

First Bank of Delaware
June 30, 2007

**First Bank of Delaware
Condensed Income Statement**

(Dollar amounts in thousands
except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Net Interest Income	\$ 1,778	\$ 1,751	\$ 3,523	\$ 3,190
Provision for Loan Losses	18	569	152	791
Non-interest Income	4,255	1,293	7,239	4,375
Non-interest Expenses	3,170	1,817	5,982	4,114
Provision for income taxes	\$ 991	\$ 239	\$ 1,598	\$ 931
Net Income	<u>\$ 1,854</u>	<u>\$ 419</u>	<u>\$ 3,030</u>	<u>\$ 1,729</u>
Diluted EPS	<u>\$ 0.16</u>	<u>\$ 0.05</u>	<u>\$ 0.26</u>	<u>\$ 0.22</u>

**First Bank of Delaware
Condensed Balance Sheet**

(Dollar amounts in thousands)
(unaudited)

	June 30, 2007	June 30, 2006
	Assets	
Federal Funds Sold and Other Interest Bearing Cash	\$ 43,044	\$ 23,172
Investment Securities	9,721	738
Commercial and Other Loans	75,876	54,241
Allowance for Loan Losses	(2,013)	(1,700)
Other Assets	<u>12,428</u>	<u>8,848</u>
Total Assets	<u>\$ 139,056</u>	<u>\$ 85,299</u>
Liabilities and Shareholders' Equity:		
Transaction Accounts	\$ 64,806	\$ 34,137
Time Deposit Accounts	39,042	22,613
Other Borrowings	1,259	-
Other Liabilities	5,131	4,233
Shareholders' Equity	<u>28,818</u>	<u>24,316</u>
Total Liabilities and Shareholders' Equity	<u>\$ 139,056</u>	<u>\$ 85,299</u>

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Financial Data:	At or For the Three Months Ended		At or For the Six Months Ended	
	June 30, 2007	June 30, 2006	June 30, 2007	June 30, 2006
Return on average assets	5.18 %	2.01 %	4.33 %	3.51 %
Return on average equity	26.37 %	10.01 %	22.27 %	21.37 %
Share information:				
Book value per share	\$2.53	\$2.14	\$2.53	\$2.14
Actual shares outstanding at period end	11,375,530	11,343,715	11,375,530	11,343,715
Average diluted shares outstanding	11,541,325	8,041,546	11,600,045	7,862,112

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Credit Quality Ratios:

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Non-accrual and loans accruing, but past due 90 days or more	\$ 433	\$ 65
Restructured loans	<u>-</u>	<u>-</u>
Total non-performing loans	433	65
Other real estate owned	<u>18</u>	<u>-</u>
Total non-performing assets	<u>\$ 451</u>	<u>\$ 65</u>
Non-performing loans as a percentage of total loans	0.57%	0.12%
Nonperforming assets as a percentage of total assets	0.32%	0.08%
Allowance for loan losses to total loans	2.65%	3.13%
Allowance for loan losses to total non-performing loans	464.90%	2615.38%

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Quarter-to-Date
Average Balance Sheet

	Three months ended June 30, 2007			Three months ended June 30, 2006		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
Interest-Earning Assets:						
Commercial and other loans	\$ 75,374	\$ 1,962	10.44 %	\$ 51,962	\$ 1,862	14.37 %
Investment securities	9,920	148	5.97	766	11	5.74
Federal funds sold	<u>45,172</u>	<u>598</u>	<u>5.31</u>	<u>22,914</u>	<u>291</u>	<u>5.09</u>
Total interest-earning assets	130,466	2,708	8.33	75,642	2,164	11.47
Other assets	<u>12,984</u>			<u>8,323</u>		
Total assets	<u>\$ 143,450</u>	\$ 2,708		<u>\$ 83,965</u>	\$ 2,164	
Interest-bearing liabilities:						
Interest-bearing deposits	\$ 72,860	\$ 923	5.08 %	\$ 44,195	\$ 413	3.75 %
Borrowed funds	<u>337</u>	<u>7</u>	<u>8.33</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total interest-bearing liabilities	<u>73,197</u>	<u>930</u>	<u>5.10</u>	<u>44,195</u>	<u>413</u>	<u>3.75</u>
Non-interest and interest-bearing funding	108,211	930	3.45	62,547	413	2.65
Other liabilities:	<u>7,041</u>			<u>4,587</u>		
Total liabilities	<u>115,252</u>			<u>67,134</u>		
Shareholders' equity	<u>28,198</u>			<u>16,831</u>		
Total liabilities & shareholders' equity	<u>\$ 143,450</u>			<u>\$ 83,965</u>		
Net interest income		<u>\$ 1,778</u>			<u>\$ 1,751</u>	
Net interest margin			<u>5.47 %</u>			<u>9.28 %</u>

First Bank of Delaware
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Year-to-Date
Average Balance Sheet

	Six months ended June 30, 2007			Six months ended June 30, 2006		
	Average Balance	Interest	Average Yield/ Cost	Average Balance	Interest	Average Yield/ Cost
Interest-Earning Assets:						
Commercial and other loans	\$ 73,562	\$ 3,842	10.53 %	\$ 52,601	\$ 3,272	12.54 %
Investment securities	9,962	298	5.97	778	22	5.65
Federal funds sold	<u>46,010</u>	<u>1,202</u>	<u>5.27</u>	<u>32,793</u>	<u>765</u>	<u>4.70</u>
Total interest-earning assets	129,534	5,342	8.32	86,172	4,059	9.50
Other assets	<u>11,613</u>			<u>13,217</u>		
Total assets	<u>\$ 141,147</u>	\$ 5,342		<u>\$ 99,389</u>	\$ 4,059	
Interest-bearing liabilities:						
Interest-bearing deposits	\$ 72,139	\$ 1,812	5.07 %	\$ 47,220	\$ 869	3.71 %
Borrowed funds	<u>169</u>	<u>7</u>	<u>8.35</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total interest-bearing liabilities	<u>72,308</u>	<u>1,819</u>	<u>5.07</u>	<u>47,220</u>	<u>869</u>	<u>3.71</u>
Non-interest and interest-bearing funding	106,988	1,819	3.43	75,100	869	2.33
Other liabilities:	<u>6,722</u>			<u>8,163</u>		
Total liabilities	<u>113,710</u>			<u>83,263</u>		
Shareholders' equity	<u>27,437</u>			<u>16,126</u>		
Total liabilities & shareholders' equity	<u>\$ 141,147</u>			<u>\$ 99,389</u>		
Net interest income		<u>\$ 3,523</u>			<u>\$ 3,190</u>	
Net interest margin			<u>5.48 %</u>			<u>7.47 %</u>