



Kroll Bond Rating Agency Maintains Dime's Outlook at "Stable" and Affirms Ratings

June 17, 2024

HAUPPAUGE, N.Y., June 17, 2024 (GLOBE NEWSWIRE) -- Dime Community Bancshares, Inc. (the "Company" or "Dime") (NASDAQ: DCOM), the parent company of Dime Community Bank (the "Bank"), announced that Kroll Bond Rating Agency ("KBRA") has affirmed all ratings of Dime Community Bancshares, Inc. and Dime Community Bank. KBRA affirmed the Bank's senior unsecured debt rating of "BBB+" and the Company's senior unsecured debt rating of "BBB".

The Outlook for all long-term ratings is "Stable".

According to the KBRA report:

- The ratings are supported by Dime's outperformance with regard to credit quality over a long period of time, including multiple economic cycles, with a cumulative NCO ratio of below 15 bps since 2007. KBRA noted Dime's conservative underwriting and management's knowledge of local markets and borrowers.
- KBRA also recognized Dime's solid funding base, with a higher level of core deposits, which have grown steadily in recent quarters and should continue to expand considerably over the next few years due to the recent hiring of deposit-focused teams. Given the anticipated core deposit growth, Dime is expected to reflect an enhanced funding and liquidity profile that will position it well to execute its strategic shift in the loan portfolio.
- Over the longer-term, Dime should reflect a stronger earnings profile, in part, due to the effective integration with Bridge Bancorp, Inc., which significantly reduced operating expenses. As such, in a more normalized interest rate environment and from the build out of its C&I business, the company has the ability to produce stronger than peer returns.
- Risk based capital ratios have been growing over the past year, with the CET1 ratio increasing 80 bps since Year End 2022 (10.0% at 1Q24). Moreover, ratios are expected to continue to build prospectively. KBRA also recognized that regulatory capital measures are not materially impacted when adjusting for negative AOCI due to the smaller sized, and shorter duration, securities portfolio.

Stuart H. Lubow, President and Chief Executive Officer, stated, "We are pleased to receive an affirmation of our investment grade rating and a Stable outlook from KBRA."

ABOUT DIME COMMUNITY BANCSHARES, INC.

Dime Community Bancshares, Inc. is the holding company for Dime Community Bank, a New York State-chartered trust company with over \$13.5 billion in assets and the number one deposit market share among community banks on Greater Long Island ⁽¹⁾.

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¹ Aggregate deposit market share for Kings, Queens, Nassau & Suffolk counties for community banks with less than \$20 billion in assets.