

20 / ANNUAL / 19

Making
an impact
for our
customers
for our
community

TOMPKINS 
FINANCIAL

Financial Highlights

IN THOUSANDS, EXCEPT PER SHARE DATA

	2019	2018	% CHANGE
Total assets	\$6,725,623	\$6,758,436	-0.49%
Net income attributable to Tompkins Financial Corporation	81,718	82,308	-0.72%
Diluted earnings per share	5.37	5.35	0.37%
Adjusted diluted earnings per share ¹	5.37	5.33	0.75%
Cash dividends per share	2.02	1.94	4.12%

Selected Financial Data

IN THOUSANDS, EXCEPT PER SHARE DATA

	2019	2018	2017	2016	2015
Financial Statement Highlights					
Assets	\$6,725,623	\$6,758,436	\$6,648,290	\$6,236,756	\$5,689,995
Total loans	4,917,550	4,833,939	4,669,120	4,258,033	3,772,042
Deposits	5,212,921	4,888,959	4,837,807	4,625,139	4,395,306
Other borrowings	658,100	1,076,075	1,071,742	884,815	536,285
Total equity	663,054	620,871	576,202	549,405	516,466
Interest and dividend income	261,378	251,592	226,764	202,739	188,746
Interest expense	50,750	39,792	25,460	22,103	20,365
Net interest income	210,628	211,800	201,304	180,636	168,381
Provision for loan and lease losses	1,366	3,942	4,161	4,321	2,945
Net gains (losses) on securities transactions	645	(466)	(407)	926	1,108
Net income attributable to Tompkins Financial Corporation	81,718	82,308	52,494	59,340	58,421
Per Share Information					
Basic earnings per share	5.39	5.39	3.46	3.94	3.91
Diluted earnings per share	5.37	5.35	3.43	3.91	3.87
Adjusted diluted earnings per share ¹	5.37	5.33	4.42	3.91	3.63
Cash dividends per share	2.02	1.94	1.82	1.77	1.70
Common equity per share	44.17	40.45	37.65	36.20	34.38
Selected Ratios					
Return on average assets	1.22 %	1.23 %	0.82 %	1.01 %	1.07 %
Return on average equity	12.55 %	13.93 %	9.09 %	10.85 %	11.51 %
Average shareholders' equity to average assets	9.75 %	8.83 %	9.04 %	9.28 %	9.31 %
Dividend payout ratio	37.48 %	35.99 %	52.60 %	44.92 %	43.48 %

Other Selected Data

IN WHOLE NUMBERS, UNLESS OTHERWISE NOTED

Employees (average full-time equivalent)	1,047	1,035	1,041	1,019	998
Banking offices	64	66	65	66	63
Bank access centers (ATMs)	87	83	84	85	85
Trust and investment services assets under management, or custody (in thousands)	\$4,062,325	\$3,806,274	\$4,017,363	\$3,941,484	\$3,852,972

¹ Adjusted diluted earnings per share reflects adjustments made for certain nonrecurring items. Adjustments for nonrecurring items in 2018 included a \$2.2 million gain on sale of real estate and a \$1.9 million write-down of impaired leases (\$0.02 per share). Adjustments in 2017 included a \$14.9 million (\$0.99 per share) one-time non-cash write-down of net deferred tax assets related to the Tax Cuts and Jobs Act of 2017. Adjustments in 2015 included a \$3.6 million (\$0.24 per share) after-tax gain on a pension plan curtailment. There were no adjustments in 2019 and 2016. Adjusted diluted earnings per share is a non-GAAP measure. This adjusted measure is defined in the Company's Form 10-K.



| A MESSAGE FROM |

Tom Rochon & Steve Romaine

Since our founding in 1836, Tompkins has been a local community bank, dedicated to the unique needs of people and businesses throughout our region. While our industry faces significant, long-lasting structural challenges—including heightened regulatory pressure, a volatile interest rate environment, a slowing economy and formidable competition from non-banks—we at Tompkins ensure continued success by remaining steadfastly committed to the heart of our business: our relationships.

As we focus on efficiency, delivering shareholder returns and investing in new technologies and growth opportunities, we continually improve the positive relationships we have worked so hard to cultivate. We take time to get to know our customers and offer the products and services that will bring them closer to their goals. As our relationships grow stronger and our customers experience growing success, it creates positive change not only in their lives, but in the community around them.

Our strong relationships made a powerful impact throughout 2019, resulting in growth in a number of key areas. We delivered record diluted earnings per share of \$5.37 for the full year, an increase of 0.4% over the previous year. Compared with

December 31, 2018, the end of 2019 saw total loans of \$4.9 billion up 1.7% and total deposits of \$5.2 billion up 6.6%. Credit quality trends remained strong in 2019. As we embark on a new decade, we remain focused on achieving our strategy of long-term sustainability.

Promoting an environment of highly-engaged and diverse employees is essential to delivering superior results for our customers, shareholders and communities. We have heightened our commitment to this initiative by engaging our employees in diversity and inclusion learning opportunities. We are also ensuring that the diversity of our people reflects the diversity of our markets—this makes us a stronger company and is critical

to the perpetuation of our industry, as employees of the future are increasingly diverse.

We continue to innovate to make our customers' lives easier and more secure. Our newly upgraded digital banking experience welcomed customers in June with a modern and consistent look and feel across their devices. The new digital platform is highly personalized and thoughtfully simplified, allowing customers to arrange their dashboard in a way that makes the most sense for them, with a more straightforward way to manage accounts, move money and send electronic Person-to-Person (P2P) payments.

