



BRIDGE
BANCORP, INC.

*Keefe, Bruyette & Woods 2017 Community Bank Investor Conference
August 1-2, 2017*

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.

Such forward-looking statements, in addition to historical information, involve risk and uncertainties, and 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. For this presentation, 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; demands for loan products; demand for financial services; competition; 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; an unexpected increase in operating costs; expanded regulatory requirements as a result of the Dodd-Frank Act; and other risk factors discussed elsewhere, and in our reports filed with the Securities and Exchange Commission. The forward-looking statements are made as of the date of this report, 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.*

Profile - Current Franchise

- **Assets:** \$4.2 billion
- **Loans:** \$2.8 billion
- **Deposits:** \$3.1 billion
- **Market Cap:** \$631 million⁽¹⁾
- **Branches:** 43
- **Employees:** 500



Corporate 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 \$2.8 Billion in Loans*
- 🚢 **Built On A Strong Culture & Identity**
 - *Succeeding by Building Relationships & Partnerships*

Management Profile

Executive Team

- *Kevin M. O'Connor, President and CEO*
- *Howard H. Nolan, Chief Operating Officer and Corporate Secretary*
- *James J. Manseau, Chief Retail Banking Officer*
- *Kevin L. Santacroce, Chief Lending Officer*
- *John M. McCaffery, Chief Financial Officer and Treasurer*
- *John P. Vivona, Chief Risk Officer*

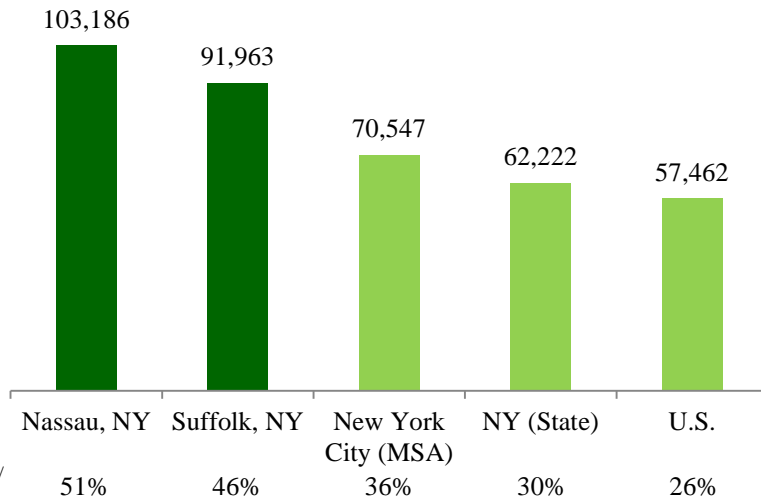
Each with Over 25 Years of Financial Services Experience

Continue to hire Experienced Professionals

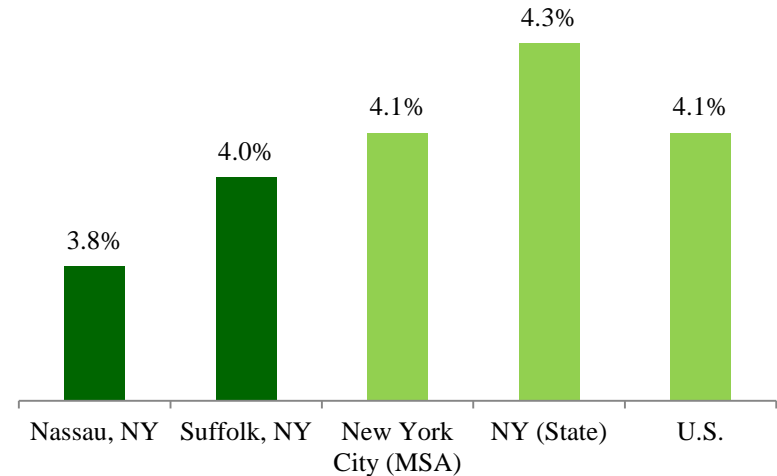
- *Revenue Producers, Compliance & Operational Positions*

Favorable BNB Market Demographics

Median Household Income



Unemployment Rate ¹



- 🚢 **Population of 7.9 Million in Brooklyn, Queens, Nassau and Suffolk “Long Island” Would Be The 13th Largest State in The Country**
- 🚢 **90% of All Businesses on “Long Island” Are Small Businesses**
- 🚢 **\$260 Billion Deposits on LI, \$1 Trillion Deposits in Manhattan**
- 🚢 **??? Amount of Loans in Our Footprint**

Q2 2017



Net Income of \$8.8 million or \$.45 Per Share

ROA of .85% & ROE of 8.07%



Net Interest Income \$30.8 million

Net Interest Margin 3.28%



Loans of \$2.8 billion

\$139 million or 21% Annualized Growth



Deposits of \$3.1 billion

\$77 million or 10% Annualized Growth

38% Demand Deposits



Continued to Create Value to Shareholders (Tangible Book Value)

