

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
September 30, 2021

1. Net Income Summary.

(in thousands except per-share amounts)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD
1 Net Interest and Fee Income (FTE)	\$43,952	\$41,780	5.2%	\$44,499	-1.2%	\$131,034	\$124,390	5.3%
2 Provision for Credit Losses	-	-	n/m	-	n/m	-	4,300	n/m
3 Noninterest Income	11,282	10,476	7.7%	11,032	2.3%	32,503	31,678	2.6%
4 Noninterest Expense	24,697	24,603	0.4%	24,291	1.7%	73,894	74,021	-0.2%
5 Income Before Taxes (FTE)	30,537	27,653	10.4%	31,240	-2.3%	89,643	77,747	15.3%
6 Income Tax Provision (FTE)	8,474	7,602	11.5%	8,661	-2.2%	24,854	21,172	17.4%
7 Net Income	\$22,063	\$20,051	10.0%	\$22,579	-2.3%	\$64,789	\$56,575	14.5%
8 Average Common Shares Outstanding	26,866	26,930	-0.2%	26,865	0.0%	26,851	26,977	-0.5%
9 Diluted Average Common Shares Outstanding	26,875	26,946	-0.3%	26,887	0.0%	26,868	26,998	-0.5%
10 Operating Ratios:								
11 Basic Earnings Per Common Share	\$0.82	\$0.74	10.8%	\$0.84	-2.4%	\$2.41	\$2.10	14.8%
12 Diluted Earnings Per Common Share	0.82	0.74	10.8%	0.84	-2.4%	2.41	2.10	14.8%
13 Return On Assets (a)	1.22%	1.24%		1.29%		1.25%	1.25%	
14 Return On Common Equity (a)	11.6%	11.2%		12.2%		11.6%	10.7%	
15 Net Interest Margin (FTE) (a)	2.60%	2.78%		2.70%		2.67%	2.95%	
16 Efficiency Ratio (FTE)	44.7%	47.1%		43.7%		45.2%	47.4%	
17 Dividends Paid Per Common Share	\$0.41	\$0.41	0.0%	\$0.41	0.0%	\$1.23	\$1.23	0.0%
18 Common Dividend Payout Ratio	50%	55%		49%		51%	59%	

2. Net Interest Income.

(dollars in thousands)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD
1 Interest and Fee Income (FTE)	\$44,444	\$42,246	5.2%	\$44,983	-1.2%	\$132,485	\$125,733	5.4%
2 Interest Expense	492	466	5.6%	484	1.7%	1,451	1,343	8.0%
3 Net Interest and Fee Income (FTE)	\$43,952	\$41,780	5.2%	\$44,499	-1.2%	\$131,034	\$124,390	5.3%
4 Average Earning Assets	\$6,754,281	\$6,001,287	12.5%	\$6,603,343	2.3%	\$6,535,949	\$5,627,517	16.1%
5 Average Interest-Bearing Liabilities	3,370,840	2,931,717	15.0%	3,298,221	2.2%	3,267,311	2,785,451	17.3%
6 Yield on Earning Assets (FTE) (a)	2.63%	2.81%		2.73%		2.70%	2.98%	
7 Cost of Funds (a)	0.03%	0.03%		0.03%		0.03%	0.03%	
8 Net Interest Margin (FTE) (a)	2.60%	2.78%		2.70%		2.67%	2.95%	
9 Interest Expense/Interest-Bearing Liabilities (a)	0.06%	0.06%		0.06%		0.06%	0.06%	
10 Net Interest Spread (FTE) (a)	2.57%	2.75%		2.67%		2.64%	2.92%	

