




Camden National Corporation

February 13, 2013

NASDAQ: CAC



Safe Harbor Statement

The information presented may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based upon current beliefs and expectations and are subject to significant risks and uncertainties some of which are beyond Camden National Corporation's control. Actual results may differ materially from the results discussed in these forward-looking statements. Factors that could cause Camden National Corporation's results to differ materially can be found in the risk factors set forth in Camden National Corporation's Annual Report on Form 10-K for the year ended December 31, 2012, as updated by Camden National Corporation's Quarterly Reports on Form 10-Q and other filings with the SEC.



Camden National Corporation

Corporate Snapshot

- Headquartered in Camden, ME; Founded 1875
- Subsidiaries:
 - Camden National Bank - \$2.6B Assets
 - Acadia Trust - \$696MM AUM
- 481 Employees
- 44 Branch Locations

Financial Overview

| | (in 000's) | 2013 | 2012 | 2011 |
|---------------------------|------------|---------|---------|---------|
| Loans | | \$1,580 | \$1,564 | \$1,520 |
| Assets | | \$2,604 | \$2,565 | \$2,303 |
| Deposits | | \$1,814 | \$1,929 | \$1,591 |
| Equity | | \$231 | \$234 | \$219 |
| Return on Assets | | 0.88% | 0.98% | 1.13% |
| Return on Tangible Equity | | 14.55% | 13.19% | 15.64% |

Shareholder Profile

- Shares Outstanding 7.6 million
 - Institutional /Mutual 45%
 - Insiders 2% / Other 53%
- Tangible Book Value per Share \$23.98
- Tangible Common Equity/Tangible Assets 7.12%
- Stock Price/ Tangible Book Value 148% (CAC stock closed at \$35.52 on 2/6/14)

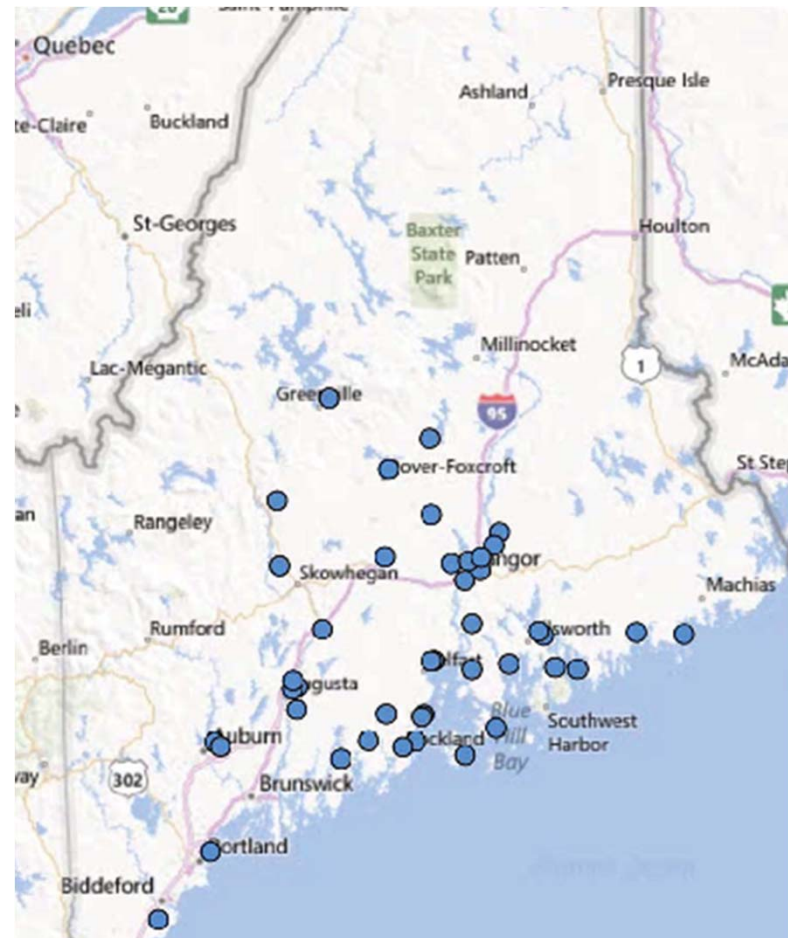
Events

- Sold 5 branches with \$80M of deposits and \$46M of loans (2013)
- Acquired 14 branches from Bank of America (2012)
- Named by Forbes as one of “America’s Most Trustworthy Companies” (2013 & 2012)
- Named to KBW’s “Bank Honor Roll” (2012 & 2011)
- Named “Financial Institution of the Year” by Finance Authority of Maine (2013, 2012, 2011 & 2009)



