# Cambridge Bancorp

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#### FOR IMMEDIATE RELEASE

#### **Cambridge Bancorp Reports First Quarter Results**

CAMBRIDGE, Mass. (April 27, 2009) - Cambridge Bancorp (OTC BB: CATC) today reported unaudited net income of \$2,006,000 for the first quarter of 2009, or \$0.54 per diluted share, compared to \$2,311,000, or \$0.61 per diluted share, for the same quarter in 2008. The quarter-over-quarter earnings decrease of \$305,000 (13.2%) was attributable to a combination of lower non-interest income and higher non-interest expenses for the period.

Joseph V. Roller II, president and CEO, noted "First quarter earnings were down somewhat from the same quarter in 2008 yet we are confident that our traditional business practices and diversified business model have positioned the Bank to capitalize on opportunities to grow. Our momentum is strong as we continue to build the company by bringing in new relationships and doing more business with our existing customers. During these challenging times, the Bank's focus on a personalized approach with experienced bankers who offer practical advice and guidance is especially well received."

Non-interest income for the first quarter of 2009 was \$629,000 lower than the same quarter in 2008. Fees from wealth management were affected by the steep decline in the equity market and were \$484,000 lower in 2009 versus 2008. In addition, gains taken on investment securities were negligible in this most recent quarter compared to \$158,000 in the first quarter of 2008.

The two principal factors of higher non-interest expenses were salaries and benefits, and Federal Deposit Insurance Corporation (FDIC) premiums. The combined increase in expense of these items in the first quarter of 2009 over the same quarter in 2008 was \$730,000. Salaries and benefits were higher due to key employee hires in wealth management and to the recent opening of the Bank's tenth branch, as well as larger expense accruals for the Bank's defined benefit retirement plan. Beginning in 2009, the FDIC's assessment schedule increased the rate insured banks pay for deposit insurance as part of the restoration plan.

Offsetting some of the aforementioned items was very strong performance in net interest income, which increased \$1.1 million (13.9%) in the first quarter of 2009 compared to the first quarter of 2008. The Bank's net interest margin of 4.20% for the three months ended March 31, 2009 compared favorably to 3.95% for the first quarter of 2008. Deposits increased by \$34 million to \$802 million since year-end 2008 and by \$76 million (10.5%) over the same quarter in 2008.

Non-performing loans as a percentage of total loans stood at 0.40% at March 31, 2009, a modest increase compared to 0.34% at December 31, 2008. Loan quality remains sound and the Allowance for Loan Losses stood at \$8.0 million or 1.70% of total loans outstanding at March 31, 2009. At December 31, 2008, the Allowance for Loan Losses was \$7.7 million or 1.63% of total loans outstanding.

Cambridge Bancorp and its subsidiary, Cambridge Trust Company, are based in Cambridge, Massachusetts, in the heart of Harvard Square. Cambridge Trust Company is a 118-year-old Massachusetts chartered commercial bank with \$934 million in total assets and ten Massachusetts locations in Cambridge, Beacon Hill, Belmont, Concord, Lincoln, and Weston. Cambridge Trust Company is one of New England's leaders in wealth management with \$1.2 billion in client assets under management. In addition, Cambridge Trust Company of New Hampshire offers wealth management services at two New Hampshire locations, Concord and Exeter.

#### Financial Highlights:

#### CAMBRIDGE BANCORP QUARTERLY UNAUDITED RESULTS

#### March 31, 2009

Dollar amounts in thousands (except share data)

Donal amounts in	ii tiiousanus	(except share data)	,	Quarter Ended March 31,			
				2009		2008	
Interest Income Interest Expense			\$	11,127 2,109	\$	10,921 3,005	
Net Interest Income				9,018		7,916	
Provision for Loan Losses				300		250	
Non-Interest Income				3,643		4,272	
Non-Interest Expense				9,562		8,648	
Income Before Taxes				2,799		3,290	
Income Taxes				793		979	
Net Income			\$	2,006	\$	2,311	
Data Per Common Share:							
Basic Earnings Per Share			\$	0.54	\$	0.61	
Diluted Earnings Per Share			\$	0.54	\$	0.61	
Dividends Declared Per Share			\$	0.33	\$	0.31	
Avg. Common Shares Outstanding:				2.717.550		2.765.120	
Basic Diluted				3,716,559 3,718,917		3,765,129 3,780,248	
				3,710,717		3,700,240	
Selected Operating Ratios:							
Net Interest Margin				4.20%		3.95%	
Return on Average Assets, after taxes				0.88%		1.10%	
Return on Average Equity, after taxes				10.65%		12.99%	
	March 31, 2009		December 31, 2008		March 31, 2008		
Total Assets	\$	934,160	\$	917,212	\$	865,095	
Total Loans	·	468,788	·	471,814	·	428,805	
Non-Performing Loans		1,875		1,602		1,079	
Allowance for Loan Losses		7,951		7,696		6,933	
Allowance to Non-Performing Loans		424.02%		480.35%		642.45%	
Allowance to Total Loans		1.70%		1.63%		1.62%	
Total Deposits		802,056		767,654		725,590	
Total Stockholders' Equity		77,641		76,044		73,416	
Book Value Per Share	\$	20.81	\$	20.29	\$	19.46	
Tangible Book Value Per Share	\$	20.48	\$	19.93	\$	19.03	

