

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **July 30, 2018**

STERLING BANCORP, INC.

(Exact name of registrant as specified in its charter)

Michigan

(State or other jurisdiction
of incorporation)

001-38290

(Commission
File No.)

38-3163775

(IRS Employer
Identification No.)

One Towne Square, Suite 1900

Southfield, Michigan 48076

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(248) 355-2400**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On July 30, 2018, the Registrant issued a press release announcing its results of operations for its second quarter ended June 30, 2018 and provided a related investor presentation. The press release and the investor presentation are attached as Exhibit No. 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

This information in this Current Report on Form 8-K and the accompanying Exhibit 99.1 and Exhibit 99.2 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filings under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, unless expressly incorporated by reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are furnished herewith:

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
99.1	Press Release of Sterling Bancorp, Inc. dated July 30, 2018
99.2	Investor Presentation

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STERLING BANCORP, INC.

Dated: July 30, 2018

By: /s/ THOMAS LOPP
Thomas Lopp
President, Chief Operations Officer and Chief Financial Officer

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Sterling Bancorp Reports Second Quarter 2018 Financial Results

Q2 2018 Summary

- Net income of \$16.0 million, a 79% increase from Q2 2017, and a 1.5% increase from Q1 2018
- Fully diluted EPS of \$0.30, a 50% increase from Q2 2017, and equivalent to Q1 2018
- Annualized ROAA of 2.08% and annualized ROATCE of 21.36%
- Revenue, net of interest expense, was \$36.2 million, a 44% increase from Q2 2017, and a 6% increase from Q1 2018
- Total loan originations of \$434 million, a 3% increase from Q2 2017 and a 6% increase from Q1 2018
- Total gross loans, including loans held for investment and loans held for sale, of \$2.86 billion, a 29% increase from Q2 2017, and an 8% annualized increase from Q1 2018
- Total deposits of \$2.34 billion, a 30% increase from Q2 2017, and a 9% annualized increase from Q1 2018
- Net interest margin of 3.96%

Southfield, Michigan, July 30, 2018 — Sterling Bancorp, Inc. (NASDAQ: SBT) (the “Company”), the holding company of Sterling Bank and Trust, F.S.B. (the “Bank”), today reported unaudited financial results for its second quarter ended June 30, 2018.

For the three months ended June 30, 2018, net income totaled \$16.0 million, or \$0.30 per diluted share, based on 53.0 million weighted average diluted shares outstanding. This compares to first quarter 2018 net income of \$15.7 million, or \$0.30 per diluted share, based on 53.0 million weighted average diluted shares outstanding. For the second quarter of 2017, net income totaled \$8.9 million, or \$0.20 per diluted share, based on 45.3 million weighted average diluted shares outstanding.

“We executed well in the second quarter, generating a 50% year-over-year increase in earnings per share, a return on average assets of 2.08%, and a return on tangible equity of 21.3%,” said Gary Judd, Chairman and CEO of Sterling Bancorp. “Our strong performance was driven by continued balance sheet growth, disciplined expense control and excellent credit quality. We continue to see strong demand for our suite of niche loan products, which resulted in \$434 million of loan production in the second quarter, an increase of 6% compared to the prior quarter. Our pipeline remains strong in our principal markets in Northern California, Southern California and New York City, and we believe the expansion of our presence in the greater Seattle market during the second half of the year will provide another catalyst for driving future growth in loans, deposits and earnings.”

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Financial Highlights (Unaudited)

(dollars in thousands, except per share data)	At or for the Three Months Ended		
	June 30, 2018	March 31, 2018	June 30, 2017
Net income	\$ 15,982	\$ 15,749	\$ 8,938
Diluted earnings per share	\$ 0.30	\$ 0.30	\$ 0.20
Net interest income before provision for loan losses (1)	\$ 29,857	\$ 28,739	\$ 23,533
Net interest margin (1)	3.96%	3.96%	4.24%
Non-interest income (1)	\$ 6,297	\$ 5,493	\$ 1,530
Non-interest expense	\$ 12,621	\$ 11,503	\$ 9,391
Loans held for investment, net	\$ 2,816,156	\$ 2,580,560	\$ 2,205,530
Deposits	\$ 2,340,605	\$ 2,291,165	\$ 1,796,324
Nonperforming loans	\$ 641	\$ 5,115	\$ 665
Allowance for loan losses to total loans	0.72%	0.74%	0.73%
Allowance for loan losses to non-performing loans	3167%	374%	2443%
Provision for loan losses	\$ 1,120	\$ 641	\$ 600
Net charge offs (recoveries)	\$ (48)	\$ (34)	\$ (79)
Return on average assets	2.08%	2.13%	1.57%
Return on average shareholders' equity	21.31%	22.17%	20.72%
Efficiency ratio	34.9%	33.6%	37.5%

(1) In the second quarter of 2018, the Company changed the classification of commitment fees earned on construction loans and other lines of credit to interest income which were previously reported within non-interest income. As a result, prior periods herein have been adjusted from the amounts previously reported to correct the classification error. The amount of the adjustment was a decrease to non-interest income of \$502, \$862 and \$544 and an increase to interest income and net interest margin for the three and six months ended June 30, 2017, and the three months ended March 31, 2018, respectively. There was no change to the reported net income or income per share, basic and diluted, as previously reported as a result of this immaterial correction.

Operating Results for the Second Quarter 2018

Revenue

Revenue, net of interest expense, was \$36.2 million for the second quarter of 2018, an increase of 5.6% from the first quarter of 2018. The increase in revenue was driven by a \$1.2 million increase in net interest income and a \$0.8 million increase in non-interest income.

Relative to the second quarter of 2017, revenue, net of interest expense, increased 44.3% from \$25.1 million. The increase in revenue from the second quarter of 2017 was attributable to a \$6.3 million increase in net interest income and a \$4.8 million increase in non-interest income.

Net Interest Income

Net interest income for the second quarter of 2018 was \$29.9 million, an increase of 3.9% from \$28.7 million for the first quarter of 2018. The increase in net interest income from the first quarter was primarily attributable to a \$114 million increase in average interest earning assets.

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Relative to the second quarter of 2017, net interest income increased 26.9% from \$23.5 million. The increase in net interest income from the second quarter of 2017 was primarily driven by a \$791 million increase in average interest earning assets, partially offset by the effect of a 28 basis point decrease in the net interest margin.

Net Interest Margin

Net interest margin for the second quarter of 2018 was 3.96%, unchanged from the net interest margin of 3.96% for the first quarter of 2018. Net interest margin was positively impacted by a 10 basis point increase in the average yield on interest earning assets, offset by an 11 basis point increase in the average cost of interest-bearing liabilities.

Relative to the second quarter of 2017, the net interest margin decreased from 4.24%, primarily due to a 36 basis point increase in the average cost of interest-bearing liabilities, partially offset by a 1 basis point increase in the average yield on interest earning assets.

Non-interest Income

Non-interest income for the second quarter of 2018 was \$6.3 million, an increase of 14.6% from \$5.5 million for the first quarter of 2018. The increase was primarily the result of a \$1.1 million increase in the gain on sale of loans due to an increase in the amount of residential mortgages sold in the secondary market compared to the prior period.

Non-interest income increased \$4.8 million from \$1.5 million in the second quarter of 2017, primarily as a result of a \$4.7 million increase in the gain on sale of loans due to an increase in the amount of residential mortgages sold in the secondary market compared to the prior period.

Non-interest Expense

Non-interest expense for the second quarter of 2018 was \$12.6 million, an increase of 9.7% from \$11.5 million for the first quarter of 2018. The increase was primarily attributable to higher salaries and employee benefits, professional fees and a full quarter impact of recently opened branches.

Relative to the second quarter of 2017, non-interest expense increased from \$9.4 million. The increase was primarily due to an increase in personnel expenses and occupancy and equipment costs required to support the growth in the Company's operations, as well as higher professional fees.

The Company's operating efficiency ratio remained strong at 34.9% in the second quarter of 2018, compared with 33.6% in the first quarter of 2018 and 37.5% in the second quarter of 2017.

Income Taxes

The effective tax rate for both the three months ended June 30, 2018 and March 31, 2018 was 29%, compared with 41% for the three months ended June 30, 2017. The decrease in the effective tax rate in the second quarter of 2018 as compared to second quarter of 2017 was attributable to the reduction in the federal corporate tax rate that was effective January 1, 2018.

The Company continues to expect that its effective tax rate for 2018 will be in the range of 28% to 30%. The actual annual effective tax rate will vary depending upon the mix of its taxable income by state.

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Loan Portfolio

Total loans, which includes those held for investment and held for sale, were \$2.86 billion at June 30, 2018, compared with \$2.80 billion at March 31, 2018. Contributing to the increase were a \$55 million increase in residential real estate loans and a \$4 million increase in commercial real estate and construction loans.

During the second quarter of 2018, the Company originated \$434 million in loans, which included \$367 million in residential mortgage loans, \$20 million in commercial real estate loans, \$39 million in construction loans and \$8 million in commercial and industrial loans.

Deposits

Total deposits were \$2.34 billion at June 30, 2018, compared with \$2.29 billion at March 31, 2018. The increase was primarily attributable to a \$66 million increase in retail deposits, partially offset by a \$17 million decrease in brokered deposits.

Credit Quality

Nonperforming assets totaled \$3.6 million, or 0.12% of total assets, at June 30, 2018, compared with \$8.1 million, or 0.27% of total assets, at March 31, 2018. The decrease was primarily due to a large residential real estate loan being upgraded to performing status. The loan was fully repaid in July of 2018.

with no loss to the Bank.

Recoveries for the second quarter of 2018 were \$52,000 and charge-offs were \$4,000 during the quarter, resulting in net recoveries to average loans of 0.00%.

The Company recorded a provision for loan losses of \$1.1 million for the second quarter of 2018, which was primarily attributable to the growth in total loans held for investment during the quarter.

The allowance for loan losses was 0.72% of total loans and 3,167% of nonperforming loans at June 30, 2018, compared with 0.74% and 374%, respectively, at March 31, 2018.

