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FOR IMMEDIATE RELEASE

New Jersey Community Bank Reports Third Quarter 2012 Results

FREEHOLD, NJ, October 18, 2012 – New Jersey Community Bank (OTCBB: NJCB) (the "Bank") reported net income of $1 thousand for the three months ended September 30, 2012, compared to the third quarter 2011 earnings of $113 thousand, or $0.06 per common share. For the first nine months of 2012, the Bank reported net income of $221 thousand, or $0.12 per common share compared with a net income of $414 thousand, or $0.23 per common share for the same period in the prior year. The earnings for the third quarter and nine months ended September 30, 2012 were negatively impacted by non-interest expense recorded in connection with a settlement with a former executive in the amount of $130 thousand, net of tax effect. Excluding this item, the Bank would have reported earnings of $131 thousand, or $0.08 per common share and $351 thousand, or $0.20 per common share for the third quarter and the nine months ended September 30, 2012, respectively.

Robert D. O'Donnell, Chairman and CEO commented that, "We continue to operate in a difficult environment for community banks. We continue to combat the low level of interest rates and intense competition for new loans. However, we expect to close the fourth quarter and the year 2012 on a positive note. Our "approved but unfunded" loan pipeline remains healthy and our asset quality continues to be strong."

All common share data presented in this press release including earnings per common share data was adjusted to reflect a five percent stock dividend issued on May 31, 2012.

Balance Sheet Summary

At September 30, 2012, total assets were $132.3 million, a moderate increase compared to year end 2011. Total cash and cash equivalents and due from banks time deposits totaled $20.4 million, a decrease of $0.7 million from year end 2011. Total investment securities decreased $4.3 million to $15.9 million at September 30, 2012 compared with year end 2011 while loans receivable increased $5.5 million from December 31, 2011. The cash flow resulting from the decrease in both cash and cash equivalents and investment securities was used to fund the loan growth.

Deposits totaled $116.3 million at September 30, 2012, a moderate decrease from year end 2011 as our deposit portfolio was restructured away from time deposits and into core accounts, resulting in a reduced cost of funds. Of the total decrease of $0.1 million in deposits, time deposits decreased $4.3 million, offset by an increase of $1.9 million in demand deposits and $2.3 million in savings, NOW and money market deposits. Shareholders' equity totaled $15.6 million at September 30, 2012. The Bank's capital ratios remain strong and exceed the regulatory requirements of a well capitalized financial institution.

Results of Operations

For the quarter ended September 30, 2012, net interest income totaled $1.2 million, an increase of $54 thousand over the same period in the prior year. The increase in net interest income was primarily due to declining interest rates on deposits resulting in a reduction in interest paid on deposits despite an increase in average interest-bearing deposits. Net interest margin improved by 9 basis points to 3.71% for the quarter ended September 30, 2012, over the comparable quarter in 2011. Average yield on earning assets was 4.70%, dropping 10 basis points over the prior year and average rate on interest paying liabilities was 1.17%, dropping 25 basis points over the comparable quarter in the prior year.

The provision for loan loss was $20 thousand for the third quarter 2012, a decrease of $10 thousand compared to the year-ago quarter. The allowance for loan loss at period-end was $1.2 million, or 1.26% of total loans. Mr. O'Donnell noted, "We monitor the adequacy of the allowance for loan loss on an ongoing basis and consider the current level of the allowance for loan losses to be adequate."

Non-interest income decreased $24 thousand to $75 thousand for the quarter ended September 30, 2012 compared with $99 thousand for the same quarter in the prior year. The majority of the decrease is directly related to a decrease in fees and service charges on deposit accounts.

Non-interest expense totaled $1.2 million for the quarter ended September 30, 2012, an increase of $233 thousand from year-ago quarter, primarily due to a compensation expense recorded in connection with a settlement with a former executive. Of the total increase, salaries and employee benefits increased net $213 thousand (including the $272 thousand cost of settlement), occupancy and equipment expense increased $13 thousand and all other expenses combined increased a net of $7 thousand.

About the Bank

New Jersey Community Bank is a state-chartered commercial bank headquartered in Freehold, New Jersey. The Bank opened for business in July 2008 and operates three full-service banking offices in the central New Jersey counties of Monmouth and Middlesex. The Bank provides traditional commercial and retail banking services to small businesses and consumers. For additional information about New Jersey Community Bank, please visit www.njcbk.com or call 732-431-2265.