## **CAMBRIDGE BANCORP**

UNAUDITED BALANCE SHEETS

Cash and due from banks         \$ 39,160         \$ 13,472           Federal funds sold         364         26,179           Total cash and cash equivalents         39,224         39,651           Investment securities:         \$ 39,224         39,651           Investment securities         \$ 294,546         271,905           Held-to-maturity, at amortized cost         104,700         105,785           Stock in FHILB of Boston, at cost         4,806         4,806           Total investment securities         404,052         382,496           Loans:         8         197,361         195,510           Commercial mortgage         197,361         195,510           Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Commercial         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,878         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         11,417         11,310           Bank owned life insurance         11,417         11,310 <th></th> <th></th> <th>March 31, 2009</th> <th>]</th> <th colspan="2">December 31, 2008</th>			March 31, 2009	]	December 31, 2008	
Cash and due from banks         \$ 39,160         \$ 13,472           Federal funds sold         64         26,179           Total cash and cash equivalents         39,224         39,651           Investment securities:         39,224         39,651           Investment securities:         294,546         271,905           Held-to-maturity, at amortized cost         104,700         105,785           Stock in FHLB of Boston, at cost         4,806         4,806           Total investment securities         404,052         382,496           Loans:         200,000         382,496           Commercial mortgage         197,361         195,510           Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,969)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrue		_				
Federal funds sold         64         26,179           Total cash and cash equivalents         39,224         39,651           Investment securities         39,24         39,651           Investment securities         294,546         271,905           Held-to-maturity, at amortized cost         104,700         105,785           Stock in FHLB of Boston, at cost         4,806         4,806           Total investment securities         404,052         382,496           Loans:         80,000         197,361         195,510           Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,91           Other assets         8,770         9,267 <td< td=""><td>ASSETS</td><td></td><td></td><td></td><td></td></td<>	ASSETS					
Federal funds sold         64         26,179           Total cash and cash equivalents         39,224         39,651           Investment securities         39,24         39,651           Investment securities         294,546         271,905           Held-to-maturity, at amortized cost         104,700         105,785           Stock in FHLB of Boston, at cost         4,806         4,806           Total investment securities         404,052         382,496           Loans:         80,000         197,361         195,510           Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,91           Other assets         8,770         9,267 <td< td=""><td>Cash and due from banks</td><td>\$</td><td>39,160</td><td>\$</td><td>13,472</td></td<>	Cash and due from banks	\$	39,160	\$	13,472	
Total cash and cash equivalents   Say, 224   Say, 651     Investment securities:						
Investment securities:   Available for sale, at fair value	Total cash and cash equivalents	_		_		
Held-to-maturity, at amortized cost   104,700   105,785   Stock in FHLB of Boston, at cost   4,806   4,806   4,806   Total investment securities   404,052   382,496   Loans:	<del>-</del>					
Stock in FHLB of Boston, at cost         4,806         4,806           Total investment securities         404,052         382,496           Loans:         Residential mortgage         197,361         195,510           Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         187,076         90,267           Total essets         200,0877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         873	Available for sale, at fair value		294,546		271,905	
Total investment securities         404,052         382,496           Loans:         Residential mortgage         197,361         195,510           Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         \$ 934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         802,056	Held-to-maturity, at amortized cost		104,700		105,785	
Loans:         Residential mortgage         197,361         195,510           Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         8,770         9,267           Total assets         8,770         9,267           Deposits:         8,770         9,267           Deposits:         934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         5		_		_		
Residential mortgage         197,361         195,510           Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,956)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         8	Total investment securities		404,052		382,496	
Commercial mortgage         157,721         157,787           Home equity         67,374         68,419           Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings						
Home equity						
Commercial         34,146         36,842           Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         \$ 934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         <						
Consumer         12,186         13,256           Total loans         468,788         471,814           Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         3800         55,000           Other liabilities         856,519         841,168           Stockholders' equity:						
Total loans         468,788 (7,951)         471,814 (7,956)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         \$ 934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         38,000         55,000           Other liabilities         38,000         55,000           Other liabilities         856,519         841,168           Stockholders' equity:         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657						
Allowance for loan losses         (7,951)         (7,696)           Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         873         3,019           Long-term borrowings         873         3,019           Stockholders' equity:         20,008         15,495           Total liabilities         15,590         15,495           Total rown stoc		_				
Net loans         460,837         464,118           Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         \$934,160         \$917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$187,076         \$200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         3,731         3,749           Additional paid-in capital         20,008         19,749           Additional pa						
Bank owned life insurance         11,417         11,310           Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         \$ 934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         20000         841,168           Common stock, par value \$1.00; Authorized         3,731         3,749           Additional paid-in capital         20,008         19,749		_				
Banking premises and equipment, net         6,041         5,979           Accrued interest receivable         3,819         4,391           Other assets         8,770         9,267           Total assets         \$ 934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         356,519         841,168           Stockholders' equity:         2         841,168           Common stock, par value \$1.00; Authorized         5,000,000 shares; Outstanding: 3,731,370 and         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive	Net loans		460,837		464,118	
Accrued interest receivable         3,819         4,391           Other assets         \$,770         9,267           Total assets         \$ 934,160         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         20,000         19,749           Additional paid-in capital         20,008         19,749           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044	Bank owned life insurance		11,417		11,310	
Other assets         8,770         9,267           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         880,005         55,000           Other liabilities         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         20,000         841,168           Common stock, par value \$1.00; Authorized         3,748,642 shares, respectively         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044						
