FOR IMMEDIATE RELEASE
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For Further Information:
Investor Contact:
Eric R. Howell, Chief Financial Officer
646-822-1402, ehowell@signatureny.com
Media Contact:
Susan J. Lewis, 646-822-1825, slewis@signatureny.com

SIGNATURE BANK REPORTS 2005 FOURTH QUARTER AND YEAR-END RESULTS

- ***Net Income for the Fourth Quarter Reached $7.4 Million or $0.25 Diluted Earnings Per Share Versus $4.9 Million in Fourth Quarter 2004, an Increase of 51 Percent***
- ***Net Interest Margin Expands 14 Basis Points on a Linked Quarter Basis***
- ***Deposits Rose $357 Million to $3.49 Billion During the Fourth Quarter Bolstered by an Inflow of Short-Term Escrow Deposits; For 2005, Deposits Grew $907 Million or 35 Percent Over Last Year***
- ***Loans Increased a Record $133 Million, Topping the $1.0 Billion Mark in the Fourth Quarter; For 2005, Loans Increased $434 Million or 76 Percent Since Last Year***
- ***Four Teams and Four Group Directors Joined During the Quarter***

NEW YORK … January 26, 2006 … Signature Bank (Nasdaq: SBNY), a New York-based full-service commercial bank, today announced results for its 2005 fourth quarter and year ended December 31, 2005.

Net income for the quarter reached $7.4 million or $0.25 diluted earnings per share, compared with $4.9 million or $0.17 diluted earnings per share for the fourth quarter last year. The growth in net income is a result of a significant increase in net interest margin, which was fueled by the growth of low cost core deposits (including short-term escrows) and loans, as well as increased non-interest income.

Net interest income totaled $29.0 million for the quarter, an increase of $7.7 million or 36.0 percent, when compared with the fourth quarter of 2004. Total assets grew by $419.9 million during the quarter, reaching $4.38 billion at year-end.

Deposits in the fourth quarter grew $357.3 million, or 11.4 percent, to $3.49 billion at year-end. Included in this amount are significant short-term escrow deposits, which, due to their nature and as expected, have been or will be released during the first quarter of 2006. This growth represents an increase of more than $907.0 million, or 35.1 percent, when compared with deposits as of December 31, 2004. Core deposits of $3.16 billion represent over 90 percent of total deposits.

For the year ended December 31, 2005, net income reached $15.9 million, or $0.53 diluted earnings per share, versus $29.8 million or $1.15 diluted earnings per share reported last year. Excluding the effects of a one-time special bonus of $12.0 million paid by Bank Hapoalim that was reflected in Signature Bank's statement of operations in the second quarter of 2005, net income for the year was $25.4 million, or $0.86 diluted earnings per share.

"2005 represents another exceptional year for the Bank, which was accentuated by a very strong quarter on several fronts. Quarter after quarter, we continue to deliver strong deposit, loan and earnings growth which is reflected in the Bank's quarterly and year-end performance. The initiatives we put in place throughout 2004 and 2005 are coming to fruition as demonstrated by the 15 percent increase in our loan portfolio and continued strong growth in deposits this quarter," said Joseph J. DePaolo, President and Chief Executive Officer, of the Bank's performance for the 2005 fourth quarter and year-end.

"During the fourth quarter, we added four additional private client banking teams and four Group Directors. For the year, eight teams and eight Group Directors joined the Bank, bringing the total at year-end to 38 teams and 47 Group Directors. With the recent addition of two private client banking teams, three Group Directors and the opening of our newest location in Union Square in January of 2006, the Bank now has 40 private client banking teams and 50 Group Directors spanning 16 offices in the metro-NY area. We are now better positioned to further penetrate this expansive marketplace and capitalize on the many opportunities it presents as the mega-banks continue to segment and dilute the client relationship. Signature Bank has continually proven its capabilities in providing unparalleled, seamless service from a single point of contact, which is exactly what our clients are demanding. Our financial results are indicative of our ability to consistently deliver," DePaolo explained.

Scott A. Shay, Chairman of the Board, noted: "Now, in our fifth year of operation, Signature Bank has yet again demonstrated to clients, investors and the financial services marketplace that our business strategy is rapidly progressing. Our long-term focus on conservative balance sheet management and steady loan growth is benefiting us in this challenging interest rate environment for the industry. This is clearly evidenced by the 14-basis point margin growth we achieved this quarter."

