SIGNATURE BANK

Signature Bank Reports 2010 Fourth Quarter and Year-End Results

- ***Net Income Available to Common Shareholders for the 2010 Fourth Quarter Reached a Record $30.3 Million, or $0.72 Diluted Earnings Per Share, An Increase of $9.4 Million, or 44.6 Percent from $21.0 Million, or $0.51 Diluted Earnings Per Share Reported in the 2009 Fourth Quarter***
- ***2010 Net Income Available to Common Shareholders Reached a Record $102.1 Million or $2.46 Diluted Earnings Per Share, Compared with $50.5 Million or $1.30 Diluted Earnings Per Share in 2009, Up $51.5 Million, or 102 Percent***
- ***Deposits in the Fourth Quarter Grew $390.8 Million to $9.44 Billion; Includes Quarterly Core Deposit Growth of $458.6 Million or 5.5 Percent and a Decrease in Short-Term Escrow Deposits***
- ***Deposits for 2010 Rose a Record $2.22 Billion, or 30.7 Percent. Core Deposits Increased a Record $1.96 Billion or 28.7 Percent. Average Deposits for 2010 were $8.45 Billion, Representing an Increase of $2.16 Billion, or 34.4 Percent, Versus $6.29 Billion for 2009***
- ***Loans Increased $349.5 Million, or 7.1 Percent, to $5.24 Billion for the 2010 Fourth Quarter. Loans Increased $868.6 Million, or 19.8 Percent, Since Year-end 2009***
- ***Non-Performing Loans Remained Stable at $34.1 Million, or 0.65 Percent of Total Loans at December 31, 2010, Versus $33.8 Million, or 0.69 Percent at the End of the 2010 Third Quarter. Non-Performing Loans at Year End 2009 were $46.6 Million, or 1.07 Percent of Total Loans***
- ***Net Interest Margin on a Tax-Equivalent Basis Increased 9 Basis Points to 3.50 Percent, Compared with 3.41 Percent for the 2010 Third Quarter. Net Interest Margin for the 2009 Fourth Quarter was 3.48 Percent***
- ***Tier One Leverage, Tier One Risk-Based and Total Risk-Based Capital Ratios were 8.62 Percent, 14.21 Percent and 15.21 Percent, Respectively, at December 31, 2010. Signature Bank Remains Significantly Above FDIC "Well Capitalized" Standards. Tangible Common Equity Ratio was 8.09 Percent***
- ***One Private Client Banking Team Joined During the 2010 Fourth Quarter, Bringing Total for the Year to Five. 74th Team Joined in 2011 First Quarter***
- ***24th Private Client Banking Office Opens; 25th Office Planned for 2011 Second Quarter***

NEW YORK--(BUSINESS WIRE)-- Signature Bank (Nasdaq: SBNY), a New York-based full-service commercial bank, today announced results for its fourth quarter and year ended December 31, 2010.

Net income available to common shareholders for the 2010 fourth quarter reached a record $30.3 million, or $0.72 diluted earnings per share, versus $21.0 million, or $0.51 diluted earnings per share, for the 2009 fourth quarter. The record net income for the 2010 fourth quarter, versus the comparable quarter last year, is primarily due to an increase in net interest income, fueled by core deposit growth and continued loan growth. These factors were partially offset by increases in the provision for loan losses and non-interest expenses.

Net interest income for the 2010 fourth quarter reached $95.9 million, up $20.2 million, or 26.6 percent, when compared with the 2009 fourth quarter. This increase is primarily due to growth in average interest-earning assets. Total assets reached $11.67 billion at December 31, 2010, an increase of $2.53 billion, or 27.6 percent, from $9.15 billion at December 31, 2009. Average assets for the 2010 fourth quarter reached $11.17 billion, an increase of $2.25 billion, or 25.3 percent, compared with the 2009 fourth quarter.

Deposits for the 2010 fourth quarter rose $390.8 million, or 4.3 percent, to a record $9.44 billion at December 31, 2010. This includes core deposit growth of $458.6 million, a decrease of $74.0 million in short-term escrow deposits and an increase of $6.2 million in brokered deposits. Overall deposit growth for 2010 was 30.7 percent, or $2.22 billion, versus deposits at December 31, 2009. Excluding short-term escrow and brokered deposits of $389.4 million at year-end 2009 and $646.1 million at year-end 2010, core deposits increased $1.96 billion or 28.7 percent in 2010. Average total deposits for 2010 were $8.45 billion, growing $2.16 billion, or 34.4 percent, versus average total deposits of $6.29 billion for 2009.

