



For Immediate Release

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American Community Bancorp, Inc. Reports First Quarter Results

First Quarter Net Income Increases 13 Percent **Total Assets Exceed \$250,000,000**

Evansville, IN, April 24, 2007 – American Community Bancorp, Inc. (“the Company”) (OTCBB: ACBP), the holding company for Bank of Evansville, today announced first quarter results for 2007. The Company generated net income for the first quarter of \$501,724, compared to \$444,168 for the same quarter a year ago, an increase of \$57,556, or 13.0 percent. Diluted earnings per share were \$.28 for 2007, compared to \$0.25 for 2006, a 12.0 percent increase of \$0.03 per share.

Total revenues, consisting of net interest income and non interest income, were \$2,233,578 for the first quarter of 2007, an increase of \$108,327 or 5.1 percent, compared to \$2,125,251 for the first quarter of 2006. Net interest income for the first quarter was \$1,893,836, reflecting an increase of \$80,215 or 4.4 percent over the same period a year ago. The increase in net interest income for the first quarter of 2007 over the same quarter in the prior year was attributable to an increase in average loans of \$26,603,887, offset by a decrease in net interest margin resulting from competitive loan and deposit environments, and the prolonged inversion of the yield curve. Non interest income was \$339,742, compared with \$311,630 for the same quarter a year ago, reflecting a 9.0 percent increase. Growth in our core deposit base generated a 40.2 percent increase in service charge income in the first quarter of 2007 compared to 2006.

Operating expenses continue to be well controlled. Non interest expense for the first quarter of 2007 was \$1,344,554, \$106,143 or 8.6 percent higher than the first quarter of 2006. Salaries and benefits, the largest component of non interest expense, for the current quarter increased \$54,945 or 8.0 percent over the prior year quarter. The increase in salaries and benefits reflects the Company’s continued investment in personnel to support the growth of the Company’s client base.

Michael S. Sutton, President and Chief Executive Officer commented, “We are pleased to report another solid quarter of operating results. Our performance continues to be strong in all areas of our business: loan growth, core deposit generation, credit quality, and a disciplined approach to expense control.”

Asset quality remains sound. The provision for loan losses for the first quarter was \$46,000 in 2007 and \$136,972 in 2006. There were no charge offs for the current quarter, compared to \$37,818 for the first quarter of 2006. The ratio of the allowance for loan losses to total loans was 1.44 percent at March 31, 2007, and 1.50 percent at March 31, 2006.

Mr. Sutton continued, "At the core of any successful financial institution is superior credit quality. We continue to focus on enhancements to our credit administration infrastructure and processes. While continuing to grow our loan portfolio successfully we have not, and will not, compromise our credit standards. Our low level of loan losses since inception is a testament to our execution."

Total assets at March 31, 2007, were \$252,094,807, increasing \$26,341,445 or 11.7 percent from \$225,753,362 at the same date a year ago. Loans increased \$28,577,292 or 15.2 percent and reached \$216,438,472 at March 31, 2007, compared to \$187,861,180 at March 31, 2006. Deposits at March 31, 2007, were \$223,380,792, increasing \$24,183,137 compared to \$199,197,655 at March 31, 2006.

Mr. Sutton concluded, "Construction has begun this quarter for our Grant Hills Banking Center located at Highway 41 North and Boonville-New Harmony Road. This 3,100 square foot facility is expected to open in the fourth quarter of this year and will expand our footprint as well as provide further opportunity to increase our client base on the North Side of Evansville."

American Community Bancorp, Inc., through its wholly owned subsidiary, Bank of Evansville, provides a full range of commercial and consumer banking services in the Evansville, Indiana, area.

This news release contains forward looking statements within the meaning of the safe harbor provisions of the Private Securities Act of 1995. Such statements are based on management's current expectations and are subject to a number of risk factors and uncertainties which could cause actual results to differ materially from those described in the forward looking statements.

