

CITIZENS COMMERCE BANCSHARES, INC.
CONSOLIDATED BALANCE SHEETS
December 31

	Audited <u>2011</u>	Audited <u>2010</u>
ASSETS		
Cash and cash equivalents	\$ 27,641,056	\$ 39,125,278
Securities:		
Available for sale	47,144,541	35,365,130
Held to maturity	16,622,206	13,859,283
Loans held for sale	336,872	337,130
Loans, net	126,773,238	187,832,136
Bank premises and equipment, net	5,142,814	6,118,792
Federal Home Loan Bank stock	1,310,900	1,310,900
Federal Reserve Bank stock	192,100	347,150
Other real estate owned	6,672,254	7,795,484
Cash surrender value of bank owned life insurance	1,734,261	1,614,914
Interest receivable	1,362,587	1,457,478
Other assets	<u>917,517</u>	<u>2,068,238</u>
Total assets	\$ 235,850,346	\$ 297,231,913
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Deposits		
Demand - noninterest bearing	\$ 13,897,108	\$ 20,930,658
Savings, NOW and money market	84,947,526	120,090,248
Time	<u>93,296,958</u>	<u>107,164,031</u>
Total deposits	192,141,592	248,184,937
Securities sold under agreements to repurchase	5,047,670	6,361,771
Federal Home Loan Bank advances	27,000,000	27,000,000
Obligations under capital leases	1,410,000	1,500,000
Note payable	2,108,500	4,842,588
Subordinated debentures	3,500,000	3,500,000
Interest payable	410,652	314,273
Other liabilities	<u>2,944,035</u>	<u>6,970,772</u>
Total liabilities	234,562,449	298,674,341
Stockholders' equity (deficit)		
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	6,476,090	6,414,287
Common stock, no par value; 3,000,000 shares authorized, 1,736,165 (2011) and 1,426,851 (2010) shares issued and outstanding	3,315,433	3,188,428
Additional paid in capital	1,808,119	1,808,119
Accumulated deficit	(10,085,732)	(11,803,308)
Accumulated other comprehensive income (loss)	<u>(226,013)</u>	<u>(1,049,954)</u>
Total stockholders' equity (deficit)	1,287,897	(1,442,428)
Total liabilities and stockholders' equity (deficit)	\$ 235,850,346	\$ 297,231,913

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

	Audited <u>2011</u>	Audited <u>2010</u>
Interest income		
Loans, including fees	\$ 8,984,744	\$ 11,957,613
Securities		
U. S. Treasury, government agencies and other	1,717,324	1,497,367
Municipal bonds	287,767	238,557
Federal funds sold	1,271	8,167
Other	<u>139,678</u>	<u>180,481</u>
	11,130,784	13,882,185
Interest expense		
Deposits	2,409,904	5,399,855
Subordinated debentures	133,237	129,786
Other borrowings	<u>1,437,797</u>	<u>1,507,099</u>
	<u>3,980,938</u>	<u>7,036,740</u>
Net interest income	7,149,846	6,845,445
Provision for loan losses	<u>1,940,209</u>	<u>6,284,791</u>
Net interest income after provision for loan losses	5,209,637	560,654
Other income		
Service charges and fees	989,300	1,195,490
Net gains on securities transactions	869,068	1,681,077
Secondary market fees	45,889	304,955
Gain on extinguishment of debt	4,683,031	-
Other	<u>393,949</u>	<u>452,924</u>
	6,981,237	3,634,446
Other expenses		
Salaries and benefits	4,124,872	4,058,460
Occupancy and equipment	831,193	910,235
Data processing	661,533	656,928
Professional fees	1,088,744	966,720
FDIC Insurance	958,303	1,236,682
Other real estate owned, net of gain/loss from sale or writedowns and other expenses	1,332,865	2,046,471
Other	<u>1,495,089</u>	<u>1,905,153</u>
	<u>10,492,599</u>	<u>11,780,649</u>
Income (loss) before income taxes	1,698,275	(7,585,549)
Income tax benefit	<u>(424,454)</u>	<u>(129,515)</u>
Net income (loss)	\$ 2,122,729	\$ (7,456,034)
Dividend and accretion on preferred shares	<u>405,153</u>	<u>404,287</u>
Net income (loss) available to common shareholders	\$ 1,717,576	\$ (7,860,321)
Earnings (loss) per share		
Basic	\$ 1.18	\$ (5.94)
Diluted	1.12	(5.94)