

EXCHANGE BANK
and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

September 30, 2019 and 2018
(In Thousands)

ASSETS	2019	2018	Change 19/18	% Change 19/18
Cash and due from banks	\$ 45,973	\$ 41,573	\$ 4,400	10.58%
Federal Reserve Bank	100,158	95,026	5,132	5.40%
Total Cash and cash equivalents	146,131	136,599	9,532	6.98%
Investments				
Interest-earning deposits in other financial institutions	59,000	46,000	13,000	28.26%
Securities available for sale	719,069	838,139	(119,070)	-14.21%
FHLB Stock	13,483	11,303	2,180	19.29%
Loans and leases				
Real estate	1,095,141	1,042,860	52,281	5.01%
Consumer	127,676	121,412	6,264	5.16%
Commercial	356,186	332,890	23,296	7.00%
	1,579,003	1,497,162	81,841	5.47%
Less allowance for loan and lease losses	(39,573)	(39,373)	(200)	0.51%
Net loans and leases	1,539,430	1,457,789	81,641	5.60%
Bank premises and equipment	17,971	18,154	(183)	-1.01%
Other assets	108,452	104,530	3,922	3.75%
Total Assets	\$ 2,603,536	\$ 2,612,514	\$ (8,978)	-0.34%
LIABILITIES AND STOCKHOLDERS' EQUITY				
Deposits				
Non-Interest Bearing Demand	\$ 829,410	\$ 856,310	\$ (26,900)	-3.14%
Interest Bearing				
Transaction	481,744	478,409	3,335	0.70%
Money market	293,537	315,377	(21,840)	-6.93%
Savings	511,009	523,894	(12,885)	-2.46%
Time	179,621	183,451	(3,830)	-2.09%
Total Deposits	2,295,321	2,357,441	(62,120)	-2.64%
Other borrowings	-	-	-	
Other liabilities	46,155	34,543	11,612	33.62%
Total liabilities	2,341,476	2,391,984	(50,508)	-2.11%
Stockholders' equity	262,060	220,530	41,530	18.83%
Total Liabilities and Stockholder's Equity	\$ 2,603,536	\$ 2,612,514	\$ (8,978)	-0.34%

EXCHANGE BANK
and Subsidiaries
Consolidated Statements of Operations
(Unaudited)

For the Period Ended September 30, 2019 and 2018

(In Thousands, except per share amounts)

	Quarter Ended		Nine Months Ended		Nine Months Ended	
	2019	2018	2019	2018	Change 19/18	% Change 19/18
Interest Income						
Interest and fees on loans	\$ 20,324	\$ 19,010	\$ 59,056	\$ 55,506	\$ 3,550	6.40%
Interest on investments securities	5,832	5,444	17,471	15,396	2,075	13.48%
Total interest income	26,156	24,454	76,527	70,902	5,625	7.93%
Interest expense						
Interest on deposits	1,229	714	3,496	1,658	1,838	110.86%
Other interest expense	-	-	-	-	-	-
Total interest expense	1,229	714	3,496	1,658	1,838	110.86%
Net interest income	24,927	23,740	73,031	69,244	3,787	5.47%
Provision (reversal of) for losses on loans	-	-	-	-	-	0.00%
Net interest income after provision for loan and leases	24,927	23,740	73,031	69,244	3,787	5.47%
Non-interest income	6,196	5,615	18,093	20,106	(2,013)	-10.01%
Non interest expense						
Salary and benefit costs	9,965	8,774	29,179	26,661	2,518	9.44%
Other expenses	8,081	7,358	23,765	21,682	2,083	9.61%
Total non-interest expense	18,046	16,132	52,944	48,343	4,601	9.52%
Income before income taxes	13,077	13,223	38,180	41,007	(2,827)	-6.89%
Provision for income taxes	3,724	3,692	10,750	11,502	(752)	-6.54%
Net income	\$ 9,353	\$ 9,531	\$ 27,430	\$ 29,505	\$ (2,075)	-7.03%
Basic earnings per common share	\$ 5.46	\$ 5.56	\$ 16.00	\$ 17.21	\$ (1.21)	-7.03%
Dividends per share	\$ 1.10	\$ 0.95	\$ 3.25	\$ 2.85	\$ 0.40	14.04%

Earnings per share is computed by dividing net income,
by the weighted averaged number of shares outstanding during the year.

Total average shares outstanding for both 2019 and 2018 was 1,714,344