FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C. 20006

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 11, 2018

AMALGAMATED BANK

(Exact name of registrant as specified in its charter)

New York **(State or other jurisdiction of incorporation)**	**13-4920330** **(IRS employer identification no.)**
275 Seventh Avenue, New York, New York **(Address of principal executive offices)**	**10001** **(Zip Code)**

Registrant's telephone number, including area code: (212) 895-8988

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure

On September 11, 2018, Amalgamated Bank (the "Company") has made available on its website (www.amalgamatedbank.com) an Investor Presentation that provided information to investors about the Company, a copy of which is furnished herewith as Exhibit 99.1. All information in Exhibit 99.1 is presented as of the particular date or dates referenced therein, and the Company does not undertake any obligation to, and disclaims any duty to, update any of the information provided.

The information in this Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 under the Securities Exchange Act of 1934 and shall not be deemed to be incorporated by reference into the Company's filings under the Securities Act of 1933, except as specifically incorporated by reference therein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

EXHIBIT No.	Description
99.1	Investor Presentation for September 2018 (furnished only)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMALGAMATED BANK

By: /s/ Keith Mestrich
Name: Keith Mestrich
Title: Chief Executive Officer and President

Exhibit 99.1

Amalgamated Bank

Investor Presentation

September 2018

amalgamated bank.

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 successful integration of the businesses Amalgamated Bank has recently acquired with its business; (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 (xxi) the risk that the cost savings and any synergies expected from Amalgamated's merger with New Resource Bank ("NRB") may not be realized or take longer than anticipated to be realized; (xx) disruption from Amalgamated's merger with NRB with customers, suppliers, employee or other business partners relationships; (xxi) the risk of successful integration of Amalgamated's and NRB's businesses; (xxii) reputational risk and the reaction of the parties' customers, suppliers, employees or other business partners to Amalgamated's merger with NRB; (xxiii) the risk that the integration of Amalgamated's and NRB's operations will be more costly or difficult than expected; and (xxiii) the availability and access to capital. 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 ROAE."

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 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.

Company Overview

Commercial bank and chartered trust company

NASDAQ: AMAL

- ✓ Market Cap: $622mm[(1)]
- ✓ Total Assets: $4.2bn
- ✓ $41bn in assets under management and custody
- ✓ Net Loans: $2.9bn
- ✓ Total Deposits: $3.3bn
- ✓ Average cost of deposits: 26bps
- ✓ % of core deposits: 89%[(2)]
- ✓ ROAE of 8.96%, Core ROAE of 9.27%[(3)]
- ✓ ROAA of 0.77%, Core ROAA of 0.79%[(3)]
- ✓ Strong presence in New York City, Washington D.C. and San Francisco
- ✓ 14 Branches
- ✓ 401 Full-time employees
- ✓ Acquisition of New Resource Bank closed on May 18, 2018 expanding our presence into San Francisco

Strong Heritage

Founded by a union nearly 100 years ago, Amalgamated supports financial equity by providing access to banking products and services

Authentic Brand

Amalgamated impacts its communities through action. Amalgamated supports a $15 minimum wage, uses sustainable energy to power operations and has a workforce that is 61% minority and 56% female

Targeted Customer Base

Amalgamated serves a specialized customer segment. Clients are drawn to Amalgamated for its values-based business practices and stay for the banking team's expertise in critical areas

Unique Business Model

Amalgamated **focuses on profitability** by deploying its low-cost deposit funding into lower risk assets, achieving attractive risk-adjusted returns

Lower capital required from low-risk balance sheet creates opportunities for higher returns

Source: SNL Financial, Company. Financial data as of March 31, 2018.

1. *As of 9/7/2018*
2. *Core deposits defined as total deposits less time deposits.*
3. *This is a non-GAAP metric. See GAAP reconciliation of core net income on pages 19 - 20.*

Investment Highlights

1. Uniquely Positioned Business Model Tailored to Values-Based Institutions
2. Successfully Improved Operating Performance
3. Attractive Geographic Focus
4. Low-Cost, Low Beta Core Deposit Franchise
5. Conservative Asset Allocation & Optimized Balance Sheet
6. Increased Capital Return Opportunity

1

Uniquely Positioned Business Model Tailored to Values-Based Institutions

Amalgamated's core constituencies are a $90bn+(1) target market in key geographic areas

(United Federation of Teachers)

(Service Employees International Union)

(Teamsters)

(American Federation of State, County and Municipal Employees)

Political Organizations

- **19,500 Democratic candidates**
- Bank for Hillary 2016 Campaign

Labor Unions

- **30,000+ Labor Organizations**
- 14.5mm Americans
- International, National and Local

Non-Profits

- **1.5mm organizations**
- 9.2% of American wages
- $22bn in assets from progressive philanthropies

Sustainability

- Environmental Action Organizations
- Sustainable Businesses
- Alternative Energy Companies

Social Enterprises

- Multi-billion impact investing market

Minority Institutions

- **5.8mm minority-owned businesses**
- Minority-focused nonprofits and businesses

(National Association for the Advancement of Colored People)

We are one of the largest banks primarily focused on this market and have significant upside potential

Source: Company. The State of Minority Business Enterprises: U.S. Department of Commerce (2007) Next Street Segmented Growth Strategy study as of March 2016 commissioned by Amalgamated.

