

FULTON FINANCIAL

CORPORATION

INVESTOR PRESENTATION

DATA AS OF DECEMBER 31, 2017
UNLESS OTHERWISE NOTED

FORWARD-LOOKING STATEMENTS

This presentation may contain forward-looking statements with respect to Fulton Financial Corporation's financial condition, results of operations and business. Do not unduly rely on forward-looking statements. Forward-looking statements can be identified by the use of words such as "may," "should," "will," "could," "estimates," "predicts," "potential," "continue," "anticipates," "believes," "plans," "expects," "future," "intends" and similar expressions which are intended to identify forward-looking statements. Management's "2018 Outlook" contained herein is comprised of forward-looking statements.

Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties, some of which are beyond the Corporation's control and ability to predict, that could cause actual results to differ materially from those expressed in the forward-looking statements. The Corporation undertakes no obligation, other than as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

A discussion of certain risks and uncertainties affecting the Corporation, and some of the factors that could cause the Corporation's actual results to differ materially from those described in the forward-looking statements, can be found in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2016 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2017, June 30, 2017 and September 30, 2017, which have been filed with the Securities and Exchange Commission and are available in the Investor Relations section of the Corporation's website (www.fult.com) and on the Securities and Exchange Commission's website (www.sec.gov).

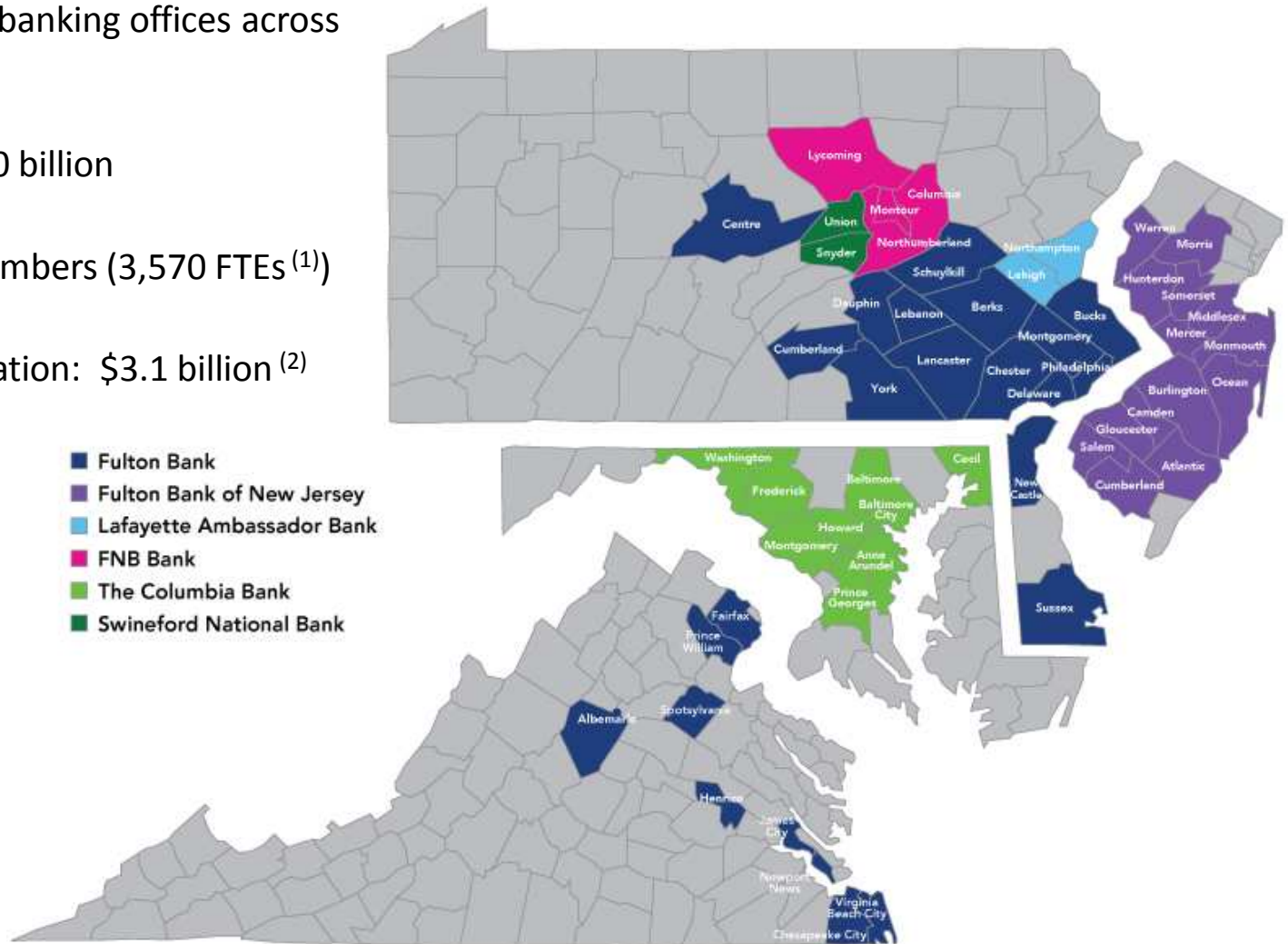
The Corporation uses certain non-GAAP financial measures in this presentation. These non-GAAP financial measures are reconciled to the most comparable GAAP measures at the end of this presentation.

WHY FULTON?

- Risk Management Foundation
- Management Depth and Experience
- Stability of Geographic Markets / Franchise Value
- Strong Capital & Reserves
- Commitment to Enhancing Shareholder Value
- Relationship Banking Strategy / Customer Experience
- Quality Loan Growth / Solid Asset Quality
- Attractive Core Deposit Profile
- Prudent Expense Management
- Balance Sheet Is Positioned for Rising Interest Rates

A VALUABLE FRANCHISE

- 243 community banking offices across the Mid-Atlantic
- Asset size: \$20.0 billion
- 3,700+ team members (3,570 FTEs⁽¹⁾)
- Market capitalization: \$3.1 billion⁽²⁾



(1) Average full-time equivalent employees.

(2) Based on shares outstanding and the closing price as of December 31, 2017.

STRONG POSITION IN ATTRACTIVE MARKETS

| Metropolitan Statistical Area (MSA) | Deposits (in millions) | Market Rank | Market Share | Median Household (HH) Income | 2018-2023 Projected Change | |
|--|---------------------------|----------------|-----------------|------------------------------------|----------------------------|-----------|
| | | | | | Population | HH Income |
| Lancaster, PA | 3,131 | 1 | 28.28% | 64,827 | 2.16% | 9.70% |
| Philadelphia-Camden-Wilmington, PA-NJ-DE-MD | 2,966 | 14 | 0.81% | 70,516 | 1.31% | 9.81% |
| Allentown-Bethlehem-Easton, PA-NJ | 1,471 | 4 | 8.87% | 66,384 | 1.33% | 8.45% |
| New York-Newark-Jersey City, NY-NJ-PA | 1,342 | 60 | 0.08% | 74,466 | 1.90% | 9.82% |
| Baltimore-Columbia-Towson, MD | 997 | 9 | 1.38% | 77,704 | 2.51% | 7.89% |
| York-Hanover, PA | 861 | 3 | 12.17% | 63,858 | 1.50% | 6.30% |
| Harrisburg-Carlisle, PA | 791 | 5 | 5.74% | 63,998 | 2.20% | 7.57% |
| Lebanon, PA | 758 | 1 | 34.47% | 58,732 | 2.61% | 7.10% |
| Reading, PA | 638 | 7 | 3.89% | 62,208 | 0.67% | 8.75% |
| Hagerstown-Martinsburg, MD-WV | 511 | 2 | 14.38% | 59,641 | 3.33% | 4.82% |
| Top 10 Fulton Financial Corporation MSAs (1) | \$ 13,466 | | | \$ 67,389 | 1.84% | 8.75% |
| Total Franchise (1) | \$ 15,493 | | | \$ 67,068 | 1.89% | 8.57% |
| Nationwide | | | | \$ 61,045 | 3.50% | 8.86% |

Note: Data as of June 30, 2017 per Federal Deposit Insurance Corporation (FDIC) Summary of Deposits. Household Income Data as of June 30, 2017 per SNL Financial LC.

(1) Median HH Income, 2018 – 2023 Projected Population Change and 2018 – 2023 Projected HH Income Change are weighted by deposits in each MSA.

DEEP EXECUTIVE BENCH WITH CONTINUITY



| Name | Position ⁽¹⁾ | Years at Fulton | Years in Financial Services | Prior Experience |
|----------------------------------|---|-----------------|-----------------------------|--|
| E. Philip Wenger | Chairman and CEO | 38 | 38 | Various roles since joining in 1979 |
| Curtis Myers | President/COO of Fulton Financial Corporation and Fulton Bank | 27 | 27 | Various roles since joining in 1990 |
| Mark McCollom ⁽²⁾ | Senior EVP/CFO, Effective in March 2018 | 1 | 31 | PwC, Banking and Investment Banking. Joined Fulton in November 2017. |
| Meg Mueller | Senior EVP/ Head – Commercial Banking | 21 | 31 | Various roles since joining in 1996 |
| Angela Snyder | Senior EVP/Head – Consumer Banking | 15 | 31 | Various roles since joining in 2002 |
| Angela Sargent | Senior EVP/ CIO | 25 | 25 | Various roles since joining in 1992 |
| Betsy Chivinski ⁽²⁾ | Senior EVP/ CRO | 23 | 35 | Various roles since joining in 1994 |
| Philmer Rohrbaugh ⁽²⁾ | Senior EVP and Interim CFO | 5 | 40 | KPMG, Arthur Andersen (Retires from Fulton on March 30, 2018) |
| Craig Roda | Senior EVP/ Community Banking | 38 | 38 | Various roles since joining in 1979 (Retires from Fulton on May 1, 2018) |

(1) As of January 1, 2018, unless otherwise indicated.

