#### CAMBRIDGE BANCORP QUARTERLY UNAUDITED RESULTS

June 30, 2013

Dollar amounts in thousands (except share data)

			nths I e 30,	nths Ended e 30,		Six Months Ended June 30,				
		2013		2012		2013		2012		
Interest Income	\$	11,595	\$	12,409	\$	23,180	\$	24,813		
Interest Expense	·	513	·	876	•	1,136	·	1,743		
Net Interest Income		11,082		11,533		22,044		23,070		
Provision for Loan Losses		200		250		400		550		
Non-Interest Income		5,530		4,834		11,419		9,639		
Non-Interest Expense		11,259		11,073		22,928		22,336		
Income Before Taxes		5,153		5,044		10,135		9,823		
Income Taxes		1,678		1,593		3,329		3,087		
Net Income	\$	3,475	\$	3,451	\$	6,806	\$	6,736		
Data Per Common Share:										
Basic Earnings Per Share	\$	0.90	\$	0.90	\$	1.76	\$	1.76		
Diluted Earnings Per Share	\$	0.89	\$	0.89	\$	1.75	\$	1.74		
Dividends Declared Per Share	\$	0.39	\$	0.37	\$	0.78	\$	0.74		
Avg. Common Shares Outstanding:										
Basic		3,837,776		3,842,976		3,826,454		3,830,199		
Diluted		3,907,458		3,879,498		3,897,744		3,866,397		
Selected Operating Ratios:										
Net Interest Margin		3.31%		3.59%		3.31%		3.65%		
Return on Average Assets, after taxes		0.99%		1.02%		0.98%		1.02%		
Return on Average Equity, after taxes		13.23%		13.95%		13.04%		13.77%		
			,	June 30, 2013	De	ecember 31, 2012		June 30, 2012		
Total Assets			\$	1,425,825	\$	1,417,986	\$	1,353,344		
Total Loans			·	831,931	·	742,249		702,533		
Non-Performing Loans				1,441		1,570		1,131		
Allowance for Loan Losses				11,353		10,948		10,790		
Allowance to Non-Performing Loans				787.76%		697.25%		953.85%		
Allowance to Total Loans				1.36%		1.47%		1.54%		
Total Deposits				1,246,979		1,281,333		1,202,950		
Total Stockholders' Equity				101,563		104,891		100,319		
Book Value Per Share			\$	26.17	\$	27.21	\$	26.08		
Tangible Book Value Per Share			\$	25.96	\$	27.05	\$	25.98		

#### UNAUDITED CONSOLIDATED BALANCE SHEETS

		June 30, 2013	Ι	December 31, 2012
		(In th	nds)	
ASSETS				
Cash and due from banks Overnight investments	\$	22,854	\$	59,923 —
Total cash and cash equivalents Investment securities:		22,854		59,923
Available for sale, at fair value		459,212		502,318
Held to maturity, at amortized cost		64,913		71,133
Total investment securities		524,125		573,451
Loans held for sale, at lower of cost or fair value				1,684
Loans:		405 700		247.000
Residential mortgage		405,788		347,908
Commercial mortgage		305,455		276,428
Home equity Commercial		45,522 50,025		50,574 47,570
Consumer		25,141		19,769
Total loans	_	831,931		742,249
Allowance for loan losses		(11,353)		(10,948)
Net loans		820,578	_	731,301
Stock in FHLB of Boston, at cost		5,406		5,010
Bank owned life insurance		23,245		22,903
Banking premises and equipment, net		8,342		6,214
Accrued interest receivable		4,007		3,877
Other assets		17,268	—	13,623
Total assets	\$_	1,425,825	* =	1,417,986
LIABILITIES AND STOCKHO	LDER	S' EQUITY		
Deposits:				
Demand	\$	352,997	\$	329,211
Interest bearing checking		326,990		363,575
Money market		58,328		60,850
Savings		376,606		393,541
Certificates of deposit		132,058		134,156
Total deposits		1,246,979		1,281,333
Short-term borrowings		63,000		
Long-term borrowings Other liabilities		14 292		20,000
Total liabilities	_	14,283		11,762
Stockholders' equity:	_	1,324,262		1,313,095
Common stock, par value \$1.00; Authorized				
10,000,000 shares; Outstanding: 3,880,594 and				
3,854,951 shares, respectively		3,881		3,855
Additional paid-in capital		25,530		24,421
Retained earnings		79,541		75,787
Accumulated other comprehensive income	_	(7,389)		828
Total stockholders' equity		101,563		104,891
Total liabilities and stockholders' equity	\$ <u></u>	1,425,825	\$_	1,417,986

### UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended June 30, 2013 2012			
		2012		
	(I	n thousands, ex	xcep	t per share data)
Interest income:	_		_	
Interest on loans	\$	8,614	\$	8,359
Interest on taxable investment securities		2,466		3,528
Interest on tax exempt investment securities		504		508
Dividends on FHLB of Boston stock		5		6
Interest on overnight investments  Total interest income	_	6 11,595		12,409
	_	11,393		12,409
Interest expense:		401		5.61
Interest on deposits Interest on borrowed funds		481 32		561 315
Total interest expense	_	513		876
Net interest income		11,082		11,533
Provision for loan losses		200		250
				•
Net interest income after provision for loan losses		10,882		11,283
Noninterest income:		2 975		2 266
Wealth management income Deposit account fees		3,875 633		3,366 606
ATM/Debit card income		301		265
Bank owned life insurance income		166		161
Gain on disposition of investment securities		205		172
Gain on loans held for sale		137		76
Other income		213		188
Total noninterest income		5,530	_	4,834
Noninterest expense:				
Salaries and employee benefits		6,521		6,635
Occupancy and equipment		1,999		1,847
Data processing		917		904
Professional services		416		407
Marketing		465		437
FDIC Insurance		181		175
Other expenses	_	760		668
Total noninterest expense	_	11,259		11,073
Income before income taxes		5,153		5,044
Income tax expense		1,678		1,593
Net income	\$_	3,475	\$	3,451
Per share data:				
Basic earnings per common share	\$ \$	0.90	\$	0.90
Diluted earnings per common share	\$	0.89	\$	0.89
Average shares outstanding - basic		3,837,776		3,842,976
Average shares outstanding - diluted		3,907,458		3,879,498

#### UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Three Months Ended June 30,				
	_	2013		2012		
		(In th	nds)			
Net income	\$	3,475	\$	3,451		
Other comprehensive income/(loss), net of tax: Defined benefit retirement plans:						
Change in unfunded retirement liability Unrealized gains/(losses) on Available for		(85)		(96)		
Sale securities: Unrealized holding gains/(losses) arising						
during the period		(5,938)		(51)		
Less: reclassification adjustment for gains recognized in net income		(131)		(111)		
Other comprehensive income/(loss)		(6,154)	_	(258)		
Comprehensive income/(loss)	\$	(2,679)	\$	3,193		

### UNAUDITED CONSOLIDATED STATEMENTS OF INCOME

	Six Months Ended June 30,				
		2013 2012			
	(I	n thousands, ex	xcep	t per share data)	
Interest income: Interest on loans	\$	16,979	\$	16,687	
Interest on taxable investment securities	4	5,160	Ψ	7,089	
Interest on tax exempt investment securities		1,011		1,016	
Dividends on FHLB of Boston stock		10		12	
Interest on overnight investments		20		9	
Total interest income	_	23,180		24,813	
Interest expense:					
Interest on deposits		975		1,113	
Interest on borrowed funds		161		630	
Total interest expense		1,136		1,743	
Net interest income		22,044		23,070	
Provision for loan losses		400		550	
Net interest income after provision for loan losses		21,644		22,520	
Noninterest income:				_	
Wealth management income		7,620		6,709	
Deposit account fees		1,281		1,198	
ATM/Debit card income		557		504	
Bank owned life insurance income		342		342	
Gain on disposition of investment securities		805		429	
Gain on loans held for sale		435		76	
Other income		379		381	
Total noninterest income	_	11,419		9,639	
Noninterest expense:					
Salaries and employee benefits		13,290		13,339	
Occupancy and equipment		4,063		3,791	
Data processing		1,900		1,791	
Professional services		928		867	
Marketing		930		875	
FDIC Insurance		362		347	
Other expenses	_	1,455		1,326	
Total noninterest expense	_	22,928		22,336	
Income before income taxes		10,135		9,823	
Income tax expense		3,329		3,087	
Net income	\$	6,806	\$	6,736	
Per share data:					
Basic earnings per common share	\$	1.76	\$	1.76	
Diluted earnings per common share	\$	1.75	\$	1.74	
Average shares outstanding - basic		3,826,454		3,830,199	
Average shares outstanding - diluted		3,897,744		3,866,397	
		•		•	

### UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Six Months Ended June 30,			
		2013	2012		
	_	(In thousands)			
Net income	\$	6,806	\$	6,736	
Other comprehensive income/(loss), net of tax:					
Defined benefit retirement plans:					
Change in unfunded retirement liability		(170)		(191)	
Unrealized gains/(losses) on Available for					
Sale securities:					
Unrealized holding gains/(losses) arising		(7.521)		(500)	
during the period  Less: reclassification adjustment for gains		(7,531)		(590)	
recognized in net income		(516)		(277)	
	_			. ,	
Other comprehensive income/(loss)		(8,217)		(1,058)	
Comprehensive income/(loss)	\$	(1,411)	\$	5,678	

#### UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

		Six Months Ended June				
		2013		2012		
		(In th	ousa	ands)		
Cash flows provided by operating activities:						
Net income	\$	6,806	\$	6,736		
Adjustments to arrive at net cash provided by operating activities:						
Provision for loan losses		400		550		
Amortization of deferred charges/(income), net		608		432		
Depreciation and amortization		767		715		
Bank owned life insurance income		(342)		(342)		
Gain on disposition of investment securities		(805)		(429)		
Compensation expense from stock option						
and restricted stock grants		229		228		
Change in loans held for sale		1,684		(253)		
Change in accrued interest receivable, deferred taxes,						
other assets and other liabilities		3,200		(1,235)		
Other, net		36		90		
Net cash provided by operating activities		12,583		6,492		
Cash flows used by investing activities:						
Origination of loans		(151,184)		(96,734)		
Purchase of:		, ,		, , ,		
Investment securities - AFS		(50,544)		(105,858)		
Investment securities - HTM		(498)		(823)		
Maturities, calls and principal payments of:		` ,		` ,		
Loans		61,328		67,257		
Investment securities - AFS		52,626		56,986		
Investment securities - HTM		6,709		2,388		
Proceeds from sale of investment securities - AFS		28,702		22,748		
Purchase of bank owned life insurance				(5,000)		
Decrease/(increase) in FHLB of Boston stock		(396)		(204)		
Purchase of banking premises and equipment		(2,895)		(311)		
Net cash provided/(used) by investing activities	_	(56,152)		(59,551)		
Cash flows provided by financing activities:	_	(50,152)		(0),001)		
Net increase/(decrease) in deposits		(34,354)		77,296		
Net increase/(decrease) in short-term borrowings		63,000		(2,500)		
Repayment of long-term borrowings		(20,000)		(2,500)		
Proceeds from issuance of common stock		913		619		
Repurchase of common stock		(42)		(3)		
Cash dividends paid on common stock		(3,017)		(2,836)		
Net cash provided/(used) by financing activities	_	6,500		72,576		
Net increase/(decrease) in cash and cash equivalents	_	(37,069)		19,517		
Cash and cash equivalents at beginning of period		59,923		22,512		
Cash and cash equivalents at beginning of period	Φ_	22,854	\$	42,029		
Cash and Cash equivalents at end of period	Φ=	22,034	φ <u></u> =	42,029		
Supplemental disclosure of cash flow information:						
Cash paid for interest	\$	1,141	\$	1,752		
Cash paid for income taxes		80		2,705		
Non-cash transactions:				•		
Change in accumulated other comprehensive income, net of taxes		(8,217)		(1,058)		