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

FORM 10-KSB

[X] ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2002
OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission File No.: 000-32957

Globe Bancorp, Inc.
(Name of Small Business Issuer in Its Charter)

Louisiana (State or Other Jurisdiction of Incorporation or Organization)	72-1498296 (I.R.S. Employer Identification Number)
4051 Veterans Boulevard, Suite 100 Metairie, Louisiana (Address of Principal Offices)	70002 (Zip Code)

Issuer's telephone number, including area code: (504) 887-0057

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act: Common Stock (par value $.01 per share)
(Title of Class)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X]   No [ ]

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [X]

State the issuer's revenues for its most recent fiscal year: $2,011,883

Based upon the $15.65 per share average bid and ask price of the issuer's common stock as of March 19, 2003, the aggregate market value of the 203,866 shares of the issuer's common stock deemed to be held by non-affiliates of the issuer was $3.2 million. Although directors and executive officers of the issuer and certain of its employee benefit plans were assumed to be "affiliates" of the issuer for purposes of this calculation, the classification is not to be interpreted as an admission of such status.

Number of shares of common stock outstanding as of March 19, 2003: 277,000

Transitional Small Business Disclosure Format (check one): Yes [ ] No [X]

DOCUMENTS INCORPORATED BY REFERENCE

Listed below are the documents incorporated by reference and the Part of the Form 10-KSB into which the document is incorporated: (1) portions of the Annual Report to Stockholders for the year ended December 31, 2002 are incorporated into Part II, Item 5 through 8 of this Form 10-KSB; and (2) portions of the definitive proxy statement for the 2003 Annual Meeting of Stockholders are incorporated into Part III, Items 9 through 12 of this Form 10-KSB.

PART I

Item 1. Description of Business

General

Globe Bancorp, Inc. (the "Company") is a Louisiana corporation that was formed on March 12, 2001 by Globe Homestead Savings Bank (the "Bank" or "Globe Homestead") for the purpose of becoming a holding company for the Bank. The only significant assets of the Company are the capital stock of the Bank and the portion of the net proceeds retained by the Company in connection with the conversion of the Bank from the mutual to stock form of organization on July 9, 2001 (the "Conversion"). The business and management of the Company consists of the business and management of the Bank. Our executive offices are located at 4051 Veterans Boulevard., Suite 100, Metairie, Louisiana 70002, and our telephone number is (504) 887-0057.

The Bank is a federally chartered stock savings bank that was originally formed in 1937 as Globe Homestead Association. The Bank changed its name to Globe Homestead Federal Savings Association in 1994 when it converted from a state chartered mutual association to a federally chartered mutual association. The Bank changed its name to Globe Homestead Savings Bank when it converted to a stock savings bank in July 2001.

References in this document to the Company include the Bank, unless the context otherwise requires. References to "we", "ours", "us" and similar expressions include the Company and the Bank.

Our business consists principally of attracting deposits from the general public and using those funds to originate loans secured by one-to-four family residential loans. Globe Homestead's profitability depends primarily on its net interest income, which is the difference between the income it receives on loans and other assets and its cost of funds, which consists of the interest paid on deposits and borrowings. At December 31, 2002, we had total assets of $33.6 million, deposits of $23.7 million and total stockholders' equity of $5.5 million.

The Bank is subject to examination and comprehensive regulation by the Office of Thrift Supervision ("OTS"), which is the Bank's chartering authority and primary regulator. The Bank is also regulated by the Federal Deposit Insurance Corporation ("FDIC"), the administrator of the Savings Association Insurance Fund ("SAIF"). The Bank also is subject to certain reserve requirements established by the Board of Governors of the Federal Reserve System ("Federal Reserve Board" or "FRB") and is a member of the Federal Home Bank of Dallas ("FHLB"), which is one of the 12 regional banks comprising the FHLB System.

We make certain statements in this document as to what we expect may happen in the future. These statements usually contain the words "believe," "estimate," "project," "expect," "anticipate," "intend" or similar expressions. Because these statements look to the future, they are based on our current expectations and beliefs. Actual results or events may differ materially from those reflected in the forward-looking statements. You should be aware that our current expectations and beliefs as to future events are subject to change at any time, and we can give you no assurances that the future events will actually occur. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Lending Activities

General. At December 31, 2002, the net loan portfolio of Globe Homestead totaled $23.2 million, representing approximately 69% of total assets at that date. The principal lending activity of Globe Homestead is the origination of one-to-four family (which are also known as single-family) residential loans. At December 31, 2002, single-family residential loans amounted to $22.1 million or 94% of the total loan portfolio. Of this amount, $10,000 consisted of second mortgage loans. On a very limited basis, Globe Homestead offers commercial real estate loans, construction loans and consumer loans.

The types of loans that Globe Homestead may originate are subject to federal and state laws and regulations. Interest rates charged on loans are affected principally by the demand for such loans and the supply of money available for lending purposes and the rates offered by its competitors. General and economic conditions, the monetary policy of the federal government, including the Federal Reserve Board, legislative and tax policies, and governmental budgetary matters in turn, affect these factors.

A savings institution generally may not make loans-to-one borrower and related entities in an amount which exceeds the greater of (i) 15% of its unimpaired capital and surplus, although loans in an amount equal to an additional 10% of unimpaired capital and surplus may be made to a borrower if the loans are fully secured by readily marketable securities, and (ii) $500,000. At December 31, 2002, Globe Homestead's regulatory limit on loans-to-one borrower was $705,000 and its five largest loans or groups of loans-to-one borrower, including related entities, aggregated $504,000, $496,000, $479,000, $453,000 and $429,000. Each of Globe Homestead's five largest loans or groups of loans were performing in accordance with its terms at December 31, 2002.

Loan Portfolio Composition. The following table sets forth the composition of Globe Homestead's loan portfolio by type of loan at the dates indicated.

	December 31,			
	2002		2001	
	Amount	Percent	Amount	Percent
	(Dollars in Thousands)			
Real estate loans:				
One-to-four family	$ 22,052	94.00%	$ 20,196	94.63%
Commercial real estate	488	2.08	613	2.87
Construction	170	0.72	--	--
Land	134	0.57	28	0.13
Consumer loans:				
Home equity lines of credit	300	1.28	187	0.88
Savings accounts	317	1.35	303	1.42
Other	--	--	15	.07
Total loans receivable	23,461	100.00%	21,342	100.00%
Less:				
Deferred loan fees	(24)		(24)	
Undisbursed portion of loans	(135)		--	
Allowance for loan losses	(100)		(101)	
Loans receivable, net	$ 23,202		$ 21,217	

Origination of Loans. The lending activities of Globe Homestead are subject to the written underwriting standards and loan origination procedures established by the board of directors and management. Loan originations are obtained through a variety of sources, primarily consisting of referrals from real estate brokers and existing customers. Globe Homestead's loan officers' takes written loan applications. The loan officer also supervises the procurement of credit reports, appraisals and other documentation involved with a loan. Property valuations are performed by independent outside appraisers approved by the board of directors of Globe Homestead.

Under the real estate lending policy of Globe Homestead, a title insurance policy must be obtained for each real estate loan, except for Home Equity Lines of Credit. Globe Homestead also requires fire and extended coverage casualty insurance, in order to protect the properties securing its real estate loans. Borrowers must also obtain flood insurance policies when the property is in a flood hazard area as designated by the Department of Housing and Urban Development. Globe Homestead generally requires borrowers to advance funds to an escrow account for the payment of real estate taxes or hazard insurance premiums.

Globe Homestead's loan approval process is intended to assess the borrower's ability to repay the loan, the viability of the loan and the adequacy of the value of the property that will secure the loan. Generally, loans of up to $200,000 can be approved by Globe Homestead's loan committee, which consists of Globe Homestead's President, Vice President and loan officer. Loans over $200,000 and loans which do not strictly comply with Globe Homestead's underwriting parameters require board of directors' approval. The board ratifies all loans.

The following table shows total loans originated, purchased and repaid during the periods indicated. Globe Homestead did not sell any loans in 2002 and sold one loan in 2001.

	Year Ended December 31, 2002	2001
	(Dollars in Thousands)	
Loan origination:		
Real estate loans:		
One-to-four family	$5,707	$7,038
Commercial	--	412
Construction, net	35	--
Land	110	28
Consumer loans:		
Home equity lines of credit	249	219
Savings accounts	38	307
Total loans originated	6,139	8,004
Loan principal reductions	4,154	3,989
Loan sold (1)	--	116
Increase (decrease) due to other items, net (2)	--	(1)
Net increase in loan portfolio	$1,985	$3,898

(1) Loan sold consists of a one-to-four family real estate loan.
(2) Other items consist of loans in process, deferred fees and allowance for loan losses.

