

BOSTON PRIVATE FINANCIAL HOLDINGS:
A National Wealth Management Franchise

Timothy L. Vaill
Chairman and CEO

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Chief Financial Officer

Forward Looking Statements

In this presentation we may make certain forward-looking statements. The Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. For more information about these risks and uncertainties, we refer you to our public reports on file with the SEC. Boston Private does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statements are made.

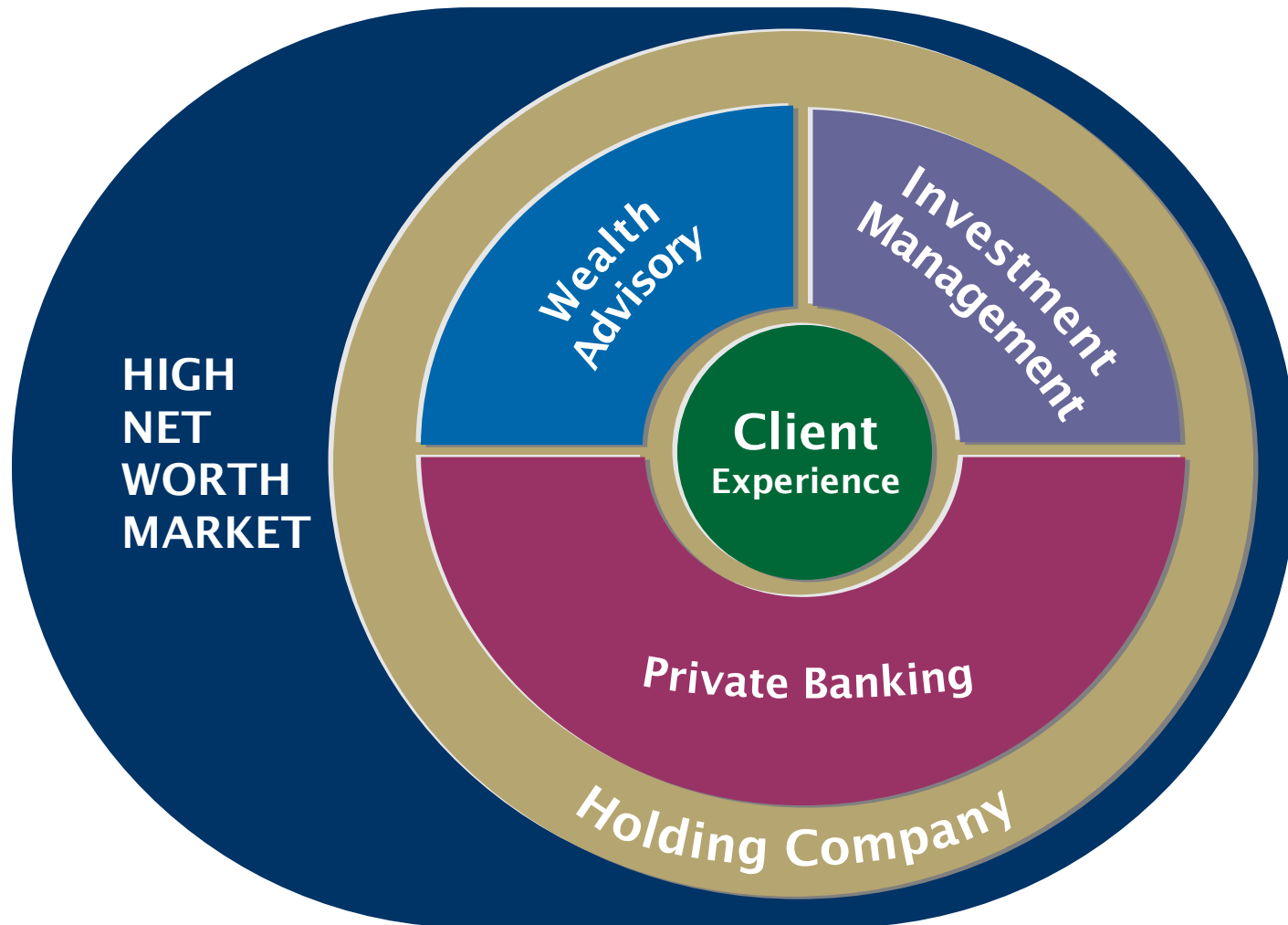
Agenda

- I. Investment Rationale
- II. Current Financials
- III. Capital and Credit

I. Investment Rationale



Proven Core Strategy Remains The Same



Strengthened Balance Sheet

We have taken deliberate actions within our core wealth management strategy to:

- Bolster our capital position
- Reduce risk
- Create financial flexibility

Private Banking Centric

Private Banks account for 73% of revenue

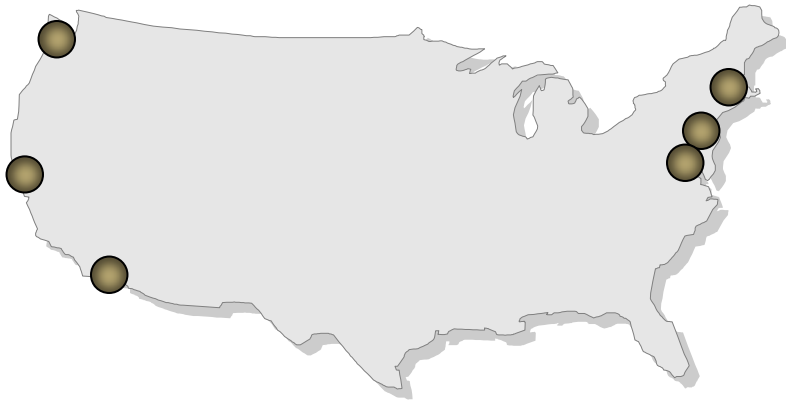
	Private Banking	Wealth Advisory	Investment Management
Q4 Revenue	\$48.8M	\$9.1M	\$9.1M
AUM	\$3.5B	\$8.0B	\$7.0B
Average Operating Margin*	33%	30%	19%
Footprint	4 banks 25 offices	4 firms 5 offices	2 firms 3 offices

Fee-based revenues generate 37% of core revenues

*Q1 08 - Q4 09 quarterly average excluding tax, provision, impairment and one-time items

Corporate Profile

National Franchise



- 6 Regions
- 10 Affiliates
- 33 Offices

Key Metrics

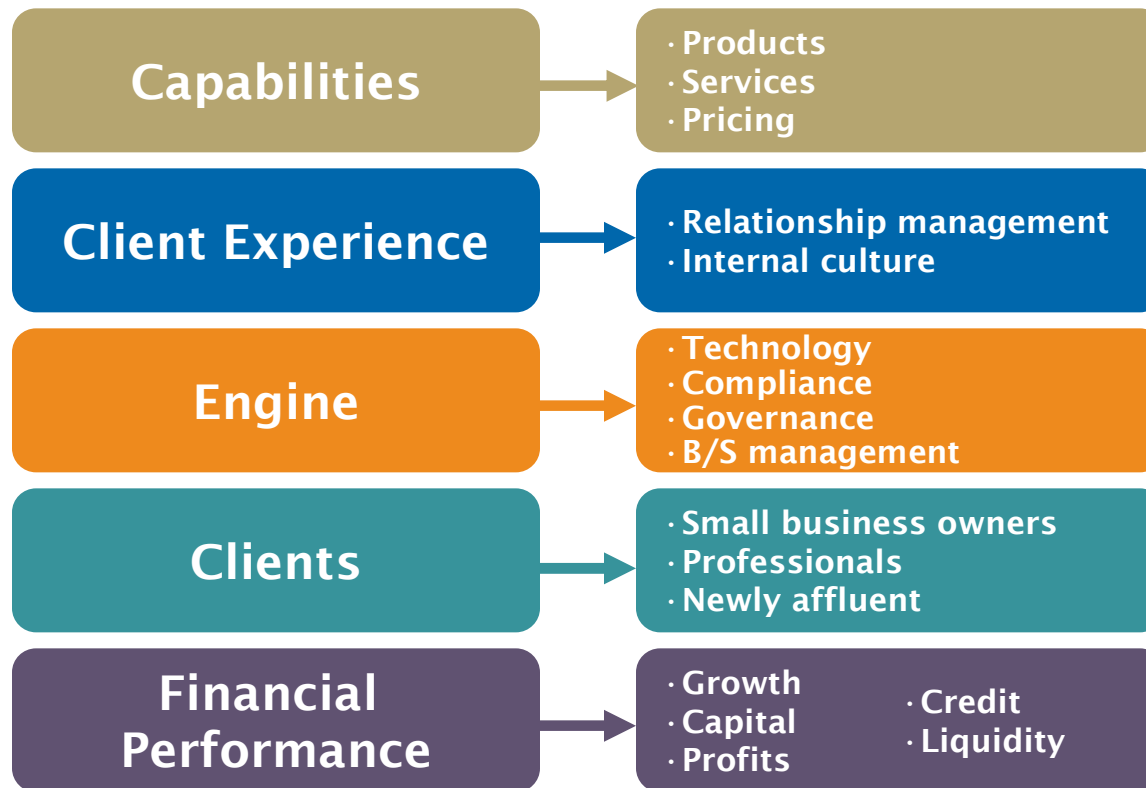
AUM/ Advisory:	\$18.5 billion
Consolidated B/S:	\$6.0 billion
Loans:	\$4.3 billion
Deposits:	\$4.3 billion
Q4 Revenue:	\$83.4 million

