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THE  
*Growth*  
REPORT

2nd Quarter 2017

*1st* Colonial  
COMMUNITY BANK

Nice People with Money

[www.1stColonial.com](http://www.1stColonial.com)

## A MESSAGE FROM THE PRESIDENT

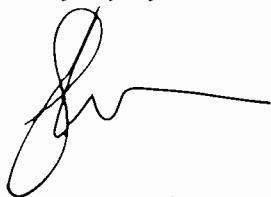
*Dear Shareholders,*

*I would like to share with you the year to date results for the six months ended June 30, 2017. Net income was \$2.0 million (\$0.49 per share) compared to \$1.8 million (\$0.44 per share) for the similar period in 2016.*

*Net income for the second quarter of 2017 was \$1.0 million (\$0.25 per share) compared to \$911 thousand (\$0.22 per share) for the second quarter of 2016.*

*Once again 1st Colonial Community Bank has earned a recommended rating of 4 Stars from Bauer Financial, the nation's premier bank rating firm. Bauer's recommendation indicates that the Bank excels in areas of capital adequacy, profitability, asset quality and community support. This is the 60th consecutive quarter the Bank has earned this rating.*

**Thank you for your continued support.**

A handwritten signature in black ink, appearing to read 'Gerard M. Banmiller', with a long horizontal line extending to the right.

Gerard M. Banmiller  
President & CEO

## 2017 QUARTERLY REPORT

### Balance Sheet As of June 30, 2017

(Dollars in thousands)

(Unaudited)

	2017	2016
<b>ASSETS</b>		
Cash and due from banks.....	\$ 15,278	\$ 4,616
Federal funds sold.....	4	15
Investments held to maturity.....	40,616	29,035
Securities available-for-sale (amortized cost of \$66,047 at 6/30/2017; \$91,699 at 6/30/2016)....	66,402	93,314
Mortgage loans available for sale.....	7,191	9,349
Loans.....	375,797	325,575
Less: Allowance for loan losses.....	<u>(4,746)</u>	<u>(4,653)</u>
Net loans.....	371,051	320,922
Bank premises and equipment, net.....	900	1,331
Bank owned life insurance.....	8,312	6,600
Other assets.....	<u>5,214</u>	<u>5,115</u>
Total assets.....	<u>\$514,968</u>	<u>\$470,297</u>
<b>LIABILITIES</b>		
Demand deposits.....	\$271,878	\$271,638
Savings deposits.....	86,714	76,289
Time deposits.....	<u>114,848</u>	<u>75,830</u>
Total deposits.....	473,440	423,757
Other borrowings.....	3,479	11,901
Other liabilities.....	<u>1,575</u>	<u>1,690</u>
Total liabilities.....	<u>478,494</u>	<u>437,348</u>
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, \$0 par value Authorized 10,000,000 shares; issued and 5,000,000 shares; issued and out- standing of 4,132,237 and 4,074,167 shares at June 30, 2017 and 2016, respectively.....		
Preferred stock, 1,000,000 shares authorized, no shares issued.....	—	—
Treasury stock at cost 137,876 shares....	(848)	(848)
Additional paid in capital.....	30,766	28,213
Retained earnings.....	6,342	4,615
Accumulated other comprehensive income.....	<u>214</u>	<u>969</u>
Total shareholders' equity.....	<u>36,474</u>	<u>32,949</u>
Total liabilities and shareholders' equity.....	<u>\$514,968</u>	<u>\$470,297</u>

# Big banks invest in stadiums.

*We invest in your kid's little  
league team and you!*



## Collingswood

1040 Haddon Avenue

856.858.1100

## Westville

321 Broadway

856.456.6544

## Residential Lending Division

210 Lake Drive E. • Cherry Hill

856.869.3250

**1st Colonial Community Bank**

[www.1stcolonial.com](http://www.1stcolonial.com) Nice People with Money

Equal Opportunity  
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Member  
**FDIC**

SBL  
Old Lane  
Link

**STAR**



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

# 1st Colonial Bancorp, Inc.

## Income Statement

6 months ended June 30, 2017

(Dollars in thousands, except share data)

(Unaudited)

	2017	2016
<b>INTEREST INCOME</b>		
Loans .....	\$8,540	\$7,278
Federal funds sold and interest-bearing deposits .....	54	79
Investments:		
Taxable .....	572	708
Nontaxable .....	175	147
Total interest income .....	<u>9,341</u>	<u>8,212</u>
<b>INTEREST EXPENSE</b>		
Demand deposits .....	299	388
Savings deposits .....	203	175
Time deposits .....	625	389
Other borrowings .....	9	13
Total interest expense .....	<u>1,136</u>	<u>965</u>
Net interest income .....	8,205	7,247
Provision for loan losses .....	<u>379</u>	<u>550</u>
Net interest income after provision for loan losses .....	7,826	6,697
<b>OTHER INCOME</b>		
Service charges on deposit accounts .....	182	173
Gain on sale of mortgage loans .....	1,275	1,413
Gain on sale of SBA loans .....	174	105
Mortgage fee income .....	69	49
Increase in cash value of bank owned life insurance .....	115	97
Other income, service charges and fees .....	118	90
Gain on sale of investments .....	25	—
Total other income .....	<u>1,958</u>	<u>1,927</u>
<b>OTHER EXPENSES</b>		
Compensation and employee benefits .....	3,654	3,182
Occupancy and equipment expenses .....	395	479
Advertising expense .....	301	313
Data processing expense .....	511	397
Professional fees .....	463	286
Other operating expenses .....	1,175	1,130
Loss on real estate owned .....	78	5
Total other expenses .....	<u>6,577</u>	<u>5,792</u>
Income before income taxes .....	3,207	2,832
Income tax expense .....	<u>1,183</u>	<u>1,039</u>
Net income .....	<u>\$2,024</u>	<u>\$1,793</u>
Net income per share information:		
Basic earnings per share .....	\$0.49	\$0.44
Diluted earnings per share .....	\$0.45	\$0.40

**Note:** Earnings per share have been adjusted for 5% stock dividend paid 4/17/17.

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**Commercial Lending**

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

**Residential Lending**

210 Lake Drive East  
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Trading Symbol: FCOB

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