Provident
New York Bancorp

Q2 2013 Earnings Conference Call

April 23, 2013

Forward-Looking Statements and Associated Risk Factors

We make statements in this presentation, and we may from time to time make other statements, regarding our outlook or expectations for earnings, revenues, expenses and/or other matters regarding or affecting us that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Forward-looking statements are typically identified by words such as "believe", "expect", "anticipate", "intend", "outlook", "estimate", "forecast", "project" "target," "continue," "positions," "prospects" or "potential," by future conditional verbs such as "will," "would," "should," "could" or "may", or by variations of such words or by similar expressions.

These forward-looking statements are subject to numerous assumptions, risks and uncertainties which change over time. In addition to factors previously disclosed in reports filed with the Securities and Exchange Commission, the following factors, among others, could cause actual results to differ materially from forward-looking statements: changes in market interest rates and general and regional economic conditions; changes in government regulations and regulatory oversight; changes in the value of goodwill and intangible assets; changes in the quality or composition of the loan and investment portfolios; potential breaches of information security; competition from banks and non-banking companies; ability to obtain regulatory approvals and meet other closing conditions to the merger (the "Merger") between Provident New York Bancorp ("Provident") and Sterling Bancorp ("Sterling), including approval by Provident and Sterling shareholders, on the expected terms and schedule; delay in closing the Merger; difficulties and delays in integrating the Provident and Sterling businesses or fully realizing cost savings and other benefits; business disruption following the proposed Merger; changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates and capital markets; inflation; customer borrowing, repayment, investment and deposit practices; customer disintermediation; the introduction, withdrawal, success and timing of business initiatives; competitive conditions; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with mergers, acquisitions and divestitures; economic conditions; changes in Provident's stock price before the completion of the Merger, including as a result of the financial performance of Sterling prior to closing; the reaction to the Merger of the companies' customers, employees and counterparties; and the impact, extent and timing of technological changes, capital management activities, and other actions of the Federal Reserve Board and legislative and regulatory actions and reforms. These factors should be considered in evaluating the forward-looking statements and undue reliance should not be placed on such statements. Actual results or future events could differ, possibly materially, from those that we anticipated in our forward-looking statements, and future results could differ materially from our historical performance. Forward-looking statements speak only as of the date they are made and we undertake no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date on which such statements were made.

Financial statement information contained in this release should be considered to be an estimate pending the filing with the Securities and Exchange Commission of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2013. While the Company is not aware of any need to revise the results disclosed in this presentation, accounting literature may require information received by management between the date of this release and the filing of the 10-Q to be reflected in the results of the fiscal period, even though the new information was received by management subsequent to the date of this presentation.

Second Quarter Highlights

- Q2 net income of $6.5mm and earnings per share of $0.15
  - Year-over-year net income growth rate of 15%
- Year to date net income of $13.5mm and earnings per share of $0.31
- Total loan growth year-over year of 23% (1)
- Deposit growth year-over-year of 28% excluding municipal deposits (2)
- Pipeline remains high and is driving diversification
- Continued expense management
- Positive trends in asset quality
- Strong capital and liquidity position
- Announced pending merger with Sterling Bancorp

(1) Annualized loan growth rate excluding Gotham loans is 13%.
(2) Annualized deposit growth rate excluding Gotham deposits is 19%.

Summary Financial Performance

($ in millions, except per share data)	3/31/2012	9/30/2012	12/31/2012	3/31/2013	Linked Q Δ	YOYΔ
Selected Balance Sheet Data: (1)						
Total Assets	$3,211	$4,023	$3,790	$3,710	($80)	$499
Net Loans	1,771	2,091	2,165	2,177	12	406
Securities	1,028	1,153	1,131	1,129	(2)	101
Deposits	2,369	3,111	2,904	2,800	(104)	431
Tangible Equity (2)	275	321	324	325	1	50
Selected Profitability Data: (1)						
Net Interest Income	$23.9	$25.2	$27.9	$27.8	($0.1)	$3.9
Provision for Loan Losses	2.9	3.5	3.0	2.6	(0.4)	(0.3)
Non Interest Income (Excluding Securities Gains/OTTI)	5.1	5.9	6.3	4.6	(1.7)	(0.5)
Non Interest Expense	21.3	28.8	22.5	23.3	0.8	2.0
Net Income	5.7	2.3	7.0	6.5	(0.5)	0.8
Securities Gains/Caps/OTTI	2.9	3.1	1.4	2.2	0.8	(0.7)
Key Performance Measures: (1)						
Diluted Earnings per Share	$0.15	$0.06	$0.16	$0.15	($0.01)	--
Net Interest Margin (tax-equivalent basis)	3.57%	3.38%	3.37%	3.41%	4 bps	(16 bps)
Core Efficiency Ratio (3)	67.9%	72.0%	62.9%	64.6%	(170 bps)	330 bps
ROAA	0.73%	0.26%	0.73%	0.70%	(3 bps)	(3 bps)
ROTE	8.36%	2.92%	8.71%	8.21%	(50 bps)	(15 bps)

