

Celebrating Two Decades of Growth





Timothy Schneider, President,
County Bancorp, Inc.;
CEO, Investors Community Bank



William Censky
Chairman of the Board
County Bancorp, Inc.

Celebrating Two Decades of Growth

2017 is a milestone year for Investors Community Bank as we celebrate our 20th anniversary! It was March 17, 1997 when we first opened our doors in Manitowoc, Wisconsin. We had a vision to start a bank built on the philosophy that people bank with people, not banks, and it is a move that we believe has proven successful.

For those of you who have been shareholders since the beginning, thank you for your unwavering support; for those who have joined us along the way, thank you as well – we couldn't have done it without you! We can't believe that 20 years have passed and how much we've accomplished in these two decades. See page 6 for a timeline of our milestone events through the years.

Your bank had another outstanding year from a performance standpoint. We saw strong asset and loan growth both organically and as a product of our acquisition of Fox River Valley Bancorp, Inc. We crossed the \$1 billion asset size in 2016 as well, which was another milestone for our organization. The integration with our new partner has gone well, and we are poised for growth in both

the Appleton and Green Bay markets with our expanded footprint and new teammates.

Total assets grew \$357.8 million year-over-year 2015 to 2016 year end. Approximately \$230 million of this asset growth came through the acquisition of Fox River Valley Bancorp, Inc. Total loans grew by \$282.3 million year-over-year, of which approximately \$142 million was via the acquisition of Fox River Valley Bancorp, Inc.

Net income for 2016 was \$10.7 million, compared to \$11 million for 2015. 2016 included \$2.6 million of one-time merger-related costs. It was a solid year from an earnings perspective again for your company.

We maintained a solid net interest margin of 3.35% for 2016, versus 3.36% for 2015. Non-interest income grew by 13% year-over-year from approximately \$7.7 million in 2015 to approximately \$8.7 million in 2016. Our efficiency ratio increased to approximately 54% for 2016 from approximately 50% in 2015, but 2016 included the one-time merger related expenses of \$2.6 million. Non-performing assets as a percentage of total assets

improved from 3.10% to 1.84% at year end 2015 versus year end 2016. As mentioned in our 4th quarter earnings release, our historic tenets have been sound underwriting, loan growth and an efficient operating model, which result in strong bottom line results for our shareholders. We feel again we have accomplished this in 2016.

We are excited that we were able to increase our 2017 1st quarter shareholder dividend to 6 cents per share, which is a 20 percent increase over the last quarterly dividend.

We are proud to be an organization driven to success by its people and the relationships they have with our customers. We continue to add solid talent to our team in all of our markets and are excited about the growth opportunities for your company in the future. Thank you for being a supporter of County Bancorp, Inc.!

Directors & Advisory Board

Senior Management

William C. Censky, Chairman of the Board
Timothy J. Schneider, President
Dave Kohlmeyer, Interim Chief Financial Officer and Treasurer
Mark A. Miller, Secretary and Securities Compliance Officer

2016 Board of Directors

County Bancorp Inc. / Investors Community Bank

William C. Censky, Investors Community Bank
Mark R. Binversie, Investors Community Bank
Timothy J. Schneider, Investors Community Bank
Wayne D. Mueller, Investors Community Bank
Carmen L. Chizek*, Chizek Transport, Inc.
Lynn D. Davis, Ph.D., Nutrition Professionals, Inc.
Rick G. Dercks, Business Consultant and Investor
Edson P. Foster, Foster Needle Co., Inc.
Robert E. Matzke, Financial Services of Northeast Wisconsin
Kathi P. Seifert, Katapult, LLC
Andrew J. Steimle, Steimle Birschbach LLC
Kenneth R. Zacharias, CPA, Schenck Business Solutions
Gary J. Ziegelbauer, Triangle Distributing, Inc.

