



BRIDGE
BANCORP, INC.

*Piper Jaffray – Financial Services Conference
May 15-16, 2018*

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.

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

\$4.5 billion community bank operating in 39 locations
\$1 trillion+ deposit marketplace with above-average household income
Established and growing C&I customer base

Strong Core Funding: 36% Demand Deposits

12% Annualized Deposit Growth in Q1 2018
0.39% Cost of Funds
93% 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

Careful Stewards of Capital

9.5% Bank Leverage Ratio

Experienced Management Team

SVP & Above with Average 20+ years of experience

Profile - Current Franchise

- **Assets:** \$4.5 billion
- **Loans:** \$3.2 billion
- **Deposits:** \$3.4 billion
- **Market Cap:** \$731 million⁽¹⁾
- **Branches/Locations:** 39
- **FTE Employees:** 472



2017 Recap

	Target	Actual
Loans	<ul style="list-style-type: none"> 13% - 15% growth ~\$400 million increase 	<ul style="list-style-type: none"> 19% growth \$502 million increase
Deposits	<ul style="list-style-type: none"> 13% - 15% growth ~\$400 million increase 	<ul style="list-style-type: none"> 14% growth \$409 million increase
Net Interest Income	<ul style="list-style-type: none"> 8% - 10% growth ~\$130 million total 	<ul style="list-style-type: none"> 5% growth \$127 million total
Non-Interest Income	<ul style="list-style-type: none"> 7% - 9% growth ~\$17 million total 	<ul style="list-style-type: none"> 13% growth \$18.1 million total
Non-interest expense	<ul style="list-style-type: none"> ~\$84 million total 	<ul style="list-style-type: none"> \$83.7 million total¹
Credit	<ul style="list-style-type: none"> Provision of \$4.4 million Allowance/Total Loans of 1.01% 	<ul style="list-style-type: none"> Provision of \$14.1 million Allowance/Total Loans of 1.02%
Capital	<ul style="list-style-type: none"> Tier 1 Bank Leverage Ratio of 9.68% 	<ul style="list-style-type: none"> Tier 1 Bank Leverage Ratio of 9.58%

2018 Outlook

Measure	Target	Comments
Loan Growth	9% - 11%	<ul style="list-style-type: none"> Grow Loans ~\$310 million through a combination of current offerings
Deposit Growth	13% - 15%	<ul style="list-style-type: none"> Grow Deposits ~\$470 million through organic DDA and MMA expansion as well as new deposit initiatives
Loans to Deposits	90% - 95%	<ul style="list-style-type: none"> Balance growth of lending through deposit activity Consistently favorable loans to deposits ratio relative to peers
Net Interest Margin	3.22% - 3.27%	<ul style="list-style-type: none"> Deposit competition may pressure NIM Full year budgeted 2 Yr. - 10 Yr. Treasury spread of 0.39% at December 2018
Non-Interest Income	5% - 7%	<ul style="list-style-type: none"> Led by continued growth of swap, gain on sale of SBA loans and title fee income
Effective Tax Rate	23%	<ul style="list-style-type: none"> Reinvestment of tax savings back into company by raising minimum wage to \$15/hr., effectively providing raises to 20% of BNB Bank workforce.
Non-Interest Expense	\$85 - \$88 million	<ul style="list-style-type: none"> Continued improvement of expenses to assets Target 1.85%

2018 Outlook

Theme	Comments
Deposit & Loan Pricing	<ul style="list-style-type: none">Well-positioned for higher rates through active management of IRRDeposit initiatives aligned with rising rate environmentMulti-Family loan pricing rationalization
Credit	<ul style="list-style-type: none">Enhanced portfolio analysis as a result of Q4 2017 resultsReorganization of business lines based on customers vs. geographyUnderwriting function centralized under newly created Chief Credit Officer roleCentralized review of contractors
Taxi Medallions	<ul style="list-style-type: none">Total Exposure of \$24.5 million at March 31, 20180.77% of Total LoansReserves of \$2.4 million
Expense Control	<ul style="list-style-type: none">Savings from branch closuresRationalization of compliance costsIncrease Avg. Assets/Avg. FTE 14% to \$9.8 million

