

YORK TRADITIONS BANK REPORTS 3rd QUARTER EARNINGS

October 19, 2017 -- York Traditions Bank (OTC Pink: YRKB) reported net income available to common shareholders of \$1,065,000, or 48 cents per share, for the third quarter ended September 30, 2017 compared to \$920,000, or 42 cents per share, for the third quarter ended September 30, 2016. This represents a \$145,000, or 16%, increase over the third quarter of 2016. Net income available to common shareholders for the nine months ended September 30, 2017 was \$2,424,000, or \$1.09 per share (diluted). This represents an increase of \$42,000, or 2%, over the first nine months of last year. Book value per common share stood at \$15.86 at September 30, 2017.

“We are immensely satisfied with the third quarter results,” stated Eugene J. Draganosky, President and Chief Executive Officer. “We outperformed third quarter earnings in 2016 by 16%. Like the prior year, this was our best quarter, positioning us well for the remainder of 2017. Our year-to-date earnings are now also running ahead of last year. Excellent growth in loans and deposits has boosted net interest income by \$1,377,000, or 16%, through the first nine months of 2017. Loans have grown \$43.9 million, or 15%, while deposits have grown \$40.4 million, or 13%, during the past twelve months. Loan quality remains strong with \$26,000 in net charge-offs so far in 2017 and a 0.71% non-performing asset ratio. The recently completed \$10 million private placement capital offering increased our Tier 1 capital ratio to 10.83%, putting us in excellent position to continue to pursue the great growth opportunities in our market.”

FINANCIAL HIGHLIGHTS (unaudited):
 (Dollars in thousands, except per share data)

Selected Financial Data	Sept 30,		Sept 30,	
	2017	2016	2016	
Investment securities	\$ 51,684	\$ 50,185	\$ 53,584	
Loans, net of unearned income	340,679	305,277	296,815	
Total assets	435,526	396,716	397,565	
Deposits	354,861	322,317	314,455	
Borrowings	28,857	35,710	43,477	
Subordinated debt	5,000	5,000	5,000	
Shareholders' equity	44,663	32,223	32,646	
Book value per common share	\$ 15.86	\$ 14.86	\$ 14.63	
Allowance/loans	1.03%	1.02%	0.94%	
Non-performing assets/total assets	0.71%	0.81%	0.84%	
Tier 1 capital/average assets	10.83%	8.21%	8.29%	

Selected Operations Data	Three months ended Sept 30,		Nine months ended Sept 30,	
	2017	2016	2017	2016
Interest income	\$ 4,391	\$ 3,680	\$ 12,285	\$ 10,674
Interest expense	(839)	(693)	(2,261)	(2,027)
Net interest income	3,552	2,987	10,024	8,647
Provision for loan losses	(153)	(300)	(423)	(694)
Investment securities gains	1	5	1	72
Gains on sale of mortgages	1,057	1,355	3,251	3,561
Other income	408	452	967	1,119
Other expense	(3,357)	(3,151)	(10,362)	(9,297)
Income before income taxes	1,508	1,348	3,458	3,408
Income taxes	(443)	(428)	(1,034)	(1,026)
Net income	\$ 1,065	\$ 920	\$ 2,424	\$ 2,382
Earnings per common share (basic)	\$ 0.48	\$ 0.42	\$ 1.10	\$ 1.09
Earnings per common share (diluted)	\$ 0.48	\$ 0.42	\$ 1.09	\$ 1.09
Return on average assets	0.98%	0.95%	0.79%	0.86%
Return on average equity	12.01%	11.53%	9.52%	10.59%
Net interest margin	3.45%	3.25%	3.43%	3.28%
Net charge-offs(recoveries)/average loans	0.02%	0.00%	0.01%	0.15%

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Safe Harbor Statement:

Except for historical information contained herein, the matters discussed in this release are forward-looking statements. Investors are cautioned that all forward-looking statements involve risks and uncertainty. Because of these risks and uncertainties, our actual future results may be materially different from the results indicated by these forward looking statements. In addition, our past results of operations do not necessarily indicate our future results. We undertake no obligation to publicly update or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise.