

The following is BAC's Quarterly Review of the Vermont banking industry for the quarter ending March 31, 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 7/31/06 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 March 31, 2006:

FIRST QUARTER 2006 STATUS REPORT:

On an aggregate basis, the 19 remaining banks in Vermont (steady at 19 since December of 2003), recorded a .8% **increase** in earnings for the twelve month period ending 3/31/06 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 1st quarter 2005 and 8 institutions (42%) reported an increase. The median performance for all institutions was a -4.7% decrease from the 1st quarter of 2005. Nonetheless, 100% of all institutions were profitable during Q1-06. Here is the aggregate data; individual institutional data is contained on pages 9-14.

19 VERMONT INSTITUTIONS	12 Months	3 Months	3 Months	%
(see page 6-8 for complete details)	Ending:	Ending:	Ending:	Change
	12/31/05	<u>3/31/05</u>	<u>3/31/06</u>	Q1-05 vs Q1-06
Net Income After Tax (\$ millions)	\$107	\$25	\$25	0.8%
Return on Assets (R.O.A.)	1.32%	1.28%	1.22%	
Gross Loans (\$ billions)	\$5.7	\$5.3	\$6	9.3%
Deposits (\$ billions)	\$7.0	\$6.5	\$7	5.8%
Net Interest Margin	4.33%	4.29%	4.23%	
Efficiency Ratio	61.8%	63.2%	64.4%	
Non-Interest Inc. % Avg. Assets	1.2%	1.1%	1.1%	
Non-Performing Assets (\$ millions)	\$35	\$35	\$39	12.9%
Tier 1 Leverage	8.9%	8.8%	8.7%	
Reserves % Non-Perf. Loans	219%	215%	191%	
Provision for Losses (\$ millions)	\$7	\$2	\$1	-9.4%
Liquidity (loans % deposits)	82%	82%	85%	

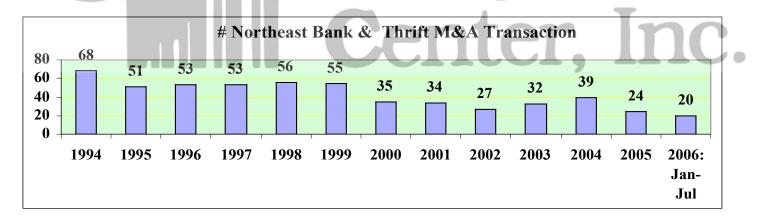
We include below 3-*month* summary data (as of 3/31/06) on the banking industries in each of the six New England states along with New York, New Jersey and Pennsylvania:

NORTHEAST BANKING D.	ATA as o	of 3/31/0	6				New			
(\$=Billions, except net inc.)	CT	ME	MA	NH	RI	VT	Eng.	NY	NJ	PA
# Banking Institutions	57	37	189	26	12	19	340	202	132	254
% Institutions Profitable	95%	97%	95%	100%	92%	100%	96%	90%	89%	89%
Total Assets (\$ Bils)	\$64	\$57	\$235	\$19	\$20	\$8	\$401	\$1,252	\$151	\$401
Total Deposits (\$ Bils)	\$47	\$39	\$165	\$13	\$13	\$7	\$283	\$857	\$104	\$286
Gross Loans (\$ Bils)	\$43	\$38	\$92	\$13	\$12	\$6	\$204	\$676	\$80	\$238
Net Inc. After Tax (\$ Mils)	\$157	\$133	\$622	\$52	\$60	\$25	\$1,049	\$4,129	\$409	\$1,023
Return on Assets (R.O.A.)	1.00%	1.02%	1.07%	1.09%	1.22%	1.22%	1.06%	1.35%	1.09%	1.03%
Return on Equity (R.O.E.)	8.62%	5.72%	12.23%	11.21%	14.38%	14.21%	10.2%	13.70%	10.16%	11.32%
Net Interest Margins	3.49%	4.14%	2.42%	3.42%	3.15%	4.23%	2.92%	3.22%	2.85%	3.09%
Efficiency Ratio	64.8%	63.77%	68.9%	57.2%	57.5%	64.4%	66.6%	62.1%	53.3%	63.6%
Non-Perf. Assets % Assets	0.20%	0.30%	0.10%	0.20%	0.10%	0.50%	0.20%	0.40%	0.20%	0.30%

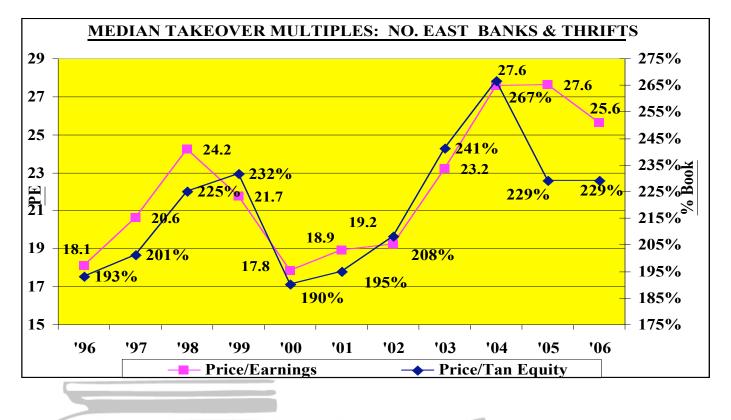
MERGER / ACQUISITION DATA AND COMPARATIVE STOCK PRICE MULTIPLES:

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 July 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 31 transactions in the Northeast <u>completed</u> over the last 12 months between July 2005 and July 2006 the median price for all deals (banks & thrifts) was approximately 229% of tangible book equity and a multiple of 25X 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.