"The past decade for Signature Bank was one of exceptional growth and achievement, which culminated in a year of significant accomplishment. This was highlighted by yet another year where we delivered record earnings," remarked Joseph J. DePaolo, President and Chief Executive Officer.

"Back in 2000, we formulated a business plan focused on meeting the needs of privately owned businesses, their owners and senior managers through a distinctive single-point-of-contact approach. We knew our banking philosophy would allow us to compete with the mega-banks in the largest marketplace for privately owned businesses in the country. When we commenced operations in 2001, there were 8,000 banks larger than Signature Bank. We enter our second decade, not as an idea but among the 75 largest commercial banks in the country, confident in our ability to meet any challenges that may lie ahead.

"We continue to remain focused on our founding concept of placing depositor safety first and foremost, which has led to the Bank's extraordinary financial performance and solid reputation in the New York metropolitan area," DePaolo explained.

Scott A. Shay, Chairman of the Board, added: "We are not aware of another traditional commercial bank in the United States that started from scratch and grew to more than $11 billion in assets and in excess of $9 billion in deposits with nearly $950 million in capital while achieving over $100 million in net income in less than 10 years. This growth was achieved without any acquisitions, but rather by the strength of our business value proposition. Signature Bank offers the highest level of service and sleep-at-night safety to privately owned businesses and focuses on establishing relationships with these types of companies across the New York City metropolitan area, which houses the highest concentration of small businesses in the U.S.

"It is our commitment to depositor safety that kept us on track to report higher than previous year earnings in each of 2008, 2009, and 2010, a time during which many of our competitors faced financial challenges. We pledge to maintain this focus for our clients and dedicated bankers. This year is off to a solid start with the addition of another private client banking team and the expected opening of our 25th office. We believe we will continue to be the bank of choice for veteran bankers who want to put their clients first and feel comfortable with the bank they represent."

Capital

The Bank's tier one leverage, tier one risk-based, and total risk-based capital ratios were approximately 8.62 percent, 14.21 percent and 15.21 percent, respectively, as of December 31, 2010. Each of these ratios is well in excess of regulatory requirements. The Bank's strong risk-based capital ratios reflect the relatively low risk profile of the Bank's balance sheet. The Bank's tangible common equity ratio remains strong at 8.09 percent.

Net Interest Income

Net interest income on a tax-equivalent basis for the 2010 fourth quarter was $95.9 million, an increase of $20.2 million, or 26.6 percent, versus the same period last year, primarily due to growth in average interest-earning assets. Average interest-earning assets of $10.88 billion for the 2010 fourth quarter represent an increase of $2.24 billion, or 26.0 percent, from the 2009 fourth quarter. Yield on interest-earning assets for the 2010 fourth quarter decreased 34 basis points, to 4.56 percent, compared with the 2009 fourth quarter. This decrease was primarily attributable to lower prevailing interest rates.

Average cost of deposits and average cost of funds for the fourth quarter of 2010 decreased by 27 and 38 basis points to 0.94 percent and 1.14 percent, respectively, versus the 2009 fourth quarter. These decreases were predominantly due to lower prevailing interest rates.

Net interest margin on a tax-equivalent basis for the 2010 fourth quarter was 3.50 percent versus 3.48 percent reported in the same period a year ago. On a linked quarter basis, net interest margin on a tax-equivalent basis increased 9 basis points. The linked quarter increase was primarily due to lower deposit costs, continued loan growth, investment of cash balances and the run-off of higher cost borrowings.

Provision for Loan Losses

The Bank's provision for loan losses for the fourth quarter of 2010 was $13.6 million, an increase of $1.7 million, or 14.7 percent, compared with the 2009 fourth quarter. The increase was driven largely by an increase in charge-offs.