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**AMERICAN COMMUNITY BANCORP, INC.
CONSOLIDATED BALANCE SHEETS**

	(Unaudited) March 31, 2007	December 31, 2006	(Unaudited) March 31, 2006
	<u>2007</u>	<u>2006</u>	<u>2006</u>
ASSETS			
Cash and due from banks	\$ 3,244,253	\$ 4,351,163	\$ 6,482,161
Interest bearing balances with banks	28,769	23,967	12,387
Federal funds sold	15,412,000	8,465,000	14,569,000
Total cash and cash equivalents	<u>18,685,022</u>	<u>12,840,130</u>	<u>21,063,548</u>
Securities available for sale, at fair value	9,834,624	9,886,563	10,065,168
Nonmarketable equity securities	1,060,450	1,060,450	1,007,350
Loans, net of deferred fees	216,438,472	212,711,590	187,861,180
Allowance for loan losses	<u>(3,109,600)</u>	<u>(3,063,600)</u>	<u>(2,820,154)</u>
Net loans	<u>213,328,872</u>	<u>209,647,990</u>	<u>185,041,026</u>
Premises and equipment	5,980,001	5,962,624	5,523,810
Other assets	<u>3,205,838</u>	<u>3,361,548</u>	<u>3,052,460</u>
Total assets	<u><u>\$ 252,094,807</u></u>	<u><u>\$ 242,759,305</u></u>	<u><u>\$ 225,753,362</u></u>
 LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits			
Non interest bearing	\$ 18,536,225	\$ 19,765,202	\$ 16,942,627
NOW, MMDA and Savings	115,212,522	110,148,954	87,433,333
Time deposits	<u>89,632,045</u>	<u>84,899,275</u>	<u>94,821,695</u>
Total deposits	<u>223,380,792</u>	<u>214,813,431</u>	<u>199,197,655</u>
Long term debt	8,248,000	8,248,000	8,248,000
Accrued expenses and other liabilities	<u>1,078,440</u>	<u>941,250</u>	<u>1,185,301</u>
Total liabilities	<u>232,707,232</u>	<u>224,002,681</u>	<u>208,630,956</u>
 SHAREHOLDERS' EQUITY			
Common stock, no par value, 3,000,000 shares authorized; issued and outstanding 1,696,318, 1,688,091, and 1,681,791	17,635,757	17,532,198	15,779,614
Undivided profits	1,881,046	1,379,322	1,589,212
Accumulated other comprehensive income (loss)	<u>(129,228)</u>	<u>(154,896)</u>	<u>(246,420)</u>
Total shareholders' equity	<u>19,387,575</u>	<u>18,756,624</u>	<u>17,122,406</u>
Total liabilities and shareholders' equity	<u><u>\$ 252,094,807</u></u>	<u><u>\$ 242,759,305</u></u>	<u><u>\$ 225,753,362</u></u>

AMERICAN COMMUNITY BANCORP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three months ended March 31,	
	2007	2006
Interest income:		
Interest and fees on loans	\$ 4,105,337	\$ 3,362,503
Securities:		
U. S. government agencies and corporations	97,582	103,798
Other securities	14,938	14,162
Federal funds sold	140,001	122,522
Deposits with other banks	280	91
Total interest income	<u>4,358,138</u>	<u>3,603,076</u>
Interest expense:		
Deposits	2,316,262	1,657,954
Borrowings	148,040	131,501
Total interest expense	<u>2,464,302</u>	<u>1,789,455</u>
Net interest income	1,893,836	1,813,621
Provision for loan losses	46,000	136,972
Net interest income after provision for loan losses	<u>1,847,836</u>	<u>1,676,649</u>
Non interest income:		
Service charges on deposit accounts	61,638	43,956
Gain on sale of loans	77,425	89,152
Merchant processing fees	153,041	146,866
Other	47,638	31,656
Total non interest income	<u>339,742</u>	<u>311,630</u>
Non interest expense:		
Salaries and benefits	740,164	685,219
Occupancy and equipment, net	121,752	129,684
Marketing	12,280	8,695
Data processing	90,545	75,898
Supplies, postage and printing	12,884	17,233
Legal and professional	56,876	50,764
Merchant processing expense	151,318	135,430
Other	158,735	135,488
Total non interest expense	<u>1,344,554</u>	<u>1,238,411</u>
Income before income taxes	843,024	749,868
Income taxes	341,300	305,700
Net income	<u>\$ 501,724</u>	<u>\$ 444,168</u>
Basic earnings per common share*	\$ 0.30	\$ 0.26
Diluted earnings per common share*	\$ 0.28	\$ 0.25
Average common shares outstanding*	1,689,595	1,680,727
Average diluted shares outstanding*	1,772,907	1,758,655

* Adjusted for 5 percent stock dividend paid on June 9, 2006.

AMERICAN COMMUNITY BANCORP, INC.
CONSOLIDATED FINANCIAL HIGHLIGHTS
(Unaudited)