+ \$.31 to \$16.45

First Half 2017 – Hits

Opened Branches

East Moriches, Riverhead and New Drive-Up in Sag Harbor

Grew Loans

15% Annualized Growth

Strong C&I

Deposit Growth

9% Annualized Growth in Total Deposits

11% Annualized Growth in Non-Public Deposits

Growth in Complementary Products

Equipment Finance Loans More than Doubled from December 2016

Gain on Sale of SBA Loans More than Doubled from 1st Half 2016

First Half 2017 – Misses

Margin

Flatter Yield Curve

Less Purchase Accounting

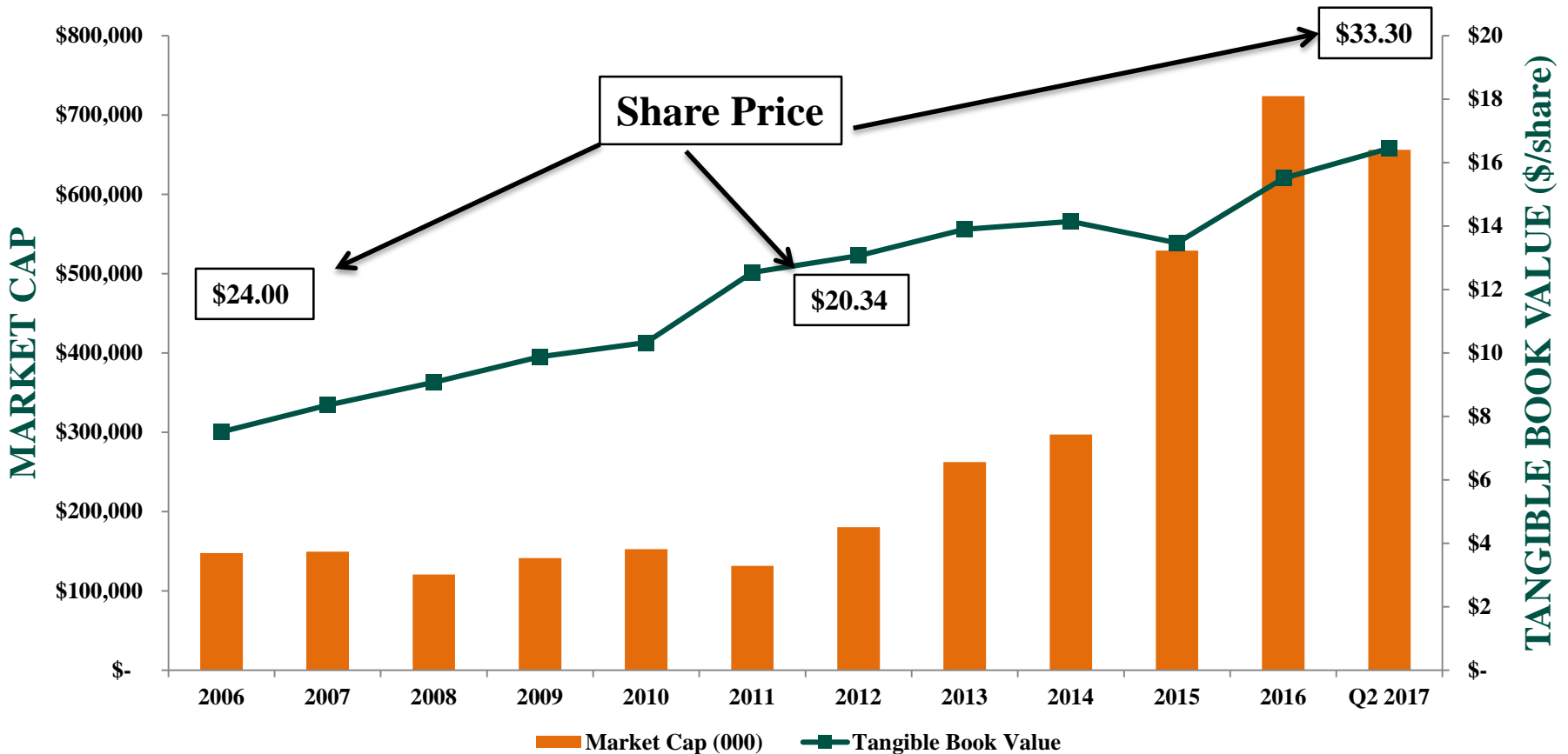
Expenses

