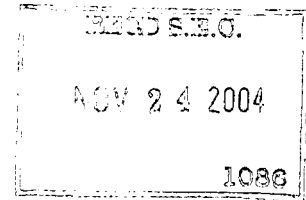


IN ACCORDANCE WITH RULE 202 OF REGULATION S-T, THIS EXHIBIT (C)(4)
TO SCHEDULE 13E-3 IS BEING FILED IN PAPER PURSUANT TO
A CONTINUING HARDSHIP EXEMPTION



04050844



UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM SE

FORM FOR SUBMISSION OF PAPER FORMAT EXHIBITS
BY ELECTRONIC FILERS

First Southern Bancshares, Inc.

Exact Name of Registrant as Specified in Charter

0000934302

Registrant CIK Number

Exhibit (C)(4) to Schedule 13E-3

Electronic Report, Schedule or Registration
Statement of Which the Documents Are a Part
(give period of report)

5-55849

SEC File Number, if available

First Southern Merger Corp.

James E. Bishop

Robert Walker

J. Acker Rogers

Steve McKinney

B. Jack Johnson

S. Greg Beadle

Roderick V. Schlosser

Dennis W. Morgan

Name of Person Filing the Document
(If Other than the Registrant)

PROCESSED

NOV 26 2004

THOMSON
FINANCIAL

SIGNATURES

The Registrant has duly caused this form to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Florence, State of Alabama, on November 24, 2004.

FIRST SOUTHERN BANCSHARES, INC.

By:

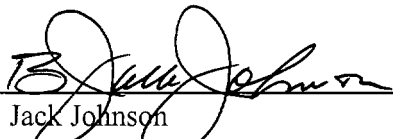

B. Jack Johnson
President and Chief Executive Officer

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify on ~~November 24,~~ 2004, that the information set forth in this statement is true and complete.

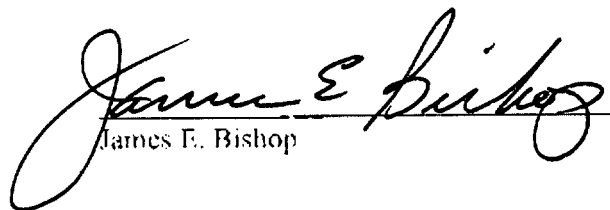
FIRST SOUTHERN MERGER CORP.

By:


B. Jack Johnson
President and Chief Executive Officer

SIGNATURES

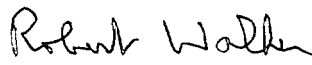
After reasonable inquiry and to the best of my knowledge and belief, I certify on November 24,
2004, that the information set forth in this statement is true and complete.



James E. Bishop

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify on November 24, 2004, that the information set forth in this statement is true and complete.



Robert Walker

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify on November 24, 2004, that the information set forth in this statement is true and complete.



J. Acker Rogers

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify on November 24, 2004, that the information set forth in this statement is true and complete.

A handwritten signature in black ink, appearing to read 'St McKinney', written over a horizontal line.

Steve McKinney

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify on **November 24,** 2004, that the information set forth in this statement is true and complete.


B. Jack Johnson

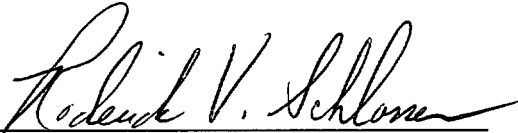
SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify on **November 24**, 2004, that the information set forth in this statement is true and complete.


S. Greg Beadle

SIGNATURES

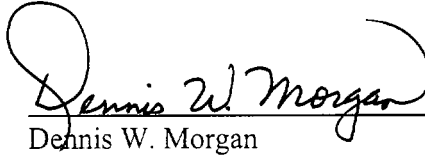
After reasonable inquiry and to the best of my knowledge and belief, I certify on November 24, 2004, that the information set forth in this statement is true and complete.



Roderick V. Schlosser

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify on **November 24, 2004**, that the information set forth in this statement is true and complete.


Dennis W. Morgan



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

0512

November 18, 2004

Victor L. Cangelosi
Muldoon Murphy Faucette & Aguggia LLP
5101 Wisconsin Avenue, NW
Washington, DC 20016

Re: First Southern Bancshares, Inc.
Incoming letter dated November 4, 2004

Dear Mr. Cangelosi:

This letter is to inform you that your written request for a continuing hardship exemption, as provided in Rule 202 of Regulation S-T, has been

☒ X Granted

☐ Denied

for the small print financial data only to Schedule 13E3 filed October 4, 2004. All written portions must be EDGARized. Please include the following notation at the top of your document, "In accordance with Rule 202 of Regulation S-T, this (specify document) is being filed in paper pursuant to a continuing hardship exemption" and also include a copy of this letter.

Sincerely,


for Herbert D. Scholl

EDGAR and Information Analysis
Division of Corporation Finance

**Presentation to the
Board of Directors of**

FIRST SOUTHERN BANCSHARES, INC.

Regarding An Analysis of

ACME BANCSHARES

August 16, 2004

Overview of the Assignment

- ▶ First Southern Bancshares, Inc. (the “Company”) received an unsolicited offer to acquire the Company from Acme Bancshares (“Acme”)
- ▶ The Board of First Southern requested that Mercer Capital comment on the Acme offer and factors bearing on the value of Acme’s stock

The Acme Offer

- ▶ Common Stock
 - **\$2.25 per share** (\$2,827,609 in total, based on 1,256,715 First Southern shares at August 13, 2004)
 - No reference to First Southern's stock options and warrants
 - Payable in either 100% Acme stock or 66.6% stock / 33.3% cash
 - One director from First Southern added to Acme's board of directors (This would represent one of a new total of seven directors)

The Acme Offer

► Common Stock (continued)

- Shares in Acme would be issued based upon its book value per share (\$7.58 per share at 6/30/04). Thus, First Southern shareholders would receive 373,035 Acme shares (13.5% of pro forma shares outstanding)
- Offer contains a feature similar to a collar. If the market price exceeds book value by 25% or more, then our interpretation of the offer is that the exchange ratio would be based instead upon the market price. Based on recent price of \$8.75 per share, Acme's stock trades at 115% of book value

The Acme Offer

- ▶ Preferred Stock
 - Redeemed “in accordance with applicable agreements,” including dividend arrearages
- ▶ Subordinated Capital Notes & Holding Company borrowings
 - Not addressed in offer
 - Presumably would be assumed by Acme, based on Acme’s capital position
 - Where would the subordinated capital notes rank in relation to Acme’s trust preferred securities?

Potential Investor Returns

- ▶ The following table indicates the potential returns achieved by an investor in First Southern (measured as the compound annual increase in shareholders' equity).
 - Analysis projects First Southern Bank's earnings (based on a range of assumptions regarding asset growth and ROA).
 - Any earnings not required to be retained at the bank level to support asset growth are upstreamed to the holding company to pay down debt.

Asset Growth

	4.00%	6.00%	8.00%
0.35%	2%	4%	7%
0.55%	14%	16%	17%
0.75%	20%	22%	23%
0.95%	24%	26%	27%

Return on Assets

Based on our projections of the Bank's future assets and ROA, we projected the Bank's net income, which was used to project the holding company's future equity.

The values in the table represent the compound annual increase in total equity that would result over a 10 year holding period. The growth rates are calculated off beginning equity of \$1.1 million (12/31/03 balance). Using the current equity of \$450,000 would further increase the growth rates.

Acme/First Southern Pro Forma

[Map Indicating the Locations of First
Southern's Branches in relation to
Acme's Branches Omitted]

Acme/First Southern Pro Forma

	Contribution		
	Acme	First Southern	Pro Forma
Total Assets	\$210,741	\$95,164	\$314,790
Total Loans	\$146,503	\$70,392	\$216,895
Total Deposits	\$154,693	\$81,470	\$236,163
Tangible Common Equity ¹	\$16,901	\$450	\$17,351
Net Interest Income ²	\$5,235	\$2,844	\$8,079
Non-Interest Income (est. core)	2,489	725	3,214
Total Revenues	\$7,724	\$3,569	\$11,293
Non-Interest Expenses	6,404	4,123	10,527
Operating Income	\$1,320	(\$554)	\$766
NET INCOME	\$267	(\$551)	(\$284)
Shares Outstanding ³	2,390,521	373,035	2,763,556
			86.5%
			13.5%

¹ Estimated, assuming 100% stock transaction

² Income data represent the trailing twelve months ended June 30, 2004

³ Assuming 100% stock transaction; excludes warrants, options, etc.

First Southern's shares represent the shares issued in transaction at Acme's BVPS of \$7.58

Individual banks' data may not sum to pro forma column due to consolidation adjustments

Analysis of Acme's Stock

- ▶ Listed on the Nasdaq (ACME)
- ▶ 6 market makers: Hill Thompson Magid; Knight Equity Markets; Sandler O'Neill; Schwab Capital Markets; Sterne Agee; and Trident Securities
- ▶ No analyst coverage
- ▶ Institutional ownership limited at 11.45% of outstanding shares. Wellington Management Company is largest institutional shareholder, owning 10.57% of outstanding shares.
- ▶ Insider ownership is 18.88%. Largest inside owner is the CEO (4.19%)

Analysis of Acme's Stock

- ▶ Trading volume in Acme's stock is very limited.

	Average Daily Volume	Weekly Volume as a % of Shares Outstanding	
		Acme	Peer Group
One Day	2,000	na	
One Month	269	0.06%	
Three Month	741	0.16%	
Year-to-Date	1,416	0.30%	
One Year	2,022	0.42%	0.40%
Three Years	1,417	0.30%	

- ▶ Only nominal volume in most recent three months
- ▶ As a result, significant fluctuations in Acme's share price can occur.

Analysis of Acme's Stock

- ▶ Year-to-date, Acme's low and high prices were \$7.30 per share (8/6/04) and \$9.74 per share (5/21/04), respectively
- ▶ Volatility is indicated by the trading range in August 2004. Prices have fluctuated between \$7.30 and \$8.75 per share – a 20% range
- ▶ Most recent price is \$8.75 per share (8/12/04)
 - 115% of book value (\$7.58 per share)
 - 73x LTM EPS (\$0.12 per share)
 - 4.00% dividend yield (dividends of \$0.35 per share)

Year-to-Date Share Performance

Year-to-Date Stock Price Performance

Share Price	12/31/03	01/30/04	02/27/04	03/31/04	04/30/04	05/28/04	06/30/04	07/30/04	08/11/04
Acme Stock Price	\$8.74	\$9.37	\$9.27	\$8.40	\$8.33	\$9.07	\$8.01	\$7.67	\$8.75

Change in Stock Price (Year-to-Date)	0.11%
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Change in Stock Price vs. Index

Relative Performance	01/30/04	02/27/04	03/31/04	04/30/04	05/28/04	06/30/04	07/30/04	08/11/04
Change in Acme Stock Price vs. 12/31/03	7.2%	6.1%	-3.9%	-4.7%	3.8%	-8.4%	-12.2%	0.1%
Change in Index vs. 12/31/03	1.8%	4.2%	5.1%	2.7%	2.4%	3.2%	3.2%	0.7%

Change in Acme Stock Price (Year-to-Date)	0.11%
Change in Bank Index (Year-to-Date)	0.66%

Index represents the SNL index of banks with assets less than \$500 million

Graphs in original presentation omitted and replaced with tabular format in order to facilitate "Edgarizing" the document.

Graphs in original presentation omitted and replaced with tabular format in order to facilitate "Edgarizing" the document.

1 Year Share Performance

One Year Stock Price Performance

Share Price	08/11/03	09/30/03	10/31/03	11/28/03	12/31/03
Acme Stock Price	\$7.62	\$8.12	\$8.16	\$8.72	\$8.74
Acme Stock Price	01/30/04	02/27/04	03/31/04	04/30/04	05/28/04
	\$9.37	\$9.27	\$8.40	\$8.33	\$9.07
				06/30/04	07/30/04
				\$8.01	\$7.67
					08/11/04
					\$8.75

Change in Stock Price (One Year)	14.83%
----------------------------------	--------

Change in Stock Price vs. Index

Relative Performance	09/30/03	10/31/03	11/28/03	12/31/03
Change in Acme Stock Price vs. 8/11/03	6.6%	7.1%	14.4%	14.7%
Change in Index vs. 8/11/03	6.0%	11.3%	14.7%	16.9%
Change in Acme Stock Price vs. 8/11/03	01/30/04	02/27/04	03/31/04	04/30/04
	23.0%	21.7%	10.2%	9.3%
Change in Index vs. 8/11/03	19.0%	21.8%	22.8%	20.1%
				05/28/04
				19.0%
				19.6%
				06/30/04
				5.1%
				20.6%
				07/30/04
				0.7%
				14.8%
				17.6%

Change in Acme Stock Price (One Year)	14.83%
Change in Bank Index (One Year)	17.64%

Index represents the SNL index of banks with assets less than \$500 million

3 Year Share Performance

Three Year Stock Price Performance

Graphs in original presentation omitted and replaced with tabular format in order to facilitate "Edgarizing" the document.

Share Price	08/10/01	09/28/01	10/31/01	11/30/01	12/31/01
Acme Stock Price	\$9.25	\$6.75	\$6.50	\$7.20	\$6.75
Acme Stock Price	01/31/02	02/28/02	03/28/02	04/30/02	05/31/02
	\$6.80	\$6.85	\$6.75	\$7.37	\$7.40
Acme Stock Price	01/31/03	02/28/03	03/31/03	04/30/03	05/30/03
	\$6.99	\$6.12	\$6.35	\$6.94	\$7.41
Acme Stock Price	01/30/04	02/27/04	03/31/04	04/30/04	05/28/04
	\$9.37	\$9.27	\$8.40	\$8.33	\$9.07
Acme Stock Price	08/30/02	07/31/02	06/28/02	07/31/02	08/30/02
	\$7.00	\$7.00	\$7.33	\$7.00	\$7.00
Acme Stock Price	09/30/02	10/31/02	11/29/02	12/31/02	01/31/03
	\$7.50	\$6.01	\$6.01	\$6.01	\$7.90
Acme Stock Price	08/29/03	09/30/03	10/31/03	11/28/03	12/31/03
	\$7.74	\$8.12	\$8.16	\$8.72	\$8.74
Acme Stock Price	08/11/04	07/30/04	06/30/04	07/30/04	08/11/04
	\$8.75	\$7.67	\$8.01	\$7.67	\$8.75

Change in Stock Price (3 Year) **-5.41%**

Change in Stock Price vs. Index

Relative Performance	08/10/01	09/28/01	10/31/01	11/30/01	12/31/01
Change in Acme Stock Price vs. 8/10/01	-27.0%	-29.7%	-22.2%	-27.0%	-27.0%
Change in Index vs. 8/10/01	-3.0%	-3.0%	-0.6%	1.8%	1.8%
Change in Acme Stock Price vs. 8/10/01	01/31/02	02/28/02	03/28/02	04/30/02	05/31/02
	-26.5%	-25.9%	-27.0%	-20.3%	-20.0%
Change in Index vs. 8/10/01	5.4%	6.3%	11.1%	17.1%	20.5%
Change in Acme Stock Price vs. 8/10/01	01/31/03	02/28/03	03/31/03	04/30/03	05/30/03
	-24.4%	-33.8%	-31.4%	-25.0%	-19.9%
Change in Index vs. 8/10/01	32.4%	34.8%	36.0%	43.2%	47.7%
Change in Acme Stock Price vs. 8/10/01	01/30/04	02/27/04	03/31/04	04/30/04	05/28/04
	1.3%	0.2%	-9.2%	-9.9%	-1.9%
Change in Index vs. 8/10/01	86.9%	91.3%	93.0%	88.6%	88.0%
Change in Acme Stock Price vs. 8/10/01	08/30/02	07/31/02	06/28/02	07/31/02	08/30/02
	-18.9%	-24.3%	-24.3%	-24.3%	-24.3%
Change in Index vs. 8/10/01	18.6%	18.3%	15.2%	18.3%	18.6%
Change in Acme Stock Price vs. 8/10/01	09/30/02	10/31/02	11/29/02	12/31/02	01/31/03
	-35.0%	-35.0%	-35.0%	-35.0%	-35.0%
Change in Index vs. 8/10/01	24.3%	20.3%	24.3%	27.8%	27.8%
Change in Acme Stock Price vs. 8/10/01	08/29/03	09/30/03	10/31/03	11/28/03	12/31/03
	-12.2%	-12.2%	-11.8%	-11.8%	-11.8%
Change in Index vs. 8/10/01	66.6%	62.1%	57.1%	62.1%	66.6%
Change in Acme Stock Price vs. 8/10/01	08/11/04	07/30/04	06/30/04	07/30/04	08/11/04
	-5.4%	-17.1%	-13.4%	-17.1%	-17.1%
Change in Index vs. 8/10/01	84.8%	89.4%	89.4%	89.4%	89.4%

Change in Acme Stock Price (3 Year) **-5.41%**
Change in Bank Index (3 Year) **84.84%**

Index represents the SNL index of banks with assets less than \$500 million

Analysis of Acme's Financial Data

- ▶ Acme has struggled recently with poor earnings and returns.
 - \$2.5 million of net charge-offs in 2002 and 2003 (combined)
 - Margin pressure was significant in 2003, despite a significant shift in the asset mix towards higher yielding loans and a net growth in loans of approximately \$30 million
- ▶ Desire to maintain dividend has put pressure on capital ratios, leading to the recent \$6 million trust preferred issuance (in essence, Acme has borrowed money to pay dividends)

Acme Trends: Dividends & EPS

	Dividends	EPS
1993	\$0.14	
1994	\$0.40	\$0.33
1995	\$0.20	\$0.32
1996	\$0.32	\$0.39
1997	\$0.24	\$0.41
1998	\$0.35	\$0.68
1999	\$0.35	\$0.56
2000	\$0.35	\$0.61
2001	\$0.38	\$0.49
2002	\$0.35	\$0.09
2003	\$0.35	\$0.17
2004 (YTD)	\$0.21	\$0.09

Graphs in original presentation omitted and replaced with tabular format in order to facilitate "Edgarizing" the document.

► Since 1994:

- Cumulative Dividends: \$3.495 per share
- Cumulative Earnings per Share: \$4.140 per share
- Cumulative Dividend Payout Ratio: 84.4%

Analysis of Acme's Financial Data

► Balance Sheet.

- Acme sold a sizable amount of residential mortgages in 2002, but significant loan growth in 2003 and 2004 has occurred – primarily in the construction and commercial real estate portfolios.
- Capital ratios under pressure from weak earnings, asset growth, and high dividend payout. Regulatory capital ratios boosted by June 2004 trust preferred issuance.

Balance Sheet	6/30/2004	2003	2002	2001	2000	1999	Compound Annual Growth Rate
Total Assets	\$210,741	\$194,211	\$177,785	\$182,227	\$157,865	\$171,247	4.7%
Total Loans	157,843	138,529	107,598	111,919	119,886	115,692	7.1%
Total Deposits	158,536	151,380	139,931	146,069	136,638	151,753	1.0%
Total Equity	18,093	18,552	18,808	18,466	20,160	18,980	-1.1%
Loans / Assets	74.9%	71.3%	60.5%	61.4%	75.9%	67.6%	
Equity / Assets	8.6%	9.6%	10.6%	10.1%	12.8%	11.1%	
Total Capital / Risk Wtd. Assets	13.8%	12.5%	14.8%	14.2%	19.4%	18.4%	

Data per FR Y-9C filings (1999-2003) & Form 10-Q (6/30/04)

Equity Reconciliation

- The follow table represents a roll-forward of Acme's equity.
- Sales of common stock represent stock options and DRIP
 - Earnings since 1999 (\$5.0 MM) used to pay dividends (\$4.8 MM) and repurchase stock (\$2.3 MM)

	YTD Jun-04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Beginning Equity Capital	18,552	18,808	18,466	20,160	18,980	18,203
Net Income	226	403	201	1,190	1,550	1,403
Net Sale or Purchase of Stock						
- Common Stock	90	262	107	130	172	268
- Treasury Stock Transactions, net	0	0	0	(2,336)	0	0
Cash Dividends, Common Stock	(501)	(824)	(814)	(934)	(882)	(870)
Prior Period Adjustments	0	0	0	0	0	0
Other Comprehensive Income	(324)	(205)	701	66	156	(206)
Debit to ESOP	(8)	0	120	0	184	150
Other Adjustments	58	108	27	190	0	32
Ending Equity Capital	\$18,093	\$18,552	\$18,808	\$18,466	\$20,160	\$18,980

Earnings per Share	\$0.09	\$0.17	\$0.09	\$0.49	\$0.61	\$0.56
Dividends per Share	\$0.21	\$0.35	\$0.35	\$0.38	\$0.35	\$0.35

18 Business Valuation • Investment Banking

Analysis of Acme's Financial Data

► Income Statement.

- Acme's net interest margin compressed significantly in 2003, partially due to the loan portfolio sale in 2002.
- Return on equity has been about 2% in 2002-04.

Income Statement	2004	2003	2002	2001	2000	1999	Compound Annual Growth Rate
Total Revenues ¹	\$7,724	\$7,233	\$6,926	\$7,920	\$7,775	\$7,931	-0.6%
Operating Income ^{1,3}	1,320	1,243	2,064	1,860	2,633	2,347	-12.0%
Net Income ¹	267	403	201	1,190	1,550	1,403	nm
Net Interest Margin ²	3.07%	3.03%	3.77%	3.66%	4.63%	3.96%	
Non-Interest Expenses / Assets ²	3.18%	3.11%	3.05%	3.23%	3.19%	3.17%	
Efficiency Ratio ²	82.4%	82.1%	73.9%	76.1%	66.8%	67.8%	
Return on Assets ²	0.22%	0.22%	0.11%	0.64%	0.93%	0.77%	
Return on Equity ²	2.41%	2.18%	1.14%	6.02%	7.96%	7.58%	
Dividend Payout Ratio ²	297%	204%	405%	78%	57%	62%	

¹ Represents trailing twelve months ended June 30, 2004

² Represents quarter ended March 31, 2004

³ Operating income equals net interest income + non-interest income - non-interest expenses (excludes loan loss provision and securities gains)

Data per FR Y-9C filings (1999-2003 and 1Q04) & Form 10-Q (6/30/04)

Acme's Adjusted Net Income

Acme has had a number of income and expense items since 1999 that could be considered "non-recurring" in nature.

The analysis at right attempts to eliminate these non-recurring items and focus on Acme's "core" earning power.

Note that, even eliminating all of the 2004 OREO expenses, Acme only achieves a 5.5% ROE. Further, future quarters will include the full effect of the recent trust preferred offering.

2004 income data is not annualized.

DERIVATION OF ONGOING EARNING POWER

	Year-to-Date 2004	Fiscal Years Ended December 31				
		2003	2002	2001	2000	1999
Adjusted Income Statement						
Average Assets	\$202,476,000	\$186,332,000	\$181,496,000	\$185,474,000	\$167,356,000	\$181,845,000
Average Equity	18,322,500	18,459,000	17,574,000	19,777,000	19,482,000	18,507,000
Average Total Loans	148,186,000	124,900,000	110,372,000	116,178,000	116,259,000	113,266,000
Reported Net Income	\$226,000	\$403,000	\$201,000	\$1,190,000	\$1,550,000	\$1,403,000
Adjustments:						
(1) Eliminate (Gains)/Losses on Sale of Securities	(7,000)	(299,000)	(8,000)	(40,000)	6,000	(3,000)
(2) Eliminate Gain on Sale of Loans	0	0	(482,000)	0	0	0
(3) Eliminate Gains/Losses on Sale of OREO	0	69,000	68,000	2,000	0	(27,000)
(4) Eliminate Gain on Sale of Fixed Assets	0	0	(91,000)	0	0	0
(5) Eliminate Non-Recurring Pension Expense	0	0	238,000	0	0	0
(6) Eliminate Merger Expenses	0	0	185,000	0	0	0
(7) Eliminate OREO Related Expenses	465,000	0	0	0	0	0
(8) Income Tax Adjustment @ 38.0%	(174,000)	87,000	34,000	14,000	(2,000)	11,000
ADJUSTED NET INCOME	\$510,000	\$260,000	\$145,000	\$1,166,000	\$1,554,000	\$1,384,000
<i>Period-to-Period Change (reported earnings)</i>	<i>na</i>	<i>100.5%</i>	<i>-83.1%</i>	<i>-23.2%</i>	<i>10.5%</i>	<i>nm</i>
<i>Period-to-Period Change (adjusted earnings)</i>	<i>na</i>	<i>79.3%</i>	<i>-87.6%</i>	<i>-25.0%</i>	<i>12.3%</i>	<i>nm</i>

Analysis of Adjusted Returns

Reported Return on Average Assets

Adjusted Return on Average Assets

Reported Return on Average Equity

Adjusted Return on Average Equity

Dividend Payments

Adjusted Payout Ratio

Internal Growth Rate (1 - Payout) x ROE

0.22%	0.22%	0.11%	0.64%	0.93%	0.77%
0.50%	0.14%	0.08%	0.63%	0.93%	0.76%
2.47%	2.18%	1.14%	6.02%	7.96%	7.58%
5.57%	1.41%	0.83%	5.90%	7.98%	7.48%
\$500,000	\$824,000	\$814,000	\$934,000	\$882,000	\$870,000
98.0%	316.9%	561.4%	80.1%	56.8%	62.9%
0.1%	-3.1%	-3.8%	1.2%	3.4%	2.8%

Business Valuation • Investment Banking

Analysis of Acme's Financial Data

► Asset Quality.

- Acme experienced significant charge-offs in its loan portfolio in 2002-03.
- \$3.2 million of real estate transferred from OREO to “other assets” in 1Q04, which accounted for the improvement in non-performing assets.

Asset Quality	2004	2003	2002	2001	2000	1999
Net Charge-Offs ¹	\$194	\$803	\$1,671	\$288	\$209	\$157
Net Charge-Offs / Average Loans	na	0.64%	1.51%	0.25%	0.18%	0.14%
Loan Loss Provision / Net Charge-Offs	221.1%	142.09%	117.06%	33.68%	64.59%	72.61%
Non-Performing Assets ²	\$1,843	\$4,662	\$2,924	\$3,647	\$4,576	\$2,849
Non-Performing Assets / Loans + OREO	1.16%	3.27%	2.67%	3.22%	3.76%	2.45%
Allowance for Loan Losses ²	\$1,632	\$1,397	\$1,059	\$775	\$965	\$1,013
Allowance for Loan Losses / Loans	1.03%	1.03%	1.01%	0.98%	0.69%	0.80%
Allowance / Non-Performing Loans	1133.3%	138.8%	309.8%	98.0%	34.3%	36.2%

¹ Represents six months ended June 30, 2004 (not annualized)

² Represents balance at June 30, 2004

Data per FR Y-9C filings (1999-2003) & Form 10-Q (6/30/04)

SOUTHEAST BANK GROUP
Alphabetical Sort

Mercer Capital Financial Institutions Group
Equity Research

Closing Prices as of:
August 6, 2004

52 Week	YTD	52 Wk High	52 Wk Low	Company Name	Ticker	State	Current Price (\$)	Market Cap (\$M)	Price/Earnings			Price/Cash EPS (x)	Price/BVPS (x)	Dividend Yield (%)	Tangible Equity + Assets (%)	Dividend Payout (%)	Efficiency Ratio (%)	LTM ROE (%)	LTM ROA (%)	Assets (\$M)
									FY 04	FY 05	FY 06									
18.17	8.47	\$57.50	\$47.12	Alabama National Bancorporation	ALAB	AL	\$57.00	\$879	17.5	17.1	15.2	16.6	2.07	2.19	5.98	36.66	63.75	13.92	1.11	\$4,939
17.45	(2.41)	\$26.15	\$20.66	AmSouth Bancorporation	ASO	AL	\$23.91	\$5,450	13.1	12.7	11.7	12.5	2.57	4.02	6.23	52.20	53.84	20.08	1.42	\$48,341
34.52	6.66	\$22.00	\$15.06	Auburn National Bancorporation, Inc.	AUBN	AL	\$20.98	\$81	14.6	nm	nm	13.1	1.86	2.38	7.19	33.68	60.79	14.02	1.04	\$608
(6.74)	(25.18)	\$9.29	\$6.13	Banc Corporation	TBNC	AL	\$6.36	\$113	8.7	26.5	16.7	2.7	1.20	nm	6.38	0.00	105.15	14.00	1.12	\$1,285
0.64	(13.03)	\$24.50	\$19.35	BancorSouth, Inc.	BXS	MS	\$20.63	\$1,585	13.3	13.8	12.1	nm	1.86	3.49	NA	45.16	61.28	13.89	1.17	\$10,670
9.90	3.00	\$18.50	\$14.87	BancTrust Financial Group, Inc.	BTEG	AL	\$16.50	\$181	21.4	17.0	14.7	17.0	1.55	3.15	NA	67.53	65.81	7.46	0.85	\$1,119
8.35	4.33	\$86.00	\$72.45	Bank of America Corporation	BAC	NC	\$83.91	\$170,449	11.3	11.5	10.5	10.2	1.78	4.29	4.74	44.35	52.57	20.37	1.38	\$1,037,202
35.47	12.03	\$28.35	\$18.68	Bank of the Ozarks, Inc.	OZBK	AR	\$25.24	\$414	18.0	16.6	14.4	17.4	1.12	1.27	6.19	18.93	46.93	23.69	1.68	\$1,516
(2.48)	(4.74)	\$20.00	\$16.00	Britton & Koonz Capital Corporation	BKBK	MS	\$16.45	\$35	13.5	13.5	12.1	nm	1.18	3.89	NA	52.46	75.60	8.60	0.71	\$379
59.27	20.62	\$30.75	\$19.05	Capital Bancorp, Inc.	CBNC	TN	\$30.50	\$48	20.1	nm	nm	20.1	2.22	2.45	0.00	59.91	12.39	0.94	\$291	
50.23	28.37	\$42.00	\$26.50	Cass Information Systems, Inc.	CASS	MO	\$38.64	\$142	17.4	17.6	16.8	14.7	2.14	2.17	10.25	34.40	82.47	13.15	1.30	\$604
(5.86)	(11.76)	\$19.98	\$14.81	Cavalry Bancorp, Inc.	CAVB	TN	\$15.60	\$105	25.2	nm	nm	24.8	1.92	1.54	10.13	38.71	76.43	7.79	0.85	\$524
33.94	(7.44)	\$24.75	\$16.05	Citizens Holding Company	CIZ	MS	\$21.15	\$106	14.9	16.1	15.7	13.5	1.89	2.84	8.87	41.55	53.90	12.45	1.28	\$568
37.42	15.04	\$41.48	\$27.91	Classic Bancshares, Inc.	CLAS	KY	\$38.25	\$54	15.0	nm	nm	nm	1.54	1.05	8.08	12.26	60.77	11.63	1.17	\$336
34.65	8.26	\$19.50	\$14.22	Colonial BancGroup, Inc.	CNB	AL	\$18.75	\$2,502	15.0	14.2	13.0	14.1	1.95	3.09	5.16	45.60	59.02	13.51	0.97	\$17,593
17.66	(4.43)	\$50.00	\$40.47	Commerce Bancshares, Inc.	CBHI	MO	\$46.85	\$3,122	15.1	14.6	13.5	14.4	2.72	1.96	9.45	28.57	57.95	14.71	1.53	\$14,425
20.65	(0.66)	\$34.30	\$25.50	Community Trust Bancorp, Inc.	CTBI	KY	\$30.00	\$403	13.8	13.3	12.4	13.4	1.79	3.07	6.81	41.24	57.78	13.48	1.20	\$2,442
33.41	9.22	\$44.58	\$30.77	Compass Bancshares, Inc.	CBSS	AL	\$42.98	\$5,269	15.4	14.8	13.4	15.1	2.75	2.91	NA	42.47	55.61	18.36	1.31	\$27,901
(22.48)	(17.13)	\$40.00	\$28.00	Exchange National Bancshares, Inc.	ENBF	MO	\$30.00	\$125	14.1	nm	nm	13.6	1.40	2.40	7.25	38.03	54.77	10.24	1.05	\$901
4.81	(4.30)	\$37.99	\$31.15	Farmers Capital Bank Corporation	FBKT	KY	\$32.48	\$219	16.2	15.5	14.8	15.5	1.74	4.06	9.69	65.17	64.76	10.80	1.06	\$1,294
(16.74)	1.45	\$32.90	\$22.23	First Financial Service Corporation	FFKY	KY	\$25.21	\$92	12.1	nm	nm	11.3	1.61	2.86	7.15	34.62	59.80	13.76	1.13	\$692
(5.71)	(15.67)	\$29.11	\$30.50	First M & F Corporation	FMFC	MS	\$31.96	\$145	13.4	12.8	12.0	13.3	1.32	3.13	8.67	42.02	62.19	9.84	1.01	\$1,094
8.44	(2.04)	\$48.65	\$38.34	First Horizon National Corporation	FIN	TN	\$43.20	\$5,335	11.8	11.4	10.4	11.1	2.80	3.70	6.30	41.10	68.69	25.56	1.82	\$27,290
(3.71)	(16.48)	\$9.80	\$7.01	Acme Bancshares	ACME	KY	\$7.30	\$17	42.9	nm	nm	27.0	0.94	3.84	8.66	205.88	82.05	2.04	0.20	\$201
41.07	21.37	\$32.07	\$19.00	Great Southern Bancorp, Inc.	GSBC	MO	\$28.14	\$386	15.7	14.7	13.3	nm	3.07	1.56	NA	22.35	46.19	20.36	1.60	\$1,700
(4.95)	(0.95)	\$27.01	\$20.50	Greene County Bancshares, Inc.	GCBS	TN	\$23.06	\$177	15.0	nm	nm	14.6	1.67	2.08	7.68	38.31	56.54	12.05	1.10	\$1,125
26.80	6.18	\$32.24	\$23.01	Hancock Holding Company	HBIHC	MS	\$28.97	\$943	16.1	15.6	14.4	14.6	2.17	1.73	8.32	26.67	57.75	13.57	1.40	\$4,465
18.52	3.33	\$23.55	\$18.81	HFB Financial Corporation	HFBA	KY	\$22.00	\$29	11.2	nm	nm	nm	1.19	2.27	9.33	25.38	63.00	10.48	0.97	\$257
33.01	5.83	\$25.77	\$19.22	Hibernia Corporation	HIIB	LA	\$24.88	\$3,861	13.9	13.6	12.3	15.2	2.08	3.22	7.01	38.55	50.51	15.88	1.50	\$21,311
14.98	(5.66)	\$64.03	\$47.50	IBERIABANK Corporation	IBKB	LA	\$55.66	\$382	15.8	14.8	13.4	15.0	1.87	1.87	5.94	27.84	54.24	12.75	1.17	\$2,352
20.34	6.98	\$36.68	\$26.80	MidSouth Bancorp, Inc.	MSL	LA	\$33.70	\$108	16.5	16.0	14.3	16.4	3.19	0.71	6.90	16.67	63.05	20.48	1.55	\$477
39.53	19.17	\$25.98	\$23.48	National Commerce Financial Corporation	NCF	TN	\$32.51	\$6,665	20.4	17.7	15.9	16.1	2.40	3.05	6.78	46.78	51.01	12.68	1.52	\$24,044
5.97	(9.82)	\$27.56	\$22.88	NBC Capital Corporation	NBY	MS	\$24.05	\$196	16.0	15.7	14.6	16.4	1.84	3.99	4.81	64.00	62.58	10.99	1.07	\$1,397
0.74	(13.12)	\$17.00	\$13.08	Peoples Banc Trust Company, Inc. (The)	PBTC	AL	\$13.90	\$77	14.9	14.8	13.1	10.4	3.17	8.71	47.31	72.32	7.14	0.67	\$781	
15.51	6.89	\$19.59	\$15.22	Peoples Financial Corporation	PFBX	MS	\$17.85	\$99	19.8	nm	nm	19.2	1.16	1.90	14.36	32.22	72.90	6.06	0.87	\$596
29.93	(4.85)	\$36.55	\$28.80	Peoples Holding Company	PHC	MS	\$31.40	\$257	14.1	13.7	12.6	13.7	1.82	2.55	9.26	34.84	63.59	13.16	1.30	\$1,469
16.66	(11.40)	\$18.50	\$12.95	Pinnacle Bancshares, Inc.	PLE	AL	\$14.77	\$23	11.0	nm	nm	10.9	1.15	2.98	9.48	29.85	58.19	11.02	1.00	\$210
38.11	82.38	\$23.70	\$8.93	Primarie Financial Partners, Inc.	PNFP	TN	\$21.43	\$159	44.6	35.1	24.4	32.0	4.52	nm	5.99	0.00	65.41	11.28	0.81	\$586
NA	NA	\$30.99	\$29.24	Regions Financial Corporation	RF	AL	\$30.00	\$8,147	12.7	12.6	11.5	nm	1.86	4.45	6.72	50.01	63.20	14.99	1.35	\$49,757
32.10	7.63	\$20.61	\$15.57	Republic Bancorp, Inc.	RBCA	KY	\$20.03	\$359	12.4	11.9	10.9	12.4	1.95	1.54	8.36	31.28	57.42	17.14	1.41	\$2,205
22.33	4.72	\$23.78	\$17.79	S.Y. Bancorp, Inc.	SVI	KY	\$21.53	\$297	16.3	16.1	14.0	16.3	2.78	1.86	9.43	25.76	57.00	18.22	1.66	\$1,128
5.25	(16.59)	\$30.39	\$21.81	Shirley's First National Corporation	SPNC	AR	\$23.00	\$336	14.2	13.8	12.8	13.9	1.48	2.43	6.99	33.95	61.88	10.95	1.08	\$3,371
39.42	16.86	\$40.04	\$27.95	SouthTrust Corporation	SOTR	AL	\$38.26	\$12,721	17.4	16.9	15.3	16.1	2.85	2.51	6.91	40.91	49.92	16.81	1.43	\$52,910
13.99	(8.81)	\$76.65	\$58.40	SunTrust Banks, Inc.	STI	GA	\$65.20	\$18,434	13.2	12.7	11.7	12.4	1.84	3.07	NA	38.46	14.44	1.11	\$728,135	
10.00	(3.21)	\$30.73	\$23.71	Trustmark Corporation	TRMK	MS	\$28.33	\$1,638	13.5	13.5	11.9	nm	2.31	2.68	7.12	35.00	51.80	17.59	1.56	\$8,250
9.58	1.75	\$52.89	\$44.40	UMB Financial Corporation	UMBF	MO	\$48.37	\$1,049	21.0	24.2	17.9	20.6	1.30	1.74	10.80	36.09	81.52	6.15	0.72	\$6,933
2.46	(12.78)	\$33.64	\$18.38	United Security Bancshares, Inc.	USBI	AL	\$25.25	\$162	12.4	nm	nm	2.10	2.85	12.69	34.48	40.65	17.95	2.33	\$580	
5.34	(6.40)	\$49.49	\$40.35	Wachovia Corporation	WB	NC	\$43.61	\$57,102	12.3	11.1	10.4	11.9	1.75	3.67	4.96	42.25	62.26	14.56	1.20	\$418,441
25.74	(1.98)	\$45.18	\$32.89	Whitney Holding Corporation	WTNY	LA	\$40.18	\$1,640	16.5	16.2	14.2	15.6	1.95	3.29	9.75	52.87	61.73	11.77	1.32	\$7,789
18.82	2.29			Average			\$6,431		16.3	15.7	13.7	15.6	1.99	7.88	39.48	61.96	13.56	1.20	\$39,622	
16.09	(0.81)			Median			\$297		15.0	14.8	13.4	14.6	1.86	7.25	38.03	60.77	13.48	1.17	\$1,469	

Source: SWL Financial, L.C.

