



BRIDGE  
BANCORP, INC.

*Piper Jaffray– Investor Presentation  
May 13<sup>th</sup> & 14<sup>th</sup>, 2019*

# Forward Looking Statements

This presentation may contain statements relating to the future results of the Company (including certain projections and business trends) that are considered “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995 (the “PSLRA”). Such forward-looking statements, in addition to historical information, which involve risk and uncertainties, are based on the beliefs, assumptions and expectations of management of the Company. Words such as “expects,” “believes,” “should,” “plans,” “anticipates,” “will,” “potential,” “could,” “intend,” “may,” “outlook,” “predict,” “project,” “would,” “estimated,” “assumes,” “likely,” and variation of such similar expressions are intended to identify such forward-looking statements. Examples of forward looking statements include, but are not limited to, possible or assumed estimates with respect to the financial condition, expected or anticipated revenue, and results of operations and business of the Company, including earnings growth; revenue growth in retail banking, lending and other areas; origination volume in the consumer, commercial and other lending businesses; current and future capital management programs; non-interest income levels, including fees from the title abstract subsidiary and banking services as well as product sales; tangible capital generation; market share; expense levels; and other business operations and strategies. The Company claims the protection of the safe harbor for forward-looking statements contained in the PSLRA.

Factors that could cause future results to vary from current management expectations include, but are not limited to, changing economic conditions; legislative and regulatory changes, including increases in FDIC insurance rates; monetary and fiscal policies of the federal government; changes in tax policies; rates and regulations of federal, state and local tax authorities; changes in interest rates; deposit flows; the cost of funds; demand for loan products; demand for financial services; competition; the Company’s ability to successfully integrate acquired entities; changes in the quality and composition of the Bank’s loan and investment portfolios; changes in management’s business strategies; changes in accounting principles, policies or guidelines; changes in real estate values; expanded regulatory requirements as a result of the Dodd-Frank Act, which could adversely affect operating results; and other factors discussed under Item 1A., Risk Factors, and in quarterly and other reports filed by the Company with the Securities and Exchange Commission. The forward-looking statements of our Annual Report on Form 10-K, are made as of the date of this presentation, and the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in the forward-looking statements.

# Bridge Bancorp Difference

- 🚢 Largest community bank headquartered on Long Island
- 🚢 Longstanding history of growth and success
- 🚢 Attractive, high density footprint with favorable customer demographics
- 🚢 Experienced, proven management team
- 🚢 Customer focused, local decision-making
- 🚢 Consistent shareholder return
- 🚢 35% DDA funding
- 🚢 Expanding core margin
- 🚢 Active Interest Rate Risk Management
- 🚢 Superior asset quality

*Community Banking at its Best from Montauk to Manhattan*

# Mission Statement

*To Be the Preeminent Community  
Bank in Our Markets, Providing  
Added Value and Superior  
Customer Service.*

# Investment Thesis/Rationale

## Unique Franchise in Attractive Markets

*\$4.7 billion community bank operating in 40 locations*

*\$1 trillion+ deposit marketplace with above-average household income*

*Established and growing C&I customer base*

## Strong Core Funding: 35% Demand Deposits

*9% Annual Deposit Growth from Q1 2018 to Q1 2019*

*0.85% Cost of Deposits*

*91% Loan-to-Deposit ratio*

## Well Positioned for Higher Rates

*Active Management of IRR*

*Improving Core Margin*

*Increasing Asset Sensitivity*

## Thoughtful Strategic Vision

*Strong Organic Growth + Disciplined M&A*

*Ongoing Balance Sheet Management*

## Careful Stewards of Capital

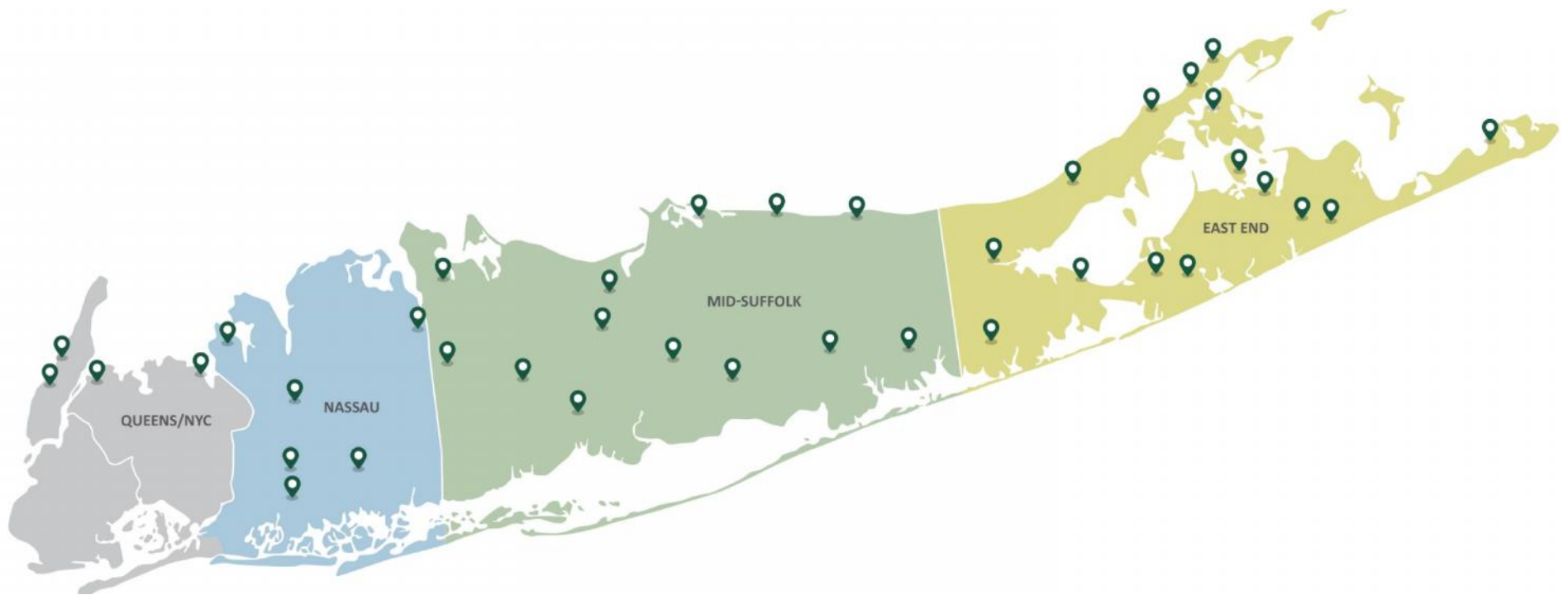
*9.8% Bank Leverage Ratio*

## Experienced Management Team

*SVP & Above with Average 20+ years of experience*

# Profile - Current Franchise

- **Assets:** \$4.7 billion
- **Loans:** \$3.4 billion
- **Deposits:** \$3.7 billion
- **Market Cap:** \$632 million<sup>(1)</sup>
- **Branches/Locations:** 40
- **FTE Employees:** 479



