

Lyons Bancorp reports 21% increase in earnings

Lyons Bancorp, Inc., the holding company for The Lyons National Bank, reported that net after-tax income was \$3.739 million for 2009, an increase of 21% over the \$3.078 million earned in 2008. On a per share basis earnings were \$4.39 fully diluted versus \$3.63 last year. The increase in earnings is attributed to the overall growth of the Bank and continued improvements in operating efficiencies.

Total assets on December 31, 2009 were \$458 million versus \$411 million on December 31, 2008. Loans totaled \$288 million as compared to \$245 million last year. Both the retail and commercial/agricultural segments of the Bank's loan portfolio experienced excellent growth. Growth in retail and commercial deposits also remained strong. Total deposits on December 31, 2009 were \$382 million as compared to \$357 million on December 31, 2008.

Asset quality remains very good. The ratio of nonperforming loans to period-ending loans was 0.86% on December 31, 2009 as compared to 1.09% last year. The percentage of net loans charged off to period ending loans was 0.11% as compared to 0.35% last year. Even as the asset quality of the Bank improved, the Bank added reserves to its Allowance for Loan Losses. The percentage of its Allowance for Loan Losses to period-ending loans was 1.70% as of December 31, 2009 as compared to 1.41% on December 31, 2008.

Shareholders' equity grew to \$29.5 million on December 31, 2009 as compared to \$26.5 million on December 31, 2008. The Return on Average Shareholders' equity grew to 13.16% from 11.93% reported last year.

On a consecutive quarter basis, earnings in the fourth quarter were \$1.082 million as compared to \$1.041 million for the third quarter of 2009. In the quarter, the Bank's net interest margin increased to 4.04% from 3.90% as a result of continued growth in consumer and commercial loans and checking accounts.

Lyons Bancorp, Inc. is the holding company for The Lyons National Bank. The Lyons National Bank is a community bank with offices in Lyons, Clyde, Macedon, Newark, Ontario and Wolcott in Wayne County; Jordan in Onondaga County; Geneva in Ontario County and Penn Yan in Yates County. The Bank has one subsidiary, Lyons Realty Associates Corp.