**Closing Prices as of:
August 6, 2004**

52 Week	YTD	52 Wk High	52 Wk Low	Current Price (\$)	Market Cap (\$B)	P/E LTM	Price/Earnings		Cash EPS	Price/BVPS (t)	Dividend Yield	Equity + Assets	Dividend Payout (%)	Efficiency Ratio (%)	LTM ROE (%)	LTM ROA (%)	Assets (\$B)		
							FY 04	FY 05											
138.11	82.38	\$23.70	\$8.93	\$159	PNEP	TX	44.6	35.1	24.4	42.0	4.52	nm	5.99	0.00	65.41	11.28	0.81	\$586	
(1.71)	(16.48)	\$9.40	\$7.01	\$17	ACME	NY	42.9	nm	nm	27.0	0.94	3.84	8.66	206.88	82.06	2.04	0.20	\$201	
(5.86)	(11.76)	\$19.98	\$14.81	\$105	CAVIB	TN	25.2	nm	nm	24.8	1.92	1.54	10.13	38.71	76.45	7.79	0.85	\$524	
9.80	3.00	\$18.50	\$14.87	\$181	BTFC	AL	21.4	17.0	14.7	nm	1.55	3.15	NA	67.53	65.81	7.46	0.85	\$1,119	
9.58	1.75	\$52.89	\$44.40	\$1,049	UMBF	MO	21.0	24.2	17.9	20.6	1.30	1.74	10.80	36.09	81.52	6.15	0.72	\$6,933	
39.53	19.17	\$12.98	\$3.48	\$6,665	NGF	TN	20.4	17.7	15.9	16.1	2.40	3.05	6.78	46.78	51.01	12.68	1.52	\$3,044	
59.27	50.62	\$30.75	\$15.05	\$48	CPBB	TN	20.1	nm	nm	20.1	2.22	nm	7.45	0.00	59.91	12.39	0.94	\$291	
19.51	6.89	\$10.99	\$15.22	\$599	PEBX	MS	19.8	nm	nm	19.2	1.16	1.90	14.36	32.22	72.90	6.06	0.87	\$596	
35.47	12.03	\$28.35	\$18.68	\$414	OZBK	AR	18.0	16.6	14.4	17.4	4.12	1.27	6.19	18.93	46.93	23.69	1.68	\$1,516	
18.17	8.47	\$57.50	\$47.12	\$879	ALAB	AL	17.5	17.1	15.2	16.6	2.07	2.19	5.98	36.66	63.75	13.92	1.11	\$6,939	
50.23	28.37	\$42.00	\$26.50	\$142	CASS	MO	17.4	17.6	16.8	14.7	2.14	2.17	10.25	34.40	82.47	13.15	1.30	\$604	
39.42	16.86	\$40.04	\$27.95	\$1,212	SOTR	AL	17.4	16.9	15.3	16.1	2.85	2.51	6.91	40.91	49.92	16.81	1.33	\$5,210	
20.34	6.98	\$36.68	\$26.80	\$370	MSL	LA	16.5	16.0	14.3	16.4	3.19	0.71	6.90	16.67	63.05	20.48	1.55	\$477	
25.74	(1.98)	\$45.18	\$25.89	\$1,640	WTNY	LA	16.5	16.2	14.2	15.6	1.95	3.29	9.75	52.76	61.73	11.77	1.32	\$7,789	
22.33	4.72	\$43.78	\$17.79	\$297	SVI	KY	16.3	16.1	14.0	16.3	2.78	1.86	9.43	25.76	57.00	18.22	1.66	\$1,128	
1.81	(4.50)	\$37.09	\$31.15	\$248	FFKT	KY	16.2	15.5	14.8	15.5	1.74	4.06	9.69	65.17	64.76	10.80	1.06	\$1,294	
26.80	6.18	\$32.24	\$23.01	\$943	HBHC	MS	16.1	15.6	14.4	14.6	2.17	1.73	8.32	26.67	57.75	13.57	1.40	\$4,465	
5.97	(9.82)	\$27.56	\$22.88	\$196	NBY	MS	16.0	15.7	14.6	16.4	1.84	3.99	4.81	64.00	62.58	10.99	1.07	\$1,397	
14.98	(5.60)	\$64.03	\$47.50	\$382	IBKC	LA	15.8	14.8	13.4	15.0	1.87	1.87	5.94	27.84	54.24	12.75	1.17	\$2,352	
41.07	21.37	\$32.07	\$19.00	\$386	GSBC	MO	15.7	14.7	13.3	nm	3.07	1.56	NA	22.35	46.19	20.36	1.60	\$1,700	
31.41	9.22	\$44.58	\$30.77	\$2,098	CBSS	AL	15.4	14.8	13.4	15.1	2.75	2.91	NA	42.47	55.61	18.36	1.31	\$27,901	
17.66	(4.43)	\$50.00	\$40.47	\$1,122	CBSH	MO	15.1	14.6	13.5	14.4	2.22	1.96	9.45	28.57	57.95	14.71	1.51	\$4,425	
37.42	15.04	\$41.48	\$27.9	\$54	CLAS	KY	15.0	nm	nm	15.4	1.05	8.08	12.26	60.77	11.63	1.17	\$536		
34.65	8.26	\$19.50	\$16.22	\$2,502	GWB	AL	15.0	14.2	13.0	14.1	1.95	3.09	5.16	45.60	59.02	13.51	0.97	\$1,753	
(4.95)	(0.95)	\$27.01	\$20.50	\$177	GCBS	TN	15.0	nm	nm	14.4	1.67	2.08	7.68	38.31	56.54	12.05	1.10	\$1,125	
7.74	(13.12)	\$17.00	\$13.08	\$77	PBTC	AL	14.9	14.8	13.1	nm	1.04	3.17	8.71	47.31	72.32	7.14	0.67	\$781	
33.94	(7.44)	\$24.75	\$16.05	\$106	CIZ	MS	14.9	16.1	15.7	13.5	1.89	2.84	8.87	41.55	53.90	12.45	1.28	\$568	
34.52	6.66	\$22.00	\$15.06	\$81	AUBN	AL	14.6	13.8	12.8	13.9	1.48	2.43	6.99	33.68	60.79	14.02	1.04	\$608	
5.25	(16.58)	\$30.39	\$21.81	\$23.00	SPNC	AR	14.2	13.8	12.8	13.9	1.48	2.43	6.99	33.68	60.79	14.02	1.04	\$608	
9.93	(4.85)	\$36.55	\$28.80	\$257	PHIC	MS	14.1	13.7	12.6	13.7	1.82	2.45	9.26	34.84	63.59	13.16	1.30	\$1,469	
(22.48)	(17.13)	\$40.00	\$28.00	\$125	EXJF	MO	14.1	nm	nm	13.6	1.40	2.40	7.25	38.03	54.77	10.24	1.05	\$901	
33.01	5.83	\$25.77	\$19.22	\$3,861	HIB	LA	13.9	13.6	12.3	15.2	2.08	3.22	7.01	36.55	50.51	15.88	1.50	\$2,131	
20.65	(0.66)	\$34.30	\$25.50	\$403	CTBI	KY	13.8	13.3	12.4	13.4	1.79	3.07	6.81	41.24	57.78	13.48	1.20	\$2,442	
(10.00)	(3.21)	\$30.73	\$25.71	\$25.71	TRMK	MS	13.5	13.5	11.9	13.4	2.31	2.68	7.12	35.00	51.80	17.59	1.56	\$8,250	
(2.48)	(4.74)	\$20.00	\$16.00	\$35	BKBR	MS	13.5	13.5	12.1	nm	1.18	3.89	NA	52.46	75.60	8.60	0.71	\$379	
(5.71)	(5.67)	\$29.11	\$20.50	\$145	FMFC	MS	13.4	12.8	12.0	13.3	1.32	3.13	8.67	42.02	62.19	9.84	1.01	\$1,094	
0.64	(13.03)	\$24.50	\$19.15	\$1585	BXS	MS	13.3	13.8	12.1	nm	1.86	3.49	NA	45.16	61.28	13.89	1.17	\$10,070	
13.99	(8.81)	\$76.65	\$58.40	\$365.20	STI	GA	13.2	12.7	11.7	12.4	1.84	3.07	NA	38.46	60.36	14.44	1.11	\$128,135	
17.45	(2.41)	\$26.15	\$20.66	\$8,450	ASO	AL	13.1	12.7	11.7	12.5	2.57	4.02	6.23	52.20	51.84	20.08	1.42	\$48,341	
NA	NA	\$30.99	\$29.24	\$5,167	RF	AL	12.7	12.6	11.5	nm	1.86	4.45	6.72	50.01	63.20	14.99	1.35	\$49,157	
2.46	(12.78)	\$33.64	\$18.38	\$25.25	USBI	AL	12.4	nm	nm	nm	nm	2.10	2.85	12.69	34.48	40.65	17.95	2.33	\$580
32.10	7.63	\$20.61	\$15.57	\$359	RBCNA	KY	12.4	11.9	10.9	12.4	1.95	1.54	8.36	31.28	57.42	17.14	1.21	\$2,205	
5.34	(6.40)	\$49.49	\$40.35	\$57,102	WB	NC	12.3	11.1	10.4	11.9	1.75	3.67	4.96	42.25	62.26	14.56	1.20	\$418,441	
(16.74)	1.45	\$32.90	\$22.31	\$92	FFKY	KY	12.1	nm	nm	11.3	1.61	2.86	7.15	34.62	59.80	13.76	1.13	\$692	
8.44	(2.04)	\$48.65	\$18.34	\$43.20	FHN	TN	11.8	11.4	10.4	11.1	2.80	3.70	6.30	41.35	68.69	25.56	1.82	\$37,290	
8.35	4.33	\$86.00	\$72.45	\$33.91	BAC	NC	11.3	11.5	10.5	10.2	1.78	4.29	4.74	44.35	52.57	20.37	1.38	\$1,037,202	
18.52	3.53	\$23.55	\$18.81	\$22.00	HFB	KY	11.2	nm	nm	1.19	2.27	9.33	25.38	63.00	10.48	0.97	\$257		
16.66	(11.40)	\$18.50	\$12.95	\$14.77	PLE	AL	11.0	nm	nm	10.9	1.15	2.98	9.48	29.83	58.19	11.02	1.00	\$210	
(6.74)	(25.18)	\$9.29	\$6.13	\$6.36	TBNC	AL	8.7	26.5	16.7	2.7	1.20	nm	6.38	0.00	105.15	14.00	1.12	\$1,288	
18.82	2.29				Average		16.3	15.7	13.7	15.6	2.71	7.88	3.86	61.96	13.56	1.20	\$39,622		
16.09	(0.81)				Median		15.0	14.8	13.4	14.6	1.86	2.84	7.25	38.03	13.48	1.17	\$1,469		

52 Week Perf (%)	YTD Perf (%)	52 Wk High (\$)	52 Wk Low (\$)	Company Name	Ticker	State	Current Price (\$)	Market Cap (\$M)	Price / Earnings			Price/ BVPs (\$)	Dividend Yield (%)	Tangible Equity + Assets (%)	Efficiency Ratio (%)	LTM ROE (%)	LTM ROA (%)	Assets (\$M)								
									FM 04	FM 05	Cash EPS															
138.11	82.38	\$23.70	\$8.93	Pinnacle Financial Partners, Inc.	PNFP	TN	\$21.43	\$159	44.6	35.1	24.4	42.0	4.52	nm	5.99	0.00	65.41	11.28	0.81	\$586						
35.47	12.03	\$28.35	\$18.08	Bank of the Ozarks, Inc.	OZBK	AR	\$25.24	\$414	18.0	16.6	14.4	17.4	4.12	0.77	6.19	18.93	46.93	23.69	1.68	\$1,516						
20.34	6.98	\$36.68	\$26.80	MidSouth Bancorp, Inc.	MSL	LA	\$33.70	\$108	16.5	16.0	14.3	16.4	4.19	1.21	6.90	16.67	63.05	20.48	1.55	\$477						
41.07	21.37	\$42.07	\$19.00	Great Southern Bancorp, Inc.	GSBC	MO	\$38.16	\$386	15.7	14.7	13.3	nm	3.07	1.56	NA	22.35	46.19	20.36	1.60	\$1,700						
39.42	16.86	\$22.04	\$27.95	South Trust Corporation	SOTR	LA	\$38.26	\$12,721	17.4	16.9	15.3	16.1	2.85	2.51	6.91	40.91	49.92	16.81	1.43	\$55,910						
8.44	(2.04)	\$48.65	\$38.34	First Horizon National Corporation	FHN	TN	\$43.20	\$5,335	11.8	11.4	10.4	11.1	2.80	3.70	6.30	41.10	68.69	25.46	1.52	\$27,290						
22.33	4.72	\$23.78	\$17.79	S.Y. Bancorp, Inc.	SYI	KY	\$21.53	\$297	16.3	16.1	14.0	16.3	2.78	1.86	9.43	25.76	57.00	18.22	1.66	\$1,128						
33.41	9.22	\$44.38	\$30.77	Compass Bancshares, Inc.	CBSS	AL	\$47.98	\$5,269	15.4	14.8	13.4	15.1	2.76	2.91	NA	42.47	55.61	18.36	1.31	\$27,901						
17.45	(0.24)	\$26.15	\$20.66	AonSouth Bancorporation	ASO	AL	\$32.91	\$8,450	13.1	12.7	11.7	12.5	2.57	4.02	6.23	52.20	53.84	20.08	1.42	\$48,341						
39.53	19.17	\$31.98	\$23.48	National Commerce Financial Corporation	NCF	TN	\$32.51	\$6,665	20.4	17.7	15.9	16.1	2.40	3.05	6.76	46.76	51.01	12.68	1.52	\$24,044						
10.50	(3.21)	\$30.73	\$25.71	Trustmark Corporation	TRMK	MS	\$28.33	\$1,638	13.5	13.5	11.9	nm	2.31	2.68	7.12	35.00	51.80	17.59	1.56	\$8,250						
59.27	50.62	\$30.75	\$19.05	Capital Bancorp, Inc.	CPBB	TN	\$30.50	\$48	20.1	nm	nm	20.1	2.22	nm	7.43	0.00	59.91	12.39	0.94	\$291						
17.66	(4.43)	\$50.00	\$40.47	Commerce Bancshares, Inc.	CBSH	MO	\$46.85	\$3,122	15.1	14.6	13.5	14.4	2.22	1.96	9.45	28.57	57.95	14.71	1.53	\$14,425						
26.80	6.18	\$32.24	\$23.01	Hancock Holding Company	HBHC	MS	\$28.97	\$943	16.1	15.6	14.4	14.6	2.17	1.73	8.32	26.67	57.75	13.57	1.40	\$4,465						
30.23	28.37	\$42.00	\$26.50	Cass Information Systems, Inc.	CASS	MO	\$38.64	\$142	17.4	17.6	16.8	14.7	2.14	2.17	10.25	34.40	82.47	13.15	1.30	\$604						
2.46	(12.78)	\$33.64	\$18.38	United Security Bancshares, Inc.	USBI	AL	\$35.25	\$162	12.4	nm	nm	nm	2.10	2.85	12.69	34.48	49.65	17.95	2.33	\$3580						
33.01	5.83	\$25.77	\$19.22	Hibernia Corporation	HIB	LA	\$24.88	\$3,861	13.9	13.6	12.3	15.2	2.08	3.22	7.01	38.55	50.51	15.88	1.50	\$21,311						
18.17	8.47	\$27.40	\$47.12	Ashland National Banc Corporation	ALAB	AL	\$51.80	\$879	17.5	17.1	15.2	16.6	2.67	2.19	5.98	36.66	63.75	13.92	1.11	\$4,939						
32.10	7.63	\$20.61	\$15.57	Republic Bancorp, Inc.	RBCA	KY	\$20.03	\$359	12.4	11.9	10.9	12.4	1.95	1.54	8.36	31.28	57.42	17.14	1.41	\$2,205						
34.65	8.26	\$19.50	\$14.22	Colonial BancGroup, Inc.	CNB	AL	\$18.75	\$2,402	15.0	14.2	13.0	14.1	1.95	3.09	5.16	45.60	59.02	13.51	0.97	\$17,593						
25.74	(1.98)	\$45.18	\$32.89	Whitney Holding Corporation	WTNY	LA	\$40.18	\$1,640	16.5	16.2	14.2	15.6	1.86	3.29	9.75	52.87	61.73	11.77	1.32	\$7,889						
(5.86)	(19.76)	\$19.98	\$14.81	Cavalry Bancorp, Inc.	QAVB	TN	\$15.60	\$105	25.7	nm	nm	24.8	1.92	1.54	10.13	38.71	76.45	7.79	0.85	\$5524						
33.94	(7.44)	\$24.75	\$16.05	Citizens Holding Company	CIZ	MS	\$21.15	\$106	14.9	16.1	15.7	13.5	1.89	2.84	8.87	41.55	53.90	12.45	1.28	\$568						
14.98	(5.66)	\$65.03	\$47.50	IBERUS BANK Corporation	IBKC	LA	\$55.66	\$382	15.3	14.3	13.4	15.0	1.87	1.87	5.98	27.84	54.24	12.75	1.17	\$2,353						
34.52	6.66	\$22.00	\$15.06	Regions National Bancorporation, Inc.	AUBN	AL	\$20.98	\$81	14.6	nm	nm	13.1	1.86	2.48	7.19	31.68	60.79	14.99	1.04	\$608						
NA	NA	\$30.99	\$29.24	Regions Financial Corporation	RF	AL	\$30.00	\$8,147	12.7	12.6	11.5	nm	1.86	4.45	6.72	50.01	63.20	14.99	1.35	\$40,757						
0.64	(13.03)	\$24.50	\$19.35	BancorpSouth, Inc.	BXS	MS	\$20.63	\$1,585	13.3	13.8	12.1	16.4	1.84	3.49	NA	45.16	61.28	13.89	1.17	\$106,70						
5.97	(8.82)	\$27.56	\$22.88	NBC Capital Corporation	NBY	MS	\$23.05	\$196	16.0	15.7	14.6	16.4	1.84	3.99	4.81	60.00	62.58	10.99	1.07	\$51,397						
13.99	(8.81)	\$76.65	\$58.40	Sun Trust Banks, Inc.	STI	GA	\$65.20	\$18,434	13.2	12.7	11.7	12.4	1.84	3.07	NA	38.46	60.36	14.44	1.11	\$128,135						
9.93	(4.85)	\$56.53	\$28.80	Peoples Holding Company	PHC	KY	\$31.40	\$257	14.1	13.7	12.6	13.7	1.82	2.55	9.26	31.84	63.59	13.16	1.30	\$1,469						
20.63	(0.66)	\$34.30	\$25.50	Community Trust Bancorp, Inc.	CTBI	KY	\$30.00	\$403	13.8	13.3	12.4	13.4	1.79	3.07	6.81	41.24	57.78	13.48	1.20	\$2,130						
8.35	4.33	\$86.00	\$72.45	Bank of America Corporation	BAC	NC	\$83.91	\$170,449	11.3	11.5	10.5	10.2	1.78	4.29	4.73	44.35	52.57	20.37	1.38	\$103,202						
5.34	(6.40)	\$49.49	\$40.35	Wachovia Corporation	WVB	NC	\$43.61	\$57,102	12.3	11.1	10.4	11.9	1.75	3.67	4.96	42.25	62.26	14.56	1.20	\$418,441						
4.81	(4.50)	\$73.99	\$71.15	Farmers Capital Bank Corporation	FFCT	KY	\$32.48	\$219	16.2	15.5	14.8	15.5	1.74	4.06	9.65	65.17	64.76	10.80	1.06	\$1,294						
(4.95)	(0.95)	\$27.01	\$20.50	Greene County Bancshares, Inc.	GCBS	TN	\$32.06	\$177	15.0	nm	nm	14.4	1.67	2.08	7.68	38.31	56.54	12.05	1.10	\$1,125						
(16.74)	1.45	\$27.90	\$22.23	First Financial Service Corporation	FFKS	KY	\$25.31	\$92	12.1	nm	nm	11.3	1.61	2.86	7.15	34.62	59.80	13.76	1.13	\$692						
9.80	3.00	\$18.50	\$14.87	Bank Trust Financial Group, Inc.	BTFG	AL	\$16.50	\$181	21.4	17.0	14.7	nm	1.56	3.15	NA	67.53	65.81	7.46	0.85	\$1,119						
37.42	15.04	\$41.48	\$27.91	Classic Bancshares, Inc.	CLAS	KY	\$38.25	\$54	15.0	nm	nm	nm	1.54	1.05	8.08	12.26	60.77	11.63	1.17	\$336						
5.25	(6.58)	\$30.39	\$21.81	Simmons First National Corporation	SFNC	AR	\$33.6	\$336	14.2	13.8	12.8	13.9	1.48	2.43	6.99	33.95	61.88	10.95	1.08	\$2,371						
(22.48)	(17.63)	\$28.00	\$28.00	Exchange National Bancshares, Inc.	ENBF	MO	\$30.00	\$145	14.1	13.7	12.6	13.6	1.40	2.40	7.25	36.03	54.77	10.24	1.05	\$901						
(5.71)	(15.01)	\$30.11	\$30.50	First M & F Corporation	FMEC	MS	\$31.96	\$145	13.4	12.8	12.0	13.3	1.32	3.13	8.67	42.02	62.19	9.84	1.01	\$1,094						
9.38	1.75	\$32.89	\$44.40	UMB Financial Corporation	UMBF	MO	\$48.37	\$1,049	21.0	24.2	17.9	20.6	1.30	1.74	10.80	36.09	81.52	6.15	0.72	\$6,033						
(6.74)	(25.18)	\$9.29	\$6.13	Bank Corporation	TBNC	AL	\$6.36	\$113	8.7	26.5	16.7	2.7	1.19	nm	6.38	0.00	105.15	14.00	1.12	\$1,288						
18.52	3.53	\$22.55	\$18.81	HFB Financial Corporation	HFBA	KY	\$22.00	\$29	11.2	nm	nm	nm	1.20	1.27	9.33	25.38	63.00	10.48	0.97	\$257						
(2.48)	(4.74)	\$20.00	\$16.00	Britton & Keeler Capital Corporation	BKKB	MS	\$16.45	\$35	13.5	13.5	12.1	nm	1.18	3.89	NA	52.46	75.60	8.60	0.71	\$379						
(5.51)	6.89	\$13.59	\$15.22	Peoples Financial Corporation	PFBK	MS	\$17.88	\$99	19.8	nm	nm	19.2	1.16	1.90	14.36	32.22	72.90	6.06	0.87	\$596						
16.66	(11.40)	\$18.50	\$12.95	Pinnacle Bancshares, Inc.	PLE	AL	\$14.77	\$23	11.0	nm	nm	10.9	1.15	2.98	9.48	29.85	58.19	11.02	1.00	\$210						
0.74	(4.12)	\$17.00	\$13.08	Peoples Bank Trust Company, Inc. (The)	PBTC	AL	\$13.90	\$77	14.9	14.8	13.1	nm	0.94	3.17	8.71	37.32	72.32	7.14	0.67	\$781						
(3.71)	(16.48)	\$9.80	\$7.01	Acme Bancshares	ACME	XV	\$7.30	\$17	42.9	nm	nm	27.0	1.04	3.84	8.66	205.88	82.05	2.04	0.30	\$201						
																			Average	2.71	7.88	39.48	61.96	13.56	1.37	\$3,622
16.89	(0.81)			Median				\$297	15.0	14.8	13.4	14.6	1.86	2.84	7.25	36.03	60.77	13.48	1.17	\$1,469						

52 Week Perf	YTD Perf	52 Wk High	52 Wk Low	Current Price	Market Cap	Price / Earnings			Price/ Cash	Price/ BVPS	Dividend Yield	Tangible Equity + Assets			Efficiency Ratio	LTM ROE	LTM ROA	Assets (\$M)							
						LTM	FY 04	FY 05				Assets	Payout	(%)											
NA	NA	\$30.99	\$29.24	\$30.00	\$8,147	12.7	12.6	11.5	nm	1.86	4.45	6.72	50.01	63.20	14.99	1.35	\$49,757								
8.35	4.33	\$86.00	\$72.45	\$83.91	\$170,449	11.3	11.5	10.5	10.2	1.78	4.39	4.74	44.35	52.57	20.37	1.36	\$1,027,002								
4.81	4.50	\$37.99	\$31.15	\$32.48	\$719	16.2	15.5	14.8	15.5	1.74	4.06	9.69	63.17	64.76	10.80	1.06	\$1,294								
17.45	(2.41)	\$26.15	\$20.66	\$23.91	\$8,450	13.1	12.7	11.7	12.5	2.57	4.02	6.23	52.30	54.34	20.08	1.42	\$48,341								
5.97	(9.82)	\$27.56	\$22.88	\$24.05	\$106	16.0	15.7	14.6	16.4	1.84	3.99	4.81	64.00	62.58	10.99	1.07	\$1,597								
(2.48)	(4.73)	\$20.00	\$16.00	\$16.45	\$35	13.5	13.5	12.1	nm	1.18	3.89	NA	52.46	75.60	8.60	0.71	\$579								
(4.71)	(16.48)	\$9.80	\$7.01	\$7.30	\$17	42.9	nm	nm	27.0	0.94	3.84	8.66	205.88	82.05	2.04	0.20	\$201								
8.44	(2.04)	\$48.65	\$38.36	\$43.20	\$5,335	11.8	11.4	10.4	11.1	2.80	3.70	6.30	41.10	68.69	25.56	1.31	\$27,560								
5.34	(6.40)	\$49.49	\$40.35	\$43.61	\$57,102	12.3	11.1	10.4	11.9	1.75	3.67	4.96	42.25	62.26	14.56	1.20	\$418,441								
0.64	(13.03)	\$24.50	\$19.35	\$20.63	\$1,585	13.3	13.8	12.1	nm	1.86	3.49	NA	45.16	61.28	13.89	1.17	\$1,020,700								
25.74	(1.98)	\$45.18	\$32.89	\$40.18	\$1,640	16.5	16.2	14.2	15.6	1.95	3.49	9.75	52.87	61.73	11.77	1.32	\$27,889								
33.01	5.83	\$25.77	\$19.22	\$24.88	\$3,861	13.9	13.6	12.3	15.2	2.08	3.22	7.01	38.55	50.51	15.88	1.50	\$21,311								
0.74	(13.12)	\$17.00	\$13.08	\$16.90	\$77	14.9	14.8	13.1	nm	1.04	3.17	8.71	47.31	72.32	7.14	0.67	\$781								
9.30	3.00	\$18.50	\$14.87	\$16.50	\$181	21.4	17.0	14.7	nm	1.55	3.15	NA	67.53	65.81	7.46	0.85	\$1,119								
(5.71)	(15.67)	\$39.11	\$30.50	\$31.96	\$145	13.4	12.8	12.0	13.3	1.32	3.13	8.67	42.02	62.19	9.84	1.01	\$1,094								
34.65	8.26	\$19.50	\$14.22	\$18.75	\$7,502	15.0	14.5	13.0	14.1	1.95	3.09	NA	51.6	45.60	59.02	13.51	\$27,593								
13.99	(8.81)	\$76.65	\$58.40	\$65.20	\$18,434	13.2	12.7	11.7	12.4	1.84	3.07	NA	38.46	60.36	14.44	1.11	\$128,155								
20.65	(0.66)	\$34.30	\$25.50	\$30.00	\$403	13.8	13.3	12.4	13.4	1.79	3.07	6.81	41.24	57.78	13.48	1.20	\$2,442								
39.53	19.17	\$32.98	\$23.48	\$32.51	\$6,665	20.4	17.7	15.9	16.1	2.40	3.05	6.78	46.78	51.01	12.68	1.52	\$24,044								
16.66	(11.40)	\$18.50	\$12.95	\$14.77	\$23	11.0	nm	nm	10.9	1.15	2.98	9.48	29.85	58.19	11.02	1.00	\$2,10								
31.41	9.22	\$44.58	\$30.77	\$42.98	\$5,269	15.4	14.8	13.4	15.1	2.75	2.91	NA	42.47	55.61	18.36	1.31	\$27,901								
(16.74)	1.45	\$32.90	\$22.23	\$25.21	\$92	12.1	nm	nm	11.3	1.61	2.86	7.15	34.62	59.80	13.76	1.13	\$692								
2.46	(12.78)	\$33.64	\$18.38	\$25.25	\$162	12.4	nm	nm	nm	2.10	2.85	12.69	34.48	49.65	17.95	2.33	\$580								
33.94	(7.44)	\$24.75	\$16.05	\$21.15	\$106	14.9	16.1	15.7	13.5	1.89	2.84	8.87	41.55	53.90	12.45	1.28	\$3568								
10.90	(3.21)	\$20.73	\$25.71	\$28.80	\$1,638	13.5	13.5	11.9	nm	2.31	2.68	7.12	35.00	51.80	17.59	1.56	\$8,250								
9.95	(4.85)	\$36.55	\$28.80	\$31.40	\$257	14.1	13.7	12.6	13.7	1.82	2.55	9.26	34.84	63.59	13.16	1.30	\$1,469								
39.42	16.86	\$40.04	\$27.95	\$38.26	\$12,721	17.4	16.9	15.3	16.1	2.85	2.51	6.91	40.91	49.92	16.81	1.43	\$52,910								
5.25	(16.58)	\$30.39	\$21.81	\$23.00	\$336	14.2	13.8	12.8	13.9	1.48	2.43	6.99	33.95	61.88	10.95	1.08	\$2,371								
(22.48)	(17.13)	\$40.00	\$28.00	\$30.00	\$125	14.1	nm	nm	13.6	1.40	2.40	7.25	38.03	54.77	10.24	1.05	\$901								
34.52	6.66	\$22.00	\$15.06	\$20.98	\$81	14.6	nm	nm	13.1	1.86	2.38	7.19	33.68	60.79	14.02	1.04	\$608								
18.52	3.53	\$23.55	\$18.11	\$22.00	\$29	11.2	nm	nm	nm	1.19	2.27	9.33	25.38	63.00	10.48	0.97	\$257								
18.17	8.47	\$57.50	\$47.12	\$57.00	\$879	17.5	17.1	15.2	16.6	2.07	2.19	5.98	36.66	63.75	13.92	1.11	\$4,939								
30.23	28.37	\$42.00	\$26.50	\$38.64	\$142	17.4	17.6	16.8	14.7	2.14	2.17	10.25	34.84	62.45	13.15	1.30	\$604								
(4.95)	(0.95)	\$27.01	\$20.50	\$23.06	\$177	15.0	nm	nm	14.4	1.67	2.08	7.65	38.31	56.54	12.05	1.10	\$1,125								
17.66	(4.43)	\$50.00	\$40.47	\$46.85	\$3,122	15.1	14.6	13.5	14.4	2.22	1.96	9.45	28.57	57.95	14.71	1.33	\$14,423								
15.51	6.89	\$19.59	\$15.22	\$17.85	\$99	19.8	nm	nm	19.2	1.16	1.90	14.36	32.22	72.90	6.06	0.87	\$556								
14.98	(5.66)	\$64.03	\$47.50	\$55.66	\$382	15.8	14.8	13.4	15.0	1.87	1.87	5.94	27.84	54.24	12.75	1.17	\$2,352								
22.31	4.72	\$23.78	\$17.79	\$21.51	\$297	16.3	16.1	14.0	16.3	2.78	1.86	9.41	25.76	57.00	18.22	1.66	\$1,126								
9.58	1.75	\$52.89	\$44.40	\$48.37	\$1,049	21.0	24.2	17.9	20.6	1.30	1.74	10.80	36.09	81.52	6.15	0.72	\$6,933								
26.80	6.18	\$32.74	\$23.01	\$28.97	\$343	16.1	15.6	14.4	14.6	2.17	1.73	8.32	27.67	57.75	13.57	1.40	\$4,465								
41.07	21.37	\$32.07	\$19.00	\$28.14	\$15.60	15.7	14.7	13.3	nm	3.07	1.56	NA	22.35	46.19	20.36	1.60	\$1,700								
(5.86)	(11.76)	\$19.98	\$14.81	\$15.60	\$309	25.2	nm	nm	24.8	1.92	1.54	10.13	38.71	76.45	7.79	0.85	\$526								
32.10	7.63	\$20.61	\$15.57	\$20.61	\$1,019	12.4	11.9	10.9	12.4	1.95	1.54	8.36	31.28	57.42	17.14	1.41	\$2,205								
35.47	12.03	\$28.35	\$18.68	\$25.24	\$414	18.0	16.6	14.4	17.4	4.12	1.27	6.19	48.93	46.93	23.69	1.68	\$1,516								
37.42	15.04	\$41.48	\$27.91	\$38.25	\$54	15.0	nm	nm	15.4	1.54	1.85	8.08	12.26	60.77	11.63	1.17	\$336								
20.34	6.98	\$36.68	\$26.80	\$33.70	\$108	16.5	16.0	14.3	16.4	3.19	0.71	6.90	16.67	63.05	20.48	1.35	\$477								
59.27	50.62	\$30.75	\$19.05	\$30.50	\$48	20.1	nm	nm	20.1	2.22	nm	7.45	0.00	59.91	12.39	0.91	\$291								
(6.74)	(25.18)	\$9.29	\$6.13	\$6.36	\$113	8.7	26.53	16.7	2.7	1.20	nm	6.38	0.00	105.15	14.00	1.12	\$1,288								
138.11	82.38	\$23.70	\$8.93	\$21.43	\$159	44.6	35.1	24.4	42.0	4.52	nm	5.99	0.00	65.41	11.28	0.81	\$586								
																			2.71	7.88	39.48	61.96	13.56	1.20	\$39,622
18.82	2.29																		7.88	7.25	38.03	60.77	13.48	1.17	\$1,469
16.09	(0.81)																		2.84	7.25	38.03	60.77	13.48	1.17	\$1,469

SOUTHEAST BANK GROUP
Sorted by Tangible Equity to Assets

Moore Capital Financial Institutions Group
Equity Research

Closing Prices as of:
August 6, 2004

52 Week	YTD	52 Wk	52 Wk	52 Wk	Company Name	Ticker	State	Current	Market	Price/	Price/Earnings	Dividend	Tangible	Dividend	Efficiency	LTM	LTM	Assets		
Perf (%)	Perf (%)	High	Low	Low				Price (\$)	Cap (\$M)	Cash	FY 04	Yield (%)	Equity + Assets (%)	Yield (%)	Ratio	ROE (%)	ROA (%)	(GM)		
15.51	6.89	\$19.59	\$15.22	\$15.22	Peoples Financial Corporation	PFBX	MS	\$17.85	\$99	nm	nm	19.2	1.16	1.90	32.22	72.90	6.06	0.87	\$596	
2.46	(12.78)	\$33.64	\$18.38	\$18.38	United Security Bancshares, Inc.	USBI	AL	\$25.25	\$162	nm	nm	nm	2.10	2.85	34.48	49.65	17.95	2.53	\$550	
9.58	1.75	\$32.89	\$44.40	\$44.40	UMB Financial Corporation	UMBF	MO	\$43.37	\$1,049	21.0	24.2	17.9	20.6	1.74	36.09	81.52	6.15	0.72	\$6,933	
50.23	28.37	\$42.00	\$26.50	\$26.50	Cais Information Systems, Inc.	CASS	MO	\$38.64	\$142	17.4	17.6	16.8	14.7	2.14	10.25	82.47	13.15	1.30	\$604	
(5.86)	(11.76)	\$19.98	\$14.81	\$14.81	Cavalry Bancorp, Inc.	CAVB	TN	\$15.60	\$105	25.2	nm	24.8	1.54	1.54	38.71	76.45	7.79	0.85	\$524	
25.74	(1.98)	\$35.18	\$32.89	\$32.89	Whitney Holding Corporation	WTNY	LA	\$40.15	\$1,640	16.5	16.2	14.2	15.6	1.95	32.92	61.73	11.77	1.32	\$2,759	
4.81	(4.50)	\$37.99	\$31.15	\$31.15	Farmers Capital Bank Corporation	FRKT	KY	\$32.48	\$219	16.2	15.5	14.8	15.5	1.74	4.06	64.76	10.80	1.06	\$1,294	
16.66	(11.40)	\$18.50	\$12.95	\$12.95	Pinnaacle Bancshares, Inc.	PLE	AL	\$14.77	\$23	11.0	nm	nm	10.9	1.15	2.98	29.85	58.19	11.02	1.00	\$210
17.66	(4.43)	\$50.00	\$40.47	\$40.47	Commerce Bancshares, Inc.	CBSH	MO	\$46.85	\$3,122	15.1	14.6	13.5	14.4	2.22	1.96	28.57	57.95	14.71	1.53	\$14,425
22.33	4.72	\$23.78	\$17.79	\$17.79	S.V. Bancorp, Inc.	SVL	KY	\$21.53	\$297	16.3	16.1	14.0	16.3	2.78	9.43	25.76	57.00	18.22	1.66	\$1,128
18.52	3.53	\$21.55	\$18.81	\$18.81	HFBC Financial Corporation	HFBC	KY	\$22.00	\$29	11.2	nm	nm	nm	1.19	2.27	25.38	63.00	10.48	0.97	\$257
9.93	(4.85)	\$36.55	\$28.80	\$28.80	Peoples Holding Company	PHC	MS	\$31.40	\$257	14.1	13.7	12.6	13.7	1.82	9.26	34.84	63.59	13.16	1.30	\$1,469
33.94	(7.44)	\$24.75	\$16.05	\$16.05	Citizens Holding Company	CIZ	MS	\$21.15	\$106	14.9	16.1	15.7	13.5	1.89	8.87	41.55	53.90	12.45	1.28	\$568
0.74	(13.12)	\$17.00	\$13.08	\$13.08	Peoples Banc Trust Company, Inc. (The)	PBTC	AL	\$13.90	\$77	14.9	14.3	13.1	nm	1.04	8.71	47.31	72.32	7.14	0.67	\$781
(5.71)	(15.67)	\$39.11	\$30.30	\$30.30	First M & F Corporation	FMFC	MS	\$31.96	\$145	13.4	12.8	12.0	13.3	1.32	8.67	42.02	62.19	9.84	1.01	\$1,094
(3.71)	(16.48)	\$9.80	\$7.01	\$7.01	Acme Bancshares	ACME	KY	\$7.30	\$17	42.9	nm	nm	27.0	0.94	8.66	205.88	82.05	2.04	0.20	\$291
32.10	7.63	\$20.61	\$15.57	\$15.57	Republic Bancorp, Inc.	RBCA	KY	\$20.03	\$359	12.4	11.9	10.9	12.4	1.95	8.16	31.28	57.42	17.14	1.41	\$2,205
26.80	6.18	\$32.24	\$23.01	\$23.01	Hancock Holding Company	HBHC	MS	\$28.97	\$943	16.1	15.6	14.4	14.6	2.17	8.32	26.07	57.75	13.57	1.40	\$4,465
37.42	15.04	\$41.48	\$27.91	\$27.91	Classic Bancshares, Inc.	CLAS	KY	\$38.25	\$54	15.0	nm	nm	nm	1.54	8.08	12.26	60.77	11.63	1.17	\$316
(4.95)	(0.95)	\$27.01	\$20.50	\$20.50	Greene County Bancshares, Inc.	GCBS	TN	\$23.06	\$177	15.0	nm	nm	14.4	1.67	7.68	38.31	56.54	12.05	1.10	\$1,125
59.27	50.62	\$30.75	\$19.05	\$19.05	Capital Bancorp, Inc.	CPBB	TN	\$30.50	\$48	20.1	nm	2.22	nm	2.22	7.45	0.00	59.91	12.39	0.94	\$291
(22.48)	(17.13)	\$40.00	\$28.00	\$28.00	Exchange National Bancshares, Inc.	ENB	MO	\$30.00	\$125	14.1	nm	nm	13.6	1.40	7.25	38.03	54.77	10.24	1.05	\$991
34.52	6.66	\$22.00	\$15.06	\$15.06	Aburn National Bancorporation, Inc.	AUBN	AL	\$20.98	\$81	14.6	nm	nm	13.1	1.86	7.19	31.68	60.79	14.02	1.04	\$608
(16.74)	1.45	\$32.90	\$25.71	\$25.71	First Financial Service Corporation	FFKY	KY	\$25.21	\$92	12.1	nm	nm	11.3	2.36	7.15	34.62	59.80	13.76	1.13	\$692
10.00	(3.21)	\$30.73	\$25.71	\$25.71	Trustmark Corporation	TRMK	MS	\$28.33	\$1,638	13.5	13.5	11.9	nm	2.31	7.12	35.00	51.80	17.59	1.56	\$8,250
33.01	5.83	\$25.77	\$19.22	\$19.22	Hibernia Corporation	HIB	LA	\$24.85	\$3,861	13.9	13.6	12.3	15.2	2.08	7.01	38.55	50.51	15.88	1.50	\$21,311
5.25	(16.58)	\$30.30	\$21.81	\$21.81	Simmons First National Corporation	SFNC	AR	\$32.00	\$316	14.2	13.8	12.8	13.9	1.48	6.99	31.95	61.88	10.95	1.08	\$2,371
39.42	16.86	\$40.04	\$27.95	\$27.95	SouthTrust Corporation	SOTR	AL	\$38.26	\$12,771	17.4	16.9	15.3	16.1	2.85	6.91	40.91	49.92	16.81	1.43	\$52,910
20.34	6.98	\$36.68	\$26.80	\$26.80	MidSouth Bancorp, Inc.	MSL	LA	\$33.70	\$108	16.5	16.0	14.3	16.4	3.19	6.90	16.67	63.05	20.48	1.55	\$477
20.65	(0.66)	\$34.30	\$25.50	\$25.50	Community Trust Bancorp, Inc.	CTBI	KY	\$30.00	\$403	13.8	13.3	12.4	13.4	1.79	6.81	41.24	57.78	13.48	1.20	\$2,442
39.53	19.17	\$32.98	\$23.48	\$23.48	National Commerce Financial Corporation	NCF	TN	\$32.51	\$6,665	20.4	17.7	15.9	16.1	2.40	6.78	46.78	51.01	12.68	1.52	\$24,044
NA	NA	\$29.94	\$29.14	\$29.14	Regions Financial Corporation	RF	AL	\$30.00	\$8,147	12.7	12.6	11.5	nm	1.86	6.72	50.01	63.20	14.99	1.35	\$49,757
(6.74)	(25.18)	\$9.29	\$6.13	\$6.13	Banc Corporation	TBNC	AL	\$6.36	\$113	8.7	26.5	16.7	2.7	1.20	6.38	0.00	105.15	14.00	1.12	\$1,288
8.44	(2.04)	\$48.65	\$38.34	\$38.34	First Horizon National Corporation	FHN	TN	\$43.20	\$5,335	11.8	11.4	10.4	11.1	2.80	6.30	41.10	68.69	25.56	1.82	\$22,290
17.45	(2.41)	\$26.15	\$20.66	\$20.66	AmSouth Bancorporation	ASO	AL	\$23.91	\$8,450	13.1	12.7	11.7	12.5	2.57	6.23	52.20	53.84	20.08	1.42	\$48,341
35.47	12.03	\$28.35	\$18.68	\$18.68	Bank of the Ozarks, Inc.	OZBK	AR	\$25.24	\$114	18.0	16.6	14.4	17.4	4.12	6.19	18.93	46.93	23.69	1.68	\$15,116
138.11	82.38	\$23.70	\$8.93	\$8.93	Pinnacle Financial Partners, Inc.	PNFP	TN	\$21.43	\$159	44.6	35.1	24.4	42.0	4.52	5.99	0.00	65.41	11.28	0.81	\$586
18.17	8.47	\$57.50	\$47.12	\$47.12	Alabama National Bancorporation	ALAB	AL	\$57.00	\$879	17.1	15.2	16.6	2.07	2.19	5.98	36.66	63.75	13.92	1.11	\$4,939
14.98	(5.66)	\$64.03	\$47.50	\$47.50	IBERIABANK Corporation	IBKC	LA	\$55.66	\$382	15.8	14.8	13.4	15.0	1.87	5.94	27.84	54.24	12.75	1.17	\$2,352
34.65	8.28	\$19.50	\$14.22	\$14.22	Colonial BancGroup, Inc.	CNB	AL	\$18.75	\$2,592	15.0	14.2	13.0	14.1	1.95	5.16	45.60	59.02	13.51	0.97	\$17,593
5.34	(6.40)	\$49.49	\$40.35	\$40.35	Wachovia Corporation	WB	NC	\$43.61	\$57,102	12.3	11.1	10.4	11.9	1.75	4.96	42.25	62.26	14.56	1.20	\$418,441
5.97	(9.82)	\$27.56	\$22.88	\$22.88	NBC Capital Corporation	NBY	MS	\$27.56	\$196	16.0	15.7	14.6	16.4	1.84	4.81	64.00	62.58	10.99	1.07	\$1,397
8.35	4.33	\$86.00	\$72.45	\$72.45	Bank of America Corporation	BAC	NC	\$83.91	\$170,449	11.3	11.5	10.5	10.2	1.78	4.74	44.35	52.57	20.37	1.38	\$1,037,202
(2.48)	(4.74)	\$20.00	\$16.00	\$16.00	Bruton & Keon Capital Corporation	BKBC	MS	\$16.15	\$35	13.5	13.5	12.1	nm	1.18	3.89	52.46	75.60	8.60	0.71	\$379
0.64	(13.03)	\$24.50	\$19.35	\$19.35	BancorpSouth, Inc.	BXS	MS	\$23.63	\$1,585	13.3	13.8	12.1	nm	1.86	3.49	45.16	61.28	13.89	1.17	\$10,670
33.41	9.22	\$44.38	\$30.77	\$30.77	Compass Bancshares, Inc.	CBSB	AL	\$42.98	\$5,269	15.4	14.8	13.4	15.1	2.75	2.91	42.47	55.61	18.36	1.31	\$21,901
41.07	21.37	\$32.07	\$19.00	\$19.00	Great Southern Bancorp, Inc.	GSBC	MO	\$28.14	\$386	15.7	14.7	13.3	nm	3.07	2.56	22.35	46.19	20.36	1.60	\$1,700
13.99	(8.81)	\$76.65	\$58.40	\$58.40	First Trust Banks, Inc.	FTI	GA	\$65.20	\$18,434	13.2	12.7	11.7	12.4	1.84	3.07	38.46	60.56	14.44	1.11	\$128,135
9.80	3.00	\$18.50	\$14.87	\$14.87	BancTrust Financial Group, Inc.	BTFG	AL	\$16.50	\$181	21.4	17.0	14.7	nm	1.55	3.15	67.53	65.81	7.46	0.85	\$1,119
18.82	2.29				Average			\$6,431	16.3	15.7	13.7	15.6	1.99	2.71	39.48	61.96	13.56	1.20	\$39,622	
16.09	(0.81)				Median			\$297	15.0	14.8	13.4	14.6	1.86	2.84	38.03	60.77	13.48	1.17	\$1,469	

Source: SNL Financial, L.C.

