

Newburgh
Sharon
13 branches
Canaan
Fishkill
New York
customers
Great Barrington
Red Oaks Mill
South Egremont
Massachusetts
employees
Salisbury
shareholders
Dover Plains
enriching
linked
together for
success
Lakeville
communities
Poughkeepsie
Connecticut
Millerton
Sheffield tri-state service
2015 annual meeting
of shareholders



SALISBURY BANCORP, INC.

Salisbury Bancorp, Inc. is the holding company for Salisbury Bank and Trust Company

Forward Looking Statements

This presentation contains certain statements that may be considered “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Actual results, performance or achievements of Salisbury may differ materially from those discussed in these forward-looking statements. We refer you to the documents Salisbury files from time to time with the Securities and Exchange Commission, especially the Company’s last filed Form 10-K and Form 10-Q. These documents contain and identify important factors that could cause actual results to differ materially from those contained in our projections or forward-looking statements. You should carefully review all of these factors, and you should be aware that there may be other factors that could cause these differences. These forward-looking statements were based on information, plans and estimates at the date of this presentation, and Salisbury assumes no obligation to update forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes.

Unaudited data

All of the financial data presented herein is unaudited.

Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

Welcome

- *Michael A. Varet, Chairman
Salisbury Bancorp, Inc.*

Business of the Meeting

- 1. Election of four Directors*
- 2. Ratification of Independent Registered Public Accounting Firm*
- 3. Non-binding advisory vote on the compensation of the Named Executive Officers*
- 4. Other Business*

Board of Directors

- *Louis E. Allyn, II*
- *Charles M. Andola*
- *George E. Banta*
- *Arthur J. Bassin*
- *Louise F. Brown*
- *Richard J. Cantele, Jr.*
- *Robert S. Drucker*
- *David B. Farrell*
- *Michael D. Gordon*
- *Polly Diane Hoe*
- *Nancy F. Humphreys*
- *Holly J. Nelson*
- *John F. Perotti*
- *Rudolph P. Russo*
- *Michael A. Varet*

Riverside Division Advisory Board

- *Thomas C. DeBenedictus*
- *Ira Effron*
- *Austin “Brud” Hodgkins*
- *Paul S. Hoffner*
- *Stephen P. Lumb*
- *David S. MacFarland*
- *John P. O’Shea*
- *David E. Petrovits*
- *Steven R. Turk*
- *Carl S. Wolfson*

Executive Team of Salisbury Bank

- ***Richard J. Cantele, Jr., President, Chief Executive Officer***
- ***John M. Davies, President of NY Region, Chief Lending Officer***
- ***Donald E. White, Executive Vice President, Chief Financial Officer***
- ***Todd M. Clinton, Executive Vice President, Chief Risk Officer***
- ***Richard P. Kelly, Executive Vice President, Chief Credit Officer***
- ***Elizabeth A. Summerville, Executive Vice President, Chief Retail Officer***
- ***Steven Essex, Senior Vice President, Head of Trust and Wealth Advisory***

Guests

- **Glen MacLeod**, CPA, Chief Executive Officer, Shatswell, MacLeod & Company, P.C.

Business of the Meeting

- 1. Election of four Directors*
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1. ***Election of Directors***

For terms expiring in 2018

- *Arthur J. Bassin*
- *Holly J. Nelson*
- *John F. Perotti*
- *Rudolph P. Russo*

2. Ratification of Independent Registered Public Accounting Firm

- *Shatswell, MacLeod & Company, P.C.*

3. *Non-binding Advisory Vote on the Compensation of the Named Executive Officers*

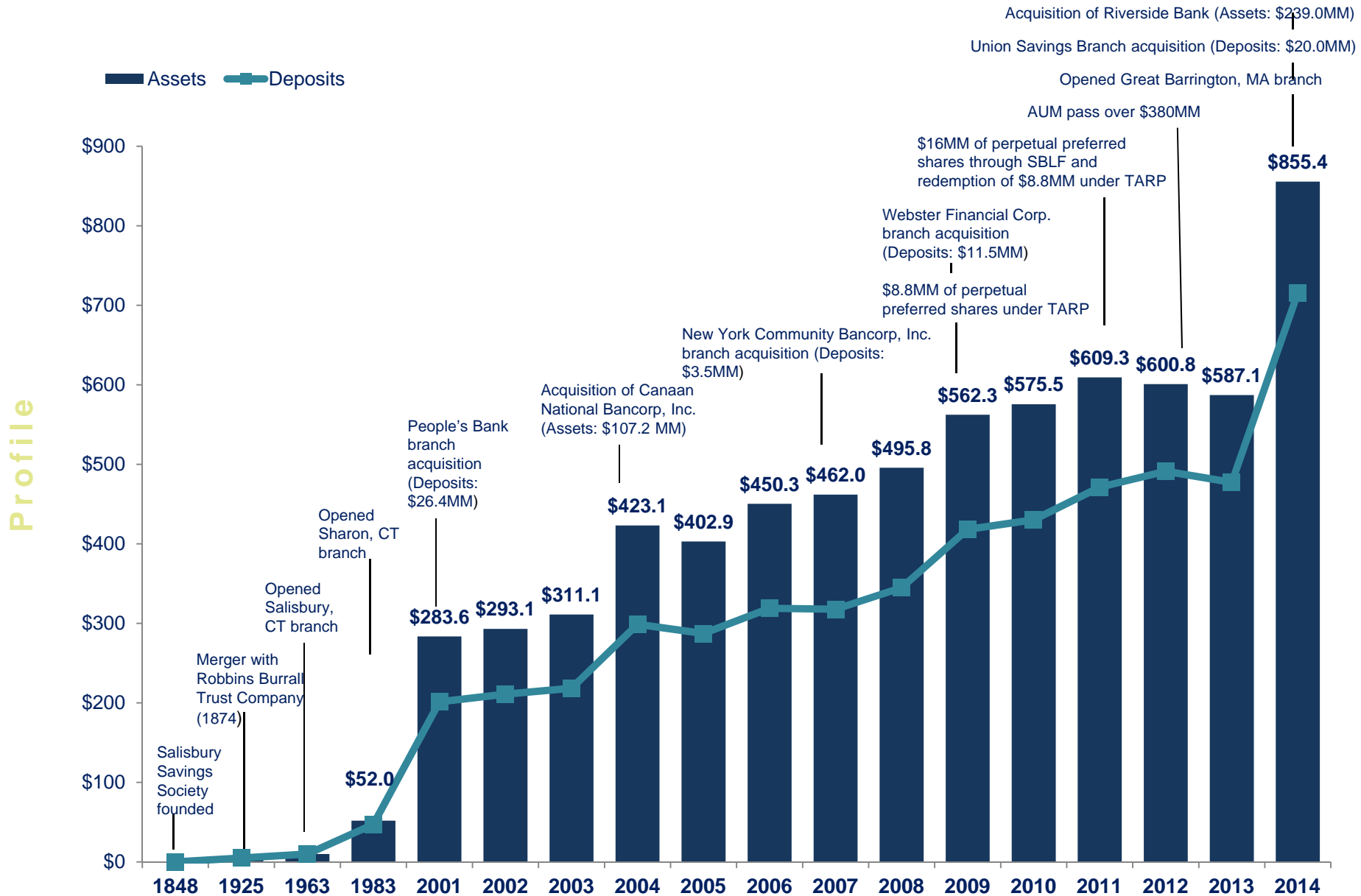
- *To approve, on a non-binding advisory basis, the compensation of the Named Executive Officers.*