Net charge-offs for the 2010 fourth quarter were $14.6 million, or 1.16 percent of average loans on an annualized basis, versus $6.8 million, or 0.56 percent, for the 2010 third quarter and $6.4 million, or 0.61 percent, for the 2009 fourth quarter. The increase in charge-offs was due to a charge-off of $10.0 million on one commercial and industrial loan that originated from an overdraft caused by a Canadian check clearing incident which we are disputing. Excluding this $10.0 million charge-off, charge-offs for the quarter were $4.6 million, or 0.37 percent, for the 2010 fourth quarter.

Non-Interest Income and Non-Interest Expense

Non-interest income for the 2010 fourth quarter was $10.0 million, up $394,000 when compared with the $9.6 million reported in the 2009 fourth quarter. The increase was driven by an increase in commissions of $436,000.

Non-interest expense for the fourth quarter of 2010 was $41.0 million, an increase of $2.6 million, or 6.7 percent, versus $38.4

million reported in the 2009 fourth quarter. The increase was primarily a result of the addition of new private client banking teams.

The Bank's efficiency ratio improved to 38.7 percent for the 2010 fourth quarter versus 45.0 percent for the comparable period last year. The improvement was primarily due to growth in net interest income coupled with expense containment.

Loans

Loans, excluding loans held for sale, grew $349.5 million, or 7.1 percent, during the fourth quarter of 2010 to $5.24 billion, compared with $4.9 billion at September 30, 2010. At December 31, 2010, loans accounted for 44.9 percent of total assets, versus 44.8 percent at the end of the 2010 third quarter and 47.8 percent at the end of 2009. Average loans, excluding loans held for sale, reached $5.0 billion in the 2010 fourth quarter, growing $213.1 million, or 4.4 percent, from the 2010 third quarter and $797.3 million, or 18.9 percent, from the 2009 fourth quarter. The increase in loans for the quarter and the year was primarily driven by growth in commercial real estate and multi-family loans underwritten within the Bank's stringent standards.

At December 31, 2010, non-performing loans were $34.1 million, representing 0.65 percent of total loans and 0.29 percent of total assets, compared with non-performing loans of $33.8 million, or 0.69 percent of total loans, at September 30, 2010 and $46.6 million, or 1.07 percent of total loans, at December 31, 2009. At the end of the 2010 fourth quarter, the ratio of allowance for loan losses to total loans was 1.29 percent, versus 1.40 percent at September 30, 2010 and 1.26 percent at December 31, 2009. Additionally, the ratio of allowance for loan losses to non-performing loans, or the coverage ratio, was 197 percent for the 2010 fourth quarter versus 203 percent for the third quarter of 2010 and 118 percent for the 2009 fourth quarter.

Conference Call

Signature Bank's management will host a conference call to review results of the 2010 fourth quarter and year-end on Tuesday, January 25, 2011, at 10:00 AM ET. All participants should dial 480-629-9819 at least ten minutes prior to the start of the call.

To hear a live Web simulcast or to listen to the archived webcast following completion of the call, please visit the Bank's website at www.signatureny.com, click on the "Investor Relations" tab, then select "Company News," followed by "Conference Calls," to access the link to the call. To listen to a telephone replay of the conference call, please dial 303-590-3030 and enter reservation identification number 4400266. The replay will be available from approximately 12:00 PM ET on Tuesday, January 25, 2011 through 11:59 PM ET on Friday, January 28, 2011.

About Signature Bank

Signature Bank, member FDIC, a New York-based full-service commercial bank with 24 private client offices throughout the New York metropolitan area, serves the needs of privately owned businesses, their owners and senior managers through dozens of private client groups. The Bank offers a wide variety of business and personal banking products and services as well as investment, brokerage, asset management and insurance products and services through its subsidiary, Signature Securities Group Corporation, a licensed broker-dealer, investment adviser and member FINRA/SIPC.

Signature Bank's 24 offices are located: In Manhattan - 261 Madison Avenue; 300 Park Avenue; 71 Broadway; 565 Fifth Avenue; 950 Third Avenue; 200 Park Avenue South, 1020 Madison Avenue and 50 West 57th Street. Brooklyn - 26 Court Street; 84 Broadway and 6321 New Utrecht Avenue. Westchester - 1C Quaker Ridge Road, New Rochelle and 360 Hamilton Avenue, White Plains. Long Island - 1225 Franklin Avenue, Garden City; 279 Sunrise Highway, Rockville Centre; 68 South Service Road, Melville; 923 Broadway, Woodmere; 40 Cuttermill Road, Great Neck and 100 Jericho Quadrangle, Jericho. Queens - 36-36 33rd Street, Long Island City; 78-27 37th Avenue, Jackson Heights and 8936 Sutphin Blvd., Jamaica. Bronx - 421 Hunts Point Avenue, Bronx. Staten Island - 2066 Hylan Blvd.

