AMALGAMATED BANK

Third Quarter 2019 Earnings Presentation

October 28, 2019

amalgamatedbank.com
Member FDIC

SAFE HARBOR STATEMENTS

FORWARD-LOOKING STATEMENTS

Statements included in this presentation that are not historical in nature are intended to be, and are hereby identified as, forward-looking statements within the meaning of the Private Securities Litigation Reform Act, Section 21E of the Securities Exchange Act of 1934, as amended. The words “may,” “will,” “anticipate,” “should,” “would,” “believe,” “contemplate,” “expect,” “estimate,” “continue,” “may” and “intend,” as well as other similar words and expressions of the future, are intended to identify forward-looking statements, but other statements not based on historical information may also be considered forward-looking statements. These forward-looking statements include statements related to our business strategy, projected growth, future provisions for loan losses, our asset quality and any loan charge-offs, the composition of our loan portfolio, statements regarding our cost of deposits, anticipated future financial performance, and management’s long-term performance goals, as well as statements relating to the anticipated effects on results of operations and financial condition from expected developments or events, business and growth strategies, anticipated internal growth and the impact of our acquisition of New Resource Bank. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors, any or all of which could cause actual results to differ materially from the results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: (i) deterioration in the financial condition of borrowers resulting in significant increases in loan losses and provisions for those losses; (ii) continuation of the historically low short-term interest rate environment; (iii) the inability of Amalgamated Bank to maintain the historical growth rate of its loan portfolio; (iv) changes in loan underwriting, credit review or loss reserve policies associated with economic conditions, examination conclusions, or regulatory developments; (v) effectiveness of Amalgamated Bank’s asset management activities in improving, resolving or liquidating lower-quality assets; (vi) the impact of competition with other financial institutions, including pricing pressures (including those resulting from the Tax Cuts and Jobs Act) and the resulting impact on Amalgamated Bank’s results, including as a result of compression to net interest margin; (vii) greater than anticipated adverse conditions in the national or local economies including in Amalgamated Bank’s core markets (viii) fluctuations or unanticipated changes in interest rates on loans or deposits or that affect the yield curve; (ix) the results of regulatory examinations; (x) the ability to grow and retain low-cost core deposits and retain large, uninsured deposits; (xi) a merger or acquisition; (xii) risks of expansion into new geographic or product markets; (xiii) any matter that would cause Amalgamated Bank to conclude that there was impairment of any asset, including intangible assets; (xiv) inability to comply with regulatory capital requirements, including those resulting from changes to capital calculation methodologies, required capital maintenance levels or regulatory requests or directives; (xv) risks associated with litigation, including the applicability of insurance coverage; (xvi) the risk of not achieving anticipated cost savings (xvii) the vulnerability of Amalgamated Bank's network and online banking portals, and the systems of parties with whom Amalgamated Bank contracts, to unauthorized access, computer viruses, phishing schemes, spam attacks, human error, natural disasters, power loss and other security breaches; (xviii) the possibility of increased compliance costs resulting from increased regulatory oversight as a result of Amalgamated Bank becoming a publicly traded company; (xix) volatile credit and financial markets both domestic and foreign; (xx) potential deterioration in real estate values and (xxi) the risk that the preliminary financial information reported herein and our current preliminary analysis will be different when our review is finalized**.** Additional factors which could affect the forward looking statements can be found in Amalgamated’s Registration Statement on Form 10, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K filed with the FDIC and available on the FDIC's website at https://efr.fdic.gov/fcxweb/efr/index.html. Amalgamated Bank disclaims any obligation to update or revise any forward-looking statements contained in this presentation, which speak only as of the date hereof, whether as a result of new information, future events or otherwise.

NON-GAAP FINANCIAL MEASURES

This presentation contains certain non-GAAP financial measures including, without limitation, “Core Non-interest Income,” “Core Non-interest Income / Average Assets,” “Core Operating Revenue,” “Core Non-interest Expense,” “Core Non-interest Expense / Average Assets,” “Core Efficiency Ratio,” “Core Earnings,” “Core ROAA,” and “Core ROATCE.”

We believe these non-GAAP financial measures provide useful information to management and investors that is supplementary to our financial condition, results of operations and cash flows computed in accordance with GAAP. Specifically, we believe these non-GAAP financial measures (a) allow management and investors to better assess our performance by removing volatility that is associated with discrete items that are unrelated to our core business, and (b) enable a more complete understanding of factors and trends affecting our business.

Non-GAAP financial measures, however, have inherent limitations, are not required to be uniformly applied, and are not audited. Accordingly, these non-GAAP financial measures should not be considered as substitutes for GAAP financial measures, and we strongly encourage investors to review the GAAP financial measures included in this offering circular and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this offering circular with other companies’ non-GAAP financial measures having the same or similar names. As such, you should not view these disclosures as a substitute for results determined in accordance with GAAP, and they are not necessarily comparable to non-GAAP financial measures that other companies use. Reconciliations of non-GAAP financial disclosures to what we believe to be the most directly comparable GAAP measures found in this presentation are set forth in the final pages of this presentation and also may be viewed on the company’s website, amalgamatedbank.com.

You should assume that all numbers presented are unaudited unless otherwise noted.