(2) Includes years of service in public accounting as a financial services industry specialist

2017 HIGHLIGHTS

2017 net income of \$171.8 million, or \$0.98 per share. Excluding tax charge⁽¹⁾⁽²⁾, 2017 net income was \$187.4 million, or \$1.07 per share.

2017 Key Accomplishments

- Record year of revenues and net income, excluding tax charge⁽¹⁾
- Average loan growth of 7.8% and average demand and savings deposit growth of 8.1%
- Asset quality continues to be stable
- Pre-provision net revenue⁽²⁾ increased 18.7%
- Fulton Financial surpasses \$20 billion in total assets

FOURTH QUARTER HIGHLIGHTS

Fourth quarter net income of \$34.0 million, or \$0.19 per share. Excluding tax charge⁽¹⁾⁽²⁾, fourth quarter net income was \$49.6 million, or \$0.28 per share.

- Average loan growth of 1.1% and average demand and savings deposit growth of 1.6%, linked quarter
- Asset quality continues to be stable
- Pre-provision net revenue⁽²⁾ increased 5.8%, linked quarter

(1) In the fourth quarter of 2017, a \$15.6 million charge to income taxes was recorded related to the re-measurement of net deferred tax assets resulting from the new federal tax legislation enacted in December 2017.

(2) Non-GAAP based financial measure. Please refer to the calculation and management's reasons for using this measure on the slide titled "Non-GAAP Reconciliation" at the end of this presentation.

THE IMPACT OF TAX REFORM

During the fourth quarter of 2017, the Corporation recorded a \$15.6 million charge⁽¹⁾ to income taxes related to the re-measurement of net deferred tax assets as a result of a new federal tax legislation enacted in December 2017. In the following table, the “As Adjusted” column presents Income Taxes, Net Income, Earnings Per Share (Diluted) and selected financial ratios adjusted to exclude this charge:

| | Fourth Quarter 2017 | | | Full Year 2017 | | |
|-------------------------------------|--|------------|----------------------------|-------------------|------------|----------------------------|
| | As Reported | Adjustment | As Adjusted ⁽²⁾ | As Reported | Adjustment | As Adjusted ⁽²⁾ |
| | <i>(dollars in thousands, except per-share data)</i> | | | | | |
| Income before Income Taxes | 61,187 | - | 61,187 | 234,454 | - | 234,454 |
| Income Taxes | 27,186 | (15,634) | 11,552 | 62,701 | (15,634) | 47,067 |
| Net Income | \$ 34,001 | \$ 15,634 | \$ 49,635 | \$ 171,753 | \$ 15,634 | \$ 187,387 |
| Earnings Per Share (Diluted) | \$0.19 | \$ 0.09 | \$ 0.28 | \$0.98 | \$ 0.09 | \$ 1.07 |
| ROA | 0.67% | 0.31% | 0.98% | 0.88% | 0.08% | 0.96% |
| ROE | 6.03% | 2.77% | 8.80% | 7.83% | 0.71% | 8.54% |
| ROE (tangible)⁽²⁾ | 7.91% | 3.64% | 11.55% | 10.33% | 0.94% | 11.27% |

(1) This charge was estimated by the Corporation as of December 31, 2017 based on an initial analysis of the Act and may be adjusted in future periods following completion of the Corporation’s 2017 federal income tax return and evaluation of the effects, if any, of implementation guidance or regulations that may be issued by the Internal Revenue Service on the Corporation’s initial analysis of the Act.

(2) The information presented in the “As Adjusted” column and ROE (tangible) are non-GAAP based financial measures. Please refer to the calculation and management’s reasons for using these measures on the slide titled “Non-GAAP Reconciliation” at the end of this presentation.

INCOME STATEMENT SUMMARY – YEAR TO DATE

| | YTD December | | |
|--|--|------------|-----------|
| | 2017 | 2016 | Change |
| | <i>(dollars in thousands, except per-share data)</i> | | |
| Net Interest Income | \$ 575,364 | \$ 520,772 | \$ 54,592 |
| Provision for Credit Losses | 23,305 | 13,182 | 10,123 |
| Non-Interest Income | 198,903 | 187,628 | 11,275 |
| Securities Gains | 9,071 | 2,550 | 6,521 |
| Non-Interest Expense | 525,579 | 489,519 | 36,060 |
| Income before Income Taxes | 234,454 | 208,249 | 26,205 |
| Income Taxes | 62,701 | 46,624 | 16,077 |
| Net Income | \$ 171,753 | \$ 161,625 | \$ 10,128 |
| Earnings Per Share (Diluted) | \$0.98 | \$ 0.93 | \$ 0.05 |
| ROA ⁽¹⁾ | 0.88% | 0.88% | - |
| ROE ⁽²⁾ | 7.83% | 7.69% | 0.14% |
| ROE (tangible) ⁽³⁾ | 10.33% | 10.30% | 0.03% |
| Efficiency ratio ⁽³⁾ | 64.5% | 67.2% | (2.7%) |

- **Net Income** of \$171.8 million; 6.3% increase from 2016. Earnings per share increased 5.4% to \$0.98.
- **Net Interest Income**
10.5% increase, reflecting the impact of loan growth and a 10 basis point higher net interest margin (NIM)
- **Loan Loss Provision**
\$23.3 million provision in 2017, attributed to loan growth with generally improved credit metrics
- **Non-Interest Income**
Excluding securities gains, 6.0% increase driven largely by the \$5.1 million litigation settlement recognized in the fourth quarter of 2017, investment management and trust (IMT) fees as well as increases in Small Business Administration (SBA) income, debit and credit card income and merchant fees
- **Non-Interest Expenses**
7.4% increase from 2016 primarily due to amortization of tax credit investments, higher salaries and benefits expense, state taxes, write-off of certain accumulated capital expenditures related to in-process technology initiatives in commercial banking and other outside services
- **Income Taxes**
34.5% increase due to the tax charge of \$15.6 million, somewhat offset by lower effective tax rate (ETR)

(1) ROA is return on average assets determined by dividing net income for the period indicated by average assets, annualized.

(2) ROE is return on average shareholders' equity determined by dividing net income for the period indicated by average shareholders' equity, annualized.

(3) Non-GAAP based financial measure. Please refer to the calculation and management's reasons for using this measure on the slide titled "Non-GAAP Reconciliation" at the end of this presentation.

INCOME STATEMENT SUMMARY – QUARTERLY COMPARISON

| | 4Q17 | Change from | |
|--|--|-------------|------------|
| | | 3Q17 | 4Q16 |
| | <i>(dollars in thousands, except per-share data)</i> | | |
| Net Interest Income | 149,413 | \$ 2,604 | \$ 17,176 |
| Provision for Credit Losses | 6,730 | 1,655 | 1,730 |
| Non-Interest Income | 55,024 | 7,647 | 3,794 |
| Securities Gains | 1,932 | (2,665) | 407 |
| Non-Interest Expense | 138,452 | 6,295 | 10,831 |
| Income before Income Taxes | 61,187 | (364) | 8,816 |
| Income Taxes | 27,186 | 14,540 | 16,965 |
| Net Income | \$ 34,001 | \$ (14,904) | \$ (8,149) |
| Earnings Per Share (Diluted) | \$ 0.19 | \$ (0.09) | \$ (0.05) |
| ROA ⁽¹⁾ | 0.67% | (0.31%) | (0.22%) |
| ROE ⁽²⁾ | 6.03% | (2.73%) | (1.83%) |
| ROE (tangible) ⁽³⁾ | 7.91% | (3.61%) | (2.56%) |
| Efficiency ratio ⁽³⁾ | 64.2% | (0.1%) | (3.4%) |

- **Net Income** of \$34.0 million, 30.5% decrease from 3Q17 and 19.3% decrease from 4Q16.
 - Excluding the tax charge of \$15.6 million, earnings per share remained unchanged from 3Q17 and increased 16.7% from 4Q16.
- **Net Interest Income**
 - From 3Q17: Increase of 1.8%, reflecting the impact of loan growth and a 2 basis point increase in NIM
 - From 4Q16: Increase of 13.0%, driven by loan growth and the impact of a 14 basis point increase in NIM reflecting multiple Federal Funds rate increases, and long-term debt refinancing at lower rates
- **Loan Loss Provision**
\$6.7 million provision in 4Q17; asset quality continues to be stable
- **Non-Interest Income**
 - From 3Q17: 16.1% increase driven by \$5.1 million litigation settlement, IMT fees, commercial loan swap fees, SBA income and debit card income
 - From 4Q16: 7.4% increase related the litigation settlement. Excluding the settlement, non-interest income decreased 2.6% attributed to higher mortgage banking income (which includes a \$1.7 million favorable mortgage servicing valuation adjustment in 4Q16)
- **Non-Interest Expenses**
 - From 3Q17: 4.8% increase driven by other outside services, higher salaries and benefits, other real estate and repossession expense, FDIC insurance expense and write-off of certain accumulated capital expenditures related to in-process technology initiatives in commercial banking
 - From 4Q16: 8.5% increase due to write-off of certain accumulated capital expenditures related to in-process technology initiatives in commercial banking, amortization of tax credit investments, FDIC insurance expense, other outside services, data processing and software and, to a lesser extent, OREO and repossession expense, occupancy expense and professional fees
- **Income Taxes**
44.4% ETR in 4Q17 vs. 20.5% in 3Q17 and 19.5% in 4Q16. Excluding the tax charge, ETR for 4Q17 was 18.9%.

(1) ROA is return on average assets determined by dividing net income for the period indicated by average assets, annualized.

