

**Comparative Consolidated
Balance Sheets (unaudited)**

ASSETS	September 30,	
	2011	2010
Cash and due from banks	\$14,432,669	\$13,970,407
Federal funds sold / Short term investments	11,404	11,394
Total cash and cash equivalents	14,444,073	13,981,801
Investment securities		
Available for sale	96,309,859	110,151,679
Held to maturity	152,474,688	85,835,513
Total securities	248,784,547	195,987,192
Loans	436,284,078	459,799,763
Less - Allowance for loan losses	(5,508,337)	(5,726,132)
Net loans	430,775,741	454,073,631
Premises and equipment, net	10,590,834	6,158,328
Other assets	37,865,369	22,314,763
Total assets	\$742,460,564	\$692,515,715

LIABILITIES		
Non-interest-bearing deposits	\$156,822,951	\$91,605,239
Interest-bearing deposits	488,581,902	446,247,990
Total deposits	645,404,853	537,853,229
Borrowings	19,000,000	70,100,000
Redeemable subordinated debentures	18,557,000	18,557,000
Accrued expenses and other liabilities	5,247,261	5,092,688
Total liabilities	688,209,114	631,602,917

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 September 30, 2010	-	11,554,213
Common stock, no par value; 30,000,000 shares authorized; 4,814,635 and 4,812,344 shares issued and 4,804,807 and 4,801,223 shares outstanding as of September 30, 2011 and 2010, respectively	39,194,613	36,969,610
Retained earnings	13,573,839	12,152,796
Treasury stock, at cost : 9,828 shares in 2011 and 11,121 shares in 2010	(69,814)	(71,396)
Accumulated other comprehensive income	1,552,812	307,575
Total shareholders' equity	54,251,450	60,912,798
Total liabilities and shareholders' equity	\$742,460,564	\$692,515,715

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

	Three months ended September 30,		Nine months ended September 30,	
	2011	2010	2011	2010
INTEREST INCOME				
Loans, including fees	\$5,632,351	\$6,349,180	\$16,153,997	\$17,414,422
Securities	1,799,771	1,336,235	5,224,649	4,164,047
Federal funds sold and short- term investments	43,524	4,659	115,634	37,278
Total interest income	7,475,646	7,690,074	21,494,280	21,615,747
INTEREST EXPENSE				
Deposits	1,437,263	1,567,786	4,365,667	5,129,799
Borrowings	104,849	309,476	315,481	853,898
Redeemable subordinated debentures	88,063	269,565	589,497	801,255
Total interest expense	1,630,175	2,146,827	5,270,645	6,784,952
Net interest income	5,845,471	5,543,247	16,223,635	14,830,795
Provision for loan losses	608,332	875,000	1,283,330	1,725,000
Net interest income after provision for loan losses	5,237,139	4,668,247	14,940,305	13,105,795
NON-INTEREST INCOME				
Service charges on deposit accounts	237,716	185,242	648,456	550,270
Gain on sales of loans	508,359	416,754	1,356,741	1,129,875
Income on Bank-owned life insurance	100,980	102,791	299,639	304,486
Other income	382,209	291,910	1,089,488	967,932
Total non-interest income	1,229,264	996,697	3,394,324	2,952,563
NON-INTEREST EXPENSES				
Salaries and employee benefits	2,892,901	2,532,427	8,313,513	7,326,361
Occupancy expense	628,652	499,745	1,776,359	1,398,510
Other operating expenses	1,234,914	1,340,125	4,485,212	4,060,462
Total non-interest expenses	4,756,467	4,372,297	14,575,084	12,785,333
Income before income taxes	1,709,936	1,292,647	3,759,545	3,273,025
Income taxes	496,658	411,048	927,485	896,609
Net income	1,213,278	881,599	2,832,060	2,376,416
Dividends on preferred stock and accretion	0	176,984	0	530,952
Net income available to common shareholders	\$1,213,278	\$704,615	\$2,832,060	\$1,845,464
Net Income Per Common Share - Basic	\$0.25	\$0.15	\$0.59	\$0.39
Net Income Per Common Share - Diluted	\$0.25	\$0.15	\$0.58	\$0.38
Tangible Book Value Per Common Share			\$10.15	\$10.15