# 2019 Outlook

| Measure              | Target              | Comments   |
|----------------------|---------------------|--|
| Loan Growth          | 12% - 14%           | <ul style="list-style-type: none"> <li>Grow Loans ~\$400 million through a combination of current offerings</li> </ul>   |
| Deposit Growth       | 8% - 10%            | <ul style="list-style-type: none"> <li>Grow total deposits ~\$350 million</li> <li>IPC deposit growth through organic DDA and MMA expansion and new deposit initiatives</li> <li>Less reliance on brokered deposits</li> </ul> |
| Loans to Deposits    | 85% - 90%           | <ul style="list-style-type: none"> <li>Balance growth of lending through deposit activity</li> <li>Consistently favorable loans to deposits ratio relative to peers</li> </ul>   |
| Net Interest Margin  | 3.27% - 3.32%       | <ul style="list-style-type: none"> <li>Expected NIM expansion excluding purchase accounting – 2018 core margin 3.24%</li> <li>Budgeted 2 Yr. - 10 Yr. Treasury spread of 0.50% at December 2019</li> </ul>                     |
| Non-Interest Income  | 5% - 7%             | <ul style="list-style-type: none"> <li>Led by continued growth of swap, gain on sale of SBA loans</li> <li>Increased focus on treasury management offerings</li> </ul>   |
| Effective Tax Rate   | 22%                 | <ul style="list-style-type: none"> <li>Continued benefit from the Tax Cuts &amp; Jobs Act</li> </ul>   |
| Non-Interest Expense | \$93 - \$97 million | <ul style="list-style-type: none"> <li>Continued improvement of expenses to assets</li> <li>Remain under 2.00%</li> </ul>  |

# 2019 Outlook

| Theme                     | Comments   |
|---------------------------|--|
| Deposit & Loan Pricing    | <ul style="list-style-type: none"><li>Well-positioned for higher rates; emphasis on floating vs. fixed rate loans</li><li>Existing loan portfolio expected to price up</li><li>Deposit initiatives aligned with rising rate environment</li></ul>                    |
| Fraud Monitoring          | <ul style="list-style-type: none"><li>Enhanced fraud monitoring analysis</li><li>Reorganization of treasury management operations with fraud monitoring operations</li></ul>   |
| Treasury Management Sales | <ul style="list-style-type: none"><li>More focused approach to treasury management sales process</li><li>Hired Treasury Management Sales Director – Q4 2018</li></ul>  |
| Technology                | <ul style="list-style-type: none"><li>Development of online decisioning platform for small-business loans</li><li>Restructured Information Technology Division under newly hired Chief Information Officer</li><li>Increased efficiency through automation</li></ul> |



