

## CAPITAL MARKETS ANNOUNCEMENT

**Berkshire Hills Bancorp, Inc. (NYSE: BHLB; Pittsfield, MA) Closes \$160.0 Million Follow-On Offering of Common Stock**

Sandler O'Neill + Partners, L.P. served as Sole Active Book-Running Manager for this offering.

The pricing of this offering was announced simultaneously with Berkshire's announcement to acquire Worcester, MA-based Commerce Bancshares Corp. and its subsidiary Commerce Bank & Trust Company. Together, the transactions will allow Berkshire to efficiently cross \$10 billion in assets and will contribute to Berkshire's continued balance sheet growth and strong capital position.

This transaction represents the 126<sup>th</sup> public offering or private placement of common stock for a bank or thrift since January 1, 2012 for which Sandler O'Neill acted as book-runner, co-manager or placement agent—more than any other investment bank during that period. These transactions have raised approximately \$21.4 billion for our clients.<sup>1</sup>

**About the Offering:**

PITTSFIELD, Mass., May 25, 2017, Berkshire Hills Bancorp, Inc. (NYSE: BHLB) (the "Company") announced today the closing of an underwritten public offering of 4,637,690 shares of the Company's common stock at a price to the public of \$34.50 per share.

The net proceeds to the Company after deducting the underwriting discount and commissions and other estimated offering expenses are expected to be approximately \$152.9 million. The Company intends to use the net proceeds from the offering for general corporate purposes.

**About the Company:**

Berkshire Hills Bancorp, Inc. is the parent of Berkshire Bank – America's Most Exciting Bank®. As of March 31, 2017, the Company has approximately \$9.3 billion in assets and 97 full-service branch offices in Massachusetts, New York, Connecticut, Vermont, Pennsylvania and New Jersey providing personal and business banking, insurance, and wealth management services. The Company also offers mortgages and specialized commercial lending services in targeted national markets. The Company has a pending agreement to acquire Commerce Bancshares Corp., the parent company of Commerce Bank and Trust Company, a \$2.2 billion bank with 16 branches in the Worcester, MA and Boston, MA markets.

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

1) Source: SNL Financial

2) Financial data is not pro forma for the offering or pending acquisition of Commerce

May 25, 2017

Follow-On Offering of  
Common Stock

\$160.0 Million



Sole Active Book-Running Manager

SANDLER O'NEILL + PARTNERS

Financial Highlights as of March 31, 2017 <sup>2</sup>*(Dollars in thousands)*

Total Assets	\$9,297,908
Net Loans	6,699,870
Total Deposits	6,656,054
Total Equity	1,099,553
Tang. Common Equity/ Tang. Assets (%)	7.64
LTM ROAA (%)	0.70
LTM ROAE (%)	6.06

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