Although federal laws and regulations permit savings institutions to originate and purchase loans secured by real estate located throughout the United States, Globe Homestead concentrates its lending activity to its primary market area in Jefferson and Orleans Parishes, Louisiana. Subject to its loans-to-one borrower limitation, Globe Homestead is permitted to invest without limitation in residential mortgage loans and up to 400% of its capital in loans secured by non-residential or commercial real estate. Globe Homestead also may invest in secured and unsecured consumer loans in an amount not exceeding 35% of total assets. This 35% limitation may be exceeded for certain types of consumer loans, such as home equity and property improvement loans secured by residential real property. In addition, Globe Homestead may invest up to 10% of its total assets in secured and unsecured loans for commercial, corporate, business or agricultural purposes. At December 31, 2002, Globe Homestead was within each of the above lending limits.

Maturity of Loan Portfolio. The following table presents certain information at December 31, 2002, regarding the dollar amount of loans maturing in Globe Homestead's portfolio based on their contractual terms to maturity or scheduled amortization, but does not include potential prepayments. Demand loans, loans having no stated schedule of repayments and any stated maturity, and overdrafts are reported as becoming due within one year. Loan balances do not include undisbursed loan proceeds, net deferred loan origination costs and allowance for loan losses.

	At December 31, 2002			
	Real Estate	Consumer	Other	Total Loans
	(Dollars in Thousands)			
Amounts due in:				
One year or less	$ 1	$ 50	$ --	$ 51
More than one year to five years	680	566	--	1,246
More than five years	22,164	--	--	22,164
Total amount due	$ 22,845	$ 616	$ --	$ 23,461

The following table sets forth the dollar amount of all loans, before net items, due after December 31, 2003, which have fixed interest rates or which have floating or adjustable interest rates.

	Fixed-Rates	Floating or Adjustable-Rates	Total
		(Dollars in Thousands)	
Real estate loans:			
One-to-four family	$ 21,603	$ 448	$ 22,051
Commercial real estate	488	--	488
Construction	170	--	170
Land loans	134	--	134
Consumer loans:			
Home equity lines of credit	--	300	300
Savings accounts	267	--	267
Other	--	--	--
Total loans	$ 22,662	$ 748	$ 23,410

Scheduled contractual maturities of loans do not necessarily reflect the actual expected term of the loan portfolio. The average life of mortgage loans is substantially less than their average contractual terms because of prepayments. The average life of mortgage loans tends to increase when current mortgage loan rates are higher than rates on existing mortgage loans and, conversely, decrease when rates on current mortgage loans are lower than existing mortgage loan rates (due to refinancing of adjustable-rate and fixed-rate loans at lower rates). Under the latter circumstance, the weighted average yield on loans decreases as higher yielding loans are repaid or refinanced at lower rates.

One-to-Four Family Residential Real Estate Loans. The primary lending activity of Globe Homestead is the origination of loans secured by single-family residences. At December 31, 2002, $22.1 million or 94.0% of the total loan portfolio, before net items, consisted of single-family residential loans. Of this amount, $10,000 consisted of second mortgage loans.

The loan-to-value ratio, maturity and other provisions of the loans made by Globe Homestead generally have reflected the policy of making less than the maximum loan permissible under applicable regulations, in accordance with sound lending practices, market conditions and underwriting standards established by Globe Homestead. Globe Homestead's present lending policies on one-to-four family residential mortgage loans generally limit the maximum loan-to-value ratio to 89% of the appraised value of the property. Globe Homestead does not originate loans with a loan-to-value in excess of 90% without purchasing PMI insurance. Residential mortgage loans are amortized on a monthly basis with principal and interest due each month. The loans generally include "due-on-sale" clauses.

Globe Homestead's residential mortgage loans have either fixed rates of interest or interest rates which adjust periodically during the term of the loan. Fixed-rate loans generally have maturities ranging from 10 to 30 years and are fully amortizing with monthly loan payments sufficient to repay the total amount of the loan with interest by the end of the loan term. While Globe Homestead's fixed-rate loans generally are originated under terms, conditions and documentation which permit them to be sold to U.S. Government-sponsored agencies, such as the Federal Home Loan Mortgage Corporation, and other investors in the secondary market for mortgages, Globe Homestead has not historically been an active seller of loans. At December 31, 2002, $21.8 million, or 98.0%, of Globe Homestead's single-family residential mortgage loans were fixed-rate loans.

The adjustable-rate, single-family residential mortgage loans currently offered by Globe Homestead have a fixed-rate for the first three, five or seven years, which adjust on an annual basis thereafter. Globe Homestead's adjustable-rate, single-family residential real estate loans generally have a cap of 2% on any increase or decrease in the interest rate at any adjustment date, and include a specified cap on the maximum interest rate over the life of the loan, which cap generally is 5% above the initial rate. The interest rate floor is the initial rate. Such loans are underwritten based on the initial rate. Globe Homestead's adjustable-rate loans require that any payment adjustment resulting from a change in the interest rate of an adjustable-rate loan be sufficient to result in full amortization of the loan by the end of the loan term and, thus, do not permit any of the increased payment to be added to the principal amount of the loan, or so-called negative amortization. At December 31, 2002, $448,000, or 2.0%, of Globe Homestead's single-family residential mortgage loans were adjustable-rate loans.

Consumer Loans. Globe Homestead is authorized to make loans for a wide variety of personal or consumer purposes. Globe Homestead originates consumer loans in order to accommodate its customers and because such loans generally have shorter terms and higher interest rates than residential mortgage loans. The consumer loans offered by Globe Homestead consist of home equity loans and loans secured by deposit accounts in Globe Homestead. At December 31, 2002, $617,000 or 2.63% of Globe Homestead's total loan portfolio consisted of consumer loans.

At December 31, 2002, Globe Homestead's home equity loans amounted to $300,000 or 1.28% of the total loan portfolio. These loans are secured by the underlying equity in the borrower's residence. As a result, Globe Homestead generally requires loan-to-value ratios of 89% or less after taking into consideration the first mortgage loan. These loans have a term of five years and the interest rate adjusts monthly based on the prime rate.

Globe Homestead offers loans secured by deposit accounts in Globe Homestead, which loans amounted to $317,000 or 1.35% of Globe Homestead's total loan portfolio at December 31, 2002. Such loans are originated for up to 90% of the account balance, with a hold placed on the account restricting the withdrawal of the account balance. The interest rate on the loan is equal to the interest rate paid on the account plus 1% to 2% depending on the loan. These loans mature on or before the maturity date of the underlying certificate of deposit.

Other Loans. At December 31, 2002, Globe Homestead had two commercial real estate loans totaling $488,000, one construction loan totaling $170,000 and two land loans amounting to $134,000. The properties securing such loans are located in Globe Homestead's primary market area. Both of the commercial loans are on mixed use buildings. The first floor is used as a convenience store, with residential units above. Such loans are secured by the underlying properties and the personal guaranty of the borrower.

Loan Origination and Other Fees. In addition to interest earned on loans, Globe Homestead receives loan origination fees or "points" for originating loans. Loan points are a percentage of the principal amount of the mortgage loan and are charged to the borrower in connection with the origination of the loan.

Asset Quality

General. Globe Homestead mails late notices to borrowers when a borrower fails to make a required payment within 15 days of the date due. In addition, a personal letter is mailed when a loan becomes 45 days delinquent and a phone call is placed when a loan becomes 60 days delinquent. If a loan becomes 90 days past due, Globe Homestead mails a notice indicating that Globe Homestead will refer it to an attorney within 30 days to commence foreclosure. In most cases, deficiencies are cured promptly. While Globe Homestead generally prefers to work with borrowers to resolve such problems, Globe Homestead will institute foreclosure or other collection proceedings when necessary to minimize any potential loss.

Loans are placed on non-accrual status when management believes the probability of collection of interest is insufficient to warrant further accrual. When a loan is placed on non-accrual status, previously accrued but unpaid interest is deducted from interest income. Globe Homestead generally discontinues the accrual of interest income when the loan becomes 90 days past due as to principal or interest.

Real estate and other assets acquired by Globe Homestead as a result of foreclosure or by deed-in-lieu of foreclosure are classified as real estate owned until sold.

