

**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): **April 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 April 30, 2018, the Registrant issued a press release announcing its results of operations for its first quarter ended March 31, 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:

<b>EXHIBIT NUMBER</b>	<b>EXHIBIT DESCRIPTION</b>
99.1	<a href="#">Press Release of Sterling Bancorp, Inc. dated April 30, 2018</a>
99.2	<a href="#">Investor Presentation</a>

2

---

**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: April 30, 2018

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

3

---

## Sterling Bancorp Reports First Quarter 2018 Financial Results

**Q1 2018 Summary**

- Net income of \$15.7 million, a 51% increase from Q1 2017
- Fully diluted EPS of \$0.30, a 30% increase from Q1 2017
- Total loan originations of \$408 million, a 59% increase from Q1 2017
- Total gross loans, including loans held for investment and loans held for sale, of \$2.80 billion, a 39% increase from Q1 2017
- Total deposits of \$2.29 billion, a 33% increase from Q1 2017
- Net interest margin of 3.89%
- Named as the top performing community bank in the United States for 2017 with total assets between \$1 billion and \$10 billion by SNL/S&P Global Market Intelligence

**Southfield, Michigan, April 30, 2018** — Sterling Bancorp, Inc. (NASDAQ: SBT), the holding company of Sterling Bank and Trust, F.S.B., today reported unaudited financial results for its first quarter ended March 31, 2018.

For the three months ended March 31, 2018, net income totaled \$15.7 million, or \$0.30 per diluted share, based on 53.0 million weighted average diluted shares outstanding. This compares to fourth quarter 2017 net income of \$6.5 million, or \$0.13 per diluted share, based on 49.0 million weighted average diluted shares outstanding. For the first quarter of 2017, net income totaled \$10.4 million, or \$0.23 per diluted share, based on 45.3 million weighted average diluted shares outstanding.

“We are very pleased with our strong start to 2018, as we delivered excellent growth in our revenue streams combined with well controlled expenses,” said Gary Judd, Chairman and CEO of Sterling Bancorp. “As a result, we generated a 30% year-over-year increase in earnings per share and continued to deliver the superior level of returns that made us the top performing community bank in the United States in 2017, as recognized by SNL/S&P Global Market Intelligence.

“We continue to see strong demand for residential mortgage loans in our target markets, and we increased the volume of loans sold into the secondary market as part of our balance sheet management strategy. Given our healthy loan pipeline, we expect to continue to strategically utilize loan sales to mitigate pressure on our net interest margin going forward, which we believe will enable us to continue to generate profitable growth for our shareholders,” said Mr. Judd.

**Financial Highlights (Unaudited)**

(Dollars in thousands, except per share data)	At or for the Three Months Ended		
	3/31/2018	12/31/2017	3/31/2017
Net income	\$ 15,749	\$ 6,531	\$ 10,416
Diluted earnings per share	\$ 0.30	\$ 0.13	\$ 0.23
Net interest income before provision for loan losses	\$ 28,195	\$ 26,915	\$ 21,871
Net interest margin	3.89%	3.97%	4.07%
Noninterest income	\$ 6,037	\$ 2,826	\$ 5,586
Noninterest expense	\$ 11,503	\$ 11,943	\$ 9,092
Loans held for investment, net	\$ 2,580,560	\$ 2,594,357	\$ 2,003,019
Deposits	\$ 2,291,165	\$ 2,245,110	\$ 1,722,148
Nonperforming loans	\$ 5,115	\$ 783	\$ 640
Allowance for loan losses to total loans	0.74%	0.71%	0.77%
Allowance for loan losses to non-performing loans	374%	2,357%	2,432%
Provision for loan losses	\$ 641	\$ 600	\$ 600
Net charge offs (recoveries)	\$ (34)	\$ (668)	\$ (145)
ROA	2.13%	0.94%	1.89%
ROE	22.17%	11.46%	24.80%
Efficiency ratio	33.6%	40.2%	33.1%

**Operating Results for the First Quarter 2018****Net Interest Income**

Net interest income for the first quarter of 2018 was \$28.2 million, an increase of 4.8% from \$26.9 million for the fourth quarter of 2017. The increase in net interest income from the fourth quarter was primarily attributable to a \$185 million increase in average interest earning assets, partially offset by the effects of an 8 basis point decrease in the net interest margin.

Relative to the first quarter of 2017, net interest income increased 28.9% from \$21.9 million. The increase in net interest income from the first quarter of 2017 was primarily attributable to a \$748 million increase in average interest earning assets, partially offset by the effects of an 18 basis point decrease in the net interest margin.

**Net Interest Margin**

Net interest margin for the first quarter of 2018 was 3.89%, compared to 3.97% for the fourth quarter of 2017. The decrease in net interest margin was primarily attributable to a 5 basis point decrease in the average yield on interest earning assets and a 10 basis point increase in the average cost of interest-bearing deposits.

Relative to the first quarter of 2017, the net interest margin decreased from 4.07%, primarily due to a 32 basis point increase in the average cost of interest-bearing deposits, partially offset by a 2 basis point increase in the average yield on interest earning assets.

### **Noninterest Income**

Noninterest income for the first quarter of 2018 was \$6.0 million, an increase from \$2.8 million for the fourth quarter of 2017. The increase was primarily the result of a \$3.1 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.

Noninterest income increased from \$5.6 million in the first quarter of 2017, primarily as a result of a \$0.2 million increase in service charges and fees and a \$0.2 million increase in other income.

### **Noninterest Expense**

Noninterest expense for the first quarter of 2018 was \$11.5 million, compared with \$11.9 million for the fourth quarter of 2017. The decrease was primarily attributable to lower salary expense, as well as \$0.2 million of expenses incurred during the fourth quarter of 2017 related to the Company's initial public offering.

Relative to the first quarter of 2017, noninterest expense increased from \$9.1 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.

The Company's operating efficiency ratio was 33.6% in the first quarter of 2018, compared with 40.2% in the fourth quarter of 2017 and 33.1% in the first quarter of 2017.

### **Income Taxes**

The effective tax rate for the three months ended March 31, 2018 was 29%, compared with 62% and 41% for the three months ended December 31, 2017 and March 31, 2017, respectively. The decrease in the effective tax rate in the first quarter of 2018 as compared to first quarter of 2017 was attributable to the reduction in the federal corporate tax rate that was effective January 1, 2018. The effective tax rate for the fourth quarter of 2017 includes the effect of the re-measurement of our net deferred tax assets.

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 our taxable income by state.

### **Loan Portfolio**

Total loans, which includes those held for investment and held for sale, were \$2.80 billion at March 31, 2018, compared with \$2.73 billion at December 31, 2017. Contributing to the increase were an \$88 million increase in residential real estate loans and a \$6 million increase in commercial and industrial loans, partially offset by a \$20 million decrease in the commercial real estate and construction loan portfolio, which decrease was driven by loan payoffs.

During the first quarter of 2018, the Company originated \$408 million in loans, which included \$349 million in residential mortgage loans, \$5 million in commercial real estate loans, \$44 million in construction loans and \$10 million in commercial and industrial loans.

### **Deposits**

Total deposits were \$2.29 billion at March 31, 2018, compared with \$2.25 billion at December 31, 2017. The increase was primarily attributable to a \$123 million increase in retail deposits, partially offset by a \$77 million decrease in brokered deposits.

### **Credit Quality**

Nonperforming assets totaled \$8.1 million, or 0.27% of total assets, at March 31, 2018, compared with \$3.8 million, or 0.13% of total assets, at December 31, 2017. The increase was primarily due to a large residential real estate loan being placed on non-accrual. The Company believes that no impairment exists, as there is more than sufficient collateral value supporting the loan.

Net recoveries for the first quarter of 2018 were \$34,000 and there were no charge-offs during the quarter.

With the lack of charge-offs and no specific reserves required for the large loan placed on non-accrual, the Company recorded a provision for loan losses of \$641,000 for the first quarter of 2018, comparable with the provision for loan losses in the first quarter of 2017.

The Company's allowance for loan losses was 0.74% of total loans and 374% of nonperforming loans at March 31, 2018, compared with 0.71% and 2,357%, respectively, at December 31, 2017.

