

PRESS RELEASE
FOR IMMEDIATE RELEASE

Terme Bancorp, Inc. Forms Distressed Asset Investment and Management Group

Summit, Illinois – November 28, 2007 - Terme Bancorp, Inc. (the “Company”) (Pink Sheets: TMEB.PK) announced today that it has organized Terme Holdings, LLC, a single-member LLC owned by the Company. Through Terme Holdings, the Company also announced that it has formed and holds a 94.2% common membership interest in Terme Capital, LLC (“Terme Capital”), an Illinois LLC.

“Terme Capital was formed to productively participate in financially distressed debt, companies and assets,” said John G. Yedinak, CEO/President of Terme Bancorp, Inc. Terme Capital will acquire assets and participate in financings in a variety of industries, in order to generate profits and achieve capital appreciation.

All day-to-day operations of Terme Capital will be conducted by Terme Management, Inc., a wholly owned subsidiary of the Company, and as required, third party and/or affiliated company professionals.

Terme Bancorp, Inc. is headquartered at 5818 S. Archer Rd. in Summit, Illinois and can be found on the Internet at <http://www.termebancorp.com>.

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