

**FULTON FINANCIAL**  

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**CORPORATION**

**INVESTOR PRESENTATION**

DATA AS OF SEPTEMBER 30, 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 "2017 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 and June 30, 2017 and other periodic reports, which the Corporation files with the Securities and Exchange Commission (the "SEC") and are available in the Investor Relations section of the Corporation's website ([www.fult.com](http://www.fult.com)) and on the SEC's website ([www.sec.gov](http://www.sec.gov)).

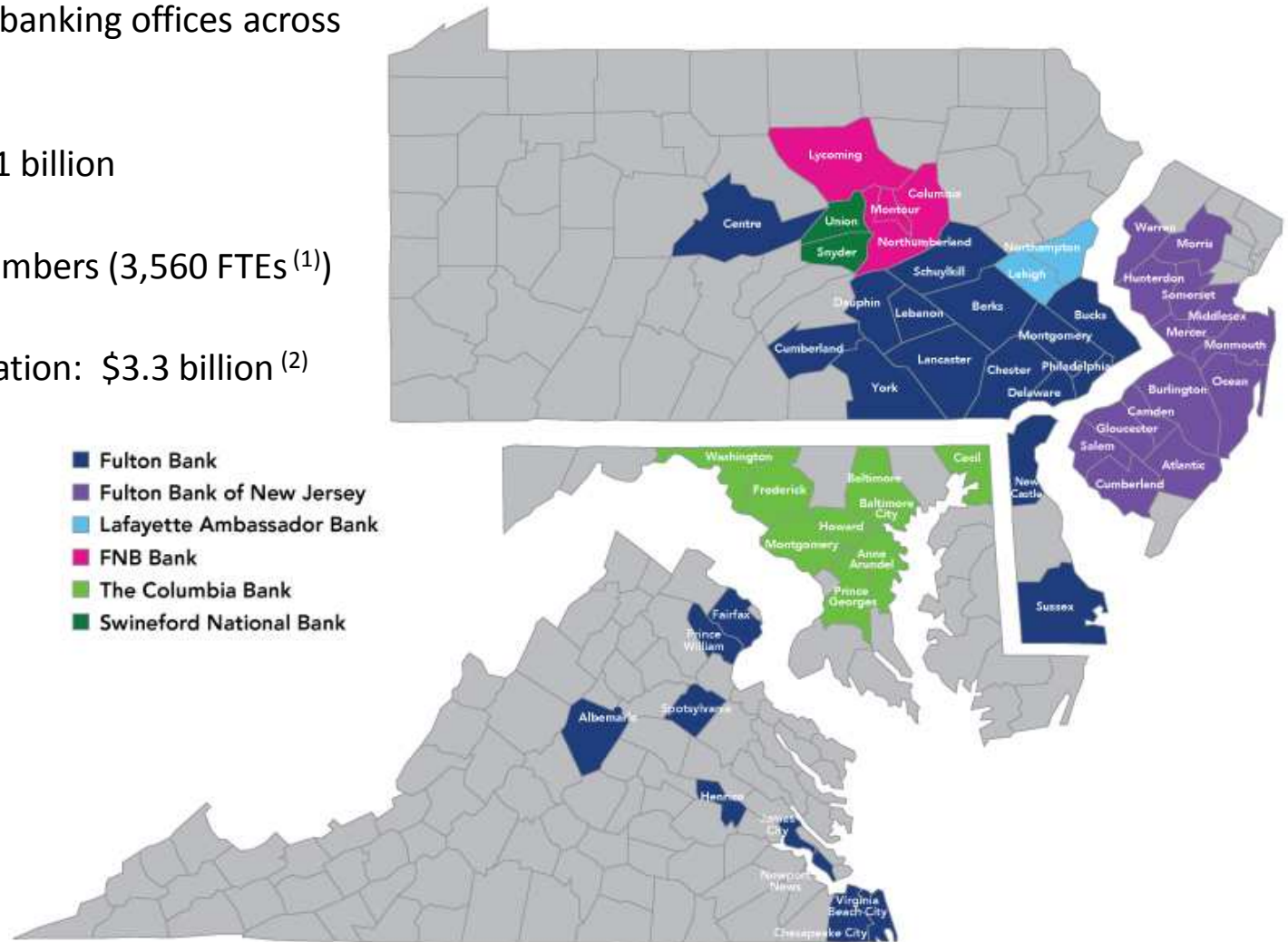
The Corporation uses certain non-GAAP financial measures in this presentation. These non-GAAP financial measures are reconciled to the most comparable GAAP measures at the end of this presentation.

# 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: \$20.1 billion
- 3,700+ team members (3,560 FTEs<sup>(1)</sup>)
- Market capitalization: \$3.3 billion<sup>(2)</sup>



(1) Average full-time equivalent employees.

(2) Based on shares outstanding and the closing price as of September 30, 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, 2017 – 2022 Projected Population Change and 2017 – 2022 Projected HH Income Change are weighted by deposits in each MSA.

# DEEP EXECUTIVE MANAGEMENT TEAM



Name	Position	Years at Fulton	Years in Financial Services	Prior Experience
E. Philip Wenger	Chairman, President and CEO	38	38	Various roles since joining in 1979
Craig Roda	Senior EVP/ Community Banking	38	38	Various roles since joining in 1979
Philmer Rohrbaugh <sup>(1)</sup>	Senior EVP/ COO and CFO	5	40	KPMG, Arthur Andersen
Curtis Myers	Senior EVP/ President and COO of Fulton Bank	27	27	Various roles since joining in 1990
Meg Mueller	Senior EVP/ CCO	21	31	Various roles since joining in 1996
Angela Sargent	Senior EVP/ CIO and IT Manager	25	25	Various roles since joining in 1992
Betsy Chivinski <sup>(1)</sup>	Senior EVP/ CRO	23	35	Various roles since joining in 1994

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

# THIRD QUARTER HIGHLIGHTS

**Diluted Earnings Per Share:** \$0.28 in 3Q17, 7.7% increase from 2Q17 and 16.7% increase from 3Q16

**Pre-Provision Net Revenue<sup>(1)</sup>:** \$65.5 million, 4.1% increase from 2Q17 and 11.3% increase from 3Q16

## Linked Quarter

**Loan and Core<sup>(2)</sup> Deposit Growth:** 1.8% increase in average loans, and 5.2% increase in average core deposits

**Net Interest Income & Margin:** Net interest income increased 3.7%, reflecting the impact of loan growth and one additional day in the current quarter. Net interest margin decreased 2 basis points, due to increases in lower-yielding other interest-earning assets as loan growth lagged deposit growth, and a 4 basis point increase in cost of funds

**Non-Interest Income<sup>(3)</sup> & Non-Interest Expense:** 7.0% decrease in non-interest income and relatively flat non-interest expense

**Asset Quality:** \$1.6 million decrease in provision for credit losses

## Year-over-Year

**Loan and Core<sup>(2)</sup> Deposit Growth:** 8.3% increase in average loans and 9.5% increase in average core deposits

**Net Interest Income & Margin:** 12.4% increase in net interest income, reflecting the impact of loan growth and a 13 basis point increase in net interest margin

**Non-Interest Income<sup>(3)</sup> & Non-Interest Expense:** 1.6% decrease in non-interest income and, excluding amortization of tax credits investments in 3Q17, 7.3% increase in non-interest expense

**Asset Quality:** \$0.9 million increase in provision for credit losses

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

(2) Consists of non-interest bearing demand deposits, interest-bearing demand deposits, and savings and money market accounts.

(3) Excluding securities gains.

