



WASHINGTON TRUST BANCORP, INC.

Parent Company Of The Washington Trust Company



“Washington Trust’s second quarter earnings reflect our success at generating revenues from our diversified business model. We continue to see positive results from our key business lines, despite a competitive and challenging economic environment.”

– Edward O. Handy III, Chairman & CEO

2019 Q2 Highlights

Profitability

- ★ Profitability ratios remain strong with returns on average equity and average assets of 14.58% and 1.34%, respectively.
- ★ Total revenues amounted to \$51 million, up by 1% on a linked quarter basis.

Growth

- ★ Mortgage banking revenues were \$3.6 million, up by \$1 million, or 38%, from the preceding quarter.
- ★ Total loans were up by \$240 million, or 7%, from a year ago.
- ★ Total deposits were up by \$183 million, or 6% from a year ago.

Stability

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

Washington Trust Honored with “Best” Awards

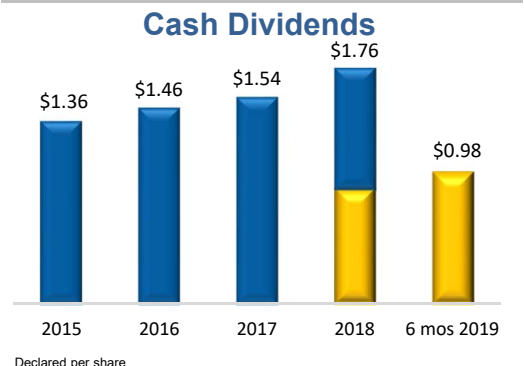
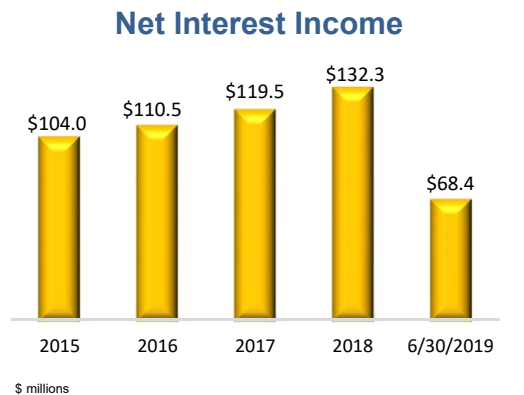
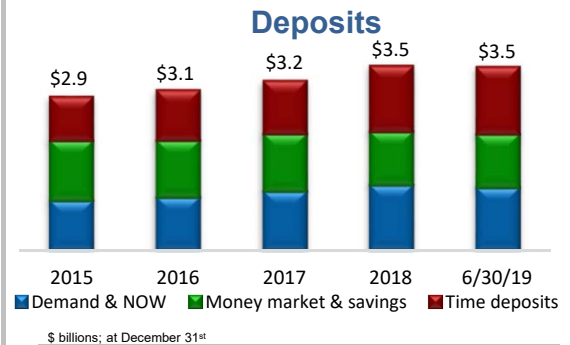
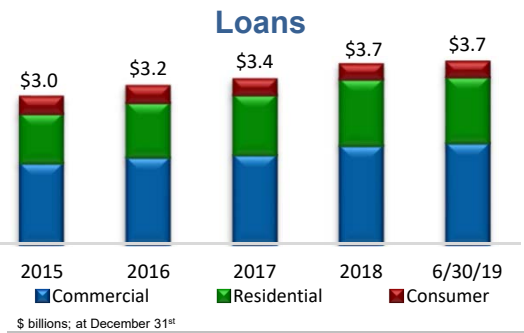
Recently, Washington Trust was recognized by Providence Business News, for the 9th consecutive year, as one of Rhode Island’s “Best Places to Work.” And we were also named the “Best Bank” in Rhode Island by two separate research studies:

- The first, a nationwide study conducted by Forbes, selected the top bank in each state and Washington Trust received exclusive top honors for Rhode Island.
- The second, a survey of New England banks, conducted by American Business Media and Customer Experience Solutions, ranked Washington Trust first in Rhode Island for both “Overall Quality” and “Community Contributions.”



“We are honored to receive this recognition, as it reinforces our commitment to our core values,” stated Edward O. Handy III, Chairman and Chief Executive Officer.

