

PeoplesBancorp, MHC (Private; Holyoke, MA) Closes Private Placement of \$40.0 Million of 5.375% Subordinated Notes due 2028

Sandler O'Neill + Partners, L.P. served as the sole placement agent for this offering.

This transaction is the **100th** subordinated note or senior note transaction for a community bank since January 1, 2016 in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner or initial purchaser.¹ These transactions have raised approximately \$5.6 billion for our clients, representing 63.7% market share of announced transactions.¹

About the Offering:

Holyoke, MA – November 8, 2018 – PeoplesBancorp, MHC (the “Company”), the holding company for PeoplesBank (the “Bank”) today announced the completion of its private placement of \$40 million in fixed-to-floating rate subordinated notes due 2028 (the “Notes”). The Notes bear a fixed rate of 5.375% for the first five years and will reset quarterly thereafter to the then current three-month LIBOR rate plus 224 basis points. The Notes were assigned an investment grade rating of BBB- by the Kroll Bond Rating Agency.

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

About the Company:

PeoplesBancorp, MHC is the no-stock mutual holding company for PeoplesBank, a \$2.5 billion savings bank in Massachusetts. PeoplesBank was established as a mutual thrift on March 17, 1885 in Holyoke, Massachusetts. On October 1, 2003, PeoplesBank reorganized into a no-stock mutual holding company by establishing PeoplesBancorp, MHC. As of June 30, 2018, PeoplesBancorp, MHC had total assets of \$2.5 billion, total deposits of \$1.9 billion, total loans of \$1.9 billion and total stockholders' equity of \$220.1 million.

(1) Source: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes subordinated debt or senior note offerings for Community Banks reported by Bloomberg; Community Banks defined as banks or bank holding companies with less than \$35 billion in assets; Excludes transactions less than \$5 million in offering size

(2) Source: S&P Global Market Intelligence; Financial data is not pro forma for the offering.

November 8, 2018

5.375% Fixed-to-Floating Rate
Subordinated Notes due 2028

\$40.0 Million

PeoplesBancorp, MHC

Sole Placement Agent

SANDLER O'NEILL + PARTNERS

Financial Highlights as of June 30, 2018²

(Dollars in thousands)

Total Assets	\$2,531,140
Total Loans	\$1,924,554
Total Deposits	\$1,936,959
Total Equity	\$220,108
Tang. Common Equity / Tang. Assets	8.70%
Total Risk-Based Capital Ratio	12.59%

Sandler O'Neill Contacts

Bill Hickey
Principal, Co-Head of
Investment Banking
(212) 466-7704

Jacques de Saint Phalle
Principal
(212) 466-7721

Gil D'Andrea
Principal
(212) 466-7813

Jennifer Docherty
Managing Director
(212) 466-7796

Susan Weinberg
Managing Director
(212) 466-7807

Conrad Chanzit
Managing Director
(617) 994-6531

James Furey
Managing Director
(212) 466-7934

John Plantemoli
Associate
(212) 466-7743