

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 16, 2007

PROVIDENT COMMUNITY BANCSHARES, INC.
(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other Jurisdiction of incorporation or organization)	<u>1-5735</u> (Commission File Number)	<u>57-1001177</u> (IRS Employer Identification No.)
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<u>2700 Celanese Road, Rock Hill, South Carolina</u> (Address of principal executive offices)	<u>29732</u> (Zip Code)
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Registrant's telephone number, including area code: (803) 325-9400

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On October 16, 2007, Provident Community Bancshares, Inc., the holding company for Provident Community Bank, N.A., announced its financial results for the quarter ending September 30, 2007. The press release announcing financial results for the quarter ending September 30, 2007 is included as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

- (a) Financial Statement of Businesses Acquired: Not applicable
- (b) Pro Forma Information: Not applicable
- (c) Shell Company Transactions: Not applicable
- (d) Exhibits

<u>Number</u>	<u>Description</u>
99.1	Press Release Dated October 16, 2007

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Provident Community Bancshares, Inc.

Dated: October 16, 2007

By: /s/ Dwight V. Neese
Dwight V. Neese
President and Chief Executive Officer



FOR IMMEDIATE RELEASE

**PROVIDENT COMMUNITY BANCSHARES, INC.
ANNOUNCES THIRD QUARTER EARNINGS**

Rock Hill, South Carolina - October 16, 2007: Provident Community Bancshares, Inc. (NASDAQ GM: PCBS) (the "Corporation") reported operating results for the three and nine months ended September 30, 2007. Net income for the third quarter of 2007 was \$727,000 compared to \$651,000 for the third quarter of 2006, an 11.7% increase. Earnings per share were \$0.40 per share (diluted) for the third quarter of 2007, versus \$0.35 per share (diluted) for the third quarter of 2006. Net income for the nine months ended September 30, 2007, was \$2.0 million, or \$1.07 per share (diluted), compared to \$2.0 million, or \$1.05 per share (diluted), for the same period in 2006.

Net interest income before the loan loss provision for the third quarter increased \$163,000, or 6.4%, to \$2.7 million compared to \$2.5 million for the same period in the previous year. The increase was due primarily to higher average loan balances along with an increase in the yield on loans that resulted from a higher concentration of consumer and commercial loans. The increase in interest income was partially offset by higher deposit costs as a result of an increase in balances and rising rates. The provision for loan losses for the third quarter totaled \$20,000 compared to \$45,000 for the same period in the previous year. During the current year third quarter, \$125,000 was received from a loan that was charged off in the previous year that was applied to the loan provision. Classified loans increased to \$8.3 million for the quarter ending September 30, 2007 compared to \$8.0 million for the same period in the previous year due to an increase in classified commercial loans.

Non-interest income for the third quarter increased \$62,000, or 8.6%, to \$782,000 compared to \$720,000 for the same period in the previous year. The increase was due to higher fees for financial services that resulted from an increase in transaction accounts. Non-interest expense for the third quarter increased \$212,000, or 9.2%, to \$2.5 million compared to \$2.3 million for the same period in the previous year. The increase was due primarily to higher operating costs associated with a total of three banking centers opened in Simpsonville, South Carolina and Rock Hill, South Carolina during the previous twelve months.

At September 30, 2007, assets totaled \$415.1 million, a 7.1% increase from \$387.6 million at December 31, 2006. Net loans receivable increased \$10.1 million, or 4.4%, during the period to \$242.0 million at September 30, 2007, compared to \$231.9 million at December 31, 2006. Consumer/commercial loans increased \$16.8 million, offset by a \$6.7 million reduction in residential mortgage loans as the Corporation continues to focus on the consumer/commercial segments with specialized loan officers and products. Growth in lower cost transaction accounts and time deposits resulted in deposits increasing 5.9% to \$263.1 million at September 30, 2007 compared to \$248.4 million at December 31, 2006. Investments and mortgage-backed securities at September 30, 2007, increased 9.9% to \$134.3 million from \$122.2 million at December 31, 2006. The increase in securities was funded with an increase in borrowings of \$11.8 million. Shareholders' equity increased \$817,000, or 3.2%, to \$26,784,000 at September 30, 2007 from \$25,967,000 at December 31, 2006 due to net income of \$2.0 million and a \$208,000 decrease in unrealized losses on securities available for sale, offset by the repurchase of 47,504 shares at a cost of \$981,000 and dividend payments of \$0.34 per share at a cost of \$619,000.

