

To Our Shareholders



JEAN R. HALE
Chairman, President and CEO

It gives me great pleasure to report to you that 2004 was a year of record earnings for your Corporation, with net income of \$31.0 million, or \$2.09 earnings per share. With total assets of \$2.7 billion, we completed 2004 as Kentucky's largest domiciled bank holding company. The 2004 cash dividend of \$0.87 per share was a 16.3% increase over last year and a 34.4% increase over the 2002 annual dividend.

Your management team continues to be committed to meeting the expectations of our shareholders to provide a positive return on your investment in our stock. We take pride in our long history of earnings and dividends. We increased the cash dividend to our shareholders during 2004 for the 24th consecutive year. Also, for the 3rd consecutive year, your Board of Directors authorized a 10% stock dividend

which was distributed to shareholders in December. We are proud that the total return to our investors during 2004 was 21.3% compared to the 18.3% return provided to investors of our peer Russell 2000 stock index.

As we began our second century of service to our four constituents: you—our shareholders, our customers, our employees and our communities, we remained committed to “building communities built on trust.” This year's annual report expands on the significance of the *TRUST* that we have successfully built with all of our constituents.

Your continuing support and trust in your Company allows us to continue our growth by expanding our products and services, constructing new branches and acquiring other financial institutions when opportunities arise. During 2004, we opened two new full service banking locations, *We take pride in our long history of earnings and dividends.* We relocated three branches into new facilities

and opened two new loan production offices. These new operations allow us to expand our service area, develop new customer relationships and strengthen existing customer relationships. This expansion increased your Corporation's

total operating offices to 83. We plan to increase our branch and loan production network by four additional offices during 2005, including a new branch which opened in January.

Also, with a focus on the future, we made a significant investment during 2004 in our trust subsidiary, Community Trust and

This year's annual report expands on the significance of the "trust" that we have successfully built with all of our constituents.

service brokerage operations are an important part of our portfolio of financial products and services and provide a good opportunity to increase our non-interest

income. We continue to believe that our "community banking" business model with a focus on decentralized, relationship-based decision making within the communities we serve, coupled with our centralized processing and risk management, sets us apart from our competitors. We are large enough to meet all of our customers' product and service needs, yet our operating model allows us to be "small" enough to deliver those products and services with the personal, one-on-one

I n v e s t m e n t Company. Our investment was primarily in human resources. We believe that our trust and full

relationship level of service our customers deserve.

On December 31, 2004, Burlin Coleman, Chairman, retired after 55 years of service. His vision, commitment and dedication to Community Trust were instrumental in the growth and development of our Company. We are pleased to share with you in this year's annual report some of the milestones of his career. Please join us in wishing Mr. Coleman the same success in his retirement.

We would like to thank our customers, employees, board members, and communities for their contributions in producing another successful year for your Corporation. Also, I would like to thank you, our shareholders, for your continuing support and trust by referring your friends, neighbors and business associates to do business with your bank and trust company. With the continued support and trust of our constituents, we look forward to meeting the opportunities and challenges that 2005 will provide.



JEAN R. HALE
Chairman, President and CEO