

The following is BAC's Quarterly Review of the Vermont banking industry for the quarter ending September 30, 2006. It includes data on all 19 Federal and State chartered commercial banks, savings banks and savings and loan associations in Vermont. Our analysis on pages 6-8 also presents a four-year retrospective between 2003-2006 using aggregate industry data. All financial data is based on Call Reports from the FDIC and OTS. Bank stock data as of 12/29/06 is included on pages 15-16.

In certain states, recent merger/acquisition activity has resulted in a single bank charter now operating branches across more than one state, thereby complicating the construction of a "statewide" balance sheet and income statement. This is because Call Report data is collected based on the state of record for the bank charter. Vermont may be among those states impacted by this change. Therefore, year-to-year comparisons in the aggregate statewide data should be used with caution as can be seen in the data below. Here is a synopsis of the Vermont banking industry for the quarter ending September 30, 2006:

THIRD QUARTER 2006 STATUS REPORT:

On an aggregate basis, the 19 remaining banks in Vermont (steady at 19 since December of 2003), recorded a -.% decrease in earnings for the nine month period ending 9/30/06 relative to the same period in 2005. However, the aggregate data is distorted by one-time restructuring charges associated with mergers and acquisitions and jurisdictional reporting changes. A closer inspection of the banks existing in both time periods, indicates that 11 institutions (58%) registered a decrease in earnings from 3rd quarter 2005 and 8 institutions (42%) reported an increase. The median performance for all institutions between the Q3 2005 and Q3 2006 was a -2.7% decrease. Nonetheless, 100% of all institutions were profitable during Q3-06. Here is the aggregate data; individual institutional data is contained on pages 9-14.

19 VERMONT INSTITUTIONS (see page 6-8 for complete details)	12 Months Ending: 12/31/05	9 Months Ending: <u>9/30/05</u>	9 Months Ending: <u>9/30/06</u>	% Change 9 Mos. '05 vs 9 Mos. '06
Net Income After Tax (\$ millions)	\$107	\$79	\$79	-0.1%
Return on Assets (R.O.A.)	1.32%	1.32%	1.25%	
Gross Loans (\$ billions)	\$5.7	\$5.7	\$6.0	6.7%
Deposits (\$ billions)	\$7.0	\$6.9	\$7.1	3.5%
Net Interest Margin	4.33%	4.31%	4.25%	
Efficiency Ratio	61.8%	61.9%	63.4%	
Non-Interest Inc. % Avg. Assets	1.2%	1.2%	1.1%	
Non-Performing Assets (\$ millions)	\$35	\$35	\$44	25.7%
Tier 1 Leverage	8.9%	8.9%	8.8%	
Reserves % Non-Perf. Loans	219%	219%	176%	
Provision for Losses (\$ millions)	\$7	\$5	\$5	-1.7%
Liquidity (loans % deposits)	82%	83%	85%	

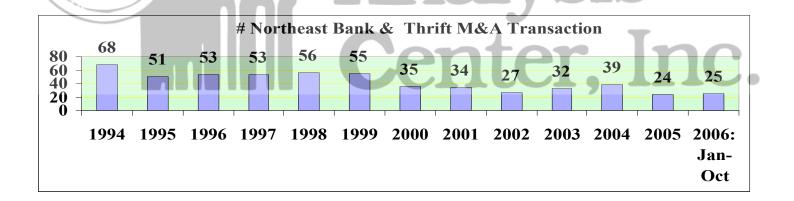
We include below 9-month summary data (as of 9/30/06) on the banking industries in each of the six New England states along with New York, New Jersey and Pennsylvania:

NORTHEAST BANKING D	ATA as	of 9/30/	06				New			
(§=Billions, except net inc.)	СТ	ME	MA	NH	RI	VT	Eng.	NY	NJ	PA
# Banking Institutions	56	36	190	26	12	19	339	195	130	248
% Institutions Profitable	91%	97%	94%	100%	83%	100%	94%	90%	86%	90%
Total Assets (\$ Bils)	\$64	\$56	\$243	\$19	\$21	\$9	\$412	\$1,334	\$137	\$427
Total Deposits (\$ Bils)	\$47	\$40	\$170	\$13	\$13	\$7	\$290	\$919	\$89	\$300
Gross Loans (\$ Bils)	\$46	\$39	\$96	\$13	\$13	\$6	\$212	\$711	\$81	\$254
Net Inc. After Tax (\$ Mils)	\$352	\$408	\$1,819	\$166	\$162	\$79	\$2,986	\$11,626	\$886	\$2,744
Return on Assets (R.O.A.)	0.82%	1.05%	1.03%	1.16%	1.06%	1.25%	1.01%	1.23%	0.90%	0.91%
Return on Equity (R.O.E.)	6.91%	5.83%	11.57%	11.59%	12.39%	14.37%	9.6%	12.69%	7.97%	9.64%
Net Interest Margins	3.29%	4.37%	2.38%	3.41%	3.08%	4.25%	2.88%	3.17%	2.82%	2.99%
Efficiency Ratio	65.4%	64.26%	68.5%	55.9%	57.1%	63.4%	66.4%	62.1%	57.2%	64.9%
Non-Perf. Assets % Assets	0.20%	0.33%	0.10%	0.20%	0.20%	0.50%	0.20%	0.40%	0.30%	0.30%

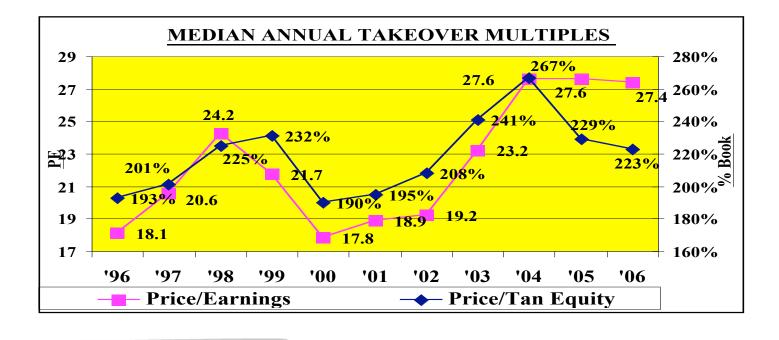
MERGER / ACQUISITION DATA AND COMPARATIVE STOCK PRICE MULTIPLES:

On the following pages (pages 4-5) we have compiled information concerning recent merger and acquisition trends and also stock price indicators for both banks and thrifts for the trailing twelve months ending in October 2006.

Although the *number* of Northeast mergers and acquisitions between banks and thrifts has decreased since the 1990's, their *pricing* (both as a multiple of earnings as well as book equity) and *bank stock PE ratios* have increased steadily and peaked in 2004. Present takeover multiples appear to be firming as can be seen below.



For the 30 transactions in the Northeast <u>completed</u> over the last 12 months between October 2005 and October 2006 the median price for all deals (banks & thrifts) was approximately 223% of tangible book equity and a multiple of 27X earnings. Please call us if we can add any clarification to the variation in these statistics. BAC is an active participant in merger and acquisition advisory services.



