

PRODUCTS & SERVICES

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THE SIGNATURE BANK NEWSLETTER

FOURTH QUARTER 2008

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Night Depository

Remote Deposit Capture

Merchant Services

Cash Management Solutions

Online and Telephone Banking

CDARS®



Signature Bank

DUNWOODY FINANCIAL CENTER*

1449 Dunwoody Village Parkway
Dunwoody, Georgia 30338
Phone: 770-391-1400, Fax: 770-391-1403
Mon. - Fri. 8:30-4:30 and by appointment
Dunwoody Market Manager: David Perlis
Sales & Service Manager: Patrick Burkhalter, Jr.

SANDY SPRINGS FINANCIAL CENTER*

6065 Roswell Road, Suite 110
Sandy Springs, Georgia 30328
Phone: 404-256-7700, Fax: 404-256-7739
Mon. - Fri. 8:30-4:30 and by appointment
Sandy Springs & Forsyth Market Executive / Senior
Commercial Relationship Manager: Matthew McClure
Financial Center Manager: Denise Hunt

FORSYTH FINANCIAL CENTER*

505 Peachtree Parkway
Cumming, Georgia 30041
Phone: (770) 292-8000, Fax: (770) 292-8010
Mon. - Fri. 8:30 - 4:30 and by appointment
Forsyth & Sandy Springs Market Executive / Senior
Commercial Relationship Manager: Matthew McClure
Financial Center Manager: Lori Kroko

*SIGNATURE ATM LOCATION

We are pleased to provide access to the following networks for the convenience of Signature Bank clients free of charge:
AllPoint • Pulse • Presto • Cirrus



Signature Bank

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SMART, STEADY GROWTH IS OUR
Signature



Signature Bank

A MESSAGE FOR OUR SHAREHOLDERS

FINANCIAL HIGHLIGHTS (As of 12/31/08, Unaudited)

Dear Fellow Shareholder:

Following the closing of our books for 2008, we wanted to share the results of Signature Bank's year of operations. We are in the midst of our year-end independent audit, and the audited financial statements will be available during our Annual Shareholder meeting on April 15, 2009. Our Call Report for the year-ended December 31, 2008 was filed and will be available online at www.fdic.gov soon. Our FDIC Certificate Number is 58103.

It is an understatement to say that 2008 was a sobering year for the nation's financial institutions. It is important in these times to let our customers and friends know how Signature Bank has fared and share information directly with you.

In recognition of the weakening economic landscape in late 2007, Signature Bank had planned for a break-end year in 2008. However due to the rapid deterioration of the real estate market and events leading into the first quarter of 2008 (i.e. aggressive rate cuts by the Federal Reserve Bank), Management and the Board were prompted to reassess this plan. New emphasis was directed towards aggressive write-off of non-performing assets, stress testing the declining values of collateral, disposing of bank properties, and establishing a very strong level of loan loss reserves in acknowledgement of troubling economic conditions. Additionally Management responded by focusing efforts on stabilizing our net interest margin and aggressively reducing operating expenses.

After recording almost \$4.6 million in the Provision for Loan Loss and taking over \$2 million in charge-offs, the Bank's capital ratios remained above the regulatory benchmarks for classification as a "well capitalized" bank-8%. Our regulatory ratios as of December 31, 2008 were: Tier 1 Leverage -- 9.55%; Tier 1 Risk-Based Capital Ratio -- 11.04%; and Total Risk-Based Capital Ratio -- 12.27%.

Total Loans:	\$167 Million
Total Investments:	\$26.3 Million
Allowance Loan Loss:	\$4 Million
Total Assets:	\$200 Million
Total Deposits:	\$154.5 Million
Total Capital:	\$19.7 Million
Net Income/(Loss) MTD:	\$(1.2) Million
Net Income/(Loss) YTD:	\$(5.7) Million

Loan Loss Reserves at 12/31/08 was 2.44% of total loans vs. the metro Atlanta median average of 1.50%.

During the year our loan portfolio grew prudently by 14.8% and our total assets grew by 18.6%. Management continued the focus on growing retail deposits, resulting in our total deposits growing by 17.6%. Additionally the investment portfolio was increased by almost 36% for an ending balance of over \$25 million.

Fortunately, we closed out our secondary stock offering in December 2007, and distributed the capital from the holding company to the bank during 2008. This helped in maintaining a strong regulatory capital position despite the aggressive measures taken to bolster the loan loss reserves and clear the balance sheet of non-performing assets.

We fully expect 2009 to continue to be a challenging year for our industry. However, we believe all of the actions taken by Management and the Board of Directors have helped position Signature Bank for weathering 2009 and beyond. These results would not have been achieved if not for the support of our shareholders, customers, friends, family, board members and

Signature Bank employees. We want to take this opportunity to thank all of you for your continued encouragement. However, it has never been more important than now to have your entire banking relationship with us!

Ed Gallup
Chairman of the Board

Freddie Deutch
President & CEO

SIGNATURE BANK NEEDS YOU

Signature Bank requests your help in reaching out to your Congressional representatives to help ensure that small community banks are being considered during the allocation of funds under the Economic Stimulus Package (aka the Government bailout program).

As you know, a number of large banks have received the full attention of Congress, the Treasury, and the White House with respect to financial assistance and it appears that funds have not always been used prudently. This potential abuse and resulting media coverage is placing a negative slant on all banks - large and small.

Community banks, such as Signature Bank, did not engage in the types of practices which sit at the foundation of the financial problems our nation is experiencing. We have, however, suffered from the trickle-down effect these problems have created. Please encourage your Congressional Representative or call the White House to help ensure that community banks receive reasonable consideration by our government when distributing the stimulus package funds. Let your voice be heard.



Signature Bank

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