

Cullman Bancorp, Inc Quarterly Report

Selected Income Statement Data

(Dollars in thousands except per share data, unaudited)

	<u>Twelve months ended December 2012,</u>	
	<u>2012</u>	<u>2011</u>
Interest income	\$ 11,228	\$ 11,736
Interest expense	<u>2,571</u>	<u>3,237</u>
Net interest income	8,657	8,499
Provision for loan losses	<u>1,058</u>	<u>407</u>
Net interest income after provision for loan losses	7,599	8,092
Noninterest income	882	831
Noninterest expense	<u>5,585</u>	<u>5,847</u>
Income before income taxes	2,896	3,076
Income taxes	<u>1,014</u>	<u>1,087</u>
Net income	<u><u>\$ 1,882</u></u>	<u><u>\$ 1,989</u></u>

Selected Balance Sheet Data

(Dollars in thousands, unaudited)

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Total assets	\$ 218,069	\$ 222,951
Gross loans	164,277	165,660
Total deposits	136,426	138,147
Advances from Federal Home Loan Bank	37,000	42,000
Total equity	41,741	40,393
Total equity to total assets at end of period	19.14%	18.12%

Selected Asset Quality Data

(Dollars in thousands, unaudited)

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Nonperforming loans	\$ 2,207	\$ 1,572
Foreclosed real estate	<u>536</u>	<u>1,541</u>
Total nonperforming assets	<u>\$ 2,743</u>	<u>\$ 3,113</u>
Allowance for loan losses	\$ 1,611	\$ 1,108
Allowance for loan losses to total loans	0.98%	0.67%
Nonperforming loans to total loans	1.34%	0.95%
Nonperforming assets to total assets	1.26%	1.40%

Cullman Bancorp, Inc had net income of \$1.9 million for year ended December 31, 2012 compared to \$2.0 million for the same period last year. The decrease in earnings is primarily due to an increase in the provision for loan losses to \$1.1 million for year ended December 31, 2012 from \$407 for the year ended December 31, 2011. This increase is attributable to higher net charge offs and an increase in nonperforming loans during the year ended December 31, 2012.