

PRESS RELEASE
FOR IMMEDIATE RELEASE

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Contact: Donald R. Draughon, Jr., President & Chief Executive Officer
(919) 383-4200 or (919) 608-0790

KeySource Financial Inc., Earns \$934,000 For 2010

DURHAM, N.C. – February 7, 2011 – KeySource Financial Inc., reported net income of \$934,000 for the year ended December 31, 2010. KeySource continues to lend in support of our community. During 2010 total loans outstanding grew \$15.0 million or 9.6%. During this same twelve-month period total assets grew \$25.3 million or 13.1% to end the year at \$217.9 million. “Despite this tough economy, KeySource has been able to grow revenues and remain profitable” said Don Draughon, President and CEO.

KeySource also announced that the Company’s charitable giving competition between the Duke Children’s Hospital and the UNC Children’s Hospital has been very successful. KeySource President Don Draughon stated, “We are a community bank located in a community that is deeply divided between ‘which shade of Blue are you,’ Carolina Blue or Blue Devil Blue. So KeySource created the Blue Savings Account. When you open a savings account, in person or online at www.blue.keysourcebank.com, you can indicate which children’s hospital you would like to support (Carolina or Duke). We will donate a portion of our profits to these hospitals based on the percentage of dollars opened for each school. This friendly competition among fans will be ongoing and is our way of giving back to our community.” For 2010 KeySource donated \$15,000 to Duke and \$10,000 to UNC Children’s Hospitals.

KeySource focuses on serving the needs of small to midsized businesses in the Triangle. Our very seasoned commercial loan officers, with an average of 20+ years in banking, work with businesses to understand their current and future banking needs. KeySource seeks to value add for business owners by providing services such as remote depositing, free financial projection analysis, and customized solutions to meet our customer’s needs.

KeySource Financial Inc., is the parent holding company for KeySource Commercial Bank. KeySource has a unique branch with private offices to meet our customers’ banking needs KeySource’s branch is located at 280 South Mangum Street, Suite 140, Durham, NC 27701, on the first floor of the Diamond View II building in the outfield of the Durham Bulls Athletic Park. You can visit KeySource on the web at www.keysourcebank.com.

For more information:

See web Site: www.keysourcebank.com