



NEWS RELEASE

Ledyard Financial Group Reports Record Quarterly Earnings

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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 first quarter of 2018. Net income for the quarter ended March 31, 2018, was \$1,207,304 or \$0.39 per share compared to \$1,006,669 or \$0.33 per share for the same period in 2017, an increase of \$200,635. The strength of the Company's core businesses combined with a lower federal tax rate due to the adoption of tax reform are the primary contributing factors to the improvement in operating results and returns to shareholders.

The Company reported total revenue for the quarter ended March 31, 2018, of \$6,679,840 compared to \$5,986,556 for the same period in 2017, for an increase of \$693,284 or 11.6%. Net interest income for the quarter ended March 31, 2018, was \$3,732,225 compared to \$3,513,849 for the same period in 2017, for an increase of \$218,376 or 6.2%.

No funds were added to the Allowance during the first quarter of 2018 or 2017. The total Allowance was \$5.5 million at March 31, 2018, compared to \$5.6 million at March 31, 2017. Total non-performing assets were \$1.9 million at March 31, 2018, compared to \$2.3 million for the same period in 2017.

Ledyard Financial Advisors, which includes the recently opened Concord, New Hampshire office, reported revenue for the quarter ended March 31, 2018, of \$2,617,706 compared to \$2,172,474 for the same period in 2017, an increase of \$445,232 or 20.5%. Assets under management and custody at Ledyard Financial Advisors totaled approximately \$1.5 billion as of quarter end, an increase of approximately \$159 million over the prior year.

Non-interest expense for the quarter ended March 31, 2018, was \$5,324,190 compared to \$4,757,904 for the same period in 2017, an increase of \$566,287 or 11.9%. The factors contributing to increased expense were costs associated with a new core system search, the filling of previously open positions, and increased costs associated with a new operations center.

At March 31, 2018, the Company's shareholders' equity stood at \$46 million compared to \$44 million for the same period in 2017. 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 March 31, 2018, the Company's book value per share stood at \$14.43 compared to \$14.40 for the same period in 2017.

Loans, net of the allowance for loan losses at March 31, 2018, were \$295.2 million compared to \$290.1 million for the same period last year, for an increase of \$5 million or 1.7%. Total deposits at March 31, 2018, were \$400.8 million compared to \$391.3 million, an increase of \$9.6 million or 2.5% from the same period last year. Total assets of the Company were \$471.3 million at March 31, 2018, a decrease of \$10.5 million over the prior year.

The Company's annual meeting is scheduled for 9:00 a.m. on May 17, 2018, at the Hanover Inn, in Hanover New Hampshire.

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.

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 Chief Financial Officer, Gregory D. Steverson.

Ledyard Financial Group, Inc.
Selected Financial Highlights
(Unaudited)

	For the Three Months Ended	
	3/31/2018	3/31/2017
Total Interest Income	\$ 4,006,607	\$ 3,835,567
Total Interest Expense	274,382	321,719
Net Interest Income	3,732,225	3,513,849
Provision for Loan Losses	0	0
Non-interest Income	2,947,615	2,472,707
Non-interest Expense	5,324,190	4,757,904
Net Income	1,207,304	1,006,669
Earnings Per Common Share, basic	\$ 0.39	\$ 0.33
Earnings Per Common Share, diluted	\$ 0.38	\$ 0.32

	As of 3/31/2018	As of 3/31/2017
Total Assets	\$ 471,324,522	\$ 481,861,717
Investments	141,674,102	157,378,324
Loans Receivable, net	295,154,080	290,104,731
Total Deposits	400,864,660	391,264,519
FHLB Advances & Other Borrowings	20,776,684	43,438,764
Stockholder's Equity	46,017,187	44,071,811
Common Stock Outstanding	3,318,831	3,198,441
Treasury Shares	130,587	136,929
Tangible Book Value per Share	\$ 14.43	\$ 14.40
Total Risk Based Capital Ratio	16.85%	15.66%
Non-performing Assets	\$ 1,917,078	\$ 2,314,607
Allowance as a % of Total Loans	1.83%	1.89%
Return On Assets	1.00%	0.82%
Return On Equity	10.05%	9.11%

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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