

Stockbroker Club – Florida



March 28, 2022

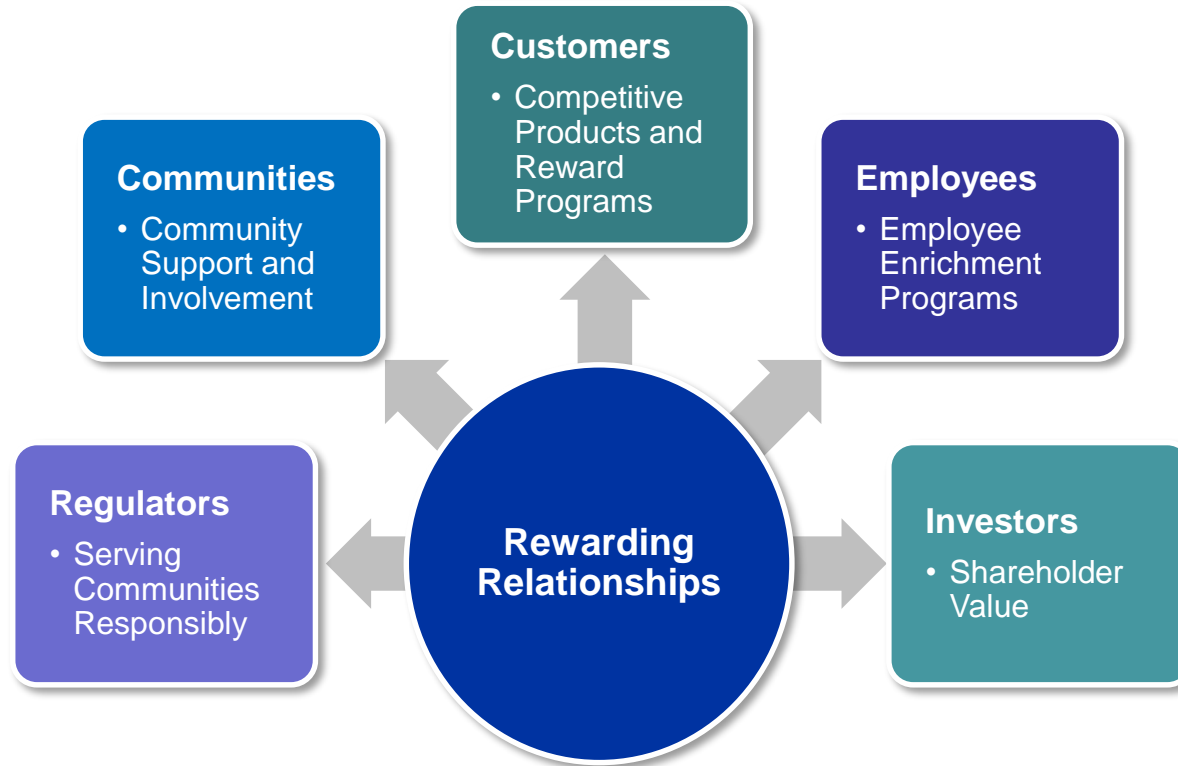
Small enough to know you.
Large enough to help you.®

FFIC FLUSHING
Financial Corporation

Safe Harbor Statement

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Statements in this Presentation relating to plans, strategies, economic performance and trends, projections of results of specific activities or investments and other statements that are not descriptions of historical facts may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking information is inherently subject to risks and uncertainties, and actual results could differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, risk factors discussed in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and in other documents filed by the Company with the Securities and Exchange Commission from time to time. Forward-looking statements may be identified by terms such as “may”, “will”, “should”, “could”, “expects”, “plans”, “intends”, “anticipates”, “believes”, “estimates”, “predicts”, “forecasts”, “goals”, “potential” or “continue” or similar terms or the negative of these terms. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. The Company has no obligation to update these forward-looking statements.

Our Brand Promise: Rewarding Relationships



Nurturing Relationships and Rewarding Customers, Employees and Shareholders

Flushing Savings 90+ Year History

Flushing Savings Bank Opened on June 1, 1929



Celebrating 20 years as Public Company in 2015



We Have Adapted to Change

From Depositing Checks with a Teller...



...To Using the Mobile Banking App



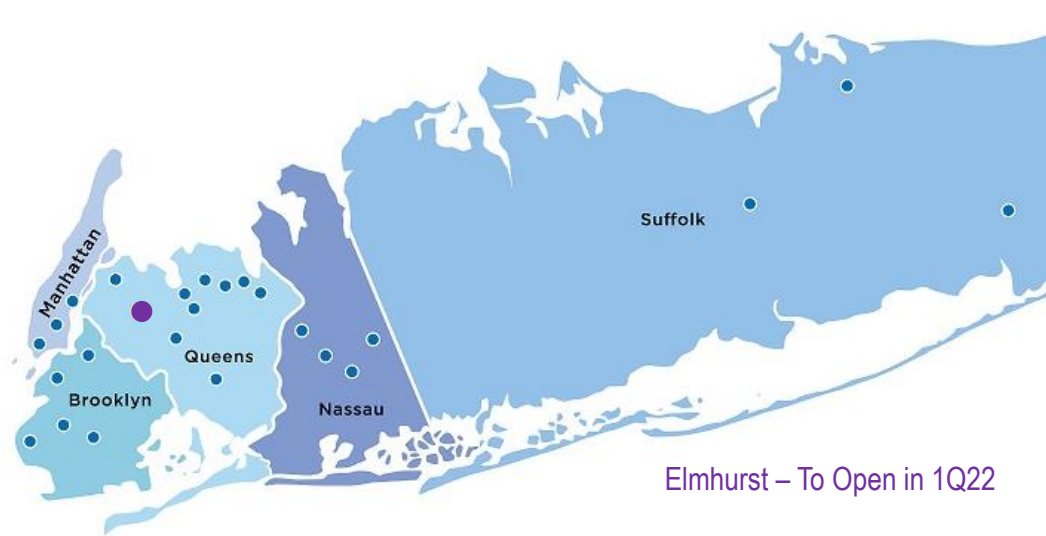
Flushing Financial Snapshot (NASDAQ: FFIC)

