

## Burke & Herbert Financial Services Corp.

### Statements of Income (unaudited) December 31, (in thousands)

	Three months ended		Twelve months ended	
	2022	2021	2022	2021
<b>Interest income</b>				
Loans	\$ 21,154	\$ 17,497	\$ 73,640	\$ 73,170
Investment securities	11,231	7,442	38,556	27,444
Other	189	36	437	206
Total interest income	32,574	24,885	112,633	100,820
<b>Interest expense</b>				
Deposits	2,018	461	3,742	2,746
Borrowed funds	2,630	363	5,136	1,432
Other	17	13	63	39
Total interest expense	4,665	837	8,941	4,217
Net interest income	27,909	24,048	103,692	96,603
<b>Noninterest income</b>				
Fiduciary and wealth management	1,314	1,312	5,309	5,162
Service charges and fees	1,727	1,666	6,855	6,328
Net gains (losses) on securities	(516)	-	(454)	(4)
Income from bank owned life insurance	1,021	668	2,656	2,325
Other	671	662	2,721	3,440
Total noninterest income	4,217	4,308	17,087	17,251
Total revenue	32,126	28,356	120,779	113,854
<b>Provision for (recapture of) loan losses</b>	98	(1,788)	(7,466)	(1,002)
<b>Noninterest expense</b>				
Salaries and wages	10,199	10,381	39,438	37,099
Pensions and other employee benefits	1,743	1,851	7,700	7,621
Occupancy expenses	1,315	1,477	5,621	6,444
Equipment rentals, depreciation and maintenance	1,472	1,409	5,768	5,481
Other	1,733	5,242	17,419	17,769
Total noninterest expense	16,462	20,360	75,946	74,414
Income before income taxes	15,566	9,784	52,299	40,442
Income tax expense	2,213	1,141	8,286	4,277
<b>Net income</b>	<b>\$ 13,353</b>	<b>\$ 8,643</b>	<b>\$ 44,013</b>	<b>\$ 36,165</b>

## Burke & Herbert Financial Services Corp.

### Consolidated Balance Sheet (unaudited) As of December 31, (in thousands)

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Cash and due from banks	\$ 9,124	\$ 8,989
Interest-bearing deposits with banks	41,171	68,374
Cash and cash equivalents	50,295	77,363
Securities available for sale, at fair value	1,371,757	1,605,681
Restricted stock, at cost	16,443	12,079
Loans held for sale, at fair value	-	1,249
Loans	1,887,221	1,745,073
Allowance for loan losses	(21,039)	(31,709)
Net loans	<u>1,866,182</u>	<u>1,713,364</u>
Bank premises and equipment, net	53,170	36,875
Accrued interest receivable	15,481	15,253
Bank owned life insurance	92,487	91,062
Other assets	97,083	68,817
<b>Total assets</b>	<b><u>\$ 3,562,898</u></b>	<b><u>\$ 3,621,743</u></b>
<b>Liabilities</b>		
Deposits:		
Non-interest bearing	\$ 960,692	\$ 930,847
Interest-bearing	1,959,708	2,002,570
Total deposits	<u>2,920,400</u>	<u>2,933,417</u>
Borrowed funds	343,100	275,000
Accrued interest and other liabilities	25,945	23,699
<b>Total liabilities</b>	<u>3,289,445</u>	<u>3,232,116</u>
<b>Shareholders' Equity</b>		
Common stock	4,000	4,000
Additional paid-in capital	12,282	10,374
Retained earnings	424,391	396,120
Accumulated other comprehensive income (loss)	(139,495)	6,955
Treasury stock	(27,725)	(27,822)
<b>Total shareholders' equity</b>	<u>273,453</u>	<u>389,627</u>
<b>Total liabilities and shareholders' equity</b>	<b><u>\$ 3,562,898</u></b>	<b><u>\$ 3,621,743</u></b>

## Burke & Herbert Financial Services Corp.

### Historical Trends in Quarterly Financial Data (unaudited)

As of or for the three months ended

(In thousands, except ratios and per share amounts)

	December 31 2022	September 30 2022	June 30 2022	March 31 2022	December 31 2021
<b>Income statement</b>					
Interest income	\$ 32,574	\$ 29,265	\$ 26,542	\$ 24,252	\$ 24,885
Interest expense	4,665	2,584	911	781	837
Noninterest income	4,217	4,259	4,496	4,115	4,308
Total revenue	32,126	30,940	30,127	27,586	28,356
Noninterest expense	16,462	19,951	20,368	19,165	20,360
Pretax, pre-provision earnings <i>(non-GAAP)</i>	15,664	10,989	9,759	8,421	7,996
Provision (recapture of) for credit losses	98	(2,388)	(2,538)	(2,638)	(1,788)
Income before income taxes	15,566	13,377	12,297	11,059	9,784
Income tax expense	2,213	2,240	1,900	1,933	1,141
Net income	<u>\$ 13,353</u>	<u>\$ 11,137</u>	<u>\$ 10,397</u>	<u>\$ 9,126</u>	<u>\$ 8,643</u>
<b>Per common share information</b>					
Basic earnings	\$ 1.80	\$ 1.50	\$ 1.40	\$ 1.23	\$ 1.16
Diluted earnings	1.78	1.49	1.39	1.23	1.16
Cash dividends	0.53	0.53	0.53	0.53	0.50
Book value	36.82	34.40	39.21	44.57	52.48
<b>Balance sheet (at period end)</b>					
Assets	\$ 3,562,898	\$ 3,501,145	\$ 3,585,822	\$ 3,551,739	\$ 3,621,743
Loans (gross)	1,887,221	1,751,827	1,748,508	1,760,308	1,745,073
Deposits	2,920,400	2,977,660	2,960,423	2,973,619	2,933,417
Equity	273,453	255,471	291,138	330,910	389,627
<b>Ratios</b>					
Return on average assets <i>(annualized)</i>	1.51%	1.23%	1.17%	1.03%	0.96%
Return on average equity <i>(annualized)</i>	20.66%	14.99%	13.48%	9.91%	8.85%
Net interest margin <i>(non-GAAP)</i>	3.46%	3.25%	3.15%	2.89%	2.90%
Efficiency ratio <i>(quarter-to-date)</i>	51.24%	64.48%	67.61%	69.47%	71.80%
Loan to deposit <i>(quarter-to-date)</i>	64.62%	58.83%	59.06%	59.20%	59.49%