



May 4, 2009

Dear Shareholder:

Enclosed are the financial results for the quarters ended March 31, 2008 and March 31, 2009.

Outstanding loans increased from \$120.4 million at March 31, 2008 to \$134.9 million at March 31, 2009, an increase of \$14.5 million or 12%. We continue to see evidence of weakening loan demand consistent with the struggling economy, as both businesses and consumers are cutting back on borrowing. We did, however, book an additional \$3 million in loans in the first quarter of 2009, resulting in a net increase of \$1.7 million over the quarter ended December 31, 2008.

Non-performing and non-accruing loans have increased due to direct and indirect effects related to unemployment, reduced consumer spending and the effect of both on the real estate market. Non-performing loans increased from \$282,133 at March 31, 2008 to \$2,624,723 at March 31, 2009, representing 1.95% of total loans. Non-performing loans include \$1,123,336 of "accruing non-performing" loans. These loans are 90 days or greater past maturity, however interest payments are current and the loans continue to accrue interest, as full collection of principal and interest is anticipated. As of the date of this letter, \$387,028 of the "accruing non-performing" loans have been paid in full or have returned to performing status. Non-accruing loans at March 31, 2009 total \$1,501,388 with 51% having Small Business Administration guarantees of 50% or greater. The Bank continues to work very closely with all our borrowers to develop mutually beneficial solutions that will maximize collection of the loans. No charge-offs were recorded in the quarters ended March 31, 2009 and March 31, 2008. The Bank anticipates it will experience additional charge-offs as the non-performing loans are worked-out. However, total net charge-offs from the opening of the Bank in November of 2002 through March 31, 2009 were only \$155,796.

The allowance for loan losses was \$2,326,066 at March 31, 2009, representing 1.72% of total loans, 88.6% of non-performing loans and 155% of non-accruing loans. This level of loan loss reserve conforms to the Bank's internal loan loss reserve guidelines. However, we continue to remain cautious about the impact of the economic climate on both consumer and commercial borrowers, and will continue to monitor the portfolio closely, keeping the loan loss reserve at levels reflecting our concern.

Deposits have increased from \$124.4 million at March 31, 2008 to \$144.2 million at March 31, 2009, an increase of \$19.8 million or 15.9%. Deposits at the new West Hartford office, which opened in December of 2008, were \$4.0 million at March 31, 2009, exceeding our original expectations.

Net interest and dividend income increased from \$1,196,395 for the quarter ended March 31, 2008 to \$1,388,373 for the quarter ended March 31, 2009, an increase of \$191,978 or 16%. Total operating expenses increased from \$959,658 for the quarter ended March 31, 2008 to \$1,167,295 for the quarter ended March 31, 2009, an increase of \$207,637 or 21.6%. The increase in expenses reflects the first full quarter of operations of the new West Hartford Office.

The combined effect of the improvement in net interest income, increase in operating expenses and the increase in the provision for loan losses resulted in net income before tax of \$51,176 for the quarter ended March 31, 2009, as compared to net income before tax of \$146,492 for the quarter ended March 31, 2008.

Net income after tax declined to \$30,045 for the first quarter of 2009 from \$86,456 for the first quarter of 2008. On a per share basis, the Bank had net income after tax of \$0.02 per share for the first quarter of 2009 compared to \$0.06 per share for the first quarter of 2008.

The Bank's net interest margin declined slightly from 3.16% for the quarter ended March 31, 2008 to 3.10% for the quarter ended March 31, 2009. The net interest spread increased slightly from 2.57% to 2.66% for the same two quarters, respectively.

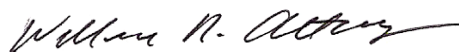
The Bank's capital increased from \$13,749,839 at March 31, 2008 to \$14,285,174 at March 31, 2009, while the Bank's capital to asset ratio decreased to 7.60% at March 31, 2009 due to the \$28.9 million growth in total assets over that time period. With a Tier 1 leverage ratio of 7.54% and Total Risk-Based leverage ratio of 10.99% at March 31, 2009, the Bank continues to be "well capitalized" according to bank regulatory definitions.

Thank you for your continued interest in Connecticut River Community Bank. We hope to see you on Thursday, May 21, 2009 at 5:00pm at the Bank's Annual Meeting of shareholders at our Wethersfield office.