3. Loans & Other Earning Assets.

(average volume, dollars in thousands)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD
1 Total Assets	\$7,158,462	\$6,414,399	11.6%	\$7,004,695	2.2%	\$6,939,636	\$6,044,098	14.8%
2 Total Earning Assets	6,754,281	6,001,287	12.5%	6,603,343	2.3%	6,535,949	5,627,517	16.1%
3 Total Loans	1,176,114	1,312,758	-10.4%	1,257,087	-6.4%	1,227,971	1,223,250	0.4%
4 Total Commercial Loans	333,327	444,091	-24.9%	413,797	-19.4%	380,638	337,566	12.8%
5 Paycheck Protection Program (PPP) Loans	144,641	243,104	-40.5%	207,515	-30.3%	180,214	125,632	43.4%
6 Commercial Loans	188,686	200,987	-6.1%	206,282	-8.5%	200,424	211,934	-5.4%
7 Commercial Real Estate Loans	543,429	566,626	-4.1%	546,470	-0.6%	549,639	574,950	-4.4%
8 Consumer Loans	299,358	302,041	-0.9%	296,820	0.9%	297,694	310,734	-4.2%
9 Total Investment Securities	4,615,540	4,360,119	5.9%	4,394,169	5.0%	4,484,084	4,055,733	10.6%
10 Debt Securities Available For Sale	4,235,141	3,750,737	12.9%	3,953,016	7.1%	4,046,289	3,394,467	19.2%
11 Debt Securities Held To Maturity	380,399	609,382	-37.6%	441,153	-13.8%	437,795	661,266	-33.8%
12 Total Interest-Bearing Cash	962,627	328,410	193.1%	952,087	1.1%	823,894	348,534	136.4%
13 Loans / Deposits	18.9%	23.7%		20.7%		20.4%	23.6%	

4. Deposits, Other Interest-Bearing Liabilities & Equity.

(average volume, dollars in thousands)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD
1 Total Deposits	\$6,223,500	\$5,533,144	12.5%	\$6,074,730	2.4%	\$6,017,175	\$5,188,797	16.0%
2 Noninterest Demand	2,960,207	2,695,458	9.8%	2,888,259	2.5%	2,854,936	2,472,495	15.5%
3 Interest-Bearing Transaction	1,246,667	1,039,833	19.9%	1,208,584	3.2%	1,195,762	987,666	21.1%
4 Savings	1,864,401	1,634,814	14.0%	1,822,625	2.3%	1,811,711	1,563,387	15.9%
5 Time greater than \$100K	68,811	72,045	-4.5%	70,750	-2.7%	70,258	72,718	-3.4%
6 Time less than \$100K	83,414	90,994	-8.3%	84,512	-1.3%	84,508	92,531	-8.7%
7 Total Short-Term Borrowings	107,547	94,031	14.4%	111,750	-3.8%	105,001	68,917	52.4%
8 Other Borrowed Funds	-	-	n/m	-	n/m	71	232	-69.5%
9 Shareholders' Equity	755,682	714,400	5.8%	744,746	1.5%	745,382	708,559	5.2%
10 Demand Deposits / Total Deposits	47.6%	48.7%		47.5%		47.4%	47.7%	
11 Transaction & Savings Deposits / Total Deposits	97.6%	97.1%		97.4%		97.4%	96.8%	

5. Interest Yields Earned & Rates Paid.

(dollars in thousands)

	Q3'2021			Q2'2021	Q3'2020		
	Average Volume	Income/Expense	Yield (a)/Rate (a)	Yield (a)/Rate (a)	Average Volume	Income/Expense	Yield (a)/Rate (a)

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
September 30, 2021

1	Interest & Fee Income Earned:							
2	Total Earning Assets (FTE)	\$6,754,281	\$44,444	2.63%	2.73%	\$6,001,287	\$42,246	2.81%
3	Total Loans (FTE)	1,176,114	14,893	5.02%	4.84%	1,312,758	15,394	4.67%
4	Total Commercial Loans (FTE)	333,327	3,866	4.60%	4.62%	444,091	4,648	4.16%
5	PPP Loans	144,641	1,865	5.12%	5.25%	243,104	2,501	4.08%
6	Commercial Loans (FTE)	188,686	2,001	4.21%	3.98%	200,987	2,147	4.25%
7	Commercial Real Estate Loans	543,429	7,457	5.44%	5.13%	566,626	7,298	5.12%
8	Consumer Loans	299,358	3,570	4.73%	4.61%	302,041	3,448	4.54%
9	Total Investment Securities (FTE)	4,615,540	29,182	2.53%	2.69%	4,360,119	26,768	2.46%
10	Total Interest-Bearing Cash	962,627	369	0.15%	0.11%	328,410	84	0.10%
11	Interest Expense Paid:							
12	Total Earning Assets	6,754,281	492	0.03%	0.03%	6,001,287	466	0.03%
13	Total Interest-Bearing Liabilities	3,370,840	492	0.06%	0.06%	2,931,717	466	0.06%
14	Total Interest-Bearing Deposits	3,263,293	473	0.06%	0.06%	2,837,686	450	0.06%
15	Interest-Bearing Transaction	1,246,667	101	0.03%	0.03%	1,039,833	85	0.03%
16	Savings	1,864,401	272	0.06%	0.06%	1,634,814	238	0.06%
17	Time less than \$100K	83,414	42	0.20%	0.20%	90,994	47	0.21%
18	Time greater than \$100K	68,811	58	0.33%	0.39%	72,045	80	0.44%
19	Total Short-Term Borrowings	107,547	19	0.07%	0.07%	94,031	16	0.07%
20	Net Interest Income and Margin (FTE)		\$43,952	2.60%	2.70%		\$41,780	2.78%

