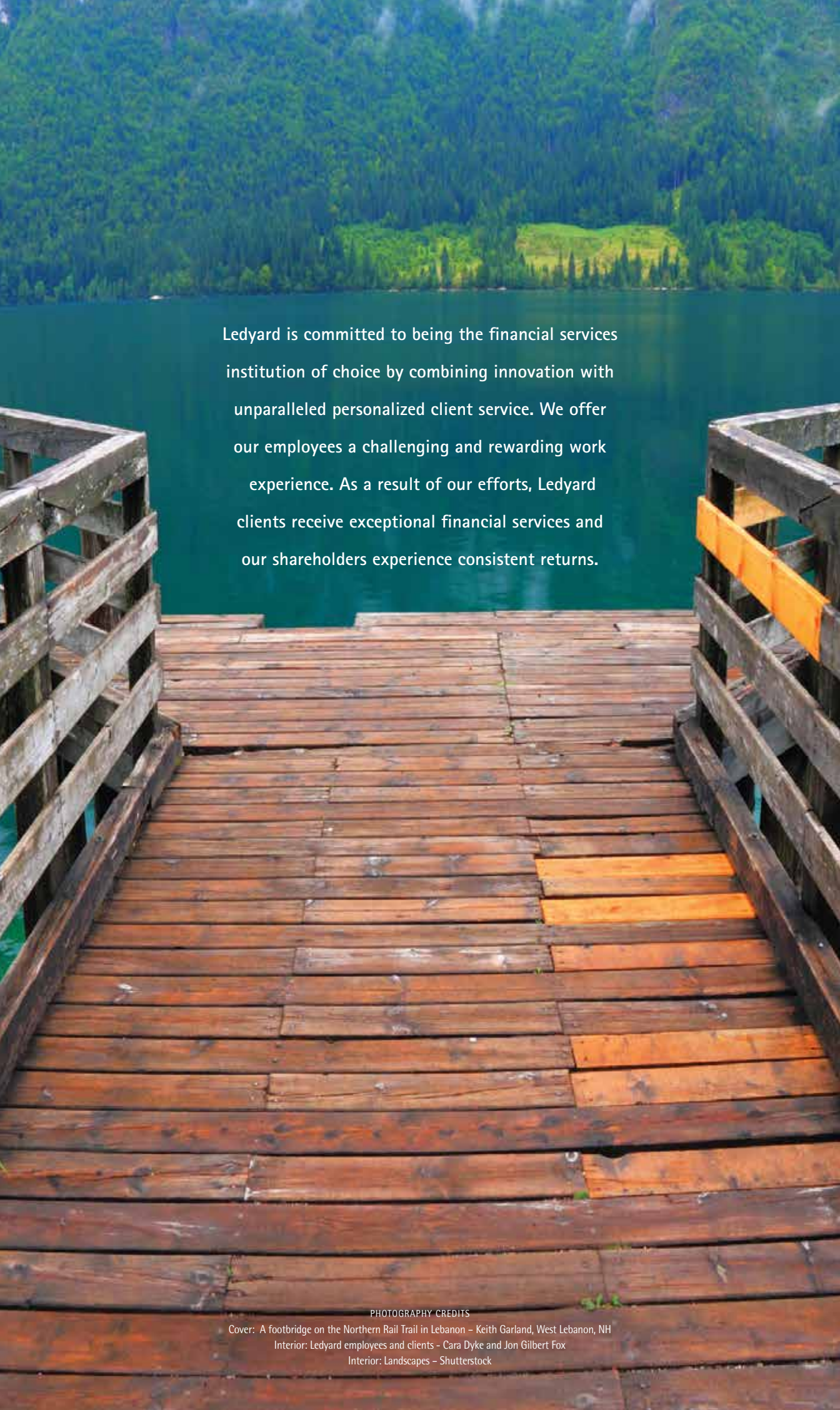


LEDYARD

FINANCIAL GROUP

2014 ANNUAL REPORT

————— Plan well. *Live well.* —————

A scenic view of a wooden footbridge over a lake, surrounded by lush green forests and hills. The bridge is made of weathered wooden planks and has a railing on both sides. The water is a deep teal color, and the background is a dense forest of evergreen trees. The sky is a soft, hazy blue.

