

PeoplesBancorp, MHC (Private; Holyoke, MA) has agreed to acquire First Suffield Financial, Inc. (OTC Pink: FSFF; Suffield, CT)

Deal Value: Approximately \$60.0 Million

Sandler O'Neill served as financial advisor to PeoplesBancorp, MHC. This transaction represents Sandler O'Neill's 183rd bank or thrift transaction nationwide since January 1, 2015, representing \$56.4 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, 2015, Sandler O'Neill has advised on 14 bank or thrift transactions in New England for an aggregate transaction value of \$874.7 million, which represents more transactions than any other investment bank during that period.¹

Holyoke, MA, July 17, 2018 – PeoplesBancorp, MHC, the parent company of PeoplesBank, both of Holyoke, Massachusetts, and First Suffield Financial, Inc., the parent company of The First National Bank of Suffield, both of Suffield, Connecticut, today jointly announced that they have entered into a definitive merger agreement for PeoplesBancorp to acquire First Suffield Financial and PeoplesBank to acquire The First National Bank of Suffield. The parties anticipate the transaction will close in the fourth quarter of 2018 or the first quarter of 2019.

Under the terms of the agreement, shareholders of First Suffield Financial, Inc. will receive \$12,001.85 in cash per share, representing a total transaction value of approximately \$60 million. The merger consideration represents approximately 202% of The First National Bank of Suffield's tangible book value at March 31, 2018. The transaction is subject to customary closing conditions, including the receipt of state and federal regulatory approvals and approval by the shareholders of First Suffield Financial, Inc.

Tom Senecal, President, CEO and Chairman of the Board of PeoplesBank, stated, "We see this as a tremendous opportunity. The strategic fit between the organizations is compelling, and the compatibility of our award-winning corporate cultures should make for a seamless transition for our associates and our customers. The addition of an existing, successful branch network in northern Connecticut to our strong presence in the Pioneer Valley will allow us to offer our products and services to a wider audience, while deepening our commitment to the region as a whole."

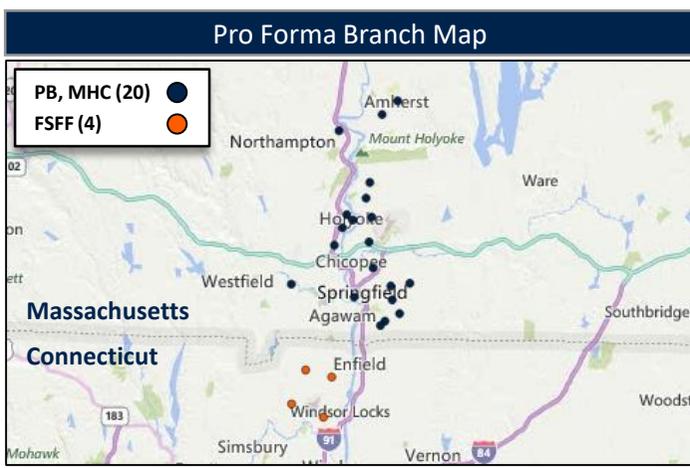
"Our merger with PeoplesBank offers outstanding value for our shareholders and, equally, if not more importantly, assures that our customers and communities will benefit from the wide range of products and commitment to service provided by PeoplesBank," said Dr. Douglas Viets, Chairman of the Board of Directors of The First National Bank of Suffield. "We look forward to working with the talented people of PeoplesBank to combine the best of both of our organizations."

"Since our organization in 1864, The First National Bank of Suffield has successfully served our customers and the local communities," stated Joseph Greco, President and CEO of The First National Bank of Suffield. "We recognize banking is a rapidly changing industry and to ensure our customers' needs are fulfilled, while not losing our commitment to the communities we serve, we are merging with PeoplesBank and know that it is an organization which shares our commitment to service and community banking."

The combined organization will have approximately \$2.8 billion in assets and \$1.9 billion in deposits. Upon completion of the transaction, one current member of the board of directors of First Suffield Financial will be appointed to serve as a member of the Board of Trustees of PeoplesBancorp and the Board of Directors of PeoplesBank. Following completion of the merger, the current branches of The First National Bank of Suffield will remain open and will conduct business under the trade name "First Suffield Bank, a Division of PeoplesBank".

| Financial Highlights | | |
|-----------------------|---------------------|--------|
| (Dollars in millions) | PeoplesBancorp, MHC | FSFF |
| Total Assets | \$2,414 | \$273 |
| Total Net Loans | \$1,805 | \$226 |
| Total Deposits | \$1,741 | \$230 |
| Shareholder's Equity | \$215 | \$28 |
| TCE / TA | 8.92% | 10.19% |

(1) Source: S&P Global Market Intelligence; Includes majority and minority transactions; Excludes terminated transactions and self-advisory roles
 Note: Financial data as of March 31, 2018; reflects bank level data for FSFF



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