MARKET RESEARCH SERVICE

Included in this edition of the Quarterly Review is a descriptive packet of information concerning BAC's market research capabilities on economics, demographics, banking industry competition and commercial businesses. These packets are available for your individual branch banking markets in Connecticut. We would invite you to review this material and to contact us if you might wish to procure this information for your institution. It is not very expensive. Our New England-wide databases, combined with our reporting capabilities and proprietary software, can produce insightful and valuable reconnaissance tools to help guide your institution in the following:

- ✓ Market Segmentation
- ✓ Product Development & Positioning
- ✓ Business Development Initiatives
- ✓ Consumer Behavior

✓ Competitive Analysis
 ✓ Start-up Branch Site Location
 ✓ Branch Purchase Analysis
 ✓ Merger/Acquisition Analysis

The second item included in this edition of the Quarterly Review is a subscription form. If you would like to continue receiving the Review, please complete the form and return it to our offices. If you are already a subscriber, we thank you for your confidence. Your subscription expiration date is on the label of the envelope in which you received the Review. We would appreciate any feedback on how to improve the Review. We are aware that through a data base error, a number of subscribers did not receive certain quarters of the Review last year. If you are a subscriber and need these past issues, please contact Ms. Tamica Curling at 860-275-6050 and we will forward them to you. Alternatively, if you would like to extend your subscription by the number of quarters that you missed please indicate that to Ms. Curling. This data will soon be available by subscription on BAC's website.

If you would like to hear more about our investment banking and consulting services, please contact me personally. BAC specializes in helping clients develop and execute strategies. We are consultants and investment banking advisors to the banking industry throughout New England, New York, Pennsylvania and New Jersey. Our services are listed on the back cover of this publication.

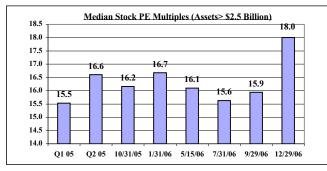
John S. Carusone, President

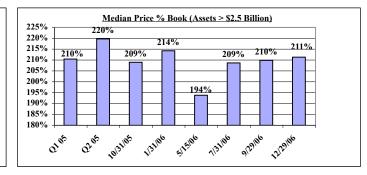
35.0 30.0 25.0 20.0 15.0 10.0	27.8 28.4 22.0 20.6 18.2 18.0 16.0 96 97 98 99 '00 '01 BNKS & THRFTS PE (SNL)	9.6 19.1 19.1 14.3 14.3 102 '03 	.3 17 7.3 18 '04	10.7 10.7 10.7 10.7 10.7 10.7 10.7 10.7	Acquisitio Baks & Th 2 Mos. (LT 5 - Dec '06	ons: rifts M)	29 27 25 21 21 21 21 21 21 2014 21 2014 21 96 796 796	24.2 225 225 20.6 .1 '97 '98 'rice/Earni	17.8 '99 '00 '01	2 208 95% 18:9 -19.7	229% 25.0 223% 223% 05 '06 quity	- 200% ³ - 180% - 160%		
	<u>Buyer</u>	Assets	State	<u>Target</u>	Assets \$MM's	State	Completion	Deal \$	Boymont	0/		ICE:	0/	
		\$MM's	State		SIVEN S	State		\$ MM's	Payment	% Equity	% Tan. Eq.	(X) LTM Inc	% Deps	
(1)	New York Community Bancorp, Inc.	25,204,692	NY	Long Island Financial Corp.	539,679	NY	12/30/05	62,984	Common Stock	2.2	2.2	19.39	15.75	
(2)	Hudson Valley Holding Corp.					NY	1/3/06	13,404	Cash,Preferred S	1.88	1.88	N/A	10.4	
(3)	NewAlliance Bancshares, Inc.	6,490,974	СТ	Cornerstone Bancorp, Inc.	232,789	CT	1/3/06	52,877	Cash,Common S	1.93	1.93	32.6	28.18	
(4)	Sun Bancorp, Inc.	3,140,962	NJ	Advantage Bank	165,981	NJ	1/19/06	35,941	Cash,Common S	2.35	2.35	38.51	21.35	
(5)	National Penn Bancshares, Inc.	4,593,900	PA	Nittany Financial Corp.	326,517	PA	1/26/06	99,050	Cash,Common S	3.67	3.93	25.03	40.15	
(6)	First Republic Bank	8,441,586	CA	First Signature Bank & Trust C	516,876	NH	1/31/06	N/A	N/A	N/A	N/A	N/A	N/A	
(7)	Fulton Financial Corporation	11,571,083	PA	Columbia Bancorp	91,331	MD	2/1/06	306,268	Cash,Common S	3.09	3.09	18.84	30.03	
(8)	NBT Bancorp, Inc.	4,255,439	NY	CNB Bancorp, Inc.	32,550	NY	2/10/06	88,575	Cash,Common S	2.08	2.49	27.38	25.83	
(9)	TD Banknorth, Inc.	31,784,335	ME	Hudson United Bancorp	432,975	NJ	2/1/06	1,923,126	Cash,Common S	3.67	4.55	17.03	28.09	
(10)	Two River Community Bank	258,513	NJ	The Town Bank	147,005	NJ	4/3/06	40,321	Common Stock	2.36	2.36	24.79	25.67	
(11)	Susquehanna Bancshares, Inc.	7,539,967	PA	Minotola National Bank	623,434	NJ	4/21/06	165,112	Cash,Common S	2.04	2.06	26.14	30.14	
(12)	New York Community Bancorp, Inc.	25,014,944	NY	Atlantic Bank of New York	2,916,664	NY	4/28/06	400,000	Cash	1.45	1.76	12.83	23.91	
(13)	Orrstown Financial Services Inc.	581,180	PA	First National Bank of Newport	123,155	PA	5/1/06	32,855	Cash,Common S	2.43	2.43	22.64	31	
(14)	Cathay General Bancorp, Inc.	6,157,499	CA	Great Eastern Bk	320,510	NY	5/15/06	84,944	Cash,Common S	2.62	2.62	30.37	28.72	
(15)	Wilshire Bancorp, Inc.	1,457,025	CA	Liberty Bank of New York	55,704	NY	5/22/06	14,600		N/A	N/A	N/A	N/A	
(16)	F.N.B. Corporation	5,703,659	PA	Legacy Bank	382,139	PA	5/26/06	63,016	Cash,Common S	1.66	2.11	60.73	21.36	
(17)	Sovereign Bancorp, Inc.	62,941,898	PA	Independence Community Ban	18,500,360	NY	6/1/06	3,577,980	Cash	1.52	3.41	17.76	31.47	
(18)	Tower Bancorp, Inc.	346,828	PA	FNB Financial Corporation	180,686	PA	6/1/06	29,745	Cash,Common S	1.92	2.23	22.42	20.51	
(19)	Flushing Financial Corp.	2,306,030	NY	Atlantic Liberty Financial Corp	. 177,111	NY	6/30/06	44,198	Cash,Common S	1.52	1.52	86.15	41.53	
(20)	Franklin Financial Services Corporation	621,357	PA	Fulton Bancshares Corporation	139,131	PA	7/1/06	23,530	Cash,Common S	1.6	1.6	N/A	21.76	
(21)	Hudson City Bancorp, Inc.	26,005,131	NJ	Sound Federal Bancorp	1,149,326	NY	7/14/06	264,872	Cash	1.99	2.23	61.47	25.5	
(22)	Community Bank System, Inc.	4,160,034	NY	ES&L Bancorp, Inc.	210,883	NY	8/14/06	38,963	Cash	1.78	1.78	13.86	28.8	
(23)	Centra Financial Holdings	550,785	WV	Smithfield State Bank	236,244	PA	8/25/06	28,800	Cash	1.49	1.5	39.61	13.35	
(24)	First Commonwealth Financial Corpo	6,026,320	PA	Laurel Capital Group, Inc.	314,295	PA	8/28/06	58,337	Cash,Common S	2.02	2.28	28.21	21.73	
(25)	Allegheny Valley Bancorp	310,441	PA	RSV Bancorp Inc.	76,033	PA	9/11/06	16,220	Cash	2.36	2.36	45.06	28.28	
(26)	Carver Bancorp, Inc.	660,993	NY	Community Capital Bank	159,785	NY	9/29/06	11,100	Cash	1.46	1.46	75.29	7.68	
(27)	J.P. Morgan Chase & Company	#######################################	NY	Bank of New York	87,750,000	NY	10/2/06	3,100,000	Cash	0.36	0.55	2.42	4.68	
(28)	Alliance Financial Corporation	980,421	NY	Bridge Street Financial, Inc.	227,400	NY	10/6/06	57,594	Cash,Common S	2.15	2.46	63.98	31.13	
(29)	Webster Financial Corp.	17,907,186	СТ	NewMil Bancorp, Inc.	877,774	СТ	10/6/06	173,529	Common Stock	3.21	3.79	19.74	27.1	
	Passumpsic Bancorp	415,013	VT	Siwooganock Holding Co, Inc.	139,194	NH	10/18/06	16,698	Cash	1.25	1.25	19.37	14.34	
(31)	Capital One Financial Corp.	88,701,411	VA	North Fork Bancorporation	57,616,871	NY	11/30/06	13,358,377	Cash,Common S	1.42	4.38	15.54	35.91	
(32)	First Marblehead Corp.	N/A	MA	Union Federal Savings Bank	38,872	RI	11/30/06	N/A	N/A	N/A	N/A	N/A	N/A	
(33)	Community Bank System, Inc.	4,160,034	NY	ONB Corporation	95,457	NY	12/4/06	15,700	Cash	1.69	1.7	21.02	18.96	
	AVERAGE									204%	234%	31.7	24.	
	MEDIAN									196%	223%	24.9	25.	
	MINIMUM VALUE									0.36	0.55	2.4	4.	