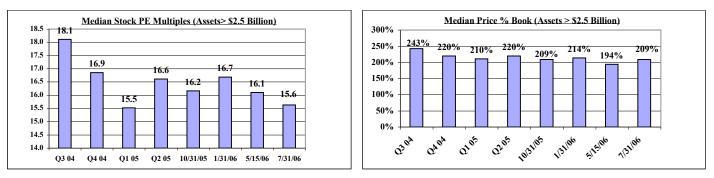
John S. Carusone, President

22 20 18 10 14 12	PE RATIOS: BANKS & TH 4.0 2.0 0.0 3.0 5.0 4.0 5.0 4.0 96 97 98 99 '00 '01 → BNKS & THRI 4.0 96 97 98 99 '00 '01	14.3 14.3 '02 '03 TTS PE (SNL)	7.3	Northeast B Latest 12 '05 '06	Acquisitio nks & Thi Mos. (LT 5 - July '06	ns: ifts M)	29 27 25 23 21 21 21 21 21 21 21 21 201 21 201 201	24.2 2255 % 20.6 .1 '97 '98 'rice/Earni	17.8 '99 '00 '01	27.6 27.6 27.6 241% 25.0 200% 23.2 200% 200% 200% 200% 18.9 19.2 180% 160% 160% 160% 160% PRICE: % % Tan. (X) LTM % Equity For Large Parts					
	Buyer	Assets \$MM's	State	Target	Assets \$MM's	State	Completion	Deal \$ \$ MM's	Payment	% Equity			% Deps		
	(1) Fulton Financial Corporation	11,158,351	PA	SVB Financial Services, Inc.	482,958	NJ	7/1/05	91,451	Cash,Common S	2.89	2.89	25.24	21.2		
	(2) Community Banks, Inc.	1,955,811	PA	PennRock Financial Services	1,146,879	PA	7/1/05	280,211	Common Stock	2.62	2.93	22.61	32.72		
	(3) Citizens & Northern Corp.	1,135,433	PA	Canisteo Valley Corporation	42,500	NY	8/31/05	N/A	Cash	N/A	N/A	N/A	N/A		
	(4) Willow Grove Bancorp, Inc.	993,120	PA	Chester Valley Bancorp, Inc.	669,115	PA	8/31/05	132,651	Cash,Common S	2.34	2.49	25.81	27.76		
	(5) F.N.B. Corporation	5,609,386	PA	North East Bancshares, Inc.	66,647	PA	10/7/05	14,765	Common Stock	2.15	2.16	N/A	24.85		
	(6) Interchange Financial Services Corp.	1,488,849	NJ	Franklin Bank	81,046	NJ	10/13/05	22,151	Common Stock	1.94	1.94	13.53	26.34		
1	(7) Beneficial Mutual Bancorp	2,387,934	PA	Northwood Savings Bank	9,251	PA	11/14/05	N/A	N/A	N/A	N/A	N/A	N/A		
	(8) UCBH Holdings Inc.	7,037,174	CA	Asian American Bank & Trust (127,121	MA	11/29/05	34,300	Cash,Common S	1.95	1.95	61.69	31.4		
	(9) New York Community Bancorp, Inc.	NY	Long Island Financial Corp.	539,679	NY	12/30/05	62,984	Common Stock	2.2	2.2	19.39	15.75			
	(1) Hudson Valley Holding Corp.	25,204,692 1,877,914	NY	New York National Bank	138,565	NY	1/3/06	13,404	Cash,Preferred S	1.88	1.88	N/A	10.4		
	(2) NewAlliance Bancshares, Inc.	6,490,974	СТ	Cornerstone Bancorp, Inc.	232,789	СТ	1/3/06	52,877	Cash,Common S	1.93	1.93	32.6	28.18		
	(3) 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		
1	(4) 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		
	(5) First Republic Bank	8,441,586	CA	First Signature Bank & Trust Co		NH	1/31/06	N/A	N/A	N/A	N/A	N/A	N/A		
	(6) 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		
	(7) 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		
	(8) TD Banknorth, Inc.	31,784,335		Hudson United Bancorp	432,975		2/1/06	1,923,126	Cash,Common S	3.67	4.55	17.03	28.09		
	(9) Two River Community Bank	258,513	NJ	The Town Bank	147,005		4/3/06	40,321	Common Stock	2.36	2.36	24.79	25.67		
	(9) Two Kiver Community Bank10) Susquehanna Bancshares, Inc.	7,539,967	PA	Minotola National Bank	623,434	NJ	4/21/06	165,112	Cash,Common Stock	2.04	2.30	24.79	30.14		
	 Susquenanna Bancshares, Inc. New York Community Bancorp, Inc. 	25,014,944	_	Atlantic Bank of New York	2,916,664		4/28/06	400,000	Cash	1.45	1.76	12.83	23.91		
	12) Orrstown Financial Services Inc.	581,180	PA	First National Bank of Newport	123,155	PA	5/1/06	400,000 32,855	Cash,Common S	2.43	2.43	22.64	31		
		-			320,510	PA NY		· ·	Cash,Common S				-		
	13) Cathay General Bancorp, Inc.14) Wilshira Panaorp, Inc.	6,157,499 1,457,025	CA	Great Eastern Bk Liberty Bank of New York	320,510 55,704		5/15/06 5/22/06	84,944	· · · ·	2.62 N/A	2.62 N/A	30.37 N/A	28.72		
	14) Wilshire Bancorp, Inc.15) END Comparation	1,457,025 5,703,659		Liberty Bank of New York	382,139	N Y PA		14,600	Cash,Common S			60.73	N/A		
	15) F.N.B. Corporation		PA	Legacy Bank	· · · ·		5/26/06	63,016	Cash,Common S	1.66	2.11		21.36		
	16) Sovereign Bancorp, Inc.	62,941,898	PA	Independence Community Bank		NY	6/1/06	3,577,980	Cash	1.52	3.41	17.76	31.47		
`	17) 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		
	18) Flushing Financial Corp.10) 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		
<u> </u>	19) Franklin Financial Services Corporati	-	PA	Fulton Bancshares Corporation	139,131	PA	7/1/06	23,530	Cash,Common S	1.6	1.6	N/A	21.76		
(20) 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		
	AVERAGE									223%	244%	31.5	26.6%		
	MEDIAN									208%	223%	25.1	<mark>26.3%</mark>		
	MINIMUM VALUE									1.45	1.52	12.83	10.4		

