

Growing.

Delivering.

Thriving.



ABOUT US

634

Employees

\$4.3B

Assets

\$1.2B

Assets Under
Management

60

Banking
Centers

71

ATMs

3

Loan
Offices

24/7

Live Phone
Support

Awards and Recognition



2018 Model Bank
for Risk Management

2018 Greenwich
Customer Experience (CX)
Leader in U.S. Retail Banking



FAME Lender at Work
for Maine Award
(for 9 years)

Our Core Values

- **Honesty and integrity** above all else
- **Trust** built on fairness
- **Service** that creates remarkable experiences
- **Responsibility** to use our resources for the greater good
- **Excellence** through hard work and lifelong learning

Dear Fellow Shareholders:

Camden National Corporation's commitment to being a full-service community bank forms the core of our strong foundation. Through effective, forward-looking strategies that embrace economic and social change, we're enhancing our financial performance for shareholders and ensuring we make a positive impact on our customers and communities. We've built our success upon four key elements: resilient financial positioning, talented and dedicated employees, strategic fintech partnerships and strong, effective leadership.

We addressed rising interest rates and economic headwinds from a position of strength in 2018 as we continued to focus on asset quality. Alongside steady growth in our loan portfolio, non-performing assets were only 34 basis points of our total assets as of December 31, 2018, and net charge-offs amounted to only 1 basis point of our average total loans.

Our balance sheet is supported by a series of strategic deposit growth programs that we implemented over the past several years, including the expansion of our banking center franchise. We made branch acquisitions in 2012 and grew our footprint by acquiring The Bank of Maine in 2015. We continue to optimize our funding position through additional investments in corporate treasury management and retail sales. Deposits grew 15% in 2018, reducing our reliance on higher-cost borrowings to fund 9% loan growth in 2018. Our strong deposit gathering capabilities have helped manage our interest rate risk exposure and will prove beneficial for 2019.

The success of our strategic investments and focus on our balance sheet positioning the past several years led to record earnings for the Company in 2018. Net income for 2018 was \$53.1 million, and diluted earnings per share was \$3.39. Delivering shareholder value through growth continues to be top of mind for us. For 2018, we were pleased to report a return on average equity of 12.92% and a 22% increase in dividends paid to shareholders over last year.

Behind our financial achievements lies a combination of in-house talent and expertise, enhanced by strategic fintech partnerships and supported by robust risk practices. Our teams collaborate across business lines as we evolve along with the rapid changes in our industry and society. We rely on strong, ethical governance and a commitment to our core values to ensure these changes drive technological advances without sacrificing the superior service our customers expect from their community bank.

We continue to make critical investments in areas from digital resources to human capital as we strive to meet our constituents' needs today and into the future. We deeply appreciate the loyalty and dedication of our shareholders, employees, customers and communities.

Sincerely,



Lawrence "Larry" J. Sterrs
Chair, Board of Directors



Gregory A. Dufour
President and Chief Executive Officer

Camden National Corporation is the largest publicly traded bank holding company in northern New England.

2018 Highlights

\$53.1 million
Record earnings

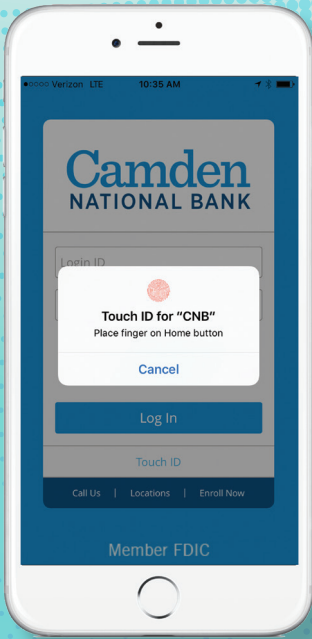
\$494 million
Record mortgage originations

\$466 million
Commercial loan volume

22%
Increase in dividends to shareholders



TECHNOLOGY



Banking on-the-go

- Log in with your fingerprint or facial recognition
- View account balances
- Transfer money
- Deposit checks
- Pay bills
- Pay a friend with Pay Up
- View electronic statements and notices
- Open accounts
- Set up alerts
- Stop payments
- Manage your finances
- Text banking
- Live chat for support

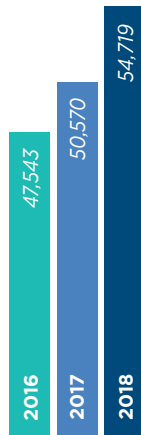
We're leveraging fintech partnerships and expertise.