Ledyard is committed to being the financial services institution of choice by combining innovation with unparalleled personalized client service. We offer our employees a challenging and rewarding work experience. As a result of our efforts, Ledyard clients receive exceptional financial services and our shareholders experience consistent returns.

PHOTOGRAPHY CREDITS

Cover: A footbridge on the Northern Rail Trail in Lebanon – Keith Garland, West Lebanon, NH

Interior: Ledyard employees and clients – Cara Dyke and Jon Gilbert Fox

Interior: Landscapes – Shutterstock



LETTER FROM THE CEO & BOARD CHAIR

TO OUR MANY CONSTITUENTS

including shareholders, valued clients and other community members

We are pleased to report that 2014 was another year full of significant accomplishments, marked by record net income, strong overall performance and sustained engagement with our clients, prospects and community. Our continued growth in revenue and profitability bolstered our belief that the Ledyard business model is suited perfectly to fulfill our market's needs and that it delivers results that meet the high expectations of our shareholders and the needs of our clients. Our full-year results clearly demonstrate the strength of our strategy and we are, as ever, focused on executing an ambitious, yet achievable, strategic plan that has positioned us to realize consistent long-term profitable growth.

At the core of Ledyard's strategic plan is the notion that we truly understand and embrace the critical role we play in the lives of our clients. We seek to make a difference in our clients' lives; their needs and expectations helping us to determine how we can improve. This idea inspires us to take exceptional care of our clients and to keep them at the heart of every decision. It motivates us to make wise choices that will help deliver maximum returns to our shareholders. Lastly, it encourages us to be the community bank that "does it right," to powerfully engage the community and develop our employees so they can provide the highest level of client care.



Kathryn G. Underwood,
President & CEO,
Ledyard Financial Group/
Ledyard National Bank



Dennis E. Logue, Chair,
Ledyard Financial Group/
Ledyard National Bank

PERFORMANCE HIGHLIGHTS

LEDYARD FINANCIAL GROUP

Ledyard's steady performance and strong financial position enabled us to focus more completely on strengthening relationships with the families, individuals, businesses and communities we serve. We hired talented employees and provided them with opportunities to shine. We improved our ability to collect and leverage information most relevant to providing tailored solutions for our clients and further establishing a loyal client franchise. We enhanced our aptitude to better manage risk and improved our balance sheet in the process. Finally, we achieved record levels of revenue generation and profitability.

Ledyard Financial Group shareholder-relevant 2014 highlights:

- Increased net income to \$3.9 million, an increase of 31.9% and a record high
- Increased dividend by 19.4% to \$1.72 per share; because of our strong financial position, Ledyard has been able to maintain or increase the quarterly dividend since first declaring one in 1995
- Increased earnings per share by \$0.92 to \$3.90 per share
- Grew revenue by \$2.1 million to \$22.6 million; an increase of 10.4%, a new high and the largest revenue increase in Ledyard's history
- Our regulatory capital ratios remained well in excess of the amount required to be considered well-capitalized, the highest designation possible

Ledyard Financial Group's full-year results reflect the strength in what we do: wealth management, personal & business banking and private banking. They are discussed on the following pages.

WEALTH MANAGEMENT

Ledyard Financial Advisors 2014 highlights include:

- Grew assets under management and custody to \$1.1 billion
- Generated \$8.2 million in revenue, a record high
- Added approximately \$100 million in new assets, resulting in gross new business revenue of \$735K

Ledyard Financial Advisors, the premier wealth management firm in the Upper Valley and Lake Sunapee Region, provides integrated investment, tax and wealth management services to families who live locally as well as to those who reside throughout the United States and abroad. We offer a unique combination of global investment opportunities, asset management strategies, expert financial advice and personal service and support.

We believe that superior investment returns are most effectively realized through proper asset allocation and risk control. Therefore, identifying opportunities and assessing attendant risks is the primary thrust of our work. We also believe that active asset allocation best positions portfolios to capture these returns while minimizing the risk of capital loss. Our goal is to match the appropriate assets with each client's needs.



LETTER FROM THE CEO & BOARD CHAIR

Our asset matching process focuses on research that helps our team identify attractive assets that will form the basis of custom portfolio solutions tailored to the unique needs of each client.