# Q1 2019

 **Net Income of \$12.9 million or \$.65 Per Share**

*ROA of 1.13% & ROE of 11.41%*

 **Net Interest Income \$34.3 million**

*Net Interest Margin 3.29%*

 **Loans of \$3.4 billion**

*\$115 million or 14% Annualized Growth*

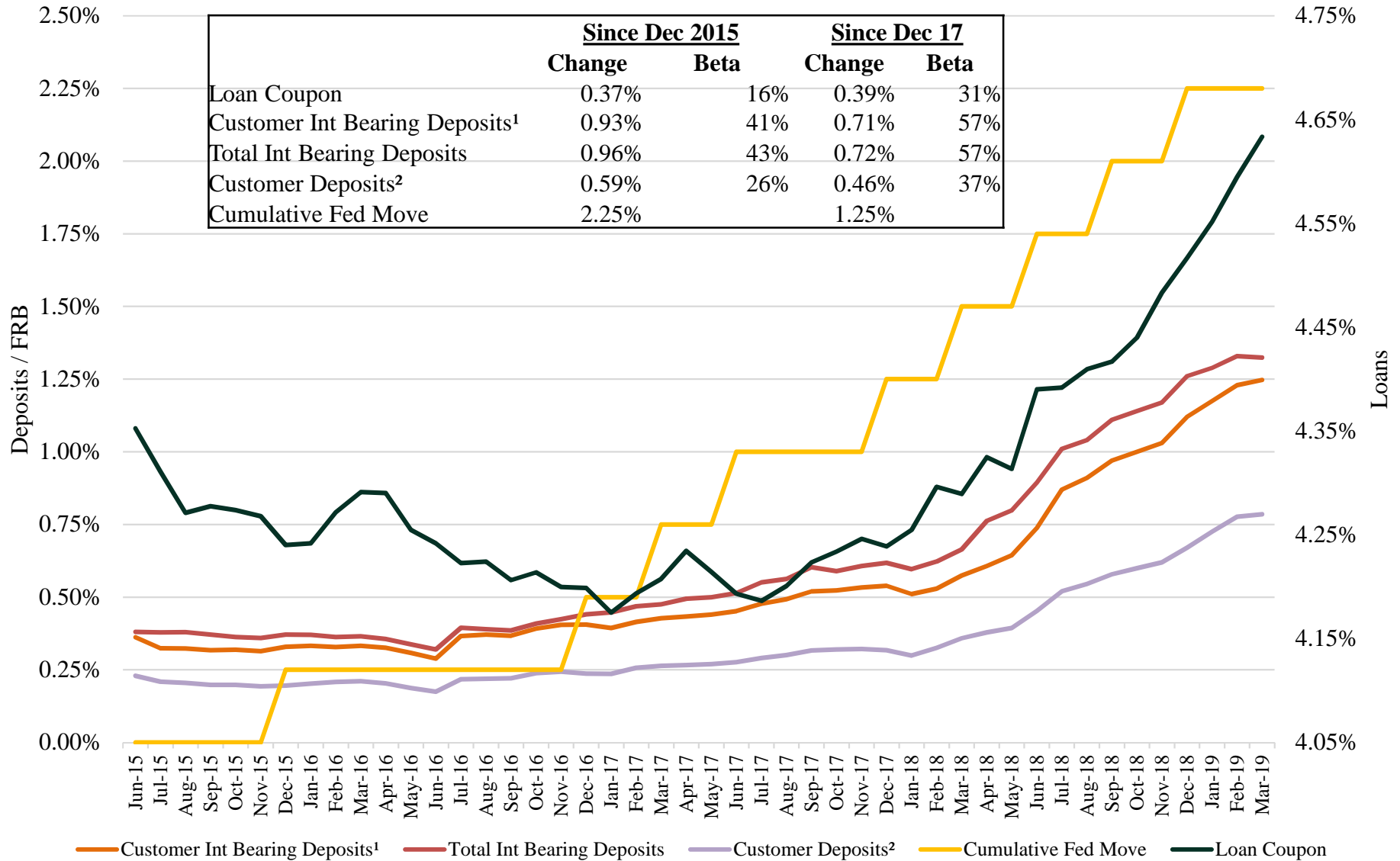
 **Deposits of \$3.7 billion**

*\$294 million or 9% Growth from Q1 2018*

*35% Demand Deposits*

***“Continue to Deliver on the Mission to Our Customers and Shareholders”***

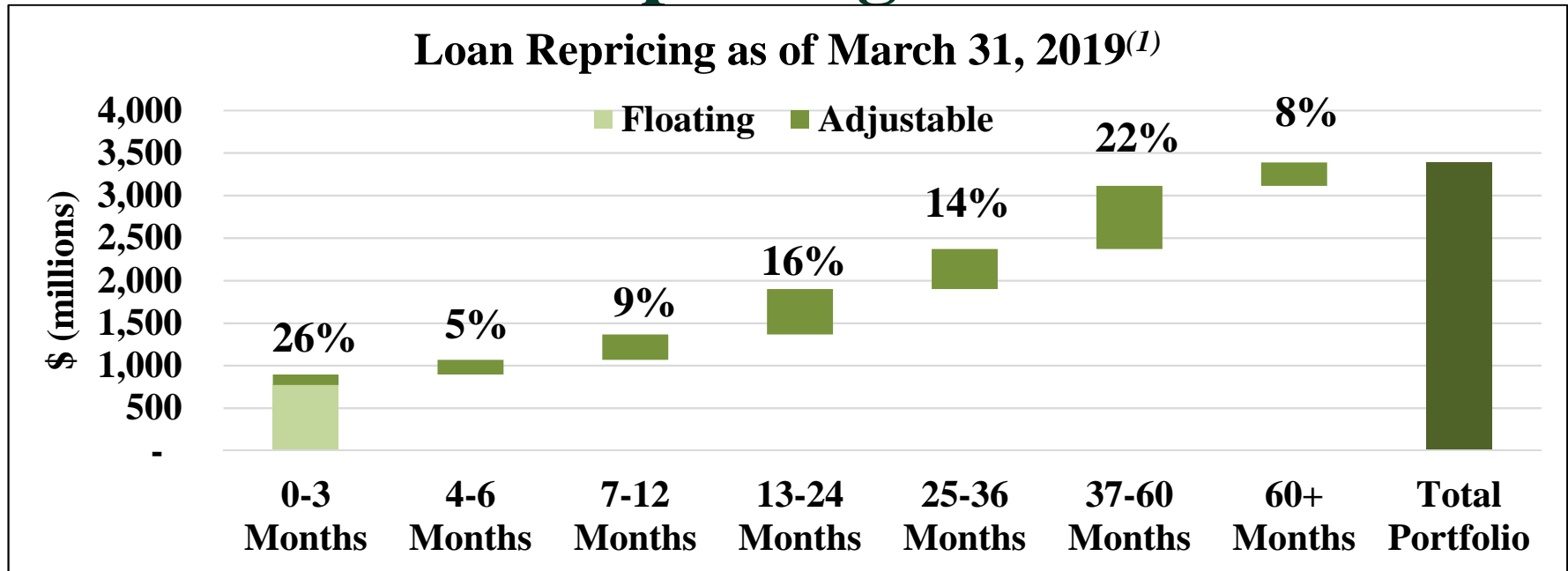
# Historical Portfolio Rates



<sup>(1)</sup> Customer Int Bearing Deposits represents total non-brokered interest bearing deposits

<sup>(2)</sup> Customer Deposits represents total non-brokered deposits inclusive of DDA

# Loan Repricing Schedule



- Approximately \$772M loans reprice daily.
- 40% of the portfolio reprices within 12 months.
- Through Q1 2022, \$226M multifamily loans yielding approximately 3.40% are set to reprice.
- Over the last 2 years, approximately \$313M of loans have moved above their contractual floor rates leading to increased interest income with each additional rate hike.

# YoY BNB Bank Balance Sheet

| \$(000)                               | March 31,<br>2018 | March 31,<br>2019 | Variances      | Significant Events                           |
|---------------------------------------|-------------------|-------------------|----------------|--|
| Cash & Interest Earning Deposits      | 98,989            | 100,457           | 1,468          |  |
| Investment Securities                 | 938,340           | 885,031           | (53,309)       | Includes Portfolio Restructure of \$40M      |
| Gross Loans                           | 3,201,897         | 3,391,104         | 189,207        | Strong Q1 2019 Loan Growth                   |
| Reserve for Loan Losses               | (32,812)          | (31,784)          | 1,028          |  |
| Loans, Net                            | 3,169,085         | 3,359,320         | 190,235        |  |
| Other Assets                          | 294,056           | 330,258           | 36,202         |  |
| <b>Total Assets</b>                   | <b>4,500,470</b>  | <b>4,675,066</b>  | <b>174,596</b> |  |
| IPC Deposits                          | 2,576,248         | 2,974,626         | 398,378        | \$94M Growth in DDA; 1031 Deposit Initiative |
| Public Deposits                       | 580,877           | 584,486           | 3,609          |  |
| Brokered Deposits                     | 280,289           | 166,696           | (113,593)      |  |
| Total Deposits                        | 3,437,414         | 3,725,808         | 288,394        |  |
| Borrowings                            | 520,964           | 330,937           | (190,027)      | Reduction of Overnight Funds                 |
| Other Liabilities                     | 36,380            | 74,935            | 38,555         | Addition of Lease Liability                  |
| Equity                                | 505,712           | 543,386           | 37,674         |  |
| <b>Total Liabilities &amp; Equity</b> | <b>4,500,470</b>  | <b>4,675,066</b>  | <b>174,596</b> |  |

\$240M Term Funding with Swaps  
Weighted Avg. Yield: 1.90%

# Exposure to Interest Rate Risk

| Interest Rate Risk                       | <u>3/31/2019</u> | <u>12/31/2018</u> | <u>3/31/2018</u> |
|--|------------------|-------------------|------------------|
| <b>Earnings at Risk (Max.)</b>           |                  |                   |                  |
| Pct (%) Change in Net Interest Income:   |                  |                   |                  |
| <b><u>Down 100 BP</u></b>                |                  |                   |                  |
| Year 1 NII (% Change from Year 1 – Base) | -0.1%            | -0.3%             | 1.2%             |
| Year 2 NII (% Change from Year 1 – Base) | -0.9%            | -0.2%             | 4.2%             |
| <b><u>Up 200 BP</u></b>                  |                  |                   |                  |
| Year 1 NII (% Change from Year 1 – Base) | -1.7%            | -1.6%             | -3.3%            |
| Year 2 NII (% Change from Year 1 – Base) | 5.7%             | 6.2%              | 3.2%             |

- *Balance Sheet swaps: \$240M at 1.90%*
- *Loan back-to-back swaps: \$280M*
- *Investment portfolio restructure*
- *Emphasis on floating rate C&I loans vs fixed rate CRE loans*

# C&I Customer Base

## Strong growth trend in C&I Relationships

*5 year relationship growth of 152% or 1,091 relationships from EOY 2013 – EOY 2018*

*5 year total exposure growth of 307% or \$821 million from EOY 2013 – EOY 2018*

*3,000 loans across 1,800 unique relationships*

## Higher yielding

*Typically floating rate*

*Greater deposit generation potential*

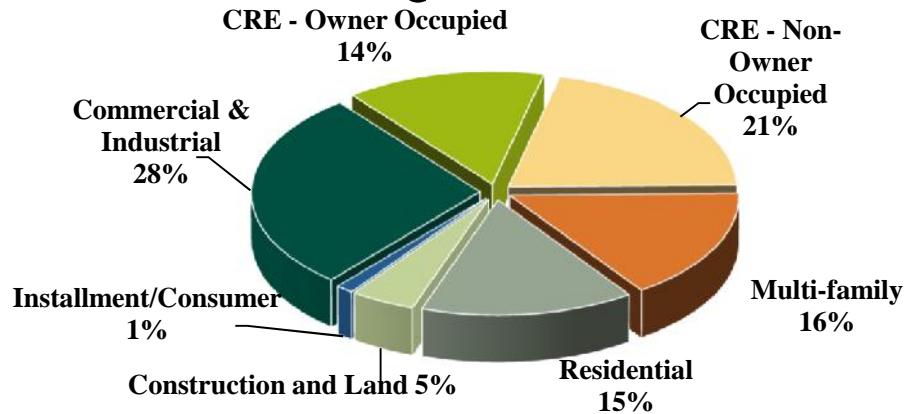
## Continue to build on strong C&I growth trend

*Major opportunity for continued C&I success in newer BNB Bank markets*

*Hiring seasoned, market-knowledgeable lenders to lead expansion*

# Loan Profile

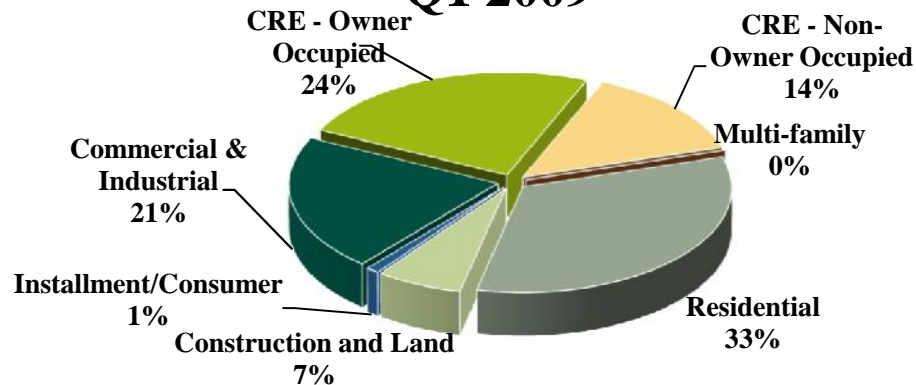
Q1 2019



Loan Exposure



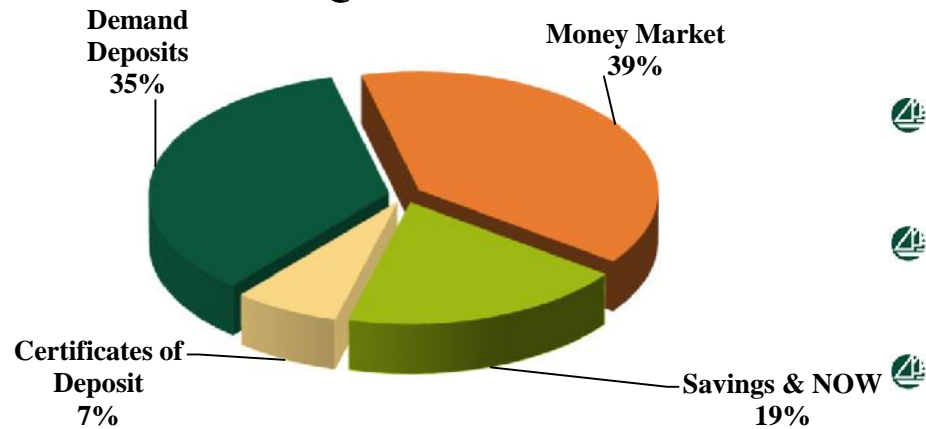
Q1 2009



- ④ \$3.4 billion in Loans, Average Yield of 4.66%
- ④ Loan Growth of \$2.3 billion over 5 years (2013-2018)
- ④ Maintenance of Credit Discipline & Culture
- ④ Consistent With Community Banking Model
- ④ Consistent Growth Across All Products and Markets
- ④ 26% Floating rate loans (3 months or less)\*

# Deposit Profile

Q1 2019

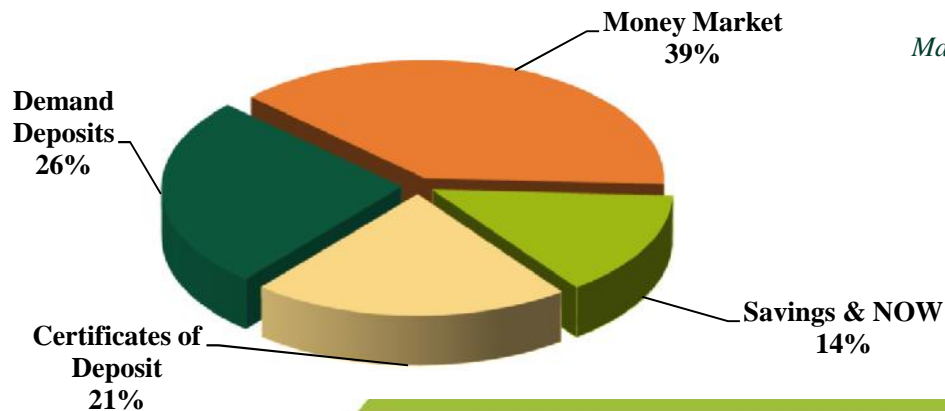


- 🏦 \$3.7 billion in Deposits, Average Cost of 85 bps
- 🏦 Deposit Growth of \$2.3 billion over 5 years (2013-2018)
- 🏦 Branch Managers Well Known in the Community
- 🏦 Top 2 Market Share in 11 Markets
- 🏦 Among Lowest Cost of Funds of Peers

Deposit Comparison



Q1 2009



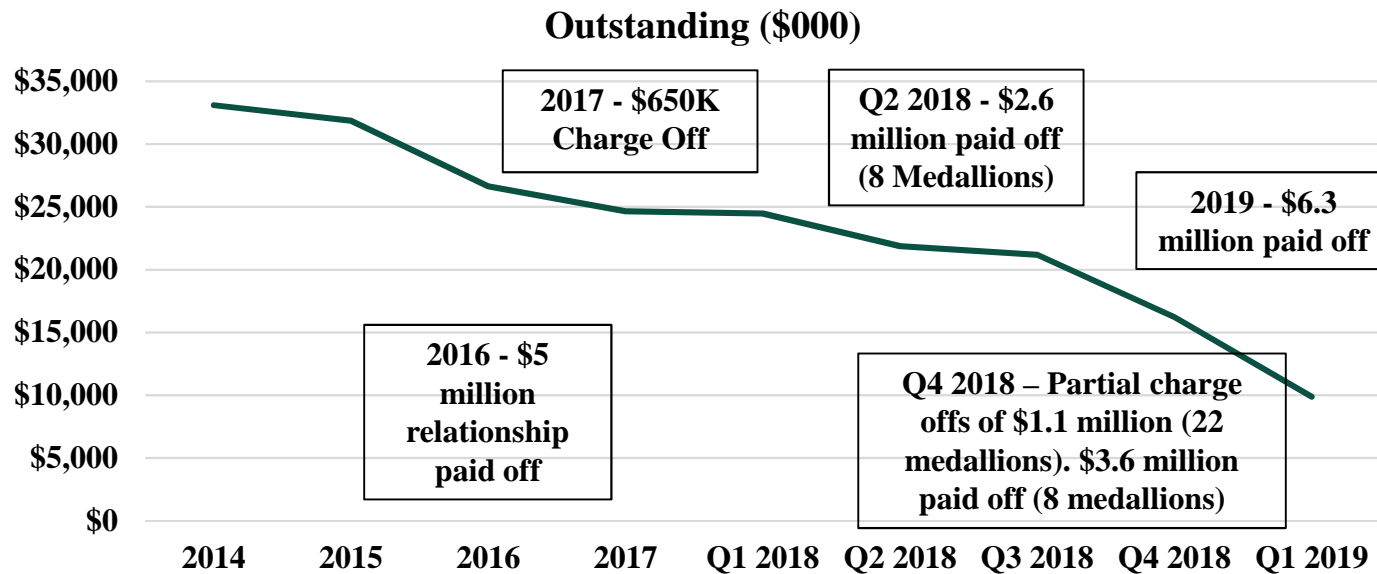
Market Share Source: S&P Global Market Intelligence as of June 30, 2018



# Asset Quality Ratios

|   | ALLL/Total<br>Loans | Past Due &<br>NPLs/Loans | NPLs/Total<br>Loans | YTD Net Loan<br>Losses/<br>Avg Total Loans* | ALLL/NPLs    |
|---|---------------------|--------------------------|---------------------|---|--------------|
| <b>March 31, 2018</b>                         | <b>1.02%</b>        | <b>0.41%</b>             | <b>0.19%</b>        | <b>-0.04%</b>                               | <b>540%</b>  |
| <b>June 30, 2018</b>                          | <b>1.00%</b>        | <b>0.22%</b>             | <b>0.05%</b>        | <b>0.08%</b>                                | <b>1980%</b> |
| <b>September 30, 2018</b>                     | <b>1.00%</b>        | <b>0.25%</b>             | <b>0.06%</b>        | <b>0.05%</b>                                | <b>1639%</b> |
| <b>December 31, 2018</b>                      | <b>0.96%</b>        | <b>0.23%</b>             | <b>0.09%</b>        | <b>0.07%</b>                                | <b>1119%</b> |
| <b>March 31, 2019</b>                         | <b>0.94%</b>        | <b>0.63%</b>             | <b>0.09%</b>        | <b>0.03%</b>                                | <b>1035%</b> |
| <i>December 31, 2018</i><br><i>Peer Group</i> | <i>0.82%</i>        | <i>0.42%</i>             | <i>0.51%</i>        | <i>0.03%</i>                                | <i>166%</i>  |