Q1 2018

 **Net Income of \$12.1 million or \$.61 Per Share**

ROA of 1.09% & ROE of 10.86%

 **Net Interest Income \$34.5 million**

Net Interest Margin 3.42%

 **Loans of \$3.2 billion**

\$99 million or 13% Annualized Growth

 **Deposits of \$3.4 billion**

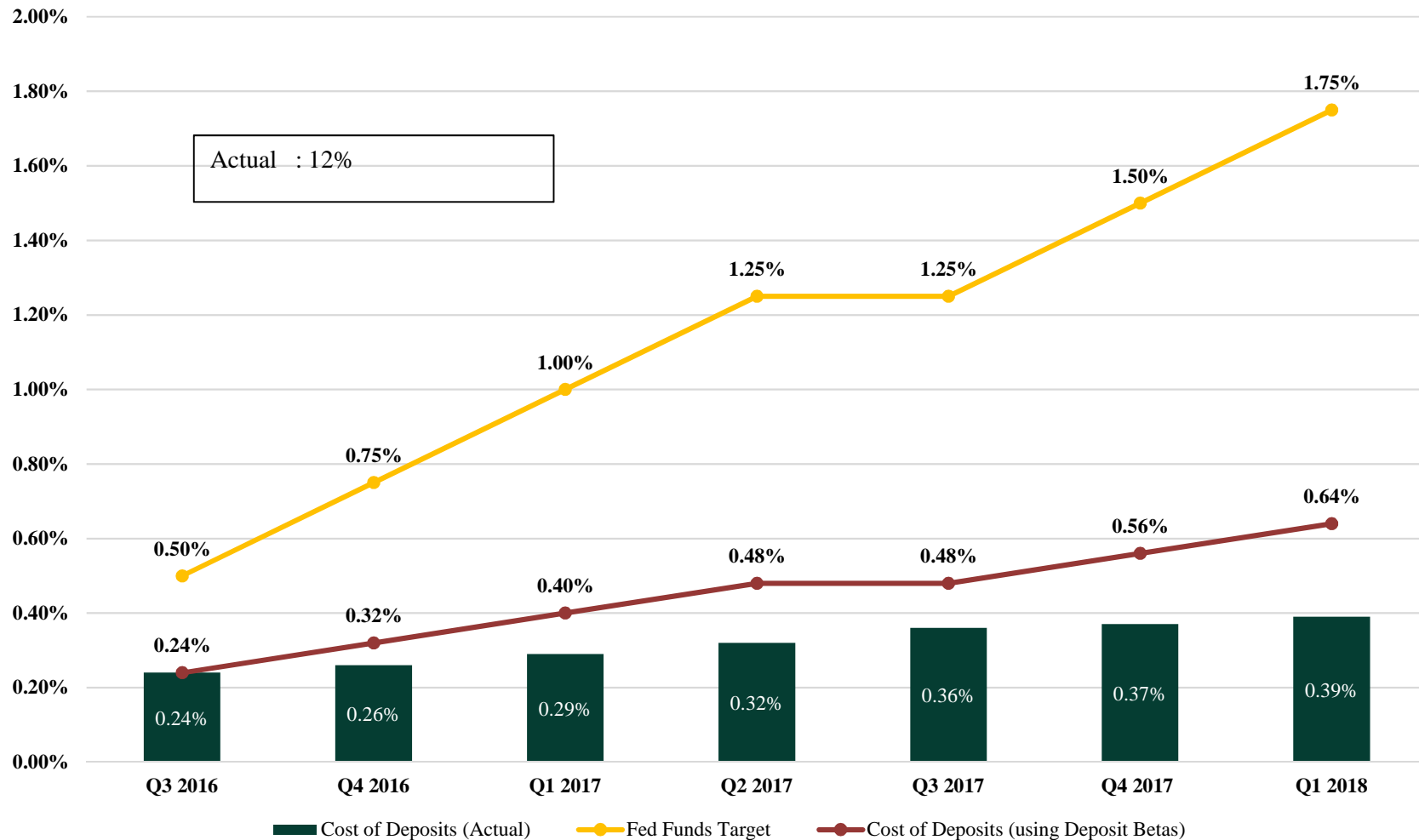
\$97 million or 12% Annualized Growth

36% Demand Deposits

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

Conservative Deposit Pricing Model

Funding Beta Analysis ()



Exposure to Interest Rate Risk

Interest Rate Risk	<u>3/31/2018</u>	<u>12/31/2017</u>	<u>3/31/2017</u>
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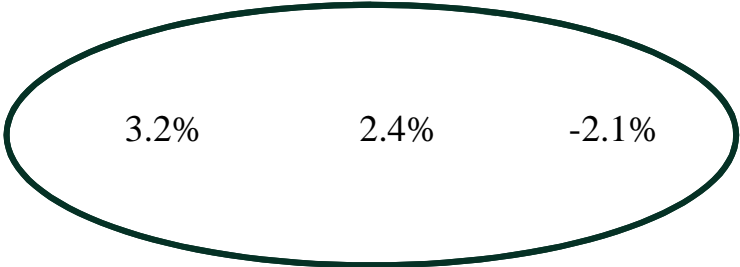
Earnings at Risk (Max.)

Pct (%) Change in Net Interest Income with
+200 bps ramp (12 Mths)

Year 1 NII (% Change from Year 1 – Base)
Up 200 BP

-3.3% -3.5% -4.9%

Year 2 NII (% Change from Year 1 – Base)
Up 200 BP



C&I Customer Base

Strong growth trend in C&I Relationships

5 year relationship growth of 142% or 932 relationships from EOY 2012 – EOY 2017

2,800 loans across 1,600 unique relationships

Higher yielding

Typically floating rate

Greater deposit generation potential

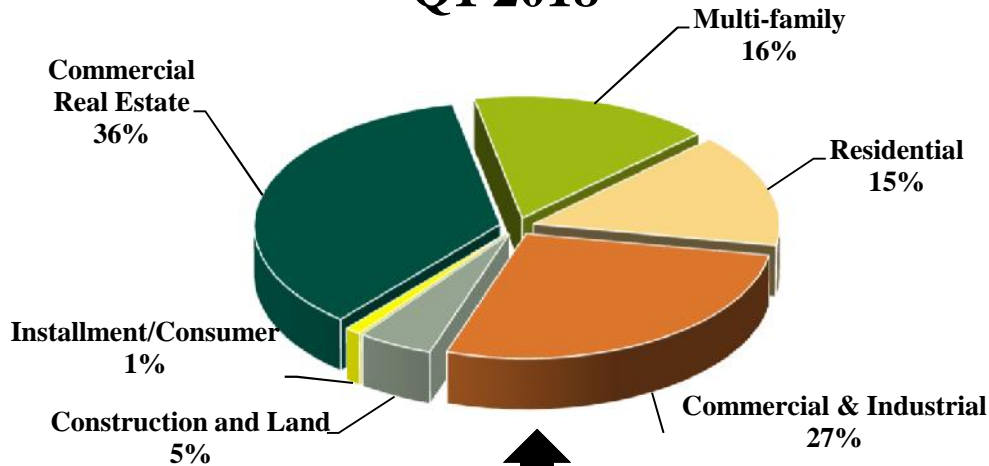
Continue to build on strong C&I growth trend

