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Lowell Five Announces Third Quarter Net Income of \$1.1 Million Strong Capital Position, Branch Expansion

Lowell, Mass., November 4, 2008 – The Lowell Five Cent Savings Bank announced net income of \$1.1 million for the third quarter ended September 30, 2008. Deposits grew \$15.4 million over the year to date period while the Bank's Tier 1 Capital remained solid at approximately 15% of total assets. The Capital level ranks the Bank among the top 10% for savings banks in the State. As a result of the Bank's ample liquidity, \$20 million of bank advances were prepaid during the year to lower the Bank's cost of funds and improve net interest margin.

Robert A. Caruso, Chairman of the Board, commented, "The favorable quarterly net income is the result of conservative banking practices including strategies to improve net interest margin and other cost containment activities. We are focused on enhancing customer products and services while maintaining a strong Capital position that is approximately two and one half times the regulatory requirement. Our customers can be assured of safety as their deposits are insured by the FDIC and the Depositors Insurance Fund."

The Bank's deposit growth is attributed to a steady stream of new commercial accounts as well as increases in savings deposits from existing customers. The Bank opened its 14th branch office in Haverhill during the quarter, representing the second new branch in approximately one year, and extended banking hours across the entire branch network.

Caruso also commented, "The rapid downturn on Wall Street that has affected many of our customers' retirement plans and stock portfolios is a concern that we share with them. Although we are pleased with the third quarter results, the rapid downturn has affected our Bank, as it has other banks as well, yet we have been able to maintain the Bank's solid Capital position. We offer our customers safety and personal service and provide them assurance that they need today."

THE LOWELL FIVE CENT SAVINGS BANK

Consolidated Balance Sheet

September 30, 2008


LowellFive
It starts with a conversation.

(in thousands except percentage data)

ASSETS	
Cash and due from banks	\$ 9,168
Short-term investments	26,412
Investment securities available for sale	225,511
Loans, net of allowance for loan losses	321,541
Real Estate Owned	19,707
Other earning assets	30,448
Bank premises and equipment, net	18,077
Accrued income receivable	3,062
Other assets	7,690
Total assets	\$ 661,616
LIABILITIES AND CAPITAL	
Deposits	\$ 537,368
Mortgagors' escrow accounts	923
Federal Home Loan Bank advances	25,000
Accrued expenses and other liabilities	3,460
Total liabilities	566,751
Retained earnings	97,930
Accumulated other comprehensive income	(3,065)
Total capital	94,865
Total liabilities and capital	\$ 661,616

Current Capital Analysis

<u>Leverage capital position:</u>		<u>Primary capital position:</u>	
Total capital	\$ 94,865	Total capital	\$ 94,865
Other comprehensive income	<u>(3,065)</u>	Add: Allowance for loan loss	<u>3,213</u>
Total leverage capital	<u>\$ 97,930</u>	Total primary capital	<u>\$ 98,078</u>
Percent to deposits	18.22%	Percent to deposits	18.25%
Percent to total assets	14.80%	Percent to total assets	14.82%

About Lowell Five

Founded in 1854, The Lowell Five Cent Savings Bank is a state chartered mutual bank and the oldest financial institution in the City



of Lowell. With over 200 employees throughout its 14 branches and \$661 million in assets, Lowell Five has been instrumental in the economic development of the region. Recognized as one of the 2007 Best Places to Work by the Boston Business Journal, Lowell Five maintains a leadership role on numerous community boards and organizations. Lowell Five provides superior banking products for personal customers, businesses, non-profit organizations, and municipalities and is insured with both the Federal Deposit Insurance Corporation (FDIC) and the Depositors Insurance Fund (DIF).