

1ST CONSTITUTION BANCORP
CONSOLIDATED BALANCE SHEETS
(unaudited)

ASSETS	March 31, 2014	December 31, 2013
CASH AND DUE FROM BANKS	\$ 108,819,056	\$ 69,267,345
FEDERAL FUNDS SOLD/SHORT TERM INVESTMENTS	<u>100,000</u>	<u>11,426</u>
Total cash and cash equivalents	<u>108,919,056</u>	<u>69,278,771</u>
INVESTMENT SECURITIES		
Available for sale, at fair value	117,630,716	99,198,807
Held to maturity (fair value of \$155,795,659 and \$153,629,773 at March 31, 2014 and December 31, 2013, respectively)	152,734,559	152,816,815
Total securities	<u>270,365,275</u>	<u>252,015,622</u>
LOANS HELD FOR SALE	3,253,009	10,923,689
LOANS	531,405,382	373,336,082
Less- Allowance for loan losses	<u>(7,030,842)</u>	<u>(7,038,571)</u>
Net loans	524,374,540	366,297,511
PREMISES AND EQUIPMENT, net	12,370,225	10,043,505
ACCRUED INTEREST RECEIVABLE	2,943,400	2,542,602
BANK-OWNED LIFE INSURANCE	20,783,304	16,183,574
OTHER REAL ESTATE OWNED	2,136,341	2,136,341
GOODWILL AND INTANGIBLE ASSETS	13,673,821	4,889,575
OTHER ASSETS	<u>8,271,642</u>	<u>8,013,897</u>
Total Assets	<u>\$ 967,090,613</u>	<u>\$ 742,325,087</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
DEPOSITS		
Non-interest bearing	\$ 166,747,113	\$ 121,891,752
Interest bearing	<u>672,251,094</u>	<u>516,660,278</u>
Total deposits	838,998,207	638,552,030
BORROWINGS	20,978,549	10,000,000
REDEEMABLE SUBORDINATED DEBENTURES	18,557,000	18,557,000
ACCRUED INTEREST PAYABLE	937,278	883,212
ACCRUED EXPENSES AND OTHER LIABILITIES	6,355,156	5,974,531
Total liabilities	<u>885,826,190</u>	<u>673,966,773</u>
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY :		
Preferred stock, no par value; 5,000,000 shares authorized ; none issued	-	-
Common Stock, no par value; 30,000,000 shares authorized ; 0,000,000 and 6,033,683 shares issued and 0,000,000 and 6,016,845 shares outstanding as of March 31, 2014 and December 31, 2013, respectively	60,825,466	49,403,450
Retained earnings	22,016,093	21,374,381
Treasury Stock 20,729 shares and 16,838 shares at March 31, 2014 and December 31, 2013, respectively	(211,727)	(171,883)
Accumulated other comprehensive (loss)	<u>(1,365,409)</u>	<u>(2,247,634)</u>
Total shareholders' equity	<u>81,264,423</u>	<u>68,358,314</u>
Total liabilities and shareholders' equity	<u>\$ 967,090,613</u>	<u>\$ 742,325,087</u>

1ST CONSTITUTION BANCORP
CONSOLIDATED STATEMENTS OF INCOME
(unaudited)

	Three Months Ended March 31, 2014	2013
INTEREST INCOME:		
Loans, including fees	\$ 6,238,439	\$ 5,972,195
Securities:		
Taxable	1,121,584	937,085
Tax-exempt	580,981	512,878
Federal funds sold and short-term investments	55,291	49,680
Total interest income	7,996,295	7,471,838
INTEREST EXPENSE:		
Deposits	898,731	956,336
Borrowings	115,578	103,273
Redeemable subordinated debentures	85,107	87,873
Total interest expense	1,099,416	1,147,482
Net interest income	6,896,879	6,324,356
PROVISION FOR LOAN LOSSES	499,998	-
Net interest income after provision for loan losses	6,396,881	6,324,356
NON-INTEREST INCOME:		
Service charges on deposit accounts	219,116	223,066
Gain on sales of loans	739,581	731,709
Income on Bank-owned life insurance	129,151	112,608
Other income	549,134	541,180
Total other income	1,636,982	1,608,563
NON-INTEREST EXPENSES:		
Salaries and employee benefits	3,587,905	3,352,863
Occupancy expense	826,195	677,806
Data processing expenses	316,049	301,382
FDIC insurance expense	150,000	19,687
Other real estate owned expenses	41,432	545,505
Merger-related expenses	1,422,723	-
Other operating expenses	1,001,721	1,185,725
Total other expenses	7,346,025	6,082,968
Income before income taxes	687,838	1,849,951
INCOME TAXES	46,126	524,633
Net Income	\$ 641,712	\$ 1,325,318
NET INCOME PER COMMON SHARE		
Basic	\$0.09	\$0.22
Diluted	\$0.09	\$0.22
WEIGHTED AVERAGE SHARES OUTSTANDING		
Basic	6,756,782	5,895,763
Diluted	6,942,943	6,034,779