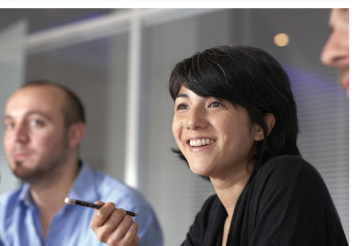
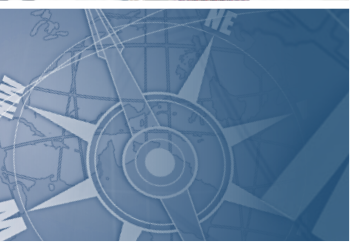




Lakeside Bank

Investing in the Community



Dear Shareholders, Customers, & Friends:

Lakeside Bank opened its first location in 1966 near the Lakeside Press building as one of the first commercial banks serving the South Loop. After two forced relocations, we have remained true to our roots by opening a state-of-the-art branch at 1350 South Michigan Avenue. The investment in this branch not only evidences our commitment, loyalty, and service to the South Loop, but its size, at 14,000 square feet, plus four drive-thru banking lanes and over thirty free parking spots, makes it a unique resource to the community.



The Bank's commitment was facilitated by another year of solid earnings and growth which further strengthened its balance sheet. Our net earnings of \$24.363 million represent nearly a 2% return on average assets and a 15.4% return on equity—outstanding performance by any measure. We finished the year with \$1.207 billion in total assets, including \$1.001 billion in total loans. Our stockholders' equity grew from \$152.3 to \$158.06 million and our capital ratios are substantially above the regulatory defined “well capitalized” levels with risk-based capital at 16.8% and leverage capital at 13.6%. We have constructed a solid financial foundation and positioned ourselves for future growth.

***“Many banks say ‘We Are Chicago’
but no institution is more connected to or
provides better service to the communities
of Chicago than Lakeside Bank.”***

As important as these numbers are, the Bank values its employees as its greatest asset and is pleased to announce a number of key promotions. Stan Bochnowski, who has been an integral part of Lakeside Bank for over thirty years as a senior commercial lending officer and Executive Vice-President, was promoted to Chief Lending Officer. Tim Savoca was promoted from Vice President Credit Officer to Senior Vice-President

& Chief Credit Officer, JoAnn Wong from Vice-President to Senior Vice-President Loan Operations, Grace Marcordes to Vice-President from Assistant Vice-President Branch Manager, Nick Wycklendt to Vice-President from Assistant Vice-President of Commercial Lending, John Rogers from Branch Manager to Assistant Vice-President of Business Development, and Jennifer Lee to Commercial Loan Officer from Relationship Manager Commercial Lending. We congratulate all of these individuals and thank them for their contributions.

Many banks say “We Are Chicago” but no institution is more connected to or provides better service to the communities of Chicago than Lakeside Bank. We are a locally owned community bank with \$1.2 billion in assets. Our Directors, Shareholders and Employees are all passionate about how the Bank serves its customers and the communities of this great city. We reinvest all of our deposits into the Chicago communities that we serve to stabilize and nourish them. Our lending expertise extends from the futures and securities industry to builders, developers, and a wide variety of businesses. We understand middle-market banking, crafting solutions to help small and mid-sized businesses prosper. We are recognized for more than just lending money and accepting deposits because of the customized service we offer. Our officers and employees are truly dedicated to their work and the customers they serve by providing them and the communities in which they live and work with extraordinary service. We are relationship-driven, and personalized service will always remain the focus of our business model.

On behalf of the Board of Directors, our Executive Committee, and our entire Lakeside Bank team, we thank you for your continued support of our vision. We are committed to providing you with the best possible banking relationship and invite you to begin that relationship with Lakeside Bank to begin investing in your future.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip D. Cacciatore". The signature is fluid and cursive, with a large initial "P" and a long, sweeping underline.

Philip D. Cacciatore

Chairman of the Board and Chief Executive Officer



Lakeside Bank

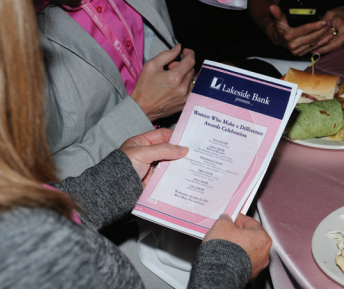
Celebrates Community

Concerts in the Park

Lakeside Bank continued its summer tradition and presented VanderCook College of Music's Graduate Band at two special outdoor concerts: the 3rd Annual Chinatown Square concert on July 1st and the 8th Annual Chicago Women's Park and Gardens concert behind the Clarke House Museum on July 15th.

