

2009 Annual Report

QCR
HOLDINGS, INC.

a relationship driven organization®

QCR
HOLDINGS, INC.

a relationship driven organization

In 2009, we promise to

- ✓ 1. Retain our best in class employees.
- ✓ 2. Continue to develop and maintain great relationships.
- ✓ 3. Preserve asset quality in this tough economic climate.
- ✓ 4. Increase our capital position.
- ✓ 5. Preserve book value in a tough earnings environment.
- ✓ 6. Grow core deposits.
- ✓ 7. Make sound, ethical business choices.

— QCR Holdings, Inc.
January 1, 2009 —

QCR Holdings, Inc. will be
the premier provider of financial services
to businesses and individuals
for whom relationships matter,
in markets where we can excel.

QCR HOLDINGS, INC.

QUAD CITY BANK & TRUST

CEDAR RAPIDS BANK & TRUST

ROCKFORD BANK & TRUST

m2 LEASE FUNDS



A Relationship Driven Organization.®

The QCR Holdings, Inc. business model is based not on simply serving customers; rather, our key competitive advantage is to **create meaningful and lasting relationships with our clients.**

This focus on *relationships* is at the very core of everything we do and has been the heartbeat of our rapid growth since 1994. We accomplish this by making investments in outstanding people that demonstrate an unwavering commitment to developing and nurturing long-lasting relationships with our clients, and we then provide them with the best technology, operational support and facilities to help them exceed our clients' expectations.

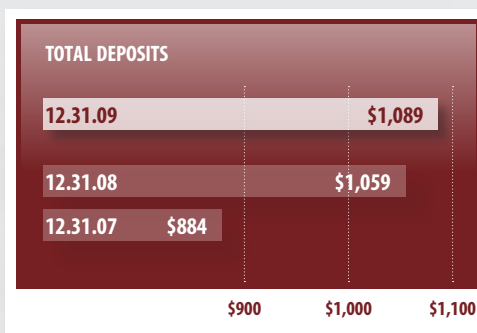
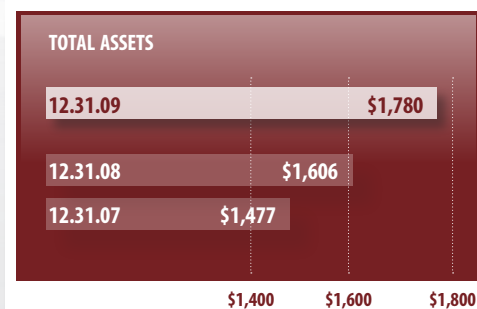
Key to executing on this mission is that each QCR Holdings entity is given the autonomy to tailor products, services and decisions unique to the market that it serves, facilitating the customized relationship-based service that **drives our organization.**

Our local bankers are supported by a QCR Holdings Group Operations team that delivers operational services in a centralized and efficient manner. The members of the QCR Holdings Group Operations team share the same passion for building relationships with and exceeding the expectations of their "clients" at each of our entities, which allows each entity to possess the resources of a much larger financial institution. Another key component of our business model is a Board of Directors at each banking charter that consists of local community leaders who share this drive to make a difference to our clients and the communities in which they live and work.

Staying true to our core strategy of delivering local decisions that impact our clients and delivering support services that do not directly impact clients in a centralized and efficient manner has created a strong brand for each of our QCR Holdings entities. In the following pages, you will experience the brands that our employees have created – providing the strong foundation for our future success.

Our QCR Holdings team will continue to develop new relationships, and strengthen existing ones, as we continue to be a place where relationships matter. Each member of the team – from our newest employee to our most veteran Board member – will work together to ensure that QCR Holdings, Inc. remains **A Relationship Driven Organization.®**

KEY TOTALS (In Millions of Dollars)



Relationship Driven
Relationship

QCR Holdings, Inc. Directors and Senior Managers

QCR HOLDINGS, INC. DIRECTORS

Douglas M. Hultquist

President and Chief Executive Officer, QCR Holdings, Inc.

James J. Brownson

Chairman of the Board, QCR Holdings, Inc.
President, W.E. Brownson Company

Todd A. Gipple

Executive Vice President, Chief Operating Officer
and Chief Financial Officer, QCR Holdings, Inc.

Larry J. Helling

President and Chief Executive Officer,
Cedar Rapids Bank and Trust Company

Mark C. Kilmer

President, Republic Companies

John K. Lawson

Retired Executive, Deere & Company

Charles M. Peters

President and Chief Executive Officer,
Gazette Communications, Inc.

Ronald G. Peterson

President, First State Bank of Illinois

John A. Rife

Retired President and Chief Executive Officer, United Fire Group
Vice Chairman, United Fire Group

Donna J. Sorensen, J.D.

President, Sorensen Consulting

John D. Whitcher

Vice President and General Counsel,
Viking Chemical Company

Marie Z. Ziegler

Vice President, Investor Relations, Deere & Company

QUAD CITY BANK AND TRUST COMPANY DIRECTORS

John H. Anderson

President and Chief Executive Officer,
Quad City Bank and Trust Company

Mark C. Kilmer

Chairman of the Board, Quad City Bank and Trust Company
President, Republic Companies

Michael A. Bauer

Consultant, Co-Founder of QCR Holdings, Inc.

Douglas M. Hultquist

President and Chief Executive Officer, QCR Holdings, Inc.

James J. Brownson

President, W.E. Brownson Company

Todd A. Gipple

Executive Vice President, Chief Operating Officer
and Chief Financial Officer, QCR Holdings, Inc.

John H. Harris, II

President, Isabel Bloom, LLC

Larry J. Helling

President and Chief Executive Officer,
Cedar Rapids Bank and Trust Company

John K. Lawson

Retired Executive, Deere & Company

Edwin A. Maxwell

Anesthesia & Analgesia, P.C.

Linda K. Neuman

Attorney, Retired Iowa Supreme Court

Ronald G. Peterson

President, First State Bank of Illinois

Charles A. Ruhl, Jr.

President, Ruhl & Ruhl Commercial Company

Marc C. Slivken, D.D.S.

Retired CEO, Kimberly Park Dental

CEDAR RAPIDS BANK AND TRUST COMPANY DIRECTORS

Larry J. Helling

President and Chief Executive Officer,
Cedar Rapids Bank and Trust Company

Charles M. Peters

Chairman of the Board, Cedar Rapids Bank and Trust Company
President and Chief Executive Officer, Gazette Communications, Inc.

Dee L. Baird, Ph.D.

Executive Vice President,
Continuing Education and Training Services,
Kirkwood Community College

Patrick S. Baird

Chairman of the Board, AEGON USA, Inc.

Loren L. Coppock

Managing Director, TrueNorth Companies, LLC

Todd A. Gipple

Executive Vice President, Chief Operating Officer
and Chief Financial Officer, QCR Holdings, Inc.

Ann M. Lipsky

President, Smulekoff Investment Co.
President, Smulekoff's Furniture

John A. Rife

Retired President and Chief Executive Officer, United Fire Group
Vice Chairman, United Fire Group

Donna J. Sorensen, J.D.

President, Sorensen Consulting

Frederick G. Timko

Chairman of the Board, Point Builders, LLC

A. James Tinker

President Emeritus, MercyCare Service Corporation

ROCKFORD BANK AND TRUST COMPANY DIRECTORS

Thomas D. Budd

President and Chief Executive Officer,
Rockford Bank and Trust Company

John D. Whitcher

Chairman of the Board, Rockford Bank and Trust Company
Vice President and General Counsel, Viking Chemical Company

Michael A. Bauer

Consultant, Co-Founder of QCR Holdings, Inc.

Charles E. Box

Former Chairman, Illinois Commerce Commission
Former Mayor, Rockford, Illinois

Charles S. Bullock

Executive Vice President, Rockford Bank and Trust Company

Todd A. Gipple

Executive Vice President, Chief Operating Officer
and Chief Financial Officer, QCR Holdings, Inc.

Monica B. Glenny, CPA, CMA

President, Datacraft, Inc.

James P. Hamilton

Retired President and Chief Executive Officer, Milestone, Inc.

Douglas M. Hultquist

President and Chief Executive Officer, QCR Holdings, Inc.

George T. Ralph

Managing Member, GTR Realty Advisors, LLC

M. Shawn Way

Chief Executive Officer, Milestone, Inc.

Robert J. Wimmer

President and Chief Executive Officer, Aqua-Aerobic Systems, Inc.

m2 LEASE FUNDS, LLC DIRECTORS & SENIOR MANAGERS

John R. Engelbrecht

President and Chief Executive Officer, m2 Lease Funds, LLC

Ron D. Orndorff

Chairman of the Board, m2 Lease Funds, LLC
Retired Chairman and President, M & I Leasing Corporation

Richard W. Couch

Chief Operating Officer

Todd A. Gipple

Director, m2 Lease Funds, LLC
Executive Vice President, Chief Operating Officer
and Chief Financial Officer, QCR Holdings, Inc.

Michael A. Hatfield

Director, m2 Lease Funds, LLC
Retired Senior Vice President and Secretary,
M & I — Marshall & Isley Corporation

Larry J. Helling

Director, m2 Lease Funds, LLC
President and Chief Executive Officer,
Cedar Rapids Bank and Trust Company

Douglas M. Hultquist

Director, m2 Lease Funds, LLC
President and Chief Executive Officer, QCR Holdings, Inc.

Christine D. Kennedy

Chief Financial Officer

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QCR HOLDINGS, INC.
EXECUTIVE MANAGEMENT TEAM

Douglas M. Hultquist
President and Chief Executive Officer

Todd A. Gipple
Executive Vice President, Chief Operating Officer
and Chief Financial Officer

John H. Anderson
President and Chief Executive Officer,
Quad City Bank and Trust Company

Thomas D. Budd
President and Chief Executive Officer,
Rockford Bank and Trust Company

Charles S. Bullock
Executive Vice President,
Rockford Bank and Trust Company

Jill A. DeKeyser
Senior Vice President, Director of Human Resources

John R. Engelbrecht
President and Chief Executive Officer,
m2 Lease Funds, LLC

Larry J. Helling
President and Chief Executive Officer,
Cedar Rapids Bank and Trust Company
Executive Vice President and Chief Lending Officer,
QCR Holdings, Inc.

Victor J. Quinn
Executive Vice President, Director of Funds Management

John A. Rodriguez
Executive Vice President,
Deposit Operations and Information Services

William M. Tank
Executive Vice President, Chief Credit Officer

M. Randolph Westlund
Executive Vice President, Chief Investment Officer

Cathie S. Whiteside
Executive Vice President, Corporate Strategy and Branding

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QCR HOLDINGS, INC.
GROUP OPERATIONS MANAGEMENT TEAM

Todd A. Gipple
Executive Vice President, Chief Operating Officer
and Chief Financial Officer

Jill A. DeKeyser
Senior Vice President, Director of Human Resources

Beth L. Easterla
Vice President, Deposit Operations
and Electronic Banking Manager

Kathleen M. Francque
Senior Vice President, Correspondent Banking

Pamela J. Goodwin
Vice President, Loan Operations Manager

Shawna M. Graham
Senior Vice President, Director of Risk Management

R. Timothy Harding
Senior Vice President, Director of Internal Audit

John R. Oakes
Vice President, Controller and Director of
Financial Reporting

Victor J. Quinn
Executive Vice President,
Director of Funds Management

John A. Rodriguez
Executive Vice President, Deposit Operations
and Information Services

Shellee R. Showalter
Senior Vice President,
Director of Finance and Budgeting

Michael J. Wyffels
Vice President, Chief Technology Officer

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QUAD CITY BANK AND TRUST COMPANY
SENIOR MANAGERS

John H. Anderson
President and Chief Executive Officer

Cindy M. Carlson
Executive Vice President, Wealth Management Group

Jill A. DeKeyser
Senior Vice President, Director of Human Resources

Laura L. Ekizian
1st Vice President, Private Banking

Kathleen M. Francque
Senior Vice President, Correspondent Banking

Therese K. Gerwe
Vice President, Treasury Management

David C. Howell
1st Vice President, Wealth Management

Rick J. Jennings
Senior Vice President, Senior Trust Officer

Jeffrey M. Lockwood
Executive Vice President, Chief Lending Officer

Peter J. McAndrews
Vice President, Real Estate and Consumer Loans

Victor J. Quinn
Executive Vice President, Operations and Cashier

Shellee R. Showalter
Senior Vice President, Chief Financial Officer

Cathie S. Whiteside
Executive Vice President,
Corporate Strategy, Retail and Branding

Michael J. Wyffels
Vice President, Chief Technology Officer

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CEDAR RAPIDS BANK AND TRUST COMPANY
SENIOR MANAGERS

Larry J. Helling
President and Chief Executive Officer

Gary M. Becker
Senior Vice President, Commercial Banking

Patricia L. Ellison
Senior Vice President, Credit Administration

Jean M. Hartman
Senior Vice President, Residential Real Estate

James D. Klein
Senior Vice President, Retail Banking

Deborah J. Lindberg Gertsen
Senior Vice President, Trust and Investments

J. Mitchell McElree
Senior Vice President, Chief Lending Officer

Dana L. Nichols
Senior Vice President, Chief Credit Officer

John A. Rodriguez
Senior Vice President, Operations and Cashier

Shelly A. Strellner
Senior Vice President, Private Banking

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ROCKFORD BANK AND TRUST COMPANY
SENIOR MANAGERS

Thomas D. Budd
President and Chief Executive Officer

Charles S. Bullock
Executive Vice President

Anthony A. Moczynski
Senior Vice President, Chief Credit Officer

Brenda S. Nayonis
Senior Vice President, Retail Banking, Operations and Cashier

Dale R. Shillady
Senior Vice President, Business Development

Lori L. Wazny
Senior Vice President, Treasury Management

QCR
HOLDINGS, INC.

a relationship driven organization®

TO OUR SHAREHOLDERS,

Charles Dickens once wrote “It was the best of times, it was the worst of times...” a quote which seems to suit our company very well when looking back at 2009. As we battled the worst economic downturn in generations, we found the team at QCR Holdings, Inc. ready, willing and able to face the difficult challenges that unfolded throughout the year.

The unraveling of the financial markets that began in 2008 continued throughout 2009 with such notable events as:

- President Obama signing a \$787 billion economic stimulus package into law.
- “The American Recovery and Reinvestment Act of 2009” included various spending measures and tax cuts aimed at promoting economic recovery such as an \$8K tax credit to first time home buyers.
- “Cash for Clunkers” was a government initiative pumping \$3 billion of rebates to encourage scrapping of older cars for newer, more energy efficient vehicles.
- Chrysler and General Motors filing for bankruptcy.
- Loan balances in U.S. banks declined by the largest percentage since 1984.
- Charge offs in U.S. banks increased for the 11th consecutive quarter.
- Noncurrent loans in U.S. banks increased by 10% in the 3rd quarter to its highest rate in 26 years.
- The ratio of reserves to noncurrent loans in U.S. banks decreased for the 14th consecutive quarter.
- In the third quarter, 50 banks failed, in the fourth quarter, 45 banks failed, totaling 140 bank failures for the year.
- The NASDAQ Community Bank Index was down 21.4% for the year.
- In 2009, 476 banks received funding under the Treasury Capital Purchase Plan. As of January 2010, the Treasury had investments totaling \$83 billion in 646 banking institutions.

Near the end of 2009, we were seeing some positive news such as:

- The Dow Jones average finished the year up 19%.
- The NASDAQ composite index ended the year up 44%.
- The S&P 500 finished the year up 23%.

While segments of our economy have improved, the banking industry is still under pressure. We feel that as a Company we weathered 2009 comparatively well. During the year we implemented many key initiatives aimed at improving and monitoring credit quality. We have also made some key investments in strategies geared toward growing earnings today and in the future.