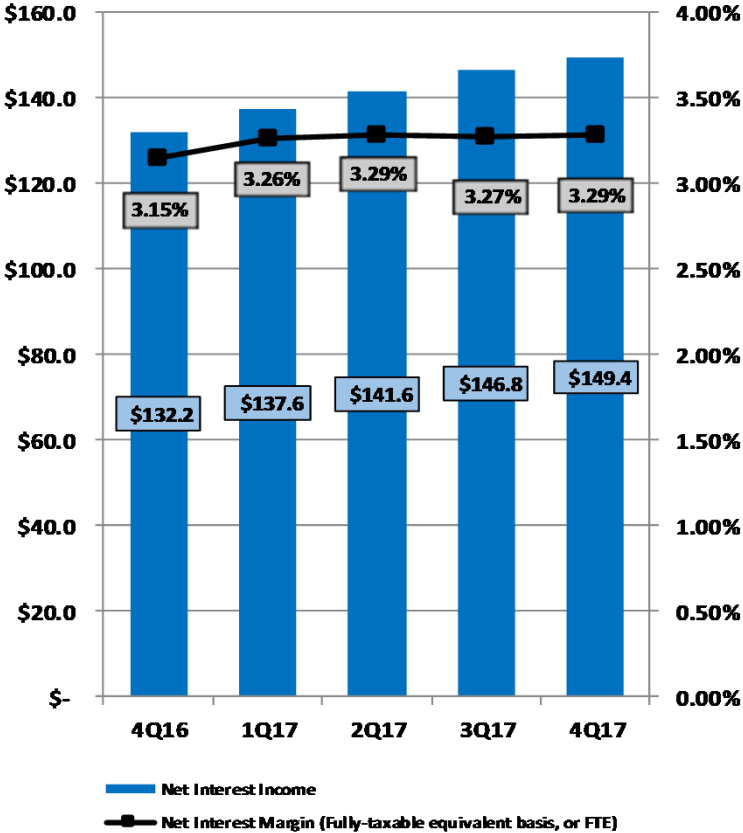
(2) ROE is return on average shareholders' equity determined by dividing net income for the period indicated by average shareholders' equity, annualized.

(3) Non-GAAP based financial measure. Please refer to the calculation and management's reasons for using this measure on the slide titled "Non-GAAP Reconciliation" at the end of this presentation.

NET INTEREST INCOME AND MARGIN – QUARTERLY COMPARISON

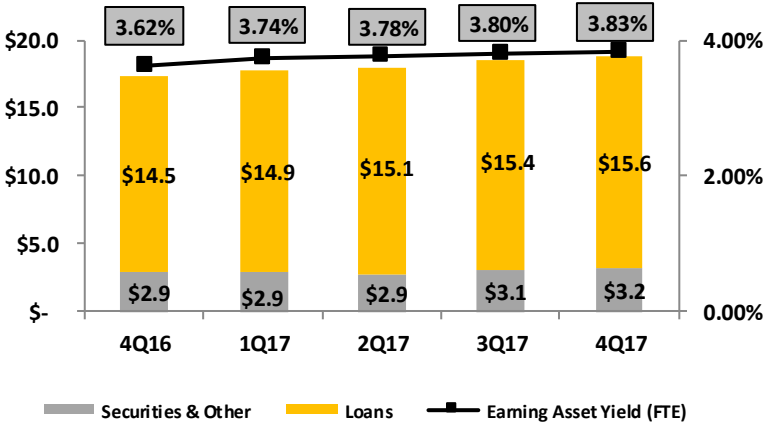
Net Interest Income & Net Interest Margin

(\$ IN MILLIONS)



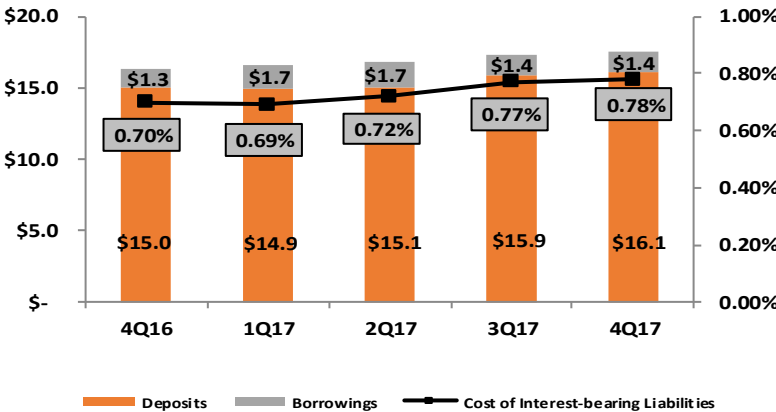
Average Interest-Earning Assets & Yields

(\$ IN BILLIONS)



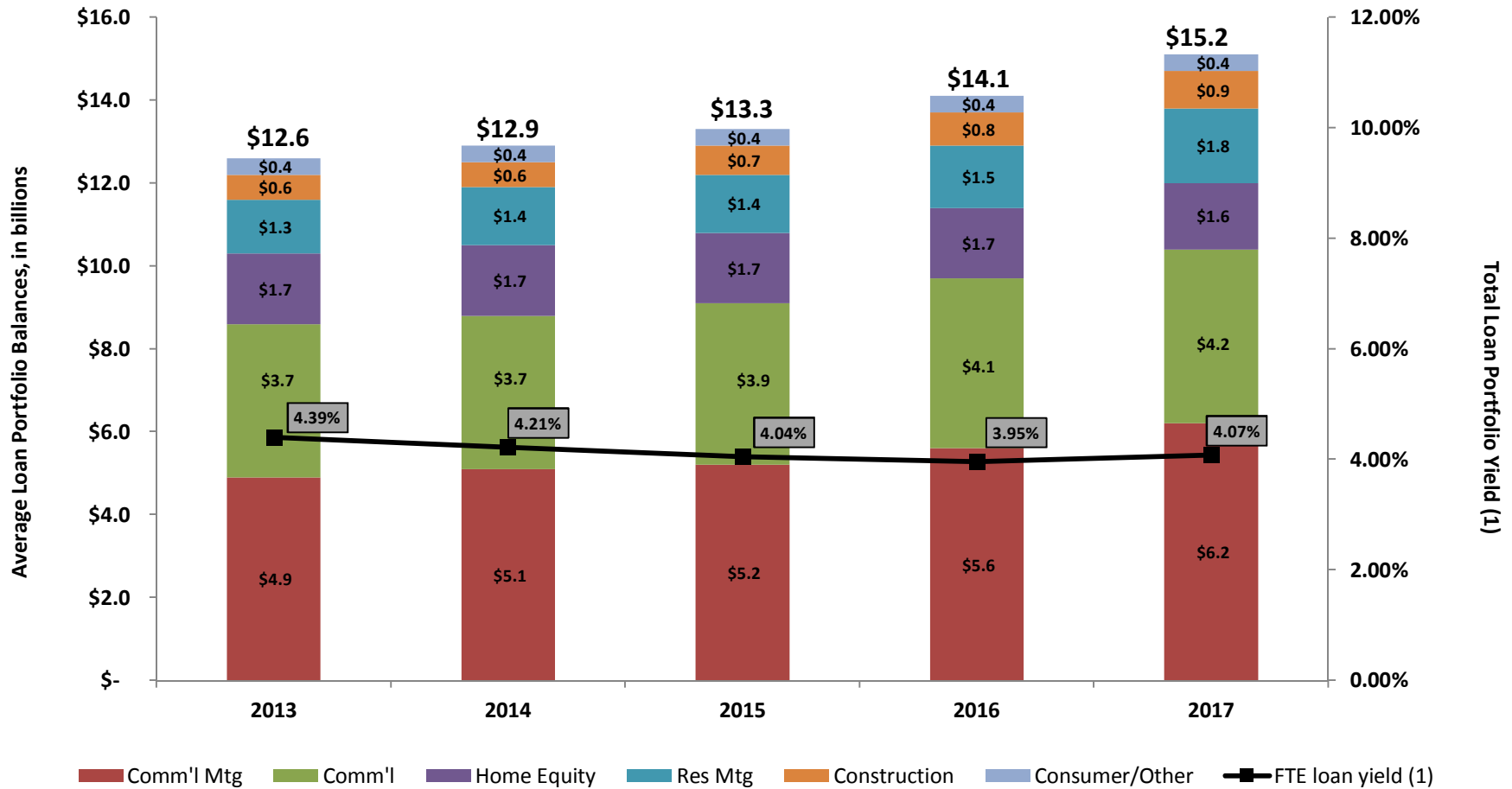
Average Liabilities & Rates

(\$ IN BILLIONS)



LOAN PORTFOLIO COMPOSITION & YIELD FULTON FINANCIAL CORPORATION

Average loans for 2017 are up 7.8% compared to 2016.

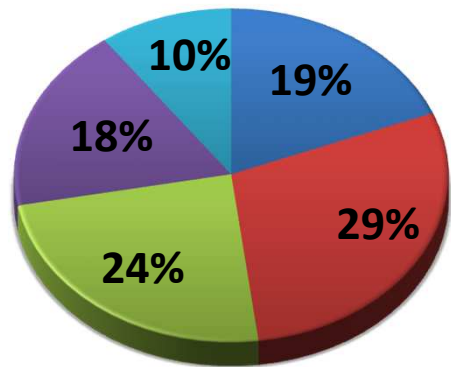


Note: Loan portfolio composition is based on average balances for the years ended December 31, 2013 to 2017.
 (1) Presented on a fully-taxable equivalent basis.

DEPOSIT PORTFOLIO COMPOSITION

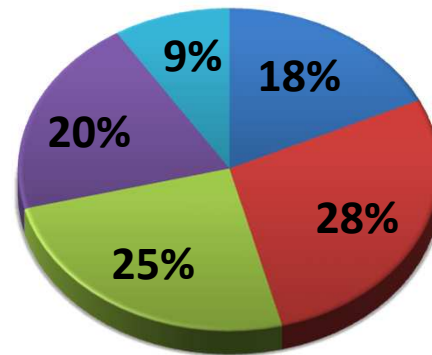
Average demand and savings are up 8.1% compared to 2016; while total average deposits are up 6.1%.

