



**Contact: David A. Lentini**  
**860-748-4250**  
**dlentini@theobt.com**

## **CBT Announces Results for Quarter and Year Ended December 31, 2011**

Hartford, CT, January 31, 2012 - The Connecticut Bank and Trust Company ("CBT" or the "Bank") (Nasdaq: CTBC) reported a net loss of \$2.5 million for the quarter ended December 31, 2011 compared to net income of \$188,000 for the comparable period in 2010. After accounting for preferred stock dividends and accretion, net loss attributable to common shareholders was \$2.6 million or (\$0.73) per diluted common share for the quarter ended December 31, 2011 compared to net income of \$91,000 or \$0.02 per diluted common share for the comparable quarter in 2010. Total assets were \$280.5 million at December 31, 2011, an increase of \$6.3 million over total assets of \$274.2 million at December 31, 2010.

Chairman and CEO David A. Lentini commented, "We felt it was appropriate this quarter to significantly increase our loan loss reserves by \$2.3 million as we continue to see financial stress on certain of our commercial borrowers. Loan demand increased, which continues to show why CBT is the bank of choice in meeting the commercial credit needs of our local businesses."

The Bank reported a net loss of \$1.5 million for the year ended December 31, 2011 compared to net income of \$560,000 for the comparable period in 2010. After accounting for preferred stock dividends and accretion, net loss attributable to common shareholders was \$1.9 million, or (\$0.51) per diluted common share in 2011 compared to net income of \$172,000 or \$0.05 per diluted common share in 2010. The Bank's 2011 results included \$700,000 in income tax benefits related to net operating loss carryforwards recognized by reversing a portion of the deferred tax valuation allowance.

As previously announced, the Bank signed a definitive merger agreement on October 25, 2011 under which Berkshire Hills Bancorp, Inc. will acquire the Bank in a transaction valued at approximately \$30 million. For additional details, please refer to the Bank's Form 8-K filed with the Federal Reserve on October 26, 2011 and posted on the Bank's website at [www.theobt.com](http://www.theobt.com). As a result of this transaction, the Bank expended approximately \$325,000 for the quarter ended December 31, 2011.

**Operating Results for the Quarter Ended December 31, 2011.** Net interest income for the quarter ended December 31, 2011 was \$2.4 million compared to \$2.5 million for the same period in the prior year. The net interest margin was 3.51% for the quarter ended December 31, 2011 compared to 3.67% for the same period in 2010. Interest income decreased \$127,000 as lower rates on earning assets more than offset the volume related increase attributable to growth in average earning assets, principally securities. Lower rates across all funding sources and overall lower volume of interest-bearing liabilities added \$66,000 to net interest income.

The provision for loan losses was \$2.3 million for the quarter ended December 31, 2011 compared to \$135,000 for the same period in 2010 as a result of an increase in specific reserves on impaired loans and to the financial stress of some commercial borrowers. Net charge-offs for the quarter ended December 31, 2011 were \$1.2 million compared to \$1,000 for the same period in 2010, primarily due to a \$1.1 million commercial loan charge off.

Non-interest income amounted to \$234,000 in the quarter, compared to \$206,000 for the same period a year ago. Customer service fees totaled \$132,000 for the quarter ended December 31, 2011, up \$41,000 or 45%, from the same period in the prior year as a result of an increase in the number of deposit accounts. Brokerage commissions were \$81,000 for the quarter, up \$3,000 or 4%, from the same period in the prior year. Net gains from sales of loans were \$21,000 and \$37,000, respectively, for the quarters ended December 31, 2011 and December 31, 2010.

CBT is a full service commercial bank headquartered in Hartford, CT, with branch offices conveniently located in Glastonbury, Newington, Rocky Hill, Vernon, West Hartford, and Windsor.

Operating expenses for the quarter totaled \$2.9 million, an increase of \$542,000, from the same period last year. Salaries and benefits, including staff additions and related payroll taxes, rose \$87,000 for the three-month period ended December 31, 2011 compared to the same period in the prior year. Professional services increased \$13,000 from the prior year mainly due to increased legal and consulting costs. General and administrative costs rose \$548,000 from the comparable period in the prior year primarily as a result of merger related expenses, higher prices for purchased goods and services and expenses related to problem assets and other real estate owned.

