



Signature Bank Reports 2017 Third Quarter Results

October 19, 2017

- **Net Income for the 2017 Third Quarter Was \$124.5 Million, or \$2.29 Diluted Earnings Per Share Versus \$76.1 Million, or \$1.41 Diluted Earnings Per Share, Reported in the 2016 Third Quarter. The 2016 Third Quarter Included \$61.7 Million of Provision Expense for the Chicago Taxi Medallion Portfolio. Excluding This Provision Expense, Net Income Would Have been \$113.7 Million, or \$2.11 Diluted Earnings Per Share**
- **Total Deposits in the Third Quarter Grew \$508.9 Million to \$33.68 Billion. Total Deposits Have Grown \$2.28 Billion, or 7.3 Percent, Since the End of the 2016 Third Quarter. Average Deposits Increased \$417.3 Million, or 1.3 Percent, in the 2017 Third Quarter**
- **For the 2017 Third Quarter, Loans Increased \$799.4 Million, or 2.6 Percent, to \$31.19 Billion. Since the End of the 2016 Third Quarter, Loans Have Increased 12.3 Percent, or \$3.41 Billion**
- **Non-Accrual Loans were \$376.9 Million, or 1.21 Percent of Total Loans, at September 30, 2017, Versus \$392.9 Million, or 1.29 Percent, at the End of the 2017 Second Quarter and \$162.8 Million, or 0.59 Percent, at the End of the 2016 Third Quarter. Excluding Taxi Medallion Loans, Which Were All Placed on Non-Accrual in the 2017 Second Quarter, Non-Accrual Loans Were \$24.0 Million, or Eight Basis Points of Total Loans**
- **Net Interest Margin on a Tax-Equivalent Basis Was 3.05 Percent, Compared with 3.11 Percent for the 2017 Second Quarter and 3.14 Percent for the 2016 Third Quarter**
- **Core Net Interest Margin Excluding Loan Prepayment Penalty Income Decreased Five Basis Points to 2.99 Percent for the 2017 Third Quarter when Compared with the Previous Quarter**
- **Tier 1 Leverage, Common Equity Tier 1 Risk-Based, Tier 1 Risk-Based and Total Risk-Based Capital Ratios were 9.72 Percent, 11.92 Percent, 11.92 Percent and 13.28 Percent, Respectively, at September 30, 2017. Signature Bank Remains Significantly Above FDIC "Well Capitalized" Standards. Tangible Common Equity Ratio Was 9.44 Percent**
- **Two Private Client Banking Teams Joined During the 2017 Third Quarter Bringing the Total Teams Hired to Four in 2017**

NEW YORK--(BUSINESS WIRE)--Oct. 19, 2017-- Signature Bank (Nasdaq: SBNY), a New York-based full-service commercial bank, today announced results for its third quarter ended September 30, 2017. Net income for the 2017 third quarter was \$124.5 million, or \$2.29 diluted earnings per share, versus \$76.1 million, or \$1.41 diluted earnings per share, for the 2016 third quarter. The increase in net income for the 2017 third quarter, versus the comparable quarter last year, is primarily due to a decrease in the provision for loan losses of \$66.1 million and an increase in net interest income. \$60.2 million of the decrease in provision for loan losses was due to the Chicago taxi medallion portfolio.

Net interest income for the 2017 third quarter reached \$308.8 million, up \$18.4 million, or 6.3 percent, when compared with the 2016 third quarter. This increase is primarily due to growth in average interest-earning assets. Total assets reached \$41.33 billion at September 30, 2017, an increase of \$3.53 billion, or 9.4 percent, from \$37.79 billion at September 30, 2016. Average assets for the 2017 third quarter reached \$40.88 billion, an increase of \$3.59 billion, or 9.6 percent, compared with the 2016 third quarter.

Deposits for the 2017 third quarter rose \$508.9 million, or 1.5 percent, to \$33.68 billion at September 30, 2017. When compared with deposits at September 30, 2016, overall deposit growth for the last twelve months was 7.3 percent, or \$2.28 billion. Average deposits for the 2017 third quarter reached \$33.37 billion, an increase of \$417.3 million, or 1.3 percent.

"While we recognize there have been some near-term challenges for Signature Bank, including the recent impact on our taxi medallion loan portfolio and commercial real estate headwinds, our ability to attract veteran bankers and on-board core clients has continued unabated. We have never veered from the differentiated, relationship-based banking model upon which this institution was founded. Our single-point-of-contact, client-centric approach remains fully intact, allowing us to deliver solid growth -- quarter after quarter -- albeit not quite at the extraordinary pace of the past few years. However, a slower growth rate for Signature Bank still far outpaces that of our average peer group," explained Joseph J. DePaolo, President and Chief Executive Officer.

