

Financial Highlights

Monarch Bank and Subsidiaries

(Dollars in thousands,
except per share data)

	Three Months Ended September 30			Nine Months Ended September 30		
	2005	2004	Change	2005	2004	Change
EARNINGS						
Interest income	\$ 4,111	\$ 2,405	70.9 %	\$ 10,663	\$ 6,711	58.9 %
Interest expense	1,440	808	78.2	3,617	2,349	54.0
Net interest income	2,671	1,597	67.3	7,046	4,362	61.5
Provision for loan losses	243	101	140.6	642	168	282.1
Noninterest income	883	624	41.5	2,241	1,827	22.7
Noninterest expense	2,430	1,832	32.6	6,587	5,293	24.4
Pre-tax net income	880	289	204.5	2,058	728	182.7
Income taxes	297	89	233.7	699	235	197
Net income	583	200	191.5	1,359	486	179.6
PER COMMON SHARE						
Earnings per share - basic	\$ 0.20	\$ 0.08	150.0 %	\$ 0.52	\$ 0.20	160.0 %
Earnings per share - diluted	0.20	0.08	150.0	0.49	0.20	145.0
Book value				\$ 10.16	\$ 8.69	16.9
Closing market price				\$ 15.50	\$ 13.95	11.1
FINANCIAL RATIOS						
Return on average assets	0.87%	0.40%	117.5 %	0.75%	0.35%	114.3 %
Return on average shareholders' equity	7.88%	3.85%	104.7	7.20%	3.18%	126.4
Average equity to average assets	11.07%	10.45%	5.9	10.41%	10.87%	(4.2)
Net interest margin (FTE)	4.15%	3.46%	19.9	4.07%	3.30%	23.5
Non-interest revenue/Total Revenue	17.7%	20.6%	(14.1)	17.4%	21.4%	(18.7)
PERIOD END BALANCES						
Investment securities				\$ 36,166	\$ 31,639	14.3 %
Total Loans				236,663	165,351	43.1
Assets				300,240	216,669	38.6
Total deposits				248,156	173,292	43.2
Other borrowings				21,990	22,000	(0.0)
Shareholders' equity				29,067	20,856	39.4
AVERAGE BALANCES						
Total Loans	\$ 228,275	\$ 158,745	43.8 %	\$ 206,625	\$ 148,462	39.2 %
Interest-earning assets	\$ 255,328	\$ 183,317	39.3	\$ 231,726	\$ 176,738	31.1
Assets	\$ 267,380	\$ 197,534	35.4	\$ 242,059	\$ 187,884	28.8
Total deposits	\$ 221,747	\$ 165,383	34.1	\$ 198,511	\$ 155,187	27.9
Other borrowings	\$ 14,967	\$ 10,703	39.8	\$ 17,534	\$ 11,608	51.1
Shareholders' equity	\$ 29,611	\$ 20,643	43.4	\$ 25,200	\$ 20,417	23.4
ALLOWANCE FOR LOAN LOSSES						
Beginning balance	\$ 2,203	\$ 1,567	40.6 %	\$ 1,804	\$ 1,500	20.3 %
Provision for loan losses	243	101	140.6	642	168	282.1
Charge-offs	32	0	0.0	32	0	0.0
Recoveries	0	0	0.0	0	0	0.0
Ending balance	2,414	1,668	44.7	2,414	1,668	44.7
Accumulated other comprehensive loss						
ASSET QUALITY RATIOS						
Nonperforming loans to total loans				0.00	0.00	0 bp
Allowance for loan losses to total loans				1.02	1.01	1 %
Allowance for loan losses to nonperforming loans				0.00	0.00	0.0
COMPOSITION OF RISK ASSETS						
Nonperforming loans:						
90 days past due				1	0	100.0 %
Nonaccrual				0	0	0.0
OREO				0	0	0.0
Nonperforming assets				1	-	100.0 %

bp - Change is measured as difference in basis points.