We maintain four broad, actively managed strategies:

1. **Total Return:** Returns come from a mix of capital appreciation and dividends
2. **Dividend Growth:** The emphasis is on growing income and lowering volatility
3. **Socially Responsible Investing:** Stocks are chosen for investment gain and are socially responsible
4. **Dynamic Allocation:** Active asset allocation decision-making using low-cost index vehicles to gain exposure to asset classes for relative returns

While asset management is a core component of our service, we understand that wealth management is about balancing a wide array of financial concerns. We achieve this balance by developing – with our clients – a fully integrated plan that represents the highest standard of client advocacy, responsiveness and expert financial advice. It focuses on 13 critical wealth issues designed to help clients achieve their ambitions and is best explained using the following framework:

1. **Investment Management:** Create and manage an appropriate plan using our proprietary global strategy
2. **Retirement Planning:** Focus on the election, distribution and beneficiary decisions to ensure that clients maximize their benefits
3. **Tax Planning and Preparation:** Review tax strategies to minimize tax liabilities and prepare federal as well as state tax returns
4. **Banking:** Provide access to credit, deposit and other banking resources to simplify cash management, leverage assets and preserve established wealth
5. **Financial Planning:** Determine cash flow and plan for meeting future needs
6. **Business Succession:** Create the right transition plans for a client's business
7. **Durable Power of Attorney:** Identify the appropriate designee to make financial decisions on the client's behalf
8. **Insurance:** Review coverage to ensure that the client and his or her family are properly protected
9. **Family Gifting:** Develop lifetime gifting strategies to a client's children and/or family
10. **Charitable Gifting:** Explore appropriate tax-advantaged charitable gifting
11. **Titling of Assets:** Ensure assets are titled to reflect the client's intentions
12. **Executor/Trustee:** Select family and/or corporate representative to carry out a client's estate plans
13. **Distribution of Wealth:** Maximize the distribution of a client's wealth at death

Our mission is to preserve and enhance our clients' wealth. By considering these 13 critical issues with our clients, we help them create a comprehensive wealth management strategy that goes far beyond just choosing the right investments. The plans are unique to each client, fully integrated with all other aspects of their financial lives and place them on the right course to achieve their goals. With roughly 10,000 people retiring every day across the U.S. – and with many living longer than their parents and grandparents – that objective has never been more important.

PERSONAL AND BUSINESS BANKING

Personal and Business Banking 2014 highlights:

- Grew total revenue by \$1.5 million, an increase of 11.9% – the largest dollar increase in Ledyard's history
- Grew net interest income by \$1.2 million, an increase of 10.7%
- Grew non-interest income by \$311K, an increase of 21.0%
- Grew net loans by \$29.0 million, an increase of 12.1%
- Grew commercial loans outstanding by \$14.9 million, an increase of 15.0%
- Grew deposits by \$23.4 million, an increase of 6.8%
- Closed 156 mortgages, totaling \$34.4 million in loan volume

Ledyard thrives on helping its Personal and Business Banking clients succeed. We're known for promoting the financial well-being of individuals and families as well as helping local businesses open and grow strong. We've done this by lending responsibly, offering relevant core deposit products and investing in our community. Most of all, we help our clients plan for their financial futures.

We're gratified to know that our efforts have helped our neighbors buy new homes or refinance the ones they're in. Similarly, we take great care providing needed capital to small- and mid-size businesses seeking to invest or expand. These are happenings that matter in our clients' lives and, therefore, they matter to us. Yet, while these transactions form the cornerstone of what we do as bankers, we also recognize that a large part of our value proposition is being able to act as a general resource, in effect, serving as a sounding board for our clients who rely on us for thought leadership, practical advice and counsel.

Based on our belief that mortgage lending would play an ever-increasing role in our business model, we created a new position that focused on residential mortgage lending and consumer lending. Kevin Kober, previously head of our Retail Banking group, accepted the challenge and is now the Senior Vice President leading the charge in those areas.

We regularly hear from clients, praising us for making their banking experience a personal one. They remind us that our mission is sound when they describe how it feels to work with a banking partner that they know and trust – an advocate that will act quickly and responsibly on their behalf.