Grow By Expanding Market Share

- Achieve scale and expand balance sheet, AUM and other key metrics in existing markets
- Examples:
 - Lift-outs of key business leaders
 - In-market branch/office acquisitions
 - Expand Investment Management & Trust services within private banks

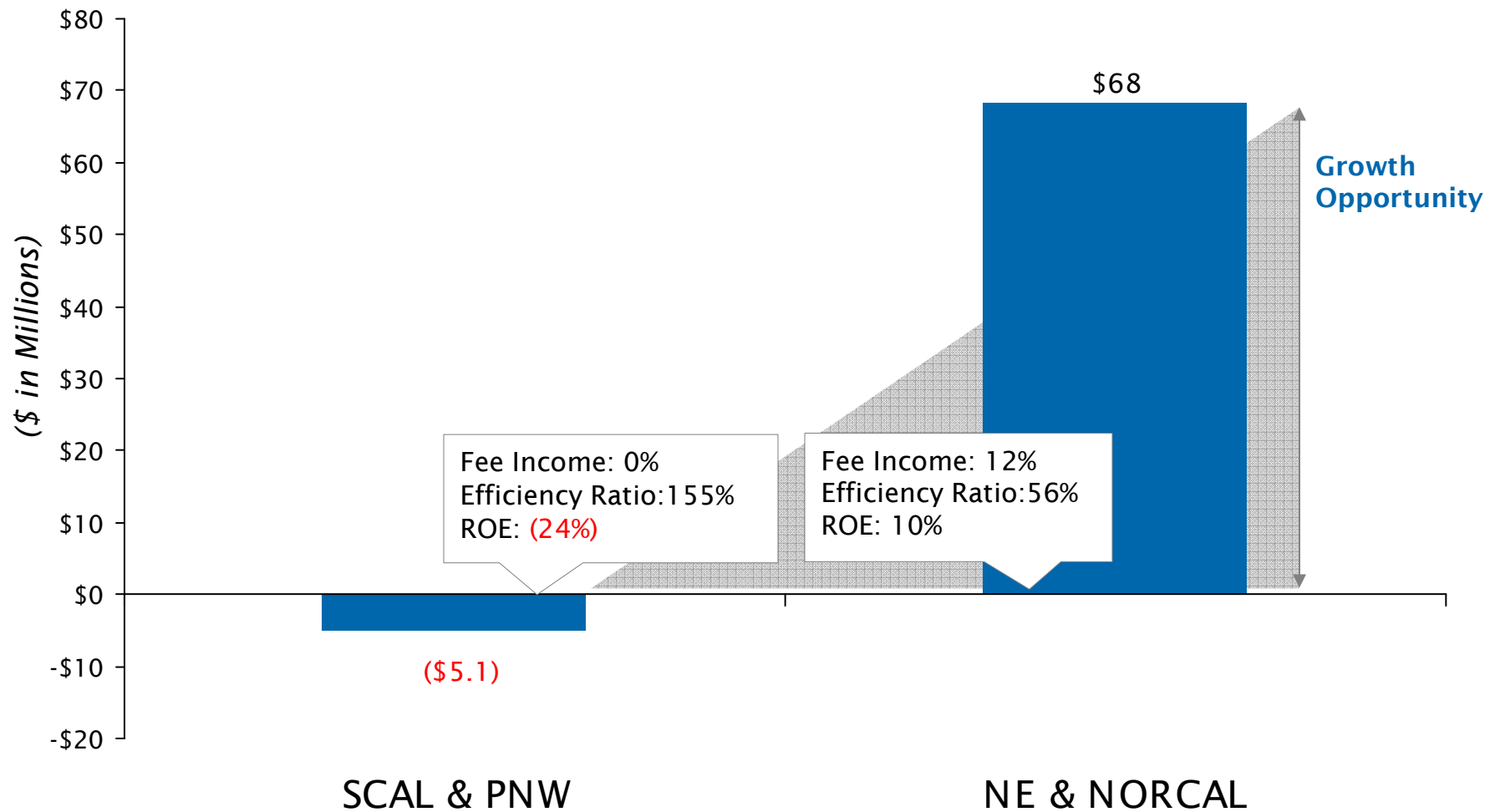
Instill Private Banking Ideal

Ideal Private Bank



Ideal Private Bank Model Works

2009 Pre-Tax, Pre-Provision Operating Income



II. Current Financials



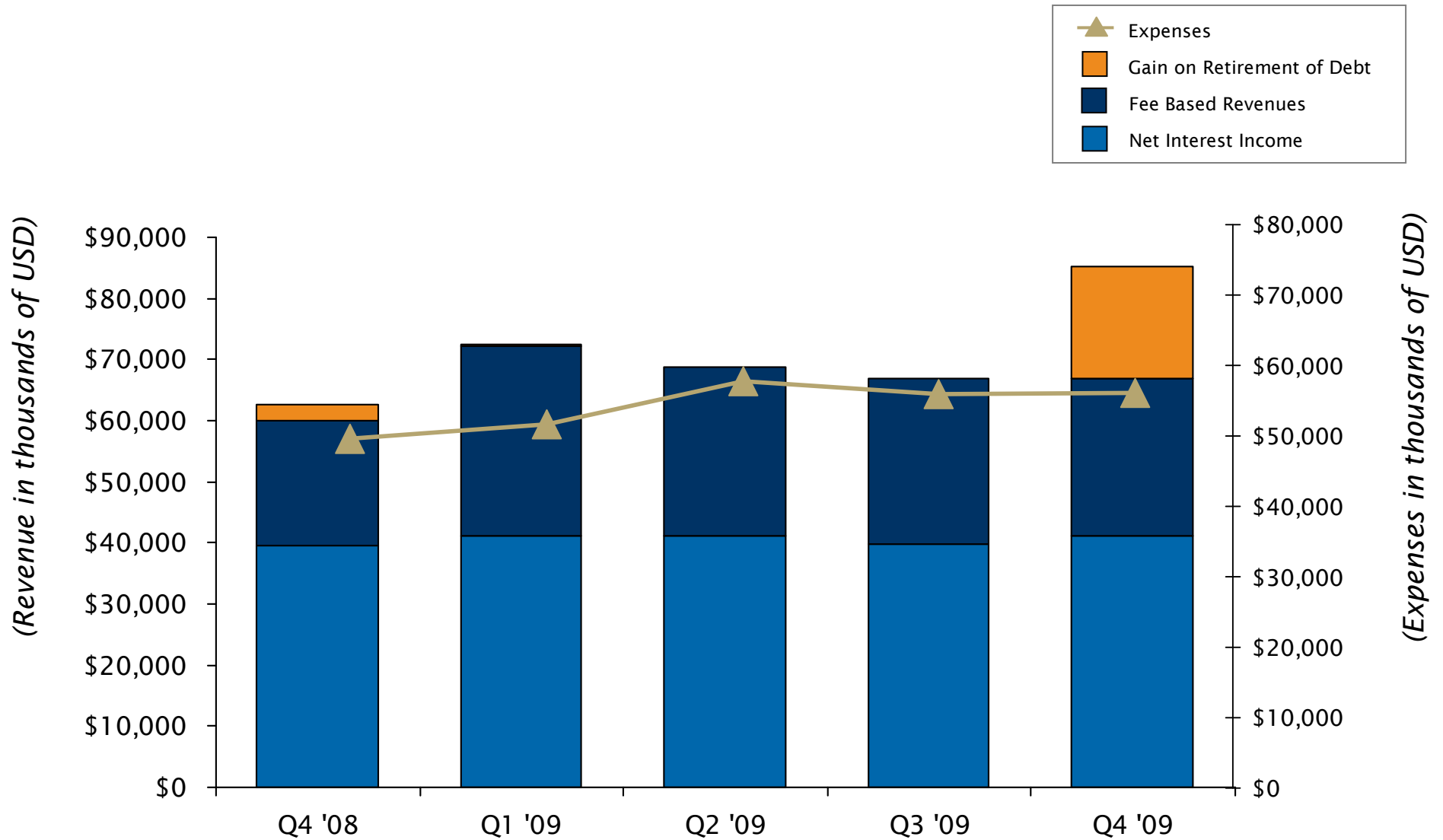
GAAP Net Income to Common Shareholders

		EPS Impact
GAAP Net Income from Continuing Operations	\$11.9M	\$0.18
Non-cash equity adjustments	(\$11.9)	(\$0.18)
Preferred dividends	(\$2.0M)	(\$0.03)
Non-controlling Interest	(\$1.2M)	(\$0.02)
Discontinued Operations	\$31.5M	\$0.47
GAAP Net Income to Common Shareholders	\$28.3M	\$0.42