### **Capital**

At March 31, 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:

	Capitalized	March 31, 2018
Total adjusted capital to risk-weighted assets	N/A	20.38%
Tier 1 (core) capital to risk-weighted assets	N/A	15.77%
Tier 1 (core) capital to adjusted tangible assets	N/A	9.73%
Common Tier 1 (CET 1)	N/A	15.77%

	Well Capitalized	Sterling Bank Actual at March 31, 2018
Total adjusted capital to risk-weighted assets	10.00%	15.07%
Tier 1 (core) capital to risk-weighted assets	8.00%	14.02%
Tier 1 (core) capital to adjusted tangible assets	5.00%	8.65%
Common Tier 1 (CET 1)	6.50%	14.02%

### 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. The conference ID number for both conference call numbers is 10118833. 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](http://www.sterlingbank.com). An archived version of the webcast will be available in the same location shortly after the live call has ended.

4

A replay of the conference call may be accessed through May 14, 2018 by dialing (877) 344-7529, using conference ID number 10118833.

### 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](http://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 "Reconciliation of Non-GAAP Financial Measures" 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," "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:

Financial Profiles, Inc.  
Allyson Pooley  
310-622-8230  
Larry Clark  
310-622-8223  
SBT@finprofiles.com

5

### Sterling Bancorp, Inc. Consolidated Balance Sheets Unaudited (dollars in thousands)

	3/31/2018	12/31/2017	% change	3/31/2017	% change
Assets					
Cash and due from banks	\$ 37,541	\$ 40,147	(6)%	\$ 30,598	23%

Investment securities	124,956	126,848	(1)%	87,121	43%
Federal Home Loan Bank stock, at cost	22,950	22,950	0%	18,360	25%
Mortgage loans held for sale	200,467	112,866	78%	1,468	N/M
Loans, net of allowance for loan losses of \$19,132, \$18,457 and \$15,567	2,580,560	2,594,357	(1)%	2,003,019	29%
Accrued interest receivable	11,936	11,493	4%	8,430	42%
Mortgage servicing rights, net	7,780	6,496	20%	5,424	43%
Leasehold improvements and equipment, net	7,705	7,043	9%	6,246	23%
Cash surrender value of bank-owned life insurance	30,837	30,680	1%	30,194	2%
Deferred tax asset, net	7,234	6,847	6%	9,189	(21)%
Other assets	2,366	2,231	6%	2,126	11%
<b>Total assets</b>	<b>\$ 3,034,332</b>	<b>\$ 2,961,958</b>	<b>2%</b>	<b>\$ 2,202,175</b>	<b>38%</b>
<b>Liabilities</b>					
Noninterest-bearing deposits	\$ 75,062	\$ 73,682	2%	\$ 60,436	24%
Interest-bearing deposits	2,216,103	2,171,428	2%	1,661,712	33%
Total deposits	2,291,165	2,245,110	2%	1,722,148	33%
Federal Home Loan Bank borrowings	342,937	338,000	1%	222,115	54%
Subordinated notes, net	64,923	64,889	0%	49,371	32%
Accrued expenses and other liabilities	46,795	40,661	15%	37,431	25%
<b>Total liabilities</b>	<b>2,745,820</b>	<b>2,688,660</b>	<b>2%</b>	<b>2,031,065</b>	<b>35%</b>
<b>Shareholders' Equity</b>					
Preferred stock, authorized 10,000,000 shares; no shares issued and outstanding	—	—	N/M	—	N/M
Common stock, voting, authorized 500,000,000 shares at March 31, 2018 and December 31, 2017 and 490,000,000 at March 31, 2017, issued and outstanding 53,002,963, 52,963,308 and 45,271,000 shares at March 31, 2018, December 31, 2017 and March 31, 2017, respectively.	111,238	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 March 31, 2017.	—	—	—	2,885	—
Additional paid-in capital	12,425	12,416	0%	15,336	(19)%
Retained earnings	164,984	149,816	10%	130,095	27%
Accumulated other comprehensive loss	(135)	(172)	N/M	(69)	N/M
<b>Total shareholders' equity</b>	<b>288,512</b>	<b>273,298</b>	<b>6%</b>	<b>171,110</b>	<b>69%</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 3,034,332</b>	<b>\$ 2,961,958</b>	<b>2%</b>	<b>\$ 2,202,175</b>	<b>38%</b>

N/M- not meaningful

**Sterling Bancorp, Inc.**  
**Condensed Consolidated Statements of Income**  
**Unaudited (dollars in thousands, except per share amounts)**

	Three Months Ended				
	3/31/2018	12/31/2017	% change	3/31/2017	% change
<b>Interest Income:</b>					
Interest and fees on loans	\$ 35,856	\$ 34,095	5%	\$ 26,759	34%
Interest and dividends on investment securities	819	588	39%	365	124%
Other interest	114	54	110%	19	500%
<b>Total interest income</b>	<b>36,789</b>	<b>34,737</b>	<b>6%</b>	<b>27,143</b>	<b>36%</b>
<b>Interest Expense:</b>					
Interest on deposits	6,589	5,884	12%	3,534	86%
Interest on Federal Home Loan Bank borrowings	833	751	11%	830	0%
Interest on subordinated notes and other	1,172	1,187	(1)%	908	29%
<b>Total interest expense</b>	<b>8,594</b>	<b>7,822</b>	<b>10%</b>	<b>5,272</b>	<b>63%</b>
<b>Net interest income</b>	<b>28,195</b>	<b>26,915</b>	<b>5%</b>	<b>21,871</b>	<b>29%</b>
Provision for loan losses	641	600	7%	600	7%
<b>Net interest income after provision for loan losses</b>	<b>27,554</b>	<b>26,315</b>	<b>5%</b>	<b>21,271</b>	<b>30%</b>
<b>Non-interest income</b>					
Service charges and fees	618	629	(2)%	409	51%
Investment management and advisory fees	623	603	3%	552	13%
Net gain on sale of loans	4,006	868	362%	4,052	(1)%
Other income	790	726	9%	573	38%
<b>Total non-interest income</b>	<b>6,037</b>	<b>2,826</b>	<b>114%</b>	<b>5,586</b>	<b>8%</b>
<b>Non-interest expense</b>					
Salaries and employee benefits	6,649	6,880	(3)%	5,410	23%
Occupancy and equipment	1,546	1,632	(5)%	1,389	11%

Professional fees	622	665	(7)%	369	69%
Advertising and marketing	349	370	(6)%	192	82%
FDIC assessments	543	455	19%	242	124%
Data processing	288	292	(1)%	207	39%
Other	1,506	1,649	(9)%	1,283	17%
Total non-interest expense	11,503	11,943	(4)%	9,092	27%
Income before income taxes	22,088	17,198	28%	17,765	24%
Income tax expense	6,339	10,667	(41)%	7,349	(14)%
Net income	\$ 15,749	\$ 6,531	141%	\$ 10,416	51%
Income per share, basic and diluted	\$ 0.30	\$ 0.13		\$ 0.23	
Weighted average common shares outstanding, basic and diluted	52,963,308	49,033,542		45,271,000	

N/M - not meaningful

7

**Sterling Bancorp, Inc.**  
**Select Financial Data**  
**Unaudited (dollars in thousands)**

	As of and for the Three Months Ended		
	3/31/2018	12/31/2017	3/31/2017
<b>Performance Ratios:</b>			
Return on average assets	2.13%	0.94%	1.89%
Return on average shareholders' equity	22.17%	11.46%	24.80%
Return on average tangible common equity	22.24%	11.50%	25.00%
Yield on earning assets	5.07%	5.12%	5.05%
Cost of average interest-bearing liabilities	1.36%	1.28%	1.10%
Net interest spread	3.71%	3.84%	3.95%
Net interest margin	3.89%	3.97%	4.07%
Efficiency ratio(1)	33.6%	40.2%	33.1%

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

8

**Sterling Bancorp, Inc.**  
**Yield Analysis and Net Interest Income**  
**Unaudited (dollars in thousands)**

	For the Three Months Ended								
	3/31/2018			12/31/2017			3/31/2017		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest earning assets									
Loans (1)	\$ 2,733,759	\$ 35,856	5.25%	\$ 2,563,319	\$ 34,095	5.32%	\$ 2,044,732	\$ 26,759	5.23%
Securities, includes restricted stock	141,616	819	2.31%	132,869	588	1.77%	97,329	365	1.50%
Other interest earning assets	24,663	114	1.85%	18,597	54	1.17%	9,574	19	0.79%
Total interest earning assets	\$ 2,900,038	\$ 36,789	5.07%	\$ 2,714,785	\$ 34,737	5.12%	\$ 2,151,635	\$ 27,143	5.05%
Interest-bearing liabilities									
Money Market, Savings and NOW	\$ 1,525,436	\$ 4,135	1.10%	\$ 1,457,137	\$ 3,653	0.99%	\$ 1,200,209	\$ 2,459	0.83%
Time deposits	705,824	2,454	1.41%	662,822	2,231	1.34%	422,972	1,075	1.03%
Total interest-bearing deposits	2,231,260	6,589	1.20%	2,119,959	5,884	1.10%	1,623,181	3,534	0.88%
FHLB borrowings	259,056	833	1.29%	244,263	751	1.20%	273,622	830	1.21%
Subordinated debt	64,901	1,172	7.22%	64,871	1,187	7.32%	49,349	908	7.36%
Total borrowings	323,957	2,005	2.48%	309,134	1,938	2.45%	322,972	1,738	2.15%
Total interest-bearing liabilities	\$ 2,555,217	\$ 8,594	1.36%	\$ 2,429,093	\$ 7,822	1.28%	\$ 1,946,152	\$ 5,272	1.10%
Net interest income and spread (2)		\$ 28,195	3.71%		\$ 26,915	3.84%		\$ 21,871	3.95%
Net interest margin			3.89%			3.97%			4.07%

(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.

