



W.T.B. Financial Corporation

**Summary Financial Statements and
Selected Financial Highlights**

Q1 2019

(unaudited)

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

	March 31,	December 31,	March 31,
	2019	2018	2018
ASSETS			
Cash and due from banks	\$ 90,732,820	\$ 106,555,393	\$ 83,359,435
Interest-bearing deposits with banks	467,225,647	751,180,001	872,673,862
Securities available for sale, at fair value	1,123,829,993	1,031,058,762	884,814,074
Securities held to maturity, at amortized cost	543,065,327	558,191,770	456,300,951
Federal Home Loan Bank and Pacific Coast Bankers' Bancshares stock, at cost	7,911,600	7,540,600	7,540,600
Loans receivable	4,100,672,229	4,047,398,419	3,939,241,882
Allowance for loan losses	(92,975,393)	(90,748,593)	(87,551,289)
Loans net of allowance for loan losses	4,007,696,836	3,956,649,826	3,851,690,593
Premises and equipment, net	55,620,373	55,522,989	52,362,374
Other real estate	-	-	310,500
Accrued interest receivable	20,997,962	20,929,201	17,655,410
Other assets	76,438,339	64,721,736	54,584,511
Total assets	\$ 6,393,518,897	\$ 6,552,350,278	\$ 6,281,292,310
LIABILITIES			
Deposits:			
Noninterest-bearing	\$ 2,309,745,996	\$ 2,413,512,717	\$ 2,441,263,418
Interest-bearing	3,143,077,484	3,225,410,150	3,038,862,372
Total deposits	5,452,823,480	5,638,922,867	5,480,125,790
Securities sold under agreements to repurchase	244,902,546	259,857,022	222,552,453
Accrued interest payable	2,227,949	2,084,277	756,324
Other liabilities	66,319,669	48,821,466	39,800,613
Total liabilities	5,766,273,644	5,949,685,632	5,743,235,180
SHAREHOLDERS' EQUITY			
Common stock	31,435,951	32,424,650	30,432,744
Surplus	32,665,000	32,665,000	32,665,000
Undivided profits	600,119,242	584,433,474	529,038,443
	664,220,193	649,523,124	592,136,187
Accumulated other comprehensive loss	(36,974,940)	(46,858,478)	(54,079,057)
Total shareholders' equity	627,245,253	602,664,646	538,057,130
Total liabilities and shareholders' equity	\$ 6,393,518,897	\$ 6,552,350,278	\$ 6,281,292,310

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

	Three Months Ended		
	March 31, 2019	December 31, 2018	March 31, 2018
INTEREST REVENUE			
Loans, including fees	\$ 52,814,234	\$ 53,610,725	\$ 46,777,857
Deposits with banks	3,979,401	4,942,573	2,918,009
Securities	8,925,358	8,532,456	6,841,316
Other interest and dividend income	79,642	63,877	149,257
Total interest revenue	<u>65,798,635</u>	<u>67,149,631</u>	<u>56,686,439</u>
INTEREST EXPENSE			
Deposits	4,102,466	3,832,194	1,825,108
Funds purchased and other borrowings	270,589	220,199	42,659
Total interest expense	<u>4,373,055</u>	<u>4,052,393</u>	<u>1,867,767</u>
Net interest revenue	<u>61,425,580</u>	<u>63,097,238</u>	<u>54,818,672</u>
Provision for loan losses	800,000	400,000	400,000
Net interest revenue after provision for loan losses	<u>60,625,580</u>	<u>62,697,238</u>	<u>54,418,672</u>
NONINTEREST REVENUE			
Fiduciary income	4,205,554	5,699,608	4,004,692
Investment services fees	749,045	903,218	1,110,215
Bank and credit card fees, net	2,774,343	3,219,313	2,780,871
Mortgage banking revenue, net	760,468	940,756	1,552,218
Other fees on loans	285,849	277,991	205,793
Service charges on deposits	1,786,636	1,676,011	1,838,292
Other income	243,476	1,247,387	986,761
Total noninterest revenue	<u>10,805,371</u>	<u>13,964,284</u>	<u>12,478,842</u>
NONINTEREST EXPENSE			
Salaries and benefits	28,223,646	26,607,215	26,924,765
Occupancy, furniture and equipment expense	4,324,427	4,424,673	4,040,573
Other expense	13,060,206	16,677,074	11,619,109
Total noninterest expense	<u>45,608,279</u>	<u>47,708,962</u>	<u>42,584,447</u>
Income before provision for income taxes	<u>25,822,672</u>	<u>28,952,560</u>	<u>24,313,067</u>
Provision for income taxes	5,651,339	4,880,460	5,467,916
NET INCOME	<u>\$ 20,171,333</u>	<u>\$ 24,072,100</u>	<u>\$ 18,845,151</u>
PER SHARE DATA			
Weighted average number of common stock shares outstanding			
Basic	2,558,669	2,555,674	2,550,103
Diluted	2,564,390	2,562,801	2,561,185
Earnings per common share (based on weighted average shares outstanding)			
Basic	\$ 7.88	\$ 9.42	\$ 7.39
Diluted	\$ 7.87	\$ 9.39	\$ 7.36