A combined total of nearly 700 people attended the two family-friendly events. Kids enjoyed face painters and balloon artists, prizes, and sang and danced to the music, including a special "Frozen" tribute. Parents brought their picnics and socialized with neighbors. The concerts were done in partnership with the Chicago Chinatown Chamber of Commerce, the Chicago Park District, the Greater South Loop Association, the Near South Planning Board, and the Prairie District Neighborhood Alliance.





Women Who Make A Difference

In Honor of *Make a Difference Day*, the largest national day of helping others, Lakeside Bank hosted its 7th Annual “Women Who Make a Difference” Awards Reception on Wednesday, October 22nd.

The awards reception was held at River Roast Private Events and emceed by ABC7 Chicago news anchor Linda Yu. Nearly 175 guests attended and honored one Lakeside Bank customer, Connie Murphy, the Chief Marketing, Public Relations, & Development Officer of Mercy Hospital & Medical Center as well as the Executive Director of The Mercy Foundation, Inc.



Connie has been with Mercy for 23 years holding various positions in management and executive-level leadership. Connie oversees, directs and executes the marketing and public relations business of the hospital and serves as the Executive Director of The Mercy Foundation, Inc., the philanthropic arm of Mercy Hospital. Connie’s community outreach and involvement — both professionally and personally— is vast and she currently serves as Chair of the Near South Planning Board, a member of the Chinese American Service League’s Board of Directors, a member of the Forum for Healthcare Strategists, and a member of the American College of Healthcare Executives.

Since its inception, Mercy Hospital’s Comprehensive Women’s Health & Cancer Center has been a partner of Lakeside Bank’s “Women Who Make a Difference” event (as October is also National Breast Cancer Awareness Month). Stephanie Neely, City of Chicago Treasurer, was the keynote speaker.

Make a Difference Day, founded by *USA Weekend Magazine*, is celebrated with a day of volunteering on the fourth Saturday of every October. This year, a group of Lakeside Bank employees, family and friends volunteered on October 25th at Concordia Place, 3300 N. Whipple, cleaning classrooms of its early learning and preschool facility.

FINANCIAL HIGHLIGHTS

2014

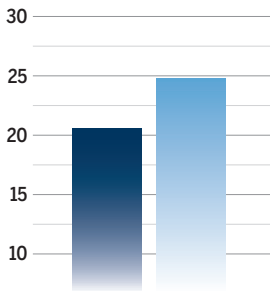
2013

| | | |
|----------------------|---------------|---------------|
| Net Operating Income | \$ 24,363,000 | \$ 21,678,000 |
|----------------------|---------------|---------------|

Balances at year end:

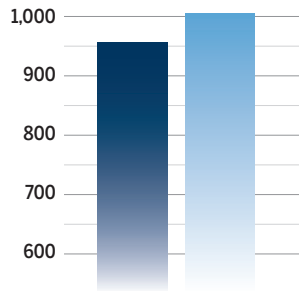
| | | |
|----------------------|---------------|---------------|
| Assets | 1,207,265,000 | 1,123,396,000 |
| Loans, Net | 1,001,896,000 | 955,764,000 |
| Deposits | 1,001,091,000 | 942,258,000 |
| Stockholders' Equity | 158,059,000 | 151,990,000 |

NET OPERATING INCOME
(in millions)



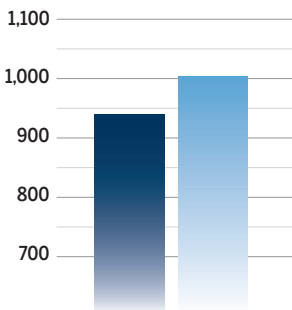
2013 2014

TOTAL LOANS
(in millions)



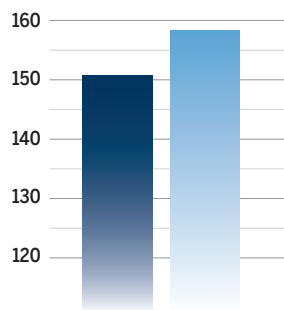
2013 2014

CUSTOMER DEPOSITS
(in millions)



2013 2014

TOTAL STOCKHOLDER'S EQUITY
(in millions)



