FOR IMMEDIATE RELEASE
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SIGNATURE BANK REPORTS 2004 THIRD QUARTER RESULTS

- ***Net Income of $3.965 Million Compared with $607,000 for the Third Quarter Last Year***
- ***Total Assets Top $3.0 Billion***
- ***Strong Deposit Growth - Up 14.7 percent to $2.4 Billion from the 2004 Second Quarter***
- ***Successful Public Offering Raises $69 Million***
- ***12th Location Opened and Additional Private Client Teams Added***

NEW YORK … October 27, 2004 … Signature Bank (Nasdaq: SBNY), a New York-based full-service commercial bank, announced today results for its 2004 third quarter ended September 30, 2004.

Net income for the quarter was $3.965 million or $0.15 diluted earnings per share compared with $607,000 for the third quarter last year.

Net income continued to be fueled by strong asset growth and increases in net interest income. Net interest income totaled $18.5 million for the quarter, an increase of $9.1 million or 97.6 percent, compared with the third quarter of 2003. Assets grew by nearly $400 million during the quarter, primarily due to the success of the Bank's established private client teams. Additionally, during the past six months, seven new teams joined Signature, and are just beginning to positively impact the Bank's deposit growth.

Deposits in the third quarter grew $310.1 million, or 14.7 percent, to $2.4 billion. This represents an increase of $848.6 million, or 54 percent, when compared with deposits as of December 31, 2003. Core deposits of $2.3 billion continue to represent approximately 94 percent of total deposits.

For the nine months ended September 30, 2004, net income reached $24.9 million, or $1.01 diluted earnings per share, compared with $1.3 million for the same period last year. The change in net income was driven by substantial earning asset growth, the continued leveraging of our infrastructure, the recognition of deferred tax credits of $9.8 million in the second quarter and exceptional performance from our SBA pool-assembling activities.

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Signature's third quarter was also highlighted by a successful public offering of 3.1 million shares of the Bank's common stock for total net proceeds of approximately $69 million. This includes an over-allotment of 405,000 shares that was exercised in full by the underwriters. Following the public offering, the Bank's total number of shares outstanding increased to 29,315,000.

Joseph J. DePaolo, President and Chief Executive Officer, commented on the Bank's results for the third quarter and the first nine months of 2004: "Our results reflect the continued successful execution of our business plan. Core deposit growth and the addition of new private client teams are at the center of our business strategy. Based on all the key metrics we follow, the third quarter was further validation of this. The quarter's performance demonstrates our ability to attract top banking professionals who can effectively cater to privately owned businesses, their owners and senior managers – our target market niche.

"Also during the quarter we completed our public offering, which came on the heels of our recent IPO. This will provide us the capital necessary to take advantage of ongoing market opportunities while setting the stage for future expansion. It has further strengthened the Bank's financial position, and we will continue to conservatively manage our credit and interest rate risk, while exploring opportunities for core deposit and asset-side expansion in the vast arena of financial services in the New York metropolitan region," DePaolo said.

Scott A. Shay, Chairman of the Board, added: "We have reached yet another set of milestones that is unprecedented for a *de novo* institution founded less than three and one half years ago. Today, Signature has emerged as a $3 billion financial institution with more than $330 million in equity. The Bank participates in the largest deposit market in the country and employs some of the industry's most talented and dedicated financial professionals. We believe our strengthening foundation provides us opportunities that did not even exist just one year ago. As the mega banks continue to grow through mergers and acquisitions, core clients requiring personal attention and service seem to get lost in the changing infrastructure. It is Signature's emphasis on distinguishing itself through unparalleled service that clearly differentiates us in today's banking marketplace."

Net Interest Income

The increase in net interest income for the third quarter of $4.2 million, or 29.5 percent versus the second quarter of 2004, is attributable to the continued growth in interest-earning assets and the expansion of the net interest margin. Average interest-earning assets increased $461.8 million, representing 21.1 percent growth from the previous quarter. The net interest margin improved to 2.78 percent, up 16 basis points from the second quarter of 2004. The margin benefited from the asset sensitive balance sheet structure as asset yield expansion more than offset the modest increase in cost of funds. Average earning asset yields for the third quarter increased 24 basis points to 3.59 percent, largely due to the resetting of the Bank's floating rate loan portfolio in line with increases in the Fed funds rate. Average cost of funds for the third quarter increased by a modest 8 basis points over the previous quarter, primarily as a result of increased cost of the Bank's short maturity borrowing positions. The total cost of deposits remained low for the quarter at 77 basis points.

