FOR IMMEDIATE RELEASE
OCTOBER 27, 2005

For Further Information:
Investor Contact:
Eric R. Howell, Chief Financial Officer
646-822-1402, ehowell@signatureny.com
Media Contact:
Susan J. Lewis, 646-822-1825, slewis@signatureny.com

SIGNATURE BANK REPORTS 2005 THIRD QUARTER RESULTS

- ***Deposits Rise by $217 Million; Surpassing the $3 Billion Mark***
- ***Non-Interest Bearing Deposits Grew $95 Million or 12 Percent***
- ***Loans Increased a Record $119 Million or 16 Percent to $873 Million***
- ***Net Income Reaches $6.4 Million or $0.22 Diluted Earnings Per Share***
- ***Net Interest Margin Expands Two Basis Points***

NEW YORK … October 27, 2005 … Signature Bank (Nasdaq: SBNY), a New York-based full-service commercial bank, today announced results for its 2005 third quarter ended September 30, 2005.

Net income for the third quarter was $6.4 million or $0.22 diluted earnings per share, compared with $4.0 million or $0.15 diluted earnings per share for the third quarter of last year. This 62 percent improvement in net income for the quarter can be attributed to substantial growth in interest earning assets and increased non-interest income, coupled with further leveraging of the Bank's operational infrastructure.

Net interest income for the quarter reached $25.0 million, up $6.6 million, or 35.5 percent, versus the third quarter of last year. Total assets grew $198.9 million, or 5.3 percent, to $3.97 billion during the quarter. Deposits rose $216.5 million, or 7.4 percent, to $3.13 billion and average deposits increased $318.6 million, or 11.9 percent, to $3.0 billion at September 30, 2005. Core deposits of $2.81 billion accounted for approximately 90 percent of total deposits.

Commenting on the Bank's 2005 third quarter performance, Joseph J. DePaolo, President and Chief Executive Officer, explained: "During the quarter, the Bank once again achieved solid deposit growth and record loan growth. Our private client teams continue to focus diligently on gathering deposits as well as generating assets from our target market niche, that being privately owned businesses, their owners and senior managers. Additionally, we are already reaping the benefits of our commercial real estate lending initiatives that we put in place at the beginning of this quarter.

"The continued strong deposit growth and record loan growth this quarter represents the abilities of our 36 private client teams and 45 Group Directors. They remain dedicated to delivering the unparalleled, high–quality financial care Signature Bank relentlessly promises from a single point of contact. This is truly what sets Signature Bank apart among both bankers and clients in today's saturated banking marketplace," DePaolo said.

Scott A. Shay, Chairman of the Board, also commented on the quarter, adding: “Signature Bank has been able to slightly improve its sequential quarter margin despite a difficult interest rate environment. We have been successful in doing so primarily because of our prudent balance sheet management. We remain dedicated to accomplishing long-term goals rather than attaining short-term gains. This strategy continues to pay off, and as a result, we believe we are significantly better positioned for the future.

“On another note, I want to welcome two new Board members appointed to our already distinguished board. Both former Senator Alfonse D’Amato and Jeffrey Meshel, each of who is a prominent executive in the New York business community, will make important contributions to the Bank as we expand our presence throughout the metro-New York area. We all look forward to benefiting from their knowledge and business acumen.”

Net Interest Income

Net interest income for the third quarter was $25.0 million, representing a $6.6 million, or 35.5 percent, increase over the $18.5 million reported in the comparable period a year ago. The net interest income growth was due to a substantial increase in interest earning assets. Average interest earning assets for the third quarter of 2005 increased by $969.4 million, up 36.6 percent from the 2004 third quarter. Asset yields for the third quarter of 2005 rose 88 basis points to 4.46 percent, when compared with the same period last year, benefiting from higher short-term rates and an improved balance sheet composition. As a result of the Bank’s stable core deposits, the average cost of deposits remained low at 1.55 percent. During the third quarter of 2005, the average total cost of funds increased by 94 basis points to 1.80 percent compared with the third quarter of 2004.

Net interest income for the nine-month period ended September 30, 2005 was $70.1 million, an increase of $24.5 million or 53.6 percent when compared with the same period last year.

