

First Colebrook Bancorp, Inc. (OTCQX: FCNH; Colebrook, NH) has agreed to merge with Bangor Bancorp, MHC (Private; Bangor, ME)

Deal Value: Approximately \$45 million

Sandler O'Neill served as financial advisor and provided a fairness opinion to First Colebrook Bancorp, Inc. in connection with this transaction. This transaction represents Sandler O'Neill's 143rd bank or thrift transaction nationwide since January 1, 2015, representing \$45.6 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.¹

Since January 1, 2014, Sandler O'Neill has advised on 15 transactions in New England, more than any other investment bank during that time period.¹

BANGOR, ME and COLEBROOK, NH – Bangor Bancorp, MHC, parent company of Bangor Savings Bank and Colebrook, New Hampshire-based First Colebrook Bancorp, Inc. (OTCQX: FCNH), parent company of Granite Bank, today jointly announced plans for Granite Bank to merge into Bangor Savings Bank. The merger agreement was unanimously approved by the Boards of Directors of both bank holding companies and their subsidiary banks on Monday, October 23, 2017.

Under the terms of the transaction, shareholders of First Colebrook Bancorp will receive \$45.00 in cash in exchange for each share of First Colebrook Bancorp stock for a transaction valued in aggregate at approximately \$45 million. The consideration represents approximately 185% of First Colebrook Bancorp's tangible book value per share as of June 30, 2017.

Earlier this year, Bangor Savings Bank expanded its footprint into New Hampshire by opening a limited service branch in Portsmouth, New Hampshire, offering mortgage and business/commercial lending, along with payroll and merchant services. The merger with Granite Bank complements the Bank's long-term vision to provide highly accessible and trusted local financial services to even more customers in northern New England.

"We're excited to welcome Granite Bank to the Bangor Savings Bank family," said Bangor Savings President and CEO Bob Montgomery-Rice. "Both banks share a culture of developing real relationships with customers, and making their banking life easier."

"As a mutual bank, we are accountable only to our Board, our employees, our customers, and our communities. Because of that, we've been able to retain the personal approach and local perspective of a smaller bank – with a focus on valuing and listening to customers. At the same time, we've been able to drive growth and improve the customer experience by significantly investing in new branches, technology that makes customers feel safe and secure, and new product and services. We feel that makes us a good fit for a great bank like Granite, and we're happy that they agree," Montgomery-Rice stated.

Scott Cooper, Granite Bank President and CEO, added, "This transaction should be beneficial to the shareholders, customers, and communities served by First Colebrook and Granite Bank. It should also provide attractive opportunities for many employees. Like Granite Bank, Bangor Savings has a long history of serving, and valuing, both rural and urban communities. We are confident that our customers will continue to experience the exceptional level of customer service they have come to know in banking with us, while enjoying access to additional products and services that a larger community bank like Bangor can offer. Bangor Savings is a consistent *Best Place to Work in Maine* organization that describes their employees as their most valuable asset. We have confidence that our employees, as well as our customers and the communities we serve, will continue to be in good hands."

Financial Highlights

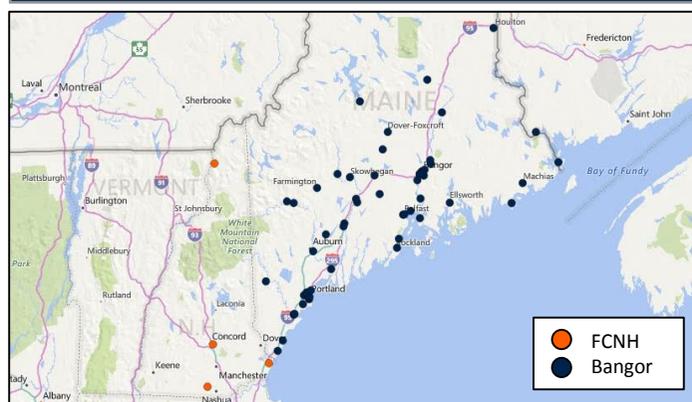
(\$ in millions)	Bangor	FCNH
Total Assets	\$3,780.5	\$262.4
Total Net Loans	2,531.6	221.9
Total Deposits	2,792.4	217.4
Total Equity	390.9	24.8
TCE/TA	9.62%	9.28%

(1) Excludes terminated transactions and self-advisory roles

Note: Financial data as of June 30, 2017

Source: SNL Financial

Pro Forma Branch Map



Sandler O'Neill Contacts:

Mary Anne Callahan
Principal
(212) 466-7951

Jad DeQuattro
Director
(212) 466-7883

Alex Bondroff
Vice President
(212) 466-7727

Mackenzie Boydston
Analyst
(212) 466-7747