



Dime Community Bancshares, Inc. Reports First Quarter 2024 Results With Earnings Per Share Increasing By 11% Versus the Prior Quarter

April 23, 2024

Core Deposit Growth of 19% Annualized Versus Year End

Dime Has Been Executing on Growth Plan And Has Recruited Numerous Talented Groups of Bankers to Position Itself for Future Growth

Capital Ratios Continue to Increase and Asset Quality Remains Stable

HAUPPAUGE, N.Y., April 23, 2024 (GLOBE NEWSWIRE) -- Dime Community Bancshares, Inc. (NASDAQ: DCOM) (the "Company" or "Dime"), the parent company of Dime Community Bank (the "Bank"), today reported net income available to common stockholders of \$15.9 million for the quarter ended March 31, 2024, or \$0.41 per diluted common share, compared to \$14.5 million, or \$0.37 per diluted common share, for the quarter ended December 31, 2023, and \$35.5 million, or \$0.92 per diluted common share for the quarter ended March 31, 2023.

Stuart H. Lubow, President and Chief Executive Officer ("CEO") of the Company, stated, "Dime began 2024 by executing on our growth plan, which prioritizes core deposit growth and diversifying our balance sheet. On a year-to-date basis, we have recruited 34 talented revenue-producing bankers, across our Private and Commercial Bank and C&I lending operations, spread across 8 different Groups. We expect these bankers to contribute meaningfully to our growth in the years ahead. Looking back, our recruiting efforts last year are beginning to pay dividends, with the deposit-gathering Groups hired in 2023 approaching \$600 million in deposits; these achievements helped drive the 19% annualized growth in core deposits in the first quarter of 2024. The significant momentum on the deposit front allowed us to reduce our FHLB borrowing position by 41% versus year-end levels."

Commenting on the first quarter results, Mr. Lubow said "Our results were characterized by stable asset quality, increasing capital ratios, a reduction in our wholesale funding, and prudent expense management. Importantly, the Net Interest Margin for the month of March was 2.23%, which was above the reported first quarter Net Interest Margin of 2.21%. This portends well for the quarters ahead in terms of the NIM trajectory. We continue to build our loan pipeline prudently and recently closed our first loan in our new Healthcare vertical; this new vertical provides us an important avenue to diversify our balance sheet over time. The reduction in our loan-to-deposit ratio to 98.8%, driven by strong deposit growth, provides us even more flexibility to take advantage of the current lending opportunities in the marketplace."

Highlights for the First Quarter of 2024 Included:

- Core deposits (excluding brokered deposits and time deposits) increased \$421 million versus year-end levels;
- The ratio of average non-interest-bearing deposits to average total deposits for the first quarter was 27%;
- Non-interest expenses remained well controlled and declined by 3% versus the linked quarter;
- Credit quality continues to be stable with non-performing assets and loans 90 days past due representing only 0.26% of total assets as of March 31, 2024;
- Net charge-offs were \$739 thousand for the quarter, representing only 0.03% of average loans;
- Capital ratios continue to build, with the Company's Tier 1 Risk Based Capital Ratio increasing to 11.11% and the Common Equity Tier 1 Ratio increasing to 10.00% at March 31, 2024; and
- Announced the addition of a National Deposits Group, 4 Groups in Brooklyn, 1 Group in Nassau County and 1 Group in Westchester County (marking Dime's extension into this new attractive banking market).

Management's Discussion of Quarterly Operating Results

Net Interest Income

Net interest income for the first quarter of 2024 was \$71.5 million compared to \$74.1 million for the fourth quarter of 2023 and \$85.8 million for the first quarter of 2023.

The table below provides a reconciliation of the reported net interest margin ("NIM") and adjusted NIM excluding the impact of purchase accounting accretion on the loan portfolio.

| (Dollars in thousands) | Q1 2024 | Q4 2023 | Q1 2023 |
|------------------------|-----------|-----------|-----------|
| Net interest income | \$ 71,530 | \$ 74,121 | \$ 85,752 |

| | | | |
|--|----------------------|----------------------|----------------------|
| Purchase accounting amortization (accretion) on loans ("PAA") | (82) | (55) | 586 |
| Adjusted net interest income excluding PAA on loans (non-GAAP) | <u>\$ 71,448</u> | <u>\$ 74,066</u> | <u>\$ 86,338</u> |
| Average interest-earning assets | <u>\$ 13,015,755</u> | <u>\$ 12,828,060</u> | <u>\$ 12,685,235</u> |
| NIM ⁽¹⁾ | 2.21 % | 2.29 % | 2.74 % |
| Adjusted NIM excluding PAA on loans (non-GAAP) ⁽²⁾ | 2.21 % | 2.29 % | 2.76 % |

(1) NIM represents net interest income divided by average interest-earning assets.

