



Press Release

Queenstown Bancorp of Maryland, Inc. Announces First Half 2019 Financial Results

QUEENSTOWN, MD., July 29, 2019 / Company Release / -- Queenstown Bancorp of Maryland, Inc. reported its consolidated financial results for the first half ended June 30, 2019.

Net income at the end of the second quarter of 2019 was \$3.8 million, an increase of \$404 thousand from the same period in 2018, an 11.9% increase. These earnings resulted in a 1.63% Return on Average Assets and 12.08% Return on Average Equity. Net income per share increased from \$2.78 to \$3.20 per share in 2019. Net interest income increased \$332 thousand to \$9.6 million for the first half of 2019. There was no provision for loan losses for the first half of 2019. The Company continues to maintain a very attractive Efficiency Ratio, the industry standard for effective expense control, at 49.2%. Stockholders' equity at June 30, 2019 increased by \$3.17 million to \$64.2 million from June 30, 2018. The Bank remains very well capitalized with the ratio of common equity to assets increasing from 12.88% at June 30, 2018 to 13.85% at June 30, 2019. Book value per share was \$53.85 at June 30, 2019, up \$3.81 from June 30, 2018, representing an increase of 7.6%.

“The Bank had a very good first half of the year in 2019, building on a strong 2018. We have seen positive trends across many of our performance measurements. The Bank continues to monitor the interest rate environment very closely to ensure that we are properly pricing both our loans and deposits. We have seen good loan growth over the past 12 months and remain optimistic about the economy. Overall, our capital ratios remain very strong, positioning the Bank well for future growth”, stated Kevin B. Cashen, President and Chief Executive Officer. “We continue to focus on serving our local community with outstanding service and a broad product offering. You will find that we are “just the bank you need.”

About Queenstown Bank of Maryland: Queenstown Bank of Maryland (“Bank”) is the sole subsidiary of Queenstown Bancorp of Maryland Inc. (“Company”). Founded in 1899, Queenstown Bank is a full-service community bank offering a wide array of personal and commercial banking loan and deposit products. The Bank is active in both the residential and commercial mortgage lending markets and has developed a robust on-line banking suite of products for both individuals and businesses. The Bank has total assets of \$470 million and eight branches located in Queenstown, Easton, Grasonville, Chester, Stevensville, Centreville, Church Hill and Ridgely, Maryland. The Bank is well known for its outstanding customer service and responsiveness to its community. For more information on the Bank or if you are interested in buying or selling stock, please visit us at www.queenstownbank.com or contact us at 410-827-8881.

Forward Looking Statements

In addition to the historical information contained herein, this press release may contain forward-looking statements that involve risks and uncertainties that may be affected by various factors that may cause actual results to differ materially from those in any forward-looking statements.

QUEENSTOWN BANCORP OF MARYLAND INC. AND SUBSIDIARY				
FINANCIAL PERFORMANCE SUMMARY & RATIOS				
	June 30,	June 30,	%	
(Dollars in thousands, except per share data)	2019	2018	change	
PROFITABILITY				
Net interest income	\$ 9,607	\$ 9,275	3.58%	
Noninterest income	649	554	17.15%	
Provision for loan losses	-	300	-100.00%	
Noninterest expenses	5,074	4,879	4.00%	
Income before taxes	5,182	4,650	11.44%	
Income tax expense	1,377	1,249	10.25%	
Net income	3,805	3,401	11.88%	
Return on average assets	1.63%	1.46%		
Return on average equity	12.08%	11.41%		
Net interest margin	4.35%	4.15%		
*Efficiency ratio	49.16%	49.46%		
PER SHARE DATA				
Net income	3.20	2.78	14.92%	
Dividends	0.75	-		
Book Value	53.85	50.04	7.62%	
Shares Outstanding	1,191,781	1,218,281		
BALANCE SHEET				12/31/2018
Loans	\$ 394,764	\$ 373,941	5.57%	\$ 381,897
Loan loss reserve	5,862	5,746	2.02%	5,966
Loans, net of loan loss reserve	388,902	368,195	5.62%	375,931
Interest bearing deposits with banks	37,495	71,522	-47.58%	46,652
Total assets	469,536	475,558	-1.27%	465,011
Deposits	402,648	412,321	-2.35%	401,766
Stockholders' equity	64,180	60,965	5.27%	60,948
Loans / Deposits	98.04%	90.69%		95.05%
Loan loss reserve / Loans	1.48%	1.54%		1.56%
REGULATORY CAPITAL RATIOS				
QUEENSTOWN BANK -				12/31/2018
Tier I leverage ratio	13.85%	12.88%		12.95%
Common equity risk based	17.54%	18.18%		17.38%
Tier I risk-based capital ratio	17.54%	18.18%		17.38%
Total risk based capital ratio	18.79%	19.43%		18.64%
Total risk weighted assets	365,848	336,593		351,921
Total average assets quarter to date	463,197	474,939		472,432
Tier I	64,153	61,181		61,163
Total capital	68,742	65,409		65,582