



October 23, 2007

Dear Stockholder,

Connecticut River Community Bank recorded net income before tax of \$51,762 for the quarter ended September 30, 2007, compared to net income before tax of \$2,210 for the quarter ended September 30, 2006.

For the nine months ended September 30, 2007, the Bank recorded net income before tax of \$101,773 compared to a net loss before tax of \$141,724 for the quarter ended September 30, 2006.

On an after tax basis, the Bank recorded net income after tax of \$25,838, or \$0.02 per share, for the quarter ended September 30, 2007, compared to net income after tax of \$758,388, or \$0.57 per share, for the quarter ended September 30, 2006. The 2006 results reflect a one time federal and state tax benefit of \$756,158 in the third quarter of 2006.

For the nine months ended September 30, 2007, the Bank recorded net income after tax of \$54,814, or \$0.04 per share, compared to net income after tax of \$614,204, or \$0.46 per share, for the nine months ended September 30, 2006. The nine month 2006 figures again include the one time federal and state tax benefit of \$756,158.

Outstanding loans increased from \$76.8 million at September 30, 2006 to \$107.2 million at September 30, 2007, a \$30.4 million or 40% increase over the prior year.

Loan quality remains good, with \$169,248, or 0.16% of outstanding loans, classified as non-performing at September 30, 2007. The Bank continues to add to its allowance for loan losses, which was \$1,270,544 at September 30, 2007, representing 1.19% of total loans.

Deposits increased from \$80.0 million at September 30, 2006 to \$112.5 million at September 30, 2007, a \$32.5 million or 41% increase over the prior year. Deposit growth was steady at both offices, and was aided by the introduction of our high rate "Safe Harbor Savings" account in November of 2006.

Net interest and dividend income increased from \$813,618 for the quarter ended September 30, 2006 to \$1,014,630 for the quarter ended September 30, 2007, a year to year increase of 25%.

Total noninterest expense increased from \$821,776 for the quarter ended September 30, 2006 to \$939,837 for the quarter ended September 30, 2007, a year to year increase of 14%.

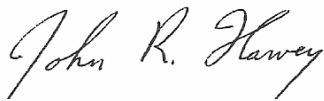
The net interest spread and net interest margin continued to decline, as interest rates continued to increase over most of the year from historic lows in 2001. Competition for deposits remains intense, while an inverted or flat yield curve has kept the rates on most loans, especially commercial real estate loans, from increasing to the same degree as the deposits used to fund those loans. The most recent lowering of key rates by the Fed has given some relief, and third quarter financials indicate that the Bank's net interest spreads appear to be improving.

We are excited to announce that we will be upgrading our computer system over the weekend of November 3, 2007, which will increase the speed and capabilities of our system and allow us to continually enhance our customer service.

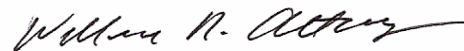
To all our original stockholders who may not have yet exercised their warrants, please be advised that you only have until November 18th to exercise. To date, over 75% of the warrants have been exercised. If you have any questions concerning the exercising of your warrants, please visit our website at www.ctriverbank.com and click the "Investor" tab and "Warrants" for instructions, or contact Eleanor Miller at 860-513-1099.

Once again, we invite all stockholders of the Bank to expand their use of our varied banking products and services. Our internet banking and bill paying products are customer friendly, and can often overcome distance problems that previously limited some of our stockholders from accessing the Bank's services and products. Also, visit our website at www.ctriverbank.com for current deposit and loan rate information.

Sincerely,



John R. Harvey
Chairman



William R. Attridge
President and CEO

CONNECTICUT RIVER COMMUNITY BANK
BALANCE SHEETS (Unaudited)

	September 30,	September 30,	June 30,
	2007	2006	2007
<u>ASSETS</u>			
Cash and due from banks	\$ 2,496,212	\$ 1,543,162	\$ 1,518,446
Federal funds sold and interest-bearing deposits with other banks	862,265	2,515,641	3,910,634
Investments in available-for-sale securities (at fair value)	32,968,720	18,375,442	33,753,824
Investments in held-to-maturity securities	1,499,687	1,000,000	1,499,687
Federal Home Loan Bank stock, at cost	1,156,300	616,700	767,000
Loans	107,191,350	76,819,884	97,380,001
Allowance for loan losses	(1,270,544)	(1,013,339)	(1,215,544)
Loans, net	105,920,806	75,806,545	96,164,457
Premises and equipment, net	1,383,107	1,502,742	1,398,263
Accrued interest receivable	747,035	507,131	699,375
Other assets	1,018,099	1,037,826	1,139,860
Total Assets	<u><u>\$148,052,231</u></u>	<u><u>\$102,905,189</u></u>	<u><u>\$ 140,851,546</u></u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>			
Deposits:			
Noninterest-bearing	\$ 9,466,563	\$ 8,028,568	\$ 9,821,876
Interest-bearing	103,082,253	71,995,738	106,393,567
Total deposits	112,548,816	80,024,306	116,215,443
Federal Home Loan Bank advances	22,684,014	11,150,429	12,563,704
Other liabilities	677,585	366,146	357,069
Total liabilities	135,910,415	91,540,881	129,136,216
Stockholders' equity:			
Common stock, \$.01 par value; authorized 2,500,000 shares; issued and outstanding 1,382,417 shares at 9/30/07, 1,361,464 shares at 6/30/07 and 1,321,158 shares at 9/30/06	13,824	13,212	13,615
Paid-in capital	13,601,312	12,943,662	13,381,579
Accumulated deficit	(1,384,957)	(1,442,345)	(1,410,795)
Accumulated other comprehensive loss	(88,363)	(150,221)	(269,069)
Total stockholders' equity	12,141,816	11,364,308	11,715,330
Total Liabilities and Stockholders' Equity	<u><u>\$148,052,231</u></u>	<u><u>\$102,905,189</u></u>	<u><u>\$ 140,851,546</u></u>

