

# *Patriot National Bancorp, Inc.*

*Annual Shareholders Meeting*

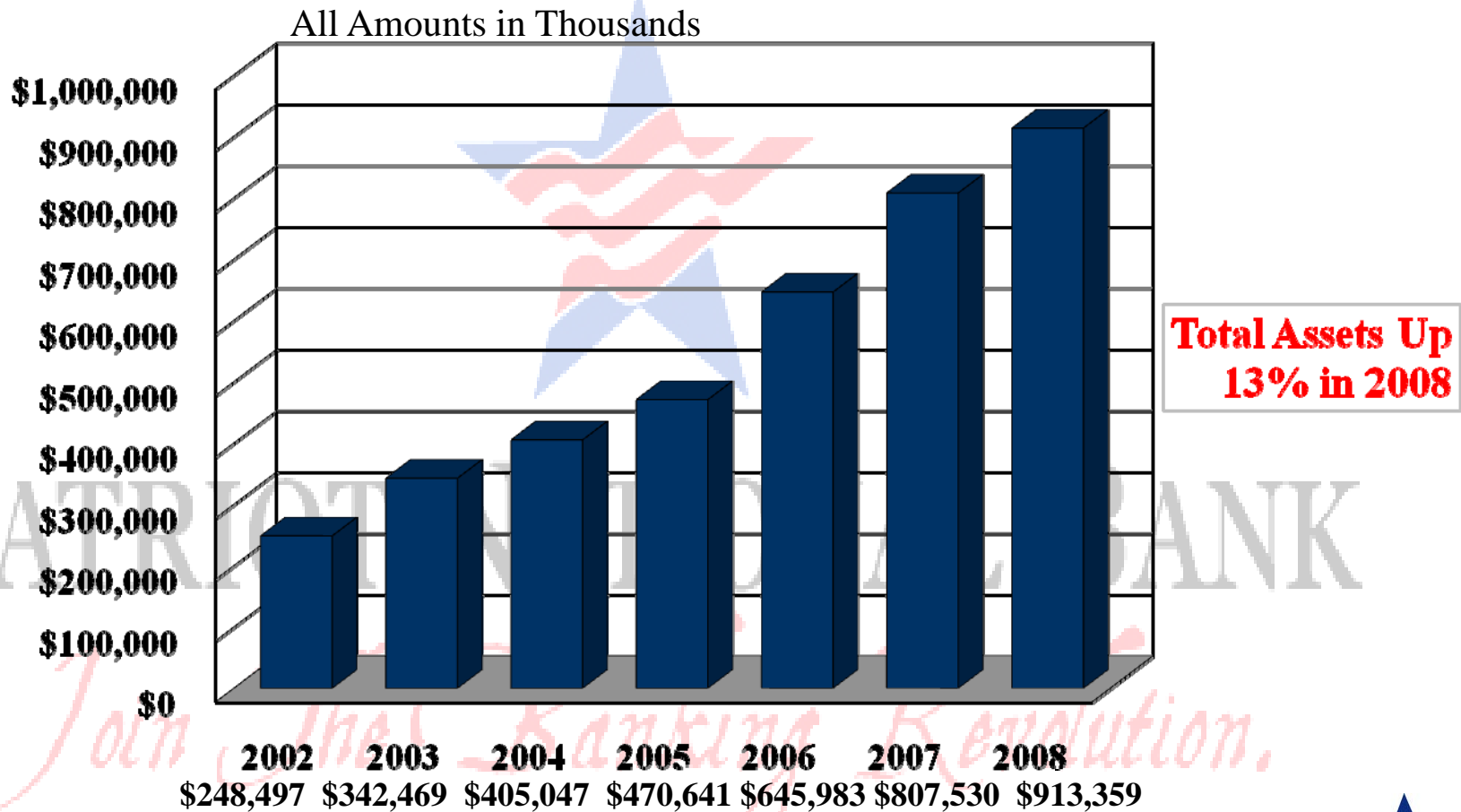
*June 17, 2009*

*Greenwich Hyatt*

*Join The Banking Revolution.*

# *Patriot National Bancorp, Inc.*

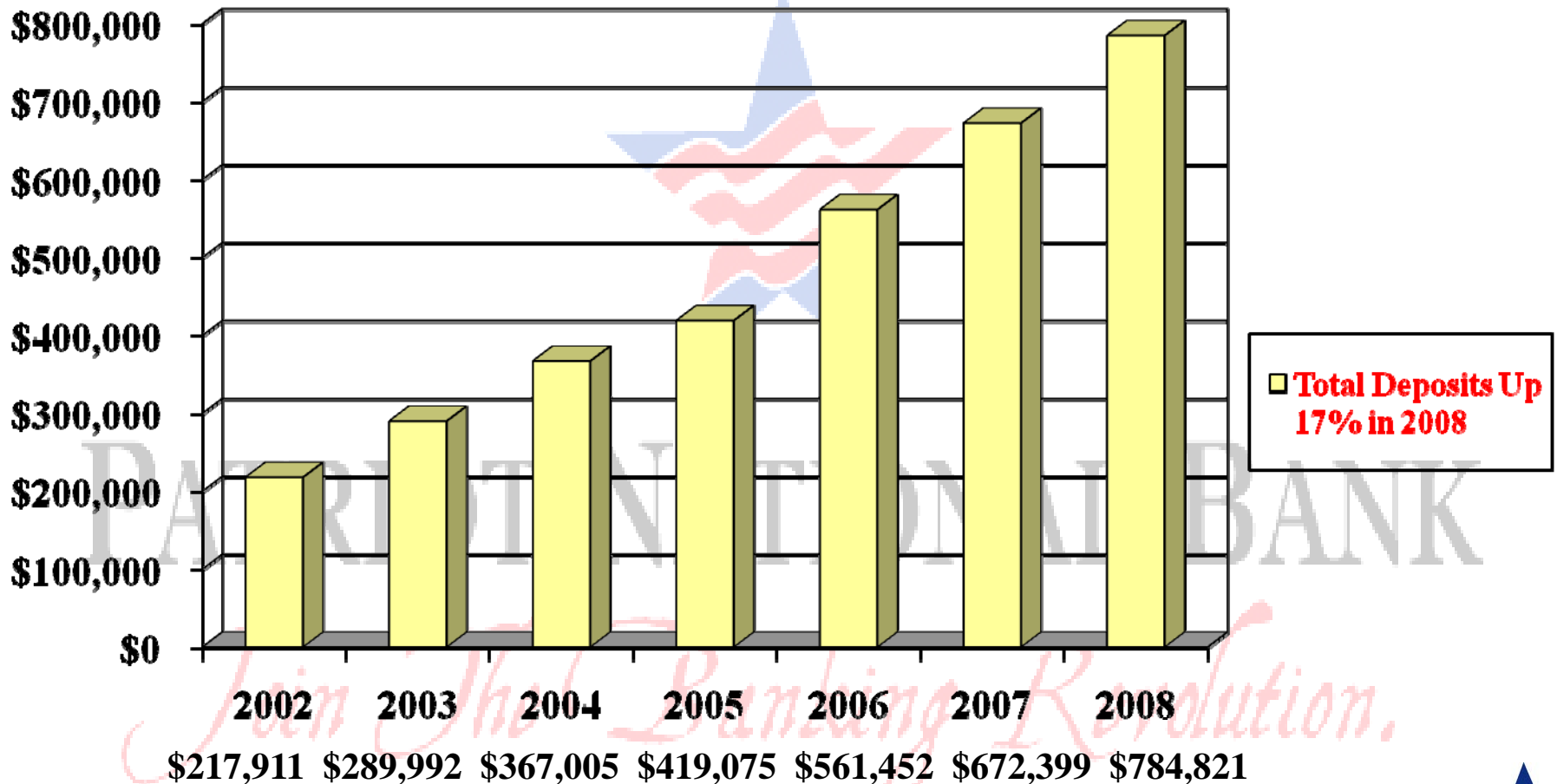
## *Total Assets*



# *Patriot National Bancorp, Inc.*

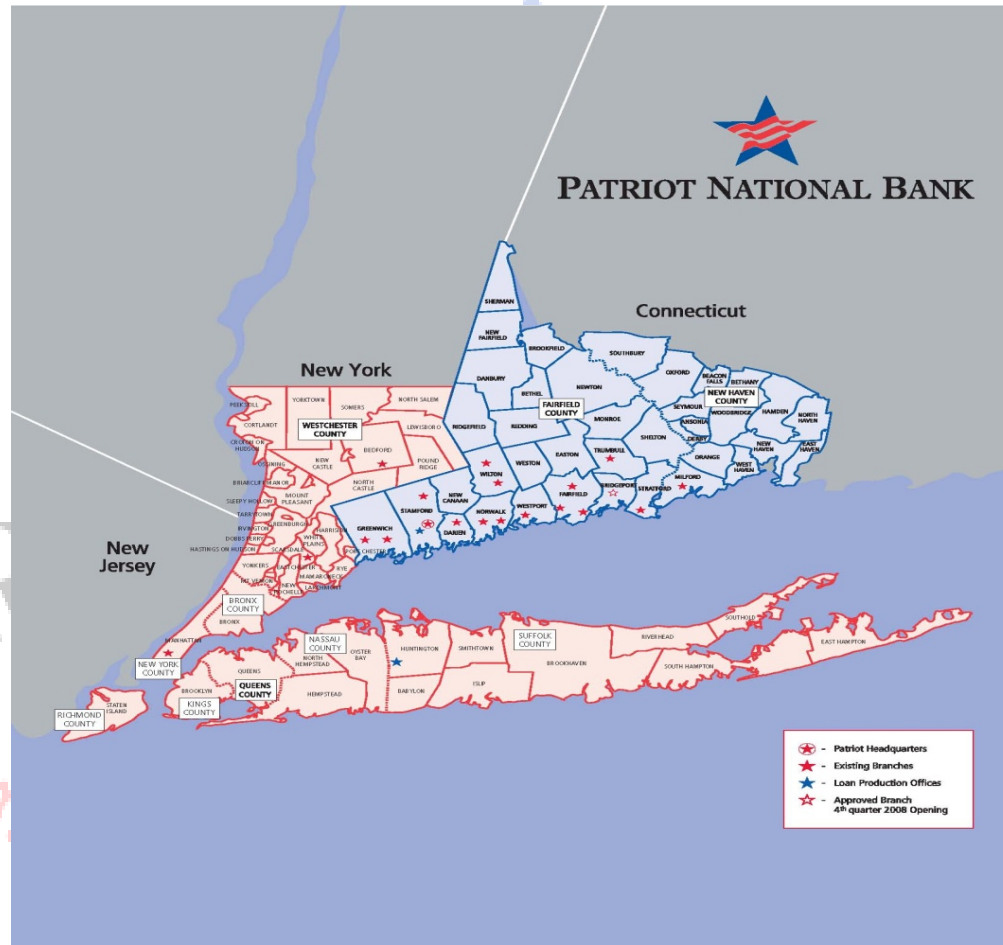
## *Total Deposits*

All Amounts in Thousands



