

Berkshire Hills Bancorp, Inc. (NYSE: BHLB; Pittsfield, MA) has agreed to acquire Hampden Bancorp, Inc. (NASDAQ: HBNK; Springfield, MA)

Deal Value: Approximately \$109 million

Sandler O'Neill served as financial advisor to Berkshire Hills Bancorp, Inc. and rendered a fairness opinion in connection with the transaction. This transaction is Sandler O'Neill's 157th bank or thrift transaction nationwide since January 1, 2011. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.¹ Since January 1, 2011, Sandler O'Neill has advised on 13 bank or thrift transactions in the Northeast, more than any other investment bank during that time period.¹

Pittsfield, MA, November 4, 2014 – Berkshire Hills Bancorp, Inc. (NYSE: BHLB) a full-service financial institution with assets of \$6.4 billion, branch locations in 24 counties across Massachusetts, New York, Vermont, Connecticut, and Tennessee, and Hampden Bancorp, Inc. (NASDAQ: HBNK) jointly announced today the signing of a definitive merger agreement pursuant to which Berkshire Hills Bancorp, Inc. will acquire Hampden Bancorp, Inc. for \$20.53 per share in a 100 percent stock transaction. The transaction will have an aggregate value of approximately \$109 million. Hampden Bancorp, Inc., headquartered in Springfield, Massachusetts, has assets of \$706 million and operates 10 branches in Hampden county. The merger will strengthen Berkshire Hills Bancorp, Inc.'s footprint in the attractive Springfield, MA market. On a combined basis, Berkshire Hills Bancorp, Inc. will have approximately \$7.1 billion in total assets.

"We are pleased to welcome Hampden customers and employees to America's Most Exciting Bank®," said Michael P. Daly, President and CEO of Berkshire. "This in-market partnership will create a strong platform for serving our combined customers, while producing attractive returns for both our existing shareholders and the new shareholders from Hampden joining us in this transaction. We will move into the top 5 position in deposit market share and plan to use this opportunity to further capitalize on our strong product set and culture of customer engagement. This merger complements our expansion initiatives in Central Massachusetts and Hartford, a combined market area that is the second largest in New England."

"We are delighted to be joining the Berkshire franchise," commented Glenn S. Welch, President and CEO of Hampden. "Our two banks share rich histories, consistent core values and a strong commitment to customers and communities. I'm proud of our 162 years of serving customers in our markets and believe the combination created by our two companies will benefit our clients, communities and shareholders."

Two Hampden Bancorp, Inc. directors will be appointed to Berkshire Hills Bancorp, Inc.'s board of directors and Hampden's CEO, Glenn S. Welch, will be joining Berkshire Hills as Regional President for Western Massachusetts and Connecticut.

Under the terms of the merger agreement, Berkshire Hills Bancorp, Inc. will acquire Hampden Bancorp, Inc. for a total purchase price of approximately \$109 million. Shareholders of Hampden Bancorp, Inc. will have each share of Hampden Bancorp common stock exchanged for 0.81 shares of Berkshire Hills common stock, valued at \$20.53 per share of Hampden common stock based on the \$25.35 average closing price of Berkshire's stock for the five day period ending November 3, 2014. Berkshire Hills Bancorp, Inc. expects the merger to be accretive to earnings per share in 2016, excluding transaction expenses. Berkshire Hills Bancorp, Inc. and Hampden Bancorp, Inc. expect to complete the transaction early in the second quarter of 2015, after satisfaction of customary closing conditions, including regulatory approvals and the approval of the shareholders of Hampden Bancorp, Inc.

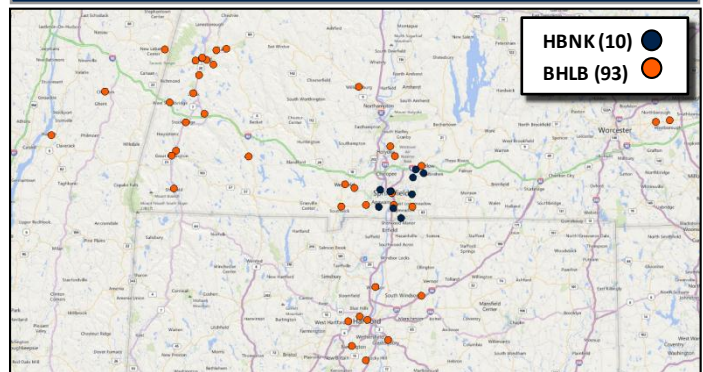
Financial Highlights

<i>(Dollars in millions)</i>	BHLB	HBNK
Total Assets	\$6,352	\$706
Net Loans	4,547	506
Total Deposits	4,563	490
Total Common Equity	697	86
Tang. Comm. Equity / Tang. Assets	6.91%	12.14%

1) Includes bank or thrift transactions since 2011; excludes terminated transactions and self-advisory roles

*Note: Financial data as of September 30, 2014
Source: SNL Financial*

Pro Forma Branch Map



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