

# Agenda

## **Introductions**

## **Notice of Meeting**

## **Bridge Bancorp Matters Subject to Vote and Procedures**

1. **Approve the issuance of common stock to complete the merger**
2. **Approve one or more adjournments of the annual meeting**
3. **Amend certificate of incorporation to increase the authorized shares of common stock from 20 to 40 million**
4. **Election of Directors: Dennis A. Suskind and Albert E. McCoy, Jr.**
5. **Approve, on an advisory (non-binding) basis, executive compensation**
6. **Ratify the appointment of Crowe Horwath LLP as the independent registered public accounting firm**

## **Shareholder Presentation & Discussion**

## **Closing Polls and Announcement of Vote**



BRIDGE  
BANCORP, INC.

# Annual Meeting

*May 8, 2015*

# Forward Looking Statements

This presentation may contain forward-looking statements regarding Bridge Bancorp, Inc. (“Bridge Bancorp” or the “Company”). These statements constitute forward-looking information within the definition of the Private Securities Litigation Reform Act of 1995.

Actual results may differ materially from any forward-looking statements expressed in this presentation, since forward-looking information involves significant known and unknown risks, uncertainties and other factors. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, those risk factors described in the Company’s periodic reports filed with the SEC, and with respect to the proposed acquisition of Community National Bank (“CNB”) the following: failure to satisfy the conditions to closing for the proposed merger in a timely manner or at all; failure to obtain the necessary governmental approvals for the proposed merger or adverse regulatory conditions in connection with such approvals; disruption to the parties’ businesses as a result of the announcement and pendency of the transaction; difficulties related to the integration of the businesses following the merger; changes in the interest rate environment; and changes in general economic conditions, either nationally or regionally. Bridge Bancorp, Inc.’s public filings with the SEC are available online at <http://www.sec.gov>. Bridge Bancorp, Inc. does not undertake to update any forward-looking statements made in this presentation to reflect new information, future events or otherwise.



-  **Profile**
-  **Marketplace & Opportunities**
-  **Strategies & Accomplishments**
-  **Historical Perspective & Trends**
-  **Challenges & Risks**
-  **Vision & Mission**

# Profile

## **A Growing Long Island Business**

- *Passionate About Long Island Business*

## **Committed to Community Banking**

- *Delivering Results to Our Stakeholders*

## **Local Decisions Made by Local Bankers**

- *Fueling the Economy with \$1.4 billion in Loans*

## **Built On A Strong Culture & Identity**

- *Succeeding by Building Relationships and Partnerships*

# Marketplace & Opportunities

## A Profile of Long Island

- *Densely Populated, Almost 3 million People*
- *Home to Over 120,000 Businesses*
- *Median Household Income \$90,000*
- *Median Home Values >\$415,000*
- *Average Sales Price, Hamptons Home \$1.5 million*
- *37 of the Nation's Wealthiest Zip Codes*

*“29 Branches on Long Island, a  
Natural Link to NYC and The Boroughs”*

# Strategies & Accomplishments

## 2014 Strategic Initiatives

- *Grow the Core/Legacy Franchise*
- *Enhance Operations and Infrastructure*
- *Integrate and Convert FNB NY Branches*
- *Identify and Execute Market Opportunities*

*“Execute Our Mission & Deliver Results”*

# Strategies & Accomplishments

## Grow the Core/Legacy Franchise

- *Achieved Deposit Growth of \$160 million in 2014, Exclusive of Acquisition*
  - *East Hampton: \$225 million, 7% Commercial/Retail Growth*
  - *Bridgeton: \$300 million, 6% Commercial/Retail Growth*
- *Originated Nearly \$500 million in Loans*
- *Maintained Strong Asset Quality With Industry Leading Metrics*
- *Opened 3 Branches: Bay Shore, Port Jefferson & Smithtown*



# Strategies & Accomplishments

- 🚢 **Enhance Operations & Infrastructure**
  - *Completed In-House Migration*
  - *Improved Data & Cyber Security*
  - *Established Process Improvement Initiatives*
  - *Developed & Attracted Talented Professionals*

*“Focused on Growth  
But Mindful of the Process”*

# Strategies & Accomplishments

## Integrate and Convert FNBNY Branches

- *Completed February 2014 System Conversion*
- *Integrated & Trained FNBNY Staff*
- *Achieved Cost Saves of \$10 million*
- *Changed Branch Profile to Commercial Focus*
  - *DDA 7% of Deposits at Closing and 32% at March 2015*
  - *Cost of Deposits 1.05% at Closing and 0.52% at March 2015*
- *Created a NYC Lending Platform*
  - *Generated \$50 million of Loans in NYC Office*

# Strategies & Accomplishments

## Identify & Execute Market Opportunities

- *Hamptons State Bank –Acquired May 2011*
  - *1 Branch Bank , \$69 million in Assets*
- *FNB NY –Acquired February 2014*
  - *3 Branches, 1 Loan Office in NYC, \$212 million in Assets*
  - *Provided Entrance into Nassau County/NYC*

*“All Systems Converted & Cost Saves Realized”*

# Strategies & Accomplishments

## Announced Community National Bank (CNB) Acquisition December 15, 2014

### CNB Profile

- *Conservatively Managed \$1.0 billion Commercial Bank*
- *11 Branches (7 Nassau, 2 Suffolk, 1 Queens, 1 Manhattan)*
- *Deposits of \$825 million with 27% DDA*
- *Diversified Loan Portfolio of \$781 million with 23% in C&I*
- *Lending Team With Commercial Relationships on LI & Manhattan*
- *Strong Asset Quality: NPA/Assets of 0.72% & Coverage ratio of 1.46%*
- *Net Interest Margin Above Peers at 3.46%*