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

Hiring seasoned, market-knowledgeable lenders to lead expansion

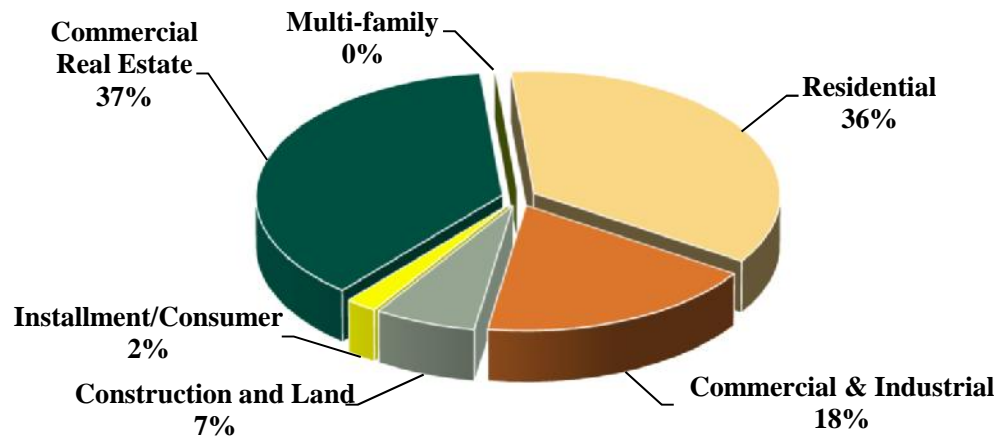
Loan Profile

Q1 2018



Loan Exposure

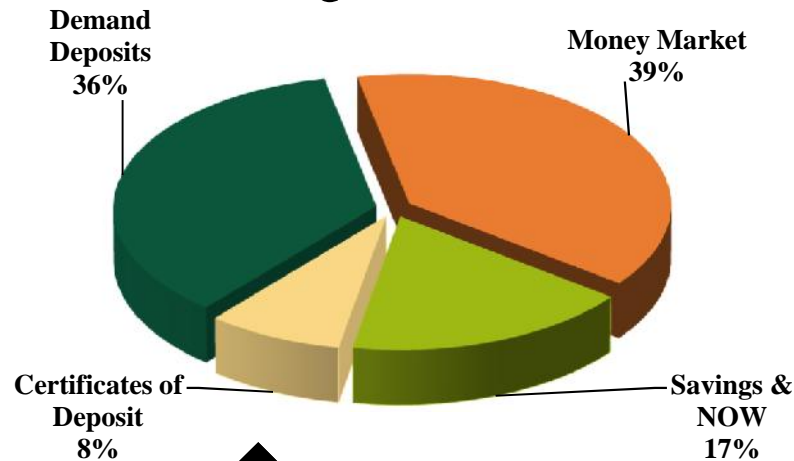
2008



- 🏠 \$3.2 billion in Loans, Average Yield of 4.62%
- 🏠 Loan Growth of \$2.3 billion over 5 years (2012-2017)
- 🏠 Maintenance of Credit Discipline & Culture
- 🏠 Consistent With Community Banking Model
- 🏠 Consistent Growth Across All Products and Markets

Deposit Profile

Q1 2018

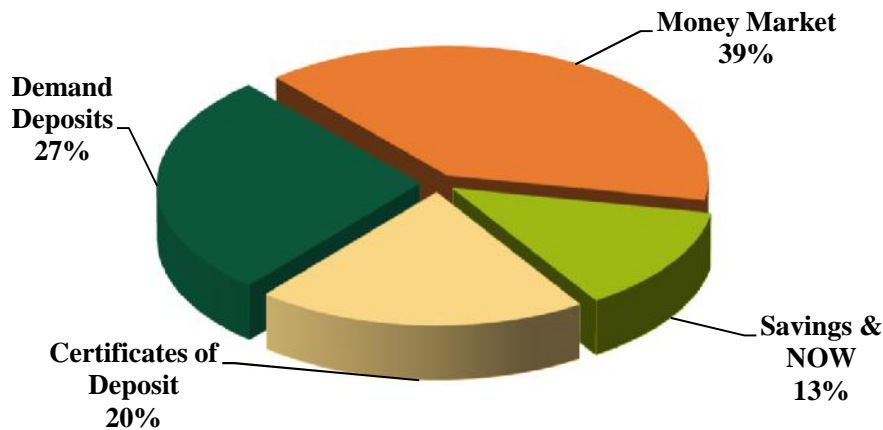


- 🚢 \$3.4 billion in Deposits, Average Cost of 39 bps
- 🚢 Deposit Growth of \$1.9 billion over 5 years (2012-2017)
- 🚢 Branch Managers Well Known in the Community
- 🚢 Top 2 Market Share in 11 Markets
- 🚢 Lowest Cost of Funds of Peers