Strategic enhancements to our online banking capabilities allow us to meet rapidly evolving customer expectations in today's digital world while delivering on our commitment to superior, local service. In 2018, we launched several new digital products that empower customers to bank anywhere, at any time:

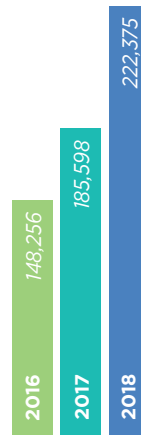
- **Pay Up** – our quick, secure person-to-person payment feature
- **TreasuryLink™** – our streamlined business banking tool for better, safer cash management
- **BusinessTouch™** – our online loan application system with instant approval for faster, easier small business borrowing

This year, we also recorded an increased adoption of our existing digital tools, underscoring the importance of our ongoing investments in these resources. For example, in 2018, over half of home purchase and refinance applications were submitted through MortgageTouch®, our easy-to-use online platform for consumer borrowers. This represents a 28% increase in utilization over the previous year. Building strong collaborations with fintech partners plays a key role in our ability to deliver an enhanced experience for customers while prioritizing information security and protection.

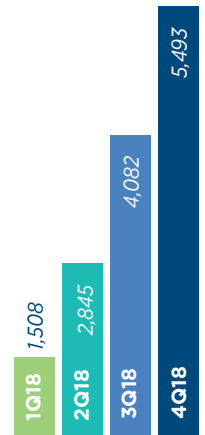
Active Digital Banking Users



Mobile Deposits



Person-to-Person Payments *(launched in 2018)*



Camden National Bank's BusinessTouch instant approval was fast, and closing was even faster! We will be using the new line of credit to help expand our business with services for adults with disabilities.



Laura Catevenis, Owner
Black Bear Support Services

We're committed to delivering best-in-class service.

Our strong digital solutions help customers conduct day-to-day transactions, so that our banking centers can focus on relationship building and advisory services. We assist customers by phone 24/7 and deliver meaningful in-person experiences through our robust network of 60 banking centers. In 2018, we expanded our Camden National Wealth Management team to deepen our capabilities and provide an even broader range of solutions that help clients achieve their lifetime financial goals.

We also continue to make strategic investments in our physical footprint in order to provide a seamless experience whether customers choose to log in, call in or walk in for guidance. We recently held the grand opening of our new high-tech, high-touch banking center in the Bill & Joan Alford Main Street Commons in Waterville, Maine. Our move into this brand-new space is part of a larger collaboration led by the City of Waterville and Colby College to revitalize downtown. We were proud to play an integral role in this community improvement, which also greatly benefits our customers and employees.

We're here for our customers.



After-hours:

18%

Increase in total calls outside of regular business hours to our Customer Care Team



All communication:

9%

Increase in total outreach to our Customer Care Team (by phone, live chat and email)



In-person:

2,980,000+

Total teller transactions



By ATM:

1,370,000+

Total ATM transactions

And we're listening.

CamdenCircle, our customer experience program, inspires us to collect, process and act on feedback to ensure we're continuously innovating and meeting our customers' needs. In 2018, we recorded:

780+

Customer ideas and comments

200+

Employee ideas and comments

CUSTOMERS



The new open-concept banking center in Waterville allows for the perfect blend of technology and in-person guidance to help our customers make sound financial decisions, improving their lives and our communities.

Gregory A. Dufour, President & CEO



In November 2018, we held the grand opening of our new high-tech, high-touch banking center in Waterville, ME.



COMMUNITY

Our employees commit an impressive amount of time, talent and passion to help nonprofits in their communities.

1 in 5

Employees serve on nonprofit boards

17,000+

Employee volunteer hours recorded in 2018

We're a vital part of every community we serve.

We demonstrate our commitment to helping communities thrive through direct donations, foundation grants and employee volunteerism. We view community giving as the foundation of our responsible growth, and we're grateful for the impact nonprofits have on the communities where we live, work and serve customers.

