

# ANNUAL SHAREHOLDER MEETING

*May 26, 2011*

# CALL TO ORDER

*John P. Hickey, Jr.*

*Chairman of the Board of Directors*

# FORWARD LOOKING STATEMENTS

Statements made today during this annual meeting of shareholders and in the following presentation contain forward-looking information. Actual results could differ materially from those indicated by such statements. For information about factors that could affect actual results, including the Risk Factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2010, refer to that Annual Report and the discussions provided therein under captions “Forward-Looking Statements” and “Risk Factors,” as well as discussions in other periodic reports we file with the SEC.

# INTRODUCTIONS

- Board of Directors
- Crowe Horwath LLP
  - Computershare
- Management Team

# PROPOSAL 1: ELECTION OF DIRECTORS

## Nominated Directors:

- Willard Bunn III
- Charles J. Ponicki
- Gary L. Longman

*Elected directors will serve until 2014.*

# **PROPOSAL II: RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**Crowe Horwath LLP**

**PRESENTATION  
TO  
SHAREHOLDERS**

*Charles J. Ponicki  
President & Chief Executive Officer*

# KEY THEMES/DEVELOPMENTS DURING 2010 AND 1<sup>ST</sup> QUARTER 2011

- Restructuring completed in May 2010
- Management focus on:
  - Core Earnings
  - Credit Quality
  - Capital Adequacy
  - Core Customers
- Executive Management transitions:
  - President & CEO roles transitioned from John Hickey to Chuck Ponicki
  - CFO role transitioned from Ed Depenbrok to Patrick Straka
  - Senior Credit Officer duties assumed by Paul Melnick
  - Chief Credit Officer duties to be transitioned to Paul Melnick, pending regulatory approval
  - Commercial lending consolidated under Brian Chaffin
  - Retail banking consolidated under Mark Wilmington



## **KEY THEMES/DEVELOPMENTS DURING 2010 AND 1<sup>ST</sup> QUARTER 2011**

- Losses continue due to weak real estate market and related provisions to the loan loss reserve.
- Targeting compliance with capital levels required by regulatory orders.
- Branch closures/consolidations and reduced staffing levels.
- Regulatory Orders remain in effect.

# FINANCIAL PERFORMANCE

*Patrick J. Straka*  
*Chief Financial Officer*

# CIB MARINE BANCSHARES, INC.

## Income Statement Highlights

	3/31/11	12/31/10	12/31/09	12/31/08
	(dollars in 000s) (1)			
Selected Statement of Income Data:				
Net interest income	\$ 5,152	\$ 21,021	\$ 15,483	\$ 21,640
Provision for loan losses	1,089	15,345	27,373	22,063
Noninterest income	209	1,069	1,500	4,366
Noninterest expense	5,617	23,998	30,994	39,856
Loss before income taxes	(1,345)	(17,253)	(41,384)	(35,913)
Income tax expense	0	0	99	320
Net loss from continuing operations	(1,345)	(17,253)	(41,483)	(36,233)
Income from discontinued operations	0	0	711	1,834
Net loss before extraordinary net gain	0	(17,253)	(40,772)	(34,399)
Extraordinary gain (2)	0	0	54,497	0
Net income (loss)	\$ (1,345)	\$ (17,253)	\$ 13,725	\$ (34,399)

(1) Quarter to date at 3/31/11 and year to date at each of the year ends. 3/31/11 figures are unaudited. Year end figures are audited.

(2) Extraordinary gain on extinguishment of junior subordinated debentures, net of amortization and reorganization costs.

# CIB MARINE BANCSHARES, INC.

## Financial Ratios and Other Data

	3/31/11	12/31/10	12/31/09	12/31/08
(dollars in 000s) (1)				
<b>Financial Ratios and Other Data:</b>				
Net interest margin	3.62%	3.21%	1.90%	2.19%
Noninterest income to average assets	0.15%	0.14%	0.12%	0.43%
Noninterest expense to average assets	3.90%	3.62%	3.77%	3.97%
Efficiency ratio	104.78%	109.40%	188.62%	153.26%
Number of full-time equivalent employees	144	145	165	197
Number of banking facilities	15	15	17	18

(1) Quarter to date at 3/31/11 and year to date at each of the year ends. 3/31/11 figures are unaudited. Year end figures are audited.