SOUTHEAST BANK GROUP
Sorted by Dividend Payout

Merger Capital Financial Institutions Group
Equity Research

Closing Prices as of:
August 6, 2004

52 Week Perf (%)	YTD Perf (%)	52 Wk High (\$)	52 Wk Low (\$)	Company Name	Ticker	State	Current Price (\$)	Market Cap (\$M)	Price / Earnings	Price / Cash EPS	Dividend Yield (%)	Tangible Equity + Assets	Dividend Payout (%)	Efficiency Ratio	LTM ROE (%)	LTM ROA (%)	Assets (\$M)
9.80 (3.71)	(16.48)	\$9.80	\$7.01	Acme Bancshares	ACME	XV	\$7.30	\$17	nm	nm	3.84	8.66	205.88	82.05	2.64	0.20	\$201
4.81 (4.50)	(18.40)	\$18.40	\$14.87	BankTrust Financial Group, Inc.	BTFK	AL	\$16.50	\$181	17.0	14.2	3.15	NA	67.53	65.81	7.36	0.85	\$1,119
5.97 (9.82)	\$27.56	\$27.56	\$22.88	Farmers Capital Bank Corporation	FFKT	KY	\$24.48	\$219	16.2	15.5	1.74	4.06	65.17	64.76	10.80	1.06	\$1,294
25.74 (2.48)	(1.98)	\$45.18	\$32.89	NBC Capital Corporation	NBY	MS	\$24.05	\$196	15.7	14.6	1.84	3.99	64.00	62.58	10.99	1.07	\$1,397
(2.48)	(4.74)	\$20.00	\$16.00	Whitney Holding Corporation	WHTY	LA	\$16.40	\$164	16.5	14.2	1.95	3.29	52.87	61.73	11.77	1.32	\$7,789
17.45 (2.41)	\$26.15	\$26.15	\$20.66	Britton & Koonz Capital Corporation	BKBC	MS	\$16.65	\$35	13.5	12.1	nm	3.89	52.46	75.60	8.60	0.71	\$379
NA	NA	\$30.99	\$29.24	Ansouth Bancorporation	ASO	AL	\$23.91	\$8,450	13.1	12.7	12.5	4.02	52.20	53.84	20.08	1.42	\$48,341
0.74 (13.12)	\$17.00	\$17.00	\$13.08	Regions Financial Corporation	RFC	AL	\$13.90	\$8,147	12.7	12.6	11.5	nm	50.01	63.20	14.99	1.35	\$49,757
34.65 (13.03)	\$24.50	\$24.50	\$19.35	Peoples Banc Trust Company, Inc. (The)	PBTC	AL	\$13.90	\$77	14.9	14.8	1.31	nm	47.31	72.32	7.14	0.67	\$781
0.64 (13.03)	\$24.50	\$24.50	\$19.35	National Commerce Financial Corporation	NCF	TN	\$12.41	\$6,665	20.4	17.7	15.9	1.61	46.78	51.01	12.08	1.52	\$24,044
8.35 (4.33)	\$86.00	\$72.45	\$16.05	Colonial Banc Group, Inc.	CNB	AL	\$18.75	\$2,502	15.0	14.2	13.0	3.05	45.60	59.02	13.51	0.97	\$17,593
33.41 (9.22)	\$44.58	\$30.77	\$19.35	Bank of America Corporation	BAC	NC	\$83.91	\$170,449	11.3	11.5	10.5	1.78	44.35	61.28	13.89	1.17	\$10,670
5.34 (6.40)	\$49.49	\$40.35	\$38.34	Compass Bancshares, Inc.	CBS	MS	\$20.63	\$1,585	13.3	12.1	nm	1.86	41.55	52.57	20.37	1.38	\$1,032,202
(5.71) (15.67)	\$39.11	\$30.50	\$14.81	Wachovia Corporation	WB	NC	\$43.61	\$57,102	12.3	11.1	10.4	1.75	42.47	55.61	18.36	1.31	\$27,901
33.94 (7.44)	\$24.75	\$16.05	\$14.81	First M & F Corporation	FMFC	MS	\$31.96	\$145	13.4	12.8	12.0	3.13	42.25	62.26	14.56	1.20	\$418,441
20.65 (0.66)	\$34.30	\$25.50	\$19.22	Citizens Holding Company	CIZ	MS	\$21.15	\$106	14.9	16.1	15.7	1.89	41.55	53.90	12.45	1.28	\$568
8.44 (2.04)	\$48.65	\$38.34	\$38.34	Community Trust Bancorp, Inc.	CTBI	KY	\$30.00	\$403	13.3	12.4	13.4	1.79	41.24	57.78	13.48	1.20	\$2,442
(5.71) (15.67)	\$39.11	\$30.50	\$14.81	First Horizon National Corporation	FHN	TN	\$43.20	\$5,335	11.8	11.4	10.4	1.75	42.25	62.26	14.56	1.20	\$418,441
(2.48)	\$27.01	\$20.50	\$14.81	SouthTrust Corporation	SOTR	AL	\$38.26	\$12,721	17.4	16.9	15.3	2.35	38.31	49.92	16.81	1.43	\$55,910
18.17 (8.47)	\$77.00	\$47.12	\$34.30	Cavalry Bancorp, Inc.	CAVB	TN	\$15.60	\$105	23.9	24.8	1.92	1.54	38.71	76.45	7.79	0.85	\$524
(4.95) (0.53)	\$27.01	\$20.50	\$14.81	Hibernia Corporation	HIB	LA	\$24.88	\$1,861	13.9	13.6	12.3	3.22	38.55	59.51	15.58	1.50	\$21,311
9.58 (1.75)	\$52.89	\$44.40	\$38.34	SunTrust Banks, Inc.	STI	GA	\$65.20	\$18,434	12.2	12.7	11.7	1.84	38.46	60.36	14.44	1.11	\$128,135
10.00 (3.21)	\$30.73	\$25.71	\$20.50	Greene County Bancshares, Inc.	GCBS	TN	\$32.06	\$177	15.0	14.4	16.7	2.08	38.31	54.77	10.24	1.05	\$901
9.93 (4.83)	\$36.55	\$28.80	\$22.88	Exchange National Bancshares, Inc.	EXNF	MO	\$30.00	\$125	14.1	15.2	16.6	2.02	36.66	63.25	13.92	1.11	\$4,939
(16.74) (1.45)	\$32.90	\$22.23	\$19.22	Alabama National Bank Corporation	ALAB	AL	\$57.00	\$879	17.5	17.1	15.2	2.19	36.09	81.52	6.15	0.72	\$6,933
2.46 (12.78)	\$33.64	\$18.38	\$15.57	UMB Financial Corporation	UMBF	MO	\$48.37	\$1,049	21.0	24.2	17.9	1.74	10.80	51.80	17.59	1.36	\$8,250
50.23 (28.37)	\$42.00	\$26.50	\$20.50	Trustmark Corporation	TRMK	MS	\$28.33	\$1,638	13.5	11.9	nm	2.31	35.00	63.59	13.16	1.30	\$1,469
5.25 (16.38)	\$30.39	\$21.81	\$15.57	Peoples Holding Company	PHC	MS	\$31.40	\$257	14.1	13.7	12.6	2.55	34.84	59.80	13.76	1.13	\$692
34.52 (6.66)	\$22.00	\$15.06	\$11.22	First Financial Service Corporation	FFKY	KY	\$25.21	\$92	12.1	11.3	1.61	2.86	34.62	49.65	17.95	2.33	\$580
15.51 (6.89)	\$19.59	\$15.22	\$11.22	United Security Bancshares, Inc.	USBI	AL	\$25.25	\$162	12.4	nm	2.10	2.85	34.48	82.47	13.15	1.30	\$604
32.10 (7.63)	\$20.61	\$15.57	\$11.22	Cass Information Systems, Inc.	CASS	MO	\$38.64	\$142	17.4	17.6	16.8	1.47	31.28	61.88	10.95	1.08	\$2,371
16.66 (11.40)	\$18.50	\$12.95	\$9.45	Simmons First National Corporation	SFNC	AR	\$23.00	\$336	14.2	13.8	12.8	2.43	33.95	60.79	14.02	1.04	\$608
17.66 (4.43)	\$50.00	\$40.47	\$38.34	Albion National Bank Corporation, Inc.	ALBN	AL	\$20.98	\$81	14.6	13.1	1.86	2.36	33.68	72.90	6.06	0.87	\$596
14.98 (5.66)	\$64.03	\$47.50	\$38.34	Peoples Financial Corporation	PFBX	MS	\$17.85	\$99	19.8	19.2	1.16	1.90	32.22	58.19	11.02	1.00	\$210
26.80 (6.18)	\$22.24	\$22.01	\$15.57	Republic Bancorp, Inc.	RBCA	KY	\$28.03	\$359	12.4	11.9	10.9	1.54	28.57	57.42	17.14	1.41	\$2,205
22.33 (4.72)	\$23.78	\$17.79	\$11.22	Pinnacle Bancshares, Inc.	PLE	AL	\$14.77	\$23	11.0	nm	1.15	2.98	28.57	58.19	11.02	1.00	\$210
18.57 (3.53)	\$23.55	\$18.81	\$11.22	Commerce Bancshares, Inc.	CBSH	MO	\$46.85	\$1,122	15.1	14.6	13.5	1.96	28.57	57.95	14.71	1.53	\$14,425
35.47 (12.03)	\$28.35	\$18.68	\$11.22	IBERIABANK Corporation	IBKC	LA	\$55.66	\$382	15.8	14.8	13.4	1.87	27.84	54.24	12.75	1.17	\$2,352
20.34 (6.98)	\$36.68	\$26.80	\$18.81	Hanalei Holding Company	HHC	MS	\$29.97	\$943	16.1	15.6	14.3	1.73	26.67	57.75	13.57	1.40	\$4,465
37.42 (15.04)	\$41.48	\$27.91	\$18.81	S.Y. Bancorp, Inc.	SVI	KY	\$21.53	\$297	16.3	16.1	14.0	1.63	25.76	57.00	18.22	1.66	\$1,128
59.27 (25.18)	\$30.75	\$19.05	\$11.22	HFB Financial Corporation	HFB	KY	\$28.00	\$29	11.2	nm	1.19	2.27	25.38	63.00	10.48	0.97	\$257
138.11 (82.38)	\$23.70	\$8.93	\$8.93	Great Southern Bancorp, Inc.	GSCB	MO	\$38.14	\$386	15.7	14.7	13.3	1.56	22.35	46.19	20.36	1.60	\$1,700
18.82 (0.81)	\$2.29	\$1.99	\$1.99	Bank of the Ozarks, Inc.	OZK	AR	\$25.24	\$414	18.0	16.6	14.2	1.27	18.93	46.93	23.69	1.68	\$1,516
16.09 (0.81)	\$2.29	\$1.99	\$1.99	MidSouth Bancorp, Inc.	MSL	LA	\$33.70	\$108	16.5	16.0	14.3	0.71	16.26	63.05	20.48	1.55	\$477
16.09 (0.81)	\$2.29	\$1.99	\$1.99	Classic Bancshares, Inc.	CLAS	KY	\$38.25	\$54	15.0	nm	1.54	1.05	12.67	60.77	11.63	1.17	\$356
16.09 (0.81)	\$2.29	\$1.99	\$1.99	Capital Bancorp, Inc.	CPBI	TN	\$30.50	\$48	20.1	20.1	2.22	nm	0.00	59.91	12.39	0.94	\$291
16.09 (0.81)	\$2.29	\$1.99	\$1.99	Pinnacle Financial Partners, Inc.	PNFP	AL	\$63.36	\$115	8.7	26.5	16.7	2.7	0.00	105.15	14.00	1.12	\$1,288
16.09 (0.81)	\$2.29	\$1.99	\$1.99	Pinnacle Financial Partners, Inc.	PNFP	TN	\$21.43	\$159	44.6	35.1	24.4	4.52	0.00	65.41	11.28	0.81	\$586
18.82 (0.81)	\$2.29	\$1.99	\$1.99	Average			\$6,431	16.3	15.7	13.7	15.6	1.99	39.48	61.96	13.56	1.20	\$39,622
16.09 (0.81)	\$2.29	\$1.99	\$1.99	Median			\$297	15.0	14.8	13.4	14.6	1.86	38.03	60.77	13.48	1.17	\$1,469

Source: SNL Financial, L.L.C.

SOUTHEAST BANK GROUP
Sorted by Efficiency Ratio

Closing Prices as of:
August 6, 2004

52 Week	Perf	YTD	High	Low	52 Wk	Company Name	Ticker	State	Current Price	Market Cap	Price/Earnings	LTM	Price/BVPS	Dividend Yield	Dividend	Equity + Assets	Dividend Payout	Efficiency Ratio	LTM ROE (%)	LTM ROA (%)	Assets (\$B)
41.07	21.37	(12.03)	\$32.07	\$19.00	Great Southern Bancorp., Inc.	GSBC	MO	\$28.14	\$386	15.7	14.7	13.3	3.07	1.56	NA	22.35	46.19	20.36	1.60	\$1,700	
35.47	12.03	(12.78)	\$32.35	\$18.68	Bank of the Ozarks, Inc.	OZBK	AR	\$25.24	\$414	18.0	16.6	14.4	4.12	1.27	6.19	18.93	46.93	23.69	1.68	\$1,516	
2.46	(12.78)	(12.78)	\$33.64	\$18.38	United Security Bancshares, Inc.	USBI	AL	\$25.25	\$162	12.4	nm	nm	2.10	2.85	12.69	34.48	49.65	17.95	2.33	\$580	
39.42	16.86	(12.78)	\$40.04	\$27.95	Southern Bancorp.	SOTR	AL	\$38.26	\$12,721	17.4	16.9	15.3	2.85	2.51	6.91	40.91	49.92	16.81	1.43	\$52,910	
33.01	5.83	\$25.77	\$19.22	\$19.22	Hibernia Corporation	HIB	LA	\$24.88	\$3,861	13.9	13.6	12.3	15.2	2.08	3.22	7.01	38.55	50.51	15.88	1.50	\$21,311
39.51	19.17	(12.78)	\$32.98	\$23.48	National Commerce Financial Corporation	NCF	TN	\$32.51	\$6,665	20.4	17.7	15.9	16.1	2.40	3.05	6.78	46.78	51.01	12.68	1.52	\$24,044
10.00	(3.21)	\$30.73	\$35.71	\$25.71	Trustmark Corporation	TRMK	MS	\$28.33	\$1,638	13.5	11.5	11.9	2.31	2.68	7.12	35.00	51.80	17.59	1.56	\$8,250	
8.35	4.33	\$86.00	\$72.43	\$66.00	Bank of America Corporation	BAC	NC	\$38.91	\$170,449	11.3	11.5	10.5	10.2	1.78	4.29	4.74	44.35	52.57	20.37	1.38	\$1,037,202
17.45	(7.44)	\$26.15	\$20.66	\$20.66	AmSouth Bancorporation	ASO	AL	\$23.91	\$8,450	13.1	12.7	11.7	2.57	4.02	6.23	52.20	53.84	20.08	1.42	\$48,341	
33.94	(7.44)	\$24.75	\$16.05	\$16.05	Citizens Holding Company	CIZ	MS	\$21.15	\$1,066	14.9	16.1	15.7	1.35	1.99	2.84	8.87	41.55	53.90	12.45	1.28	\$568
14.98	(5.66)	\$64.03	\$47.50	\$47.50	IBERIA BANK Corporation	IBKC	LA	\$55.66	\$382	15.8	14.8	13.4	15.0	1.87	1.87	5.94	27.84	54.24	12.75	1.17	\$2,352
(22.48)	(17.13)	\$40.00	\$28.00	\$28.00	Exchange National Bancshares, Inc.	ENBF	MO	\$30.00	\$125	14.1	nm	nm	13.6	1.40	2.40	7.25	48.43	54.77	10.24	1.05	\$901
33.41	9.22	\$44.58	\$30.77	\$30.77	Compass Bancshares, Inc.	CBSI	AL	\$42.98	\$5,269	15.4	14.8	13.4	15.1	2.75	2.91	NA	36.03	55.61	18.36	1.31	\$27,901
(4.95)	(20.50)	\$27.01	\$20.50	\$20.50	Greene County Bancshares, Inc.	GCBS	TN	\$23.06	\$177	15.0	nm	nm	14.4	1.67	2.08	7.68	38.31	56.54	12.05	1.10	\$1,125
22.33	4.72	\$23.78	\$17.79	\$17.79	S.Y. Bancorp., Inc.	SYI	KY	\$31.53	\$297	16.3	16.1	14.0	16.3	2.78	1.86	9.43	25.76	57.00	18.22	1.66	\$1,128
32.10	7.83	\$20.61	\$15.57	\$15.57	Republic Bancorp., Inc.	RBCA	KY	\$20.03	\$359	12.4	11.9	10.9	12.4	1.95	1.54	3.36	31.28	57.42	17.14	1.41	\$2,205
26.80	6.18	\$32.24	\$23.01	\$23.01	Hancock Holding Company	HBCA	MS	\$28.97	\$943	16.1	15.6	14.4	14.6	2.17	1.73	8.32	26.67	57.75	13.57	1.40	\$4,465
20.65	(0.66)	\$34.30	\$25.50	\$25.50	Community Trust Bancorp., Inc.	CTBI	KY	\$30.00	\$403	13.8	13.3	12.4	1.79	3.07	6.81	41.24	57.78	13.48	1.20	\$2,442	
17.66	(4.43)	\$50.00	\$40.47	\$40.47	Commerce Bancshares, Inc.	CBSH	MO	\$46.85	\$3,122	15.1	14.6	13.5	14.4	2.22	1.96	9.45	28.57	57.95	14.71	1.53	\$14,425
16.66	(11.40)	\$18.50	\$14.22	\$14.22	Pinetree Bancshares, Inc.	PIBT	AL	\$14.77	\$23	11.0	nm	nm	10.9	1.15	2.98	9.48	29.85	58.19	11.02	1.00	\$210
34.65	8.26	\$19.30	\$14.22	\$14.22	Colonial BancGroup, Inc.	CNB	AL	\$18.75	\$2,502	15.0	14.2	13.0	14.1	1.95	3.09	5.16	45.01	59.02	13.51	0.97	\$17,593
(16.74)	1.45	\$32.90	\$22.23	\$22.23	First Financial Services Corporation	FFKY	KY	\$32.21	\$92	12.1	nm	nm	11.3	1.61	2.86	7.15	34.62	59.80	13.76	1.13	\$692
59.27	50.62	\$30.75	\$19.05	\$19.05	Capital Bancorp., Inc.	CPBB	TN	\$30.50	\$48	20.1	nm	nm	20.1	2.22	7.45	0.00	59.91	12.39	0.94	\$291	
13.99	(8.81)	\$76.65	\$58.40	\$58.40	Southern Trust Banks, Inc.	STI	GA	\$65.20	\$18,434	13.2	12.7	11.7	12.4	1.84	3.07	NA	60.36	11.64	1.11	\$128,135	
37.42	15.04	\$41.48	\$27.91	\$27.91	Classic Bancshares, Inc.	CLAS	KY	\$38.25	\$54	15.0	nm	nm	13.4	1.05	8.08	12.26	60.77	11.63	1.17	\$536	
6.66	(34.52)	\$22.00	\$15.06	\$15.06	Auburn National Bancorporation, Inc.	AUBN	AL	\$20.98	\$81	14.6	nm	nm	13.1	1.86	2.38	7.19	33.68	60.79	14.02	1.04	\$608
0.64	(13.03)	\$24.50	\$19.35	\$19.35	BancorpSouth, Inc.	BXS	MS	\$20.63	\$1,855	13.3	13.8	12.1	1.56	1.86	3.49	NA	61.28	13.89	1.17	\$10,670	
22.74	(1.98)	\$45.18	\$23.89	\$23.89	Whitney Holding Corporation	WHTN	LA	\$40.18	\$1,640	16.5	16.2	14.2	15.6	1.95	3.29	9.75	61.73	11.77	1.32	\$7,789	
5.25	(16.58)	\$30.39	\$18.81	\$18.81	Simmons First National Corporation	SFNC	AR	\$23.00	\$336	14.2	13.8	12.8	13.9	1.48	2.43	6.99	33.95	61.88	10.95	1.08	\$2,371
(5.71)	(15.67)	\$39.11	\$30.50	\$30.50	First M & F Corporation	FMC	MS	\$31.96	\$143	13.4	12.8	12.0	13.3	1.37	3.13	8.67	42.02	62.19	9.84	1.01	\$1,094
5.34	(6.40)	\$49.49	\$40.35	\$40.35	Workavia Corporation	WB	NC	\$43.61	\$57,102	12.3	11.1	10.4	11.9	1.75	3.67	4.96	42.26	62.26	14.56	1.20	\$418,441
2.97	(9.82)	\$27.56	\$22.88	\$22.88	NBC Financial Corporation	NBY	MS	\$24.05	\$196	16.0	15.7	14.6	16.4	1.84	3.99	4.81	64.00	62.58	10.99	1.07	\$1,397
18.52	3.53	\$23.55	\$18.81	\$18.81	HFB Financial Corporation	HFB	KY	\$22.00	\$29	11.2	nm	nm	11.9	2.27	9.33	25.38	63.00	10.48	0.97	\$257	
20.34	6.98	\$36.68	\$26.80	\$26.80	MidSouth Bancorp., Inc.	MSL	LA	\$33.70	\$108	16.5	16.0	14.3	16.4	3.19	0.71	6.90	16.67	63.05	20.48	1.55	\$477
NA	NA	\$30.99	\$29.24	\$29.24	Regions Financial Corporation	RF	AL	\$30.00	\$8,147	12.7	12.6	11.5	1.86	4.45	6.72	50.01	63.20	14.99	1.35	\$49,757	
9.93	(4.85)	\$36.55	\$28.80	\$28.80	Peoples Holding Company	PHC	MS	\$31.40	\$257	14.1	13.7	12.6	13.7	1.82	2.55	9.26	34.84	63.59	13.16	1.30	\$1,469
18.17	8.47	\$57.50	\$47.12	\$47.12	Alabama National Bancorporation	ALAB	AL	\$57.00	\$879	17.5	17.1	15.2	16.6	2.07	2.19	5.98	36.66	63.75	13.92	1.11	\$4,939
3.81	(4.50)	\$37.99	\$31.15	\$31.15	Farmers Capital Bank Corporation	FFKT	KY	\$32.48	\$219	16.2	15.5	14.8	15.5	1.74	4.06	9.69	65.17	64.76	10.80	1.06	\$1,294
138.11	82.38	\$23.70	\$23.93	\$23.93	Peoples Financial Partners, Inc.	PNFP	TN	\$21.43	\$159	44.6	35.1	24.4	42.0	4.52	5.99	0.00	65.41	11.28	0.81	\$586	
9.80	(3.00)	\$18.60	\$14.87	\$14.87	BankTrust Financial Group, Inc.	BTFG	AL	\$16.50	\$181	21.4	17.0	14.7	11.1	1.55	3.15	NA	67.53	65.81	7.46	0.85	\$1,119
8.44	(2.04)	\$48.65	\$38.34	\$38.34	First Horizon National Corporation	FIN	TN	\$43.20	\$5,335	11.8	11.4	10.4	11.1	2.80	3.70	6.30	41.10	66.69	25.56	1.82	\$27,290
0.74	(3.12)	\$17.00	\$13.08	\$13.08	Peoples Banc Trust Company, Inc. (The)	PBTC	AL	\$13.90	\$77	14.9	14.8	13.1	nm	1.04	3.17	4.71	47.31	72.32	7.14	0.67	\$781
15.51	6.89	\$19.59	\$15.22	\$15.22	Peoples Financial Corporation	PFBK	MS	\$17.85	\$99	19.8	19.2	11.6	1.90	1.16	14.36	32.22	72.90	6.06	0.87	\$596	
(2.48)	(4.74)	\$20.00	\$16.00	\$16.00	Britton & Keonig Capital Corporation	BKBC	MS	\$16.45	\$35	13.5	13.5	12.1	1.18	3.89	NA	52.46	75.60	8.40	0.71	\$579	
(5.86)	(11.76)	\$19.98	\$14.81	\$14.81	Cavalry Bancorp., Inc.	CABV	TN	\$15.60	\$105	25.2	24.8	1.92	1.54	10.13	38.71	76.45	7.79	0.85	\$524		
9.58	(1.75)	\$52.89	\$44.40	\$44.40	UMB Financial Corporation	UMBF	MO	\$48.37	\$1,049	21.0	24.2	17.9	20.6	1.30	1.74	10.80	36.09	81.52	6.15	0.72	\$6,933
(3.71)	(16.48)	\$9.80	\$7.01	\$7.01	Acme Bancshares	ACME	KY	\$23.30	\$17	42.9	37.0	0.94	3.84	8.66	8.66	20.88	82.05	2.04	0.20	\$301	
50.23	28.37	\$42.00	\$26.50	\$26.50	Cass Information Systems, Inc.	CASS	MO	\$38.64	\$142	17.4	17.6	16.8	14.7	2.14	2.17	10.25	31.40	82.47	13.15	1.30	\$604
(6.74)	(25.18)	\$9.29	\$6.13	\$6.13	Banc Corporation	TBNC	AL	\$6.36	\$113	8.7	26.5	16.7	2.7	1.20	nm	6.38	0.00	105.15	14.00	1.12	\$1,288
18.82	2.29	Average	\$6,431	16.3	15.7	13.7	15.6	1.99	2.71	7.88	39.48	61.96	13.56	1.20	\$39,622						
16.09	(0.81)	Median	\$297	15.0	14.8	13.4	14.6	1.86	2.84	7.25	38.03	60.77	13.48	1.17	\$1,469						

SOUTHEAST BANK GROUP
Sorted by Return on Equity

Mercer Capital Financial Institutions Group
Equity Research

Closing Prices as of:
August 6, 2004

52 Week	YTD	51 Wk	51 Wk	Company Name	Ticker	State	Current Price	Market Cap	LTM	FY 04	FY 05	Price/Cash	Dividend Yield	Dividend Pay	Efficiency Ratio	LTM ROE	LTM ROA	Assets (\$M)		
Perf (%)	Perf (%)	High (\$)	Low (\$)						(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)			
8.44	(2.04)	\$48.65	\$18.34	First Horizon National Corporation	FHN	TN	\$41.20	\$5,335	11.8	11.4	10.4	11.1	2.80	3.70	6.30	41.10	68.69	25.56	1.82	\$27,290
35.47	12.03	\$28.55	\$18.68	Bank of the Ozarks, Inc.	OZK	AR	\$25.24	\$414	18.0	16.6	14.4	17.4	4.12	1.27	6.19	18.93	46.93	21.69	1.68	\$1,516
20.34	6.98	\$36.68	\$26.80	MidSouth Bancorp. Inc.	MSL	LA	\$33.70	\$108	16.5	16.0	14.3	16.4	3.19	0.71	6.90	16.67	63.05	20.48	1.55	\$477
9.35	4.33	\$66.00	\$27.45	Bank of America Corporation	BAC	NC	\$33.91	\$170,449	11.3	11.5	10.5	10.7	4.29	4.74	44.35	22.57	52.57	20.37	1.38	\$1,037,202
41.07	21.37	\$32.07	\$19.00	Great Southern Bancorp. Inc.	GSBC	MO	\$28.14	\$386	15.7	14.7	13.3	mm	3.07	1.56	NA	22.35	46.19	20.36	1.60	\$1,700
17.45	(2.41)	\$26.15	\$20.66	AntSouth Bancorporation	ASO	AL	\$21.91	\$8,490	13.1	12.7	11.7	12.5	2.57	4.02	6.23	22.20	53.84	20.08	1.42	\$48,341
33.41	9.22	\$44.58	\$30.77	Compass Bancshares, Inc.	CBS	AL	\$42.98	\$5,269	15.4	14.8	13.4	15.1	2.75	2.91	NA	42.47	55.61	18.36	1.31	\$77,901
22.33	4.72	\$23.78	\$17.79	S.V. Bancorp. Inc.	SVT	KY	\$21.53	\$97	16.3	16.1	14.0	16.3	2.78	1.86	9.43	25.76	57.00	18.22	1.66	\$1,128
7.46	(12.78)	\$33.64	\$18.38	United Security Bancshares, Inc.	USBI	AL	\$25.25	\$162	12.4	mm	mm	mm	2.10	2.85	12.69	34.48	49.65	17.95	2.33	\$580
10.00	(3.21)	\$30.71	\$25.71	Trustmark Corporation	TRMK	MS	\$28.33	\$1,638	13.5	13.5	11.9	mm	2.31	2.68	7.12	35.00	51.80	17.59	1.56	\$8,250
32.10	7.63	\$30.61	\$15.57	Republic Bancorp. Inc.	RBCA	KY	\$30.03	\$359	12.4	11.9	10.9	12.4	1.95	1.54	8.36	31.28	57.42	17.14	1.41	\$2,205
39.42	16.86	\$40.04	\$27.95	SouthTrust Corporation	ST	AL	\$38.26	\$12,721	17.4	16.9	15.3	16.1	2.85	2.57	6.91	40.91	40.92	16.81	1.43	\$29,910
33.01	5.83	\$25.77	\$19.22	Hibernia Corporation	HIB	LA	\$24.88	\$3,801	13.9	13.6	12.3	15.2	2.08	3.22	7.01	38.55	50.51	15.88	1.50	\$21,311
NA	NA	\$30.99	\$29.24	Regions Financial Corporation	RF	AL	\$30.00	\$8,147	12.7	12.6	11.5	mm	1.86	4.45	6.72	50.01	63.20	14.99	1.35	\$19,757
17.66	(4.43)	\$50.00	\$40.47	Commerce Bancshares, Inc.	CBSH	MO	\$46.85	\$3,122	15.1	14.6	13.5	14.4	2.22	1.96	9.45	28.57	57.95	14.71	1.53	\$14,425
5.34	(6.40)	\$49.49	\$40.35	Wachovia Corporation	WFC	NC	\$43.61	\$57,102	12.3	11.1	10.4	11.9	1.75	3.67	4.96	42.25	62.26	14.56	1.20	\$18,441
13.99	(8.81)	\$76.65	\$58.40	SunTrust Banks, Inc.	STI	GA	\$65.70	\$18,434	13.2	12.7	11.7	12.4	1.84	3.07	NA	38.46	60.36	14.44	1.11	\$128,135
34.52	6.66	\$22.00	\$16.06	Albion National Bancorporation, Inc.	ABN	AL	\$20.98	\$81	14.6	mm	mm	13.1	1.86	2.38	7.19	33.68	60.79	14.02	1.04	\$608
(6.74)	(25.18)	\$9.29	\$6.13	Banc Corporation	TBNC	AL	\$6.36	\$113	8.7	26.5	16.7	2.7	1.20	mm	6.38	0.00	105.15	14.00	1.12	\$1,288
18.17	8.47	\$57.50	\$47.12	Alabama National Bancorporation	ALAB	AL	\$57.00	\$879	17.5	17.1	15.2	16.6	2.07	2.19	5.98	36.66	63.75	13.92	1.11	\$49,939
0.64	(13.03)	\$24.50	\$19.35	BancorpSouth, Inc.	BXS	MS	\$20.63	\$1,585	13.3	13.8	12.1	mm	1.86	3.49	NA	45.16	61.28	13.89	1.17	\$10,670
(16.74)	1.45	\$32.90	\$22.23	First Financial Service Corporation	FFKY	KY	\$25.21	\$92	12.1	mm	mm	11.3	1.61	2.86	7.15	34.62	59.80	13.76	1.13	\$692
26.80	6.18	\$32.24	\$23.01	Hancock Holding Company	HNHC	MS	\$28.97	\$943	16.1	15.6	14.4	14.6	2.17	1.73	8.32	26.67	57.75	13.57	1.40	\$4,465
34.65	8.26	\$19.50	\$14.22	Colonial BancGroup, Inc.	CNB	AL	\$18.75	\$2,507	15.0	14.2	13.0	14.1	1.95	3.09	5.16	45.60	59.02	13.51	0.97	\$17,593
20.65	(0.66)	\$34.30	\$25.50	Community Trust Bancorp. Inc.	CTBI	KY	\$30.00	\$403	13.8	13.3	12.4	13.4	1.79	3.07	6.81	41.24	57.78	13.48	1.20	\$2,442
9.93	(4.85)	\$36.55	\$28.80	Peoples Holding Company	PHC	MS	\$31.40	\$257	14.1	13.7	12.6	13.7	1.82	2.55	9.26	34.84	63.59	13.16	1.30	\$1,460
50.23	28.37	\$42.00	\$26.50	Cus Information Systems, Inc.	CASS	MO	\$38.64	\$142	17.4	17.6	16.8	14.7	2.14	2.17	10.25	34.40	82.47	13.15	1.30	\$604
14.98	(5.66)	\$64.03	\$47.50	IBERIABANK Corporation	IBKC	LA	\$55.66	\$382	13.8	14.8	13.4	15.0	1.87	1.87	5.94	27.84	54.24	12.75	1.17	\$2,352
39.53	19.17	\$32.98	\$23.48	National Commerce Financial Corporation	NCF	TN	\$32.51	\$6,665	20.4	17.7	15.9	16.1	2.40	3.05	6.78	46.78	51.01	12.68	1.52	\$24,044
33.94	(7.44)	\$24.75	\$16.05	Citizens Holding Company	CIZ	MS	\$21.15	\$106	14.9	16.1	15.7	13.5	1.89	2.84	8.87	41.55	53.90	12.45	1.28	\$568
59.27	30.62	\$30.75	\$19.05	Capital Bancorp. Inc.	CPBB	TN	\$30.50	\$48	20.1	mm	mm	20.1	2.22	mm	7.45	0.00	59.91	12.39	0.94	\$291
(4.95)	(0.95)	\$27.01	\$20.50	Greene County Bancshares, Inc.	GCB	TN	\$23.06	\$177	13.0	mm	mm	14.4	1.67	2.08	7.68	38.31	56.54	12.05	1.10	\$1,125
25.74	(1.98)	\$45.18	\$32.89	Whitney Holding Corporation	WTNY	LA	\$40.18	\$1,640	16.5	16.2	14.2	15.6	1.95	3.29	9.75	52.87	61.73	11.77	1.32	\$7,789
37.42	15.04	\$41.48	\$27.91	Classic Bancshares, Inc.	CLAS	KY	\$38.25	\$54	15.0	mm	mm	mm	1.54	1.05	8.08	12.26	60.77	11.63	1.17	\$336
138.11	82.38	\$23.70	\$8.93	Pinnacle Financial Partners, Inc.	PNFP	TN	\$21.43	\$159	44.6	35.1	24.4	42.0	4.52	mm	5.99	0.00	65.41	11.28	0.81	\$586
16.66	(11.40)	\$18.50	\$12.95	Pinquale Bancshares, Inc.	PBL	AL	\$14.77	\$23	11.0	mm	mm	10.9	1.15	2.98	9.48	29.85	58.19	11.02	1.00	\$210
5.97	(9.82)	\$27.56	\$22.88	NBC Capital Corporation	NBY	MS	\$24.05	\$196	16.0	15.7	14.6	16.4	1.84	3.99	4.81	64.00	62.58	10.99	1.07	\$1,397
2.25	(16.58)	\$30.39	\$21.81	Simmons First National Corporation	SFNC	AR	\$23.00	\$336	14.2	13.8	12.8	13.9	1.48	2.43	6.99	33.95	61.88	10.95	1.08	\$2,371
4.81	(4.50)	\$37.99	\$31.15	Farmers Capital Bank Corporation	FBKT	KY	\$32.48	\$219	16.2	15.5	14.8	15.5	1.74	4.06	9.69	65.17	64.76	10.80	1.06	\$1,294
18.52	3.53	\$23.55	\$18.81	FB Financial Corporation	FBFA	KY	\$22.00	\$29	11.2	mm	mm	mm	1.19	2.27	9.33	25.38	63.90	10.48	0.97	\$2,557
(22.48)	(17.13)	\$40.00	\$28.00	Exchange National Bancshares, Inc.	ENX	MO	\$32.00	\$125	14.1	mm	mm	13.6	1.40	2.40	7.25	38.03	54.77	10.24	1.05	\$901
(5.71)	(15.67)	\$39.11	\$30.50	First M & F Corporation	FMFC	MS	\$31.96	\$45	13.4	12.8	12.0	13.3	1.32	8.67	42.02	62.19	9.84	1.01	\$1,084	
(2.48)	(4.74)	\$20.00	\$16.00	Britton & Koontz Capital Corporation	BKBC	MS	\$16.45	\$35	13.5	13.5	12.1	mm	1.18	3.89	NA	52.46	75.60	8.60	0.71	\$379
(5.86)	(11.70)	\$19.98	\$14.81	Quincy Bancorp. Inc.	QVBY	TN	\$15.60	\$105	23.2	mm	mm	21.8	1.92	1.54	10.13	38.71	76.45	7.79	0.85	\$524
9.80	3.00	\$18.50	\$14.87	BancTrust Financial Group, Inc.	BTFG	AL	\$16.50	\$181	21.4	17.0	14.7	mm	1.55	3.15	NA	67.53	65.81	7.46	0.85	\$1,119
0.74	(13.12)	\$17.00	\$13.08	Peoples BancTrust Company, Inc. (The)	PBTC	AL	\$13.90	\$77	14.9	14.8	13.1	mm	1.04	3.17	8.71	47.31	72.32	7.14	0.67	\$381
9.58	1.75	\$52.89	\$44.40	UMB Financial Corporation	UMBF	MO	\$48.37	\$1,049	21.0	24.2	17.9	20.6	1.30	1.74	10.80	36.09	81.52	6.15	0.72	\$6,933
(15.51)	(6.89)	\$19.59	\$15.22	Peoples Financial Corporation	PFBC	MS	\$17.85	\$99	19.8	mm	mm	19.2	1.16	1.90	14.36	32.22	72.90	6.06	0.87	\$596
(3.71)	(16.48)	\$9.80	\$7.01	Acme Bancshares	ACME	KY	\$17	\$17	42.9	mm	mm	27.0	0.94	3.84	8.66	205.88	2.04	0.20	\$291	
18.82	2.29			Average			\$6,431	16.3	15.7	13.7	13.7	15.6	1.99	2.71	7.88	39.48	61.96	13.56	1.20	\$39,622
16.09	(0.81)			Median			\$297	15.0	14.8	13.4	14.6	1.86	2.84	7.25	38.03	60.77	13.48	1.17	\$1,469	

Source: SNL Financial, L.C.

Source: SNL Financial, L.C.

Exhibit 1
Acme Bank
Historical Balance Sheets (\$ Thousands)

Acme Bank created by the March 2002 merger of Bank A and Bank B.