(2) Adjusted NIM excluding PAA on loans represents adjusted net interest income, which excludes PAA amortization on acquired loans divided by average interest-earning assets.

Loan Portfolio

The ending weighted average rate ("WAR") on the total loan portfolio was 5.34% at March 31, 2024, a 5 basis point increase compared to the ending WAR of 5.29% on the total loan portfolio at December 31, 2023.

Outlined below are loan balances and WARs for the period ended as indicated.

| (Dollars in thousands) | March 31, 2024 | | December 31, 2023 | | March 31, 2023 | |
|---|-----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|----------------------|
| | Balance | WAR ⁽¹⁾ | Balance | WAR ⁽¹⁾ | Balance | WAR ⁽¹⁾ |
| Loans held for investment balances at period end: | | | | | | |
| Business loans ⁽²⁾ | \$ 2,327,403 | 6.90 % | \$ 2,310,379 | 6.81 % | \$ 2,255,316 | 6.41 % |
| One-to-four family residential, including condominium and cooperative apartment | 873,671 | 4.48 | 889,236 | 4.47 | 799,321 | 4.06 |
| Multifamily residential and residential mixed-use ⁽³⁾⁽⁴⁾ | 3,996,654 | 4.57 | 4,017,703 | 4.53 | 4,118,439 | 4.23 |
| Non-owner-occupied commercial real estate | 3,386,333 | 5.24 | 3,381,842 | 5.19 | 3,330,582 | 4.85 |
| Acquisition, development, and construction | 175,352 | 8.40 | 168,513 | 8.71 | 221,015 | 8.62 |
| Other loans | 5,170 | 7.10 | 5,755 | 6.75 | 7,172 | 11.03 |
| Loans held for investment | <u>\$ 10,764,583</u> | <u>5.34 %</u> | <u>\$ 10,773,428</u> | <u>5.29 %</u> | <u>\$ 10,731,845</u> | <u>4.96 %</u> |

(1) Weighted average rate is calculated by aggregating interest based on the current loan rate from each loan in the category, adjusted for non-accrual loans, divided by the total balance of loans in the category.

(2) Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and Small Business Administration Paycheck Protection Program ("PPP") loans.

(3) Includes loans underlying multifamily cooperatives.

(4) While the loans within this category are often considered "commercial real estate" in nature, multifamily and loans underlying cooperatives are here reported separately from commercial real estate loans in order to emphasize the residential nature of the collateral underlying this significant component of the total loan portfolio.

Outlined below are the loan originations, for the quarter ended as indicated.

| (Dollars in millions) | Q1 2024 | Q4 2023 | Q1 2023 |
|-----------------------|----------------|-----------------|-----------------|
| Loan originations | <u>\$ 98.3</u> | <u>\$ 195.9</u> | <u>\$ 351.9</u> |

Deposits and Borrowed Funds

Period end total deposits (including mortgage escrow deposits) at March 31, 2024 were \$10.90 billion, compared to \$10.53 billion at December 31, 2023 and \$10.57 billion at March 31, 2023. CEO Lubow commented, "Deposit growth accelerated in the first quarter of 2024 as the investments in talent and technology that we made in 2023 began to pay dividends. Hires that we made in the second quarter of 2023 have generated approximately \$600 million of core deposits, at a weighted average rate of approximately 2.5%, providing an important proof-of-concept for our growth plan. We expect the new Groups hired in 2024 to benefit from all the operational, process and technology improvements we have made over the course of the past year and they will be significant contributors to the growth of our franchise in the years ahead."

Total Federal Home Loan Bank advances were \$773.0 million at March 31, 2024 compared to \$1.31 billion at December 31, 2023 and \$1.50 billion at March 31, 2023. Mr. Lubow commented, "Given the strong deposit growth, we proactively reduced our FHLB borrowings in the first quarter. Based on our strong deposit pipelines, we expect to continue paying down wholesale funding and we intend to create a primarily core-deposit funded institution over the course of the next year."

Non-Interest Income

Non-interest income was \$10.5 million during the first quarter of 2024, \$8.9 million during the fourth quarter of 2023, and \$9.0 million during the first quarter of 2023.

Non-Interest Expense

Total non-interest expense was \$52.5 million during the first quarter of 2024, \$53.9 million during the fourth quarter of 2023, and \$47.5 million during the first quarter of 2023. Excluding the impact of the FDIC special assessment, loss on extinguishment of debt, amortization of other intangible assets and severance expense, adjusted non-interest expense was \$51.7 million during the first quarter of 2024, \$52.6 million during the fourth quarter of 2023, and \$47.1 million during the first quarter of 2023 (see "Non-GAAP Reconciliation" tables at the end of this news release).