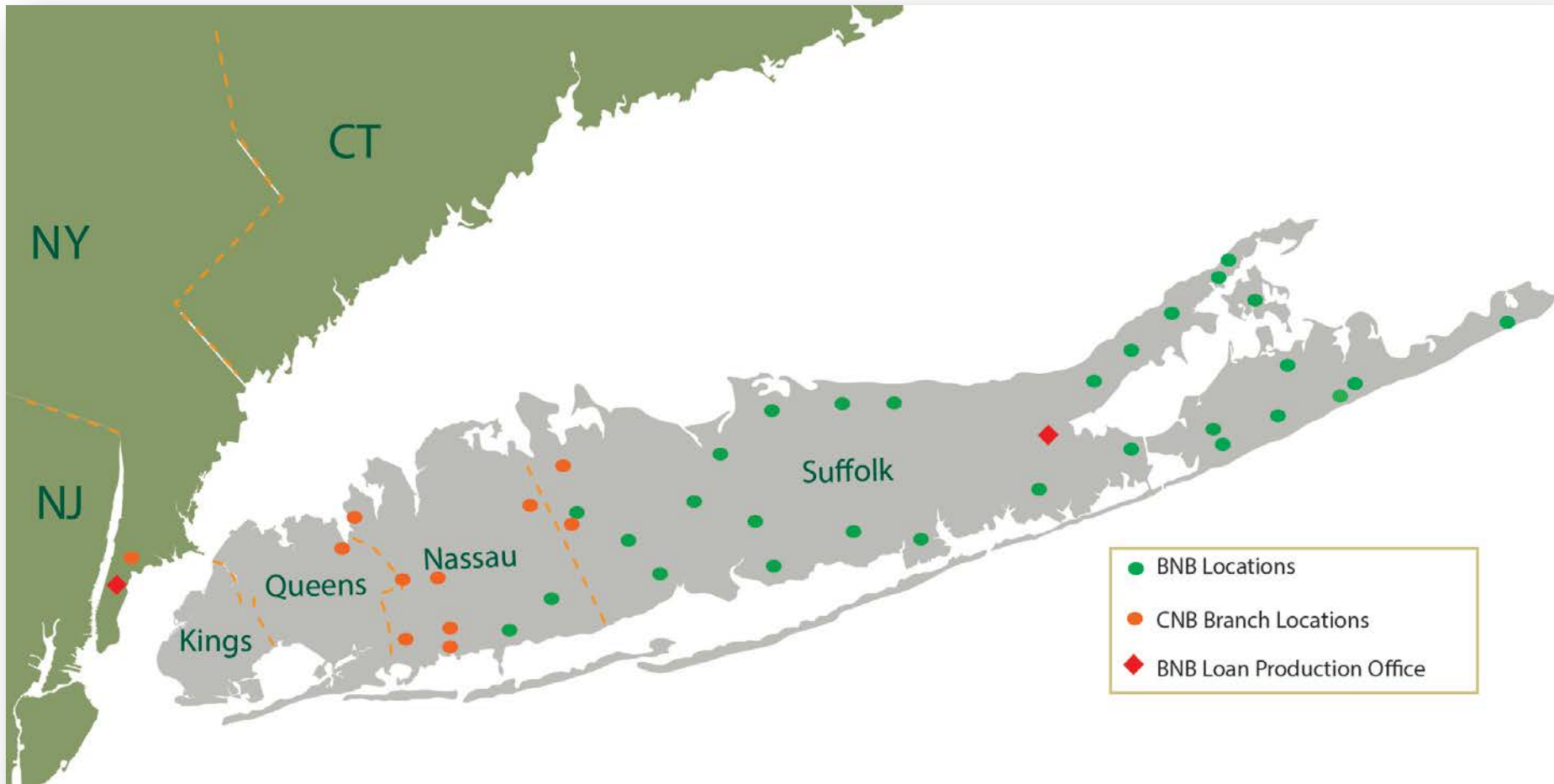
# Strategies & Accomplishments

## The Strategic Rationale for CNB Acquisition






- *Creates #1 REAL Community Bank Headquartered on LI with \$3.2 billion in Assets*
  - *Top 5 deposit market share <sup>(1)</sup> with combined 40 branch network*
  - *Diversified Loan Portfolio with Low Cost Deposit Base*
- *Continues Geographic Expansion into Highly Attractive Markets*
  - *Complements FBNBY Bancorp acquisition completed in February 2014*
- *Increased Size & Scale Enhances Operating Leverage & Profitability*
  - *Accretive to Earnings with 35% Cost Saves Expected*
- *Excess Liquidity & Higher Lending Limits provide Additional Growth Potential*
  - *Service Larger Customers & Expand Existing Relationships*

# Combined Pro Forma Franchise

- **Assets:** \$3.2 billion
- **Loans:** \$2.2 billion
- **Deposits:** \$2.7 billion
- **Market Cap:** \$450 million
- **Branches:** 40
- **FT Employees:** 420



# Strategies & Accomplishments – 2014 Results

-  **Core Net Income of \$18.3 million or \$1.57 Per Share**
  - *Core ROA of .85% and ROE of 10.31%*
-  **Loan Growth of \$325 million, or 32%**
  - *Across All Markets with C&I and CRE Driving Growth*
-  **Deposit Growth of \$295 million, or 19%**
  - *#1 Market Share In East Hampton, Bridgehampton & Sag Harbor*
-  **Asset Quality Remains Pristine or “Awesome”**
  - *NPA’s of \$1.2 million or .05% of Assets*
-  **Continue to Build Capital & Book Value**
  - *Tier 1 Capital 8.4% & Tangible Book Value \$14.15/Share*

