



NEWS RELEASE

## Ledyard Financial Group Reports Quarterly Earnings

2015-11-03

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 third quarter of 2015. Net income for the quarter ended September 30, 2015, was \$1,032,884 or \$1.01 per share compared to \$1,069,538 or \$1.05 per share for the same period in 2014, a decrease of \$36,654 or 3%. Net income for the nine months ended September 30, 2015 was \$3,174,165 or \$3.11 per share compared to \$2,995,493 or \$2.95 per share for the same period in 2014, an increase of \$178,671 or 6%. 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 September 30, 2015, was \$5,735,735 compared to \$5,756,227 for the same period in 2014, for a decrease of \$20,492 or less than 1%. Total revenue for the nine months ended September 30, 2015 was \$17,293,006 compared to \$16,948,236 for the same period in 2014, for an increase of \$344,770 or 2%. Net interest income for the quarter ended September 30, 2015, was \$3,164,918 compared to \$3,199,911 for the same period in 2014, for a decrease of \$34,993. Net interest income for the nine months ended September 30, 2015 was \$9,640,814 compared to \$9,495,206 for the same period in 2014, for an increase of \$145,608 or 1%. Challenging economic conditions affecting our core businesses are contributing to our slower rate of revenue growth.

No funds were added to the Allowance for the first nine months of 2015 or 2014. The total Allowance was \$5.73 million at September 30, 2015, compared to \$5.49 million for the same period in 2014. Total non-performing assets were \$2.4 million at September 30, 2015, compared to \$2.2 million for the same period in 2014.

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

30, 2015, of \$2,110,613 compared to \$2,077,096 for the same period in 2014, an increase of \$33,517 or 2%. Revenue for the nine months ended September 30, 2015 was \$6,382,567 compared to \$6,131,693 for the same period in 2014, an increase of \$250,874 or 4%. Assets under management and custody at Ledyard Financial Advisors totaled approximately \$1.05 billion as of quarter end September 30, 2015 and \$1.09 billion for the same period in 2014.

Non-interest expense for the quarter ended September 30, 2015, was \$4,408,016 compared to \$4,308,390 for the same period in 2014, an increase of \$99,626 or approximately 2%. Non-interest expense for the nine months ended September 30, 2015 was \$13,205,842 compared to \$13,041,343 for the same period in 2014, an increase of \$164,499, or approximately 1%.

At September 30, 2015, the Company's shareholders' equity stood at \$43.5 million, compared to \$41.1 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 September 30, 2015, the Company's book value per share stood at \$42.41 compared to \$40.42 for the same period in 2014.

Loans, net of the allowance for loan losses at September 30, 2015, were \$266.8 million, compared to \$269.3 million for the same period last year, for a decrease of \$2.5 million or less than 1%. Total deposits at September 30, 2015 were \$361.8 million, an increase of \$10.3 million from the same period last year. Total assets of the Company were \$435.7 million at September 30, 2015, an increase of \$10 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 October 30, 2015 the Company announced a dividend of \$0.48 per share. This dividend will be paid on December 4, 2015 to shareholders of record as of November 13, 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](http://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 Nine Months Ended	
	9/30/2015	9/30/2014	9/30/2015	9/30/2014
Total Interest Income	\$ 3,378,037	\$ 3,430,717	\$ 10,278,127	\$ 10,140,934
Total Interest Expense	213,119	230,806	637,313	645,728
Net Interest Income	3,164,918	3,199,911	9,640,814	9,495,206
Provision for Loan Losses	0	0	0	0
Non-interest Income	2,570,817	2,556,316	7,652,192	7,453,030
Non-interest Expense	4,408,016	4,308,390	13,205,842	13,041,343
Net Income	1,032,884	1,069,538	3,174,165	2,995,493
Earnings Per Common Share, basic	\$ 1.01	\$ 1.05	\$ 3.11	\$ 2.95
Earnings Per Common Share, diluted	\$ 0.98	\$ 1.03	\$ 3.02	\$ 2.88
Dividends Per Common Share	\$ 0.48	\$ 0.45	\$ 1.44	\$ 1.27
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Total Assets	\$ 435,693,607	\$ 425,694,895		
Investments	135,325,018	126,343,549		
Loans Receivable, net	266,771,896	269,282,404		
Total Deposits	361,763,650	351,467,438		
Borrowings & Other Liabilities	30,478,315	33,117,620		
Stockholder's Equity	43,451,642	41,109,837		
Common Stock Outstanding	1,055,020	1,048,253		
Treasury Shares	30,432	31,170		
Tangible Book Value per Share	\$ 42.41	\$ 40.42		
Total Risk Based Capital Ratio	15.92%	15.32%		
Non-performing Assets	\$ 2,382,946	\$ 2,147,938		
Non-performing Assets as a % of Total Assets	0.55%	0.50%		
Allowance for Loan Losses	\$ 5,733,142	\$ 5,494,608		
Allowance as a % of Total Loans	2.10%	2.00%		

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Ledyard Financial Group, Inc.

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Source: Ledyard Financial Group, Inc.