

EASTERN INTEREST

Created Exclusively For The Clients Of Eastern Savings Bank

A Story Of Success

Eastern Savings Bank Celebrates 100 Years

In 1905 the Edwardian Era, ushered in by the coronation of King Edward VII, was in full swing. This era brought the dawning of a new age and attitude toward life. Tremendous technological and social change occurred, and Americans experienced newfound wealth and indulged in cuisine, fashion, entertainment, and travel. Socialism and communism began to take root in various parts of the world. Eastern Savings Bank was founded on May 29th.



King Edward VII

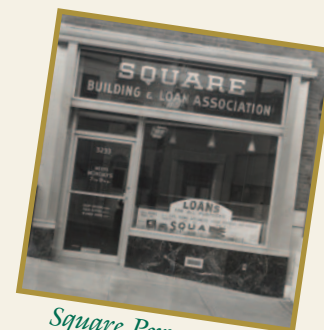


*Eastern Building and Loan Society
at 701 N. Milton Avenue*

The story of Eastern Savings Bank is a story of success. The Bank, then named Eastern Building and Loan Society of Baltimore City, was established in 1905 as a Maryland state chartered mutual building and loan association. By the mid 1900s, Eastern Building and Loan was only one of over 200 small savings and loan associations in the Baltimore area and was open just a few hours every Monday night to cater to its customers' limited needs. Throughout the years, Eastern Building and Loan maintained its neighborhood savings and loan image by catering to a customer base consisting primarily of local area residents.

In 1975, Eastern Building and Loan, still a small one-office association, had big dreams for a successful future. Square Permanent Building and Loan, though slightly larger, was another small association with a drive for success. After deliberating, the two banks agreed that a merger between them would be a wise and profitable decision. The merger took place on December 30, when the two became Square Permanent Building and Loan. At that time, Square Permanent Building and Loan was located in Baltimore City on Eastern Avenue with other branches in Overlea and in Easton. With this productive merger, the development of the bank, soon to be known as Eastern Savings and Loan Association, was well in progress.

In September 1980, the Board of Directors approved the conversion of Eastern Savings and Loan Association from a mutual association to a capital stock corporation. The conversion was completed in the spring of 1981, and Harold Goldsmith, a respected businessman from Baltimore, purchased the majority of stock and assumed the offices of President and Chief Executive Officer. At that time, Eastern Savings had \$7 million in assets. In the fall of 1981, under Mr. Goldsmith's leadership, a new branch was opened in Pikesville, and the Association began developing new products and services responsive to the lifestyles and financial needs of the consumers of the day.



*Square Permanent
Building and Loan at
3233 Eastern Avenue*

Keeping up with the rapidly changing financial industry, Eastern Savings Association converted from a state chartered savings association to a federally chartered and insured savings bank. On January 14, 1986 the Association changed its name to Eastern Savings Bank, fsb. In the fall of 1995, a fourth and final branch of Eastern Savings Bank was opened; this time, in Ellicott City. This branch opening was the last element in making Eastern Savings Bank the bank you know today.

Executive Plaza 2
 11350 McCormick Road, Suite 200
 Hunt Valley, Maryland 21031

Standing The Test Of Time...

Throughout the 20th century, the financial industry was a roller coaster of successes and failures. Following the Great Depression of 1929, the banking system was in chaos. Banks tried to collect on loans made to stock market investors whose holdings were then worth little to nothing at all, and, unable to raise fresh funds from the Federal Reserve, found their attempts to survive to be quite futile as banks began failing by the hundreds in 1932 and 1933. However, Eastern Savings Bank pulled through hard times and emerged as a healthy financial institution. Having survived the Great Depression, Eastern Savings Bank was optimistic and eager to face any accomplishment or obstacle that lay ahead. Since the 1930s, Eastern Savings Bank has welcomed the advent of new and exciting technologies, including telephone banking and internet banking, which enhances the convenience and ease of banking for our customers.



*Eastern Savings Bank's
 Ellicott City Branch*

Today, with assets over \$700 million, Eastern Savings Bank is currently the largest and most progressive privately held thrift in Maryland with a total of four savings branches in Maryland and lending offices in Hunt Valley, Maryland; Pittsburgh, Pennsylvania; and Cincinnati, Ohio.

On May 29, 2005 Eastern Savings Bank will celebrate 100 years of success in the banking industry. For the past century, Eastern Savings Bank has understood that there is no greater dream than that of owning a home, and has been proud to be a national lender able to help make that dream a reality for so many throughout the United States. Eastern Savings Bank has also spent the last 100 years taking great pride in its roots and has been dedicated to providing exceptional, personalized community banking for its friends and neighbors of Baltimore's surrounding

communities. To commemorate this impressive milestone, we would like to invite you, our loyal customers and the cornerstone of our 100 years of success, to celebrate with us on June 3 and 4, 2005. Join us, your Eastern Savings Bank family, at your local branch for food, fun, and celebration of our past 100 years in business. ■

Calendar of Events: January-July 2005

Branch Closings

Martin Luther King Jr. Day..... Monday, January 17
 Presidents' Day..... Monday, February 21
 Memorial Day..... Saturday, May 28 and Monday, May 30
 Independence Day..... Monday, July 4

Special Events

Passover Wine Giveaway..... Week of April 11
 Celebrate Spring..... Week of May 2
 Anniversary Celebration..... Friday, June 3 and Saturday, June 4



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