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Savings Bank of Maine Recapitalized by SBM Financial Inc.

***Gardiner-based Company Infuses \$60 Million of New Capital/
Adds Senior Management and Board of Directors With Deep Maine Roots***



L to R: David J. Ott, John W. Everets, and Willard B. Soper.

Gardiner, ME – May 27, 2010

Savings Bank of Maine today announced it has agreed to be recapitalized by SBM Financial, Inc., a Gardiner-based company owned by investors.

The Savings Bank of Maine, which has 32 branches and \$929.1 million in total assets, was operating under a Cease and Desist Order from the Federal Office of Thrift Supervision (OTS) because of undercapitalization. Under the terms of the recapitalization, SBM Financial absorbed the bank's two existing holding companies, restructured its debt, acquired all of its common stock, and raised \$60 million of new funds for the bank, which exceeds the capitalization requirements established by OTS.

SBM Financial is also complementing the bank's existing management and employees with a new senior management team and board of directors, many with deep Maine roots. John W. Everets, the former CEO of GE/HPSC who led the investment group, will serve

as Chairman and CEO. Everets has worked with Maine businesses for over 30 years. Joining him as President is Willard B. Soper, former Senior Vice President of Shawmut Bank and CEO of Kislak Bank and Kislak Mortgage. In addition to Everets and Soper the new board of directors will include David J. Ott, former Chief Banking Officer of Banknorth; Richard D. Field, co-founder of Lending Tree and former Executive Vice President at Bank of New York and Chairman of MasterCard International; James H. Ozanne, formerly Executive Vice President of GE Capital and Chairman and CEO of Nation's Financial; Ronald E. Roark, Founder, Vice Chairman and CEO of Crown Northcorp, and Robert H. Gardiner, President of Brunswick-based Independence Wind and former President of Maine Public Broadcasting.

"I am delighted with the broad experience, level of professionalism, and understanding of Maine and its people that John, Willard, and the new directors bring to the bank," said Richard Goodwin, outgoing Chairman of the Board. "Two of our new directors are residents of Maine and others have multi-generational family ties to our state and to Gardiner, including Ron Roark whose father was formerly head of the Veterans Administration in Gardiner. I am confident we are transitioning the bank to people who truly care about its customers, its employees, our state, and the well-being of its people."



Added Arthur Markos, who will retire as President of the bank, “My team and I are excited to see the bank restored to financial health and under experienced and customer-caring leadership. We are already working with John and his team to ensure an orderly transition and smooth working relationship with existing management and employees.”

According to bank officials, Everets and other members of management will be visiting customers and branch offices of the bank in coming weeks. “Our customers will see all the familiar faces at their local offices, as well as have an opportunity to meet some of our new team members,” said Everets, whose great-great-grandfather, William Minot, first came to Gardiner in 1824. “In addition to meeting and beginning to get to know one another, now that we have restored the bank to financial health we plan to start the process of building on the bank’s 176-year tradition of customer-oriented service. This is a great bank with a long history of serving individuals and businesses in the state of Maine and providing opportunities for its employees. We are excited to be working with existing management and employees to build on this legacy, listening to our customers, growing and strengthening the services they value, and putting the bank on a path to its next 176 years of serving the people and businesses of Maine.”

Peter Webber, a longtime Maine businessman and advocate for local business who played an integral role in the building of Sugarloaf, expressed his support of the bank’s new leadership team. “I am thrilled to see John at the helm of the Savings Bank of Maine,” he said. “He has worked with me on a number of occasions as I sought to build Sugarloaf. He has also been involved with other Maine businesses for 30 years. He is a superb, customer-oriented businessman with a significant commitment to Maine and its people.”

About Savings Bank of Maine

Savings Bank of Maine (www.savingsbankofmaine.com) was founded in Gardiner in 1834 as Gardiner Savings Institution and is the second oldest savings bank in the State. An FDIC insured federally chartered savings bank with more than \$929 million in assets, the Savings Bank of Maine has grown to more than 300 employees offering a wide variety of personal and business financial services in 32 offices throughout the State from York to Fort Kent.