# Strategies & Accomplishments – Q1 2015



## **Core Net Income of \$4.9 million or \$.42 Per Share**

- *Core ROA of .88% & ROE of 11.04%*



## **Record Net Interest Income \$18.7 million**

- *Net Interest Margin 3.63%*



## **Loan Growth of \$65 million**

- *20% Annualized Growth*



## **Deposits of \$1.84 billion**

- *10% Higher Than a Year Ago*
- *Core Deposit Growth of \$42 million or 11% annualized*



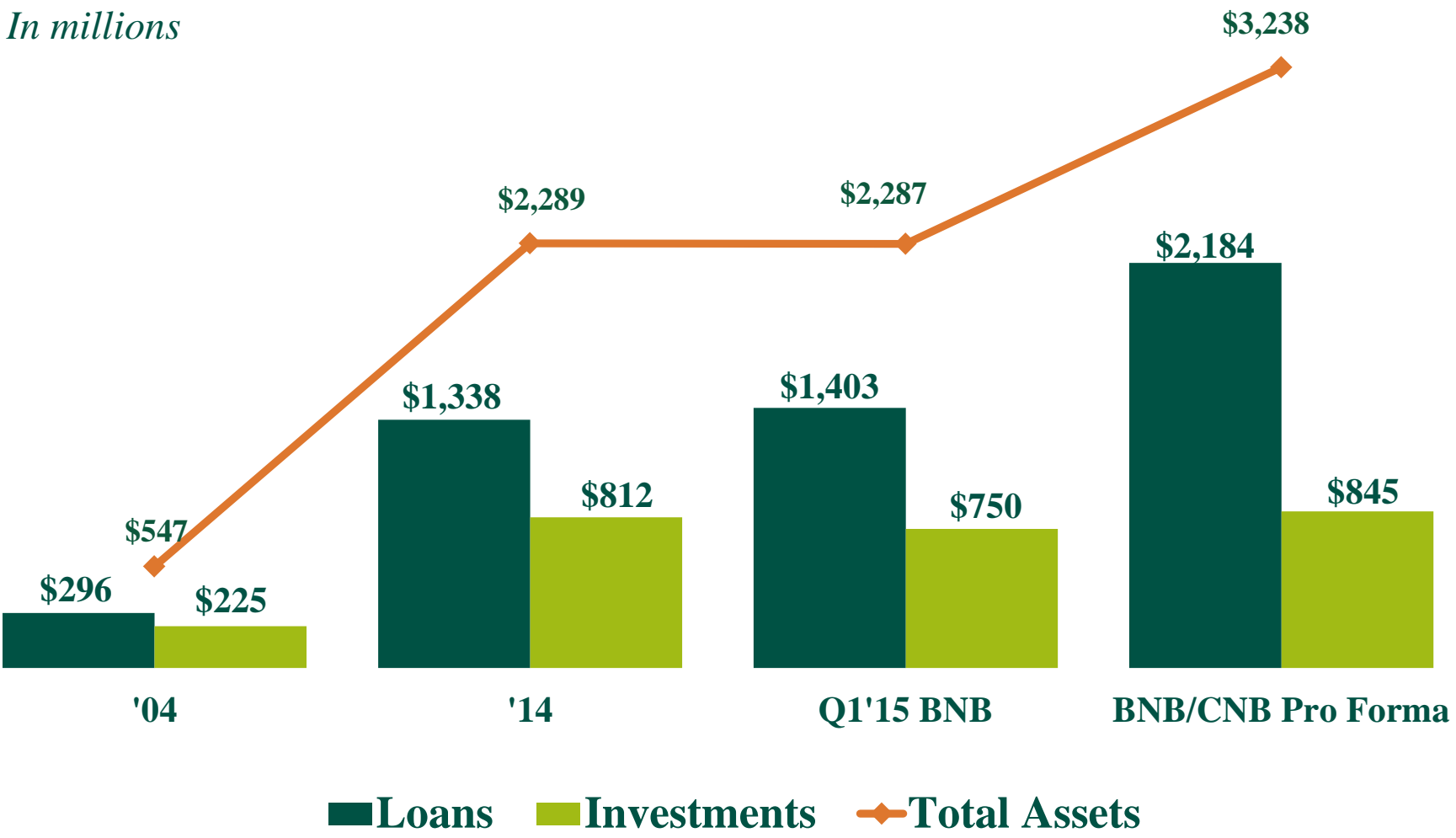
## **Tier 1 Capital Increased by \$2.7 million**

