



INVESTOR PRESENTATION
FOURTH QUARTER ENDED
DECEMBER 31, 2016



2 SAFE HARBOR STATEMENT

THIS PRESENTATION CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 GIVING BENEFICIAL BANCORP'S EXPECTATIONS OR PREDICTIONS OF FUTURE FINANCIAL OR BUSINESS PERFORMANCE OR CONDITIONS. FORWARD-LOOKING STATEMENTS ARE TYPICALLY IDENTIFIED BY WORDS SUCH AS "BELIEVE," "EXPECT," "ANTICIPATE," "INTEND," "TARGET," "ESTIMATE," "CONTINUE," "POSITIONS," "PROSPECTS" OR "POTENTIAL," 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. FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE THEY ARE MADE AND WE ASSUME NO DUTY TO UPDATE FORWARD-LOOKING STATEMENTS. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM CURRENT PROJECTIONS.

IN ADDITION TO FACTORS PREVIOUSLY DISCLOSED IN BENEFICIAL BANCORP'S REPORTS FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION AND THOSE IDENTIFIED ELSEWHERE IN THIS PRESENTATION, THE FOLLOWING FACTORS AMONG OTHERS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM FORWARD-LOOKING STATEMENTS OR HISTORICAL PERFORMANCE: CHANGES IN ASSET QUALITY AND CREDIT RISK; THE INABILITY TO SUSTAIN REVENUE AND EARNINGS GROWTH; OUR ABILITY TO CONTROL COSTS AND EXPENSES; CHANGES IN INTEREST RATES AND CAPITAL MARKETS; LOAN DELINQUENCY RATES; INFLATION; CUSTOMER ACCEPTANCE OF BENEFICIAL BANK PRODUCTS AND SERVICES; CUSTOMER BORROWING, REPAYMENT, INVESTMENT AND DEPOSIT PRACTICES; CUSTOMER DISINTERMEDIATION; THE INTRODUCTION, WITHDRAWAL, SUCCESS AND TIMING OF BUSINESS INITIATIVES; COMPETITIVE CONDITIONS AND OUR ABILITY TO OFFER COMPETITIVE PRODUCTS AND PRICING; THE INABILITY TO REALIZE COST SAVINGS OR REVENUES OR TO IMPLEMENT INTEGRATION PLANS AND OTHER CONSEQUENCES ASSOCIATED WITH MERGERS, ACQUISITIONS AND DIVESTITURES; NATIONAL, REGIONAL AND LOCAL ECONOMIC CONDITIONS; AND THE IMPACT, EXTENT AND TIMING OF TECHNOLOGICAL CHANGES, CAPITAL MANAGEMENT ACTIVITIES, AND OTHER ACTIONS OF THE FEDERAL RESERVE BOARD AND OTHER LEGISLATIVE AND REGULATORY ACTIONS AND REFORMS. THESE FACTORS SHOULD BE CONSIDERED IN EVALUATING THE FORWARD-LOOKING STATEMENTS AND UNDUE RELIANCE SHOULD NOT BE PLACED ON SUCH STATEMENTS.

ANNUALIZED, PRO FORMA, PROJECTED AND ESTIMATED NUMBERS ARE USED FOR ILLUSTRATIVE PURPOSE ONLY, ARE NOT FORECASTS AND MAY NOT REFLECT ACTUAL RESULTS. THIS PRESENTATION ALSO INCLUDES INTERIM AND UNAUDITED FINANCIAL INFORMATION THAT IS SUBJECT TO FURTHER REVIEW BY BENEFICIAL BANCORP'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.

3 INVESTMENT HIGHLIGHTS

Solid Franchise

- Strong core deposits
- Diversified loan portfolio
- History of growing core deposits and commercial loans organically and via acquisition
- Effectively managing credit, interest rate, and liquidity risk
- Oldest and largest Philadelphia-based bank

Attractive Markets

- Country's 5th most populous city, 7th largest metropolitan area and major center of economic activity⁽¹⁾
- Favorable income and age demographics
- Significant opportunities to grow market share
- Dominated by large "out of town" banks

Shareholder Focused

- Demonstrated history of stock repurchases
- Disciplined acquirer
- Attractive dividend yield

Compelling Valuation

- Stock Price \$16.15⁽²⁾
- Current Price to TBV: 145%⁽²⁾ is trading below peers

(1) Source: U.S. Census Bureau, SNL Financial

(2) Stock price as of March 24, 2017

4 OVERVIEW OF BENEFICIAL BANCORP

(\$ in millions)

As of December 31, 2016

Corporate Headquarters Philadelphia, PA

Branches 63 (40 in PA; 23 in NJ)

