



Second Quarter 2017 Earnings Conference Call

July 26, 2017

Forward-Looking Statements and Associated Risk Factors

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: the ability to obtain regulatory approvals and meet other closing conditions to the merger with Astoria Financial Corporation ("Astoria"), on the expected terms and schedule; delay in closing the Astoria merger; difficulties and delays in integrating Astoria's business or fully realizing cost savings and other benefits; business disruption following the Astoria transaction; to grow revenues faster than we grow expenses; 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. 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.

Financial information contained in this presentation should be considered to be an estimate pending the filing with the Securities and Exchange Commission of the Company's Quarterly Report on Form 10-Q for the three and six months ended June 30. While the Company is not aware of any need to revise the results disclosed in this presentation, accounting literature may require information received by management between the date of this presentation and the filing of the Quarterly Report on Form 10-Q to be reflected in the results of the period, even though the new information was received by management subsequent to the date of this presentation.

June 2017 Quarter Highlights

Strong operating performance - GAAP diluted EPS of \$0.31, record adjusted diluted EPS⁽¹⁾ of \$0.33 and new highs in loans and deposits

- GAAP net income of \$42.4 million and diluted EPS of \$0.31; adjusted net income⁽¹⁾ of \$44.4 million and adjusted diluted EPS⁽¹⁾ of \$0.33
- Quarterly GAAP diluted EPS grew by 6.9% and adjusted diluted EPS grew by 22.2% year-over-year
- Total net revenue⁽²⁾ of \$126.9 million; adjusted total net revenue⁽²⁾ of \$131.3 million
- Adjusted total net revenue⁽²⁾ grew 9.9% while adjusted non-interest expenses⁽¹⁾ declined 2.3% relative to the same quarter a year ago
- Total portfolio loans, gross of \$10.2 billion; growth of \$468.4 million, or 19.2% annualized Q-o-Q
- Total deposits of \$10.5 billion and average deposits of \$10.3 billion; weighted average cost of increase of 43 basis points
 - † Total commercial and retail deposits grew \$248.2 million, or 13.2% annualized Q-o-Q
- Positive momentum continued across all GAAP and adjusted operating and profitability ratios⁽¹⁾
 - † NIM: 3.35%; reported efficiency ratio: 47.0%; reported ROATE: 14.74%; reported ROATA: 1.22%
 - † Tax equivalent NIM: 3.47%; adjusted efficiency ratio: 42.0%; adjusted ROATE: 15.43%; adjusted ROATA: 1.28%
- Net charge-offs were \$1.3 million, representing five bps of average loans annualized
- Declared dividend per share of \$0.07 on July 25, 2017
- Merger with Astoria Financial Corporation ("Astoria") approved by Sterling and Astoria shareholders in June 2017
- Announced receipt of Kroll debt rating of BBB+ at Sterling Bancorp and A- at Sterling National Bank

(1) Adjusted results exclude certain charges and gains. Refer to pages 14 through 18 for details on Adjusted / non-GAAP financial measures.

(2) Total net revenue is equal to net interest income and non-interest income. Adjusted total net revenue is equal to tax equivalent net interest income plus non-interest income, excluding securities gains and losses. Adjusted total net revenue is a non-GAAP measure. Refer to page 16 for a reconciliation to GAAP total net revenue.

Summary of Quarterly Financial Performance

(\$ in millions, except per share data)	Quarter Ended			Linked Q Δ	YOY Δ
	6/30/2016	3/31/2017	6/30/2017		
Selected Balance Sheet Data: ⁽¹⁾					
Total Assets	\$13,065	\$14,659	\$15,377	4.9%	17.7%
Portfolio Loans	8,594	9,764	10,232	4.8%	19.1%
Investment Securities	2,980	3,416	3,552	4.0%	19.2%
Core Deposits ⁽²⁾⁽³⁾	8,809	9,087	9,231	1.4%	4.6%
Tangible Equity ⁽⁴⁾	967	1,128	1,173	4.0%	21.3%
Selected Profitability Data: ⁽¹⁾					
Net Interest Income	\$100.4	\$108.8	\$113.3	\$4.5	\$12.9
Provision for Loan Losses	5.0	4.5	4.5	—	(0.5)
Non-interest Income (Excluding Securities Gains)	16.0	12.9	13.8	0.9	(2.2)
Non-interest Expense	59.6	60.4	59.7	(0.7)	0.1
Net Income	37.8	39.1	42.4	3.3	4.6
Securities Gains (Losses)	4.5	0.0	(0.2)	(0.2)	(4.7)
Key Performance Measures: ⁽¹⁾					
GAAP Diluted Earnings per Share	\$0.29	\$0.29	\$0.31	\$0.02	\$0.02
Adjusted Diluted Earnings per Share ⁽⁴⁾	0.27	0.31	0.33	0.02	0.06
Net Interest Margin (tax equivalent basis) ⁽⁴⁾⁽⁵⁾	3.60%	3.55%	3.47%	(8) bps	(13) bps
Non-interest Income to Adj. Total Net Revenue ⁽⁶⁾	13.4	10.2	10.5	30 bps	(290) bps
Adjusted Operating Efficiency Ratio ⁽⁴⁾	47.2	43.7	42.0	(170) bps	(520) bps
Adjusted ROATA ⁽⁴⁾	1.19	1.27	1.28	1 bps	9 bps
Adjusted ROATE ⁽⁴⁾	15.14	15.19	15.43	24 bps	29 bps

(1) See earnings release dated July 25, 2017.

