



BSJ Bancshares, Inc. & Cross Keys Bank

2014 Annual Report

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SINCE 1902

Monroe

1401 Hudson Lane, Suite 100
Monroe, LA 71201
318.361.9500

Newellton (ATM ONLY)

3144 Highway 65
Newellton, LA 71357
318.766.3246

Rayville

1913 Julia Street
Rayville, LA 71269
318.728.6380

Shreveport

8740 Quimper Place
Shreveport, LA 71105
318.698.3246

Sterlington

167 Keystone Road
Sterlington, LA 71203
318.665.4511

St. Joseph

307 Plank Road
St. Joseph, LA 71366
318.766.3246

Tallulah

115 North Chestnut
Tallulah, LA 71282
318.574.3210

West Monroe

400 McMillan Road
West Monroe, LA 71291
318.362.0023

West Monroe Annex

3101 Cypress Street, Suite 1
West Monroe, LA 71291
318.340.6274



MEMBER FDIC

Message to Our Shareholders, Customers and Friends



Ben Watson,
President/CEO, BSJ BANCSHARES, INC.



Michael Vizard,
President/CEO, CROSS KEYS BANK

Dear Shareholders, Customers and Friends:

For the year ended 2014, our holding company, BSJ Bancshares, Inc., had total earnings of \$4,141,498.00 which represents per share earnings of \$11.88. We completed the year with total assets of \$324,240,412.00. As we are now a qualified Subchapter S Corporation for income tax purposes, the year over year comparison in the following reports illustrates an earnings after tax on years prior to 2013. As the tax liability for earnings now flows directly to the shareholders, the distributions per share made each quarter during the year were made to assist our shareholders with their personal tax liability for that year. An additional distribution was made in December, and we hope to continue with that practice as our earnings and capital needs allow.

While we urge all of our customers and friends to think of **Cross Keys Bank** as the primary source for your banking, insurance and investment needs, we remind our shareholders that one of the benefits of doing business with **your bank** is that it can have a very positive impact on the value of your investment. Aside from our ability to meet your needs as a borrower or depositor, we have **Cross Keys Insurance Agency** and a Financial Consultant at **Cross Keys Investment Services**, a registered representative of Invest Financial Corporation, member FINRA/SIPC, ready to serve you. We make this possible with state of the art technology that gives you quick and easy access to your accounts and staff ready to serve you that is second to none.

What are you waiting for? There is really no reason why you shouldn't **do all of your banking with Cross Keys Bank today!**

As always, our management team and Board of Directors remain committed to safeguarding your investment. On behalf of our employees and the Board of Directors, we wish you and your family a healthy and prosperous 2015.

Sincerely,

Ben Watson,
President/CEO, BSJ BANCSHARES, INC.

Michael Vizard,
President/CEO, CROSS KEYS BANK

2014 Board of Directors of BSJ Bancshares, Inc.

William W. Watson, *Chairman* Rebecca Vizard Philip Watson
Michael R. Vizard, *Vice Chairman* Benjamin M. Watson Scott Watson
Harry Truman Goldman, III

2014 Board of Directors of Cross Keys Bank

William W. Watson, *Chairman* Paul Meeks, *Manufacturer* Michael R. Vizard, *Banker*
Jan Bagwell Johnston, *DDS* E.D. Shaw, III, *Businessman* Benjamin M. Watson, *Banker*
Shane Bridges, *Banker* Charles I. Tucker, *Planter* William Brooks Watson, *Attorney*
Jack M. Grace Jr., *Retired Banker* Darrell VandeVen, *Planter*

2014 Cross Keys Bank Officers

Michael R. Vizard
President & Chief Executive Officer (CEO)

Shane Bridges
Executive Vice President & Chief Credit Officer (CCO)

Mandy Smart
Executive Vice President & Chief Operating Officer (COO)

Benjamin M. Watson
Executive Vice President & Chief Financial Officer (CFO)

Merrill Wautlet
Market President, Northwest Louisiana

Linda Bacle
Senior Vice President, Senior Credit Analyst & Loan Review

Wayne Fleming
Senior Vice President, Lending, West Monroe

Chris Fuller
Senior Vice President, Lending, Monroe

Walter Hillman
Senior Vice President, Senior Agricultural Lending Officer, Rayville

Beverly Joiner
Senior Vice President, Mortgage Lending

Mike Thompson
Senior Vice President, Assistant CFO, Senior HR Officer, Branch Manager, St. Joseph

Samuel C. Feldhaus
Vice President, Senior IT Officer, Information Security Officer

