

The background of the slide features a large, semi-transparent watermark of the Cambridge Trust Company seal. The seal is circular and contains the text "CAMBRIDGE TRUST COMPANY" around the top edge. In the center, there is a depiction of a building, a tree, and a landscape. The seal is rendered in a dark red color that matches the background.

Cambridge Bancorp

Annual Meeting of Shareholders

April 24, 2017

Parent of Cambridge Trust Company

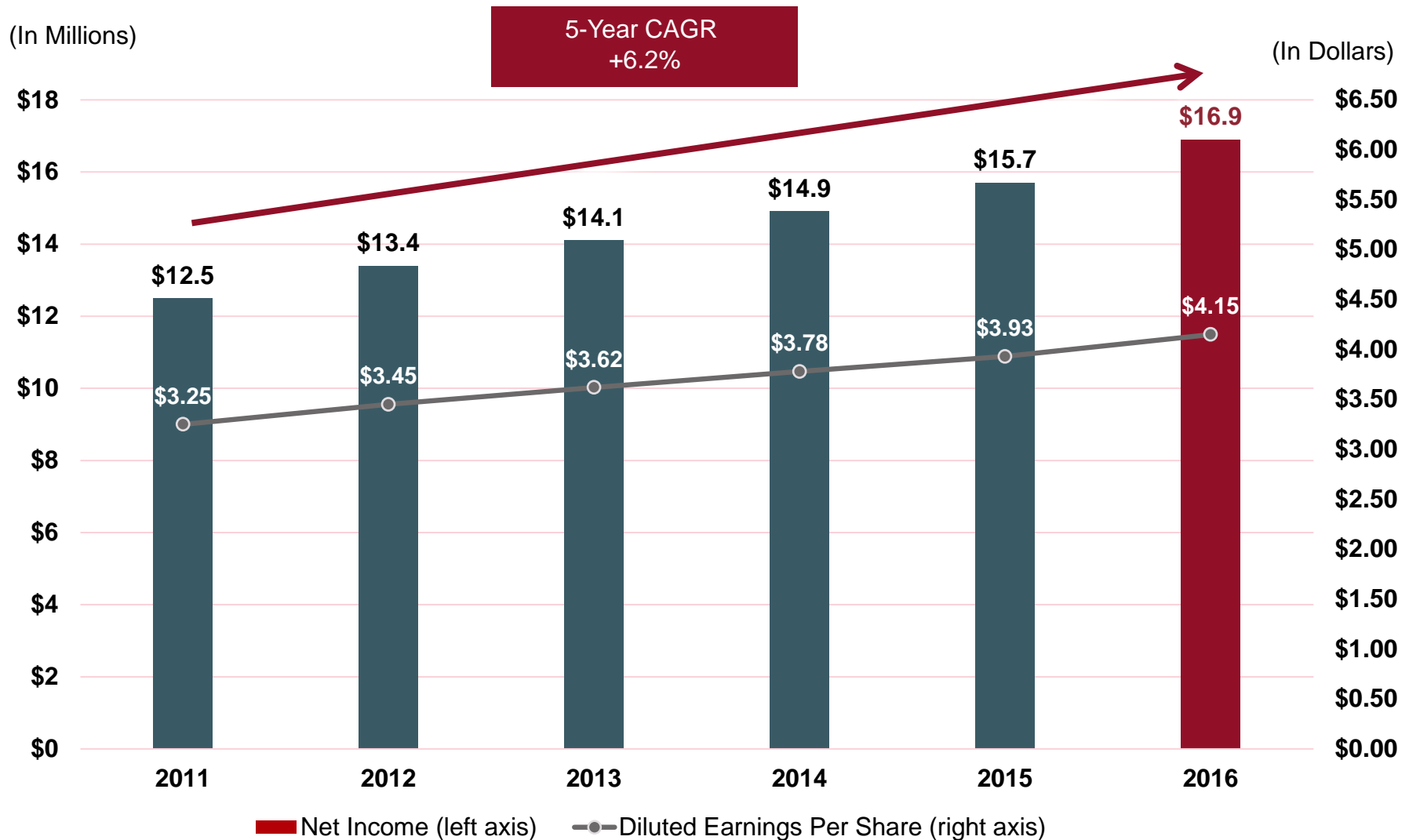
2016 – Continued Strategic Progress

- Strategic Priorities 2016-2018
- Strong Financial Performance
- Growth within the Franchise
- Strengthening Risk Management
- Demonstrating our Commitment to the Community
- Focusing on Shareholder Value
- Expanding Attractiveness of Stock to Investors

Strategic Focus

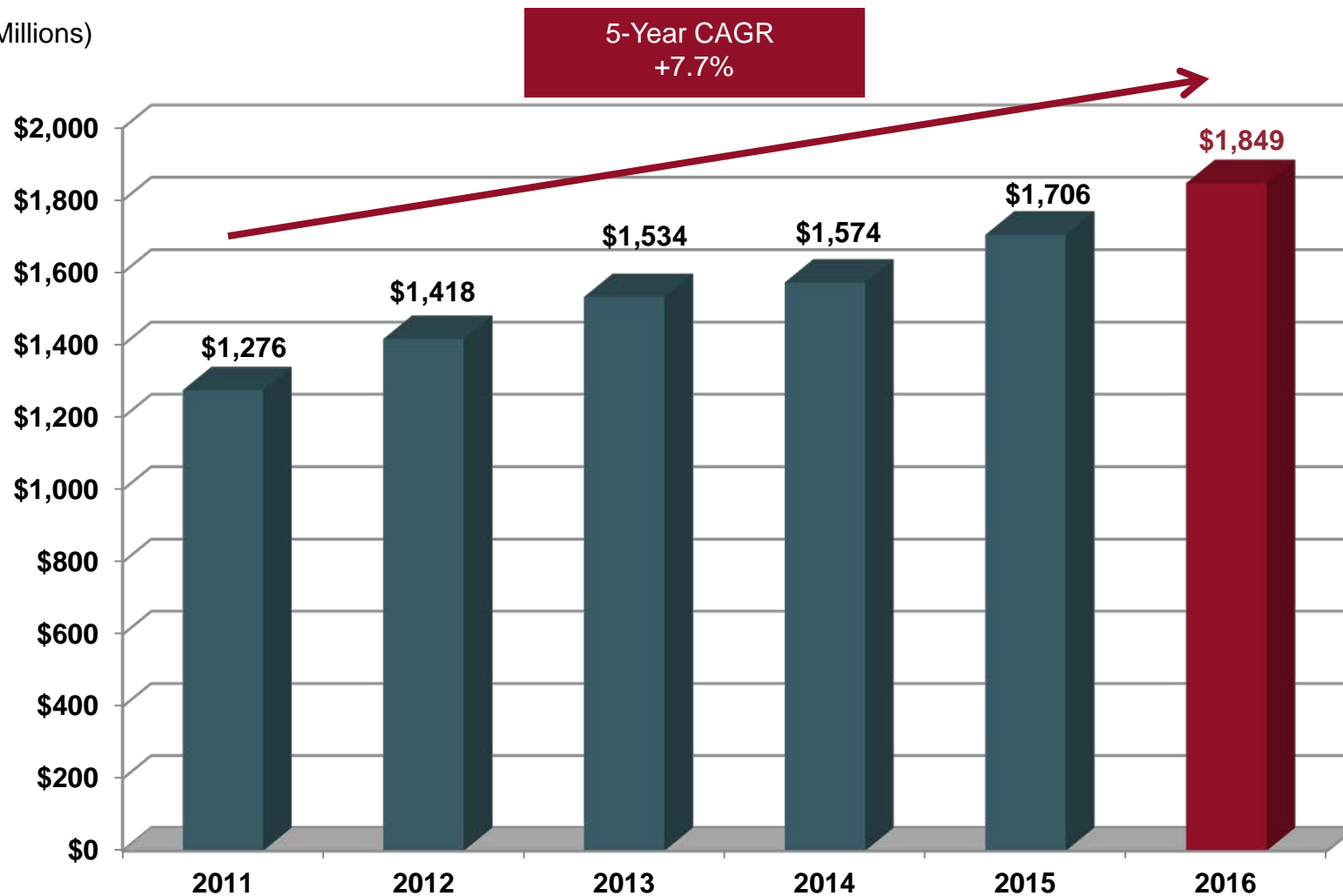
- Provide a client experience second to none
- Expand Wealth Management assets under management
- Grow and diversify Commercial Banking relationships
- Deepen client relationships to grow deposit base
- Prepare the balance sheet for a return to a more normal interest rate environment
- Increase investor outreach

