

SHAREHOLDER NEWS



BankFirst
NATIONAL CORPORATION

MAY 2017

Bank First welcomes Betty Bittner to their team of bankers

Bank First is proud to announce the addition of Betty Bittner to their team. Bittner comes to Bank First as Assistant Manager /



BETTY BITTNER

Retail Lending at the bank's Two Rivers location. She has over 16 years of experience in the banking industry, most recently with Denmark State Bank.

Bittner earned a Bachelor of Science degree in biology and chemistry from the University of Wisconsin – LaCrosse. Active in her community, she currently serves as board member for the Two Rivers Business Association, board member of the Two Rivers Rotary Club, Vice President of the Two Rivers Business Industrial Development, member of the Two Rivers Community Development Authority, Laudete Choir member, middle school religious education instructor, Eucharistic minister, and is a graduate of the Chamber Manitowoc County leadership program.

In her spare time, Bittner enjoys spending time with her family, cooking, baking, outdoor activities, long walks, and spending time at the cabin. She resides in Two Rivers with her husband, Mark. They have three grown children and one granddaughter.

MESSAGE FROM THE CEO



MIKE MOLEPSKE

Dear Shareholder,

We are excited to announce that Bank First National Corporation has entered into a definitive agreement to acquire Waupaca Bancorporation, Inc., the holding company of First National Bank – Waupaca. The stock and cash transaction has an approximate value of \$76.3 million. The completion of the merger will take place on or around September 30, 2017. Together, we will become the fourth largest exchange-traded bank headquartered in Wisconsin with total assets of approximately \$1.8 billion and local deposits of more than \$1.5 billion.

The most efficient and profitable banks in the country by size are those with assets between \$1 billion and \$10 billion. For this group, median assets per employee reached \$5 million last year. Bank First compares well to its peer group of banks with more than \$8 million of assets per employee. The value proposition for the shareholders of both FNB Waupaca and Bank First is that combined value of the two banks will well exceed the sum of the individual parts.

FNB Waupaca has many similarities to Bank First and it is a complimentary geographical fit. Together, we have 20 offices throughout Wisconsin. Both banks have a community banking focus dating back to the 1800s with FNB Waupaca being formed in 1885 and Bank First in 1894. FNB Waupaca is the largest bank in Waupaca County and will expand our presence in Wisconsin, where we are already the dominate bank in the counties of Manitowoc and Sheboygan. Moreover, the combined banks will have nearly \$100 million in deposits in Outagamie County, the home of our newest office in the Appleton area.

In addition to being a geographical and a community oriented banking fit, FNB Waupaca and Bank First can build on the strengths of both institutions. For example, FNB Waupaca has expertise in agricultural banking with a knowledgeable agricultural team and nearly \$80 million of farm loans. Today, Bank First has less than \$15 million in agricultural loans and no specialists in that area of banking. Another opportunity for the combined organization is to leverage the treasury management team at Bank First to provide more sophisticated cash management services to the customers of FNB Waupaca.

Again, we are confident that the merger of First National Bank – Waupaca with Bank First will allow us to better meet the needs of the communities we serve, provide greater opportunities for advancement for employees, and provide an exceptional return to our shareholders. This will be accomplished by doing right by our customers and continuing to grow our organization one relationship at a time.

For more information about the acquisition, please find more details inside this newsletter. The official press release is located on the Investor Relations page of our website at www.bankfirstnational.com.

Sincerely,

Michael B. Molepske, CEO and President
(920) 652-3202

FIRST QUARTER

KEVIN LEMAHIEU
Chief Financial Officer
(920) 652-3362



Total assets for the Corporation increased by 5.9% to \$1.29 billion at March 31, 2017, compared to \$1.22 billion at March 31, 2016. Loans grew by nearly \$81 million, representing an 8.4% increase in loans year-over-year. Core deposits increased by \$56 million during this same period, or 5.2%.

We continue to maintain exceptional credit quality ratios, including a 0.17% ratio of non-performing assets to total assets as of March 31, 2017. Our provision for loan losses for the first quarter of 2017 was \$210,000, down from \$220,000 during the first quarter of 2016.

Earnings per share for the quarter ended March 31, 2017, was \$0.64. This represents an increase of 4.9% compared to earnings per share of \$0.61 during the first quarter of 2016. Net income was \$3.99 million for the quarter ended March 31, 2017, compared to \$3.85 million during the quarter ended March 31, 2016.

Non-interest income totaled \$2.73 million for the quarter ended March 31, 2017, up from \$2.64 million during the first quarter of 2016.

The Corporation continued its trend of efficient operations as its assets per full-time equivalent staff increased to \$8.11 million for the first quarter of 2017 from \$7.84 million for the first quarter of 2016. Total non-interest expense was \$6.35 million for the quarter ended March 31, 2017, up from \$6.01 million for the first quarter of 2016. The largest components of this increase were employee salary and benefits and technology expense. These items are an investment into enhancing our service offerings for our current and expanding customer relationships.

