STERLING BANCORP

First Quarter 2016 Earnings Conference Call

April 27, 2016

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: our ability to successfully implement growth, grow revenues faster than we grow expenses, other strategic initiatives 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; 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 statement 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 months ended March 31, 2016. While the Company is not aware of any need to revise the results disclosed in this release, accounting literature may require information received by management between the date of this release 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.

March 2016 Quarter Highlights

Strong profitability and momentum across all operating metrics with significant investment for future growth

- Reported net income of $23.8 million and diluted EPS of $0.18; core net income of $32.2 million and diluted EPS of $0.25 [1]
- Total revenue [2] of $109.2 million
- Total gross loans of $8.3 billion; growth of $426.8 million or 21.8% annualized Q-o-Q
- Total deposits of $9.3 billion; growth of $748.6 million or 35.1% annualized Q-o-Q
- Average deposits of $8.9 billion and weighted average cost of 29 bps
- Positive momentum across all core operating and profitability ratios [1]
  - † NIM: 3.53%; core efficiency ratio: 48.9%; core ROATE: 13.8%; core ROATA: 1.15%
- Net charge-offs of $1.1 million representing 6 bps of average loans annualized
- Completed a $110 million subordinated notes offering at Sterling National Bank adding to Tier 2 Capital
- Completed the acquisition of NewStar Business Credit, LLC doubling the size of our asset-based loans
- Repayment of $220 million of FHLB advances with a weighted average rate of 4.17%
- Continued reduction of real estate footprint through consolidation of 9 financial center locations by Q3 2016
- Declared dividend per share of $0.07 on April 26, 2016

(1) Excludes certain charges and gains. Refer to pages 14 through 17 for detail on core ratio calculations.

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

Summary of Quarterly Financial Performance

($ in millions, except per share data)	Quarter Ended				
	3/31/2015	12/31/2015	3/31/2016	Linked Q Δ	YOY Δ
Selected Balance Sheet Data: [1]					
Total Assets	$7,728	$11,956	$12,865	7.6%	66.5%
Gross Loans Held for Investment	4,939	7,859	8,286	5.4%	67.8%
Securities	1,800	2,644	2,848	7.7%	58.2%
Core Deposits [2][3]	4,874	7,823	8,535	9.1%	75.1%
Tangible Equity [4]	628	917	926	1.0%	47.5%
Selected Profitability Data: [1]					
Net Interest Income	$58.9	$95.4	$93.5	($1.9)	$34.6
Provision for Loan Losses	2.1	5.5	4.0	(1.5)	1.9
Non-interest Income (Excluding Securities Gains)	12.5	16.2	15.7	(0.5)	3.2
Non-interest Expense	45.9	57.4	68.9	11.5	23.0
Net Income	16.8	32.8	23.8	(9.0)	7.0
Securities Gains (Losses)	1.5	(0.1)	(0.3)	(0.2)	(1.8)
Key Performance Measures: [1]					
Diluted Earnings per Share	$0.19	$0.25	$0.18	($0.07)	($0.01)
Core Diluted Earnings per Share [4]	0.21	0.26	0.25	(0.01)	0.04
Net Interest Margin (tax-equivalent basis)[5]	3.64%	3.68%	3.53%	(15) bps	(11) bps
Non-interest Income to Total Revenue [6]	17.5%	14.5%	14.4%	(10) bps	(310) bps
Core Efficiency Ratio [4]	56.4%	47.6%	48.9%	130 bps	(750) bps
Core ROATA [4]	1.07%	1.22%	1.15%	(7) bps	8 bps
Core ROATE [4]	12.7%	14.6%	13.8%	(80) bps	110 bps

(1) See earnings release dated April 27, 2016.

(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 17 for a reconciliation of non-GAAP financial measures.

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

(6) Total revenue is equal to net interest income plus non-interest income excluding securities gains and losses.