Strong Financial Performance: Net Income and Diluted Earnings Per Share



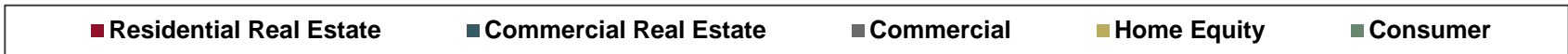
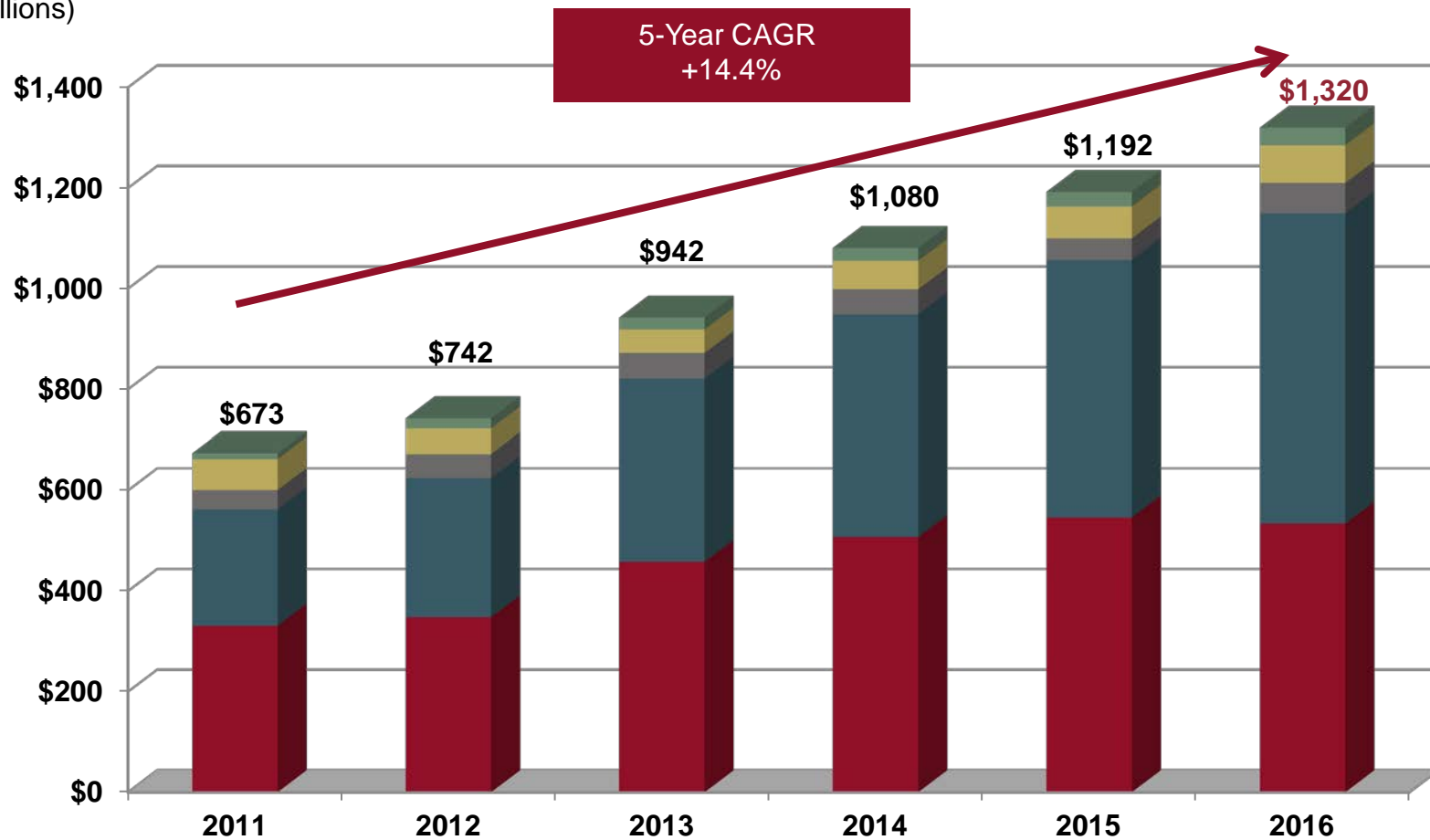
Total Assets

(In Millions)



