

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
 March 31, 2023

1. Net Income Summary.

	<i>(in thousands except per-share amounts)</i>				
	Q1'2023	Q1'2022	Q1'23 / Q1'22	Q4'2022	Q1'23 / Q4'22
1 Net Interest and Fee Income (FTE)	\$69,562	\$43,807	58.8%	\$69,155	0.6%
2 Reversal of Provision for Credit Losses (2)	(1,550)	-	n/m	-	n/m
3 Noninterest Income (1)	10,549	11,576	-8.9%	10,463	0.8%
4 Noninterest Expense	26,210	24,875	5.4%	25,090	4.5%
5 Income Before Taxes (FTE)	55,451	30,508	81.8%	54,528	1.7%
6 Income Tax Provision (FTE)	15,000	7,892	90.1%	15,184	-1.2%
7 Net Income	\$40,451	\$22,616	78.9%	\$39,344	2.8%
8 Average Common Shares Outstanding	26,859	26,870	0.0%	26,912	-0.2%
9 Diluted Average Common Shares Outstanding	26,866	26,885	-0.1%	26,924	-0.2%
10 Operating Ratios:					
11 Basic Earnings Per Common Share	\$1.51	\$0.84	79.8%	\$1.46	3.4%
12 Diluted Earnings Per Common Share	1.51	0.84	79.8%	1.46	3.4%
13 Return On Assets (a)	2.31%	1.24%		2.12%	
14 Return On Common Equity (a)	19.1%	11.8%		18.6%	
15 Net Interest Margin (FTE) (a)	4.18%	2.51%		3.95%	
16 Efficiency Ratio (FTE)	32.7%	44.9%		31.5%	
17 Dividends Paid Per Common Share	\$0.42	\$0.42	0.0%	\$0.42	0.0%
18 Common Dividend Payout Ratio	28%	50%		29%	

2. Net Interest Income.

	<i>(dollars in thousands)</i>				
	Q1'2023	Q1'2022	Q1'23 / Q1'22	Q4'2022	Q1'23 / Q4'22
1 Interest and Fee Income (FTE)	\$70,033	\$44,287	58.1%	\$69,630	0.6%
2 Interest Expense	471	480	-1.9%	475	-0.8%
3 Net Interest and Fee Income (FTE)	\$69,562	\$43,807	58.8%	\$69,155	0.6%
4 Average Earning Assets	\$6,665,156	\$6,998,234	-4.8%	\$6,930,584	-3.8%
5 Average Interest-Bearing Liabilities	3,287,158	3,546,146	-7.3%	3,412,189	-3.7%
6 Yield on Earning Assets (FTE) (a)	4.21%	2.54%		3.98%	
7 Cost of Funds (a)	0.03%	0.03%		0.03%	
8 Net Interest Margin (FTE) (a)	4.18%	2.51%		3.95%	
9 Interest Expense/Interest-Bearing Liabilities (a)	0.06%	0.05%		0.06%	
10 Net Interest Spread (FTE) (a)	4.15%	2.49%		3.92%	

3. Loans & Other Earning Assets.

	<i>(average volume, dollars in thousands)</i>				
	Q1'2023	Q1'2022	Q1'23 / Q1'22	Q4'2022	Q1'23 / Q4'22
1 Total Assets	\$7,112,317	\$7,406,321	-4.0%	\$7,353,270	-3.3%
2 Total Earning Assets	6,665,156	6,998,234	-4.8%	6,930,584	-3.8%
3 Total Loans	945,864	1,029,724	-8.1%	964,287	-1.9%
4 Commercial Loans	165,360	207,901	-20.5%	173,527	-4.7%
5 Commercial Real Estate Loans	493,132	524,040	-5.9%	492,549	0.1%
6 Consumer Loans	287,372	297,783	-3.5%	298,211	-3.6%
7 Total Investment Securities	5,548,780	4,947,846	12.1%	5,694,280	-2.6%
8 Debt Securities Available for Sale	4,636,098	4,655,983	-0.4%	4,767,459	-2.8%
9 Debt Securities Held to Maturity	912,682	291,863	212.7%	926,821	-1.5%
10 Total Interest-Bearing Cash	170,512	1,020,664	-83.3%	272,017	-37.3%
11 Loans / Deposits	15.6%	16.1%		15.2%	