- *Tangible Book Value of \$14.52/Share*

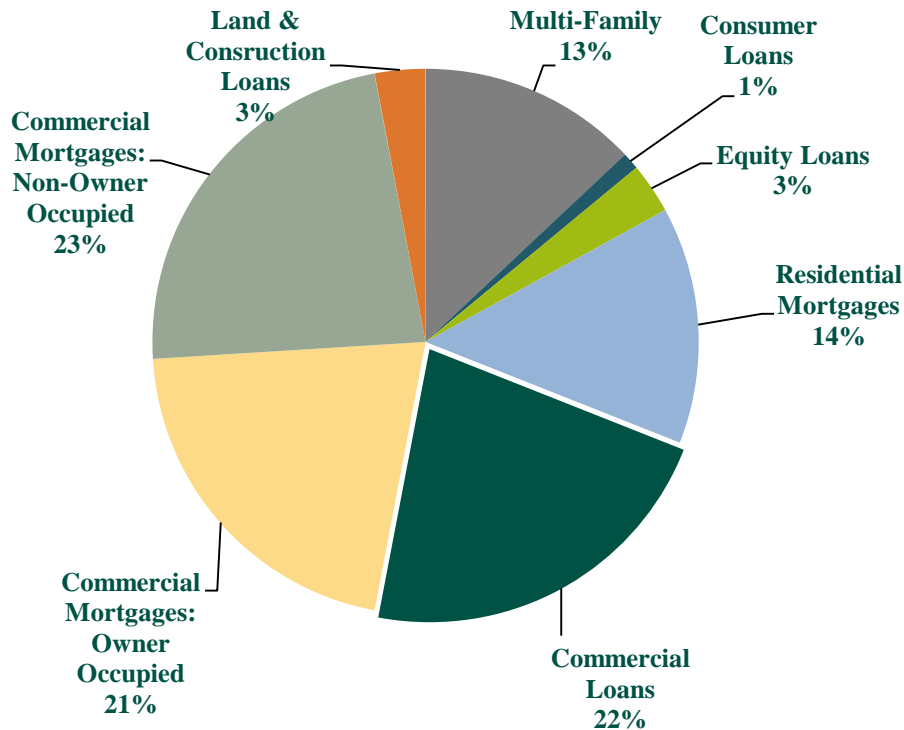


# Historical Perspective & Trends - Total Assets

*In millions*



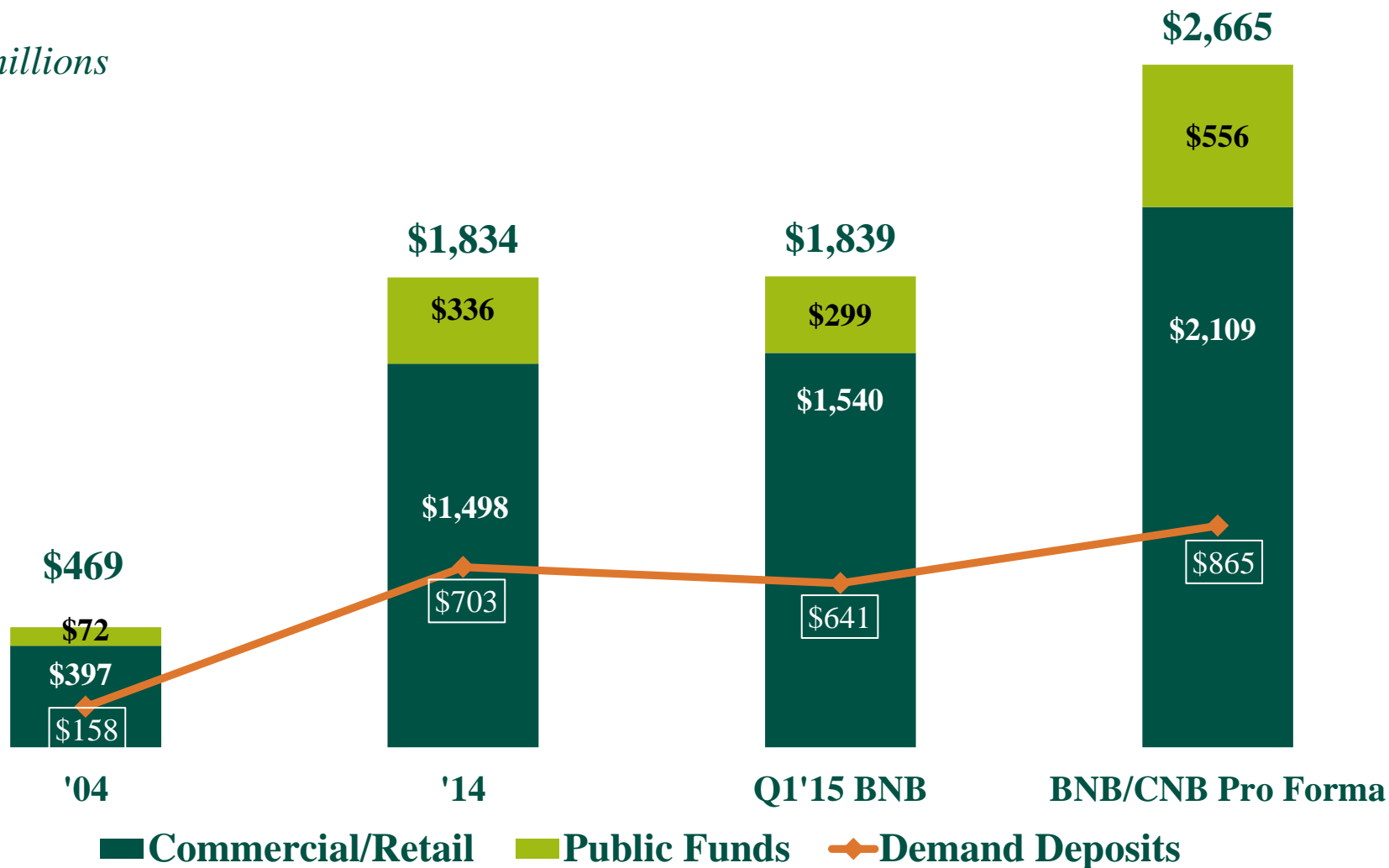
# Historical Perspective & Trends - Loans



