



# WASHINGTON TRUST BANCORP, INC.

Parent Company Of The Washington Trust Company



*“Washington Trust posted solid first quarter earnings and earnings per share. We had good activity across all business lines resulting from favorable market conditions, recent branch expansion, and continued marketing and business development efforts.”*

**– Edward O. Handy III, Chairman & CEO**

## 2019 Q1 Highlights

### Profitability

- ★ Profitability ratios remain strong with returns on average equity and average assets of 15.52% and 1.39%, respectively.
- ★ Total revenues amounted to \$50 million, up by 2% on a linked quarter basis.

### Growth

- ★ Wealth management assets under administration were \$6.4 billion at March 31, 2019, up by \$439 million, or 7%, from the balance at December 31, 2018.
- ★ Total loans were up by \$58 million, or 2%, from the end of the prior quarter and up by \$351 million, or 10%, from a year ago.

### Stability

- ★ Asset quality remains solid and we are well-capitalized.
- ★ Quarterly dividend of 47 cents per share was declared.

## Longtime Director Retires

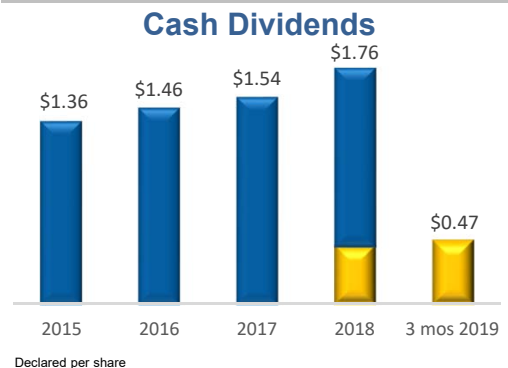
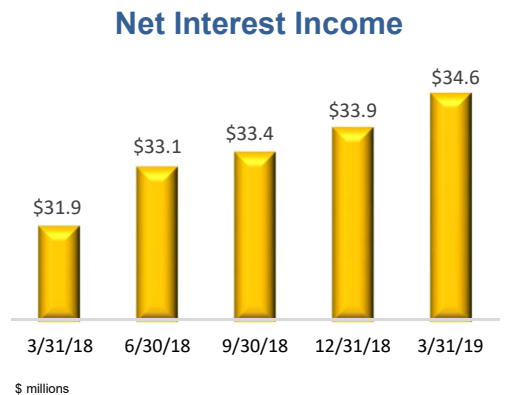
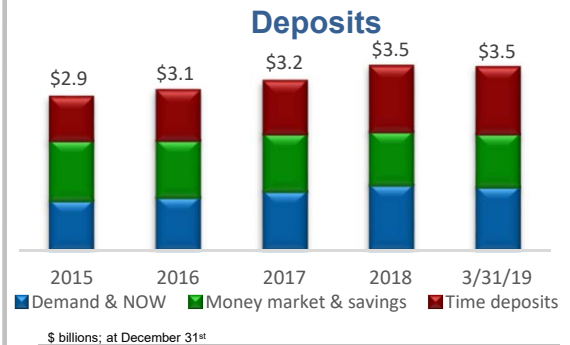
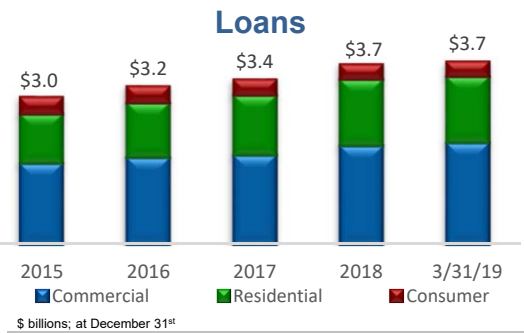


*Pictured left to right: Mark K.W. Gim, Victor J. Orsinger II and Edward O. Handy III*

During Washington Trust Bancorp, Inc’s Annual Meeting of Shareholders, special recognition was paid to Victor J. Orsinger II, Esq., who retired after serving for 36 years on Washington Trust’s Board of Directors. Orsinger joined the Corporation’s Board in 1983 and had served on almost every Committee during his tenure, including serving as the Lead Director since 2002. He was elected Chairman of the Executive Committee in 2000 and in 2005 helped form the Nominating and Corporate Governance Committee. “With more than 36 years on the Board,

Victor has helped guide the vision, direction, and growth of the Bank,” said Ned Handy. “This guidance and his contributions to the Corporation are numerous and much appreciated. We wish him well in retirement.”