Reconciliation of GAAP Earnings to Core Earnings

($ in thousands, except per share data)	Quarter Ended 3/31/2015	12/31/2015	3/31/2016
Reported Diluted Earnings per Share	**$ 0.19**	**$ 0.25**	**$ 0.18**
Reported Net Income	**$ 16,778**	**$ 32,791**	**$ 23,766**
Net Income Adjustments (pre-tax):			
Net (gain) loss on sale of securities	(1,534)	121	283
Merger-related expense	2,455	—	265
Loss on extinguishment of FHLB borrowings	—	—	8,716
Charge for asset write-downs, retention and severance	971	—	2,485
Amortization of non-compete agreements	660	961	968
Total Adjustments	**2,552**	**1,082**	**12,717**
Total Adjustments (after-tax)	**1,723**	**734**	**8,393**
Core Net Income	**18,501**	**33,525**	**32,159**
Core Diluted Earnings per Share	**$ 0.21**	**$ 0.26**	**$ 0.25**
Weighted average diluted shares outstanding	*88,252,768*	*130,354,779*	*130,500,975*
Core return on average tangible assets	*1.07%*	*1.22%*	*1.15%*
Core return on average tangible equity	*12.7%*	*14.6%*	*13.8%*
Core operating efficiency ratio	*56.4%*	*47.6%*	*48.9%*
Tangible book value per share	*$ 6.89*	*$ 7.05*	*$ 7.09*
Effective tax rate	*32.50%*	*32.50%*	*34.00%*

Note: See pages 14 through 17 for a reconciliation of non-GAAP financial measures.

Overview of Q1 2016 Strategic Actions

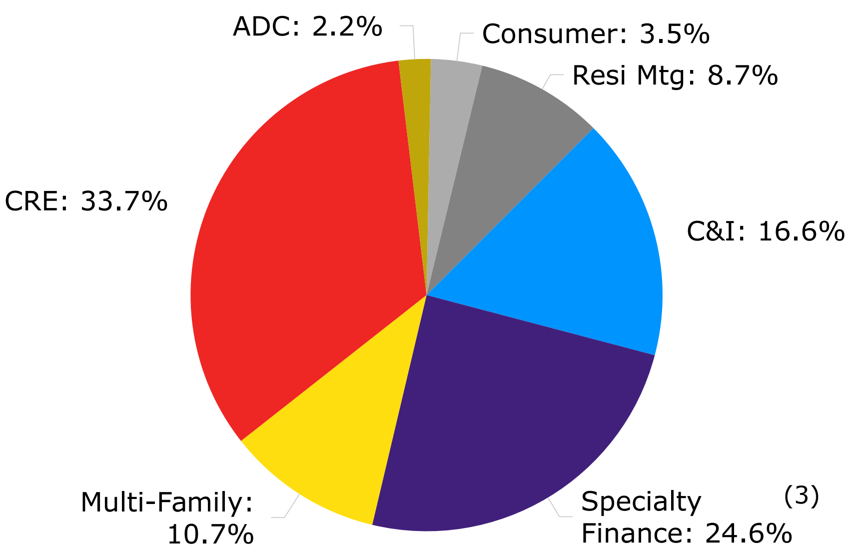
- Expected annual run-rate earnings impact of $0.05 - $0.06 per diluted share in 2017
- Anticipated full phase-in by Q4 2016

Strategic Actions	Earnings Impact	Comments / Timing
1. Issuance of $110mm in bank subordinated debt	$(0.03)	▪ Completed in March 2016 ▪ Capital for growth - organic and M&A
2. Repayment of FHLB advances	$0.03	▪ Completed in March 2016 ▪ $220 mm of advances @ ~4.17% rate
3. Sale of trust business to Midland States Bank	Neutral	▪ Target closing date in Q3 2016 ▪ Annual trust income of ~$2.5 mm offset by reduction in operating expenses
4. Acquisition of Newstar's ABL business	$0.03 - $0.04	▪ Completed in March 2016 ▪ Integration of combined business targeted for Q4 2016 ▪ ~$330 million of loans O/S @ 5%+ yield ▪ Annual run-rate opex of ~$5 million
5. Continued reduction of real estate footprint	$0.02	▪ Consolidate nine financial centers by Q3 2016 ▪ Evaluating additional opportunities
Total anticipated run-rate earnings impact	**$0.05 - $0.06**	

Strong Loan Growth

- Annualized growth rate: 21.8% total portfolio loans; 25.0% total commercial loans(1)
- Diversified loan portfolio with 87.8% consisting of commercial asset classes
- Specialty finance(3) business lines Y-o-Y growth rate of 16.1%