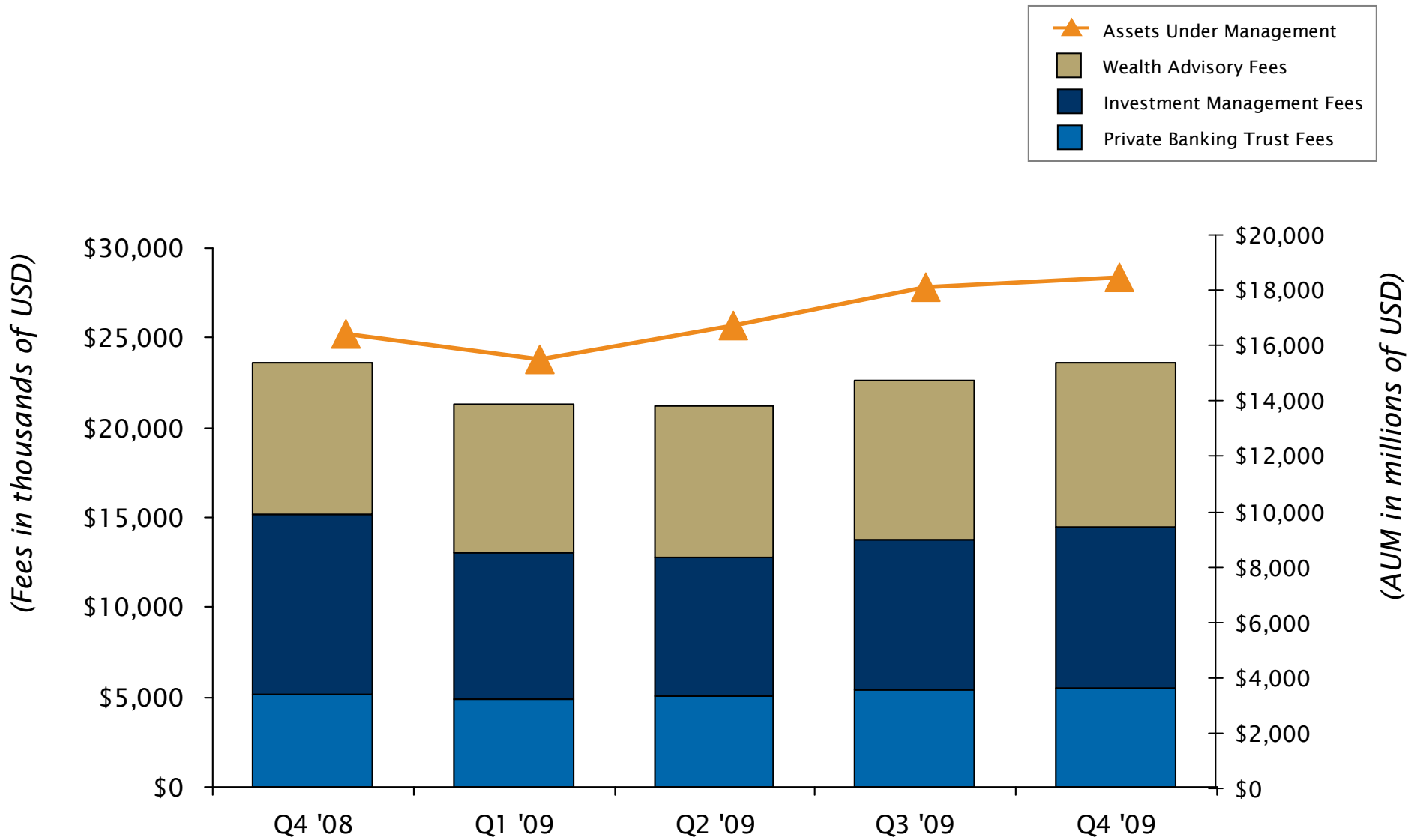
Normalized Pre-Tax, Pre-Provision Income

	Q3 '09	Q4 '09
Normalized Pre-Tax, Pre-Provision Income	\$10.8M	\$12.0M
Items affecting comparability:		
Gain On Debt	-----	\$18.3M
Gain/(Loss) on OREO	(\$0.5M)	(\$2.9M)
Pre-Tax, Pre-Provision Operating Income	\$10.3M	\$27.4M
Provision for loan losses	\$9.1M	\$13.8M
Pre-Tax Operating Income	\$1.2M	\$13.6M

