

**\$600 MILLION
IN CLOSED LOANS
THOUSANDS OF SATISFIED
HOMEOWNERS
ONE BANK**

1st Colonial
COMMUNITY BANK

Let us help you find the mortgage program
that's right for you.

Jerry Silvi
856-869-3251
JSilvi@1stcnb.net

Jason Haugh
856-869-3252
JHaugh@1stcnb.net

Richard DeGrace
856-885-2022
RDeGrace@1stcnb.net

Carol DeGrace
856-885-2021
CDeGrace@1stcnb.net

Efrain Muñoz
856-559-4259
EMunoz@1stcnb.net

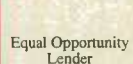
Rich Shakarjian
856-858-8118
RShakarjian@1stcnb.net

Kevin MacDonald
856-885-2376
KMacDonald@1stcnb.net

**1ST COLONIAL RESIDENTIAL
MORTGAGE PROFESSIONALS**

210 Lake Drive East,
Woodland Falls Corporate Park,
Suite 300, Cherry Hill

1stcolonial.com



Shares of 1st Colonial Bancorp, Inc. common stock are publicly
traded on the OTC Bulletin Board under the symbol FCOB.

Collingswood
1040 Haddon Avenue
856.858.1100

Westville
321 Broadway
856.456.6544

Commercial Lending
210 Lake Drive East
Suite 300
Cherry Hill, NJ 08002
856-858-8194

Residential Lending
210 Lake Drive East
Suite 300
Cherry Hill, NJ 08002
856-869-3250

www.1stColonial.com
Trading Symbol: FCOB

1st Colonial
COMMUNITY BANK
Nice People with Money



Equal Opportunity
Lender



THE
Growth
REPORT

2nd Quarter 2016

1st Colonial
COMMUNITY BANK
Nice People with Money

www.1stColonial.com

4074/77

Dear Shareholders,

I would like to share with you the year to date results for the six months ended June 30, 2016. Net income was \$1,793,000 (\$0.46 per share), compared to \$1,380,000 (\$0.36 per share) for the similar period ended June 30, 2015.

Net income for the three months ended June 30, 2016 was \$910,000 (\$0.21 per share), compared to \$757,000 (\$0.20 per share) for the three months ended June 30, 2015.

Our continued growth in income and assets results from a consistent calling program by our lenders and senior management. Referrals from our directors also are a central part of our growth. I encourage our shareholders and customers to assist us by referring your friends and family so that we can continue to accelerate our performance. Do not hesitate to call me with your contacts.

Thank you for your continued support.



Gerard M. Banmiller
President & CEO

Income Statement

6 months ended June 30

(Dollars in thousands, except share data)

(Unaudited)

	2016	2015
INTEREST INCOME		
Loans	\$7,278	\$5,917
Federal funds sold and interest-bearing deposits	79	3
Investments:		
Taxable	708	709
Nontaxable	147	158
Total interest income	8,212	6,787
INTEREST EXPENSE		
Demand deposits	388	268
Savings deposits	175	109
Time deposits	389	226
Other borrowings	13	16
Total interest expense	965	619
Net interest income	7,247	6,168
Provision for loan losses	550	601
Net interest income after provision for loan losses	6,697	5,567
OTHER INCOME		
Service charges on deposit accounts	173	70
Gain on sale of mortgage loans	1,413	1,021
Gain on sale of SBA loans	105	81
Mortgage fee income	49	66
Increase in cash value of bank owned life insurance	97	94
Other income, service charges and fees	90	206
Gain on sale of real estate owned	—	21
Total other income	1,927	1,559
OTHER EXPENSES		
Compensation and employee benefits	3,182	2,690
Occupancy and equipment expenses	479	420
Advertising expense	313	234
Data processing expense	397	356
Professional fees	286	254
Other operating expenses	1,130	953
Loss on real estate owned	5	—
Total other expenses	5,792	4,907
Income before income taxes	2,832	2,219
Income tax expense	1,039	839
Net income	\$1,793	\$1,380
Net income per share information:		
Basic earnings per share	\$0.46	\$0.36
Diluted earnings per share	\$0.44	\$0.34

Note: Earnings per share have been adjusted for 5% stock dividend paid 4/15/16.

Balance Sheet

As of June 30

(Dollars in thousands)

(Unaudited)

	2016	2015
ASSETS		
Cash and due from banks	\$ 4,616	\$ 6,445
Federal funds sold	15	148
Investments held to maturity	29,035	41,990
Securities available-for-sale (amortized cost of \$120,734 at 6/30/2016; \$101,660 at 6/30/2015)	93,314	101,974
Mortgage loans available for sale	9,349	6,663
Loans	325,575	269,254
Less: Allowance for loan losses	(4,653)	(4,228)
Net loans	320,922	265,026
Bank premises and equipment, net	1,331	1,398
Bank owned life insurance	6,600	6,408
Other assets	5,115	5,853
Total assets	\$470,297	\$435,905
LIABILITIES		
Demand deposits	\$271,638	\$241,228
Savings deposits	76,289	70,342
Time deposits	75,830	86,394
Total deposits	423,757	397,964
Other borrowings	11,901	8,122
Other liabilities	1,690	1,238
Total liabilities	437,348	407,324
SHAREHOLDERS' EQUITY		
Common stock, \$0 par value		
Authorized 5,000,000 shares; issued and outstanding of 3,885,475 and 3,879,915 shares at June 30, 2016 and 2015, respectively		
Preferred stock, 1,000,000 shares authorized, no shares issued	—	—
Treasury stock at cost 137,876 shares	(848)	(848)
Additional paid in capital	28,213	26,664
Retained earnings	4,615	2,578
Accumulated other comprehensive income	969	187
Total shareholders' equity	32,949	28,581
Total liabilities and shareholders' equity	\$470,297	\$435,905