

Glen Ellyn, Illinois
March 12, 2010
Company Release

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**COMMUNITY FINANCIAL SHARES, INC.
ANNOUNCES REVISED RESULTS FOR THE THREE MONTHS AND YEAR ENDED
DECEMBER 31, 2009**

Community Financial Shares, Inc. (OTCBB: CFIS) (the "Company"), the holding company for Community Bank-Wheaton/Glen Ellyn (the "Bank") determined to add additional \$600,000 to its provision for loan loss for the quarter ended December 31, 2009. Given the continued disruption in the Chicago metropolitan real estate market, we continue to update collateral values of problem credits and other loans identified as potential problem credits. The recent declining value of the collateral behind some of these loans has caused us to increase our provision for loan losses for the quarter ended December 31, 2009. We believe that it is prudent to take this proactive measure in order to mitigate future losses. As a result, the Company revises the previously reported net loss (unaudited) for the three months and year ended December 31, 2009 from \$322,000 and \$544,000 to \$690,000 and \$912,000, respectively. This compares to net losses of \$234,000 and \$1.3 million for the comparable prior year periods. In addition, net loss available to common shareholders of \$433,000 and \$818,000 are revised to \$801,000 and \$1.2 million for the three months and year ended December 31, 2009, respectively. For the three months ended December 31, 2009, previously reported basic and diluted loss per share total was \$0.35, which loss has been revised to \$0.64. This represents a decrease of 236.8% from \$0.19 for both basic and diluted loss per share for the comparable prior year period. In addition, for the year ended December 31, 2009 previously reported basic and diluted loss per share both totaled \$0.66, which loss has been revised to \$0.95. This represents an improvement of 7.8% from \$1.03 for both basic and diluted loss per share for the year ended December 31, 2008. The increase in net loss for the three months ended December 31, 2009 is primarily the result of the net effect of a \$509,000 increase in net interest income, a \$674,000 increase in provision for loan losses, a \$347,000 increase in noninterest expense, and a \$66,000 increase in noninterest income. Similarly, the decrease in net loss for the year ended December 31, 2009 is primarily the result of the net effect of a \$782,000 increase in net interest income, a \$129,000 increase in provision for loan losses, an \$884,000 increase in noninterest income and a \$940,000 increase in noninterest expense.

Total assets at December 31, 2009 were \$341.5 million, which represents an increase of \$46.9 million, or 15.9%, compared to \$294.7 million at December 31, 2008. The increase in total assets was the result of an increase in investment securities of \$17.5 million, or 64.8%, to \$44.5 million at December 31, 2009 from \$27.0 million at December 31, 2008, an increase in loans receivable of \$13.4 million, or 6.1%, to \$233.0 million at December 31, 2009 from \$219.6 million at December 31, 2008, and an increase in cash and cash equivalents of \$10.0 million, or 63.3%, to \$25.8 million at December 31, 2009 from \$15.8 million at December 31, 2008. The growth in loans during the year ended December 31, 2009 was primarily due to continued strong lending and business relationships within our community maintained by our loan staff. The increase in investment securities was due to well priced opportunities in the market and the increase in cash and cash equivalents are due to the increase in deposits and a strategic decision to increase the Bank's liquidity position. Deposits increased \$44.8 million, or 17.7%, to \$298.3 million at December 31, 2009 from \$253.5 million at December 31, 2008. This increase primarily consists of increases in the Bank's core deposit accounts, including: (1) an increase in interest bearing demand deposit accounts of \$21.7 million, or 38.9%, to \$77.5 million at December 31, 2009 from \$55.8 million at December 31, 2008; (2) an increase in money market accounts of \$4.1 million, or 10.6%, to \$42.9 million at December 31, 2009 from \$38.8 million at December 31, 2008; and (3) an increase in savings accounts of \$3.1 million, or 13.4% to \$26.1 million at December 31, 2009 from \$23.0 million at December 31, 2008. The percentage of interest bearing deposit accounts to total deposits increased to 26.0% at December 31, 2009 from 22.0% at December 31, 2008 and the percentage of certificates of deposit to total deposits decreased to 40.8% at December 31, 2009 from 42.8% at December 31, 2008. Borrowed money, consisting of Federal Home Loan Bank advances and other borrowings, decreased \$4.2 million, or 22.1%, to \$14.8 million at December 31, 2009 from \$19.0 million at December 31, 2008.

Stockholders' equity increased \$6.1 million, or 36.7%, to \$22.7 million at December 31, 2009 from \$16.6 million at December 31, 2008. The increase in stockholders' equity for the year ended December 31, 2009 was primarily the result of the receipt of a \$6.97 million investment from the U.S. Department of the Treasury in May 2009 in exchange for 6,970 shares of the Company's preferred stock pursuant to the TARP Capital Purchase Program provided for under the Emergency Economic Stabilization Act of 2008 and an increase of \$213,000 in the Company's accumulated other comprehensive income

relating to the change in fair value of its available-for-sale investment portfolio. Partially offsetting these increases was the Company's net loss for the year ended December 31, 2009. As of December 31, 2009 there were 1,245,267 shares of Company common stock outstanding, resulting in a tangible book value of \$12.83 per share at that date.