Deposit Comparison



2008

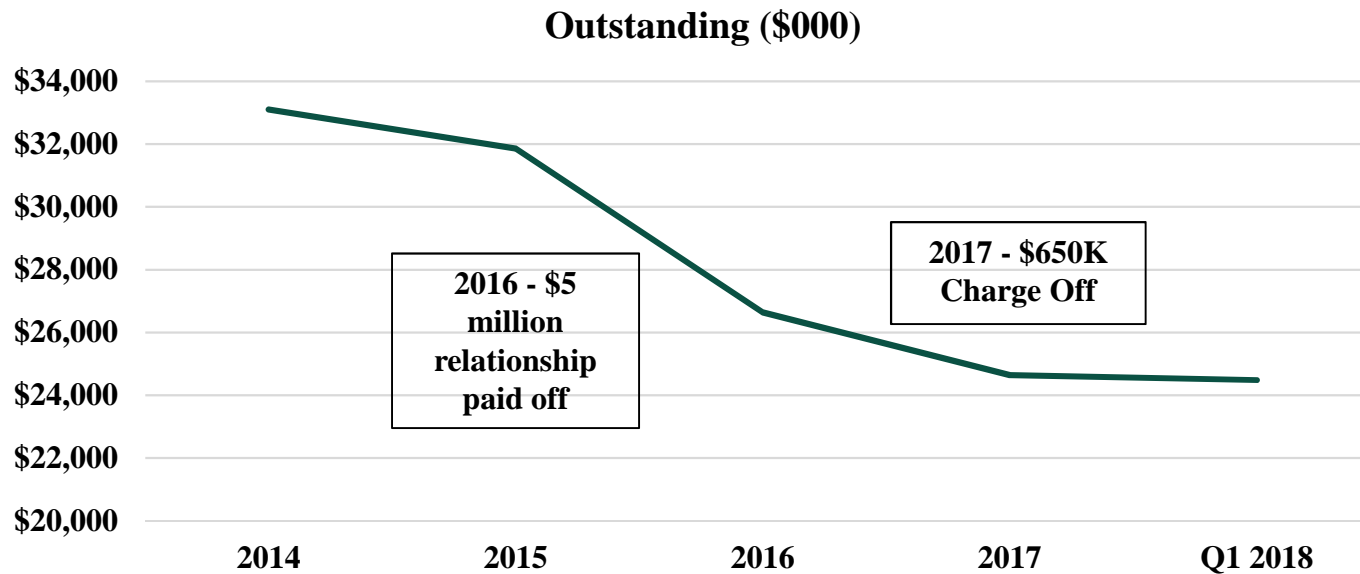


Market Share Source: S&P Global Market Intelligence as of June 30, 2017

Asset Quality Ratios

	ALLL/Total Loans	Past Due & NPLs/Total Loans	NPLs/Total Loans	YTD Net Loan Losses/ Avg Total Loans*	ALLL/NPLs
<u>Historical</u>					
March 31, 2017	1.00%	0.26%	0.05%	0.01%	2118%
June 30, 2017	0.99%	0.36%	0.10%	0.01%	1029%
September 30, 2017	1.00%	0.47%	0.26%	0.01%	393%
December 31, 2017	1.02%	0.40%	0.22%	0.30%	456%
March 31, 2018	1.02%	0.41%	0.19%	-0.04%	525%
<i>March 31, 2018 Peer Group</i>	<i>0.81%</i>	<i>0.46%</i>	<i>0.54%</i>	<i>0.05%</i>	<i>150%</i>