Linda Keahey
Vice President, Cashier

Chad Monsour
Vice President, Cross Keys Insurance

Kayne Pierce
Vice President, Lending, Shreveport

Megan Smith
Vice President, Compliance Officer, BSA Officer, OFAC Officer

William Brooks Watson
Vice President, Legal Counsel

Steve Bonnette
Assistant Vice President, Lending, St. Joseph

Bradley Bridges
Assistant Vice President, Lending, West Monroe

Kelly Coates
Assistant Vice President, Branch Manager, West Monroe

Shelly Harrell
Assistant Vice President, Executive Administrative Assistant

Rochelle Lee
Assistant Vice President, Branch Manager, Hudson Lane

Jake Maxwell
Assistant Vice President, Lending, Sterlington

Laura McCullin
Assistant Vice President, Branch Manager, Sterlington

Veronica Plaisance
Assistant Vice President, Board Secretary, Lending

Janet Pringle
Assistant Vice President, Business Development & Operations Manager, Shreveport

Jeremy Rodden
Assistant Vice President, Branch Manager, Tallulah

Claire Rosenzweig
Assistant Vice President, Accounting

Alissa Sutton Russell
Assistant Vice President, Director of Marketing & Sales, CRA Officer

Kristen VandeVen
Assistant Vice President, Electronic (E) Banking Officer

Babbette Adcock
Hudson Lane Leasing & Properties Manager

Reannon Borquist
Bank Security Officer

Holly Boyd
Mortgage Lending Officer, Monroe

Jacob Branch
Lending, Rayville

Brandon Cantin
Lending, St. Joseph

James J. Cuthbert, III
Business Development, Public Relations Officer

Pam Essex
Assistant Branch Manager, Lending, Tallulah

Tammy McKee
Mortgage Lending Officer, Shreveport

NINE LOCATIONS TO SERVE YOU

MONROE
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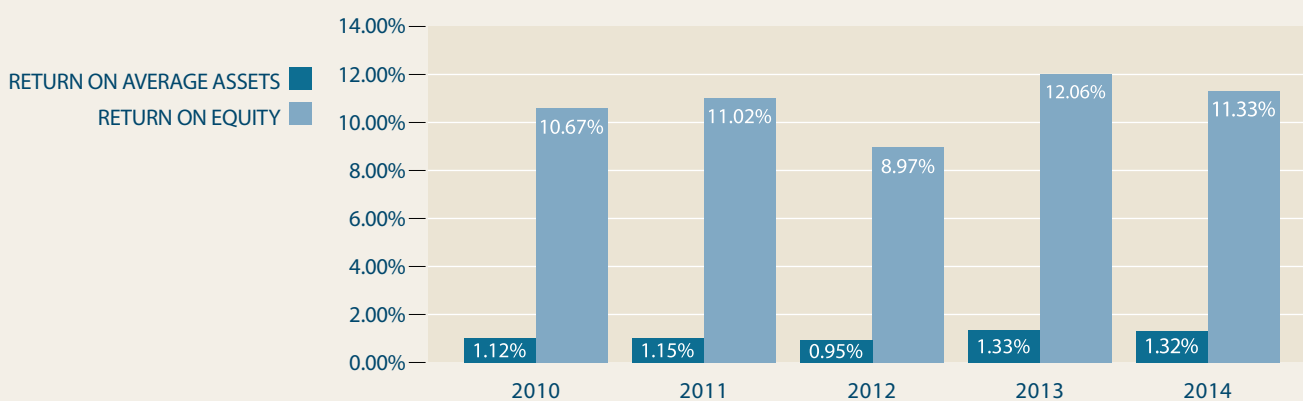
WEST MONROE ANNEX
3101 Cypress Street, Suite 1
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Comparative Statement of Condition

