



**FIG Partners
11th Annual Bank CEO Forum
September 28, 2015**

NASDAQ: SAL

enriching.

Forward Looking Statements

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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.

Who We Are

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
- Approximately \$861 million in total assets, \$721 million in total deposits, \$687 million in net loans, \$374 million in Assets Under Management as of 6/30/15
- Operating footprint includes 13 banking locations across four counties in CT, MA and NY (“Operating Counties”)¹
- #2 Community bank deposit market share in combined four counties served
- Achieved meaningful scale, loan diversification and cross sale opportunities with recent Riverside Bank acquisition
- 20 plus year history of dividend payments

Key Statistics

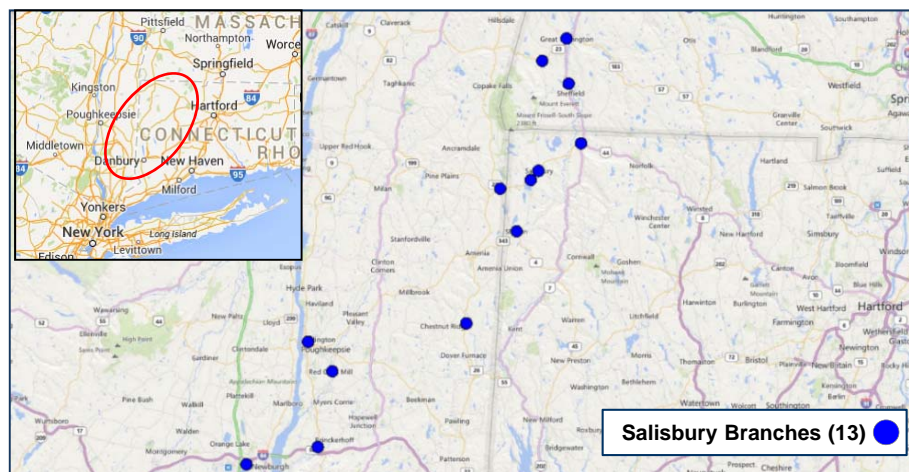
Financial Information (as of or for quarter ending June 30, 2015)

Total Assets (\$000s)	\$860,794
Net Loans (\$000s)	\$677,726
Total Deposits (\$000s)	\$720,734
Total Shareholder’s Equity (\$000s)	\$104,104
Tangible Book Value per Common Share (\$)	\$26.69
Assets Under Management (\$000s)	\$374,141
Net Income (\$000s)	\$2,072
EPS (\$)	\$0.74
FTEs	169

Stock and Dividend Information (as of June 30, 2015)

Common Stock Price (\$)	\$31.69
Market Capitalization (\$MMs)	\$86.5
Price/ Tangible Book Value (%)	118.7
Common Dividend (year to date)	\$0.56
Dividend Yield (%)	3.53%

Branch Footprint



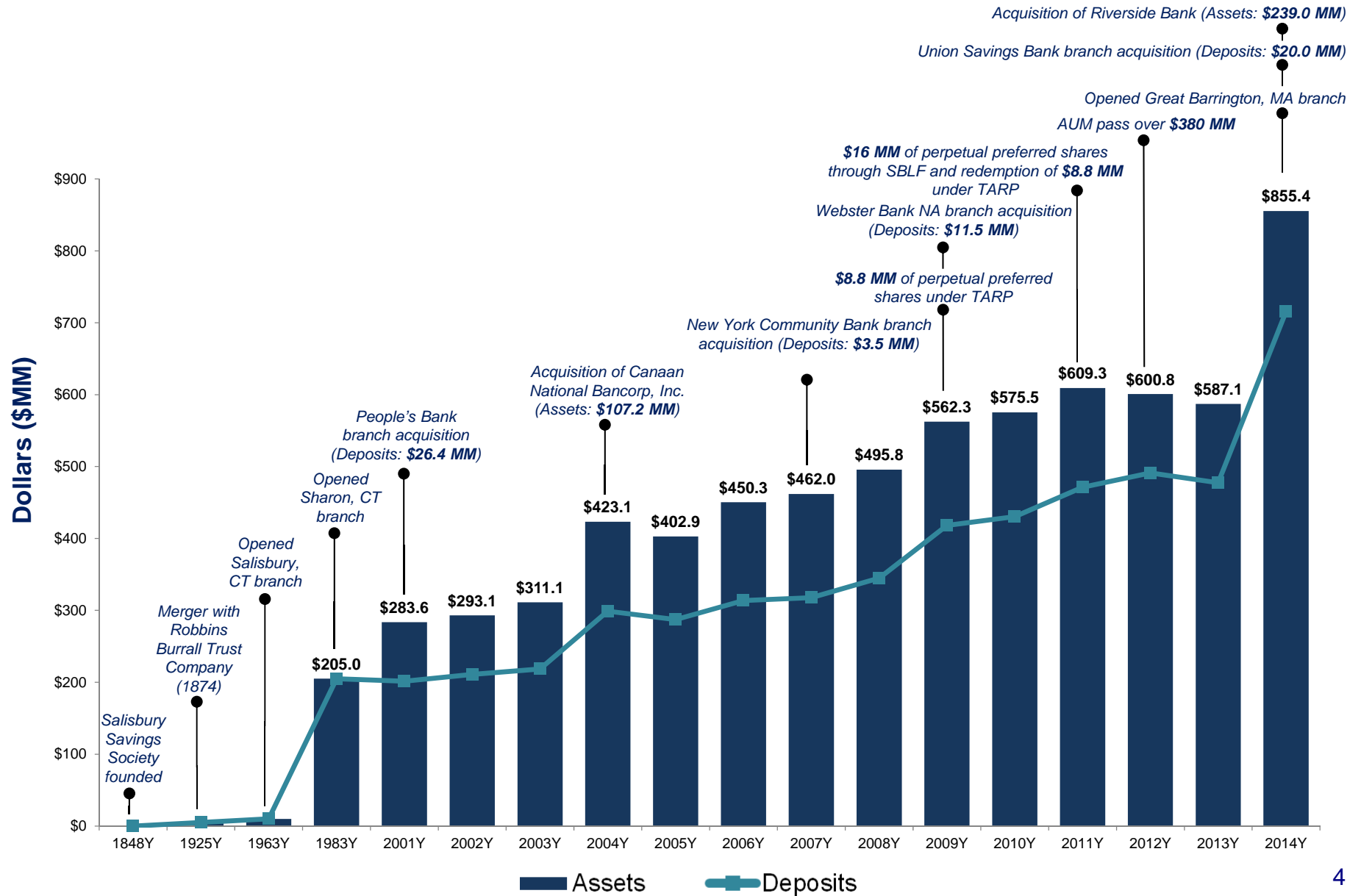
Operating Counties – Deposit Market Share

Rank	Company Name	June 30, 2014 (%)
1	Toronto-Dominion Bank	9.35
2	Berkshire Hills Bancorp Inc.	8.41
3	JPMorgan Chase & Co.	8.11
4	KeyCorp	6.56
5	M&T Bank Corp.	5.58
6	Royal Bank of Scotland Group Plc	5.12
7	Bank of America Corp.	4.59
8	Salisbury Bancorp Inc.	4.01
9	Webster Financial Corp.	3.91
10	Torrington Savings Bank	3.20
11	Rhinebeck Bancorp MHC	3.06
12	Orange County Bancorp Inc.	3.00

Source: SNL Financial - Note: Deposit Market Share as of June 30, 2014 (Grey italics indicate super regional and money center institutions)

¹ Operating Counties consist of Litchfield County, CT, Dutchess and Orange Counties in NY and Berkshire County in MA

History of Our Business



Core Businesses



Executive Management Team

Experienced Management Team

	<i>Years with SAL</i>	<i>Years in Banking/ Financial Services</i>
Richard J. Cantele, Jr. – President and Chief Executive Officer <ul style="list-style-type: none"> ▪ Joined the Company in 1981, served as President and Director since 2005, became CEO in 2009 ▪ Formerly Salisbury Bank President and COO 	33	33
Todd M. Clinton – Executive Vice President, Chief Risk Officer <ul style="list-style-type: none"> ▪ Joined the Company in 1987 ▪ Prior experience includes First National Bank of Amenia (NY) 	27	33
John M. Davies – Regional President for New York and Chief Lending Officer <ul style="list-style-type: none"> ▪ Former President and CEO of Riverside Bank ▪ Prior experience includes M&T Bank and Bank of New York 	1	30
Steven Essex – Senior Vice President, Head of Trust Wealth Advisory Services <ul style="list-style-type: none"> ▪ Joined the Company in 2009 ▪ Prior experience includes Connecticut National Bank 	6	25
Richard P. Kelly – Executive Vice President and Chief Credit Officer <ul style="list-style-type: none"> ▪ Joined the Company in 2013 ▪ Prior experience includes Berkshire Bank and Community Bank N.A. 	2	33
Elizabeth A. Summerville – Executive Vice President and Chief Retail Officer <ul style="list-style-type: none"> ▪ Joined the Company in 2004 ▪ Prior experience includes North American Bank (CT), New England Bank and Trust Company (CT), and National Commercial Bank and Trust Company (NY) 	10	37
Donald E. White – Executive Vice President and Chief Financial Officer <ul style="list-style-type: none"> ▪ Joined the Company as Executive Vice President and CFO in April 2013 ▪ Previously served as Managing Director with Sandler O’Neill + Partners 	2	33

Strategic Priorities

- Strategic acquisitions
 - ✓ Wealth advisory
 - ✓ Branches
 - ✓ Whole bank
- Continue to profitably expand current branch footprint
- Continue to expand existing client relationships
- Goal to be a consistently high performing bank
 - ✓ 1.00% ROA
 - ✓ 10.00% ROE
 - ✓ < 65.00% Efficiency Ratio
- Augment capital to facilitate continued growth and redemption of SBLF

Key Accomplishments

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

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

Riverside Bank Acquisition (12/5/2014)

- ✓ Increased SAL assets by over 35%
- ✓ Furthered loan portfolio diversification into more commercial exposures, increased total yield on loans
- ✓ Significant cross-sale opportunities through SAL's established residential lending, trust and wealth management platform and Riverside's commercial concentration
- ✓ Significant EPS accretion
- ✓ TCE capital accretive

2015 Focus

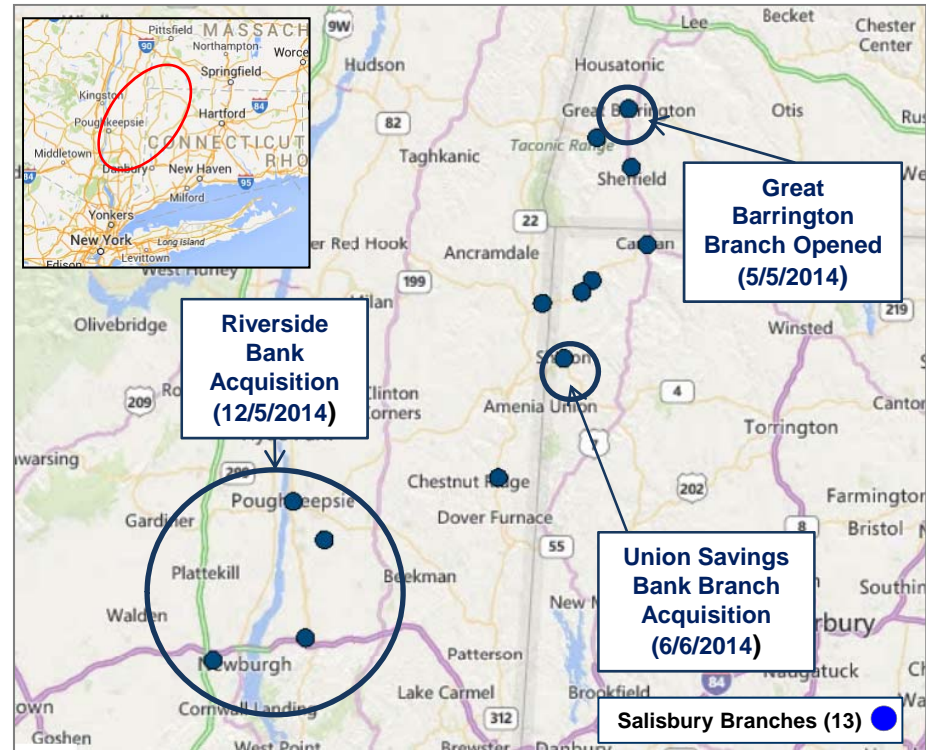
- ✓ Integration of:
 - ✓ Customers
 - ✓ Employees
 - ✓ Cultures
 - ✓ Systems
- ✓ Preparing infrastructure for future growth

A Prominent Community Banking Franchise

Operating Counties – Deposit Market Share

Operating Counties – Deposit Market Share

Rank	Company Name	City	State	Total Active Branches 2014	Total Deposits 2014 (\$000)	Market Share 2014 (%)
1	Toronto-Dominion Bank	Toronto	-	25	1,668,056	9.35
2	Berkshire Hills Bancorp Inc.	Pittsfield	MA	17	1,499,396	8.41
3	JPMorgan Chase & Co.	New York	NY	32	1,446,483	8.11
4	KeyCorp	Cleveland	OH	16	1,170,777	6.56
5	M&T Bank Corp.	Buffalo	NY	20	994,946	5.58
6	Royal Bank of Scotland Group Plc	Edinburgh	-	13	913,564	5.12
7	Bank of America Corp.	Charlotte	NC	17	878,225	4.59
8	Salisbury Bancorp Inc.	Lakeville	CT	13	714,740	4.01
9	Webster Financial Corp.	Waterbury	CT	11	697,049	3.91
10	Torrington Savings Bank	Torrington	CT	7	571,057	3.20
11	Rhinebeck Bancorp MHC	Poughkeepsie	NY	12	545,980	3.06
12	Orange County Bancorp Inc.	Middletown	NY	9	535,681	3.00
13	Sterling Bancorp	Montebello	NY	7	520,688	2.92
14	Union Savings Bank	Danbury	CT	11	518,808	2.91
15	Thomaston Savings Bank	Thomaston	CT	6	491,083	2.75
16	Wells Fargo & Co.	San Francisco	CA	7	472,031	2.65
17	First Niagara Financial Group Inc.	Buffalo	NY	8	431,712	2.42
18	Walden Savings Bank	Montgomery	NY	10	390,194	2.19
19	Mountainone Financial MHC	North Adams	MA	3	353,107	1.98
20	Connecticut Mutual Holding Co.	Winsted	CT	9	317,275	1.78
21	Adams Community Bank	Adams	MA	7	316,842	1.78
22	People's United Financial Inc.	Bridgeport	CT	11	247,260	1.39
23	Berkshire Financial Services Inc.	Lee	MA	5	200,259	1.12
24	Pittsfield Co-operative Bank	Pittsfield	MA	4	190,857	1.07
25	Millbrook Bank System Inc.	Millbrook	NY	4	176,990	0.99
Total For Institutions in Market				340	17,836,064	



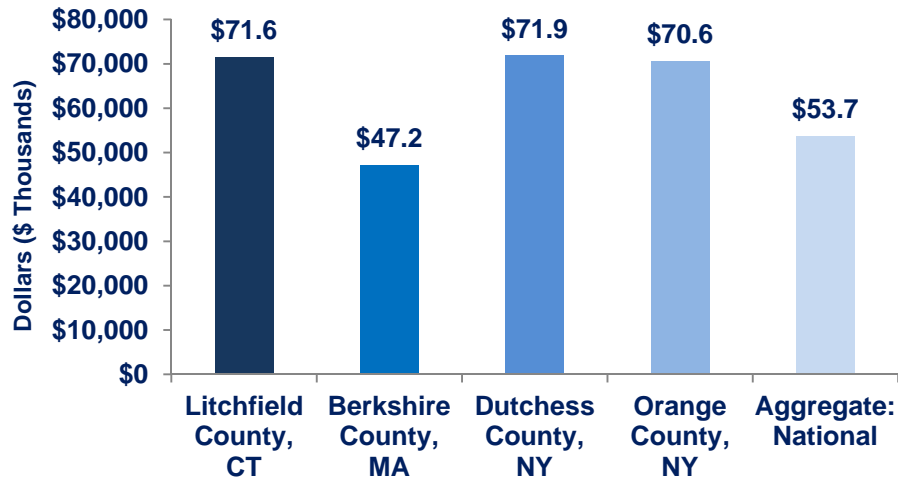
Key Highlights

- Top 10 bank in combined four counties of operation (“Operating Counties”)²; and #2 by market share excluding money center and super regional institutions by market share
- Significant opportunities exist to gain market share from larger banking institutions
- Operating area supported by attractive, affluent demographics; extensive relationships with our customers

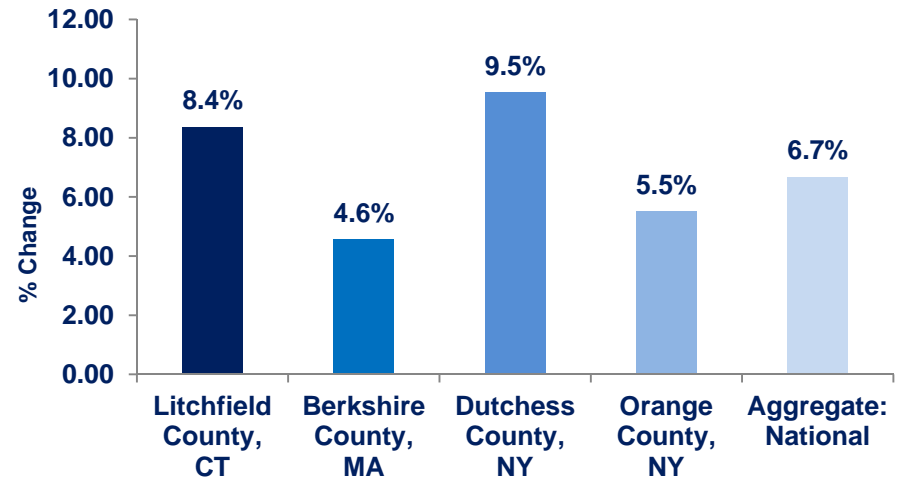
Source: SNL Financial - Note: Deposit Market Share data as of June 30, 2014.
 Note: Market Share is for U.S. Territories only and non-retail branches are not included. Grey italics indicate super regional and money center institutions
¹ Salisbury Bancorp, Inc. data is as of 12/31/14
²Operating Counties include Litchfield County in CT, Dutchess and Orange Counties in NY and Berkshire County, in MA.

