

# TRUSTED SOLUTIONS<sup>SM</sup>



BUSINESS  
WEALTH  
MANAGEMENT  
FAMILY  
COMMUNITY

*2004 Annual Report and Form 10-K*



24 North Street  
P.O. Box 1308  
Pittsfield, MA 01202-1308  
[www.berkshirebank.com](http://www.berkshirebank.com)

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## ABOUT THE ANNUAL REPORT

The 2004 Annual Report is presented in summary format and is intended to provide information that will be meaningful and useful to the widest range of readers. Audited financial statements and detailed analytical schedules are contained in the Form 10-K for year ended December 31, 2004 as filed with the Securities and Exchange Commission.

## CORPORATE PROFILE

Berkshire Hills Bancorp, Inc., publicly traded on the American Stock Exchange under the symbol “BHL,” is the holding company for Berkshire Bank, a Massachusetts community financial institution. Established in 1846, Berkshire Bank is one of Massachusetts’ oldest and largest independent banks and is the largest independent banking institution based in Western Massachusetts. Through its subsidiary, Gold Leaf Insurance Agency, Inc. and its affiliate, Commonwealth Financial Network, Berkshire Bank offers access to a full range of insurance and investment products. It also operates 11 full-service banking offices serving communities throughout Berkshire County and a representative office and a full-service branch office in New York. Berkshire Bank’s strategy is to serve business and retail customers by offering a full range of financial services, competitively priced products and exceptional customer service.

# SHAREHOLDER INFORMATION

## CORPORATE OFFICES

Berkshire Hills Bancorp, Inc.  
24 North Street  
P.O. Box 1308  
Pittsfield, MA 01202-1308  
800-773-5601

## STOCK LISTING

Berkshire Hills Bancorp, Inc. is traded on the American Stock Exchange (“AMEX”) under the symbol “BHL.”

## ANNUAL MEETING

The annual meeting of shareholders will be held on May 5, 2005 at 10:00 a.m. Eastern Time, at the Crowne Plaza, One West Street, Pittsfield, Massachusetts.

## AUDITORS

Wolf & Company, P.C.  
1500 Main Street  
Springfield, MA 01115

## OUTSIDE COUNSEL

Muldoon Murphy & Aguggia LLP  
5101 Wisconsin Avenue, NW  
Washington, D.C. 20016

## TRANSFER AGENT AND REGISTRAR

Shareholders who wish to change the name, address, or ownership of stock, report lost stock certificates, inquire about the Dividend Reinvestment Plan, or consolidate stock accounts should contact:

Registrar and Transfer Company  
10 Commerce Drive  
Cranford, New Jersey 07016  
800-866-1340  
www.rtco.com

## INVESTOR INFORMATION

Copies of the annual reports SEC filings, press releases and other investor information are available on our web site at **<www.berkshirebank.com>** or by contacting:

Investor Relations  
Berkshire Hills Bancorp, Inc.  
24 North Street  
P.O. Box 1308  
Pittsfield, MA 01202-1308  
Email: rborotto@berkshirebank.com

## FORWARD-LOOKING STATEMENTS

Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identified by use of the words “believe,” “expect,” “intend,” “anticipate,” “estimate,” “project” or other similar expressions. Any statements contained herein regarding future performance or events are based on management’s best estimates at this time and current information. The Company’s ability to predict results or the actual effects of its plans and strategies are inherently uncertain. Accordingly, actual results may differ materially from anticipated results. Factors that could have a material adverse effect on the operations of the Company and its subsidiaries include, but are not limited to, changes in market interest rates, general regional and national economic conditions, legislation and regulation; changes in the monetary and fiscal policies of the U.S. Government; changes in the quality or composition of the loan and investment portfolios; changes in regulations and regulatory policy; changes in deposit flows, competition and demand for financial services and loan, deposit and investment products in the Company’s local markets; changes in local real estate values; changes in accounting principles and guidelines; war or terrorist activities; and other economic, competitive, governmental, regulatory, geopolitical and technological factors affecting the Company’s operations, pricing and services. Specific factors that could cause future results to vary from current management expectations are detailed from time to time in the Company’s SEC filings.

Forward-looking statements also include, with limitation, those statements relating to the anticipated effects of the Company’s proposed merger with Woronoco Bancorp. The following factors, among others, could cause the actual results of the merger to differ materially from expectations: the ability of the companies to obtain the required shareholder or regulatory approvals of the merger; the imposition of any regulatory conditions or requirements on the merger; the ability of the companies to consummate the merger; Berkshire’s ability to successfully integrate Woronoco Bancorp following the merger, including integration of the data processing system and retention of key personnel; a materially adverse change in the financial condition, operations, or projected or actual earnings of either company; the ability to fully realize the expected cost savings and revenue enhancements; the ability to realize the expected cost savings and revenues on a timely basis; and material change in the local markets in which each company operates.



