



Community
BANK SYSTEM, INC.

February 2019



CBU
LISTED
NYSE

Forward-Looking Statement

This presentation contains certain “forward-looking statements,” within the meaning of the Private Securities Litigation Reform Act of 1995, that are based on current expectations, estimates and projections about the industry, markets and economic environment in which the Company operates.

Such statements involve risks and uncertainties that could cause actual results to differ materially from the results discussed in these statements. These risks are detailed in the Company’s periodic reports filed with the Securities and Exchange Commission.

Annualized, pro forma, projected and estimated amounts are presented for illustrative purposes only and may not reflect actual results.

These statements are based on the current beliefs and expectations of Community Bank System’s management and are subject to significant risks and uncertainties, as described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2017.



Company Profile

- Successful, growing community bank headquartered outside of Syracuse, New York.
- One of the largest community banks based in Upstate New York with approximately \$10.6 billion in assets.
- More than 230 customer facilities across Upstate New York, Northeast Pennsylvania, Vermont and Massachusetts.
- Dominant market share: 1st or 2nd in two-thirds of the towns where we do business
- Significant and growing fee-based businesses
- Market capitalization of \$3.1 billion (at 1/31/19, share price of \$59.95).



Company Strengths

- Track record of superior shareholder returns
 - Our 10-year cumulative total return to shareholders is 237% (CAGR 12.9%), which is 2.0X greater than the 10-year cumulative returns of the KBW Regional Banking Index of 87% (CAGR 6.5%). ⁽¹⁾
- Industry leading dividend record – 26 consecutive years of increases.
- Strong asset quality even through worst recession.
- Primarily non-urban footprint provides stable, 2% to 5% growth a year. No boom, no bust.
- We focus on smaller, in-footprint customers than our large competitors.
- Significant fee-based businesses reduce dependence on net interest income.
 - Benefit Plans Administration, Wealth Management and Insurance contribute approx. 66% of noninterest income.
- Conservative risk management makes our returns particularly robust relative to risk taken.

Notes: (1) Based on 10-year historical performance through December 31, 2018 assuming dividend reinvestment.



Recent Accomplishments

- Generated record operating earnings in 2018, up 22.4% over 2017. Ninth consecutive year of improved operating earnings per share.⁽¹⁾
- Raised our dividend in 2018 for the 26th consecutive year, retaining our “Dividend Aristocrat“ Status.
- Ranked the 3rd best in an analysis of America’s best and worst large banks by Forbes Magazine.
- Reported Average Cost of Deposits of 16 basis points for Q4 2018.
- Maintained solid asset quality. Part of our operating DNA.

Note: ⁽¹⁾ Operating earnings are a non-GAAP measure and exclude one time merger related expenses and special charges. Please see Appendix for details.



Strategic Profile

Consistent business model for over 20 years

- Market-leading branch system serving predominantly non-urban markets
- Excellent core deposit customer base
- Decentralized decision-making and authority
- Investment in noninterest revenue businesses
- Goal of 10% annual total shareholder return over time
- Disciplined growth through organic and acquired opportunities; focused on profitable relationships
- Acquisitions are accretive to earnings and low risk



Strategy Element # 1

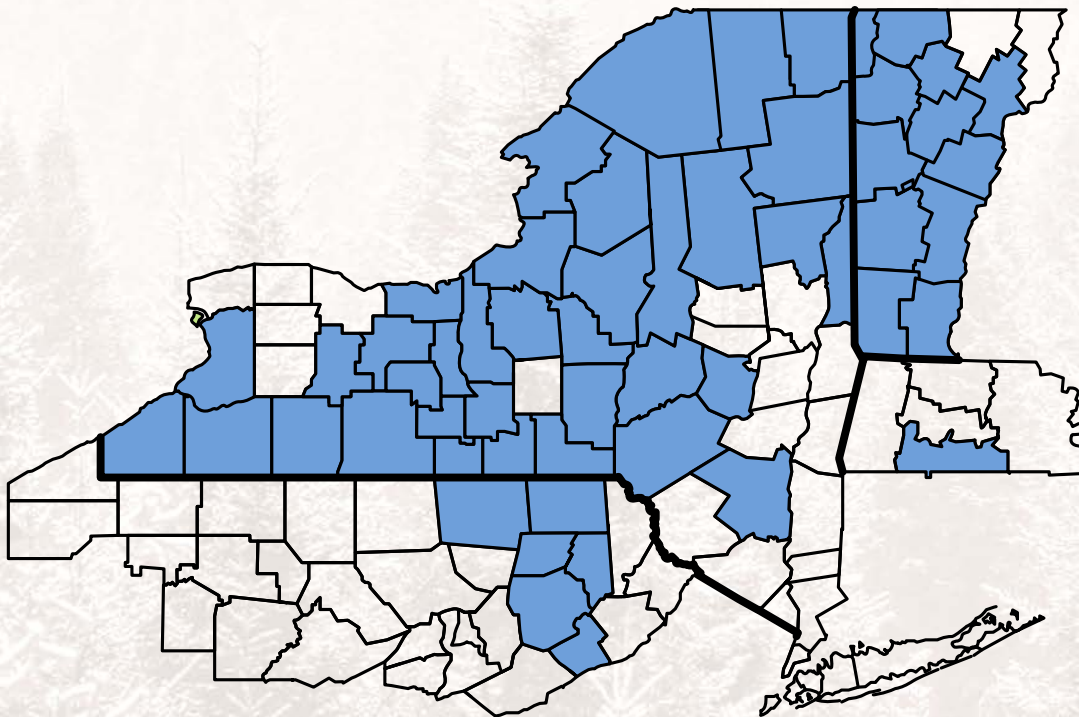
Market-leading Branch System/Digital Strategy Focused on Core Accounts

- Emphasize responsive, local decision-making and customer service and support, and authority at the branch level.
- Focus on generating and retaining core deposit accounts.
- Mostly non-urban markets where leadership positions can be earned.
- Complement market-leading branch system with enhanced digital banking services.



Geographic Profile

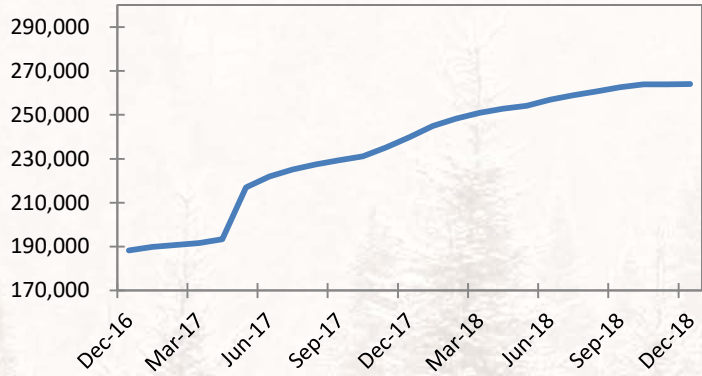
■ Counties with Community Bank Retail Banking Locations



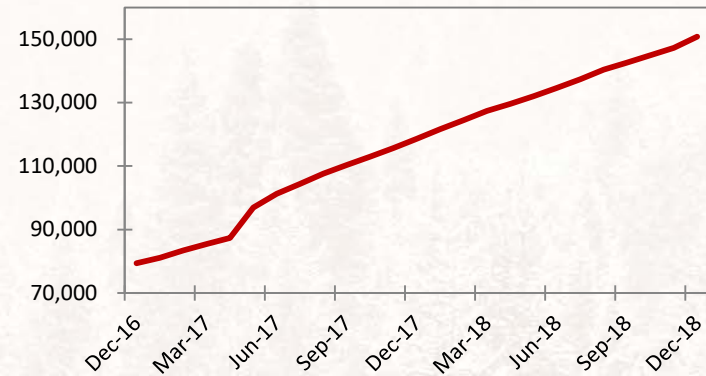
- We have dominant market shares in much of Upstate NY and Northeast PA where the markets have modest competition and modest growth, but we have achieved solid performance over time
- We entered Vermont and Western Massachusetts with the acquisition of Merchants Bank in 2017