Camden National Corporation Profile

- Founded 1875 in Camden, Maine
- Largest publicly traded community bank in Maine and Northern New England
- Second largest Maine based bank
- Fourth in the state for deposit market share



Source: SNL Financial



Financial Highlights

As of 12/31/13

| <i>(in 000's)</i> | <u>2013</u> | <u>2012</u> |
|-----------------------|-------------|-------------|
| Loans (a) | \$1,580 | \$1,564 |
| Investment Securities | 828 | 802 |
| Total Assets | 2,604 | 2,565 |
| Deposits (b) | 1,814 | 1,929 |
| Borrowings | 530 | 360 |
| Shareholders' Equity | 231 | 234 |

(a) 2013 reflects \$46 million of divested loans. 4% organic growth in 2013 when excluding sale.

(b) 2013 reflects \$80 million of divested deposits.



Financial Highlights

As of 12/31/13

| | <u>2013</u> | <u>2012</u> |
|-------------------------------------|-------------|-------------|
| Net Income <i>(in millions)</i> (a) | \$22.8 | \$23.4 |
| Diluted Earnings per Share | \$2.97 | \$3.05 |
| Return on Tangible Equity | 14.55% | 13.19% |
| Return on Assets | 0.88% | 0.98% |
| Efficiency Ratio | 62.78% | 57.45% |
| Net Interest Margin | 3.20% | 3.36% |

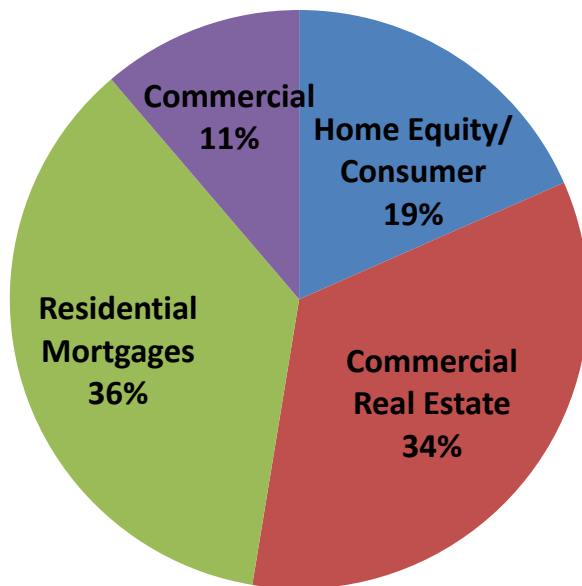
(a) 2013 includes after tax impact of goodwill impairment write-down of \$2.8 million and gain on branch divestiture of \$1.9 million