CONNECTICUT RIVER COMMUNITY BANK

STATEMENTS OF INCOME (Unaudited)

September 30, 2007 and September 30, 2006

	<i>Quarter Ended</i>		<i>Nine Months Ended</i>	
	Sept. 30, 2007	Sept. 30, 2006	Sept. 30, 2007	Sept. 30, 2006
Interest and dividend income:				
Interest and fees on loans	\$ 1,953,871	\$ 1,393,688	\$ 5,451,072	\$ 3,853,302
Interest and dividends on securities and interest-bearing deposits	478,732	239,577	1,322,367	670,717
Total interest and dividend income	2,432,603	1,633,265	6,773,439	4,524,019
Interest expense:				
Interest on deposits and borrowings	1,417,973	819,647	3,886,737	2,120,159
Net interest and dividend income	1,014,630	813,618	2,886,702	2,403,860
Provision for loan losses	55,000	30,000	205,000	205,000
Net interest and dividend income after provision for loan losses	959,630	783,618	2,681,702	2,198,860
Noninterest income:				
Residential mortgage referral fees	16,627	26,756	57,495	46,491
Service fees and charges	15,342	13,612	38,502	28,740
Total noninterest income	31,969	40,368	95,997	75,231
Noninterest expense:				
Salaries and employee benefits	496,985	454,848	1,456,653	1,360,474
Occupancy expense	89,152	81,789	263,166	258,714
Furniture and equipment expense	41,451	40,215	118,294	108,554
Data processing and outside service fees	76,589	69,507	228,955	193,697
Printing and supplies	17,654	9,772	50,517	45,805
Advertising and promotions	39,959	49,093	124,581	134,073
Professional fees	45,753	40,938	110,917	97,092
Insurance expense	6,013	9,180	21,386	27,369
Stockholder related costs	4,807	2,893	18,913	11,074
Other expense	121,474	63,541	282,544	178,963
Total noninterest expense	939,837	821,776	2,675,926	2,415,815
Net income (loss) before income tax expense	51,762	2,210	101,773	(141,724)
Income tax expense (benefit)	25,924	(756,178)	46,959	(755,928)
Net income	\$ 25,838	\$ 758,388	\$ 54,814	\$ 614,204
Net income per common share basic and diluted	\$ 0.02	\$ 0.57	\$ 0.04	\$ 0.46

KEY FINANCIAL RATIOS	<i>Quarter Ended</i>		<i>Nine Months Ended</i>	
	Sept. 30, 2007	Sept. 30, 2006	Sept. 30, 2007	Sept. 30, 2006
Net Interest Income	\$ 1,014,630	\$ 813,618	\$ 2,886,702	\$ 2,403,860
Net Income	\$ 25,838	\$ 758,388	\$ 54,814	\$ 614,204
Net Income Per Common Share (basic and diluted)	\$ 0.02	\$ 0.57	\$ 0.04	\$ 0.46
Weighted average number of shares basic and diluted	1,371,941	1,321,158	1,354,350	1,321,061
Stockholders' Equity	\$ 12,141,816	\$ 11,364,308	\$ 12,141,816	\$ 11,364,308
Book Value Per Share	\$ 8.78	\$ 8.60	\$ 8.78	\$ 8.60
Tier 1 Capital Ratio	8.26%	11.04%	8.26%	11.04%
Net Interest Margin	2.85%	3.46%	2.94%	3.53%
Net Interest Spread	2.34%	2.81%	2.34%	2.91%
Efficiency Ratio	89.80%	96.23%	89.71%	97.45%
Return (Loss) On Average Assets (annualized)	0.07%	3.04%	0.05%	1.31%
Return (Loss) On Average Equity (annualized)	0.87%	28.80%	0.63%	11.65%
Non-Performing Loans	\$ 169,248	\$ 59,508	\$ 169,248	\$ 59,508