Market Capitalization⁽¹⁾ \$1,230.6

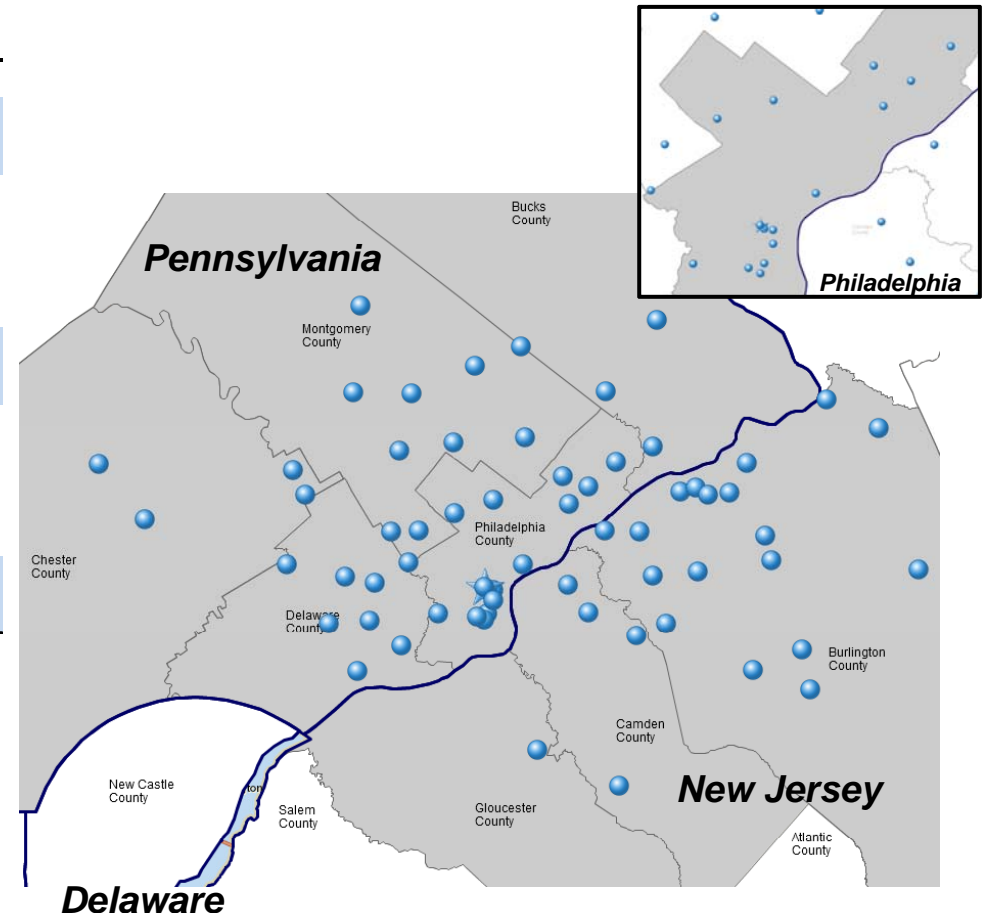
Total Assets \$5,738.6

Total Deposits \$4,158.2

- Founded in 1853
- Oldest and largest bank headquartered in Philadelphia
- #6 deposit market share in Philadelphia for all banks and thrifts
- Largest locally-headquartered bank or thrift by assets or deposits

(1) As of March 24, 2017

Source: SNL Financial



★ **Beneficial Bancorp, Inc. Headquarters**
1818 Market Street, Philadelphia

● Beneficial Bank

Beneficial
bancorp, inc.

5 OUR MARKET – GREATER PHILADELPHIA

Opportunity for Growth Both Organically and through Acquisitions in the Attractive Philadelphia MSA

- Philadelphia is 7th largest metropolitan region in the U.S.
- 66 colleges and universities in the area
- Median household income of \$66k versus national median of \$57k
- Community banks comprise a large portion of total institutions in Philadelphia Metro area (86 of 100)
- 77 of 100 Philadelphia banking institutions have less than 10 branch locations
- Only 10 of 100 Philadelphia banking institutions have more than 50 branch locations
- Beneficial is large enough to compete with the largest financial institutions
- Beneficial has enough capital to enhance existing branch footprint or strategically grow in other key Philadelphia/Southern New Jersey markets










| Philadelphia MSA | |
|--|-----------------|
| Population | 6.1 Million |
| Unemployment Rate | 4.4% |
| Projected 5-Year Household Income Growth | 6.82% |
| Projected 5-Year Population Change | 1.69% |
| Market Deposits | \$344.5 billion |
| Total Branches | 1,701 |
| Total Institutions | 100 |

| Philadelphia MSA Community Banks ⁽¹⁾ | |
|---|----------------|
| Market Deposits | \$38.7 billion |
| Average Deposits per Bank | \$450 million |
| Total Branches | 572 |
| Total Institutions | 86 |

(1) Excludes Beneficial Bank
Source: U.S. Census Bureau, SNL Financial, U.S. Bureau of Labor Statistics

BENEFICIAL TODAY – COMPETITIVE ADVANTAGE

(\$ in thousands)

| Rank | Bank | Branches | Market | Share |
|------|---|----------|--------------|--------|
| 1 |  WELLS FARGO | 40 | \$13,225,287 | 26.76% |
| 2 |  PNC | 38 | \$8,275,698 | 16.74% |
| 3 |  Bank of America | 18 | \$7,707,392 | 15.59% |
| 4 |  Citizens Bank | 54 | \$7,515,005 | 15.20% |
| 5 |  TD Bank | 23 | \$4,097,430 | 8.29% |
| 6 |  Beneficial BANK True to our name. Since 1853. | 16 | \$1,585,253 | 3.21% |
| 7 |  Santander | 18 | \$1,478,116 | 2.99% |
| 8 |  M&T Bank | 8 | \$982,362 | 1.99% |
| 9 |  FIRST TRUST BANK | 5 | \$678,059 | 1.37% |
| 10 |  REPUBLIC BANK | 7 | \$532,747 | 1.08% |



STRATEGIC PRIORITIES

Improve Profitability

- Continued focus on growing commercial loan portfolio
- Improving balance sheet mix
- Disciplined in the pricing of loan and deposit products
- Stay focused on operating efficiency and cost structure

Asset Quality

- Maintain low levels of non-performing assets
- Maintain strong reserves
- Employ prudent underwriting standards for new originations

Capital Management

- Maintain strong capital levels to allow strategic flexibility
- Invest in profitable businesses
- Share repurchases
- Dividends
- Execute acquisitions with strategic and financial fit

Operations / Technology

- Invest in and leverage IT platform to improve efficiency, control, and scalability
- Continued focus on risk management and compliance functions
- Optimizing mobile banking
- Enhancing online capabilities with completion of website and cash management solutions