Delinquent Loans. The following table sets forth information concerning delinquent loans at December 31, 2002, in dollar amounts and as a percentage of Globe Homestead's total loan portfolio. The amounts presented represent the total outstanding principal balances of the related loans, rather than the actual payment amounts, which are past due.

	December 31, 2002					
	30-59 Days Overdue		60-89 Days Overdue		90 or More Days Overdue	
	Amount	Percent of Total Loans	Amount	Percent of Total Loans	Amount	Percent of Total Loans
	(Dollars in Thousands)					
Real estate loans:						
One-to-four family	$ 1	0.01%	$--	--%	$ --	--%
Other	--	--	--	--	2	0.01
Total	$ 1	0.01%	$--	--%	$ 2	0.01%

Non-Performing Assets. The following table presents information with respect to Globe Homestead's nonperforming assets at the dates indicated. Globe Homestead did not have any real estate owned at December 31, 2002 or 2001.

	At December 31, 2002	At December 31, 2001
	(Dollars in Thousands)	
Nonaccruing loans:		
Real estate loans		
One-to-four family	$--	$23
Commercial	--	--
Land	--	--
Total nonaccruing loans	--	23
Troubled debt restructurings	--	21
Troubled debt restructuring and total nonaccruing loans	$--	$44
Troubled debt restructuring and total nonaccruing loans as a percentage of total loans	--%	0.20%
Troubled debt restructuring and total nonaccruing loans as a percentage of total assets	--%	0.13%

If the $23,000 of nonaccruing loans of Globe Homestead had been current in accordance with their terms during 2001, the gross income on such loans would have been approximately $1,000. No interest income was actually recorded by Globe Homestead on such loans in 2001.

Classified Assets. Federal regulations require that each insured savings institution classify its assets on a regular basis. In addition, in connection with examinations of insured institutions, federal examiners have authority to identify problem assets and, if appropriate, classify them. There are three classifications for problem assets: "substandard," "doubtful" and "loss." Substandard assets have one or more defined weaknesses and are characterized by the distinct possibility that the insured institution will sustain some loss if the deficiencies are not corrected. Doubtful assets have the weaknesses of substandard assets with the additional characteristic that the weaknesses make collection or liquidation in full on the basis of currently existing facts, conditions and values questionable, and there is a higher possibility of loss. An asset-classified loss is considered uncollectible and of such little value that continuance as an asset of the institution is not warranted. Another category designated "special mention" also must be established and maintained for assets which do not currently expose an insured institution to a sufficient degree of risk to warrant classification as substandard, doubtful or loss. Assets classified as substandard or doubtful require the institution to establish general allowances for loan losses. If an asset or portion thereof is classified loss, the insured institution must either establish specific allowances for loan losses in the amount of 100% of the portion of the asset classified loss, or charge-off such amount. General loss allowances established to cover possible losses related to assets classified substandard or doubtful might be included in determining an institution's regulatory capital, while specific valuation allowances for loan losses do not qualify as regulatory capital. Federal examiners may disagree with an insured institution's classifications and amounts reserved.

Globe Homestead had no classified assets at December 31, 2002.

Allowance for Loan Losses. At December 31, 2002, Globe Homestead's allowance for loan losses amounted to $100,000, or 0.43%, of the total loan portfolio. The loan loss allowance is maintained by management at a level considered adequate based on prior loan loss experience, adverse situations that may affect the borrower's ability to repay, the estimated value of any underlying collateral, current economic conditions, and known, probable and reasonably estimable losses inherent in the loan portfolio. Globe Homestead is primarily engaged in originating single-family residential loans. This type of lending generally involves less risk exposure due to the nature of the collateral. In determining the amount of the allowance for loan losses, management considers its lower risk exposure as a result of its predominant single-family lending and the correspondingly low historical charge-off experience.

While management believes that it determines the size of the allowance based on the best information available at the time, the allowance will need to be adjusted as circumstances change and assumptions are updated. Future adjustments to the allowance could significantly affect net income.

The following table sets forth information concerning the allocation of Globe Homestead's allowance for loan losses by loan categories at the dates indicated.

	December 31,			
	2002		2001	
	Amount	Percent of Loans in Each Category to Total Loans	Amount	Percent of Loans in Each Category to Total Loans
	(Dollars in Thousands)			
Real estate loans:				
One-to-four family	$100	94.00%	$101	94.63%
Commercial	--	2.08	--	2.87
Construction	--	0.72	--	--
Land	--	0.57	--	0.13
Consumer loans:				
Home equity lines of credit	--	1.28	--	0.88
Savings accounts	--	1.35	--	1.42
Other	--	--	--	0.07
Total	$100	100.00%	$101	100.00%

The following table sets forth an analysis of the Bank's allowance for loan losses during the periods indicated.

	Year Ended December 31,	
	2002	2001
	(Dollars in Thousands)	
Total loans outstanding	$23,461	$21,217
Average loans outstanding, net	$22,869	$18,573
Balance at beginning of year	$101	$92
Charge-offs	--	--
Recoveries	--	--
Net charge-offs	--	--
Provision for loan losses	(1)	9
Balance at end of year	$100	$101
Allowance for loan losses as a percent of total loans outstanding	0.43%	0.48%
Allowance for loan losses as a percent of total non-performing loans	--%	439.13%
Ratio of net charge-offs to average loans outstanding	--%	--%

Investment Securities

The Company has authority to invest in various types of securities, including mortgage-backed securities, U.S. Treasury obligations, securities of various federal agencies and of state and municipal governments, certificates of deposit at federally insured banks and savings institutions, certain bankers' acceptances and federal funds. The board of directors establishes the Company's investment strategy.

Held to Maturity

The following table sets forth information relating to the amortized cost and fair value of the Company's held to maturity securities.

	December 31,			
	2002		2001	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(Dollars in Thousands)			
U.S. agencies securities	$ --	$ --	$ --	$ --
Mortgage-backed securities	2,909	2,809	1,989	1,935
Total	$ 2,909	$ 2,809	$ 1,989	$ 1,935

The following table sets forth the amount of the Company's held to maturity securities, which mature during each of the periods indicated and the weighted average yields for each range of maturities at December 31, 2002. The Company's held to maturity securities are reflected at amortized cost at December 31, 2002.

	Contractually Maturing								
	Under 1 Year	Weighted Average Yield	1 - 5 Years	Weighted Average Yield	5 - 10 Years	Weighted Average Yield	Over 10 Years	Weighted Average Yield	Total
	(Dollars in thousands)								
U.S. agencies securities	$ --	--%	$ --	--%	$ --	--%	$ --	--%	$ --
Mortgage-backed securities	--	--	--	--	--	--	2,809	6.00	2,809
Total	$ --	--%	$ --	--%	$ --	--%	$ 2,809	6.00%	$ 2,809

Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Available for Sale

The following table sets forth information relating to the amortized cost and fair value of the Company's available for sale securities.

	December 31,			
	2002		2001	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(Dollars in Thousands)			
U.S. agencies securities	$ 1,807	$ 1,804	$ 1,473	$ 1,463
Mortgage-backed securities	1,271	1,297	2,575	2,631
Total	$ 3,078	$ 3,101	$ 4,048	$ 4,094

The following table sets forth the amount of the Company's available for sale securities, which mature during each of the periods indicated and the weighted average yields for each range of maturities at December 31, 2002. The Company's available for sale securities are reflected at fair value at December 31, 2002.

	Contractually Maturing								
	Under 1 Year	Weighted Average Yield	1 - 5 Years	Weighted Average Yield	5 - 10 Years	Weighted Average Yield	Over 10 Years	Weighted Average Yield	Total
	(Dollars in Thousands)								
U.S. agencies securities	$ --	--%	$1,005	3.50%	$--	--%	$ 799	2.81%	$1,804
Mortgage-backed securities	--	--%	--	--%	--	--%	1,297	5.40%	1,297
Total	$--	--%	$1,005	3.50%	$--	--%	$2,096	4.40%	$3,101

Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Mortgage-backed securities represent a participation interest in a pool of one-to-four-family or multi-family mortgages. The mortgage originators use intermediaries (generally U.S. Government agencies and government-sponsored enterprises) to pool and repackage the participation interests in the form of securities, with investors receiving the principal and interest payments on the mortgages. Such U.S. Government agencies and government-sponsored enterprises guarantee the payment of principal and interest to investors.