Hope@Home

For every new home we finance, we also donate \$100 to a homeless shelter in the homeowner's community. Since 2015, we've given **more than \$350,000 in unrestricted funding** to shelters in Maine, Massachusetts and New Hampshire.



Employees volunteer for Hospitality House in Rockport, ME

Leaders & Luminaries

In 2018, we presented six of Maine's top nonprofit board members with awards and grants recognizing their outstanding passion, innovation and resourcefulness in board service. Since 2011, we've awarded 37 directors with a **total of \$130,000 donated** to their respective organizations.



2018 Leaders & Luminaries award winners



Camden National Bank's ongoing financial support of unrestricted funds is one of the largest of its kind. When we receive these funds, we're able to shift funding to critical or unfunded areas, and the impact is immediately felt throughout the organization.

Bob Dawber, Executive Director
York County Shelter Programs

We're attracting, developing and retaining top talent.

Our employees continue to be our greatest asset, and we're committed to engaging and empowering individuals at every level of our organization. At our annual Stakeholder Appreciation Event, we recognized 15 outstanding employees for their accomplishments and commitment to our four constituent groups: customers, communities, shareholders and employees.



Throughout the year, we also presented Circle of Excellence Awards to our top performing leaders in Retail Banking, Commercial Banking and Wealth Management. These individuals led the way in building trusted relationships by focusing on the unique needs of their customers and clients.

Professional Growth

Education and development are key components of our employee growth and retention strategy. In addition to internal programs, such as our Horizons 100 and 200 leadership development courses, we also offer our employees external opportunities, including tuition reimbursement for professional certifications and ongoing education.



2018 Horizons 100 leadership program graduates



In 2018, we were proud to launch a new, online educational resource for employees called Financial Fitness, which teaches best practices for personal financial management.

EMPLOYEES



In 2018:

20,000

Employee training hours were completed

240

Employees attended our leadership conferences

22

Employees graduated from our Horizons 100 and 200 leadership programs

1 in 3

Employees completed our Financial Fitness program



FINANCIAL HIGHLIGHTS

During 2018, we successfully expanded our customer base and market presence.

Deposits grew **15%**

Loans grew **9%**

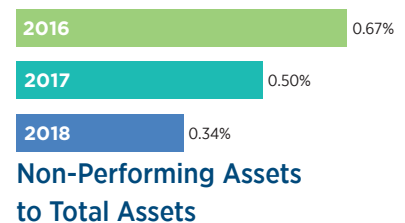
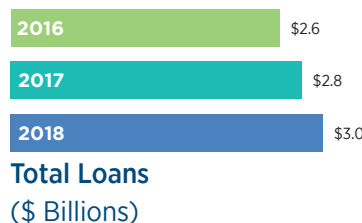
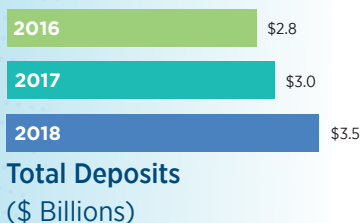
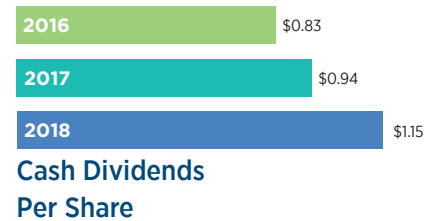
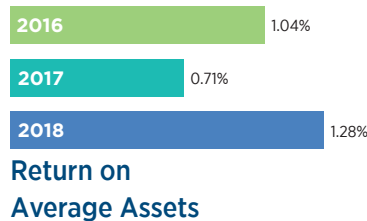
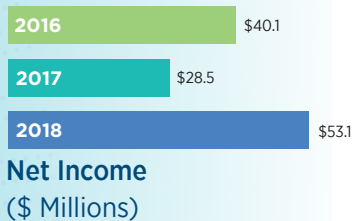
We're proud to report record financial performance.