(dollars in thousands except per share data)	2007	2006	2006	2006	2006	Years ended December 31	
	1st Qtr	4th Qtr	3rd Qtr	2nd Qtr	1st Qtr	2006	2005
EARNINGS							
Net interest income	\$ 1,894	\$ 1,884	\$ 1,851	\$ 1,800	\$ 1,814	\$ 7,348	\$ 6,600
Provision for loan losses	\$ 46	\$ 125	\$ 40	\$ 95	\$ 137	\$ 397	\$ 605
Non interest income	\$ 340	\$ 390	\$ 398	\$ 359	\$ 311	\$ 1,459	\$ 1,260
Non interest expense	\$ 1,345	\$ 1,460	\$ 1,324	\$ 1,450	\$ 1,238	\$ 5,472	\$ 4,822
Income taxes	\$ 341	\$ 288	\$ 358	\$ 250	\$ 306	\$ 1,202	\$ 744
Net income	\$ 502	\$ 401	\$ 527	\$ 364	\$ 444	\$ 1,736	\$ 1,689
Basic earnings per share*	\$ 0.30	\$ 0.24	\$ 0.31	\$ 0.22	\$ 0.26	\$ 1.03	\$ 1.01
Diluted earnings per share*	\$ 0.28	\$ 0.23	\$ 0.30	\$ 0.20	\$ 0.25	\$ 0.98	\$ 0.95
Average shares outstanding*	1,689,595	1,683,816	1,681,791	1,681,791	1,680,727	1,682,031	1,670,943
Average diluted shares outstanding*	1,772,907	1,770,486	1,776,186	1,775,061	1,758,655	1,767,750	1,769,313
PERFORMANCE RATIOS							
Return on average assets	0.84%	0.68%	0.93%	0.65%	0.82%	0.77%	0.88%
Return on average common equity	10.61%	8.47%	11.58%	8.36%	10.58%	9.74%	10.66%
Net interest margin (fully tax equivalent)	3.29%	3.34%	3.41%	3.39%	3.54%	3.42%	3.64%
Efficiency ratio	60.20%	64.20%	58.85%	67.14%	58.27%	62.13%	61.34%
Full time equivalent employees	42	42	42	40	42	42	40
CAPITAL							
Average equity to average assets	7.89%	8.06%	8.01%	7.78%	7.79%	7.91%	8.30%
Tier 1 leverage capital ratio	10.71%	10.81%	10.83%	10.55%	10.59%	10.81%	10.79%
Tier 1 risk based capital ratio	11.99%	11.96%	12.07%	12.07%	12.13%	11.96%	12.35%
Total risk based capital ratio	13.93%	14.01%	14.25%	14.39%	14.54%	14.01%	14.91%
Book value per share*	\$ 11.46	\$ 11.11	\$ 10.80	\$ 10.39	\$ 10.18	\$ 11.11	\$ 9.93
Cash dividend per share	-	-	-	-	-	-	-
ASSET QUALITY							
Gross loan charge offs	\$ -	\$ 3	\$ -	\$ 14	\$ 38	\$ 55	\$ -
Net loan charge offs	\$ -	\$ 3	\$ -	\$ 14	\$ 38	\$ 55	\$ -
Net loan charge offs to average loans	-	-	-	0.01%	0.02%	0.03%	-
Allowance for loan losses	\$ 3,110	\$ 3,064	\$ 2,942	\$ 2,902	\$ 2,820	\$ 3,064	\$ 2,721
Allowance for losses to total loans	1.44%	1.44%	1.46%	1.49%	1.50%	1.44%	1.52%
Nonperforming loans	\$ 136	\$ 21	\$ -	\$ -	\$ -	\$ 21	\$ 182
Other real estate and repossessed assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonperforming loans to total assets	0.05%	0.01%	-	-	-	0.01%	0.08%
END OF PERIOD BALANCES							
Loans	\$ 216,438	\$ 212,712	\$ 201,423	\$ 194,426	\$ 187,861	\$ 212,712	\$ 178,469
Total earning assets	\$ 242,988	\$ 232,380	\$ 224,686	\$ 217,642	\$ 213,911	\$ 232,380	\$ 209,683
Total assets	\$ 252,095	\$ 242,759	\$ 233,701	\$ 227,914	\$ 225,753	\$ 242,759	\$ 222,075
Deposits	\$ 223,381	\$ 214,813	\$ 206,279	\$ 194,462	\$ 199,198	\$ 214,813	\$ 195,527
Shareholders' equity	\$ 19,388	\$ 18,757	\$ 18,158	\$ 17,472	\$ 17,122	\$ 18,757	\$ 16,667
AVERAGE BALANCES							
Loans	\$ 211,193	\$ 205,103	\$ 195,498	\$ 193,384	\$ 184,589	\$ 194,640	\$ 160,230
Total earning assets	\$ 233,207	\$ 223,704	\$ 215,279	\$ 212,837	\$ 207,850	\$ 214,938	\$ 181,559
Total assets	\$ 243,024	\$ 233,011	\$ 225,558	\$ 224,236	\$ 218,650	\$ 225,379	\$ 191,064
Deposits	\$ 214,595	\$ 205,222	\$ 198,527	\$ 197,852	\$ 192,302	\$ 198,491	\$ 169,836
Shareholders' equity	\$ 19,175	\$ 18,769	\$ 18,063	\$ 17,455	\$ 17,029	\$ 17,830	\$ 15,850

* Adjusted for 5 percent stock dividend paid June 9, 2006.