



For Release

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Contact

Philip O. Farr, CFO
(570) 746-8733
pfarr@psbanking.com

Peoples Ltd. Announces Third Quarter Results

Wyalusing, PA – Anthony J. Gabello, President and Chief Executive Officer of Peoples Ltd. (OTC:PPLL), holding company for PS Bank, has released third quarter results.

For the quarter ended September 30, 2019, net income totaled \$1,232,000 which compares to \$1,063,000 for the third quarter 2018. This represents an increase of 15.95% or \$169,000. Earnings per share of \$1.94 compares to third quarter 2018 of \$1.67 per share as adjusted for the 2018 year-end 5% stock dividend. Net income for the nine months ended September 30, 2019 totaled \$3,420,000 which compares to \$3,800,000 for the same period 2018. Earnings per share for the nine months ending September 30, 2019 of \$5.38 compares to \$5.98 for the same period 2018. In the first quarter 2018, there were several one-time events including gains realized from bank owned life insurance policies, partially offset by expenses related to additional provisions for one legacy credit and a deposit account loss. The net effect of these events on income was an increase of \$867,000. Excluding the effect of these items, year to date net income of \$3,420,000 was an increase of \$487,000 or 16.58% over prior year-to-date adjusted net income of \$2,933,000.

Annualized return on equity of 12.95% as of September 30, 2019 compares to 16.65% for the same period 2018 and 12.86% net of one-time events. Return on assets of 1.17% as of September 30, 2019 compares to 1.40% for the same period in 2018, and 1.08% net of one-time events.

Total assets increased to \$405,796 or 9.32% from December 31, 2018 of \$371,198. Deposits increased 9.97% to \$349,235 compared to \$317,576 as of December 31, 2018. Net loans increased 3.59% to \$240,119 from \$231,793 as of December 31, 2018.

“Our Bank continued its positive trends in the third quarter. Our dedicated PS Banking team remains committed to superior customer service, strong financial performance, and maximizing shareholder value. We are also extremely pleased to announce that in the third quarter we opened our Montrose Loan Production Office representing our initial

entry in the Susquehanna County market. We look forward to the many opportunities this market will provide to our Bank and are excited to serve this community,” stated Gabello.

Peoples Ltd. is the holding company for PS Bank. PS Bank is an independent community bank, established 1914, with locations throughout Bradford, Sullivan, Wyoming, Lackawanna, and Susquehanna counties. Stock of Peoples Ltd. is traded in the Over-the-Counter market under the symbol PPLL. Additional unaudited financial information for the third quarter 2019 can be found on our website. Learn more about PS Bank at PSBanking.com.

Peoples Ltd.
STATEMENT OF CONDITION (unaudited)
For the Quarter Ending
September 30, 2019 and 2018
(in thousands, except share amounts)

	2019	2018
ASSETS		
Cash and due from banks	\$ 4,840	\$ 3,898
Interest bearing balances with banks	36,431	41,724
Investment securities	108,505	96,400
Loans held for sale	2,291	833
Loans	240,627	226,540
Allowance for loan losses	(2,798)	(2,569)
Loans, net	<u>240,119</u>	<u>224,804</u>
Bank premises and equipment, net	4,857	4,920
Accrued interest receivable	956	982
Other assets	10,087	4,591
TOTAL ASSETS	<u><u>\$ 405,796</u></u>	<u><u>\$ 377,318</u></u>
LIABILITIES		
Deposits:		
Noninterest-bearing	\$ 85,030	\$ 81,040
Interest-bearing	264,206	240,616
Total deposits	<u>349,235</u>	<u>321,656</u>
Borrowings	16,000	23,000
Accrued interest payable	143	122
Other liabilities	2,879	1,476
TOTAL LIABILITIES	<u>368,258</u>	<u>346,255</u>
SHAREHOLDERS' EQUITY:		
Common Stock - Par Value \$0.50; 2,000,000 Authorized		
2019 - 650,356 issued; 2018 - 620,244 issued	325	310
Surplus	14,344	12,334
Treasury stock: 2019 - 14,655; 2018 - 14,635	(512)	(511)
Accumulated other comprehensive income	372	(2,999)
Retained earnings	23,009	21,929
TOTAL STOCKHOLDERS' EQUITY	<u>37,538</u>	<u>31,063</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 405,796</u></u>	<u><u>\$ 377,318</u></u>

Peoples Ltd.
STATEMENT OF INCOME (unaudited)
For the Quarter Ending
September 30, 2019 and 2018
(in thousands, except per share amounts)

	Quarter Ending		Year to Date	
	2019	2018	2019	2018
INTEREST INCOME:				
Interest and fees on loans	\$ 3,161	\$ 2,940	\$ 9,242	\$ 8,512
Interest and dividends on investments:	-	-		
Taxable Interest and Dividends	509	416	1,497	1,187
Tax Exempt	118	121	359	365
Interest on Deposits in Banks	236	200	617	420
Total interest income	<u>4,024</u>	<u>3,676</u>	<u>11,715</u>	<u>10,484</u>
INTEREST EXPENSE:				
Interest on deposits	764	499	2,111	1,285
Interest on borrowed funds	98	84	300	250
Total interest expense	<u>862</u>	<u>583</u>	<u>2,411</u>	<u>1,534</u>
NET INTEREST INCOME	<u>3,162</u>	<u>3,093</u>	<u>9,304</u>	<u>8,950</u>
PROVISION FOR POSSIBLE LOAN LOSSES	105	125	315	420
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>3,057</u>	<u>2,968</u>	<u>8,989</u>	<u>8,530</u>
OTHER INCOME:				
Service charges	334	311	952	888
Other operating income	130	114	404	383
Increase in cash surrender value, life insurance	33	10	54	36
Gain on sale of loans	324	194	614	543
Gain on sale of other real estate	-	-	13	-
Gain on life insurance	-	-	-	1,094
Total other income	<u>821</u>	<u>629</u>	<u>2,036</u>	<u>2,944</u>
OTHER EXPENSES:				
Salaries and employee benefits	1,321	1,251	3,848	3,806
Occupancy and equipment	250	259	799	824
Loss on sale of other real estate	-	9	-	9
Other losses	1	2	4	191
Other operating expenses	798	785	2,209	2,274
Total other expenses	<u>2,370</u>	<u>2,306</u>	<u>6,859</u>	<u>7,103</u>
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	<u>1,508</u>	<u>1,291</u>	<u>4,166</u>	<u>4,371</u>
Income Taxes	276	228	746	570
NET INCOME	<u>\$ 1,232</u>	<u>\$ 1,063</u>	<u>\$ 3,420</u>	<u>\$ 3,800</u>
Earnings Per Share	<u>\$ 1.94</u>	<u>\$ 1.67</u>	<u>\$ 5.38</u>	<u>\$ 5.98</u>