

First Bank of Delaware
June 30, 2010

**First Bank of Delaware
Condensed Income Statement**

(Dollar amounts in thousands
except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net Interest Income	\$ 3,403	\$ 2,061	\$ 6,604	\$ 4,238
Provision for Loan Losses	1,100	1,550	1,925	2,275
Non-interest Income	1,571	2,488	2,929	5,235
Non-interest Expenses	3,177	2,635	6,391	6,134
Provision for income taxes	\$ 238	\$ 127	\$ 419	\$ 363
Net Income	<u>\$ 459</u>	<u>\$ 237</u>	<u>\$ 798</u>	<u>\$ 701</u>
Diluted EPS	\$ 0.04	\$ 0.02	\$ 0.07	\$ 0.06

**First Bank of Delaware
Condensed Balance Sheet**

(Dollar amounts in thousands)
(unaudited)

Assets	June 30,	December 31,	June 30,
	2010	2009	2009
Federal Funds Sold and Other Interest Bearing Cash	\$ 42,006	\$ 33,853	\$ 20,737
Investment Securities	10,584	8,079	17,485
Commercial and Other Loans	112,275	86,076	70,747
Allowance for Loan Losses	(4,033)	(3,512)	(3,234)
Other Assets	16,608	15,864	15,684
Total Assets	<u>\$ 177,440</u>	<u>\$ 140,360</u>	<u>\$ 121,419</u>
Liabilities and Shareholders' Equity:			
Transaction Accounts	\$ 103,393	\$ 62,693	\$ 52,003
Time Deposit Accounts	28,154	32,021	25,356
Other Borrowings	-	-	-
Other Liabilities	3,553	4,199	3,462
Shareholders' Equity	42,340	41,447	40,598
Total Liabilities and Shareholders' Equity	<u>\$ 177,440</u>	<u>\$ 140,360</u>	<u>\$ 121,419</u>

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Financial Data:	At or For the Three Months Ended		At or For the Six Months Ended	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Return on average assets	1.03 %	0.82 %	0.97 %	1.22 %
Return on average equity	4.38 %	2.37 %	3.84 %	3.52 %
Share information:				
Book value per share	\$3.71	\$3.56	\$3.71	\$3.56
Actual shares outstanding at period end	11,418,901	11,418,901	11,418,901	11,418,901
Average diluted shares outstanding	11,465,000	11,416,000	11,447,000	11,412,000

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Credit Quality Ratios:

	June 30, 2010	December 31, 2009	June 30, 2009
Loans accruing, but past due 90 days or more	\$ -	\$ 240	\$ -
Non-accrual loans	\$ 2,158	\$ 2,346	\$ 689
Restructured loans	-	-	-
Total non-performing loans	2,158	2,586	689
Other real estate owned	1,024	1,049	1,127
Total non-performing assets	<u>\$ 3,182</u>	<u>\$ 3,635</u>	<u>\$ 1,816</u>
Allowance for loan losses	<u>\$ 4,033</u>	<u>\$ 3,512</u>	<u>\$ 3,234</u>
Non-performing loans as a percentage of total loans	1.92%	3.00%	0.97%
Nonperforming assets as a percentage of total assets	1.79%	2.59%	1.50%
Allowance for loan losses to total loans	3.59%	4.08%	4.57%
Allowance for loan losses to total non-performing loans	186.89%	135.81%	469.38%

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Quarter-to-Date
Average Balance Sheet

	Three months ended June 30, 2010			Three months ended June 30, 2009		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
Interest-Earning Assets:						
Commercial and other loans	\$ 106,601	\$ 3,595	13.53 %	\$ 72,425	\$ 2,104	11.65 %
Investment securities	10,059	113	4.49	17,996	182	4.05
Federal funds sold	48,015	38	0.32	15,057	8	0.22
Total interest-earning assets	164,675	3,746	9.12	105,478	2,294	8.72
Other assets	13,266			11,092		
Total assets	<u>\$ 177,941</u>	\$ 3,746		<u>\$ 116,570</u>	\$ 2,294	
Interest-bearing liabilities:						
Interest-bearing deposits	\$ 89,244	\$ 343	1.54 %	\$ 50,117	\$ 233	1.86 %
Borrowed funds	-	0	-	198	0	0.61
Total interest-bearing liabilities	89,244	343	1.54	50,315	233	1.86
Non-interest and interest-bearing funding	132,704	343	1.04	72,573	233	1.29
Other liabilities:	3,165			3,804		
Total liabilities	135,869			76,377		
Shareholders' equity	42,072			40,193		
Total liabilities & shareholders' equity	<u>\$ 177,941</u>			<u>\$ 116,570</u>		
Net interest income		<u>\$ 3,403</u>			<u>\$ 2,061</u>	
Net interest margin			<u>8.29 %</u>			<u>7.84 %</u>

First Bank of Delaware
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Year-to-Date
Average Balance Sheet

	Six months ended June 30, 2010			Six months ended June 30, 2009		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
Interest-Earning Assets:						
Commercial and other loans	\$ 98,613	\$ 6,935	14.18 %	\$ 73,500	\$ 4,234	11.61 %
Investment securities	10,175	248	4.87	20,042	399	3.98
Federal funds sold	<u>44,591</u>	<u>60</u>	<u>0.27</u>	<u>11,997</u>	<u>15</u>	<u>0.26</u>
Total interest-earning assets	153,379	7,243	9.52	105,539	4,648	8.87
Other assets	<u>13,305</u>			<u>10,753</u>		
Total assets	<u>\$ 166,684</u>	\$ 7,243		<u>\$ 116,292</u>	\$ 4,648	
Interest-bearing liabilities:						
Interest-bearing deposits	\$ 82,979	\$ 639	1.55 %	\$ 42,669	\$ 408	1.93 %
Borrowed funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>553</u>	<u>2</u>	<u>0.66</u>
Total interest-bearing liabilities	<u>82,979</u>	<u>639</u>	<u>1.55</u>	<u>43,222</u>	<u>410</u>	<u>1.91</u>
Non-interest and interest-bearing funding	121,315	639	1.06	72,436	410	1.14
Other liabilities:	<u>3,499</u>			<u>3,663</u>		
Total liabilities	<u>124,814</u>			<u>76,099</u>		
Shareholders' equity	<u>41,870</u>			<u>40,193</u>		
Total liabilities & shareholders' equity	<u>\$ 166,684</u>			<u>\$ 116,292</u>		
Net interest income		<u>\$ 6,604</u>			<u>\$ 4,238</u>	
Net interest margin			<u>8.68 %</u>			<u>8.09 %</u>