**Operating Results for the Year Ended December 31, 2011.** Net interest income for the year totaled \$9.9 million, a decrease of \$86,000, from \$10.0 million in the prior year. The net interest margin for the year was 3.67% compared to 3.83% in the prior year. Interest income decreased \$525,000 as lower rates on earning assets more than offset the volume related increase of \$673,000 from growth of interest earning assets, principally loans. Lower rates across all funding sources and overall lower volume of interest-bearing liabilities added \$439,000 to net interest income.

The provision for loan losses was \$3.0 million for the year ended December 31, 2011 compared to \$1.0 million in the prior year as a result of an increase in the specific reserves on impaired loans and an increase in the general reserves on non-impaired loans. Net charge-offs for the year ended December 31, 2011 were \$2.1 million compared to \$352,000 in the prior year, primarily due to \$1.1 million in charge offs on two commercial loans.

Non-interest income amounted to \$1.4 million for the year ended December 31, 2011, compared to \$754,000 in the prior year. Customer service fees totaled \$492,000 for the year, up \$152,000 or 44.7% from the prior year, due to an increase in the number of deposit accounts. Brokerage commissions were \$332,000 for the year, up \$48,000 or 16.8% from the prior year. Gains on sales of securities were \$448,000 for the year ended December 31, 2011 compared to \$60,000 in the prior year. Net gains from sales of loans were \$87,000 and \$70,000, respectively, for the fiscal years ended December 31, 2011 and December 31, 2010.

Operating expenses for the year ended December 31, 2011 totaled \$10.5 million, an increase of \$1.3 million, from the prior year. Salaries and benefits, including staff additions and related payroll taxes, rose \$279,000, for the year ended December 31, 2011 compared to prior year. Professional services increased \$258,000 to \$906,000 for the year ended December 31, 2011 from the prior year mainly due to increased servicing fees on the consumer loan portfolio and increased legal and consulting costs. FDIC insurance premiums increased \$35,000 chiefly related to higher premiums on insured deposits. General and administrative costs rose \$789,000 for the year ended December 31, 2011 compared to the prior year primarily as a result of collection expenses on increased problem assets, other real estate owned, deferred compensation and merger related expenses.

**Allowance for Loan Losses.** The ratio of the allowance for loan losses to total loans was 1.87% at December 31, 2011 compared to 1.51% at December 31, 2010 due to an increase in the specific reserves on impaired loans and an increase in the general reserves on non-impaired loans. Outstanding loans increased \$3.6 million to \$227.4 million at December 31, 2011 from \$223.7 million at December 31, 2010. At December 31, 2011, the allowance was \$4.2 million compared to \$3.4 million at December 31, 2010.

**Asset Quality.** All loans are subject to internal risk rating, which are independently reviewed on an annual basis. Internal risk ratings and delinquency status are integral components in the calculation of the allowance for loan losses. Total non-performing loans were \$12.7 million, or 5.60% of total loans outstanding at December 31, 2011, compared to \$8.8 million or 3.93% of total loans outstanding at December 31, 2010. Other real estate owned was \$2.2 million at December 31, 2011 compared to \$682,000 at December 31, 2010, primarily due to one property of \$1.5 million added this year. The Bank has seen a migration of loans to nonaccrual status due to increased delinquency primarily from commercial customers. Net loan charge-offs amounted to \$1.2 million for the quarter ended December 31, 2011 and \$377,000 for the comparable period a year earlier. Net charged-off loans totaled \$2.1 million for the year ended December 31, 2011 compared to \$352,000 for the year ended December 31, 2010, primarily due to \$1.1 million in charge offs on two commercial loans. Management mitigates the risk of loss through sound underwriting standards, strong collateral management, diversification among industries and government guarantees from the USDA and SBA, when available.

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**Balance Sheet Performance.** Total assets were \$280.5 million at December 31, 2011 compared to \$274.2 million at December 31, 2010. Outstanding loans were \$227.4 million, up \$3.6 million from December 31, 2010. Securities available for sale increased to \$42.4 million compared to \$35.3 million at December 31, 2010 as a result of purchases of certain government-sponsored residential and commercial mortgage-backed securities. Cash and cash equivalents totaled \$4.8 million at December 31, 2011, down \$3.9 million from \$8.7 million at December 31, 2010. During the first quarter of 2011, the Bank reduced the valuation allowance against the deferred tax asset by \$700,000. Total deposits increased \$6.2 million to \$220.0 million at December 31, 2011 from \$213.8 million at December 31, 2010 primarily from higher core deposits.