Assets	Historical Balance Sheets				Compound Annual Growth Rates			
	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Subject 2002-03	Peer Group 2002-03
Total Securities	24,968	29,395	29,668	11,081	11,291	14,939	-0.9%	18.4%
Trading Account	0	0	0	0	0	0	nm	12.6%
Fed Funds + CDs + Rev Repos	5,824	4,669	22,513	4,400	0	750	nm	3.5%
Gross Loans & Leases	148,035	138,529	107,998	24,053	25,269	23,819	-79.3%	58.0%
Loan Loss Allowance	1,532	1,397	1,059	275	271	275	28.7%	15.6%
Net Loans & Leases	146,503	137,132	106,939	23,778	24,998	23,544	31.9%	10.4%
Total Earning Assets	177,295	171,196	158,720	39,259	36,289	39,233	28.7%	50.1%
Cash and Due From Banks	2,804	2,952	2,919	2,019	1,794	3,055	7.9%	44.5%
Bank Premises	5,380	4,909	4,265	627	701	773	1.1%	-0.9%
Other Real Estate Owned	1,463	4,211	1,843	229	115	107	15.1%	58.7%
Investment In Unconsol Sub	0	0	0	0	0	0	128.5%	150.5%
Intangible Assets	1,271	1,291	1,085	983	1,092	1,200	nm	nm
Other Assets	11,022	7,962	7,305	1,695	544	702	19.0%	1.8%
TOTAL ASSETS	\$199,235	\$192,521	\$176,137	\$44,812	\$40,535	\$45,070	9.3%	43.8%
Liabilities & Equity								
Commercial property classified as OREO at 12/31/03 reclassified to "other assets" in 1Q04								
Demand Deposits	16,566	18,892	11,700	6,149	5,556	6,639	61.5%	29.9%
Time & Savings Deposits	138,299	132,488	128,502	29,331	29,047	33,205	3.1%	41.3%
Total Deposits	154,865	151,380	140,202	35,480	34,603	39,844	8.0%	39.6%
Fed Funds Purchased + Repos	0	0	0	0	200	0	nm	nm
FHLB Advances & Oth. Borrowings	25,880	23,080	17,475	4,171	199	228	32.1%	217.2%
Subordinated Debt	0	0	0	0	0	0	nm	18.1%
Other Liabilities	871	710	2,176	200	132	191	-67.4%	38.9%
Total Liabilities	181,616	175,170	159,853	39,851	35,134	40,263	9.6%	44.4%
Preferred Stock	0	0	0	0	0	0	nm	28.5%
Common Stock	17,619	17,351	16,284	4,961	5,401	4,807	32.1%	217.2%
Total Equity	17,619	17,351	16,284	4,961	5,401	4,807	6.6%	37.8%
TOTAL LIABILITIES & EQUITY	\$199,235	\$192,521	\$176,137	\$44,812	\$40,535	\$45,070	9.3%	43.8%
Average Fed Funds & Rev Repos								
Average Securities	2,499	3,489	5,790	5,090	1,963	5,041	-39.7%	-8.8%
Average Loans	25,974	26,012	29,625	10,933	14,310	13,449	-12.2%	17.9%
Average Earning Assets	133,319	124,900	110,372	25,014	24,100	23,707	13.2%	51.5%
Average Total Assets	170,797	168,480	162,693	41,038	40,374	42,198	3.6%	41.4%
	\$187,772	\$183,636	\$180,177	\$46,128	\$45,012	\$47,665	1.9%	40.1%
Average Demand Deposits								
Average Interest-Bearing Funds	19,439	15,296	8,925	5,853	6,098	6,932	71.4%	21.9%
Average Total Equity	153,012	149,327	136,240	33,985	33,279	35,304	9.6%	43.4%
	\$17,336	\$17,118	\$15,522	\$5,305	\$5,099	\$4,736	10.3%	37.9%
Avg Earning Assets/Avg Assets	91.0%	91.7%	90.3%	89.0%	89.7%	88.5%		
Peer Average	92.7%	92.6%	92.8%	93.0%	93.3%	93.0%		
Avg Int-Bear Funds/Avg Assets	81.5%	81.3%	75.6%	73.7%	73.9%	74.1%		
Peer Average	75.9%	76.1%	76.6%	76.7%	76.8%	76.1%		

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Gross Loans & leases have grown almost 29% from 2002 to 2003 and are up again through 3/31/04. Accelerated loan growth, coupled with elevated loan losses recently, would appear to heighten risk somewhat. During due diligence, it would be necessary to identify the cause of prior losses and any changes to underwriting standards. Finally, yields have been under pressure. Does Acme Bank's loan pricing strategy ensure an appropriate spread and adequately reflect the credit risk assumed?

Other assets consists primarily of BOLI.

Deposits have shown some growth, primarily due to a branch acquisition in 2003 (\$8.3 million). Loan growth has necessitated drawing down liquid assets and additional wholesale borrowings.

Exhibit 1a
Acme Bank
Historical Balance Sheets (\$ Thousands)

Assets	Historical Balance Sheets					Period-to-Period Growth Rates				
	1 Qtr / Mar-04	2 Qtr / Dec-03	3 Qtr / Sep-03	4 Qtr / Jun-02	5 Qtr / Mar-03	1 Qtr / 2 Qtr	2 Qtr / 3 Qtr	3 Qtr / 4 Qtr	4 Qtr / 5 Qtr	
Total Securities	24,968	29,395	26,627	27,479	25,159	-15.1%	10.4%	-3.1%	9.2%	
Trading Account	0	0	0	0	0	nm	nm	nm	nm	
Fed Funds + CDs + Rev Repos	5,824	4,669	17,705	20,588	28,880	24.7%	-73.6%	-14.0%	-28.7%	
Gross Loans & Leases	148,035	138,529	132,375	124,178	113,523	6.9%	4.6%	6.6%	9.4%	
Loan Loss Allowance	1,532	1,397	1,237	1,154	1,068	9.7%	12.9%	7.2%	8.1%	
Net Loans & Leases	146,503	137,132	131,138	123,024	112,455	6.8%	4.6%	6.6%	9.4%	
Total Earning Assets	177,295	171,196	175,470	171,091	166,494	3.6%	-2.4%	2.6%	2.8%	
Cash and Due From Banks	2,804	2,952	2,028	2,967	2,589	-5.0%	45.6%	-31.6%	14.6%	
Bank Premises	5,380	4,909	4,734	4,169	4,201	9.6%	3.7%	13.6%	-0.8%	
Other Real Estate Owned	1,463	4,211	822	993	1,536	-65.3%	412.3%	-17.2%	-35.4%	
Investment in Unconsol Sub	0	0	0	0	0	nm	nm	nm	nm	
Intangible Assets	1,271	1,291	1,312	1,072	1,079	-1.5%	-1.6%	22.4%	-0.6%	
Other Assets	11,022	7,962	7,494	7,463	7,265	38.4%	6.2%	0.4%	2.7%	
TOTAL ASSETS	\$199,235	\$192,521	\$191,860	\$187,755	\$183,164	3.5%	0.3%	2.2%	2.5%	
Liabilities & Equity										
Demand Deposits	16,566	18,892	21,112	20,198	18,543	-12.3%	-10.5%	4.5%	8.9%	
Time & Savings Deposits	138,289	132,488	134,764	131,404	129,068	4.4%	-1.7%	2.6%	1.8%	
Total Deposits	154,865	151,380	155,876	151,602	147,611	2.3%	-2.9%	2.8%	2.7%	
Fed Funds Purchased + Repos	0	0	0	0	0	nm	nm	nm	nm	
FHLB Advances & Oth. Borrowings	25,880	23,080	17,475	17,475	17,475	12.1%	32.1%	0.0%	0.0%	
Subordinated Debt	0	0	0	0	0	nm	nm	nm	nm	
Other Liabilities	871	710	1,184	1,290	1,133	22.7%	-40.0%	-8.2%	13.9%	
Total Liabilities	181,616	175,170	174,535	170,367	166,219	3.7%	0.4%	2.4%	2.5%	
Preferred Stock	0	0	0	0	0	nm	nm	nm	nm	
Common Stock	17,619	17,351	17,325	17,388	16,945	1.5%	0.2%	-0.4%	2.6%	
Total Equity	17,619	17,351	17,325	17,388	16,945	1.5%	0.2%	-0.4%	2.6%	
TOTAL LIABILITIES & EQUITY	\$199,235	\$192,521	\$191,860	\$187,755	\$183,164	3.5%	0.3%	2.2%	2.5%	
Average										
Average Fed Funds & Rev Repos	161	320	5,353	4,160	4,124	-49.7%	-94.0%	28.7%	0.9%	
Average Securities	24,743	27,818	25,412	25,923	24,895	-11.1%	9.5%	-2.0%	4.1%	
Average Loans	145,850	137,151	128,804	121,470	112,175	6.3%	6.5%	6.0%	8.3%	
Average Earning Assets	171,873	172,465	171,383	167,466	162,606	-0.3%	0.6%	2.3%	3.0%	
Average Total Assets	\$194,312	\$188,940	\$185,871	\$181,966	\$177,768	2.8%	1.7%	2.1%	2.4%	
Average										
Average Demand Deposits	17,729	20,002	20,655	19,371	15,122	-11.4%	-3.2%	6.6%	28.1%	
Average Interest-Bearing Funds	159,873	153,903	150,559	147,711	145,137	3.9%	2.2%	1.9%	1.8%	
Average Total Equity	\$17,485	\$17,338	\$17,356	\$17,166	\$16,614	0.8%	-0.1%	1.1%	3.3%	
Avg Earning Assets/Avg Assets	88.5%	91.3%	92.2%	92.0%	91.5%					
Avg Int-Bear Funds/Avg Assets	82.3%	81.5%	81.0%	81.2%	81.6%					

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Exhibit 2
Acme Bank
Historical Balance Sheet as a
Percentage of Total Assets

Assets	Historical Percentage Balance Sheets							Historical Percentage Balance Sheets				
	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average	1 Qtr Mar-04	2 Qtr Dec-03	3 Qtr Sep-03	4 Qtr Jun-02	
Total Securities	12.5%	15.3%	16.8%	24.7%	27.9%	33.1%	23.0%	12.5%	15.3%	13.9%	14.6%	
Trading Account	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Fed Funds + CDs + Rev Repos	2.9%	2.4%	12.8%	9.8%	0.0%	0.0%	4.5%	2.9%	2.4%	9.2%	11.0%	
Gross Loans & Leases	74.3%	72.0%	61.1%	53.7%	62.3%	52.8%	65.4%	74.3%	72.0%	69.0%	66.1%	
Loan Loss Allowance	0.8%	0.7%	0.6%	0.6%	0.7%	0.6%	0.9%	0.8%	0.7%	0.6%	0.6%	
Net Loans & Leases	73.5%	71.2%	60.5%	53.1%	61.7%	52.2%	64.6%	73.5%	71.2%	68.4%	65.5%	
Total Earning Assets	89.0%	88.9%	90.1%	87.8%	89.5%	87.0%	92.1%	89.0%	88.9%	91.5%	91.1%	
Cash and Due From Banks	1.4%	1.5%	1.7%	4.5%	4.4%	6.8%	3.3%	1.4%	1.5%	1.1%	1.6%	
Bank Premises	2.7%	2.5%	2.4%	1.4%	1.7%	1.7%	2.0%	2.7%	2.5%	2.5%	2.2%	
Other Real Estate Owned	0.7%	2.2%	1.0%	0.5%	0.3%	0.2%	0.2%	0.7%	2.2%	0.4%	0.5%	
Investment In Unconsol Sub	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Intangible Assets	0.6%	0.7%	0.6%	2.2%	2.7%	2.7%	0.4%	0.6%	0.7%	0.7%	0.6%	
Other Assets	5.5%	4.1%	4.1%	3.8%	1.3%	1.6%	2.0%	5.5%	4.1%	3.9%	4.0%	
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Liabilities & Equity												
Demand Deposits	8.3%	9.8%	6.6%	13.7%	13.7%	14.7%	13.4%	8.3%	9.8%	11.0%	10.8%	
Time & Savings Deposits	69.4%	68.8%	73.0%	65.5%	71.7%	73.7%	70.4%	69.4%	68.8%	70.2%	70.0%	
Total Deposits	77.7%	78.6%	79.6%	79.2%	85.4%	88.4%	83.7%	77.7%	78.6%	81.2%	80.7%	
Fed Funds Purchased + Repos	0.0%	0.0%	0.0%	0.0%	0.5%	0.0%	1.6%	0.0%	0.0%	0.0%	0.0%	
FHLB/Advances & Oth. Borrowings	13.0%	12.0%	9.9%	9.3%	0.5%	0.5%	4.3%	13.0%	12.0%	9.1%	9.3%	
Subordinated Debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Other Liabilities	0.4%	0.4%	1.2%	0.4%	0.3%	0.4%	0.6%	0.4%	0.4%	0.6%	0.7%	
Total Liabilities	91.2%	91.0%	90.8%	88.9%	86.7%	89.3%	90.3%	91.2%	91.0%	91.0%	90.7%	
Preferred Stock	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Common Stock	8.8%	9.0%	9.2%	11.1%	13.3%	10.7%	9.7%	8.8%	9.0%	9.0%	9.3%	
Total Equity	8.8%	9.0%	9.2%	11.1%	13.3%	10.7%	9.7%	8.8%	9.0%	9.0%	9.3%	
TOTAL LIABILITIES & EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Leverage Ratio 8.13% 8.26% 8.06% 8.71% 10.51% 8.25% 8.13% 8.26% 8.36% 8.55%

Risk-Weighted Assets 161,432 151,729 121,782 29,953 25,337 25,678 161,432 151,729 145,175 139,160
Tier 1 Capital 15,687 15,509 14,443 3,923 4,320 3,774 15,687 15,509 15,420 15,458
Tier 2 Capital 1,532 1,397 1,059 275 271 275 1,532 1,397 1,237 1,154
1 & 2 Cap/Risk Assets 10.67% 11.14% 12.73% 14.02% 18.12% 15.77% 10.67% 11.14% 11.47% 11.94%

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Gross loans & leases comprise 3/4ths of the asset base, now well above that of the peer group.

The FHLB advances & other borrowings as a percentage of average assets are significantly above that of the peer group. The \$17 million of FHLB advances at 5.20% contribute significantly to Acme Bank's higher than peer cost of funds, and dampens earnings at least through 2006.

Capital ratios have declined due to the Bank's weak earnings and dividend payments to holding company (although dividends have been curtailed at the Bank level since 2002). Recent sale of trust preferred will allow for a capital infusion; however, interest will be a drag on earnings.

Exhibit 3
Acme Bank
Historical Income Statements (\$ Thousands)

	Historical Income Statements				Compound Annual Growth Rates			
	LTM	FY	FY	FY	Subject		Peer Group	
	3/31/04	2003	2002	2001	2002-03	1999-03	2002-03	1999-03
Interest Income								
Taxable Loans	7,996	7,764	8,600	2,302	2,346	2,218	36.8%	0.1%
Tax-Free Loans	1	1	2	3	2	1	-50.0%	5.5%
Fed Funds Sold & CD's	98	158	320	182	121	245	0.0%	10.8%
Taxable Securities	1,237	1,316	1,832	627	837	721	-10.4%	-19.9%
Tax-Free Securities	19	23	32	39	43	45	-17.2%	-6.0%
Estimated Tax Benefit	12	12	18	22	23	24	-15.4%	4.3%
Other Interest Income	36	35	52	0	0	0	-33.3%	4.9%
Interest Income (FTE)	9,399	9,309	10,856	3,175	3,372	3,254	-14.3%	-2.5%
Interest Expense								
Large CDs	520	580	724	425	409	430	-19.9%	7.8%
Other Deposits	2,521	2,558	3,298	975	1,160	1,021	-22.4%	25.8%
Fed Funds Purchased	0	0	0	0	1	2	nm	-21.8%
Other Interest Expense	936	909	909	215	14	14	0.0%	-19.4%
Interest Expense	3,977	4,047	4,931	1,615	1,584	1,467	183.9%	3.4%
Net Interest Income (FTE)	5,422	5,262	5,925	1,560	1,788	1,787	-17.9%	16.9%
Noninterest Income								
Deposit Account Service Charges	1,353	1,137	893	270	226	206	27.3%	10.4%
Other Operating Income	317	396	971	84	50	63	-59.2%	18.6%
Total Other Income	1,670	1,533	1,864	354	276	269	54.5%	17.3%
Adjusted Gross Income (FTE)	7,092	6,795	7,789	1,914	2,064	2,056	-12.8%	14.9%
Non-Interest Operating Expense								
Salaries & Benefits	2,697	2,676	2,873	681	702	711	-6.9%	39.3%
Net Occupancy	839	793	688	172	164	168	15.3%	10.1%
Other Operating Expenses	1,825	1,637	1,849	581	530	552	-11.5%	8.2%
Non-Interest Operating Expenses	5,361	5,106	5,410	1,434	1,396	1,431	-5.6%	9.1%
Basic Operating Income	1,731	1,689	2,379	480	668	625	37.4%	9.2%
Security Transactions	306	299	8	40	(6)	3	-41.7%	20.1%
Loan Loss Provision	1,250	1,141	1,956	36	30	24	162.6%	-2.6%
Pre-Tax Income (FTE)	787	847	431	484	632	604	96.5%	18.6%
FTE Adjustment	12	12	18	22	23	24	-33.3%	4.4%
Pre-Tax Income	775	835	413	462	609	580	-15.9%	9.0%
Taxes	169	187	48	189	251	223	102.2%	4.8%
Income Before Extraordinary Items	606	648	365	273	358	357	289.6%	4.3%
Net Extraordinary Items	0	0	0	0	0	0	77.5%	2.2%
NET INCOME	\$606	\$648	\$365	\$273	\$358	\$357	16.1%	5.0%
TOTAL DIVIDENDS	\$0	\$0	\$1,500	\$800	\$0	\$0	77.5%	10.3%
Dividend Payout Ratio	0.0%	0.0%	41.0%	293.0%	0.0%	0.0%	nm	nm
Peer Average	53.9%	53.8%	51.7%	57.3%	56.1%	55.5%	nm	nm
Taxes / Reported Pre-Tax Income	21.8%	22.4%	11.6%	40.9%	41.2%	38.4%	nm	nm
Taxes (FTE) / Pre-Tax Inc (FTE)	23.0%	23.5%	15.3%	43.6%	43.4%	40.9%	nm	nm

MEMO:

Net Gains/(Losses) - OREO	(135)	(69)	(68)	(10)	0	0		
Net Gains/(Losses) - Other Assets	9	6	585	4	0	0		
Intangible Amortization	29	17	0	108	108	108		

Includes gain on sale of loans of \$482,000.

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

The sum of Net Interest Income and Total Other Income is called Adjusted Gross Income for a Bank. This income statement line is the equivalent of net sales for other commercial enterprises. Adjusted Gross Income (Sales) dropped significantly in 2003. The net interest margin declined significantly in 2003 (see Schedule 1). In addition, 2002 non-interest income was inflated by gain on loan sale.

Because Non-Interest Operating Expenses have declined more slowly than Adjusted Gross Income (Sales), Basic Operating Income has declined 29% from 2002 to 2003.

2002 non-interest expenses included a non-recurring pension expense (\$238,000) and merger expenses (\$185,000). 2004 expenses have trended up, due to OREO expenses.

It is worth noting that dividends were not paid by the Bank to the Holding Company in 2003, but there was a 411% dividend payout ratio and a \$1.5 million dividend in 2002; if the Bank cannot pay dividends to the Parent, then the Parent cannot sustain dividend payments to the shareholders.

Exhibit 3a
Acme Bank
Historical Income Statements (\$ Thousands)
for the Quarters Ended

	Historical Quarterly Income Statements					Period-to-Period Growth Rates				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 5	1 Qtr / 2 Qtr	2 Qtr / 3 Qtr	3 Qtr / 4 Qtr	4 Qtr / 5 Qtr	
	Mar-04	Dec-03	Sep-03	Jun-02	Mar-03					
Interest Income										
Taxable Loans	2,092	1,970	1,961	1,973	1,860	6.2%	0.5%	-0.6%	6.1%	
Tax-Free Loans	0	0	1	0	0	nm	-100.0%	nm	nm	
Fed Funds Sold & CD's	3	16	31	48	63	-81.3%	-48.4%	-35.4%	-23.8%	
Taxable Securities	291	307	303	336	370	-5.2%	1.3%	-9.8%	-9.2%	
Tax-Free Securities	3	3	6	7	7	0.0%	-50.0%	-14.3%	0.0%	
Estimated Tax Benefit	2	2	4	4	4	0.0%	-50.0%	0.0%	0.0%	
Other Interest Income	12	7	7	10	11	71.4%	0.0%	-30.0%	-9.1%	
Interest Income (FTE)	2,403	2,305	2,313	2,378	2,315	4.3%	-0.3%	-2.7%	2.7%	
Interest Expense										
Large CDs	91	143	120	166	151	-36.4%	19.2%	-27.7%	9.9%	
Other Deposits	628	628	645	620	665	0.0%	-2.6%	4.0%	-6.8%	
Fed Funds Purchased	0	0	0	0	0	nm	nm	nm	nm	
Other Interest Expense	251	219	232	234	224	14.6%	-5.6%	-0.9%	4.5%	
Interest Expense	970	990	997	1,020	1,040	-2.0%	-0.7%	-2.3%	-1.9%	
Net Interest Income (FTE)	1,433	1,315	1,316	1,358	1,275	9.0%	-0.1%	-3.1%	6.5%	
Fee Income										
Deposit Account Service Charges	447	351	308	247	231	27.4%	14.0%	24.7%	6.9%	
Other Operating Income	37	204	(3)	79	116	-81.9%	nm	nm	-31.9%	
Total Other Income	484	555	305	326	347	-12.8%	82.0%	-6.4%	-6.1%	
Adjusted Gross Income (FTE)	1,917	1,870	1,621	1,684	1,622	2.5%	15.4%	-3.7%	3.8%	
Non-Interest Operating Expense										
Salaries & Benefits	726	674	656	641	705	7.7%	2.7%	2.3%	-9.1%	
Net Occupancy	236	213	184	206	190	10.8%	15.8%	-10.7%	8.4%	
Other Operating Expenses	561	510	362	392	373	10.0%	40.9%	-7.7%	5.1%	
Non-Interest Operating Expenses	1,523	1,397	1,202	1,239	1,268	9.0%	16.2%	-3.0%	-2.3%	
Basic Operating Income (FTE)	394	473	419	445	354	-16.7%	12.9%	-5.8%	25.7%	
Security Transactions	7	0	0	299	0	nm	nm	-100.0%	nm	
Loan Loss Provision	220	545	170	315	111	-59.6%	220.6%	-46.0%	183.8%	
Pre-Tax Income (FTE)	181	(72)	249	429	243	nm	nm	-42.0%	76.5%	
FTE Adjustment	2	2	4	4	4	0.0%	-50.0%	0.0%	0.0%	
Pre-Tax Income	179	(74)	245	425	239	nm	nm	-42.4%	77.8%	
Taxes	42	(62)	62	127	60	nm	nm	-51.2%	111.7%	
Income Before Extraordinary Items	137	(12)	183	298	179	nm	nm	-38.6%	66.5%	
Net Extraordinary Items	0	0	0	0	0	nm	nm	nm	nm	
NET INCOME	\$137	(\$12)	\$183	\$298	\$179	nm	nm	-38.6%	66.5%	
TOTAL DIVIDENDS	\$0	\$0	\$0	\$0	\$0	Trend not favorable, as 1Q04 earnings below every quarter in 2003 (except 4Q03).				
Dividend Payout Ratio	0.0%	0.0%	0.0%	0.0%	0.0%					
Taxes / Reported Pre-Tax Income	23.5%	83.8%	25.3%	29.9%	25.1%					
Taxes (FTE) / Pre-Tax Inc (FTE)	24.3%	83.3%	26.5%	30.5%	26.3%					
MEMO:										
Net Gains/(Losses) - OREO	(91)	104	(87)	(61)	(25)					
Net Gains/(Losses) - Other Assets	9	0	0	0	6					
Intangible Amortization	12	13	4	0	0					

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Exhibit 4
Acme Bank
Historical Income Statements as a
Percentage of Average Assets

	Historical Percentage Income Statements					Historical Percentage Income Statements					
	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average	Qtr 1 Mar-04	Qtr 2 Dec-03	Qtr 3 Sep-03	Qtr 4 Jun-02
Interest Income											
Taxable Loans	4.26%	4.23%	4.77%	4.99%	5.21%	4.65%		4.31%	4.17%	4.22%	4.34%
Fed Funds Sold & CD's	0.05%	0.09%	0.18%	0.39%	0.27%	0.51%		0.01%	0.03%	0.07%	0.11%
Taxable Securities	0.66%	0.72%	1.02%	1.36%	1.86%	1.51%		0.60%	0.65%	0.65%	0.74%
Tax-Free Securities	0.01%	0.01%	0.02%	0.08%	0.10%	0.09%		0.01%	0.01%	0.01%	0.02%
Estimated Tax Benefit	0.01%	0.01%	0.01%	0.05%	0.05%	0.05%		0.00%	0.00%	0.01%	0.01%
Other Interest Income	0.02%	0.02%	0.03%	0.00%	0.00%	0.00%		0.02%	0.01%	0.02%	0.02%
Interest Income (FTE)	5.01%	5.07%	6.03%	6.88%	7.49%	6.83%	5.47%	4.95%	4.88%	4.98%	5.23%
Interest Expense											
Large CDs	0.28%	0.32%	0.40%	0.92%	0.91%	0.90%		0.19%	0.30%	0.26%	0.36%
Other Deposits	1.34%	1.39%	1.83%	2.11%	2.58%	2.14%		1.29%	1.33%	1.39%	1.36%
Fed Funds Purchased	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
Other Interest Expense	0.50%	0.50%	0.50%	0.47%	0.03%	0.03%		0.52%	0.46%	0.50%	0.51%
Interest Expense	2.12%	2.20%	2.74%	3.50%	3.52%	3.08%	1.47%	2.00%	2.10%	2.15%	2.24%
Net Interest Income (FTE)	2.89%	2.87%	3.29%	3.38%	3.97%	3.75%	4.00%	2.95%	2.78%	2.83%	2.99%
Fee Income											
Deposit Account Service Charges	0.72%	0.62%	0.50%	0.59%	0.50%	0.43%		0.92%	0.74%	0.66%	0.54%
Other Operating Income	0.17%	0.22%	0.54%	0.18%	0.11%	0.13%		0.08%	0.43%	-0.01%	0.17%
Total Other Income	0.89%	0.83%	1.03%	0.77%	0.61%	0.56%	0.87%	1.00%	1.17%	0.66%	0.72%
Adjusted Gross Income (FTE)	3.78%	3.70%	4.32%	4.15%	4.59%	4.31%	4.87%	3.95%	3.96%	3.49%	3.70%
Non-Interest Operating Expense											
Salaries & Benefits	1.44%	1.46%	1.59%	1.48%	1.56%	1.49%		1.49%	1.43%	1.41%	1.41%
Net Occupancy	0.45%	0.38%	0.38%	0.37%	0.36%	0.35%		0.49%	0.45%	0.40%	0.45%
Other Operating Expenses	0.97%	0.89%	1.03%	1.26%	1.18%	1.16%		1.15%	1.08%	0.78%	0.86%
Non-Interest Operating Expenses	2.86%	2.78%	3.00%	3.11%	3.10%	3.00%	3.06%	3.14%	2.96%	2.59%	2.72%
Basic Operating Income (FTE)	0.92%	0.92%	1.32%	1.04%	1.48%	1.31%	1.81%	0.81%	1.00%	0.90%	0.98%
Security Transactions	0.16%	0.16%	0.00%	0.09%	-0.01%	0.01%		0.01%	0.00%	0.00%	0.66%
Loan Loss Provision	0.67%	0.62%	1.09%	0.08%	0.07%	0.05%	0.25%	0.45%	1.15%	0.37%	0.69%
Pre-Tax Income (FTE)	0.42%	0.46%	0.24%	1.05%	1.40%	1.27%		0.37%	-0.15%	0.54%	0.94%
FTE Adjustment	0.01%	0.01%	0.01%	0.05%	0.05%	0.05%		0.00%	0.00%	0.01%	0.01%
Pre-Tax Income	0.41%	0.45%	0.23%	1.00%	1.35%	1.22%		0.37%	-0.16%	0.53%	0.93%
Taxes	0.09%	0.10%	0.03%	0.41%	0.56%	0.47%		0.09%	-0.13%	0.13%	0.28%
Income Before Extraordinary Items	0.32%	0.35%	0.20%	0.59%	0.80%	0.75%		0.28%	-0.03%	0.39%	0.66%
Net Extraordinary Items	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
NET INCOME	0.32%	0.35%	0.20%	0.59%	0.80%	0.75%	1.13%	0.28%	-0.03%	0.39%	0.66%
Return on Average Equity	3.50%	3.79%	2.35%	5.15%	7.02%	7.54%		3.13%	-0.28%	4.22%	6.94%
Peer Average ROA	1.13%	1.13%	1.19%	1.11%	1.18%	1.17%		1.14%	1.05%	1.16%	1.17%
Peer Average ROE	11.52%	11.39%	11.95%	11.04%	12.01%	11.86%		11.19%	11.09%	11.94%	11.87%
Internal Growth Rate	3.50%	3.79%	2.31%	-9.94%	7.02%	7.54%		3.13%	-0.28%	4.22%	6.94%
Peer Average	5.31%	5.27%	5.78%	4.71%	5.27%	5.28%					

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Net Interest Income as a % of assets is over 100 basis points less than the peer average of 4.00%. This results from both the lower yield on earning assets (Interest Income as % of assets) and a higher cost of funds (Interest Expense as % of assets).

Total Other Income is slightly higher than the peer group's because of higher deposit services charges.

Adjusted Gross Income, however, remains below the peer group.

As a percentage of average assets, the loan loss provision is well above the peer group. Lower than peer ROA and ROE is a function of light spreads and high credit costs.

The Internal Growth Rate is equal to Return on Equity multiplied by one minus the Dividend Payout Ratio. The Bank's Internal Growth Rate is below the peer group's. As a result of low returns on equity (2002-04) and high dividend payouts (2002), the Bank's internal growth rate has been low or negative. The Bank's asset growth rate has exceeded the internal growth rate, causing capital ratios to fall. Going forward, maintaining the same balance sheet growth rates will require capital infusions from the parent company unless profitability improves.

Schedule 1
Acme Bank
Spread Relationships / Margin Analysis

	LTM	FY	FY	FY	FY	FY	Qtr 1	Qtr 2	Qtr 3	Qtr 4
	3/31/04	2003	2002	2001	2000	1999	Mar-04	Dec-03	Sep-03	Jun-02
BANK:										
Interest Income(FTE)/Avg Assets	5.01%	5.07%	6.03%	6.88%	7.49%	6.83%	4.95%	4.88%	4.98%	5.23%
Interest Expense/Average Assets	2.12%	2.20%	2.74%	3.50%	3.52%	3.08%	2.00%	2.10%	2.15%	2.24%
Net Interest Inc(FTE)/Avg Assets	2.89%	2.87%	3.29%	3.38%	3.97%	3.75%	2.95%	2.78%	2.83%	2.99%
Yield on Avg Earn Assets (FTE)	5.50%	5.53%	6.67%	7.74%	8.35%	7.71%	5.59%	5.35%	5.40%	5.68%
Cost of Interest-Bearing Funds	2.60%	2.71%	3.62%	4.75%	4.76%	4.16%	2.43%	2.57%	2.65%	2.76%
Net Spread (FTE)	2.90%	2.82%	3.05%	2.98%	3.59%	3.56%	3.17%	2.77%	2.75%	2.92%
Yield on Avg Earn Assets(FTE)	5.50%	5.53%	6.67%	7.74%	8.35%	7.71%	5.59%	5.35%	5.40%	5.68%
Cost of Average Earning Assets	2.33%	2.40%	3.03%	3.94%	3.92%	3.48%	2.26%	2.30%	2.33%	2.44%
Net Interest Margin (FTE)	3.17%	3.12%	3.64%	3.80%	4.43%	4.23%	3.34%	3.05%	3.07%	3.24%

PEER GROUP:

Interest Income(FTE) / Avg Assets	5.47%	5.57%	6.32%	7.40%	7.92%	7.50%	5.33%	5.41%	5.49%	5.65%
Interest Expense / Average Assets	1.47%	1.56%	2.12%	3.28%	3.61%	3.20%	1.34%	1.40%	1.49%	1.63%
Net Interest Inc(FTE) / Avg Assets	4.00%	4.01%	4.20%	4.11%	4.31%	4.31%	3.98%	4.01%	4.00%	4.02%
Yield on Avg Earn Assets(FTE)	5.90%	6.01%	6.80%	7.96%	8.49%	8.07%	5.74%	5.84%	5.93%	6.10%
Cost of Interest-Bearing Funds	1.93%	2.05%	2.76%	4.28%	4.70%	4.20%	1.77%	1.85%	1.97%	2.14%
Net Spread(FTE)	3.97%	3.96%	4.04%	3.68%	3.78%	3.87%	3.97%	3.98%	3.96%	3.96%
Yield on Avg Earn Assets(FTE)	5.90%	6.01%	6.80%	7.96%	8.49%	8.07%	5.74%	5.84%	5.93%	6.10%
Cost of Average Earning Assets	1.58%	1.69%	2.28%	3.53%	3.87%	3.44%	1.45%	1.51%	1.61%	1.76%
Net Interest Margin (FTE)	4.32%	4.33%	4.52%	4.43%	4.62%	4.63%	4.29%	4.33%	4.32%	4.33%

Supplemental Data - Assets:

Yield on Loans (FTE)	6.02%	6.22%	7.79%	9.22%	9.75%	9.36%	5.74%	5.75%	6.09%	6.50%
Peer Average	6.83%	6.96%	7.66%	8.84%	9.37%	9.10%	6.56%	6.73%	6.93%	7.09%
Yield on Total Securities (FTE)	4.87%	5.19%	6.35%	6.28%	6.30%	5.87%	4.78%	4.48%	4.91%	5.35%
Peer Average	4.15%	4.27%	5.38%	6.30%	6.55%	6.29%	4.16%	4.14%	4.00%	4.31%

Supplemental Data - Deposits:

Cost of Int. Bearing Deposits	2.29%	2.39%	3.34%	4.63%	4.75%	4.14%	2.12%	2.31%	2.30%	2.41%
Peer Average	1.81%	1.94%	2.67%	4.24%	4.63%	4.16%	1.65%	1.73%	1.85%	2.02%
Cost of Savings Dep incl MMDA	0.50%	0.55%	1.65%	2.13%	2.50%	2.61%	0.46%	0.45%	0.42%	0.66%
Peer Average	0.97%	1.04%	1.61%	2.82%	3.47%	3.11%	0.89%	0.92%	0.94%	1.11%
Cost of CD's >\$100,000	2.52%	2.84%	3.64%	5.19%	5.25%	5.65%	1.81%	2.58%	2.33%	3.34%
Peer Average	2.57%	2.72%	3.59%	5.45%	5.89%	5.17%	2.36%	2.46%	2.64%	2.82%

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Spreads & Margins. Banking is concerned with managing "spreads." Banks borrow at one cost and lend at a higher cost -- the difference is the spread or margin. The schedules to the left provide three common spread (margin) measures. As can be seen, the Bank's spreads are substantially lower than those of the peer group in all three cases.

The Bank's net interest margin fell considerably in 2003. Possible explanations include:
 - The sale of loans in 2002, perhaps in expectation that interest rates would rise in 2003, deprived the Bank of higher yielding loans.
 - Loan growth was significant in 2003. Loan growth was apparently concentrated in variable rate loans, which presumably weighed down asset yields.
 - High proportion of fixed rate FHLB advances and longer term CDs limited the Bank's ability to replace liabilities.
 - Note that margin pressure occurred despite a shift in the earning asset mix towards higher yielding loans.

Why is the Bank's interest expense to average assets so much higher than the Peer's?
 1. High cost of FHLB advances
 2. High proportion of FHLB advances to total funds
 3. Deposit mix (high level of time deposits)

The Bank's Yield on Loans has remained below the peer group's for the last two periods. This is unfavorable; however, the Bank's Yield on Securities has remained above the peer group's since the merger in 2002. Lower loan yields may reflect more variable rate originations (or aggressive pricing policies). Better than peer securities yields attributable to heavy concentration in corporate bonds.
Deposit Costs. Rates do not appear that unfavorable relative to the peer group, implying that high cost of deposits is more attributable to an unfavorable mix.

Schedule 2
Acme Bank
Loan Portfolio Composition (\$ Thousands)

Loan Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 1999	Growth Rates 2002-03 1999-03
Construction & Development	34,536	27,277	15,902	502	773	1,511
1-4 Family Residential	51,665	54,028	46,725	10,134	10,243	8,888
Other Real Estate	46,344	41,954	23,314	6,013	6,035	4,613
Total Real Estate	132,605	123,259	85,941	16,649	17,051	14,812
Financial Institution	0	0	0	0	0	0
Agricultural	0	0	0	0	0	0
Commercial/Industrial	8,091	7,486	7,548	3,181	4,314	5,258
Consumer - Credit Card	0	0	0	15	0	0
Consumer - Other	7,329	7,773	14,190	3,361	4,244	4,042
Leases/Other	10	11	18	847	31	37
GROSS LOANS	148,035	138,529	107,697	24,053	25,640	24,149
Unearned Income (-)	0	0	(99)	0	(371)	(330)
Loans Net of Unearned Income	\$148,035	\$138,529	\$107,598	\$24,053	\$25,269	\$23,819
Mortgages Serviced for Others	\$4,835	\$5,408	\$0	\$0	\$0	\$0

Recent growth has occurred mostly in construction & development and commercial real estate loans. Acme's SEC filings cite a new "treasury-based, adjustable rate commercial loan program." Given the recent losses in the commercial portfolio, has underwriting improved such that the risk of the rapid loan growth is mitigated?

Loan/Deposit Ratio	95.6%	91.5%	76.7%
Peer Average	78.1%	77.9%	76.9%

Despite the high Loan to Deposit Ratio (higher than the peer group's), the Bank's interest margins lag the peer group.

Loan/Core Deposit Ratio	112.4%	106.9%	88.8%
Peer Average	92.2%	91.7%	90.8%

	67.8%	73.0%	59.8%
	76.5%	76.7%	74.3%

	86.7%	93.0%	75.8%
	90.3%	90.7%	86.2%

Schedule 2a
Loan Portfolio Composition Percentages

Loan Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 1999	Peer Average
Construction & Development	23.4%	19.7%	14.8%	2.1%	3.0%	6.3%
1-4 Family Residential	34.9%	39.0%	43.4%	42.1%	39.9%	36.0%
Other Real Estate	31.3%	30.3%	21.6%	25.0%	23.5%	19.1%
Total Real Estate	89.6%	89.0%	79.8%	69.2%	66.5%	61.3%
Financial Institution	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Agricultural	0.0%	0.0%	0.0%	0.0%	0.0%	2.6%
Commercial/Industrial	5.5%	5.4%	7.0%	13.2%	16.8%	21.8%
Consumer - Credit Card	0.0%	0.0%	0.0%	0.1%	0.0%	0.3%
Consumer - Other	5.0%	5.6%	13.2%	14.0%	16.6%	16.7%
Leases/Other	0.0%	0.0%	0.0%	3.5%	0.1%	1.2%
GROSS LOANS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Schedule 3
Acme Bank
Loan Portfolio Quality

Loan Loss Reserve Components	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Beginning Balance	1,068	1,059	275	271	275	311
Net Charge-Offs:						
Charge-Offs	(843)	(882)	(1,725)	(42)	(44)	(69)
Recoveries	57	79	54	9	11	9
Net Charge-Offs	(786)	(803)	(1,671)	(33)	(33)	(60)
Provision	1,250	1,141	1,956	36	30	24
Other Adjustments	0	0	499	1	(1)	0
Ending Reserve	\$1,532	\$1,397	\$1,059	\$275	\$271	\$275

Approximately \$2.5 million of net charge-offs over the last 2 years, which were primarily concentrated in commercial loans (2003) and residential mortgages and consumer loans (2002).

Non-Performing Assets

Commercial & Industrial	105	99	0	46	15	22
Agriculture	0	0	0	0	0	0
Consumer	75	24	33	25	52	77
Real Estate	781	166	415	0	8	3
Other	0	0	0	0	0	0
Total Non-Accrual Loans	\$961	\$289	\$448	\$71	\$75	\$102
Commercial & Industrial	0	7	117	89	385	58
Agriculture	0	0	0	0	0	0
Consumer	3	27	67	25	1	20
Real Estate	140	128	449	249	163	118
Other	0	0	0	0	0	0
Total Loans Past Due 90+ Days	\$143	\$162	\$633	\$363	\$549	\$196
Restructured Loans / Securities	0	0	0	0	0	0
Other Real Estate Owned	1,463	4,211	1,843	229	115	107
Total Non-Performing Assets	\$2,567	\$4,662	\$2,924	\$663	\$739	\$405
Average Loans (\$000's)	133,319	124,900	110,372	25,014	24,100	23,707

Transfer of OREO to "other assets" caused non-performing assets to appear to improve in 1Q04. Without this transfer, NPAs would have increased due to higher level of non-accrual loans. \$2.5 million was associated with one borrower.

Ratios:						
Net Charge-Offs/Loan Loss Prov.	-62.88%	-70.38%	-85.43%	-91.67%	-110.0%	-250.0%
Peer Average	-69.17%	-69.53%	-65.07%	-70.37%	-58.78%	-59.18%

Net Charge-Offs/Avg Loans (%)	-0.59%	-0.64%	-1.51%	-0.13%	-0.14%	-0.25%
Peer Average	-0.26%	-0.28%	-0.29%	-0.28%	-0.20%	-0.19%

Provision/Average Loans (x)	0.94%	0.91%	1.77%	0.14%	0.12%	0.10%
Peer Average	0.38%	0.40%	0.45%	0.40%	0.35%	0.32%

Ending Reserve/Loans (%)	1.03%	1.01%	0.98%	1.14%	1.07%	1.15%
Peer Average	1.32%	1.31%	1.30%	1.26%	1.25%	1.26%

Nonaccrual Loans/Total Loans	0.65%	0.21%	0.42%	0.30%	0.30%	0.43%
Peer Average	0.63%	0.64%	0.67%	0.62%	0.51%	0.46%

Non-Perfor Assets/Loans+OREO	1.72%	3.27%	2.67%	2.73%	2.91%	1.69%
Peer Average	1.12%	1.15%	1.23%	1.17%	0.96%	0.95%

Non-Perfor Assets/Total Assets	1.29%	2.42%	1.66%	1.48%	1.82%	0.90%
Peer Average	0.73%	0.75%	0.80%	0.76%	0.63%	0.60%

Nonaccrual+90 days/LLR	72.06%	32.28%	102.08%	157.82%	230.26%	108.36%
Peer Average	62.96%	65.15%	70.31%	71.91%	59.56%	55.71%

Non-Perfor Assets/Equity+LLR	13.40%	24.87%	16.86%	12.66%	13.03%	7.97%
Peer Average	6.92%	7.23%	7.63%	7.39%	6.00%	5.81%

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Though Net Charge-Offs to Average Loans declined between 2002 and the LTM, they are still higher than the peer average.