The ratio of non-interest expense to average assets was 1.52% during the first quarter of 2024, compared to 1.58% during the linked quarter and 1.41% for the first quarter of 2023. Excluding the impact of the FDIC special assessment, loss on extinguishment of debt, amortization of other intangible assets and severance expense, the ratio of adjusted non-interest expense to average assets was 1.50% during the first quarter of 2024, compared to 1.54% during the linked quarter and 1.40% for the first quarter of 2023 (see "Non-GAAP Reconciliation" tables at the end of this news release).

The efficiency ratio was 64.0% during the first quarter of 2024, compared to 65.0% during the linked quarter and 50.1% during the first quarter of 2023. Excluding the impact of net (gain) loss on sale of securities and other assets, fair value change in equity securities and loans held for sale, severance expense, the FDIC special assessment, loss on extinguishment of debt and amortization of other intangible assets the adjusted efficiency ratio was 64.7% during the first quarter of 2024, compared to 63.6% during the linked quarter and 48.9% during the first quarter of 2023 (see "Non-GAAP Reconciliation" tables at the end of this news release).

Income Tax Expense

The reported effective tax rate for the first quarter of 2024 was 27.1% compared to 35.6% for the fourth quarter of 2023, and 26.8% for the first quarter of 2023.

Credit Quality

Non-performing loans were \$34.8 million at March 31, 2024 compared to \$29.1 million at December 31, 2023 and \$31.5 million at March 31, 2023.

A credit loss provision of \$5.2 million was recorded during the first quarter of 2024, compared to a credit loss provision of \$3.7 million during the fourth quarter of 2023, and a credit loss recovery of \$3.6 million during the first quarter of 2023.

Capital Management

The Company's and the Bank's regulatory capital ratios continued to be in excess of all applicable regulatory requirements as of March 31, 2024. All risk-based regulatory capital ratios increased in the first quarter of 2024. Mr. Lubow commented, "Over the course of the past year, we have prudently increased our risk-based capital ratios. Our Common Equity Tier 1 Ratio is now at 10% and we are well positioned from a capital perspective to support all of our customers' needs."

Dividends per common share were \$0.25 during the first quarter of 2024 and the fourth quarter of 2023, respectively.

Book value per common share was \$28.84 at March 31, 2024 compared to \$28.58 at December 31, 2023.

Tangible common book value per share (which represents common equity less goodwill and other intangible assets, divided by the number of shares outstanding) was \$24.72 at March 31, 2024 compared to \$24.44 at December 31, 2023 (see "Non-GAAP Reconciliation" tables at the end of this news release).

Earnings Call Information

The Company will conduct a conference call at 9:00 a.m. (ET) on Tuesday, April 23, 2024, during which CEO Lubow will discuss the Company's first quarter 2024 financial performance, with a question-and-answer session to follow.

Participants may access the conference call via webcast using this link: <https://edge.media-server.com/mmc/p/2kw49bi9>. To participate via telephone, please register in advance using this link: <https://register.vevent.com/register/BI99c326361aa645968fe05719ed5f55cb>. Upon registration, all telephone participants will receive a one-time confirmation email detailing how to join the conference call, including the dial-in number along with a unique PIN that can be used to access the call. All participants are encouraged to dial-in 10 minutes prior to the start time.

A replay of the conference call and webcast will be available on-demand for 12 months.

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⁾.

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

This news release contains a number of forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements may be identified by use of words such as "annualized," "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "likely," "may," "outlook," "plan," "potential," "predict," "project," "should," "will," "would" and similar terms and phrases, including references to assumptions.

Forward-looking statements are based upon various assumptions and analyses made by the Company in light of management's experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate under the circumstances. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors (many of which are beyond the Company's control) that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Accordingly, you should not place undue reliance on such statements. Factors that could affect our results include, without limitation, the following: the timing and occurrence or non-occurrence of events may be subject to circumstances beyond the Company's control; there may be increases in competitive pressure among financial institutions or from non-financial institutions; changes in the interest rate environment may affect demand for our products and reduce interest margins and the value of our investments; changes in deposit flows, the cost of funds, loan demand or real estate values may adversely affect the business of the Company; changes in the quality and composition of the Company's loan or investment portfolios or unanticipated or significant increases in loan losses may negatively affect the Company's financial condition or results of operations; changes in accounting principles, policies or guidelines may cause the Company's financial condition to be perceived differently; changes in corporate and/or individual income tax laws may adversely affect the Company's financial condition or results of operations; general socio-economic conditions, public health emergencies, international conflict, inflation, and recessionary pressures, either nationally or locally in some or all areas in which the Company conducts business, or conditions in the securities markets or the banking industry may be less favorable than the Company currently anticipates and may adversely affect our customers, our financial results and our operations; legislation or regulatory changes may adversely affect the Company's business; technological changes may be more difficult or expensive than the Company anticipates; there may be failures or breaches of information technology security systems; success or consummation of new business initiatives may be more difficult or expensive than the Company anticipates; and litigation or other matters before regulatory agencies, whether currently existing or commencing in the future, may delay the occurrence or non-occurrence of events longer than the Company anticipates. For discussion of these and other risks that may cause actual results to differ from expectations, please refer to the sections entitled "Forward-Looking Statements" and "Risk Factors" in the Company's most recent Annual