THIRD QUARTER HIGHLIGHTS

3Q19 Highlights

- ✓ GAAP earnings of $0.41 per diluted share
- ✓ Core earnings of $0.41 per diluted share

- ✓ Average deposit growth of $117.4 million, or 11.3% annualized compared to 2Q19
- ✓ Non-interest bearing deposits are 45% of ending deposits
- ✓ 37 bps cost of deposits

- ✓ Loan growth of $176 million, or 21.4% annualized compared to the prior quarter

- ✓ $16.6 million reduction in criticized and classified

- ✓ 3.50% Net Interest Margin

- ✓ Repurchased 237,000 shares in total at $15.84 per share in 3Q19
- ✓ Repurchased 355,000 shares in total at $16.01 per share as of 10/24/2019

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

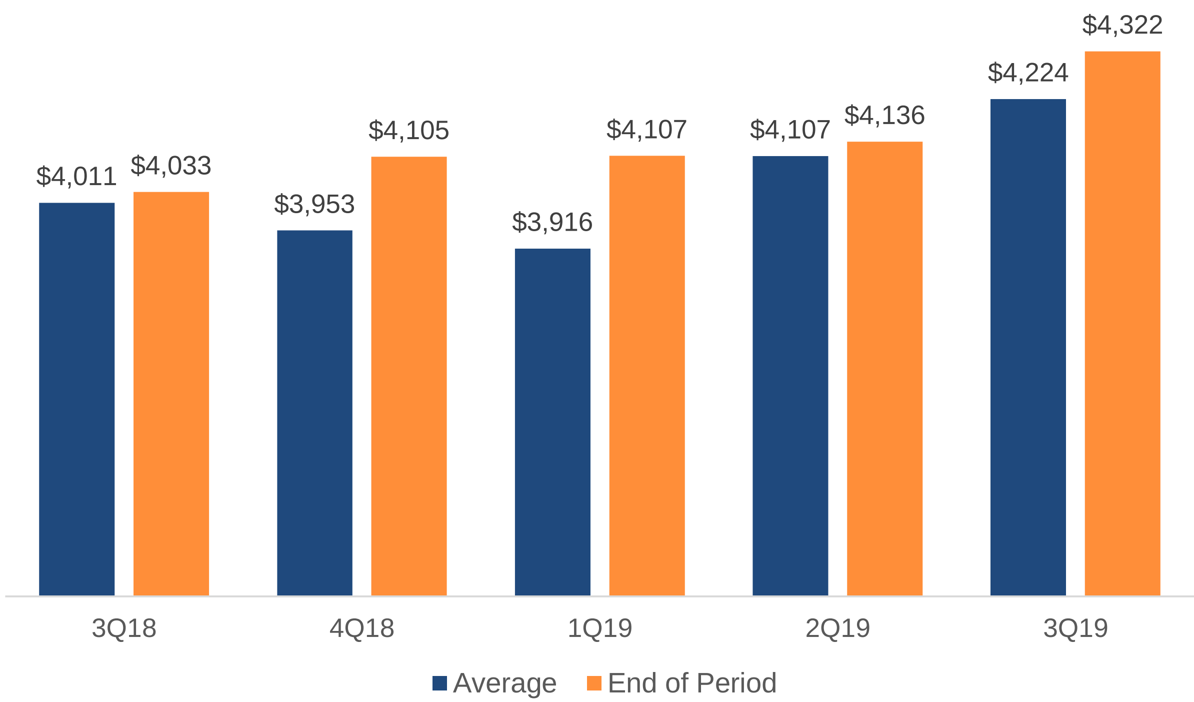
Q3 2019 Mission Aligned Initiatives and Accomplishments

- ✓ A founding signatory, we were one of three US based banks to sign the UN Principles for Responsible Banking (UNPRB) and joined UNPRB's Collective Commitment to Climate Action
- ✓ We joined the newly launched Partnership for Carbon Accounting Finance, a global collaboration to develop a methodology to measure the carbon footprint of all asset classes in our industry
  - ✓ As a member, we intend to set climate-related goals, including Science Based Targets, and report progress on our initiatives annually
- ✓ We were the only bank to sign Everytown's gun safety corporate call to action
- ✓ Winner of B Corp's *Best for the World* award
- ✓ Winner of National Association of Corporate Directors Small Cap Board Diversity award for our diversity and inclusion efforts
- ✓ CEO Keith Mestrich released his new book, Organized Money, a call to action to organize mission aligned money for broad social and economic impact
- ✓ CEO Keith Mestrich named one of the top 50 power people in finance by City & State magazine

DEPOSIT PORTFOLIO

Total Deposits

($ in millions)



