SIGNATURE BANK®

Signature Bank Reports 2018 Second Quarter Results

July 19, 2018

Bank Announces Inaugural Quarterly Dividend of $0.56 Per Share

- ***Net Income for the 2018 Second Quarter Was $154.6 Million, or $2.83 Diluted Earnings Per Share Versus $14.0 Million, or $0.26 Diluted Earnings Per Share, Reported in the 2017 Second Quarter. Excluding Provision Expense and Write-Downs for the Taxi Medallion Portfolio, 2017 Second Quarter Net Income Would Have Been $120.2 Million, or $2.21 Diluted Earnings Per Share***
- ***The Bank Declared a Cash Dividend of $0.56 Per Share, Payable on or After August 15, 2018 to Common Shareholders of Record at the Close of Business on August 1, 2018***
- ***Total Deposits in the Second Quarter Grew $176.0 Million to $34.99 Billion, Affected By a Decrease of $918.2 Million in Escrow Deposits; Total Deposits Have Grown $1.83 Billion, or 5.5 Percent, Since the End of the 2017 Second Quarter. Average Deposits Increased $237.0 Million in the 2018 Second Quarter***
- ***For the 2018 Second Quarter, Loans Increased $900.3 Million, or 2.7 Percent, to $34.15 Billion. Since the End of the 2017 Second Quarter, Loans Have Increased 12.4 Percent, or $3.76 Billion***
- ***Non-Accrual Loans were $158.1 Million, or 0.46 Percent of Total Loans, at June 30, 2018, Versus $168.7 Million, or 0.51 Percent, at the End of the 2018 First Quarter and $392.9 Million, or 1.29 Percent, at the End of the 2017 Second Quarter. Excluding Taxi Medallion Loans, Which Were All Placed on Non-Accrual in the 2017 Second Quarter, Non-Accrual Loans Were $23.4 Million, or Seven Basis Points of Total Loans***
- ***Net Interest Margin on a Tax-Equivalent Basis Was 2.94 Percent, Compared with 3.01 Percent for the 2018 First Quarter and 3.11 Percent for the 2017 Second Quarter. Core Net Interest Margin on a Tax-Equivalent Basis Excluding Loan Prepayment Penalty Income Declined Six Basis Points to 2.89 Percent for the 2018 Second Quarter when Compared with the 2018 First Quarter***
- ***Tier 1 Leverage, Common Equity Tier 1 Risk-Based, Tier 1 Risk-Based and Total Risk-Based Capital Ratios were 9.64 Percent, 12.10 Percent, 12.10 Percent and 13.42 Percent, Respectively, at June 30, 2018. Signature Bank Remains Significantly Above FDIC "Well Capitalized" Standards. Tangible Common Equity Ratio Was 9.10 Percent***
- ***Two Private Client Banking Teams Joined During the 2018 Second Quarter Bringing the Total Team Hires to Four in 2018. Another Two Teams Have Joined Thus Far in the Third Quarter of 2018***

NEW YORK--(BUSINESS WIRE)--Jul. 19, 2018-- Signature Bank (Nasdaq: SBNY), a New York-based full-service commercial bank, today announced results for its second quarter ended June 30, 2018. Net income for the 2018 second quarter was $154.6 million, or $2.83 diluted earnings per share, versus $14.0 million, or $0.26 diluted earnings per share, for the 2017 second quarter. The increase in net income for the 2018 second quarter, versus the comparable quarter last year, is due to a decrease of $179.6 million in the provision for loan losses nearly all attributable to the New York City taxi medallion portfolio.

Net interest income for the 2018 second quarter reached $321.0 million, up $13.8 million, or 4.5 percent, when compared with the 2017 second quarter. This increase is primarily due to growth in average interest-earning assets. Total assets reached $45.22 billion at June 30, 2018, an increase of $4.50 billion, or 11.0 percent, from $40.72 billion at June 30, 2017. Average assets for the 2018 second quarter reached $44.58 billion, an increase of $4.27 billion, or 10.6 percent, compared with the 2017 second quarter.