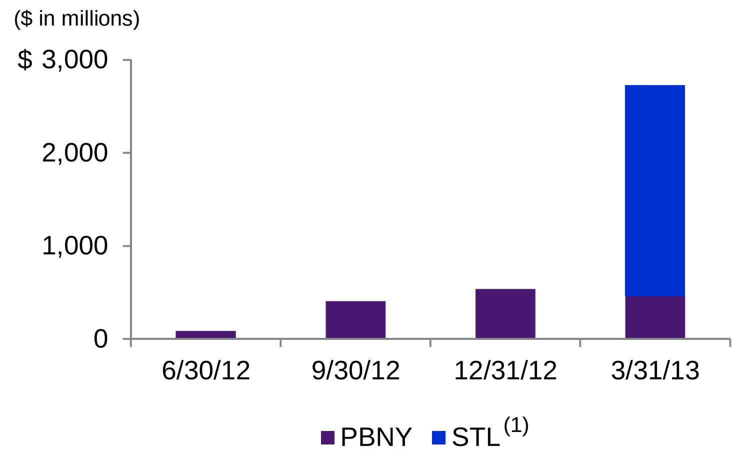
(1) See earnings releases dated April 22, 2013.
(2) Tangible equity is calculated as stockholders' equity less total intangible assets, other than servicing rights, a non-GAAP measure, See page 14 for a calculation of tangible equity.
(3) See page 15 for the calculation of the core efficiency ratio

Growing Presence in Greater New York City Market

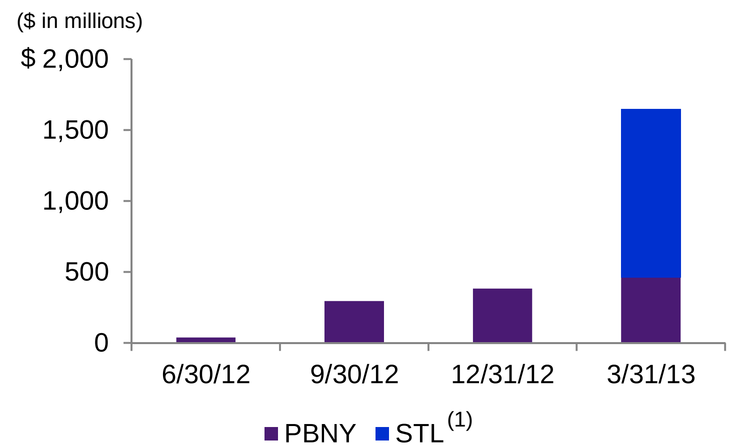
Pending Merger with Sterling Bancorp

- Announced on April 4, 2013
- Expected closing date in Q4 2013 (calendar)
- Integration planning underway
- Regulatory and shareholder approvals in process
- Goal of creating high performing regional bank with differentiated strategy
  – Achieves top 10 market position among in-market regional banks (by deposits)
  – Increases scale and diversification

