



October 30, 2012

Dear Customers, Friends and Neighbors,

First Northern Bank has remained successful in a tough regulatory and economic environment. This is a result of our long standing culture of sound underwriting and lending, our commitment to the communities that we serve, as well as the trust and loyalty shown to us by our customers. Over the past 102-plus years, our communities have experienced growth, challenges and opportunities. Through it all, First Northern Bank has grown and met these challenges and opportunities right along with you.

We've maintain disciplined business practices; we have a strong asset mix, a robust capital base, current technology and a highly ethical, talented and motivated group of executives, managers and staff. Our success in the area of community development is driven by our understanding of community needs; our management and staff work tirelessly on initiatives that support housing, job creation, small business development, community vitality, and other local economic needs.

Being a locally owned and operated community bank provides us the unique ability to make decisions at the local level and to provide more customized products and services that make a meaningful difference for the residents and businesses within our communities. If you have a problem, or question, it can be handled or answered right here at the Bank. You will deal with a friendly employee every time you come in or call us during business hours.

Over 80% of our employees are shareholders of the Bank – so they have a vested interest in making the customer-experience one you'll want to tell your friends and associates about. That's what community banking is all about – friendly, responsive service and great products – banking the way it ought to be. We are your neighbors, and we value the strong relationships we have built over many generations.

To our customers, I say, "thank you" for your continued support and confidence. To those who do not yet bank with us, I urge you to give me a call, check us out online, ask around, or simply stop in. I am confident you will enjoy the First Northern Bank difference!

We look forward to meeting yours and your family's financial needs now, and for generations to come!

Sincerely,

Louise A. Walker
President & CEO