The Bank also has a high amount of Non-Performing Assets to Total Assets (even with the 2004 reclassification). In fairness, non-performing assets trended down in 2Q04.

The Bank's Ending Reserve/Loan Ratio has been weaker than the peer group's for the last three years, despite higher losses. Coverage of non-performing loans is also lower than peer.

Schedule 3a
Acme Bank
Loan Portfolio Quality

Loan Loss Reserve Components	1 Qtr Mar-04	2 Qtr Dec-03	3 Qtr Sep-03	4 Qtr Jun-02
Beginning Balance	1,397	1,237	1,154	1,068
Net Charge-Offs:				
Charge-Offs	(92)	(396)	(114)	(241)
Recoveries	7	11	27	12
Net Charge-Offs	(85)	(385)	(87)	(229)
Provision	220	545	170	315
Other Adjustments	0	0	0	0
Ending Reserve	\$1,532	\$1,397	\$1,237	\$1,154

Non-Performing Assets				
Commercial & Industrial	105	99	87	56
Agriculture	0	0	0	0
Consumer	75	24	51	69
Real Estate	781	166	667	794
Other	0	0	0	0
Total Non-Accrual Loans	\$961	\$289	\$805	\$919
Commercial & Industrial	0	7	27	50
Agriculture	0	0	0	0
Consumer	3	27	1	7
Real Estate	140	128	4	736
Other	0	0	0	0

Total Loans Past Due 90+ Days	\$143	\$162	\$32	\$793
Restructured Loans / Securities	0	0	0	0
Other Real Estate Owned	1,463	4,211	822	993
Total Non-Performing Assets	\$2,567	\$4,662	\$1,659	\$2,705
Average Loans (\$000's)	145,850	137,151	128,804	121,470

Ratios:

Net Charge-Offs/Loan Loss Prov	-38.64%	-70.64%	-51.18%	-72.70%
Peer Average	-48.51%	-87.34%	-72.08%	-62.20%
Net Losses/Average Loans (%) *	-0.23%	-1.12%	-0.27%	-0.75%
Peer Average	-0.14%	-0.38%	-0.27%	-0.27%
Provision/Average Loans (x) *	0.60%	1.59%	0.53%	1.04%
Peer Average	0.28%	0.43%	0.38%	0.43%
Ending Reserve/Loans (%)	1.03%	1.01%	0.93%	0.93%
Peer Average	1.32%	1.31%	1.33%	1.33%
Nonaccrual Loans/Total Loans	0.65%	0.21%	0.61%	0.74%
Peer Average	0.63%	0.64%	0.67%	0.67%
Non-Perfor Assets/Loans+OREO	1.72%	3.27%	1.25%	2.16%
Peer Average	1.12%	1.15%	1.26%	1.24%
Non-Perfor Assets/Total Assets	1.29%	2.42%	0.86%	1.44%
Peer Average	0.73%	0.75%	0.82%	0.80%
Nonaccrual+90 days/LLR	72.06%	32.28%	67.66%	148.35%
Peer Average	62.96%	65.15%	69.25%	69.95%
Non-Perfor Assets/Equity+LLR	13.40%	24.87%	8.94%	14.59%
Peer Average	6.92%	7.23%	7.81%	7.59%

* Annualized

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Schedule 4
Acme Bank
Liquid Asset Analysis

	YTD	FY	FY	FY	FY	FY	Growth Rates
Liquid Assets	3/31/04	2003	2002	2001	2000	1999	2002-03 1999-03
U.S. Treasury Obligations	0	0	0	0	0	1,529	nm nm
Other U.S. Agencies-excl of MBS	7,591	12,021	11,938	6,577	9,090	10,854	0.7% 2.6%
GNMA, FNMMA, FHLMC MBS	1,252	1,358	1,924	738	1,167	1,523	-29.4% -2.8%
FNMA & FHLMC CMOs/REMICs	0	0	0	0	0	0	nm nm
Other MBS and CMOs/REMICs	0	0	0	0	0	0	nm nm
State & Political Obligations	213	212	544	705	906	905	-61.0% -30.4%
Equity Securities	0	0	0	0	128	128	nm nm
Other	15,912	15,804	15,262	3,061	0	0	3.6% nm
Total Securities	24,968	29,395	29,668	11,081	11,291	14,939	-0.9% 18.4%
Trading Account Securities	0	0	0	0	0	0	nm nm
Fed Funds Sold & CD's	5,824	4,669	22,513	4,400	0	750	-79.3% 58.0%
Total Liquid Earning Assets	30,792	34,064	52,181	15,481	11,291	15,689	-34.7% 21.4%
Cash & Due from Banks	2,804	2,952	2,919	2,019	1,794	3,055	1.1% -0.9%
Total Liquid Assets	33,596	37,016	55,100	17,500	13,085	18,744	-32.8% 18.5%
Less: Non-Core Funding Sources	(48,997)	(44,926)	(36,569)	(11,916)	(7,843)	(8,654)	nm nm
Net Liquid Assets	(15,401)	(7,910)	18,531	5,584	5,242	10,090	nm nm
Unrealized Gain/(Loss) in Portfolio	0	0	0	103	25	0	nm nm
Adjusted Net Liquid Assets	(\$15,401)	(\$7,910)	\$18,531	\$5,687	\$5,267	\$10,090	nm nm

The Bank has benefited in yield from its investment in Corporate Bonds, classified here as "Other." However, there is likely a corresponding give-up in liquidity relative to Treasuries.

Overall, liquidity has declined, which corresponds to the need to fund recent loan growth with reductions in liquid assets and wholesale borrowings.

Securities Portfolio Memorandum:

Held-to-Maturity (Market Value)	0	0	0	4,607	2,098	2,428
Held-to-Maturity (Cost Basis)	0	0	0	4,504	2,073	2,428
Unrealized Gain/(Loss) in Port.	0	0	0	103	25	0
% of Held-to-Maturity Portfolio	0.0%	0.0%	0.0%	2.3%	1.2%	0.0%
Peer Average	2.5%	1.8%	2.9%	1.4%	0.4%	-1.9%
Available-for-Sale (Market Value)	24,968	29,395	29,668	6,577	9,218	12,511
Available-for-Sale (Cost Basis)	23,936	28,534	28,487	6,491	9,238	12,815
Recognized Gain/(Loss) in Port.	1,032	861	1,181	86	(20)	(304)
% of Avail for Sale Portfolio	4.31%	3.02%	4.15%	1.32%	-0.22%	-2.37%
Peer Average	1.71%	1.03%	2.41%	1.09%	0.06%	-2.51%

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Schedule 5
Acme Bank
Liquid Assets as a Percentage of Total Assets

Liquid Assets	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	YTD
							Peer Average
U.S. Treasury Obligations	0.0%	0.0%	0.0%	0.0%	0.0%	3.4%	0.7%
Other U.S. Agencies-excl of MBS	3.8%	6.2%	6.8%	14.7%	22.4%	24.1%	9.1%
GNMA, FNMA, FHLMC MBS	0.6%	0.7%	1.1%	1.6%	2.9%	3.4%	5.3%
FNMA & FHLMC CMOs/REMICs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.3%
Other MBS and CMOs/REMICs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%
State & Political Obligations	0.1%	0.1%	0.3%	1.6%	2.2%	2.0%	4.6%
Equity Securities	0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	0.2%
Other	8.0%	8.2%	8.7%	6.8%	0.0%	0.0%	0.8%
Total Securities	12.5%	15.3%	16.8%	24.7%	27.9%	33.1%	23.0%
Trading Account Securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fed Funds Sold & CD's	2.9%	2.4%	12.8%	9.8%	0.0%	1.7%	4.5%
Total Liquid Earning Assets	15.5%	17.7%	29.6%	34.5%	27.9%	34.8%	27.5%
Cash & Due from Banks	1.4%	1.5%	1.7%	4.5%	4.4%	6.8%	3.3%
Total Liquid Assets	16.9%	19.2%	31.3%	39.1%	32.3%	41.6%	30.8%
Less: Non-Core Funding Sources	-24.6%	-23.3%	-20.8%	-26.6%	-19.3%	-19.2%	-18.7%
Net Liquid Assets	-7.7%	-4.1%	10.5%	12.5%	12.9%	22.4%	12.0%
Gain/(Loss) in Portfolio	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.1%
Adjusted Net Liquid Assets	-7.7%	-4.1%	10.5%	12.7%	13.0%	22.4%	12.1%

Margin compression was significant in 2003, despite the overall reduction in liquidity. Gave up liquidity and achieved no corresponding earnings burst.

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Schedule 6
Acme Bank
Deposit Base Composition

Deposit Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates 2002-03 1999-03
Total Demand Deposits	16,566	18,892	11,700	6,149	5,556	6,639	61.5% 29.9%
Regular Savings/Other	26,549	25,519	23,813	3,667	3,869	4,156	7.2% 57.4%
MMDA & NOW Accounts	21,454	17,095	17,996	3,204	3,128	6,509	-5.0% 27.3%
Time Deposits Under \$100,000	67,179	68,028	67,599	14,715	14,606	14,114	0.6% 48.2%
Time Deposits Over \$100,000	23,117	21,846	19,094	7,745	7,444	8,426	14.4% 26.9%
Total Deposits	154,865	151,380	140,202	35,480	34,603	39,844	8.0% 39.6%
Less: Time Deposits > \$100,000	23,117	21,846	19,094	7,745	7,444	8,426	14.4% 26.9%
Less: Brokered CDs < \$100K	0	0	0	0	0	0	nm nm
Total Core Deposits	\$131,748	\$129,534	\$121,108	\$27,735	\$27,159	\$31,418	7.0% 42.5%

Memo: Total Brokered Deposits 0 0 0 0 0 0
Government Deposits 4,394 4,126 4,139 1,395 1,455 1,638

Schedule 7
Deposit Percentage Composition

Deposit Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average
Demand Deposits	10.7%	12.5%	8.3%	17.3%	16.1%	16.7%	16.0%
Regular Savings	17.1%	16.9%	17.0%	10.3%	11.2%	10.4%	12.9%
MMDA & NOW Accounts	13.9%	11.3%	12.8%	9.0%	9.0%	16.3%	29.7%
Time Deposits Under \$100,000	43.4%	44.9%	48.2%	41.5%	42.2%	35.4%	26.3%
Time Deposits Over \$100,000	14.9%	14.4%	13.6%	21.8%	21.5%	21.1%	15.1%
TOTAL DEPOSITS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Perhaps attributable to its thrift roots, the Bank has a much larger portion of Time Deposits under \$100K than the peer group, but a much smaller portion of MMDA and NOW accounts than the peer group.

Schedule 8
Non-Core Funding Analysis

Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Time Deposits Over \$100,000	23,117	21,846	19,094	7,745	7,444	8,426
Brokered CDs < \$100,000	0	0	0	0	0	0
Fed Funds Purchased & Repos	0	0	0	0	200	0
Other Borrowings + TT&Ls + BAS	25,880	23,080	17,475	4,171	199	228
Total Non-Core Funds	\$48,997	\$44,926	\$36,569	\$11,916	\$7,843	\$8,654

Non-Core Funds/Total Assets	24.6%	23.3%	20.8%	26.6%	19.3%	19.2%
Peer Group	18.7%	18.7%	18.3%	18.1%	18.1%	16.7%
Non-Core Funds/Total Loans	33.1%	32.4%	34.0%	49.5%	31.0%	36.3%
Peer Group	28.7%	28.6%	28.3%	28.0%	27.9%	26.6%

Non-Core Funds provide a relatively large portion of funding for the Bank.

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Schedule 9
Acme Bank
Non-Interest Income and Expenses

	LTM	FY	FY	FY	FY	FY	Growth Rates
	3/31/04	2003	2002	2001	2000	1999	2002-03 1999-03
Non-Interest Income							
Fiduciary Activities	0	0	0	0	0	0	nm nm
Service Charges	1,353	1,137	893	270	226	206	27.3% 53.3%
Trading Revenue	0	0	0	0	0	0	nm nm
Other Fee Income	(11)	(9)	14	3	27	34	nm nm
Other Noninterest Income	328	405	957	81	23	29	-57.7% 93.3%
Total Non-Interest Income	\$1,670	\$1,533	\$1,864	\$354	\$276	\$269	-17.8% 54.5%

Non-Interest Expenses							
Personnel	2,697	2,676	2,873	681	702	711	-6.9% 39.3%
Occupancy	839	793	688	172	164	168	15.3% 47.4%
Other	1,825	1,637	1,849	581	530	552	-11.5% 31.2%
Non-Interest Expenses	\$5,361	\$5,106	\$5,410	\$1,434	\$1,396	\$1,431	-5.6% 37.4%

Non-Interest Expenses/Avg Assets							Peer Average
Personnel	1.44%	1.46%	1.59%	1.48%	1.56%	1.49%	-8.6% -0.6%
Occupancy	0.45%	0.43%	0.38%	0.37%	0.36%	0.35%	13.1% 5.2%
Other	0.97%	0.89%	1.03%	1.26%	1.18%	1.16%	-13.1% -6.3%
Non-Interest Expenses	2.86%	2.78%	3.00%	3.11%	3.10%	3.00%	-7.4% -1.9%

Net Non-Interest Expense	\$3,691	\$3,573	\$3,546	\$1,080	\$1,120	\$1,162	0.8% 32.4%
Net NIE/Average Assets	1.97%	1.95%	1.97%	2.34%	2.49%	2.44%	

Fee Income/Non-Interest Expense 31.2% 30.0% 34.5% 24.7% 19.8% 18.8%

Personnel Expense Analysis

Average Assets (\$000)	187,772	183,636	180,177	46,128	45,012	47,665	
Full-Time Equivalent Employees	83	81	79	27	25	26	
Peer Equivalent FTEs	68	68	70	19	19	22	
FTE Differential	15	13	9	8	6	4	

Avg Assets/Employee (\$000)	2,262	2,267	2,281	1,708	1,800	1,833	
Peer Average	2,764	2,720	2,581	2,452	2,322	2,214	

Personnel Expense/Employee	32,494	33,037	36,367	25,222	28,080	27,346	
Peer Average	46,428	45,719	43,599	41,022	38,917	37,211	

Fee Income/Employee	20,120	18,926	23,595	13,111	11,040	10,346	
Peer Average	24,106	24,161	22,199	20,189	18,013	17,235	

AGI/Employee	85,446	83,889	98,595	70,889	82,560	79,077	
Peer Average	134,741	133,188	130,644	121,099	118,055	112,596	

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Schedule 10
Acme Bank
Operating Expense as a Percentage of Adjusted Gross Income

	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average
Net Interest Income	76.45%	77.44%	76.07%	81.50%	86.63%	86.92%	82.11%
Fee Income	23.55%	22.56%	23.93%	18.50%	13.37%	13.08%	2.17/89%
Adjusted Gross Income (Sales)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Non-Interest Expenses:							
Personnel	38.03%	39.38%	36.89%	35.58%	34.01%	34.58%	34.46%
Occupancy	11.83%	11.67%	8.83%	8.99%	7.95%	8.17%	9.09%
Other	25.73%	24.09%	23.74%	30.36%	25.68%	26.85%	19.32%
Non-Int Operating Expense (Efficiency Ratio)	75.59%	75.14%	69.46%	74.92%	67.64%	69.60%	62.86%
Operating Income	24.41%	24.86%	30.54%	25.08%	32.36%	30.40%	37.14%
Securities Transactions	4.31%	4.40%	0.10%	2.09%	-0.29%	0.15%	0.68%
Loan Loss Provision	17.63%	16.79%	25.11%	1.88%	1.45%	1.17%	5.06%
Pre-Tax Income (FTE)	11.10%	12.47%	5.53%	25.29%	30.62%	29.58%	32.76%

As previously discussed, the Bank has a relatively higher fee income than the peer banks and very tight interest margins, so Fee Income as a % of Sales is higher than the peer group's.

Non-Interest Operating Expenses are higher as a percent of sales for the Bank. The Bank's efficiency ratio has been historically weak and is not improving.

The Pre-Tax Margin is much lower for the Bank than for the peer group.

Schedule 11
Historical Return on Average Equity

	LTM 3/31/04	2003	2002	2001	2000	1999	Peer Average
Components of ROAE							
Basic Operating Income (FTE)	0.92%	0.92%	1.32%	1.04%	1.48%	1.31%	1.81%
+ Securities Transactions	0.16%	0.16%	0.00%	0.09%	-0.01%	0.01%	0.03%
- Loan Loss Provision	-0.67%	-0.62%	-1.09%	-0.08%	-0.07%	-0.05%	-0.25%
- FTE Adjustment	-0.01%	-0.01%	-0.01%	-0.05%	-0.05%	-0.05%	-0.10%
- Taxes	-0.09%	-0.10%	-0.03%	-0.41%	-0.56%	-0.47%	-0.36%
+ Net Extraordinary Items	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
= Return on Average Assets	0.32%	0.35%	0.20%	0.59%	0.80%	0.75%	1.13%
x Avg. Assets/Avg. Equity	10.85	10.74	11.60	8.70	8.83	10.07	10.21
= Return on Average Equity	3.50%	3.79%	2.35%	5.15%	7.02%	7.54%	11.52%
Peer Group ROAE	11.52%	11.39%	11.95%	11.04%	12.01%	11.86%	

The Bank's lower than peer average ROA combined with leverage (about equal to the peer) yields a substantially lower ROE.

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Schedule 12
Acme Bank
Reconciliation of Equity (\$ Thousands)

	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Beginning Equity Capital	17,351	16,284	4,961	5,401	4,807	4,643
Net Income	137	648	365	273	358	357
Net Sale or Purchase of Stock						
- Preferred Stock	0	0	0	0	0	0
- Common Stock	0	0	0	0	0	0
Cash Dividends, Preferred Stock	0	0	0	0	0	0
Cash Dividends, Common Stock	0	0	(1,500)	(800)	0	0
Prior Period Adjustments	0	0	0	0	0	0
Accounting Principle Changes	0	0	0	0	0	0
Other Comprehensive Income	110	(76)	766	65	156	(188)
Other Transactions w/Parent HC	21	0	0	22	80	(5)
Change Due to Business Comb.	0	0	11,692	0	0	0
Combinations / Other Adjustments	0	495	0	0	0	0
Ending Equity Capital	\$17,619	\$17,351	\$16,284	\$4,961	\$5,401	\$4,807

Peer Data is UBPR Group #4: Banks with assets between \$100-\$300 million and 3 or more banking offices in a metro area at 3/31/04 (1,287 banks).

Exhibit 1
Acme Bancshares, Inc.
Historical Balance Sheets (\$ Thousands)

	<i>Historical Balance Sheets</i>					<i>Compound Annual Growth Rates</i>	
	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Subject 2002-03 1999-03
Assets							
Total Securities	24,968	29,395	29,668	35,417	24,170	30,454	-0.9% -0.9%
Trading Account	0	0	0	0	0	0	nm nm
Fed Funds + CDs + Rev Repos	5,824	4,669	22,513	19,247	1,917	12,206	-79% -21.4%
Gross Loans & Leases	148,035	138,529	107,598	111,919	119,886	115,692	28.7% 4.6%
Loan Loss Allowance	1,532	1,397	1,059	775	965	1,013	31.9% 8.4%
Net Loans	146,503	137,132	106,539	111,144	118,921	114,679	28.7% 4.6%
Total Earning Assets	177,295	171,196	158,720	165,808	145,008	157,339	7.9% 2.1%
Cash and Due From Banks	2,804	2,952	2,919	3,358	3,024	5,658	1.1% -15.0%
Bank Premises	5,380	4,909	4,265	3,566	3,257	3,152	15.1% 11.7%
Other Real Estate Owned	1,463	4,211	1,843	1,387	1,912	678	128.5% 57.9%
Investment In Unconsolidated Sub	0	0	0	0	0	0	nm nm
Intangible Assets	1,271	1,291	1,085	983	1,092	1,200	19.0% 1.8%
Other Assets	12,973	9,652	8,953	7,125	3,572	3,220	7.8% 31.6%
TOTAL ASSETS	\$201,186	\$194,211	\$177,785	\$182,227	\$157,865	\$171,247	9.2% 3.2%
Liabilities & Equity							
Demand Deposits	16,566	18,892	13,945	9,490	8,456	9,365	35.5% 19.2%
Time & Savings Deposits	138,299	132,488	125,986	136,579	128,182	142,388	5.2% -1.8%
Total Deposits	154,865	151,380	139,931	146,069	136,638	151,753	8.2% -0.1%
Fed Funds Purchased + Repos	0	0	0	0	200	0	nm nm
FHLB Advances & Other Borrowings	27,125	23,780	17,475	17,000	0	0	36.1% nm
Subordinated Debt	0	0	0	0	0	0	nm nm
Other Liabilities	671	499	1,571	692	867	514	-68.2% -0.7%
Total Liabilities	182,661	175,659	158,977	163,761	137,705	152,267	10.5% 3.6%
Minority Interest/Trust Preferred Sec	0	0	0	0	0	0	nm nm
Preferred Stock	0	0	0	0	0	0	nm nm
Common Stock	18,525	18,552	18,808	18,466	20,160	18,980	-1.4% -0.6%
Total Equity	18,525	18,552	18,808	18,466	20,160	18,980	-1.4% -0.6%
TOTAL LIABILITIES & EQUITY	\$201,186	\$194,211	\$177,785	\$182,227	\$157,865	\$171,247	9.2% 3.2%
Average							
Average Fed Funds & Rev Repos	2,499	3,489	5,789	12,814	3,824	19,228	-39.7% -34.7%
Average Securities	25,974	26,012	29,625	30,779	28,676	27,591	-12.2% -1.5%
Average Loans	133,319	124,900	110,372	116,178	116,259	113,266	13.2% 2.5%
Average Earning Assets	178,945	174,892	158,141	175,611	154,257	164,483	10.6% 1.5%
Average Total Assets	\$190,213	\$186,332	\$181,496	\$185,474	\$167,356	\$181,845	2.7% 0.6%
Average							
Average Demand Deposits	33,255	16,419	11,718	8,973	8,911	11,100	40.1% 10.3%
Average Interest-Bearing Funds	153,128	149,722	146,423	151,157	137,239	145,651	2.3% 0.7%
Average Total Equity	\$18,402	\$18,459	\$17,574	\$19,777	\$19,482	\$18,507	5.0% -0.1%

Exhibit 1a
Acme Bancshares, Inc.
Historical Balance Sheets (\$ Thousands)

Assets	Historical Balance Sheets					Period-to-Period Growth Rates			
	1 Qtr Mar-04	2 Qtr Dec-03	3 Qtr Sep-03	4 Qtr Jun-03	5 Qtr Mar-03	1 Qtr / 2 Qtr	2 Qtr / 3 Qtr	3 Qtr / 4 Qtr	4 Qtr / 5 Qtr
Total Securities	24,968	29,395	26,627	27,479	25,159	-15.1%	10.4%	-3.1%	9.2%
Trading Account	0	0	0	0	0	nm	nm	nm	nm
Fed Funds + CDs + Rev Repos	5,824	4,669	17,705	20,588	28,880	24.7%	-73.6%	-14.0%	-28.7%
Gross Loans & Leases	148,035	138,529	132,375	124,178	113,523	6.9%	4.6%	6.6%	9.4%
Loan Loss Allowance	1,532	1,397	1,237	1,154	1,068	9.7%	12.9%	7.2%	8.1%
Net Loans	146,503	137,132	131,138	123,024	112,455	6.8%	4.6%	6.6%	9.4%
Total Earning Assets	177,295	171,196	175,470	171,091	166,494	3.6%	-2.4%	2.6%	2.8%
Cash and Due From Banks	2,804	2,952	2,028	2,967	2,589	-5.0%	45.6%	-31.6%	14.6%
Bank Premises	5,380	4,909	4,734	4,169	4,201	9.6%	3.7%	13.6%	-0.8%
Other Real Estate Owned	1,463	4,211	822	993	1,536	-65.3%	412.3%	-17.2%	-35.4%
Investment In Unconsolidated Sub	0	0	0	0	0	nm	nm	nm	nm
Intangible Assets	1,271	1,291	1,312	1,072	2,537	-1.5%	-1.6%	22.4%	-57.7%
Other Assets	12,973	9,652	9,137	7,463	7,148	34.4%	5.6%	22.4%	4.4%
TOTAL ASSETS	\$201,186	\$194,211	\$193,503	\$187,755	\$184,505	3.6%	0.4%	3.1%	1.8%
Liabilities & Equity									
Demand Deposits	16,566	18,892	21,112	20,198	129,068	-12.3%	-10.5%	4.5%	-84.4%
Time & Savings Deposits	138,299	132,488	134,564	131,257	18,543	4.4%	-1.5%	2.5%	607.9%
Total Deposits	154,865	151,380	155,676	151,455	147,611	2.3%	-2.8%	2.8%	2.6%
Fed Funds Purchased + Repos	0	0	0	0	0	nm	nm	nm	nm
FHLB Advances & Other Borrowings	27,125	23,780	17,855	18,155	17,475	14.1%	33.2%	-1.7%	3.9%
Subordinated Debt	0	0	0	0	0	nm	nm	nm	nm
Other Liabilities	671	499	1,247	757	739	34.5%	-60.0%	64.7%	2.4%
Total Liabilities	182,661	175,659	174,778	170,367	165,825	4.0%	0.5%	2.6%	2.7%
Minority Interest/Trust Preferred Sec	0	0	0	0	0	nm	nm	nm	nm
Preferred Stock	0	0	0	0	0	nm	nm	nm	nm
Common Stock	18,525	18,552	18,725	17,388	18,680	-0.1%	-0.9%	7.7%	-6.9%
Total Equity	18,525	18,552	18,725	17,388	18,680	-0.1%	-0.9%	7.7%	-6.9%
TOTAL LIABILITIES & EQUITY	\$201,186	\$194,211	\$193,503	\$187,755	\$184,505	3.6%	0.4%	3.1%	1.8%
Average Fed Funds and Rev Repos	161	320	5,353	4,160	4,124	-49.7%	-94.0%	28.7%	0.9%
Average Securities	24,743	27,818	25,412	25,923	24,895	-11.1%	9.5%	-2.0%	4.1%
Average Loans	145,850	137,151	128,804	121,470	112,175	6.3%	6.5%	6.0%	8.3%
Average Earning Assets	185,631	177,935	178,158	174,054	169,423	4.3%	-0.1%	2.4%	2.7%
Average Total Assets	\$200,650	\$188,940	\$189,294	\$181,966	\$185,129	6.2%	-0.2%	4.0%	-1.7%
Average Demand Deposits	17,729	20,002	20,655	74,633	71,507	-11.4%	-3.2%	-72.3%	4.4%
Average Interest-Bearing Funds	160,069	153,872	150,329	148,243	146,444	4.0%	2.4%	1.4%	1.2%
Average Total Equity	\$18,581	\$18,709	\$18,767	\$17,550	\$18,810	-0.7%	-0.3%	6.9%	-6.7%

Exhibit 2
Acme Bancshares, Inc.
Historical Balance Sheet as a
Percentage of Total Assets

	<i>Historical Percentage Balance Sheets</i>						<i>Historical Percentage Balance Sheets</i>				
	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average	1 Qtr Mar-04	2 Qtr Dec-03	3 Qtr Sep-03	4 Qtr Jun-03
Assets											
Total Securities	12.4%	15.1%	16.7%	19.4%	15.3%	17.8%	23.5%	12.4%	15.1%	13.8%	14.6%
Trading Account	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fed Funds + CDs + Rev Repos	2.9%	2.4%	12.7%	10.6%	1.2%	7.1%	4.3%	2.9%	2.4%	9.1%	11.0%
Gross Loans & Leases	73.6%	71.3%	60.5%	61.4%	75.9%	67.6%	65.0%	73.6%	71.3%	68.4%	66.1%
Loan Loss Allowance	0.8%	0.7%	0.6%	0.4%	0.6%	0.6%	0.9%	0.8%	0.7%	0.6%	0.6%
Net Loans	72.8%	70.6%	59.9%	61.0%	75.3%	67.0%	64.1%	72.8%	70.6%	67.8%	65.5%
Total Earning Assets	88.1%	88.1%	89.3%	91.0%	91.9%	91.9%	91.9%	88.1%	88.1%	90.7%	91.1%
Cash and Due From Banks	1.4%	1.5%	1.6%	1.8%	1.9%	3.3%	3.3%	1.4%	1.5%	1.0%	1.6%
Bank Premises	2.7%	2.5%	2.4%	2.0%	2.1%	1.8%	2.0%	2.7%	2.5%	2.4%	2.2%
Other Real Estate Owned	0.7%	2.2%	1.0%	0.8%	1.2%	0.4%	0.2%	0.7%	2.2%	0.4%	0.5%
Investment In Unconsolidated Sub	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Intangible Assets	0.6%	0.7%	0.6%	0.5%	0.7%	0.7%	0.3%	0.6%	0.7%	0.7%	0.6%
Other Assets	6.4%	5.0%	5.0%	3.9%	2.3%	1.9%	2.3%	6.4%	5.0%	4.7%	4.0%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Liabilities & Equity											
Demand Deposits	8.2%	9.7%	7.8%	5.2%	5.4%	5.5%	13.4%	8.2%	9.7%	10.9%	10.8%
Time & Savings Deposits	68.7%	68.2%	70.9%	74.9%	81.2%	83.1%	69.1%	68.7%	68.2%	69.5%	69.9%
Total Deposits	77.0%	77.9%	78.7%	80.2%	86.6%	88.6%	82.5%	77.0%	77.9%	80.5%	80.7%
Fed Funds Purchased + Repos	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%
FHLB Advances & Other Borrowing:	13.5%	12.2%	9.8%	9.3%	0.0%	0.0%	5.1%	13.5%	12.2%	9.2%	9.7%
Subordinated Debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Other Liabilities	0.3%	0.3%	0.9%	0.4%	0.5%	0.3%	1.4%	0.3%	0.3%	0.6%	0.4%
Total Liabilities	90.8%	90.4%	89.4%	89.9%	87.2%	88.9%	90.4%	90.8%	90.4%	90.3%	90.7%
Minority Interest/Trust Preferred Sec	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Preferred Stock	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Common Stock	9.2%	9.6%	10.6%	10.1%	12.8%	11.1%	9.6%	9.2%	9.6%	9.7%	9.3%
Total Equity	9.2%	9.6%	10.6%	10.1%	12.8%	11.1%	9.6%	9.2%	9.6%	9.7%	9.3%
TOTAL LIAB & EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Leverage Ratio	8.68%	8.90%	9.38%	9.35%	11.71%	10.00%		8.32%	8.90%	8.95%	8.55%
Risk-Weighted Assets	163,383	144,669	122,245	129,016	103,371	103,053		163,383	144,669	146,806	138,088
Tier 1 Capital	16,593	16,710	16,967	17,428	19,079	17,947		16,593	16,710	16,820	15,458
Tier 2 Capital	1,532	1,397	1,059	830	965	1,013		1,532	1,397	1,237	1,154
1 & 2 Cap/Risk Assets	11.09%	12.52%	14.75%	14.15%	19.39%	18.40%		11.09%	12.52%	12.30%	12.03%

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Exhibit 3
Acme Bancshares, Inc.
Historical Income Statements (\$ Thousands)

	Historical Income Statements					Compound Annual Growth Rates		
	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Subject 2002-03 1999-03	
Interest Income								
Taxable Loans	8,011	7,779	8,621	10,594	10,955	10,166	-9.8%	-6.5%
Tax-Free Loans	1	1	0	0	2	1	nm	0.0%
Fed Funds Sold & CD's	98	158	314	672	460	1,331	-49.7%	-41.3%
Taxable Securities	1,230	1,316	1,798	1,964	1,765	1,481	-26.8%	-2.9%
Tax-Free Securities	19	23	32	39	43	45	-28.1%	-15.4%
Estimated Tax Benefit	12	12	16	20	23	24	-25.0%	-15.9%
Other Interest Income	36	35	92	0	58	72	-62.0%	-16.5%
Interest Income (FTE)	9,407	9,324	10,873	13,289	13,306	13,120	-14.2%	-8.2%
Interest Expense								
Large CDs	520	580	724	1,024	680	1,003	-19.9%	-12.8%
Other Deposits	2,521	2,558	3,297	4,962	5,484	5,604	-22.4%	-17.8%
Fed Funds Purchased	0	0	0	0	1	0	nm	nm
Other Interest Expense	929	894	895	867	0	0	-0.1%	nm
Interest Expense	3,970	4,032	4,916	6,853	6,165	6,607	-18.0%	-11.6%
Net Interest Income (FTE)	5,437	5,292	5,957	6,436	7,141	6,513	-11.2%	-5.1%
Fee Income								
Deposit Account Service Charges	1,353	1,137	893	767	648	610	27.3%	16.8%
Other Operating Income	443	497	1,070	572	142	171	-53.6%	30.6%
Total Other Income	1,796	1,634	1,963	1,339	790	781	-16.8%	20.3%
Adjusted Gross Income (FTE)	7,233	6,926	7,920	7,775	7,931	7,294	-12.6%	-1.3%
Non-Interest Operating Expense								
Salaries & Benefits	3,135	3,152	3,221	3,379	3,113	2,815	-2.1%	2.9%
Net Occupancy	842	793	700	625	901	893	13.3%	-2.9%
Other Operating Expenses	1,938	1,738	1,935	1,911	1,284	1,239	-10.2%	8.8%
Non-Interest Operating Expenses	5,915	5,683	5,856	5,915	5,298	4,947	-3.0%	3.5%
Basic Operating Income (FTE)	1,318	1,243	2,064	1,860	2,633	2,347	-39.8%	-14.7%
Security Transactions	306	299	8	40	(6)	3	3637.5%	216.0%
Loan Loss Provision	1,250	1,141	1,956	97	135	114	-41.7%	77.9%
Pre-Tax Income (FTE)	374	401	116	1,803	2,492	2,236	245.7%	-34.9%
FTE Adjustment	12	12	16	20	23	24	-25.0%	-15.9%
Pre-Tax Income	362	389	100	1,783	2,469	2,212	289.0%	-35.2%
Taxes	(20)	(14)	(101)	593	919	809	nm	nm
Minority Interest	0	0	0	0	0	0	nm	nm
Income Before Extraordinary Items	382	403	201	1,190	1,550	1,403	100.5%	-26.8%
Net Extraordinary Items	0	0	0	0	0	0	nm	nm
NET INCOME	\$382	\$403	\$201	\$1,190	\$1,550	\$1,403	100.5%	-26.8%
TOTAL DIVIDENDS	\$831	\$824	\$814	\$934	\$882	\$870		
Dividend Payout Ratio	217.5%	204.5%	405.0%	78.5%	56.9%	62.0%		
Peer Average	39.7%	37.8%	35.3%	39.7%	37.2%	38.0%		
Taxes / Reported Pre Tax Income	5.5%	2.8%	104.0%	5.5%	37.0%	50.0%		

Exhibit 3a
Acme Bancshares, Inc.
Historical Income Statements (\$ Thousands)
for the Quarters Ended

	<i>Historical Quarterly Income Statements</i>					<i>Period-to-Period Growth Rates</i>			
	Qtr 1 Mar-04	Qtr 2 Dec-03	Qtr 3 Sep-03	Qtr 4 Jun-03	Qtr 5 Mar-03	1 Qtr / 2 Qtr	2 Qtr / 3 Qtr	3 Qtr / 4 Qtr	4 Qtr / 5 Qtr
Interest Income									
Taxable Loans	2,092	1,966	1,980	1,973	1,860	6.4%	-0.7%	0.4%	6.1%
Tax-Free Loans	0	0	1	0	0	nm	-100.0%	nm	nm
Fed Funds Sold & CD's	3	16	31	48	63	-81.3%	-48.4%	-35.4%	-23.8%
Taxable Securities	291	307	303	329	377	-5.2%	1.3%	-7.9%	-12.7%
Tax-Free Securities	3	3	6	7	7	0.0%	-50.0%	-14.3%	0.0%
Estimated Tax Benefit	2	2	4	4	4	0.0%	-50.0%	0.0%	0.0%
Other Interest Income	12	7	7	10	11	71.4%	0.0%	-30.0%	-9.1%
Interest Income (FTE)	2,403	2,301	2,332	2,371	2,322	4.4%	-1.3%	-1.6%	2.1%
Interest Expense									
Large CDs	91	143	120	166	151	-36.4%	19.2%	-27.7%	9.9%
Other Deposits	628	628	645	620	665	0.0%	-2.6%	4.0%	-6.8%
Fed Funds Purchased	0	0	0	0	0	nm	nm	nm	nm
Other Interest Expense	259	204	232	234	224	27.0%	-12.1%	-0.9%	4.5%
Interest Expense	978	975	997	1,020	1,040	0.3%	-2.2%	-2.3%	-1.9%
Net Interest Income (FTE)	1,425	1,326	1,335	1,351	1,282	7.5%	-0.7%	-1.2%	5.4%
Fee Income									
Deposit Account Service Charges	447	351	308	247	231	27.4%	14.0%	24.7%	6.9%
Other Operating Income	62	229	73	79	116	-72.9%	213.7%	-7.6%	-31.9%
Total Other Income	509	580	381	326	347	-12.2%	52.2%	16.9%	-6.1%
Adjusted Gross Income (FTE)	1,934	1,906	1,716	1,677	1,629	1.5%	11.1%	2.3%	2.9%
Non-Interest Operating Expense									
Salaries & Benefits	782	828	978	547	799	-5.6%	-15.3%	78.8%	-31.5%
Net Occupancy	239	204	193	206	190	17.2%	5.7%	-6.3%	8.4%
Other Operating Expenses	573	546	427	392	373	4.9%	27.9%	8.9%	5.1%
Non-Interest Operating Expenses	1,594	1,578	1,598	1,145	1,362	1.0%	-1.3%	39.6%	-15.9%
Basic Operating Income (FTE)	340	328	118	532	267	3.7%	178.0%	-77.8%	99.3%
Security Transactions	7	0	0	299	0	nm	nm	-100.0%	nm
Loan Loss Provision	220	545	170	315	111	-59.6%	220.6%	-46.0%	183.8%
Pre-Tax Income (FTE)	127	(217)	(52)	516	156	nm	nm	nm	230.8%
FTE Adjustment	2	2	4	4	4	0.0%	-50.0%	0.0%	0.0%
Pre-Tax Income	125	(219)	(56)	512	152	nm	nm	nm	236.8%
Taxes	13	(126)	(75)	168	19	nm	nm	nm	784.2%
Minority Interest	0	0	0	0	0	nm	nm	nm	nm
Income Before Extraordinary Items	112	(93)	19	344	133	nm	nm	-94.5%	158.6%
Net Extraordinary Items	0	0	0	0	0	nm	nm	nm	nm
NET INCOME	\$112	(\$93)	\$19	\$344	\$133	nm	nm	-94.5%	158.6%
TOTAL DIVIDENDS	\$333	(\$1,266)	\$0	\$1,764	\$328				
Dividend Payout Ratio	297.3%	1361.3%	0.0%	512.8%	246.6%				
Taxes / Reported Pre-Tax Income	10.4%	57.5%	133.9%	32.8%	12.5%				
Taxes (FTE) / Pre-Tax Income (FTE)	11.2%	57.1%	133.5%	32.8%	11.7%				

Exhibit 4
Acme Bancshares, Inc.
Historical Income Statements as a
Percentage of Average Assets

