ASB
FINANCIAL CORP
QUARTERLY RESULTS
(Unaudited)

For the Quarter Ended
March 31, 2010

INDEX

ASB Financial Corp.

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(In thousands, except share data)

ASSETS	**March 31, 2010** (Unaudited)	**June 30, 2009**
Cash and due from banks	$ 1,334	$ 1,415
Interest-bearing deposits in other financial institutions	5,936	5,301
Cash and cash equivalents	7,270	6,716
Certificates of deposit in other financial institutions	1,249	249
Investment securities available for sale - at market	33,543	35,333
Loans receivable - net	168,883	163,695
Office premises and equipment - at depreciated cost	2,371	2,400
Federal Home Loan Bank stock - at cost	1,327	1,327
Accrued interest receivable	1,121	1,142
Prepaid expenses and other assets	2,376	1,259
Bank-owned life insurance	3,825	3,747
Core deposits intangible	116	141
Prepaid federal income taxes	-	39
Deferred federal income taxes	431	904
Total assets	**$222,512**	**$216,952**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits	$180,703	$174,760
Advances from the Federal Home Loan Bank	19,931	21,062
Advances by borrowers for taxes and insurance	122	204
Accrued interest payable and other liabilities	1,863	1,908
Total liabilities	202,619	197,934
Shareholders' equity		
Preferred stock, 1,000,000 shares authorized, no par value; no shares issued	-	-
Common stock, 4,000,000 shares authorized, no par value; 1,858,426 March 31, 2009 and June 30, 2008, respectively	-	-
Additional paid-in capital	8,683	8,683
Retained earnings, restricted	13,967	13,359
Accumulated comprehensive income, unrealized gains on securities designated as available for sale, net of related tax effects	459	192
Less 263,468 shares of treasury stock at cost	(3,216)	(3,216)
Total shareholders' equity	19,893	19,018
Total liabilities and shareholders' equity	**$222,512**	**$216,952**

ASB Financial Corp.

CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)

(In thousands, except per share data)

	For the nine months ended March 31, 2010	For the nine months ended March 31, 2009	For the three months ended March 31, 2010	For the three months ended March 31, 2009
Interest income				
Loans	$7,798	$8,191	$2,559	$2,761
Mortgage-backed securities	634	679	188	233
Investment securities	402	447	142	78
Total interest income	8,834	9,317	2,889	3,072
Interest expense				
Deposits	2,289	3,294	703	925
Borrowings	599	698	196	227
Total interest expense	2,888	3,992	899	1,152
Net interest income	5,946	5,325	1,990	1,920
Provision for losses on loans	735	123	200	75
Net interest income after provision for losses on loans	5,211	5,202	1,790	1,845
Other income				
Gain (loss) on sale of investment securities	227	(488)	20	(8)
Loss on sale of REO	(116)	(1)	-	-
Other operating	830	996	239	401
Total other income	941	507	259	393
General, administrative and other expense				
Employee compensation and benefits	2,195	2,179	728	735
Occupancy and equipment	402	336	140	125
Franchise taxes	146	144	57	68
Data processing	385	339	143	123
Other operating	1,059	832	345	284
Total general, administrative and other expense	4,187	3,830	1,413	1,335
Earnings before income taxes	1,965	1,879	636	903
Federal income taxes				
Current	495	510	169	249
Deferred	-	-	-	-
Total federal income taxes	495	510	169	249
NET EARNINGS	**$1,470**	**$1,369**	**$ 467**	**$ 654**
EARNINGS PER SHARE				
Basic	**$.92**	**$.86**	**$.29**	**$.41**
Diluted	**$.92**	**$.86**	**$.29**	**$.41**

ASB Financial Corp.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(In thousands)

	For the nine months ended March 31, 2010	For the nine months ended March 31, 2009	For the three months ended March 31, 2010	For the three months ended March 31, 2009
Net earnings	$1,470	$1,369	$467	$654
Other comprehensive income (loss), net of taxes (benefits):				
Unrealized holding gains (losses) on securities during the period, net of taxes (benefits) of $138, $77, $64 and $113 during the respective periods	267	136	125	201
Comprehensive income	**$1,737**	**$1,505**	**$592**	**$855**
Accumulated comprehensive income	**$ 459**	**$ 192**	**$459**	**$192**