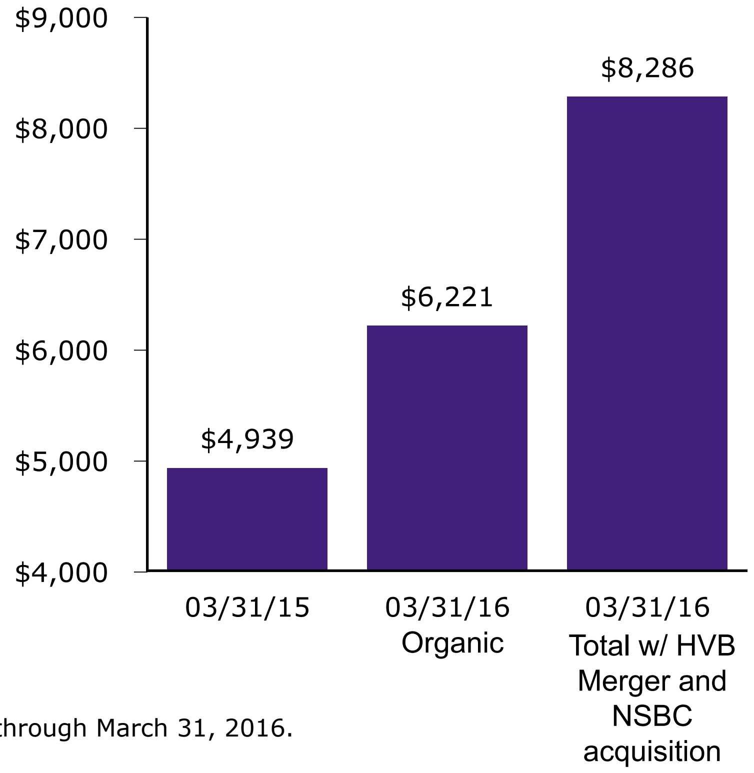
Loan Composition



Total Loans: $8.3 B
Yield on Loans: 4.62%(2)

Loan Balances

($ in millions)



(1) Rates represent annualized growth rates for the period December 31, 2015 through March 31, 2016.
(2) Represents loan portfolio yield for the three months ended March 31, 2016.
(3) Includes asset-based lending, payroll finance, warehouse lending, factored receivables, and equipment finance loans.

Strong Organic Performance Across Business Lines

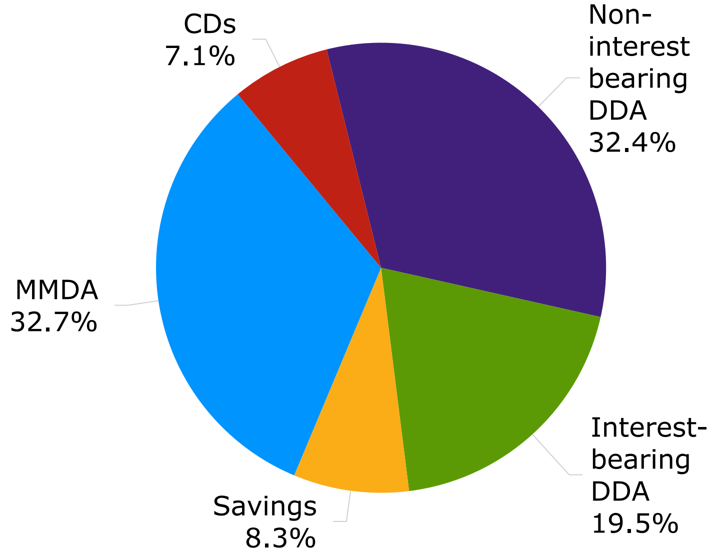
($ in millions) Line of Business	3/31/2015	3/31/2016 Organic	3/31/2016 Total	YOY Growth Organic	YOY Growth Total
Commercial:					
C&I	$ 1,192	$ 1,425	$ 2,004	19.5 %	68.1 %
Payroll Finance	182	199	199	9.3	9.3
Warehouse Lending	241	342	342	41.9	41.9
Factored Receivables	152	215	215	41.4	41.4
Equipment Financing	465	584	657	25.6	41.3
Total Commercial	**2,232**	**2,765**	**3,417**	**23.9**	**53.1**
Commercial Real Estate:					
Commercial Real Estate	1,531	2,060	2,790	34.6	82.2
Multi-Family	386	552	886	43.0	129.5
ADC	96	106	180	10.4	87.5
Total Commercial Real Estate	**2,013**	**2,718**	**3,856**	**35.0**	**91.6**
Consumer:					
Residential Mortgage	494	540	718	9.3	45.3
Other Consumer	200	198	295	(1.0)	47.5
Total Consumer	**694**	**738**	**1,013**	**6.3**	**46.0**
Total Portfolio Loans	**$ 4,939**	**$ 6,221**	**$ 8,286**	**26.0%**	**67.8%**

