FOR IMMEDIATE RELEASE
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SIGNATURE BANK REPORTS 2004 SECOND QUARTER RESULTS

- ***Net Income Reaches $18.3 Million (Including Recognition of Deferred Tax Credits)***
- ***Total Assets Grow to $2.7 Billion***
- ***Exceptional Deposit Growth of 21.3 Percent from the First Quarter of 2004 to $2.1 Billion***
- ***Five New Private Client Groups Join and 11th Office Opened***

NEW YORK … July 28, 2004 … Signature Bank (Nasdaq: SBNY), a New York-based full-service commercial bank, announced today results for its 2004 second quarter ended June 30, 2004.

Net income for the quarter rose significantly to $18.3 million or $0.69 diluted earnings per share, compared with $2.6 million or $0.13 diluted earnings per share for the first quarter of 2004, and $681,000 for the second quarter last year. Included in net income for the second quarter is $9.8 million from the recognition of deferred tax credits. Net income, excluding the tax credits, is $8.5 million for the quarter, a 219 percent increase over the first quarter of 2004. For the first half of 2004, net income reached $20.9 million compared with $697,000 for the same period last year.

Net income was fueled by exceptional asset growth and strong performance by the Bank's SBA pool assembling activities. Assets grew by $512.8 million during the quarter, primarily due to successful deposit gathering by the Bank's established private client teams.

Deposits in the second quarter grew $371 million, or 21.3 percent, to $2.1 billion. This represents an increase of $538.5 million, or 34.2 percent, when compared with deposits as of December 31, 2003. Core deposits of $2.0 billion represent 95.0 percent of the total deposits. Non-interest bearing demand deposits increased $164.2 million, or 29.3 percent, to $724.9 million, versus $560.6 million at March 31, 2004.

Signature's SBA pool assembler activities profited from the sale of a portion of its interest-only strip security as well as recurring pool sales. The interest-only strip security sales contributed $5.8 million to net income after associated expenses and taxes.

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Joseph J. DePaolo, Signature Bank President and Chief Executive Officer, commented on the Bank's results for the second quarter and first half of 2004: "This has been yet another strong period for Signature Bank. Throughout the quarter, we experienced continued earnings growth, essentially driven by our core businesses. During this time, the Bank increased deposits considerably, especially non-interest bearing demand deposits, while also increasing our network of seasoned banking professionals by 20 percent, adding five teams this quarter. We expect these additional professionals to begin contributing to our growth and profitability as they cultivate extensive client relationships throughout the remainder of 2004 and beyond.

"Additionally, we continue to develop a core competency in our SBA activities and since the Bank's founding just three years ago, have already emerged as one of the largest SBA pool assemblers in the nation. We believe the Bank will continue to generate income on the sale of SBA pools and the periodic sales of interest-only strip securities."

Scott A. Shay, Chairman of the Board, added: "The Bank's established private client teams proved to further validate our business model this quarter by continuing to gain deposits. It is apparent that there is a void in the marketplace in the ability to meet the changing and growing needs of Signature's target clientele – privately owned businesses, their owners and senior managers. We continue to seek opportunities to expand our 11-office network by attracting the right private client groups who bring years of experience and a strong client base to the Bank. To this end, we are on target to open our 12th office shortly."

Net Interest Income

Net interest income for the second quarter grew 10.4 percent, or $1.3 million, to $14.3 million, compared with the first quarter of 2004. This is a result of strong earning asset growth and the low cost of funds that averaged .78 percent for the period. Net interest margins compressed in the second quarter to 2.62 percent versus the first quarter of 2004, due to an increase in premium amortization in the Bank's mortgage securities. However, higher prevailing interest rates at the end of the quarter began to reverse this trend. The Bank continues to conservatively manage its investment portfolio to capitalize on anticipated higher interest rates by maintaining a short duration portfolio with limited extension risk. While intermediate and long-term interest rates have risen by 75 to 100 basis points during the quarter, Signature's investment portfolio duration remains low at approximately 1.86 years. Additionally, net interest margin compressed due to the relative asset mix composition, as exceptional deposit growth led to securities portfolio growth, which outpaced that of the developing loan pipeline.

Non-Interest Income and Non-Interest Expense

For the second quarter of 2004, non-interest income rose approximately 174.1 percent to $11.1 million versus $4.0 million in the first quarter of 2004. This increase is primarily due to the gains from the Bank's SBA activities, which include pool and interest-only strip security sales. Signature Bank is among the largest SBA pool assemblers in the U.S.