NORTHEAST BANKING STOCK TRADING DATA THROUGH 12/29/2006

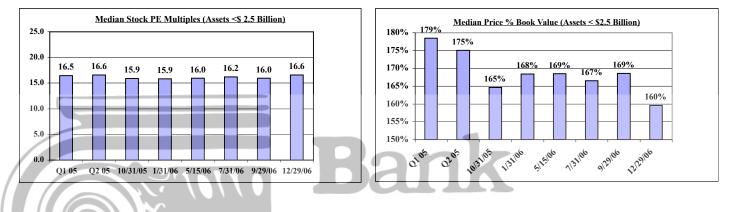
PREPARED BY: BANK ANALYSIS CENTER, INC., HTFD. CT

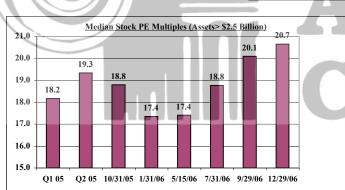
COMMERCIAL BANKS ASSETS GREATER THAN \$2.5 BILLION





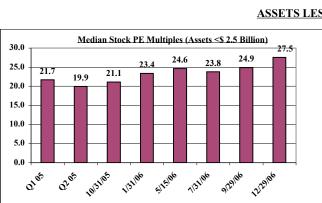
ASSETS LESS THAN \$2.5 BILLION



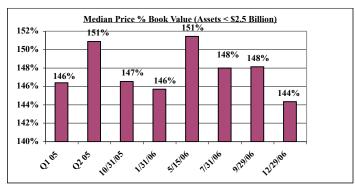


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ASSETS LESS THAN \$2.5 BILLION



PREPARED BY: BANK ANALYSIS CENTER, INC. HARTFORD, CT 860-275-6050 Contact: John S. Carusone, President

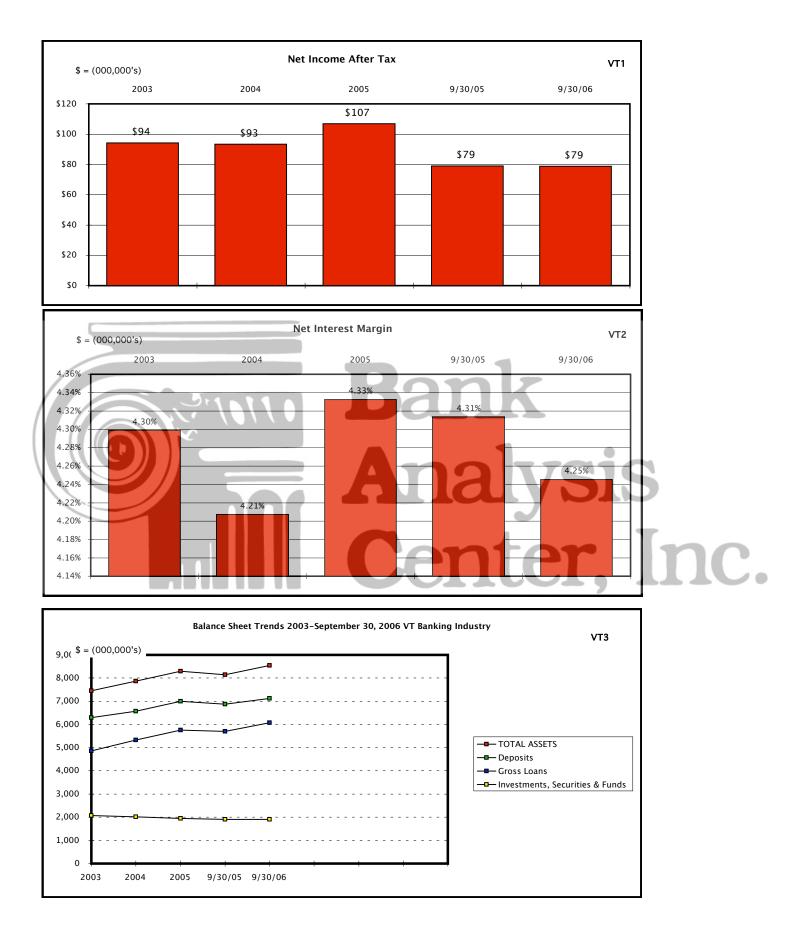
AGGREGATE VERMONT BANKING INDUSTRY DATA AT 9/30/2006

(All Federal and State Chartered Savings Banks, Commercial Banks and Savings & Loan Assocs.) (Note: excludes trust companies and credit unions)

