

Northern New England Banking Opportunities

2010 Snapshot and Trends

Maine, New Hampshire, Vermont and Boston MSA

2 New England Expansion Overview

Defined by assets the New England banking market is comprised of four groups:

1. **Mega Banks:** these institutions are defined as regional or national banking institutions that do not have a primary focus on serving consumers and businesses in New England. This group holds \$110bn of the market's deposits, a 62.8% market share.
2. **Super Community Banks:** these institutions are defined as New England based banking institutions with \$1.5bn in assets and above. There are 11 of these institutions in New England and hold \$36.8bn of assets in aggregate.
3. **Community Banks:** these institutions are have between \$500mm and \$1.5bn of assets. There are 45 of these institutions in New England and hold \$37.0bn of assets in aggregate.
4. **Small Community Banks:** these institutions have less than \$500mm in assets. There are 107 of these institutions in New England and hold \$24.4bn of assets in aggregate

*New England markets including Maine, New Hampshire, Vermont and Boston MSA

3 New England Expansion Overview

New England Market

1. **The Boston MSA:** The market is populous, growing and fragmented. The Boston MSA is the only market in New England projected to experience population growth in the next five years. It is also the only market with a median household income above the national average. The Boston market is highly fragmented with 111 banks holding less than \$5bn of assets, the overwhelming majority of which have less than \$1bn of assets. However, the Boston market is characteristically different from the Maine market in a way New Hampshire and Vermont are not. Boston banks are generally well-capitalized and there is only one institution that could be characterized as “distressed.” Consolidation within this “over banked” market could be attractive at today’s valuations.
2. **New Hampshire:** The state boasts positive long-term growth prospects and is presently “over banked”. While population is expected to shrink marginally, aggregate household income is projected to increase 23%, the highest observed in any of the four markets analyzed. Asset quality at institutions in this market is good, but earnings have not been strong across the board.
3. **Maine:** With an economy heavily tied to tourism, the stronger community banks based in the state have an opportunity to enter neighboring state markets at a discount to historical pricing given current bank valuations. For community banks with a vision for creating a Super Community Bank to serve multiple state’s in New England, 2010-2011 could prove an enticing time to execute an inorganic growth strategy.
4. **Vermont:** The state represents the smallest market covered in this report. Population is projected to shrink marginally in the next five years. However, banks in the Vermont market generally have good asset quality and did not participate in the home-lending boom as observed in other areas of the country. The market is small and not projected to grow, but asset quality is strong.

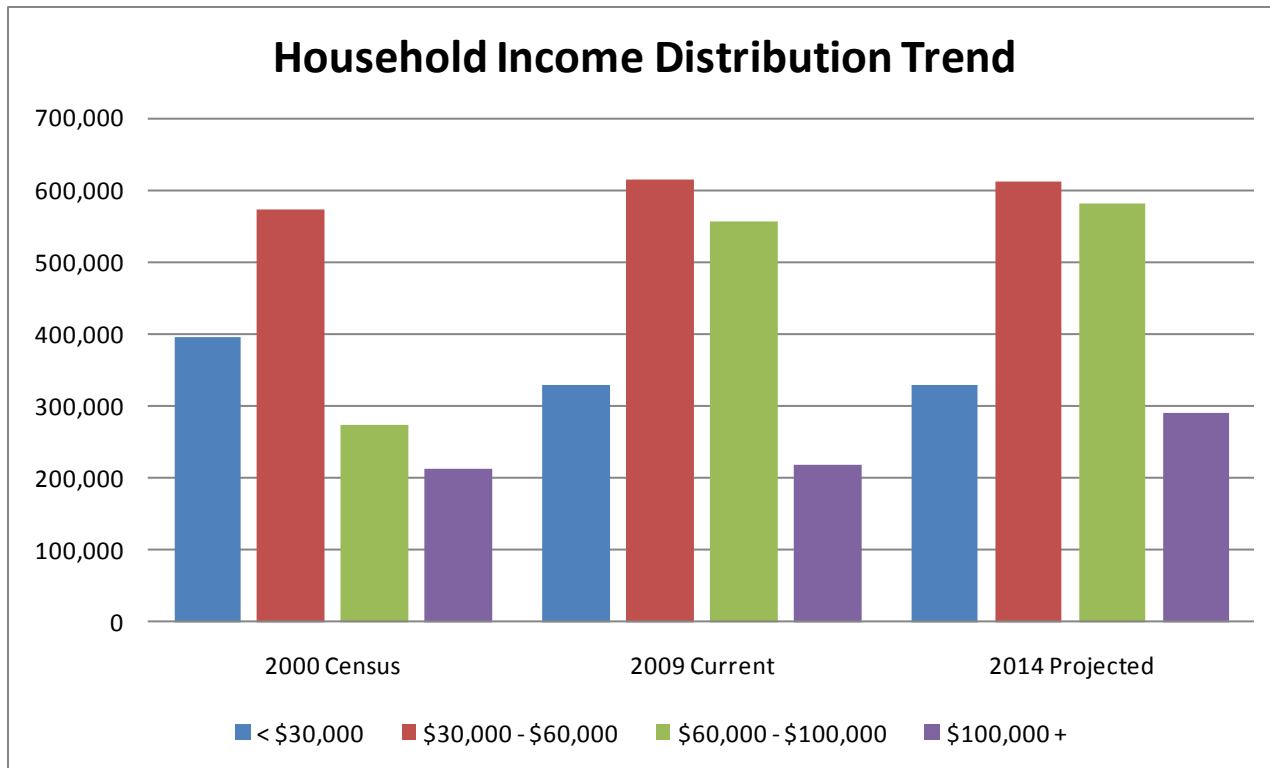
New England Inorganic Expansion Opportunities

1. **Merger of Equals:** A potentially attractive transaction that could benefit the surviving entity and shareholders by creating scale that would allow the surviving entity to reduce costs, increase margins, and access high quality prospective customers with larger credit needs. Super Community Banks with \$3 billion of assets and above traditionally have a more liquid stock, better likelihood of obtaining increased sell side research coverage, and subsequently greater access to the capital markets.
2. **Acquisition of Strong Deposit Franchise with Poor Asset Generation:** These institutions have been able to grow deposits well but have had trouble generating loans. We consider banks with loan-to-deposit ratios less than 70% to fit in this category. These banks could provide a solid core deposit boost and access to new markets.
3. **Poor Earners:** Institutions with poor earnings through the current cycle and prior to the recession with a low level of non-performing assets could benefit an acquirer. Acquiring a poor earning institution would allow a bank to enter an adjacent market inexpensively given the target's lackluster earnings coupled with already depressed bank valuations.

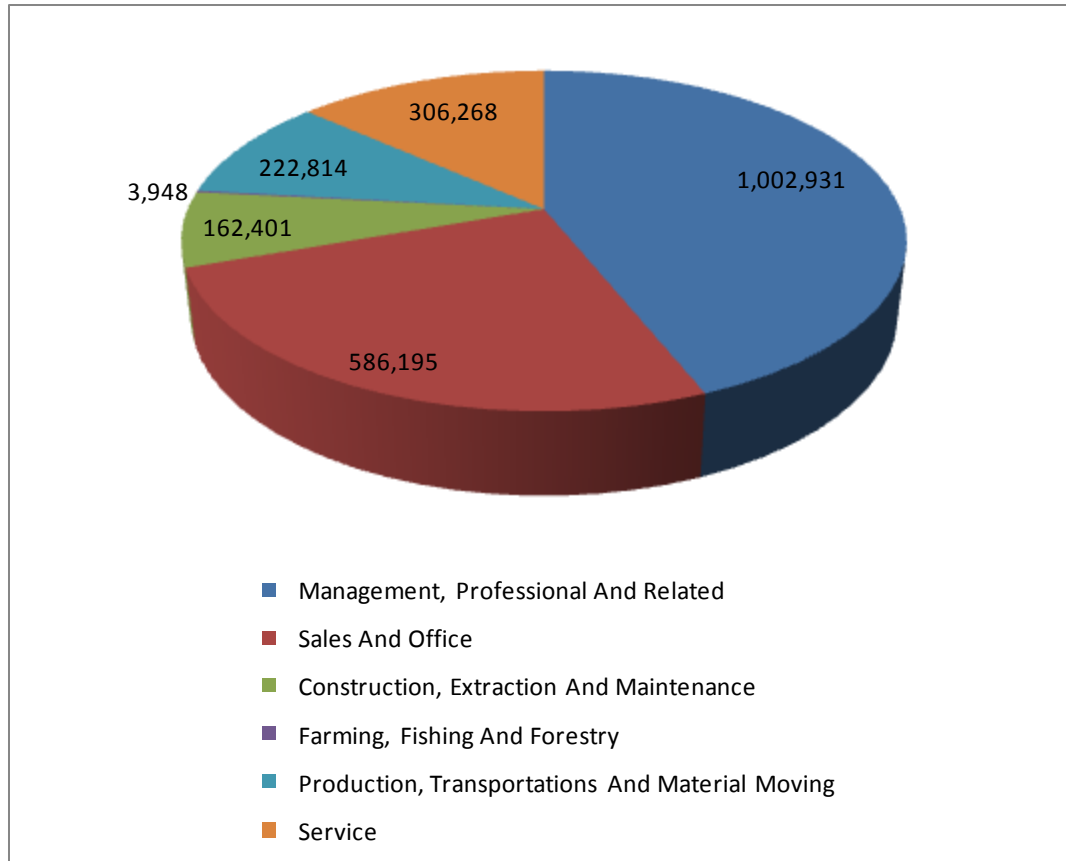
| Total | 2000 | 2009 | 2014 | 2009 | 2014 |
|------------------------------------|---------------|----------------|------------------|----------------|----------------|
| | Census | Current | Projected | %Change | %Change |
| Total Population | | | | | |
| Population | 4,391,344 | 4,562,238 | 4,763,232 | 3.89 | 4.41 |
| Households | 2000 | 2009 | 2014 | 2009 | 2014 |
| | Census | Current | Projected | %Change | %Change |
| Households | | | | | |
| Households | 1,679,659 | 1,804,322 | 1,888,920 | 7.42 | 4.69 |
| Population in Family Households | 3,456,507 | -- | -- | -- | -- |
| % of Total | 78.71 | -- | -- | -- | -- |
| Population in Nonfamily Households | 791,135 | -- | -- | -- | -- |
| % of Total | 18.02 | -- | -- | -- | -- |
| Income | 2000 | 2009 | 2014 | 2009 | 2014 |
| | Census | Current | Projected | %Change | %Change |
| Household Income | | | | | |
| Aggregate | 121,300,101 | 166,128,460 | 187,862,551 | 36.96 | 13.08 |
| Median | 55,034 | 68,016 | 70,682 | 23.59 | 3.92 |
| Average | 72,196 | 92,073 | 99,455 | 27.53 | 8.02 |
| Per Capita | 27,622 | 36,414 | 39,440 | 31.83 | 8.31 |
| Per Member | -- | 37,719 | 40,834 | -- | 8.26 |
| Median Family Income | 0 | -- | -- | -- | -- |

Key Observations

Boston’s middle class is strong and growing. The number of households earning below \$30k has decreased 25% while the number of homes earning \$60k-\$100k has more than doubled since the beginning of the decade. Looking ahead, the high earning households will experience the largest notional growth.