Net Interest Income

Net interest income for the fourth quarter 2005 was $29.0 million, representing a 36.0 percent or $7.7 million increase from the fourth quarter 2004. The net interest income growth was fueled by significant increases in low cost core deposits and interest earning assets, as well as net interest margin expansion. Average interest earning assets for the fourth quarter of 2005 increased by $928.6 million, reflecting a 30.4 percent increase from the fourth quarter 2004. The net interest margin for the fourth quarter 2005 increased 11 basis points to 2.89 percent, when compared to the fourth quarter of 2004. On a linked quarter basis, net interest margin increased 14 basis points spurred by the significant short-term escrow deposits which helped to accelerate this expansion. These increases demonstrate the asset sensitive structure of the Bank's balance sheet. During the fourth quarter of 2005, the average cost of funds increased by 92 basis points to 1.96 percent when compared to the fourth quarter of 2004 and the average cost of deposits remained low at 1.70 percent. The increases in costs of funds and deposits are reflective of the competitive marketplace. Asset yields for the fourth quarter of 2005 strengthened by 104 basis points to 4.78 percent, when compared to the fourth quarter of 2004, benefiting from higher short-term rates and more favorable market conditions.

The flat yield curve and competitive deposit market continue to present challenges for the Bank. In the near term, the Bank remains well positioned for further asset yield expansion with the reinvestment of cash flows from the short duration investment portfolio into accretive yielding investments or higher yielding loans. The Bank expects that its cost of funds will continue to increase with the rise in short-term rates; however, this rise should be partially mitigated by a stable core deposit mix and lower cost borrowings.

Non-Interest Income and Non-Interest Expense

Non-interest income for the fourth quarter of 2005 rose 30.6 percent to $4.9 million versus $3.7 million reported in the fourth quarter of 2004. This improvement was largely the result of a $637,000 rise in fees and service charges.

For the year ended 2005, non-interest income was $18.7 million, a decrease of $4.3 million or 18.5 percent when compared with 2004. The decrease in non-interest income is mainly attributable to a decrease of $8.9 million in net gains on sales of securities and loans. In 2004, there were four sales of SBA interest only strip securities for net gains of $9.3 million compared to no sales in 2005. The decrease was partially offset by increases of $1.2 million in commissions from brokerage activities, $1.6 million in fees and service charges and $1.9 million in other income.

Non-interest expense for the quarter ended December 31, 2005 was $19.8 million, compared with $15.1 million in the fourth quarter of 2004. This increase is primarily due to the addition of new private client teams and locations.

For the year, non-interest expense was $81.8 million, an increase of $23.3 million, or 39.8 percent when compared with 2004. Adjusting for the effects of a one-time special bonus of $12.0 million paid by Bank Hapoalim but reflected in Signature Bank's statement of operations in the second quarter of 2005, non-interest expense for the year was $69.8 million, an increase of $11.3 million or 19.3 percent. The addition of new private client teams, the opening of new offices and incremental costs associated with Sarbanes-Oxley compliance contributed to non-interest expense results.

The Bank's efficiency ratio improved to 58.4 percent for the fourth quarter 2005, compared with 60.2 percent for the fourth quarter 2004, due to the growth in interest income and non-interest income, coupled with the further leveraging of its operational capacity.

Loans

For the fourth quarter, loans, excluding loans held for sale, increased $132.6 million or 15.2 percent to $1.01 billion at December 31, 2005, compared with $872.5 million at September 30, 2005. The Bank's loan pipeline continues to develop and was in excess of $250 million at year-end 2005 due to the key initiatives the Bank put in place throughout the year, including the commercial real estate lending initiative, and the ongoing efforts exhibited by the Bank's established private client teams and Senior Lenders.

Loans held for sale were $138.4 million as of December 31, 2005, an increase of 56.2 percent or $49.8 million from September 30, 2005. The periodic fluctuation in loans held for sale is predominantly due to the timing of SBA loan purchases and subsequent pool sales.

At December 31, 2005, non-performing loans increased to $8.8 million from $8.7 million at September 30, 2005, representing 0.88 percent of total loans. Quarterly net charge-offs to average loans remained low at 0.03 percent. The non-performing loan balance is predominantly made up of two loans, one of which the Bank positively restructured in January of 2006. The restructuring resulted in additional collateral and an anticipated significant pay down within the next 12 months.

Capital

Signature Bank's capital ratios remain strong. The Bank's tier 1 risk-based, total risk-based and leverage capital ratios are approximately 19.55 percent, 20.08 percent and 8.67 percent, respectively, as of December 31, 2005, well in excess of regulatory requirements. The ratios reflect the relatively low risk profile of the balance sheet.