We recognize and are taking advantage of the opportunities that exist in each of our geographic markets due to disruption in the banking and financial services industry. We have excelled at proving the value of a local community bank to our clients and to the communities we serve. We believe now more than ever, as the public continues to feel uneasy about their financial future, our relationship style of doing business is a key differentiator. Every day we are welcoming new relationships to our company as clients treasure the expertise, advice and exceptional service that we bring to the table.

2009 Financial Results

For the year ended December 31, 2009, net income from continuing operations attributable to QCR Holdings, Inc. was \$1.8 million, resulting in diluted earnings per share of (\$0.46) after preferred stock dividends of \$3.8 million. For the same period in 2008, we reported net income from continuing operations of \$5.0 million, or diluted earnings per share of \$0.69. Key components in the year-over-year differences are:

- Net interest income in 2009 increased \$6.2 million or 14%.
- Provision for loan/lease losses increased \$7.8 million in 2009, or 84%, from \$9.2 million in 2008, for a total of \$17.0 million in 2009.

- A significant increase in FDIC insurance expense and loan/lease expense related to non-performing assets were two key contributors to increasing non-interest expense by \$4.4 million, or 10%, in 2009.
- Gains on the sale of securities totaled \$1.5 million.

We are pleased with the upward trend in net interest income. Excluding the impact of a positive one-time interest income adjustment in the third quarter, we have experienced increased net interest income levels year-over-year and quarter-over-quarter. Our talented team of bankers who carry a passion for serving our clients and their fellow employees are driving this positive trend.

Maintaining asset quality has always been, and continues to be, a top priority for our Company. Under the oversight of veteran banker Bill Tank, Executive Vice President and Chief Credit Officer for all of the QCR Holdings entities, our underwriting, tracking, and follow-up on problem credits is very robust at all of our charters. We have increased staffing within credit administration this year and have strengthened loan review.

Nonperforming assets at December 31, 2009 were \$40.4 million, which was an increase of \$15 million, or 59%, from December 31, 2008, resulting in an increase in the level of nonperforming assets at the end of the year to 2.27% of total assets. The majority of our nonperforming assets consist of nonaccrual loans/leases and other real estate owned. The Company's allowance for loan/lease losses to total loans/leases was 1.81% at December 31, 2009. The economies of the communities we serve continue to be impacted by the recession. This has in turn impacted our loan/lease portfolios as evidenced by our elevated level of nonperforming assets; however our level of nonperforming assets continues to be less than many of our peers.

The significant increase in provision expense was the primary reason for our reduced earnings from continuing operations in 2009. There were three factors to consider when evaluating this increase. First, we originated over \$400 million in new loan/leases in 2009. Second, due to the economic recession and the related uncertainty, management increased the qualitative factors impacting the allowance for loan/lease losses. We continue to carefully review these factors to insure the economic risk within our loan portfolio is appropriately quantified and reserved. Third, we experienced some degradation on specific commercial credits within our portfolio that required specific reserves. Maintaining credit quality during this time of economic uncertainty is our top priority and management frequently monitors the Company's loan/lease portfolio and the level of allowance for loan/lease losses.

Summary financial highlights for our three bank charters and m2 Lease Funds, LLC are as follows:

	QCBT	CRBT	RB&T	m2
Assets (millions)				
2009	\$ 976	\$ 543	\$ 266	\$ 96
2008	909	468	228	84
2007	861	384	158	71
Gross Loans/Leases (millions)				
2009	\$ 653	\$ 383	\$ 210	\$ 92
2008	671	355	192	81
2007	639	290	130	69
Deposits (millions)				
2009	\$ 566	\$ 324	\$ 204	N/A
2008	573	310	180	N/A
2007	507	259	120	N/A
Net Income (Loss) (thousands)				
2009	\$6,801	\$2,339	\$(2,218)	\$ 856
2008	8,156	3,113	(1,607)	784
2007	8,502	2,385	(850)	1,421

New Loan/Lease Origination Exceeds \$400 Million For 2009

As reported previously, we received funding in the amount of \$38.2 million under the Treasury Capital Purchase Program in the first quarter of 2009. Consistent with the intent of the program, the additional capital has enhanced our capacity to support the communities we serve through new lending opportunities. While we have seen somewhat weakened loan/lease demand due to the recession, we originated \$407.8 million of new loans to both new and existing clients during the year. Of this, we funded \$124.2 million in new mortgages and other consumer loans to individual clients, and \$283.6 million in new business loans and leases to our commercial clients. Continuing to grow our loan/lease portfolio and support our communities while maintaining asset quality is one of our most significant challenges for 2010. While home mortgages (residential real estate) captured the headlines in 2008 and 2009, we believe banks will also continue to experience challenges with their commercial real estate portfolios.

QCR Holdings, Inc. Strategic Direction for 2010 and Beyond

During 2009 we implemented many strategies to position us for 2010 and beyond. We believe that our team is geared to generate improved earnings at all entities. We are focused on doing all that we can to generate EPS – prioritizing growth in EPS over growth in assets.


Also, as discussed in our proxy, we will focus on preserving and further increasing

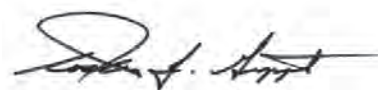
our capital, beginning with a transaction to issue up to \$25 million in convertible preferred stock, much of this coming in the form of an exchange of our existing preferred stock, which will ultimately enhance our common equity ratios.

We will continue to enhance liquidity and preserve asset quality. During 2009 we made many strides in core deposit growth and we are strategically positioned to gather more of the same.