Note: Organic loan balances exclude the fair value of loans acquired from Hudson Valley and NSBC.

Attractive Deposit Base That is Growing

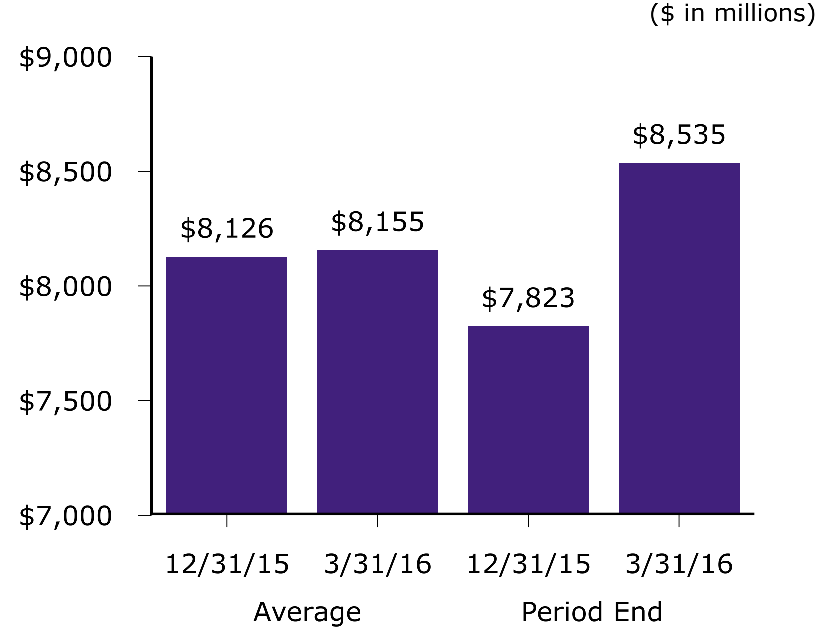
- 91.5% core deposits[(1)] with weighted average cost of 29 basis points[(2)]
- Retail and commercial: 76.9%; municipal: 13.6%; wholesale and other[(3)]: 9.5%
- Loans to deposits ratio of 88.8% as of March 31, 2016

Deposit Composition



Total Deposits: $9.3B
Total Cost of Deposits: 0.29%[(2)]

Core 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.

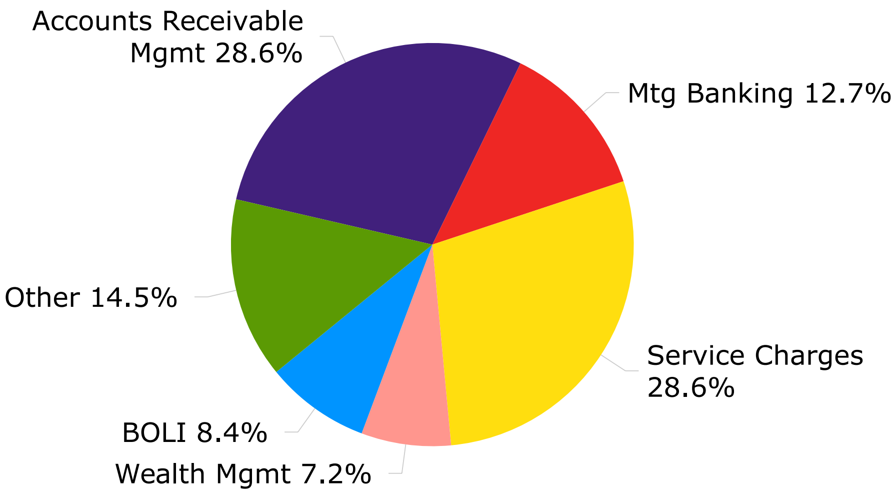
(2) Represents total cost of deposits for the three months ended March 31, 2016.

