

**EXCHANGE BANK**  
and Subsidiaries  
**Consolidated Balance Sheets**  
(Unaudited)

**September 30, 2023 and 2022**  
(In Thousands)

<b>ASSETS</b>	2023	2022	Change 23/22	% Change 23/22
Cash and due from banks	\$ 35,189	\$ 37,681	\$ (2,492)	-6.61%
Federal Reserve Bank	73,745	93,103	(19,358)	-20.79%
<b>Total Cash and cash equivalents</b>	<b>108,934</b>	<b>130,784</b>	<b>(21,850)</b>	<b>-16.71%</b>
Investments				
Interest-earning deposits in other financial institutions	1,000	2,000	(1,000)	-50.00%
Securities available for sale	1,457,684	1,596,054	(138,370)	-8.67%
FHLB Stock	15,000	15,000	-	0.00%
Loans and leases				
Real estate	1,229,458	1,120,668	108,790	9.71%
Consumer	141,802	143,332	(1,530)	-1.07%
Commercial	219,849	239,759	(19,910)	-8.30%
	1,591,109	1,503,759	87,350	5.81%
Less allowance for loan and lease losses	(41,326)	(43,912)	2,586	-5.89%
<b>Net loans and leases</b>	<b>1,549,783</b>	<b>1,459,847</b>	<b>89,936</b>	<b>6.16%</b>
Bank premises and equipment	17,928	17,664	264	1.49%
Other assets	212,903	208,049	4,854	2.33%
<b>Total Assets</b>	<b>\$ 3,363,232</b>	<b>\$ 3,429,398</b>	<b>\$ (66,166)</b>	<b>-1.93%</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
Deposits				
Non-Interest Bearing Demand	\$ 1,022,106	\$ 1,244,439	\$ (222,333)	-17.87%
Interest Bearing				
Transaction	480,664	630,756	(150,092)	-23.80%
Money market	506,755	425,212	81,543	19.18%
Savings	572,474	734,617	(162,143)	-22.07%
Time	335,697	164,364	171,333	104.24%
<b>Total Deposits</b>	<b>2,917,696</b>	<b>3,199,388</b>	<b>(281,692)</b>	<b>-8.80%</b>
Borrowings	175,000	-	175,000	100.00%
Other liabilities	67,065	40,439	26,626	65.84%
<b>Total liabilities</b>	<b>3,159,761</b>	<b>3,239,827</b>	<b>(80,066)</b>	<b>-2.47%</b>
<b>Stockholders' equity</b>	<b>203,471</b>	<b>189,571</b>	<b>13,900</b>	<b>7.33%</b>
<b>Total Liabilities and Stockholder's Equity</b>	<b>\$ 3,363,232</b>	<b>\$ 3,429,398</b>	<b>\$ (66,166)</b>	<b>-1.93%</b>

**EXCHANGE BANK**  
and Subsidiaries  
**Consolidated Statements of Operations**  
(Unaudited)

**For the Period Ended September 30, 2023 and 2022**

(In Thousands, except per share amounts)

	Quarter Ended		Nine Months Ended		Nine Months Ended	
	2023	2022	2023	2022	Change 23/22	% Change 23/22
Interest Income						
Interest and fees on loans	\$ 20,911	\$ 18,055	\$ 60,574	\$ 52,862	\$ 7,712	14.59%
Interest on investments securities	<u>8,293</u>	<u>8,360</u>	<u>24,656</u>	<u>21,284</u>	<u>3,372</u>	<u>15.84%</u>
<b>Total interest income</b>	<u>29,204</u>	<u>26,415</u>	<u>85,230</u>	<u>74,146</u>	<u>11,084</u>	<u>14.95%</u>
Interest expense						
Interest on deposits	5,174	424	10,069	1,232	8,837	717.29%
Other interest expense	<u>2,491</u>	<u>-</u>	<u>6,050</u>	<u>-</u>	<u>6,050</u>	<u>0.00%</u>
<b>Total interest expense</b>	<u>7,665</u>	<u>424</u>	<u>16,119</u>	<u>1,232</u>	<u>14,887</u>	<u>1208.36%</u>
<b>Net interest income</b>	<u>21,539</u>	<u>25,991</u>	<u>69,111</u>	<u>72,914</u>	<u>(3,803)</u>	<u>-5.22%</u>
Provision (reversal of) for losses on loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
<b>Net interest income after provision for loan and leases</b>	<u>21,539</u>	<u>25,991</u>	<u>69,111</u>	<u>72,914</u>	<u>(3,803)</u>	<u>-5.22%</u>
<b>Non-interest income</b>	5,877	6,500	17,690	18,676	(986)	-5.28%
Non interest expense						
Salary and benefit costs	10,240	10,057	30,670	29,214	1,456	4.98%
Other expenses	<u>8,306</u>	<u>8,520</u>	<u>25,180</u>	<u>23,934</u>	<u>1,246</u>	<u>5.21%</u>
<b>Total non-interest expense</b>	<u>18,546</u>	<u>18,577</u>	<u>55,850</u>	<u>53,148</u>	<u>2,702</u>	<u>5.08%</u>
<b>Income before income taxes</b>	8,870	13,914	30,951	38,442	(7,491)	-19.49%
Provision for income taxes	<u>2,527</u>	<u>3,847</u>	<u>8,477</u>	<u>10,598</u>	<u>(2,121)</u>	<u>-20.01%</u>
Extraordinary Item	<u>-</u>	<u>-</u>	9,052	<u>-</u>	9,052	0.00%
<b>Net income</b>	<u>\$ 6,343</u>	<u>\$ 10,067</u>	<u>\$ 13,422</u>	<u>\$ 27,844</u>	<u>\$ (14,422)</u>	<u>-51.80%</u>
Basic earnings per common share	\$ 3.72	\$ 5.87	\$ 7.83	\$ 16.24	\$ (8.41)	-51.80%
Dividends per share	<u>\$ 1.30</u>	<u>\$ 1.25</u>	<u>\$ 3.90</u>	<u>\$ 3.65</u>	<u>\$ 0.25</u>	<u>6.85%</u>

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 2023 and 2022 was 1,714,344