

NEWS RELEASE

FOR IMMEDIATE RELEASE

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CENTURY BANCORP, INC. ANNOUNCES RECORD EARNINGS, UP 23%, FOR 2011; 12% ASSET GROWTH TO RECORD SIZE OF \$2.7BB; REGULAR DIVIDEND DECLARED

Medford, MA, January 17, 2012---Century Bancorp, Inc. (NASDAQ:CNBKA) (www.centurybank.com) ("the Company") today announced record net income of \$16,693,000 for the year ended December 31, 2011, or \$3.01 per share diluted, an increase of 23.0% compared to net income of \$13,574,000, or \$2.45 per share diluted, for the same period a year ago. Total assets increased 12.3% from \$2.4 billion at December 31, 2010 to \$2.7 billion at December 31, 2011. For the quarter ended December 31, 2011, net income totaled \$4,189,000, or \$0.76 per share diluted, an increase of 6.8% compared to net income of \$3,924,000, or \$0.71 per share diluted, for the same period a year ago.

Net interest income totaled \$55.3 million for the year ended December 31, 2011 compared to \$51.8 million for 2011. The 6.8% increase in net interest income for the period is due to a 10.7% increase in the average balances of earning assets, combined with a similar increase in average deposits, offset slightly by a decrease in the net interest margin from 2.52% on a fully taxable equivalent basis in 2010 to 2.48% on the same basis for 2011.

The provision for loan losses decreased by \$1.0 million from \$5.6 million for the year ended December 31, 2010 to \$4.6 million, for the year ended December 31, 2011, primarily as a result of decreased provisions related to nonaccrual loans. The Company capitalized on favorable market conditions for the fourth quarter and year ended December 31, 2011 and realized net gains on sales of investments of \$695,000 and \$1.9 million, respectively, as compared to \$824,000 and \$1.9 million for the same periods in 2010. Other income increased for the fourth quarter of 2011 compared to the same period last year primarily as a result of a sale of mortgage loans. FDIC assessments decreased, for the year, primarily as a result of a decrease in the assessment rate, offset somewhat by an increase in assets. The Company's effective tax rate increased slightly from 8.4% in 2010 to 8.5% in 2011 primarily as a result of an increase in taxable income.

At December 31, 2011, total equity was \$160.6 million compared to \$145.0 million at December 31, 2010. The Company's equity increased primarily as a result of earnings and other comprehensive income, net of taxes, offset somewhat by dividends paid. The Company's leverage ratio stood at 7.12% at December 31, 2011, compared to 7.35% at December 31, 2010. This decline in the leverage ratio is due to an increase in assets, offset by an increase in stockholders' equity. Book value as of December 31, 2011 was \$28.98 per share compared to \$26.18 at December 31, 2010.

The Company's allowance for loan losses was \$16.6 million or 1.68% of loans outstanding at December 31, 2011, compared to \$14.1 million, or 1.55% of loans outstanding at December 31, 2010. Non-performing assets totaled \$7.0 million at December 31, 2011, compared to \$8.1 million at December 31, 2010.

The Company's Board of Directors voted a regular quarterly dividend of 12.00 cents (\$0.12) per share on the Company's Class A common stock, and 6.00 cents (\$0.06) per share on the Company's Class B common stock. The dividends were declared payable February 15, 2012 to stockholders of record on February 1, 2012.

The Company, through its subsidiary bank, Century Bank and Trust Company, a state chartered full service commercial bank, operating twenty-four full-service branches in the Greater Boston area, including our newest branch in Newton Centre, offers a full range of Business, Personal and Institutional Services.

Century Bank and Trust Company is a member of the FDIC and is an Equal Housing Lender.

This press release contains certain "forward-looking statements" with respect to the financial condition, results of operations and business of the Company. Actual results may differ from those contemplated by these statements. The Company wishes to caution readers not to place undue reliance on any forward-looking statements. The Company disclaims any intent or obligation to update publicly any such forward-looking statements, whether in response to new information, future events or otherwise.