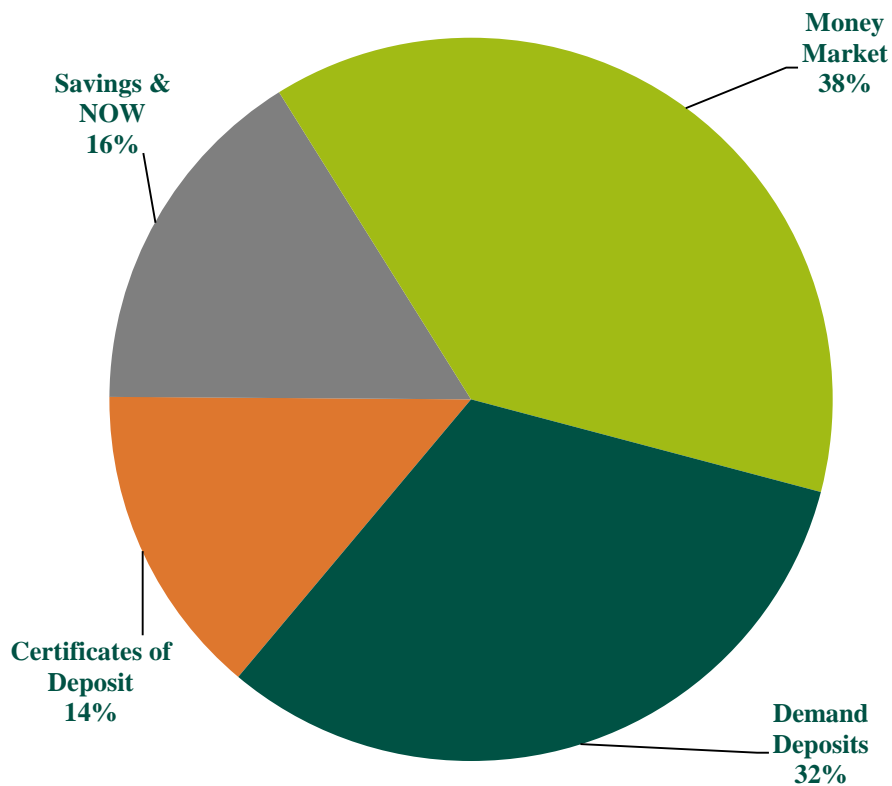
- 🏠 \$2.2 billion in Loans, Average Yield of 4.75%
- 🏠 5 Year Annualized Growth of 37%, 22% Over 10 Years
- 🏠 Addition of Experienced & Knowledgeable Lenders
- 🏠 Expansion of Reach & Relationships
- 🏠 Maintenance of Credit Discipline & Culture

# Historical Perspective & Trends - Deposits

*In millions*

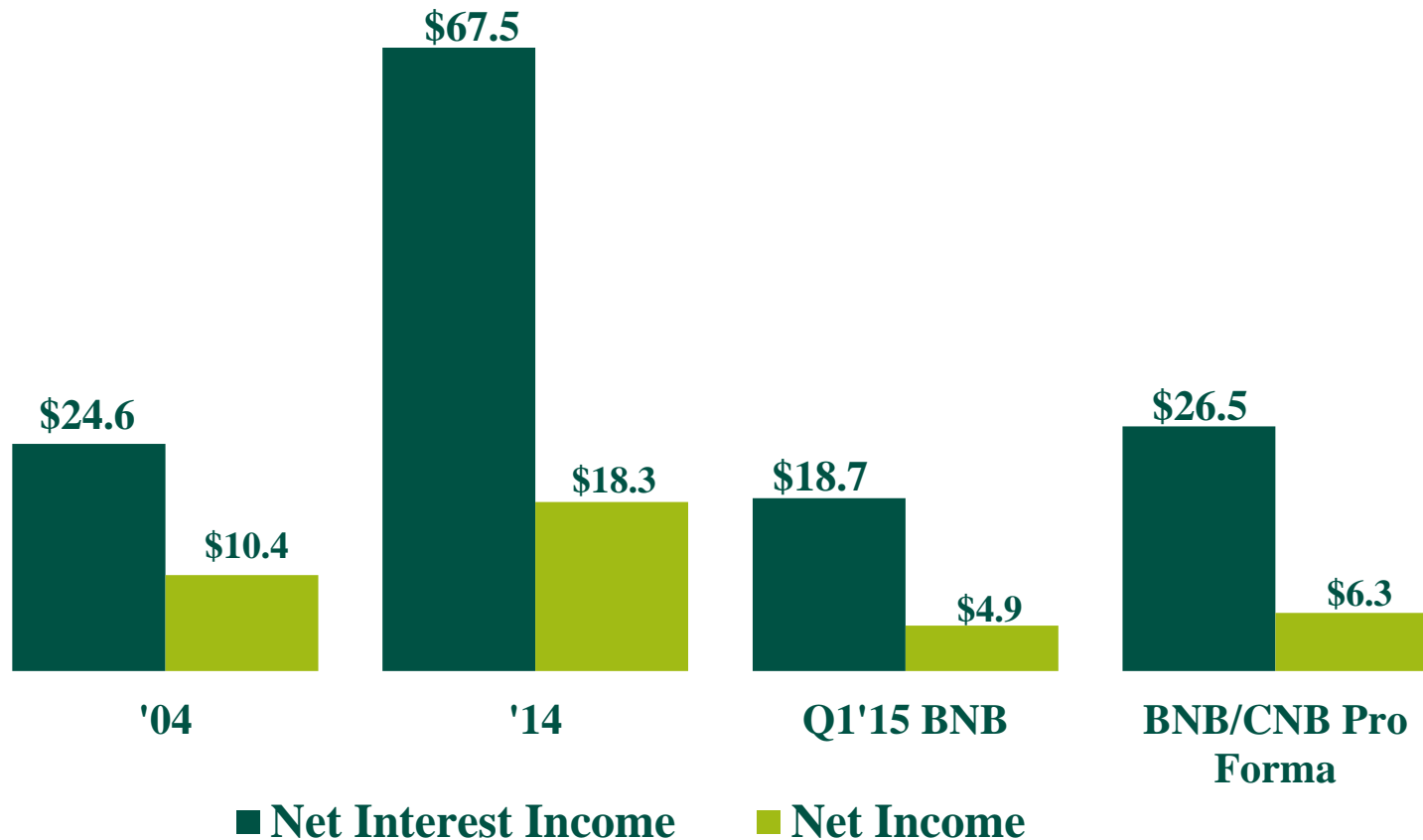


# Historical Perspective & Trends - Deposit Profile



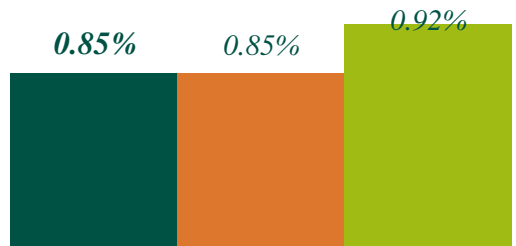
- 🏦 \$2.7 billion in Deposits, Average Cost of 33 Basis Points
- 🏦 \$223 million CD Portfolio from CNB
- 🏦 5 Year Annualized Growth of 27%, 19% Over 10 Years
- 🏦 Seasoned Branch Managers Well Known in Market
- 🏦 Branches Still Matter