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DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(In thousands)

| | March 31, 2024 | December 31, 2023 | March 31, 2023 |
|--|----------------------|----------------------|----------------------|
| Assets: | | | |
| Cash and due from banks | \$ 370,852 | \$ 457,547 | \$ 663,132 |
| Securities available-for-sale, at fair value | 859,216 | 886,240 | 926,812 |
| Securities held-to-maturity | 589,331 | 594,639 | 605,642 |
| Loans held for sale | 8,973 | 10,159 | 2,171 |
| Loans held for investment, net: | | | |
| Business loans ⁽¹⁾ | 2,327,403 | 2,310,379 | 2,255,316 |
| One-to-four family and cooperative/condominium apartment | 873,671 | 889,236 | 799,321 |
| Multifamily residential and residential mixed-use ⁽²⁾⁽³⁾ | 3,996,654 | 4,017,703 | 4,118,439 |
| Non-owner-occupied commercial real estate | 3,386,333 | 3,381,842 | 3,330,582 |
| Acquisition, development and construction | 175,352 | 168,513 | 221,015 |
| Other loans | 5,170 | 5,755 | 7,172 |
| Allowance for credit losses | (76,068) | (71,743) | (78,335) |
| Total loans held for investment, net | 10,688,515 | 10,701,685 | 10,653,510 |
| Premises and fixed assets, net | 44,501 | 44,868 | 45,863 |
| Premises held for sale | — | 905 | — |
| Restricted stock | 74,346 | 98,750 | 105,258 |
| Bank Owned Life Insurance ("BOLI") | 352,277 | 349,816 | 335,455 |
| Goodwill | 155,797 | 155,797 | 155,797 |
| Other intangible assets | 4,753 | 5,059 | 6,107 |
| Operating lease assets | 51,988 | 52,729 | 57,204 |
| Derivative assets | 135,162 | 122,132 | 130,294 |
| Accrued interest receivable | 55,369 | 55,666 | 49,926 |
| Other assets | 110,012 | 100,013 | 104,553 |
| Total assets | \$ 13,501,092 | \$ 13,636,005 | \$ 13,841,724 |
| Liabilities: | | | |
| Non-interest-bearing checking (excluding mortgage escrow deposits) | \$ 2,819,481 | \$ 2,884,378 | \$ 3,012,378 |
| Interest-bearing checking | 635,640 | 515,987 | 908,988 |
| Savings (excluding mortgage escrow deposits) | 2,347,114 | 2,335,354 | 2,333,196 |
| Money market | 3,440,083 | 3,125,996 | 2,686,290 |
| Certificates of deposit | 1,555,157 | 1,607,683 | 1,519,267 |
| Deposits (excluding mortgage escrow deposits) | 10,797,475 | 10,469,398 | 10,460,119 |
| Non-interest-bearing mortgage escrow deposits | 101,229 | 61,121 | 109,867 |
| Interest-bearing mortgage escrow deposits | 173 | 136 | 249 |
| Total mortgage escrow deposits | 101,402 | 61,257 | 110,116 |
| FHLBNY advances | 773,000 | 1,313,000 | 1,498,000 |
| Other short-term borrowings | — | — | 2,068 |
| Subordinated debt, net | 200,174 | 200,196 | 200,261 |
| Derivative cash collateral | 132,900 | 108,100 | 120,680 |
| Operating lease liabilities | 54,727 | 55,454 | 59,757 |
| Derivative liabilities | 122,112 | 121,265 | 115,568 |
| Other liabilities | 79,931 | 81,110 | 83,902 |
| Total liabilities | 12,261,721 | 12,409,780 | 12,650,471 |
| Stockholders' equity: | | | |
| Preferred stock, Series A | 116,569 | 116,569 | 116,569 |
| Common stock | 416 | 416 | 416 |
| Additional paid-in capital | 492,834 | 494,454 | 493,801 |
| Retained earnings | 819,130 | 813,007 | 789,010 |
| Accumulated other comprehensive loss ("AOCI"), net of deferred taxes | (85,466) | (91,579) | (98,638) |
| Unearned equity awards | (10,191) | (8,622) | (13,468) |
| Treasury stock, at cost | (93,921) | (98,020) | (96,437) |

| | | | |
|---|----------------------|----------------------|----------------------|
| Total stockholders' equity | <u>1,239,371</u> | <u>1,226,225</u> | <u>1,191,253</u> |
| Total liabilities and stockholders' equity | <u>\$ 13,501,092</u> | <u>\$ 13,636,005</u> | <u>\$ 13,841,724</u> |

(1) Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and PPP loans.