"We remain on the same fast track in 2006 as that of 2005. During 2005, we increased the Signature Bank network of private client banking teams by over 25 percent. As we recently announced, we started the New Year off with the appointment of two private client banking teams and three Group Directors and we opened our newest office in the Union Square area of Manhattan. This sets the stage for the additional recruiting efforts we will pursue during 2006. Signature Bank is fast becoming the bank of choice among bankers and clients and as we enter 2006, we will tap into the strong pipeline that exists to recruit additional veteran banking teams," DePaolo confirmed.

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Further commenting, Shay noted: "Privately owned businesses are becoming increasingly aware of and attracted to Signature Bank's service-oriented lending style. As we continue to progress in this area, we look forward to building on our base of lending to augment our margin."

Conference Call

Signature Bank's management will host a conference call to review results of the 2005 fourth quarter and year-end on Thursday, January 26, 2006 at 10:00 AM ET. Participants should dial 800-218-0204 at least ten minutes prior to the start of the call. International callers should dial 303-262-2211.

To hear a live web simulcast or to listen to the archived web cast of the conference call, please visit the Bank's web site at www.signatureny.com, click on the investor relations tab and then select news/press and conference calls to access the link to the call. Refer to conference identification number 31910.
To listen to a telephone replay of the conference call, please dial 303-590-3000 and enter reservation identification number 11051183. The replay will be available from approximately 12:00 PM ET on Thursday, January 26, 2006 through Tuesday, January 31, 2006 at 6 PM ET.

About Signature Bank

Signature Bank, member FDIC, is a New York-based full-service commercial bank with 16 private client offices located in the New York metropolitan area, serving the needs of privately owned businesses, their owners and senior managers through dozens of private client groups. The Bank offers a wide variety of business and personal banking products and services as well as investment, brokerage, asset management and insurance products and services through its subsidiary, Signature Securities Group Corporation, a licensed broker-dealer, investment adviser and member NASD/SIPC.

Signature Bank's 16 offices are located throughout the metropolitan New York area. In Manhattan – 261 Madison Avenue; 300 Park Avenue; 71 Broadway; 565 Fifth Avenue; 950 Third Avenue and 200 Park Avenue South. Brooklyn - 26 Court Street and 84 Broadway. Westchester – 1C Quaker Ridge Road, New Rochelle and 360 Hamilton Avenue, White Plains. Long Island – 1225 Franklin Avenue, Garden City; 279 Sunrise Highway, Rockville Centre; 58 South Service Road, Melville and 923 Broadway, Woodmere. Queens – 36-36 33rd Street in Long Island City. Bronx – 421 Hunts Point Avenue, Hunts Point.

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

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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. Forward-looking statements include information concerning our future results, interest rates, loan and deposit growth, operations, new private client team hires, new office openings and business strategy. These statements often include words such as "may," "believe," "expect," "anticipate," "intend," "plan," "estimate" or 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. These factors include but are not limited to: (i) prevailing economic conditions; (ii) changes in interest rates, loan demand, real estate values, and competition, which can materially affect origination levels and gain on sale results in our business, as well as other aspects of our financial performance; (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; and (iv) competition for qualified personnel and desirable office locations. Additional factors are described in our quarterly and annual reports.

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.

- FINANCIAL TABLES ATTACHED -

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Signature Bank

Consolidated Statements of Operations

(unaudited)

(in thousands, except per share amounts)

	Three months ended December 31,		Year ended December 31,	
	2005	**2004**	**2005**	**2004**
Interest and dividend income:				
Loans held for sale	$1,234	621	3,625	2,465
Loans, net	15,753	6,903	47,163	21,183
Securities available-for-sale	26,615	17,231	89,244	52,000
Securities held-to-maturity	3,870	3,721	16,199	10,910
Other short-term investments	517	226	1,305	648
Total interest income	$47,989	28,702	157,536	87,206
Interest expense:				
Deposits	14,402	5,471	42,523	15,935
Fed funds purchased and securities sold under agreements to repurchase	2,662	464	8,410	1,046
Federal Home Loan Bank advances	1,764	1,424	6,695	3,235
Other short-term borrowings	141	--	766	--
Total interest expense	$18,969	7,359	58,394	20,216
Net interest income before provision for loan losses	29,020	21,343	99,142	66,990
Provision for loan losses	1,229	1,479	3,310	3,355
Net interest income after provision for loan losses	$27,791	19,864	95,832	63,635
Non-interest income:				
Commissions	1,537	1,523	6,356	5,205
Fees and service charges	2,266	1,629	7,767	6,122
Net gains on sales of securities and loans	544	568	2,373	11,291
Other income	532	16	2,182	306
Total non-interest income	$4,879	3,736	18,678	22,924
Non-interest expense:				
Salaries and benefits	11,235	8,762	52,127	34,597
Occupancy and equipment	2,039	1,430	7,270	5,378
Other general and administrative	6,511	4,909	22,360	18,507
Total non-interest expense	$19,785	15,101	81,757	58,482
Income before income taxes	12,885	8,499	32,753	28,077
Income tax expense (benefit)	5,477	3,581	16,884	(1,721)
Net income	$7,408	4,918	15,869	29,798
Earnings per share – basic	$0.25	0.17	0.54	1.16
Earnings per share – diluted	$0.25	0.17	0.53	1.15