Securities sold under agreements to repurchase and secured borrowings increased \$2.1 million while advances from the Federal Home Loan Bank of Boston declined by \$1.0 million. The Bank remains well-capitalized with stockholders' equity of \$23.4 million at December 31, 2011.

### **About The Connecticut Bank and Trust Company**

CBT is a full service commercial bank headquartered in Hartford, CT, with 8 branches located in the Greater Hartford area. CBT serves privately-owned business customers and individuals with a focus on customer service and responsiveness.

### **Caution concerning forward-looking statements**

Statements contained in this release, which are not historical facts, may be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated, due to a number of factors which include, without limitation, the effects of future economic conditions, governmental fiscal and monetary policies, legislative and regulatory changes, changes in the interest rates, the effects of competition, and other factors that could cause actual results to differ materially from those provided in any such forward-looking statements. CBT does not undertake to update its forward-looking statements.

This release may also contain forward-looking statements about the proposed merger of Berkshire Hills Bancorp, Inc. ("Berkshire") and CBT, including information regarding the surviving entity in the merger, expected synergies from the merger of CBT and Berkshire, combined operating and financial data, competitive strengths, growth opportunities, and whether and when the transactions contemplated by the merger agreement will be consummated. The discussion of such matters is qualified by the inherent risk and uncertainties surrounding future expectations generally, and also may materially differ from actual future experience involving any one or more of such matters. Such risks and uncertainties include: the failure to realize capital and operating expense synergies in the timeframe expected or at all; unexpected costs or liabilities associated with the merger; the result of the review of the proposed merger by various regulatory agencies, and any conditions imposed on the new company in connection with the consummation of the merger; approval of the merger by the shareholders of CBT and satisfaction of various other conditions to the closing of the merger contemplated by the merger agreement; and the risks that are described from time to time in CBT's reports filed with the Federal Reserve, including CBT's annual report on Form 10-K for the year ended December 31, 2010, and subsequent reports filed with the Federal Reserve.

### **Additional Information for Shareholders**

In connection with CBT's merger with Berkshire, Berkshire has filed with the Securities and Exchange Commission (the "SEC") a Registration Statement on Form S-4 that includes a Proxy Statement of CBT and a Prospectus of Berkshire, as well as other relevant documents concerning the proposed transaction. A definitive Proxy Statement will be filed with the Board of Governors of the Federal Reserve System (the "Federal Reserve") and mailed to shareholders of CBT after the Registration Statement is declared effective. The Registration Statement has not yet become effective. **SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND REGISTRATION STATEMENT WHEN THEY BECOME AVAILABLE AND ANY OTHER RELEVANT**

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DOCUMENTS FILED WITH THE SEC AND THE FEDERAL RESERVE, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE MERGER. You will be able to obtain a free copy of the Proxy Statement/Prospectus, as well as other filings containing information (i) about Berkshire at the SEC's Internet site (<http://www.sec.gov>) and (ii) about CBT at CBT's Internet site (<http://www.thecbt.com>). Copies of the Proxy Statement/Prospectus can also be obtained, when available and without charge, (i) at CBT's Internet site at <http://www.thecbt.com> under the tab "Investors Relations" and then under the tab "SEC Reports" or by directing a request to the Connecticut Bank and Trust Company, Attention: Anson Hall, 58 State House Square, Hartford, Connecticut 06103, (860) 246-5200, or (ii) at Berkshire's Internet site at <http://www.berkshirebank.com> under the tab "About Us" and then under the tab "Investor Relations" and then under the tab "SEC Filings" or by directing a request to Berkshire Hills Bancorp, Inc., Attention: Investors Relations Department, 24 North Street, Pittsfield, Massachusetts 01201, (413) 443-5601.

CBT and Berkshire and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of CBT in connection with the merger. Information about the directors and executive officers of CBT and their ownership of CBT common stock is set forth in CBT's most recent Proxy Statement for its 2011 annual meeting of shareholders held on May 19, 2011, which is available at CBT's Internet site (<http://www.thecbt.com>) and upon request from CBT at the address in the preceding paragraph. Information about the directors and executive officers of Berkshire is set forth in Berkshire's most recent Proxy Statement filed with the SEC on Schedule 14A on March 24, 2011, which is available at the SEC's Internet site (<http://www.sec.gov>) and upon request from Berkshire at the address set forth in the preceding paragraph. Additional information regarding the interests of these participants may be obtained by reading the Proxy Statement/Prospectus regarding the proposed merger.