"Evidence of our commitment to client care and service are still among the reasons Signature Bank continues to distinguish itself in the commercial banking arena. For example, for eight consecutive years, the *New York Law Journal* cited the Bank as a top-ranking institution in the three banking categories of its Best of Survey of its readers. This year, the Bank was named Best Private Bank, Best Attorney Escrow Services provider and ranked second in the Best Business Bank category. Additionally, back in the spring, the Bank placed in the top three in the country in the Nation's Best Private Banking Services category of *The National Law Journal*, a sister publication of the *New York Law Journal*. Whether it is our attorney clients or others in commercial sectors, the fact of the matter is that Signature Bank's unrelenting dedication to our clients has and always will be our priority and sets us apart in the marketplace," DePaolo said.

Scott A. Shay, Chairman of the Board, commented: "Recently, we conducted market research in an attempt to determine if any commercial bank in American history had ever grown organically in its first 15 years of operations at a pace greater than that of Signature Bank. We could find none. Perhaps the results that contributed to our extraordinary 15-year track record became expected. But, our growth did not occur by accident. At Signature Bank, we endeavor to think and plan for the long term to benefit our shareholders. We continually seek profitable, sustainable growth that adds to shareholder value and depositor safety. While our growth might ebb and flow in the short term, it is our pledge to long-term value creation as well as safety and soundness that will always remain our sharpest focus."

Capital

The Bank's Tier 1 leverage, common equity Tier 1 risk-based, Tier 1 risk-based, and total risk-based capital ratios were approximately 9.72 percent, 11.92 percent, 11.92 percent, and 13.28 percent, respectively, as of September 30, 2017. Each of these ratios is well in excess of regulatory requirements. The Bank's strong risk-based capital ratios reflect the relatively low risk profile of the Bank's balance sheet. The Bank's tangible common equity ratio remains strong at 9.44 percent. The Bank defines tangible common equity ratio as the ratio of total tangible common shareholders' equity to total tangible assets.

Net Interest Income

Net interest income for the 2017 third quarter was \$308.8 million, an increase of \$18.4 million, or 6.3 percent, versus the same period last year, primarily due to growth in average interest-earning assets. Average interest-earning assets of \$40.30 billion for the 2017 third quarter represent an increase of \$3.40 billion, or 9.2 percent, from the 2016 third quarter. Yield on interest-earning assets for the 2017 third quarter increased four basis points, to 3.66 percent, compared with the 2016 third quarter.

Average cost of deposits and average cost of funds for the third quarter of 2017 increased by 13 and 14 basis points, to 0.55 percent and 0.67 percent, respectively versus the comparable period a year ago.

Net interest margin on a tax-equivalent basis for the 2017 third quarter was 3.05 percent versus 3.14 percent reported in the same period a year ago. On a linked quarter basis, net interest margin on a tax-equivalent basis decreased six basis points. Excluding loan prepayment penalties in both quarters, linked quarter core net interest margin on a tax-equivalent basis decreased five basis points to 2.99 percent.

Provision for Loan Losses

The Bank's provision for loan losses for the third quarter of 2017 was \$14.3 million, compared with \$187.6 million for the 2017 second quarter and \$80.5 million for the 2016 third quarter. The elevated provisions in the 2017 second quarter and the 2016 third quarter were predominantly due to the taxi medallion portfolio.

Net charge-offs for the 2017 third quarter were \$3.8 million, or 0.05 percent of average loans on an annualized basis, versus \$229.0 million, or 3.04 percent, for the 2017 second quarter and \$100.5 million, or 1.46 percent, for the 2016 third quarter. \$229.7 million of the 2017 second quarter charge-offs and \$98.7 million of the charge-offs in the 2016 third quarter were for taxi medallion loans.

Non-Interest Income and Non-Interest Expense

Non-interest income for the 2017 third quarter was \$8.1 million, down \$3.0 million when compared with \$11.1 million reported in the 2016 third quarter. The decrease was due to a \$1.6 million decrease in net gains on sales of securities and loans and an increase in other losses of \$2.3 million from additional amortization of low income housing tax credit investments.

Non-interest expense for the third quarter of 2017 was \$105.6 million, an increase of \$9.4 million, or 9.8 percent, versus \$96.2 million reported in the 2016 third quarter. The increase was primarily a result of the addition of new private client banking teams, as well as an increase in costs in our risk management and compliance related activities. The Bank also incurred additional FDIC assessment fees.

The Bank's efficiency ratio was 33.3 percent for the 2017 third quarter versus 31.9 percent for the comparable period last year and 36.7 percent for the 2017 second quarter. The decrease from the 2017 second quarter was primarily due to a decrease in other general and administrative expenses of \$14.3 million primarily due to write-downs on repossessed New York City taxi medallion loans in the 2017 second quarter.