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

(average volume, dollars in thousands)

	Q1'23 /		Q1'23 /		
	Q1'2023	Q1'2022	Q1'22	Q4'2022	
1 Total Deposits	\$6,061,923	\$6,393,458	-5.2%	\$6,349,401	-4.5%
2 Noninterest Demand	2,851,600	3,005,065	-5.1%	3,010,806	-5.3%
3 Interest-Bearing Transaction	1,233,439	1,265,100	-2.5%	1,287,304	-4.2%
4 Savings	1,847,428	1,980,092	-6.7%	1,917,370	-3.6%
5 Time greater than \$100K	57,630	64,172	-10.2%	59,720	-3.5%
6 Time less than \$100K	71,826	79,029	-9.1%	74,201	-3.2%
7 Total Short-Term Borrowings	76,835	157,753	-51.3%	73,594	4.4%
8 Shareholders' Equity	858,473	776,225	10.6%	837,499	2.5%
9 Demand Deposits / Total Deposits	47.0%	47.0%		47.4%	
10 Transaction & Savings Deposits / Total Deposits	97.9%	97.8%		97.9%	

5. Interest Yields Earned & Rates Paid.

(dollars in thousands)

	Q1'2023		Q4'2022		Q1'2022		
	Average Volume	Income/Expense	Yield (a)/Rate (a)	Yield (a)/Rate (a)	Average Volume	Income/Expense	Yield (a)/Rate (a)
1 Interest & Fee Income Earned:							
2 Total Earning Assets (FTE)	\$6,665,156	\$70,033	4.21%	3.98%	\$6,998,234	\$44,287	2.54%
3 Total Loans (FTE)	945,864	11,834	5.07%	5.06%	1,029,724	13,038	5.14%
4 Commercial Loans (FTE)	165,360	2,760	6.77%	6.62%	207,901	2,843	5.55%
5 Commercial Real Estate Loans	493,132	5,627	4.63%	4.68%	524,040	6,731	5.21%
6 Consumer Loans	287,372	3,447	4.86%	4.77%	297,783	3,464	4.72%
7 Total Investment Securities (FTE)	5,548,780	56,257	4.06%	3.81%	4,947,846	30,770	2.49%
8 Total Debt Securities Available for Sale (FTE)	4,636,098	47,114	4.06%	3.78%	4,655,983	28,862	2.48%
9 Corporate Securities	2,350,403	16,446	2.80%	2.78%	2,701,476	18,488	2.74%
10 Collateralized Loan Obligations	1,577,260	25,006	6.34%	5.61%	1,464,266	7,045	1.92%
11 Agency Mortgage Backed Securities	304,863	1,865	2.45%	2.40%	385,900	2,256	2.34%
12 Securities of U.S. Government sponsored entities	306,441	2,777	3.62%	3.61%	-	-	-
13 Obligations of States and Political Subdivisions (FTE)	83,914	637	3.04%	3.04%	89,998	694	3.08%
14 Other Debt Securities Available for Sale (FTE)	13,217	383	11.59%	11.63%	14,343	379	10.56%
15 Total Debt Securities Held to Maturity (FTE)	912,682	9,143	4.01%	3.99%	291,863	1,908	2.61%
16 Agency Mortgage Backed Securities	101,911	547	2.15%	2.11%	141,733	646	1.82%
17 Corporate Securities	722,452	7,815	4.33%	4.34%	-	-	-
18 Obligations of States and Political Subdivisions (FTE)	88,319	781	3.54%	3.50%	150,130	1,262	3.36%
19 Total Interest-Bearing Cash	170,512	1,942	4.56%	3.69%	1,020,664	479	0.19%
20 Interest Expense Paid:							
21 Total Earning Assets	6,665,156	471	0.03%	0.03%	6,998,234	480	0.03%
22 Total Interest-Bearing Liabilities	3,287,158	471	0.06%	0.06%	3,546,146	480	0.05%
23 Total Interest-Bearing Deposits	3,210,323	458	0.06%	0.05%	3,388,393	452	0.05%
24 Interest-Bearing Transaction	1,233,439	94	0.03%	0.03%	1,265,100	88	0.03%
25 Savings	1,847,428	280	0.06%	0.06%	1,980,092	283	0.06%
26 Time less than \$100K	71,826	50	0.28%	0.27%	79,029	40	0.21%
27 Time greater than \$100K	57,630	34	0.24%	0.24%	64,172	41	0.26%
28 Total Short-Term Borrowings	76,835	13	0.07%	0.06%	157,753	28	0.07%
29 Net Interest Income and Margin (FTE)		\$69,562	4.18%	3.95%		\$43,807	2.51%