Polls Closed

- *Tabulation of Votes*

Outline

- *Company Profile*
- *2014 Year in Review*
 - *Franchise Growth*
 - *By the Numbers*
 - *Other Accomplishments*
 - *Products and Services*
- *2015 First Quarter*
- *Strategic Objectives*
- *Questions*



2015 Annual Meeting of Shareholders

Headquarters: Lakeville, Connecticut
 Offices: 13
 States: 3
 Traded: NASDAQ Capital Market
 Symbol: SAL

As of (\$ in millions, except per share)	12/31/13	12/31/14	3/31/15⁽ⁱ⁾
Assets	587.1	855.4	865.0
Loans receivable, net	438.1	673.3	676.7
Deposits	477.3	715.4	724.9
Tier 1 Capital	10.65%	12.31%	12.85%

Shareholder Information	12/31/13	12/31/14	3/31/15
Price (\$)	26.86	27.34	29.65
Tangible book value per common share (\$)	27.12	25.83	26.33
Price/LTM EPS (x)	11.7	15.1	22.5
Price/Book (%)	83.3	78.7	94.0
Price/Tangible Book (%)	102.8	96.0	114.8
Dividend yield (%)	4.17	4.10	3.78
Market capitalization (millions)	45.98	74.39	80.90
Common shares outstanding	1,711	2,721	2,729
Insider Ownership	6.9%	18.4%	18.5%
Institutional Ownership	10.95%	6.65%	7.02%

⁽ⁱ⁾ Unaudited

Management Experience

- *CEO since 2009 – 33 years with Salisbury*
- *Management Team – 224 years of combined industry experience*
- *Average industry experience – 33 years*
- *Average tenure with SAL – 13 years*
- *Key Riverside Officers add depth and experience*

Community Impact

- *Provided financial support to 148 community organizations*
- *Employees volunteered over 7,100 hours in our communities to more than 100 non-profit organizations*
- *Made more than \$115mm in business loans to almost 350 local businesses*
- *Originated nearly 200 home mortgages totaling almost \$57mm*
- *Scholarship funding totaling \$21,500 to qualified students pursuing higher education*
- *Provide employment to 167 full time employees*
- *Provided 10 free educational seminars to 152 attendees*

Great Barrington, MA Branch Opened (5/5/2014)

- 9th branch, 3rd in Berkshire County
- Location includes sufficient parking and drive-up capabilities
- Branch offers unique position for success, given the people, size, service, and location