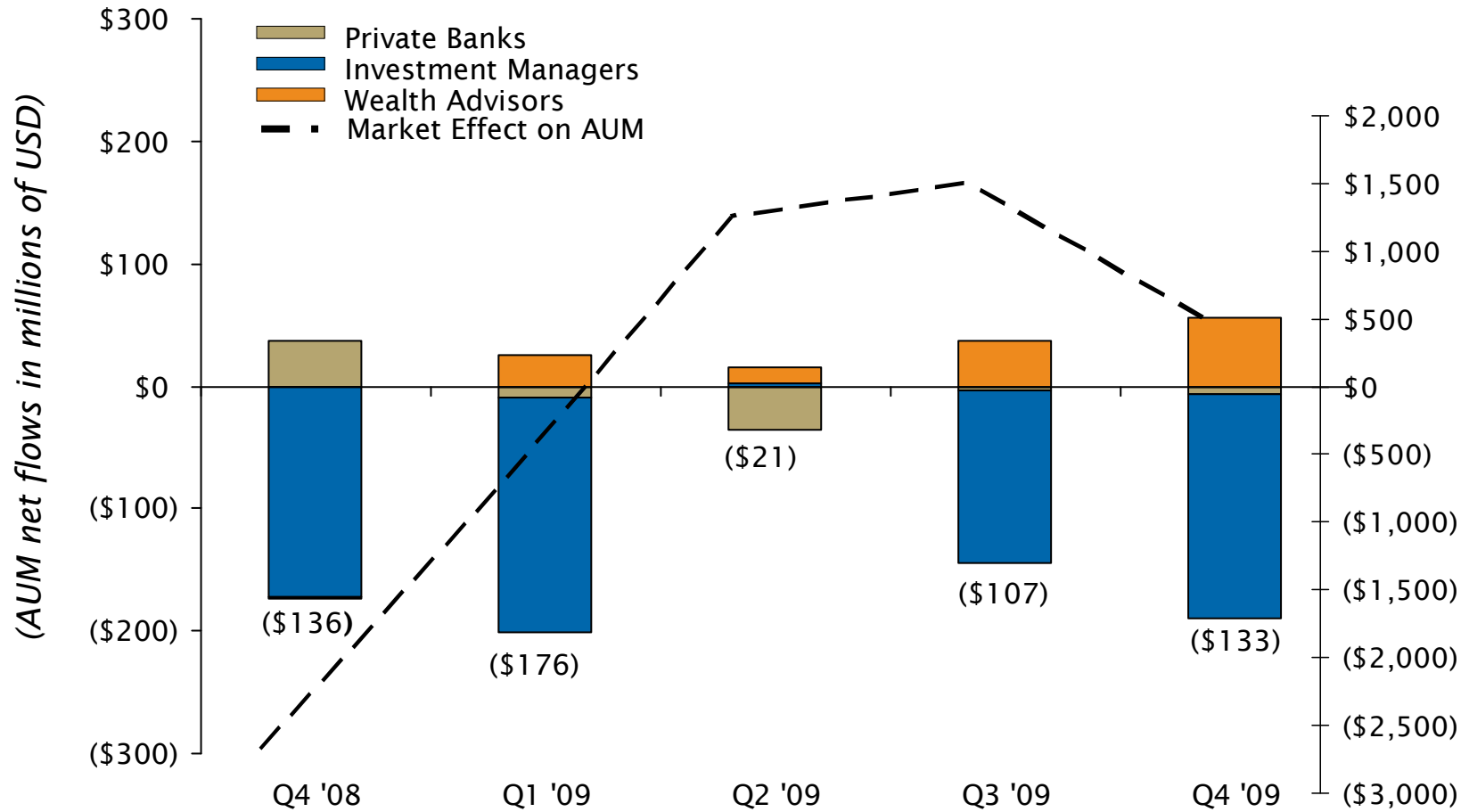
Revenue & Expenses



Fee Business

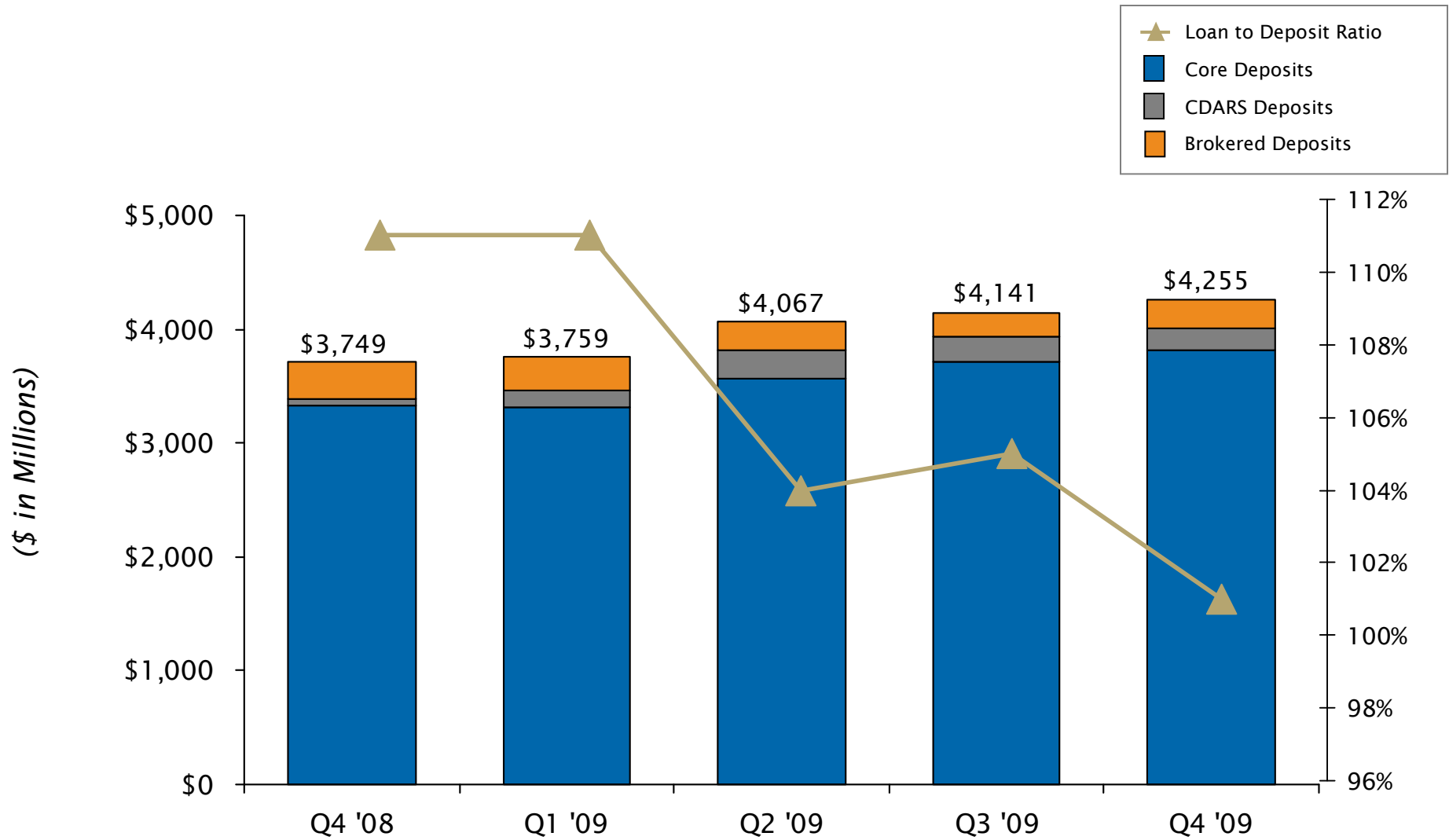


AUM Net Flows



Excluding market changes and acquisitions

Deposits



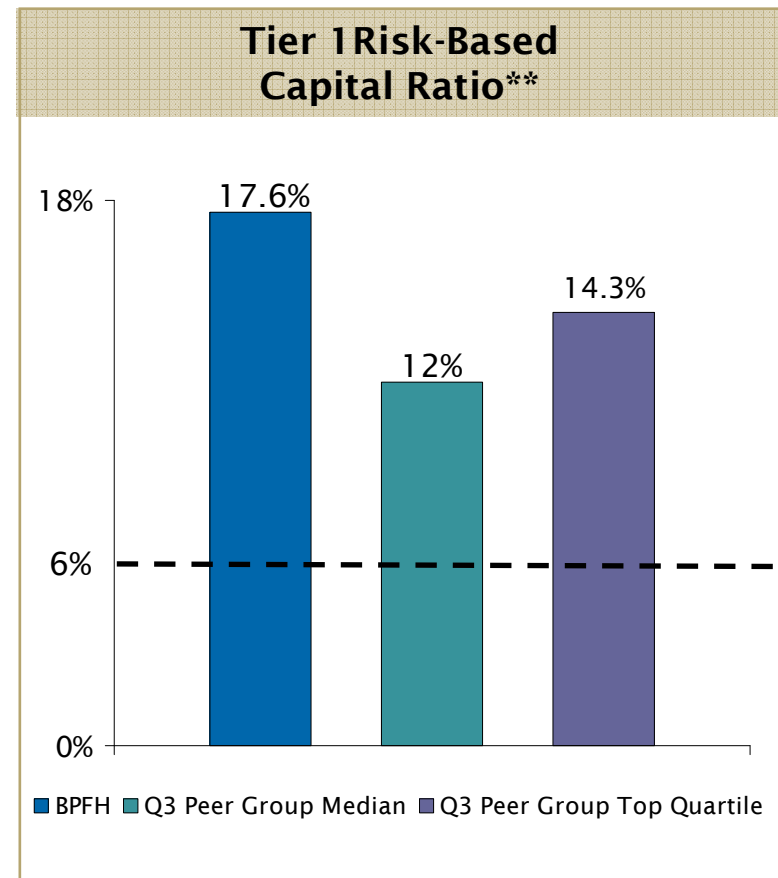
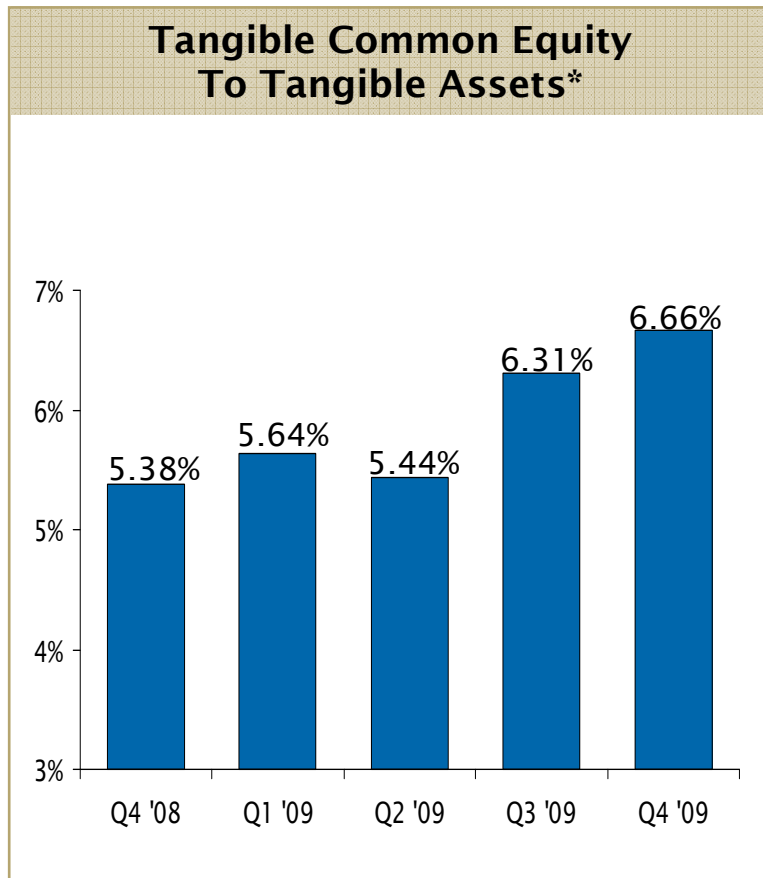
III. Capital and Credit



Capital Transactions

- Repurchased \$44.5M of Convertible Trust Preferreds (Q4 '09)
 - Redeemed at 44% discount from original offering price – \$25M cash consideration
 - \$60M remains outstanding from this issuance
 - After tax gain of \$10.8M or \$0.16/share in Q4
 - TCE/TA increase of 22 bps
 - \$2.3M annual revenue increase due to interest savings
- Repaid 1/3 of \$154M in TARP capital (Q1 '10)
 - \$2.3M in annual savings
 - Preferred dividend run rate decreases to \$1.3M