ASB Financial Corp.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

For the nine months ended March 31,
(In thousands)

	2010	2009
Cash flows from operating activities:		
Net earnings for the period	$ 1,470	$ 1,369
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Amortization of discounts and premiums on investments and mortgage-backed securities - net	186	27
Amortization of deferred loan origination fees	(196)	(148)
Depreciation and amortization	170	170
Provision for losses on loans	735	123
Gain (loss) on sale of investment securities	(213)	488
Gain on sale of loans	(35)	
Loss on sale of REO	116	1
Increase (decrease) in cash due to changes in:		
Accrued interest receivable	21	17
Prepaid expenses and other assets	(770)	122
Accrued interest payable & other liabilities	(45)	(503)
Federal income taxes		
Current	39	630
Deferred	337	(19)
Net cash provided by operating activities	1,815	2,277
Cash flows used in investing activities:		
Purchase of investment securities	(17,752)	(7,043)
Purchase of certificates of deposit	(1,000)	(1,500)
Proceeds from matrity of certificates of deposit	-	700
Proceeds from sale of REO	111	26
Proceeds from maturity of investment securities	19,989	7,680
Net change in loans	(6,284)	(2,753)
Purchase of bank owned life insurance	(60)	(79)
Purchase of FHLB Stock	-	(18)
Proceeds from sale of premises and equipment	68	
Purchase of office premises and equipment	(201)	(55)
Net cash used in investing activities	(5,129)	(3,042)
Cash flows provided by financing activities:		
Net increase (decrease) in deposit accounts	5,943	(4,131)
Proceeds from Federal Home Loan Bank advances	3,800	28,900
Repayment of Federal Home Loan Bank advances	(4,931)	(26,049)
Advances by borrowers for taxes and insurance	(82)	(62)
Purchase of treasury stock	-	-
Proceeds from exercise of stock options	-	-
Dividends paid and declared on common stock	(862)	(861)
Net cash provided by financing activities	3,868	(2,203)
Net increase (decrease) in cash and cash equivalents	554	(2,968)
Cash and cash equivalents at beginning of period	6,716	8,056
Cash and cash equivalents at end of period	**$ 7,270**	**$ 5,608**

ASB Financial Corp.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (CONTINUED)

For the nine months ended March 31,
(In thousands)

	2010	2009
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Federal income taxes	$ -0-	$ 250
Interest on deposits and borrowings	$2,894	$3,543
Supplemental disclosure of noncash investing activities:		
Unrealized gains (losses) on securities designated as available for sale, net of related tax effects	$ 459	$ 192
Transfer from loans to real estate acquired through foreclosure	$ 265	$ 291

ASB Financial Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the nine- and three-month periods ended March 31, 2010 and 2009

1. Basis of Presentation

The accompanying unaudited consolidated financial statements do not include information or footnotes necessary for a complete presentation of financial position, results of operations and cash flows in conformity with accounting principles generally accepted in the United States of America. Accordingly, these financial statements should be read in conjunction with the consolidated financial statements and notes thereto of ASB Financial Corp. (the "Corporation") included in the Annual Report for the year ended June 30, 2009. However, in the opinion of management, all adjustments (consisting of only normal recurring accruals) which are necessary for a fair presentation of the financial statements have been included. The results of operations for the nine- and three-month periods ended March 31, 2010, are not necessarily indicative of the results which may be expected for the entire fiscal year.

2. Principles of Consolidation

The accompanying consolidated financial statements include all of the accounts of the Corporation, American Savings Bank, fsb ("American") and American's wholly-owned subsidiaries, ASB Community Development Corp. and A.S.L. Services, Inc. All significant intercompany items have been eliminated.

