



SALISBURY BANCORP, INC.

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



Together Better Banking

Investor Information

Richard J. Cantele, Jr.

President

Chief Executive Officer

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Donald E. White

Executive Vice President

Chief Financial Officer

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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.

Corporate Overview

- Full service community banking institution offering consumer and business banking products and services as well as trust and wealth advisory services with roots dating back to 1848
- Operating footprint includes 13 banking locations in Litchfield County, CT, Berkshire County, MA, and Dutchess County and Orange County, NY (“Operating Counties”)
- #1 Community bank deposit market share in combined four counties served
- Franchise extends to within 50 miles of New York metropolitan market
- 20 plus year history of dividend payments
- Seasoned and experienced management team

Key Statistics

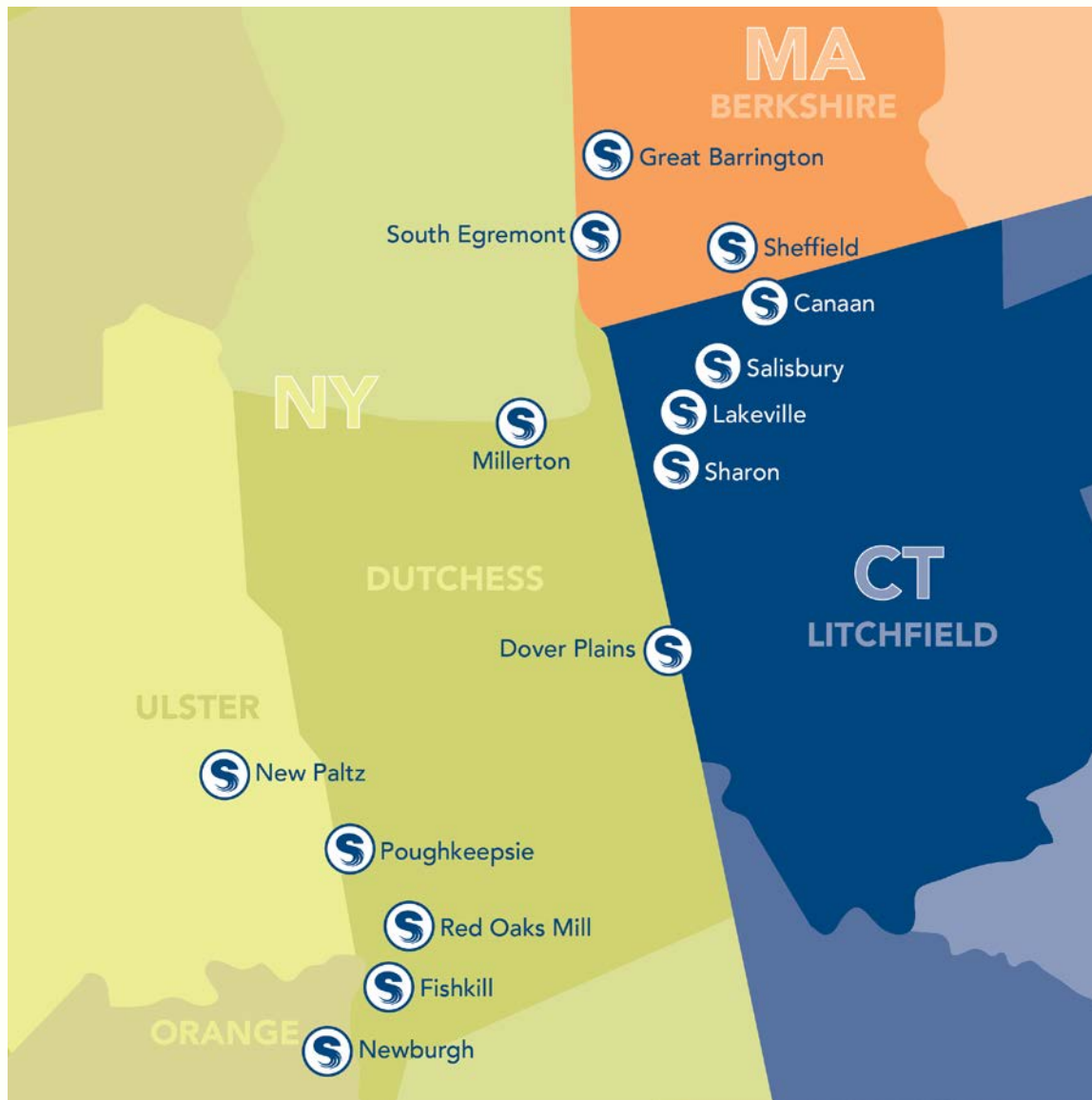
(as of or for quarter ending March 31, 2017) (unaudited)

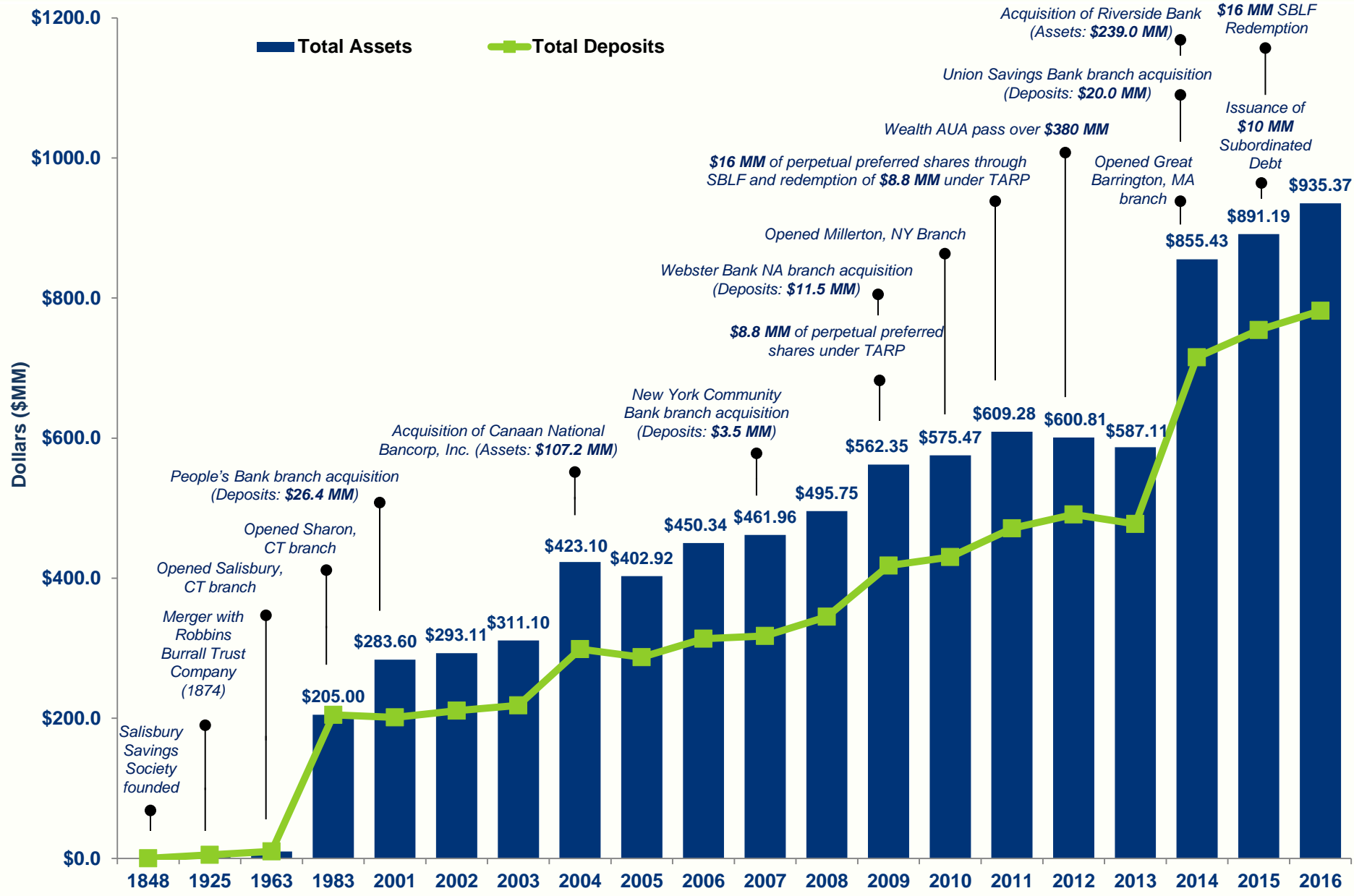
Total Assets (\$000)	939,549
Net Loans (\$000)	764,665
Total Deposits (\$000)	772,416
Total Shareholder’s Equity (\$000)	95,221
Tangible Book Value per Common Share (\$)	29.26
Wealth Assets Under Administration (\$000)	524,459
Net Income (\$000)	1,604
FTEs	172
Common Stock Price (\$)	38.75
Market Capitalization (\$MM)	107
Price / Tangible Book Value (%)	132.4

