AMALGAMATED BANK

Second Quarter 2019 Earnings Presentation

July 29, 2019

SAFE HARBOR STATEMENTS

FORWARD-LOOKING STATEMENTS

Statements included in this presentation that are not historical in nature are intended to be, and are hereby identified as, forward-looking statements within the meaning of the Private Securities Litigation Reform Act, Section 21E of the Securities Exchange Act of 1934, as amended. The words “may,” “will,” “anticipate,” “should,” “would,” “believe,” “contemplate,” “expect,” “estimate,” “continue,” “may” and “intend,” as well as other similar words and expressions of the future, are intended to identify forward-looking statements. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors, any or all of which could cause actual results to differ materially from the results expressed or implied by such forward-looking statements. Additional factors which could affect the forward looking statements can be found in Amalgamated’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K filed with the FDIC and available on the FDIC's website at https://efr.fdic.gov/fcxweb/efr/index.html. Amalgamated Bank disclaims any obligation to update or revise any forward-looking statements contained in this presentation, which speak only as of the date hereof, whether as a result of new information, future events or otherwise.

NON-GAAP FINANCIAL MEASURES

This presentation contains certain non-GAAP financial measures including, without limitation, “Core Non-interest Income,” “Core Non-interest Income / Average Assets,” “Core Operating Revenue,” “Core Non-interest Expense,” “Core Non-interest Expense / Average Assets,” “Core Efficiency Ratio,” “Core Earnings,” “Core ROAA,” and “Core ROAE.”

We believe these non-GAAP financial measures provide useful information to management and investors that is supplementary to our financial condition, results of operations and cash flows computed in accordance with GAAP. Specifically, we believe these non-GAAP financial measures (a) allow management and investors to better assess our performance by removing volatility that is associated with discrete items that are unrelated to our core business, and (b) enable a more complete understanding of factors and trends affecting our business.

Non-GAAP financial measures, however, have inherent limitations, are not required to be uniformly applied, and are not audited. Accordingly, these non-GAAP financial measures should not be considered as substitutes for GAAP financial measures, and we strongly encourage investors to review the GAAP financial measures included in this offering circular and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this offering circular with other companies’ non-GAAP financial measures having the same or similar names. As such, you should not view these disclosures as a substitute for results determined in accordance with GAAP, and they are not necessarily comparable to non-GAAP financial measures that other companies use. Reconciliations of non-GAAP financial disclosures to what we believe to be the most directly comparable GAAP measures found in this presentation are set forth in the final pages of this presentation and also may be viewed on the company’s website, amalgamatedbank.com.

You should assume that all numbers presented are unaudited unless otherwise noted.

SECOND QUARTER HIGHLIGHTS

2Q19 Highlights

- ✓ Earnings of $0.35 per diluted share
- ✓ Core Earnings of $0.36 per diluted share

- ✓ Average deposit growth of $190.4 million, or 19.4% annualized compared to1Q19
- ✓ Non-interest bearing deposits are 46.1% of ending deposits
- ✓ 34 bps cost of deposits; 31 bps excluding non-relationship brokered deposits

- ✓ Loan growth of $23.9 million, or 2.9% annualized compared to the prior quarter
- ✓ $136.8 million reduction in indirect C&I portfolio

- ✓ 3.66% Net Interest Margin

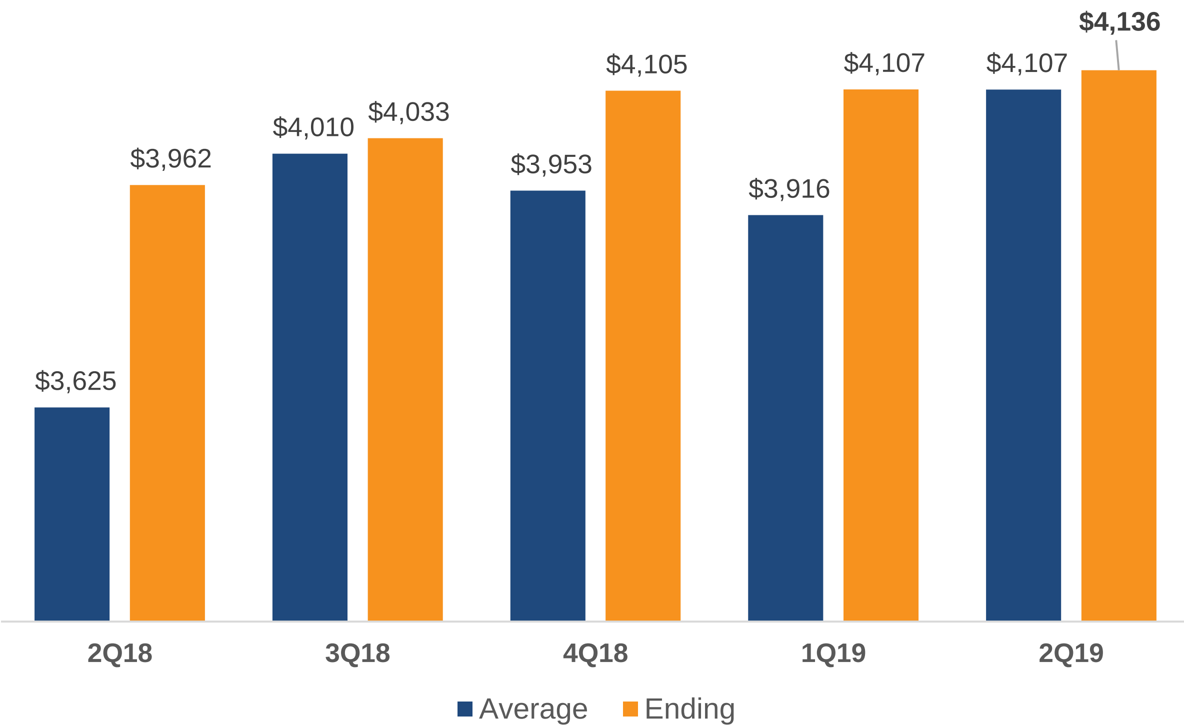
- ✓ Closure of one New York City branch for an annual $0.8 million in cost saves