LETTER FROM THE CEO & BOARD CHAIR

(l-r) Jeremy Bonin, Principal Partner & Lead Architect and Kim Bonin, Principal Partner, Bonin Architects; Deb Johnson, VP, Branch Manager & Business Banking Specialist, Ledyard National Bank



We pride ourselves on being that type of institution, but we also make every effort to conduct business with our clients in the manner that best suits their needs. We strive to deliver a consistent, efficient and valuable experience each time we interact with a client, whether it's face-to-face, through email, over the telephone, or even through our mobile applications, ATMs or website.

As technology evolves and new banking channels are introduced, we will continue to adopt the best options, emphasizing investment in our electronic delivery capabilities. For example, we recently completed ATM software upgrades across the branch network, installed several new machines and migrated them to the Ledyard network. These actions resulted in general technology improvements, enhanced security to protect client data, and all at a significant cost savings. We also introduced mobile apps and mobile bill pay capabilities for tablets and smartphones, making the Ledyard banking experience even easier and more accessible to our clients.

"Six years ago when we moved our architectural firm to New London, we asked people locally for bank referrals. Ledyard was mentioned to us several times. When we were introduced to some of the staff and learned that their services fit our financial needs perfectly, we decided to move our accounts. Ledyard was instrumental in assisting us with both our personal and professional banking needs ranging from our house mortgage to the expansion of our firm. We value the relationship we've established with Ledyard and we are looking forward to continuing our affiliation with them in the years to come."

Kim Bonin, Principal Partner, and Jeremy Bonin, Principal Partner and Lead Architect, Bonin Architects and Associates, Inc.

(l-r) Bob Christensen, VP & Commercial Relationship Manager, Ledyard National Bank; Fernando Sucre, Manager, Gros Ventre River Investment, LLC/Hanover Homes



"As a real estate developer, having a good banking relationship is key to the success of our projects, like The Commons at Silent Brook. Ledyard's approach has been a breath of fresh air: clear lending terms and fast decision-making. I especially appreciate the hassle-free way of managing our credit line on a monthly basis. Our bookkeeper was blown away by the online banking system. In an increasingly complex world, it is important to have simple banking solutions at your disposal. All around good service!"

Fernando Sucre, Manager, Gros Ventre River Investment, LLC/Hanover Homes

While we are devoting a great deal of time and attention to our electronic delivery channels, we are mindful of the daunting security issues related to the digital environment. There was a significant increase in the frequency and severity of cyber-attacks, vulnerabilities and breaches in 2014 that affected some large and sophisticated entities. Ledyard takes these threats very seriously, and expends considerable time, effort and expense to take all reasonable steps to protect our clients' information. While in today's environment nothing is absolute, Ledyard employs robust and sophisticated hardware, software, and services in multiple layers to detect and defend against malicious cyber-attacks, internal and external, 24 hours a day, seven days a week. Frequent training and tests are conducted internally to maintain awareness and the ability to search for gaps in our preparedness. We even employ various external resources to verify our efforts and readiness levels.

We are fully dedicated to countering these threats and as noted above, continue to hone our cybersecurity knowledge and protocols. For example, we accepted an invitation to join a select pilot program at the Boston Federal Reserve on cyber threats and information sharing to enhance protection through collaboration. This type of effort helped us respond



LETTER FROM THE CEO & BOARD CHAIR

quickly and capably to digital threats as they were discovered and publicized.

In addition to how we protect our own systems, we believe that strengthening all the links in the chain can pay dividends. In that regard, we endeavor to educate our clients, employees and Board members on cybersecurity issues as well as provide them with suggested best practices for data protection. These guidelines, found in the Education & Information section of the Ledyard website, include suggestions for safer online banking and offer tips designed to help our clients avoid fraud and identity theft.

Tom Evans (l) and Shawn Hickey (r), Owners, Lebanon Paint & Decorating; Jason Achmoody (center), VP & Commercial Relationship Manager, Ledyard National Bank



On a separate note, we'd like to take a moment to address the regulatory environment. We are in favor of regulations that assist financial institutions to behave with transparency and integrity. Of course, we are committed to meeting all of the expectations set forth by the regulatory agencies. We work closely with our regulators to ensure that we have the proper controls in place while we continue to improve the systems and processes required for full compliance and reporting.