Year Ended December 31, 2016



■ Time Deposits
 ■ Non-Int DDA
 ■ Int DDA
■ Money Mkt
 ■ Savings

Year Ended December 31, 2017



■ Time Deposits
 ■ Non-Int DDA
 ■ Int DDA
■ Money Mkt
 ■ Savings

Note: Deposit composition is based on average balances for the periods indicated. Average brokered deposits were \$49.1 million and \$0 as of the years ended December 31, 2017 and 2016, respectively; the percentage balance in both comparative periods was 0%.

POSITIONED FOR RISING INTEREST RATE ENVIRONMENT

DECEMBER 31, 2017

FULTON FINANCIAL
CORPORATION

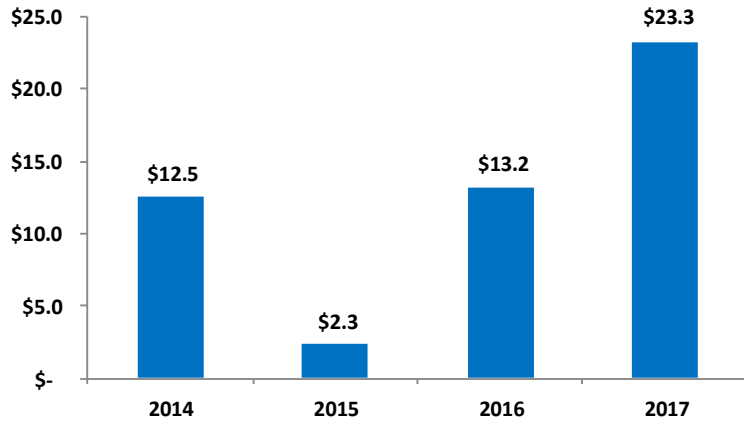
| Rate Change (1) | Annual Change in Net Interest Income (2) | % Change |
|----------------------------|---|---------------------|
| +300 bps | \$ 92.2 million | 14.7% |
| +200 bps | \$ 63.5 million | 10.1% |
| +100 bps | \$ 32.6 million | 5.2% |
| - 100 bps | \$ (50.4) million | -8.0% |

- 1) A variety of interest rate scenarios are used to measure the effects of sudden and gradual movements upward and downward in the yield curve. These results are compared to the results obtained in a flat or unchanged interest rate scenario. Simulation of net interest income is used primarily to measure the Corporation's short-term earnings exposure to rate movements. The Corporation's policy limits the potential exposure of net interest income, in a non-parallel instantaneous shock, to 10% of the base case net interest income for a 100 basis point shock in interest rates, 15% for a 200 basis point shock and 20% for a 300 basis point shock. A "shock" is an immediate upward or downward movement of interest rates. The shocks do not take into account changes in customer behavior that could result in changes to mix and/or volumes in the balance sheet, nor do they account for competitive pricing over the forward 12-month period. These results include the effect of implicit and explicit floors that limit further reduction in interest rates.
- 2) The actual impact of changes in interest rates on the Corporation's net interest income may differ materially from the anticipated amounts presented above.

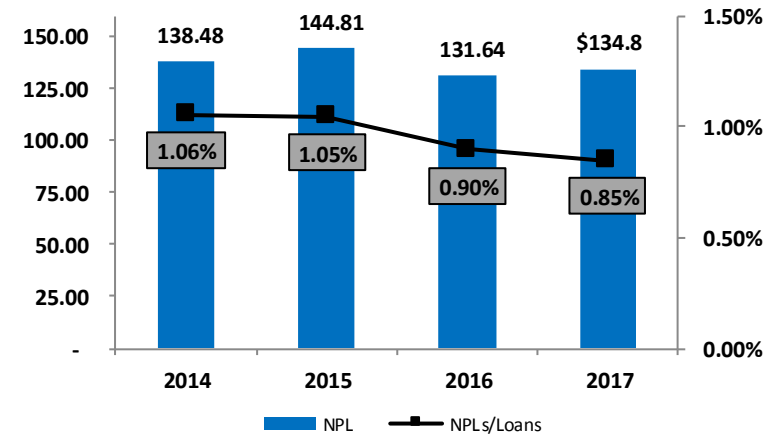
ASSET QUALITY – ANNUAL COMPARISON

(\$ IN MILLIONS)

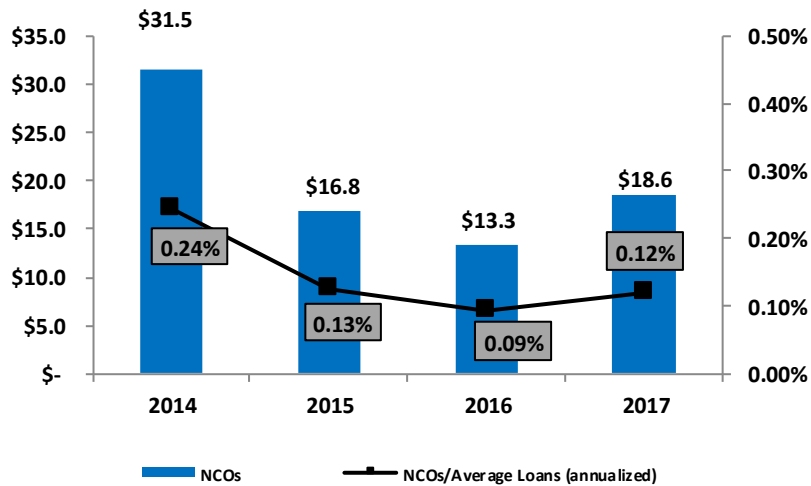
Provision for Credit Losses



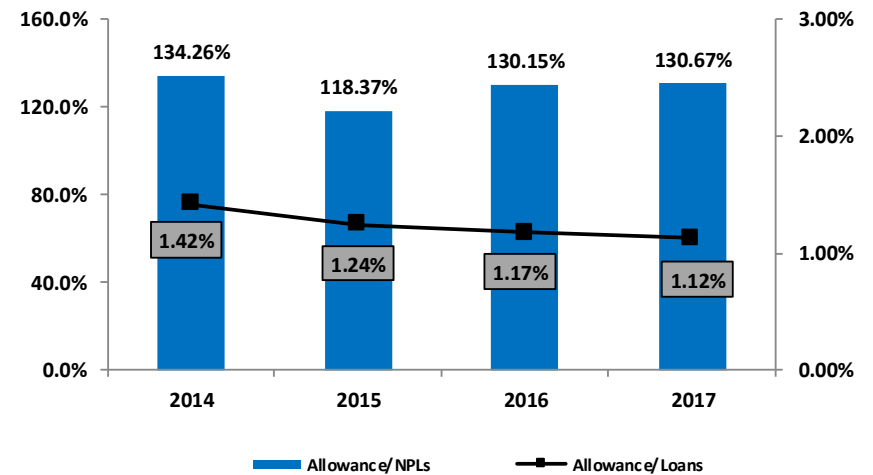
Non-Performing Loans (NPLs) & NPLs to Loans



Net Charge-offs (NCOs) and NCOs to Average Loans



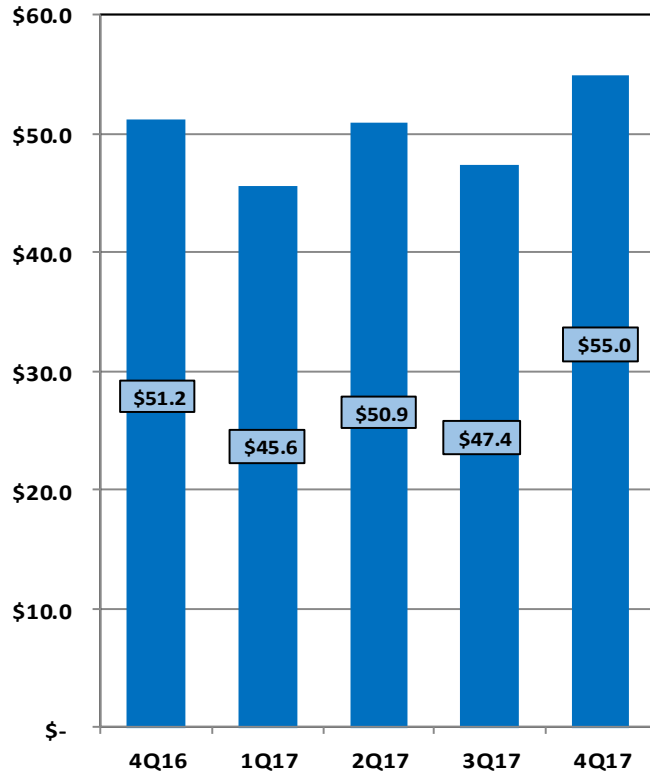
Allowance for Credit Losses (Allowance) to NPLs & Loans



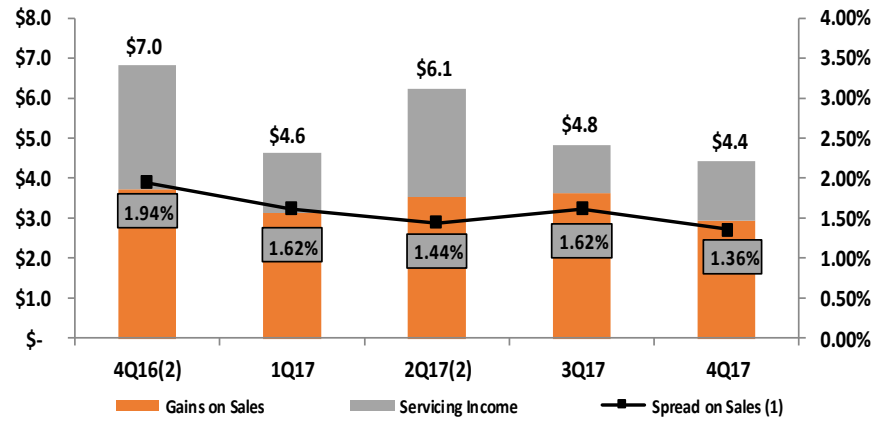
NON-INTEREST INCOME – QUARTER COMPARISON

(\$ IN MILLIONS)