(1) See non-GAAP disclosures beginning on page 18

DEPOSIT PORTFOLIO

Total Deposits

($ in millions)



2Q19 Highlights

- ✓ Total ending deposits increased $29.4 million, or 2.9% annualized, compared to 1Q19
- ✓ Total average deposits increased $190.4 million, or 19.4% annualized, compared to 1Q19
- ✓ $198.8 million of non-interest bearing deposit growth compared to1Q19
- ✓ Political deposits were $419.4 million, $148.5 higher than 1Q19
- ✓ Non-interest-bearing deposits represented 46.1% of ending deposits in 2Q19 compared to 42% in 1Q19

POLITICAL DEPOSITS

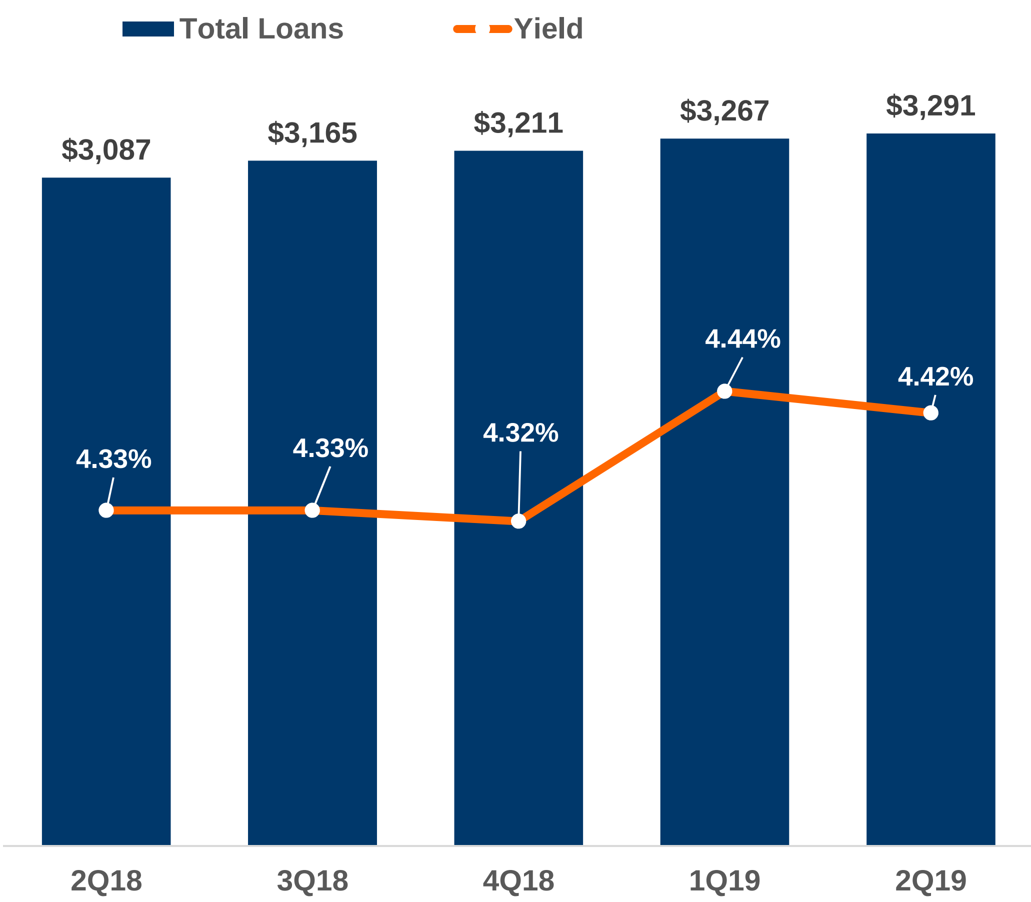
Political Deposits Historical Trend

($ in millions)

LOAN PORTFOLIO

Total Loans, Net

($ in millions)



2Q19 Highlights

- ✓ Total loans increased $23.9 million, or 2.9% annualized compared to 1Q19
- ✓ Since the NRB acquisition, growth in mission-oriented lending is approximately $340.7 million ($84.4 million in 2Q19); Yield on this portfolio currently trending at ~5.14%
- ✓ 2Q19 loan growth compared to the 1Q19 was due to:
  - ✓ $85.0 million increase in residential first liens and PACE loans; $24.9 million in commercial real estate loans
  - ✓ Offset by a strategic reduction in indirect C&I loans of $136.8 million