Loans and Funding

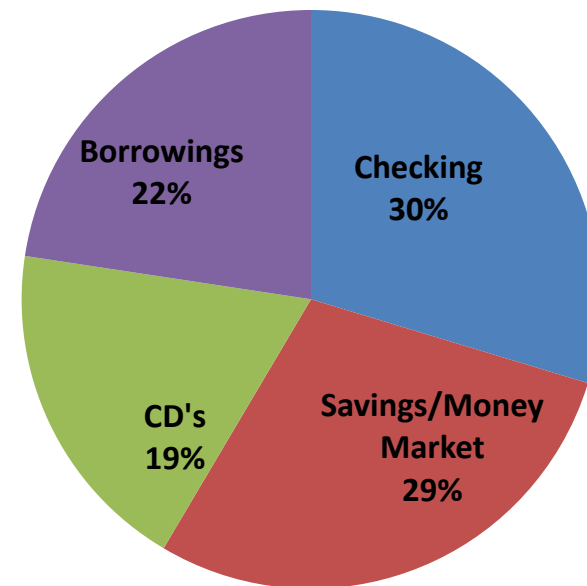
As of 12/31/13

Loan Portfolio



Total Loans: \$1.58 billion
Yield: 4.46%

Funding Mix

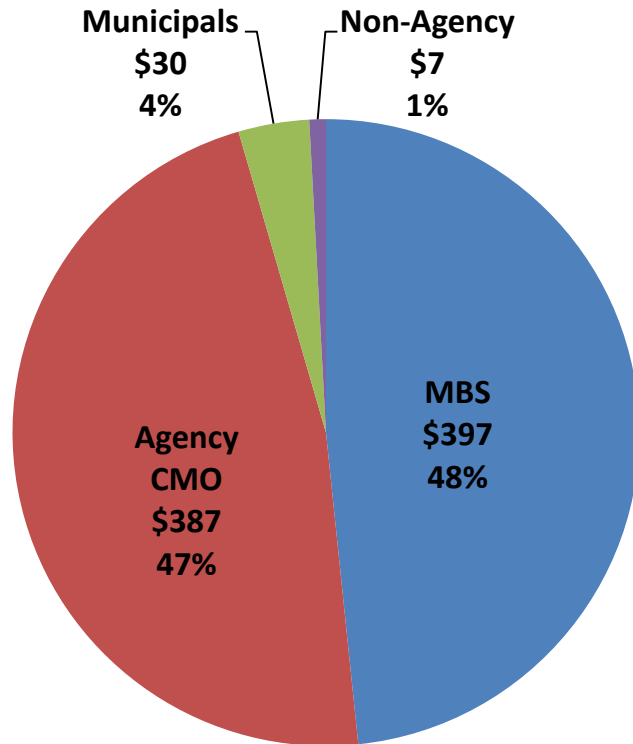


Funding: \$2.34 billion
Total Funding Cost: 0.55%
Deposit Cost: 0.32%



Investment Portfolio

As of 12/31/13



Book Value - \$821 Million

Portfolio Stats

| | |
|---------------------------|---------------|
| Market Value | \$808 Million |
| Average Yield | 2.26% |
| Duration | 3.9 Years |
| Premium | \$7.2 Million |
| Premium as % of Portfolio | 0.9% |

Excludes FRB/FHLB stock of \$20 million



Deposit Market Share

| Maine | | | | |
|-----------|---|-------------------------|---------------------------------------|-----------------------------|
| 2013 Rank | Institution | 2013 Number of Branches | 2013 Total Deposits in Market (\$000) | 2013 Total Market Share (%) |
| 1 | Toronto-Dominion Bank | 51 | 3,681,736 | 15.8 |
| 2 | KeyCorp (OH) | 54 | 2,566,856 | 11.0 |
| 3 | Bangor Bancorp MHC (ME) | 60 | 2,160,884 | 9.3 |
| 4 | Camden National Corp. (ME) | 44 | 1,829,754 | 7.9 |
| 5 | Bank of America Corp. (NC) | 19 | 1,409,681 | 6.1 |
| 6 | First Bancorp Inc. (ME) | 16 | 1,029,370 | 4.4 |
| 7 | Machias Bancorp MHC (ME) | 17 | 885,811 | 3.8 |
| 8 | People's United Financial Inc. (CT) | 27 | 868,201 | 3.7 |
| 9 | Bar Harbor Bankshares (ME) | 16 | 855,342 | 3.7 |
| 10 | Norway Bancorp MHC (ME) | 22 | 768,168 | 3.3 |
| | All Others in State (21) | 180 | 7,189,721 | 30.9 |
| | Total For Institutions In Market | 506 | 23,245,524 | 100.00 |

Source: FDIC Deposit Market Share data. Pro forma results excluding divested branches.