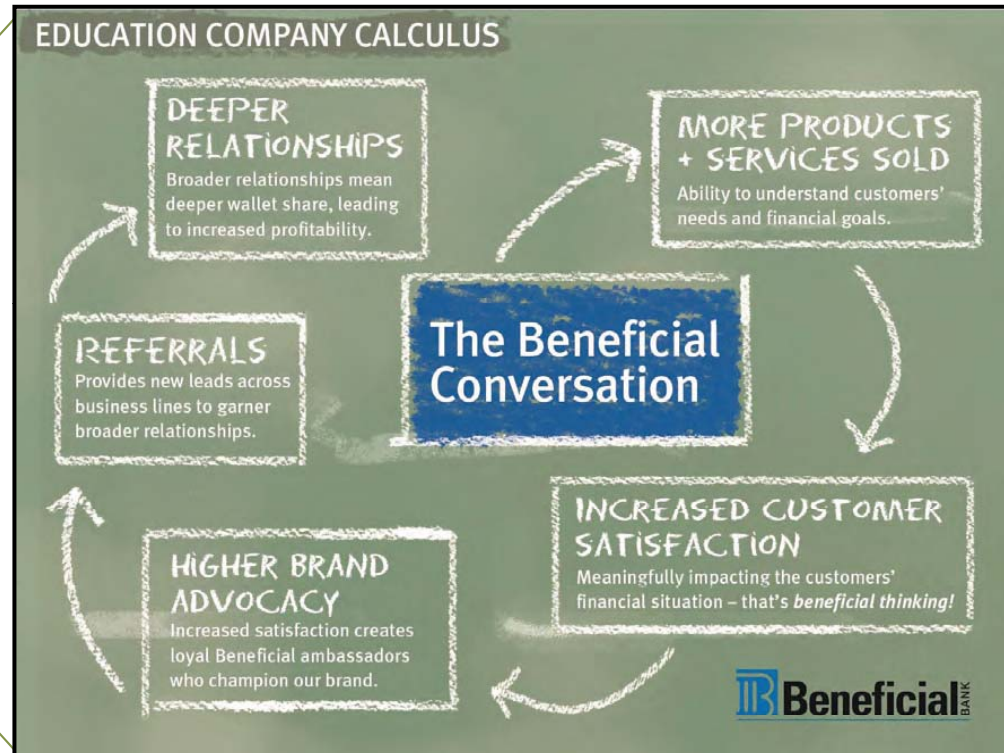
Brand

- Educate our customers to do the right thing financially
- Continue marketing campaign and brand refresh on Beneficial as "TRUE TO OUR NAME. SINCE 1853."
- Highlight Beneficial's commitment to financial education
- Focus on communicating our core mission to provide customers with the tools, knowledge and guidance to help them make wise financial decisions

8 BRAND – EDUCATING OUR CUSTOMERS

The Beneficial Conversation

- Sell Through Education
- Deepen Relationships with Customers
- Capitalize on Cross-Selling Opportunities
- Higher Brand Advocacy
- Maximize our Customers' Experience



CAPITAL MANAGEMENT

- **Common Stock Repurchases**

- First 10% stock repurchase program completed in May 2016 of which Beneficial repurchased 8.292 million shares
- Second 10% stock repurchase program adopted and announced in July 2016 for up to 7.77 million shares

- **Dividends**

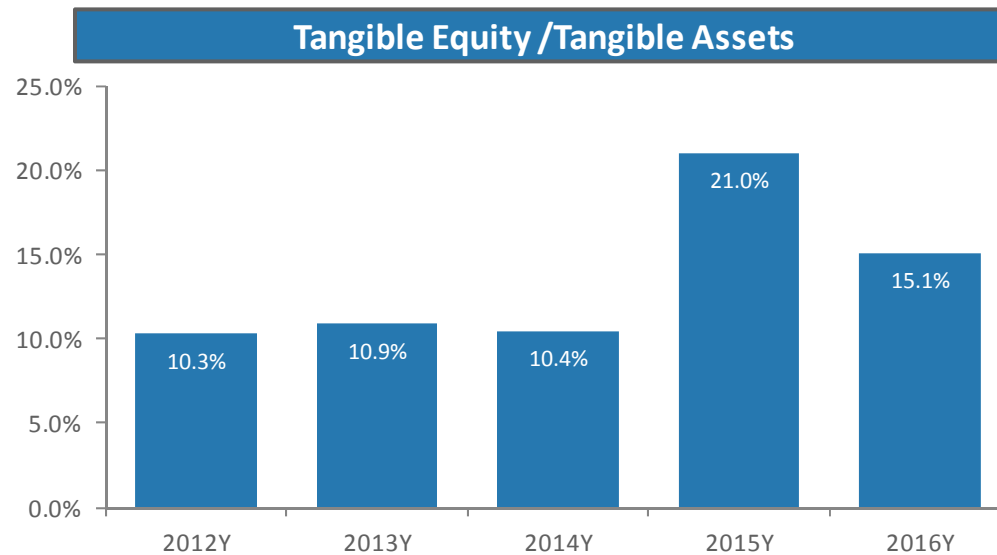
- Declared first-ever dividend of 6 cents per share in July 2016, and another 6 cent dividend in both October 2016 and January 2017
- Will continue to evaluate future quarterly dividends based on financial performance

- **Acquisitions**

- Will focus on in-market and contiguous market opportunities
- Maintain discipline on financial hurdles including earnings accretion, tangible book value dilution, earn-back period and internal rate of return
- Completed the acquisition of Conestoga Bank on April 14, 2016 and have successfully integrated the business

10 FOCUSED ON PRUDENT CAPITAL MANAGEMENT

- Have actively reduced excess capital since the second step conversion while driving improved financial performance
- Capital ratios remain strong subsequent to the completion of the Conestoga transaction and the share repurchase programs
- Capital will be deployed in the future to support organic growth, the second share repurchase plan, dividends and acquisitions



11 STOCK PERFORMANCE

➤ Stock has performed well since second step conversion in 2015

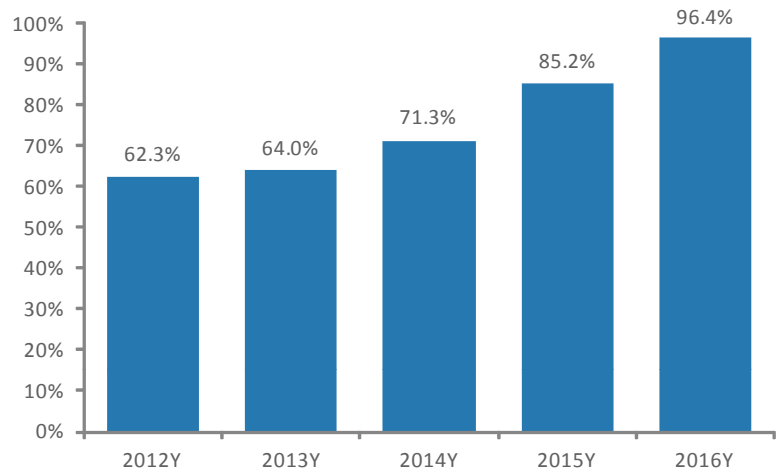


2016 HIGHLIGHTS

- Net interest margin increased to 3.00% for both the quarter and year ended December 31, 2016, compared to 2.84% and 2.80% for the same periods in 2015, respectively. Margin has benefited from organic loan growth, the impact of the Conestoga Bank acquisition, and continued improvement in the mix of our balance sheet.
- For the year ended December 31, 2016, net interest income increased \$26.7 million, or 21.5%, to \$150.9 million compared to \$124.2 million for the same period in 2015, primarily due to the Conestoga Bank acquisition and organic loan growth.
- For the year ended December 31, 2016, our loan portfolio increased \$1.1 billion, or 36.3%, due primarily to the acquisition of Conestoga Bank loans of \$518.3 million (17.6% growth), net organic growth of \$433.3 million (14.7% growth), and the purchase of \$117.5 million of commercial real estate loans (4.0% growth).
- Asset quality metrics continued to remain strong with non-performing assets, excluding government-guaranteed student loans, to total assets of 0.22% as of December 31, 2016 compared to 0.33% at December 31, 2015. Net charge-offs for the quarter and year ended December 31, 2016 totaled \$1.7 million, or 17 basis point of average loans, and \$2.7 million, or 8 basis points of average loans.
- Remained focused on deploying our capital from the second step conversion with the tangible capital to tangible assets ratio declining to 15.1% at December 31, 2016 from 21.0% as of December 31, 2015, primarily due to the Conestoga Bank acquisition, share repurchases, and cash dividends.
- Tangible book value per share totaled \$11.11 at December 31, 2016.