INDIRECT C&I PORTFOLIO

Leverage Loans - June 30, 2019

Number of loans	Balance ($MM)	Exposure ($MM)	Reserves ($MM)	Reserves (%)	Status - 6/30/2019
4	21.8	34.8	0.3	1.3%	Performing
1	6.1	6.1	0.1	1.8%	1 upgrade to Special Mention
2	13.3	14.2	4.1	30.6%	1 downgrade to Substandard
1	10.8	15.8	2.0	18.7%	TDR -Substandard - Unitranche
1	9.2	9.2	1.0	11.4%	Substandard - Unitranche
1	2.5	2.5	0.0	0.0%	TDR / Non-Accrual
Total - Leverage	**$63.7**	**$82.6**	**$7.5**	**11.8%**	

$8.6 Million pay down in July 2019

Non-Leverage Loans - June 30, 2019

Number of loans	Balance ($MM)	Exposure ($MM)	Reserves ($MM)	Reserves (%)	Status - 6/30/2019
1	6.3	14.3	0.1	1.4%	Performing
Total - Non Leverage	**$6.3**	**$14.3**	**$0.1**	**1.4%**	

Total Indirect C&I portfolio is ~$70mm as of June 30, 2019

NEW YORK MULTIFAMILY PORTFOLIO

Summary of Regulations

- ✓ Repeals Vacancy Bonus Increases. Prohibits Rent Guidelines Board (RGB) from setting vacancy bonus rent increases. Prohibits RGB from setting longevity rent increases
- ✓ Sets the Preferential Rent as the base rent for the duration of a tenancy, but preserves regulatory agreements that allow for legal rent increases
- ✓ Decrease on allowable rent increases for Major Capital Improvement (MCI) & Individual Apartment Improvement (IAI)
- ✓ Repeals High Rent Deregulation, which allows units to be removed from rent regulation upon vacancy after the rent achieves a high rent threshold

Portfolio

- ✓ Approximately $750 million or 85% of our portfolio is in New York City Multifamily
- ✓ 60% of units are rent regulated (excl. Sec 8)
- ✓ Average loan to value of portfolio is 57%
- ✓ Average DSCR is 1.47x
- ✓ $239 million of Multifamily loans are carried at a 50% risk weighting, representing 48 basis points of risk-weighted capital benefit

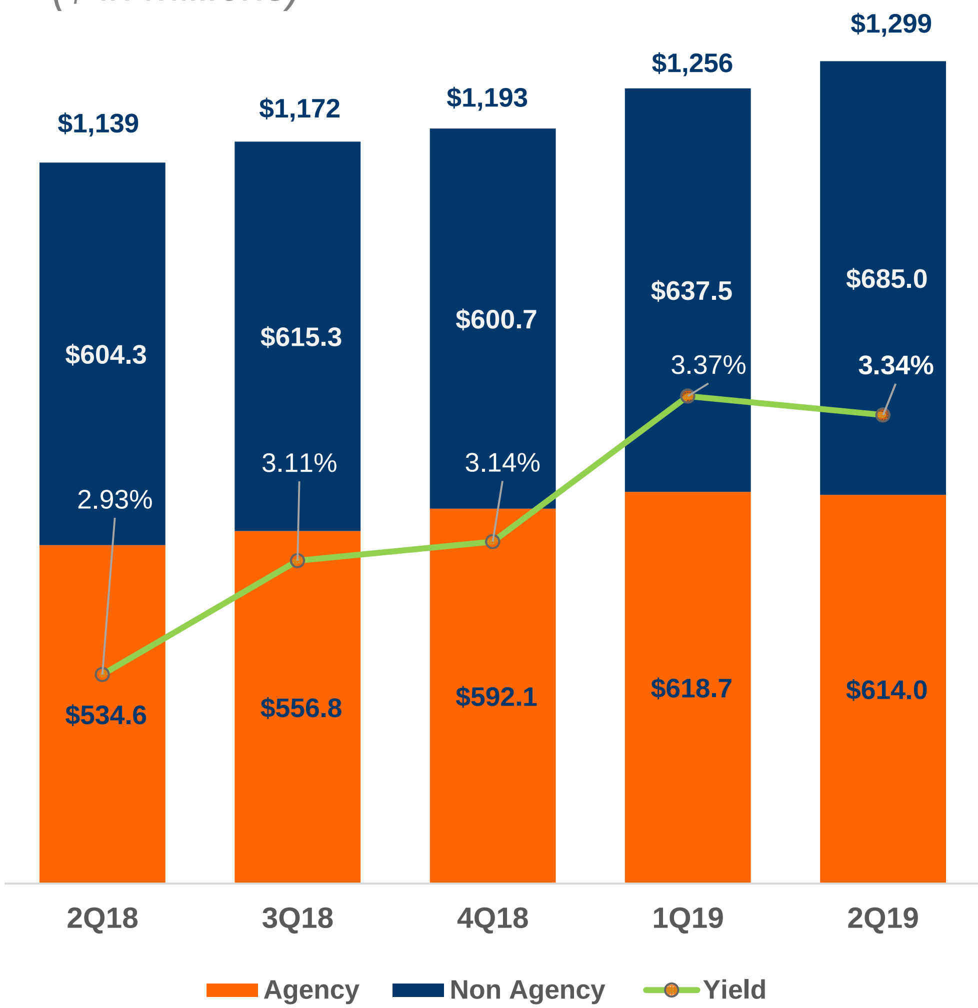
Potential Risks

- ✓ Declining valuations
- ✓ Slow growth in rental income
- ✓ Lower capital reinvestment in properties