# Berkshire Hills Bancorp, Inc.

## CEO, Chairman, Directors and Senior Management

### Board of Directors

**Michael P. Daly** – President & Chief Executive Officer of the Company and the Bank

**Lawrence A. Bossidy** – Non-Executive Chairman of the Board of the Company and the Bank and the Retired Chairman & Chief Executive Officer of Honeywell International and AlliedSignal

**Thomas O. Andrews** – President & Chief Executive Officer of H.S. Andrews Insurance Agency, Inc.

**Thomas R. Dawson** – Self-employed Certified Public Accountant

**A. Allen Gray** – Former Vice President & General Counsel of General Dynamics Defense Systems, Inc.

**Peter J. Lafayette** – President of Berkshire Housing Development Corporation

**Edward G. McCormick** – Managing Partner of the law firm of McCormick, Murtagh, Marcus & Almgren

**Catherine B. Miller** – Former Shareholder and Vice President of Wheeler & Taylor, Inc.

**Corydon L. Thurston** – President & Chief Executive Officer of North Adams Tower Company, Inc.

**Ann H. Trabulsi** – Community volunteer serving on various not-for-profit boards

**Robert A. Wells** – Retired Chairman of the Board of the Company and the Bank

### Senior Management

**Thomas W. Barney, CFP** – Senior Vice President, Asset Management/Trust

**Charles A. Bercury** – Senior Vice President, Retail Lending & Marketing

**Gerald A. Denmark** – Senior Vice President & General Counsel

**Gayle P. Fawcett** – Senior Vice President, Retail Banking & Operations

**Michael J. Ferry** – Senior Vice President, Commercial Lending

**Linda A. Johnston** – Senior Vice President, Human Resources

**Wayne F. Patenaude** – Senior Vice President, Chief Financial Officer & Treasurer

#### Board of Directors



Michael P. Daly  
President & CEO



Lawrence A. Bossidy  
Non-Executive  
Chairman of the Board



Thomas O. Andrews



Thomas R. Dawson



A. Allen Gray



Peter J. Lafayette



Edward G. McCormick



Catherine B. Miller



Corydon L. Thurston



Ann H. Trabulsi



Robert A. Wells

#### Senior Management



Thomas W. Barney



Charles A. Bercury



Gerald A. Denmark



Gayle P. Fawcett



Michael J. Ferry



Linda A. Johnston



Wayne F. Patenaude

# BERKSHIRE HILLS BANCORP, INC.

## A MESSAGE TO OUR SHAREHOLDERS

### Dear Shareholders:

During 2004, we witnessed the confluence of strategic initiatives that allowed us to deliver on the financial benchmarks established two years ago and achieve record earnings on a reported operating and core basis for the year. I am pleased to report net income from continuing operations for 2004 of a record \$11.9 million, or \$2.08 on a diluted per share basis, up 30% over last year. We've put into place a strong infrastructure to continue our quest to be a high performance bank. Our disciplined approach to the goals of maintaining strong asset quality, generating fee income, improving net interest margin, and implementing expense reduction initiatives, including the effects of our bank-wide "Six Sigma" program, enabled us to continue on a pace of record earnings. We delivered another year that met or exceeded expectations on both reported and core bases.

As pleased as I am with what we achieved in 2004, I'm even more proud of how we did it. We maintained our focus on a strategic plan developed and executed by an experienced and proven team. We continue to realize the benefits of strong efforts by the employees of this Company to make solid progress toward achieving our financial benchmarks regarding return on assets, return on average equity, and efficiency ratio. We expect to continue that trend through thoughtful strategic action that incorporates expense control. And, at the same time, we are determined to maintain exceptional credit quality and remain on target for accomplishing our stated goals of below 60% efficiency ratio, over 1% ROAA and 10% ROE by the end of 2005. While we recognize that these are significant benchmarks, we continue to strive to become an even higher performing bank. Two thousand four also highlighted our credibility as a company that delivers on its promises.

Our focus on and execution of value-enhancing strategies produced results throughout 2004. Here are some of the highlights:

**The Sale of our ownership in EastPoint Technologies, LLC**, to a prominent industry provider of data processing and related services, eliminated its operating costs to the Company, and provided us with a technology partner that has the depth we need to ensure the proper infrastructure as the Bank expands.