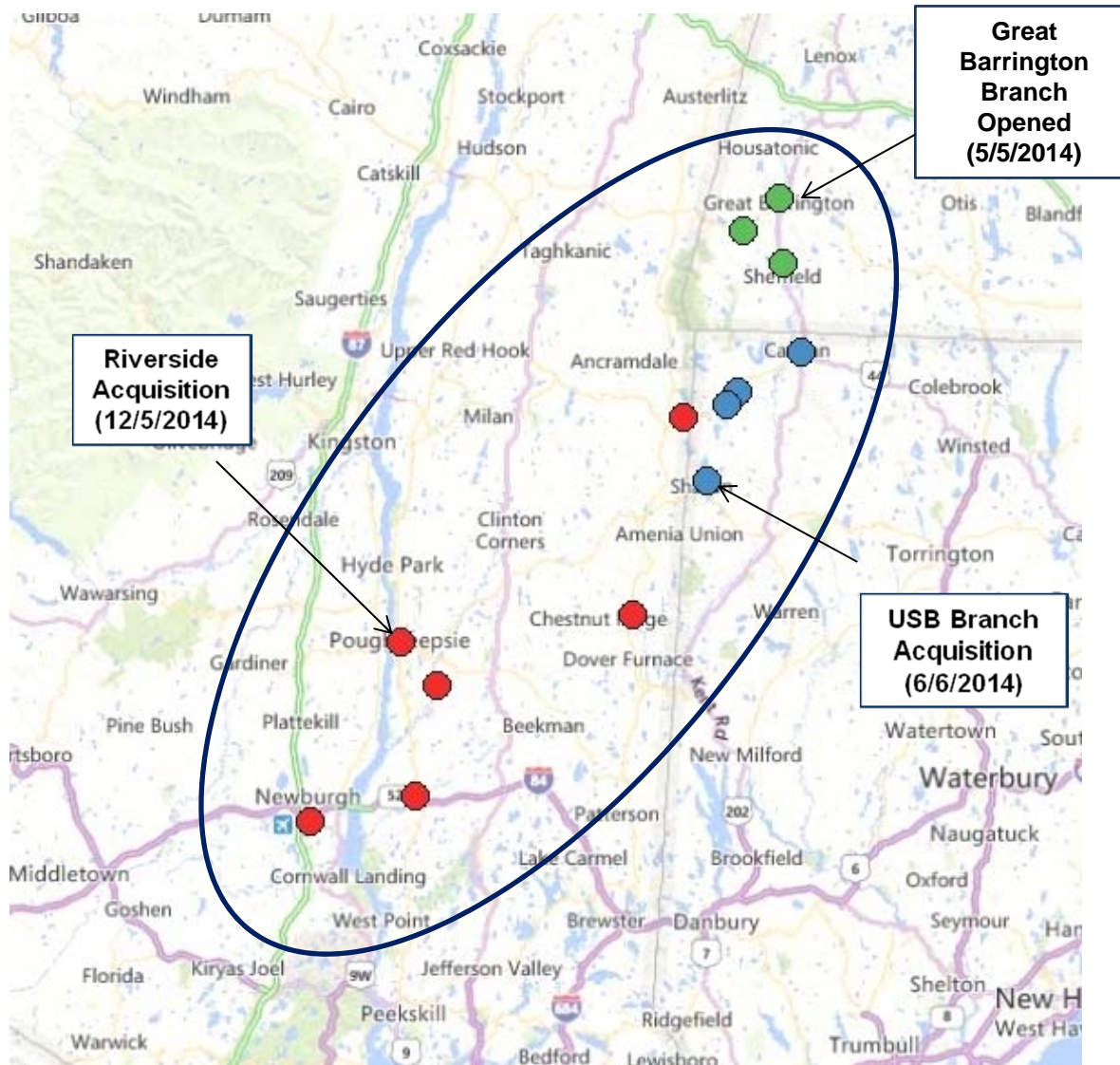
Union Savings Branch Acquisition, Sharon, CT (6/6/2014)

- Acquired approximately \$20 million in deposits
- Consolidated existing branch with improved location and facility
- Acquisition was accretive to earnings in 2014
- Market share growth from 54% to approximately 76%

Riverside Bank Acquisition (12/5/2014)

- Increased SAL assets by over 35%
- Loan portfolio diversification into more commercial exposures, increased total yield on loans
- Accretive to earnings
- Accretive to capital
- Complementary product offerings

2014 Year in Review - Franchise Growth



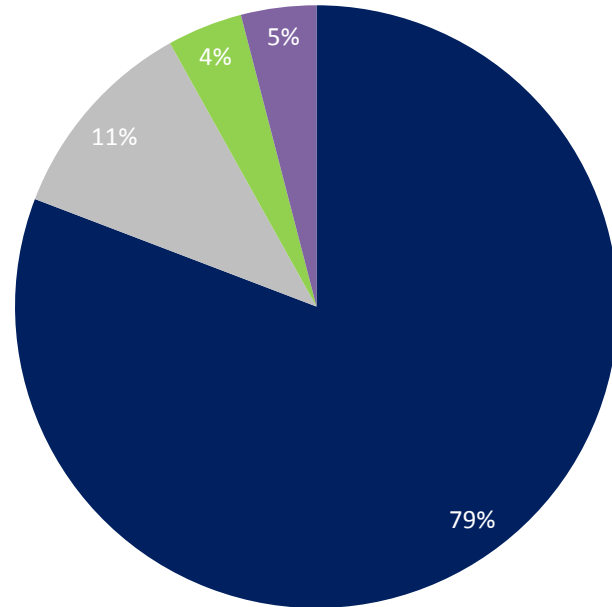
Salisbury Bank Offices:

- NY (6)
- CT (4)
- MA (3)

Balance Sheet Composition

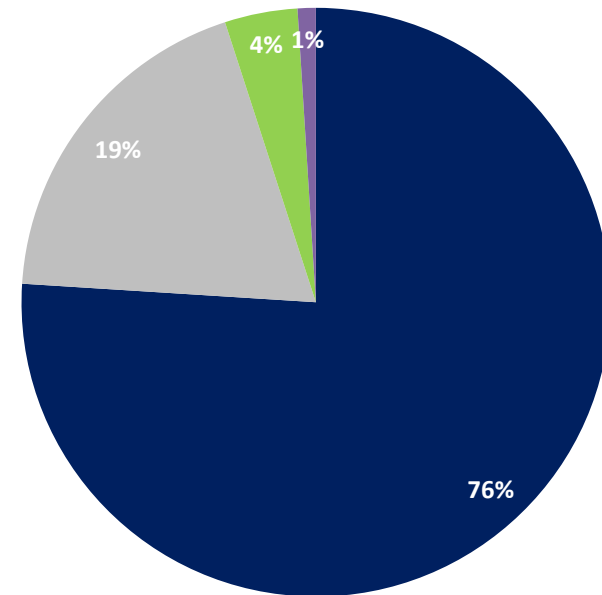
(as of 12/31/14)