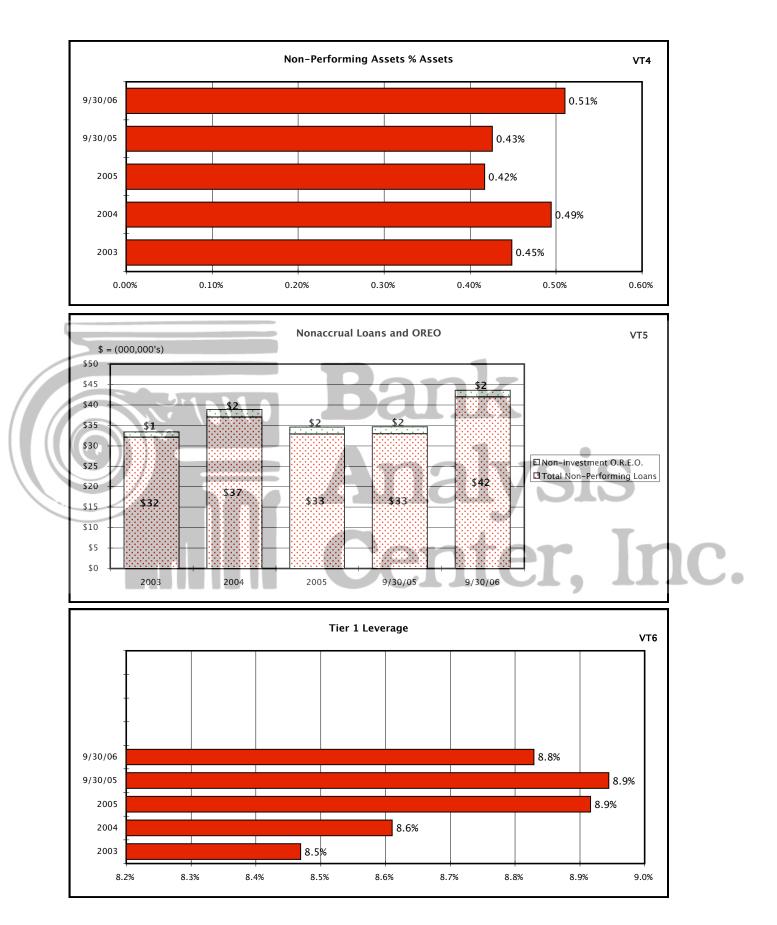
-	(NOTE: \$ in 000,000's @ Period End):	2003	2004	2005	9/30/05	9/30/06	<u>2005</u> -	<u>9/30/06</u>	<u>9/30/05</u> -	9/30/06
	NM = Not Meaningful									
	BASIC DATA:						Increase/(De		Increase/(Dec	
	DASIC DATA.					-	<u>\$</u>	<u>%</u>	\$ NM = Not Meaning	<u>%</u> aful
	INSTITUTION COUNT: (Banks, Savings Banks & S&L's)									,
(1)	Beginning balance # Institutions:	19	19	19	19	19				
(2)	- Number of institutions reduced through mergers	0	0	0	0	0	0			
(3)	+ Number of new institutions receiving permanent new charters	0	0	0	0	0	0			
(4) (5)	 Number institutions failing/retiring in calendar year (Cumulative number of failed institutions) 	0	0	0	0	0	0			
(6)	Ending balance # institutions period end:	19	19	19	19	19	ů 0	0%	0	0%
(7)	# Reporting profits	18	19	19	19	19			-	
(8)	% Reporting Profits	95%	100%	100%	100%	100%				
	BALANCE SHEET DATA:									
(2)	ASSETS									. =
(9) (10)	Gross Loans -Allowance for Loan Losses	4,863 68	5,323 70	5,757 72	5,695 72	6,074 74	317 1	6% 2%	379 2	6.7% 2.1%
(10)	Net Loans	4,795	5,252	5,685	5,623	6,001	316	6%	378	6.7%
(12)	Investments, Securities & Funds	2,071	2,019	1,949	1,907	1,907	(42)	-2%	0	0.0%
(13)	TOTAL EARNING ASSETS	6,866	7,272	7,634	7,530	7,908	274	4%	378	5.0%
(14)	90 Days Past Due Loans	4	7	7	5	6	(1)	-15%	1	27.9%
(15)	+Non-Accrual Loans	28	30	26	28	36	10	39%	8	27.1%
(16)	=Total Non-Performing Loans	32	37	33	33	42	9	27%	9	27.2%
(17)	OREO(Non-Direct Investment)	1	2	2	2	2	(0)	-2%	(0)	-4.1%
(18)	TOTAL NON-PERFORMING ASSETS	33	39	35	35	44	9	26%	9	25.7%
(19)	All Other Assets (Cash Due,Bldgs,Prems.&Equip,Intngs,Other Assets)	554	556	627	581	587	(39)	-6%	7	1.1%
(20)	TOTAL ASSETS	7,453	7,867	8,295	8,145	8,539	244	3%	394	4.8%
	LIABILITIES & EQUITY							-		
(21) (22)	Total deposits All other borrowings & liabilities	6,301 498	6,572 604	7,003 569	6,8 80 548	7,118 680	115 111	2% 19%	238 132	3.5% 24.0%
(22)	Total equity capital and surplus	655	690	723	717	741	18	2%	24	3.3%
(24)	TOTAL LIABILITIES & EQUITY	7,453	7,867	8,295	8,145	8,539	244	3%	394	4.8%
	INCOME STATEMENT:						<u>(Annuali</u>	-		
(25)	Net Interest Earned	293	301	327	243	250	6	2%	7	2.9%
(26) (27)	+Non-Interest Income +Gains/Losses on Securities	93 14	87	93	69	68 (0)	(3)	-3%	(1) (1)	-2.2% NM
(28)	-Non-Interest Expense	253	249	257	191	198	8	3%	7	3.8%
(29)	-Provision for Loan Losses	8	7	7	5	5	(0)	-4%	(0)	-1.7%
(30)	=Pre Tax Income	139	137	157	116	114	(5)	-3%	(2)	-1.9%
(31)	NET INCOME AFTER TAX	94	93	107	79	79	(2)	-2%	(0)	-0.1%
(32)	Charged-Off Loans	11	10	8	6	6	0	2%	0	4.6%
(33)	Cumulative Charged-Off Loans	0	0	0	0	0	0	#DIV/0!	0	#DIV/0!
(34)	Number of full time equiv. employees	2,690	2,735	2,734	2,709	2,772	38	1%	63	2.3%
	PERFORMANCE MEASURES:			• T 1		-				<i>P</i> 1
	(all ratios based on period end data unless otherwise indicated)									
(35)	Non-Performing Loans % Gross Loans	0.7%	0.7%	0.6%	0.6%	0.7%	7			_
(36)	Non-Performing Assets % Assets	0.4%	0.5%	0.4%	0.4%	0.5%				
(37)	Reserve % Non-Performing Loans	212%	190%	219%	219%	176%				
(38)	Return on Average Assets (R.O.A.)	1.29% 14.61%	1.22% 13.87%	1.32% 15.13%	1.32% 14.97%	1.25% 14.37%				
(39) (40)	Return on Average Equity (R.O.E.) Non-Interest Expense % Average Assets	3.5%	3.3%	3.2%	3.2%	3.1%				
(41)	Non-Interest Income % Average Assets	1.3%	1.1%	1.2%	1.2%	1.1%				
(42)	Non-Interest Expense Efficiency Ratio	66.1%	64.6%	61.8%	61.9%	63.4%				
(43)	Net Interest Margin	4.30%	4.21%	4.33%	4.31%	4.25%				
(44)	Tier 1 Leverage	8.5%	8.6% 9.0%	8.9% 9.4%	8.9% 9.4%	8.8%				
(45)	Adjusted Tier 1 Leverage COMPOSITION OF EARNING ASSETS	9.0%	9.0%	9.4%	9.4%	9.2%				
(46)	% Investments, Securities, Funds	30%	28%	26%	25%	24%				
(47)	% Loans (net)	70%	72%	74%	75%	76%				
(48)	Total	100%	100%	100%	100%	100%				
(49)	Loans % Deposits Note: Adjusted Tier 1 everage: (Common equity + non -cumulative pero, preferred + surpli	77%	81%	82%	83%	85%				