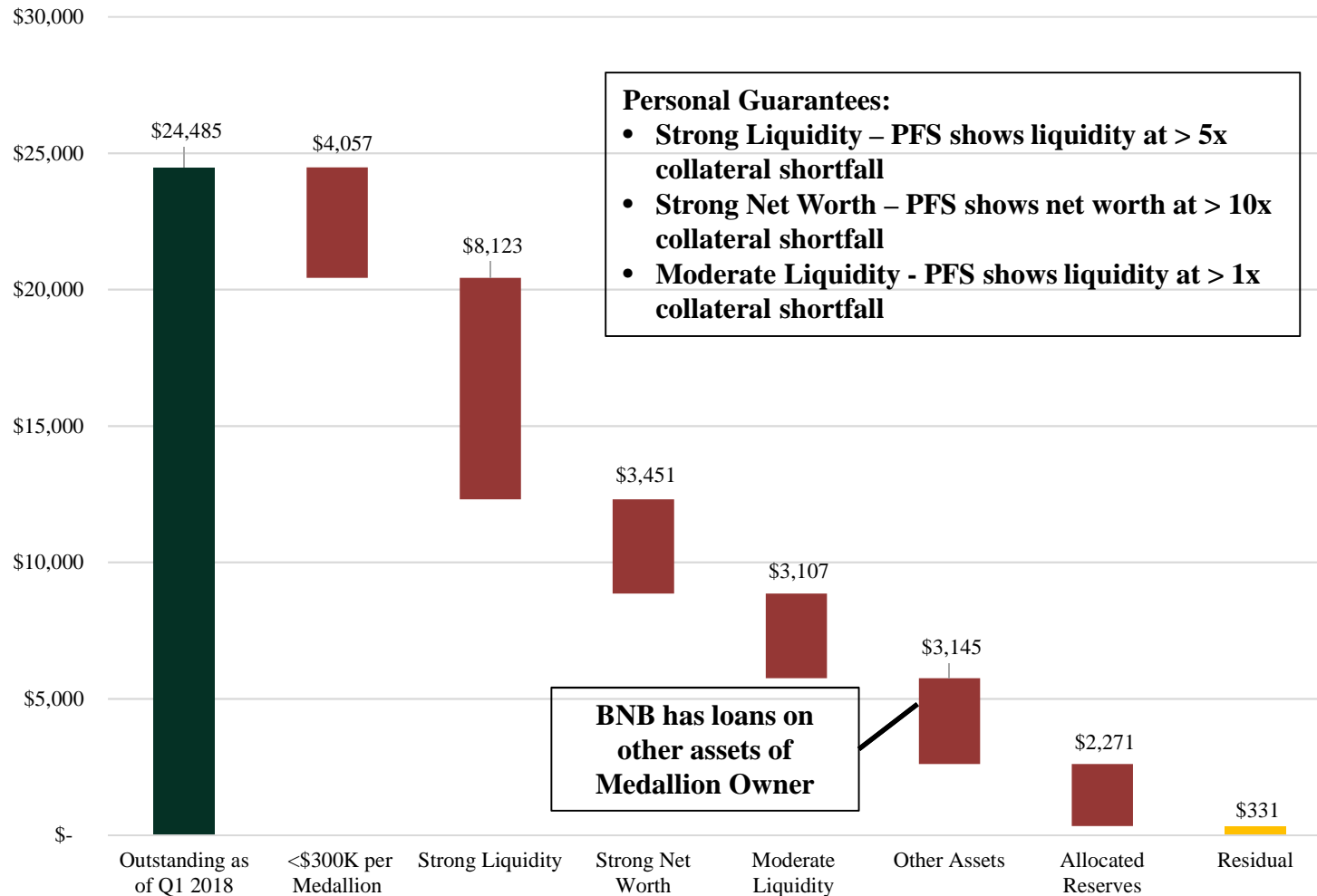
Taxi Medallions



- 📌 Total of 52 Medallions; All loans amortizing; All paying as agreed except one
- 📌 Heightened monitoring of financial health of guarantors – Annual Personal Financial Statements (PFS)
- 📌 Only 1 individual owner/operator medallion - \$229K
- 📌 Paydowns of \$50K - \$300K made as loans renew – Designated as TDRs

Taxi Medallions: Q1 2018

Alternate Sources of Repayment (\$000)



Summary

Strong & Consistent Financial Performance

Solid trend despite noisy 4Q 2017

Outstanding Asset Quality and Balance Sheet Flexibility

Superior Franchise Growth with Compelling Opportunities

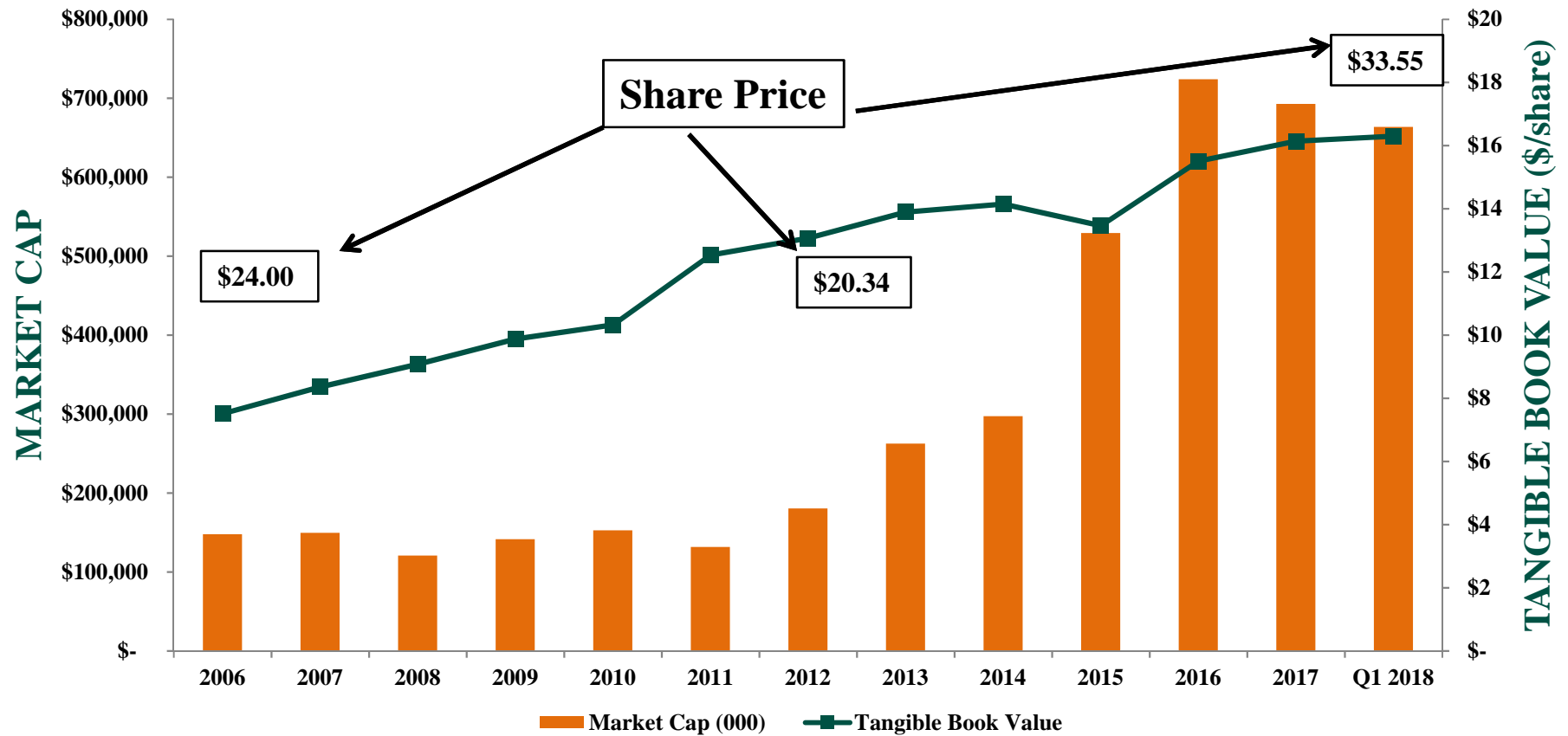
Well-Positioned in Economically Attractive Markets

