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CBT completes its first full quarter of operations

(Hartford, CT, July 19, 2004) The Connecticut Bank and Trust Company (OTC BB: CTBC.OB) received its permanent charter from the Connecticut Department of Banking on March 12, 2004 and immediately commenced operations at its headquarter's location in downtown Hartford. By the end of March all three authorized locations were up and running as both Glastonbury and West Hartford were staffed and opened.

The Connecticut Bank and Trust Company ("CBT") completed its first full quarter of operations on June 30, 2004. As expected, the Company operated at a loss for the period. The loss for the quarter was \$928,000 or \$0.50 per share on both a basic and fully diluted basis.

At June 30, 2004, total assets were \$24.9 million. Total deposits at quarter end amounted to \$8.8 million including core checking and savings deposits of \$6.4 million and time deposits of \$2.4 million. Total Equity at June 30, 2004 was \$ 16.0 Million

Chairman and CEO, David A. Lentini, expressed satisfaction with the results. He noted also that requests for loans had been brisk and that as of June 30, 2004, total loans outstanding amounted to \$5.9 million with additional requests of approximately \$5 million were expected to close within the next 30 days.

The summarized results for the quarter included net interest income and fees for services of \$126,000 and \$4,000, respectively. Noninterest expenses amounted to \$997,000 and a \$2,000 loss from the sale of investment securities. Provisions for loan losses during the quarter were \$58,000. The net interest margin for the quarter was 2.41%.

(more)

Selected Financial Data (amounts in thousands except per share data):

Balance sheet data as of:	<u>March 31, 2004</u>	<u>June 30, 2004</u>
Total Assets	\$20,166	\$24,856
Total Loans	50	5,927
Total Deposits	2,833	8,772
Total Equity Capital	16,967	15,991

Results of operation through June 30, 2004

	<u>Quarter</u>
Net interest income	\$ 126
Provisions for loan losses	\$ 58
Noninterest expenses	\$ 998
Net operating loss	\$ 928
Average shares outstanding	1,850
Basic loss per share	\$ 0.50
Fully diluted loss per share	\$ 0.50

The Connecticut Bank and Trust Company (OTC BB: CTBC.OB) headquartered in Hartford, CT, is a Connecticut-based bank devoted to delivering a high level of personal service, primarily to small businesses and consumers. CBT provides both commercial and retail services from its Hartford location as well as branches in West Hartford and Glastonbury, CT. Visit us on the web at www.thecbt.com.