For more information, please visit www.signatureny.com.

This press release and oral statements made from time to time by our representatives contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties. Forward-looking statements include information concerning our future results, interest rates and the interest rate environment, loan and deposit growth, loan performance, operations, new private client team hires, new office openings and business strategy. These statements often include words such as "may," "believe," "expect," "anticipate," "intend," "plan," "estimate" or other similar expressions. As you consider forward-looking statements, you should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties and assumptions that could cause actual results to differ materially from those in the forward-looking statements. These factors include but are not limited to: (i) prevailing economic conditions; (ii) changes in interest rates, loan demand, real estate values, and competition, which can materially affect origination levels and gain on sale results in our business, as well as other aspects of our financial performance, including earnings on interest-bearing assets; (iii) the level of defaults, losses and prepayments on loans made by us, whether held in portfolio or sold in the whole loan secondary markets, which can materially affect charge-off levels and required credit loss reserve levels; (iv) changes in the banking and other financial services regulatory environment and (v) competition for qualified personnel and desirable

office locations. Additional risks are described in our quarterly and annual reports filed with the FDIC. You should keep in mind that any forward-looking statements made by Signature Bank speak only as of the date on which they were made. New risks and uncertainties come up from time to time, and we cannot predict these events or how they may affect the Bank. Signature Bank has no duty to, and does not intend to, update or revise the forward-looking statements after the date on which they are made. In light of these risks and uncertainties, you should keep in mind that any forward-looking statement made in this release or elsewhere might not reflect actual results.

SIGNATURE BANK
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended December 31,		*Twelve months ended December 31,*	
(dollars in thousands, except per share amounts)	**2010**	**2009**	**2010**	**2009**
INTEREST AND DIVIDEND INCOME				
Loans held for sale	$ 1,309	870	4,020	2,786
Loans, net	70,992	59,362	264,898	213,357
Securities available-for-sale	48,196	43,062	180,543	157,228
Securities held-to-maturity	4,146	3,104	15,254	11,401
Other short-term investments	498	378	1,815	1,363
Total interest income	125,141	106,776	466,530	386,135
INTEREST EXPENSE				
Deposits	21,931	21,826	87,963	85,398
Federal funds purchased and securities sold under agreements to repurchase	5,200	6,587	24,010	27,921
Federal Home Loan Bank advances	2,104	2,628	9,698	10,420
Other short-term borrowings	-	1	1	1
Total interest expense	29,235	31,042	121,672	123,740
Net interest income before provision for loan losses	95,906	75,734	344,858	262,395
Provision for loan losses	13,578	11,837	46,372	42,715
Net interest income after provision for loan losses	82,328	63,897	298,486	219,680
NON-INTEREST INCOME				
Commissions	2,503	2,067	9,063	9,572
Fees and service charges	3,716	3,500	14,119	13,280
Net gains on sales of securities	2,616	2,597	25,367	8,683
Net gains on sales of loans	1,445	1,612	6,054	3,648
Other-than-temporary impairment losses on securities:				
Total impairment losses on securities	(5,279)	(8,826)	(38,613)	(23,719)
Portion of loss recognized in other comprehensive income (before taxes)	4,620	8,303	24,437	22,397
Net impairment losses on securities recognized in earnings	(659)	(523)	(14,176)	(1,322)
Net trading income (loss)	59	(48)	124	(1,009)
Other income	327	408	2,097	1,780
Total non-interest income	10,007	9,613	42,648	34,632
NON-INTEREST EXPENSE				
Salaries and benefits	24,644	22,219	99,728	86,836
Occupancy and equipment	3,861	3,641	14,861	14,042
Other general and administrative	12,472	12,550	50,307	49,007
Total non-interest expense	40,977	38,410	164,896	149,885
Income before income taxes	51,358	35,100	176,238	104,427
Income tax expense	21,032	14,130	74,187	41,701
Net income	30,326	20,970	102,051	62,726
Dividends on preferred stock and related discount accretion	-	-	-	12,203
Net income available to common shareholders	$ 30,326	20,970	102,051	50,523
PER COMMON SHARE DATA				
Earnings per share — basic (1)	$ 0.74	0.52	2.49	1.32
Earnings per share — diluted (1)	$ 0.72	0.51	2.46	1.30