Taking Advantage of Market Opportunities

Continued to Invest in Business Development Personnel

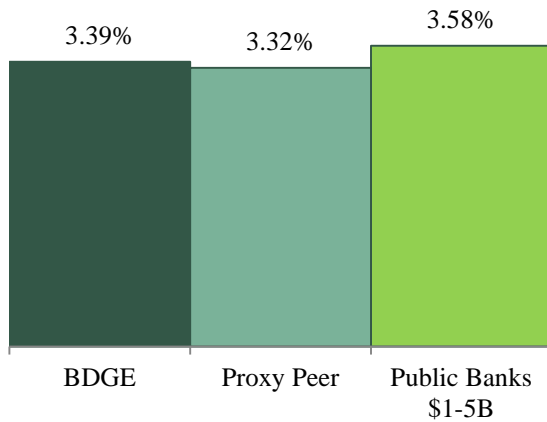
Pulled Forward Marketing Expenses

BDGE Market Cap & Liquidity

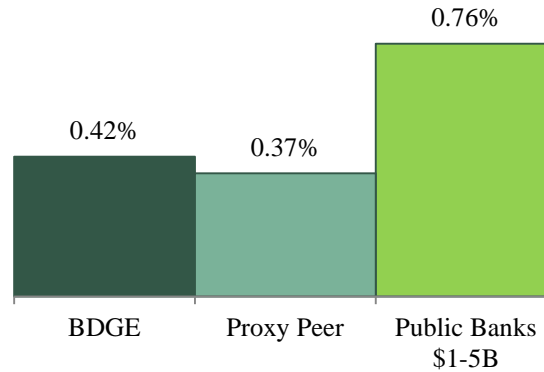


Q1 2017 Performance vs Peers

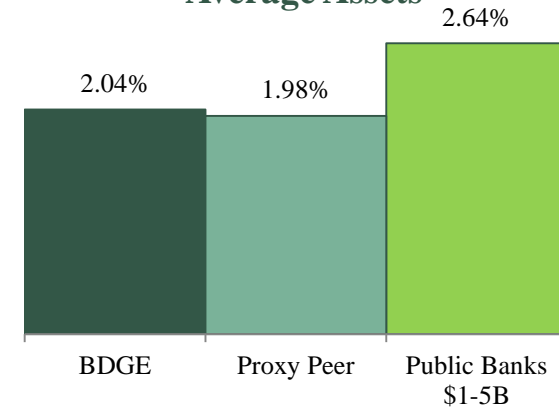
Net Interest Margin



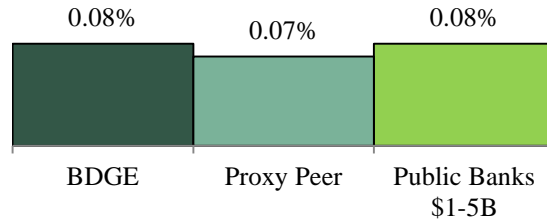
Non-Interest Income to Average Assets



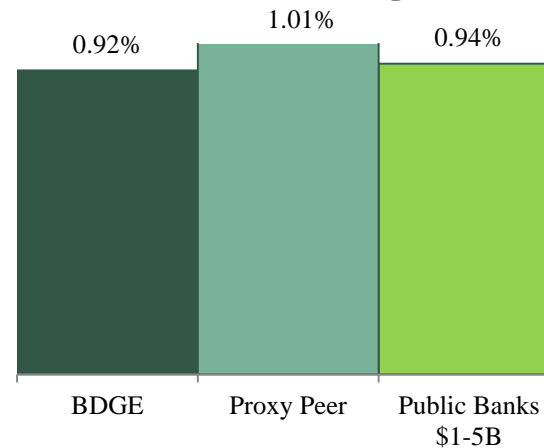
Non-Interest Expenses to Average Assets



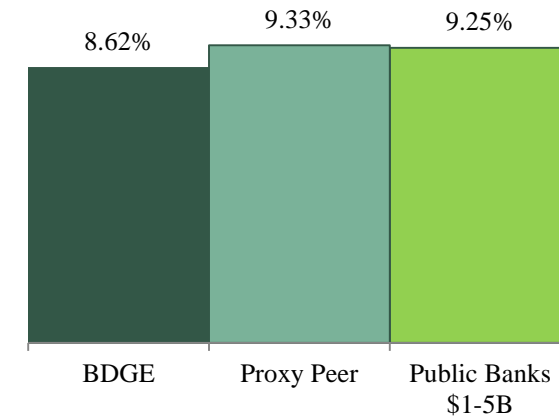
Provision for Loan Losses to Average Assets