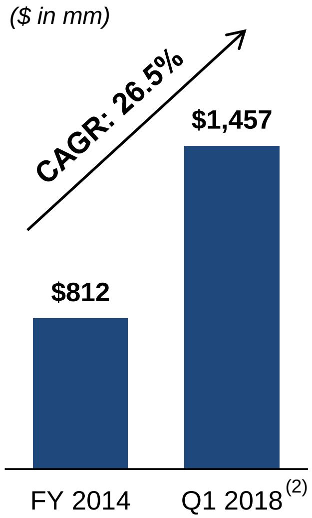
1. *Target customer assets represent total market opportunity and does not exclude assets of existing Amalgamated clients; includes progressive philanthropies, social advocacy and human needs organizations, and labor unions and excludes social enterprises and political organizations.*

2 Successfully Improved Operating Performance

2014 → 2018

- **Increased Low-Cost Deposits**
- **De-Risked Balance Sheet**
- **Higher Net Interest Margin**
- **Disciplined Expense Culture**
- **Enhanced Profitability**

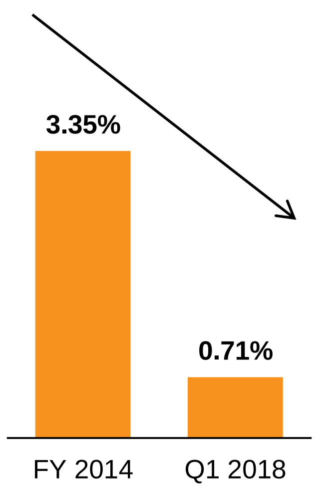
Non-interest Bearing Deposits



Non-interest Bearing Deposits as % of Total Deposits:

32% *44%*

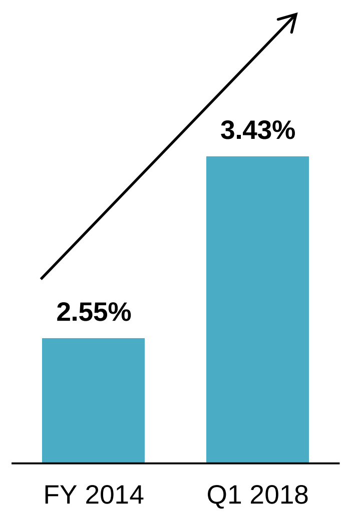
Nonperforming Loans / Total Loans



Wholesale Borrowings as % of Total Funding:

24% *11%*

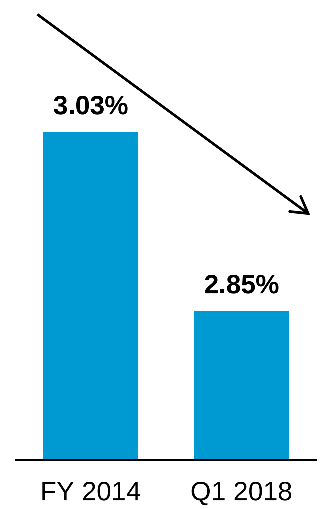
Net Interest Margin



Average Cost of Deposits:

0.24% *0.26%*

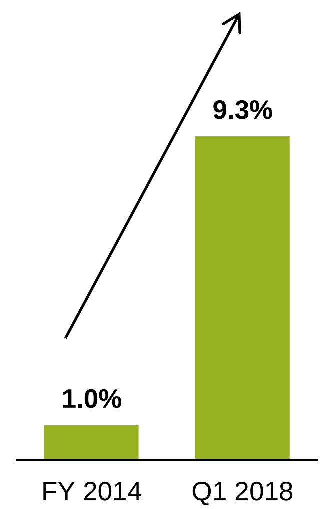
Core Non-Int. Exp. / Avg. Assets[1]



# of Branches:

24 *13*

Core ROAE[1]



Core ROAA[1]