Total assets         \$ 917,212           LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:           Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         Common stock, par value \$1.00; Authorized         5,000,000 shares; Outstanding: 3,731,370 and         3,748,642 shares, respectively         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044	Accrued interest receivable					
LIABILITIES AND STOCKHOLDERS' EQUITY           Deposits:         3 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         Common stock, par value \$1.00; Authorized         3,748,642 shares, respectively         3,731         3,749           Additional paid-in capital         20,008         19,749         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044		_	8,770		9,267	
Deposits:         187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         3,731         3,749           Common stock, par value \$1.00; Authorized         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044	Total assets	\$_	934,160	\$ <u></u>	917,212	
Deposits:         187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         3,731         3,749           Common stock, par value \$1.00; Authorized         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044	LIABILITIES AND STOCKHO	LDER	S' EQUITY			
Demand         \$ 187,076         \$ 200,877           Interest bearing checking         207,075         212,053           Money market         55,937         51,537           Savings         168,039         140,285           Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         856,519         841,168           Common stock, par value \$1.00; Authorized         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044	Democitos					
Interest bearing checking       207,075       212,053         Money market       55,937       51,537         Savings       168,039       140,285         Certificates of deposit       183,929       162,902         Total deposits       802,056       767,654         Short-term borrowings       873       3,019         Long-term borrowings       38,000       55,000         Other liabilities       15,590       15,495         Total liabilities       856,519       841,168         Stockholders' equity:       Common stock, par value \$1.00; Authorized       3,731       3,749         Additional paid-in capital       20,008       19,749         Additional paid-in capital       20,008       19,749         Retained earnings       49,657       49,384         Accumulated other comprehensive income       4,245       3,162         Total stockholders' equity       77,641       76,044	•	Φ	197.076	Φ	200 877	
Money market       55,937       51,537         Savings       168,039       140,285         Certificates of deposit       183,929       162,902         Total deposits       802,056       767,654         Short-term borrowings       873       3,019         Long-term borrowings       38,000       55,000         Other liabilities       15,590       15,495         Total liabilities       856,519       841,168         Stockholders' equity:       Common stock, par value \$1.00; Authorized       5,000,000 shares; Outstanding: 3,731,370 and       3,731       3,749         Additional paid-in capital       20,008       19,749         Retained earnings       49,657       49,384         Accumulated other comprehensive income       4,245       3,162         Total stockholders' equity       77,641       76,044		Ф		Ф		
Savings       168,039       140,285         Certificates of deposit       183,929       162,902         Total deposits       802,056       767,654         Short-term borrowings       873       3,019         Long-term borrowings       38,000       55,000         Other liabilities       15,590       15,495         Total liabilities       856,519       841,168         Stockholders' equity:       Common stock, par value \$1.00; Authorized       5,000,000 shares; Outstanding: 3,731,370 and       3,731       3,749         Additional paid-in capital       20,008       19,749         Retained earnings       49,657       49,384         Accumulated other comprehensive income       4,245       3,162         Total stockholders' equity       77,641       76,044						
Certificates of deposit         183,929         162,902           Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         20000         2000           Common stock, par value \$1.00; Authorized         3,748,642 shares; Outstanding: 3,731,370 and         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044						
Total deposits         802,056         767,654           Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         Common stock, par value \$1.00; Authorized         5,000,000 shares; Outstanding: 3,731,370 and         3,748,642 shares, respectively         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044						
Short-term borrowings         873         3,019           Long-term borrowings         38,000         55,000           Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         2000,000         841,168           Common stock, par value \$1.00; Authorized         3,748,642 shares; Outstanding: 3,731,370 and         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044		_				
Long-term borrowings       38,000       55,000         Other liabilities       15,590       15,495         Total liabilities       856,519       841,168         Stockholders' equity:       20,000       20,000         Common stock, par value \$1.00; Authorized       3,748,642 shares; Outstanding: 3,731,370 and       3,731       3,749         Additional paid-in capital       20,008       19,749         Retained earnings       49,657       49,384         Accumulated other comprehensive income       4,245       3,162         Total stockholders' equity       77,641       76,044						
Other liabilities         15,590         15,495           Total liabilities         856,519         841,168           Stockholders' equity:         Common stock, par value \$1.00; Authorized         5,000,000 shares; Outstanding: 3,731,370 and         3,748,642 shares, respectively         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044	<del>_</del>					
Total liabilities         856,519         841,168           Stockholders' equity:         Common stock, par value \$1.00; Authorized           5,000,000 shares; Outstanding: 3,731,370 and         3,748,642 shares, respectively         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044			,			
Stockholders' equity:         Common stock, par value \$1.00; Authorized           5,000,000 shares; Outstanding: 3,731,370 and         3,748,642 shares, respectively         3,731         3,749           Additional paid-in capital         20,008         19,749           Retained earnings         49,657         49,384           Accumulated other comprehensive income         4,245         3,162           Total stockholders' equity         77,641         76,044		_				
Common stock, par value \$1.00; Authorized         5,000,000 shares; Outstanding: 3,731,370 and         3,748,642 shares, respectively       3,731       3,749         Additional paid-in capital       20,008       19,749         Retained earnings       49,657       49,384         Accumulated other comprehensive income       4,245       3,162         Total stockholders' equity       77,641       76,044		_	650,519		041,100	
5,000,000 shares; Outstanding: 3,731,370 and       3,748,642 shares, respectively       3,731       3,749         Additional paid-in capital       20,008       19,749         Retained earnings       49,657       49,384         Accumulated other comprehensive income       4,245       3,162         Total stockholders' equity       77,641       76,044						
3,748,642 shares, respectively       3,731       3,749         Additional paid-in capital       20,008       19,749         Retained earnings       49,657       49,384         Accumulated other comprehensive income       4,245       3,162         Total stockholders' equity       77,641       76,044						
Additional paid-in capital20,00819,749Retained earnings49,65749,384Accumulated other comprehensive income4,2453,162Total stockholders' equity77,64176,044			3.731		3.749	
Retained earnings       49,657       49,384         Accumulated other comprehensive income       4,245       3,162         Total stockholders' equity       77,641       76,044						
Accumulated other comprehensive income 4,245 3,162 Total stockholders' equity 77,641 76,044						
Total stockholders' equity 77,641 76,044						
		_		_		
		\$		\$		

