

CITIZENS COMMERCE BANCSHARES, INC.
CONSOLIDATED BALANCE SHEETS
December 31

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

	Audited <u>2008</u>	Audited <u>2007</u>
ASSETS		
Cash and cash equivalents	\$ 5,096,983	\$ 5,252,517
Securities:		
Available for sale	43,359,852	30,919,606
Held to maturity	1,936,182	-
Loans held for sale	801,364	685,372
Loans, net	208,784,360	203,435,468
Bank premises and equipment, net	6,290,189	6,811,071
Goodwill	98,143	98,143
Federal Home Loan Bank stock	1,167,100	1,092,700
Federal Reserve Bank stock	357,900	297,900
Other real estate owned	4,822,903	130,086
Cash surrender value of bank owned life insurance	1,358,634	687,301
Interest receivable	2,399,266	2,611,870
Other assets	<u>1,500,084</u>	<u>1,770,263</u>
Total assets	<u>\$ 277,972,960</u>	<u>\$ 253,792,297</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Demand - noninterest bearing	\$ 12,729,986	\$ 16,718,340
Savings, NOW and money market	67,955,043	72,582,112
Time	<u>131,016,504</u>	<u>103,716,851</u>
Total deposits	211,701,533	193,017,303
Securities sold under agreements to repurchase	7,846,805	7,569,682
Federal funds purchased	290,000	-
Federal Home Loan Bank advances and notes payable	31,840,000	27,704,534
Subordinated debentures	3,500,000	3,500,000
Obligations under capital leases	1,680,000	1,769,989
Interest payable	667,872	814,653
Other liabilities	<u>3,800,325</u>	<u>1,950,050</u>
Total liabilities	261,326,535	236,326,211
Stockholders' equity		
Common stock, \$2.40 par value: 3,000,000 shares authorized, 1,284,121 (2008) and 1,324,179 (2007) shares issued and outstanding	3,081,890	3,178,029
Additional paid in capital	1,603,698	2,499,779
Retained earnings	11,862,257	12,144,873
Unallocated shares held by KSOP	-	(384,534)
Accumulated other comprehensive income	<u>98,580</u>	<u>27,939</u>
Total stockholders' equity	16,646,425	17,466,086
Total liabilities and stockholders' equity	<u>\$ 277,972,960</u>	<u>\$ 253,792,297</u>

	Audited <u>2008</u>	Audited <u>2007</u>
Interest income		
Loans, including fees	\$ 14,546,357	\$ 15,549,459
Securities		
U. S. Treasury, government agencies and o	1,259,226	918,706
Municipal bonds	417,569	452,618
Federal funds sold	67,217	181,696
Other	<u>98,945</u>	<u>102,639</u>
	16,389,314	17,205,118
Interest expense		
Deposits	6,918,259	7,808,685
Subordinated debentures	222,966	228,885
Other borrowings	<u>1,209,329</u>	<u>1,077,518</u>
	<u>8,350,554</u>	<u>9,115,088</u>
Net interest income	8,038,760	8,090,030
Provision for loan losses	<u>2,537,000</u>	<u>470,000</u>
Net interest income after provision for loan losses	5,501,760	7,620,030
Other income		
Service charges and fees	1,352,744	1,348,917
Net gains on securities transactions	189,836	122,141
Secondary market fees	175,442	228,080
Other	<u>600,194</u>	<u>502,033</u>
	2,318,216	2,201,171
Other expenses		
Salaries and benefits	3,666,247	3,495,256
Occupancy and equipment	806,636	616,506
Data processing	674,438	474,441
Professional fees	264,032	181,261
Other	<u>1,904,463</u>	<u>1,987,630</u>
	<u>7,315,816</u>	<u>6,755,094</u>
Income before income taxes	504,160	3,066,107
Provision for income taxes	<u>36,397</u>	<u>895,306</u>
Net income	<u>\$ 467,763</u>	<u>\$ 2,170,801</u>
Earnings per share	\$0.36	\$1.64
Return on average assets	0.22%	0.89%
Return on average equity	3.23%	13.02%