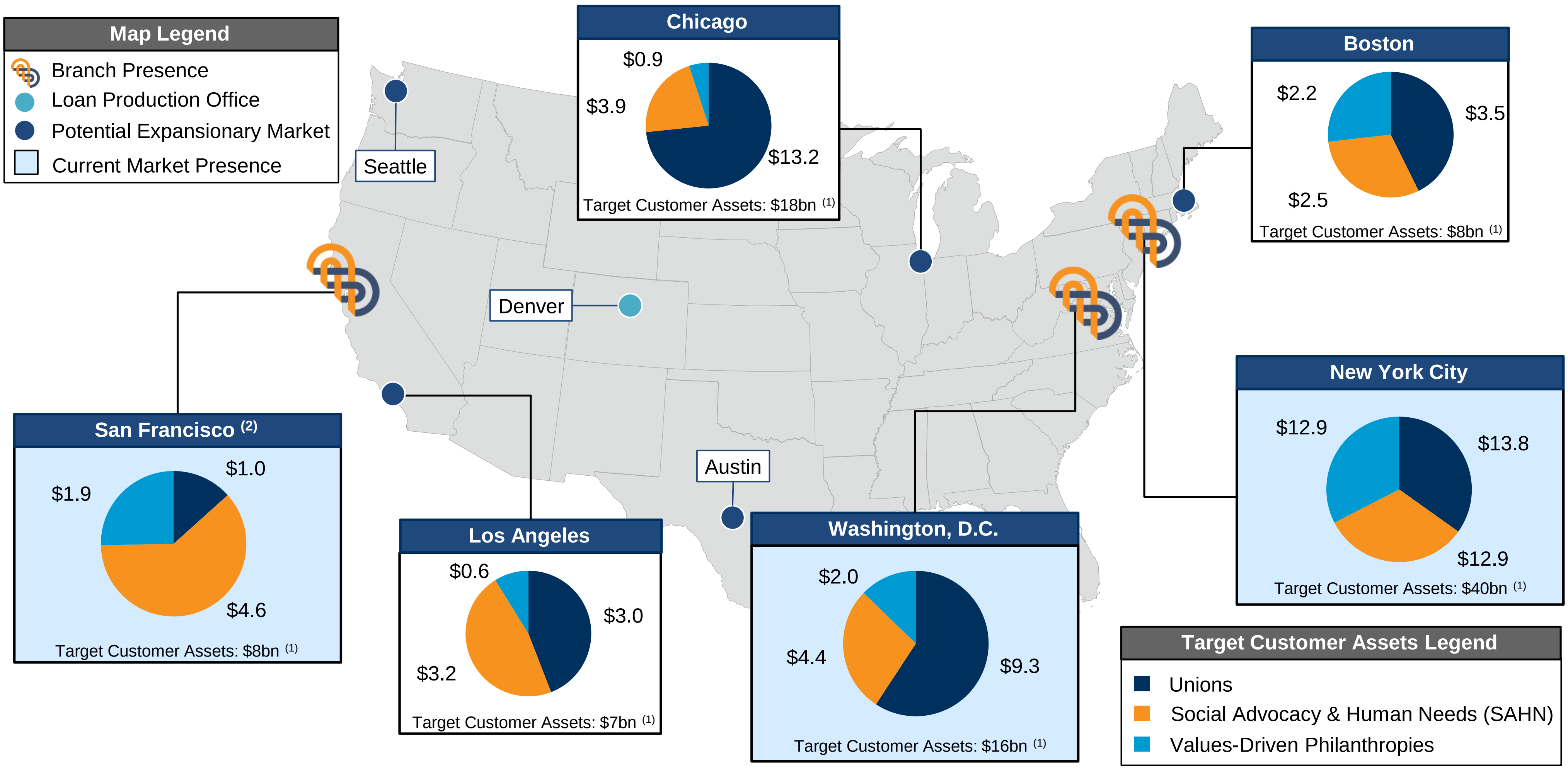
0.09% *0.79%*

Source: SNL Financial. Company.
1. This is a non-GAAP metric. See GAAP reconciliation of core net income on pages 19 - 20.
2. Pro forma financial metrics for the acquisition of New Resource Bank.

3 Attractive Geographic Focus

- **Six major metropolitan markets have $90bn+(1) of target customer assets**
- **Current footprint includes New York City, Washington D.C. and San Francisco**

Market Opportunity Across Customer Segments and Target Geographies



Source: Next Street Segmented Growth Strategy study as of March 2016 commissioned by Amalgamated.

1. *Target customer assets represent total market opportunity and does not exclude assets of existing Amalgamated clients; includes progressive philanthropies, social advocacy and human needs organizations, and labor unions and excludes social enterprises and political organizations.*
2. *Amalgamated Bank completed its acquisition of San Francisco based New Resource Bank on May 18, 2018.*

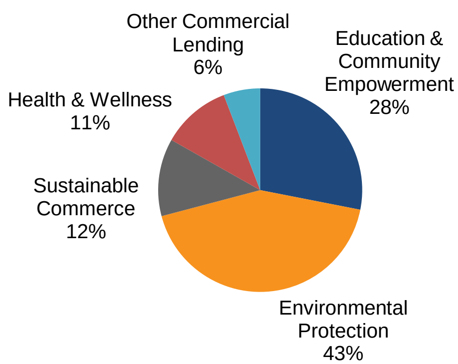
3 San Francisco Acquisition

New Resource Bank acquisition expands commercial relationships

New Resource Bank Overview

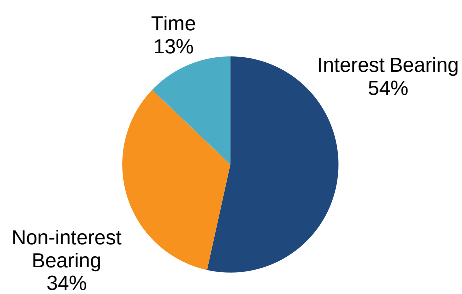
- Financially attractive and strategically compelling transaction
- Acquisition provides the opportunity to offer Amalgamated's mission-aligned products and services to a new market highly concentrated with our target customer base
- Transaction announced on December 15, 2017 and closed May 18, 2018

Values-Based Lending Composition[2]



Yield on Loans: 5.20%
360 Loan Accounts

Deposit Composition



Cost of Deposits: 0.05%
3,132 Deposit Accounts

Financial Overview – 1Q 2018 [1]