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

Diversified Non-Interest Income

- Total fee income[1] of $15.7 million; growth of 25.9% over same quarter a year ago
- New products are starting to deliver results - swaps, cash management, loan syndications and public sector finance

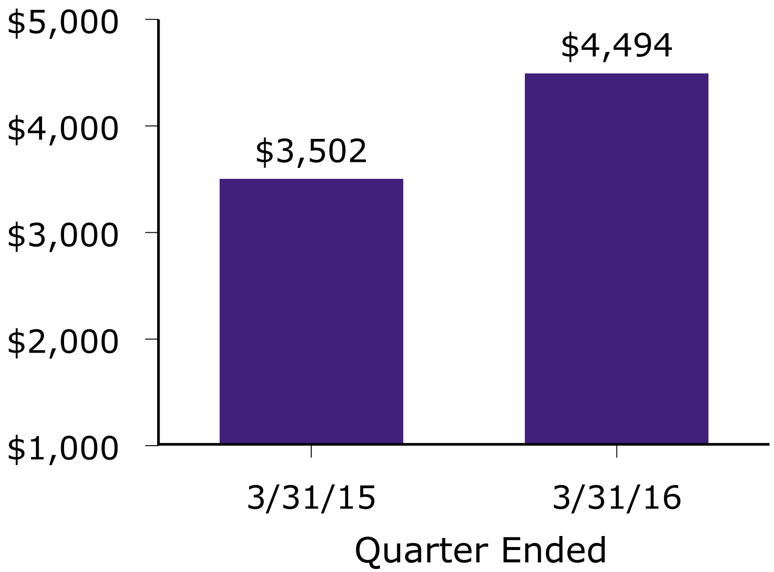
Non-Interest Income Composition[1]



Total Fee Income Q4 2015: $15.7 M[1]
% of Total Revenue: 14.4%

Accounts Receivable Management Fees [2]

($ in thousands)

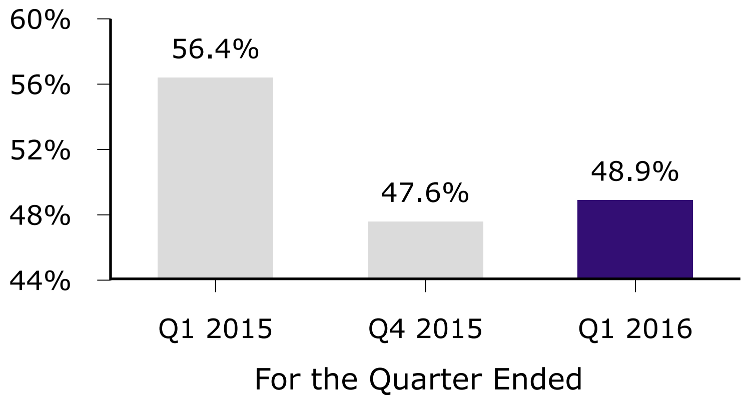


(1) Excludes net gains/(losses) on sale of securities.

(2) Accounts receivable management fees represent fees generated in our factoring and payroll finance businesses, which are typically based on a percentage of the factored sales volume and outsourcing support services provided to clients.

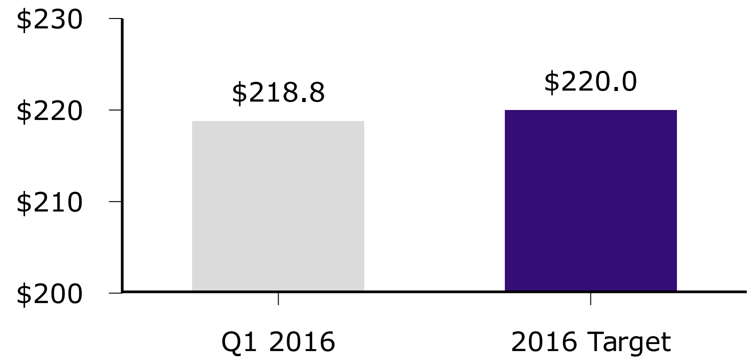
Continued Momentum in Core Operating Efficiency Gains

