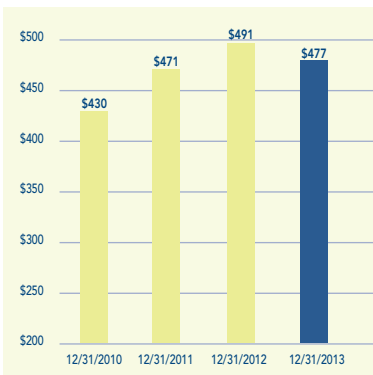


Shareholder Report

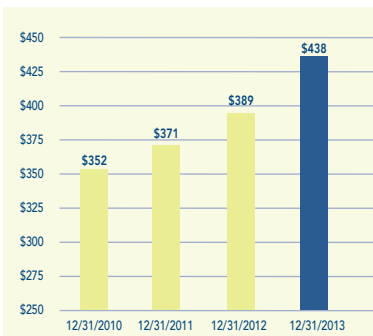
Salisbury Bancorp, Inc. is the holding company for Salisbury Bank and Trust Company



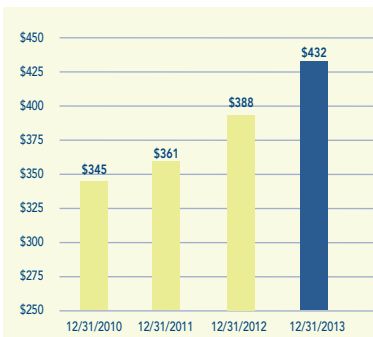
Deposits (in millions)



Loans Receivable, Net (in millions)



Wealth Advisory Assets (in millions)



Common Share Data (unaudited)

At 12/31/13

Closing Price	\$26.89
Market Capitalization	\$45.9 mm
Dividend Yield	4.17%
Common Shares Outstanding	1,710,121
Institutional Ownership	10.86%

We are pleased to report continued progress with respect to key strategic objectives and growth in our year-over-year earnings. Our efforts to control non-interest expenses, maintain and improve asset quality, and grow net interest and dividend income, are enhancing our current results of operation and should continue to contribute to our future progress. The continued success of our Wealth Advisory Department both distinguishes Salisbury Bank from its competitors and diversifies our income stream. Salisbury Bank recently announced the establishment of a new branch in Great Barrington, MA and signed an agreement to acquire a branch office and related deposits from another institution in Sharon, CT. These efforts reflect our continuing interest in seeking opportunities to reach out and serve new customers and communities, while striving to maximize efficiency and maintain our commitment to quality customer service.

Financial Highlights

- **Net income available to common shareholders** was \$940,000, or \$0.55 per common share, for its fourth quarter ended December 31, 2013 (fourth quarter 2013), compared with \$976,000, or \$0.57 per common share, for the third quarter ended September 30, 2013 (third quarter 2013), and \$531,000, or \$0.31 per common share, for the fourth quarter ended December 31, 2012 (fourth quarter 2012). Fourth quarter 2012 results included a \$450,000 non-recurring expense to the FHLBB that was substantially recovered in 2013 through reduced interest expense.
- **Earnings per common share** increased \$0.24, or 77.4%, versus fourth quarter 2012, but decreased \$0.02, or 3.5%, to \$0.55 versus third quarter 2013.
- **Earnings per share** excluding one-time expenses related to strategic initiatives of \$202,000 (net of taxes), or \$0.12 per share, would have been \$0.67 per share for the quarter, an increase of \$0.10 (+17%) as compared to third quarter 2013.
- **Tax equivalent net interest income** increased \$406,000, or 8.6%, versus fourth quarter 2012 and increased \$148,000, or 3.0%, versus third quarter 2013.
- **Net loan charge-offs** were \$163,000, versus \$199,000 for fourth quarter 2012 and \$215,000 for third quarter 2013.
- **Non-interest income** increased \$110,000 versus third quarter 2013 and decreased \$307,000 versus fourth quarter 2012.
- **Non-interest expense** decreased \$357,000, or 6.7%, versus fourth quarter 2012 but increased \$334,000, or 7.2%, versus third quarter 2013.
- **Net loans receivable** increased \$17.9 million during fourth quarter 2013 to \$438.2 million at December 31, 2013, compared with \$420.0 million at September 30, 2013, and increased \$49.4 million for full year 2013, compared with \$388.8 million at December 31, 2012.
- **Non-performing assets** decreased \$2.6 million, or 25.3%, versus fourth quarter 2012 and decreased \$2.2 million, or 22.5%, to \$7.5 million, or 1.3% of total assets, versus third quarter 2013. Loans receivable 30 days or more past due decreased \$2.6 million versus fourth quarter 2012 and decreased \$410,000 to \$11.0 million, or 2.5% of gross loans, versus third quarter 2013.
- The Board of Directors of Salisbury Bancorp, Inc. declared a \$0.28 per common share quarterly cash dividend at their January 31, 2014 meeting. The dividend will be paid on February 28, 2014 to shareholders of record as of February 14, 2014.

Happenings

Since 2008, Salisbury Bank has run its annual food drive, "Fill the Basket." This year, in addition to this program, employees were challenged to participate in an internal "Food Fight" initiative. We are proud to share that our "Food Fight" was a huge success with 100% participation; 6,398 non-perishable food items and \$1,200 in gift cards were collected and donated to our local food pantries.