Capital

At June 30, 2018, the Bank exceeded all regulatory capital requirements under Basel III and was considered to be a “well-capitalized” financial institution, as summarized in the following tables:

	Well Capitalized	Company Actual at June 30, 2018
Total adjusted capital to risk-weighted assets	N/A	20.77%
Tier 1 (core) capital to risk-weighted assets	N/A	16.21%
Tier 1 (core) capital to adjusted tangible assets	N/A	9.88%
Common Tier 1 (CET 1)	N/A	16.21%

	Well Capitalized	Sterling Bank Actual at June 30, 2018
Total adjusted capital to risk-weighted assets	10.00%	15.60%
Tier 1 (core) capital to risk-weighted assets	8.00%	14.52%
Tier 1 (core) capital to adjusted tangible assets	5.00%	8.84%
Common Tier 1 (CET 1)	6.50%	14.52%

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Conference Call and Webcast

Management will host a conference call today at 5:00 p.m. Eastern Time to discuss the Company’s financial results. The conference call number for U.S. participants is (877) 270-2148 and the conference call number for participants outside the U.S. is (412) 902-6510. Additionally, interested parties can listen to a live webcast of the call in the “Investor Relations” section of the Company’s website at www.sterlingbank.com. An archived version of the webcast will be available in the same location shortly after the live call has ended.

A replay of the conference call may be accessed through August 13, 2018 by dialing (877) 344-7529, using conference ID number 10121959.

About Sterling Bancorp, Inc.

Sterling Bancorp, Inc. is a unitary thrift holding company. Its wholly owned subsidiary, Sterling Bank and Trust, F.S.B., has primary branch operations in San Francisco and Los Angeles, California and New York City, and a loan production office in Seattle, Washington. Sterling offers a broad range of loan products to the residential and commercial markets, as well as retail and business banking services. Sterling also has an operations center and a branch in Southfield, Michigan. In March 2018, Sterling was named as the top performing community bank in the United States with total assets between \$1 billion and \$10 billion in 2017 by SNL/S&P Global Market Intelligence. For additional information, please visit the Company’s website at www.sterlingbank.com.

Non-GAAP Financial Measures

Some of the financial measures included in this press release are not measures of financial performance recognized in accordance with accounting principles generally accepted in the United States (“GAAP”). These non-GAAP financial measures include “Average Tangible Common Equity,” and “Return on Average Tangible Common Equity,” each of which are common metrics in the banking industry. Our management uses these non-GAAP financial measures to assess the Company’s capital strength and business performance. These non-GAAP financial measures are supplemental and are not a substitute for any analysis based on GAAP financial measures. Not all companies use the same calculation of these measures; therefore this presentation may not be comparable to other similarly titled measures as presented by other companies. For further information see “Return on Average Tangible Common Equity Reconciliations (non-GAAP)” in the Financial Data section that follows.

Forward-Looking Statements

Readers should note that in addition to the historical information contained herein, this press release includes “forward-looking statements,” within the meaning of the federal securities laws, including but not limited to statements about the Company’s expected loan production, operating expenses and future earnings levels. These statements are subject to many risks and uncertainties, including changes in interest rates and other general economic, business and political conditions, including changes in the financial markets; changes in business plans as circumstances warrant; and other risks detailed from time to time in filings made by the Company with the Securities and Exchange Commission. Readers should note that the forward-looking statements included in this press release are not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “will,” “propose,” “may,” “plan,”

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“seek,” “expect,” “intend,” “estimate,” “anticipate,” “believe” or “continue,” or similar terminology. Any forward-looking statements presented herein are made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

Contacts:

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Sterling Bancorp, Inc.
Condensed Consolidated Balance Sheets (Unaudited)

(dollars in thousands)	June 30, 2018	March 31, 2018	% change	December 31, 2017	% change	June 30, 2017	% change
Assets							
Cash and due from banks	\$ 36,820	\$ 37,541	(2)%	\$ 40,147	(8)%	\$ 25,974	42%
Investment securities	142,648	124,956	14%	126,848	12%	102,501	39%
Mortgage loans held for sale	21,641	200,467	(89)%	112,866	(81)%	579	N/M
Loans, net of allowance for loan losses of \$20,300, \$19,132, \$18,457 and \$16,246	2,816,156	2,580,560	9%	2,594,357	9%	2,205,530	28%
Accrued interest receivable	12,396	11,936	4%	11,493	8%	9,170	35%
Mortgage servicing rights, net	9,295	7,780	19%	6,496	43%	5,179	79%
Leasehold improvements and equipment, net	8,413	7,705	9%	7,043	19%	6,863	23%
Federal Home Loan Bank stock, at cost	22,950	22,950	0%	22,950	0%	18,360	25%
Cash surrender value of bank-owned life insurance	30,991	30,837	0%	30,680	1%	30,357	2%
Deferred tax asset, net	5,905	7,234	(18)%	6,847	(14)%	9,795	(40)%
Other assets	4,124	2,366	74%	2,231	85%	3,741	10%
Total assets	\$ 3,111,339	\$ 3,034,332	3%	\$ 2,961,958	5%	\$ 2,418,049	29%
Liabilities							
Noninterest-bearing deposits	\$ 73,791	\$ 75,062	(2)%	\$ 73,682	0%	\$ 66,455	11%
Interest-bearing deposits	2,266,814	2,216,103	2%	2,171,428	4%	1,729,869	31%
Total deposits	2,340,605	2,291,165	2%	2,245,110	4%	1,796,324	30%
Federal Home Loan Bank borrowings	350,000	342,937	2%	338,000	4%	359,312	(3)%
Subordinated notes, net	64,958	64,923	0%	64,889	0%	49,404	31%
Accrued expenses and other liabilities	51,666	46,795	10%	40,661	27%	38,600	34%
Total liabilities	2,807,229	2,745,820	2%	2,688,660	4%	2,243,640	25%
Shareholders' Equity							
Preferred stock, authorized 10,000,000 shares; no shares issued and outstanding	—	—	—	—	—	—	—
Common stock, voting, no par value, authorized 500,000,000 shares at June 30, 2018, March 31, 2018 and December 31, 2017, and 490,000,000 at June 30, 2017; issued and outstanding 53,002,963 shares at June 30, 2018 and March 31, 2018, 52,963,308 shares at December 31, 2017, and 40,199,000 shares at June 30, 2017	111,238	111,238	(0)%	111,238	(0)%	22,863	387%
Common stock, non-voting, no par value, authorized 10,000,000 shares, issued and outstanding 5,072,000 shares at June 30, 2017	—	—	N/M	—	N/M	2,885	N/M
Additional paid-in capital	12,501	12,425	1%	12,416	1%	12,416	1%
Retained earnings	180,438	164,984	9%	149,816	20%	136,371	32%
Accumulated other comprehensive loss	(67)	(135)	N/M	(172)	N/M	(126)	N/M
Total shareholders' equity	304,110	288,512	5%	273,298	11%	174,409	74%
Total liabilities and shareholders' equity	\$ 3,111,339	\$ 3,034,332	3%	\$ 2,961,958	5%	\$ 2,418,049	29%

N/M- not meaningful

Sterling Bancorp, Inc.
Condensed Consolidated Statements of Income (Unaudited)

(dollars in thousands, except per share amounts)	Three Months Ended				Six Months Ended			
	June 30, 2018	March 31, 2018	% change	June 30, 2017	% change	June 30, 2018	June 30, 2017	% change
Interest income:								
Interest and fees on loans (1)	\$ 38,580	\$ 36,400	6%	\$ 28,624	35%	\$ 74,980	\$ 55,743	35%
Interest and dividends on investment securities	842	819	3%	435	94%	1,661	800	108%
Other interest	119	\$ 114	4%	29	310%	233	48	385%
Total interest income (1)	39,541	37,333	6%	29,088	36%	76,874	56,591	36%
Interest expense:								
Interest on deposits	7,179	6,589	9%	3,777	90%	13,768	7,311	88%
Interest on Federal Home Loan Bank borrowings	1,334	833	60%	870	53%	2,167	1,700	27%
Interest on subordinated notes and other	1,171	1,172	(0)%	908	29%	2,343	1,816	29%
Total interest expense	9,684	8,594	13%	5,555	74%	18,278	10,827	69%
Net interest income (1)	29,857	28,739	4%	23,533	27%	58,596	45,764	28%
Provision for loan losses	1,120	641	75%	600	87%	1,761	1,200	47%
Net interest income after provision for loan losses (1)	28,737	28,098	2%	22,933	25%	56,835	44,564	28%
Non-interest income:								
Service charges and fees (1)	92	74	24%	88	5%	166	137	21%
Investment management and advisory fees	500	623	(20)%	589	(15)%	1,123	1,141	(2)%
Net gain on sale of loans	5,096	4,006	27%	384	1227%	9,102	4,436	105%
Other income	609	790	(23)%	469	30%	1,399	1,042	34%
Total non-interest income (1)	6,297	5,493	15%	1,530	312%	11,790	6,756	75%
Non-interest expense:								
Salaries and employee benefits	7,229	6,649	9%	5,277	37%	13,878	10,687	30%
Occupancy and equipment	1,610	1,546	4%	1,416	14%	3,156	2,805	13%
Professional fees	824	622	32%	295	179%	1,446	664	118%
Advertising and marketing	351	349	1%	230	53%	700	422	66%
FDIC assessments	474	543	(13)%	264	80%	1,017	506	101%

Data processing	295	288	2%	279	6%	583	486	20%
Other	1,838	1,506	22%	1,630	13%	3,344	2,913	15%
Total non-interest expense	12,621	11,503	10%	9,391	34%	24,124	18,483	31%
Income before income taxes	22,413	22,088	1%	15,072	49%	44,501	32,837	36%
Income tax expense	6,431	6,339	1%	6,134	5%	12,770	13,483	(5)%
Net income	\$ 15,982	\$ 15,749	1.5%	\$ 8,938	79%	\$ 31,731	\$ 19,354	64%
Income per share, basic and diluted	\$ 0.30	\$ 0.30		\$ 0.20		\$ 0.60	\$ 0.43	
Weighted average common shares outstanding:								
Basic	52,963,308	52,963,308		45,271,000		52,963,308	45,271,000	
Diluted	52,965,365	52,963,308		45,271,000		52,965,133	45,271,000	

(1) In the second quarter of 2018, the Company changed the classification of commitment fees earned on construction loans and other lines of credit to commercial customers in its condensed consolidated statements of income to the financial statement caption, interest and fees on loans, which were previously reported in service charges and fees. As a result, prior period financial statements included herein have been adjusted from the amounts previously reported to correct the classification error. The amount of the adjustment was a decrease to service charges and fees, and increase to interest and fees on loans of \$502, \$862 and \$544 for the three and six months ended June 30, 2017, and three months ended March 31, 2018, respectively. There was no change to the reported net income or income per share, basic and diluted, as previously reported as a result of this immaterial correction.