9

**Sterling Bancorp, Inc.**  
**Loan Composition**  
**Unaudited (dollars in thousands)**

	3/31/2018	12/31/2017	% Change	3/31/2017	% Change
Construction	\$ 179,846	\$ 192,319	(6)%	\$ 159,874	12%
Residential real estate, mortgage	2,134,447	2,132,641	0%	1,615,075	32%
Commercial real estate, mortgage	239,204	247,076	(3)%	206,870	16%

Commercial and industrial loans, lines of credit	46,166	40,749	13%	36,710	26%
Other consumer loans	29	29	1%	57	(49)%
Total loans held for investment	2,599,692	2,612,814	(1)%	2,018,586	29%
Less: allowance for loan losses	(19,132)	(18,457)	4%	(15,567)	23%
Loans, net	\$ 2,580,560	\$ 2,594,357	(1)%	\$ 2,003,019	29%
Mortgage loans held for sale	\$ 200,467	\$ 112,866	78%	\$ 1,468	N/M
Total gross loans	\$ 2,800,159	\$ 2,725,680	3%	\$ 2,020,054	39%

**Sterling Bancorp, Inc.**  
**Deposit Composition**  
**Unaudited (dollars in thousands)**

	3/31/2018	12/31/2017	% change	3/31/2017	% change
Noninterest bearing demand deposits	75,062	\$ 73,682	2%	\$ 60,436	24%
Money Market, Savings and NOW deposits	1,536,481	1,507,956	2%	1,267,914	21%
Time deposits	679,622	663,472	2%	393,798	73%
Total deposits	\$ 2,291,165	\$ 2,245,110	2%	\$ 1,722,148	33%

10

**Sterling Bancorp, Inc.**  
**Capital and Credit Quality Ratios**  
**Unaudited (dollars in thousands)**

	As of and for the Three Months Ended		
	3/31/2018	12/31/2017	3/31/2017
<b>Capital Ratios</b>			
<b>Regulatory and Other Capital Ratios—</b>			
<b>Consolidated:</b>			
Tier 1 (core) capital to risk-weighted assets	15.77%	15.53%	12.66%
Tier 1 (core) capital to adjusted tangible assets	9.73%	9.83%	7.71%
Common Tier 1 (CET 1)	15.77%	15.53%	12.66%
Total adjusted capital to risk-weighted assets	20.38%	20.28%	17.49%
<b>Regulatory and Other Capital Ratios—Bank:</b>			
Tier 1 (core) capital to risk-weighted assets	14.02%	13.71%	15.00%
Tier 1 (core) capital to adjusted tangible assets	8.65%	8.68%	9.14%
Common Tier 1 (CET 1)	14.02%	13.71%	15.00%
Total capital to risk-weighted assets	15.07%	14.76%	16.16%
<b>Credit Quality Data</b>			
Nonperforming loans (1)	\$ 5,115	\$ 783	\$ 640
Nonperforming loans to total loans	0.20%	0.03%	0.03%
Nonperforming assets (2)	\$ 8,082	\$ 3,777	\$ 3,703
Nonperforming assets to total assets	0.27%	0.13%	0.17%
Allowance for loan losses to total loans	0.74%	0.71%	0.77%
Allowance for loan losses to nonperforming loans	374%	2,357%	2,432%
Net charge offs to average loans	(0.00)%	(0.03)%	(0.01)%

(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		
	3/31/2018	12/31/2017	3/31/2017
Allowance for loan losses			
Balance at beginning of period	\$ 18,457	\$ 17,189	\$ 14,822
Provision for loan losses	641	600	600
Charge offs	—	(19)	—
Recoveries	34	687	145
Balance at end of period	\$ 19,132	\$ 18,457	\$ 15,567

11



Average tangible common equity and return on average common equity are non-GAAP disclosure. 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 March 31, 2018 and 2017, and December 31, 2017.

	<u>As of and for the Three Months Ended</u>		
	<u>3/31/2018</u>	<u>12/31/2017</u>	<u>3/31/2017</u>
Net Income	\$ 15,749	\$ 6,531	\$ 10,416
Average shareholders' equity	284,100	228,037	167,967
Adjustments			
Customer-related intangible	(863)	(975)	(1,294)
Average tangible common equity	<u>\$ 283,237</u>	<u>\$ 227,062</u>	<u>\$ 166,673</u>
Return on average tangible common equity*	<u>22.24%</u>	<u>11.50%</u>	<u>25.00%</u>

\*Annualized

# Sterling Bancorp, Inc.

NASDAQ: SBT



# 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 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 28, 2018 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

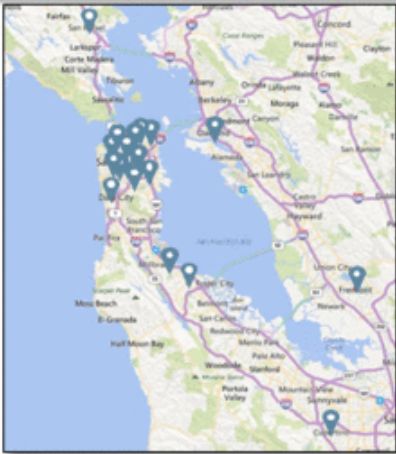


- Profitable & Efficient Business Model

# Key Markets

## Desirable Branch Network in High-Growth Markets

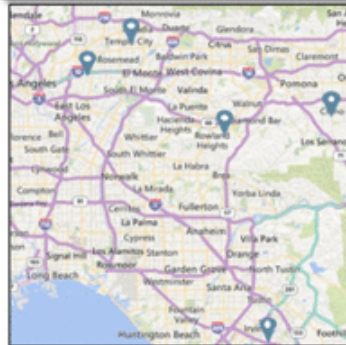
### San Francisco Bay Area (20 Branches)



#### 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

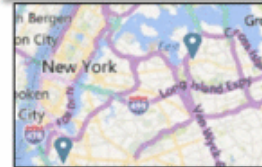
- Alhambra (1)
- Arcadia (1)
- Irvine (1)
- Rowland Heights (1)
- Chino Hills (1)



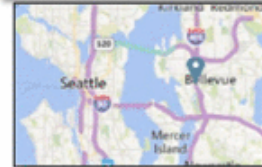
### Southfield, MI (1 Operational Branch)



