

Transfer Agent

Broadridge Corporate Issuer Solutions, Inc.
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Brentwood, NY 11717
888.520.5817
investor.broadridge.com

Stock Symbol: SAL

For more information visit salisburybank.com and click on Shareholder Relations or contact: Shelly L. Humeston, Secretary shumeston@salisburybank.com 860.435.9801

Common Share Data (unaudited)

At 3/31/16

Closing Price	\$31.79
Market Capitalization	\$87.5 mm
Dividend Yield	3.52%
Common Shares Outstanding	2,753,426
Institutional Ownership	9.22%

2016 Dividend Calendar*

Quarter	Declaration Date	Record Date	Payable Date
First	4/29/16	5/13/16	5/27/16
Second	7/29/16	8/12/16	8/26/16
Third	10/28/16	11/11/16	11/25/16
Fourth	1/27/17	2/10/17	2/24/17

*Salisbury Bancorp, Inc. is not obligated to pay common stock dividends on these dates or at any other time.

Dear Fellow Shareholders,

The highlights of our first quarter performance are reflected in the noteworthy growth of our two primary revenue generating asset classes: our loan and wealth management portfolios. Net loan growth for the quarter was close to \$30 million or 4%. Assets under management in our Trust and Wealth Advisory business grew by \$52 million or 14%. Our teams delivered excellent results despite an extremely competitive landscape.



The earnings for the quarter were down as compared to the fourth and first quarter 2015 primarily as the result of a lesser interest income benefit from the purchased loan portfolio, increased interest expenses related to our issuance of the subordinated debt offering last December, an increase in expenses related to adjustments from sold loans, and an increase in provision for loan losses as a result of the exceptional loan growth. Despite the lower earnings, our net interest margin, efficiency ratio, and return on assets continue to reflect solid core fundamentals, as we continue to profitably grow our bank and solidify our franchise.

On January 29, 2016, James E. Cotter was appointed to serve as Executive Vice President and Chief Operating Officer of the Bank. We are very pleased to welcome Jim to our executive management team. Jim's experience and qualifications serve to strengthen an already talented management team. The depth that Jim adds to our team will allow us to more effectively execute our strategic plan and adds value to our franchise.

In March of 2016, Salisbury Bank was voted "Best Bank" in Berkshire County in a survey completed by the Berkshire Record. To be recognized as the Best Bank in Berkshire County for the fourth consecutive year is a real honor and a testament to the ongoing efforts of our staff in Berkshire County.

Sincerely,

Richard J. Cantele, Jr.
President and Chief Executive Officer

Board of Directors:

Michael A. Varet (Chairman), 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

Forward-Looking Statements

Statements contained in this report contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the beliefs and expectations of management as well as the assumptions and estimates made by management using information currently available to management. Since these statements reflect the views of management concerning future events, these statements involve risks, uncertainties and assumptions, including among others: changes in market interest rates and general and regional economic conditions; changes in government regulations; changes in accounting principles; and the quality or composition of the loan and investment portfolios and other factors that may be described in Salisbury's quarterly reports on Form 10-Q and its annual report on Form 10-K, each filed with the Securities and Exchange Commission, which are available at the Securities and Exchange Commission's internet website (www.sec.gov) and to which reference is hereby made. Therefore, actual future results may differ materially from results discussed in the forward-looking statements.

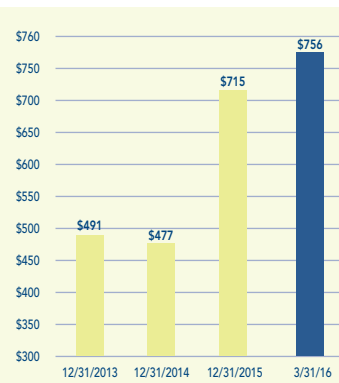
10th

March 31, 2016

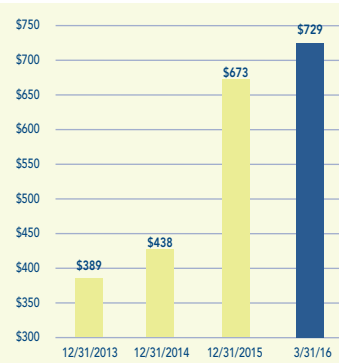
Shareholder Report

Selected Quarterly Highlights

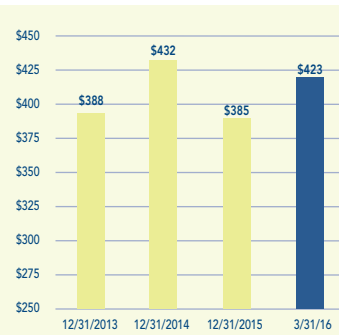
Deposits (in millions)