In this time of innovation, attention to security remains critically important. Our new mobile app includes Touch or Face ID, two-factor authentication and real-time transaction alerts. With enhanced card controls, customers can use the app to temporarily disable a misplaced card, turn it back on when located and report it lost or stolen if needed. Mobile payments are made more secure with the launch of Tompkins Digital Wallet. With a quick tap of their smartphone, customers can use Apple Pay® or Google Pay™ to pay with their Tompkins Debit Mastercard or credit card at millions of locations, and their physical card number is never passed through the merchant.

For business customers, we launched Treasury Management for Business, with a sleek new look and customizable dashboard. We have improved and secured the login process, making login credentials consistent across the app and website and restricting access based on IP address, day and time of day. We have also added PIN verification to certain transactions for increased security. Plus, with enhanced communication via the message center, we continue to give our very best with every interaction.

Our partnerships have remained strong and growing in 2019. Tompkins Insurance Agencies received significant recognition for positive customer relationships, operations and communication. They were named among the Top 100 largest independent property/casualty agencies in the nation by *Insurance Journal* for the fifth consecutive year. They were also named a Best Practices Agency by Independent Insurance Agents & Brokers of America, and received the 2019 Excellence in Social Media Award from the national Professional Insurance Agents Association.

Tompkins Financial Advisors^t continues to focus on strengthening the client experience. This year brought the launch of Tompkins Financial Advisors Premier Banking—an exclusive package, offered through our bank partners, for financial advising

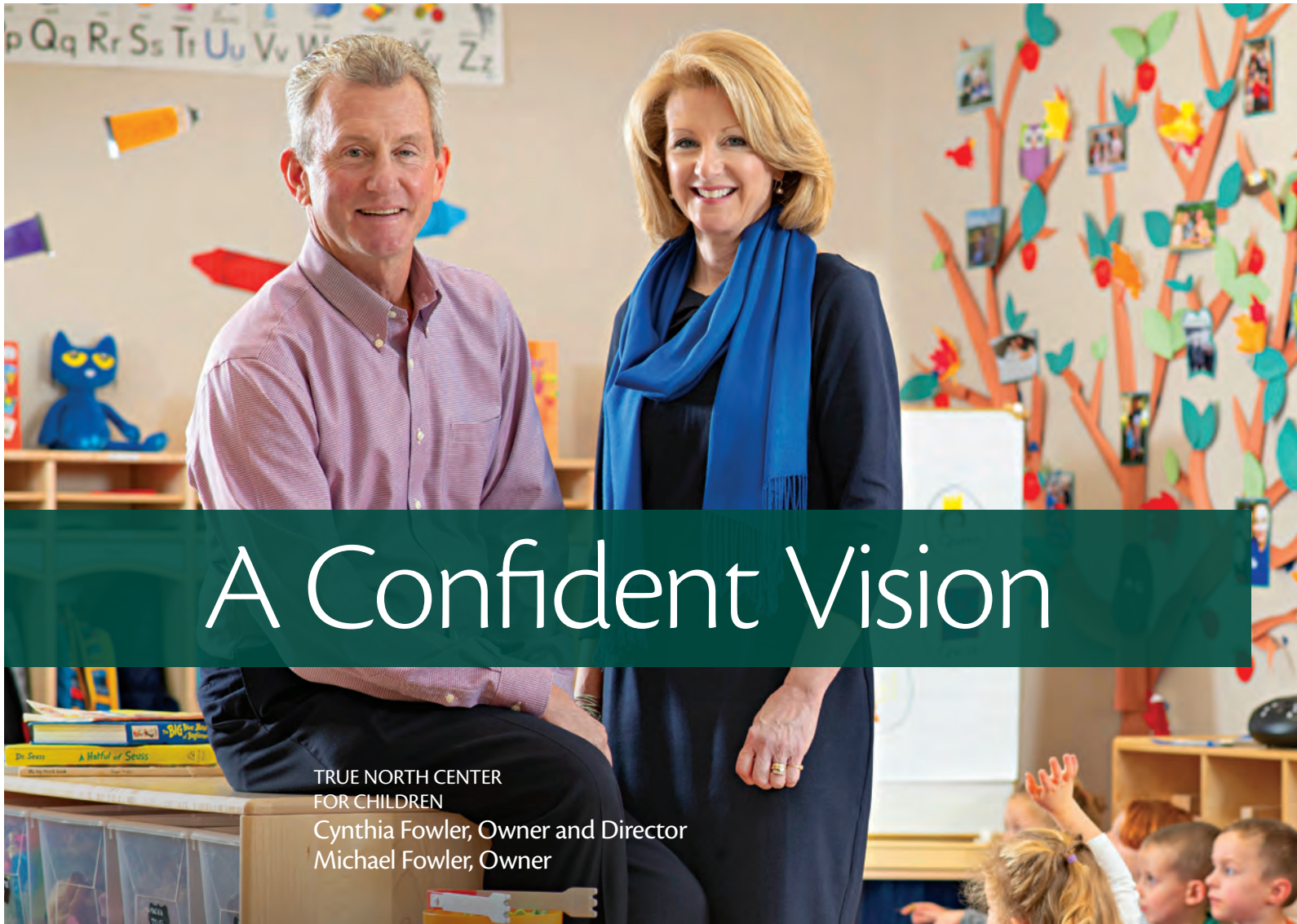
clients which includes a premium checking account, credit card and line of credit. In addition, we transitioned our Social Responsibility Index (SRI) portfolio to an Environmental, Social and Governance (ESG) portfolio.