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Sterling Bancorp, Inc. Select Financial Data (Unaudited)

Performance Ratios:	As of and for the Three Months Ended			As of and for the Six Months Ended	
	June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Return on average assets	2.08%	2.13%	1.57%	2.10%	1.73%
Return on average shareholders' equity	21.31%	22.17%	20.72%	21.73%	22.70%
Return on average tangible common equity	21.36%	22.24%	20.86%	21.79%	22.86%
Yield on earning assets (1)	5.25%	5.15%	5.24%	5.20%	5.17%
Cost of average interest-bearing liabilities	1.47%	1.36%	1.11%	1.42%	1.11%
Net interest spread (1)	3.78%	3.79%	4.13%	3.78%	4.06%
Net interest margin (1)	3.96%	3.96%	4.24%	3.96%	4.18%
Efficiency ratio (2)	34.91%	33.60%	37.47%	34.27%	35.19%

(1) Refer to footnote to Condensed Consolidated Statements of Income table.

(2) Efficiency Ratio is computed as the ratio of non-interest expense divided by the sum of net interest income and non-interest income.

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Sterling Bancorp, Inc. Yield Analysis and Net Interest Income (Unaudited)

(dollars in thousands)	June 30, 2018		Three Months Ended March 31, 2018			June 30, 2017		Average Yield/Rate	
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest earning assets									
Loans (1),(3)	\$ 2,829,819	\$ 38,580	5.45%	\$ 2,733,759	\$ 36,400	5.33%	\$ 2,102,446	\$ 28,624	5.45%
Securities, includes restricted stock	159,243	842	2.12%	141,616	819	2.31%	108,373	435	1.61%
Other interest earning assets	24,496	119	1.94%	24,663	114	1.85%	11,673	29	0.99%
Total interest earning assets (3)	\$ 3,013,558	\$ 39,541	5.25%	\$ 2,900,038	\$ 37,333	5.15%	\$ 2,222,492	\$ 29,088	5.24%
Interest-bearing liabilities									
Money Market, Savings, NOW	\$ 1,515,912	\$ 4,468	1.18%	\$ 1,525,436	\$ 4,135	1.10%	\$ 1,304,358	\$ 2,764	0.85%
Time deposits	715,863	2,711	1.52%	705,824	2,454	1.41%	383,908	1,013	1.06%
Total interest-bearing deposits	2,231,775	7,179	1.29%	2,231,260	6,589	1.20%	1,688,266	3,777	0.90%
FHLB borrowings	351,846	1,334	1.50%	259,056	833	1.29%	267,276	870	1.29%
Subordinated debt	64,935	1,171	7.21%	64,901	1,172	7.22%	49,383	908	7.35%
Total borrowings	416,781	2,505	2.38%	323,957	2,005	2.48%	316,659	1,778	2.22%
Total interest-bearing liabilities	\$ 2,648,556	\$ 9,684	1.47%	\$ 2,555,217	\$ 8,594	1.36%	\$ 2,004,925	\$ 5,555	1.11%
Net interest income and spread (2),(3)		\$ 29,857	3.78%		\$ 28,739	3.79%		\$ 23,533	4.13%
Net interest margin (2),(3)			3.96%			3.96%			4.24%
Six Months Ended									
(dollars in thousands)	June 30, 2018		June 30, 2017			Average Yield/Rate		Average Yield/Rate	
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest earning assets									
Loans (1),(3)	\$ 2,782,055	\$ 74,980	5.39%	\$ 2,073,748	\$ 55,743	5.38%			
Securities, includes restricted stock	150,478	1,661	2.21%	102,882	800	1.56%			
Other interest earning assets	24,579	233	1.90%	10,629	48	0.90%			
Total interest earning assets (3)	\$ 2,957,112	\$ 76,874	5.20%	\$ 2,187,259	\$ 56,591	5.17%			
Interest-bearing liabilities									
Money Market, Savings, NOW	\$ 1,520,648	\$ 8,602	1.14%	\$ 1,252,328	\$ 5,223	0.84%			
Time deposits	710,872	5,166	1.47%	403,332	2,088	1.04%			
Total interest-bearing deposits	2,231,520	13,768	1.24%	1,655,660	7,311	0.89%			
FHLB borrowings	305,707	2,167	1.41%	270,431	1,700	1.25%			
Subordinated debt	64,918	2,343	7.22%	49,366	1,816	7.36%			
Total borrowings	370,625	4,510	2.42%	319,797	3,516	2.19%			
Total interest-bearing liabilities	\$ 2,602,145	\$ 18,278	1.42%	\$ 1,975,457	\$ 10,827	1.11%			
Net interest income and spread (2),(3)		\$ 58,596	3.78%		\$ 45,764	4.06%			
Net interest margin (2),(3)			3.96%			4.18%			

(1) Nonaccrual loans are included in the respective average loan balances. Income, if any, on such loans is recognized on a cash basis.

(2) Interest income does not include taxable equivalent adjustments.

(3) Refer to footnote to Condensed Consolidated Statements of Income table.

Sterling Bancorp, Inc.
Loan Composition (Unaudited)

(dollars in thousands)	June 30, 2018	March 31, 2018	% change	December 31, 2017	% change	June 30, 2017	% change
Construction	\$ 172,262	\$ 179,846	(4)%	\$ 192,319	(10)%	\$ 187,572	(8)%
Residential real estate, mortgage	2,367,876	2,134,447	11%	2,132,641	11%	1,773,734	33%
Commercial real estate, mortgage	250,465	239,204	5%	247,076	1%	220,134	14%
Commercial and industrial loans, lines of credit	45,821	46,166	(1)%	40,749	12%	40,274	14%
Other consumer loans	32	29	9%	29	10%	62	(49)%
Total loans held for investment	2,836,456	2,599,692	9%	2,612,814	9%	2,221,776	28%
Less: allowance for loan losses	(20,300)	(19,132)	6%	(18,457)	10%	(16,246)	25%
Loans, net	<u>\$ 2,816,156</u>	<u>\$ 2,580,560</u>	<u>9%</u>	<u>\$ 2,594,357</u>	<u>9%</u>	<u>\$ 2,205,530</u>	<u>28%</u>
Mortgage loans held for sale	\$ 21,641	\$ 200,467	(89)%	\$ 112,866	(81)%	\$ 579	N/M
Total gross loans	<u>\$ 2,858,097</u>	<u>\$ 2,800,159</u>	<u>2%</u>	<u>\$ 2,725,680</u>	<u>5%</u>	<u>\$ 2,222,355</u>	<u>29%</u>

Sterling Bancorp, Inc.
Deposit Composition (Unaudited)

(dollars in thousands)	June 30, 2018	March 31, 2018	% change	December 31, 2017	% change	June 30, 2017	% change
Noninterest bearing demand deposits	\$ 73,791	\$ 75,062	(2)%	\$ 73,682	0%	\$ 66,455	11%
Money Market, Savings and NOW	1,518,635	1,536,481	(1)%	1,507,956	1%	1,357,805	12%
Time deposits	748,179	679,622	10%	663,472	13%	372,064	101%
Total deposits	<u>\$ 2,340,605</u>	<u>\$ 2,291,165</u>	<u>2%</u>	<u>\$ 2,245,110</u>	<u>4%</u>	<u>\$ 1,796,324</u>	<u>30%</u>

Sterling Bancorp, Inc.
Capital and Credit Quality Ratios (Unaudited)

(dollars in thousands)	As of and for the Three Months Ended							
	June 30, 2018	March 31, 2018	December 31, 2017	June 30, 2017				
Capital Ratios								
Regulatory and Other Capital Ratios—Consolidated:								
Tier 1 (core) capital to risk-weighted assets		16.21%	15.77%	15.53%	11.69%			
Tier 1 (core) capital to adjusted tangible assets		9.88%	9.73%	9.83%	7.62%			
Common Tier 1 (CET 1)		16.21%	15.77%	15.53%	11.69%			
Total adjusted capital to risk-weighted assets		20.77%	20.38%	20.28%	16.11%			
Regulatory and Other Capital Ratios—Bank:								
Tier 1 (core) capital to risk-weighted assets		14.52%	14.02%	13.71%	13.79%			
Tier 1 (core) capital to adjusted tangible assets		8.84%	8.65%	8.68%	8.99%			
Common Tier 1 (CET 1)		14.52%	14.02%	13.71%	13.79%			
Total adjusted capital to risk-weighted assets		15.60%	15.07%	14.76%	14.89%			
Credit Quality Data								
Nonperforming loans (1)	\$	641	\$	5,115	\$	783	\$	665
Nonperforming loans to total loans		0.02%		0.20%		0.03%		0.03%
Nonperforming assets (2)	\$	3,583	\$	8,082	\$	3,777	\$	3,793
Nonperforming assets to total assets		0.12%		0.27%		0.13%		0.16%
Allowance for loan losses to total loans		0.72%		0.74%		0.71%		0.73%
Allowance for loan losses to nonperforming loans		3167%		374%		2357%		2443%
Net charge offs to average loans		(0.00)%		(0.00)%		(0.03)%		(0.00)%

(1) Nonperforming loans include nonaccrual loans and loans past due 90 days or more and still accruing interest.

(2) Nonperforming assets include nonperforming loans and loans modified under troubled debt restructurings and other repossessed assets.

Sterling Bancorp, Inc.
Allowance for Loan Losses (Unaudited)

(dollars in thousands)	Three Months Ended			
	June 30, 2018	March 31, 2018	December 31, 2017	June 30, 2017
Allowance for loan losses				
Balance at beginning of period	\$ 19,132	\$ 18,457	\$ 17,189	\$ 15,567

Provision for loan losses	1,120	641	600	600
Charge offs	(4)	—	(19)	—
Recoveries	52	34	687	79
Balance at end of period	<u>\$ 20,300</u>	<u>\$ 19,132</u>	<u>\$ 18,457</u>	<u>\$ 16,246</u>

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Return on Average Tangible Common Equity Reconciliations (non-GAAP)

Average tangible common equity and return on average common equity are non-GAAP disclosures. Sterling's management uses these non-GAAP financial measures to assess the Company's capital strength and business performance. Average tangible common equity excludes the effect of intangible assets. This non-GAAP financial measure should not be considered a substitute for those comparable measures that are similarly titled that are determined in accordance with U.S. GAAP that may be used by other companies. The following is a reconciliation of average tangible common equity to the average shareholders' equity, its most comparable GAAP measure, as well as a calculation of return on average tangible common equity as of June 30, 2018 and 2017, and March 31, 2018.

