



**Summary Financial Statements and
Selected Financial Highlights**
Q2 2020
(unaudited)



W.T.B. Financial Corporation
Condensed Consolidated Statements of Financial Condition
(unaudited)

	June 30, 2020	March 31, 2020	June 30, 2019
ASSETS			
Cash and due from banks	\$ 111,455,331	\$ 116,756,121	\$ 115,834,959
Fed funds sold and resale agreements	-	-	100,000
Interest-bearing deposits with banks	778,374,895	381,066,931	207,117,564
Securities available for sale, at fair value	1,524,082,050	1,543,163,273	1,211,836,979
Securities held to maturity, at amortized cost	603,767,596	620,883,435	540,440,597
Federal Home Loan Bank and Pacific Coast Bankers' Bancshares stock, at cost	8,642,400	8,642,400	7,911,600
Loans receivable	5,726,372,330	4,608,602,493	4,394,500,010
Allowance for loan losses	(111,715,530)	(103,945,726)	(94,348,856)
Loans net of allowance for loan losses	5,614,656,800	4,504,656,767	4,300,151,154
Premises and equipment, net	88,951,403	88,853,670	79,519,299
Accrued interest receivable	26,495,069	20,714,213	23,756,764
Other assets	69,629,129	68,552,280	75,245,498
Total assets	<u>\$ 8,826,054,673</u>	<u>\$ 7,353,289,090</u>	<u>\$ 6,561,914,414</u>
LIABILITIES			
Deposits:			
Noninterest-bearing	\$ 3,535,137,790	\$ 2,695,442,754	\$ 2,348,097,509
Interest-bearing	3,993,988,829	3,418,250,242	3,172,732,740
Total deposits	7,529,126,619	6,113,692,996	5,520,830,249
Securities sold under agreements to repurchase	430,509,054	405,941,647	312,853,976
Accrued interest payable	884,528	848,067	1,928,865
Other liabilities	86,542,782	78,790,757	66,771,056
Total liabilities	8,047,062,983	6,599,273,467	5,902,384,146
SHAREHOLDERS' EQUITY			
Common stock	22,768,942	23,073,040	31,207,193
Surplus	32,665,000	32,665,000	32,665,000
Undivided profits	678,092,911	663,666,536	614,946,149
	733,526,853	719,404,576	678,818,342
Less treasury stock, at cost	-	-	(604,789)
	733,526,853	719,404,576	678,213,553
Accumulated other comprehensive income (loss)	45,464,837	34,611,047	(18,683,285)
Total shareholders' equity	778,991,690	754,015,623	659,530,268
Total liabilities and shareholders' equity	<u>\$ 8,826,054,673</u>	<u>\$ 7,353,289,090</u>	<u>\$ 6,561,914,414</u>

W.T.B. Financial Corporation
Condensed Consolidated Statements of Income
(unaudited)

	Three Months Ended		
	June 30, 2020	March 31, 2020	June 30, 2019
INTEREST REVENUE			
Loans, including fees	\$ 58,239,391	\$ 54,875,179	\$ 55,667,285
Deposits with banks	176,161	1,789,283	1,559,670
Securities	11,798,667	11,738,621	9,760,037
Other interest and dividend income	70,764	84,444	71,951
Total interest revenue	<u>70,284,983</u>	<u>68,487,527</u>	<u>67,058,943</u>
INTEREST EXPENSE			
Deposits	3,536,154	4,179,937	4,208,480
Funds purchased and other borrowings	389,509	610,831	571,854
Total interest expense	<u>3,925,663</u>	<u>4,790,768</u>	<u>4,780,334</u>
Net interest revenue	66,359,320	63,696,759	62,278,609
Provision for loan losses	7,500,000	7,000,000	400,000
Net interest revenue after provision for loan losses	<u>58,859,320</u>	<u>56,696,759</u>	<u>61,878,609</u>
NONINTEREST REVENUE			
Fiduciary income	4,629,012	4,689,806	4,562,568
Investment services fees	688,629	840,664	856,299
Bank and credit card fees, net	2,938,719	2,739,688	2,775,591
Mortgage banking revenue, net	1,983,653	1,449,424	890,094
Other fees on loans	248,085	246,963	262,658
Service charges on deposits	1,302,497	1,708,085	1,672,263
Other income	4,354,765	3,799,548	(410,399)
Total noninterest revenue	<u>16,145,360</u>	<u>15,474,178</u>	<u>10,609,074</u>
NONINTEREST EXPENSE			
Salaries and benefits	30,895,900	31,127,161	29,204,810
Occupancy, furniture and equipment expense	5,546,067	5,114,942	4,985,196
Other expense	14,012,262	12,219,920	13,548,445
Total noninterest expense	<u>50,454,229</u>	<u>48,462,023</u>	<u>47,738,451</u>
Income before provision for income taxes	24,550,452	23,708,914	24,749,232
Provision for income taxes	5,435,245	5,185,896	5,446,289
NET INCOME	<u>\$ 19,115,207</u>	<u>\$ 18,523,018</u>	<u>\$ 19,302,943</u>
PER SHARE DATA			
Weighted average number of common stock shares outstanding			
Basic	2,534,765	2,539,620	2,558,064
Diluted	2,535,529	2,544,890	2,561,438
Earnings per common share (based on weighted average shares outstanding)			
Basic	\$ 7.54	\$ 7.29	\$ 7.55
Diluted	\$ 7.54	\$ 7.28	\$ 7.54

