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Washington Trust named to Keefe Bruyette & Woods' 2011 Bank Honor Roll

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According to Washington Trust Bancorp, Inc., the parent company of The Washington Trust Co., the organization has been selected by Keefe Bruyette & Woods Inc. for their "2011 Bank Honor Roll" of superior performers. The Honor Roll, published by Melissa Roberts, KBW senior vice president and analyst, includes 45 banks and thrifts that have performed strongly over the past 10 years. Washington Trust, the largest independent bank headquartered in Rhode Island, is the only Rhode Island bank included in the KBW Honor Roll.

"We are honored to be selected to the KBW Honor Roll for our 10-year performance," said Joseph MarcAurele, Washington Trust chairman, president and CEO. "Washington Trust is a solid institution with a strong history, which has continued to grow and remain profitable during challenging economic times."

The report limits eligibility to banks with more than \$500 million in assets that have reported no annual loss per share before extraordinary items over the last 10 years. Additionally, candidates must have reported net income per share in 2011, before extraordinary items, equal to or greater than the peak net income per share over the past 10 years; and consecutive increases in net income per share, before extraordinary items, since 2009. KBW found that only 45 banking institutions, out of nearly 400 total companies screened, now qualify for inclusion on the KBW Bank Honor Roll.

The report notes that companies on the honor roll strongly outperformed the KBW Bank Index and the KBW Regional Banking Index between 2006 and 2011.

Which have compound annual growth rates of negative 19.6% and negative 13.2%, respectively, over that period. The average price depreciation for honor roll banks over that period was 0.9%, compounded annually.

The Bank Honor Roll is a way for KBW to acknowledge companies that have managed to successfully navigate a variety of obstacles as they have arisen, despite difficult conditions in what remains a growth-challenged environment. In terms of stock price performance, Bank Honor Roll companies significantly outperformed both the banking industry and the overall stock market during the five-year period between 2006 and 2011.

Despite posting an average price depreciation of 0.9% compounded annually, the KBW Honor Roll banks outperformed both the KBW Bank Index (BKX) and the KBW Regional Banking Index (KRX) five-year compounded annual growth rates of -19.6% and -13.2%, respectively.

The Honor Roll banks also meaningfully outperformed the S&P 500 (SPX) return of -2.4% over the equivalent time period.