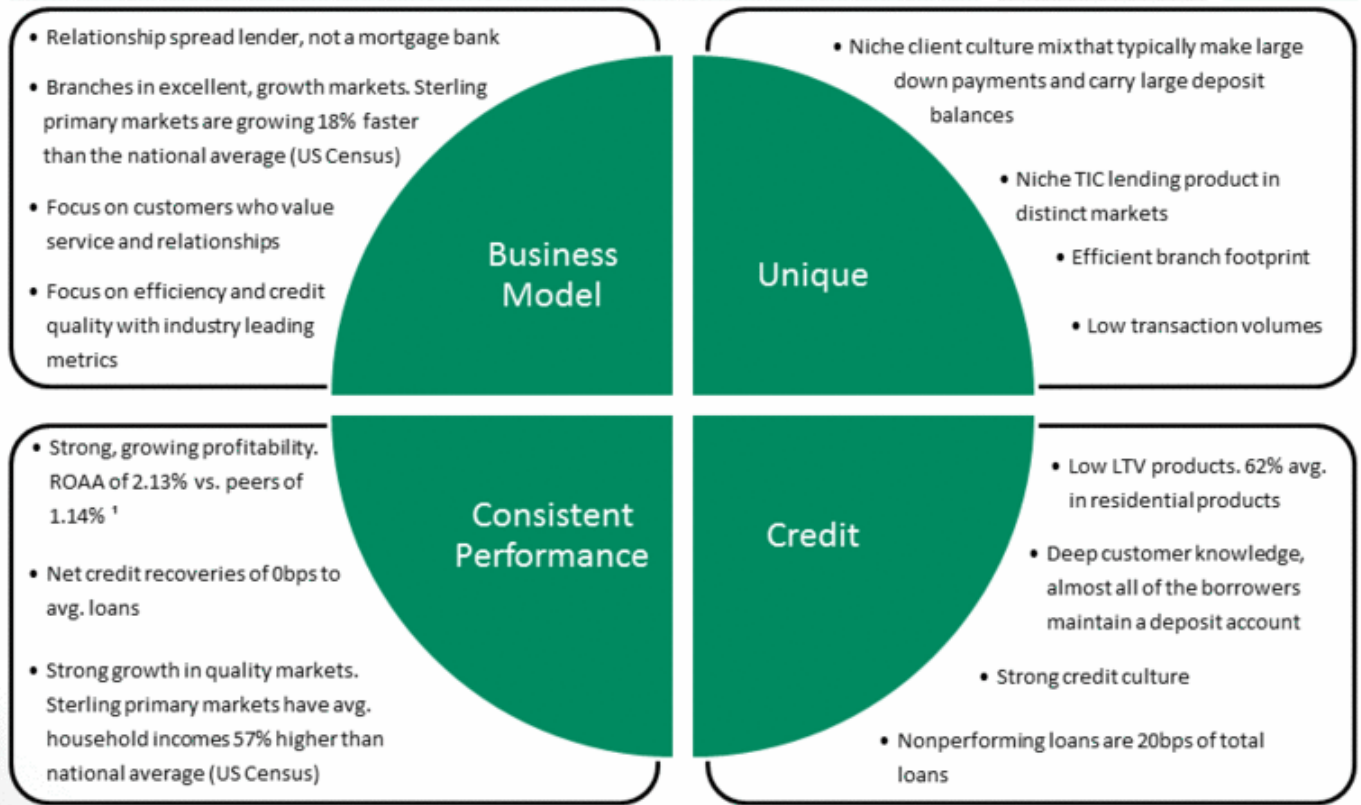
### New York, NY (2 Branches)



### Seattle, WA (1 LPO)



# Strategic Overview



Note:

1: Peers consists of exchange-traded banks and thrifts with \$1Bn - \$5Bn in assets as of March 31, 2018, mean metrics pictured.

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



# First Quarter Financial Summary

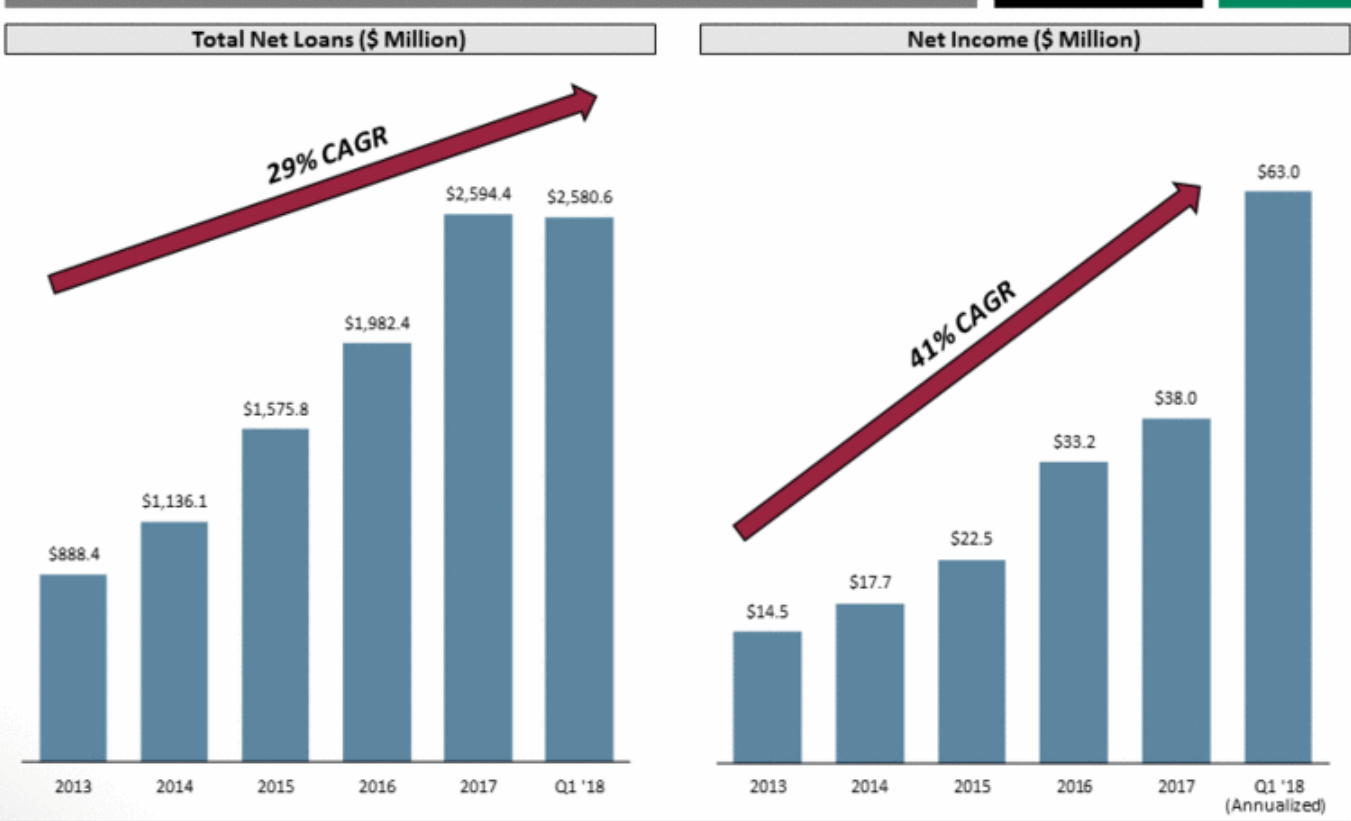
## Continued Growth

Financial Highlights	
<b>Balance Sheet (\$ Million)</b>	
Total Assets	\$3,034
Cash and Securities	\$185
Net Loans	\$2,581
Total Deposits	\$2,291
Total Equity	\$289
<b>YTD Performance Ratios and Profitability</b>	
Return on Average Assets	2.13%
Return on Average Equity	22.2%
Return on Average Tangible Common Equity	22.2%
Net Interest Margin	3.89%
Efficiency Ratio	34%
Net Income (Millions, Annualized)	\$63.0
<b>Capital Ratios</b>	
Tang. Common Equity / Tang. Assets	9.48%
Leverage Ratio	9.73%
Common Equity Tier 1 Risk-Based Capital Ratio	15.77%
Tier 1 Risk-Based Capital Ratio	15.77%
Total Risk-Based Capital Ratio	20.38%
<b>Asset Quality</b>	
Nonperforming Loans	\$5.1
Nonperforming Loans / Total Loans	0.20%
Nonperforming Assets	\$8.1
Nonperforming Assets / Total Assets	0.27%
ALLL / Nonperforming Loans	374%

- Total portfolio loans of \$2.59 billion, a 31% year-over-year increase
  - Originations of \$408 million, a 59% year-over-year increase
- Total deposits of \$2.29 billion, a 33% year-over-year increase
- Net income of \$15.7 million, or \$0.30 diluted EPS
- Named as the top performing community bank in the United States with total assets between \$1 billion and \$10 billion by SNL/S&P Global Market Intelligence
- Opened new branch in Chino Hills, CA in April 2018

