



Legacy Bank of Florida
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February 17, 2009

Dear Shareholder,

I would like to thank you for your continued support of the Bank, its Board of Directors and Management. I am pleased to provide you the highlights and results from our third year in operation:

- Opened our fifth branch office in Pompano Beach in January
- Moved to our permanent Ft. Lauderdale branch office in March
- In February, we welcomed Nancy Proffitt, a West Palm Beach business professional, to the Board of Directors
- In June, we welcomed Bonnie Miskel, a Boca Raton attorney, to the Board of Directors

We ended the year with over \$224 million of Assets increasing more than \$62.6 million or 38.6%. Loans outstanding exceeded \$179 million, originating over \$96 million, increasing the portfolio by a net \$73.1 million or 68.4%. Total Deposits at year end exceeded \$171 million increasing \$53.4 million or 45.3%. The Bank maintained a strong equity position of 13.7%. Our anticipated loan originations remain very strong as we begin 2009.

The year has had its challenges globally, regionally and more importantly throughout the South Florida market. The economic environment continues to be very difficult. The Bank's Income Statement was impacted by the Federal Reserve's action reducing their lending rate by 4%. This has a direct relationship to the prime lending rate which has been reduced to 3.25%, the same level as it was on August 4, 1955. Given our strong capital position, \$13.5 million excess of the required risk based capital level, we feel optimistic we can weather any unforeseen situation in our marketplace.

As you may be aware, in the fall, the government created a Troubled Asset Relief Program (TARP) designed to assist financial institutions to manage through these economic downturns. In spite of the reports in the media to the contrary, the TARP funds are costly. With their cost and our concern about the "strings" attached to them in the new Congress, it was decided after lengthy deliberation that it was in the best interest of the shareholders not to participate in the program. We did, however, participate in the deposit insurance that all banks have that covers depositors to \$250,000 through December 31, 2009.

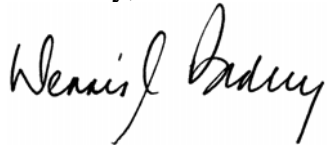
We are excited to discuss some new improvements to our product lines. During the year, we partnered with Intuit for our customers who use Quicken or QuickBooks, in order to provide enhanced online services for both business and retail accounts. Not only can

you use the services for your personal electronic bill payments, the product gives our commercial accounts the ability as well. Another new enhancement added was to give our customers the ability to receive their statements in an electronic format, eliminating paper and the cost of producing statements.

Our deposit rates are very attractive. Our Investment Checking account is paying 3.00% APY¹ through April 30, 2009. The account base rate is 50% of Legacy Bank's floating prime rate, as we have always paid a premium rate considering these accounts to be our core value to us (please see a copy of attached ad). If you haven't opened yours as of yet, please contact one of our offices if we can assist you.

This is the time to be very careful, yet aggressive, in taking new clients from our competitors. We are faced with unparalleled challenges, but are trying to maximize our opportunities. We strongly believe that our long-term prospects are terrific. I look forward to seeing you in one of our offices or speaking to you soon.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis Bradley". The signature is written in a cursive, flowing style.

Chairman & CEO

¹ Annual Percentage Yield (APY) is based on minimum average daily collected balance (ADCDB) of \$5,000 and an interest rate of 2.96%. This is a tiered variable rate account and the rate is subject to change after opening. The Interest Rate on ADCDB of \$5,000 or greater will be at least equal to 50% of the current prime rate. ADCDB under \$5,000 will earn interest at the Tier One level interest rate of the bank's current Legacy Checking account rate – which is .10% APY as of February 11, 2009. No monthly fee on accounts with ADCDB of \$5,000 or greater. \$15 monthly fee for accounts with ADCDB of less than \$5,000. Fees may reduce earnings on the account. Each depositor is FDIC insured to at least \$250,000. 3.00% Annual Percentage Yield is offered through April 30, 2009.