

Sage Bank (Private; Lowell, MA) has agreed to merge with Salem Five Bank (Private; Salem, MA)

Deal Value: Undisclosed

Sandler O'Neill served as financial advisor and rendered a fairness opinion to Sage Bank in this transaction. This transaction represents Sandler O'Neill's 167th bank or thrift transaction nationwide since January 1, 2015, representing over \$49.3 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

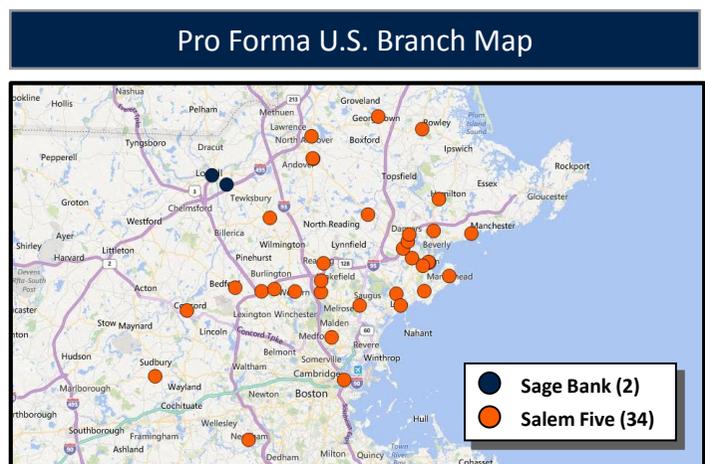
Salem and Lowell, MA -- April 30, 2018 – Salem Five Bank, a subsidiary of Salem Five Bancorp, and Sage Bank announced today that they have signed a definitive agreement whereby Salem Five Bank will acquire Sage Bank. Sage Bank is a closely held state-chartered cooperative stock bank with two retail locations in Lowell and mortgage offices throughout Middlesex County. Founded in 1885, Sage Bank has assets of \$140 million and offers commercial loans, residential mortgages and consumer products and services. The transaction is expected to close in the third quarter of 2018.

“Sage Bank, like Salem Five, has a longstanding commitment to its customers.” said Salem Five President and CEO Ping Yin Chai. “We look forward to serving the families, businesses and communities that Sage Bank has supported throughout its history with excellent service, community-minded professionals and banking technology that we bring to all of our markets. The acquisition will allow us to better serve customers in northern Middlesex County, while also adding offices and team members to our strong mortgage division. We are pleased to be in Lowell and the surrounding communities that complement our existing footprint.”

In 2017, Salem Five completed the acquisition of Georgetown Bank, adding to its footprint in Essex County and expanding into Southern New Hampshire. Following the Sage Bank acquisition, Salem Five will have total assets of approximately \$4.9 billion with 36 locations.

Sage Bank President Diane Walker added, “In becoming a part of Salem Five, Sage Bank will be able to offer our customers a broader array of products and services to support their banking needs. Some of our customers will appreciate the expanded network of branch locations where they can do their banking; others will take advantage of Salem Five’s insurance and investment offerings. This is an excellent affiliation of two institutions with deep roots in our representative communities.”

Financial Highlights ²		
(\$ in thousands)	Salem Five	Sage Bank
Total Assets	\$4,677,837	\$143,443
Total Net Loans	3,487,634	125,714
Total Deposits	3,399,061	92,623
Total Equity	472,509	10,655
TCE / TA	9.44%	6.06%



1) Source: S&P Global Market Intelligence; majority and minority transactions; excludes terminated transactions and self-advisory roles
 2) Financial data as of December 31, 2017

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