For the first six months of 2004, non-interest income was $15.1 million, an increase of 162.1 percent from the same period in 2003. This improvement is primarily attributable to the aforementioned increase in SBA income coupled with increases in commissions and fees and service charges related to continuing growth in client activities.

Non-interest expenses for the quarter ended June 30, 2004 were $15.5 million, compared with $13.2 million in the first quarter of 2004. The increase was primarily due to expenses associated with the SBA sales activities and the addition of new private client teams.

Loans -- Continued Strong Asset Quality

For the second quarter, loans, excluding loans held for sale, increased $10.7 million to $408.5 million at June 30, 2004, compared with $397.9 million at March 31, 2004, and grew $35.5 million, or 9.5 percent from December 31, 2003. In addition, loans held for sale were $82.8 million as of June 30, 2004, an increase of 28.4 percent or $18.3 million from March 31, 2004. The total loan pipeline as of June 30, 2004 is in excess of $150 million.

At June 30, 2004, non-performing loans were essentially unchanged from March 31, 2004 at $5.2 million (primarily one loan) representing 1.26 percent of total loans. Quarterly net charge-offs to average loans were virtually nil, another indication of solid asset quality.

Capital

Signature's capital ratios remain strong despite the Bank's significant growth during the quarter. The Bank's tier 1 risk-based, total risk-based and leverage capital ratios are approximately 29.27 percent, 29.87 percent and 11.42 percent respectively, well in excess of regulatory requirements. The ratios reflect the relatively low risk profile of the balance sheet.

DePaolo further explained: “The Bank is in a strong financial position at the conclusion of the first half of 2004. We continue to conservatively manage our credit and interest rate risk, and have begun to capitalize on the increase in interest rates. We have witnessed further improvement in our core efficiency as we leverage the Bank’s current infrastructure. Signature remains well positioned should interest rates increase, as our portfolio is structured to minimize extension risk.

“In summary, we remain optimistic that we will continue to achieve solid growth and further enhance our financial performance through the ongoing successful recruitment of additional teams of seasoned banking professionals and by benefiting from the efforts put forth by those teams already committed to serving Signature Bank’s clients.”

Conference Call

Signature Bank’s management will host a conference call to review results of the 2004 second quarter on Wednesday, July 28, 2004 at 10:00 AM ET. Participants should dial 800-218-0530 at least ten minutes prior to the start of the call.

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 the news/press and conference calls to access the link to the call. Refer to conference identification number 23927.

About Signature Bank

Signature Bank, member FDIC, is a New York-based full-service commercial bank with 11 private client offices located in the New York metropolitan area serving the needs of privately owned businesses, their owners and senior managers. 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 11 locations are in: Manhattan: 261 Madison Avenue; 300 Park Avenue; 71 Broadway; 565 Fifth Avenue and 950 Third Avenue. Brooklyn: 26 Court Street and 84 Broadway. Westchester: 1C Quaker Ridge Road, New Rochelle. Long Island: 1225 Franklin Avenue, Garden City; 279 Sunrise Highway, Rockville Centre and 58 South Service Road, Melville.

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 that are subject to risks and uncertainties. Forward-looking statements include information concerning our future results, operations 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; and (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. Additional factors are described in our quarterly and annual reports.

You should keep in mind that any forward-looking statement made by Signature Bank speaks only as of the date on which they were made. New risks and uncertainties come up from time to time, and it is impossible for Signature Bank to 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 document or elsewhere might not occur.

- FINANCIAL TABLES ATTACHED -

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Signature Bank

Consolidated Statements of Operations

(unaudited)