Century Bancorp, Inc. and Subsidiaries Consolidated Comparative Statements of Condition (unaudited) (in thousands)

Assets	Dec	ember 31, 2011	December 31, 2010			
Cash and Due From Banks Federal Funds Sold and Interest-bearing Deposits In Other Banks	\$	50,187 157,579	\$	37,215 151,337		
Short-term Investments		18,351		113,918		
Securities Available-For-Sale (AFS)	1	,258,676		909,391		
Securities Held-to-Maturity		179,368		230,116		
Federal Home Loan Bank of Boston stock, at cost		15,531		15,531		
Loans:		00.404		00.054		
Commercial & Industrial		82,404		90,654		
Construction & Land Development		56,819	53,583			
Commercial Real Estate		487,495	433,337			
Residential Real Estate		239,307	207,787			
Consumer and Other		7,681	6,594			
Home Equity	-	110,786		114,209		
Total Loans		984,492		906,164		
Less: Allowance for Loan Losses	16,574			14,053		
Net Loans	967,918			892,111		
Bank Premises and Equipment		21,757		21,228		
Accrued Interest Receivable		6,022		6,601		
Goodwill		2,714		2,714		
Core Deposit Intangible		120		508		
Other Assets		65,002		61,014		
Total Assets	\$ 2	2,743,225	<u>\$ 2</u>	2,441,684		
Liabilities						
Demand Deposits	\$	365,854	\$	322,002		
Interest Bearing Deposits:						
Savings and NOW Deposits		708,988		649,402		
Money Market Accounts		616,241		513,359		
Time Deposits		433,501		417,260		
Time Deposits		433,301		417,200		
Total Interest Bearing	1	,758,730		1,580,021		
Total Deposits	2	2,124,584		1,902,023		
Borrowed Funds:						
Securities Sold Under Agreements to Repurchase		143,320		108,550		
Other Borrowed Funds		244,143		222,118		
Total Borrowed Funds		387,463		330,668		
Other Liabilities		34,446		27,885		
Subordinated Debentures		36,083		36,083		
Total Liabilities	2	2,582,576	2	2,296,659		
Total Stockholders' Equity		160,649		145,025		
Total Liabilities & Stockholders' Equity	\$ 2	2,743,225	\$ 2	2,441,684		

Century Bancorp, Inc. and Subsidiaries Consolidated Comparative Statements of Income (unaudited) For the Quarter and Year ended December 31, 2011 and 2010 (in thousands)

	Quarter ended December 31,			Year ended December 3			mber 31,	
		2011		2010		2011		2010
Interest Income:					•			
Loans	\$	11,949	\$	12,350	\$	48,096	\$	48,434
Securities Held-to-Maturity		1,221		1,657		5,816		7,158
Securities Available-for-Sale		5,935		4,719		23,039		19,349
Federal Funds Sold and Interest-bearing Deposits In Other Banks		147		396		1,114		1,642
Total Interest Income		19,252		19,122		78,065		76,583
Interest Expense:								
Savings and NOW Deposits		525		818		2,539		4,072
Money Market Accounts		588		753		2,706		3,942
Time Deposits		2,071		2,168		9,356		7,914
Securities Sold Under Agreements to Repurchase		89		107		379		573
Other Borrowed Funds and Subordinated Debentures		1,960		1,965		7,786		8,316
Total Interest Expense		5,233		5,811		22,766		24,817
Net Interest Income		14,019		13,311		55,299		51,766
Provision For Loan Losses		950	-	1,350		4,550		5,575
Net Interest Income After								
Provision for Loan Losses		13,069		11,961		50,749		46,191
Other Operating Income								
Service Charges on Deposit Accounts		2,031		1,998		7,885		7,876
Lockbox Fees		641		718		2,770		2,911
Net Gain on Sales of Investments		695		824		1,940		1,851
Other Income	-	994		683		3,645		3,361
Total Other Operating Income		4,361		4,223		16,240		15,999
Operating Expenses								
Salaries and Employee Benefits		7,682		6,779		29,630		28,398
Occupancy		1,126		1,034		4,411		4,037
Equipment		535		595		2,235		2,132
FDIC Assessment		413		790		2,025		2,965
Other	-	2,946		2,697		10,441		9,840
Total Operating Expenses		12,702	·	11,895		48,742		47,372
Income Before Income Taxes		4,728		4,289		18,247		14,818
Income Tax Expense		539		365		1,554		1,244
Net Income	\$	4,189	\$	3,924	\$	16,693	\$	13,574