(2) Core deposits include retail, commercial and municipal transaction, money market and savings accounts and exclude certificates of deposit and brokered deposits except for reciprocal CDARs.

(3) See page 9 for details on core deposits.

(4) See pages 14 through 18 for a reconciliation of non-GAAP / adjusted financial measures.

(5) Tax equivalent basis represents interest income earned on tax exempt securities divided by the applicable Federal tax rate of 35%.

(6) Adjusted total revenue is equal to tax equivalent net interest income plus non-interest income, excluding securities gains and losses.

Reconciliation of GAAP Earnings to Adjusted Earnings

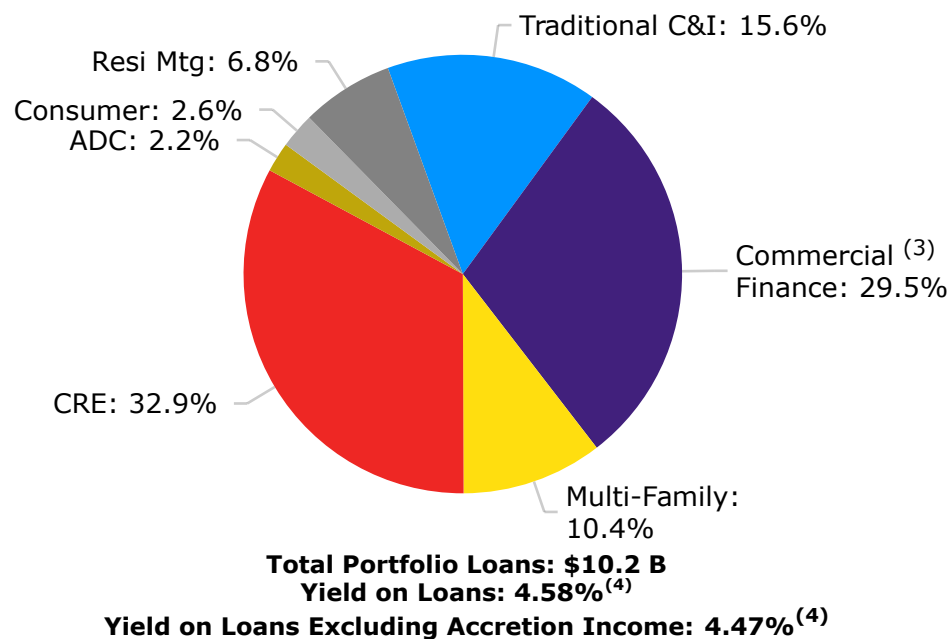
(\$ in thousands, except per share data)	Quarter Ended		
	6/30/2016	3/31/2017	6/30/2017
Reported Diluted Earnings per Share	\$ 0.29	\$ 0.29	\$ 0.31
Reported Net Income	\$ 37,770	\$ 39,067	\$ 42,400
Net Income Adjustments (pre-tax):			
Net (gain) loss on sale of securities	(4,474)	23	230
Merger-related expense	—	3,127	1,766
Charge for asset write-downs, retention and severance	—	—	603
Amortization of non-compete agreements	969	396	354
Total Adjustments	(3,505)	3,546	2,953
Total Adjustments (after-tax)	(2,356)	2,394	1,993
Adjusted Net Income (non-GAAP)	\$ 35,414	\$ 41,461	\$ 44,393
Adjusted Diluted Earnings per Share (non-GAAP)	\$ 0.27	\$ 0.31	\$ 0.33
<i>Weighted average diluted shares outstanding</i>	130,688,729	135,811,721	135,922,897
<i>Adjusted return on average tangible assets</i>	1.19%	1.27%	1.28%
<i>Adjusted return on average tangible equity</i>	15.1	15.2	15.4
<i>Adjusted efficiency ratio</i>	47.2	43.7	42.0
<i>Tangible book value per share</i>	\$ 7.40	\$ 8.32	\$ 8.65
<i>Effective tax rate</i>	32.8%	31.2%	32.4%

Note: See pages 15 through 18 for a reconciliation of non-GAAP financial measures.