Market Demographics

Median Household Income



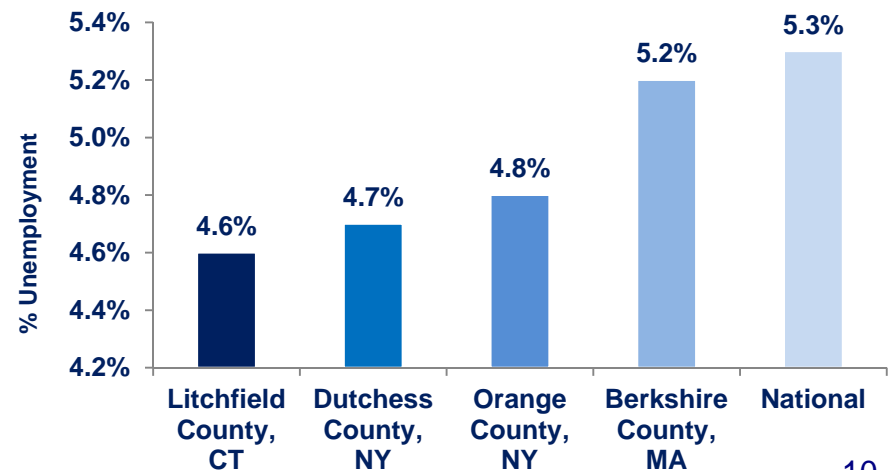
Projected Household Income Growth



Commentary

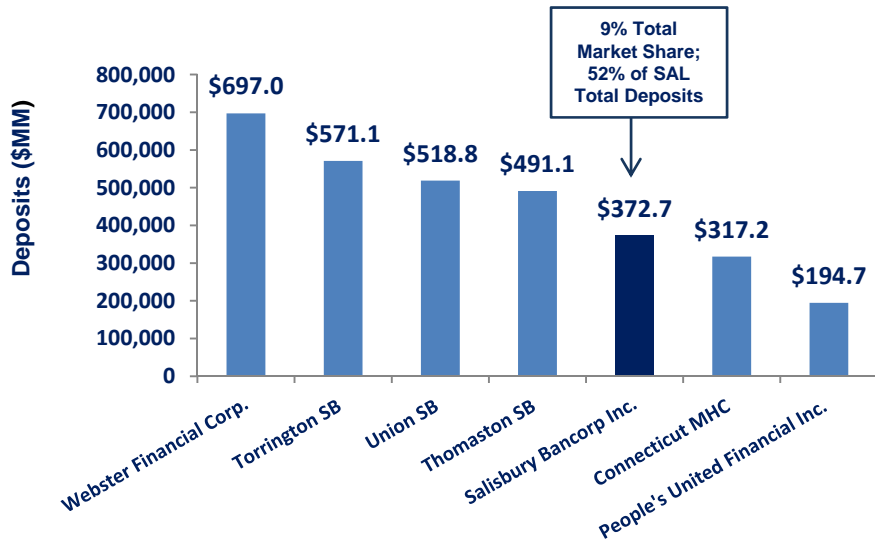
- Litchfield County's prestigious private and public school systems attract affluent individuals to the county
- Litchfield County's median household income is 3% higher than the CT average; projected household growth is nearly double the CT average
- Dutchess County's median household income is 21% higher than the NY average
- Orange County's median household income is nearly 19% higher than the NY average

Unemployment Rate

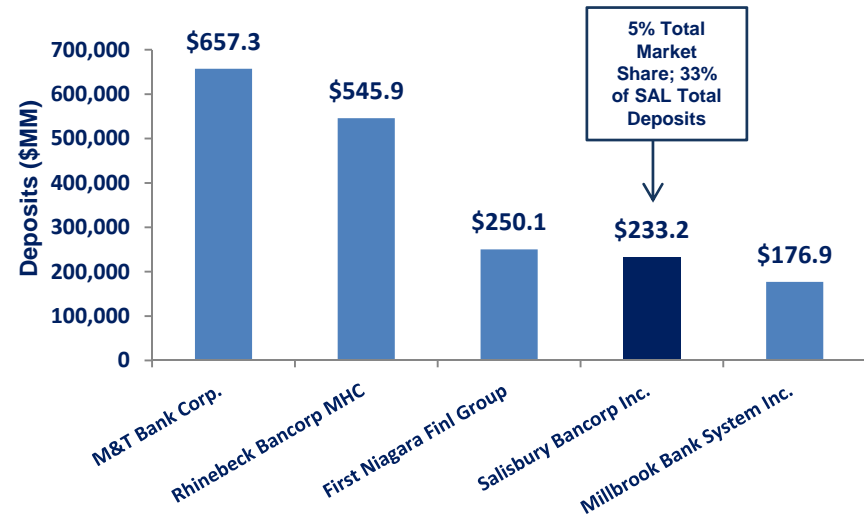


Growth Opportunities Within Franchise Footprint SALISBURY BANCORP, INC.

