

November 5, 2003

Dear Shareholders, Customers and Friends:

2003 has certainly been a busy year for Affinity Bank. After only a little more than one year from commencement of the organization process and only ten months from the filing of our application with the Pennsylvania Department of Banking, we opened for business on April 11th and held our Grand Opening on May 16th. In less than six months of operation, we have many accomplishments of which to be proud. Our growing customer base is a clear reflection of our acceptance in the community.

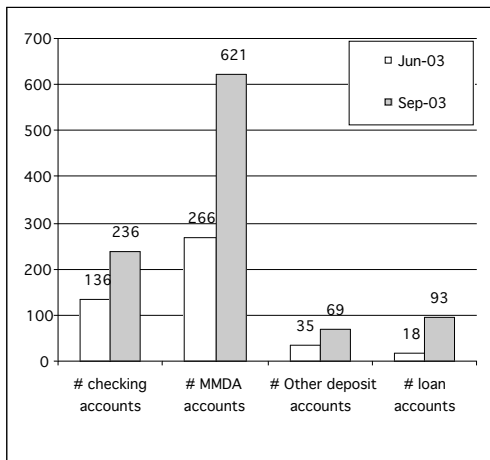
A recap of the accomplishments during the organization of your bank:

- Raised more than \$8.1 million of capital from 245 investors (over \$2 million more than the minimum requirement).
- Constructed and moved into our corporate and main banking offices.
- Hired a staff of 12 dedicated employees.

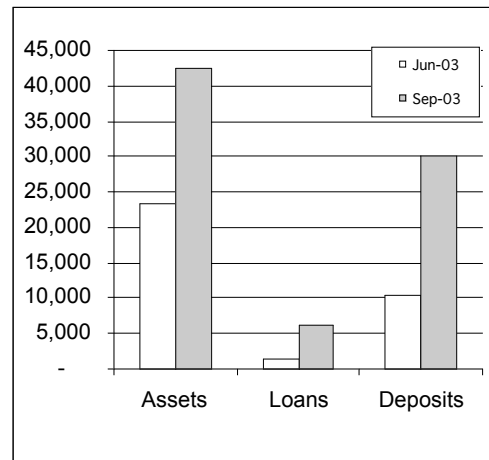
While financial highlights through September 30, 2003 are covered in the graphs below, I would like to mention just a few of these accomplishments:

- Opened 926 deposit accounts totalling more than \$30 million.
- Provided 93 loans for a total of \$9.1 million.
- Total assets grew to \$42.4 million.

Accounts Opened (#)



Total Outstanding (\$ 000's)



In addition to these financial highlights, we are pleased to announce these non-financial highlights:

- This month we will be introducing Affinity Bank's telephone banking. This free service will allow customers to access their accounts 24 hours a day/7 days a week.
- Our website at www.affinitybankpa.com is now available. Please visit our website for current interest rates, news and promotions.
- Home equity line of credit special with a low fixed rate of 3.24% until 12/31/05.
- 2.0% APY premium checking rate.
- 2.22% APY money market savings rate guaranteed until 2/22/04.
- Formation of President's Club, which entitles all Charter Shareholders to either a basic or premium checking account free of service charges for life.

Upcoming Events:

- Affinity Bank will host the Berks County Chamber of Commerce Mixer on December 3, 2003.
- We will also sponsor the Berks County Chamber of Commerce Breakfast on May 5, 2004.

Just a reminder to keep your bank in mind when talking to family, friends and business contacts, for as shareholders of Affinity Bank, you can be a great source of loan and deposit referrals.

Again, thank you for your support and please call me should you have any questions regarding the Bank's progress.

Sincerely,

Steven A. Ehrlich
Chairman, President and
Chief Executive Officer