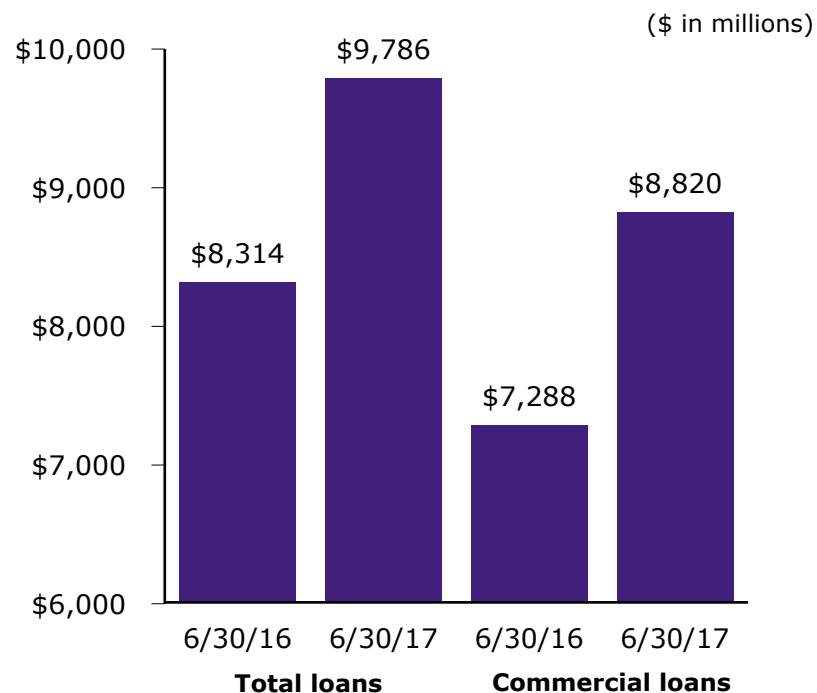
Strong Loan Growth

- Annualized growth rate of 19.2%⁽¹⁾ in total portfolio loans
- Diversified loan portfolio with 90.6% consisting of commercial asset classes⁽²⁾
- Total average commercial loans Y-o-Y growth rate of \$1.5 billion, or 21.0%

Loan Composition



Average Loan Balances



(1) Represents annualized growth rates for the period beginning March 31, 2017 through June 30, 2017.

(2) Commercial loans include traditional C&I, commercial finance, CRE, multi-family and ADC. See page 7.

(3) Includes asset-based lending, payroll finance, warehouse lending, factored receivables, equipment financing and public sector finance loans.

(4) Represents loan portfolio yield for the three months ended June 30, 2017. Yield excluding accretion income excludes \$2.9 million of accretion income on acquired loans.

Strong Performance Across Diverse Business Lines

- Yield on loans increased by five bps excluding the impact of accretion income
- Lower prepayment penalties on C&I loans reduced yield on loans by three bps over linked quarter
- Loan growth in commercial asset classes of 25.1% annualized (average balances)

Line of Business	3/31/17		6/30/17		Linked Q annualized growth
	Average balance	Yield ⁽¹⁾	Average balance	Yield ⁽¹⁾	
Commercial & Industrial:					
Traditional C&I and Short-term Specialty Finance ⁽²⁾	\$ 2,789	5.49 %	\$ 2,957	5.55 %	24.2 %
Equipment Financing	596	3.96	660	3.86	43.1
Tax-exempt Loans ⁽³⁾	487	2.71	555	2.94	56.0
Total Commercial & Industrial	3,872	4.91	4,172	4.94	31.1
Commercial Real Estate:					
Commercial Real Estate	3,214	4.20	3,334	4.26	15.0
Multi-Family	977	3.60	1,063	3.67	35.3
ADC	237	5.23	251	5.15	23.7
Total Commercial Real Estate	4,428	4.13	4,648	4.17	19.9
Total Commercial	8,300	4.49	8,820	4.54	25.1
Total Consumer⁽⁴⁾	982	3.74	966	3.83	(6.5)
Total Portfolio Loans	\$ 9,282	4.42%	\$ 9,786	4.47%	21.8%

⁽¹⁾ Yield data represents annualized interest income excluding accretion income divided by the average balance. Total accretion income on acquired loans was \$3.5 million in the quarter ended March 31, 2017, and \$2.9 million in the quarter ended June 30, 2017.

⁽²⁾ Short-term specialty finance loans includes ABL, payroll finance, warehouse lending and factored receivables.

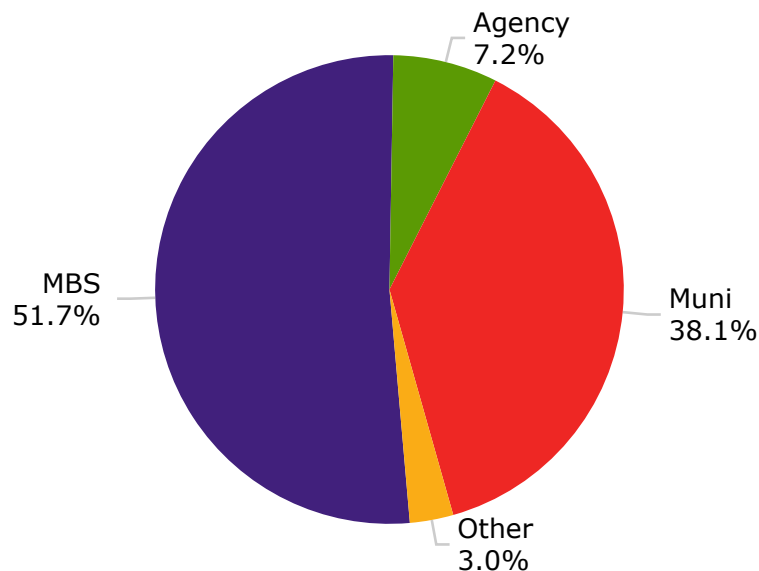
⁽³⁾ Tax exempt loans include public sector finance and other loans not subject to federal income taxes. Yield data represents the actual rate and does not include tax equivalent adjustments.