Experienced Management Team and Board of Directors

Clear Understanding of Risks, Opportunities and Challenges

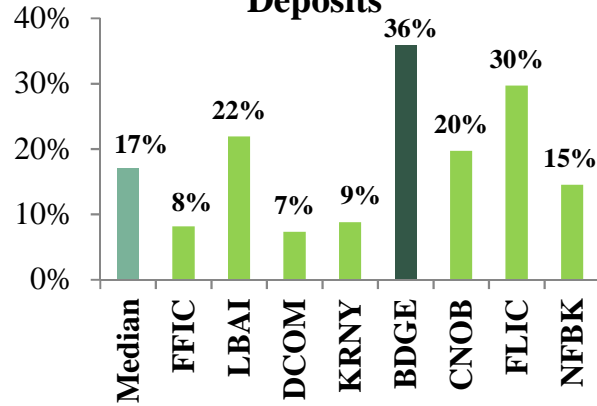
Appendix

BIDGE Market Cap & Liquidity

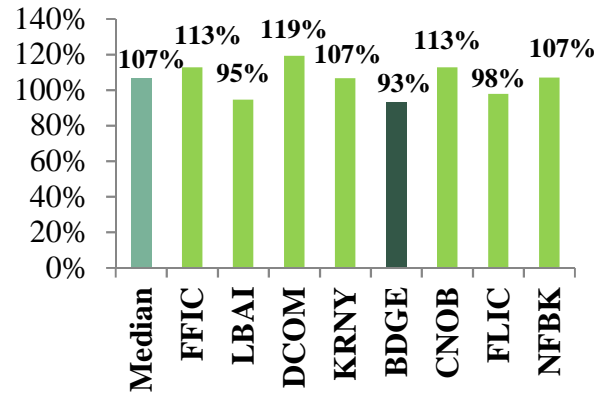


NYC MSA Deposit Analysis

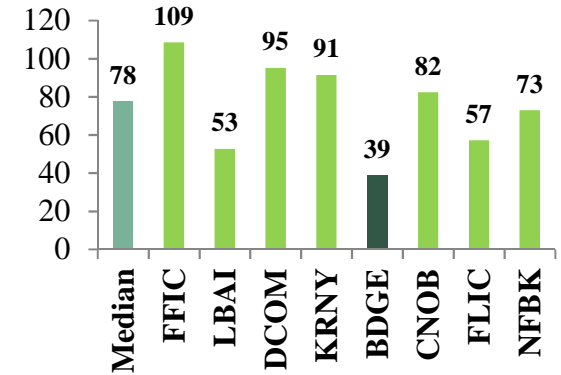
Noninterest Demand/ Deposits



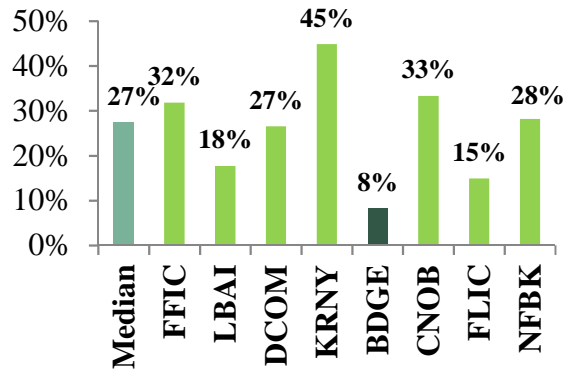
Loans/ Deposits



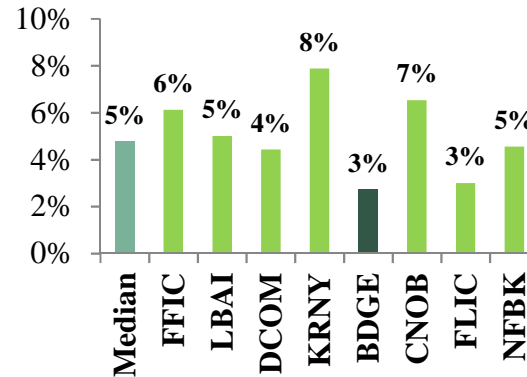
Cost of Deposits (bps)



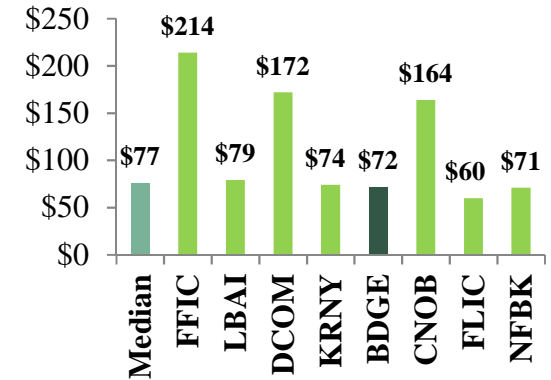
CDs/ Deposits



Jumbo CDs/ Deposits (%)



Avg Branch Size*



*Branch data as of Q2 2017



Source: S&P Global Market Intelligence . Data as of Q1 2018 unless otherwise specified





