

**Comparative Consolidated
Balance Sheets (unaudited)**

ASSETS	March 31,	
	2011	2010
Cash and due from banks	\$114,047,708	\$21,025,740
Federal funds sold / Short term investments	11,401	11,386
Total cash and cash equivalents	114,059,109	21,037,126
Investment securities		
Available for sale	112,658,102	195,401,251
Held to maturity	141,271,366	22,118,590
Total securities	253,929,468	217,519,841
Loans	328,673,083	377,774,224
Less - Allowance for loan losses	(5,750,043)	(4,791,297)
Net loans	322,923,040	372,982,927
Premises and equipment, net	10,794,590	5,335,690
Other assets	33,381,464	23,020,894
Total assets	\$735,087,671	\$639,896,478

LIABILITIES

Non-interest-bearing deposits	\$112,437,456	\$88,057,439
Interest-bearing deposits	537,582,192	445,643,577
Total deposits	650,019,648	533,701,016
Borrowings	10,000,000	22,500,000
Redeemable subordinated debentures	18,557,000	18,557,000
Accrued expenses and other liabilities	5,990,858	6,492,497
Total liabilities	684,567,506	581,250,513

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 March 31, 2010	-	11,500,246
Common stock, no par value; 30,000,000 shares authorized; 4,812,344 and 4,537,010 shares issued and 4,803,459 and 4,526,107 shares outstanding as of March 31, 2011 and 2010, respectively	38,963,652	36,845,074
Retained earnings	11,531,647	10,829,605
Treasury stock, at cost : 8,885 shares in 2011 and 10,903 shares in 2010	(62,409)	(73,492)
Accumulated other comprehensive income (loss)	87,275	(455,468)
Total shareholders' equity	50,520,165	58,645,965
Total liabilities and shareholders' equity	\$735,087,671	\$639,896,478

**Comparative Consolidated
Statements of Income (unaudited)**

	Three months ended	
	March 31,	
	2011	2010
INTEREST INCOME		
Loans, including fees	\$5,354,207	\$5,328,865
Securities	1,570,016	1,501,816
Federal funds sold and short- term investments	9,106	19,709
Total interest income	6,933,329	6,850,390
INTEREST EXPENSE		
Deposits	1,398,130	1,880,668
Borrowings	106,920	266,415
Redeemable subordinated debentures	264,154	264,150
Total interest expense	1,769,204	2,411,233
Net interest income	5,164,125	4,439,157
Provision for loan losses	399,998	300,000
Net interest income after provision for loan losses	4,764,127	4,139,157
NON-INTEREST INCOME		
Service charges on deposit accounts	175,842	176,356
Gain on sales of loans	436,739	320,544
Income on Bank-owned life insurance	95,137	96,639
Other income	317,032	355,307
Total non-interest income	1,024,750	948,846
NON-INTEREST EXPENSES		
Salaries and employee benefits	2,576,664	2,376,700
Occupancy expense	566,738	445,927
Other operating expenses	1,519,430	1,311,319
Total non-interest expenses	4,662,832	4,133,946
Income before income taxes	1,126,045	954,057
Income taxes	336,177	254,799
Net income	789,868	699,258
Dividends on preferred stock and accretion	0	176,984
Net income available to common shareholders	\$789,868	\$522,274
Net Income Per Common Share - Basic	\$0.16	\$0.11
Net Income Per Common Share - Diluted	\$0.16	\$0.11
Tangible Book Value Per Common Share	\$9.30	\$9.79