



# WASHINGTON TRUST BANCORP, INC.

Parent Company Of The Washington Trust Company



“Washington Trust is pleased to report another strong performance, with record earnings and earnings per share for the second quarter of 2018. Our continued profitability and solid financial metrics reflect the strength and stability of our corporation, as evidenced by our recent recognition by American Banker and Bank Director as one of the nation’s top performing mid-tier banks.”

– Edward O. Handy III, Chairman & CEO

## 2018 Q2 Highlights

### Profitability

- ★ Net interest income amounted to a record high of \$33.1 million
- ★ Net income of \$17.7 million and \$1.01 cents per diluted share, record highs
- ★ Returns on average equity and average assets were 16.99% and 1.53%, respectively

### Growth

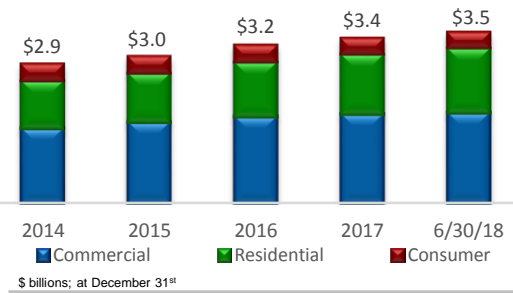
- ★ Total loans stood at \$3.5 billion at June 30, 2018, up by \$103 million from March 31, 2018
- ★ Total deposits were \$3.3 billion at June 30, 2018, up by \$65 million from March 31, 2018

### Stability

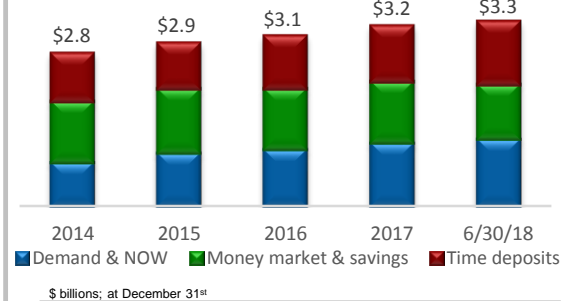
- ★ Capital levels remain solid and well-capitalized
- ★ Quarterly dividend of 43 cents per share was declared

Market Summary	
Trading Symbol	WASH
Exchange	NASDAQ
Market Value (\$M)	\$1,004
Stock Price	\$58.10
As of June 30, 2018	

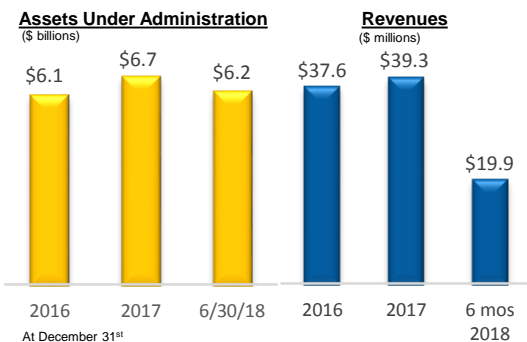
### Loans



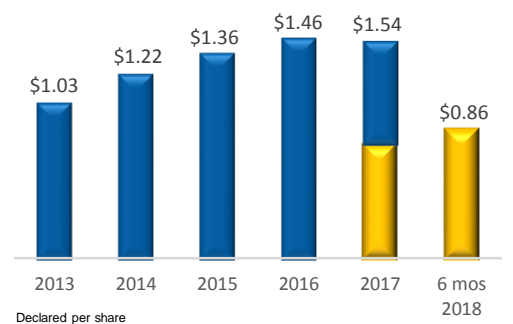
### Deposits



### Wealth Management



### Cash Dividends



## Washington Trust Recognition



For the fifth consecutive year, Washington Trust has been named to the American Banker’s list of Top Performing Mid-tier Banks. Ranked 32 out of 237 national institutions with between \$2 billion - \$10 billion in assets, Washington Trust was one of only seven New England banks to break the top 100, and the only Rhode Island bank to make the list in 2018.

And for the sixth consecutive year, Washington Trust is listed as a high performer in Bank Director’s 2018 Bank Performance Score Card. Washington Trust is ranked 39 out of 154 institutions with between \$1 billion - \$5 billion in assets, the Rhode Island bank to make the list and one of only three in New England to break the top 50.