CASH AND INVESTMENT SECURITIES

Securities

($ in millions)



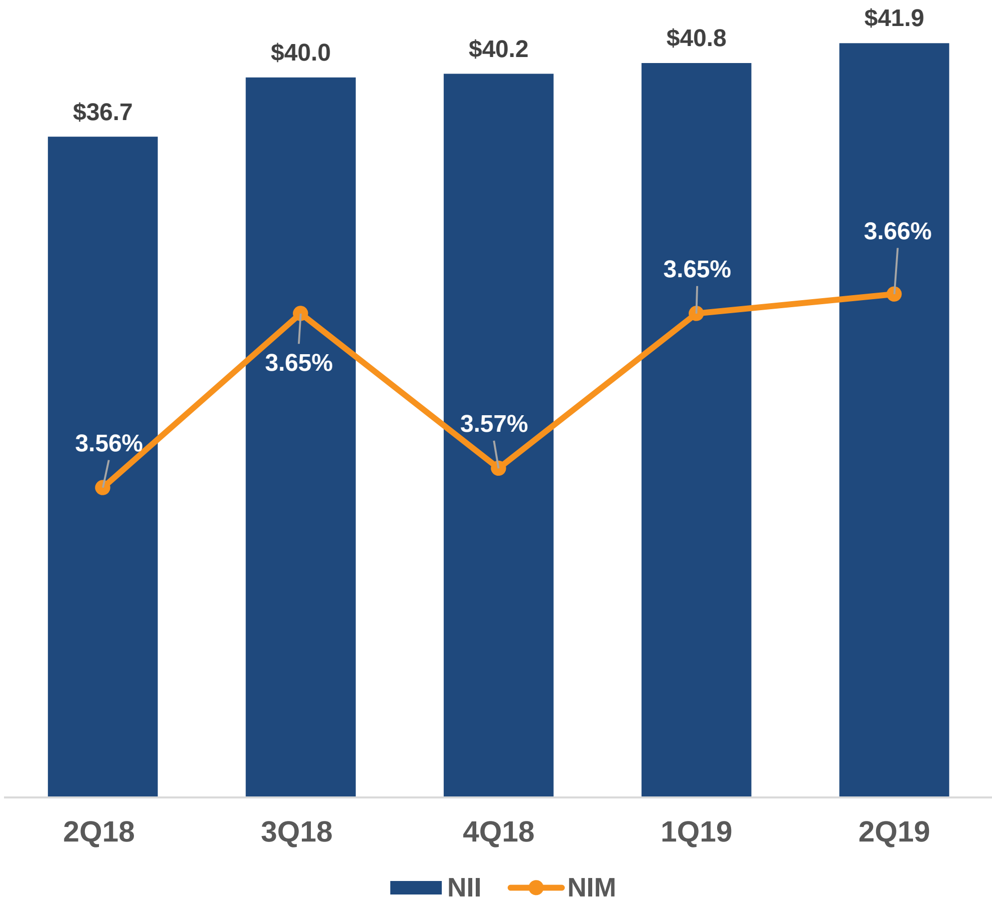
2Q19 Highlights

- ✓ Cash and Investment Securities totaled $1.3 billion for 2Q19 versus $1.3 billion in 1Q19
- ✓ Increase of $55 million from 1Q19 was primarily due to purchases of floating rate CLO, ABS and agency securities
- ✓ 88% of all non-agency MBS/ABS securities are AAA rated and 99% are A rated or higher; all CLO's are AAA rated
- ✓ Securities yield lower due to impact from lower interest rates
- ✓ As of 2Q19 average subordination for the C&I CLOs is 41%

NET INTEREST INCOME AND MARGIN

Net Interest Income & Margin

($ in millions)



2Q19 Highlights

- ✓ Net interest income was $41.9 million, an increase of 2.7% compared to $40.8 million in 1Q19 and 14.1% compared to $36.7 in 2Q18

  2Q19 vs. 2Q18 changes due to**:**

- ✓ Increases:
  - Average loans increased $233.9 million
  - Average securities increased $242.3 million
  - Yield increase on all assets due to rising rates