(2) Includes loans underlying multifamily cooperatives.

(3) While the loans within this category are often considered "commercial real estate" in nature, multifamily and loans underlying cooperatives are here reported separately from commercial real estate loans in order to emphasize the residential nature of the collateral underlying this significant component of the total loan portfolio.

DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands except share and per share amounts)

| | Three Months Ended | | |
|--|--------------------|----------------------|-------------------|
| | March 31, 2024 | December 31, 2023 | March 31, 2023 |
| Interest income: | | | |
| Loans | \$ 143,565 | \$ 144,744 | \$ 128,439 |
| Securities | 7,880 | 7,918 | 8,431 |
| Other short-term investments | 9,564 | 6,094 | 3,802 |
| Total interest income | <u>161,009</u> | <u>158,756</u> | <u>140,672</u> |
| Interest expense: | | | |
| Deposits and escrow | 73,069 | 66,650 | 37,272 |
| Borrowed funds | 14,697 | 15,617 | 16,171 |
| Derivative cash collateral | 1,713 | 2,368 | 1,477 |
| Total interest expense | <u>89,479</u> | <u>84,635</u> | <u>54,920</u> |
| Net interest income | <u>71,530</u> | <u>74,121</u> | <u>85,752</u> |
| Provision (recovery) for credit losses | <u>5,210</u> | <u>3,720</u> | <u>(3,648)</u> |
| Net interest income after provision (recovery) | <u>66,320</u> | <u>70,401</u> | <u>89,400</u> |
| Non-interest income: | | | |
| Service charges and other fees | 4,544 | 3,804 | 3,814 |
| Title fees | 133 | 466 | 292 |
| Loan level derivative income | 406 | 728 | 3,133 |
| BOLI income | 2,461 | 2,416 | 2,163 |
| Gain on sale of SBA loans | 253 | 531 | 516 |
| Gain on sale of residential loans | 77 | 12 | 48 |
| Fair value change in equity securities and loans held for sale | (842) | 321 | — |
| Net gain (loss) on sale of securities and other assets | 2,968 | — | (1,447) |
| Other | 467 | 594 | 482 |
| Total non-interest income | <u>10,467</u> | <u>8,872</u> | <u>9,001</u> |
| Non-interest expense: | | | |
| Salaries and employee benefits | 32,037 | 30,383 | 26,634 |
| Severance | 42 | 25 | 25 |
| Occupancy and equipment | 7,368 | 7,261 | 7,373 |
| Data processing costs | 4,313 | 3,730 | 4,238 |
| Marketing | 1,497 | 1,765 | 1,449 |
| Professional services | 1,467 | 1,279 | 1,923 |
| Federal deposit insurance premiums ⁽¹⁾ | 2,239 | 3,240 | 1,873 |
| Loss on extinguishment of debt | 453 | — | — |
| Amortization of other intangible assets | 307 | 350 | 377 |
| Other | 2,788 | 5,911 | 3,583 |
| Total non-interest expense | <u>52,511</u> | <u>53,944</u> | <u>47,475</u> |
| Income before taxes | <u>24,276</u> | <u>25,329</u> | <u>50,926</u> |
| Income tax expense | <u>6,585</u> | <u>9,021</u> | <u>13,623</u> |
| Net income | <u>17,691</u> | <u>16,308</u> | <u>37,303</u> |
| Preferred stock dividends | 1,821 | 1,821 | 1,821 |
| Net income available to common stockholders | <u>\$ 15,870</u> | <u>\$ 14,487</u> | <u>\$ 35,482</u> |
| Earnings per common share ("EPS"): | | | |
| Basic | <u>\$ 0.41</u> | <u>\$ 0.37</u> | <u>\$ 0.92</u> |
| Diluted | <u>\$ 0.41</u> | <u>\$ 0.37</u> | <u>\$ 0.92</u> |
| Average common shares outstanding for diluted EPS | 38,255,559 | 38,216,476 | 38,151,465 |