Strong Capital Position

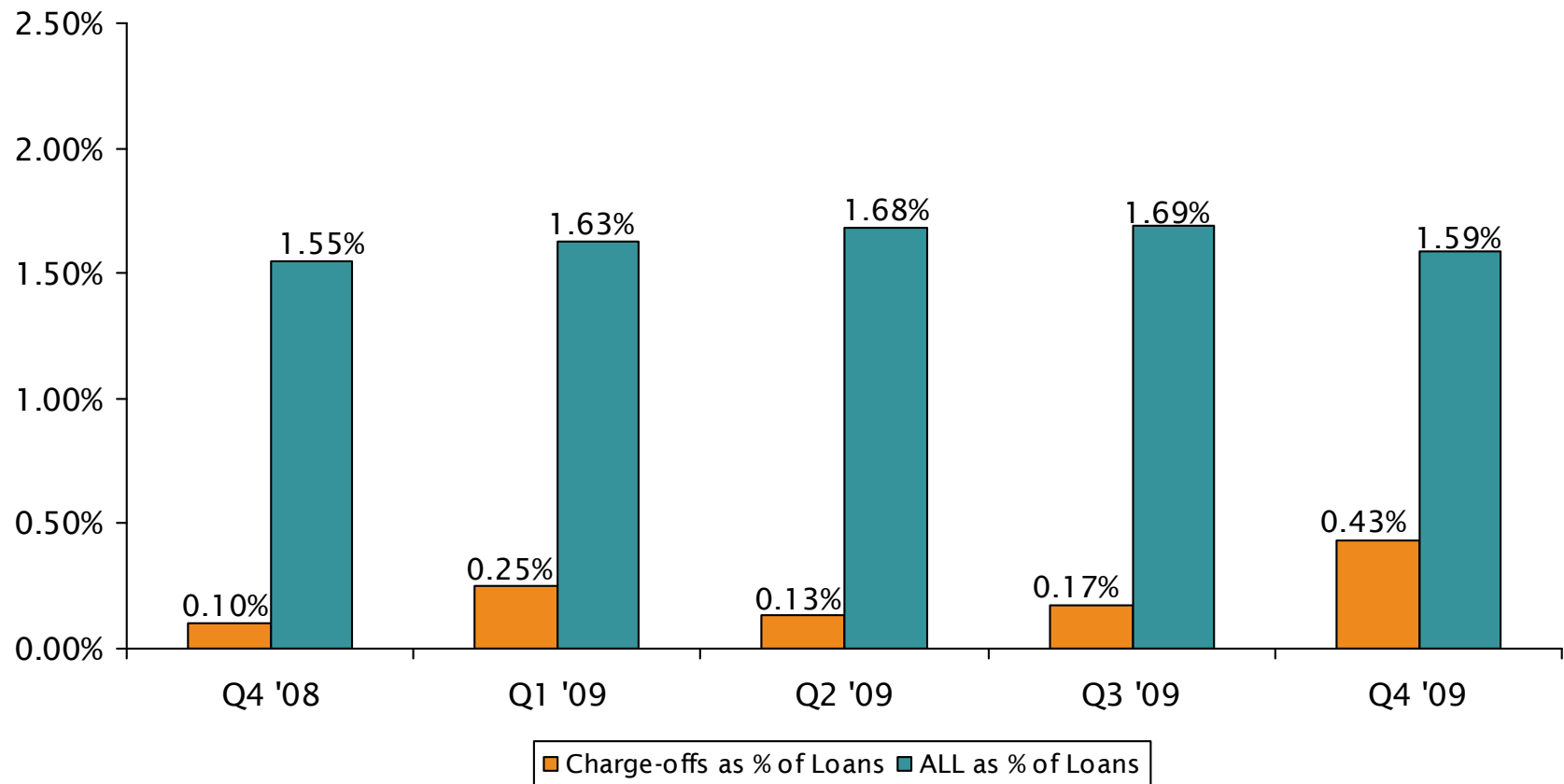


*Includes Carlyle Preferreds and the redeemable non-controlling interest

**Pro forma Q4 09

Allowance for Loan Losses

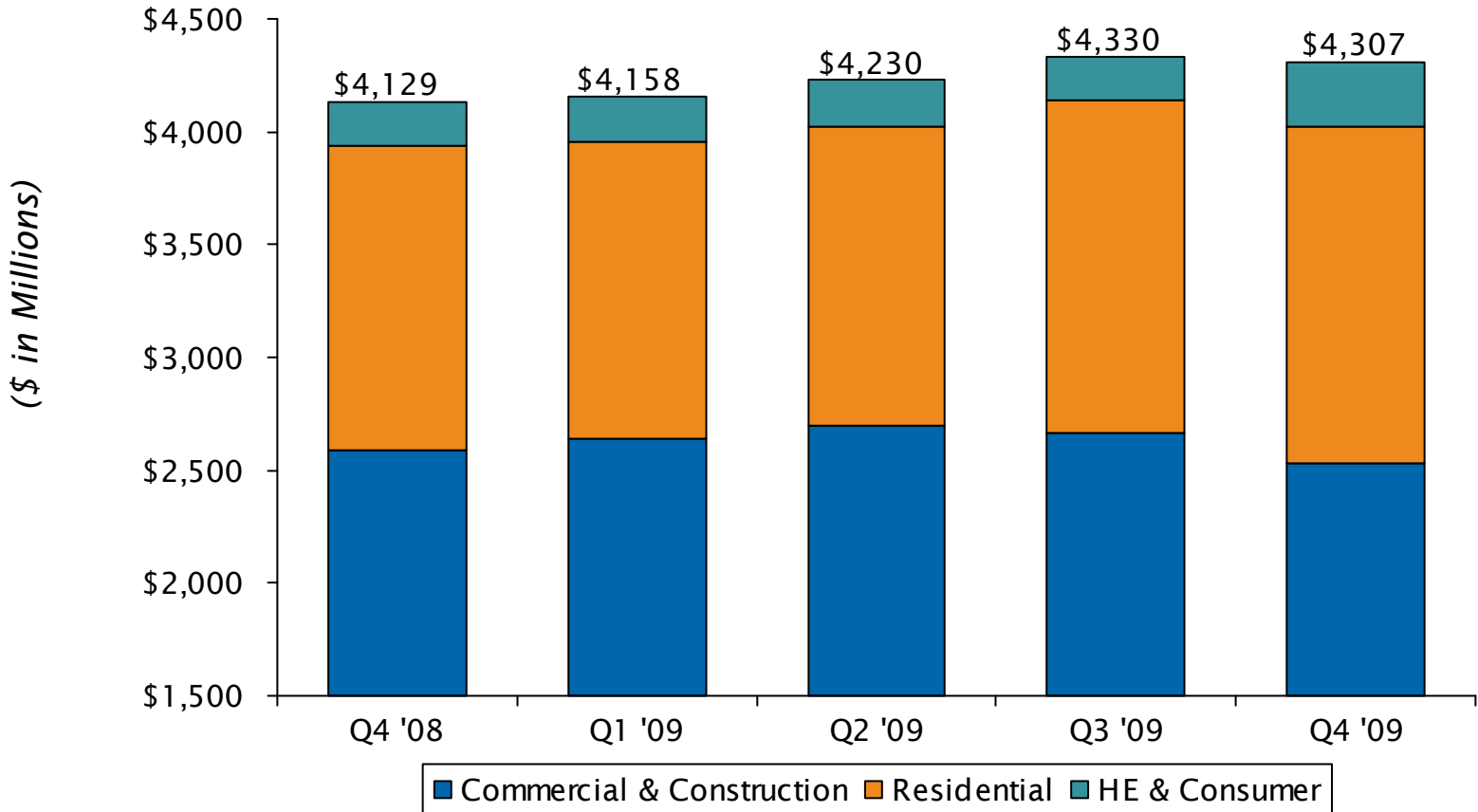
Total 2009 charge-offs equal 94 bps of total loans



