

**For Immediate Release**

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**Bangor Savings Bank and Granite Bank Announce Agreement to Merge**  
*Bangor Savings Bank further expands its footprint in northern New England*

**BANGOR, ME and COLEBROOK, N.H.** – Bangor Bancorp, MHC, parent company of Bangor Savings Bank and Colebrook, New Hampshire-based First Colebrook Bancorp, Inc. (OTCQX: FCNH), parent company of Granite Bank, today jointly announced plans for Granite Bank to merge into Bangor Savings Bank. The merger agreement was unanimously approved by the Boards of Directors of both bank holding companies and their subsidiary banks on Monday, October 23, 2017.

Under the terms of the transaction, shareholders of First Colebrook Bancorp will receive \$45.00 in cash in exchange for each share of First Colebrook Bancorp stock for a transaction valued in aggregate at approximately \$45 million. The consideration represents approximately 185% of First Colebrook Bancorp's tangible book value per share as of June 30, 2017.

Earlier this year, Bangor Savings Bank expanded its footprint into New Hampshire by opening a limited service branch in Portsmouth, New Hampshire, offering mortgage and business/commercial lending, along with payroll and merchant services. The merger with Granite Bank complements the Bank's long-term vision to provide highly accessible and trusted local financial services to even more customers in northern New England.

"We're excited to welcome Granite Bank to the Bangor Savings Bank family," said Bangor Savings President and CEO Bob Montgomery-Rice. "Both banks share a culture of developing real relationships with customers, and making their banking life easier."

"As a mutual bank, we are accountable only to our Board, our employees, our customers, and our communities. Because of that, we've been able to retain the personal approach and local perspective of a smaller bank – with a focus on valuing and listening to customers. At the same time, we've been able to drive growth and improve the customer experience by significantly investing in new branches, technology that makes customers feel safe and secure, and new product and services. We feel that makes us a good fit for a great bank like Granite, and we're happy that they agree," Montgomery-Rice stated.

Scott Cooper, Granite Bank President and CEO, added, “This transaction should be beneficial to the shareholders, customers, and communities served by First Colebrook and Granite Bank. It should also provide attractive opportunities for many employees. Like Granite Bank, Bangor Savings has a long history of serving, and valuing, both rural and urban communities. We are confident that our customers will continue to experience the exceptional level of customer service they have come to know in banking with us, while enjoying access to additional products and services that a larger community bank like Bangor can offer. Bangor Savings is a consistent *Best Place to Work in Maine* organization that describes their employees as their most valuable asset. We have confidence that our employees, as well as our customers and the communities we serve, will continue to be in good hands.”

Pending regulatory and First Colebrook Bancorp, Inc. shareholder approvals, Bangor Savings Bank intends to complete the transaction in the second quarter of 2018. After completion of the merger, the combined entity will have over \$4.0 billion in assets and 59 branch offices throughout Maine and New Hampshire.

Bangor Savings Bank is committed to the success of the communities in which they operate. That commitment will extend to the existing Colebrook banking offices and surrounding communities it has served for so long.

Bangor Savings Bank is currently constructing a multi-million-dollar corporate campus on the waterfront of Bangor, Maine, where it was founded more than 165 years ago. The new campus will consolidate several existing sites around the city, position the Bank for future growth, and house more than 350 Bangor-based employees when completed in November of 2018, with capacity for up to 500 employees.

FIG Partners, LLC served as financial advisor to Bangor Bancorp, MHC and Hogan Lovells US LLP served as its legal counsel. Sander O’Neill + Partners served as financial advisor to First Colebrook Bancorp and provided a fairness opinion to its Board of Directors and Cranmore, FitzGerald & Meaney served as its legal counsel.