Mortgage-backed securities are typically issued with stated principal amounts, and pools of mortgages that have loans with interest rates that are within a range and have varying maturities. The underlying pools of mortgages, i.e., fixed-rate or adjustable-rate, as well as prepayment risk, are passed on to the certificate holder. The life of a mortgage-backed pass-through security approximates the life of the underlying mortgages.

The mortgage-backed securities of the Company consist of Government National Mortgage Association securities, Federal Home Loan Mortgage Corporation securities and Federal National Mortgage Association securities. The Government National Mortgage Association is a government agency within the Department of Housing and Urban Development which is intended to help finance government-assisted housing programs. Government National Mortgage Association securities are backed by loans insured by the Federal Housing Administration, or guaranteed by the Veterans Administration, and the timely payment of principal and interest on Government National Mortgage Association securities are guaranteed by the Government National Mortgage Association and backed by the full faith and credit of the U.S. Government. The Federal Home Loan Mortgage Corporation is a private corporation chartered by the U.S. Government. The Federal Home Loan Mortgage Corporation issues participation certificates backed principally by conventional mortgage loans. The Federal Home Loan Mortgage Corporation guarantees the timely payment of interest and the ultimate return of principal on participation certificates. The Federal National Mortgage Association is a private corporation chartered by the U.S. Government with a mandate to establish a secondary market for mortgage loans. The Federal National Mortgage Association guarantees the timely payment of principal and interest on Federal National Mortgage Association securities. Federal Home Loan Mortgage Corporation and Federal National Mortgage Association securities are not backed by the full faith and credit of the United States, but because the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association are U.S. Government-sponsored enterprises, these securities are considered to be among the highest quality investments with minimal credit risks.

Sources of Funds

General. Deposits are the primary source of the Bank's funds for lending and other investment purposes. In addition to deposits, principal and interest payments on loans and investment securities are a source of funds. Loan repayments are a relatively stable source of funds, while deposit inflows and outflows are significantly influenced by general interest rates and money market conditions. Borrowings may also be used on a short-term basis to compensate for reductions in the availability of funds from other sources and on a longer-term basis for general business purposes.

Deposits. The Bank principally attracts deposits from within its primary market area. Deposit account terms vary, with the principal differences being the minimum balance required, the term and the interest rate.

The Bank obtains deposits primarily from residents from within its primary market area. The Bank has not solicited deposits from outside Louisiana or paid fees to brokers to solicit funds for deposit.

Interest rates paid, maturity terms, service fees and withdrawal penalties are established on a periodic basis. Management determines the rates and terms based on rates paid by competitors, the need for funds or liquidity, growth goals and federal regulations. The Bank attempts to control the flow of deposits by pricing its accounts to remain generally competitive with other financial institutions in its market area.

The following table shows the distribution of and certain other information relating to Globe Homestead's deposits by type as of the dates indicated.

	December 31, 2002		December 31, 2001	
	Amount	Percent of Deposits	Amount	Percent of Deposits
	(Dollars in Thousands)			
Savings accounts:				
Passbook accounts	$ 8,159	34.46%	$ 3,231	15.56%
Certificate accounts:				
0.00% - 4.00%	10,521	44.44	6,382	30.73
4.01% - 6.00%	3,062	12.93	7,012	33.77
6.01% - 8.00%	1,934	8.17	4,142	19.94
Total certificate accounts	15,517	65.54	17,536	84.44
Total deposits	$ 23,676	100.00%	$ 20,767	100.00%

The following table set forth the savings activities of the Bank during the period indicated.

	Year Ended December 31, 2002	Year Ended December 31, 2001
	(Dollars in Thousands)	
Total deposits at beginning of period	$20,767	$17,811
Deposits	11,596	7,651
Withdrawals	(9,253)	(5,346)
Interest credited	566	651
Total deposits at end of period	$23,676	$20,767

The following table shows the interest rate information for the Bank's certificates of deposit at December 31, 2002.

	Maturity Date				
Interest Rate	One Year or Less	Over 1 - 2 Years	Over 2 - 3 Years	Over 3 Years	Total
	(Dollars in Thousands)				
0.00% - 4.00%	$ 8,518	$ 1,427	$ 576	$ --	$ 10,521
4.01% - 6.00%	1,557	630	102	773	3,062
6.01% - 8.00%	989	418	465	62	1,934
Total	$ 11,064	$ 2,475	$ 1,143	$ 835	$ 15,517

As of December 31, 2002 and 2001, the aggregate amount of outstanding time certificates of deposit at the Bank in amounts greater than or equal to $100,000, was approximately $2.6 million and $2.7 million, respectively. The following table presents the maturity of these time certificates of deposit at such dates.

	December 31, 2002	December 31, 2001
	(Dollars in Thousands)	
3 months or less	$ 569	$ 747
Over 3 months through 6 months	500	200
Over 6 months through 12 months	937	1,196
Over 12 months	625	513
Total	$ 2,631	$ 2,656

Borrowings. The Bank may obtain advances from the FHLB upon the security of the common stock it owns in the FHLB and certain of its residential mortgage loans and mortgage-backed and other investment securities, provided certain standards related to creditworthiness have been met. These advances are made pursuant to several credit programs, each having different interest rates and range of maturities. FHLB advances are generally available to meet seasonal and other withdrawals of deposit accounts and to permit increased lending.

As of December 31, 2002, the Bank was permitted to borrow up to an aggregate of $14.5 million from the FHLB. The Bank had $4.1 and $5.5 million of FHLB advances outstanding at December 31, 2002 and December 31, 2001, respectively.

The following table shows certain information regarding the borrowings of the Bank at or for the dates indicated:

	At or for the Year Ended December 31,	
	2002	2001
	(Dollars in Thousands)	
Federal Home Loan Bank advances:		
Average balance outstanding	$5,210	$3,961
Maximum amount outstanding at any one month-end during the period	$6,877	$5,500
Balance outstanding at end of period	$4,105	$5,492
Average interest rate during the period	5.09%	5.68%
Weighted average interest rate at end of period	4.77%	5.39%
Weighted average maturity, in months, at end of period	49	36

Subsidiaries

At December 31, 2002, the Company's only subsidiary was the Bank.

Total Employees

Globe Homestead had five full-time employees and no part-time employees at December 31, 2002. A collective bargaining agent represents none of these employees, and Globe Homestead believes that it enjoys good relations with its personnel.

Market Area

Globe Homestead has one office located in Metairie, Louisiana, which is a suburb of New Orleans, Louisiana. Globe Homestead's primary market area consists of Jefferson and Orleans Parishes, Louisiana and is predominantly suburban due to its proximity to New Orleans. Tourism and the oil and gas industry are the two largest employers in Globe Homestead's market area.

The population of Jefferson Parish in 2002 was approximately 451,000 and the population of Orleans Parish in 2002 was approximately 476,000. The population growth rate for Jefferson Parish had been negative since 2001 and is projected to remain negative through the year 2004. The population growth rate for Orleans Parish has been negative since 1990 and is projected to remain negative through 2004. These projected shrinkage rates are below the projected rates for Louisiana and the United States. Average household income for Jefferson and Orleans Parishes is below national averages. Average household income in Jefferson is above the Louisiana average, while it is below in Orleans. The percentage of growth in household income for the Parishes of Jefferson and Orleans is projected to exceed that of Louisiana and the United States. The projected household income distribution for the year 2004 for Jefferson and Orleans Parishes is projected to be below that of Louisiana and the United States. In 2002, the unemployment rate for Jefferson Parish was approximately 4.4% and the unemployment rate for Orleans Parish was approximately 6.0%. Orleans Parish's unemployment rate has decreased in the last year, but the rate continues to be higher than the overall unemployment rate for the United States while Jefferson Parish's unemployment rate was lower than the national average for 2002.

Competition

Globe Homestead faces significant competition both in attracting deposits and in making loans. Its most direct competition for deposits has come historically from commercial banks, credit unions and other savings institutions located in its primary market area, including many large financial institutions, which have greater financial and marketing resources available to them. In addition, Globe Homestead faces significant competition for investors' funds from short-term money market securities, mutual funds and other corporate and government securities. Globe Homestead does not rely upon any individual group or entity for a material portion of its deposits. The ability of Globe Homestead to attract and retain deposits depends on its ability to generally provide a rate of return, liquidity and risk comparable to that offered by competing investment opportunities.

