



WASHINGTON TRUST BANCORP, INC.

Parent Company Of The Washington Trust Company



“Washington Trust’s third quarter results once again reflect our continued success at generating a consistent stream of revenues through our diverse business model.”

– Edward O. Handy III, Chairman & CEO

2019 Q3 Highlights

Profitability

- ★ Returns on average equity and average assets were 15.20% and 1.44%, respectively.
- ★ Total revenues amounted to \$152 million year to date through September 30, 2019, up 4% over the same period in 2018.

Growth

- ★ Mortgage banking revenues were \$4.8 million, up by \$1.2 million, or 33%, from the preceding quarter.
- ★ Total loans were up by \$222 million, or 6%, from a year ago.
- ★ Total deposits were up by \$172 million, or 5% from a year ago.

Stability

- ★ Asset quality remains solid and we are well-capitalized.
- ★ Quarterly dividend of 51 cents per share was declared.

American Banker Names Washington Trust One of the Nation’s “Best Banks to Work For”



Washington Trust was recently named one of the nation’s “Best Banks to Work For” by American Banker magazine. We were the largest Northeast bank and the only Rhode Island-based institution recognized.

“At Washington Trust we strive to be an ‘employer of choice’ – a place where people aspire to work, are proud to work, and stay to

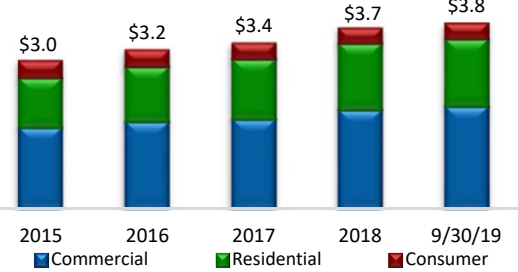
build their lives and careers with us,” said Edward O. Handy III. “We’re extremely proud to be recognized as one of the nation’s ‘Best Banks to Work For,’ because it reconfirms our commitment to our employees and the outstanding service they provide to our customers and our communities.”

The “Best Banks to Work For” program identifies, recognizes, and honors U.S. banks for outstanding employee satisfaction. It is based on workplace policies and practices, as well as a survey of employees regarding life at Washington Trust – work environment, morale, benefits, and growth opportunities.

Market Summary

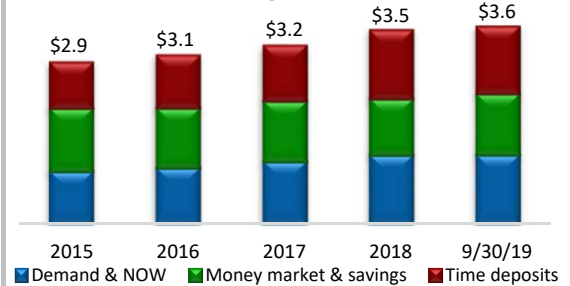
| | |
|--------------------------|---------|
| Trading Symbol | WASH |
| Exchange | NASDAQ |
| Market Value (\$M) | 838 |
| Stock Price | \$48.31 |
| As of September 30, 2019 | |

Loans



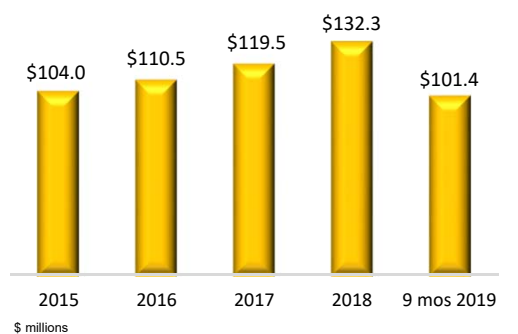
\$ billions; at December 31st unless otherwise noted

Deposits



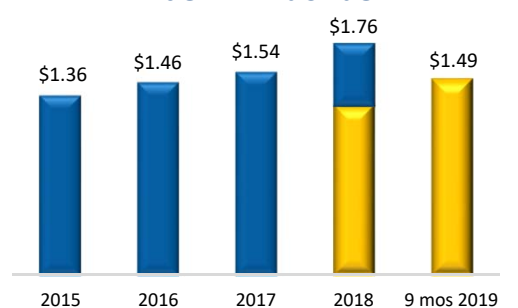
\$ billions; at December 31st unless otherwise noted

Net Interest Income



\$ millions

Cash Dividends



Declared per share





Financial Highlights

At or for the Quarters Ended

(\$ and shares in thousands, except per share amounts)