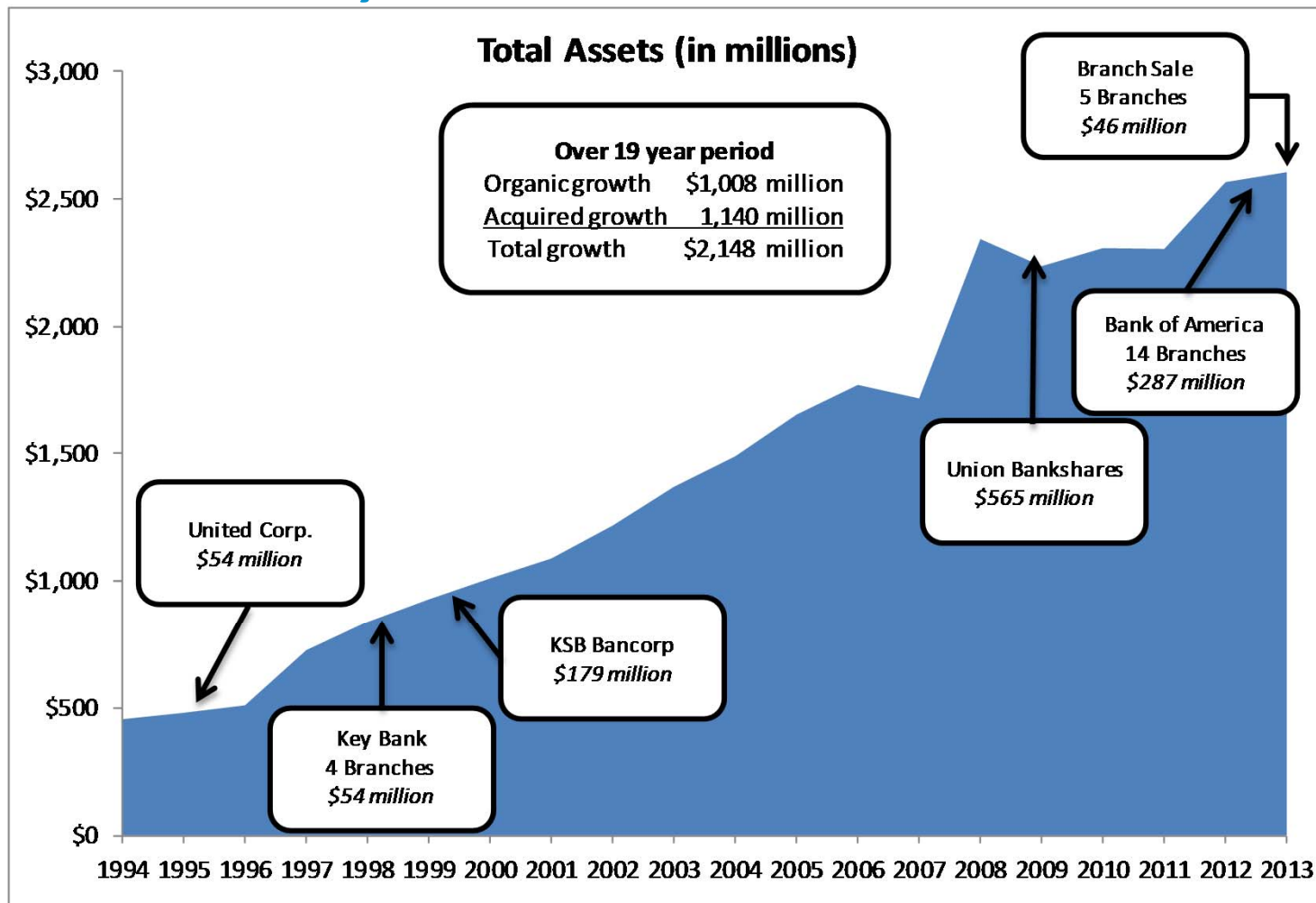
Core Strengths

- Solid track record of organic and acquired growth
- Solid earnings performance
- Disciplined risk management culture
- Consistent shareholder returns



Solid Track Record of Organic and Acquired Growth

Asset Growth History



Source: SNL Financial

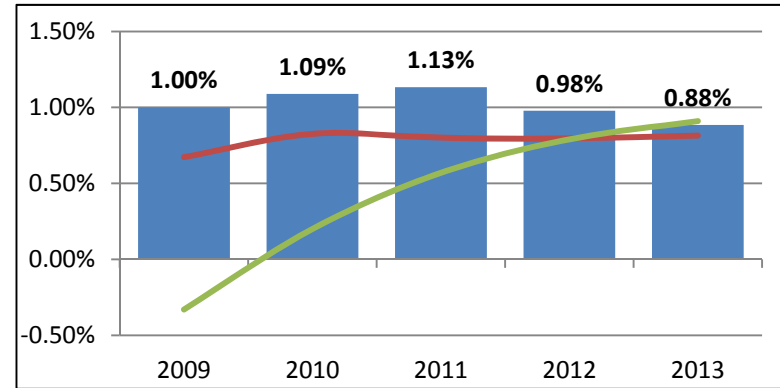


Solid Earnings Performance

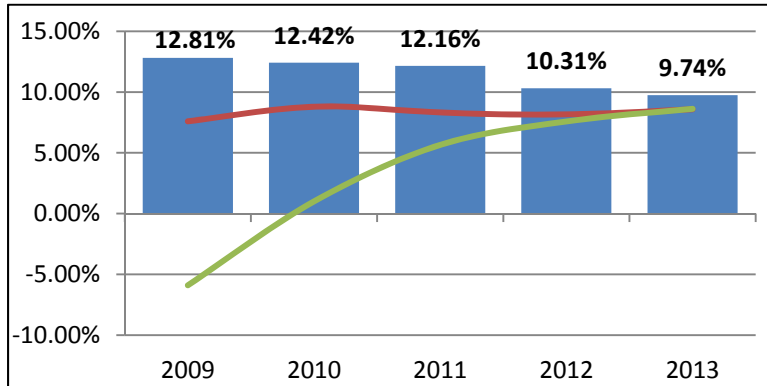
Highlights

- Investment in branches, lenders, and technology impact financial performance in the short-term
- Driven to create consistent returns for our shareholders
- Efficient operations focused on revenue generation