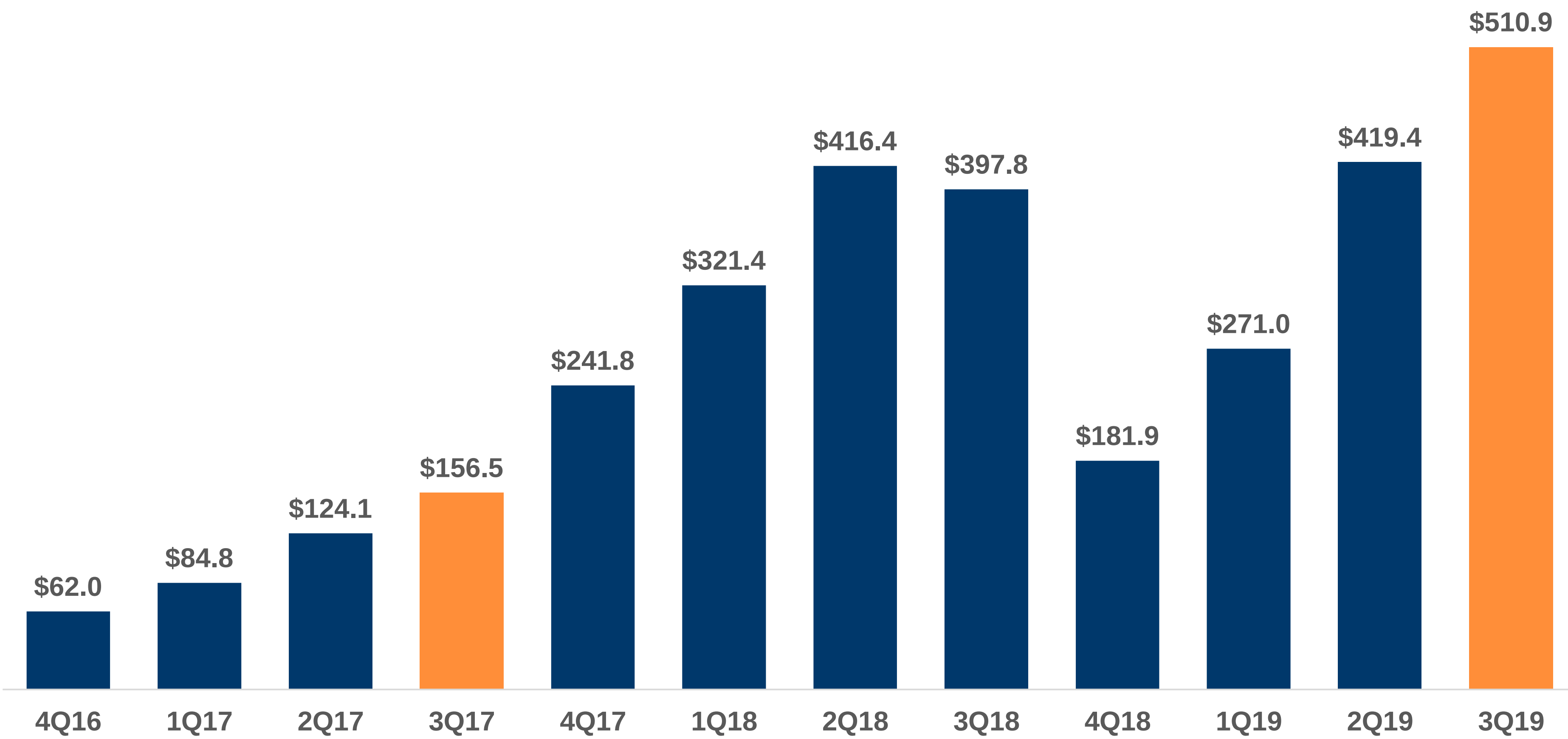
3Q19 Highlights

- ✓ Total ending deposits increased $185.9 million, or 17.8% annualized, compared to 2Q19
- ✓ Total average deposits increased $117.4 million, or 11.3% annualized, compared to 2Q19
- ✓ $174 million of average non-interest bearing deposit growth compared to 2Q19
- ✓ Political deposits were $510.9 million, $91.5 million higher than 2Q19
- ✓ Non-interest-bearing deposits represented 45% of ending deposits in 3Q19 compared to 46% in 2Q19

POLITICAL DEPOSITS

Political Deposits Historical Trend

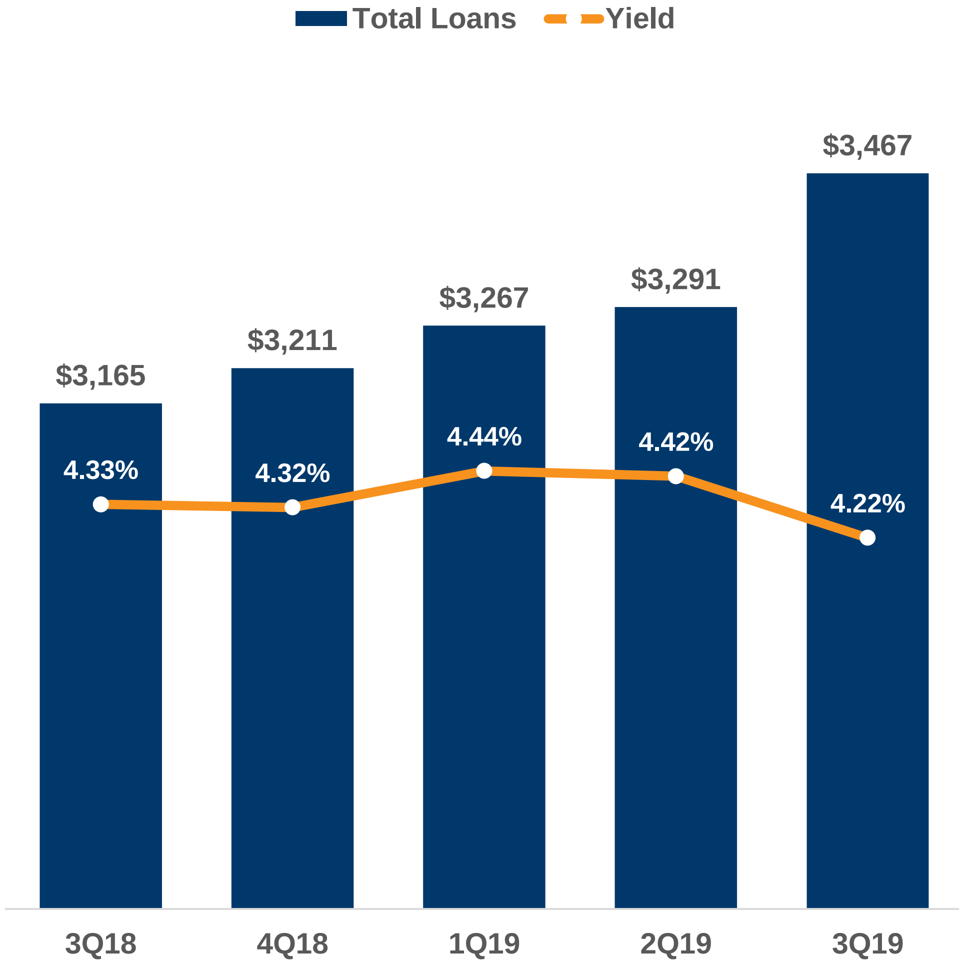
($ in millions)



LOAN PORTFOLIO

Total Loans, Net

($ in millions)