"Eight years ago when we decided to purchase our own business, we turned to Ledyard and their commercial banking team. Nearly a decade later, we still rely on Ledyard to help us navigate through the complex financial aspects of owning and operating our own business. We consider Ledyard Bank to be a partner in our success and look forward to continued prosperity in our future business ventures."

Tom Evans and Shawn Hickey, Owners,
Lebanon Paint & Decorating

PRIVATE BANKING

In last year's annual report, we discussed the ways in which we invest thoughtfully in projects, products and services that are designed to enhance the effectiveness, convenience and overall banking experience we deliver on a daily basis. One of those investments, a new Private Banking division, was officially launched on June 16, 2014.

The Private Banking group is designed to better service our largest and most complex professional clients, many of whom have atypical banking requirements specific to their profession. These doctors, dentists, professors, attorneys and other professionals are provided a seamless banking experience with a single point of contact that is designed to holistically match their needs with the right products and services. For instance, we recently introduced our Private Banking clients to mobile Remote Deposit Capture, a technology that allows them to use their cellphones to scan checks and deposit them directly into their bank account. This type of service is invaluable to the busy professional whose time is spent primarily with clients or patients and, therefore, may not have the time to visit our branches on a regular basis.

Daniel P. Emanuele (*r*), Senior VP & Private Banking Manager, Ledyard National Bank, meets with clients Richard G. Mills, Executive VP, Dartmouth College and Gretchen E. May, Project Development Director, Longwood Medical Energy Collaborative.



"Ledyard Private Banking provides us with a single point of contact that addresses all of our financial needs with solutions that are tailored and delivered where and when we need them – it is truly concierge banking."

Richard G. Mills, *Executive VP, Dartmouth College*
and Gretchen E. May, *Project Development Director,*
Longwood Medical Energy Collaborative



LETTER FROM THE CEO & BOARD CHAIR

Private Banking 2014 highlights:

- Originated \$7 million in new residential mortgages and \$600,000 in new home equity lines of credit
- Opened 42 checking accounts for its new clients, collecting \$3 million in new retail deposit balances
- Established relationships with 16 new professional clients, their practices and their families

The division's success in its first six months of existence is a testament to the team's hard work and reputation in the community. It also reaffirmed Ledyard's forward-thinking commitment to the community's professional clientele. Through the next phases of its development, the Private Banking team will continue to spread the message throughout the communities Ledyard serves, attract new relationships and deepen those it has already fostered.

COMMUNITY SERVICE

We understand that being a community bank has little to do with size and everything to do with how an organization embraces its neighbors. To that end, Ledyard relishes its role in helping to develop a better community through charitable giving, investments and the volunteerism of our employees and Board of Directors. At the same time, we also want to be known as a great company in which to build a career and make a difference in the world.

Debra Curtis, Tax & Financial Planning Associate, Ledyard Financial Advisors, serves lunch to community members at the Upper Valley Senior Center.



(l-r) Kathy Underwood, President & CEO, Ledyard National Bank; Roberta Berner, Executive Director, Grafton County Senior Citizens Council



"Ledyard National Bank has been an important supporter and wonderful community partner to Grafton County Senior Citizens Council for years! They 'adopted' our cause as their own in 2014, providing hundreds of hours of volunteer assistance, plus charitable donations. We feel very fortunate to work so closely with Ledyard – an organization that, like us, is locally operated and fully committed to its community."

Roberta Berner, Executive Director,
Grafton County Senior Citizens Council

We look for opportunities that allow our employees to be difference-makers by directly giving back to our community. For example, we developed a community outreach project with the Grafton County Senior Citizens Council (GCSCC) that built upon our successful 2013 program in which we "adopt" a local nonprofit organization for a calendar year, supporting it more holistically and deeply. With the Senior Citizens Council, Ledyard employees accomplished the following:

- Restocked the area food pantry for our poorest communities by employing our branch network for food drives
- Served lunch at the Senior Center twice per week, reducing the burden on GCSCC employees
- Delivered a seminar to GCSCC Board Members about philanthropic giving and ways to utilize investments in the giving process



LETTER FROM THE CEO & BOARD CHAIR

- Conducted a series of seminars to educate GCSCC clients on topics such as estate planning and fraud protection
- Supported Senior Center yard sale efforts to raise additional funds
- Volunteered marketing expertise to help develop GCSCC awareness and outreach messaging

Finally, we'd like to highlight our largest philanthropic activity of 2014. As you may know, Ledyard focuses many of its efforts on developing educational opportunities within its community and furthering the efforts of local (and sometimes broader) nonprofit organizations. The educational topics are generally related to financial issues and we typically deliver the experience through seminars. However, we also believe in providing education on subjects that fall outside our core expertise. One such example is heart health. Joining forces with the American Heart Association (AHA), we began our affiliation by promoting a campaign called "Go Red for Women."