KEY

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

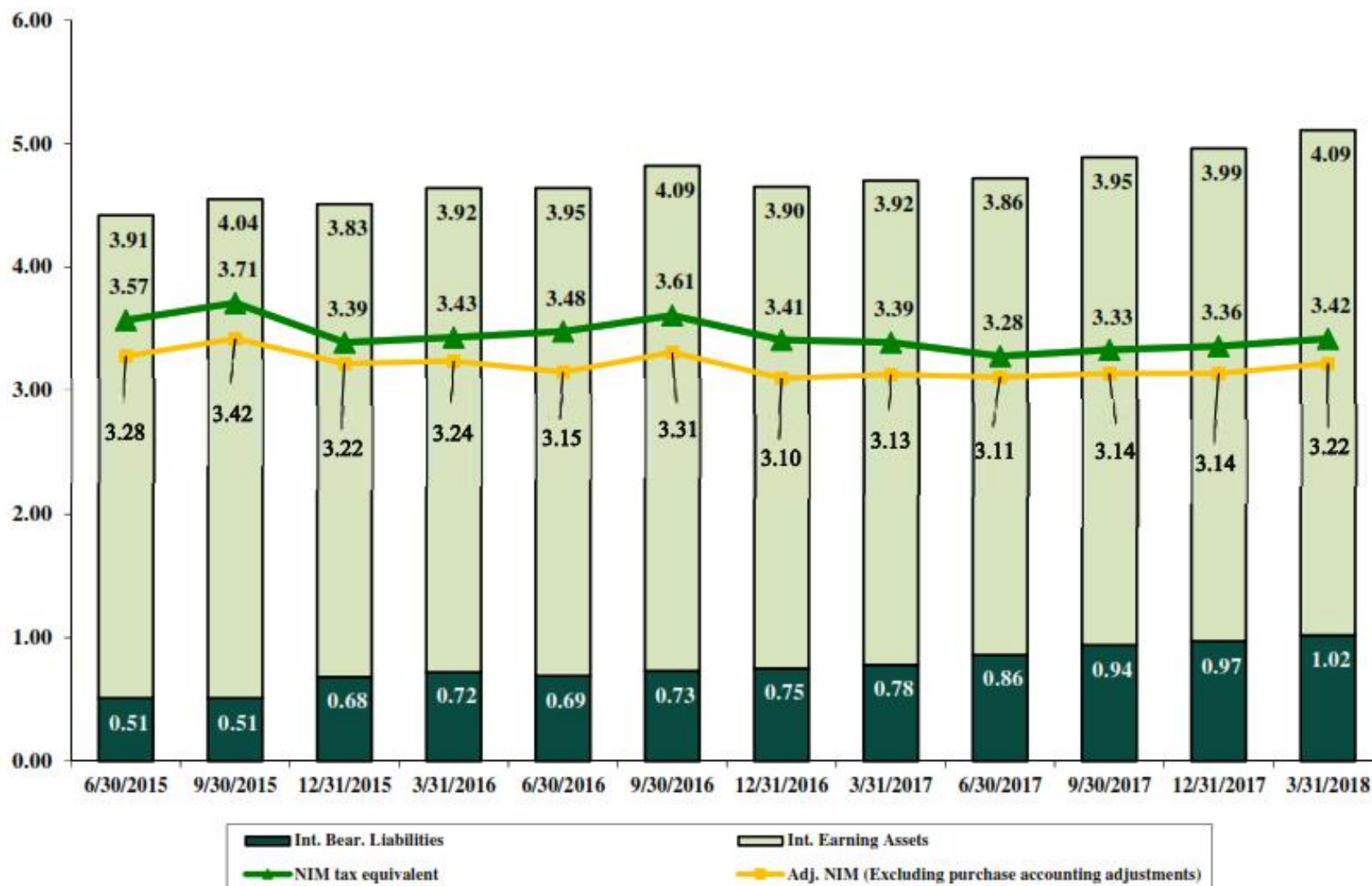
KRNY - Kearny Financial Corp.
 BDGE - Bridge Bancorp, Inc.
 CNOB - ConnectOne Bancorp, Inc.

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

IRR Strategies

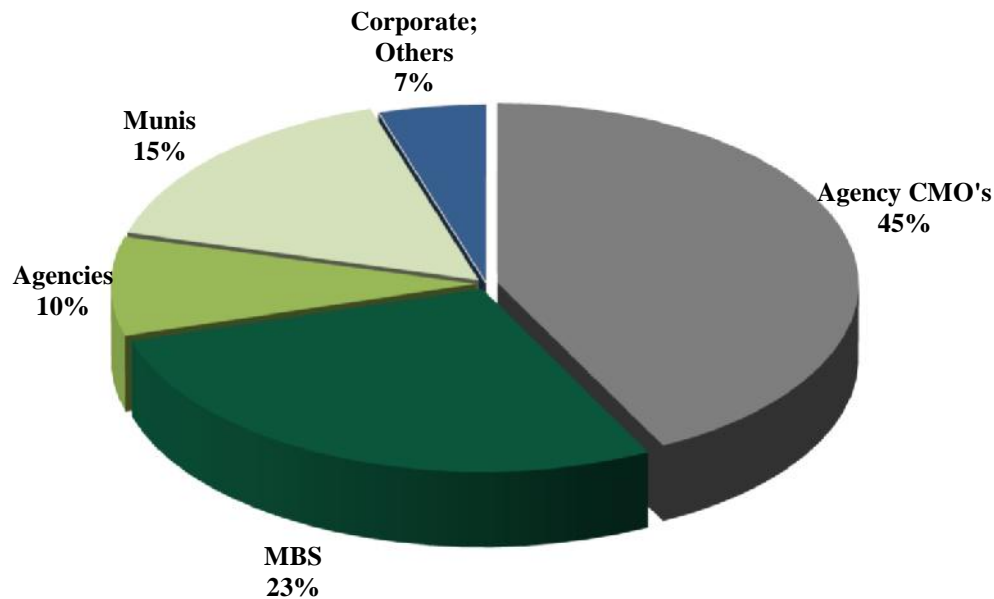
(\$ in 000's)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Q1 2018</u>
 Macro Swaps	\$125,000	\$175,000	\$290,000	\$290,000
 Loan Swaps	\$ 56,328	\$ 62,472	\$147,967	\$171,112
 O/N Borrowings as percent of assets (avg.)	5.52%	6.85%	6.65%	6.54%
 Portfolio E-DUR	4.45 years	3.73 years	3.23 years	3.42 years