6. Noninterest Income.

(dollars in thousands except per-share amounts)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD	
1	Service Charges on Deposit Accounts	\$3,578	\$3,298	8.5%	\$3,235	10.6%	\$10,117	\$10,697	-5.4%
2	Merchant Processing Services	3,159	2,860	10.5%	3,279	-3.7%	8,998	7,495	20.1%
3	Debit Card Fees	1,740	1,611	8.0%	1,791	-2.9%	5,132	4,538	13.1%
4	Trust Fees	839	756	11.0%	827	1.5%	2,467	2,247	9.8%
5	ATM Processing Fees	573	606	-5.4%	618	-7.3%	1,792	1,703	5.2%
6	Other Service Fees	475	454	4.5%	491	-3.3%	1,435	1,380	4.0%
7	Financial Services Commissions	95	58	63.8%	95	0.0%	260	306	-15.0%
8	Securities Gains	-	-	n/m	34	n/m	34	71	n/m
9	Other Noninterest Income	823	833	-1.2%	662	24.3%	2,268	3,241	-30.0%
10	Total Noninterest Income	\$11,282	\$10,476	7.7%	\$11,032	2.3%	\$32,503	\$31,678	2.6%
11	Operating Ratios:								
12	Total Revenue (FTE)	\$55,234	\$52,256	5.7%	\$55,531	-0.5%	\$163,537	\$156,068	4.8%
13	Noninterest Income / Revenue (FTE)	20.4%	20.0%		19.9%		19.9%	20.3%	
14	Service Charges / Avg. Deposits (a)	0.23%	0.24%		0.21%		0.22%	0.28%	
15	Total Revenue Per Avg. Common Share (a)	\$8.16	\$7.72	5.7%	\$8.29	-1.6%	\$8.14	\$7.73	5.4%

7. Noninterest Expense.

(dollars in thousands)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD	
1	Salaries & Benefits	\$11,813	\$12,540	-5.8%	\$12,097	-2.3%	\$36,575	\$38,458	-4.9%
2	Occupancy and Equipment	4,759	5,014	-5.1%	4,808	-1.0%	14,447	14,737	-2.0%
3	Outsourced Data Processing	2,429	2,338	3.9%	2,425	0.2%	7,244	7,067	2.5%
4	Professional Fees	724	669	8.2%	830	-12.8%	2,496	1,701	46.7%
5	Courier Service	534	500	6.8%	567	-5.8%	1,605	1,499	7.1%
6	Amortization of Identifiable Intangibles	67	72	-6.9%	68	-1.5%	204	218	-6.4%
7	Other Noninterest Expense	4,371	3,470	26.0%	3,496	25.0%	11,323	10,341	9.5%
8	Total Noninterest Expense	\$24,697	\$24,603	0.4%	\$24,291	1.7%	\$73,894	\$74,021	-0.2%
9	Operating Ratios:								
10	Noninterest Expense / Avg. Earning Assets (a)	1.45%	1.63%		1.48%		1.51%	1.76%	
11	Noninterest Expense / FTE Revenues	44.7%	47.1%		43.7%		45.2%	47.4%	