W.T.B. Financial Corporation
Condensed Consolidated Statements of Income
(unaudited)

	Six Months Ended	
	June 30, 2020	June 30, 2019
INTEREST REVENUE		
Loans, including fees	\$ 113,114,570	\$ 108,481,520
Deposits with banks	1,965,444	5,539,071
Securities	23,537,288	18,685,395
Other interest and dividend income	155,208	151,592
Total interest revenue	138,772,510	132,857,578
INTEREST EXPENSE		
Deposits	7,716,090	8,310,946
Funds purchased and other borrowings	1,000,341	842,443
Total interest expense	8,716,431	9,153,389
Net interest revenue	130,056,079	123,704,189
Provision for loan losses	14,500,000	1,200,000
Net interest revenue after provision for loan losses	115,556,079	122,504,189
NONINTEREST REVENUE		
Fiduciary income	9,318,818	8,768,122
Investment services fees	1,529,293	1,605,344
Bank and credit card fees	5,678,407	5,549,933
Mortgage banking revenue, net	3,433,077	1,650,563
Other fees on loans	495,048	548,507
Service charges on deposits	3,010,581	3,458,899
Other income	8,154,314	333,701
Total noninterest revenue	31,619,538	21,915,069
NONINTEREST EXPENSE		
Salaries and benefits	62,023,061	57,428,457
Occupancy, furniture and equipment expense	10,661,009	9,810,247
Other expense	26,232,181	26,608,650
Total noninterest expense	98,916,251	93,847,354
Income before provision for income taxes	48,259,366	50,571,904
Provision for income taxes	10,621,141	11,097,628
NET INCOME	\$ 37,638,225	\$ 39,474,276
 PER SHARE DATA		
Weighted average number of common stock shares outstanding		
Basic	2,534,765	2,558,064
Diluted	2,535,529	2,561,438
Earnings per common share (based on weighted average shares outstanding)		
Basic	\$ 14.85	\$ 15.43
Diluted	\$ 14.84	\$ 15.41

W.T.B. Financial Corporation
Selected Financial Highlights
(unaudited)

(dollars in thousands)

	Quarters Ended				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
SELECTED DATA					
Interest-bearing deposits with banks	\$ 778,375	\$ 381,067	\$ 523,953	\$ 83,279	\$ 207,118
Securities	2,127,850	2,164,047	1,895,823	1,946,040	1,752,278
Total loans	5,726,372	4,608,602	4,542,597	4,539,107	4,394,500
Allowance for loan losses	111,716	103,946	96,415	96,856	94,349
Earning assets ¹	8,555,368	7,090,226	6,958,855	6,554,930	6,351,760
Total assets	8,826,055	7,353,289	7,164,664	6,811,084	6,561,914
Deposits	7,529,127	6,113,693	6,226,866	5,595,329	5,520,830
Interest-bearing liabilities	4,424,498	3,824,192	3,572,797	3,558,091	3,485,587
Total shareholders' equity	778,992	754,016	695,904	686,543	659,530
Total equity to total assets	8.83%	10.25%	9.71%	10.08%	10.05%
Full-time equivalent employees	1,048	1,023	1,017	1,013	1,004
ASSET QUALITY RATIOS					
Allowance for loan losses to total loans	1.95%	2.26%	2.12%	2.13%	2.15%
Allowance for loan losses to noncurrent loans	720%	737%	671%	918%	502%
Net charge-offs (recoveries) to total average loans	0.00%	-0.01%	0.04%	-0.04%	-0.02%
Noncurrent loans and ORE to assets	0.18%	0.19%	0.20%	0.15%	0.29%
Noncurrent loans, ORE and TDRs to assets	0.19%	0.21%	0.22%	0.17%	0.30%

(1) Includes only the amortized cost for securities. Includes non-accrual loans.

