



The Town Bank Reports 1st Quarter Financial Results

Total Assets and Net Income Increase

For Immediate Release

WESTFIELD, N.J./EWORLDWIRE/April 22, 2005 --- To Our Shareholders:

We are pleased to report that The Town Bank has marked another quarter of record performance fueled by continued deposit and loan activity. We continue to strengthen our position as a community based provider of financial products, backed by superior customer service and personal attention.

For the three months ended March 31, 2005, net income increased to \$515,000 or \$0.27 per basic share and 0.26 per diluted share, compared to net income of \$270,000 or \$0.15 per basic share and \$0.14 per diluted share recorded one year ago. This improvement is largely attributed to a higher level of net interest income. This increase in net interest income is the result of the growth of the Bank.

On March 31, 2005, our total assets amounted to \$147,068,000 as compared to \$111,460,000 recorded one year ago on March 31, 2004; reflecting a growth of \$35,608,000 or 32%. Total deposits grew to \$130,148,000 at March 31, 2005, from \$97,625,000 at March 31, 2004, resulting in an increase of \$32,523,000 or 33%. Loans outstanding rose from \$82,860,000 to \$114,894,000 representing an increase of \$32,034,000 or a growth of 39%.

We thank you for your confidence and continued support. We look forward to seeing you at our Annual Shareholders Meeting on April 28, 2005.

The Town Bank
Balance Sheets
(in thousands, except share amounts)
(unaudited)

	March 31, 2005	2004	
ASSETS			
Cash and due from banks	\$ 3,438		\$ 1,798
Federal funds sold and other short term investments		11,842	
10,695			
Investment securities available for sale	14,873		
15,020			
Loans, net of unearned fees/costs	114,894		
82,860			
less: Allowance for loan losses	(1,246)		(856)
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Net loans	113,648		82,004
Premises and equipment, net	1,896		1,324
Other assets	1,371		619
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Total Assets	\$ 147,068	\$ 111,460

LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Deposits:		
Non-interest bearing	\$ 21,610	\$ 16,753
Interest bearing	108,538	80,872

Total deposits	130,148	97,625
Short term borrowings	250	250
Accrued expenses and other liabilities	1,609	291

Total Liabilities	132,007	98,166

Shareholders' Equity		
Common stock (\$5.00 par value per share, authorized 3,000,000 shares at March 31, 2005 and 2004; 1,877,330 shares issued and outstanding at March 31, 2005 and 1,851,012 issued and outstanding at March 31, 2004)		
	9,387	
9,255		
Additional paid-in capital	5,547	5,415
Retained earnings (accumulated deficit) (1,402)	208	
Accumulated other comprehensive (loss) income 26	(81)	

Total Shareholders' Equity	15,061	13,294

Total Liabilities And Shareholders' Equity	\$ 147,068	\$ 111,460

Income Statements
(in thousands, except share amounts)
(unaudited)

	For the three months ended	
	March 31,	
	2005	2004
Interest income	\$ 1,908	\$ 1,360
Interest expense	589	401

Net interest income	1,319	959
Provision for loan losses	60	55

Net interest income after provision for loan losses	1,259	

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Non interest income	37	28
Non interest expense	756	658
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Income before income taxes	540	274
Income taxes	25	4
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Net income	\$ 515	\$ 270
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Net income per share - basic	\$ 0.27	\$ 0.15
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Net income per share - diluted	\$ 0.26	\$ 0.14
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Average shares outstanding - basic 1,851,000	1,874,000	
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Average shares outstanding - diluted 1,891,000	1,950,000	
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2004 The above share figures have been restated for the 5% stock dividend distributed on June 1,

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