# INCOME STATEMENT SUMMARY – QUARTERLY

	3Q17	Change from	
		2Q17	3Q16
	<i>(dollars in thousands, except per-share data)</i>		
<b>Net Interest Income</b>	<b>\$ 146,809</b>	<b>\$ 5,246</b>	<b>\$ 16,244</b>
<b>Provision for Credit Losses</b>	<b>5,075</b>	<b>(1,625)</b>	<b>934</b>
<b>Non-Interest Income</b>	<b>47,377</b>	<b>(3,558)</b>	<b>(770)</b>
<b>Securities Gains</b>	<b>4,597</b>	<b>3,161</b>	<b>4,595</b>
<b>Non-Interest Expense</b>	<b>132,157</b>	<b>(538)</b>	<b>12,309</b>
<b>Income before Income Taxes</b>	<b>61,551</b>	<b>7,012</b>	<b>6,826</b>
<b>Income Taxes</b>	<b>12,646</b>	<b>3,574</b>	<b>(611)</b>
<b>Net Income</b>	<b>\$ 48,905</b>	<b>\$ 3,438</b>	<b>\$ 7,437</b>
<b>Earnings Per Share (Diluted)</b>	<b>\$ 0.28</b>	<b>\$ 0.02</b>	<b>\$ 0.04</b>
<b>ROA <sup>(1)</sup></b>	<b>0.98%</b>	<b>0.04%</b>	<b>0.09%</b>
<b>ROE <sup>(2)</sup></b>	<b>8.76%</b>	<b>0.40%</b>	<b>0.98%</b>
<b>ROE (tangible) <sup>(3)</sup></b>	<b>11.52%</b>	<b>0.46%</b>	<b>1.14%</b>
<b>Efficiency ratio <sup>(3)</sup></b>	<b>64.3%</b>	<b>(1.0%)</b>	<b>(0.9%)</b>

- **Net Income** of \$48.9 million; a 7.6% increase from 2Q17 and a 17.9% increase from 3Q16. Earnings per share increased 7.7% from 2Q17 and 16.7% from 3Q16.
- **Net Interest Income**
  - *From 2Q17:* Increase of 3.7%, reflecting the impact of loan growth and an additional day in the quarter, partially offset by a 2 basis point decrease in net interest margin (NIM)
  - *From 3Q16:* Increase of 12.4%, driven by loan growth and the impact of a 13 basis point increase in NIM, driven by three Federal Funds rate increases and long-term debt re-financings at lower rates
- **Loan Loss Provision**  
\$5.1 million provision in 3Q17; decrease compared to 2Q17 due to slower loan growth
- **Non-Interest Income**
  - *From 2Q17:* Decrease of 7.0% driven primarily by commercial loan interest rate swap fees, mortgage servicing income and Small Business Administration (SBA) loan sale gains. In 2Q17, Mortgage banking income was increased by reversal of mortgage servicing rights (MSR) valuation allowance of \$1.3 million. Excluding this, non-interest income was down 4.5%
  - *From 3Q16:* Decrease of 1.6% driven primarily by commercial loan interest rate swap fees, partially offset by an increase in investment management and trust services income
- **Non-Interest Expenses**
  - *From 2Q17:* Decrease of 0.4% due to lower salaries and benefits, outside services and other real estate expenses, partially offset by increases in software and data processing expense and other expense categories
  - *From 3Q16:* Increase of 10.3% due to higher salaries expense, amortization of tax credit investments, FDIC insurance expense, state taxes, data processing and software expense and other outside services, slightly offset by a decrease in other real estate expenses. Excluding the tax credit amortization, non-interest expenses increased 7.3%
- **Income Taxes**
  - Higher effective tax rate compared to 2Q17 mainly due to higher pre-tax income and lower excess tax benefits on stock compensation

(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.

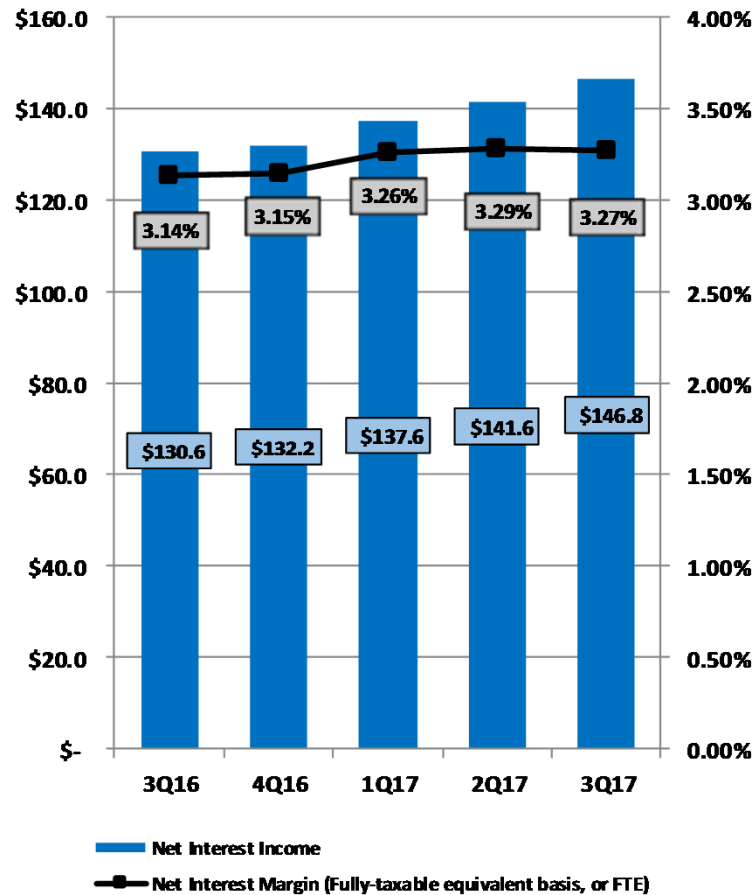
(3) Non-GAAP based financial measure. Please refer to the calculation and management's reasons for using this measure on the slide titled "Non-GAAP Reconciliation" at the end of this presentation.



# NET INTEREST INCOME AND MARGIN

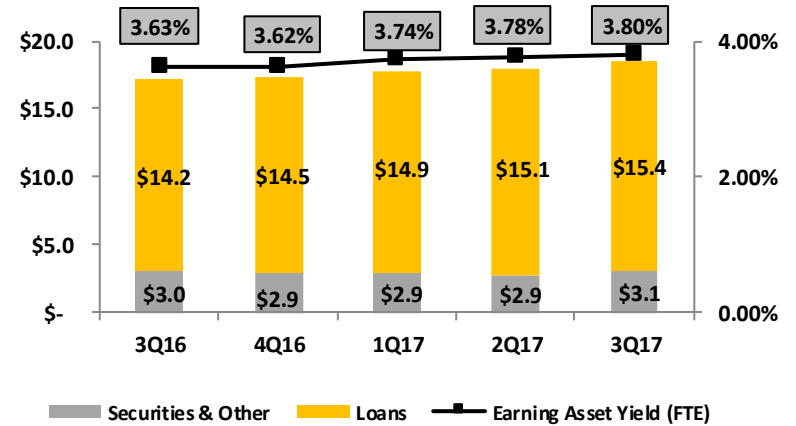
## Net Interest Income & Net Interest Margin

(\$ IN MILLIONS)