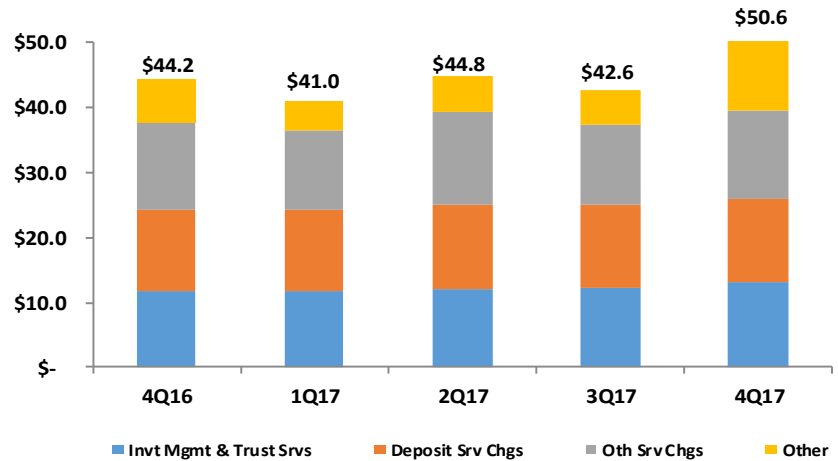
Non-Interest Income, Excluding Securities Gains



Mortgage Banking Income & Spreads



Other Non-Interest Income

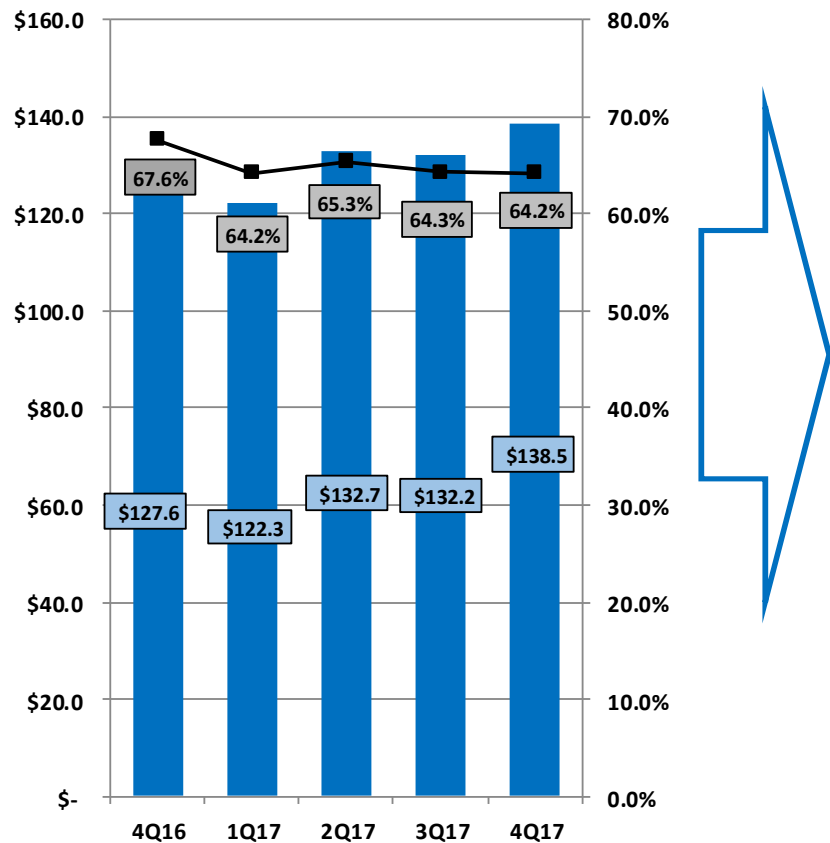


- (1) Represents Gains on Sales divided by total new commitments to originate residential mortgage loans for customers.
- (2) Servicing income includes \$1.7 million and \$1.3 million MSR recoveries in 4Q16 and 2Q17, respectively.

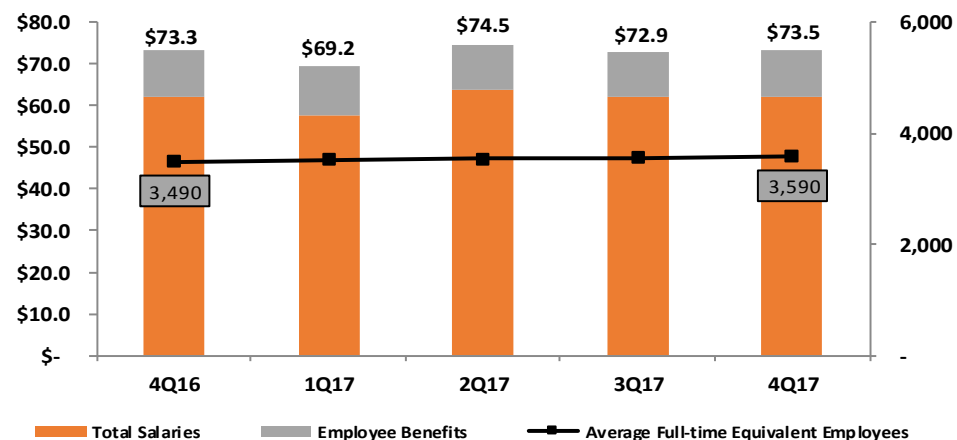
NON-INTEREST EXPENSES – QUARTERLY COMPARISON

(\$ IN MILLIONS)

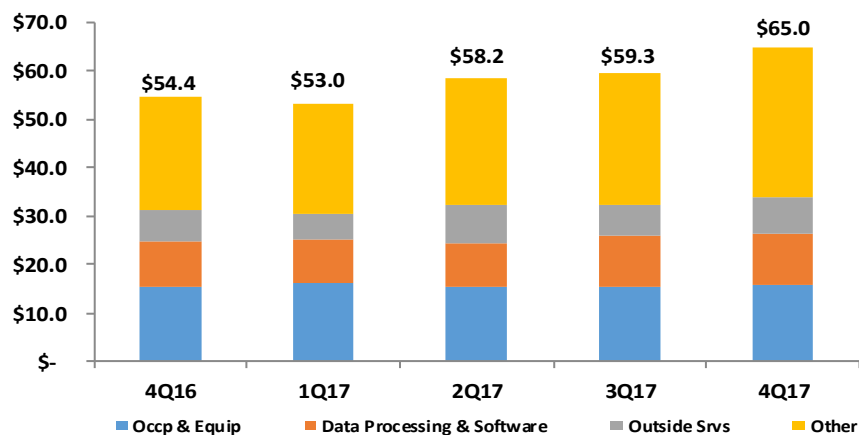
Non-Interest Expense & Efficiency Ratio (1)



Salaries and Employee Benefits & Staffing



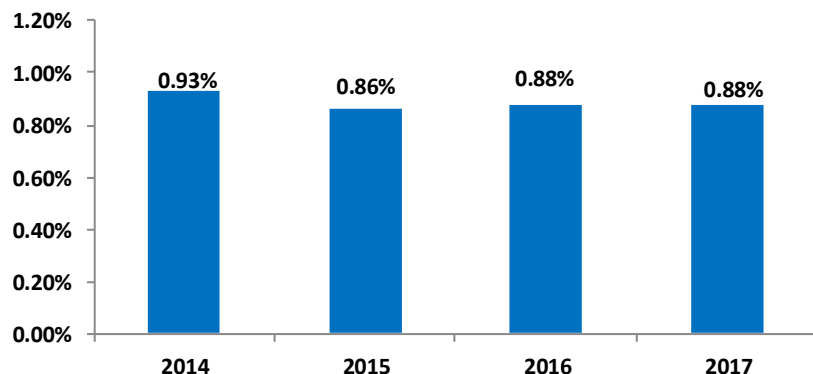
Other Non-Interest Expenses



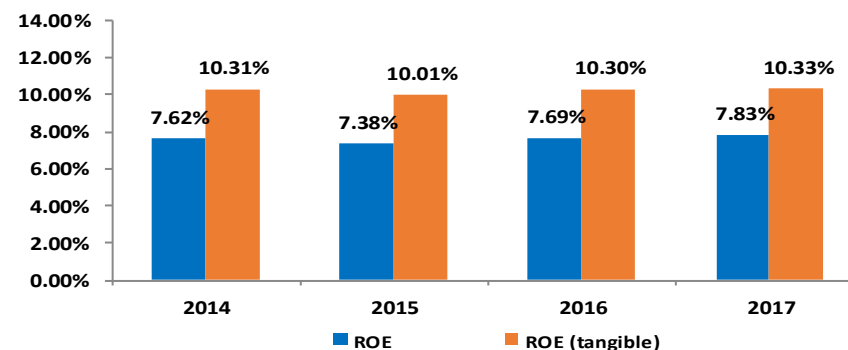
(1) Non-GAAP based financial measure. Please refer to the calculation and management's reasons for using this measure on the slide titled "Non-GAAP Reconciliation" at the end of this presentation.