3. Critical Accounting Policies

Certain of the Corporation's accounting policies are important to the portrayal of the Corporation's financial condition, since they require management to make difficult, complex or subjective judgments, some of which may relate to matters that are inherently uncertain. Estimates associated with these policies are susceptible to material changes as a result of changes in facts and circumstances. Facts and circumstances which could affect these judgments include, without limitation, changes in interest rates, changes in the performance of the economy or changes in the financial condition of borrowers. Management believes that its critical accounting policy focuses primarily on determining the allowance for loan losses. This critical accounting policy is discussed in detail in the Annual Report to Shareholders for the year ended June 30, 2009 in Note A of the Notes to Consolidated Financial Statements under "Allowance for Loan Losses." If management were to underestimate the allowance for loan losses, earnings could be reduced in the future as a result of greater than expected net loan losses. Overestimation of the required allowance could result in future increases in income, as loan loss recoveries increase or provisions for losses on loans decrease.

4. Earnings Per Share

Basic earnings per common share is computed based upon the weighted-average number of common shares outstanding during the period. Diluted earnings per common share include the dilutive effect of all additional potential common shares issuable under the Corporation's stock option plan. The computations are as follows:

	For the nine months ended March 31,		For the three months ended March 31,	
	2010	**2009**	**2010**	**2009**
Weighted-average common shares outstanding (basic)	1,594,958	1,594,958	1,594,958	1,594,958
Dilutive effect of assumed exercise of stock options	-	-	-	-
Weighted-average common shares outstanding (diluted)	**1,594,958**	**1,593,118**	**1,594,958**	**1,594,958**

5. Stock Option Plan

During fiscal 1996 the Board of Directors and shareholders adopted the ASB Financial Corp. 1995 Stock Option and Incentive Plan (the "Plan") that provided for the issuance of 225,423 shares, as adjusted, of authorized but unissued common stock at fair value on the date of grant. In fiscal 1996, the Corporation granted 197,521 options which currently have an adjusted exercise price per share of $7.64. The number of options granted and the exercise price have been adjusted to give effect to the return of capital and special dividend distributions paid by the Corporation.

The Corporation accounts for the Plan in accordance with SFAS No. 123, "Accounting for Stock-Based Compensation," which contains a fair value-based method for valuing stock-based compensation that entities may use, which measures compensation cost at the grant date based on the fair value of the award. Compensation is then recognized over the service period, which is usually the vesting period. Alternatively, SFAS No. 123 permits entities to continue to account for stock options and similar equity instruments under Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees." Entities that continue to account for stock options using APB Opinion No. 25 are required to make pro forma disclosures of net earnings and earnings per share, as if the fair value-based method of accounting defined in SFAS No. 123 had been applied.

ASB Financial Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the nine- and three-month periods ended March 31, 2010 and 2009

5. Stock Option Plan (continued)

The Corporation applies APB Opinion No. 25 and related Interpretations in accounting for the Plan. Accordingly, no compensation cost has been recognized for the Plan. Had compensation cost for the Plan been determined based on the fair value at the grant dates for awards under the Plan consistent with the accounting method utilized in SFAS No. 123, the Corporation's net earnings and earnings per share for the nine- and three-month periods ended March 31, 2010 and 2009, would have been reported as the pro forma amounts indicated below:

		Nine months ended March 31,		Three months ended March,	
		2009	2008	2009	2008
Net earnings (In thousands)	As reported	$1,470	$1,369	$467	$654
	Stock-based compensation, net of tax	-	-	-	-
	Pro-forma	$1,470	$1,369	$467	$654
Earnings per share					
Basic	As reported	$.92	$.86	$.29	$.41
	Stock-based compensation, net of tax	-		-	-
	Pro-forma	$.92	$.86	$.29	$.41
Diluted	As reported	$.92	$.86	$.29	$.41
	Stock-based compensation, net of tax	-		-	-
	Pro-forma	$.92	$.86	$.29	$.41

A summary of the status of the Plan as of March 31, 2010 and June 30, 2009 and 2008, and changes during the periods ending on those dates is presented below:

	Nine months ended March 31, 2010		Year ended June 30, 2009		2008	
	Shares	Weighted-average exercise price	Shares	Weighted-average exercise price	Shares	Weighted-average exercise price
Outstanding at beginning of period	2,684	$16.50	2,684	$16.50	7,634	$11.47
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	(4,950)	8.75
Outstanding at end of period	2,684	$16.50	2,684	$16.50	2,684	$ 16.50
Options exercisable at period-end	2,684	$16.50	2,684	$16.50	2,684	$ 16.50