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6. Noninterest Income.

(dollars in thousands except per-share amounts)

	Q1'2023	Q1'2022	Q1'23 / Q1'22	Q4'2022	Q1'23 / Q4'22
1 Service Charges on Deposit Accounts	\$3,465	\$3,582	-3.3%	\$3,484	-0.5%
2 Merchant Processing Services	2,637	2,623	0.5%	2,701	-2.4%
3 Debit Card Fees (1)	1,642	2,872	-42.8%	1,704	-3.6%
4 Trust Fees	765	843	-9.3%	754	1.5%
5 ATM Processing Fees	654	451	45.0%	646	1.2%
6 Other Service Fees	399	449	-11.2%	416	-4.1%
7 Financial Services Commissions	89	117	-23.9%	103	-13.6%
8 Other Noninterest Income	898	639	40.5%	655	37.1%
9 Total Noninterest Income	<u>\$10,549</u>	<u>\$11,576</u>	-8.9%	<u>\$10,463</u>	0.8%
10 Operating Ratios:					
11 Total Revenue (FTE)	\$80,111	\$55,383	44.6%	\$79,618	0.6%
12 Noninterest Income / Revenue (FTE)	13.2%	20.9%		13.1%	
13 Service Charges / Avg. Deposits (a)	0.23%	0.23%		0.22%	
14 Total Revenue Per Avg. Common Share (a)	\$12.10	\$8.36	44.8%	\$11.74	3.1%

7. Noninterest Expense.

(dollars in thousands)

	Q1'2023	Q1'2022	Q1'23 / Q1'22	Q4'2022	Q1'23 / Q4'22
1 Salaries & Benefits	\$12,067	\$11,920	1.2%	\$11,482	5.1%
2 Occupancy and Equipment	5,485	4,746	15.6%	5,218	5.1%
3 Outsourced Data Processing	2,444	2,437	0.3%	2,390	2.3%
4 Limited Partnership Operating Losses	1,434	1,431	0.2%	1,431	0.2%
5 Professional Fees	476	736	-35.3%	574	-17.1%
6 Courier Service	615	582	5.7%	700	-12.1%
7 Other Noninterest Expense	3,689	3,023	22.0%	3,295	12.0%
8 Total Noninterest Expense	<u>\$26,210</u>	<u>\$24,875</u>	5.4%	<u>\$25,090</u>	4.5%
9 Operating Ratios:					
10 Noninterest Expense / Avg. Earning Assets (a)	1.59%	1.44%		1.44%	
11 Noninterest Expense / FTE Revenues	32.7%	44.9%		31.5%	

8. Allowance for Credit Losses.

(dollars in thousands)

