FOR IMMEDIATE RELEASE
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SIGNATURE BANK REPORTS 2005 SECOND QUARTER RESULTS

- ***Four New Private Client Teams and Three Senior Lenders Added***
- ***Record Loan Growth of $94 Million or 14 Percent to $754 Million***
- ***Deposits Increase $152 Million to $2.9 Billion***
- ***Assets Approach $3.8 Billion, Growing $218.5 Million***
- ***Net Loss of $3.7 Million or $0.12 Diluted Loss Per Share; Net Income Reaches $5.9 Million, or $0.20 Diluted Earnings Per Share Excluding The Effect of the 2005 Special One-Time Bonus Plan***

NEW YORK … July 28, 2005 … Signature Bank (Nasdaq: SBNY), a New York-based full-service commercial bank, today announced results for its 2005 second quarter and first half ended June 30, 2005.

Including the effect of the 2005 special one-time bonus plan, net loss for the quarter was $3.7 million, or $0.12 diluted loss per share. Excluding the effects of the special one-time bonus, net income for the quarter was $5.9 million or $0.20 diluted earnings per share. In the second quarter, as approved by Signature Bank's shareholders at its annual meeting, a special one-time bonus payment of cash and stock totaling $12.0 million was made to approximately 150 early employees out of cash and stock directly contributed by Hapoalim U.S.A. Holding Company, Inc., the Bank's former principal shareholder, in connection with the sale of their controlling shares. This compares with $18.3 million or $0.69 diluted earnings per share for the second quarter of 2004. Net income for the second quarter of 2004 included $9.8 million from the recognition of deferred tax credits and $5.8 million from the net gain on sale of an SBA interest-only strip security.

Net interest income totaled $23.0 million for the quarter, an increase of $8.8 million, or 61.5 percent, compared with the second quarter of last year. Total assets grew by $218.5 million during the quarter, reaching $3.77 billion. Deposits totaled $2.9 billion at June 30, 2005, an increase of $152.0 million, or 5.5 percent, since March 31, 2005. Core deposits of $2.6 billion represent approximately 89 percent of total deposits.

Joseph J. DePaolo, the Bank's President and Chief Executive Officer, commented on the Bank's second quarter results: "The first half of 2005 presented the Bank many opportunities, particularly in the area of recruitment. During this period, we added four additional private client banking teams, bringing the total to 34, represented by 43 Group Directors. In addition, we expanded our lending capabilities by adding three new senior lending officers.

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"Experienced bankers continue to join us from the major financial institutions. And, Signature Bank's reputation as the bank-of-choice continues to build among both bankers who wish to provide highly personalized services and the clients that demand them. Signature Bank fills this need by offering a single point of contact and by catering to privately owned businesses, their owners and senior managers."

Scott A. Shay, Chairman of the Board, noted: "The second quarter was another very solid one for the Bank. We continued to strengthen our balance sheet by growing deposits nicely with a $152 million increase, while loans rose $94 million. However, the majority of the loans and deposits arrived later in the quarter making deployment more challenging. Our loan portfolio reached record highs this quarter, and now accounts for 20 percent of the Bank's total assets. This is up three percentage points since the beginning of 2005, demonstrating that the asset-generating efforts of our Group Directors, Private Client Teams and Senior Lenders are having a positive impact on the balance sheet while maintaining asset quality. Additionally, we have been able to maintain interest margins even in this difficult interest rate environment."

Net Interest Income

Net interest income for the second quarter increased 61.5 percent or $8.8 million to $23.0 million versus the comparable period a year ago. The net interest income growth was due to a substantial increase in interest earning assets. Average earning assets for the second quarter of 2005 increased by $1.2 billion, reflecting an increase of 51.7 percent from the 2004 second quarter. Asset yields for the second quarter of 2005 strengthened by 100 basis points to 4.29 percent, when compared with the same period last year, benefiting from higher short term rates and an improved balance sheet composition. The average cost of deposits remained low at 1.36 percent, as a result of the Bank's stable core deposits. During the second quarter of 2005, the average total cost of funds increased by 86 basis points to 1.64 percent compared with the second quarter of 2004.

The net interest margin for second quarter 2005 increased 16 basis points to 2.73 percent versus the second quarter of 2004. On a linked quarter basis, margins remained flat. The Bank continues to be well positioned for rising rates with a weighted average duration of 1.52 years for its securities portfolio. The asset sensitive nature of the balance sheet provided stable margins in the quarter despite continued flattening of the yield curve and further compression of asset spreads. With the short duration investment portfolio, the Bank is poised to reinvest portfolio cash flows in accretive yielding investments or redeploy to higher yielding loans.