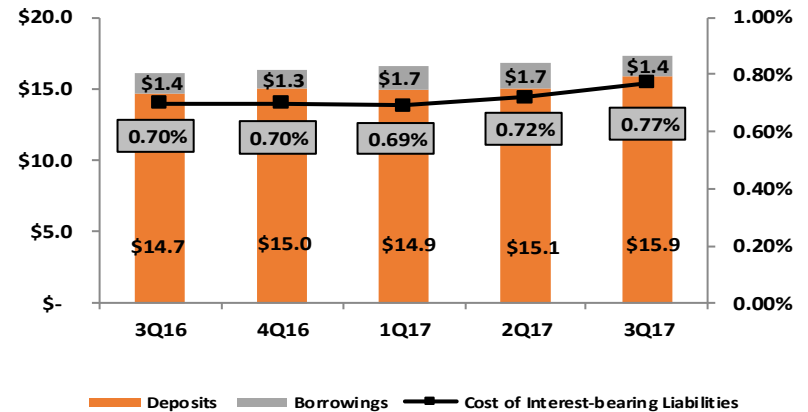
## Average Interest-Earning Assets & Yields

(\$ IN BILLIONS)



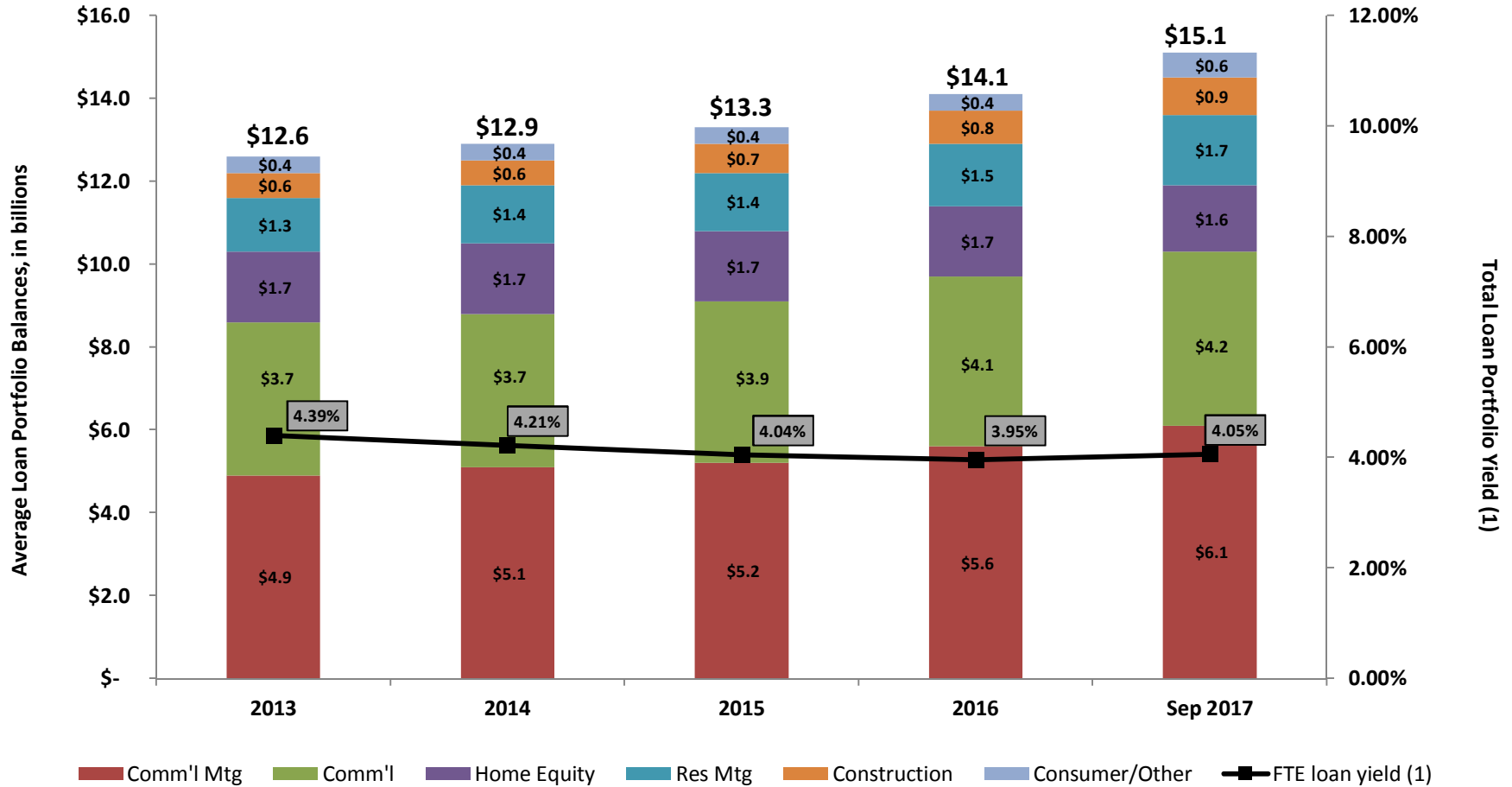
## Average Liabilities & Rates

(\$ IN BILLIONS)



# LOAN PORTFOLIO COMPOSITION & YIELD FULTON FINANCIAL CORPORATION

Average loans for the first nine months of 2017 are up 8.0% compared to the first nine months of 2016.

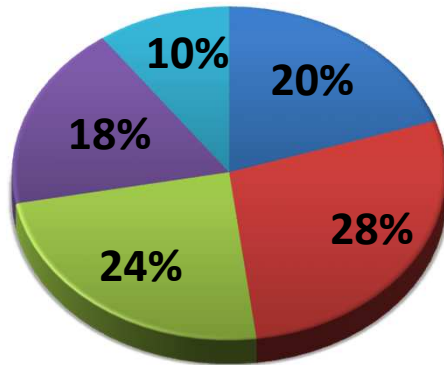


**Note:** Loan portfolio composition is based on average balances for the years ended December 31, 2013 to 2016, and nine months ending September 30, 2017.  
 (1) Presented on a fully-taxable equivalent basis.

# DEPOSIT PORTFOLIO COMPOSITION

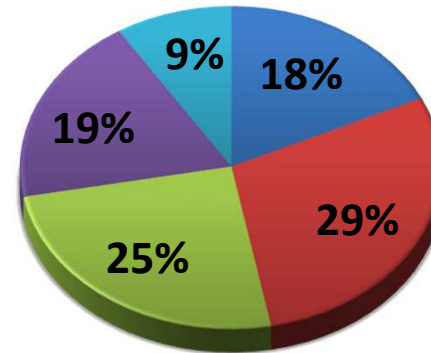
Average demand and savings are up 8.1% compared to the nine months ended September 30, 2016; while total average deposits are up 5.9%.

Nine Months Ended September 30, 2016



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

Nine Months Ended September 30, 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 \$30.3 million and \$0 as of nine months ended September 30, 2017 and 2016, respectively; the percentage balance in both comparative periods was 0%.

# POSITIONED FOR RISING INTEREST RATE ENVIRONMENT

SEPTEMBER 30, 2017

FULTON FINANCIAL  
CORPORATION

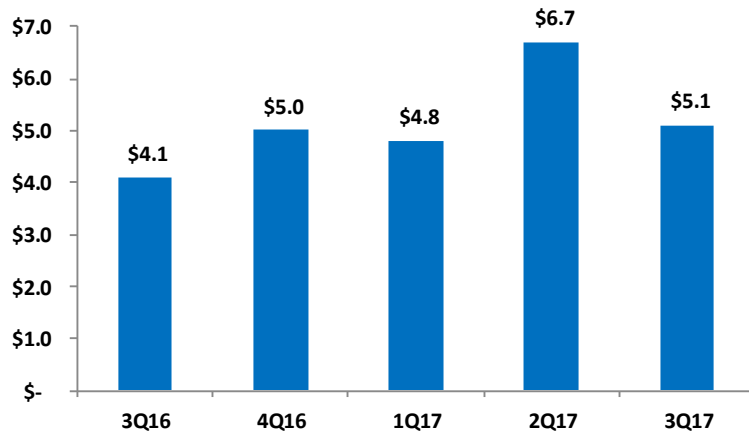
<b>Rate Change (1)</b>	<b>Annual Change in Net Interest Income (2)</b>	<b>% Change</b>
+300 bps	\$ 93.9 million	15.5%
+200 bps	\$ 64.5 million	10.6%
+100 bps	\$ 32.9 million	5.4%
- 100 bps	\$ (49.0) million	-8.1%

- 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.