Operating Counties – Deposit Market Share

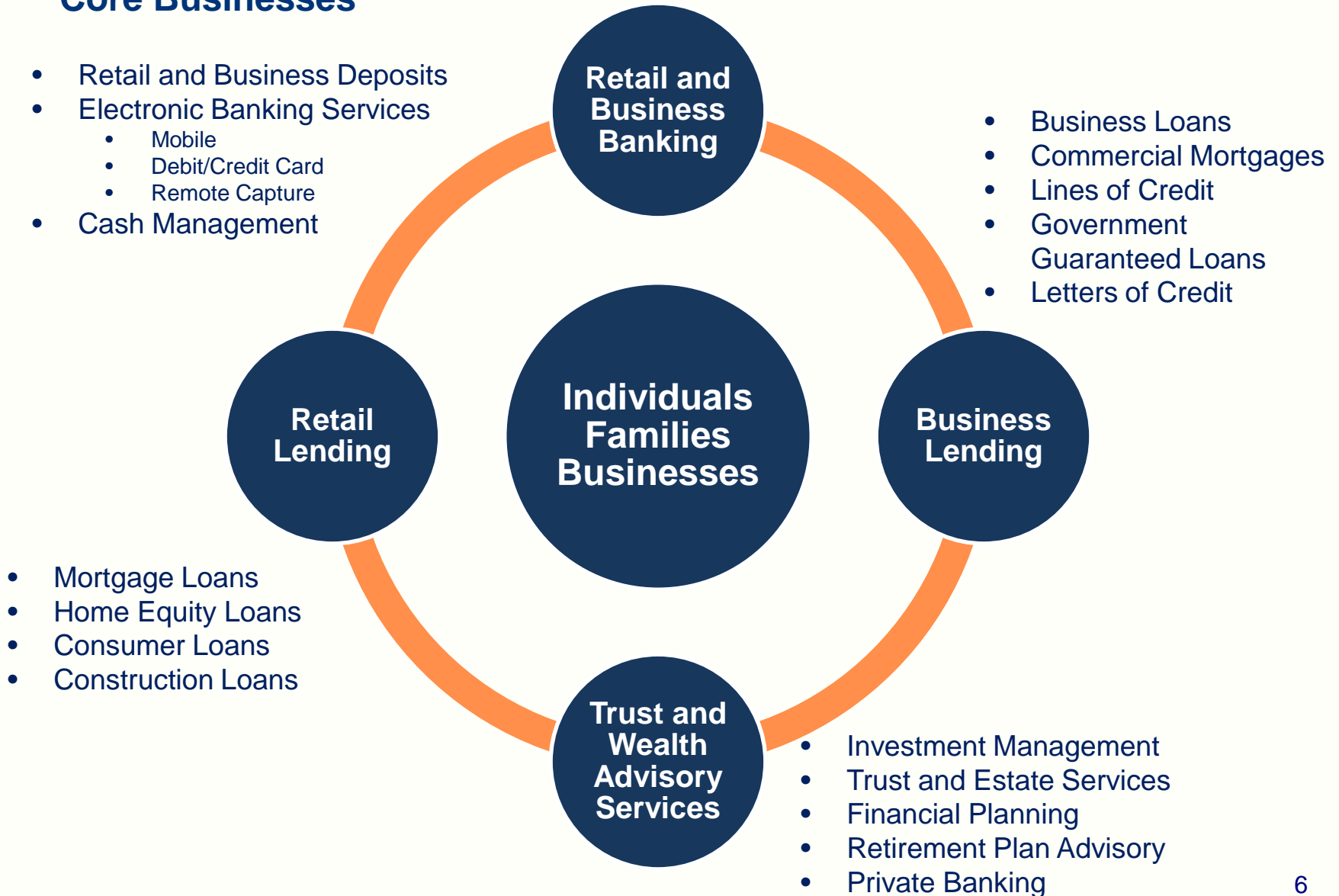
Rank	Institution Name	Total Market Share (%)
1	Berkshire Bank	9.99%
2	TD Bank, NA	9.58%
3	JPMorgan Chase Bank, NA	8.89%
4	Citizens Bank, NA	7.21%
5	KeyBank NA	6.05%
6	Bank of America, NA	5.29%
7	Manufacturers and Traders Trust Co.	4.82%
8	Salisbury Bank and Trust Co.	3.58%
9	Webster Bank, NA	3.51%
10	Wells Fargo Bank, NA	3.11%

Branch Footprint





Core Businesses



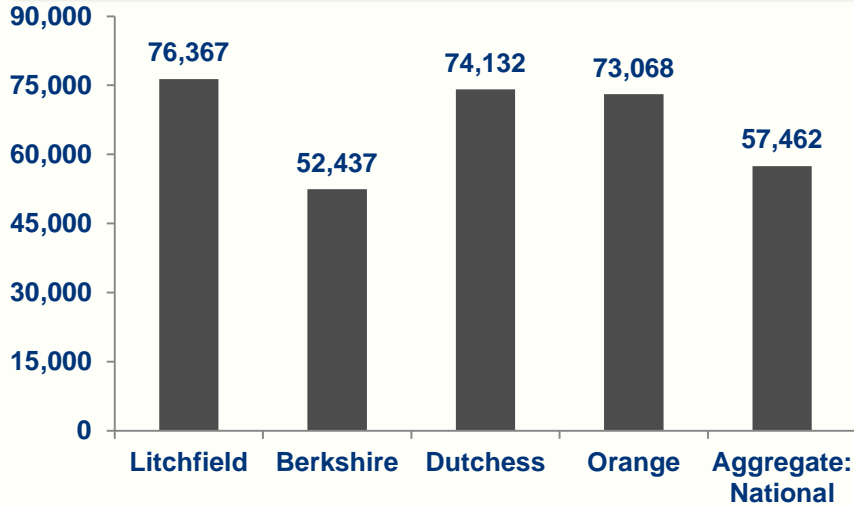
Executive Management Team

- Executive Management Team – 279 years of combined industry experience
- Average industry experience – 35 years
- Average tenure with SAL – 12 years