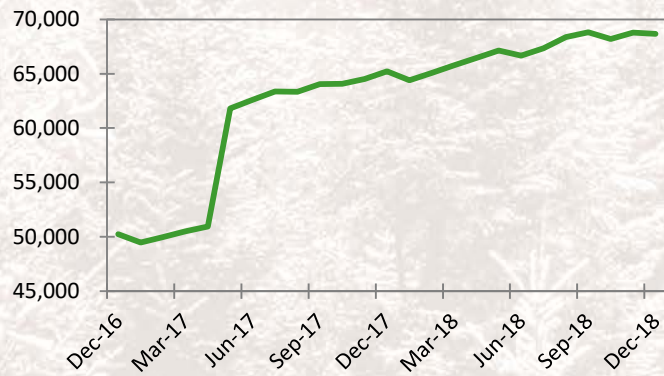
Digital Banking Adoption Rates



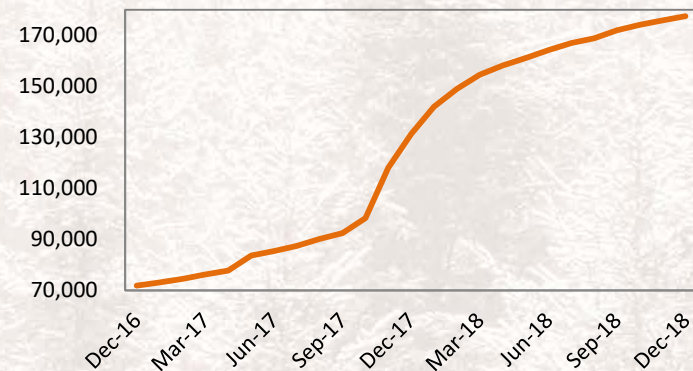
— Online Banking Users



— Mobile Banking Users



— Online Bill Pay Users



— E-Statement Accounts



Operating and Lending Strategies are Local and Conservative

- Community bank approach to growth
 - Discipline and focus on our local customers
 - Have always been an in-footprint lender
 - Deep knowledge of our markets
 - Emphasis on profitable customer relationships across all business lines
 - Decentralized local decision-making – branch managers act as local bank presidents
 - We never retreated from our markets or customers during economic downturns
- Average loan sizes are uniquely granular for an institution of our size
 - Average Commercial Loan \$400,000
 - Average Residential Mortgage \$106,000
 - Average Home Equity \$53,000
 - Average Indirect Loan \$20,000
- Commercial loan mix is well-diversified



Strategy Element #2

Continue to Grow Noninterest Revenues
(39% of operating revenues)

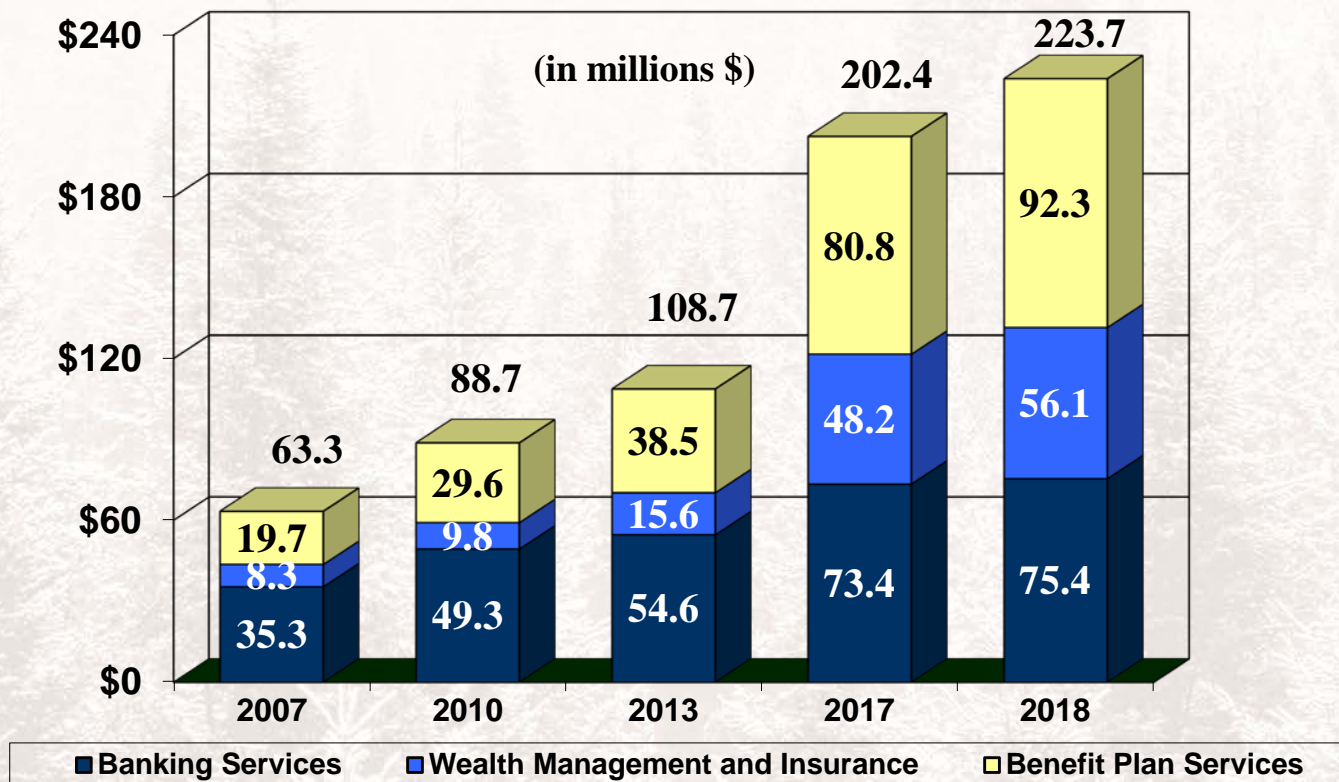
- Banking Services
- Benefits and Fund Administration, Transfer Agency and Consulting
- Wealth Management and Insurance



Growth in Noninterest Revenues

10+ Year History

(excluding securities gains/losses and debt extinguishment)



Noninterest Revenues/
Operating Revenues = 39%
in 2018.



Employee Benefit Plan Administration & Trust Services

Revenue Growth 10-year CAGR 12.8% (2009-2018)

\$92.3 million of revenues in 2018, a 14.2% increase over 2017 revenues

- National administrator of retirement plans, employee benefit plans, fund of funds, and collective investment trusts
- 3,800 retirement plans, \$77 billion in trust assets, and more than 450,000 participants
- 10 offices across the U.S. and Puerto Rico and 360 employees in 17 states
- Breadth of services, depth of creative talent, and financial resources to help clients solve benefit plan challenges without engaging multiple providers



Benefit Plan Administration & Trust Services

BPAS Family of Services

Plan Administration & Recordkeeping | TPA | Actuarial & Pension | VEBA & HRA/HSA | Fiduciary | AutoRollovers & MyPlanLoan | Healthcare Consulting | Transfer Agency | Fund Administration | Collective Investment Funds

BPAS Subsidiaries

Hand Benefits & Trust | NRS Trust Product Administration | Global Trust Company | BPAS Trust Company of Puerto Rico

Specialty Retirement Plan Administration Practices

Auto Enrollment Plans | Multiple Employer Plans and Multiple Employer Trusts | Plans with Employer Securities | Puerto Rico Section 1081 Plans | VEBA HRA Plans | Cash Balance Plans | Collective Investment Funds | Fund Administration

One company. One Call.



