

CITIZENS COMMERCE BANCSHARES, INC.
CONSOLIDATED BALANCE SHEETS
December 31

	Audited <u>2009</u>	Audited <u>2008</u>
ASSETS		
Cash and cash equivalents	\$ 38,228,954	\$ 5,096,983
Securities:		
Available for sale	46,116,857	43,359,852
Held to maturity	1,939,180	1,936,182
Loans held for sale	1,283,595	801,364
Loans, net	238,590,776	208,784,360
Bank premises and equipment, net	6,155,032	6,290,189
Goodwill	-	98,143
Federal Home Loan Bank stock	1,204,400	1,167,100
Federal Reserve Bank stock	584,100	357,900
Other real estate owned	4,090,083	4,822,903
Cash surrender value of bank owned life insurance	1,494,830	1,358,634
Interest receivable	2,126,528	2,399,266
Other assets	<u>2,700,848</u>	<u>1,500,084</u>
Total assets	<u>\$ 344,515,183</u>	<u>\$ 277,972,960</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Demand - noninterest bearing	\$ 17,564,788	\$ 12,729,986
Savings, NOW and money market	133,118,818	67,955,043
Time	<u>137,823,490</u>	<u>131,016,504</u>
Total deposits	288,507,096	211,701,533
Securities sold under agreements to repurchase	7,760,013	7,846,805
Federal funds purchased	-	290,000
Federal Home Loan Bank advances	27,000,000	27,000,000
Obligations under capital leases	1,590,000	1,680,000
Note payable	4,842,588	4,840,000
Subordinated debentures	3,500,000	3,500,000
Interest payable	468,406	667,872
Other liabilities	<u>3,126,779</u>	<u>3,800,325</u>
Total liabilities	336,794,882	261,326,535
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 at December 31, 2009 with a liquidation preference of \$6,615,000	6,353,350	-
Common stock, no par value; 3,000,000 shares authorized, 1,300,952 (2009) and 1,284,121 (2008) shares issued and outstanding	3,122,287	3,081,890
Additional paid in capital	1,808,119	1,603,698
Retained earnings /(Accumulated deficit)	(3,942,987)	11,862,257
Accumulated other comprehensive income	<u>379,532</u>	<u>98,580</u>
Total stockholders' equity	7,720,301	16,646,425
Total liabilities and stockholders' equity	<u>\$ 344,515,183</u>	<u>\$ 277,972,960</u>

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

	Audited <u>2009</u>	Audited <u>2008</u>
Interest income		
Loans, including fees	\$ 13,827,104	\$ 14,546,357
Securities		
U. S. Treasury, government agencies and other	1,195,234	1,259,226
Municipal bonds	772,696	417,569
Federal funds sold	24,720	67,217
Other	<u>99,557</u>	<u>98,945</u>
	15,919,311	16,389,314
Interest expense		
Deposits	6,301,768	6,684,525
Subordinated debentures	148,035	222,966
Other borrowings	<u>1,592,930</u>	<u>1,443,063</u>
	<u>8,042,733</u>	<u>8,350,554</u>
Net interest income	7,876,578	8,038,760
Provision for loan losses	<u>16,771,700</u>	<u>2,537,000</u>
Net interest income (loss) after provision for loan losses	(8,895,122)	5,501,760
Other income		
Service charges and fees	1,489,041	1,352,744
Net gains on securities transactions	786,170	189,836
Secondary market fees	376,711	175,442
Other	<u>220,271</u>	<u>600,194</u>
	2,872,193	2,318,216
Other expenses		
Salaries and benefits	4,003,730	3,666,247
Occupancy and equipment	894,609	806,636
Data processing	689,370	674,438
Professional fees	258,086	264,032
Goodwill impairment	98,143	-
Other	<u>3,925,362</u>	<u>1,904,463</u>
	<u>9,869,300</u>	<u>7,315,816</u>
Income (loss) before income taxes	(15,892,229)	504,160
Income tax expense (benefit)	<u>(837,341)</u>	<u>36,397</u>
Net income (loss)	<u>\$ (15,054,888)</u>	<u>\$ 467,763</u>
Dividend and accretion on preferred shares	<u>367,134</u>	-
Net income (loss) available to common shareholders	<u>\$ (15,422,022)</u>	<u>\$ 467,763</u>
Earnings per share		
Basic	\$ (12.00)	\$ 0.36
Diluted	(12.00)	0.35