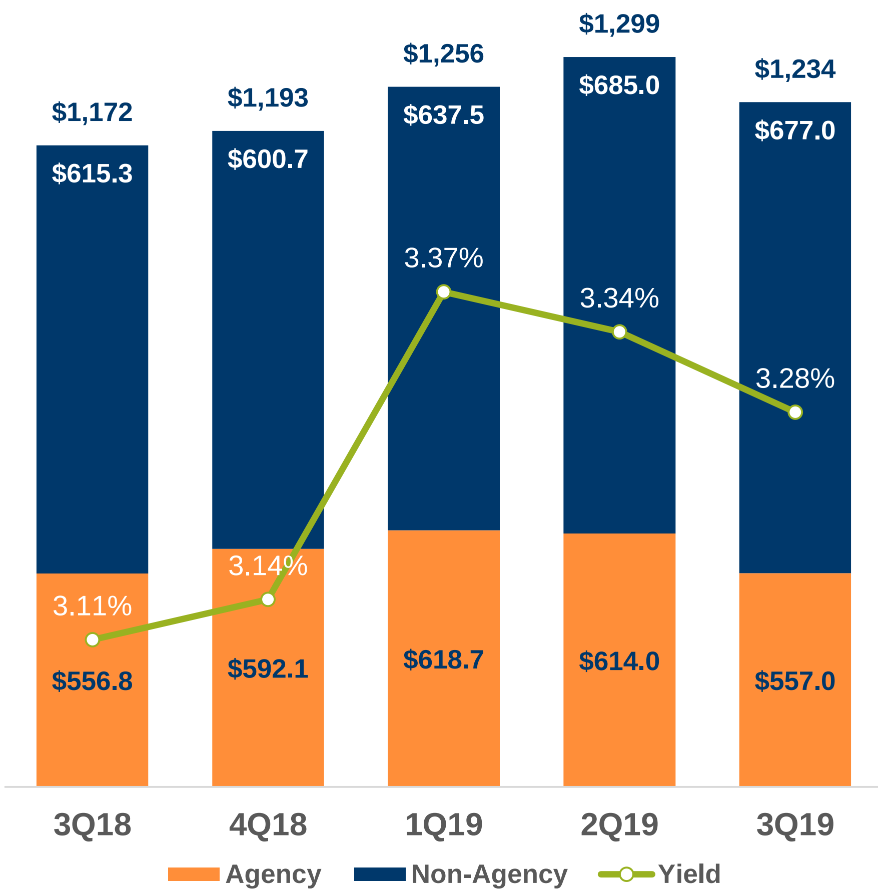
3Q19 Highlights

- ✓ Total loans increased $176 million, or 21.4% annualized compared to 2Q19
- ✓ 3Q19 loan growth compared to the 2Q19 was due to:
    - ✓ $83 million increase in residential first liens and PACE loans; $57 million in multifamily and $46 million in C&I from SBA/USDA purchases

CASH AND INVESTMENT SECURITIES

Securities – Book value

($ in millions)



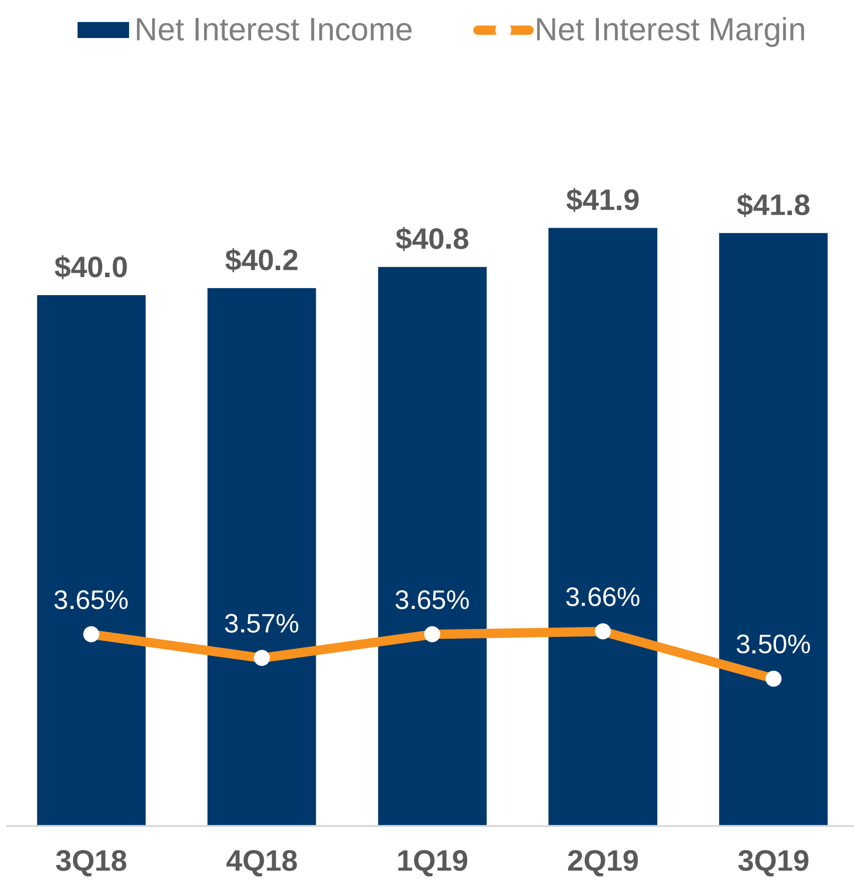
3Q19 Highlights

- ✓ Investment Securities totaled $1.2 billion book value for 3Q19 versus $1.3 billion in 2Q19
- ✓ Securities decrease of $65 million from 2Q19 was primarily due to portfolio run-off and modest net sales
- ✓ 88% of all non-agency MBS/ABS securities are AAA rated and 99% are A rated or higher; all CLO’s are AAA rated
- ✓ As of 3Q19 average subordination for the C&I CLOs is 42%
- ✓ Securities yield lower due to impact from lower interest rates

NET INTEREST INCOME AND MARGIN

Net Interest Income & Margin

($ in millions)



3Q19 Highlights

✓ Net interest income was $41.8 million, compared to $41.9 million in 2Q19

3Q19 vs. 3Q18 changes due to:

✓ Increases:
- Average loans increased $139 million
- Average interest bearing deposits decreased $57 million