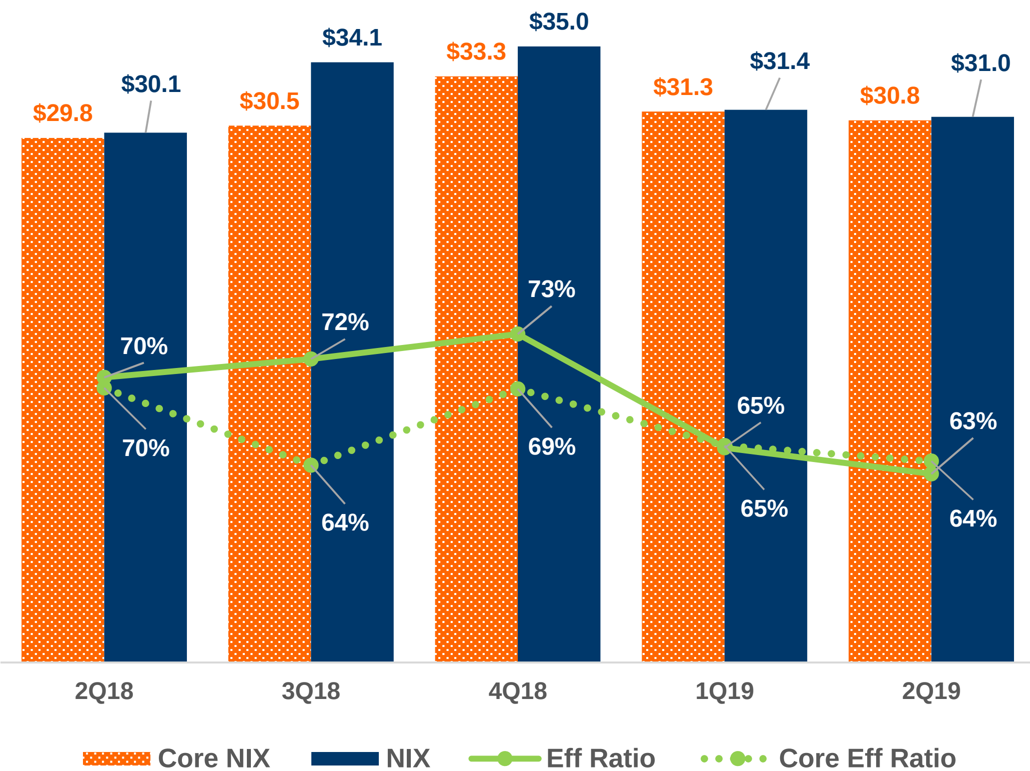
- ✓ Offsets:
  - Average interest bearing deposits increased $355.8 million
  - Yield increase on deposits and borrowings

- ✓ 2Q19 NIM at 3.66%; increase of 1bps and 10bps compared to 1Q19 and 2Q18 respectively

NON-INTEREST EXPENSE AND EFFICIENCY

Non-Interest Expense

($ in millions)



2Q19 Highlights

- ✓ Core efficiency ratio of 63.50% for 2Q19(1)
- ✓ Non-interest expense for the 2Q19 was $31.0 million, $0.4 million decrease from 1Q19
- ✓ Core non-interest expense for the 2Q19 was $30.8 million, $0.5 million decrease and $1 million increase compared to 1Q19 and 2Q18, respectively

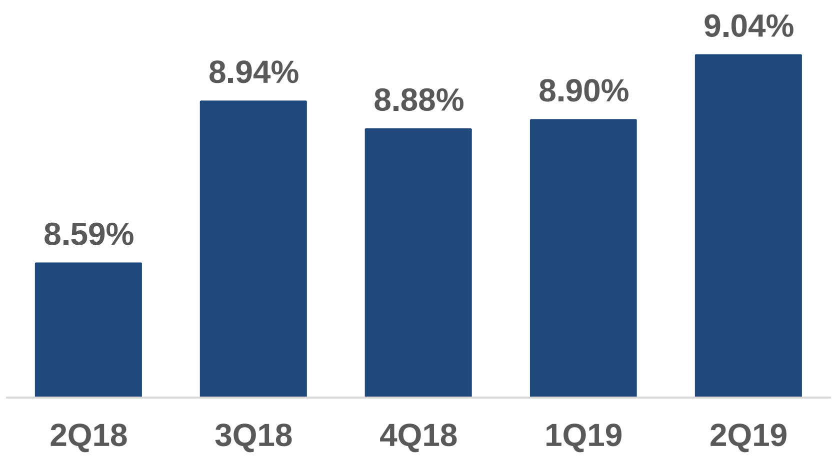
OTHER UPDATES

- ✓ Chelsea branch closure (August 2019) resulting in estimated cost save of ~$0.8 million / year
- ✓ Continue to focus on reduction in vendor costs in the near term.

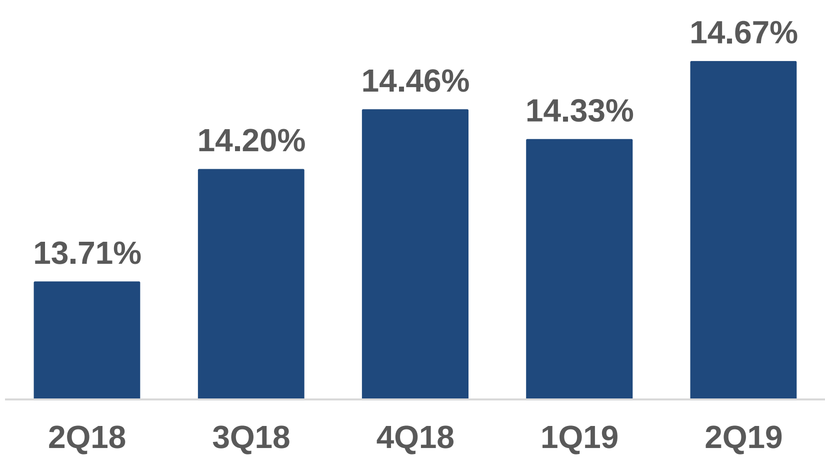
(1) See non-GAAP disclosures on page 18-19