One final note, in May of 2009, co-founder Mike Bauer officially retired. Mike remains as a consultant and Board member at Quad City Bank & Trust and Rockford Bank & Trust. If your travels bring you to the Quad Cities, be sure and visit the newly re-named Quad City Bank & Trust Five Points facility, dedicated in Mike's honor as the "Bauer Financial Center".

Thank you for your support and confidence during 2009. As our tagline says, we are **a relationship driven organization®**, and we value our relationship with each of you. We will continue to work very hard and conservatively to protect your investment in our company as we look forward to better days for the financial markets.


Douglas M. Hultquist


Todd A. Gipple

QCR
HOLDINGS, INC.
a relationship driven organization®



Since our inception, Quad City Bank & Trust
has had a goal of being the *shining example* of a
relationship-based community bank with the
very best people to drive us there.



People you can bank on.®

People you can bank on.

Quad City Bank & Trust

Cedar Rapids Bank & Trust

Rockford Bank & Trust

m2 Lease Funds

To quote a popular phrase used often these days, 2009 was the year of the “perfect storm”. It was a year in which the public’s confidence was shaken in our government, the economy, and the entire banking industry.

But it was also a year in which our team of relationship bankers proved daily, that at Quad City Bank & Trust we live our brand of - **People you can bank on.**®

This was the case whether they dealt with clients that needed a reassuring conversation, a place to borrow money, open a depository account, or utilize the expertise of one of our talented team of wealth management advisors.

I am immensely proud of the team at Quad City Bank & Trust for their efforts during this “economic storm”.

Despite our net earnings being down, earnings before provision for loan/lease losses, continued to grow from \$15.1 million in 2008 to \$16.2 million in 2009, a 7% improvement. This is remarkable given the current banking environment. Our net earnings were negatively impacted by two main items: increased FDIC insurance expense and provision for loan losses. This resulted in 2009 net income of \$6.8 million or \$1.4 million less than 2008.

In 2009 we continued to be careful stewards during this unprecedented economic time and because of this we added \$6,541,000 to our loan loss reserve. We will continue to work with our clients that have been impacted by the economic downturn.

In addition to the loan loss reserve our FDIC insurance expense increased 322% to \$1,572,000 when compared to 2008.

That said, our focus on relationship banking continues to pay dividends and in one area in particular. Over the past two years QCBT has placed an even stronger focus on growing our Correspondent Banking division, and we are pleased to say that in 2009 our team did so with great success.

- Correspondent relationships grew by over 100%
- Correspondent deposits grew by \$55 million

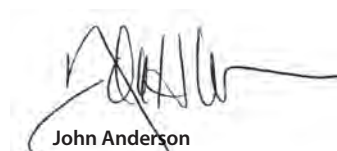
Correspondent Banking will continue to be a major area of focus for QCBT, as we anticipate this group of clients to come to enjoy our **People you can bank on**® approach.

As the economy begins to recover we believe that our style of relationship banking will pay off handsomely for us and the end result will be an improvement for all of our stakeholders.

In 2010, we will focus on:

- Asset quality improvement
- Growth in core deposits
- Improved net interest margin
- Improved earnings
- Growth in wealth management income
- Growth in correspondent relationships

I am certain that with our talented team of bankers we will continue to be recognized as the bank of choice for our clients, shareholders, and community.



John Anderson
President and Chief Executive Officer,
Quad City Bank & Trust



High standards and a focus on serving our
clients and community has been the core of
our business model since opening in 2001.



CEDAR
RAPIDS
BANK &
TRUST

People you can bank on.®

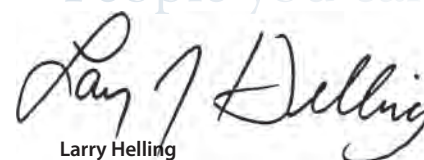
The financial upheaval this past year, along with the post-flood recovery effort in our local economy, have made the execution of our mission even more vital to the success of Cedar Rapids Bank & Trust.

Due to the ongoing hard work of the employees at Cedar Rapids Bank & Trust, we remain well positioned for the future. Steady and profitable growth, along with diligent attention to loan quality will continue to serve as a focal point in the coming year.

The Floods of 2008 also created challenges for the clients and community that we serve. Cedar Rapids Bank & Trust is committed to playing a key role in our community's economic development and flood recovery initiatives. We are achieving this through lending to local businesses and consumers, while also serving as a resource for our clients. Whether it's helping promote our clients' services, offering the use of our conference rooms to those in need of meeting space, or simply keeping our clients abreast of the latest flood assistance programs, we know that it's sometimes the small things that can really make a difference.

Cedar Rapids Bank & Trust has also had many reasons to celebrate this past year. In less than eight years, we have grown to \$500 million in assets as of June 30, 2009. This serves as a true testament to the hard work of our staff and our commitment to relationship banking. This past summer, we also measured our client relationships again through the use of the Net Promoter Score survey. Consistent with previous year's results, our clients continue to give us extremely positive scores. This is evidenced by the fact that 40% of our new consumer checking accounts come directly from referrals.

As we move forward, Cedar Rapids Bank & Trust remains ready and able to serve our four constituencies of employees, clients, shareholders and community. The strength of our business model has never been more important. All of us at Cedar Rapids Bank & Trust will continue to capitalize on this unique opportunity to establish ourselves as the bank of choice in Cedar Rapids and the bank where there are always - **People you can bank on.®**



Larry Helling

President and Chief Executive Officer,
Cedar Rapids Bank & Trust



At Rockford Bank & Trust,
we have assembled a wonderful team of talented and dedicated bankers,
second to none in the market.