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

(dollars in thousands)

	Quarters Ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
SELECTED DATA					
Interest-bearing deposits with banks	\$ 467,226	\$ 751,180	\$ 650,873	\$ 647,779	\$ 872,674
Securities	1,666,895	1,589,251	1,540,463	1,363,042	1,341,115
Total loans	4,100,672	4,047,398	4,054,935	4,079,035	3,939,242
Allowance for loan losses	92,975	90,749	91,026	89,236	87,551
Earning assets ¹	6,255,713	6,420,888	6,293,542	6,132,681	6,192,265
Total assets	6,393,519	6,552,350	6,407,740	6,225,729	6,281,292
Deposits	5,452,823	5,638,923	5,548,990	5,380,063	5,480,126
Interest-bearing liabilities	3,387,980	3,485,267	3,415,953	3,300,293	3,261,415
Total shareholders' equity	627,245	602,665	567,247	553,125	538,057
Total equity to total assets	9.81%	9.20%	8.85%	8.88%	8.57%
Full-time equivalent employees	994	994	992	977	973

ASSET QUALITY RATIOS

Allowance for loan losses to total loans	2.27%	2.24%	2.24%	2.19%	2.22%
Allowance for loan losses to noncurrent loans	721%	755%	963%	902%	724%
Net charge-offs (recoveries) to total average loans	-0.04%	0.02%	-0.03%	-0.01%	-0.01%
Noncurrent loans and ORE to assets	0.20%	0.18%	0.15%	0.16%	0.20%
Noncurrent loans, ORE and TDRs to assets	0.21%	0.20%	0.16%	0.18%	0.22%

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

(dollars in thousands, except per share data)

	Quarters Ended			% Change	
	March 31, 2019	December 31, 2018	March 31, 2018	Sequential Quarter	Year over Year
PERFORMANCE					
Net interest revenue, fully tax-equivalent	\$ 61,550	\$ 63,230	\$ 54,942	-2.7%	12.0%
Fully tax-equivalent adjustment	124	133	123	-6.8%	0.8%
Net interest revenue	61,426	63,097	54,819	-2.6%	12.1%
Provision for loan losses	800	400	400	100.0%	100.0%
Net interest revenue after provision for loan losses	60,626	62,697	54,419	-3.3%	11.4%
Noninterest revenue	10,805	13,964	12,479	-22.6%	-13.4%
Noninterest expense	45,608	47,708	42,585	-4.4%	7.1%
Income before provision for income taxes	25,823	28,953	24,313	-10.8%	6.2%
Provision for income taxes	5,652	4,881	5,468	15.8%	3.4%
Net income	\$ 20,171	\$ 24,072	\$ 18,845	-16.2%	7.0%

PER COMMON SHARE

Earnings per common share - basic	\$ 7.88	\$ 9.42	\$ 7.39	-16.3%	6.6%
Earnings per common share - diluted	7.87	9.39	7.36	-16.2%	6.9%
Common cash dividends	1.75	1.15	1.15	52.2%	52.2%
Common shareholders' equity	243.78	234.45	208.75	4.0%	16.8%

	Quarters Ended			% Change	
	March 31, 2019	December 31, 2018	March 31, 2018	Sequential Quarter	Year over Year
PERFORMANCE RATIOS					
Return on average assets	1.27%	1.45%	1.23%	-0.18%	0.04%
Return on average shareholders' equity	13.35%	16.49%	14.30%	-3.14%	-0.95%
Margin on average earning assets ¹	3.94%	3.87%	3.65%	0.07%	0.29%
Noninterest expense to average assets	2.86%	2.87%	2.79%	-0.01%	0.07%
Noninterest revenue to average assets	0.68%	0.84%	0.82%	-0.16%	-0.14%
Efficiency ratio	63.0%	61.8%	63.2%	1.2%	-0.2%
Common cash dividends to net income	22.24%	12.21%	15.59%	10.03%	-3.38%

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

NM = not meaningful