# Taxi Medallions



- 📍 **Total of 20 Medallions totaling \$9.9M as of February 28, 2019**
- 📍 **Heightened monitoring of financial health of guarantors – Annual Personal Financial Statements (PFS)**
- 📍 **Only 1 individual owner/operator medallion - \$220K**
- 📍 **Paydowns of \$50K - \$300K made as loans renew – Designated as TDRs**

# SBA Business

- 🚧 **Entered SBA Lending Space through Acquisition of Community National Bank (June 2015)**
- 🚧 **Approved PLP Status**
- 🚧 **Product Integrated Throughout Organization**
- 🚧 **11% of Non-Interest Income**
- 🚧 **#1 Long Island Lender Based on Approved Dollar Volume <sup>1</sup>**
- 🚧 **#4 NY District Lender Based on Approved Dollar Volume <sup>1</sup>**
- 🚧 **#99 USA Lender Based on Approved Dollar Volume <sup>1</sup>**

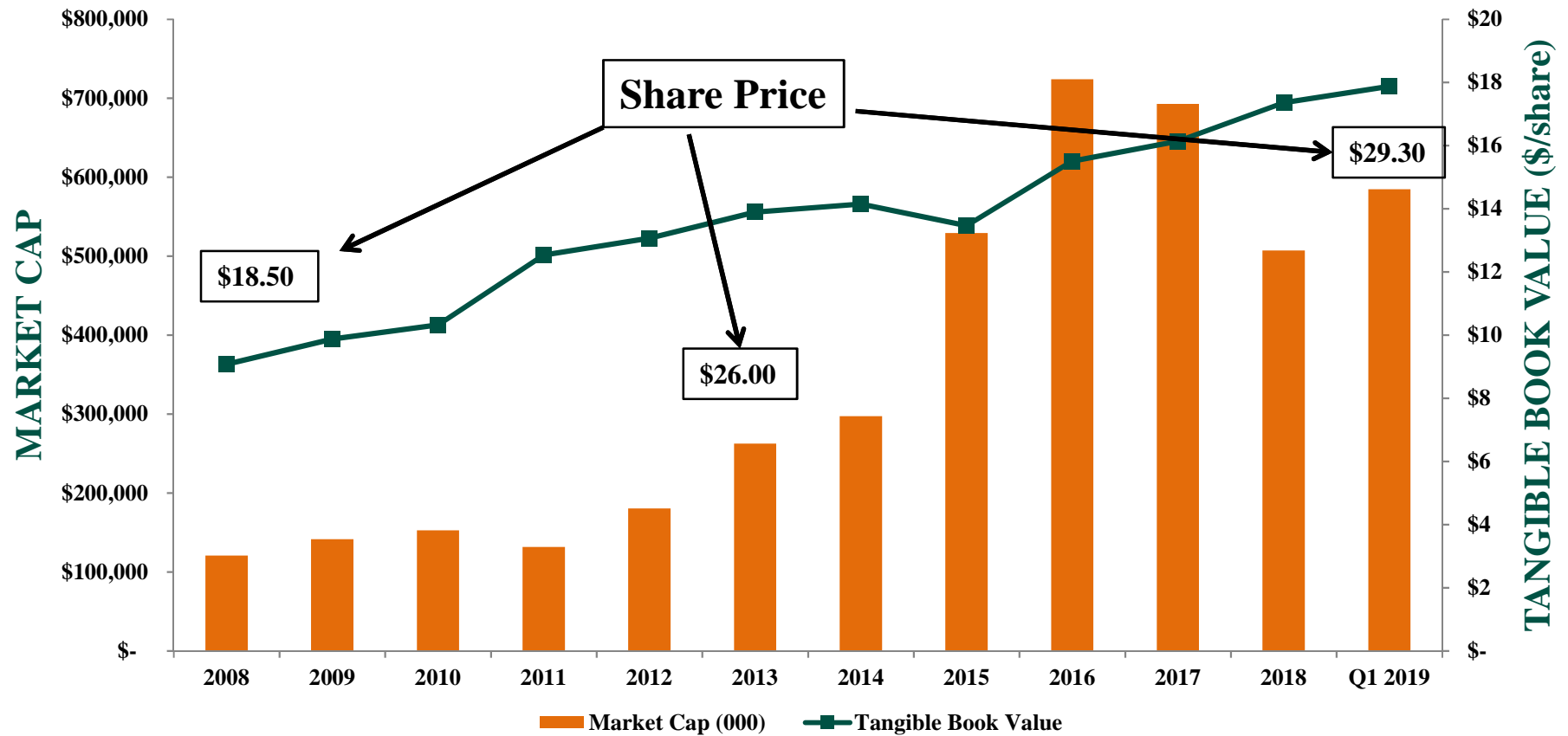
**\$1.2  
Million  
Average  
Loan Size**

# Summary

- 🚢 **Strong & Consistent Financial Performance**
- 🚢 **Outstanding Asset Quality and Balance Sheet Flexibility**
- 🚢 **Superior Franchise Growth with Compelling Opportunities**
- 🚢 **Well-Positioned in Economically Attractive Markets**
- 🚢 **Experienced Management Team and Board of Directors**
- 🚢 **Clear Understanding of Risks, Opportunities and Challenges**