Charge-offs are not annualized

Total Loans

Residential loan growth drove annual 4% increase



Excluding Loans Held for Sale

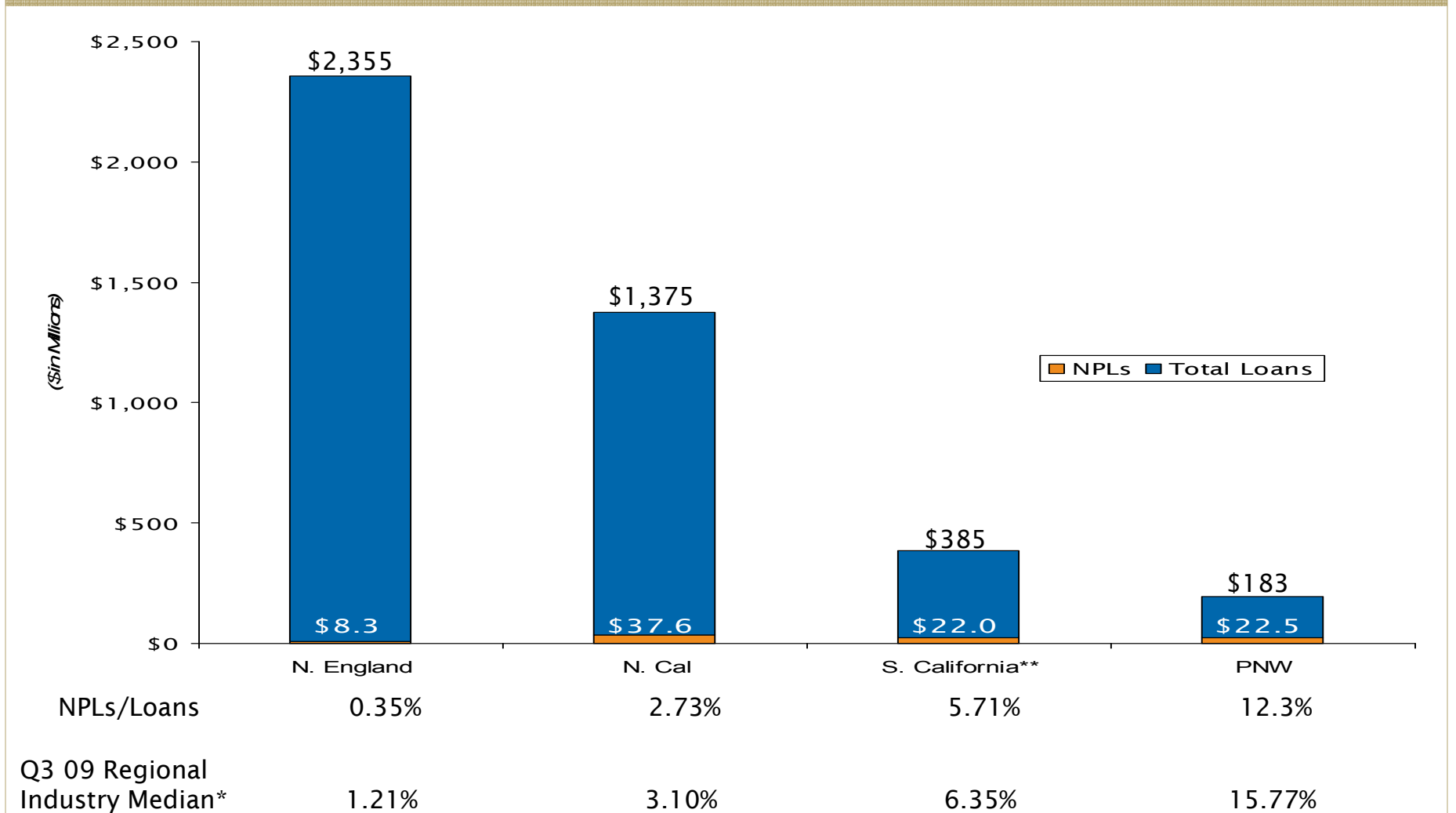
Credit Metrics

Past Dues, NPLs and NCOs remain below peer group medians

	Q3 '09	Q4 '09	Change
Past Due Loans (30-89 Days)	\$11.4M	\$21.2M	\$9.8M
Classified Loans	\$147.7M	\$141.7M	(\$6.0M)
Non-Performing Loans	\$99.8M	\$90.3M	(\$9.5M)
Charge-Offs (not annualized)	\$7.1M	\$18.4M	\$11.3M