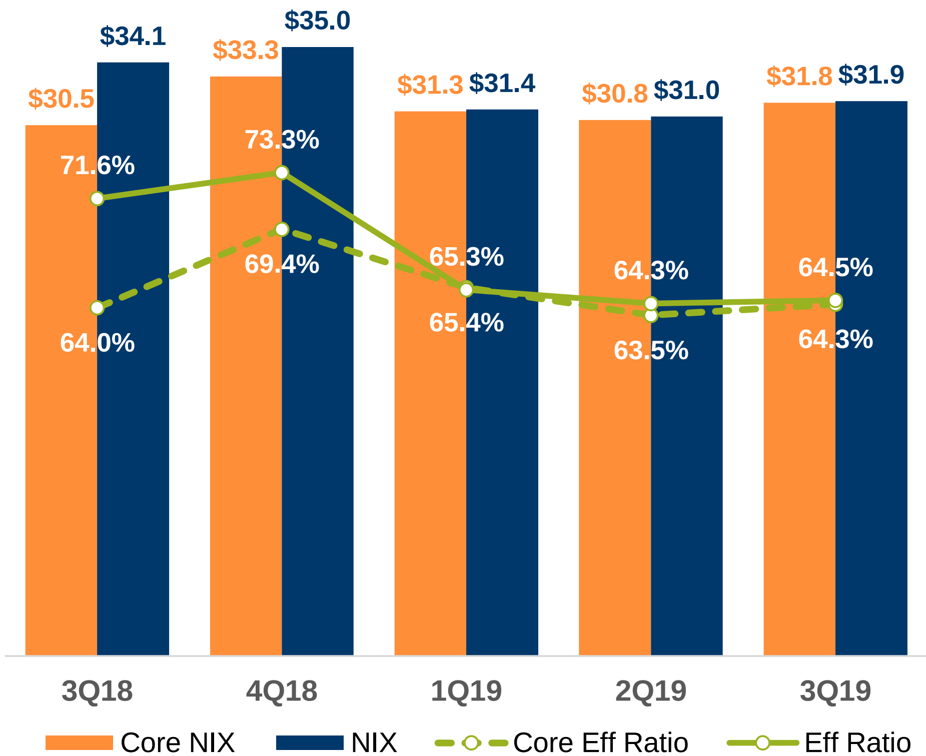
✓ Offsets:
- Yield increase on deposits and borrowings

✓ 3Q19 NIM at 3.50%; decrease of 16 bps and 15 bps compared to 2Q19 and 3Q18 respectively

NON-INTEREST EXPENSE AND EFFICIENCY

Non-Interest Expense

($ in millions)



3Q19 Highlights

- ✓ Core efficiency ratio of 64.3% for 3Q19[(1)]
- ✓ Non-interest expense for the 3Q19 was $31.9 million
- ✓ Core non-interest expense for the 3Q19 was $31.8 million, $1.0 million increase and $1.3 million increase compared to 2Q19 and 3Q18, respectively

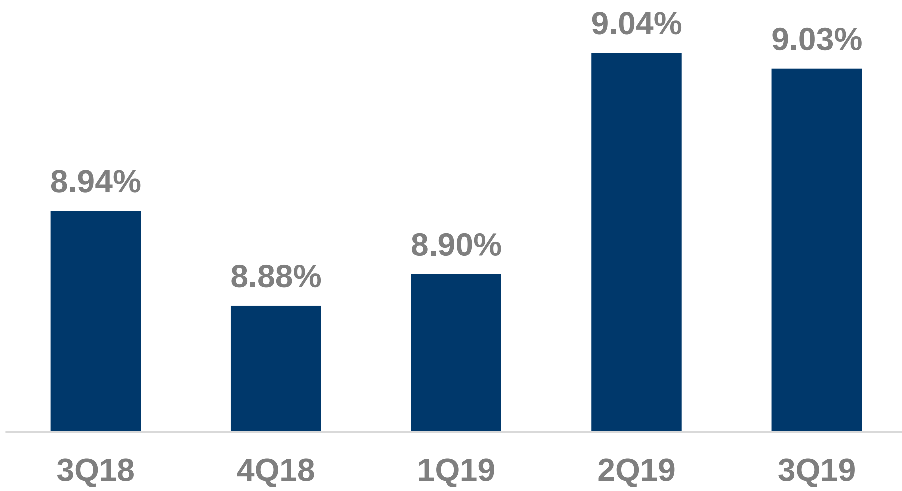
OTHER UPDATES

- ✓ Chelsea branch closure (August 2019) resulting in estimated cost save of ~$0.8 million annually
- ✓ Achieved vendor cost reductions of $1.6 million annually

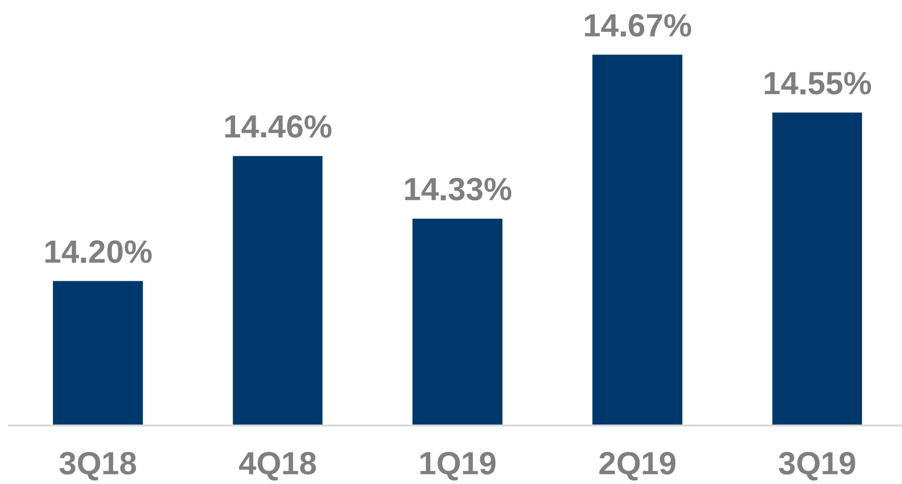
(1) See non-GAAP disclosures on pages 17-18