Population by Occupation



Key Observations

- Boston's Median Home Value/Median Income is among the highest in the nation at 4.56x.
- The change in the composition of the homes by value in the Boston area reflects the change in the distribution of household earnings. The number of homes worth over \$250k are growing substantially while most other homes are shrinking in number.

| | 2000 | 2009 | 2009 | | |
|---|---------------|----------------|----------------|-------|-------|
| | Census | Current | %Change | | |
| Home Values | | | | | |
| Median Home Value | 215,327 | 310,010 | 49.97 | | |
| Median Income | 55,034 | 68,016 | 25.06 | | |
| Median Home Value/Median Income | 3.91 | 4.56 | | | |
| Number of Homes by Values % of Homes by Value | | | | | |
| < \$100,000 | 36,582 | 1,148 | | 4.65 | 0.12 |
| \$100,000 - \$124,999 | 47,662 | 8,732 | -- | 6.08 | 1.02 |
| \$125,000 - \$149,999 | 81,308 | 24,005 | -- | 10.37 | 2.80 |
| \$150,000 - \$174,999 | 96,713 | 45,797 | -- | 12.33 | 5.35 |
| \$175,000 - \$199,999 | 89,578 | 65,380 | -- | 11.42 | 7.64 |
| \$200,000 - \$249,999 | 131,223 | 146,509 | -- | 16.73 | 17.11 |
| \$250,000 - \$299,999 | 97,185 | 150,846 | -- | 12.39 | 17.62 |
| \$300,000 - \$399,999 | 98,477 | 187,306 | -- | 12.56 | 21.88 |
| \$400,000 - \$499,999 | 46,592 | 114,593 | -- | 5.94 | 13.38 |
| \$500,000 - \$749,999 | 38,129 | 77,551 | -- | 4.86 | 9.06 |
| \$750,000 - \$999,999 | 11,916 | 22,546 | -- | 1.52 | 2.63 |
| \$1,000,000 + | 8,769 | 11,745 | -- | 1.12 | 1.37 |

Boston MSA - Deposit Market Overview - Top 25 Banks

| Date of Financial Data: June 30, 2009 All dollars in thousands (\$000) | | | | | |
|---|----------------------------|---|--------------------------|--------------------------------|---------------------------------|
| Name | 2009 Total Deposits | 5-year Compound Annual Growth Rate | 2009 Market Share | 2009 Number of Branches | 2009 Deposits per Branch |
| Bank of America Corp | 34,516,859 | 0.23 | 22.33 | 215 | 160,544 |
| Royal Bank of Scotland Group | 21,351,268 | -0.36 | 13.81 | 208 | 102,650 |
| State Street Corp | 20,624,948 | 0.72 | 13.34 | 1 | 20,624,948 |
| Banco Santander S.A. | 10,099,640 | 2.56 | 6.53 | 167 | 60,477 |
| Bank of New York Mellon Corp | 8,532,492 | 5.09 | 5.52 | 2 | 4,266,246 |
| Toronto-Dominion Bank | 5,836,865 | 1.72 | 3.78 | 102 | 57,224 |
| Eastern Bank Corp | 5,073,023 | -1.17 | 3.28 | 75 | 67,640 |
| Middlesex Bancorp (MHC) | 3,064,488 | 2.73 | 1.98 | 24 | 127,687 |
| Independent Bank Corp | 2,277,142 | 1.83 | 1.47 | 45 | 50,603 |
| Boston Private Financial Holdings, Inc | 2,192,818 | 9.85 | 1.42 | 9 | 243,646 |
| Salem Five Bancorp | 1,893,407 | 6.59 | 1.22 | 21 | 90,162 |
| Danvers Bancorp, Inc. | 1,728,581 | 9.43 | 1.12 | 27 | 64,022 |
| Cambridge Financial Group | 1,718,112 | 0.88 | 1.11 | 17 | 101,065 |
| Citigroup, Inc | 1,641,385 | N/A | 1.06 | 31 | 52,948 |
| Century Bancorp, Inc | 1,556,035 | 4.18 | 1.01 | 22 | 70,729 |
| Brookline Bancorp, Inc | 1,510,050 | 9.11 | 0.98 | 18 | 83,892 |
| Meridian Financial Services, Inc (MHC) | 1,307,219 | 7.48 | 0.85 | 20 | 65,361 |
| Watertown Savings Bank | 1,028,084 | 1.93 | 0.66 | 10 | 102,808 |
| Enterprise Bancorp, Inc | 995,461 | 9.00 | 0.64 | 16 | 62,216 |
| Cambridge Bancorp | 849,737 | 5.43 | 0.55 | 10 | 84,974 |
| Dedham Institution for Savings | 842,402 | 2.02 | 0.54 | 12 | 70,200 |
| Institution for Savings | 820,659 | 19.12 | 0.53 | 7 | 117,237 |
| Hyde Park Bancorp, MHC (MHC) | 778,164 | 3.73 | 0.50 | 6 | 129,694 |
| Wainwright Bank & Trust Company | 697,062 | 8.44 | 0.45 | 12 | 58,089 |
| Needham Bank | 696,187 | 16.20 | 0.45 | 5 | 139,237 |

Boston MSA – Banks 200mm to 1bn of Assets Part 1

Potential Acquisition Candidates for a \$200 million to \$2 billion franchise to consider:

| | Balance Sheet | | | Profitability | | | | Capital Adequacy | | Asset Quality | | |
|--|---------------|----------|-------------|--------------------------|--------------------------|---------------------------------|---------------------------------|----------------------|-----------------------|------------------------------------|-----------------------------------|-------------------------------|
| | Total Asset | Core | Total | Return on Average Assets | Return on Average Equity | 5 Year Average Return on Assets | 5 Year Average Return on Equity | Tier 1 Capital Ratio | Tangible Equity Ratio | Net Charge-Offs(YTD)/Average Loans | Nonperforming Assets/Total Assets | Texas |
| | | Deposits | Loans/Total | | | | | | | | | Ratio (NPL/Tang Equity + LLR) |
| Saugusbank a Co-operative | 201,744 | 131,096 | 86.8% | 0.36% | 4.72% | 0.38% | 4.68% | 10.65% | 7.39% | 0.08% | 2.56% | 28.01% |
| Piscataqua Savings Bank | 205,728 | 127,619 | 89.0% | 0.52% | 2.99% | 0.57% | 3.18% | 29.99% | 16.56% | 0.00% | 0.25% | 1.47% |
| Braintree Bancorp (MHC) | 214,012 | 163,380 | 69.6% | 0.27% | 3.73% | 0.38% | 4.80% | 12.05% | 7.52% | 0.31% | 0.40% | 3.35% |
| South Shore (MHC) | 214,468 | 129,541 | 108.0% | 0.25% | 3.58% | 0.41% | 5.70% | 9.51% | 7.02% | 0.03% | 0.26% | 2.16% |
| Dean Co-operative Bank | 224,858 | 140,342 | 102.2% | 0.18% | 2.46% | 0.36% | 4.77% | 11.24% | 7.24% | 0.51% | 3.68% | 43.38% |
| Grand Bank Corp | 239,699 | 172,944 | 84.4% | 0.94% | 9.42% | 1.16% | 12.27% | 15.90% | 9.96% | 0.09% | 0.17% | 1.55% |
| Federal Savings Bank | 240,568 | 150,681 | 123.8% | 0.08% | 0.84% | 0.61% | 7.63% | 14.90% | 9.93% | 0.23% | 1.51% | 14.00% |
| Haverhill Bank | 241,516 | 150,209 | 94.4% | -0.64% | -5.44% | 0.01% | 0.25% | 17.14% | 11.17% | 0.61% | 2.09% | 28.89% |
| Mayflower Bancorp, Inc | 246,954 | 169,913 | 57.5% | 0.74% | 9.51% | 0.49% | 6.20% | 12.60% | 7.70% | 0.09% | 0.43% | 1.85% |
| Everett Co-operative Bank | 258,413 | 153,908 | 96.6% | 1.01% | 8.55% | 0.93% | 8.78% | 19.10% | 12.26% | 0.00% | 1.02% | 8.05% |
| Wellesley Bank | 259,000 | 123,243 | 90.7% | 0.61% | 8.52% | 0.70% | 8.90% | 10.51% | 6.96% | 0.01% | 0.52% | 6.54% |
| Winter Hill Bank, Federal Cooperative Bank | 261,497 | 186,100 | 74.6% | -0.25% | -2.79% | 0.30% | 3.51% | 15.48% | 8.70% | 0.08% | 0.00% | 0.00% |
| First Ipswich Bancorp | 269,436 | 180,690 | 80.3% | -0.02% | -0.19% | 0.41% | 4.69% | 15.70% | 9.62% | 0.40% | 1.57% | 14.98% |
| Butler Bancorp (MHC) | 271,697 | 197,189 | 92.5% | -0.98% | -9.76% | -0.26% | -2.16% | 11.06% | 8.32% | 0.71% | 2.00% | 5.85% |
| Colonial Federal Savings Bank | 273,246 | 163,656 | 90.3% | -7.26% | -180.52% | -0.59% | -9.51% | 2.20% | 1.73% | 5.17% | 17.66% | 380.45% |
| Northmark Bank | 274,493 | 194,287 | 64.3% | 0.91% | 9.91% | 0.57% | 6.89% | 22.26% | 9.17% | 0.03% | 0.33% | 3.43% |
| Leader Bancorp, Inc | 289,944 | 147,513 | 87.5% | 0.65% | 5.86% | 0.91% | 8.65% | 18.09% | 10.76% | 0.10% | 0.00% | 0.00% |
| Beverly Financial (MHC) | 292,723 | 122,255 | 134.6% | 1.34% | 14.44% | 0.44% | 5.56% | 11.19% | 9.65% | 0.13% | 0.87% | 9.21% |
| Reading Co-operative Bank | 298,419 | 190,185 | 116.3% | 0.72% | 10.51% | 0.38% | 4.98% | 10.18% | 6.68% | 0.06% | 0.37% | 4.82% |
| Salem Co-operative Bank | 300,130 | 168,327 | 92.6% | 0.70% | 7.79% | 0.64% | 7.15% | 15.15% | 8.46% | 0.00% | 1.17% | 11.68% |
| North Middlesex Savings Bank | 309,664 | 152,333 | 119.1% | 0.55% | 3.44% | 0.38% | 1.92% | 30.44% | 15.10% | 0.00% | 0.06% | 0.39% |
| Walpole Co-operative Bank | 339,900 | 211,471 | 83.0% | 0.52% | 6.38% | 0.35% | 3.91% | 11.85% | 8.86% | 0.18% | 1.86% | 21.16% |
| Campello Bancorp | 346,868 | 206,839 | 108.7% | 0.83% | 4.51% | 1.03% | 5.88% | 22.02% | 18.43% | 0.46% | 3.50% | 13.63% |
| Framingham Co-operative Bank | 360,225 | 276,451 | 98.4% | -0.01% | -0.09% | 0.46% | 5.95% | 8.78% | 6.34% | 0.97% | 6.18% | 67.69% |
| Mutual Federal Savings Bank of | 364,149 | 183,519 | 92.4% | 0.48% | 2.37% | 0.98% | 4.59% | 24.61% | 19.53% | 1.61% | 1.85% | 3.77% |
| Marlborough Bancshares (MHC) | 364,474 | 222,901 | 95.4% | 0.29% | 3.71% | 0.15% | 1.34% | 14.86% | 7.67% | 0.32% | 0.29% | 3.46% |
| Cape Ann Savings Bank | 388,475 | 253,801 | 72.0% | 0.46% | 4.59% | 0.56% | 4.73% | 16.27% | 9.99% | 0.00% | 1.30% | 12.66% |
| Norwood Co-operative Bank | 397,073 | 209,358 | 76.7% | 0.67% | 2.71% | 0.80% | 3.33% | 42.04% | 21.07% | 0.05% | 1.17% | 4.72% |
| Randolph Bancorp | 397,643 | 239,683 | 100.6% | -0.40% | -3.00% | 0.68% | 5.42% | 17.52% | 13.87% | 0.62% | 6.68% | 21.24% |
| | 403,602 | 308,873 | 67.0% | 0.27% | 3.17% | 0.35% | 3.90% | 14.03% | 8.56% | 0.05% | 1.34% | 14.83% |