**4Q13 Shareholder Report
December 31, 2013**
About Salisbury Bank

Connecticut state-chartered bank and trust company.

Formed in 1925 by a merger of the Salisbury Savings Society, founded in 1848, and the Robbins Burrall Trust Company founded in 1874.

Provides personal banking, commercial banking and wealth management services.

Eight banking offices serving:

- Litchfield County, CT
- Berkshire County, MA
- Dutchess County, NY

Shareholder Information
Transfer Agent

Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016
1.800.368.5948
www.rtc.com

Stock Symbol: SAL

Salisbury Bancorp, Inc.'s common stock is traded under the symbol SAL on the NASDAQ.

**Dividend Reinvestment and
Stock Purchase Plan**

For more information and enrollment form, visit www.salisburybank.com and click on Shareholder Relations.

**For our Annual Report or
Other Information**

Visit www.salisburybank.com and click on Shareholder Relations.

Shelly L. Humeston, Secretary
Salisbury Bancorp, Inc.
PO Box 1868
Lakeville, CT 06039-1868
860.435.9801

**Financial Reports, News Releases,
Company Information and
Email Alerts**

Visit www.salisburybank.com and click on Shareholder Relations.

Salisbury Bancorp, Inc. and Subsidiary
Selected Consolidated Financial Data (in thousands except ratios and per share amounts) (unaudited)

<i>At or for the three month periods ended</i>	12/31/13	9/30/13	6/30/13	3/31/13	12/31/12
Total assets	\$587,109	\$589,481	\$600,712	\$597,343	\$600,813
Loans receivable, net	438,178	420,306	416,729	406,258	388,758
Total securities	99,831	105,156	111,950	124,004	132,034
Deposits	477,369	479,869	492,040	487,773	491,215
FHLBB advances	30,411	30,801	31,187	31,574	31,980
Shareholders' equity	72,790	71,211	71,489	72,206	71,997
Wealth assets under management	431,793	408,448	402,897	404,211	388,113
Non-performing loans	7,172	9,166	9,204	8,585	9,860
Non-performing assets	7,549	9,737	9,639	9,297	10,104
Accruing loans past due 30-89 days	5,374	5,093	4,271	4,718	5,629
Net interest and dividend income	4,791	4,659	4,634	4,603	4,434
Net interest and dividend income, tax equivalent	5,115	4,967	4,942	4,903	4,709
Provision for loan losses	190	240	240	396	380
Non-interest income	1,570	1,460	1,650	1,625	1,877
Non-interest expense	4,977	4,643	4,610	4,705	5,334
Income before income taxes	1,194	1,237	1,433	1,127	597
Income tax provision	214	219	289	187	26
Net income	980	1,016	1,143	940	571
Net income available to common shareholders	940	976	1,103	899	531
Per share data					
Basic and diluted earnings per common share	\$0.55	\$0.57	\$0.65	\$0.53	\$0.31
Diluted earnings per common share	0.55	0.57	0.65	0.53	0.31
Dividends per common share	0.28	0.28	0.28	0.28	0.28
Book value per common share	33.21	32.28	32.45	32.88	33.14
Tangible book value per common share - Non-GAAP ¹	27.12	26.17	26.30	26.70	26.85
Common shares outstanding at end of period	1,710	1,710	1,710	1,709	1,690
Weighted average common shares outstanding, basic and diluted, for purposes of calculating EPS	1,691	1,691	1,691	1,690	1,690
Profitability ratios					
Net interest margin (tax equivalent)	3.71%	3.51%	3.54%	3.54%	3.32%
Efficiency ratio ²	71.77	71.22	68.88	70.93	71.41
Non-interest income to operating revenue	24.68	23.85	26.26	26.08	29.74
Effective income tax rate	17.92	17.70	20.19	16.59	4.36
Return on average assets	0.64	0.64	0.74	0.61	0.35
Return on average common shareholders' equity	6.69	7.05	7.81	6.45	3.85
Credit quality ratios					
Net charge-offs to average loans receivable, gross	0.15%	0.20%	0.29%	0.07%	0.21%
Non-performing loans to loans receivable, gross	1.62	2.16	2.19	2.09	2.51
Accruing loans past due 30-89 days to loans receivable, gross	1.22	1.20	1.02	1.15	1.44
Allowance for loan losses to loans receivable, gross	1.06	1.10	1.10	1.14	1.11
Allowance for loan losses to non-performing loans	65.30	50.80	50.32	54.59	44.22
Non-performing assets to total assets	1.29	1.65	1.60	1.56	1.68
Capital ratios					
Common shareholders' equity to assets	9.67%	9.37%	9.24%	9.41%	9.32%
Tangible common shareholders' equity to assets - Non-GAAP ¹	8.04	7.73	7.62	7.78	7.69
Tier 1 leverage capital	10.65	10.28	10.23	10.17	9.87
Total risk-based capital	16.46	16.67	16.48	16.47	16.63

¹ Common shareholders' equity less goodwill and intangible assets.

² Calculated using SNL's methodology: Noninterest expense before OREO expense, amortization of intangibles, and goodwill impairments as a percent of net interest income (fully taxable equivalent) and noninterest revenues, excluding gains from securities transactions and nonrecurring FHLBB prepayment fees and litigation expenses.