⁽⁴⁾ Consumer loans include residential, home equity lines of credit, homeowner, and other loans to individuals.

Growth in Investment Securities Portfolio

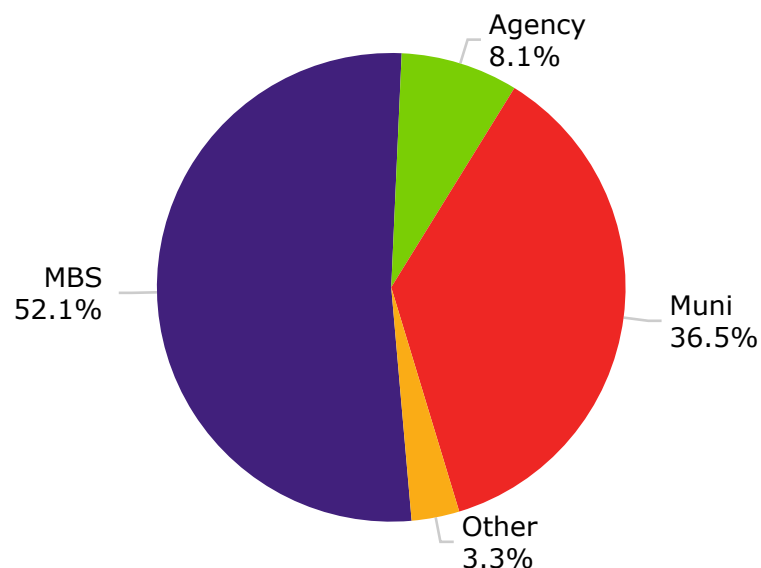
- Growth and repositioning of the investment securities portfolio in anticipation of Astoria merger
- Targeting securities to earning assets of ~25% until merger close, will decrease to ~22.5% longer-term
- Timing and composition of securities purchases in Q2 2017 reduced portfolio duration and yield

Quarter ended 3/31/2017



Total Portfolio: \$3.4 billion
% of Total Earning Assets: 25.4%
Tax Equivalent Yield on Securities: 2.97%
Weighted Average Duration: 5.83

Quarter ended 6/30/2017

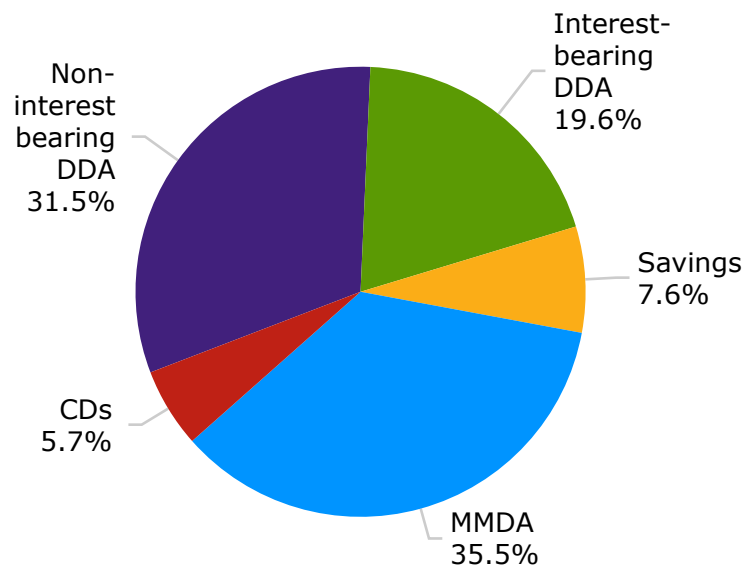


Total Portfolio: \$3.6 billion
% of Total Earning Assets: 25.2%
Tax Equivalent Yield on Securities: 2.93%
Weighted Average Duration: 5.47