CAPITAL

Tier 1 Leverage Ratio



Total Risk Based Capital Ratio

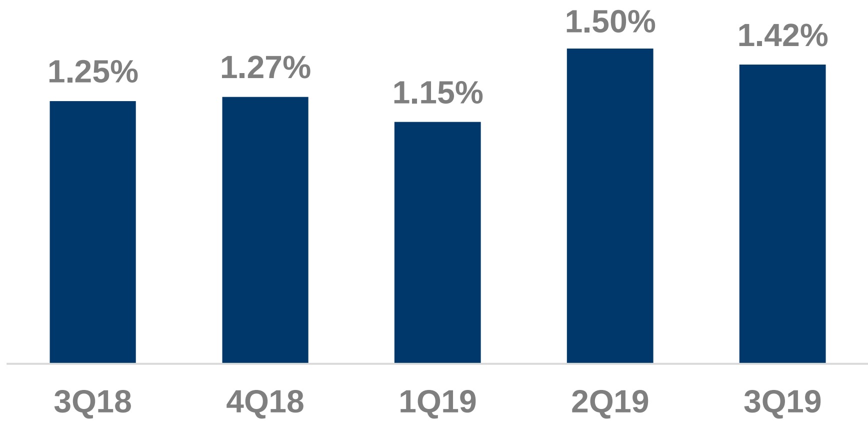


3Q19 Highlights

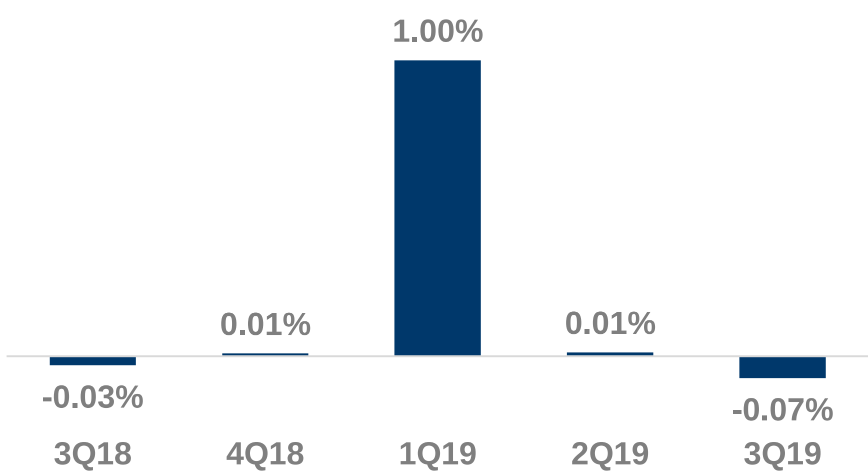
- ✓ Regulatory capital ratios remain well capitalized
  - ✓ Tier 1 leverage of 9.03% as of 3Q19
  - ✓ Total Risk Based Capital of 14.55%
- ✓ Tangible book value per share of $14.74 compared to $14.25 as of 2Q19 and $12.57 as of 3Q18

CREDIT QUALITY PORTFOLIO

NPA / Total Assets



NCO / Average Loans[1]



3Q19 Highlights

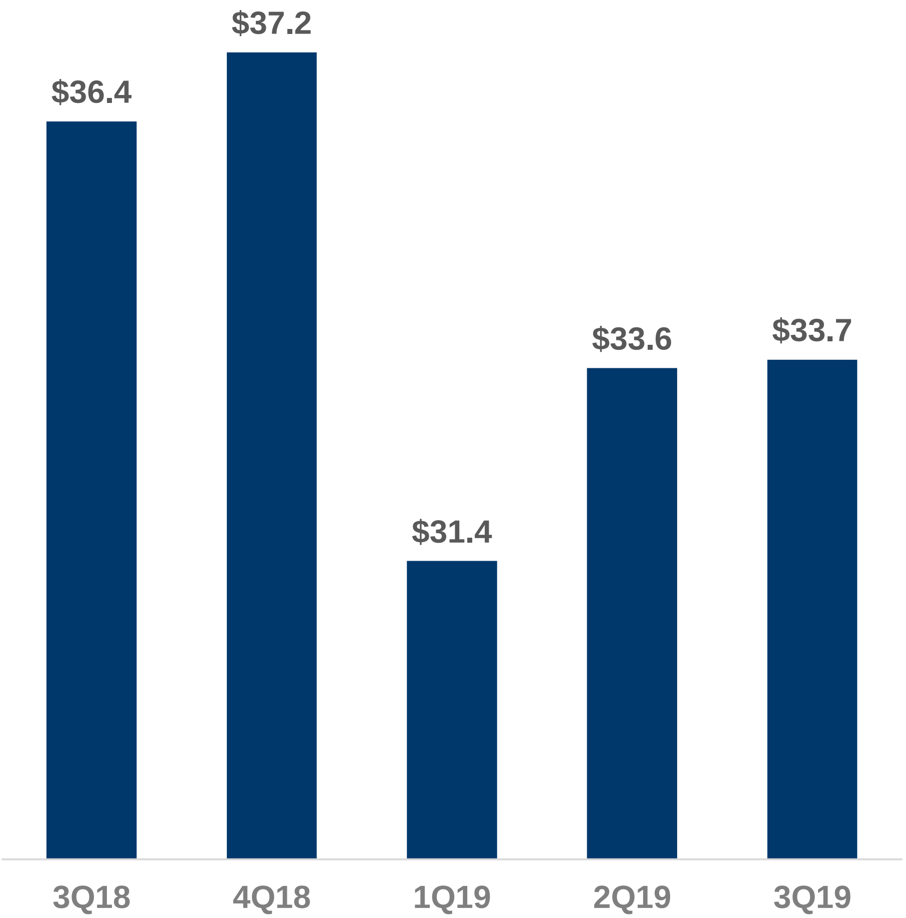
- ✓ Nonperforming assets were $71.6 million as of 3Q19, compared to $73.9 million in 2Q19
  - ✓ $13.9 million decrease in loans 90 days due and accruing
  - ✓ $9.3 million increase in accruing TDRs due to restructuring of one substandard indirect C&I loan
- ✓ Net Charge-offs negligible with the exception of 1Q19
  - ✓ Increase in 1Q19 was due to charge-off of one indirect C&I loan ($8.4 million) which had previously built-up specific reserves