Go Red is a movement to help dispel the myths and raise awareness of heart disease as the number one killer of women. Our campaign objectives were to foster that awareness, encourage action to save more lives and in general, share crucial information about heart health.

Ledyard adopted this cause for a multitude of reasons, including that the Go Red mission matched perfectly to Ledyard's guiding principle, as defined by its tagline, "Plan well. *Live well.*" By educating the public about heart disease, we hoped that the increased awareness would help members of our community live healthier, longer lives.

(l-r) Cheryl Andrews, Social Events Director, American Heart Association; Cheryl Herrmann, Go Red for Women Auction Chair; Kathy Underwood, President & CEO, Ledyard National Bank, Go Red for Women Chair; Terri Catherwood, Go Red for Women Vice Chair; Alan Kono, MD, Dartmouth-Hitchcock Heart & Vascular Center, at the Upper Valley Go Red for Women Luncheon.



Our campaign included the following:

- Displayed educational materials in all branches available to visitors and employees, offering information about nutrition, exercise, cholesterol and blood pressure as well as signs of heart attack and stroke
- Displayed and raffled heart-healthy recipe cookbooks in the branches
- Displayed and provided heart-healthy food items in our branches
- Conducted in-branch seminars, open to the public, on topics ranging from food and nutrition to tobacco cessation
- Offered free blood pressure and glucose screenings, in conjunction with our partners at the Lake Sunapee Region VNA & Hospice

We were thrilled to be recognized regionally for our effort, being honored with the New England Financial Marketing Award for our community impact. We expect to lead and grow this event for many years to come, helping the men and women of the Upper Valley and Lake Sunapee Region lead healthier lives.

Lastly, we are engaging the Ledyard Wellness Committee to assess the feasibility of becoming a Fit-Friendly worksite, as recognized by the American Heart Association. In addition to the obvious health benefits that would be derived from such a work environment, additional benefits of promoting a culture of activity include increased productivity, reduced absenteeism and even reduced healthcare costs.

LOOKING AHEAD TO 2015

We're incredibly optimistic about Ledyard's future. This is an exciting time for us as we work diligently to continue our leadership role in the financial services industry. With our clear sense of mission, strong culture and unique value proposition, the Company continues to offer the best in relationship banking and wealth management services. Our success is reflected in high levels of client satisfaction, retention and referrals. Further, Ledyard is well positioned to grow and prosper, offering a compelling investment opportunity to shareholders.

As we prepare for 2015, we are confident that we are on the right path for continued success. Aligned with our broader strategic plan, the following is a sampling of a few of Ledyard's key goals and initiatives:

- Continue to improve key financial metrics and increase profitability
- Remain focused on growing core revenue and improving efficiency
- Grow our dividend steadily and share Ledyard's success with our shareholders
- Serve the core financial needs of our clients



LETTER FROM THE CEO & BOARD CHAIR

- Manage risk with appropriate controls, continue to improve credit quality and ensure that risk management capabilities are in line with regulatory expectations
- Maintain strong capital and liquidity
- Operate efficiently and introduce cost savings where appropriate
- Exceed current levels of customer care by continuing to build a culture that rewards a single team approach, connecting all business lines more deeply with each other to better integrate a comprehensive financial plan to the client
- Invest in the products, services and technology that are necessary to provide an unparalleled banking experience
- Further develop cybersecurity protocols
- Invest in our people so they can reach their full potential, while attracting prospective employees who want to excel and grow

Ledyard has come a long way since it was founded in 1991. Still, our original vision remains intact. It challenges us to go even further as we welcome change and search for new opportunities to thrive. We're grateful to our employees who work together toward a common vision of what Ledyard represents, consistently exceed our clients' expectations, give back to our community, build shareholder value and exude energy and optimism about the future. Additionally, we're extremely fortunate to have such a talented and experienced Senior Management Team leading our organization as well as an incredible Board of Directors providing advice, oversight and support.