Assets = \$855,427,000



- Total Loans
- Total Investments
- Cash & Due
- Other

Liabilities = \$753,606,000

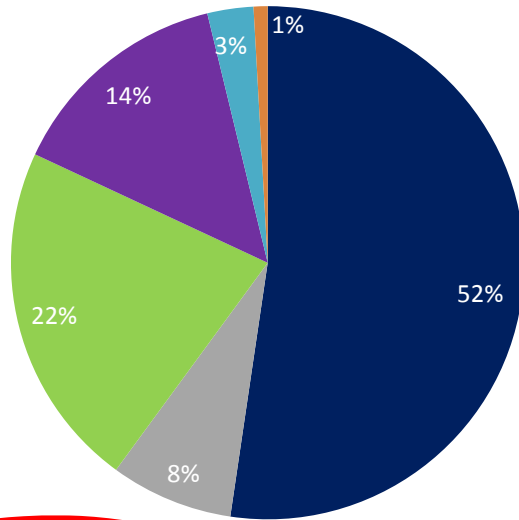


- Non Maturity Deposits
- Time Deposits
- Borrowings
- Other

Loan Portfolio

2014 Year in Review - By the Numbers

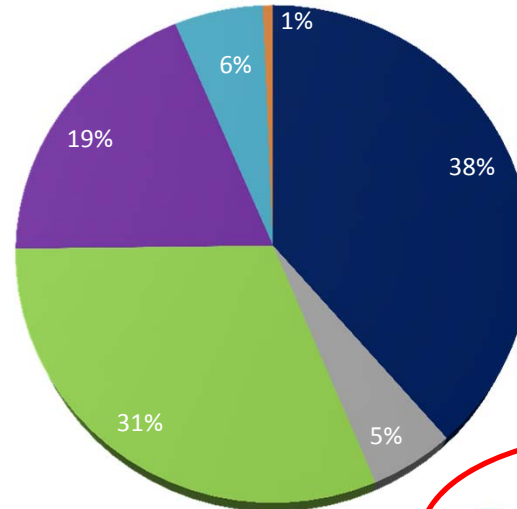
2013



- Residential 1-4 family
- Home equity LOC
- CRE & Multi Family RE
- Comm, Financial & Agricultural
- Construction & Development

Total Loans: \$441,679
Yield on Loans: 4.35%

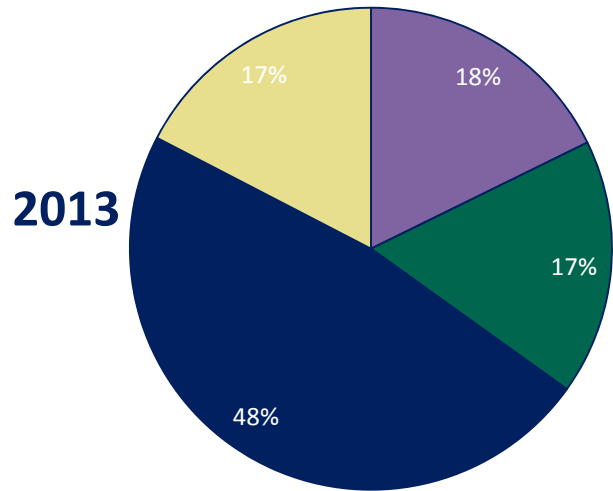
2014



- Residential 1-4 family
- Home equity LOC
- CRE & Multi Family RE
- Comm, Financial & Agricultural
- Construction & Development
- Other Consumer

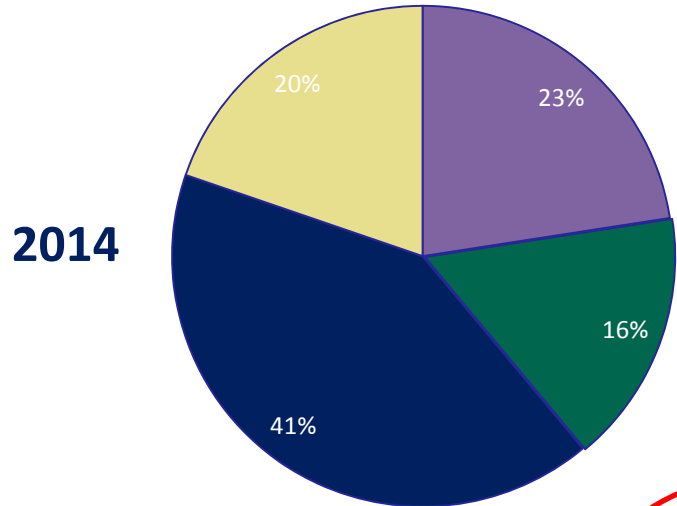
Total Loans: \$677,485
Yield on Loans: 4.23%