(1) For the twelve months ended December 31, 2009, includes the negative effect of the $10.2 million deemed dividend associated with the difference between the redemption payment and the carrying value of the preferred stock repurchased from the United States Department of the Treasury.

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CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(dollars in thousands, except per share amounts)	**December 31, 2010 (unaudited)**	**December 31, 2009**
ASSETS		
Cash and due from banks	$ 31,558	95,746
Short-term investments	14,741	12,603
Total cash and cash equivalents	46,299	108,349
Securities available-for-sale (pledged $1,553,412 and $1,584,371 at December 31, 2010 and 2009)	5,249,286	3,837,583
Securities held-to-maturity (fair value $450,315 and $290,608 at December 31, 2010 and 2009; pledged $337,453 and $194,336 at December 31, 2010 and 2009)	447,896	295,984
Federal Home Loan Bank stock	38,439	23,906
Loans held for sale	382,463	293,207
Loans, net	5,177,268	4,320,978
Premises and equipment, net	29,385	31,802
Accrued interest and dividends receivable	53,211	43,193
Other assets	248,842	191,110
Total assets	$ 11,673,089	9,146,112
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Non-interest-bearing	2,449,968	1,969,734
Interest-bearing	6,991,259	5,252,812
Total deposits	9,441,227	7,222,546
Federal funds purchased and securities sold under agreements to repurchase	658,000	697,000
Federal Home Loan Bank advances	558,000	305,000
Other short-term borrowings	6,200	6,900
Accrued expenses and other liabilities	65,115	111,007
Total liabilities	10,728,542	8,342,453
Shareholders' equity		
Preferred stock, par value $.01 per share; 61,000,000 shares authorized; none issued at December 31, 2010 and 2009	-	-
Common stock, par value $.01 per share; 64,000,000 shares authorized; 41,347,540 and 40,619,557 shares issued and outstanding at December 31, 2010 and 2009	413	406
Additional paid-in capital	689,035	668,441
Retained earnings	273,511	171,464
Net unrealized depreciation on securities, net of tax	(18,412)	(36,652)
Total shareholders' equity	944,547	803,659
Total liabilities and shareholders' equity	$ 11,673,089	9,146,112

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FINANCIAL SUMMARY, CAPITAL RATIOS, ASSET QUALITY
(unaudited)

	Three months ended December 31,		*Twelve months ended December 31,*	
(dollars in thousands, except ratios and per share amounts)	**2010**	**2009**	**2010**	**2009**

PER COMMON SHARE				
Net income - basic (1)	$ 0.74	$ 0.52	$ 2.49	$ 1.32
Net income - diluted (1)	$ 0.72	$ 0.51	$ 2.46	$ 1.30
Average shares outstanding - basic	41,129	40,618	40,923	38,306
Average shares outstanding - diluted	41,830	41,114	41,558	38,727
Book value	$ 22.84	$ 19.79	$ 22.84	$ 19.79
SELECTED FINANCIAL DATA				
Return on average total assets	1.08%	0.93%	0.99%	0.79%
Return on average shareholders' equity	12.91%	10.55%	11.67%	8.35%
Return on average common shareholders' equity (1)	12.91%	10.55%	11.67%	7.26%
Efficiency ratio (2)	38.69%	45.00%	42.55%	50.46%
Efficiency ratio excluding net impairment losses on securities recognized in earnings (2)	38.45%	44.73%	41.05%	50.24%
Efficiency ratio excluding net gains on sales of securities and net impairment losses on securities recognized in earnings (2)	39.42%	46.13%	43.82%	51.74%
Yield on interest-earning assets	4.56%	4.90%	4.67%	5.02%
Yield on interest-earning assets, tax-equivalent basis (3)	4.56%	4.90%	4.67%	5.02%
Cost of deposits and borrowings	1.14%	1.52%	1.30%	1.71%
Net interest margin	3.50%	3.48%	3.45%	3.41%
Net interest margin, tax-equivalent basis (3)	3.50%	3.48%	3.45%	3.41%

(1) For the twelve months ended December 31, 2009, includes the negative effect of the $10.2 million deemed dividend associated with the difference between the redemption payment and the carrying value of the preferred stock repurchased from the U.S. Treasury.

