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## **FOR IMMEDIATE RELEASE**

### **New Jersey Community Bank Reports Revised Earnings for 2010 Increased Net Income and Earnings per Share**

FREEHOLD, NJ, March 2, 2011 – New Jersey Community Bank (OTCBB: NJCB) (the “Bank”) reported revised and updated results for the quarter and year ended December 31, 2010. The Bank had originally reported on January 19, 2011, net income of \$147 thousand, or \$0.09 per common share for the three months and year ended December 31, 2010. As revised, the Bank is now reporting net income of \$1.3 million, or \$0.81 per common share for the quarter and year ended December 31, 2010.

The change in the Bank’s reported results is directly related to recording, as of December 31, 2010, a one-time non-recurring income tax benefit resulting from the reversal of a \$1.2 million valuation allowance on the Bank’s deferred income tax assets. As the Bank became profitable during the second quarter of 2010, remained profitable for the remainder of 2010, and projects profitable operations going forward, management determined that maintaining a valuation allowance for deferred tax assets was no longer necessary or appropriate. The largest component of Bank’s deferred tax assets at December 31, 2010, was federal and state net operating losses, which are now expected to be fully realizable.

Following are the Bank’s restated statements of financial condition for the years ended December 31, 2010 and 2009 and the statements of operations for the quarter and year ended December 31, 2010 and 2009. As a result of the reversal of the valuation allowance, the Bank’s reported total assets also increased by \$1.2 million, the amount of the deferred tax assets.

#### About the Bank

New Jersey Community Bank is a state-chartered commercial bank headquartered in Freehold, New Jersey. The Bank opened for business in July 2008 and operates two full-service banking offices in the central New Jersey county of Monmouth. The Bank provides traditional commercial and retail banking services to small businesses and consumers. For additional information about New Jersey Community Bank, please visit [www.njcbk.com](http://www.njcbk.com) or call 732-431-2265.

#### Forward-Looking Statements

This release contains forward-looking statements relating to present or future trends or factors affecting the banking industry, and specifically the financial condition and results of operations, including without limitation, statements relating to the earnings outlook of the Bank, as well as its operations, markets and products. Actual results could differ materially from those indicated. Among the important factors that could cause results to differ materially are interest rate changes, change in economic climate, which could materially impact credit quality trends and the ability to generate loans, changes in the mix of the Bank’s business, competitive pressures, changes in accounting, tax or regulatory practices or requirements, resolution of tax reviews, and those risk factors detailed in the Bank’s periodic reports. The Bank undertakes no obligation to release revisions to these forward-looking statements or reflect events or circumstances after the date of this release.

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Source: New Jersey Community Bank

# New Jersey Community Bank

## Selected Financial Highlights

(unaudited)

As of or for the Quarters Ended

(in thousands, except per share and percentage data)

	12/31/2010	9/30/2010	6/30/2010	3/31/2010	12/31/2009
<b>Summary of Operations:</b>					
Interest income	\$ 1,383	\$ 1,294	\$ 1,177	\$ 1,022	\$ 941
Interest expense	355	388	364	349	327
Net interest income	1,027	906	813	673	614
Provision for loan loss	141	115	103	113	382
Net interest income after provision for loan loss	886	791	710	560	232
Non-interest income	124	101	96	91	53
Non-interest expense	864	790	791	763	702
Income before income tax (benefit) expense	147	101	15	(112)	(417)
Income tax (benefit) expense	(1,190)	-	5	-	-
Net income (loss)	\$ 1,337	\$ 101	\$ 10	\$ (112)	\$ (417)
<b>Earnings (loss) per share:</b>					
Basic	\$ 0.81	\$ 0.06	\$ 0.01	\$ (0.07)	\$ (0.25)
Diluted	0.81	0.06	0.01	(0.07)	(0.25)
Book value per share	8.83	8.05	7.95	7.90	7.96
Average shares outstanding	1,649	1,649	1,649	1,649	1,649
Average diluted shares outstanding	1,649	1,649	1,649	1,649	1,649
<b>Selected Financial Ratios:</b>					
Return on average assets	4.89%	0.37%	0.04%	-0.49%	-2.00%
Return on average common equity	39.99%	3.07%	0.34%	-3.41%	-10.64%
Average equity to average assets	12.23%	11.99%	13.00%	14.40%	18.79%
<b>Risk-based capital:</b>					
Total risk-based capital ratio	15.65%	16.14%	17.04%	18.24%	20.76%
Tier 1 risk-based capital ratio	14.61%	15.10%	15.97%	17.22%	19.76%
Tier 1 leverage capital ratio	12.69%	12.02%	13.04%	14.32%	15.71%
<b>Financial Condition:</b>					
Total assets	\$ 112,565	\$ 112,173	\$ 105,244	\$ 94,210	\$ 88,209
Loans, net of unearned income	84,693	78,600	73,534	68,421	58,393
Deposits	97,855	98,730	91,938	81,085	75,014
Shareholder's equity	14,554	13,267	13,114	13,034	13,127