Wealth Management and Insurance

Revenue Growth 10-year CAGR 20.6% (2009 – 2018)

\$56.1 million of revenues in 2018, a 16.3% increase over 2017 revenues

Upstate NY, Northeast PA, Vermont, NYC, and Florida

\$6.3 billion in assets under management or administration

- Trust Services
- Asset Management and Advisory
- Insurance Agency
- Risk Management Services
- Planning



Strategy Element #3: Growth Model

Banking Acquisitions

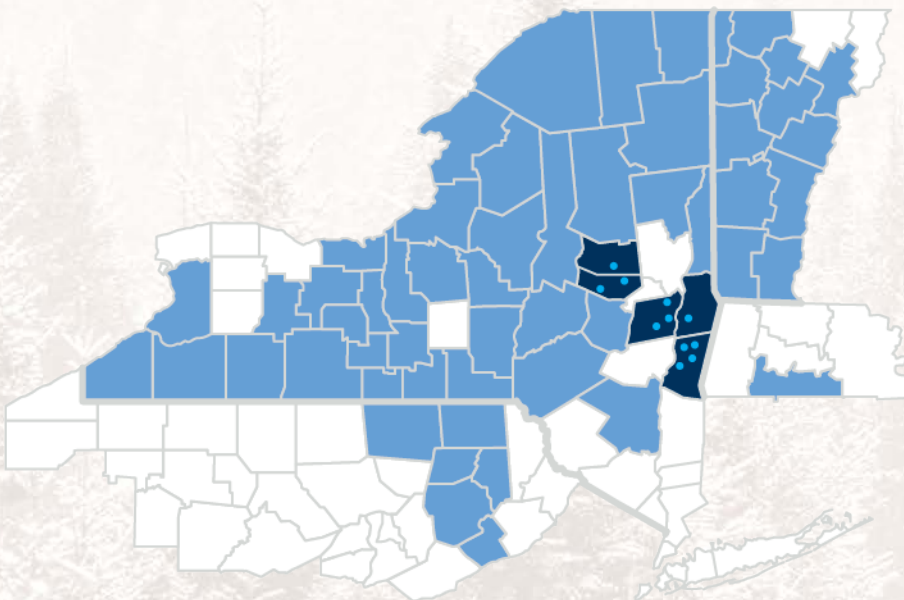
	<u># of Branches</u>	<u>Assets (in millions)</u>
<u>Whole-Bank Acquisitions</u>		
June 2019 – Pending Kinderhook Bank Corp.	11	\$ 640
May 2017	32	\$1,995
December 2015	12	\$ 798
April 2011	22	\$ 870
<u>Branch Acquisitions</u>		
December 2013	8 (net 6)	\$ 303
July/September 2012	19 (net 12)	\$ 800



Acquisition of Kinderhook Bank Corp.

Transaction Highlights

Natural Market Extension into Attractive Capital District Markets with High Quality Partner



- Kinderhook Bank Corp. is a high quality, low risk partner
 - 11 banking locations, contiguous with CBU's current footprint
 - Additive demographically to CBU's existing franchise
 - Compatible community and employee values
-
- Immediately accretive transaction
 - 7 to 8 cents GAAP EPS; 9 to 10 cents cash EPS
 - Productive use of CBU's strong and growing capital position



Acquisition of Kinderhook Bank Corp.

Transaction Assumptions & Impact

Merger Consideration	<ul style="list-style-type: none">▪ Kinderhook shareholders will receive \$62.00 per share of common stock in cash or approximately \$93.4 million in aggregate. Full conversion of convertible preferred shares is assumed.
Pricing Metrics	<ul style="list-style-type: none">▪ P / 2018E EPS: 10.5x with fully phased-in cost saves▪ P / Stated TBV: 1.86x
Due Diligence	<ul style="list-style-type: none">▪ Completed detailed due diligence across all business lines
Required Approvals	<ul style="list-style-type: none">▪ Kinderhook Bank Corp. shareholder approval; customary regulatory approvals
Expected Closing	<ul style="list-style-type: none">▪ Second quarter of 2019
Key Financial Assumptions	<ul style="list-style-type: none">▪ Cost savings of approximately 30.0% of NUBK's non-interest expense base▪ Gross loan mark of \$4.1 million equal to NUBK's loan loss reserves▪ Pre-tax restructuring charge of \$9.0 to \$10.0 million▪ CDI of \$9.8 million amortized over 8 years
Financial Impact	<ul style="list-style-type: none">▪ Approximately 7-8 cents GAAP EPS accretive in first full year; 9-10 cents cash EPS accretive
Capital Impact	<ul style="list-style-type: none">▪ Projected capital ratios at closing remain well above the regulatory requirements



Other Acquisitions (2012 – 2018)

Manageable-sized acquisitions, largely in-market, or contiguous:

- Merchants Bancshares
 - Completed Q2 2017, Vermont and Western Massachusetts, \$2.0 billion in assets
- Northeast Retirement Services, Inc.
 - \$30 plus million of revenues in fund administration, transfer agency, and retirement plan services. Now approaching \$40 million annually.
- 3 wealth management practices acquired by CISI subsidiary since Q2 2017
- 5 small insurance agencies acquired by OneGroup Subsidiary since Q1 2017
- Oneida Financial (Oneida Savings Bank and the OneGroup)
 - Completed Q4 2015, Central NY, \$800 million in assets
- 8 branches from Bank of America
 - Completed Q4 2013, Northeast PA, \$303 million in deposits
- 19 branches (12, net) from HSBC/First Niagara
 - Completed Q3 2012, Upstate NY, \$800 million in deposits



Strategy Element #3: Growth Model

Financial Services Acquisitions

Employee Benefit Services

	<u>Year</u>
• HR Consultants	2018
• Northeast Retirement Services	2017
• EBS-RMSCO, Inc. (Actuarial Group)	2014
• CAI Benefits, Inc.	2011

Wealth Management Services

• Financial Planning Practice (Liverpool/Syracuse, NY)	2019
• Financial Planning Practice (Canton, NY)	2018
• Financial Planning Practice (Wilkes-Barre, PA)	2017
• Merchants Bank Trust Dept.	2017

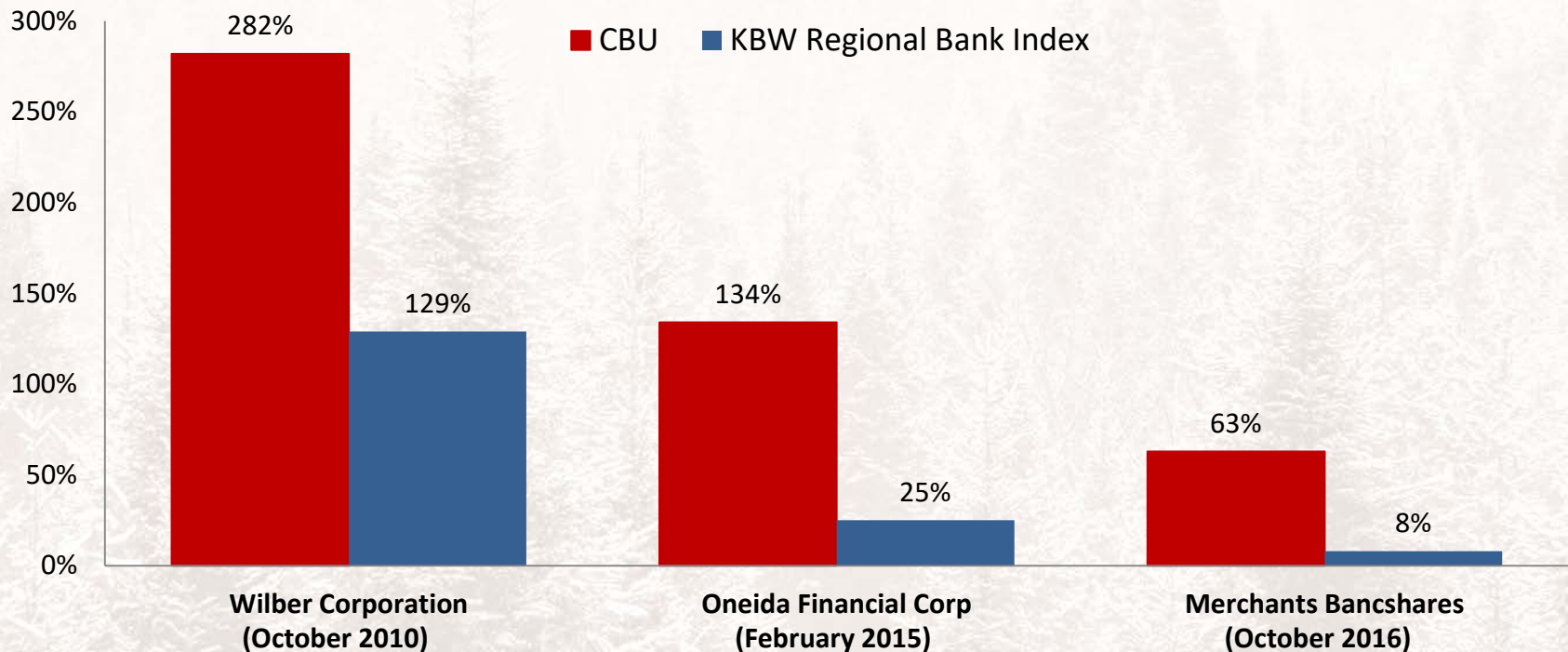
Insurance Services

• Independent Agency (Binghamton, NY)	2018
• Benefits Consulting Practice – (NYC)	2017
• Independent Agencies (Hazelton, PA and Oneonta, NY)	2017
• Independent Agent (Canton, NY)	2016
• One Group – “Foundation Agency” (Syracuse, NY) ⁽¹⁾	2015



Creating Excess Value for CBU's Partners and Shareholders

Total Shareholder Return Since Announcement (including Day 1 Premium)



Dividend Increase Since Acquisition

Since Acquisition 157% 79% 26%

Source: SNL Financial, FactSet, Company filings. Market data as of December 31, 2018.