Loans

Loans, excluding loans held for sale, grew \$799.4 million, or 2.6 percent, during the third quarter of 2017 to \$31.19 billion, compared with \$30.39 billion at June 30, 2017. At September 30, 2017, loans accounted for 75.5 percent of total assets, versus 74.6 percent at the end of the 2017 second quarter and 73.5 percent at the end of 2016 third quarter. Average loans, excluding loans held for sale, reached \$30.68 billion in the 2017 third quarter, growing \$514.2 million, or 1.7 percent, from the 2017 second quarter and \$3.36 billion, or 12.3 percent, from the 2016 third quarter. The increase in loans for the quarter was primarily driven by growth in specialty finance, commercial real estate and multi-family loans.

At September 30, 2017, non-accrual loans were \$376.9 million, representing 1.21 percent of total loans and 0.91 percent of total assets, compared with non-accrual loans of \$392.9 million, or 1.29 percent of total loans, at June 30, 2017 and \$162.8 million, or 0.59 percent of total loans, at September 30, 2016. Excluding non-accruing loans secured by taxi medallions of \$352.9 million, non-accrual loans for the remainder of the entire portfolio are \$24.0 million, or eight basis points of total loans. At September 30, 2017, the ratio of allowance for loan and lease losses to total loans was 0.62 percent, versus 0.60 percent at June 30, 2017 and 0.74 percent at September 30, 2016. Additionally, the ratio of allowance for loan and lease losses to non-accrual loans, or the coverage ratio, was 51 percent for the 2017 third quarter versus 46 percent for the second quarter of 2017 and 126 percent for the 2016 third quarter.

Conference Call

Signature Bank's management will host a conference call to review results of the 2017 third quarter on Thursday, October 19, 2017, at 10:00 AM ET. All participants should dial 866-359-8135 at least ten minutes prior to the start of the call and reference conference ID #96636294. International callers should dial 901-300-3484.

To hear a live web simulcast or to listen to the archived web cast following completion of the call, please visit the Bank's web site at www.signatureny.com, click on "Investor Information," then, under "Company News," select "Conference Calls" to access the link to the call. To listen to a telephone replay of the conference call, please dial 800-585-8367 or 404-537-3406 and enter conference ID #96636294. The replay will be available from approximately 1:00 PM ET on Thursday, October 19, 2017 through 11:59 PM ET on Monday, October 23, 2017.

About Signature Bank

Signature Bank, member FDIC, is a New York-based full-service commercial bank with [30 private client offices](#) throughout the New York metropolitan area, including those in Manhattan, Brooklyn, Westchester, Long Island, Queens, the Bronx, Staten Island and Connecticut. The Bank's growing network of private client banking teams serves the needs of privately owned businesses, their owners and senior managers.

Signature Bank offers a wide variety of business and personal banking products and services. Its specialty finance subsidiary, Signature Financial, LLC, provides equipment finance and leasing. Signature Securities Group Corporation, a wholly owned Bank subsidiary, is a licensed broker-dealer, investment adviser and member FINRA/SIPC, offering investment, brokerage, asset management and insurance products and services.

Signature Bank ranked on [Forbes' Best Banks in America](#) list for the seventh consecutive year in 2017 and also ranked among the Best Business Banks for the eighth consecutive year by the [New York Law Journal](#) in the publication's [eighth annual reader survey](#). Additionally, Signature Bank was cited among the top three

of the nation's best private banking services providers in the 2017 Best of *The National Law Journal* reader rankings. The Bank was also named Best Commercial Bank of the Year - U.S. by *International Banker* in their *International Banker 2017 North and South American Awards* program. Furthermore, Signature Bank was the recipient of two gold Stevie Awards® in *The 15th Annual American Business Awards* for 2017: Company of the Year in both Banking and Financial Services-Large categories.

For more information, please visit www.signatureny.com.

This press release and oral statements made from time to time by our representatives contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. You should not place undue reliance on those statements because they are subject to numerous risks and uncertainties relating to our operations and business environment, all of which are difficult to predict and may be beyond our control. Forward-looking statements include information concerning our future results, interest rates and the interest rate environment, loan and deposit growth, loan performance, operations, new private client teams and other hires, new office openings and business strategy. These statements often include words such as "may," "believe," "expect," "anticipate," "intend," "potential," "opportunity," "could," "project," "seek," "should," "will," "would," "plan," "estimate" or other similar expressions. As you consider forward-looking statements, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties and assumptions that could cause actual results to differ materially from those in the forward-looking statements and can change as a result of many possible events or factors, not all of which are known to us or in our control. These factors include but are not limited to: (i) prevailing economic conditions; (ii) changes in interest rates, loan demand, real estate values and competition, any of which can materially affect origination levels and gain on sale results in our business, as well as other aspects of our financial performance, including earnings on interest-bearing assets; (iii) the level of defaults, losses and prepayments on loans made by us, whether held in portfolio or sold in the whole loan secondary markets, which can materially affect charge-off levels and required credit loss reserve levels; (iv) changes in monetary and fiscal policies of the U.S. Government, including policies of the U.S. Treasury and the Board of Governors of the Federal Reserve System; (v) changes in the banking and other financial services regulatory environment and (vi) competition for qualified personnel and desirable office locations. Although we believe that these forward-looking statements are based on reasonable assumptions, beliefs and expectations, if a change occurs or our beliefs, assumptions and expectations were incorrect, our business, financial condition, liquidity or results of operations may vary materially from those expressed in our forward-looking statements. Additional risks are described in our quarterly and annual reports filed with the FDIC. You should keep in mind that any forward-looking statements made by Signature Bank speak only as of the date on which they were made. New risks and uncertainties come up from time to time, and we cannot predict these events or how they may affect the Bank. Signature Bank has no duty to, and does not intend to, update or revise the forward-looking statements after the date on which they are made. In light of these risks and uncertainties, you should keep in mind that any forward-looking statement made in this release or elsewhere might not reflect actual results.