The net interest margin for third quarter 2005 decreased three basis points to 2.75 percent versus the third quarter of 2004. On a linked quarter basis, net interest margin increased two basis points. The Bank continues to be well positioned for rising interest rates with a weighted average duration of 1.7 years for its securities portfolio. The asset sensitive nature of the balance sheet allowed for modest margin expansion in the quarter despite continued flattening of the yield curve and further compression of asset spreads. The Bank’s short duration investment portfolio remains poised to reinvest portfolio cash flows in accretive yielding investments or redeploy to even higher yielding loans.

Non-Interest Income and Non-Interest Expense

Non-interest income for the third quarter of 2005 was $4.9 million versus $4.1 million for the comparable period a year ago. The increase of more than $800,000 was fueled by an increase of $547,000 in commissions from brokerage activities, a $377,000 increase in fees and service charges and an increase of $495,000 in other income. These increases were partially offset by a decrease of $569,000 in net gains on sales of securities and loans. In the third quarter of 2004, there were gains of $882,000 from two sales of interest-only strip securities. There were no sales of interest-only strip securities in the third quarter of 2005.

For the first nine months of 2005, non-interest income was $13.8 million versus $19.2 million for the comparable period last year. The decrease is attributable to gains on sales of interest only strip securities of $9.3 million that occurred in the first nine months of 2004. There were no gains on sales of interest only strip securities in 2005. The decrease was partially offset by increases in all other non-interest income categories.

Non-interest expense for the 2005 third quarter was $17.6 million versus $14.7 million for the 2004 third quarter. This increase is primarily due to the addition of new private client teams, the opening of new locations and increased professional fees due to costs associated with Sarbanes-Oxley compliance.

Non-interest expense for the first nine months of 2005 was $62.0 million, an increase of $18.6 million or 42.9 percent when compared with the same period a year ago. Excluding the effects of a special one-time bonus of $12.0 million directly contributed by Hapoalim U.S.A. Holding Company, Inc., the Bank's former principal shareholder, in the second quarter of 2005, non-interest expense for the first nine months of 2005 was $50.0 million, an increase of $6.6 million or 15.2 percent. This increase is largely due to the addition of private client teams, the opening of new locations, increased data processing costs and Sarbanes-Oxley compliance costs.

Loans

Loans, excluding loans held for sale, reached a record $872.5 million at September 30, 2005, up $118.7 million or 15.8 percent from the $753.8 million reported at June 30, 2005. Average loans, excluding loans held for sale, grew $120.6 million since the second quarter of 2005. For the first nine months of 2005, loans, excluding loans held for sale, grew $301.7 million or 52.9 percent. This solid, organic growth stems mainly from commercial loans made to the Bank's target market by its established private client teams. Additionally, efforts put forth by the Bank's newly appointed senior lending executives are also contributing to the Bank's record loan growth.

Loans held for sale were $88.6 million as of September 30, 2005, a decrease of $21.7 million from June 30, 2005. The periodic fluctuation in loans held for sale is predominantly due to the timing of SBA loan purchases and subsequent pool sales.

At September 30, 2005, non-performing loans amounted to $8.7 million compared with $4.7 million at June 30, 2005. The non-performing loan balance primarily consists of two loans. The increase was mostly due to one loan, which is in the process of favorable restructuring. This restructuring will result in additional collateral, a significant pay down within 12 months and receipt of all principal and interest.

Capital

Signature Bank's capital ratios remain among the strongest industry-wide. The Bank's tier 1 risk-based, total risk-based and leverage capital ratios were 22.30 percent, 22.84 percent and 9.48 percent, respectively, as of September 30, 2005, which are all well in excess of regulatory requirements. The ratios reflect the relatively low risk profile of the balance sheet.

- more -

DePaolo discussed the Bank's outlook and future plans: "We are optimistic about the Bank's growth and our recruitment efforts going forward. As we enter the fourth quarter, we are preparing to announce the appointments of several new private client teams who we expect will join us from some of the industry's top financial institutions. We are also in the final stages of opening the Bank's 14th, 15th and 16th offices. In keeping with our strategy, the specific locations of these offices were dictated by the geographic and industry strengths of these new teams. Also, we are considering adding lending-related product lines to the Bank's offerings, as appropriate, to further augment our expanding lending capabilities.

