

CITIZENS COMMERCE BANCSHARES, INC.
CONSOLIDATED BALANCE SHEETS
December 31

	Audited <u>2016</u>	Audited <u>2015</u>
ASSETS		
Cash and cash equivalents	\$ 23,166,689	\$ 17,847,805
Securities:		
Available for sale	51,373,390	62,461,863
Loans held for sale	561,283	646,557
Loans, net of \$2,597,568 and \$2,574,982 in allowance for loan losses in 2016 and 2015	129,217,142	127,178,118
Bank premises and equipment, net	5,365,730	5,529,600
Federal Home Loan Bank stock	1,310,900	1,310,900
Federal Reserve Bank stock	398,550	337,050
Other real estate owned	658,580	959,520
Cash surrender value of bank owned life insurance	2,301,017	2,156,091
Interest receivable	780,535	921,744
Other assets	<u>395,819</u>	<u>424,274</u>
Total assets	\$ 215,529,635	\$ 219,773,522
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Demand - noninterest bearing	\$ 21,273,866	\$ 19,909,935
Savings, NOW and money market	82,024,233	85,148,067
Time	<u>76,250,010</u>	<u>74,185,211</u>
Total deposits	179,548,109	179,243,213
Securities sold under agreements to repurchase	7,114,378	5,009,361
Federal Home Loan Bank advances	16,000,000	24,000,000
Note payable	2,901,025	2,632,400
Subordinated debentures	3,500,000	3,500,000
Interest payable	1,772,640	1,455,894
Other liabilities	<u>4,821,840</u>	<u>3,926,814</u>
Total liabilities	215,657,992	219,767,682
Stockholders' equity		
Preferred stock, no par value; 25,000 shares authorized, 6,300 Series A shares and 315 shares of Series B, issued and outstanding with a liquidation preference of \$6,615,000	6,615,000	6,615,000
Common stock, no par value; 45,000,000 shares authorized, 1,795,236 (2016) and 1,795,323 (2015) shares issued and outstanding	3,313,626	3,313,652
Additional paid in capital	1,808,119	1,808,119
Accumulated deficit	(10,965,508)	(10,410,921)
Accumulated other comprehensive loss	<u>(899,594)</u>	<u>(1,320,010)</u>
Total stockholders' equity	(128,357)	5,840
Total liabilities and stockholders' equity	\$ 215,529,635	\$ 219,773,522

CITIZENS COMMERCE BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended December 31

	Audited <u>2016</u>	Audited <u>2015</u>
Interest income		
Loans, including fees	\$ 6,613,808	\$ 5,942,778
Securities		
U. S. Treasury, government agencies and other	592,962	729,656
Municipal bonds	1,082,606	1,123,801
Federal funds sold	2,475	1,631
Other	<u>162,321</u>	<u>110,824</u>
	8,454,172	7,908,690
Interest expense		
Deposits	800,141	825,164
Subordinated debentures	175,341	155,097
Other borrowings	<u>1,388,642</u>	<u>1,321,879</u>
	<u>2,364,124</u>	<u>2,302,140</u>
Net interest income	6,090,048	5,606,550
(Credit) provision for loan losses	<u>-</u>	<u>(668,614)</u>
Net interest income after (credit) provision for loan losses	6,090,048	6,275,164
Other income		
Service charges and fees	818,487	801,579
Net gains on sale of securities	194,509	100,255
Gain on sale of loans held for sale	181,101	127,956
Other	<u>222,358</u>	<u>272,257</u>
	1,416,455	1,302,047
Other expenses		
Salaries and benefits	3,776,172	3,773,491
Occupancy and equipment	645,500	648,684
Data processing	611,522	601,919
Professional fees	385,525	353,864
FDIC Insurance	417,548	484,993
Other	<u>1,625,473</u>	<u>1,349,621</u>
	<u>7,461,740</u>	<u>7,212,572</u>
Provision for income taxes	<u>4,000</u>	<u>-</u>
Net income (loss)	40,763	364,639
Dividend and accretion on preferred shares	<u>595,350</u>	<u>595,350</u>
Net income (loss) available to common shareholders	<u>\$ (554,587)</u>	<u>\$ (230,711)</u>
Earnings (loss) per share		
Basic	\$ (0.31)	\$ (0.13)
Diluted	(0.31)	(0.13)