Sincerely,



John R. Harvey
Chairman



William R. Attridge
President and CEO

CONNECTICUT RIVER COMMUNITY BANK
BALANCE SHEETS (Unaudited)

	March 31,	2008	December 31,
	2009	2008	2008
<u>ASSETS</u>			
Cash and due from banks	\$ 1,589,720	\$ 2,051,033	\$ 1,761,951
Federal funds sold and interest-bearing deposits with other banks	6,446,973	3,893,076	1,044,202
Investments in available-for-sale securities (at fair value)	40,213,537	28,801,956	35,769,469
Investments in held-to-maturity securities	2,485,010	1,499,693	1,499,717
Federal Home Loan Bank stock, at cost	1,519,300	1,156,300	1,497,600
Loans	134,853,313	120,428,941	133,140,818
Allowance for loan losses	(2,326,066)	(1,647,873)	(2,096,481)
Loans, net	132,527,247	118,781,068	131,044,337
Premises and equipment, net	1,477,925	1,340,738	1,496,766
Accrued interest receivable	789,116	691,682	753,068
Other assets	848,384	821,122	856,238
Total Assets	<u>\$187,897,212</u>	<u>\$159,036,668</u>	<u>\$ 175,723,348</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>			
Deposits:			
Noninterest-bearing	\$ 15,065,679	\$ 12,393,556	\$ 14,036,282
Interest-bearing	129,111,332	112,032,239	119,896,533
Total deposits	144,177,011	124,425,795	133,932,815
Federal Home Loan Bank advances	28,838,823	20,474,696	26,881,361
Other liabilities	596,204	386,338	808,740
Total liabilities	<u>173,612,038</u>	<u>145,286,829</u>	<u>161,622,916</u>
Stockholders' equity:			
Common stock, \$.01 par value; authorized 2,500,000 shares; issued and outstanding 1,490,731 shares.	14,907	14,907	14,907
Paid-in capital	14,709,979	14,695,670	14,709,979
Accumulated deficit	(997,280)	(1,360,570)	(1,027,325)
Accumulated other comprehensive income	557,568	399,832	402,871
Total stockholders' equity	<u>14,285,174</u>	<u>13,749,839</u>	<u>14,100,432</u>
Total Liabilities and Stockholders' Equity	<u>\$187,897,212</u>	<u>\$159,036,668</u>	<u>\$ 175,723,348</u>

CONNECTICUT RIVER COMMUNITY BANK
STATEMENTS OF INCOME (Unaudited)
For the Quarters Ended March 31, 2009 and March 31, 2008

	<u>March 31,</u> <u>2009</u>	<u>March 31,</u> <u>2008</u>
Interest and dividend income:		
Interest and fees on loans	\$ 2,199,734	\$ 2,106,958
Interest and dividends on securities and interest-bearing deposits	432,122	453,014
Total interest and dividend income	<u>2,631,856</u>	<u>2,559,972</u>
Interest expense:		
Interest on deposits and borrowings	<u>1,243,483</u>	<u>1,363,577</u>
Net interest and dividend income	<u>1,388,373</u>	<u>1,196,395</u>
Provision for loan losses	<u>249,862</u>	<u>120,000</u>
Net interest and dividend income after provision for loan losses	<u>1,138,511</u>	<u>1,076,395</u>
Noninterest income:		
Residential mortgage referral fees	5,000	3,314
Service fees and charges	74,960	26,441
Total noninterest income	<u>79,960</u>	<u>29,755</u>
Noninterest expense:		
Salaries and employee benefits	628,969	552,169
Occupancy expense	114,039	96,342
Furniture and equipment expense	42,793	36,084
Data processing and outside service fees	96,727	61,687
Printing and supplies	20,194	22,372
Advertising and promotions	48,074	39,119
Professional fees	50,674	38,460
Insurance expense	8,385	6,348
Stockholder related costs	3,048	6,352
Other expense	154,392	100,725
Total noninterest expense	<u>1,167,295</u>	<u>959,658</u>
Net income before income tax expense	<u>51,176</u>	<u>146,492</u>
Income tax expense	21,131	60,036
Net income	<u>\$ 30,045</u>	<u>\$ 86,456</u>
Net income per common share basic	<u>\$ 0.02</u>	<u>\$ 0.06</u>

KEY FINANCIAL RATIOS	<i>Quarters Ended March 31,</i>	
	2009	2008
Net Interest Income	\$ 1,388,373	\$ 1,196,395
Net Income	\$ 30,045	\$ 86,456
Net Income Per Common Share Basic	\$ 0.02	\$ 0.06
Weighted Average Number of Shares Basic	1,490,731	1,490,731
Stockholders' Equity	\$ 14,285,174	\$ 13,749,839
Book Value Per Share	\$ 9.58	\$ 9.22
Capital to Assets Ratio	7.60%	8.65%
Net Interest Margin	3.10%	3.16%
Net Interest Spread	2.66%	2.57%
Efficiency Ratio	79.50%	78.27%
Return On Average Assets (annualized)	0.07%	0.22%
Return On Average Equity (annualized)	0.84%	2.54%
Non-Performing Loans	\$ 2,624,723	\$ 282,133