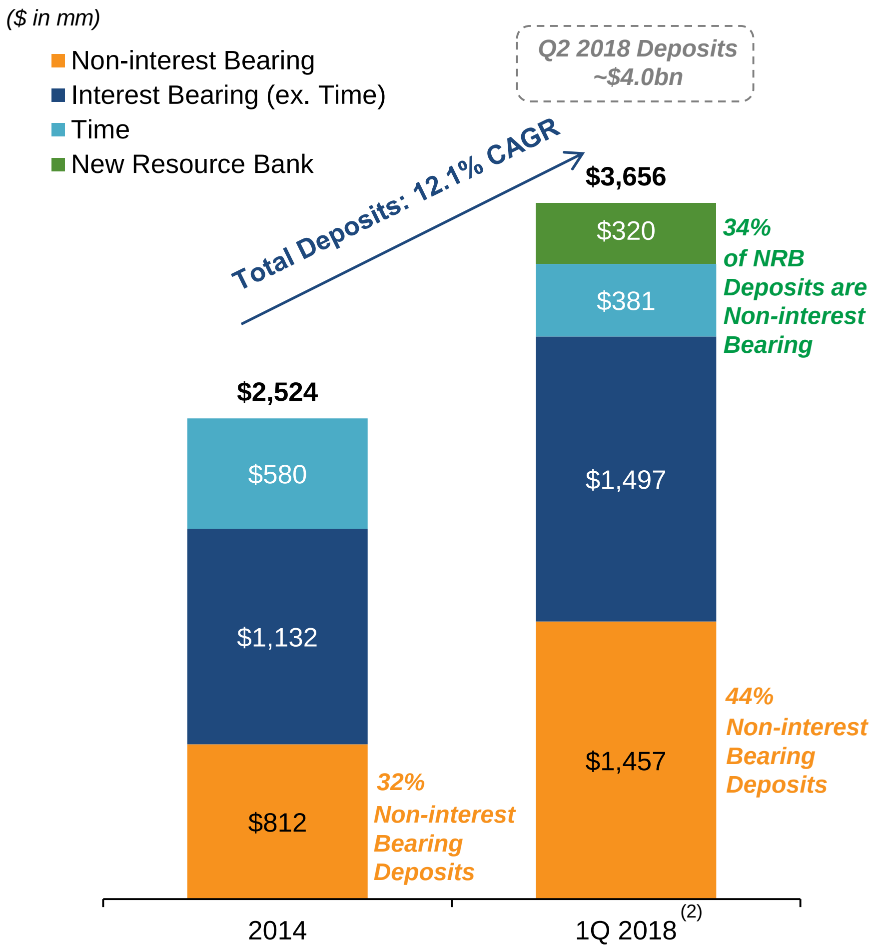
($ in mm)

Balance Sheet	Total Assets	$364
	Total Loans	$304
	Total Deposits	$320
Operating Performance	**Cost of Deposits**	**0.05%**
	Net Interest Margin	**4.46%**
	Non-interest Expense / Avg. Assets	3.67%
	ROAA	0.34%
	ROAE	3.2%
Credit	Nonperforming Loans / Total Loans	0.02%
Capital	RWAs / Assets	97.3%
	CET1	11.0%
Other	Locations	1
	Full-Time Employees	51

Source: SNL Financial, New Resource Merger Proxy Statement and Company.

4 Low-Cost, Low Beta Core Deposit Franchise

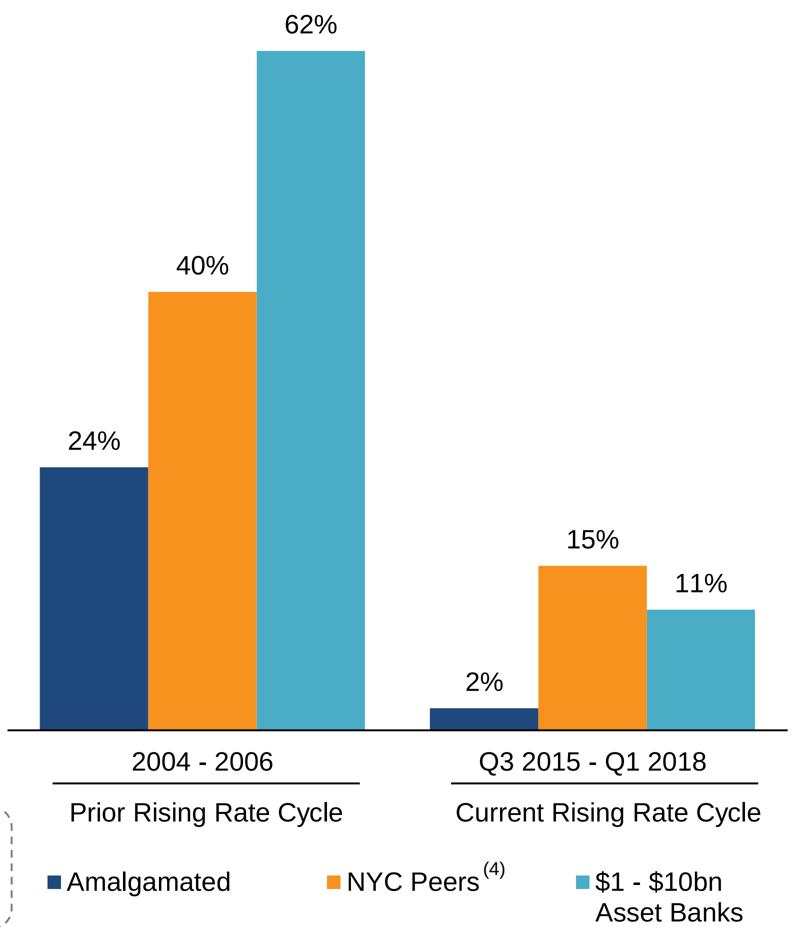
Deposit Growth



	2014	1Q 2018
% Core Deposits[3]:	77%	89%
Branches:	24	13
Average Cost of Deposits:	0.24%	0.26%