	<i>Historical Percentage Income Statements</i>						<i>Historical Percentage Income Statements</i>				
	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average	Qtr 1 Mar-04	Qtr 2 Dec-03	Qtr 3 Sep-03	Qtr 4 Jun-03
Interest Income											
Taxable Loans	4.21%	4.17%	4.75%	5.71%	6.55%	5.59%		4.17%	4.16%	4.18%	4.34%
Tax-Free Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
Fed Funds Sold & CD's	0.05%	0.08%	0.17%	0.36%	0.27%	0.73%		0.01%	0.03%	0.07%	0.11%
Taxable Securities	0.65%	0.71%	0.99%	1.06%	1.05%	0.81%		0.58%	0.65%	0.64%	0.72%
Tax-Free Securities	0.01%	0.01%	0.02%	0.02%	0.03%	0.02%		0.01%	0.01%	0.01%	0.02%
Estimated Tax Benefit	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%		0.00%	0.00%	0.01%	0.01%
Other Interest Income	0.02%	0.02%	0.05%	0.00%	0.03%	0.04%		0.02%	0.01%	0.01%	0.02%
Interest Income (FTE)	4.95%	5.00%	5.99%	7.16%	7.95%	7.21%	5.32%	4.79%	4.87%	4.93%	5.21%
Interest Expense											
Large CDs	0.27%	0.31%	0.40%	0.55%	0.41%	0.55%		0.18%	0.30%	0.25%	0.36%
Other Deposits	1.33%	1.37%	1.82%	2.68%	3.28%	3.08%		1.25%	1.33%	1.36%	1.36%
Fed Funds Purchased	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
Other Interest Expense	0.49%	0.48%	0.49%	0.47%	0.00%	0.00%		0.52%	0.43%	0.49%	0.51%
Interest Expense	2.09%	2.16%	2.71%	3.69%	3.68%	3.63%	1.52%	1.95%	2.06%	2.11%	2.24%
Net Interest Income (FTE)	2.86%	2.84%	3.28%	3.47%	4.27%	3.58%	3.80%	2.84%	2.81%	2.82%	2.97%
Fee Income											
Deposit Account Service Charges	0.71%	0.61%	0.49%	0.41%	0.39%	0.34%	0.42%	0.89%	0.74%	0.65%	0.54%
Other Operating Income	0.23%	0.27%	0.59%	0.31%	0.08%	0.09%	0.63%	0.12%	0.48%	0.15%	0.17%
Total Other Income	0.94%	0.88%	1.08%	0.72%	0.47%	0.43%	1.05%	1.01%	1.23%	0.81%	0.72%
Adjusted Gross Income (FTE)	3.80%	3.72%	4.36%	4.19%	4.74%	4.01%	4.85%	3.86%	4.04%	3.63%	3.69%
Non-Interest Operating Expense											
Salaries & Benefits	1.65%	1.69%	1.77%	1.82%	1.86%	1.55%	1.72%	1.56%	1.75%	2.07%	1.20%
Net Occupancy	0.44%	0.43%	0.39%	0.34%	0.54%	0.49%	0.43%	0.48%	0.43%	0.41%	0.45%
Other Operating Expenses	1.02%	0.93%	1.07%	1.03%	0.77%	0.68%	0.96%	1.14%	1.16%	0.90%	0.86%
Non-Interest Operating Expenses	3.11%	3.05%	3.23%	3.19%	3.17%	2.72%	3.11%	3.18%	3.34%	3.38%	2.52%
Basic Operating Income (FTE)	0.69%	0.67%	1.14%	1.00%	1.57%	1.29%	1.74%	0.68%	0.69%	0.25%	1.17%
Security Transactions	0.16%	0.16%	0.00%	0.02%	0.00%	0.00%	0.04%	0.01%	0.00%	0.00%	0.66%
Loan Loss Provision	0.66%	0.61%	1.08%	0.05%	0.08%	0.06%	0.25%	0.44%	1.15%	0.36%	0.69%
Pre-Tax Income (FTE)	0.20%	0.22%	0.06%	0.97%	1.49%	1.23%	1.52%	0.25%	-0.46%	-0.11%	1.13%
FTE Adjustment	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.11%	0.00%	0.00%	0.01%	0.01%
Pre-Tax Income	0.19%	0.21%	0.06%	0.96%	1.48%	1.22%	1.41%	0.25%	-0.46%	-0.12%	1.13%
Taxes	-0.01%	-0.01%	-0.06%	0.32%	0.55%	0.44%	0.32%	0.03%	-0.27%	-0.16%	0.37%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%
Income Before Extraordinary Items	0.20%	0.22%	0.11%	0.64%	0.93%	0.77%	1.09%	0.22%	-0.20%	0.04%	0.76%
Net Extraordinary Items	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NET INCOME	0.20%	0.22%	0.11%	0.64%	0.93%	0.77%	1.09%	0.22%	-0.20%	0.04%	0.76%
Return on Average Equity	2.17%	2.18%	1.14%	6.02%	7.96%	7.58%		2.41%	-1.99%	0.40%	7.84%
Peer Average ROA	1.09%	1.26%	1.31%	1.27%	1.27%	1.33%		1.10%	0.94%	1.11%	1.18%
Peer Average ROE	11.46%	11.79%	12.03%	10.98%	11.36%	11.73%		11.19%	10.61%	11.95%	12.08%

Schedule 1
Acme Bancshares, Inc.
Spread Relationships / Margin Analysis

	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Qtr 1 Mar-04	Qtr 2 Dec-03	Qtr 3 Sep-03	Qtr 4 Jun-03
BANK:										
Interest Income(FTE)/Avg Assets	4.95%	5.00%	5.99%	7.16%	7.95%	7.21%	4.79%	4.87%	4.93%	5.21%
Interest Expense/Average Assets	2.09%	2.16%	2.71%	3.69%	3.68%	3.63%	1.95%	2.06%	2.11%	2.24%
Net Interest Inc(FTE)/Avg Assets	2.86%	2.84%	3.28%	3.47%	4.27%	3.58%	2.84%	2.81%	2.82%	2.97%
Yield on Avg Earn Assets (FTE)	5.26%	5.33%	6.88%	7.57%	8.63%	7.98%	5.18%	5.17%	5.24%	5.45%
Cost of Interest-Bearing Funds	2.59%	2.69%	3.36%	4.53%	4.49%	4.54%	2.44%	2.53%	2.65%	2.75%
Net Spread (FTE)	2.66%	2.64%	3.52%	3.03%	4.13%	3.44%	2.73%	2.64%	2.58%	2.70%
Yield on Avg Earn Assets (FTE)	5.26%	5.33%	6.88%	7.57%	8.63%	7.98%	5.18%	5.17%	5.24%	5.45%
Cost of Average Earning Assets	2.22%	2.31%	3.11%	3.90%	4.00%	4.02%	2.11%	2.19%	2.24%	2.34%
Net Interest Margin (FTE)	3.04%	3.03%	3.77%	3.66%	4.63%	3.96%	3.07%	2.98%	3.00%	3.10%
PEER GROUP:										
Interest Income(FTE) / Avg Assets	5.32%	6.23%	7.00%	8.56%	8.76%	8.31%	5.32%	5.29%	5.20%	5.47%
Interest Expense / Average Assets	1.52%	1.86%	2.47%	3.89%	4.09%	3.64%	1.44%	1.47%	1.51%	1.68%
Net Interest Inc(FTE) / Avg Assets	3.80%	4.37%	4.53%	4.67%	4.67%	4.67%	3.88%	3.82%	3.69%	3.79%
Yield on Avg Earn Assets (FTE)	5.75%	6.73%	7.54%	9.23%	9.47%	8.97%	5.77%	5.71%	5.63%	5.90%
Cost of Interest-Bearing Funds	2.00%	2.45%	3.22%	5.05%	5.31%	4.76%	1.91%	1.95%	1.99%	2.20%
Net Spread (FTE)	3.74%	4.29%	4.32%	4.18%	4.16%	4.21%	3.86%	3.77%	3.64%	3.70%
Yield on Avg Earn Assets (FTE)	5.75%	6.73%	7.54%	9.23%	9.47%	8.97%	5.77%	5.71%	5.63%	5.90%
Cost of Average Earning Assets	1.64%	2.01%	2.66%	4.19%	4.42%	3.93%	1.56%	1.59%	1.63%	1.81%
Net Interest Margin (FTE)	4.11%	4.73%	4.88%	5.04%	5.05%	5.04%	4.20%	4.13%	3.99%	4.09%
Supplemental Data - Assets:										
Yield on Loans (FTE)	6.01%	6.23%	7.81%	9.12%	9.43%	8.98%	5.74%	5.73%	6.15%	6.50%
Peer Average	6.67%	7.84%	8.58%	10.37%	10.55%	10.20%	6.61%	6.62%	6.59%	6.87%
Yield on Total Securities (FTE)	4.85%	5.19%	6.23%	6.57%	6.38%	5.61%	4.78%	4.48%	4.91%	5.24%
Peer Average	4.09%	4.79%	5.85%	7.13%	7.14%	6.96%	4.21%	4.09%	3.85%	4.23%
Supplemental Data - Deposits:										
Cost of Int. Bearing Deposits	2.29%	2.38%	3.02%	4.47%	4.49%	4.54%	2.15%	2.27%	2.31%	2.41%
Peer Average	1.88%	2.01%	2.74%	4.26%	4.62%	4.16%	1.72%	1.80%	1.91%	2.09%
Cost of CD's >\$100,000	2.57%	2.98%	3.49%	5.17%	3.94%	4.55%	1.62%	2.69%	2.36%	3.61%
Peer Average	2.59%	2.72%	3.60%	5.40%	5.75%	5.03%	2.37%	2.49%	2.67%	2.83%

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Schedule 2
Acme Bancshares, Inc.
Loan Portfolio Composition (\$ Thousands)

Loan Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates 2002-03 1999-03	
Construction & Development	34,596	27,277	15,902	13,112	13,166	11,983	71.5%	22.8%
1-4 Family Residential	51,665	54,028	46,725	62,597	66,972	65,194	15.6%	-4.6%
Other Real Estate	46,344	41,954	23,314	18,546	16,825	17,475	80.0%	24.5%
Total Real Estate	132,605	123,259	85,941	94,255	96,963	94,652	43.4%	6.8%
Financial Institution	0	0	0	0	0	0	nm	nm
Agricultural	0	0	0	0	0	0	nm	nm
Commercial/Industrial	8,091	7,486	7,548	6,075	9,040	10,317	-0.8%	-7.7%
Consumer	7,329	7,773	14,208	10,746	14,231	11,046	-45.3%	-8.4%
Leases/Other	10	11	0	847	31	37	nm	-26.2%
GROSS LOANS	148,035	138,529	107,697	111,923	120,265	116,052	28.6%	4.5%
Unearned Income (-)	0	0	(99)	(4)	(379)	(360)	nm	nm
Loans Net of Unearned Income	\$148,035	\$138,529	\$107,598	\$111,919	\$119,886	\$115,692	28.7%	4.6%
Mortgages Serviced for Others	\$4,835	\$5,408	\$7,880	\$0	\$548	\$566	-31.4%	75.8%
Loan/Deposit Ratio	95.6%	91.5%	76.9%	76.6%	87.7%	76.2%		
Peer Average	78.9%	78.5%	77.8%	77.1%	77.2%	73.5%		
Loan/Core Deposit Ratio	112.4%	106.9%	89.0%	89.1%	99.2%	87.6%		
Peer Average	94.6%	93.6%	92.6%	91.5%	91.3%	85.3%		

Schedule 2a
Loan Portfolio Composition Percentages

Loan Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average
Construction & Development	23.4%	19.7%	14.8%	11.7%	10.9%	10.3%	9.3%
1-4 Family Residential	34.9%	39.0%	43.4%	55.9%	55.7%	56.2%	27.5%
Other Real Estate	31.3%	30.3%	21.6%	16.6%	14.0%	15.1%	34.1%
Total Real Estate	89.6%	89.0%	79.8%	84.2%	80.6%	81.6%	70.9%
Financial Institution	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Agricultural	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.8%
Commercial/Industrial	5.5%	5.4%	7.0%	5.4%	7.5%	8.9%	16.0%
Consumer - Credit Card	5.0%	5.6%	13.2%	9.6%	11.8%	9.5%	7.7%
Leases/Other	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	1.6%
GROSS LOANS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Schedule 3
Acme Bancshares, Inc.
Loan Portfolio Quality

Loan Loss Reserve Components	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Beginning Balance	1,068	1,059	775	965	1,013	1,081
Net Charge-Offs:						
Charge-Offs	(843)	(882)	(1,725)	(354)	(253)	(207)
Recoveries	57	79	54	66	44	50
Net Charge-Offs	(786)	(803)	(1,671)	(288)	(209)	(157)
Provision	1,250	1,141	1,956	97	135	114
Other Adjustments	0	0	(1)	1	26	(25)
Ending Reserve	<u>\$1,532</u>	<u>\$1,397</u>	<u>\$1,059</u>	<u>\$775</u>	<u>\$965</u>	<u>\$1,013</u>

Non-Performing Assets

Commercial & Industrial	105	99	0	839	439	22
Agriculture	0	0	0	0	0	0
Consumer	75	24	33	275	320	283
Real Estate	781	166	415	620	1,306	147
Other	0	0	0	0	0	0
Total Non-Accrual Loans	\$961	\$289	\$448	\$1,734	\$2,065	\$452
Commercial & Industrial	0	7	117	89	385	58
Agriculture	0	0	0	0	0	0
Consumer	3	27	67	188	30	587
Real Estate	140	128	449	249	184	1,074
Other	0	0	0	0	0	0
Total Loans Past Due 90+ Days	\$143	\$162	\$633	\$526	\$599	\$1,719
Restructured Loans / Securities	0	0	0	0	0	0
Other Real Estate Owned	1,463	4,211	1,843	1,387	1,912	678
Total Non-Performing Assets	\$2,567	\$4,662	\$2,924	\$3,647	\$4,576	\$2,849

Average Loans (\$000's)	133,319	124,900	110,372	116,178	116,259	113,266
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Ratios:

Net Charge-Offs/Loan Loss Prov.	-62.88%	-70.38%	-85.43%	-296.91%	-154.81%	-137.72%
Peer Average	-74.34%	-74.12%	-72.70%	-73.71%	-78.22%	-62.57%
Net Charge-Offs/Average Loans (%)	-0.59%	-0.64%	-1.51%	-0.25%	-0.18%	-0.14%
Peer Average	-0.29%	-0.35%	-0.40%	-0.49%	-0.43%	-0.31%
Provision/Average Loans (x)	0.94%	0.91%	1.77%	0.08%	0.12%	0.10%
Peer Average	0.39%	0.47%	0.56%	0.66%	0.55%	0.49%
Ending Reserve/Loans (%)	1.03%	1.01%	0.98%	0.69%	0.80%	0.88%
Peer Average	1.37%	1.37%	1.38%	1.35%	1.31%	1.36%
Nonaccrual Loans/Total Loans	0.65%	0.21%	0.42%	1.55%	1.72%	0.39%
Peer Average	0.72%	0.75%	0.77%	0.76%	0.63%	0.53%
Non-Perfor Assets/Loans+OREO	1.72%	3.27%	2.67%	3.22%	3.76%	2.45%
Peer Average	1.23%	1.28%	1.37%	1.42%	1.14%	1.18%

Schedule 3a
Acme Bancshares, Inc.
Loan Portfolio Quality

Loan Loss Reserve Components	1 Qtr Mar-04	2 Qtr Dec-03	3 Qtr Sep-03	4 Qtr Jun-03
Beginning Balance	1,397	1,237	1,154	1,068
Net Charge-Offs:				
Charge-Offs	(92)	(396)	(114)	(241)
Recoveries	7	11	27	12
Net Charge-Offs	(85)	(385)	(87)	(229)
Provision	220	545	170	315
Other Adjustments	0	0	0	0
Ending Reserve	<u>\$1,532</u>	<u>\$1,397</u>	<u>\$1,237</u>	<u>\$1,154</u>
Non-Performing Assets				
Commercial & Industrial	105	99	87	56
Agriculture	0	0	0	0
Consumer	75	24	51	69
Real Estate	781	166	667	794
Other	0	0	0	0
Total Non-Accrual Loans	\$961	\$289	\$805	\$919
Commercial & Industrial	0	7	27	50
Agriculture	0	0	0	0
Consumer	3	27	1	7
Real Estate	140	128	4	736
Other	0	0	0	0
Total Loans Past Due 90+ Days	\$143	\$162	\$32	\$793
Restructured Loans / Securities	0	0	0	0
Other Real Estate Owned	1,463	4,211	822	993
Total Non-Performing Assets	\$2,567	\$4,662	\$1,659	\$2,705
Average Loans (\$000's)				
	145,850	137,151	128,804	121,470
Ratios:				
Net Charge-Offs/Loan Loss Prov.	-38.64%	-70.64%	-51.18%	-72.70%
Peer Average	-52.75%	-94.84%	-76.83%	-65.94%
Net Losses/Average Loans (%) *	-0.23%	-1.12%	-0.27%	-0.75%
Peer Average	-0.17%	-0.44%	-0.30%	-0.27%
Provision/Average Loans (x) *	0.60%	1.59%	0.53%	1.04%
Peer Average	0.32%	0.46%	0.39%	0.41%
Ending Reserve/Loans (%)	1.03%	1.01%	0.93%	0.93%
Peer Average	1.37%	1.37%	1.39%	1.39%
Nonaccrual Loans/Total Loans	0.65%	0.21%	0.61%	0.74%
Peer Average	0.72%	0.75%	0.78%	0.81%
Non-Perfor Assets/Loans+OREO	1.72%	3.27%	1.25%	2.16%
Peer Average	1.23%	1.28%	1.35%	1.43%
Non-Perfor Assets/Total Assets	1.28%	2.40%	0.86%	1.44%

Schedule 4
Acme Bancshares, Inc.
Liquid Asset Analysis

Liquid Assets	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates	
							2002-03	1999-03
U.S. Treasury Securities	0	0	0	0	9,000	11,529	nm	nm
U.S. Govt Agency Oblg (excl MBS)	7,591	12,021	11,938	17,561	14,136	17,892	0.7%	-9.5%
GNMA, FNMA, FHLMC MBS	1,252	1,358	1,924	2,752	0	0	-29.4%	nm
FNMA & FHLMC CMOs/REMICs	0	0	0	0	0	0	nm	nm
Private Issue CMO's	0	0	0	0	0	0	nm	nm
State & Political Obligations	213	212	544	705	906	905	-61.0%	-30.4%
Equity Securities	0	0	0	0	128	128	nm	nm
Other	15,912	15,804	15,262	14,399	0	0	3.6%	nm
Total Securities	24,968	29,395	29,668	35,417	24,170	30,454	-0.9%	-0.9%
Trading Account Securities	0	0	0	0	0	0	nm	nm
Fed Funds Sold & CD's	5,824	4,669	22,513	19,247	1,917	12,206	-79%	-21.4%
Total Liquid Earning Assets	30,792	34,064	52,181	54,664	26,087	42,660	-34.7%	-5.5%
Cash & Due from Banks	2,804	2,952	2,919	3,358	3,024	5,658	1.1%	-15.0%
Total Liquid Assets	33,596	37,016	55,100	58,022	29,111	48,318	-32.8%	-6.4%
Less: Non-Core Funding Sources	(50,242)	(45,626)	(36,569)	(37,490)	(16,044)	(19,663)	nm	nm
Net Liquid Assets	(16,646)	(8,610)	18,531	20,532	13,067	28,655	nm	nm
Unrealized Gain/(Loss) in Portfolio	0	0	0	593	(266)	(221)	nm	nm
Adjusted Net Liquid Assets	(\$16,646)	(\$8,610)	\$18,531	\$21,125	\$12,801	\$28,434	nm	nm

Securities Portfolio Memorandum:

Held-to-Maturity (Market Value)	0	0	0	29,433	14,686	17,722
Held-to-Maturity (Cost Basis)	0	0	0	28,840	14,952	17,943
Unrealized Gain/(Loss) in Port.	0	0	0	593	(266)	(221)
% of Held-to-Maturity Portfolio	0.0%	0.0%	0.0%	2.1%	-1.8%	-1.2%
Peer Average	2.3%	1.7%	2.7%	1.2%	0.2%	-1.6%
Available-for-Sale (Market Value)	24,968	29,395	29,668	6,577	9,218	12,511
Available-for-Sale (Cost Basis)	23,936	28,534	28,487	6,491	9,238	12,815
Recognized Gain/(Loss) in Port.	1,032	861	1,181	86	(20)	(304)
% of Avail for Sale Portfolio	4.31%	3.02%	4.15%	1.32%	-0.22%	-2.37%
Peer Average	2.00%	1.32%	2.60%	1.37%	0.46%	-2.34%

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Schedule 5

Acme Bancshares, Inc.

Liquid Assets as a Percentage of Total Assets

Liquid Assets	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	YTD Peer Average
U.S. Treasury Securities	0.0%	0.0%	0.0%	0.0%	5.7%	6.7%	0.7%
U.S. Govt Agency Oblg (excl MBS)	3.8%	6.2%	6.7%	9.6%	9.0%	10.4%	9.3%
GNMA, FNMA, FHLMC MBS	0.6%	0.7%	1.1%	1.5%	0.0%	0.0%	5.2%
FNMA & FHLMC CMOs/REMICs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%
Private Issue CMO's	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
State & Political Obligations	0.1%	0.1%	0.3%	0.4%	0.6%	0.5%	5.0%
Equity Securities	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.4%
Other	7.9%	8.1%	8.6%	7.9%	0.0%	0.0%	1.0%
Total Securities	12.4%	15.1%	16.7%	19.4%	15.3%	17.8%	23.5%
Trading Account Securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fed Funds Sold & CD's	2.9%	2.4%	12.7%	10.6%	1.2%	7.1%	4.3%
Total Liquid Earning Assets	15.3%	17.5%	29.4%	30.0%	16.5%	24.9%	27.8%
Cash & Due from Banks	1.4%	1.5%	1.6%	1.8%	1.9%	3.3%	3.3%
Total Liquid Assets	16.7%	19.1%	31.0%	31.8%	18.4%	28.2%	31.0%
Less: Non-Core Funding Sources	-25.0%	-23.5%	-20.6%	-20.6%	-10.2%	-11.5%	-20.1%
Net Liquid Assets	-8.3%	-4.4%	10.4%	11.3%	8.3%	16.7%	10.9%
Gain/(Loss) in Portfolio	0.0%	0.0%	0.0%	0.3%	0.0%	0.0%	0.1%
Adjusted Net Liquid Assets	-8.3%	-4.4%	10.4%	11.6%	8.1%	16.6%	11.0%

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Schedule 6
Acme Bancshares, Inc.
Deposit Base Composition

Deposit Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates 2002-03 1999-03	
Total Demand Deposits	16,566	18,892	13,945	9,490	8,456	9,365	35.5%	19.2%
NOW & Other Transaction Accounts	19,190	14,510	13,402	12,726	13,808	17,537	8.3%	-4.6%
MMDA & Other Savings Deposits	28,813	28,104	25,891	28,296	27,693	29,861	8.5%	-1.5%
Time Deposits Under \$100,000	67,179	68,028	67,599	75,067	70,837	75,327	0.6%	-2.5%
Time Deposits Over \$100,000	23,117	21,846	19,094	20,490	15,844	19,663	14.4%	2.7%
Total Deposits	154,865	151,380	139,931	146,069	136,638	151,753	8.2%	-0.1%
Less: Time Deposits > \$100,000	23,117	21,846	19,094	20,490	15,844	19,663	14.4%	2.7%
Less: Brokered CDs < \$100,000	0	0	0	0	0	0	nm	nm
Total Core Deposits	\$131,748	\$129,534	\$120,837	\$125,579	\$120,794	\$132,090	7.2%	-0.5%
Memo: Total Brokered Deposits	0	0	0	0	0	0		
Government Deposits	na	na	na	na	na	na		

Schedule 7
Deposit Percentage Composition

Deposit Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average
Demand Deposits	10.7%	12.5%	10.0%	6.5%	6.2%	6.2%	16.2%
NOW & Other Transaction Accounts	12.4%	9.6%	9.6%	8.7%	10.1%	11.6%	12.6%
MMDA & Other Savings Deposits	18.6%	18.6%	18.5%	19.4%	20.3%	19.7%	27.6%
Time Deposits Under \$100,000	43.4%	44.9%	48.3%	51.4%	51.8%	49.6%	27.5%
Time Deposits Over \$100,000	14.9%	14.4%	13.6%	14.0%	11.6%	13.0%	16.0%
TOTAL DEPOSITS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Schedule 8
Non-Core Funding Analysis

Category	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Time Deposits Over \$100,000	23,117	21,846	19,094	20,490	15,844	19,663
Brokered CDs < \$100,000	0	0	0	0	0	0
Fed Funds Purchased & Repos	0	0	0	0	200	0
Other Borrowings + TT&Ls + BAs	27,125	23,780	17,475	17,000	0	0
Total Non-Core Funds	\$50,242	\$45,626	\$36,569	\$37,490	\$16,044	\$19,663
Non-Core Funds/Total Assets	25.0%	23.5%	20.6%	20.6%	10.2%	11.5%
Peer Group	20.1%	20.1%	19.8%	19.5%	19.3%	17.7%
Non-Core Funds/Total Loans	33.9%	32.9%	34.0%	33.5%	13.4%	17.0%
Peer Group	30.9%	30.9%	30.7%	30.4%	30.2%	29.0%

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Schedule 9
Acme Bancshares, Inc.
Non-Interest Income and Expenses

Non-Interest Income	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates	
							2002-03	1999-03
Fiduciary Activities	0	0	0	0	0	0	nm	nm
Service Charges on Deposits	1,353	1,137	893	767	648	610	27.3%	16.8%
Trading Revenue	0	0	0	0	0	0	nm	nm
Other Fee Income	(11)	(9)	14	11	117	113	nm	nm
Other Noninterest Income	454	506	1,056	561	25	58	-52.1%	71.9%
Total Non-Interest Income	\$1,796	\$1,634	\$1,963	\$1,339	\$790	\$781	-16.8%	20.3%

Non-Interest Expenses

Personnel	3,135	3,152	3,221	3,379	3,113	2,815	-2.1%	2.9%
Occupancy	842	793	700	625	901	893	13.3%	-2.9%
Other	1,938	1,738	1,935	1,911	1,284	1,239	-10.2%	8.8%
Non-Interest Expenses	\$5,915	\$5,683	\$5,856	\$5,915	\$5,298	\$4,947	-3.0%	3.5%

Non-Interest Expenses/Avg Assets

									Peer Average
Personnel	1.65%	1.69%	1.77%	1.82%	1.86%	1.55%	-4.7%	2.2%	1.72%
Occupancy	0.44%	0.43%	0.39%	0.34%	0.54%	0.49%	10.3%	-3.5%	0.43%
Other	1.02%	0.93%	1.07%	1.03%	0.77%	0.68%	-12.5%	8.2%	0.96%
Non-Interest Expenses	3.11%	3.05%	3.23%	3.19%	3.17%	2.72%	-5.5%	2.9%	3.11%
Net Non-Interest Expense	\$4,119	\$4,049	\$3,893	\$4,576	\$4,508	\$4,166	4.0%	-0.7%	
Net NIE/Average Assets	2.17%	2.17%	2.14%	2.47%	2.69%	2.29%			

Fee Income/Non-Interest Expense **30.4%** **28.8%** **33.5%** **22.6%** **14.9%** **15.8%**

Personnel Expense Analysis

Average Assets (\$000)	190,213	186,332	181,496	185,474	167,356	181,845		
Full-Time Equivalent Employees	83	81	79	76	75	74		
Peer Equivalent FTEs	73	77	79	87	81	89		
FTE Differential	10	4	0	(11)	(6)	(15)		
Avg Assets/Employee (\$000)	2,292	2,300	2,297	2,440	2,231	2,457		
Peer Average	2,609	2,432	2,305	2,128	2,066	2,045		
Personnel Expense/Employee	37,771	38,914	40,772	44,461	41,507	38,041		
Peer Average	44,905	48,230	44,507	42,076	38,796	37,125		
Fee Income/Employee	21,639	20,173	24,848	17,618	10,533	10,554		
Peer Average	27,386	30,098	26,591	24,836	21,070	19,880		
AGI/Employee	87,145	85,506	100,253	102,303	105,747	98,568		
Peer Average	126,492	136,404	131,083	124,289	117,630	115,352		

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Schedule 10
Acme Bancshares, Inc.
Operating Expense as a Percentage of Adjusted Gross Income

	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average
Net Interest Income	75.17%	76.41%	75.21%	82.78%	90.04%	89.29%	78.35%
Fee Income	24.83%	23.59%	24.79%	17.22%	9.96%	10.71%	21.65%
Adjusted Gross Income (Sales)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Non-Interest Expenses:							
Personnel	43.34%	45.51%	40.67%	43.46%	39.25%	38.59%	35.50%
Occupancy	11.64%	11.45%	8.84%	8.04%	11.36%	12.24%	8.83%
Other	26.79%	25.09%	24.43%	24.58%	16.19%	16.99%	19.84%
Non-Interest Operating Expense (Efficiency Ratio)	81.78%	82.05%	73.94%	76.08%	66.80%	67.82%	64.17%
Operating Income	18.22%	17.95%	26.06%	23.92%	33.20%	32.18%	35.83%
Securities Transactions	4.23%	4.32%	0.10%	0.51%	-0.08%	0.04%	0.78%
Loan Loss Provision	17.28%	16.47%	24.70%	1.25%	1.70%	1.56%	5.20%
Pre-Tax Income (FTE)	5.17%	5.79%	1.46%	23.19%	31.42%	30.66%	31.40%

Schedule 11
Historical Return on Average Equity

Components of ROAE	Percent of Average Assets						Peer Average
	LTM 3/31/04	2003	2002	2001	2000	1999	
Basic Operating Income (FTE)	0.69%	0.67%	1.14%	1.00%	1.57%	1.29%	1.74%
+ Securities Transactions	0.16%	0.16%	0.00%	0.02%	0.00%	0.00%	0.04%
- Loan Loss Provision	-0.66%	-0.61%	-1.08%	-0.05%	-0.08%	-0.06%	-0.25%
- FTE Adjustment	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%	-0.11%
- Taxes	0.01%	0.01%	0.06%	-0.32%	-0.55%	-0.44%	-0.32%
+ Net Extraordinary Items	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
= Return on Average Assets	0.20%	0.22%	0.11%	0.64%	0.93%	0.77%	1.09%
x Avg. Assets/Avg. Equity	10.78	10.08	10.29	9.38	8.59	9.82	10.53
= Return on Average Equity	2.17%	2.18%	1.14%	6.02%	7.96%	7.58%	11.46%
Peer Group ROAE	11.46%	11.79%	12.03%	10.98%	11.36%	11.73%	

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Schedule 12
Acme Bancshares, Inc.
Reconciliation of Equity (\$ Thousands)

	YTD 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Beginning Equity Capital	18,552	18,808	18,466	20,160	18,980	18,203
Net Income	112	403	201	1,190	1,550	1,403
Net Sale or Purchase of Stock						
- Preferred Stock	0	0	0	0	0	0
- Common Stock	60	262	107	130	172	268
- Treasury Stock Transactions, net	0	0	0	(2,336)	0	0
Cash Dividends, Preferred Stock	0	0	0	0	0	0
Cash Dividends, Common Stock	(333)	(824)	(814)	(934)	(882)	(870)
Prior Period Adjustments	0	0	0	0	0	0
Accounting Principle Changes	0	0	0	0	0	0
Other Comprehensive Income	110	(205)	701	66	156	(206)
Debit to ESOP	24	0	120	0	184	150
Change Due to Business Comb.	0	0	0	0	0	0
Other Adjustments	0	108	27	190	0	32
Ending Equity Capital	\$18,525	\$18,552	\$18,808	\$18,466	\$20,160	\$18,980

Schedule 13
Analysis by Share of Common Stock

	LTM 3/31/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates 2002-03 1999-03	
Total Shares Outstanding	2,383,144	2,375,537	2,329,192	2,311,832	2,531,266	2,504,231	2.0%	-1.3%
Common Equity (\$ 000)	18,525	18,552	18,808	18,466	20,160	18,980	-1.4%	-0.6%
Preferred Equity	0	0	0	0	0	0		
Net Income (\$ 000)	382	403	201	1,190	1,550	1,403	100.5%	-26.8%
Common Dividends (\$ 000)	333	824	814	934	882	870		
Common Dividend Payout Ratio	87.2%	204.5%	405.0%	78.5%	56.9%	62.0%	-49.5%	34.8%
Book Value Per Common Share	\$7.77	\$7.81	\$8.07	\$7.99	\$7.96	\$7.58	-3.3%	0.8%
Earnings Per Common Share	\$0.16	\$0.17	\$0.09	\$0.51	\$0.61	\$0.56	96.6%	-25.8%
Dividends Per Common Share	\$0.14	\$0.35	\$0.35	\$0.40	\$0.35	\$0.35	-0.7%	0.0%

Memo:

City redacted
Address redacted
State redacted
Zip redacted
Bank Phone Number redacted
President redacted
Number of Banking Offices redacted

Peer Data consists of 1,001 bank holding companies with consolidated assets between \$100-\$300 million at 3/31/04.

Exhibit 1
First Southern Bank
Historical Balance Sheets (\$ Thousands)

Assets	Historical Balance Sheets					Compound Annual Growth Rates				
	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Subject	1999-03	2002-03	Peer Group 1999-03
Total Securities	13,235	12,711	15,482	16,089	9,730	9,620	-17.9%	7.2%	10.8%	5.5%
Trading Account							nm	nm	nm	nm
Fed Funds + CDs + Rev Repos	3,844	5,818	2,574	9,786	521	201	126.0%	132.0%	-13.1%	12.3%
Gross Loans & Leases	73,179	72,265	72,098	96,400	144,766	157,218	0.2%	-17.7%	7.5%	8.4%
Loan Loss Allowance	2,781	2,866	4,185	5,159	5,039	1,400	-31.5%	19.6%	8.2%	9.3%
Net Loans & Leases	70,398	69,399	67,913	91,241	139,707	155,818	2.2%	-18.3%	7.5%	8.4%
Total Earning Assets	87,477	87,928	85,969	117,116	149,958	165,639	2.3%	-14.6%	6.9%	7.8%
Cash and Due From Banks	3,102	4,282	4,443	4,444	6,937	5,672	-3.6%	-6.8%	5.4%	4.5%
Bank Premises	2,445	2,346	2,352	2,807	3,412	3,663	-0.3%	-10.5%	7.7%	8.6%
Other Real Estate Owned	333	613	697	1,226	687	918	-12.1%	-9.6%	-12.8%	10.7%
Investment in Unconsolidated Sub	0	0	0	0	0	0	nm	nm	19.4%	7.5%
Intangible Assets	19	23	37	60	33	52	-37.8%	-18.4%	29.1%	16.5%
Other Assets	1,122	1,096	1,784	3,988	6,230	2,728	-38.6%	-20.4%	9.7%	12.6%
TOTAL ASSETS	\$94,498	\$96,288	\$95,282	\$129,641	\$167,257	\$178,672	1.1%	-14.3%	6.9%	7.8%

Gross Loans & Leases are down by about 50% since the discovery of the asset quality problems. The contraction appears to have stopped, as some loan growth was evident in 2003 and 2004. The contraction of the balance sheet has negatively affected the earnings of the Bank, given the difficulty in covering fixed

Liabilities & Equity		Historical Balance Sheets					Compound Annual Growth Rates				
		YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Subject	1999-03	2002-03	Peer Group 1999-03
Demand Deposits		7,763	9,340	4,464	6,057	7,488	5,703	109.2%	13.1%	12.7%	9.9%
Time & Savings Deposits		73,263	72,989	76,728	112,795	124,028	122,455	-4.9%	-12.1%	5.6%	7.0%
Total Deposits		81,026	82,329	81,192	118,852	131,516	128,158	1.4%	-10.5%	6.8%	7.5%
Fed Funds Purchased + Repos		0	0	0	0	0	1,487	nm	nm	13.5%	4.9%
FHLB Advances & Other Borrowings		5,639	5,716	5,738	5,862	25,514	33,777	-0.4%	-35.9%	15.0%	15.0%
Subordinated Debt		0	0	0	0	0	0	nm	nm	240.9%	3.4%
Other Liabilities		206	205	189	142	438	649	8.5%	-25.0%	-13.9%	0.9%
Total Liabilities		86,871	88,250	87,119	124,856	157,468	164,071	1.3%	-14.4%	7.0%	7.7%
Preferred Stock		0	0	0	0	0	0	nm	nm	-33.5%	-14.1%
Common Stock		7,627	8,038	8,163	4,785	9,789	14,601	-1.5%	-13.9%	6.2%	8.9%
Total Equity		7,627	8,038	8,163	4,785	9,789	14,601	-1.5%	-13.9%	6.0%	8.8%
TOTAL LIABILITIES & EQUITY		\$94,498	\$96,288	\$95,282	\$129,641	\$167,257	\$178,672	1.1%	-14.3%	6.9%	7.8%

Deposits have also declined (10.5% compounded annually, as shown to the left) over the five year period. Branch divestiture biases calculation. Deposits appear to have stabilized recently.

Average Fed Funds & Rev Repos	0	0	1,087	0	0	0	nm	nm	nm	nm
Average Securities	12,931	14,111	14,545	7,436	9,832	8,232	-3.0%	14.4%	14.4%	14.4%
Average Loans	73,384	72,915	82,472	118,777	153,716	152,786	-11.6%	-16.9%	-11.6%	-16.9%
Average Earning Assets	91,370	91,463	108,105	136,632	164,474	166,573	-15.4%	-13.9%	-15.4%	-13.9%
Average Total Assets	\$96,136	\$96,074	\$115,955	\$147,341	\$175,965	\$177,343	-17.1%	-14.2%	-17.1%	-14.2%

Average Demand Deposits	9,645	6,902	5,261	6,773	6,596	6,720	31.2%	0.7%	31.2%	0.7%
Average Interest-Bearing Funds	79,575	80,702	101,058	130,556	155,044	152,990	-20.1%	-14.8%	-20.1%	-14.8%
Average Total Equity	\$8,120	\$8,346	\$7,362	\$8,961	\$13,037	\$16,336	13.4%	-15.5%	13.4%	-15.5%

Avg Earning Assets/Avg Assets	95.0%	95.2%	93.2%	92.7%	93.5%	93.9%				
Peer Average	91.7%	91.7%	91.9%	92.1%	92.5%	92.5%				
Avg Int-Bear Funds/Avg Assets	82.8%	84.0%	87.2%	88.6%	88.1%	86.3%				
Peer Average	75.5%	75.7%	76.1%	76.3%	76.6%	76.2%				

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Exhibit 1a
First Southern Bank
Historical Balance Sheets (\$ Thousands)

Assets	Historical Balance Sheets					Period-to-Period Growth Rates				
	1 Qtr / Jun-04	2 Qtr / Mar-04	3 Qtr / Dec-03	4 Qtr / Sep-03	5 Qtr / Jun-03	1 Qtr / 2 Qtr	2 Qtr / 3 Qtr	3 Qtr / 4 Qtr	4 Qtr / 5 Qtr	
Total Securities	13,235	12,746	12,711	12,414	12,720	3.8%	0.3%	2.4%	-2.4%	
Trading Account	0	0	0	0	0	nm	nm	nm	nm	
Fed Funds + CDs + Rev Repos	3,844	2,074	5,818	4,978	6,732	85.3%	-64.4%	16.9%	-26.1%	
Gross Loans & Leases	73,179	73,009	72,265	74,326	72,974	0.2%	1.0%	-2.8%	1.9%	
Loan Loss Allowance	2,781	2,850	2,866	3,766	3,693	-2.4%	-0.6%	-23.9%	2.0%	
Net Loans & Leases	70,398	70,159	69,399	70,560	69,281	0.3%	1.1%	-1.6%	1.9%	
Total Earning Assets	87,477	84,979	87,928	87,952	88,673	2.9%	-3.4%	0.0%	-0.8%	
Cash and Due From Banks	3,102	7,013	4,282	9,365	2,807	-55.8%	63.8%	-54.3%	233.6%	
Bank Premises	2,445	2,340	2,346	2,356	2,331	4.5%	-0.3%	-0.4%	1.1%	
Other Real Estate Owned	333	575	613	884	778	-42.1%	-6.2%	-30.7%	13.6%	
Investment in Unconsolidated	0	0	0	0	0	nm	nm	nm	nm	
Intangible Assets	19	21	23	26	30	-9.5%	-8.7%	-11.5%	-13.3%	
Other Assets	1,122	1,117	1,096	1,407	1,402	0.4%	1.9%	-22.1%	0.4%	
TOTAL ASSETS	\$94,498	\$96,045	\$96,288	\$101,990	\$96,021	-1.6%	-0.3%	-5.6%	6.2%	
Liabilities & Equity										
Demand Deposits	7,763	8,470	9,340	13,470	6,840	-8.3%	-9.3%	-30.7%	96.9%	
Time & Savings Deposits	73,263	73,602	72,989	74,299	74,742	-0.5%	0.8%	-1.8%	-0.6%	
Total Deposits	81,026	82,072	82,329	87,769	81,582	-1.3%	-0.3%	-6.2%	7.6%	
Fed Funds Purchased + Repos	0	0	0	0	0	nm	nm	nm	nm	
FHLB Advances & Oth. Borrowings	5,639	5,677	5,716	5,722	5,727	-0.7%	-0.7%	-0.1%	-0.1%	
Subordinated Debt	0	0	0	0	0	nm	nm	nm	nm	
Other Liabilities	206	187	205	212	249	10.2%	-8.8%	-3.3%	-14.9%	
Total Liabilities	86,871	87,936	88,250	93,703	87,558	-1.2%	-0.4%	-5.8%	7.0%	
Preferred Stock	0	0	0	0	0	nm	nm	nm	nm	
Common Stock	7,627	8,109	8,038	8,287	8,463	-5.9%	0.9%	-3.0%	-2.1%	
Total Equity	7,627	8,109	8,038	8,287	8,463	-5.9%	0.9%	-3.0%	-2.1%	
TOTAL LIABILITIES & EQUITY	\$94,498	\$96,045	\$96,288	\$101,990	\$96,021	-1.6%	-0.3%	-5.6%	6.2%	
Average Fed Funds and Rev Repos	0	0	0	0	0	nm	nm	nm	nm	
Average Securities	12,872	12,175	12,548	14,128	14,554	5.7%	-3.0%	-11.2%	-2.9%	
Average Loans	73,271	73,094	73,711	73,458	72,155	0.2%	-0.8%	0.3%	1.8%	
Average Earning Assets	91,194	90,392	92,943	90,950	90,846	0.9%	-2.7%	2.2%	0.1%	
Average Total Assets	\$96,309	\$95,363	\$97,378	\$95,493	\$95,541	1.0%	-2.1%	2.0%	-0.1%	
Average Demand Deposits	8,117	8,905	11,405	10,155	5,652	-8.9%	-21.9%	12.3%	79.7%	
Average Interest-Bearing Funds	79,699	78,992	79,363	80,245	81,102	0.9%	-0.5%	-1.1%	-1.1%	
Average Total Equity	\$7,868	\$8,073	\$8,162	\$8,375	\$8,499	-2.5%	-1.1%	-2.5%	-1.5%	
Avg Earning Assets/Avg Assets	94.7%	94.8%	95.4%	95.2%	95.1%					
Avg Int-Bear Funds/Avg Assets	82.8%	82.8%	81.5%	84.0%	84.9%					

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Exhibit 2

First Southern Bank
Historical Balance Sheet as a
Percentage of Total Assets

Assets	Historical Percentage Balance Sheets						Historical Percentage Balance Sheets					
	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average	1 Qtr Jun-04	2 Qtr Mar-04	3 Qtr Dec-03	4 Qtr Sep-03	
Total Securities	14.0%	13.2%	16.2%	12.4%	5.8%	5.4%	23.1%	14.0%	13.3%	13.2%	12.2%	
Trading Account	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Fed Funds + CDs + Rev Repos	4.1%	6.0%	2.7%	7.5%	0.3%	0.1%	5.9%	4.1%	2.2%	6.0%	4.9%	
Gross Loans & Leases	77.4%	75.1%	75.7%	74.4%	86.6%	88.0%	63.2%	77.4%	76.0%	75.1%	72.9%	
Loan Loss Allowance	2.9%	3.0%	4.4%	4.0%	3.0%	0.8%	0.9%	2.9%	3.0%	3.0%	3.7%	
Net Loans & Leases	74.5%	72.1%	71.3%	70.4%	83.5%	87.2%	62.4%	74.5%	73.0%	72.1%	69.2%	
Total Earning Assets	92.6%	91.3%	90.2%	90.3%	89.7%	92.7%	91.3%	92.6%	88.5%	91.3%	86.2%	
Cash and Due From Banks	3.3%	4.4%	4.7%	3.4%	4.1%	3.2%	3.7%	3.3%	7.3%	4.4%	9.2%	
Bank Premises	2.6%	2.4%	2.5%	2.2%	2.0%	2.1%	2.3%	2.6%	2.4%	2.4%	2.3%	
Other Real Estate Owned	0.4%	0.6%	0.7%	0.9%	0.4%	0.5%	0.2%	0.4%	0.6%	0.6%	0.9%	
Investment in Unconsol Sub	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Intangible Assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%	
Other Assets	1.2%	1.1%	1.9%	3.1%	3.7%	1.5%	2.1%	1.2%	1.2%	1.1%	1.4%	
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Liabilities & Equity												
Demand Deposits	8.2%	9.7%	4.7%	4.7%	4.5%	3.2%	14.1%	8.2%	8.8%	9.7%	13.2%	
Time & Savings Deposits	77.5%	75.8%	80.5%	87.0%	74.2%	68.5%	70.6%	77.5%	76.6%	75.8%	72.8%	
Total Deposits	85.7%	85.5%	85.2%	91.7%	78.6%	71.7%	84.7%	85.7%	85.5%	85.5%	86.1%	
Fed Funds Purchased + Repos	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	1.2%	0.0%	0.0%	0.0%	0.0%	
FHLB Advances & Other Borrowings	6.0%	5.9%	6.0%	4.5%	15.3%	18.9%	3.6%	6.0%	5.9%	5.9%	5.6%	
Subordinated Debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Other Liabilities	0.2%	0.2%	0.2%	0.1%	0.3%	0.4%	0.6%	0.2%	0.2%	0.2%	0.2%	
Total Liabilities	91.9%	91.7%	91.4%	96.3%	94.1%	91.8%	90.1%	91.9%	91.6%	91.7%	91.9%	
Preferred Stock	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Common Stock	8.1%	8.3%	8.6%	3.7%	5.9%	8.2%	9.9%	8.1%	8.4%	8.3%	8.1%	
Total Equity	8.1%	8.3%	8.6%	3.7%	5.9%	8.2%	9.9%	8.1%	8.4%	8.3%	8.1%	
TOTAL LIABILITIES & EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Leverage Ratio	8.14%	8.33%	8.29%	3.66%	5.78%	8.28%		8.14%	8.45%	8.33%	8.68%	
Risk-Weighted Assets	65,497	65,543	67,242	91,778	133,908	144,406		65,497	65,374	65,543	68,323	
Tier 1 Capital	7,838	8,108	8,045	4,962	9,825	14,699		7,838	8,059	8,108	8,292	
Tier 2 Capital	843	845	882	1,197	1,716	1,400		843	842	845	890	
1 & 2 Cap/Risk Assets	13.25%	13.66%	13.28%	6.70%	8.62%	11.15%		13.25%	13.62%	13.66%	13.44%	

Gross Loans & Leases comprise 3/4ths of the asset base, well above the peer group. The loan/asset ratio, however, has declined significantly over the five year period.