Return on Average Assets

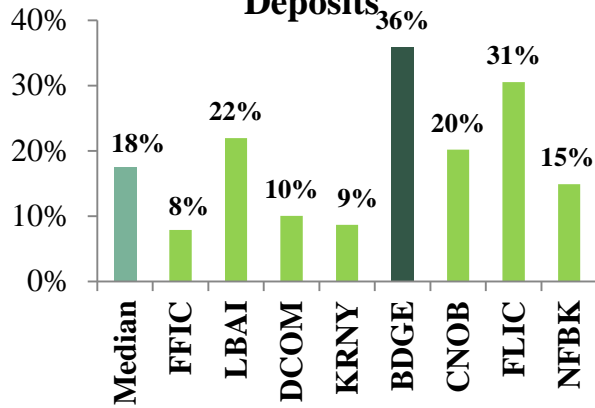


Return on Average Equity

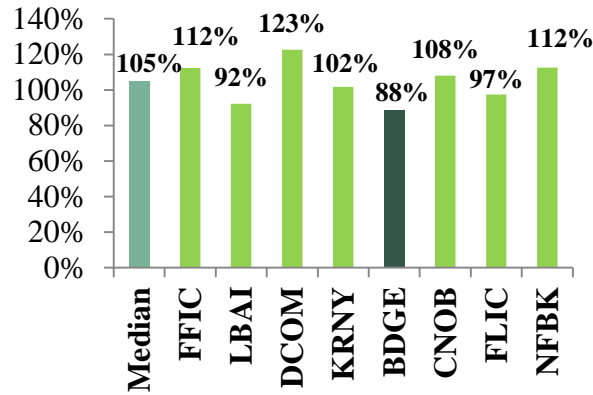


NYC MSA Deposit Analysis

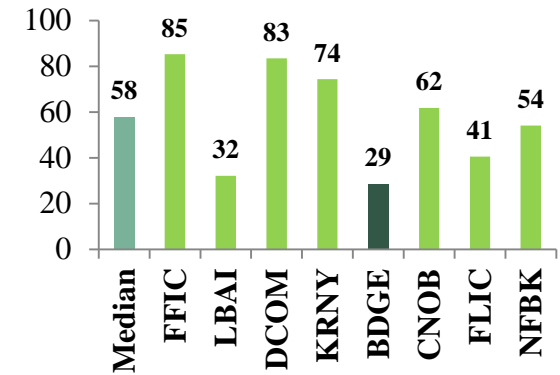
Noninterest Demand/ Deposits



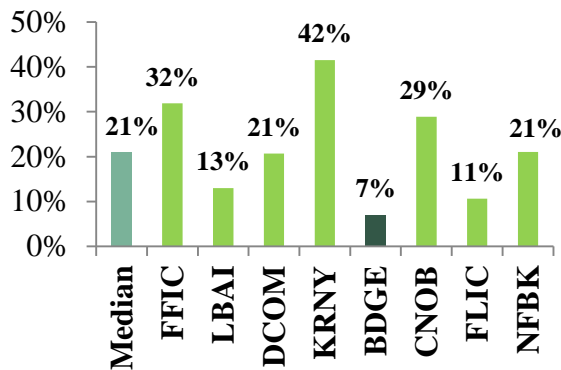
Loans/ Deposits



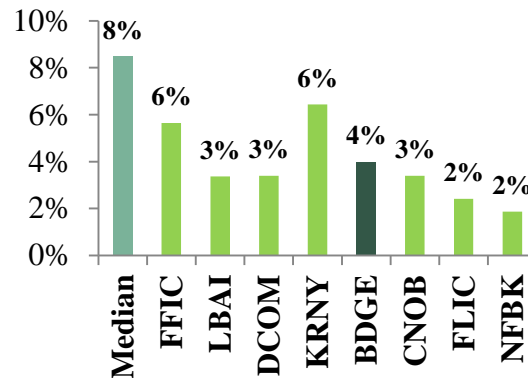
Cost of Deposits (bps)



CDs/ Deposits



Jumbo CDs/ Deposits (%)








Avg Branch Size (\$mm, 6/30/16)



Source: SNL Financial. Data as of Q1 2017 unless otherwise specified

KEY

Strategic Objectives

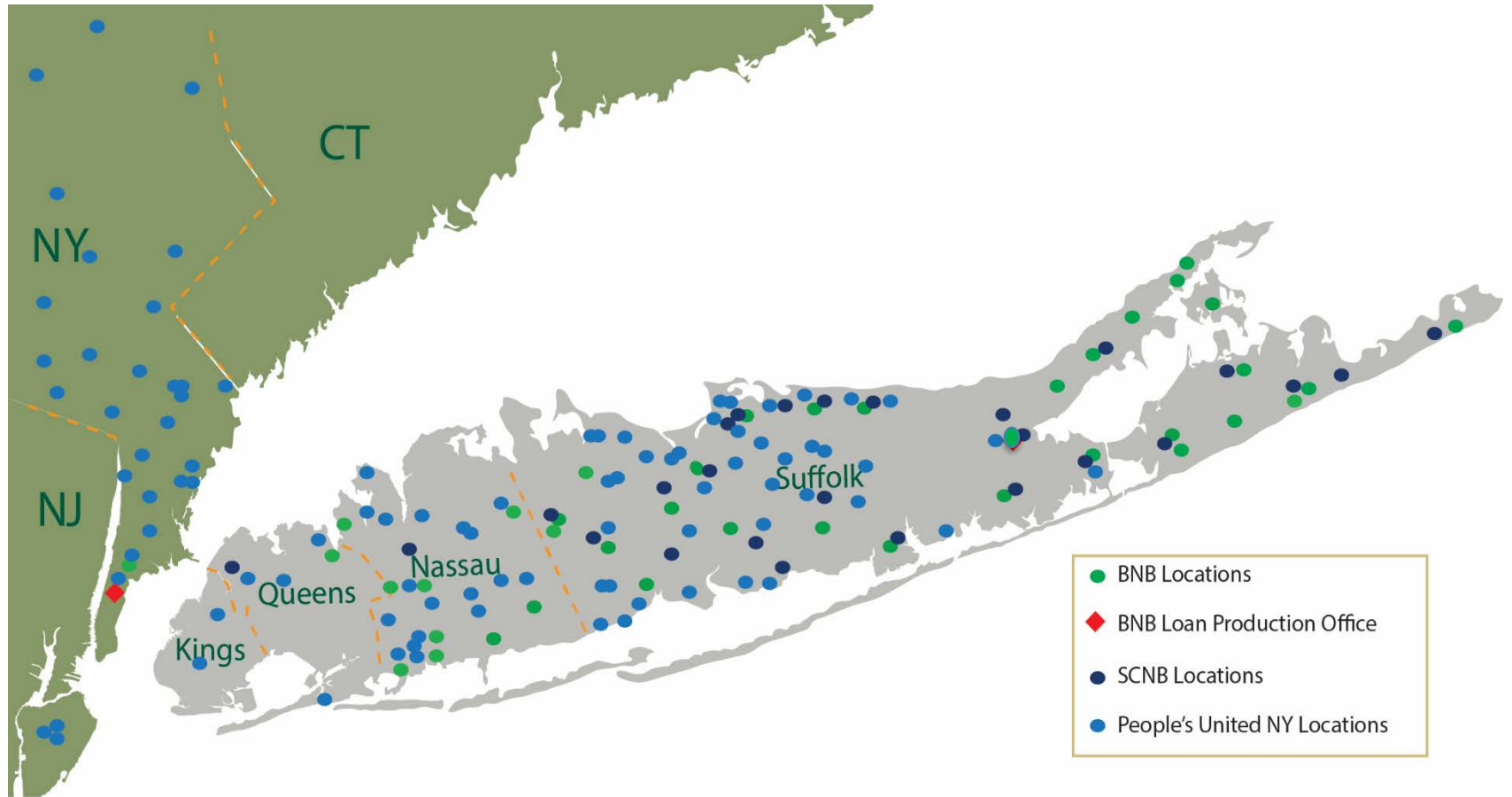
-  **Be the Preeminent Community Bank in Our Marketplace**
-  **Grow the Expanded Franchise**
-  **Attract, Retain and Develop Talented Bankers**
-  **Maximize the Efficiencies of Our Systems and Processes**
-  **Identify & Execute Market Opportunities**