Deposits during the 2018 second quarter rose $176.0 million, or 0.5 percent, to $34.99 billion at June 30, 2018, affected by a decrease of $918.2 million in escrow deposits. When compared with deposits at June 30, 2017, overall deposit growth for the last twelve months was 5.5 percent, or $1.83 billion. Average deposits for the 2018 second quarter reached $34.46 billion, an increase of $237.0 million, or 0.7 percent.

"Signature Bank's solid earnings and growth this quarter, coupled with both the positive impact of the $50 billion SIFI mark moving higher and tax reform has enabled us to declare an inaugural quarterly cash dividend of $0.56 per share to our common shareholders, representing an annualized dividend of $2.24 per share. We are proud of our colleagues who work hard for our clients every day, and we believe those efforts show through in our results and in returns for our shareholders," explained Joseph J. DePaolo, President and Chief Executive Officer.

"Additionally, Signature Bank continues to make the necessary investments to further our progress. Recent initiatives indicative of the Bank's plan for sustained growth include the hiring of private client banking teams in both New York and San Francisco, where we are now building a strong Signature Bank presence. We are strengthening our infrastructure with a new loan system soon to be in place. We are investing in a new credit approval system, foreign exchange system and an enhanced payments platform, to which we previously alluded. All these efforts are augmenting Signature Bank's solid foundation and will allow us to further our growth initiatives," DePaolo said.

"The recent passing of the Economic Growth, Regulatory Relief and Consumer Protection Act by Congress bodes well for banks like ours. Raising the SIFI designation threshold from $50 billion to $250 billion will foster greater competition by affording banks of varying size more opportunity within the banking industry," said Scott A. Shay, Chairman of the Board.

"In turn, this will prove beneficial for small and medium-sized businesses as they stand to gain better access to capital. Now, nimble, medium-sized banks such as Signature Bank will be better positioned to more effectively compete with the too-big-to-fail megabanks, and the commercial banking landscape will offer better options to growing companies thereby further stimulating economic growth," Shay concluded.

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 9.64 percent, 12.10 percent, 12.10 percent, and 13.42 percent, respectively, as of June 30, 2018. 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 9.10 percent. The Bank defines tangible common equity ratio as the ratio of tangible common equity to adjusted tangible assets and calculates this ratio by dividing total consolidated common shareholders' equity by consolidated total assets.

Net Interest Income

Net interest income for the 2018 second quarter was $321.0 million, an increase of $13.8 million, or 4.5 percent, versus the same period last year, primarily due to growth in average interest-earning assets. Average interest-earning assets of $43.89 billion for the 2018 second quarter represent an increase of $4.15 billion, or 10.4 percent, from the 2017 second quarter. Yield on interest-earning assets for the 2018 second quarter increased 16 basis points to 3.82 percent, compared with the 2017 second quarter.

Average cost of deposits and average cost of funds for the second quarter of 2018 increased by 27 basis points and 35 basis points, to 0.76 percent and 0.96 percent, respectively versus the 2017 second quarter.

Net interest margin on a tax-equivalent basis for the 2018 second quarter was 2.94 percent versus 3.11 percent reported in the same period a year ago. On a linked quarter basis, net interest margin on a tax-equivalent basis decreased seven basis points. Excluding loan prepayment penalties in both quarters, linked quarter core net interest margin on a tax-equivalent basis decreased six basis points to 2.89 percent.

Provision for Loan Losses

The Bank's provision for loan losses for the second quarter of 2018 was $8.0 million, compared with $140.8 million for the 2018 first quarter and $187.6 million for the 2017 second quarter. The elevated provisions for the 2018 first quarter and the 2017 second quarter were due to the New York City taxi medallion loan portfolio.

Net charge-offs for the 2018 second quarter were $3.0 million, or 0.04 percent of average loans on an annualized basis, versus $128.3 million, or 1.58 percent, for the 2018 first quarter and $229.0 million, or 3.04 percent, for the 2017 second quarter. The elevated level of charge-offs for the 2018 first quarter and the 2017 second quarter were due to the taxi medallion portfolio.

Non-Interest Income and Non-Interest Expense

Non-interest income for the 2018 second quarter was $5.6 million, down $4.0 million when compared with $9.6 million reported in the 2017 second quarter. The decrease was due to a $3.8 million increase in tax credit investment amortization. These investments positively impact our effective tax rate.

