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GLEN BURNIE BANCORP
Form 8-K
January 28, 2004

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): January 26, 2004

GLEN BURNIE BANCORP

(Exact name of registrant as specified in its charter)

Maryland	0-24047	52-1782444
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

101 Crain Highway, S.E., Glen Burnie, Maryland 21061
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (410) 766-3300

Inapplicable
(Former Name or Former Address if Changed Since Last Report)

INFORMATION TO BE INCLUDED IN THE REPORT

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits

The following exhibits are filed herewith:

Exhibit No.

99.1 Press Release dated January 26, 2004

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Item 12. Results of Operation and Financial Condition.

Reference is made to the press release issued by the Registrant on January 26, 2004, the text of which is attached hereto as Exhibit 99.1.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GLEN BURNIE BANCORP
(Registrant)

Date: January 27, 2004

By: /s/ F. William Kuethe, Jr.

F. William Kuethe, Jr.
President and Chief Executive Officer

Exhibit 99.1

N E W S R E L E A S E

January 26, 2004
FOR IMMEDIATE RELEASE

Contact: Alison Tavik
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410-608-5581 (cell)
adtavik@bogb.net

GLEN BURNIE BANCORP ANNOUNCES FOURTH QUARTER
AND YEAR END EARNINGS

Highlights:

- o 4Q net income up 55.78%
- o 2003 net income up 9.47%
- o 4Q earnings per share up 51%
- o 2003 earnings per share up 8.9%
- o 2003 ROA 1.05%

GLEN BURNIE, MD (January 26, 2004) - Glen Burnie Bancorp (NASDAQ: GLBZ), parent company of The Bank of Glen Burnie, today reported fourth quarter and year end earnings for 2003.

The company realized net income of \$849,000 (+55.78%) for the quarter ended December 31, 2003 compared to \$545,000 for the same three-month period in 2002. Net interest income for the quarter after provisions for credit losses was

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\$2,955,000 (+6.56%) as compared to \$2,773,000 for the same time period in 2002.

For the year ended December 31, 2003, net income increased to \$3,077,074 (+9.47%) as compared to \$2,811,083 in 2002 which reflected an after-tax gain of approximately \$470,000 resulting from an amendment to the bank's post-retirement benefit program.

The company's net interest income after provisions for credit losses was \$11,223,294 in 2003 (-1.27%) as compared to \$11,368,150 in 2002. Assets at year-end grew to \$302,252,466 (+8.18%) as compared to \$279,406,206 in 2002.

"Given the economy's sluggish recovery, I am really pleased with our performance in 2003," said President and CEO F. William Kuethe, Jr. "Of course the really good news is the performance of our stock. Since being listed on NASDAQ, we are seeing much more trading activity and an increase in price. That represents real value to our stockholders," Kuethe stated.

For the quarter, basic and diluted earnings per share were up over 51% to \$0.50 in 2003 as compared to \$0.33 in 2002. For the year, basic and diluted earnings per share rose 8.9% to \$1.83 in 2003 as compared to \$1.68 in 2002. In 2003 stockholders' equity increased 9.9% to \$23,947,628 from \$21,789,386 in 2002.

"Our performance illustrates that Glen Burnie Bancorp is a solid investment," said Kuethe. To date, the company has issued 45 consecutive quarterly dividends. Declared dividends in 2003 included four quarterly regular dividends and one bonus dividend totaling 54 cents per common share outstanding. In December 2003, the company also declared a stock dividend of one share for every five. The stock dividend was issued in January 2004.

Kuethe also noted that Glen Burnie Bancorp demonstrated efficient use of capital in 2003. The company's return on equity (ROE) was 13.56% and return on assets (ROA) was 1.05%.

Performance Highlights:

Kuethe cites the following key factors as contributing to the company's overall performance in 2003:

- o 2003 net interest margin was 4.56%.
- o Loans, less allowance for credit losses, grew 9.18% in 2003 to \$172,819,049 from \$158,286,749 in 2002.
- o Core deposits grew to \$256,908,236 (+6.42%) in 2003 from \$241,419,607 in 2002.
- o 2003 total other income increased by 33.03% to \$2,289,413 in 2003 from \$1,721,081 in 2002 (excluding the pre-tax gain resulting from an amendment to the bank's post-retirement benefit program).