Total Deposits – Greater NYC Market



Total Loans – Greater NYC Market

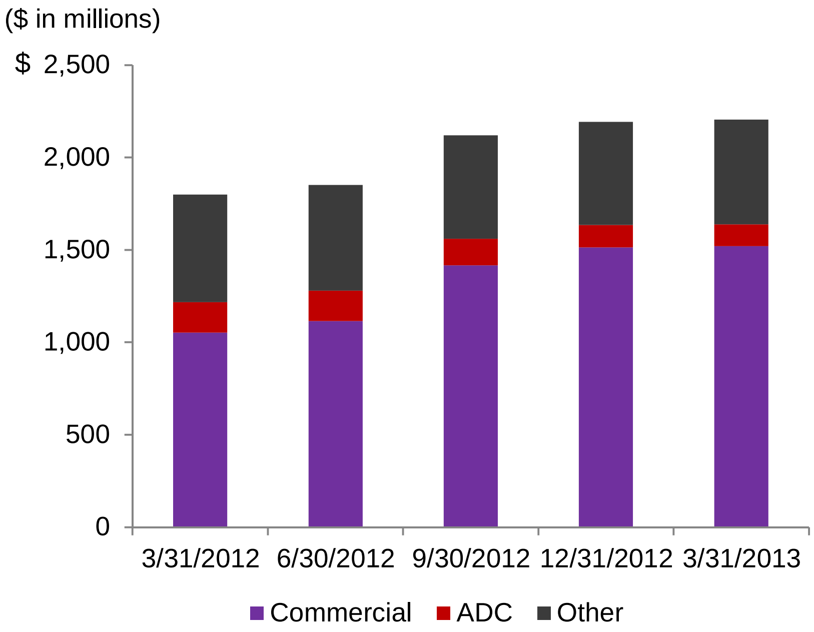


(1) Sterling data as of December 31, 2012.

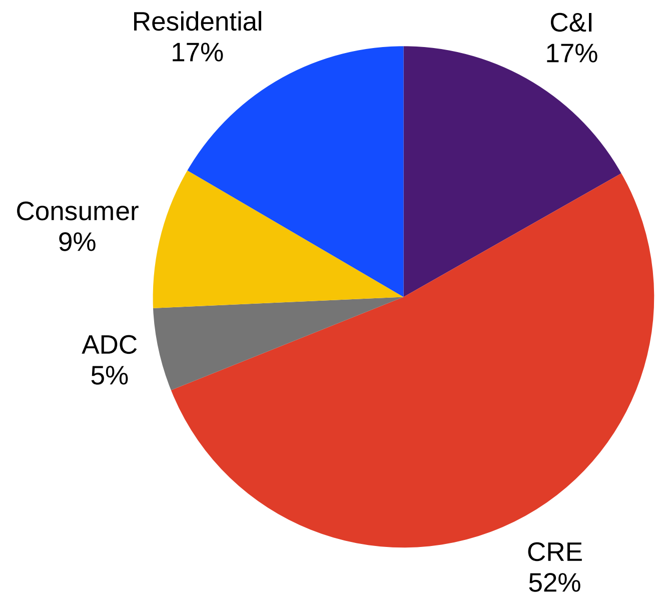
Strong Pipeline of New Business

Origination Volume ($ in millions)	3/31/2012	12/31/2012	3/31/2013	% LINKED	%YOY
Total Commercial	$129.1	$230.5	$189.4	(18%)	47%
Total Consumer	37.5	60.6	63.8	5%	70%
Total Originations	166.6	291.1	253.2	(13%)	52%