# First Quarter Financial Summary

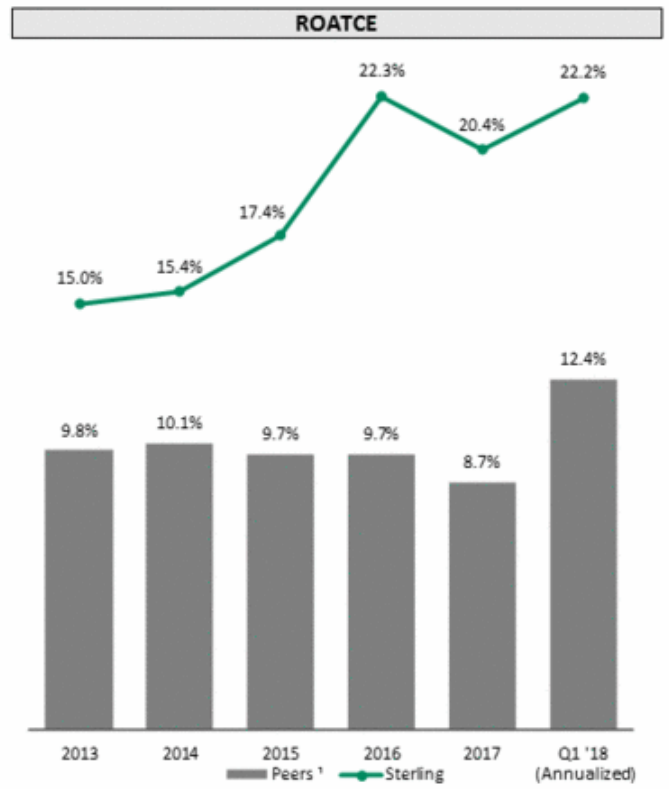
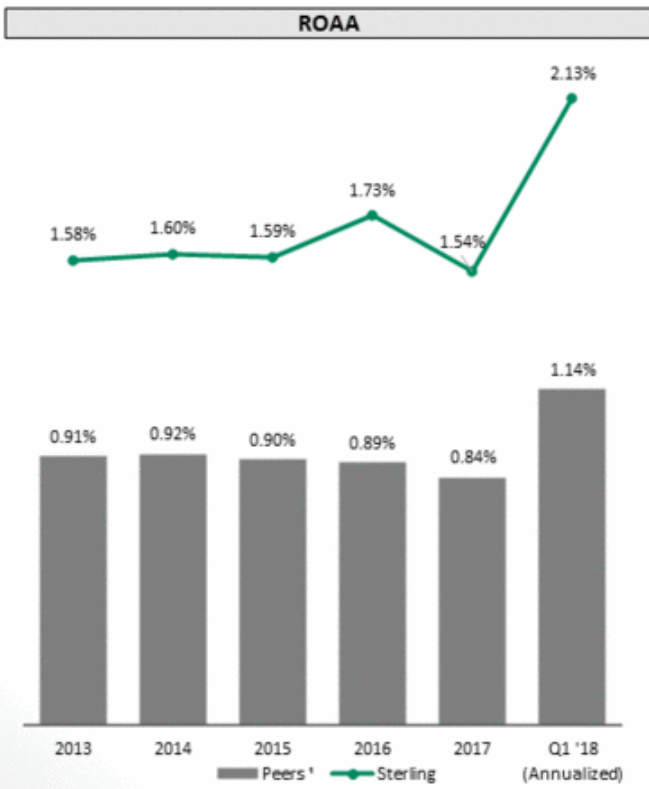
## Demonstrated Growth





# Strong Core Returns

## Consistent Profitability and Growth Drive High Returns



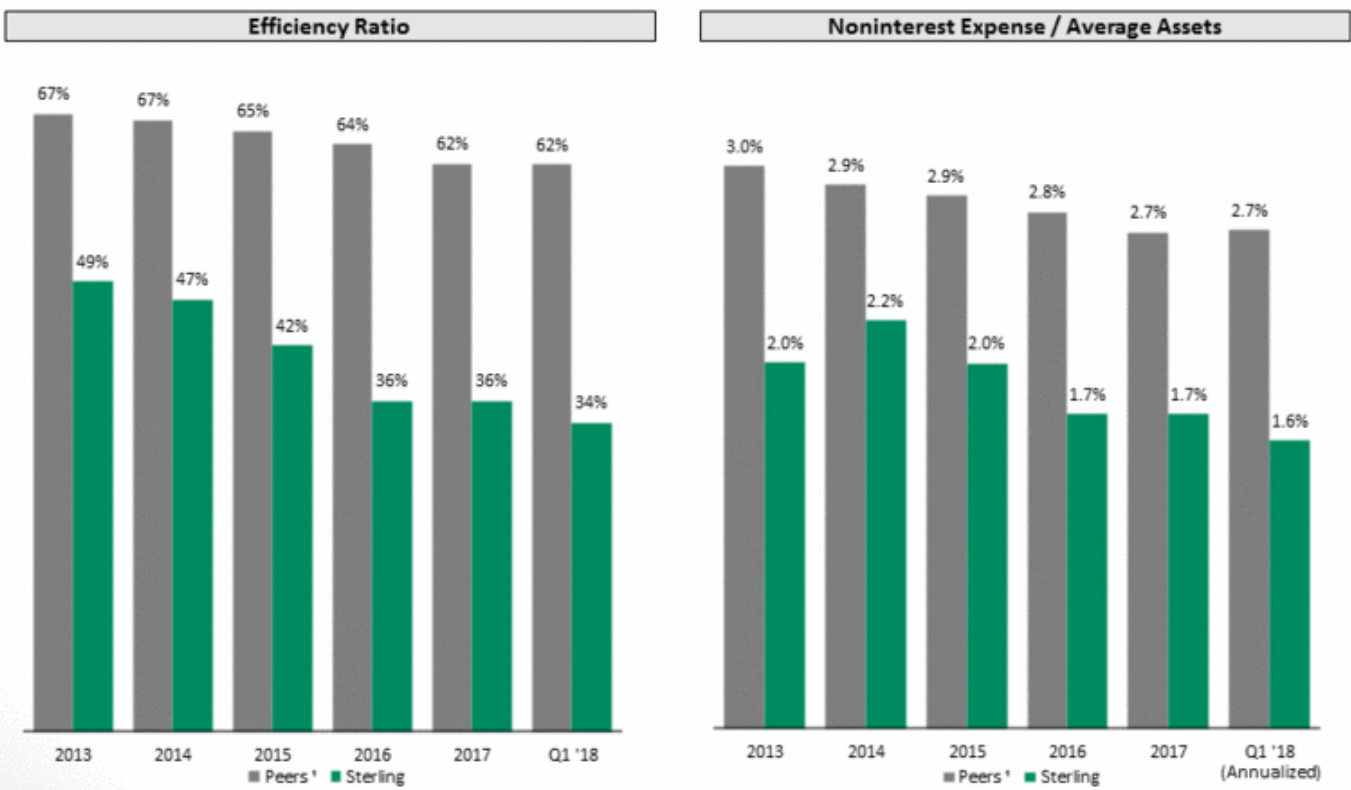
**Note:**

1: Peers consists of exchange-traded banks and thrifts with \$1Bn - \$5Bn in assets as of March 31, 2018, mean metrics pictured

Source: SEC Filings, S&P Global Market Intelligence

# Expense Management Focus

## Noninterest Expense Performance Versus Peers



Note:

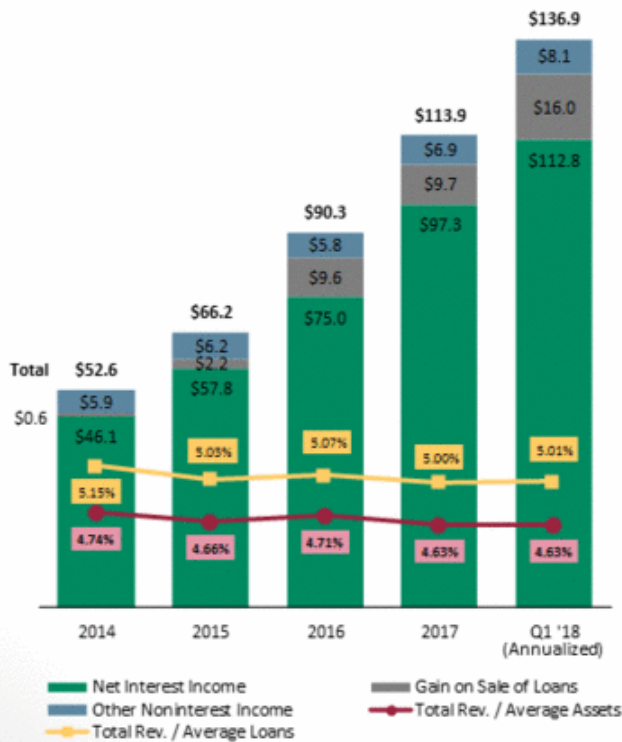
1: Peers consists of exchange-traded banks and thrifts with \$1Bn - \$5Bn in assets as of March 31, 2018, mean metrics pictured

Source: SEC Filings, S&P Global Market Intelligence

# Strong Growth in Key Revenue Components

## Consistent Revenue Stream Composition on a High Growth Balance Sheet

Revenue Stream Analysis (\$ Million)