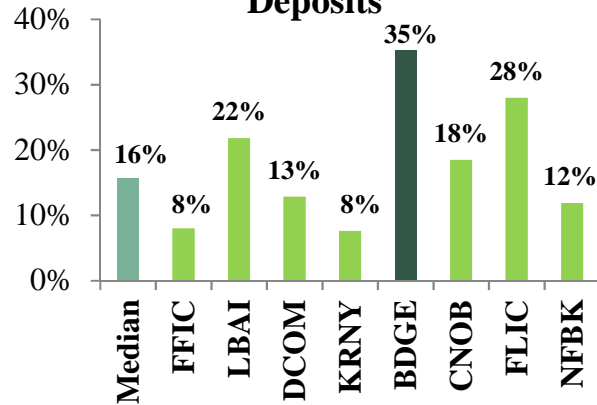
# Appendix

# BIDGE Market Cap & Liquidity

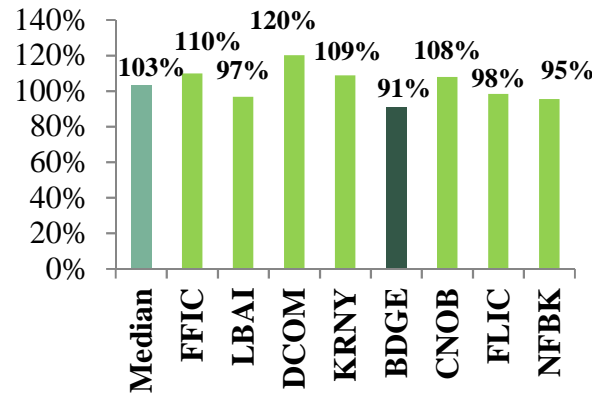


# NYC MSA Deposit Analysis

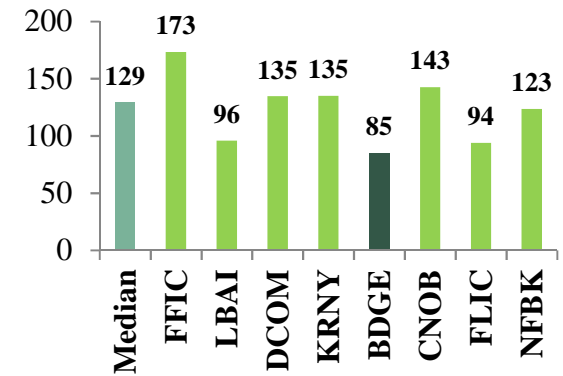
### Noninterest Demand/ Deposits



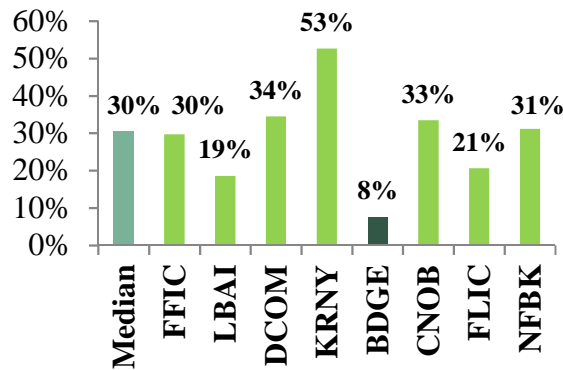
### Loans/ Deposits



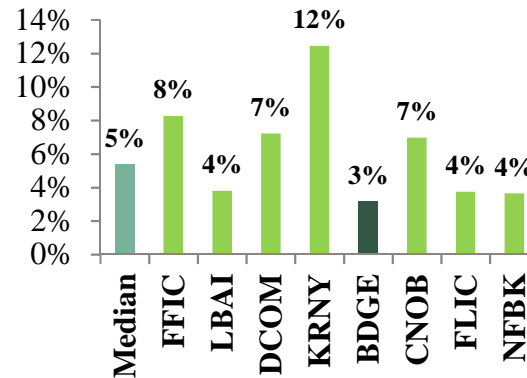
### Cost of Deposits (bps)



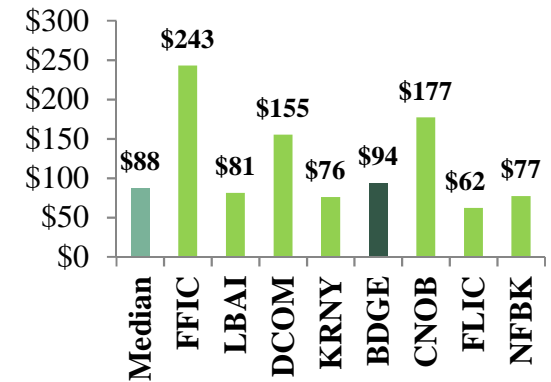
### CDs/ Deposits



### Jumbo CDs/ Deposits (%)



### Avg Branch Size\*



\*Branch data as of Q2 2018

Source: S&P Global Market Intelligence . Data as of Q1 2019 unless otherwise specified



#### KEY

FFIC - Flushing Financial Corporation  
LBAI - Lakeland Bancorp, Inc.  
DCOM - Dime Community Bancshares

KRNY - Kearny Financial Corp.  
BDGE - Bridge Bancorp, Inc.  
CNOB - ConnectOne Bancorp, Inc.

FLIC - First of Long Island Corporation  
NFBK - Northfield Bancorp, Inc.