Globe Homestead's competition for real estate loans comes principally from mortgage banking companies, commercial banks, other savings institutions and credit unions. Globe Homestead competes for loan originations primarily through the interest rates and loan fees it charges, and the efficiency and quality of services it provides borrowers. Factors, which affect competition, include general and local economic conditions, current interest rate levels and volatility in the mortgage markets. Competition may increase as a result of the continuing reduction of restrictions on the interstate operations of financial institutions.

REGULATION

The following discussion of certain laws and regulations, which are applicable to the Company and to the Bank, as well as descriptions of laws and regulations contained elsewhere herein, summarizes the aspects of such laws and regulations, which are deemed to be material to us and the Bank. However, the summary does not purport to be complete and is qualified in its entirety by reference to applicable laws and regulations.

Globe Bancorp, Inc.

Sarbanes-Oxley Act of 2002.

On July 30, 2002, President George W. Bush signed into law the Sarbanes-Oxley Act of 2002, which generally establishes a comprehensive framework to modernize and reform the oversight of public company auditing, improve the quality and transparency of financial reporting by those companies and strengthen the independence of auditors. Certain of the new legislation's more significant reforms are noted below.

- The new legislation creates a public company accounting oversight board which is empowered to set auditing, quality control and ethics standards, to inspect registered public accounting firms, to conduct investigations and to take disciplinary actions, subject to SEC oversight and review. The new board will be funded by mandatory fees paid by all public companies. The new legislation also improves the Financial Accounting Standards Board, giving it full financial independence from the accounting industry.

- The new legislation strengthens auditor independence from corporate management by, among other things, limiting the scope of consulting services that auditors can offer their public company audit clients.

- The new legislation heightens the responsibility of public company directors and senior managers for the quality of the financial reporting and disclosure made by their companies. Among other things, the new legislation provides for a strong public company audit committee that will be directly responsible for the appointment, compensation and oversight of the work of the public company auditors.

- The new legislation contains a number of provisions to deter wrongdoing. CEOs and CFOs will have to certify that company financial statements fairly present the company's financial condition. If a misleading financial statement later resulted in a restatement, the CEO and CFO must forfeit and return to the company any bonus, stock or stock option compensation received in the twelve months following the misleading financial report. The new legislation also prohibits any company officer or director from attempting to mislead or coerce an auditor. Among other reforms, the new legislation empowers the SEC to bar certain persons from serving as officers or directors of a public company; prohibits insider trades during pension fund "blackout periods;" directs the SEC to adopt rules requiring attorneys to report securities law violations; and requires that civil penalties imposed by the SEC go into a disgorgement fund to benefit harmed investors.

- The new legislation imposes a range of new corporate disclosure requirements. Among other things, the new legislation requires public companies to report all off-balance-sheet transactions and conflicts, as well as to present any pro forma disclosures in a way that is not misleading and in accordance with requirements to be established by the SEC. The new legislation also accelerated the required reporting of insider transactions, which now generally must be reported by the end of the second business day following a covered transaction; requires that annual reports filed with the SEC include a statement by management asserting that it is responsible for creating and maintaining adequate internal controls and assessing the effectiveness of those controls; and requires companies to disclose whether or not they have adopted an ethics code for senior financial officers, and, if not, why not, and whether the audit committee includes at least one "financial expert," a term which is to be defined by the SEC in accordance with specified requirements. The new legislation also requires the SEC, based on certain enumerated factors, to regularly and systematically review corporate filings.

- The new legislation contains provisions which generally seek to limit and expose to public view possible conflicts of interest affecting securities analysts.

- Finally, the new legislation imposes a range of new criminal penalties for fraud and other wrongful acts, as well as extends the period during which certain types of lawsuits can be brought against a company or its insiders.

Holding Company Acquisitions. Globe Bancorp, Inc. is a savings and loan holding company within the meaning of the Home Owners' Loan Act, as amended ("HOLA"), and is registered with the Office of Thrift Supervision. Federal law generally prohibits a savings and loan holding company, without prior Office of Thrift Supervision approval, from acquiring the ownership or control of any other savings institution or savings and loan holding company, or all, or substantially all, of the assets or more than 5% of the voting shares thereof. These provisions also prohibit, among other things, any director or officer of a savings and loan holding company, or any individual who owns or controls more than 25% of the voting shares of such holding company, from acquiring control of any savings institution not a subsidiary of such savings and loan holding company, unless the acquisition is approved by the Office of Thrift Supervision.

The Office of Thrift Supervision may not approve any acquisition that would result in a multiple savings and loan holding company controlling savings institutions in more than one state, subject to two exceptions: (i) the approval of interstate supervisory acquisitions by savings and loan holding companies and (ii) the acquisition of a savings institution in another state if the laws of the state of the target savings institution specifically permit such acquisitions. The states vary in the extent to which they permit interstate savings and loan holding company acquisitions.

Holding Company Activities. We operate as a unitary savings and loan holding company. Under prior law, a unitary savings and loan holding company was not generally restricted as to the types of business activities in which it could engage, provided it continued to be a qualified thrift lender. See "- The Bank - Qualified Thrift Lender Test." The Gramm-Leach-Bliley Act of 1999, however, restricts unitary savings and loan holding companies not existing or applied for before May 4, 1999 to activities permissible for financial holding companies under the law or for multiple savings and loan holding companies. We do not qualify for the grandfather-clause exemption and are limited to the activities permissible for financial holding companies or multiple savings and loan holding companies. A financial holding company may engage in activities that are financial in nature, incidental to financial activities or complementary to a financial activity. A multiple savings and loan holding company is generally limited to activities permissible for bank holding companies under Section 4(c)(8) of the Bank Holding Company Act, subject to the prior approval of the Office of Thrift Supervision, and certain activities authorized by Office of Thrift Supervision regulation. These limitations have not had a material impact on the Company's operations.

Although savings and loan holding companies are not subject to specific capital requirements or specific restrictions on the payment of dividends or other capital distributions, federal regulations do prescribe such restrictions on subsidiary savings institutions, as described below. The Bank must notify the Office of Thrift Supervision 30 days before declaring any dividend to us. In addition, the financial impact of a holding company on its subsidiary institution is a matter that is evaluated by the Office of Thrift Supervision and the agency has authority to order cessation of activities or divestiture of subsidiaries deemed to pose a threat to the safety and soundness of the institution. See "- The Bank - Capital Distributions."

Restrictions on Transactions With Affiliates. Transactions between a savings institution and its "affiliates" are subject to quantitative and qualitative restrictions under Sections 23A and 23B of the Federal Reserve Act and Office of Thrift Supervision regulations. Affiliates of a savings institution include, among other entities, the savings institution's holding company and companies that are controlled by or under common control with the savings institution.

In general, the extent to which a savings institution or its subsidiaries may engage in certain "covered transactions" with affiliates is limited to an amount equal to 10% of the institution's capital and surplus, in the case of covered transactions with any one affiliate, and to an amount equal to 20% of such capital and surplus, in the case of covered transactions with all affiliates. In addition, a savings institution and its subsidiaries may engage in covered transactions and certain other transactions only on terms and under circumstances that are substantially the same, or at least as favorable to the savings institution or its subsidiary, as those prevailing at the time for comparable transactions with nonaffiliated companies. A "covered transaction" is defined to include a loan or extension of credit to an affiliate; a purchase of investment securities issued by an affiliate; a purchase of assets from an affiliate, with certain exceptions; the acceptance of securities issued by an affiliate as collateral for a loan or extension of credit to any party; or the issuance of a guarantee, acceptance or letter of credit on behalf of an affiliate.

In addition, a savings institution may not:

make a loan or extension of credit to an affiliate unless the affiliate is engaged only in activities permissible for bank holding companies;

purchase or invest in securities of an affiliate other than shares of a subsidiary;

purchase a low-quality asset from an affiliate; or

engage in covered transactions and certain other transactions between a savings institution or its subsidiaries and an affiliate except on terms and conditions that are consistent with safe and sound banking practices.

With certain exceptions, each loan or extension of credit by a savings institution to an affiliate must be secured by collateral with a market value ranging from 100% to 130% (depending on the type of collateral) of the amount of the loan or extension of credit.

Office of Thrift Supervision regulations generally excludes all non-bank and non-savings institution subsidiaries of savings institutions from treatment as affiliates, except to the extent that the Office of Thrift Supervision or the Federal Reserve Board decides to treat such subsidiaries as affiliates. Office of Thrift Supervision regulations also provide that certain classes of savings institutions may be required to give the Office of Thrift Supervision prior notice of affiliate transactions.