Loans Receivable, Net (in millions)



Wealth Advisory Assets (in millions)



Salisbury Bancorp, Inc. and Subsidiary Selected Consolidated Financial Data

(in thousands except ratios and per share amounts) (unaudited)

At or for the three month periods ended	3/31/16	12/31/15	9/30/15	6/30/15	3/31/15
Total assets	\$891,804	\$891,192	\$904,233	\$860,794	\$865,037
Loans receivable, net	728,845	699,018	687,719	677,726	676,734
Total securities	82,151	79,870	83,886	82,932	84,694
Deposits	755,658	754,533	761,479	720,734	724,910
FHLBB advances	27,031	26,979	26,928	28,033	28,403
Shareholders' equity	91,402	90,574	105,450	104,104	103,211
Wealth assets under management	422,918	371,012	350,102	374,141	384,574
Non-performing loans	16,829	16,264	16,435	14,728	14,000
Non-performing assets	16,829	16,264	16,602	14,995	14,875
Accruing loans past due 30-89 days	7,995	4,499	2,486	2,796	5,564
Net interest and dividend income	7,659	7,928	7,897	7,793	7,926
Net interest and dividend income, tax equivalent	7,985	8,235	8,195	8,084	8,238
Provision (benefit) for loan losses	463	266	655	196	(200)
Non-interest income	1,684	1,748	1,769	1,900	1,896
Non-interest expense	6,840	6,343	6,202	6,540	6,835
Income before income taxes	2,040	3,068	2,809	2,957	3,187
Income tax provision	528	900	824	885	953
Net income	1,512	2,167	1,985	2,072	2,234
Net income available to common shareholders	1,512	2,129	1,945	2,032	2,194
Per share data					
Basic earnings per common share	\$0.55	\$0.78	\$0.71	\$0.74	\$0.81
Diluted earnings per common share	0.55	0.77	0.71	0.74	0.80
Dividends per common share	0.28	0.28	0.28	0.28	0.28
Book value per common share	33.20	33.13	32.72	32.26	31.96
Tangible book value per common share - Non-GAAP	27.84	27.69	27.21	26.69	26.33
Common shares outstanding at end of period					
to calculate basic earnings per share	2,753	2,734	2,734	2,731	2,729
to calculate diluted earnings per share	2,723	2,710	2,708	2,706	2,699
Weighted average common shares outstanding,					
to calculate diluted earnings per share	2,741	2,727	2,724	2,724	2,716
Profitability ratios					
Net interest margin (tax equivalent)	3.80%	3.88%	3.91%	4.01%	4.11%
Efficiency ratio ¹	69.28	63.64	60.40	62.91	65.45
Non-interest income to operating revenue	18.01	18.06	18.25	19.51	17.84
Effective income tax rate	25.86	29.35	29.31	29.96	29.90
Return on average assets	0.68	0.94	0.87	0.94	1.03
Return on average common shareholders' equity	6.66	9.34	8.64	9.26	10.22
Credit quality ratios					
Net charge-offs to average loans receivable, gross	0.17%	0.12%	0.03%	0.19%	-0.01%
Non-performing loans to loans receivable, gross	2.29	2.31	2.37	2.16	2.05
Accruing loans past due 30-89 days to loans receivable, gross	1.09	0.64	0.36	0.41	0.82
Allowance for loan losses to loans receivable, gross	0.80	0.81	0.82	0.74	0.76
Allowance for loan losses to non-performing loans	34.92	35.15	34.43	34.35	37.02
Non-performing assets to total assets	1.89	1.82	1.84	1.74	1.72
Capital ratios					
Common shareholders' equity to assets	10.25%	10.16%	9.89%	10.24%	10.08%
Tangible common shareholders' equity to tangible assets - Non-GAAP	8.74	8.64	8.37	8.62	8.45
Tier 1 leverage capital	8.57	8.56	10.31	10.42	10.29
Total risk-based capital	12.92	13.51	13.90	14.22	13.65
Common equity tier 1 capital	10.69	11.17	10.74	11.01	10.50

¹ Calculated using SNL's (publicly recognized resource of bank data) methodology, as follows: 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, litigation expenses, and one-time pension termination expenses.



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