



NEWS RELEASE

## Ledyard Financial Group Reports Record Earnings

2019-10-21

HANOVER, N.H.--(BUSINESS WIRE)-- Ledyard Financial Group, Inc. (ticker symbol LFGP), the holding company for Ledyard National Bank, today reported record quarterly and year-to-date earnings. Net income for the quarter ended September 30, 2019, was \$1,579,252 or \$0.50 per share compared to \$1,382,986 or \$0.44 per share for the same period in 2018, an increase of \$196,266 or 14.2%. Net income for the nine months ended September 30, 2019, was \$4,450,056 or \$1.42 per share compared to \$3,932,184 or \$1.27 per share for the same period in 2018, an increase of \$517,872 or 13.2%. Strength in the Company's core businesses and the ability to control operating expenses are the primary contributing factors to these record results.

Total revenue for the quarter ended September 30, 2019, was \$7,230,476 compared to \$6,950,907 for the same period in 2018, for an increase of \$279,569 or 4%. Total revenue for the nine months ended September 30, 2019, was \$21,506,370 compared to \$20,568,326 for the same period in 2018, for an increase of \$938,045 or 4.6%. Net interest income for the quarter ended September 30, 2019, was \$3,999,663 compared to \$3,922,896 for the same period in 2018, for an increase of \$76,767 or 2%. Net interest income for the nine months ended September 30, 2019, was \$12,120,603 compared to \$11,465,499 for the same period in 2018, for an increase of \$655,104 or 5.7%. Growth in the Company's net interest income was impacted negatively due to the recent decreases in interest rates and by slower than expected loan growth.

Ledyard Financial Advisors, a division of Ledyard National Bank, reported revenue for the quarter ended September 30, 2019, of \$2,750,616 compared to \$2,634,689 for the same period in 2018, an increase of \$115,927 or 4.4%. Revenue for the nine months ended September 30, 2019, was \$8,084,198 compared to \$7,888,231 for the same period in 2018, an increase of \$195,967 or 2.5%. Assets under management and custody at Ledyard Financial

Advisors totaled approximately \$1.65 billion as of quarter end September 30, 2019, and \$1.58 billion for the same period in 2018.

Non-interest expense for the quarter ended September 30, 2019, was \$5,448,700 compared to \$5,339,593 for the same period in 2018, an increase of \$109,107 or 2%. Non-interest expense for the nine months ended September 30, 2019, was \$16,391,740 compared to \$16,036,252 for the same period in 2018, an increase of \$355,488 or 2.2%.

At September 30, 2019, the Company's shareholders' equity stood at \$54.7 million compared to \$47.1 million for the same period in 2018. 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, 2019, the Company's book value per share stood at \$16.76 compared to \$14.62 for the same period in 2018.

Loans, net of the allowance for loan losses at September 30, 2019, were \$309.3 million compared to \$306.9 million for the same period last year, an increase of \$2.4 million or less than 1%. Total deposits at September 30, 2019, were \$385.4 million compared to \$412.9 million, a decrease of \$27.5 million or 6.7% from the same period last year. Total assets of the Company were \$504.4 million compared to \$493.8 million at September 30, 2018, an increase of \$10.6 million over the prior year. No funds were added to the Allowance for the first nine months of 2019 or 2018. The total Allowance was \$5.2 million at September 30, 2019 and 2018. Total non-performing assets were \$1.6 million at September 30, 2019, compared to \$3.6 million for the same period in 2018.

The Company is pleased to announce that it has been named one of Business NH Magazine's 2019 Best Companies to Work For. The competition's judges recognized Ledyard as an organization that proactively focuses on and strives to offer a workplace that truly engages its employees. During the third quarter, the Company was also pleased to welcome Jay Benson to the Board of Directors. Jay is the Chief Executive Officer of Simon Pearce US and brings extensive strategy development and technology implementation skills to the Board. On August 30, 2019, the Company increased its regular quarterly dividend by \$0.01 per share to \$0.19 per share.

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. Stock activity information can be found in the "Investor Relations" section of Ledyard's 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	
	9/30/2019	9/30/2018	9/30/2019	9/30/2018
Total Interest Income	\$ 4,533,192	\$ 4,300,255	\$ 13,511,102	\$ 12,391,519
Total Interest Expense	533,530	377,359	1,390,498	926,020
Net Interest Income	3,999,663	3,922,896	12,120,603	11,465,499
Provision for Loan Losses	0	0	0	0
Non-interest Income	3,230,814	3,028,011	9,385,767	9,120,827
Non-interest Expense	5,448,700	5,339,593	16,391,740	16,036,252
Net Income	1,579,252	1,382,986	4,450,056	3,932,184
Earnings Per Common Share, basic	\$ 0.50	\$ 0.44	\$ 1.42	\$ 1.27
Earnings Per Common Share, diluted	\$ 0.50	\$ 0.44	\$ 1.42	\$ 1.25
Dividends Per Common Share	\$ 0.19	\$ 0.18	\$ 0.55	\$ 0.52
Efficiency Ratio	75.35%	76.82%	76.22%	77.97%
Total Assets	\$ 504,400,829	\$ 493,797,042		
Investments	153,753,520	152,629,163		
Loans Receivable, net	309,322,903	306,984,166		
Total Deposits	385,355,560	412,949,960		
Borrowings & Other Liabilities	64,372,996	33,739,316		
Stockholder's Equity	54,672,272	47,107,767		
Common Stock Issued	3,385,418	3,352,842		
Treasury Shares	123,868	129,922		
Book Value per Share	\$ 16.76	\$ 14.62		
Return on Assets	1.17%	1.08%		
Return on Equity	11.41%	11.03%		
Allowance for Loan Losses	5,213,767	5,208,113		

Allowance as a % of Total Loans	1.66%	1.67%		
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**Forward-Looking Statements:** Statements concerning future performance, developments or events, expectations for growth and income forecasts, and any other guidance on future periods constitute forward-looking statements that are subject to a number of risks and uncertainties. Actual results may differ materially from stated expectations. Specific factors include, but are not limited to, loan production, competitive pressure in the banking industry, balance sheet management, net interest margin variations, the effect of changes in equity prices on assets under management, the ability to control costs and expenses, changes in the interest rate environment, financial policies of the United States government, and general economic conditions. The Company disclaims any obligation to update any such factors.

**Note:** Certain reclassifications have been made to the prior period information to conform to the current period presentation.

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Source: Ledyard Financial Group, Inc.