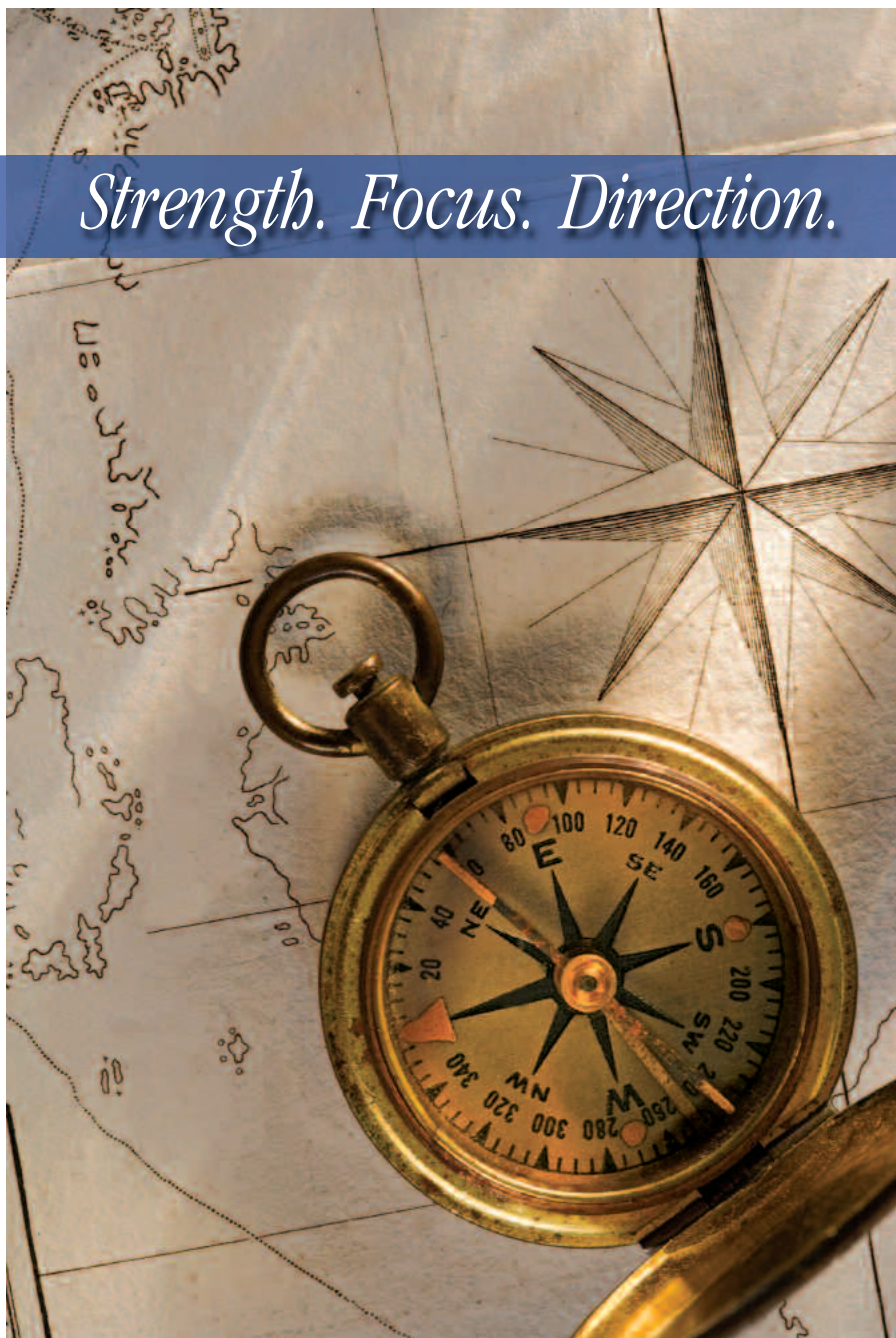


2008 Annual Report  
Washington Trust Bancorp, Inc.

*Strength. Focus. Direction.*



## Steady Navigation in Turbulent Times



*For 208 years, people have looked to Washington Trust for guidance. Just as sailors in centuries past relied on a compass, astrolabe, and sextant for direction in unknown waters, customers in 2008 turned to Washington Trust to help them navigate turbulent financial markets and chart a course for financial security and peace of mind.*



---

Letter to Shareholders ~	4
Corporate Profile ~	8
2008 Financial Highlights ~	9
The Year In Review ~	10
Consolidated Balance Sheets ~	14
Consolidated Statements of Income ~	15
Shareholder Information ~	16
Corporate Directory ~	17
Washington Trust Locations ~	19

---

This report contains certain statements that may be considered “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, including statements regarding our strategy, effectiveness of investment programs, evaluations of future interest rate trends and liquidity, expectations as to growth in assets, deposits and results of operations, success of acquisitions, future operations, market position, financial position, and prospects, plans, goals and objectives of management are forward-looking statements. The actual results, performance or achievements of the Corporation could differ materially from those projected in the forward-looking statements as a result of, among other factors, changes in general national, regional or international economic conditions or conditions affecting the banking or financial services industries or financial capital markets, volatility and disruption in national and international financial markets, government intervention in the U.S. financial system, reductions in net interest income resulting from interest rate volatility as well as changes in the balance and mix of loans and deposits, reductions in the market value of wealth management assets under administration, changes in the value of securities and other assets, reductions in loan demand, changes in loan collectibility, default and charge-off rates, changes in the size and nature of the Corporation’s competition, changes in legislation or regulation and accounting principles, policies and guidelines, and changes in the assumptions used in making such forward-looking statements. In addition, the factors described under “Risk Factors” in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2008, as filed with the Securities and Exchange Commission, may result in these differences. You should carefully review all of these factors, and you should be aware that there may be other factors that could cause these differences. These forward-looking statements were based on information, plans and estimates at the date of this report, and the Corporation assumes no obligation to update forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes.



*John C. Warren, Chairman and CEO; John F. Treanor, President and COO*

No one could have predicted that 2008 would feature such a confluence of negative events, including a global recession, an international banking crisis, and a precipitous decline in the financial markets. As we look back at 2008, it is clear that for Washington Trust it was a year of “strength, focus and direction.” We knew the challenges, stuck to our principles, and remained focused on the core business that has driven our company for more than 208 years. For Washington Trust, 2008 was a solid year.

Despite all of the turmoil, Washington Trust was successful – particularly in contrast to the widely-reported problems in the financial services industry. We generated \$22.2 million in earnings in 2008, increased our dividend for the 16th consecutive year, and raised approximately \$47 million in new capital with select institutional investors. Already well-capitalized by regulatory standards, this capital raise made our company even stronger and we therefore chose not to accept government funding under the Troubled Asset Relief Program (TARP).

As both the marketplace and larger financial institutions experienced major disruptions, our position as “a pillar of strength for 208 years” resonated.

Washington Trust is the largest independent bank headquartered in Rhode Island. In 2008, our independence and local roots played pivotal roles in our performance. As both the marketplace and larger financial institutions experienced major disruptions, our position as “a pillar of strength for 208 years” resonated. Consumers, commercial customers, and investors sought strength and stability in the management of their financial affairs – and found it in Washington Trust. The values that we have held close for more than two centuries – trustworthiness, commitment to excellence, sound judgment, and a willingness to help – were never more important to our customers or more instrumental to our success.

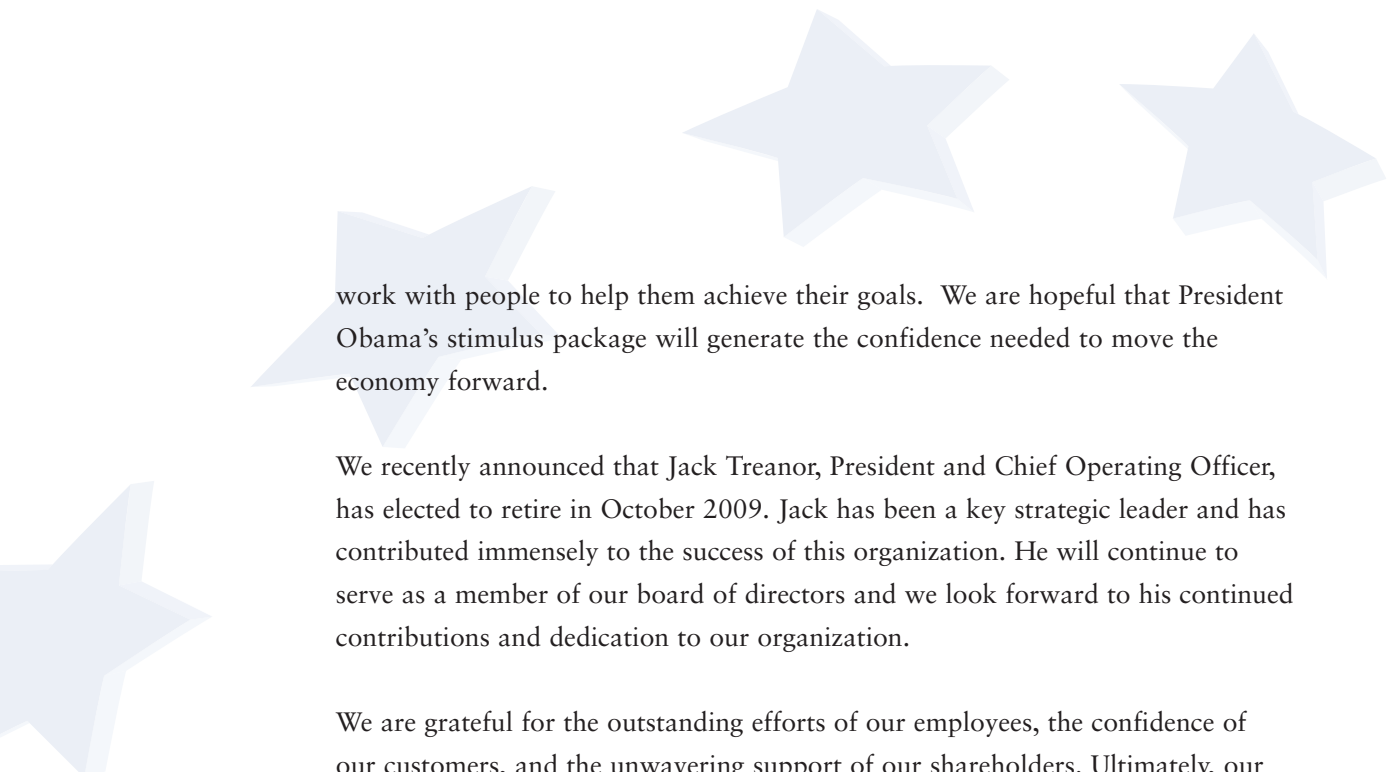
When the credit conduits on Wall Street dried up in 2008, capital conservation was the order of the day at many institutions, but not at Washington Trust. In fact, our commercial loan portfolio grew by a record 29% in 2008. We attracted new customers and provided financing for existing clients. Best of all, as we grew our portfolio, we continued to maintain good asset quality.