“Execute Our Mission & Deliver Results”

Challenges

-  **Burdensome & Inconsistent Regulatory Environment**
Straining In-House Resources
-  **Interest Rates Remain at Low Levels**
No Certainty in the Shape of The Yield Curve
-  **Non-Bank Entities – FinTech & Credit Unions**
Not Held to Same Standards
-  **Out of Market Players Entering Our Markets**
Increasing Choices for Customers
-  **Ongoing & Deliberate Cyber Threats**
Adding Multiple Layers of Security

Opportunities



Opportunities/Initiatives – 2H 2017

 **Judiciously Expand Branch Footprint**

Astoria

 **Adopt New Regulatory Partner**

Change From National to State Charter – expected 4Q 2017

 **Develop In-house Talent**

Job Shadowing, Career Expos, Talent Manager

 **Attract Well Known & Respected Bankers**

 **Streamline Operations**

Investment in Technology

 **Capitalize on Market Disruption**

16 In-Market Competitor Locations Closing - ~\$1.2B in Deposits

Remain Committed to Customer/Banker Partnership

Exposure to Interest Rate Risk

Interest Rate Risk

6/30/17

6/30/16

Earnings at Risk (Max.)

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

Year 1 NII (% Change from Year 1 – Base)

-5.2%

-4.2%

Up 200 BP

Year 2 NII (% Change from Year 1 – Base)





-1.8%

-3.2%

Up 200 BP

IRR Strategies

(\$ in 000's)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Q2 2017</u>
 Macro Swaps	\$75,000	\$125,000	\$175,000	\$290,000
 Loan Swaps	\$11,175	\$ 56,328	\$ 62,472	\$81,511
 O/N Borrowings as percent of assets (avg.)	6.09%	5.52%	6.85%	3.35%
 Portfolio E-DUR	3.99 years	4.45 years	3.73 years	3.24 years