Note: Adjusted Tier 1 Leverage: (Common equity + non.-cumulative. perp. preferred + surplus + reserve for loan losses - total non-performing loans - 20% of O.R.E.O. - non-qualifying intangibles + unrealized security gains/(losses) + minority interest in consolidated subsidiaries.)/(total assets - non-qualifying intangibles). SM

VERMONT BANKING INDUSTRY TRENDS AS OF 09/30/06

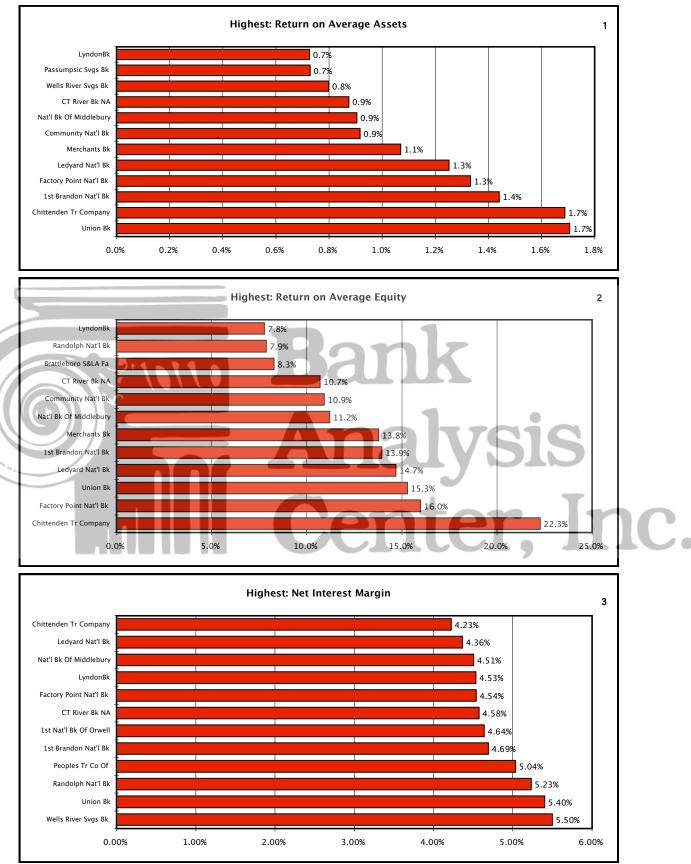


VERMONT BANKING INDUSTRY TRENDS AS OF 09/30/06



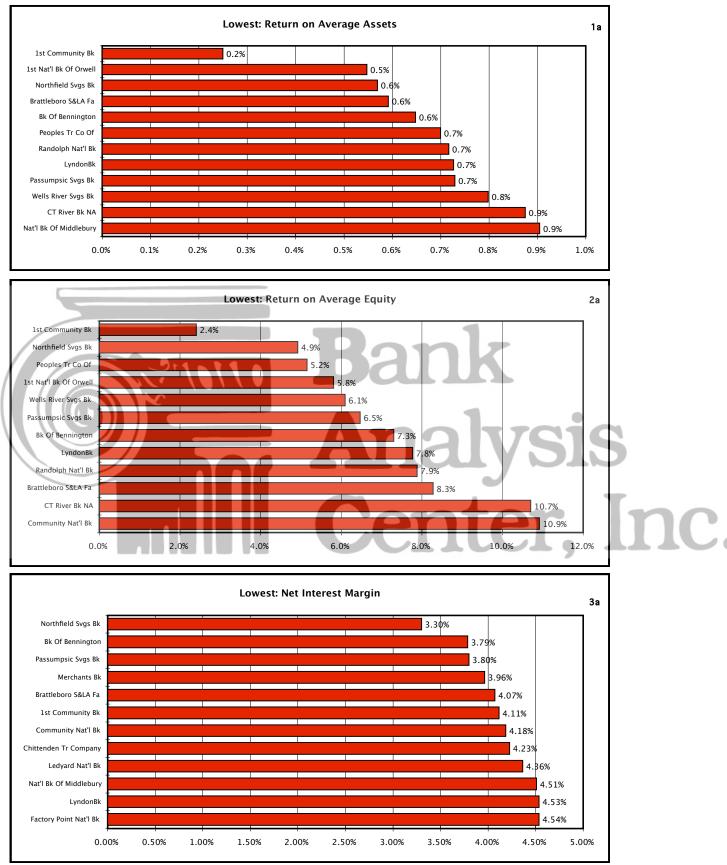
Third Quarter 2006 <u>Vermont Banking Industry Performance Measures</u>

12 Highest Percentage



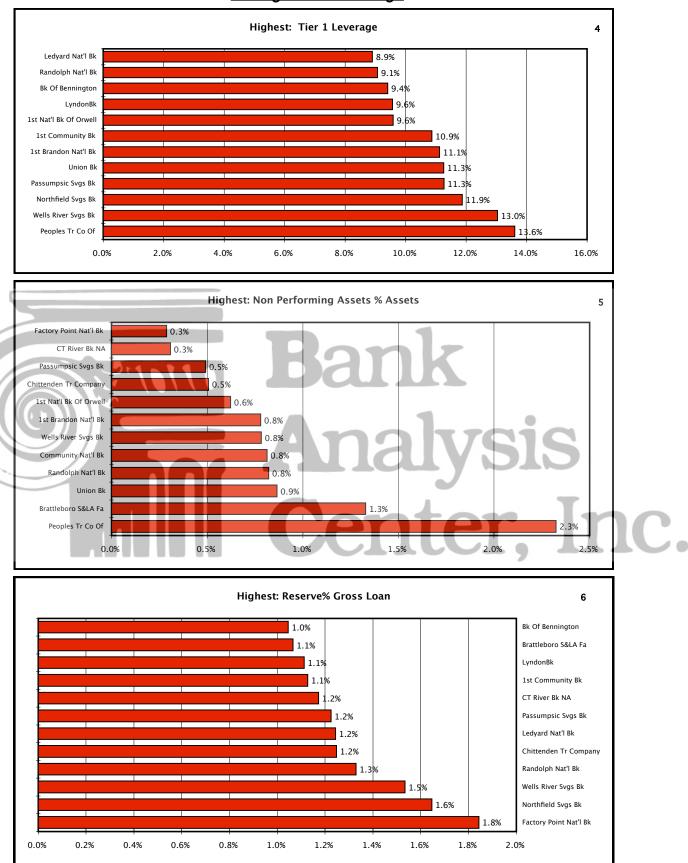
Third Quarter 2006 Vermont Banking Industry Performance Measures

