



INSTITUTION FOR SAVINGS

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INSTITUTION FOR SAVINGS REPORTS STRONG EARNINGS AND GROWTH, AND ELECTS SEVEN NEW CORPORATORS AT 2016 ANNUAL MEETING

Newburyport – With another year of strong profits and the highest operating earnings in the Bank’s 196 year history the future of the Institution for Savings is promising, reported President and Chief Executive Officer Michael J. Jones at the Bank’s 197th Annual Meeting. The meeting was held March 13th at the Black Swan Country Club in Georgetown. There were approximately 350 corporators and employees in attendance.

The main catalyst for the Bank’s strong numbers continues to be loan growth. Total loans increased \$266 million or 14 percent, reaching a milestone of \$2.1 billion. Commercial loans increased approximately \$77 million or 20 percent and now exceed \$460 million, the majority of which are high quality commercial real estate loans. Residential loans increased \$181 million or 13 percent.

Total deposits increased \$175 million, or 8 percent, reaching approximately \$2.4 billion due to the Bank’s highly competitive interest rates on checking, savings, money market and term deposit accounts. The Bank’s net income of \$26.3 million represents an increase of \$2.8 million or 12 percent over the previous year. This marked the fourth consecutive year that the Bank’s net income exceeded \$23 million. Most importantly, net operating income of \$17.5 million increased \$3.4 million or 24 percent, and was the highest in the Bank’s 196 year history. Total capital increased \$33 million or 13 percent and remains strong at \$285 million, continuing to provide opportunities for continued expansion and growth.

“Our acquisition of Rockport National Bank in 2014 has been a success as we strive to be *the* community bank on Cape Ann and in Beverly,” said Mr. Jones. “Since the acquisition the combined deposits in these offices increased from \$185 million to \$315 million in just over two years. In

addition, we continue to have great success with our three new offices in the Masconomet region as total deposits now exceed \$343 million.”

Mr. Jones also cited a number of other milestones in 2016:

- Total contributions from the Bank’s earnings to the charitable foundations were \$1.5 million; in turn, the Bank’s three charitable foundations contributed over \$2.1 million to various local not-for-profit organizations
- The completion of the expansion and renovation of its King Street Rockport office
- The commencement of construction of new office in Hamilton (scheduled to open late summer 2017)
- Recognized as #1 oldest bank in the country with Best of Bauer status
- The 12th most profitable real estate lender in the country according to **Bank Director** magazine
- Chosen for the ninth consecutive year as a Boston Globe Top Place to Work
- Chosen for the first time as a Boston Business Journal Top 100 Charitable Giver (#17) and Best Place to Work (#13).

During the Annual Meeting, seven new corporators were elected to the Corporation. They include Elena R. Bachrach – Executive Director, Newburyport Art Association, R. Jeffrey Bailly – CEO, UFP Technologies, Abbie G. Batchelder – Owner, Joppa Fine Foods, John P. McCarthy – Owner, Rowley Realty, Miranda H. Russell – Owner, Russell Orchards, Constantine (Gus) Scrivanos – Owner of multiple Dunkin Donuts franchises, and John W. Wolfe – Owner of multiple restaurants including The Poynt and Brick & Ash.

Mr. Jones, along with the corporators and employees, paid tribute to retiring long-time trustee Donald M. Greenough, a 30-year member of the Board. A successful Ipswich attorney, he has been active in the community, volunteering for the North Shore YMCA, Ipswich Public Schools, affordable housing and countless other not-for-profit organizations. According to Mr. Jones, Mr. Greenough has been instrumental in every major strategic initiative the Bank has achieved in recent years, including the merger with the Ipswich Co-operative Bank and the acquisition of Rockport National Bank, expansion into the Masconomet region and the numerous charitable gifts to the public schools, Essex County Greenbelt, the North Shore YMCA and others.

Before concluding the meeting Mr. Jones announced the 2016 recipient of the President’s Award which annually is given to an employee who consistently goes above and beyond his or her duties to serve the Bank and its customers. This year’s award was given to Assistant Clerk of the Corporation Stephanie Manuel.

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