



ABB

AMERICAN BUSINESS BANK

2024
Q1

BALANCE SHEETS

Unaudited - 000s omitted

March 31,

2024

2023

ASSETS

Cash & cash equivalents	\$ 62,566	\$ 53,374
Investment securities	1,156,081	1,267,848
Loans receivable	2,572,659	2,477,725
Allowance for credit losses	(28,335)	(26,073)
Loans receivable, net	<u>2,544,324</u>	<u>2,451,652</u>

Furniture, equipment & leasehold improvements, net	4,380	5,334
Bank/Corp owned life insurance	29,185	27,863
Other assets	<u>79,639</u>	<u>73,048</u>

TOTAL ASSETS **\$3,876,175** **\$3,879,119**

LIABILITIES

Deposits:		
Non-interest bearing demand deposits	\$1,601,795	\$ 1,708,750
Interest bearing transaction accounts	367,903	276,059
Money market & savings deposits	1,083,008	997,720
Certificates of deposits	<u>256,309</u>	<u>93,624</u>
Total Deposits	<u>3,309,015</u>	<u>3,076,153</u>

FHLB Advances/Other borrowings	210,000	486,000
Other liabilities	<u>41,186</u>	<u>37,285</u>

TOTAL LIABILITIES **\$3,560,201** **\$3,599,438**

SHAREHOLDERS' EQUITY

Common stock & retained earnings	\$ 395,579	\$ 351,656
Accumulated other comprehensive income/(loss)	<u>(79,605)</u>	<u>(71,975)</u>

TOTAL SHAREHOLDERS' EQUITY **\$ 315,974** **\$ 279,681**

TOTAL LIABILITIES & SHAREHOLDERS' EQUITY

\$3,876,175 **\$3,879,119**

Standby Letters of Credit	\$ 43,810	\$ 40,641
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INCOME STATEMENTS

Unaudited - 000s omitted except share and per share amounts

Three months ended March 31,

2024

2023

INTEREST INCOME

Loans	\$ 33,664	\$ 29,743
Investments	7,658	7,861
Interest earning deposits in other financial institutions	<u>250</u>	<u>208</u>
TOTAL INTEREST INCOME	<u>41,572</u>	<u>37,812</u>

INTEREST EXPENSE

Interest bearing transaction accounts	1,002	231
Money market & savings deposits	7,265	2,230
Certificates of deposits	2,288	267
FHLB Advances/Other borrowings	<u>1,598</u>	<u>3,086</u>
TOTAL INTEREST EXPENSE	<u>12,153</u>	<u>5,814</u>

NET INTEREST INCOME

Provision for credit losses	<u>212</u>	<u>463</u>
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NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES

29,207 31,535

TOTAL NONINTEREST INCOME

2,115 2,593

TOTAL NONINTEREST EXPENSE

16,773 16,171

EARNINGS BEFORE INCOME TAXES

Income tax expense	14,549	17,957
NET INCOME	<u>\$ 10,497</u>	<u>\$ 13,085</u>

Earnings per share - basic \$ 1.14 \$ 1.43

Earnings per share - diluted \$ 1.13 \$ 1.42

Weighted average shares - basic 9,237,317 9,153,915

Weighted average shares - diluted 9,293,818 9,228,602

SHAREHOLDERS & CLIENTS,

2024 has begun with ABB's performance near the front of the pack amongst our peers, producing solid financial results and generating significant new business activity. Despite headwinds from the unprecedented rise in interest rates over the last two years, we reported net income of \$10.5 million for the first quarter which exceeded our expectations. This income resulted in a return on assets for the quarter of 1.08%, which surpasses that of many other banking institutions. We continue to be well capitalized, with significant liquidity sources to support demand deposits representing 48% of our total deposits, which is near top of class.



As we move into spring, we are positioned well to continue growing while maintaining our unique culture and nimbleness. Our strong backlog of new loans and deposits will serve us well and drive our pace. Additionally, we are proud to announce a refreshed website for ABB. We hope that you will find this upgrade a step forward. We have also taken measures to enhance our account onboarding process. In the coming months, you will experience an upgraded call management system which will improve efficiencies and better leverage our talented staff. ABB continues to elevate our service capabilities – watch for further advancement in coming months.

Our accomplishments are not possible without our fantastic clients and tremendous bankers. Thank you to our clients for your years of dedication and loyalty. Wishing you all a wonderful spring and continued success.

At your service,

- **Leon Blankstein**
Chief Executive Officer, Director



www.americanbb.bank