**The Acquisition of Woronoco Bancorp, Inc.** will create a \$2.0 billion company, a formidable commercial and community banking franchise with significant non-interest income potential, management synergies, and solid asset quality. We have entered into a definitive agreement to acquire Woronoco Bancorp, Inc., and we are moving along in accordance with our integration plan. It will be a partnership of common goals with a trusted, quality institution that has a strong consumer base and a large stake in, and commitment to, the community. We are acquiring a neighbor with whom we share common goals, and it is contiguous to our existing market. The agreement will provide the potential to expand our strong commercial base and enhance our wealth management and trust services. The acquisition will also broaden our menu of products to include insurance for both retail and commercial customers.

**The opening of a representative office and the acquisition of a branch in New York State** continued our expansion and provided the ability to open additional full-service branches in the Albany area, plans for which are underway. We have expanded our footprint to all of Western Massachusetts and part of Eastern New York. This new and contiguous "community" will benefit from our solutions-based brand, local decision-making, and personal approach.



**Michael P. Daly**  
President &  
Chief Executive Officer

**Double digit growth in assets and the acquisition of Berkshire Financial Planning**, including its president and founder, continue to build the Company's wealth management business. We achieved a 19% growth in assets under management for the year and a ranking of the 13<sup>th</sup> out of 3,500 trust departments for fiduciary income as a percentage of trust assets according to *Trust Performance Reports*. This growth is directly attributable to the comprehensive product offerings under our *Trusted Solutions*<sup>SM</sup> program generated and orchestrated by our professional advisors and a strong outreach program in the branch network.

**Double digit growth in commercial loans, consumer loans, and strong asset quality**, was led by an 18% growth in our indirect automobile portfolio and consumer loans, and 10% increase in commercial loans including an additional \$25 million in new commercial loans generated in the Albany area. As of year-end, our average FICO score on the consumer loan portfolio exceeded 700. Lending relationships, established with a broad range of customers, have grown on a foundation of trust.

**Double digit growth in non-interest income with fee-income initiatives** led by a 19% increase in wealth management fees since last year, along with other fee-income producing initiatives, including the introduction of an overdraft protection service that facilitated an increase of 9% in service fee income. As we enter 2005, we plan to diversify our income stream and increase our percentage of non-interest income to total income through other methods of fee income generation, including insurance opportunities which will be accelerated through our acquisition of Woronoco.

**We aggressively pursued deposit growth** while remaining focused on core deposits and not competing for high-cost time deposits. This was evidenced by double digit growth in average transaction and money market balances, with 9% growth in total average core deposits. Furthermore, there has been an increase of 38% in municipal deposits, including the addition of seven new cities and towns in the Pioneer Valley, amounting to \$6.5 million.

**Expense reduction initiatives** led to a solid year in controlling expenses, with overall non-interest expense growing by just 3%. This expense control was a direct result of the expense reduction initiatives and of our bank-wide "Six Sigma" program. We expect these programs will continue to grow efficiently and, despite the expenses affiliated with the entrance into new markets, we anticipate expenses for 2005 will only increase approximately 5%.

**The Company was named one of the 100 top-performing Massachusetts-based companies for the fourth consecutive year.** The *Boston Globe* newspaper honored the Company as one of five companies from Western Massachusetts and the only Berkshire County company to appear in the ranking.

**Our transition from a community bank into a super-community bank** brings the best of both worlds to our customers and prospects through our wide variety of financial products and services, local decision-making and personal service. The strategy will give us a competitive edge in Western Massachusetts and Eastern New York in our new contiguous "community." We will be the only *super-community bank* in our market and, with our powerful *Solutions*<sup>SM</sup> brand, we have staked out a proprietary position with a clear focus on the future.

The successes of the past year have given us confidence in our long-term growth potential as we strive to do even better in 2005. We have put into place a strong infrastructure, staked out a proprietary brand position, and set a clear focus on the future to continue our quest to become a high performance institution. We'll use the same energy and commitment to grow profitably in our new geographic service areas and maintain the values that have brought us this far. We are extremely grateful to our shareholders and customers for their continuing support. We dedicate ourselves to the task of building shareholders' value this coming year and for years to come.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael P. Daly". The signature is fluid and cursive, with a large loop at the end.

