

Consolidated Balance Sheet (\$000s) (Unaudited¹)

	June 30	
	2010	2011
Cash and due from banks	834	623
Interest-bearing deposits	24,170	7,677
Securities - AFS	130,713	150,267
Loans held for sale	7,998	13,190
Gross loans	295,814	342,090
Net deferred (fees)/expenses	4,441	3,881
Allowance for loan losses	(7,102)	(6,080)
Net Loans	293,153	339,891
Accrued interest receivable	2,119	2,187
FHLB stock	3,638	2,943
Bank owned life insurance	7,720	8,013
Goodwill	4,687	4,687
Other real estate owned	1,274	2,293
Other assets	6,840	6,714
 Total assets	 483,146	 538,485
 Non-interest bearing demand deposits	 9,729	 12,784
Interest bearing demand deposits	 52,587	 57,357
Savings and money market deposits	 130,211	 160,226
Time deposits	207,675	213,273
Total deposits	400,202	443,640
FHLB advances	32,393	40,514
Accrued interest payable	124	116
Accrued payroll and related expenses	848	954
Other liabilities	651	1,289
Total liabilities	434,218	486,513
 Common stock	 41,216	 41,276
Accumulated earnings	8,002	11,072
Accumulated OCI	(290)	(376)

Shareholder's Equity	48,928	51,972
Total Liabilities & Equity	483,146	538,485

Consolidated Income Statement (\$000s) (Unaudited¹)

Quarter Ended June 30

	2010	2011
Securities income	1,346	1,334
Loan income	5,012	4,621
Other interest income	15	17
Total interest income	6,373	5,972
Deposit interest expense	2,317	2,139
Other interest expense	396	335
Total interest expense	2,713	2,474
Net interest income	3,660	3,498
Provision for Loan Losses	774	335
Net interest income after provision	2,886	3,163
Service charges and fees	330	298
Gain on loans sold	367	407
Other-than-temporary impairment loss	--	(150)
Loss on asset disposals	(35)	(30)
Other non-interest income	77	76
Total non-interest income	739	601
Salaries and employee benefits	1,086	1,283
Marketing, advertising and promotion	26	190
Consulting and professional fees	189	170
Data processing	251	227
Loan expenses	118	135
Premises and equipment	312	274
Deposit insurance premiums	226	252

Other non-interest expense	199	184
Total non-interest expense	2,407	2,715
Income before taxes	1,218	1,049
Tax expense	273	221
Net income	945	828
Income per share:		
Basic and diluted	0.50	0.43
Weighted average of shares outstanding:		
Basic and diluted	1,897,772	1,905,595

Consolidated Income Statement (\$000s) (Unaudited¹)

Six Months Ended June 30

	2010	2011
Securities income	2,754	2,649
Loan income	10,254	9,215
Other interest income	28	32
Total interest income	13,036	11,896
Deposit interest expense	4,760	4,307
Other interest expense	878	670
Total interest expense	5,638	4,977
Net interest income	7,398	6,919
Provision for Loan Losses	(997)	859
Net interest income after provision	8,395	6,060
Service charges and fees	638	592
Gain on loans sold	595	790
Other-than-temporary impairment loss	(260)	(433)
Loss on asset disposals	(105)	(179)
Other non-interest income	153	151
Total non-interest income	1,021	921

Salaries and employee benefits	2,147	2,504
Marketing, advertising and promotion	155	294
Consulting and professional fees	407	337
Data processing	470	458
Loan expenses	215	352
Premises and equipment	652	546
Deposit insurance premiums	474	499
Other non-interest expense	365	362
Total non-interest expense	4,885	5,352
Income before taxes	4,531	1,629
Tax expense	1,286	269
Net income	3,245	1,360
Income per share:		
Basic and diluted	1.71	0.71
Weighted average of shares outstanding:		
Basic and diluted	1,896,650	1,904,917