Non-interest expense for the second quarter of 2018 was $112.6 million, a decrease of $3.7 million, or 3.2 percent, versus $116.3 million reported in the 2017 second quarter. The decrease was primarily a result of write-downs of $11.5 million on repossessed New York City taxi medallion loans that occurred in the 2017 second quarter. This decrease was partially offset by increases in salaries and benefits from the addition of new private client banking teams.

The Bank's efficiency ratio decreased to 34.5 percent for the 2018 second quarter versus 36.7 percent for the comparable period last year. The decrease was primarily due to a decrease in other general and administrative expenses of $13.7 million primarily due to the absence of write-downs on repossessed New York City taxi medallion loans.

Loans

Loans, excluding loans held for sale, grew $900.3 million, or 2.7 percent, during the second quarter of 2018 to $34.15 billion, compared with $33.25 billion at March 31, 2018. At June 30, 2018, loans accounted for 75.5 percent of total assets, versus 74.8 percent at the end of the 2018 first quarter and 74.6 percent at the end of 2017 second quarter. Average loans, excluding loans held for sale, reached $33.67 billion in the 2018 second quarter, growing $732.7 million, or 2.2 percent, from the 2018 first quarter and $3.50 billion, or 11.6 percent, from the 2017 second quarter. The increase in loans for the quarter was primarily driven by growth in commercial and industrial lending, specialty finance, multi-family and commercial real estate loans.

At June 30, 2018, non-accrual loans were $158.1 million, representing 0.46 percent of total loans and 0.35 percent of total assets, compared with non-accrual loans of $168.7 million, or 0.51 percent of total loans, at March 31, 2018 and $392.9 million, or 1.29 percent of total loans, at June 30, 2017. Excluding non-accruing loans secured by taxi medallions of $134.6 million, non-accrual loans for the remainder of the entire portfolio are $23.4 million, or seven basis points of total loans. At June 30, 2018, the ratio of allowance for loan and lease losses to total loans was 0.62 percent, versus 0.63 percent at March 31, 2018 and 0.60 percent at June 30, 2017. Additionally, the ratio of allowance for loan and lease losses to non-accrual loans, or the coverage ratio, was 135 percent for the 2018 second quarter versus 124 percent for the first quarter of 2018 and 46 percent for the 2017 second quarter.

Conference Call

Signature Bank's management will host a conference call to review results of the 2018 second quarter on Thursday, July 19, 2018, 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 #6364689. 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 #6364689. The replay will be available from approximately 1:00 PM ET on Thursday, July 19, 2018 through 11:59 PM ET on Monday, July 23, 2018.

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 is ranked the 40th largest bank in the U.S. from nearly 6,000, based on deposits (SNL Financial). The Bank recently earned several third-party recognitions, including: appeared on *Forbes'* Best Banks in America list for the eighth consecutive year in 2018; named Best Private Bank and Best Attorney Escrow Services provider and among the top three Best Business Banks for the eighth consecutive year by the *New York Law Journal* in the publication's annual Best of reader survey; and, cited in the top three of the nation's best private banking services providers in the 2017 Best of *The National Law Journal* reader rankings.

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)

	Three months ended		*Six months ended*	
	June 30,		*June 30,*	
(dollars in thousands, except per share amounts)	**2018**	**2017**	**2018**	**2017**
INTEREST AND DIVIDEND INCOME				
Loans held for sale	$ 3,499	860	5,763	2,244
Loans and leases, net	337,584	291,892	660,021	573,467
Securities available-for-sale	54,428	50,848	106,692	100,667
Securities held-to-maturity	14,510	14,784	29,043	29,797
Other investments	6,783	3,553	12,355	6,367
Total interest income	416,804	361,937	813,874	712,542
INTEREST EXPENSE				
Deposits	65,201	40,311	120,063	75,113
Federal funds purchased and securities sold under agreements to repurchase	3,003	2,025	5,390	5,416
Federal Home Loan Bank borrowings	23,945	8,756	41,980	15,772
Subordinated debt	3,643	3,605	7,283	7,245
Total interest expense	95,792	54,697	174,716	103,546

