

CMS Bancorp, Inc. (NASDAQ: CMSB; White Plains, NY) has entered into a definitive agreement to merge with Putnam County Savings Bank (Mutual; Brewster, NY).

Deal Value: \$25.4 million

Sandler O'Neill served as exclusive financial advisor to CMS Bancorp, Inc. and rendered a fairness opinion in connection with the transaction. This transaction is Sandler O'Neill's 149th bank or thrift transaction 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

Brewster, NY. – Putnam County Savings Bank ("Putnam") and CMS Bancorp, Inc. (NASDAQ: CMSB) ("CMS"), the holding company for CMS Bank, jointly announced the execution of a definitive merger agreement, dated September 25, 2014, which provides for the acquisition of CMS Bank by Putnam in an all cash transaction valued at \$13.25 per share, or an aggregate deal value of approximately \$25.4 million. The definitive merger agreement is subject to approval by CMS's stockholders and applicable banking regulatory authorities.

John E. Ritacco, President and CEO of CMS, said, "The merger with Putnam County Savings Bank is very good news for our stockholders, customers and employees. Our stockholders will benefit from the all-cash terms of the merger agreement. Our customers will gain access to a deeper level of products and quality services provided by a strong and committed local community bank, and CMS will serve as a platform for Putnam's deeper expansion in the Westchester market. The combined organization will continue to have the same great quality of customer service provided by dedicated people who are committed to being involved in the local community, and with the added resources of a larger and stronger community banking organization."

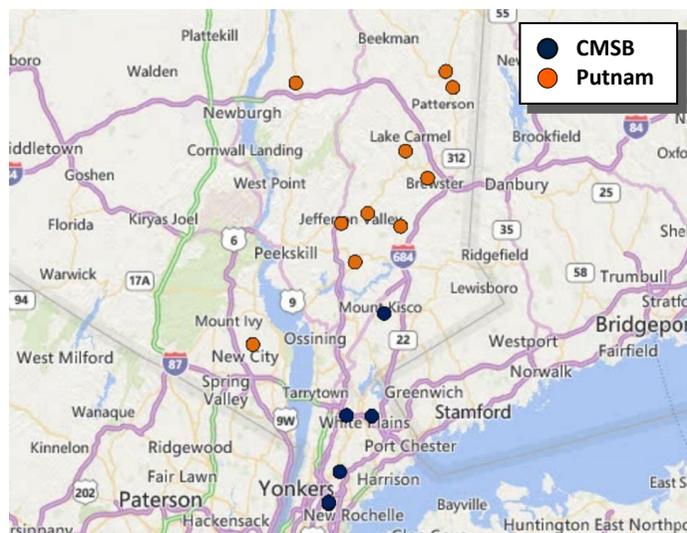
The merger is expected to close in the first half of 2015. Upon completion of this acquisition, Putnam will have total assets of approximately \$1.2 billion.

Financial Highlights

(\$s in millions)	Putnam	CMSB
Total Assets	\$976	\$273
Net Loans	\$501	\$223
Total Deposits	\$861	\$228
Total Equity	\$112	\$24
Tang. Comm. Equity / Tang. Assets	11.44%	8.17%
NPAs / Assets	2.58%	1.83%

(1) Excludes terminated transactions and self-advisory roles.
Note: Financial highlights as of 6/30/14.
Source: SNL Financial.

Pro Forma Branch Map



**Sandler O'Neill Contacts:
1251 Avenue of the Americas, 6th Floor
New York, NY 10020**

Kate Lawton
Principal
(212) 466-7714

Derek Szot
Managing Director
(212) 466-7717

Josh Shropa
Associate
(212) 466-7748