TRANSFORMING BALANCE SHEET COMPOSITION TO IMPROVE EARNINGS

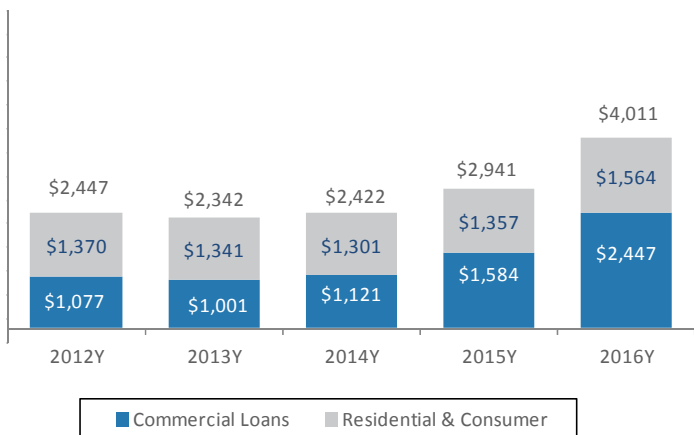
Loan to Deposit Ratio



* Excludes Stock Subscription Proceeds

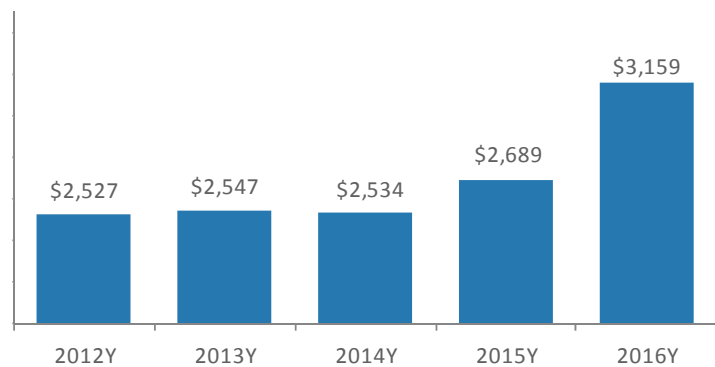
(\$ in millions)

Loans



(\$ in millions)

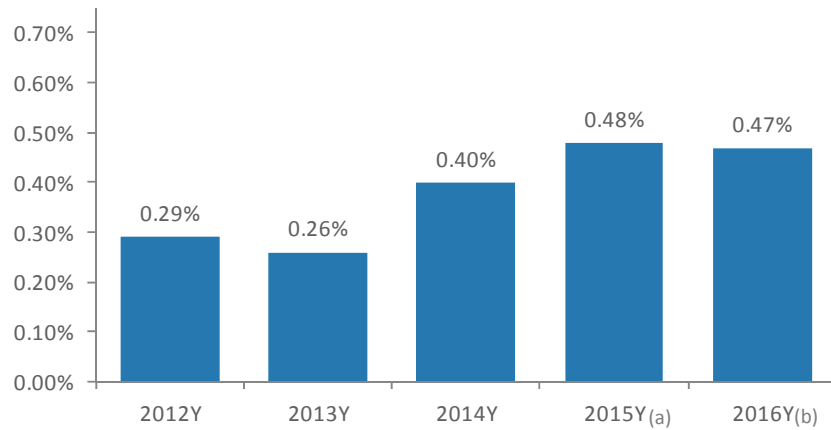
Core Deposits (1)



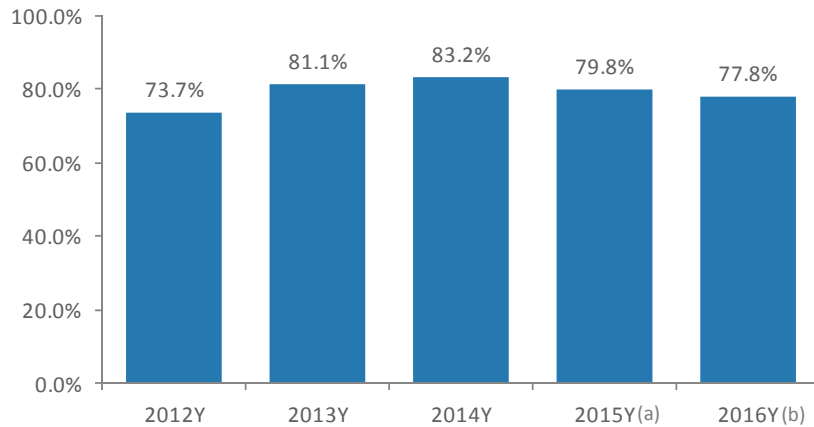
(1) Excludes Municipal, Time and Stock Subscription Proceeds

EARNINGS PERFORMANCE IMPROVING

Return on Average Assets



Efficiency Ratio

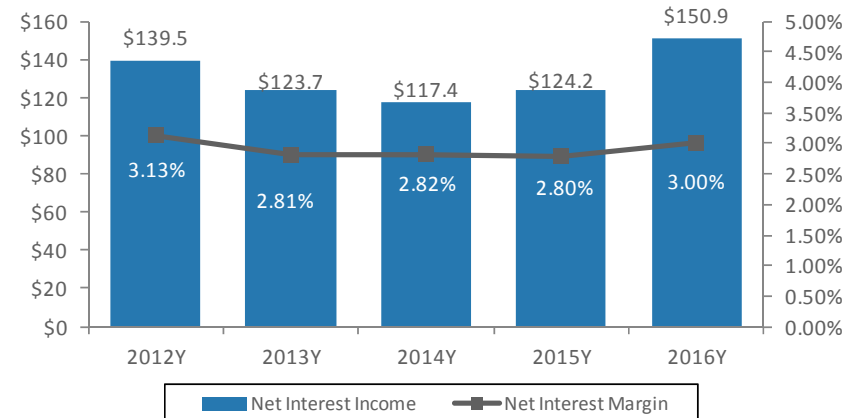


(a): Includes merger and restructuring charges of \$753 thousand for the year ended December 31, 2015.

(b): Includes a \$1.8 million one-time gain on the sale of an equity investment and \$8.8 million merger and restructuring charges for the year ended December 31, 2016.