On a final note, we're excited to report that Bob Wetzel has joined our Board of Directors and began his tenure in January 2015. Bob spent the majority of his career at Accenture, formerly Andersen Consulting, specializing in financial services and insurance. He has degrees from Dartmouth College and J.L. Kellogg School of Management, Northwestern University. Bob's knowledge and experience will be tremendous assets to us in the years to come and we welcome him to the organization.

We thank our shareholders, clients, employees and board members for their trust and support, and we look forward to strengthening those partnerships in 2015.

KATHRYN G. UNDERWOOD
PRESIDENT & CEO
LEDYARD FINANCIAL GROUP/
LEDYARD NATIONAL BANK

DENNIS E. LOGUE
CHAIR
LEDYARD FINANCIAL GROUP/
LEDYARD NATIONAL BANK



FINANCIAL HIGHLIGHTS
(dollars in thousands, except "Other data")

YEARS-ENDED DECEMBER 31,	2014	2013	2012	2011	2010
FINANCIAL CONDITION DATA					
Assets	\$ 434,289	\$ 409,516	\$ 401,800	\$ 390,442	\$ 394,785
Investments	108,948	137,826	143,966	140,755	144,577
Gross loans, including loans held-for-sale	274,324	245,097	231,705	216,496	209,603
Allowance for loan loss	(5,744)	(5,564)	(5,656)	(5,707)	(6,306)
Net loans, including loans held-for-sale	268,580	239,534	226,049	210,789	203,297
Deposits	365,682	342,245	337,294	312,526	308,059
Federal Home Loan Bank advances	14,000	15,029	9,551	19,859	26,915
Other borrowings and liabilities	12,595	14,072	16,928	21,088	26,279
Shareholders' equity	42,012	38,170	38,028	36,970	33,533
OPERATING DATA					
Net interest income	\$ 12,725	\$ 11,490	\$ 11,155	\$ 11,442	\$ 12,066
Ledyard Financial Advisors income	8,170	7,579	6,990	6,856	6,052
Other non-interest income	1,789	1,479	2,292	1,991	1,941
Total revenue	22,684	20,548	20,437	20,289	20,059
Provision for loan loss	0	0	0	675	450
Non-interest expense	17,619	16,626	16,794	16,260	16,143
Pre-tax income	5,065	3,922	3,643	3,354	3,466
Income taxes	1,096	913	803	745	937
Net income	3,969	3,009	2,840	2,609	2,529
OTHER DATA					
Earnings per share, basic	\$ 3.90	\$ 2.98	\$ 2.80	\$ 2.56	\$ 2.49
Dividends per share	1.72	1.44	1.30	1.24	1.24
Dividend payout ratio	44%	49%	46%	49%	50%
Tangible book value per share	\$ 41.19	\$ 37.65	\$ 37.72	\$ 36.20	\$ 32.96
Shares outstanding, net of treasury	1,019,888	1,013,684	1,008,271	1,021,227	1,017,415
Return on average assets	0.94%	0.74%	0.72%	0.66%	0.64%
Return on average equity	9.90%	7.90%	7.57%	7.40%	7.59%
Efficiency ratio	77.58%	80.79%	82.05%	80.14%	80.48%
Stock price - high	\$ 50.50	\$ 42.00	\$ 34.95	\$ 36.00	\$ 35.00
- low	\$ 39.59	\$ 34.35	\$ 27.25	\$ 29.00	\$ 30.00
- average	\$ 44.16	\$ 38.30	\$ 31.82	\$ 31.78	\$ 32.02
Assets under management and custody (millions)	\$ 1,093	\$ 1,064	\$ 902	\$ 895	\$ 884
Equity-to-asset ratio	9.17%	8.99%	8.74%	9.48%	8.56%
Allowance for loan losses to total loans	2.09%	2.27%	2.44%	2.64%	3.01%
Net charge-offs (Recoveries)	(\$ 179,903)	\$ 92,030	\$ 50,900	\$ 1,275,000	\$ 490,000
Non-performing assets	\$ 2,254,786	\$ 2,510,089	\$ 2,298,030	\$ 5,267,024	\$ 4,804,756
Allowance for loan losses to non-performing assets	255%	222%	246%	108%	131%
Texas Ratio	4.90%	5.84%	5.56%	13.08%	12.20%

Complete Ledyard Financial Group 2014 audited financial statements can be found under "Investor Relations" at ledyardbank.com.