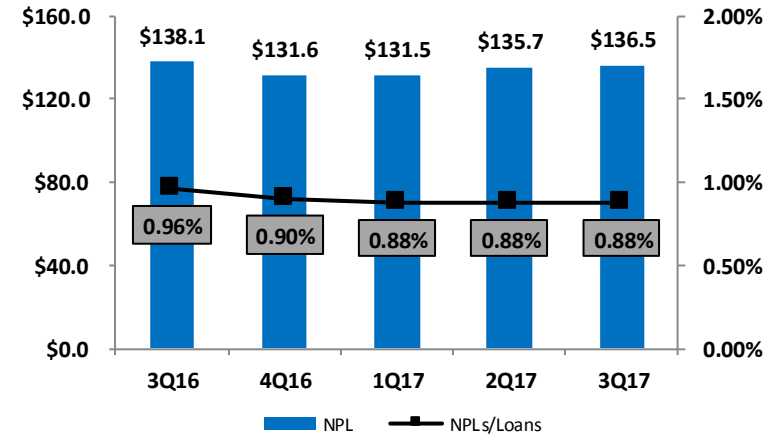
# ASSET QUALITY

(\$ IN MILLIONS)

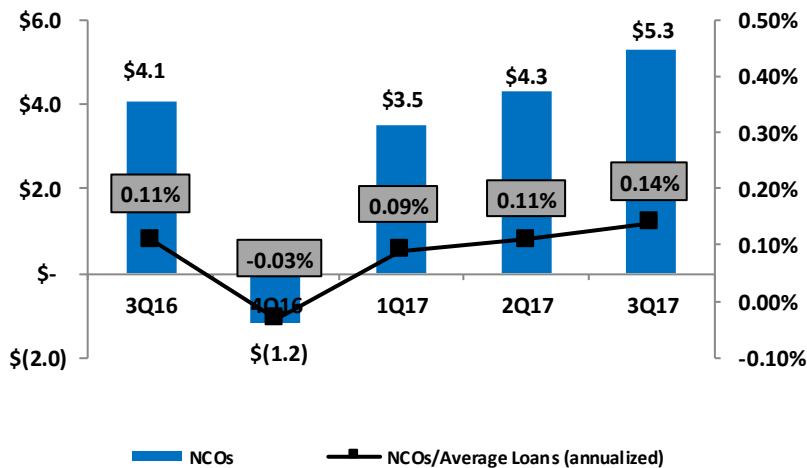
Provision for Credit Losses



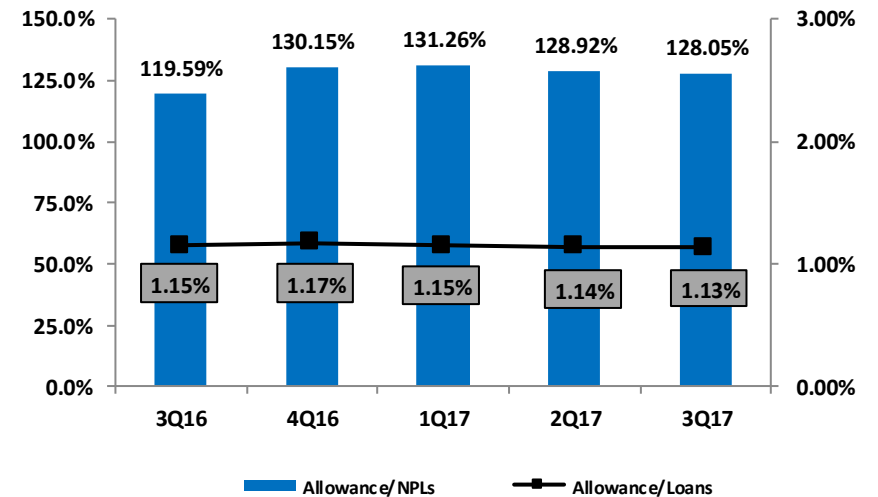
Non-Performing Loans (NPLs) & NPLs to Loans



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



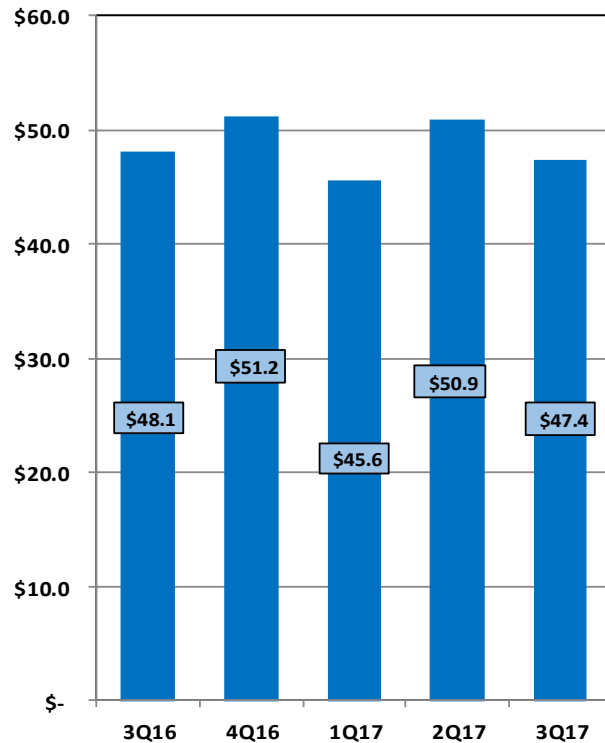
Allowance for Credit Losses (Allowance) to NPLs & Loans



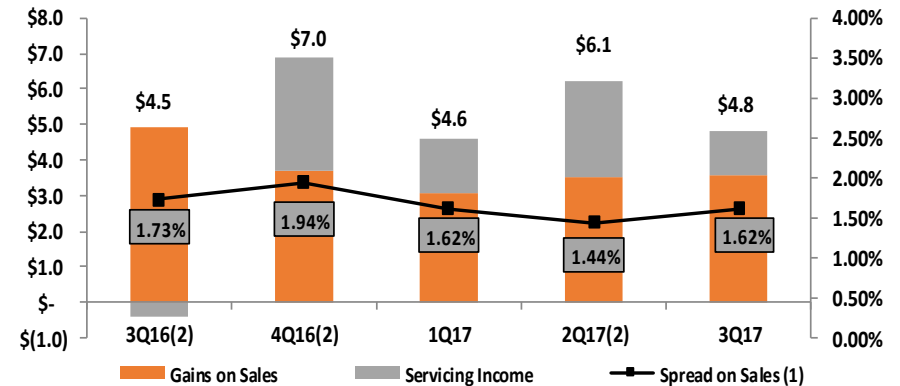
# NON-INTEREST INCOME – QUARTER COMPARISON

(\$ IN MILLIONS)