CAPITAL

Tier 1 Leverage Ratio



Total Risk Based Capital Ratio

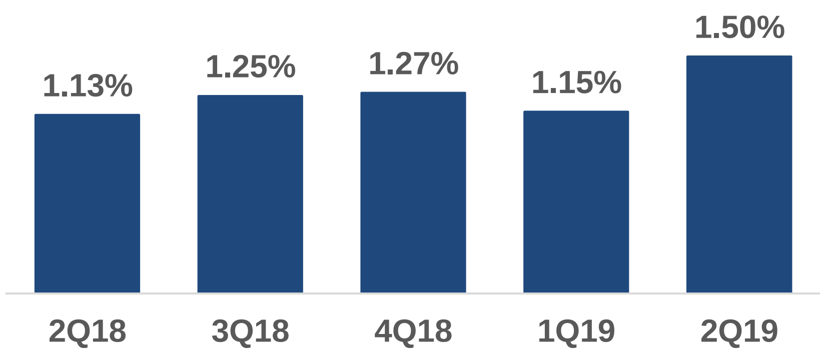


2Q19 Highlights

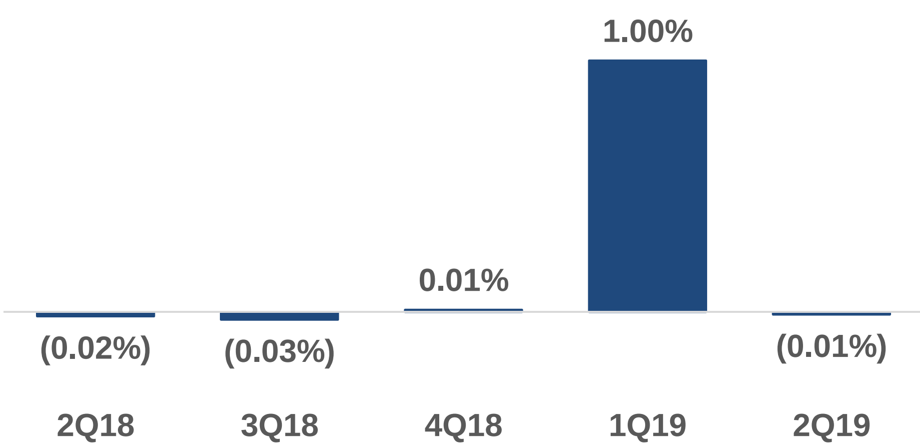
- ✓ Regulatory capital ratios remain well capitalized
  - ✓ Tier 1 leverage of 9.04% as of 2Q19, up 14 bps compared to 1Q19
  - ✓ Total Risk Based Capital of 14.67%, up 34 bps compared to 1Q19
- ✓ Tangible book value[(1)] per share of $14.25 compared to $13.68 as of 1Q19 and $12.06 as of 2Q18
- ✓ Book value increase aided by $15.9 million in AOCI on securities since 4Q18

CREDIT QUALITY PORTFOLIO

NPAs/ Total Assets



NCOs/ Average Loans[1]



(1) Annualized

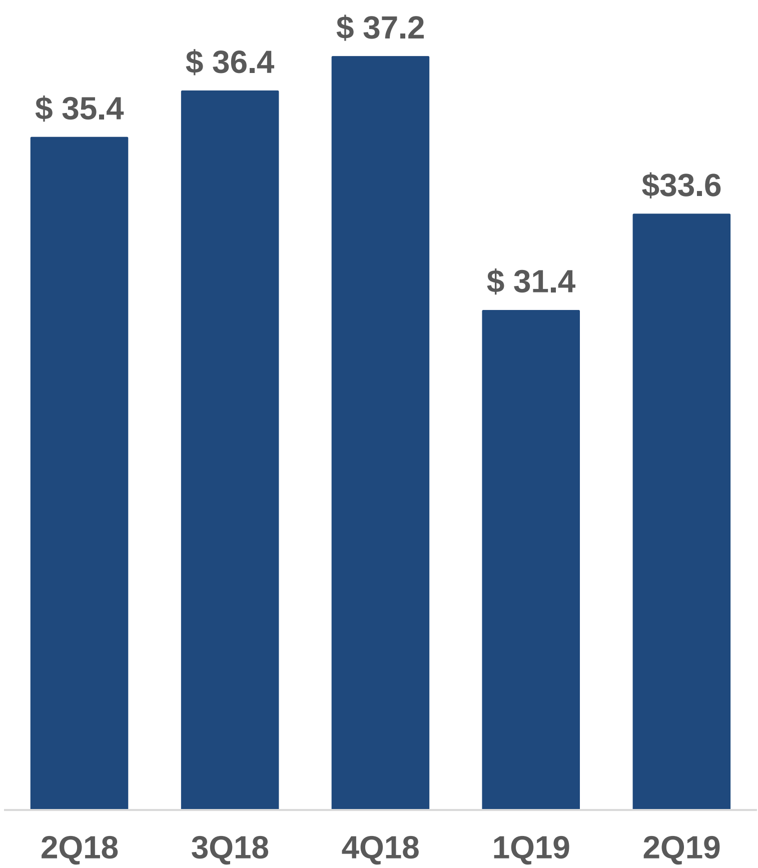
2Q19 Highlights

- ✓ Nonperforming assets were $73.9 million as of 2Q19, compared to $56.6 million in 1Q19
  - ✓ $17.4 million increase was due to $6.8 million increase in loan 90 days past due and accruing and the restructuring of one substandard indirect C&I loan of $10.8 million
- ✓ Net Charge-offs negligible with the exception of 1Q19
  - ✓ Increase in 1Q19 was due to charge-off of one indirect C&I loan ($8.4 million) which had previously built-up specific reserves

