Financial Highlights:

CAMBRIDGE BANCORP

QUARTERLY UNAUDITED RESULTS

March 31, 2011

Dollar amounts in thousands (except share data)

	Quarter Ended March 31,	
	2011	2010
Interest Income	**$ 11,601**	$ 11,684
Interest Expense	**1,038**	1,311
Net Interest Income	**10,563**	10,373
Provision for Loan Losses	**250**	300
Non-Interest Income	**4,642**	4,120
Non-Interest Expense	**10,414**	10,090
Income Before Taxes	**4,541**	4,103
Income Taxes	**1,436**	1,357
Net Income	**$ 3,105**	$ 2,746
Data Per Common Share:		
Basic Earnings Per Share	**$ 0.82**	$ 0.74
Diluted Earnings Per Share	**$ 0.82**	$ 0.73
Dividends Declared Per Share	**$ 0.35**	$ 0.35
Avg. Common Shares Outstanding:		
Basic	**3,764,423**	3,724,353
Diluted	**3,809,299**	3,736,468
Selected Operating Ratios:		
Net Interest Margin	**3.89%**	4.32%
Return on Average Assets, after taxes	**1.09%**	1.09%
Return on Average Equity, after taxes	**13.90%**	12.90%

	March 31, 2011	December 31, 2010	March 31, 2010
Total Assets	**$ 1,147,143**	$ 1,130,988	$ 1,020,840
Total Loans	**606,680**	568,568	544,601
Non-Performing Loans	**884**	1,147	1,122
Allowance for Loan Losses	**9,379**	8,885	9,101
Allowance to Non-Performing Loans	**1060.97%**	774.31%	810.81%
Allowance to Total Loans	**1.55%**	1.56%	1.67%
Total Deposits	**1,009,625**	993,809	879,521
Total Stockholders' Equity	**90,234**	89,218	84,155
Book Value Per Share	**$ 23.90**	$ 23.73	$ 22.53
Tangible Book Value Per Share	**$ 23.75**	$ 23.58	$ 22.30

CAMBRIDGE BANCORP

UNAUDITED CONSOLIDATED BALANCE SHEETS

	March 31, 2011	December 31, 2010
	(In thousands)	
ASSETS		
Cash and due from banks	$ 46,720	$ 15,756
Overnight investments	—	—
Total cash and cash equivalents	46,720	15,756
Investment securities:		
Available for sale, at fair value	383,698	434,829
Held-to-maturity, at amortized cost	75,081	81,272
Total investment securities	458,779	516,101
Loans:		
Residential mortgage	300,961	272,928
Commercial mortgage	192,950	177,943
Home equity	62,700	66,170
Commercial	36,393	38,258
Consumer	13,676	13,269
Total loans	606,680	568,568
Allowance for loan losses	(9,379)	(8,885)
Net loans	597,301	559,683
Stock in FHLB of Boston, at cost	4,806	4,806
Bank owned life insurance	16,926	11,811
Banking premises and equipment, net	5,885	6,043
Other real estate owned	—	—
Accrued interest receivable	4,067	4,478
Other assets	12,659	12,310
Total assets	$ 1,147,143	$ 1,130,988
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Demand	$ 246,521	$ 233,199
Interest bearing checking	272,448	280,060
Money market	60,260	55,026
Savings	298,868	287,785
Certificates of deposit	131,528	137,739
Total deposits	1,009,625	993,809
Short-term borrowings	449	1,902
Long-term borrowings	30,000	30,000
Other liabilities	16,835	16,059
Total liabilities	1,056,909	1,041,770
Stockholders' equity:		
Common stock, par value $1.00; Authorized 5,000,000 shares; Outstanding: 3,776,175 and 3,759,891 shares, respectively	3,776	3,760
Additional paid-in capital	21,946	21,456
Retained earnings	63,074	61,375
Accumulated other comprehensive income	1,438	2,627
Total stockholders’ equity	90,234	89,218
Total liabilities and stockholders’ equity	$ 1,147,143	$ 1,130,988

CAMBRIDGE BANCORP

UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

	Quarter Ended March 31,	
	2011	**2010**
	(In thousands, except per share data)	
Interest income:		
Interest on loans	$ 7,609	$ 7,367
Interest on taxable investment securities	3,498	3,865
Interest on tax exempt investment securities	491	447
Interest on overnight investments	3	5
Total interest income	11,601	11,684
Interest expense:		
Interest on deposits	743	956
Interest on borrowed funds	295	355
Total interest expense	1,038	1,311
Net interest income	10,563	10,373
Provision for loan losses	250	300
Net interest income after provision for loan losses	10,313	10,073
Noninterest income:		
Wealth management income	3,260	2,877
Deposit account fees	538	502
ATM/Debit card income	228	218
Merchant card services	—	138
Bank owned life insurance income	114	87
Gain on disposition of investment securities	268	138
Other income	234	160
Total noninterest income	4,642	4,120
Noninterest expense:		
Salaries and employee benefits	5,902	5,818
Occupancy and equipment	1,827	1,643
Data processing	895	812
Professional services	444	384
Marketing	438	375
FDIC Insurance	312	292
Other expenses	596	766
Total noninterest expense	10,414	10,090
Income before income taxes	4,541	4,103
Income tax expense	1,436	1,357
Net income	$ 3,105	$ 2,746
Per share data:		
Basic earnings per common share	$ 0.82	$ 0.74
Diluted earnings per common share	$ 0.82	$ 0.73
Average shares outstanding - basic	3,764,423	3,724,353
Average shares outstanding - diluted	3,809,299	3,736,468

CAMBRIDGE BANCORP

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2011	2010
	(In thousands)	
Cash flows provided by operating activities:		
Net income	$ 3,105	$ 2,746
Adjustments to arrive at net cash provided by operating activities:		
Provision for loan losses	250	300
Amortization of deferred charges/(income), net	84	125
Depreciation and amortization	367	355
Bank owned life insurance income	(114)	(87)
Gain on disposition of investment securities	(268)	(138)
Compensation expense from stock option and restricted stock grants	91	75
Change in accrued interest receivable, deferred taxes, other assets and other liabilities	1,473	540
Other, net	248	96
Net cash provided by operating activities	5,236	4,012
Cash flows used by investing activities:		
Origination of loans	(66,199)	(31,371)
Purchase of:		
Investment securities - AFS	(10,310)	(39,493)
Investment securities - HTM	—	(3,143)
Maturities, calls and principal payments of:		
Loans	27,996	24,602
Investment securities - AFS	34,640	30,665
Investment securities - HTM	6,181	1,418
Proceeds from sale of investment securities - AFS	25,258	28,994
Purchase of bank owned life insurance	(5,001)	—
Purchase of banking premises and equipment	(209)	(227)
Net cash used by investing activities	12,356	11,445
Cash flows provided by financing activities:		
Net increase in deposits	15,817	6,754
Net increase/(decrease) in short-term borrowings	(1,453)	738
Repayment of long-term borrowings	—	(8,000)
Proceeds from issuance of common stock	436	375
Repurchase of common stock	(109)	—
Cash dividends paid on common stock	(1,319)	(1,304)
Net cash provided by financing activities	13,372	(1,437)
Net increase (decrease) in cash and cash equivalents	30,964	14,020
Cash and cash equivalents at beginning of period	15,756	26,174
Cash and cash equivalents at end of period	$ 46,720	$ 40,194
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 1,045	$ 1,319
Cash paid for income taxes	145	550
Non-cash transactions:		
Change in accumulated other comprehensive income, net of taxes	(1,189)	555

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