Summary

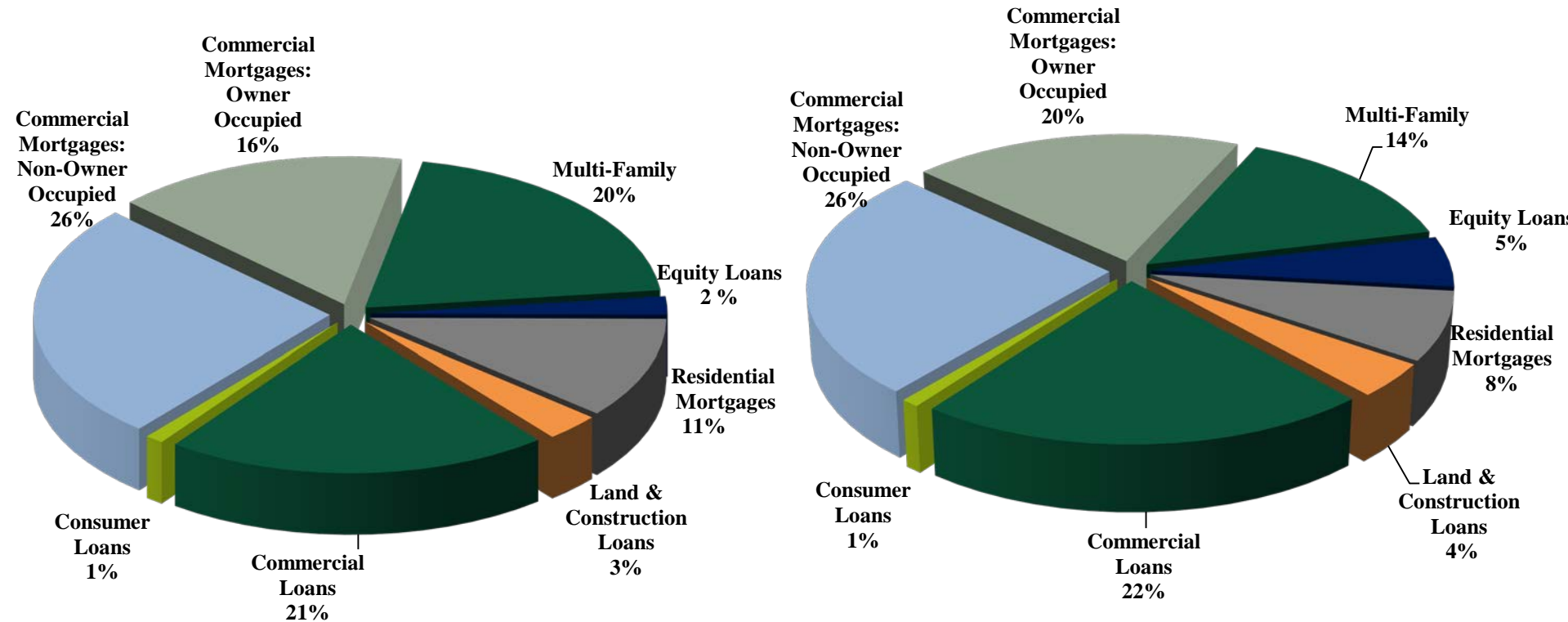
- 🚢 **Strong & Consistent Financial Performance**
- 🚢 **Outstanding Asset Quality and Balance Sheet Flexibility**
- 🚢 **Superior Franchise Growth with Compelling Opportunities**
- 🚢 **Well-Positioned in Economically Attractive Markets**
- 🚢 **Experienced Management Team and Board of Directors**
- 🚢 **Clear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

Appendix

Diversified Loan Composition

As of June 30, 2017

As of June 30, 2014



\$2.8 Billion in Total Loans as of June 30, 2017 with a YTD Average Yield of 4.56%

Taxi Medallions

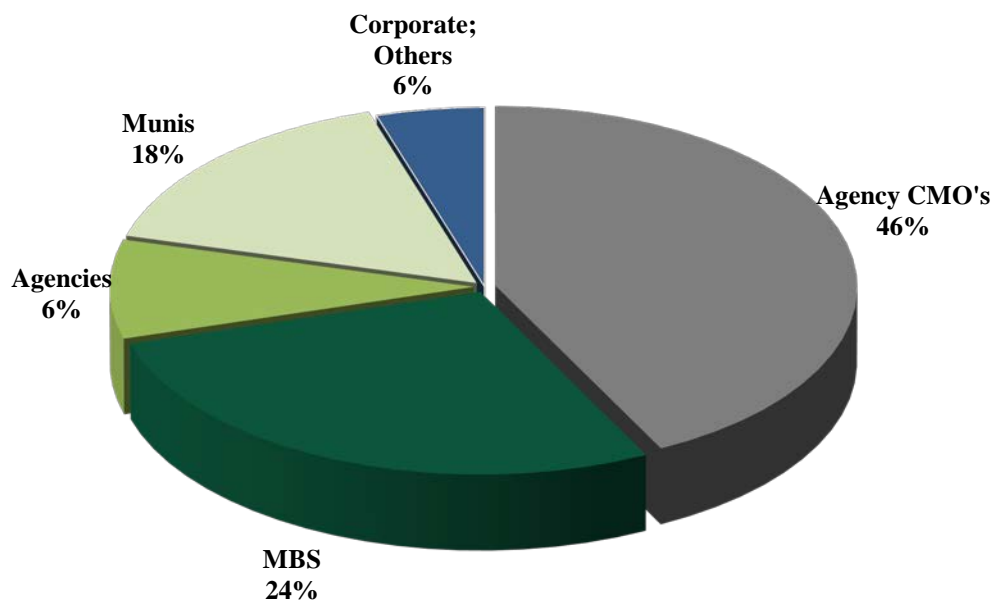
- 🚧 **Total exposure of \$26.0 million is exclusively first lien direct obligations of medallion owners, with 99% fleet medallion owners representing 0.93% of total loans and 6.09% of the bank's total capital**
- 🚧 **No new originations planned and we anticipate our exposure and concentration levels to decline even further through amortization, pay-downs and total loan portfolio growth**
- 🚧 **Only NYC-Manhattan medallions; All loans carry personal guarantees and are current as of June 30, 2017**
- 🚧 **There are four loans, representing 17% of the portfolio, coming due in 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>					
06/30/2016	1.20%	0.31%	0.08%	0.02%	1108%
09/30/2016	1.19%	0.27%	0.08%	0.03%	1185%
12/31/2016	1.23%	0.17%	0.05%	0.02%	2087%
03/31/2017	1.22%	0.26%	0.05%	0.01%	2118%
06/30/2017	1.17%	0.36%	0.10%	0.01%	1029%
3/31/2017 Peer Group	0.85%	0.80%	0.74%	0.07%	113%