Total Loans

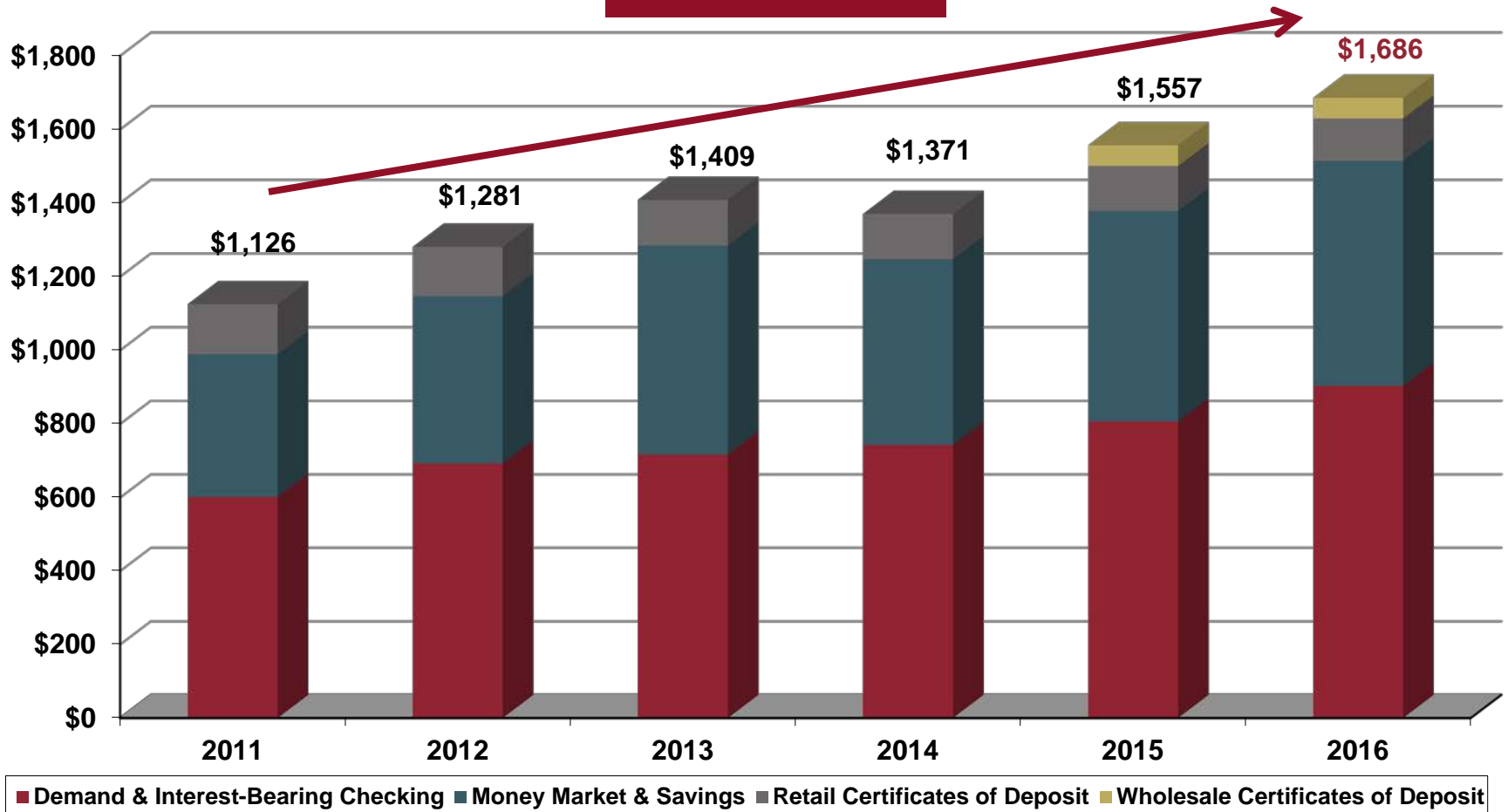
(In Millions)



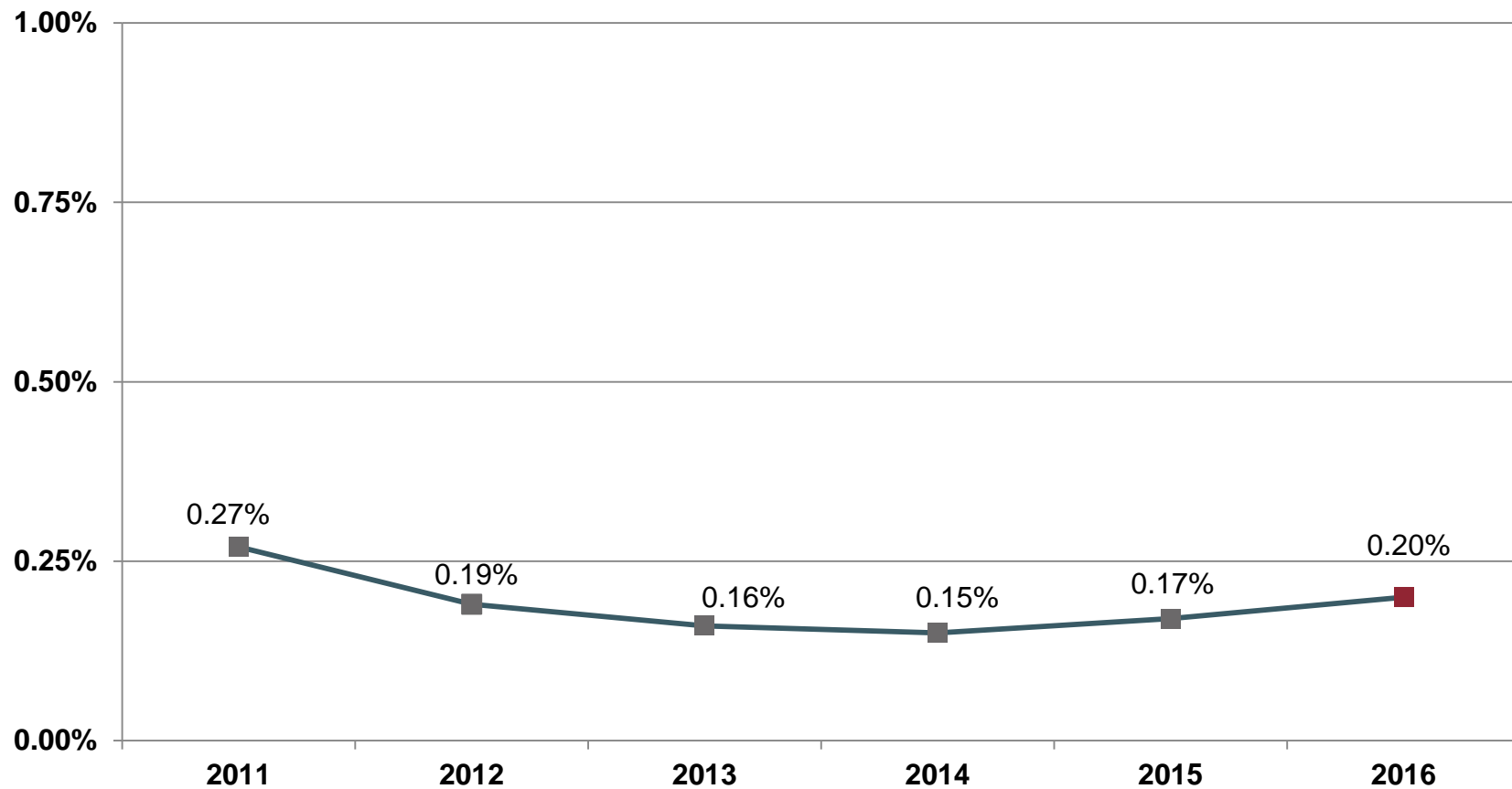
Total Deposits

(In Millions)