2021 Key Statistics

Balance Sheet		Performance	
Assets	\$8.0B	GAAP/Core ROAA	1.00%/1.09% ²
Loans	\$6.6B	GAAP/Core ROAE	12.60%/13.68% ²
Deposits	\$6.4B ¹	Efficiency Ratio	55.72% ²
Equity	\$0.7B	Tangible Book Value	\$21.61
		Dividend Yield	3.8% ³

Footprint

Deposits primarily from 24 branches in multicultural neighborhoods and our online division, consisting of iGObanking® and BankPurely®



Competitive Advantages

Strong Franchise and Diverse Business Mix

- **Diversified loan portfolio** with focus on commercial business loans, multifamily mortgages, and commercial real estate
- Current/historical **strong credit** and capital positions

Track Record of Long-Term Outperformance

- Only 9 of the 69 publicly traded banks in Flushing Bank's markets in 1995 remain; **FFIC has a total return of 1,145%** compared to 964% for the peer median⁴ and 1,195% for the S&P 500 Total Return⁴
- FFIC has outperformed peers⁵ since its IPO on 11/21/95 or the IPO of its peers by 550 percentage points and the BKX by 573 percentage points

Strategic Opportunities

- Increase customer usage of **mobile and online banking technology platform**
- **Optimizing funding mix** through internet banks and Asian initiatives
- Proactively managing balance sheet to **enhance net interest income**

Experienced Executive Leadership Team



John Buran
President
and CEO

Maria Grasso
SEVP, COO,
Corporate Secretary

Susan Cullen
SEVP, CFO,
Treasurer

Francis Korzekwinski
SEVP, Chief of
Real Estate

Michael Bingold
SEVP, Chief Retail and Client
Development Officer

Douglas McClintock
SEVP, General Counsel

FFIC: 21 years
Industry: 45 years

16 years
36 years

6 years
32 years

28 years
33 years

9 years
39 years

<1 year
46 years



Allen Brewer
SEVP, Chief Information Officer

Tom Buonaiuto
SEVP, Chief of Staff, Deposit
Channel Executive

Vincent Giovinco
EVP, Commercial Real Estate
Lending

Jeoung Jin
EVP, Residential
and Mixed Use

Theresa Kelly
EVP, Business
Banking

Patricia Mezeul
EVP, Director of
Government Banking

13 years
48 years

14 years¹
30 years

2 years
24 years

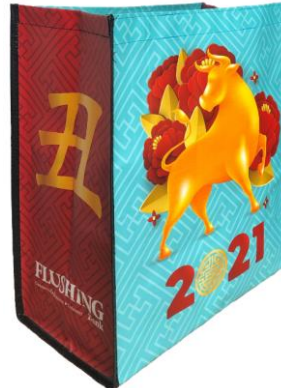
23 years
29 years

16 years
38 years

14 years
42 years

Executive Compensation and Insider Stock Ownership (5.5%²) Aligned with Shareholder Interests