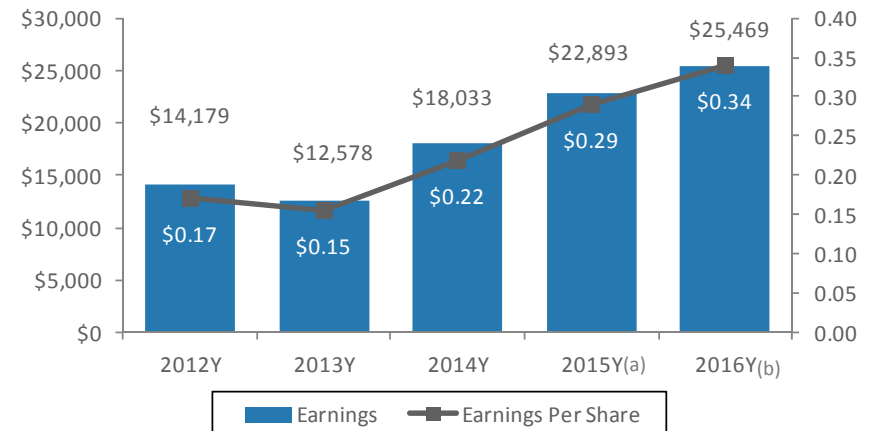
(\$ in millions)

Net Interest Margin



(\$ in thousands)

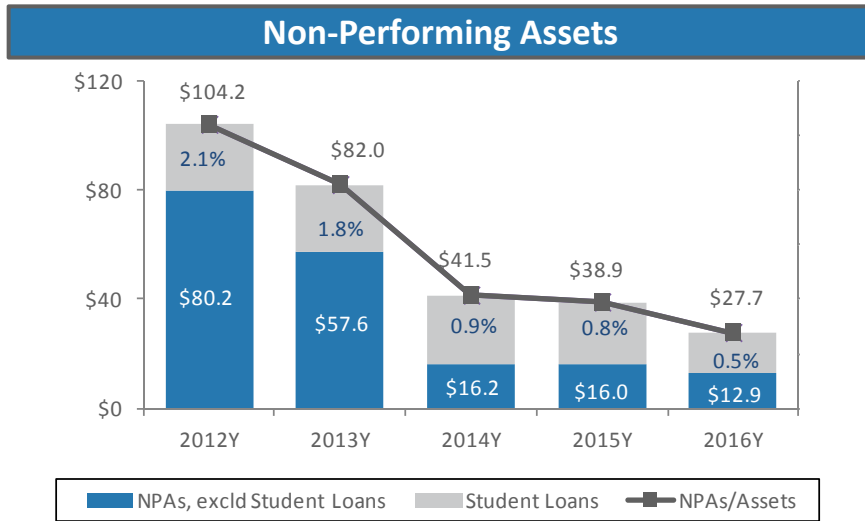
Earnings



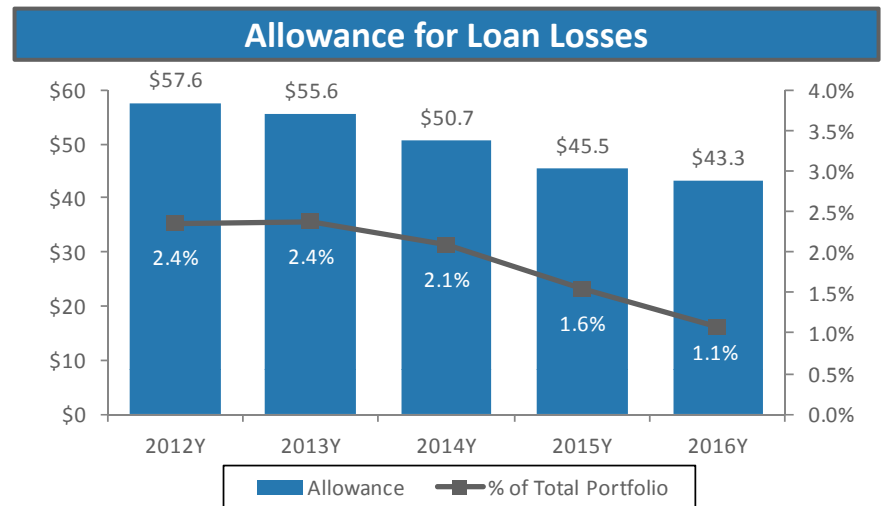
Note: As a result of the second-step conversion on January 12, 2015, all share and per share information, as appropriate, was adjusted to reflect the 1.0999 exchange ratio for preceding periods.

15 FAVORABLE ASSET QUALITY TRENDS

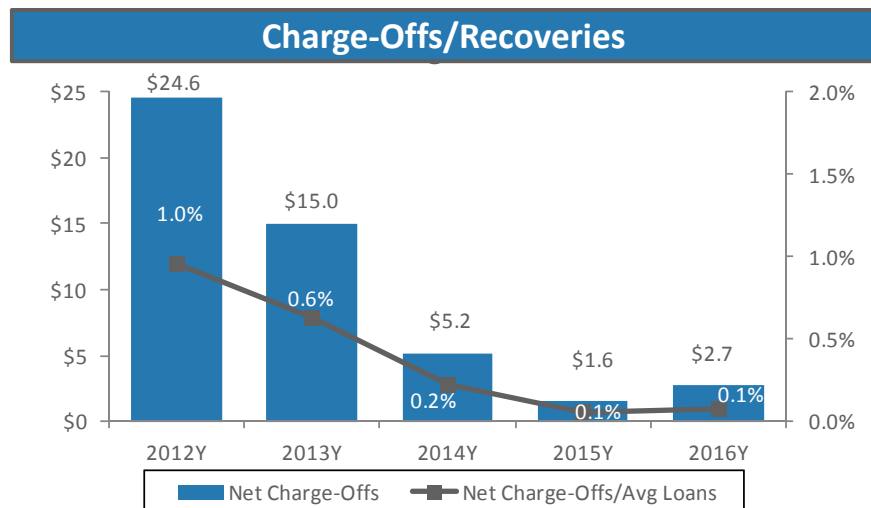
(\$ in millions)



(\$ in millions)



(\$ in millions)



- Excluding government guaranteed student loans, non-performing assets/total assets totaled 0.22% as of December 31, 2016
- Charge-off levels remain low
- Reserve levels remain strong. Excluding loans acquired in the Conestoga transaction, our loan loss reserve coverage ratio totaled 1.21% as of December 31, 2016.