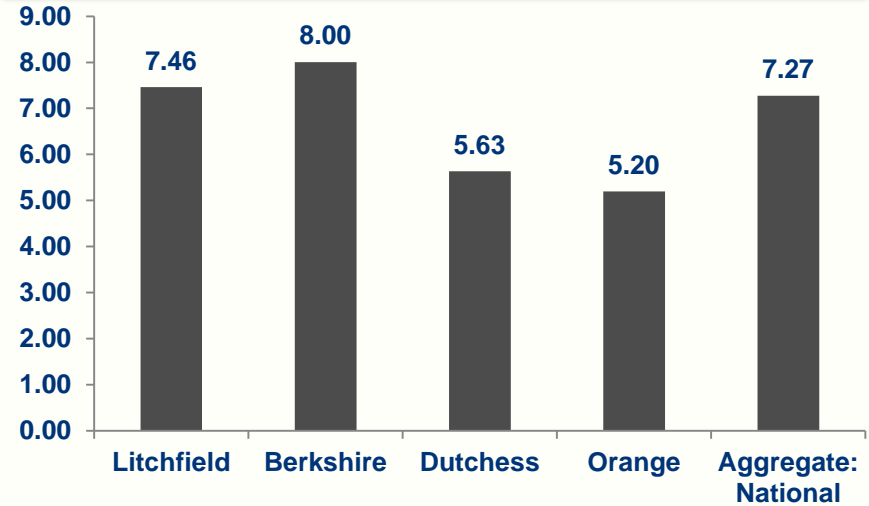
	Years with SAL	Years in Banking/ Financial Services
Richard J. Cantele, Jr. – President and Chief Executive Officer	35	35
James E. Cotter – Executive Vice President and Chief Operating Officer	1	39
Todd M. Clinton – Executive Vice President and Chief Risk Officer	30	36
John M. Davies – Regional President for New York and Chief Lending Officer	2	32
Steven M. Essex – Executive Vice President, Head of Trust Wealth Advisory Services	7	28
Richard P. Kelly – Executive Vice President and Chief Credit Officer	4	35
Elizabeth A. Summerville – Executive Vice President and Chief Retail Officer	12	39
Donald E. White – Executive Vice President and Chief Financial Officer	4	35

Market Demographics

Median Household Income (\$)



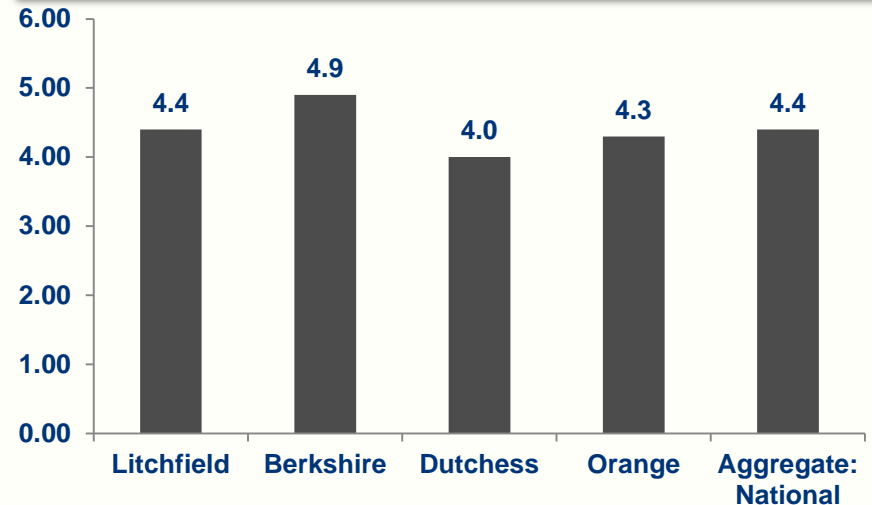
Projected Household Income Change (%)



Commentary

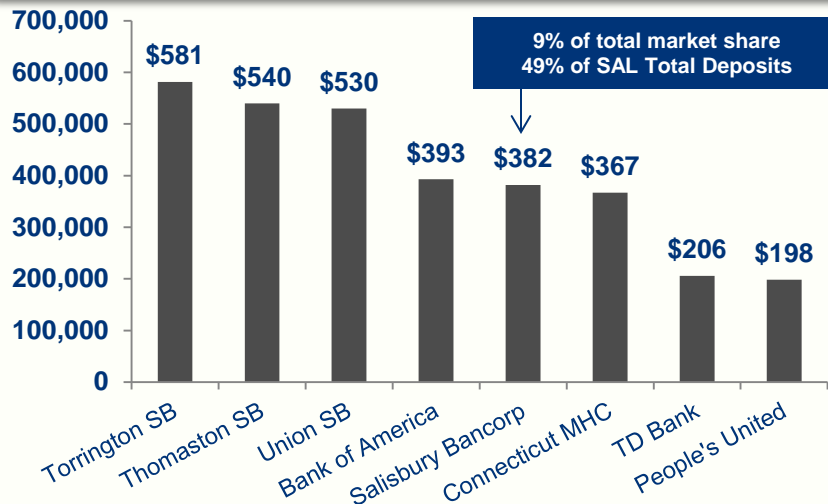
- Litchfield County's prestigious private and public school systems attract affluent individuals to the county
- Litchfield County's median household income is 4% higher than the CT average
- Dutchess County's median household income is 19% higher than the NY average
- Orange County's median household income is 17% higher than the NY average

Unemployment Rate (%)

