



## Press Release

# **Queenstown Bancorp of Maryland, Inc. Announces Third Quarter 2019 Financial Results**

QUEENSTOWN, MD., October 31, 2019 / Company Release / -- Queenstown Bancorp of Maryland, Inc. reported its consolidated financial results for the third quarter ended September 30, 2019.

Net income for the first nine months of 2019 was \$5.7 million, an increase of \$327 thousand from the same period in 2018, a 6% increase. These earnings resulted in a 1.64% Return on Average Assets and 12.02% Return on Average Equity. Net income per share increased from \$4.47 to \$4.82 per share in 2019. Net interest income increased \$308 thousand to \$14.4 million for the first nine months of 2019. There was no provision for loan losses for the first nine months of 2019. The Company continues to maintain a very attractive Efficiency Ratio, the industry standard for effective expense control, at 49.41%. Stockholders' equity at September 30, 2019 increased by \$5.04 million to \$66.2 million from September 30, 2018. The Bank remains very well capitalized with the ratio of common equity to assets increasing from 12.91% at September 30, 2018 to 14.15% at September 30, 2019. Book value per share was \$55.51 at September 30, 2019, up \$4.04 from September 30, 2018, representing an increase of 7.8%.

“The Bank had a very good third quarter in 2019. We have seen positive momentum across the Bank as we position ourselves for the future. We are happy to report growth in our loan portfolio on a year-over-year basis. Our overall capital ratios remain very strong, positioning the Bank well for the future. The Bank continues to monitor the actions of the Federal Reserve Bank and the impact their actions have on both loan and deposit rates”, stated Kevin B. Cashen, President and Chief Executive Officer. “We continue to be “just the bank you need” to meet your financial management goals.”

**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](http://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.

<b>Queenstown Bancorp of Maryland Inc. and Subsidiary</b>			
<b>Consolidated Financial Performance Summary &amp; Ratios</b>			
	<b>September 30,</b>	<b>September 30,</b>	<b>%</b>
(Dollars in thousands, except per share data)	<b>2019</b>	<b>2018</b>	<b>change</b>
<b>PROFITABILITY</b>			
Net interest income	\$ 14,428	\$ 14,120	2.18%
Noninterest income	1,020	873	16.84%
Other real estate gains (losses)	51	53	
Noninterest expenses	7,684	7,357	4.44%
Provision for loan losses	-	300	-100.00%
Income before taxes	7,815	7,389	5.77%
Income tax expense	2,075	1,976	5.01%
Net income	5,740	5,413	6.04%
Return on average assets	1.64%	1.53%	
Return on average equity	12.02%	12.03%	
Net interest margin	4.33%	4.11%	
Efficiency ratio	49.41%	48.85%	
<b>PER SHARE DATA</b>			
Net income	4.82	4.47	7.91%
Book Value	55.51	51.47	7.86%
Shares Outstanding	1,192,281	1,188,081	
<b>BALANCE SHEET</b>			
Loans	\$ 389,742	\$ 373,630	4.31%
Loan loss reserve	5,874	5,839	0.60%
Loans, net of loan loss reserve	383,868	367,791	4.37%
Interest bearing deposits with banks	45,635	62,002	-26.40%
Total assets	473,793	470,951	0.60%
Deposits	404,660	407,267	-0.64%
Stockholders' equity	66,189	61,147	8.25%
Loans / Deposits	96.31%	91.74%	
Loan loss reserve / Loans	1.51%	1.56%	
<b>REGULATORY CAPITAL RATIOS</b>			
<b>QUEENSTOWN BANK -</b>			
Tier I leverage ratio	14.15%	12.91%	
Common equity risk based	18.36%	17.74%	
Tier I risk-based capital ratio	18.36%	17.74%	
Total risk based capital ratio	19.62%	18.99%	
Total risk weighted assets	359,908	346,171	
Total average assets quarter to date	466,988	475,473	
Tier I	66,088	61,407	
Total capital	70,604	65,754	