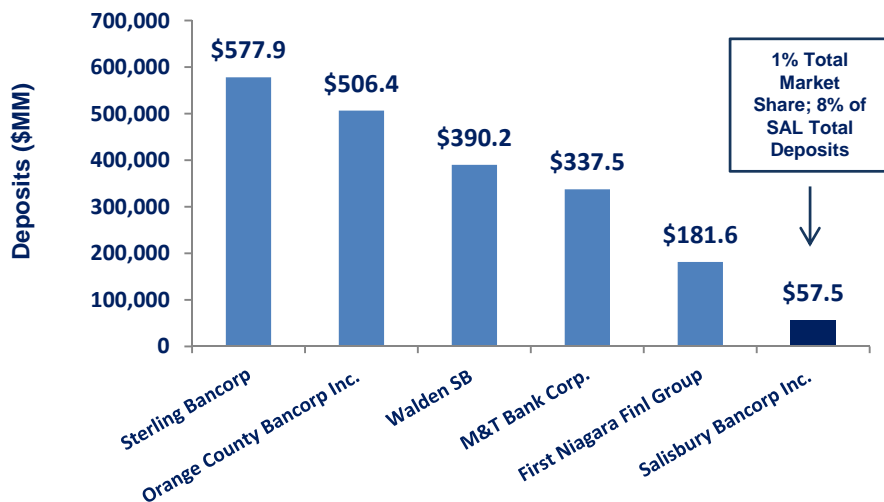
Litchfield County, CT



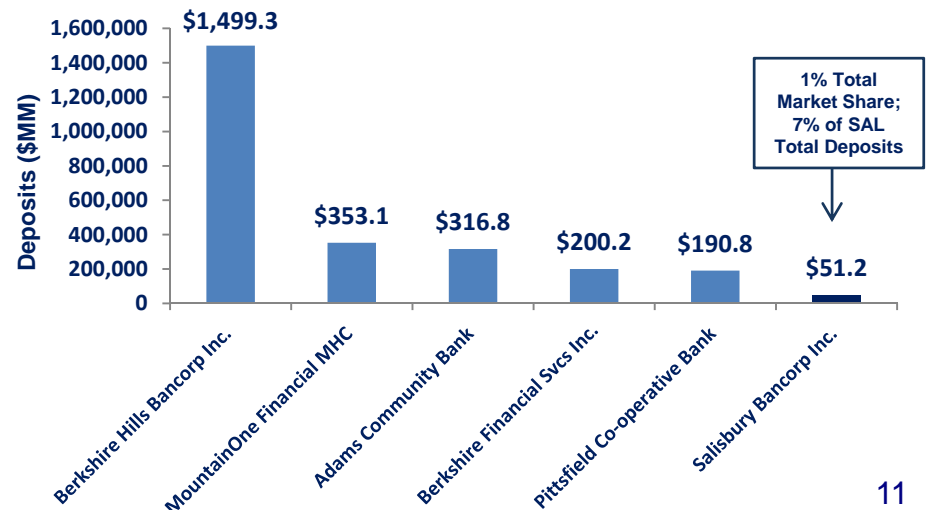
Dutchess County, NY



Orange County, NY



Berkshire County, MA

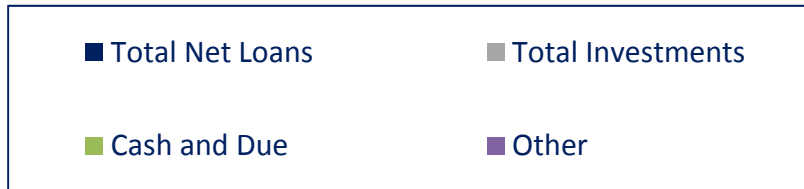
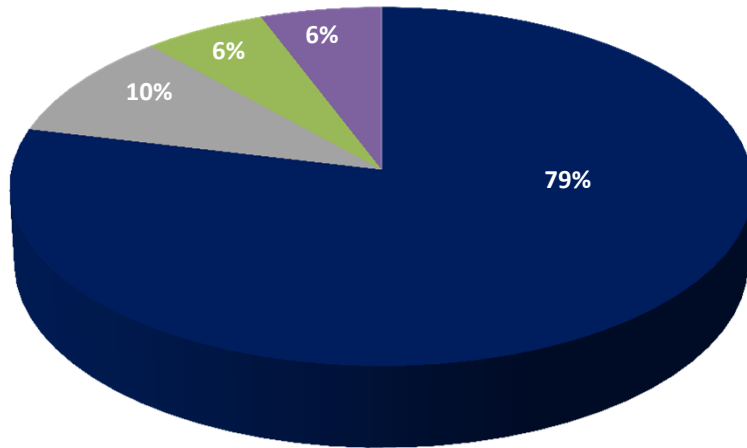


Source: SNL Financial Market Share. Report takes into account the Summary of Deposits filed as of 6/30/14 and is adjusted for any branch closing/opening or mergers which were completed between 6/30/14 and 9/18/15. (date report was prepared).

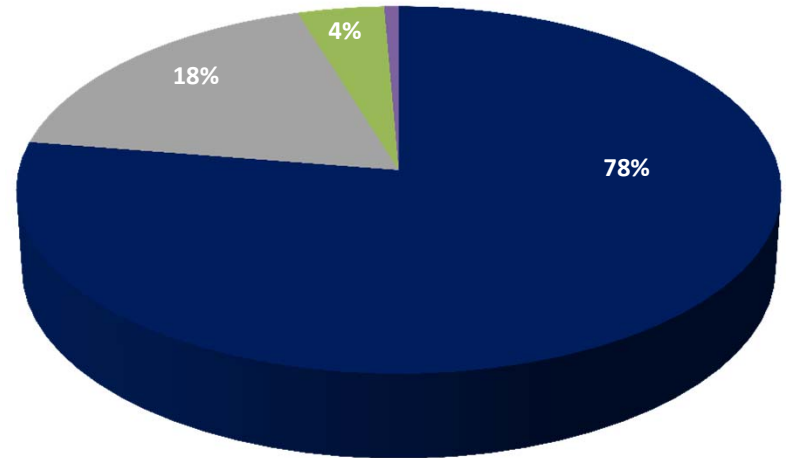
Balance Sheet Composition

as of 6/30/15

Assets: \$860,794
(000's)



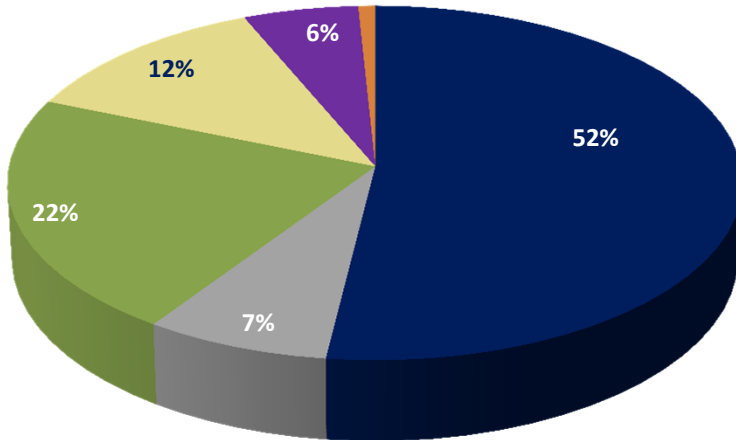
Liabilities: \$756,690
(000's)



Loan Portfolio

6/30/14 (pre Riverside Bank merger)

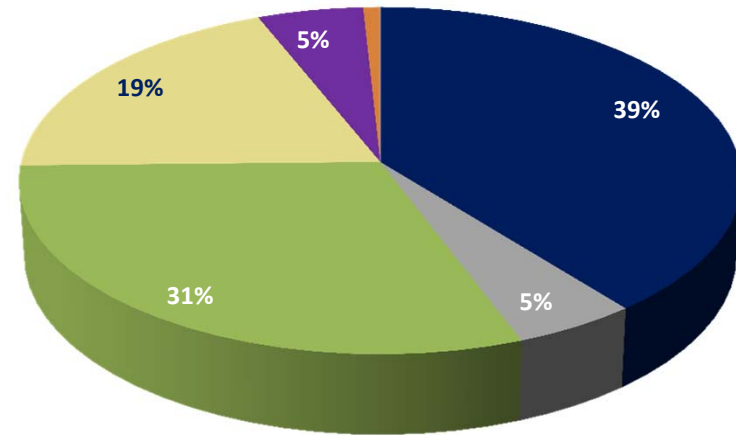
Gross Loans: \$460.5 Million
Yield on Loans: 4.24%



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

6/30/15 (post Riverside Bank merger)

Gross Loans: \$681.6 Million
Yield on Loans: 4.64%

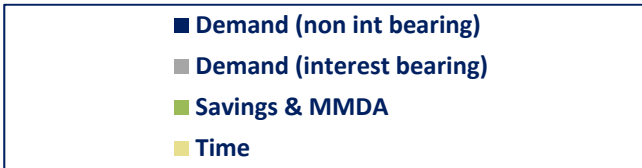
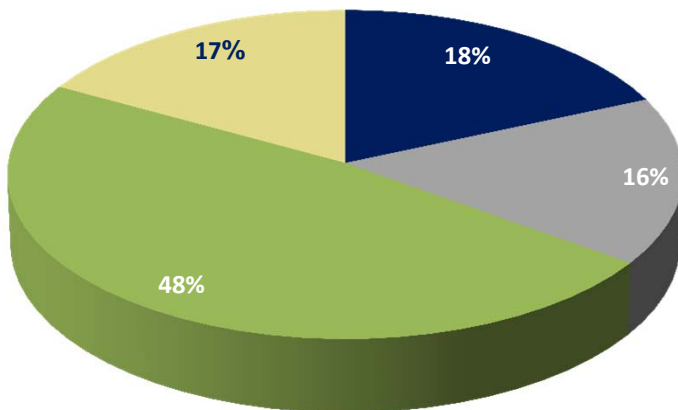


- Residential 1-4 family
- Home equity LOC
- CRE & Multi Family RE
- Comm, Financial & Agricultural
- Construction & Development
- Other Consumer

Deposits

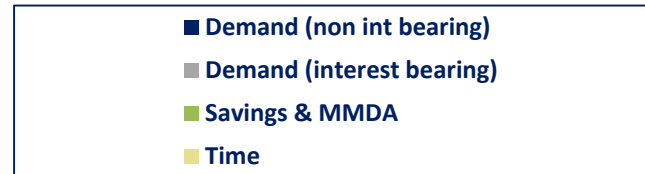
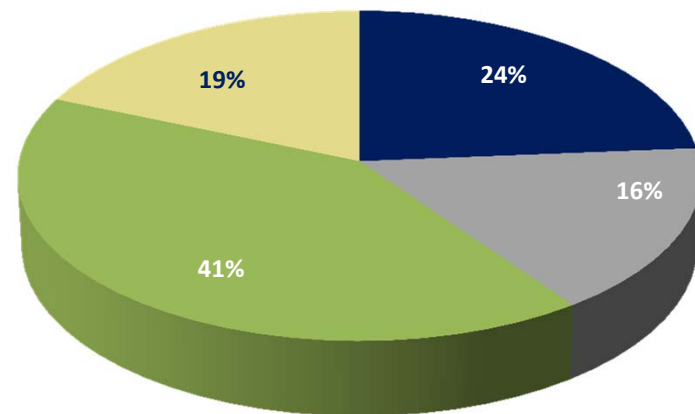
6/30/14 (pre Riverside Bank merger)