# Historical Perspective & Trends - Income



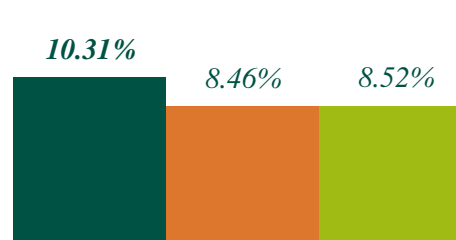
# 2014 Performance vs Peers

## Return on Average Assets\*



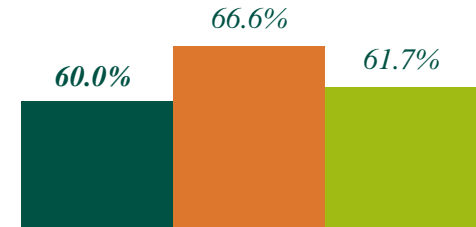
■ BDGE ■ Public Banks \$1-5B ■ Proxy Peer

## Return on Average Equity\*



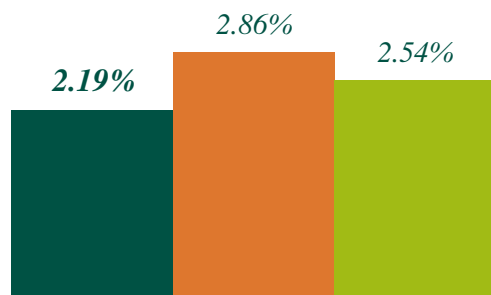
■ BDGE ■ Public Banks \$1-5B ■ Proxy Peer

## Efficiency Ratio\*



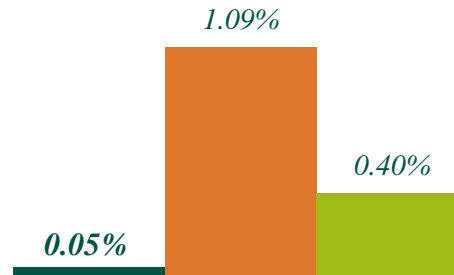
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## Expenses to Assets



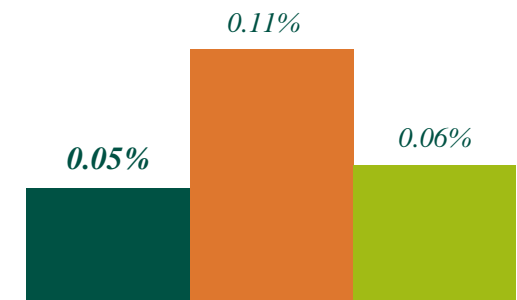
■ BDGE ■ Public Banks \$1-5B ■ Proxy Peer