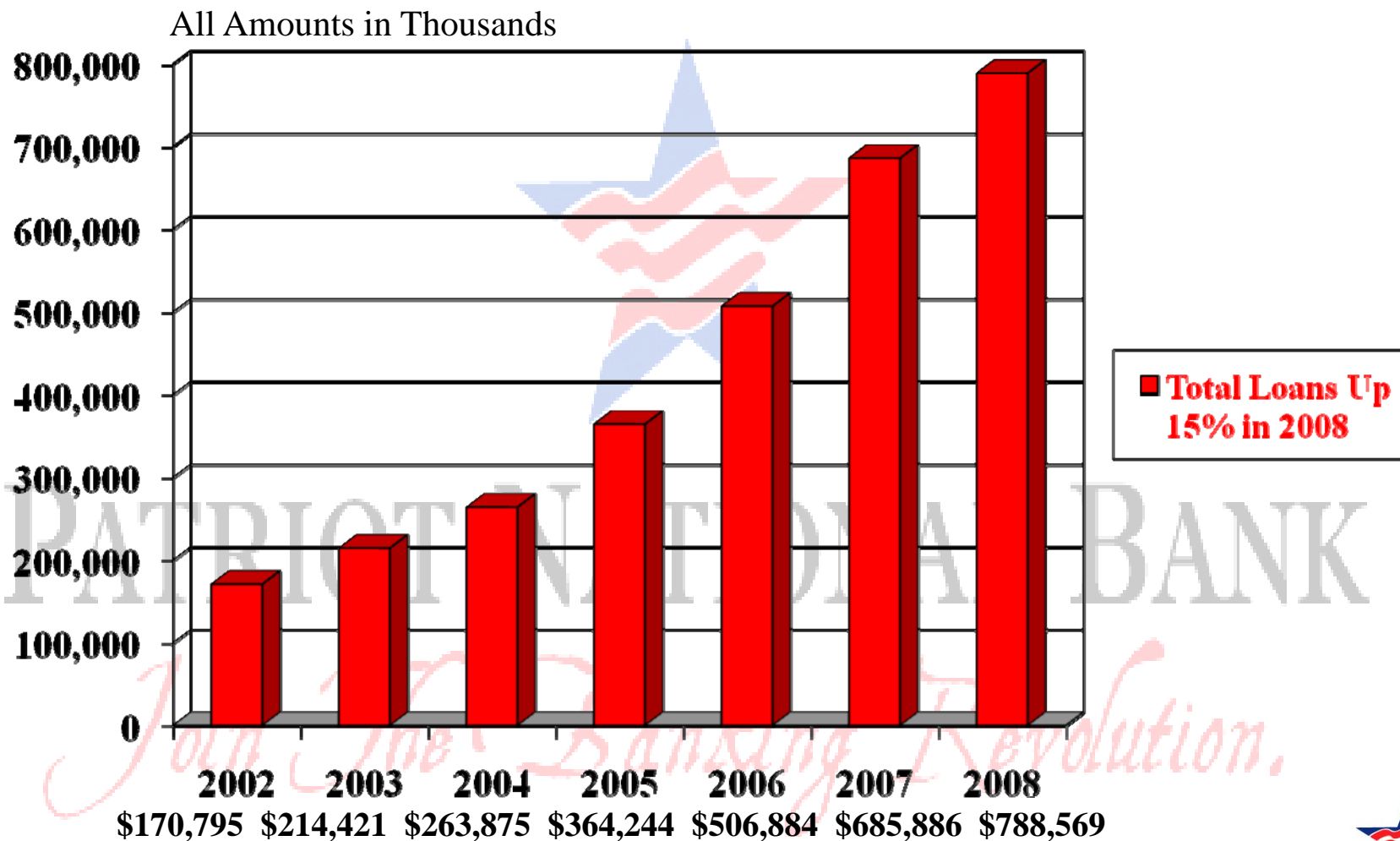
# *Patriot National Bancorp, Inc.*

*19 Full Service Branches In Operation June 2008*



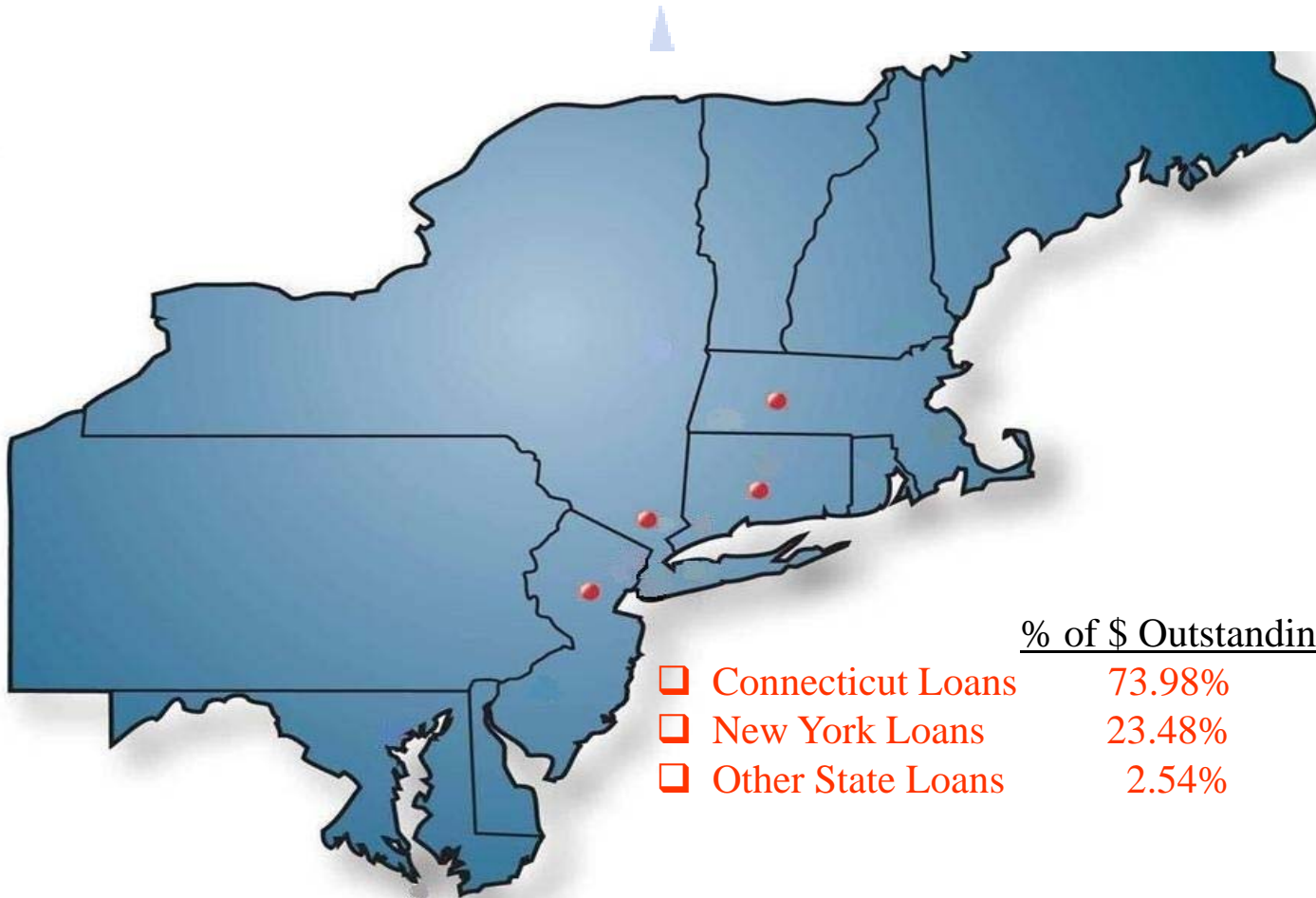
# *Patriot National Bancorp, Inc.*

## *Total Net Loans*



# *Patriot National Bancorp, Inc.*

## *Real Estate Loans Geographic Distribution*



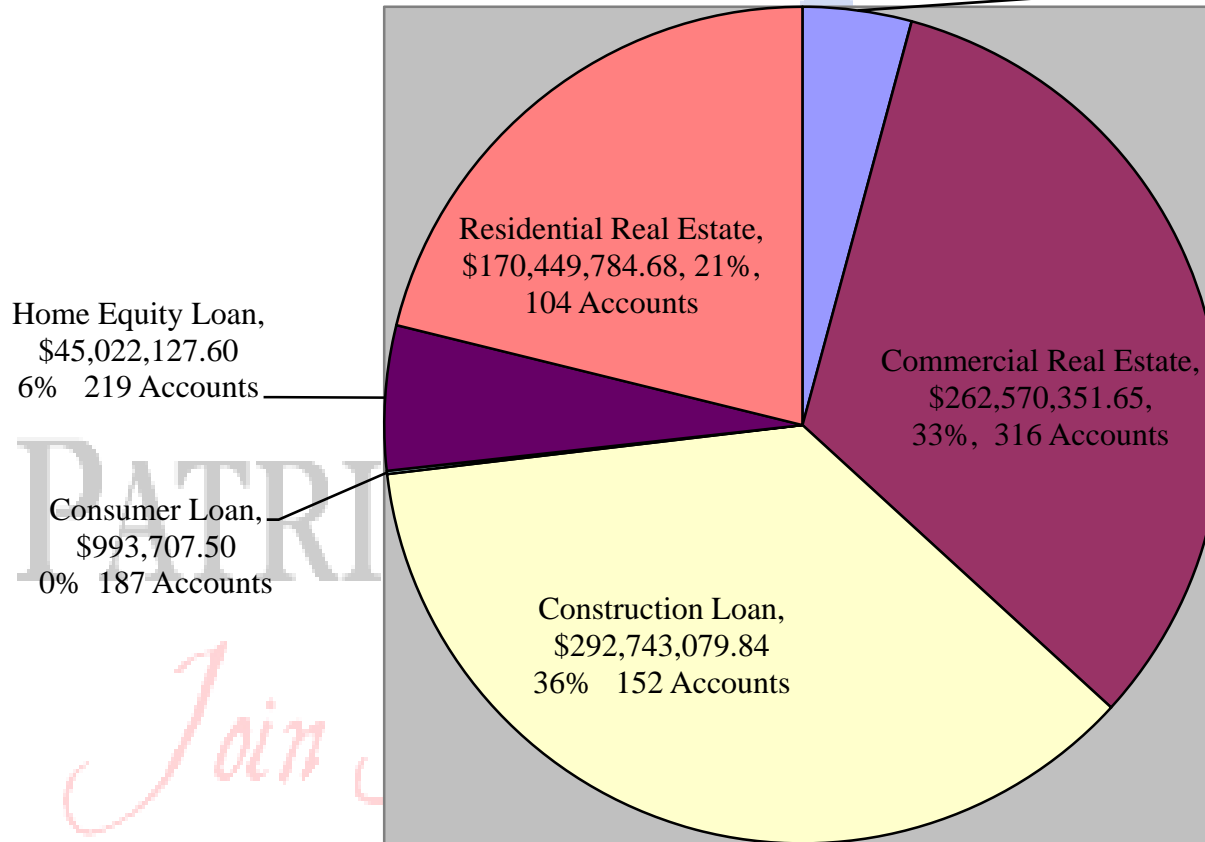
	<u>% of \$ Outstanding</u>	<u># of Loans</u>
❑ Connecticut Loans	73.98%	82.01%
❑ New York Loans	23.48%	16.40%
❑ Other State Loans	2.54%	1.59%

# *Patriot National Bancorp, Inc.*

## **Loan Portfolio Composition**

**Loan Type Concentrations, December 31, 2008**

Commercial Loan,  
\$33,860,527.25  
4% 238 Accounts



■ Commercial Loan ■ Commercial Real Estate ■ Construction Loan ■ Consumer Loan ■ Home Equity Loan ■ Residential Real Estate