Conservative Securities Portfolio

June 30, 2017



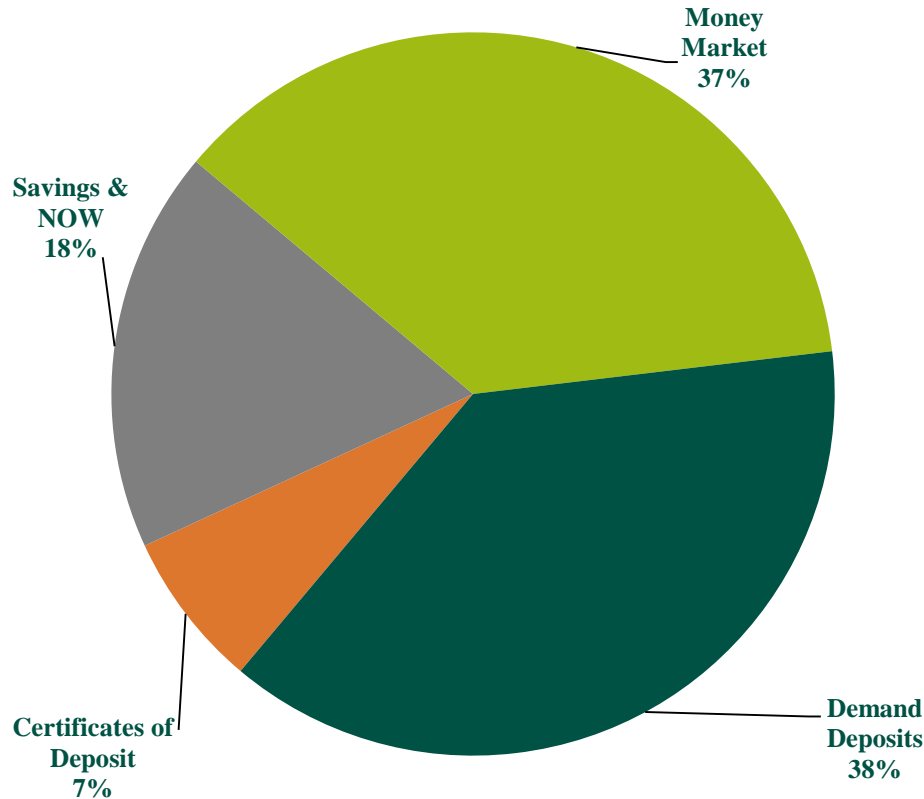
 **\$1,040 Million in Securities**

 **Exceptional Credit Quality with 79% Guaranteed by the U.S. Government**

 **Effective Portfolio Duration is 3.24 Years**

Deposit Profile

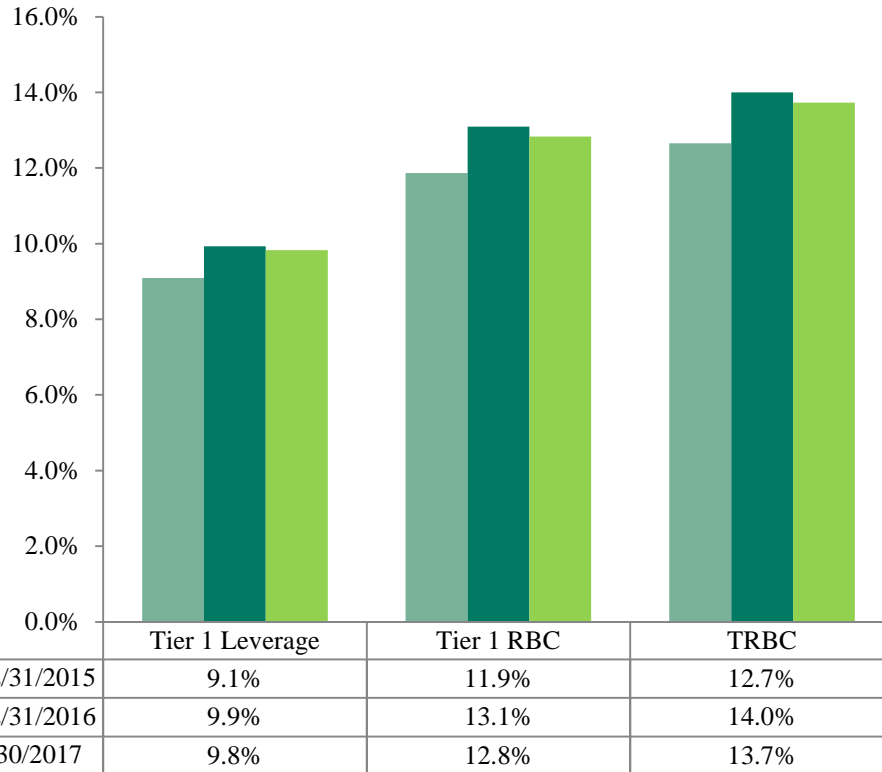
As of June 30, 2017



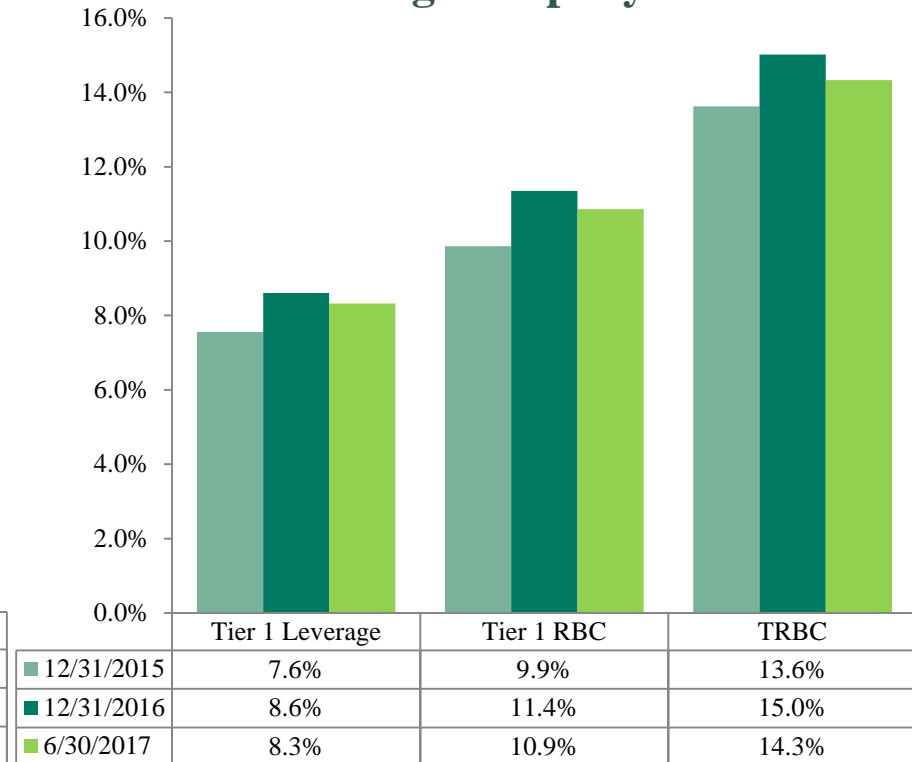
- 🏦 **\$3.1 billion in Deposits, Average Cost of 32 bps**
- 🏦 **10 Year Annualized Growth of 19%**
- 🏦 **Branches Still Matter**
- 🏦 **Branch Managers Well Known in The Community**
- 🏦 **Lowest Cost of Funds of Peers**

Capital Overview

Bank Level



Holding Company Level



- ***Tier1 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***

Proxy Peer Group

<u>Company Name</u>	<u>Ticker</u>	<u>Location</u>	<u>Total Assets 3/31/2017</u>
TowneBank	TOWN	Portsmouth, VA	8,174,786
Eagle Bancorp Inc	EGBN	Bethesda, MD	7,090,163
WSFS Financial Corp.	WSFS	Wilmington, DE	6,852,899