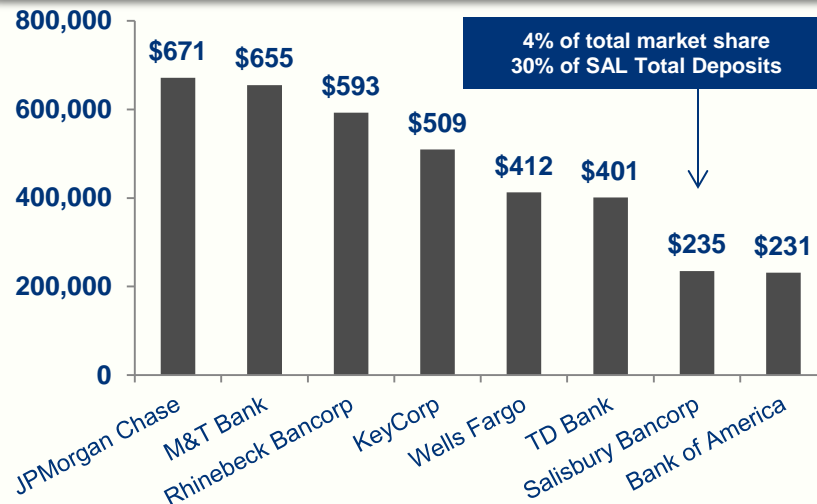


Branch Footprint in Operating Counties

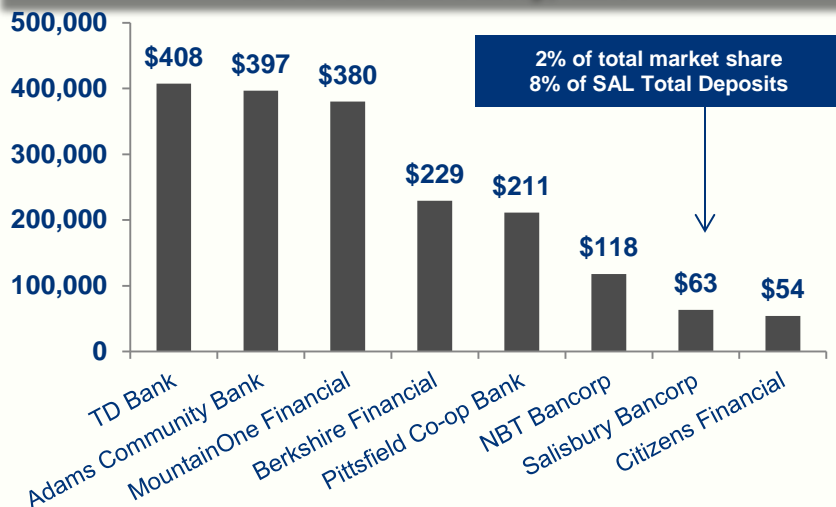
Litchfield County, CT



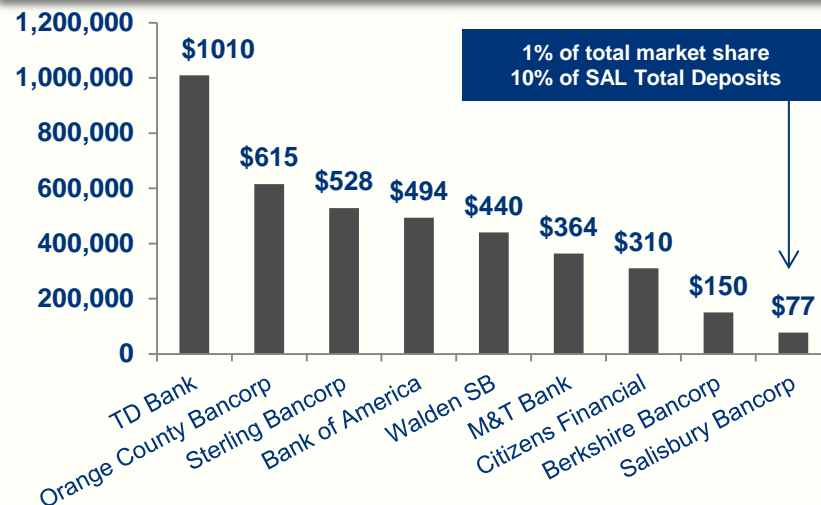
Dutchess County, NY



Berkshire County, MA

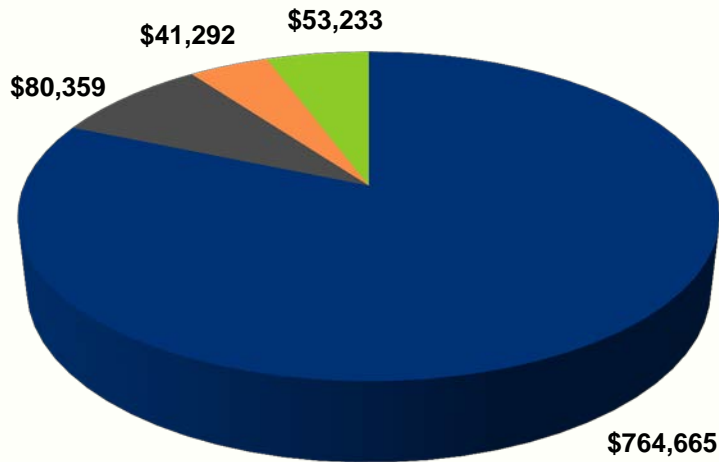


Orange County, NY



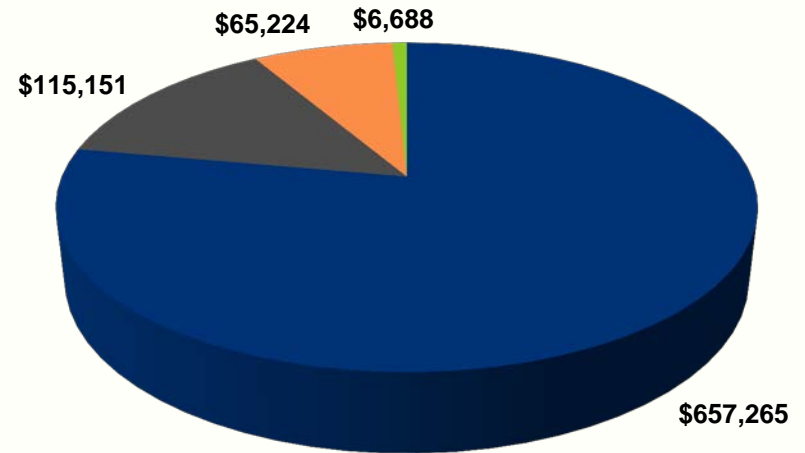
Balance Sheet Composition (as of 3/31/2017)

**Assets: \$939,549
(\$000)**



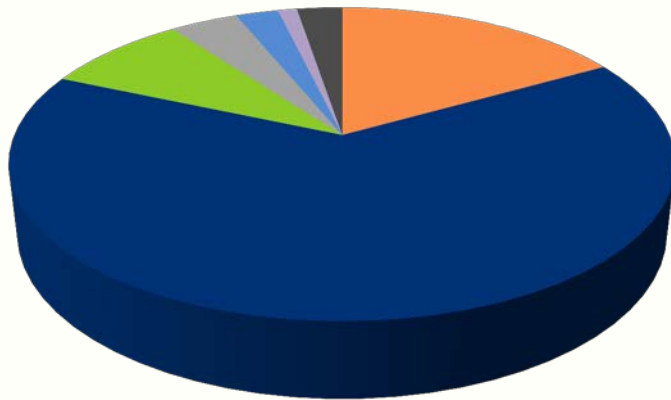
- Net Loans: 81%
- Investments: 9%
- Cash and Due: 4%
- Other: 6%

**Liabilities: \$844,328
(\$000)**



- Non Maturity Deposits: 78%
- Time Deposits: 13%
- Borrowings: 8%
- Other: 1%

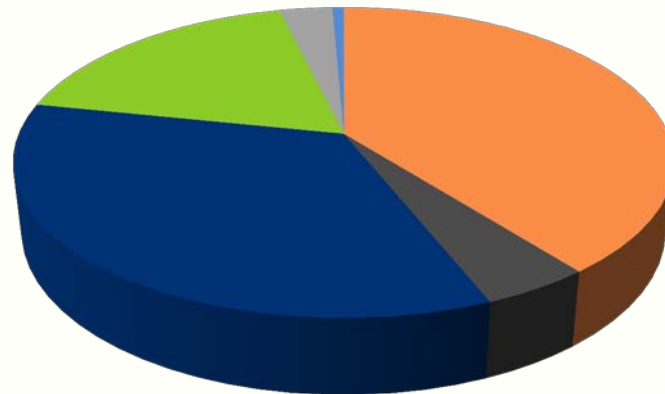
Security Portfolio Composition



- Municipal Bonds: 17%
- CMO Govt. Agencies: 8%
- SBA Bonds: 2%
- Corporate Bonds: 3%

- Govt. Agencies: 65%
- Non-Agency: 4%
- CRA Mutual Funds: 1%

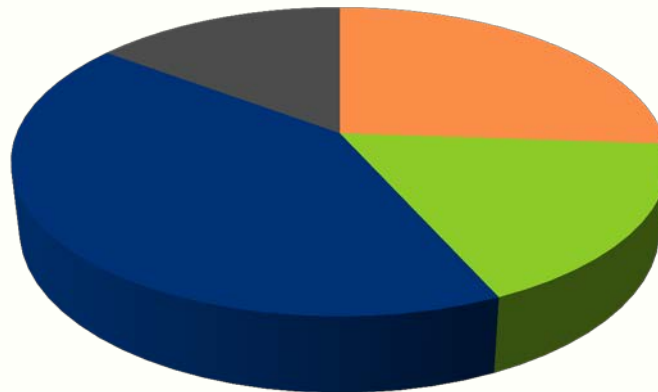
Loan Portfolio Composition



- Residential 1-4 Family: 39%
- CRE & Multi Family RE: 34%
- Construction & Development: 3%

