

Madison Bancorp, Inc. Reports Results For the Quarter Ended September 30, 2011

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Madison Bancorp, Inc., (the Company) (OTCBB: MDSN), the holding company for Madison Square Federal Savings Bank, reported net income of \$43,000 or \$0.08 per basic and diluted common share for the three month period ended September 30, 2011 which represents the second quarter in its fiscal year, as compared to a net loss of \$17,000 for the three months ended September 30, 2010.

Net income for the six months ended September 30, 2011 was \$3,000 or \$0.01 per basic and diluted common share, as compared to a net loss of \$17,000 for the six months ended September 30, 2010.

During the three and six months ended September 30, 2011, the Company benefited from increased net interest income and reductions in noninterest expense, which was offset by a decrease in noninterest revenue , as compared to the same periods in 2010.

Total assets decreased to \$152.5 million at September 30, 2011 from \$154.0 million at March 31, 2011. Total deposits decreased to \$137.7 million at September 30, 2011 from \$139.5 million at March 31, 2011.

President and Chief Executive Officer Michael P. Gavin commented, “We are encouraged by profitable operating results for the quarter despite ongoing economic challenges. We believe we are well positioned from a capital and liquidity standpoint to effectively manage during this demanding economic period. We are pleased with the improvement in operating results; however, we recognize there is still more to accomplish. While challenges remain, we continue to focus on asset quality, managing our expenses and growing our customer base.”

Madison Bancorp, Inc., the holding company for Madison Square Federal Savings Bank, closed its stock offering on October 6, 2010. A total of 608,116 shares of common stock were sold in the offering resulting in gross offering proceeds of approximately \$6.1 million. Shares of Madison Bancorp common stock are trading on the OTC Electronic Bulletin Board.

Madison Square Federal Savings Bank operates four full service branch offices located in Perry Hall, Fallston, Bel Air and Baltimore City, Maryland.

This press release contains statements that are forward looking, as that term is defined by the Private Securities Litigation Reform Act of 1995 or the Securities and Exchange Commission in its rules, regulations and releases. The Company intends that such forward-looking statements be subject to the safe harbors created thereby. All forward-looking statements are based on current expectations regarding important risk factors, including but not limited to real estate values, market conditions, the impact of interest rates on financing, local and national economic factors and the matters described on Madison Bancorp's Annual Report on Form 10-K filed with the US Securities and Exchange Commission (the SEC) on June 27, 2011. Accordingly, actual results may differ from those expressed in the forward-looking statements.