Attractive Deposit Base That is Growing

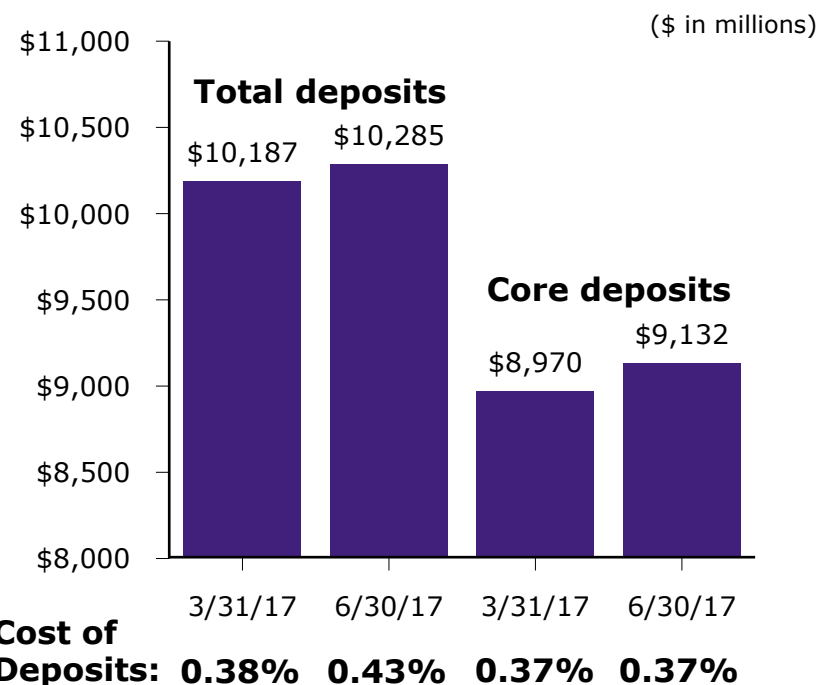
- 87.9% core deposits⁽¹⁾ with weighted average cost of total deposits of 43 basis points⁽²⁾
- Retail and commercial: 74.4%; municipal: 12.1%; wholesale and other⁽³⁾: 13.5%
- Loans to deposits ratio of 97.4% as of June 30, 2017

Deposit Composition



Total Deposits: \$10.5B
Total Cost of Deposits: 0.43%⁽²⁾

Average Deposit Balances⁽¹⁾



⁽¹⁾ Core deposits include retail, commercial and municipal transaction, money market and savings accounts and exclude certificates of deposit and brokered deposits except for reciprocal CDARs.

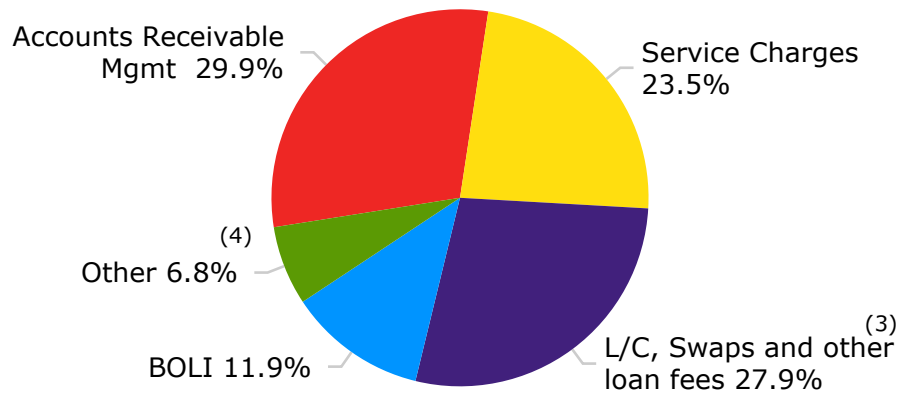
⁽²⁾ Represents total cost of deposits for the three months ended June 30, 2017.

⁽³⁾ Wholesale and other deposits include one-way brokered deposits and certificate of deposit accounts.

Diversified Non-Interest Income

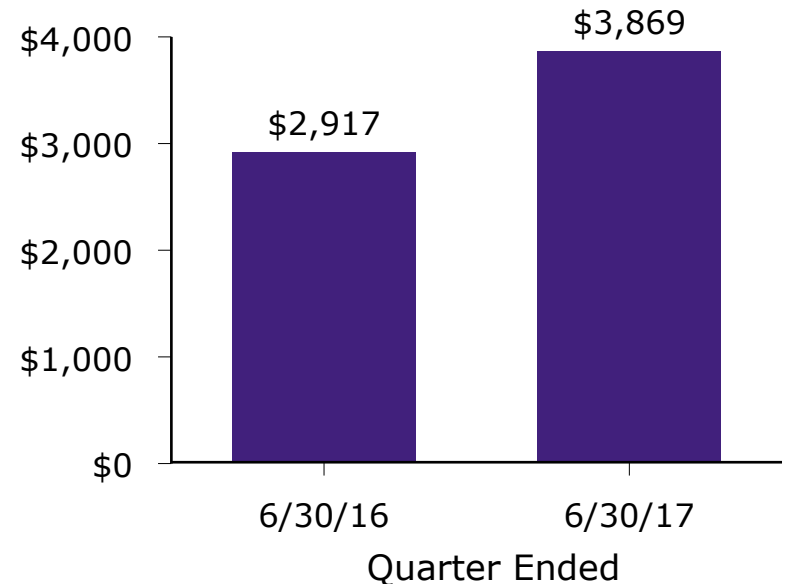
- Adjusted total fee income⁽¹⁾ of \$13.8 million; represents 10.5% of adjusted total net revenue⁽²⁾
- New products are starting to deliver results - swaps, cash management, loan syndications and public sector finance