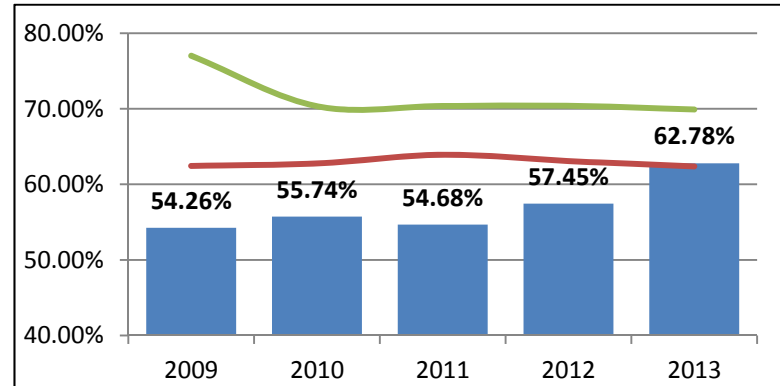
Return on Average Assets



Return on Average Equity



Efficiency Ratio (FTE)



■ CAC — Proxy Peer — BHCPR

Proxy Peer – Average of 19 publicly traded commercial and savings banks in the Northeast (as of 12/31/13)

BHCPR Peer – Average of 350 bank holding companies with consolidated assets between \$1 and \$3 billion (as of 9/30/13)

Source: SNL Financial

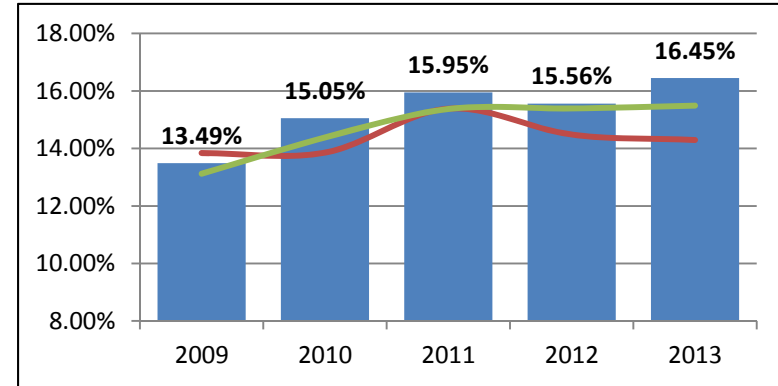


Disciplined Risk Management Culture

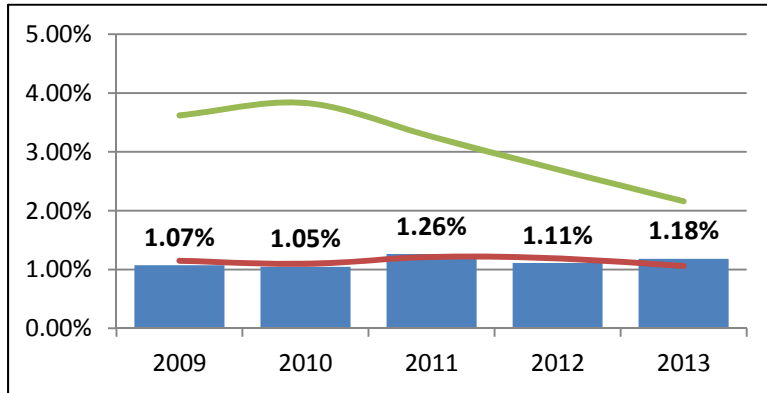
Highlights

- Strong capital growth to support future loan growth
- Credit quality consistent with Northeast peer group
- Stable asset quality through economic downturn

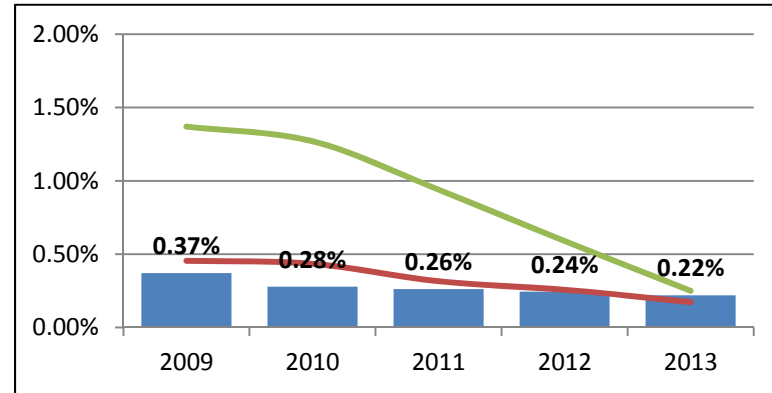
Total Risk Based Capital



NPAs to Total Assets



Net Charge Offs to Average Loans



■ CAC — Proxy Peer — BHCPR

Proxy Peer – Average of 19 publicly traded commercial and savings banks in the Northeast (as of 9/30/13)