# CIB MARINE BANCSHARES, INC.

## Balance Sheet Highlights

	3/31/11	12/31/10	12/31/09	12/31/08
(dollars in 000s) (1)				
<b>Balance Sheet Highlights:</b>				
Total assets excluding assets of companies held for disposal	\$ 577,934	\$ 587,943	\$ 708,686	\$ 905,408
Loans	398,554	415,778	470,668	555,207
Securities	110,503	126,878	182,971	280,452
Non-interest bearing checking accounts	54,223	54,547	52,750	48,060
Interest bearing checking accounts	31,914	31,140	32,325	34,308
Savings accounts	161,116	146,806	117,589	123,092
Time Deposits	243,531	261,034	386,786	489,172
Stockholders' equity	\$ 68,485	\$ 68,753	\$ 84,695	\$ 14,802

(1) Quarter to date at 3/31/11 and year to date at each of the year ends. 3/31/11 figures are unaudited. Year end figures are audited.

# CIB MARINE BANCSHARES, INC.

## Credit Highlights

	3/31/11	12/31/10	12/31/09	12/31/08
	(dollars in 000s) (1)			
<b>Allowance for Loan Losses:</b>				
Provisions to allowance for loan losses (1)	\$ 1,089	\$ 15,345	\$ 27,373	\$ 2,063
Allowance for loan losses to loans	3.75%	3.52%	3.45%	3.47%
Net charge-offs (1)	\$ 808	\$ 6,940	\$ 30,375	\$ 23,670
Net charge-offs annualized to average loans	0.81%	3.90%	5.82%	3.90%
Recoveries to loans charged-off	41.91%	9.25%	1.57%	7.39%
<b>Nonaccrual Loans and Foreclosed Real Estate:</b>				
Nonaccrual loans, including those held for sale	\$ 38,090	\$ 34,538	\$ 57,868	\$ 17,097
Nonaccrual loans to total loans (2)	9.35%	8.04%	10.80%	2.71%
Foreclosed properties	\$ 4,529	\$ 5,314	\$ 830	\$ 980
Foreclosed properties to total assets	0.78%	0.90%	0.12%	0.11%

(1) Quarter to date at 3/31/11 and year to date at each of the year ends. 3/31/11 figures are unaudited. Year end figures are audited.

(2) Excludes loans held for sale from non-accrual and total loans.

# CIB MARINE BANCSHARES, INC.

## Capital Highlights and Ratios

	3/31/11	12/31/10	
	(1)		For Capital Adequacy Purposes (2)
<b>Capital Ratios of Consolidated Company:</b>			
Total risk-based capital ratio	15.93%	15.47%	8.00%
Tier 1 risk-based capital ratio	14.66%	14.20%	4.00%
Tier 1 leverage capital ratio	12.25%	11.80%	4.00%
<b>Capital Ratios of CIBM Bank:</b>			
Total risk-based capital ratio	13.77%	13.36%	8.00%
Tier 1 risk-based capital ratio	12.49%	12.09%	4.00%
Tier 1 leverage capital ratio	10.41%	10.04%	4.00%

(1) Quarter to date at 3/31/11 and year to date at each of the year ends. 3/31/11 figures are unaudited. Year end figures are audited.

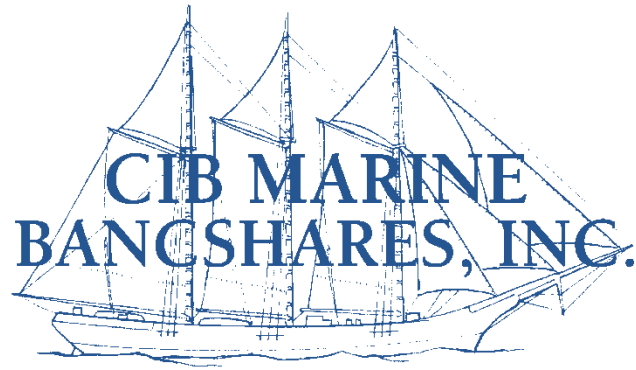
(2) Minimum capital ratios required to be considered adequately capitalized under applicable regulations. In addition, pursuant to the Consent Order, CIBM Bank is required to maintain a Tier 1 leverage capital ratio of at least 10% and a total risk based capital ratio of 12%.

# CLOSING COMMENTS

## 4 Key Operating Imperatives:

- Credit Quality
- Capital Adequacy
- Core Earnings
- Core Customers





# **SHAREHOLDERS' QUESTIONS & COMMENTS**