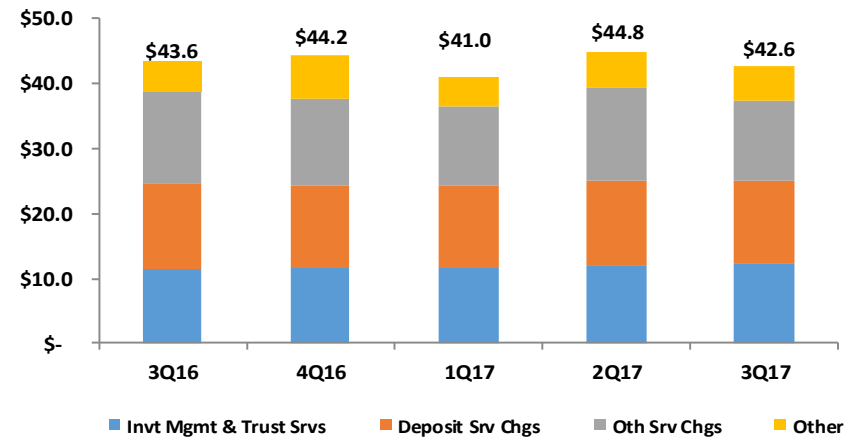
## Non-Interest Income, Excluding Securities Gains



## Mortgage Banking Income & Spreads



## Other Non-Interest Income

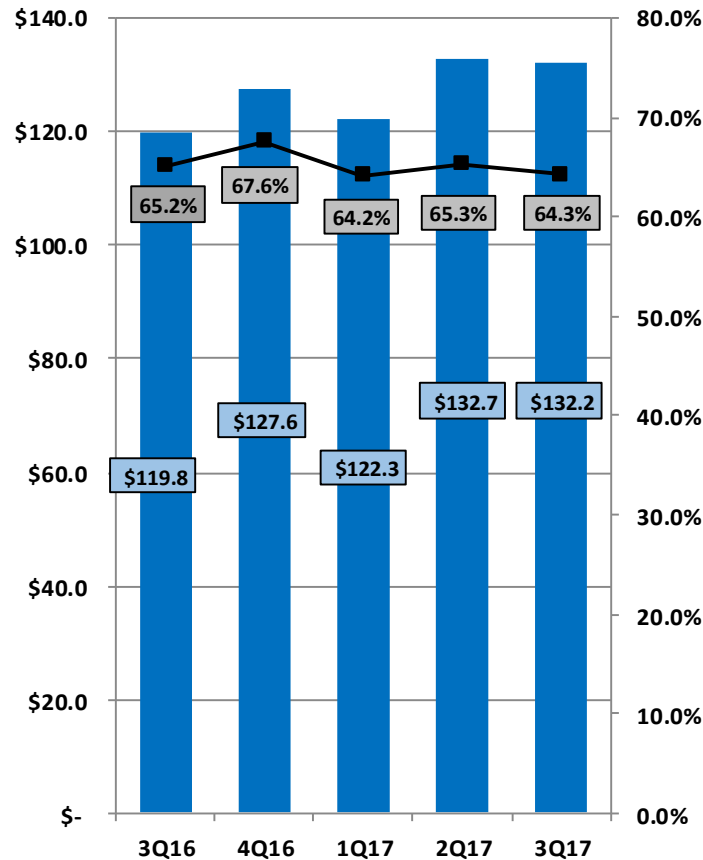


- (1) Represents Gains on Sales divided by total new commitments to originate residential mortgage loans for customers.
- (2) Servicing income includes \$1.3 million Mortgage Servicing Rights (MSR) impairment charge in 3Q16 and \$1.7 million and \$1.3 million recoveries in 4Q16 and 2Q17, respectively.

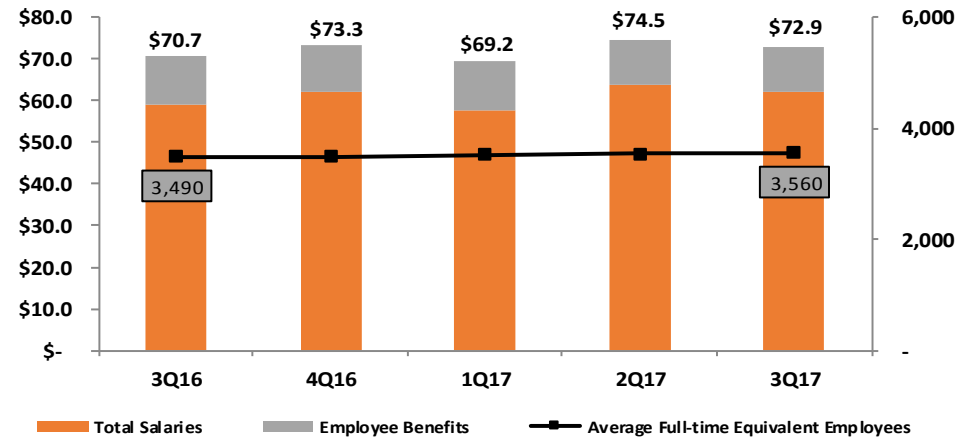
# NON-INTEREST EXPENSES – QUARTER COMPARISON

(\$ IN MILLIONS)

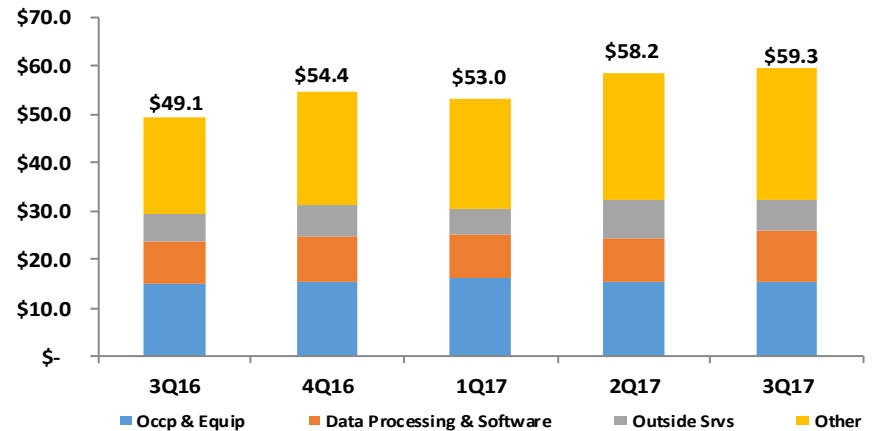
## Non-Interest Expense & Efficiency Ratio (1)



## Salaries and Employee Benefits & Staffing



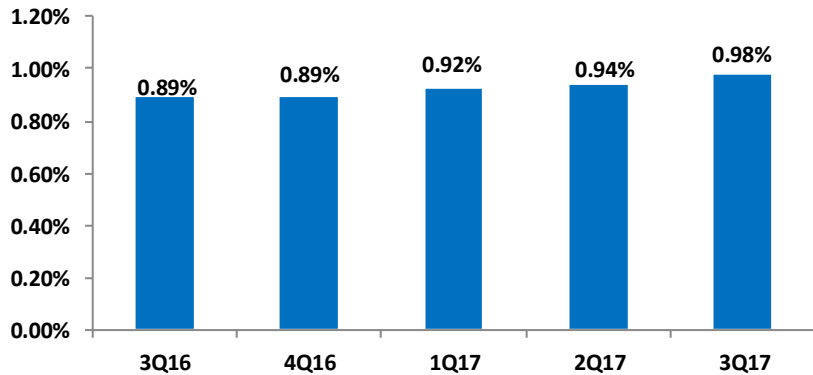
## Other Non-Interest Expenses



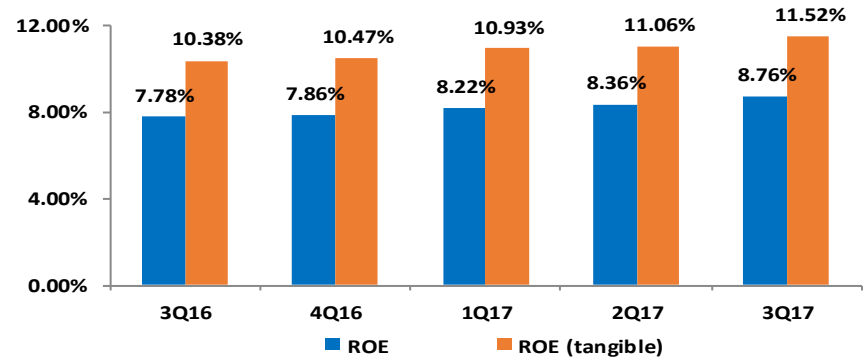
(1) Non-GAAP based financial measure. Please refer to the calculation and management's reasons for using this measure on the slide titled "Non-GAAP Reconciliation" at the end of this presentation.