## Non Performing Assets Ratio



■ BDGE ■ Public Banks \$1-5B ■ Proxy Peer

## Net Charge Offs



■ BDGE ■ Public Banks \$1-5B ■ Proxy Peer

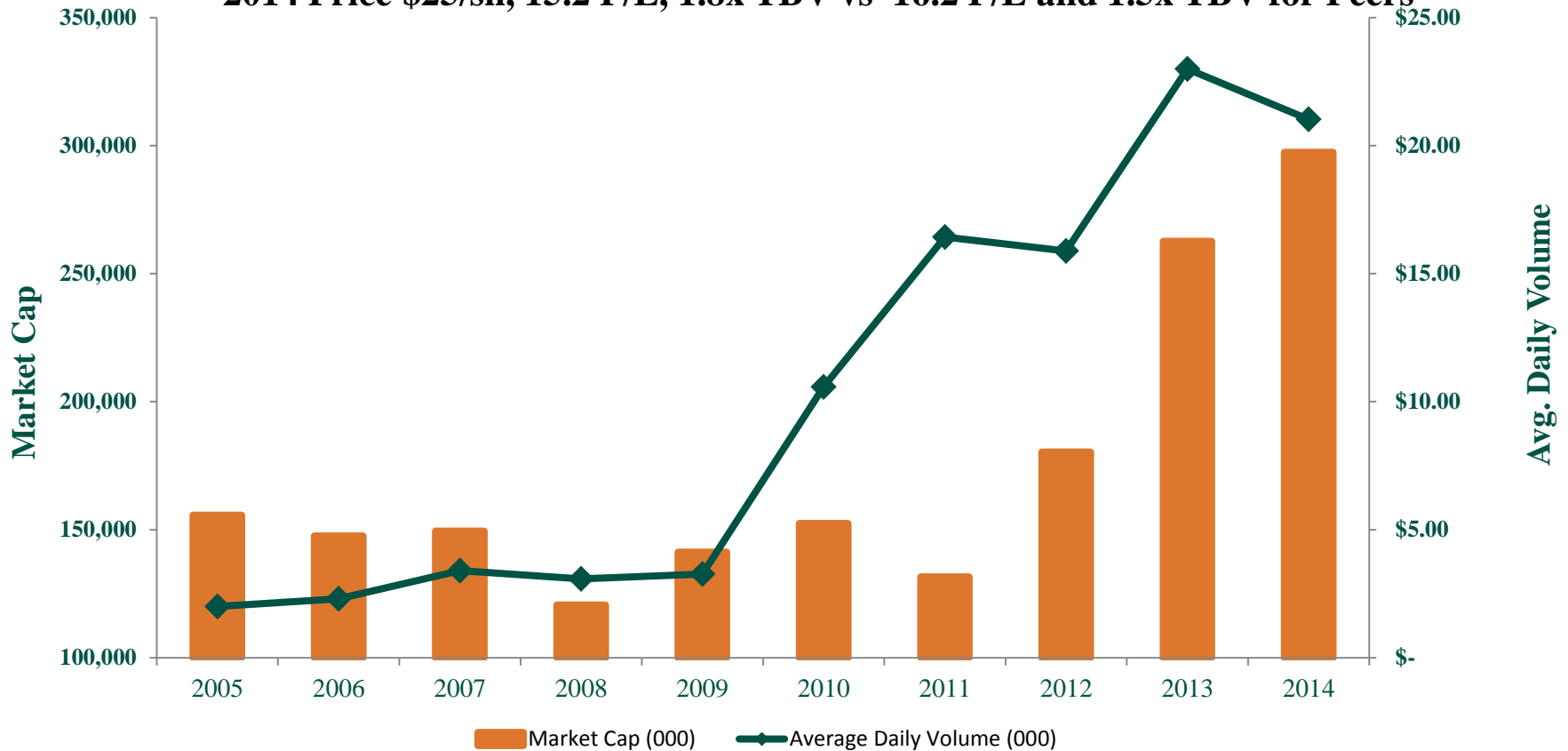
# Stewards of Capital

- 🚢 **April 2008: Listed BDGE on Nasdaq**
- 🚢 **April 2009: Instituted DRIP – 1.3M shares, \$26.4 million**
- 🚢 **Dec 2009: Trust Preferred Issuance – \$16 million**
- 🚢 **May 2011: HSB Acquisition – 274K shares, \$5.8 million**
- 🚢 **Dec 2011: Registered Offering – 1.4M shares, \$24.1 million**
- 🚢 **Oct 2013: Public Offering – 1.9M shares, \$37.5 million**
- 🚢 **Feb 2014 : FNBNY Acquisition – 241K shares, \$5.9 million**
- 🚢 **May 2015: CNB Acquisition – 5.6M shares, \$140 million**

# Stewards of Market Share

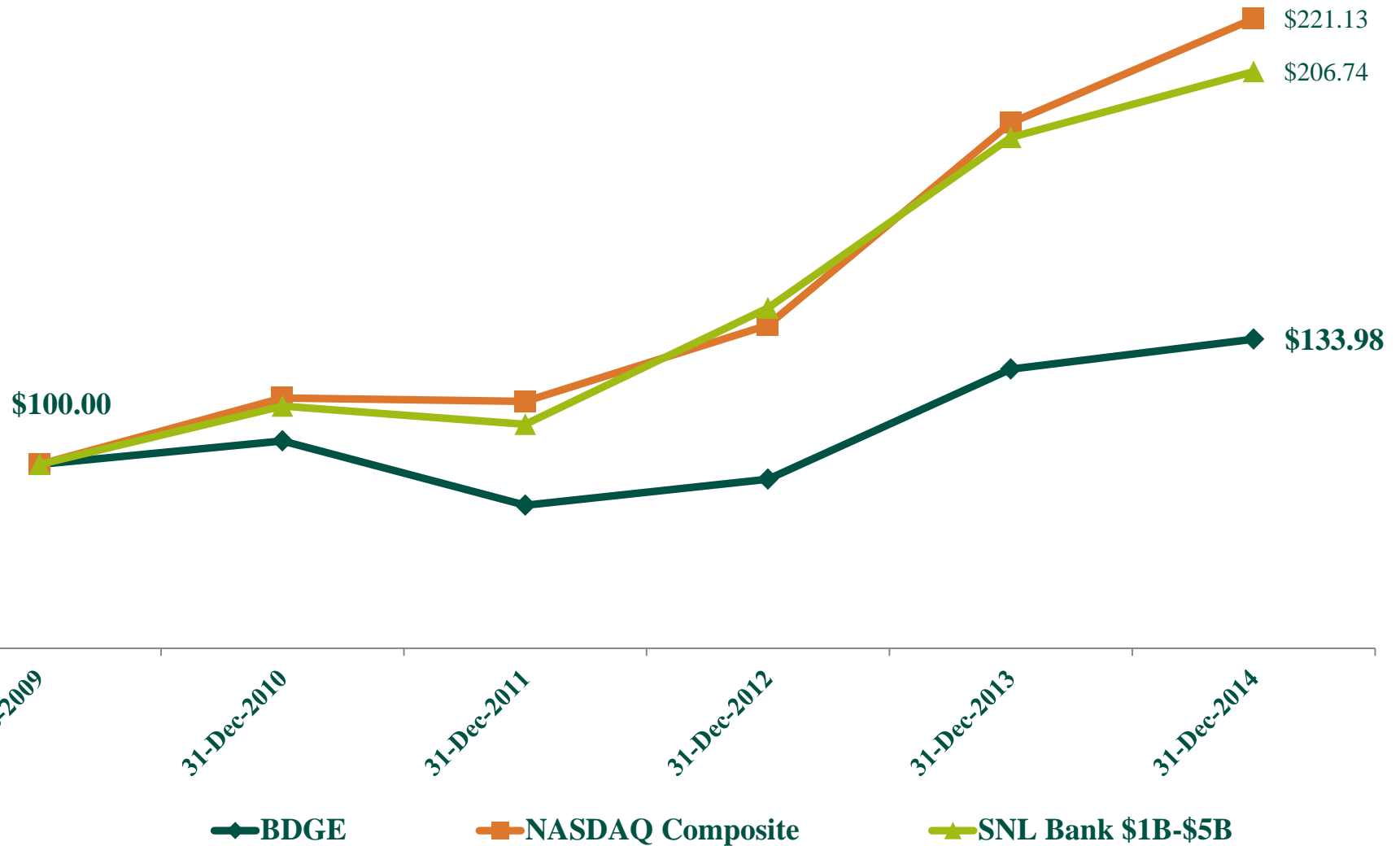
2005 Price \$24.70/sh, 16.1 P/E, 3.3x TBV vs 18.1 P/E and 3x TBV for Peers