ROCKFORD
BANK &
TRUST

People you can bank on.®

People you can bank on.

On January 3rd, 2010 Rockford Bank and Trust Company celebrated the five year anniversary of our charter. We are proud to have built an organization that is recognized as a leader in the Rockford business community. That leadership position has been achieved by the commitment and talents of our team and the support of our shareholders, board of directors, and clients. At the end of 2009 our total assets of \$266 million represented 18% growth over 2008 despite very challenging economic conditions.

As the national economy reeled from the worst recession since the great depression, the Rockford area was severely affected. Rockford's unemployment rate rose to nearly 17% during 2009, leading the state of Illinois. Rockford's economy, led by its manufacturing base, has historically been impacted more severely than national averages during recessionary economic cycles. Our loan loss reserve and provision expense for 2009 were recognition and a reflection of the local economy.

Like previous recessions, Rockford's determined and resourceful business community will certainly recover. The Chicago-Rockford International Airport continues to be regarded as a leading national cargo hub. On the horizon for Rockford is commuter and Amtrack rail services from Rockford to Chicago, which has the potential to greatly enhance the Rockford community.

Real relationship banking may never be tested more than during these difficult economic times. Rockford Bank & Trust has been committed to supporting our community and our clients. The American Recovery and Reinvestment Act of 2009 provided banks with tools to assist struggling small businesses through enhancements to the SBA 7a and 504 programs as well as the creation of the ARC loan program. Rockford Bank & Trust was one of the leaders in Rockford, and in the state of Illinois, during 2009 for the origination of SBA loans. During 2009, the bank was awarded Preferred and Express Lender designations which allowed us to underwrite and approve loans more efficiently.

Most importantly, our commitment to relationship banking has been successful. During 2009, we continued to attract core deposits and relationships with many of Rockford's most highly regarded businesses and leaders. As a result, our funding is provided from more and more local bank depositors, which in turn, enhances our liquidity, and improves our margin.

As the economy recovers, our team, our mission, and our reputation will be well positioned to continue building our franchise and value for our shareholders.



Thomas Budd

President and Chief Executive Officer,
Rockford Bank & Trust



Responsive, on-site, personal service
is the foundation
on which m2 Lease Funds was built.



2009 proved to be a difficult business environment for new equipment purchases therefore increasing the need for financing or leasing opportunities. We are proud to report that even with the poor economy, m2 grew its lease portfolio more than was budgeted. In 2009 m2 was viewed by customers as an additional source of competitively priced fixed rate funding coupled with the traditional advantages of leasing.

Today we have over 1,500 leases and leases in virtually every state. As an equipment leasing generalist, m2 leases all varieties of equipment. Currently our largest equipment concentrations include manufacturing, printing, marine, broadcasting, packaging, transportation and construction equipment.

When m2 began, our strategy was to provide competitively priced, personalized, professional equipment leasing and financing services for small and middle-sized businesses; to provide fast turnaround times and a philosophy of being easy to do business with.

Today with offices in Iowa, Illinois, Minnesota and Wisconsin, m2 continues to stay true to the strategies and philosophies set forth in 1998.

m2 and the customer work together to arrive at a customized, creative solution for their equipment needs. We offer the quickest approvals and turn around times in the industry, and our lease agreement is extremely user friendly and brief.

m2 is fortunate in that the majority of our business is the result of a referral. Over time we have established relationships with equipment

vendors, attorneys, accountants and other banks in addition to our QCR Holdings, Inc. affiliate banks. Referrals are, of course, the best source of business and only result by providing prompt, professional service for every opportunity.

Today, equipment leasing is the largest single source of equipment financing in the world. Four of five U.S. companies lease equipment, including many of the Fortune 500. These companies have access to some of the lowest cost financing alternatives in the world. Yet, they choose leasing for quantitative and qualitative reasons.

Many businesses haven't analyzed how leasing may benefit their situation. When companies do review the after-tax advantages of leasing, many times they find that leasing is the best alternative.

The financial needs of a growing business sometimes require amounts of capital that exceed its internal capabilities. m2 can provide a partial solution as an alternative source of competitively priced funds for capitalized assets. A mature, profitable company may have a variety of financial options available to it. The properly structured "true operating lease" can provide a creative lease structure resulting in maximum tax deferral and savings.

We at m2 Lease Funds enjoy building long term relationships with our clients and doing all that we can to help them grow.



John Engelbrecht
President and Chief Executive Officer,
m2 Lease Funds, LLC

Quality People. Quality Results.

QCR
HOLDINGS, INC.

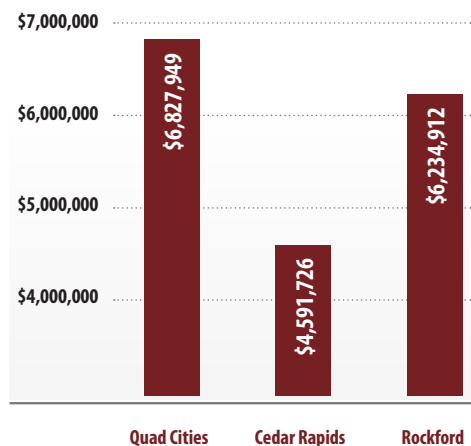
a relationship driven organization®

QCR Holdings prides itself in hiring the very best people who value and create relationships. Expertise, integrity, flexibility, passion and client focused, are a few of the words used to describe the employees who deliver our mission each and every day.