Forward-Looking Statements

This release contains forward-looking statements relating to present or future trends or factors affecting the banking industry, and specifically the financial condition and results of operations, including without limitation, statements relating to the earnings outlook of the Bank, as well as its operations, markets and products. Actual results could differ materially from those indicated. Among the important factors that could cause results to differ materially are interest rate changes, change in economic climate, which could materially impact credit quality trends and the ability to generate loans, changes in the mix of the Bank's business, competitive pressures, changes in accounting, tax or regulatory practices or requirements, resolution of tax reviews, and those risk factors detailed in the Bank's periodic reports. The Bank undertakes no obligation to release revisions to these forward-looking statements or reflect events or circumstances after the date of this release.

Contacts at New Jersey Community Bank:

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Source: New Jersey Community Bank

New Jersey Community Bank

Selected Financial Highlights

(unaudited)

	As of or for the Quarters Ended				
(in thousands, except per share and percentage data)	**9/30/2012**	**6/30/2012**	**3/31/2012**	**12/31/2011**	**9/30/2011**
Summary of Operations:					
Interest income	$ 1,496	$ 1,465	$ 1,459	$ 1,464	$ 1,509
Interest expense	315	323	351	380	382
Net interest income	1,181	1,142	1,108	1,084	1,127
Provision for loan and lease loss	20	25	45	35	30
Net interest income after provision for loan loss	1,161	1,117	1,063	1,049	1,097
Non-interest income	75	77	102	127	99
Non-interest expense	1,223	994	974	964	989
Income before income tax expense	13	200	191	212	207
Income tax expense	12	88	83	74	94
Net income	$ 1	$ 112	$ 108	$ 138	$ 113
Per Common Share[(1)]:					
Basic	$ 0.00	$ 0.06	$ 0.06	$ 0.08	$ 0.06
Diluted	0.00	0.06	0.06	0.08	0.06
Book value per share	8.59	8.57	8.47	8.41	8.38
Average shares outstanding	1,818	1,818	1,818	1,818	1,818
Average diluted shares outstanding	1,818	1,818	1,818	1,818	1,818
Selected Financial Ratios:					
Return on average assets	0.00%	0.34%	0.32%	0.43%	0.35%
Return on average common equity	0.03%	2.90%	2.81%	3.62%	3.00%
Average equity to average assets	11.94%	11.80%	11.47%	11.73%	11.70%
Risk-based capital:					
Total risk-based capital ratio	15.81%	16.15%	16.67%	16.39%	16.35%
Tier 1 risk-based capital ratio	14.66%	14.99%	15.49%	15.25%	15.16%
Tier 1 leverage capital ratio	11.60%	11.50%	11.16%	11.41%	11.17%
Financial Condition:					
Total assets	$ 132,251	$ 131,336	$ 132,176	$ 132,050	$ 129,402
Loans, net of unearned income	93,322	90,440	87,794	87,857	86,938
Deposits	116,257	115,345	116,385	116,394	113,821
Shareholder's equity	15,621	15,587	15,406	15,293	15,231

[(1)] Data have been restated to give effect to the 5% stock dividend paid in 2012.

New Jersey Community Bank
Statements of Financial Condition

(dollars in thousands, except share data)

