

Quarterly Statement of Condition First Quarter, March 31, 2010

Central Bank & Trust Co.

Central Bank, FSB

Central Insurance Services

Central Bank of Jefferson County

Central Investment Center, Inc.

Salt Lick Deposit Bank



Showing you the way.



Central Bancshares, Inc.

Central Bancshares' Mission Statement

The mission of Central Bancshares is to be a high-performance financial services company that delivers superior service and value to each customer we serve. We will emphasize customer and employee satisfaction – always mindful that quality people will make the Central difference.

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Member FDIC



Financial Highlights

	2010	2009	2008	2007	2006
Results of Operations:					
Net income	\$ 932,739	\$ 671,325	\$ 3,212,427	\$ 2,928,471	\$ 3,781,921
Net income per share	2.68	1.93	9.23	8.42	10.87
Cash dividends per share	0.00	1.25	2.25	2.25	2.25
Book value per share at quarter end	436.63	416.68	424.83	414.02	378.36
At March 31:					
Assets	\$ 2,076,296,844	\$ 1,905,528,925	\$ 1,785,639,957	\$ 1,776,732,368	\$ 1,672,146,287
Earning assets	1,919,819,781	1,760,051,586	1,633,818,139	1,625,904,409	1,551,761,267
Net loans and leases	1,707,562,864	1,556,252,057	1,449,467,941	1,399,023,346	1,261,043,494
Deposits	1,757,118,404	1,551,369,252	1,445,012,845	1,490,904,236	1,383,516,375
Shareholders' equity	151,911,645	144,972,745	147,807,104	144,048,372	131,638,196
Performance Ratios:					
Return on average assets	0.18%	0.14%	0.72%	0.68%	0.94%
Return on average shareholders' equity	2.47%	1.86%	8.78%	8.25%	11.75%
Average shareholders' equity to average assets	6.67%	6.89%	7.26%	7.31%	7.00%
Net charge-offs to average loans and leases	0.16%	0.11%	0.13%	0.07%	0.04%
Allowance for credit losses as a percentage of quarter end loans and leases	1.28%	1.43%	1.34%	1.18%	1.34%
Net interest margin (tax equivalent)	3.82%	3.57%	3.96%	3.86%	3.82%

Consolidated Balance Sheets

	March 31, 2010	March 31, 2009
ASSETS		
Cash and due from banks	\$ 33,286,922	\$ 41,356,011
Federal funds sold	80,800,000	10,900,000
Money market investments	80,088	80,088
<i>Total cash and cash equivalents</i>	<u>114,167,010</u>	<u>52,336,099</u>
Securities	102,679,056	163,257,165
Loans and leases, net of unearned income	1,729,726,013	1,578,880,859
Allowance for credit losses	(22,163,149)	(22,628,802)
<i>Loans and leases, net</i>	<u>1,707,562,864</u>	<u>1,556,252,057</u>
Premises and equipment, net	48,727,269	52,157,823
Federal Home Loan Bank stock	7,959,300	7,959,300
Intangible assets	17,387,613	17,903,843
Prepaid expenses and other assets	77,813,732	55,662,638
Total assets	\$ 2,076,296,844	\$ 1,905,528,925
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Non-interest bearing	\$ 305,734,417	\$ 278,252,334
Interest bearing	1,451,383,987	1,273,116,918
<i>Total deposits</i>	<u>1,757,118,404</u>	<u>1,551,369,252</u>
Federal funds purchased and securities sold under repurchase agreements	37,925,000	45,025,000
Customer sweep accounts	43,391,737	69,350,214
Federal Home Loan Bank advances	39,384,090	42,959,491
Long term debt payable	37,600,000	39,125,000
Other liabilities	8,965,968	12,727,223
<i>Total liabilities</i>	<u>1,924,385,199</u>	<u>1,760,556,180</u>
SHAREHOLDERS' EQUITY		
Common stock, par value, \$10 a share; 350,000 shares authorized, 347,922 shares outstanding	3,479,220	3,479,220
Additional paid-in capital	6,890,468	6,890,468
Retained earnings	143,527,606	142,802,291
Accumulated other comprehensive income	(1,985,649)	(8,199,234)
<i>Total shareholders' equity</i>	<u>151,911,645</u>	<u>144,972,745</u>
Total liabilities and shareholders' equity	\$ 2,076,296,844	\$ 1,905,528,925

Consolidated Income Statements

(For three months ended)

	March 31, 2010	March 31, 2009
INTEREST INCOME		
Interest and fees on loans	\$ 23,988,774	\$ 21,998,549
Interest on securities	504,035	1,015,559
Interest on short term investments	14,407	8,461
	<u>24,507,216</u>	<u>23,022,569</u>
INTEREST EXPENSE		
Interest on deposits	5,722,577	7,274,993
Interest on borrowed funds	1,006,415	593,455
	<u>6,728,992</u>	<u>7,868,448</u>
Net interest income	17,778,224	15,154,121
Provision for credit losses	4,126,944	2,589,145
Net interest income after provision for credit losses	<u>13,651,280</u>	<u>12,564,976</u>
OTHER INCOME		
Service charges on deposit accounts	2,754,030	2,161,313
Service charges on loans	1,522,237	1,972,548
Wealth management income	2,493,372	2,190,290
Other income	165,596	845,302
	<u>6,935,235</u>	<u>7,169,453</u>
OTHER EXPENSES		
Salaries	7,280,102	7,158,333
Benefits	2,073,778	2,120,437
Occupancy	4,259,309	4,548,036
Other non-interest expenses	6,603,957	5,615,853
	<u>20,217,146</u>	<u>19,442,659</u>
Income before provision for income taxes	369,369	291,770
Provision for income taxes	(563,370)	(379,555)
Net income	<u>\$ 932,739</u>	<u>\$ 671,325</u>
Basic earnings per share	\$ 2.68	\$ 1.93
Weighted average number of common shares outstanding	347,922	347,922

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