Boston MSA – Banks 200mm to 1bn of Assets Part 2

Potential Acquisition Candidates for a \$200 million to \$2 billion franchise to consider:

| | Balance Sheet | | | Profitability | | | | Capital Adequacy | | Asset Quality | | |
|---|---------------|------------------------|----------------------------|--------------------------|--------------------------|---------------------------------|---------------------------------|----------------------|-----------------------|------------------------------------|-----------------------------------|---|
| | Total Assets | Core (Retail) Deposits | Total Loans/Total Deposits | Return on Average Assets | Return on Average Equity | 5 Year Average Return on Assets | 5 Year Average Return on Equity | Tier 1 Capital Ratio | Tangible Equity Ratio | Net Charge-Offs(YTD)/Average Loans | Nonperforming Assets/Total Assets | Texas Ratio (NPL/Tangible Equity + LLR) |
| Middlesex Federal Savings, F.A. | 405,313 | 212,649 | 95.1% | 1.13% | 10.04% | 0.37% | 2.80% | 16.28% | 10.78% | 0.99% | 2.54% | 21.56% |
| Stoneham Co-operative Bank Savings Bank | 412,135 | 229,867 | 115.8% | 0.18% | 2.43% | 0.28% | 3.66% | 11.67% | 7.60% | 0.11% | 1.00% | 10.93% |
| Stoneham Savings Bank | 414,746 | 298,514 | 67.3% | -0.05% | -0.37% | -0.05% | -0.36% | 18.48% | 11.66% | 0.09% | 0.71% | 4.87% |
| Winchester Cooperative Bank | 425,738 | 242,172 | 102.0% | -1.77% | -23.43% | 0.52% | 5.09% | 7.96% | 5.86% | 0.77% | 10.20% | 88.45% |
| Eagle Bank | 431,260 | 212,055 | 78.2% | 0.78% | 6.96% | 0.78% | 7.48% | 23.62% | 11.15% | 0.07% | 1.57% | 12.69% |
| North Shore Bancorp | 451,883 | 322,009 | 48.2% | -1.71% | -17.14% | -0.01% | -0.01% | 12.09% | 9.50% | 0.05% | 0.12% | 1.13% |
| Satuit Bancorp (MHC) | 461,383 | 298,780 | 98.1% | 0.37% | 4.36% | 0.38% | 4.44% | 12.21% | 8.50% | 0.19% | 0.28% | 0.84% |
| Peoples Federal Bancorp, Inc | 462,108 | 285,879 | 94.4% | 0.17% | 2.31% | 0.19% | 2.43% | 11.01% | 7.30% | 0.20% | 0.39% | 4.91% |
| Bank of New England | 482,784 | 331,688 | 99.5% | 0.70% | 6.44% | 0.84% | 7.41% | 12.60% | 10.48% | 0.05% | 1.19% | 10.66% |
| Belmont Savings Bank | 491,062 | 317,633 | 95.0% | 1.24% | 11.28% | 1.41% | 15.42% | 13.49% | 11.75% | 0.06% | 3.60% | 14.77% |
| Mount Washington Co-Provident Bancorp | 499,907 | 241,807 | 120.4% | 0.30% | 3.53% | 0.10% | 1.04% | 13.19% | 8.66% | 0.01% | 0.50% | 5.47% |
| Winchester Savings Bank | 501,133 | 289,981 | 93.9% | -0.37% | -6.28% | 0.27% | 3.29% | 5.58% | 6.79% | 1.09% | 2.63% | 31.99% |
| Beverly National Corp | 507,445 | 350,851 | 86.6% | 0.56% | 6.59% | 0.62% | 5.34% | 10.88% | 7.50% | 0.06% | 0.68% | 7.55% |
| Central Bancorp, Inc | 507,933 | 323,876 | 81.8% | 0.26% | 2.44% | 0.50% | 4.97% | 18.05% | 10.30% | 0.03% | 0.09% | 0.84% |
| One United Bank | 529,864 | 366,857 | 82.4% | 0.59% | 7.28% | 0.49% | 6.74% | 11.11% | 7.90% | 0.12% | 0.07% | 0.85% |
| Northern Bancorp, Inc | 540,673 | 289,537 | 133.9% | 0.68% | 9.62% | 0.11% | 1.19% | 13.15% | 10.38% | 0.70% | 0.97% | 11.25% |
| Pentucket Bank | 561,679 | 266,534 | 109.7% | 2.88% | 56.85% | -0.27% | -9.86% | 12.70% | 7.29% | 0.36% | 3.11% | 34.96% |
| Newburyport Five Cents Village Bank | 566,585 | 365,209 | 118.5% | 0.42% | 4.52% | 1.36% | 15.05% | 10.28% | 9.34% | 0.01% | 1.78% | 16.37% |
| Lowell Five Cents Savings Bank | 587,961 | 307,614 | 82.8% | 0.22% | 2.10% | 0.64% | 5.23% | 13.92% | 10.42% | 0.04% | 0.22% | 2.14% |
| Mass State Carpenters Fund | 607,518 | 340,549 | 114.3% | -0.26% | -1.91% | 0.68% | 4.15% | 19.31% | 13.52% | 0.82% | 1.43% | 9.40% |
| Ponkapoag Bancorp MHC | 659,233 | 398,662 | 93.6% | 0.77% | 6.93% | 0.83% | 7.54% | 18.08% | 11.08% | 0.10% | 0.64% | 5.39% |
| LSB Corp | 670,732 | 458,969 | 67.8% | -0.31% | -2.16% | 0.32% | 2.50% | 22.05% | 14.46% | 0.06% | 3.33% | 5.13% |
| East Cambridge Savings Bank | 690,426 | 484,674 | 94.8% | 0.25% | 3.21% | 0.55% | 6.85% | 9.63% | 7.41% | 0.37% | 2.11% | 24.04% |
| Hyde Park Bancorp, MHC (MHC) | 748,391 | 507,958 | 90.4% | -1.44% | -31.17% | 0.22% | 4.85% | 9.12% | 6.35% | 0.63% | 3.15% | 32.61% |
| Hingham Institution for Savings | 806,953 | 381,891 | 109.8% | 0.94% | 10.46% | 0.40% | 3.48% | 12.64% | 12.77% | 0.09% | 0.45% | 4.28% |
| Assabet Valley Bancorp | 821,399 | 502,826 | 81.2% | 0.01% | 0.15% | 0.24% | 2.37% | 15.79% | 9.25% | 0.02% | 0.18% | 1.37% |
| South Shore Bancorp (MHC) | 901,132 | 547,536 | 26.4% | -1.73% | -15.94% | -5.80% | -37.34% | 21.63% | 11.66% | 0.17% | 0.22% | 1.41% |
| Cambridge Bancorp | 913,890 | 477,221 | 111.9% | 0.92% | 12.39% | 0.86% | 11.12% | 11.20% | 7.14% | 0.07% | 1.35% | 11.77% |
| | 954,721 | 516,061 | 98.7% | 0.00% | -0.02% | 0.31% | 3.71% | 9.36% | 6.38% | 0.31% | 1.32% | 15.34% |
| | 954,811 | 549,657 | 92.0% | -0.85% | -9.57% | -1.19% | -13.47% | 11.19% | 7.80% | 1.41% | 2.19% | 21.24% |
| | 997,853 | 758,801 | 60.7% | 1.05% | 12.85% | 1.11% | 13.44% | 14.82% | 7.66% | 0.03% | 0.15% | 1.64% |

12 Boston MSA - Poor Asset Generators Highlighted

Potential Acquisition Candidates for a \$200 million to \$2 billion franchise to consider:

| | Balance Sheet | | | Profitability | | | | Capital Adequacy | | Asset Quality | | |
|-----------------------------------|---------------|------------------------|----------------------------|--------------------------|--------------------------|---------------------------------|---------------------------------|----------------------|-----------------------|------------------------------------|-----------------------------------|---|
| | Total Asset | Core Deposits (Retail) | Total Loans/Total Deposits | Return on Average Assets | Return on Average Equity | 5 Year Average Return on Assets | 5 Year Average Return on Equity | Tier 1 Capital Ratio | Tangible Equity Ratio | Net Charge-Offs(YTD)/Average Loans | Nonperforming Assets/Total Assets | Texas Ratio (NPL/Tangible Equity + LLR) |
| Hyde Park Bancorp, MHC (MHC) | 901,132 | 547,536 | 26.4% | -1.73% | -15.94% | -5.80% | -37.34% | 21.63% | 11.66% | 0.17% | 0.22% | 1.41% |
| East Bridgewater Savings Bank | 138,353 | 72,267 | 36.3% | -0.14% | -1.56% | 0.39% | 4.06% | 29.73% | 8.64% | 0.00% | 0.00% | 0.00% |
| Eagle Bank | 451,883 | 322,009 | 48.2% | -1.71% | -17.14% | -0.01% | -0.01% | 12.09% | 9.50% | 0.05% | 0.12% | 1.13% |
| Century Bancorp, Inc | 2,051,247 | 1,376,837 | 57.1% | 0.52% | 7.94% | 0.45% | 6.83% | 14.95% | 8.02% | 0.20% | 0.83% | 12.00% |
| North Cambridge Co-operative Bank | 89,267 | 52,968 | 57.1% | 0.13% | 0.65% | 0.61% | 3.17% | 28.55% | 19.00% | 0.00% | 0.00% | 0.00% |
| Mayflower Bancorp, Inc | 246,954 | 169,913 | 57.5% | 0.74% | 9.51% | 0.49% | 6.20% | 14.66% | 7.70% | 0.09% | 0.43% | 1.85% |
| Cambridge Bancorp | 997,853 | 758,801 | 60.7% | 1.05% | 12.85% | 1.11% | 13.44% | 14.82% | 7.66% | 0.03% | 0.15% | 1.64% |
| Natick Federal Savings Bank | 164,409 | 114,080 | 61.0% | 0.14% | 1.61% | -0.29% | -2.77% | 14.43% | 8.45% | 0.02% | 0.30% | 3.59% |
| Watertown Savings Bank | 1,083,212 | 755,668 | 63.7% | 0.29% | 4.32% | 0.09% | 1.21% | 12.60% | 7.41% | 0.02% | 0.24% | 3.11% |
| Colonial Federal Savings Bank | 274,493 | 194,287 | 64.3% | 0.91% | 9.91% | 0.57% | 6.89% | 22.26% | 9.17% | 0.03% | 0.33% | 3.43% |
| Granite Savings Bank | 67,828 | 40,526 | 64.8% | -0.05% | -0.36% | 0.55% | 3.46% | 23.95% | 14.05% | -0.01% | 0.58% | 2.31% |
| Randolph Bancorp | 403,602 | 308,873 | 67.0% | 0.27% | 3.17% | 0.35% | 3.90% | 13.80% | 8.56% | 0.05% | 1.34% | 14.83% |
| Avon Co-operative Bank | 65,016 | 45,021 | 67.1% | 0.42% | 3.40% | 0.36% | 3.21% | 27.53% | 12.04% | 0.00% | 0.00% | 0.04% |
| Wrentham Co-operative Bank | 98,546 | 71,208 | 67.3% | 0.47% | 3.69% | 0.62% | 5.35% | 27.67% | 12.49% | 0.00% | 0.00% | 0.00% |
| Savings Bank | 414,746 | 298,514 | 67.3% | -0.05% | -0.37% | -0.05% | -0.36% | 18.48% | 11.66% | 0.09% | 0.71% | 4.87% |
| Lowell Five Cents Savings Bank | 670,732 | 458,969 | 67.8% | -0.31% | -2.16% | 0.32% | 2.50% | 22.05% | 14.46% | 0.06% | 3.33% | 5.13% |
| Braintree Bancorp (MHC) | 214,012 | 163,380 | 69.6% | 0.27% | 3.73% | 0.38% | 4.80% | 12.05% | 7.52% | 0.31% | 0.40% | 3.35% |
| Methuen Co-operative Bank | 77,671 | 55,203 | 70.0% | -0.22% | -1.92% | 0.41% | 3.89% | 20.10% | 10.70% | 0.01% | 1.54% | 10.34% |

