At Biddeford Savings, we are proud of our Core Values.

2015 Annual Report
What are Core Values? Well, for Biddeford Savings they are the guiding principles that help us as we help you on your Path to Prosperity. We begin with our Promise to you, that we will do our very best to serve you while meeting your financial needs. Secondly, we pledge to our staff that we will make Biddeford Savings a fun, rewarding, respectful, and challenging place to work. Next, we speak to the communities we serve – letting them know we will work with them to make our communities stronger. Adding Initiative speaks to the need for us to evolve to serve the changing needs of customers, communities, and employees. Finally, we must do all of this while providing appropriate stewardship for this 149 year-old institution and complying with an ever-growing set of regulations. Put all that together and you get a feel for how we choose to serve. If you are interested, our Core Values are readily visible in all of our offices and branches.

Looking back on 2015, it is no surprise that no one was complaining about boredom or not having enough to do! Back in February 2015, we announced our plans to form an Alliance with Mechanics Savings Bank of Auburn, ME. Mechanics, like Biddeford Savings, is a mutual bank with a long history of serving customers and community. Like Biddeford Savings, Mechanics is a good place to work and supports the communities it serves. By bringing the two banks together in a mutual holding company we have positioned each bank to continue operating while realizing synergies that will allow us to better serve our customers and communities in the future. I am pleased to report that we have honored our promise – each bank operates under
its own name as we serve our customers. During the third quarter of 2015, Corporators and Depositors of the two banks overwhelmingly approved the Alliance. Thank you for your support. We also gained the approval of the State and Federal Regulators we needed to proceed. Finally, on January 26, 2016, we signed the many documents making the Alliance formal. Last year, we began the important work of bringing our two banks together, so that we operate consistently while retaining our own personalities. Great progress has been made thanks to our hardworking staffs. We expect the integration process to last through at least 2018. As we move forward with the Alliance, we will stay true to our Core Values, we will continue to serve our customers, communities, and employees in the manner to which they all have become accustomed.

Biddeford Savings enjoyed unprecedented growth in deposits and loans during 2015. I believe that our satisfied customers have been sending friends and family to bank with us. For this, we are all grateful. At the same time, our capable staff have been busy bringing new customers to the bank. Put these two activities together and you get the kind of year we had in 2015. To be a bit more specific, in 2015 total deposits increased by 9.2% and total loans increased by 11.5%. This growth enabled us to have another year of solid earnings, with Net Income of $2.3 million. It is important that Biddeford Savings earn a profit as that allows us to continue to grow while maintaining a strong capital base.

To summarize, Biddeford Savings remains focused on serving customers and communities, being an Employer of Choice, and realizing the promise of our new Alliance with Mechanics Savings Bank so we can both Grow Stronger Together.

Charles M. Petersen
President & CEO
Customer Promise

Our customer promise is the foundation of everything we do. With a focus on banking from the customer’s perspective, we learn about each customer’s individual needs and financial goals. Only then can we help find the personalized solutions to help them on their path to prosperity. Building a brand that inspires trust among customers and a tradition of exceptional customer service, keeps our customers coming back.

Our responsive team of professionals truly care about our customers and are committed to providing both consumers and businesses with the financial products they need.

We treat our customers like owners and pride ourselves on going above and beyond to deliver exceptional service. We will honor the trust placed in us by operating prudently and responsibly while holding ourselves to the highest ethical standards.
“Working with Biddeford Savings has been such a positive experience for us. Our commercial lender, in particular, has gone above and beyond to assure the commitment to our firm is secure. Our phone calls and emails are answered quickly and appropriately by real people who know us and our business. Reasonable requests are met with timely responses, whether those requests are business related or of a more personal nature. In addition, because we are all part of the same community we have relationships that extend beyond the walls of the bank.”

Gail Kingsley Wolfahrt, Esquire
Libby O’Brien Kingsley & Champion, LLC
“Supporting the local community has always been important to me. When the time came to purchase my practice, I didn’t believe a local bank could compete with the national lenders. That was until I met Laurie and Dan from Biddeford Savings. They listened to my goals and understood that high quality care is integral to my practice. They left the dentistry up to me and they took care of the financing. They have supported me every step of the way. The customer service at Biddeford Savings is exceptional. They are always there when I need them. I am delighted to say that Biddeford Savings has redefined my expectations of banking. They have earned my trust and my loyalty.”