In leadership news, Jennifer Tegan was appointed a director on the holding company board in May. Ms. Tegan has served as a Director of Tompkins Trust Company since 2016 and is a Partner/Owner of Ithaca-based Cayuga Venture Fund (CVF), where she works with, supports and finances entrepreneurs in technology-based companies. We believe that with her strong combination of leadership experience and involvement in economic development and civic engagement in Tompkins County, Ms. Tegan is uniquely qualified to serve on our Board of Directors.

In addition to this achievement, Ms. Tegan has been named by *WomenInc.*, a leading magazine dedicated to coverage of women's success in business, to its 2019 Most Influential Corporate Directors listing—an honor she shares with fellow board director Patricia Johnson. Their inclusion in the most comprehensive listing of women executives, influencers and achievers contributing leadership to corporate boards is remarkable and extremely well-deserved. Congratulations, Jennifer and Pat, and please accept our sincere appreciation for your contributions to Tompkins Financial.

All of our innovation and growth would not be possible without the support of our shareholders, who we look forward to seeing at our upcoming annual meeting. The Annual Meeting of Shareholders will be held at the Country Club of Ithaca on Tuesday, May 5 at 5:30 p.m. A recording of that meeting will be available in each of the regions at an informational viewing hosted by the local bank president. The meeting in western New York will be held on Tuesday, May 12 at 10:00 a.m. The meeting in the Hudson Valley will be held on Thursday, May 14 at 12:00 noon. The meeting for southeastern Pennsylvania will be held on Friday, May 15 at 12:00 noon. Please respond to Janet Hewitt at jhewitt@tompkinsfinancial.com or 607-274-2004 if you wish to reserve a space at one of the informational meetings. Locations for the informational meetings will be identified, as we determine attendance. Reservations are not required to attend the Annual Meeting in Ithaca.

As we celebrate a year of customer success, community involvement and positive relationships, it is important that we thank the people who help us stay true to our values and honor our commitment to community. To our customers, our shareholders and our employees—thank you for your dedication and support in 2019. It is because of you that we grow stronger each year.



A Confident Vision

TRUE NORTH CENTER
FOR CHILDREN
Cynthia Fowler, Owner and Director
Michael Fowler, Owner

It has been more than a year since we moved our headquarters to its new location in Ithaca, and our relationships with our community and local businesses remain as strong and collaborative as ever.

As the city of Ithaca continues to change and grow, we have increased our commitment to supporting a strong and thriving downtown. We are excited to open a new ATM at our former historic location, at what is now the Center for History and Culture, to continue providing our customers with exceptional and convenient service on the Ithaca Commons.

We have once again partnered with the Downtown Ithaca Alliance to offer innovative and exciting events throughout the

year—like the annual Fashion Week, Applefest and the new Winter Lights Festival—that promote community togetherness, the arts, local businesses and the talented people of our region.

We kicked off this year's United Way of Tompkins County campaign in September by hosting our second annual Community Carnival for a Cause on the Ithaca Commons. The event was envisioned, planned and executed entirely by Tompkins employees. It was a great success, with attendance nearly doubled from the year before. The family-friendly



carnival engaged our community with activities, games, local celebrity cameos, educational demonstrations, prizes and fundraising for a wonderful cause.

The carnival is just one of the ways our employees and partners worked together this year to support our community. We are proud that our people helped more than 250 organizations across central New York in 2019 by generously serving on nonprofit boards and committees, volunteering and fundraising.

Cynthia and Michael Fowler were ready to open their brand new full-service preschool and childcare center—they had a building designed, had made a down payment on a lot, and were excited to get started. But a few months into the project, their financing plan fell through. That’s where Tompkins Trust Company came in. “We were able to meet with Tompkins and they heard our story and had confidence that we would be able to get the customer base we needed to be financially stable,” says Cynthia, an experienced preschool director and early childhood educator. “They believed in our vision, and were willing to help with some work and creative planning.” With financing through Tompkins Trust Company and guidance from Tompkins Insurance Agencies, True North Center for Children opened in August 2019 with 12 classrooms, nearly two acres of natural space for outdoor play and enrollment near capacity.



Our Lyndon Corners office continues to grow in the Syracuse market, as our employees and partners deliver on their full suite of banking services. In the few years since opening, Lyndon Corners employees have developed excellent relationships with new customers and added value to existing ones.

The commercial team in Syracuse has been a positive force for the local economy, welcoming many new customers and helping them exceed their business goals. We have had a powerful year in loan originations across our region in both personal and commercial lending.

Tompkins Insurance Agencies has continued to expand its Syracuse presence, with a full team focused on serving customers in the surrounding area. Our in-house, dedicated claims department and 24/7 customer care center are real differentiators—both of which deliver a higher level of service that our customers, generation after generation, have come to expect.

Tompkins Financial Advisors continues to offer valuable financial planning for customers, with robust technology and personalized service. We continue to focus on executing



LAMBROU REAL ESTATE/ENP ASSOCIATES
Costa Lambrou, General Manager
Nick Lambrou, Owner

our regional strategy and ensuring that clients receive the highest level of care.

There has been some exciting movement in senior leadership this year, as a new Banking Operations Manager came on board to help our teams with daily operations and project planning. In addition, we welcomed our new Chief Credit Officer to the Tompkins Trust Company Leadership Team.

Thanks to a strong leadership team, a clear vision and the most dedicated and caring employees and partners we could possibly ask for, 2019 has been an outstanding year. The relationships we have built and continue to grow across central New York remain at the heart of everything we do.