2013 2014

STATEMENT OF EARNINGS

(unaudited in thousands)

| | 2014 | 2013 |
|---|------------------|------------------|
| <i>Interest Income on:</i> | | |
| Loans | \$ 51,751 | \$51,176 |
| Securities | 964 | 1,167 |
| Other investments | 307 | 345 |
| Total Interest Income | 53,022 | 52,688 |
| <i>Interest Expense on:</i> | | |
| Deposits | 5,097 | 5,789 |
| Other borrowings | 194 | 139 |
| Total Interest Expense | 5,291 | 5,928 |
| Net Interest Income | 47,731 | 46,760 |
| <i>Provision for possible loan losses</i> | <i>6,900</i> | <i>8,550</i> |
| Net Interest Income | | |
| <i>After provision for possible loan losses</i> | <i>40,831</i> | <i>38,210</i> |
| Other Operating Income | 2,169 | 4,868 |
| Other Operating Expenses | 18,326 | 21,170 |
| Net Operating Income | 24,363 | 21,678 |
| Extraordinary Gain Sale of Asset | | 9,011 |
| Income before Income Taxes | 24,674 | 21,908 |
| Income Taxes | 311 | 230 |
| Net Operating Income | \$ 24,363 | \$ 21,678 |

STATEMENT OF CONDITION

(unaudited in thousands)

| | 2014 | 2013 |
|---|---------------------|---------------------|
| ASSETS | | |
| Cash and due from banks | \$ 119,890 | \$ 67,728 |
| Federal funds sold & repurchase agreements | - | - |
| Investment securities | 53,205 | 64,251 |
| Loans, net of unearned discount | 1,028,477 | 983,390 |
| Less allowance for possible loan losses | 26,581 | 27,626 |
| Net Loans | 1,001,896 | 955,764 |
| Other assets | 32,274 | 35,653 |
| Total Assets | \$ 1,207,265 | \$ 1,123,396 |
| LIABILITIES & STOCKHOLDERS' EQUITY | | |
| Deposits | | |
| Non interest-bearing | \$ 286,622 | \$ 249,247 |
| Interest-bearing | 714,469 | 693,011 |
| Total deposits | 1,001,091 | 942,258 |
| Other borrowings | 32,518 | 14,314 |
| Other liabilities | 15,597 | 14,834 |
| Total Liabilities | 1,049,206 | 971,406 |
| Stockholders' equity | 158,059 | 151,990 |
| Total Liabilities & Stockholders' Equity | \$ 1,207,265 | \$ 1,123,396 |

BOARD OF DIRECTORS



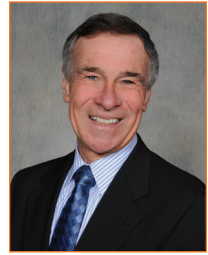
Philip D. Cacciatore
Chairman of the Board
& Chief Executive
Officer—Lakeside Bank,
President—
Lakeside Bancorp, Inc.



David V. Pinkerton
Vice Chairman &
President—
Lakeside Bank



Donald D. Anderson
Former President—
Lakeside Bank



Stan J. Bochnowski
Executive Vice President
& Chief Lending
Officer—Lakeside Bank



Peter C. Cacciatore
President—Jos. Cacciatore
& Co., President—
Hunter Parking, Inc.



Raymond M. Chin
President—R.M. Chin &
Associates



John P. Davey
Attorney



Terry M. Gabinski
President—
T.G. Enterprises



Anthony Iaderosa
President, eSutures.com



Daniel P. Leahy
Executive Vice
President—NAI Hiffman



**George C.
Pappageorge**
FAIA, Founding
Partner & Principal—
Pappageorge Haymes
Partners

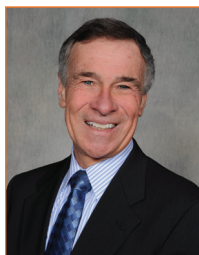
EXECUTIVE COMMITTEE



Philip D. Cacciatore
Chairman of the Board &
Chief Executive Officer,
President –
Lakeside Bancorp, Inc.



David V. Pinkerton
Vice Chairman &
President



Stan J. Bochnowski
Executive Vice President
& Chief Lending
Officer



Todd G. Monte
Executive Vice President
& Chief Financial Officer



Vincent J. Tolve
Executive Vice President,
General Counsel, Trust
Officer & Secretary