Total Deposits: \$507.2 Million
Cost of Deposits: 0.35%

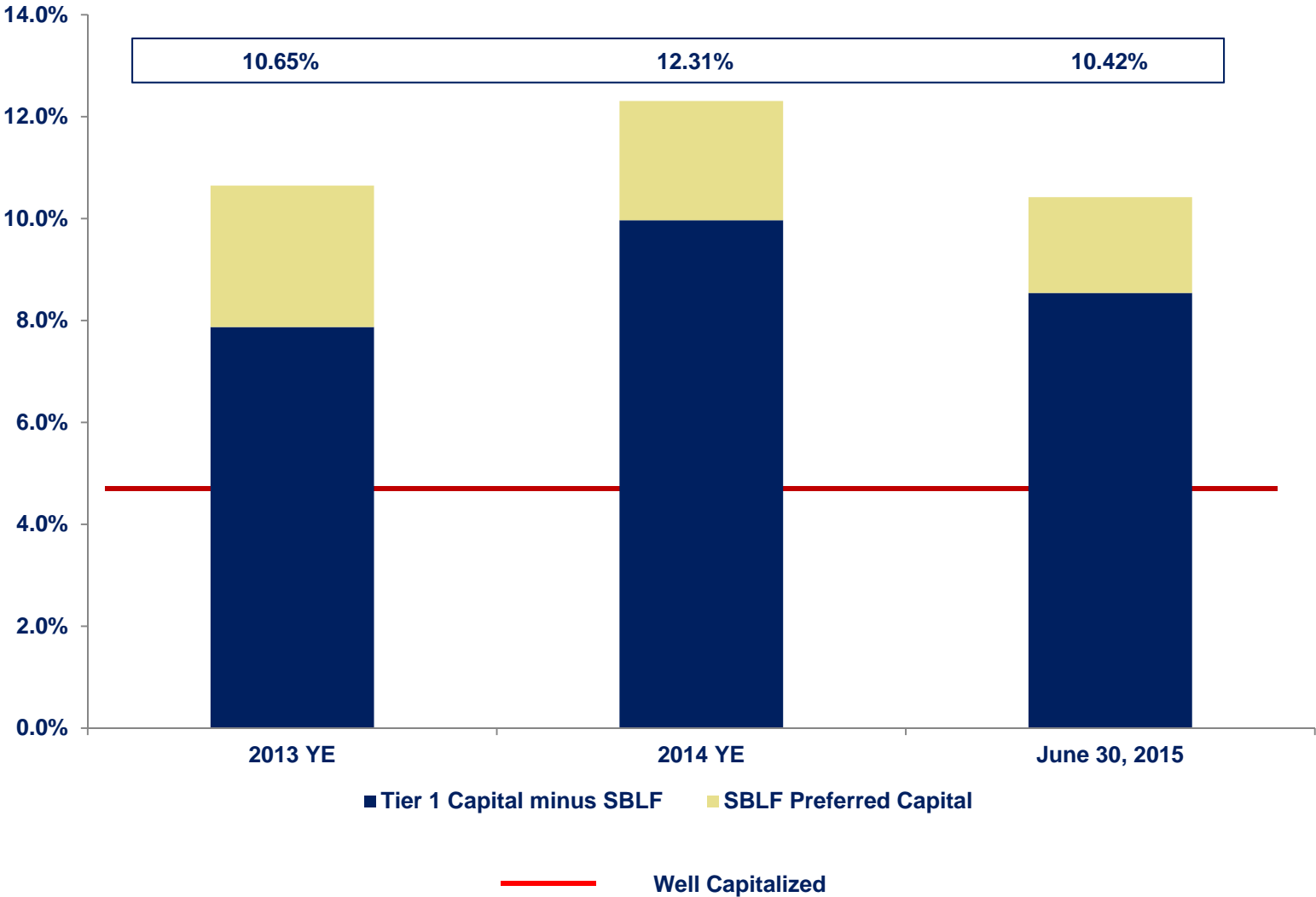


6/30/15 (post Riverside Bank merger)

Total Deposits: \$720.7 Million
Cost of Deposits: 0.33%



Tier 1 Capital of Salisbury Bancorp, Inc.

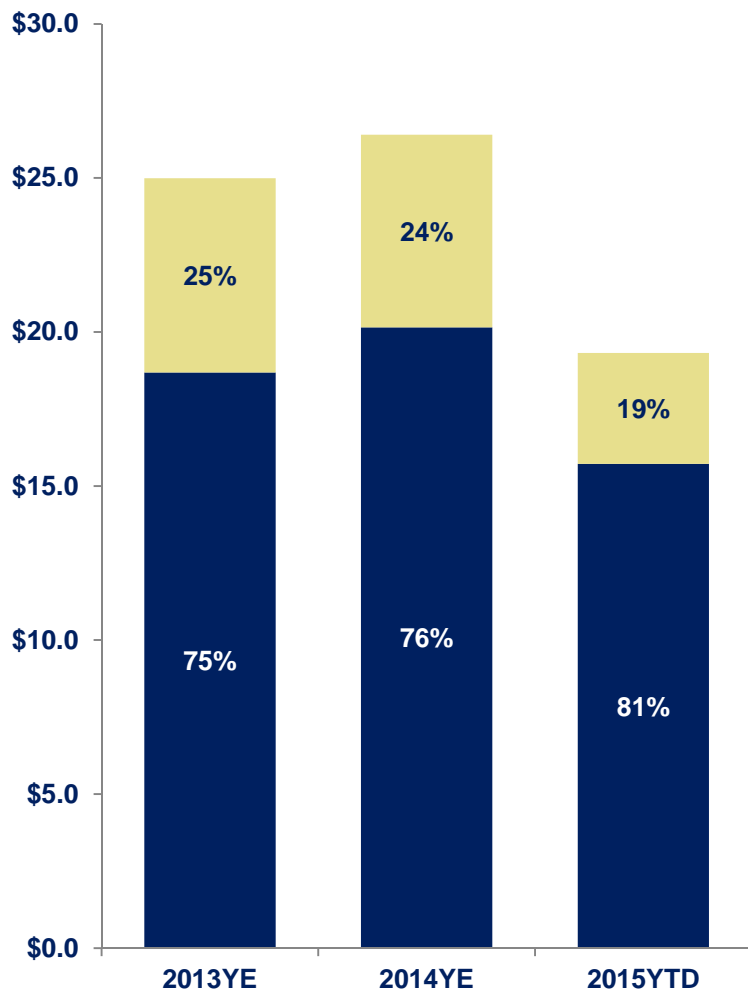


* 2014 Year End includes the partial period impact on the Average Asset calculation due to the Riverside Bank merger, which closed on 12/5/14. June 2015 reflects a full period impact on average assets.

Revenue

Source of Earnings

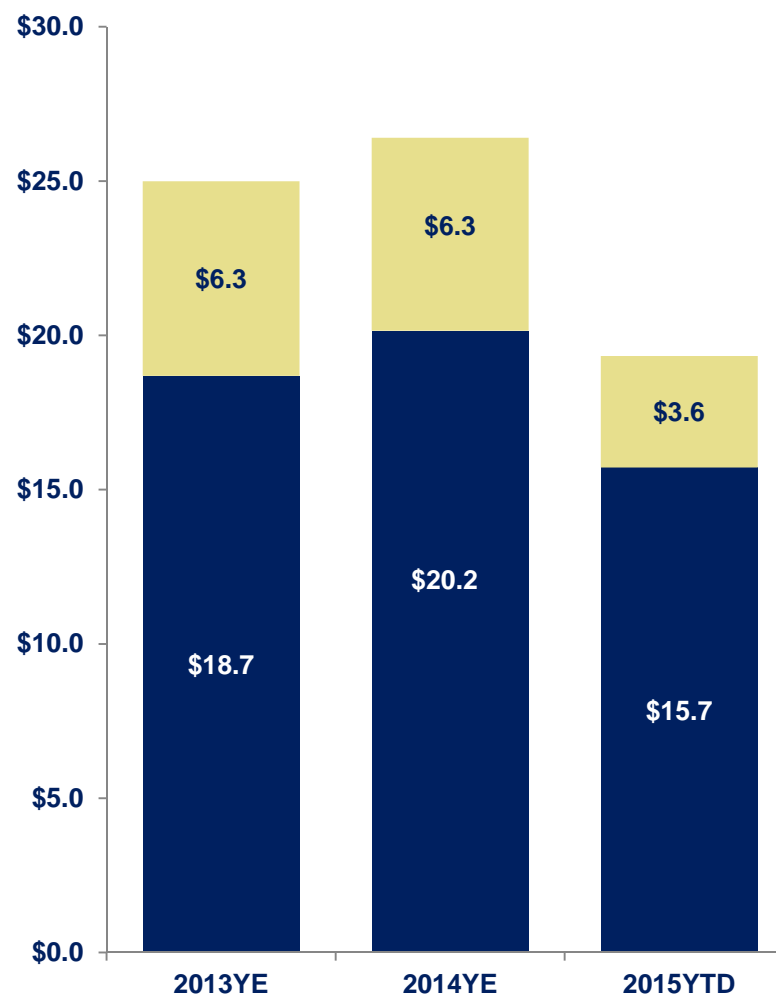
Dollars (\$MM)



■ Net Interest Income ■ Noninterest Income

Revenue Growth

Dollars (\$MM)