8. Allowance for Credit Losses.

(dollars in thousands)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD	
1	Average Total Loans	\$1,176,114	\$1,312,758	-10.4%	\$1,257,087	-6.4%	\$1,227,971	\$1,223,250	0.4%
2	Prior Period Allowance for Credit Losses on Loans (ACLL)	\$23,737	\$24,529	-3.2%	\$23,483	1.1%	\$23,854	\$19,484	22.4%
3	Adoption of ASU 2016-13(1)	-	-	n/m	-	n/m	-	2,017	n/m
4	Beginning of Period ACLL	23,737	24,529	-3.2%	23,483	1.1%	23,854	21,501	10.9%
5	Provision for Credit Losses	2	-	n/m	-	n/m	2	4,300	n/m
6	Net ACLL Recoveries (Losses)	143	(387)	-137.0%	254	-43.7%	26	(1,659)	-101.6%
7	End of Period ACLL	\$23,882	\$24,142	-1.1%	\$23,737	0.6%	\$23,882	\$24,142	-1.1%
8	Gross ACLL Recoveries / Gross ACLL Losses	115%	56%		176%		101%	49%	
9	Net ACLL (Recoveries) Losses / Avg. Total Loans (a)	-0.05%	0.12%		-0.08%		0.00%	0.18%	

(dollars in thousands)

	9/30/21	9/30/20	9/30/21 / 9/30/20	6/30/21	9/30/21 / 6/30/21	3/31/21	12/31/20	6/30/20	
10	Allowance for Credit Losses on Loans	\$23,882	\$24,142	-1.1%	\$23,737	0.6%	\$23,882	\$23,854	\$24,529
11	Allowance for Credit Losses on HTM Securities(2)	7	16	-56.9%	9	-22.3%	9	9	16
	Total Allowance for Credit Losses	\$23,889	\$24,158	-1.1%	\$23,746	0.6%	\$23,891	\$23,863	\$24,545
12	Allowance for Unfunded Credit Commitments	\$101	\$53	90.0%	\$101	0.0%	\$101	\$101	\$53

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
September 30, 2021

9. Credit Quality.

(dollars in thousands)

	9/30/21	9/30/20	9/30/21 / 9/30/20	6/30/21	9/30/21 / 6/30/21	3/31/21	12/31/20	6/30/20
1 Nonperforming Loans:								
2 Nonperforming Nonaccrual Loans	\$801	\$409	95.8%	\$652	22.9%	\$402	\$526	\$590
3 Performing Nonaccrual Loans	436	3,971	-89.0%	3,564	-87.8%	3,569	3,803	3,643
4 Total Nonaccrual Loans	1,237	4,380	-71.8%	4,216	-70.7%	3,971	4,329	4,233
5 Accruing Loans 90+ Days Past Due	537	360	49.2%	167	221.6%	132	450	290
6 Total	1,774	4,740	-62.6%	4,383	-59.5%	4,103	4,779	4,523
7 Repossessed Loan Collateral	-	43	-100.0%	-	n/m	-	-	43
8 Total Nonperforming Assets	\$1,774	\$4,783	-62.9%	\$4,383	-59.5%	\$4,103	\$4,779	\$4,566
9 Total Loans Outstanding	\$1,132,472	\$1,310,009	-13.6%	\$1,194,834	-5.2%	\$1,293,756	\$1,256,243	\$1,316,359
10 Total Assets	7,403,573	6,563,215	12.8%	7,147,779	3.6%	6,912,481	6,747,931	6,463,889
11 Loans:								
12 Allowance for Credit Losses on Loans	\$23,882	\$24,142	-1.1%	\$23,737	0.6%	\$23,483	\$23,854	\$24,529
13 Allowance for Credit Losses on Loans / Loans	2.11%	1.84%		1.99%		1.82%	1.90%	1.86%
14 Nonperforming Loans / Total Loans	0.16%	0.36%		0.37%		0.32%	0.38%	0.34%

10. Capital.

(in thousands, except per-share amounts)

