



FOR IMMEDIATE RELEASE
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HAMILTON FEDERAL BANK TO ACQUIRE K BANK PASADENA BRANCH

BALTIMORE, August 31, 2009 – Hamilton Federal Bank, a federal savings bank, today announced a purchase and assumption agreement with K Bank, a Maryland chartered commercial bank, to purchase the K Bank branch on Jumpers Hole Road in Pasadena, MD. The transaction is expected to close in fourth quarter 2009.

With this acquisition, which is subject to normal regulatory and other customary closing conditions, Hamilton Federal Bank will assume certain deposits, fixed assets, and certain loans of the Pasadena branch. Hamilton has also agreed to retain the branch employees.

“We are pleased to be expanding our branch network and service area to Pasadena and Anne Arundel County,” said Hamilton Federal Bank President and CEO Robert A. DeAlmeida. “Hamilton is a strong, stable, well capitalized institution, with a long history of customer and community focus. This branch purchase is part of our plan to strategically enhance our market presence in the Baltimore metro area and grow our retail and small business customer base.”

DeAlmeida continued, “We are delighted to welcome the customers and employees of the K Bank Pasadena branch to the Hamilton family, and look forward to providing them outstanding customer service and an easy, convenient transition to our suite of products and services.”

For this transaction, A.G. Newcomb & Co served as financial advisors to Hamilton Federal Bank and Sandler O’Neill + Partners were financial advisors to K Bank.

Hamilton Federal Bank is a federal savings bank headquartered in Hamilton, Maryland. The company was founded in 1915 and has more than \$230 million in assets and regulatory capital in excess of \$32 million. Through its network of four locations, Hamilton serves the Maryland communities of Cockeysville, Hamilton, Overlea and Towson, and loan customers throughout the state.

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This press release contains statements that are not historical or current fact and constitute forward-looking statements. In some cases, you can identify these statements by words such as "may", "might", "will", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential", or "continue", the negative of these terms and other comparable terminology. Such forward-looking statements, specifically with respect to the business of Hamilton Federal Bank or K Bank including with regard to approval by bank regulatory agencies, are based on various underlying assumptions and expectations and are subject to risks, uncertainties and other unknown factors. These statements are only predictions based on our current expectations and projections about future events, and there are or may be important factors that could cause our actual results to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Unless required by law, we undertake no obligation to publicly update or revise any forward-looking statement to reflect circumstances or events after the date of this press release.

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