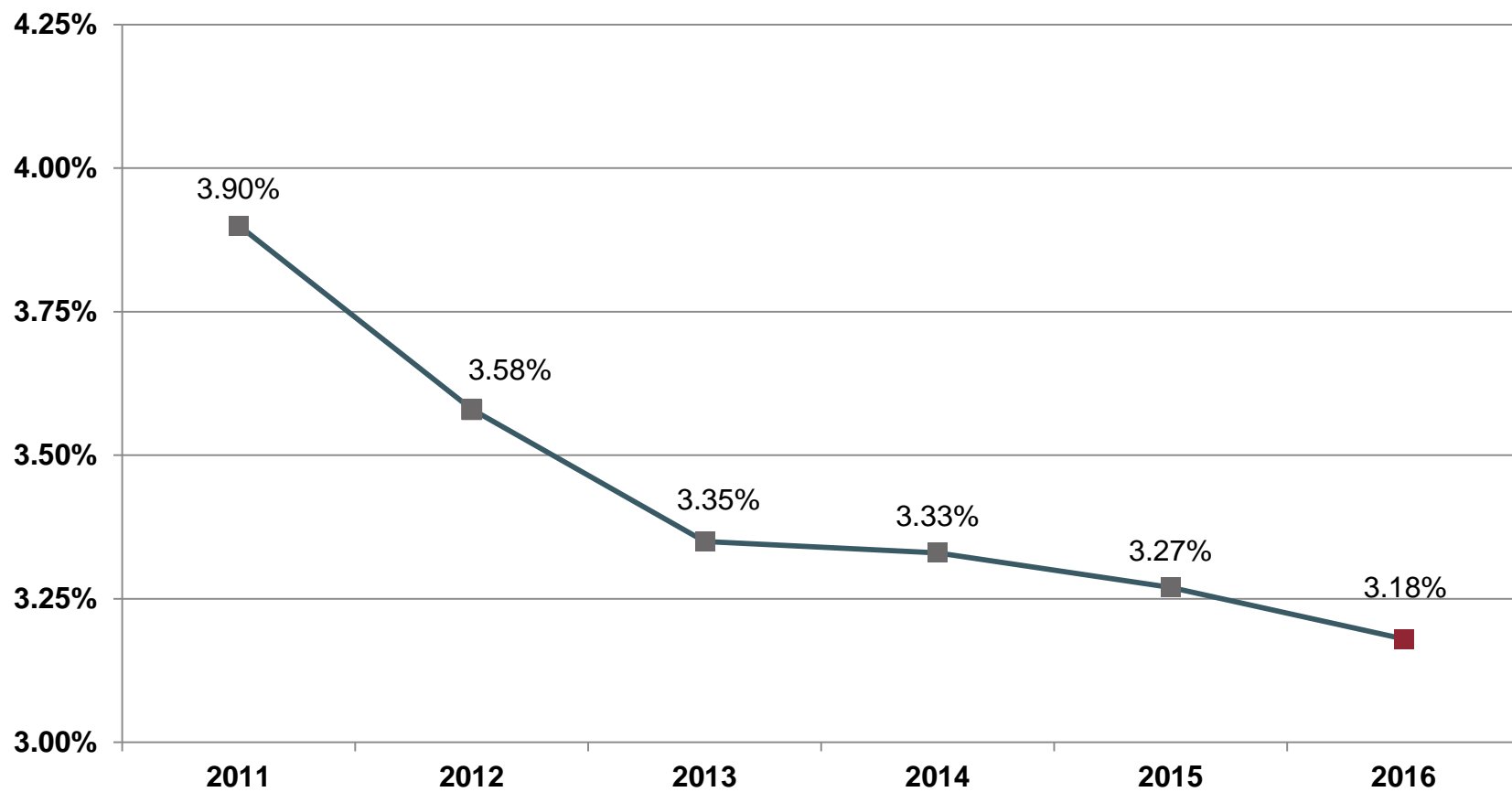
5-Year CAGR
+8.4%



Cost of Total Deposits



Net Interest Margin



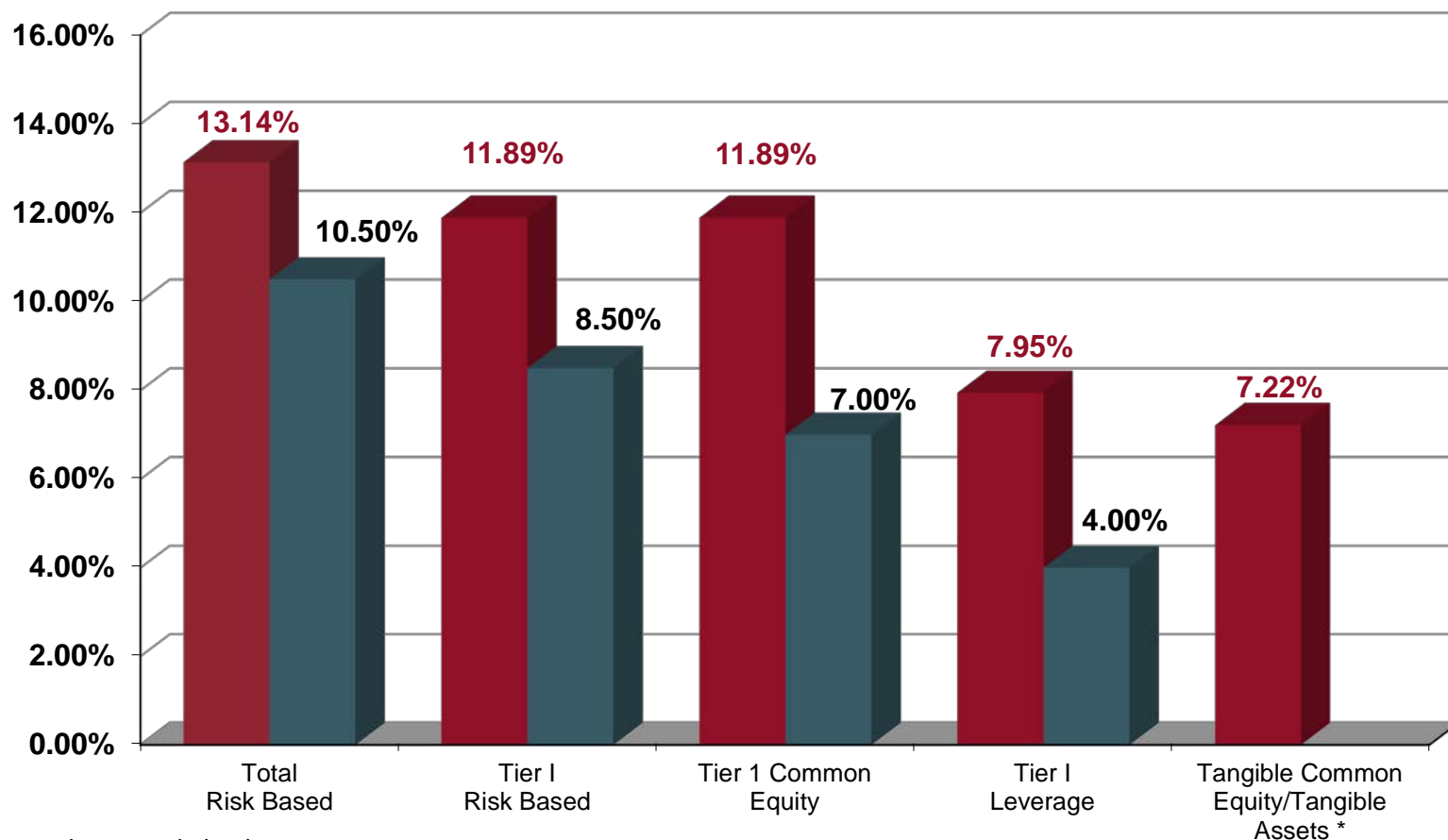
Not Fully Tax Equivalent

Other Key Performance Measures

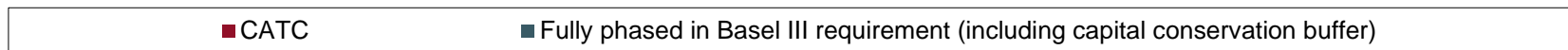
	2016
Return on Average Assets	0.95%
Return on Average Equity	12.77%
Non-Performing Loans/Loans	0.13%
Net Loan Charge-Offs/Loans	0.00%
Allowance for Loan Losses/Loans	1.16%