The Bank

General. The Office of Thrift Supervision is the Bank's chartering authority and primary federal regulator. The Office of Thrift Supervision has extensive authority over the operations of federally chartered savings institutions. As part of this authority, federally chartered savings institutions are required to file periodic reports with the Office of Thrift Supervision and are subject to periodic examinations by the Office of Thrift Supervision and the FDIC. The Bank also is subject to regulation by the FDIC and to requirements established by the Federal Reserve Board. Federal laws and regulations prescribe the investment and lending authority of savings institutions, and such institutions are prohibited from engaging in any activities not permitted by such laws and regulations. Such regulation and supervision is primarily intended for the protection of depositors and the SAIF.

The Office of Thrift Supervision's enforcement authority over all savings institutions and their holding companies includes, among other things, the ability to assess civil money penalties, to issue cease and desist or removal orders and to initiate injunctive actions. In general, these enforcement actions may be initiated for violations of laws and regulations and unsafe or unsound practices. Other actions or inactions may provide the basis for enforcement action, including misleading or untimely reports filed with the Office of Thrift Supervision.

Insurance of Accounts. The deposits of the Bank are insured to the maximum extent permitted by the SAIF, which is administered by the FDIC, and are backed by the full faith and credit of the U.S. Government. As insurer, the FDIC is authorized to conduct examinations of, and to require reporting by, FDIC-insured institutions. It also may prohibit any FDIC-insured institution from engaging in any activity the FDIC determines by regulation or order to pose a serious threat to the FDIC. The FDIC also has the authority to initiate enforcement actions against savings institutions, after giving the Office of Thrift Supervision an opportunity to take such action.

SAIF-insured institutions are assigned to one of three capital groups, which are based solely on the level of an institution's capital– "well capitalized," "adequately capitalized," and "undercapitalized." These capital levels are defined in the same manner as under the prompt corrective action system discussed below. These three groups are then divided into three subgroups, which reflect varying levels of supervisory concern, from those, which are considered to be healthy to those, which are considered to be of substantial supervisory concern. Assessment rates for insured institutions are determined semi-annually by the FDIC and currently range from zero basis points for the healthiest institutions to 27 basis points for the riskiest.

In addition to the assessment for deposit insurance, institutions are required to make payments on bonds issued in the late 1980s by the Financing Corporation, a federal agency established to recapitalize the predecessor to the SAIF. During 1999, payments for SAIF members approximated 6.1 basis points, while Bank Insurance Fund members paid 1.2 basis points. Since January 1, 2000, there has been equal sharing of Financing Corporation payments between members of both insurance funds.

The FDIC may terminate the deposit insurance of any insured depository institution, including the Bank, if it determines after a hearing that the institution has engaged or is engaging in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations, or has violated any applicable law, regulation, order or any condition imposed by an agreement with the FDIC. It also may suspend deposit insurance temporarily during the hearing process for the permanent termination of insurance, if the institution has no tangible capital. If insurance of accounts is terminated, the accounts at the institution at the time of the termination, less subsequent withdrawals, shall continue to be insured for a period of six months to two years, as determined by the FDIC. Management is aware of no existing circumstances, which would result in termination of the Bank's deposit insurance.

Regulatory Capital Requirements. Federally insured savings institutions are required to maintain minimum levels of regulatory capital. The Office of Thrift Supervision has established capital standards applicable to all savings institutions. These standards generally must be as stringent as the comparable capital requirements imposed on national banks. The Office of Thrift Supervision also is authorized to impose capital requirements in excess of these standards on individual institutions on a case-by-case basis.

Current Office of Thrift Supervision capital standards require savings institutions to satisfy three different capital requirements:

"tangible" capital equal to at least 1.5% of adjusted total assets, "core" capital equal to at least 3.0% of adjusted total assets for savings associations with the highest rating for safety and soundness, and 4% to 5% for all other savings associations, and

"total" capital (a combination of core and "supplementary" capital) equal to at least 8.0% of "risk-weighted" assets.

Core capital generally consists of common stockholders' equity (including retained earnings). Tangible capital generally equals core capital minus intangible assets, with only a limited exception for purchased mortgage servicing rights. The Bank had no intangible assets at December 31, 2002. Both core and tangible capital are further reduced by an amount equal to a savings institution's debt and equity investments in subsidiaries engaged in activities not permissible to national banks (other than subsidiaries engaged in activities undertaken as agent for customers or in mortgage banking activities and subsidiary depository institutions or their holding companies). These adjustments do not affect the Bank's regulatory capital.

In determining compliance with the risk-based capital requirement, a savings institution is allowed to include both core capital and supplementary capital in its total capital, provided that the amount of supplementary capital included does not exceed the savings institution's core capital. Supplementary capital generally consists of general allowances for loan losses up to a maximum of 1.25% of risk-weighted assets, together with certain other items. In determining the required amount of risk-based capital, total assets, including certain off-balance sheet items, are multiplied by a risk weight based on the risks inherent in the type of assets. The risk weights range from 0% for cash and securities issued by the U.S. Government or unconditionally backed by the full faith and credit of the U.S. Government to 100% for loans (other than qualifying residential loans weighted at 50%) and repossessed assets.

Office of Thrift Supervision rules require that an institution with greater than "normal" interest rate risk will be subject to a deduction of its interest rate risk component from total capital for purposes of calculating its risk-based capital. As a result, such an institution will be required to maintain additional capital in order to comply with the risk-based capital requirement. An institution has greater than "normal" interest rate risk if it would suffer a loss of net portfolio value exceeding 2.0% of the estimated market value of its assets in the event of a 200 basis point increase or decrease in interest rates. The interest rate risk component will be calculated, on a quarterly basis, as one-half of the difference between an institution's measured interest rate risk and 2.0% multiplied by the market value of its assets. The rule also authorizes the Office of Thrift Supervision to waive or defer an institution's interest rate risk component on a case-by-case basis. The final rule was originally effective as of January 1, 1994, subject however to a two quarter "lag" time between the reporting date of the data used to calculate an institution's interest rate risk and the effective date of each quarter's interest rate risk component. However, in October 1994 the Office of Thrift Supervision indicated that it would waive the capital deductions for institutions with greater than "normal" risk until the Office of Thrift Supervision published an appeals process. On August 21, 1995, the Office of Thrift Supervision established (1) an appeals process to handle "requests for adjustments" to the interest rate risk component and (2) a process by which "well-capitalized" institutions may obtain authorization to use their own interest rate risk model to determine their interest rate risk component. The Office of Thrift Supervision also indicated that it would continue to delay the implementation of the capital deduction for interest rate risk pending the testing of the appeals process.

Savings institutions must value securities available for sale at amortized cost for regulatory capital purposes. This means that in computing regulatory capital, savings institutions should add back any unrealized losses and deducts any unrealized gains, net of income taxes, on debt securities reported as a separate component of GAAP capital.

At December 31, 2002, the Bank exceeded all of its regulatory capital requirements, with tangible, core and risk-based capital ratios of 14.27%, 14.27% and 34.77%, respectively.

Any savings institution that fails any of the capital requirements is subject to possible enforcement actions by the Office of Thrift Supervision or the FDIC. Such actions could include a capital directive, a cease and desist order, civil money penalties, and the establishment of restrictions on the institution's operations, termination of federal deposit insurance and the appointment of a conservator or receiver. The Office of Thrift Supervision's capital regulation provides that such actions, through enforcement proceedings or otherwise, could require one or more of a variety of corrective actions.

Prompt Corrective Action. The following table shows the amount of capital associated with the different capital categories set forth in the prompt corrective action regulations.

Capital Category	Total Risk-Based Capital	Tier 1 Risk-Based Capital	Tier 1 Leverage Capital
Well-capitalized	10% or more	6% or more	5% or more
Adequately capitalized	8% or more	4% or more	4% or more
Undercapitalized	Less than 8%	Less than 4%	Less than 4%
Significantly undercapitalized	Less than 6%	Less than 3%	Less than 3%

In addition, an institution is "critically undercapitalized" if it has a ratio of tangible equity to total assets that is equal to or less than 2.0%. Under specified circumstances, a federal banking agency may reclassify a well-capitalized institution as adequately capitalized and may require an adequately capitalized institution or an undercapitalized institution to comply with supervisory actions as if it were in the next lower category (except that the FDIC may not reclassify a significantly undercapitalized institution as critically undercapitalized).