As consumers turned from Wall Street to Main Street, our local presence combined with our reputation for providing exceptional service across all lines of business offered compelling reasons for people to choose us. What's more, being a local bank with strong roots helped us stand out in a market dominated by three large institutions, all three of which are headquartered out of state. People wanted to do business with someone they knew, someone they could see or talk to at a moment's notice. Many found that trusted advisor at Washington Trust.

Service excellence sets us apart. It is a key part of our brand and helps us retain and grow profitable client relationships. Statistics and surveys indicate that we enjoy a high loyalty and satisfaction rate – once people become Washington Trust customers, they rarely leave. When customers are truly pleased with the service they receive, they not only become long-term customers; they also tell their friends and associates about us. This was especially valuable to us in 2008 when unprecedented dislocation in the marketplace had people looking for new banking relationships. There is no better catalyst for new business than the referral of a satisfied customer.

At Washington Trust, people matter. Much of our success can be attributed to our focus on people – our employees, our customers, and our community. Washington Trust has a legacy of providing personalized service, trusted advice, and financial solutions. We have continued to recruit employees who embody that spirit, and invest in training programs and technology to ensure that our people possess the skills and talents that they need.

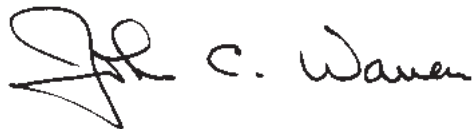
Few prognosticators foresaw the events of 2008; fewer still would commit to predictions for 2009. Amid this uncertainty, we will remain focused on financial strength, sound lending practices, local decision-making, and a willingness to



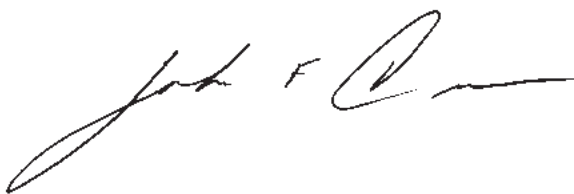
work with people to help them achieve their goals. We are hopeful that President Obama's stimulus package will generate the confidence needed to move the economy forward.

We recently announced that Jack Treanor, President and Chief Operating Officer, has elected to retire in October 2009. Jack has been a key strategic leader and has contributed immensely to the success of this organization. He will continue to serve as a member of our board of directors and we look forward to his continued contributions and dedication to our organization.

We are grateful for the outstanding efforts of our employees, the confidence of our customers, and the unwavering support of our shareholders. Ultimately, our strong performance in 2008 is a tribute to all of you. We are thankful to have the opportunity to lead your company and look forward to creating value for you over the long term.



John C. Warren  
Chairman and Chief Executive Officer



John F. Treanor  
President and Chief Operating Officer

## Corporate Profile

### Washington Trust Profile

As of December 31, 2008  
 \$3.0 billion in assets  
 \$315 million in market capitalization

Washington Trust Bancorp, Inc. is the publicly-owned holding company of The Washington Trust Company (the Bank), a Rhode Island chartered commercial bank founded in 1800. Through the Bank and its other subsidiaries, Washington Trust offers a broad range of financial services, including wealth management, by way of its branch offices in Rhode Island, Massachusetts and southeastern Connecticut.

At December 31, 2008, Washington Trust had 483 employees. The Corporation has an Affirmative Action Plan and is an Equal Opportunity Employer. Washington Trust is also a member of the FDIC and an Equal Housing Lender.

### Market and Dividend Information

Washington Trust's common stock trades on the NASDAQ Global Select® Market under the symbol WASH. As of December 31, 2008, there were 2,005 shareholders of record.

Auditors: KPMG LLP, Providence, Rhode Island  
 Counsel: Goodwin Procter LLP, Boston, Massachusetts

### Annual Meeting of Shareholders

Tuesday, April 28, 2009, 11:00 a.m.

The Granite Theatre

1 Granite Street, Westerly, Rhode Island 02891

*Free shareholder parking is available at the Washington Trust parking garage at 23 Broad Street, Westerly, RI. The Granite Theatre is handicapped accessible. Shareholders may call 401-348-1566 with questions.*

### Vote Your Proxy Online Or By Phone

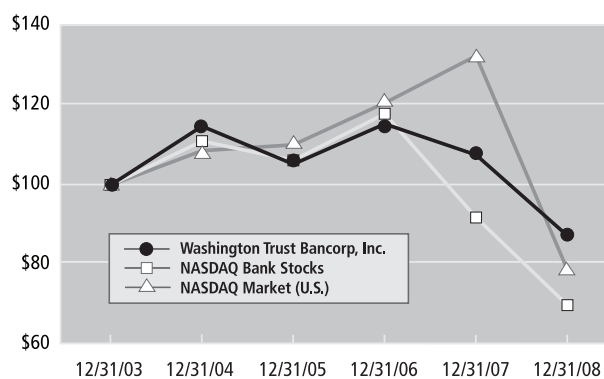
For your convenience, you can vote your shares online or by phone. Please have your proxy card available. INTERNET – Access [www.voteproxy.com](http://www.voteproxy.com) and follow the on-screen instructions.

TELEPHONE – Call toll-free 800-PROXIES (800-776-9437) from any touch-tone telephone and follow the instructions.