Core Operating Efficiency Ratio



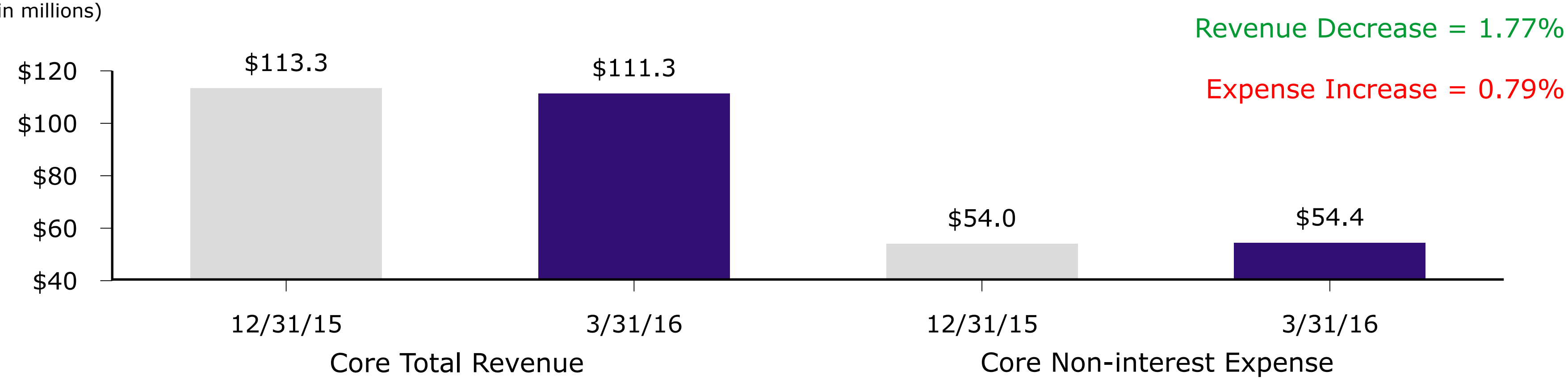
Core Operating Expenses Annualized

($ in millions)



Core Operating Leverage

($ in millions)



Note: See pages 14 through 17 for a reconciliation of non-GAAP financial measures.

Strong Asset Quality and Capital Ratios

($ in millions)

Ratios and Balances	As of or for the quarter ended 3/31/15	6/30/15	9/30/15	12/31/15	3/31/16
Asset Quality Data:					
Non-performing loans to total loans	0.94%	0.95%	0.90%	0.84%	1.03%
Net charge-offs to average loans	0.13%	0.13%	0.09%	0.15%	0.06%
Allowance for loan losses to:					
Total loans	0.87%	0.61%	0.63%	0.64%	0.64%
Allowance for loan losses to non-performing loans	92.3%	64.2%	70.4%	75.5%	62.0%
Total valuation balances recorded against portfolio loans to adjusted gross portfolio loans [1]	0.97%	1.36%	1.28%	1.16%	1.17%
Non-performing assets to total assets	0.71%	0.68%	0.69%	0.68%	0.78%
Special Mention	$26.1	$65.4	$91.1	$68.0	$101.6
Substandard	74.1	125.6	120.7	129.7	131.9
Doubtful	0.2	0.4	0.2	0.7	0.6
Total Criticized / Classified	100.2	191.0	211.8	197.7	233.5
Loans 30 to 89 days past due	35.3	41.0	30.9	68.0	19.2
Non-accrual and 90 days past due & still accruing	46.4	69.0	67.7	66.4	85.4
Capital Ratio Data:					
Tangible Equity to Tangible Assets	8.63%	8.04%	8.30%	8.18%	7.66%
Tier 1 Leverage Ratio (STL)	9.55%	12.92%	9.12%	9.03%	8.61%
Tier 1 Leverage Ratio (SNB)	10.53%	13.81%	9.80%	9.65%	9.16%

[1] See a reconciliation of this non-GAAP financial measure on page 17.