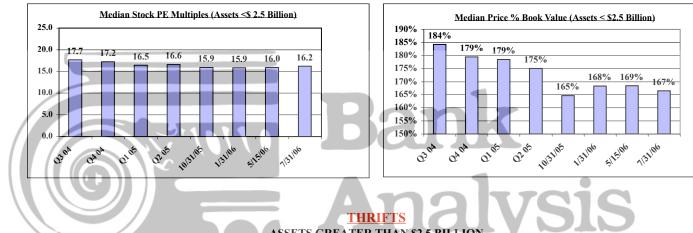
NORTHEAST BANKING STOCK TRADING DATA THROUGH 7/31/2006

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

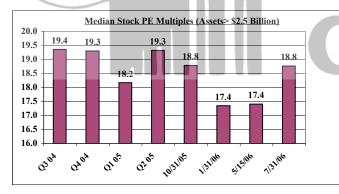
COMMERCIAL BANKS ASSETS GREATER THAN \$2.5 BILLION

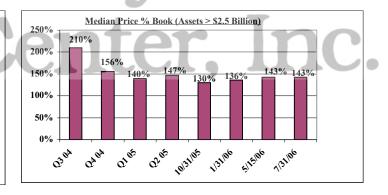


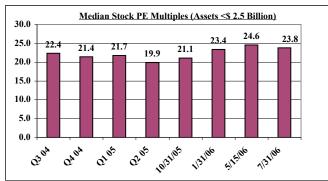
ASSETS LESS THAN \$2.5 BILLION



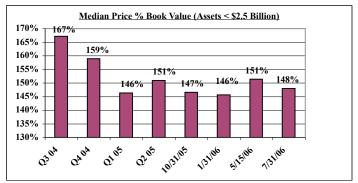








ASSETS LESS THAN \$2.5 BILLION



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

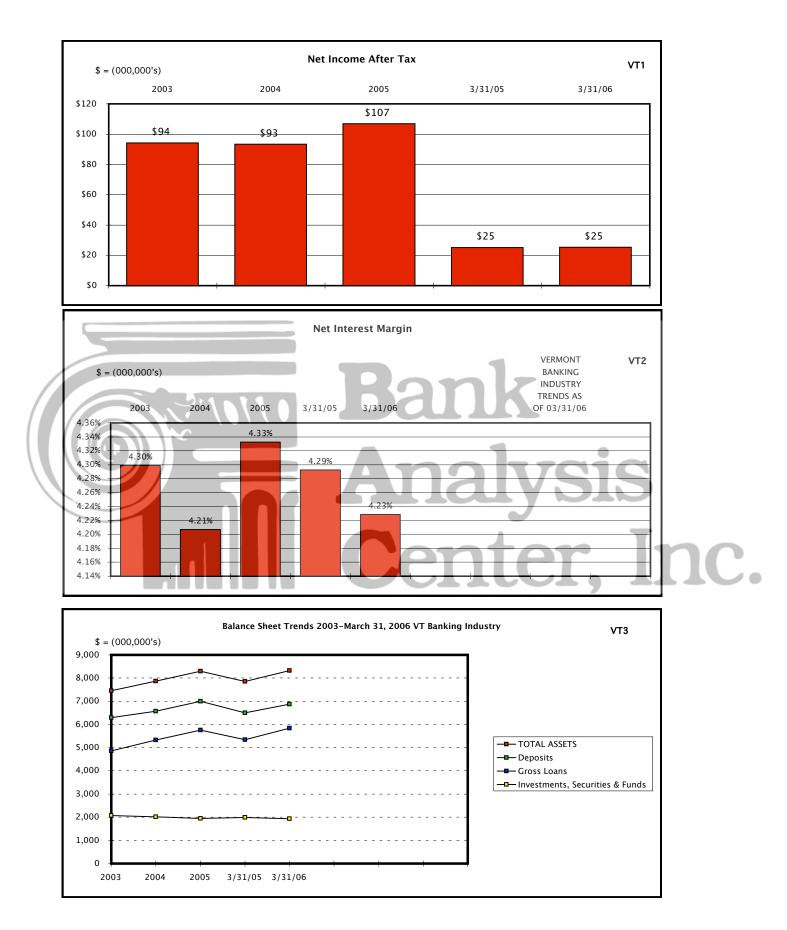
AGGREGATE VERMONT BANKING INDUSTRY DATA AT 3/31/2006

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

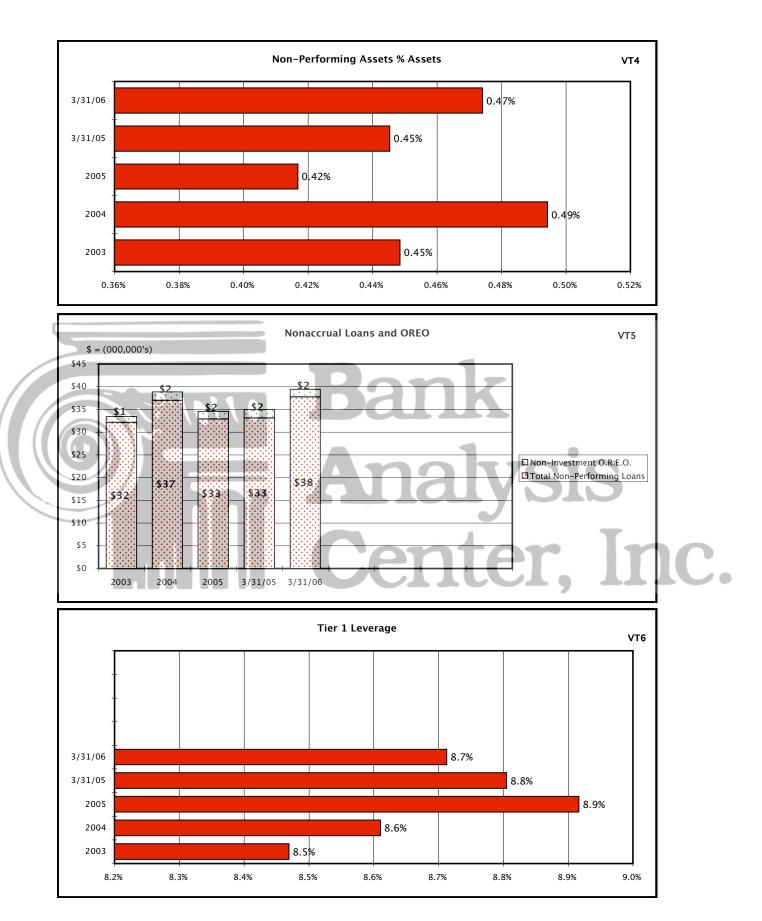
-		2002	2004	0005	0/04/05	2/24/00				0/04/00
	(NOTE: \$ in 000,000's @ Period End):	2003	2004	2005	3/31/05	3/31/06	<u>2005</u> -	<u>3/31/06</u>	<u>3/31/05</u> -	<u>3/31/06</u>
	NM = Not Meaningful						Increase/(D	ecrease)	Increase/(Dec	rease)
	BASIC DATA:						\$	%	\$	%
							•		NM = Not Meanin	
	INSTITUTION 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)	Number institutions failing/retiring in calendar year	0	0	0	0	0	0			
(5) (6)	(Cumulative number of failed institutions) Ending balance # institutions period end:	0 19	19	0 19	0 19	19	0	0%	0	0%
(7)	# Reporting profits	18	19	19	19	19	v	0,0	ů	0 /0
(8)	% Reporting Profits	95%	100%	100%	100%	100%				
	BALANCE SHEET DATA:									
	ASSETS									
(9)	Gross Loans	4,863	5,323	5,757	5,348	5,846	88	2%	497	9.3%
(10)	-Allowance for Loan Losses	68	70	72	71	72	(0)	0%	1	1.5%
(11)	Net Loans	4,795	5,252	5,685	5,277	5,774	88	2%	496	9.4%
(12)	Investments, Securities & Funds	2,071	2,019	1,949	1,993	1,928	(21)	-1%	(65)	-3.3%
(13)	TOTAL EARNING ASSETS	6,866	7,272	7,634	7,270	7,701	67	1%	431	5.9%
(14)	90 Days Past Due Loans	4	7	7	4	7	(0)	-5%	2	56.6%
(15)	+Non-Accrual Loans	28	30	26	29	31	5	20%	2	7.9%
(16)	=Total Non-Performing Loans	32	37	33	33	38	5	15%	5	14.1%
(17)	OREO(Non-Direct Investment)	1	2	2	2	2	0	1%	(0)	-8.5%
(18)	TOTAL NON-PERFORMING ASSETS	33	39	35	35	39	5	14%	4	12.9%
(19)	All Other Assets (Cash Due,Bldgs,Prems.&Equip,Intngs,Other Assets)	554	556	627	547	581	(45)	-7%	35	6.3%
(20)	TOTAL ASSETS	7,453	7,867	8,295	7,852	8,322	27	0%	470	6.0%
