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Dear Fellow Shareholder,

As we pass the halfway mark of 2018, we have completed our Strategic Plan which provides a vision through December 31, 2021. Consistent with the strategic initiatives approved by the Board of Directors, we continue to make progress in transitioning our balance sheet. As stated in prior Shareholder letters, we seek to reduce our reliance on construction and land development loans, wholesale funding and volatile deposits. Incredibly, we are accomplishing these objectives as short-term interest rates continue to rise. The challenges in navigating a bank in these uncharted waters are extraordinary.

The unaudited financial reports for the 6 month period ending June 30, 2018 are as follows:

Total Assets were \$992,004,271 compared to \$1,019,994,696 for June 30, 2017. Gross Loans were \$835,423,040 as of June 30, 2018, compared to \$929,596,631 as of June 30, 2017.

Total Deposits were \$852,252,391 as of June 30, 2018 compared to \$867,693,124 as of June 30, 2017.

Total Capital was \$126,120,772 as of June 30, 2018, compared to \$110,629,268 as of June 30, 2017.

Net Income was \$8,422,218 for the first 6 months of 2018 versus \$6,320,958 for the first 6 months of 2017. This represents an increase of \$2,168,471 or 34.67%.

Under regulatory guidelines the Bank continues to be well capitalized under every category. The capital ratios for the Bank continue to improve.

	6/30/16	6/30/17	6/30/18	Regulatory Minimum
Tier 1 Leverage Capital	8.51%	11.42%	12.50%	(4%/4.5%)
Common Equity Tier 1 Risk Based Capital	9.23%	12.13%	16.05%	(4.54%/6.5%)
Tier 1 Risk Based Capital	9.23%	12.13%	16.05%	(6%/8%)
Total Risk Based Capital	10.48%	13.38%	17.31%	(8%/10%)
Capital Conservation Buffer	2.48%	5.38%	9.31%	(1.875%)

The following matrix provides the trend of certain financial data for prior years as of June 30.

	6/30/14 000's	6/30/15 000's	6/30/16 000's	6/30/17 000's	6/30/18 000's
Total Assets	410,998	594,120	758,444	1,019,995	992,004
Total Loans	351,754	534,886	701,336	929,597	835,423
Total Deposits	355,471	526,995	670,511	867,693	852,252
Net Income	1,789	3,124	5,847	6,321	8,422
Total Capital	43,560	49,584	63,805	110,696	126,621

If you look at the 4 year growth from June 30, 2014 through June 30, 2018, Total Assets grew \$581,006 million or 141.4%. Gross Loans grew \$483,669 million or 137.5%. Total Deposits grew \$496,781 million or 139.8%. Total Capital grew \$82,561 million or 189.5%. Net Income has grown strongly.

In the immediate future, the focus will be on growing core deposits; balance sheet restructuring with emphasis on investment securities and relationship credits; and less reliance on construction lending.

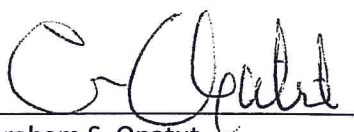
We have introduced consumer mobile banking and soon will introduce the popular Zelle payment network. By year-end, we expect to have business mobile banking. We have introduced a product relationship package called Premier Interest Checking with many, many, free services. This quarter, we have introduced a streamlined rent security escrow system which should generate substantial core deposits. Other programs to be introduced are an "At Work Banking" program, a "Spotlight on Business" program, a "Student Account Package", and an "FCB Newsletter".

We have recruited Phil Ferreira, Vice President, who will direct our SBA Loan Program which has preferred status from the SBA. Phil's market is Essex and Bergen counties, but he will manage the SBA Loan program in both the northern and central markets.

Customer service remains our top priority. We strive for our customers to always have a positive experience from the manner in which we deliver our services. We are extremely grateful to our customers and those who share their experiences with us:

In conclusion, we wish to announce that Herb Schneider, President and CEO, has announced that he will retire after nine years of service effective December 31, 2018 to be able to spend more time with his family. We thank Herb for his dedication over the last 9 years. The Board has formed a search committee to commence a thorough search for an experienced banker to become our new President.

On behalf of our Directors, Senior Management and Staff, we thank you, our Shareholders for believing in us. We are so thankful for your loyalty and support.



Abraham S. Opatut
Chairman of the Board



C. Herbert Schneider
President & CEO