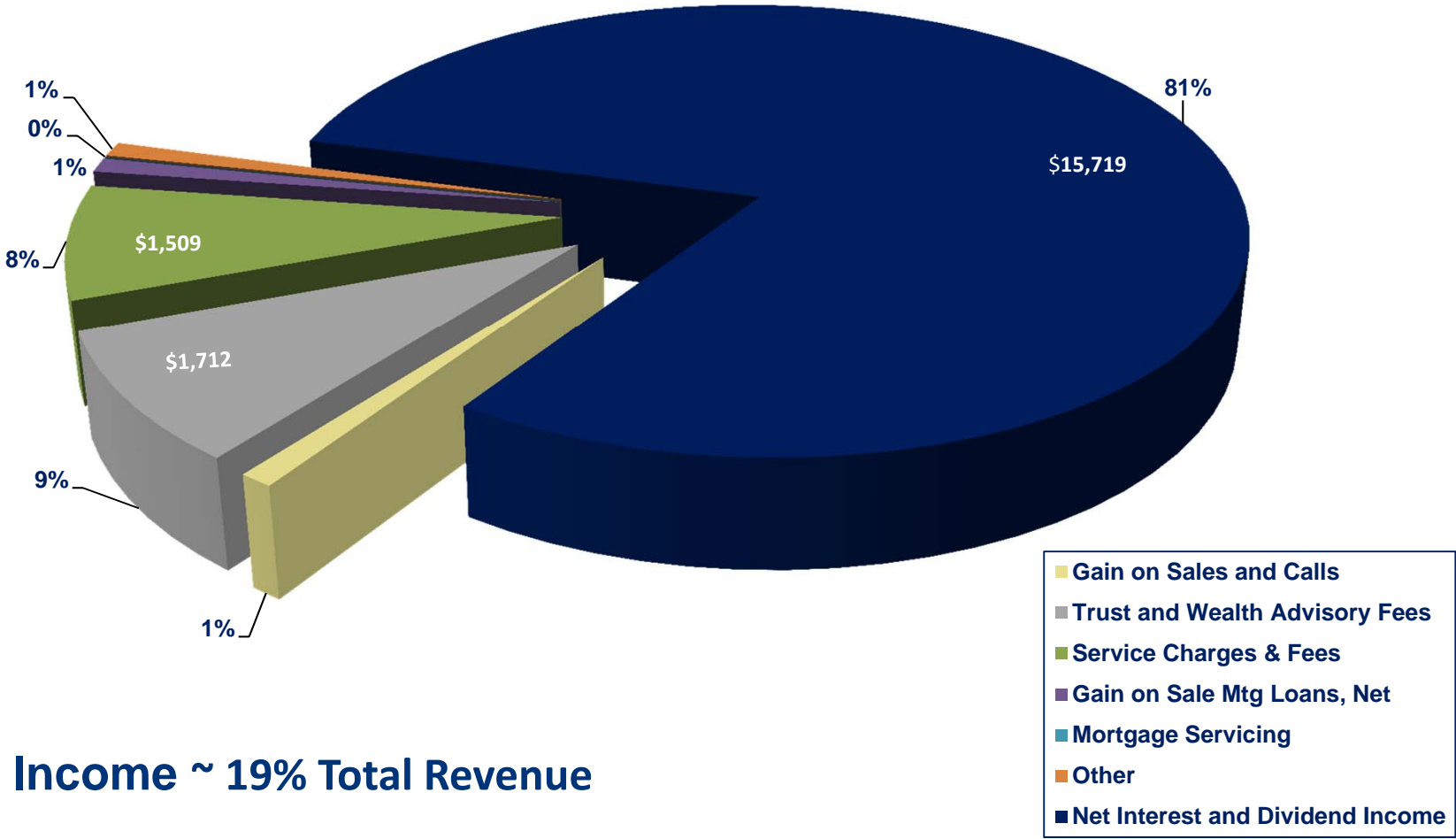


■ Net Interest Income ■ Total Non Interest Income

Source: SNL Financial.

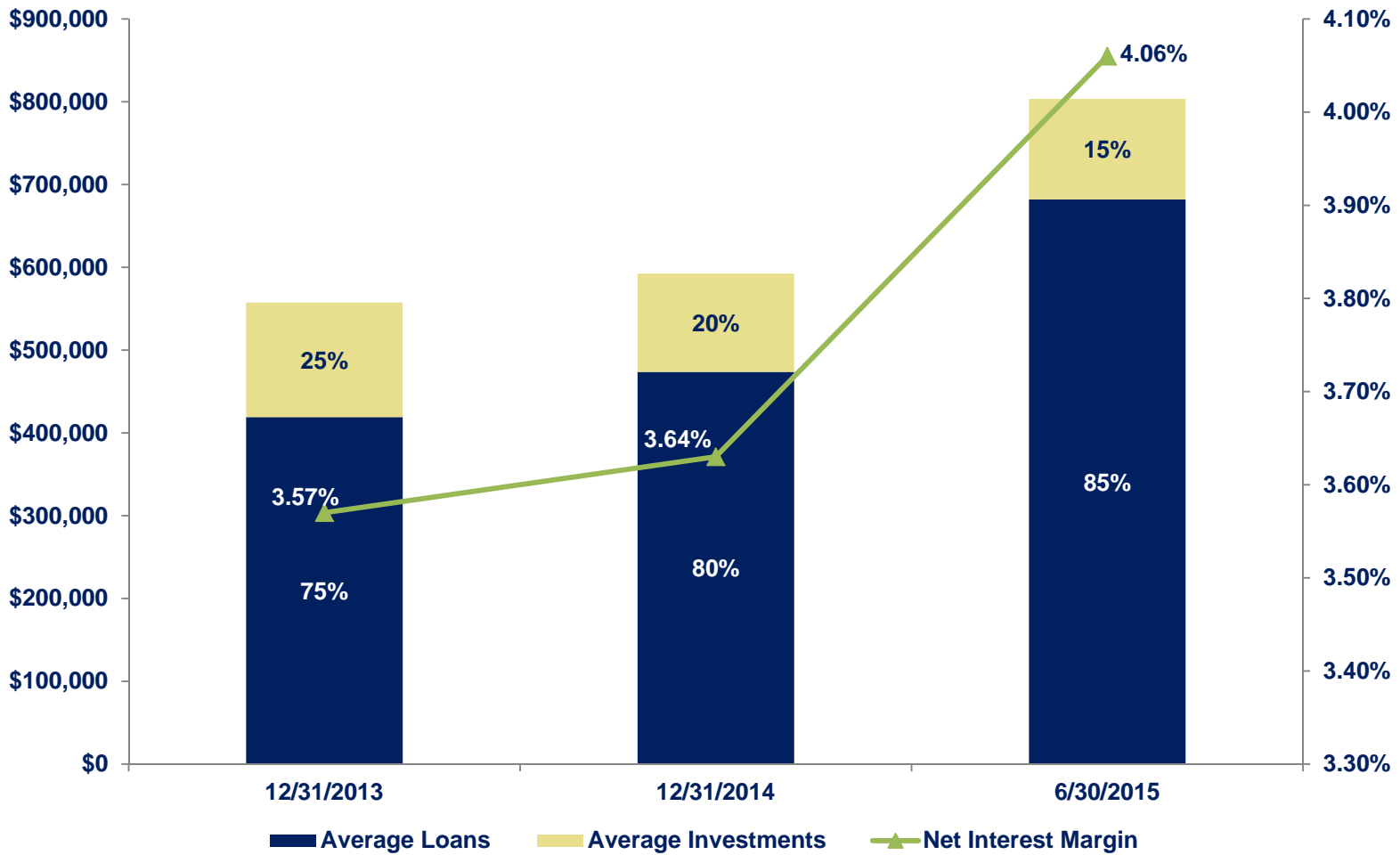
*Excludes \$186K of securities gains on sale in 2015; no securities gains or losses were realized in either 2013 or 2014

