

# EXCHANGE BANK

## Condensed Consolidated Statements (Unaudited)

September 30, 2015

### CONDENSED STATEMENT OF CONDITION

	2015	2014
	in thousands	
<b>ASSETS</b>		
Cash and due from banks	\$ 115,191	\$ 69,132
Interest-bearing deposits in other financial institutions	71,000	48,500
Investment Securities available for sale	488,401	440,561
Total investment securities	<u>488,401</u>	<u>440,561</u>
Loans		
Real estate	830,868	767,335
Consumer	102,771	94,250
Commercial	<u>314,362</u>	<u>309,615</u>
	1,248,001	1,171,200
Less allowance for loan losses	<u>37,676</u>	<u>37,573</u>
Net loans	1,210,325	1,133,627
Bank premises and equipment	16,133	16,085
Other assets	<u>69,701</u>	<u>78,192</u>
	<u>\$ 1,970,751</u>	<u>\$ 1,786,097</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Deposits		
Non Interest Bearing Demand	\$ 664,011	\$ 573,238
Interest Bearing		
Transaction	291,596	246,545
Money market	234,811	221,041
Savings	368,495	324,003
Time	<u>215,247</u>	<u>227,625</u>
Total Deposits	1,774,160	1,592,452
Other borrowings	8,000	24,000
Other liabilities	<u>14,776</u>	<u>10,366</u>
Total liabilities	<u>1,796,936</u>	<u>1,626,818</u>
Stockholders' equity	<u>173,815</u>	<u>159,279</u>
	<u>\$ 1,970,751</u>	<u>\$ 1,786,097</u>

# EXCHANGE BANK

Condensed Consolidated Statements  
(Unaudited)  
September 30, 2015

## STATEMENT OF INCOME

(in thousands)

	2015	2014	2015	2014
	Quarter ended Sept 30,		Nine months ended Sept 30,	
Interest Income				
Interest and fees on loans	\$ 14,630	14,941	\$ 44,219	42,687
Interest on investments securities	2,614	2,282	7,767	6,758
Interest on cash equivalents	-	-	-	-
Total interest income	17,244	17,223	51,986	49,445
Interest expense				
Interest on deposits	235	373	795	1,153
Other interest expense	95	209	657	618
Total interest expense	330	582	1,452	1,771
Net interest income	16,914	16,641	50,534	47,674
Provision (recapture) for losses on loans	(300)	-	(3,200)	-
Net interest income after provision for losses on loans	17,214	16,641	53,734	47,674
Non interest income	5,407	5,482	16,028	16,117
Non interest expense				
Salary and benefit costs	7,430	7,702	23,825	23,090
Other expenses	6,713	6,925	19,567	19,317
	14,143	14,627	43,392	42,407
Income before income taxes	8,478	7,496	26,370	21,384
Provision for income taxes	3,341	2,941	10,464	8,223
Net income	\$ 5,137	4,555	\$ 15,906	13,161
			In dollars	
Basic/diluted earnings per common share <sup>1</sup>	\$ 3.00	\$ 2.66	\$ 9.28	\$ 7.60
Simple earnings per share <sup>2</sup>	\$ 3.00	\$ 2.66	\$ 9.28	\$ 7.68

<sup>1</sup> Earnings per share is computed by dividing net income, less preferred stock dividends, by the weighted averaged number of shares outstanding during the year.

<sup>2</sup> Simple earnings per share is computed by dividing net income by the weighted average of shares outstanding during the year.

Total average shares outstanding for both 2015 and 2014 was 1,714,344

The consolidated financial statements include the accounts of the Bank and its wholly owned subsidiaries. Certain intercompany accounts and transactions have been eliminated.