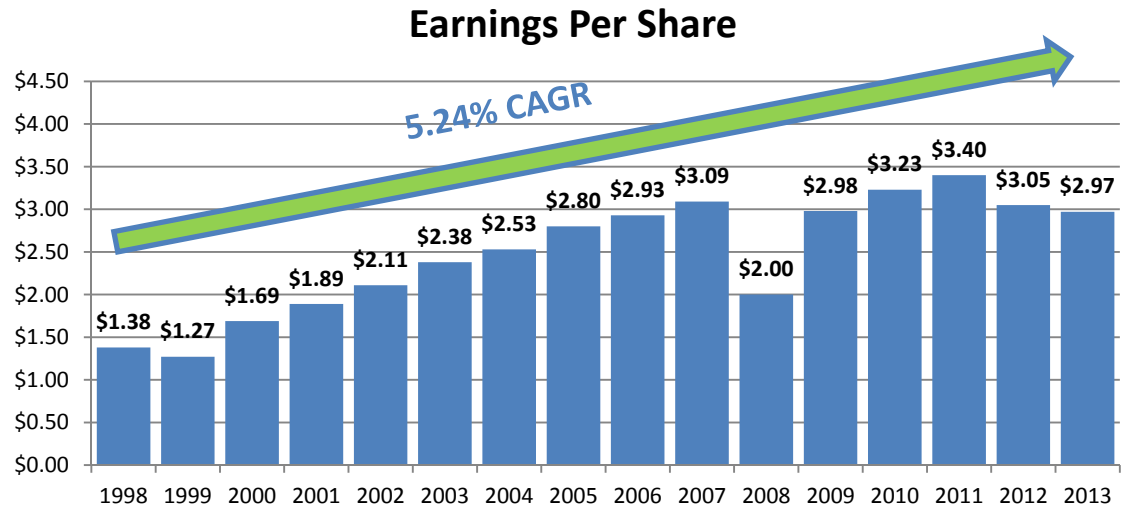
BHCPR Peer – Average of 350 bank holding companies with consolidated assets between \$1 and \$3 billion (as of 9/30/13)

