

CITIZENS COMMERCE BANCSHARES, INC.
CONSOLIDATED BALANCE SHEETS
December 31

	Audited <u>2010</u>	Audited <u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 39,125,278	\$ 38,228,954
Securities:		
Available for sale	35,365,130	46,116,857
Held to maturity	13,859,283	1,939,180
Loans held for sale	337,130	1,283,595
Loans, net	187,832,136	238,590,776
Bank premises and equipment, net	6,118,792	6,155,032
Federal Home Loan Bank stock	1,310,900	1,204,400
Federal Reserve Bank stock	347,150	584,100
Other real estate owned	7,795,484	4,090,083
Cash surrender value of bank owned life insurance	1,614,914	1,494,830
Interest receivable	1,457,478	2,126,528
Other assets	<u>2,068,238</u>	<u>2,700,848</u>
Total assets	<u>\$ 297,231,913</u>	<u>\$ 344,515,183</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Demand - noninterest bearing	\$ 20,930,658	\$ 17,564,788
Savings, NOW and money market	120,090,248	133,118,818
Time	<u>107,164,031</u>	<u>137,823,490</u>
Total deposits	248,184,937	288,507,096
Securities sold under agreements to repurchase	6,361,771	7,760,013
Federal Home Loan Bank advances	27,000,000	27,000,000
Obligations under capital leases	1,500,000	1,590,000
Note payable	4,842,588	4,842,588
Subordinated debentures	3,500,000	3,500,000
Interest payable	314,273	468,406
Other liabilities	<u>6,970,772</u>	<u>3,126,779</u>
Total liabilities	298,674,341	336,794,882
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	6,414,287	6,353,350
Common stock, no par value; 3,000,000 shares authorized, 1,426,851 (2010) and 1,300,952 (2009) shares issued and outstanding	3,188,428	3,122,287
Additional paid in capital	1,808,119	1,808,119
Accumulated deficit	(11,803,308)	(3,942,987)
Accumulated other comprehensive income (loss)	<u>(1,049,954)</u>	<u>379,532</u>
Total stockholders' equity	(1,442,428)	7,720,301
Total liabilities and stockholders' equity	<u>\$ 297,231,913</u>	<u>\$ 344,515,183</u>

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

	Audited <u>2010</u>	Audited <u>2009</u>
Interest income		
Loans, including fees	\$ 11,957,613	\$ 13,827,104
Securities		
U. S. Treasury, government agencies and other	1,497,367	1,195,234
Municipal bonds	238,557	772,696
Federal funds sold	8,167	24,720
Other	<u>180,481</u>	<u>99,557</u>
	13,882,185	15,919,311
Interest expense		
Deposits	5,399,855	6,301,768
Subordinated debentures	129,786	148,035
Other borrowings	<u>1,507,099</u>	<u>1,592,930</u>
	<u>7,036,740</u>	<u>8,042,733</u>
Net interest income	6,845,445	7,876,578
Provision for loan losses	<u>6,284,791</u>	<u>16,771,700</u>
Net interest income (loss) after provision for loan losses	560,654	(8,895,122)
Other income		
Service charges and fees	1,195,490	1,489,041
Net gains on securities transactions	1,681,077	786,170
Secondary market fees	304,955	376,711
Other	<u>393,656</u>	<u>220,271</u>
	3,575,178	2,872,193
Other expenses		
Salaries and benefits	4,058,460	4,003,730
Occupancy and equipment	910,235	894,609
Data processing	656,928	689,370
Professional fees	966,720	258,086
FDIC Insurance	1,236,682	705,100
Goodwill impairment	-	98,143
Other real estate owned	1,987,203	910,328
Other	<u>1,905,153</u>	<u>2,309,934</u>
	<u>11,721,381</u>	<u>9,869,300</u>
Loss before income taxes	(7,585,549)	(15,892,229)
Income tax benefit	<u>(129,515)</u>	<u>(837,341)</u>
Net loss	<u>\$ (7,456,034)</u>	<u>\$ (15,054,888)</u>
Dividend and accretion on preferred shares	<u>404,287</u>	<u>367,134</u>
Net loss available to common shareholders	<u>\$ (7,860,321)</u>	<u>\$ (15,422,022)</u>
Loss per share		
Basic	\$ (5.94)	\$ (12.00)
Diluted	(5.94)	(12.00)