March 2016 Summary

- Strong momentum in core earnings and profitability metrics
- NSBC acquisition doubles the size of our asset-based lending business and generates an attractive growth opportunity
- 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
- Strategic actions position us for continued high performance
- Strong credit quality
- Execution is the key

Adjusted Information (non-GAAP financial information)

- In this presentation, we have referred to adjusted results to help illustrate the impact of certain types of items, such as the following:
  - † The impact of merger-related expenses and charge for asset write-downs, retention and severance, settlement of pension plan, extinguishment of banking systems conversion and amortization of non-compete agreements to our net income.
  - † Our tangible equity (common stockholders' equity, less intangible assets, other than servicing rights).
  - † The impact of securities gains and losses, non-taxable income, merger expenses, and changes in intangible asset amortization, on our efficiency ratio (which is non-interest expense divided by total net revenue).

  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.

Non-GAAP to GAAP Reconciliation

($ in thousands except share and per share data)	As of or for the quarter ended				
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016
The following table shows the reconciliation of stockholders' equity to tangible equity and the tangible equity ratio:					
Total assets	$ 7,727,515	$ 11,566,382	$ 11,597,393	$ 11,955,952	$ 12,865,356
Goodwill and other intangibles	(452,698)	(753,899)	(751,529)	(748,066)	(772,390)
Tangible assets	7,274,817	10,812,483	10,845,864	11,207,886	12,092,966
Stockholders' equity	1,080,543	1,623,110	1,652,204	1,665,073	1,698,133
Goodwill and other intangibles	(452,698)	(753,899)	(751,529)	(748,066)	(772,390)
Tangible stockholders' equity	$ 627,845	$ 869,211	$ 900,675	$ 917,007	$ 925,743
Common stock outstanding at period end	91,121,531	129,709,834	129,769,569	130,006,926	130,548,989
Tangible equity as % of tangible assets	8.63%	8.04 %	8.30%	8.18%	7.66%
Tangible book value per share	$ 6.89	$ 6.70	$ 6.94	$ 7.05	$ 7.09
The following table shows the reconciliation of return on average tangible equity and core return on average tangible equity:					
Average stockholders' equity	$ 1,031,809	$ 1,100,897	$ 1,639,458	$ 1,661,282	$ 1,686,274
Average goodwill and other intangibles	(438,970)	(455,320)	(752,701)	(750,334)	(747,412)
Average tangible stockholders' equity	592,839	645,577	886,757	910,948	938,862
Net income (loss)	16,778	(7,646)	24,193	32,791	23,766
Net income (loss), if annualized	68,044	(30,668)	95,983	130,095	95,586
Return on average tangible equity	11.48%	(4.75)%	10.82 %	14.28 %	10.18 %
Core net income (see reconciliation on page 16)	$ 18,501	$ 21,361	$ 32,035	$ 33,525	$ 32,159
Annualized core net income	75,032	85,679	127,095	133,007	129,343
Core return on average tangible equity	12.66%	13.27 %	14.33%	14.60%	13.78 %

Non-GAAP to GAAP Reconciliation

($ in thousands except share and per share data)	As of or for the quarter ended				
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016
The following table shows the reconciliation of the core operating efficiency ratio:					
Net interest income	$ 58,867	$ 63,574	$ 93,354	$ 95,421	$ 93,510
Non-interest income	14,010	13,857	18,802	16,081	15,430
Total net revenue	72,877	77,431	112,156	111,502	108,940
Tax equivalent adjustment on securities interest income	1,544	1,562	1,707	1,692	2,091
Net (gain) loss on sale of securities	(1,534)	(697)	(2,726)	121	283
Core total revenue	72,887	78,296	111,137	113,315	111,314
Non-interest expense	45,921	85,659	71,315	57,419	68,931
Merger-related expense	(2,455)	(14,625)	—	—	(265)
Charge for asset write-downs, banking systems conversion, retention, severance	(971)	(28,055)	—	—	(2,485)
Charge on benefit plan settlement	—	—	(13,384)	—	—
Loss on extinguishment of FHLB borrowings	—	—	—	—	(8,716)
Amortization of intangible assets	(1,399)	(1,780)	(3,431)	(3,431)	(3,053)
Core non-interest expense	41,096	41,199	54,500	53,988	54,412
Core operating efficiency ratio	56.4%	52.6%	49.0%	47.6%	48.9%