2017 Stevens Point Advisory Board

E. John Buzza, Buzza Dreier & Johnson LLC
Ted Hesemann, Herrschners, Inc.
Richard Okray, Okray Family Farms, Inc.
Daniel J. Bukowski Sr., Net Alpha Advisers LLC
Bill Mullins, Mullins Cheese, Inc.
Ken Turzinski, TYRI Americas

**Investors Community Bank Board Only*

Investors Community Bank Officers**

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Nicole M. Bahn, Vice President – Senior Special Assets Officer
Tony J. Betley, Vice President – Ag Banking Officer
Mark R. Binversie, President
Virginia Bishop, Assistant Vice President – Banking Services Manager
Julie A. Blaha, Vice President – Deposit Operations / Security Officer / BSA Administrator
David A. Coggins, Executive Vice President – Chief Banking Officer
Christopher C. Cox, Vice President – Business Banking Officer
William C. Deppiese, Vice President – Business Banking Officer
Thomas D. Detienne, Vice President – Market President – SE Region
David J. Diedrich, Vice President – Sr. Business Banking Officer
Jeffrey C. Duffrin, Vice President – Business Banking Officer
Steven J. Fleming, Vice President – Ag Banking Officer
Jennifer L. Foote, Vice President – Loan Operations Manager
Debra J. Geiger, Assistant Vice President – Electronic Banking
Curtis L. Gerrits, Assistant Vice President – Ag Banking Officer
Katelin R. Haglund, Assistant Vice President – Credit Manager – Ag
Jeffrey J. Hebert, Bank Systems Manager
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Brian J. Hoskens, Vice President – Sr. Ag Banking Officer
Michael J. Hostak, Vice President – Information Technology
Jeffrey L. Jagodinsky, Vice President – Business Banking Officer
Matthew K. Kasdorf, Senior Vice President - Deputy Chief Credit Officer
Dave D. Kohlmeyer, Senior Vice President – Finance / Interim CFO / Treasurer
Cari A. Larsen, Vice President – Controller
Matthew R. Lemke, Vice President – Banking Services
Mark D. Ludtke, Assistant Vice President – Ag Banking Officer

Mark C. Maurer, Vice President – Sr. Business Banking Officer
Craig P. Mayo, Executive Vice President – Chief Credit Officer
Lori A. Megow, Assistant Vice President – Banking Services Manager
Mark A. Miller, Executive Vice President – Chief Risk Officer & Bank Counsel / Secretary
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Thomas J. Pennings, Vice President – Business Banking Officer
Sarah E. Peterson, Credit Manager – Business
Sandra M. Retzki, Vice President – Sr. Business Banking Officer
Christopher J. Schneider, Vice President – Sr. Ag Banking Officer
Timothy J. Schneider, Chief Executive Officer
Scott V. Schroeter, Portfolio Manager – Ag
Robert A. Seal, Assistant Vice President – Business Banking Officer
Roger P. Sinkula, Assistant Vice President – Ag Banking Officer
Sharon A. Slager, Assistant Vice President – Governmental Guarantee Loan Program
James J. Smidel, Assistant Vice President – Ag Banking Officer
Susan M. Smith, Executive Vice President – Chief Human Resources Officer
Brooke R. Sprang, Assistant Vice President – Human Resources Manager
Lori A. Webster, Vice President – Compliance Officer
Laura A. Wiegert, Senior Vice President – Marketing
Cyrene N. Wilke, Senior Vice President – Operations / CRA Officer
Brad S. Witbro, Assistant Vice President – Banking Services Manager

***As of March 1, 2017*

Selected Financial Highlights*

County Bancorp, Inc.
and Subsidiaries
December 31, 2016 and 2015
(unaudited)



*Additional financial information is available upon request or can be viewed at InvestorsCommunityBank.com (click on Investor Relations icon).

For the year ended December 31
2016 **2015**
(Dollars in thousands except per share data)

SELECTED INCOME STATEMENT DATA:

Interest income	\$ 45,581	\$ 33,767
Interest expense	<u>10,014</u>	<u>7,520</u>
Net interest income	35,567	26,247
Provision for loan losses	<u>2,959</u>	<u>(1,019)</u>
Net interest income after provision for (recovery of) loan losses	32,608	27,266
Non-interest income	8,715	7,685
Non-interest expense	24,146	17,458
Income tax expense	<u>6,483</u>	<u>6,519</u>
Net income	\$ <u>10,694</u>	\$ <u>10,974</u>

PER COMMON SHARE DATA:

Basic	\$ 1.65	\$ 1.85
Diluted	\$ 1.61	\$ 1.82
Cash dividends per common share	\$ 0.20	\$ 0.16
Book value per share	\$ 18.72	\$ 17.16
Weighted average common shares - basic	6,260,040	5,664,678
Weighted average common shares - diluted	6,415,204	5,777,802
Common shares outstanding, end of period	6,586,335	5,771,001