“I consider myself and my family to be products of Tompkins Trust Company,” says Nick Lambrou, owner of Lambrou Real Estate and ENP Associates. “Our success story is definitely supported by our business relationship.” Nick’s father started the family business with a small grocery store and four apartments in Ithaca’s Collegetown neighborhood more than half a century ago. They’ve

Generations of Trust

since quadrupled their holdings, expanding their footprint into downtown Ithaca and, with their new City Harbor development, the Ithaca waterfront. “Tompkins Trust gave us great advice about our City Harbor development. They helped us better determine the site plan and types of offerings for the market,” Nick says. “They challenge us to do our due diligence—to do the hard work and analysis and come up with the right plans. I trust them to guide us and to be there for us.”



2019 was a momentous year for Tompkins Bank of Castile, as we celebrated our 150th anniversary. We found plenty of ways to celebrate, always staying true to our community banking spirit.

In honor of our 150 years, we hosted a Batavia Muckdogs baseball game with free general admission for our employees and community members. With 2,779 customers, neighbors and friends in attendance, the event was a hit.

We also partnered with Tompkins Insurance Agencies and Tompkins Financial Advisors to donate \$150,000 to the YMCA Healthy Living Campus Campaign, a project that will be transformational for downtown Batavia. In addition, our employees spent more than 13,000 hours volunteering with nonprofit organizations in our region.

In March, we held the Grand Opening of our financial center in Buffalo, where customers can access banking, wealth management and insurance services all under one roof. With this highly visible location and ease of collaboration, we grow even more effective for Buffalo customers.

In 2019, we focused on ways to better support our business customers. We helped more local entrepreneurs turn their visions into realities with more than \$5 million in SBA guaranteed small business loans. We also hired a Business Development Officer to connect business owners with the right partners, products and services for their needs.

Agriculture was an important part of our founding 150 years ago, and it remains central to the economic fabric of our region. We continue to invest in our agriculture banking team to ensure that customers have expert advice as seasons and economic landscapes change. As one of the last truly independent banks dedicated to agriculture in western New York, we are committed to supporting the many farm families and businesses we serve.

As a chemical engineer and small business owner, Daniel Canavan appreciates the responsive approach to problem solving he finds at Tompkins Bank of Castile—how he can get help when he needs it, no matter who he talks to. “Someone at the bank will answer the phone and we’ll work the problem. They’ll take ownership of the issue,” says Daniel, who co-owns the chemical analytics and manufacturing company, IsleChem, with his brother, Patrick. “Isn’t that what problem solving is really all about? It’s taking ownership of the problem until you can get the right answer to your client.” In 2017, the Canavans needed to solve their own ownership problem by refinancing. Converting their secondary debt to primary debt, Tompkins helped Daniel and Patrick remove the remaining financial stake IsleChem’s previous owners still had in the company. “They give us power and authority, and control to do what we need to do to grow our business.”

Taking Ownership



ISLECHEM
Daniel Canavan
Owner and Vice President





GLOW YMCA
Rob Walker, CEO



A Healthier Community



GLOW YMCA CEO Rob Walker says he is deeply satisfied with the offerings and guidance Tompkins Insurance Agencies provides—but that the relationship goes far deeper than insurance. “It’s much more than just the product, I’m buying the culture behind it,” Rob says. “It’s the culture Tompkins creates for its employees to take part and be helpful to the efforts in their local community.” These efforts include GLOW YMCA’s capital campaign to build a Healthy Living Campus in Batavia. With a generous gift and countless volunteer hours, the Tompkins Insurance Agencies, Tompkins Bank of Castile and Tompkins Financial Advisors teams are helping the Y reach their project goals. “Volunteers helped us look over our financing options and pro formas, keeping us level-headed so that outcomes can be met,” Rob says. Along with providing invaluable wellness resources to families in the region, the new facility is projected by the Genesee County Economic Development Center to bring \$60 million into the area over its first 10 years.

It is these and other longstanding relationships that form the cornerstone of our business. We are proud to have a number of decades-long, multi-generational customers who not only stay with us—they refer their friends and family. Through these referrals and our Power of Partnership program, we have continued to grow deposit and lending relationships in 2019. It’s a testament to the trust we build as true partners dedicated to customer satisfaction and success.

Our partnerships grew stronger this year, as Tompkins Financial Advisors continued to build out its western New York team to better deliver the client experience. We recruited a new Chief Investment Officer for the entire Tompkins footprint who provides dedicated service to clients in our region as a portfolio manager.

Our presence has expanded in Warsaw, as Tompkins Insurance Agencies acquired Cali Agency, Inc. in May of 2019. We have been a solid part of the Warsaw community since 1935, and we are glad to be able to serve the needs of more of our neighbors there. Tompkins Insurance has also successfully re-established a relationship with BlueCross BlueShield of Western New York to connect customers with another trusted name in the region.

As we reflect on a century and a half of impactful work, it’s clear that our longevity is only possible thanks to our powerful partnerships, our dedicated people, and the lasting relationships we cultivate.

An important area of focus in the Hudson Valley in 2019 was the growth of knowledge and expertise—for employees, customers and our community.

Our continued commitment to understanding our customers' needs has helped us see another record year of earnings, with growth in commercial and residential loans and deposits in our region.

The manufacturing sector is experiencing a strong return to our region, which has led to a critical need for workforce development. We recognized a real opportunity to help address this challenge through education by expanding our partnerships with the Council of Industry, Dutchess

Community College and Westchester Community College, and creating scholarships for two local students in advanced manufacturing programs.

We have worked hard to provide vital educational programs in our community as well, so that our customers and neighbors can feel safe, secure and settled. Our free fraud prevention seminars have helped business owners and community members recognize threats and better protect themselves, and our first-time homebuyer education programs have helped more local families find a home to call their own.