The Corporation also declared a quarterly cash dividend of \$0.115 per share payable on November 15, 2007 to shareholders of record on October 30, 2007. Provident Community Bancshares, Inc. has a dividend reinvestment plan and information about the plan can be obtained from Registrar and Transfer Company at 800-368-5948.

Provident Community Bancshares is the parent company for Provident Community Bank, N.A., which operates nine community oriented banking centers in the upstate of South Carolina that offer a full array of financial services. Please visit our website at www.providentonline.com or contact Wanda J. Wells, SVP/Shareholder Relations Officer at wjwells@providentonline.com or Richard H. Flake, EVP/CFO at rflake@providentonline.com.

Certain matters set forth in this news release may contain forward-looking statements that are provided to assist in the understanding of anticipated future financial performance. Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project" and other similar words and expressions. Forward-looking statements are subject to numerous assumptions, risk and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made. The Corporation does not assume any duty and does not undertake to update its forward-looking statements. However, such performance involves risks and uncertainties that may cause actual results to differ materially from those in such statements. For a discussion of certain factors that may cause such forward-looking statements to differ materially from the Corporation's actual results, see the Corporation's Annual Report in Form 10-K for the year ended December 31, 2006, including in the Risk Factors section of that report.

Provident Community Bancshares, Inc.

Third Quarter - Year Ending December 31, 2007

Financial Highlights

(Unaudited) (\$ in thousands, except share data)

Balance Sheet	At 9/30/07	At 12/31/06	\$ Change	% Change
Total assets	\$415,080	\$387,630	\$27,450	7.08%
Cash and due from banks	10,717	9,124	1,593	17.46%
Investments & mortgage-backed securities	134,304	122,185	12,119	9.92%
Loans receivable (net)	241,957	231,886	10,071	4.34%
Goodwill and intangible assets	3,365	3,741	(376)	-10.05%
Deposits	263,116	248,440	14,676	5.91%
Advances and other borrowings	110,277	98,533	11,744	11.92%
Stockholders' equity	26,784	25,967	817	3.15%
Outstanding shares	1,796,520	1,830,528	(34,008)	-1.86%
Book value per share	\$14.91	\$14.19	\$0.72	5.10%

Income Statement	Three Months Ended September 30,		Nine Months Ended September 30,	
	2007	2006	2007	2006
Net interest income	\$2,714	\$2,551	\$8,195	\$7,887
Provision for loan losses	20	45	265	355
Net interest income after loan loss provision	2,694	2,506	7,930	7,532
Non-interest income	782	720	2,317	2,133
Non-interest expense	2,506	2,294	7,657	6,854
Income tax	243	281	613	822
Net income	\$727	\$651	\$1,977	\$1,989
Earnings per share: basic	\$0.40	\$0.35	\$1.09	\$1.06
Earnings per share: diluted	\$0.40	\$0.35	\$1.07	\$1.05
Weighted Average Number of Common Shares Outstanding				
Basic	1,801,405	1,846,643	1,816,085	1,876,630
Diluted	1,839,097	1,876,417	1,852,923	1,901,830

Key Financial Ratios	Nine Months Ended September 30,	
	2007	2006
Return on average assets	0.66%	0.71%
Return on average stockholders' equity	9.94%	10.68%
Operating expense to average assets	2.45%	2.28%
Equity to average assets	6.75%	6.80%