ALLOWANCE FOR LOAN LOSSES

Allowance for Loan Losses

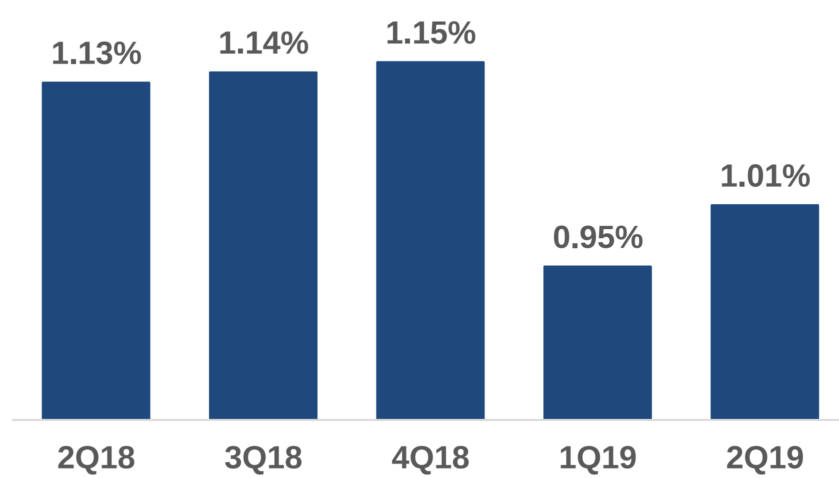
($ in millions)



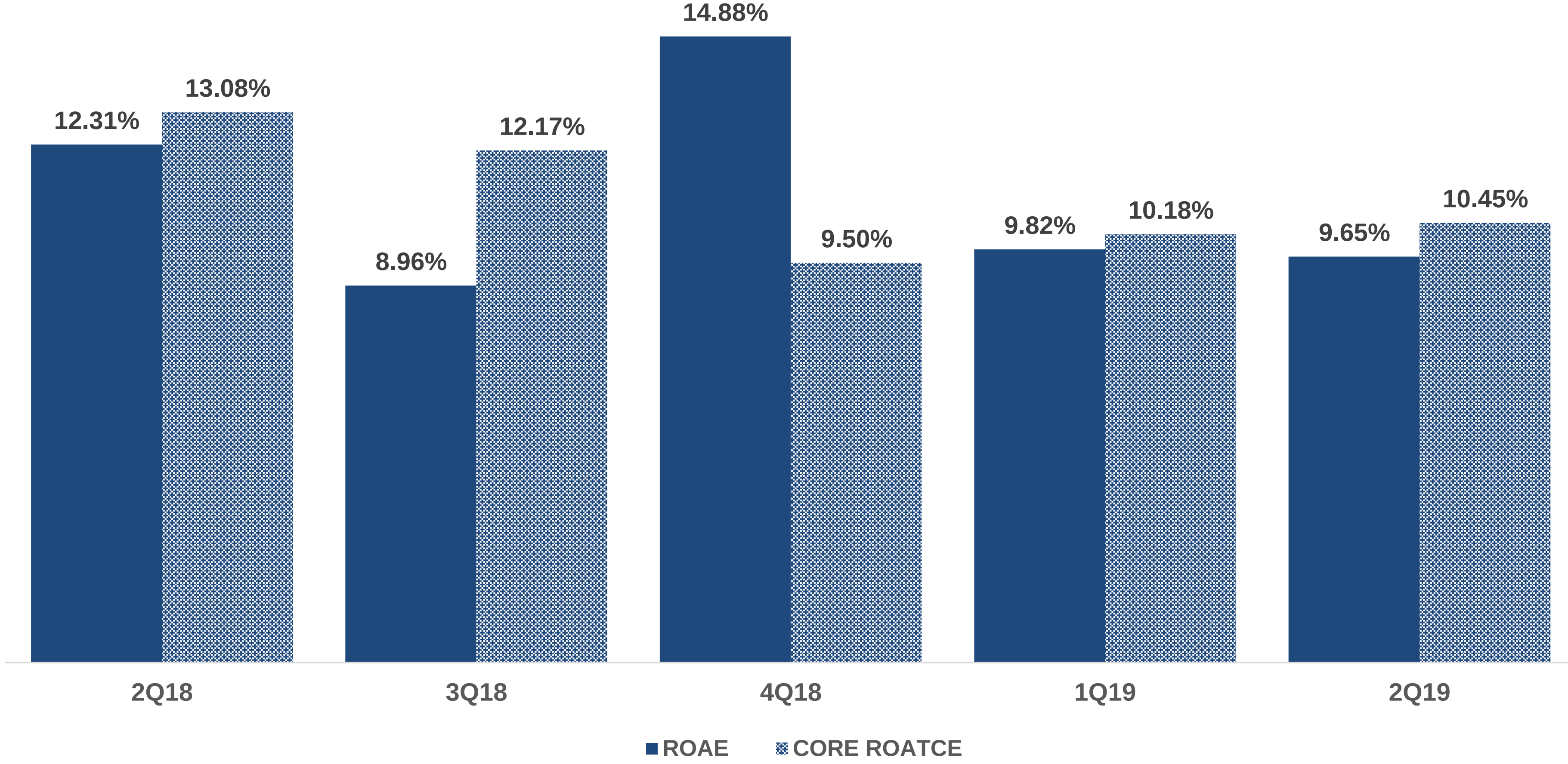
2Q19 Highlights

- ✓ Allowance for loan losses totaled $33.6 million
- ✓ Increased $2.2 million compared to 1Q19 primarily due to:
  - (i) increase in criticized and classified loans in the indirect C&I portfolio
  - (ii) increase in qualitative loan factors related to multifamily loans
- ✓ 1.01% of total loans compared to 0.95% in 1Q19

