



NEWS RELEASE

Ledyard Financial Group Reports Quarterly Earnings

2015-08-04

Company Release - 8/4/2015

HANOVER, N.H.--(BUSINESS WIRE)-- Ledyard Financial Group, Inc. (ticker symbol LFGP), the holding company for Ledyard National Bank, today reported quarterly earnings for the second quarter of 2015. Net income for the quarter ended June 30, 2015, was \$1,021,601 or \$1.00 per share compared to \$987,650 or \$0.97 per share for the same period in 2014, an increase of \$33,951 or 3%. Net income for the six months ended June 30, 2015 was \$2,141,281 or \$2.09 per share compared to \$1,925,956 or \$1.90 per share for the same period in 2014, an increase of \$212,325 or 11%. The strength of our core businesses continues to drive improvement in our operating results and returns to our shareholders.

Total revenue for the quarter ended June 30, 2015, was \$5,777,175 compared to \$5,736,041 for the same period in 2014, for an increase of \$41,135 or less than 1%. Total revenue for the six months ended June 30, 2015 was \$11,557,271 compared to \$11,192,008 for the same period in 2014, for an increase of \$365,263 or 3%. Net interest income for the quarter ended June 30, 2015, was \$3,155,767 compared to \$3,146,746 for the same period in 2014, for an increase of \$9,021. Net interest income for the six months ended June 30, 2015 was \$6,475,896 compared to \$6,295,295 for the same period in 2014, for an increase of \$180,601 or 3%.

No funds were added to the Allowance for the first six months of 2015 or 2014. The total Allowance was \$5.63 million at June 30, 2015, compared to \$5.53 million for the same period in 2014. Total non-performing assets were \$2.4 million at June 30, 2015, compared to \$2.3 million for the same period in 2014.

Ledyard Financial Advisors, a division of Ledyard National Bank, reported record revenue for the quarter ended

June 30, 2015, of \$2,179,130 compared to \$2,053,030 for the same period in 2014, an increase of \$126,100 or 6%. Revenue for the six months ended June 30, 2015 was \$4,271,954 compared to \$4,054,597 for the same period in 2014, an increase of \$217,357 or 5%. Assets under management and custody at Ledyard Financial Advisors totaled approximately \$1.1 billion as of quarter end June 30, 2015 and 2014.

Non-interest expense for the quarter ended June 30, 2015, was \$4,497,027 compared to \$4,447,803 for the same period in 2014, an increase of \$49,224 or approximately 1%. Non-interest expense for the six months ended June 30, 2015 was \$8,797,626 compared to \$8,732,953 for the same period in 2014, an increase of \$64,874, or less than 1%.

At June 30, 2015, the Company's shareholders' equity stood at \$42.8 million, compared to \$40.3 million for the same period in 2014. All of the Company's capital ratios are well in excess of the amount required by the Federal Reserve for a bank holding company to be considered "well capitalized." At June 30, 2015, the Company's book value per share stood at \$41.65 compared to \$39.72 for the same period in 2014.

Loans, net of the allowance for loan losses at June 30, 2015, were \$270.1 million, compared to \$257.6 million for the same period last year, for an increase of \$12.5 million or 4.8%. Total deposits at June 30, 2015 were \$352.1 million, a decrease of \$2.1 million from the same period last year. Total assets of the Company were \$423.1 million at June 30, 2015, a decrease of \$10.4 million over the prior year.

Due to its strong financial position, the Company has been able to maintain or increase its quarterly dividend since first declaring a dividend in 1995. On July 31, 2015 the Company announced a dividend of \$0.48 per share. This dividend will be paid on September 4, 2015 to shareholders of record as of August 14, 2015.

Ledyard Financial Group, Inc., headquartered in Hanover, New Hampshire, is the holding company for Ledyard National Bank. Ledyard National Bank, founded in 1991, is a full service community bank offering a broad range of banking, investment, tax and wealth management services in the Dartmouth-Lake Sunapee Region. Ledyard National Bank has eight offices with locations in Hanover, Lebanon, Lyme, New London, and West Lebanon, New Hampshire and in Norwich, Vermont. Stock activity information can be found in the "Investor Relations" section of our website, which includes a wealth of other information that Ledyard shareholders and prospective shareholders may find of interest.

Ledyard Financial Group, Inc. shares can be bought and sold through the NASD sanctioned "OTC Markets" under the trading symbol LFGP. Shares may be traded through an individual's broker. For more information, please refer to the "Investor Relations" section of the bank's website at www.ledyardbank.com or contact the Company's EVP, COO, and CFO, Gregory D. Steverson.

Ledyard Financial Group, Inc.

Selected Financial Highlights

(Unaudited)

	For the Three Months Ended		For the Six Months Ended	
	6/30/2015	6/30/2014	6/30/2015	6/30/2014
Total Interest Income	\$ 3,364,501	\$ 3,370,235	\$ 6,900,090	\$ 6,710,218
Total Interest Expense	208,734	223,488	424,194	414,923
Net Interest Income	3,155,767	3,146,746	6,475,896	6,295,295
Provision for Loan Losses	0	0	0	0
Non-interest Income	2,621,408	2,589,295	5,081,375	4,896,714
Non-interest Expense	4,497,027	4,447,803	8,797,826	8,732,953
Net Income	1,021,601	987,650	2,141,281	1,925,956
Earnings Per Common Share, basic	\$ 1.00	\$ 0.97	\$ 2.09	\$ 1.90
Earnings Per Common Share, diluted	\$ 0.97	\$ 0.95	\$ 2.03	\$ 1.85
Dividends Per Common Share	\$ 0.48	\$ 0.41	\$ 0.96	\$ 0.82
Total Assets	\$ 423,126,572	\$ 433,513,894		
Investments	119,205,622	143,213,467		
Loans Receivable, net	270,076,640	257,599,377		
Total Deposits	352,056,706	354,175,014		
FHLB Advances & Other Borrowings	25,977,218	32,267,048		
Stockholder's Equity	42,800,852	40,395,438		
Common Stock Outstanding	1,056,453	1,048,281		
Treasury Shares	28,892	31,170		
Tangible Book Value per Share	\$ 41.65	\$ 39.72		
Total Risk Based Capital Ratio	15.97%	15.30%		
Non-performing Assets	\$ 2,456,442	\$ 2,349,148		
Non-performing Assets as a % of Total Assets	0.58%	0.54%		
Allowance for Loan Losses	\$ 5,632,918	\$ 5,531,292		
Allowance as a % of Total Loans	2.05%	2.10%		

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Ledyard Financial Group, Inc.

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Source: Ledyard Financial Group, Inc.