2008 Quarters	1	2	3	4
Stock prices:				
High	\$26.50	\$26.49	\$33.34	\$27.30
Low	21.84	19.70	18.43	16.33
Close	24.82	19.70	26.60	19.75
Dividend declared	.20	.21	.21	.21
2007 Quarters	1	2	3	4
Stock prices:				
High	\$28.98	\$27.69	\$28.42	\$28.65
Low	25.32	23.90	22.87	23.49
Close	26.81	25.21	26.97	25.23
Dividend declared	.20	.20	.20	.20

### Shareholder Return Performance Presentation

At right is a line graph comparing the cumulative total shareholder return on the Corporation's Common Stock against the cumulative total return of the NASDAQ Bank Stocks index and the NASDAQ Market (U.S.) for the five years ended December 31. The historical information below is not necessarily indicative of future performance.



December 31,	2003	2004	2005	2006	2007	2008
Washington Trust Bancorp, Inc.	\$100.00	\$114.73	\$105.22	\$115.31	\$107.54	\$87.28
NASDAQ Bank Stocks	\$100.00	\$110.99	\$106.18	\$117.87	\$91.85	\$69.88
NASDAQ Market (U.S.)	\$100.00	\$108.59	\$110.08	\$120.56	\$132.39	\$78.72

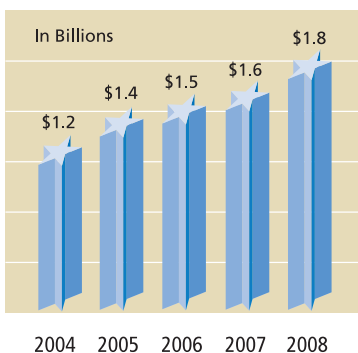
The results presented assume that the value of the Corporation's Common Stock and each index was \$100.00 on December 31, 2003. The total return assumes reinvestment of dividends.



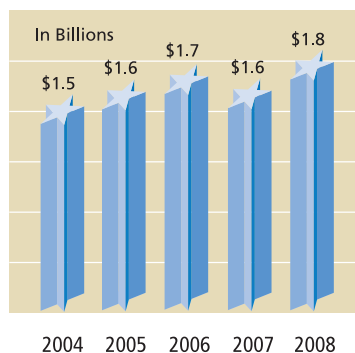
## Financial Highlights

At or for the years ended December 31, (Dollars in thousands, except per share amounts)	2008	2007	2006
<b>Financial Condition</b>			
Total assets	\$2,965,466	\$2,539,940	\$2,399,165
Total loans	1,839,154	1,573,652	1,459,986
Allowance for loan losses	23,725	20,277	18,894
Total securities	866,219	751,778	703,851
Total deposits	1,790,868	1,646,205	1,677,997
Total shareholders' equity	235,111	186,513	173,056
<b>Financial Results</b>			
Net interest income	\$65,513	\$59,944	\$61,474
Provision for loan losses	4,800	1,900	1,200
Net realized gains on securities	2,224	455	443
(Losses) on write-downs of investments to fair value	(5,937)	-	-
Other noninterest income	44,233	45,054	41,740
Noninterest expense	71,742	68,906	65,335
Net income	22,172	23,800	25,031
<b>Per Share Information</b>			
Diluted earnings per share	\$1.57	\$1.75	\$1.82
Cash dividends declared	.83	.80	.76
Book value per share	14.75	13.97	12.89
Tangible book value per share	10.47	9.33	8.61
Market value per share	19.75	25.23	27.89
<b>Selected Ratios</b>			
Return on average assets	0.82%	0.99%	1.04%
Return on average equity	11.12	13.48	14.99
Net interest margin (taxable equivalent basis)	2.64	2.76	2.80
Total risk based capital	12.54	10.39	10.96
Tangible equity to tangible assets	5.76	5.03	4.94
<b>Asset Quality Data</b>			
Total past due loans to total loans	0.96%	0.45%	0.49%
Nonperforming assets to total assets	0.30	0.17	0.11
Allowance for loan losses to total loans	1.29	1.29	1.29
Net charge-offs to average loans	0.08	0.03	0.02
<b>Other Selected Data</b>			
Wealth management assets under administration	\$3,147,649	\$4,014,352	\$3,609,180
Number of ATMs	134	141	132

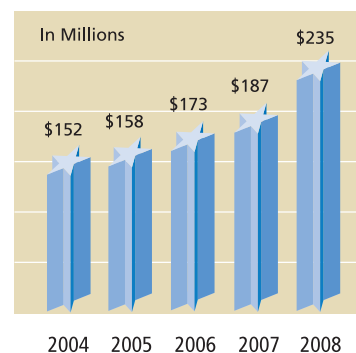
Total Loans



Total Deposits



Total Shareholders' Equity



## Flight to Quality

At the core of our story for 2008 is the “flight to quality” that occurred in the marketplace as customers across all lines of business sought strength and stability in the management of their financial affairs. Many turned to Washington Trust – and for good reason. We are strong, well capitalized, and willing to do business. The principles that have guided our company for more than two centuries prevailed once again.

The fact is, it was business as usual at Washington Trust in 2008. What changed were the market conditions outside our doors, which prompted people to turn to us.

## Record Commercial Growth

Our commercial lending group achieved record growth in 2008, with balanced increases in both commercial and industrial lending and commercial real estate. This was the cumulative result of efforts made over the last ten years as we established our name in influential business circles, built a reputation for significant lending capacity and excellent service, and recruited top-notch talent. We put ourselves in position to take advantage of opportunities when they presented themselves – and they did throughout 2008.

As the credit and financial markets started to crumble and it became evident that some of the larger banks were tightening up on credit, or not lending at all, borrowers turned to Washington Trust. The message was loud and clear: Washington Trust was lending to businesses throughout New England. As a result, our commercial portfolio grew substantially and we attracted quality credits of all types and sizes throughout our market area. We worked with existing clients, brought in multi-million-dollar deals from new clients, and financed loans for local small businesses. And once again we were one of the top SBA lenders in Rhode Island.

Ultimately, commercial lending and commercial real estate lending is a relationship business and Washington Trust professionals continued to work closely with attorneys, accountants, developers, and borrowers to nurture those relationships. We have a strong network of professionals committed to working with us in the best interests of the business community.

## Attracting New Investors

It was a difficult year for investors, regardless of asset class. Still, our wealth management team outperformed the equity market indices in a year where stocks

finished below levels of ten years ago. While it may be the proverbial “moral victory,” the fact is, Washington Trust wealth management clients fared better than most in 2008. Over the long term, they continue to outperform the benchmarks.

Difficult market conditions drove business to our wealth management group. As investors lost confidence in Wall Street, they looked for local, proven providers that they knew they could trust. Many clients who were investing with other firms in addition to Washington Trust consolidated their savings and investments with us, especially as the larger, out-of-state firms experienced difficulties.

Despite market challenges, we enjoyed one of our best years ever for garnering new business and assets. Much of the new business was from existing clients and professional advisors who showed confidence in our proven abilities by referring friends, family, and clients to us.

In 2008, our wealth management group implemented technology solutions to enhance relationships with clients and strengthen our competitive advantage. A new open-architecture overlay gives our advisors the ability to employ any of our proprietary investment capabilities as well as third-party managers, mutual funds, and exchange-traded funds. What’s more, the technology analyzes client portfolios to ensure adherence to their goals and objectives, and to maximize tax efficiency. As a result, portfolio managers are able to act more quickly and knowledgeably on our clients’ behalf.

### **Trusted Lender**

Despite tightening credit markets, declining home values, and lower overall home sales, Washington Trust had solid mortgage lending activity in 2008. When the real estate market contracted and many lenders were saddled with bad debt, we had money to lend to creditworthy borrowers, and in 2008 they sought us out. Throughout our history, we have always embraced traditional, thorough underwriting practices. Such an approach was not “in vogue” in recent years when loosened lending practices were prevalent.

Another factor in our loan growth was the changing landscape of the mortgage origination business. As recently as 2007, up to 75% of all mortgages in Rhode Island were written by mortgage companies. Amid the arrival of the sub-prime loan crisis, many of these mortgage companies shut their doors. The industry returned to more traditional loan products and a more rigorous lending approach. Borrowers sought out banks in general and Washington Trust in particular as a trusted resource for financing.

While industry numbers for reverse mortgages were down due to declining home equity and reduced borrowing activity, our book of business remained consistent with 2007. We have established ourselves as experts on reverse mortgages and continue to educate key influencers – accountants, financial planners, attorneys, healthcare professionals, and realtors – on how reverse mortgages can benefit their clients. We are ahead of the pack in this category and see promising growth opportunities in the future.

### **Security and Peace of Mind**

Just a short time ago, the thought of stuffing your money in the mattress was ridiculous. However, the financial events in 2008 left everyone shaken and led many to question the safest place for their money. And, even while the FDIC increased insurance coverage to \$250,000 per depositor, per institution, through December 2009, some depositors sought a safe haven for their money.

Many customers turned to Washington Trust in 2008 for the security of their deposits and peace of mind. In August, we introduced a solution for high balance depositors, a new product called the Certificate of Deposit Account Registry Service (CDARS). As part of the CDARS network, Washington Trust now provides depositors with access of up to \$50 million in FDIC insurance on their certificates of deposit. This product was tremendously successful in generating new deposits and new relationships.

### **New Downtown Location, Same Uptown Service**

In December, we relocated our Providence branch to the heart of the capital city's financial district. Featuring a contemporary design and catering to busy professionals, the new branch gave us a high-visibility presence among the city's movers and shakers – attorneys, accountants, and other key centers of influence. It also provided a natural complement to our commercial lending office, which is right around the corner, and our wealth management location across the river. Now clients at these offices have convenient access to Washington Trust banking services whenever they need them.

One of our key strategic goals is to unveil a new branch every two years. We took a step to fulfilling that goal in 2008 with the purchase of a prime high-traffic parcel in the Governor Francis section of Warwick. Slated to open in 2009, subject to state and federal regulatory approvals, the new Governor Francis branch will give us a second location in Warwick and expand our footprint and presence in the West Bay.



## Brand Strength

The Washington Trust brand is one of our most valuable assets. We have invested consistently to ensure our name is synonymous with outstanding service, significant capacity, steady management, and more than two centuries of experience. Our tag line, “Trusted Advisors Since 1800,” emphasizes our service orientation and heritage. Those four words could not have been more relevant to the marketplace than they were in 2008 as dislocated consumers looked to Washington Trust as a financial institution they could rely on.

Nowhere is the Washington Trust service ethic more evident than on the front line. It’s not just that our branch personnel embrace the Washington Trust core value of providing outstanding service to every customer. Many of them are long-term employees who are very familiar with their customers’ financial situation and needs.

Washington Trust is also well known for our community outreach and involvement. We not only respond to the critical needs around us through volunteerism, board leadership, and financial contributions; *our people are an integral part of the communities where they live and work, as well.* You see them at food drives, walk-a-thons, beach cleanups, and other community fundraisers. As an organization and as individuals, we are civically engaged and making a difference in the community each day.

## Looking Forward

Washington Trust is well served by the banking fundamentals that have held us in good stead for 208 years. In 2009, we will continue to honor these principles, while keeping our focus on our customers. We will look for opportunities that can augment our client base, talent pool, revenue, profitability, and capabilities at a price that makes sense to our shareholders. And always, we will remain true to our role as trusted advisor to our clients and customers, which is the cornerstone of our success.