5. Stock Option Plan (continued)

The following information applies to options outstanding at March 31, 2010:

Number outstanding	2,684
Exercise price	$16.50
Range of exercise prices	$16.50
Weighted-average remaining contractual life	4.9 years

ASB Financial Corp.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward Looking Statements

Certain statements contained in this report that are not historical facts are forward-looking statements that are subject to certain risks and uncertainties. When used herein, the terms "anticipates," "plans," "expects," "believes," and similar expressions as they relate to ASB or its management are intended to identify such forward looking statements. ASB's actual results, performance or achievements may materially differ from those expressed or implied in the forward-looking statements. Risks and uncertainties that could cause or contribute to such material differences include, but are not limited to, general economic conditions, interest rate environment, competitive conditions in the financial services industry, changes in law, governmental policies and regulations, and rapidly changing technology affecting financial services.

Discussion of Financial Condition Changes from June 30, 2009 to March 31, 2010

At March 31, 2010, the Corporation's assets totaled $222.5 million, an increase of $5.6 million, or 2.5%, over total assets at June 30, 2009.

Cash and cash equivalents increased by $554,000, or 8.2%, from June 30, 2009 levels, to a total of $7.3 million at March 31, 2010. Investment securities and certificates of deposit totaled $34.8 million at March 31, 2010, a decrease of $790,000, or 2.2%, from June 30, 2009 levels. Maturities and discount accretion related to investment securities totaling approximately $20.1 million, were partially offset by purchases of $18.8 million. Purchases of investment securities consisted primarily of fixed-rate medium-term callable U.S. Government agency obligations, mortgage backed securities and certificates of deposit.

Loans receivable increased by $5.2 million, or 3.1%, during the nine-month period ended March 31, 2010, to a total of $168.9 million. Loan disbursements amounted to $38.2 million for the nine months ended March 31, 2010, and were offset by principal repayments of $33.0 million. During the nine months ended March 31, 2010, loans originated consisted of $25.0 million of loans secured by one- to four-family residential real estate, $8.6 million of loans secured by nonresidential real estate, $2.2 million of commercial loans and $2.4 million of consumer loans.

The allowance for loan losses increased by $131,000, or 7.3%, during the nine-month period ended March 31, 2010, to a total of $1.9 million. Nonperforming and nonaccrual loans totaled $2.6 million at March 31, 2010, an increase of $1.3 million, or 100.1%, from the balance at June 30, 2009. The allowance for loan losses represented 73.1% and 137.8% of nonperforming loans at March 31, 2010 and June 30, 2009, respectively. At March 31, 2010, nonperforming loans consisted of $1.8 million in one- to four-family residential real estate loans and $800,000 in nonresidential real estate, consumer and other loans. Management believes such loans are adequately collateralized and does not expect to incur any losses on such loans. Although management believes that its allowance for loan losses at March 31, 2010, was adequate based upon the available facts and circumstances, there can be no assurance that additions to the allowance will not be necessary in future periods, which could adversely affect the Corporation's results of operations.

Deposits totaled $180.7 million at March 31, 2010, an increase of $5.9 million, or 3.4%, from June 30, 2009 levels. The increase in deposits was due to increases in transaction, savings and time deposit balances.

Discussion of Financial Condition Changes from June 30, 2009 to March 31, 2010 (continued)

Federal Home Loan Bank advances decreased by $1.1 million, or 5.4%, during the nine-month period ended March 31, 2010. New borrowings amounted to $3.8 million for the nine months ended March 31, 2010, and were partially offset by repayments of $4.9 million. The proceeds from the advances were primarily used to fund new loan originations.

Shareholders' equity totaled $19.9 million at March 31, 2010, an increase of $875,000, or 4.6%, from the June 30, 2009 level. The increase was due to net earnings of $1.5 million and a $267,000 increase in unrealized gains on securities, which were partially offset by dividends on common shares totaling $862,000. Dividends totaled $.54 per share for the nine months ended March 31, 2010.

American is required to meet minimum regulatory capital requirements promulgated by the Office of Thrift Supervision ("OTS"). At March 31, 2010, American's regulatory capital exceeded the minimum capital requirements.