(in thousands, except per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2004	**2003**	**2004**	**2003**
Interest and dividend income:				
Loans held for sale	$660	$517	$1,138	$1,032
Loans, net	4,579	3,324	8,820	6,173
Securities available for sale	10,637	6,627	20,646	12,175
Securities held to maturity	2,245	1,115	3,854	2,211
Other investments	36	--	36	14
Federal Home Loan Bank stock	52	54	69	71
Short-term investments	72	79	116	159
Total interest income	$18,281	$11,716	$34,679	$21,835
Interest expense:				
Deposits	3,285	2,389	6,195	4,407
Securities sold under agreements to repurchase	169	91	315	403
Federal Home Loan Bank advances	570	226	996	247
Total interest expense	4,024	2,706	7,506	5,057
Net interest income before provision for loan losses	14,257	9,010	27,173	16,778
Provision for loan losses	403	514	1,210	871
Net interest income after provision for loan losses	$13,854	$8,496	$25,963	$15,907
Non-interest income:				
Commissions	1,139	651	2,514	1,119
Fees and service charges	1,552	1,285	2,933	2,364
Net gains on sales of securities and loans	8,322	964	9,442	2,010
Other income	70	62	238	278
Total non-interest income	$11,083	$2,962	$15,127	$5,771
Non-interest expenses:				
Salaries and benefits	9,477	6,312	17,028	12,473
Occupancy and equipment	1,354	1,244	2,596	2,414
Professional fees	499	190	886	404
Marketing	234	230	411	389
Data processing	583	324	1,208	568
Charges for services provided by affiliate	1,275	1,125	2,550	2,115
Depreciation and amortization	351	309	673	617
Other general and administrative	1,707	986	3,283	1,907
Total non-interest expenses	$15,480	$10,720	$28,635	$20,887
Income before income taxes	9,457	738	12,455	791
Income tax (benefit) expense	(8,816)	57	(8,460)	94
Net income	$18,273	$681	$20,915	$697
Earnings per share - basic	$0.70	N/A	$0.89	N/A
Earnings per share - diluted	$0.69	N/A	$0.89	N/A

Signature Bank

Consolidated Statements of Financial Condition

(unaudited)

(in thousands, except per share amounts)

Assets	**June 30, 2004**	**December 31, 2003**
Cash and due from banks	$83,777	$52,337
Short-term investments	58,461	3,543
Total cash and cash equivalents	142,238	55,880
Securities available for sale ($445,705 pledged at June 30, 2004 and $299,632 at December 31, 2003)	1,637,893	1,201,100
Securities held to maturity (fair market value $318,832 at June 30, 2004 and $128,619 at December 31, 2003)	322,153	125,830
Federal Home Loan Bank stock	12,500	6,500
Loans held for sale	82,831	129,204
Loans, net	408,541	373,050
Premises and equipment, net	12,042	10,829
Accrued interest and dividends receivable	9,452	7,838
Other assets	52,925	25,620
Total assets	$2,680,575	$1,935,851
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits :		
Non-interest bearing	724,878	528,389
Interest bearing	1,386,505	1,044,478
Total deposits	2,111,383	1,572,867
Accrued expenses and other liabilities	51,144	19,211
Securities sold under agreements to repurchase	75,000	60,000
Federal Home Loan Bank advances	185,000	130,000
Total liabilities	$2,422,527	$1,782,078
Shareholders' equity:		
Common stock, par value $.01; 39,000,000 shares authorized; 26,210,000 shares issued and outstanding at June 30, 2004 and 20,000,000 shares authorized, issued and outstanding at December 31, 2003	262	200
Preferred stock, par value $.01; 61,000,000 shares authorized and unissued at June 30, 2004	--	--
Additional paid-in capital	279,736	190,304
Accumulated deficit	(11,949)	(32,864)
Accumulated other comprehensive loss:		
Net unrealized depreciation on securities available for sale, net of tax effect	(8,927)	(3,867)
Unearned compensation	(1,074)	--
Total shareholders' equity	258,048	153,773
Total liabilities and shareholders' equity	$2,680,575	$1,935,851

Financial Ratios
(unaudited)

(dollars in thousands, except ratios and per share amounts)	Three months ended June 30, 2004	Three months ended June 30, 2003	Six months ended June 30, 2004	Six months ended June 30, 2003
Per share:				
Net income - basic	$ 0.70	N/A	$ 0.89	N/A
Net income - diluted	$ 0.69	N/A	$ 0.89	N/A
Average shares outstanding - basic	26,210	20,000	23,399	20,000
Average shares outstanding - diluted	26,478	20,000	23,541	20,000
Book value	$ 9.85	$ 6.21	$ 9.85	$ 6.21
Selected financial data:				
Return on average total assets	3.14 %	0.20 %	1.95 %	0.11 %
Return on average shareholders' equity	29.83 %	2.20 %	20.40 %	1.28 %
Efficiency ratio	61.09 %	89.54 %	67.70 %	92.63 %
Yield on interest earning assets	3.35 %	3.68 %	3.46 %	3.75 %
Cost of deposits and borrowings	0.78 %	0.87 %	0.78 %	0.88 %
Net interest margin	2.62 %	2.83 %	2.71 %	2.88 %