# *Patriot National Bancorp, Inc.*

## *Working Out Construction Loans in a Weak Real Estate Market*

 *Significant Increase in Non-Accrual Loans in 2008 to \$80.5 Million*

 *Maximum Loan to Value Ratio 65% “as Complete” at Origination*

 *Average Loan to Value Ratio “as Complete” at Origination 55%*

 *No Construction Loan Charge Offs in 2008*

 *All Construction Spec Loans Originated in Connecticut & New York*

 *Construction Advances Are Monitored by Inspectors Prior to Draws*

 *Members of Management Know Area Where The Loans Are Made*

 *No Large Tract Development Financed*

 *Most Condo Projects Financed are Small and All Are Within the*

*Markets in Connecticut and Southern New York*



# ***Patriot National Bancorp, Inc.***

## ***Loan Portfolio***



***Significant Concentration in Commercial Real Estate & Construction Loans***



***No Sub-Prime Loan Exposure***



***No Option ARM's***



***No Negative Amortization Loans***



***No High Loan To Value Ratio Real Estate Loans "At Origination"***



***No High Loan To Value Home Equity Loans Originated for Portfolio***



***Minimal Credit Card Loan And Auto Loan Exposure***



***Minimal Unsecured Loans***



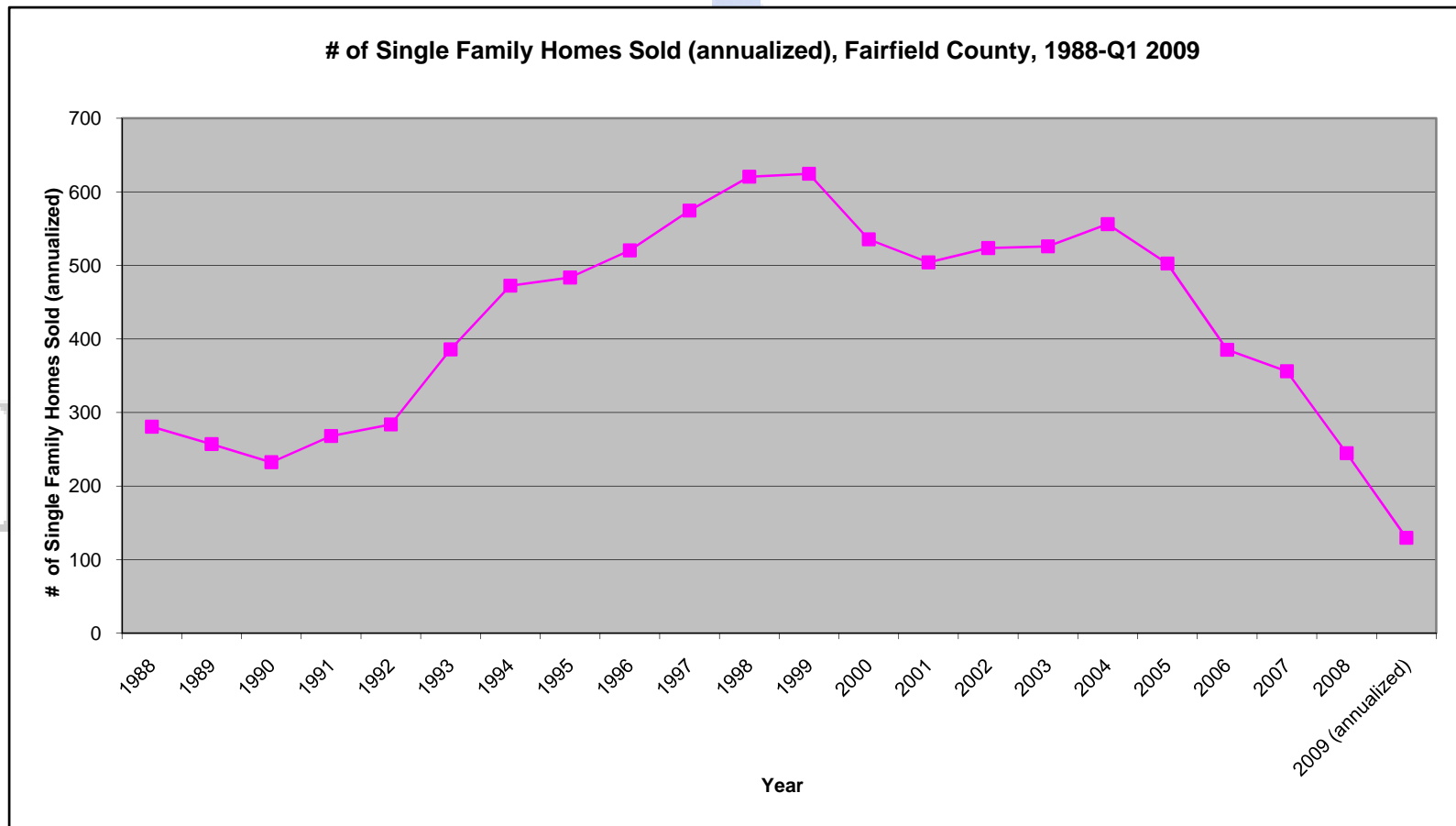
***Conservative Loan to Value Standards Were Used to Underwrite and Originate Construction Loans***