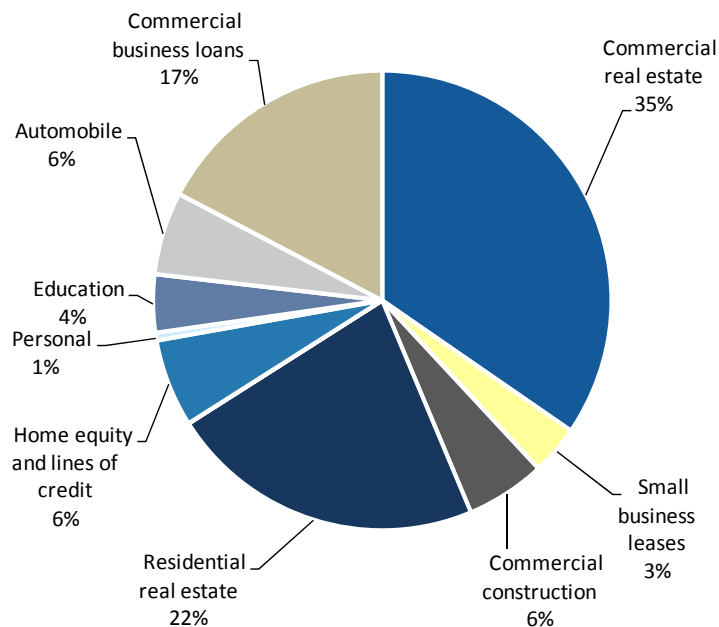
APPENDIX FINANCIAL EXHIBITS

17 FINANCIAL PROFILE

| (\$ in millions) | For the Year Ended | | | | |
|------------------------------|--------------------|------------|------------|------------|------------|
| | 12/31/2012 | 12/31/2013 | 12/31/2014 | 12/31/2015 | 12/31/2016 |
| Total Assets | \$5,006.4 | \$4,583.4 | \$4,751.5 | \$4,826.7 | \$5,738.6 |
| Net Loans | 2,389.7 | 2,286.2 | 2,371.1 | 2,895.9 | 3,967.3 |
| Deposits | 3,927.5 | 3,660.0 | 3,879.7 | 3,451.9 | 4,158.2 |
| Total Stockholders' Equity | 633.9 | 615.1 | 610.9 | 1,115.5 | 1,013.8 |
| Gross Loans / Deposits | 62.3% | 64.0% | 62.4% | 85.2% | 96.4% |
| Net Income | 14.2 | 12.6 | 18.0 | 22.9 | 25.5 |
| ROAA | 0.29% | 0.26% | 0.40% | 0.48% | 0.47% |
| ROAE | 2.23% | 2.01% | 2.94% | 2.15% | 2.45% |
| Net Interest Margin | 3.13% | 2.81% | 2.82% | 2.80% | 3.00% |
| Efficiency Ratio | 73.7% | 81.1% | 83.2% | 79.8% | 77.8% |
| Non. Int. Exp. / Avg. Assets | 2.55% | 2.54% | 2.64% | 2.50% | 2.58% |
| NPAs / Assets | 2.08% | 1.79% | 0.87% | 0.81% | 0.48% |
| Reserves / Loans | 2.36% | 2.38% | 2.09% | 1.55% | 1.08% |

18 LOAN PORTFOLIO

Loan Portfolio Composition as of 12/31/2016



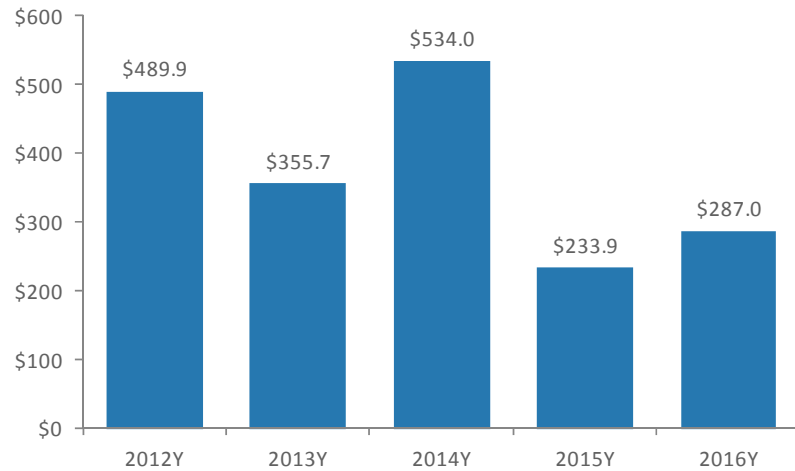
| (\$ in millions) | 12/31/2015 | 12/31/2016 | \$ Change | % Change |
|---------------------------------|------------------|------------------|------------------|--------------|
| Commercial real estate | \$971.1 | \$1,388.4 | \$417.3 | 43.0% |
| Commercial business loans | 496.3 | 694.3 | 198.0 | 39.9% |
| Small business leases | 0.0 | 139.0 | 139.0 | 100.0% |
| Commercial construction | 116.4 | 224.8 | 108.4 | 93.1% |
| Total Commercial Loans | 1,583.8 | 2,446.5 | 862.7 | 54.5% |
| Residential real estate | 735.4 | 894.3 | 158.9 | 21.6% |
| Residential construction | 0.3 | 0.2 | (0.1) | (33.3%) |
| Total Residential Loans | 735.7 | 894.5 | 158.8 | 21.6% |
| Home equity and lines of credit | 231.8 | 248.9 | 17.1 | 7.4% |
| Personal | 20.6 | 21.9 | 1.3 | 6.3% |
| Education | 181.7 | 164.2 | (17.5) | (9.6%) |
| Automobile | 187.8 | 234.6 | 46.8 | 24.9% |
| Total Consumer Loans | 621.9 | 669.6 | 47.7 | 7.7% |
| Total Loans | \$2,941.4 | \$4,010.6 | \$1,069.2 | 36.4% |

- Investments in our commercial lending teams have helped drive strong organic commercial loan growth
- During the second quarter 2016, we completed the acquisition of Conestoga Bank which increased total loans by \$518.3 million

