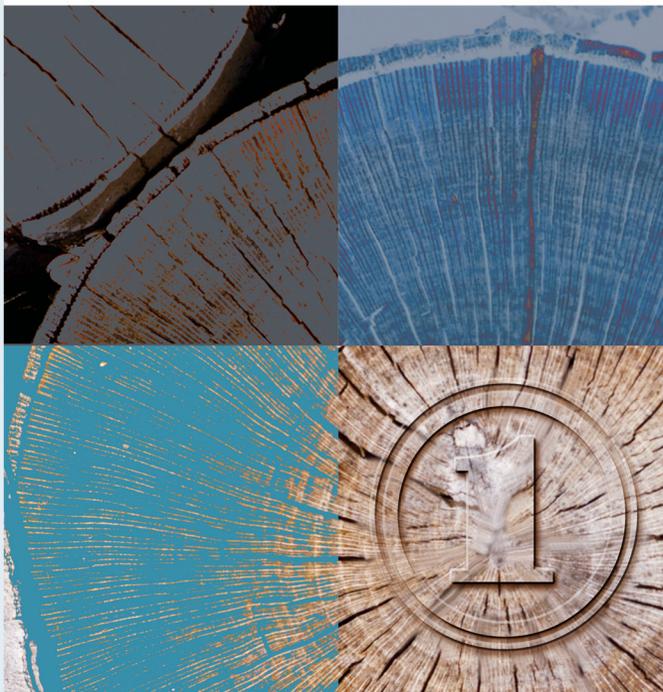


2018 FINANCIAL OVERVIEW

1st Quarter MARCH 31



Dear Shareholder,

If you were unable to attend First National's Shareholder's Meeting, be sure to visit FNBAAlaska.com to look at our *2017 Annual Highlights - Growing Against the Grain*.

First quarter 2018 results are strong. The new federal corporate tax rates have a positive effect on net income through lower tax expense. Core earnings of the bank continue to increase as loan growth enhances our earning asset mix and contributes to net interest margin improvement. Loan portfolio quality is high, and loan delinquency remains at low levels.

Starting with this report, each quarter we will share operational and/or technology news, and innovative solutions we're eager to report as they happen. This time our spotlight lands on the bank's ongoing development of convenient new services and the May 1 launch of the bank's newly redesigned website.

Improved Navigation and Site Organization - Our new site has a simple, intuitive design, making it easier to find services, access online banking, and contact the bank.

Focus on Relationships - Our employees and the relationships they form with customers are an essential part of who we are; and are now an essential part of our website. Profiles of our employees are featured throughout the site, as well as customer success stories, showing how our expertise and local knowledge can help customers prosper.

Customer Education Emphasis - A highlight on customer education resources provides quicker access to key topics such as secure online and mobile banking tools, and fraud prevention alerts.

Mobile and Tablet Optimization - We made sure visitors could access the website from any mobile device. This means you can readily find any information you need, anytime from anywhere.

We encourage you to visit the site and see for yourself. Spend a little time taking a tour of the new FNBAAlaska.com. We think you'll be pleased at what our team's done to bring the latest technology services to you.

Michele Schuh

Michele Schuh
Executive Vice President
& Chief Financial Officer

Cheri Gillian

Cheri Gillian
Executive Vice President
Chief Administrative Officer & Secretary to the Board

DIRECTORS

Betsy Lawer
Chair and CEO

Lucy Mahan
Vice Chair

Doug Longacre
President

Tom Barrett
Perry Eaton

Margy K. Johnson
Jane Klopfer

Loren H. Lounsbury
Julie Taylor

Tom Tougas

Cheri Gillian

Executive Vice President/ Board Secretary

BRANCHES

Cordova Branch	Cordova
Dimond Branch	Anchorage
Eagle River Branch	Eagle River
Eastchester Branch	Anchorage
Glennallen Branch	Glennallen
Golden Valley Branch	Fairbanks
Haines Branch	Haines
Healy Branch	Healy
Homer Branch	Homer
Johansen Branch	Fairbanks
Juneau Regional Branch	Juneau
Kenai Branch	Kenai
Kodiak Branch	Kodiak
Kuskokwim Branch	Bethel
Main Branch	Anchorage
Muldoon Branch	Anchorage
North Star Branch	JBER
Northern Lights Branch	Anchorage
Palmer Branch	Palmer
Parkway Branch	Anchorage
Seward Branch	Seward
Sitka Branch	Sitka
Soldotna Branch	Soldotna
South Center Branch	Anchorage
U-Med Branch	Anchorage
Valdez Branch	Valdez
Valley Centre Branch	Juneau
Wasilla Branch	Wasilla

Financial Overview (Unaudited)

Quarter Ended (dollars in thousands)

BALANCE SHEET

	3/31/2018	12/31/2017	9/30/2017	6/30/2017	3/31/2017
Total Assets	\$3,618,766	\$3,653,142	\$3,732,854	\$3,623,517	\$3,551,884
Total Securities	\$1,538,478	\$1,590,444	\$1,701,043	\$1,636,549	\$1,639,406
Total Loans	\$1,863,238	\$1,815,184	\$1,784,955	\$1,753,101	\$1,703,963
Total Deposits	\$2,407,902	\$2,437,817	\$2,542,523	\$2,471,896	\$2,451,610
Repurchase Agreements	\$695,456	\$687,064	\$665,082	\$627,743	\$589,141
Total Deposits and Repurchase Agreements	\$3,103,358	\$3,124,881	\$3,207,605	\$3,099,639	\$3,040,751
Total Shareholders' Equity	\$488,746	\$496,877	\$511,663	\$506,192	\$498,978