Comparison of Operating Results for the Nine-Month Periods Ended March 31, 2010 and 2009

General

Net earnings totaled $1.5 million for the nine months ended March 31, 2010, an increase of $101,000, or 7.4% from the same period in 2009. Increases of $621,000 in net interest income and $434,000 in other income and a decrease of $15,000 in provision for income taxes were partially offset by increases of $612,000 in provision for losses on loans and $357,000 in general, administrative and other expense.

Net Interest Income

Interest income on loans decreased by $393,000, or 4.2%, for the nine months ended March 31, 2010, compared to the 2009 period. This decrease was due to a $2.3 million, or 1.4%, increase in the average portfolio balance outstanding period to period and a 40 basis point decrease in the weighted-average yield, to 6.15% for the 2010 nine-month period. Interest income on investment securities, mortgage-backed securities and interest-bearing deposits decreased by $90,000, or 8.0%, due primarily to a $10,000, or .03%, decrease in the average balance of the related earning assets outstanding period to period and a 32 basis point decrease in the weighted average yield, to 3.71%.

Interest expense on deposits decreased by $1.1 million, or 27.7%, for the nine months ended March 31, 2010, compared to the same period in 2009. This decrease was due primarily to a $8.0 million, or 4.7%, increase in the average balance of deposits outstanding period to period and a 87 basis point decrease in the weighted-average cost of deposits, to 1.71% for the nine months ended March 31, 2010. Interest expense on borrowings decreased by $99,000, or 14.2%, due to a 28 basis point increase in the average cost of borrowings during the period, which was offset by a $5.5 million, or 20.7%, decrease in the average balance outstanding.

As a result of the foregoing changes in interest income and interest expense, net interest income increased by $621,000 million, or 11.7%, to a total of $5.9 million for the nine months ended March 31, 2010. The interest rate spread increased to 3.78% for the nine months ended March 31, 2010, from 3.38% for the 2009 period, while the net interest margin increased to 3.84% in the 2010 period, compared to 3.48% in the 2009 period.

Comparison of Operating Results for the Nine-Month Periods Ended March 31, 2010 and 2009 (continued)

Provision for Losses on Loans

American charges a provision for losses on loans to earnings to bring the total allowance for loan losses to a level considered appropriate by management based on historical experience, the volume and type of lending conducted by American, the status of past due principal and interest payments, general economic conditions, particularly as such conditions relate to American's market area, and other factors related to the collectibility of American's loan portfolio. The Corporation recorded a provision for losses on loans totaling $735,000 during the nine months ended March 31, 2010, an increase of $612,000, or 497.6%, from the comparable nine-month period in 2009. The increase in the provision during the 2010 period was primarily due to managements analysis of the overall allowance for losses on loans. There can be no assurance that the loan loss allowance will be adequate to absorb losses on known nonperforming loans or that the allowance will be adequate to cover losses on nonperforming assets in the future, which could adversely affect the Corporation's results of operations.

Other Income

Other income totaled $941,000 for the nine months ended March 31, 2010, an increase of $434,000, or 85.6%, from the same period in 2009. The increase was due to a $715,000 or 1,465.2%, increase in gain on sale of investment securities, which were partially offset by an increase of $115,000 in losses on sale of real estate owned and a decrease of $166,000 in other operating income.

General, Administrative and Other Expense

General, administrative and other expense totaled $4.2 million for the nine months ended March 31, 2010, an increase of $357,000, or 9.3%, over the same period in 2009. This increase was comprised of increases of $46,000, or 13.6% in data processing, $227,000, or 27.3% in other operating expense, 2,000, or 1.4% in franchise taxes, $16,000, or 0.7% in employee compensation and benefits and $66,000, or 19.6% in occupance and equipment. The increase in data processing was due to normal cost increases. The increase in occupancy and equipment was due to increased costs associated with equipment maintenance and upgrades and the addition of new technologies. The increase in other operating expenses was due primarily to increases in FDIC premiums and a special assessment that was charged in 2009.