2018 Performance Summary

	2018 Results <u>(In Millions except EPS)</u>	% Change From <u>2017</u>
• Net interest income	\$345.1	9.3%
• Noninterest income	224.1	10.7%
• Operating expenses ⁽¹⁾	346.1	7.8%
• Provision for loan losses	10.8	(1.3%)
• Net income, operating ⁽²⁾	167.8	28.3%
• Fully diluted shares outstanding	52.0	4.7%
• Operating EPS (diluted) ⁽²⁾	\$3.23	22.4%
• Net interest margin ⁽³⁾	3.73%	0.4%

Notes:

(1) Excludes acquisition expenses.

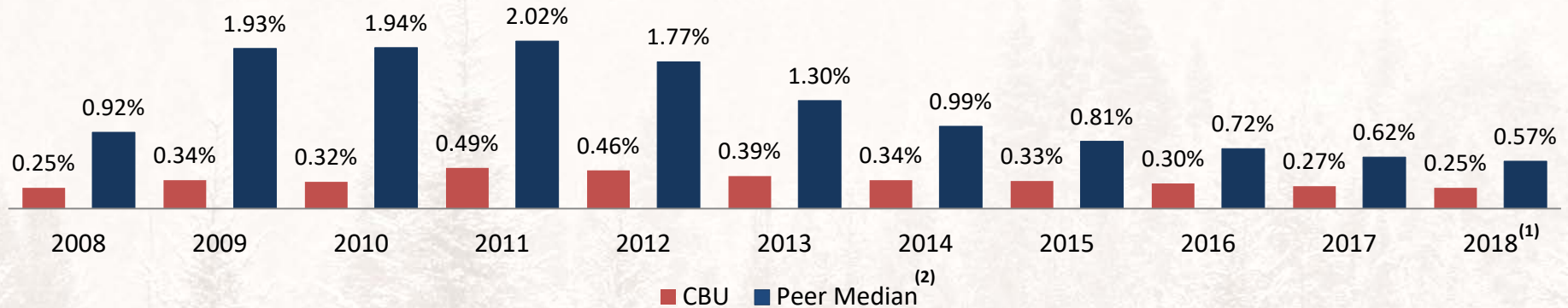
(2) Excludes the one-time deferred tax expense benefits of the Tax Cuts and Jobs Act, acquisition expenses, unrealized gain on equity securities and loss on debt extinguishment, net of tax effects.

(3) Represents the difference in net interest margin results between comparative periods, i.e., an increase of 4 basis points.

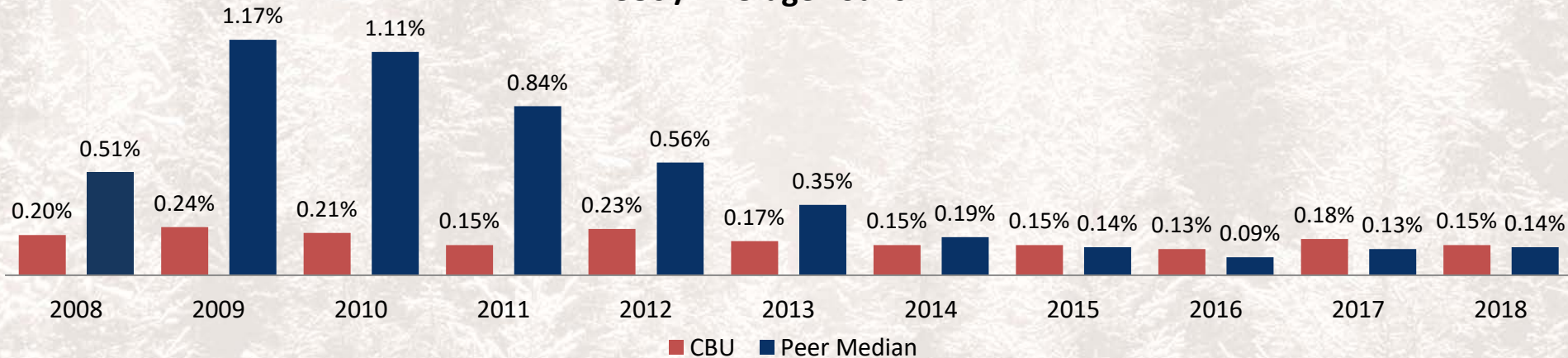


Low-Risk Balance Sheet with Strong Asset Quality

NPAs / Assets



NCOs / Average Loans



Source: SNL Financial, Company filings.

(1) CBU as of December 31, 2018. Peer data as of September 30, 2018.

(2) Peers used throughout this presentation may be found on Appendix A.



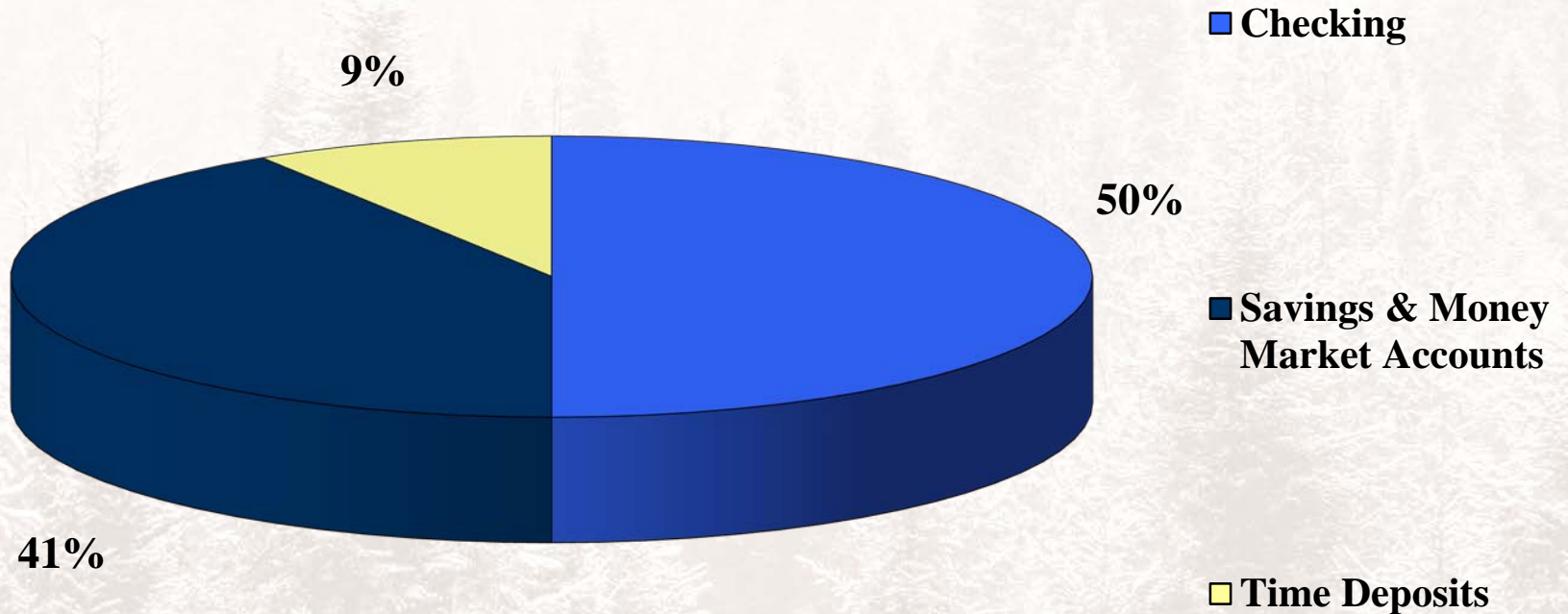
Loan Portfolio Balance

As of December 31, 2018	\$ bil.		Comments
Residential Mortgage and Home Equity	\$2.6	42%	Residential Mortgages: Primarily residential 1 st mortgages, fixed rate. All originated in-market. Annualized loss ratio <0.10% historically. Home Equity 6% of total loans: 1 st or 2 nd lien, residential, loss ratio <0.15% historically.
Business/Commercial	\$2.4	38%	Commercial Real Estate and C + I lending. Annualized loss ratio <0.16% past 1, 5 and 10 years Important source of deposit funding and fee-generation.
Consumer Installment	\$1.3	20%	Consumer Indirect 17% of total loans: primarily used auto loans through dealerships in bank footprint; over 30 yrs in this business; annualized loss ratios of 0.30% to 0.46% (2012 – 2018); 0.33% loss ratio for 2018. Consumer Direct 3% of total loans.
Total Loans	\$6.3		