	Q1'2023	Q1'2022	Q1'23 / Q1'22	Q4'2022	Q1'23 / Q4'22
1 Average Total Loans	\$945,864	\$1,029,724	-8.1%	\$964,287	-1.9%
2 Beginning of Period Allowance for Credit Losses (ACLL)	\$20,284	\$23,514	-13.7%	\$21,218	-4.4%
3 (Reversal of) Provision for Credit Losses (2)	(1,550)	-	n/m	6	n/m
4 Net ACLL Recoveries (Losses)	775	(589)	n/m	(940)	n/m
5 End of Period ACLL	<u>\$19,509</u>	<u>\$22,925</u>	-14.9%	<u>\$20,284</u>	-3.8%
6 Gross ACLL Recoveries / Gross ACLL Losses	138%	51%		44%	
7 Net ACLL (Recoveries) Losses / Avg. Total Loans (a)	-0.33%	0.23%		0.39%	

(dollars in thousands)

	3/31/23	3/31/22	3/31/23 / 3/31/22	12/31/22	3/31/23 / 12/31/22	9/30/22	6/30/22	12/31/21
8 Allowance for Credit Losses on Loans	\$19,509	\$22,925	-14.9%	\$20,284	-3.8%	\$21,218	\$22,313	\$23,514
9 Allowance for Credit Losses on Held to Maturity Securities	1	7	-85.5%	1	-33.0%	7	7	7
Total Allowance for Credit Losses	<u>\$19,510</u>	<u>\$22,932</u>	-14.9%	<u>\$20,285</u>	-3.8%	<u>\$21,225</u>	<u>\$22,320</u>	<u>\$23,521</u>
10 Allowance for Unfunded Credit Commitments	\$201	\$201	0.0%	\$201	0.0%	\$201	\$201	\$201

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9. Credit Quality.

	<i>(dollars in thousands)</i>							
	3/31/23	3/31/22	3/31/23 / 3/31/22	12/31/22	3/31/23 / 12/31/22	9/30/22	6/30/22	12/31/21
1 Nonperforming Loans:								
2 Nonperforming Nonaccrual Loans	\$207	\$63	228.6%	\$146	41.8%	\$131	\$12	\$265
3 Performing Nonaccrual Loans	7	421	n/m	-	n/m	66	235	427
4 Total Nonaccrual Loans	214	484	-55.8%	146	46.6%	197	247	692
5 Accruing Loans 90+ Days Past Due	571	431	32.5%	628	-9.1%	769	614	339
6 Total Nonperforming Loans	\$785	\$915	-14.2%	\$774	1.4%	\$966	\$861	\$1,031
7 Total Loans Outstanding	\$938,628	\$1,002,514	-6.4%	\$958,488	-2.1%	\$979,033	\$999,768	\$1,068,126
8 Total Assets	6,700,471	7,306,417	-8.3%	6,950,317	-3.6%	7,177,025	7,222,405	7,461,026
9 Loans:								
10 Allowance for Credit Losses on Loans	\$19,509	\$22,925	-14.9%	\$20,284	-3.8%	\$21,218	\$22,313	\$23,514
11 Allowance for Credit Losses on Loans / Loans	2.08%	2.29%		2.12%		2.17%	2.23%	2.20%
12 Nonperforming Loans / Total Loans	0.08%	0.09%		0.08%		0.10%	0.09%	0.10%

10. Liquidity.

At March 31, 2023, the Company had \$195,202 thousand in cash balances. During the twelve months ending March 31, 2024, the Company expects to receive \$337,000 thousand in principal payments from its debt securities. If additional operational liquidity is required, the Company can pledge debt securities as collateral for borrowing purposes; at March 31, 2023, the Company's debt securities which qualify as collateral for borrowing totaled \$4,107,153 thousand. In the ordinary course of business, the Company pledges debt securities as collateral for certain depository customers; at March 31, 2023, the Company had pledged \$686,533 thousand in debt securities for depository customers. In the ordinary course of business, the Company pledges debt securities as collateral for borrowing from the Federal Reserve Bank; at March 31, 2023, the Company's had pledged \$670,649 thousand in debt securities at the Federal Reserve Bank. During the three months ended March 31, 2023, the Company's average borrowings from the Federal Reserve Bank and other correspondent banks were \$1 thousand, and at March 31, 2023, the Company's borrowings from the Federal Reserve Bank and other correspondent banks were \$-0- thousand. At March 31, 2023, the Company's unpledged collateral qualifying debt securities totaled \$2,574,254 thousand. The following schedule is shown in market value unless otherwise noted.

