

Old Harbor Bank Announces Second Quarter 2006 Operating Results and Closing of Common Stock Offering

CLEARWATER, Fla. July 18, Barry K. Miller, Chairman and Chief Executive Officer of Old Harbor Bank, Clearwater, Florida (BULLETIN BOARD:OHBK) announced today second quarter 2006 operating results and the closing of the offering of 558,778 shares at \$17.00 per share for total gross proceeds of \$9,499,226.

Net loss for the quarter was \$85,000 (\$.06 per share) compared to a profit of \$10,000 (\$.01 per share) for the same quarter in 2005. The year-to-date loss for 2006 was \$177,000 (\$.12 per share) compared to a loss of \$72,000 (\$.05 per share) for the same period in 2005. The year-to-date 2006 results are slightly better than the company's expectations. The company's 2006 results have been impacted by the increased operating expenses relating to the two new offices that were opened subsequent to June 30, 2005 and a third office for which staff has been hired but which is not yet open.

Total assets at June 30, 2006, were \$148 million, a \$40 million (37%) increase over the previous year. Total loans were \$109 million, a \$32 million (42%) increase and total deposits were \$116 million, a \$27 million (30%) increase.

Old Harbor Bank is a community bank, with total assets of \$148 million, which opened for business in July 2003. The bank provides commercial banking services to Pinellas, southwestern Pasco and northwestern Hillsborough Counties, Florida. Its headquarters office is located at 2605 Enterprise Road, Suite 100, Clearwater, Florida, and its telephone number is (727) 451-2265. Community Offices are located in Dunedin, Palm Harbor and Trinity, Florida with a Belleair Bluffs office to be opened in third quarter 2006.

This press release may contain 'forward-looking statements' that concern future events which are subject to risks and uncertainties. Any such statements are based on certain assumptions and analyses by the Bank and other factors it believes are appropriate in the circumstances. The Bank's actual results, events and developments may differ materially from those contemplated by any forward-looking statement.

OLD HARBOR BANK
Clearwater, Florida

FINANCIAL HIGHLIGHTS

(Dollars in thousands, except per share figures)

	At	
	June 30, 2006	June 30, 2005
Total assets	\$ 148,263	107,975
Loans, net	\$ 109,060	77,304
Deposits	\$ 116,150	88,699
Stockholders' equity	\$ 13,610	14,013
Book value per share	\$ 9.53	9.81
Number of common shares outstanding	1,428,800	1,428,800
	Three Months Ended 6/30/2006	Three Months Ended 6/30/2005
Interest income	\$ 2,288	1,421
Interest expense	<u>1,170</u>	<u>556</u>
Net interest income	1,118	865
Provision for loan losses	<u>146</u>	<u>149</u>
Net interest income after provision	972	716
Noninterest income	52	25
Noninterest expense	<u>1,156</u>	<u>724</u>
Earnings (loss) before income taxes	(132)	17
Income tax expense (benefit)	<u>(47)</u>	<u>7</u>
Net earnings (loss)	\$ <u>(85)</u>	10
Per Share	\$ <u>(.06)</u>	<u>.01</u>
	Six Months Ended 6/30/2006	Six Months Ended 6/30/2005
Interest income	\$ 4,251	2,572
Interest expense	<u>2,068</u>	<u>1,001</u>
Net interest income	2,183	1,571
Provision for loan losses	<u>295</u>	<u>340</u>
Net interest income after provision	1,888	1,231
Noninterest income	100	40
Noninterest expense	<u>2,262</u>	<u>1,384</u>
Earnings (loss) before income taxes	(274)	(113)
Income tax expense (benefit)	<u>(97)</u>	<u>(41)</u>
Net earnings (loss)	\$ <u>(177)</u>	<u>(72)</u>
Per Share	\$ <u>(.12)</u>	<u>(.05)</u>