Revenue Composition



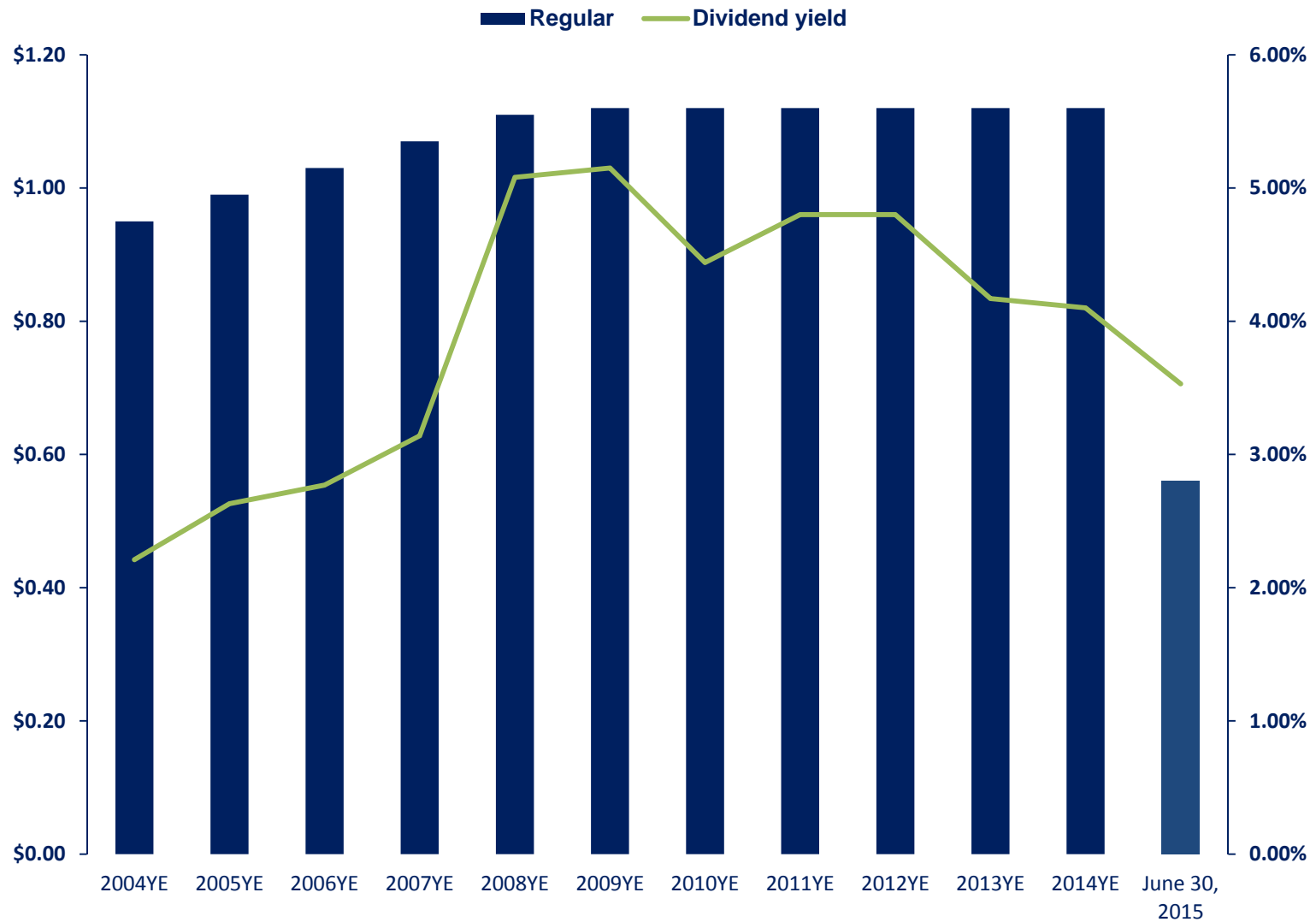
Fee Income ~ 19% Total Revenue

Balance Sheet Management



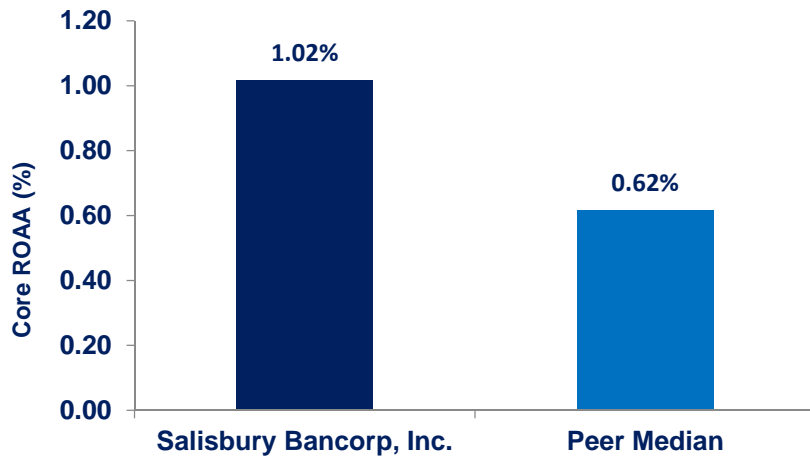
Why Invest?

Common Dividends per Share (%)

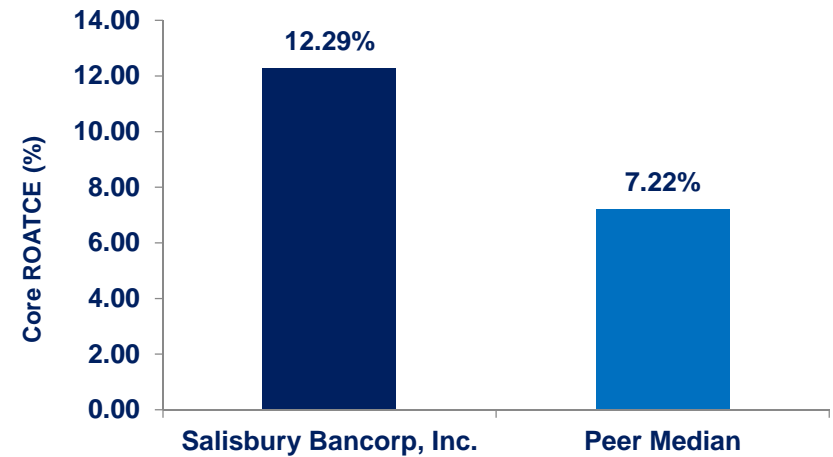


Why Invest?

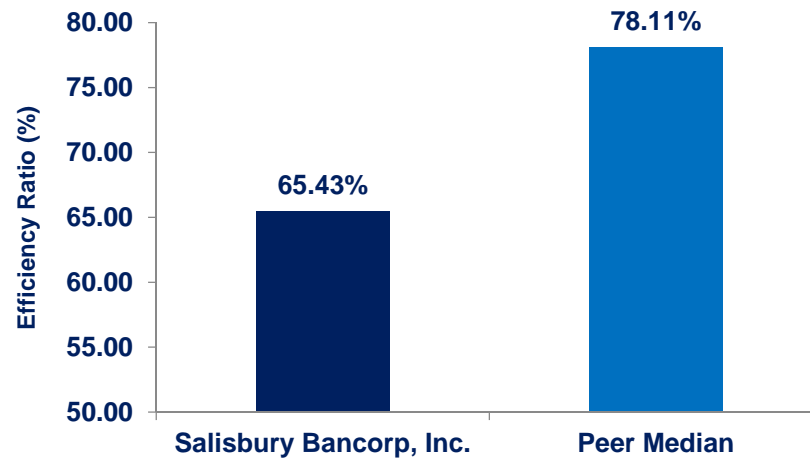
Core ROAA¹



ROATCE²



Efficiency Ratio³



Source: SNL Financial, YTD data as of Q2 2015. Peers defined as New England and NY public banks with approximately \$625 million to \$1.5 billion in Assets and a TCE/TA ratio below 11.0%.

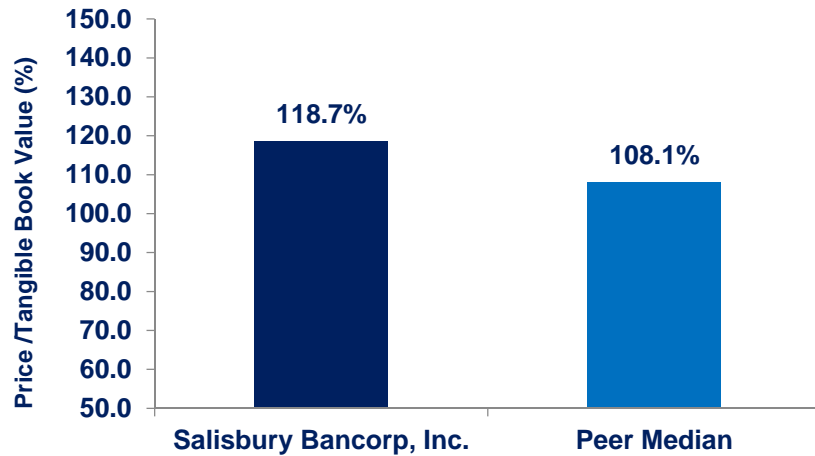
¹Core ROAA – Core income return on average assets

²ROATCE – Net income adjusted for tax-affected amortization of intangibles, as a percent of average tangible common equity

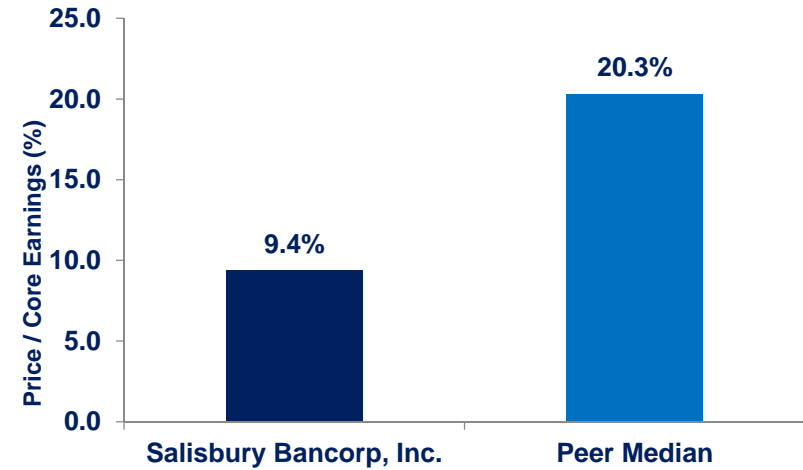
³Efficiency Ratio – Noninterest expense before foreclosed property expense, amortization of intangibles, and goodwill impairments as a percentage of net interest income and noninterest revenues, excluding only gains from securities transactions & nonrecurring items.