13 Boston MSA - Poor Earning Banks Highlighted

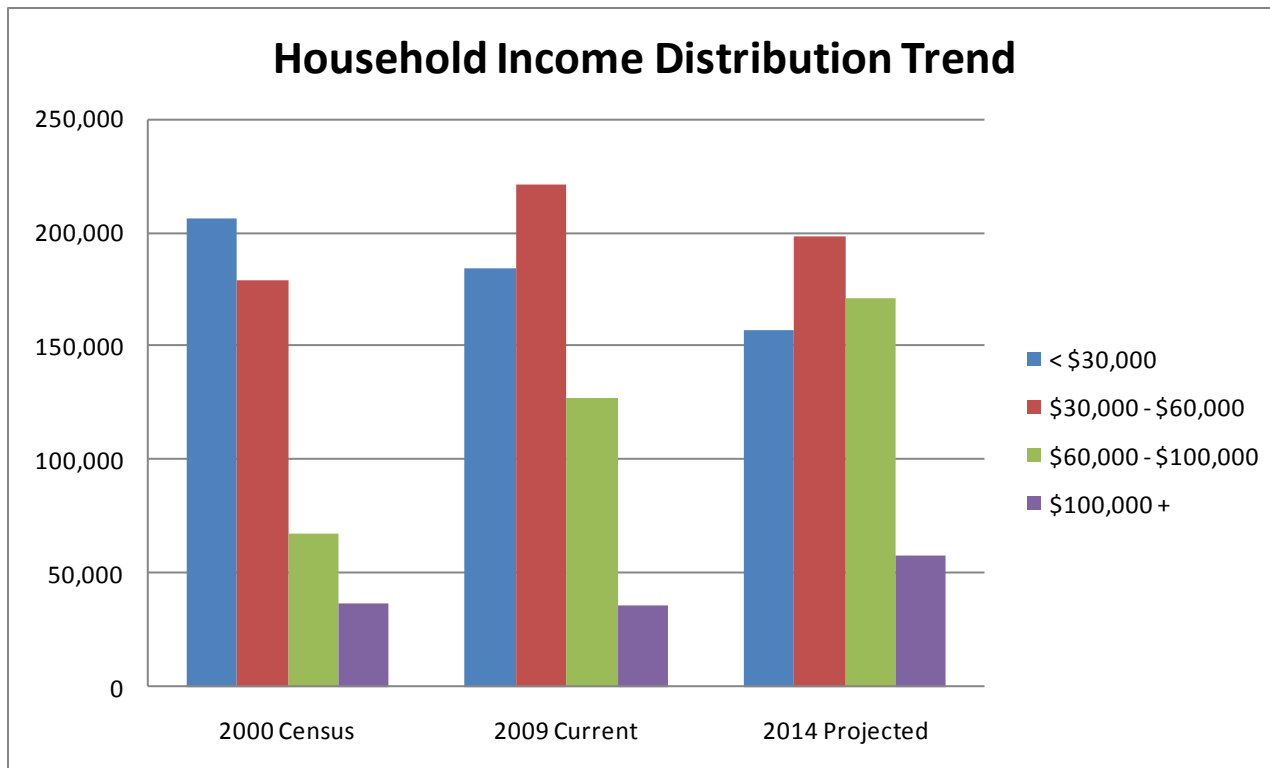
Potential Acquisition Candidates for a \$200 million to \$2 billion franchise to consider:

| | Balance Sheet | | | Profitability | | | | Capital Adequacy | | Asset Quality | | |
|---|---------------|------------------------|----------------------------|--------------------------|--------------------------|---------------------------------|---------------------------------|----------------------|-----------------------|------------------------------------|-----------------------------------|---|
| | Total Asset | Core Deposits (Retail) | Total Loans/Total Deposits | Return on Average Assets | Return on Average Equity | 5 Year Average Return on Assets | 5 Year Average Return on Equity | Tier 1 Capital Ratio | Tangible Equity Ratio | Net Charge-Offs(YTD)/Average Loans | Nonperforming Assets/Total Assets | Texas Ratio (NPL/Tangible Equity + LLR) |
| Canton Co-operative Bank | 93,132 | 56,418 | 87.7% | 0.43% | 2.93% | 0.34% | 2.20% | 27.08% | 14.22% | 0.00% | 0.22% | 1.48% |
| BankGloucester | 158,268 | 95,484 | 99.7% | -0.15% | -1.80% | 0.33% | 3.73% | 12.64% | 8.22% | -0.01% | 1.46% | 14.99% |
| Lowell Five Cents Savings Bank | 670,732 | 458,969 | 67.8% | -0.31% | -2.16% | 0.32% | 2.50% | 22.05% | 14.46% | 0.06% | 3.33% | 5.13% |
| Assabet Valley Bancorp | 954,721 | 516,061 | 98.7% | 0.00% | -0.02% | 0.31% | 3.71% | 9.36% | 6.38% | 0.31% | 1.32% | 15.34% |
| Winter Hill Bank, Federal | 261,497 | 186,100 | 74.6% | -0.25% | -2.79% | 0.30% | 3.51% | 15.48% | 8.70% | 0.08% | 0.00% | 0.00% |
| Meeting House Co-operative | 62,055 | 35,524 | 77.5% | 0.11% | 1.44% | 0.29% | 3.61% | 10.81% | 7.08% | -0.23% | 0.05% | 0.61% |
| Danvers Bancorp, Inc | 1,891,446 | 1,143,272 | 90.6% | 0.15% | 1.16% | 0.29% | 6.26% | 17.70% | 13.14% | 0.18% | 0.53% | 3.43% |
| Stoughton Co-operative Bank | 106,683 | 56,320 | 94.0% | -0.02% | -0.32% | 0.29% | 3.32% | 13.66% | 7.12% | 0.61% | 1.42% | 15.50% |
| Stoneham Co-operative Bank | 412,135 | 229,867 | 115.8% | 0.18% | 2.43% | 0.28% | 3.66% | 12.60% | 7.60% | 0.11% | 1.00% | 10.93% |
| Mount Washington Co-East Cambridge Savings Bank | 501,133 | 289,981 | 93.9% | -0.37% | -6.28% | 0.27% | 3.29% | 5.58% | 6.79% | 1.09% | 2.63% | 31.99% |
| Ponkapoag Bancorp MHC | 821,399 | 502,826 | 81.2% | 0.01% | 0.15% | 0.24% | 2.37% | 15.79% | 9.25% | 0.02% | 0.18% | 1.37% |
| Satuit Bancorp (MHC) | 748,391 | 507,958 | 90.4% | -1.44% | -31.17% | 0.22% | 4.85% | 9.12% | 6.35% | 0.63% | 3.15% | 32.61% |
| Mutual Federal Savings Bank of Abington Bank | 462,108 | 285,879 | 94.4% | 0.17% | 2.31% | 0.19% | 2.43% | 11.01% | 7.30% | 0.20% | 0.39% | 4.91% |
| Dedham Institution for Savings | 364,474 | 222,901 | 95.4% | 0.29% | 3.71% | 0.15% | 1.34% | 14.86% | 7.67% | 0.32% | 0.29% | 3.46% |
| Marblehead Bank | 91,064 | 69,346 | 72.7% | 0.05% | 0.49% | 0.15% | 1.71% | 15.38% | 9.01% | 0.14% | 2.16% | 21.12% |
| Central Bancorp, Inc | 1,004,463 | 684,716 | 86.1% | -0.73% | -8.57% | 0.14% | 1.11% | 15.36% | 9.39% | 0.08% | 0.75% | 8.06% |
| Belmont Savings Bank | 171,296 | 108,228 | 100.2% | 0.04% | 0.40% | 0.12% | 1.13% | 17.87% | 9.53% | 0.18% | 1.46% | 11.81% |
| Pilgrim Bank | 540,673 | 289,537 | 133.9% | 0.68% | 9.62% | 0.11% | 1.19% | 13.15% | 10.38% | 0.70% | 0.97% | 11.25% |
| Watertown Savings Bank | 499,907 | 241,807 | 120.4% | 0.30% | 3.53% | 0.10% | 1.04% | 13.19% | 8.66% | 0.01% | 0.50% | 5.47% |
| Washington Savings Bank | 157,978 | 94,880 | 79.4% | 0.15% | 2.24% | 0.10% | 0.83% | 10.66% | 6.31% | 0.00% | 1.02% | 10.15% |
| Haverhill Bank | 1,083,212 | 755,668 | 63.7% | 0.29% | 4.32% | 0.09% | 1.21% | 12.65% | 7.41% | 0.02% | 0.24% | 3.11% |
| | 159,736 | 95,949 | 83.1% | 0.15% | 1.53% | 0.04% | 0.35% | 16.44% | 9.72% | 0.02% | 0.95% | 9.14% |
| | 241,516 | 150,209 | 94.4% | -0.64% | -5.44% | 0.01% | 0.25% | 17.14% | 11.17% | 0.61% | 2.09% | 28.89% |

| Total | 2000 | 2009 | 2014 | 2009 | 2014 |
|------------------------------------|---------------|----------------|------------------|----------------|----------------|
| | Census | Current | Projected | %Change | %Change |
| Total Population | | | | | |
| Population | 1,274,923 | 1,337,278 | 1,331,054 | 4.89 | -0.47 |
| Households | | | | | |
| | 2000 | 2009 | 2014 | 2009 | 2014 |
| | Census | Current | Projected | %Change | %Change |
| Households | | | | | |
| Households | 518,200 | 567,797 | 583,231 | 9.57 | 2.72 |
| Population in Family Households | 1,016,586 | -- | -- | -- | -- |
| % of Total | 79.74 | -- | -- | -- | -- |
| Population in Nonfamily Households | 223,425 | -- | -- | -- | -- |
| % of Total | 17.52 | -- | -- | -- | -- |
| Income | | | | | |
| | 2000 | 2009 | 2014 | 2009 | 2014 |
| | Census | Current | Projected | %Change | %Change |
| Household Income | | | | | |
| Aggregate | 24,561,835 | 35,555,330 | 43,490,297 | 44.76 | 22.32 |
| Median | 37,240 | 46,274 | 50,627 | 24.26 | 9.41 |
| Average | 47,383 | 62,620 | 74,568 | 32.16 | 19.08 |
| Per Capita | 19,265 | 26,588 | 32,674 | 38.01 | 22.89 |
| Per Member | -- | 27,363 | 33,640 | -- | 22.94 |
| Median Family Income | 45,179 | -- | -- | -- | -- |

