



BALANCE SHEETS

(Unaudited)

(In thousands, except ratios)

	6/30/15	3/31/15	12/31/14	9/30/14	6/30/14
ASSETS					
Cash and cash equivalents					
Cash and due from banks	\$ 7,283	\$ 11,082	\$ 7,171	\$ 8,863	\$ 8,015
Federal funds sold	—	803	—	—	50
Total cash and cash equivalents	7,283	11,885	7,171	8,863	8,065
Investment securities available for sale, at fair value	29,852	27,582	38,643	32,703	35,781
Investment securities held to maturity	15,910	15,934	13,866	11,876	8,949
Restricted equity securities, at cost	1,596	1,594	1,166	1,165	1,151
Loans, net of allowance for loan losses	305,401	287,111	269,094	253,164	247,230
Premises and equipment, net	12,796	12,918	12,902	12,456	12,477
Other real estate owned, net	234	234	234	234	234
Accrued interest and other receivables	1,306	1,185	1,143	990	1,022
Other assets	1,201	830	757	913	952
Total Assets	\$ 375,579	\$ 359,273	\$ 344,976	\$ 322,364	\$ 315,861
LIABILITIES AND STOCKHOLDERS' EQUITY					
Liabilities:					
Non-interest bearing deposits	\$ 72,244	\$ 65,178	\$ 51,562	\$ 49,047	\$ 46,419
Savings and NOW deposits	38,364	35,963	34,208	36,900	36,132
Money market deposits	47,387	36,774	34,741	38,280	35,133
Other time deposits	174,698	179,354	181,844	164,170	170,511
Total deposits	332,693	317,269	302,355	288,397	288,195
Securities sold under agreements to repurchase	717	495	411	378	477
Federal Home Loan Bank advances and other borrowings	455	279	1,493	5,923	518
Other liabilities	1,055	1,020	954	821	458
Total Liabilities	334,920	319,063	305,213	295,519	289,648
Stockholders' Equity:					
Common stock	16,491	16,491	16,391	10,379	10,379
Capital surplus	21,690	21,602	21,626	15,426	15,378
Retained earnings	2,626	2,221	1,755	1,167	539
Accumulated other comprehensive income (loss)	(148)	(104)	(9)	(127)	(83)
Total Stockholders' Equity	40,659	40,210	39,763	26,845	26,213
Total Liabilities and Stockholders' Equity	\$ 375,579	\$ 359,273	\$ 344,976	\$ 322,364	\$ 315,861

Other Financial Highlights

Annualized return on average assets	0.49%	0.53%	0.56%	0.51%	0.36%
Annualized return on average equity	4.33%	4.65%	6.62%	8.97%	4.18%
Annualized net interest margin	4.25%	4.32%	4.13%	4.12%	4.18%
Efficiency ratio	75.95%	74.91%	77.17%	78.61%	79.38%
Gross loans to deposits	92.79%	91.47%	90.00%	88.73%	86.73%
Allowance for loan losses to total loans	0.99%	1.00%	1.01%	1.05%	1.07%
Past due loans 30-89 days to total gross loans	0.00%	0.00%	0.00%	0.00%	0.00%
Past due loans 90 days or more to total gross loans	0.00%	0.00%	0.00%	0.00%	0.00%
Non-accrual loans to total gross loans	0.14%	0.14%	0.19%	0.82%	0.85%
Quarterly net loan charge-offs (recoveries)	\$ 105	\$ 172	\$ 46	\$ 3	\$ 248
Book value per share	\$ 9.64	\$ 9.52	\$ 9.44	\$ 9.98	\$ 9.74
Closing stock price	\$ 10.20	\$ 9.40	\$ 8.90	\$ 8.00	\$ 8.50

Regulatory Capital Ratios

Tier 1 risk-based capital ratio	13.30%	14.34%	13.68%	9.69%	9.93%
Common equity tier 1 capital ratio	13.30%	14.34%	13.68%	9.69%	9.93%
Total risk-based capital ratio	14.30%	15.37%	14.63%	10.66%	10.94%
Leverage ratio	11.14%	11.54%	13.68%	9.76%	9.76%



STATEMENTS OF INCOME

(Unaudited)

(In thousands, except share data)

	Six Months Ended		Three Months Ended				
	6/30/15	6/30/14	6/30/15	3/31/15	12/31/14	9/30/14	6/30/14
INTEREST INCOME:							
Interest and fees on loans	\$ 7,779	\$ 6,371	\$ 3,924	\$ 3,855	\$ 3,601	\$ 3,353	\$ 3,364
Interest on investment securities	456	435	220	236	244	212	238
Interest on federal funds sold	16	14	9	7	5	6	8
Total interest income	8,251	6,820	4,153	4,098	3,850	3,571	3,610
INTEREST EXPENSE:							
Interest on savings and NOW deposits	70	67	36	34	37	37	34
Interest on money market deposits	63	49	34	29	29	27	25
Interest on other time deposits	923	871	444	479	478	459	457
Interest on Federal Home Loan Bank advances and other borrowings	7	9	3	4	5	4	4
Total interest expense	1,063	996	517	546	549	527	520
Net interest income	7,188	5,824	3,636	3,552	3,301	3,044	3,090
Provision for loan losses	580	464	278	302	123	—	75
Net interest income after provision for loan losses	6,608	5,360	3,358	3,250	3,178	3,044	3,015
OTHER INCOME:							
Deposit account service charges	222	213	123	99	107	109	113
Gain on securities available for sale	214	—	—	214	—	105	—
Other fee income	207	174	95	112	79	231	118
Total other income	643	387	218	425	186	445	231
OTHER EXPENSES:							
Salaries and employee benefits	3,688	2,741	1,822	1,866	1,445	1,493	1,427
Furniture and equipment expenses	542	499	277	265	281	269	246
Advertising and marketing	138	53	81	57	71	46	27
Occupancy expenses	360	476	169	191	154	203	236
Outside services	157	139	79	78	93	90	69
Administrative expenses	156	158	79	77	98	89	83
Other operating expenses	907	864	462	445	411	423	445
Total other expenses	5,948	4,930	2,969	2,979	2,553	2,613	2,533
INCOME BEFORE INCOME TAXES	1,303	817	607	696	811	876	713
Income tax expense	432	281	201	231	223	248	244
NET INCOME	\$ 871	\$ 536	\$ 406	\$ 465	\$ 588	\$ 628	\$ 469
Net income per common share, basic and diluted	\$ 0.21	\$ 0.20	\$ 0.10	\$ 0.11	\$ 0.21	\$ 0.23	\$ 0.17
Weighted average number of shares, basic and diluted	4,231,245	2,700,042	4,235,755	4,226,685	2,803,216	2,701,107	2,700,938