Source: SNL Financial

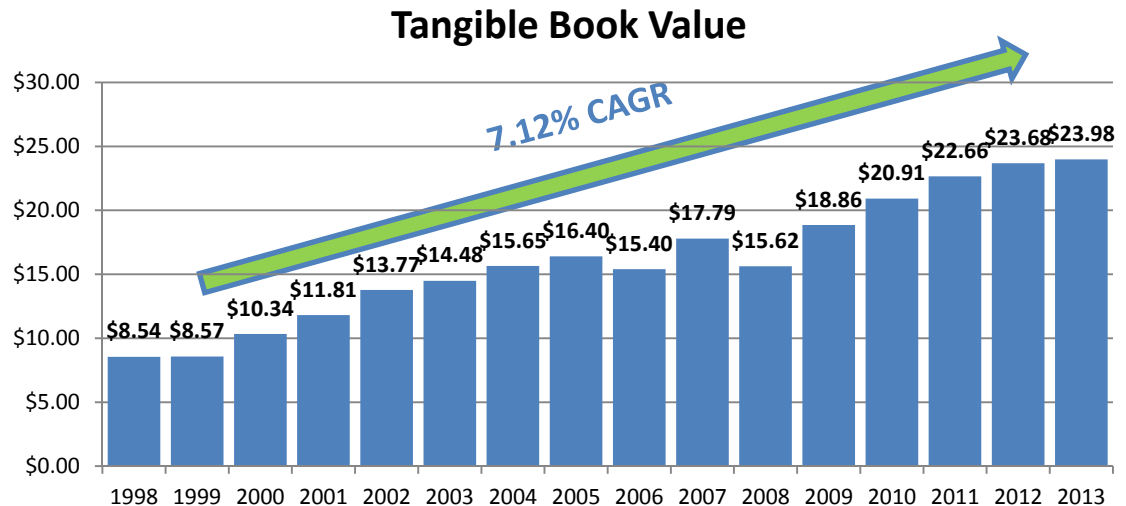


Consistent Shareholder Returns

- Earnings per share compound annual growth of 5.24% over a 15-year period

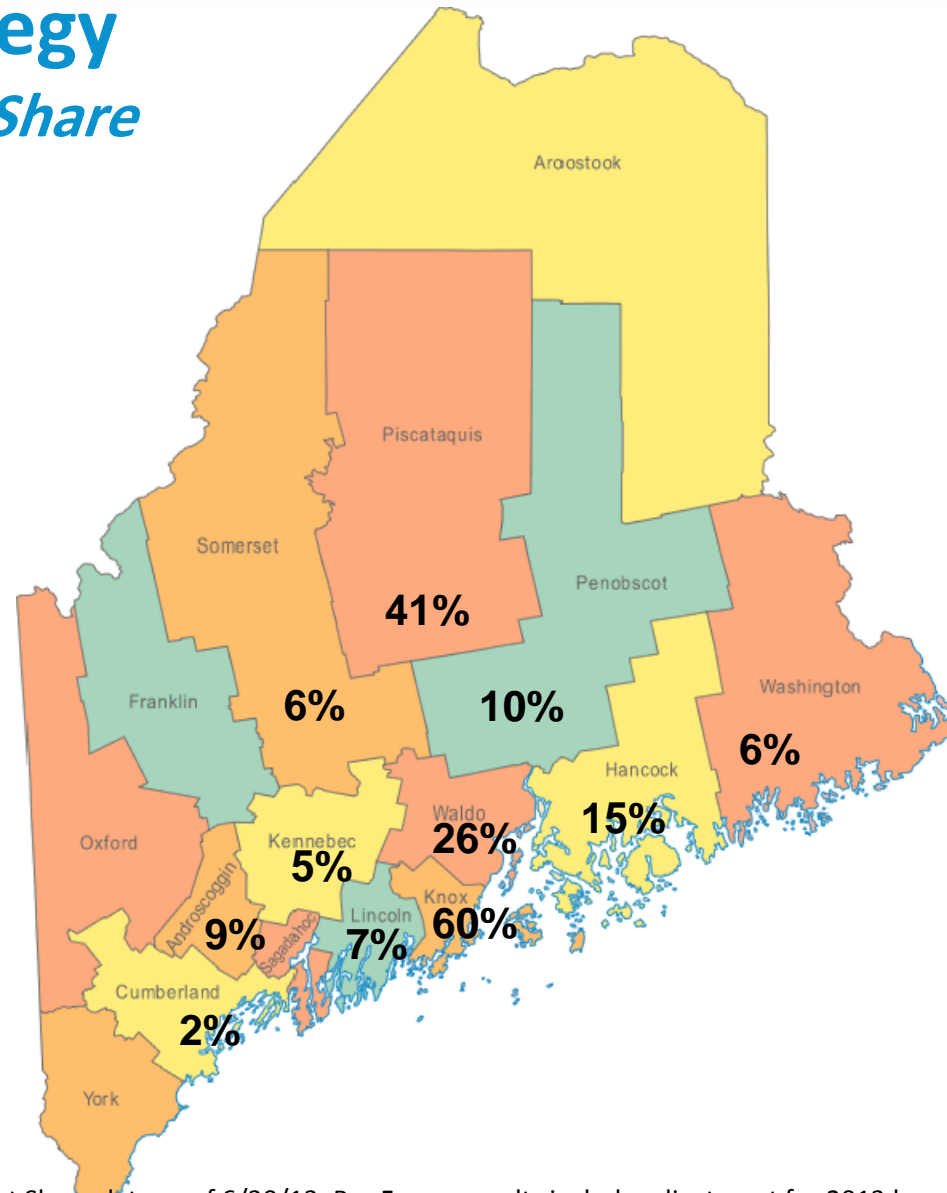


- Tangible book value compound annual growth of 7.12% over a 15-year period



Branch Strategy

Deposit Market Share

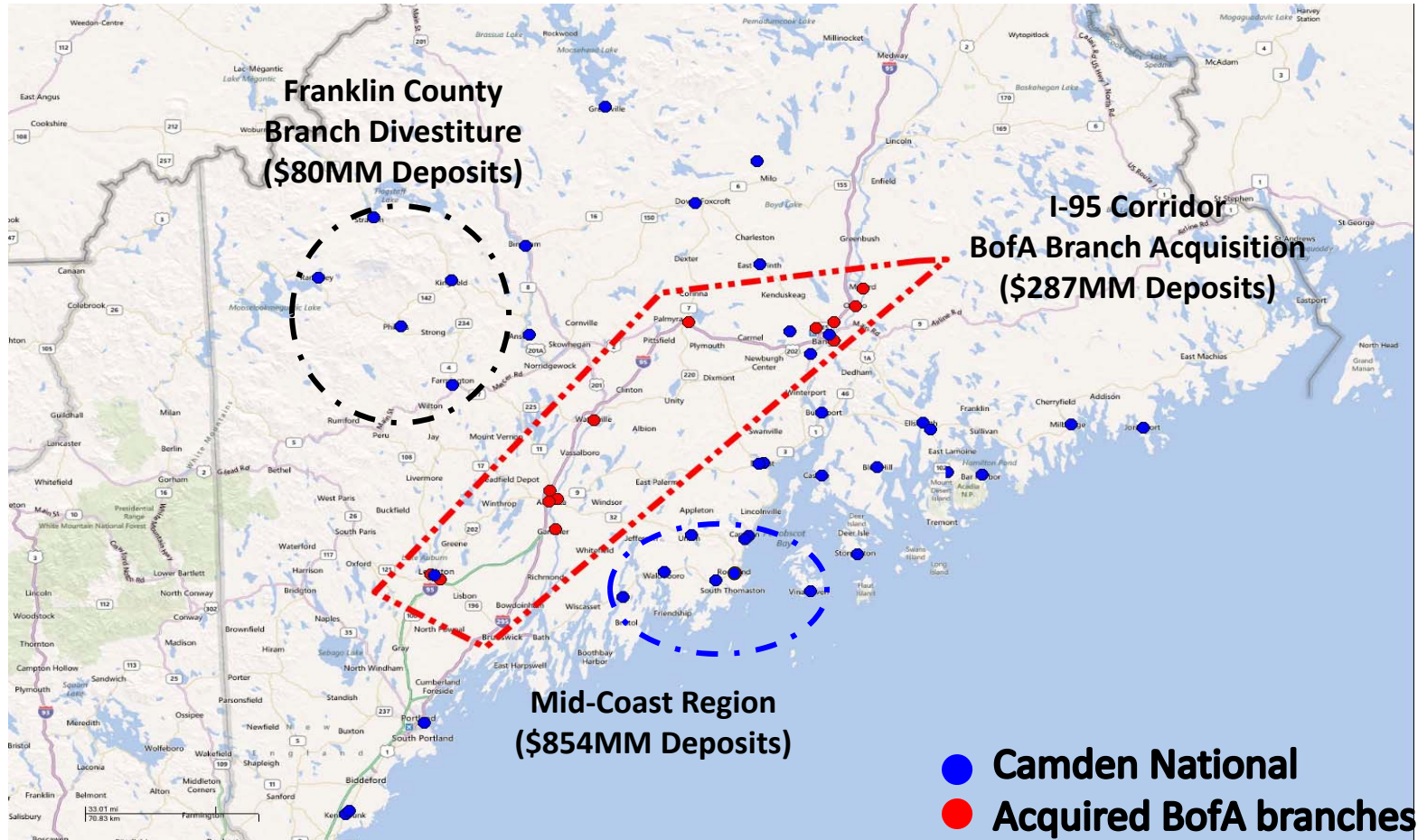


Source: SNL Financial FDIC Deposit Market Share data as of 6/30/13. Pro Forma results include adjustment for 2013 branch sale.



Branch Strategy

Focus on Growth Markets



Source: SNL Financial



Branch Strategy

Preparing for the Future

- Acquisitions
 - Acquisition of 14 branches from Bank of America resulted in \$287 million in core deposits
 - Increased our market share in Maine and improved presence in growth markets
 - Earn back of Tangible Book Value within four years
- Divestitures
 - Sold five branches in Franklin County in 2013
 - \$80 million of deposits and \$46 million of loans at deposit premium of 3.5%
 - 2014 EPS dilution of 3% will be mitigated by stock repurchases
- Consolidation
 - Combined Kennebunk branches during 2nd quarter 2013



Camden National Corporation



**“Financial Institution
of the Year”
by Finance Authority
of Maine**



2nd Year in a Row
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**One of “America’s Most
Trustworthy Companies”
by Forbes**



**KBWs
“Bank Honor Roll”
2011 and 2012**



Proxy Peer Group

| | |
|------------------------------------|-------------------------------------|
| Arrow Financial Corporation - NY | Merchants Bancshares, Inc. - VT |
| Bar Harbor Bankshares - ME | NH Thrift Bancshares, Inc. - NH |
| Berkshire Hills Bancorp, Inc. - MA | Provident New York Bancorp - NY |
| Brookline Bancorp, Inc. - MA | Rockville Financial, Inc. - CT |
| Century Bancorp, Inc. - MA | Tompkins Financial Corporation - NY |
| Chemung Financial Corporation - NY | TrustCo Bank Corp NY - NY |
| Enterprise Bancorp, Inc. - MA | United Financial Bancorp, Inc. - MA |
| Financial Institutions, Inc. - NY | Washington Trust Bancorp, Inc. - RI |
| First Bancorp, Inc. – ME | Westfield Financial, Inc. – MA |
| Independent Bank Corp. - MA | |