Total Loans



Loan Composition – 3/31/2013

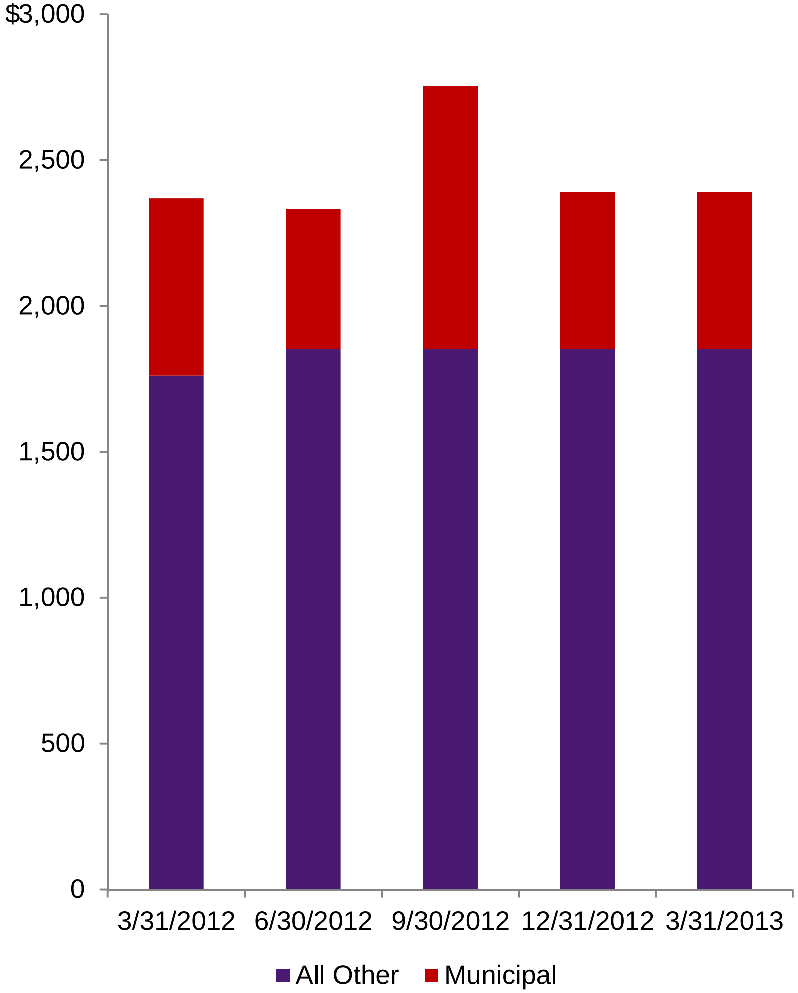


Total Loans $2,205 mm

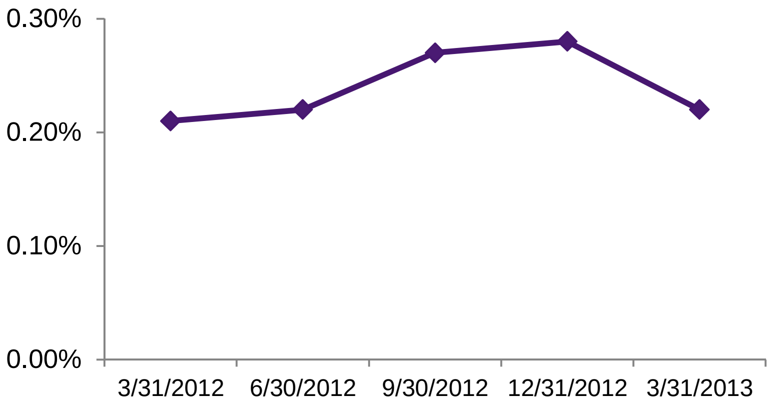
Low Cost, Diversified Deposit Base

Total Deposits

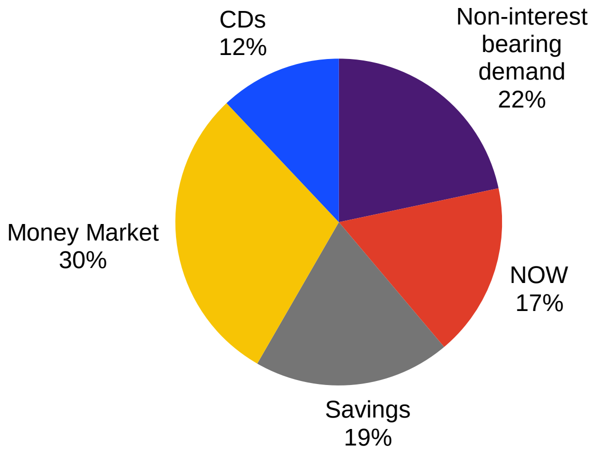
($ in millions)