Allowance for Loan Losses/ Total Loans



ROAE & CORE ROATCE



- ✓ **Core ROATCE of 10.45% compared to 10.18% at 1Q19 and 13.08% at 2Q18**

FY 2019 OUTLOOK

Outlook

- ✓ Pre-tax pre-provision earnings of $66 to $72 million
- ✓ Assumes:
  - ✓ Deposit growth of 10 - 14%, off an adjusted base of $3.8 billion
  - ✓ Loan growth of 6 - 10%, including purchases
  - ✓ Net interest margin of 3.55% - 3.65% (includes one 25 bps rate cut in July)
  - ✓ Expense of $31 - $33 million per quarter

Appendix

Reconciliation of Non-GAAP Financials

(in thousands)	For the Three Months Ended June 30, 2019	For the Three Months Ended March 31, 2019	For the Three Months Ended June 30, 2018	For the Six Months Ended June 30, 2019	For the Six Months Ended June 30, 2018
Core operating revenue					
Net interest income (GAAP)	$ 41,856	$ 40,773	$ 36,695	$ 82,629	$ 69,497
Non interest income (GAAP)	6,349	7,417	6,204	13,766	13,217
Add: Securities loss (gain)	377	(292)	9	85	110
Core operating revenue (non-GAAP)	$ 48,582	$ 47,898	$ 42,908	$ 96,480	$ 82,824
Core non-interest expenses					
Non-interest expense (GAAP)	$ 31,002	$ 31,448	$ 30,138	$ 62,450	$ 58,926
Less: Prepayment fees on borrowings	-	-	(4)	-	(4)
Less: Acquisition cost (1)	-	-	(307)	-	(537)
Less: Severance (2)	(154)	(117)	-	(271)	23
Core non-interest expense (non-GAAP)	$ 30,848	$ 31,331	$ 29,827	$ 62,179	$ 58,408
Core Earnings					
Net Income (GAAP)	$ 11,185	$ 10,813	$ 11,592	$ 21,999	$ 19,253
Add: Securities loss (gain)	377	(292)	9	85	110
Add: Prepayment fees on borrowings	-	-	4	-	4
Add: Acquisition cost (1)	-	-	307	-	537
Add: Severance (2)	154	117	-	271	(23)
Less: Tax on notable items	(137)	45	(81)	(92)	(158)
Core earnings (non-GAAP)	$ 11,579	$ 10,683	$ 11,831	$ 22,263	$ 19,723
Tangible common equity					
Stockholders Equity (GAAP)	$ 474,944	$ 455,480	$ 406,311	$ 474,944	$ 406,311
Less: Minority Interest (GAAP)	(134)	(134)	(134)	(134)	(134)
Less: Goodwill (GAAP)	(12,936)	(12,936)	(14,124)	(12,936)	(14,124)
Less: Core deposit intangible (GAAP)	(7,415)	(7,713)	(8,897)	(7,415)	(8,897)
Tangible common equity (non-GAAP)	$ 454,459	$ 434,697	$ 383,156	$ 454,459	$ 383,156

(1) Expense related to New Resource Bank acquisition

(2) Salary and COBRA reimbursement expense for positions eliminated

Reconciliation of Non-GAAP Financials

(in thousands)	For the Three Months Ended June 30, 2019	For the Three Months Ended March 31, 2019	For the Three Months Ended June 30, 2018	For the Six Months Ended June 30, 2019	For the Six Months Ended June 30, 2018
Average tangible common equity					
Average Stockholders Equity (GAAP)	$ 464,902	$ 446,464	$ 377,855	$ 455,734	$ 362,476
Less: Minority Interest (GAAP)	(134)	(134)	(134)	(134)	(134)
Less: Preferred Stock (GAAP)	-	-	(4,418)	-	(5,552)
Less: Goodwill (GAAP)	(12,936)	(12,936)	(6,612)	(12,936)	(3,324)
Less: Core deposit intangible (GAAP)	(7,575)	(7,903)	(3,927)	(7,738)	(1,974)
Average tangible common equity (non-GAAP)	$ 444,257	$ 425,491	$ 362,765	$ 434,926	$ 351,491
Core return on average assets					
Core earnings (numerator) (non-GAAP)	11,579	10,683	11,831	22,263	19,723
Divided: Total average assets (denominator) (GAAP)	4,853,975	4,787,874	4,333,422	4,821,107	4,194,869
Core return on average assets (non-GAAP)	0.96%	0.90%	1.10%	0.93%	0.95%
Core return on average tangible common equity					
Core earnings (numerator) (non-GAAP)	11,579	10,682	11,831	22,263	19,723
Divided: Average tangible common equity (denominator) (non-GAAP)	444,257	425,491	362,765	434,926	351,491
Core return on average tangible common equity (non-GAAP)	10.45%	10.18%	13.08%	10.32%	11.32%
Core efficiency ratio					
Core non-interest expense (numerator) (non-GAAP)	30,848	31,331	29,827	62,179	58,408
Core operating revenue (denominator) (non-GAAP)	48,582	47,897	42,908	96,480	82,824
Core efficiency ratio (non-GAAP)	63.50%	65.41%	69.51%	64.45%	70.52%

Thank You

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