Non-Interest Income and Non-Interest Expense

Non-interest income for the second quarter of 2005 reached $4.6 million versus $11.1 million for the same period last year. Excluding $8.1 million from last year's amount for the gain on sale of an SBA interest only strip security, non-interest income increased $1.6 million or 53 percent. This improvement was driven by increases in all non-interest income categories, including a $429,000 increase in commissions from brokerage activities and a $365,000 increase in fees and service charges.

Non-interest expense for the 2005 second quarter was $28.6 million, compared with $15.5 million for the same period a year ago. Excluding the special one-time bonus payment, non-interest expense increased $1.2 million. This increase is primarily due to the opening of new locations, the addition of new private client teams and increased data processing costs.

Loans

Loans, excluding loans held for sale, increased $94.5 million or 14.3 percent to $753.8 million at June 30, 2005, compared with $659.3 million at March 31, 2005. For the first six months of 2005, loans, excluding loans held for sale, have grown $183.0 million or 32.1 percent. This organic growth continues to be derived primarily from commercial loans made to the Bank's target market.

Loans held for sale were $110.3 million as of June 30, 2005, an increase of 14.5 percent or $14 million from March 31, 2005. The periodic fluctuation in loans held for sale is predominantly due to the timing of SBA loan purchases and subsequent pool sales.

At June 30, 2005, non-performing loans amounted to $4.7 million compared to $6.0 million at March 31, 2005, which represent 0.62 percent of total loans, down from 1.26 percent a year ago. During the quarter, the Bank resolved one non-performing loan which had been reserved. This resulted in a net charge off of $784,000 during the quarter. The remaining non-performing loan balance is primarily comprised of one loan which is substantially reserved for.

Capital

Signature Bank's capital ratios remain among the industry's strongest. The Bank's tier 1 risk-based, total risk-based and leverage capital ratios were 23.83 percent, 24.37 percent and 9.98 percent, respectively, as of June 30, 2005, which are all well in excess of regulatory requirements. The ratios reflect the relatively low risk profile of the balance sheet. The capital contributed by Hapoalim U.S.A. Holding Company, Inc. for the special one-time bonus payment of cash and stock to early employees had a net positive impact to tangible book value of $2.5 million.

DePaolo continued to offer insight into the Bank's quarterly performance, stating: "In summary, our previously stated objectives regarding the Bank's strong emphasis on generating assets are beginning to come to fruition. The exceptional 14 percent growth in loans achieved this quarter demonstrates that. We further committed to this goal during the first half of this year by creating two new positions – Senior Vice President and Deputy Chief Lending Officer and Senior Vice President of Commercial Real Estate Lending. These roles have been filled by seasoned lending veterans who will enhance both our commercial real estate lending capabilities as well as our overall lending initiatives.

"We have hit the ground running to assure that the Bank's clients are fully aware of all the enhanced resources available to them and stressing our abilities to meet all of their financial needs. We believe the initiatives we put forth on the lending side will reap benefit for the Bank and its clients as our position as a premiere relationship-based bank throughout the metro-New York area strengthens."

Conference Call

Signature Bank's management will host a conference call to review results for the second quarter of 2005 on Thursday, July 28, 2005 at 10:00 AM ET. Participants should dial 800-218-8862 at least ten minutes prior to the start of the call. International callers should dial 303-262-2131.

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 29722.

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.

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, operations 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; and (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. 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 -

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Signature Bank

Consolidated Statements of Operations

(unaudited)

(in thousands, except per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2005	**2004**	**2005**	**2004**
Interest and dividend income:				
Loans held for sale	$906	660	1,668	1,138
Loans, net	10,158	4,579	18,663	8,820
Securities available-for-sale	20,743	10,637	39,792	20,646
Securities held-to-maturity	4,141	2,245	8,192	3,854
Federal Home Loan Bank stock	188	52	341	69
Fed funds sold and securities purchased under agreements to resell	30	19	92	32
Other short-term investments	60	53	149	84
Other investments	--	36	4	36
Total interest income	$36,226	18,281	68,901	34,679
Interest expense:				
Deposits	9,080	3,280	16,427	6,190
Fed funds purchased and securities sold under agreements to repurchase	2,187	172	3,323	318
Federal Home Loan Bank advances	1,618	570	3,731	996
Other short-term borrowings	306	--	329	--
Total interest expense	$13,191	4,022	23,810	7,504
Net interest income before provision for loan losses	23,035	14,259	45,091	27,175
Provision for loan losses	653	403	1,278	1,210
Net interest income after provision for loan losses	$22,382	13,856	43,813	25,965
Non-interest income:				
Commissions	1,568	1,139	3,104	2,514
Fees and service charges	1,915	1,550	3,562	2,931
Net gains on sales of securities and loans	555	8,322	1,117	9,442
Other income	566	70	1,103	238
Total non-interest income	$4,604	11,081	8,886	15,125
Non-interest expense:				
Salaries and benefits	21,492	9,477	30,674	17,028
Occupancy and equipment	1,712	1,354	3,410	2,596
Professional fees	658	499	990	886
Marketing	402	234	633	411
Data processing	914	583	1,538	1,208
Charges for services provided by Bank Hapoalim	1,290	1,275	2,806	2,550
Depreciation and amortization	496	351	969	673
Other general and administrative	1,679	1,707	3,363	3,283
Total non-interest expense	$28,643	15,480	44,383	28,635
(Loss) income before income taxes	(1,657)	9,457	8,316	12,455
Income tax expense (benefit)	2,018	(8,816)	6,264	(8,460)
Net (loss) income	$(3,675)	18,273	2,052	20,915
(Loss)/earnings per share - basic	$(.13)	0.70	.07	0.89
(Loss)/earnings per share - diluted	$(.12)	0.69	.07	0.89