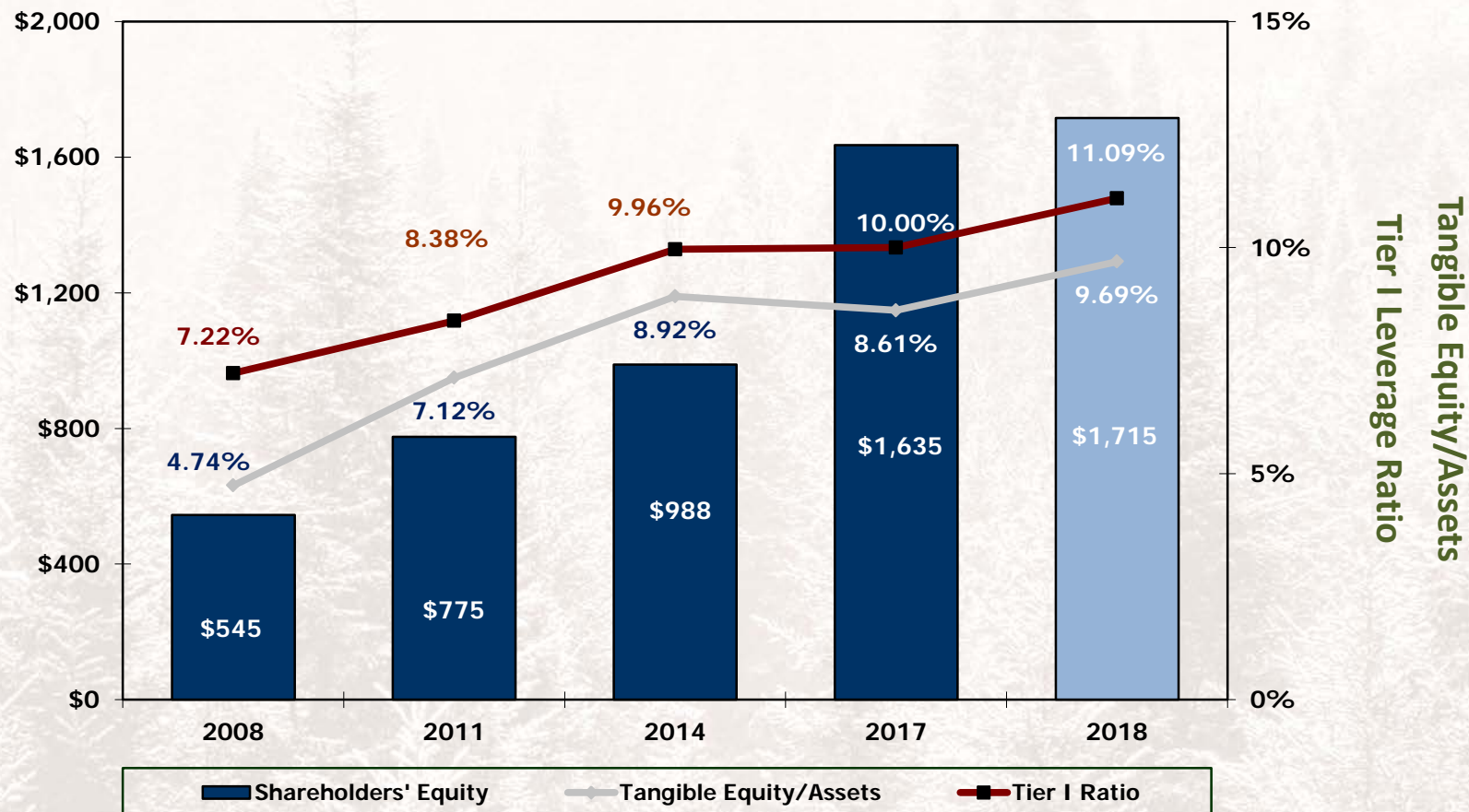


Core Deposit Strength and Focus

Q4 2018 Average Cost of Deposits: 0.16%



Capital Growth and Stability



Note: Tangible Equity and Tangible Assets are non-GAAP measures. Please see Appendix for details.



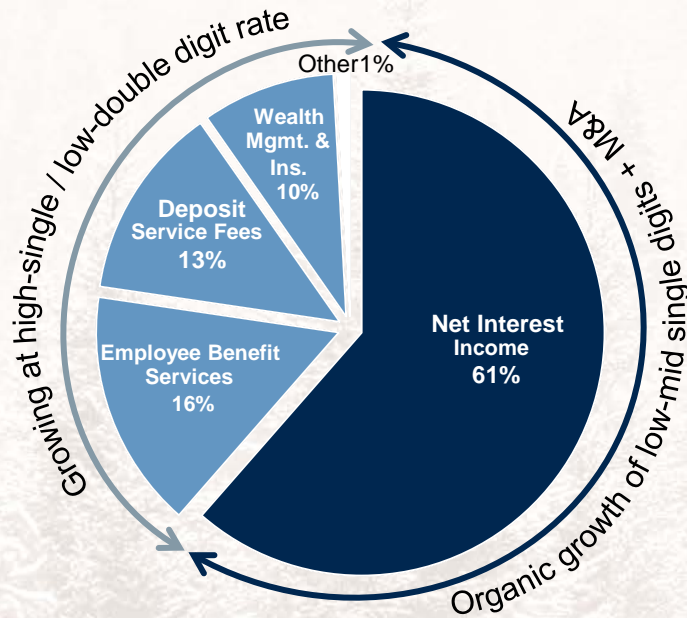
Asset & Liability Management is Conservative

- Stable net interest margin, 3.69% to 3.73% range past 4 years, (3.69% in 2017; 3.73% 2018).
- Loan to deposit ratio of 75% as of December 2018.
- Investment portfolio – conservative; plain/vanilla. 65% US Treasury securities at 12/31/18. Sensible duration characteristics.
- Core deposit focused.