	9/30/21	9/30/20	9/30/21 / 9/30/20	6/30/21	9/30/21 / 6/30/21	3/31/21	12/31/20	6/30/20
1 Shareholders' Equity	\$837,953	\$825,576	1.5%	\$842,196	-0.5%	\$812,132	\$844,809	\$808,076
2 Total Assets	7,403,573	6,563,215	12.8%	7,147,779	3.6%	6,912,481	6,747,931	6,463,889
3 Total Shareholders' Equity / Total Assets	11.32%	12.58%		11.78%		11.75%	12.52%	12.50%
4 Total Shareholders' Equity / Total Loans	73.99%	63.02%		70.49%		62.77%	67.25%	61.39%
5 Tangible Common Equity Ratio	9.83%	10.91%		10.24%		10.15%	10.90%	10.81%
6 Common Shares Outstanding	26,866	26,898	-0.1%	26,865	0.0%	26,864	26,807	26,933
7 Common Equity Per Share	\$31.19	\$30.69	1.6%	\$31.35	-0.5%	\$30.23	\$31.51	\$30.00
8 Market Value Per Common Share	56.26	54.35	3.5%	58.03	-3.1%	62.78	55.29	57.42

(shares in thousands)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD
9 Share Repurchase Programs:								
10 Total Shares Repurchased / Canceled	-	35	n/m	-	n/m	4	228	n/m
11 Average Repurchase Price	\$-	\$52.42	n/m	\$-	n/m	\$61.09	\$51.39	n/m
12 Net Shares (Issued) Repurchased	(1)	35	n/m	(1)	n/m	(59)	164	n/m

11. Period-End Balance Sheets.

(unaudited, dollars in thousands)

	9/30/21	9/30/20	9/30/21 / 9/30/20	6/30/21	9/30/21 / 6/30/21	3/31/21	12/31/20	6/30/20
1 Assets:								
2 Cash and Due from Banks	\$1,011,048	\$398,964	153.4%	\$939,929	7.6%	\$866,457	\$621,275	\$500,820
3 Debt Securities Available For Sale	4,602,706	3,983,994	15.5%	4,304,162	6.9%	3,990,570	4,063,185	3,708,370
4 Debt Securities Held To Maturity (3)	356,106	577,795	-38.4%	414,413	-14.1%	469,259	515,589	638,281
5 Loans	1,132,472	1,310,009	-13.6%	1,194,834	-5.2%	1,293,756	1,256,243	1,316,359
6 Allowance For Credit Losses on Loans	(23,882)	(24,142)	-1.1%	(23,737)	0.6%	(23,483)	(23,854)	(24,529)
7 Total Loans, net	1,108,590	1,285,867	-13.8%	1,171,097	-5.3%	1,270,273	1,232,389	1,291,830
8 Other Real Estate Owned	-	43	n/m	-	n/m	-	-	43
9 Premises and Equipment, net	31,603	33,437	-5.5%	32,080	-1.5%	32,216	32,813	34,061
10 Identifiable Intangibles, net	900	1,173	-23.3%	967	-6.9%	1,035	1,105	1,245
11 Goodwill	121,673	121,673	0.0%	121,673	0.0%	121,673	121,673	121,673
12 Other Assets	170,947	160,269	6.7%	163,458	4.6%	160,998	159,903	167,566
13 Total Assets	\$7,403,573	\$6,563,215	12.8%	\$7,147,779	3.6%	\$6,912,481	\$6,747,931	\$6,463,889
14 Liabilities and Shareholders' Equity:								
15 Deposits:								
16 Noninterest-Bearing	\$2,988,329	\$2,684,028	11.3%	\$2,872,920	4.0%	\$2,798,542	\$2,725,177	\$2,702,885
17 Interest-Bearing Transaction	1,257,460	1,040,712	20.8%	1,200,634	4.7%	1,179,484	1,102,601	997,593
18 Savings	1,894,290	1,653,000	14.6%	1,849,258	2.4%	1,791,636	1,703,812	1,605,169
19 Time	148,882	161,450	-7.8%	153,577	-3.1%	154,171	156,389	162,765
20 Total Deposits	6,288,961	5,539,190	13.5%	6,076,389	3.5%	5,923,833	5,687,979	5,468,412
21 Short-Term Borrowed Funds	119,102	107,973	10.3%	90,043	32.3%	95,479	102,545	86,170
22 Other Borrowed Funds	-	-	n/m	-	n/m	1,681	-	-
23 Other Liabilities	157,557	90,476	74.1%	139,151	13.2%	79,356	112,598	101,231
24 Total Liabilities	6,565,620	5,737,639	14.4%	6,305,583	4.1%	6,100,349	5,903,122	5,655,813
25 Shareholders' Equity:								
26 Common Equity:								
27 Paid-In Capital	470,711	467,236	0.7%	470,365	0.1%	469,885	466,041	467,386
28 Accumulated Other Comprehensive Income	71,284	103,623	n/m	86,921	n/m	68,901	114,412	93,732
29 Retained Earnings	295,958	254,717	16.2%	284,910	3.9%	273,346	264,356	246,958
30 Total Shareholders' Equity	837,953	825,576	1.5%	842,196	-0.5%	812,132	844,809	808,076
31 Total Liabilities and Shareholders' Equity	\$7,403,573	\$6,563,215	12.8%	\$7,147,779	3.6%	\$6,912,481	\$6,747,931	\$6,463,889