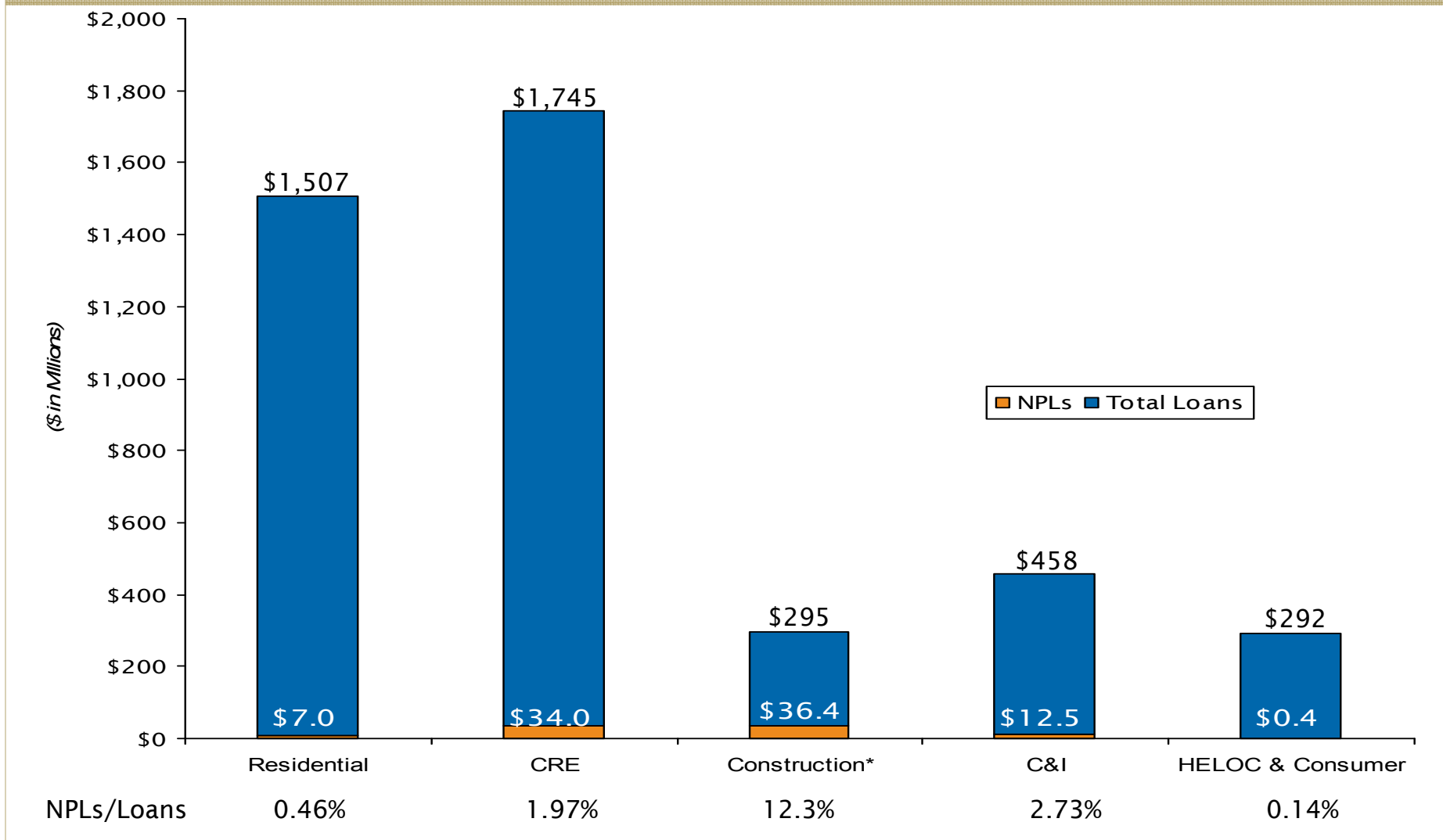
Loans By Region

Non-Performing Loans as a Percent of Total Loans



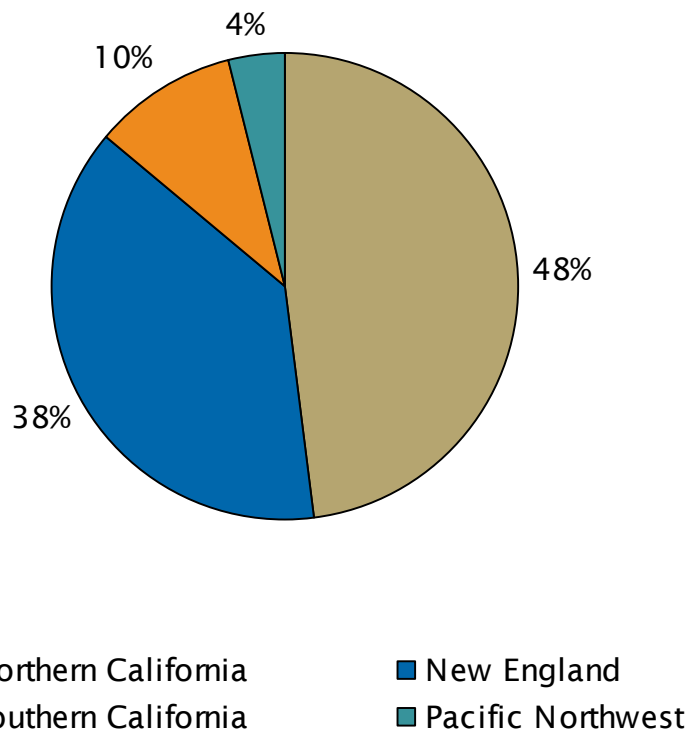
Loans By Type

Non-Performing Loans as a Percent of Total Loans

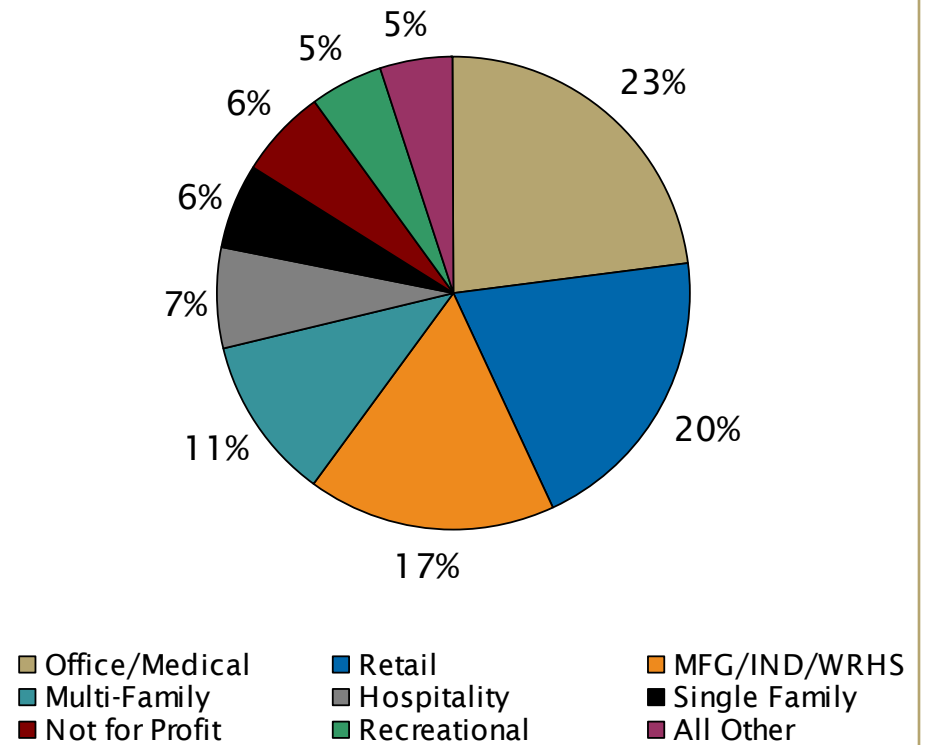


Diversified CRE Portfolio

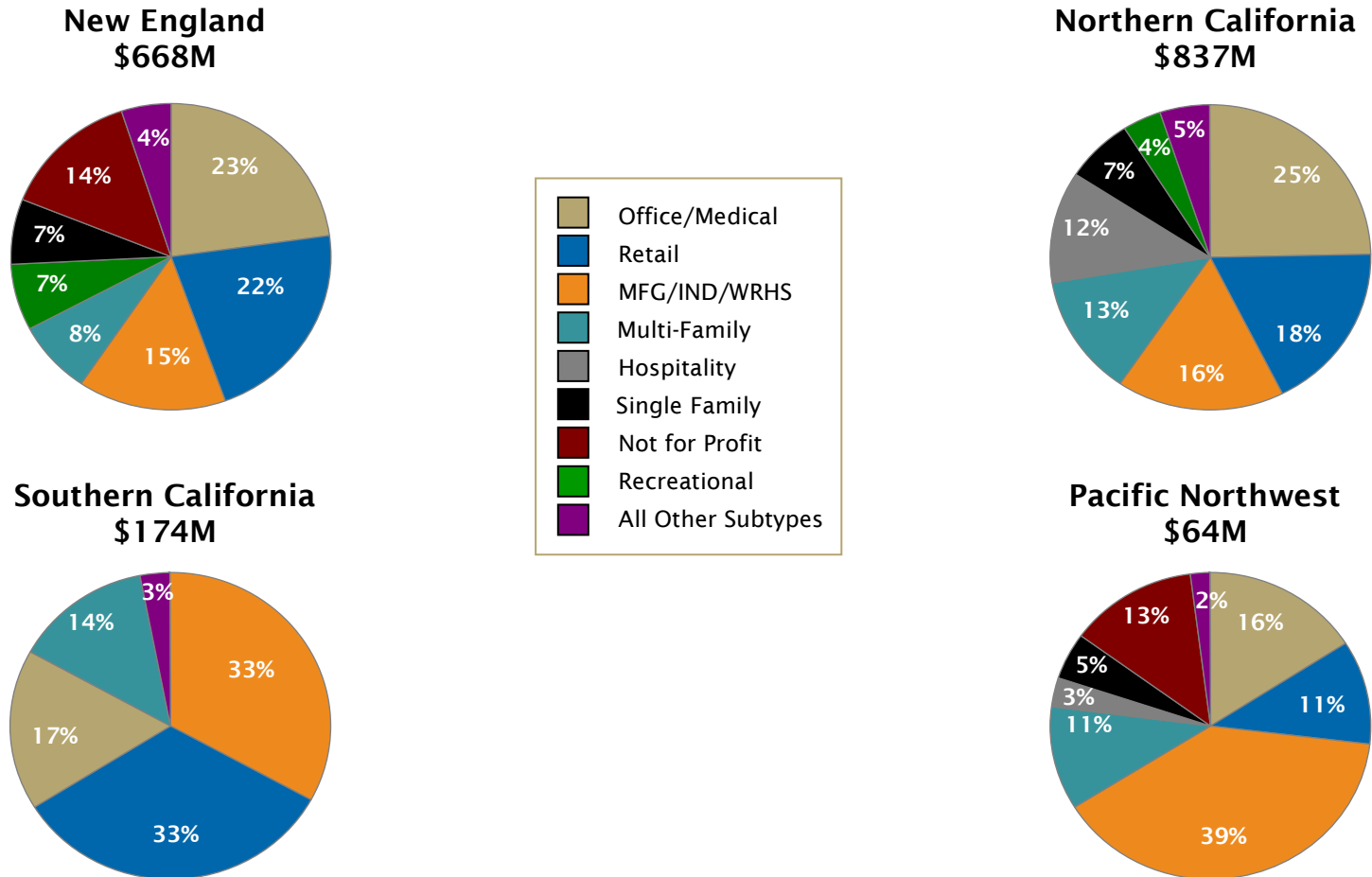
By Geography



By Segment

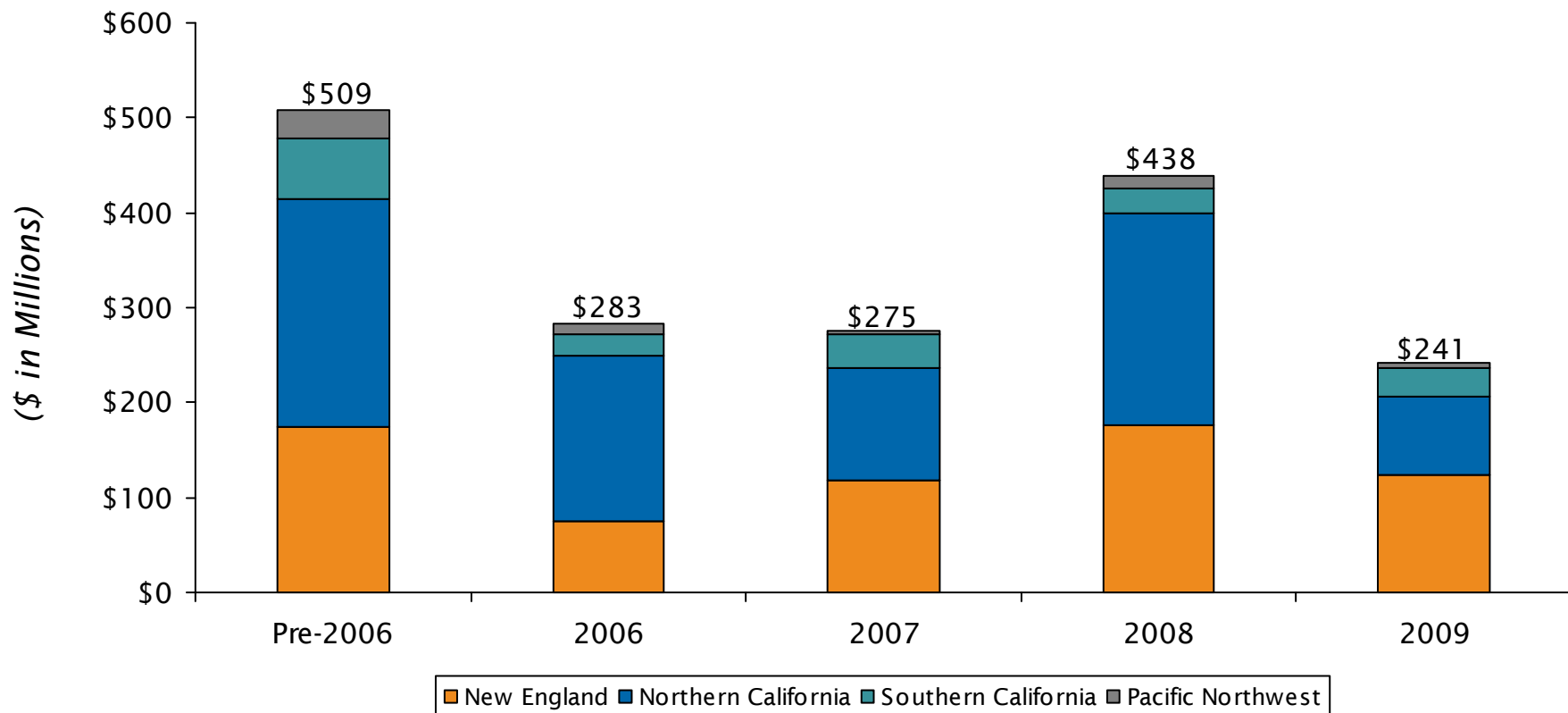


Diversified CRE Portfolios By Region

