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## Policy Group

Mark D. Thompson  
*Chief Executive Officer & President*

James C. Brown  
*Executive Vice President  
Chief Lending Officer*

Robert C. Buffum, Jr.  
*Senior Vice President  
Chief Risk Officer*

Gary L. Garber  
*Senior Vice President  
Chief Information Officer*

James D. Henderson  
*Executive Vice President*

Pilar Pueyo  
*Senior Vice President*

Anne L. Randall  
*Executive Vice President  
Chief Financial & Administrative Officer*

George G. Schwartz  
*Executive Vice President  
Chief Operating Officer & Treasurer*

John J. Sullivan  
*Executive Vice President*

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## Board of Directors

Herbert S. Alexander  
*Managing Partner  
Alexander, Aronson, Finning & Company*

John H. Clymer  
*Senior Counsel  
Nixon Peabody LLP*

Eugene S. Colangelo  
*Chairman of the Board*

Julio Enterprises  
*Chairman of the Board  
Boston Private Bank & Trust Company*

James D. Dawson  
*Chief Executive Officer, Private Banking Group  
Boston Private Financial Holdings, Inc.*

Kathleen M. Graveline  
*Private Investor*

Charles T. Grigsby  
*Consultant*

Susan P. Haney  
*Private Investor*

E. Christopher Palmer  
*President & Managing Shareholder  
Palmer and Corbett, PC*

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## Office Locations

Headquarters: Boston Office  
Ten Post Office Square  
Boston, Massachusetts  
(617) 912-1900

Wellesley Office  
336 Washington Street  
Wellesley, Massachusetts  
(781) 707-7700

Back Bay Office  
500 Boylston Street  
Boston, Massachusetts  
(617) 912-4500

Jamaica Plain Loan Center  
401c Centre Street  
Jamaica Plain, Massachusetts  
(617) 524-6050

Kendall Square Office  
One Cambridge Center  
Cambridge, Massachusetts  
(617) 646-4800

Newton Centre Office  
1223 Centre Street  
Newton, Massachusetts  
(617) 646-4850

Seaport Office  
157 Seaport Boulevard  
Boston, Massachusetts  
(617) 646-4880

Lexington Office  
1666 Massachusetts Avenue  
Lexington, Massachusetts  
(617) 912-3600

Hingham Office  
7 Central Street  
Hingham, Massachusetts  
(781) 740-2405

Beverly Office  
57 Enon Street, Route 1A  
Beverly, Massachusetts  
(978) 922-8000

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# STATEMENT OF FINANCIAL CONDITION

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AS OF SEPTEMBER 30, 2009

## BOSTON PRIVATE BANK & TRUST COMPANY

HEADQUARTERS: TEN POST OFFICE SQUARE • BOSTON, MASSACHUSETTS 02109  
TELEPHONE: 617-912-1900 • WWW.BOSTONPRIVATEBANK.COM



BOSTON PRIVATE BANK & TRUST COMPANY

**D**ear Friend,  
As our solid third-quarter results reflect, the Bank remains strong and stable during uncertain times.

### 2009 Third Quarter Financial Highlights:

- Pre-tax earnings, excluding the FDIC's \$1.4 million special insurance assessment, were up 5% compared to the same period last year.
- Liquidity remains strong with deposits up 27% and net loans up 8%.
- Shareholder equity has increased 12%.
- Return on average equity in excess of 10%, represents top decile performance among our Massachusetts peer banks with \$1 billion to \$10 billion in assets.

If there is anything we can do to ensure that we continue to earn your trust and confidence, please do not hesitate to contact me directly.



Mark D. Thompson  
CEO & President

### Boston Private Bank & Trust Company

#### CONDENSED BALANCE SHEETS

(Unaudited) (\$ in Thousands)	September 30,	
	2009	2008
<b>Assets</b>		
Cash & Short-Term Investments	\$158,739	\$23,334
Investment Securities	502,155	617,437
Loans Held for Sale	1,973	1,556
Commercial Loans	1,175,408	1,056,945
Mortgage Loans	1,116,088	1,077,918
Home Equity & Other Loans	96,063	83,461
Total Loans	2,387,559	2,218,324
Less: Allowance for Loan Losses	27,131	25,029
Net Loans	2,360,428	2,193,295
Other Assets	92,437	107,070
<b>Total Assets</b>	<b>\$3,115,732</b>	<b>\$2,942,692</b>

#### Liabilities & Shareholder's Equity

Demand Deposits	\$453,956	\$304,190
NOW Accounts	173,503	130,464
Savings & Money Market	959,755	870,051
Certificates of Deposit	682,912	480,631
Total Deposits	2,270,126	1,785,336
Borrowings	599,278	934,129
Other Liabilities	20,713	21,262
Total Liabilities	2,890,117	2,740,727
Shareholder's Equity	225,615	201,965
<b>Total Liabilities &amp; Shareholder's Equity</b>	<b>\$3,115,732</b>	<b>\$2,942,692</b>

### Boston Private Bank & Trust Company

#### CONDENSED STATEMENTS OF INCOME

(Unaudited) (\$ In Thousands)	Nine Months Ended September 30,	
	2009	2008
Interest Income	\$101,930	\$108,917
Interest Expense	41,968	52,946
Net Interest Income	59,962	55,971
Provision for Loan Losses	4,048	4,640
Net Interest Income after Provision	55,914	51,331
Investment Management Fees	10,644	12,592
Banking Fees and Other Income	5,941	4,697
Operating Expenses	48,763	44,695
Income Before Income Taxes	23,736	23,925
Income Taxes	6,159	5,148
<b>Net Income</b>	<b>\$17,577</b>	<b>\$18,777</b>

### Boston Private Bank & Trust Company

#### SELECTED FINANCIAL DATA

(Unaudited) (\$ In Thousands)	At and for the Nine Months Ended September 30,	
	2009	2008
Assets Under Management	\$2,502,888	\$2,669,319
Return on Average Assets	0.78%	0.86%
Return on Average Equity	10.48%	12.84%
Net Interest Margin	2.99%	2.92%
Total Fees and Other Income / Revenues	21.67%	23.60%
Allowance for Loan Losses / Total Loans	1.14%	1.13%