# PROFITABILITY & CAPITAL

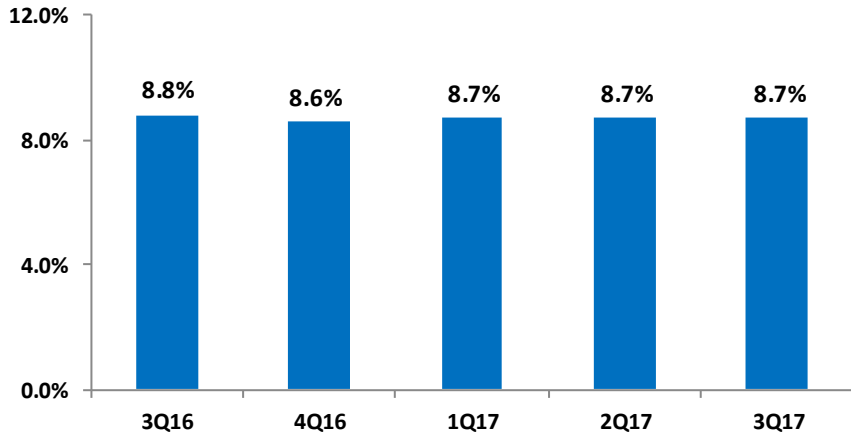
ROA<sup>(1)</sup>



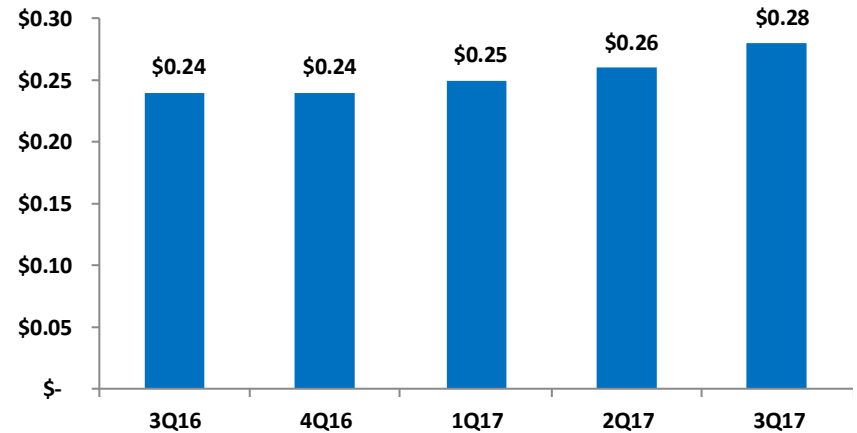
ROE and ROE (tangible)<sup>(2)</sup>



Tangible Common Equity Ratio<sup>(2)</sup>



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 October 2017 Repurchase Programs <sup>(1)</sup>

<b>Shares Repurchased</b>	<b>31.88 million</b>
<b>% of Outstanding Shares</b>	<b>15.9% <sup>(2)</sup></b>
<b>Amount Repurchased</b>	<b>\$375.1 million</b>
<b>Average Purchase Price</b>	<b>\$11.77</b>

In October 2015, the Board of Directors approved a new repurchase program of up to \$50 million of the Corporation's common stock, or approximately 2.3% of outstanding shares, through December 31, 2016. In November 2016, the Board of Directors extended the timeframe for its stock repurchase program to December 31, 2017. 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 <sup>(3)</sup>	\$12.48

(1) Share repurchases completed from June 2012 through October 2017.

(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.

# AVERAGE ASSETS AND ROA, BY BANK

	Nine Months Ended September 30, 2017 Average Assets (\$ Millions)	Return on Average Assets (1)	
		Nine Months Ended Sep 30, 2017	2016
Fulton Bank, N.A.	\$11,003	1.08%	1.07%
The Columbia Bank	2,369	0.93%	0.95%
Lafayette Ambassador Bank	1,542	0.80%	0.93%
Fulton Bank of New Jersey	3,907	0.71%	0.68%
FNB Bank, N.A.	350	0.96%	0.59%
Swineford National Bank	315	0.77%	0.50%
Fulton Financial Corporation	\$19,414	0.95%	0.87%

(1) Net Income divided by average assets, annualized.

# 2017 OUTLOOK

**The following outlook remains unchanged from prior quarter except in the case of Non-Interest Income and Net Interest Margin outlook:**

- **Loans & Deposits:** Annual average growth rate in the mid- to high-single digits
- **Asset Quality:** Provision driven primarily by loan growth
- **Non-Interest Income (Excluding Securities Gains):** 4Q17 outlook lowered to mid-single digit growth rate (from mid- to high-single digit growth rate) reflecting the actual nine month 2017 experience
- **Non-Interest Expense:** Low- to mid-single digit growth rate
- **Capital:** Focus on utilizing capital to support growth and provide appropriate returns to our shareholders
- **Net Interest Margin:** 4Q17 outlook lowered to an increase of 2 to 6 basis points (from 3 to 9 basis points) reflecting trends in deposit pricing, the interest-earning asset mix and the uncertainty of an additional rate increase or the timing of it

# APPENDIX



# AVERAGE LOAN PORTFOLIO AND YIELDS

	3Q 2017		Change in			
	Balance	Yield	Balance From		Yield From	
			2Q 2017	3Q 2016	2Q 2017	3Q 2016
			<i>(dollars in millions)</i>			
<b>Comm'l Mort</b>	<b>\$ 6,209</b>	<b>4.07%</b>	<b>\$ 45</b>	<b>\$ 538</b>	<b>0.07%</b>	<b>0.08%</b>
<b>Commercial</b>	<b>4,257</b>	<b>4.08%</b>	<b>36</b>	<b>191</b>	<b>0.08%</b>	<b>0.32%</b>
<b>Resid Mort</b>	<b>1,841</b>	<b>3.83%</b>	<b>133</b>	<b>338</b>	<b>0.06%</b>	<b>0.07%</b>
<b>Home Equity</b>	<b>1,570</b>	<b>4.48%</b>	<b>(18)</b>	<b>(71)</b>	<b>0.15%</b>	<b>0.40%</b>
<b>Construction</b>	<b>943</b>	<b>4.05%</b>	<b>46</b>	<b>105</b>	<b>0.07%</b>	<b>0.29%</b>
<b>Cons./Other</b>	<b>572</b>	<b>4.91%</b>	<b>23</b>	<b>79</b>	<b>(0.13%)</b>	<b>(0.14%)</b>
<b>Total Loans</b>	<b>\$15,392</b>	<b>4.12%</b>	<b>\$ 265</b>	<b>\$ 1,180</b>	<b>0.07%</b>	<b>0.19%</b>