Amanda Rockwood, D.D.S.
Island Point Dentistry LLC, P.A.
“After complete frustration from a couple of the larger lending institutions we decided to check out some of the local banks. This was the best decision we could have made. Dealing with Biddeford Savings has been a breath of fresh air. With the larger lenders, getting answers sometimes could take weeks or even months, but not here. It’s not every day that the President visits your office and asks, ‘What can our bank do to help you run a successful business?’ When I have an issue or question, I get an answer that day. Our developments are little economic engines, employing many people, Biddeford Savings goes above and beyond helping us to create these jobs.”

Joel FitzPatrick
FitzPatrick Associates Inc.
Engaged and well-prepared employees lead to the most satisfied customers. We are able to create the best possible results for our customers and ourselves through teamwork. We understand that our success depends on our people.

In 2015, several employees completed an Officer Development Program. The program was designed to prepare employees for future career advancement while giving them leadership skills to excel in their current position.

We provide a challenging and respectful work environment that supports personal growth, encourages healthy lifestyles, promotes teamwork, creates a culture of accountability, and rewards performance excellence.
WE ❤️ OUR JOB
Citizenship

Biddeford Savings is only as strong as the communities we serve. Our focus on caring for the community is reflected in the commitment of our employees who volunteer their time and resources with local organizations. Last year, Biddeford Savings employees reported more than 3,000 volunteer hours. They led financial literacy classes for children and adults, served on boards of local organizations, worked in soup kitchens, raised money for local schools and non-profit organizations and helped beautify neighborhoods through the United Way.
“We believe our success depends upon the health of the communities we serve. We will contribute to the quality of life through volunteerism and charitable giving as well as by providing financial services that help businesses and individuals prosper.”
“We are a bank that never stops improving itself and our operations for the benefit of our customers and employees.”
The best way to create value for our customers is to provide them with banking products and services that meet their unique financial needs. We continuously improve our processes and platforms by embracing new and better ways of doing things. We are committed to leveraging the latest technology to make banking as convenient and accessible as possible.
**STATEMENT OF CONDITION**

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<tr>
<th>Assets</th>
<th>2015</th>
<th>2014</th>
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<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$5,354,000</td>
<td>$6,861,000</td>
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<td>Investment securities</td>
<td>$37,082,000</td>
<td>$40,574,000</td>
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<td>FHLB stock</td>
<td>$3,887,000</td>
<td>$3,799,000</td>
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<tr>
<td>Loans</td>
<td>$349,531,000</td>
<td>$313,511,000</td>
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<tr>
<td>Reserve for loan losses</td>
<td>$(1,378,000)</td>
<td>$(1,322,000)</td>
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<tr>
<td>Net Loans</td>
<td>$348,153,000</td>
<td>$312,189,000</td>
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<td>Premises and equipment</td>
<td>$10,391,000</td>
<td>$11,532,000</td>
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<td>Accrued interest receivable</td>
<td>$849,000</td>
<td>$786,000</td>
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<tr>
<td>Bank Owned Life Insurance</td>
<td>$2,294,000</td>
<td>$2,228,000</td>
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<tr>
<td>Other assets</td>
<td>$2,519,000</td>
<td>$2,014,000</td>
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<td><strong>TOTAL ASSETS</strong></td>
<td>$410,529,000</td>
<td>$379,983,000</td>
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<table>
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<tr>
<th>Liabilities and Capital</th>
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<tr>
<td>Non-interest bearing deposits</td>
<td>$29,372,000</td>
<td>$23,633,000</td>
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<tr>
<td>Interest bearing deposits</td>
<td>$269,678,000</td>
<td>$250,109,000</td>
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<tr>
<td>Total deposits</td>
<td>$299,050,000</td>
<td>$273,742,000</td>
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<td>Customer repurchase agreements</td>
<td>$4,588,000</td>
<td>$3,781,000</td>
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<td>FHLB borrowings</td>
<td>$62,979,000</td>
<td>$60,370,000</td>
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<td>Other liabilities</td>
<td>$4,379,000</td>
<td>$4,024,000</td>
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<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>$370,996,000</td>
<td>$341,917,000</td>
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| Undivided profits                          | $40,741,000 | $38,707,000 |
| Accumulated other comprehensive loss       | $(1,208,000) | $(641,000)  |
| **TOTAL CAPITAL**                          | $39,533,000  | $38,066,000 |

**INCOME STATEMENT**

| Interest and dividend income               | $15,461,000 | $14,228,000 |
| Interest expense                           | $2,481,000   | $2,654,000   |
| Net interest income                        | $12,980,000  | $11,574,000  |
| (Reversal of) Provision for loan losses    | $(55,000)    | $(977,000)   |
| Net income after provision for loan losses | $12,925,000  | $12,551,000  |
| Operating income                           | $1,528,000   | $1,566,000   |
| Securities gains                            | $531,000     | $629,000     |
| Operating expenses                         | $11,674,000  | $11,531,000  |
| Income before income taxes                 | $3,310,000   | $3,215,000   |
| Income taxes                               | $967,000     | $829,000     |
| **NET INCOME**                             | $2,343,000   | $2,386,000   |