(2) The efficiency ratio is calculated by dividing non-interest expense by the sum of net interest income before provision for loan losses and non-interest income.

(3) Presented using a 35 percent federal tax rate.

	December 31, 2010	September 30, 2010	December 31, 2009
CAPITAL RATIOS			
Tangible common equity (4)	8.09%	8.41%	8.79%
Tier one leverage	8.62%	8.66%	9.39%
Tier one risk-based	14.21%	13.50%	13.57%
Total risk-based	15.21%	14.51%	14.47%
ASSET QUALITY			
Non-performing loans	$ 34,134	$ 33,769	$ 46,606
Allowance for loan losses	$ 67,396	$ 68,436	$ 55,120
Allowance for loan losses to non-performing loans	197.45%	202.66%	118.27%
Allowance for loan losses to total loans	1.29%	1.40%	1.26%
Non-performing loans to total loans	0.65%	0.69%	1.07%
Quarterly net charge-offs to average loans (annualized)	1.16%	0.56%	0.61%

(4) We define tangible common equity as the ratio of tangible common equity to adjusted tangible assets (the "TCE ratio") and calculate this ratio by dividing total consolidated common shareholders' equity by consolidated total assets (we had no intangible assets at any of the dates presented above). Tangible common equity is considered to be a non-GAAP financial measure and should be considered in addition to, not as a substitute for or superior to, financial measures determined in accordance with GAAP. The TCE ratio is a metric used by management to evaluate the adequacy of our capital levels. In addition to tangible common equity, management uses other metrics, such as tier one capital related ratios, to evaluate capital levels.

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NET INTEREST MARGIN ANALYSIS
(unaudited)

	Three months ended December 31, 2010		*Three months ended December 31, 2009*	
	Interest	**Average**	**Interest**	**Average**

(dollars in thousands)	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
INTEREST-EARNING ASSETS						
Short-term investments	$ 81,962	56	0.27%	176,098	60	0.14%
Investment securities	5,479,677	52,784	3.85%	4,070,136	46,484	4.57%
Commercial loans and commercial mortgages (1)	4,617,878	65,181	5.60%	3,844,429	53,774	5.55%
Residential mortgages	187,613	2,368	5.05%	184,580	2,405	5.21%
Consumer loans	201,410	3,443	6.78%	180,607	3,205	7.04%
Loans held for sale	315,413	1,309	1.65%	185,362	870	1.86%
Total interest-earning assets	10,883,953	125,141	4.56%	8,641,212	106,798	4.90%
Non-interest-earning assets	283,706			271,959		
Total assets	$11,167,659			8,913,171		
INTEREST-BEARING LIABILITIES						
Interest-bearing deposits						
NOW accounts	764,539	880	0.46%	660,038	1,175	0.71%
Money market accounts	5,284,461	16,576	1.24%	3,776,730	15,397	1.62%
Time deposits	931,355	4,475	1.91%	869,525	5,254	2.40%
Non-interest-bearing deposits	2,250,911	-	-	1,874,194	-	-
Total deposits	9,231,266	21,931	0.94%	7,180,487	21,826	1.21%
Borrowings	935,307	7,304	3.10%	900,874	9,216	4.06%
Total deposits and borrowings	10,166,573	29,235	1.14%	8,081,361	31,042	1.52%
Other non-interest-bearing liabilities and shareholders' equity	1,001,086			831,810		
Total liabilities and shareholders' equity	$11,167,659			8,913,171		
OTHER DATA						
Tax-equivalent basis						
Net interest income / interest rate spread		95,906	3.42%		75,756	3.38%
Net interest margin			3.50%			3.48%
Tax-equivalent adjustment / effect						
Net interest income / interest rate spread		-	-		(22)	-
Net interest margin			-			-
As reported						
Net interest income / interest rate spread		95,906	3.42%		75,734	3.38%
Net interest margin			3.50%			3.48%
Ratio of average interest-earning assets to average interest-bearing liabilities			107.06%			106.93%

(1) Includes interest income on certain tax-exempt assets presented on a tax-equivalent basis using a 35 percent federal tax rate.

