



PRESS RELEASE

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**First Commons Bank of Newton, Mass., Reports 54 % Gain in Year-to-Date Income vs. Year Ago;
Continues to Increase Tier 1 Capital Ratio**

NEWTON, MASS. — October 28, 2014 — First Commons Bank of Newton, Mass., today reported its results for the quarter ended September 30, 2014. Net Income for the quarter was \$285 thousand compared to \$110 thousand for the 3rd quarter of 2013. Year-to-date income for the period January 1 to September 30, 2014 was \$973 thousand, compared to \$631 thousand for the same period of 2013 — an increase of 54%. 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 nine-month period ended September 30, 2014 was 0.52%, compared to 0.37% for the nine-month period ended September 30, 2013. The Bank's Tier 1 Capital to Asset Ratio also improved from the 8.91% reported as of September 30, 2013 to 9.46% as of September 30, 2014.

Tony Nuzzo, Chairman, President and CEO of First Commons Bank said, "We are pleased with our core earnings results, especially as we increased our Tier 1 Capital Ratio. Earnings from Bank operations grew by over 50% for the first nine months of 2014, compared to the first nine months of 2013."

Total Interest Income of \$8.1 million increased by approximately \$887 thousand, or 12.2%, for the nine-month period ended September 30, 2014 vs. 2013. Interest Expense of \$1.7 million increased by approximately \$298 thousand, or 21.4%, for the nine months ended September 30, 2014 vs. 2013. The Bank's Net Interest Margin of \$6.5 million as of September 30, 2014 represents an increase of \$589 thousand, or 10.0% over the nine-month period ended September 30, 2013. Noninterest operating expenses increased by approximately \$167 thousand, or 3.50%, for the nine month-period ended September 30, 2014 compared to the nine-month period ended September 30, 2013. Book value of the Bank's common stock as of September 30, 2014 was \$9.40.

Mr. Nuzzo further commented, "We are also pleased that our ratio of non-performing loans to total loans remains at 0.00% as of September 30, 2014, and we still do not have a loan that is more than 60 days past due."

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First Commons Bank, N.A.**Balance Sheet**

(Unaudited)

	September 30, 2014	December 31, 2013
	(dollars in thousands)	
<u>Assets</u>		
Cash and Due from Banks	2,207	1,864
Interest-bearing demand deposits with other banks	65	6,728
Money Market Mutual Funds	162	3,662
Federal funds sold	17,800	13,500
Cash and Cash equivalents	20,234	25,754
Interest-bearing time deposits with other banks	0	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	1,351	660
Loans, net	217,561	227,227
Premised and equipment	1,118	1,414
Accrued interest receivable	638	535
Deferred income tax asset, net	1,859	1,859
Other assets	422	320
Total Assets	244,139	261,877
<u>Liabilities and Stockholders' Equity</u>		
Deposits:		
Noninterest-bearing	19,716	16,745
Interest-bearing	189,250	212,085
Total Deposits	208,966	228,830
Federal Home Loan Bank Advances	10,000	10,000
Other Liabilities	1,627	533
Total Liabilities	220,593	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	26,710	26,651
Accumulated deficit	-3,189	-4,162
Accumulated other comprehensive income	0	0
Total stockholders' equity	-3,164	-4,137
Total liabilities and stockholders' equity	244,139	261,877

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

	Nine months ended September 30	
	2014	2013
	(Dollars in thousands)	
Interest Income:		
Interest and fees on loans	8,092	7,177
Interest on securities	30	67
Other interest	21	12
Total interest income	8,143	7,256
Interest Expense		
Interest on deposits and borrowings	1,691	1,393
Total Interest Expense	1,691	1,393
Net interest income	6,452	5,863
Provision for loan losses	0	520
Net interest income after provision for loan losses	6,452	5,343
Noninterest income		
Service charges on deposit accounts	40	41
Gain on sale of available-for-sale securities	0	262
Gain on sale of loans	24	0
Other income	76	184
Total noninterest income	140	487
Noninterest expense:		
Salaries and employee benefits	2,701	2,687
Occupancy expense	630	615
Equipment expense	185	184
Professional fees	328	276
Regulatory assessment	229	203
Other expense	862	803
Total noninterest expense	4,935	4,768
Income (loss) before income tax expense (benefit)	1,657	1,062
Income Tax expense (benefit)	684	431
Net Income (Loss)	973	631

First Commons Bank's financial results are available on the FDIC's Web site at <http://goo.gl/f9mpZR>.

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 Street 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 of Facebook at <http://facebook.com/firstcommonsbank> and on Twitter at <http://twitter.com/firstcommonsbnk>.

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