**PATRIOT  
NATIONAL  
BANK**

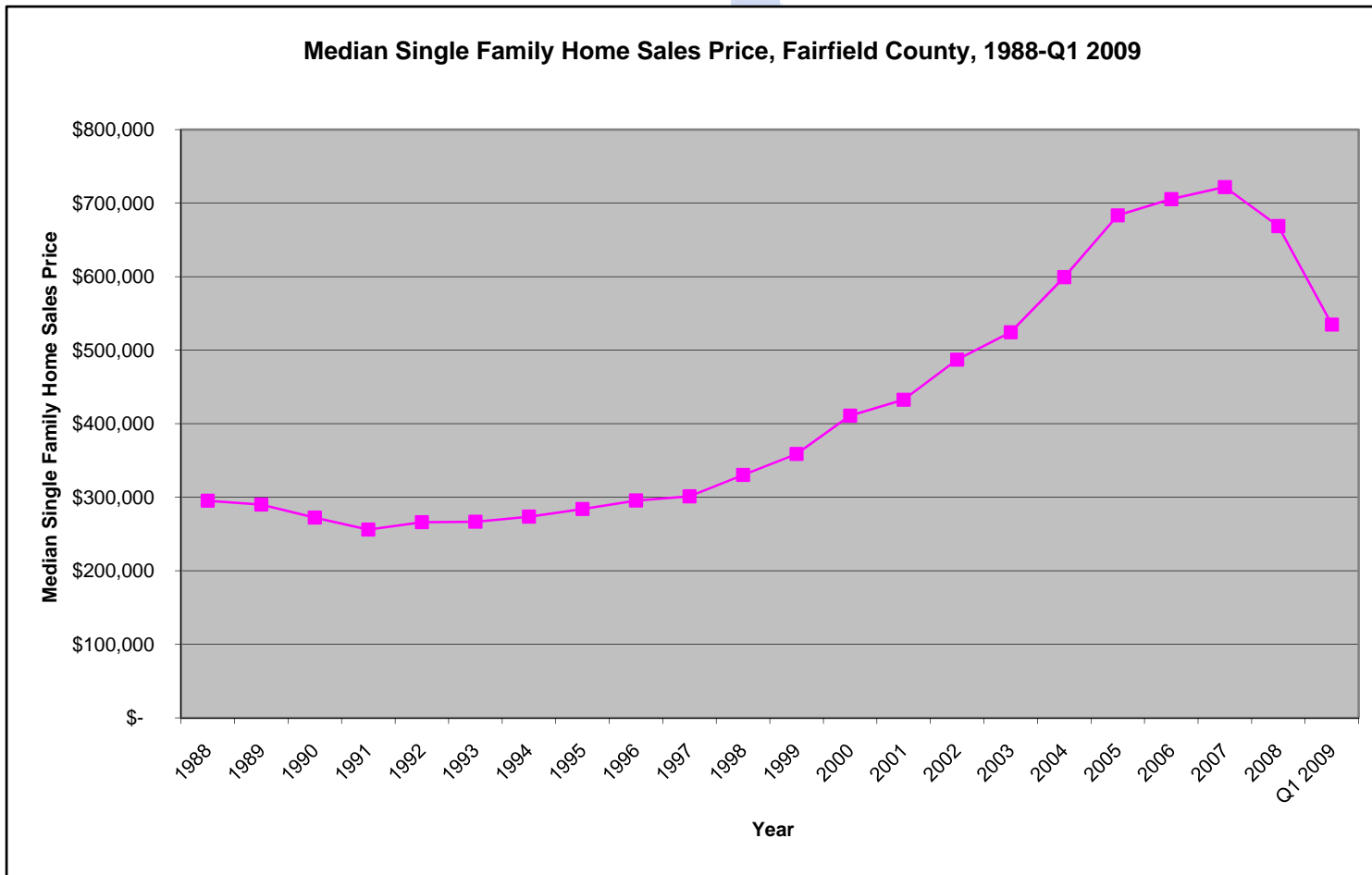
# *Patriot National Bancorp, Inc.*

## *Housing Market from 1988 to 1<sup>st</sup> Quarter 2009 for Fairfield County*



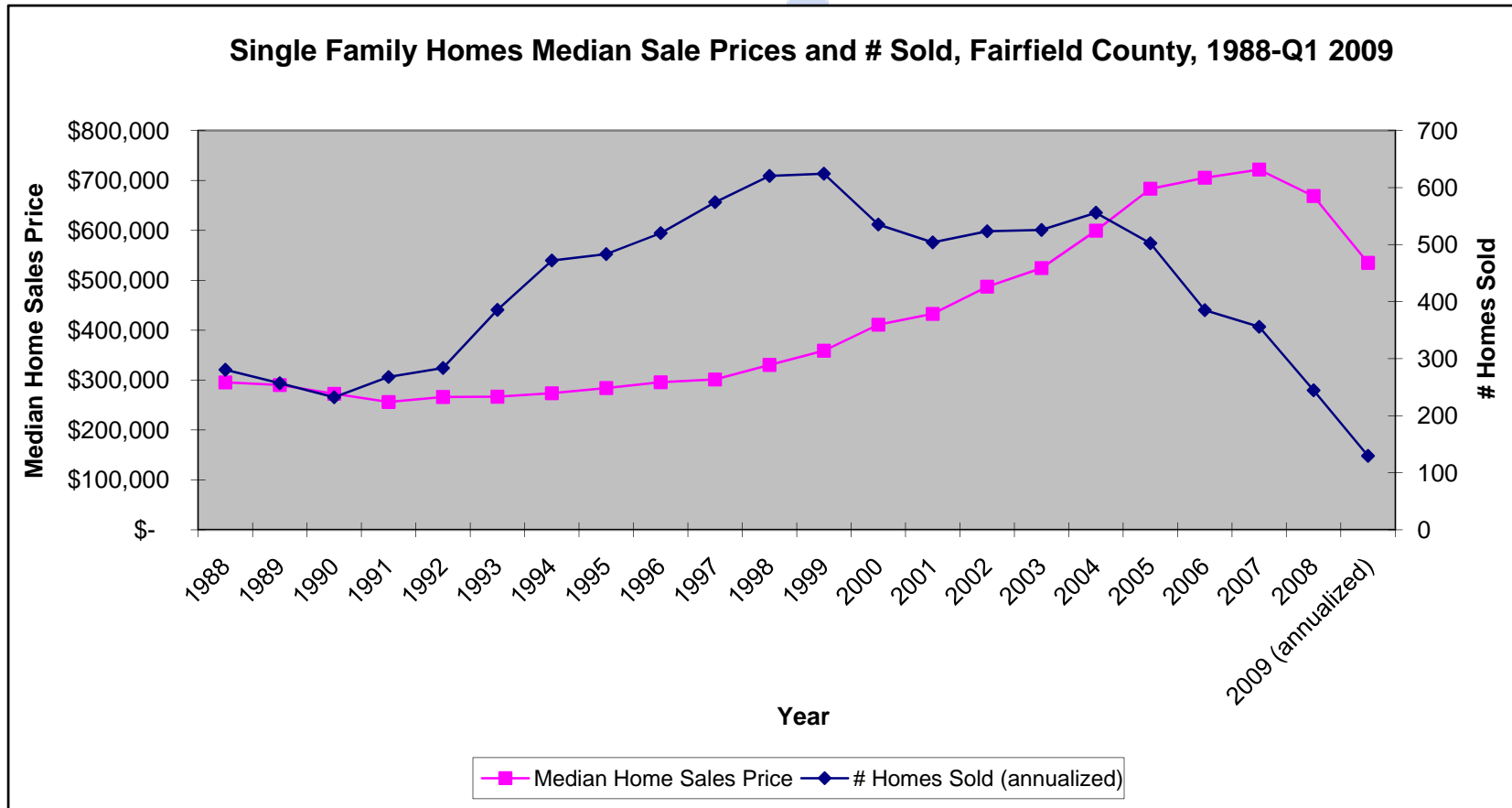
# *Patriot National Bancorp, Inc.*

## *Housing Market from 1988 to 1<sup>st</sup> Quarter 2009 for Fairfield County*



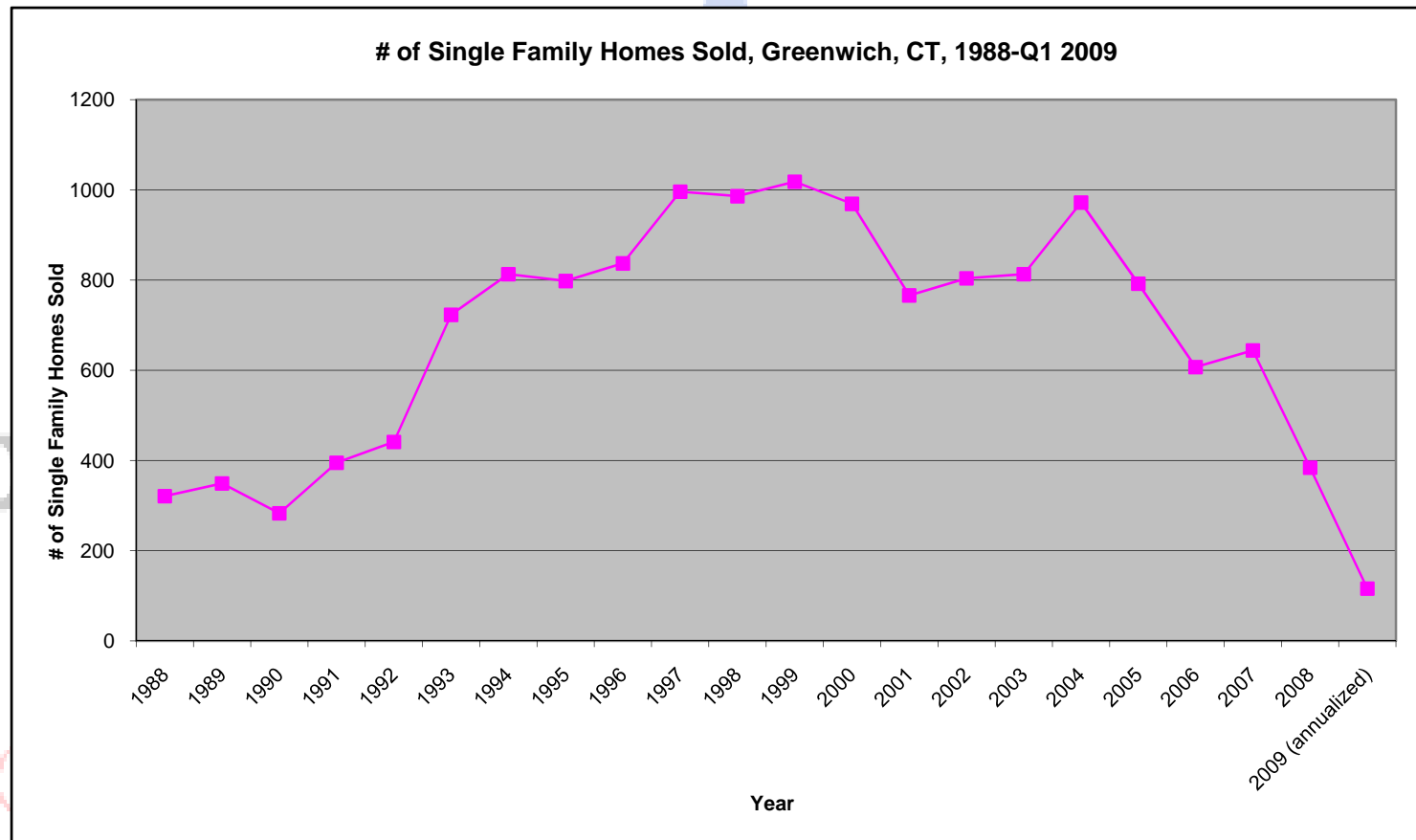
# *Patriot National Bancorp, Inc.*

## *Housing Market from 1988 to 1<sup>st</sup> Quarter 2009 for Fairfield County*



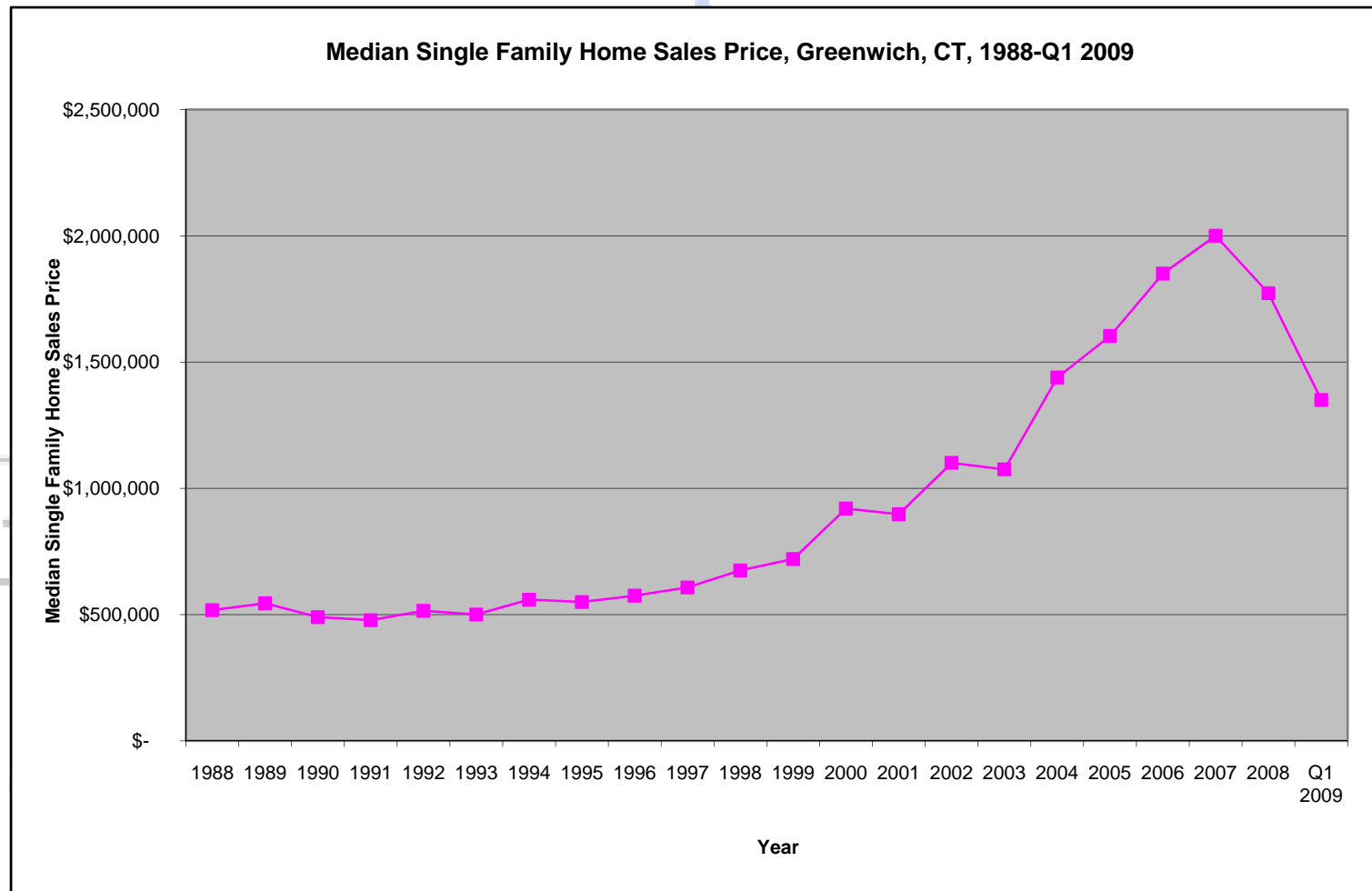
# *Patriot National Bancorp, Inc.*

## *Housing Market from 1988 to 1<sup>st</sup> Quarter 2009 for Greenwich*



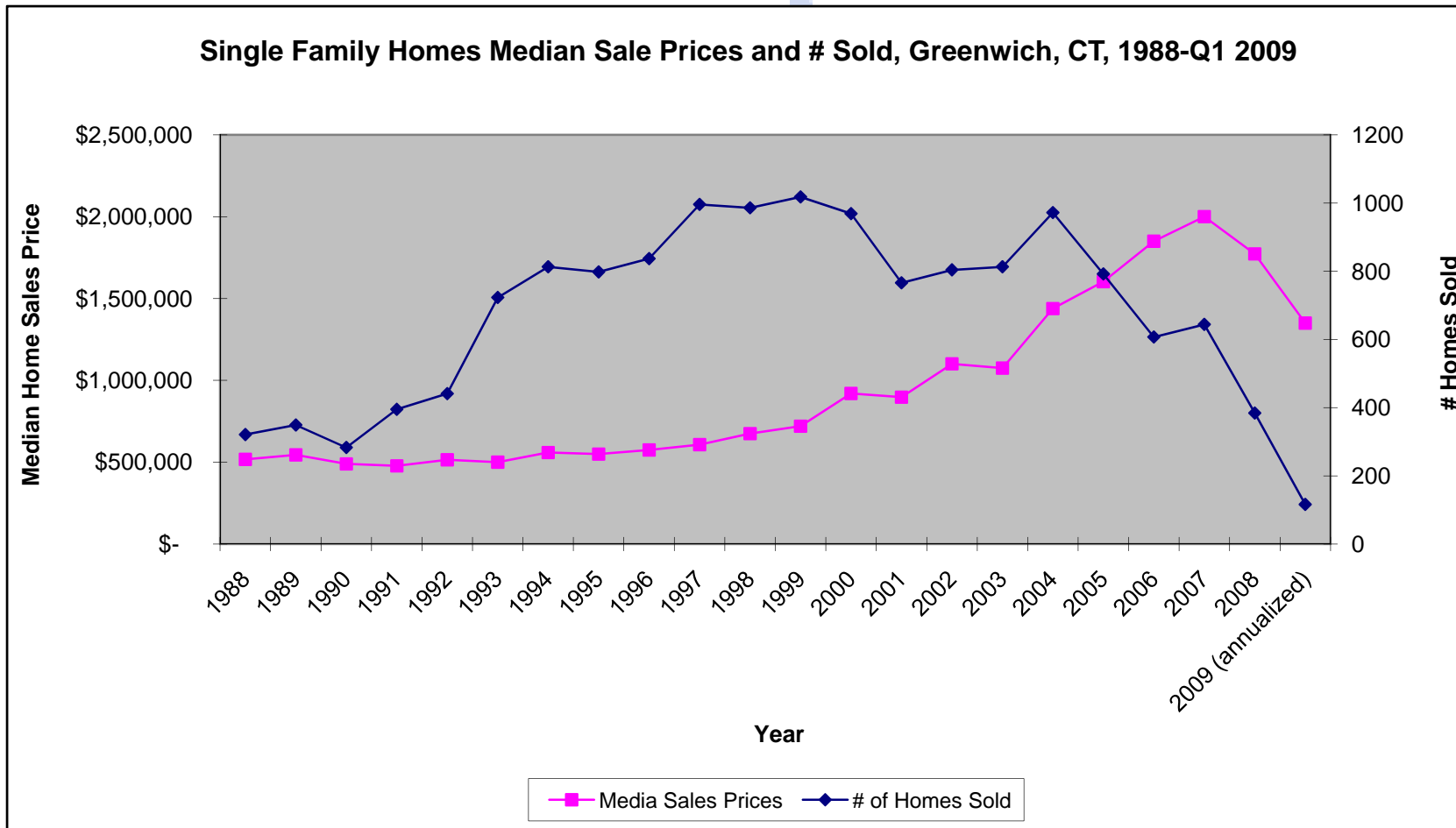
# *Patriot National Bancorp, Inc.*

## *Housing Market from 1988 to 1<sup>st</sup> Quarter 2009 for Greenwich*



# *Patriot National Bancorp, Inc.*

## *Housing Market from 1988 to 1<sup>st</sup> Quarter 2009 for Greenwich*



# *Patriot National Bancorp, Inc.*

## *Construction Loans Paid Off in 2008*

 *\$110.5 Million in Patriot Construction Loans Were Paid Off or Refinanced at Other Institutions*

 *No Charge Offs Taken on Any Construction Loans Paid Off During 2008*

 *The Average Outstanding Loan Balance on Paid Off Construction Loans Was 67% of the Sales Price on Those Loans Paid Off by Sale*