## **CAMBRIDGE BANCORP**

#### UNAUDITED STATEMENTS OF INCOME

	Quarter Ended March 31,			
	2009 2008 (In thousands, except per share data			
	(1	n thousands, ex	xcept	t per share data)
Interest income:     Interest on loans     Interest on taxable investment securities     Interest on tax exempt investment securities     Interest on overnight investments     Total interest income	\$	6,562 4,160 396 9 11,127	\$	6,611 3,924 376 10 10,921
Interest expense: Interest on deposits Interest on borrowed funds Total interest expense Net interest income	_	1,588 521 2,109 9,018	- <u>-</u>	2,255 750 3,005 7,916
Provision for loan losses	_	300		250
Net interest income after provision for loan losses	_	8,718		7,666
Noninterest income: Wealth management income Deposit account fees ATM/Debit card income Merchant card services Bank owned life insurance income Gain on disposition of investment securities Other income Total noninterest income	_	2,468 597 190 111 107 2 168 3,643	- <u>-</u>	2,952 590 195 116 118 158 143 4,272
Noninterest expense: Salaries and employee benefits Occupancy and equipment Data processing Professional services Marketing FDIC Insurance Other expenses Total noninterest expense Income before income taxes	<u>-</u>	5,440 1,669 801 305 350 312 685 9,562 2,799	- <u>-</u>	5,002 1,554 727 362 313 20 670 8,648
Income tax expense		793		979
Net income	\$_	2,006	\$	2,311
Per share data:				
Basic earnings per common share Diluted earnings per common share	\$ \$	0.54 0.54	\$ \$	0.61 0.61
Average shares outstanding - basic Average shares outstanding - diluted		3,716,559 3,718,917		3,765,129 3,780,248