Cost of Deposits



Deposit Composition 3/31/2013

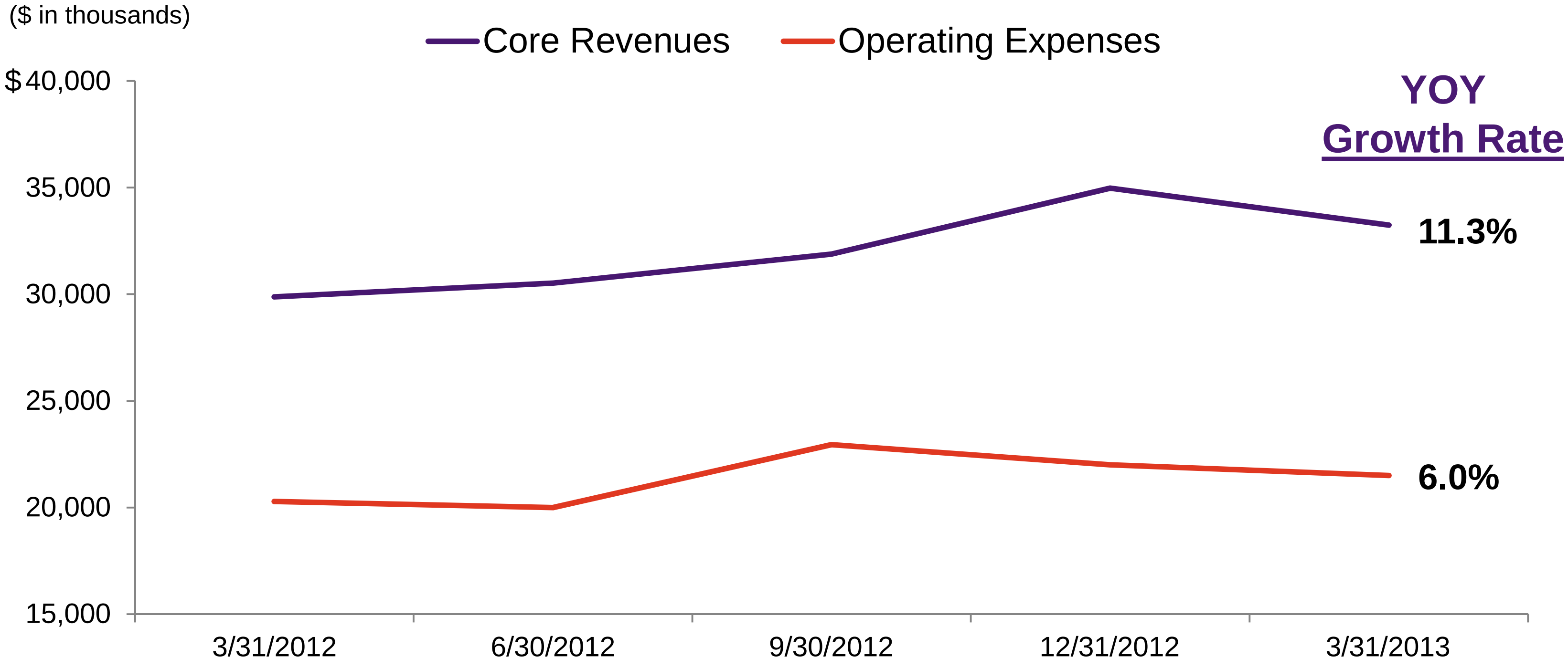


Total Deposits $2,800mm

Operating Efficiency is Improving

- Year-over-year core revenues have grown approximately 2x core operating expenses

