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Stonebridge Financial Corp. Declares First Cash Dividend

WEST CHESTER, Pa., May 18, 2007/PRNewswire-FirstCall/ -- The Board of Directors of Stonebridge Financial Corp., the parent company of Stonebridge Bank, is proud to report the declaration of its first annual cash dividend on its common stock. Shareholders of record on May 31, 2007 will receive a cash dividend of \$0.10 per share, payable June 15, 2007. This dividend, which reflects the Bank's continuing strong growth, is Stonebridge's first cash dividend since the Company's founding in 1999. Stonebridge Financial Corp. has approximately 3.1 million shares outstanding as of May 17, 2007. President & CEO Joseph Spada said "We are very excited about our ability to pay our first dividend to stockholders. This dividend reflects our confidence in our earnings, future growth, strong capital position and our view of the future for our company and its shareholders."

Stonebridge was formed in 1999 and has grown rapidly to \$425.9 million as of March 31, 2007. Stonebridge reported net income for the first quarter of 2007 of \$497 thousand, an 18.1% increase over the first quarter of 2006. Stonebridge Bank is positioned as the Delaware Valley's Local Internet Bank™, combining community banking with advanced online technology. Based in West Chester, PA, Stonebridge Bank serves commercial banking customers through its three full-service banking offices in West Chester, Exton and Warminster, Pennsylvania, and a loan production office in Bel Air, MD. In addition, Stonebridge Bank offers customers around the nation a complete range of retail banking services through its website, www.stonebridgebank.com.

Cautionary Statement

This news release may contain "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Act of 1995, such as statements of the Corporation's goals, targets, plans, expectations, projections, estimates and intentions. Stonebridge Financial Corp. cautions potential investors that results and events subject to forward-looking statements could differ materially due to the following factors: possible changes in economic and business conditions, possible changes in monetary and fiscal policies, laws and regulations; possible changes in credit worthiness of customers and the possible impairment of loans; the effects of changing interest rates and other risks and factors.

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