The FHLB Advances & Other Borrowings as a percentage of average assets are higher than the peer group. Borrowings have declined greatly since the high of 2000.

Gross Loans & Leases comprise 3/4ths of the asset base, well above the peer group. The loan/asset ratio, however, has declined significantly over the five year period observed on the loan.

The FHLB Advances & Other Borrowings as a percentage of average assets are higher than the peer group. Borrowings have declined greatly since the first of 2001.

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Exhibit 3

First Southern Bank
Historical Income Statements (\$ Thousands)

	Historical Income Statements					Compound Annual Growth Rates		
	LTM	FY	FY	FY	FY	Subject	Peer Group	
	6/30/04	2003	2002	2001	2000			
Interest Income								
Taxable Loans	4,621	4,801	5,810	9,589	13,766	13,447	-2.1%	2.6%
Tax-Free Loans	0	0	0	0	0	0	nm	5.8%
Fed Funds Sold & CD's	50	49	191	337	74	296	-19.7%	-19.8%
Taxable Securities	369	421	706	442	657	559	-40.4%	-8.2%
Tax-Free Securities	0	0	0	0	0	0	nm	4.8%
Estimated Tax Benefit	0	0	0	0	0	0	nm	4.3%
Other Interest Income	14	20	84	126	0	0	-76.2%	13.0%
Interest Income (FTE)	5,054	5,291	6,791	10,494	14,497	14,302	-22.1%	-4.9%
Interest Expense								
Large CDs	292	325	557	1,053	1,178	963	-41.7%	-20.8%
Other Deposits	1,024	1,225	2,381	4,588	4,770	4,310	-48.6%	-24.4%
Fed Funds Purchased	0	0	0	0	72	13	nm	-23.7%
Other Interest Expense	328	329	333	752	1,863	1,815	-1.2%	-34.8%
Interest Expense	1,644	1,879	3,271	6,393	7,883	7,101	-42.6%	-21.8%
Net Interest Income (FTE)	3,410	3,412	3,520	4,101	6,614	7,201	-3.1%	6.5%
Noninterest Income								
Deposit Account Service Charges	203	182	174	185	253	228	4.6%	8.2%
Other Operating Income	55	211	1,885	(607)	231	317	-88.8%	12.2%
Total Other Income	258	393	2,059	(422)	484	545	-80.9%	9.9%
Adjusted Gross Income (FTE)	3,668	3,805	5,579	3,679	7,098	7,746	-31.8%	4.9%
Non-Interest Operating Expense								
Salaries & Benefits	2,037	1,984	2,307	2,313	2,635	2,685	-14.0%	8.2%
Net Occupancy	446	482	566	707	711	687	-14.8%	6.9%
Other Operating Expenses	1,470	1,441	1,685	3,135	1,674	1,600	-14.5%	8.2%
Non-Interest Operating Expenses	3,953	3,907	4,558	6,155	5,020	4,972	-14.3%	8.0%
Basic Operating Income (FTE)	(285)	(102)	1,021	(2,476)	2,078	2,774	nm	-1.9%
Security Transactions	1	55	116	(6)	0	0	-52.6%	18.4%
Loan Loss Provision	101	(288)	633	5,108	8,228	528	nm	-12.7%
Pre-Tax Income (FTE)	(385)	241	504	(7,590)	(6,148)	2,246	-52.2%	0.9%
FTE Adjustment	0	0	0	0	0	0	nm	4.3%
Pre-Tax Income	(385)	241	504	(7,590)	(6,148)	2,246	-52.2%	4.9%
Taxes	0	5	54	1,589	(2,415)	871	-90.7%	0.6%
Income Before Extraordinary Items	(385)	236	450	(9,179)	(3,733)	1,375	-47.6%	-1.8%
Net Extraordinary Items	0	0	0	0	0	0	nm	1.2%
NET INCOME	(\$385)	\$236	\$450	(\$9,179)	(\$3,733)	\$1,375	-47.6%	6.7%

The sum of Net Interest Income and Total Other Income is called Adjusted Gross Income for a Bank. This income statement line is the equivalent of net sales for other commercial enterprises. Adjusted Gross Income (Sales) declined at a 16% compound annual rate over the five year period observed, due to the contraction of the balance sheet.

Revenues increased by 3.0% in 2003 (after eliminating the branch sale gain), despite a decline in average earning assets from \$108 million (2002) to \$91 million (2003). Improvement in the net interest

Because Adjusted Gross Income (Sales) have declined more quickly than Non-Interest Operating Expenses, Basic Operating Income has declined significantly over the period analyzed, turning negative in the two most recent periods analyzed. Other Operating Expenses in 2001 increased significantly due to OREO expenses and costs associated with addressing the asset quality problems and

TOTAL DIVIDENDS	\$0	\$250	\$200	\$0	\$1,500	\$4,550
Dividend Payout Ratio	0.0%	105.9%	44.4%	0.0%	40.2%	330.9%
Peer Average	56.0%	57.6%	51.2%	65.2%	58.6%	60.1%
Taxes / Reported Pre-Tax Income	0.0%	2.1%	10.7%	-20.9%	39.3%	38.8%
Taxes (FTE) / Pre-Tax Inc (FTE)	0.0%	2.1%	10.7%	-20.9%	39.3%	38.8%
MEMO:						
Net Gains/(Losses) - OREO	(186)	(116)	(139)	(439)	0	0
Net Gains/(Losses) - Other Assets	112	234	1,917	(293)	103	193
Intangible Amortization	0	0	0	0	19	31

Gain on other assets includes branch sale gain.

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Exhibit 3a
First Southern Bank
Historical Income Statements (\$ Thousands)
for the Quarters Ended

	Historical Quarterly Income Statements					Period-to-Period Growth Rates				
	Qtr 1		Qtr 2		Qtr 3		Qtr 4		Qtr 5	
	Jun-04	Mar-04	Dec-03	Sep-03	Jun-03	Qtr 1	2 Qtr /	3 Qtr /	4 Qtr /	5 Qtr /
Interest Income	1,128	1,122	1,162	1,209	1,155	0.5%	-3.4%	-3.9%	4.7%	
Taxable Loans	0	0	0	0	0	nm	nm	nm	nm	
Tax-Free Loans	12	13	16	9	13	-7.7%	-18.8%	77.8%	-30.8%	
Fed Funds Sold & CD's	97	94	88	90	115	3.2%	6.8%	-2.2%	-21.7%	
Taxable Securities	0	0	0	0	0	nm	nm	nm	nm	
Tax-Free Securities	0	0	0	0	0	nm	nm	nm	nm	
Estimated Tax Benefit	4	3	4	3	6	33.3%	-25.0%	33.3%	-50.0%	
Other Interest Income	1,241	1,232	1,270	1,311	1,289	0.7%	-3.0%	-3.1%	1.7%	
Interest Income (FTE)										
Interest Expense	70	69	74	79	82	1.4%	-6.8%	-6.3%	-3.7%	
Large CDs	230	242	263	289	317	-5.0%	-8.0%	-9.0%	-8.8%	
Other Deposits	0	0	0	0	0	nm	nm	nm	nm	
Fed Funds Purchased	81	81	83	83	82	0.0%	-2.4%	0.0%	1.2%	
Other Interest Expense	381	392	420	451	481	-2.8%	-6.7%	-6.9%	-6.2%	
Interest Expense										
Net Interest Income (FTE)	860	840	850	860	808	2.4%	-1.2%	-1.2%	6.4%	
Fee Income	55	56	45	47	42	-1.8%	24.4%	-4.3%	11.9%	
Deposit Account Service Charges	6	32	(84)	101	91	-81.3%	nm	nm	11.0%	
Other Operating Income	61	88	(39)	148	133	-30.7%	nm	nm	11.3%	
Total Other Income	921	928	811	1,008	941	-0.8%	14.4%	-19.5%	7.1%	
Adjusted Gross Income (FTE)										
Non-Interest Operating Expense	515	504	498	520	489	2.2%	1.2%	-4.2%	6.3%	
Salaries & Benefits	112	106	109	119	116	5.7%	-2.8%	-8.4%	2.6%	
Net Occupancy	382	366	388	334	362	4.4%	-5.7%	16.2%	-7.7%	
Other Operating Expenses	1,009	976	995	973	967	3.4%	-1.9%	2.3%	0.6%	
Non-Interest Operating Expenses	(98)	(48)	(184)	35	(26)	nm	nm	nm	nm	
Basic Operating Income (FTE)										
Security Transactions	0	(1)	(1)	3	53	nm	nm	nm	-94.3%	
Loan Loss Provision	0	0	0	101	(189)	nm	nm	-100%	nm	
Pre-Tax Income (FTE)	(88)	(49)	(185)	(63)	216	nm	nm	nm	nm	
FTE Adjustment	0	0	0	0	0	nm	nm	nm	nm	
Pre-Tax Income	(88)	(49)	(185)	(63)	216	nm	nm	nm	nm	
Taxes	0	0	0	0	5	nm	nm	nm	-100.0%	
Income Before Extraordinary Items	(88)	(49)	(185)	(63)	211	nm	nm	nm	nm	
Net Extraordinary Items	0	0	0	0	0	nm	nm	nm	nm	
NET INCOME	(\$88)	(\$49)	(\$185)	(\$63)	\$211	nm	nm	nm	nm	

The trend is not favorable as the loss widened during the 2Q04.

TOTAL DIVIDENDS	\$0	\$0	\$0	\$0	\$250	
Dividend Payout Ratio	0.0%	0.0%	0.0%	0.0%	118.5%	
Taxes / Reported Pre-Tax Income	0.0%	0.0%	0.0%	0.0%	2.3%	
Taxes (FTE) / Pre-Tax Inc (FTE)	0.0%	0.0%	0.0%	0.0%	2.3%	
MEMO:						
Net Gains/(Losses) - OREO	(39)	(5)	(129)	(13)	(1)	
Net Gains/(Losses) - Other Assets	(13)	12	23	90	65	
Intangible Amortization	0	0	0	0	0	

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Exhibit 4

**First Southern Bank
Historical Income Statements as a
Percentage of Average Assets**

	Historical Percentage Income Statements						Historical Percentage Income Statements				
	LTM	FY	FY	FY	FY	FY	Peer	Qtr 1	Qtr 2	Qtr 3	Qtr 4
	6/30/04	2003	2002	2001	2000	1999	Average	Jun-04	Mar-04	Dec-03	Sep-03
Interest Income											
Taxable Loans	4.81%	5.00%	5.01%	6.51%	7.82%	7.58%		4.68%	4.71%	4.77%	5.06%
Tax-Free Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
Fed Funds Sold & CD's	0.05%	0.05%	0.16%	0.23%	0.04%	0.17%		0.05%	0.05%	0.07%	0.04%
Taxable Securities	0.38%	0.44%	0.61%	0.30%	0.37%	0.32%		0.40%	0.39%	0.36%	0.38%
Tax-Free Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
Estimated Tax Benefit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
Other Interest Income	0.01%	0.02%	0.07%	0.09%	0.00%	0.00%		0.02%	0.01%	0.02%	0.01%
Interest Income (FTE)	5.26%	5.51%	5.86%	7.12%	8.24%	8.06%	5.53%	5.15%	5.17%	5.22%	5.49%
Interest Expense											
Large CDs	0.30%	0.34%	0.48%	0.71%	0.67%	0.54%		0.29%	0.29%	0.30%	0.33%
Other Deposits	1.07%	1.28%	2.05%	3.11%	2.71%	2.43%		0.96%	1.02%	1.08%	1.21%
Fed Funds Purchased	0.00%	0.00%	0.00%	0.00%	0.04%	0.01%		0.00%	0.00%	0.00%	0.00%
Other Interest Expense	0.34%	0.34%	0.29%	0.51%	1.06%	1.02%		0.34%	0.34%	0.34%	0.35%
Interest Expense	1.71%	1.96%	2.82%	4.34%	4.48%	4.00%	1.47%	1.58%	1.64%	1.73%	1.89%
Net Interest Income (FTE)	3.55%	3.55%	3.04%	2.78%	3.76%	4.06%	4.06%	3.57%	3.52%	3.49%	3.60%
Fee Income											
Deposit Account Service Charges	0.21%	0.19%	0.15%	0.13%	0.14%	0.13%		0.23%	0.23%	0.18%	0.20%
Other Operating Income	0.06%	0.22%	1.63%	-0.41%	0.13%	0.18%		0.02%	0.13%	-0.35%	0.42%
Total Other Income	0.27%	0.41%	1.78%	-0.29%	0.28%	0.31%	0.89%	0.25%	0.37%	-0.16%	0.62%
Adjusted Gross Income (FTE)	3.82%	3.96%	4.81%	2.50%	4.03%	4.37%	4.95%	3.83%	3.89%	3.33%	4.22%
Non-Interest Operating Expense											
Salaries & Benefits	2.12%	2.07%	1.99%	1.57%	1.50%	1.51%		2.14%	2.11%	2.05%	2.18%
Net Occupancy	0.46%	0.50%	0.49%	0.48%	0.40%	0.39%		0.47%	0.44%	0.45%	0.50%
Other Operating Expenses	1.53%	1.50%	1.45%	2.13%	0.95%	0.90%		1.59%	1.54%	1.59%	1.40%
Non-Interest Operating Expenses	4.11%	4.07%	3.93%	4.18%	2.85%	2.80%	3.49%	4.19%	4.09%	4.09%	4.08%
Basic Operating Income (FTE)	-0.30%	-0.11%	0.88%	-1.68%	1.18%	1.56%	1.46%	-0.37%	-0.20%	-0.76%	0.15%
Security Transactions	0.00%	0.06%	0.10%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.01%
Loan Loss Provision	0.11%	-0.30%	0.55%	3.47%	4.67%	0.30%	0.21%	0.00%	0.00%	0.00%	0.42%
Pre-Tax Income (FTE)	-0.40%	0.25%	0.43%	-5.15%	-3.49%	1.27%		-0.37%	-0.21%	-0.76%	-0.26%
FTE Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
Pre-Tax Income	-0.40%	0.25%	0.43%	-5.15%	-3.49%	1.27%		-0.37%	-0.21%	-0.76%	-0.26%
Taxes	0.00%	0.01%	0.05%	1.08%	-1.37%	0.49%		0.00%	0.00%	0.00%	0.00%
Income Before Extraordinary Items	-0.40%	0.25%	0.39%	-6.23%	-2.12%	0.78%		-0.37%	-0.21%	-0.76%	-0.26%
Net Extraordinary Items	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
NET INCOME	-0.40%	0.25%	0.39%	-6.23%	-2.12%	0.78%	0.97%	-0.37%	-0.21%	-0.76%	-0.26%
Return on Average Equity	-4.75%	2.83%	6.11%	-102.43%	-28.63%	8.42%		-4.47%	-2.43%	-9.07%	-3.01%
Peer Average ROA	0.97%	0.96%	1.01%	0.83%	0.96%	1.00%		na	0.98%	0.82%	1.01%
Peer Average ROE	9.86%	9.89%	10.82%	9.79%	10.79%	10.75%		na	9.72%	8.81%	10.24%
Internal Growth Rate	-4.75%	-0.17%	3.39%	-102.43%	-40.13%	-19.44%		-4.47%	-2.43%	-9.07%	-3.01%
Peer Average	4.33%	4.19%	5.28%	3.41%	4.47%	4.29%					

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Net Interest Income as a
percent of assets is about
50 basis points below the
peer average. This results
from both the lower yield
on earning assets (Interest
Income as % of assets)
and a higher cost of funds
(Interest Expense as % of
Total Other Income).

Total Other Income is
well below the peer group's
and with the exception of
2002 has historically been
relatively low.

Adjusted Gross Income
is over 100 basis points
below the peer average.

Reverse (i.e., negative)
loan loss provision in
2003 offset the operating
loss for the year.

Lower than peer ROA and
ROE is a result of tight
spreads, limited non-
interest income, and higher
loan loss expense.

Schedule 1
First Southern Bank
Spread Relationships / Margin Analysis

	LTM	FY	FY	FY	FY	FY	Qtr 1	Qtr 2	Qtr 3	Qtr 4
	6/30/04	2003	2002	2001	2000	1999	Jun-04	Mar-04	Dec-03	Sep-03
BANK:										
Interest Income(FTE)/Avg Assets	5.28%	5.51%	5.86%	7.12%	8.24%	8.06%	5.15%	5.17%	5.22%	5.49%
Interest Expense/Average Assets	1.71%	1.96%	2.82%	4.34%	4.48%	4.00%	1.58%	1.64%	1.73%	1.89%
Net Interest Inc(FTE)/Avg Assets	3.55%	3.55%	3.04%	2.78%	3.76%	4.06%	3.57%	3.52%	3.49%	3.60%
Yield on Avg Earn Assets (FTE)	5.53%	5.78%	6.28%	7.68%	8.81%	8.59%	5.44%	5.45%	5.47%	5.77%
Cost of Interest-Bearing Funds	2.07%	2.33%	3.24%	4.90%	5.08%	4.64%	1.91%	1.99%	2.12%	2.25%
Net Spread (FTE)	3.47%	3.46%	3.05%	2.78%	3.73%	3.94%	3.53%	3.47%	3.35%	3.52%
Yield on Avg Earn Assets (FTE)	5.53%	5.78%	6.28%	7.68%	8.81%	8.59%	5.44%	5.45%	5.47%	5.77%
Cost of Average Earning Assets	1.80%	2.05%	3.03%	4.68%	4.79%	4.26%	1.67%	1.73%	1.81%	1.98%
Net Interest Margin (FTE)	3.73%	3.73%	3.26%	3.00%	4.02%	4.32%	3.77%	3.72%	3.66%	3.78%

PEER GROUP:

Interest Income(FTE) / Avg Assets	5.53%	5.61%	6.34%	7.43%	7.91%	7.51%	na	5.39%	5.49%	5.57%
Interest Expense / Average Assets	1.47%	1.57%	2.16%	3.32%	3.56%	3.22%	na	1.34%	1.41%	1.51%
Net Interest Inc(FTE) / Avg Assets	4.06%	4.05%	4.19%	4.11%	4.35%	4.29%	nm	4.05%	4.08%	4.06%
Yield on Avg Earn Assets (FTE)	6.04%	6.12%	6.90%	8.07%	8.53%	8.12%	na	5.87%	5.98%	6.07%
Cost of Interest-Bearing Funds	1.95%	2.07%	2.83%	4.35%	4.65%	4.23%	na	1.77%	1.88%	1.99%
Net Spread (FTE)	4.09%	4.05%	4.07%	3.72%	3.88%	3.89%	nm	4.10%	4.10%	4.08%
Yield on Avg Earn Assets (FTE)	6.04%	6.12%	6.90%	8.07%	8.53%	8.12%	na	5.87%	5.98%	6.07%
Cost of Average Earning Assets	1.60%	1.71%	2.35%	3.61%	3.84%	3.49%	na	1.46%	1.53%	1.64%
Net Interest Margin (FTE)	4.43%	4.41%	4.56%	4.46%	4.69%	4.64%	nm	4.41%	4.44%	4.43%

Supplemental Data - Assets:

Yield on Loans (FTE)	6.30%	6.58%	7.04%	8.07%	8.96%	8.80%	6.16%	6.14%	6.31%	6.58%
Peer Average	7.16%	7.28%	7.98%	9.08%	9.48%	9.21%	na	6.90%	7.06%	7.25%
Yield on Total Securities (FTE)	2.85%	2.98%	4.85%	5.94%	6.68%	6.79%	3.01%	3.09%	2.81%	2.55%
Peer Average	4.10%	4.23%	5.28%	6.22%	6.48%	6.18%	na	4.05%	4.06%	4.00%

Supplemental Data - Deposits:

Cost of Int. Bearing Deposits	1.79%	2.07%	3.08%	4.75%	4.83%	4.37%	1.63%	1.70%	1.83%	1.98%
Peer Average	1.84%	1.96%	2.77%	4.33%	4.65%	4.20%	na	1.67%	1.74%	1.87%
Cost of Savings Dep. incl MMDAs	0.61%	0.67%	0.86%	2.43%	2.82%	2.82%	0.57%	0.62%	0.63%	0.62%
Peer Average	1.00%	1.09%	1.61%	2.76%	3.28%	3.03%	na	0.93%	0.95%	0.98%
Cost of CD's >\$100,000	3.07%	3.34%	4.40%	5.86%	5.86%	5.24%	2.99%	2.92%	3.05%	3.33%
Peer Average	2.58%	2.73%	3.58%	5.51%	5.80%	5.16%	na	2.34%	2.50%	2.66%

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Spreads & Margins. Banking is concerned with managing "spreads." Banks borrow at one cost and lend at a higher cost -- the difference is the spread or margin. The schedules to the left provide three common spread (margin) measures. As can be seen, the Bank's spreads are substantially

The Bank's net interest margin expanded considerably in 2003. Possible explanations:
 1. Reduced volume of non-accrual loans
 2. Improved deposit pricing
 3. Better deposit mix (fewer CDs)

The Bank's Yield on Loans has remained below the peer group's for every period analyzed. The Bank's Yield on Securities has also remained below the peer group's for every period except 1999. Lower loan yields may reflect loan composition (higher than peer concentration of 1-4 family mortgages) or more variable rate originations.

Deposit Costs. Cost of interest-bearing deposits has historically

Schedule 2
First Southern Bank
Loan Portfolio Composition (\$ Thousands)

Loan Category	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates 2002-03 1999-03
Construction & Development	6,492	4,032	4,650	6,901	11,264	13,901	-13.3% -26.6%
1-4 Family Residential	33,469	31,681	28,932	37,955	58,360	60,769	9.5% -15.0%
Other Real Estate	19,264	21,885	22,456	28,259	35,813	34,656	-2.5% -10.9%
Total Real Estate	59,225	57,598	56,038	73,115	105,437	109,326	2.8% -14.8%
Financial Institution	0	0	0	0	0	0	nm nm
Agricultural	29	398	471	597	1,193	61	-15.5% 59.8%
Commercial/Industrial	9,980	9,877	11,470	17,287	27,521	36,271	-13.9% -27.8%
Consumer - Credit Card	197	242	327	378	483	424	-26.0% -13.1%
Consumer - Other	3,748	4,150	3,792	5,023	10,132	11,136	9.4% -21.9%
Leases/Other	0	0	0	0	0	0	nm nm
GROSS LOANS	73,179	72,265	72,098	96,400	144,766	157,218	0.2% -17.7%
Unearned Income (-)	0	0	0	0	0	0	nm nm
Loans Net of Unearned Income	\$73,179	\$72,265	\$72,098	\$96,400	\$144,766	\$157,218	0.2% -17.7%
Mortgages Serviced for Others	\$5,203	\$5,501	\$7,321	\$10,919	\$8,438	\$9,772	-24.9% -13.4%

Most of the decline in the loan portfolio occurred between 2000 and 2002. Every significant type of loan declined between 1999 and 2003 with the largest percentage declines in construction, commercial & industrial, and consumer loans. Growth since 2002 has been concentrated in residential mortgages.

Loan/Deposit Ratio	90.3%	87.8%	88.6%	81.1%	110.1%	122.7%
Peer Average	74.6%	74.3%	73.8%	72.9%	75.0%	72.0%

Loan/Corr Deposit Ratio	102.1%	99.2%	101.4%	94.2%	129.5%	147.6%
Peer Average	86.3%	85.7%	85.4%	84.9%	87.3%	82.7%

Despite the high Loan to Deposit Ratio (higher than the peer group), the Bank's interest margins lag the peer group. Possibly due to the Bank's borrowings, lower loan yields, etc.

Schedule 2a
Loan Portfolio Composition Percentages

Loan Category	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average
Construction & Development	8.9%	5.6%	6.4%	7.2%	7.8%	8.8%	7.4%
1-4 Family Residential	45.7%	43.8%	40.1%	39.4%	40.3%	38.7%	29.0%
Other Real Estate	26.3%	30.3%	31.1%	29.3%	24.7%	22.0%	30.1%
Total Real Estate	80.9%	79.7%	77.7%	75.8%	72.8%	69.5%	66.5%
Financial Institution	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Agricultural	0.0%	0.6%	0.7%	0.6%	0.8%	0.0%	5.4%
Commercial/Industrial	13.6%	13.7%	15.9%	17.9%	19.0%	23.1%	16.8%
Consumer - Credit Card	0.3%	0.3%	0.5%	0.4%	0.3%	0.3%	0.3%
Consumer - Other	5.1%	5.7%	5.3%	5.2%	7.0%	7.1%	9.7%
Leases/Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%
GROSS LOANS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Schedule 3
First Southern Bank
Loan Portfolio Quality

Loan Loss Reserve Components	LTM 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Beginning Balance	3,693	4,185	5,159	5,059	1,400	1,441
Net Charge-Offs:						
Charge-Offs	(1,437)	(1,509)	(2,495)	(5,386)	(4,665)	(7,041)
Recoveries	424	478	888	380	98	135
Net Charge-Offs	(1,013)	(1,031)	(1,607)	(5,008)	(4,567)	(5,699)
Provision	101	(288)	633	5,108	8,226	528
Other Adjustments	0	0	0	0	0	0
Ending Reserve	\$2,781	\$2,866	\$4,185	\$5,159	\$5,059	\$1,400
Non-Performing Assets						
Commercial & Industrial	777	1,025	1,520	3,070	866	683
Agriculture	0	0	0	0	0	0
Consumer	81	81	49	102	73	0
Real Estate	2,286	2,317	4,896	8,144	1,355	0
Other	324	341	376	411	0	0
Total Non-Accrual Loans	\$3,468	\$3,764	\$6,841	\$11,727	\$2,294	\$683
Commercial & Industrial	26	0	0	306	0	398
Agriculture	0	0	0	0	0	0
Consumer	102	6	100	2	23	158
Real Estate	323	239	435	1,087	1,377	1,011
Other	0	0	0	0	0	0
Total Loans Past Due 90+ Days	\$451	\$245	\$535	\$1,395	\$1,400	\$1,567
Restructured Loans / Securities	0	0	0	0	311	0
Other Real Estate Owned	333	613	697	1,226	687	918
Total Non-Performing Assets	\$4,252	\$4,622	\$8,073	\$14,348	\$4,692	\$3,168
Average Loans (\$000's)	73,384	72,915	82,472	118,777	153,716	152,786
Ratios:						
Net Charge-Offs/Loan Loss Prov	-100.3%	357.99%	-253.9%	-98.04%	-55.52%	-107.8%
Peer Average	-82.94%	-79.53%	-76.65%	-82.66%	-74.89%	-86.43%
Net Charge-Offs/Avg Loans (%)	-1.38%	-1.41%	-1.95%	-4.22%	-2.97%	-0.37%
Peer Average	-0.27%	-0.28%	-0.34%	-0.40%	-0.38%	-0.31%
Provision/Average Loans (x)	0.14%	-0.39%	0.77%	4.30%	5.35%	0.35%
Peer Average	0.33%	0.36%	0.44%	0.49%	0.51%	0.36%
Ending Reserve/Avg Loans (%)	3.80%	3.97%	5.80%	5.35%	3.49%	0.89%
Peer Average	1.35%	1.36%	1.35%	1.31%	1.30%	1.31%
Nonaccrual Loans/Total Loans	4.74%	5.21%	9.49%	12.16%	1.58%	0.43%
Peer Average	0.78%	0.80%	0.84%	0.84%	0.67%	0.55%
Non-Perfor Assets/Loans+OREO	5.78%	6.34%	11.09%	14.70%	3.23%	2.00%
Peer Average	1.41%	1.45%	1.61%	1.67%	1.42%	1.28%
Non-Perfor Assets/Total Assets	4.50%	4.80%	8.47%	11.07%	2.81%	1.77%
Peer Average	0.89%	0.92%	1.01%	1.05%	0.91%	0.79%
Nonaccrual+90 days/LLR	140.92%	139.88%	176.25%	254.35%	73.02%	160.71%
Peer Average	75.66%	77.26%	84.98%	91.18%	79.86%	69.92%
Non-Perfor Assets/Equity+LLR	40.85%	42.39%	65.38%	144.29%	31.60%	19.80%
Peer Average	8.32%	8.59%	9.45%	10.08%	8.72%	7.75%

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Charge-offs have steadily declined since a high in 2001, but they were still high in the LTM period due to significant charge-offs in 4Q03. Through June 30, 2004, net charge-offs were \$85 thousand.

Non-accrual loans are down about 70% from 2001, but non-accrual loans still represent 4.74% of total loans.

Although Net Charge-offs to Average Loans have improved, they are still well above the peer average. Cumulative net charge-offs between 2000 and 2003 represent 7.77% of loans outstanding at December 31, 1999.

Loan loss reserve stands at 3.80% of loans. First Southern could potentially extract the value of any excess reserve from an acquirer. However, with the high level of non-performing assets remaining, this may be difficult to negotiate.

Non-performing assets are elevated but trending in the right direction. Current level of non-performers adds significant incremental risk to an investment in First Southern and may discourage otherwise interested investors.

Schedule 3a
First Southern Bank
Loan Portfolio Quality

Loan Loss Reserve Components	1 Qtr Jun-04	2 Qtr Mar-04	3 Qtr Dec-03	4 Qtr Sep-03
Beginning Balance	2,850	2,866	3,766	3,693
Net Charge-Offs:				
Charge-Offs	(132)	(79)	(1,106)	(120)
Recoveries	63	63	206	92
Net Charge-Offs	(69)	(16)	(900)	(28)
Provision	0	0	0	101
Other Adjustments	0	0	0	0
Ending Reserve	<u>\$2,781</u>	<u>\$2,850</u>	<u>\$2,866</u>	<u>\$3,766</u>
Non-Performing Assets				
Commercial & Industrial	777	996	1,025	1,065
Agriculture	0	0	0	0
Consumer	81	80	81	81
Real Estate	2,286	1,863	2,317	2,468
Other	324	324	341	341
Total Non-Accrual Loans	\$3,468	\$3,263	\$3,764	\$3,955
Commercial & Industrial	26	0	0	47
Agriculture	0	0	0	0
Consumer	102	5	6	51
Real Estate	323	64	239	98
Other	0	21	0	0
Total Loans Past Due 90+ Days	\$451	\$90	\$245	\$196
Restructured Loans / Securities	0	0	0	0
Other Real Estate Owned	333	575	613	884
Total Non-Performing Assets	\$4,252	\$3,928	\$4,622	\$5,035
Average Loans (\$000's)	73,271	73,094	73,711	73,458

Ratios:

Net Charge-Offs/Loan Loss Prov	na	na	na	-27.72%
Peer Average	na	-74.44%	-90.92%	-91.67%
Net Losses/Average Loans (%) *	-0.38%	-0.09%	-4.88%	-0.15%
Peer Average	na	-0.19%	-0.38%	-0.31%
Provision/Average Loans (x) *	0.00%	0.00%	0.00%	0.55%
Peer Average	na	0.26%	0.42%	0.33%
Ending Reserve/Loans (%)	3.80%	3.90%	3.97%	5.07%
Peer Average	na	1.35%	1.36%	1.36%
Nonaccrual Loans/Total Loans	4.74%	4.47%	5.21%	5.32%
Peer Average	na	0.78%	0.80%	0.84%
Non-Perfor Assets/Loans+OREO	5.78%	5.34%	6.34%	6.69%
Peer Average	na	1.41%	1.45%	1.56%
Non-Perfor Assets/Total Assets	4.50%	4.09%	4.80%	4.94%
Peer Average	na	0.89%	0.92%	0.98%
Nonaccrual+90 days/LLR	140.92%	117.65%	139.88%	110.22%
Peer Average	na	75.66%	77.26%	83.40%
Non-Perfor Assets/Equity+LLR	40.85%	35.84%	42.39%	41.77%
Peer Average	na	8.32%	8.59%	9.21%

* Annualized

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Schedule 4
First Southern Bank
Liquid Asset Analysis

Liquid Assets	YTD	FY	FY	FY	FY	FY	Growth Rates	
	6/30/04	2003	2002	2001	2000	1999	2002-03	1999-03
U.S. Treasury Securities	988	1,497	0	2,000	0	0	nm	nm
U.S. Agency Oblig (exclude MBS)	4,916	4,001	5,666	3,938	1,500	1,485	-29.4%	28.1%
GNMA, FNMA, FHLMC MBS	7,146	6,900	5,515	3,230	3,367	3,527	25.1%	18.3%
FNMA & FHLMC CMOs/REMICs	185	313	4,301	5,900	0	0	nm	nm
Other MBS and CMOs/REMICs	0	0	0	0	0	0	nm	nm
State & Political Obligations	0	0	0	0	0	0	nm	nm
Equity Securities	0	0	0	0	1,866	1,685	nm	nm
Other	0	0	0	1,021	2,997	2,923	nm	nm
Total Securities	13,235	12,711	15,482	16,089	9,730	9,620	-17.9%	7.2%
Trading Account Securities	0	0	0	0	0	0	nm	nm
Fed Funds Sold & CD's	3,844	5,818	2,574	9,786	521	201	126.0%	132.0%
Total Liquid Earning Assets	17,079	18,529	18,056	25,875	10,251	9,821	2.6%	17.2%
Cash & Due from Banks	3,102	4,282	4,443	4,444	6,937	5,672	-3.6%	-6.8%
Total Liquid Assets	20,181	22,811	22,499	30,319	17,188	15,493	1.4%	10.2%
Less: Non-Core Funding Sources	(14,993)	(15,169)	(15,846)	(22,351)	(45,255)	(56,895)	nm	nm
Net Liquid Assets	5,188	7,642	6,653	7,968	(28,067)	(41,402)	14.9%	nm
Unrealized Gain/(Loss) in Portfolio	0	0	0	49	(15)	(237)	nm	nm
Adjusted Net Liquid Assets	\$5,188	\$7,642	\$6,653	\$8,017	(\$28,082)	(\$41,639)	14.9%	nm

Securities Portfolio Memorandum:

Held-to-Maturity (Market Value)	0	0	0	3,279	3,352	3,290
Held-to-Maturity (Cost Basis)	0	0	0	3,230	3,367	3,527
Unrealized Gain/(Loss) in Port.	0	0	0	49	(15)	(237)
% of Held-to-Maturity Portfolio	0.0%	0.0%	0.0%	1.5%	-0.4%	-6.7%
Peer Average	2.2%	1.6%	2.7%	1.5%	0.2%	-1.3%
Available-for-Sale (Market Value)	13,235	12,711	15,482	12,859	6,363	6,093
Available-for-Sale (Cost Basis)	13,448	12,783	15,368	13,042	6,429	6,266
Recognized Gain/(Loss) in Port.	(213)	(72)	114	(183)	(66)	(173)
% of Avail for Sale Portfolio	-1.58%	-0.56%	0.74%	-1.40%	-1.03%	-2.76%
Peer Average	1.67%	1.03%	2.47%	1.13%	0.04%	-2.33%

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Schedule 5
First Southern Bank
Liquid Assets as a Percentage of Total Assets

Liquid Assets	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	YTD Peer Average
U.S. Treasury Securities	1.0%	1.6%	0.0%	1.5%	0.0%	0.0%	0.9%
U.S. Agency Oblig (exclude MBS)	5.2%	4.2%	5.9%	3.0%	0.9%	0.8%	10.6%
[GNMA, FNMA, FHLMC MBS]	7.6%	7.2%	5.8%	2.5%	2.0%	2.0%	2.4%
FNMA & FHLMC CMOs/REMICs	0.2%	0.3%	4.5%	4.6%	0.0%	0.0%	1.5%
Other MBS and CMOs/REMICs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
State & Political Obligations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.7%
Equity Securities	0.0%	0.0%	0.0%	0.0%	1.1%	0.9%	0.2%
Other	0.0%	0.0%	0.0%	0.8%	1.8%	1.6%	0.7%
Total Securities	14.0%	13.2%	16.2%	12.4%	5.8%	5.4%	23.1%
Trading Account Securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fed Funds Sold & CD's	4.1%	6.0%	2.7%	7.5%	0.3%	0.1%	5.9%
Total Liquid Earning Assets	18.1%	19.2%	19.0%	20.0%	6.1%	5.5%	29.0%
Cash & Due from Banks	3.3%	4.4%	4.7%	3.4%	4.1%	3.2%	3.7%
Total Liquid Assets	21.4%	23.7%	23.6%	23.4%	10.3%	8.7%	32.7%
Less: Non-Core Funding Sources	-15.9%	-15.8%	-16.6%	-17.2%	-27.1%	-31.8%	-16.3%
Net Liquid Assets	5.5%	7.9%	7.0%	6.1%	-16.8%	-23.2%	16.4%
Gain/(Loss) in Portfolio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Adjusted Net Liquid Assets	5.5%	7.9%	7.0%	6.2%	-16.8%	-23.3%	16.5%

Overall liquidity has improved since the divestiture of the branch. Liquidity at 6/30/04 was down slightly from year end 2003.

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Schedule 6
First Southern Bank
Deposit Base Composition

Deposit Category	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates 2002-03 1999-03
Total Demand Deposits	7,763	9,340	4,464	6,057	7,488	5,703	109.2% 13.1%
Regular Savings/Other	10,610	10,970	10,556	14,963	15,444	16,883	3.9% -10.2%
MMDA & NOW Accounts	15,423	12,514	11,317	15,470	15,210	16,073	10.6% -6.1%
Time Deposits Under \$100,000	37,876	40,052	44,747	65,873	73,633	67,868	-10.5% -12.4%
Time Deposits Over \$100,000	9,354	9,453	10,108	16,489	19,741	21,631	-6.5% -18.7%
Total Deposits	81,026	82,329	81,192	118,852	131,516	128,158	1.4% -10.5%
Less: Time Deposits > \$100,000	9,354	9,453	10,108	16,489	19,741	21,631	-6.5% -18.7%
Less: Brokered CDs < \$100,000	0	0	0	0	0	0	nm nm
Total Core Deposits	\$71,672	\$72,876	\$71,084	\$102,363	\$111,775	\$106,527	2.5% -9.1%
Memo: Total Brokered Deposits	0	0	0	0	0	0	
Government Deposits	100	100	100	100	406	3,347	

Schedule 7
Deposit Percentage Composition

Deposit Category	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average
Demand Deposits	9.6%	11.3%	5.5%	5.1%	5.7%	4.4%	16.7%
Regular Savings	13.1%	13.3%	13.0%	12.6%	11.7%	13.2%	12.4%
MMDA & NOW Accounts	19.0%	15.2%	13.9%	13.0%	11.6%	12.5%	27.9%
Time Deposits Under \$100,000	46.7%	48.6%	55.1%	55.4%	56.0%	53.0%	29.6%
Time Deposits Over \$100,000	11.5%	11.5%	12.4%	13.9%	15.0%	16.9%	13.4%
TOTAL DEPOSITS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Perhaps attributable to its thrift roots, the Bank has a much larger portion of Time Deposits under \$100K than the peer group, but a much smaller portion of MMDA and NOW accounts than the peer group.