PROFITABILITY & CAPITAL – ANNUAL COMPARISON

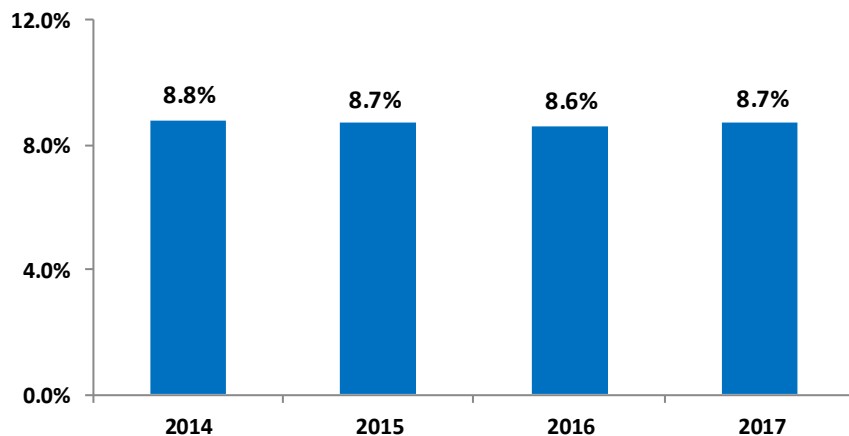
ROA⁽¹⁾



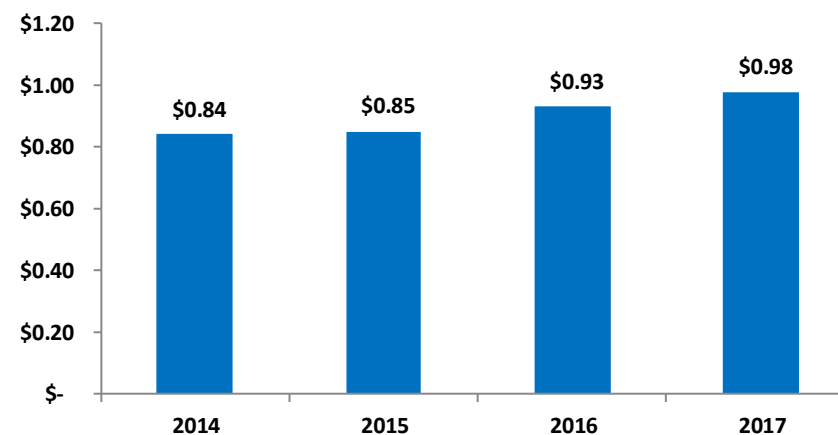
ROE and ROE (tangible)⁽²⁾



Tangible Common Equity Ratio⁽²⁾



Diluted Earnings Per Common Share



(1) ROA is return on average assets determined by dividing net income for the period indicated by average assets, annualized.

(2) Non-GAAP based financial measure. Please refer to the calculation and management's reasons for using this measure on the slide titled "Non-GAAP Reconciliation" at the end of this presentation.

STOCK REPURCHASE PROGRAMS

June 2012 to January 2018 Repurchase Programs ⁽¹⁾

| | |
|--------------------------------|-----------------------------|
| Shares Repurchased | 31.88 million |
| % of Outstanding Shares | 15.9% ⁽²⁾ |
| Amount Repurchased | \$375.1 million |
| Average Purchase Price | \$11.77 |

In October 2015, the Board of Directors approved a stock repurchase program of up to \$50 million of the Corporation's common stock, or approximately 2.3% of outstanding shares. Following extensions approved by the Board of Directors in 2016 and 2017, this stock repurchase program will continue through December 31, 2018. The following is a summary of purchases under this program:

| | <u># Shares</u> | <u>Total Cost</u> | <u>Per Share</u> |
|---------|-----------------|-------------------------------|------------------|
| 1Q 2016 | 917,000 | \$11.2 million | \$12.21 |
| 2Q 2016 | 393,000 | \$ 5.1 million | \$12.87 |
| 3Q 2016 | <u>176,000</u> | <u>\$ 2.3 million</u> | \$13.00 |
| Total | 1,486,000 | \$18.6 million ⁽³⁾ | \$12.48 |

(1) Share repurchases completed from June 2012 through January 2018.

(2) Total shares repurchased as a percentage of outstanding common stock on June 30, 2012.

(3) Up to an additional \$31.4 million of common stock may be repurchased under the current program.

2018 OUTLOOK

- **Loans & Deposits:** Average annual loan and core deposit growth rates in the mid single digits
- **Asset Quality:** Provision driven primarily by loan growth
- **Non-Interest Income⁽¹⁾:** Low single-digit growth
- **Non-Interest Expense:** Including amortization of tax free investments, low single-digit growth rate
- **Capital:** Focus on utilizing capital to support loan growth and provide appropriate returns to shareholders
- **Net Interest Margin:** Tax reform legislation impacts the computation of 2018 tax equivalent net interest margin percentages. As a result of the impact of the lower corporate income tax rate on tax-free loans and investments, NIM in the first quarter of 2018 is expected to decline 1 to 5 basis points. However for the full year 2018, the outlook for NIM is an increase of 2 to 7 basis points.
- **Effective Tax Rate:** Anticipated to range between 11% to 16% depending on level of tax credits realized

(1) Excluding securities gains and the litigation settlement of \$5.1 million recognized in the fourth quarter of 2017

APPENDIX



AVERAGE LOAN PORTFOLIO AND YIELDS

FULTON FINANCIAL
CORPORATION

| | 4Q 2017 | | Change in | | | |
|---------------------|-----------------|--------------|------------------------------|-----------------|----------------|----------------|
| | Balance | Yield | Balance From | | Yield From | |
| | | | 3Q 2017 | 4Q 2016 | 3Q 2017 | 4Q 2016 |
| | | | <i>(dollars in millions)</i> | | | |
| Comm'l Mort | \$ 6,233 | 4.09% | \$ 24 | \$ 405 | 0.02% | 0.19% |
| Commercial | 4,263 | 4.05% | 6 | 182 | (0.03%) | 0.31% |
| Resid Mort | 1,926 | 3.83% | 85 | 353 | 0.00% | 0.08% |
| Home Equity | 1,561 | 4.52% | (9) | (73) | 0.04% | 0.47% |
| Construction | 1,004 | 4.27% | 61 | 158 | 0.22% | 0.49% |
| Cons./Other | 573 | 5.36% | 1 | 59 | 0.45% | (0.05%) |
| Total Loans | \$15,560 | 4.14% | \$ 168 | \$ 1,084 | 0.02% | 0.24% |

*Note: Yields presented on a fully taxable-equivalent basis, using a 35% federal tax rate and statutory interest expense disallowances.
Average loan portfolio and yield are for the three months ended December 31, 2017.*

AVERAGE CUSTOMER FUNDING AND RATES

| | 4Q 2017 | | Change In | | | |
|-------------------------------|-----------|-------|------------------------------|----------|-----------|---------|
| | Balance | Rate | Balance From | | Rate From | |
| | | | 3Q 2017 | 4Q 2016 | 3Q 2017 | 4Q 2016 |
| | | | <i>(dollars in millions)</i> | | | |
| Nonint DDA | \$ 4,454 | - % | \$ (41) | \$ 122 | - % | - % |
| Int DDA | 4,038 | 0.40% | 95 | 324 | 0.01% | 0.19% |
| Savings/MMDA | 4,752 | 0.38% | 149 | 536 | 0.04% | 0.17% |
| Brokered Deposits | 105 | 1.27% | 15 | 105 | 0.04% | 1.27% |
| Time deposits | 2,707 | 1.18% | (38) | (70) | 0.03% | 0.09% |
| Total Deposits | 16,056 | 0.42% | 180 | 1,017 | 0.02% | 0.11% |
| Cash Mgt | 376 | 0.34% | 120 | 109 | 0.15% | 0.26% |
| Total Customer Funding | \$ 16,432 | 0.42% | \$ 300 | \$ 1,126 | 0.02% | 0.11% |

Note: Average customer funding and the rate are for the three months ended December 31, 2017.

LOAN DISTRIBUTION BY STATE

AS OF DECEMBER 31, 2017

| | Comm'l | Comm'l Mortgage | Constr. | Res. Mtg. | Consumer & Other | Total |
|--------------|-----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| | <i>(in thousands)</i> | | | | | |
| Pennsylvania | \$ 3,168,035 | \$ 3,329,112 | \$ 519,334 | \$ 740,563 | \$ 1,290,799 | \$ 9,047,843 |
| New Jersey | 559,965 | 1,436,793 | 189,785 | 268,963 | 403,395 | 2,858,901 |
| Maryland | 323,064 | 702,596 | 146,029 | 425,465 | 280,705 | 1,877,859 |
| Virginia | 104,657 | 541,554 | 70,567 | 436,333 | 61,826 | 1,214,937 |
| Delaware | 144,576 | 354,749 | 81,220 | 83,387 | 104,775 | 768,707 |
| | <u>\$ 4,300,297</u> | <u>\$ 6,364,804</u> | <u>\$ 1,006,935</u> | <u>\$ 1,954,711</u> | <u>\$ 2,141,500</u> | <u>\$ 15,768,247</u> |

NON-PERFORMING LOANS⁽¹⁾

AS OF DECEMBER 31, 2017

| | Comm'l | Comm'l Mortgage | Constr. | Res. Mtg. | Consumer & Other | Total NPLs | Ending Loans by State | NPLs/Loans by State |
|----------------------------------|-------------------------------|--------------------|------------------|------------------|---------------------|-------------------|--------------------------|------------------------|
| | <i>(dollars in thousands)</i> | | | | | | | |
| Pennsylvania | \$ 36,231 | \$ 13,374 | \$ 4,830 | \$ 8,874 | \$ 5,308 | \$ 68,617 | \$ 9,047,843 | 0.76% |
| New Jersey | 6,145 | 13,138 | 2,373 | 4,732 | 4,014 | 30,402 | 2,858,901 | 1.06% |
| Maryland | 2,213 | 944 | 33 | 853 | 1,567 | 5,610 | 1,877,859 | 0.30% |
| Virginia | 6,046 | 2,579 | 1,506 | 5,407 | 745 | 16,283 | 1,214,937 | 1.34% |
| Delaware | 3,674 | 5,411 | 3,455 | 1,106 | 201 | 13,847 | 768,707 | 1.80% |
| | <u>\$ 54,309</u> | <u>\$ 35,446</u> | <u>\$ 12,197</u> | <u>\$ 20,972</u> | <u>\$ 11,835</u> | <u>\$ 134,759</u> | <u>\$ 15,768,247</u> | <u>0.85%</u> |
| Ending Loans | \$ 4,300,297 | \$ 6,364,804 | \$ 1,006,935 | \$ 1,954,711 | \$ 2,141,500 | \$ 15,768,247 | | |
| Non-performing Loan % (12/31/17) | 1.26% | 0.56% | 1.21% | 1.07% | 0.55% | 0.85% | | |
| Non-performing Loan % (12/31/16) | 1.06% | 0.65% | 1.17% | 1.48% | 0.72% | 0.90% | | |

(1) Includes loans \geq 90 days past due and accruing, and non-accrual loans.

