

Consolidated Balance Sheets

Century Financial Corporation

	<i>December 31,</i>	
	<i>2011</i>	<i>2010</i>
Assets		
Cash and due from banks	\$ 7,727,174	\$ 6,430,031
Short term investments	25,810,000	31,761,000
Total cash and cash equivalents	<u>33,537,174</u>	<u>38,191,031</u>
Securities available for sale	41,540,493	22,952,827
Securities held to maturity (Fair value of \$8,636,044 in 2011 and \$11,287,808 in 2010)	8,550,716	11,269,819
Federal Home Loan Bank and Federal Agriculture Mortgage Corp. Stock	611,553	655,500
Loans held for sale	684,931	197,824
Loans, net	146,215,260	157,504,280
Premises and equipment, net	5,416,212	5,727,495
Bank owned life insurance	7,151,010	6,907,181
Accrued interest receivable	1,005,007	870,171
Other assets	4,842,330	4,403,047
Total Assets	<u>\$ 249,554,686</u>	<u>\$ 248,679,175</u>
Liabilities		
Deposits		
Noninterest-bearing	\$ 37,046,481	\$ 33,270,744
Time deposits of \$100,000 or more	29,696,524	35,292,095
Other time deposits	31,484,852	35,685,384
Other interest-bearing deposits	120,133,169	113,437,110
Total deposits	<u>218,361,026</u>	<u>217,685,333</u>
Short term borrowings	0	1,101,868
Accrued interest payable	62,666	112,723
Other liabilities	4,225,715	3,208,948
Total Liabilities	<u>222,649,407</u>	<u>222,108,872</u>
Shareholders' Equity		
Preferred stock -- \$1 par value; shares authorized -- 300,000; issued and outstanding -- none		
Common stock -- \$1 par value; shares authorized -- 3,000,000; issued and outstanding -- 1,979,460 in 2011 and 2010	1,979,460	1,979,460
Paid in capital	19,652,705	19,652,705
Retained earnings	7,621,554	6,513,897
Accumulated other comprehensive loss	(2,348,440)	(1,575,759)
Total Shareholders' Equity	<u>26,905,279</u>	<u>26,570,303</u>
Total Liabilities and Shareholders' Equity	<u>\$ 249,554,686</u>	<u>\$ 248,679,175</u>

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Operations

Century Financial Corporation

	<i>Year Ended</i> <i>December 31,</i>	
	2011	2010
<i>Interest Income</i>		
Loans, including fees	\$ 8,148,462	\$ 8,591,534
Securities		
Taxable	796,414	636,810
Non-taxable	342,967	313,931
Short term investments	110,437	83,906
Total interest income	<u>9,398,280</u>	<u>9,626,181</u>
<i>Interest Expense</i>		
Deposits	1,062,921	1,498,676
Other borrowings	245	37,369
Total interest expense	<u>1,063,166</u>	<u>1,536,045</u>
<i>Net interest Income</i>	8,335,114	8,090,136
Provision for loan losses	1,716,250	4,159,396
Net interest income after provision for loan losses	<u>6,618,864</u>	<u>3,930,740</u>
<i>Non-interest Income</i>		
Service charges on deposit accounts	1,579,691	1,420,661
Trust and investment management revenue	1,392,072	1,277,714
Gain on sale of mortgage loans	386,954	501,858
Other income	670,477	825,843
Total non-interest income	<u>4,029,194</u>	<u>4,026,076</u>
<i>Non-interest Expense</i>		
Salaries and employee benefits	4,775,351	4,336,353
Occupancy and equipment expense	1,895,778	2,057,273
Securities other-than-temporary impairment		
Total impairment loss	0	200,000
Impairment loss recognized in other comprehensive income	0	0
Net impairment loss recognized in earnings	0	200,000
Other	2,737,550	2,553,935
Total non-interest expense	<u>9,408,679</u>	<u>9,147,561</u>
<i>Income (Loss) Before Income Taxes</i>	1,239,379	(1,190,745)
<i>Income Taxes (Benefit)</i>	131,722	(593,741)
<i>Net Income (Loss)</i>	\$ 1,107,657	\$ (597,004)
<i>Basic and Diluted Earnings (Loss) Per Share</i>	\$ 0.56	\$ (0.30)

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