



# News Release

January 29, 2009

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## **SIUSLAW FINANCIAL GROUP REPORTS FOURTH QUARTER AND YEAR-TO-DATE OPERATING RESULTS for 2008 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 \$617,000 compared to \$835,000 in 2007.

Year to date after-tax earnings totaled \$4,065,800 compared to \$4,454,500 a year ago. Earnings per diluted common share totaled \$0.98 vs. \$1.07 per common share in 2007. The earnings represent a 14.29% return of equity (ROE) on shareholder equity and 1.50% returns on assets (ROA). The company paid \$2.2 million in income taxes in addition to \$136,000 paid in property taxes to Lane County.

The company reported \$273.2 million in total assets and deposits of \$220.7 million, virtually flat compared to \$269.6 million and \$218.7 million reported in 2007. Net loans increased by 9.5% to \$220.8 million at year end compared to \$201.7 million a year ago.

The company has not reduced consumer credit card limits or lines of credit to its commercial customers, according to Bruce Webber, chief credit officer. "Our ten offices in Lane County are continuing to approve qualified loan requests and our mortgage division is making home loans although the volume has slowed," according to Webber.

The Board of Directors announced a \$0.15 per share quarterly dividend to common shareholders and a \$0.1575 per share dividend to preferred shareholders. The dividend is payable to shareholders of record as of January 30, 2009 and payable on or before February 6, 2009.

Siuslaw Bank, for the second year in a row was honored as one of the Top Ten companies in Oregon for its philanthropic activities by the Portland Business Journal. In addition, employee contributions to the United Way of Lane County in 2008 were up 29%, averaging \$535 per employee.

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 in Lane County.

**CONTACT:**

Johan Mehlum  
Chairman of the Board and Chief Executive  
541.342.4000/johan.mehlum@siuslawbank.com