



NEWS RELEASE

## Ledyard Financial Group Reports Record Quarterly Earnings

2017-10-31

HANOVER, N.H.--(BUSINESS WIRE)-- Ledyard Financial Group, Inc. (ticker symbol LFGP), the holding company for Ledyard National Bank, today reported record quarterly earnings for the third quarter of 2017. Net income for the quarter ended September 30, 2017, was \$1,124,246 or \$0.36 per share compared to \$1,073,721 or \$0.35 per share for the same period in 2016, an increase of \$50,525 or 4.7%. Net income for the nine months ended September 30, 2017, was \$3,252,706 or \$1.06 per share compared to \$3,141,198 or \$1.02 per share for the same period in 2016, an increase of \$111,508 or 3.6%.

Total revenue for the quarter ended September 30, 2017, was \$6,385,594 compared to \$5,905,538 for the same period in 2016, for an increase of \$480,056 or 8%. Total revenue for the nine months ended September 30, 2017, was \$18,754,501 compared to \$17,569,161 for the same period in 2016, for an increase of \$1,185,339 or 6.8%. Net interest income for the quarter ended September 30, 2017, was \$3,661,160 compared to \$3,357,397 for the same period in 2016, for an increase of \$303,763 or 9%. Net interest income for the nine months ended September 30, 2017, was \$10,783,911 compared to \$9,834,405 for the same period in 2016, for an increase of \$949,506 or 9.7%.

No funds were added to the Allowance for the first nine months of 2017 or 2016. The total Allowance was \$5.5 million at September 30, 2017, compared to \$5.7 million for the same period in 2016. Total non-performing assets were \$1.7 million at September 30, 2017, compared to \$2.3 million for the same period in 2016.

Ledyard Financial Advisors, a division of Ledyard National Bank, reported revenue for the quarter ended September 30, 2017, of \$2,387,770 compared to \$2,104,015 for the same period in 2016, an increase of \$283,754 or 11.9%.

Revenue for the nine months ended September 30, 2017, was \$6,936,220 compared to \$6,211,472 for the same period in 2016, an increase of \$724,748 or 10.4%. Assets under management and custody at Ledyard Financial Advisors totaled approximately \$1.46 billion as of quarter end September 30, 2017, and \$1.14 billion for the same period in 2016.

Non-interest expense for the quarter ended September 30, 2017, was \$5,025,872 compared to \$4,538,846 for the same period in 2016, an increase of \$487,026 or 10.7%. Non-interest expense for the nine months ended September 30, 2017, was \$14,825,449 compared to \$13,643,703 for the same period in 2016, an increase of \$1,181,747 or 8.7%.

At September 30, 2017, the Company's shareholders' equity stood at \$46.9 million compared to \$45.2 million for the same period in 2016. 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, 2017, the Company's book value per share stood at \$15.20 compared to \$14.81 for the same period in 2016.

Loans, net of the allowance for loan losses at September 30, 2017, were \$286.7 million compared to \$281.5 million for the same period last year, an increase of 1.9%. Total deposits at September 30, 2017, were \$405.1 million compared to \$392.8 million, an increase of \$12.3 million or 3% from the same period last year. Total assets of the Company were \$481.6 at September 30, 2017, an increase of \$11.8 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. Effective September 20, 2017, the Company recorded a three-for-one stock split to be effected in the form of a stock dividend on the Company's common stock. On October 27, 2017, the Company announced an increase of \$0.01 to its quarterly dividend. The dividend of \$0.17 per share will be paid on December 1, 2017, to shareholders of record as of November 10, 2017. Ledyard's second consecutive quarter of record Net Income continues to support the Company's ability to share the benefits of the strength in its core businesses with shareholders.

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 the bank'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	
	9/30/2017	9/30/2016	9/30/2017	9/30/2016
Total Interest Income	\$3,977,160	\$ 3,645,537	\$11,753,072	\$10,673,087
Total Interest Expense	316,001	288,140	969,161	838,681
Net Interest Income	3,661,160	3,357,397	10,783,911	9,834,405
Provision for Loan Losses	0	0	0	0
Non-interest Income	2,724,435	2,548,141	7,970,590	7,734,756
Non-interest Expense	5,025,872	4,538,846	14,825,449	13,643,703
Net Income	1,124,246	1,073,721	3,252,706	3,141,198
Earnings Per Common Share, basic	\$ 0.36	\$ 0.35	\$ 1.06	\$ 1.02
Earnings Per Common Share, diluted	\$ 0.35	\$ 0.35	\$ 1.03	\$ 1.00
Dividends Per Common Share	\$ 0.16	\$ 0.16	\$ 0.64	\$ 0.64
Total Assets	\$481,648,227	\$469,853,395		
Investments	157,772,254	156,106,672		
Loans Receivable, net	286,723,198	281,469,181		
Total Deposits	405,148,685	392,814,913		
Borrowings & Other Liabilities	29,574,601	31,842,616		
Stockholder's Equity	46,924,942	45,195,866		
Common Stock Outstanding	3,222,810	3,195,288		
Treasury Shares	136,509	143,556		
Tangible Book Value per Share	\$ 15.20	\$ 14.81		
Total Risk Based Capital Ratio	16.62%	15.61%		
Non-performing Assets	\$ 1,730,041	\$ 2,276,117		
Non-performing Assets as a % of Total Assets	0.36%	0.48%		
Allowance for Loan Losses	\$ 5,518,758	\$ 5,697,221		
Allowance as a % of Total Loans	1.89%	1.98%		

**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.

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Ledyard Financial Group, Inc.

Gregory D. Steverson, 603-640-2666

EVP, COO & CFO

[greg.steverson@ledyardbank.com](mailto:greg.steverson@ledyardbank.com)

Source: Ledyard Financial Group, Inc.