	<i>(in thousands)</i>
	3/31/23
1 Debt Securities Eligible as Collateral:	
2 Corporate Securities	\$2,715,376
3 Collateralized Loan Obligations rated AAA	525,666
4 Obligations of States and Political Subdivisions	170,268
5 Agency Mortgage Backed Securities	369,010
6 Securities of U.S. Government Sponsored Entities (Par Value)	326,833
7 Total Debt Securities Eligible as Collateral	\$4,107,153
8 Debt Securities Pledged as Collateral:	
9 Public funds	(\$686,533)
10 Short-term borrowed funds (Deposit Sweep)	(169,352)
11 Other	(6,365)
12 Total Debt Securities Pledged as Collateral	(\$862,250)
13 Debt Securities Pledged at the Federal Reserve Bank	(\$670,649)
14 Debt Securities Available to Pledge	\$2,574,254

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11. Capital.

	<i>(in thousands, except per-share amounts)</i>							
	3/31/23	3/31/22	3/31/23 / 3/31/22	12/31/22	3/31/23 / 12/31/22	9/30/22	6/30/22	12/31/21
1 Shareholders' Equity	\$642,925	\$701,744	-8.4%	\$602,110	6.8%	\$538,988	\$617,126	\$827,102
2 Total Assets	6,700,471	7,306,417	-8.3%	6,950,317	-3.6%	7,177,025	7,222,405	7,461,026
3 Total Shareholders' Equity / Total Assets	9.60%	9.60%		8.66%		7.51%	8.54%	11.09%
4 Total Shareholders' Equity / Total Loans	68.50%	70.00%		62.82%		55.05%	61.73%	77.43%
5 Tangible Common Equity Ratio	7.92%	8.06%		7.03%		5.91%	6.97%	9.60%
6 Common Shares Outstanding	26,648	26,883	-0.9%	26,913	-1.0%	26,911	26,896	26,866
7 Common Equity Per Share	\$24.13	\$26.10	-7.6%	\$22.37	7.8%	\$20.03	\$22.94	\$30.79
8 Market Value Per Common Share	44.30	60.50	-26.8%	59.01	-24.9%	52.29	55.66	57.73
	<i>(shares in thousands)</i>							
	Q1'2023	Q1'2022	Q1'23 / Q1'22	Q4'2022	Q1'23 / Q4'22			
9 Share Repurchase Programs:								
10 Total Shares Repurchased / Canceled	274	3	n/m	-	n/m			
11 Average Repurchase Price	\$50.11	\$58.66	n/m	\$-	n/m			
12 Net Shares Repurchased (Issued)	265	(17)	n/m	(2)	n/m			

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12. Period-End Balance Sheets.

