



3RD QUARTER REPORT
SEPTEMBER 30, 2015



ALLEGHENY VALLEY BANCORP, INC.

Consolidated Balance Sheets (Unaudited)

Allegheny Valley Bancorp, Inc.

	September 30, 2015	December 31, 2014
Assets		
Cash and due from banks	\$ 1,958,032	\$ 2,250,741
Interest-bearing deposits with other banks	6,481,281	9,161,189
Investment securities available for sale	101,374,735	103,375,676
Loans (net of deferred loan fees of \$429,727 and \$364,411)	279,072,829	278,808,816
Less: allowance for loan losses	(3,659,628)	(3,547,187)
Net loans	<u>275,413,201</u>	<u>275,261,629</u>
FHLB stock	3,657,100	3,455,600
Premises and equipment	3,065,671	3,333,723
Goodwill and intangible assets	8,143,684	8,143,684
Bank owned life insurance	6,323,234	6,194,486
Other assets	5,733,103	3,950,118
Total assets	<u>\$ 412,150,041</u>	<u>\$ 415,126,846</u>
Liabilities		
Deposits	\$ 317,483,082	\$ 322,446,189
Borrowed funds	42,442,477	42,117,601
Accrued interest payable	635,520	708,730
Accrued expenses and other liabilities	2,629,328	2,193,024
Total liabilities	<u>363,190,407</u>	<u>367,465,544</u>
Stockholders' Equity		
Common stock, par \$1; authorized 5,000,000 shares, issued 1,170,000 shares	1,170,000	1,170,000
Surplus	2,689,043	2,827,970
Retained earnings	50,711,505	49,898,036
Accumulated other comprehensive income, net of applicable income taxes of \$925,507 and \$916,763	1,796,573	1,779,598
	<u>56,367,121</u>	<u>55,675,604</u>
Treasury stock, at cost (156,879 and 169,732 shares)	(7,407,487)	(8,014,302)
Total stockholders' equity	<u>48,959,634</u>	<u>47,661,302</u>
Total liabilities and stockholders' equity	<u>\$ 412,150,041</u>	<u>\$ 415,126,846</u>

Consolidated Statements of Income (Unaudited)

Allegheny Valley Bancorp, Inc.

	Nine Months Ended September 30,	
	2015	2014
Interest Income		
Loans receivable	\$ 9,075,975	\$ 9,310,136
Securities:		
Taxable	1,429,155	1,497,298
Exempt from federal income tax	625,587	555,073
Federal Home Loan Bank stock	181,380	54,252
Deposits with banks and federal funds sold	6,947	9,548
Total interest income	<u>11,319,044</u>	<u>11,426,307</u>
Interest Expense		
Interest-bearing demand deposits	933,643	1,241,373
Borrowed funds	264,929	213,113
Total interest expense	<u>1,198,572</u>	<u>1,454,486</u>
Net Interest Income	<u>10,120,472</u>	<u>9,971,821</u>
Provision for loan losses	262,500	291,664
Net Interest Income After Provision for Loan Losses	<u>9,857,972</u>	<u>9,680,157</u>
Noninterest Income		
Service fees	1,576,999	2,048,917
Other income	234,577	344,735
Total noninterest income	<u>1,811,576</u>	<u>2,393,652</u>
Noninterest Expense		
Compensation and employee benefits	4,280,605	4,636,684
Premises and equipment, net	1,139,876	1,161,374
Other	3,000,922	3,119,004
Total noninterest expense	<u>8,421,403</u>	<u>8,917,062</u>
Income before income taxes	3,248,145	3,156,747
Income taxes	713,888	744,022
Net Income	<u>\$ 2,534,257</u>	<u>\$ 2,412,725</u>
Earnings per share	\$ 2.51	\$ 2.44
Dividends per share	\$ 1.71	\$ 1.71
Weighted average shares outstanding	1,007,694	990,629
Actual shares outstanding	1,013,121	995,477

Financial Highlights (Unaudited)

Balance Sheet Highlights	September 30, 2015	December 31, 2014
Assets	\$ 412,150,041	\$415,126,846
Deposits	317,483,082	322,446,189
Net loans	275,413,201	275,261,629
Equity	48,959,634	47,661,302

(Ratios are annualized)

Earnings Highlights	Nine Months Ended September 30, 2015	
Net income	\$ 2,534,257	\$ 2,412,725
Return on average assets	0.83%	0.80%
Return on average equity	7.01%	7.04%