Regulatory Capital Ratios

(As of December 31, 2016)



*Not a regulatory capital ratio



2016 Results:

- Assets under management increased by 10% to \$2.6 billion driven by market performance and record new business generation
- Continued growth in New Hampshire market. New Hampshire assets under management grew to \$825 million, or 32% of total assets

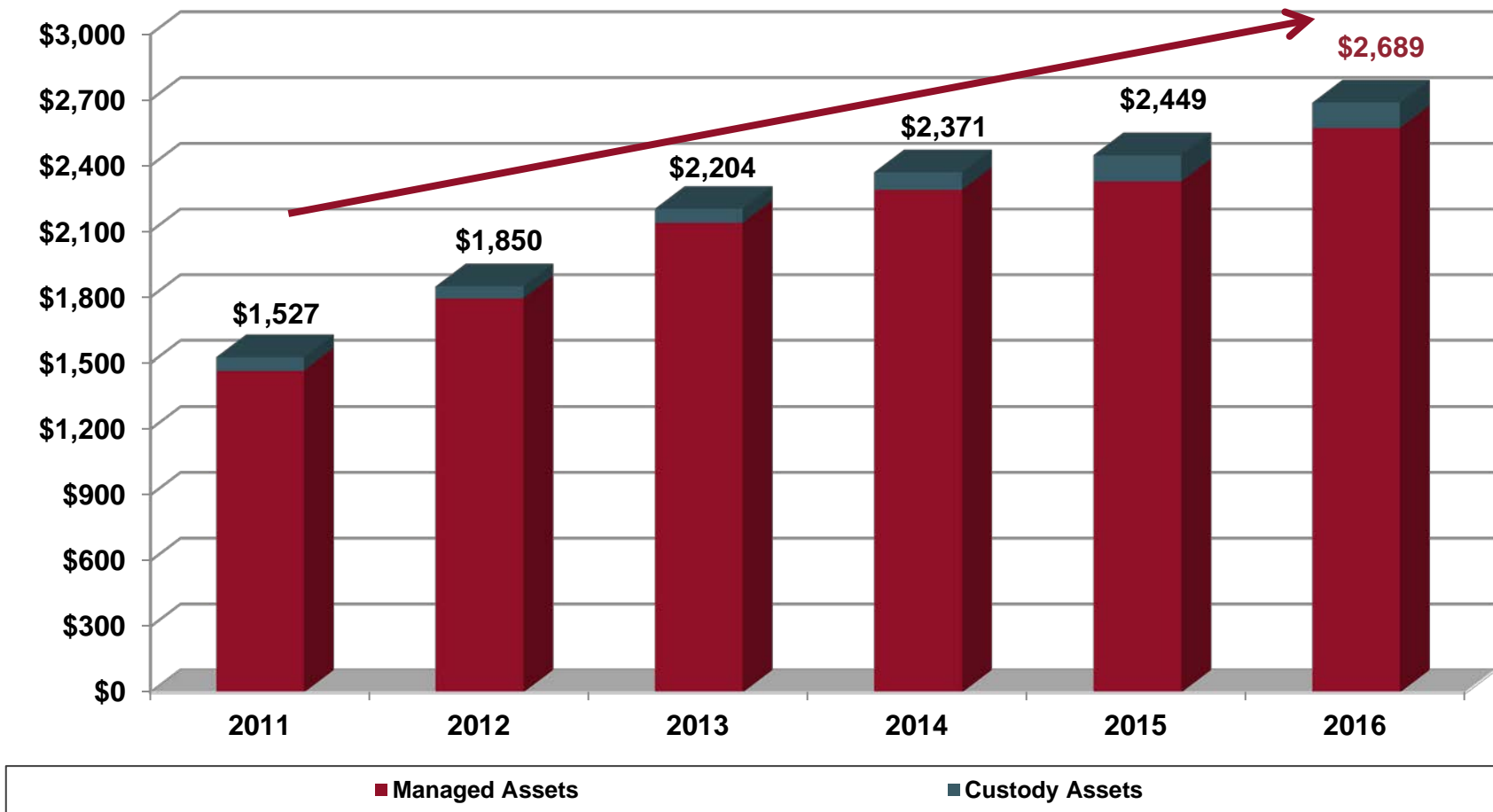
Growth Opportunities:

- Strong Market Demographics and Internal Referrals
- Enhanced business development capacity

Wealth Management Assets

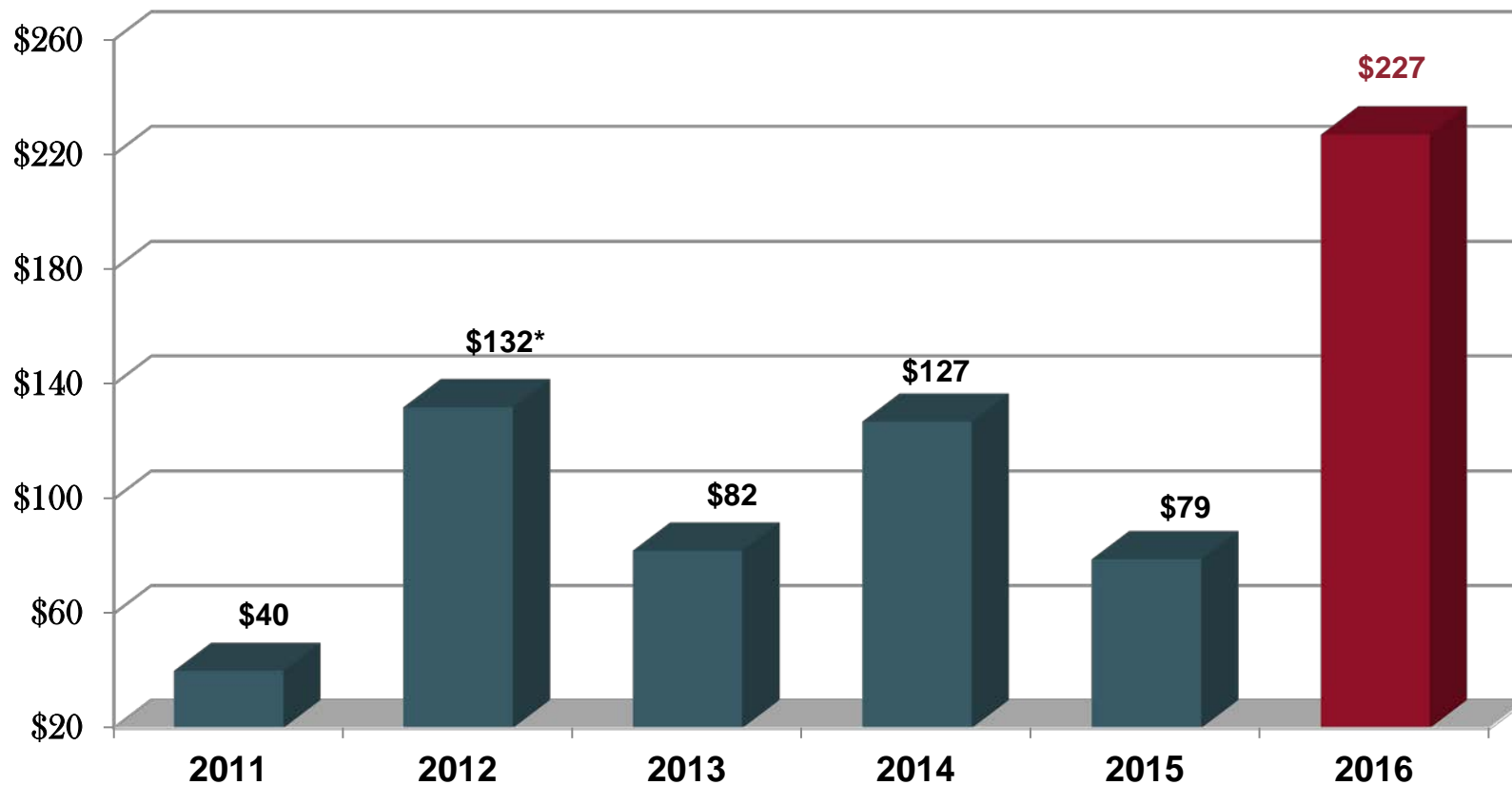
(In Millions)