### Financial Highlights

	At or for the Quarters Ended			
(\$ and shares in thousands, except per share amounts)	6/30/18	3/31/18	12/31/17	9/30/17
<b>Balance Sheet (\$000)</b>				
Total assets	\$4,737,242	\$4,566,326	\$4,529,850	\$4,469,230
Total loans	3,490,230	3,387,406	3,374,071	3,323,078
Total securities	788,105	799,815	793,495	727,596
Total deposits	3,321,611	3,256,434	3,242,707	3,157,081
Total shareholders' equity	421,571	413,081	413,284	414,228
<b>Income Statement (\$000) and Profitability</b>				
Net interest income	33,111	31,852	30,889	30,059
Provision for loan losses	400	0	200	1,300
Wealth management revenues	9,602	10,273	9,914	10,013
Other noninterest income	6,391	5,470	6,296	7,270
Noninterest expenses	26,288	27,130	25,754	26,784
Net income	17,674	16,211	7,982	12,962
Return on average assets	1.53%	1.45%	0.71%	1.17%
Return on average equity	16.99%	15.96%	7.56%	12.43%
Net interest margin (taxable equivalent basis)	3.05%	3.03%	2.95%	2.93%
<b>Balance Sheet Ratios/Capital</b>				
Total risk based capital	12.61%	12.56%	12.45%	12.53%
Tier 1 leverage ratio	8.87%	8.84%	8.79%	8.83%
Equity to assets	8.90%	9.05%	9.12%	9.27%
Tangible equity / tangible assets; non-GAAP <sup>(1)</sup>	7.48%	7.57%	7.63%	7.76%
<b>Asset Quality</b>				
Total past due loans to total loans	0.48%	0.57%	0.59%	0.49%
Nonperforming assets to total assets	0.32%	0.30%	0.34%	0.44%
Nonaccrual loans to total loans	0.34%	0.31%	0.45%	0.56%
Allowance for loan losses to total loans	0.75%	0.76%	0.79%	0.82%
<b>Share Data:</b>				
Diluted earnings per share	\$1.01	\$0.93	\$0.46	\$0.75
Dividends declared per share	\$0.43	\$0.43	\$0.39	\$0.39
Book value per share	\$24.40	\$23.93	\$23.99	\$24.06
Tangible book value per share; non-GAAP <sup>(2)</sup>	\$20.20	\$19.71	\$19.75	\$19.81
Market value per share	\$58.10	\$53.75	\$53.25	\$57.25
Shares outstanding at end of period	17,278	17,262	17,227	17,214
Weighted average shares outstanding – diluted	17,387	17,345	17,349	17,318

(1) GAAP shareholders' equity less goodwill & intangible assets divided by GAAP assets less goodwill & intangible assets  
 (2) GAAP shareholders' equity less goodwill & intangible assets divided by shares outstanding

### About Washington Trust

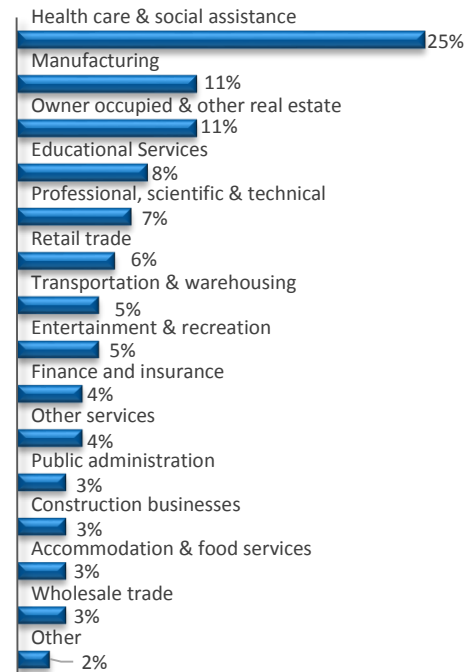
At 6/30/18

- ★ \$4.7 billion in assets
- ★ Publicly-owned holding company of The Washington Trust Company
- ★ RI state-chartered commercial bank
- ★ Founded in 1800; oldest community bank in the United States
- ★ Personal banking, commercial banking, and wealth management services
- ★ Market area of Rhode Island, eastern Massachusetts, and Connecticut
  - ★ 22 branches
  - ★ 5 wealth management offices
  - ★ 7 residential mortgage loan offices
  - ★ 3 commercial lending offices

### C&I Loans By Industry

At 6/30/18

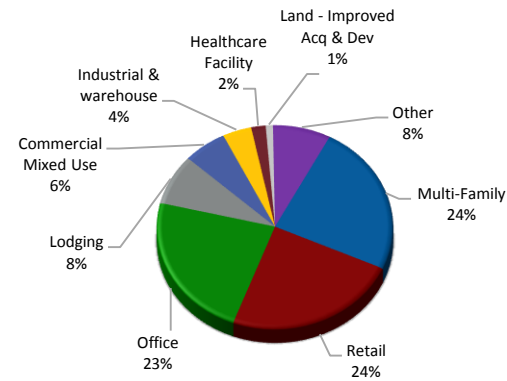
Total portfolio: \$632.0 million  
 Percent of total loans: 18%



### Commercial Real Estate

At 06/30/18

Total portfolio: \$1.2 billion  
 Percent of total loans: 35%



### Analyst Coverage

- ★ American Capital Partners, LLC  
Nicole Gulino
- ★ Compass Pt Rch & Trading LLC  
Laurie Hunsicker
- ★ Keefe Bruyette & Woods Inc.  
Damon Delmonte
- ★ Sandler O'Neill & Partners LP  
Mark Fitzgibbon

The financial information contained herein is unaudited, and qualified in its entirety by reference to Washington Trust's Annual Report on Form 10-K for the year ended December 31, 2017, as filed with the Securities and Exchange Commission and as updated by its Quarterly Reports on Form 10-Q.

