STERLING BANCORP

STERLING NATIONAL BANK

2017 Company-Run Dodd-Frank Act Stress Test Public Disclosure Information

Supervisory Severely Adverse Scenario Results

October 2017

Overview

Sterling Bancorp ("STL" or the "Company") is the holding company for Sterling National Bank (the "Bank"). As of June 30, 2017, STL had $15.4 billion in assets and through the Bank specializes in the delivery of service and solutions to business owners, their families and consumers within the communities it serves through teams of dedicated and experienced relationship managers. The Bank offers a complete line of commercial, business and consumer banking products and services. For more information visit the Company's website at www.sterlingbancorp.com.

Pursuant to Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and regulations issued by the Board of Governors of the Federal Reserve System (the "FRB") and the Office of the Comptroller of the Currency ("OCC"), STL and the Bank, along with all banks with total consolidated assets of $10 billion or more (the "Covered Banks"), are required to conduct a company-run stress test at least once annually. The purpose of these Dodd-Frank Act Stress Tests ("DFAST") is to assess the potential effect of various hypothetical economic scenarios covering a nine (9) quarter planning horizon. STL and the Bank (collectively "Sterling"), and all of the Covered Banks are then required to disclose summary results of their DFAST findings.

The FRB and OCC annually publish various assumptions for Baseline, Adverse, and Severely Adverse economic scenarios. On February 10, 2017, the FRB published the final version of these scenarios under the publication "2017 Supervisory Scenarios for Annual Stress Test Required under the Dodd-Frank Act Stress Testing Rules and the Capital Plan Rule." In line with the requirements mentioned above, the disclosure found within this document highlights Sterling's DFAST findings under the Severely Adverse scenario. For a detailed description of this scenario, please refer to the FRB's and OCC's website at http://www.federalreserve.gov and https://www.occ.treas.gov. It should be noted that this scenario does not represent economic predictions made by the FRB, OCC, or Sterling; it is intended to be a hypothetical scenario designed to assess the strength of banking organizations in severely adverse macroeconomic conditions.

Merger with Astoria Financial Corporation

On March 7, 2017, Sterling entered into a definitive merger agreement with Astoria Financial Corporation ("Astoria") in a stock-for-stock transaction valued at approximately $2.2 billion, based on the closing price of Sterling Bancorp common stock on March 6, 2017.

On October 2, the Company completed the acquisition of Astoria, in which Astoria Financial Corporation merged into Sterling Bancorp and Astoria Bank merged into Sterling National Bank. Because the acquisition was announced after December 31, 2016, and the regulatory approval was obtained after the July 31, 2017 submission deadline, neither Astoria's financial performance nor any of Astoria's financial or operational data was incorporated into this public disclosure document.

Material Risks

Throughout the capital adequacy process and stress testing, Sterling has identified and considered various risks and vulnerabilities. Risks considered by Sterling include, but are not limited to the following:

- **Credit Risk**
  Credit risk is the risk to current or anticipated earnings or capital arising from an obligor's failure to meet the terms of any contract with the Bank or otherwise perform as agreed. Credit Risk is primarily centered in the Bank's existing loan portfolios.

- **Liquidity Risk**
  Liquidity Risk is the risk to current or anticipated earnings or capital arising from a bank's inability to meet its obligations when they come due without incurring unacceptable losses. This includes the inability to manage unplanned decreases or changes in funding sources.

- **Interest Rate Risk and Price Risk**
  Interest Rate Risk ("IRR") is the risk to current or anticipated earnings or capital arising from movements in interest rates. Sterling views Price Risk and IRR as the same and addresses these risk factors together.

- **Operational Risk**
  Operational Risk is the potential loss resulting from human error, system failures or inadequacies, and external events that may disrupt the Company. The Bank seeks to control Operational Risk within an acceptable range which is determined by the types of businesses in which Sterling engages and the volume of activity within these lines of business. Control of operational losses depends on identifying the types of transaction and operational risks faced by the Bank at the enterprise and business level and ensuring effective internal control processes are in place to control these risks.

