



News Release

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SIUSLAW FINANCIAL GROUP REPORTS EARNINGS UP 50.2% for THE FOURTH QUARTER AND ANNOUNCES QUARTERLY DIVIDEND

Florence, OR: (BUSINESS WIRE) Siuslaw Financial Group (SFGP), parent company of Siuslaw Bank, today announced year-end financial results including net income for the fourth quarter of \$957,000 compared to \$637,000 in 2009.

Year to date after-tax earnings totaled \$3,577,200 compared to \$3,342,100 a year ago. Earnings per diluted common share totaled \$ 0.87 vs. \$0.81 per common share in 2009. The earnings represent an 11.25% return of equity (ROE) and 1.33% returns on assets (ROA). The company paid \$1.55 million in income taxes in addition to \$138,000 paid in property taxes to Lane County.

The company reported \$299.8 million in total assets and deposits of \$255.5 million, compared to \$284.1 million and \$236.6 million in 2009, an increase of 5.5% and 8.0% respectively. Net loans decreased by 4.6% to \$209.1 million.

“The bank continues to approve qualified loan requests and make credit available to its commercial customers, according to Bruce Webber, executive vice president and chief credit officer”. The bank disposed of several Other Real Estate properties it had acquired and increased Reserve for Loan Losses by \$1,000,000 during the year.

The Board of Directors announced a \$0.10 per share quarterly dividend to common shareholders and a \$0.1075 per share dividend to preferred shareholders. The dividend is payable to shareholders of record as of January 31, 2011 and payable on or before February 5, 2011.

Siuslaw Bank was voted a top 10 company on the Portland Business Journal’s list of Oregon’s Most Philanthropic Companies for the fourth year in a row. In addition, Siuslaw was named “Lane County’s Favorite Community Bank” according to a recent survey by the *Register-Guard*.

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 offices are located in Lane County.

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