*Join The Banking Revolution.*



# *Patriot National Bancorp, Inc.*

## *Interest Rate Risk Exposure*

*No Long Term Fixed Rate Mortgages Held In Portfolio*

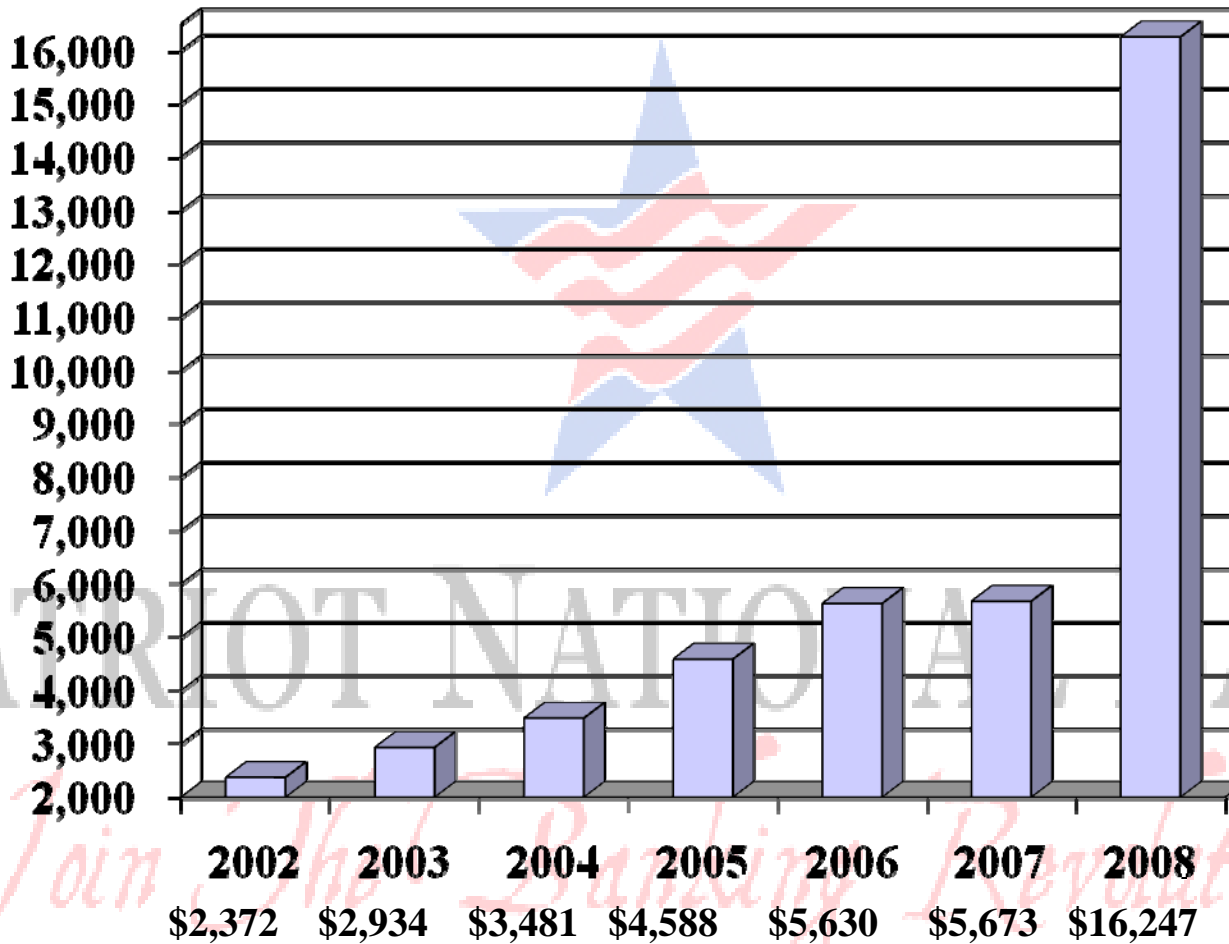
PATRIOT NATIONAL BANK

*Join The Banking Revolution.*

# *Patriot National Bancorp, Inc.*

## *Allowance For Loan Losses*

All Amounts in Thousands



*\$15.1 Million Added To Allowance For Loan Losses In The Past 7 Years*

2008 Write downs \$715,000

2009 Write downs through March 31, 2009 \$1.2 Million

# *Patriot National Bancorp, Inc.*

## **Analysis Of Allowance For Loan Losses**

	2008	2007	2006	2005	2004	2003	2002
	(Thousands of Dollars)						
<b>Balance At Beginning Of Period</b>	\$5,673	\$5,630	\$4,588	\$3,481	\$2,934	\$2,372	\$1,894
<b>* Net Recoveries (Charge-Offs)</b>	(715)	(32)	2	(3)	(9)	(1)	10
<b>Additions Charged To Operations</b>	11,289	75	1,040	1,110	556	563	468
<b>Balance At End Of Period</b>	\$16,247	\$5,673	\$5,630	\$4,588	\$3,481	\$2,934	\$2,372
<b>Ratio of Net Recoveries (Charge-Offs) During The Period To Average Loans</b>							

*Net Charge-offs 7 Years \$748,000 through December 31, 2008*

*Provision To Allowance For Loan Losses \$15.1 Million For Same Period*

# *Patriot National Bancorp, Inc.*

## *Asset Quality*

### *Investment Securities Portfolio (Available For Sale)*



*No Sub-Prime Loan Exposure In Investment Portfolio*



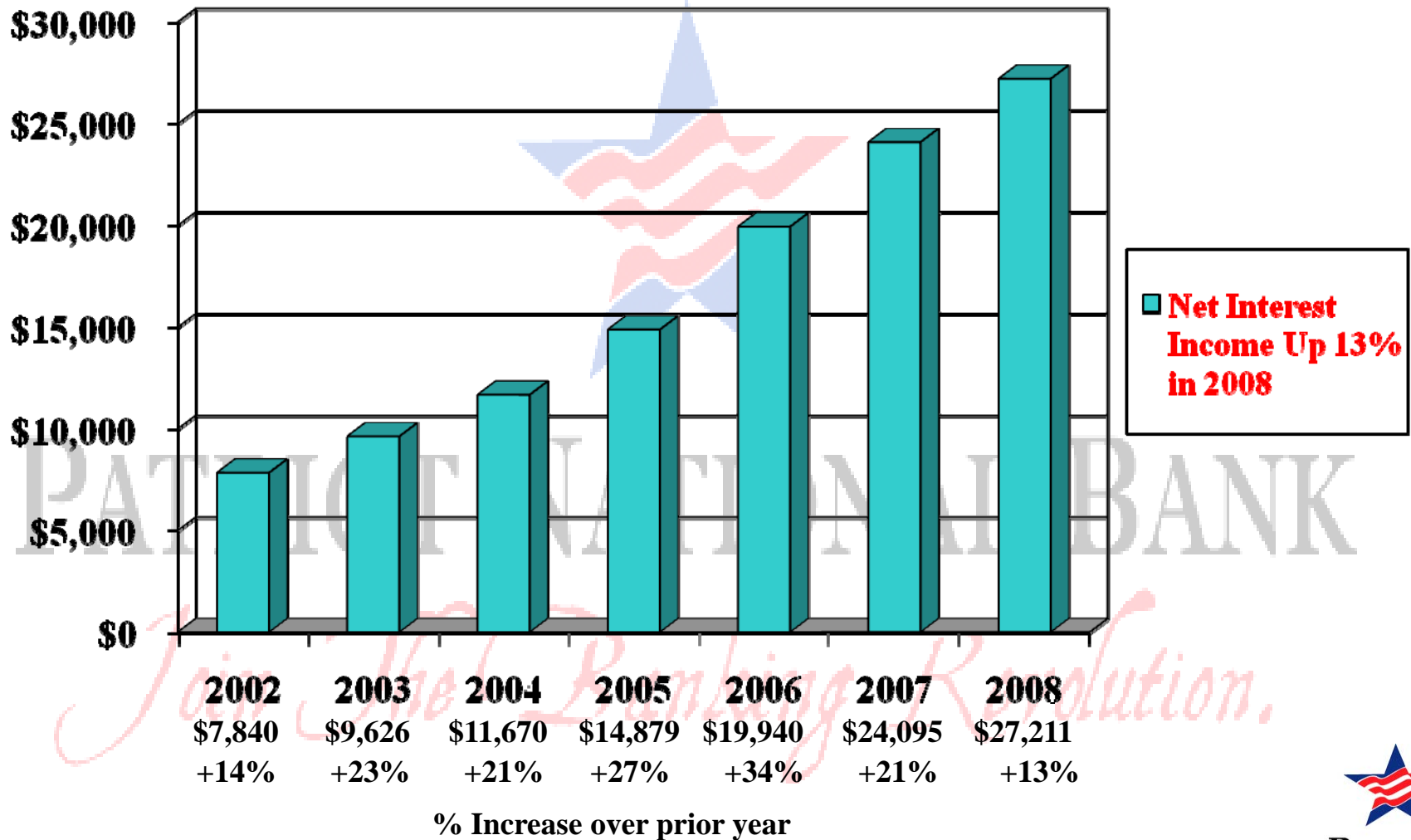
*All Mortgage Backed Securities Held In Portfolio Are U.S. Government Agency or Government Sponsored Agency Securities*

