

**Equity Bancshares, Inc.**  
**2007 Annual Report**  
**Financial Highlights**

Equity Bancshares, Inc. (the Company) is a bank holding company regulated by the Federal Reserve. The Company has two wholly-owned subsidiaries: 1) Equity Bank, N.A. (Equity), a national bank regulated by the Comptroller of the Currency, and 2) Signature Bank KC (Signature), a state bank regulated by the FDIC and the Office of the Kansas State Bank Commissioner. Equity's legal headquarters remains in Andover, Kansas, with three branches and seven retail mortgage loan offices in nearby Wichita, branches in Lee's Summit Missouri, Overland Park, Kansas and Spring Hill, Kansas and a mortgage loan office in Oklahoma City, Oklahoma. Signature Bank KC's headquarters and sole location is in Haddam, Kansas.

The Company was formed in late 2002 and acquired Equity (then known as the National Bank of Andover) in June of 2003, when total assets were approximately \$30 million and locations numbered just two (Andover and east Wichita). In February of 2005, two additional Wichita branches were purchased from Hillcrest Bank, which brought an additional \$66 million in assets. June of 2006 brought two more acquisitions: 1) Mortgage Centre, a retail home mortgage lender in Wichita and 2) a home mortgage lending operation in Oklahoma City. Finally, Signature Bancshares, Inc. was merged with and into the Company in November of 2007, which brought an additional \$72 million of assets. Signature Bancshares, Inc.'s wholly-owned subsidiary, Signature Bank KC, had two Johnson County locations (Overland Park and Spring Hill), which were made branches of Equity. Signature Bank's Haddam, Kansas location was left under the Signature Bank charter and the Company is actively marketing it at this time to interested investors. Signature's total assets at December 31, 2007 stood at approximately \$5 million.

At December 31, 2007, total Company assets (including those of both Equity and Signature) stood at \$291 million, consisting mainly of loans (\$225 million) and investment securities (\$43 million). Total deposits were \$218 million and total equity capital was \$32 million. All of these figures represent significant increases over the prior year. Total common shares outstanding increased significantly during 2007, from 1,192,802 to 2,148,788. This is the result of a very successful private placement in the second quarter of the year, which brought 400,000 new shares and many new investors, and the merger with Signature Bancshares, Inc. in November. Eighty-five percent (85%) of the payment to Signature Bancshares, Inc. shareholders was in the form of Equity stock (the remaining 15% was in cash), which resulted in 561,868 new shares to new Company shareholders.

Interest income, interest expense, non-interest income and non-interest expense all increased appreciably in 2007 vs. 2006, the result of a full year of home mortgage activity from the 2006 mid-year acquisitions in Wichita and Oklahoma City, and of considerable organic loan and deposit growth in existing locations. The Company's total home mortgage loans on the books on December 31, 2007 totaled \$37 million, an increase of \$16 million, or 76 percent from year-end 2006, with no known subprime exposure. As the Signature Bancshares, Inc. merger was completed in late November, 2007's results only include approximately one month of activity for those new locations. Significant improvements and cost reductions were made to mortgage loan operations during the past year. After income taxes, bottom-line net income increased significantly in 2007 over 2006, from \$345 thousand to \$927 thousand.