Net interest income before provision for loan and lease losses	321,012	307,240	639,158	608,996
Provision for loan and lease losses	7,970	187,590	148,732	207,220
Net interest income after provision for loan and lease losses	313,042	119,650	490,426	401,776
NON-INTEREST INCOME				
Commissions	3,280	3,051	6,455	6,058
Fees and service charges	7,152	6,067	13,794	12,015
Net gains on sales of securities	357	1,679	798	2,529
Net gains on sales of loans	1,183	1,956	3,202	4,453
Other-than-temporary impairment losses on securities:				
Total impairment losses on securities	-	(81)	(2)	(273)
Portion recognized in other comprehensive income (before taxes)	-	-	(14)	32
Net impairment losses on securities recognized in earnings	-	(81)	(16)	(241)
Tax credit investment amortization	(7,423)	(3,672)	(13,285)	(7,135)
Other Income	1,066	550	1,870	1,745
Total non-interest income	5,615	9,550	12,818	19,424
NON-INTEREST EXPENSE				
Salaries and benefits	75,720	68,358	148,883	134,744
Occupancy and equipment	8,335	7,985	16,534	16,070
Information technology	6,291	5,464	12,578	10,773
FDIC assessment fees	7,447	6,839	14,434	12,981
Professional fees	3,503	2,667	6,778	6,040
Other general and administrative	11,297	24,960	50,718	38,863
Total non-interest expense	112,593	116,273	249,925	219,471
Income before income taxes	206,064	12,927	253,319	201,729
Income tax expense (benefit)	51,479	(1,030)	64,261	53,856
Net income	$ 154,585	13,957	189,058	147,873
PER COMMON SHARE DATA				
Earnings per share – basic	$ 2.84	0.26	3.48	2.74
Earnings per share – diluted	$ 2.83	0.26	3.47	2.73

SIGNATURE BANK
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(dollars in thousands, except shares and per share amounts)	**June 30, 2018 (unaudited)**	**December 31, 2017**
ASSETS		
Cash and due from banks	$ 500,617	290,078
Short-term investments	43,302	45,388
Total cash and cash equivalents	543,919	335,466
Securities available-for-sale	7,012,774	6,953,719
Securities held-to-maturity (fair value $1,849,822 at June 30, 2018 and $1,983,087 at December 31, 2017)	1,904,377	1,996,376
Federal Home Loan Bank stock	257,002	227,920
Loans held for sale	664,717	432,277
Loans and leases, net	33,934,159	32,416,580
Premises and equipment, net	66,499	61,571
Accrued interest and dividends receivable	126,272	117,070
Other assets	705,765	576,741
Total assets	$ 45,215,484	43,117,720
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Non-interest-bearing	$ 11,808,240	11,353,038
Interest-bearing	23,185,497	22,086,789
Total deposits	34,993,737	33,439,827
Federal funds purchased and securities sold under agreements to repurchase	585,000	790,000
Federal Home Loan Bank borrowings	4,795,000	4,195,000
Subordinated debt	257,774	257,381
Accrued expenses and other liabilities	436,350	403,821
Total liabilities	41,067,861	39,086,029

Shareholders’ equity		
Preferred stock, par value $.01 per share; 61,000,000 shares authorized;		
none issued at June 30, 2018 and December 31, 2017	-	-
Common stock, par value $.01 per share; 64,000,000 shares authorized;		
55,351,482 shares issued and outstanding at June 30, 2018;		
54,979,213 shares issued and 54,977,971 outstanding at December 31, 2017	554	550
Additional paid-in capital	1,835,574	1,809,642
Retained earnings	2,476,623	2,290,537
Treasury stock, none at June 30, 2018 and 1,242 shares at December 31, 2017	-	(171)
Accumulated other comprehensive loss	(165,128)	(68,867)
Total shareholders' equity	4,147,623	4,031,691
Total liabilities and shareholders' equity	$ 45,215,484	43,117,720