Total shareholders' equity increased by 7.21% to \$130.25 million at March 31, 2017, compared to \$121.50

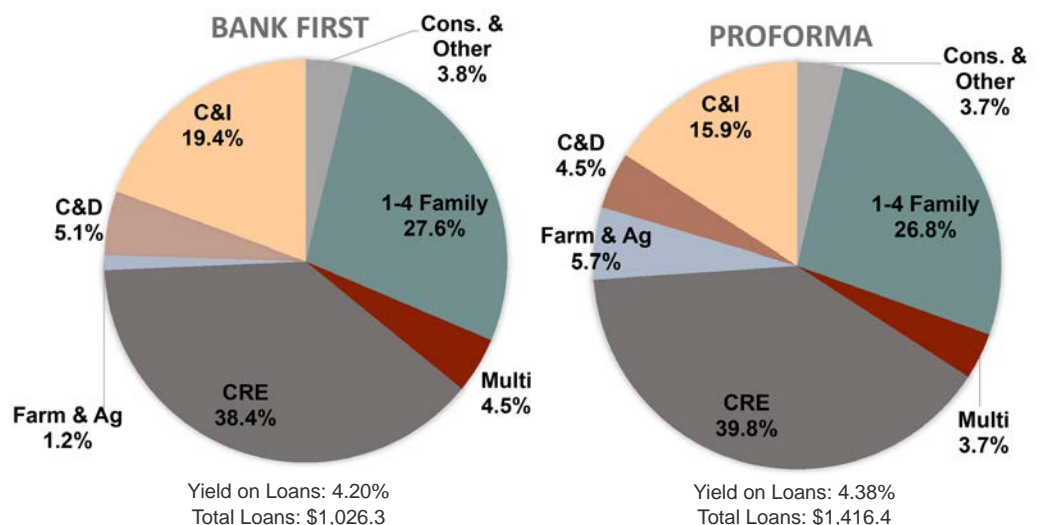
million at March 31, 2016. This growth in shareholders' equity was accomplished while maintaining a consistent dividend for our shareholders and continuing our active stock repurchase program.

The charts below reflect assets, loans, and deposits for Bank First as of December 31, 2016, as well as proforma data with the upcoming acquisition of Waupaca Bancorporation. As you can see, our combined assets will total more than \$1.8 billion, and the farm/agricultural mix will increase from 1.2% to 5.7% in our loan portfolio.

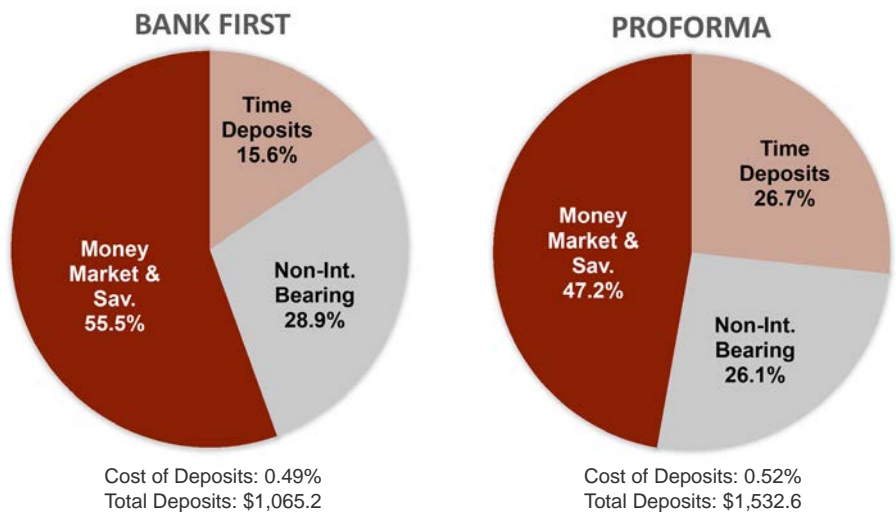
ASSETS

BANK FIRST NATIONAL CORPORATION	\$1.3 BILLION
WAUPACA BANCORPORATION, INC.	\$0.5 BILLION
PROFORMA	\$1.8 BILLION

LOANS



DEPOSITS



Source: SNL Financial; financial data as of December 31, 2016; bank level data used when holding company information was not available.