	LIABILITIES & EQUITY									
(21)	Total deposits	6,301	6,572	7,003	6,503	6,880	(123)	-2%	377	5.8%
(22) (23)	All other borrowings & liabilities Total equity capital and surplus	498 655	604 690	569 723	659 690	738 704	169 (18)	30% -3%	79 15	11. 9% 2. 1%
(23)	TOTAL LIABILITIES & EQUITY	7,453	7,867	8,295	7,852	8,322	27	-5 %	470	6.0%
(= -)								- / •		
	INCOME STATEMENT:						(Annual	lized)		
(25)	Net Interest Earned	293	301	327	79	82	1	0%	3	3.8%
(26)	+Non-Interest Income	93	87	93	22	23	(2)	-2%	0	1.9%
(27)	+Gains/Losses on Securities	14	5	1	1	0	0	60%	(0)	-56.4%
(28) (29)	-Non-Interest Expense -Provision for Loan Losses	253 8	249 7	257 7	64 2	67	(1)	4%	3 (0)	4.7% -9.4%
(30)	=Pre Tax Income	139	137	157	37	37	(1)	-5%	0	0.8%
(31)	NET INCOME AFTER TAX	94	93	107	25	25	(5)	-5%	0	0.8%
(22)			10							
(32) (33)	Charged-Off Loans Cumulative Charged-Off Loans	11	10	8 0	1	2	(0) 0	-4% #DIV/0!	1	38.1% #DIV/0!
(34)	Number of full time equiv. employees	2,690	2,735	2,734	2,707	2,725	(9)	0%	18	0.7%
							-			¢
	PERFORMANCE MEASURES:									
((all ratios based on period end data unless otherwise indicated)									
(35) (36)	Non-Performing Loans % Gross Loans Non-Performing Assets % Assets	0.7% 0.4%	0.7% 0.5%	0.6% 0.4%	0.6% 0.4%	0.6% 0.5%				
(30)	Reserve % Non-Performing Loans	212%	190%	219%	215%	0.5 % 191%				
(38)	Return on Average Assets (R.O.A.)	1.29%	1.22%	1.32%	1.28%	1.22%				
(39)	Return on Average Equity (R.O.E.)	14.61%	13.87%	15.13%	14.59%	14.21%				
(40)	Non-Interest Expense % Average Assets	3.5%	3.3%	3.2%	3.2%	3.2%				
(41)	Non-Interest Income % Average Assets	1.3%	1.1%	1.2%	1.1%	1.1%				
(42) (43)	Non-Interest Expense Efficiency Ratio Net Interest Margin	66.1% 4.30%	64.6% 4.21%	61.8% 4.33%	63.2% 4.29%	64.4% 4.24%				
(43) (44)	Tier 1 Leverage	4.30%	4.21%	4.33%	4.29%	4.24%				
(45)	Adjusted Tier 1 Leverage	9.0%	9.0%	9.4%	9.3%	9.1%				
	COMPOSITION OF EARNING ASSETS									
(46)	% Investments, Securities, Funds	30%	28%	26%	27%	25%				
(47)	% Loans (net)	70%	72%	74%	73%	75%				
(48) (49)	Total Loans % Deposits	100% 77%	100% 81%	100% 82%	100% 82%	100% 85%				
(10)	Note: Adjusted Tier 1 Leverage: (Common equity + noncumulative. perp. preferred + surplu									