Non-Interest Income Composition⁽¹⁾



Letter of credit commissions, SWAP fees, other loan fees and income⁽³⁾

(\$ in thousands)



Adjusted Total Fee Income Q1 2017: \$13.8 M⁽¹⁾
% of Total Net Revenue: 10.5%

(1) Excludes net (losses) gains on sale of securities.

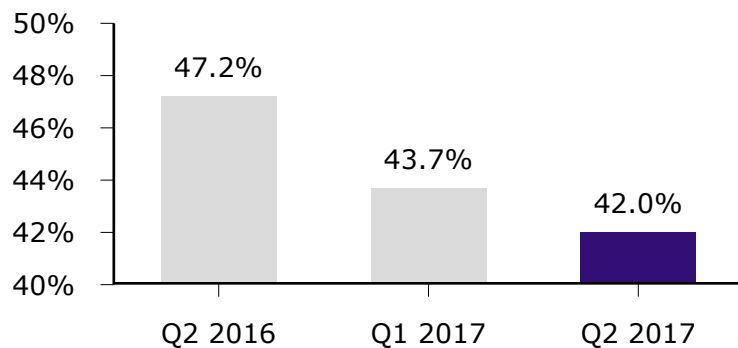
(2) Adjusted total net revenue is a non-GAAP / adjusted measure. Refer to page 17 for a reconciliation to GAAP.

(3) Includes loan swap fees, letter of credit fees, gain on sale of loans and loan syndication/participations.

(4) Other includes mortgage banking revenues, wealth management and miscellaneous other non-interest income.

Continued Momentum in Adjusted Operating Efficiency Gains

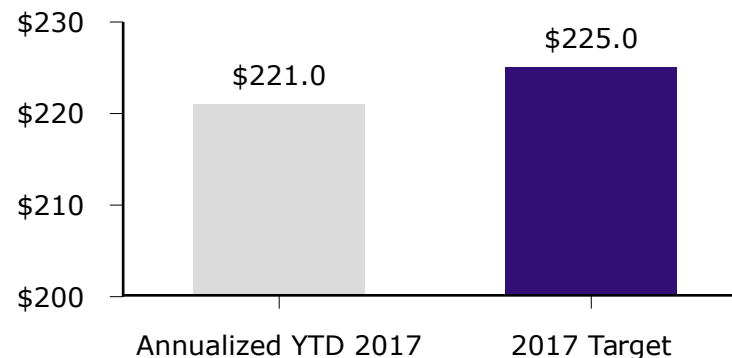
Adjusted Operating Efficiency Ratio



For the Quarter Ended

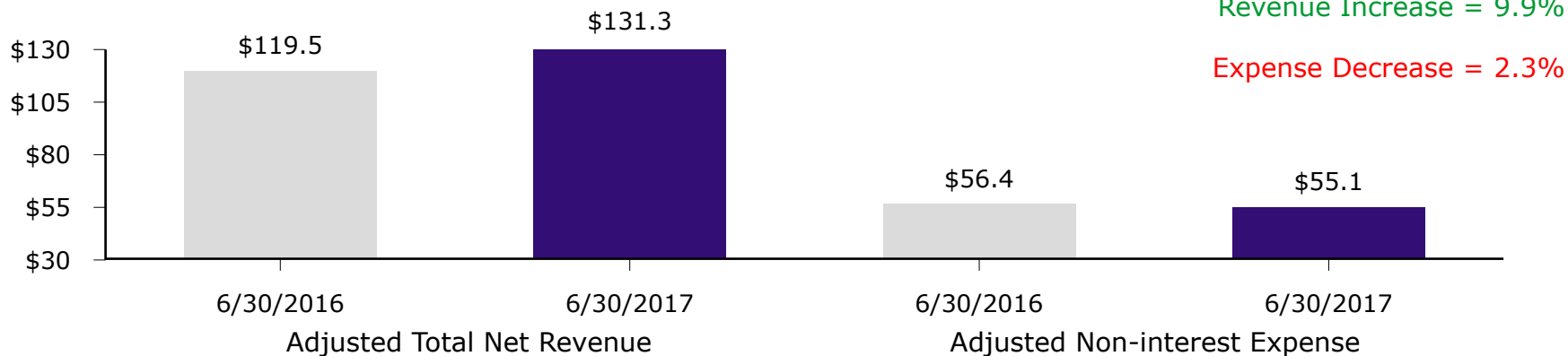
Adjusted Operating Expenses Annualized

(\$ in millions)



Adjusted Operating Leverage - Quarter Ended

(\$ in millions)



Note: See pages 15 through 18 for a reconciliation of non-GAAP / adjusted financial measures.