Camden National Corporation's financial performance set records in 2018. Net income reached \$53.1 million, up 86% over reported net income in 2017 (and up 24% after adjusting for a \$14.3 million income tax charge in 2017 resulting from the Tax Cuts and Jobs Act of 2017). Our financial success in 2018 stems from the effective implementation of key business strategies over the past several years and excellent credit quality across our loan portfolio, complemented by a lower corporate income tax rate.

During 2018, we expanded our customer base and market presence. Total deposits grew 15%, driven by checking, savings and money market accounts. According to the FDIC, Camden National Bank ranked second in deposit market share in the state of Maine as of June 30, 2018. Our loan portfolio grew 9% to over \$3 billion, with a mix of 56% commercial and 44% retail. We generated 58% of our loan production in southern Maine, New Hampshire and Massachusetts due to our focus on continued expansion in those markets.

Asset quality was excellent throughout 2018. We ended the year with non-performing assets representing just 0.34% of total assets. Improved asset quality metrics and the favorable resolution of two credits reduced our credit provision to \$847,000, or 0.03% of average loans for the year.

We also shared our financial success with shareholders by increasing the dividend rate five cents to \$0.30 per share in July 2018. This brought aggregate cash dividends to shareholders to \$1.15 per share in 2018, a 22% increase over 2017. At December 31, 2018, Camden National Corporation's annualized dividend yield was 3.34%.



Financial Highlights

(Dollars in thousands, except per share data)

Earnings

	2018	2017	2016
Total revenues	\$ 158,569	\$ 153,899	\$ 152,693
Operating expenses	91,945	88,510	89,896
Net income	53,071	28,476	40,067
Adjusted net income ⁽¹⁾⁽²⁾	53,071	42,739	40,630

Per Share Data

Diluted earnings per share	\$ 3.39	\$ 1.82	\$ 2.57
Cash dividends per share	1.15	0.94	0.83
Book value at end of period	27.95	25.99	25.30
Tangible book value at end of period ⁽²⁾	21.61	19.57	18.74
Closing stock price (at December 31)	35.97	42.13	44.45

Balance Sheet at Year-End

Assets	\$ 4,297,435	\$ 4,065,398	\$ 3,864,230
Investment securities	926,678	907,642	897,679
Loans and loans held for sale	3,030,625	2,790,542	2,609,400
Deposits	3,464,474	3,000,491	2,828,529
Shareholders' equity	435,825	403,413	391,547

Financial Ratios

Return on average assets	1.28%	0.71%	1.04%
Adjusted return on average assets ⁽¹⁾⁽²⁾	1.28%	1.07%	1.06%
Return on average equity	12.92%	7.00%	10.47%
Net interest margin	3.16%	3.19%	3.28%
Efficiency ratio ⁽²⁾	57.71%	57.05%	57.53%
Tier I leverage capital ratio	9.53%	9.07%	8.83%
Non-performing assets to total assets	0.34%	0.50%	0.67%

(1) Excludes the \$14.3 million income tax charge recorded in 2017 upon revaluation of deferred tax assets and liabilities using the lower federal corporate income tax rate of 21%.

(2) This is a non-GAAP measure. Refer to "Non-GAAP Financial Measures and Reconciliation to GAAP" in the Company's 2018 Annual Report on Form 10-K for a reconciliation of GAAP to non-GAAP financial measures.

For a complete set of Consolidated Financial Statements, refer to the Company's 2018 Annual Report on Form 10-K.



LEADERSHIP

We're proud to share that

40%

of our Board of Directors and

71%

of our executive team are women, reflecting our commitment to gender diversity.

We're focused on building strategic leadership teams.

In 2018, we welcomed Robin A. Sawyer and Marie J. McCarthy to the Board of Directors of Camden National Corporation and Camden National Bank, bringing on new skills and areas of expertise to complement our other talented board members.

- **Robin A. Sawyer** is a certified public accountant. Previously, she served as Vice President of Corporate Finance and Corporate Controller at WEX Inc. in South Portland, Maine. Bringing an extensive knowledge of the southern Maine market, as well as global experience and financial expertise, Robin chairs the Capital Committee and serves on the Compensation Committee for Camden National Corporation.
- **Marie J. McCarthy** currently serves as Chief People and Operations Officer for L.L.Bean in Freeport, Maine, where she's worked since 1993. Marie is a highly experienced Maine business leader who brings strategic and operational expertise in a wide variety of areas, including human resources. Marie serves on the Technology Committee for Camden National Corporation.