## Washington Trust Bancorp, Inc. and Subsidiaries Consolidated Balance Sheets

December 31, (Dollars in thousands)	2008	2007
<b>Assets:</b>		
Cash and noninterest-bearing balances due from banks	\$ 11,644	\$ 30,817
Interest-bearing balances due from banks	41,780	1,973
Federal funds sold and securities purchased under resale agreements	2,942	7,600
Other short-term investments	1,824	722
Mortgage loans held for sale	2,543	1,981
Securities available for sale, at fair value; amortized cost \$869,433 in 2008 and \$750,583 in 2007	866,219	751,778
Federal Home Loan Bank stock, at cost	42,008	31,725
<b>Loans:</b>		
Commercial and other	880,313	680,266
Residential real estate	642,052	599,671
Consumer	316,789	293,715
<b>Total loans</b>	<b>1,839,154</b>	<b>1,573,652</b>
Less allowance for loan losses	23,725	20,277
<b>Net loans</b>	<b>1,815,429</b>	<b>1,553,375</b>
Premises and equipment, net	25,102	25,420
Accrued interest receivable	11,036	11,427
Investment in bank-owned life insurance	43,163	41,363
Goodwill	58,114	50,479
Identifiable intangible assets, net	10,152	11,433
Other assets	33,510	19,847
<b>Total assets</b>	<b>\$2,965,466</b>	<b>\$2,539,940</b>
<b>Liabilities:</b>		
<b>Deposits:</b>		
Demand deposits	\$172,771	\$175,542
NOW accounts	171,306	164,944
Money market accounts	305,879	321,600
Savings accounts	173,485	176,278
Time deposits	967,427	807,841
<b>Total deposits</b>	<b>1,790,868</b>	<b>1,646,205</b>
Dividends payable	3,351	2,677
Federal Home Loan Bank advances	829,626	616,417
Junior subordinated debentures	32,991	22,681
Other borrowings	26,743	32,560
Accrued expenses and other liabilities	46,776	32,887
<b>Total liabilities</b>	<b>2,730,355</b>	<b>2,353,427</b>
<b>Shareholders' Equity:</b>		
Common stock of \$.0625 par value; authorized 30,000,000 shares; issued 16,018,868 shares in 2008 and 13,492,110 shares in 2007	1,001	843
Paid-in capital	82,095	34,874
Retained earnings	164,679	154,647
Accumulated other comprehensive loss	(10,458)	( 239)
Treasury stock, at cost; 84,191 shares in 2008 and 137,652 shares in 2007	(2,206)	(3,612)
<b>Total shareholders' equity</b>	<b>235,111</b>	<b>186,513</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$2,965,466</b>	<b>\$2,539,940</b>

Refer to Washington Trust Bancorp, Inc.'s 2008 Annual Report on Form 10-K for a complete set of consolidated financial statements.

## Washington Trust Bancorp, Inc. and Subsidiaries Consolidated Statements of Income

Years ended December 31, (Dollars and shares in thousands, except per share amounts)	2008	2007	2006
<b>Interest income:</b>			
Interest and fees on loans	\$ 100,939	\$ 98,720	\$ 92,190
Interest on securities:			
Taxable	34,382	31,163	33,763
Nontaxable	3,125	2,983	1,618
Dividends on corporate stock and Federal Home Loan Bank stock	1,882	2,737	2,842
Other interest income	334	831	721
<b>Total interest income</b>	<b>140,662</b>	<b>136,434</b>	<b>131,134</b>
<b>Interest expense:</b>			
Deposits	41,195	52,422	46,982
Federal Home Loan Bank advances	30,894	21,641	20,916
Junior subordinated debentures	1,879	1,352	1,352
Other interest expense	1,181	1,075	410
<b>Total interest expense</b>	<b>75,149</b>	<b>76,490</b>	<b>69,660</b>
<b>Net interest income</b>	<b>65,513</b>	<b>59,944</b>	<b>61,474</b>
Provision for loan losses	4,800	1,900	1,200
<b>Net interest income after provision for loan losses</b>	<b>60,713</b>	<b>58,044</b>	<b>60,274</b>
<b>Noninterest income:</b>			
Wealth management services:			
Trust and investment advisory fees	20,316	21,124	19,099
Mutual fund fees	5,205	5,430	4,665
Financial planning, commissions and other service fees	2,752	2,462	2,616
Wealth management services	28,273	29,016	26,380
Service charges on deposit accounts	4,781	4,713	4,915
Merchant processing fees	6,900	6,710	6,208
Income from bank-owned life insurance	1,800	1,593	1,410
Net gains on loan sales and commissions on loans originated for others	1,396	1,493	1,423
Net realized gains on securities	2,224	455	443
Losses on write-downs of investments to fair value	(5,937)	-	-
Net unrealized gains (losses) on interest rate swap contracts	(542)	27	-
Other income	1,625	1,502	1,404
<b>Total noninterest income</b>	<b>40,520</b>	<b>45,509</b>	<b>42,183</b>
<b>Noninterest expense:</b>			
Salaries and employee benefits	41,037	39,986	38,698
Net occupancy	4,536	4,150	3,888
Equipment	3,838	3,473	3,370
Merchant processing costs	5,769	5,686	5,257
Outsourced services	2,859	2,180	2,009
Advertising and promotion	1,729	2,024	1,894
Legal, audit and professional fees	2,325	1,761	1,637
Amortization of intangibles	1,281	1,383	1,593
Debt prepayment penalties	-	1,067	-
Other expenses	8,368	7,196	6,989
<b>Total noninterest expense</b>	<b>71,742</b>	<b>68,906</b>	<b>65,335</b>
<b>Income before income taxes</b>	<b>29,491</b>	<b>34,647</b>	<b>37,122</b>
Income tax expense	7,319	10,847	12,091
<b>Net income</b>	<b>\$ 22,172</b>	<b>\$ 23,800</b>	<b>\$ 25,031</b>
Weighted average shares outstanding - basic	13,981.9	13,355.5	13,424.1
Weighted average shares outstanding - diluted	14,146.3	13,604.1	13,723.2
Per share information:			
Basic earnings per share	\$1.59	\$1.78	\$1.86
Diluted earnings per share	\$1.57	\$1.75	\$1.82
Cash dividends declared per share	\$0.83	\$0.80	\$0.76