Q2 2018 Average Cost of Deposits 0.24%

Deposit Beta Analysis[1]



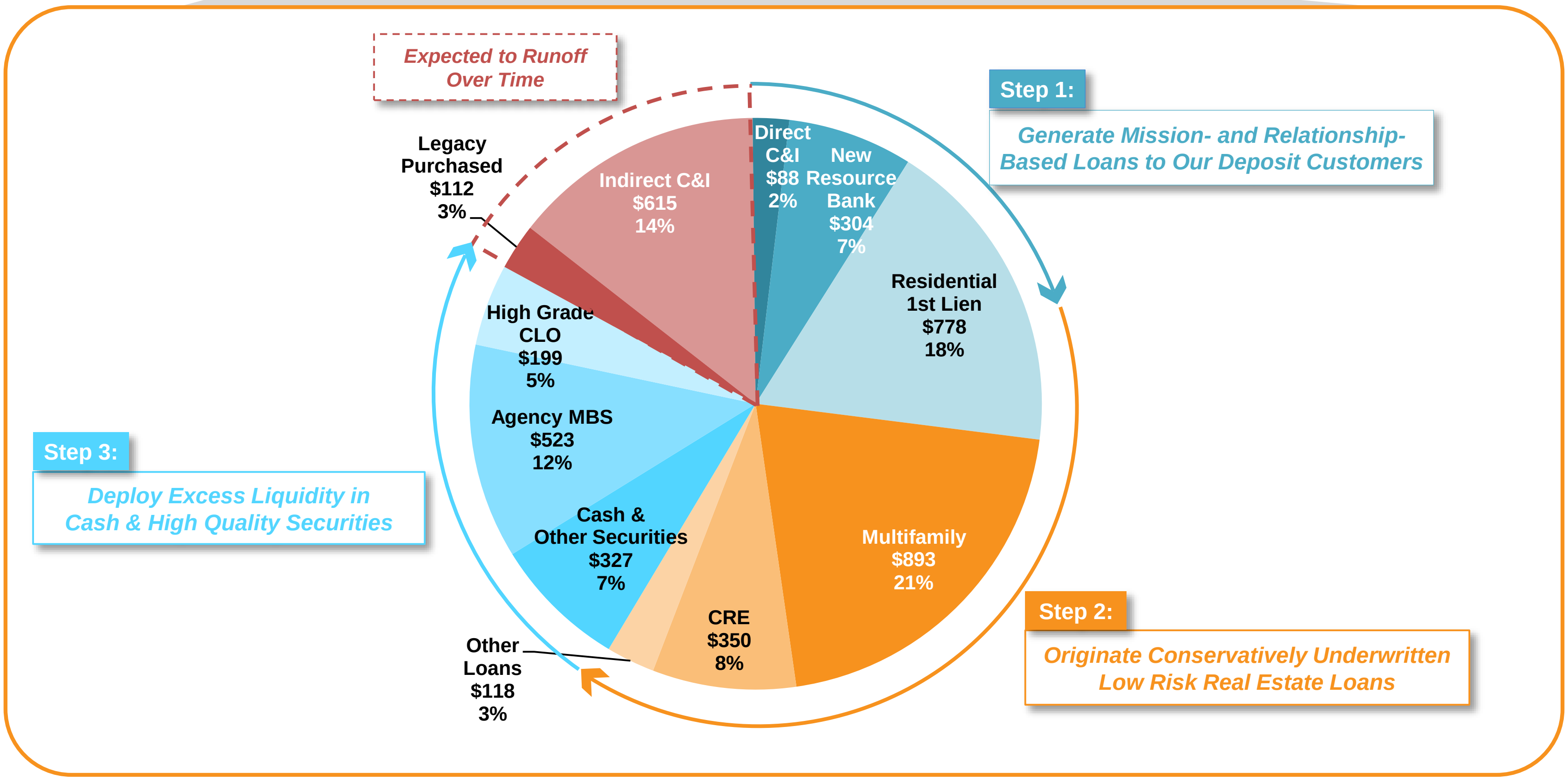
Source: Company. Factset. Financial data as of March 31, 2018.

1. *Deposit beta analysis reflects the change in average cost of deposits as a percentage of the change in the target federal funds rate.*
2. *Q1 2018 financial metrics are pro forma for the New Resource Bank acquisition.*
3. *Core deposits defined as total deposits less time deposits.*
4. *NYC Peers are $1.5bn to $10.0bn asset New York City MSA banks with less than 12.0% tangible common equity / tangible assets.*

5 Conservative Asset Allocation Framework

Differentiated business model allows to flexibly allocate excess liquidity to achieve attractive risk-adjusted returns

Low Cost of Funds → Conservative Asset Allocation → Industry Comparable NIM → Attractive Risk-Adjusted Returns



Source: Company.

