



## FOR IMMEDIATE RELEASE

### CONTACTS

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### **BANK MUTUAL ANNOUNCES AGREEMENT TO SELL FIVE BRANCHES TO MARINE CREDIT UNION**

MILWAUKEE, Wis., April 4, 2017—Bank Mutual Corporation announced today that it has entered into an agreement to sell five retail branch offices, including the deposit and loan relationships, to Marine Credit Union. The pending sale consists of one office in Kenosha, two in Racine, and two in Sheboygan, Wisconsin, and is expected to close in the third quarter, subject to the necessary regulatory approvals.

David Baumgarten, President and Chief Executive Officer of Bank Mutual, said, “Bank Mutual and Marine Credit Union share a passion for providing consumers with resources and advice to make confident decisions and plans for their financial future, while also supporting our local communities with our time and talents. We are pleased to have a partner in Marine Credit Union that will continue to provide Racine, Kenosha and Sheboygan with this level of commitment and support.”

Mr. Baumgarten continued, “As consumer banking habits have changed over time, Bank Mutual, like many other financial institutions, regularly reviews our branch distribution to ensure we are operating as efficiently as possible. Being efficient allows us to provide our customers with higher levels of service and access to financial tools and technology that customers expect in today’s rapidly changing world. The sale of these branches supports our strategy to invest in further enhancements to our customer experience.”

Customers of these offices will receive additional information regarding the impact of the sale in the near future. Terms of the transaction were not announced.

“We are pleased to partner with Bank Mutual, a bank that shares our values, to continue providing excellent service and competitive products to customers in Racine, Kenosha and Sheboygan. We look forward to welcoming these Bank Mutual customers as members of

Marine Credit Union and to expanding our impact in the Racine, Kenosha and Sheboygan communities,” said Shawn Hanson, Marine Credit Union CEO.

Hanson continued, “As a member-owned credit union, we strive to make life better for those around us: our members, our employees and our communities. This acquisition furthers our growth strategy and aligns with our mission.”

The sale is subject to the filing of appropriate notices with and/or approvals of regulatory agencies. After the sales, Bank Mutual will operate 57 banking locations in Wisconsin and one in Minnesota. In addition, Bank Mutual will have one residential loan production office in the Racine/Kenosha area, as permitted under the terms of the sale to Marine Credit Union.

### **About Bank Mutual**

Bank Mutual is the largest bank headquartered in Milwaukee and the third largest bank headquartered in Wisconsin, with assets at December 31, 2016 of \$2.6 billion. The bank was founded in Milwaukee 125 years ago and operates a wide network of bank offices in the state of Wisconsin and one office in Minnesota. Bank Mutual provides personal, business and commercial financial solutions, with a focus on delivering outstanding, memorable customer experiences that are unique and individualized. Learn more at [BankMutual.com](http://BankMutual.com), [Facebook](#), [Twitter](#), [Instagram](#) and [LinkedIn](#).

### **About Marine Credit Union**

Marine Credit Union is built upon the strong belief that members are more than a credit score, and we are committed to providing financial services to all members of the community—including those with past financial challenges. Marine will continue our long-standing tradition of delivering personalized lending solutions to fit our members’ individual needs. Marine Credit Union is a full-service financial institution serving nearly 60,000 members with office locations in Wisconsin, Minnesota and Iowa. For more information, connect with us on [Facebook](#), [Twitter](#), [YouTube](#) and [LinkedIn](#).

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# **NEWS FROM BANK MUTUAL CORPORATION (EMBARGOED UNTIL 3:30 P.M. CENTRAL)**

**CONTACTS: Bank Mutual Corporation  
David A. Baumgarten  
President and Chief Executive Officer  
or  
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Senior Vice President and Chief Financial Officer  
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## **BANK MUTUAL CORPORATION ANNOUNCES BRANCH OFFICE SALES AND CONSOLIDATIONS**

**Milwaukee, Wisconsin  
April 4, 2017**

Bank Mutual Corporation (NASDAQ: BKMU) announced today that it has entered into an agreement to sell five retail branch offices, including \$52.6 million in deposits and \$13.2 million in loans associated with the offices, to another financial institution. In addition, Bank Mutual Corporation (“Bank Mutual”) announced that it will consolidate two retail branch offices into other nearby locations. Once fully implemented, management anticipates that these decisions will provide approximately \$1.3 million in net benefit to pre-tax earnings on an annualized basis.

The pending sale consists of one office in Kenosha, two in Racine, and two in Sheboygan, Wisconsin, and is expected to close in the third quarter, subject to the necessary regulatory approvals. Customers of these offices will receive additional information regarding the impact of the sale in the near future. After the sale closes, Bank Mutual will have no retail branch offices in these communities. Terms of the transaction were not announced.

The branch offices Bank Mutual is consolidating are located in Monona and Neenah, Wisconsin. Bank Mutual expects to complete the consolidations in June and will continue to provide products and services to the affected customers through other nearby locations, as well as its electronic and mobile banking channels. Customers of these offices have already been notified of the consolidations. Consistent with its past experience combining retail branch offices, management of Bank Mutual believes that it will retain the majority of the deposits and loans that are currently serviced through the consolidated locations, which aggregated \$19.1 million and \$9.6 million, respectively, as of December 31, 2016. However, there can be no assurances. Finally, management anticipates that only a few employees will be impacted by the consolidations due to recent attrition and opportunities for comparable positions at nearby Bank Mutual locations.

In connection with the sale and consolidation of these offices, Bank Mutual expects to incur one-time costs of approximately \$250,000, composed primarily of asset disposition costs,

employment severance costs, data processing costs, and professional fees, \$71,000 of which will be recorded in the first quarter. The remainder is expected to be recorded in the third quarter.

The sale and branch consolidations are subject to the filing of appropriate notices with and/or approvals of regulatory agencies. After the sales and consolidations, Bank Mutual will operate 57 banking locations in Wisconsin and one in Minnesota.

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This release contains various forward-looking statements concerning Bank Mutual's prospects that are based on the current expectations and beliefs of management. Forward-looking statements may contain, and are intended to be identified by, words such as "anticipate," "believe," "expect," "intends," and similar expressions; the use of verbs in the future tense and discussions of periods after the date on which this report is issued are also forward-looking statements. The benefits expected to be realized from these actions will depend in part on their ultimate timing and successful implementation, the receipt of and any conditions to regulatory approvals, customer reactions, and other matters outside of Bank Mutual's control. In addition to the factors discussed in this release, refer to "Cautionary Statement" and "Risk Factors" included in Bank Mutual's 2016 Annual Report on Form 10-K for a list of additional factors that could cause actual results to differ from what is stated or expected in this release.