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

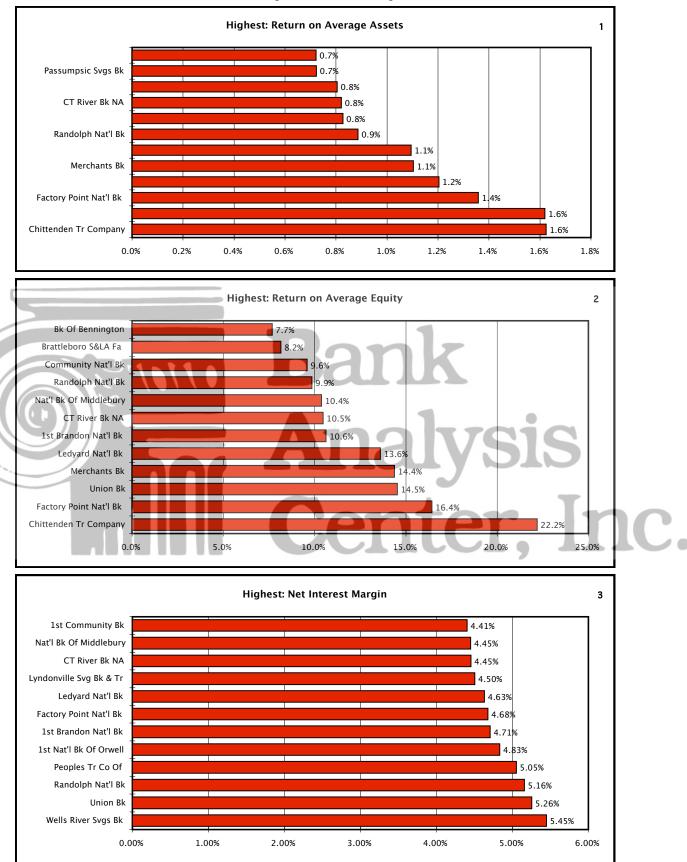
VERMONT BANKING INDUSTRY TRENDS AS OF 03/31/06



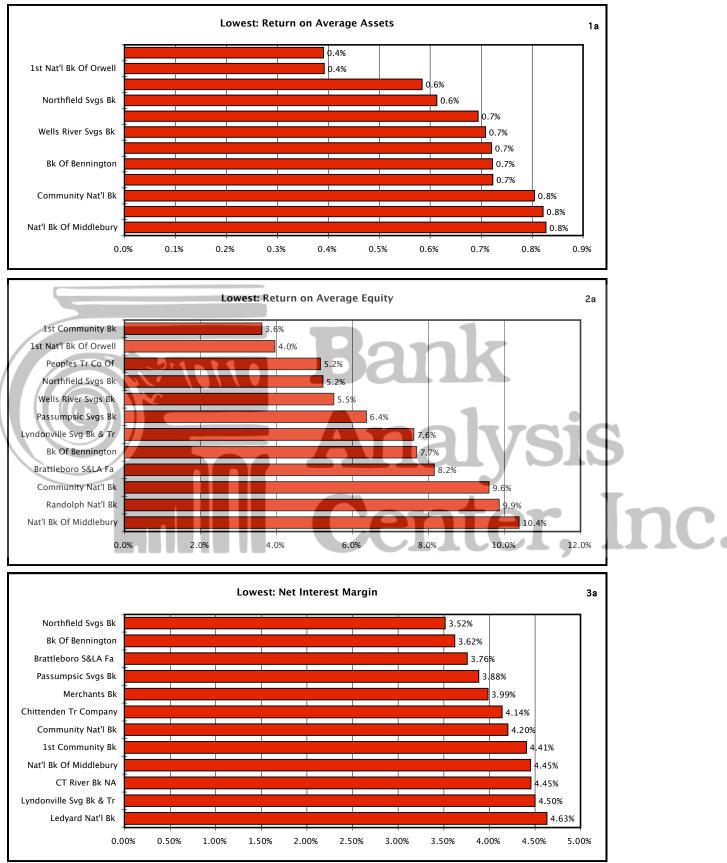
VERMONT BANKING INDUSTRY TRENDS AS OF 03/31/06



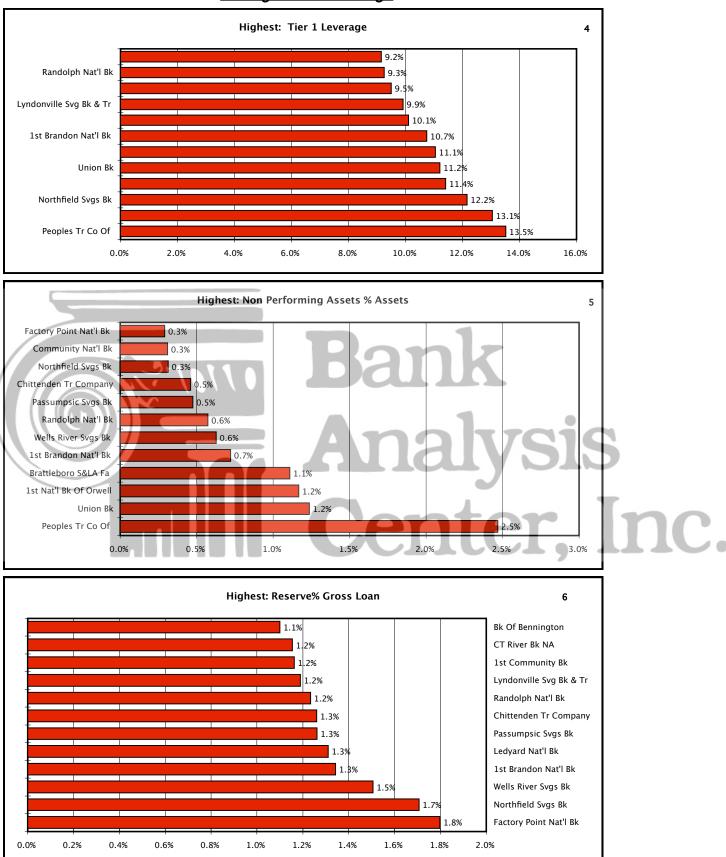
12 Highest Percentage



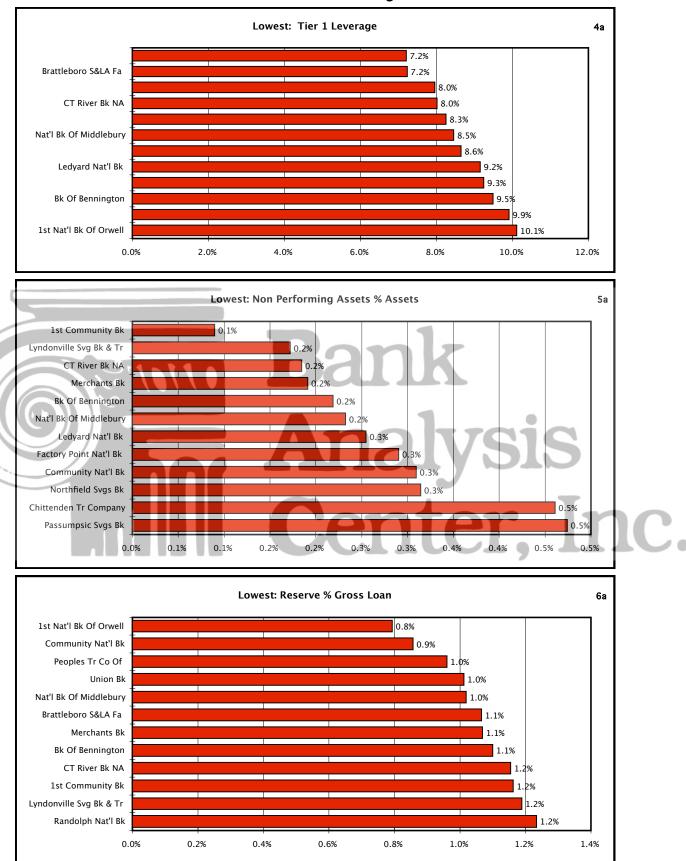
12 Lowest Percentage



12 Highest Percentage



12 Lowest Percentage



Prepared by: Bank Analysis Center, Inc.

Hartford, Connecticut (860) 275-6050 Contact: Doug Major, V.P.

FINANCIAL CONDITION AND OPERATING PERFORMANCE (DATA AS OF MARCH 31, 2006:

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

act: 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> A	ASIC D	ATA (S	<u>ELECT</u>)	1	UNRLZD.		<u>N 0</u>	<u>N - P I</u>	E R F	<u>ORM</u>	ING	<u>i</u>		<u>b a l</u>	ANC	ESHEE	Ţ		<u>C A P I</u>	<u>T A L</u>			OPER	ATING			<u> </u>	<u>F T</u>
				Realized			Investmnts.			Total			old 1/2/02		Non-	Loans		Г	Commercial	Retail	0 /1			Gross		Non-	Non	Non-	Net	Return	Retur
	Total	NET INC	OME	Net	Total	Gross	+ Securities	Gains/	Non-	1			Non-Perf	Posorvo	Perf.		ecurities		Risk	Risk & G	Other		Adi.	Loans	Full	Interest	Interest	Interest	Interest	on	Retu
(\$000's)	Assets	After T		Gains/	Equity	Loans		Losses		_	Non-	Non-	Loans	% Non-	Assets	Earning %		Basania	Loans	Loans	Loans	Tier 1	Tier 1	% Total	Time		Expenses	Expense	Margin	Average	Averag
(\$000 S)					cquity	Period		"Held to								•	•												-	•	
	Period	Prior		(Loss) on	•.				-		nvestment F	•		Perform. %		Assets	Assets				% Gross	Levg.	Leverage	Deposits		% Average	-		Estimated)	Assets	Equi
Bank Name	End	03/05	03/06 \$	Securities	Surplus	End	(Per. End)	Maturity"	Assets	NA's+90+	0.R.E.O.	Assets	Loans	Loans (F	er. Ena)	(Avg Yr.)	(Avg Yr.)	Loans	Loans (Est.) Lo	oans (Est.) Lo	ans (Est.) (F	²er. Ena)	(Per. End)	(Per. End)	Employ.	Assets	Assets	Ratio (Fu	III Tax Eqv)	(After tax)	(After ta
ASSETS \$0-\$100 Million								-																							
First Brandon National Bank	94,012	299	264	0	10,063	63,846		0	0	308	370	678	0.5%	278%	0.7%	73%	27%	1.3%	37%	54%	8%	10.7%	11.2%	80%	39	0.81%	3.55%	68.9%	4.71%	1.09%	10.
First Community Bank	72,586	94	72	0	8,006	61,572		0	0	65	0	65	0.1%	1102%	0.1%	90%	10%	1.2%	64%	34%	3%	11.1%	11.9%	106%	26	0.47%	4.00%	87.6%	4.41%	0.39%	3.
First National Bank Of Orwell	26,999	53	27	0	2,741	23,581	1,851	0	0	315	0	315	1.3%	59%	1.2%	91%	9%	0.8%	19%	72%	10%	10.1%	9.6%	103%	13	0.89%	4.83%	88.6%	4.83%	0.39%	4.
SUBTOTAL	193,597	446	363	0	20,810	148,999		0	0	688	370	1,058	0.5%	256%	0.5%	82%	18%	1.2%	45%	49%	6%	10.8%	11.3%	93%	78	0.69%	3.90%	79.10%	4.61%	0.73%	7.
MEDIAN	72,586	94	72	0	8,006	61,572	5,962	0	0	308	0	315	0.5%	278%	0.7%	90%	10%	1.2%	37%	54%	8%	10.7%	11.2%	103%	26	0.81%	4.00%	87.63%	4.71%	0.39%	4
ASSETS \$100-\$250 Million									1																				1		
Bank Of Bennington	190,638	293	344	0	18,079	170,814	3,451	0	0	417	0	417	0.2%	451%	0.2%	98%	2%	1.1%	32%	67%	0%	9.5%	10.3%	141%	52	0.44%	3.10%	78.9%	3.93%	0.72%	7
Brattleboro S&LA Fa	152,152	131	222	0	11,003	135,584	5,161	0	0	1,244	444	1,688	0.9%	116%	1.1%	96%	4%	1.1%	21%	78%	0%	7.2%	7.3%	113%	46	1.18%	3.89%	78.5%	4.14%	0.58%	8
onnecticut River Bank NA	234,510	440	481	0	18,525	180,184	36,795	75	406	433	0	433	0.2%	480%	0.2%	83%	17%	1.2%	45%	53%	3%	8.0%	8.8%	93%	98	0.81%	3.52%	71.6%	4.45%	0.82%	1
yndonville Svg Bk & Trust	148,740	311	266	0	14,042	96,374	40,257	0	0	256	0	256	0.3%	448%	0.2%	70%	30%	1.2%	42%	44%	13%	9.9%	10.5%	80%	64	0.69%	3.74%	77.8%	4.50%	0.72%	7
ational Bank Of Middlebury	212,704	431	436	0	16,800	144,170	52,116	(11)	147	494	0	494	0.3%	297%	0.2%	74%	26%	1.0%	35%	63%	1%	8.5%	8.9%	85%	70	0.61%	3.54%	75.3%	4.45%	0.83%	1
eoples Tr Co Of St Albans	204,094	478	360	4	27,910	132,277	52,782	(33)	274	5,009	30	5,039	3.8%	25%	2.5%	71%	29%	1.0%	44%	43%	13%	13.5%	11.7%	75%	110	0.90%	4.30%	78.4%	5.05%	0.69%	
andolph National Bank	139,048	272	304	0	12,447	110,268		(54)	0	797	0	797	0.7%	171%	0.6%	85%	15%	1.2%	41%	56%	3%	9.3%	9.6%	97%	54	0.41%	3.84%	72.7%	5.16%	0.89%	1
Vells River Svgs Bank	112,053	428	196	0	14,266	64,494	36,619	0	0	704	0	704	1.1%	138%	0.6%	64%	36%	1.5%	29%	70%	2%	13.1%	13.3%	70%	49	0.60%	4.35%	78.4%	5.45%	0.71%	5