| | | | | | | | | | |
|--|----------------------|----------------|--------------|---------------------|----------------|--------------|---------------------|----------------|--------------|
| Interest-earning assets: | | | | | | | | | |
| Business loans ⁽¹⁾ | \$ 2,308,319 | \$ 39,224 | 6.83% | \$ 2,264,401 | \$ 38,740 | 6.79% | \$ 2,200,543 | \$ 33,691 | 6.21% |
| One-to-four family residential, including condo and coop | 886,588 | 9,770 | 4.43 | 893,008 | 9,706 | 4.31 | 788,302 | 7,616 | 3.92 |
| Multifamily residential and residential mixed-use | 4,000,510 | 46,019 | 4.63 | 4,070,327 | 46,715 | 4.55 | 4,074,011 | 42,349 | 4.22 |
| Non-owner-occupied commercial real estate | 3,371,438 | 44,776 | 5.34 | 3,376,581 | 45,037 | 5.29 | 3,317,049 | 39,695 | 4.85 |
| Acquisition, development, and construction | 169,775 | 3,692 | 8.75 | 188,022 | 4,459 | 9.41 | 225,898 | 4,973 | 8.93 |
| Other loans | 5,420 | 84 | 6.23 | 5,837 | 87 | 5.91 | 7,550 | 115 | 6.18 |
| Securities | 1,578,330 | 7,880 | 2.01 | 1,599,724 | 7,918 | 1.96 | 1,699,846 | 8,431 | 2.01 |
| Other short-term investments | 695,375 | 9,564 | 5.53 | 430,160 | 6,094 | 5.62 | 372,036 | 3,802 | 4.14 |
| Total interest-earning assets | <u>13,015,755</u> | <u>161,009</u> | <u>4.98%</u> | <u>12,828,060</u> | <u>158,756</u> | <u>4.91%</u> | <u>12,685,235</u> | <u>140,672</u> | <u>4.50%</u> |
| Non-interest-earning assets | <u>779,169</u> | | | <u>802,036</u> | | | <u>764,511</u> | | |
| Total assets | <u>\$ 13,794,924</u> | | | <u>\$13,630,096</u> | | | <u>\$13,449,746</u> | | |

Liabilities and Stockholders' Equity:

| | | | | | | | | | |
|--|----------------------|------------------|--------------|---------------------|------------------|--------------|---------------------|------------------|--------------|
| Interest-bearing liabilities: | | | | | | | | | |
| Interest-bearing checking ⁽²⁾ | \$ 582,047 | \$ 1,223 | 0.85% | \$ 524,573 | \$ 1,063 | 0.80% | \$ 843,108 | \$ 1,523 | 0.73% |
| Money market | 3,359,884 | 30,638 | 3.67 | 3,136,891 | 27,541 | 3.48 | 2,699,640 | 13,849 | 2.08 |
| Savings ⁽²⁾ | 2,368,946 | 22,810 | 3.87 | 2,295,882 | 20,979 | 3.63 | 2,327,126 | 14,599 | 2.54 |
| Certificates of deposit | 1,655,882 | 18,398 | 4.47 | 1,564,817 | 17,067 | 4.33 | 1,167,736 | 7,301 | 2.54 |
| Total interest-bearing deposits | <u>7,966,759</u> | <u>73,069</u> | <u>3.69</u> | <u>7,522,163</u> | <u>66,650</u> | <u>3.52</u> | <u>7,037,610</u> | <u>37,272</u> | <u>2.15</u> |
| FHLBNY advances | 1,094,209 | 12,143 | 4.46 | 1,174,848 | 13,064 | 4.41 | 1,255,700 | 13,500 | 4.36 |
| Subordinated debt, net | 200,188 | 2,553 | 5.13 | 200,210 | 2,553 | 5.06 | 200,276 | 2,553 | 5.17 |
| Other short-term borrowings | 77 | 1 | 5.22 | — | — | — | 11,827 | 118 | 4.05 |
| Total borrowings | <u>1,294,474</u> | <u>14,697</u> | <u>4.57</u> | <u>1,375,058</u> | <u>15,617</u> | <u>4.51</u> | <u>1,467,803</u> | <u>16,171</u> | <u>4.47</u> |
| Derivative cash collateral | 130,166 | 1,713 | 5.29 | 161,535 | 2,368 | 5.82 | 135,641 | 1,477 | 4.42 |
| Total interest-bearing liabilities | <u>9,391,399</u> | <u>89,479</u> | <u>3.83%</u> | <u>9,058,756</u> | <u>84,635</u> | <u>3.71%</u> | <u>8,641,054</u> | <u>54,920</u> | <u>2.58%</u> |
| Non-interest-bearing checking ⁽²⁾ | 2,909,776 | | | 3,059,289 | | | 3,341,707 | | |
| Other non-interest-bearing liabilities | 247,717 | | | 286,373 | | | 273,281 | | |
| Total liabilities | <u>12,548,892</u> | | | <u>12,404,418</u> | | | <u>12,256,042</u> | | |
| Stockholders' equity | <u>1,246,032</u> | | | <u>1,225,678</u> | | | <u>1,193,704</u> | | |
| Total liabilities and stockholders' equity | <u>\$ 13,794,924</u> | | | <u>\$13,630,096</u> | | | <u>\$13,449,746</u> | | |
| Net interest income | | <u>\$ 71,530</u> | | | <u>\$ 74,121</u> | | | <u>\$ 85,752</u> | |
| Net interest rate spread | | | 1.15% | | | 1.20% | | | 1.92% |
| Net interest margin | | | 2.21% | | | 2.29% | | | 2.74% |
| Deposits (including non-interest-bearing checking accounts) ⁽²⁾ | <u>\$ 10,876,535</u> | <u>\$ 73,069</u> | <u>2.70%</u> | <u>\$10,581,452</u> | <u>\$ 66,650</u> | <u>2.50%</u> | <u>\$10,379,317</u> | <u>\$ 37,272</u> | <u>1.46%</u> |

(1) Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and PPP loans.