The following table shows the reconciliation of core net income and core earnings per share:	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016
Income (loss) before income tax expense	$ 24,856	$ (11,328)	$ 35,841	$ 48,583	$ 36,009
Income tax expense (benefit)	8,078	(3,682)	11,648	15,792	12,243
Net income (loss)	16,778	(7,646)	24,193	32,791	23,766
Net (gain) loss on sale of securities	(1,534)	(697)	(2,726)	121	283
Merger-related expense	2,455	14,625	—	—	265
Charge for asset write-downs, banking systems conversion, retention, severance	971	28,055	—	—	2,485
Charge on benefit plan settlement	—	—	13,384	—	—
Loss on extinguishment of FHLB borrowings	—	—	—	—	8,716
Amortization of non-compete agreements	660	991	961	961	968
Total charges	2,552	42,974	11,619	1,082	12,717
Income tax (benefit)	(829)	(13,967)	(3,777)	(348)	(4,324)
Total non-core charges net of taxes	1,723	29,007	7,842	734	8,393
Core net income	$ 18,501	$ 21,361	$ 32,035	$ 33,525	$ 32,159
Weighted average diluted shares	88,252,768	91,950,776	130,192,937	130,354,779	130,500,975
Diluted EPS as reported	$ 0.19	$ (0.08)	$ 0.19	$ 0.25	$ 0.18
Core diluted EPS (excluding total charges)	0.21	0.23	0.25	0.26	0.25

Non-GAAP to GAAP Reconciliation

($ in thousands except share and per share data)	For the quarter ended				
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016
The following table shows the reconciliation of return on tangible assets and core return on tangible assets:					
Average assets	$ 7,438,314	$ 8,049,220	$ 11,242,870	$ 11,622,621	$ 12,001,370
Average goodwill and other intangibles	(438,970)	(455,320)	(752,701)	(750,334)	(747,412)
Average tangible assets	6,999,344	7,593,900	10,490,169	10,872,287	11,253,958
Net income (loss)	16,778	(7,646)	24,193	32,791	23,766
Net income (loss), if annualized	68,044	(30,668)	95,983	130,095	95,586
Return on average tangible assets	0.97%	(0.40)%	0.91%	1.20%	0.85%
Core net income (see reconciliation on page 15)	$ 18,501	$ 21,361	$ 32,035	$ 33,525	$ 32,159
Annualized core net income	75,032	85,679	127,095	133,007	129,343
Core return on average tangible assets	1.07%	1.13 %	1.21%	1.22%	1.15%

($ in thousands except share and per share data)	For the quarter ended				
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016
The following table shows a reconciliation of the allowance for loan losses and remaining purchase accounting adjustments to portfolio loans[6]:					
Allowance for loan losses	$ 42,884	$ 44,317	$ 47,611	$ 50,145	$ 53,014
Remaining purchase accounting adjustments:					
Acquired performing loans	4,388	36,889	31,364	24,766	27,340
Purchased credit impaired loans	724	18,014	17,783	16,617	16,862
Total remaining purchase accounting adjustments	5,112	54,903	49,147	41,383	44,202
Total valuation balances recorded against portfolio loans	$ 47,996	$ 99,220	$ 96,758	$ 91,528	$ 97,216
Total portfolio loans, gross	$ 4,938,906	$ 7,235,587	$ 7,525,632	$ 7,859,360	$ 8,286,163
Remaining purchase accounting adjustments:					
Acquired performing loans	4,388	36,889	31,364	24,766	27,340
Purchased credit impaired loans	724	18,014	17,783	16,617	16,862
Adjusted portfolio loans, gross	$ 4,944,018	$ 7,290,490	$ 7,574,779	$ 7,900,743	$ 8,330,365
Allowance for loan losses to total portfolio loans, gross	0.87%	0.61%	0.63%	0.64%	0.64%
Total valuation balances recorded against portfolio loans to adjusted gross portfolio loans	0.97%	1.36%	1.28%	1.16%	1.17%

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