12 Lowest Percentage



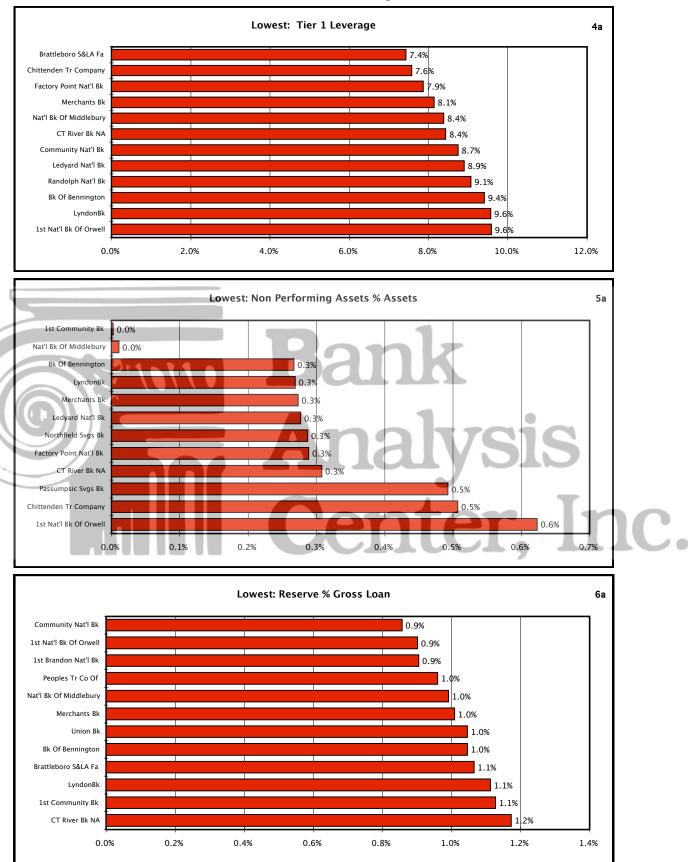
Third Quarter 2006 Vermont Banking Industry Performance Measures

12 Highest Percentage



Third Quarter 2006 <u>Vermont Banking Industry Performance Measures</u>

12 Lowest Percentage



Prepared by: Bank Analysis Center, Inc.

Hartford, Connecticut (860) 275-6050

FINANCIAL CONDITION AND OPERATING PERFORMANCE (DATA AS OF SEPTEMBER 30, 2006:

VERMONT COMMERCIAL BANKS, SAVINGS BANKS & S&L'S FDIC CALL REPORTS)