Capital Ratios (unaudited)	June 30, 2004	March 31, 2004	December 31, 2003	June 30, 2003
Tier one leverage	11.42 %	12.93 %	9.08 %	8.86 %
Tier one risk-based	29.27 %	31.76 %	21.67 %	21.15 %
Total risk-based	29.87 %	32.40 %	22.26 %	21.71 %

Asset Quality (unaudited)	June 30, 2004	March 31, 2004	December 31, 2003	June 30, 2003
Non-performing loans	$ 5,234	$ 4,988	$ 5,130	$ 0
Allowance for loan losses	$ 5,511	$ 5,111	$ 4,323	$ 3,223
Allowance for loan losses to non-performing loans	105.29%	102.47%	84.27%	0.00%
Allowance for loan losses to total loans	1.33%	1.27%	1.15%	1.11%
Non-performing loans to total loans	1.26%	1.24%	1.36%	0.00%
Quarterly net charge-offs to average loans (annualized)	0.00%	0.02%	0.02%	0.02%

Signature Bank
Net Interest Margin Analysis
(Unaudited)

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

For the three months ended:	**June 30, 2004**			**June 30, 2003**		
(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	$ 32,376	$ 72	0.90%	$ 28,131	$ 79	1.11%
Investment securities	1,671,042	12,970	3.12%	929,539	7,796	3.36%
Commercial loans and commercial mortgages	304,532	3,480	4.60%	212,660	2,689	5.07%
Residential mortgages and consumer loans	111,010	1,099	3.98%	56,281	635	4.53%
Loans held for sale	73,744	660	3.60%	50,242	517	4.13%
Total interest-earning assets	$2,192,704	$18,281	3.35%	$1,276,853	$11,716	3.68%
Non-interest-earning assets	147,101			105,584		
Total assets	$2,339,805			$1,382,437		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$ 167,797	$ 283	0.68%	$ 128,714	$ 274	0.86%
Money market accounts	983,079	2,607	1.07%	598,714	1,916	1.28%
Certificates of deposits	100,943	395	1.58%	44,067	199	1.81%
Non-interest-bearing deposits	592,881	---	--	384,109	---	--
Total deposits	1,844,700	3,285	0.72%	1,155,604	2,389	0.83%
Borrowings	217,825	739	1.36%	90,866	317	1.40%
Total deposits and borrowings	2,062,525	4,024	0.78%	1,246,470	2,706	0.87%
Other non-interest-bearing liabilities and shareholders’ equity	277,280			135,967		
Total liabilities and shareholders’ equity	$2,339,805			$1,382,437		
Net interest income / interest rate spread		$14,257	2.57%		$9,010	2.81%
Net interest margin			2.62%			2.83%
Ratio of average interest-earning assets to average interest-bearing liabilities			106.31%			102.44%

For the six months ended:	June 30, 2004			June 30, 2003		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
(dollars in thousands)						
Interest-Earning Assets						
Short-term investments	$ 27,441	$ 116	0.85%	$ 28,472	$ 159	1.11%
Investment securities	1,522,139	24,605	3.25%	847,590	14,471	3.44%
Commercial loans and commercial mortgages	299,820	6,874	4.61%	198,649	5,062	5.14%
Residential mortgages and consumer loans	101,787	1,946	3.84%	50,348	1,111	4.45%
Loans held for sale	64,711	1,138	3.54%	48,908	1,032	4.26%
Total interest-earning assets	$2,015,898	$34,679	3.46%	$1,173,967	$21,835	3.75%
Non-interest-earning assets	143,391			112,036		
Total assets	$2,159,289			$1,286,003		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$161,766	$557	0.69%	$124,319	$556	0.90%
Money market accounts	929,624	4,983	1.08%	544,488	3,417	1.27%
Certificates of deposits	81,295	655	1.62%	47,882	434	1.83%
Non-interest-bearing deposits	559,220	--	--	360,074	--	--
Total deposits	$1,731,905	6,195	0.72%	$1,076,763	4,407	0.83%
Borrowings	198,296	1,311	1.33%	85,225	650	1.54%
Total deposits and borrowings	$1,930,201	7,506	0.78%	$1,161,988	5,057	0.88%
Other non-interest-bearing liabilities and shareholders' equity	229,088			124,015		
Total liabilities and shareholders' equity	$2,159,289			$1,286,003		
Net interest income / interest rate spread		$27,173	2.68%		$16,778	2.87%
Net interest margin			2.71%			2.88%
Ratio of average interest-earning assets to average interest-bearing liabilities			104.44%			101.03%

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