Long-standing History of Giving Back to the Communities



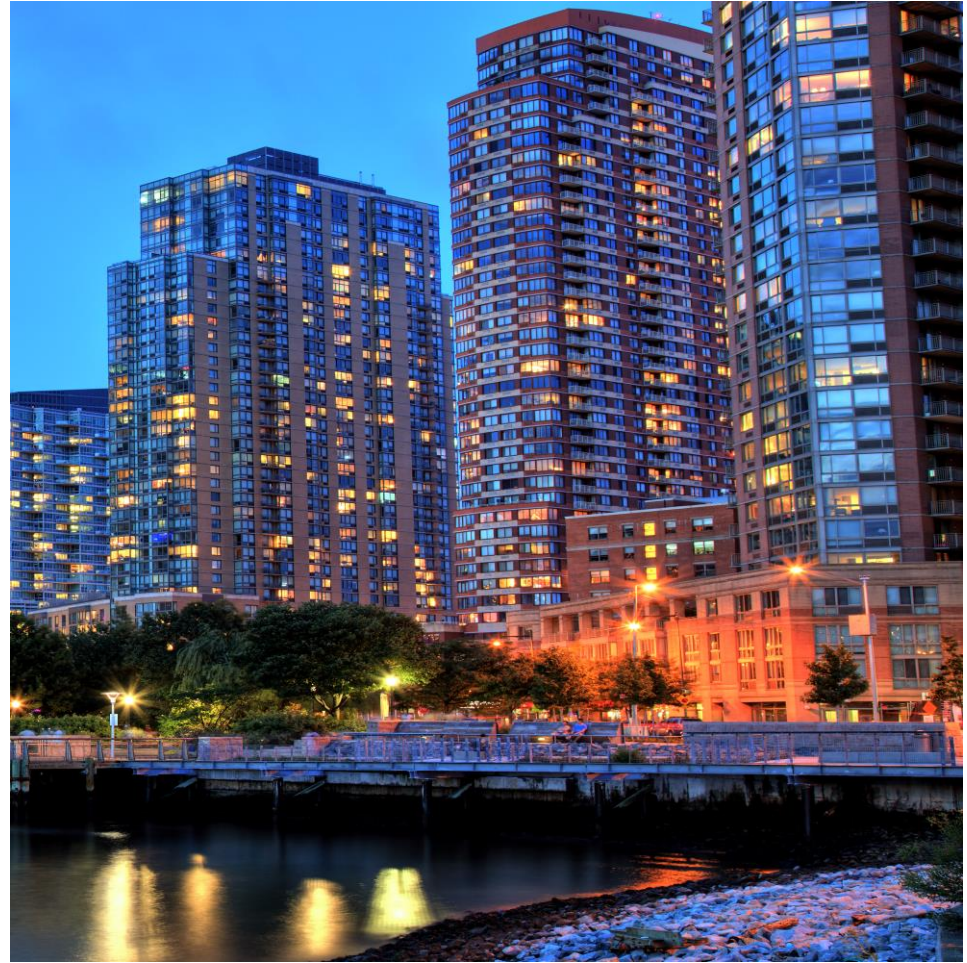
Our Asian Bank Supports Business Growth

Multifamily Lending – Rent Stabilized, Niche Player

Our Lending Looks More Like This



Generally Not Like This



Our Conservative Lending Standards Lead to Minimal Losses

Non-Owner Occupied Commercial Real Estate – Strong Equity on Local Properties



Community Properties with an Average Loan Size of \$2.3MM

Residential Mixed Use – Higher Yields, Less Exposed to Internet Disruption

Typical Building



Not Typical



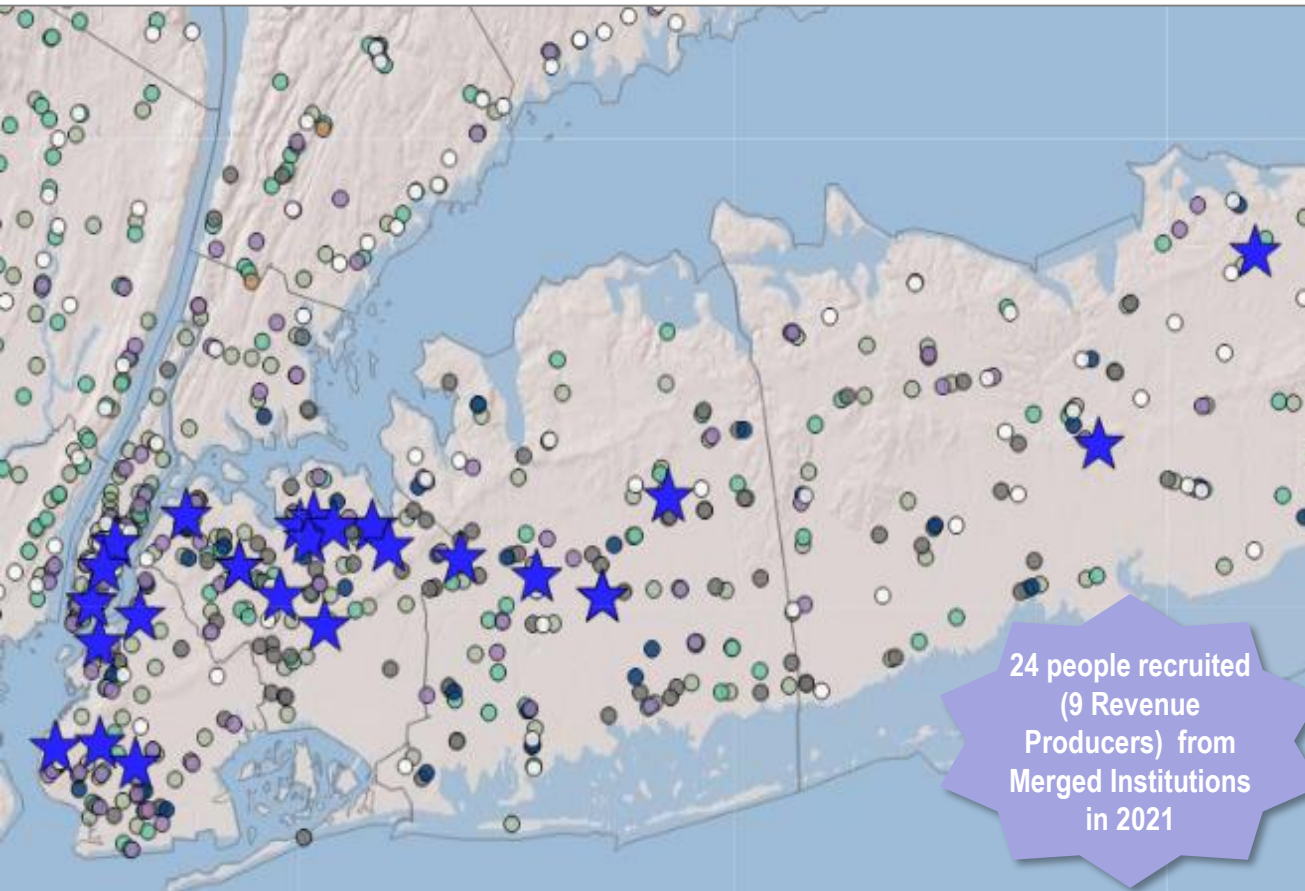
These Businesses are Vital to the Community

