

1st Constitution Bancorp
Consolidated Balance Sheets
(Unaudited)

ASSETS	June 30, 2015	December 31, 2014
CASH AND DUE FROM BANKS	\$ 16,364	\$ 14,545
FEDERAL FUNDS SOLD/SHORT TERM INVESTMENTS	-	-
Total cash and cash equivalents	<u>16,364</u>	<u>14,545</u>
INVESTMENT SECURITIES		
Available for sale, at fair value	80,576	80,161
Held to maturity (fair value of \$130,257 and \$148,476 at June 30, 2015 and December 31, 2014 , respectively)	126,651	143,638
Total securities	<u>207,227</u>	<u>223,799</u>
LOANS HELD FOR SALE	9,231	8,372
LOANS	758,506	654,297
Less- Allowance for loan losses	<u>(7,351)</u>	<u>(6,925)</u>
Net loans	751,155	647,372
PREMISES AND EQUIPMENT, net	11,475	11,373
ACCRUED INTEREST RECEIVABLE	2,976	3,096
BANK-OWNED LIFE INSURANCE	21,301	21,218
OTHER REAL ESTATE OWNED	5,328	5,710
GOODWILL AND INTANGIBLE ASSETS	13,497	13,711
OTHER ASSETS	<u>8,376</u>	<u>7,583</u>
Total Assets	<u>\$ 1,046,930</u>	<u>\$ 956,779</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
DEPOSITS		
Non-interest bearing	\$ 161,029	\$ 162,281
Interest bearing	<u>637,059</u>	<u>655,480</u>
Total deposits	798,088	817,761
BORROWINGS	130,728	25,107
REDEEMABLE SUBORDINATED DEBENTURES	18,557	18,557
ACCRUED INTEREST PAYABLE	855	907
ACCRUED EXPENSES AND OTHER LIABILITIES	<u>7,175</u>	<u>7,337</u>
Total liabilities	<u>955,403</u>	<u>869,669</u>
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY :		
Preferred stock, no par value; 5,000,000 shares authorized ; none issued	-	-
Common Stock, no par value; 30,000,000 shares authorized ; 7,543,580 and 7,165,084 shares issued and 7,508,075 and 7,134,174 shares outstanding as of June 30, 2015 and December 31, 2014 , respectively	65,792	61,448
Retained earnings	26,311	25,730
Treasury Stock, 35,505 shares and 30,910 shares at June 30, 2015 and December 31, 2014, respectively	(349)	(316)
Accumulated other comprehensive (loss) income	<u>(227)</u>	<u>248</u>
Total shareholders' equity	<u>91,528</u>	<u>87,110</u>
Total liabilities and shareholders' equity	<u>\$ 1,046,930</u>	<u>\$ 956,779</u>

1ST Constitution Bancorp
Consolidated Statements Of Income
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
INTEREST INCOME:				
Loans, including fees	\$9,238	\$7,870	\$17,527	\$14,108
Securities:				
Taxable	790	1,059	1,607	2,181
Tax- exempt	530	589	1,086	1,170
Federal funds sold and short-term investments	6	46	31	101
Total interest income	<u>10,564</u>	<u>9,564</u>	<u>20,251</u>	<u>17,560</u>
INTEREST EXPENSE:				
Deposits	912	972	1,844	1,871
Borrowings	153	128	279	243
Redeemable subordinated debentures	88	86	174	171
Total interest expense	<u>1,153</u>	<u>1,186</u>	<u>2,297</u>	<u>2,285</u>
Net interest income	9,411	8,378	17,954	15,275
PROVISION FOR LOAN LOSSES	<u>0</u>	<u>4,100</u>	<u>500</u>	<u>4,600</u>
Net interest income after provision for loan losses	<u>9,411</u>	<u>4,278</u>	<u>17,454</u>	<u>10,675</u>
NON-INTEREST INCOME:				
Service charges on deposit accounts	190	267	429	486
Gain on sales of loans	832	267	1,879	1,007
Income on Bank-owned life insurance	143	149	276	278
Other income	453	577	962	1,126
Total non-interest income	<u>1,618</u>	<u>1,260</u>	<u>3,546</u>	<u>2,897</u>
NON-INTEREST EXPENSE:				
Salaries and employee benefits	4,108	3,685	8,049	7,273
Occupancy expense	859	839	1,800	1,665
Data processing expenses	306	312	625	628
FDIC insurance expenses	180	185	370	335
Other real estate owned expenses	416	98	513	140
Merger-related expenses	-	109	-	1,532
Other operating expenses	1,733	1,478	2,901	2,479
Total non-interest expenses	<u>7,602</u>	<u>6,706</u>	<u>14,258</u>	<u>14,052</u>
Income (loss) before income taxes	3,427	(1,168)	6,742	(480)
Income Taxes	1,112	(728)	2,167	(682)
Net Income (loss)	<u>\$2,315</u>	<u>(\$440)</u>	<u>\$4,575</u>	<u>\$202</u>
NET INCOME (LOSS) PER SHARE				
Basic	\$0.31	(\$0.06)	\$0.61	\$0.03
Diluted	\$0.30	(\$0.06)	\$0.60	\$0.03