Federal Income Taxes

The provision for federal income taxes totaled $495,000 for the nine months ended March 31, 2010, a decrease of $15,000, or 2.9%, compared to the same period in 2009. This decrease was due to increased amounts of tax exempt interest income. The effective tax rates were 25.2% and 27.1% for the six-month periods ended March 31, 2010 and 2009, respectively.

Comparison of Operating Results for the Three-Month Periods Ended March 31, 2010 and 2009

General

Net earnings totaled $467,000 for the three months ended March 31, 2010, a decrease of $187,000, or 28.6%, from the $654,000 in earnings reported for the same quarter in 2009. An increase of $70,000 in net interest income and a decrease of $80,000 in provision for income taxes were offset by increases of $125,000 in provision for losses on loans and $78,000 in general, administrative and other expense and a decrease of $134,000 in other income.

Net Interest Income

Interest income on loans decreased by $202,000, or 7.3%, for the three months ended March 31, 2010, compared to the 2009 period. This decrease was due primarily to a $1.8, or 1.1%, increase in the average portfolio balance outstanding period to period and a 50 basis point decrease in the weighted-average yield, to 6.05% for the 2010 period. Interest income on investment securities, mortgage-backed securities and interest-bearing deposits increased by $19,000, or 6.1%, due primarily to a $1.9 million, or 5.6%, decrease in the average balance of the related assets outstanding period to period and a 44 basis point increase in the weighted-average yield, to 3.99% for the 2010 period.

Interest expense on deposits decreased by $222,000, or 24.0%, for the three months ended March 31, 2010, compared to the same period in 2009. This decrease was due primarily to a $10.0 million, or 5.9%, increase in the average balance of deposits outstanding period to period and a 62 basis point decrease in the weighted average cost of deposits, to 1.58% for the 2010 period. Interest expense on borrowings decreased by $31,000, or 13.7%, due to a 31 basis point increase in the average cost of borrowings during the period which was offset by a $5.5 million, or 20.8% decrease in the average balance outstanding.

As a result of the foregoing changes in interest income and interest expense, net interest income increased by $70,000, or 3.6%, to a total of $2.0 million for the three months ended March 31, 2010. The interest rate spread increased to 3.91% for the three months ended March 31, 2010, from 3.71% for the 2009 period, while the net interest margin increased to 3.93% in the 2009 period, compared to 3.79% in the 2009 period.

Provision for Losses on Loans

The Corporation recorded a provision for losses on loans totaling $200,000 during the three months ended March 31, 2010, an increase of $125,000, or 166.7%, from the comparable three-month period in 2009. The increase in the provision during the 2010 period was primarily influenced by managements assessment of the allowance for loan losses in relation to the overall loan portfolio. There can be no assurance that the loan loss allowance will be adequate to absorb losses on known nonperforming loans or that the allowance will be adequate to cover losses on nonperforming assets in the future, which could adversely affect the Corporation's results of operations.

Other Income

Other income totaled $259,000 for the three months ended March 31, 2010, a decrease of $162,000, or 40.4%, from the same period in 2009. The decrease was due primarily to losses on sales of investment securities.

Comparison of Operating Results for the Three-Month Periods Ended March 31, 2010 and 2009 (continued)

General, Administrative and Other Expense

General, administrative and other expense totaled $1.4 million for the three months ended March 31, 2010, an increase of $78,000, or 5.8%, over the same period in 2009. This increase was comprised of increases of $15,000, or 12.0%, in occupancy and equipment, $20,000, or 16.3% in data processing and $61,000, or 21.5% in other operating expense, which were partially offset by decreases of $7,000, or 1.0% in employee compensation and benefits and $11,000, or 16.2% in franchise taxes. The decrease in employee compensation and benefits were due to employee benefit plans reaching a fully funded status and the increase in other operating expenses was due primarily to FDIC assessments. The other increases were due to growth and normal price increases

Federal Income Taxes

The provision for federal income taxes totaled $169,000 for the three months ended March 31, 2010, a decrease of $80,000, or 32.1%, compared to the same period in 2009. This decrease was due to a decrease in earnings before taxes of $267,000, or 295.7%. The effective tax rates were 26.6% and 27.6% for the three-month periods ended March 31, 2010 and 2009, respectively.