



Notes from the President

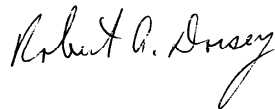
March 10, 2010

Dear Customer:

- The FDIC reported recently that for the 1-year period ended 12/31/2009 total loan balances nationally declined by 8.3%, the largest drop ever recorded since such records have been kept. I am pleased to report that net loan balances at ASB actually *increased* by 10.5% (+\$10.3 million) over the same time period. Our lending activity has been fairly brisk and we continue to have excellent liquidity with which to fund loan demand.
- The media continues to confuse the issue, but not all “banks” are the same. ASB is a “traditional” community bank. Simply put, we take in local deposits and use them to make consumer and business loans in our local markets. That makes us different from investment or “Wall Street” banks, hedge funds, private equity funds, and even most of the mega banks. In addition, ASB is a “portfolio” lender – we retain the loans in our portfolio and do not sell them.
- It’s prudent for individuals, businesses, and governments to live within their means. It still makes sense to save for the so-called rainy day, as well as for known future needs for big-ticket items like a new car, home repairs, appliances, college tuition, retirement, etc., but a plan is needed. Today’s on-line banking makes saving easier than ever. If you’re already signed up for ASB’s Internet Banker, it’s simple to schedule regular automatic transfers from your checking account to a savings account. The transfers can be scheduled to occur weekly, monthly, etc. If you’re not signed up for ASB’s Internet Banker, sign up today! It’s never too late to start saving!

Thanks for banking with ASB.

Very truly yours,



Robert A. Dorsey
President/CEO