PERFORMANCE RATIOS:

Return on average assets	0.98%	1.35%
Return on average common shareholders' equity**	9.51%	11.27%
Equity to assets ratio	10.56%	14.30%
Net interest margin	3.35%	3.36%
Interest rate spread	3.16%	3.13%
Non-interest income to average assets	0.80%	0.95%
Non-interest expense to average assets	2.21%	2.15%
Net overhead ratio	1.41%	1.20%
Efficiency ratio**	53.72%	49.95%
Dividend payout ratio	12.42%	8.79%

ASSET QUALITY RATIOS:

Nonperforming loans to total loans	1.95%	3.29%
Allowance for loan losses to:		
Total loans	1.23%	1.39%
Nonperforming loans	62.89%	42.33%
Net charge-offs (recoveries) to average loans	0.08%	(0.12)%
Nonperforming assets to total assets	1.84%	3.10%

CAPITAL RATIOS:

Shareholders' common equity to assets	9.92%	11.19%
Tier 1 risk-based capital (Bank)	11.08%	13.94%
Total risk-based capital (Bank)	13.23%	15.19%
Tier 1 Common Equity Ratio (Bank)	11.08%	13.94%
Leverage ratio (Bank)	12.07%	13.29%

Consolidated Balance Sheets

County Bancorp, Inc.
and Subsidiaries
December 31, 2016 and 2015
(unaudited)



	<u>2016</u>	<u>2015</u>
	<i>(Dollars in thousands)</i>	
ASSETS		
Cash and cash equivalents	\$ 42,679	\$ 14,907
Securities available for sale, at fair value	123,437	83,281
FHLB Stock, at cost	5,688	3,507
Loans held for sale	1,162	9,201
Loans, net of allowance for loan losses of \$12,645 as of December 31, 2016 and \$10,405 as of December 31, 2015	1,017,841	737,784
Premises and equipment, net	9,819	7,165
Loan servicing rights	9,264	8,145
Other real estate owned, net	3,161	2,872
Cash surrender value of bank owned life insurance	11,448	11,155
Deferred tax asset, net	5,486	2,048
Goodwill	5,038	-
Core deposit intangible, net of amortization of \$360 as of December 31, 2016; \$0 as of December 31, 2015	1,441	-
Accrued interest receivable and other assets	<u>6,206</u>	<u>4,824</u>
Total assets	<u>\$ 1,242,670</u>	<u>\$ 884,889</u>
LIABILITIES		
Deposits:		
Non-interest bearing	\$ 118,657	\$ 70,914
Interest-bearing	<u>858,861</u>	<u>601,312</u>
Total deposits	977,518	672,226
Other borrowings	2,152	3,945
Advances from FHLB	107,895	66,445
Subordinated debentures	15,451	12,372
Accrued interest payable and other liabilities	<u>8,366</u>	<u>7,877</u>
Total liabilities	<u>1,111,382</u>	<u>762,865</u>
Small Business Lending Fund redeemable preferred stock-variable rate, noncumulative, nonparticipating, \$1,000 stated value; 15,000 shares authorized; no shares issued at December 31, 2016; 15,000 shares issued, \$15,000 redemption amount at December 31, 2015	\$ -	\$ 15,000
SHAREHOLDERS' EQUITY		
Preferred stock-variable rate, non-cumulative, nonparticipating, \$1,000 stated value; 15,000 shares authorized; 8,000 shares issued	8,000	8,000
Common stock - \$0.01 par value; 50,000,000 authorized; 7,018,248 shares issued and 6,586,335 shares outstanding as of December 31, 2016 and 6,192,609 shares issued and 5,771,001 shares outstanding as of December 31, 2015	26	19
Surplus	50,553	34,717
Retained earnings	77,907	68,825
Treasury stock, at cost, 431,913 and 421,608 shares at December 31, 2016 and 2015, respectively	(4,828)	(4,758)
Accumulated other comprehensive income (loss)	<u>(370)</u>	<u>221</u>
Total shareholders' equity	<u>131,288</u>	<u>107,024</u>
Total liabilities and shareholders' equity	<u>\$ 1,242,670</u>	<u>\$ 884,889</u>

Consolidated Statement of Operations

County Bancorp, Inc. and Subsidiaries
Years ended December 31, 2016 and 2015
(unaudited)



2016 **2015**
(Dollars in thousands except per share data)