Our Branches Have Evolved and Expanded with the Community



24 Branches In Our Footprint

Well-positioned to Benefit from Industry Merger Disruption



Current Pro Forma U.S. Branches

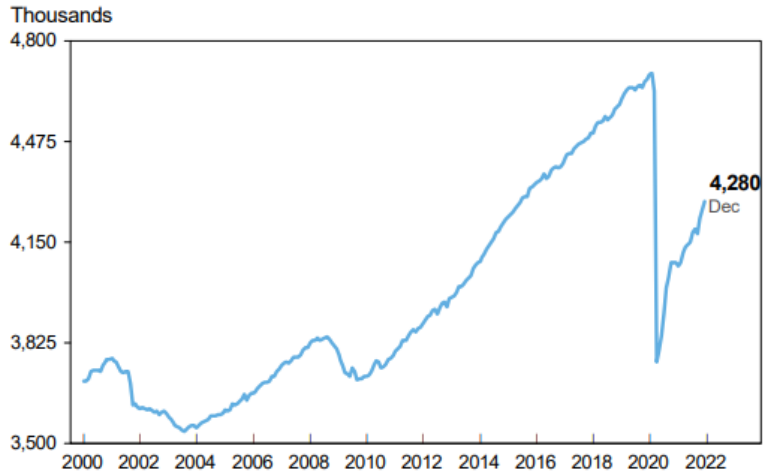
- ★ Flushing Financial (FFIC)¹
- M&T Bank (MTB)/
People's United Financial (PBCT)
- Webster Financial (WBS)/
Sterling Bancorp (STL)
- Citizens Financial Group (CFG)/
HSBC/Investors Bancorp (ISBC)
- New York Community Bancorp (NYCB)/
Flagstar Bancorp (FBC)
- Valley National Bancorp (VLY)/
The Westchester Bank/Bank Leumi USA
- Dime Community Bancshares (DCOM)
- TD Bank (TD)/First Horizon (FHN)
- OceanFirst (OCFC)/Partners (PTRS)

24 people recruited
(9 Revenue
Producers) from
Merged Institutions
in 2021

- **10 bank mergers** have been announced or closed involving Long Island area banks²
- **Out of the \$328B of total industry deposits** in Nassau, Queens, Kings, and Suffolk Counties, \$87B or 27% involve a merger participant³
- **93% of FFIC's deposits** are in the Long Island market, including Brooklyn and Queens

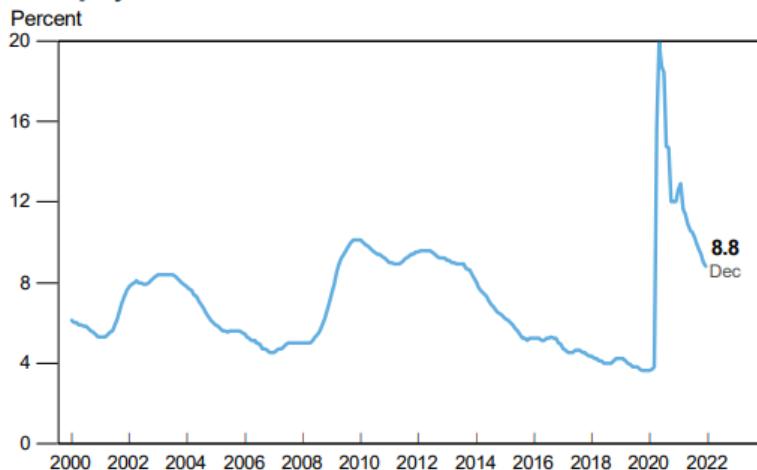
New York is Coming Back; Implementing Re-opening Strategies

Employment



Sources: U.S. Bureau of Labor Statistics; Moody's Economy.com; New York Fed calculations.

Unemployment Rate



Sources: U.S. Bureau of Labor Statistics; Moody's Economy.com.

■ Pandemic Restrictions are Easing

- Omicron hospitalizations are declining
- Mask mandates and social distancing rules are loosening
- Subway ridership is increasing

■ New NYC Mayor is a Positive

- Stronger approach on crime
- Publicly asking for a return to offices

■ General Economic Activity is Improving

- NYC unemployment rate has declined but is still elevated
- Market apartment rents have increased

■ Flushing Bank Initiatives

- Elimination of consumer overdraft fees
- Expanding small business lending via Numerated platform
- Loan pipelines increased 21% YoY in 4Q21

Digital Banking Usage Continues to Increase

31%

Increase in Monthly Mobile
Active Users
YoY



~23,000

Active Online Banking Users

37%

YoY Growth



17%

Digital Banking
Enrollment
YoY Growth



JAM FINTOP

Early Look at Emerging
Technology



Numerated

Improving Small Business
Customer Experience through
Automated Approval and
Origination