Sterling Bancorp, Inc. GAAP to Non-GAAP Reconciliations

(dollars in thousands)	As of and for the Three Months Ended			As of and for the Six Months Ended	
	June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Net Income	\$ 15,982	\$ 15,749	\$ 8,938	\$ 31,731	\$ 19,354
Average shareholders' equity	299,988	284,100	172,572	292,088	170,543
Adjustment					
Customer-related intangible	(750)	(863)	(1,181)	(806)	(1,238)
Average tangible common equity	<u>\$ 299,238</u>	<u>\$ 283,237</u>	<u>\$ 171,391</u>	<u>\$ 291,282</u>	<u>\$ 169,305</u>
Return on average tangible common equity*	21.36%	22.24%	20.86%	21.79%	22.86%

*Annualized

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Sterling Bancorp, Inc.

NASDAQ: SBT



Investor Presentation

July 2018



Forward-Looking Statements

This presentation and other communications by Sterling Bancorp, Inc. ("Sterling") include certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities and Exchange Act of 1934, as amended regarding Sterling's plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management's expectations as well as certain assumptions and estimates made by, and information available to, management at the time. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems implementing our growth, expansion and other growth strategies including delays in identifying sites, hiring or retaining qualified personnel, obtaining regulatory or other approvals, obtaining permits and designing, constructing and opening new offices; availability and access to capital; possible downgrades in Sterling's credit ratings or outlook which could increase the costs or availability of funding from capital markets; the ability to attract new or retain existing deposits or to retain or grow loans; the ability to generate future revenue growth or to control future growth in non-interest expense; interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates; competitive factors and pricing pressures, including their effect on our net interest margin; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; changes in legal, financial and/or regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses to comply with new and/or existing legislation and regulatory actions; changes in U.S. government monetary and fiscal policy; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; the impact of failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting Sterling or its customers; adoption of new accounting standards or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions or rulings as well as other factors identified in this presentation or as detailed from time to time in our public filings, including those factors included in the disclosures under the headings "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" in our final prospectus filed with the Securities and Exchange Commission on November 17, 2017 and future periodic reports. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those projected in, or implied by such forward-looking statements. Sterling disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

Investment Highlights



- Experienced Leadership Team



- Desirable Branch Network in High-Growth Markets



- Pristine Credit Quality



- Focused Suite of Residential & Commercial Products



- In-Branch Relationship Deposits and Loans

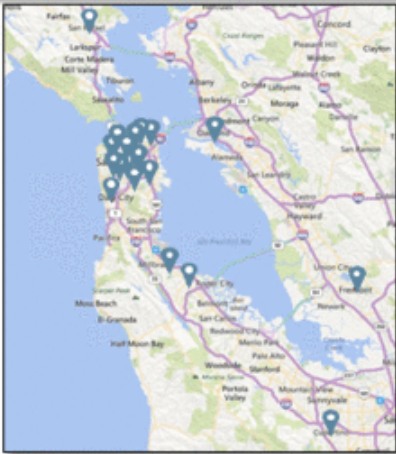


- Profitable & Efficient Business Model

Key Markets

Desirable Branch Network in High-Growth Markets

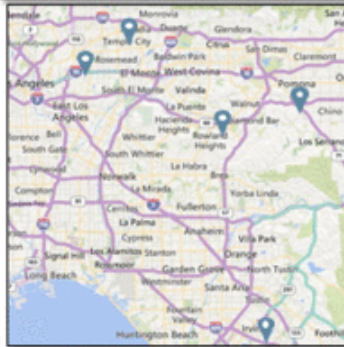
San Francisco Bay Area (20 Branches)



SF Bay Area Markets

- San Francisco (13)
- Burlingame (1)
- Daly City (1)
- San Mateo (1)
- San Rafael (1)
- Cupertino (1)
- Fremont (1)
- Oakland (1)

Los Angeles / Orange County (5 Branches)

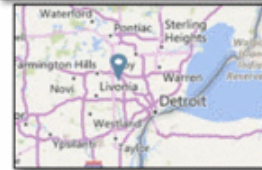


LA / Orange County Markets

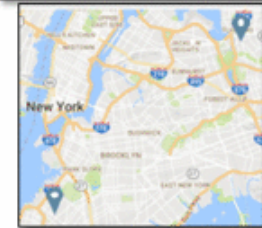
- Alhambra (1)
- Arcadia (1)
- Irvine (1)
- Rowland Heights (1)
- Chino Hills (1)



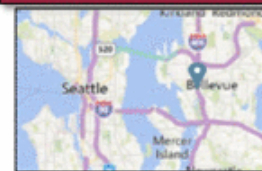
Southfield, MI (1 Operational Branch)



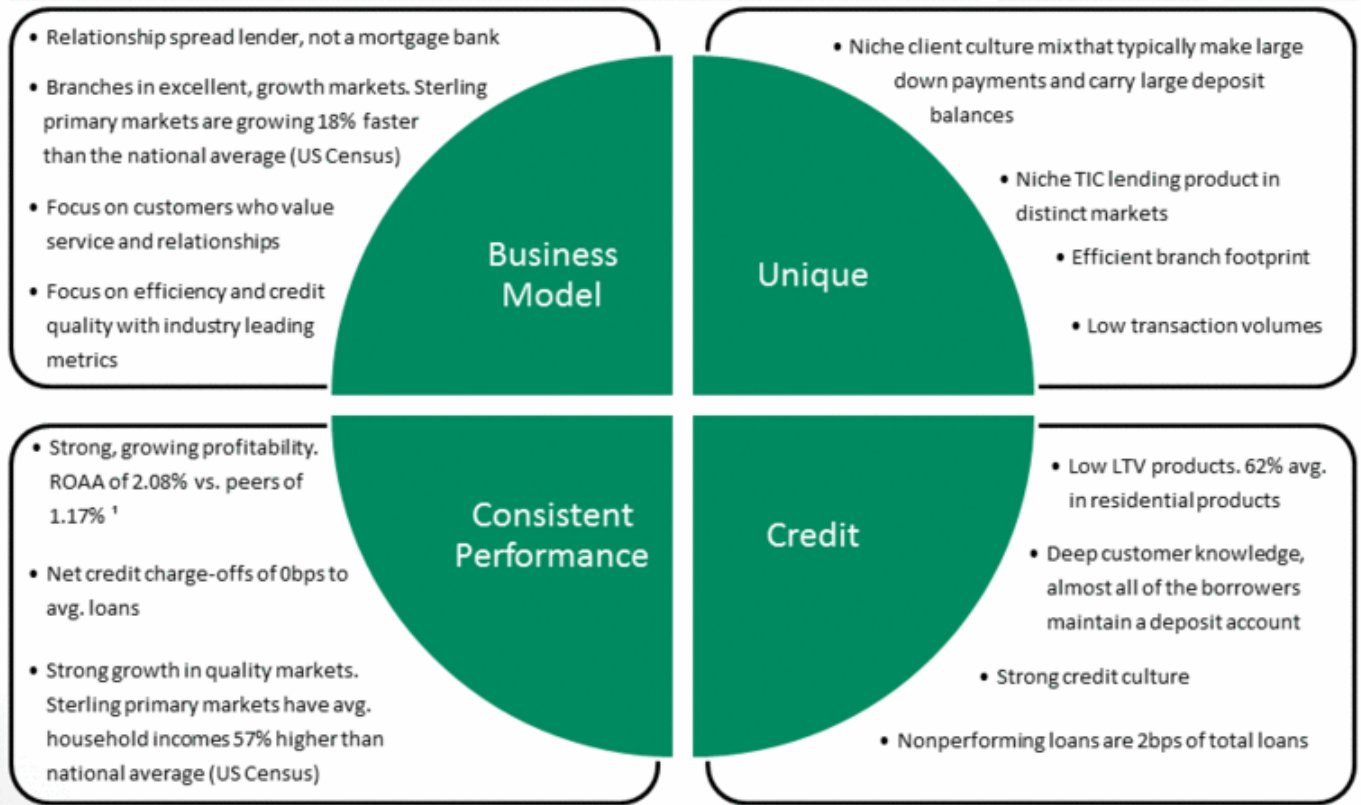
New York, NY (2 Branches)



Greater Seattle, WA (1 Branch)



Strategic Overview



Note:

1: Peers consists of exchange-traded banks and thrifts with \$1Bn - \$5Bn in assets as of June 30, 2018 quarterly filings, mean metrics pictured.