Why Invest ?

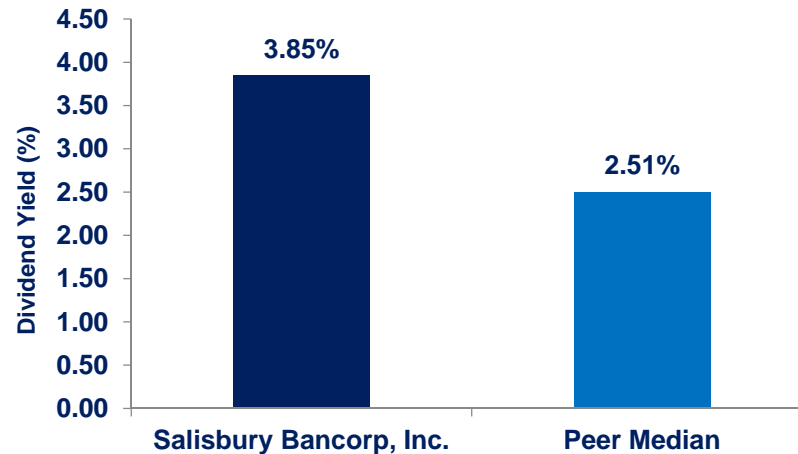
Price / Tangible Book Value¹



Price / Core EPS²



Dividend Yield³



Source: SNL Financial, YTD data as of Q2 2015. Peers defined as New England and NY public banks with approximately \$625 million to \$1.5 billion in Assets and a TCE/TA ratio below 11.0%.
¹ Price/TBV – Price as a percentage of tangible book value per share. Tangible book value is calculated using financial period end tangible common equity & common shares outstanding values.
² Price/Core EPS – Price as a multiple of core earnings per share.
³ Dividend Yield – The most recent dividend, annualized and expressed as a percent of a security's price.

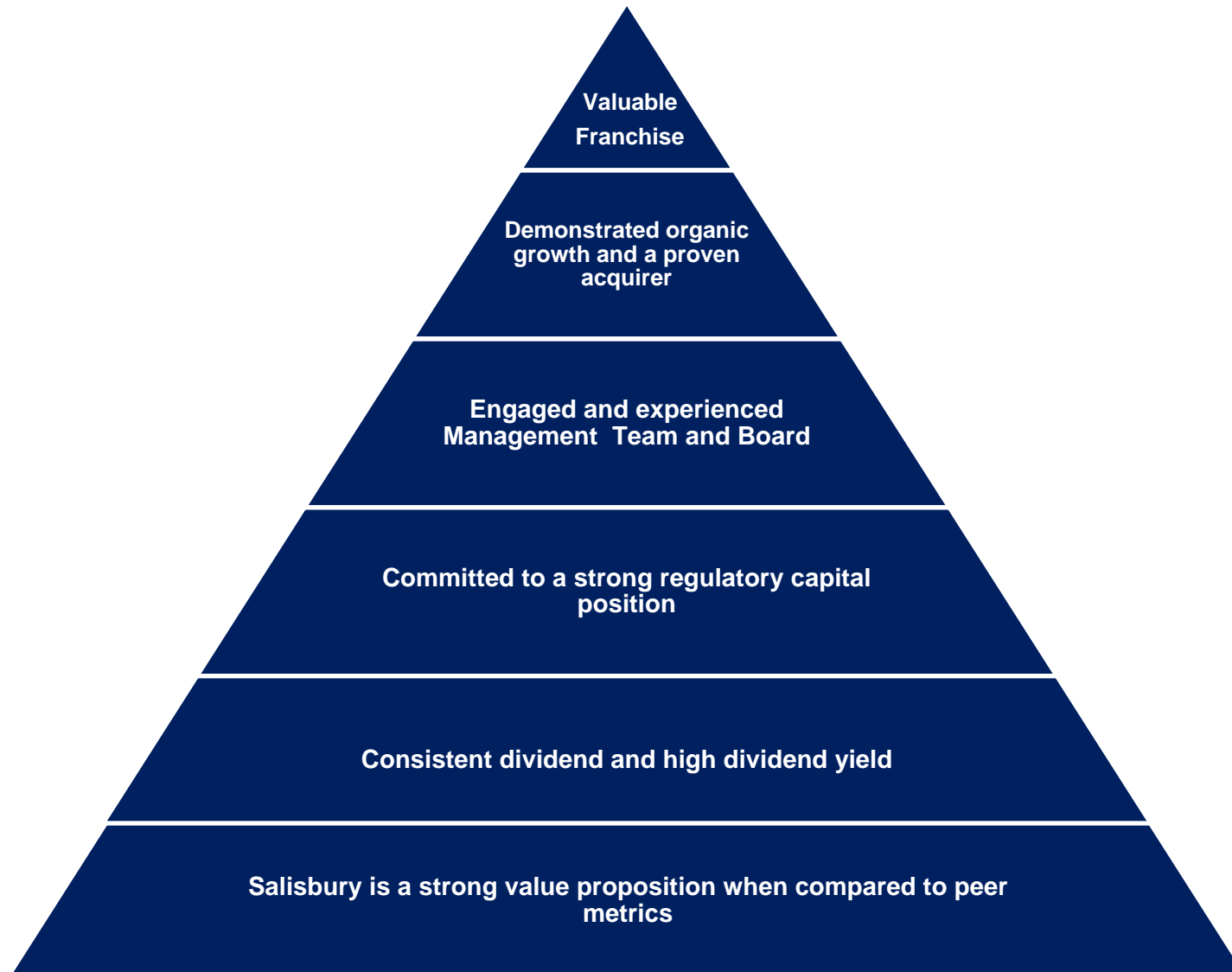
Why Invest?

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

As of (\$ in millions, except Capital)	12/31/13	12/31/14	6/30/15
Assets	587.1	855.4	860.8
Loans receivable, net	438.1	673.3	677.7
Deposits	477.4	715.4	720.7
Tier 1 Capital	10.65%	12.31%	10.42%

Shareholder Information	12/31/13	12/31/14	6/30/15
Price (\$)	26.89	27.34	31.69
Tangible book value per common share (\$)	27.12	25.83	26.69
Price/Book (%)	80.8	86.6	98.2
Market capitalization (millions)	45.98	74.39	86.5
Common shares outstanding	1,710	2,721	2,731
Insider Ownership	6.9%	18.4%	18.6%
Institutional Ownership	10.95%	6.65%	8.18%

Why Invest ?





Appendix

Appendix

<u>Peer Institution Name</u>	<u>Ticker Symbol</u>	<u>Total Assets (\$ 000's)</u>	<u>P/TBV (%)</u>	<u>EPS (\$)</u>	<u>Div Yield (%)</u>
Bankwell Financial Group, Inc.	BWFG	1,214,674	108.1	0.57	NA
Carver Bancorp, Inc.	CARV	670,774	222.5	0.05	0.00
Darien Rowayton Bank	DRWB	643,740	NA	NA	NA
Evans Bancorp, Inc.	EVBN	908,547	128.4	0.85	2.93
Greene County Bancorp, Inc. (MHC)	GCBC	738,647	179.8	1.70	2.63
Katahdin Bankshares Corporation	KTHN	681,886	83.1	0.53	3.59
Lyons Bancorp, Inc.	LYBC	837,690	133.1	2.43	3.23
Northway Financial, Inc.	NWYF	938,268	101.1	1.22	2.98
Oneida Financial Corp.	ONFC	849,570	205.0	0.35	2.38
Patriot National Bancorp, Inc.	PNBK	628,901	102.7	0.25	0.00
Provident Bancorp, Inc. (MHC)	PVBC	706,251	NA	NA	NA
SI Financial Group, Inc.	SIFI	1,409,349	106.0	0.16	1.35
Westfield Financial, Inc.	WFD	1,361,686	96.7	0.15	1.56
Salisbury Bancorp, Inc.	SAL	860,794	118.7	1.54	3.85



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