NET CHARGE-OFFS (RECOVERIES)

THREE MONTHS ENDED DECEMBER 31, 2017



| | Comm'l | Comm'l Mortgage | Constr. | Res. Mtg. | Consumer & Other | Total | Average Loans by State | Annualized Charge-Offs to Average Loans |
|--------------|-------------------------------|--------------------|----------------|----------------|---------------------|-----------------|---------------------------|---|
| | <i>(dollars in thousands)</i> | | | | | | | |
| Pennsylvania | \$ 4,469 | \$ (23) | \$ - | \$ (68) | \$ 672 | \$ 5,050 | \$ 8,933,378 | 0.23% |
| New Jersey | 134 | 72 | (16) | (18) | 155 | 327 | 2,841,885 | 0.05% |
| Maryland | (71) | (1) | (16) | 71 | 56 | 39 | 1,862,334 | 0.01% |
| Virginia | - | - | - | (14) | 12 | (2) | 1,189,755 | 0.00% |
| Delaware | - | (6) | - | (5) | (8) | (19) | 732,833 | -0.01% |
| | <u>\$ 4,532</u> | <u>\$ 42</u> | <u>\$ (32)</u> | <u>\$ (34)</u> | <u>\$ 887</u> | <u>\$ 5,395</u> | <u>\$ 15,560,185</u> | <u>0.14%</u> |

Average Loans \$ 4,263,199 \$ 6,232,674 \$ 1,004,166 \$ 1,926,067 \$ 2,134,079 \$ 15,560,185

Annualized Net Charge-offs

(Recoveries) to Average Loans 0.43% 0.00% -0.01% -0.01% 0.17% 0.14%

INVESTMENT PORTFOLIO

DECEMBER 31, 2017

FULTON FINANCIAL
CORPORATION

| | Weighted Avg. Remaining Life (in years) | Amortized Cost | Unrealized Gain (Loss) | Estimated Fair Value |
|---|--|-------------------|---------------------------|-------------------------|
| <i>(dollars in millions)</i> | | | | |
| Residential mortgage-backed securities | 4.8 | \$ 1,132 | \$ (11) | \$ 1,121 |
| Collateralized mortgage obligations | 3.5 | 612 | (9) | 603 |
| State and municipal securities | 8.1 | 406 | 3 | 409 |
| Commercial mortgage-backed securities | 3.9 | 215 | (2) | 213 |
| Auction rate securities | 5.0 | 108 | (9) | 99 |
| Corporate debt securities | 9.3 | 96 | 1 | 97 |
| U.S. Government sponsored agency securities | 5.4 | 6 | (0) | 6 |
| Bank stocks | N/A | - | - | - |
| Other equity securities | N/A | 1 | (0) | 1 |
| Total Investments | 5.9 | \$ 2,576 | \$ (28) | \$ 2,548 |

NON-INTEREST INCOME

(EXCLUDING SECURITIES GAINS)

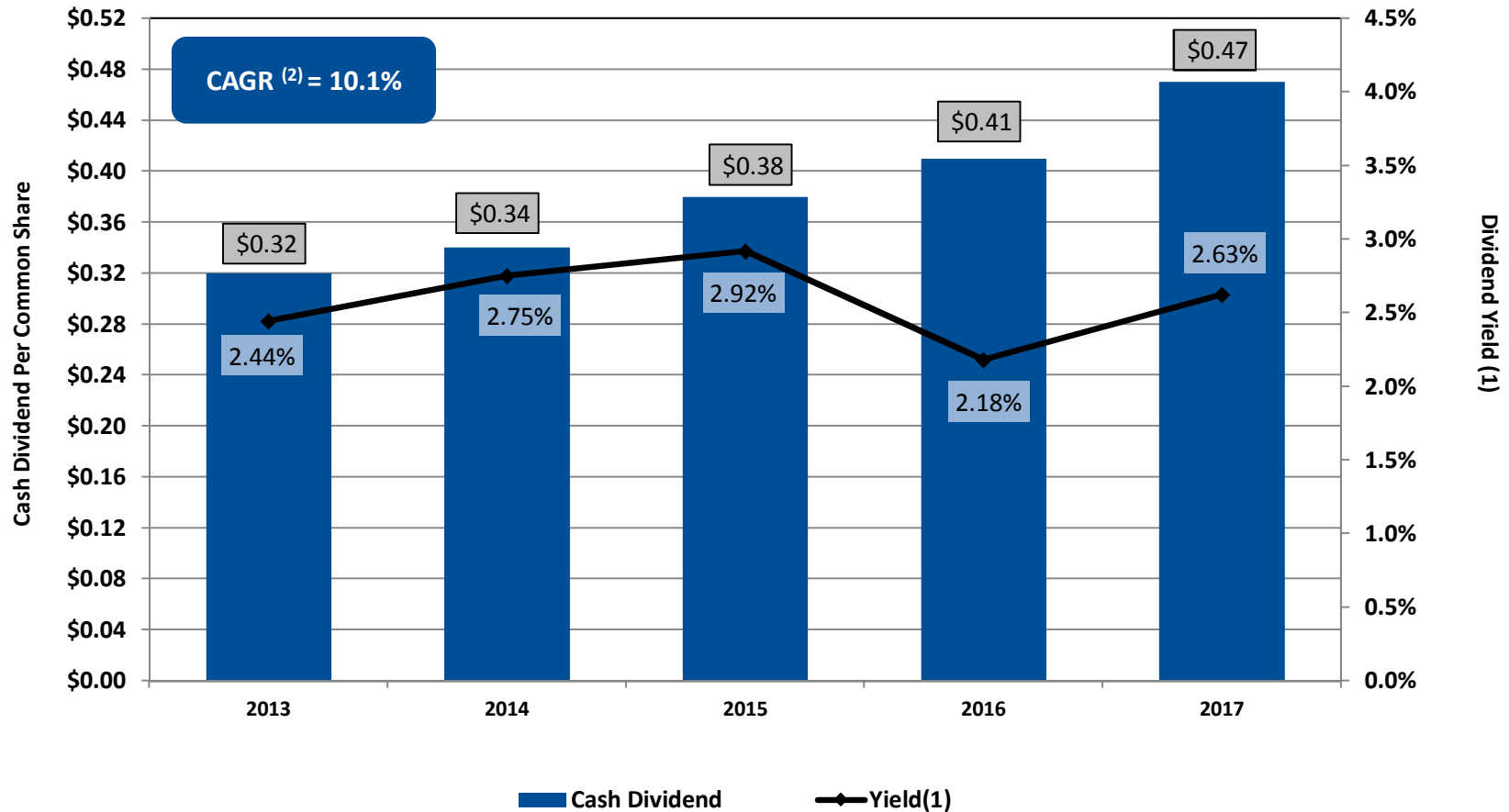
| | 4Q 2017 | 3Q 2017 | 4Q 2016 | Change From | |
|---|------------------|------------------|------------------|-----------------------|-----------------|
| | | | | 3Q 2017 | 4Q 2016 |
| | | | | <i>(in thousands)</i> | |
| Investment management and trust services | \$ 13,152 | \$ 12,157 | \$ 11,610 | \$ 995 | \$ 1,542 |
| Overdraft fees | 5,609 | 5,844 | 5,749 | (235) | (140) |
| Mortgage banking income | 4,386 | 4,805 | 6,959 | (419) | (2,573) |
| Merchant fees | 4,308 | 4,398 | 3,981 | (90) | 327 |
| Cash management fees | 3,669 | 3,624 | 3,532 | 45 | 137 |
| Debit card income | 3,526 | 2,830 | 3,288 | 696 | 238 |
| Other service charges | 3,392 | 3,554 | 3,533 | (162) | (141) |
| Commercial loan interest rate swap fees | 2,914 | 1,954 | 3,008 | 960 | (94) |
| Credit card income | 2,778 | 2,829 | 2,564 | (51) | 214 |
| Letter of credit fees | 1,037 | 1,056 | 1,119 | (19) | (82) |
| Other income | 10,253 | 4,326 | 5,887 | 5,927 | 4,366 |
| Total Non-Interest Income | \$ 55,024 | \$ 47,377 | \$ 51,230 | \$ 7,647 | \$ 3,794 |

NON-INTEREST EXPENSE

| | 4Q 2017 | 3Q 2017 | 4Q 2016 | Change From | |
|--|-----------------------|-------------------|-------------------|-----------------|------------------|
| | | | | 3Q 2017 | 4Q 2016 |
| | <i>(in thousands)</i> | | | | |
| Salaries and employee benefits | \$ 73,504 | \$ 72,894 | \$ 73,256 | \$ 610 | \$ 248 |
| Net occupancy expense | 12,549 | 12,180 | 11,798 | 369 | 751 |
| Data processing and software | 10,401 | 10,301 | 9,442 | 100 | 959 |
| Other outside services | 7,665 | 6,582 | 6,536 | 1,083 | 1,129 |
| Professional fees | 3,632 | 3,388 | 2,783 | 244 | 849 |
| FDIC insurance expense | 3,618 | 3,007 | 2,067 | 611 | 1,551 |
| Amortization of tax credit investments | 3,376 | 3,503 | - | (127) | 3,376 |
| Equipment expense | 3,244 | 3,298 | 3,408 | (54) | (164) |
| Supplies and postage | 2,273 | 2,558 | 2,447 | (285) | (174) |
| Marketing | 1,725 | 2,089 | 1,730 | (364) | (5) |
| Operating risk loss | 1,264 | 1,114 | 734 | 150 | 530 |
| Telecommunications | 1,218 | 1,233 | 1,345 | (15) | (127) |
| OREO & repo expenses, net | 903 | (40) | 180 | 943 | 723 |
| Other expenses | 13,080 | 10,050 | 11,895 | 3,030 | 1,185 |
| Total Non-Interest Expenses | \$ 138,452 | \$ 132,157 | \$ 127,621 | \$ 6,295 | \$ 10,831 |

A SUSTAINABLE PAYOUT

Cash Dividend Per Common Share & Yield



(1) Annual dividend per share divided by period-end stock price.
 (2) Compounded annual growth rate from December 31, 2013 to 2017.