5-Year CAGR
+12.0%



AUM Net Flows

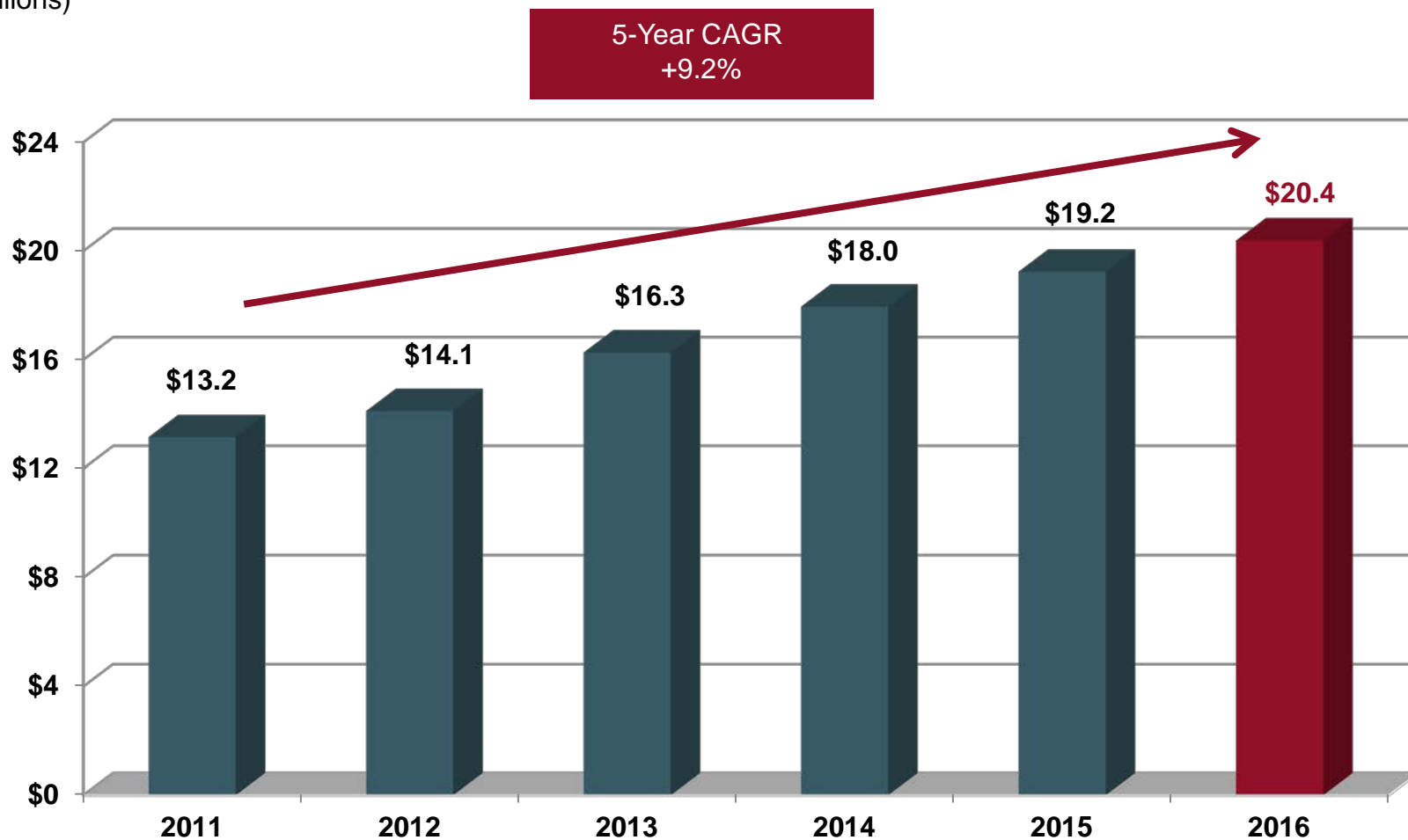
(In Millions)



* 2012 Normalized to exclude 1 large client of \$134 Million

Wealth Management Revenue

(In Millions)



Growing the Franchise – Commercial Banking

2016 Results:

- Total Commercial loan growth was \$122M or 22%
- Commercial & Industrial loans grew \$17M or 41%
- Business Deposits grew by \$85M or 16% and now represent 36% of Total Deposits

Growth Opportunities:

- Asset Based Lending
- Innovation Banking
- Continued focus on Core Deposits

Asset Quality

10 year average net charge-off rate of 0.01%

(Dollars in Thousands)	2011	2012	2013	2014	2015	2016
Non-Performing Loans	\$1,204	\$1,570	\$1,703	\$1,629	\$1,481	\$1,676
NPLs/Total Loans	0.18%	0.21%	0.18%	0.15%	0.12%	0.13%
Net Charge-Offs/ (Recoveries)	(\$274) (4 bps)	\$11 0 bps	(\$260) (3 bps)	(\$11) (0 bps)	\$153 1 bps	\$62 0 bps
Allowance/ Total Loans	1.51%	1.47%	1.35%	1.32%	1.27%	1.16%

Growing the Franchise – Consumer Banking

2016 Results:

- Home Equity loan growth of 18% and an increase in secondary market sales of 130%
- Core Deposit Growth of \$51M or 6%
- Total consumer deposit growth of \$44M or 4.5%

Growth Opportunities:

Kendall Square branch relocation in 2017 as part of MIT's ambitious development on Main Street

- Opportunity to test new branch model better suited to highly innovative and young community
- Branch to be used as a laboratory in which to try out new ideas

