

LCBT
**Lapeer County Bank
 & Trust Co.**
 Member FDIC

	THREE MONTHS ENDED March 31	
	2014	2013
INTEREST INCOME		
Interest and fees on loans.....	\$ 2,070	\$ 2,247
Interest on investment securities.....	852	595
Interest on Federal funds sold and balances at Federal Reserve Bank.....	6	5
TOTAL INTEREST INCOME	<u>2,928</u>	<u>2,847</u>
INTEREST EXPENSE		
Demand deposits.....	65	69
Savings deposits.....	22	19
Time deposits.....	94	116
Federal funds purchased.....	-	-
Other borrowed funds.....	-	-
TOTAL INTEREST EXPENSE	<u>181</u>	<u>204</u>
NET INTEREST INCOME	2,747	2,643
Provision for possible loan losses.....	-	225
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES ...	2,747	2,418
OTHER INCOME		
Service fees on loan and deposit accounts.....	311	334
Other.....	502	833
TOTAL OTHER INCOME	<u>813</u>	<u>1,167</u>
OTHER EXPENSES		
Salaries and employee benefits.....	1,354	1,372
Net occupancy expense.....	323	269
Other.....	891	959
TOTAL OTHER EXPENSE	<u>2,568</u>	<u>2,600</u>
INCOME BEFORE PROVISION FOR		
FEDERAL INCOME TAX	992	985
Provision for Federal income tax.....	252	281
NET INCOME	<u>\$ 740</u>	<u>\$ 704</u>
EARNINGS PER SHARE		
Net Income.....	\$ 0.68	\$ 0.65
Cash Dividend Declared.....	\$ 0.16	\$ -

Offices		
Main Office	83 W. Nepeensing St.	245-2950
MO Drive-Up	305 Pine St. (Drive-Up)	667-3851
Southgate	637 South Main St. (M-24)	664-9986
Attica	4515 Imlay City Rd. (M-21)	724-6436
Deerfield	30 W. Burnside Rd. (M-24)	793-6311
Elba	5508 Davison Rd. (M-21)	653-2106
Imlay City	1875 S. Cedar St. (M-53)	724-4652
Metamora	3414 S. Lapeer Rd. (M-24)	678-3373
Stock Transfer Agent		
IST Shareholder Services		
www.istshareholderservices.com/shareholders		
800-757-5755		
630-480-0641 (fax)		
433 S. Carlton Ave. Wheaton, IL 60187		
Market Maker		
Boenning & Scattergood, Inc		
www.boenninginc.com		
Nick Bicking and Tom Dooley		
866-326-8113		
9922 Brewster Lane, Powell, OH 43065		
LCBT.com		
810-667-2977		
FAX: 810-667-1742		
3/14		

**SEND ALL MAIL TO:
 P.O. Box 250, Lapeer MI 48446-0250**

CBC
County Bank Corp
 and its wholly owned subsidiary
**Lapeer County Bank
 & Trust Co.**

QUARTERLY REPORT

March 31, 2014

CBC
County Bank Corp

March 31, 2014

Dear Shareholders and Friends:

I am pleased to announce earnings of \$740,000 for the quarter ending March 31, 2014, an increase of \$36,000 from 2013. Total assets reached \$321,000,000 and total deposits increased to \$286,000,000. Despite the increase in assets and deposits, loan demand remains weak resulting in a year-over-year decrease in outstanding loans of \$4,000,000.

Investment securities have increased to a record high of \$141,000,000, up \$27,500,000 from 2013. The change in asset mix from loans to securities has negatively impacted our net interest margin. However, the effect on profitability has been minimized through a corresponding reduction to our allowance for loan and lease losses, which is budgeted for \$0 in 2014.

Current economic indicators are improving and I am optimistic the Bank will meet its 2014 profit plan goals. Thank you for your continued support of County Bank Corp and Lapeer County Bank & Trust Co.

Very truly yours,



Bruce J. Cady
President & CEO

CONSOLIDATED STATEMENTS
BALANCE SHEETS (000s)

	March 31	
	2014	2013
ASSETS		
Cash and due from banks.....	\$ 9,151	\$ 23,252
Investment securities available for sale.....	115,353	106,496
Investment securities held to maturity.....	23,824	5,152
Other investments.....	1,684	1,684
Total investment securities.....	140,861	113,332
Federal funds sold.....	0	100
Loans.....	157,651	161,668
Less: Reserve for possible loan losses.....	4,008	3,918
Net loans.....	153,643	157,750
Bank premises & equipment.....	6,248	5,480
Interest receivable and other assets.....	11,220	10,710
TOTAL ASSETS.....	\$ 321,123	\$ 310,624
LIABILITIES & STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Demand.....	\$ 151,995	\$ 150,629
Savings.....	77,771	68,185
Time.....	56,126	59,517
Total deposits.....	285,892	278,331
Fed funds purchased.....	4,700	-
Other borrowed funds.....	-	-
Interest payable and other liabilities.....	833	1,062
TOTAL LIABILITIES.....	291,425	279,393
STOCKHOLDERS' EQUITY		
Common stock — \$5.00 par value, 3,000,000 shares authorized, 1,080,946 shares outstanding in 2014 and 2013.....	5,405	5,405
Surplus.....	8,634	8,634
Undivided profits.....	19,779	17,158
Unrealized gains on securities available for sale.....	(4,120)	34
TOTAL STOCKHOLDERS' EQUITY.....	29,698	31,231
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY.....	\$ 321,123	\$ 310,624