Deposits



- Demand (non int bearing)
- Demand (interest bearing)
- Savings & MMDA
- Time

Total Deposits: \$477.3 Million
Cost of Deposits: 0.45%

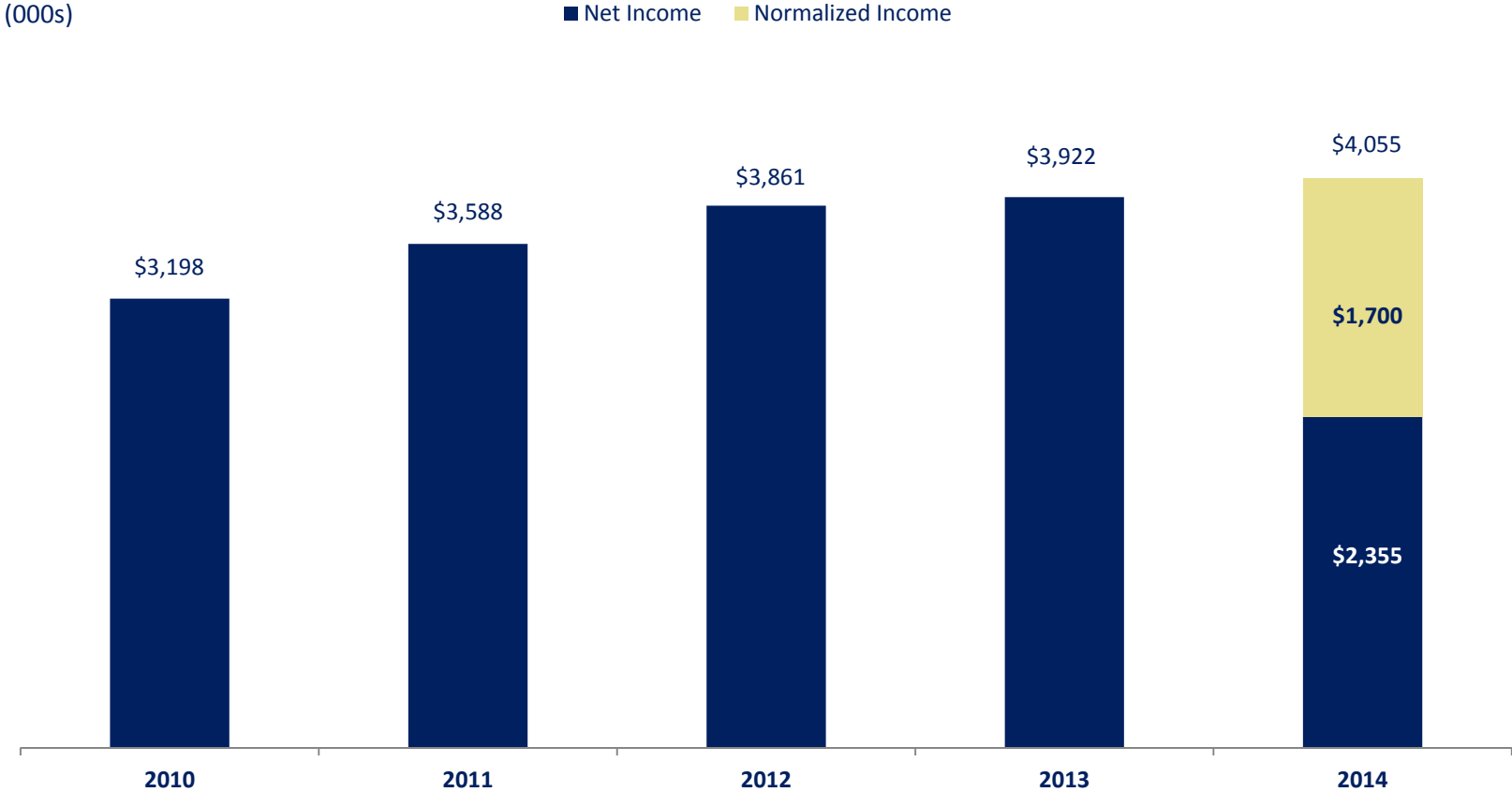


- Demand (non int bearing)
- Demand (interest bearing)
- Savings & MMDA
- Time

Total Deposits: \$715.4 Million
Cost of Deposits: 0.35%

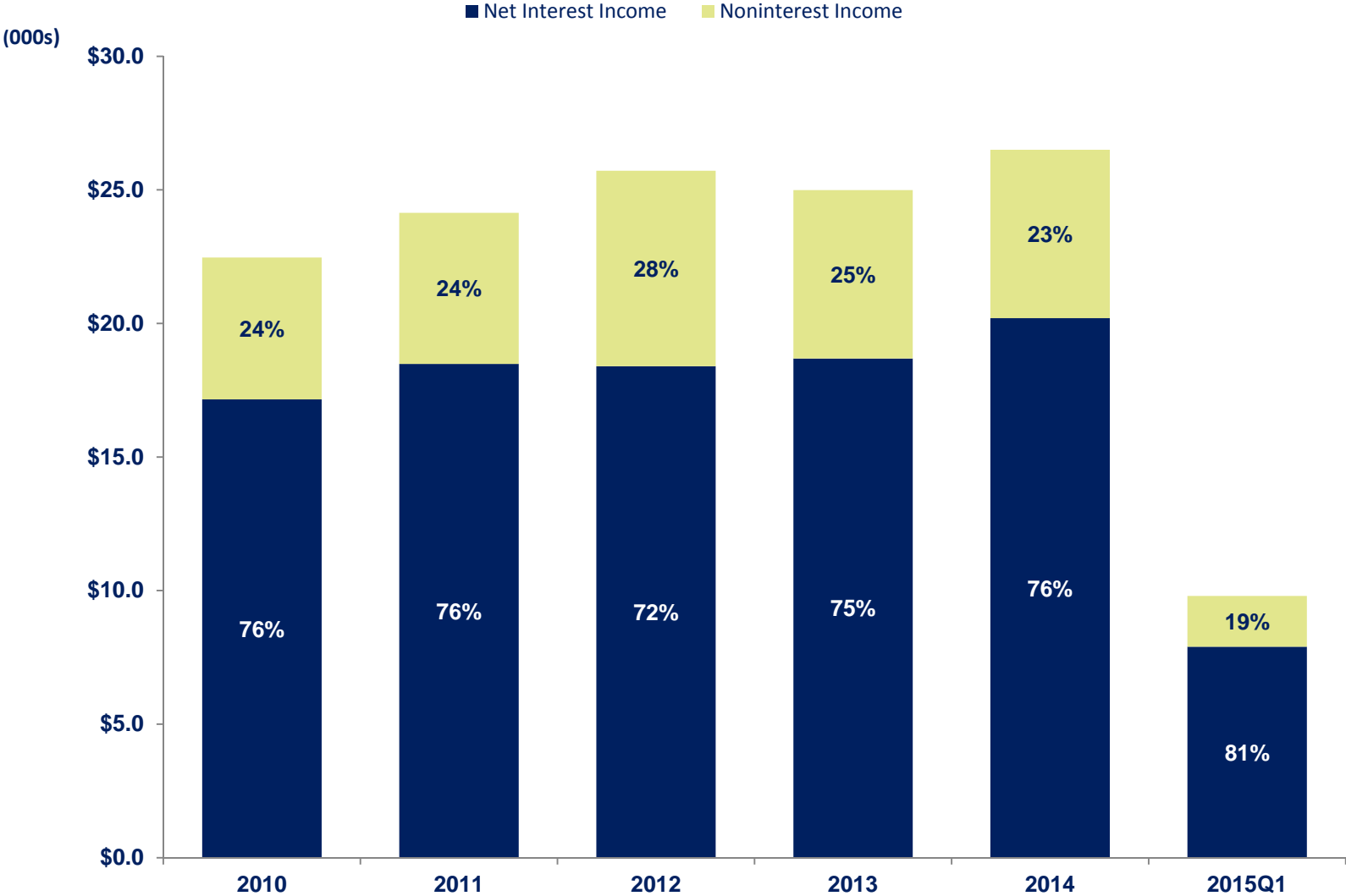
2014 Year in Review - By the Numbers

Net Income Available to Shareholders



Income

2014 Year in Review - By the Numbers

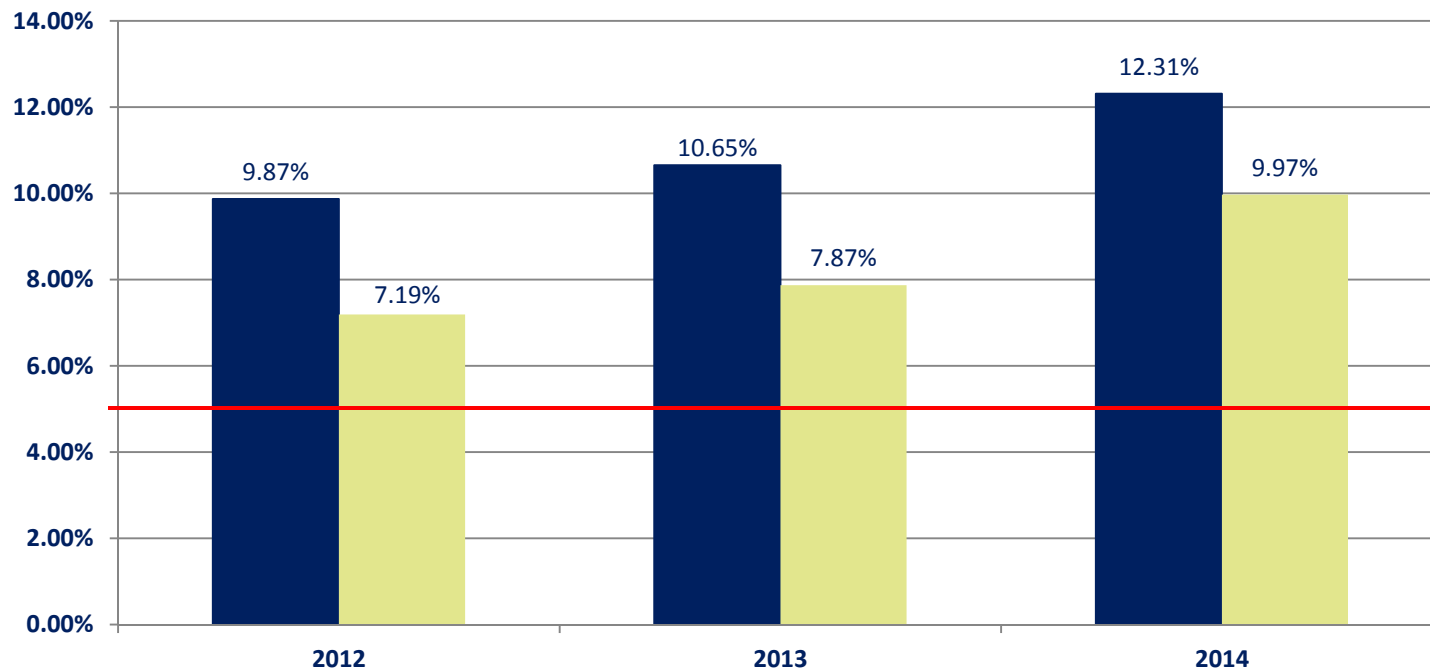


2014 Year in Review - By the Numbers

Capital

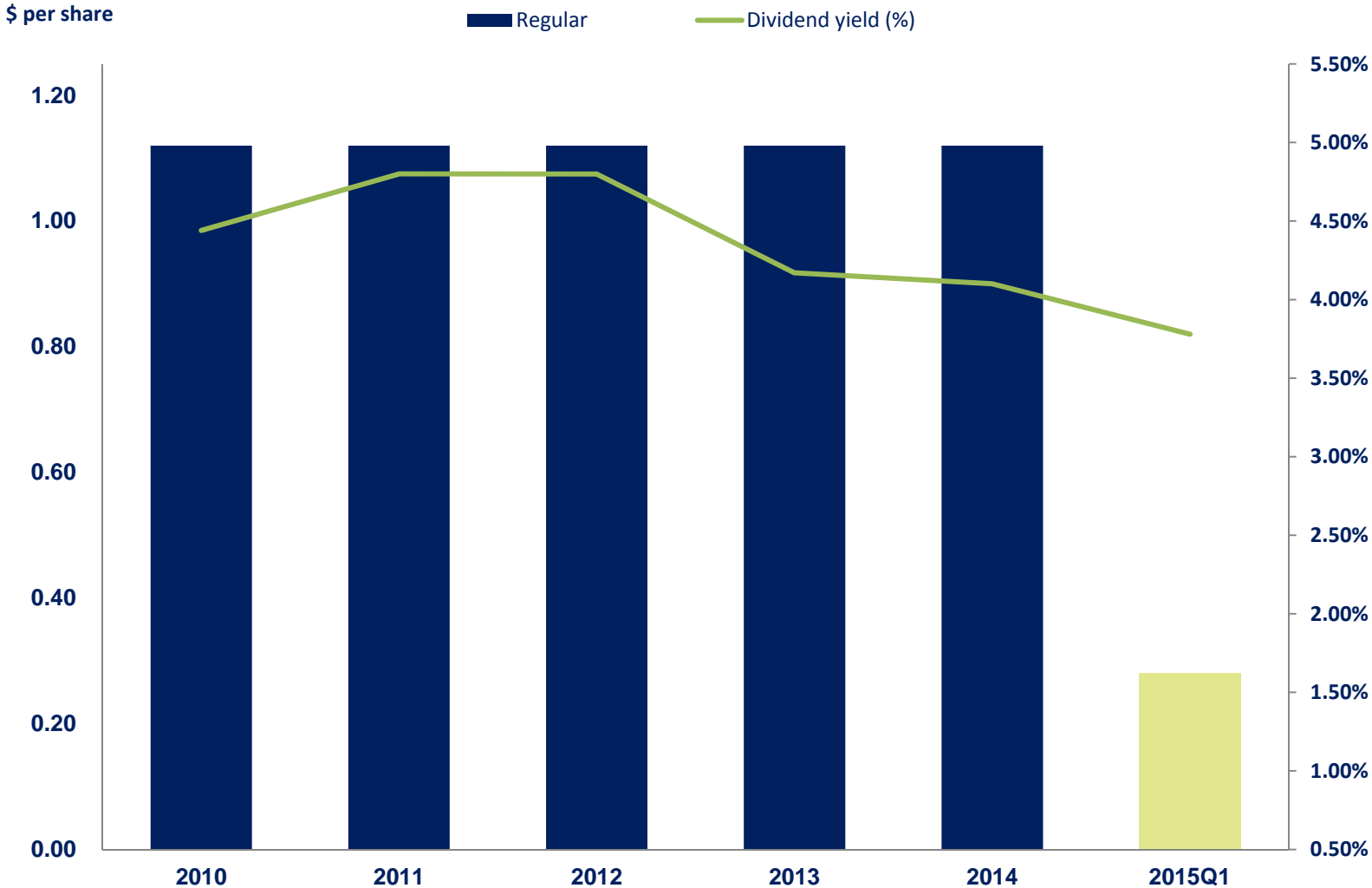
Tier 1 Capital

■ SAL ■ SAL minus SBLF
— Well Capitalized



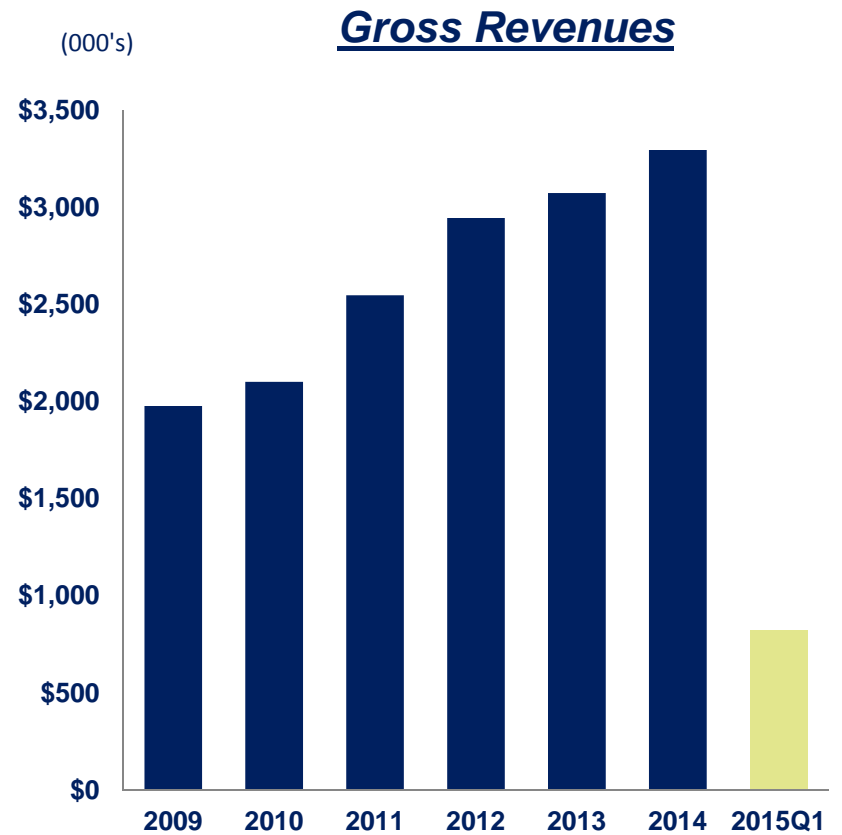
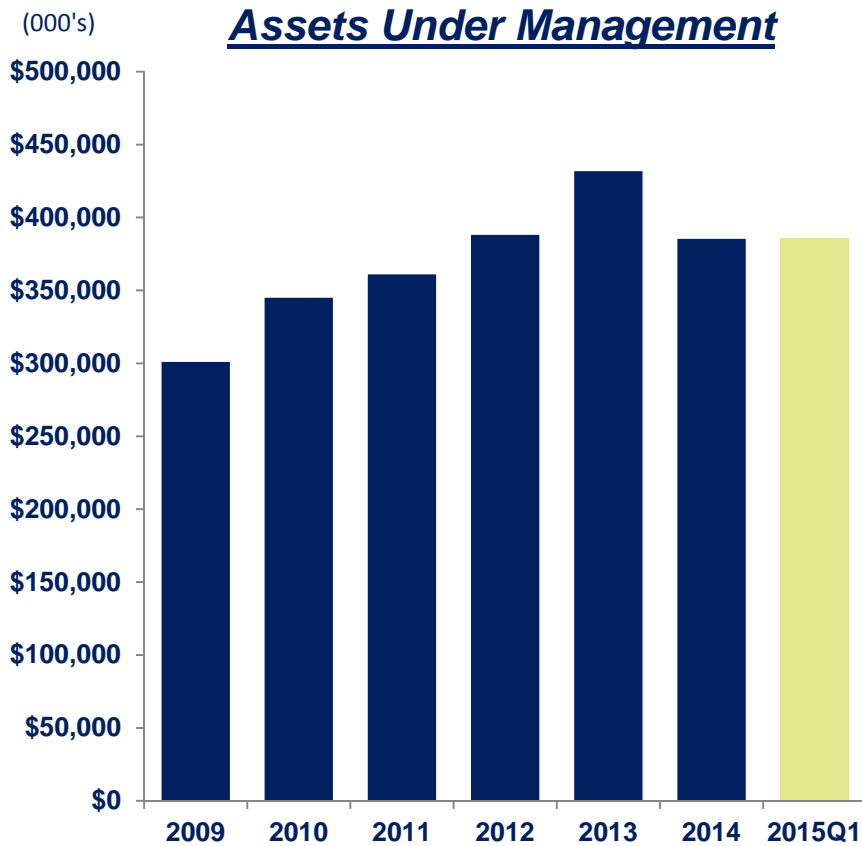
Common Stock Dividends Paid

2014 Year in Review - BY the Numbers