	September 30, 2012	December 31, 2011
Assets	(unaudited)	
Cash and due from banks - non-interest bearing	$ 1,438	$ 1,519
Federal funds sold and interest-bearing deposits with banks	12,125	12,877
Total Cash and Cash Equivalents	13,563	14,396
Due from banks - time deposits	6,817	6,671
Investment Securities:		
Available-for-sale	12,957	18,719
Held-to-maturity	2,937	1,469
Total Investment Securities	15,894	20,188
Loans Receivable, net of unearned income	93,322	87,857
Less: Allowance for loan losses	(1,180)	(1,101)
Net Loans	92,142	86,756
Premises and equipment, net	2,481	2,610
Accrued interest receivable	418	363
Deferred tax assets	605	753
Other assets	331	281
Total Assets	$ 132,251	$ 132,018
Liabilities and Shareholders' Equity		
Liabilities		
Deposits:		
Non-interest bearing	$ 7,938	$ 6,057
Savings, NOW and money market	38,840	36,508
Time deposits $100M and over	48,769	50,483
Time deposits, other	20,710	23,346
Total Deposits	116,257	116,394
Accrued interest payable	13	15
Other liabilities	360	316
Total Liabilities	116,630	116,725
Shareholders' Equity		
Common stock, $2 par value; authorized 10,000,000 shares; issued and outstanding 1,817,662 and 1,648,783 shares, respectively	3,635	3,462
Surplus	13,829	13,930
Accumulated Deficit	(1,927)	(2,147)
Accumulated other comprehensive income (loss)	84	48
Total Shareholders' Equity	15,621	15,293
Total Liabilities and Shareholders' Equity	$ 132,251	$ 132,018

New Jersey Community Bank

Statements of Income

(unaudited)
(dollars in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	**2011**	**2012**	**2011**
Interest Income				
Loans receivable, including fees	$ 1,400	$ 1,399	$ 4,084	$ 4,159
Investment securities	80	92	285	261
Federal funds sold and interest-bearing deposits with banks	6	8	21	16
Due from banks - interest bearing	10	10	30	28
Total Interest Income	1,496	1,509	4,420	4,464
Interest Expense				
Deposits	315	382	989	1,079
Net Interest Income before Provision for Loan Loss	1,181	1,127	3,431	3,385
Provision for Loan Loss	20	30	90	208
Net Interest Income after Provision for Loan Loss	1,161	1,097	3,341	3,177
Non-Interest Income				
Fees and service charges on deposit accounts	54	80	198	247
Loan fee income	8	9	24	20
All other income	13	10	32	25
Total Non-Interest Income	75	99	254	292
Non-Interest Expense				
Salaries and employee benefits	814	600	1,964	1,618
Occupancy and equipment	197	184	576	498
Data processing services	38	38	116	104
Professional and other fees	58	57	192	163
Advertising and promotion	(5)	3	12	21
Federal insurance assessment	28	27	85	99
Other operating expenses	93	80	247	219
Total Non-Interest Expenses	1,223	989	3,192	2,722
Income Before Income Tax Expense	13	207	403	747
Income tax expense	12	94	182	333
Net Income	$ 1	$ 113	$ 221	$ 414
Income per share:				
Basic and diluted	$ 0.00	$ 0.06	$ 0.12	$ 0.23
Weighted average number of common shares outstanding				
Basic and diluted	1,818	1,818	1,818	1,818

New Jersey Community Bank

Analysis of Average Balance Sheet and Net Interest Income

(unaudited)

	For the Three Months Ended					
	September 30, 2012			September 30, 2011		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
Interest Earning Assets:						
Loans	$ 91,986	$ 1,400	6.05%	$ 88,334	$ 1,397	6.28%
Investment securities	16,269	80	1.97%	14,772	92	2.50%
Federal funds sold and interest-bearing deposits with banks	11,880	6	0.22%	17,181	8	0.20%
Due from banks - time deposits	6,544	10	0.60%	4,529	10	0.88%
Total interest-earning assets	126,679	1,496	4.70%	124,816	1,508	4.80%
Allowance for loan loss	(1,171)			(1,140)		
Cash and due from banks - non-interest bearing	1,226			1,353		
All other assets	3,831			4,206		
Total assets	$ 130,565			$ 129,235		
Interest Bearing Liabilities:						
Deposits:						
Savings, NOW and money market	$ 39,664	70	0.71%	$ 32,868	90	1.09%
Time deposits $100M and over	46,428	158	1.35%	50,648	192	1.51%
Time deposits, other	21,316	86	1.61%	23,258	100	1.70%
Total interest-bearing deposits	107,408	315	1.17%	106,773	382	1.42%
Demand	7,140			7,029		
Other liabilities	424			316		
Total liabilities	114,973			114,118		
Stockholders' equity	15,592			15,117		
Total liabilities & stockholders' equity	$ 130,565			$ 129,235		
Net interest income		$ 1,181			$ 1,126	
Average interest rate spread			3.53%			3.37%
Net interest margin			3.71%			3.62%