Utilizing our greatest assets, our people, QCR Holdings, Inc. entities are able to deliver quality, personalized service. Each of our entities is built to respond to the needs of their communities with products and services that best fit their clients. Under this model, we strive for quality results for our clients, our employees, our shareholders and the communities in which we serve.

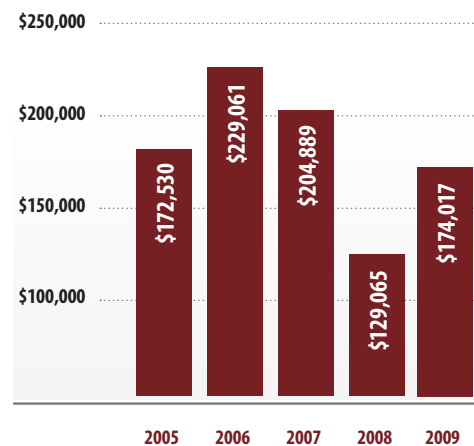
Total Metropolitan Statistical Area (MSA) Deposits

(June 30, 2009 Data) (In Thousands)



QCR Holdings, Inc. Asset Growth

(In Thousands)



QCR Holdings, Inc. Market Share (June 30, 2009 Data)

Quad Cities - 8.08%	Rank #4 of 41
Cedar Rapids - 6.66%	Rank #4 of 44
Rockford - 3.18%	Rank #8 of 27

QCR Holdings, Inc. Growth Percentage



STOCK LISTING INFORMATION

The common stock of **QCR Holdings, Inc.**

is traded on the NASDAQ Global Market under the symbol QCRH.

Annual Meeting of Stockholders

The Annual Meeting of the Stockholders of QCR Holdings, Inc. will be held at 10:00 am, May 5, 2010, at the following location:

i wireless Center
1201 River Drive
Moline, IL 61265

Annual Report on Form 10-K

Copies of the QCR Holdings, Inc. annual report on Form 10-K and exhibits filed with the Securities and Exchange Commission (SEC), are available to stockholders without charge by accessing our internet site at www.qcrh.com or by writing:

John R. Oakes

Vice President, Controller and
Director of Financial Reporting

QCR Holdings, Inc.
3551 Seventh Street
Moline, IL 61265

The SEC maintains an internet site that contains reports, proxy, and information statements and other information about issuers that file electronically with the SEC. The address of that site is: www.sec.gov.

Stock Transfer Agent

Inquiries regarding stock transfer, registration, lost certificates, or changes in name and address should be directed to the stock transfer agent and registrar by writing:

Illinois Stock Transfer Company
209 W. Jackson Boulevard, Suite 903
Chicago, IL 60606

Investor Information

Stockholders, investors, and analysts interested in additional information may contact:

Todd A. Gipple

Executive Vice President, Chief Operating Officer
and Chief Financial Officer

QCR Holdings, Inc.
3551 Seventh Street
Moline, IL 61265
309-743-7745

Independent Auditor

McGladrey & Pullen, LLP, Davenport, IA

Corporate Counsel

Lane & Waterman, Davenport, IA
Barack Ferrazzano Kirschbaum & Nagelberg LLP
Chicago, IL

Quad City Bank & Trust Locations

2118 Middle Road
Bettendorf, IA 52722

4500 N. Brady Street
Davenport, IA 52806

3551 Seventh Street
Moline, IL 61265

5405 Utica Ridge Road
Davenport, IA 52807

1700 Division Street
Davenport, IA 52804

Cedar Rapids Bank & Trust Locations

500 First Avenue NE, Suite 100
Cedar Rapids, IA 52401

5400 Council Street NE
Cedar Rapids, IA 52402

Rockford Bank & Trust Locations

127 N. Wyman Street
Rockford, IL 61101

4571 Guilford Road
Rockford, IL 61107

m2 Lease Funds, LLC

175 N. Patrick Blvd., Suite 140
Brookfield, WI 53045

Internet Information

Information on subsidiaries' history, locations, products and services can be accessed on the internet at:

www.qcbt.com

www.crbt.com

www.rkfdbank.com

www.m2lease.com

QCRH
NASDAQ[®]
LISTED

NASDAQ

COMMON STOCK¹

Calendar 2009	High	Low
4th Quarter	\$ 10.49	\$ 7.06
3rd Quarter	10.98	9.47
2nd Quarter	11.00	7.76
1st Quarter	11.93	7.12

Calendar 2008	High	Low
4th Quarter	\$ 14.24	\$ 9.44
3rd Quarter	16.20	9.70
2nd Quarter	16.20	12.13
1st Quarter	17.02	14.15

Calendar 2007	High	Low
4th Quarter	\$ 16.00	\$ 14.25
3rd Quarter	16.43	13.76
2nd Quarter	17.75	15.15
1st Quarter	17.90	15.28

DIVIDEND INFORMATION

Record Date	Payment Date	Amount
12.21.09	01.06.10	\$.04
06.22.09	07.06.09	.04
12.22.08	01.07.09	.04
06.23.08	07.07.08	.04

QCR Holdings, Inc. employees...

People you know,
People you can bank on®

to proudly *volunteer* over **8,866 hours** in the communities we serve.

