



FIRST NORTHERN BANK

January 30, 2009

Dear Valued Customers:

Financially speaking, 2008 was a year most people would like to forget. The economic climate was turbulent at best, and created a lot of challenges and anxiety for businesses and consumers alike.

Of course the year wasn't all bad. We did finally see a normalizing of gas prices, mortgage rates dropped to lows not seen since the 1950's, and the American family is now spending more time at home together.

I realize that's a pretty short list of positives. However, I do want to encourage you to remain optimistic. While this recession is the roughest economic cycle most of us have personally experienced, history has taught us that economic cycles do eventually come to an end.

I also want to 'thank you' for your continued business. We appreciate the trust you have placed in us. We are proud to be your bank and financial services provider. For the past 99 years, First Northern Bank has played a key role in the lives of our customers --- providing honest guidance and financial solutions to area businesses and residents in both good and bad economic times.

You can rest assured that First Northern Bank is well positioned to be a positive influence in the economy's health and recovery. Consider these important facts about our company:

- Well capitalized, with a proven track record of outstanding performance
- Financially sound, healthy and viable
- One of the state's oldest community banks
- Because we are an independent bank, we can make decisions at the local level. As a result, we respond quickly to customer needs and changing business conditions.
- Unwavering commitment to community support and service
- Over 90% of the Bank's employees own company stock – chances are you are being served by a shareholder.
- 11 Branch offices serving Sacramento, Placer, Solano, Yolo and El Dorado Counties
- Products and services that exceed customer expectations: besides the traditional banking services, First Northern Bank offers Asset Management & Trust Services, Investment & Brokerage Services (investment products are not FDIC insured), SBA Lending, 24/7 Real Estate Mortgage Loans, Deposit Capture, Cash Management Services and Private Client Services.

As always, we remain focused on providing our customers with our legendary superior service. Our long term success is based upon meeting and exceeding our customers' needs. We are here for you.

Sincerely,

Owen J. Onsum
President & CEO