



# Performance Summary

Founded in 1892, The Cortland Savings and Banking Company operates 13 full-service branches and one financial service center in Northeast Ohio. Located between the Cleveland, OH and Pittsburgh, PA metropolitan areas, its market area encompasses two state universities and several world class hospitals.

## 3Q18 FINANCIAL HIGHLIGHTS

- The efficiency ratio was 64.26% for the quarter and 65.24% year-to-date, versus 70.71% and 73.60% for the same periods last year, respectively.
- Net interest income increased 15% to \$5.8 million, compared to \$5.1 million for the third quarter a year ago, and increased 2% from \$5.7 million on a linked quarter basis.
- Average total loans grew 16% to \$474 million from \$407 million for the third quarter a year ago.
- Average total deposits grew 6% to \$557 million from the comparable quarter a year earlier.
- Non performing assets were 1.52% of total assets versus 0.98% a year ago.
- Cortland Bancorp remained well capitalized with total risk-based capital to risk-weighted assets of 13.91% and tangible equity to tangible assets of 9.11%.

## 5 YEAR FINANCIAL HIGHLIGHTS

### CLDB - STOCK DATA

Stock Price (11/5/2018)	\$22.20
Market Cap	\$97M
Shares Outstanding	4.35M
Tangible Book Value	\$14.22
Price/Tangible Book	156%
P/E Ratio (TTM)	14.1x
Net Interest Margin (MRQ)	3.73%

### TOTAL RETURN

One Year	20.60%
Three Year	62.55%
Five Year	148.98%

\$ in 000s except per share	EPS Diluted	Net Income	Tangible Book/Shr	Total Assets	NPA's/ Assets	Net Interest Margin
YTD September 30, 2018	\$1.56	\$6,811	\$14.22	\$681,304	1.52%	3.70%
2017	\$0.99	\$4,350	\$13.94	\$711,101	0.85%	3.59%
2016	\$1.11	\$4,871	\$13.05	\$655,184	1.39%	3.63%
2015	\$0.97	\$4,378	\$12.87	\$612,443	2.02%	3.65%
2014	\$0.85	\$3,869	\$12.33	\$568,932	1.77%	3.67%

## CONTACT INFORMATION:

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## HEADQUARTERS:

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Cortland, Ohio 44410



## FINANCIAL HIGHLIGHTS (\$ in thousands, except per share data)

Income Statement - Quarter Ended	Sept. 30, 2018	June 30, 2018	Sept. 30, 2017
Interest income	\$ 6,962	\$ 6,727	\$ 5,862
Interest expense	(1,148)	(1,020)	(800)
Net interest income	5,814	5,707	5,062
Provision for loan losses	(75)	(75)	(100)
Net Interest Income after Provision	5,739	5,632	4,962
Non-Interest Income	1,148	2,577	2,187
Non-Interest Expense	(4,529)	(4,585)	(4,665)
Income Before Tax	2,358	3,624	2,484
Federal income tax expense	386	322	337
Net income	\$ 1,972	\$ 3,302	\$ 2,147

### Per Common Share Data

Earnings per share, basic and diluted	\$ 0.46	\$ 0.75	\$ 0.49
Dividends per share	0.16	0.11	0.08
Book value	14.22	14.17	13.96

### Balance Sheet Data

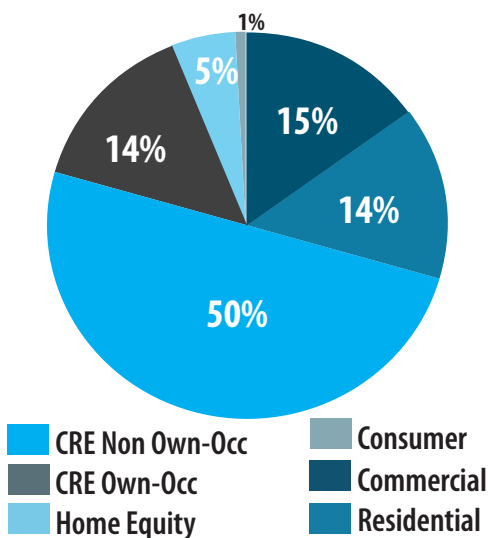
Total Assets	\$ 681,304	\$ 662,700	\$ 631,984
Investments Securities	140,426	144,119	165,049
Total Loans	481,914	466,448	411,417
Total Deposits	561,206	557,823	526,484
Shareholders' Equity	62,045	61,824	61,734

### Financial Ratios

Return on average equity	12.62%	21.77%	14.15%
Return on average assets	1.17%	2.00%	1.36%
Net interest margin	3.73%	3.74%	3.61%
Efficiency ratio	64.26%	66.81%	70.71%
Tier 1 Leverage Ratio	10.69%	10.65%	10.82%
Common equity tier 1 ratio	12.23%	12.56%	12.82%
Tier 1 risk-based capital ratio	13.14%	13.51%	13.83%
Total risk-based capital ratio	13.91%	14.30%	14.81%

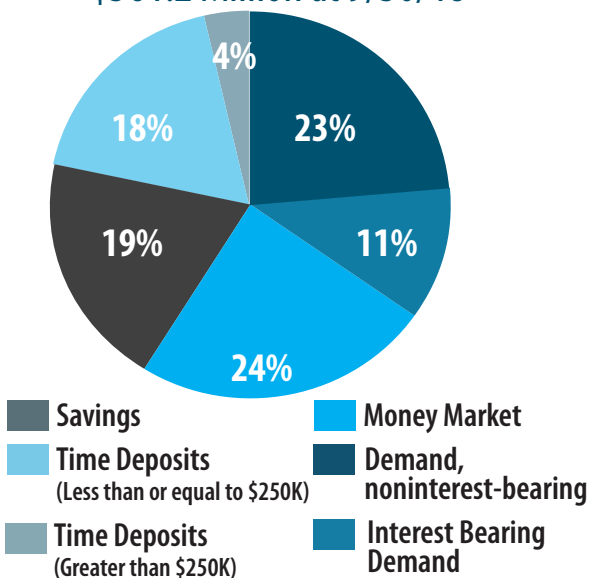
## GROSS LOAN PORTFOLIO

\$481.9 Million at 9/30/18



## TOTAL DEPOSIT MIX

\$561.2 Million at 9/30/18



### Performance results excluding nonrecurring items: In 000s

Quarter Ended	Sept. 2018	June 2018	Sept. 2017
Net income as reported	\$ 1,972	3,302	\$ 2,147
Gains on insurance proceeds		(1,557)	(898)
Normalized net income	\$ 1,972	\$ 1,745	\$ 1,249
Earnings per share	\$ 0.46	\$ 0.40	\$ 0.29
Return on average assets	1.17%	1.06%	0.79%
Return on average equity	12.62%	11.50%	8.23%