

Quarterly Statement of Condition Third Quarter, September 30, 2009

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.

For additional copies or information, contact:

Stephen C. Kelly

Executive Vice President, Marketing & Sales

Central Bank

300 West Vine Street

Lexington, KY 40507

(859) 253-6201

Email: skelly@centralbank.com

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Financial Highlights

	2009	2008	2007	2006	2005
Results of Operations:					
Net income	\$ 1,002,065	\$ 8,012,866	\$ 8,758,564	\$ 12,228,742	\$ 12,167,066
Net income per share	2.88	23.03	25.17	35.15	34.97
Cash dividends per share	3.75	6.75	6.75	6.75	6.00
Book value per share at quarter end	415.12	433.61	426.30	398.72	359.50
At September 30:					
Assets	\$ 1,951,660,375	\$ 1,815,945,365	\$ 1,811,348,731	\$ 1,683,997,237	\$ 1,583,816,738
Earning assets	1,807,038,586	1,686,364,898	1,657,724,240	1,547,682,994	1,467,134,149
Net loans and leases	1,636,072,033	1,490,423,641	1,419,406,598	1,326,264,604	1,237,555,199
Deposits	1,625,759,761	1,480,552,070	1,505,235,215	1,349,065,575	1,293,071,038
Shareholders' equity	144,430,143	150,861,785	148,319,464	138,723,403	125,078,281
Performance Ratios:					
Return on average assets	0.07%	0.59%	0.66%	0.99%	1.11%
Return on average shareholders' equity	0.91%	7.18%	8.02%	12.22%	13.52%
Average shareholders' equity to average assets	6.73%	7.33%	7.33%	7.15%	7.30%
Net charge-offs to average loans and leases	0.50%	0.27%	0.18%	0.09%	0.16%
Allowance for credit losses as a percentage of quarter end loans and leases	1.28%	1.35%	1.21%	1.31%	1.49%
Net interest margin (tax equivalent)	3.45%	3.80%	3.79%	3.87%	3.86%

Consolidated Balance Sheets

	September 30, 2009	September 30, 2008
ASSETS		
Cash and due from banks	\$ 35,986,519	\$ 29,946,221
Federal funds sold	15,800,000	7,600,000
Money market investments	80,088	80,088
<i>Total cash and cash equivalents</i>	<u>51,866,607</u>	<u>37,626,309</u>
Securities	127,354,399	161,543,343
Loans and leases, net of unearned income	1,657,202,551	1,510,817,758
Allowance for credit losses	(21,130,518)	(20,394,117)
<i>Loans and leases, net</i>	<u>1,636,072,033</u>	<u>1,490,423,641</u>
Premises and equipment, net	49,630,601	53,922,316
Federal Home Loan Bank stock	7,959,300	7,893,200
Intangible assets	17,634,907	17,763,951
Prepaid expenses and other assets	61,142,528	46,772,605
Total assets	\$ 1,951,660,375	\$ 1,815,945,365
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Non-interest bearing	\$ 276,748,986	\$ 276,031,622
Interest bearing	1,349,010,775	1,204,520,448
<i>Total deposits</i>	<u>1,625,759,761</u>	<u>1,480,552,070</u>
Federal funds purchased and securities sold under repurchase agreements	30,800,000	24,325,000
Customer sweep accounts	55,382,047	75,050,687
Federal Home Loan Bank advances	42,669,622	56,383,497
Long term debt payable	37,600,000	17,575,000
Other liabilities	15,018,802	11,197,326
<i>Total liabilities</i>	<u>1,807,230,232</u>	<u>1,665,083,580</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	142,263,226	142,161,412
Accumulated other comprehensive income	(8,202,771)	(1,669,315)
<i>Total shareholders' equity</i>	<u>144,430,143</u>	<u>150,861,785</u>
Total liabilities and shareholders' equity	\$ 1,951,660,375	\$ 1,815,945,365

Consolidated Income Statements

(For nine months ended)

	September 30, 2009	September 30, 2008
INTEREST INCOME		
Interest and fees on loans	\$ 67,827,093	\$ 71,471,814
Interest on securities	2,420,723	4,753,553
Interest on short term investments	83,049	86,199
	<u>70,330,865</u>	<u>76,311,566</u>
INTEREST EXPENSE		
Interest on deposits	21,576,136	25,756,740
Interest on borrowed funds	2,801,561	3,829,569
	<u>24,377,697</u>	<u>29,586,309</u>
Net interest income	45,953,168	46,725,257
Provision for credit losses	7,318,391	4,173,768
Net interest income after provision for credit losses	<u>38,634,777</u>	<u>42,551,489</u>
OTHER INCOME		
Service charges on deposit accounts	8,129,721	7,496,828
Service charges on loans	6,354,091	4,389,993
Wealth management income	6,575,731	7,382,056
Other income	942,921	5,439,036
	<u>22,002,464</u>	<u>24,707,913</u>
OTHER EXPENSES		
Salaries	21,727,574	22,970,821
Benefits	6,511,930	5,257,833
Occupancy	13,284,303	12,681,579
Other non-interest expenses	20,167,702	16,569,272
	<u>61,691,509</u>	<u>57,479,505</u>
Income before provision for income taxes	(1,054,268)	9,779,897
Provision for income taxes	(2,056,333)	1,767,031
Net income	<u>\$ 1,002,065</u>	<u>\$ 8,012,866</u>
Basic earnings per share	<u>\$ 2.88</u>	<u>\$ 23.03</u>
Weighted average number of common shares outstanding	347,922	347,922

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300 West Vine Street
Lexington, Kentucky 40507
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859-253-6222
800-637-6884