### First Quarter Highlights

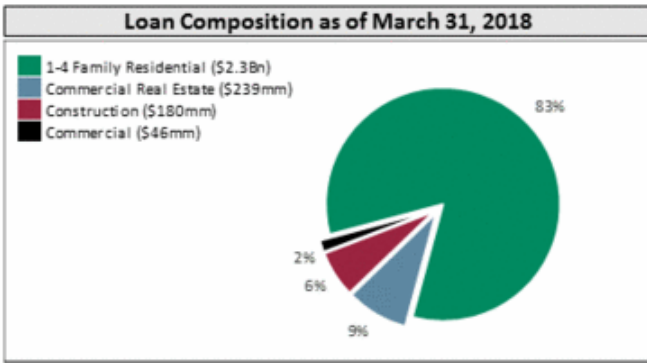
- \$15.5 million net interest income growth driven by strong originations and balance sheet growth

### Growth Opportunities

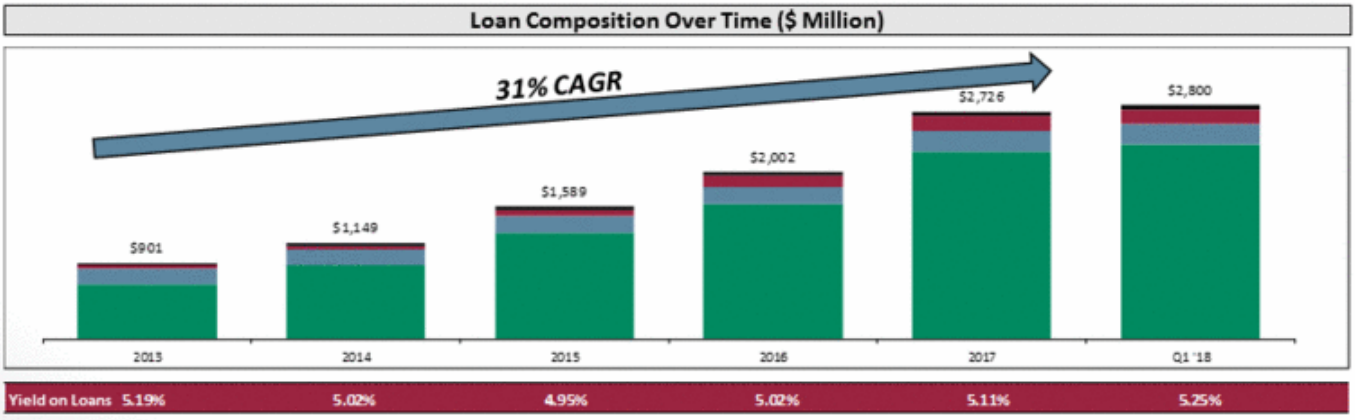
- Continued secondary market demand for loan sales
- Acquisition of Quantum Capital to establish platform for investment management and private banking
- Accelerated growth in Los Angeles and new markets including NY and Seattle]
- Expansion of current residential and commercial teams in all operating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

# Loan Portfolio Composition

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



- 62% Average LTV in residential products
- 48% of loan portfolio reprices in the next 12 months
- 90 Days+ delinquencies of 20bps
- Rated as a servicer by DBRS and Fitch
- Sterling loans also used as collateral in securitizations

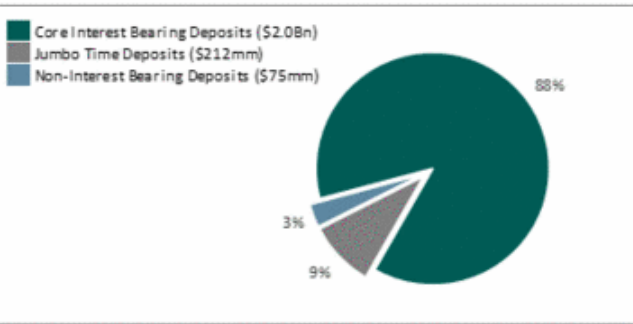


Note:  
Financial data as of March 31, 2018 unless noted

# Stable Deposit Funding

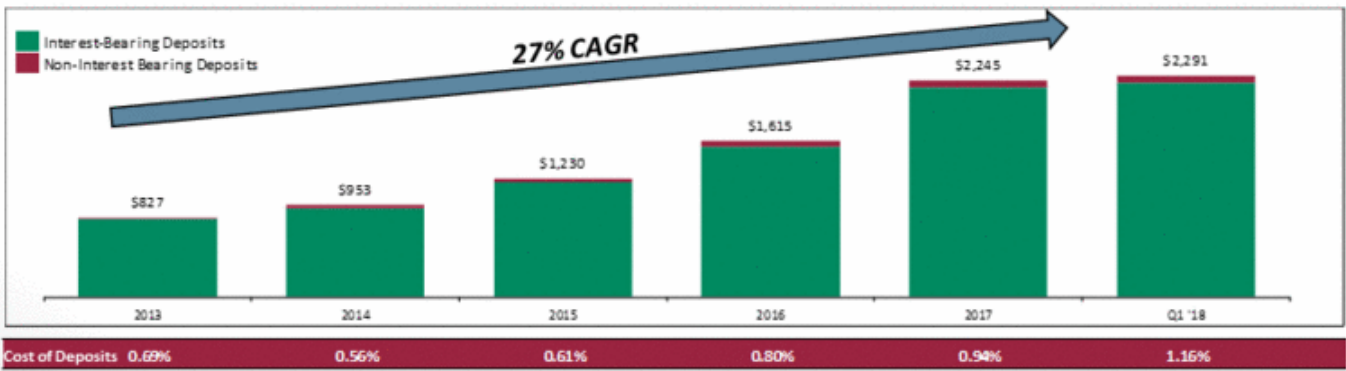
## Sterling Has A Sizable Core Deposit Base

**Deposit Composition as of March 31, 2018**



- Almost all of our borrowers maintain a deposit account
- Average residential lending customer maintains a \$16k checking account
- Average deposits per branch of \$88 million

**Deposit Composition Over Time (\$ Million)**



Note:  
Financial data as of March 31, 2018 unless noted

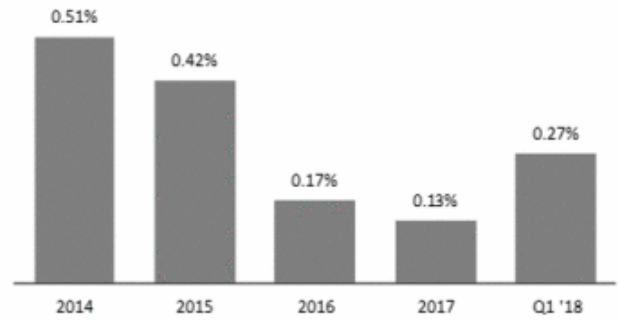
# Credit Performance

## Sterling Bancorp Maintains Pristine Credit Quality

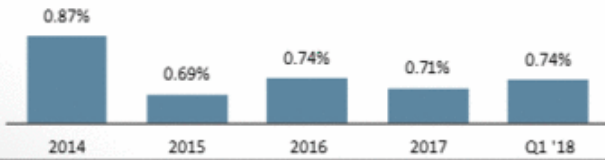
**Nonaccrual Loans / Total Loans**



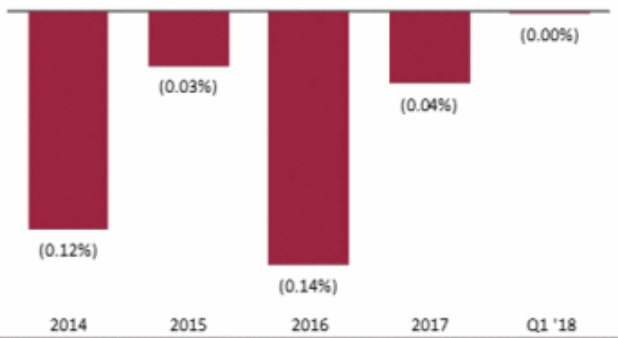
**Non-Performing Assets / Total Assets**



