

**FOR IMMEDIATE RELEASE:**

**CONTACT:** Walter M. Pressey, President and CFO  
Boston Private Financial Holdings, Inc.  
(617) 912.1921  
[www.bostonprivate.com](http://www.bostonprivate.com)

John Scarborough  
Bingham, Osborn & Scarborough, LLC  
(415) 781-8535  
[www.bosinvest.com](http://www.bosinvest.com)

**BOSTON PRIVATE TO INVEST IN  
BINGHAM OSBORN & SCARBOROUGH LLC**

*Forms strategic alliance with one of the largest San Francisco Bay Area  
independent wealth managers*

**Boston, MA, September ~~XX~~23~~6~~, 2003** – Boston Private Financial Holdings, Inc. (Nasdaq: BPFH) today announced it has signed a definitive agreement to acquire a 20% interest in Bingham, Osborn & Scarborough, LLC (BOS) of San Francisco and Menlo Park, California. [Over the next 5 years, Boston Private could acquire up to a 70% percent interest in the firm.](#)

BOS, founded in 1985, manages approximately \$800 million of client assets, and is a fee-only financial planning firm specializing in strategies for retirement planning, estate planning, charitable giving, portfolio diversification, insurance programs and tax management. The firm, which has 22~~4~~ employees, is also a globally diversified investment manager with expertise in concentrated stock and stock options. BOS' founding and managing principals, Robert Bingham, Ed Osborn and John Scarborough, will continue with the Company and will retain a remaining interest in the firm. Jonathan Parker, Executive Vice President of Northern California Region [for Boston Private](#), will represent BPFH on BOS' board of directors. ~~Boston Private intends to purchase up to an additional 50% percent interest in BOS over the next five years.~~

BPFH expects the transaction will be immediately accretive to cash earnings and accretive to full accrual based earnings within the first 12~~-~~ months. The initial purchase price is expected to be approximately \$2~~-~~3 million, with 75% payable in cash and the remainder payable in Boston Private common stock. The transaction, expected to close by the first quarter of 2004, is subject to certain customary conditions, including approval

of federal banking regulators. Boston Private Bank & Trust Company, a wholly owned private banking subsidiary [of BPFH](#), located in Boston, in June of 2003~~4~~<sup>has</sup> entered into an informal agreement with the FDIC and the Commissioner of Banks in Massachusetts to enhance its anti-money laundering procedures. The receipt of regulatory approval will be subject to, among other things, progress in achieving the objectives of this agreement.

Timothy L. Vaill, Boston Private's Chairman and Chief Executive Officer, in outlining the specific strategy for this transaction, said, "The investment in a premier firm such as BOS anchors our Northern California wealth management cluster in San Francisco while firming our ties to the Peninsula marketplace. BOS adds additional financial planning and investment management expertise which in turn will increase our fee income revenue. We are pleased to bring the exceptional team at BOS into Boston Private's network of premier wealth management firms."

With over 60 years of successful financial planning and investment management experience of the three principals combined, BOS offers financial planning and investment management services to high net worth individuals and selected institutions. The firm's financial planning analysis and advice is focused on wealth building and preservation strategies for their clients' retirement income and lifetime estate assets. For global investment management strategies, BOS' investment committee analyzes and invests in mutual funds and individual stocks and bonds to structure diversified investment portfolios. Cambridge International Partners, Inc. acted as financial advisor to BOS for the transaction.

John Scarborough, Managing Principal of BOS said, "We view a partnership with Boston Private as an excellent way to achieve new levels of success in the wealth management business and we are excited about the opportunity to work with the firm's Northern California affiliates. Our partnership with Boston Private will provide an excellent platform for us to grow our high net worth market presence in the Bay area and continue to deliver exceptional services for our clients."

