

## Consolidated Statement of Income (Unaudited)

(Dollars in thousands except per share data)				
Year to Date				
	December 31,		Change	
	2009	2008	Amount	Percentage
<b>Interest income</b>				
Interest and fees on loans				
Commercial loans	\$ 7,908	\$ 9,193	\$ (1,286)	-14.0%
Installment loans	1,641	2,524	(883)	-35.0%
Mortgage loans	4,004	5,509	(1,505)	-27.3%
Open end loans	1,528	2,053	(524)	-25.5%
Late charges and fees	296	323	(27)	-8.3%
<b>Total loan interest and fee income</b>	<b>15,377</b>	<b>19,602</b>	<b>(4,225)</b>	<b>-21.6%</b>
Interest on investment securities				
Taxable	1,172	2,540	(1,368)	-53.9%
Tax-exempt	423	656	(233)	-35.5%
<b>Total investment income</b>	<b>1,595</b>	<b>3,196</b>	<b>(1,601)</b>	<b>-50.1%</b>
<b>Total interest income</b>	<b>16,972</b>	<b>22,798</b>	<b>(5,826)</b>	<b>-25.6%</b>
<b>Interest expense</b>				
Interest on deposits	5,618	8,792	(3,174)	-36.1%
Interest on borrowed funds	-	44	(44)	-100.0%
<b>Total interest expense</b>	<b>5,618</b>	<b>8,836</b>	<b>(3,218)</b>	<b>-36.4%</b>
<b>Net interest income</b>	<b>11,354</b>	<b>13,962</b>	<b>(2,608)</b>	<b>-18.7%</b>
Provision for loan losses	5,850	17,300	(11,450)	-66.2%
<b>Net interest income (loss) after provision for loan losses</b>	<b>5,504</b>	<b>(3,338)</b>	<b>8,842</b>	<b>264.9%</b>
<b>Non-interest income</b>				
Service charge income	1,364	1,548	(184)	-11.9%
Mortgage banking activities	303	458	(155)	-33.8%
Other income	1,766	761	1,005	132.2%
<b>Total non-interest income</b>	<b>3,433</b>	<b>2,767</b>	<b>666</b>	<b>24.1%</b>
<b>Non-interest expense</b>				
Salaries and employee benefits	5,723	6,822	(1,099)	-16.1%
Occupancy expense	1,216	1,306	(90)	-6.9%
Equipment expense	521	447	74	16.5%
Other Loan Expense	3,523	4,703	(1,180)	-25.1%
Other expense	4,882	4,587	295	6.4%
<b>Total non-interest expense</b>	<b>15,865</b>	<b>17,865</b>	<b>(2,000)</b>	<b>-11.2%</b>
<b>Loss before income taxes</b>	<b>(6,928)</b>	<b>(18,436)</b>	<b>11,508</b>	<b>62.4%</b>
Income tax (recovery) expense	(3,166)	1,777	(4,943)	-278.2%
<b>Net income (loss)</b>	<b>\$ (3,762)</b>	<b>\$ (20,213)</b>	<b>\$ 16,451</b>	<b>81.4%</b>
<b>Income (loss) per share - basic</b>	<b>\$ (3.25)</b>	<b>\$ (17.47)</b>	<b>\$ 14.22</b>	<b>81.4%</b>