

## Financial Highlights

### Monarch Bank and Subsidiaries

(Unaudited)

(Dollars in thousands, except per share data)	Three Months Ended March 31		
	2006	2005	Change
<b>EARNINGS</b>			
Interest income	\$ 5,333	\$ 3,082	73.0 %
Interest expense	2,168	1,011	114.4
Net interest income	3,165	2,071	52.8
Provision for loan losses	96	173	(44.5)
Noninterest income	906	628	44.3
Noninterest expense	2,777	1,963	41.5
Pre-tax net income	1,198	563	112.8
Income taxes	391	191	104.7
Net income	807	372	116.9
<b>PER COMMON SHARE</b>			
Earnings per share - basic	\$ 0.26	\$ 0.14	85.7 %
Earnings per share - diluted	0.24	0.14	71.4
Book value	9.70	8.10	19.8
Closing market price	18.90	13.64	38.6
<b>FINANCIAL RATIOS</b>			
Return on average assets	1.04%	0.68%	52.9 %
Return on average shareholders' equity	10.80%	6.86%	57.4
Average equity to average assets	9.59%	9.97%	(3.8)
Net interest margin (FTE)	4.38%	3.96%	10.6
Non-interest revenue/Total revenue	14.5%	16.9%	(14.2)
<b>PERIOD END BALANCES</b>			
Investment securities	\$ 41,909	\$ 27,306	53.5 %
Total loans	273,585	195,784	39.7
Interest-earning assets	335,631	223,658	50.1
Assets	348,718	237,152	47.0
Total deposits	290,416	193,099	50.4
Other borrowings	26,950	21,952	22.8
Shareholders' equity	30,574	21,428	42.7
<b>AVERAGE BALANCES</b>			
Total loans	\$ 267,444	\$ 190,583	40.3 %
Interest-earning assets	301,374	211,942	42.2
Assets	316,249	220,574	43.4
Total deposits	271,101	180,304	50.4
Other borrowings	13,054	18,368	(28.9)
Shareholders' equity	30,313	21,998	37.8
<b>ALLOWANCE FOR LOAN LOSSES</b>			
Beginning balance	\$ 2,685	\$ 1,804	48.8 %
Provision for loan losses	96	173	(44.5)
Charge-offs	-	-	0.0
Recoveries	2	-	0.0
Ending balance	2,783	1,977	40.8
<b>ASSET QUALITY RATIOS</b>			
Nonperforming loans to total loans	0.00	0.00	0 bp
Allowance for loan losses to total loans	1.02	1.01	0.0 %
Allowance for loan losses to nonperforming loans	0.00	0.00	0.0
Charge-off loans to average loans	0.00	0.00	0.0 %
<b>COMPOSITION OF RISK ASSETS</b>			
Nonperforming loans:			
90 days past due	0	0	100.0 %
Nonaccrual	0	0	0.0
OREO	0	0	0.0
Nonperforming assets	-	-	100.0 %

bp - Change is measured as difference in basis points.