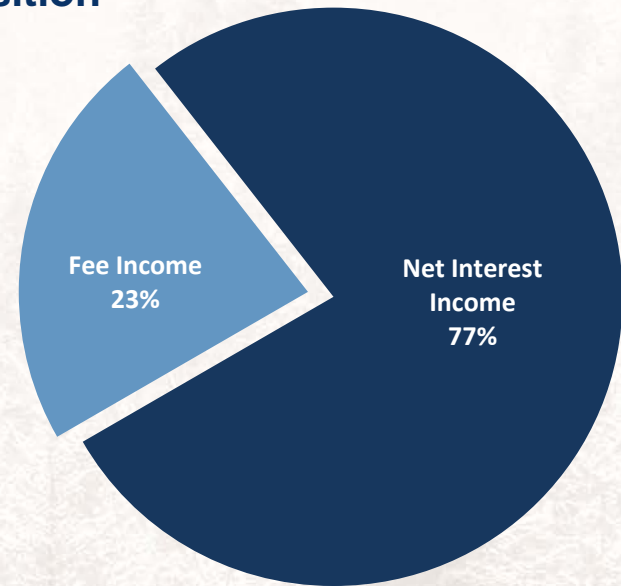


CBU Has a Diversified, Lower-Capital Intensity Revenue Stream

Revenue Composition



CBU



Peer Median⁽¹⁾

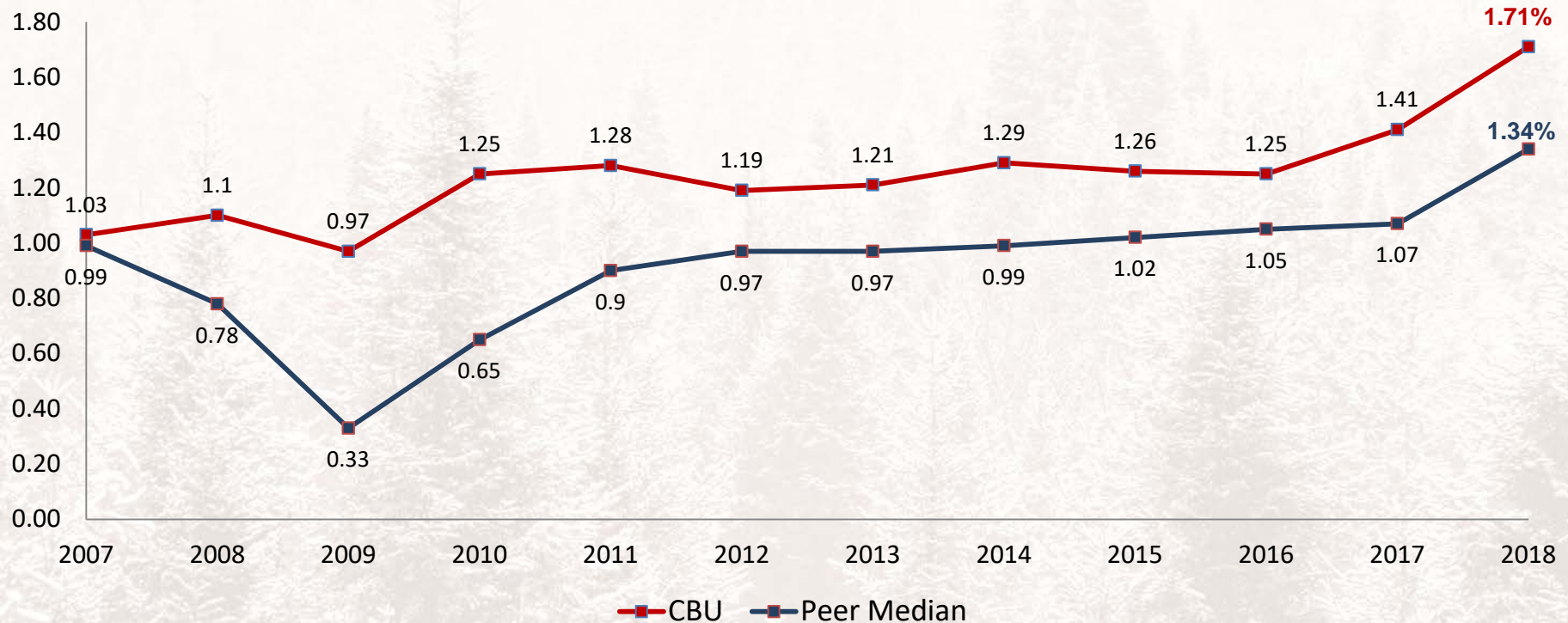
Source: SNL Financial, Company filings.

(1) Peers used throughout presentation may be found on Appendix A.



Resulting in Consistent Outperformance

Return on Average Assets⁽¹⁾

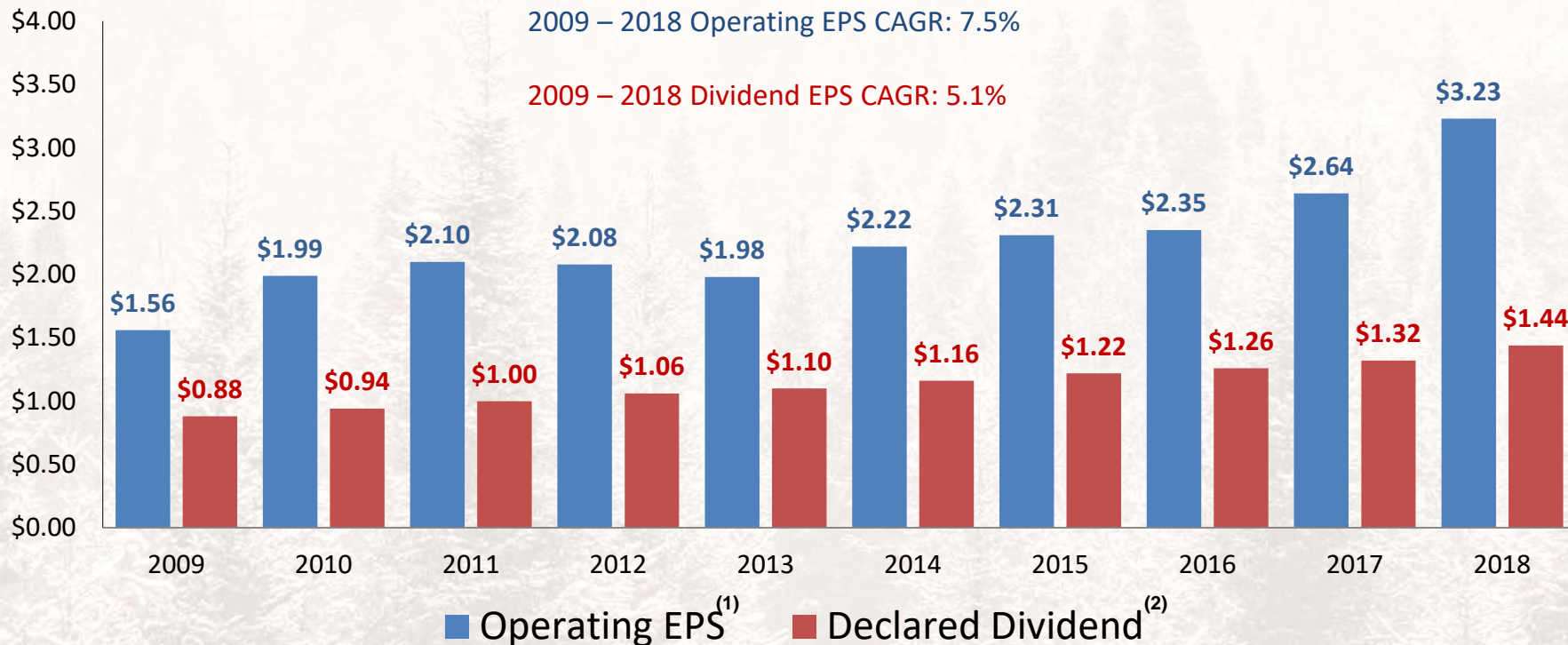


Note: ⁽¹⁾ Core ROAA shown excludes net income attributable to non controlling interest, gains on securities, non-recurring revenue/expense, amortization of intangible assets and goodwill impairment. Adjustments were made to the 2017 peer group results for the income statement impact of the Tax Cuts and Jobs Act. CBU's Core ROAA was 1.77% for FY2017, but was adjusted downward to 1.41% to exclude a \$38.0 million tax benefit recorded by the Company due to the passage of the Tax Cuts and Jobs Act in the fourth quarter 2017.

Source: SNL Financial, Company filings.



High-Quality Earnings, Dividend Growth & Stable Dividend Policy



Notes: (1) Operating earnings excludes acquisition expense, net of tax effect, unrealized gain on equity securities, net of tax effect, loss on debt extinguishment, net of tax effect and the \$38.0 million positive adjustment to deferred tax expense in 2017 due to the passage of the Tax Cuts and Jobs Act.

(2) Per share dividend amounts equal total dividends declared in the corresponding calendar year.

Source: SNL Financial, Company filings, MSCI Research, ETF Channel.



Investment Merits

- Community Bank became a member of the S&P 1500 Dividend Aristocrats Index in 2012, signifying that the Company had raised its annual regular cash dividend payment for at least 20 consecutive years (now at 26 years in a row).
- CBU's 10-year cumulative total return to shareholders of 237% (as of 12/31/18) is 2.0X greater than the median 10-year cumulative returns of the KBW Regional Banking Index of 87% (CAGR 6.5%).*
- NYSE-listed company with significant liquidity.
- Long-term growth focus. Successful and effective operating strategy. Strong fundamentals with strong asset quality. Superior return to shareholders.

* Based on 10-year historical performance through December 31, 2018 assuming dividend reinvestment.



Consistent Dividend Focus

- **Strong Dividend Payment**
 - \$1.52 per share annualized
 - Payout ratio of approximately 50%
- **Productive Dividend Yield:**
 - 2.53% at January 31, 2019
- **Outstanding Track Record of Payment Increases**
 - 12% increase in August 2018
 - 26 straight years



Shareholder Profile

- Strong liquidity approx. 222,000 shares traded daily
- Ownership
 - 71% Institutional
 - 36% Passive/Index ETFs
 - 32% Traditional Investment Managers and Index Funds/ETFs
 - 3% Government Pension Sponsors
 - 29% Retail
 - 27% Public
 - 2% Insiders

Source: SNL Financial, Most Recent Available Date.



