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Press release -- for immediate release  
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### **Chesapeake Financial Shares Reports Third Quarter Earnings**

On behalf of Chesapeake Financial Shares, Inc. (CFS), Jeffrey M. Szyperski, Chairman of the Board & CEO, reported earnings for the third quarter of 2010 of \$1,945,102 representing a 31% increase over third quarter 2009 earnings. Chesapeake Financial Shares is the parent company of both Chesapeake Bank and Chesapeake Investment Group. The reported earnings per share were \$.71 fully diluted as compared to \$.53 in 2009. Szyperski commented, "For the first nine months of 2010, CFS reported earnings of \$4,436,321, or a 24% increase over the first nine months of 2009."

"CFS ended September 30, 2010 with total assets of \$605,124,972, an increase of 3.0% from December 31, 2009. We have shown a net increase in loans of \$1 million over the same period," Szyperski commented.

In the current economic environment, the bank has been diligent in surveillance and workouts of problem loans. Nonperforming loans were 2.71% of total loans as of September 30, down from 3.04% as of June 30.

The Board of Directors voted to maintain the dividend of \$.11 per share payable on or before December 15, 2010 to shareholders of record as of December 1, 2010. Currently CFS's dividend yield is over 3.2% and the stock is trading at less than a 6.1 times price/earnings multiple despite consistently strong performance.

CFS continues to purchase shares on the open market consistent with the repurchase plan announced last quarter. "Given our current stock price, this is a good thing for long-term shareholder value," stated Szyperski.

The company is now being followed by Zacks Investment Research. For a full research report, go to the "Investor Information" tab under "About Chesapeake Bank" at [www.chesbank.com](http://www.chesbank.com).

For additional information about Chesapeake Financial Shares stock (CPKF), please go to Chesapeake Bank's website at [www.chesbank.com](http://www.chesbank.com). Chesapeake Financial Shares remains a publicly traded company and is traded on the over-the-counter market. Also, you are invited to become a fan of Chesapeake Bank on Facebook at [www.facebook.com/chesbank](http://www.facebook.com/chesbank) and follow Chesapeake on Twitter at [www.twitter.com/chesbank](http://www.twitter.com/chesbank). Also, please view our quarterly earnings video at [www.chesbank.com/news/video.php](http://www.chesbank.com/news/video.php).

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