Revenue and Expense Growth



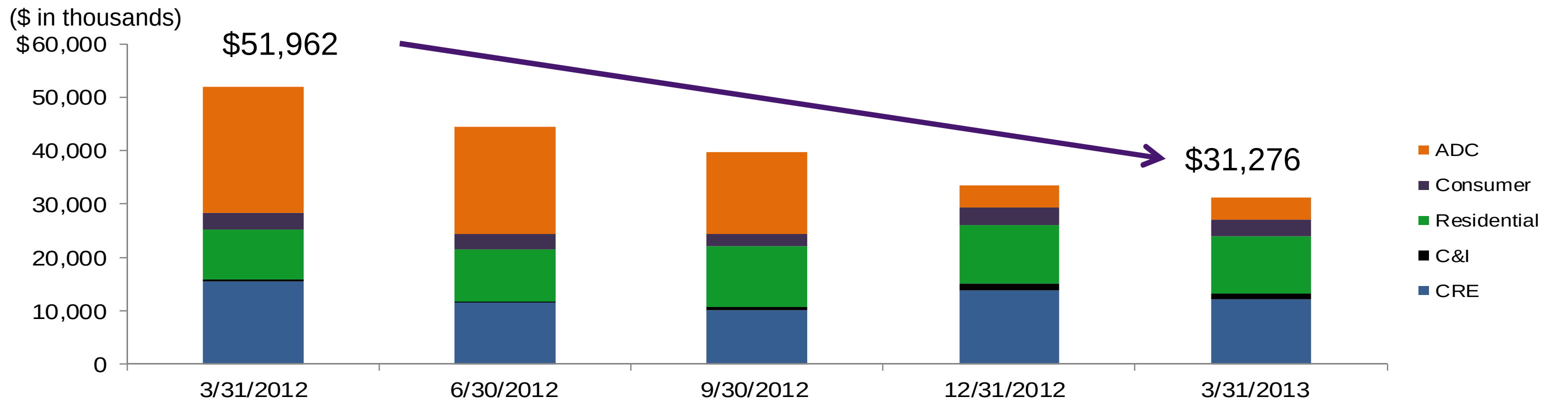
Core Efficiency Ratio

67.9%	65.5%	72.0%	62.9%	64.6%

(1) See page 15 for the calculation of the core efficiency ratio.