*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 September 30, 2017.*

# AVERAGE CUSTOMER FUNDING AND RATES

	3Q 2017		Change In			
	Balance	Rate	Balance From		Rate From	
			2Q 2017	3Q 2016	2Q 2017	3Q 2016
			<i>(dollars in millions)</i>			
<b>Nonint DDA</b>	\$ 4,495	- %	\$ 107	\$ 267	- %	- %
<b>Int DDA</b>	3,943	0.39%	253	341	0.09%	0.20%
<b>Savings/MMDA</b>	4,603	0.34%	288	524	0.09%	0.14%
<b>Brokered Deposits</b>	90	1.23%	90	90	1.23%	1.23%
<b>CD's</b>	2,745	1.15%	49	(69)	0.05%	0.08%
<b>Total Deposits</b>	15,876	0.40%	787	1,153	0.06%	0.09%
<b>Cash Mgt</b>	256	0.19%	(21)	(2)	0.10%	0.10%
<b>Total Customer Funding</b>	\$ 16,132	0.40%	\$ 766	\$ 1,151	0.06%	0.10%

*Note: Average customer funding and the rate are for the three months ended September 30, 2017.*

# ENDING LOAN DISTRIBUTION BY STATE

SEPTEMBER 30, 2017

FULTON FINANCIAL  
CORPORATION

	Comm'l	Comm'l Mortgage	Constr.	Res. Mtg.	Consumer & Other	Total
	<i>(in thousands)</i>					
Pennsylvania	\$ 3,129,220	\$ 3,274,457	\$ 516,258	\$ 730,036	\$ 1,285,685	\$ 8,935,656
New Jersey	541,509	1,449,842	173,653	263,220	395,725	2,823,949
Maryland	333,622	688,343	141,526	405,946	280,427	1,849,864
Virginia	105,357	527,096	65,291	405,887	62,368	1,165,999
Delaware	113,367	335,402	76,380	82,818	103,464	711,431
	<u>\$ 4,223,075</u>	<u>\$ 6,275,140</u>	<u>\$ 973,108</u>	<u>\$ 1,887,907</u>	<u>\$ 2,127,669</u>	<u>\$ 15,486,899</u>

# NON-PERFORMING LOANS<sup>(1)</sup>

SEPTEMBER 30, 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	\$ 35,338	\$ 11,081	\$ 5,765	\$ 9,772	\$ 6,044	\$ 68,000	\$ 8,935,656	0.76%
New Jersey	6,566	13,593	2,597	4,539	4,177	31,472	2,823,949	1.11%
Maryland	1,366	1,583	429	1,541	1,453	6,372	1,849,864	0.34%
Virginia	7,031	1,857	1,169	4,521	567	15,145	1,165,999	1.30%
Delaware	3,908	6,536	3,455	1,270	311	15,480	711,431	2.18%
	<u>\$ 54,209</u>	<u>\$ 34,650</u>	<u>\$ 13,415</u>	<u>\$ 21,643</u>	<u>\$ 12,552</u>	<u>\$ 136,469</u>	<u>\$ 15,486,899</u>	<u>0.88%</u>
Ending Loans	\$ 4,233,075	\$ 6,275,140	\$ 973,108	\$ 1,887,907	\$ 2,127,669	\$ 15,496,899		
Non-performing Loan % (9/30/17)	1.28%	0.55%	1.38%	1.15%	0.59%	0.88%		
Non-performing Loan % (9/30/16)	1.18%	0.68%	1.30%	1.52%	0.77%	0.96%		

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



# NET CHARGE-OFFS (RECOVERIES)

THREE MONTHS ENDED SEPTEMBER 30, 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	\$ 1,409	\$ 240	\$ 2,204	\$ 156	\$ 391	\$ 4,400	\$ 8,951,377	0.20%
New Jersey	287	144	(33)	(47)	287	638	2,802,908	0.09%
Maryland	356	(1)	(56)	(5)	112	406	1,816,912	0.09%
Virginia	-	-	-	(123)	7	(116)	1,119,299	-0.04%
Delaware	(3)	(6)	-	(5)	10	(4)	701,571	0.00%
	<u>\$ 2,049</u>	<u>\$ 377</u>	<u>\$ 2,115</u>	<u>\$ (24)</u>	<u>\$ 807</u>	<u>\$ 5,324</u>	<u>\$ 15,392,067</u>	<u>0.14%</u>
 Average Loans	 \$ 4,257,075	 \$ 6,208,630	 \$ 943,029	 \$ 1,841,559	 \$ 2,141,774	 \$ 15,392,067		
Annualized Net Charge-offs								
(Recoveries) to Average Loans	0.19%	0.02%	0.90%	-0.01%	0.15%	0.14%		

# INVESTMENT PORTFOLIO

SEPTEMBER 30, 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	4.4	1,185	(3)	1,182
Collateralized mortgage obligations	3.5	\$ 602	\$ (8)	\$ 594
State and municipal securities	8.2	415	(1)	414
Commercial mortgage-backed securities	3.9	162	(0)	162
Auction rate securities	5.0	107	(9)	98
Corporate debt securities	9.6	92	1	93
U.S. Government sponsored agency securities	5.7	6	(0)	6
Bank stocks	N/A	6	6	12
Other equity securities	N/A	1	(0)	1
<b>Total Investments</b>	<b>5.0</b>	<b>\$ 2,576</b>	<b>\$ (15)</b>	<b>\$ 2,561</b>

# NON-INTEREST INCOME

(EXCLUDING SECURITIES GAINS)