Leverage digital technology to improve the customer experience and overall efficiency of the Bank

Interest rate risk management

- Continued focus on Core Deposit funding
- Strong growth in loan level swap transactions during 2016 reducing the duration of our loan portfolio
- Continue to focus on sales of long duration residential mortgages
- Creating a modest asset sensitive interest rate risk position

Continued credit risk management discipline

- Excellent asset quality
- Low levels of non performing loans and net charge-offs
- Improved credit risk management capabilities

Demonstrating Our Commitment to the Community

Diversity and Inclusion:

Greater Boston's 15 companies with the most racially and gender diverse corporate boards

Get Konnected!
The premier networking event for urban professionals

Community Development:

Cambridge Affordable Housing Trust Financed 12 affordable housing units in Cambridge



Volunteerism:

Thanksgiving Basket Brigade, Cambridge



Financial Support:

To over 230 non-profits and community organizations



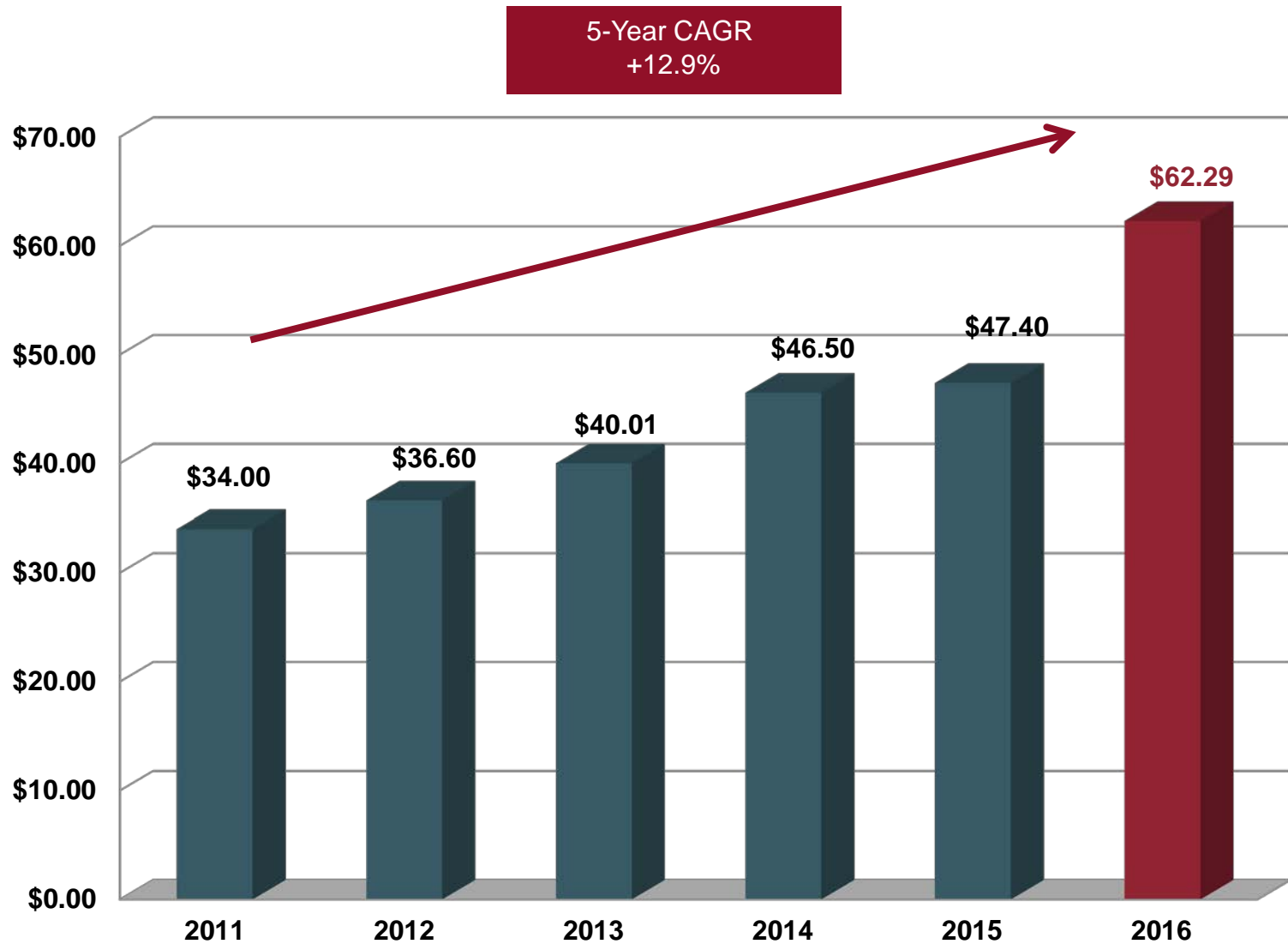
Community Service:

