



# Bank of Marin Bancorp

PO Box 2039  
Novato, CA 94948

May 8, 2020

Dear Fellow Shareholders:

We hope this letter finds you and your families safe and well as we navigate through the COVID-19 pandemic.

We are pleased to announce that on April 17, 2020, the Board of Directors declared a quarterly cash dividend of \$.23/share, our 60<sup>th</sup> consecutive quarterly cash dividend. This cash dividend is payable to shareholders of record at the close of business on May 1, 2020 and will be payable on May 8, 2020.

Earnings were \$7.2 million in the first quarter of 2020, compared to \$7.5 million in the first quarter of 2019. Diluted earnings per share were \$.53/share in the first quarter of 2020, compared to \$.54/share in the first quarter of 2019. A \$2.2 million loan loss provision was taken in the first quarter, primarily due to COVID-19 economic concerns.

Obviously, things have changed dramatically for all of us in the last two months. The Shelter-in-Place orders have had a dramatic effect on everything we do in everyday life. We will eventually get back to normal, but clearly it will be a "New Normal."

The Bank is positioned well for this downturn in the economy. We have always run the Bank with a close eye toward managing risk, rather than taking risk. What does this mean? It means we have structured our loan portfolio with conservative advance rates on the collateral, most of which is real estate. We have modified loan terms to help our customers due to COVID-19, 93% of which are secured by real estate with low advance rates. We are working with our clients to help them through this crisis. It will be challenging for all parties, but I am confident our team is up to the task.

Bank of Marin is here for our clients and our communities during the Pandemic Crisis. We are proud of the dedication of our staff in doing their jobs and helping others. We want to thank our employees for their selflessness, our customers for their loyalty to the Bank and our shareholders for your support.

Sincerely,

Russell A. Colombo  
President & CEO

Brian Sobel  
Chairman of the Board