



## **Meridian Bancorp and Meetinghouse Bancorp complete merger**

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Boston, MA Meridian Bancorp, Inc., the holding company for East Boston Savings Bank, and Meetinghouse Bancorp, Inc., the holding company for Meetinghouse Bank, signed a definitive merger agreement for Meridian to acquire Meetinghouse and East Boston Savings Bank to acquire Meetinghouse Bank. The transaction has been unanimously approved by the boards of directors of both companies.

Under the terms of the agreement, Meetinghouse shareholders will receive \$26.00 in cash for each of their outstanding shares of Meetinghouse common stock, representing a total transaction value of \$17.8 million.

Meetinghouse Bank has \$118 million in assets, \$80 million in loans and \$99 million in deposits as of March 31, and conducts its operations from two offices located in Dorchester and Roslindale.

Its primary market area for lending and deposit activities is the communities of Dorchester and Roslindale and the Town of Milton where it originates primarily residential mortgage loans, and, to a limited extent, multi-family mortgage loans, commercial real estate loans, construction loans, commercial business loans and consumer loans.

Richard J. Gavegnano, Chairman, President and Chief Executive Officer of Meridian, said, "We are very pleased to welcome Meetinghouse customers and employees to East Boston Savings Bank. This acquisition will enable us to continue growing our core banking franchise in the lucrative Boston market area. We have been looking for an opportunity to expand our presence in the Dorchester and Roslindale markets, so the addition of Meetinghouse's two branches executes on this element of our strategic plan, and increases to 10 the number of branches we have added to our network since the end of 2011. We look forward to working with Meetinghouse's employees to offer Meetinghouse Bank customers an expanded range of valued banking products and trusted, safe and friendly service."

The closing of the acquisition is anticipated to occur during the fourth quarter of 2017, subject to approval by Meetinghouse's shareholders, the receipt of required regulatory approvals and the satisfaction of other customary closing conditions.

Meridian anticipates that the acquisition will be approximately 2% to 3% accretive to Meridian's earnings per share, primarily driven by consolidation efficiencies. Meridian estimates that the

transaction will generate an internal rate of return of approximately 20% and expects slight dilution to tangible book value from the transaction, which is estimated to be earned back in a manageable period of time.

Anthony A. Paciulli, President and Chief Executive Officer of Meetinghouse, said, "We are truly excited to be merging with East Boston Savings Bank, an institution that has thrived in the Boston area for more than 168 years, in a transaction that will benefit our customers, our employees and our community. East Boston shares with Meetinghouse a powerful sense of responsibility to provide superior products and services to all of its customers, big and small, individuals and businesses. The merger will provide our customers with a greatly expanded array of products, services and locations. And like Meetinghouse, East Boston is driven by a profound sense of community service. To this end, East Boston has committed to work with members of Meetinghouse management and the East Boston Charitable Foundation to identify recipients of an aggregate of \$100,000 in charitable grants to be made over a two year period to the markets served by Meetinghouse Bank." Mr. Paciulli added, "At \$26.00 per share, the merger with Meridian will provide our shareholders with a significant premium to our market price. We are very pleased to undertake a transaction that we believe serves the best interests of all of our constituents."

Meridian was advised in this transaction by the investment banking firm of Piper Jaffray & Co., as well as the law firm of Kilpatrick Townsend & Stockton LLP. Meetinghouse was advised by the investment banking firm of Keefe, Bruyette & Woods, Inc. and the law firm of Nutter McClennen & Fish LLP.

Meridian Bancorp, Inc. is the holding company for East Boston Savings Bank. East Boston Savings Bank, a Massachusetts-chartered stock savings bank founded in 1848, operates 31 full-service locations in the greater Boston metropolitan area. East Boston Savings Bank offers a variety of deposit and loan products to individuals and businesses located in its primary market, which consists of Essex, Middlesex, Norfolk and Suffolk Counties, Massachusetts.

Headquartered in Dorchester, Massachusetts, Meetinghouse Bancorp, Inc. is the bank holding company for Meetinghouse Bank, a state chartered cooperative bank. Founded in 1914, Meetinghouse Bank operates as a community bank offering traditional financial services to consumers and businesses within its primary market area.

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