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

	Three months ended		*Six months ended*	
	June 30,		*June 30,*	
(in thousands, except ratios and per share amounts)	**2018**	**2017**	**2018**	**2017**
PER COMMON SHARE				
Net income - basic	$ 2.84	$ 0.26	$ 3.48	$ 2.74
Net income - diluted	$ 2.83	$ 0.26	$ 3.47	$ 2.73
Average shares outstanding - basic	54,527	54,083	54,336	53,902
Average shares outstanding - diluted	54,599	54,290	54,558	54,262
Book value	$ 74.93	$ 69.07	$ 74.93	$ 69.07
SELECTED FINANCIAL DATA				
Return on average total assets	1.39 %	0.14 %	0.86 %	0.75 %
Return on average shareholders' equity	15.22 %	1.48 %	9.32 %	8.05 %
Efficiency ratio (1)	34.47 %	36.70 %	38.33 %	34.92 %
Yield on interest-earning assets	3.81 %	3.65 %	3.78 %	3.64 %
Yield on interest-earning assets, tax-equivalent basis (1)(2)	3.82 %	3.66 %	3.78 %	3.65 %
Cost of deposits and borrowings	0.96 %	0.61 %	0.89 %	0.58 %
Net interest margin	2.93 %	3.10 %	2.97 %	3.12 %
Net interest margin, tax-equivalent basis (2)(3)	2.94 %	3.11 %	2.97 %	3.12 %

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

(2) Based on the 21 percent U.S. federal statutory tax rate for the 2018 periods presented, and the 35 percent rate for the 2017 periods presented. 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.

	June 30, 2018	**March 31, 2018**	**December 31, 2017**	**June 30, 2017**
CAPITAL RATIOS				
Tangible common equity (4)	9.10 %	8.95 %	9.29 %	9.26 %
Tier 1 leverage (5)	9.64 %	9.47 %	9.72 %	9.52 %
Common equity Tier 1 risk-based (5)	12.10 %	12.09 %	11.99 %	11.68 %
Tier 1 risk-based (5)	12.10 %	12.09 %	11.99 %	11.68 %
Total risk-based (5)	13.42 %	13.45 %	13.32 %	13.03 %
ASSET QUALITY				
Non-accrual loans	$ 158,077	$ 168,713	$ 326,918	$ 392,880
Allowance for loan and lease losses	$ 213,367	$ 208,385	$ 195,959	$ 182,541
Allowance for loan and lease losses to non-accrual loans	134.98 %	123.51 %	59.94 %	46.46 %

Allowance for loan and lease losses to total loans	0.62 %	0.63 %	0.60 %	0.60 %
Non-accrual loans to total loans	0.46 %	0.51 %	1.00 %	1.29 %
Quarterly net charge-offs to average loans, annualized	0.04 %	1.58 %	0.48 %	3.04 %

(4) 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) June 30, 2018 ratios are preliminary.

SIGNATURE BANK
NET INTEREST MARGIN ANALYSIS
(unaudited)

	Three months ended June 30, 2018			*Three months ended June 30, 2017*		
(dollars in thousands)	**Average Balance**	**Interest Income/ Expense**	**Average Yield/ Rate**	**Average Balance**	**Interest Income/ Expense**	**Average Yield/ Rate**
INTEREST-EARNING ASSETS						
Short-term investments	$ 443,433	1,979	1.79 %	528,169	1,358	1.03 %
Investment securities	9,301,617	73,742	3.17 %	8,889,069	67,827	3.05 %
Commercial loans, mortgages and leases (1)(2)	33,437,782	336,005	4.03 %	29,899,100	290,189	3.89 %
Residential mortgages and consumer loans	233,213	2,464	4.24 %	271,284	2,561	3.79 %
Loans held for sale	477,407	3,499	2.94 %	159,497	860	2.16 %
Total interest-earning assets	43,893,452	417,689	3.82 %	39,747,119	362,795	3.66 %
Non-interest-earning assets	688,126			568,253		
Total assets	$ 44,581,578			40,315,372		
INTEREST-BEARING LIABILITIES						
Interest-bearing deposits						
NOW and interest-bearing demand	$ 3,539,748	11,892	1.35 %	3,832,360	6,654	0.70 %
Money market	17,691,714	47,565	1.08 %	17,062,993	29,735	0.70 %
Time deposits	1,392,458	5,744	1.65 %	1,469,043	3,922	1.07 %
Non-interest-bearing demand deposits	11,831,308	-	-	10,592,678	-	-
Total deposits	34,455,228	65,201	0.76 %	32,957,074	40,311	0.49 %
Subordinated debt	257,645	3,643	5.66 %	256,851	3,605	5.61 %
Other borrowings	5,394,121	26,948	2.00 %	2,927,435	10,781	1.48 %
Total deposits and borrowings	40,106,994	95,792	0.96 %	36,141,360	54,697	0.61 %
Other non-interest-bearing liabilities and shareholders' equity	4,474,584			4,174,012		
Total liabilities and shareholders' equity	$ 44,581,578			40,315,372		
OTHER DATA						
Net interest income / interest rate spread (1)		321,897	2.86 %		308,098	3.05 %
Tax-equivalent adjustment		(885)			(858)	
Net interest income, as reported		321,012			307,240	
Net interest margin			2.93 %			3.10 %
Tax-equivalent effect			0.01 %			0.01 %
Net interest margin on a tax-equivalent basis (1)(2)			2.94 %			3.11 %
Ratio of average interest-earning assets to average interest-bearing liabilities			109.44 %			109.98 %

