



FOR IMMEDIATE RELEASE

First Commons Bank Posts Record Earnings While Increasing Tier 1 Capital Ratio

NEWTON, MASS. – July 22, 2014 – First Commons Bank of Newton, Mass., today reported that it posted record profits for the quarter ended June 30, 2014. Net Income for the quarter was \$348 thousand, compared to \$340 thousand for the first quarter of 2014. Year-to-date income for the period January 1 to June 30, 2014 was \$688 thousand, compared to \$523 thousand for the same period of 2013. Net Income results for 2013 were impacted by Gains on Sale of Securities of \$262 thousand, while 2014 results are all from banking operations.

The Bank's Return on Average Assets for the six-month period ended June 30, 2014 was 0.53%, compared to 0.48% for the six-month period ended June 30, 2013. The Bank's Tier 1 Regulatory Capital Ratio also improved from the 8.34% on March 31, 2014 to 9.37% on June 30, 2014, as a result of total assets decreasing from \$267 million on March 31 to \$237 million on June 30.

"We are particularly pleased with our continued improvement in the Bank's core earnings since earnings from Bank operations have grown over 150% — from \$261 thousand to \$688 thousand — for the first half of 2014 compared to the first half of 2013," said Tony Nuzzo, Chairman, President and CEO of First Commons Bank. "We are also pleased with the improvement in our Tier 1 Capital Ratio, which principally resulted from the reduction of non-relationship certificates of deposit."

Total Interest Income increased by approximately \$810 thousand for the six month period ended June 30, 2014 vs. 2013. Interest Expense increased by approximately \$285 thousand for the six months ended June 30, 2014 vs. the six months ended June 30, 2013. Noninterest operating expenses increased by approximately \$144 thousand for the six month period ended June 30, 2014 compared to the six month period ended June 30, 2013.

"We continue to be pleased that our ratio of non-performing loans to total loans remains at 0.00% as of June 30, 2014," Mr. Nuzzo said.

Of note, First Commons Bank is celebrating its fifth anniversary of operations on July 22, 2014. The bank opened for business on July 22, 2009, in Newton, Mass.

First Commons Bank's financial results are available on the FDIC's Web site at:
<http://goo.gl/ZFBEi7>.

First Commons Bank, N.A.

Balance Sheet

(Unaudited)

	June 30, 2014	December 31, 2013
	(dollars in thousands)	
<u>Assets</u>		
Cash and Due from Banks	1,828	1,864
Interest-bearing demand deposits with other banks	107	6,728
Money Market Mutual Funds	162	3,662
Federal funds sold	1,400	13,500
Cash and Cash equivalents	3,497	25,754
Interest-bearing time deposits with other banks	245	3,189
Investment in available-for-sale securities	0	0
Federal Home Loan Bank Stock, at cost	956	919
Federal Reserve Bank Stock, at cost	675	660
Loans, net	227,973	227,227
Premised and equipment	1,286	1,414
Accrued interest receivable	604	535
Deferred income tax asset, net	1,859	1,859
Other assets	262	320
Total Assets	237,357	261,877
<u>Liabilities and Stockholders' Equity</u>		
Deposits:		
Noninterest-bearing	15,526	16,745
Interest-bearing	187,871	212,085
Total Deposits	203,397	228,830
Federal Home Loan Bank Advances	10,000	10,000
Other Liabilities	719	533
Total Liabilities	214,116	239,363
Stockholders' equity		
Common Stock, par value .01; authorized 10,000,000 shares, 2,504,851 issued and outstanding	25	25
Paid-in Capital	26,690	26,651
Accumulated deficit	-3,474	-4,162
Accumulated other comprehensive income	0	0
Total stockholders' equity	23,241	22,514
Total liabilities and stockholders' equity	237,357	261,877

First Commons Bank, N.A.
Statement of Income
(Unaudited)

	Six months ended June 30,	
	2014	2013
	(Dollars in thousands)	
Interest Income:		
Interest and fees on loans	5,487	4,644
Interest on securities	27	66
Other interest	13	7
Total interest income	5,527	4,717
Interest Expense		
Interest on deposits and borrowings	1,175	890
Total Interest Expense	1,175	890
Net interest income	4,352	3,827
Provision for loan losses	21	202
Net interest income after provision for loan losses	4,331	3,625
Noninterest income		
Service charges on deposit accounts	27	25
Gain on sale of available-for-sale securities	0	262
Gain on sale of loans	24	0
Other income	53	97
Total noninterest income	104	384
Noninterest expense:		
Salaries and employee benefits	1,779	1,770
Occupancy expense	421	411
Equipment expense	128	124
Professional fees	223	171
Regulatory assessment	156	130
Other expense	567	524
Total noninterest expense	3,274	3,130
Income before income tax expense	1,161	879
Income Tax expense	473	356
Net Income	688	523

About First Commons Bank

First Commons Bank, N.A., is a nationally chartered, FDIC-insured full-service community bank, dedicated to serving the businesses and individuals of Newton, Wellesley, Waltham, and eastern Massachusetts. The bank opened for business on July 22, 2009. Locations include its headquarters at 718 Beacon St. in Newton Centre, Mass., and 161 Linden Square in Wellesley, Mass. Visit the First Commons Bank website at <http://www.firstcommonsbank.com>. Follow the bank on Facebook at <http://facebook.com/firstcommonsbank> and on Twitter at <http://twitter.com/firstcommonsbnk>.

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