Big Brothers Big Sisters

Junior Achievement

United Way

Student Food Drive

Humility of Mary Shelter

American Red Cross

Quad Cities Race for the Cure

Cedar Rapids Area Chamber of Commerce

Girls Scouts

American Heart Association

Boys and Girls Club

Juvenile Diabetes Research Foundation

Mount Mercy College Scholarshare

Xavier Foundation

YMCA

Community Foundation of Northern Illinois

Milestone, Inc.

Rockford Health Systems

Riverfront Museum Park

Prairie Hill School

Hartland/Lakeside Foundation

King Church

Wauwatosa Recreation Department

QCR
HOLDINGS, INC.

a relationship driven organization®





Thanking
the team.
Thanking the *team* for their
extraordinary effort in these
trying financial times.

QCR
HOLDINGS, INC.

a relationship driven organization®

A Message From Our Chairman of the Board

In my last year's message to shareholders I remarked that the financial industry would likely face even greater challenges in 2009 than in 2008 and to "hold on to your seats" as the most challenging times may be yet to come. Although the shock that the financial world began to see in the fall of 2008 will hopefully not soon be repeated, the aftermath has in fact carried forward through 2009 and into 2010.

We at QCR Holdings and thousands of community banks across America, have not been immune to the economic crisis suffered nearly across the board at financial institutions and all businesses across our great country. Throughout this economic downturn our Company has remained focused on advancing our strategic objective to be the leading provider of financial services relationships in the communities that we serve. During 2009, despite all its challenges, we at QCR Holdings can report significant progress in attaining that strategic objective and we are very pleased with the foundation we have continued to build for long term profitable growth.

The positive position we are in today did not happen by accident and was the result of an outstanding effort by our management team and our dedicated employees. I know you as our shareholders, join us as your Board of Directors, in thanking the team for their extraordinary effort in these trying financial times.

We have many challenges ahead, but the Board and Management like the way we are positioned, who we are and what we stand for. On behalf of the Board of Directors, our management team and all of our employees let me say thank you to all of our shareholders who remain, shall we say "still seated," and committed to QCR Holdings. Together we look forward to long term rewards in the years ahead because at QCR Holdings our relationships really do matter.

James J. Brownson

Chairman of the Board,
QCR Holdings, Inc.



Doug Hultquist
President and CEO, QCR Holdings, Inc.

Todd Gipple
Executive Vice President, Chief Operating Officer
and Chief Financial Officer, QCR Holdings, Inc.



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Our company has been fortunate to have had some great business partners in our 60 plus year history.

I have always believed one of our most important relationships is with our bankers. Doug Hultquist and Quad City Bank & Trust were instrumental in the start up of our operation in Rock Island, Climate River Valley in 1996, and we have banked there since the beginning.

With the opening of Cedar Rapids Bank & Trust in 2001, we now have all of our business banking in the good hands of Doug and his team. Climate is pleased to be a partner with the best bank in Eastern Iowa.



Mark C. Watson
President, Climate Engineers



PEOPLE YOU CAN BANK ON.®

Quad City Bank & Trust

People you
Constantly meeting needs
throughout a
long-term relationship.
e you can
bank on.



QUAD
CITY
BANK &
TRUST



Dear Friends at Quad City Bank & Trust,

Our partnership with Quad City Bank & Trust has provided the flexibility to grow our business and service our customers in both strong and challenging economic environments. From long term investments in "brick and mortar" to temporary increases in our line of credit, Quad City Bank & Trust has consistently met our financial needs throughout our long lasting relationship. It's this kind of banking relationship which enabled us to meet our customers' rising service requirements and increase employment in the community.

The last year has certainly been challenging. The economic and financial landscape has changed dramatically; unlike anything we've experienced in our 36 year history. It's very comforting to know Quad City Bank & Trust continued to provide the same level of professionalism, service and support that we've come to expect from them over the years. With their help, we were able to withstand the instability the last year brought and emerged a stronger, better business.

Thank You,

A handwritten signature in black ink, reading "Donald L. Ruggles".

Donald L. Ruggles
Chairman and CEO, XPAC



PEOPLE YOU CAN BANK ON.®

Cedar Rapids Bank & Trust

Cedar Rapids Bank & Trust
has proven to be the
best asset we have.



CEDAR
RAPIDS
BANK &
TRUST



Iowa Specialties

Not long after starting a business and you run out of money, you realize that your banker is your most important partner.

Being in business almost 40 years, and a few banks later, we have found that Cedar Rapids Bank & Trust is truly a bank that operates on old time proven principals and ethics.

At Cedar Rapids Bank & Trust you are recognized as an individual not a number, and they take the time to learn your business particularities and cycles.

Cedar Rapids Bank & Trust has proven to be the best asset we have.

Sincerely,

Walt Dixon
Iowa Specialties

PEOPLE YOU CAN BANK ON.®

Rockford Bank & Trust

Refreshing
to find a banker that
understands business.



ROCKFORD
BANK &
TRUST



Dear Tom,

I just wanted to let you know how much we appreciate the great job you and your staff have done for Howe Freightways, Inc.

As I have told you on many occasions, it is refreshing to have found a bank that understands business.

Rockford Bank & Trust makes Howe Freightways feel like we matter. As a business owner, this is "priceless."

In addition, I wanted to tell you how impressed I am with the organization you are building and how happy we are to have you as a business partner. You and your staff really are best in class. Keep doing a great job.

Sincerely,

A handwritten signature in dark ink that reads "Kenneth S. Howe". The signature is written in a cursive, flowing style.

Kenneth S. Howe

President, Howe Freightways, Inc.