Continued Improvement in Asset Quality

Non-Accruals and Past Due 90 Days

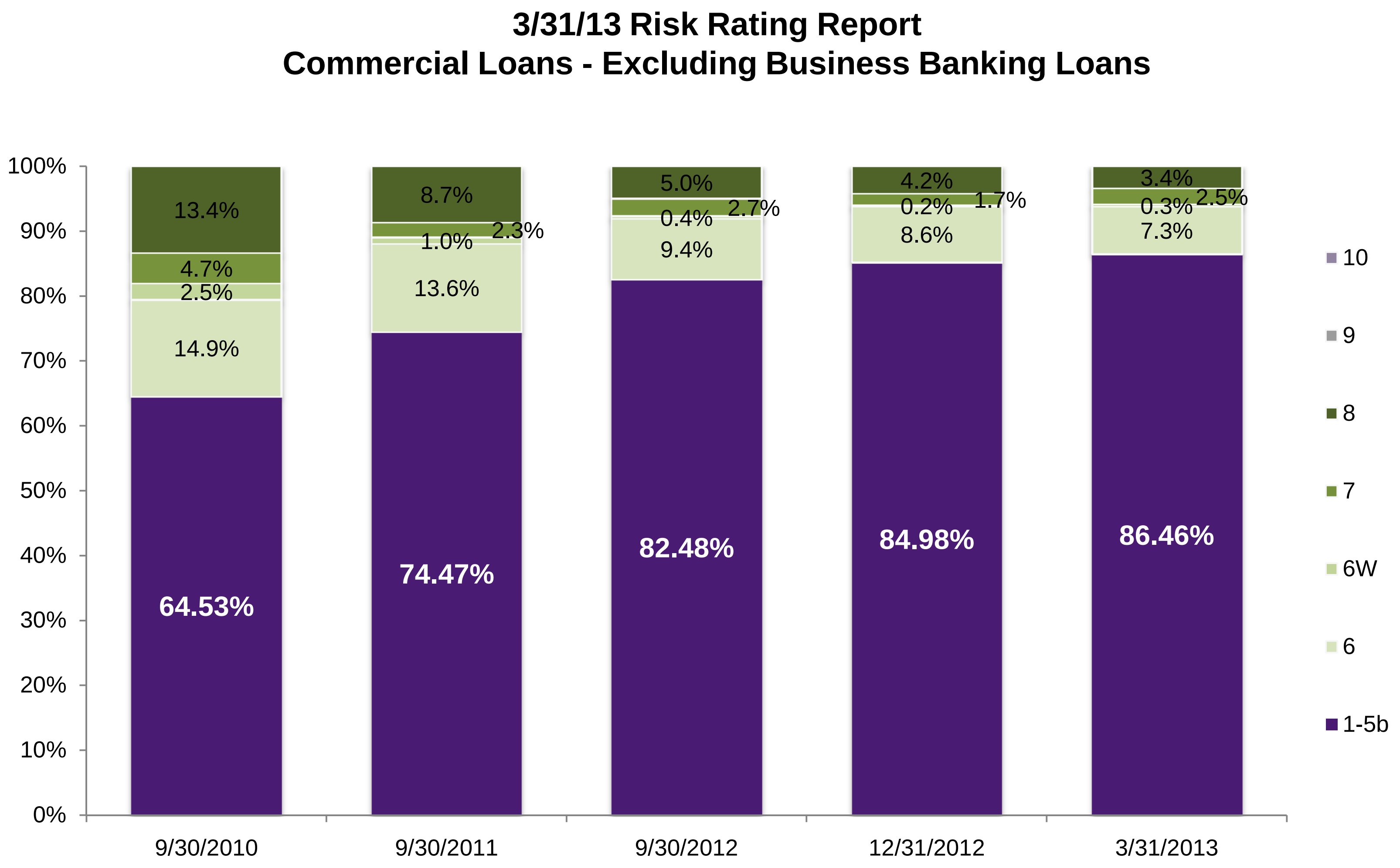


Asset Quality Ratios	2Q12	3Q12	4Q12	1Q13	2Q13
Non-performing loans to total loans	2.89%	2.40%	1.88%	1.53%	1.42%
Net charge-offs to average loans (1)	0.74%	0.55%	0.57%	0.58%	0.58%
Allowance for loan losses to:					
Total loans	1.54%	1.49%	1.33%	1.28%	1.25%
Total loans excluding Gotham (2)	N/A	N/A	1.47%	1.41%	1.36%
Allowance for loan losses to non-performing loans	54%	62%	71%	84%	88%
Non-performing assets to toal assets	1.80%	1.64%	1.15%	1.07%	0.99%
Special Mention (MM)	$37.4	$37.6	$42.4	$29.8	$41.8
Substandard/Doubltful (MM)	$89.1	$88.4	$88.7	$83.1	$70.7

(1) Represents annualized data.

(2) This non-GAAP measure presents the allowance to total loans excluding acquired Gotham loans, which were recorded at fair value and carry no allowance for loan losses at these dates. See Page 15 for a reconciliation to GAAP measures.

Positive Trends in Risk Ratings



	9/30/2010	9/30/2011	9/30/2012	12/31/2012	3/31/2013
Portfolio Avg RR	5.692	5.421	5.239	5.195	5.210
Performing Avg RR	5.240	5.130	5.042	5.049	5.062

Strong Capital and Liquidity Position

- Tier 1 Leverage ratio of approximately 8.6%
  - Increased 39 bps due to retained earnings and reduction in total assets/municipal deposit balances
- Total risk-based capital of approximately 13.3%
  - Unchanged from September 30, 2012 due to loan growth
  - Reflects low overall risk weighting of the securities portfolio
- Our liquidity remains strong
  - Cash and available for sale securities represented $1.2 billion at March 31, 2013 (approximately 30% of total assets)
  - Cash declined between September and March due to planned withdrawals of municipal deposits

Second Quarter Summary

- Strong core earnings
- Growing pipeline of new business
- Continued focus on expense management
- Continued improvement in credit quality
- Strong capital ratios and liquidity
- Sterling merger is a great opportunity to expand, grow and increase efficiency
- Strategy is working — ***Execution*** *is the* ***Key***

Adjusted Information (non-GAAP information)

- In this presentation, we have referred to adjusted results to help illustrate the impact of certain types of items, such as the following:
  - The allowance for loan losses to the total loan portfolio and the allowance for loan losses to the total loan portfolio less Gotham acquired loans, which were recorded at fair value at acquisition and carry no allowance.
  - Our tangible equity (common stockholders' equity, less intangible assets, other than servicing rights).
  - The impact of securities gains, non-taxable income, merger expenses, intangible asset amortization and foreclosed property expense on our efficiency ratio.
- We believe this additional information and reconciliations we provide may be useful to investors, analysts, regulators and others as they evaluate the impact of these respective items on our results for the periods presented due to the extent to which the items may not be indicative of our ongoing operations. This information supplements our results as reported in accordance with GAAP and should not be viewed in isolation from, or as a substitute for, our GAAP results.