(1) Presented on a tax-equivalent, non-GAAP, basis for municipal leasing and financing transactions using the U.S. federal statutory tax rate of 21 percent for the period ended June 30, 2018 and 35 percent for the period ended June 30, 2017.

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

SIGNATURE BANK
NET INTEREST MARGIN ANALYSIS
(unaudited)

(dollars in thousands)	*Six months ended June 30, 2018* Average Balance	Interest Income/ Expense	Average Yield/ Rate		*Six months ended June 30, 2017* Average Balance	Interest Income/ Expense	Average Yield/ Rate	
INTEREST-EARNING ASSETS								
Short-term investments	$ 454,902	3,721	1.65	%	471,649	2,142	0.92	%
Investment securities	9,275,523	144,369	3.11	%	8,842,191	134,689	3.05	%
Commercial loans, mortgages and leases (1)(2)	33,067,533	656,893	4.01	%	29,615,113	569,780	3.88	%
Residential mortgages and consumer loans	239,130	4,862	4.10	%	274,420	5,201	3.82	%
Loans held for sale	417,029	5,763	2.79	%	219,105	2,244	2.07	%
Total interest-earning assets	43,454,117	815,608	3.78	%	39,422,478	714,056	3.65	%
Non-interest-earning assets	675,674				553,844			
Total assets	$ 44,129,791				39,976,322			
INTEREST-BEARING LIABILITIES								
Interest-bearing deposits								
NOW and interest-bearing demand	$ 3,691,222	22,721	1.24	%	3,793,164	11,875	0.63	%
Money market	17,465,933	86,283	1.00	%	16,872,945	55,904	0.67	%
Time deposits	1,461,716	11,059	1.53	%	1,451,516	7,334	1.02	%
Non-interest-bearing demand deposits	11,718,727	-	-		10,492,211	-	-	
Total deposits	34,337,598	120,063	0.71	%	32,609,836	75,113	0.46	%
Subordinated debt	257,547	7,283	5.66	%	256,754	7,245	5.64	%
Other borrowings	5,078,834	47,370	1.88	%	3,001,291	21,188	1.42	%
Total deposits and borrowings	39,673,979	174,716	0.89	%	35,867,881	103,546	0.58	%
Other non-interest-bearing liabilities and shareholders' equity	4,455,812				4,108,441			
Total liabilities and shareholders' equity	$ 44,129,791				39,976,322			
OTHER DATA								
Net interest income / interest rate spread (1)		640,892	2.89	%		610,510	3.07	%
Tax-equivalent adjustment		(1,734)				(1,514)		
Net interest income, as reported		639,158				608,996		
Net interest margin			2.97	%			3.12	%
Tax-equivalent effect			-				-	
Net interest margin on a tax-equivalent basis (1)(2)			2.97	%			3.12	%
Ratio of average interest-earning assets to average interest-bearing liabilities			109.53	%			109.91	%

(1) Presented on a tax-equivalent, non-GAAP, basis for municipal leasing and financing transactions using the U.S. federal statutory tax rate of 21 percent for the period ended June 30, 2018 and 35 percent for the period ended June 30, 2017.

