

NEWS RELEASE



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FOREST COMMERCIAL BANK REPORTS THIRD CONSECUTIVE QUARTERLY PROFIT, INCREASES IN ASSETS, LOANS AND DEPOSITS

ASHEVILLE—Forest Commercial Bank reported its third consecutive quarterly profit for the quarter ending June 30, 2010, according to President and CEO John D. Kimberly. The bank’s second quarter net income of \$53,917 represents a 98% increase over the prior quarter.

The Asheville-based bank, chartered in March 2008, also reported total assets of \$83 million, total loans of \$65 million total deposits of \$61 million, increases of 41%, 35% and 53%, respectively, over the same period in 2009.

At quarter end, the bank’s Total Risk-Based Capital Ratio—the ratio of its capital to its risk-weighted assets—was 28.63 percent. Bank regulators consider an institution with a ratio of 10 percent or greater “well capitalized.” Further, as of June 30, the bank had no non-performing loans.

Forest Commercial was recently awarded a 5-star “Superior” rating by BauerFinancial, Inc., a nationally known independent bank rating and research firm, which recognized the bank as one of the strongest in the country.

Currently located at One North Pack Square in downtown Asheville, Forest Commercial will open its new banking facility at 1127 Hendersonville Road on August 9.

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