Contact: Doug Major, V.P.																														
	(1)	(2)	(3)) (4)	(5)	(6)) (7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
			<u>B</u>	BASICI	DATA (S	SELECT,	2			<u>N O N</u>	- P E R	FO	RMI	NG		BA	LANC	ESHEE	T	;	САРІ	TAL		<u>(</u>	OPER	ΑΤΙΝΟ	3	1	PROI	<u>FIT</u>
								UNRLZD.		1																				
				Realized			Investmnts.	Securities		Total				Non-	Loans		Γ	Commercial	Retail	Other		1	Gross		Non-	Non-	Non-	Net	Return	Return
	Total	NET INC	COME	Net	Total	Gross	+ Securities	Gains/	Non-	Non-		Total	Reserve	Perf.	%	Securities		Risk	Risk &	Govt. Risk		Adj.	Loans	Full	Interest	Interest	Interest	Interest	on	on
Bank (\$000's)	Assets	After	Tax	Gains/	Equity	Loans	+Fed Funds	Losses	qualifying	Performing	Non-	Non-	% Non-	Assets	Earning	% Earning	Reserve	Loans	Loans	Loans	Tier 1	Tier 1	% Total	Time	Income	Expenses	Expense	Margin	Average	Average Ban
#	Period	Prior	Current	t (Loss) on	or	Period	Sold	"Held to	Intangible	Loans	Investment P	erforming	Perform.	% Assets	Assets	Assets	% Gross	% Gross	% Gross	% Gross	Levg.	Leverage	Deposits	Equiv.	% Average	% Average	Effciency	(Estimated)	Assets	Equity ;
Bank Name	End	09/05	09/06	Securities	Surplus	End	l (Per. End)	Maturity"	Assets	NA's+90+	0.R.E.O.	Assets	Loans	(Per. End)	(Avg Yr.)	(Avg Yr.)	Loans	Loans (Est.) L	.oans (Est.) Lo	oans (Est.)	Per. End)	(Per. End)	(Per. End)	Employ.	Assets	Assets	Ratio (F	ull Tax Eqv)	(After tax)	(After tax)
ASSETS \$0-\$100 Million														i																
(1) First Brandon National Bank	99,526	909	1,072	9	10,703	64,971	27,586	0	0	776	0	776	76%	0.8%	71%	29%	0.9%	36%	53%	11%		10.9%	75%	38	0.82%	3.44%	66.7%	4.69%	1.44%	13.9% <mark>(1)</mark>
(2) First Community Bank	80,209	240	145	0	8,111	63,502	10,821	0	0	2	0	2	35800%	0.0%	87%	13%	1.1%	64%	33%	3%	10.9%	11.8%		27	0.49%	3.97%	92.0%	4.11%	0.25%	2.4% <mark>(2</mark>)
(3) First National Bank Of Orwell	30,334	165	120	0	2,796	26,064	1,965	0	0	189	0	189	124%	0.6%	91%	9%	0.9%	21%	67%	12%	9.6%	9.7%	102%	12	0.99%	4.38%	82.3%	4.64%	0.55%	5.8% (3)
														i. I														i		i
SUBTOTAL	210,069	1,314	1,337	9	21,610	154,537	40,372	0	0		0	967	159%	0.5%	80%			45%	47%	8%		11.1%		77	0.72%	3.77%	78.48%	4.47%	0.87%	8.5%
MEDIAN	80,209	240	145	0	8,111	63,502	10,821	0	0	189	0	189	124%	0.6%	87%	13%	0.9%	36%	53%	11%	10.9%	10.9%	95%	27	0.82%	3.97%	82.28%	4.64%	0.55%	5.8%
ASSETS \$100-\$250 Million										1 1 1				1						ļ								1		
(4) Bank Of Bennington	221,992	1,104	1,002	0	18,874	181,928	23,712	0	0	578	15	593	329%	0.3%	93%	7%	1.0%	32%	68%	0%	9.4%	10.1%	140%	52	0.46%	3.11%	80.7%	3.79%	0.65%	7.3% (4)
(5) Brattleboro S&LA Fa	159,577	546	691	0		142,876	5,150	0	0	1,729	390	2,119	88%	1.3%	96%	4%		26%	74%	0%		7.2%		47	1.02%	3.78%	79.8%	4.07%	0.59%	8.3% (5)
(6) Connecticut River Bank NA	224,193	1,503	1,503	0	19,216	182,132	27,686	(143)	503	430	260	690	497%	0.3%	85%	15%	1.2%	46%	52%	2%	8.4%	9.1%	93%	99	0.89%	3.66%	71.3%	4.58%	0.87%	10.7% (6)
(7) Lyndonbank	155,039	1,092	822		,	103,025	38,376	0	0	417	0	417	275%	0.3%	71%			43%	47%	10%		10.0%		65	0.64%	3.71%	77.8%	4.53%	0.73%	7.8% (7)
(8) National Bank Of Middlebury	220,629	1,418	1,458	0	,	150,777	50,691	5	137		0	24	6229%	0.0%	74%			33%	65%	2%		9.1%		70	0.67%	3.50%	73.2%	4.51%	0.90%	11.2% (8)
(9) Peoples Tr Co Of St Albans (10) Randolph National Bank	204,489 138,968	1,422 904	1,090 738	(85)	28,428 12,746	133,342 108.026	55,343 20,333	(25)	286	4,559	195	4,754 1.142	28% 126%	2.3% 0.8%	71% 85%			45% 40%	42% 58%	13% 2%		12.0% 9.2%		110 57	0.74% 0.41%	4.06% 4.09%	75.8% 77.3%	5.04% 5.23%	0.70% 0.72%	5.2% (9) 7.9% (10)
(11) Wells River Svgs Bank	112.876	904	665			66,405		(48)	0		0	884	115%	0.8%	65%	35%		28%	70%	2%		13.2%		49	0.41%	4.09%	76.1%	5.50%	0.80%	6.1% (11)
(III) Hone rater enge bank		0.0	000	(0)	11,010	00,100	0 1,07 0	Ŭ	Ŭ		0	001	11070	0.070	00,0	0070		2070		270	10.070	10.270	. 270	10	0.0070	1.2270	10.170	0.0070	0.0070	0.1.70 (1.1)
SUBTOTAL	1,437,763	8,962	7,969	(93)	137,830	1,068,511	255,964	(211)	926	9,763	860	10,623	122%	0.7%	81%			37%	60%	3%		9.9%		549	0.69%	3.72%	77.60%	4.59%	0.75%	7.9%
MEDIAN	182,033	1,098	912	0	16,402	138,109	31,180	0	0	731	8	787	200%	0.5%	79%	21%	1.1%	36%	62%	2%	9.2%	9.6%	91%	61	0.65%	3.75%	76.69%	4.56%	0.72%	7.8%
														- i						i		i						i		i i
ASSETS \$250-\$500 Million (12) Community National Bank	358.206	2.491	2.447	0	30,385	265.985	62.620	0	1.055	2.913	0	2.913	78%	0.8%	79%	21%	0.9%	33%	65%	2%	8.7%	8.6%	90%	128	0.86%	3 38%	72.0%	4.18%	0.92%	10.9% (12)
(13) Factory Point National Bank	338.024	3.236	3.286		,	226,837	90,156	0	2.299	975	0	975	429%	0.3%	73%			56%	42%	2%		8.8%		100	0.00%	2.98%	58.0%	4.54%	1.33%	16.0% (12)
(14) Ledyard National Bank	309,357	2,522	2,798	0	26,422	219,102	71,065	(824)	0	857	0	857	318%	0.3%	75%	25%	1.2%	58%	42%	0%		9.2%		86	2.10%	4.04%	65.4%	4.36%	1.25%	14.7% (14)
(15) Passumpsic Svgs Bank	436,584	2,368	2,304		48,689	338,202	70,131	(198)	1,307	1,938	212	2,150	214%	0.5%	83%			45%	54%	1%		11.7%		153	0.74%	3.28%	76.4%	3.80%	0.73%	6.5% (15)
(16) Union Bank	374,589	4,475	4,791	22	42,132	317,894	33,735	0	318	3,062	177	3, 239	109%	0.9%	89%	11%	1.0%	53%	39%	8%	11.3%	11.3%	102%	173	1.03%	3.58%	58.9%	5.40%	1.71%	15.3% (16)
SUBTOTAL	1.816.760	15,092	15.626	354	475 700	1,368,020	327.707	(1.022)	4.979	9,745	389	10,134	171%	0.6%	80%	20%	1.2%	48%	49%		9.7%	10.1%	94%	640	4.000/	0.400/	67.10%	4.45%	1.17%	12.1%
MEDIAN	358,206	2,522	2,798		175,739 30,385	265,985	70,131		4,979	1,938	369 0	2,150	214%		79%			48% 53%	49%	3% 2%		9.2%		128	1.08% 0.91%	3.43% 3.38%	65.38%	4.45%	1.17%	14.7%
	000,200	2,022	2,700	Ŭ	00,000	200,000	10,101	Ŭ	1,000	1,000	0	2,100	21470	0.0701	1070	2170	1.270	0070	4270	2701	0.070	0.2 /01	0070	120	0.0170	0.0070	00.0070	4.00701	1.2070	14.770
ASSETS \$500-\$1 Billion	<u> </u>				N 6										1															1
(17) Northfield Svgs Bank	556,818	2,572	2,289	0	63,160	404,253	110,938	0	0	1,598	0	1,598	417%	0.3%	78%	22%	1.6%	29%	70%	1%	11.9%	12.8%	86%	142	0.50%	2.87%	80.7%	3.30%	0.57%	4.9% (17)
														0.00/								10.00/								1.001
SUBTOTAL MEDIAN	556,818 556,818	2,572 2,572	2,289 2,289	0	63,160 63,160	404,253 404,253		0	0		0	1,598 1,598	417% 417%	0.3% 0.3%	78% 78%			29% 29%	70% 70%	1% 1%		12.8% 12.8%		142 142	0.50% 0.50%	2.87% 2.87%	82.11% 80.68%	3.30% 3.30%	0.57% 0.57%	4.9% 4.9%
MEDIAN	550,610	2,372	2,209	0	03,100	404,255	110,936	0	0	1,590	0	1,590	41770	0.3%	1070	22%	1.0%	29%	70%	170	11.970	12.0%	00%	142	0.50%	2.0170	00.00%	3.30%	0.57%	4.9%
ASSETS OVER \$1 Billion		A 19											-										_							-
(18) Chittenden Trust Company	3,387,390	41,266	42,800	0	255,009	2,399,676	794,373	0	25,118	17,057	112	17,169	175%	0.5%	74%	26%	1.2%	57%	34%	10%	7.6%	8.0%	79%	1,078	1.39%	2.76%	51.4%	4.23%	1.69%	22.3% (18)
(19) Merchants Bank	1,129,918	9,779	8, 8 61	(452)	87,425	679,272	377,697	194	336	2,773	312	3,085	247%	0.3%	63%	37%	1.0%	51%	48%	1%	8.1%	8.5%	79%	286	0.92%	3.13%	68.0%	3.96%	1.07%	13.8% <mark>(19)</mark>
	1 5 1 7 0 5 5	54.045			0.40.46.1	0.070.010	1 170 175	10/	05.45	10.000	10.1	00.05	10051	0.455	and the second	0000	1.051	F50/	070/		7 70	0.401	7051	1000	1.0001	0.05%	55 5001	1 100	1 5 4 5 4	00.4%
SUBTOTAL MEDIAN	4,517,308 2, 25 8,654	51,045 25,523	51,661 25,831		342,434 171,217	3,078,948 1,539,474		194 97	25,454 12,727		424 212	20,254 10,127	186% 211%	0.4% 0.4%	71% 68%		1.2% 1.1%	55% 54%	37% 41%	8%	7.7% 7.9%	8.1% 8.2%		1,364 682	1.28% 1.16%	2.85% 2.94%	55.59% 59.70%	4.16% 4.09%	1.54% 1.38%	20.1% 18.0%
INCOLAN	2,200,034	20,023	20,001	(220)	1/1,21/	1,008,474	560,055	31	12,121	9,910	212	10,127	21170	0.4 /01	00%	52%	1.170	54 /0	4170	5%	1.970	0.2%	1 5 70	002	1.10%	2.34 /0	59.10%	4.03 /0	1.50 /0	10.0 /0
VERMONT	8,538,718	78,985	78,882	(182)	740,773	6,074,269	1,907,051	(1,039)	31,359	41,903	1,673	43,576	176%	0.5%	75%	25%	1.2%	49%	46%	5%	8.8%	9.2%	85%	2,772	1.07%	3.14%	63.40%	4.25%	1.25%	14.4%
			-																							-				