Signature Bank

Consolidated Statements of Financial Condition

(in thousands, except per share amounts)

Assets	**December 31, 2005 (unaudited)**	**December 31, 2004**
Cash and due from banks	$80,558	68,729
Short-term investments	5,651	6,331
Total cash and cash equivalents	86,209	75,060
Securities available-for-sale ($685,508 pledged at December 31, 2005 and $652,860 at December 31, 2004)	2,570,799	2,107,390
Securities held-to-maturity (fair market value $390,401 at December 31, 2005 and $414,140 at December 31, 2004; $95,903 pledged at December 31, 2005 and $57,405 at December 31, 2004)	399,501	416,333
Federal Home Loan Bank stock	14,468	14,250
Loans held for sale	138,395	112,917
Loans, net	995,103	563,353
Premises and equipment, net	17,785	14,186
Accrued interest and dividends receivable	20,817	12,802
Other assets	141,862	40,257
Total assets	$4,384,939	3,356,548
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits:		
Non-interest-bearing	1,277,207	759,303
Interest-bearing	2,210,526	1,821,426
Total deposits	3,487,733	2,580,729
Fed funds purchased and securities sold under agreements to repurchase	260,000	115,000
Federal Home Loan Bank advances	220,000	285,000
Other short-term borrowings	20,000	--
Accrued expenses and other liabilities	46,223	36,900
Total liabilities	$4,033,956	3,017,629
Shareholders' equity:		
Preferred stock, par value $.01; 61,000,000 shares authorized and unissued at December 31,2005	--	--
Common stock, par value $.01; 64,000,000 shares authorized, 29,378,397 shares issued and outstanding at December 31, 2005; 39,000,000 shares authorized, 29,315,000 shares issued and outstanding at December 31, 2004	294	293
Additional paid-in capital	361,617	348,553
Unearned compensation	(680)	(783)
Retained earnings (accumulated deficit)	12,804	(3,066)
Accumulated other comprehensive loss:		
Net unrealized depreciation on securities available-for-sale, net of tax effect	(23,052)	(6,078)
Total shareholders' equity	350,983	338,919
Total liabilities and shareholders' equity	$4,384,939	3,356,548

Financial Summary
(unaudited)

(dollars in thousands, except ratios and per share amounts)	Three months ended		Year ended	
	December 31, 2005	**December 31, 2004**	**December 31, 2005**	**December 31, 2004**
Per share:				
Net income - basic	$ 0.25	$ 0.17	$ 0.54	$ 1.16
Net income – diluted	$ 0.25	$ 0.17	$ 0.53	$ 1.15
Average shares outstanding - basic	29,366	29,315	29,349	25,667
Average shares outstanding - diluted	29,716	29,693	29,693	25,918
Book value	$ 11.95	$ 11.56	$ 11.95	$ 11.56
Selected financial data:				
Return on average total assets	0.70 %	0.62 %	0.42 %	1.16 %
Return on average shareholders' equity	8.51 %	5.81 %	4.63 %	11.70 %
Efficiency ratio	58.36 %	60.21 %	69.39 %	65.04 %
Yield on interest-earning assets	4.78 %	3.74 %	4.41 %	3.55 %
Cost of deposits and borrowings	1.96 %	1.04 %	1.71 %	0.88 %
Net interest margin	2.89 %	2.78 %	2.78 %	2.72 %

Capital Ratios (unaudited)	**December 31, 2005**	**September 30, 2005**	**December 31, 2004**
Tier one leverage	8.67 %	9.48 %	10.86 %
Tier one risk-based	19.55 %	22.30 %	29.27 %
Total risk-based	20.08 %	22.84 %	29.92 %