5 Prudently Optimized Balance Sheet

Step	Earning Asset	Optimization Strategy	Portfolio Composition (1)	Key Statistics (2)
1. Generate Mission- and Relationship-Based Loans to Our Deposit Customers	Direct C&I	*Mission and relationship focused specialty lending origination*	*$88mm* *2%*	*100bps Cumulative Charge-Offs 2014 – 2017*
	New Resource	*New relationship lending to socially-responsible organizations*	*$304mm* *7%*	*2bps Nonperforming Loans / Total Loans*
	Resi 1st Lien	*5/10Y adjustable rate loans or 15/30Y fixed and floating rate with high FICO and low LTV; primarily in market footprint*	*$778mm* *18%*	*Average LTV of 65%* *Average FICO of 768*
2. Originate Conservatively Underwritten Low Risk Real Estate Loans	Multifamily	*Predominately rent-stabilized buildings in New York metro with low LTV*	*$893mm* *21%*	*Average LTV of 62%*
	CRE	*Office buildings, retail centers, industrial facilities, medical facilities and mixed-use buildings with low LTV*	*$350mm* *8%*	*Average LTV of 57%*
3. Deploy Excess Liquidity in Cash & High Quality Securities	Securities	*High quality, liquid investments, primarily with AAA credit ratings*	*$1,050mm* *23%*	*100% of CLOs rated AAA* *All at top of capital structure*
Expected to Runoff Over Time	Indirect C&I	*Non-relationship loans de-emphasized and prudently runoff*	*$615mm* *14%*	*$21mm Runoff in Q1 2018*

Strong Credit Quality: 0.71% Nonperforming Loans to Total Loans Ratio

Asset Sensitive Balance Sheet: +3.40% Increase in Net Interest Income with an Immediate +100bps Rate Hike

Source: Company. Note: Financial data as of March 31, 2018.
1. *Includes $304mm New Resource Bank loans; pro forma for New Resource Bank acquisition.*
2. *Average LTV metrics reflect loans over the period 2014 - 2018 Q1.*

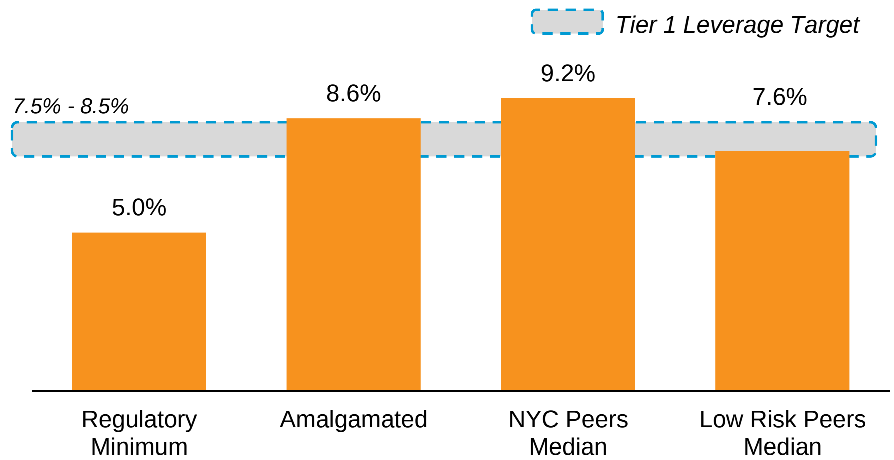
6 Increased Capital Return Opportunity

Amalgamated prudently manages its capital in-line with its lower risk profile

Capital Overview

- Amalgamated's capital ratios are significantly above regulatory minimums and in-line with peers
- Increasing profitability and lower risk asset strategy expected to create excess capital over time
- We expect to prudently manage to 7.5-8.5% Tier 1 Leverage ratio through the cycle
  - Capital levels to be calibrated based on asset allocation strategy, which will target appropriate risk-adjusted returns

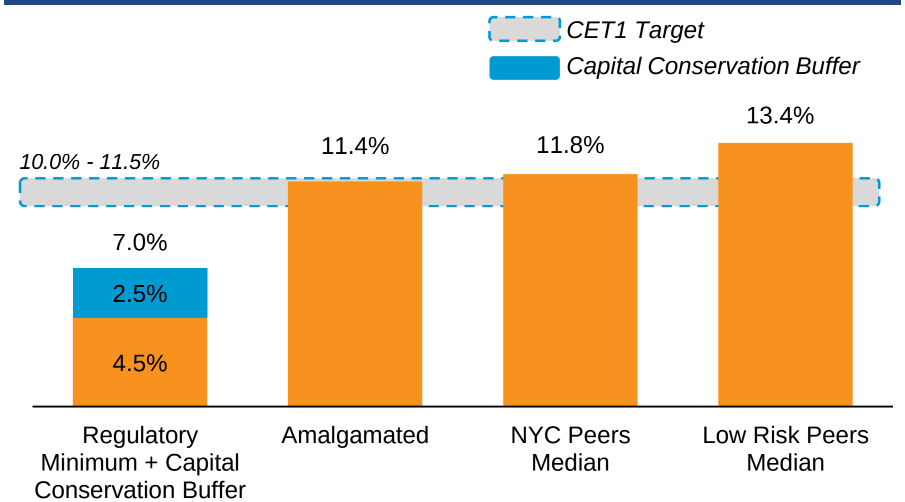
Tier 1 Leverage Ratio



Capital Deployment

Accelerate Organic Growth	*Opportunistic M&A of Bank and Trust Assets*
Steady Dividends (Targeting ~20% payout ratio)	*Potential Share Repurchases*