(2) Includes mortgage escrow deposits.

DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES
UNAUDITED SCHEDULE OF NON-PERFORMING ASSETS
(Dollars in thousands)

| Asset Quality Detail | At or For the Three Months Ended | | |
|---|----------------------------------|-------------------|------------------|
| | March 31, 2024 | December 31, 2023 | March 31, 2023 |
| Non-performing loans ("NPLs") | | | |
| Business loans ⁽¹⁾ | \$ 18,213 | \$ 18,574 | \$ 25,512 |
| One-to-four family residential, including condominium and cooperative apartment | 3,689 | 3,248 | 2,808 |
| Multifamily residential and residential mixed-use | — | — | — |
| Non-owner-occupied commercial real estate | 15 | 6,620 | 2,468 |
| Acquisition, development, and construction | 12,910 | 657 | 657 |
| Other loans | — | — | 99 |
| Total Non-accrual loans | <u>\$ 34,827</u> | <u>\$ 29,099</u> | <u>\$ 31,544</u> |

| | | | |
|--|------------------|------------------|------------------|
| Total Non-performing assets ("NPAs") | \$ <u>34,827</u> | \$ <u>29,099</u> | \$ <u>31,544</u> |
| Total loans 90 days delinquent and accruing ("90+ Delinquent") | \$ <u>—</u> | \$ <u>—</u> | \$ <u>—</u> |
| NPAs and 90+ Delinquent | \$ <u>34,827</u> | \$ <u>29,099</u> | \$ <u>31,544</u> |
| NPAs and 90+ Delinquent / Total assets | 0.26 % | 0.21 % | 0.23 % |
| Net charge-offs ("NCOs") | \$ 739 | \$ 4,555 | \$ 1,541 |
| NCOs / Average loans ⁽²⁾ | 0.03 % | 0.17 % | 0.06 % |

(1) Business loans include commercial and industrial loans, owner-occupied commercial real estate loans and PPP loans.

(2) Calculated based on annualized NCOs to average loans, excluding loans held for sale.

DIME COMMUNITY BANCSHARES, INC. AND SUBSIDIARIES NON-GAAP RECONCILIATION

(Dollars in thousands except per share amounts)

The following tables below provide a reconciliation of certain financial measures calculated under generally accepted accounting principles ("GAAP") (as reported) and non-GAAP measures. A non-GAAP financial measure is a numerical measure of historical or future financial performance, financial position or cash flows that excludes or includes amounts that are required to be disclosed in the most directly comparable measure calculated and presented in accordance with GAAP in the United States. The Company's management believes the presentation of non-GAAP financial measures provides investors with a greater understanding of the Company's operating results in addition to the results measured in accordance with GAAP. While management uses these non-GAAP measures in its analysis of the Company's performance, this information should not be viewed as a substitute for financial results determined in accordance with GAAP or considered to be more important than financial results determined in accordance with GAAP.

The following non-GAAP financial measures exclude pre-tax income and expenses associated with the fair value change in equity securities and loans held for sale, net (gain) loss on sale of securities and other assets, severance, the FDIC special assessment and loss on extinguishment of debt:

| | Three Months Ended | | |
|--|--------------------|----------------------|-------------------|
| | March 31, 2024 | December 31, 2023 | March 31, 2023 |
| <u>Reconciliation of Reported and Adjusted (non-GAAP) Net Income Available to Common Stockholders</u> | | | |
| Reported net income available to common stockholders | \$ 15,870 | \$ 14,487 | \$ 35,482 |
| Adjustments to net income ⁽¹⁾ : | | | |
| Fair value change in equity securities and loans held for sale | 842 | (321) | — |
| Net (gain) loss on sale of securities and other assets | (2,968) | — | 1,447 |
| Severance | 42 | 25 | 25 |
| FDIC special assessment | — | 999 | — |
| Loss on extinguishment of debt | 453 | — | — |
| Income tax effect of adjustments | 518 | (208) | (436) |
| Adjusted net income available to common stockholders (non-GAAP) | <u>\$ 14,757</u> | <u>\$ 14,982</u> | <u>\$ 36,518</u> |

Adjusted Ratios (Based upon Adjusted (non-GAAP) Net Income as calculated above)

| | | | |
|---|---------|---------|---------|
| Adjusted EPS (Diluted) | \$ 0.38 | \$ 0.39 | \$ 0.95 |
| Adjusted return on average assets | 0.48 % | 0.49 % | 1.14 % |
| Adjusted return on average equity | 5.32 | 5.48 | 12.85 |
| Adjusted return on average tangible common equity | 6.18 | 6.41 | 16.08 |
| Adjusted non-interest expense to average assets | 1.50 | 1.54 | 1.40 |
| Adjusted efficiency ratio | 64.7 | 63.6 | 48.9 |

(1) Adjustments to net income are taxed at the Company's approximate statutory tax rate.

