

CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Balance Sheets
(Dollars in thousands except share and per share data)

(Unaudited)

<u>Assets</u>	December 31, 2009	September 30, 2009
Cash and due from banks	\$ 4,063	3,499
Federal funds	10,000	8,800
Interest-bearing due from banks	632	1,119
Cash and cash equivalents	14,695	13,418
Investment and mortgage-backed securities available-for-sale	20,332	20,629
Stock in Federal Home Loan Bank of Seattle, at cost	1,332	1,332
Loans held-for-sale	5,584	6,359
Loans receivable, net	100,359	102,661
Bank-owned life insurance	1,257	—
Accrued interest receivable	766	760
Premises and equipment, net	5,772	5,830
Repossessed other assets owned	1,630	1,597
Income tax receivable	14	119
Goodwill	178	178
Other assets	1,360	222
	<u>\$ 153,279</u>	<u>153,105</u>
<u>Liabilities and Stockholders' Equity</u>		
Liabilities:		
Deposits	\$ 137,025	134,991
Advances from Federal Home Loan Bank	1,242	2,746
Other borrowed money	159	159
Advance payments by borrowers for taxes and insurance	17	57
Deferred income taxes	186	270
Dividends payable	77	77
Accrued expenses and other liabilities	319	557
Total liabilities	139,025	138,857
Stockholders' equity:		
Preferred stock, par value \$.10 per share, 2,000,000 shares authorized; 3,100 shares of series A and 155 shares of series B with a liquidation value of \$1,000 issued December 31, 2009 and September 30, 2009	3,100	3,100
Common stock, par value \$.10 per share, 5,000,000 shares authorized; 1,058,000 issued	106	106
Additional paid-in capital	10,320	10,319
Unearned ESOP/MSBP shares	(43)	(40)
Retained earnings	7,768	7,653
Accumulated other comprehensive loss, net	(115)	(4)
Treasury stock at cost, 416,795 and 416,795 shares at December 31, 2009 and September 30, 2009	(6,882)	(6,886)
Total stockholders' equity	14,254	14,248
	<u>\$ 153,279</u>	<u>153,105</u>

CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Income
(Dollars in thousands except share and per share data)

Unaudited

	Three Months Ended December 31,	
	2009	2008
Interest income:		
Loans receivable	\$ 1,770	\$ 1,913
Mortgage-backed securities	27	35
Investment securities	139	94
Other interest-earning assets	6	3
Total interest income	1,942	2,045
Interest expense:		
Deposits	665	806
Advances from Federal Home Loan Bank	30	69
Other interest expense	1	2
Total interest expense	696	877
Net interest income	1,246	1,168
Provision for loan losses	126	107
Net interest income after provision for loan losses	1,120	1,061
Non-interest income:		
Customer service charges	85	86
Gain on sale of loans	591	167
Other operating income	280	117
Total non-interest income	956	370
Non-interest expense:		
Compensation and benefits	958	639
Occupancy and equipment	197	188
FDIC/SAIF deposit insurance premiums	43	19
Advertising	53	48
Data processing services	147	125
Professional fees	49	17
Other	239	192
Loss on disposal of equipment	—	2
Total non-interest expense	1,686	1,230
Income before income taxes	390	201
Income tax expense	155	62
Net income	\$ 235	\$ 139
Dividends declared per common share	\$ 0.12	\$ 0.12
Basic earnings per share	\$ 0.29	\$ 0.21
Diluted earnings per share	\$ 0.28	\$ 0.21

CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Stockholders' Equity and Comprehensive Income
(Dollars in thousands except share and per share data)

Unaudited

	<u>Common stock</u>	<u>Additional paid-in capital</u>	<u>Preferred stock</u>	<u>Unearned ESOP/ MSBP shares</u>	<u>Retained earnings</u>	<u>Accumulated other comprehensive income (loss)</u>	<u>Treasury stock</u>	<u>Total stockholders' equity</u>
Balance at September 30, 2008	\$ 106	10,312	—	(52)	7,624	(170)	(6,896)	10,924
Comprehensive income:								
Net income	—	—	—	—	419	—	—	419
Unrealized gain on securities available-for-sale, net of reclassification adjustment	—	—	—	—	—	166	—	166
Total comprehensive income								585
MSBP shares awarded (1,000 shares)	—	—	—	(10)	—	—	10	—
Issuance of 3,255 preferred stock shares	—	—	3,100	—	—	—	—	3,100
MSBP shares vested	—	7	—	22	—	—	—	29
Cash dividends declared- preferred stock	—	—	—	—	(82)	—	—	(82)
Cash dividends declared - common stock (\$.48 per share)	—	—	—	—	(308)	—	—	(308)
Balance at September 30, 2009	106	10,319	3,100	(40)	7,653	(4)	(6,886)	14,248
Comprehensive income:								
Net income	—	—	—	—	235	—	—	235
Unrealized loss on securities available-for-sale, net of reclassification adjustment	—	—	—	—	—	(111)	—	(111)
Total comprehensive income								124
MSBP shares awarded (1,000 shares)	—	—	—	(12)	—	—	12	—
MSBP shares forfeited (700 shares)	—	—	—	8	—	—	(8)	—
MSBP shares vested	—	1	—	1	—	—	—	2
Cash dividends declared- preferred stock	—	—	—	—	(42)	—	—	(42)
Cash dividends declared - common stock (\$.12 per share)	—	—	—	—	(78)	—	—	(78)
Balance at December 31, 2009	\$ <u>106</u>	<u>10,320</u>	<u>3,100</u>	<u>(43)</u>	<u>7,768</u>	<u>(115)</u>	<u>(6,882)</u>	<u>14,254</u>

