

Croghan Colonial Bank

Corporate Office

323 Croghan Street
Fremont, OH 43420
419.332.7301

Banking Centers

Fremont (4)
Bellevue
Clyde
Custar
Green Springs
Monroeville
Norwalk
Port Clinton



Quarterly Report
June 30, 2010

Shareholder Information

Stock Listing:

NASDAQ – Over the Counter Bulletin Board
Symbol: CHBH

Registrar and Transfer Agent:

Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016-3572
1.800.368.5948
www.rtco.com

Investor Relations:

Amy LeJeune
323 Croghan Street
Fremont, OH 43420
1.888.276.4426
www.croghan.com

July 2010

Letter to our shareholders:

The second quarter at Croghan has seemed to come and go very quickly. Watching Congress wrestle with the Dodd-Frank Wall Street Reform and Consumer Protection Act that will affect all banks has been unnerving. We will deal with the changes that will inevitably result from the new Act and look forward to the time we can get back to a normal business and banking environment.

On May 11, 2010, Croghan held its Annual Shareholders Meeting at Terra State Community College, and I am pleased to report the re-election of directors, James E. Bowlus, James R. Faist, Daniel W. Lease, and Allan E. Mehlow, each of whom will be serving three-year terms, expiring in 2013.

In this difficult economic environment, I am pleased to report that Croghan had net income totaling \$843,000, or \$.50 per share, during the second quarter 2010, and net income for the year to date of \$1,775,000, or \$1.04 per share, which is up \$31,000, or \$.03 per share, compared to the same period last year. Our capital position continues to grow and has increased \$725,000 during 2010 and we continue to maintain adequate levels of liquidity.

Our capital and earnings position afford us the opportunity to continue to make improvements in our core facilities, equipment, and personnel, which will allow us to grow in both asset size and geographical footprint. We have recently completed the upgrade of our card processing operations, which will allow clients to have real time information on their account when using Croghan products such as Debit Card, ATM, Internet Banking, Telephone Banking, or at any of our banking centers. We have also spent resources on back room technology, which will allow uninterrupted service to our clients 24 hours a day. All these improvements have been made to continue our commitment to supporting the financial education and well being of our shareholders, employees, clients, and the communities that we serve.

As this is my last Quarterly Report prior to my retirement as President and CEO of Croghan Bancshares, I would like to thank all of our shareholders for providing me with the opportunity to serve this great organization. I have enjoyed my career at Croghan while working with a great staff of employees, in our common effort to contribute to the financial betterment and well being of our clients, and the people we come in contact with everyday. Thank you.

Sincerely,



Steven C. Futrell
President and CEO



FINANCIAL INFORMATION (unaudited) **Six Months Ended 6/30/2010** **Six Months Ended 6/30/2009**

CONDENSED STATEMENT OF OPERATIONS		
Interest income	\$ 11,457,000	\$ 12,027,000
Interest expense	2,637,000	3,247,000
Net interest income	8,820,000	8,780,000
Provision for loan losses	1,100,000	1,100,000
Net interest income after provision for loan losses	7,720,000	7,680,000
Non-interest income	1,739,000	1,882,000
Non-interest expenses	7,198,000	7,209,000
Income before federal income taxes	2,261,000	2,353,000
Federal income taxes	486,000	609,000
Net income	\$ 1,775,000	\$ 1,744,000
Average common shares outstanding	1,702,518	1,720,493

PER SHARE DATA		
Net income	\$ 1.04	\$ 1.01
Cash dividends	\$ 0.64	\$ 0.64
Book value	\$ 33.59	\$ 32.37
Closing price	\$ 24.15	\$ 26.50

FINANCIAL RATIOS		
Return on average assets	0.73%	0.75%
Return on average equity	6.26%	6.28%
Net interest margin	4.05%	4.15%
Loans to deposits	84.73%	92.93%
Allowance for loan losses to total loans	1.72%	1.10%

PERIOD END BALANCES		
	As of 6/30/2010	As of 12/31/2009
Total assets	\$482,601,000	\$481,988,000
Loans	\$306,588,000	\$324,484,000
Deposits	\$361,837,000	\$370,719,000
Stockholders' equity	\$ 56,852,000	\$ 56,127,000
Common shares outstanding	1,692,301	1,713,877