SUBTOTAL	1,393,939	2,784	2,609	4	133,072	1.034.165	247,847	(23)	827	9,354	474	9,828	0.9%	124%	0.7%	81%	19%	1.1%	37%	59%	4%	9.8%	9.9%	93%	543	0.71%	3.74%	77.81%	4.59%	0.75%	7
MEDIAN	171.395	370	324	0	15.533	133.931	1-	0	0	599	0	599	0.5%	234%	0.4%	78%	22%	1.1%	38%	60%	2%	9.4%	9.9%	89%	59	0.65%	3.79%	78.12%	4.48%	0.72%	. 7
ASSETS \$250-\$500 Million																															
Community National Bank	349,208	755	707	0	29,561	259,124		0	954		0	1,08 1	0.4%	205%	0.3%	79%	21%	0.9%	34%	65%	1%	8.6%	9.0%	91%	124	0.76%	3.47%	75.3%	4.20%	0.80%	9
Factory Point National Bank	328,264	900	1,099	0	26,775	213,176		0	2,299	953	0	953	0.4%	402%	0.3%	71%	29%	1.8%	59%	39%	2%	8.0%	8.9%	81%	99	0.93%	2.96%	56.2%	4.68%	1.36%	16
edyard National Bank	271,364 415.013	840 836	839 742	0 211	24,973	200,914		(912)	1.261	691 1.631	0 337	691 1.968	0.3%	381%	0.3% 0.5%	77%	23% 17%	1.3% 1.3%	61% 45%	39% 54%	0%	9.2% 11.4%	9.5%	88% 103%	82 156	2.12%	4.25% 3.37%	66.0%	4.63%	1.20% 0.72%	1:
Passumpsic Svgs Bank Jnion Bank	371.391	1,444	1.509	211	46,939 41.639	322,350 310,870		(300)	323	4,591	337	4,591	1.5%	249% 69%	1.2%	83%	17%	1.3%	53%	39%	1% 7%	11.4%	11.9% 10.8%	103%	156	0.61%	3.58%	79.8% 60.4%	3.88% 5.26%	1.62%	1-
Shion Bank	571,551	1,444	1,505	J	41,000	510,070	57,007	0	525	4,551	0	4,551	1.070	0370	1.270	0370	1170	1.070	5570	5570	7.70	11.2 /0	10.070	10070	150	1.00 /0	5.5070	00.470	5.2070	1.0270	
SUBTOTAL	1,735,240	4.775	4,896	214	169.887	1,306,434	308,309	(1,212)	4,837	8,947	337	9,284	0.7%	178%	0.5%	80%	20%	1.2%	50%	48%	3%	9.8%	10.1%	93%	619	1.03%	3.50%	68.35%	4.51%	1.13%	11
MEDIAN	349,208	840	839	0	29,561	259,124		0	954		0	1,081	0.4%	249%	0.3%	79%	21%	1.3%	53%	39%	1%	9.2%	9.5%	91%	124	0.93%	3.47%	65.95%	4.63%	1.20%	13
	1					1																							i i		
ASSETS \$500-\$1 Billion					1. C												_														
lorthfield Svgs Bank	527,606	855	799	0	61,592	387,134	100,489	0	0	1,580	78	1,65 8	0.4%	418%	0.3%	79%	21%	1.7%	27%	71%	1%	12.2%	13.1%	88%	135	0.44%	2.95%	79.9%	3.52%	0.61%	ŧ
	527,606	055	700	0	61 500	207 124	100 480			1.580	70	1.050	0.49/	418%	0.20/	700/	210/	1 70/	270/	710/	10/	10.00/	10 10/	0.00/	105	0.449/	2.05%	04 400/	2.520/	0.619/	
SUBTOTAL MEDIAN	527,606 527,606	855 855	799 799	0	61,592 61,592	387,134 387,134		0	0		78 78	1,658 1,658	0.4% 0.4%	418%	0.3% 0.3%	79% 79%	21% 21%	1.7% 1.7%	27% 27%	71% 71%	1% 1%	12.2% 12.2%	13.1% 13.1%	88% 88%	135 135	0.44% 0.44%	2.95% 2.95%	81.18% 79.88%	3.52% 3.52%	0.61% 0.61%	ŧ
	527,000	000	135	U	01,002	307,134	100,403	0		1,500	70	1,000	0.470	41070	0.570	1370	2170	1.7 /0	21 /0	7170	170	12.270	13.170	00 /0	155	0.44 /0	2.3370	13.0070	5.52 /0	0.0170	
SSETS OVER \$1 Billion		1000																													
Chittenden Trust Company	3,368,681	13,149	13,686	0	235,733	2,347,758	830,106	0	25,065	15,362	164	15,526	0.7%	193%	0.5%	74%	26%	1.3%	55%	34%	11%	7.2%	7.6%	80%	1,068	1.49%	2.85%	53.1%	4.14%	1.62%	22
ferchants Bank	1,103,072	3,155	3,007	0	83,276	621,143	410,510	230	500	1,797	312	2,109	0.3%	369%	0.2%	61%	39%	1.1%	50%	49%	1%	8.3%	8.7%	73%	282	0.90%	3.14%	68.2%	3.99%	1.10%	14
		1.1																													
SUBTOTAL	4,471,753	16,304	16,693	0	319,009	2,968,901	1,240,616	230	25,565	17,159	476	17,635	0.6%	211%	0.4%	70%	30%	1.2%	54%	37%	9%	7.5%	7.9%	79%	1,350	1.34%	2.92%	56.93%	4.10%	1.50%	20
IEDIAN	2,235,877	8,152	8,347	0	159,505	1,484,451	620,308	115	12,783	8,580	238	8,818	0.5%	281%	0.3%	67%	33%	1.2%	53%	42%	6%	7.7%	8.2%	77%	675	1.19%	3.00%	60.64%	4.06%	1.36%	18
	1. The second	1000												1																	
VERMONT	8,322,135	25,164	25,360	218	704,370	E 945 633	1,927,954	(1.005)	31,229	37,728	1,735	39,463	0.69/	191%	0.5%	750/	25%	1 20/	48%	46%	6%	8.7%	9.1%	85%	2,725	1.10%	3.21%	64.39%	4.24%	1.22%	14.:

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VERMONT BANKS STOCK REPORTS (BASIC DATA AS OF MARCH 31, 2006 PRICING DATA AS OF 07/31/06)

\$=000's; except per share which is in \$					<u>BASIC I</u>	DATA DATE				<u>SHARE INF</u>	ORMATION DAT	<u>`A</u>		DIVID	<u>END DATA</u>			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 (%)	Price	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	07/31/06	07/31/06	07/31/06	07/31/06	Chg	Return		
(1) Central Financial Corporation	CEVT	Bank	03/31/06	139,048	113,640	12,447	12,447	1,231	128,581	\$96.80	\$96.80	NA	NA	\$0.00	\$0.00	0.0%	\$134.00	\$122.00	05/04/06	10/28/05	\$125.00	0 NA		129.1%	-3.85%	-3.85% (1)		
(2) Chittenden Corporation	CHZ	Bank	06/30/06	6,460,615	5,317,570	655,476	423,112	84,704	45,978,122	\$14.26	\$9.20	\$1.80	\$1.83	\$0.20	\$0.76	2.8%	\$30.30	\$24.47	12/01/05	10/12/05	\$28.22	197,355	15.7	197.9%	1.5%	3.6% (2)		
(3) Community Bancorp.	CMTV	Bank	03/31/06	349,263	284,698	29,293	29,293	3,356	4,084,428	\$7.17	\$7.17	\$0.82	NA	\$0.17	\$0.68	5.0%	\$18.00	\$12.50	08/05/05	06/07/06	\$13.50	227	16.3	188.3%	-15.6%	-12.7% (3)		
(4) Factory Point Bancorp, Incorporated	FAPB	Bank	03/31/06	328,264	264,125	26,883	24,584	4,572	4,077,139	\$6.60	\$6.04	\$1.12	NA	\$0.15	\$0.59	4.0%	\$17.36	\$15.00	08/24/05	07/31/06	\$15.20	329	14.1	230.3%	-5.0%	-2.3% (4)		
(5) First Brandon Financial Corporation	FBDN	Bank	03/31/06	94,012	79,495	10,063	10,063	1,219	499,860	\$20.13	\$20.13	NA	NA	\$0.00	\$0.00	0.0%	\$34.00	\$26.50	07/26/06	01/17/06	\$34.00	945	NA	168.9%	28.3%	28.3% (5)		
(6) Lyndonville Savings Bank & Trust Company	LYSB	Bank	03/31/06	148,740	120,322	14,042	14,042	1,327	NA	NA	NA	NA	NA	\$0.19	\$0.70	4.2%	\$18.25	\$17.10	05/10/06	10/18/05	\$18.00	0	NA	NA	2.9%	5.0% (6)		
(7) Merchants Bancshares, Inc.	MBVT	Bank	03/31/06	1,099,987	852,447	65,031	64,531	11,724	5,991,990	\$10.33	\$10.25	\$1.84	\$1.82	\$0.28	\$1.11	4.6%	\$28.35	\$23.35	08/02/05	01/30/06	\$24.25	3,352	13.2	234.8%	0.9%	3.2% (7)		
(8) Middlebury National Corporation	MDVT	Bank	12/31/05	210,873	172,969	18,576	18,576	1,850	890,000	\$20.87	\$20.87	\$1.97	NA	\$0.00	\$0.50	2.2%	\$33.50	\$32.00	08/02/05	01/17/06	\$32.50	0	16.5	155.7%	-1.5%	-1.5% <mark>(8)</mark>		
(9) Peoples Trust Company of St. Albans	PPAL	Bank	03/31/06	204,094	175,768	27,910	27,910	1,697	NA	NA	NA	NA	NA	\$0.00	\$0.25	2.0%	\$49.75	\$31.00	05/19/06	09/15/05	\$49.75	0	NA	NA	19.9%	19.9% <mark>(</mark> 9)		
(10) Union Bankshares, Inc.	UNB	Bank	06/30/06	362,700	296,734	41,938	41,938	6,416	4,539,000	\$9.24	\$9.24	\$1.41	NA	\$0.26	\$1.04	4.6%	\$24.15	\$20.52	01/25/06	05/17/06	\$22.55	395	16.0	244.1%	-1.1%	2.4% (10)		

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- Organizational Structure & Management Review
- Review of Competitive Position on Markets, Products & Services
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