

Burke & Herbert Bank & Trust Company Announces Fourth Quarter Dividend and Third Quarter Earnings

October 29, 2020

Alexandria, VA – At its meeting on October 22, 2020, the Board of Directors of Burke & Herbert Bank & Trust Company declared a \$20.00 per share regular cash dividend to be paid on December 1, 2020 to shareholders of record as of the close of business on November 13, 2020. The dividend payment for the quarter is equal to the dividend paid in the prior quarter, as well as in the same quarter one year ago.

“Burke & Herbert Bank continues to remain well capitalized, enjoying a capital position that is well above all regulatory requirements,” noted David Boyle, the Bank’s President & Chief Executive Officer. “While our year-to-date results have been dampened by pandemic-related challenges, we are pleased to note some bright spots and positive trends this quarter when compared to the prior one,” he added.

The Bank posted net income after taxes of \$17.4 million for the first nine months of the year, essentially unchanged year-over-year. For the third quarter alone, net income after taxes was \$5.8 million, 29.8% (\$1.34 million) greater than the same quarter last year and 25.0% (\$1.2 million) above the quarter ended June 30, 2020. Improved net income for the quarter was achieved despite increasing the Bank’s provision for loan losses over the same period in 2019, given the continued economic uncertainty.

Another positive note in our quarter-over-quarter performance was the increase in non-interest income in the third quarter, which grew by \$588 thousand (16.8%) over the second quarter. This growth included a rise in wealth services income, an increase in transaction-based income on deposit accounts and debit cards, and an increase in servicing released premiums resulting from the sale of mortgage loans to investors.

The Bank’s total assets at the end of the third quarter stood at nearly \$3.4 billion, a new all-time high. Compared to September 30, 2019, assets grew by \$441.0 million, or 15.1%. The Bank’s loan portfolio stood at \$2.0 billion, 4.4% higher than one year prior. While non-Paycheck Protection Program loan growth has been slow this year, the Bank has grown its investment portfolio dramatically – by \$337.4 million (46.1%) from one year ago.

For more information, please review our [Third Quarter Earnings Report](#).

Burke & Herbert Bank & Trust Company, established in 1852, is the oldest bank in the Commonwealth of Virginia and the oldest continuously operating bank in the Washington DC area. The Bank offers a full range of personal and business banking products and services designed to meet customers’ banking, borrowing, and investing needs. Burke & Herbert Bank & Trust Company is headquartered in Alexandria and operates more than 20 branches in Northern Virginia.

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