

**1<sup>ST</sup> CONSTITUTION BANCORP**  
**CONSOLIDATED BALANCE SHEETS**  
**December 31, 2010 and 2009**

<b>ASSETS</b>	<b>2010</b>	<b>2009</b>
CASH AND DUE FROM BANKS	\$17,699,103	\$25,842,901
FEDERAL FUNDS SOLD/SHORT TERM INVESTMENTS	11,398	11,384
Total cash and cash equivalents	<u>17,710,501</u>	<u>25,854,285</u>
INVESTMENT SECURITIES		
Available for sale, at fair value	85,470,993	204,118,850
Held to maturity (fair value of \$81,712,003 and \$24,215,530 at December 31, 2010 and 2009, respectively)	81,889,895	23,608,980
Total securities	<u>167,360,888</u>	<u>227,727,830</u>
LOANS HELD FOR SALE	21,219,230	21,514,785
LOANS	411,987,339	379,945,735
Less- Allowance for loan losses	<u>(5,762,712)</u>	<u>(4,505,387)</u>
Net loans	406,224,627	375,440,348
PREMISES AND EQUIPMENT, net	6,148,626	4,899,091
ACCRUED INTEREST RECEIVABLE	2,405,741	2,274,087
BANK-OWNED LIFE INSURANCE	11,474,643	10,319,055
OTHER REAL ESTATE OWNED	4,850,818	1,362,621
OTHER ASSETS	<u>7,000,155</u>	<u>8,604,378</u>
Total Assets	<u>\$644,395,229</u>	<u>\$677,996,480</u>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
LIABILITIES:		
Deposits		
Non-interest bearing	\$92,023,123	\$82,473,328
Interest bearing	451,712,026	489,682,026
Total deposits	<u>543,735,149</u>	<u>572,155,354</u>
BORROWINGS	25,900,000	22,500,000
REDEEMABLE SUBORDINATED DEBENTURES	18,557,000	18,557,000
ACCRUED INTEREST PAYABLE	1,434,338	1,757,151
ACCRUED EXPENSES AND OTHER LIABILITIES	5,087,586	5,625,922
Total liabilities	<u>594,714,073</u>	<u>620,595,427</u>
 COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Preferred Stock, no par value; 5,000,000 shares authorized, of which 12,000 shares of Series B, \$1,000 liquidation preference, 5% cumulative increasing to 9% cumulative on February 15, 2014, were issued and outstanding at December 31, 2009	-	11,473,262
Common Stock, no par value; 30,000,000 shares authorized ; 4,811,294 and 4,526,827 shares issued and 4,803,459 and 4,515,924 shares outstanding as of December 31, 2010 and 2009, respectively	38,899,855	36,774,621
Retained earnings	10,741,779	10,307,331
Treasury Stock, at cost, 8,885 shares and 11,448 shares at December 31,2010 and 2009, respectively	(58,652)	(73,492)
Accumulated other comprehensive income (loss)	98,174	(1,080,669)
Total shareholders' equity	<u>49,681,156</u>	<u>57,401,053</u>
Total liabilities and shareholders' equity	<u>\$644,395,229</u>	<u>\$677,996,480</u>