



SUNWEST BANK AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION - UNAUDITED
 (Dollars in thousands)

	<u>June 30,</u> 2009	<u>December 31,</u> 2008
ASSETS		
Cash and due from banks	\$ 12,706	\$ 22,570
Fed funds sold, mutual funds and interest bearing deposits	79,691	250
Total cash and cash equivalents	92,397	22,820
Securities, available for sale (“AFS”), at fair value	143,822	119,949
Loans, net of deferred fees	214,058	158,992
Allowance for loan losses	(3,098)	(2,171)
Net loans.....	210,960	156,821
Investment in Federal Home Loan Bank (“FHLB”) stock	2,276	2,276
Premises and equipment, net	237	307
Other real estate owned, net	3,665	-
Bank-owned life insurance.....	9,947	9,711
Other assets	3,698	2,727
Total Assets	<u>\$ 467,002</u>	<u>\$ 314,611</u>
 LIABILITIES AND SHAREHOLDERS’ EQUITY		
Liabilities:		
Demand deposits	\$ 126,075	\$ 107,461
Money market and savings accounts	183,275	114,095
Time deposits	75,751	10,915
Total deposits	385,101	232,471
FHLB advances	35,000	40,375
Senior liens OREO	1,918	-
Accounts payable and other liabilities.....	4,308	2,735
Total Liabilities	<u>426,327</u>	<u>275,581</u>
Commitments and contingencies.....	-	-
Shareholders’ Equity		
Preferred stock, no par value: 5,000,000 shares authorized, no shares issued and outstanding at June 30, 2009 or December 31, 2008	-	-
Common stock, no par value: 30,000,000 shares authorized, 17,142 shares issued and outstanding at June 30, 2009 and December 31, 2008, respectively.....	27,823	27,788
Retained earnings since November 30, 2002	12,195	10,705
Accumulated other comprehensive income, net of tax.....	657	537
Total Shareholders’ Equity	<u>40,675</u>	<u>39,030</u>
Total Liabilities and Shareholders’ Equity.....	<u>\$ 467,002</u>	<u>\$ 314,611</u>



SUNWEST BANK AND SUBSIDIARIES
 UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share amounts)

	For the Quarter Ended June 30,		For the Six Months Ended June 30,	
	2009	2008	2009	2008
Interest income				
Loans.....	\$ 2,891	\$ 2,927	\$ 5,325	\$ 5,594
Securities, AFS	1,789	1,532	3,174	2,731
Fed funds sold, mutual funds and interest bearing deposits	49	146	68	514
Total interest income	<u>4,729</u>	<u>4,605</u>	<u>8,567</u>	<u>8,839</u>
Interest expense				
Deposits.....	864	444	1,515	937
Borrowings.....	301	332	622	478
Total interest expense	<u>1,165</u>	<u>776</u>	<u>2,137</u>	<u>1,415</u>
Net interest income	3,564	3,829	6,430	7,424
Provision for loan losses	700	-	1,200	-
Net interest income after provision for loan losses	<u>2,864</u>	<u>3,829</u>	<u>5,230</u>	<u>7,424</u>
Noninterest income:				
Deposit charges	108	131	244	294
Realized net gain (loss) from investment securities	779	(240)	2,377	(240)
Other income.....	114	139	240	228
Total noninterest income	<u>1,001</u>	<u>30</u>	<u>2,861</u>	<u>282</u>
Noninterest expense:				
Compensation and benefits	1,762	1,499	3,510	3,350
Occupancy and depreciation	441	464	885	966
Customer service	4	105	74	309
Professional services	101	130	182	413
Other expenses	849	514	1,425	1,054
Total noninterest expense	<u>3,157</u>	<u>2,712</u>	<u>6,076</u>	<u>6,092</u>
Income before taxes	708	1,147	2,015	1,614
Income taxes	168	312	525	359
Net income	<u>\$ 540</u>	<u>\$ 835</u>	<u>\$ 1,490</u>	<u>\$ 1,255</u>
Net income per share:				
Basic.....	\$ 31.50	\$ 48.71	\$ 86.92	\$ 73.20
Diluted.....	\$ 31.50	\$ 48.64	\$ 86.92	\$ 73.08
Shares used to compute:				
Basic net income per share	17,142	17,143	17,142	17,145
Diluted net income per share	17,142	17,166	17,142	17,173