

Quarterly Statement of Condition Third Quarter, September 30, 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' 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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Financial Highlights

	2010	2009	2008	2007	2006
Results of Operations:					
Net income	\$ 3,181,443	\$ 1,002,065	\$ 8,012,866	\$ 8,758,564	\$ 12,228,742
Net income per share	9.14	2.88	23.03	25.17	35.15
Cash dividends per share	0.00	3.75	6.75	6.75	6.75
Book value per share at quarter end	443.15	415.12	433.61	426.30	398.72
At September 30:					
Assets	\$ 2,175,179,945	\$ 1,951,660,375	\$ 1,815,945,365	\$ 1,811,348,731	\$ 1,683,997,237
Earning assets	2,009,258,984	1,807,038,586	1,686,364,898	1,657,724,240	1,547,682,994
Net loans and leases	1,746,052,321	1,636,072,033	1,490,423,641	1,419,406,598	1,326,264,604
Deposits	1,837,979,588	1,625,759,761	1,480,552,070	1,505,235,215	1,349,065,575
Shareholders' equity	154,181,962	144,430,143	150,861,785	148,319,464	138,723,403
Performance Ratios:					
Return on average assets	0.20%	0.07%	0.59%	0.66%	0.99%
Return on average shareholders' equity	2.75%	0.91%	7.18%	8.02%	12.22%
Average shareholders' equity to average assets	6.58%	6.73%	7.33%	7.33%	7.15%
Net charge-offs to average loans and leases	0.66%	0.50%	0.27%	0.18%	0.09%
Allowance for credit losses as a percentage of quarter end loans and leases	1.37%	1.28%	1.35%	1.21%	1.31%
Net interest margin (tax equivalent)	3.91%	3.45%	3.80%	3.79%	3.87%

Consolidated Balance Sheets

	September 30, 2010	September 30, 2009
ASSETS		
Cash and due from banks	\$ 45,044,937	\$ 36,066,607
Federal funds sold	136,500,000	15,800,000
<i>Total cash and cash equivalents</i>	<u>181,544,937</u>	<u>51,866,607</u>
Securities	95,749,321	127,354,399
Loans and leases, net of unearned income	1,770,327,480	1,657,202,551
Allowance for credit losses	(24,275,159)	(21,130,518)
<i>Loans and leases, net</i>	<u>1,746,052,321</u>	<u>1,636,072,033</u>
Premises and equipment, net	46,338,815	49,630,601
Federal Home Loan Bank stock	7,959,300	7,959,300
Intangible assets	17,140,319	17,634,907
Prepaid expenses and other assets	80,394,932	61,142,528
Total assets	\$ 2,175,179,945	\$ 1,951,660,375
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Non-interest bearing	\$ 336,046,420	\$ 276,748,986
Interest bearing	1,501,933,168	1,349,010,775
<i>Total deposits</i>	<u>1,837,979,588</u>	<u>1,625,759,761</u>
Federal funds purchased and securities sold under repurchase agreements	37,375,000	30,800,000
Customer sweep accounts	53,751,924	55,382,047
Federal Home Loan Bank advances	39,125,176	42,669,622
Long term debt payable	37,600,000	37,600,000
Other liabilities	15,166,295	15,018,802
<i>Total liabilities</i>	<u>2,020,997,983</u>	<u>1,807,230,232</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	145,776,310	142,263,226
Accumulated other comprehensive income	(1,964,036)	(8,202,771)
<i>Total shareholders' equity</i>	<u>154,181,962</u>	<u>144,430,143</u>
Total liabilities and shareholders' equity	\$ 2,175,179,945	\$ 1,951,660,375

Consolidated Income Statements

(For nine months ended)

	September 30, 2010	September 30, 2009
INTEREST INCOME		
Interest and fees on loans	\$ 72,978,601	\$ 67,827,093
Interest on securities	1,459,260	2,420,723
Interest on short term investments	147,021	83,049
	<u>74,584,882</u>	<u>70,330,865</u>
INTEREST EXPENSE		
Interest on deposits	16,610,701	21,576,136
Interest on borrowed funds	3,055,684	2,801,561
	<u>19,666,385</u>	<u>24,377,697</u>
Net interest income	54,918,497	45,953,168
Provision for credit losses	15,072,868	7,318,391
Net interest income after provision for credit losses	<u>39,845,629</u>	<u>38,634,777</u>
OTHER INCOME		
Service charges on deposit accounts	8,717,191	8,129,721
Service charges on loans	5,481,966	6,354,091
Wealth management income	7,180,271	6,575,731
Other income	369,243	942,921
	<u>21,748,671</u>	<u>22,002,464</u>
OTHER EXPENSES		
Salaries	21,445,601	21,727,574
Benefits	5,559,286	6,511,930
Occupancy	12,754,422	13,284,303
Other non-interest expenses	21,103,516	20,167,702
	<u>60,862,825</u>	<u>61,691,509</u>
Income before provision for income taxes	731,475	(1,054,268)
Provision for income taxes	(2,449,968)	(2,056,333)
Net income	<u>\$ 3,181,443</u>	<u>\$ 1,002,065</u>
Basic earnings per share	<u>\$ 9.14</u>	<u>\$ 2.88</u>

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