**Allowance for Loan Losses / Total Loans**



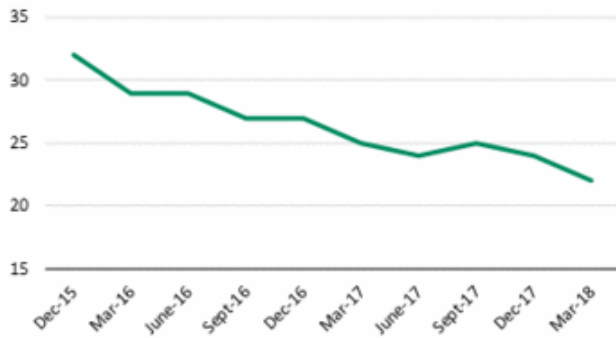
**Net Charge-Offs / Average Loans**



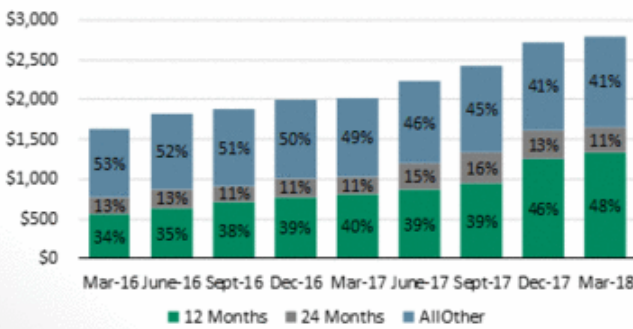
# Interest Rate Risk Analysis

## Interest Rate Risk Mitigated by ARM Loans and Repricing Structures

**Weighted-Average Reset (months)**



**Repricing Matrix <sup>1</sup>**



- 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 0.63 years
- Increasing deposit price competition traditionally lags market rates, but will put downward pressure on NIM
- Weighted average margin of 12Mo LIBOR plus 4.00% on \$1.9B of residential loans
- Held for Investment loans predominantly all ARM loans

Note:  
1: Over 98% of loans repricing in next 12 months will adjust annually thereafter

# Solid Capital Ratios

**Sterling Bancorp, Inc.**

	As of and for the 3mo. Ended		
	12/31/2016	12/31/2017	3/31/2018
Tier 1 (core) capital to risk-weighted assets	12.22%	15.53%	15.77%
Tier 1 (core) capital to adjusted tangible assets	7.74%	9.83%	9.73%
Common Tier 1 (CET 1)	12.22%	15.53%	15.77%
Total adjusted capital to risk-weighted assets	17.07%	20.28%	20.38%



# 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

- Over 5 years of net recoveries versus peer charge-offs
- Non-performing loans / loans of 20bps
- Non-performing assets / total assets of 27bps

## ✓ 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 3.89% in the first quarter of 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 2.13% ROAA and 22.2% ROATCE in the first quarter of 2018
- Ranked #1 overall in SNL Financial's "Top Performing Community 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)	For the Period Ended,				
	2014	2015	2016	2017	Q1 '18
(a) Net Income	\$17.7	\$22.5	\$33.2	\$38.0	\$68.0
(b) Avg. Shareholders' Equity	117.9	131.7	150.7	187.5	284.1
(c) Intangibles	(2.5)	(2.0)	(1.6)	(1.1)	(0.9)
(d) Avg. Tang. Common Equity	115.4	129.7	149.1	186.4	283.2
(a) / (d) ROATCE	15.4%	17.4%	22.3%	20.4%	22.2%

# Earnings Release Detail

## Balance Sheet

Sterling Bancorp, Inc. Consolidated Balance Sheets Unaudited					
Dollars in thousands	3/31/2018	12/31/2017	% change	3/31/2017	% change
<b>Assets</b>					
Cash and due from banks	\$ 37,341	\$ 40,147	(6)%	\$ 30,388	23%
Investment securities available for sale, at fair value	124,956	126,348	(1)%	87,121	43%
Investment securities, restricted stock, at cost	22,930	22,930	0%	18,360	25%
Mortgage loans held for sale	200,467	112,866	78%	1,468	N/M
Loans, net of allowance for loan losses of \$19,132, \$18,437 and \$15,567	2,580,560	2,594,337	(1)%	2,003,019	29%
Accrued interest receivable	11,936	11,493	4%	8,430	42%
Mortgage servicing rights, net	7,780	6,486	20%	5,424	43%
Leasehold improvements and equipment, net	7,705	7,043	9%	6,246	23%
Cash surrender value of bank owned life insurance	30,837	30,680	1%	30,194	2%
Deferred tax asset	7,234	6,847	6%	9,189	(21)%
Other assets	2,366	2,231	6%	2,126	11%
<b>Total assets</b>	<b>\$ 3,034,332</b>	<b>\$ 2,961,928</b>	<b>2%</b>	<b>\$ 2,202,175</b>	<b>38%</b>
<b>Liabilities</b>					
Noninterest-bearing deposits	\$ 75,062	\$ 73,682	2%	\$ 60,436	24%
Interest-bearing deposits	2,216,103	2,171,428	2%	1,661,712	33%
<b>Total deposits</b>	<b>2,291,165</b>	<b>2,245,110</b>	<b>2%</b>	<b>1,722,148</b>	<b>33%</b>
Federal Home Loan Bank borrowings	342,937	338,000	1%	222,113	54%
Subordinated notes, net	64,923	64,829	0%	49,371	32%
Accrued expenses and other liabilities	46,795	40,661	15%	37,431	25%
<b>Total liabilities</b>	<b>2,745,820</b>	<b>2,688,680</b>	<b>2%</b>	<b>2,091,065</b>	<b>33%</b>
<b>Stockholders' Equity</b>					
Preferred stock, authorized 10,000,000 shares; no shares issued and outstanding	-	-	-	-	-
Common stock, voting, authorized 500,000,000 shares at March 31, 2018 and December 31, 2017 and 490,000,000 at March 31, 2017, issued and outstanding 53,002,963, 52,963,308 and 43,271,000 shares at March 31, 2018, December 31, 2017 and March 31, 2017, respectively	111,238	111,238	0%	22,863	387%
Common stock, non-voting, no par value, authorized 10,000,000 shares, issued and outstanding 3,072,000 shares at March 31, 2017	-	-	-	2,883	-
Additional paid-in capital	12,425	12,416	0%	13,336	(19)%
Retained earnings	164,984	149,816	10%	130,095	27%
Accumulated other comprehensive loss	(132)	(172)	N/M	(69)	N/M
<b>Total shareholders' equity</b>	<b>288,512</b>	<b>273,288</b>	<b>6%</b>	<b>171,110</b>	<b>69%</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 3,034,332</b>	<b>\$ 2,961,928</b>	<b>2%</b>	<b>\$ 2,202,175</b>	<b>38%</b>

N/M – not meaningful

# Earnings Release Detail

## Income Statement

Sterling Bancorp, Inc. Consolidated Financial Summary Unaudited					
Dollars in thousands	Three Months Ended				
	3/31/2018	12/31/2017	% change	3/31/2017	% change
<b>Interest income:</b>					
Interest and fees on loans	\$ 33,826	\$ 34,093	3.2%	\$ 26,759	34%
Interest and dividends on investment securities	819	588	39%	365	124%
Other interest	114	54	110%	19	500%
<b>Total interest income</b>	<b>34,759</b>	<b>34,737</b>	<b>6%</b>	<b>27,143</b>	<b>36%</b>
<b>Interest expense:</b>					
Interest on deposits	6,589	5,884	12%	3,534	86%
Interest on Federal Home Loan Bank borrowings	833	751	11%	830	0%
Interest on subordinated notes and other	1,172	1,187	(1)%	908	29%
<b>Total interest expense</b>	<b>8,594</b>	<b>7,822</b>	<b>10%</b>	<b>5,272</b>	<b>63%</b>
<b>Net interest income</b>	<b>26,165</b>	<b>26,915</b>	<b>5%</b>	<b>21,871</b>	<b>29%</b>
Provision for loan losses	641	600	7%	600	7%
<b>Net interest income after provision for loan losses</b>	<b>27,504</b>	<b>26,315</b>	<b>5%</b>	<b>21,271</b>	<b>30%</b>
<b>Non-interest income:</b>					
Service charges and fees	618	629	(2)%	409	51%
Investment management and advisory fees	623	603	3%	352	13%
Net gain on sale of loans	4,006	868	362%	4,052	(1)%
Other income	790	726	8%	373	38%
<b>Total non-interest income</b>	<b>6,037</b>	<b>2,826</b>	<b>114%</b>	<b>3,286</b>	<b>8%</b>
<b>Non-interest expense:</b>					
Salaries and employee benefits	6,649	6,880	(3)%	5,410	23%
Occupancy and equipment	1,346	1,632	(9)%	1,389	11%
Professional fees	622	663	(7)%	369	69%
Advertising and marketing	349	370	(6)%	192	82%
FDIC assessments	343	435	19%	242	124%
Data processing	288	292	(1)%	207	39%
Other	1,506	1,649	(9)%	1,283	17%
<b>Total non-interest expense</b>	<b>11,503</b>	<b>11,843</b>	<b>(4)%</b>	<b>9,092</b>	<b>27%</b>
<b>Income before income taxes</b>	<b>22,088</b>	<b>17,198</b>	<b>28%</b>	<b>17,765</b>	<b>24%</b>
<b>Income tax expense</b>	<b>6,329</b>	<b>10,667</b>	<b>(41)%</b>	<b>7,349</b>	<b>(14)%</b>
<b>Net income</b>	<b>\$ 15,749</b>	<b>\$ 6,531</b>	<b>141.1%</b>	<b>\$ 10,416</b>	<b>51%</b>
<b>Income per share, basic and diluted</b>	<b>\$ 0.30</b>	<b>\$ 0.13</b>		<b>\$ 0.23</b>	
<b>Weighted average common shares outstanding, basic and diluted</b>	<b>52,963,308</b>	<b>49,034,542</b>		<b>45,271,000</b>	