19 CASH AND INVESTMENTS

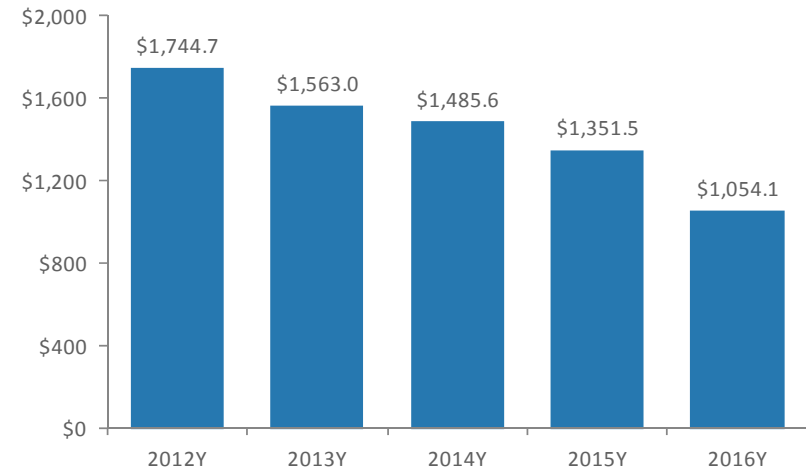
(\$ in millions)

Cash and Overnight Securities



(\$ in millions)

Investment Securities⁽¹⁾



- We are focused on improving our balance sheet mix by reducing the percentage of our assets in cash and investments and growing our loan portfolio
- Cash and overnight investments combined with the investment portfolio represented 23.4% of the balance sheet as of December 31, 2016 down from 32.8% at December 31, 2015

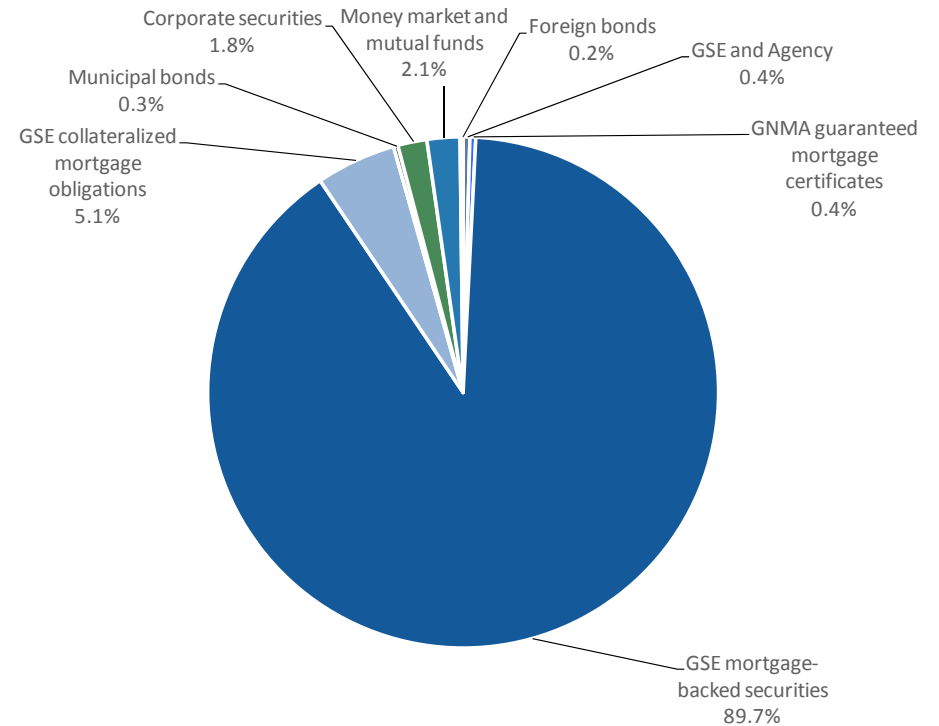
(1) Excludes Federal Home Loan Bank Stock

20 SECURITIES PORTFOLIO

| (\$ in millions) | Amortized Cost | Estimated Fair Value |
|---|----------------|----------------------|
| Available-for-sale (AFS) | | |
| GSE and Agency | \$4.7 | \$4.7 |
| GNMA guaranteed mortgage certificates | 3.7 | 3.9 |
| GSE mortgage-backed securities | 374.6 | 376.5 |
| GSE collateralized mortgage obligations | 22.9 | 22.7 |
| Municipal bonds | 2.3 | 2.4 |
| Corporate securities | 19.5 | 19.4 |
| Money market and mutual funds | 22.0 | 21.9 |
| Total Available-for-sale | \$449.7 | \$451.5 |

| | | |
|---|----------------|----------------|
| Held-to-maturity (HTM) | | |
| GSE mortgage-backed securities | \$569.3 | \$564.7 |
| GSE collateralized mortgage obligations | 30.6 | 30.4 |
| Municipal bonds | 0.6 | 0.7 |
| Foreign bonds | 2.0 | 2.0 |
| Total held-to-maturity: | \$602.5 | \$597.8 |

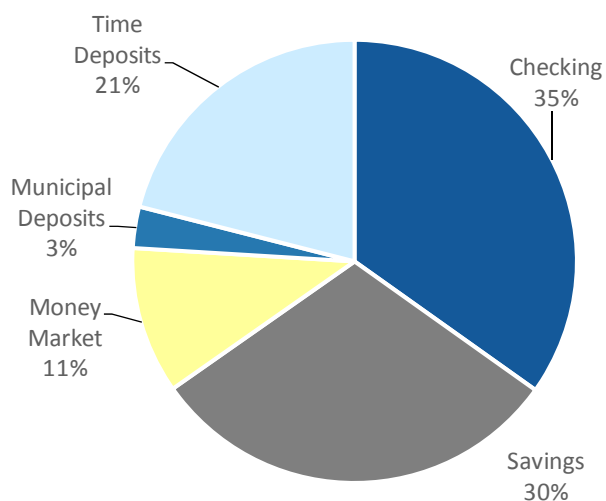
| | |
|--------------------------------|-------|
| Yield on Investment Securities | 2.05% |
|--------------------------------|-------|



- High quality investment portfolio
- Provides steady stream of cash flow
- Focused on keeping average life short (3.8 years)