BANK OFFICERS

Ana M. Benítez
Senior Vice President,
Operations, BSA &
Security Officer

Jeffery W. Miller
Senior Vice President &
Chief Information Officer

Tim Savoca
Senior Vice President &
Chief Credit Officer

Jo Ann Wong
Senior Vice President,
Loan Operations

Eva M. Ayala
Vice President &
Branch Manager

Michael L. Dollard
Vice President & Controller

Lisa M. Formanski
Vice President,
Branch Manager &
Compliance Officer

Raymond Groselak, Jr.
Vice President,
Commercial Lending

Connie M. Harris
Vice President &
Branch Manager

Olin Hill
Vice President,
Loan Portfolio
Administration

Matthew Howe
Vice President,
Special Assets

Ken Kosin
Vice President,
Commercial Lending

Juanita Lazzerini
Vice President,
Residential Lending

Nicholas Lesniak
Vice President,
Commercial Lending

Grace Marcordes
Vice President &
Branch Manager

Jennifer D. McCracken
Vice President, Marketing

Susan T. Schliep
Vice President,
Human Resources

Desiree D. White
Vice President, Operations

Jeffrey Wisniewski
Vice President,
Commercial Lending

Nick Wycklendt
Vice President,
Commercial Lending

Dalia Balciunas
Assistant Vice President,
Loan Documentation

Michael Fogarty
Assistant Vice President,
Commercial Lending

Susanna L. Fong
Assistant Vice President &
Branch Operations Manager

Carmen N. Madsen
Assistant Vice President &
Assistant Branch Manager

Justin P. Newhuis
Assistant Vice President,
Commercial Lending

John H. Rogers III
Assistant Vice President,
Business Development

Fanny Urquiza
Assistant Vice President,
Assistant Branch Manager

Robert Virzi
Assistant Vice President,
Risk Management

Fanny Yuen
Assistant Vice President &
Personal Banking Officer

Odis Cole
Personal Banking Officer

Jennifer (Tian) Lee
Commercial Loan Officer

Michael J. McCauley
Operations Officer

Christine Nielsen
Commercial Loan Officer

Ancieto Ron
Information Systems Officer
& Network Administration

Florence Wong
Personal Banking Officer

Honoring Our Dedicated Employees

We regard every employee at Lakeside Bank as a valuable asset. So it's with great pleasure that we draw attention to those employees who are celebrating milestone anniversaries with our company. Thank you to our dedicated leaders and staff for their continued service.

30 Years of Service

| | |
|---------------------|-------------------|
| Connie M. Harris | February 21, 1984 |
| Michael J. McCauley | July 9, 1984 |

25 Years of Service

| | |
|--------------------|-------------------|
| Yolanda Berktoold | March 23, 1989 |
| David V. Pinkerton | September 5, 1989 |
| Xiao Yan | January 26, 1989 |

20 Years of Service

| | |
|--------------|------------------|
| Melanda Kywe | January 18, 1994 |
|--------------|------------------|

15 Years of Service

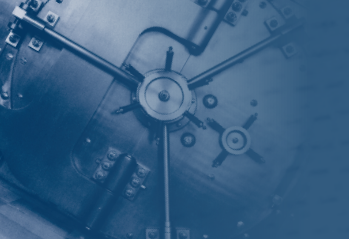
| | |
|----------------------|--------------------|
| Judy Bridges | March 17, 1999 |
| Philip D. Cacciatore | September 29, 1999 |
| Lisa Ibarra | October 15, 1999 |
| John Rogers III | August 30, 1999 |
| Fanny Urquiza | June 14, 1999 |
| Ruby Wong | August 23, 1999 |

10 Years of Service

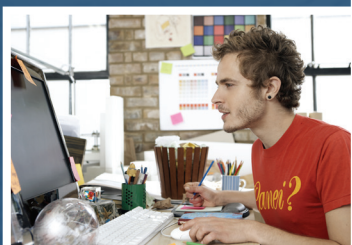
| | |
|--------------|-------------------|
| Suzanne Baez | February 9, 2004 |
| Henry Ma | December 10, 2004 |
| Ramona Kywe | December 21, 2004 |

5 Years of Service

| | |
|------------------|------------------|
| Maria Remiasz | November 4, 2009 |
| Sandra Ruvalcaba | May 29, 2009 |
| Karen Zhang | January 23, 2009 |



Lakeside Bank is
a Proud Supporter of
the Chicago Blackhawks,
2015 Stanley Cup Champions



Contact Us!
312.435.5100



**MEMBER
FDIC**

Board of Trade
141 W. Jackson Blvd
Chicago, IL 60604

North Loop
55 W. Wacker Dr
Chicago, IL 60601

South Loop
1350 S. Michigan Ave.
Chicago, IL 60605

Chinatown/Pilsen
2200 S. Archer Ave
Chicago, IL 60616

UIC/Near West
1055 W. Roosevelt Rd
Chicago, IL 60608

Lakeview/Lincoln Park
2800 N. Ashland Ave
Chicago, IL 60657

www.LakesideBank.com