

U.S. DEPARTMENT OF TREASURY TO INVEST IN CBT

HARTFORD, CT, DEC 3, 2008 -- The U.S. Department of the Treasury gave preliminary approval on November 25 for an investment of \$5.4 million in The Connecticut Bank and Trust Company (NASDAQ:CTBC). CBT is one of Connecticut's early adopters of the Treasury's program. The proceeds of the program will strengthen the Company's already strong capital position.

"Since we opened our doors in 2004, our goal has always been to support the communities in which we operate. The Treasury's investment will bolster our lending ability to expand our already deep commitment to provide capital to the businesses and individuals in the communities we serve," said David A Lentini, CBT's Chairman and CEO. "We see the Treasury's investment as an important recognition of our prudent growth, strength and stability and our good standing as a strong and healthy financial institution."

CBT's total risk-based capital ratio of 11.52 percent as of September 30, 2008 is already well above the regulatory requirements of 10.0 percent for a "well capitalized" institution. With this new capital, CBT's total risk-based capital ratio would increase to approximately 14.25 percent.

To allow the Company to participate in the Treasury program, CBT will call a special meeting of the Shareholders on December 16, 2008 to seek approval to change its charter to allow the institution to issue preferred stock. To be eligible for participation in the program, the Treasury requires financial institutions to issue preferred stock to the Treasury.

About the Treasury Program

On October 14, 2008, the U.S. government announced a series of initiatives to strengthen market stability, improve the strength of financial institutions, and enhance market liquidity. The Treasury's Capital Purchase Program was designed to encourage U.S. financial institutions to build capital, to increase the flow of financing to U.S. businesses and consumers and to support the U.S. economy. Under the program, the Treasury will purchase up to \$250 billion of senior preferred shares on standardized terms

Under the Treasury Capital Purchase Program, eligible institutions like CBT can sell equity interest to the Treasury in amounts equal to one to three percent of their risk-weighted assets. These equity interests will constitute Tier 1 capital for the Bank.

About CBT

CBT is a Connecticut-based full-service commercial bank headquartered in Hartford, Connecticut. The Bank has branches in Hartford, Glastonbury, Newington, Rocky Hill, Vernon, West Hartford and Windsor. The Bank opened for business in March 2004 and reported total assets of \$223 million on September 30, 2008. To find out more about CBT, visit www.thecbt.com or call the main number 860-246-5200.

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Media Contact:

Andrea Obston (860) 243-1447 (office), (860) 803-1155 (cell),
(860) 653-2712 (home) aobston@aomc.com.

Statements contained in this release, which are not historical facts, may be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risk and uncertainties which could cause actual results to differ materially from those currently anticipated, due to a number of factors which include without limitation the effects of future economic conditions, governmental fiscal and monetary policies, legislative and regulatory changes, changes in the interest rates, the effect of competition and other factors that could cause actual results to differ materially from those provided in any such forward-looking statements.

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