Net interest income before provision for loan losses increased \$509,000, or 25.6%, to \$2.5 million for the three months ended December 31, 2009 and increased \$782,000, or 9.5%, to \$9.1 million for the year ended December 31, 2009 as compared to the comparable prior year periods. These increases are primarily due to decreases in the average cost of interest bearing liabilities of 84 and 88 basis points for the three months and year ended December 31, 2009, respectively. The average cost of interest bearing liabilities decreased to 1.67% and 1.94% for the three months and year ended December 31, 2009, respectively, from 2.51% and 2.82% for the comparable prior year periods. The effect of this decrease was partially offset by decreases in the average yield on interest-earning assets of 59 and 82 basis points for the three months and year ended December 31, 2009, respectively. The average yield on interest-earning assets decreased to 4.81% and 4.92% for the three months and year ended December 31, 2009, respectively, from 5.40% and 5.74% for the comparable prior year periods. The net interest margin, expressed as a percentage of average earning assets, increased 22 basis points to 3.27% for the three months ended December 31, 2009 from 3.05% for the three months ended December 31, 2008; however it remained unchanged at 3.13% for the year ended December 31, 2009 as compared to the prior year period. The average yield on loans decreased 27 and 53 basis points for the three months and year ended December 31, 2009, respectively, compared to the comparable prior year periods. This decrease is partially due to the fact that approximately one half of the Bank's loan portfolio consists of adjustable rate loans. The average yield on loans decreased to 5.39% and 5.49% for the three months and year ended December 31, 2009, respectively, from 5.66% and 6.02% for the comparable prior year periods.

The provision for loan losses increased \$674,000 for the three months ended December 31, 2009 and \$129,000 for the year ended December 31, 2009, compared to the prior year periods. The changes in the provision are the result of management's quarterly analysis of the allowance for loan loss. Nonperforming loans totaled \$15.0 million, or 4.4% of total assets, at December 31, 2009 and \$2.8 million, or 0.94% of total assets, at December 31, 2008. The ratio of the allowance for loan losses to

nonperforming loans totaled 28.0% and 119.7% at December 31, 2009 and December 31, 2008, respectively. Management continues to take aggressive actions in dealing with problem credits.

Noninterest income increased \$66,000 to \$470,000 for the three months ended December 31, 2009 as compared to the comparable prior year period. The increase is primarily due to an increase in gain on sale of loans of \$122,000, which was partially offset by a decrease of \$47,000 in service charges on deposit accounts and a loss on sale of foreclosed real estate of \$18,000. Noninterest income increased \$884,000, or 65.1%, to \$2.2 million for the year ended December 31, 2009 as compared to the comparable prior year period. This increase is primarily due to increases in gain on sale of loans of \$493,000 and a \$485,000 loss on impairment related to FHLMC preferred stock incurred during the year ended December 31, 2008. The increase in gain on sale of loans is primarily due to a reduction in mortgage interest rates. Partially offsetting these increases are decreases in gains on sale of securities and service charges on deposit accounts of \$29,000 and \$84,000, respectively and an increase in loss on sale of foreclosed assets of \$62,000.

Noninterest expense increased \$347,000, or 13.3%, to \$2.9 million for the three months ended December 31, 2009 as compared to the comparable prior year period. This increase is primarily due to increases in compensation and benefits expense of \$67,000 and FDIC premiums of \$252,000. The increase in compensation and benefits expense is primarily the result of annual merit increases. These increases were partially offset by a \$14,000 decrease in advertising and marketing expenses, a \$15,000 decrease in data processing expenses and a \$40,000 decrease in building and equipment expense, which is primarily the result of a successful petition to lower the real estate tax assessments on two Bank properties. Noninterest expenses increased \$940,000, or 9.5%, to \$10.9 million for the year ended December 31, 2009 as compared to the comparable prior year period. This increase is primarily due to higher FDIC premiums of \$436,000 and special assessments of \$148,000, and increased compensation and benefits expense of \$237,000 and data processing expense of \$33,000. Partially offsetting these increases was a decrease in advertising and marketing expense of \$58,000.

Community Financial Shares, Inc. is a bank holding company headquartered in Glen Ellyn, Illinois with \$341.5 million in assets at December 31, 2009. Its primary subsidiary, Community Bank-Wheaton/Glen Ellyn, maintains four full service offices in Glen Ellyn and Wheaton.

For further information about the Company and the Bank visit them on the world-wide-web at www.cbwge.com. In addition, information on the Company's stock can be found at www.otcbb.com under the symbol CFIS.

Statements contained in this news release which are not historical facts, are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risk and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, factors discussed in documents filed by the Company with the Securities and Exchange Commission from time to time.

The Company does not undertake, and specifically disclaims any obligation, to publicly release the result of any revisions which may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.