|   | Selected Performance Data |                 |                 |                 |                 |                 |
|---|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|   | Quarter Ended             |                 |                 |                 | Year Ended      |                 |
|   | Dec 31,<br>2011           | Sep 30,<br>2011 | Jun 30,<br>2011 | Mar 31,<br>2011 | Dec 31,<br>2011 | Dec 31,<br>2010 |
| <i>In thousands, except per share data</i>            |                           |                 |                 |                 |                 |                 |
| Total assets (EOP*)                                   | \$ 280,513                | \$ 284,183      | \$ 283,277      | \$ 273,604      | \$ 280,513      | \$274,231       |
| Net income (loss)                                     | \$ (2,549)                | \$ 165          | \$ 116          | \$ 806          | \$ (1,462)      | \$ 560          |
| Net income (loss) attributable to common shareholders | \$ (2,646)                | \$ 68           | \$ 19           | \$ 709          | \$ (1,850)      | \$ 172          |
| Net interest margin                                   | 3.51%                     | 3.59%           | 3.74%           | 3.86%           | 3.67%           | 3.83%           |
| Interest rate spread                                  | 3.17%                     | 3.27%           | 3.43%           | 3.56%           | 3.36%           | 3.53%           |
| Ratio of total stockholders'                          |                           |                 |                 |                 |                 |                 |
| equity to total assets (EOP)                          | 8.33%                     | 9.07%           | 9.14%           | 9.33%           | 8.33%           | 9.07%           |
| Weighted avg shares outstanding (basic)               | 3,621                     | 3,621           | 3,621           | 3,621           | 3,621           | 3,617           |
| Net income (loss) per common share (basic)            | \$ (0.73)                 | \$ 0.02         | \$ 0.01         | \$ 0.20         | \$ (0.51)       | \$ 0.05         |
| Net income (loss) per common share (diluted)          | \$ (0.73)                 | \$ 0.02         | \$ 0.01         | \$ 0.19         | \$ (0.51)       | \$ 0.05         |
| Book value per common share (EOP)                     | \$ 5.02                   | \$ 5.70         | \$ 5.73         | \$ 5.64         | \$ 5.02         | \$ 5.47         |
| Allowance for loan losses to                          |                           |                 |                 |                 |                 |                 |
| total loans (EOP)                                     | 1.87%                     | 1.40%           | 1.53%           | 1.53%           | 1.87%           | 1.51%           |
| Nonperforming loans to total loans (EOP)              | 5.60%                     | 5.82%           | 6.16%           | 4.97%           | 5.60%           | 3.93%           |
| Nonperforming assets to total assets (EOP)            | 5.32%                     | 5.20%           | 4.92%           | 4.26%           | 5.32%           | 3.87%           |
| *end of period  |                           |                 |                 |                 |                 |                 |