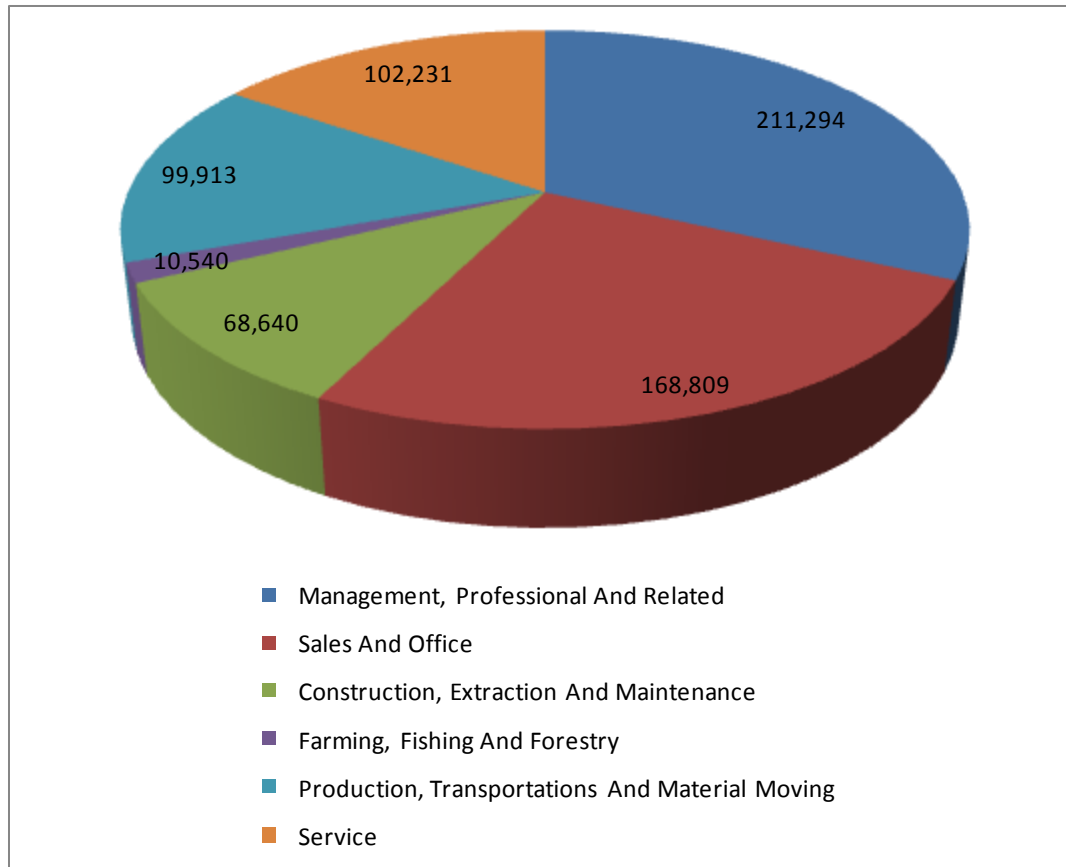
Key Observations

Maine's middle class grew substantially with households earning between \$60k and \$100k more than doubling in the next decade. Growth in the number of households is projected to be flat for the next five years, with a decline in the number of low earning households being offset by growth in middle and high income households.



16 **Maine - Labor Market Composition**

Population by Occupation



17 Maine - Housing Market Overview

Key Observations

- Growth in Median Home value outpaced the growth in median household income from 2000 to 2009.
- At the beginning of the decade, homes with values less than \$100k comprised just over half of all homes in Maine. Today these homes comprise just 26% of the market.

| | 2000 Census | 2009 Current | 2009 %Change | | |
|---------------------------------|----------------------------------|-------------------------|-------------------------|----------------------------|-------|
| Home Values | | | | | |
| Median Home Value | 98,700 | 148,020 | 49.97 | | |
| Median Income | 37,240 | 46,274 | 25.06 | | |
| Median Home Value/Median Income | 2.65 | 3.20 | | | |
| | Number of Homes by Values | | | % of Homes by Value | |
| < \$100,000 | 130,695 | 73,573 | -43.71 | 51.28 | 26.14 |
| \$100,000 - \$124,999 | 41,180 | 44,088 | 7.06 | 16.16 | 15.66 |
| \$125,000 - \$149,999 | 28,374 | 36,113 | 27.27 | 11.13 | 12.83 |
| \$150,000 - \$174,999 | 17,321 | 31,711 | 83.08 | 6.80 | 11.27 |
| \$175,000 - \$199,999 | 10,110 | 28,349 | 180.41 | 3.97 | 10.07 |
| \$200,000 - \$249,999 | 11,177 | 30,872 | 176.21 | 4.39 | 10.97 |
| \$250,000 - \$299,999 | 6,160 | 17,225 | 179.63 | 2.42 | 6.12 |
| \$300,000 - \$399,999 | 4,912 | 11,346 | 130.99 | 1.93 | 4.03 |
| \$400,000 - \$499,999 | 2,164 | 4,451 | 105.68 | 0.85 | 1.58 |
| \$500,000 - \$749,999 | 1,858 | 2,633 | 41.71 | 0.73 | 0.94 |
| \$750,000 - \$999,999 | 391 | 534 | 36.57 | 0.15 | 0.19 |
| \$1,000,000 + | 524 | 569 | 8.59 | 0.21 | 0.20 |

18 | **Maine - Deposit Market Overview, Top 25 Banks**

Date of Financial Data: June 30, 2009
 All dollars in thousands (\$000)

| Name | 2009 Total Deposits | 5-year Compound Annual Growth Rate | 2009 Market Share | 2009 Number of Branches | 2009 Deposits per Branch |
|--|----------------------------|---|--------------------------|--------------------------------|---------------------------------|
| Toronto-Dominion Bank | 2,891,863 | 55.51 | 14.03 | 59 | 49,015 |
| KeyCorp | 2,805,705 | 7.52 | 13.61 | 61 | 45,995 |
| Bank of America Corp | 1,821,634 | 6.23 | 8.84 | 41 | 44,430 |
| Bangor Bancorp (MHC) | 1,678,108 | 5.68 | 8.14 | 53 | 31,662 |
| Camden National Corp | 1,488,956 | 3.78 | 7.22 | 37 | 40,242 |
| First Bancorp, Inc | 914,298 | 9.77 | 4.43 | 14 | 65,307 |
| People's United Financial, Inc Savings Bank of Maine Corporation (MHC) | 776,971 | 1.83 | 3.77 | 33 | 23,545 |
| Machias Bancorp (MHC) | 744,785 | 2.70 | 3.61 | 32 | 23,275 |
| Machias Bancorp (MHC) | 708,780 | 17.52 | 3.44 | 13 | 54,522 |
| Norway Bancorp (MHC) | 689,873 | 6.12 | 3.35 | 21 | 32,851 |
| Kennebunk Savings Bank | 640,947 | 3.75 | 3.11 | 15 | 42,730 |
| Bar Harbor Bankshares | 635,153 | 11.00 | 3.08 | 12 | 52,929 |
| Gorham Bancorp (MHC) | 536,094 | 9.65 | 2.60 | 10 | 53,609 |
| Saco & Biddeford Savings Indiana | 492,412 | 5.03 | 2.39 | 6 | 82,069 |
| Androscoggin Bancorp (MHC) | 450,521 | 7.42 | 2.19 | 12 | 37,543 |
| Kennebec Savings Bank | 432,263 | 4.14 | 2.10 | 3 | 144,088 |
| Northeast Bancorp | 387,731 | 0.12 | 1.88 | 11 | 35,248 |
| Bath Savings Institution | 374,479 | 6.39 | 1.82 | 10 | 37,448 |
| Katahdin Bankshares Corp | 366,226 | 9.63 | 1.78 | 14 | 26,159 |
| Sis Bancorp (MHC) | 312,396 | 9.04 | 1.52 | 8 | 39,050 |
| Skowhegan Savings Bank | 278,977 | -0.93 | 1.35 | 9 | 30,997 |
| Fsb Bancorp, Mhc | 225,563 | 0.79 | 1.09 | 8 | 28,195 |
| Biddeford Savings Bank | 210,857 | 4.47 | 1.02 | 4 | 52,714 |
| Mechanics Savings Bank | 202,864 | 2.83 | 0.98 | 3 | 67,621 |
| Damariscotta Bankshares, Inc | 126,708 | 2.51 | 0.61 | 6 | 21,118 |

19 Maine – Community Bank Overview

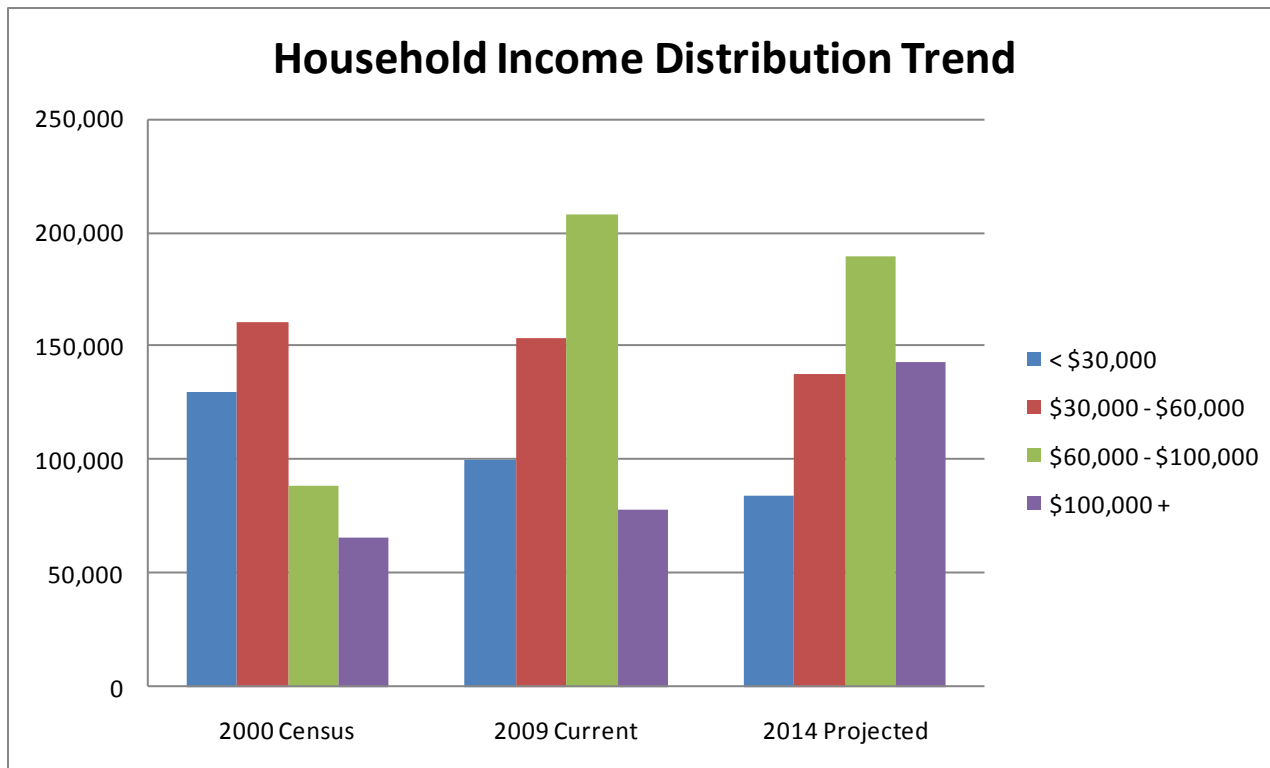
| | Balance Sheet | | | Profitability | | | | Capital Adequacy | | Asset Quality | | |
|---|---------------|------------------------|-----------------------------|--------------------------|--------------------------|---------------------------------|---------------------------------|----------------------|-----------------------|------------------------------------|------------------------------------|-------------------------------------|
| | Total Asset | Core Deposits (Retail) | Total Loans/Tot al Deposits | Return on Average Assets | Return on Average Equity | 5 Year Average Return on Assets | 5 Year Average Return on Equity | Tier 1 Capital Ratio | Tangible Equity Ratio | Net Charge-Offs(YTD)/Average Loans | Nonperforming Assets/Tot al Assets | Texas Ratio (NPL/Tang Equity + LLR) |
| Bangor Bancorp (MHC) | 2,292,633 | 1,506,244 | 102.3% | 0.71% | 7.05% | 0.71% | 7.67% | 12.43% | 8.94% | 0.46% | 0.65% | 6.17% |
| Camden National Corp | 2,272,746 | 1,327,144 | 100.5% | 1.20% | 16.03% | 1.15% | 15.67% | 11.89% | 7.87% | 0.44% | 1.00% | 10.88% |
| First Bancorp, Inc. | 1,331,842 | 609,973 | 101.7% | 0.99% | 9.97% | 1.24% | 13.34% | 13.80% | 12.95% | 0.57% | 1.89% | 17.03% |
| Bar Harbor Bankshares | 1,060,707 | 529,402 | 105.7% | 0.97% | 12.55% | 0.88% | 11.47% | 12.88% | 11.79% | 0.12% | 0.83% | 7.61% |
| Machias Bancorp (MHC) | 942,936 | 532,825 | 124.1% | 0.54% | 5.24% | 0.32% | 3.18% | 11.80% | 10.77% | 1.15% | 2.37% | 12.08% |
| Norway Bancorp (MHC) | 916,874 | 564,340 | 116.1% | 0.16% | 1.71% | -0.28% | -3.08% | 10.77% | 9.22% | 0.21% | 1.59% | 15.64% |
| Savings Bank of Maine Corporation (MHC) | 915,810 | 671,225 | 116.7% | -3.25% | -35.00% | 0.31% | 2.76% | 5.05% | 4.37% | 2.29% | 10.79% | 82.25% |
| Gorham Bancorp (MHC) | 863,200 | 411,416 | 115.4% | 0.58% | 7.26% | 0.40% | 4.96% | 10.59% | 7.48% | 0.18% | 1.15% | 13.05% |
| Androscoggin Bancorp (MHC) | 654,263 | 386,929 | 120.8% | 0.54% | 5.28% | 0.31% | 3.08% | 11.38% | 8.86% | 0.59% | 1.51% | 16.13% |
| Northeast Bancorp | 604,464 | 273,496 | 103.1% | 0.23% | 2.96% | 0.49% | 6.98% | 12.10% | 9.13% | 0.52% | 1.81% | 25.03% |
| Katahdin Bankshares, Corp | 491,245 | 344,525 | 100.9% | 0.74% | 8.30% | 0.90% | 13.77% | 12.60% | 14.49% | 0.38% | 1.86% | 18.85% |
| Sis Bancorp (MHC) | 437,857 | 272,901 | 113.7% | -0.53% | -6.57% | 0.31% | 2.70% | 11.50% | 8.80% | 0.21% | 0.10% | 1.10% |
| Fsb Bancorp, Mhc | 309,943 | 196,589 | 116.1% | 1.01% | 4.37% | 1.17% | 5.31% | 34.94% | 24.99% | 0.38% | 1.20% | 4.98% |
| Damariscotta Bankshares, Inc | 151,809 | 106,328 | 83.5% | 0.44% | 4.37% | 0.82% | 8.35% | 14.56% | 10.30% | 0.20% | 3.02% | 24.72% |
| First Federal Savings & Loan Association of Bath | 110,121 | 79,818 | 106.0% | 0.44% | 2.94% | 0.56% | 3.74% | 25.03% | 14.90% | 0.01% | 1.77% | 11.38% |
| Aroostook County Federal Savings & Loan Association | 90,824 | 68,328 | 99.2% | 0.51% | 5.27% | 0.61% | 6.42% | 17.42% | 9.85% | 0.33% | 1.60% | 15.55% |
| Border Bancshares, Inc | 84,326 | 45,531 | 102.3% | -1.62% | -23.55% | -0.22% | -3.54% | 9.65% | 6.20% | 1.62% | 5.94% | 64.22% |
| Kennebec Federal Savings & Loan Association of Waterville | 76,970 | 37,688 | 137.1% | 0.08% | 1.14% | 0.19% | 1.82% | 10.29% | 7.29% | 0.01% | 0.90% | 12.02% |
| Auburn Bancorp, Inc (MHC) | 76,706 | 39,796 | 128.8% | 0.16% | 2.13% | 0.19% | 2.79% | 11.25% | 7.26% | 0.02% | 0.31% | 3.98% |
| Rockland Savings Bank, Federal Savings Bank | 71,509 | 43,994 | 116.7% | 0.31% | 2.03% | 0.60% | 4.57% | 19.21% | 14.74% | 0.16% | 1.87% | 11.86% |
| Bar Harbor Savings & Loan Association | 46,621 | 41,049 | 86.1% | 0.35% | 3.28% | 0.49% | 3.14% | 21.64% | 9.75% | 0.00% | 0.00% | 0.00% |

