New England Bancorp, Inc.

Parent Bank Holding Company of

Bank of Cape Cod

April 19, 2013

Dear Shareholder,

Bank of Cape Cod's 2012 financial performance marked the most successful year since the Bank's inception. Robust loan demand, steady deposit growth and conscientious expense management contributed to a 42% increase in pre-tax earnings, which at $802 thousand, is the highest to date. Assets grew 29% to $195.5 million, loans increased 29% to $154.6 million and deposits were $164.2, a 34% increase over 2011.

That momentum has continued and we are encouraged by the results through the first quarter of 2013 compared to the first quarter of 2012:

- Pre-tax earnings of $176 thousand, a 20% increase;
- Assets of $196.4 million, an increase of 24%;
- Loans of $162.9 million, a 32% increase;
- Deposits of $160.7 million, an increase of 28%;
- Tier 1 Capital Ratio of 10.0%.

A successful capital campaign was launched in October, 2012 and $4.4 million has been raised as of the end of February, 2013. This additional capital facilitates continued asset growth and increases our ability to take advantage of strategic opportunities to expand our market reach. Between now and year-end we intend to raise an additional $5 million in capital to support loan demand. If you are interested in knowing more about this initiative, I welcome the opportunity to discuss it with you.

Another significant highlight of the year was the May opening of our third branch in Falmouth, the Cape's second largest commercial center. Through concentrated sales efforts, vibrant marketing and community investment activities and the work of our dedicated Falmouth team, deposits are an impressive $20 million, double our initial expectations, and lending opportunities continue to develop.

Several exciting initiatives are slated for 2013. By late spring, we will launch Residential Lending which is anticipated to contribute significant fee income as well as maximize cross-selling opportunities and enhance community reinvestment activities. Additionally, plans for a fourth location in the heart of our market are being finalized to

include a new retail branch, expanded corporate and residential lending office space and a community room. Located near the Cape's primary highway, our new site offers convenient access for customers throughout the Cape as we continue to grow our Bank and brand. Renovations will begin in mid-summer for an anticipated fourth quarter 2013 occupancy.

Bank of Cape Cod remains committed to promoting the financial health of our communities and serving the needs of our local businesses and individuals. With the continued support of our loyal shareholders, customers and employees, we look forward to an even more prosperous 2013. If you are not yet a customer, I invite you to become one, so that you can experience first-hand, what your Bank has to offer.

I look forward to meeting those of you who attend our upcoming annual meeting and please contact me directly at 508-568-2301 if I or anyone on my team can be of assistance.

Best regards,

Timothy T. Telman
President and Chief Executive Officer