

First Bank of Delaware  
June 30, 2008

**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,	
	2008	2007	2008	2007
Net Interest Income	\$ 2,610	\$ 1,778	\$ 5,340	\$ 3,523
Provision for Loan Losses	1,250	18	2,050	152
Non-interest Income	5,046	4,255	10,211	7,239
Non-interest Expenses	4,270	3,170	7,829	5,982
Provision for income taxes	\$ 772	\$ 991	\$ 2,034	\$ 1,598
Net Income	<u>\$ 1,364</u>	<u>\$ 1,854</u>	<u>\$ 3,638</u>	<u>\$ 3,030</u>
Diluted EPS	<u>\$ 0.12</u>	<u>\$ 0.16</u>	<u>\$ 0.32</u>	<u>\$ 0.26</u>

**First Bank of Delaware  
Condensed Balance Sheet**

(Dollar amounts in thousands)  
(unaudited)

Assets	June 30, 2008	December 31, 2007	June 30, 2007
Federal Funds Sold and Other Interest Bearing Cash	\$ 32,878	\$ 14,277	\$ 43,044
Investment Securities	8,350	17,319	9,722
Commercial and Other Loans	74,679	79,485	75,876
Allowance for Loan Losses	(3,164)	(2,581)	(2,013)
Other Assets	<u>11,660</u>	<u>10,861</u>	<u>12,427</u>
Total Assets	<u>\$ 124,403</u>	<u>\$ 119,361</u>	<u>\$ 139,056</u>
Liabilities and Shareholders' Equity:			
Transaction Accounts	\$ 70,097	\$ 61,484	\$ 64,806
Time Deposit Accounts	11,354	19,319	39,042
Other Borrowings	-	-	1,259
Other Liabilities	5,128	4,398	5,131
Shareholders' Equity	<u>37,824</u>	<u>34,160</u>	<u>28,818</u>
Total Liabilities and Shareholders' Equity	<u>\$ 124,403</u>	<u>\$ 119,361</u>	<u>\$ 139,056</u>

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Financial Data:	At or For the Three Months Ended		At or For the Six Months Ended	
	June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007
Return on average assets	4.55 %	5.18 %	6.01 %	4.33 %
Return on average equity	14.60 %	26.37 %	20.19 %	22.27 %
Share information:				
Book value per share	\$3.32	\$2.53	\$3.32	\$2.53
Actual shares outstanding at period end	11,385,360	11,375,530	11,385,360	11,375,530
Average diluted shares outstanding	11,413,872	11,541,325	11,419,184	11,600,045

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Credit Quality Ratios:

	<u>June 30, 2008</u>	<u>December 31, 2007</u>	<u>June 30, 2007</u>
Non-accrual and loans accruing, but past due 90 days or more	\$ 902	\$ 970	\$ 433
Restructured loans	<u>-</u>	<u>-</u>	<u>-</u>
Total non-performing loans	902	970	433
Other real estate owned	<u>293</u>	<u>18</u>	<u>18</u>
Total non-performing assets	<u>\$ 1,195</u>	<u>\$ 988</u>	<u>\$ 451</u>
Non-performing loans as a percentage of total loans	1.21%	1.22%	0.57%
Nonperforming assets as a percentage of total assets	0.96%	0.83%	0.32%
Allowance for loan losses to total loans	4.24%	3.25%	2.65%
Allowance for loan losses to total non-performing loans	350.78%	266.08%	464.90%

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Quarter-to-Date  
Average Balance Sheet

	Three months ended June 30, 2008			Three months ended June 30, 2007		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
<b>Interest-Earning Assets:</b>						
Commercial and other loans	\$ 79,606	\$ 2,618	13.19 %	\$ 75,374	\$ 1,962	10.44 %
Investment securities	15,054	197	5.22	9,920	148	5.97
Federal funds sold	<u>15,850</u>	<u>83</u>	<u>2.11</u>	<u>45,172</u>	<u>598</u>	<u>5.31</u>
Total interest-earning assets	110,510	2,898	10.52	130,466	2,708	8.33
Other assets	<u>9,655</u>			<u>12,984</u>		
Total assets	<u>\$ 120,165</u>	\$ 2,898		<u>\$ 143,450</u>	\$ 2,708	
<b>Interest-bearing liabilities:</b>						
Interest-bearing deposits	\$ 39,900	\$ 288	2.90 %	\$ 72,860	\$ 923	5.08 %
Borrowed funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>337</u>	<u>7</u>	<u>8.33</u>
Total interest-bearing liabilities	<u>39,900</u>	<u>288</u>	<u>2.90</u>	<u>73,197</u>	<u>930</u>	<u>5.10</u>
Non-interest and interest-bearing funding	77,681	288	1.49	108,211	930	3.45
Other liabilities:	<u>5,005</u>			<u>7,041</u>		
Total liabilities	<u>82,686</u>			<u>115,252</u>		
Shareholders' equity	<u>37,479</u>			<u>28,198</u>		
Total liabilities & shareholders' equity	<u>\$ 120,165</u>			<u>\$ 143,450</u>		
Net interest income		<u>\$ 2,610</u>			<u>\$ 1,778</u>	
Net interest margin			<u>9.47 %</u>			<u>5.47 %</u>

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Year-to-Date  
Average Balance Sheet

	Six months ended June 30, 2008			Six months ended June 30, 2007		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
<b>Interest-Earning Assets:</b>						
Commercial and other loans	\$ 79,086	\$ 5,430	13.85 %	\$ 73,562	\$ 3,842	10.53 %
Investment securities	16,078	419	5.21	9,962	298	5.97
Federal funds sold	<u>16,242</u>	<u>217</u>	<u>2.69</u>	<u>46,010</u>	<u>1,202</u>	<u>5.27</u>
Total interest-earning assets	111,406	6,066	10.98	129,534	5,342	8.32
Other assets	<u>10,291</u>			<u>11,613</u>		
Total assets	<u>\$ 121,697</u>	\$ 6,066		<u>\$ 141,147</u>	\$ 5,342	
<b>Interest-bearing liabilities:</b>						
Interest-bearing deposits	\$ 43,445	\$ 725	3.37 %	\$ 72,139	\$ 1,812	5.07 %
Borrowed funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>169</u>	<u>7</u>	<u>8.35</u>
Total interest-bearing liabilities	<u>43,445</u>	<u>725</u>	<u>3.37</u>	<u>72,308</u>	<u>1,819</u>	<u>5.07</u>
Non-interest and interest-bearing funding	80,309	725	1.82	106,988	1,819	3.43
Other liabilities:	<u>5,144</u>			<u>6,722</u>		
Total liabilities	<u>85,453</u>			<u>113,710</u>		
Shareholders' equity	<u>36,244</u>			<u>27,437</u>		
Total liabilities & shareholders' equity	<u>\$ 121,697</u>			<u>\$ 141,147</u>		
Net interest income		<u>\$ 5,341</u>			<u>\$ 3,523</u>	
Net interest margin			<u>9.67 %</u>			<u>5.48 %</u>