Heading Home, Boston



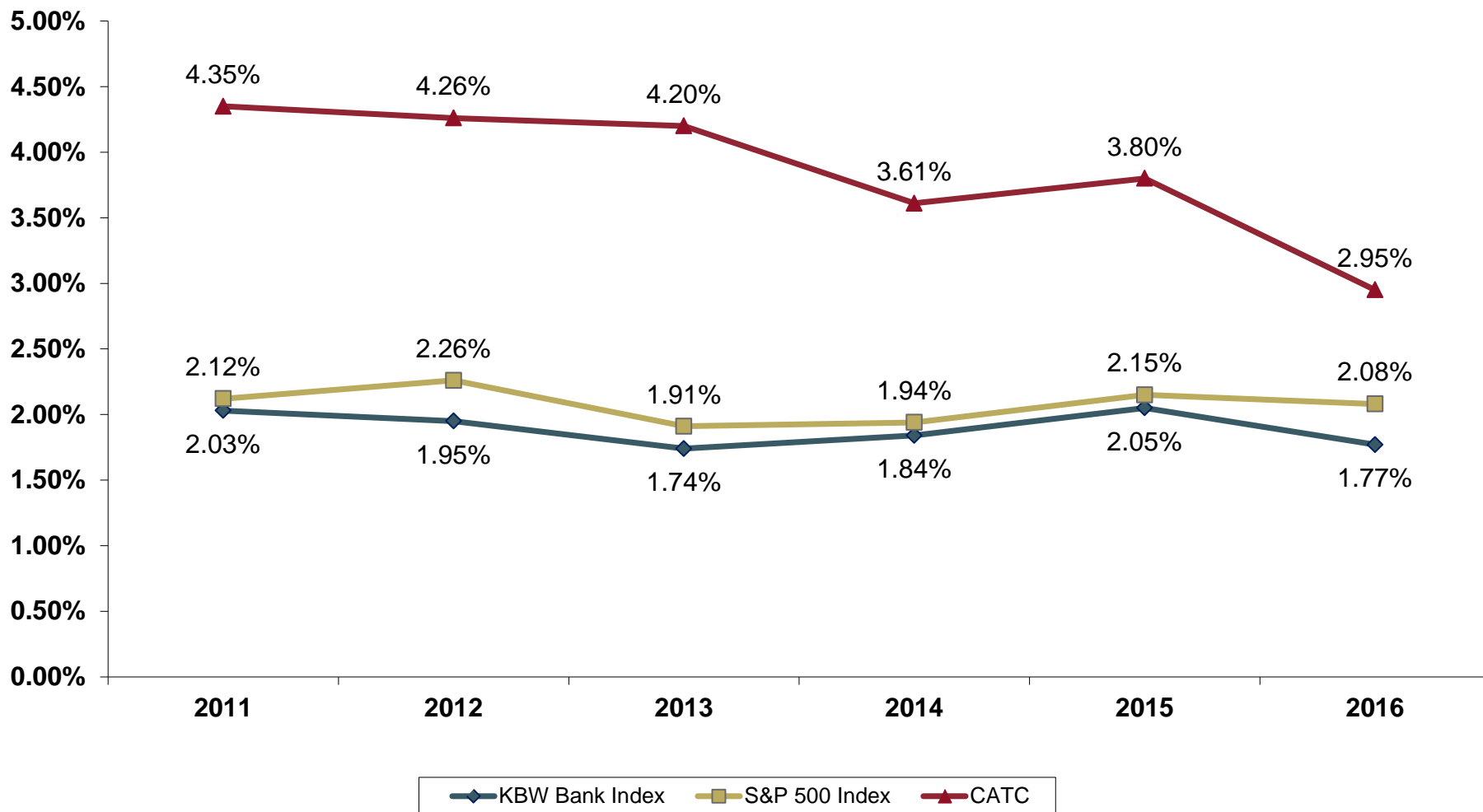
Focus on Shareholder Value

Stock Price Performance*

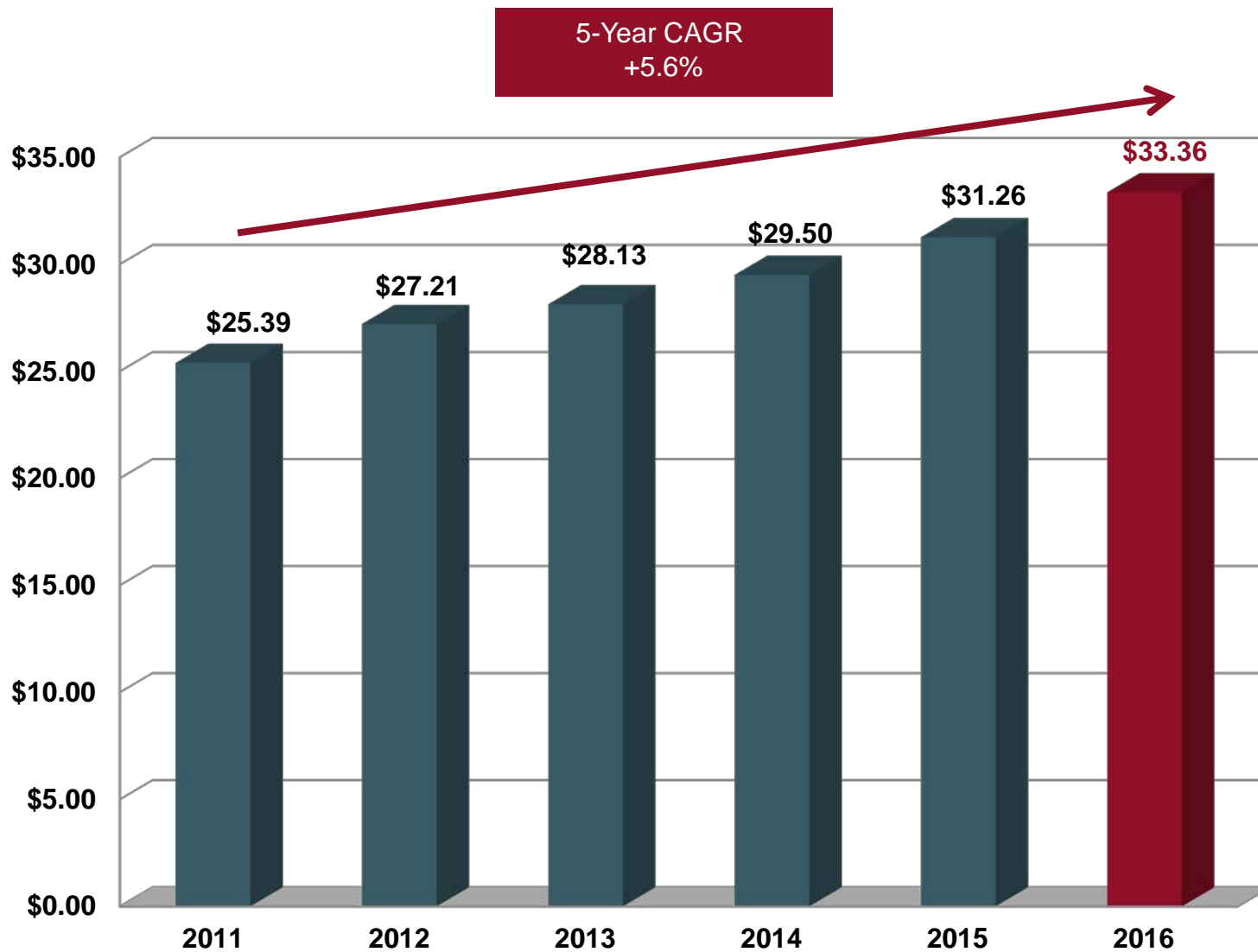


*Represents stock price at year-end

Dividend Yield vs. Market Benchmarks



Book Value Per Share



Expand Attractiveness of Stock to Investors

Continuing investor outreach

Exploring merits of registration with Securities and Exchange Commission

- More prominent stock exchange for Cambridge Bancorp stock
- Improved access to capital
- Greater stock liquidity and valuation anticipated over time

Increased transparency via more detailed financial and proxy statements

Performance First Quarter - 2017

Financial Highlights:

- Net Income of \$4.3 million an increase of 11.6% compared to Q1 2016
- Diluted Earnings Per Share of \$1.06 an increase of 9.3% compared to Q1 2016
- Return on Average Assets of 0.95%
- Return on Average Equity of 12.93%

Wealth Management:

- Assets Under Management increased to \$2.7 billion from \$2.6 billion at year end 2016

Asset Quality:

- Non-Performing Loans essentially unchanged from year end 2016

Solid financial performance

- Top quartile Return on Average Equity as compared to peer
- Dividend yield 2.95% as of December 31, 2016

Sound risk manager with excellent asset quality track record

- 10 year average net charge-off history 0.01%

Strong fee revenue mix - 35% (as of December 31, 2016)

Core Deposit funded

- Demand Deposits represent 28% of total Deposits
- Average cost of Deposits of 0.20% (YTD December 2016)

Building out diversified Commercial Banking business model

- Commercial Real Estate
- Commercial & Industrial
- Innovation Banking
- Asset-Based Lending
- Cash Management

Stable local economy

- Boston-Cambridge unemployment rate of 2.5%*
- Diverse economy with world renowned innovative industries

* Bureau of Labor Statistics Dec 2016 (Preliminary)

Cambridge Bancorp

Parent of Cambridge Trust Company

Denis K. Sheahan

Chairman, President and
Chief Executive Officer

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