(1) Annualized

ALLOWANCE FOR LOAN LOSSES

Allowance for Loan Losses

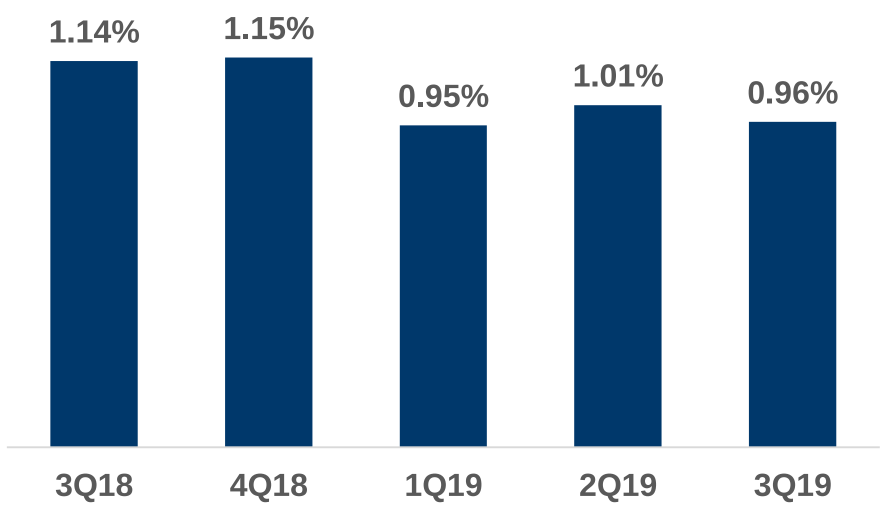
($ in millions)



3Q19 Highlights

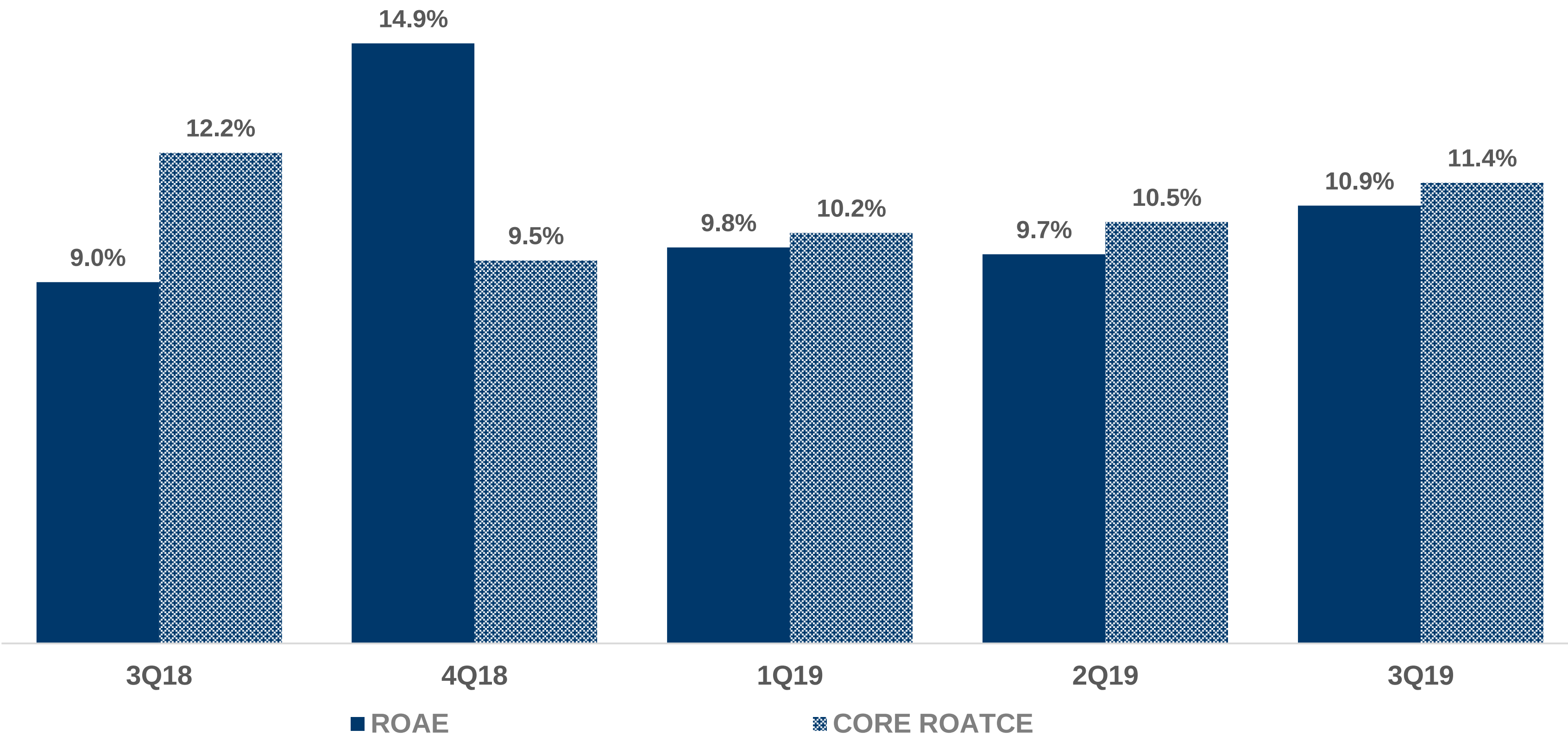
- ✓ Allowance for loan losses totaled $33.7 million
- ✓ 0.96% of total loans compared to 1.01% in 2Q19