See accompanying notes to consolidated financial statements.

CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Cash Flows
(Dollars in Thousands)

Three months ended December 31, 2009 and 2008
(Unaudited)

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Net income	\$ 235	139
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	126	107
Provision for EDP/EPO	3	11
Loans originated for sale	(21,774)	—
Proceeds from sales of loans held-for-sale	22,546	9,548
Amortization of premiums and discounts on investment securities	35	5
Deferred income tax (benefit) expense	(27)	80
Depreciation	88	84
Mutual fund dividends reinvested	(10)	(18)
Deferred loan origination fees, net	(3)	(8)
Gain on bank-owned life insurance	(7)	—
Loss on disposal of equipment	—	2
MSBP compensation expense	2	6
Change in:		
Accrued interest receivable	(6)	126
Other assets	(1,138)	(1,587)
Income taxes payable	105	(18)
Accrued expenses and other liabilities	(238)	(38)
Net cash (used in) provided by operating activities	<u>(63)</u>	<u>8,439</u>
Cash flows from investing activities:		
Purchases of securities available-for-sale	(276)	—
Purchases of bank-owned life insurance	(1,250)	—
Proceeds from maturities, calls and prepayments of securities available-for-sale	380	1,085
Change in loans receivable	1,978	(14,328)
Purchases of premises and equipment	(30)	(22)
Proceeds from sale of other real estate owned	168	—
Net cash (used in) investing activities	<u>970</u>	<u>(13,265)</u>
Cash flows from financing activities:		
Net increase in deposits	2,034	4,942
Advances from Federal Home Loan Bank	—	6,617
Repayment of advances from Federal Home Loan Bank	(1,504)	(6,194)
Net (increase) decrease in advances from borrowers for taxes and insurance	(40)	(41)
Dividends paid to stockholders	(120)	(77)
Net cash (used in) provided by financing activities	<u>370</u>	<u>5,247</u>
Net increase (decrease) in cash and cash equivalents	1,277	421
Cash and cash equivalents at beginning of year	<u>13,418</u>	<u>4,263</u>
Cash and cash equivalents at end of year	\$ <u>14,695</u>	\$ <u>4,684</u>
Cash paid during the year for:		
Interest	\$ 764	857
Income taxes	75	—

BASIS OF PRESENTATION

The accompanying unaudited interim consolidated condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. For further information, the reader should refer to the Annual Report of Crazy Woman Creek Bancorp Incorporated (the "Company") for the fiscal years ended September 30, 2009 and 2008.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. The results of operations for the three months ended December 31, 2009 are not necessarily indicative of the results, which may be expected for an entire year or any other period.

The accompanying consolidated financial statements include the accounts of the Company and Buffalo Federal Savings Bank (the "Bank"), a wholly-owned subsidiary of the Company. All significant intercompany balances and transactions have been eliminated in consolidation.

FORWARD LOOKING STATEMENTS

The Company may from time to time make written or oral "forward-looking statements", including statements contained in the Company's filings with the Office of Thrift Supervision (including this Quarterly Report and the exhibits thereto), in its reports to stockholders and in other communications by the Company, which are made in good faith by the Company pursuant to the "safe harbor" provision of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements involve risks and uncertainties, such as statements of the Company's plans, objectives, expectations, estimates and intentions, that are subject to changes based on various important factors (some of which are beyond the Company's control). The following factors, among others, could cause the Company's financial performance to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements: the strength of the United States economy in general and the strength of the local economy in which the Company conducts operations; the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the board of governors of the federal reserve system, inflation, interest rates, market and monetary fluctuations; the timely development of and acceptance of new products and services of the Company and the perceived overall value of these products and services by users, including the features, pricing and quality compared to competitors' products and services; the willingness of users to substitute competitors' products and services for the Company's products and services; the success of the Company in gaining regulatory approval of its products and services, when required; the impact of changes in financial services' laws and regulations (including laws concerning taxes, banking, securities and insurance); technological changes; acquisitions; changes in consumer spending and saving habits; and the success of the Company at managing the risks resulting from these factors.

The Company cautions that the listed factors are not exclusive. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Company.