An institution generally must file a written capital restoration plan which meets specified requirements within 45 days of the date that the institution receives notice or is deemed to have notice that it is undercapitalized, significantly undercapitalized or critically undercapitalized. A federal banking agency must provide the institution with written notice of approval or disapproval within 60 days after receiving a capital restoration plan, subject to extensions by the agency. An institution, which is required to submit a capital restoration plan, must concurrently submit a performance guaranty by each company that controls the institution. In addition, undercapitalized institutions are subject to various regulatory restrictions, and the appropriate federal banking agency also may take any number of discretionary supervisory actions.

At December 31, 2002, the Bank was deemed a well-capitalized institution for purposes of the above regulations and as such is not subject to the above-mentioned restrictions.

Safety and Soundness Guidelines. The Office of Thrift Supervision and the other federal banking agencies have established guidelines for safety and soundness, addressing operational and managerial standards, as well as compensation matters for insured financial institutions. Institutions failing to meet these standards are required to submit compliance plans to their appropriate federal regulators. The Office of Thrift Supervision and the other agencies have also established guidelines regarding asset quality and earnings standards for insured institutions. The Bank believes that it is in compliance with these guidelines and standards.

Liquidity Requirements. All savings institutions are required to maintain a balance of liquid assets sufficient to meet the expected cash needs of their Bank.

Capital Distributions. Office of Thrift Supervision regulations govern capital distributions by savings institutions, which include cash dividends, stock repurchases and other transactions charged to the capital account of a savings institution to make capital distributions. A savings institution must file an application for Office of Thrift Supervision approval of the capital distribution if either (1) the total capital distributions for the applicable calendar year exceed the sum of the institution's net income for that year to date plus the institution's retained net income for the preceding two years, (2) the institution would not be at least adequately capitalized following the distribution, (3) the distribution would violate any applicable statute, regulation, agreement or Office of Thrift Supervision-imposed condition, or (4) the institution is not eligible for expedited treatment of its filings. If an application is not required to be filed, savings institutions that are a subsidiary of a holding company (as well as certain other institutions) must still file a notice with the Office of Thrift Supervision at least 30 days before the board of directors declares a dividend or approves a capital distribution.

Community Reinvestment Act and the Fair Lending Laws. Savings institutions have a responsibility under the Community Reinvestment Act of 1977 ("CRA") and related regulations of the Office of Thrift Supervision to help meet the credit needs of their communities, including low- and moderate-income neighborhoods. In addition, the Equal Credit Opportunity Act and the Fair Housing Act (together, the "Fair Lending Laws") prohibit lenders from discriminating in their lending practices on the basis of characteristics specified in those statutes. An institution's failure to comply with the provisions of CRA could, at a minimum, result in regulatory restrictions on its activities. Failure to comply with the Fair Lending Laws could result in enforcement actions by the Office of Thrift Supervision, as well as other federal regulatory agencies and the Department of Justice.

Qualified Thrift Lender Test. All savings institutions are required to meet a qualified thrift lender or QTL test to avoid certain restrictions on their operations. A savings institution can comply with the QTL test by either qualifying as a domestic building and loan association as defined in the Internal Revenue Code or meeting the second prong of the QTL test set forth in the HOLA, as described below. A savings institution that does not meet the QTL test must either convert to a bank charter or comply with the following restrictions on its operations:

the institution may not engage in any new activity or make any new investment, unless such activity or investment is permissible for a national bank;

the branching powers of the institution shall be restricted to those of a national bank;

the institution shall not be eligible to obtain any new advances from its FHLB, other than special liquidity advances with the approval of the Office of Thrift Supervision; and

payment of dividends by the institution shall be subject to the rules regarding payment of dividends by a national bank.

Upon the expiration of three years from the date the savings institution ceases to be a QTL, it must cease any activity and not retain any investment not permissible for a national bank and immediately repay any outstanding FHLB advances (subject to safety and soundness considerations).

Currently, the prong of the QTL test that is not based on the Internal Revenue Code requires that 65% of an institution's "portfolio assets" (as defined) consist of certain housing and consumer-related assets on a monthly average basis in nine out of every 12 months. Assets that qualify without limit for inclusion as part of the 65% requirement include:

loans made to purchase, refinance, construct, improve or repair domestic residential housing;

home equity loans;

most mortgage-backed securities;

stock issued by the FHLB of Dallas; and

direct or indirect obligations of the FDIC.

In addition, the following assets, among others, may be included in meeting the test subject to an overall limit of 20% of the savings institution's portfolio assets: 50% of residential mortgage loans originated and sold within 90 days of origination; 100% of consumer loans (limited to 10% of total portfolio assets); and stock issued by the FHLMC or the FNMA. Portfolio assets consist of total assets minus the sum of (1) goodwill and other intangible assets, (2) property used by the savings institution to conduct its business, and (3) liquid assets up to 20% of the institution's total assets. At December 31, 2002, the qualified thrift investments of the Bank were approximately 94.2% of its portfolio assets.

Federal Home Loan Bank System. The Bank is a member of the Federal Home Loan Bank of Dallas, which is one of 12 regional Federal Home Loan Banks that administers the home financing credit function of savings institutions. Each of the Federal Home Loan Banks serves as a reserve or central bank for its members within its assigned region. It is funded primarily from proceeds derived from the sale of consolidated obligations of the Federal Home Loan Bank System. It makes loans to members (i.e., advances) in accordance with policies and procedures established by the Board of Directors of the FHLB. At December 31, 2002, the Bank had $4.1 million of Federal Home Loan Bank advances.

As a member, the Bank is required to purchase and maintain stock in the Federal Home Loan Bank of Dallas in an amount equal to at least 1% of its aggregate unpaid residential mortgage loans or similar obligations at the beginning of each year. At December 31, 2002, the Bank had $354,000 in FHLB stock, which was in compliance with this requirement.

The Federal Home Loan Banks are required to provide funds for the resolution of troubled savings institutions and to contribute to affordable housing programs through direct loans or interest subsidies on advances targeted for community investment and low- and moderate-income housing projects. These contributions have adversely affected the level of FHLB dividends paid in the past and could do so in the future. These contributions also could have an adverse effect on the value of Federal Home Loan Bank stock in the future.

Federal Reserve System. The Federal Reserve Board requires all depository institutions to maintain reserves against their transaction accounts (primarily NOW and Super NOW checking accounts) and non-personal time deposits. Because required reserves must be maintained in the form of vault cash or a non-interest-bearing account at a Federal Reserve Bank, the effect of this reserve requirement is to reduce an institution's earning assets.

TAXATION

Federal Taxation

General. The Company and the Bank are subject to the corporate tax provisions of the Internal Revenue Code, and the Bank is subject to certain additional provisions, which apply to thrift and other types of financial institutions. The following discussion of federal taxation is intended only to summarize certain pertinent federal income tax matters relevant to the taxation of the Company and the Bank and is not a comprehensive discussion of the tax rules applicable to the Company and the Bank.

Fiscal Year. The Company currently reports its income and expenses on the accrual method of accounting and uses a tax year ending December 31 for filing its federal income tax returns.

Bad Debt Reserves. In August 1997, legislation was enacted that repealed the reserve method of accounting (including the percentage of taxable income method) previously used by many savings institutions to calculate their bad debt reserve for federal income tax purposes. Savings institutions with $500 million or less in assets may, however, continue to use the experience method. The Bank must recapture that portion of its reserve, which exceeds the amount that could have been taken under the experience method for post-1987 tax years. At December 31, 2002, the Bank did not have any post-1987 excess reserves. The legislation also requires savings institutions to account for bad debts for federal income tax purposes on the same basis as commercial banks for tax years beginning after December 31, 1995. This change in accounting method and recapture of excess bad debt reserves is adequately provided for in the Bank's deferred tax liability.

At December 31, 2002, the federal income tax reserves of the Bank included $350,000 for which no federal income tax has been provided. Because of these federal income tax reserves and the liquidation account to be established for the benefit of certain depositors of the Bank in connection with the Conversion, the retained earnings of the Bank are substantially restricted.

Distributions. If the Bank were to distribute cash or property to its stockholders, and the distribution was treated as being from its accumulated bad debt reserves, the distribution would cause the Bank to have additional taxable income. A distribution is from accumulated bad debt reserves if (a) the reserves exceed the amount that would have been accumulated on the basis of actual loss experience, and (b) the distribution is a "non-qualified distribution." A distribution with respect to stock is a non-qualified distribution to the extent that, for federal income tax purposes:

it is in redemption of shares,

it is pursuant to a liquidation of the institution, or

in the case of a current distribution, together with all other such distributions during the taxable year, it exceeds the institution's current and post-1951 accumulated earnings and profits.