Handcrafted Success

David Dunning purchased Country Road Associates in 2009 with a plan to build on the company's decades of history giving new life to reclaimed barnwood. "Tompkins Mahopac Bank was the only bank that would listen," David says. Other banks he approached with his business plan either weren't interested or would only offer a small portion of the financing he needed. With help from Tompkins Mahopac Bank and Tompkins Financial Advisors, David bought the business and has grown it ever since. He says Tompkins' focus on personal relationships has been a big part of his business success. "I call them and they know me by name. It's so much easier when someone knows who you are. It makes it very simple and quick to accomplish something in business," David says. "As opportunities have come along, we've been able to expand and purchase things very quickly because of our relationship with Tompkins."



COUNTRY ROAD ASSOCIATES
David Dunning, Owner



A Higher Standard



ROSE HILL ASSET
MANAGEMENT CORP

Matthew Barbaccia
Managing Partner

John Colangelo, Jr.
Managing Partner

“It was a breath of fresh air walking into a branch where people have worked for a long time and they understand that client relationships matter,” says John Colangelo, managing partner of Rose Hill Asset Management Corp, reflecting on the reasons he and business partner Matthew Barbaccia chose Tompkins Mahopac Bank to help finance their properties. As a college student at Fordham University’s Rose Hill Campus in the Bronx in the late 1990s, John had discovered that off-campus housing left a lot to be desired. He began buying and renovating properties, and joined forces with Matthew in 2009 to continue raising the standard of living for students. That’s when they decided it was time to raise their standard of banking as well. “Tompkins was true to their word,” John says. “They believed in our ability to manage and redevelop these properties and have been a critical partner in our success and growth.”

Growing knowledge and expertise to best serve our customers also means ensuring that we have the right teams in place to provide the greatest value. In 2019, Tompkins Financial Advisors built out their full Hudson Valley team to deliver on the client experience. Our Power of Partnership referrals have remained solid throughout the year, as we’ve continued to work together to ensure that customers are getting the most out of their relationship.

We also work closely together to determine how we can best serve our community. Each year, our employees and partners share their knowledge about local causes to help decide where our support can do the most good. We are proud to have supported more than 160 charitable organizations in 2019.

Our employee-led Acorn Alliance program—in which employees volunteer their time in the community during business hours to help local nonprofits with their crucial work—expanded to support more than a dozen charitable organizations in 2019. Our popular Food Truck Fridays program also expanded, offering free lunch at

several branches to anyone who stopped in. In addition to reaffirming our customer appreciation and commitment to the needs of our community, these lunchtime events provided another opportunity to fundraise for local nonprofit partners.

Serving our region in the most impactful ways requires a true commitment to knowing the people, families, businesses and organizations in our community—the challenges and opportunities they face, the information and resources they need, and the types of partnerships they expect. Our dedicated employees and partners have made this commitment, and we are incredibly proud of the positive, impactful relationships they continue to build.



Since joining the Tompkins family in 2012, Tompkins VIST Bank has been a true community bank. Our people are driven to serve our markets with reliability, strong relationships and the highest level of professionalism. Community banking is not just our work, it's our promise.

In 2019, that promise was fulfilled across the spectrum of banking, insurance and wealth management needs—and especially in the lending space. Our mortgage team helped even more local families reach their homeownership goals in 2019 than we projected and have received wonderfully positive feedback from satisfied customers.

Our commercial loan portfolio remains diversified as we work to meet the unique needs of our community. We are committed to putting in the time and research needed to truly understand each industry we serve. As new risks, regulations, challenges and possibilities arise, we grow our expertise so that we can provide the products, services, support and advice our customers need.

As one of the largest industries in our region, agriculture is as vital to the local economy as it is to each individual farm owner and family. Our continued focus on agriculture lending has helped our customers—and their farms—grow and thrive.

Hand-in-hand with our positive lending relationships is our commitment to strong asset quality. Our relationships are built on a foundation of trust that we will always do what's best for our customers, with products and offerings that provide peace of mind.

While we strive to provide more value for our customers, the Power of Partnership program has gained momentum in our region. Referrals between Tompkins VIST Bank, Tompkins

“The easiest way to describe our relationship with Tompkins VIST Bank is: a partnership,” says Frank Barwis, owner of full-service site contracting company Barwis Construction LLC. After a previous banking relationship ended due to frustrating changes in direction, a partnership is exactly what Barwis Construction needed. As the Tompkins team already handles other aspects of Barwis’ business—from employee benefit plans to their General Liability and Workers’ Compensation insurance—Frank knew that making Tompkins VIST his bank would bring the same high level of customer service and knowledgeable guidance for the years ahead. “We discuss our plans, lay out our short and long-term goals so that when it comes time to purchase equipment, the bank is already aware,” Frank says. “Because of their understanding of our company and industry, they’ve helped simplify our process of growth.”



BARWIS CONSTRUCTION LLC
Frank Barwis, Owner

Building a Partnership

Financial Advisors and Tompkins Insurance Agencies help us identify gaps in relationships and offer a more complete suite of products and services.

While remaining focused on fiduciary delivery to clients and partners in 2019, Tompkins Financial Advisors has also brought in new talent. With the addition of a Managing Director, Tompkins Financial Advisors now has full-time leadership in the southeastern Pennsylvania region.

Year after year, Tompkins Insurance Agencies maintains a consistent, industry leading 99% customer satisfaction rate, based on survey responses from personal insurance customers who had a homeowners or auto claim. With a new automated marketing program, the team is able to reach out to customers who may benefit from personal or

commercial insurance products and—most importantly—follow up with them personally.

As always, our commitment to our community includes giving back. Our employees have volunteered more than 10,000 hours with local nonprofit organizations to make a positive impact on those who need it most. Not only does this local involvement and service make a difference in our region—it makes a difference in the hearts and minds of our customers. When they see us volunteering and engaging meaningfully out in the community, it makes our relationships stronger.