Trust and Wealth Advisory

2014 Year in Review - By the Numbers



Other Accomplishments

■ **Lending Reorganization**

- *John Davies, President of NY Region and Chief Lending Officer*
- *Richard Kelly, EVP, Chief Credit Officer*
- *Geoffrey Talcott, SVP, Senior Commercial Loan Officer, CT and MA Team Leader*
- *Todd Rubino, SVP, Senior Commercial Loan Officer, NY Team Leader*
- *Amy Raymond, SVP, Retail Lending and Commercial Operations*

■ **Trust Reorganization**

- *Steven Essex appointed SVP, Head of Trust Wealth Advisory Services*
- *Robert Wiseman hired as SVP, Trust Operations Officer*
- *Jessica White and Daniel Stanyon hired as Vice Presidents, Trust Officer*

■ **Enterprise Risk Management**

- *Todd Clinton, named EVP and Chief Risk Officer*

■ **Terminated Defined Benefit Pension Plan**

- *Eliminated an increasing liability and ongoing expense*

Products and Services

- ***Enhanced Delivery Channels***
 - ***Mobile***
 - *Apple® and Android® Apps*
 - *e-Deposit*
 - ***Tablets (bring the branch to the customer)***
 - ***New Website/Virtual Lobby***
 - ***Online Banking***
 - *Person to Person Payments*
 - *Bank to Bank Transfers*
- ***Enhanced Investor Services***
 - ***Shareholder portal for investment management with “smart messaging” alerts and information***
 - ***Telephone and Internet voting***
- ***Added American Express® to credit card offering***
- ***Instant Issue Debit Cards***

2015 First Quarter Metrics

- *Return on Average Assets: 1.03%*
- *Return on Equity : 10.22%*
- *Efficiency Ratio: 65.45%*
- *Net Interest Margin: 4.11%*
- *Earnings per Share: \$0.81*
- *Tangible book value per common share: \$26.33*

2015 First Quarter

2015 Tactical Objectives

- *Integration of people/processes/systems*
- *Continue to realize acquisition efficiencies*
- *Expand product offerings within Riverside market*
- *Internal data analytics and reporting*
- *Document Imaging*

Strategic Objectives

Strategic Objectives

- *Organic Growth*
 - *De Novo branches*
 - *Expand existing relationships*

- *Opportunistic acquisitions*
 - *Branches*
 - *Wealth Advisory*
 - *Whole Bank*

Questions

Results

- *All nominees for Director have been elected by a plurality of the votes cast.*
- *Ratification of Shatswell, MacLeod & Company, P.C. as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2015 has been approved.*
- *The non-binding advisory vote on the compensation of the Named Executive Officers has been approved.*

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