- Home Equity LOC: 5%
- Comm, Financial & Agricultural: 18%
- Other Consumer: 1%

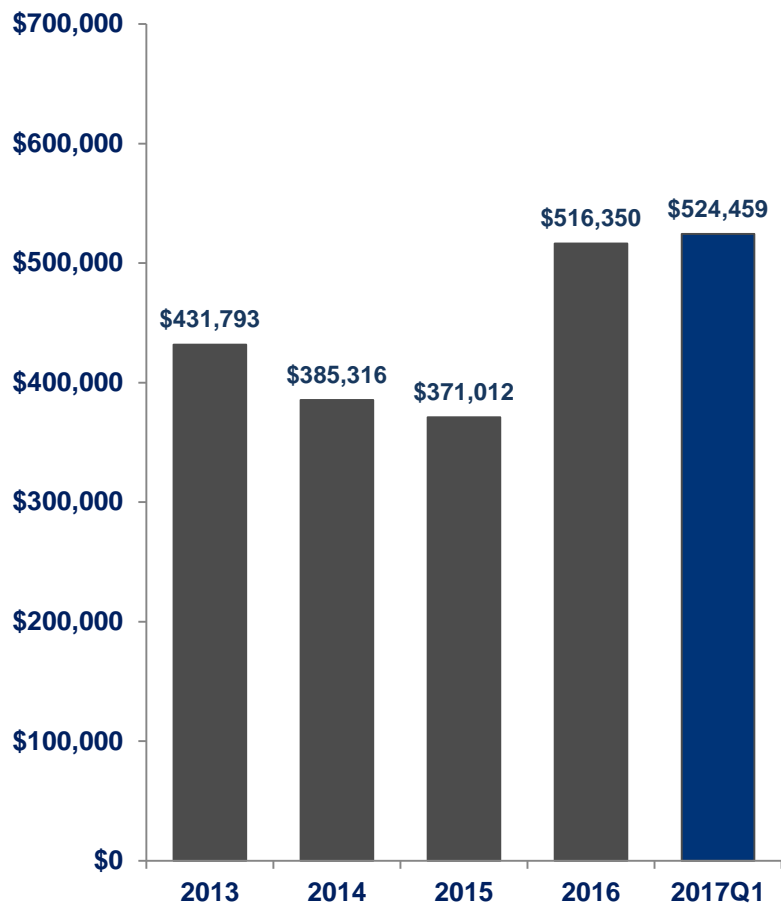
Deposit Portfolio Composition



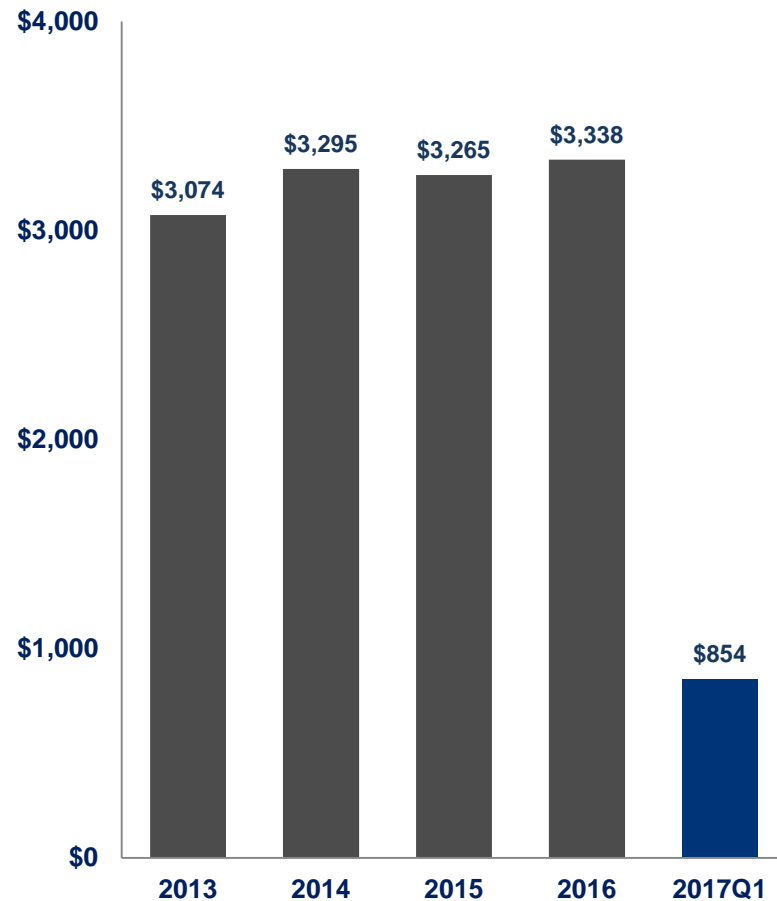
- Demand (non-interest bearing): 26%
- Demand (interest bearing): 17%
- Money Market and Savings: 42%
- Time Deposits: 15%

Trust and Wealth Advisory

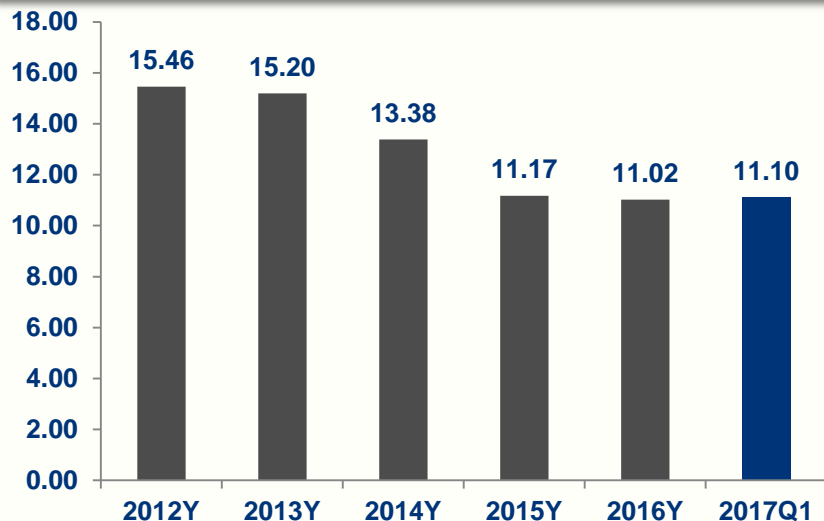
Assets Under Administration



Gross Revenues



Tier 1 Ratio¹



Leverage Ratio²



Total Capital Ratio³



Tangible Common Equity / Tangible Assets⁴



¹ Tier 1 Capital Ratio: Tier 1 Capital / Risk Weighted Assets ³ Total Risk Based Capital: Total Capital / Risk Weighted Assets
² Leverage Ratio: Tier 1 Capital / Average Assets ⁴ TCE / TA: Tangible Common Equity / Tangible Assets