# Earnings Release Detail

## Performance Ratios

Sterling Bancorp, Inc. Performance Ratios			
	As of and for the Three Months Ended		
	3/31/2018	12/31/2017	3/31/2017
<b>Performance Ratios:</b>			
Return on average assets	2.13%	0.94%	1.89%
Return on average shareholders' equity	22.17%	11.46%	24.80%
Return on average tangible common equity	22.24%	11.50%	25.00%
Yield on earning assets	5.07%	5.12%	5.05%
Cost of average interest-bearing liabilities	1.36%	1.28%	1.10%
Net interest spread	3.71%	3.84%	3.95%
Net interest margin	3.89%	3.97%	4.07%
Efficiency ratio <sup>1</sup>	33.60%	40.16%	33.11%

**Note:**

1: Efficiency Ratio is computed as the ratio of non-interest expense divided by the sum of net interest margin and non-interest income.

# Earnings Release Detail



## Capital and Credit Quality

Sterling Bancorp, Inc. Capital and Credit Quality Ratios			
	As of and for the Three Months Ended		
	3/31/2018	12/31/2017	3/31/2017
<b>Capital Ratios</b>			
<b>Regulatory and Other Capital Ratios—</b>			
<b>Consolidated:</b>			
Tier 1 (core) capital to risk-weighted assets	15.77%	15.53%	12.66%
Tier 1 (core) capital to adjusted tangible assets	9.73%	9.83%	7.71%
Common Tier 1 (CET 1)	15.77%	15.53%	12.66%
Total adjusted capital to risk-weighted assets	20.38%	20.28%	17.49%
<b>Regulatory and Other Capital Ratios—Bank:</b>			
Tier 1 (core) capital to risk-weighted assets	14.02%	13.71%	15.00%
Tier 1 (core) capital to adjusted tangible assets	8.65%	8.68%	9.14%
Common Tier 1 (CET 1)	14.02%	13.71%	15.00%
Total capital to risk-weighted assets	15.07%	14.76%	16.16%
<b>Credit Quality Data</b>			
Nonperforming loans <sup>1</sup>	\$ 5,115	\$ 783	\$ 640
Nonperforming loans to total loans	0.20%	0.03%	0.03%
Nonperforming assets <sup>2</sup>	\$ 8,082	\$ 3,777	\$ 3,703
Nonperforming assets to total assets	0.27%	0.13%	0.17%
Allowance for loan losses to total loans	0.74%	0.71%	0.77%
Allowance for loan losses to nonperforming loans	374%	2357%	2432%
Net charge-offs to average loans	(0.00)%	(0.03)%	(0.01)%

**Note:**

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

Sterling Bancorp, Inc. Allowance for Loan Losses				
	Three Months Ended			
	3/31/2018	12/31/2017	3/31/2017	
Allowance for loan losses				
Balance at beginning of period	\$ 18,457	\$ 17,189	\$ 14,822	
Provision for loan losses	641	600	600	
Charge offs	-	(19)	-	
Recoveries	34	687	145	
Balance at end of period	\$ 19,132	\$ 18,457	\$ 15,567	

# Earnings Release Detail

## Loan and Deposit Composition

Sterling Bancorp, Inc. Loan Composition					
Loan Composition	3/31/2018	12/31/2017	% Change	3/31/2017	% Change
Construction	\$ 179,846,211	\$ 192,319,421	-6%	\$ 159,874,388	12%
Residential real estate, mortgage	2,134,447	2,132,641	0%	1,615,075	32%
Commercial real estate, mortgage	239,204	247,076	-3%	206,870	16%
Commercial and industrial loans, lines of credit	46,166	40,749	13%	36,710	26%
Other consumer loans	29	29	1%	57	-49%
Total loans held for investment	2,599,692	2,612,814	-1%	2,018,586	29%
Less: allowance for loan losses	(19,132)	(18,457)	4%	(15,567)	23%
Loans, net	\$ 2,580,560	\$ 2,594,357	-1%	\$ 2,003,019	29%
Mortgage loans held for sale	\$ 200,467	\$ 112,866.00	N/M	\$ 1,468.38	N/M
Total loans	\$ 2,800,159	\$ 2,725,680	3%	\$ 2,020,054	39%

Sterling Bancorp, Inc. Deposit Composition					
Deposit Composition	3/31/2018	12/31/2017	% change	3/31/2017	% change
Noninterest bearing demand deposits	\$ 75,062	\$ 73,682	2%	\$ 60,436	24%
Money Market, Savings and NOW deposits	1,536,481	1,507,956	2%	1,267,914	21%
Time deposits	679,622	663,472	2%	393,798	73%
Total deposits	\$ 2,291,165	\$ 2,245,110	2%	\$ 1,722,148	33%

# Earnings Release Detail

## Quarterly Yield Analysis

Sterling Bancorp, Inc. Yield Analysis									
Dollars in thousands									
	3/31/2018			For the Three Months Ended 12/31/2017			3/31/2017		
	Average Balance	Interest	Average Yield/ Rate	Average Balance	Interest	Average Yield/ Rate	Average Balance	Interest	Average Yield/ Rate
<b>Interest earning assets</b>									
Loans	\$ 2,733,759	\$ 35,856	3.25%	\$ 2,563,319	\$ 34,090	3.32%	\$ 2,044,732	\$ 26,759	3.23%
Securities, includes restricted stock	141,616	819	2.31%	132,869	588	1.77%	97,329	365	1.50%
Other interest earning assets	24,663	114	1.85%	18,297	54	1.17%	9,574	19	0.79%
<b>Total interest earning assets</b>	<b>\$ 2,900,038</b>	<b>\$ 36,789</b>	<b>3.07%</b>	<b>\$ 2,714,485</b>	<b>\$ 34,732</b>	<b>3.12%</b>	<b>\$ 2,151,635</b>	<b>\$ 27,143</b>	<b>3.05%</b>
<b>Interest-bearing liabilities</b>									
Savings, NOW, Money Markets	\$ 1,325,436	\$ 4,135	1.10%	\$ 1,437,137	\$ 3,633	0.99%	\$ 1,200,209	\$ 2,459	0.83%
Time deposits	705,824	2,454	1.41%	662,822	2,231	1.34%	422,972	1,075	1.01%
Total deposits	2,231,260	6,589	1.20%	2,119,959	5,864	1.10%	1,623,181	3,534	0.88%
FHLB borrowings	259,056	833	1.29%	244,263	791	1.20%	273,622	830	1.21%
Subordinated debt	64,901	1,172	7.22%	64,871	1,187	7.32%	49,349	908	7.38%
Total borrowings	323,957	2,005	2.48%	309,134	1,938	2.45%	322,971	1,738	2.15%
<b>Total interest-bearing liabilities</b>	<b>\$ 2,555,217</b>	<b>\$ 8,594</b>	<b>1.36%</b>	<b>\$ 2,429,093</b>	<b>\$ 7,822</b>	<b>1.28%</b>	<b>\$ 1,946,152</b>	<b>\$ 5,272</b>	<b>1.10%</b>
<b>Net interest income and spread <sup>1</sup></b>		<b>\$ 28,195</b>	<b>3.71%</b>		<b>\$ 26,910</b>	<b>3.84%</b>		<b>\$ 21,871</b>	<b>3.95%</b>
<b>Net interest margin</b>			<b>3.86%</b>			<b>3.82%</b>			<b>4.02%</b>

**Note:**

1: Interest income does not include taxable equivalent adjustments.

**Sterling**

