Thank you for being a valued member of VyStar Credit Union. Last year marked 65 years of proudly serving you—our valued members! And thanks to you, VyStar Credit Union continued its strong financial performance and steady growth in loans, membership and deposits.

Our net income for 2017 was $60.8 million, which was 21.1% greater than 2016. Credit Unions are considered well capitalized with a net worth of 7%. Therefore, our net worth ratio of 8.78% is considered very strong by the National Credit Union Administration (NCUA).

One of VyStar's objectives is to always be a recognized and reliable borrowing source. During 2017, we disbursed almost $1.8 billion in loans to our members and business members, helping them buy autos and homes, purchase business properties and refinance existing higher-rate mortgages, business properties and other loans. In 2017, net loans to members—including mortgage, automobile, credit card and business loans—reached $5.0 billion. Total mortgage loans were $2.4 billion—an increase of 8.86% since 2016—making VyStar the second largest mortgage lender by volume in Northeast Florida according to the Jacksonville Business Journal.

Member growth remained strong in 2017. By the end of the year, VyStar was serving 591,209 members with assets of almost $7.3 billion and managed investments of $664.4 million through VyStar Investment Services.

VyStar successfully continued its expansion into Volusia County by opening a new branch in Daytona Beach and expanding the number of stand-alone ATMs in the county to 12. Additionally, VyStar opened new branches in Yulee, Neptune Beach and St. Augustine, bringing our total number of branches to 45 by the end of 2017. VyStar's ATM network grew as well, reaching a total of 216 ATMs located in 14 counties from Northeast to Central Florida in 2017. All VyStar ATMs were also equipped with ActivEdge™ card reading technology to help prevent skimming, the most common type of ATM fraud.

Our sustained growth has ranked VyStar 18th largest among the 5,800+ credit unions in the nation, based on total assets. Our successful High School Credit Union Branch Program also continued to progress with branch openings at Duval County's Mandarin High School and Duncan U. Fletcher High School.
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Our successful High School Credit Union Branch Program also continued to progress with branch openings at Duval County’s Mandarin High School and Duncan U. Fletcher High School. VyStar
now has a total of 13 high school branches across Clay, Duval, Flagler, Nassau, Putnam and St. Johns counties. We will add one high school branch in Nassau County during 2018 at Yulee High School. Our goal with our high school branch program is to help students gain financial awareness and education and to provide internship opportunities to help students prepare for the workforce. For the 2017-2018 school year, our high school branch program provided internships to 158 students. Since 2012, we have provided Reality Fairs and Financial Counseling Training to more than 30,000 high school students.

VyStar has always been a strong support of the communities we serve throughout the 22 counties within our field of membership. Each year, VyStar employees donate money, hold fundraisers and selflessly give their time to benefit hundreds of worthy programs within our communities.

In 2017, VyStar raised more than $600,000 in support of the United Way of Northeast Florida, the March of Dimes and the Leukemia & Lymphoma Society. VyStar was honored to receive the Impact Award for our support of Light the Night in the fight against blood cancer. Since 2011, VyStar has raised more than $500,000 for the Leukemia & Lymphoma Society. In 2017, VyStar sponsored more than 150 local and community events within the Northeast to Central Florida counties and more than 250 different sponsorships were funded and employee supported for more than $500,000 in community support. These sponsorships range from local initiatives such as Clara White Mission, ARC, Empty Bowls (Lutheran Family Services), various Chambers and Rotary Clubs to much larger sponsored programs like the FSCJ Artist Series, Clay County Habitat for Humanity, YMCA, USO and the Jacksonville Air Show. We believe it is important to support the communities in which our members and employees live, work and play.

VyStar’s Internet & Mobile Banking system continued to grow and improve in 2017 with the addition of features such as Touch ID for iPhone® and Make a VyStar Payment, which allows members to make a payment to VyStar loans and credit cards through the VyStar Mobile Banking App or Internet Banking. By the end of 2017, Internet & Mobile Banking user enrollment dramatically grew to 403,316 members. Of those, 308,605 members are enrolled in Mobile Banking.

Thank you for helping to make your credit union the success it is for all our members and the communities we serve. We never forget that it’s your money.

George R. Berry
Chairman of the Board

Brian E. Wolfburg
President/CEO
Selected financial information for the years ended December 31, 2017 and 2016:

### ASSETS

- **Cash and Cash Equivalents**: $890,227 (2017) / $724,139 (2016)
- **Loans to Members, Net**: $5,033,484 (2017) / $4,424,086 (2016)
- **Members’ Deposits**: $5,404,640 (2017) / $4,986,011 (2016)

### MEMBERS’ DEPOSITS AND GROSS LOANS

- **Members’ Deposits**: $5,404,640 (2017) / $4,986,011 (2016)
- **Gross Loans**: $5,033,484 (2017) / $4,424,086 (2016)

### NET WORTH

- **Net Worth**: $60,809 (2017) / $50,206 (2016)
- **Loans**: $5,033,484 (2017) / $4,424,086 (2016)
- **Deposits**: $5,404,640 (2017) / $4,986,011 (2016)

### NON-INTEREST INCOME AND EXPENSES

- **Non-Interest Income**: $100,859 (2017) / $92,174 (2016)
- **Total Non-Interest Income**: $154,126 (2017) / $139,623 (2016)
- **Total Non-Interest Expenses**: $250,024 (2017) / $251,686 (2016)

### CONSOLIDATED STATEMENTS OF OPERATIONS

- **Gains (Losses) from Disposal of Assets**: $16 (2017) / $(473) (2016)

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