NCOs / Average Loans



Texas Ratio



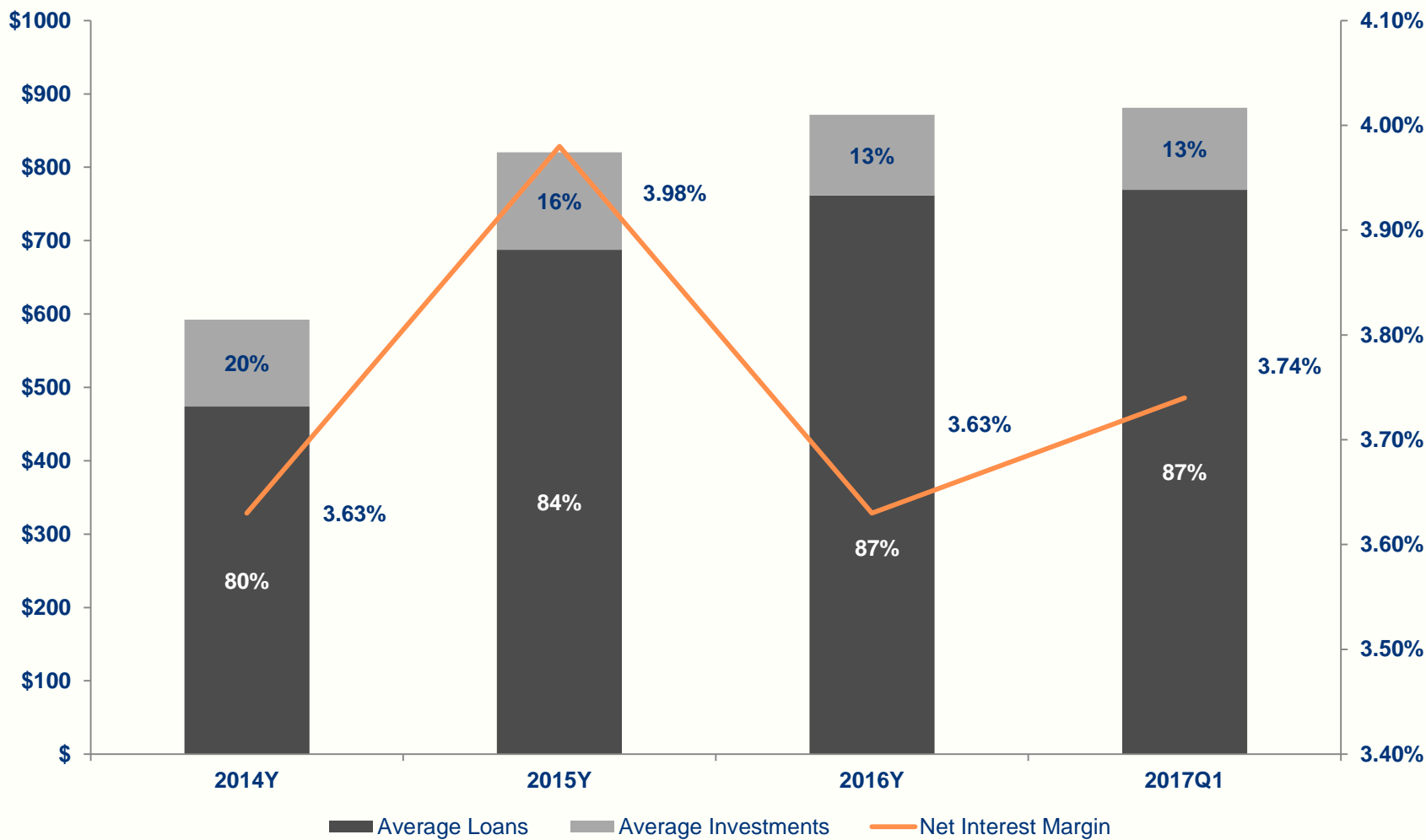
NPAs / Assets



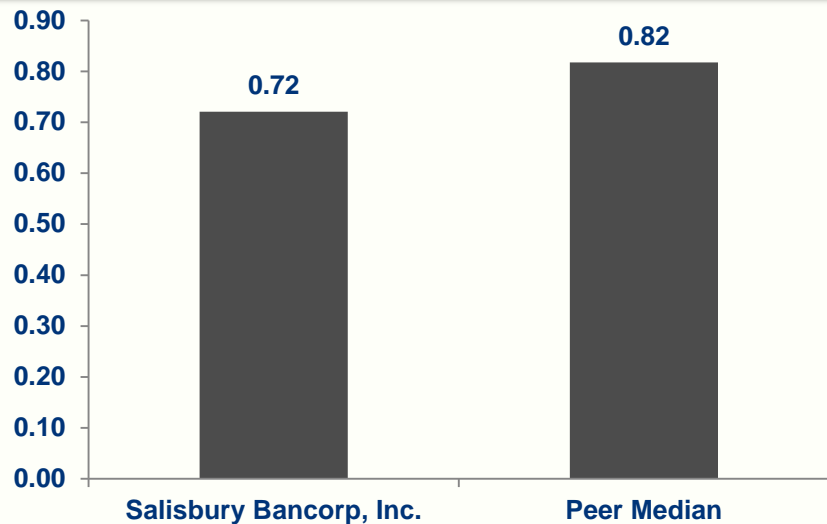
Loan Loss Reserves / Gross Loans



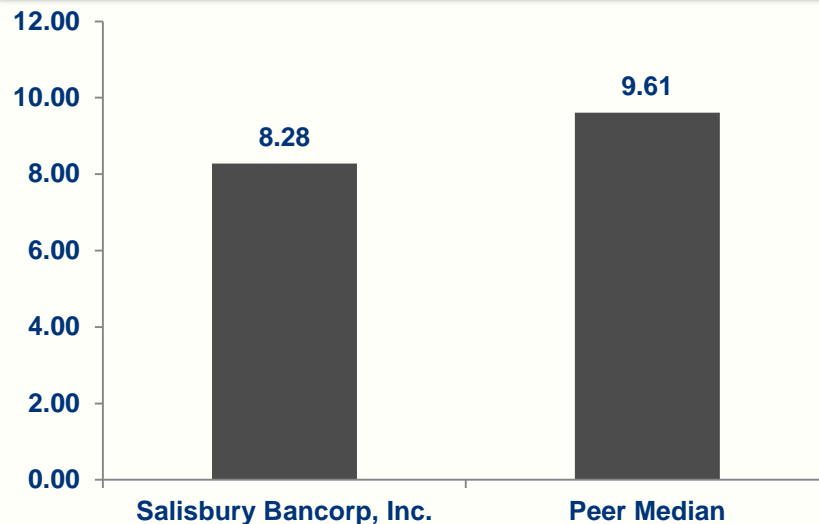
Balance Sheet Management



Core ROAA



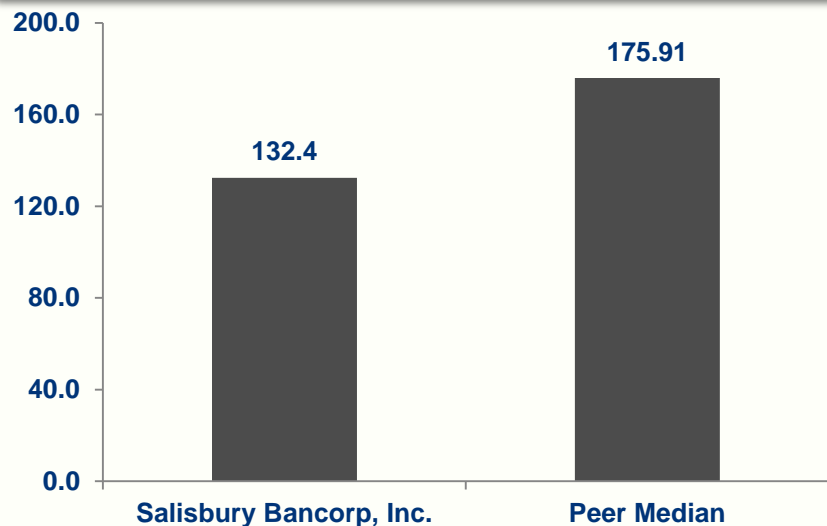
ROATCE



Efficiency Ratio



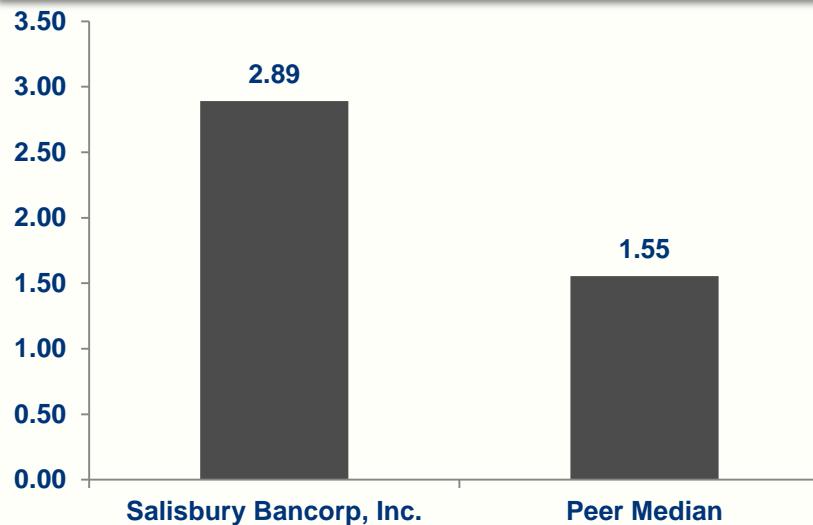
Price / Tangible Book Value



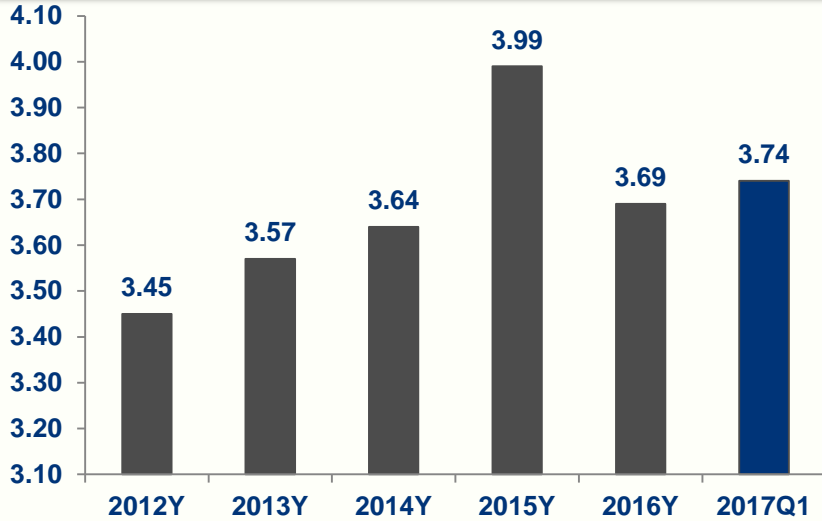
Price / Core EPS



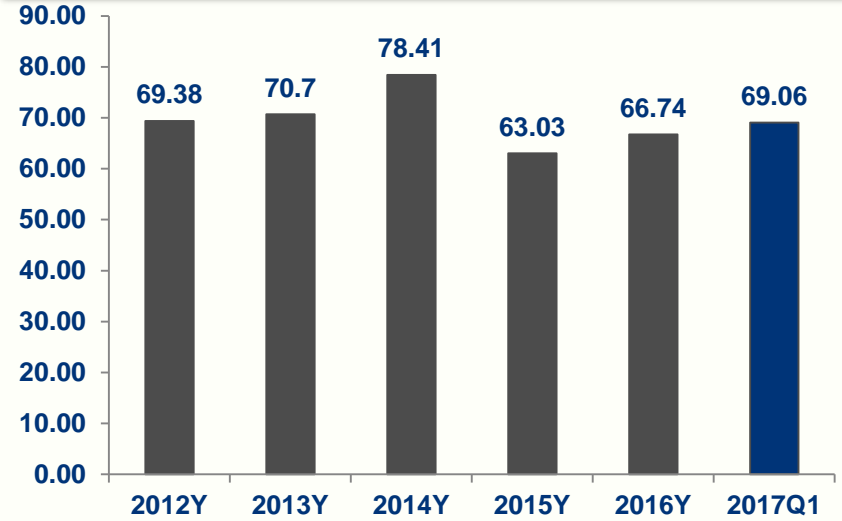
Dividend Yield



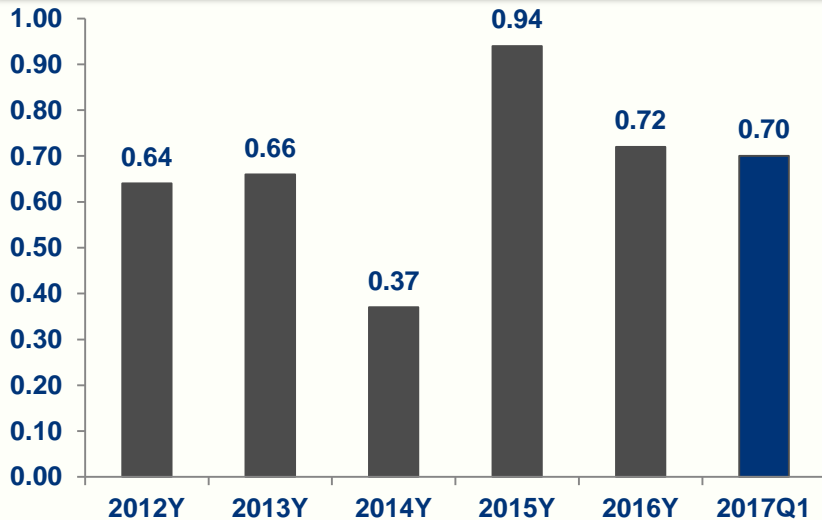
Net Interest Margin



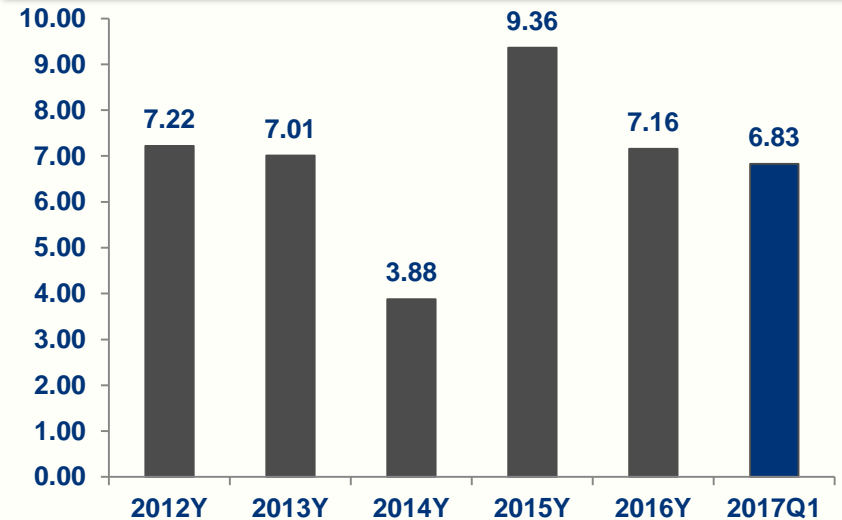
Efficiency Ratio



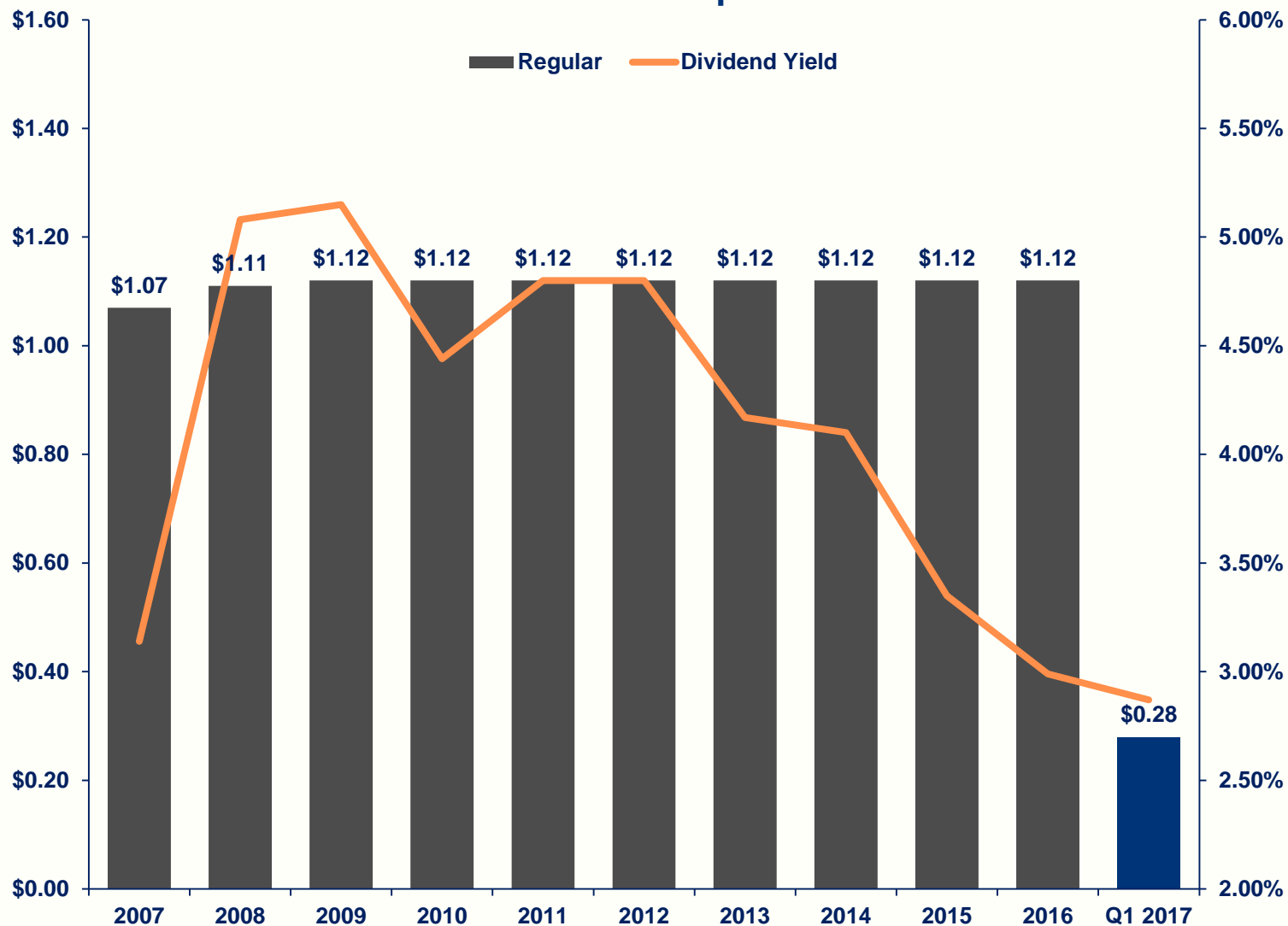
Return on Average Assets



Return on Average Equity



Common Dividend per Share



Stock Price
(at period end)

\$34.35 \$22.05 \$21.75 \$25.22 \$23.35 \$23.34 \$26.89 \$27.34 \$33.48 \$37.50 \$38.75

Period Ending (unaudited data) (\$ in millions except per share data)	2014	2015	2016	3/31/17