Source: SEC Filings, U.S. Census data as of June 30, 2017

2Q 2018 Financial Summary

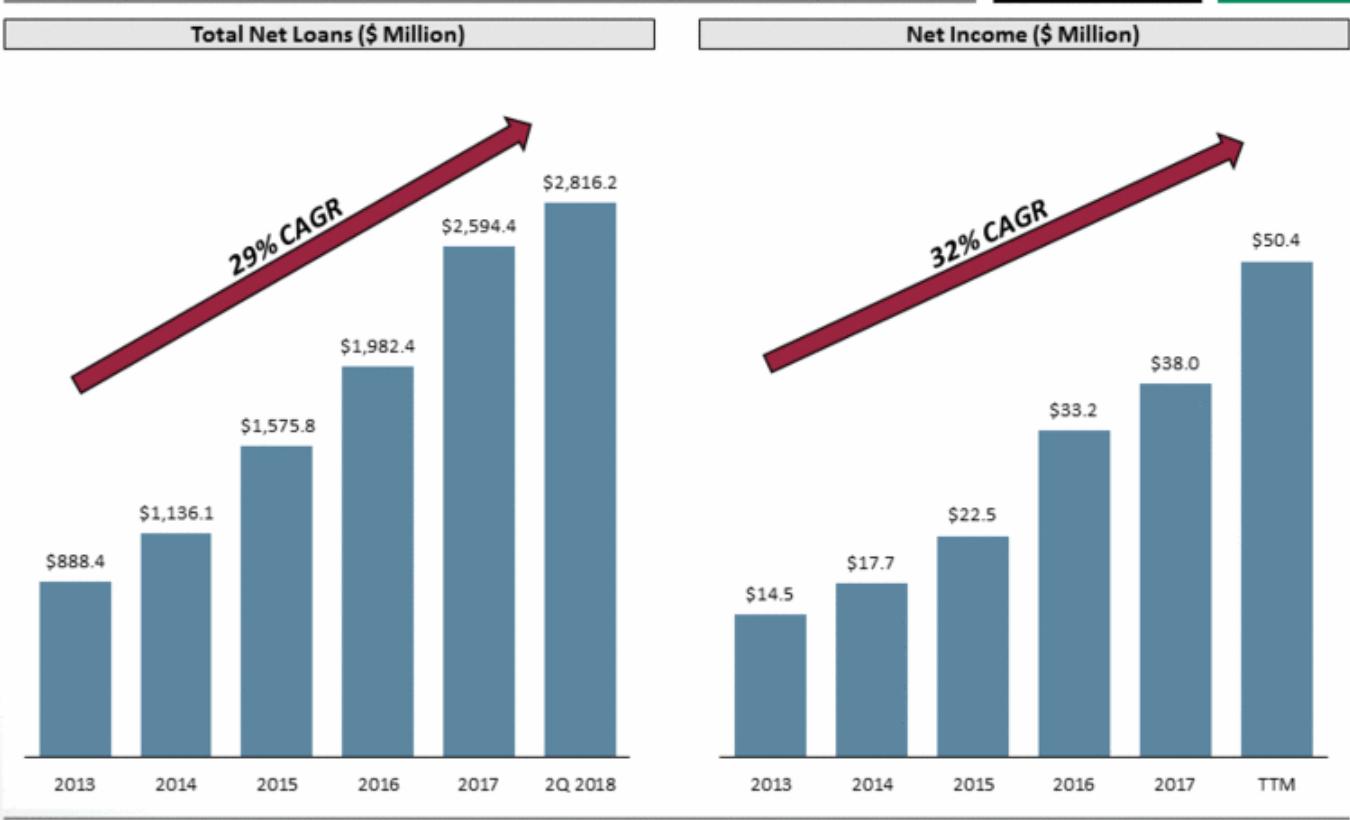
Continued Growth

Financial Highlights	
Balance Sheet (\$ Million)	
Total Assets	\$3,111
Cash and Securities	\$179
Net Loans	\$2,816
Total Deposits	\$2,341
Total Equity	\$304
YTD Performance Ratios and Profitability	
Return on Average Assets	2.08%
Return on Average Equity	21.3%
Return on Average Tangible Common Equity	21.4%
Net Interest Margin	3.96%
Efficiency Ratio	35%
Net Income (Million)	\$16.0
Capital Ratios	
Tang. Common Equity / Tang. Assets	9.75%
Leverage Ratio	9.88%
Common Equity Tier 1 Risk-Based Capital Ratio	16.21%
Tier 1 Risk-Based Capital Ratio	16.21%
Total Risk-Based Capital Ratio	20.77%
Asset Quality	
Nonperforming Loans	\$0.6
Nonperforming Loans / Total Loans	0.02%
Nonperforming Assets	\$3.6
Nonperforming Assets / Total Assets	0.12%
ALLL / Nonperforming Loans	3167%

- Total portfolio loans of \$2.8 billion, a 28% year-over-year increase
- Total deposits of \$2.3 billion, a 30% year-over-year increase
- Net income of \$16.0 million, or \$0.30 diluted EPS, a 79% year-over-year increase

2Q 2018 Financial Summary

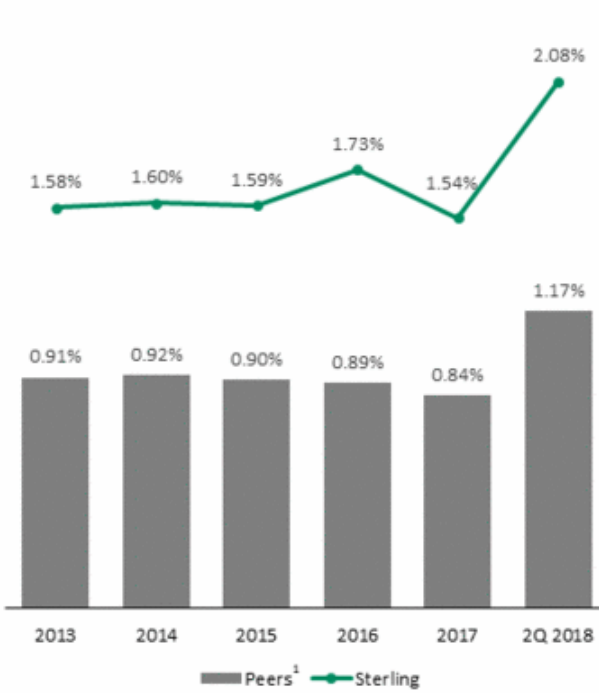
Demonstrated Growth



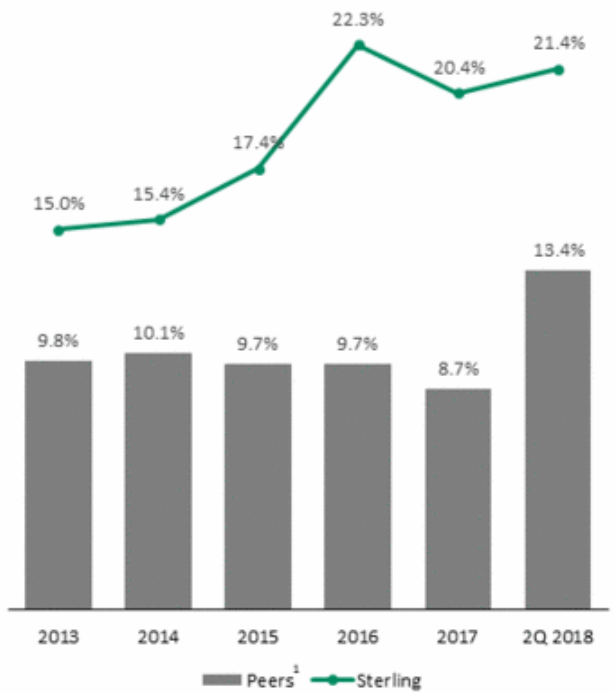
Strong Core Returns

Consistent Profitability and Growth Drive High Returns

ROAA



ROATCE



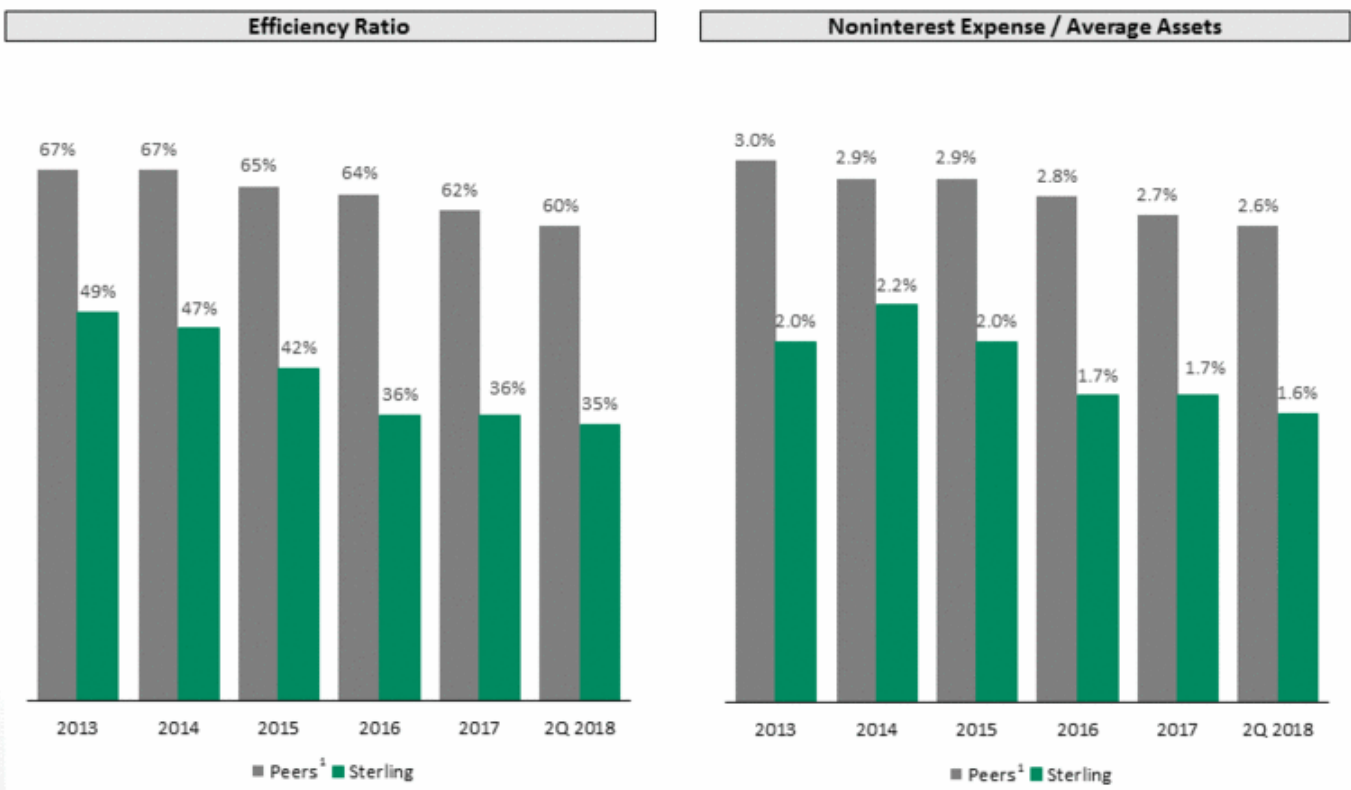
Note:

1: Peers consists of exchange-traded banks and thrifts with \$1Bn - \$5Bn in assets as of June 30, 2018 quarterly filings, mean metrics pictured.

Source: SEC Filings, S&P Global Market Intelligence

Expense Management Focus

Noninterest Expense Performance Versus Peers



Note:

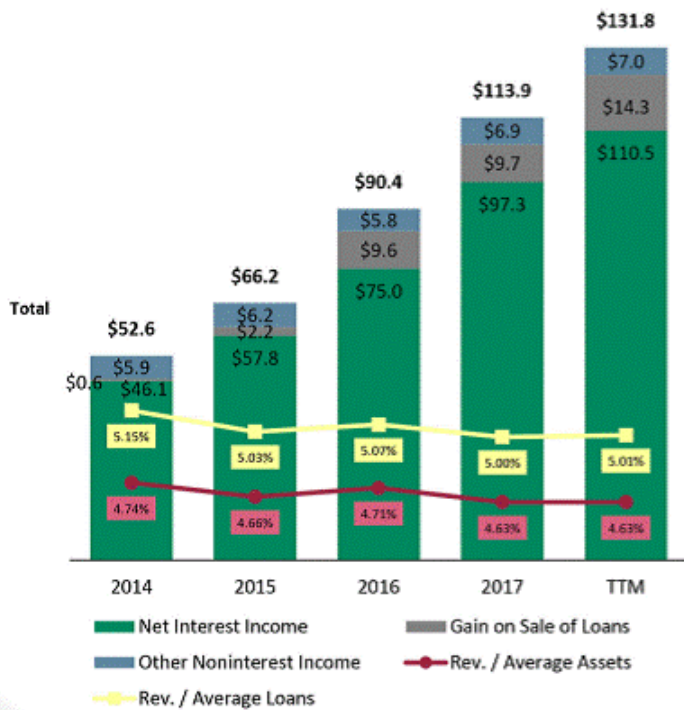
1: Peers consists of exchange-traded banks and thrifts with \$1Bn - \$5Bn in assets as of June 30, 2018 quarterly filings, mean metrics pictured.

