

**For release:
May 15, 2006**

**Contact: Charles B. Henderson
(314) 444-8311**

ST. LOUIS, Mo. — The Federal Reserve Bank of St. Louis, acting pursuant to delegated authority for the Board of Governors of the Federal Reserve System, today approved the application by Community Bank Shares of Indiana, Inc., New Albany, Indiana, to acquire 100 percent of the outstanding voting shares of The Bancshares, Inc., Scottsburg, Indiana, and thereby indirectly acquire its subsidiary bank, The Scott County State Bank, Scottsburg, Indiana. Also approved was the related application by CBIN Subsidiary, Inc., New Albany, Indiana, a proposed wholly-owned subsidiary of Community Bank Shares of Indiana, Inc., to become a bank holding company by acquiring, through merger, 100 percent of the outstanding voting shares of The Bancshares, Inc., and thereby indirectly acquire The Scott County State Bank.

* * *