We could not be more proud of our employees and partners for their dedication to our customers, our values and our community throughout 2019.

“We’ve dealt with really small banks and we’ve dealt with a really big bank. The really small banks can’t provide all the services we need. The big banks can provide all the services but we’re just a number; we mean nothing to them,” says Steve Parris, owner of PD Home & Garden, a home accent design, import and distribution company. “Tompkins VIST Bank fits that perfect sweet spot for us. They function like a small bank as far as accessibility and a great relationship, and they can provide all the services that a big bank provides.” The company, which Steve runs with his co-owner and wife Demi, has experienced double-digit sales growth each year since working with Tompkins VIST Bank. “We’re going to be with them for life.”



A Feeling of Home

PD HOME & GARDEN
Demi Parris & Steve Parris, Owners

Consolidated Statements of Condition

IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA	YEAR ENDED DECEMBER 31,	
	2019	2018
Assets		
Cash and noninterest bearing balances due from banks	\$136,010	\$78,524
Interest bearing balances due from banks	1,972	1,865
Cash and Cash Equivalents	137,982	80,389
Available-for-sale securities, at fair value (amortized cost of \$1,293,239 at December 31, 2019 and \$1,363,902 at December 31, 2018)	1,298,587	1,332,658
Held-to-maturity securities, at amortized cost (fair value of \$0 at December 31, 2019 and \$139,377 at December 31, 2018)	0	140,579
Equity securities, at fair value (amortized cost \$915 at December 31, 2019 and \$887 at December 31, 2018)	915	887
Originated loans and leases, net of unearned income and deferred costs and fees	4,697,401	4,568,741
Acquired loans	220,149	265,198
Less: Allowance for loan and lease losses	39,892	43,410
Net Loans and Leases	4,877,658	4,790,529
Federal Home Loan Bank and other stock	33,695	52,262
Bank premises and equipment, net	94,355	97,202
Corporate-owned life insurance	82,961	81,928
Goodwill	92,447	92,283
Other intangible assets, net	6,223	7,628
Accrued interest and other assets	100,800	82,091
Total Assets	\$6,725,623	\$6,758,436
Liabilities		
Deposits:		
Interest bearing:		
Checking, savings and money market	3,080,686	2,853,190
Time	675,014	637,295
Noninterest bearing	1,457,221	1,398,474
Total Deposits	5,212,921	4,888,959
Federal funds purchased and securities sold under agreements to repurchase	60,346	81,842
Other borrowings	658,100	1,076,075
Trust preferred debentures	17,035	16,863
Other liabilities	114,167	73,826
Total Liabilities	\$6,062,569	\$6,137,565
Equity		
Tompkins Financial Corporation Shareholders' Equity:		
Common Stock - par value \$.10 per share: Authorized 25,000,000 shares; Issued: 15,014,499 at December 31, 2019; and 15,348,287 at December 31, 2018	1,501	1,535
Additional paid-in capital	338,507	366,595
Retained earnings	370,477	319,396
Accumulated other comprehensive loss	(43,564)	(63,165)
Treasury stock, at cost - 123,956 shares at December 31, 2019, and 122,227 shares at December 31, 2018	(5,279)	(4,902)
Total Tompkins Financial Corporation Shareholders' Equity	661,642	619,459
Noncontrolling interests	1,412	1,412
Total Equity	\$663,054	\$620,871
Total Liabilities and Equity	\$6,725,623	\$6,758,436

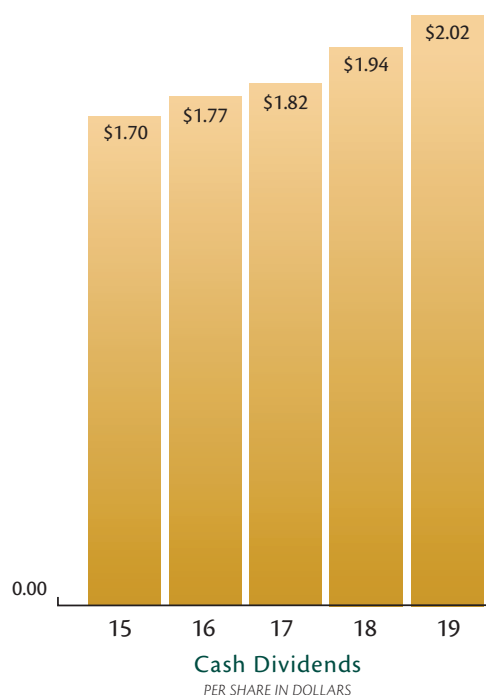
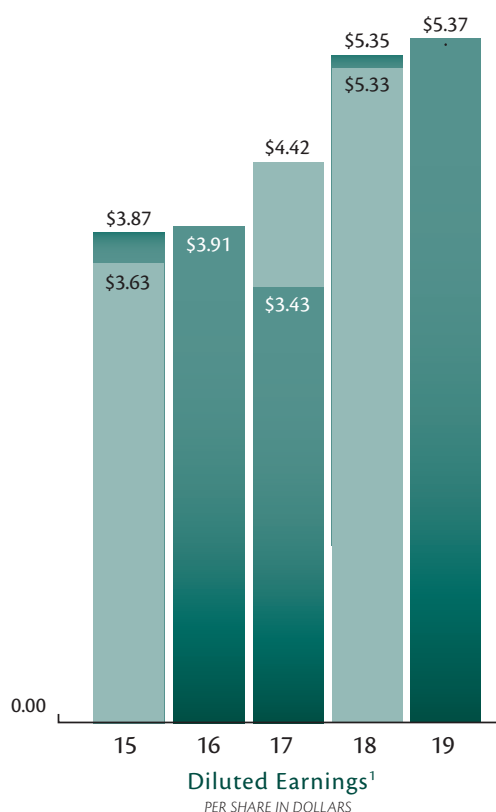
Consolidated Statements of Income