CET1 Ratio



Source: Company.
Note: NYC Peers are $1.5bn to $10.0bn asset New York City MSA banks with less than 12.0% tangible common equity / tangible assets.
Note: Low-risk peers include select U.S. banks with less than 65% RWA / Assets.

Investment Highlights

1. Uniquely Positioned Business Model Tailored to Values-Based Institutions
2. Successfully Improved Operating Performance
3. Attractive Geographic Focus
4. Low-Cost, Low Beta Core Deposit Franchise
5. Conservative Asset Allocation & Optimized Balance Sheet
6. Increased Capital Return Opportunity

amalgamated bank.

Second Quarter 2018 Outlook

Second Quarter 2018 Outlook

Key Financial Highlights

($ in millions, except per share data or otherwise noted)	Estimates[1]		Actuals[2]
	Post-Split Q2 2018	Pre-Split Q2 2018	Q1 2018
Total Assets ($bn)		~$4.6	$4.2
Net Loans ($bn)		~$3.1	$2.9
Total Deposits ($bn)		~$4.0	$3.3
Net Interest Income		$36.0 - $37.0	$32.8
NIM		3.53% - 3.57%	3.43%
Average Cost of Deposits		0.24%	0.26%
Provision for Losses / (Reserve Release)		($2.7) - ($2.9)	$0.9
Net Income		$11.0 - $12.0	$7.7
ROAA		1.00% - 1.10%	0.77%
ROAE		11.7% - 12.7%	9.0%
Basic Earnings per Weighted Average Common Share	$0.37 - $0.40	$7.40 - $8.00	$5.46
Tangible Book Value per Common Share	$12.00 - $12.20	$240.00 - $244.00	$242.15
Weighted Average Common Shares Outstanding	29,814,344	1,490,717	1,403,049
Period Ending Common Shares Outstanding	31,771,584	1,588,579	1,403,049

Continuing to Execute

- ✓ ***Integrate New Resource Bank and Realize Synergies***
- ✓ ***Strong Growth of Low-Cost, Core Deposits***
- ✓ ***NIM Expansion***
- ✓ ***Runoff of Indirect C&I Portfolio***
- ✓ ***Operating Leverage***

Source: Company.

1. *The following represents preliminary unaudited GAAP financial information for the three months ended June 30, 2018 is based solely on management's estimates reflecting currently available preliminary information and remains subject to our consideration of subsequent events, particularly as they relate to material estimates and assumptions used in preparing management's estimates for the three months ended June 30, 2018.*
2. *The selected historical consolidated financial data for the three months ended March 31, 2018 are derived from our unaudited interim consolidated financial statements.*

Appendix

Credit Metrics

Credit Metrics					
($ in mm)		NPLs / Total Loans		NCOs (Rec.) / Avg. Loans	
	Portfolio Balance (ex. HFS)	**Q1 2018**	**2017**	**Q1 2018**	**2017**
Multifamily	$893	0.00%	0.00%	0.00%	0.00%
Residential 1st Lien [1]	890	0.26%	0.22%	(0.01%)	(0.00%)
Commercial & Industrial	667	0.43%	0.45%	0.00%	0.24%
CRE [2]	350	0.00%	0.00%	0.00%	(0.02%)
Other	118	0.02%	0.03%	(0.01%)	0.02%
Total	**$2,918**	**0.71%**	**0.70%**	**(0.02%)**	**0.24%**

Source: Company.

1. *Includes $112mm legacy purchased residential loans under previous management. Residential 1st lien nonperforming loans are entirely comprised of legacy purchased portfolio loans.*
2. *Includes Construction and Land Development mortgages.*