SIGNATURE BANK
CONSOLIDATED STATEMENTS OF INCOME
(unaudited)

| | <i>Three months ended</i> | | <i>Nine months ended</i> | |
|--|---------------------------|-------------|--------------------------|-------------|
| | <i>September 30,</i> | | <i>September 30,</i> | |
| <i>(dollars in thousands, except per share amounts)</i> | 2017 | 2016 | 2017 | 2016 |
| INTEREST AND DIVIDEND INCOME | | | | |
| Loans held for sale | \$ 911 | 1,619 | 3,155 | 3,609 |
| Loans and leases, net | 301,561 | 266,756 | 875,028 | 766,589 |
| Securities available-for-sale | 49,986 | 48,963 | 150,653 | 150,305 |
| Securities held-to-maturity | 14,549 | 15,448 | 44,346 | 47,781 |
| Other investments | 3,662 | 2,341 | 10,030 | 6,577 |
| Total interest income | 370,669 | 335,127 | 1,083,212 | 974,861 |
| INTEREST EXPENSE | | | | |
| Deposits | 46,659 | 31,871 | 121,772 | 89,907 |
| Federal funds purchased and securities sold under agreements to repurchase | 1,913 | 2,966 | 7,329 | 9,133 |
| Federal Home Loan Bank borrowings | 9,634 | 6,186 | 25,407 | 18,854 |
| Subordinated debt | 3,645 | 3,636 | 10,890 | 6,541 |
| Total interest expense | 61,851 | 44,659 | 165,398 | 124,435 |
| Net interest income before provision for loan and lease losses | 308,818 | 290,468 | 917,814 | 850,426 |
| Provision for loan and lease losses | 14,340 | 80,460 | 221,560 | 133,541 |
| Net interest income after provision for loan and lease losses | 294,478 | 210,008 | 696,254 | 716,885 |
| NON-INTEREST INCOME | | | | |
| Commissions | 3,036 | 2,705 | 9,094 | 8,032 |
| Fees and service charges | 6,112 | 5,443 | 18,127 | 16,044 |
| Net gains on sales of securities | 735 | 2,287 | 3,263 | 7,142 |
| Net gains on sales of loans | 2,204 | 2,069 | 6,657 | 5,049 |
| Other-than-temporary impairment losses on securities: | | | | |
| Total impairment losses on securities | (361) | (278) | (634) | (702) |
| Portion recognized in other comprehensive income (before taxes) | - | 108 | 32 | 413 |
| Net impairment losses on securities recognized in earnings | (361) | (170) | (602) | (289) |
| Other losses | (3,607) | (1,267) | (8,996) | (3,303) |
| Total non-interest income | 8,119 | 11,067 | 27,543 | 32,675 |
| NON-INTEREST EXPENSE | | | | |
| Salaries and benefits | 70,112 | 63,258 | 204,856 | 187,466 |
| Occupancy and equipment | 8,210 | 7,673 | 24,280 | 21,381 |
| Information technology | 5,970 | 5,134 | 16,743 | 14,893 |
| FDIC assessment fees | 7,260 | 5,682 | 20,242 | 14,967 |

| | | | | |
|----------------------------------|------------|---------|---------|---------|
| Professional fees | 3,181 | 2,231 | 9,222 | 6,422 |
| Other general and administrative | 10,895 | 12,239 | 49,756 | 35,723 |
| Total non-interest expense | 105,628 | 96,217 | 325,099 | 280,852 |
| Income before income taxes | 196,969 | 124,858 | 398,698 | 468,708 |
| Income tax expense | 72,498 | 48,748 | 126,354 | 186,321 |
| Net income | \$ 124,471 | 76,110 | 272,344 | 282,387 |
| PER COMMON SHARE DATA | | | | |
| Earnings per share – basic | \$ 2.30 | 1.42 | 5.05 | 5.30 |
| Earnings per share – diluted | \$ 2.29 | 1.41 | 5.01 | 5.26 |