21 DEPOSIT COMPOSITION

Q4 2016 Total Deposits

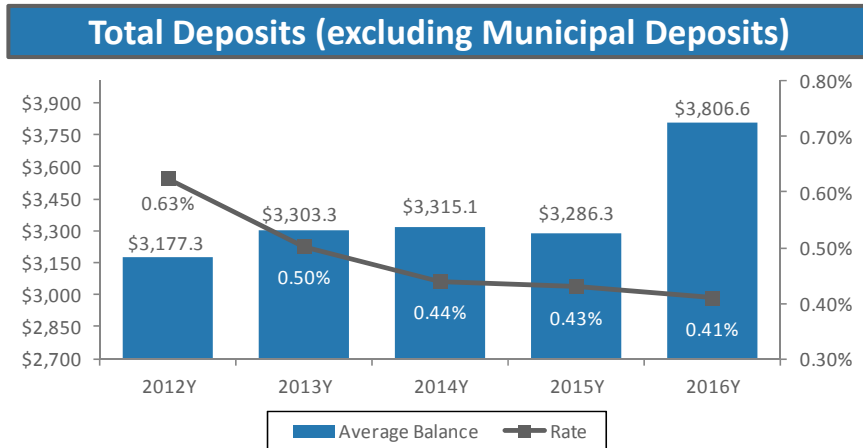


| (\$ in millions) | 12/31/2015 | 12/31/2016 | \$ Change | % Change |
|-----------------------|------------------|------------------|----------------|--------------|
| Checking | \$1,167.0 | \$1,448.5 | \$281.5 | 24.1% |
| Savings | 1,132.8 | 1,265.9 | 133.1 | 11.7% |
| Money Market | 389.4 | 444.2 | 54.8 | 14.1% |
| Total | 2,689.2 | 3,158.6 | 469.4 | 17.5% |
| Municipal Deposits | 132.6 | 125.1 | (7.5) | (5.7%) |
| Time Deposits | 630.1 | 874.5 | 244.4 | 38.8% |
| Total Deposits | \$3,451.9 | \$4,158.2 | \$706.3 | 20.5% |

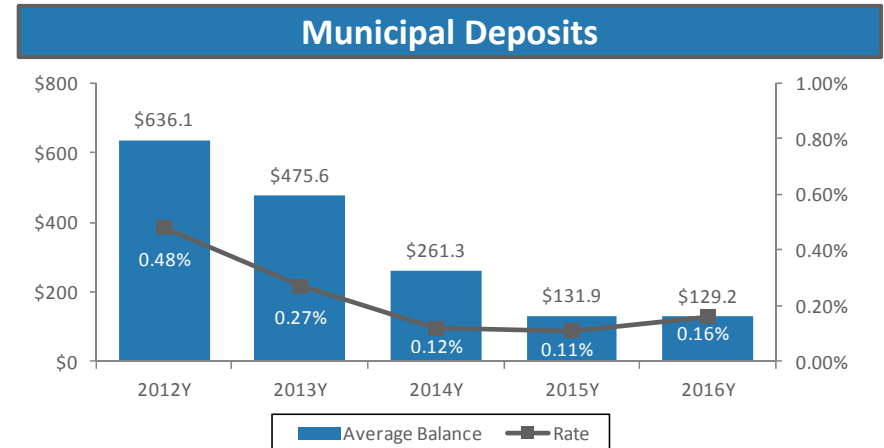
- Core deposits, excluding municipal deposits, have increased \$469.4 million from December 31, 2015
- During the second quarter 2016, we completed the acquisition of Conestoga Bank which increased total deposits by \$588.4 million

22 COST OF DEPOSITS

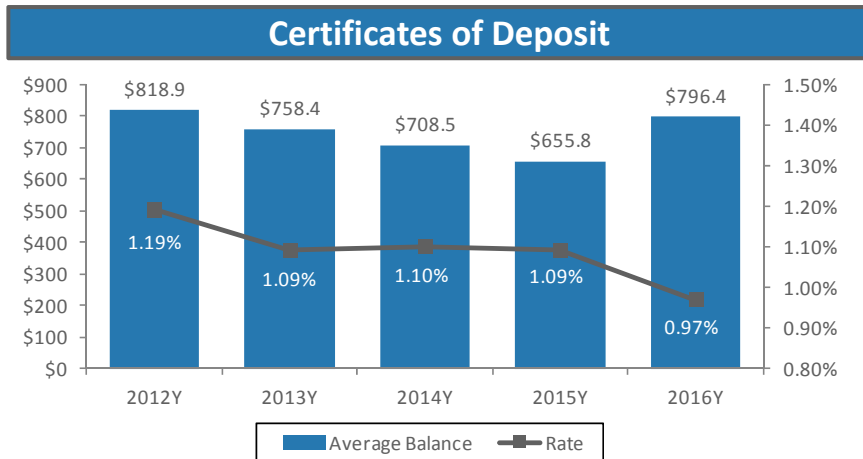
(\$ in millions)



(\$ in millions)



(\$ in millions)



- Cost of deposits has significantly declined
- Actively assessing and managing our deposit mix, deposit balance levels and pricing to maximize net interest margin and ROE
- Have aggressively re-priced and decreased the municipal deposit portfolio since 2012

CALCULATION OF EFFICIENCY RATIO

(\$ in thousands)

| | 12/31/2012 | 12/31/2013 | 12/31/2014 | 12/31/2015 | 12/31/2016 |
|-------------------------|------------------|------------------|------------------|------------------|------------------|
| Noninterest Expense | \$123,125 | \$120,688 | \$118,251 | \$118,488 | \$139,124 |
| Net Interest Income | \$139,457 | \$123,736 | \$117,424 | \$124,222 | \$150,917 |
| Noninterest Income | \$27,606 | \$25,125 | \$24,783 | \$24,284 | \$27,805 |
| Total Revenue | \$167,063 | \$148,861 | \$142,207 | \$148,506 | \$178,722 |
| Efficiency Ratio | 73.7% | 81.1% | 83.2% | 79.8% | 77.8% |

24 RECONCILIATION OF NON-GAAP MEASURES

| (\$ in thousands) | As of | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 12/31/2012 | 12/31/2013 | 12/31/2014 | 12/31/2015 | 12/31/2016 |
| Total Stockholders' Equity | \$633,873 | \$615,146 | \$610,894 | \$1,115,546 | \$1,013,756 |
| Goodwill | (\$121,973) | (\$121,973) | (\$121,973) | (\$121,973) | (\$169,125) |
| Other intangibles | (\$9,879) | (\$8,007) | (\$6,136) | (\$4,389) | (\$4,446) |
| Tangible Common Equity | \$502,021 | \$485,166 | \$482,785 | \$989,184 | \$840,185 |
| Total Assets | \$5,006,404 | \$4,583,413 | \$4,751,522 | \$4,826,695 | \$5,738,593 |
| Goodwill | (\$121,973) | (\$121,973) | (\$121,973) | (\$121,973) | (\$169,125) |
| Other intangibles | (\$9,879) | (\$8,007) | (\$6,136) | (\$4,389) | (\$4,446) |
| Tangible Assets | \$4,874,552 | \$4,453,433 | \$4,623,413 | \$4,700,333 | \$5,565,022 |
| Tangible Common Equity / Tangible Assets | 10.3% | 10.9% | 10.4% | 21.0% | 15.1% |

25 ADDITIONAL INFORMATION

For Additional Information Please Contact:

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