*Join The Banking Revolution.*

# *Patriot National Bancorp, Inc.*

## *Net Interest Income*

All Amounts in Thousands



# *Patriot National Bancorp, Inc.*

## *Significant Unusual 2008 Events*



*\$11.3 Million Provisions to Allowance for Loan Losses*



*\$2.1 Million Impairment Charges on Investment Grade Auction Rate Securities\**



*\$1.4 Million Goodwill Impairment Charges*



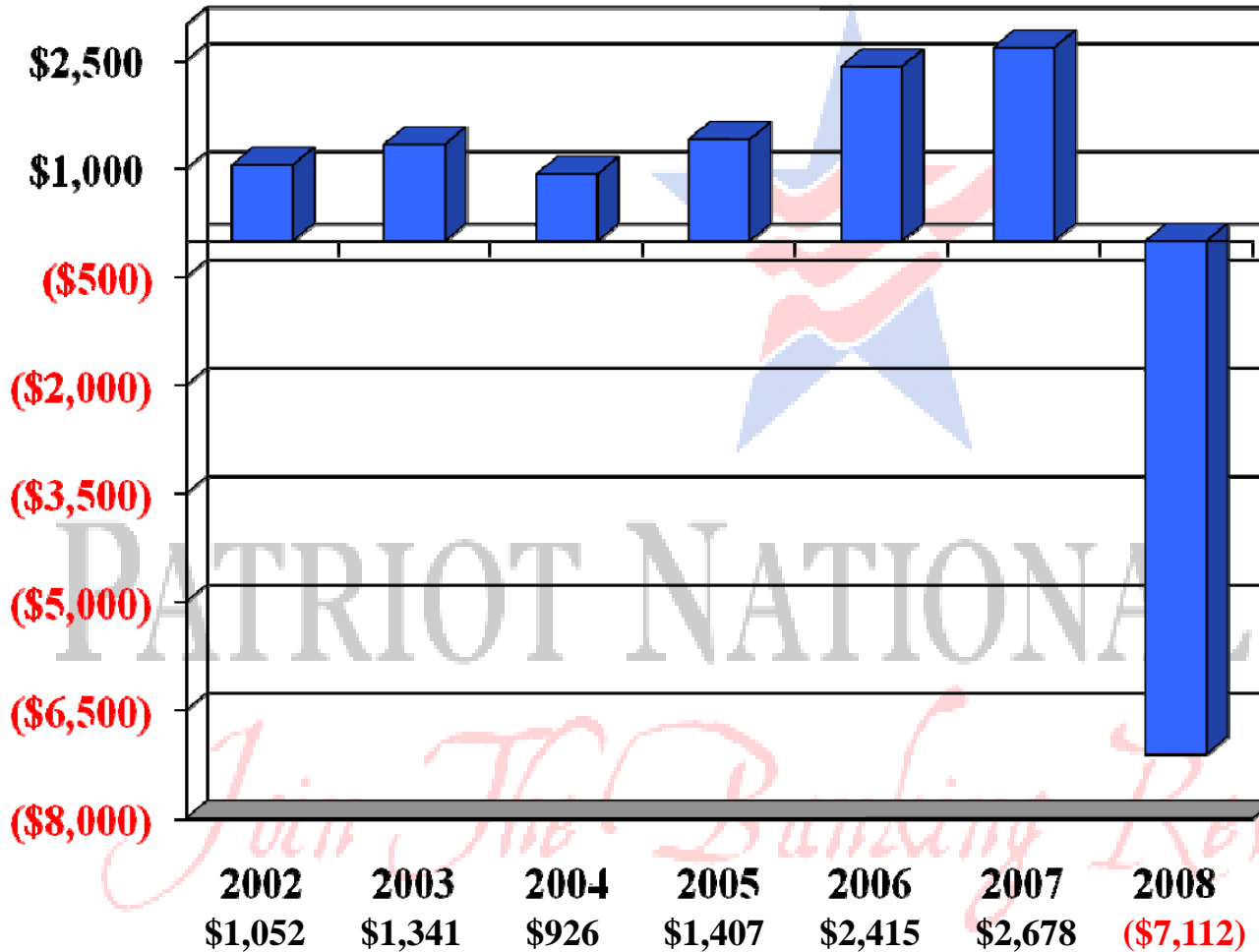
*\$1.05 FHLMC – 100% Write Off*

*\* Note: All Auction Rate Securities Remain Investment Grade and Continue to Pay Dividends in Accordance With the Terms of the Securities*

# *Patriot National Bancorp, Inc.*

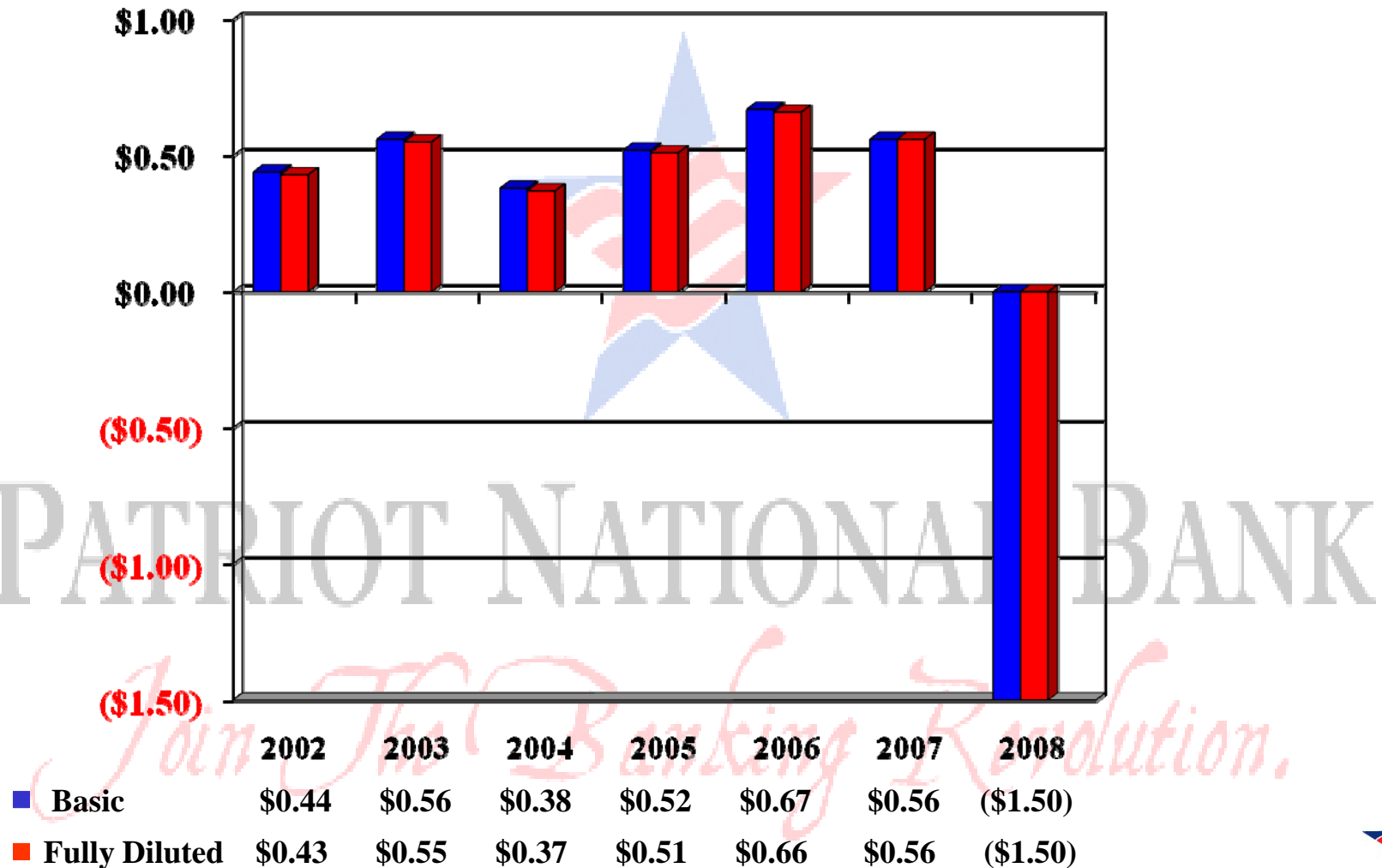
## *Net Income*

All Amounts in Thousands



# *Patriot National Bancorp, Inc.*

## *Earnings Per Share*





# ***Patriot National Bancorp, Inc.***

## ***Navigating Through The Economic Storm***

### ***Steps Taken***



***The Bank Currently has a Moratorium on Construction Loans and Commercial Real Estate Loans to Reduce Exposure***



***The Bank's Asset and Loan Growth Will be Modest***



***Re-Appraisal Program***



***Formed Experience Loan Workout Team***

*Join The Banking Revolution.*

# *Patriot National Bancorp, Inc.*

## *Steps Taken*

 *Eliminated Executive Bonuses in 2008 And 2009*

 *Implemented a Salary Freeze on All Officers Assistant Vice President and Above*

 *Closed Long Island Lending Office*

 *Reduced the Number of Salary Based Commercial Real Estate Loan Officers by Nine*

 *Reduced Annual Market Budget by 50%*

 *Eliminated Common Stock Dividend*

# *Patriot National Bancorp, Inc.*

## *2009 Prospects*

 *Non-Performing Loans Expected to Increase*

 *NPL's Expected to Peak in the 4<sup>th</sup> Quarter 2009 and Then Trend Down in 2010*

 *Continued Significant Provisions to Allowance For Loan Losses*

 *Net Operating Losses*

 *Writedowns of Construction Loans Until Disposed Of*

 *Limited Balance Sheet and Loan Growth Until Capital is Raised*

# *Patriot National Bancorp, Inc.*

*Return To Profitability*

*Dependent on End of Recession and  
Stabilization And Improvement in  
Local Real Estate Markets*

PATRIOT NATIONAL BANK

*Join The Banking Revolution.*

# *Patriot National Bancorp, Inc.*

## *The Future*



*Fewer Competitors*

*The Bank Will Be Well Positioned Provided Capital is Raised  
and Problems Loans Are Resolved*



*Patriot Has 19 Full Service Branches in One of The Most  
Desirable Real Estate Markets in The U.S.*



*Loan and Deposit Pricing More Favorable for Banks*

*Join The Banking Revolution.*

# *Patriot National Bancorp, Inc.*

*Annual Shareholders Meeting*

*June 17, 2009*

*Greenwich Hyatt*

*Join The Banking Revolution.*