

**Century Bank**  
**Balance Sheets**  
(Unaudited)  
June 30, 2008 and 2007

ASSETS	2008	2007
Cash and cash equivalents:		
Cash and due from banks	\$ 1,820,994	\$ 1,944,661
Federal funds sold	2,560,000	16,110,000
Interest-bearing deposits with banks	79,817	2,604,234
Total cash and cash equivalents	4,460,811	20,658,895
Investment securities available for sale	313,599	390,385
Loans, net	67,166,876	48,898,736
Premises and equipment, net	276,676	275,150
Interest receivable and other assets	1,053,947	534,154
Total assets	\$73,271,909	\$70,757,320
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Liabilities:		
Deposits:		
Demand	\$20,720,323	\$17,556,852
Savings and money market	22,179,116	29,975,199
Time	15,958,736	13,338,727
Total deposits	58,858,175	60,870,778
Borrowings	4,000,000	--
Interest payable and other liabilities	209,496	192,523
Total Liabilities	63,067,671	61,063,301
Stockholders' equity:		
Preferred stock, no par value;		
No shares issued or outstanding	--	--
Common stock, no par value;		
1,000,000 shares issued and outstanding	10,042,828	9,993,784
Retained earnings (accumulated deficit)	162,349	(293,209)
Accumulated other comprehensive loss	( 939)	( 6,556)
Total stockholders' equity	10,204,238	9,694,019
Total liabilities and stockholders' equity	\$73,271,909	\$70,757,320

**Century Bank**  
**Statements of Income**  
(Unaudited)

	Six months ended June 30	
	2008	2007
Interest Income:		
Interest and fees on loans	\$2,251,364	\$1,978,067
Investment securities available-for-sale	8,120	16,965
Deposits with banks	16,355	76,404
Federal funds sold	42,483	164,557
Total interest income	<u>2,318,322</u>	<u>2,235,993</u>
Interest expense:		
Interest-bearing demand	68,261	109,266
Savings and money market	287,673	468,887
Time deposits	305,817	291,378
Borrowings	85,937	37,984
Total interest expense	<u>747,688</u>	<u>907,515</u>
Net interest income	1,570,634	1,328,478
Loan loss provision	<u>95,510</u>	<u>80,450</u>
Net interest income after loan loss provision	1,475,124	1,248,028
Non-interest income	69,279	50,904
Non-interest expenses:		
Salaries and employee benefits	770,494	563,938
Occupancy and equipment	181,157	136,438
Data processing	144,921	134,413
Professional fees	64,539	58,126
Other	151,734	128,201
Total non-interest expenses	<u>1,312,845</u>	<u>1,021,116</u>
Income before income taxes	231,558	277,816
Provision for income taxes	<u>78,438</u>	<u>--</u>
Net income	<u>\$ 153,120</u>	<u>\$ 277,816</u>
Earnings per share:		
Basic	<u>\$ .15</u>	<u>\$ .28</u>
Diluted	<u>\$ .15</u>	<u>\$ .27</u>

July 16, 2008

To our Shareholders, Customers and Friends:

We are pleased to provide our performance results as of June 30, 2008. Century Bank recorded pre-tax income of \$231,558 for the six month period ended June 30, 2008 which compares to pre-tax income of \$277,816 earned during the six month period ended June 30, 2007.

Beginning in 2008, Century Bank's income is fully taxable so a new expense category appears on our income statement which did not appear before. Century Bank's income, net of taxes, at June 30, 2008 was \$153,120, or \$.15 per diluted share, as compared to net income of \$277,816, or \$.27 per diluted share at June 30, 2007.

During the past year, the Bank has expanded into the second story of their existing building, and added additional lending and support staff. Our personnel and occupancy costs have increased due to these investments in the Bank's future. We have not been able to fully recognize the growth and earnings potential of the additional lending staff due to the slow down in the local economy and the competition for deposits.

We are pleased with the 37% growth in net loans experienced since last year. The Bank's loan portfolio does not include any sub-prime or long-term residential real estate loans. The loan portfolio continues to be of the highest quality and contains no non-performing loans.

Century Bank stock continues to be quoted on the Over-the-Counter Bulletin Board under the symbol "CBAO." The stock continues to trade on an expanding basis.

Thank you for your continued support. We look forward to sharing our continuing results in future releases.

Marty W. Smith  
Chairman of the Board

Thomas P. Widmer  
President & C.E.O.

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**Board of Directors:**

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Richard Re, Secretary  
Michael R. Curtis, Director  
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Kelly Richardson, Director  
Kathy Wiltz, Director

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Rachael Crawford, Personal Banker  
Lori Gotter, Office Assistant  
Sue Hayman, Operations Specialist  
Marsha Holifield, Lending Specialist  
Nancy Junker, Teller  
Darnel Manning, Personal Banker  
Jacqualine Norbury, Teller  
Nola Reed, Executive Secretary  
Katy Schrader, Lending Compliance Specialist  
Kim Scofield, Administrative Assistant

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