The amount of additional taxable income created by a non-qualified distribution is an amount that when reduced by the tax attributable to it is equal to the amount of the distribution.

Minimum Tax. The Internal Revenue Code imposes an alternative minimum tax at a rate of 20%. The alternative minimum tax generally applies to a base of regular taxable income plus certain tax preferences ("alternative minimum taxable income" or "AMTI") and is payable to the extent such AMTI is in excess of an exemption amount. Tax preference items include the following:

depreciation, and

75% of the excess (if any) of

(1) adjusted current earnings as defined in the Internal Revenue Code, over

(2) AMTI determined without regard to this preference and prior to reduction by net operating losses.

Capital Gains and Corporate Dividends-Received Deduction. Corporate net capital gains are taxed at a maximum rate of 35%. Corporations, which own 20% or more of the stock of a corporation distributing a dividend, may deduct 80% of the dividends, received. Corporations, which own less than 20% of the stock of a corporation distributing a dividend, may deduct 70% of the dividends received. However, a corporation that receives dividends from a member of the same affiliated group of corporations may deduct 100% of the dividends received.

Other Matters. Federal legislation is introduced from time to time that would limit the ability of individuals to deduct interest paid on mortgage loans. Individuals are currently not permitted to deduct interest on consumer loans. Significant increases in tax rates or further restrictions on the deductibility of mortgage interest could adversely affect the Bank.

The Bank's federal income tax returns for the tax years ended 2002, 2001, 2000 and 1999 are open under the statute of limitations and are subject to review by the IRS. The Internal Revenue Service has not audited the Bank during the last five years.

State Taxation

The Company is subject to the Louisiana Corporation Income Tax based on our Louisiana taxable income. The Corporation Income Tax applies at graduated rates from 4% upon the first $25,000 of Louisiana taxable income to 8% on all Louisiana taxable income in excess of $200,000. For these purposes, "Louisiana taxable income" means net income, which is earned by the Company within or derived from sources within the State of Louisiana, after adjustments permitted under Louisiana law, including a federal income tax deduction. In addition, the Bank is subject to the Louisiana Shares Tax, which is imposed on the assessed value of a company's stock. The formula for deriving the assessed value is 15% of the sum of:

(a) 20% of a company's capitalized earnings, plus

(b) 80% of our taxable stockholders' equity,

and to subtract from that figure 50% of our real and personal property assessment. Various items may also be subtracted in calculating a company's capitalized earnings. The Bank pays Louisiana Shares Tax on the assessed value of its stock at rates up to 16%. The Bank paid $49,000 and $0 in Louisiana Shares Tax in the years ended December 31, 2002 and 2001, respectively. The Bank expects to pay a similar amount of tax in 2003 as we did in 2002.

Item 2. Description of Property

At December 31, 2002, Globe Homestead conducted its business from its headquarters and sole office at 4051 Veterans Boulevard, Suite 100, Metairie, Louisiana 70002. The Bank leases space in the building at this site. The present lease expires in December 2007 and the Bank has two options to lease the property for an additional five years for each option.

Item 3. Legal Proceedings

The Company is involved in routine legal proceedings occurring in the ordinary course of business, which, in the aggregate, are believed by management to be immaterial to the financial condition and results of operations of the Company.

Item 4. Submission of Matters to a Vote of Security Holders

Not applicable.

PART II.

Item 5. Market for Common Equity and Related Stockholder Matters

The information required herein, to the extent applicable, is incorporated by reference from page 14 of the Company's 2002 Annual Report.

Item 6. Management's Discussion and Analysis or Plan of Operation

The information required herein is incorporated by reference from pages 6 to 12 of the Company's 2002 Annual Report.

Item 7. Financial Statements

The information required herein is incorporated by reference from pages 15 to 42 of the Company's 2002 Annual Report.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

PART III

Item 9. Directors, Executive Officers, Promoters and Control Persons; Compliance with Section 16(a) of the Exchange Act

The information required herein is incorporated by reference from pages 3 to 5 and 7 of the definitive proxy statement of the Company for the Annual Meeting of Shareholders to be held on April 22, 2003, which will be filed within 120 days of December 31, 2002 ("Definitive Proxy Statement").

Item 10. Executive Compensation

The information required herein is incorporated by reference from page 7 to 8 of the Definitive Proxy Statement.

Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required herein is incorporated by reference from page 6 of the Definitive Proxy Statement.

Item 12. Certain Relationships and Related Transactions

The information required herein is incorporated by reference from page 8 of the Definitive Proxy Statement.

Item 13. Exhibits, List and Reports on Form 8-K

(a) Documents Field as Part of this Report

(1) The following financial statements are incorporated by reference from Item 7 hereof (see Exhibit 13):

Report of Independent Auditor
Consolidated Statements of Financial Condition at December 31, 2002 and 2001
Consolidated Statements of Income for the Years Ended December 31, 2002, 2001, and 2000
Consolidated Statements of Changes in Stockholders' Equity for the Years Ended December 31, 2002, 2001, and 2000
Consolidated Statements of Cash Flows for the Years Ended December 31, 2002, 2001, and 2000
Notes to Consolidated Financial Statements

(2) All schedules for which provision is made in the applicable accounting regulation of the SEC are omitted because of the absence of conditions under which they are required or because the required information is included in the consolidated financial statements and related notes thereto.

(3) The following exhibits are filed as part of this Form 10-KSB and this list includes the Exhibit Index.

Exhibit Index

2.1* Plan of Conversion
3.1* Articles of Incorporation of Globe Bancorp, Inc.
3.2* Bylaws of Globe Bancorp, Inc.
4.1* Stock Certificate of Globe Bancorp, Inc.
10.1** Employment Agreement among Globe Bancorp, Inc and Thomas J. Exnicios dated December 18, 2001
13.1 2002 Annual Report to Stockholders
23.0 Independent Auditor's Consent
99.1 Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(*) Incorporated by reference from the Company's Registration Statement on Form SB-2 (Registration No. 333-57148) filed by the Company with the SEC on March 16, 2001, as subsequently amended.
(**) Incorporated by reference from Exhibit 10.1 to the Company's Form 10 - KSB for the year ended December 31, 2001.

(b) Reports on Form 8-K

The Company did not file any reports on Form 8-K during the quarter ended December 31, 2002.

Item 14. Controls and Procedures

Within 90 days prior to the date of this Annual Report on Form 10-KSB, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective. There were no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

Disclosure controls and procedures are the controls and other procedures of the Company that are designed to ensure that the information required to be disclosed by the Company in its reports filed or submitted under the Securities Exchange Act of 1934, as amended ("Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in its reports filed under the Exchange Act is accumulated and communicated to the Company's management, including the principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GLOBE BANCORP, INC.

Date: March 21, 2003

By: /s/ Thomas J. Exnicios
Thomas J. Exnicios
President and Chief Executive Officer

In accordance with the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Thomas J. Exnicios Director, President and Chief Executive Officer (Principal financial and accounting officer)	March 21, 2003
/s/ Michael H. Bagot Board Chair	March 21, 2003
/s/ Mae H. Leaveau Director, Vice President	March 21, 2003
/s/ Saxon J. Toca, III Director, Secretary - Treasurer	March 21, 2003
/s/ Albert E. Briede, III Director	March 21, 2003
/s/ John L. Gohres, Jr. Director	March 21, 2003
/s/ Robert J. Gohres Director	March 21, 2003
/s/ Madeleine B. Richard Director	March 21, 2003

SECTION 302 CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, Thomas J. Exnicios, the Chief Executive Officer of Globe Bancorp, Inc., certify that:

1. I have reviewed this annual report on Form 10-KSB of Globe Bancorp, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiary, is made known to us by others within this entity, particularly during the period in which this annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 21, 2003

/s/ Thomas J. Exnicios
Thomas J. Exnicios
Chief Executive Officer

SECTION 302 CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

I, Thomas J. Exnicios, the Chief Financial Officer of Globe Bancorp, Inc., certify that:

1. I have reviewed this annual report on Form 10-KSB of Globe Bancorp, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiary, is made known to us by others within this entity, particularly during the period in which this annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 21, 2003

/s/ Thomas J. Exnicios
Thomas J. Exnicios
Chief Financial Officer