

CATSKILL HUDSON BANCORP, INC.**COMPARATIVE BALANCE SHEET****(Unaudited)****(In Dollars)****12/31/08****12/31/07****ASSETS**

Cash and Due From Banks	6,437,000	7,820,000
Securities Available for Sale	64,456,000	43,455,000
Securities Held to Maturity	9,448,000	6,310,000
Federal Funds Sold	27,000	208,000
Gross Loans	139,070,000	117,674,000
Allowance for Loan Losses	(1,556,000)	(1,250,000)
Premises and Fixed Assets	1,686,000	1,766,000
Other Assets	2,243,000	2,222,000
TOTAL ASSETS	221,811,000	178,205,000

LIABILITIES**Deposits**

Non-Interest Bearing	29,733,000	27,515,000
Interest Bearing	174,631,000	133,659,000
TOTAL DEPOSITS	204,364,000	161,174,000

Federal Funds Line of Credit	-	1,500,000
Subordinated Debentures	1,800,000	1,800,000
Junior Subordinated Debentures	3,299,000	3,299,000
Accrued Interest Payable and Other Liabilities	1,018,000	875,000
TOTAL LIABILITIES	210,481,000	168,648,000

CAPITAL

Stock	700,000	650,000
Surplus	7,257,000	6,307,000
Retained Earnings	2,965,000	2,499,000
Other Accumulated Comprehensive Income	408,000	101,000
Total Capital	11,330,000	9,557,000
TOTAL LIABILITIES & CAPITAL	221,811,000	178,205,000

COMPARATIVE STATEMENT OF INCOME & EXPENSE**(Unaudited)****(In Dollars)****Twelve Months Ended****12/31/08****12/31/07****INCOME & EXPENSE**

Total Interest Income	11,151,000	10,327,000
Interest Expense	4,404,000	4,900,000
NET INTEREST INCOME	6,747,000	5,427,000
Provision for Loan Losses	445,000	335,000
Net Interest Income After Provision for Loan Losses	6,302,000	5,092,000
Non-Interest Income	823,000	737,000
Non-Interest Expense	6,438,000	5,195,000
INCOME BEFORE INCOME TAXES	687,000	634,000
Provision for Income Tax	101,000	134,000
NET INCOME AFTER TAXES	586,000	500,000