20 New Hampshire - Socioeconomic Snapshot

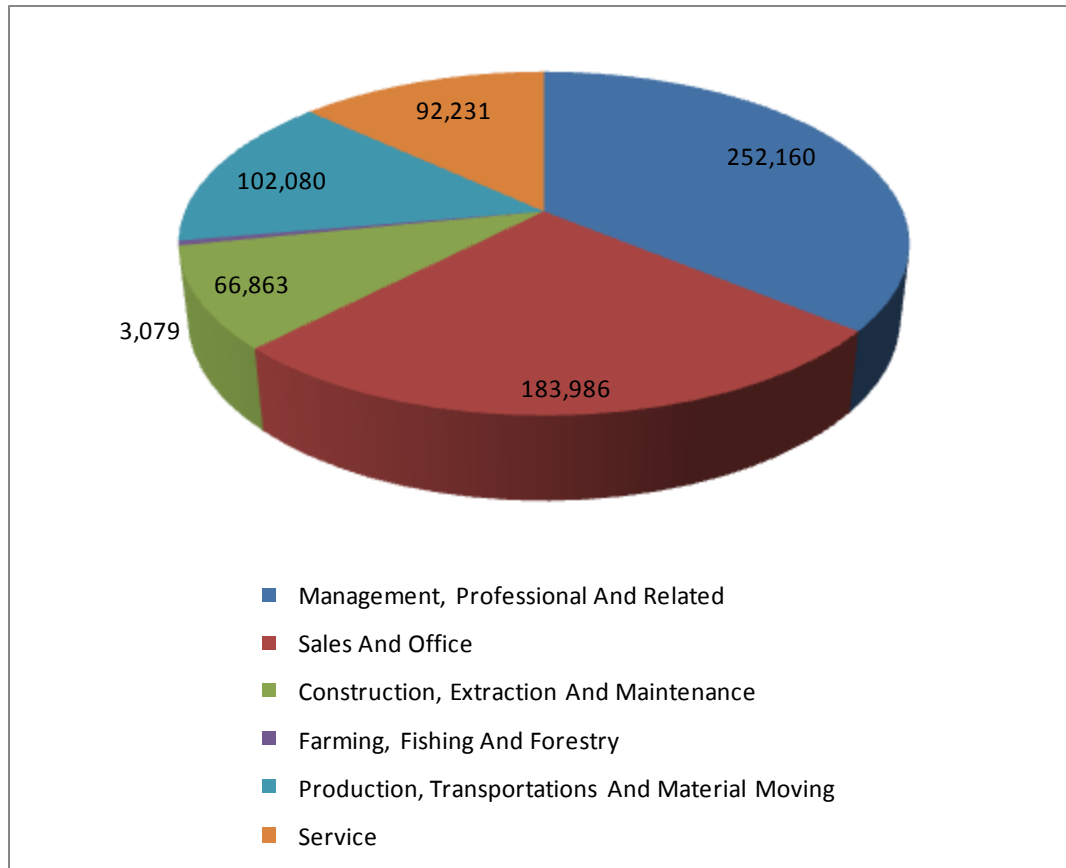
| Total | 2000 | 2009 | 2014 | 2009 | 2014 |
|------------------------------------|---------------|----------------|------------------|----------------|----------------|
| | Census | Current | Projected | %Change | %Change |
| Total Population | | | | | |
| Population | 1,235,786 | 1,348,602 | 1,330,466 | 9.13 | -1.34 |
| Households | | | | | |
| | 2000 | 2009 | 2014 | 2009 | 2014 |
| | Census | Current | Projected | %Change | %Change |
| Households | | | | | |
| Households | 474,606 | 539,741 | 553,628 | 13.72 | 2.57 |
| Population in Family Households | 1,004,921 | -- | -- | -- | -- |
| % of Total | 81.32 | -- | -- | -- | -- |
| Population in Nonfamily Households | 195,326 | -- | -- | -- | -- |
| % of Total | 15.81 | -- | -- | -- | -- |
| Income | | | | | |
| | 2000 | 2009 | 2014 | 2009 | 2014 |
| | Census | Current | Projected | %Change | %Change |
| Household Income | | | | | |
| Aggregate | 28,999,065 | 42,860,425 | 52,821,423 | 47.80 | 23.24 |
| Median | 49,467 | 62,744 | 71,392 | 26.84 | 13.78 |
| Average | 61,083 | 79,409 | 95,410 | 30.00 | 20.15 |
| Per Capita | 23,466 | 31,781 | 39,701 | 35.44 | 24.92 |
| Per Member | -- | 32,719 | 40,915 | -- | 25.05 |
| Median Family Income | 57,575 | -- | -- | -- | -- |

Key Observations

New Hampshire's middle class has experienced a boom since the beginning of the decade with households earning between \$60k and \$100k nearly tripling. The projected decline in middle class households over the next five years is primarily from households moving into a higher income bracket.



Population by Occupation



Key Observations

- Growth in Median Home value outpaced the growth in median household income from 2000 to 2009.
- The total number of homes increased 15% from 2000 to 2009 while the population increased only 10% over the same time period

| | 2000 | 2009 | 2009 | | |
|----------------------------------|----------------------------------|----------------|----------------|----------------------------|----------------|
| | Census | Current | %Change | | |
| Home Values | | | | | |
| Median Home Value | 133,300 | 199,213 | 49.45 | | |
| Median Income | 49,467 | 62,744 | | | |
| Median Home Value/Median Income | 2.69 | 3.18 | | | |
| Number of Homes by Values | | | | | |
| | Number of Homes by Values | | | % of Homes by Value | |
| | 2000 | 2009 | 2009 | 2000 | 2009 |
| | Census | Current | %Change | Census | Current |
| < \$100,000 | 66,545 | 19,008 | | 26.69 | 6.63 |
| \$100,000 - \$124,999 | 43,696 | 28,796 | -- | 17.52 | 10.04 |
| \$125,000 - \$149,999 | 43,296 | 34,252 | -- | 17.36 | 11.94 |
| \$150,000 - \$174,999 | 29,313 | 38,375 | -- | 11.76 | 13.38 |
| \$175,000 - \$199,999 | 18,940 | 38,989 | -- | 7.60 | 13.59 |
| \$200,000 - \$249,999 | 21,523 | 53,086 | -- | 8.63 | 18.51 |
| \$250,000 - \$299,999 | 11,466 | 34,496 | -- | 4.60 | 12.03 |
| \$300,000 - \$399,999 | 8,306 | 25,086 | -- | 3.33 | 8.75 |
| \$400,000 - \$499,999 | 3,185 | 9,616 | -- | 1.28 | 3.35 |
| \$500,000 - \$749,999 | 1,919 | 3,689 | -- | 0.77 | 1.29 |
| \$750,000 - \$999,999 | 695 | 895 | -- | 0.28 | 0.31 |
| \$1,000,000 + | 461 | 507 | -- | 0.18 | 0.18 |