**SIGNATURE BANK
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**

| | September 30, 2017 | December 31, 2016 |
|--|-------------------------------|------------------------------|
| <i>(dollars in thousands, except shares and per share amounts)</i> | | |
| ASSETS | | |
| Cash and due from banks | \$ 250,064 | 499,856 |
| Short-term investments | 43,694 | 39,095 |
| Total cash and cash equivalents | 293,758 | 538,951 |
| Securities available-for-sale | 6,793,636 | 6,335,347 |
| Securities held-to-maturity (fair value \$2,004,018 at September 30, 2017 and \$2,027,393 at December 31, 2016) | 2,003,332 | 2,038,125 |
| Federal Home Loan Bank stock | 153,670 | 132,629 |
| Loans held for sale | 370,793 | 559,528 |
| Loans and leases, net | 30,992,075 | 28,829,670 |
| Premises and equipment, net | 60,025 | 50,698 |
| Accrued interest and dividends receivable | 103,752 | 102,963 |
| Other assets | 555,883 | 459,700 |
| Total assets | \$ 41,326,924 | 39,047,611 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Deposits | | |
| Non-interest-bearing | \$ 10,664,551 | 10,520,529 |
| Interest-bearing | 23,013,316 | 21,340,731 |
| Total deposits | 33,677,867 | 31,861,260 |
| Federal funds purchased and securities sold under agreements to repurchase | 517,000 | 893,000 |
| Federal Home Loan Bank borrowings | 2,545,000 | 2,050,900 |
| Subordinated debt | 257,181 | 256,588 |
| Accrued expenses and other liabilities | 397,923 | 373,599 |
| Total liabilities | 37,394,971 | 35,435,347 |
| Shareholders' equity | | |
| Preferred stock, par value \$.01 per share; 61,000,000 shares authorized; none issued at September 30, 2017 and December 31, 2016 | - | - |
| Common stock, par value \$.01 per share; 64,000,000 shares authorized; 54,973,983 shares issued and outstanding at September 30, 2017; 54,610,593 shares issued and outstanding at December 31, 2016 | 550 | 546 |
| Additional paid-in capital | 1,798,605 | 1,763,100 |
| Retained earnings | 2,175,676 | 1,903,332 |
| Accumulated other comprehensive loss | (42,878) | (54,714) |
| Total shareholders' equity | 3,931,953 | 3,612,264 |
| Total liabilities and shareholders' equity | \$ 41,326,924 | 39,047,611 |

**SIGNATURE BANK
FINANCIAL SUMMARY, CAPITAL RATIOS, ASSET QUALITY
(unaudited)**

| | <i>Three months ended September 30,</i> | | <i>Nine months ended September 30,</i> | |
|--|---|-------------|--|-------------|
| | 2017 | 2016 | 2017 | 2016 |
| <i>(in thousands, except ratios and per share amounts)</i> | | | | |
| PER COMMON SHARE | | | | |
| Net income - basic | \$ 2.30 | \$ 1.42 | \$ 5.05 | \$ 5.30 |
| Net income - diluted | \$ 2.29 | \$ 1.41 | \$ 5.01 | \$ 5.26 |
| Average shares outstanding - basic | 54,098 | 53,683 | 53,968 | 53,313 |
| Average shares outstanding - diluted | 54,300 | 53,918 | 54,349 | 53,677 |

| | | | | |
|------------|----------|----------|----------|----------|
| Book value | \$ 71.52 | \$ 65.22 | \$ 71.52 | \$ 65.22 |
|------------|----------|----------|----------|----------|

SELECTED FINANCIAL DATA

| | | | | |
|---|---------|---------|---------|---------|
| Return on average total assets | 1.21 % | 0.81 % | 0.90 % | 1.05 % |
| Return on average shareholders' equity | 12.78 % | 8.58 % | 9.65 % | 11.69 % |
| Efficiency ratio (1) | 33.33 % | 31.91 % | 34.39 % | 31.80 % |
| Yield on interest-earning assets | 3.65 % | 3.61 % | 3.65 % | 3.68 % |
| Yield on interest-earning assets, tax-equivalent basis (1)(2) | 3.66 % | 3.62 % | 3.66 % | 3.68 % |
| Cost of deposits and borrowings | 0.67 % | 0.53 % | 0.61 % | 0.52 % |
| Net interest margin | 3.04 % | 3.13 % | 3.09 % | 3.21 % |
| Net interest margin, tax-equivalent basis (2)(3) | 3.05 % | 3.14 % | 3.10 % | 3.21 % |

(1) See "Non-GAAP Financial Measures" for related calculation.

(2) Based on the 35 percent U.S. federal statutory tax rate. The tax-equivalent basis is considered a non-GAAP financial measure and should be considered in addition to, not as a substitute for or superior to, financial measures determined in accordance with GAAP. This ratio is a metric used by management to evaluate the impact of tax-exempt assets on the Bank's yield on interest-earning assets and net interest margin.

