

Consolidated Balance Sheet

(Unaudited)

	December 31,	
	2006	2005
	(In thousands)	
Assets		
Cash & Due from banks	\$ 1,474	\$ 1,142
Interest Bearing demand deposits	176	974
Federal funds sold	-	284
	1,650	2,400
Cash & Cash Equivalents		
Securities available for sale	27,438	20,337
Loans Receivable, net allowance for loan loss	98,304	98,365
Allowance for loan loss	(1,947)	(1,464)
Net Loans Receivable	96,357	96,901
Bank premises & equipment	2,947	1,220
Accrued interest receivable	710	608
Other assets	1,199	1,130
Total Assets	\$ 130,301	\$ 122,596
Liabilities & Stockholders' Equity		
Liabilities		
Deposits:		
Demand, non-interest bearing	\$ 5,768	\$ 5,362
Demand, interest bearing	33,633	27,696
Savings	964	903
Time	56,460	49,684
Total Deposits	96,825	83,645
Short-term debt	8,550	14,307
Long-term debt	701	719
Accrued interest payable	105	92
Other liabilities	911	1,005
Total Liabilities	107,092	99,768
Stockholders' Equity		
Common Stock	4,798	4,781
Surplus	19,767	19,595
Accumulated deficit	(1,281)	(1,438)
Accumulated other comprehensive income	(75)	(110)
Total Stockholders' Equity	23,209	22,828
Total Liabilities & Stockholders' Equity	\$ 130,301	\$ 122,596

Consolidated Income Statement
(Unaudited)

	<u>Twelve Months Ended December 31,</u>		<u>Three Months Ended December 31,</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
	(In thousands)		(In thousands)	
Interest Income				
Loans Receivable, including fees	\$ 9,228	\$ 7,579	\$ 2,323	\$ 2,141
Securities	743	282	215	107
Other	39	121	14	11
Total Interest Income	10,010	7,982	2,552	2,259
Interest Expense				
Deposits	3,272	2,275	989	641
Short-term borrowings	483	52	43	37
Long-term borrowings	39	41	11	11
Total Interest Expense	3,794	2,368	1,043	689
Net Interest Income	6,216	5,614	1,509	1,570
Provision for loan loss	584	518	108	123
Net Interest Income after Provision for Loan Loss	5,632	5,096	1,401	1,447
Other Income				
Customer Service fees	73	89	16	17
Other	131	335	25	69
Total Other Income	204	424	41	86
Other Expenses				
Salaries and employee benefits	3,078	2,520	843	658
Occupancy	677	403	210	145
Equipment and data processing	536	479	130	116
Advertising, marketing and business development	318	220	107	65
Professional fees	382	395	84	165
Bank shares tax	102	66	26	16
Other	586	420	176	124
Total Other Expenses	5,679	4,503	1,576	1,289
Income before Minority Interests	157	1,017	(134)	244
Minority interest in net loss of subsidiary	-	-	-	-
Net Income	\$ 157	\$ 1,017	\$ (134)	\$ 244
Earnings Per Share				
Basic	<u>\$0.03</u>	<u>\$0.22</u>	<u>\$ (0.03)</u>	<u>\$ 0.05</u>
Diluted	<u>\$0.03</u>	<u>\$0.22</u>	<u>(\$0.03)</u>	<u>\$0.05</u>