by Nasdaq, do not include retail markup, markdown or commissions.

## TRANSFER AGENT AND REGISTRAR



American Stock Transfer & Trust Company, LLC  
 6201 15th Avenue, Brooklyn, New York 11219  
 800-937-5449 | [www.amstock.com](http://www.amstock.com)

Certain statements in this report, other than purely historical information, including estimates, projections, statements relating to the Company's business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements" within the meanings of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may appear throughout this report. These forward-looking statements are generally identified by the words "believes," "expects," "intends," "anticipates," "projects," "future," "confident," "may," "should," "will," "strategy," "plan," "opportunity," "will be," "will likely result," "will continue" or similar references, or references to estimates, predictions or future events. Such forward-looking statements are based upon certain underlying assumptions, risks and uncertainties. Because of the possibility that the underlying assumptions are incorrect or do not materialize as expected in the future, actual results could differ materially from these forward-looking statements. Risks and uncertainties that may affect future results include: the effects of the Coronavirus Disease 2019 (COVID-19) pandemic, including its potential effects on the economic environment, our customers and our operations, as well as any changes to federal, state or local government laws, regulations or orders in connection with the pandemic; interest rate risk; competitive pressures; pricing pressures on loans and deposits; changes in credit and other risks posed by the Company's loan and investment portfolios, including declines in commercial or residential real estate values or changes in the allowance for loan losses dictated by new market conditions, accounting standards (including as a result of the future implementation of the current expected credit loss (CECL) accounting standard) or regulatory requirements; actions of bank and nonbank competitors; changes in local, national and international economic conditions; changes in legal and regulatory requirements, limitations and costs; changes in customers' acceptance of the Company's products and services; cyber-attacks; unexpected outcomes of existing or new litigation involving the Company; the monetary, trade and other regulatory policies of the U.S. government; acts of war or terrorism, widespread disease or pandemics, such as the COVID-19 pandemic, or other adverse external events; developments and uncertainty related to the future use and availability of some reference rates, such as the London Interbank Offered Rate, as well as other alternative reference rates; and any other risks described in the "Risk Factors" sections of reports filed by the Company with the Securities and Exchange Commission. The Company undertakes no obligation to revise or update such forward-looking statements to reflect current or future events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.



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## Locations

### IOWA

#### Main Bank

1601 22nd St.  
West Des Moines

#### Coralville

401 10th Ave.  
Coralville

#### East

2440 East Euclid Ave.  
Des Moines

#### Grand

125 Grand Ave.  
West Des Moines

#### South

3920 SW 9th St.  
Des Moines

#### Waukee

955 East Hickman Rd.  
Waukee

#### Drive-Up Express

City Center  
809 6th Ave.  
Des Moines

#### Urbandale

3255 99th St.  
Urbandale

### MINNESOTA

#### Mankato

122 North Broad St.  
Mankato

#### Owatonna

345 Florence Ave., Suite 101  
Owatonna

#### Rochester


2188 Superior Dr. NW  
Rochester

#### St. Cloud

622 Roosevelt Rd., Suite 150  
St. Cloud

### ONLINE

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