Signature Bank

Consolidated Statements of Financial Condition

(in thousands, except per share amounts)

Assets	**June 30, 2005 (unaudited)**	**December 31, 2004**
Cash and due from banks	$91,924	69,830
Short-term investments	49,393	5,230
Total cash and cash equivalents	141,317	75,060
Securities available-for-sale ($603,493 pledged at June 30, 2005 and $652,860 at December 31, 2004)	2,221,204	2,107,390
Securities held-to-maturity (fair market value $427,861 at June 30, 2005 and $414,140 at December 31, 2004; $133,688 pledged at June 30, 2005 and $57,405 at December 31, 2004)	431,566	416,333
Federal Home Loan Bank stock	7,250	14,250
Loans held for sale	110,303	112,917
Loans, net	745,708	563,161
Premises and equipment, net	14,236	14,186
Accrued interest and dividends receivable	15,500	12,802
Other assets	79,066	40,257
Total assets	$3,766,150	3,356,356
Liabilities and Shareholders' Equity		
Liabilities:		
Deposits :		
Non-interest-bearing	$820,986	759,281
Interest-bearing	2,092,963	1,821,426
Total deposits	2,913,949	2,580,707
Fed funds purchased and securities sold under agreements to repurchase	230,000	115,000
Federal Home Loan Bank advances	145,000	285,000
Other short-term borrowings	100,000	--
Accrued expenses and other liabilities	28,142	36,730
Total liabilities	$3,417,091	3,017,437
Shareholders' equity:		
Preferred stock, par value $.01; 61,000,000 shares authorized and unissued at June 30,2005	--	--
Common stock, par value $.01; 64,000,000 shares authorized, 29,354,563 shares issued and outstanding at June 30, 2005; 39,000,000 shares authorized, 29,315,000 shares issued and outstanding at December 31, 2004	294	293
Additional paid-in capital	361,224	348,553
Unearned compensation	(1,090)	(783)
Accumulated deficit	(1,014)	(3,066)
Accumulated other comprehensive loss:		
Net unrealized depreciation on securities available-for-sale, net of tax effect	(10,355)	(6,078)
Total shareholders' equity	349,059	338,919
Total liabilities and shareholders' equity	$3,766,150	3,356,356

Financial Summary
(unaudited)

(dollars in thousands, except ratios and per share amounts)	Three months ended June 30, 2005	Three months ended June 30, 2004	Six months ended June 30, 2005	Six months ended June 30, 2004
Per share:				
Net (loss)/income - basic	$ (.13)	$ 0.70	$ .07	$ 0.89
Net (loss)/income - diluted	$ (.12)	$ 0.69	$ .07	$ 0.89
Average shares outstanding - basic	29,353	26,210	29,336	23,399
Average shares outstanding - diluted	29,641	26,478	29,665	23,541
Book value	$ 11.89	$ 9.85	$ 11.89	$ 9.85
Selected financial data:				
Return on average total assets	(0.41) %	3.14 %	0.12 %	1.95 %
Return on average shareholders' equity	(4.32) %	29.83 %	1.22 %	20.40 %
Efficiency ratio	103.63 %	61.09 %	82.23 %	67.70 %
Yield on interest-earning assets	4.29 %	3.29 %	4.17 %	3.38 %
Cost of deposits and borrowings	1.64 %	0.78 %	1.52 %	0.78 %
Net interest margin	2.73 %	2.57 %	2.73 %	2.65 %

Capital Ratios **(unaudited)**	June 30, 2005	March 31, 2005	December 31, 2004	June 30, 2004
Tier one leverage	9.98 %	10.11 %	10.86 %	11.42 %
Tier one risk-based	23.83 %	25.75 %	29.27 %	29.27 %
Total risk-based	24.37 %	26.36 %	29.92 %	29.87 %