# New Jersey Community Bank

## Statements of Financial Condition

(dollars in thousands)

	December 31,	
	2010	2009
<b>Assets</b>	(unaudited)	
Cash and due from banks - non-interest bearing	\$ 1,341	\$ 840
Federal funds sold	5,865	17,109
Total Cash and Cash Equivalents	7,206	17,949
Due from banks - interest bearing	4,659	1,524
Investment Securities:		
Available-for-sale	11,381	7,494
Held-to-maturity	1,220	256
Total Investment Securities	12,601	7,750
Loans Receivable, net of unearned income	84,693	58,392
Less: Allowance for loan losses	(975)	(664)
Net Loans	83,718	57,728
Premises and equipment, net	2,534	2,652
Accrued interest receivable	304	206
Deferred tax assets	1,190	-
Other assets	353	400
<b>Total Assets</b>	<b>\$ 112,565</b>	<b>\$ 88,209</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Liabilities</b>		
Deposits:		
Non-interest bearing	\$ 5,709	\$ 4,382
Savings, NOW and money market	29,740	11,789
Time deposits under \$100M	21,296	22,816
Time deposits \$100M and over	41,110	36,027
Total Deposits	97,855	75,014
Accrued interest payable	12	3
Other liabilities	144	65
<b>Total Liabilities</b>	<b>98,011</b>	<b>75,082</b>
<b>Shareholders' Equity</b>		
Common stock, \$2 par value; authorized 10,000,000 shares; issued and outstanding 1,648,783 shares	3,298	3,298
Surplus	13,519	13,348
Accumulated Deficit	(2,201)	(3,538)
Accumulated other comprehensive income	(62)	19
<b>Total Shareholders' Equity</b>	<b>14,554</b>	<b>13,127</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 112,565</b>	<b>\$ 88,209</b>

# New Jersey Community Bank

## Statements of Operations

(dollars in thousands, except per share data)

	Three Months Ended		For the Year Ended	
	December 31,		December 31,	
	2010	2009	2010	2009
<b>Interest Income</b>	(unaudited)		(unaudited)	
Loans receivable, including fees	\$ 1,291	\$ 887	\$ 4,574	\$ 2,577
Investment securities	77	39	241	75
Federal funds sold	3	7	24	26
Due from banks - interest bearing	12	8	37	26
<b>Total Interest Income</b>	<u>1,383</u>	<u>941</u>	<u>4,876</u>	<u>2,704</u>
<b>Interest Expense</b>				
Deposits	355	327	1,456	1,047
<b>Total Interest Expense</b>	<u>355</u>	<u>327</u>	<u>1,456</u>	<u>1,047</u>
<b>Net Interest Income before Provision for Loan Loss</b>	1,028	614	3,420	1,657
<b>Provision for Loan Loss</b>	141	382	472	719
<b>Net Interest Income after Provision for Loan Loss</b>	<u>887</u>	<u>232</u>	<u>2,948</u>	<u>938</u>
<b>Non-Interest Income</b>				
Fees and service charges on deposit accounts	104	43	344	119
Loan fee income	4	3	20	18
All other income	16	7	48	25
<b>Total Non-Interest Income</b>	<u>124</u>	<u>53</u>	<u>412</u>	<u>162</u>
<b>Non-Interest Expense</b>				
Salaries and employee benefits	456	397	1,831	1,414
Occupancy and equipment	211	144	643	492
Data processing services	34	23	120	85
Professional and other fees	54	49	173	162
Advertising and promotion	4	5	18	23
Federal insurance assessment	41	25	154	100
Other operating expenses	64	59	269	212
<b>Total Non-Interest Expenses</b>	<u>864</u>	<u>702</u>	<u>3,208</u>	<u>2,488</u>
<b>Income before income tax (benefit) expense</b>	147	(417)	152	(1,389)
Income tax (benefit) expense	(1,190)	-	(1,185)	5
<b>Net Income (Loss)</b>	<u>\$ 1,337</u>	<u>\$ (417)</u>	<u>\$ 1,337</u>	<u>\$ (1,394)</u>
<b>Income (loss) per share:</b>				
Basic	\$ 0.81	\$ (0.25)	\$ 0.81	\$ (0.85)
Diluted	0.81	(0.25)	0.81	(0.85)
Weighted average number of common shares outstanding	1,649	1,649	1,649	1,649
Weighted average number of diluted common shares outstanding	1,649	1,649	1,649	1,649