Share Price (\$)	27.34	33.48	37.50	38.75
Tangible book value per common share (\$)	25.84	27.69	28.90	29.26
Price/Book (%)	86.7	101.0	110.0	112.7
Market capitalization (\$ in millions)	74.4	91.5	103.4	107.3
Common shares outstanding	2,721	2,734	2,758	2,770
Insider Ownership (%)	18.4	18.7	19.1	18.5¹
Institutional Ownership (%)	6.65	9.12	8.68	10.04¹
Highs/Lows (\$)	30.98 / 25.88	33.70 / 26.60	38.15 / 29.51	40.00 / 37.05



- **Strategic acquisitions**
 - ✓ **Wealth advisory**
 - ✓ **Branches**
 - ✓ **Whole bank**

- **Profitably expand current branch footprint**

- **Expand existing client relationships**

- **Goal to be a consistently high performing community bank**

Institution Name	Ticker	Total Assets (\$000)	Price / TBV (%)	Core EPS (\$)	Dividend Yield (%)
Enterprise Bancorp, Inc.	EBTC	2,572,359	187.73	0.45	1.55
BSB Bancorp, Inc.	BLMT	2,286,868	165.93	0.40	0.00
Western New England Bancorp, Inc.	WNEB	2,086,546	141.14	0.18	1.14
Hingham Institution for Savings	HIFS	2,039,496	225.90	2.80	0.72
