

# Consolidated Statements of Income

Century Bancorp, Inc. AR '12

Year Ended December 31,	2012	2011	2010
(dollars in thousands except share data)			
<b>INTEREST INCOME</b>			
Loans, taxable	\$ 34,983	\$ 36,772	\$ 40,163
Loans, non-taxable	16,432	11,324	8,271
Securities available-for-sale, taxable	22,286	22,782	18,958
Securities available-for-sale, non-taxable	340	211	391
Federal Home Loan Bank of Boston dividends	77	46	—
Securities held-to-maturity	6,746	5,816	7,158
Federal funds sold, interest-bearing deposits in other banks and short-term investments	630	1,114	1,642
Total interest income	81,494	78,065	76,583
<b>INTEREST EXPENSE</b>			
Savings and NOW deposits	2,250	2,539	4,072
Money market accounts	2,373	2,706	3,942
Time deposits	6,250	9,356	7,914
Securities sold under agreements to repurchase	367	379	573
Other borrowed funds and subordinated debentures	8,300	7,786	8,316
Total interest expense	19,540	22,766	24,817
Net interest income	61,954	55,299	51,766
Provision for loan losses (Note 6)	4,150	4,550	5,575
Net interest income after provision for loan losses	57,804	50,749	46,191
<b>OTHER OPERATING INCOME</b>			
Service charges on deposit accounts	7,880	7,885	7,876
Lockbox fees	2,930	2,770	2,911
Brokerage commissions	364	441	230
Net gains on sales of securities	1,843	1,940	1,851
Other income	2,848	3,204	3,131
Total other operating income	15,865	16,240	15,999
<b>OPERATING EXPENSES</b>			
Salaries and employee benefits (Note 16)	32,943	29,630	28,398
Occupancy	4,695	4,411	4,037
Equipment	2,255	2,235	2,132
FDIC assessments	1,737	2,025	2,965
Other (Note 19)	11,608	10,441	9,840
Total operating expenses	53,238	48,742	47,372
Income before income taxes	20,431	18,247	14,818
Provision for income taxes (Note 15)	1,392	1,554	1,244
Net income	\$ 19,039	\$ 16,693	\$ 13,574
<b>SHARE DATA (Note 13)</b>			
Weighted average number of shares outstanding, basic			
Class A	3,557,693	3,543,233	3,521,179
Class B	1,990,474	1,997,411	2,012,327
Weighted average number of shares outstanding, diluted			
Class A	5,549,191	5,541,794	5,535,742
Class B	1,990,474	1,997,411	2,012,327
Basic earnings per share			
Class A	\$ 4.18	\$ 3.68	\$ 3.00
Class B	\$ 2.09	\$ 1.84	\$ 1.50
Diluted earnings per share			
Class A	\$ 3.43	\$ 3.01	\$ 2.45
Class B	\$ 2.09	\$ 1.84	\$ 1.50

See accompanying "Notes to Consolidated Financial Statements."