

**CITIZENS COMMERCE BANCSHARES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
December 31

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 5,295,014	\$ 2,395,794
Securities:		
Available for sale	32,469,206	19,744,871
Held to maturity	-	9,607,935
Loans held for sale	94,062	-
Loans, net	173,496,804	162,579,195
Bank premises and equipment, net	4,589,728	4,181,195
Federal Home Loan Bank stock	1,011,700	940,000
Federal Reserve Bank stock	297,900	297,900
Other real estate owned	172,382	777,368
Interest receivable	1,784,648	1,245,580
Other assets	<u>1,278,573</u>	<u>1,250,642</u>
<b>Total assets</b>	<b>\$ 220,490,017</b>	<b>\$ 203,020,480</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Deposits		
Demand - noninterest bearing	\$ 12,185,020	\$ 13,676,448
Savings, NOW and money market	73,719,079	56,323,825
Time	<u>91,428,762</u>	<u>89,925,664</u>
Total deposits	177,332,861	159,925,937
Securities sold under agreements to repurchase	4,322,995	3,733,904
Federal funds purchased	-	1,398,000
Federal Home Loan Bank advances and notes payable	19,616,530	19,800,000
Subordinated debentures	3,500,000	3,500,000
Interest payable	665,627	463,411
Other liabilities	<u>1,024,765</u>	<u>982,846</u>
Total liabilities	206,462,778	189,804,098
Stockholders' equity		
Common stock, \$2.40 par value; 3,000,000 shares authorized, 1,312,093 (2005) and 1,340,570 (2004) shares issued and outstanding	3,149,024	3,217,368
Additional paid in capital	2,619,109	3,280,253
Retained earnings	9,214,668	7,545,368
Unallocated shares held by KSOP	(616,530)	(800,000)
Accumulated other comprehensive income	<u>(339,032)</u>	<u>(26,607)</u>
Total stockholders' equity	14,027,239	13,216,382
<b>Total liabilities and stockholders' equity</b>	<b>\$ 220,490,017</b>	<b>\$ 203,020,480</b>

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

	<u>2005</u>	<u>2004</u>
Interest income		
Loans, including fees	\$ 11,850,511	\$ 10,374,475
Securities		
U. S. Treasury, government agencies and other	705,970	665,019
Municipal bonds	611,514	441,654
Federal funds sold	33,521	27,279
Other	<u>72,406</u>	<u>56,389</u>
	13,273,922	11,564,816
Interest expense		
Deposits	4,656,117	3,407,085
Subordinated debentures	228,885	229,512
Other borrowings	<u>830,359</u>	<u>800,052</u>
	5,715,361	4,436,649
Net interest income	7,558,561	7,128,167
Provision for loan losses	<u>342,000</u>	<u>382,500</u>
Net interest income after provision for loan losses	7,216,561	6,745,667
Other income		
Service charges and fees	1,122,538	1,079,237
Net gains on securities transactions	67,860	283,615
Secondary market fees	208,199	115,238
Other	<u>156,308</u>	<u>110,850</u>
	1,554,905	1,588,940
Other expenses		
Salaries and benefits	2,893,192	2,875,637
Occupancy and equipment	475,070	417,180
Data processing	382,633	359,581
Professional fees	214,085	199,661
Other	<u>1,736,141</u>	<u>1,560,740</u>
	5,701,121	5,412,799
Income before income taxes	3,070,345	2,921,808
Provision for income taxes	<u>854,816</u>	<u>890,406</u>
Net income	<u>\$ 2,215,529</u>	<u>\$ 2,031,402</u>
Earnings per share	\$1.70	\$1.53
Return on average assets	1.05%	1.06%
Return on average equity	16.26%	15.43%