**Michael P. Daly**  
President and Chief Executive Officer



SELECTED FINANCIAL HIGHLIGHTS  
(Dollars in thousands, except per share data)

	At and for the years ended December 31,		
	2004	2003	2002
Selected Operating Data			
Net interest income	\$40,357	\$37,566	\$40,700
Provision for loan losses	1,565	1,460	6,180
Total non-interest income	7,764	6,448	6,427
Total non-interest expense	28,977	28,243	37,279
Net income	11,509	8,965	2,097
Selected Financial Data			
Total assets	\$1,310,115	\$1,218,548	\$1,045,947
Loans, net	818,842	783,258	712,714
Deposits	845,789	830,244	782,360
Federal Home Loan Bank advances	327,926	251,465	133,002
Total stockholders' equity	131,736	123,175	120,569
Performance Ratios for the Year Ended			
Return on average assets	0.89%	0.80%	0.20%
Return on average equity	9.06%	7.28%	1.54%
Interest rate spread	3.03%	3.25%	3.64%
Net interest margin	3.30%	3.57%	4.12%
Efficiency ratio	62.02%	66.00%	70.06%
Asset Quality Ratios			
Nonperforming loans as a percent of total loans	0.14%	0.40%	0.52%
Nonperforming assets as a percent of total assets	0.09%	0.26%	0.36%
Allowance for loan losses as a percent of nonperforming loans	810.50%	280.37%	275.54%
Allowance for loan losses as a percent of total loans	1.13%	1.13%	1.43%
Per Share Data			
Diluted earnings per share	\$2.01	\$1.57	\$0.36
Book value per share	\$22.43	\$20.87	\$19.71
Market price at period end	\$37.15	\$36.20	\$23.55

OUR VISION

Two years ago, we developed a strategic plan that balanced profitability and growth and concentrated on creating value for our shareholders. With a disciplined management team in place to execute the plan, we are witnessing the results of that focus and discipline. Our ability to uncover markets where customers desire our combination of quality, personal service and innovative, flexible delivery is the catalyst for our vision.

UNWAVERING VALUES

Our positive momentum has been the result of several key factors: careful strategic planning, an experienced management team, a clear focus on high-growth markets, and strengthening relationships in our existing markets. However, nothing is more important to the success of Berkshire Bank than its core values. *Trusted Solutions*<sup>SM</sup> dictates how we interact with customers day-to-day and the way we treat each other.

Now in its second year of implementation, our *Solutions*<sup>SM</sup> campaign has differentiated us among our competitors. Our shift from a product-centered approach to a promise-centered strategy has helped move us from mind-share to heart-share. We have worked hard to integrate our brand into our customers' lives by offering financial solutions and building long-term relationships rather than offering stand-alone products. This value-based proposition elevates our exceptional level of service because we focus on customer needs and display a "can-do" attitude. We are able to deliver on our exceptional customer service promise by hiring, retaining and rewarding the best employees. The Company provides a strong performance incentive program for its team of professionals, each of whom works independently at every level of the Company.

As we refined our concepts and expanded our footprint, our values allowed us to remain a community bank, while at the same time offering a larger array of bank services. As a result, a *super-community bank* was born. So, as we move into new markets, we know that we can rely on our values to sustain our momentum. *Super-community banking* is a strong platform on which to execute *Solutions*<sup>SM</sup> for any retail or commercial customer. Unlike small community banks or mega banks, a *super-community bank* has the resources to do almost anything a customer needs, but it is still small enough to focus on each customer's individual needs.

We believe that *Solutions*<sup>SM</sup>, and the quest to become a *super-community bank*, with its wide variety of quality financial products and services and local decision-making will give us a competitive edge. We will be the only *super-community bank* in our market and, together with our *Solutions*<sup>SM</sup> brand, we have staked out a proprietary position and a clear focus for the future.

BUSINESS SOLUTIONS<sup>SM</sup>



(Seated L to R) William C. Davis, Donna R. Halton, Michael J. Ferry  
(Standing L to R) Richard P. Kelly, Bruce J. Marzotto, Arthur M. Haselkorn, Paul F. Negrini, D. Matthew Emprimo

COMMUNITY SOLUTIONS<sup>SM</sup>



(Seated L to R) Charles A. Bercury, Wayne F. Patenaude, Gerald A. Denmark,  
(Standing L to R) Thomas W. Barney, Linda A. Johnston, Michael J. Ferry, Gayle P. Fawcett

FAMILY SOLUTIONS<sup>SM</sup>



(From L to R) Cindy M. Polidoro, Carol A. Garrity, Kathleen M. Lein, Diane I. Taylor

# BERKSHIRE BANK

## EXPANDING MARKETS – ACQUISITION OF WORONOCO BANCORP, INC.

Our plan to expand in contiguous markets will be realized with the acquisition of Woronoco Bancorp, Inc. and its subsidiary Woronoco Savings Bank of Westfield, Massachusetts. This is a significant step in the Bank’s plan for strategic growth. This amalgamation enjoyed a great synergy from the beginning of our discussions. We believe that this transaction will strengthen our asset base, help reduce risk and provide outstanding growth opportunities adding \$611 million in loans, \$478 million in deposits, 10 branches and two insurance agencies.