Century Bancorp, Inc. and Subsidiaries Consolidated Year-to-Date Average Comparative Statements of Condition (unaudited)

(in thousands)

Assets	December 31, 2011	December 31, 2010		
Cash and Due From Banks Federal Funds Sold and Interest-Bearing Deposits in Other Banks	\$ 51,963 276,413	\$ 52,662 371,665		
Securities Available-For-Sale (AFS) Securities Held-to-Maturity	1,099,099 178,659	788,951 222,154		
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Total Loans Less: Allowance for Loan Losses	948,883 15,767	877,858 13,686		
Net Loans	933,116	864,172		
Unrealized Gain on Securities AFS	11,004	13,151		
Bank Premises and Equipment	21,537	21,334		
Accrued Interest Receivable	6,658	6,575		
Goodwill	2,714	2,714		
Core Deposit Intangible	317	704		
Other Assets	64,104	58,816		
Total Assets	\$ 2,645,584	\$ 2,402,898		
<u>Liabilities</u> Demand Deposits	\$ 326,102	\$ 298,825		
Interest Bearing Deposits:				
Savings and NOW Deposits	735,022	696,232		
Money Market Accounts	584,059	543,432		
Time Deposits	484,142	356,457		
Total Interest Bearing	1,803,223	1,596,121		
Total Deposits	2,129,325	1,894,946		
Borrowed Funds:				
Securities Sold Under Agreements to Repurchase	129,137	133,080		
Other Borrowed Funds	166,126	165,190		
Total Borrowed Funds	295,263	298,270		
Other Liabilities	29,253	31,074		
Subordinated Debentures	36,083	36,083		
Total Liabilities	2,489,924	2,260,373		
Total Stockholders' Equity	155,660	142,525		
Total Liabilities & Stockholders' Equity	\$ 2,645,584	\$ 2,402,898		
Total Average Ferning Assets OTD	¢ 2.570.027	¢ 2205207		
Total Average Earning Assets - QTD	\$ 2,570,937	\$ 2,295,297		
Total Average Earning Assets - YTD	\$ 2,503,054	\$ 2,260,628		

Century Bancorp, Inc. and Subsidiaries				
Consolidated Selected Key Financial Information (unaudi (in thousands, except share data)	dited) December 31, 2011		De	cember 31, 2010
Performance Measures:				
Earnings per average share, basic, quarter	\$	0.76	\$	0.71
Earnings per average share, diluted, quarter	\$ \$ \$	0.76	\$	0.71
Earnings per average share, basic, year-to-date	\$	3.01	\$	2.45
Earnings per average share, diluted, year-to-date	\$	3.01	\$	2.45
Return on average assets, year-to-date		0.63%		0.56%
Return on average stockholders' equity, year-to-date		10.72%		9.52%
Net interest margin (taxable equivalent), quarter		2.44%		2.55%
Net interest margin (taxable equivalent), year-to-date		2.48%		2.52%
Efficiency ratio, year-to-date		62.2%		65.0%
Book value per share	\$	28.98	\$	26.18
Tangible book value per share	\$	28.47	\$	25.60
Tangible capital / tangible assets		5.76%		5.82%
Common Share Data:		5 5 40 700		5 507 770
Average shares outstanding, basic, quarter		5,540,798		5,537,776
Average shares outstanding, diluted, quarter		5,542,052		5,539,639
Average shares outstanding, basic, year-to-date		5,540,644		5,533,506
Average shares outstanding, diluted, year-to-date		5,541,794		5,535,742
Shares outstanding Class A		3,548,317		3,528,867
Shares outstanding Class B		1,994,380		2,011,380
Total shares outstanding at period end		5,542,697		5,540,247
Asset Quality and Other Data				
Allowance for loan losses / loans		1.68%		1.55%
Nonaccrual loans	\$	5,827	\$	8,068
Nonperforming assets	\$ \$	7,009	\$	8,068
Loans 90 days past due and still accruing		18	\$	50
Accruing troubled debt restructures	\$	4,634	\$	1,248
Net charge-offs, year-to-date	\$	2,030	\$	3,894
Leverage ratio		7.12%		7.35%
Tier 1 risk weighted capital ratio		14.73%		14.86%
Total risk weighted capital ratio		15.98%		16.03%
Total risk weighted assets	\$	1,306,874	\$	1,199,896