(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) Net income and diluted earnings per share (as reported) to net income and diluted earnings per share excluding write-downs and fair value adjustments for the taxi medallion portfolio,(ii) tangible common equity ratio, (iii) efficiency ratio,(iv) yield on interest-earning assets, tax-equivalent basis, and (v) 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 change in net income excluding write-downs and fair value adjustments for the taxi medallion portfolio:

	Three months ended June 30,		*Six months ended June 30,*	
(dollars in thousands, except per share amounts)	**2018**	**2017**	**2018**	**2017**
Net income (as reported)	$ 154,585	13,957	189,058	147,873
Write-downs and fair value (FV) adjustments for the taxi medallion portfolio	(848)	179,309	153,602	193,251
Tax effect, taxi medallion portfolio write-downs and FV adjustments	216	(73,034)	(38,975)	(94,088)
Total net income (adjusted)	$ 153,953	120,232	303,685	247,036
Diluted earnings per share (as reported)	2.83	0.26	3.47	2.73
Write-downs and FV adjustments for the taxi medallion portfolio	(0.02)	3.30	2.82	3.56
Tax effect, taxi medallion portfolio write-downs and FV adjustments	0.01	(1.35)	(0.72)	(1.74)
Diluted earnings per share - excluding write-downs and FV adjustments for the taxi medallion portfolio (adjusted)	$ 2.82	2.21	5.57	4.55

The following table presents the tangible common equity ratio calculation:

	June 30,	**March 31,**	**December 31,**	**June 30,**
(dollars in thousands)	**2018**	**2018**	**2017**	**2017**
Consolidated common shareholders' equity	$ 4,147,623	4,001,172	4,031,691	3,797,246
Intangible assets	34,261	27,687	28,643	27,374
Consolidated tangible common shareholders' equity (TCE)	$ 4,113,362	3,973,485	4,003,048	3,769,872
Consolidated total assets	$ 45,215,484	44,435,634	43,117,720	40,718,610
Intangible assets	34,261	27,687	28,643	27,374
Consolidated tangible total assets (TTA)	$ 45,181,223	44,407,947	43,089,077	40,691,236
Tangible common equity ratio (TCE/TTA)	9.10 %	8.95 %	9.29 %	9.26 %

The following table presents the efficiency ratio calculation:

	Three months ended June 30,		*Six months ended June 30,*	
(dollars in thousands)	**2018**	**2017**	**2018**	**2017**
Non-interest expense (NIE)	$ 112,593	116,273	249,925	219,471
Net interest income before provision for loan and lease losses	321,012	307,240	639,158	608,996
Other non-interest income	5,615	9,550	12,818	19,424
Total income (TI)	$ 326,627	316,790	651,976	628,420
Efficiency ratio (NIE/TI)	34.47 %	36.70 %	38.33 %	34.92 %

SIGNATURE BANK
NON-GAAP FINANCIAL MEASURES
(unaudited)

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

	Three months ended June 30,				*Six months ended June 30,*			
	2018		**2017**		**2018**		**2017**	
Interest income (as reported)	$ 416,804		361,937		813,874		712,542	
Tax-equivalent adjustment	885		858		1,734		1,514	
Interest income, tax-equivalent basis	$ 417,689		362,795		815,608		714,056	
Interest-earnings assets	$ 43,893,452		39,747,119		43,454,117		39,422,478	
Yield on interest-earning assets	3.81	%	3.65	%	3.78	%	3.64	%
Tax-equivalent effect	0.01	%	0.01	%	0.00	%	0.01	%
Yield on interest-earning assets, tax-equivalent basis	3.82	%	3.66	%	3.78	%	3.65	%

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

	Three months ended June 30,				*Six months ended June 30,*			
	2018		**2017**		**2018**		**2017**	
Net interest margin (as reported)	2.93	%	3.10	%	2.97	%	3.12	%
Tax-equivalent adjustment	0.01	%	0.01	%	-		-	
Margin contribution from loan prepayment penalty income	(0.05)	%	(0.07)	%	(0.06)	%	(0.06)	%
Core net interest margin, tax-equivalent basis excluding loan prepayment penalty income	2.89	%	3.04	%	2.91	%	3.06	%

View source version on businesswire.com: https://www.businesswire.com/news/home/20180719005097/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