

Fraternity Community Bancorp, Inc. (OTC Pink: FRTR; Baltimore, MD) has agreed to merge with Hamilton Bancorp, Inc. (NASDAQ: HBK; Towson, MD)

Deal Value: Approximately \$27 Million

Sandler O'Neill served as exclusive financial advisor to Fraternity Community Bancorp, Inc. and rendered a fairness opinion in connection with the transaction. This transaction is Sandler O'Neill's 98th bank and thrift transaction nationwide since January 1, 2014 representing \$17.3 billion in aggregate transaction value, more than any other investment bank during that time period.¹

This transaction marks the 9th Mid-Atlantic bank and thrift transaction that Sandler O'Neill has advised on since January 1, 2015 representing \$2.5 billion in aggregate transaction value, more than any other investment bank during that time period.¹

TOWSON, Md. and BALTIMORE, Md. (Oct. 13, 2015)—Hamilton Bancorp, Inc. (NASDAQ: HBK) and Fraternity Community Bancorp, Inc. (OTCBB: FRTR) jointly announced today that they have entered into an agreement and plan of merger. Under the terms of the merger agreement, Fraternity Community Bancorp, Inc. and its subsidiary Fraternity Federal Savings and Loan Association (collectively, "Fraternity") will merge into Hamilton Bancorp, Inc. and its subsidiary Hamilton Bank (collectively, "Hamilton") in a cash transaction valued at \$19.25 per share, or approximately \$27 million in the aggregate. As a result of the merger, Hamilton will have eight branch locations and pro-forma assets in excess of \$500 million with \$340 million in loans and deposits of \$400 million.

The merger is subject to certain conditions, including the approval of the shareholders of Fraternity Community Bancorp and receipt of customary regulatory approvals. The merger is expected to be completed early in the second quarter of 2016.

"We are very excited to continue our growth strategy to build a strong local community bank with increased earnings and shareholder value," said Robert DeAlmeida, President and CEO of Hamilton. "Fraternity is a natural fit for us, given our shared dedication to providing superior products and customer service to the Greater Baltimore Metropolitan community for more than 200 years combined. The merger allows Hamilton to leverage our existing presence in Baltimore County and Baltimore City while expanding to Howard County."

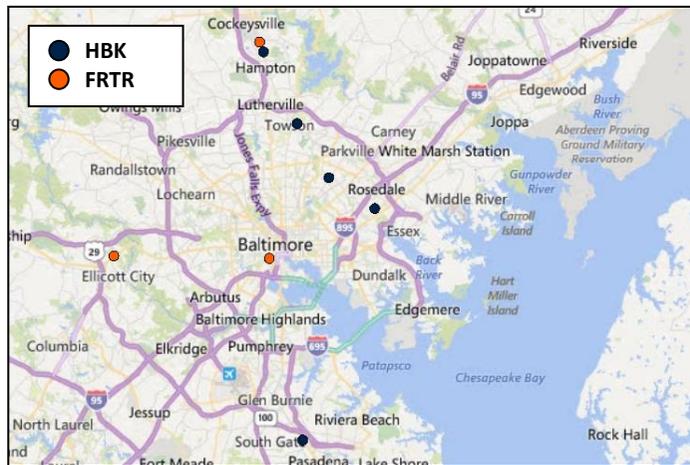
"We are excited about merging with Hamilton Bank and feel it will benefit our customers, employees and shareholders," said Thomas Sterner, Chairman and CEO of Fraternity. "Our customers will benefit from Hamilton Bank's expanded product offerings and technology. Hamilton shares our same community bank philosophy and believes in providing superior customer service that can only be found in a community bank and that our customers value."

Financial Highlights

<i>\$s in millions</i>	FRTR	HBK
Total Assets	\$162	\$291
Total Net Loans	116	168
Total Deposits	113	223
Total Equity	27	60
TCE / TA	16.8%	19.9%
NPAs / Assets	1.52	2.68

(1) Source: SNL Financial; excludes terminated transactions and self-advisory roles. Note: Financial highlights as of 6/30/15.

Pro Forma Branch Map



Sandler O'Neill Contacts:
1251 Avenue of the Americas, 6th Floor
New York, NY 10020

Derek Szot
 Managing Director
 (212) 466-7717

Justin Kessler
 Associate
 (212) 466-8051

Parker Hurst
 Analyst
 (212) 466-8037