**Bitcoin
Transaction
Services**

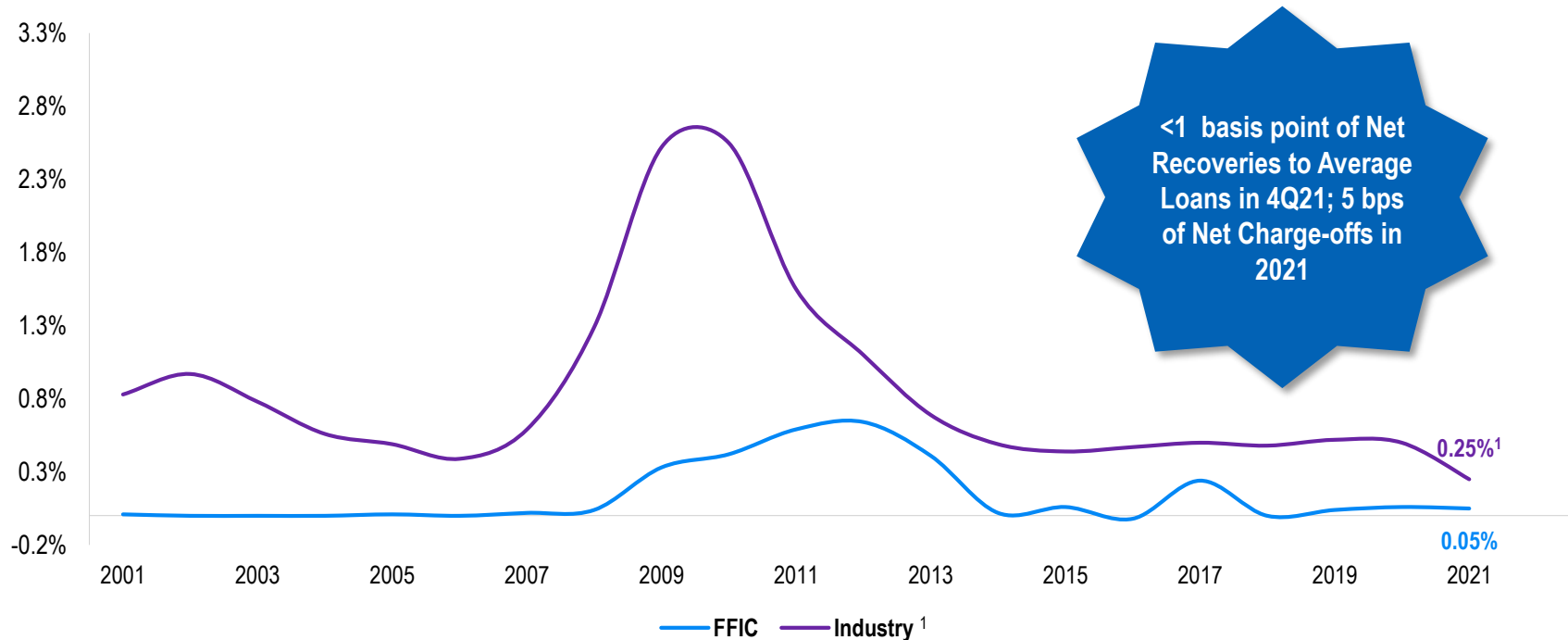
Launch Expected in 1Q22



Technology Enhancements Remain a Priority

Net Charge-offs Significantly Better Than the Industry

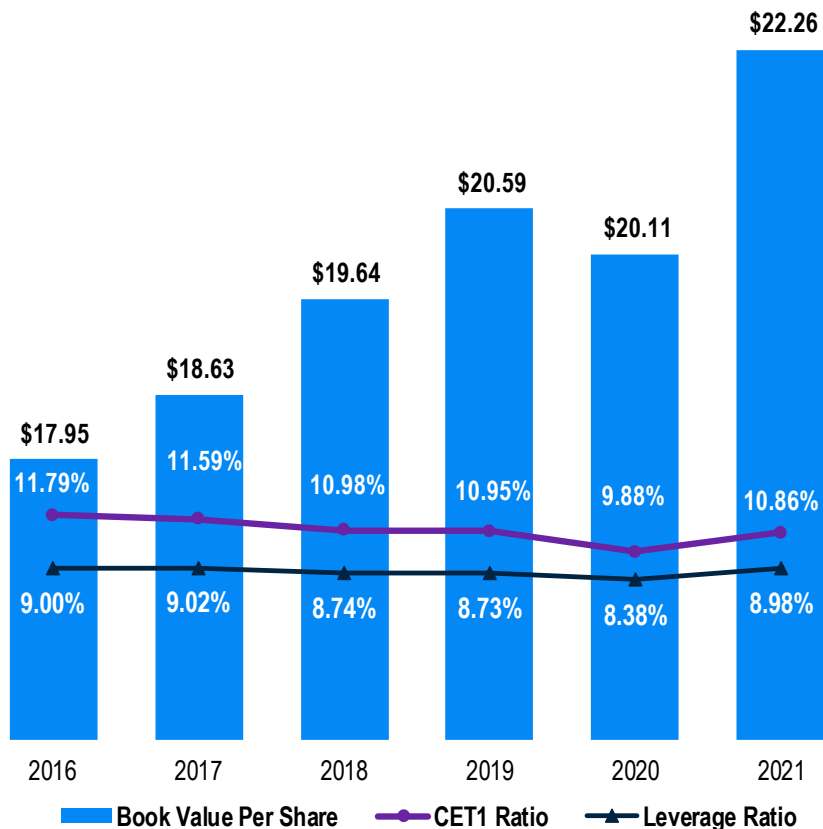
NCOs / Average Loans



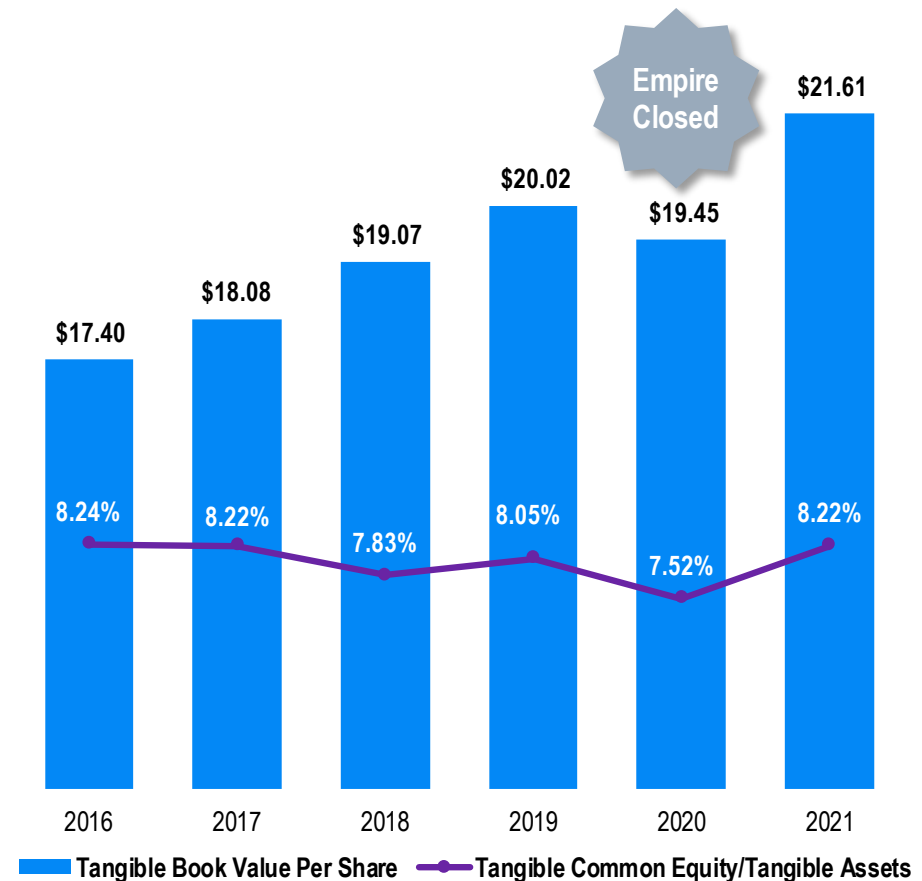
- Over two decades and multiple credit cycles, Flushing Financial has a history of better than industry credit quality
- Average LTVs on the Real Estate portfolio is <38%²
 - Only \$29.8MM of real estate loans (0.4% of gross loans) with an LTV of 75% or more²

Capital Expands Even With a Buyback; ~3.8% Dividend Yield¹

11% Book Value Per Share Growth YoY



TCE Builds Post Empire Bancorp Merger



Share Repurchase Restarted in 2H21; 56% of 4Q21 Earnings Returned

Key Messages

- **Loan growth delayed in 4Q21 but poised to increase in 2022**

- Pipeline has seasoned
- Refinancing activity should decline with higher rates
- Economy is normalizing

- **Benefiting from merger disruption**

- Added 24 people from March - December 2021 from announced/recently closed mergers; 9 are revenue producing
- Expect greater benefit when deals close and integration begins

- **We are investing in the franchise and our employees**

- New services and product enhancements set to launch in 2022

- **Preparing for higher rates**

- Forward starting funding swaps start in 2022 and are mostly fully phased in by the end of 2023
- Adding floating-rate assets in the short and medium term to improve rate risk profile
- Net Interest Income growth driven from balance sheet expansion which should more than offset potential NIM compression

- **Low risk business model; 3.8%¹ dividend yield**

- Average LTV on real estate loans totals <38%
- History of strong credit metrics
- No changes to underwriting process

- **Maintaining through-the-cycle goals of ROAA \geq 1% and ROAE \geq 10%**

Takeaways

- ▶ **Leading Community Bank** in the Greater NYC Area
- ▶ **Experienced Management Team**
- ▶ **Serving All Communities; Including Asian Banking Niche**
- ▶ **Well Diversified and Low Risk Loan Portfolio**
- ▶ **Embracing and Expanding Digital and Mobile Capabilities**
- ▶ **History of Sound Credit Quality** since IPO in 1995
- ▶ **Beneficiary of a Steepening Yield Curve**
- ▶ **3.8%¹ Dividend Yield**

