

MOUND CITY FINANCIAL SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2004 and 2003

ASSETS	2004	2003
Cash and due from banks	\$ 5,830,066	\$ 4,502,750
Federal funds sold	3,136,000	5,120,000
Cash and cash equivalents	8,966,066	9,622,750
Available for sale securities - stated at fair value	31,241,190	26,568,549
Held to maturity securities, fair value of \$3,952,352 and \$3,994,296 in 2004 and 2003, respectively	4,000,000	4,000,000
Loans, less allowance for loan losses of \$1,457,798 and \$1,613,007 in 2004 and 2003, respectively	144,050,714	143,077,612
Loans held for sale	60,000	331,900
Premises and equipment, net	3,676,722	3,873,712
Cash surrender value of life insurance	1,397,495	1,352,949
Accrued interest receivable and other assets	3,784,486	3,586,836
TOTAL ASSETS	\$ 197,176,673	\$ 192,414,308

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Deposits		
Demand	\$ 13,696,053	\$ 14,583,727
Savings and NOW	59,392,682	54,467,641
Other time	89,324,604	88,171,270
Total Deposits	162,413,339	157,222,638
Other borrowings	15,000,000	16,000,000
Long-term debt - trust preferred securities	4,130,000	4,000,000
Accrued interest payable and other liabilities	1,699,813	1,802,357
Total Liabilities	183,243,152	179,024,995

STOCKHOLDERS' EQUITY

Common stock, no par value, 300,000 shares authorized, 31,494 shares issued, 30,450 and 30,769 shares outstanding at December 31, 2004 and 2003, respectively	31,494	31,494
Surplus	7,618,010	7,618,010
Retained earnings	6,645,546	5,825,636
Treasury stock, 1,044 and 725 shares in 2004 and 2003, respectively, at cost	(461,626)	(290,586)
	13,833,424	13,184,554
Accumulated other comprehensive income	100,097	204,759
Total Stockholders' Equity	13,933,521	13,389,313

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 197,176,673	\$ 192,414,308
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FINANCIAL HIGHLIGHTS

	December 31,				
	2004	2003	2002	2001	2000
Statement of Operations					
Interest Income	\$9,920,451	\$10,588,009	\$11,295,623	\$12,086,596	\$11,351,365
Interest Expense	4,673,284	5,340,133	5,670,750	6,813,229	7,015,342
Net Interest Income	5,247,167	5,247,876	5,624,873	5,273,367	4,336,023
Provision for Loan Losses	538,000	401,000	610,000	355,000	453,428
Net Interest Income After Provision for Loan Losses	4,709,167	4,846,876	5,014,873	4,918,367	3,882,595
Noninterest Income	1,249,188	1,304,107	1,220,244	956,640	881,927
Noninterest Expenses	4,502,675	4,347,017	4,176,772	3,914,527	3,686,839
Income Before Income Taxes	1,455,680	1,803,966	2,058,345	1,960,480	1,077,683
Provision for Income Taxes	392,170	526,320	567,108	536,471	128,750
Net Income	\$1,063,510	\$1,277,646	\$1,491,237	\$1,424,009	\$948,933

Statement of Condition

Total Assets	\$197,176,673	\$192,414,308	\$192,806,976	\$172,792,163	\$158,251,582
Federal Funds Sold	3,136,000	5,120,000	7,949,000	4,232,000	3,174,000
Investment Securities	35,241,190	30,568,549	28,389,687	21,334,046	22,583,031
Loans	144,110,714	143,409,512	145,188,721	133,517,418	120,560,309
Total Deposits	162,413,339	157,222,638	154,304,126	136,929,589	130,892,643
Other Borrowings	15,000,000	16,000,000	20,000,000	22,200,000	15,400,000
Subordinated Debentures	4,130,000	4,000,000	4,000,000	None	None
Stockholders' Equity	13,833,424	13,184,554	12,243,759	11,086,167	9,947,119

Averages

Average Assets	\$192,646,596	\$194,880,215	\$179,783,781	\$164,664,633	\$148,956,435
Average Loans	142,173,800	143,781,207	140,848,671	129,036,066	114,304,045
Average Deposits	157,681,528	156,234,278	144,695,707	131,168,096	125,539,085
Average Equity	13,508,989	12,714,157	11,664,963	10,516,643	9,612,641

Ratios

Asset Growth Rate	2.48%	(0.20%)	11.58%	9.19%	9.87%
Loan Growth Rate	.49%	(1.23%)	8.74%	10.75%	12.77%
Deposit Growth	3.30%	1.89%	12.69%	4.61%	5.56%
Loan to Deposit Ratio	88.73%	91.21%	94.09%	97.51%	92.11%
Return on Average Assets	0.55%	0.66%	0.83%	0.86%	0.64%
Return on Average Equity	7.87%	10.05%	12.78%	13.54%	9.87%
Stockholders' Equity to Average Assets	7.18%	6.77%	6.81%	6.73%	6.68%
Earnings per Share	\$34.91	\$41.44	\$48.07	\$45.66	\$30.28
Dividend Paid per Share	\$8.00	\$8.00	\$8.00	\$8.00	\$8.00