## **Forward-Looking Statements**

This press release contains statements that may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, and this statement is included for purposes of complying with these safe harbor provisions. Readers should not place undue reliance on such forward-looking statements, which speak only as of the date made. These forward-looking statements are based on current plans and expectations, which are subject to a number of risk factors and uncertainties that could cause future results to differ materially from historical performance or future expectations. These differences may be the result of various factors, including, among others: (1) failure of the parties to satisfy the closing conditions in the merger agreement in a timely manner or at all; (2) failure of the shareholders of

First Colebrook Bancorp, Inc. to approve the merger agreement; (3) failure to obtain governmental approvals for the merger; (4) disruptions to the parties' businesses as a result of the announcement and pendency of the merger; (5) costs or difficulties related to the integration of the business following the proposed merger; (6) the risk that the anticipated benefits, cost savings and any other savings from the transaction may not be fully realized or may take longer than expected to realize; (7) changes in general business, industry or economic conditions or competition; (8) changes in any applicable law, rule, regulation, policy, guideline or practice governing or affecting financial holding companies and their subsidiaries or with respect to tax or accounting principles or otherwise; (9) adverse changes or conditions in the capital and financial markets; (10) changes in interest rates or credit availability; (11) the inability to realize expected cost savings or achieve other anticipated benefits in connection with the proposed merger; (12) changes in the quality or composition of loan and investment portfolios; (13) adequacy of loan loss reserves and changes in loan default and charge-off rates; (14) increased competition and its effect on pricing, spending, third-party relationships and revenues; (15) loss of certain key officers; (16) continued relationships with major customers; (17) deposit attrition, necessitating increased borrowings to fund loans and investments; (18) rapidly changing technology; (19) unanticipated regulatory or judicial proceedings and liabilities and other costs; (20) changes in the cost of funds, demand for loan products or demand for financial services; and (21) other economic, competitive, governmental or technological factors affecting operations, markets, products, services and prices.

The foregoing list should not be construed as exhaustive, and Bangor Bancorp, MHC and First Colebrook Bancorp, Inc. undertake no obligation to subsequently revise any forward-looking statements to reflect events or circumstances after the date of such statements, or to reflect the occurrence of anticipated or unanticipated events or circumstances.

### **Additional Information About the Transaction**

In connection with the proposed transaction, First Colebrook Bancorp, Inc. will distribute a proxy statement to its shareholders in connection with a special meeting of shareholders to be called and held for the purposes of voting on approval of the transaction and related matters.

**BEFORE MAKING ANY VOTING OR INVESTMENT DECISIONS REGARDING THE PROPOSED TRANSACTION, FIRST COLEBROOK BANCORP, INC.'s SHAREHOLDERS AND INVESTORS ARE URGED TO READ THE PROXY STATEMENT AND ITS EXHIBITS BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT FIRST COLEBROOK BANCORP, INC. AND THE PROPOSED TRANSACTION.**

Copies of the proxy statement will be mailed to all shareholders prior to the special meeting. Shareholders and investors may obtain additional free copies of the proxy statement when it becomes available by directing a request by telephone or mail to First

Colebrook Bancorp, Inc., 132 Main Street, Colebrook, NH 03576, Attention: Avis Brosseau, Senior Vice President and Chief Financial Officer (telephone: 603-237-7016).

First Colebrook Bancorp, Inc. and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders First Colebrook Bancorp, Inc. in connection with the special meeting of shareholders. Information about the directors and executive officers of First Colebrook Bancorp, Inc. is set forth in the proxy statement for First Colebrook Bancorp Inc.'s 2017 annual meeting of shareholders. Additional information regarding the interests of these participants and other persons who may be deemed participants in the proxy solicitation may be obtained by reading the proxy statement for the special meeting of shareholders when it becomes available.

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**About First Colebrook Bancorp, Inc.**

*First Colebrook Bancorp, Inc. is a single bank holding company formed in 1984 and headquartered in Colebrook, New Hampshire. Its wholly owned subsidiary, Granite Bank, was established in 1889 and has current assets of \$262.4 million. Granite Bank operates four full service banking offices located in Colebrook, Concord, Amherst and Portsmouth, New Hampshire.*

**About Bangor Savings Bank**

*Bangor Savings Bank, with more than \$3.7 billion in assets, offers retail banking to consumers as well as comprehensive commercial, corporate, payroll administration, merchant services, and small business banking services to businesses. The Bank, founded in 1852, is in its 166th year, with 55 branches and on the Web at [www.bangor.com](http://www.bangor.com). The Bangor Savings Bank Foundation was created in 1997. In 2016, the Bank and its Foundation invested \$1.7 million into Maine's communities in the form of nonprofit sponsorships, grants and partnership initiatives.*

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