

EXCHANGE BANK
and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

December 31, 2023 and 2022
(In Thousands)

ASSETS	2023	2022	Change 23/22	% Change 23/22
Cash and due from banks	\$ 35,645	\$ 35,529	\$ 116	0.33%
Federal Reserve Bank	53,965	12,844	41,121	320.16%
Total Cash and cash equivalents	89,610	48,373	41,237	85.25%
Investments				
Interest-earning deposits in other financial institutions	-	1,000	(1,000)	-100.00%
Securities available for sale	1,497,445	1,575,648	(78,203)	-4.96%
FHLB Stock	15,000	15,000	-	0.00%
Loans and leases				
Real estate	1,251,339	1,142,203	109,136	9.55%
Consumer	146,310	148,874	(2,564)	-1.72%
Commercial	197,028	218,831	(21,803)	-9.96%
	1,594,677	1,509,908	84,769	5.61%
Less allowance for loan and lease losses	(41,268)	(43,540)	2,272	-5.22%
Net loans and leases	1,553,409	1,466,368	87,041	5.94%
Bank premises and equipment	17,472	17,217	255	1.48%
Other assets	193,524	210,791	(17,267)	-8.19%
Total Assets	\$ 3,366,460	\$ 3,334,397	\$ 32,063	0.96%
LIABILITIES AND STOCKHOLDERS' EQUITY				
Deposits				
Non-Interest Bearing Demand	\$ 977,426	\$ 1,189,742	\$ (212,316)	-17.85%
Interest Bearing				
Transaction	473,448	622,765	(149,317)	-23.98%
Money market	485,322	392,223	93,099	23.74%
Savings	531,291	706,092	(174,801)	-24.76%
Time	371,140	155,459	215,681	138.74%
Total Deposits	2,838,627	3,066,281	(227,654)	-7.42%
Borrowings	225,000	20,000	205,000	1025.00%
Other liabilities	47,425	46,093	1,332	2.89%
Total liabilities	3,111,052	3,132,374	(21,322)	-0.68%
Stockholders' equity	255,408	202,023	53,385	26.43%
Total Liabilities and Stockholder's Equity	\$ 3,366,460	\$ 3,334,397	\$ 32,063	0.96%

EXCHANGE BANK
and Subsidiaries
Consolidated Statements of Operations
(Unaudited)

For the Period Ended December 31, 2023 and 2022

(In Thousands, except per share amounts)

	Quarter Ended		Twelve Months Ended		Twelve Months Ended	
	2023	2022	2023	2022	Change 23/22	% Change 23/22
Interest Income						
Interest and fees on loans	\$ 21,345	\$ 18,575	\$ 81,919	\$ 71,437	\$ 10,482	14.67%
Interest on investments securities	8,973	8,489	33,629	29,773	3,856	12.95%
Total interest income	<u>30,318</u>	<u>27,064</u>	<u>115,548</u>	<u>101,210</u>	<u>14,338</u>	<u>14.17%</u>
Interest expense						
Interest on deposits	6,647	803	16,716	2,035	14,681	721.43%
Other interest expense	2,292	40	8,342	40	8,302	20755.00%
Total interest expense	<u>8,939</u>	<u>843</u>	<u>25,058</u>	<u>2,075</u>	<u>22,983</u>	<u>1107.61%</u>
Net interest income	<u>21,379</u>	<u>26,221</u>	<u>90,490</u>	<u>99,135</u>	<u>(8,645)</u>	<u>-8.72%</u>
Provision (reversal of) for losses on loans	-	-	-	-	-	-100.00%
Net interest income after provision for loan and leases	<u>21,379</u>	<u>26,221</u>	<u>90,490</u>	<u>99,135</u>	<u>(8,645)</u>	<u>-8.72%</u>
Non-interest income	5,970	5,691	23,660	24,368	(708)	-2.91%
Non interest expense						
Salary and benefit costs	10,440	11,065	41,110	40,279	831	2.06%
Pension Plan retirement		-	8,398	-	8,398	100.00%
Other expenses	8,421	9,202	36,930	33,137	3,793	11.45%
Total non-interest expense	<u>18,861</u>	<u>20,267</u>	<u>86,438</u>	<u>73,416</u>	<u>13,022</u>	<u>17.74%</u>
Income before income taxes	8,488	11,645	27,712	50,086	(22,375)	-44.67%
Provision for income taxes	1,717	2,008	7,519	12,606	(5,087)	-40.35%
Net income	<u>\$ 6,771</u>	<u>\$ 9,637</u>	<u>\$ 20,193</u>	<u>\$ 37,480</u>	<u>\$ (17,288)</u>	<u>-46.13%</u>
Basic earnings per common share	\$ 3.95	\$ 5.62	\$ 11.78	\$ 21.86	\$ (10.08)	-46.13%
Dividends per share	\$ 1.30	\$ 1.25	\$ 5.20	\$ 4.90	\$ 0.30	6.12%

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