	YEAR ENDED DECEMBER 31,		
	2019	2018	2017
<i>IN THOUSANDS, EXCEPT PER SHARE DATA</i>			
Interest and Dividend Income			
Loans	\$226,723	\$214,370	\$191,410
Due from banks	41	31	37
Available-for-sale securities	28,460	30,377	29,721
Held-to-maturity securities	3,151	3,437	3,475
Federal Home Loan Bank stock and Federal Reserve Bank stock	3,003	3,377	2,121
Total Interest and Dividend Income	261,378	251,592	226,764
Interest Expense			
Time certificates of deposits of \$250,000 or more	3,095	1,712	1,880
Other deposits	27,809	14,883	10,253
Federal funds purchased and securities sold under agreements to repurchase	143	152	235
Trust preferred debentures	1,276	1,227	1,158
Other borrowings	18,427	21,818	11,934
Total Interest Expense	50,750	39,792	25,460
Net Interest Income	210,628	211,800	201,304
Less: Provision for loan and lease losses	1,366	3,942	4,161
Net Interest Income After Provision for Loan and Lease Losses	209,262	207,858	197,143
Noninterest Income			
Insurance commissions and fees	31,091	29,369	28,778
Investment services income	16,434	17,288	15,665
Service charges on deposit accounts	8,321	8,435	8,437
Card services income	10,526	9,693	9,100
Other income	8,416	13,130	7,631
Net gain (loss) on securities transactions	645	(466)	(407)
Total Noninterest Income	75,433	77,449	69,204
Noninterest Expenses			
Salaries and wages	89,399	85,625	81,948
Other employee benefits	23,488	22,090	21,458
Net occupancy expense of premises	13,210	13,309	13,214
Furniture and fixture expense	7,815	7,351	7,028
Amortization of intangible assets	1,673	1,771	1,932
Other operating expenses	46,249	50,921	45,525
Total Noninterest Expenses	181,834	181,067	171,105
Income Before Income Tax Expense	102,861	104,240	95,242
Income Tax Expense	21,016	21,805	42,620
Net Income Attributable to Noncontrolling Interests and Tompkins Financial Corporation	81,845	82,435	52,622
Less: Net income attributable to noncontrolling interests	127	127	128
Net Income Attributable to Tompkins Financial Corporation	\$ 81,718	\$ 82,308	\$ 52,494
Basic Earnings Per Share	\$5.39	\$5.39	\$3.46
Diluted Earnings Per Share	\$5.37	\$5.35	\$3.43

Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The Company’s common stock is traded under the symbol “TMP” on the NYSE American. The high and low closing sale prices, which represent actual transactions as quoted on the Exchange, of the Company’s common stock for each quarterly period in 2018 and 2019, are presented to the right. The per share dividends paid by the Company in each quarterly period in 2018 and 2019 and the payment dates of these dividends are also presented.

	Market Price		Cash Dividends	
	High	Low	Amount	Date Paid
2018 1st Quarter	\$85.82	\$74.35	\$0.48	2/15/18
2nd Quarter	89.15	75.00	0.48	5/15/18
3rd Quarter	91.14	80.12	0.48	8/15/18
4th Quarter	83.00	69.67	0.50	11/15/18
2019 1st Quarter	\$81.13	\$73.00	\$0.50	2/15/19
2nd Quarter	83.73	75.93	0.50	5/15/19
3rd Quarter	84.31	76.76	0.50	8/15/19
4th Quarter	91.14	78.52	0.52	11/15/19



1. The darker shaded sections of the bars reflect GAAP earnings per share. The lighter bars reflect adjusted diluted earnings per share. Adjusted diluted earnings per share reflects adjustments made for certain nonrecurring items. Adjustments for nonrecurring items in 2018 included a \$2.2 million gain on sale of real estate and a \$1.9 million write-down of impaired leases (\$0.02 per share). Adjustments in 2017 included a \$14.9 million (\$0.99 per share) one-time non-cash write-down of net deferred tax assets related to the Tax Cuts and Jobs Act of 2017. Adjustments in 2015 included a \$3.6 million (\$0.24 per share) after-tax gain on a pension plan curtailment. There were no adjustments in 2019 and 2016. Adjusted earnings per share is a non-GAAP measure. This adjusted measure is defined in the Company’s Form 10-K.

Report of Independent Registered Public Accounting Firm

The Shareholders and Board of Directors Tompkins Financial Corporation:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statements of condition of Tompkins Financial Corporation and subsidiaries as of December 31, 2019, and the related consolidated statements of income, comprehensive income, cash flows, and changes in shareholders’ equity for the year then ended (not presented herein); and in our report dated March 2, 2020, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

KPMG LLP

Albany, New York
March 2, 2020

Tompkins Financial Corporation Board of Directors

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President, ERB Learn

Stephen S. Romaine
President & CEO

James W. Fulmer
Vice Chairman

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Founder, The CBORD Group, Inc.

Paul J. Battaglia, CPA
Retired Director
Freed Maxick CPAs, P.C.

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Executive Director
Fred L. Emerson Foundation, Inc.

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VP of Finance & Administration
Lehigh University

Frank C. Milewski
Retired VP Regional Operations
Pathways Health

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 The Computing Center

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 Cayuga Venture Fund

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 Environmental Manager
 American Rock Salt
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 Retired Senior Vice President
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 President
 McClurg Chrysler Dodge Jeep,
 Inc. & McClurg Chevrolet
 Buick, Inc.