At the end of 2018, David Ott, a director of Camden National Corporation and Camden National Bank, retired from the board. A seasoned banking executive, David joined us in 2015 as a result of the acquisition of SBM Financial, Inc., the parent company of The Bank of Maine. We are grateful for his expertise and many contributions to our organization.



Camden National Corporation Board of Directors

Pictured from left to right (back row):

Craig N. Denekas, Lawrence J. Sterrs (Chair), S. Catherine Longley, David J. Ott, Robin A. Sawyer, Carl J. Soderberg, Ann W. Bresnahan, David C. Flanagan, Gregory A. Dufour;
(front row): Marie J. McCarthy, James H. Page, Ph.D.



Camden National Bank Board of Directors

Pictured from left to right (back row):

James L. Markos, Jr., David C. Flanagan, Marie J. McCarthy, Lawrence J. Sterrs (Chair), Ann W. Bresnahan, Carl J. Soderberg, Gregory A. Dufour, Robert D. Merrill;
(front row): David J. Ott, Robin A. Sawyer, William P. Dubord



Common Stock

Camden National Corporation's common stock is listed on the NASDAQ Global Select Market and is traded under the symbol CAC.

Annual Meeting

Tuesday, April 30, 2019, 3:00 PM local time
Point Lookout Conference Center, The Summit
67 Atlantic Highway, Northport, ME 04849

Shareholder Services

Camden National Corporation's shareholder services are provided by American Stock Transfer & Trust Company, LLC (AST). Shareholders may contact AST through one of the following methods:

ONLINE

Registered shareholders can view their account information by logging into AST's website, www.astfinancial.com. This website provides instructions on how to gain access to shareholder account information, perform certain transactions, request forms or participate in the Investors Choice Dividend Reinvestment & Direct Stock Purchase and Sale Plan. Shareholders may also email our transfer agent at help@astfinancial.com.

TELEPHONE

Shareholders may call AST's toll-free number (800) 937-5449 for assistance.

WRITTEN CORRESPONDENCE

Shareholders should mail written account inquiries or other requests for assistance regarding stock ownership to:

Camden National Corporation
c/o American Stock Transfer & Trust Co., LLC
Operations Center
6201 15th Avenue
Brooklyn, NY 11219

Dividend Reinvestment, Stock Purchase and Sale

Camden National Corporation is pleased to offer the Investors Choice Dividend Reinvestment & Direct Stock Purchase and Sale Plan (Plan), a voluntary plan administered by AST. Under the Plan, shareholders may reinvest dividends, purchase additional shares, sell all or part of shares owned or deposit their Camden National Corporation stock certificates for safekeeping or sale. For more information, call (800) 937-5449 or visit AST's website at www.astfinancial.com.

Financial Publications Available at No Charge

Additional copies of Camden National Corporation's Annual Report on Form 10-K, quarterly reports and other corporate publications are available, without charge, at CamdenNational.com or upon request by emailing IR@CamdenNational.com, calling (800) 860-8821 or by writing to:

Camden National Corporation
Attn: Investor Relations
P.O. Box 310, Camden, ME 04843-0310

Media Inquiries

Media representatives seeking general information should contact:
Renée Smyth, Chief Experience & Marketing Officer
(207) 518-5607, rsmyth@CamdenNational.com

Analyst Coverage

The following analysts published research about Camden National Corporation in 2018:

Keefe, Bruyette & Woods, Inc.
Piper Jaffray



Executive Management

Pictured from left to right (back row):

Joanne T. Campbell, Deborah A. Jordan, CPA, Gregory A. Dufour, Timothy P. Nightingale, Jennifer L.

Mirabile, CFP®, CWS®; *(front row):*

Heather D. Robinson, Patricia A. Rose, Renée D. Smyth



We continue to make critical investments in areas from digital resources to human capital as we strive to meet our constituents' needs today and into the future. We deeply appreciate the loyalty and dedication of our shareholders, employees, customers and communities.

Lawrence "Larry" J. Sterrs
Chair, Board of Directors

- Camden National Bank
- Camden National Wealth Management