		<i>(unaudited, dollars in thousands)</i>							
				3/31/23 /		3/31/23 /			
		3/31/23	3/31/22	3/31/22	12/31/22	12/31/22	9/30/22	6/30/22	12/31/21
1	Assets:								
2	Cash and Due from Banks	\$195,202	\$1,037,593	-81.2%	\$294,236	-33.7%	\$413,665	\$753,293	\$1,132,085
3	Debt Securities Available for Sale:								
4	Corporate Securities	2,019,240	2,547,118	-20.7%	2,099,955	-3.8%	2,138,508	2,296,853	2,746,735
5	Collateralized Loan Obligations	1,542,377	1,616,584	-4.6%	1,572,883	-1.9%	1,587,622	1,601,333	1,386,355
6	Agency Mortgage Backed Securities	276,078	363,181	-24.0%	286,048	-3.5%	296,689	331,425	411,726
7	Securities of U.S. Government sponsored entities	297,140	-	n/m	290,853	2.2%	272,525	290,725	-
8	Obligations of States and Political Subdivisions	82,678	89,595	-7.7%	82,004	0.8%	80,987	86,676	93,920
9	Other Debt Securities Available for Sale	-	110	n/m	-	n/m	-	102	119
10	Total Debt Securities Available for Sale	4,217,513	4,616,588	-8.6%	4,331,743	-2.6%	4,376,331	4,607,114	4,638,855
11	Debt Securities Held to Maturity:								
12	Agency Mortgage Backed Securities	98,006	133,754	-26.7%	104,852	-6.5%	112,371	121,810	148,390
13	Corporate Securities	723,553	-	n/m	721,854	0.2%	720,154	181,316	-
14	Obligations of States and Political Subdivisions (3)	87,760	146,766	-40.2%	89,207	-1.6%	103,742	139,228	158,006
15	Total Debt Securities Held to Maturity (3)	909,319	280,520	224.2%	915,913	-0.7%	936,267	442,354	306,396
16	Loans	938,628	1,002,514	-6.4%	958,488	-2.1%	979,033	999,768	1,068,126
17	Allowance For Credit Losses on Loans	(19,509)	(22,925)	-14.9%	(20,284)	-3.8%	(21,218)	(22,313)	(23,514)
18	Total Loans, net	919,119	979,589	-6.2%	938,204	-2.0%	957,815	977,455	1,044,612
19	Premises and Equipment, net	28,331	30,626	-7.5%	28,819	-1.7%	29,756	30,309	31,155
20	Identifiable Intangibles, net	523	771	-32.1%	583	-10.3%	644	707	835
21	Goodwill	121,673	121,673	0.0%	121,673	0.0%	121,673	121,673	121,673
22	Other Assets	308,791	239,057	29.2%	319,146	-3.2%	340,874	289,500	185,415
23	Total Assets	\$6,700,471	\$7,306,417	-8.3%	\$6,950,317	-3.6%	\$7,177,025	\$7,222,405	\$7,461,026
24	Liabilities and Shareholders' Equity:								
25	Deposits:								
26	Noninterest-Bearing	\$2,788,992	\$3,000,268	-7.0%	\$2,947,277	-5.4%	\$3,069,907	\$2,987,725	\$3,069,080
27	Interest-Bearing Transaction	1,201,356	1,279,165	-6.1%	1,273,143	-5.6%	1,338,855	1,303,700	1,260,869
28	Savings	1,783,667	1,984,719	-10.1%	1,874,115	-4.8%	1,949,711	1,983,713	1,940,395
29	Time	125,300	141,722	-11.6%	130,755	-4.2%	136,783	140,453	143,612
30	Total Deposits	5,899,315	6,405,874	-7.9%	6,225,290	-5.2%	6,495,256	6,415,591	6,413,956
31	Short-Term Borrowed Funds	83,088	124,442	-33.2%	57,792	43.8%	76,886	118,167	146,246
32	Other Liabilities	75,143	74,357	1.1%	65,125	15.4%	65,895	71,521	73,722
33	Total Liabilities	6,057,546	6,604,673	-8.3%	6,348,207	-4.6%	6,638,037	6,605,279	6,633,924
34	Shareholders' Equity:								
35	Common Equity:								
36	Paid-In Capital	471,159	472,470	-0.3%	475,121	-0.8%	474,732	473,555	471,043
37	Accumulated Other Comprehensive (Loss) Income	(231,573)	(88,300)	n/m	(256,105)	-9.6%	(290,797)	(188,025)	49,664
38	Retained Earnings	403,339	317,574	27.0%	383,094	5.3%	355,053	331,596	306,395
39	Total Shareholders' Equity	642,925	701,744	-8.4%	602,110	6.8%	538,988	617,126	827,102
40	Total Liabilities and Shareholders' Equity	\$6,700,471	\$7,306,417	-8.3%	\$6,950,317	-3.6%	\$7,177,025	\$7,222,405	\$7,461,026

