



Bank of Cape Cod

June 15, 2009

At the Annual Meeting of Shareholders on May 19, 2009 we reported steady asset growth for Bank of Cape Cod since we opened in September 2006. We continue to focus on building customer relationships and developing new business opportunities through superb customer service, lending to qualified businesses, and contributing meaningfully to the local community.

Sound growth in commercial loans and deposits continued through the first quarter and I am pleased to report the following performance highlights as of March 31, 2009:

- Total assets were \$79.4 million
- Capital remains strong at 12.5% of assets
- Loans outstanding grew to \$58.3 million
- Deposits increased to \$62.5 million

We continue to take a thoughtful approach to community banking and have money to lend to local businesses. In light of the current economic climate, we are focusing on our core strengths: conservative underwriting; prudent evaluation of risk; and conscientious lending to qualified borrowers. Furthermore, we maintain close working relationships with our customers which enable us to regularly assess their needs.

As always, we appreciate your continued support and welcome your questions, comments and referrals of new business.

Best regards,

A handwritten signature in black ink that reads "Timothy T. Telman".

Timothy T. Telman
President and Chief Executive Officer