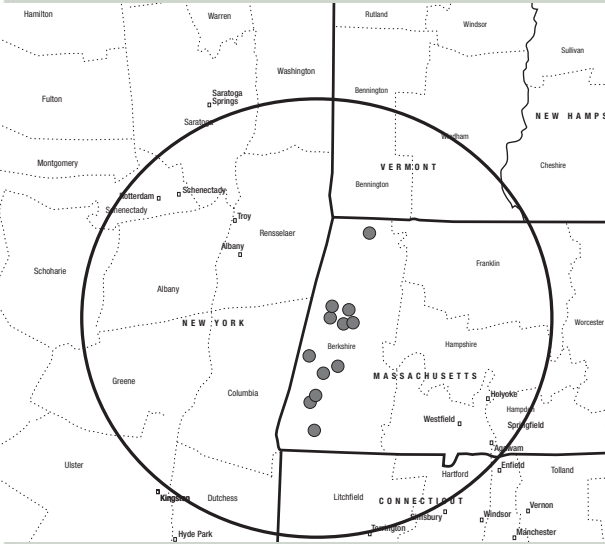
Beyond the numbers, this was also a merger of similar philosophies. Outstanding customer service programs and the delivery of high quality financial products and services are the hallmark of both institutions. The common goals we hold, and the common ground we share, made common sense the key driver in the decision to complete this transaction. We look forward to welcoming the customers of Woronoco Savings Bank as we integrate them into Berkshire Bank. The combined institution will serve customers through a network of 22 full-service branches in Western Massachusetts and New York, having assets of approximately \$2.0 billion.

## EXPANSION INTO NEW YORK

Berkshire Bank expanded its presence in New York by purchasing a branch in Oriskany Falls from The National Bank of Vernon. That purchase removed regulatory hurdles barring it from opening offices elsewhere in the state. This acquisition positioned the Bank to seek regulatory approval to open branches in the Albany area and other New York communities adjacent to Berkshire County. By conducting the necessary due diligence and determining what is best for us strategically, we may have as many as three offices in the Capital District within the next year.

As we move into the new market areas, we will remain attentive to customer demands for products, delivered with no-nonsense, flexible and personal service. Berkshire Bank is positioned to meet virtually any of the financial needs of individuals, families and small- to medium-sized businesses. By using our vast array of financial resources, we can provide *Solutions*<sup>SM</sup> to complex commercial loan transactions, financial planning and wealth management issues. We deliver flexible retail loan products and offer traditional banking products. Our customers expect us to understand and have a stake in their business not just as bankers, but as neighbors and consumers ourselves.

*2004 represented a strategic shift to a focus on expansion and growth, creating momentum for greater financial returns.*



*We’re meeting our stated financial objectives by building an expanded customer base through the pursuit of new business and new markets.*

# BERKSHIRE BANK

## BUSINESS PROCESS IMPROVEMENT

During 2004, we began to deploy the Six Sigma methodology for continuing process improvement to initiate and sustain greater productivity and profitability. We educated our employees and raised the performance bar with the resources and knowledge to solve problems and increase achievement. Our culture embraced Six Sigma, ensuring that internal processes are running at optimum efficiency. The results were increased earnings and profitability, improved customer satisfaction, and a team environment that provides a “boundary-less” organization. We believe that our successful pursuit of growth, both organic and through mergers and acquisitions, will be enhanced by the Six Sigma methodology.

Six Sigma cross-functional teams undertook 12 projects and produced results of \$406,000 in estimated savings. We believe that these initiatives will have positive effects on our expenses as we grow more efficiently and effectively. Our bank-wide Six Sigma program and expense reduction initiatives have produced solid results by controlling expenses with overall non-interest expense growing by just 3% in 2004. We expect to continue with these programs to grow efficiently despite expenses affiliated with the entrance into the new markets.

## COMMITMENT TO OUR COMMUNITIES

As a leader in philanthropy and community involvement, Berkshire Bank established two charitable foundations which provide financial assistance to educational, civic and human services entities, the arts, and other organizations. During 2004, the Berkshire Bank Foundation and the Greater Berkshire Foundation made donations totaling \$1.5 million. Since their creation, these foundations have contributed a total of \$5.8 million to area organizations such as the Berkshire Wireless Initiative providing laptop computers to all 6<sup>th</sup> grade students in the cities of Pittsfield and North Adams.