(dollars in thousands, except per share data)

	Quarters Ended			% Change	
	June 30, 2020	March 31, 2020	June 30, 2019	Sequential Quarter	Year over Year
PERFORMANCE ¹					
Net interest revenue, fully tax-equivalent	\$ 66,434	\$ 63,799	\$ 62,397	4.1%	6.5%
Fully tax-equivalent adjustment	75	102	118	-26.5%	-36.4%
Net interest revenue	66,359	63,697	62,279	4.2%	6.6%
Provision for loan losses	7,500	7,000	400	7.1%	1775.0%
Net interest revenue after provision for loan losses	58,859	56,697	61,879	3.8%	-4.9%
Noninterest revenue	16,145	15,474	10,609	4.3%	52.2%
Noninterest expense	50,454	48,462	47,739	4.1%	5.7%
Income before provision for income taxes	24,550	23,709	24,749	3.5%	-0.8%
Provision for income taxes	5,435	5,186	5,446	4.8%	-0.2%
Net income	\$ 19,115	\$ 18,523	\$ 19,303	3.2%	-1.0%
PER COMMON SHARE					
Earnings per common share - basic	\$ 7.54	\$ 7.29	\$ 7.55	3.4%	-0.1%
Earnings per common share - diluted	7.54	7.28	7.54	3.6%	0.0%
Common cash dividends	1.85	1.85	1.75	0.0%	5.7%
Common shareholders' equity	305.72	295.56	256.68	3.4%	19.1%

	Quarters Ended			% Change	
	June 30, 2020	March 31, 2020	June 30, 2019	Sequential Quarter	Year over Year
PERFORMANCE RATIOS ¹					
Return on average assets	0.90%	1.03%	1.22%	-0.13%	-0.32%
Return on average shareholders' equity	10.06%	10.31%	12.11%	-0.25%	-2.05%
Margin on average earning assets ²	3.24%	3.67%	4.03%	-0.43%	-0.79%
Noninterest expense to average assets	2.38%	2.71%	3.01%	-0.33%	-0.63%
Noninterest revenue to average assets	0.76%	0.86%	0.67%	-0.10%	0.09%
Efficiency ratio	61.1%	61.1%	65.4%	0.0%	-4.3%
Common cash dividends to net income	24.53%	25.38%	23.19%	-0.85%	2.19%

(1) Prior period amounts have been reclassified to conform with the current period presentation of rental income.

(2) Tax exempt interest has been adjusted to a taxable equivalent basis using a tax rate of 21%.

NM = not meaningful

W.T.B. Financial Corporation
Selected Financial Highlights
(unaudited)

(dollars in thousands, except per share data)

	Six Months Ended		% Change
	June 30, 2020	June 30, 2019	Year over Year
PERFORMANCE ¹			
Net interest revenue, fully tax-equivalent	\$ 130,233	\$ 123,946	5.1%
Fully tax-equivalent adjustment	177	242	-26.9%
Net interest revenue	130,056	123,704	5.1%
Provision for loan losses	14,500	1,200	1108.3%
Net interest revenue after provision for loan losses	115,556	122,504	-5.7%
Noninterest revenue	31,619	21,915	44.3%
Noninterest expense	98,916	93,847	5.4%
Income before provision for income taxes	48,259	50,572	-4.6%
Provision for income taxes	10,621	11,098	-4.3%
Net income	\$ 37,638	\$ 39,474	-4.7%
PER COMMON SHARE			
Earnings per common share - basic	\$ 14.83	\$ 15.43	-3.9%
Earnings per common share - diluted	14.82	15.40	-3.8%
Common cash dividends	3.70	3.50	5.7%
Common shareholders' equity	305.72	256.68	19.1%
PERFORMANCE RATIOS ¹			
Return on average assets	0.96%	1.24%	-0.28%
Return on average shareholders' equity	10.18%	12.71%	-2.53%
Margin on average earning assets ²	3.44%	3.98%	-0.54%
Noninterest expense to average assets	2.53%	2.95%	-0.42%
Noninterest revenue to average assets	0.81%	0.69%	0.12%
Efficiency ratio	61.1%	64.3%	-3.2%
Common cash dividends to net income	24.95%	22.70%	2.25%

(1) Prior period amounts have been reclassified to conform with the current period presentation of rental income.

(2) Tax exempt interest has been adjusted to a taxable equivalent basis using a tax rate of 21%.