Conservative Underwriting with History of Solid Value Creation

Appendix



Strong Asian Banking Market Focus

Asian Communities – Total Loans \$709MM
and Deposits \$966M

Multilingual Branch Staff Serves Diverse Customer Base in NYC
Metro Area

Growth Aided by the Asian Advisory Board

Sponsorships of Cultural Activities Support New and Existing
Opportunities

Expansion into Elmhurst in 1Q22

15%
of Total Deposits

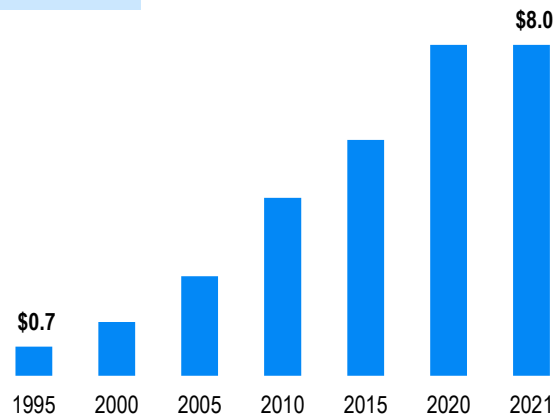
\$32B
Deposit Market Potential
> (~3% Market Share¹)

6.9%
FFIC 5 Year Asian Market
CAGR vs 3.4%¹ for the
Comparable Asian
Markets

26 Year Track Record of Steady Growth

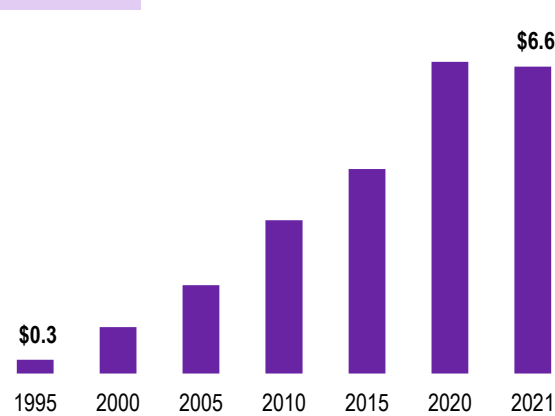
Assets (\$B)

10% CAGR



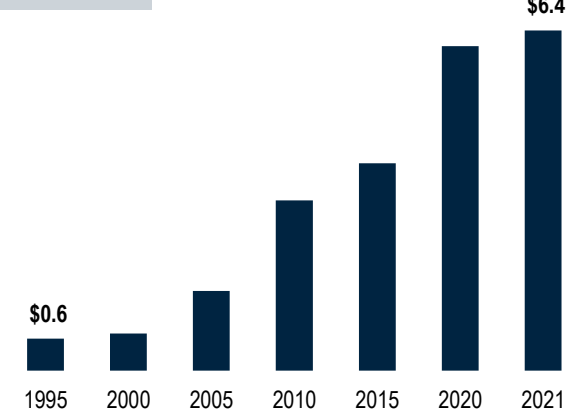
Total Gross Loans (\$B)

13% CAGR



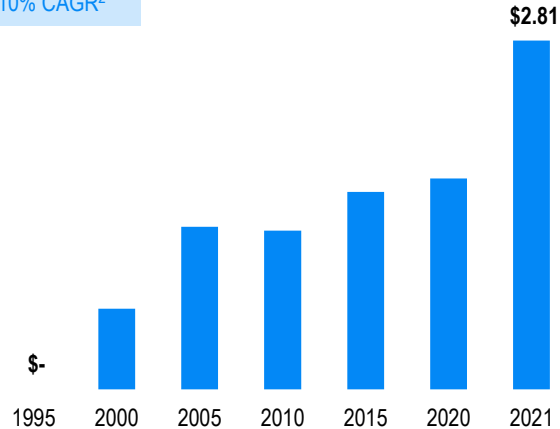
Total Deposits (\$B)¹

10% CAGR



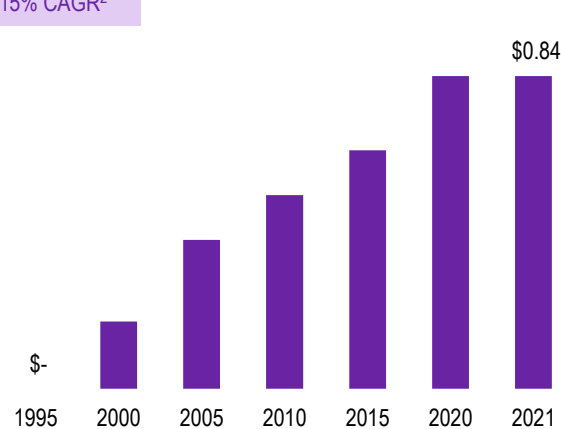
Core EPS (\$)

10% CAGR²



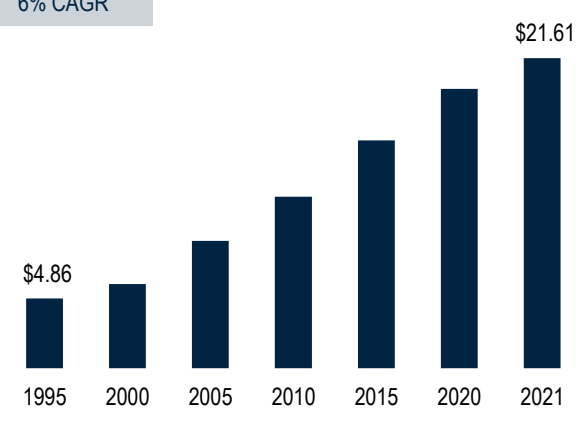
Dividends per Share (\$)

15% CAGR²



Tangible Book Value per Share (\$)

6% CAGR



Reconciliation of GAAP Earnings and Core Earnings

Non-cash Fair Value Adjustments to GAAP Earnings

The variance in GAAP and core earnings is partly driven by the impact of non-cash net gains and losses from fair value adjustments. These fair value adjustments relate primarily to swaps designated to protect against rising rates and borrowing carried at fair value under the fair value option. As the swaps get closer to maturity, the volatility in fair value adjustments will dissipate. In a declining interest rate environment, the movement in the curve exaggerates our mark-to-market loss position. In a rising interest rate environment or a steepening of the yield curve, the loss position would experience an improvement.