Strong Asset Quality and Capital Ratios

(\$ in millions)	As of or for the quarter ended				
	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017
Ratios and Balances					
Asset Quality Data:					
Non-performing loans to total loans	0.93%	0.88%	0.83%	0.75%	0.70%
Net charge-offs to average loans (annualized)	0.10	0.09	0.06	0.05	0.05
Allowance for loan losses to:					
Total loans	0.65	0.65	0.67	0.69	0.69
Non-performing loans	70.2	73.3	80.7	91.8	98.3
Non-performing assets to total assets	0.74	0.72	0.65	0.56	0.53
Special Mention	\$ 103.7	\$ 101.8	\$ 104.6	\$ 110.8	\$ 103.0
Substandard	125.6	112.6	95.2	101.5	97.5
Doubtful	0.3	0.9	0.4	0.9	0.9
Total Criticized / Classified	229.6	215.3	200.2	213.2	201.4
Loans 30 to 89 days past due	18.7	17.7	15.1	15.6	15.1
Non-accrual and 90 days past due & still accruing	79.6	81.1	78.9	72.9	71.4
Capital Ratio Data:					
Tangible Equity to Tangible Assets	7.86%	7.78%	8.14%	8.12%	8.02%
Tier 1 Leverage Ratio (STL)	8.36	8.31	8.95	8.89	8.72
Tier 1 Leverage Ratio (SNB)	8.84	8.72	9.08	8.99	8.89

(1) See a reconciliation of this non-GAAP financial measure on page 18.

June 2017 Summary

- Strong momentum in GAAP and adjusted earnings and profitability metrics
- Operating efficiencies continue to be realized through multiple strategies
- Revenue growth opportunities are significant
- Continued investment in commercial banking, specialty finance, and fee-based businesses
- Focus on deposit growth opportunities to allow continued consolidation of financial centers
- Strong credit quality
- Strategic actions including pending Astoria merger position us for continued high performance
- Astoria transaction was approved by shareholders in Q2 2017; integration design is in process and on-track for anticipated early Q4 2017 closing
- Execution is the key

Adjusted Information (non-GAAP financial information)

- In this presentation, we have referred to non-GAAP/adjusted results to help illustrate the impact of certain types of items, such as the following:
 - † The impact of the securities gains and losses, the net gain on the sale of the trust division, no-taxable income, merger-related expenses and charge for asset write-downs, retention and severance, pension plan settlement, loss on extinguishment of borrowings and amortization of non-compete agreements to our net income.
 - † Our tangible equity (common stockholders' equity, less intangible assets, other than servicing rights).

These measures are used by management and the Board of Directors on a regular basis, in addition to our GAAP results, to facilitate the assessment of our financial performance and to assess our performance compared to our budgets and strategic plans. These non-GAAP financial measures complement our GAAP reporting and are presented below to provide investors, analysts, regulators and others information and reconciliations that we use to manage and evaluate our business each period.

This information supplements our results as reported in accordance with GAAP, and should not be viewed in isolation from, or as a substitute for, our GAAP results.

Quarterly Non-GAAP/Adjusted to GAAP Reconciliation

(\$ in thousands except share and per share data)

	As of or for the quarter ended				
	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017
The following table shows the reconciliation of stockholders' equity to tangible equity and the tangible equity ratio:					
Total assets	\$ 13,065,248	\$ 13,617,228	\$ 14,178,447	\$ 14,659,337	\$ 15,376,676
Goodwill and other intangibles	(769,125)	(765,858)	(762,953)	(760,698)	(758,484)
Tangible assets	12,296,123	12,851,370	13,415,494	13,898,639	14,618,192
Stockholders' equity	1,735,994	1,765,160	1,855,183	1,888,613	1,931,383
Goodwill and other intangibles	(769,125)	(765,858)	(762,953)	(760,698)	(758,484)
Tangible stockholders' equity	\$ 966,869	\$ 999,302	\$ 1,092,230	\$ 1,127,915	\$ 1,172,899
Common stock outstanding at period end	130,620,463	130,853,673	135,257,570	135,604,435	135,658,226
Stockholders' equity as a % of total assets	13.29%	12.96%	13.08%	12.88%	12.56%
Book value per share	\$ 13.29	\$ 13.49	\$ 13.72	\$ 13.93	\$ 14.24
Tangible equity as a % of tangible assets	7.86%	7.78%	8.14%	8.12%	8.02%
Tangible book value per share	\$ 7.40	\$ 7.64	\$ 8.08	\$ 8.32	\$ 8.65

The following table shows the reconciliation of return on average tangible equity and adjusted return on average tangible equity:

Average stockholders' equity	\$ 1,711,902	\$ 1,751,414	\$ 1,805,790	\$ 1,869,085	\$ 1,913,933
Average goodwill and other intangibles	(770,931)	(767,753)	(764,543)	(762,076)	(759,847)
Average tangible stockholders' equity	\$ 940,971	\$ 983,661	\$ 1,041,247	\$ 1,107,009	\$ 1,154,086
Net income	37,770	37,422	40,996	39,067	42,400
Net income, if annualized	151,910	148,874	163,093	158,438	170,066
Return on average tangible equity	16.14%	15.13%	15.66%	14.31%	14.74%
Adjusted net income (see reconciliation on page 18)	\$ 35,414	\$ 37,793	\$ 39,954	\$ 41,461	\$ 44,393
Annualized adjusted net income	142,434	150,350	158,947	168,147	178,060
Adjusted return on average tangible equity	15.14%	15.28%	15.27%	15.19%	15.43%

Quarterly Non-GAAP/Adjusted to GAAP Reconciliation

(\$ in thousands except share and per share data)

	As of or for the quarter ended				
	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017
The following table shows the reconciliation of the reported operating efficiency ratio and the adjusted operating efficiency ratio:					
Net interest income	\$ 100,380	\$ 103,130	\$ 107,248	\$ 108,790	\$ 113,258
Non-interest income	20,442	19,039	16,057	12,836	13,618
Total net revenue	120,822	122,169	123,305	121,626	126,876
Tax equivalent adjustment on securities interest income	3,161	3,635	3,860	4,102	4,195
Net (gain) loss on sale of securities	(4,474)	(3,433)	102	23	230
Net (gain) on sale of trust division	—	—	(2,255)	—	—
Adjusted total net revenue	119,509	122,371	125,012	125,751	131,301
Non-interest expense	59,640	62,256	57,072	60,350	59,657
Merger-related expense	—	—	—	(3,127)	(1,766)
Charge for asset write-downs, retention, severance	—	(2,000)	—	—	(603)
Loss on extinguishment of borrowings	—	(1,013)	—	—	—
Amortization of intangible assets	(3,241)	(3,241)	(2,881)	(2,229)	(2,187)
Adjusted non-interest expense	\$ 56,399	\$ 56,002	\$ 54,191	\$ 54,994	\$ 55,101
Reported operating efficiency ratio	49.4%	51.0%	46.3%	49.6%	47.0%
Adjusted operating efficiency ratio	47.2	45.8	43.3	43.7	42.0
The following table shows the reconciliation of reported net income (GAAP) and earnings per share to adjusted net income (non-GAAP) and adjusted diluted earnings per share:					
Income before income tax expense	\$ 56,182	\$ 54,413	\$ 60,733	\$ 56,776	\$ 62,719
Income tax expense	18,412	16,991	19,737	17,709	20,319
Net income (GAAP)	37,770	37,422	40,996	39,067	42,400
Adjustments:					
Net (gain) loss on sale of securities	(4,474)	(3,433)	102	23	230
Net (gain) on sale of trust division	—	—	(2,255)	—	—
Merger-related expense	—	—	—	3,127	1,766
Charge for asset write-downs, retention and severance	—	2,000	—	—	603
Loss on extinguishment of borrowings	—	1,013	—	—	—
Amortization of non-compete agreements and acquired customer list intangible assets	969	970	610	396	354
Total adjustments	(3,505)	550	(1,543)	3,546	2,953
Income tax expense (benefit)	1,149	(179)	501	(1,152)	(960)
Total adjustments net of taxes	(2,356)	371	(1,042)	2,394	1,993
Adjusted net income (non-GAAP)	\$ 35,414	\$ 37,793	\$ 39,954	\$ 41,461	\$ 44,393
Weighted average diluted shares	130,688,729	130,875,614	132,995,762	135,811,721	135,922,897
Diluted EPS as reported (GAAP)	\$ 0.29	\$ 0.29	\$ 0.31	\$ 0.29	\$ 0.31
Adjusted diluted EPS (non-GAAP)	0.27	0.29	0.30	0.31	0.33

Quarterly Non-GAAP/Adjusted to GAAP Reconciliation

(\$ in thousands except share and per share data)

	For the quarter ended				
	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017
The following table shows the reconciliation of reported return on tangible assets and adjusted return on tangible assets:					
Average assets	\$ 12,700,038	\$ 13,148,201	\$ 13,671,676	\$ 14,015,953	\$ 14,704,793
Average goodwill and other intangibles	(770,931)	(767,753)	(764,543)	(762,076)	(759,847)
Average tangible assets	11,929,107	12,380,448	12,907,133	13,253,877	13,944,946
Net income	37,770	37,422	40,996	39,067	42,400
Net income, if annualized	151,910	148,874	163,093	158,438	170,066
Return on average tangible assets	1.27%	1.20%	1.26%	1.20%	1.22%
Adjusted net income (see reconciliation on page 17)	\$ 35,414	\$ 37,793	\$ 39,954	\$ 41,461	\$ 44,393
Annualized adjusted net income	142,434	150,350	158,947	168,147	178,060
Adjusted return on average tangible assets	1.19%	1.21%	1.23%	1.27%	1.28%



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