# Cost of Deposits Analysis: Proxy Peers

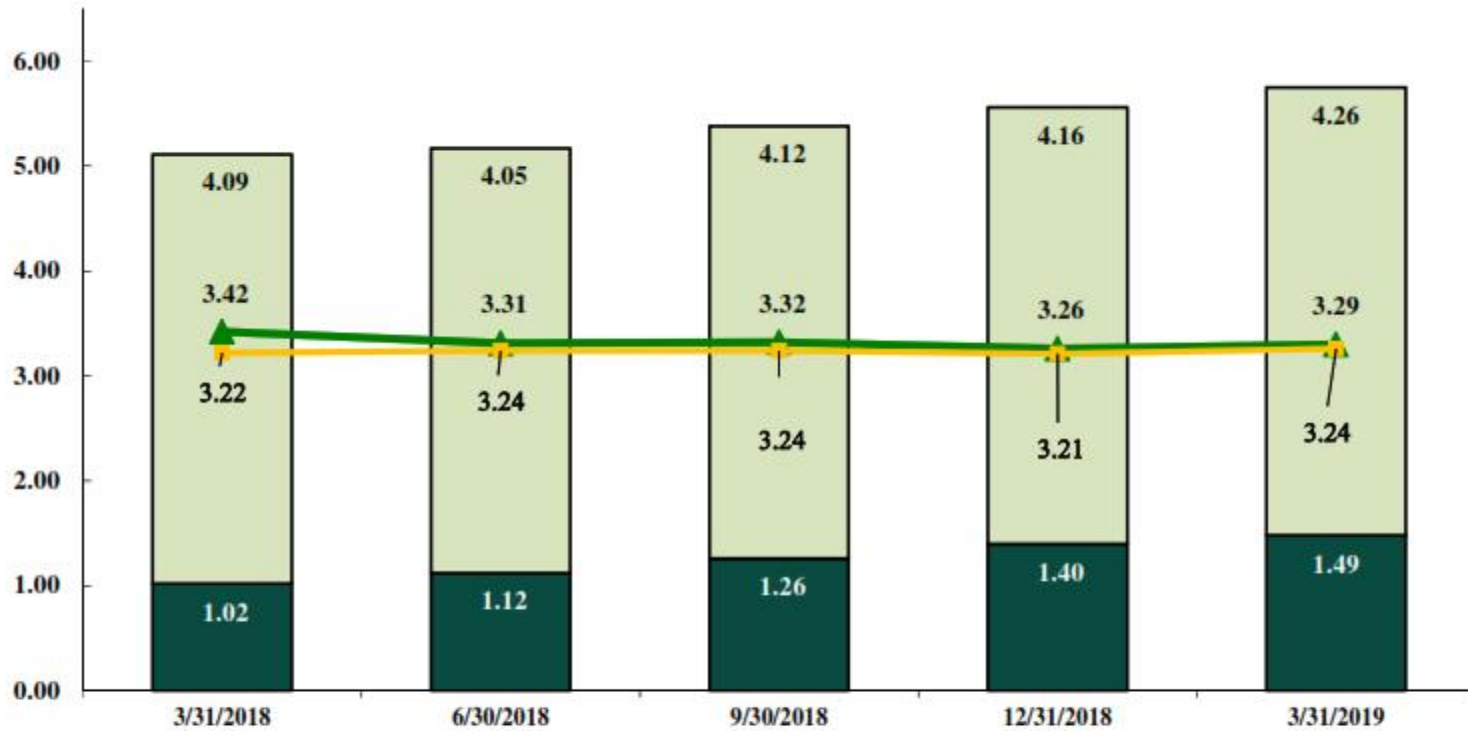
| Institution Name                        | Int Cost: Total Deposits (%) |             |             |             |             |             |             |             |             |             | Beta        |
|---|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|   | 2016Q4                       | 2017Q1      | 2017Q2      | 2017Q3      | 2017Q4      | 2018Q1      | 2018Q2      | 2018Q3      | 2018Q4      | 2019Q1      |             |
| Eagle Bancorp, Inc.                     | 0.40                         | 0.42        | 0.45        | 0.50        | 0.51        | 0.60        | 0.90        | 1.03        | 1.17        | 1.20        | 0.59        |
| Brookline Bancorp, Inc.                 | 0.45                         | 0.44        | 0.47        | 0.50        | 0.54        | 0.58        | 0.72        | 0.91        | 1.03        | 1.16        | 0.58        |
| Flushing Financial Corporation          | 0.84                         | 0.80        | 0.85        | 0.97        | 1.00        | 1.05        | 1.24        | 1.50        | 1.64        | 1.70        | 0.64        |
| Dime Community Bancshares, Inc.         | 0.87                         | 0.85        | 0.85        | 0.86        | 0.92        | 0.98        | 1.09        | 1.22        | 1.31        | 1.38        | 0.40        |
| Lakeland Bancorp, Inc.                  | 0.30                         | 0.32        | 0.35        | 0.41        | 0.46        | 0.52        | 0.58        | 0.73        | 0.84        | 0.92        | 0.40        |
| Sandy Spring Bancorp, Inc.              | 0.24                         | 0.27        | 0.32        | 0.38        | 0.41        | 0.51        | 0.63        | 0.75        | 0.86        | 0.97        | 0.47        |
| OceanFirst Financial Corp.              | 0.26                         | 0.26        | 0.28        | 0.29        | 0.32        | 0.33        | 0.35        | 0.40        | 0.48        | 0.56        | 0.23        |
| Kearny Financial Corp.                  | 0.79                         | 0.78        | 0.82        | 0.85        | 0.89        | 0.93        | 0.97        | 1.08        | 1.25        | 1.36        | 0.43        |
| Meridian Bancorp, Inc.                  | 0.83                         | 0.84        | 0.87        | 0.91        | 1.01        | 1.02        | 1.19        | 1.30        | 1.47        | 1.56        | 0.54        |
| ConnectOne Bancorp, Inc.                | 0.63                         | 0.61        | 0.65        | 0.70        | 0.76        | 0.82        | 0.97        | 1.09        | 1.23        | 1.34        | 0.52        |
| Century Bancorp, Inc.                   | 0.42                         | 0.43        | 0.49        | 0.56        | 0.62        | 0.71        | 0.80        | 0.94        | 1.11        | 1.24        | 0.54        |
| Univest Corporation of Pennsylvania     | 0.26                         | 0.27        | 0.29        | 0.35        | 0.41        | 0.42        | 0.51        | 0.66        | 0.78        | 0.83        | 0.41        |
| Peapack-Gladstone Financial Corporation | 0.53                         | 0.53        | 0.59        | 0.68        | 0.71        | 0.77        | 0.90        | 1.07        | 1.18        | 1.26        | 0.50        |
| Oritani Financial Corp.                 | 0.93                         | 0.95        | 0.98        | 1.02        | 1.05        | 1.07        | 1.17        | 1.24        | 1.36        | 1.49        | 0.42        |
| First of Long Island Corporation        | 0.41                         | 0.40        | 0.42        | 0.47        | 0.51        | 0.57        | 0.75        | 0.76        | 0.78        | 0.93        | 0.36        |
| First Connecticut Bancorp, Inc.         | 0.54                         | 0.51        | 0.53        | 0.59        | 0.65        | 0.71        | 0.76        | NA          | NA          | NA          | NA          |
| Enterprise Bancorp, Inc.                | 0.21                         | 0.22        | 0.24        | 0.26        | 0.32        | 0.36        | 0.44        | 0.56        | 0.62        | 0.71        | 0.35        |
| Blue Hills Bancorp, Inc.                | 0.69                         | 0.72        | 0.76        | 0.83        | 0.87        | 0.94        | 1.04        | 1.18        | 1.27        | NA          | NA          |
| Hingham Institution for Savings         | 0.73                         | 0.73        | 0.76        | 0.79        | 0.87        | 0.92        | 1.08        | 1.24        | 1.37        | 1.45        | 0.52        |
| CNB Financial Corporation               | 0.43                         | 0.42        | 0.44        | 0.45        | 0.49        | 0.54        | 0.64        | 0.78        | 0.91        | NA          | 0.41        |
| <b>50th Percentile</b>                  | <b>0.49</b>                  | <b>0.48</b> | <b>0.51</b> | <b>0.57</b> | <b>0.64</b> | <b>0.71</b> | <b>0.85</b> | <b>1.05</b> | <b>1.17</b> | <b>1.24</b> | <b>0.53</b> |
| <b>75th Percentile</b>                  | <b>0.37</b>                  | <b>0.38</b> | <b>0.40</b> | <b>0.44</b> | <b>0.48</b> | <b>0.53</b> | <b>0.64</b> | <b>0.75</b> | <b>0.84</b> | <b>0.92</b> | <b>0.39</b> |
| <b>Bridge Bancorp, Inc.</b>             | <b>0.26</b>                  | <b>0.29</b> | <b>0.31</b> | <b>0.36</b> | <b>0.37</b> | <b>0.39</b> | <b>0.52</b> | <b>0.67</b> | <b>0.75</b> | <b>0.85</b> | <b>0.46</b> |



# IRR Strategies

| (\$ in 000's)   | <u>2016</u>       | <u>2017</u>       | <u>2018</u>       | <u>Q1 2019</u>    |
|---|-------------------|-------------------|-------------------|-------------------|
|  <b>Macro Swaps</b>                                    | <b>\$175,000</b>  | <b>\$290,000</b>  | <b>\$240,000</b>  | <b>\$315,000</b>  |
|  <b>Loan Swaps</b>                                     | <b>\$ 62,472</b>  | <b>\$147,967</b>  | <b>\$193,401</b>  | <b>\$279,974</b>  |
|  <b>O/N Borrowings as<br/>percent of assets (avg.)</b> | <b>6.85%</b>      | <b>6.65%</b>      | <b>0.14%</b>      | <b>0.62%</b>      |
|  <b>Portfolio E-DUR</b>                               | <b>3.73 years</b> | <b>3.23 years</b> | <b>3.05 years</b> | <b>2.68 years</b> |

# Quarterly Net Interest Margin

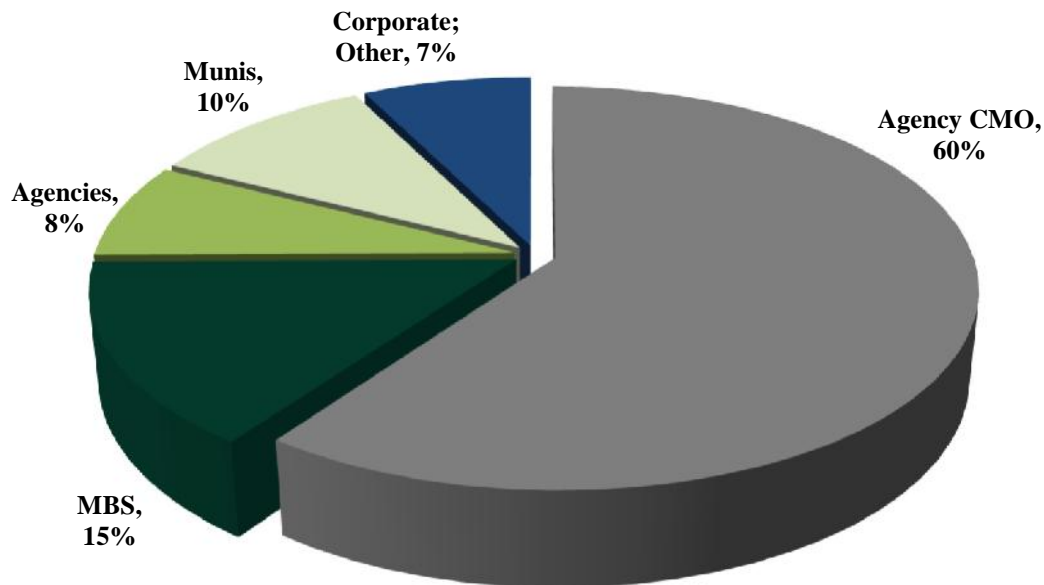


|  |      |      |      |      |      |
|--|------|------|------|------|------|
| Average Yield on Loans                           | 4.62 | 4.52 | 4.55 | 4.56 | 4.66 |
| Adj. Avg Yield on Loans<br>(Excl. Purch. Acctg.) | 4.36 | 4.43 | 4.46 | 4.50 | 4.61 |