Asset Quality **(unaudited)**	June 30, 2005	March 31, 2005	December 31, 2004	June 30, 2004
Non-performing loans	$ 4,708	$ 5,979	$ 6,042	$ 5,234
Allowance for loan losses	$ 8,105	$ 8,285	$ 7,660	$ 5,511
Allowance for loan losses to non-performing loans	172.15 %	138.57 %	126.78 %	105.29%
Allowance for loan losses to total loans	1.08 %	1.26 %	1.34 %	1.33%
Non-performing loans to total loans	0.62 %	0.91 %	1.06 %	1.26%
Quarterly net charge-offs (recoveries) to average loans (annualized)	0.50 %	0.00 %	0.00 %	0.00%

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 June 30, 2005			Three Months Ended June 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	$11,984	$90	3.01%	$35,493	$72	0.82%
Investment securities	2,628,712	25,072	3.82%	1,704,336	12,970	3.04%
Commercial loans and commercial mortgages	526,311	7,723	5.89%	305,508	3,067	4.04%
Residential mortgages	70,042	929	5.31%	64,832	748	4.62%
Consumer loans	69,947	1,506	8.64%	44,171	764	6.96%
Loans held for sale	81,477	906	4.46%	79,898	660	3.32%
Total interest-earning assets	$3,388,473	$36,226	4.29%	$2,234,238	$18,281	3.29%
Non-interest-earning assets	188,312			104,442		
Total assets	$3,576,785			$2,338,680		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$196,081	$313	0.64%	$167,618	$281	0.67%
Money market accounts	1,469,611	7,154	1.95%	983,258	2,606	1.07%
Certificates of deposits	235,162	1,613	2.75%	100,943	393	1.57%
Non-interest-bearing deposits	774,905	--	--	597,654	--	--
Total deposits	$2,675,759	$9,080	1.36%	$1,849,473	$3,280	0.71%
Borrowings	541,839	4,111	3.04%	218,484	742	1.37%
Total deposits and borrowings	$3,217,598	$13,191	1.64%	$2,067,957	$4,022	0.78%
Other non-interest-bearing liabilities and shareholders' equity	359,187			270,723		
Total liabilities and shareholders' equity	$3,576,785			$2,338,680		
Net interest income / interest rate spread		$23,035	2.65%		$14,259	2.51%
Net interest margin			2.73%			2.57%
Ratio of average interest-earning assets to average interest-bearing liabilities			105.31%			108.04%

(unaudited) (dollars in thousands)	Six Months Ended June 30, 2005 Average Balance	Interest Income/ Expense	Average Yield/ Rate	Six Months Ended June 30, 2004 Average Balance	Interest Income/ Expense	Average Yield/ Rate
Interest-Earning Assets						
Short-term investments	$18,487	$241	2.63%	$29,131	$116	0.80%
Investment securities	2,597,950	48,329	3.72%	1,562,753	24,605	3.15%
Commercial loans and commercial mortgages	499,176	14,017	5.66%	300,362	6,030	4.04%
Residential mortgages	73,266	1,907	5.21%	60,967	1,328	4.36%
Consumer loans	66,472	2,739	8.31%	39,569	1,462	7.43%
Loans held for sale	79,777	1,668	4.22%	70,357	1,138	3.25%
Total interest-earning assets	$3,335,128	$68,901	4.17%	$2,063,139	$34,679	3.38%
Non-interest-earning assets	184,621			95,089		
Total assets	$3,519,749			$2,158,228		
Interest-Bearing Liabilities						
Interest-bearing deposits:						
NOW and interest-bearing checking	$190,688	$609	0.64%	$161,658	$557	0.69%
Money market accounts	1,473,651	13,131	1.80%	929,732	4,983	1.08%
Certificates of deposits	210,528	2,687	2.57%	81,295	650	1.61%
Non-interest-bearing deposits	774,612	--	--	563,686	--	--
Total deposits	$2,649,479	$16,427	1.25%	$1,736,371	$6,190	0.72%
Borrowings	512,110	7,383	2.91%	198,885	1,314	1.33%
Total deposits and borrowings	$3,161,589	$23,810	1.52%	$1,935,256	$7,504	0.78%
Other non-interest-bearing liabilities and shareholders' equity	358,160			222,972		
Total liabilities and shareholders' equity	$3,519,749			$2,158,228		
Net interest income / interest rate spread		$45,091	2.65%		$27,175	2.60%
Net interest margin			2.73%			2.65%
Ratio of average interest-earning assets to average interest-bearing liabilities			105.49%			106.61%

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