"Looking ahead, the prospects for recruiting in early 2006 are promising. We are further building upon the reputation we've earned as the bank-of-choice among both seasoned relationship bankers, whose interest in joining Signature Bank is escalating, as well as our clients, who clearly recognize the difference in our service offering," DePaolo concluded.

Conference Call

Signature Bank's management will host a conference call to review results for the third quarter of 2005 on **Thursday, October 27, 2005 at 10:00 AM ET**. Participants should dial 800-240-7305 at least ten minutes prior to the start of the call. International callers should dial 303-262-2138.

To hear a live web simulcast or to listen to the archived web cast of the conference call, please visit the Bank's web site at www.signatureny.com, click on the investor relations tab and then select news/press and conference calls to access the link to the call. Refer to conference identification number 30806.

To listen to a telephone replay of the conference call, please dial 303-590-3000 and enter reservation identification number 11041067. The replay will be available from approximately 12:00 PM ET on Thursday, October 27, 2005 through Tuesday, November 1, 2005 at 6 PM ET.

About Signature Bank

Signature Bank, member FDIC, is a New York-based full-service commercial bank with 13 private client offices located in the New York metropolitan area, serving 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 NASD/SIPC.

Signature Bank's 13 offices are located throughout the metropolitan New York area. In Manhattan – 261 Madison Avenue; 300 Park Avenue; 71 Broadway; 565 Fifth Avenue and 950 Third Avenue. Brooklyn - 26 Court Street and 84 Broadway. Westchester – 1C Quaker Ridge Road, New Rochelle. Long Island – 1225 Franklin Avenue, Garden City; 279 Sunrise Highway, Rockville Centre; 58 South Service Road, Melville and 923 Broadway, Woodmere. Queens – 36-36 33rd Street in Long Island City.

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

- more -

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, loan and deposit growth, 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 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; (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; and (iv) competition for qualified personnel and desirable office locations. Additional factors are described in our quarterly and annual reports.

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.

- FINANCIAL TABLES ATTACHED -

- more -

Signature Bank

Consolidated Statements of Operations

(unaudited)

(in thousands, except per share amounts)

	Three months ended September 30,		Nine months ended September 30,	
	2005	2004	2005	2004
Interest and dividend income:				
Loans held for sale	$723	706	2,391	1,844
Loans, net	12,747	5,460	31,410	14,280
Securities available-for-sale	22,837	14,130	62,629	34,769
Securities held-to-maturity	4,137	3,335	12,329	7,189
Other short-term investments	202	194	788	422
Total interest income	$40,646	23,825	109,547	58,504
Interest expense:				
Deposits	11,694	4,274	28,121	10,464
Fed funds purchased and securities sold under agreements to repurchase	2,425	264	5,748	582
Federal Home Loan Bank advances	1,200	815	4,931	1,811
Other short-term borrowings	296	--	625	--
Total interest expense	$15,615	5,353	39,425	12,857
Net interest income before provision for loan losses	25,031	18,472	70,122	45,647
Provision for loan losses	803	666	2,081	1,876
Net interest income after provision for loan losses	$24,228	17,806	68,041	43,771
Non-interest income:				
Commissions	1,715	1,168	4,819	3,682
Fees and service charges	1,939	1,562	5,501	4,493
Net gains on sales of securities and loans	712	1,281	1,829	10,723
Other income	547	52	1,650	290
Total non-interest income	$4,913	4,063	13,799	19,188
Non-interest expense:				
Salaries and benefits	10,218	8,807	40,892	25,835
Occupancy and equipment	1,821	1,352	5,231	3,948
Other general and administrative	5,550	4,587	15,849	13,598
Total non-interest expense	17,589	14,746	61,972	43,381
Income before income taxes	11,552	7,123	19,868	19,578
Income tax expense (benefit)	5,143	3,158	11,407	(5,302)
Net income	$6,409	3,965	8,461	24,880
Earnings per share - basic	$0.22	0.15	0.29	1.02
Earnings per share - diluted	$0.22	0.15	0.29	1.01