INTEREST AND DIVIDEND INCOME

Loans, including fees	\$ 43,552	\$ 32,301
Taxable securities	1,433	964
Tax-exempt securities	368	437
Federal funds sold and other	<u>228</u>	<u>65</u>
Total interest and dividend income	<u>45,581</u>	<u>33,767</u>

INTEREST EXPENSE

Deposits	8,195	6,238
FHLB advances and other borrowed funds	1,445	882
Subordinated debentures	<u>374</u>	<u>400</u>
Total interest expense	<u>10,014</u>	<u>7,520</u>
Net interest income	35,567	26,247
Provision for loan losses	<u>2,959</u>	<u>(1,019)</u>
Net interest income after provision for loan losses	<u>32,608</u>	<u>27,266</u>

NON-INTEREST INCOME

Services charges	1,341	1,039
Gain on sale of loans, net	242	429
Loan servicing fees	6,571	5,323
Other	<u>561</u>	<u>894</u>
Total non-interest income	<u>8,715</u>	<u>7,685</u>

NON-INTEREST EXPENSE

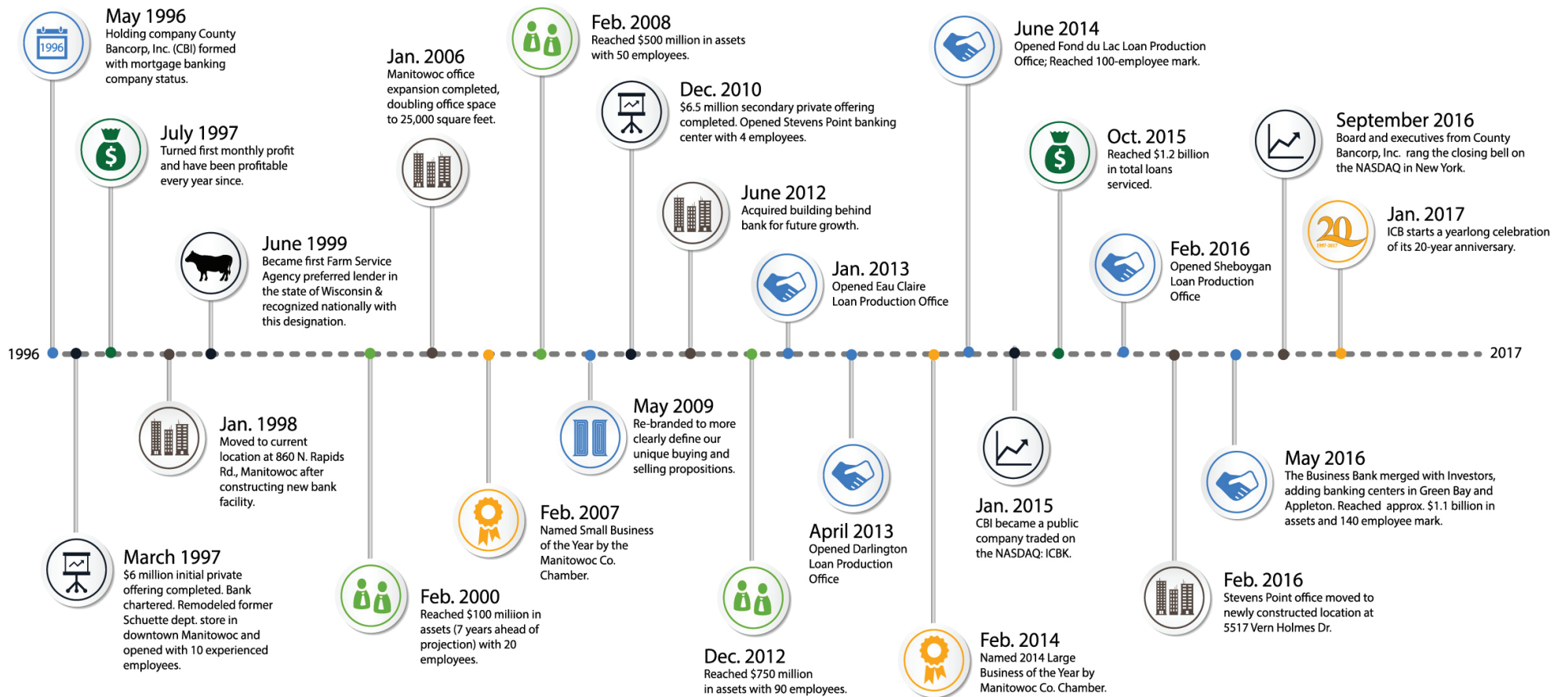
Employee compensation and benefits	13,101	10,769
Occupancy	512	338
Write-down of other real estate owned	480	256
Other	<u>10,053</u>	<u>6,095</u>
Total non-interest expense	<u>24,146</u>	<u>17,458</u>
Income before income taxes	17,177	17,493
Income tax expense	<u>6,483</u>	<u>6,519</u>

