

ESSA BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET
(UNAUDITED)

	March 31, 2018	September 30, 2017
(dollars in thousands)		
ASSETS		
Cash and due from banks.....	\$ 29,112	\$ 36,008
Interest-bearing deposits with other institutions	5,692	5,675
Total cash and cash equivalents	34,804	41,683
Certificates of deposit	500	500
Investment securities available for sale, at fair value	377,375	390,452
Loans receivable (net of allowance for loan losses of \$10,510 and \$9,365)	1,291,262	1,236,681
Regulatory stock, at cost.....	17,234	13,832
Premises and equipment, net	15,604	16,234
Bank-owned life insurance.....	38,130	37,626
Foreclosed real estate	1,279	1,424
Intangible assets, net.....	1,565	1,844
Goodwill	13,801	13,801
Deferred income taxes.....	8,299	10,422
Other assets.....	21,071	20,719
TOTAL ASSETS	\$ 1,820,924	\$ 1,785,218
LIABILITIES		
Deposits	\$ 1,239,353	\$ 1,274,861
Short-term borrowings	241,345	137,446
Other borrowings	139,434	174,168
Advances by borrowers for taxes and insurance.....	12,188	5,163
Other liabilities	11,226	10,853
TOTAL LIABILITIES	1,643,546	1,602,491
STOCKHOLDERS' EQUITY		
Common stock	181	181
Additional paid in capital	180,466	180,764
Unallocated common stock held by the Employee Stock Ownership Plan	(8,488)	(8,720)
Retained earnings.....	90,179	91,147
Treasury stock, at cost.....	(78,225)	(79,891)
Accumulated other comprehensive loss.....	(6,735)	(754)
TOTAL STOCKHOLDERS' EQUITY	177,378	182,727
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,820,924	\$ 1,785,218

ESSA BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2018	2017	2018	2017
	(dollars in thousands)			
INTEREST INCOME				
Loans receivable	\$ 12,953	\$ 11,799	\$ 25,736	\$24,050
Investment securities:				
Taxable	2,186	2,043	4,244	3,917
Exempt from federal income tax	285	303	573	612
Other investment income	423	234	670	450
Total interest income	15,847	14,379	31,223	29,029
INTEREST EXPENSE				
Deposits	2,359	2,069	4,736	4,081
Short-term borrowings	951	296	1,535	547
Other borrowings	602	710	1,249	1,465
Total interest expense	3,912	3,075	7,520	6,093
NET INTEREST INCOME	11,935	11,304	23,703	22,936
Provision for loan losses	1,100	750	2,100	1,500
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES ..	10,835	10,554	21,603	21,436
NONINTEREST INCOME				
Service fees on deposit accounts	821	813	1,704	1,677
Services charges and fees on loans	299	273	668	627
Trust and investment fees	237	214	477	364
Gain on sale of investments, net	75	-	75	-
Earnings on Bank-owned life insurance	249	256	504	519
Insurance commissions	204	203	375	396
Other	60	25	111	58
Total noninterest income	1,945	1,784	3,914	3,641
NONINTEREST EXPENSE				
Compensation and employee benefits	5,900	6,056	11,908	12,233
Occupancy and equipment	1,186	1,190	2,371	2,281
Professional fees	626	835	1,192	1,580
Data processing	888	931	1,817	1,865
Advertising	201	241	359	546
Federal Deposit Insurance Corporation Premiums	256	213	445	400
Loss(gain) on foreclosed real estate	32	(5)	(4)	(101)
Amortization of intangible assets	135	164	279	327
Other	764	879	1,903	1,775
Total noninterest expense	9,988	10,504	20,270	20,906
Income before income taxes	2,792	1,834	5,247	4,171
Income taxes	529	203	4,622	603
Net Income	\$ 2,263	\$ 1,631	\$ 625	\$ 3,568

	Three Months Ended March 31,		Six Months Ended March 31,	
	2018	2017	2018	2017

(UNAUDITED)

Earnings per share:

Basic.....	\$ 0.21	\$ 0.15	\$ 0.06	\$ 0.34
Diluted	\$ 0.21	\$ 0.15	\$ 0.06	\$ 0.34

	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2018	2017	2018	2017

(dollars in thousands)
(UNAUDITED)

(dollars in thousands)
(UNAUDITED)

CONSOLIDATED AVERAGE BALANCES:

Total assets	\$ 1,822,352	\$ 1,762,076	\$ 1,812,366	\$ 1,765,294
Total interest-earning assets	1,702,982	1,636,516	1,689,856	1,641,759
Total interest-bearing liabilities	1,469,427	1,419,385	1,457,205	1,423,974
Total stockholders' equity	179,250	173,857	181,719	174,892

PER COMMON SHARE DATA:

Average shares outstanding – basic	10,796,353	10,592,997	10,749,088	10,526,084
Average shares outstanding – diluted	10,822,108	10,691,960	10,780,380	10,617,241
Book value shares	11,732,222	11,574,829	11,732,222	11,574,829

Net interest rate spread	2.71%	2.72%	2.69%	2.72%
Net interest margin	2.84%	2.80%	2.81%	2.80%

Contact: Gary S. Olson, President & CEO
Corporate Office: 200 Palmer Street
Stroudsburg, Pennsylvania 18360
Telephone: (570) 421-0531