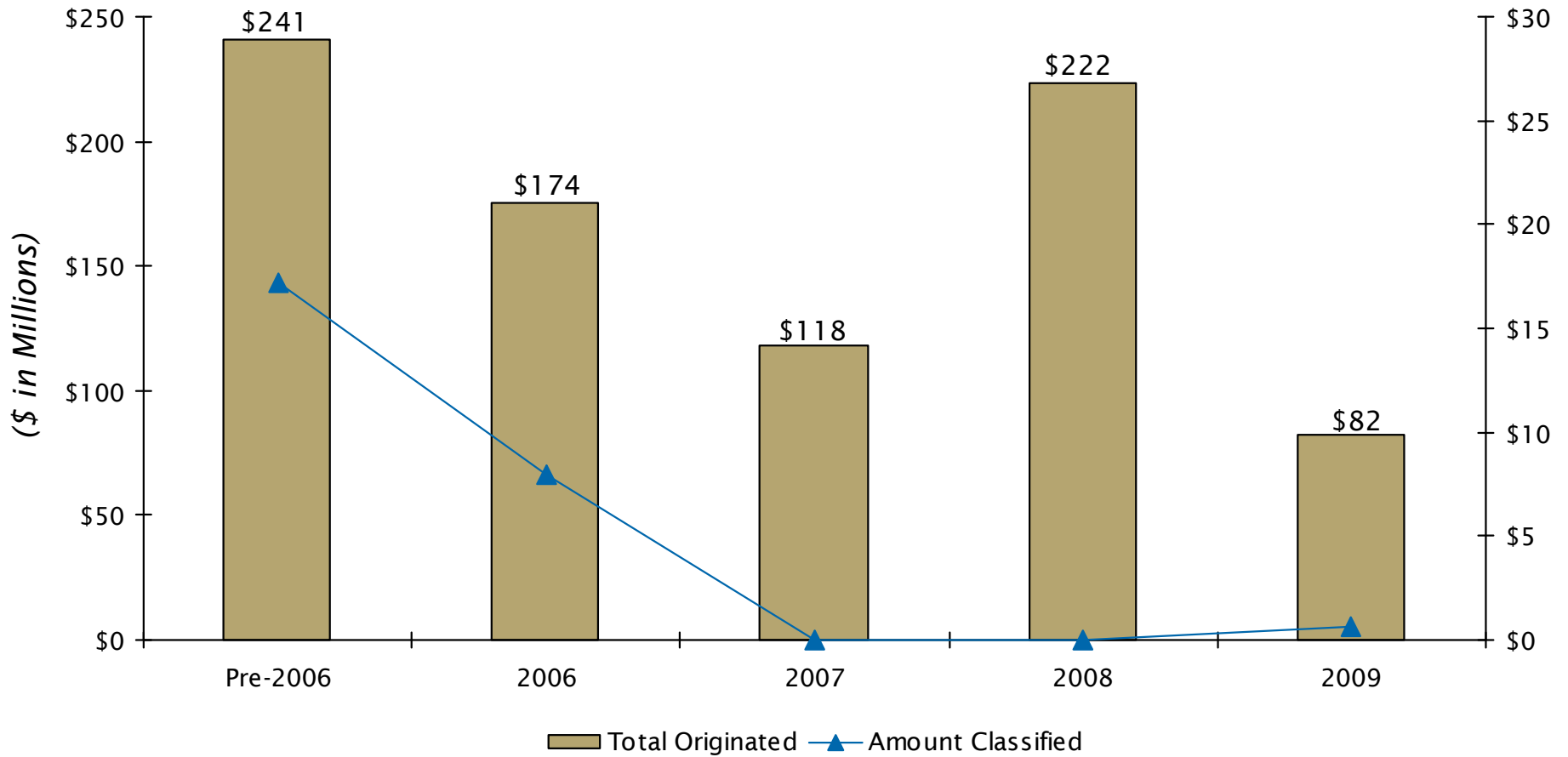


CRE Loan Balances By Vintage

43% of CRE portfolio originated before 2006

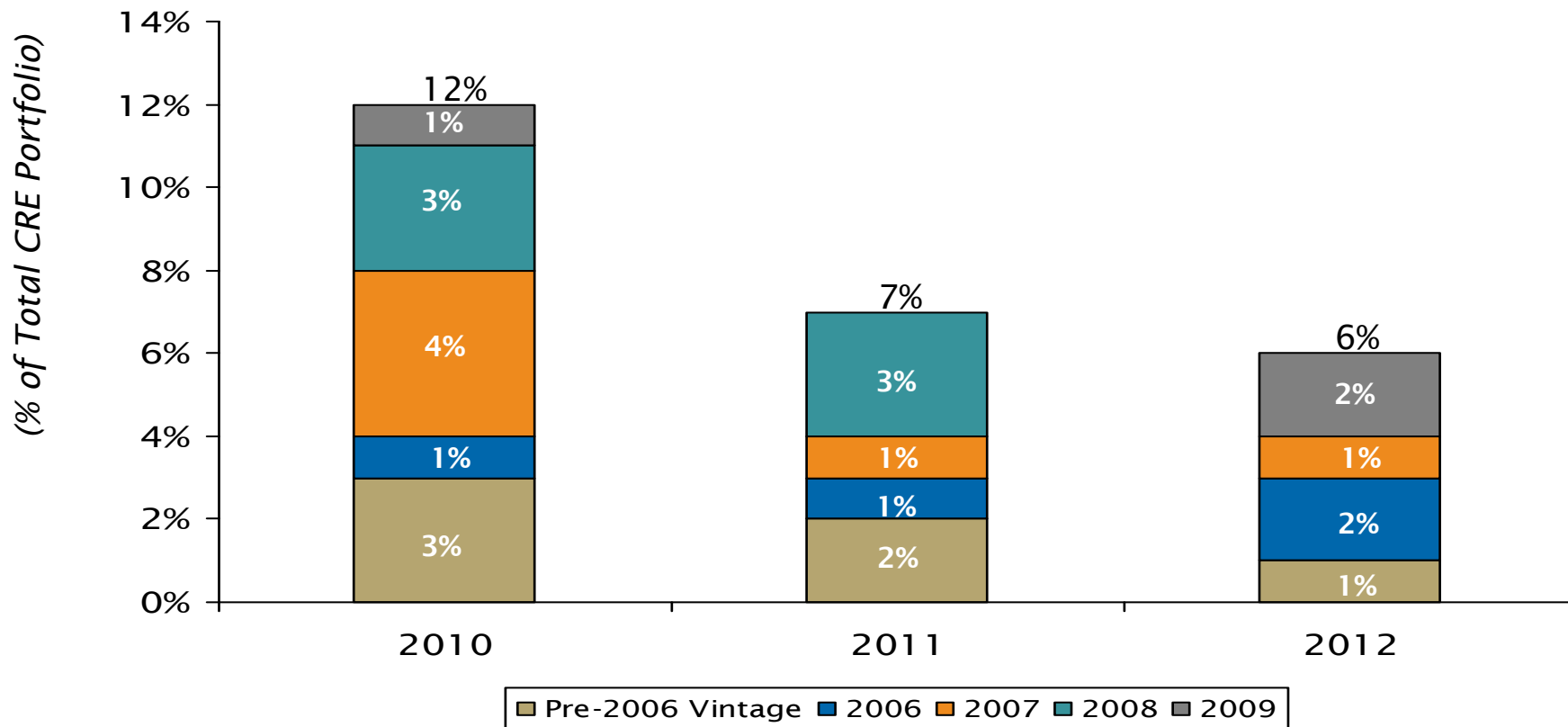


NORCAL CRE Loan Balances By Vintage



CRE Maturities

24% of CRE portfolio coming due over next 3 years



Summary



Financial flexibility and strength



Improved risk profile



Well positioned to accelerate growth in attractive HNW space

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