NET INCOME	\$ <u>10,694</u>	\$ <u>10,974</u>
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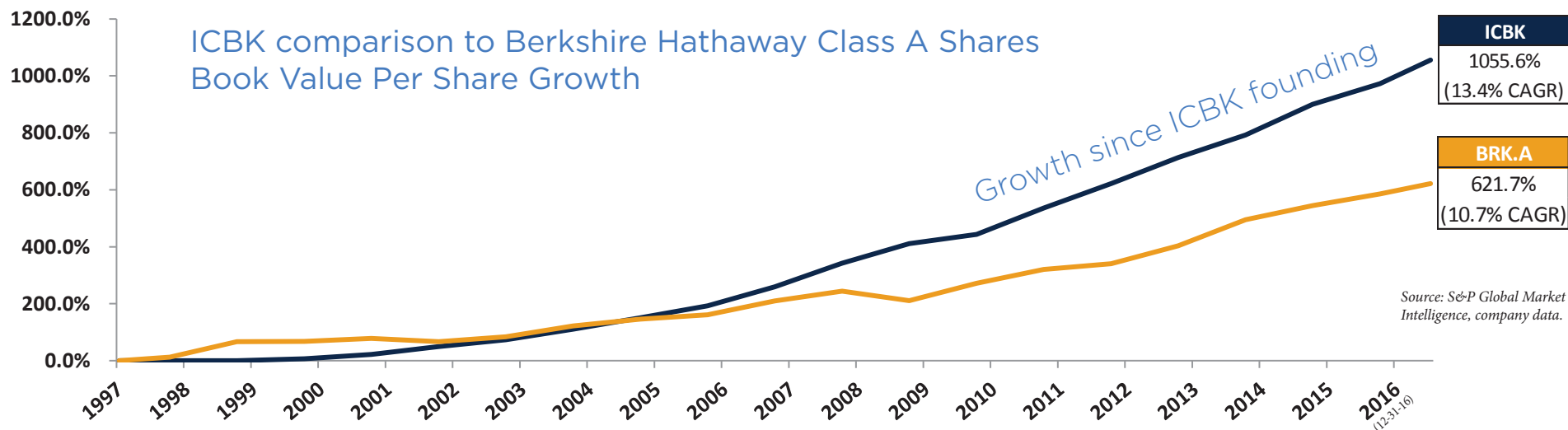
NET INCOME PER SHARE:

Basic	\$ 1.65	\$ 1.85
Diluted	\$ 1.61	\$ 1.82
Dividends paid per share	\$ 0.20	\$ 0.16

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About County Bancorp, Inc.

Annual Meeting	Tuesday, June 20, 2017 at 6 PM, Holiday Inn Manitowoc, 4601 Calumet Ave., Manitowoc
Corporate Headquarters	860 North Rapids Rd., PO Box 700, Manitowoc WI 54221-0700, (920) 686-9998, 1-888-686-9998
Transfer Agent	Computershare Trust Company, N.A.; 211 Quality Circle, Suite 210; College Station, TX 77845
Stock Listing	County Bancorp, Inc. common stock is traded on the NASDAQ Global Market under the symbol "ICBK."
Shareholder website	InvestorsCommunityBank.com (click on Investor Relations icon)
Investor Relations	Shareholders, analysts, the news media and others desiring general information about the company or its subsidiaries may contact Timothy J. Schneider, CEO, at the corporate headquarters.

This report includes "forward-looking statements." Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that the forward-looking information presented in this document is not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking information contained here. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "plan," "seek," "comfortable with," "will," "expect," "intend," "estimate," "anticipate," "believe" or "continue" or the negative thereof or variations thereon or similar terminology. Any forward-looking information presented herein is made only as of the date of publication of this annual report, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.