Merchants Bancshares, Inc. ¹	MBVT	2,023,544	215.24	0.62	2.30
First Bancorp, Inc.	FNLC	1,763,828	203.51	0.43	3.38
Bankwell Financial Group, Inc.	BWFG	1,672,242	179.17	0.47	0.81
SI Financial Group, Inc.	SIFI	1,592,896	115.29	0.15	1.42
Evans Bancorp, Inc.	EVBN	1,139,660	175.91	0.66	2.08
Greene County Bancorp, Inc.	GCBC	958,491	245.26	0.34	1.63
Provident Bancorp, Inc.	PVBC	832,941	181.58	0.17	0.00
Pathfinder Bancorp, Inc.	PBHC	802,345	113.46	0.17	1.37
Wellesley Bancorp, Inc.	WEBK	704,267	115.88	0.36	0.61
Union Bankshares, Inc.	UNB	676,451	353.35	0.44	2.70
Community Bancorp.	CMTV	642,900	207.72	0.26	4.06
Elmira Savings Bank	ESBK	556,644	175.00	0.31	4.26
PB Bancorp, Inc.	PBBI	511,319	103.66	0.09	1.18
SBT Bancorp, Inc.	SBTB	505,735	111.96	0.37	2.23
Salisbury Bancorp, Inc.	SAL	939,549	132.42	0.61	2.89

⁽¹⁾ Merchant Bancshares, Inc. was acquired by Community Bank Systems, Inc. on 5/12/2017.
Source: SNL Financial, Inc.



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