Int. Bear. Liabilities
  Int. Earning Assets
  NIM tax equivalent
  Adj. NIM (Excluding purchase accounting adjustments)

# Conservative Securities Portfolio

March 31, 2019



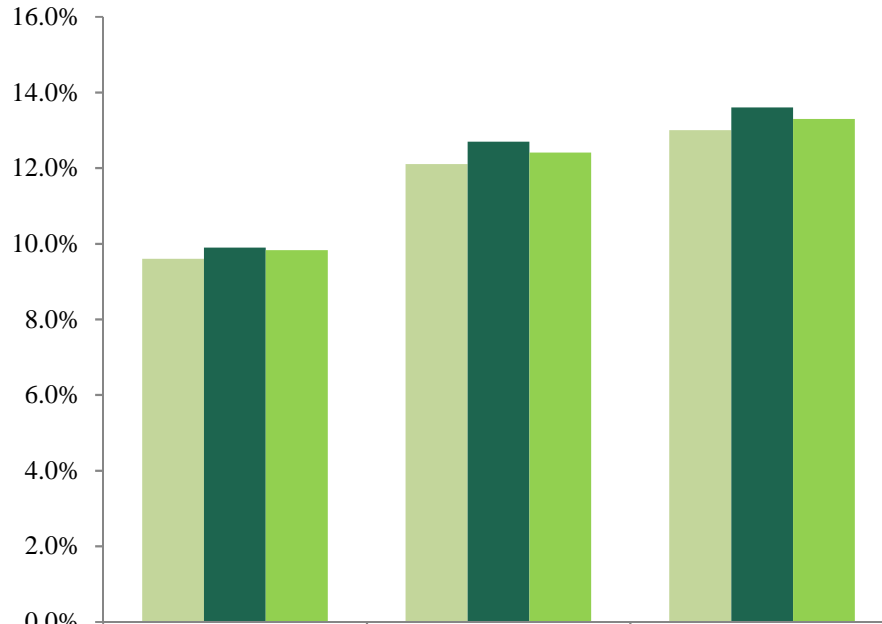
 **\$857 Million in Securities**

 **Exceptional Credit Quality with 85% Guaranteed by the U.S. Government**

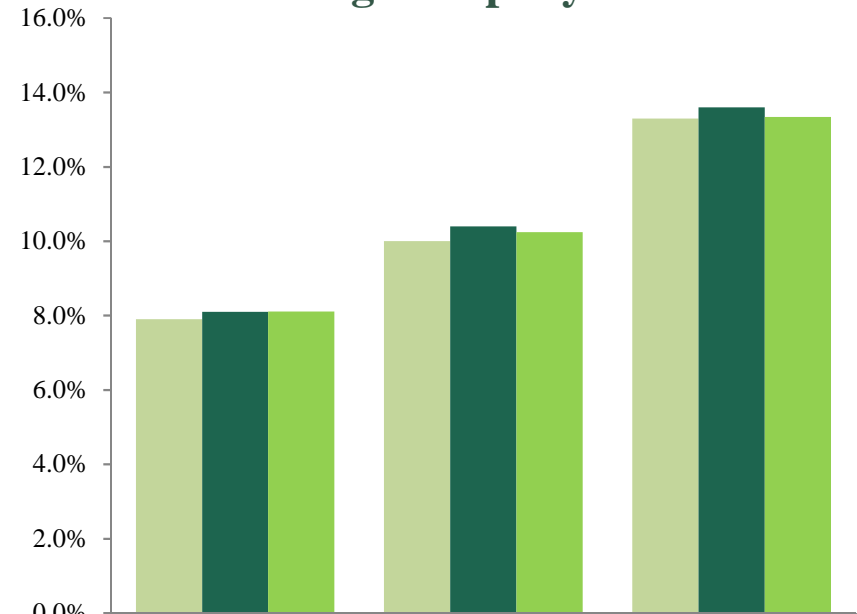
 **Effective Portfolio Duration is 2.68 Years**

# Capital Overview

## Bank Level



## Holding Company Level



|            | Tier 1 Leverage | Tier 1 RBC | TRBC  |
|------------|-----------------|------------|-------|
| 12/31/2017 | 9.6%            | 12.1%      | 13.0% |
| 12/31/2018 | 9.9%            | 12.7%      | 13.6% |
| 3/31/2019  | 9.8%            | 12.4%      | 13.3% |

|            | Tier 1 Leverage | Tier 1 RBC | TRBC  |
|------------|-----------------|------------|-------|
| 12/31/2017 | 7.9%            | 10.0%      | 13.3% |
| 12/31/2018 | 8.1%            | 10.4%      | 13.6% |
| 3/31/2019  | 8.1%            | 10.2%      | 13.3% |

- ***Tier 1 Leverage ratio at the Bank reflects \$80 million in sub-debt contributed to the Bank***
- ***Above Board adopted minimum standards & well-capitalized regulatory capital standards***

# Reconciliation of GAAP to Non-GAAP Adjustment - NIM

| (Dollars in thousands)  | Three Months Ended |                      |                   |
|---|--------------------|----------------------|-------------------|
|   | March 31,<br>2019  | December 31,<br>2018 | March 31,<br>2018 |
| Net interest income - as reported                             | \$ 34,323          | \$ 34,098            | \$ 34,539         |
| Tax-equivalent adjustment                                     | 130                | 139                  | 166               |
| Net interest income, tax-equivalent basis                     | \$ 34,453          | \$ 34,237            | \$ 34,705         |
| Adjustment:   |                    |                      |                   |
| Less: Accretion income on acquired loans                      | (385)              | (463)                | (1,959)           |
| Adjusted net interest income, tax-equivalent basis (non-GAAP) | \$ 34,068          | \$ 33,774            | \$ 32,746         |
| Average interest-earning assets - as reported                 | \$ 4,253,344       | \$ 4,163,267         | \$ 4,120,300      |
| Adjustment:   |                    |                      |                   |
| Average purchase accounting adjustments on acquired loans     | 4,941              | 5,379                | 9,131             |
| Adjusted average interest-earning assets (non-GAAP)           | \$ 4,258,285       | \$ 4,168,646         | \$ 4,129,431      |
| Average yield on loans, tax-equivalent basis - as reported    | 4.66 %             | 4.56 %               | 4.62 %            |
| Adjustment:   |                    |                      |                   |
| Purchase accounting adjustments on acquired loans             | (0.05)             | (0.06)               | (0.26)            |
| Adjusted average yield on loans (non-GAAP)                    | 4.61               | 4.50                 | 4.36              |
| Net interest margin - as reported (1)                         | 3.27 %             | 3.25 %               | 3.40 %            |
| Tax-equivalent adjustment                                     | 0.02               | 0.01                 | 0.02              |
| Net interest margin, tax-equivalent basis (2)                 | 3.29               | 3.26                 | 3.42              |
| Adjustment:   |                    |                      |                   |
| Purchase accounting adjustments on acquired loans             | (0.05)             | (0.05)               | (0.20)            |
| Adjusted net interest margin (non-GAAP) (3)                   | 3.24               | 3.21                 | 3.22              |

(1) Net interest margin represents net interest income divided by average interest-earning assets.

(2) Net interest margin, tax-equivalent basis represents net interest income on a tax-equivalent basis divided by average interest-earning assets.

(3) Adjusted net interest margin represents adjusted net interest income on a tax-equivalent basis divided by adjusted average interest-earning assets.