Market Summary	
Trading Symbol	WASH
Exchange	NASDAQ
Market Value (\$M)	905
Stock Price	\$52.18
As of June 30, 2019	





Financial Highlights

At or for the Quarters Ended

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

	6/30/19	3/31/19	12/31/18	9/30/18
Balance Sheet (\$000)				
Total assets	\$5,189,672	\$5,154,729	\$5,010,766	\$4,770,672
Total loans	3,730,339	3,738,469	3,680,360	3,556,203
Total securities	969,168	994,881	938,225	823,510
Total deposits	3,504,622	3,504,260	3,524,048	3,414,348
Total shareholders' equity	484,205	469,843	448,184	427,909
Income Statement (\$000) and Profitability				
Net interest income	33,858	34,584	33,878	33,449
Provision for loan losses	525	650	800	350
Wealth management revenues	9,549	9,252	9,012	9,454
Other noninterest income	7,204	6,115	6,151	5,761
Noninterest expenses	28,151	26,964	26,682	26,062
Net income	17,273	17,495	17,036	17,511
Return on average assets	1.34%	1.39%	1.40%	1.47%
Return on average equity	14.58%	15.52%	15.61%	16.26%
Net interest margin (taxable equivalent basis)	2.81%	2.93%	2.95%	2.99%

Balance Sheet Ratios/Capital				
Total risk based capital	12.80%	12.59%	12.56%	12.77%
Tier 1 leverage ratio	8.76%	8.69%	8.89%	8.91%
Equity to assets	9.33%	9.11%	8.94%	8.97%
Tangible equity / tangible assets; non-GAAP (1)	8.06%	7.83%	7.62%	7.57%

Asset Quality				
Total past due loans to total loans	0.48%	0.39%	0.37%	0.38%
Nonperforming assets to total assets	0.29%	0.28%	0.28%	0.29%
Nonaccrual loans to total loans	0.34%	0.33%	0.32%	0.30%
Allowance for loan losses to total loans	0.73%	0.74%	0.74%	0.75%

Share Data:				
Diluted earnings per share	\$0.99	\$1.00	\$0.98	\$1.01
Dividends declared per share	\$0.51	\$0.47	\$0.47	\$0.43
Book value per share	\$27.93	\$27.15	\$25.90	\$24.75
Tangible book value per share; non-GAAP (2)	\$23.80	\$23.00	\$21.74	\$20.57
Market value per share	\$52.18	\$48.15	\$47.53	\$55.30
Shares outstanding at end of period	17,336	17,305	17,302	17,290
Weighted average shares outstanding – diluted	17,405	17,401	17,385	17,382

- (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

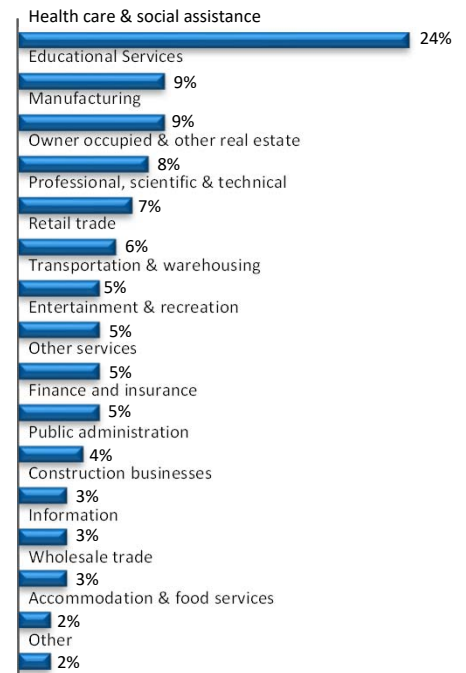
At 6/30/19

- ★ \$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 6/30/19

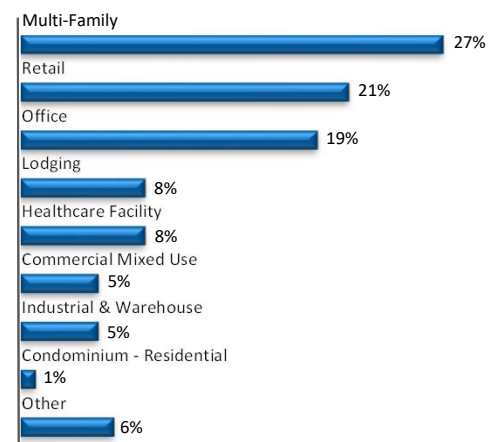
Total portfolio: \$583.9 million
Percent of total loans: 15%



Commercial Real Estate

At 06/30/19

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



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.

