

**PREMIER VALLEY BANK**

**CONDENSED CONSOLIDATED BALANCE SHEET**

(Unaudited)  
(In thousands)

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Cash and due from banks	\$ 10,589	\$ 13,314
Federal funds sold and deposits in banks	<u>104</u>	<u>1,743</u>
Total cash and cash equivalents	10,693	15,057
Investment securities	55,811	66,478
Loans, less allowance for loan losses	366,353	369,794
Premises and equipment	3,575	3,980
Intangible assets	14,905	15,364
Other assets	<u>23,117</u>	<u>17,461</u>
	<u><u>\$474,454</u></u>	<u><u>\$488,134</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits		
Noninterest bearing	\$121,434	\$104,773
Interest bearing	<u>281,694</u>	<u>291,138</u>
Total deposits	403,128	395,911
Borrowings		
	5,100	25,300
Other liabilities		
	<u>6,560</u>	<u>10,781</u>
Total liabilities	414,788	431,992
Common stock		
	54,591	52,552
Retained earnings		
	5,094	4,123
Other comprehensive gain (loss), net		
	<u>(19)</u>	<u>(533)</u>
Total shareholders' equity	<u>59,666</u>	<u>56,142</u>
	<u><u>\$474,454</u></u>	<u><u>\$488,134</u></u>

**PREMIER VALLEY BANK**

**CONSOLIDATED FINANCIAL HIGHLIGHTS**

(Unaudited)  
(In thousands, except per share and ratio data)

	<u>Year Ended December 31,</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>STATEMENT OF INCOME DATA</b>					
Net interest income	\$ 19,705	\$ 20,358	\$ 19,878	\$ 19,299	\$ 14,809
Provision for loan losses	5,390	5,375	1,580	754	805
Noninterest income	1,965	2,900	2,620	1,834	1,409
Noninterest expenses	13,756	16,922	13,509	12,004	9,087
Income taxes	724	(50)	2,779	3,148	2,302
Net income	1,800	1,011	4,630	5,227	4,024
<b>BALANCE SHEET DATA</b>					
Total assets	\$474,454	\$488,134	\$469,037	\$445,860	\$409,353
Loans, net	366,353	369,794	331,124	305,567	228,167
Investment securities	55,811	66,478	93,362	93,072	100,902
Intangible assets	14,905	15,364	15,806	16,168	16,566
Deposits	403,128	395,911	403,049	381,299	349,764
Shareholders' equity	59,666	56,142	57,900	59,219	53,332
<b>SHARE DATA</b>					
Earnings per share					
Basic	\$ 0.15	\$ 0.09	\$ 0.37	\$ 0.41	\$ 0.34
Diluted	\$ 0.15	\$ 0.08	\$ 0.35	\$ 0.38	\$ 0.32
Book value per share	\$ 4.83	\$ 4.57	\$ 4.73	\$ 4.66	\$ 4.22
Tangible book value per share	\$ 3.63	\$ 3.32	\$ 3.43	\$ 3.39	\$ 2.91
Average shares outstanding	12,332	12,700	12,514	12,638	11,815
Shares outstanding end of year	12,345	12,288	12,250	12,691	12,630
<b>SELECTED RATIOS</b>					
Net interest margin	4.50%	4.61%	4.80%	5.01%	4.64%
Return on average assets	0.38%	0.21%	1.02%	1.23%	1.14%
Return on average equity	3.08%	1.72%	7.76%	9.33%	8.63%
Return on average tangible equity	5.20%	3.28%	11.61%	14.33%	12.66%
Efficiency ratio	61%	71%	58%	55%	54%
Loans to deposits	93%	95%	83%	81%	66%
Allowance for loan losses to total loans	1.86%	1.42%	1.48%	1.25%	1.42%
Nonperforming assets to total assets	2.27%	1.97%	0.16%	0.13%	0.15%
Net loan losses to average loans	1.02%	1.43%	0.15%	0.06%	0.10%
Equity to assets	12.58%	11.50%	12.34%	13.28%	13.03%
Tier one capital to risk-adjusted assets	10.81%	9.81%	10.92%	12.75%	13.69%

**PREMIER VALLEY BANK**

**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

(Unaudited)  
(In thousands, except per share data)

	<u>Year Ended December 31,</u>	
	<u>2009</u>	<u>2008</u>
<b>INTEREST INCOME</b>		
Loans	\$20,245	\$23,017
Investment securities	2,941	4,054
Federal funds sold and deposits in banks	<u>81</u>	<u>281</u>
Total interest income	23,267	27,352
<b>INTEREST EXPENSE</b>		
Deposits	3,552	6,916
Borrowings	<u>10</u>	<u>78</u>
Total interest expense	3,562	6,994
Net interest income	19,705	20,358
Provision for loan losses	<u>5,390</u>	<u>5,375</u>
Net interest income after provision for loan losses	14,315	14,983
<b>NONINTEREST INCOME</b>		
Service charges	1,600	1,550
Other	<u>365</u>	<u>1,350</u>
Total noninterest income	1,965	2,900
<b>NONINTEREST EXPENSES</b>		
Salaries and employee benefits	6,273	7,838
Occupancy and equipment	1,492	1,564
Other	<u>5,991</u>	<u>7,520</u>
Total noninterest expenses	<u>13,756</u>	<u>16,922</u>
Income before income taxes	2,524	961
Income taxes	<u>724</u>	<u>(50)</u>
Net income	<u><u>\$ 1,800</u></u>	<u><u>\$ 1,011</u></u>
Basic earnings per share	<u><u>\$ 0.15</u></u>	<u><u>\$ 0.09</u></u>
Diluted earnings per share	<u><u>\$ 0.15</u></u>	<u><u>\$ 0.08</u></u>