| | 9/30/19 | 6/30/19 | 3/31/19 | 12/31/18 |
|---|-------------|-------------|-------------|-------------|
| Balance Sheet (\$000) | | | | |
| Total assets | \$5,198,878 | \$5,189,672 | \$5,154,729 | \$5,010,766 |
| Total loans | 3,778,106 | 3,730,339 | 3,738,469 | 3,680,360 |
| Total securities | 887,020 | 969,168 | 994,881 | 938,225 |
| Total deposits | 3,586,153 | 3,504,622 | 3,504,260 | 3,524,048 |
| Total shareholders' equity | 497,825 | 484,205 | 469,843 | 448,184 |
| Income Statement (\$000) and Profitability | | | | |
| Net interest income | 32,978 | 33,858 | 34,584 | 33,878 |
| Provision for loan losses | 400 | 525 | 650 | 800 |
| Wealth management revenues | 9,153 | 9,549 | 9,252 | 9,012 |
| Other noninterest income | 9,189 | 7,204 | 6,115 | 6,151 |
| Noninterest expenses | 26,870 | 28,151 | 26,964 | 26,682 |
| Net income | 18,814 | 17,273 | 17,495 | 17,036 |
| Return on average assets | 1.44% | 1.34% | 1.39% | 1.40% |
| Return on average equity | 15.20% | 14.58% | 15.52% | 15.61% |
| Net interest margin (taxable equivalent basis) | 2.72% | 2.81% | 2.93% | 2.95% |

| | | | | |
|--|--------|--------|--------|--------|
| Balance Sheet Ratios/Capital | | | | |
| Total risk based capital | 12.94% | 12.80% | 12.59% | 12.56% |
| Tier 1 leverage ratio | 8.97% | 8.76% | 8.69% | 8.89% |
| Equity to assets | 9.58% | 9.33% | 9.11% | 8.94% |
| Tangible equity / tangible assets; non-GAAP ⁽¹⁾ | 8.32% | 8.06% | 7.83% | 7.62% |

| | | | | |
|--|-------|-------|-------|-------|
| Asset Quality | | | | |
| Total past due loans to total loans | 0.38% | 0.48% | 0.39% | 0.37% |
| Nonperforming assets to total assets | 0.37% | 0.29% | 0.28% | 0.28% |
| Nonaccrual loans to total loans | 0.39% | 0.34% | 0.33% | 0.32% |
| Allowance for loan losses to total loans | 0.71% | 0.73% | 0.74% | 0.74% |

| | | | | |
|--|---------|---------|---------|---------|
| Share Data: | | | | |
| Diluted earnings per share | \$1.08 | \$0.99 | \$1.00 | \$0.98 |
| Dividends declared per share | \$0.51 | \$0.51 | \$0.47 | \$0.47 |
| Book value per share | \$28.71 | \$27.93 | \$27.15 | \$25.90 |
| Tangible book value per share; non-GAAP ⁽²⁾ | \$24.60 | \$23.80 | \$23.00 | \$21.74 |
| Market value per share | \$48.31 | \$52.18 | \$48.15 | \$47.53 |
| Shares outstanding at end of period | 17,338 | 17,336 | 17,305 | 17,302 |
| Weighted average shares outstanding – diluted | 17,414 | 17,405 | 17,401 | 17,385 |

- (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

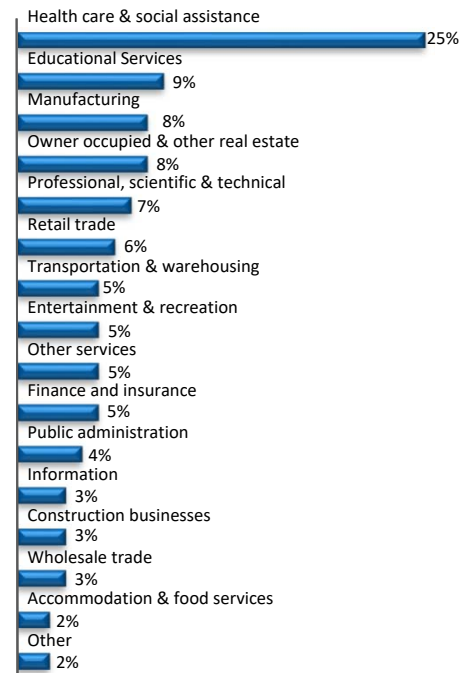
At 9/30/19

- ★ \$5.2 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
 - ★ 23 branches
 - ★ 5 wealth management offices
 - ★ 7 residential mortgage loan offices
 - ★ 3 commercial lending offices

C&I Loans By Industry

At 9/30/19

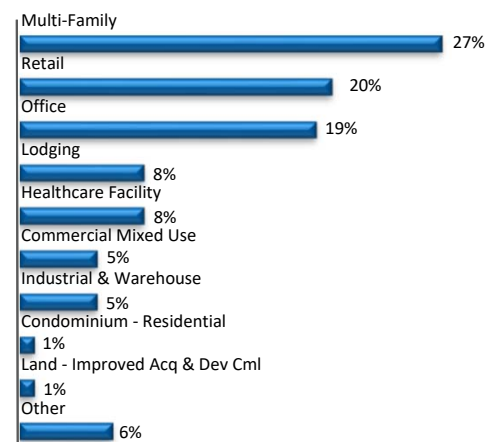
Total portfolio: \$566.4 million
Percent of total loans: 15%



Commercial Real Estate

At 09/30/19

Total portfolio: \$1.5 billion
Percent of total loans: 40%



Analyst Coverage

- ★ American Capital Partners, LLC
Nicole Gulino
- ★ Boenning & Scattergood, Inc.
Erik Zwick
- ★ 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, 2018, as filed with the Securities and Exchange Commission and as updated by its Quarterly Reports on Form 10-Q.