RESOURCES AT YEAR END	2010 <i>(Audited)</i>	2011 <i>(Audited)</i>	2012 <i>(Audited)</i>	2013 <i>(Audited)</i>	2014 <i>(Unaudited)</i>
Cash and Due from Banks	\$9,738,145	\$15,584,660	\$22,185,343	\$7,533,893	\$9,824,213
Investment Securities*	\$111,898,594	\$136,276,298	\$133,790,084	\$142,499,735	\$137,557,254
Loans	\$155,070,881	\$155,954,340	\$148,141,383	\$144,486,800	\$166,309,457
Provision For Loan Loss	(\$2,452,559)	(\$3,167,945)	(\$2,549,605)	(\$1,362,077)	(\$1,192,343)
Loans Net of Provisions For Loss	\$152,618,322	\$152,786,395	\$145,591,778	\$143,124,723	\$165,117,114
Fed Funds Sold	\$0	\$0	\$0	\$0	\$0
Bank Buildings/Equipment	\$6,111,338	\$5,883,447	\$5,436,975	\$5,160,052	\$5,366,833
Interest Earned — Not Collected	\$1,992,715	\$1,940,729	\$1,876,831	\$2,033,611	\$1,982,899
Other Assets	\$6,259,408	\$4,978,900	\$3,591,505	\$4,087,245	\$4,397,490
Total Assets	\$288,618,522	\$317,450,429	\$312,472,516	\$304,439,259	\$324,245,803
LIABILITIES AT YEAR END	2010	2011	2012	2013	2014
Deposits	\$223,718,258	\$251,433,144	\$252,023,897	\$243,092,055	\$250,799,886
Repurchase Agreements	\$3,428,411	\$2,924,215	\$1,319,345	\$0	\$0
FHLB Borrowings	\$27,842,931	\$25,636,822	\$20,422,265	\$25,278,281	\$31,959,130
Other Liabilities	\$2,494,060	\$3,274,589	\$3,841,201	\$1,280,163	\$1,035,610
Total Liabilities	\$257,483,660	\$283,268,770	\$277,606,708	\$269,650,499	\$283,794,626
Capital	\$32,356,196	\$34,004,059	\$36,956,396	\$39,832,492	\$42,099,918
Treasury Stock	(\$1,902,121)	(\$1,902,121)	(\$4,324,855)	(\$4,390,595)	(\$4,269,059)
Number of Shares Treasury Stock	32,834	32,834	56,175	56,935	55,669
Unrealized Gain (Loss) on Sec	\$680,787	\$2,079,721	\$2,234,267	(\$653,137)	\$2,620,318
Total Stockholders Equity	\$31,134,862	\$34,181,659	\$34,865,808	\$34,788,760	\$40,451,177
Total Liabilities and Capital	\$288,618,522	\$317,450,429	\$312,472,516	\$304,439,259	\$324,245,803

RETURN ON AVERAGE ASSETS & RETURN ON EQUITY



Comparative Statement of Earnings

OPERATING INCOME	2010 (Audited)	2011 (Audited)	2012 (Audited)	2013 (Audited)	2014 (Unaudited)
Interest Income	\$14,548,139	\$14,580,739	\$13,282,897	\$12,389,626	\$12,743,228
Interest Expense	\$3,018,472	\$2,641,188	\$2,159,692	\$1,651,203	\$1,439,343
Net Interest Margin	\$11,529,667	\$11,939,551	\$11,123,205	\$10,738,423	\$11,303,885
Other Income	\$3,359,349	\$3,693,572	\$4,667,867	\$2,997,645	\$3,690,886
Total Income	\$14,889,016	\$15,633,123	\$15,791,072	\$13,736,068	\$14,994,771
Operating Expenses	\$10,380,203	\$10,360,597	\$10,208,357	\$9,635,069	\$10,965,449
Provision For Bad Debts	\$583,330	\$1,051,477	\$1,508,506	\$23,687	(\$112,176)
Total Operating Expenses	\$10,963,533	\$11,412,074	\$11,716,863	\$9,658,756	\$10,853,273
Federal Income Taxes	\$701,902	\$736,944	\$1,121,872	\$0*	\$0*
Earnings After Taxes	\$3,223,581	\$3,484,105	\$2,952,337	\$4,077,312	\$4,141,498
Earnings Per Share (BSJ Bancshares, Inc.)	\$8.78	\$9.49	\$8.59	\$11.88	\$12.03
Shares Outstanding	367,166	367,166	343,825	343,065	344,331
Return on Average Assets	1.12%	1.15%	0.95%	1.33%	1.32%
Return on Equity	10.67%	11.02%	8.97%	12.06%	11.33%
Dividend Per Share	\$5.00	\$5.00	\$0.00**	\$3.57	\$5.45

*No income tax due to 2012 Subchapter S conversion.

**No dividend paid in 2012 due to Subchapter S conversion.

DISTRIBUTIONS & EARNINGS PER SHARE



No dividend paid in 2012 as the bank elected to convert to Subchapter S status, then paid distributions beginning January 2013.



Cross Keys Bank

P.O. Box 7
St. Joseph, LA 71366

visit us online:
crosskeysbank.com



BANKING
INVESTMENTS
INSURANCE
MORTGAGE

CHECKING ACCOUNTS
SAVINGS ACCOUNTS
MONEY MARKET ACCOUNTS
CERTIFICATES OF DEPOSIT
HEALTH SAVINGS ACCOUNTS
DEBIT AND ATM CARDS
CASH MANAGEMENT
OVERDRAFT PROTECTION PROGRAMS
RETIREMENT ACCOUNTS
COMMERCIAL AND CONSUMER LENDING
EBANKING AND MOBILE BANKING
MOBILE CHECK DEPOSIT

EVERYTHING
THAT'S GOOD.
CROSS KEYS BANK
SINCE 1902

For more than 100 years Cross Keys has provided financial solutions and opportunity for growth. We thank you for choosing Cross Keys to be partners in your community. We will always serve your banking, investments, insurance and mortgage needs with honor and integrity.

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*ATM Located at Branch

**ATM Accepts Check Deposits