## SIX SIGMA

**SOLUTIONS™**

# (B6σ)

WITH SIX SIGMA...

- Define – Customer needs
- Measure – How well we are doing now
- Analyze – Errors and defects
- Improve – Our processes
- Control – Maintain the improvements

YOU CAN...

- Build relationships
- Provide trusted solutions
- Deliver superior service from the inside out

IT'S THE BERKSHIRE BANK DIFFERENCE!

Six Sigma



*Six Sigma results increased earnings and profitability, improved customer satisfaction, and created a team environment that provides a “boundary-less” organization.*



# BERKSHIRE BANK

## DOUBLE-DIGIT LOAN GROWTH

Berkshire Bank experienced exceptional organic loan growth during 2004, evidenced by an 11% increase in loans outstanding including the generation of \$134 million in new loans by our commercial banking division of which \$25 million were new loans in the Albany area. We expanded our commercial presence in other areas of Western Massachusetts, including the Pioneer Valley, where we hope to generate new relationships with the successful integration of Woronoco Savings Bank.

We were equally successful with our consumer indirect automobile portfolio by achieving a 18% growth and generating over \$78 million in new high quality consumer loans. We continue to perform as a strong mortgage lender as well. Our success was based on the addition of new mortgage originators and the strong second home market that allowed us to book new mortgage loans of \$67 million. We continued to sell fixed rate loans while maintaining only one, three, and five year variable rate mortgages in the portfolio. This strategy has helped us to maintain a balanced to slightly asset-sensitive balance sheet. In addition, we were successful in increasing our home equity loan portfolio by 18%, which grew by over \$8 million in new loans during 2004. Most of this growth was in lines of credit with rates that float monthly with changes in the prime rate.



## STRATEGIC INITIATIVES

- Add mortgage originators
- Build sales culture
- Expand fee-income opportunities
- Expand geographical service area

# BERKSHIRE BANK

## DEPOSIT GROWTH

During 2004, we avoided buying deposits in a competitive market environment, and we were aggressive in our pursuit of deposit growth by remaining focused on core deposits. Core deposits grew 4% in 2004, a direct reflection of the sales culture and cross-selling initiatives that resulted in a 10.5% decrease in the number of single service customers, an 80.2% increase in retail Internet Banking customers, and a 64.5% increase in ATM/debit card customers. We were able to generate nearly 9,000 new accounts, 75% of which were core accounts, and increase municipal deposits by 38%. These initiatives will continue as we pursue relationships in Berkshire County and in the new markets of Eastern New York and other areas in Western Massachusetts.

## ASSET QUALITY COMMITMENT

A strong credit culture throughout the franchise is one focus of our long-range plan. Credit quality industry-wide has been good, but we believe that sound underwriting and good credit administration are the underpinnings for consistency in financial results in any economic environment. We entertained only high quality consumer loans during 2004, and as of the year-end, our average FICO score on the consumer loan portfolio exceeded 700. Net loan charge-offs decreased to 15 basis points of average total loans, and year-end delinquency levels were at all-time lows.



*Growth in core deposits and a commitment to asset quality will continue as we pursue relationships in new markets.*





# BERKSHIRE BANK

## GROWTH OF FEE-BASED BUSINESS

Equally important are our efforts to diversify and build the contribution of our fee income businesses and ultimately increase the proportion of fee income as a percentage of total revenue. This is being accomplished through our Asset Management/Trust Group and fees associated with transaction deposit accounts. Assets under management grew from \$302 million at the beginning of 2004 to \$358 million at the end of the year. This represented a 19% growth in assets under management, with \$65 million in new business and 89% of this new business was new money resulting in a 21% increase in income year over year. This, along with other fee income producing initiatives, including a 17.9% increase in Savings Bank Life Insurance sales, produced a total increase of 9% in service fee income during 2004. As we enter 2005, we will continue to look for ways to diversify our income stream and increase the percentage of non-interest income to total income through other methods of fee income generation, including insurance opportunities.

## OUTSTANDING CRA RATING

As a *super-community bank*, our goal is to reinvest in our communities. Our small business lending, flexible consumer loan programs, and the willingness of our officers and directors to lend their expertise to address economic and affordable housing development issues are the foundation of our “*outstanding*” rating by both the Federal Deposit Insurance Corporation (FDIC) and the Massachusetts Division of Banks.