Financial Strength, Stability and Growth

We will aspire to consistently achieve reasonable growth and profitability, while managing the bank in a manner which promotes sound financial principles.
OFFICERS
Charles M. Petersen
President & CEO
Carri L. Brown, CPA
Executive Vice President, Chief
Financial Officer & Treasurer
Dale E. Huot
Executive Vice President & Clerk
Jay D. St. John
Executive Vice President &
Head of Retail Banking

Senior Vice Presidents
Daniel F. Colby
Senior Business Banking Officer
Peter C. Sylvestre
Senior Loan Officer

Vice Presidents
Christopher J. Bailey
Risk Manager
Lorina J. Boucouvalas
Branch Manager/Loan Officer
Elizabeth D. Boudreau
Marketing Officer
Lynn J. Chase
Controller & Assistant Treasurer
Ann T. Coffin
Deposit Services Manager
Cynthia E. Convery
Credit Manager

Nicole M. Dube
Payroll/Benefits Manager &
Executive Assistant
Rhonda J. Hebert
Business Banking Officer
Barbara D. Jacques
BSA & Security Officer
Doug A. Jones
Business Banking Officer
Susan F. Lessard
Residential Loan Officer II
Rebecca A. Moulin
Bank Operations Manager
Gail L. Nason
Branch Manager/Loan Officer
Mark S. Sutton
Senior Residential Loan Officer
Laurie L. Warchol
Business Development Officer

Assistant Vice Presidents
Abi L. Arsenault
Branch Manager/Loan Officer
Marcus P. Buzulchuck
Branch Manager/Loan Officer
Jackie T.M. Gagne
Loan Operations Supervisor
Joe Nelson
Branch Manager/Loan Officer

Naomme Paris
Commercial Portfolio
Loan Officer
Stacey H. Ford
Underwriter

Bank Officers
Lisa M. Caldwell
Assistant Branch Manager/Loan Officer
Christine L. Gonneville
Business Banking Administrator
Rebecca A. Guerin
Network Manager/
Information Security Officer
Denise LaRoche
Assistant Branch Manager/Loan Officer

DIRECTORS
Thomas E. Wells, Chairperson
Sandra G. Dolby
Carl A. Goodwin
Joyce D. Haley
Keith R. Jacques, Esq.
Wayne A. Sherman
Jeffrey S. Worthing, CPA

CORPORATORS
Todd J. Abbott
Eric C. Aube
Ralph W. Austin, Esq.
Marcel Bertrand
Marc R. Bolduc
Elizabeth D. Boudreau
Carri L. Brown, CPA
Lynn J. Chase
Daniel F. Colby
Joan C. Cook, Esq.
Sandra G. Dolby
Shawn Douston
Denise F. Doyon
Donald M. Dube
Gervais Dube
Bruce R. Dunphey
Prudence B. Duross
Michael R. Eon
Dennis J. Flaherty
Douglas C. Foglio, Jr.
Douglas C. Foglio, Sr.
Judith E. Fox
Gerard Gelines
James Godbout
Carl A. Goodwin
Tina Hewett Gordon
Joyce Haley
Dixie A. Harris
Douglas Hooper
Richard A. Hull III, Esq.
Dale E. Huot
Barbara D. Jacques
Keith R. Jacques, Esq.
Christopher Jordan
Dr. Joseph Kennaely, DMD, PA
Dana E. Lane, CPA
Susan F. Lessard
Dr. Marc G. Malon
Jerry Mansfield
Edward J. McGeachey

HONORARY DIRECTORS
William J. Denyer
Ronald P. Donovan
Reynald J. Gonneville
Rene D. Roy

HONORARY CORPORATORS
Priscilla D. Baillargeon
Caroline V.T. Bean
Margaret G. Beavis
Francis Carroll
Norman R. Faucher
Earl A. Goodwin
Constance C. Laflamme
John L. Moore
Robert J. Quinn
Bruce Ruben
General Wallace Nutting
LOCATIONS
Biddeford
254 Main Street
284-5906

473 Alfred Street, Suite 106
282-8991

Kennebunk
65 Portland Road, U.S. Route 1
985-4696

Scarborough
206 U.S. Route 1
883-3004

Waterboro
846 Main Street
247-3031

Business Banking Center
234 Main Street, Biddeford
284-5906

biddefordsavings.com