Asset Quality (unaudited)	**December 31, 2005**	**September 30, 2005**	**December 31, 2004**
Non-performing loans	$ 8,845	$ 8,719	$ 6,042
Allowance for loan losses	$ 10,050	$ 8,897	$ 7,660
Allowance for loan losses to non-performing loans	113.62 %	102.04 %	126.78 %
Allowance for loan losses to total loans	1.00 %	1.02 %	1.34 %
Non-performing loans to total loans	0.88 %	1.00 %	1.06 %
Quarterly net charge-offs (recoveries) to average loans (annualized)	0.03 %	0.01 %	0.00 %

Signature Bank
Net Interest Margin Analysis
(unaudited)

The following tables present an analysis of net interest income by each major category of interest-earning assets and interest-bearing liabilities:

(unaudited)	Three Months Ended December 31, 2005			Three Months Ended December 31, 2004		
(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	$38,172	$377	3.92%	$23,859	$101	1.68%
Investment securities	2,933,121	30,625	4.18%	2,440,059	21,077	3.46%
Commercial loans and commercial mortgages	730,910	12,200	6.62%	391,464	4,800	4.88%
Residential mortgages	72,171	872	4.83%	75,616	941	4.98%
Consumer loans	123,688	2,681	8.60%	58,270	1,162	7.93%
Loans held for sale	87,090	1,234	5.62%	67,242	621	3.67%
Total interest-earning assets	$3,985,152	$47,989	4.78%	$3,056,510	$28,702	3.74%
Non-interest-earning assets	231,092			120,978		
Total assets	$4,216,244			$3,177,488		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$218,340	$480	0.87%	$181,754	$310	0.68%
Money market accounts	1,721,620	11,322	2.61%	1,315,907	4,023	1.22%
Certificates of deposits	302,218	2,600	3.41%	241,417	1,138	1.88%
Non-interest-bearing deposits	1,114,018	--	--	722,797	--	--
Total deposits	$3,356,196	$14,402	1.70%	$2,461,875	$5,471	0.88%
Borrowings	487,828	4,567	3.71%	352,293	1,888	2.13%
Total deposits and borrowings	$3,844,024	$18,969	1.96%	$2,814,168	$7,359	1.04%
Other non-interest-bearing liabilities and shareholders’ equity	372,220			363,320		
Total liabilities and shareholders’ equity	$4,216,244			$3,177,488		
Net interest income / interest rate spread		$29,020	2.82%		$21,343	2.70%
Net interest margin			2.89%			2.78%
Ratio of average interest-earning assets to average interest-bearing liabilities			103.67%			108.61%

(unaudited)	Year ended December 31, 2005			Year ended December 31, 2004		
(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	$21,912	$727	3.32%	$29,054	$326	1.12%
Investment securities	2,721,841	106,021	3.90%	1,916,521	63,232	3.30%
Commercial loans and commercial mortgages	587,771	35,804	6.09%	327,709	14,478	4.42%
Residential mortgages	71,863	3,776	5.25%	67,306	3,215	4.78%
Consumer loans	89,134	7,583	8.51%	46,912	3,490	7.44%
Loans held for sale	77,463	3,625	4.68%	72,219	2,465	3.41%
Total interest-earning assets	$3,569,984	$157,536	4.41%	$2,459,721	$87,206	3.55%
Non-interest-earning assets	200,022			109,101		
Total assets	$3,770,006			$2,568,822		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$202,415	$1,438	0.71%	$170,501	$1,178	0.69%
Money market accounts	1,559,905	33,388	2.14%	1,096,544	12,423	1.13%
Certificates of deposits	261,168	7,697	2.95%	133,977	2,334	1.74%
Non-interest-bearing deposits	891,059	--	--	640,675	--	--
Total deposits	$2,914,547	$42,523	1.46%	$2,041,697	$15,935	0.78%
Borrowings	491,613	15,871	3.23%	251,803	4,281	1.70%
Total deposits and borrowings	$3,406,160	$58,394	1.71%	$2,293,500	$20,216	0.88%
Other non-interest-bearing liabilities and shareholders' equity	363,846			275,322		
Total liabilities and shareholders' equity	$3,770,006			$2,568,822		
Net interest income / interest rate spread		$99,142	2.70%		$66,990	2.67%
Net interest margin			2.78%			2.72%
Ratio of average interest-earning assets to average interest-bearing liabilities			104.81%			107.25%

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