Net interest income for the nine months ended September 30, 2004 was $45.6 million, an increase of $19.5 million or 74.7 percent when compared with the same period in 2003.

Non-Interest Income and Non-Interest Expense

Non-interest income for the third quarter of 2004 was $4.1 million versus $2.8 million in the third quarter of 2003, an increase of 43 percent. This increase was primarily the result of $1.1 million in gains from the Bank's SBA pool-assembling activities in the third quarter of 2004 compared to gains of $234 thousand in the same period last year.

For the first nine months of 2004, non-interest income was $19.2 million, an increase of $10.6 million or 122.8 percent from the same period in 2003. This improvement is largely attributable to increases in commissions, fees and service charges related to continuing growth in client activities coupled with the increase in SBA pool-assembling income in the second quarter of 2004. Signature Bank is among the largest SBA pool assemblers in the U.S.

Non-interest expense for the quarter ended September 30, 2004 was $14.7 million, compared with $10.9 million in the third quarter of 2003. The increase was mainly attributed to increases in expenses related to the addition of new private client teams.

For the first nine months of 2004, non-interest expense was $43.4 million, an increase of $11.6 million, or 36.4 percent when compared with the same period in 2003. The increase is principally due to the addition of new private client teams, opening of new offices and incremental costs associated with being a public company.

Loans -- Continued Strong Asset Quality

For the third quarter, loans, excluding loans held for sale, increased $88.1 million or 21.3 percent to $502.2 million at September 30, 2004, compared with $414.1 million at June 30, 2004. The increase in loans reflects the successes of the Bank's established private client teams. Additionally, several of the recently hired teams bring to the Bank clients that present greater lending opportunities.

Loans held for sale were $121.7 million as of September 30, 2004, an increase of 46.9 percent or $38.8 million from June 30, 2004. The periodic fluctuation in loans held for sale is predominantly due to the timing of SBA loan purchases and subsequent pool sales.

At September 30, 2004, non-performing loans decreased to $4.7 million (primarily one loan) from $5.2 million at June 30, 2004, representing 0.94 percent of total loans. Quarterly net charge-offs to average loans remained virtually nil, another indication of solid asset quality.

Capital

Signature's capital ratios remain strong. The Bank's tier 1 risk-based, total risk-based and leverage capital ratios are approximately 32.09 percent, 32.67 percent and 12.25 percent, respectively, as of September 30, 2004, well in excess of regulatory requirements. The ratios reflect the relatively low risk profile of the balance sheet, and the capital raised in the public offering, which closed in late September, 2004.

DePaolo further commented on Signature's market position, stating: "We believe the marketplace has spoken, as clearly evidenced by the core deposit growth we realized in such a short period of time along with the positive client experiences we are delivering. These experiences are driven by our clients' craving for a highly personalized, relationship-based financial services firm that actually delivers the services and personal attention, not one that just claims to do so.

"We continue to prove this as we expand our private client teams and enhance our presence throughout the metro-NY area. We expect our recently recruited teams to contribute to our deposit growth as well as help expand our loan portfolio," DePaolo concluded.

Conference Call

Signature Bank's management will host a conference call to review results of the 2004 third quarter on Wednesday, October 27, 2004 at 10:00 AM ET. Participants should dial 800-257-6566 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 news/press and conference calls to access the link to the call. Refer to conference identification number 25502.

About Signature Bank

Signature Bank, member FDIC, is a New York-based full-service commercial bank with 12 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 12 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, 58 South Service Road, Melville and 923 Broadway, Woodmere.

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. 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 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 -

Signature Bank

Consolidated Statements of Operations

(unaudited)

(in thousands, except per share amounts)