Market Summary	
Trading Symbol	WASH
Exchange	NASDAQ
Market Value (\$M)	833
Stock Price	\$48.15
As of March 31, 2019	





### Financial Highlights

(\$ and shares in thousands, except per share amounts)	At or for the Quarters Ended			
	3/31/19	12/31/18	9/30/18	6/30/18
<b>Balance Sheet (\$000)</b>				
Total assets	\$5,154,729	\$5,010,766	\$4,770,672	\$4,737,242
Total loans	3,738,469	3,680,360	3,556,203	3,490,230
Total securities	994,881	938,225	823,510	788,105
Total deposits	3,504,260	3,524,048	3,414,348	3,321,611
Total shareholders' equity	469,843	448,184	427,909	421,571

<b>Income Statement (\$000) and Profitability</b>				
Net interest income	34,584	33,878	33,449	33,111
Provision for loan losses	650	800	350	400
Wealth management revenues	9,252	9,012	9,454	9,602
Noninterest expenses	26,964	26,682	26,062	26,288
Net income	17,495	17,036	17,511	17,674
Return on average assets	1.39%	1.40%	1.47%	1.53%
Return on average equity	15.52%	15.61%	16.26%	16.99%
Net interest margin (taxable equivalent basis)	2.93%	2.95%	2.99%	3.05%

<b>Balance Sheet Ratios/Capital</b>				
Total risk based capital	12.59%	12.56%	12.77%	12.61%
Tier 1 leverage ratio	8.69%	8.89%	8.91%	8.87%
Equity to assets	9.11%	8.94%	8.97%	8.90%
Tangible equity / tangible assets; non-GAAP (1)	7.83%	7.62%	7.57%	7.48%

<b>Asset Quality</b>				
Total past due loans to total loans	0.39%	0.37%	0.38%	0.48%
Nonperforming assets to total assets	0.28%	0.28%	0.29%	0.32%
Nonaccrual loans to total loans	0.33%	0.32%	0.30%	0.34%
Allowance for loan losses to total loans	0.74%	0.74%	0.75%	0.75%

<b>Share Data:</b>				
Diluted earnings per share	\$1.00	\$0.98	\$1.01	\$1.01
Dividends declared per share	\$0.47	\$0.47	\$0.43	\$0.43
Book value per share	\$27.15	\$25.90	\$24.75	\$24.40
Tangible book value per share; non-GAAP (2)	\$23.00	\$21.74	\$20.57	\$20.20
Market value per share	\$48.15	\$47.53	\$55.30	\$58.10
Shares outstanding at end of period	17,305	17,302	17,290	17,278
Weighted average shares outstanding – diluted	17,401	17,385	17,382	17,387

- (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

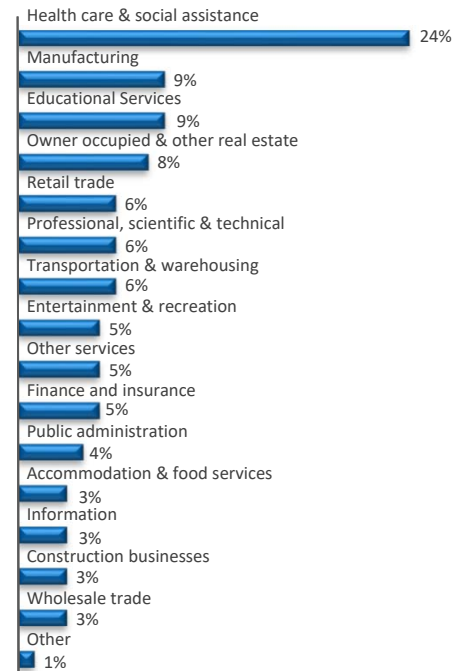
At 3/31/19

- ★ \$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 3/31/19

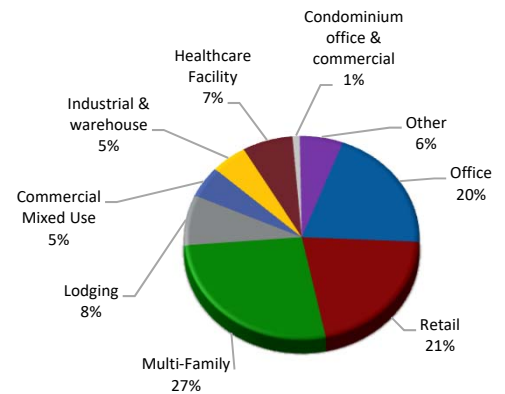
Total portfolio: \$610.6 million  
Percent of total loans: 16%



### Commercial Real Estate

At 03/31/19

Total portfolio: \$1.5 billion  
Percent of total loans: 39%



### 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, 2018, as filed with the Securities and Exchange Commission and as updated by its Quarterly Reports on Form 10-Q.

