

First Quarter 2007 Financial Statements

Balance Sheet (unaudited, in thousands)

	<u>3/31/2007</u>	<u>3/31/2006</u>
Assets:		
Cash and Due From Banks	\$ 2,746	\$ 3,389
Investments/FF Sold	22,489	22,430
Commercial	30,422	19,619
Commercial RE	28,403	9,349
Other	4,920	581
Total Loans	<u>63,745</u>	<u>29,549</u>
Allowance for Loan Losses	(858)	(444)
Net Loans	<u>62,887</u>	<u>29,105</u>
Other Assets	836	508
Total Assets	<u><u>88,958</u></u>	<u><u>55,432</u></u>
Liabilities:		
Noninterest Bearing Checking	8,568	10,279
MM, Savings and Int. Bearing Checking	34,254	21,935
CDs	25,995	3,387
Total Deposits	<u>68,817</u>	<u>35,601</u>
Other Liabilities	552	429
Total Liabilities	<u>69,369</u>	<u>36,030</u>
Shareholder's Equity	19,590	19,402
Total Liabilities and Shareholder's Equity	<u><u>88,958</u></u>	<u><u>55,432</u></u>

Income Statement (unaudited, actual dollars)

	<u>Quarter Ending 3/31/2007</u>	<u>Quarter Ending 3/31/2006</u>
Interest Income	\$ 1,612,876	\$ 839,900
Interest Expense	668,774	206,072
Net Interest Income	<u>944,102</u>	<u>633,828</u>
Provision for Loan Losses	14,865	53,914
Net Interest Income After Provision	<u>929,237</u>	<u>579,914</u>
Noninterest Revenue	12,181	6,287
Noninterest Expense	884,384	800,898
Net Income/(Loss) Before Taxes	<u>57,033</u>	<u>(214,697)</u>
Taxes	-	-
Net Income/(Loss) After Taxes	<u><u>57,033</u></u>	<u><u>(214,697)</u></u>
Net Loss Per Share	0.03	(0.10)
Book Value Per Share	8.81	8.81
Period End Shares Outstanding	2,224,663 ¹	2,201,150

¹ 22,000 shares were purchased by new Board members in 2006, and 1,513 shares issued as Board compensation in 1Q 2007.