## RETIREMENT SOLUTIONS<sup>SM</sup>




**Asset Management/Trust Group**  
(Seated L to R) L. Alexandra Dest,  
Elizabeth M. Gore, Thomas H. Perrea  
(Standing L to R) John J. Kelly, Thomas W. Barney,  
Theresa A. Bunnell, Richard E. Gingras

# BERKSHIRE BANK

In 2004, Berkshire Bank launched a marketing campaign, *Trusted Solutions<sup>SM</sup>*, designed to emphasize our core values and our determination to provide financial solutions and not just financial commodities.

OUR PROMISE

  
Michael P. Daly, president and CEO of Berkshire Bank


SOLUTIONS

Solutions<sup>SM</sup> is our promise to help families, businesses, and communities succeed. It's a dynamic and innovative way of doing business. Solutions<sup>SM</sup> utilizes our vast array of financial resources and trusted guidance to help you achieve your financial goals.

We do not offer just banking products; rather, we build long-term and meaningful relationships. It's a promise fueled by a "can-do" attitude that we will always go that extra mile.

Solutions<sup>SM</sup> is our commitment to our customers and communities that they will always be our first priority. It's how we believe banking should be done.

Find out how easy it is to do business with a neighbor you can trust. We invite you to contact us and experience how Solutions<sup>SM</sup> can help you achieve your financial goals.



BERKSHIRE BANK

www.berkshirebank.com

1-800-773-5601

Member FDIC

Great Barrington  
244 Main Street  
235 Stockbridge Road

Lee  
1 Park Street

North Adams  
37 Main Street

Pittsfield  
Main Office, 24 North Street  
Old Town Hall, Park Square  
Allendale Shopping Center  
165 Elm Street  
66 West Street

Pittsfield  
Asset Management/Trust  
& Commercial Banking  
66 Allen Street


Sheffield  
103 North Main Street

Stockbridge  
32 Main Street

West Stockbridge  
2 Depot Street

Member FDIC

Member DIF






## OUR PROMISE

The promise of every employee is to engage our customers with a “can-do” attitude and effort that goes the extra mile and to build a long-term relationship, using the vast array of financial resources of a super-community bank to deliver trusted guidance and useful Solutions<sup>SM</sup> to help our customers succeed.

OUR PROMISE

  
Michael P. Daly, president and CEO of Berkshire Bank


BUSINESS SOLUTIONS<sup>SM</sup>

Solutions<sup>SM</sup> is our promise to help your business succeed. It's a dynamic and innovative way of doing business that combines a stable and consistent lending philosophy with a team of experienced business bankers who are focused on helping you achieve your goals.

Solutions<sup>SM</sup> utilizes our vast array of financial resources and trusted guidance to form long-term relationships that work. It's fueled by a can-do attitude that will always go that extra mile to help your business succeed.

We invite you to contact us at the Centers for Business Banking conveniently located in Pittsfield, Great Barrington, and North Adams.

Centers for Business Banking  
66 Allen Street, Pittsfield (413) 236-3290  
244 Main Street, Great Barrington (413) 644-3532  
37 Main Street, North Adams (413) 664-4061

  
Bruce J. Marzotto, Paul E. Negrini, Deborah J. Briggs

BERKSHIRE BANK

www.berkshirebank.com


1-800-773-5601

Member FDIC

Great Barrington • Lee • North Adams • Pittsfield  
Sheffield • Stockbridge • West Stockbridge

