

Radius Bancorp, Inc. Closes Private Placement of \$15.3 Million of Subordinated Notes due 2027

Sandler O'Neill + Partners, L.P. served as the sole placement agent for this offering.

Radius Bancorp, Inc. operates a single branch model with a nationwide scope, leveraging its virtual banking platform to efficiently acquire consumer clients and gather deposits through its Direct-to-Consumer and fintech strategic partnership channels.

This transaction is the 113th subordinated note or senior note transaction for a community bank since January 1, 2014 in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner or initial purchaser.¹ Since May 20, 2016, Sandler O'Neill has raised approximately \$3.5 Billion for its clients, capturing a 69.1% market share of announced transactions.¹

About the Offering:

BOSTON, MA – Radius Bancorp, Inc., the parent company of Radius Bank, announced today the closing of its private placement of \$15.3 million in aggregate principal amount of subordinated notes. Unless earlier redeemed, the notes mature on June 30, 2027. The net proceeds from the sale will help fund the Bank's organic growth.

"We are extremely pleased with the outcome of the offering," said Michael A. Butler, Radius Bank's President and CEO. "Following our recapitalization in June 2016, this is the natural next step in allowing us to seamlessly continue executing on our strategic plans."

This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.

About the Company:

Radius Bank is a forward-thinking 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, 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: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes nationwide subordinated debt and senior note offerings for Community Banks; Community Banks defined as banks or bank holding companies with less than \$25 billion in assets.

(2) Financial data not pro forma for the offering; bank level financial data shown

June 27, 2017

Fixed-to-Floating Rate
Subordinated Notes due 2027

\$15.3 Million



RADIUS

BANCORP

Sole Placement Agent
SANDLER O'NEILL + PARTNERS

Financial Highlights as of March 31, 2017 ²**Dollars in thousands**

Total Assets	\$972,986
Net Loans	\$824,924
Total Deposits	\$784,230
Total Equity	\$91,800
Leverage Ratio	9.38%
Tier 1 Ratio	11.68%
Total Capital Ratio	12.11%
Tang. Common Equity / Tang. Assets	9.16%

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