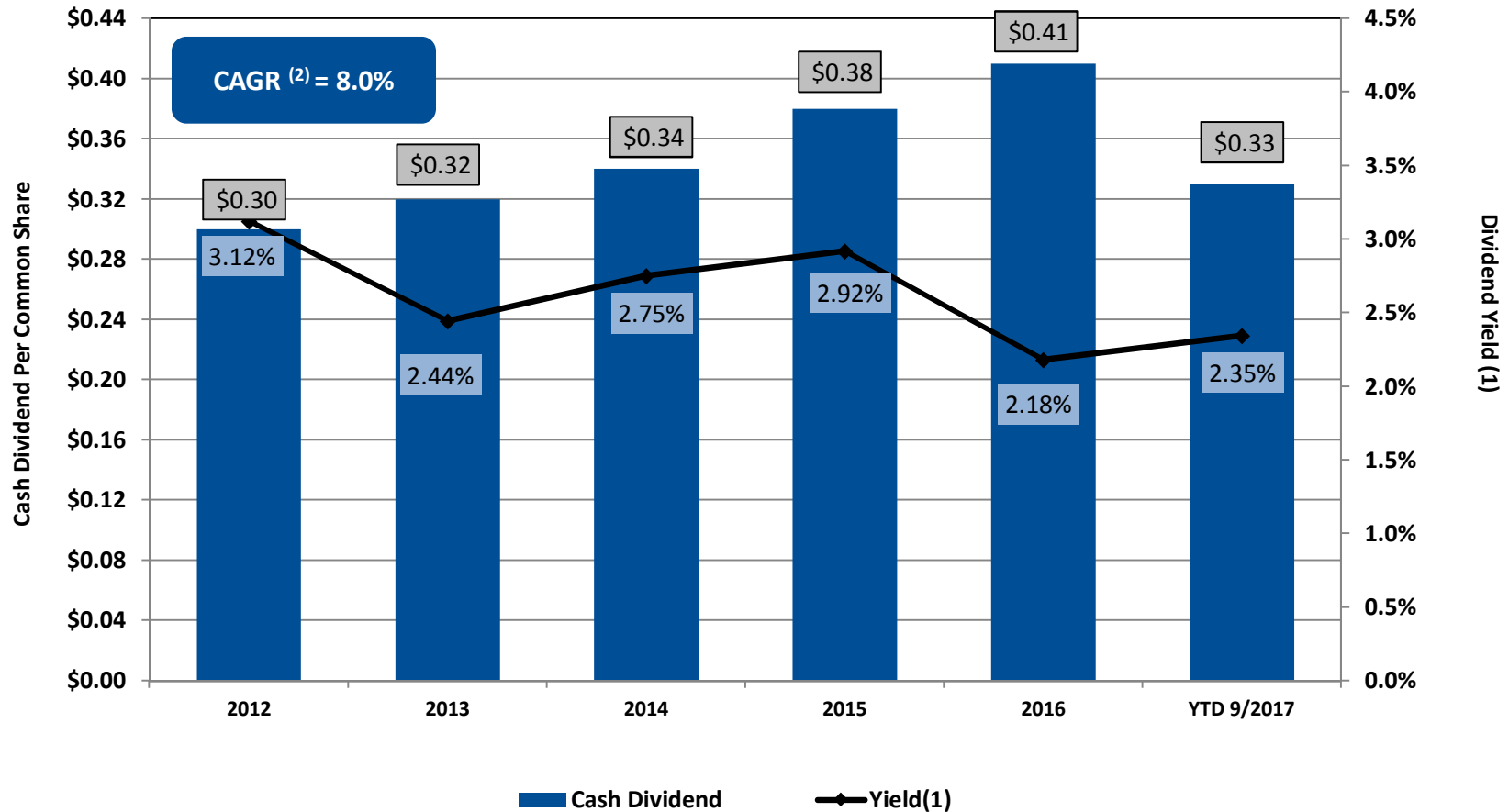
	3Q 2017	2Q 2017	3Q 2016	Change From	
				2Q 2017	3Q 2016
				<i>(in thousands)</i>	
<b>Investment management and trust services</b>	<b>\$ 12,157</b>	\$ 12,132	\$ 11,425	\$ 25	\$ 732
<b>Overdraft fees</b>	<b>5,844</b>	5,648	5,770	196	74
<b>Mortgage banking income</b>	<b>4,805</b>	6,141	4,529	(1,336)	276
<b>Merchant fees</b>	<b>4,398</b>	4,531	4,220	(133)	178
<b>Cash management fees</b>	<b>3,624</b>	3,614	3,605	10	19
<b>Other service charges</b>	<b>3,554</b>	3,652	3,704	(98)	(150)
<b>Debit card income</b>	<b>2,830</b>	2,884	2,718	(54)	112
<b>Credit card income</b>	<b>2,829</b>	2,666	2,668	163	161
<b>Commercial loan interest rate swap fees</b>	<b>1,954</b>	3,768	4,359	(1,814)	(2,405)
<b>Letter of credit fees</b>	<b>1,056</b>	1,109	1,078	(53)	(22)
<b>Other income</b>	<b>4,326</b>	4,790	4,071	(464)	255
<b>Total Non-Interest Income</b>	<b>\$ 47,377</b>	<b>\$ 50,935</b>	<b>\$ 48,147</b>	<b>\$ (3,558)</b>	<b>\$ (770)</b>

# NON-INTEREST EXPENSE

	3Q 2017	2Q 2017	3Q 2016	Change From	
				2Q 2017	3Q 2016
	<i>(in thousands)</i>				
Salaries and employee benefits	\$ 72,894	\$ 74,496	\$ 70,696	\$ (1,602)	\$ 2,198
Net occupancy expense	12,180	12,316	11,782	(136)	398
Data processing and software	10,301	9,054	8,727	1,247	1,574
Other outside services	6,582	7,708	5,783	(1,126)	799
Amortization of tax credit investments	3,503	3,151	-	352	3,503
Professional fees	3,388	2,931	2,535	457	853
Equipment expense	3,298	3,034	3,137	264	161
FDIC insurance expense	3,007	2,366	1,791	641	1,216
Supplies and postage	2,558	2,597	2,560	(39)	(2)
Marketing	2,089	2,234	1,774	(145)	315
Telecommunications	1,233	1,379	1,411	(146)	(178)
Operating risk loss	1,114	754	556	360	558
OREO & repo expenses, net	(40)	917	742	(957)	(782)
Other expenses	10,050	9,758	8,354	292	1,696
<b>Total Non-Interest Expenses</b>	<b>\$ 132,157</b>	<b>\$ 132,695</b>	<b>\$ 119,848</b>	<b>\$ (538)</b>	<b>\$ 12,309</b>

# 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, 2012 to annualized September 30, 2017.



# NON-GAAP RECONCILIATION (CON'T)

	Sep 30 2016	Dec 31 2016	Mar 31 2017	Jun 30 2017	Sep 30 2017
<i>(dollars in thousands)</i>					
<b><u>Tangible Common Equity to Tangible Assets (TCE Ratio)</u></b>					
Shareholders' equity	\$ 2,129,436	\$ 2,121,115	\$ 2,154,683	\$ 2,191,770	\$ 2,225,786
Less: Intangible assets	(531,556)	(531,556)	(531,556)	(531,556)	(531,556)
Tangible shareholders' equity (numerator)	<u>\$ 1,597,880</u>	<u>\$ 1,589,559</u>	<u>\$ 1,623,127</u>	<u>\$ 1,660,214</u>	<u>\$ 1,694,230</u>
Total assets	\$ 18,701,062	\$ 18,944,247	\$ 19,178,576	\$ 19,647,435	\$ 20,062,860
Less: Intangible assets	(531,556)	(531,556)	(531,556)	(531,556)	(531,556)
Total tangible assets (denominator)	<u>\$ 18,169,506</u>	<u>\$ 18,412,691</u>	<u>\$ 18,647,020</u>	<u>\$ 19,115,879</u>	<u>\$ 19,531,304</u>
Tangible Common Equity to Tangible Assets	<u>8.8%</u>	<u>8.6%</u>	<u>8.7%</u>	<u>8.7%</u>	<u>8.7%</u>

	<b>Three Months Ended</b>				
	Sep 30 2016	Dec 31 2016	Mar 31 2017	Jun 30 2017	Sep 30 2017
<i>(in thousands)</i>					
<b><u>Pre-Provision Net Revenue</u></b>					
Net interest income	\$ 130,565	\$ 132,237	\$ 137,579	\$ 141,563	\$ 146,809
Non-interest income	48,149	52,755	46,673	52,371	51,974
Less: Investment securities gains	(2)	(1,525)	(1,106)	(1,436)	(4,597)
Total Revenue	<u>\$ 178,712</u>	<u>\$ 183,467</u>	<u>\$ 183,146</u>	<u>\$ 192,498</u>	<u>\$ 194,186</u>
Total Non-interest expense	\$ 119,848	\$ 127,621	\$ 122,275	\$ 132,695	\$ 132,157
Less: Amortization of tax credit investments	-	-	(998)	(3,151)	(3,503)
	<u>\$ 119,848</u>	<u>\$ 127,621</u>	<u>\$ 121,277</u>	<u>\$ 129,544</u>	<u>\$ 128,654</u>
<b>Pre-Provision Net Revenue</b>	<u>\$ 58,864</u>	<u>\$ 55,846</u>	<u>\$ 61,869</u>	<u>\$ 62,954</u>	<u>\$ 65,532</u>

# FULTON FINANCIAL CORPORATION



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