Total Shareholder Returns (Annualized)

(Through December 31, 2018, or most recent available, Including Reinvestment of Dividends)

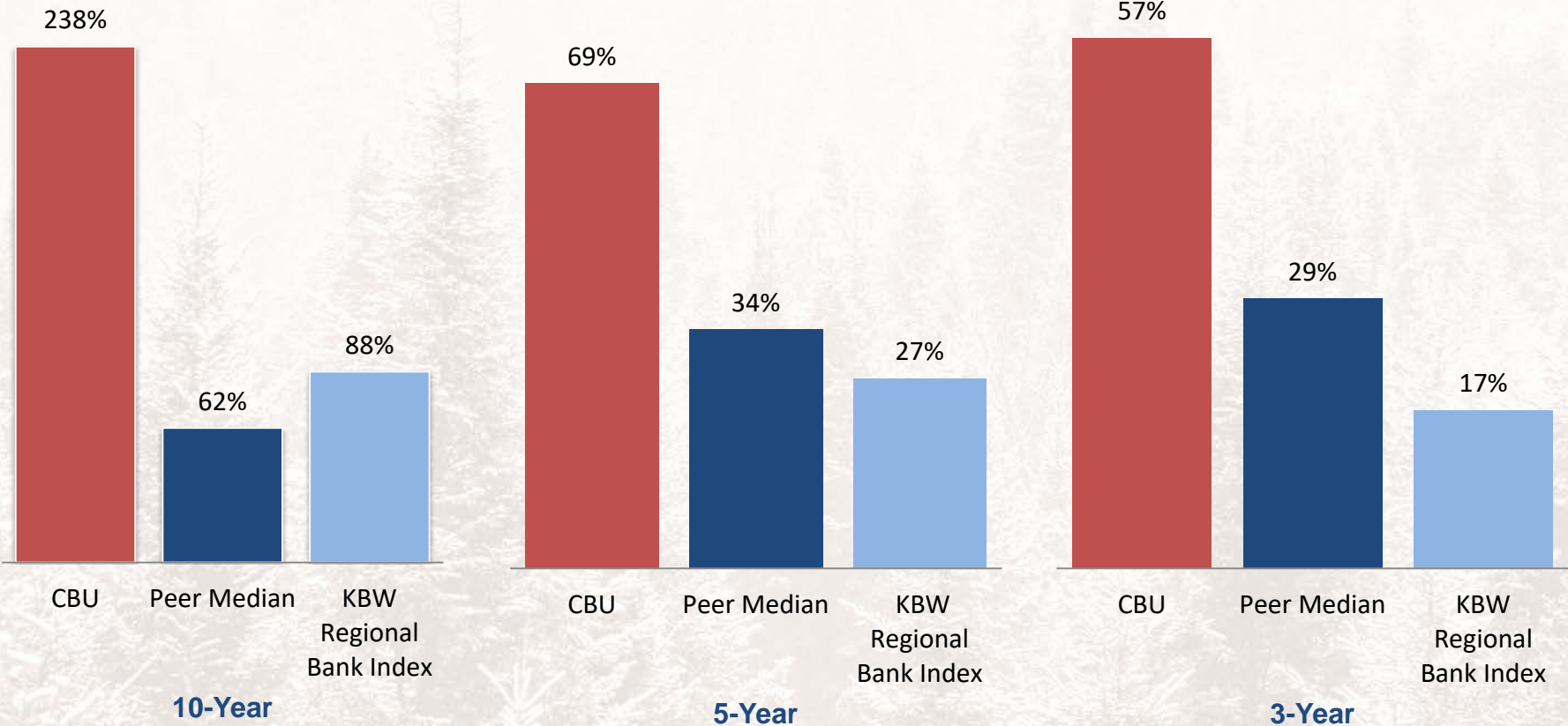
	1 Year	5 Years	10 Years	Prior to Financial Crisis	
				12 Years	15 Years
CBU	11.1%	11.1%	12.9%	11.9%	9.7%
S&P 600 Comm. Bank Index	(9.9%)	7.0%	7.2%	1.5%	2.4%
KBW Regional Bank Index	(17.5%)	4.9%	6.5%	1.5%	3.0%
S&P 500	(4.4%)	8.5%	13.1%	7.1%	7.8%
DJIA	(3.5%)	9.7%	13.2%	8.1%	8.2%

Source: Bloomberg



Driving Top Decile Shareholder Returns

Total Shareholder Return

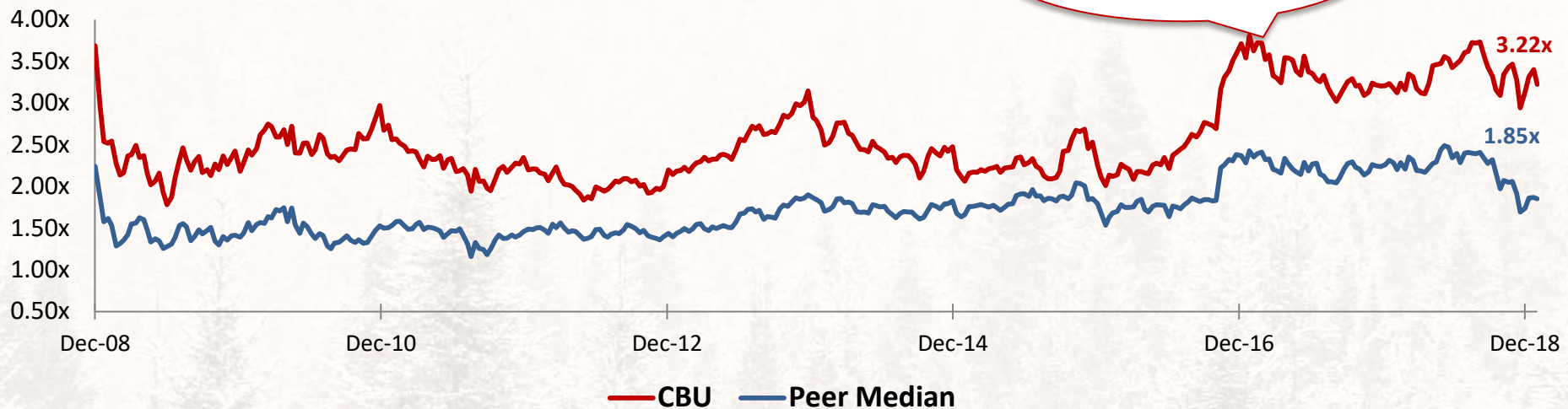


Source: FactSet. Market data as of 12/31/18.

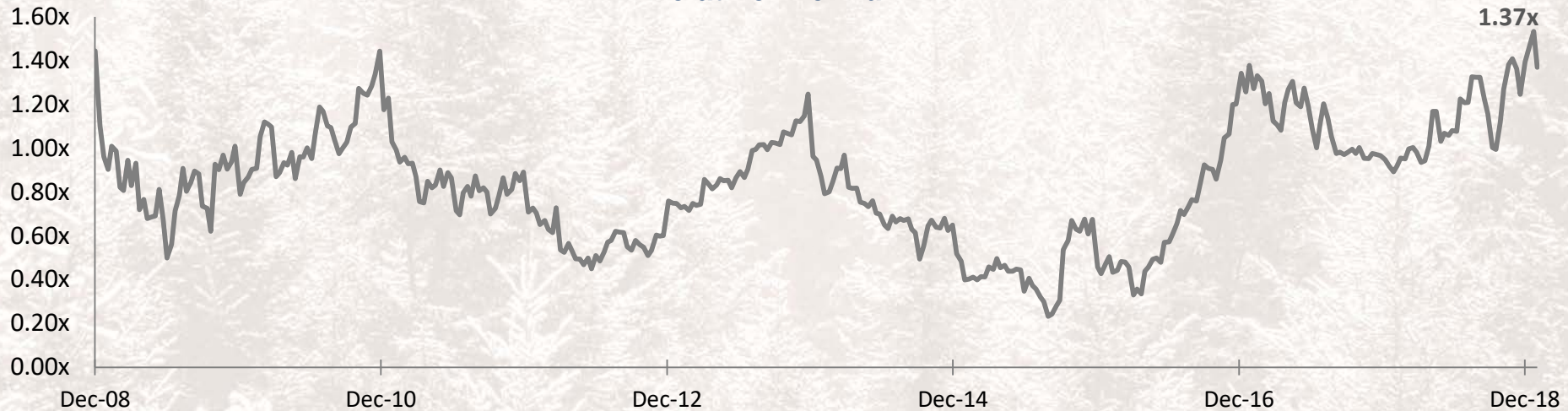


Well-Deserved Valuation Premium

Price / TBV



Relative Premium



Source: SNL Financial, Company filings. Ending share prices as of 1/31/19.