(3) See "Net Interest Margin Analysis" for related calculation.

| | September 30, 2017 | June 30, 2017 | December 31, 2016 | September 30, 2016 |
|-------------------------------------|-----------------------|------------------|----------------------|-----------------------|
| CAPITAL RATIOS | | | | |
| Tangible common equity (4) | 9.44 % | 9.26 % | 9.21 % | 9.41 % |
| Tier 1 leverage (5) | 9.72 % | 9.52 % | 9.61 % | 9.51 % |
| Common equity Tier 1 risk-based (5) | 11.92 % | 11.68 % | 11.92 % | 12.00 % |
| Tier 1 risk-based (5) | 11.92 % | 11.68 % | 11.92 % | 12.00 % |
| Total risk-based (5) | 13.28 % | 13.03 % | 13.46 % | 13.56 % |

ASSET QUALITY

| | | | | |
|--|------------|------------|------------|------------|
| Non-accrual loans | \$ 376,867 | \$ 392,880 | \$ 157,578 | \$ 162,772 |
| Allowance for loan and lease losses | \$ 193,040 | \$ 182,541 | \$ 213,495 | \$ 204,809 |
| Allowance for loan and lease losses to non-accrual loans | 51.22 % | 46.46 % | 135.49 % | 125.83 % |
| Allowance for loan and lease losses to total loans | 0.62 % | 0.60 % | 0.74 % | 0.74 % |
| Non-accrual loans to total loans | 1.21 % | 1.29 % | 0.54 % | 0.59 % |
| Quarterly net charge-offs to average loans, annualized | 0.05 % | 3.04 % | 0.19 % | 1.46 % |

We define tangible common equity as the ratio of total tangible common equity to total tangible assets (the "TCE ratio"). Tangible common equity is considered to be a non-GAAP financial measure and should be considered in addition to, not as a substitute for or superior to, financial measures determined in accordance with GAAP. The TCE ratio is a metric used by management to evaluate the adequacy of our capital levels. In addition to tangible common equity, management uses other metrics, such as Tier 1 capital related ratios, to evaluate capital levels. See "Non-GAAP Financial Measures" for related calculation.

(5) September 30, 2017 ratios are preliminary.

SIGNATURE BANK

NET INTEREST MARGIN ANALYSIS

(unaudited)

| (dollars in thousands) | Three months ended September 30, 2017 | | | Three months ended September 30, 2016 | | |
|---|--|--------------------------------|---------------------------|--|--------------------------------|---------------------------|
| | Average Balance | Interest Income/ Expense | Average Yield/ Rate | Average Balance | Interest Income/ Expense | Average Yield/ Rate |
| INTEREST-EARNING ASSETS | | | | | | |
| Short-term investments | \$ 470,171 | 1,455 | 1.23 % | 529,184 | 656 | 0.49 % |
| Investment securities | 8,987,262 | 66,742 | 2.97 % | 8,684,586 | 66,096 | 3.04 % |
| Commercial loans, mortgages and leases (1)(2) | 30,419,546 | 299,974 | 3.91 % | 27,032,191 | 264,383 | 3.89 % |
| Residential mortgages and consumer loans | 265,083 | 2,649 | 3.96 % | 293,260 | 2,754 | 3.74 % |
| Loans held for sale | 153,042 | 911 | 2.36 % | 354,805 | 1,619 | 1.82 % |
| Total interest-earning assets | 40,295,104 | 371,731 | 3.66 % | 36,894,026 | 335,508 | 3.62 % |
| Non-interest-earning assets | 587,209 | | | 401,517 | | |
| Total assets | \$ 40,882,313 | | | 37,295,543 | | |
| INTEREST-BEARING LIABILITIES | | | | | | |
| Interest-bearing deposits | | | | | | |

| | | | | | | | | | |
|---|----|------------|--------|------|---|------------|--------|------|---|
| NOW and interest-bearing demand | \$ | 3,919,003 | 8,627 | 0.87 | % | 3,849,114 | 4,465 | 0.46 | % |
| Money market | | 17,260,584 | 33,523 | 0.77 | % | 15,605,406 | 24,094 | 0.61 | % |
| Time deposits | | 1,516,042 | 4,509 | 1.18 | % | 1,395,889 | 3,312 | 0.94 | % |
| Non-interest-bearing demand deposits | | 10,678,696 | - | - | | 9,665,906 | - | - | |
| Total deposits | | 33,374,325 | 46,659 | 0.55 | % | 30,516,315 | 31,871 | 0.42 | % |
| Subordinated debt | | 257,050 | 3,645 | 5.67 | % | 256,419 | 3,636 | 5.67 | % |
| Other borrowings | | 3,085,542 | 11,547 | 1.48 | % | 2,709,055 | 9,152 | 1.34 | % |
| Total deposits and borrowings | | 36,716,917 | 61,851 | 0.67 | % | 33,481,789 | 44,659 | 0.53 | % |
| Other non-interest-bearing liabilities and shareholders' equity | | 4,165,396 | | | | 3,813,754 | | | |
| Total liabilities and shareholders' equity | \$ | 40,882,313 | | | | 37,295,543 | | | |