MOUND CITY FINANCIAL SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

Years ended December 31, 2004, 2003 and 2002

	Common Stock	Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income	Total
Balances, December 31, 2001	\$31,494	\$7,618,010	\$3,550,481	\$ (113,818)	\$214,198	\$11,300,365
Comprehensive income						
Net income - 2002	-	-	1,491,237	-	-	1,491,237
Change in unrealized gains/losses on securities available for sale	-	-	-	-	266,095	266,095
Reclassification adjustment for gains/losses realized in net income	-	-	-	-	(59,488)	(59,488)
Income tax effect	-	-	-	-	(81,300)	(81,300)
Total Comprehensive Income						1,616,544
Cash dividends - \$8.00 per share	-	-	(247,576)	-	-	(247,576)
Purchase of 105 shares of treasury stock	-	-	(86,069)	-	(86,069)	
Balances, December 31, 2002	31,494	7,618,010	4,794,142	(199,887)	339,505	12,583,264
Comprehensive income						
Net income - 2003	-	-	1,277,646	-	-	1,277,646
Change in unrealized gains/losses on securities available for sale	-	-	-	-	(217,170)	(217,170)
Reclassification adjustment for gains/ losses realized in net income	-	-	-	-	(5,000)	(5,000)
Income tax effect	-	-	-	-	87,424	87,424
Total Comprehensive Income						1,142,900
Cash dividends - \$8.00 per share	-	-	(246,152)	-	-	(246,152)
Purchase of 205 shares of treasury stock	-	-	-	(90,699)	-	(90,699)
Balances, December 31, 2003	31,494	7,618,010	5,825,636	(290,586)	204,759	13,389,313
Comprehensive income						
Net income - 2004	-	-	1,063,510	-	-	1,063,510
Change in unrealized gains/losses on securities available for sale	-	-	-	-	(158,545)	(158,545)
Reclassification adjustment for gains/losses realized in net income	-	-	-	-	(15,789)	(15,789)
Income tax effect	-	-	-	-	69,672	69,672
Total Comprehensive Income						958,848
Cash dividends - \$8.00 per share	-	-	(243,600)	-	-	(243,600)
Purchase of 319 shares of treasury stock	-	-	-	(171,040)	-	(171,040)
Balances, December 31, 2004	\$31,494	\$7,618,010	\$6,645,546	\$(461,626)	\$100,097	\$13,933,521

MOUND CITY FINANCIAL SERVICES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

Years Ended December 31, 2004, 2003 and 2002

	2004	2003	2002
INTEREST INCOME			
Interest and fees on loans	\$ 8,510,265	\$ 9,289,743	\$ 10,131,897
Interest on investment securities			
Taxable	912,255	803,293	730,391
Tax exempt	385,715	308,437	303,671
Interest on federal funds sold	40,949	80,532	60,456
Other	71,267	106,004	69,208
Total Interest Income	9,920,451	10,588,009	11,295,623
INTEREST EXPENSE			
Interest on deposits	3,708,820	3,956,871	4,491,878
Interest on other borrowings	634,064	1,063,262	1,125,538
Interest on long term debt - trust preferred securities	330,400	320,000	53,334
Total Interest Expense	4,673,284	5,340,133	5,670,750
Net Interest Income Before Provision For Loan Losses	5,247,167	5,247,876	5,624,873
Provision For Loan Losses	538,000	401,000	610,000
Net Interest Income After Provision For Loan Losses	4,709,167	4,846,876	5,014,873
NONINTEREST INCOME			
Service fees	507,560	547,986	473,738
Gain on sale of available for sale securities	15,789	5,000	59,488
Gain on loan sales	101,073	194,742	136,843
Mutual fund sales commission	182,719	173,559	163,145
Other income	442,047	382,820	387,030
Total Noninterest Income	1,249,188	1,304,107	1,220,244
NONINTEREST EXPENSES			
Salaries	1,830,602	1,726,513	1,592,307
Profit sharing and other employee benefits	876,103	843,141	854,270
Occupancy	456,290	469,496	506,232
Computer services	221,870	207,626	200,939
Other expenses	1,117,810	1,100,241	1,023,024
Total Noninterest Expenses	4,502,675	4,347,017	4,176,772
Income before income taxes	1,455,680	1,803,966	2,058,345
Less: Applicable income taxes	392,170	526,320	567,108
NET INCOME	\$ 1,063,510	\$ 1,277,646	\$ 1,491,237
Basic Earnings Per Share	\$ 34.91	\$ 41.44	\$ 48.07
Weighted Average Shares Outstanding	30,466	30,832	31,019