

PRESS RELEASE

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ALLIANCE BANK REPORTS FIRST QUARTER RESULTS.

Broomall, Pennsylvania. April 10, 2003 – Alliance Bank (NASDAQ Small Cap -- ALLB) today announced results for the quarter ended March 31, 2003.

The Bank reported net income of \$580,000 or \$.17 per share for the quarter ended March 31, 2003 as compared to \$624,000 or \$.18 per share for the quarter ended March 31, 2002. Net interest income increased \$211,000 or 8.0% to \$2.8 million while other income decreased \$28,000 or 9.7% to \$262,000 for the quarter ended March 31, 2003 as compared to the same period in 2002. Other expenses increased \$286,000 or 13.9% to \$2.3 million, which was partially offset by a lower provision for income taxes for the quarter ended March 31, 2003 as compared to the same period in 2002. The increase in other expenses primarily resulted from operating costs and professional fees related to certain nonperforming assets and the opening of a new full service office in March 2002.

The Bank's total assets increased \$315,000 or 0.1% and amounted to \$368.7 million at March 31, 2003 as compared to \$368.4 million at December 31, 2002. Cash and cash equivalents increased \$10.4 million or 22.3% to \$57.1 million while net loans receivable decreased \$4.2 million or 2.3% to \$182.8 million and investment and mortgage-backed securities decreased \$5.9 million or 5.1% to \$109.5 million at March 31, 2003. Customer deposits grew \$718,000 or 0.3% to \$269.6 million at March 31, 2003 from \$268.9 million at December 31, 2002. Total stockholders' equity amounted to \$34.8 million or 9.4% of total assets at March 31, 2003. Nonperforming assets amounted to \$11.0 million at March 31, 2003 as compared to \$10.6 million at December 31, 2002. The nonperforming assets at March 31, 2003 included \$9.5 million in nonperforming loans and \$1.5 million in other real estate owned. The allowance for loan losses was \$3.5 million or 36.4% of nonperforming loans at March 31, 2003 as compared to \$3.4 million or 36.4% at December 31, 2002.

Alliance Bank is a Pennsylvania chartered stock savings bank, headquartered in Broomall, Pennsylvania and conducts business through eight full-service offices, all located in Delaware County, Pennsylvania.

ALLIANCE BANK

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

(In thousands except per share data)

	Three Months Ended	
	March 31,	
	2003	2002
Interest income	\$5,018	\$5,776
Interest expense	2,175	3,144
Net interest income	2,843	2,632
Provision for loan losses	120	120
Other income	262	290
Other expenses	2,348	2,062
Income before income taxes	637	740
Income tax expense	57	116
Net income	<u>\$ 580</u>	<u>\$ 624</u>
Basic earnings per share	<u>\$0.17</u>	<u>\$0.18</u>
Diluted earnings per share	<u>\$0.17</u>	<u>\$0.18</u>

SELECTED FINANCIAL DATA

(In thousands)

	March 31,	Dec. 31,
	2003	2002
Total assets	\$368,747	\$368,432
Cash and cash equivalents	57,109	46,698
Investment and mortgage-backed securities	109,464	115,383
Loans receivable - net	182,801	187,016
Deposits	269,622	268,904
Total borrowings	61,428	62,106
Total stockholders' equity	34,825	34,906