NON-GAAP RECONCILIATION

Note: The Corporation has presented the following non-GAAP (Generally Accepted Accounting Principles) financial measures because it believes that these measures provide useful and comparative information to assess trends in the Corporation's results of operations and financial condition. Presentation of these non-GAAP financial measures is consistent with how the Corporation evaluates its performance internally and these non-GAAP financial measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the Corporation's industry. Investors should recognize that the Corporation's presentation of these non-GAAP financial measures might not be comparable to similarly-titled measures of other companies. These non-GAAP financial measures should not be considered a substitute for GAAP basis measures and the Corporation strongly encourages a review of its condensed consolidated financial statements in their entirety.

| | Three Months Ended | | | | | Year Ended Dec 31, | |
|--|------------------------|-----------------|-----------------|--------------------|-----------------|--------------------|--------------|
| | Dec 31, 2017 | Sep 30, 2017 | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | 2017 | 2016 |
| | (dollars in thousands) | | | | | | |
| Efficiency ratio | | | | | | | |
| Non-interest expense | \$ 138,452 | \$ 132,157 | \$ 132,695 | \$ 122,275 | \$ 127,621 | \$ 525,579 | \$ 489,519 |
| Less: Amortization of tax credit investments | (3,376) | (3,503) | (3,151) | (998) | - | (11,028) | - |
| Numerator | \$ 135,076 | \$ 128,654 | \$ 129,544 | \$ 121,277 | \$ 127,621 | \$ 514,551 | \$ 489,519 |
| Net interest income (fully taxable equivalent) | \$ 155,253 | \$ 152,721 | \$ 147,349 | \$ 143,243 | \$ 137,571 | \$ 598,565 | \$ 541,271 |
| Plus: Total Non-interest income | 56,956 | 51,974 | 52,371 | 46,673 | 52,755 | 207,974 | 190,178 |
| Less: Investment securities (gains) losses | (1,932) | (4,597) | (1,436) | (1,106) | (1,525) | (9,071) | (2,550) |
| Denominator | \$ 210,277 | \$ 200,098 | \$ 198,284 | \$ 188,810 | \$ 188,801 | \$ 797,468 | \$ 728,899 |
| Efficiency ratio | 64.24% | 64.30% | 65.33% | 64.23% | 67.60% | 64.52% | 67.16% |
| | Three Months Ended | | | Year Ended Dec 31, | | | |
| | Dec 31, 2017 | Sep 30, 2017 | Dec 31, 2016 | 2017 | 2016 | 2015 | 2014 |
| | (dollars in thousands) | | | | | | |
| Return on Average Shareholders' Equity (ROE) (Tangible) | | | | | | | |
| Net income | \$ 34,001 | \$ 48,905 | \$ 42,150 | \$ 171,753 | \$ 161,625 | \$ 149,502 | \$ 157,894 |
| Plus: Intangible amortization, net of tax | - | - | - | - | - | 161 | 818 |
| Numerator | \$ 34,001 | \$ 48,905 | \$ 42,150 | \$ 171,753 | \$ 161,625 | \$ 149,663 | \$ 158,712 |
| Average shareholders' equity | \$ 2,237,031 | \$ 2,215,389 | \$ 2,132,655 | \$ 2,193,863 | \$ 2,100,634 | \$ 2,026,883 | \$ 2,071,640 |
| Less: Average goodwill and intangible assets | (531,556) | (531,556) | (531,556) | (531,556) | (531,556) | (531,618) | (532,425) |
| Average tangible shareholders' equity (denominator) | \$ 1,705,475 | \$ 1,683,833 | \$ 1,601,099 | \$ 1,662,307 | \$ 1,569,078 | \$ 1,495,265 | \$ 1,539,215 |
| Return on average common shareholders' equity (tangible), annualized | 7.91% | 11.52% | 10.47% | 10.33% | 10.30% | 10.01% | 10.31% |

NON-GAAP RECONCILIATION (CONTINUED)

| | Dec 31, 2017 | Dec 31, 2016 | Dec 31, 2015 | Dec 31, 2014 |
|---|-------------------------------|----------------------|----------------------|----------------------|
| | <i>(dollars in thousands)</i> | | | |
| <u>Tangible Common Equity to Tangible Assets (TCE Ratio)</u> | | | | |
| Shareholders' equity | \$ 2,229,857 | \$ 2,121,115 | \$ 2,041,894 | \$ 1,996,665 |
| Less: Intangible assets | (531,556) | (531,556) | (531,556) | (531,803) |
| Tangible shareholders' equity (numerator) | <u>\$ 1,698,301</u> | <u>\$ 1,589,559</u> | <u>\$ 1,510,338</u> | <u>\$ 1,464,862</u> |
| Total assets | \$20,036,905 | \$ 18,944,247 | \$ 17,914,718 | \$ 17,124,767 |
| Less: Intangible assets | (531,556) | (531,556) | (531,556) | (531,803) |
| Total tangible assets (denominator) | <u>\$ 19,505,349</u> | <u>\$ 18,412,691</u> | <u>\$ 17,383,162</u> | <u>\$ 16,592,964</u> |
| Tangible Common Equity to Tangible Assets | <u>8.71%</u> | <u>8.63%</u> | <u>8.69%</u> | <u>8.83%</u> |

| | <u>Three Months Ended</u> | | <u>Year Ended Dec 31,</u> | | | |
|--|----------------------------------|-------------------------|----------------------------------|--------------------------|--------------------------|--------------------------|
| | Dec 31, 2017 | Sep 30, 2017 | 2017 | 2016 | 2015 | 2014 |
| | <i>(dollars in thousands)</i> | | | | | |
| <u>Pre-Provision Net Revenue</u> | | | | | | |
| Net interest income | \$ 149,413 | \$ 146,809 | \$ 575,364 | \$ 520,772 | \$ 499,994 | \$ 514,867 |
| Non-interest income | 56,956 | 51,974 | 207,974 | 190,178 | 181,839 | 167,379 |
| Less: Investment securities gains | (1,932) | (4,597) | (9,071) | (2,550) | (9,066) | (2,041) |
| Total Revenue | <u>204,437</u> | <u>194,186</u> | <u>774,267</u> | <u>708,400</u> | <u>672,767</u> | <u>680,205</u> |
| Non-interest expense | 138,452 | 132,157 | 525,579 | 489,519 | 480,160 | 459,246 |
| Less: Loss on redemption of TruPS | - | - | - | - | (5,626) | - |
| Less: Amortization of tax credit investments | (3,376) | (3,503) | (11,028) | - | - | - |
| Total Non-interest expense, as adjusted | <u>135,076</u> | <u>128,654</u> | <u>514,551</u> | <u>489,519</u> | <u>474,534</u> | <u>459,246</u> |
| Pre-Provision Net Revenue | <u>\$ 69,361</u> | <u>\$ 65,532</u> | <u>\$ 259,716</u> | <u>\$ 218,881</u> | <u>\$ 198,233</u> | <u>\$ 220,959</u> |

NON-GAAP RECONCILIATION (CONTINUED)

Reconciliation of Net Income; Net Income per share, diluted; and Selected Financial Ratios, adjusted to exclude the charge recognized in the fourth quarter of 2017 related to the re-measurement of net deferred tax assets:

| | <u>Three Months Ended</u> Dec 31, 2017 | <u>Year Ended</u> Dec 31, 2017 |
|---|--|--------------------------------------|
| <u>Diluted earnings per share</u> | | |
| Net income | \$ 34,001 | \$ 171,753 |
| Plus: Re-measurement of net deferred tax assets | 15,634 | 15,634 |
| Net Income, adjusted (numerator) | <u>\$ 49,635</u> | <u>\$ 187,387</u> |
| Weighted average shares (diluted) (denominator) | <u>176,374</u> | <u>175,932</u> |
| Net income per share, diluted | <u>\$ 0.28</u> | <u>\$ 1.07</u> |
| <u>Return on average assets</u> | | |
| Net income | \$ 34,001 | \$ 171,753 |
| Plus: Re-measurement of net deferred tax assets | 15,634 | 15,634 |
| Net Income, adjusted (numerator) | <u>\$ 49,635</u> | <u>\$ 187,387</u> |
| Average assets (denominator) | <u>\$ 20,072,579</u> | <u>\$ 19,580,367</u> |
| Return on average assets, annualized | <u>0.98%</u> | <u>0.96%</u> |
| <u>Return on average shareholders' equity</u> | | |
| Net income | \$ 34,001 | \$ 171,753 |
| Plus: Re-measurement of net deferred tax assets | 15,634 | 15,634 |
| Net Income, adjusted (numerator) | <u>\$ 49,635</u> | <u>\$ 187,387</u> |
| Average shareholders' equity (denominator) | <u>\$ 2,237,031</u> | <u>\$ 2,193,863</u> |
| Return on average shareholders' equity, annualized | <u>8.80%</u> | <u>8.54%</u> |
| <u>Return on average shareholders' equity (tangible)</u> | | |
| Net Income, as reported | \$ 34,001 | \$ 171,753 |
| Plus: Re-measurement of net deferred tax assets | 15,634 | 15,634 |
| Net Income, adjusted (numerator) | <u>\$ 49,635</u> | <u>\$ 187,387</u> |
| Average shareholders' equity | \$ 2,237,031 | \$ 2,193,863 |
| Less: Average goodwill and intangible assets | (531,556) | (531,556) |
| Average tangible shareholders' equity (denominator) | <u>\$ 1,705,475</u> | <u>\$ 1,662,307</u> |
| Return on average shareholders' equity (tangible), annualized | <u>11.55%</u> | <u>11.27%</u> |

FULTON FINANCIAL CORPORATION



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