Appendix A

Peer Company Name	Ticker	Location	As of December 31, 2018	
			Total Assets (\$'000)	Market Cap of Traded Common Equity (\$M)
Berkshire Hills Bancorp Inc.	BHLB	Boston, MA	12,212,231	1,266
Brookline Bancorp Inc.	BRKL	Boston, MA	7,392,805	1,231
Chemical Financial Corp.	CHFC	Detroit, MI	21,498,341	3,229
First Commonwealth Financial	FCF	Indiana, PA	7,828,255	1,364
First Financial Bancorp.	FFBC	Cincinnati, OH	13,986,660	2,642
Flushing Financial Corp.	FFIC	Uniondale, NY	6,834,176	622
First Midwest Bancorp Inc.	FMBI	Chicago, IL	15,505,649	2,386
F.N.B. Corp.	FNB	Pittsburgh, PA	33,101,840	3,814
First Merchants Corp.	FRME	Muncie, IN	9,884,716	1,840
Fulton Financial Corp.	FULT	Lancaster, PA	20,682,152	2,794
Independent Bank Corp.	INDB	Rockland, MA	8,851,592	2,281
MB Financial Inc.	MBFI	Chicago, IL	20,207,026	3,778
NBT Bancorp Inc.	NBTB	Norwich, NY	9,556,363	1,589
Old National Bancorp	ONB	Evansville, IN	19,728,435	2,902
Park National Corp.	PRK	Newark, OH	7,804,308	1,540
Signature Bank	SBNY	New York, NY	47,364,816	7,242
1st Source Corp.	SRCE	South Bend, IN	6,293,745	1,186
S&T Bancorp Inc.	STBA	Indiana, PA	7,252,221	1,351
Sterling Bancorp	STL	Montebello, NY	31,383,307	4,245
Tompkins Financial Corporation	TMP	Ithaca, NY	6,758,436	1,169
TrustCo Bank Corp NY	TRST	Glenville, NY	4,958,913	766
Union Bkshs Corp	UBSH	Richmond, VA	13,765,599	2,166
United Bankshares Inc.	UBSI	Charleston, WV	19,250,498	3,716
Valley National Bancorp	VLV	Wayne, NJ	31,863,088	3,417
Webster Financial Corp.	WBS	Waterbury, CT	27,610,315	5,114
WesBanco Inc.	WSBC	Wheeling, WV	12,458,632	2,239
Wintrust Financial Corp.	WTFC	Rosemont, IL	31,241,521	4,083
Minimum			4,958,913	622
Median			13,765,599	2,281
Average			16,862,061	2,592
Maximum			47,364,816	7,242

Community Bank System Inc.	CBU	De Witt, NY	10,608,359	3,146
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Reconciliation of GAAP and Non-GAAP

Community Bank System's management uses the term "non-GAAP" financial measures in their analysis of the company's performance and operations. Management believes that these non-GAAP financial measures provide a greater understanding of ongoing operations and enhance comparability of results. These disclosures should not be viewed as a substitute for financial measures determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP financial measures that may be presented by other companies. The types of non-GAAP financial measures used in this presentation include:

- Tangible equity, tangible common equity, tangible assets and tangible book value are non-GAAP financial measures which Community Bank System's management uses to assess the quality of capital and believes that investors may find useful in their analysis, although these metrics are not necessarily comparable to similar non-GAAP financial measures used by other companies. Tangible equity is calculated by excluding the balance of goodwill and other intangible assets from the calculation of total equity and adding back the amount of the deferred tax liability related to tax deductible goodwill. Tangible common equity is calculated by excluding the balance of goodwill and other intangible assets from the calculation of stockholders' equity and adding back the amount of the deferred tax liability related to tax deductible goodwill. Tangible assets is calculated by excluding the balance of goodwill and other intangible assets from the calculation of total assets and adding back the amount of the deferred tax liability related to tax deductible goodwill. Tangible book value per share is calculated by dividing tangible common equity by the number of shares outstanding at a point of time.
- Operating earnings is a non-GAAP financial measure which Community Bank System believes investors may find useful in their analysis. Operating earnings is calculated by excluding the one-time deferred tax expense benefits of the Tax Cuts and Jobs Act recorded in the fourth quarter of 2017, as well as acquisition-related expenses, net of tax effect, the unrealized gain on equity securities, net of tax effect, and the loss on debt extinguishment, net of tax.
- Operating cash flow adds back the amortization of intangibles, net of tax effect and subtracts purchased loan accretion, net of tax effect from Operating Earnings.



CBU Free Cash Flow

Consistent and Growing
Supports Growth in Dividends & Assets

	Yrs Ended Dec. 31 (\$000s)					
	2018	2017	2016	2015	2014	2013
Net income (GAAP)	\$ 168,641	\$ 150,717	\$ 103,812	\$ 91,230	\$ 91,353	\$ 78,829
Tax Cuts and Jobs Act deferred impact	-	(38,010)	-	-	-	-
Acquisition expenses	(769)	25,986	1,706	7,037	123	2,181
Tax effect of acquisition expenses	163	(7,977)	(560)	(2,182)	(36)	(633)
Unrealized (gain) loss on equity securities	(657)	-	-	-	-	-
Tax effect on unrealized (gain) loss on equity securities	139	-	-	-	-	-
Loss on Debt Extinguishment	318	-	-	-	-	-
Tax effect of loss on Debt Extinguishment	(67)	-	-	-	-	-
Operating Earnings	167,768	130,716	104,958	96,085	91,440	80,377
Amortization of intangibles	18,155	16,941	5,479	3,663	4,287	4,469
Tax effect of amortization of intangibles	(3,790)	(5,005)	(1,800)	(1,135)	(1,267)	(1,296)
Subtotal (non-GAAP)	182,133	142,652	108,637	98,613	94,460	83,550
Acquired non-impaired loan accretion	(7,921)	(5,888)	(2,868)	(2,256)	(3,338)	(3,720)
Tax effect of acquired non-impaired loan accretion	1,652	1,739	942	700	987	1,079
Operating Cash Flow	175,864	138,503	106,711	97,057	92,109	80,909
Cash Dividends Paid	71,496	62,305	55,048	49,273	46,178	43,482
Cash Div % of Operating Cash Flow	41%	45%	52%	51%	50%	54%



Tangible Equity Components & Trends

Dec. 31 (\$000s)	2018	2015	2012	2010	2008
Stock, APIC, Retained earnings	\$1,760,152	\$1,121,412	\$848,444	\$616,598	\$557,515
Accumulated other comprehensive gains (losses)	<u>(45,305)</u>	<u>19,235</u>	<u>54,334</u>	<u>(9,340)</u>	<u>(12,864)</u>
Total shareholders' equity	<u>1,714,847</u>	<u>1,140,647</u>	<u>902,778</u>	<u>607,258</u>	<u>544,651</u>
Intangible assets	807,349	484,146	387,134	311,714	328,624
Deferred tax liabilities from intangible assets	<u>46,370</u>	<u>39,724</u>	<u>27,947</u>	<u>20,765</u>	<u>14,216</u>
Net intangible assets	<u>760,979</u>	<u>444,422</u>	<u>359,187</u>	<u>290,949</u>	<u>314,408</u>
Tangible equity	953,868	696,225	543,591	316,309	230,243
Outstanding shares	<u>51,258</u>	<u>43,775</u>	<u>39,626</u>	<u>33,319</u>	<u>32,633</u>
Tangible equity per share	<u>\$18.61</u>	<u>\$15.90</u>	<u>\$13.72</u>	<u>\$9.49</u>	<u>\$7.06</u>
Tangible equity to net tangible assets ratio	<u>9.69%</u>	<u>8.59%</u>	<u>7.62%</u>	<u>6.14%</u>	<u>4.74%</u>



FEBRUARY 2019

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