Boston Private Financial Holdings currently has six operating companies which focus on investment management, private banking and financial planning in two regions; New England and Northern California. The Company also has a minority investment in a seventh company in the Pacific Northwest, Coldstream Capital Management, Inc. Boston Private's client base consists of selected institutions, non-profits and foundations, and high net worth individuals. Earlier this year, Boston Private announced that it had signed definitive agreements to acquire an 80% interest in Dalton, Greiner, Hartman & Maher, a registered investment advisor headquartered in New York City and 100% interest in First State Bancorp, headquartered in Granada Hills, CA.

Mr. Vaill concluded, "An important part of Boston Private's plan is to replicate our successful wealth management approach in geographic areas with attractive demographics, such as Northern California. Over time, we intend to be opportunistic and establish additional capabilities in our other target markets, including the Pacific Northwest, [the](#) New York Metro [area](#), Southern California, and New England."

### **About Boston Private Financial Holdings**

Established in 1987, Boston Private Financial Holdings offers a full range of wealth management services. Boston Private's assets include six operating companies located in New England and California, offering individualized wealth management, financial planning, investment management, and private banking services to its domestic and international clientele. These subsidiaries include: in *New England*, Boston Private Bank & Trust Company, Westfield Capital Management Company, LLC., RINET Company LLC., Boston Private Value Investors; and in *Northern California*, Sand Hill Advisors and Borel Private Bank & Trust Company. Recently, Boston Private announced the acquisition of 26.9% of Coldstream Capital Management, based in Bellevue, Washington, giving the firm its first entrée into the *Pacific Northwest*. Boston Private manages approximately \$8.2 billion in client assets, and has balance sheet assets of approximately \$2.0 billion. It is a member of the Standard & Poor's 600 Index and is included on the Nasdaq Financial-100 Index®.

*This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, (i) statements about the benefits of the transaction to Bingham, Osborn & Scarborough or Boston Private, including future financial and operating results, enhanced revenues that may be realized from the transaction, and the accretive effect of the transaction on BPFH's financial results, (ii) statements with respect to Boston Private's strategy, initiatives, plans, objectives, expectations, and intentions; (iii) statements regarding the expected timing of the transaction; (iv) statements regarding future operations, market position or prospects of either Boston Private or Bingham, Osborn & Scarborough; (v) statements regarding potential product development; and (vi) other statements identified by words such as "will", "continues", "increases", "expand", "grow", "opportunity", "believes," "expects," "anticipates," "estimates," "intends," "plans," "target," and similar expressions. These statements are based upon the current beliefs and expectations of Boston Private's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.*

*The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in such forward-looking statements: (1) the risk that the transaction may not be consummated on a timely basis or at all; (2) the expected benefits to Boston Private's wealth management initiatives may not be realized or may be realized more slowly than expected; (3) the risk that the business of Bingham, Osborn & Scarborough will not be integrated successfully with Boston Private's or such integration may be more difficult, time-consuming or costly than expected; (4) expected revenue and business synergies from the transaction may not be fully realized or realized within the expected time frame; (5) the ability to obtain governmental approvals of the acquisition on the proposed terms and schedule; (6) competitive pressures among investment management companies may increase significantly and have an effect on pricing, spending, product offerings, third-party relationships, revenues and the Boston Private's and Bingham, Osborn & Scarborough's abilities to attract and retain clients; (7) the strength of the United States economy in general and specifically the strength of the New England, California, New York and other economies in which Boston Private and Bingham, Osborn & Scarborough will be operating may be different than expected resulting in, among other things, a deterioration in borrowers' ability to service and repay loans, or a*

*reduced demand for credit, including the resultant effect on the combined company's loan portfolio, levels of charge-offs and non-performing loans and allowance for loan losses, and reduced demand for wealth management services; and (8) adverse conditions in the stock market, the public debt market and other capital markets and the impact of such conditions on the Boston Private's and Bingham, Osborn & Scarborough's asset management activities and fees from such activities. Additional factors that could cause Boston Private's results to differ materially from those described in the forward-looking statements can be found in Boston Private's other press releases and Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with or furnished to the Securities and Exchange Commission. All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters and attributable to Boston Private, Bingham, Osborn & Scarborough or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements referenced above. Neither Boston Private nor Bingham, Osborn & Scarborough 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.*