Non-GAAP to GAAP Reconcilement

Non-GAAP Financial Measures	**As of and for the Quarter Ended**				
($ in thousands except share and per share data)	**3/31/13**	**12/31/12**	**9/30/12**	**6/30/12**	**3/31/12**

The Company provides supplemental reporting of non-GAAP measures as management believes this information is useful to investors.

The following table shows the reconciliation of stockholders' equity to tangible equity and the tangible equity ratio:

	3/31/13	12/31/12	9/30/12	6/30/12	3/31/12
Total assets	$ 3,710,440	$ 3,789,514	$ 4,022,982	$ 3,150,040	$ 3,210,871
Goodwill and other amortizable intangibles	(169,655)	(170,173)	(170,411)	(164,579)	(164,862)
Tangible assets	3,540,785	3,619,341	3,852,571	2,985,461	3,046,009
Stockholders' equity	494,711	493,883	491,122	444,670	439,699
Goodwill and other amortizable intangibles	(169,655)	(170,173)	(170,411)	(164,579)	(164,862)
Tangible stockholders' equity	325,056	323,710	320,711	280,091	274,837
Shares of common stock outstanding at period end	44,353,276	44,348,787	44,173,470	37,899,007	37,899,007
Tangible equity as a % of tangible assets	9.18%	8.94%	8.32%	9.38%	9.02%
Tangible book value per share	$ 7.33	$ 7.30	$ 7.26	$ 7.39	$ 7.25

The following table shows the reconciliation of return on average tangible equity:

	3/31/13	12/31/12	9/30/12	6/30/12	3/31/12
Average stockholders' equity	$ 492,725	$ 492,506	$ 475,652	$ 441,956	$ 439,384
Average goodwill and other amortizable intangibles	(170,042)	(172,723)	(167,623)	(164,751)	(165,045)
Average tangible stockholders' equity	322,683	319,783	308,029	277,205	274,339
Net income	6,529	7,020	2,261	6,209	5,701
Net income, if annualized	26,479	27,851	8,995	24,972	22,929
Return on average tangible equity	8.21%	8.71%	2.92%	9.01%	8.36%

Non-GAAP to GAAP Reconcilement

Non-GAAP Financial Measures (in thousands except share and per share data)	As of and for the Quarter Ended 3/31/13	12/31/12	9/30/12	6/30/12	3/31/12
The following table shows the reconciliation of the operating efficiency ratio:					
Net interest income	$ 27,819	$ 27,923	$ 25,239	$ 24,082	$ 23,905
Non-interest income	6,852	7,659	9,026	7,979	7,971
Total net revenues	34,671	35,582	34,265	32,061	31,876
Tax equivalent adjustment on securities interest income	802	785	830	852	861
Net gain on sales of securities	(2,229)	(1,416)	(3,152)	(2,412)	(2,899)
Other than temporary loss on securities	7	25	3	6	-
Other, (other gains and fair value loss on interest rate caps)	-	(4)	(64)	14	40
Core total revenues	33,251	34,972	31,882	30,521	29,878
Non-interest expense	23,339	22,546	28,784	21,162	21,290
Merger related expense	(542)	-	(4,928)	(451)	(299)
Foreclosed property expense	(915)	(285)	(573)	(428)	(412)
Amortization of intangible assets	(388)	(261)	(334)	(283)	(305)
Core non-interest expense	21,494	22,000	22,949	20,000	20,274
Core efficiency ratio	64.6%	62.9%	72.0%	65.5%	67.9%
The following table shows the reconciliation of the allowance for loan losses to total loans and to total loans excluding Gotham loans:					
Total loans	$ 2,204,555	$ 2,193,129	$ 2,119,472	$ 1,851,027	$ 1,799,112
Gotham loans	176,383	194,518	201,794	-	-
Total loans, excluding Gotham loans	2,028,172	1,998,611	1,917,678	1,851,027	1,799,112
Allowance for loan losses	27,544	28,114	28,282	27,587	27,787
Allowance for loan losses to total loans	1.25%	1.28%	1.33%	1.49%	1.54%
Allowance for loan losses to total loans, excluding Gotham loa	1.36%	1.41%	1.47%	NA	NA

losses in

losses for the periods reflected above.

Provident New York Bancorp