	Three months ended September 30, 2004	Three months ended September 30, 2003	Nine months ended September 30, 2004	Nine months ended September 30, 2003
Interest and dividend income:				
Loans held for sale	$706	$633	$1,844	$1,665
Loans, net	5,460	3,515	14,280	9,688
Securities available-for-sale	14,130	6,754	34,769	18,929
Securities held-to-maturity	3,335	1,215	7,189	3,426
Other investments	25	--	60	14
Federal Home Loan Bank stock	67	(4)	137	67
Short-term investments	102	45	225	204
Total interest income	$23,825	$12,158	$58,504	$33,993
Interest expense:				
Deposits	4,276	2,450	10,470	6,857
Securities sold under agreements to repurchase	265	37	579	440
Federal Home Loan Bank advances	815	325	1,811	572
Total interest expense	$5,356	$2,812	$12,860	$7,869
Net interest income before provision for loan losses	18,469	9,346	45,644	26,124
Provision for loan losses	666	536	1,876	1,407
Net interest income after provision for loan losses	$17,803	$8,810	$43,768	$24,717
Non-interest income:				
Commissions	1,082	830	3,596	1,949
Fees and service charges	1,563	1,310	4,496	3,674
Net gains on sales of securities and loans	1,281	604	10,723	2,614
Other income	138	97	376	375
Total non-interest income	$4,064	$2,841	$19,191	$8,612
Non-interest expense:				
Salaries and benefits	8,807	6,435	25,835	18,908
Occupancy and equipment	1,352	1,253	3,948	3,667
Professional fees	365	194	1,252	598
Marketing	197	180	609	569
Data processing	520	258	1,728	826
Charges for services provided by affiliate	1,275	1,245	3,825	3,360
Depreciation and amortization	367	311	1,041	928
Other general and administrative	1,864	1,055	5,146	2,962
Total non-interest expense	$14,747	$10,931	$43,384	$31,818
Income before income taxes	7,120	720	19,575	1,511
Income tax expense (benefit)	3,155	113	(5,305)	207
Net income	$3,965	$607	$24,880	$1,304
Earnings per share – basic	$0.15	N/A	$1.02	N/A
Earnings per share – diluted	$0.15	N/A	$1.01	N/A

Signature Bank

Consolidated Statements of Financial Condition

(in thousands, except per share amounts)

Assets	**September 30, 2004 (unaudited)**	**December 31, 2003**
Cash and due from banks	$56,116	$52,337
Short-term investments	37,540	3,543
Total cash and cash equivalents	93,656	55,880
Securities available-for-sale ($521,763 pledged at September 30, 2004 and $299,632 at December 31, 2003)	1,903,718	1,201,100
Securities held-to-maturity (fair market value $388,044 at September 30, 2004 and $128,619 at December 31, 2003)	388,410	125,830
Federal Home Loan Bank stock	13,000	6,500
Loans held for sale	121,678	129,204
Loans, net	496,057	373,050
Premises and equipment, net	12,807	10,829
Accrued interest and dividends receivable	11,850	7,838
Other assets	38,978	25,620
Total assets	$3,080,154	$1,935,851
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits :		
Non-interest bearing	$776,239	$528,389
Interest bearing	1,645,257	1,044,478
Total deposits	2,421,496	1,572,867
Accrued expenses and other liabilities	36,435	19,211
Securities sold under agreements to repurchase	65,000	60,000
Federal Home Loan Bank advances	220,000	130,000
Total liabilities	$2,742,931	$1,782,078
Shareholders' equity:		
Common stock, par value $.01; 39,000,000 shares authorized; 29,315,000 shares issued and outstanding at September 30, 2004 and 20,000,000 shares authorized, issued and outstanding at December 31, 2003	293	200
Preferred stock, par value $.01; 61,000,000 shares authorized and unissued at September 30, 2004	--	--
Additional paid-in capital	348,468	190,304
Accumulated deficit	(7,984)	(32,864)
Accumulated other comprehensive loss:		
Net unrealized depreciation on securities available-for-sale, net of tax effect	(2,625)	(3,867)
Unearned compensation	(929)	--
Total shareholders' equity	337,223	153,773
Total liabilities and shareholders' equity	$3,080,154	$1,935,851

Financial Summary
(unaudited)

(dollars in thousands, except ratios and per share amounts)	Three months ended September 30, 2004	Three months ended September 30, 2003	Nine months ended September 30, 2004	Nine months ended September 30, 2003
Per share:				
Net income - basic	$ 0.15	N/A	$ 1.02	N/A
Net income - diluted	$ 0.15	N/A	$ 1.01	N/A
Average shares outstanding - basic	26,505	20,000	24,442	20,000
Average shares outstanding - diluted	26,812	20,000	24,643	20,000
Book value	$ 11.50	$ 6.71	$ 11.50	$ 6.71
Selected financial data:				
Return on average total assets	0.57 %	0.15 %	1.40 %	0.13 %
Return on average shareholders' equity	5.87 %	2.09 %	14.63 %	1.56 %
Efficiency ratio	65.45 %	89.69 %	66.91 %	91.60 %
Yield on interest earning assets	3.59 %	3.26 %	3.46 %	3.51 %
Cost of deposits and borrowings	0.86 %	0.78 %	0.81 %	0.84 %
Net interest margin	2.78 %	2.51 %	2.70 %	2.70 %

