

CAPITAL MARKETS ANNOUNCEMENT

Old Line Bancshares, Inc. Closes \$35.0 Million Offering of 5.625% Subordinated Notes due 2026

Sandler O'Neill + Partners, L.P. served as the book-running manager for this offering.

This transaction is the 75th subordinated note or senior note transaction for a community bank since January 1, 2014 in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner, or initial purchaser.¹ Since May 20, 2016, Sandler O'Neill has raised over \$1.32 billion for its clients in 18 transactions, capturing an 85.7% market share of announced transactions.²

About the Offering:

BOWIE, MD – Old Line Bancshares, Inc. ("Company") (NASDAQ: OLBK), the parent company of Old Line Bank, today closed its offering of \$35 million aggregate principal amount of 5.625% Fixed-to-Floating Rate Subordinated Notes due 2026 (the "Notes").

The Notes are being offered to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and to certain institutional "accredited investors" as defined in Rule 501 under Regulation D of the Securities Act. The Notes will bear interest at a fixed rate of 5.625% per annum for the first five years after issuance; thereafter and through maturity or earlier redemption the interest rate on the Notes will reset quarterly to an annual interest rate equal to the then-current three-month LIBOR rate plus 450.2 basis points.

The Company intends to use the net proceeds from the sale of the Notes to fund its anticipated purchase of the remaining 37.5% interest in Pointer Ridge Office Investments, LLC—the Company's real estate subsidiary—of which it currently owns 62.5%, to repay certain indebtedness and for general corporate purposes, including to fund future growth.

This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.

About the Company:

Old Line Bancshares, Inc. is the parent company of Old Line Bank, a Maryland chartered commercial bank headquartered in Bowie, Maryland, approximately 10 miles east of Andrews Air Force Base and 20 miles east of Washington, D.C. Old Line Bank has 24 branches located in its primary market area of suburban Maryland (Washington, D.C. suburbs, Southern Maryland and Baltimore suburbs) counties of Anne Arundel, Baltimore, Calvert, Carroll, Charles, Montgomery, Prince George's and St. Mary's. It also targets customers throughout the greater Washington, D.C. and Baltimore metropolitan areas.

(1) Source: Sandler O'Neill + Partners. Deal count includes nationwide subordinated debt and senior note offerings since 1/1/2014 for banks or bank holding companies with less than \$25 billion in assets.

(2) Source: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes \$1,000 par subordinated debt and senior note offerings for Community Banks; Community Banks defined as banks or bank holding companies with less than \$25 billion in assets.

(3) Source: SNL Financial. Financial data is not pro forma for the offering.

August 15, 2016

5.625% Fixed-to Floating Rate
Subordinated Notes due 2026
\$35.0 Million



OLD LINE
BANCSHARES, INC.
Experience is Our Best Asset

Book-Running Manager
SANDLER O'NEILL + PARTNERS

Financial Highlights as of June 30, 2016³

(\$ in Millions)

| | |
|------------------------------------|-----------|
| Total Assets | \$1,590.0 |
| Gross Loans | \$1,248.0 |
| Total Deposits | \$1,262.9 |
| Total Equity | \$149.2 |
| Leverage Ratio | 8.74% |
| Tier 1 Risk-Based Capital Ratio | 10.14% |
| Total Risk-Based Capital Ratio | 10.61% |
| Tang. Common Equity / Tang. Assets | 8.58% |

Sandler O'Neill Contacts:

Jacques de Saint Phalle

Principal

(212) 466-7721

Bill Boyan

Managing Director

(212) 466-7720

Steve Glassgold

Principal

(212) 466-7758

Susan Weinberg

Managing Director

(212) 466-7807

James Furey

Managing Director

(212) 466-7934

Jennifer Docherty

Managing Director

(212) 466-7796

Joe Krumholz

Analyst

(212) 466-8039