Quarterly Net Interest Margin




Conservative Securities Portfolio

March 31, 2018



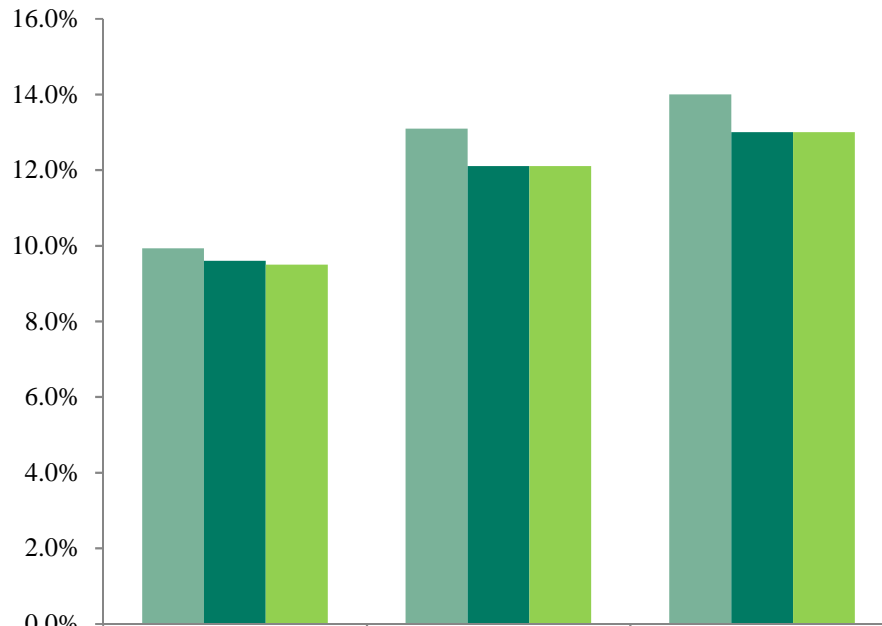
 **\$902 Million in Securities**

 **Exceptional Credit Quality with 80% Guaranteed by the U.S. Government**

 **Effective Portfolio Duration is 3.42 Years**

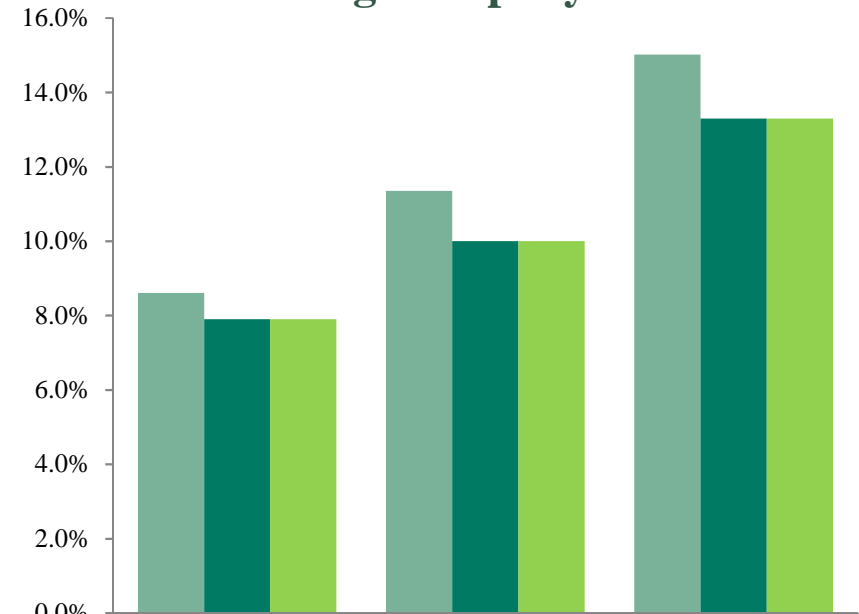
Capital Overview

Bank Level



	Tier 1 Leverage	Tier 1 RBC	TRBC
■ 12/31/2016	9.9%	13.1%	14.0%
■ 12/31/2017	9.6%	12.1%	13.0%
■ 3/31/2018	9.5%	12.1%	13.0%

Holding Company Level



	Tier 1 Leverage	Tier 1 RBC	TRBC
■ 12/31/2016	8.6%	11.4%	15.0%
■ 12/31/2017	7.9%	10.0%	13.3%
■ 3/31/2018	7.9%	10.0%	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

BRIDGE BANCORP, INC. AND SUBSIDIARIES

Non-GAAP Financial Measures (unaudited)

The following table reconciles net interest margin (as reported) to adjusted net interest margin on a tax equivalent basis, excluding accretion income and average purchase accounting adjustments on acquired loans (non-GAAP) :

(Dollars in thousands)	Three Months Ended		
	Mar. 31, 2018	Dec. 31, 2017	Mar. 31, 2017
Net interest income - as reported	\$ 34,539	\$ 33,561	\$ 30,461
Tax equivalent adjustment	166	337	347
Net interest income, tax-equivalent basis (non-GAAP)	\$ 34,705	\$ 33,898	\$ 30,808
Adjustment:			
Less: Accretion income on acquired loans	(1,959)	(2,072)	(2,238)
Adjusted net interest income, tax-equivalent basis (non-GAAP)	\$ 32,746	\$ 31,826	\$ 28,570
Average interest earning assets - as reported	\$ 4,120,300	\$ 4,003,876	\$ 3,680,940
Adjustment:			
Average purchase accounting adjustments on acquired loans	9,131	14,309	19,114
Adjusted average interest earning assets (non-GAAP)	\$ 4,129,431	\$ 4,018,185	\$ 3,700,054
Net interest margin - as reported (1)	3.40%	3.33%	3.36%
Tax equivalent adjustment	0.02%	0.03%	0.03%
Net interest margin, tax-equivalent basis (non-GAAP) (2)	3.42%	3.36%	3.39%
Adjustment:			
Purchase accounting adjustments on acquired loans	(0.20)%	(0.22)%	(0.26)%
Adjusted net interest margin (non-GAAP) (3)	3.22%	3.14%	3.13%

(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, tax equivalent basis divided by adjusted average interest earning assets.