

TrustCo Reports First Quarter 2025 Net Income of \$14.3 Million From Repricing Loan Portfolio and Well-Managed Cost of Funds

FIRST QUARTER 2025 RESULTS AND KEY METRICS

NET INTEREST INCOME \$40.4m	NET INCOME \$14.3m	EPS \$0.75	RoAE 8.49%	NET INTEREST MARGIN 2.64%
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CEO COMMENTARY

Chairman, President, and CEO, Robert J. McCormick said “We are very pleased to announce today that tried and true Trustco Bank strategy has once again yielded exceptional results. We added loans at current market rates, which repriced our current loan portfolio higher, supporting long-term profitability. This was funded entirely by our own deposits, and we did so while holding the line on board rates.

Despite aggressive market competition, we have favorably repriced our time deposits with the help of strong brand loyalty and digital engagement. These efforts yielded net income of \$14.3 million and boosted all return metrics significantly year-over-year. Credit quality remains exceptional, with non-performing loans holding steady at a negligible 0.37%. The Bank also grew capital and thus maintains its position of strength. Based upon what we have seen in the first quarter, we anticipate that good things are likely in the future.”

BUSINESS HIGHLIGHTS

- During the first quarter of 2025, TrustCo announced a stock repurchase program of up to one million shares, or approximately 5% of its current outstanding shares of common stock.
- Non-interest income increased to \$5.0 million as compared to \$4.8 million for the first quarter of 2024. This increase was primarily attributable to wealth management and financial services fees, which increased by 16.7% to \$2.1 million.

DETAILS

Average loans were up \$104.7 million, or 2.1%, in the first quarter 2025 over the same period in 2024. Average residential loans and HECLs, our primary lending focus, were up \$26.2 million, or 0.6%, and \$61.0 million, or 17.3%, respectively, in the first quarter 2025 over the same period in 2024. Average commercial loans also increased \$20.7 million, or 7.5%, in the first quarter 2025 over the same period in 2024. Average deposits were up \$103.3 million, or 1.9%, for the first quarter 2025 over the same period in 2024, primarily as a result of an increase in time deposits, interest bearing checking accounts, and demand deposits. We believe the increase in these deposits compared to the same period in 2024 continues to indicate strong customer confidence in the Bank’s competitive deposit offerings.

Our equity to asset ratio was 10.85%, compared to 10.51% as of March 31, 2024. Net interest income was \$40.4 million for the first quarter 2025, an increase of \$3.8 million, or 10.4%, compared to the first quarter of 2024, driven by loan growth at higher interest rates and less interest expense on deposit products, partially offset by lower investment interest income and a decrease in interest on federal funds sold and other short-term investments. The net interest margin for the first quarter 2025 was 2.64%, up 20 basis points from 2.44% in the first quarter of 2024.