OTHER DATA

| | | | | | | | | | |
|--|--|---------|--|--------|---|---------|--|--------|---|
| Net interest income/interest rate spread (1) | | 309,880 | | 2.99 | % | 290,849 | | 3.09 | % |
| Tax-equivalent adjustment | | (1,062) | | | | (381) | | | |
| Net interest income, as reported | | 308,818 | | | | 290,468 | | | |
| Net interest margin | | | | 3.04 | % | | | 3.13 | % |
| Tax-equivalent effect | | | | 0.01 | % | | | 0.01 | % |
| Net interest margin on a fully tax-equivalent basis (1)(2) | | | | 3.05 | % | | | 3.14 | % |
| Ratio of average interest-earning assets to average interest-bearing liabilities | | | | 109.75 | % | | | 110.19 | % |

(1) Presented on a tax-equivalent, non-GAAP, basis using the U.S. federal statutory tax rate of 35 percent for municipal leasing and financing transactions.

(2) See "Non-GAAP Financial Measures" for related calculation.

SIGNATURE BANK

NET INTEREST MARGIN ANALYSIS

(unaudited)

| (dollars in thousands) | Nine months ended September 30, 2017 | | | Nine months ended September 30, 2016 | | |
|---|---|--------------------------------|---------------------------|---|--------------------------------|---------------------------|
| | Average Balance | Interest Income/ Expense | Average Yield/ Rate | Average Balance | Interest Income/ Expense | Average Yield/ Rate |
| INTEREST-EARNING ASSETS | | | | | | |
| Short-term investments | \$ 471,151 | 3,598 | 1.02 % | 456,328 | 1,674 | 0.49 % |
| Investment securities | 8,891,079 | 201,431 | 3.02 % | 8,723,687 | 202,989 | 3.10 % |
| Commercial loans, mortgages and leases (1)(2) | 29,886,204 | 869,752 | 3.89 % | 25,628,015 | 758,779 | 3.95 % |
| Residential mortgages and consumer loans | 271,273 | 7,850 | 3.87 % | 300,742 | 8,595 | 3.82 % |
| Loans held for sale | 196,842 | 3,155 | 2.14 % | 315,558 | 3,609 | 1.53 % |
| Total interest-earning assets | 39,716,549 | 1,085,786 | 3.66 % | 35,424,330 | 975,646 | 3.68 % |
| Non-interest-earning assets | 565,087 | | | 398,350 | | |
| Total assets | \$ 40,281,636 | | | 35,822,680 | | |
| INTEREST-BEARING LIABILITIES | | | | | | |
| Interest-bearing deposits | | | | | | |
| NOW and interest-bearing demand | \$ 3,835,571 | 20,502 | 0.71 % | 3,428,780 | 11,695 | 0.46 % |
| Money market | 17,003,578 | 89,427 | 0.70 % | 15,131,418 | 69,060 | 0.61 % |
| Time deposits | 1,473,261 | 11,843 | 1.07 % | 1,249,624 | 9,152 | 0.98 % |
| Non-interest-bearing demand deposits | 10,555,056 | - | - | 9,290,147 | - | - |
| Total deposits | 32,867,466 | 121,772 | 0.50 % | 29,099,969 | 89,907 | 0.41 % |
| Subordinated debt | 256,853 | 10,890 | 5.65 % | 154,473 | 6,541 | 5.65 % |
| Other borrowings | 3,029,683 | 32,736 | 1.44 % | 2,930,299 | 27,987 | 1.28 % |
| Total deposits and borrowings | 36,154,002 | 165,398 | 0.61 % | 32,184,741 | 124,435 | 0.52 % |
| Other non-interest-bearing liabilities and shareholders' equity | 4,127,634 | | | 3,637,939 | | |

Total liabilities and shareholders' equity \$ 40,281,636 35,822,680

OTHER DATA

| | | | | | | |
|--|----------|--------|---|---------|--------|---|
| Net interest income / interest rate spread (1) | 920,388 | 3.05 | % | 851,211 | 3.16 | % |
| Tax-equivalent adjustment | (2,574) | | | (785) | | |
| Net interest income, as reported | 917,814 | | | 850,426 | | |
| Net interest margin | | 3.09 | % | | 3.21 | % |
| Tax-equivalent effect | | 0.01 | % | | - | |
| Net interest margin on a fully tax-equivalent basis (1)(2) | | 3.10 | % | | 3.21 | % |
| Ratio of average interest-earning assets to average interest-bearing liabilities | | 109.85 | % | | 110.07 | % |

(1) Presented on a tax-equivalent, non-GAAP, basis using the U.S. federal statutory tax rate of 35 percent for municipal leasing and financing transactions.

(2) See "Non-GAAP Financial Measures" for related calculation.