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
September 30, 2021

12. Income Statements.

(unaudited, in thousands, except per-share amounts)

	Q3'2021	Q3'2020	Q3'21 / Q3'20	Q2'2021	Q3'21 / Q2'21	9/30'21YTD	9/30'20YTD	9/30'21YTD / 9/30'20YTD
1 Interest and Fee Income:								
2 Loans	\$14,789	\$15,291	-3.3%	\$15,064	-1.8%	\$44,434	\$44,378	0.1%
3 Equity Securities	109	103	5.8%	110	-0.9%	329	309	6.5%
4 Debt Securities Available For Sale (4)	26,452	22,652	16.8%	26,481	-0.1%	77,822	66,396	17.2%
5 Debt Securities Held To Maturity	2,091	3,235	-35.4%	2,362	-11.5%	7,051	10,759	-34.5%
6 Interest-Bearing Cash	369	84	339.3%	259	42.5%	766	1,053	-27.3%
7 Total Interest and Fee Income	43,810	41,365	5.9%	44,276	-1.1%	130,402	122,895	6.1%
8 Interest Expense:								
9 Transaction Deposits	101	85	18.8%	93	8.6%	283	243	16.5%
10 Savings Deposits	272	238	14.3%	263	3.4%	785	679	15.6%
11 Time Deposits	100	127	-21.3%	110	-9.1%	330	386	-14.5%
12 Short-Term Borrowed Funds	19	16	18.7%	18	5.6%	53	34	55.9%
13 Other Borrowed Funds	-	-	n/m	-	n/m	-	1	-100.0%
14 Total Interest Expense	492	466	5.6%	484	1.7%	1,451	1,343	8.0%
15 Net Interest Income	43,318	40,899	5.9%	43,792	-1.1%	128,951	121,552	6.1%
16 Provision for Credit Losses	-	-	n/m	-	n/m	-	4,300	n/m
17 Noninterest Income:								
18 Service Charges on Deposit Accounts	3,578	3,298	8.5%	3,235	10.6%	10,117	10,697	-5.4%
19 Merchant Processing Services	3,159	2,860	10.5%	3,279	-3.7%	8,998	7,495	20.1%
20 Debit Card Fees	1,740	1,611	8.0%	1,791	-2.9%	5,132	4,538	13.1%
21 Trust Fees	839	756	11.0%	827	1.5%	2,467	2,247	9.8%
22 ATM Processing Fees	573	606	-5.4%	618	-7.3%	1,792	1,703	5.2%
23 Other Service Fees	475	454	4.5%	491	-3.3%	1,435	1,380	4.0%
24 Financial Services Commissions	95	58	63.8%	95	0.0%	260	306	-15.0%
25 Securities Gains	-	-	n/m	34	n/m	34	71	n/m
26 Other Noninterest Income	823	833	-1.2%	662	24.3%	2,268	3,241	-30.0%
27 Total Noninterest Income	11,282	10,476	7.7%	11,032	2.3%	32,503	31,678	2.6%
28 Noninterest Expense:								
29 Salaries and Related Benefits	11,813	12,540	-5.8%	12,097	-2.3%	36,575	38,458	-4.9%
30 Occupancy and Equipment	4,759	5,014	-5.1%	4,808	-1.0%	14,447	14,737	-2.0%
31 Outsourced Data Processing	2,429	2,338	3.9%	2,425	0.2%	7,244	7,067	2.5%
32 Professional Fees	724	669	8.2%	830	-12.8%	2,496	1,701	46.7%
33 Courier Service	534	500	6.8%	567	-5.8%	1,605	1,499	7.1%
34 Amortization of Identifiable Intangibles	67	72	-6.9%	68	-1.5%	204	218	-6.4%
35 Other Noninterest Expense	4,371	3,470	26.0%	3,496	25.0%	11,323	10,341	9.5%
36 Total Noninterest Expense	24,697	24,603	0.4%	24,291	1.7%	73,894	74,021	-0.2%
37 Income Before Income Taxes	29,903	26,772	11.7%	30,533	-2.1%	87,560	74,909	16.9%
38 Income Tax Provision	7,840	6,721	16.7%	7,954	-1.4%	22,771	18,334	24.2%
39 Net Income	\$22,063	\$20,051	10.0%	\$22,579	-2.3%	\$64,789	\$56,575	14.5%
40 Average Common Shares Outstanding	26,866	26,930	-0.2%	26,865	0.0%	26,851	26,977	-0.5%
41 Diluted Average Common Shares Outstanding	26,875	26,946	-0.3%	26,887	0.0%	26,868	26,998	-0.5%
42 Per Common Share Data:								
43 Basic Earnings	\$0.82	\$0.74	10.8%	\$0.84	-2.4%	\$2.41	\$2.10	14.8%
44 Diluted Earnings	0.82	0.74	10.8%	0.84	-2.4%	2.41	2.10	14.8%
45 Dividends Paid	0.41	0.41	0.0%	0.41	0.0%	1.23	1.23	0.0%