- **Strategic Risk**
  Strategic Risk underscores the need for balance between risk and return and the consistent evaluation of opportunities against the risk of loss. Sterling seeks to achieve its business objectives by making management decisions which include applying appropriate planning assumptions, assessing our internal capabilities and the external environment, ensuring effective execution and by periodically reviewing strategic plans and objectives.

- **Capital Risk**
  Capital Risk can be defined as the risk of unexpected losses incurred by the Bank which may impair Sterling's and the Bank's capital position and the Bank's well-capitalized status. Such an impairment may hinder Sterling's and the Bank's ability to absorb unexpected losses, may pose a risk to Bank depositors and creditors, and may lead to diminished confidence among investors, rating agencies and other external parties regarding the financial health and viability of Sterling and the Bank.

- **Other Risks**
  In addition to the categories of risk identified above, Sterling has also noted several other areas of risk to be accounted for in the capital assessment process. These include, but are not limited to, Compliance Risk, Regulatory Risk, Legal Risk, Cyber Risk and Reputation Risk.

Methodologies Used in Stress Test

Sterling's stress testing program focuses on concentrations and exposures that are significant to Sterling's business strategy. In addition, Sterling's stress testing process evaluates the potential adverse impact on earnings, loan loss reserves, capital and liquidity to ensure Sterling maintains adequate capital levels that are in-line with its risk profile.

Sterling has followed DFAST guidance for Baseline, Adverse and Severely Adverse stress case scenario assessments. Sterling has stressed credit, interest rate, liquidity, strategic, capital and operational risks which are outlined in the above section. Certain risk categories are assessed through quantitative models whereas other risk categories are assessed through a combination of qualitative and quantitative methods. Sterling has utilized a variety of resources including internal staffing, external consultants, in-house models and third-party vendor models to quantify and compile scenario results.

Summary of Results

The tables below illustrate the projected capital ratios, revenue, losses, and net income under the Severely Adverse Scenario. The estimated capital ratios assume Sterling maintains its current level of common stock dividends and no redemptions, repurchases or issuances of capital instruments.

In the Severely Adverse Scenario, Sterling's capital ratios present decreasing trends over the nine-quarter horizon at the Bank and Company. Capital ratios decrease mainly due to increasing credit losses, increasing provisioning expense and a decline in net interest income. The "Minimum" column refers to the lowest level the respective ratio decreases to over the forecast stress period.

Projected Capital Ratios for Sterling Bancorp through Q1 2019

Projected Capital Ratios	Actual Q4 2016	Stressed Capital Ratios		Well Capitalized Regulatory Minimum
		Q1 2019	Minimum	
Tier 1 Leverage Ratio	8.95%	7.82%	7.82%	5.00%
Common Equity Tier 1 Risk-Based Capital Ratio	10.73%	9.43%	9.43%	6.50%
Tier 1 Risk-Based Capital Ratio	10.73%	9.43%	9.43%	8.00%
Total Risk-Based Capital Ratio	12.73%	12.03%	12.03%	10.00%

Projected Capital Ratios for Sterling National Bank through Q1 2019

Projected Capital Ratios	Actual Q4 2016	Stressed Capital Ratios		Well Capitalized Regulatory Minimum
		Q1 2019	Minimum	
Tier 1 Leverage Ratio	9.08%	7.67%	7.67%	5.00%
Common Equity Tier 1 Risk-Based Capital Ratio	10.87%	9.29%	9.29%	6.50%
Tier 1 Risk-Based Capital Ratio	10.87%	9.29%	9.29%	8.00%
Total Risk-Based Capital Ratio	13.06%	12.07%	12.07%	10.50%

Under the Severely Adverse Scenario, both Sterling Bancorp and Sterling National Bank are expected to maintain capital ratios above well-capitalized regulatory standards throughout the nine quarter assessment period.