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NET INTEREST MARGIN ANALYSIS
(unaudited)

	Twelve months ended December 31, 2010			*Twelve months ended December 31, 2009*		
(dollars in thousands)	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
INTEREST-EARNING ASSETS						
Short-term investments	$ 194,864	519	0.27%	136,350	260	0.19%
Investment securities	4,875,482	197,093	4.04%	3,567,812	169,732	4.76%
Commercial loans and commercial mortgages (1)	4,319,014	241,886	5.60%	3,496,846	192,445	5.50%
Residential mortgages	182,995	9,336	5.10%	180,789	9,819	5.43%
Consumer loans	194,407	13,677	7.04%	164,004	11,214	6.84%
Loans held for sale	233,508	4,020	1.72%	146,448	2,786	1.90%

Total interest-earning assets	10,000,270	466,531	4.67%	7,692,249	386,256	5.02%
Non-interest-earning assets	315,051			296,305		
Total assets	$10,315,321			7,988,554		
INTEREST-BEARING LIABILITIES						
Interest-bearing deposits						
NOW accounts	724,458	4,014	0.55%	594,455	4,924	0.83%
Money market accounts	4,816,609	65,279	1.36%	3,187,039	59,122	1.86%
Time deposits	892,186	18,670	2.09%	840,529	21,352	2.54%
Non-interest-bearing deposits	2,020,265	-	-	1,668,753	-	-
Total deposits	8,453,518	87,963	1.04%	6,290,776	85,398	1.36%
Borrowings	913,199	33,709	3.69%	944,144	38,342	4.06%
Total deposits and borrowings	9,366,717	121,672	1.30%	7,234,920	123,740	1.71%
Other non-interest-bearing liabilities and shareholders' equity	948,604			753,634		
Total liabilities and shareholders' equity	$10,315,321			7,988,554		
OTHER DATA						
Tax-equivalent basis						
Net interest income / interest rate spread		344,859	3.37%		262,516	3.31%
Net interest margin			3.45%			3.41%
Tax-equivalent adjustment / effect						
Net interest income / interest rate spread		(1)	-		(121)	-
Net interest margin			-			-
As reported						
Net interest income / interest rate spread		344,858	3.37%		262,395	3.31%
Net interest margin			3.45%			3.41%
Ratio of average interest-earning assets to average interest-bearing liabilities			106.76%			106.32%

(1) Includes interest income on certain tax-exempt assets presented on a tax-equivalent basis using a 35 percent federal tax rate.

SIGNATURE BANK
NON-GAAP FINANCIAL MEASURES
(unaudited)

Management believes that the presentation of net income and diluted earnings per share excluding the after tax effect of net gains on sales of securities and net impairment losses on securities recognized in earnings, which are non-GAAP financial measures, assists investors when comparing results period-to-period in a more consistent manner and provides a better measure of Signature Bank's results. These non-GAAP measures should not be considered a substitute for GAAP-basis measures and results and we strongly encourage investors to review our consolidated financial statements in their entirety and not to rely on any single financial measure. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names.

The following table presents a reconciliation of net income (as reported) to net income excluding the after tax effect of net gains on sales of securities and net impairment losses on securities recognized in earnings along with the resulting diluted earnings per share:

	Three months ended December 31,		*Twelve months ended December 31,*	
(dollars in thousands, except per share amounts)	**2010**	**2009**	**2010**	**2009**
Net income (as reported)	$ 30,326	20,970	$ 102,051	62,726
Net gains on sales of securities	(2,616)	(2,597)	(25,367)	(8,683)
Net impairment losses on securities recognized in earnings	659	523	14,176	1,322
Tax effect	861	919	4,922	3,262
Net income - excluding after tax effect of net gains on sales of securities and net impairment losses on securities recognized in earnings	$ 29,230	19,815	$ 95,782	58,627
Diluted earnings per share - excluding after tax effect of net gains on sales of securities and net impairment losses on securities recognized in earnings	$ 0.70	0.48	$ 2.30	1.51

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