The Bank of Glen Burnie has been awarded the 5-Star Superior Rating from BAUER FINANCIAL Reports, Inc., the nation's leading independent bank research firm, for six consecutive semi-annual periods. This distinction denotes the highest level of strength, safety and performance attainable. The 5-Star Superior Rating is based on factors such as capitalization, liquidity, loan delinquency rate and historical performance.

Glen Burnie Bancorp, parent company to The Bank of Glen Burnie,

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www.thebankofglenburnie.com, currently maintains assets totaling more than \$300 million. The Bank of Glen Burnie is a locally-owned community bank with seven branch offices serving Maryland's Northern Anne Arundel County as its oldest, independent commercial bank.

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Certain information contained in this news release, which does not relate to historical financial information, may be deemed to constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties, which could cause the company's actual results in the future to differ materially from its historical results and those presently anticipated or projected. For a more complete discussion of these and other risk factors, please see the company's reports filed with the Securities and Exchange Commission.

Glen Burnie Bancorp and Subsidiaries
Condensed Consolidated Balance Sheet
(dollars in thousands, except per share amounts)

Assets

Cash and due from banks
Interest bearing deposits
Federal funds sold
Investment securities
Common Stock in the Glen Burnie Statutory Trust I
Loans, net of allowance
Premises and equipment at cost, net of accumulated depreciation
Other real estate owned
Other assets

Total assets

D
3

\$

Liabilities and Stockholders' Equity

Liabilities:

Deposits
Short-term borrowings
Long-term borrowings
Guaranteed preferred beneficial interests in Glen Burnie
Bancorp junior subordinated debentures
Other liabilities

Total liabilities

\$

\$

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Stockholders' equity:
Common stock, par value \$1, authorized 15,000,000 shares;
issued and outstanding December 31, 2003 1,689,281 shares;
December 31, 2002 1,677,173 shares
Surplus
Retained earnings
Accumulated other comprehensive income

Total stockholders' equity

Total liabilities and stockholders' equity \$
=====

Glen Burnie Bancorp and Subsidiaries
Condensed Consolidated Statements of Income
(dollars in thousands, except per share amounts)

Interest income on

Loans, including fees \$
U.S. Treasury and U.S. Government agency securities
State and municipal securities
Other

Total interest income

Interest expense on

Deposits
Junior subordinated debentures
Long-term borrowings
Short-term borrowings

Total interest expense

Net interest income

Provision for credit losses

Net interest income after provision for credit losses

Other income

Service charges on deposit accounts
Other fees and commissions

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Other non-interest income
 Gain on sale of real estate
 Gains on investment securities

 Total other income

Other expenses
 Salaries and employee benefits
 Occupancy
 Other expenses

 Total other expenses

Income before income taxes

Income tax expense (benefit)

Net income
 =====

Net income per share of common stock
 =====

Weighted-average shares of common stock outstanding
 =====

1,68

Glen Burnie Bancorp and Subsidiaries
 Condensed Consolidated Statements of Income
 (dollars in thousands, except per share amounts)

Interest income on

Loans, including fees
 U.S. Treasury and U.S. Government agency securities
 State and municipal securities
 Other

 \$1

 Total interest income

1

Interest expense on

Deposits
 Junior subordinated debentures
 Long-term borrowings
 Short-term borrowings

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Total interest expense	

Net interest income	1
Provision for credit losses	

Net interest income after provision for credit losses	1

Other income	
Service charges on deposit accounts	
Other fees and commissions	
Other non-interest income	
Gain on sale of real estate	
Gains on investment securities	

Total other income	

Other expenses	
Salaries and employee benefits	
Occupancy	
Other expenses	

Total other expenses	

Income before income taxes	
Income tax expense (benefit)	

Net income	\$
=====	
Net income per share of common stock	
=====	
Weighted-average shares of common stock outstanding	1,68
=====	