Historical Summary Financials

($ in millions)	2014	2015	2016	2017	1Q 2018
Balance Sheet					
Total Cash & Securities	$1,566	$1,351	$1,324	$1,069	$1,039
Net Loans	1,975	2,270	2,509	2,780	2,882
Other Assets	166	200	209	192	233
Total Assets	**$3,707**	**$3,820**	**$4,042**	**$4,041**	**$4,154**
Total Deposits	2,524	2,733	3,009	3,233	3,336
Total Borrowings	806	692	639	403	402
Other Liabilities	60	62	53	61	70
Total Liabilities	**$3,389**	**$3,487**	**$3,701**	**$3,697**	**$3,807**
Total Stockholders' Equity	**$317**	**$333**	**$341**	**$344**	**$347**
Total Liabilities & Stockholders' Equity	**$3,707**	**$3,820**	**$4,042**	**$4,041**	**$4,154**
Core Income Statement					
Total Interest Income	$118.8	$120.4	$126.7	$139.1	$36.2
Total Interest Expense	(29.5)	(24.1)	(23.3)	(17.8)	(3.4)
Total Net Interest Income	**89.3**	**96.3**	**103.4**	**121.3**	**32.8**
Provision for Loan Losses	(0.3)	2.8	7.6	6.7	0.9
Net Interest Income After Provision	$89.6	$93.6	$95.8	$114.6	$32.0
Core Non-interest Income	**$25.3**	**$25.3**	**$28.7**	**$28.8**	**$7.1**
Core Non-interest Expense	**($110.2)**	**($112.3)**	**($113.9)**	**($120.3)**	**($28.5)**
Provision for Income Taxes	(1.5)	(1.9)	(4.8)	(9.0)	(2.6)
Core Earnings	**$3.3**	**$4.6**	**$5.9**	**$14.2**	**$7.9**
Key Metrics					
Loan Yield	4.58%	4.30%	4.19%	4.17%	4.15%
Securities Yield	2.15	2.23	2.30	2.50	2.83
Average Deposit Cost	0.24	0.23	0.23	0.24	0.26
Net Interest Margin	2.55	2.75	2.79	3.15	3.43
Core Non-interest Income / Avg. Assets	0.70	0.69	0.74	0.71	0.71
Core Non-interest Expense / Avg. Assets	3.03	3.06	2.93	2.98	2.85
NCOs / Avg. Loans	0.16	0.13	0.23	0.24	(0.02)
Core ROAA	0.09	0.13	0.15	0.35	0.79
Core ROAE	1.0	1.4	1.7	4.0	9.3

Source: Company.

GAAP Reconciliations

Historical GAAP Reconciliation

($ in millions)

Core Earnings	2014A	2015A	2016A	2017A	1Q 2018A
Net Income (GAAP)	($11.8)	$19.5	$10.6	$6.1	$7.7
Add: Securities loss, net and OTTI	5.1	(2.9)	(3.1)	1.4	0.1
Add: Prepayment fees on borrowings	13.5	1.2	2.0	7.6	-
Add: Branch closure expense	5.6	1.9	1.0	2.1	-
Add: Acquisition cost	-	-	-	0.4	0.3
Add: Severance	-	-	-	1.8	(0.0)
Less: Post-retirement benefit cancellation	-	-	-	(9.8)	-
Less: Tax on notable items	(7.6)	(0.1)	0.0	(1.3)	(0.1)
Less Pension recyling tax	(0.4)	(0.4)	(0.4)	(3.5)	-
Less: Valuation allowance release	1.1	(15.3)	(4.3)	(4.5)	-
Add: Change in tax law	(2.3)	0.5	-	13.9	-
Core Earnings	**$3.3**	**$4.6**	**$5.9**	**$14.2**	**$7.9**

Core ROAA	2014A	2015A	2016A	2017A	1Q 2018A
Core Earnings	$3.3	$4.6	$5.9	$14.2	$7.9
Divided: Total Average Assets (GAAP)	3,638	3,665	3,882	4,035	4,055
Core ROAA	**0.09%**	**0.13%**	**0.15%**	**0.35%**	**0.79%**

Core ROAE	2014A	2015A	2016A	2017A	1Q 2018A
Core Earnings	$3.3	$4.6	$5.9	$14.2	$7.9
Divided: Total Average Equity (GAAP)	325	330	349	350	347
Core ROAE	**1.0%**	**1.4%**	**1.7%**	**4.0%**	**9.3%**

Source: Company.

Historical GAAP Reconciliation

($ in millions)

Core Non-interest Expense / Average Assets	2014A	2015A	2016A	2017A	1Q 2018A
Non-interest expense (GAAP)	$129.2	$115.4	$116.9	$122.3	$28.8
Less: Prepayment fees on borrowings	(13.5)	(1.2)	(2.0)	(7.6)	-
Less: Branch closure expense	(5.6)	(1.9)	(1.0)	(2.1)	-
Less: Acquisition cost	-	-	-	(0.4)	(0.3)
Less: Severance	-	-	-	(1.8)	0.0
Add: Post-retirement benefit cancellation	-	-	-	9.8	-
Core Non-interest Expense	**$110.2**	**$112.3**	**$113.9**	**$120.3**	**$28.5**
Divided: Total Average Assets (GAAP)	3,638	3,665	3,882	4,035	4,055
Core Non-interest Expense / Average Assets	**3.03%**	**3.06%**	**2.93%**	**2.98%**	**2.85%**

Core Non-interest Income / Average Assets	2014A	2015A	2016A	2017A	1Q 2018A
Non-interest Income (GAAP)	$20.2	$28.1	$31.8	$27.4	$7.0
Add: Securities loss, net and OTTI	5.1	(2.9)	(3.1)	1.4	0.1
Core Non-interest Income	**$25.3**	**$25.3**	**$28.7**	**$28.8**	**$7.1**
Divided: Total Average Assets (GAAP)	3,638	3,665	3,882	4,035	4,055
Core Non-interest Income / Average Assets	**0.70%**	**0.69%**	**0.74%**	**0.71%**	**0.71%**

Source: Company.