Footnotes and Abbreviations:

(1) Effective January 1, 2020, the Company adopted Accounting Standards Update (ASU) 2016-13, Financial Instruments - Credit Losses: Measurement of Credit Losses on Financial Instruments ("CECL"), resulting in a period opening adjustment to the allowance for credit losses for loans and held-to-maturity debt securities, other liabilities, deferred tax assets, and shareholders' equity.

(2) In the third quarter 2021, the Company recorded a \$2 thousand reversal of provision for credit losses on Debt Securities Held To Maturity and the balance of the allowance for credit losses on Debt Securities Held To Maturity was reduced from \$9 thousand at June 30, 2021 to \$7 thousand at September 30, 2021. In the fourth quarter 2020, the Company recorded a \$7 thousand reversal of provision for credit losses on Debt Securities Held To Maturity and the balance of the allowance for credit losses on Debt Securities Held To Maturity was reduced from \$16 thousand at September 30, 2020 to \$9 thousand at December 31, 2020.

(3) The Company adopted ASU 2016-13, effective January 1, 2020. Debt Securities Held To Maturity of \$356,106 thousand at September 30, 2021 are net of related reserve for expected credit losses of \$7 thousand. \$414,413 thousand at June 30, 2021, \$469,259 thousand at March 31, 2021 and \$515,589 thousand at December 31, 2020 are net of related reserve for expected credit losses of \$9 thousand. Debt Securities Held To Maturity of \$577,795 thousand at September 30, 2020 and \$638,281 thousand at June 30, 2020 are net of related reserve for expected credit losses of \$16 thousand.

(4) Interest income on Debt Securities Available For Sale included make-whole interest income on called corporate bonds of \$732 thousand in the third quarter 2021, \$1.4 million in the second quarter 2021 and \$700 thousand in the first quarter 2021.

(FTE) Fully Taxable Equivalent. The Company presents its net interest margin and net interest income on a FTE basis using the current statutory federal tax rate. Management believes the FTE basis is valuable to the reader because the Company's loan and investment securities portfolios contain a relatively large portion of municipal loans and securities that are federally tax exempt. The Company's tax exempt loans and securities composition may not be similar to that of other banks, therefore in order to reflect the impact of the federally tax exempt loans and securities on the net interest margin and net interest income for comparability with other banks, the Company presents its net interest margin and net interest income on a FTE basis.

(a) Annualized