Allowance for Loan Losses / Total Loans



RETURNS

ROAE & Core ROATCE (1)



✓ **Core ROATCE of 11.4% compared to 10.5% at 2Q19 and 12.2% at 3Q18**

(1) See non-GAAP disclosures on pages 17-18

FY 2019 OUTLOOK

FY 2019	Prior Outlook	Updated Outlook
Pre-Tax Pre-Provision Earnings	$66 to $72 million	$66 to $72 million
Deposit Growth	10% to 14%	14% to 18%
Loan Growth	6% to 10%	9% to 12%
Net Interest Margin	3.55% to 3.65%	3.55% to 3.60%
Expense Per Quarter	$31 to $33 million	$31 to $33 million

Appendix

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Reconciliation of Non-GAAP Financials

(in thousands)	For the Three Months Ended September 30, 2019	For the Three Months Ended June 30, 2019	For the Three Months Ended September 30, 2018	For the Nine Months Ended September 30, 2019	For the Nine Months Ended September 30, 2018
Core operating revenue					
Net interest income (GAAP)	$ 41,758	$ 41,856	$ 40,042	$ 124,387	$ 109,540
Non interest income (GAAP)	7,659	6,349	7,547	21,425	20,764
Add: Securities loss (gain)	50	377	-	135	112
Core operating revenue (non-GAAP)	$ 49,467	$ 48,582	$ 47,589	$ 145,947	$ 130,416
Core non-interest expenses					
Non-interest expense (GAAP)	$ 31,887	$ 31,002	$ 34,053	$ 94,337	$ 92,979
Less: Prepayment fees on borrowings	-	-	(5)	-	(8)
Less: Branch closure expense[1]	(51)	-	-	(51)	-
Less: Acquisition cost[2]	-	-	(148)	-	(730)
Less: Initial public offering and follow on cost [3]	-	-	(3,436)	-	(3,436)
Less: Severance [4]	(47)	(154)	-	(318)	23
Core non-interest expense (non-GAAP)	$ 31,789	$ 30,848	$ 30,464	$ 93,967	$ 88,828
Core Earnings					
Net Income (GAAP)	$ 13,195	$ 11,185	$ 9,417	$ 35,194	$ 28,670
Add: Securities loss (gain)	50	377	-	135	112
Add: Prepayment fees on borrowings	-	-	5	-	8
Add: Branch closure expense[1]	51	-	-	51	-
Add: Acquisition cost[2]	-	-	148	-	730
Add: Initial public offering and follow on cost [3]	-	-	3,436	-	3,436
Add: Severance [4]	47	154	-	318	(23)
Less: Tax on notable items	(40)	(137)	(911)	(132)	(1,083)
Core earnings (non-GAAP)	$ 13,303	$ 11,579	$ 12,095	$ 35,566	$ 31,850
Tangible common equity					
Stockholders Equity (GAAP)	$ 486,312	$ 474,944	$ 421,028	$ 486,312	$ 421,028
Less: Minority Interest (GAAP)	(134)	(134)	(134)	(134)	(134)
Less: Goodwill (GAAP)	(12,936)	(12,936)	(12,936)	(12,936)	(12,936)
Less: Core deposit intangible (GAAP)	(7,072)	(7,415)	(8,491)	(7,072)	(8,491)
Tangible common equity (non-GAAP)	$ 466,170	$ 454,459	$ 399,467	$ 466,170	$ 399,467

(1) Occupany and severance expense related to closure of branches during our branch rationalization

(2) Expense related to New Resource Bank acquisition

(3) Costs related to initial public offering in August 2018

(4) Salary and COBRA reimbursement expense for positions eliminated

Reconciliation of Non-GAAP Financials

(in thousands)	For the Three Months Ended September 30, 2019	For the Three Months Ended June 30, 2019	For the Three Months Ended September 30, 2018	For the Nine Months Ended September 30, 2019	For the Nine Months Ended September 30, 2018
Average tangible common equity					
Average Stockholders Equity (GAAP)	$ 482,208	$ 464,902	$ 416,808	$ 464,656	$ 380,786
Less: Minority Interest (GAAP)	(134)	(134)	(134)	(134)	(134)
Less: Preferred Stock (GAAP)	-	-	-	-	(3,681)
Less: Goodwill (GAAP)	(12,936)	(12,936)	(13,933)	(12,936)	(6,899)
Less: Core deposit intangible (GAAP)	(7,240)	(7,575)	(8,402)	(7,570)	(4,140)
Average tangible common equity (non-GAAP)	$ 461,898	$ 444,257	$ 394,338	$ 444,015	$ 365,931
Core return on average assets					
Core earnings (numerator) (non-GAAP)	13,303	11,579	12,095	35,566	31,850
Divided: Total average assets (denominator) (GAAP)	4,965,971	4,853,975	4,576,162	4,869,926	4,323,363
Core return on average assets (non-GAAP)	1.06%	0.96%	1.05%	0.98%	0.98%
Core return on average tangible common equity					
Core earnings (numerator) (non-GAAP)	13,303	11,579	12,095	35,566	31,850
Divided: Average tangible common equity (denominator) (non-GAAP)	461,898	444,257	394,338	444,015	365,931
Core return on average tangible common equity (non-GAAP)	11.43%	10.45%	12.17%	10.71%	11.64%
Core efficiency ratio					
Core non-interest expense (numerator) (non-GAAP)	31,789	30,848	30,464	93,967	88,828
Core operating revenue (denominator) (non-GAAP)	49,467	48,582	47,589	145,947	130,416
Core efficiency ratio (non-GAAP)	64.26%	63.50%	64.02%	64.38%	68.11%

Thank You

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