Source: SEC Filings, S&P Global Market Intelligence

Strong Revenue Growth

Consistent Revenue Composition on a High Growth Balance Sheet

Revenue Stream Analysis (\$ Million)



2Q 2018 Highlights

- \$1.1 million increase in net interest income compared to the prior quarter driven by strong originations and balance sheet growth

Growth Opportunities

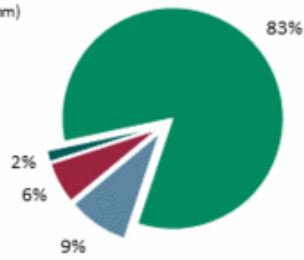
- Continued secondary market demand for loan sales
- Acquisition of Quantum Capital to establish platform for investment management and private banking
- Accelerated growth in Los Angeles and new markets including NY and Seattle
- Expansion of current residential and commercial teams in all operating markets

Loan Portfolio Composition

Sterling's Portfolio is Comprised of Low LTV, Short Reset, Lower Balance Loans

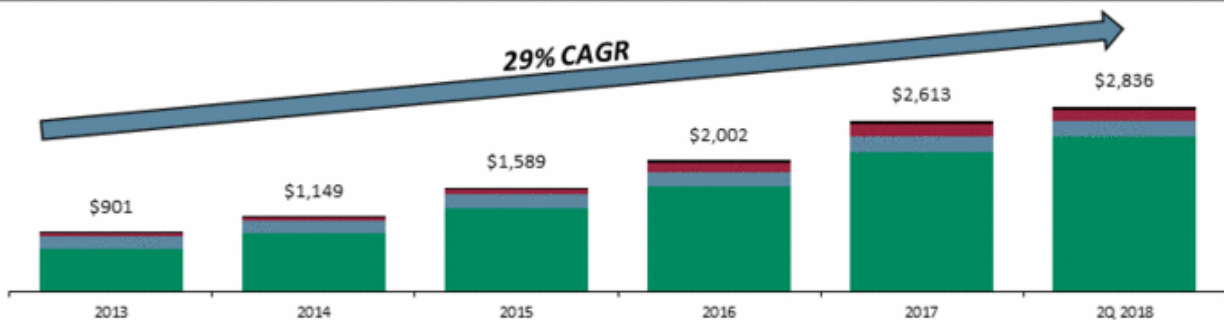
Loan Composition as of June 30, 2018

- 1-4 Family Residential (\$2.4Bn)
- Commercial Real Estate (\$250mm)
- Construction (\$172mm)
- Commercial (\$46mm)



- 62% Average LTV in residential products
- 45% of loan portfolio reprices in the next 12 months
- 90 Days+ delinquencies of 2bps
- Rated as a servicer by DBRS and Fitch
- Sterling loans also used as collateral in securitizations

Loan Composition Over Time (\$ Million)



Yield on Loans	2013	2014	2015	2016	2017	2Q 2018
Yield on Loans	5.19%	5.02%	4.95%	5.02%	5.11%	5.45%*

Note: Financial data as of June 30, 2018 unless noted

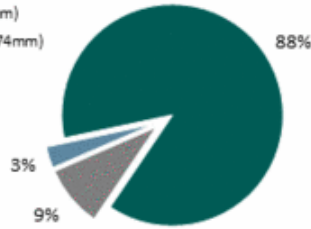
*2Q18 yield on loans reflects the accounting change that took place in the second quarter for certain commitment fees to be classified as interest and fees on loans.

Stable Deposit Funding

Sterling Has A Sizable Core Deposit Base

Deposit Composition as of June 30, 2018

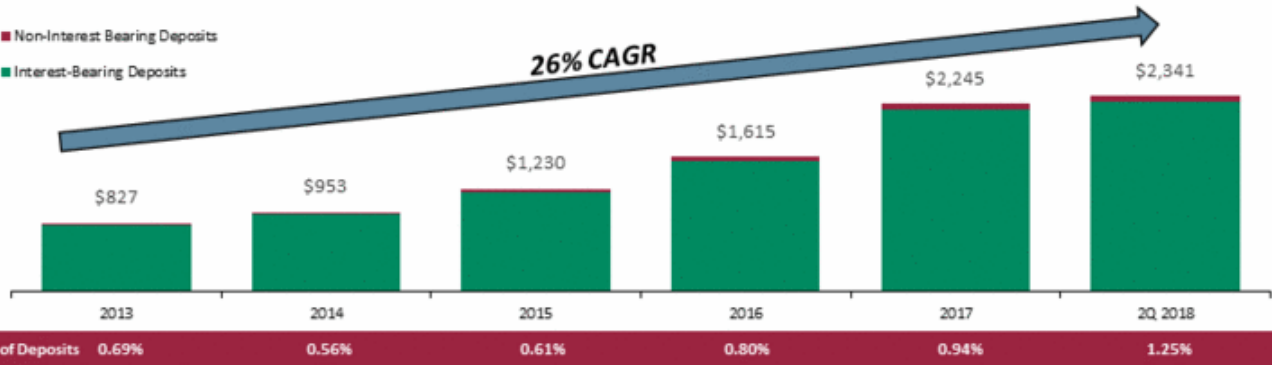
- Core Interest Bearing Deposits (\$2.18b)
- Jumbo (\$250k+) Deposits (\$211mm)
- Non-Interest Bearing Deposits (\$74mm)



- Almost all of our borrowers maintain a deposit account
- Average residential lending customer maintains a \$16k checking account
- Average deposits per branch of \$84 million

Deposit Composition Over Time (\$ Million)

- Non-Interest Bearing Deposits
- Interest-Bearing Deposits

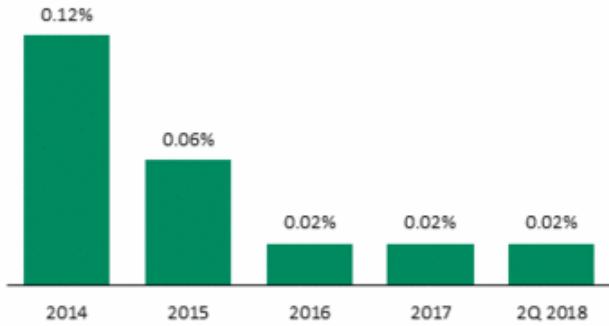


Note: Financial data as of June 30, 2018 unless noted

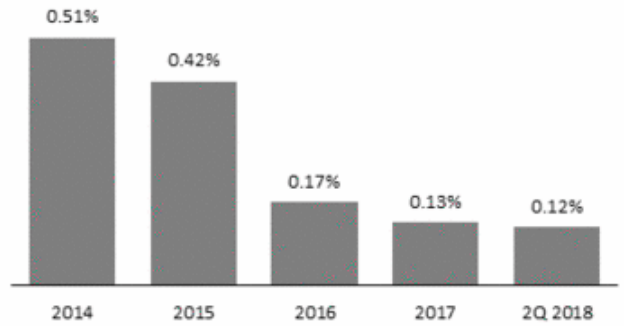
Credit Performance

Sterling Bancorp Maintains Pristine Credit Quality

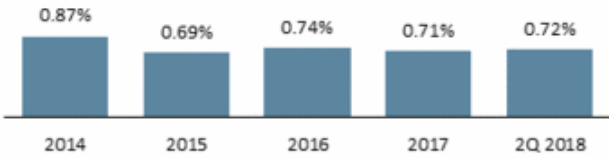
Nonaccrual Loans / Total Loans



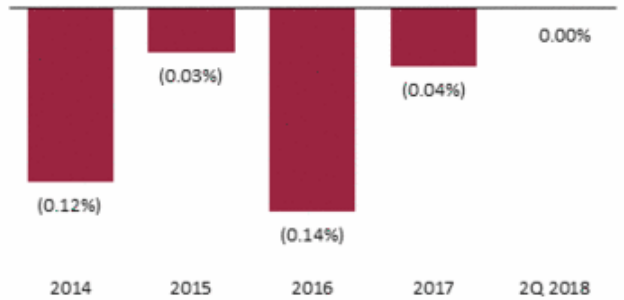
Non-Performing Assets / Total Assets



Allowance for Loan Losses / Total Loans



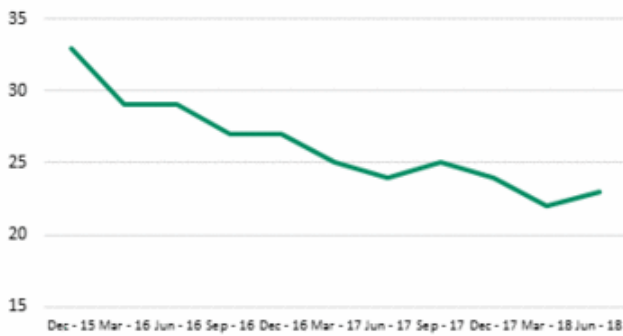
Net Charge-Offs / Average Loans



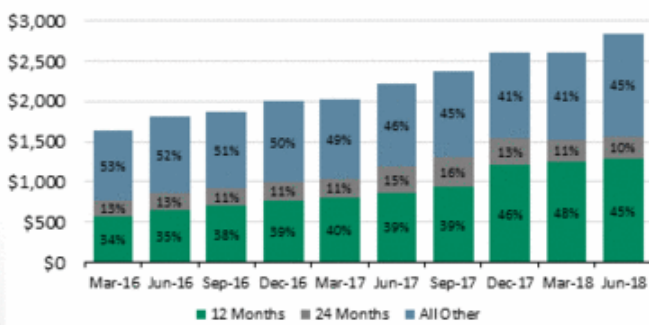
Interest Rate Risk Analysis

Interest Rate Risk Mitigated by ARM Loans and Repricing Structures

Weighted-Average Reset (months)



Repricing Matrix¹



- Strategically decreased WAReset of loans
- WAREset may be influenced through loan sales
- Average coupon rates of Advantage Loans will increase through attrition and new production
- Investment portfolio average duration 0.67 years
- Increasing deposit price competition traditionally lags market rates, but will put downward pressure on NIM
- Weighted average margin of 12Mo LIBOR plus 4.02% on \$2.2B of residential loans
- Held for Investment loans predominantly all ARM loans

Note:

1: Over 95% of loans repricing in 2018 will adjust annually thereafter

Solid Capital Ratios

	As of and for the 3mo. Ended			Well Capitalized Regulatory Guidelines
	6/30/2017	3/31/2018	6/30/2018	
Tier 1 (core) capital to risk-weighted assets	11.69%	15.77%	16.21%	8.00%
Tier 1 (core) capital to adjusted tangible assets	7.62%	9.73%	9.88%	5.00%
Common Tier 1 (CET 1)	11.69%	15.77%	16.21%	6.50%
Total adjusted capital to risk-weighted assets	16.11%	20.38%	20.77%	10.00%

Investment Highlights

✓ Experienced Leadership Team

- Executive management with an average tenure at Sterling of 18 years

✓ Desirable Branch Network in High-Growth Markets

- Branch network with a stronghold in the San Francisco Bay Area (Largest branch network of any community bank in the city of San Francisco)
- Focused growth in Los Angeles and Orange County
- New branching footholds in New York City and Seattle

✓ Pristine Credit Quality

- 5 years of net recoveries versus peer charge-offs
- Non-performing loans / loans of 2bps
- Non-performing assets / total assets of 12bps

✓ Focused Suite of Residential & Commercial Products

- Average LTV of 62% in residential products
- 29% Net loan CAGR since 2013 with a net interest margin of 3.96% in 2Q 2018
- Began bulk loan sales in 2015 to manage balance sheet, liquidity, and interest rate risk

✓ In-Branch Relationship Deposits and Loans

- Strong customer loyalty, almost all borrowers maintain a deposit account
- Average residential lending checking relationship maintains a \$16k deposit balance

✓ Profitable & Efficient Business Model

- History of strong performance delivering 2.08% ROAA and 21.4% ROATCE in 2Q 2018
- Ranked #1 overall in SNL Financial's "Top Performing Banks" of 2017

Appendix



Experienced Leadership Team

Sterling Bancorp, Inc.



Gary Judd
*Chairman of the Board
 Chief Executive Officer*

Mr. Judd has over 40 years of experience in the banking industry and has led Sterling since August 2008. His prior experience includes service as a director, president and chief executive officer for WestStar Bank and its parent company, Vail Banks, Inc. as well as Vectra Bank and its parent company Vectra Banking Corporation. Prior to those positions, he served in numerous positions with Citibank. Mr. Judd's extensive expertise over many credit cycles has provided an experienced hand at the top throughout his tenure with the Company.



Tom Lopp
*President
 Chief Operating Officer
 Chief Financial Officer*

Joined the Company as a Divisional Controller in 1997. Appointed President in December 2016, has served as Chief Operating Officer since September 2009, as Chief Financial Officer since 2002, and led the expansion into Southern California in 2015. Mr. Lopp's deep understanding of the Company, his long experience with Sterling's financial reporting responsibilities and the risks inherent in the banking business, has helped to effectively manage the risks attendant to growth.



Michael Montemayor
*President of Retail & Commercial
 Banking
 Chief Lending Officer*

Joined as a Residential Lender in 1992. Mr. Montemayor worked his way through the Company as a Regional Branch Manager, Commercial Loan Officer, Construction Loan Officer, and then Managing Director of Commercial Lending followed by his appointment as Chief Lending Officer in 2006, and has led retail banking since 2013. His broad experience in all aspects of the lending business and his long-term service as Chief Lender has helped to provide continuity and consistency in to the business model and lending practices.

Non-GAAP Reconciliations

Return on Average Tangible Common Equity (ROATCE)					
(Dollars Million)	Year Ended December 31,				3mo. Ended 6/30/18
	2014	2015	2016	2017	
(a) Net Income	\$17.7	\$22.5	\$33.2	\$38.0	\$16.0
(b) Avg. Shareholders' Equity	\$117.9	\$131.7	\$150.7	\$187.5	\$300.0
(c) Intangibles	(\$2.5)	(\$2.0)	(\$1.6)	(\$1.1)	(\$0.8)
(d) Avg. Tang. Common Equity	\$115.4	\$129.7	\$149.1	\$186.4	\$299.2
(a) / (d) ROATCE	15.4%	17.4%	22.3%	20.4%	21.4%

Earnings Release Detail

Balance Sheet

Sterling Bancorp, Inc. Consolidated Balance Sheets Unaudited

Dollars in thousands	6/30/2018	3/31/2018	% change	12/31/2017	% change	6/30/2017	% change
Assets							
Cash and due from banks	\$ 36,620	\$ 37,541	(2)%	\$ 40,147	(8)%	\$ 25,974	42%
Investment securities	142,648	124,956	14%	126,848	12%	102,501	39%
Mortgage loans held for sale	21,641	200,467	(89)%	112,866	(81)%	579	NM
Loans, net of allowance for loan losses of \$20,300, \$19,132, \$18,457 and \$16,246	2,616,156	2,580,560	9%	2,594,357	9%	2,205,530	28%
Accrued interest receivable	12,396	11,936	4%	11,493	8%	9,170	36%
Mortgage servicing rights, net	9,295	7,780	19%	6,496	43%	5,179	79%
Leasehold improvements and equipment, net	8,413	7,708	9%	7,043	19%	6,063	23%
Federal Home Loan Bank stock, at cost	22,950	22,950	0%	22,950	0%	18,360	25%
Cash surrender value of bank-owned life insurance	30,991	30,837	0%	30,680	1%	30,357	2%
Deferred tax asset	5,905	7,234	(18)%	6,847	(14)%	9,795	(40)%
Other assets	4,124	2,366	74%	2,231	85%	3,741	10%
Total assets	\$3,111,339	\$3,034,332	3%	\$2,961,958	5%	\$2,418,049	29%
Liabilities							
Noninterest-bearing deposits	\$ 73,791	\$ 75,062	(2)%	\$ 73,682	0%	\$ 66,455	11%
Interest-bearing deposits	2,266,814	2,216,103	2%	2,171,428	4%	1,729,869	31%
Total deposits	2,340,605	2,291,165	2%	2,245,110	4%	1,796,324	30%
Federal Home Loan Bank borrowings	350,000	342,937	2%	338,000	4%	359,312	(3)%
Subordinated notes, net	64,958	64,923	0%	64,509	0%	49,404	31%
Accrued expenses and other liabilities	51,666	46,795	10%	40,651	27%	38,600	34%
Total liabilities	2,807,229	2,745,820	2%	2,688,660	4%	2,243,640	25%
Stockholders' Equity							
Common stock, voting, authorized 500,000,000 shares at June 30, 2018, March 31, 2018 and December 31, 2017, and 490,000,000 at June 30, 2017; issued and outstanding 53,002,963 shares at June 30, 2018 and March 31, 2018, 52,963,308 shares at December 31, 2017, and 40,199,000 shares at June 30, 2017.	111,238	111,238	0%	111,238	0%	22,863	387%
Common stock, non-voting, no par value, authorized 10,000,000 shares, issued and outstanding 5,072,000 shares at June 30, 2017.	-	-	-	-	-	2,885	NM
Additional paid-in capital	12,501	12,425	1%	12,416	1%	12,416	1%
Retained earnings	180,438	164,984	9%	149,816	20%	136,371	32%
Accumulated other comprehensive loss	(67)	(135)	NM	(172)	NM	(126)	NM
Total stockholders' equity	304,110	288,512	5%	273,298	11%	174,409	74%
Total liabilities and stockholders' equity	\$3,111,339	\$3,034,332	3%	\$2,961,958	5%	\$2,418,049	29%

N/M – Not Meaningful

Earnings Release Detail

Income Statement

Sterling Bancorp, Inc. Consolidated Statements of Income Unaudited

Dollars in thousands	Three Months Ended				Six Months Ended			
	6/30/2018	3/31/2018	% change	6/30/2017	% change	6/30/2018	6/30/2017	% change
Interest Income:								
Interest and fees on loans ⁽¹⁾	\$ 38,580	\$ 36,400	6%	\$ 28,624	35%	\$ 74,980	\$ 55,743	35%
Interest and dividends on investment securities	842	819	3%	435	94%	1,661	800	108%
Other interest	119	114	4%	29	310%	233	48	385%
Total interest income	39,541	37,333	6%	29,088	36%	76,874	56,591	36%
Interest Expense:								
Interest on deposits	7,179	6,589	9%	3,777	90%	13,768	7,311	88%
Interest on Federal Home Loan Bank borrowings	1,334	833	60%	870	53%	2,167	1,700	27%
Interest on subordinated notes and other	1,171	1,172	0%	908	29%	2,343	1,816	29%
Total interest expense	9,684	8,594	13%	5,555	74%	18,278	10,827	69%
Net interest income	29,857	28,739	4%	23,533	27%	58,596	45,764	28%
Provision for loan losses	1,120	641	75%	600	87%	1,761	1,200	47%
Net interest income after provision for loan losses	28,737	28,098	2%	22,933	25%	56,835	44,564	28%
Non-Interest Income:								
Service charges and fees ⁽¹⁾	92	74	24%	88	5%	166	137	21%
Investment management and advisory fees	500	623	(20)%	589	(15)%	1,123	1,141	(2)%
Net gain on sale of loans	5,096	4,006	27%	384	1227%	9,102	4,436	105%
Other income	609	790	(23)%	469	30%	1,399	1,042	34%
Total non-interest income	6,297	5,493	15%	1,530	312%	11,790	6,756	75%
Non-Interest Expense:								
Salaries and employee benefits	7,229	6,649	9%	5,277	37%	13,876	10,687	30%
Occupancy and equipment	1,610	1,546	4%	1,416	14%	3,156	2,805	13%
Professional fees	824	622	32%	296	179%	1,446	664	118%
Advertising and marketing	361	349	1%	230	53%	700	422	66%
FDIC assessments	474	543	(13)%	264	80%	1,017	506	101%
Data processing	295	288	2%	279	6%	583	486	20%
Other	1,838	1,506	22%	1,630	13%	3,344	2,913	15%
Total non-interest expense	12,621	11,503	10%	9,391	34%	24,124	18,483	31%
Income before income taxes	22,413	22,088	1%	15,072	49%	44,501	32,837	36%
Income tax expense	6,431	6,339	1%	6,134	5%	12,770	13,483	(5)%
Net income	\$ 15,982	\$ 15,749	1%	\$ 8,938	79%	\$ 31,731	\$ 19,354	64%
Income per share, basic and diluted	\$ 0.30	\$ 0.30		\$ 0.20		\$ 0.60	\$ 0.43	
Weighted average common shares outstanding								
Basic	52,963,308	52,963,308		45,271,000		52,963,308	45,271,000	
Diluted	52,965,365	52,963,308		45,271,000		52,965,133	45,271,000	

NM – Not Meaningful

(1) In the second quarter of 2018, the Company changed the classification of commitment fees earned on construction loans and other lines of credit to commercial customers in its condensed consolidated statements of income to the financial statement caption, Interest and fees on loans, which were previously reported in service charges and fees. As a result, prior period financial statements included herein have been adjusted from the amounts previously reported to correct the classification error. The amount of the adjustment was a decrease to service charges and fees, and increase to interest and fees on loans of \$602, \$862 and \$644 for the three and six months ended June 30, 2017, and three months ended March 31, 2018, respectively. There was no change to the reported net income or income per share, basic and diluted, as previously reported as a result of this immaterial correction.