Refer to Washington Trust Bancorp, Inc.'s 2008 Annual Report on Form 10-K for a complete set of consolidated financial statements.

## Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders  
Washington Trust Bancorp, Inc.:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Washington Trust Bancorp, Inc. and Subsidiaries as of December 31, 2008 and 2007, and the related consolidated statements of income, changes in shareholders' equity (not present herein) and cash flows (not presented herein) for each of the years in the three-year period ended December 31, 2008; and in our report dated February 27, 2009, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

**KPMG LLP**

Providence, Rhode Island  
February 27, 2009

### Stock Transfer and Dividend Disbursing Agent

American Stock Transfer & Trust Company LLC (AST), our stock transfer and dividend disbursing agent, is responsible for our shareholder records, issuance of stock certificates, distribution of dividend checks, and IRS Form 1099. AST is also responsible for the Corporation's Dividend Reinvestment (DRIP) and Stock Purchase Plan, which enables shareholders to reinvest their quarterly dividends in Washington Trust shares.

For information, contact AST on the toll-free Shareholder Information Line, 800-852-0354, via the secure AST Shareholder Services website, [www.amstock.com](http://www.amstock.com), or by writing to: American Stock Transfer LLC, 6201 15th Avenue, Brooklyn, New York, NY 11219. For transaction processing, contact AST in writing to Plan Administration Department, P.O. Box 922, Wall Street Station, New York, NY 10269-0560.

To receive a duplicate copy of your 2008 IRS Form 1099, please visit [www.amstock.com](http://www.amstock.com) or call 800-852-0354.

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held April 28, 2009:** The Corporation's 2009 Proxy Statement, Form 10-K and Annual Report for 2008 are available online by visiting [www.washtrust.com/proxy](http://www.washtrust.com/proxy) or by visiting the Corporation's website, [www.washtrust.com](http://www.washtrust.com) under Investor Relations – SEC Filings. These documents are also available by calling the Corporation's toll-free number, 800-475-2265 extension 1566, or by contacting Elizabeth B. Eckel, Senior Vice President, by email at [investor.relations@washtrust.com](mailto:investor.relations@washtrust.com).



## Corporate Directory, Washington Trust Bancorp, Inc.

### Board of Directors

Gary P. Bennett, *Retired Chairman and Chief Executive Officer, Analysis and Technology, Inc.*  
Steven J. Crandall, *Vice President, Ashaway Line & Twine Mfg. Co.*  
Larry J. Hirsch, Esq., *Retired President, Westerly Jewelry Co.*  
Barry G. Hittner, Esq., *Of Counsel, Cameron & Mittleman, LLP*  
Katherine W. Hoxsie, CPA, *Retired Vice President, Hoxsie Buick-Pontiac-GMC Truck, Inc.*  
Mary E. Kennard, Esq., *Vice President and University Counsel, The American University*  
Edward M. Mazze, Ph.D., *Distinguished University Professor of Business Administration,  
University of Rhode Island*  
Kathleen McKeough, *Retired Senior Vice President of Human Resources,  
GTECH Holdings Corporation*  
Victor J. Orsinger, II, Esq., *Partner, Orsinger and Nardone, Attorneys at Law*  
H. Douglas Randall, III, *President, H.D. Randall, Realtors*  
Patrick J. Shanahan, Jr., *Former Chairman, President and Chief Executive Officer,  
First Financial Corp.*  
Neil H. Thorp, *President, Thorp & Trainer, Inc.*  
John F. Treanor, *President and Chief Operating Officer, Washington Trust Bancorp, Inc.*  
John C. Warren, *Chairman and Chief Executive Officer, Washington Trust Bancorp, Inc.*

### Officers of the Corporation

John C. Warren, *Chairman and Chief Executive Officer*  
John F. Treanor, *President and Chief Operating Officer*  
Galan G. Daukas, *Executive Vice President, Wealth Management*  
David V. Devault, *Executive Vice President, Chief Financial Officer and Secretary*  
Mark K. W. Gim, *Executive Vice President and Treasurer*

### The Washington Trust Company Directors' Advisory Council

Alcino G. Almeida, Charles M. Baker, Jr., Charles C. Buffum, Richard A. Grills,  
Joseph J. Kirby, Jacques de Laporte, James W. McCormick, Jr., Thomas F. Moore,  
Brendan P. O'Donnell, Joseph H. Potter, Joseph E. Pucci, Joyce Olson Resnikoff,  
Anthony J. Rose, Jr., James P. Sullivan, William Blunt White

