

OFFICERS

Joseph J. Tryon, Jr.
President

Constance T. Wood
Senior Vice President/Secretary

Lynwood J. Matthews, Jr.
Senior Vice President

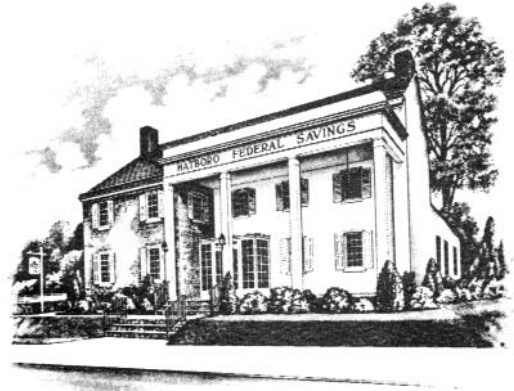
Linda Roehner Lynd
Vice President/Treasurer

John M. Douglass
Vice President

William J. Martin, Jr.
Vice President

Sandy L. Marad
Manager, Warrington Office

Barbara A. Kurzmann
Manager, Warminster Office



*HATBORO
FEDERAL SAVINGS*

221 South York Road
Hatboro, PA 19040-0550
(215) 675-4000

FINANCIAL STATEMENT

DECEMBER 31, 2008

DIRECTORS

PETER D. CLAYTON	JOHN J. LAFFERTY
SIDNEY M. GAMBURG	E. ROBERT POWERS
THOMAS E. HARBAUGH	JOSEPH J. TRYON, Jr.
FRANKLIN JARRETT	JOHN J. ZYGMONT

COUNSEL

DOUGLAS G. THOMAS, ESQ.

AUDITOR

SNODGRASS

Certified Public Accountants
and Consultants



WARMINSTER OFFICE
609 YORK ROAD

WARRINGTON OFFICE
1401 EASTON ROAD

LENDING OFFICE
229 SOUTH YORK ROAD
HATBORO

www.hatborofed.com

HATBORO FEDERAL SAVINGS

CHARTERED 1941

Statement of Condition as of December 31, 2008

ASSETS		LIABILITIES	
First Mortgage Real Estate Loans, Home Equity Loans and Home Equity Lines of Credit	\$450,017,963	Deposit Accounts	\$416,156,754
Federal Home Loan Bank Stock	2,420,400	Advance Payments by Borrowers for Taxes	3,994,687
Cash and U.S. Obligations	12,315,693	Other Liabilities	1,939,431
U.S. Agency Obligations	18,666,667	Total Capital:	
Fixed Assets, Less Depreciation	2,751,967	Regulatory Capital	20,621,756
Bank Owned Life Insurance	14,561,237	Excess Capital	<u>60,699,800</u>
Deferred Charges and Other Assets	<u>2,678,501</u>		<u>81,321,556</u>
Total Assets	\$503,412,428	Total Liabilities and Capital	\$503,412,428

The FDIC, an agency of the United States Government, insures all depositors' savings to at least \$250,000* in accordance with the rules and regulations of the FDIC. (*until December 31, 2009)

This statement has been prepared in accordance with the regulatory reporting requirements of the Office of Thrift Supervision (OTS). Tangible, Core, and Total Capital are the elements of regulatory capital determined under such reporting requirements. Regulatory capital is the basis by which the OTS determines whether a savings association is operating in a safe and sound manner. **At Hatboro Federal we are very pleased to report that we have \$60,699,800 in excess capital, which is almost 3 times the regulatory capital requirement.**

Copies of our annual independently audited financial statements are available to the public for the audit period ending 9/30/08. Please contact the accounting department in Hatboro to see a copy. If you desire to keep the copy, a reasonable fee may be charged.

I, Joseph J. Tryon, Jr., President, of the above-named savings association, do hereby declare that this statement of condition has been prepared in conformance with the instructions issued by the OTS and is true to the best of my knowledge and belief.



CHARTERED AND SUPERVISED BY THE UNITED STATES GOVERNMENT