**THE CONNECTICUT BANK AND TRUST COMPANY*****Five Quarter Statements of Operations***

| <i>(In thousands, except per share data)</i>                 | <b>Three Months Ended</b> |                          |                          |                           |                          |
|--|---------------------------|--------------------------|--------------------------|---------------------------|--------------------------|
|  | <b>Dec. 31,<br/>2011</b>  | <b>Sept 30,<br/>2011</b> | <b>June 30,<br/>2011</b> | <b>March 31,<br/>2011</b> | <b>Dec. 31,<br/>2010</b> |
| <b>Total interest and dividend income</b>                    | <b>\$ 3,164</b>           | <b>\$ 3,237</b>          | <b>\$ 3,204</b>          | <b>\$ 3,228</b>           | <b>\$ 3,291</b>          |
| <b>Total interest expense</b>                                | <b>725</b>                | <b>732</b>               | <b>727</b>               | <b>734</b>                | <b>810</b>               |
| <b>Net interest income</b>                                   | <b>2,439</b>              | <b>2,505</b>             | <b>2,477</b>             | <b>2,494</b>              | <b>2,481</b>             |
| <b>Provision for loan losses</b>                             | <b>2,318</b>              | <b>398</b>               | <b>110</b>               | <b>154</b>                | <b>135</b>               |
| <b>Net interest income, after provision for loan losses</b>  | <b>121</b>                | <b>2,107</b>             | <b>2,367</b>             | <b>2,340</b>              | <b>2,346</b>             |
| <b>Total non-interest income</b>                             | <b>234</b>                | <b>552</b>               | <b>280</b>               | <b>293</b>                | <b>206</b>               |
| <b>Total non-interest expenses</b>                           | <b>2,904</b>              | <b>2,494</b>             | <b>2,531</b>             | <b>2,527</b>              | <b>2,362</b>             |
| <b>Net income (loss) before income tax expense</b>           | <b>(2,549)</b>            | <b>165</b>               | <b>116</b>               | <b>106</b>                | <b>190</b>               |
| <b>Income tax expense (benefit)</b>                          | <b>-</b>                  | <b>-</b>                 | <b>-</b>                 | <b>(700)</b>              | <b>2</b>                 |
| <b>Net income (loss)</b>                                     | <b>(2,549)</b>            | <b>165</b>               | <b>116</b>               | <b>806</b>                | <b>188</b>               |
| <b>Less: preferred stock dividend and accretion</b>          | <b>(97)</b>               | <b>(97)</b>              | <b>(97)</b>              | <b>(97)</b>               | <b>(97)</b>              |
| <b>Net income (loss) attributable to common shareholders</b> | <b>\$ (2,646)</b>         | <b>\$ 68</b>             | <b>\$ 19</b>             | <b>\$ 709</b>             | <b>\$ 91</b>             |
| <b>Net income (loss) per common share:</b>                   |                           |                          |                          |                           |                          |
| <b>Basic</b>   | <b>\$ (0.73)</b>          | <b>\$ 0.02</b>           | <b>\$ 0.01</b>           | <b>\$ 0.20</b>            | <b>\$ 0.03</b>           |
| <b>Diluted</b>   | <b>\$ (0.73)</b>          | <b>\$ 0.02</b>           | <b>\$ 0.01</b>           | <b>\$ 0.19</b>            | <b>\$ 0.02</b>           |

**THE CONNECTICUT BANK AND TRUST COMPANY**  
**Statements of Operations**  
**(Unaudited)**

| (In thousands, except per share data)                 | Three Months Ended |              | Years Ended       |               |
|---|--------------------|--------------|-------------------|---------------|
|   | December 31,       |              | December 31,      |               |
|   | 2011               | 2010         | 2011              | 2010          |
| Interest and dividend income:                         |                    |              |                   |               |
| Loans, including fees                                 | \$ 2,983           | \$ 3,071     | \$ 11,909         | \$ 12,340     |
| Debt securities                                       | 163                | 199          | 846               | 927           |
| Other   | 18                 | 21           | 78                | 91            |
| Total interest and dividend income                    | <u>3,164</u>       | <u>3,291</u> | <u>12,833</u>     | <u>13,358</u> |
| Interest expense:                                     |                    |              |                   |               |
| Deposits  | 453                | 532          | 1,845             | 2,263         |
| Securities sold under agreements to repurchase        | 4                  | 9            | 14                | 19            |
| Federal Home Loan Bank advances                       | 268                | 269          | 1,059             | 1,075         |
| Total interest expense                                | <u>725</u>         | <u>810</u>   | <u>2,918</u>      | <u>3,357</u>  |
| Net interest income                                   | 2,439              | 2,481        | 9,915             | 10,001        |
| Provision for loan losses                             | 2,318              | 135          | 2,980             | 1,031         |
| Net interest income, after provision for loan losses  | <u>121</u>         | <u>2,346</u> | <u>6,935</u>      | <u>8,970</u>  |
| Noninterest income:                                   |                    |              |                   |               |
| Customer service fees                                 | 132                | 91           | 492               | 340           |
| Brokerage commissions                                 | 81                 | 78           | 332               | 284           |
| Net gain on sales of available-for-sale securities    | -                  | -            | 448               | 60            |
| Net gain on sales of loans                            | 21                 | 37           | 87                | 70            |
| Total noninterest income                              | <u>234</u>         | <u>206</u>   | <u>1,359</u>      | <u>754</u>    |
| Noninterest expenses:                                 |                    |              |                   |               |
| Salaries and benefits                                 | 1,255              | 1,168        | 4,841             | 4,562         |
| Occupancy and equipment                               | 453                | 461          | 1,803             | 1,784         |
| Data processing                                       | 116                | 74           | 374               | 322           |
| Marketing   | 40                 | 136          | 284               | 422           |
| Professional services                                 | 164                | 151          | 906               | 648           |
| FDIC insurance  | 58                 | 102          | 426               | 391           |
| Other general and administrative                      | 818                | 270          | 1,822             | 1,033         |
| Total noninterest expenses                            | <u>2,904</u>       | <u>2,362</u> | <u>10,456</u>     | <u>9,162</u>  |
| Income (loss) before income tax benefit               | (2,549)            | 190          | (2,162)           | 562           |
| Income tax expense (benefit)                          | -                  | 2            | (700)             | 2             |
| Net income (loss)                                     | (2,549)            | 188          | (1,462)           | 560           |
| Less preferred stock dividend and accretion           | (97)               | (97)         | (388)             | (388)         |
| Net income (loss) attributable to common shareholders | <u>\$ (2,646)</u>  | <u>\$ 91</u> | <u>\$ (1,850)</u> | <u>\$ 172</u> |
| Net income (loss) per common share:                   |                    |              |                   |               |
| Basic   | \$ (0.73)          | \$ 0.03      | \$ (0.51)         | \$ 0.05       |
| Diluted   | \$ (0.73)          | \$ 0.02      | \$ (0.51)         | \$ 0.05       |