## Corporate Directory, The Washington Trust Company

### Senior Management

John C. Warren, *Chairman and Chief Executive Officer*  
John F. Treanor, *President and Chief Operating Officer*  
Dennis L. Algieri, *Senior Vice President, Chief Compliance Officer and  
Director of Community Affairs*  
Carl M. Amaral, *Senior Vice President, Branch Sales and Service*  
Stephen M. Bessette, *Executive Vice President, Retail Lending*  
Vernon F. Bliven, *Senior Vice President, Human Resources*  
Galan G. Daukas, *Executive Vice President, Wealth Management*  
David V. Devault, *Executive Vice President, Chief Financial Officer and Secretary*  
Elizabeth B. Eckel, *Senior Vice President, Marketing*  
Gerald J. Fogarty, Jr., *Managing Director, Washington Trust Investors*  
Philip L. Friend, *Senior Vice President, Retail Lending*  
William D. Gibson, *Senior Vice President, Risk Management*  
Mark K. W. Gim, *Executive Vice President and Treasurer*  
Russell W. Hahn, *Senior Vice President, Commercial Lending*  
Marie J. Langlois, *Managing Director, Washington Trust Investors*  
Rogean B. Makowski, *Senior Vice President, Wealth Management Client Services*  
Mary M. McGoldrick, *Senior Vice President and Chief Investment Officer*  
Barbara J. Perino, CPA, *Senior Vice President, Operations and Technology*  
Harvey C. Perry, II, *Senior Vice President, Director of Office for  
Non-Profit Resources*  
B. Michael Rauh, Jr., *Executive Vice President, Sales, Service and Delivery*  
Brenda H. Senak, *Senior Vice President, Risk Management*  
Julia Anne M. Slom, *Senior Vice President, Commercial Real Estate Group*  
James M. Vesey, *Executive Vice President and Chief Credit Officer*  
James J. Walther, *Senior Vice President, Director of Internal Audit*

### Weston Financial Group, Inc.

Galan G. Daukas, *Executive Managing Director*  
Douglas A. Biggar, *Managing Director*  
Wayne M. Grzecki, *Managing Director*  
Joseph Robbat, Jr., *Managing Director*  
Ronald A. Sugameli, *Managing Director*

## Washington Trust Locations

### Rhode Island Offices

**CORPORATE OFFICE**  
23 Broad Street  
Westerly, RI 02891  
401-348-1200

**BLOCK ISLAND**  
Block Island Office  
Ocean Avenue  
Block Island, RI 02807  
401-466-7710

**CHARLESTOWN**  
Charlestown Office  
4137 Old Post Road  
Charlestown, RI 02813  
401-364-4000

**CRANSTON**  
Oaklawn Avenue Office  
1203 Oaklawn Avenue  
Cranston, RI 02920  
401-732-0049

**Reservoir Avenue Office**  
645 Reservoir Avenue  
Cranston, RI 02910  
401-946-1004

**NARRAGANSETT**  
Bonnet Shores Office  
885 Boston Neck Road  
Narragansett, RI 02882  
401-782-4800

**Sweet Meadows Office**  
20 Point Judith Road  
Narragansett, RI 02882  
401-782-1000

**NORTH KINGSTOWN**  
North Kingstown Office  
7625 Post Road  
North Kingstown, RI 02852  
401-295-4700

**PROVIDENCE**  
Providence Office  
156 Westminster Street  
Providence, RI 02903  
401-421-3600

**Providence Commercial Lending Office**  
10 Weybosset Street  
Suite 100  
Providence, RI 02903  
401-331-5090

**Providence Wealth Management Offices**  
66-70 South Main Street  
Providence, RI 02903  
401-861-8440  
401-331-6650

**RICHMOND**  
Richmond Office  
1200 Main Street  
Wyoming, RI 02898  
401-539-2427

**SOUTH KINGSTOWN**  
Wakefield Office  
730 Kingstown Road  
Wakefield, RI 02879  
401-782-4200

**WARWICK**  
Centerville Road Office  
236 Centerville Road  
Warwick, RI 02886  
401-739-2353

**OPENING 2009**  
Warwick Avenue Office  
1473 Warwick Avenue  
Warwick, RI 02888

**WESTERLY**  
Main Office  
23 Broad Street  
Westerly, RI 02891  
401-348-1200

**Franklin Street Office**  
126 Franklin Street  
Westerly, RI 02891  
401-348-1367

**McQuade's Marketplace**  
106 Main Street  
Westerly, RI 02891  
401-348-1201

### Connecticut Offices

**MYSTIC**  
A&P Super Foodmart  
179 Stonington Road  
Mystic, CT 06355  
860-572-7100

**McQuade's Marketplace**  
14 Clara Drive  
Mystic, CT 06355  
860-572-2058

**Mystic Office**  
Olde Mistick Village  
Mystic, CT 06355  
860-536-1200

### Massachusetts Office

**WELLESLEY**  
Weston Financial Group  
Wellesley Office Park  
40 William Street  
Wellesley, MA 02481  
781-235-7055

### Account Information Center

To speak with a customer service representative, call 401-348-1200 or toll-free 800-475-2265. In Connecticut, call 860-443-1508.

### Online Banking

Bank and pay bills via the Internet 24 hours a day, 7 days a week at [www.washtrust.com](http://www.washtrust.com).

### XPress Banking

Automated banking by phone 24 hours a day, 7 days a week at 401-348-1399 or toll-free 800-226-5877.

### Website

Current company and shareholder information available at [www.washtrust.com](http://www.washtrust.com).



Washington Trust Bancorp, Inc.

*www.washtrust.com*

*23 Broad Street, Westerly, Rhode Island 02891*



*Printed with vegetable-based inks.  
A portion of the energy used in printing was supplied by wind-generated electricity.*