New Hampshire - Deposit Market Overview, Top 25 Banks

| Date of Financial Data: June 30, 2009 | | | | | |
|---------------------------------------|----------------------------|---|--------------------------|--------------------------------|---------------------------------|
| All dollars in thousands (\$000) | | | | | |
| Name | 2009 Total Deposits | 5-year Compound Annual Growth Rate | 2009 Market Share | 2009 Number of Branches | 2009 Deposits per Branch |
| Royal Bank of Scotland Group | 6,913,131 | 3.18 | 27.63 | 76 | 90,962 |
| Toronto-Dominion Bank | 4,295,115 | 0.93 | 17.17 | 73 | 58,837 |
| Bank of America Corp | 4,179,298 | 11.40 | 16.70 | 36 | 116,092 |
| People's United Financial, Inc | 1,304,544 | 5.98 | 5.21 | 31 | 42,082 |
| Banco Santander S.A. | 995,160 | 0.92 | 3.98 | 21 | 47,389 |
| LSB Financial | 787,383 | 2.00 | 3.15 | 19 | 41,441 |
| Northway Financial, Inc | 608,475 | -42.40 | 2.43 | 18 | 33,804 |
| New Hampshire Thrift Bancshares, Inc | 546,818 | 3.60 | 2.19 | 19 | 28,780 |
| Meredith Village Savings Bank | 469,471 | 6.80 | 1.88 | 11 | 42,679 |
| Centrix Bank & Trust | 453,684 | 23.04 | 1.81 | 6 | 75,614 |
| Merrimack Bancorp (MHC) | 449,454 | 4.30 | 1.80 | 7 | 64,208 |
| Mascoma Financial Services (MHC) | 412,459 | 2.54 | 1.65 | 9 | 45,829 |
| Bank of New England | 317,045 | 2.95 | 1.27 | 6 | 52,841 |
| Franklin Savings Bank | 280,340 | 8.51 | 1.12 | 9 | 31,149 |
| Guaranty Bancorp, Inc | 258,482 | 3.94 | 1.03 | 9 | 28,720 |
| Savings Bank of Walpole | 253,646 | 4.18 | 1.01 | 4 | 63,412 |
| Ledyard Financial Group, Inc | 250,305 | 6.37 | 1.00 | 6 | 41,718 |
| Claremont Savings Bank | 246,281 | 0.75 | 0.98 | 5 | 49,256 |
| Connecticut River Bancorp | 185,698 | 1.61 | 0.74 | 10 | 18,570 |
| Salem Co-operative Bank | 177,932 | 4.74 | 0.71 | 1 | 177,932 |
| First Colebrook Bancorp, Inc | 173,380 | 9.15 | 0.69 | 3 | 57,793 |
| Federal Savings Bank | 171,497 | -1.68 | 0.69 | 5 | 34,299 |
| Piscataqua Savings Bank | 169,533 | 3.41 | 0.68 | 1 | 169,533 |
| Sugar River Bank | 168,228 | 1.26 | 0.67 | 5 | 33,646 |
| Profile Bancorp (MHC) | 120,288 | 3.87 | 0.48 | 4 | 30,072 |

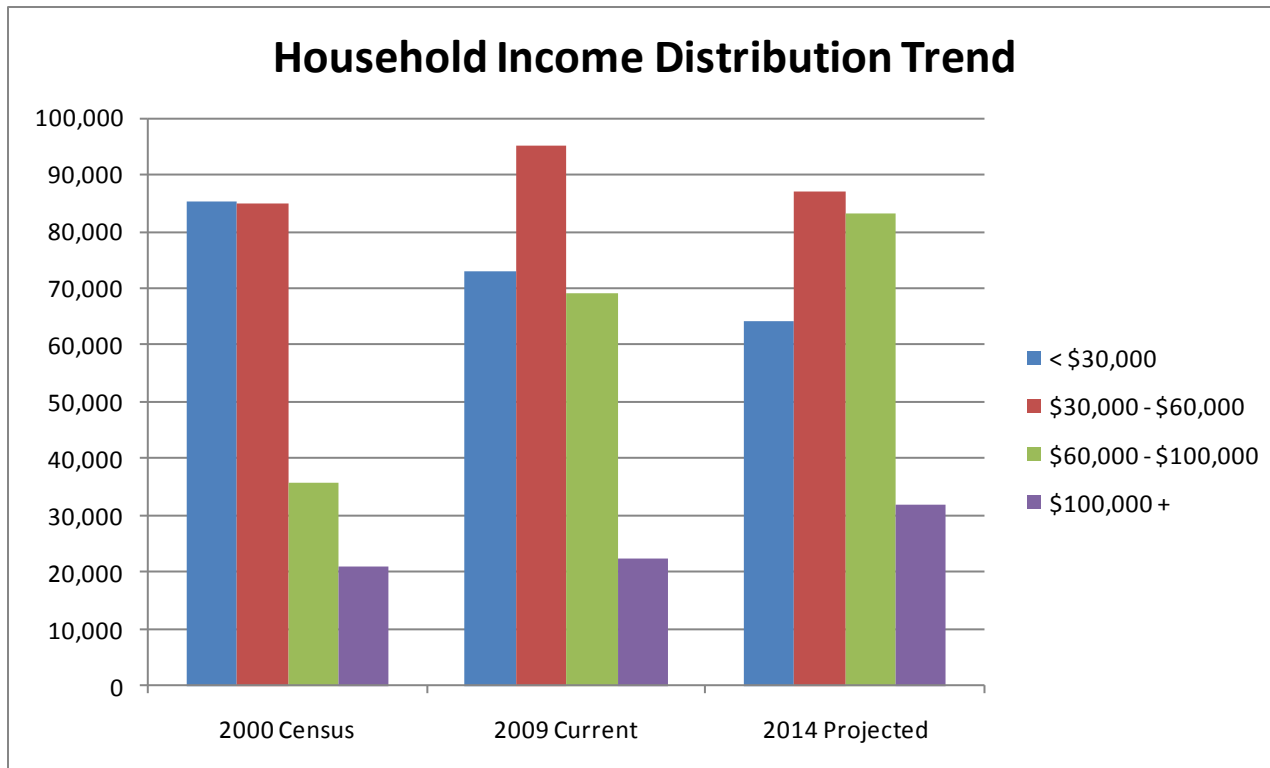
25 New Hampshire – Community Bank Overview

| | Balance Sheet | | | Profitability | | | | Capital Adequacy | | Asset Quality | | |
|----------------------------------|---------------|------------------------|----------------------------|--------------------------|--------------------------|---------------------------------|---------------------------------|----------------------|-----------------------|------------------------------------|-----------------------------------|---|
| | Total Asset | Core (Retail) Deposits | Total Loans/Total Deposits | Return on Average Assets | Return on Average Equity | 5 Year Average Return on Assets | 5 Year Average Return on Equity | Tier 1 Capital Ratio | Tangible Equity Ratio | Net Charge-Offs(YTD)/Average Loans | Nonperforming Assets/Total Assets | Texas Ratio (NPL/Tangible Equity + LLR) |
| LSB Financial | 1,034,851 | 680,893 | 82.1% | 0.42% | 3.99% | 0.47% | 4.24% | 12.27% | 8.24% | 0.19% | 0.78% | 7.76% |
| New Hampshire Thrift Bancshares | 898,946 | 568,182 | 90.9% | 0.86% | 7.51% | 0.93% | 9.25% | 12.74% | 8.83% | 0.22% | 0.74% | 8.14% |
| Mascoma Financial Services (MHC) | 898,902 | 565,373 | 102.9% | 0.73% | 7.55% | 0.64% | 6.91% | 14.04% | 9.39% | 0.12% | 0.50% | 4.83% |
| Northway Financial, Inc | 778,861 | 542,229 | 95.3% | 0.34% | 5.51% | 0.36% | 4.55% | 12.49% | 10.47% | 0.16% | 1.83% | 27.45% |
| Meredith Village Savings Bank | 591,458 | 382,426 | 97.2% | 0.41% | 3.82% | 0.66% | 6.31% | 14.72% | 10.34% | 0.49% | 1.22% | 7.43% |
| Centrix Bank & Trust Company | 582,783 | 379,998 | 85.4% | 0.58% | 7.69% | 0.85% | 11.01% | 9.43% | 7.28% | 0.29% | 0.49% | 5.47% |
| Merrimack Bancorp (MHC) | 576,245 | 390,080 | 94.3% | 0.43% | 4.55% | 0.99% | 8.02% | 12.21% | 8.13% | 0.21% | 1.56% | 18.52% |
| Bank of New England | 491,062 | 317,633 | 95.0% | 1.24% | 11.28% | 1.41% | 15.42% | 13.49% | 11.75% | 0.06% | 3.60% | 14.77% |
| Ledyard Financial Group, Inc | 382,497 | 271,243 | 66.6% | 0.19% | 2.17% | 1.10% | 12.88% | 12.60% | 8.24% | 0.43% | 2.06% | 18.84% |
| Franklin Savings Bank | 351,771 | 229,478 | 91.2% | 0.29% | 2.92% | 0.47% | 4.25% | 15.73% | 9.78% | 0.65% | 1.05% | 8.70% |
| Guaranty Bancorp, Inc | 347,367 | 222,364 | 113.6% | 0.86% | 11.32% | 0.54% | 6.58% | 12.75% | 8.66% | 0.04% | 0.45% | 3.67% |
| Claremont Savings Bank | 313,106 | 211,236 | 100.8% | 0.11% | 0.85% | 0.49% | 3.38% | 13.80% | 13.69% | 0.26% | 1.81% | 0.76% |
| Salem Co-operative Bank | 309,664 | 152,333 | 119.1% | 0.55% | 3.44% | 0.38% | 1.92% | 30.44% | 15.10% | 0.00% | 0.06% | 0.39% |
| Savings Bank of Walpole | 279,978 | 231,900 | 74.6% | 0.62% | 7.52% | 0.33% | 4.09% | 12.43% | 7.64% | -0.06% | 0.74% | 7.92% |
| Sugar River Bank | 248,310 | 136,009 | 87.6% | 0.48% | 3.94% | 0.76% | 5.76% | 19.72% | 13.25% | 0.24% | 1.66% | 9.30% |
| Federal Savings Bank | 240,568 | 150,681 | 123.8% | 0.08% | 0.84% | 0.61% | 7.63% | 14.90% | 9.93% | 0.23% | 1.51% | 14.00% |
| Connecticut River Bancorp, Inc | 239,018 | 183,407 | 83.7% | 0.48% | 5.41% | 0.79% | 9.61% | 11.73% | 8.52% | 0.16% | 1.62% | 13.91% |
| First Colebrook Bancorp, Inc | 207,057 | 143,621 | 88.7% | -0.24% | -3.08% | 0.45% | 5.41% | 10.03% | 8.28% | 0.56% | 1.65% | 10.77% |
| Piscataqua Savings Bank | 205,728 | 127,619 | 89.0% | 0.52% | 2.99% | 0.57% | 3.18% | 29.99% | 16.56% | 0.00% | 0.25% | 1.47% |
| Profile Bancorp (MHC) | 158,790 | 111,722 | 93.9% | 0.25% | 1.88% | 0.53% | 3.84% | 21.46% | 13.40% | 0.08% | 0.72% | 5.31% |
| Monadnock Bancorp, Inc | 118,490 | 56,229 | 115.9% | 0.06% | 0.66% | -7.18% | -20.43% | 15.79% | 8.88% | 0.09% | 1.07% | 11.23% |
| Nashua Bank | 104,296 | 77,257 | 50.5% | -1.25% | -7.34% | -2.84% | -7.04% | 23.45% | 12.40% | 0.01% | 1.76% | 14.97% |
| Community Guaranty Corp | 98,625 | 71,391 | 76.6% | 0.80% | 10.04% | 0.53% | 7.24% | 11.22% | 8.25% | 0.07% | 0.56% | 6.15% |
| Optima Bank & Trust Company | 78,444 | 44,238 | 88.8% | -3.57% | -22.66% | -9.19% | -27.09% | 13.71% | 10.26% | 0.00% | 0.00% | 0.00% |