SENIOR MANAGEMENT TEAM

As of February 1, 2015



Back Row (l-r):

Reginald E. Greene Jr.	<i>Senior Vice President & Senior Lending Officer</i>
Darcy D. Rogers	<i>Senior Vice President & Chief Operations Officer</i>
Kevin D. Kober	<i>Senior Vice President & Senior Consumer/Mortgage Lending Officer</i>
Barbara S. Graf	<i>Senior Vice President & Human Resources Director</i>
Jeffrey H. Marks	<i>Senior Vice President & Chief Marketing Officer</i>

Front Row (l-r):

Gregory D. Steverson	<i>Executive Vice President & Chief Financial Officer</i>
Kathryn G. Underwood	<i>President & Chief Executive Officer</i>
Dennis B. Mitchell, CFP®	<i>President & Managing Director, Ledyard Financial Advisors</i>



BOARD OF DIRECTORS

As of December 31, 2014



Back Row (l-r):

- Douglas G. Britton *Retired President, Britton Lumber Company, Inc.
Secretary, Ledyard Financial Group*
- Margaret M. Rightmire *Consultant and Community Volunteer*
- Cotton M. Cleveland *President, Mather Associates*
- Bruce P. King *President & Chief Executive Officer, New London Hospital*
- James W. Varnum *Retired President, Dartmouth-Hitchcock Alliance, Mary Hitchcock Memorial Hospital
Co-Vice Chair, Ledyard Financial Group*
- Richard W. Couch, Jr. *Chairman of the Board, Hypertherm, Inc.*

Front Row (l-r):

- Dennis E. Logue *Steven Roth Professor of Management Emeritus, Tuck School of Business, Dartmouth College
Chair, Ledyard Financial Group*
- Kathryn G. Underwood *President and Chief Executive Officer, Ledyard Financial Group*
- Adam M. Keller *Director of Education, The Dartmouth Institute for Health Policy and Clinical Practice
Co-Vice Chair, Ledyard Financial Group*

Not Pictured:

- Andrew A. Samwick *Professor of Economics and Director,
Nelson A. Rockefeller Center at Dartmouth College*
- Bayne Stevenson *President, Bayson Company*



———— Plan well. *Live well.* ————



LEDYARD NATIONAL BANK

HANOVER

38 S. MAIN STREET 603.643.2244 LOBBY, WALK-UP & ATM
LEBANON STREET AT PARK STREET 603.643.7457 LOBBY, DRIVE-UP & ATM

LEBANON

ROUTE 120 AT OLD ETNA ROAD 603.448.2220 LOBBY, DRIVE-UP & ATM

LYME

ON THE GREEN 603.795.2288 LOBBY & ATM

NEW LONDON

178 COUNTY ROAD 603.526.7725 LOBBY, DRIVE-UP & ATM

NORWICH, VERMONT

320 MAIN STREET 802.649.2050 LOBBY, DRIVE-UP & ATM

WEST LEBANON

67 MAIN STREET 603.298.9444 LOBBY, DRIVE-UP & ATM

INTERNET BANKING

ledyardbank.com

KWIKTEL PHONE BANKING

1.888.KWIKTEL (1.888.594.5835)

 EQUAL HOUSING LENDER MEMBER FDIC

LEDYARD FINANCIAL ADVISORS

HANOVER

2 MAPLE STREET 603.643.0044

NEW LONDON

178 COUNTY ROAD 603.526.9251

Personal and business banking relationships within the retail bank are subject to FDIC insurance coverage limits. Investment, tax and wealth management services offered by Ledyard Financial Advisors are not insured by the FDIC, are not deposits or other obligations of, or guaranteed by the Bank or any affiliate, and are subject to investment risk including the possible loss of principal amount invested.

————— Plan well. Live well. —————