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 Tompkins Financial Corporation

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Craig Yunker
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Francis M. Fetsko
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 Tompkins Financial Corporation

Ita M. Rahilly, CPA, AEP
 Partner
 RBT CPAs, LLP

Kevin J. Plunkett
 Director of Strategic Initiatives
 Simone Development
 Companies

Thomas R. Rochon
 President
 ERB Learn

Stephen S. Romaine
 President & CEO
 Tompkins Financial Corporation

C. Compton Spain
 Attorney, Spain & Spain, P.C.

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Scott L. Gruber
President & CEO

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 Retired EVP & CFO
 Tompkins VIST Bank

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 Vice Chairman
 Tompkins Financial Corporation

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 Vice Chairman
 Keystone Industries

Patricia A. Johnson
 VP of Finance & Administration
 Lehigh University

Frank C. Milewski
 Retired VP Regional Operations
 Pathways Health

Harry J. O'Neill, III
 President
 Empire Group

Stephen S. Romaine
 President & CEO
 Tompkins Financial Corporation

***Retired from Board
 December 31, 2019**

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James W. Fulmer
Chairman
 Vice Chairman
 Tompkins Financial Corporation

David S. Boyce
President & CEO

Stephen S. Romaine
 President & CEO
 Tompkins Financial Corporation

Corporate Information

TOMPKINS FINANCIAL CORPORATION CORPORATE OFFICERS

Stephen S. Romaine
President & Chief Executive Officer

David S. Boyce
Executive Vice President

Francis M. Fetsko
Executive Vice President,
Chief Financial Officer, Chief
Operating Officer & Treasurer

Alyssa H. Fontaine
Executive Vice President &
General Counsel

Scott L. Gruber
Executive Vice President

Gregory J. Hartz
Executive Vice President

Brian A. Howard
Executive Vice President

Gerald J. Klein, Jr.
Executive Vice President

John M. McKenna
Executive Vice President

Susan M. Valenti
Executive Vice President

Steven W. Cribbs
Senior Vice President &
Chief Risk Officer

Bradley G. James
Senior Vice President,
Chief Technology Officer

Bonita N. Lindberg
Senior Vice President,
Director of Human Resources

Janet L. Hewitt
Assistant Vice President,
Corporate Administrative &
Investor Relations Officer

Kathleen A. Manley
Assistant Vice President
& Corporate Secretary

CORPORATE OFFICE
Tompkins Financial Corporation
P.O. Box 460
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(888) 503-5753

Website:
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E-mail:
shareholder@tompkinsfinancial.com

SUBSIDIARIES

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90 Main St.
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Tompkins Mahopac Bank
1441 Route 22
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www.mahopacbank.com

Tompkins VIST Bank
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(610) 478-9922
www.vistbank.com

Tompkins Insurance Agencies, Inc.
90 Main St.
Batavia, NY 14020
(585) 344-0833
www.tompkinsins.com

Tompkins Financial Advisors[†]
P.O. Box 6437
Ithaca, NY 14851
(607) 273-0037
www.tompkinsfinancialadvisors.com

STOCK LISTING
Tompkins Financial Corporation
common stock is traded on
the NYSE American under the
symbol TMP.

The Tompkins Financial Stock Purchase Plan is administered by American Stock Transfer & Trust Company, LLC as transfer agent for Tompkins Financial Corporation. It offers a convenient way for shareholders to increase their investment in the Company. The plan enables shareholders to reinvest all or part of their cash dividends or to make optional cash payments, with some restrictions, in order to purchase shares of Tompkins Financial Corporation common stock without incurring charges for brokerage commissions or service charges. Shareholders who are interested in the plan may receive enrollment information and a plan enrollment application by contacting:

American Stock Transfer & Trust Company, LLC
Toll-free number: 1-877-573-4008
Internet: www.astfinancial.com

Mailing address:
American Stock Transfer & Trust Company, LLC
Attn: Dividend Reinvestment Department
P.O. Box 922
Wall Street Station
New York, NY 10269-0560

For answers to many of your shareholder questions or to request forms, visit American Stock Transfer & Trust Company's website www.astfinancial.com or contact:

American Stock Transfer & Trust Company, LLC
Shareholder Relations
6201 15th Avenue
Brooklyn, NY 11219

Overnight address:
6201 15th Avenue
Brooklyn, NY 11219

1-800-937-5449 or 1-718-921-8200
E-mail address:
info@astfinancial.com

Also, Tompkins Financial Stock Purchase Plan enrollment information can be requested and shareholder questions answered by contacting the Company:

Janet L. Hewitt, AVP
Tompkins Financial Corporation
P.O. Box 460
Ithaca, NY 14851

1-888-503-5753 or 1-607-274-2004
E-mail address:
jhewitt@tompkinsfinancial.com

Form 10-K
Copies of the Company's Form 10-K (Annual Report) for 2019, filed with the Securities and Exchange Commission, may be obtained by shareholders, by written request, from Francis M. Fetsko, Executive Vice President and Chief Financial Officer, P.O. Box 460, Ithaca, NY 14851.

Copies can also be obtained from our website:
www.tompkinsfinancial.com

GO GREEN

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The savings below are achieved when PC recycled paper is used in place of virgin fiber. This project uses 5,761 lbs of paper which has a postconsumer recycled percentage of 10%.

6 trees preserved for the future

500 gallons wastewater flow saved

20 lbs solid waste not generated

2600 lbs net greenhouse gases prevented

2.5 million BTUs energy not consumed

[†]Securities and advisory services are offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC).

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