

## Company Info

### PRESS RELEASE

For Immediate Release

April 18, 2005

#### CARROLLTON BANCORP REPORTS QUARTERLY DIVIDEND, & 35% INCREASE IN EARNINGS

**BALTIMORE, MARYLAND** - Carrollton Bancorp (NASDAQ: CRRB) announced today a quarterly dividend of \$0.10 per share, payable June 1, 2005 to shareholders of record on May 12, 2005. Robert A. Altieri, President & CEO, stated that the cash dividend rate was based on stable current earnings and future prospects for the Company. Mr. Altieri reported that net income for the quarter ended March 31, 2005 increased 35% to \$413,000, or \$0.14 per share, compared to \$307,000, or \$0.11 per share for the same period of 2004. Core earnings (earnings before the effect of investment security transactions) for the quarter were \$368,000, a 56% increase over 2004 core earnings of \$236,000.

The commitment to the Company's business strategies set forth in 2001, to focus upon and increase the commercial lending portfolio, continues to show positive results. Commercial real estate and business loans at March 31, 2005 were \$166 million compared to \$136 million at the same time last year. This represents an increase of 22%. For the same period mentioned above, total loans increased 18%.

The Company continues to show growth in its deposit base, increasing from \$212 million as of March 31, 2004 to \$244 million as of March 31, 2005, a 15% increase. In January of 2005, the Company opened its first branch in Harford County, Maryland and will continue its expansion of branches and deposits in strategically located areas within the Baltimore Metropolitan area.

The Company's net interest margin improved to 3.86% compared to 3.82% for the same period last year. The increased NIM primarily was a result of the Company (1) increasing its non-interest bearing deposits (22% over prior year); (2) increasing the Company's commercial real estate and loan portfolio; and (3) the repricing in the last quarter of 2004 of approximately \$31.4 million in high funding cost certificates of deposit.

Noninterest income continues to be a large contributor to the Company's profitability during this transition period. Noninterest income for the first three months of 2005 was \$2,329,000 compared to \$2,071,000 in 2004, an increase of 12%. Part of that income is derived from Carrollton Mortgage Services, Inc., which is a full service mortgage subsidiary of Carrollton Bank offering mortgage products that are being originated and sold in the secondary market. Additionally, revenue generated from the Company's electronic banking division increased 8% from \$1,148,000 for the three month period ended March 31, 2004 to \$1,241,000 for the same period in 2005.

Market conditions adversely impacted the profitability of Carrollton Financial Services, Inc. ("CFS"), our brokerage subsidiary, as commission revenues have declined. CFS recognized fee income from brokerage activities of \$162,000 in 2005 compared to \$184,000 for the comparable three month period of 2004, a 12% decrease.

Mr. Altieri stated that management and the Board of Directors believe that earnings will continue to improve based on monthly results and economic forecasts. We believe the direction and approach we are taking for the future is the proven approach for a more profitable commercial bank. We have informed our shareholders of our course of action as well as the fact that it is a multi-year transformation, and we believe that our shareholders see the value in the long-term prospects for the Company, and will bear with us in the process.

Carrollton Bancorp is the parent company of Carrollton Bank, a commercial bank serving the deposit and financing needs of both consumers and businesses through a system of 11 branch offices in central Maryland and a network of ATMs located in Maryland, Virginia, and West Virginia. The Company provides brokerage services through Carrollton Financial Services, Inc., and mortgage services through Carrollton Mortgage Services, Inc., subsidiaries of the Bank.

This release contains forward-looking statements within the meaning of and pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. A forward-looking statement encompasses any estimate, prediction, opinion or statement of belief contained in this release and the underlying management assumptions. Forward-looking statements are based on current expectations and assessments of potential developments affecting market conditions, interest rates and other economic conditions, and results may ultimately vary from the statements made in this release.

For additional information, contact Barbara M. Broczkowski, Chief Financial Officer, (410) 536-7308.

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