**SIGNATURE BANK
NON-GAAP FINANCIAL MEASURES
(unaudited)**

Management believes that the presentation of certain non-GAAP financial measures assists investors when comparing results period-to-period in a more consistent manner and provides a better measure of Signature Bank's results. These non-GAAP measures include the Bank's (i) tangible common equity ratio, (ii) efficiency ratio, (iii) yield on interest-earning assets, tax-equivalent basis, and (iv) core net interest margin, tax-equivalent basis excluding loan prepayment penalty income. These non-GAAP measures should not be considered a substitute for GAAP-basis measures and results. We strongly encourage investors to review our consolidated financial statements in their entirety and not to rely on any single financial measure. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names.

The following table presents the tangible common equity ratio calculation:

| <i>(dollars in thousands)</i> | September 30, 2017 | June 30, 2017 | December 31, 2016 | September 30, 2016 |
|---|-------------------------------|--------------------------|------------------------------|-------------------------------|
| Consolidated common shareholders' equity | \$ 3,931,953 | 3,797,246 | 3,612,264 | 3,561,597 |
| Intangible assets | 32,741 | 27,374 | 19,640 | 6,527 |
| Consolidated tangible common shareholders' equity (TCE) | \$ 3,899,212 | 3,769,872 | 3,592,624 | 3,555,070 |
| Consolidated total assets | \$ 41,326,924 | 40,718,610 | 39,047,611 | 37,792,320 |
| Intangible assets | 32,741 | 27,374 | 19,640 | 6,527 |
| Consolidated tangible total assets (TTA) | \$ 41,294,183 | 40,691,236 | 39,027,971 | 37,785,793 |
| Tangible common equity ratio (TCE/TTA) | 9.44 % | 9.26 % | 9.21 % | 9.41 % |

The following table presents the efficiency ratio calculation:

| <i>(dollars in thousands)</i> | <i>Three months ended September 30,</i> | | <i>Nine months ended September 30,</i> | |
|--|---|-------------|--|-------------|
| | 2017 | 2016 | 2017 | 2016 |
| Non-interest expense (NIE) | \$ 105,628 | 96,217 | 325,099 | 280,852 |
| Net interest income before provision for loan and lease losses | 308,818 | 290,468 | 917,814 | 850,426 |
| Other non-interest income | 8,119 | 11,067 | 27,543 | 32,675 |
| Total income (TI) | \$ 316,937 | 301,535 | 945,357 | 883,101 |
| Efficiency ratio (NIE/TI) | 33.33 % | 31.91 % | 34.39 % | 31.80 % |

The following table reconciles yield on interest-earning assets to the yield on interest-earning assets on a tax-equivalent basis:

| <i>(dollars in thousands)</i> | <i>Three months ended September 30,</i> | | <i>Nine months ended September 30,</i> | |
|-------------------------------|---|-------------|--|-------------|
| | 2017 | 2016 | 2017 | 2016 |
| Interest income (as reported) | \$ 370,669 | 335,127 | 1,083,212 | 974,861 |
| Tax-equivalent adjustment | 1,062 | 381 | 2,574 | 785 |

| | | | | | | | |
|--|---------------|---|------------|---|------------|---|------------|
| Interest income, tax-equivalent basis | \$ 371,731 | | 335,508 | | 1,085,786 | | 975,646 |
| Interest-earning assets | \$ 40,295,104 | | 36,894,026 | | 39,716,549 | | 35,424,330 |
| Yield on interest-earning assets | 3.65 | % | 3.61 | % | 3.65 | % | 3.68 |
| Tax-equivalent effect | 0.01 | % | 0.01 | % | 0.01 | % | 0.00 |
| Yield on interest-earning assets, tax-equivalent basis | 3.66 | % | 3.62 | % | 3.66 | % | 3.68 |

The following table reconciles net interest margin (as reported) to core net interest margin on a tax-equivalent basis excluding loan prepayment penalty income:

| | <i>Three months ended</i> | | <i>Nine months ended</i> | |
|---|---------------------------|-------------|--------------------------|-------------|
| | <i>September 30,</i> | | <i>September 30,</i> | |
| | 2017 | 2016 | 2017 | 2016 |
| Net interest margin (as reported) | 3.04 % | 3.13 % | 3.09 % | 3.21 % |
| Tax-equivalent adjustment | 0.01 % | 0.01 % | 0.01 % | - |
| Margin contribution from loan prepayment penalty income | (0.06)% | (0.07)% | (0.06)% | (0.09)% |
| Core net interest margin, tax-equivalent basis excluding loan prepayment penalty income | 2.99 % | 3.07 % | 3.04 % | 3.12 % |

View source version on businesswire.com: <http://www.businesswire.com/news/home/20171019005178/en/>

Source: Signature Bank

Signature Bank

Investor Contact:

Eric R. Howell, 646-822-1402

Executive Vice President – Corporate & Business Development

ehowell@signatureny.com

or

Media Contact:

Susan J. Lewis, 646-822-1825

slewis@signatureny.com