WESTAMERICA BANCORPORATION
FINANCIAL HIGHLIGHTS
 March 31, 2023

13. Income Statements.

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

	Q1'2023	Q1'2022	Q1'23 / Q1'22	Q4'2022	Q1'23 / Q4'22
1 Interest and Fee Income:					
2 Loans	\$11,740	\$12,942	-9.3%	\$12,201	-3.8%
3 Equity Securities	152	128	18.8%	153	-0.7%
4 Debt Securities Available for Sale	46,810	28,566	63.9%	45,216	3.5%
5 Debt Securities Held to Maturity	8,980	1,644	446.2%	9,061	-0.9%
6 Interest-Bearing Cash	1,942	479	305.4%	2,567	-24.3%
7 Total Interest and Fee Income	69,624	43,759	59.1%	69,198	0.6%
8 Interest Expense:					
9 Transaction Deposits	94	88	6.8%	96	-2.1%
10 Savings Deposits	280	283	-1.1%	280	0.0%
11 Time Deposits	84	81	3.7%	87	-3.4%
12 Short-Term Borrowed Funds	13	28	-53.6%	12	8.3%
13 Total Interest Expense	471	480	-1.9%	475	-0.8%
14 Net Interest Income	69,153	43,279	59.8%	68,723	0.6%
15 Reversal of Provision for Credit Losses (2)	(1,550)	-	n/m	-	n/m
16 Noninterest Income:					
17 Service Charges on Deposit Accounts	3,465	3,582	-3.3%	3,484	-0.5%
18 Merchant Processing Services	2,637	2,623	0.5%	2,701	-2.4%
19 Debit Card Fees (1)	1,642	2,872	-42.8%	1,704	-3.6%
20 Trust Fees	765	843	-9.3%	754	1.5%
21 ATM Processing Fees	654	451	45.0%	646	1.2%
22 Other Service Fees	399	449	-11.2%	416	-4.1%
23 Financial Services Commissions	89	117	-23.9%	103	-13.6%
24 Other Noninterest Income	898	639	40.5%	655	37.1%
25 Total Noninterest Income	10,549	11,576	-8.9%	10,463	0.8%
26 Noninterest Expense:					
27 Salaries and Related Benefits	12,067	11,920	1.2%	11,482	5.1%
28 Occupancy and Equipment	5,485	4,746	15.6%	5,218	5.1%
29 Outsourced Data Processing	2,444	2,437	0.3%	2,390	2.3%
30 Limited Partnership Operating Losses	1,434	1,431	0.2%	1,431	0.2%
31 Professional Fees	476	736	-35.3%	574	-17.1%
32 Courier Service	615	582	5.7%	700	-12.1%
33 Other Noninterest Expense	3,689	3,023	22.0%	3,295	12.0%
34 Total Noninterest Expense	26,210	24,875	5.4%	25,090	4.5%
35 Income Before Income Taxes	55,042	29,980	83.6%	54,096	1.7%
36 Income Tax Provision	14,591	7,364	98.1%	14,752	-1.1%
37 Net Income	\$40,451	\$22,616	78.9%	\$39,344	2.8%
38 Average Common Shares Outstanding	26,859	26,870	0.0%	26,912	-0.2%
39 Diluted Average Common Shares Outstanding	26,866	26,885	-0.1%	26,924	-0.2%
40 Per Common Share Data:					
41 Basic Earnings	\$1.51	\$0.84	79.8%	\$1.46	3.4%
42 Diluted Earnings	1.51	0.84	79.8%	1.46	3.4%
43 Dividends Paid	0.42	0.42	0.0%	0.42	0.0%

Footnotes and Abbreviations:

(1) The Company received a \$1.2 million reconciling payment from a payments network in the first quarter 2022.

(2) A recovery of a previously charged off loan in the first quarter 2023 resulted in a \$1,550 thousand reversal of the allowance for credit loss provision in the first quarter 2023.

(3) Debt Securities Held to Maturity and Obligations of States and Political Subdivisions are net of related reserve for expected credit losses of \$1 thousand at March 31, 2023 and December 31, 2022, \$7 thousand at September 30, 2022, June 30, 2022, March 31, 2022 and December 31, 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 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