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VERMONT BANKS STOCK REPORTS (BASIC DATA AS OF SEPTEMBER 30, 2006 PRICING DATA AS OF 12/29/06)

\$=000's; except per share which is in \$					<u>BASIC I</u>	DATA DATE				SHARE INI	ORMATION DA	<u>r a</u>		DIVIDEND DATA							PRICING DATA									
LTM=Latest 12 Months	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)				
							Total	Total LTM	Common	Book	Tangible	Diluted EPS after	Median EPS	Quarterly	Dividends	Current			High	Low		Avg Daily	Price/LTM	Price/	12 Mth					
			Filing	Total	Total	Total	Tangible	Net	Shares	Value	Book Value	Extrdnry.	Estimate (\$)	Dividends	Declared (\$)	Dividend	High	Low	Price	Price	Price (\$)	Vol	Earnings	Book (%)		12 Mth				
Company Name	Ticker	Industry	Date	Assets	Deposits	Equity	Equity	Income	Outstanding	per Share (\$)	per Share (\$)	(\$)LTM	Current Year	Declared (\$)	LTM	Yield (%)	Price (\$)	Price (\$)	Date	Date	12/29/06	12/29/06	12/29/06	12/29/06	Chg	Return				
(1) Central Financial Corporation	CEVT	Bank	06/30/06	139,706	111,095	12,592	12,592	1,198	128,581	\$97.93	\$97.93	NA	NA	\$0.00	\$0.00	0.0%	\$134.00	\$118.00	05/04/06	08/25/06	\$125.00	0 NA		127.6%	-3.85%	-3.85% (1)				
(2) Chittenden Corporation	CHZ	Bank	09/30/06	6,466,089	5,499,131	680,709	449,010	84,745	45,994,341	\$14.80	\$9.76	\$1.81	\$1.83	\$0.20	\$0.78	2.6%	\$31.40	\$24.60	12/28/06	07/13/06	\$30.69	139,104	17.0	207.4%	10.4%	13.4% (2)				
(3) Community Bancorp.	CMTV	Bank	09/30/06	358,334	295,409	30,021	30,021	3,277	4,115,096	\$7.30	\$7.30	\$0.79	NA	\$0.17	\$0.68	5.1%	\$16.00	\$12.50	03/29/06	06/07/06	\$13.25	242	16.8	181.5%	-17.2%	-13.2% (3)				
(4) Factory Point Bancorp, Inc.	FAPB	Bank	09/30/06	338,024	269,559	28,230	25,931	4,395	4,069,273	\$6.93	\$6.37	\$1.08	NA	\$0.17	\$0.77	4.9%	\$16.95	\$13.50	01/10/06	12/27/06	\$13.84	1,563	12.8	199.7%	-13.5%	-10.1% (4)				
(5) First Brandon Financial Corporation	FBDN	Bank	06/30/06	92,979	79,572	10,093	10,093	1,271	499,860	\$20.19	\$20.19	NA	NA	\$0.00	\$0.00	0.0%	\$42.00	\$26.50	12/15/06	01/17/06	\$41.25	35	NA	204.3%	55.7%	55.7% (5)				
(6) LyndonBank	LYSB	Bank	09/30/06	155,039	125,630	14,289	14,289	1,102	NA	NA	NA	\$1.08	NA	\$0.20	\$0.77	4.4%	\$18.30	\$17.50	10/10/06	02/15/06	\$18.30	0	16.9	NA	4.6%	9.1% (6)				
(7) Merchants Bancshares, Inc.	MBVT	Bank	09/30/06	1,126,197	857,058	68,762	68,426	10,968	5,941,680	\$10.99	\$10.94	\$1.73	\$1.78	\$0.28	\$1.12	4.9%	\$25.11	\$19.95	02/27/06	11/01/06	\$22.93	8,121	13.3	208.6%	-4.6%	-0.1% (7)				
(8) Middlebury National Corporation	MDVT	Bank	06/30/06	214,252	161,402	18,695	18,695	1,909	890,000	\$21.00	\$21.00	\$1.98	NA	\$0.00	\$0.34	2.4%	\$32.50	\$29.00	05/31/06	09/19/06	\$30.25	38	15.3	144.1%	-8.3%	-8.3% (8)				
(9) Peoples Trust Company of St. Albans	PPAL	Bank	09/30/06	204,489	175,043	28,428	28,428	1,483	726,254	\$39.14	\$39.14	NA	NA	\$0.00	\$0.00	2.0%	\$49.75	\$45.00	10/10/06	02/10/06	\$49.75	0	NA	127.1%	19.9%	19.9% (9)				
(10) Union Bankshares, Inc.	UNB	Bank	09/30/06	375,039	308,932	42,635	42,635	6,584	4,540,740	\$9.39	\$9.39	\$1.45	NA	\$0.28	\$1.06	5.0%	\$24.15	\$20.25	01/25/06	10/03/06	\$22.39	1,314	15.4	238.5%	-1.8%	3.1% (10)				

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- Acquisition Strategy Formulation
- Organizational Structure & Management Review
- Review of Competitive Position on Markets, Products & Services
- Profit Improvement and Performance Review
- Expense Reduction Evaluation
- Market Research

Internet Banking

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