**THE CONNECTICUT BANK AND TRUST COMPANY**  
**BALANCE SHEETS**  
**(Unaudited)**

| (In thousands, except share data)   | December 31,<br>2011 | September 30,<br>2011 | December 31,<br>2010 |
|---|----------------------|-----------------------|----------------------|
| <b>ASSETS</b>   |                      |                       |                      |
| Cash and cash equivalents   | \$ 4,832             | \$ 13,192             | \$ 8,725             |
| Interest-bearing deposits in banks  | 429                  | 429                   | 79                   |
| Securities available for sale   | 42,436               | 42,576                | 35,349               |
| Federal Reserve Bank stock, at cost   | 780                  | 780                   | 762                  |
| Federal Home Loan Bank stock, at cost   | 2,057                | 2,057                 | 2,057                |
| Loans held for sale   | -                    | -                     | 386                  |
| Loans   | 227,370              | 221,376               | 223,723              |
| Allowance for loan losses   | (4,247)              | (3,099)               | (3,381)              |
| Loans, net  | <u>223,123</u>       | <u>218,277</u>        | <u>220,342</u>       |
| Premises and equipment, net   | 1,626                | 1,744                 | 1,898                |
| Foreclosed assets   | 2,190                | 1,710                 | 682                  |
| Deferred tax asset  | 700                  | 700                   | -                    |
| Other assets  | 4,530                | 2,718                 | 4,633                |
|   | <u>\$ 280,513</u>    | <u>\$ 284,183</u>     | <u>\$ 274,231</u>    |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>   |                      |                       |                      |
| Non-interest-bearing deposits   | \$ 52,014            | \$ 47,907             | \$ 35,972            |
| Interest-bearing deposits   | 167,991              | 174,637               | 177,822              |
| Total deposits  | <u>220,005</u>       | <u>222,544</u>        | <u>213,794</u>       |
| Secured borrowings  | 1,323                | 1,098                 | 577                  |
| Securities sold under agreements to repurchase  | 4,730                | 3,987                 | 3,392                |
| Federal Home Loan Bank advances   | 29,450               | 29,450                | 30,450               |
| Other borrowings  | -                    | 176                   | -                    |
| Other liabilities   | 1,635                | 1,141                 | 1,151                |
| Total liabilities   | <u>257,143</u>       | <u>258,396</u>        | <u>249,364</u>       |
| Stockholders' equity:   |                      |                       |                      |
| Preferred stock, no par value; 1,000,000 shares authorized;<br>issued and outstanding: 5,448 shares; aggregate liquidation<br>preference of \$5,448 | 5,448                | 5,448                 | 5,448                |
| Discount on preferred stock   | (258)                | (287)                 | (374)                |
| Common stock, \$1.00 par value; 10,000,000 shares authorized;<br>3,620,950 shares issued and outstanding  | 3,621                | 3,621                 | 3,621                |
| Common stock warrants   | 1,405                | 1,405                 | 1,405                |
| Additional paid-in capital  | 30,125               | 30,115                | 30,088               |
| Restricted stock unearned compensation  | (103)                | (118)                 | (163)                |
| Accumulated deficit   | (17,122)             | (14,476)              | (15,272)             |
| Accumulated other comprehensive income  | 254                  | 79                    | 114                  |
| Total stockholders' equity  | <u>23,370</u>        | <u>25,787</u>         | <u>24,867</u>        |
|   | <u>\$ 280,513</u>    | <u>\$ 284,183</u>     | <u>\$ 274,231</u>    |