Cumulative Projected Pre-provision Net Revenue ("PPNR"), Provision for Loan Losses and Net Income for the Nine Quarter Forecast

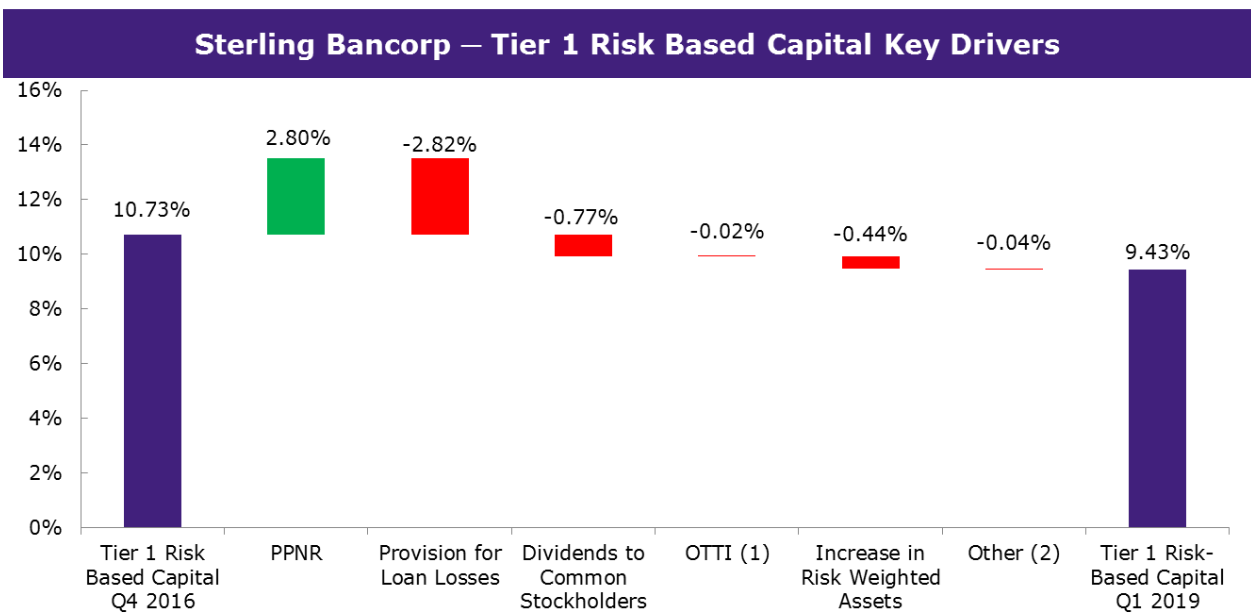
Net Income ($ in 000s)	Sterling Bancorp	Sterling National Bank
PPNR	**$ 463,347**	**$ 471,271**
Provision for Loan Loss	470,637	470,637
Pre-Tax Income	**(7,290)**	**634**
Taxes	(3,369)	(742)
Net Income	**$ (3,922)**	**$ 1,376**

Projected Net Charge-Offs and Cumulative Losses through Q1 2019

Cumulative Projected Loan Losses for 9Q Forecast	Cumulative Loss ($ in 000s)	Cumulative Loss (%)[1]
Total Net Charge-Offs	**$ 310,399**	**3.17%**

(1) Average loan balances used to calculate portfolio loss rates over nine quarters.