2014 Price \$25/sh, 15.2 P/E, 1.8x TBV vs 16.2 P/E and 1.5x TBV for Peers

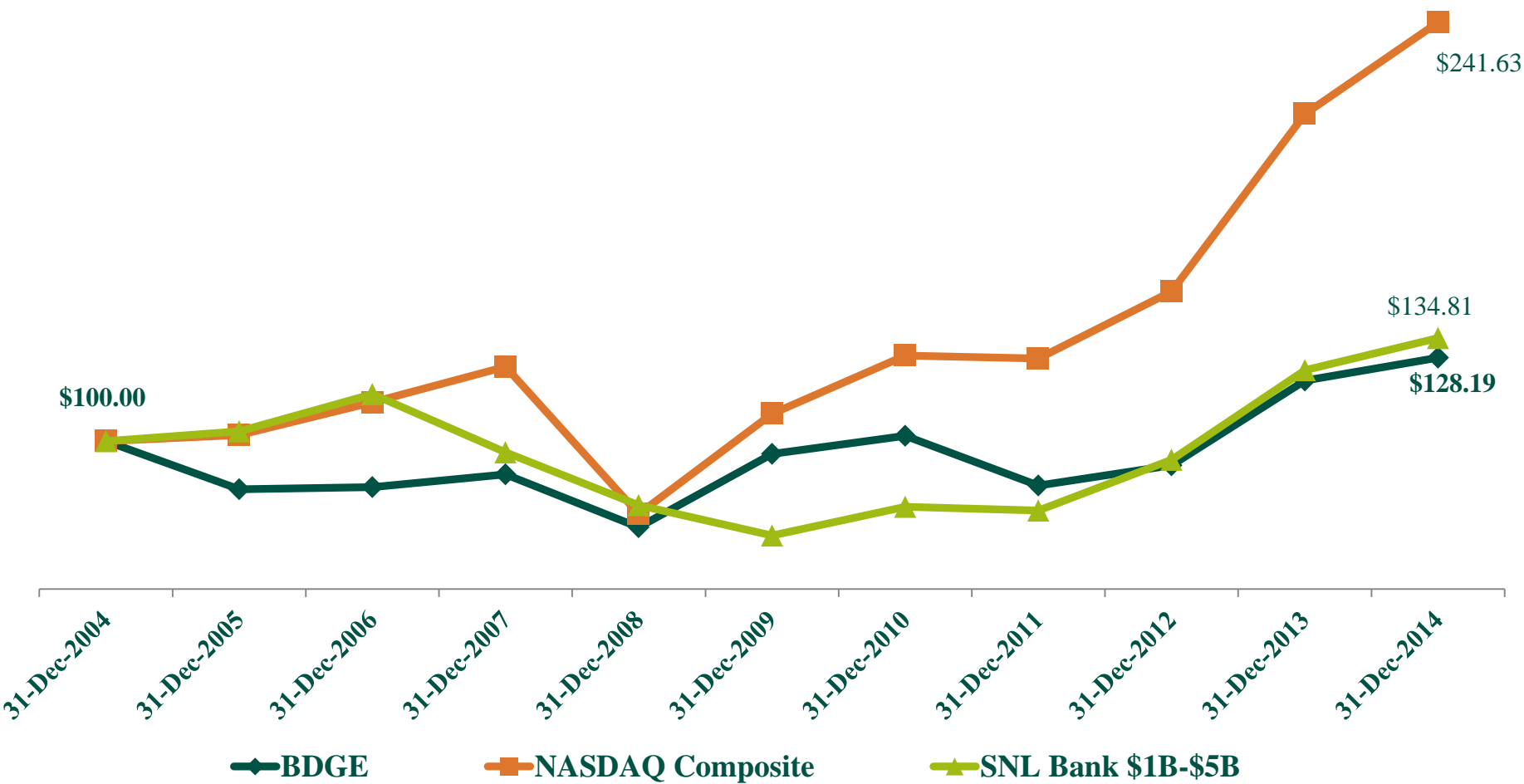




# Shareholder Return – A 5 Year Look



# Shareholder Return – A 10 Year Look



# Challenges & Risks

## **Broad Economic Factors**

- *Generational Low in Market Interest Rates*
- *Worldwide Economic Issues and Global Influences*
- *Asset Valuations, Liquidity and Potential Bubbles*
- *Cyber Security Threats and Targeted Attacks*

## **Industry Specific Concerns**

- *Ultra Competitive Marketplace*
- *Increased Rules, Requirements & Regulations*
- *Ever Changing Capital Requirements*

# Vision & Mission

-  **Introduce the BNB Community Banking Model to New Markets**
-  **Successfully Integrate CNB**
-  **Deliver Results While Building Value**
-  **Maintain and Strengthen Our Focus, Culture & Mission**

*“Continue As The Premier Long Island Community Bank”*



# GO WEST!

THROUGH ACQUISITIONS AND EXPANSION,  
BRIDGEHAMPTON NATIONAL BANK MOVES BEYOND THE EAST END

# Questions & Answers