Brookline Bancorp Inc.	BRKL	Boston, MA	6,497,721
Flushing Financial Corp.	FFIC	Uniondale, NY	6,231,885
Dime Community Bancshares Inc.	DCOM	Brooklyn, NY	6,095,370
Lakeland Bancorp	LBAI	Oak Ridge, NJ	5,247,815
Sandy Spring Bancorp Inc.	SASR	Olney, MD	5,201,164
OceanFirst Financial Corp.	OCFC	Toms River, NJ	5,196,340
Meridian Bancorp Inc.	EBSB	Peabody, MA	4,638,712
Century Bancorp Inc.	CNBKA	Medford, MA	4,577,385
ConnectOne Bancorp, Inc.	CNOB	Englewood Cliffs, NJ	4,460,816
Washington Trust Bancorp Inc.	WASH	Westerly, RI	4,388,763
Univest Corp. of Pennsylvania	UVSP	Souderton, PA	4,273,931
Oritani Financial Corp.	ORIT	Township of Washington, NJ	4,126,182
Peapack-Gladstone Financial	PGC	Bedminster, NJ	3,947,562
First of Long Island Corp.	FLIC	Glen Head, NY	3,607,030
Bryn Mawr Bank Corp.	BMTC	Bryn Mawr, PA	3,292,617
Enterprise Bancorp Inc.	EBTC	Lowell, MA	2,572,359
Hingham Instit. for Savings	HIFS	Hingham, MA	2,039,496