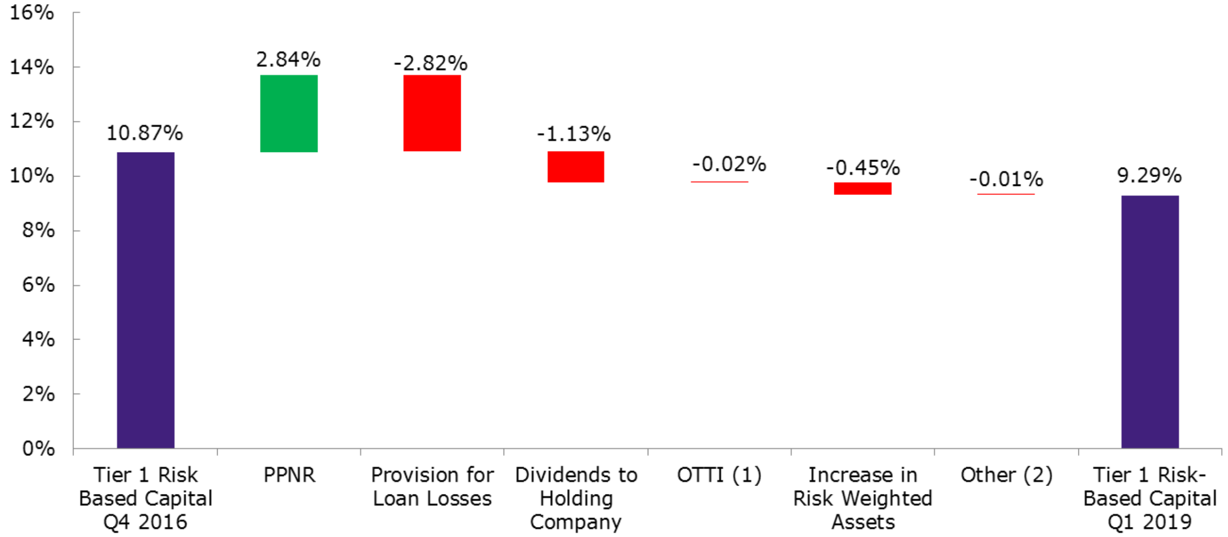
Drivers of Change in Capital Ratios



1 OTTI: Other-than-temporary-impairment on municipal securities, both bank qualified and non-bank qualified municipal investment securities, corporate notes and bonds and foreign securities.

2 Other: Includes net unrealized gains on HTM securities, deferred post-retirement benefit plans, and change in disallowed other intangible assets.

Sterling National Bank – Tier 1 Risk Based Capital Key Drivers



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Forward Looking Statements

This disclosure contains a summary of Sterling's 2017 DFAST results under the Severely Adverse macroeconomic scenario published by the FRB and OCC. These projected results are hypothetical and do not reflect Sterling's expectations for the forecast periods represented in this document.

We make statements in this presentation regarding our outlook or expectations for earnings, revenues, expenses and/or other matters regarding or affecting us that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "outlook," "target," "estimate," "forecast," "project," "continue," "positions," "prospects," by future conditional verbs such as "will," "would," "should," "could," or "may," or by variations of such words or by similar expressions.

These forward-looking statements are subject to numerous assumptions, risks and uncertainties which change over time. In addition to factors previously disclosed in reports filed with the Securities and Exchange Commission, the following factors, among others, could cause our actual results to differ materially from those contemplated by such forward-looking statements: our ability to successfully implement strategic initiatives, to grow revenues faster than we grow expenses, and to integrate and fully realize cost savings and other benefits we estimate in connection with acquisitions; a deterioration in general economic conditions, either nationally, internationally, or in our market areas, including extended declines in the real estate market and constrained financial markets; inflation; the effects of, and changes in, trade; changes in asset quality and credit risk; introduction, withdrawal, success and timing of business initiatives; capital management activities; including our ability to effectively deploy recently raised capital; customer disintermediation; and the success of Sterling Bancorp in managing those risks. Additionally, it should be noted this disclosure is based upon data prior to Sterling's acquisition of Astoria Financial Corporation ("Astoria"). Other factors that could cause Sterling Bancorp's actual results to differ from those indicated in forward-looking statements are included in the "Risk Factors" section of Sterling Bancorp's filings with the Securities and Exchange Commission. The forward-looking statements speak only as of the date they are made and we undertake no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date on which such statements were made.