Earnings Release Detail

Performance Ratios

Sterling Bancorp, Inc. Performance Ratios

	As of and for the Three Months Ended			As of and for the Six Months Ended	
	6/30/2018	3/31/2018	6/30/2017	6/30/2018	6/30/2017
Performance Ratios:					
Return on average assets	2.08%	2.13%	1.57%	2.10%	1.73%
Return on average shareholders' equity	21.31%	22.17%	20.72%	21.73%	22.70%
Return on average tangible common equity	21.36%	22.24%	20.86%	21.79%	22.86%
Yield on earning assets ⁽¹⁾	5.25%	5.15%	5.24%	5.20%	5.17%
Cost of average interest-bearing liabilities	1.47%	1.36%	1.11%	1.42%	1.11%
Net interest spread	3.78%	3.79%	4.13%	3.78%	4.06%
Net interest margin ⁽¹⁾	3.96%	3.96%	4.24%	3.96%	4.18%
Efficiency ratio ⁽²⁾	34.91%	33.80%	37.47%	34.27%	35.19%

(1) Refer to footnote to Condensed Consolidated Statements of Income table on slide 21.

(2) Efficiency Ratio is computed as the ratio of non-interest expense divided by the sum of net interest income and non-interest income.

Earnings Release Detail

Capital and Credit Quality

Sterling Bancorp, Inc. Capital and Credit Quality Ratios

Dollars in thousands

As of and for the Three Months Ended

	6/30/2018	3/31/2018	12/31/2017	6/30/2017
Capital Ratios				
Regulatory and Other Capital Ratios—				
Consolidated:				
Tier 1 (core) capital to risk-weighted assets	16.21%	15.77%	15.53%	11.69%
Tier 1 (core) capital to adjusted tangible assets	9.88%	9.73%	9.83%	7.62%
Common Tier 1 (CET 1)	16.21%	15.77%	15.53%	11.69%
Total adjusted capital to risk-weighted assets	20.77%	20.38%	20.28%	16.11%
Regulatory and Other Capital Ratios—Bank:				
Tier 1 (core) capital to risk-weighted assets	14.52%	14.02%	13.71%	13.79%
Tier 1 (core) capital to adjusted tangible assets	8.84%	8.65%	8.68%	8.99%
Common Tier 1 (CET 1)	14.52%	14.02%	13.71%	13.79%
Total capital to risk-weighted assets	15.60%	15.07%	14.76%	14.89%
Credit Quality Data				
Nonperforming loans ⁽¹⁾	\$ 641	\$ 5,115	\$ 783	\$ 665
Nonperforming loans to total loans	0.02%	0.20%	0.03%	0.03%
Nonperforming assets ⁽²⁾	\$ 3,583	\$ 8,082	\$ 3,777	\$ 3,793
Nonperforming assets to total assets	0.12%	0.27%	0.13%	0.16%
Allowance for loan losses to total loans	0.72%	0.74%	0.71%	0.73%
Allowance for loan losses to nonperforming loans	3167%	374%	2357%	2443%
Net charge offs to average loans	(0.00)%	(0.00)%	(0.03)%	(0.00)%

1: Nonperforming loans include nonaccrual loans and loans past due 90 days or more and still accruing interest.

2: Nonperforming assets include nonperforming loans and loans modified under troubled debt restructurings and other repossessed assets.

Earnings Release Detail

Allowance for Loan Losses, Loan Composition, and Deposit Composition

Sterling Bancorp, Inc. Allowance for Loan Losses

	Three Months Ended			
	6/30/2018	3/31/2018	12/31/2017	6/30/2017
Allowance for loan losses				
Balance at beginning of period	\$ 19,132	\$ 18,457	\$ 17,189	\$ 15,567
Provision for loan losses	1,120	641	600	600
Charge offs	(4)	-	(19)	-
Recoveries	52	34	687	79
Balance at end of period	\$ 20,300	\$ 19,132	\$ 18,457	\$ 16,246

Sterling Bancorp, Inc. Loan Composition

Loan Composition	6/30/2018	3/31/2018	%Change	12/31/2017	%Change	6/30/2017	%Change
Construction	\$ 172,262	\$ 179,846	(4)%	\$ 192,319	(10)%	\$ 187,572	(8)%
Residential real estate, mortgage	2,367,876	2,134,447	11%	2,132,641	11%	1,773,733	33%
Commercial real estate, mortgage	250,466	239,204	6%	247,076	1%	220,134	14%
Commercial and industrial loans, lines of credit	45,821	46,166	(1)%	40,749	12%	40,274	14%
Other consumer loans	32	29	9%	29	10%	62	(49)%
Total loans held for investment	2,836,456	2,599,692	9%	2,612,814	9%	2,221,775	28%
Less: allowance for loan losses	(20,300)	(19,132)	6%	(18,457)	10%	(16,246)	25%
Loans, net	\$ 2,816,156	\$ 2,580,560	9%	\$ 2,594,357	9%	\$ 2,205,530	28%
Mortgage loans held for sale	\$ 21,641	\$ 200,467	(89)%	\$ 112,866	(81)%	\$ 579	3639%
Total gross loans	\$ 2,858,096	\$ 2,800,169	2%	\$ 2,725,680	5%	\$ 2,222,354	29%

Sterling Bancorp, Inc. Deposit Composition

Deposit Composition	6/30/2018	3/31/2018	% change	12/31/2017	% change	6/30/2017	% change
Noninterest-bearing demand deposits	\$ 73,791	\$ 75,062	(2)%	\$ 73,682	0%	\$ 66,455	11%
MoneyMarket, Savings and NOW	1,518,635	1,536,481	(1)%	1,507,956	1%	1,357,805	12%
Time deposits	748,179	679,622	10%	663,472	13%	372,064	101%
Total deposit balances	\$2,340,605	\$2,291,165	2%	\$2,245,110	4%	\$1,796,324	30%

Earnings Release Detail

Quarterly Yield Analysis

Sterling Bancorp, Inc. Yield Analysis									
(Dollars in thousands)	For the Three Months Ended								
	6/30/2018			3/31/2018			6/30/2017		
	Average Balance	Average Interest	Average Yield/Rate	Average Balance	Average Interest	Average Yield/Rate	Average Balance	Average Interest	Average Yield/Rate
Interest earning assets									
Loans ⁽¹⁾	\$ 2,829,819	\$ 38,880	5.45%	\$ 2,733,759	\$ 36,400	5.33%	\$ 2,102,448	\$ 28,624	5.45%
Securities, includes restricted stock	159,243	842	2.12%	141,616	819	2.31%	108,373	435	1.61%
Other interest earning assets	24,496	119	1.94%	24,663	114	1.85%	11,673	29	0.99%
Total interest earning assets ⁽²⁾	\$3,013,558	\$39,841	5.29%	\$2,900,038	\$37,333	5.16%	\$2,222,494	\$29,088	5.24%
Interest-bearing liabilities									
Money Market, Savings, NOW	\$ 1,515,912	\$ 4,468	1.19%	\$ 1,525,436	\$ 4,135	1.10%	\$ 1,304,358	\$ 2,764	0.85%
Time deposits	715,863	2,711	1.52%	705,824	2,454	1.41%	383,908	1,013	1.06%
Total interest-bearing deposits	2,231,775	7,179	1.29%	2,231,260	6,589	1.20%	1,688,266	3,777	0.90%
FHLB borrowings	351,845	1,334	1.50%	259,056	833	1.29%	267,276	870	1.29%
Subordinated debt	64,935	1,171	7.21%	64,901	1,172	7.22%	49,363	908	7.35%
Total borrowings	416,781	2,505	2.33%	323,957	2,006	2.48%	316,639	1,778	2.22%
Total interest-bearing liabilities	\$2,648,556	\$9,684	1.47%	\$2,555,217	\$8,594	1.36%	\$2,004,925	\$5,555	1.11%
Net interest income and spread ⁽³⁾		\$ 29,857	3.78%		\$ 28,739	3.79%		\$ 23,533	4.13%
Net interest margin ⁽³⁾			3.95%			3.95%			4.24%

(Dollars in thousands)	For the Six Months Ended					
	6/30/2018			6/30/2017		
	Average Balance	Average Interest	Average Yield/Rate	Average Balance	Average Interest	Average Yield/Rate
Interest earning assets						
Loans ⁽¹⁾	\$ 2,782,055	\$ 74,880	5.39%	\$ 2,073,748	\$ 55,743	5.38%
Securities, includes restricted stock	150,478	1,661	2.21%	102,882	800	1.56%
Other interest earning assets	24,879	233	1.90%	10,829	48	0.90%
Total interest earning assets ⁽²⁾	\$2,957,412	\$76,774	5.20%	\$2,187,459	\$56,591	5.17%
Interest-bearing liabilities						
Money Market, Savings, NOW	\$ 1,520,648	\$ 3,602	1.14%	\$ 1,282,328	\$ 5,223	0.84%
Time deposits	710,272	5,165	1.47%	403,332	2,088	1.04%
Total interest-bearing deposits	2,230,920	8,767	1.24%	1,685,660	7,311	0.89%
FHLB borrowings	355,707	2,167	1.41%	270,431	1,700	1.25%
Subordinated debt	64,918	2,343	7.22%	49,366	1,816	7.36%
Total borrowings	370,625	4,510	2.42%	319,797	3,516	2.19%
Total interest-bearing liabilities	\$2,602,145	\$13,277	1.42%	\$1,975,457	\$10,827	1.11%
Net interest income and spread ⁽³⁾		\$ 63,596	3.75%		\$ 45,764	4.05%
Net interest margin ⁽³⁾			3.92%			4.32%

1. Nonaccrual loans are included in the respective average loan balances. Income, if any, on such loans is recognized on a cash basis.
2. Interest income does not include taxable equivalent adjustments.
3. Refer to footnote to Condensed Consolidated Statements of Income table on slide 21.

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