Signature Bank

Consolidated Statements of Financial Condition

(in thousands, except per share amounts)

Assets	**September 30, 2005 (unaudited)**	**December 31, 2004**
Cash and due from banks	$91,276	69,830
Short-term investments	7,039	5,230
Total cash and cash equivalents	98,315	75,060
Securities available-for-sale ($641,946 pledged at September 30, 2005 and $652,860 at December 31, 2004)	2,358,238	2,107,390
Securities held-to-maturity (fair market value $406,743 at September 30, 2005 and $414,140 at December 31, 2004; $104,527 pledged at September 30, 2005 and $57,405 at December 31, 2004)	414,595	416,333
Federal Home Loan Bank stock	7,000	14,250
Loans held for sale	88,617	112,917
Loans, net	863,648	563,161
Premises and equipment, net	15,176	14,186
Accrued interest and dividends receivable	17,764	12,802
Other assets	101,670	40,257
Total assets	$3,965,023	3,356,356
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits:		
Non-interest-bearing	915,598	759,281
Interest-bearing	2,214,854	1,821,426
Total deposits	3,130,452	2,580,707
Fed funds purchased and securities sold under agreements to repurchase	265,000	115,000
Federal Home Loan Bank advances	140,000	285,000
Other short-term borrowings	50,000	--
Accrued expenses and other liabilities	31,996	36,730
Total liabilities	$3,617,448	3,017,437
Shareholders' equity:		
Preferred stock, par value $.01; 61,000,000 shares authorized and unissued at September 30,2005	--	--
Common stock, par value $.01; 64,000,000 shares authorized, 29,358,230 shares issued and outstanding at September 30, 2005; 39,000,000 shares authorized, 29,315,000 shares issued and outstanding at December 31, 2004	294	293
Additional paid-in capital	361,281	348,553
Unearned compensation	(890)	(783)
Retained earnings (accumulated deficit)	5,395	(3,066)
Accumulated other comprehensive loss:		
Net unrealized depreciation on securities available-for-sale, net of tax effect	(18,505)	(6,078)
Total shareholders' equity	347,575	338,919
Total liabilities and shareholders' equity	$3,965,023	3,356,356

Financial Summary
(unaudited)

(dollars in thousands, except ratios and per share amounts)	Three months ended		Nine months ended	
	September 30, 2005	**September 30, 2004**	**September 30, 2005**	**September 30, 2004**
Per share:				
Net income - basic	$ 0.22	$ 0.15	$ 0.29	$ 1.02
Net income - diluted	$ 0.22	$ 0.15	$ 0.29	$ 1.01
Average shares outstanding - basic	29,357	26,505	29,343	24,442
Average shares outstanding - diluted	29,710	26,812	29,683	24,643
Book value	$ 11.84	$ 11.50	$ 11.84	$ 11.50
Selected financial data:				
Return on average total assets	0.67 %	0.57 %	0.31 %	1.41 %
Return on average shareholders' equity	7.33 %	5.87 %	3.31 %	14.63 %
Efficiency ratio	58.74 %	65.44 %	73.85 %	66.91 %
Yield on interest-earning assets	4.46 %	3.58 %	4.27 %	3.46 %
Cost of deposits and borrowings	1.80 %	0.86 %	1.62 %	0.81 %
Net interest margin	2.75 %	2.78 %	2.73 %	2.70 %

Capital Ratios (unaudited)	**September 30, 2005**	**June 30, 2005**	**December 31, 2004**	**September 30, 2004**
Tier one leverage	9.48 %	9.98 %	10.86 %	12.25 %
Tier one risk-based	22.30 %	23.83 %	29.27 %	32.09 %
Total risk-based	22.84 %	24.37 %	29.92 %	32.67 %

Asset Quality (unaudited)	**September 30, 2005**	**June 30, 2005**	**December 31, 2004**	**September 30, 2004**
Non-performing loans	$ 8,719	$ 4,708	$ 6,042	$ 4,729
Allowance for loan losses	$ 8,897	$ 8,105	$ 7,660	$ 6,185
Allowance for loan losses to non-performing loans	102.04 %	172.15 %	126.78 %	130.79%
Allowance for loan losses to total loans	1.02 %	1.08 %	1.34 %	1.23%
Non-performing loans to total loans	1.00 %	0.62 %	1.06 %	0.94%
Quarterly net charge-offs (recoveries) to average loans (annualized)	0.01 %	0.50 %	0.00 %	(0.01%)