INCOME STATEMENT

	3/31/2018	12/31/2017	9/30/2017	6/30/2017	3/31/2017
Net Interest and Loan Fee Income	\$31,814	\$32,514	\$31,620	\$31,227	\$30,003
Provision for Loan Losses	\$36	\$863	\$25	\$291	\$1,407
Total Noninterest Income	\$5,652	\$4,715	\$6,297	\$6,363	\$5,998
Total Noninterest Expense	\$20,327	\$23,431	\$20,092	\$20,840	\$20,237
Provision for Income Taxes	\$3,936	\$8,754	\$6,100	\$5,530	\$4,740
Net Income	\$13,167	\$4,181	\$11,700	\$10,929	\$9,617
Earnings per common share	\$41.53	\$13.19	\$36.90	\$34.46	\$30.32
Dividend per common share	\$25.00	\$40.00	\$20.00	\$20.00	\$20.00

FINANCIAL MEASURES

	3/31/2018	12/31/2017	9/30/2017	6/30/2017	3/31/2017
Return on Assets	1.46%	1.00%	1.19%	1.15%	1.08%
Return on Equity	10.69%	7.27%	8.56%	8.23%	7.76%
Net Interest Margin	3.67%	3.64%	3.63%	3.63%	3.57%
Efficiency Ratio	53.06%	55.05%	53.62%	54.63%	54.88%

CAPITAL

	3/31/2018	12/31/2017	9/30/2017	6/30/2017	3/31/2017
Shareholders' Equity/Total Assets	13.51%	13.60%	13.71%	13.97%	14.05%
Tier 1 Leverage Ratio	14.11%	13.48%	13.89%	14.18%	14.12%
Regulatory Well Capitalized Minimum Ratio-Tier 1 Leverage Ratio	5.00%	5.00%	5.00%	5.00%	5.00%
Tier 1 (Core) Capital	\$510,282	\$505,043	\$512,099	\$506,785	\$502,252

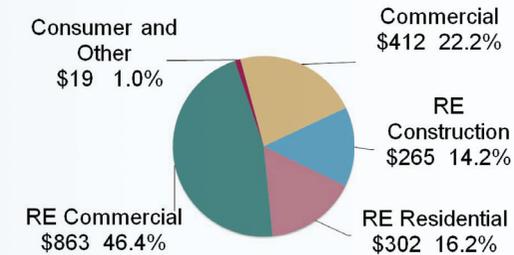
CREDIT QUALITY

	3/31/2018	12/31/2017	9/30/2017	6/30/2017	3/31/2017
Noncurrent Loans and OREO	\$19,391	\$18,764	\$21,192	\$21,406	\$22,181
Noncurrent Loans and OREO/Total Assets	0.54%	0.51%	0.57%	0.59%	0.62%
Noncurrent Loans and OREO/Tier 1 Capital	3.80%	3.72%	4.14%	4.22%	4.42%
Allowance for Loan Losses	\$17,925	\$17,825	\$17,575	\$18,300	\$18,000
Allowance for Loan Losses/Total Loans	0.96%	0.98%	0.98%	1.04%	1.06%

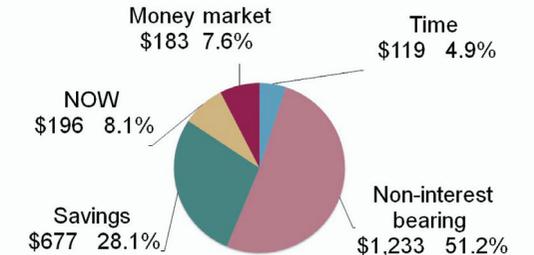
Net interest margin and efficiency ratios are tax effected.
Per common share amounts are not in thousands.

We Believe in Alaska

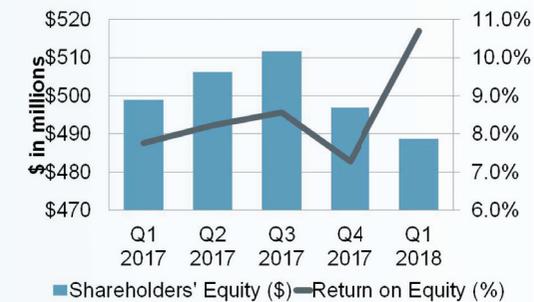
Loan Mix (\$ in millions)



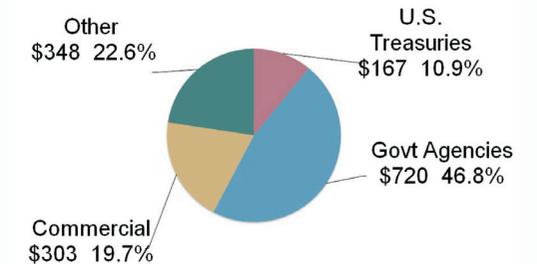
Deposit Mix (\$ in millions)



Shareholders' Equity and Return on Equity



Investment Portfolio Mix (\$ in millions)



Net Income and Return on Assets



Dividend Per Share and Payout