Member DIF

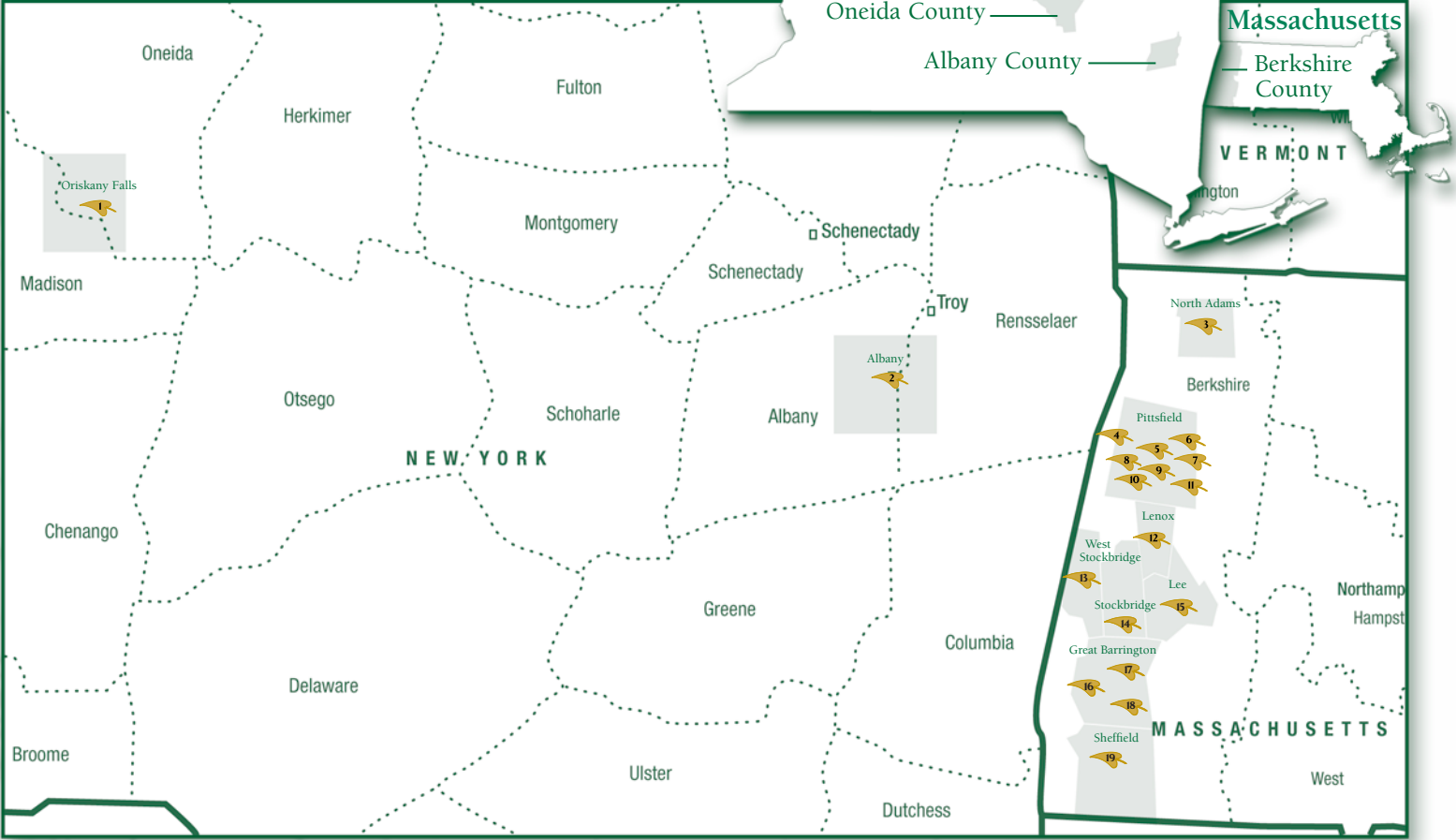
Member FDIC



Member FDIC The first \$100,000 per depositor is insured by the FDIC; all deposits above this amount are insured by the Depositors Insurance Fund (DIF). Member DIF Member FDIC Equal Housing Lender



BERKSHIRE BANK  
MAP OF BANKING AND ATM LOCATIONS



New York

- 1 212 Main Street  
Oriskany Falls, NY 13425
- 2 54 State Street, Suite 804  
Albany, NY 12207

Massachusetts

- 3 37 Main Street\*  
North Adams, MA 01247
- 4 24 North Street\*  
(Corporate Headquarters)  
Pittsfield, MA 01201
- 5 Old Town Hall Office  
43 East Street  
Pittsfield, MA 01201
- 6 Allendale Shopping Center\*  
39 Cheshire Road  
Pittsfield, MA 01201
- 7 165 Elm Street\*  
Pittsfield, MA 01201
- 8 66 West Street\*  
Pittsfield, MA 01201
- 9 Berkshire Community College\*  
(ATM Only)  
1350 West Street  
Pittsfield, MA 01201
- 10 1575 West Housatonic Street\*  
(ATM Only)  
Pittsfield, MA 01201
- 11 Berkshire Eagle Building\*  
(ATM Only)  
75 South Church Street  
Pittsfield, MA 01201
- 12 Tanglewood\* (ATM Only)  
297 West Street  
Lenox, MA 01240
- 13 2 Depot Street\*  
West Stockbridge, MA 01266
- 14 32 Main Street\*  
Stockbridge, MA 01262
- 15 1 Park Street\*  
Lee, MA 01238
- 16 244 Main Street\*  
Great Barrington, MA 01230
- 17 Guido's Fresh Marketplace\*  
(ATM Only)  
760 Main Street  
Great Barrington, MA 01230
- 18 255 Stockbridge Road\*  
Great Barrington, MA 01230
- 19 103 North Main Street\*  
Sheffield, MA 01257

\* ATMs are available at Corporate Headquarters  
and these branches