Signature Bank
Net Interest Margin Analysis
(unaudited)

The following tables present an analysis of net interest income by each major category of interest-earning assets and interest-bearing liabilities:

(unaudited)	Three Months Ended September 30, 2005			Three Months Ended September 30, 2004		
(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	$12,389	$109	3.49%	$34,096	$102	1.19%
Investment securities	2,754,301	27,067	3.93%	2,092,827	17,557	3.36%
Commercial loans and commercial mortgages	618,931	9,587	6.15%	318,054	3,648	4.56%
Residential mortgages	68,794	997	5.80%	71,536	946	5.29%
Consumer loans	99,166	2,163	8.65%	50,080	866	6.88%
Loans held for sale	63,283	723	4.53%	80,881	706	3.47%
Total interest-earning assets	$3,616,864	$40,646	4.46%	$2,647,474	$23,825	3.58%
Non-interest-earning assets	199,228			124,944		
Total assets	$3,816,092			$2,772,418		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$209,562	$349	0.66%	$176,742	$311	0.70%
Money market accounts	1,567,888	8,935	2.26%	1,207,177	3,417	1.13%
Certificates of deposits	319,747	2,410	2.99%	130,754	546	1.66%
Non-interest-bearing deposits	897,193	--	--	710,862	--	--
Total deposits	$2,994,390	$11,694	1.55%	$2,225,535	$4,274	0.76%
Borrowings	455,074	3,921	3.42%	256,000	1,079	1.68%
Total deposits and borrowings	$3,449,464	$15,615	1.80%	$2,481,535	$5,353	0.86%
Other non-interest-bearing liabilities and shareholders' equity	366,628			290,883		
Total liabilities and shareholders' equity	$3,816,092			$2,772,418		
Net interest income / interest rate spread		$25,031	2.66%		$18,472	2.72%
Net interest margin			2.75%			2.78%
Ratio of average interest-earning assets to average interest-bearing liabilities			104.85%			106.69%

(unaudited)	Nine Months Ended September 30, 2005			Nine Months Ended September 30, 2004		
(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	$16,432	$350	2.85%	$30,798	$225	0.98%
Investment securities	2,650,640	75,396	3.79%	1,740,734	42,155	3.23%
Commercial loans and commercial mortgages	539,533	23,604	5.85%	306,302	9,678	4.22%
Residential mortgages	71,759	2,904	5.40%	64,516	2,274	4.70%
Consumer loans	77,490	4,902	8.46%	43,098	2,328	7.22%
Loans held for sale	74,219	2,391	4.31%	73,890	1,844	3.33%
Total interest-earning assets	$3,430,073	$109,547	4.27%	$2,259,338	$58,504	3.46%
Non-interest-earning assets	189,552			105,115		
Total assets	$3,619,625			$2,364,453		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$197,048	$959	0.65%	$166,723	$868	0.70%
Money market accounts	1,505,408	22,066	1.96%	1,022,889	8,399	1.10%
Certificates of deposits	247,334	5,096	2.75%	97,902	1,197	1.63%
Non-interest-bearing deposits	815,922	--	--	613,102	--	--
Total deposits	$2,765,712	$28,121	1.36%	$1,900,616	$10,464	0.74%
Borrowings	492,889	11,304	3.07%	218,062	2,393	1.47%
Total deposits and borrowings	$3,258,601	$39,425	1.62%	$2,118,678	$12,857	0.81%
Other non-interest-bearing liabilities and shareholders' equity	361,024			245,775		
Total liabilities and shareholders' equity	$3,619,625			$2,364,453		
Net interest income / interest rate spread		$70,122	2.65%		$45,647	2.65%
Net interest margin			2.73%			2.70%
Ratio of average interest-earning assets to average interest-bearing liabilities			105.26%			106.64%

# # #