The following table presents a reconciliation of operating expense as a percentage of average assets (as reported) and adjusted operating expense as a percentage of average assets (non-GAAP):

| | Three Months Ended | | |
|---|--------------------|----------------------|-------------------|
| | March 31, 2024 | December 31, 2023 | March 31, 2023 |
| Operating expense as a % of average assets - as reported | 1.52 % | 1.58 % | 1.41 % |
| Loss on extinguishment of debt | (0.01) | — | — |
| Severance | — | — | — |
| FDIC special assessment | — | (0.03) | — |
| Amortization of other intangible assets | (0.01) | (0.01) | (0.01) |

Adjusted operating expense as a % of average assets (non-GAAP) 1.50 % 1.54 % 1.40 %

The following table presents a reconciliation of efficiency ratio (non-GAAP) and adjusted efficiency ratio (non-GAAP):

| | Three Months Ended | | |
|--|---------------------------|------------------------------|---------------------------|
| | March 31, 2024 | December 31, 2023 | March 31, 2023 |
| Efficiency ratio - as reported (non-GAAP) (1) | 64.0 % | 65.0 % | 50.1 % |
| Non-interest expense - as reported | \$ 52,511 | \$ 53,944 | \$ 47,475 |
| Severance | (42) | (25) | (25) |
| FDIC special assessment | — | (999) | — |
| Loss on extinguishment of debt | (453) | — | — |
| Amortization of other intangible assets | (307) | (350) | (377) |
| Adjusted non-interest expense (non-GAAP) | \$ 51,709 | \$ 52,570 | \$ 47,073 |
| Net interest income - as reported | \$ 71,530 | \$ 74,121 | \$ 85,752 |
| Non-interest income - as reported | \$ 10,467 | \$ 8,872 | \$ 9,001 |
| Fair value change in equity securities and loans held for sale | 842 | (321) | — |
| Net (gain) loss on sale of securities and other assets | (2,968) | — | 1,447 |
| Adjusted non-interest income (non-GAAP) | \$ 8,341 | \$ 8,551 | \$ 10,448 |
| Adjusted total revenues for adjusted efficiency ratio (non-GAAP) | \$ 79,871 | \$ 82,672 | \$ 96,200 |
| Adjusted efficiency ratio (non-GAAP) (2) | 64.7 % | 63.6 % | 48.9 % |

(1) The reported efficiency ratio is a non-GAAP measure calculated by dividing GAAP non-interest expense by the sum of GAAP net interest income and GAAP non-interest income.

(2) The adjusted efficiency ratio is a non-GAAP measure calculated by dividing adjusted non-interest expense by the sum of GAAP net interest income and adjusted non-interest income.

The following table presents the tangible common equity to tangible assets, tangible equity to tangible assets, and tangible common book value per share calculations (non-GAAP):

| | March 31, 2024 | December 31, 2023 | March 31, 2023 |
|---|---------------------------|------------------------------|---------------------------|
| Reconciliation of Tangible Assets: | | | |
| Total assets | \$ 13,501,092 | \$ 13,636,005 | \$ 13,841,724 |
| Goodwill | (155,797) | (155,797) | (155,797) |
| Other intangible assets | (4,753) | (5,059) | (6,107) |
| Tangible assets (non-GAAP) | \$ 13,340,542 | \$ 13,475,149 | \$ 13,679,820 |
| Reconciliation of Tangible Common Equity - Consolidated: | | | |
| Total stockholders' equity | \$ 1,239,371 | \$ 1,226,225 | \$ 1,191,253 |
| Goodwill | (155,797) | (155,797) | (155,797) |
| Other intangible assets | (4,753) | (5,059) | (6,107) |
| Tangible equity (non-GAAP) | 1,078,821 | 1,065,369 | 1,029,349 |
| Preferred stock, net | (116,569) | (116,569) | (116,569) |
| Tangible common equity (non-GAAP) | \$ 962,252 | \$ 948,800 | \$ 912,780 |
| Common shares outstanding | 38,932 | 38,823 | 38,804 |
| Tangible common equity to tangible assets (non-GAAP) | 7.21 % | 7.04 % | 6.67 % |
| Tangible equity to tangible assets (non-GAAP) | 8.09 | 7.91 | 7.52 |
| Book value per common share | \$ 28.84 | \$ 28.58 | \$ 27.70 |
| Tangible common book value per share (non-GAAP) | 24.72 | 24.44 | 23.52 |