



### Dime Community Announces Preliminary Approval for up to \$77.3 Million of Capital From U.S. Treasury Capital Purchase Program

Company Release - 12/05/2008 12:30

BROOKLYN, NY -- (MARKET WIRE) -- 12/05/08 -- Dime Community Bancshares, Inc. (NASDAQ: DCOM) (the "Company"), the parent company of The Dime Savings Bank of Williamsburgh (the "Bank"), today announced that it has received preliminary approval from the U.S. Department of Treasury to receive up to \$77.3 million of capital by participating in the Treasury's Capital Purchase Program ("CPP"). If accepted by the Company, the Treasury will invest up to \$77.3 million in senior preferred shares of the Company, and receive warrants to purchase common stock of the Company having an aggregate market price equal to 15% of the senior preferred.

The Company continues to evaluate the costs and benefits of the CPP prior to reaching a final decision as to whether or not to participate in the program. As of September 30, 2008, the Bank was well capitalized by all regulatory measures, with a Tier 1 tangible capital ratio of 7.87% and a total risk-based capital ratio of 11.43%. The election by management to complete an application to participate in the CPP reflected its desire to consider all possible alternatives for maintaining long-term shareholder value.

#### ABOUT DIME COMMUNITY BANCSHARES

The Company (NASDAQ: DCOM) had \$3.83 billion in consolidated assets as of September 30, 2008, and is the parent company of the Bank. The Bank was founded in 1864, is headquartered in Brooklyn, New York, and currently has twenty-two branches located throughout Brooklyn, Queens, the Bronx and Nassau County, New York. More information on the Company and Bank can be found on the Bank's Internet website at [www.dimewill.com](http://www.dimewill.com).

This News Release contains a number of forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements may be identified by use of words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "outlook," "plan," "potential," "predict," "project," "should," "will," "would" and similar terms and phrases, including references to assumptions.

Forward-looking statements are based upon various assumptions and analyses made by the Company in light of management's experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate under the circumstances. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors (many of which are beyond the Company's control) that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. These factors include, without limitation, the following: the timing and occurrence or non-occurrence of events may be subject to circumstances beyond the Company's control; there may be increases in competitive pressure among financial institutions or from non-financial institutions; changes in the interest rate environment may reduce interest margins; changes in deposit flows, loan demand or real estate values may adversely affect the business of the Bank; changes in accounting principles, policies or guidelines may cause the Company's financial condition to be perceived differently; changes in corporate and/or individual income tax laws may adversely affect the Company's financial condition or results of operations; general economic conditions, either nationally or locally in some or all areas in which the Company conducts business, or conditions in the securities markets or the banking industry may be less favorable than the Company currently anticipates; legislation or regulatory changes may adversely affect the Company's business; technological changes may be more difficult or expensive than the Company anticipates; success or consummation of new business initiatives may be more difficult or expensive than the Company anticipates; or litigation or other matters before regulatory agencies, whether currently existing or commencing in the future, may delay the occurrence or non-occurrence of events longer than the Company anticipates.

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