

Radius Bancorp, Inc. (Boston, MA) Announces Transaction With Investor Group to Recapitalize Bank**Deal Value: \$63 million**

Sandler O'Neill + Partners L.P. served as financial advisor and rendered a fairness opinion to Radius Bancorp in connection with this transaction. This transaction represents Sandler O'Neill's 96th bank or thrift transaction since January 1, 2014 representing \$16.8 billion in aggregate transaction value. 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

About the Transaction:

BOSTON, MA - Radius Bank, a full-service bank with offices in Massachusetts and New York and a wholly-owned subsidiary of Radius Bancorp, Inc., today announced that Radius Bancorp and its current owners have entered into a definitive agreement pursuant to which new investors will acquire approximately 95% of Radius Bancorp for approximately \$63 million. Approximately \$18 million of this amount will be an investment for new equity capital of Radius Bancorp. The transaction is led by Patriot Financial Partners, GCP Capital Partners, Endicott Management Company, and BayBoston Capital, and includes members of the Bank's management and board of directors.

The Bank pursued this deal to achieve two primary objectives: add growth capital for expansionary purposes and resolve a regulatory issue for its current ownership group by divesting their control of the Bank.

The additional capital to be provided by the transaction will support the Bank as it continues to execute its strategic plans across its Commercial, Institutional, Virtual and Retail lines of business. The capital will allow the Bank to continue serving these key client markets at a high level, while remaining an independent community bank. By investing in the company, the new owners bring deep industry knowledge and expertise to assist the Bank as it expands.

"This recapitalization is an outstanding result for our current ownership group, our clients and employees," commented Michael A. Butler, President and Chief Executive Officer of Radius Bank. "Being able to satisfy our owners' regulatory requirements while simultaneously adding growth capital that allows us to better serve our clients and remain an independent community bank is the best possible outcome. We have chosen the right partners to help us profitably grow and look forward to welcoming them to the ownership team."

Over the past several years, the Bank's current ownership group, the New England Carpenters Pension and Annuity Funds and the Empire State Carpenters Pension Funds, have worked with Radius' management team to bring in new investment partners following the adoption of the Dodd-Frank Act, which prohibits savings and loan holding companies, such as the carpenter pension funds with respect to Radius Bank, from holding the types of investments that are part of the carpenter pension funds' ordinary business. The transaction will bring in new growth capital and resolve this issue, while allowing the carpenter pension funds to continue to retain a small ownership stake in the Bank.

About the Company:

With assets of approximately \$780 million, Radius Bank is a community bank offering a full complement of convenient, leading-edge personal and business products and services. The Bank serves consumers, small and middle market businesses, unions, government entities and non-profit organizations as its core clients. The Bank offers anytime/anywhere banking via mobile device, 24-hour ATM service, provides additional services such as treasury management capabilities, and partners with innovative organizations including mobile payments leader LevelUp, student loan debt reduction company SmarterBucks, online investment firm Aspiration, and online marketplace lender Prosper. Customers can readily access traditional, personalized branch banking at the Bank's Boston, MA financial center.

(1) Source: SNL Financial; Excludes terminated transactions and self-advisory roles
Source: Company press release

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