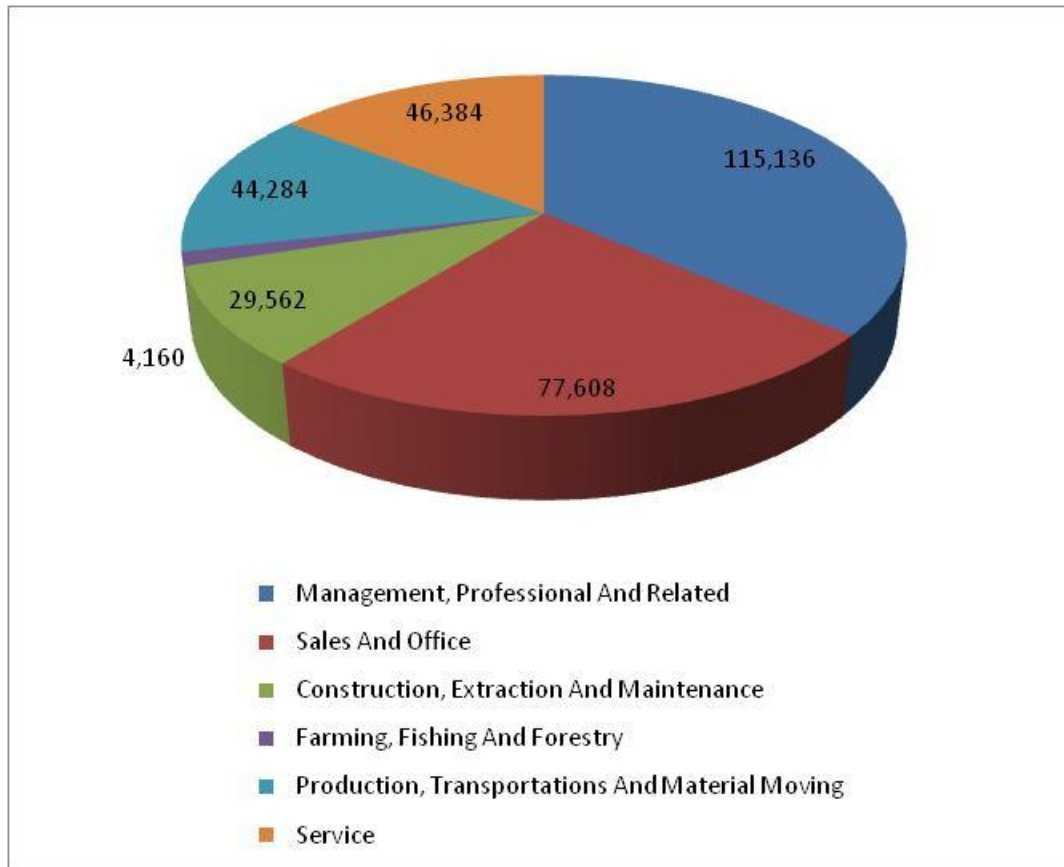
| Total | 2000 | 2009 | 2014 | 2009 | 2014 |
|------------------------------------|---------------|----------------|------------------|----------------|----------------|
| | Census | Current | Projected | %Change | %Change |
| Total Population | | | | | |
| Population | 608,827 | 630,912 | 627,629 | 3.63 | -0.52 |
| Households | 2000 | 2009 | 2014 | 2009 | 2014 |
| | Census | Current | Projected | %Change | %Change |
| Households | | | | | |
| Households | 240,634 | 259,746 | 266,460 | 7.94 | 2.58 |
| Population in Family Households | 479,886 | -- | -- | -- | -- |
| % of Total | 78.82 | -- | -- | -- | -- |
| Population in Nonfamily Households | 108,181 | -- | -- | -- | -- |
| % of Total | 17.77 | -- | -- | -- | -- |
| Income | 2000 | 2009 | 2014 | 2009 | 2014 |
| | Census | Current | Projected | %Change | %Change |
| Household Income | | | | | |
| Aggregate | 12,342,860 | 18,039,645 | 20,866,162 | 46.15 | 15.67 |
| Median | 40,856 | 51,094 | 53,840 | 25.06 | 5.37 |
| Average | 51,270 | 69,451 | 78,309 | 35.46 | 12.75 |
| Per Capita | 20,273 | 28,593 | 33,246 | 41.04 | 16.27 |
| Per Member | -- | 29,605 | 34,475 | -- | 16.45 |
| Median Family Income | 48,625 | -- | -- | -- | -- |

Key Observations

Vermont's middle class is growing strongly. The number of households earning below \$30k has decreased approximately 10% while the number of homes earning \$60k-\$100k has doubled.



Population by Occupation



29 Vermont - Housing Market Overview

Key Observation

- At 3.08x median home value/median income, Vermont's housing price valuations are among the most rational in the country.

| | 2000 Census | 2009 Current | 2009 %Change | | |
|---|------------------------|-------------------------|-------------------------|------------------------|-------------------------|
| Home Values | | | | | |
| Median Home Value | 111,500 | 157,309 | 41.08 | | |
| Median Income | 40,856 | 51,094 | 25.06 | | |
| Median Home Value/Median Income | 2.73 | 3.08 | | | |
| Number of Homes by Values % of Homes by Value | | | | | |
| | 2000 Census | 2009 Current | 2009 %Change | 2000 Census | 2009 Current |
| < \$100,000 | 43,411 | 18,018 | -58.49 | 40.96 | 15.62 |
| \$100,000 - \$124,999 | 20,785 | 20,797 | 0.06 | 19.62 | 18.03 |
| \$125,000 - \$149,999 | 16,173 | 18,995 | 17.45 | 15.26 | 16.47 |
| \$150,000 - \$174,999 | 8,968 | 17,228 | 92.11 | 8.46 | 14.94 |
| \$175,000 - \$199,999 | 5,190 | 14,780 | 184.78 | 4.90 | 12.81 |
| \$200,000 - \$249,999 | 5,300 | 13,630 | 157.17 | 5.00 | 11.82 |
| \$250,000 - \$299,999 | 2,458 | 5,564 | 126.36 | 2.32 | 4.82 |
| \$300,000 - \$399,999 | 1,995 | 3,729 | 86.92 | 1.88 | 3.23 |
| \$400,000 - \$499,999 | 757 | 1,368 | 80.71 | 0.71 | 1.19 |
| \$500,000 - \$749,999 | 628 | 906 | 44.27 | 0.59 | 0.79 |
| \$750,000 - \$999,999 | 118 | 140 | 18.64 | 0.11 | 0.12 |
| \$1,000,000 + | 179 | 189 | 5.59 | 0.17 | 0.16 |

30 Vermont - Deposit Market Overview

Date of Financial Data: June 30, 2009
 All dollars in thousands (\$000)

| Name | 2009 Total Deposits | 5-year Compound Annual Growth Rate | 2009 Market Share | 2009 Number of Branches | 2009 Deposits per Branch |
|--|----------------------------|---|--------------------------|--------------------------------|---------------------------------|
| People's United Financial, Inc | 2,490,817 | -0.36 | 24.15 | 46 | 54,148 |
| Toronto-Dominion Bank | 1,819,737 | 2.51 | 17.64 | 35 | 51,992 |
| Merchants Bancshares, Inc | 1,016,332 | 4.44 | 9.85 | 33 | 30,798 |
| KeyCorp | 885,505 | 14.52 | 8.59 | 13 | 68,116 |
| Royal Bank of Scotland Group | 851,099 | 0.30 | 8.25 | 23 | 37,004 |
| Northfield (MHC) | 459,655 | 3.99 | 4.46 | 13 | 35,358 |
| Community Bancorp | 384,229 | 0.55 | 3.73 | 14 | 27,445 |
| Union Bankshares, Inc | 344,300 | 3.62 | 3.34 | 14 | 24,593 |
| Passumpsic Bancorp | 324,270 | 3.80 | 3.14 | 7 | 46,324 |
| Berkshire Hills Bancorp, Inc | 289,917 | 2.53 | 2.81 | 7 | 41,417 |
| Mascoma Financial Services (MHC) | 214,381 | 3.84 | 2.08 | 9 | 23,820 |
| Middlebury National Corp | 208,708 | 6.52 | 2.02 | 6 | 34,785 |
| Peoples Trust Company | 185,769 | 1.23 | 1.80 | 6 | 30,962 |
| Community Financial (MHC) | 175,590 | 8.04 | 1.70 | 3 | 58,530 |
| New Hampshire Thrift Bancshares, Inc | 143,430 | 2.08 | 1.39 | 8 | 17,929 |
| Brattleboro Savings & Loan Association | 140,448 | 3.85 | 1.36 | 3 | 46,816 |
| Federal Association | 140,448 | 3.85 | 1.36 | 3 | 46,816 |
| Central Financial Corp | 137,740 | 2.86 | 1.34 | 7 | 19,677 |
| Wells River Savings Bank | 114,982 | 3.91 | 1.11 | 6 | 19,164 |
| Ledyard Financial Group, Inc | 60,354 | 11.27 | 0.59 | 1 | 60,354 |
| First National Bank of Orwell | 34,617 | 9.00 | 0.34 | 2 | 17,309 |
| Connecticut River Bancorp | 22,282 | 4.05 | 0.22 | 1 | 22,282 |
| Trustco Bank Corp | 10,023 | 8.14 | 0.10 | 1 | 10,023 |
| Totals | 10,314,185 | | 100.00 | 258 | |

31 Vermont – Community Bank Overview

| | Balance Sheet | | | Profitability | | | | Capital Adequacy | | Asset Quality | | |
|-------------------------------|---------------|------------------------|----------------------------|--------------------------|--------------------------|---------------------------------|---------------------------------|----------------------|-----------------------|------------------------------------|-----------------------------------|---|
| | Total Asset | Core Deposits (Retail) | Total Loans/Total Deposits | Return on Average Assets | Return on Average Equity | 5 Year Average Return on Assets | 5 Year Average Return on Equity | Tier 1 Capital Ratio | Tangible Equity Ratio | Net Charge-Offs(YTD)/Average Loans | Nonperforming Assets/Total Assets | Texas Ratio (NPL/Tangible Equity + LLR) |
| Central Financial Corp | 158,812 | 122,553 | 92.1% | 0.42% | 3.99% | 0.47% | 4.24% | 12.27% | 8.24% | 0.19% | 0.78% | 7.76% |
| Community Bancorp | 496,030 | 342,469 | 92.5% | 0.86% | 7.51% | 0.93% | 9.25% | 12.74% | 8.83% | 0.22% | 0.74% | 8.14% |
| Community Financial (MHC) | 304,683 | 154,016 | 135.2% | 0.73% | 7.55% | 0.64% | 6.91% | 14.04% | 9.39% | 0.12% | 0.50% | 4.83% |
| First National Bank of Orwell | 40,268 | 29,114 | 91.0% | 0.34% | 5.51% | 0.36% | 4.55% | 12.49% | 10.47% | 0.16% | 1.83% | 27.45% |
| Merchants Bancshares, Inc | 1,405,070 | 887,359 | 90.1% | 0.41% | 3.82% | 0.66% | 6.31% | 14.72% | 10.34% | 0.49% | 1.22% | 7.43% |
| Middlebury National Corp | 263,040 | 189,409 | 86.7% | 0.58% | 7.69% | 0.85% | 11.01% | 9.43% | 7.28% | 0.29% | 0.49% | 5.47% |
| Northfield (MHC) | 612,199 | 367,968 | 94.5% | 0.43% | 4.55% | 0.99% | 8.02% | 12.21% | 8.13% | 0.21% | 1.56% | 18.52% |
| Passumpsic Bancorp | 560,194 | 394,059 | 98.1% | 1.24% | 11.28% | 1.41% | 15.42% | 13.49% | 11.75% | 0.06% | 3.60% | 14.77% |
| Peoples Trust Company of St | 219,865 | 159,828 | 82.0% | 0.19% | 2.17% | 1.10% | 12.88% | 12.60% | 8.24% | 0.43% | 2.06% | 18.84% |
| Union Bankshares, Inc | 443,216 | 304,384 | 95.0% | 0.29% | 2.92% | 0.47% | 4.25% | 15.73% | 9.78% | 0.65% | 1.05% | 8.70% |
| Wells River Savings Bank | 140,263 | 108,974 | 83.0% | 0.86% | 11.32% | 0.54% | 6.58% | 12.75% | 8.66% | 0.04% | 0.45% | 3.67% |

32 New England Expansion Key Takeaways

- ✓ The New Hampshire and Boston MSA markets are “over banked” and this provides an excellent potential opportunity to consolidate at a time when bank valuations are at historic lows.
- ✓ Strong community banks in Maine have an opportunity to expand into New Hampshire and gain access to a more diverse economy, yet in markets with certain similarities.
- ✓ Mega Banks are losing market share or growing slower in comparison to Community Banks or Super Community Banks in some of these markets and this is creating opportunity for high quality growth by the stronger and better capitalized institutions.



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