Schedule 8
Non-Core Funding Analysis

Category	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Time Deposits Over \$100,000	9,354	9,453	10,108	16,489	19,741	21,631
Brokered CDs < \$100,000	0	0	0	0	0	0
Fed Funds Purchased & Repos	0	0	0	0	0	0
Other Borrowings + TT&Ls + BAs	5,639	5,716	5,738	5,862	25,514	33,777
Total Non-Core Funds	\$14,993	\$15,169	\$15,846	\$22,351	\$45,255	\$56,895

Non-Core Funds/Total Assets	15.9%	15.8%	16.6%	17.2%	27.1%	31.8%
Peer Group	16.3%	15.9%	15.9%	16.1%	16.3%	15.2%
Non-Core Funds/Total Loans	20.5%	21.0%	22.0%	23.2%	31.3%	36.2%
Peer Group	25.7%	25.3%	25.3%	25.8%	25.5%	24.5%

Non-Core Funds provide about the same portion of funding for that Bank as for the peer group. This is an improvement from earlier periods.

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Schedule 9
First Southern Bank
Non-Interest Income and Expenses

Non-Interest Income	LTM 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Growth Rates 2002-03 1999-03
Fiduciary Activities	0	0	0	0	0	0	nm
Service Charges	203	182	174	185	253	228	4.6%
Trading Revenue	0	0	0	0	0	0	nm
Other Fee Income	12	11	10	17	125	117	10.0%
Other Noninterest Income	43	200	1,875	(624)	106	200	-89.3%
Total Non-Interest Income	\$258	\$393	\$2,059	(\$422)	\$484	\$545	-80.9%

Non-Interest Expenses

Personnel	2,037	1,984	2,307	2,313	2,635	2,685	-14.0%
Occupancy	446	482	566	707	711	687	-14.8%
Other	1,470	1,441	1,685	3,135	1,674	1,600	-14.5%
Non-Interest Expenses	\$3,953	\$3,907	\$4,558	\$6,155	\$5,020	\$4,972	-14.3%

Non-Interest Expenses/Avg Assets

Personnel	2.12%	2.07%	1.99%	1.57%	1.50%	1.51%	3.8%
Occupancy	0.46%	0.50%	0.49%	0.48%	0.40%	0.39%	2.8%
Other	1.53%	1.50%	1.45%	2.13%	0.95%	0.90%	3.2%
Non-Interest Expenses	4.11%	4.07%	3.93%	4.18%	2.85%	2.80%	3.5%

Peer
Average

Net Non-Interest Expense	\$3,695	\$3,514	\$2,499	\$6,577	\$4,536	\$4,427	40.6%
Net NIE/Average Assets	3.84%	3.66%	2.16%	4.46%	2.58%	2.50%	-5.6%

Fee Income/Non-Interest Expense **6.5%** **10.1%** **45.2%** **-6.9%** **9.6%** **11.0%**

Personnel Expense Analysis

Average Assets (\$000)	96,136	96,074	115,955	147,341	175,965	177,343	
Full-Time Equivalent Employees	44	44	43	55	69	69	
Peer Equivalent FTEs	42	42	53	70	87	91	
FTE Differential	2	2	(10)	(15)	(18)	(22)	
Avg Assets/Employee (\$000)	2,185	2,184	2,697	2,679	2,550	2,570	
Peer Average	2,285	2,263	2,185	2,105	2,018	1,958	
Personnel Expense/Employee	46,295	45,091	53,651	42,055	38,188	38,913	
Peer Average	42,876	42,236	40,520	38,713	37,003	35,816	
Fee Income/Employee	5,864	8,332	47,884	(7,673)	7,014	7,899	
Peer Average	20,312	20,199	19,078	17,178	16,028	15,294	
AGI/Employee	83,364	86,477	129,744	66,891	102,870	112,261	
Peer Average	113,145	111,774	110,599	103,709	103,717	99,283	

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Schedule 10
First Southern Bank
Operating Expense as a Percentage of Adjusted Gross Income

	LTM 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999	Peer Average
Net Interest Income	92.97%	89.67%	63.09%	111.47%	93.18%	92.96%	82.05%
Fee Income	7.03%	10.33%	36.91%	11.47%	6.82%	7.04%	17.95%
Adjusted Gross Income (Sales)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.0%
Non-Interest Expenses:							
Personnel	55.53%	52.14%	41.35%	62.87%	37.12%	34.66%	37.89%
Occupancy	12.16%	12.67%	10.15%	19.22%	10.02%	8.87%	10.47%
Other	40.08%	37.87%	30.20%	85.21%	23.58%	20.66%	22.14%
Non-Int Operating Expense (Efficiency Ratio)	107.77%	102.68%	81.70%	167.30%	70.72%	64.19%	70.50%
Operating Income	-7.77%	-2.68%	18.30%	-67.30%	29.28%	35.81%	29.50%
Securities Transactions	0.03%	1.45%	2.08%	-0.16%	0.00%	0.00%	0.79%
Loan Loss Provision	2.75%	-7.57%	11.35%	138.84%	115.89%	6.82%	4.14%
Pre-Tax Income (FTE)	-10.50%	6.33%	9.03%	-206.31%	-86.62%	29.00%	-26.14%

As previously discussed, the Bank has lower fee income than the peer banks, so Fee Income as a % of Sales is lower than the peer group's.

Non-Interest Operating Expenses are much higher as a percent of sales for the Bank. The Bank's efficiency ratio is clearly not sustainable.

Schedule 11
Historical Return on Average Equity

	LTM 6/30/04	2003	2002	2001	2000	1999	Peer Average
Components of ROAE							
Basic Operating Income (FTE)	-0.30%	-0.11%	0.88%	-1.68%	1.18%	1.56%	1.46%
+ Securities Transactions	0.00%	0.06%	0.10%	0.00%	0.00%	0.00%	0.04%
- Loan Loss Provision	-0.11%	0.30%	-0.55%	-3.47%	-4.67%	-0.30%	-0.21%
- FTE Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.10%
- Taxes	0.00%	-0.01%	-0.05%	-1.08%	1.37%	-0.49%	-0.23%
+ Net Extraordinary Items	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
= Return on Average Assets	-0.40%	0.25%	0.39%	-6.23%	-2.12%	0.78%	0.97%
x Avg. Assets/Avg. Equity	11.85	11.52	15.74	16.44	13.50	10.86	10.20
= Return on Average Equity	-4.75%	2.83%	6.11%	-102.4%	-28.63%	8.42%	9.86%
Peer Group ROAE	9.86%	9.89%	10.82%	9.79%	10.79%	10.75%	

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Schedule 12
First Southern Bank
Reconciliation of Equity (\$ Thousands)

	YTD 6/30/04	FY 2003	FY 2002	FY 2001	FY 2000	FY 1999
Beginning Equity Capital	8,038	8,163	4,785	9,789	14,601	17,512
Net Income	(137)	236	450	(9,179)	(3,733)	1,375
Net Sale or Purchase of Stock	0	0	0	0	0	0
- Preferred Stock	0	0	0	0	0	0
- Common Stock	0	0	0	69	357	378
Cash Dividends, Preferred Stock	0	0	0	0	0	0
Cash Dividends, Common Stock	0	(250)	(200)	0	(1,500)	(4,550)
Correction of Accounting Error	(133)	0	0	0	0	0
Other Comprehensive Income	(141)	(186)	297	(144)	64	(114)
Other Transactions w/Parent HC	0	0	1,000	4,250	0	0
Change Due to Business Comb.	0	0	0	0	0	0
Combinations / Other Adjustments	0	75	1,831	0	0	0
Ending Equity Capital	\$7,627	\$8,038	\$8,163	\$4,785	\$9,789	\$14,601

<==== must be updated every quarter

Peer Data is UBPR Group #8: Banks with assets between \$50-\$100 million and 3 or more banking offices in a metro area at 3/31/04 (440 banks).

Pro forma analysis

Base company:

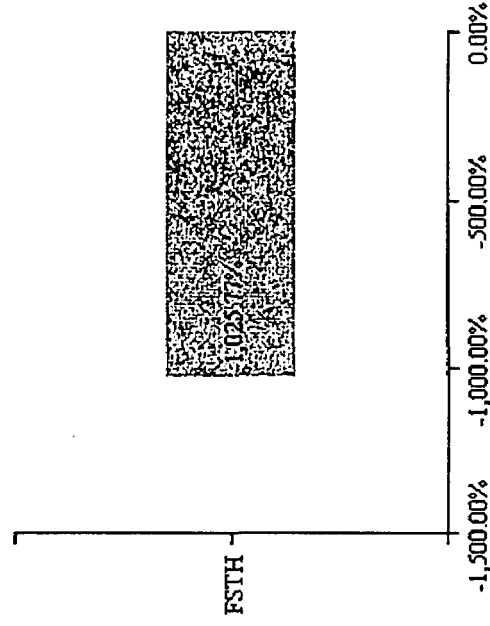
Contents	
I. Summary charts and table	1
II. Company Statistics	3
III. Buyer's perspective: Key ratios	4
IV. Buyer's perspective: Cash earnings	5
V. Seller's perspective: Key ratios	6
VI. Detailed company analysis	7
1. First Southern Bancshares, Inc.	7
VII. Data Verification	17

I. Summary charts and table

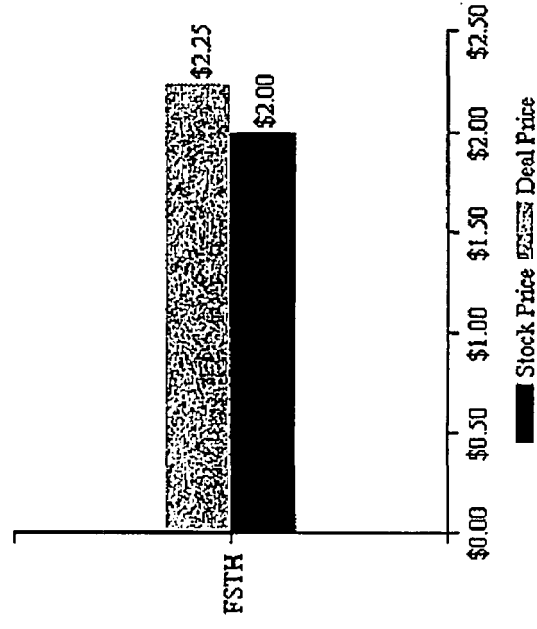
Global Assumptions

Buyer: Consideration: 100% Stock; Purchase
 Current stock price: \$8.750 Cost savings: 5.0%
 Projected (2005) EPS: \$0.09 Deal expenses: 1.0%
 Deal pricing: Solve for market premium of 12.5% Opportunity cost of cash: 6.0%
 Transaction closing date: Current

Incremental Accretion



Capacity to Pay



I. Summary charts and table

Global Assumptions	
Buyer:	Consideration: 100% Stock; Purchase
Current stock price: \$8.750	Cost savings: 5.0%
Projected (2005) EPS: \$0.09	Deal expenses: 1.0%
Deal pricing: Solve for market premium of 12.5%	Opportunity cost of cash: 6.0%
Transaction closing date: Current	

Target	Price under specified parameters	Seller market premium	Implied price/Proj (Year 1) EPS	Implied price/LTM EPS	Implied price/TBV	Proforma tang. eq./tang. assets
◆ First Southern Bancshares, Inc.	\$2.25	12.5%	N/M	-7.5x	304.1%	5.52%

◆ Global assumptions have been modified for this deal.

II. Company Statistics

Company	City	State	Total assets	Market cap	Leverage ratio	LTM core ROAE	Current stock price	Price/LTM EPS
First Southern Bancshares, Inc.	Florence	AL	\$96,698	\$2,513	0.96%	-66.73%	\$2.000	N/Ax

III. Buyer's perspective: Key ratios

Global Assumptions	
Buyer:	Consideration: 100% Stock; Purchase
Current stock price: \$8.750	Cost savings: 5.0%
Projected (2005) EPS: \$0.09	Deal expenses: 1.0%
Deal pricing: Solve for market premium of 12.5%	Opportunity cost of cash: 6.0%
Transaction closing date: Current	

Target	Price under specified parameters	Effective exchange ratio	Buyer's incremental EPS accretion	Buyer's effective TBV accretion	Proforma tang. eq./tang. assets
◆ First Southern Bancshares, Inc.	\$2.25	0.257	-1,025.77%	-122.56%	-13.76%
◆ Global assumptions have been modified for this deal.					5.52%

IV. Buyer's perspective: Cash earnings

Global Assumptions

Buyer: Consideration: 100% Stock; Purchase
 Current stock price: \$8.750 Cost savings: 5.0%
 Projected (2005) EPS: \$0.09 Deal expenses: 1.0%
 Deal pricing: Solve for market premium of 12.5% Opportunity cost of cash: 6.0%
 Transaction closing date: Current

Target	Price under specified parameters	Effective exchange ratio	Buyer's incremental cash EPS accretion	Buyer's effective cash EPS accretion	Proforma tang. eq./tang. assets	Buyer's pro forma ownership
◆ First Southern Bancshares, Inc.	\$2.25	0.257	-82.94%	-10.16%	5.52%	88.08%

◆ Global assumptions have been modified for this deal.



V. Seller's perspective: Key ratios

Global Assumptions	
Buyer:	Consideration: 100% Stock; Purchase
Current stock price: \$8.750	Cost savings: 5.0%
Projected (2005) EPS: \$0.09	Deal expenses: 1.0%
Deal pricing: Solve for market premium of 12.5%	Opportunity cost of cash: 6.0%
Transaction closing date: Current	

Target	Price under specified parameters	Effective exchange ratio	Target's pro-forma ownership	Seller's EPS accretion	Seller's TBV accretion	Seller's dividend accretion
◆ First Southern Bancshares, Inc.	\$2.25	0.257	11.9%	N/M	111.87%	N/M

◆ Global assumptions have been modified for this deal.

VI. Detailed company analysis: Individual deal summary

Specific Deal Assumptions	
Buyer:	Target: First Southern Bancshares, Inc.
Current stock price: \$8.750	Current stock price: \$2,000
Consideration: 100% Stock; Purchase	Exchange ratio: 0.257
Restructuring / Deal expenses: (1.0%); \$28	Deal value (M): \$2.8
Goodwill (M): \$3.0	Aggregate deal value (M): \$2.9
Cost savings: 5.00%	Calculated deal price: \$2.25
Deal pricing: Solve for targeted premium of 12.5%	Transaction closing date: Current
Pricing Multiples	
Premium to market: 12.5%	Price / Book value: 628.4%
Price / LTM EPS: -7.5x	Price / Tangible book value: 304.1%
Price / 2005 Est. EPS: N/M	Deposit premium: 2.9%
Price / 2006 Est. EPS: N/M	Price / Deposits: 3.5%

Dollars in thousands except for per share data		First Southern Bancshares, Inc.	Acquisition adjustments	Pro forma	Accretion/Dilution
2005 estimated earnings per share		\$0.09	\$0.00	-\$0.07	-176.01%
Diluted shares outstanding		2,387,435	1,266,715	2,710,591	
Projected 2005 net income		\$204	\$0	\$(176)	
Income required to break even				\$408	
Revenue enhancements (0.0%)				\$0	
Cost savings expected (5.0%)				\$124	
Pro forma net income				\$-52	
Pro forma EPS				\$-0.02	-122.56%
Data as of:	3/31/04	3/31/04			
Total assets	\$210,741	\$95,164		\$314,790	
Total deposits	\$154,693	\$81,470		\$236,163	
Tangible equity	\$16,901	\$450		\$16,546	
Tangible capital ratio	8.45%	1.08%		5.52%	
Tier 1 leverage ratio	8.12%	1.03%		7.45%	
Book value	\$7.57	\$0.36		\$7.66	1.20%
Tangible book value	\$7.07	\$0.74		\$6.10	-13.76%
Book value recapture period (yrs)				4.83	
Return on assets (projected 2005)	0.10%	N/M		-0.02%	
Return on equity (projected 2005)	1.13%	N/M		-0.25%	

VI. Detailed company analysis: Proforma map

Specific Deal Assumptions

Buyer: Target: First Southern Bancshares, Inc.
 Current stock price: \$8.750 Current stock price: \$2.000
 Projected (2006) EPS: \$0.09 Projected (2005) EPS: \$0.00
 Consideration: 100% Stock; Purchase Cost savings: 5.0%
 Deal pricing: Solve for targeted premium of 12.5% Deal expenses: 1.0%
 Transaction closing date: Current Calculated deal price: \$2.25
 Opportunity cost of capital: 6.0%

Pro forma information

Total assets	\$314,790
Total deposits	\$236,163
Tangible equity / Tang. assets	5.52%
Tier I leverage ratio	7.45%
EPS	-\$0.02
EPS accretion	-122.56%
TBV	\$6.10
TBV accretion	-13.76%

Overlapping states	1
Overlapping counties	0
Overlapping cities	0
Acquired states	0
Acquired counties	2
Acquired cities	4

VI. Detailed company analysis: Balance sheet reconciliation

Specific Deal Assumptions

Buyer: Target: First Southern Bancshares, Inc.
 Current stock price: \$8.750 Current stock price: \$2.000
 Projected (2005) EPS: \$0.09 Projected (2005) EPS: \$0.00
 Consideration: 100% Stock; Purchase Cost savings: 5.0%
 Deal pricing: Solve for targeted premium of 12.5% Deal expenses: 1.0%
 Transaction closing date: Current Calculated deal price: \$2.25
 Opportunity cost of capital: 6.0%

Dollars in thousands except for per share data		First Southern Bancshares, Inc.		Mark and Net financing adjustments	Pro forma adjusted
	3/31/04	3/31/04			
ASSETS					
Cash	\$8,628	\$9,386	\$0		\$18,014
Securities	25,701	13,235	5,837		44,773
Net loans	148,503	70,392	0		216,895
Intangibles					
Goodwill	1,192	0	1,358		2,550
Core deposit intangibles	0	0	1,890		1,890
OREO	1,463	575	0		2,038
Deferred tax asset	0	0	(0)		0
Other assets	27,254	1,576	0		28,830
TOTAL ASSETS	\$210,741	\$95,164	\$8,885		\$314,790
LIABILITIES					
Deposits	\$154,693	\$81,470	\$0		\$236,163
Borrowings	27,125	13,098	0		40,223
Trust preferred securities	\$0	\$0	\$6,000		\$6,000
Deferred tax liability	0	0	642		642
Other liabilities	843	605	0		1,448
TOTAL LIABILITIES	\$182,661	\$95,173	\$6,642		\$284,476
MEZZANINE					
Other mezzanine items	0	598	0		598
TOTAL MEZZANINE	\$0	\$598	\$0		\$598
EQUITY					
	\$18,093	\$450	\$2,243		\$20,786
TOTAL LIABILITIES AND EQUITY	\$210,741	\$95,164	\$8,885		\$314,790

VI. Detailed company analysis: Income statement reconciliation

Specific Deal Assumptions

Buyer:	Target: First Southern Bancshares, Inc.
Current stock price: \$8.750	Current stock price: \$2.000
Projected (2005) EPS: \$0.09	Projected (2005) EPS: \$0.00
Consideration: 100% Stock; Purchase	Cost savings: 5.0%
Deal pricing: Solve for targeted premium of 12.5%	Deal expenses: 1.0%
Transaction closing date: Current	Calculated deal price: \$2.25
Opportunity cost of capital: 5.0%	

Dollars in thousands except for per share data

CALCULATION OF EARNINGS IMPACT

	Adjustments	Pro forma
Projected net income buyer		\$204
Projected net income seller		\$0
Revenue enhancements (after tax)	\$0	
Net cost savings (after tax)	\$124	
Reversal of seller's intangible asset amortization	\$0	
Goodwill amortization	\$0	
CDI amortization	\$(262)	
Other restructuring impact	\$(1)	
Other transaction adjustment	\$0	
Alternative funding adjustments	\$(117)	
Total adjustments	\$(256)	\$(256)
PRO FORMA NET INCOME		\$(52)

SHARE RECONCILIATION

	Stand alone	Pro forma
Current diluted shares buyer	2,387,435	2,387,435
Transactional diluted shares seller	1,256,715	-
Exchange shares issued to target	-	323,155
PRO FORMA DILUTED SHARES		2,710,591

EARNINGS PER SHARE

Per share impact of combined net income (Yr1)	\$0.08
Total restructuring impact per share	-0.09
PRO FORMA EARNINGS PER SHARE	\$-0.02
PRO FORMA INCREMENTAL EARNINGS PER SHARE	\$-0.79

Buyer's EPS accretion

Buyer's incremental EPS accretion

-122.56%
-1,025.77%



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VI. Detailed company analysis: Projected income statement

Specific Deal Assumptions

Buyer: Target: First Southern Bancshares, Inc.
 Current stock price: \$8.750 Current stock price: \$2.000
 Projected (2005) EPS: \$0.09 Projected (2005) EPS: \$0.00
 Consideration: 100% Stock; Purchase Cost savings: 5.0%
 Deal pricing: Solve for targeted premium of 12.5% Deal expenses: 1.0%
 Transaction closing date: Current Calculated deal price: \$2.25
 Opportunity cost of capital: 6.0%

Data in (\$000) unless otherwise indicated	FY2005	FY2006	FY2007	FY2008	FY2009
Net Income buyer	\$204	\$218	\$233	\$250	\$267
Net Income target	\$0	\$0	\$0	\$0	\$0
Unadjusted Income	204	218	233	250	267
Revenue enhancements (after tax)	0	0	0	0	0
Net cost savings (after tax)	124	141	148	155	163
Reversal of seller's intangible asset amortization	0	0	0	0	0
Goodwill amortization	0	0	0	0	0
Core deposit intangible	(262)	(225)	(187)	(150)	(112)
Other restructuring impact	(1)	(1)	(1)	(2)	(2)
Other transaction adjustment	0	0	0	0	0
Alternative funding adjustments	(117)	(114)	(110)	(107)	(103)
Total adjustments	(256)	(199)	(151)	(103)	(54)
PRO FORMA NET INCOME	-\$52	\$19	\$82	\$147	\$213
PRO FORMA DILUTED SHARES	2,710,591	2,710,591	2,710,591	2,710,591	2,710,591
Pro forma EPS	-\$0.02	\$0.01	\$0.03	\$0.05	\$0.08
Pro forma cash EPS	\$0.10	\$0.11	\$0.12	\$0.13	\$0.14
Buyer's stand alone EPS	\$0.09	\$0.09	\$0.10	\$0.10	\$0.11
Buyer's stand alone cash EPS	\$0.11	\$0.11	\$0.12	\$0.13	\$0.13
Buyer's EPS accretion	-122.56%	-92.21%	-69.00%	-48.33%	-29.97%
Buyer's incremental EPS accretion	-1025.77%	-771.19%	-576.52%	-403.12%	-249.07%
Buyer's cash EPS accretion	-10.16%	-3.66%	-0.90%	1.66%	4.03%
Buyer's cash incremental EPS accretion	-82.94%	-28.45%	-5.26%	16.20%	36.05%
Seller's EPS accretion	NaN	NaN	NaN	NaN	NaN
Seller's cash EPS accretion	-10.16%	-3.66%	-0.90%	1.66%	4.03%

VI. Detailed company analysis: Data table (Default): Sensitivity analysis

Specific Deal Assumptions

Buyer: Target: First Southern Bancshares, Inc.
 Current stock price: \$8.750
 Projected (2005) EPS: \$0.09
 Consideration: 100% Stock; Purchase
 Deal pricing: Solve for targeted premium of 12.5%
 Transaction closing date: Current
 Opportunity cost of capital: 6.0%
 Current stock price: \$2.000
 Projected (2005) EPS: \$0.00
 Cost savings: 5.0%
 Deal expenses: 1.0%
 Calculated deal price: \$2.25

Results: EPS accretion for period for period FY-2005

Pricing ranges		Deal price (\$)											
Aggregate deal price (M)	Premium to market(%)	\$2.0	\$2.2	\$2.3	\$2.5	\$2.7	\$2.9	\$3.0	\$3.2	\$3.4	\$3.5	\$3.7	
		-21.25%	-14.50%	-7.75%	-1.00%	5.75%	12.50%	19.25%	26.00%	32.75%	39.50%	46.25%	
		\$1.58	\$1.71	\$1.84	\$1.98	\$2.11	\$2.25	\$2.38	\$2.52	\$2.66	\$2.78	\$2.92	
0.00%		158.18%	168.39%	177.57%	177.04%	176.52%	176.01%	175.80%	175.00%	174.51%	174.02%	173.54%	
5.00%		102.75%	113.37%	122.96%	122.82%	122.68%	122.56%	122.44%	122.31%	122.19%	122.06%	121.94%	
10.00%		47.33%	58.35%	68.34%	68.61%	68.87%	69.12%	69.37%	69.62%	69.87%	70.11%	70.35%	
15.00%		3.94%	13.73%	23.51%	24.39%	25.04%	25.88%	26.31%	26.93%	27.55%	28.15%	28.75%	
20.00%		63.52%	51.68%	40.88%	39.83%	38.79%	37.76%	36.75%	35.75%	34.77%	33.80%	32.85%	
25.00%		118.95%	106.69%	85.50%	84.05%	82.62%	81.20%	89.81%	88.44%	87.09%	85.76%	84.44%	
30.00%		174.37%	161.71%	150.11%	148.26%	146.44%	144.65%	142.88%	141.13%	139.41%	137.71%	136.04%	
35.00%		229.79%	216.73%	204.73%	202.48%	200.27%	198.09%	195.94%	193.82%	191.73%	189.67%	187.84%	
40.00%		285.22%	271.74%	258.34%	256.70%	254.10%	251.53%	249.00%	246.51%	244.05%	241.63%	239.23%	
45.00%		340.64%	326.76%	313.95%	310.92%	307.92%	304.97%	302.06%	299.20%	296.37%	293.58%	290.83%	
50.00%		396.07%	381.78%	368.57%	365.14%	361.75%	358.42%	355.13%	351.89%	348.69%	345.54%	342.43%	
55.00%		451.49%	436.79%	423.18%	419.35%	415.58%	411.88%	408.19%	404.57%	401.01%	397.49%	394.02%	
60.00%		506.92%	491.81%	477.80%	473.57%	469.41%	465.30%	461.25%	457.28%	453.33%	449.45%	445.62%	
65.00%		562.34%	546.82%	532.41%	527.79%	523.23%	518.74%	514.31%	509.95%	505.65%	501.40%	497.22%	
70.00%		617.77%	601.84%	587.03%	582.01%	577.06%	572.18%	567.38%	562.64%	557.97%	553.35%	548.81%	
75.00%		673.19%	656.86%	641.64%	636.22%	630.89%	625.63%	620.44%	615.33%	610.29%	605.31%	600.41%	

Cost savings (%)

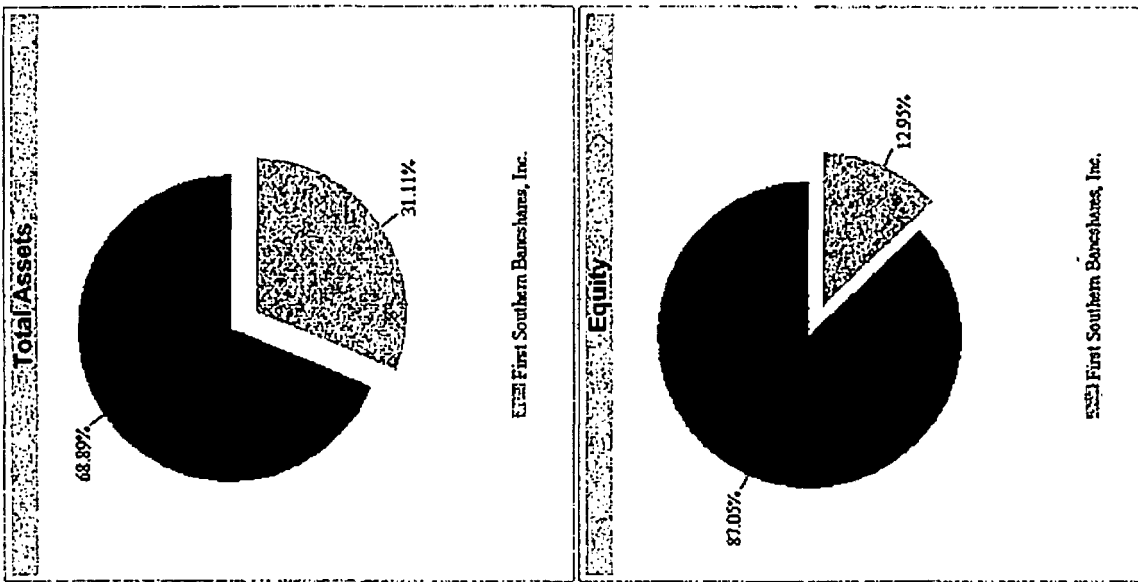
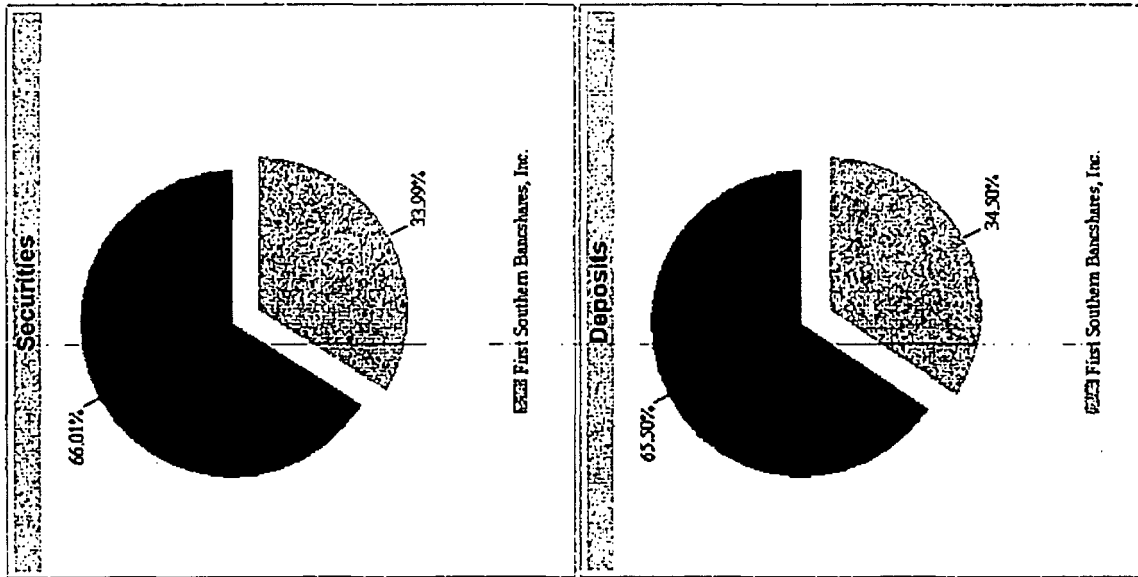
VI. Detailed company analysis: Contribution analysis

Specific Deal Assumptions

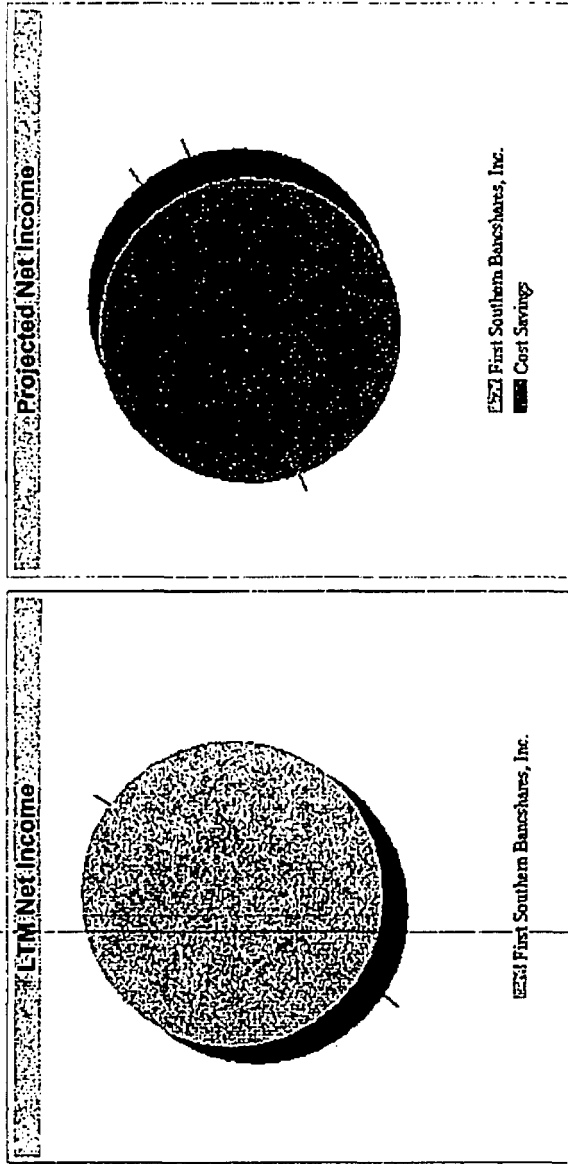
Buyer: Target: First Southern Bancshares, Inc.
 Current stock price: \$8.750 Current stock price: \$2.000
 Projected (2005) EPS: \$0.09 Projected (2005) EPS: \$0.00
 Consideration: 100% Stock; Purchase Cost savings: 5.0%
 Deal pricing: Solve for targeted premium of 12.5% Deal expenses: 1.0%
 Transaction closing date: Current Calculated deal price: \$2.25
 Opportunity cost of capital: 6.0%

Dollars in thousands except for per share data		3/31/04	First Southern Bancshares, Inc. 3/31/04	Pro forma adjusted	Buyer percent of total	Seller percent of total
ASSETS						
Cash		\$8,628	\$9,386	\$18,014	47.90%	52.10%
Securities		25,701	13,235	44,773	66.01%	33.99%
Net loans		146,503	70,392	216,895	67.55%	32.45%
Intangibles						
Goodwill		1,192	0	2,550	46.74%	53.26%
Core deposit intangibles		0	0	1,690	0.00%	100.00%
OREO		1,463	575	2,038	71.79%	28.21%
Other assets		27,254	1,576	28,830	94.53%	5.47%
TOTAL ASSETS		\$210,741	\$95,164	\$314,790	68.89%	31.11%
LIABILITIES						
Deposits		\$154,693	\$81,470	\$236,163	65.50%	34.50%
Borrowings		27,125	13,098	40,223	67.44%	32.56%
Trust preferred securities		0	0	6,000	0.00%	100.00%
Other liabilities		843	605	2,090	40.33%	59.67%
TOTAL LIABILITIES		\$182,661	\$95,173	\$284,476	64.21%	33.46%
MEZZANINE						
Mezzanine items		\$0	\$598	\$598	0.00%	100.00%
TOTAL MEZZANINE ITEMS		\$0	\$598	\$598	0.00%	100.00%
EQUITY						
TOTAL LIABILITIES AND EQUITY		\$18,093	\$450	\$20,786	87.05%	12.95%
LTM net income		\$210,741	\$95,164	\$314,790	68.89%	31.11%
Projected net income		\$382	\$408	-	-1,469.23%	1,569.23%
Projected earnings per share		\$204	\$0	\$-52	-389.14%	-0.00%
Projected market capitalization		\$0.09	\$0.00	\$-0.02	-443.19%	543.19%
		\$20,917	\$2,828	\$23,744	88.09%	11.91%

VI. Detailed company analysis: Contribution analysis: Pie Charts



VI. Detailed company analysis: Contribution analysis: Pie Charts



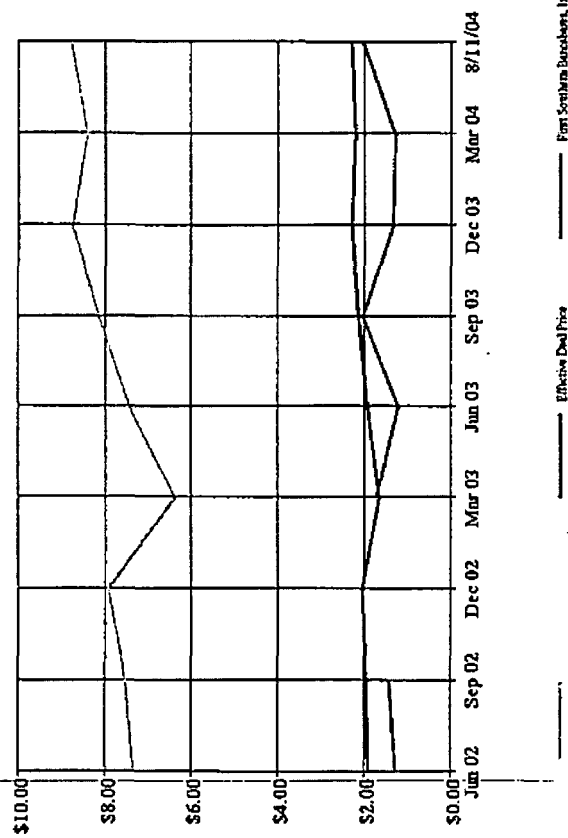
VI. Detailed company analysis: Effective deal price over time

Specific Deal Assumptions

Buyer: First Southern Bancshares, Inc.
 Current stock price: \$8.750
 Projected (2005) EPS: \$0.09
 Consideration: 100% Stock; Purchase
 Deal pricing: Solve for targeted premium of 12.5%
 Transaction closing date: Current
 Opportunity cost of capital: 6.0%

Target: First Southern Bancshares, Inc.
 Current stock price: \$2.000
 Projected (2005) EPS: \$0.00
 Cost savings: 5.0%
 Deal expenses: 1.0%
 Calculated deal price: \$2.25

Current Exchange Ratio: 0.257



VII. Data Verification

Data as of 3/31/04
Data in (\$000) except for per share data

Required data	Total equity	18,093	Shares outstanding	2,390,521
	Current stock price	8.750	Projected (2005) EPS	0.0866
Other data	Booked goodwill	1,192	Trust preferred securities	0
	Core deposit intangibles	0	Total assets (\$)	210,741
	Securities:	25,701	Net unrealized gain:	155
	Unallocated shares of benefit plan:	35,145	Other common stock equiv.	0
	Options	150,010	Weighted average strike (\$)	6.880
	Net income	204	Avg. dil. shares (For net income only)	2,380,058
	Non-interest income 2005	3,000	Amortization of intangible assets	48
	Non-interest expense 2005	7,000	Core retail deposits	58,138

VII. Data Verification

Data in (\$000) except for per share data

Mark-to-market data

Mark-to-market adjustment	FY2005	FY2006	FY2007	FY2008	FY2009
Securities	0	0	0	0	0
Loans	0	0	0	0	0
Other assets	0	0	0	0	0
Deposits	0	0	0	0	0
Borrowings	0	0	0	0	0
Total adjustments	0	0	0	0	0

Projected data

	FY2005	FY2006	FY2007	FY2008	FY2009
Non-Interest Income	3,000	2,959	3,107	3,262	3,426
Amortization of Intangible assets	48	48	48	48	48
Non-Interest expense 2005	7,000	7,448	7,821	8,212	8,623
Net income	204	218	233	250	267
Diluted shares outstanding	2,380,058	2,380,058	2,380,058	2,380,058	2,380,058
Projected EPS (\$)	0.086	0.092	0.098	0.105	0.112

Actual shares outstanding	2,390,521	2,390,521	2,390,521	2,390,521	2,390,521
Unallocated shares of benefit plan	35,145	35,145	35,145	35,145	35,145
Stock price	8.750	8.750	8.750	8.750	8.750
Total options outstanding	150,010	150,010	150,010	150,010	150,010
Weighted average strike price	6.880	6.880	6.880	6.880	6.880
Calculated dilution of options	32,059	32,059	32,059	32,059	32,059
Other common stock equivalents	0	0	0	0	0
Diluted shares calculated	2,387,435	2,387,435	2,387,435	2,387,435	2,387,435

VII. Data Verification

First Southern Bancshares, Inc.
Data as of 3/31/04
Data in (\$000) except for per share data

Required data	Total equity	450	Shares outstanding	1,256,715
	Current stock price	2.000	Projected (2005) EPS	0.000
Other data	Booked goodwill	0	Trust preferred securities	0
	Core deposit intangibles	0	Total assets (\$)	95,164
	Securities:	13,235	Net unrealized gain:	-213
	Unallocated shares of benefit plan:	0	Other common stock equiv.	0
	Options	117,498	Weighted average strike (\$)	4.650
	Net income	0	Avg. dil. shares(For net income only)	1,256,715
	Non-interest income 2005	722	Amortization of intangible assets	0
	Non-interest expense 2005	4,000	Core retail deposits	33,796

VII. Data Verification

First Southern Bancshares, Inc.
Data in (\$000) except for per share data

	Mark-to-market adjustment	FY2005	FY2006	FY2007	FY2008	FY2009
Mark-to-market data						
Securities	0	0	0	0	0	0
Loans	0	0	0	0	0	0
Other assets	0	0	0	0	0	0
Deposits	0	0	0	0	0	0
Borrowings	0	0	0	0	0	0
Total adjustments	0	0	0	0	0	0
Projected data						
Non-Interest Income		722	759	796	836	878
Amortization of Intangible assets		0	0	0	0	0
Non-Interest expense 2005		4,000	4,542	4,769	5,008	5,258
Net Income		0	0	0	0	0
Diluted shares outstanding		1,256,715	1,256,715	1,256,715	1,256,715	1,256,715
Projected EPS (\$)		0.000	0.000	0.000	0.000	0.000
Actual shares outstanding		1,256,715	1,256,715	1,256,715	1,256,715	1,256,715
Unallocated shares of benefit plan		0	0	0	0	0
Stock price		2,000	2,000	2,000	2,000	2,000
Total options outstanding		117,498	117,498	117,498	117,498	117,498
Weighted average strike price		4,650	4,650	4,650	4,650	4,650
Calculated dilution of options		0	0	0	0	0
Other common stock equivalents		0	0	0	0	0
Diluted shares calculated		1,256,715	1,256,715	1,256,715	1,256,715	1,256,715

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