Capital Ratios (unaudited)	**September 30, 2004**	**June 30, 2004**	**December 31, 2003**	**September 30, 2003**
Tier one leverage	12.25%	11.42%	9.08%	8.78%
Tier one risk-based	32.09%	29.27%	21.67%	21.95%
Total risk-based	32.67%	29.87%	22.26%	22.54%

Asset Quality (unaudited)	**September 30, 2004**	**June 30, 2004**	**December 31, 2003**	**September 30, 2003**
Non-performing loans	$ 4,729	$ 5,234	$ 5,130	$ 5,220
Allowance for loan losses	$ 6,185	$ 5,511	$ 4,323	$ 3,696
Allowance for loan losses to non-performing loans	130.79%	105.29%	84.27%	70.80%
Allowance for loan losses to total loans	1.23%	1.33%	1.15%	1.08%
Non-performing loans to total loans	0.94%	1.26%	1.36%	1.52%
Quarterly net charge-offs (recoveries) to average loans (annualized)	(0.01%)	0.00%	0.02%	0.08%

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:

For the three months ended:	**September 30, 2004**			**September 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	$ 31,087	$ 102	1.31%	$ 21,275	$ 45	0.84%
Investment securities	2,099,965	17,557	3.34%	1,085,277	7,965	2.94%
Commercial loans and commercial mortgages	315,313	4,020	5.07%	241,952	2,816	4.62%
Residential mortgages	74,405	867	4.66%	45,978	441	3.84%
Consumer loans	50,080	573	4.55%	26,513	258	3.85%
Loans held for sale	83,621	706	3.36%	66,602	633	3.77%
Total interest-earning assets	$2,654,471	$23,825	3.59%	$1,487,597	$12,158	3.26%
Non-interest-earning assets	119,861			79,349		
Total assets	$2,774,332			$1,566,946		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$ 176,986	$ 311	0.70%	$ 131,143	$ 238	0.72%
Money market accounts	1,206,933	3,417	1.13%	691,812	2,007	1.15%
Certificates of deposits	130,754	548	1.67%	47,234	205	1.72%
Non-interest-bearing deposits	706,333	---	--	449,390	---	--
Total deposits	2,221,006	4,276	0.77%	1,319,579	2,450	0.74%
Borrowings	255,999	1,080	1.68%	115,112	362	1.25%
Total deposits and borrowings	2,477,005	5,356	0.86%	1,434,691	2,812	0.78%
Other non-interest-bearing liabilities and shareholders' equity	297,327			132,255		
Total liabilities and shareholders' equity	$2,774,332			$1,566,946		
Net interest income / interest rate spread		$18,469	2.73%		$9,346	2.48%
Net interest margin			2.78%			2.51%
Ratio of average interest-earning assets to average interest-bearing liabilities			107.16%			103.69%

For the nine months ended:	September 30, 2004			September 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	$ 28,666	$ 225	1.05%	$ 26,048	$ 204	1.05%
Investment securities	1,740,070	42,155	3.23%	936,118	22,436	3.20%
Commercial loans and commercial mortgages	305,103	10,894	4.77%	213,214	7,878	4.94%
Residential mortgages	65,995	2,045	4.13%	37,500	1,170	4.16%
Consumer loans	43,099	1,341	4.16%	19,890	640	4.30%
Loans held for sale	75,089	1,844	3.28%	57,814	1,665	3.85%
Total interest-earning assets	$2,258,022	$58,504	3.46%	$1,290,584	$33,993	3.51%
Non-interest-earning assets	107,778			90,096		
Total assets	$2,365,800			$1,380,680		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$166,877	$868	0.69%	$126,619	$793	0.84%
Money market accounts	1,022,735	8,399	1.10%	594,136	5,425	1.22%
Certificates of deposits	97,902	1,203	1.64%	47,664	639	1.79%
Non-interest-bearing deposits	608,616	--	--	390,173	--	--
Total deposits	$1,896,130	10,470	0.74%	$1,158,592	6,857	0.79%
Borrowings	218,062	2,390	1.46%	95,296	1,012	1.42%
Total deposits and borrowings	$2,114,192	12,860	0.81%	$1,253,888	7,869	0.84%
Other non-interest-bearing liabilities and shareholders' equity	251,608			126,792		
Total liabilities and shareholders' equity	$2,365,800			$1,380,680		
Net interest income / interest rate spread		$45,644	2.65%		$26,124	2.67%
Net interest margin			2.70%			2.70%
Ratio of average interest-earning assets to average interest-bearing liabilities			106.80%			102.93%

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