FINANCIAL PERFORMANCE

Consolidated Statements of Financial Condition

	<u>3/31/2017</u>	<u>3/31/2016</u>
ASSETS		
		<i>(In Thousands)</i>
Cash, Cash Equivalents and Fed Funds Sold	\$ 44,613	\$ 54,554
Investment Securities	128,697	131,258
Other Investments at Cost	5,588	5,338
Loans, Net	1,034,573	954,496
Premises and Equipment	13,823	13,796
Other Assets	59,297	55,839
Total Assets	\$ 1,286,591	\$ 1,215,281
LIABILITIES		
Deposits	\$ 1,120,776	\$ 1,065,183
Securities Sold Under Repurchase Agreements	27,122	22,009
Other Liabilities	8,441	6,594
Total Liabilities	\$ 1,156,339	\$ 1,093,785
Total Shareholder Equity	130,252	121,495
Total Liabilities and Shareholder Equity	\$ 1,286,591	\$ 1,215,281

Consolidated Statements of Income

	<u>3/31/2017</u>	<u>3/31/2016</u>
		<i>(In Thousands, Except Per Share Data)</i>
Total Interest Income	\$ 11,464	\$ 10,882
Total Interest Expense	1,619	1,465
Net Interest Income	9,845	9,417
Provision for Loan Losses	210	220
Net Interest Income After Provision for Loan Losses	9,635	9,197
Total Other Income	2,734	2,638
Total Operating Expenses	6,353	6,012
Income Before Provision for Income Taxes	6,016	5,823
Provision for Income Taxes	2,023	1,974
Net Income	\$ 3,993	\$ 3,849
Earnings Per Share: Basic and Diluted	\$ 0.64	\$ 0.61

Key Financial Metrics

	<u>3/31/2017</u>	<u>3/31/2016</u>
YTD Return on Average Assets	1.16%	1.18%
YTD Return on Average Equity	12.36%	12.71%
Average Assets per Average FTE	\$ 8,105	\$ 7,839
Net Interest Margin (YTD)	3.26%	3.19%
Full Time Equivalent - period end	169	169
Dividend Payout Ratio	25%	23%
Dividends Per Share (YTD)	\$ 0.16	\$ 0.14
Shares Outstanding - period end	6,205,479	6,251,898

Bank First National Corporation to Acquire Waupaca Bancorporation, Inc.

HIGHLIGHTS:

- Strengthens Bank First's franchise in Wisconsin
- Adds high quality core deposits
- Significant efficiency improvement opportunities anticipated
- Both institutions share a similar history and culture of community banking



On May 12, 2017, Bank First National Corporation announced the signing of a definitive merger agreement under which the Corporation will acquire Waupaca Bancorporation, Inc., the parent company of First National Bank. The cash and stock transaction has a total current value of approximately \$76.3 million.

This transaction represents a strategic and financially attractive combination for both companies' shareholders and will solidify Bank First's position as one of the top community banks in Wisconsin. Based on the financial results as of March 31, 2017, the combined company will have total assets of \$1.8 billion, loans of \$1.4 billion and deposits of \$1.5 billion.

Under the terms of the definitive agreement and upon consummation of the transaction, Waupaca shareholders will receive a combination of cash and stock for each share of Waupaca common stock, subject to proration based on achieving consideration mix of 70% cash and 30% stock.

The boards of directors of each company have unanimously approved the merger agreement. The transaction is expected to close on or around September 30, 2017, and is subject to customary conditions, including regulatory approvals and approval by Waupaca's shareholders. Upon consummation of the transaction, all Waupaca offices are expected to open as Bank First branches.

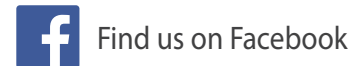


BFNC Stock Repurchase Program

Bank First has a stock repurchase program under which the Corporation may repurchase shares of outstanding BFNC stock. Please contact Mike Molepske at (920) 652-3202 or Bridget Bonde at (920) 652-3222 for further information.

Quarterly Common Stock Cash Dividend

The Board has declared a quarterly cash dividend of \$0.16 per common share, equaling the prior quarter and representing an increase of 14.3% from the dividend declared one year earlier. The dividend is payable on July 6, 2017, to shareholders of record as of June 29, 2017.



BANK FIRST LOCATIONS:

402 N. Eighth St., Manitowoc (920) 684-6611
 2915 Custer St., Manitowoc (920) 683-5710
 1703 Lake St., Two Rivers (920) 793-2274
 167 Lincoln St., Valders (920) 775-4740

110 Baugniet St., Mishicot (920) 755-4200
 110 Fremont St., Kiel (920) 894-2215
 2747 Manitowoc Rd., Bellevue (920) 469-0500
 2323 Eastern Ave., Plymouth (920) 893-1611

2865 S. Ridge Rd., Ashwaubenon (920) 499-0500
 2600 Kohler Memorial Dr., Sheboygan (920) 694-1900
 101 City Center, Oshkosh (920) 237-5126
 4201 W. Wisconsin Ave., Appleton (920) 733-1927