Core Net Income, Core Diluted EPS, Core ROAE, Core ROAA, Core Net Interest Income FTE, Core Net Interest Margin FTE, Base Net Interest Income FTE, Base Net Interest Margin FTE, Core Interest Income and Yield on Total Loans, Base Interest Income and Yield on Total Loans, Core Noninterest Income, Core Noninterest Expense and Tangible Book Value per common share are each non-GAAP measures used in this presentation. A reconciliation to the most directly comparable GAAP financial measures appears below in tabular form. The Company believes that these measures are useful for both investors and management to understand the effects of certain interest and noninterest items and provide an alternative view of the Company's performance over time and in comparison to the Company's competitors. These measures should not be viewed as a substitute for net income. The Company believes that tangible book value per common share is useful for both investors and management as these are measures commonly used by financial institutions, regulators and investors to measure the capital adequacy of financial institutions. The Company believes these measures facilitate comparison of the quality and composition of the Company's capital over time and in comparison to its competitors. These measures should not be viewed as a substitute for total shareholders' equity.

These non-GAAP measures have inherent limitations, are not required to be uniformly applied and are not audited. They should not be considered in isolation or as a substitute for analysis of results reported under GAAP. These non-GAAP measures may not be comparable to similarly titled measures reported by other companies.

Reconciliation of GAAP Earnings and Core Earnings

	Years Ended				
	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
<i>(Dollars in thousands, except per share data)</i>					
GAAP income (loss) before income taxes	\$ 109,278	\$ 45,182	\$ 53,331	\$ 65,485	\$ 66,134
Day 1, Provision for Credit Losses - Empire transaction	—	1,818	—	—	—
Net (gain) loss from fair value adjustments	12,995	2,142	5,353	4,122	3,465
Net (gain) loss on sale of securities	(113)	701	15	1,920	186
Life insurance proceeds	—	(659)	(462)	(2,998)	(1,405)
Net gain on sale or disposition of assets	(621)	—	(770)	(1,141)	—
Net (gain) loss from fair value adjustments on qualifying hedges	(2,079)	1,185	1,678	—	—
Accelerated employee benefits upon Officer's death	—	—	455	149	—
Prepayment penalty on borrowings	—	7,834	—	—	—
Net amortization of purchase accounting adjustments	(2,489)	80	—	—	—
Merger expense	2,562	6,894	1,590	—	—
Core income before taxes	119,533	65,177	61,190	67,537	68,380
Provision for income taxes for core income	30,769	15,428	13,957	11,960	22,613
Core net income	\$ 88,764	\$ 49,749	\$ 47,233	\$ 55,577	\$ 45,767
GAAP diluted earnings (loss) per common share	\$ 2.59	\$ 1.18	\$ 1.44	\$ 1.92	\$ 1.41
Day 1, Provision for Credit Losses - Empire transaction, net of tax	—	0.05	—	—	—
Net (gain) loss from fair value adjustments, net of tax	0.31	0.06	0.14	0.10	0.07
Net (gain) loss on sale of securities, net of tax	—	0.02	—	0.05	—
Life insurance proceeds	—	(0.02)	(0.02)	(0.10)	(0.05)
Net gain on sale or disposition of assets, net of tax	(0.01)	—	(0.02)	(0.03)	—
Net (gain) loss from fair value adjustments on qualifying hedges, net of tax	(0.05)	0.03	0.05	—	—
Accelerated employee benefits upon Officer's death, net of tax	—	—	0.01	—	—
Federal tax reform 2017	—	—	—	—	0.13
Prepayment penalty on borrowings, net of tax	—	0.20	—	—	—
Net amortization of purchase accounting adjustments, net of tax	(0.06)	—	—	—	—
Merger expense, net of tax	0.06	0.18	0.04	—	—
NYS tax change	(0.02)	—	—	—	—
Core diluted earnings per common share ⁽¹⁾	\$ 2.81	\$ 1.70	\$ 1.65	\$ 1.94	\$ 1.57
Core net income, as calculated above	\$ 88,764	\$ 49,749	\$ 47,233	\$ 55,577	\$ 45,767
Average assets	8,143,372	7,276,022	6,947,881	6,504,598	6,217,746
Average equity	648,946	580,067	561,289	534,735	530,300
Core return on average assets ⁽²⁾	1.09 %	0.68 %	0.68 %	0.85 %	0.74 %
Core return on average equity ⁽²⁾	13.68 %	8.58 %	8.42 %	10.39 %	8.63 %

¹ Core diluted earnings per common share may not foot due to rounding

² Ratios are calculated on an annualized basis

Reconciliation of GAAP Revenue & Pre-Provision Pre-Tax Net Revenue

<i>(Dollars In thousands)</i>	Years Ended				
	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
GAAP Net interest income	\$ 247,969	\$ 195,199	\$ 161,940	\$ 167,406	\$ 173,107
Net (gain) loss from fair value adjustments on qualifying hedges	(2,079)	1,185	1,678	—	—
Net amortization of purchase accounting adjustments	(3,049)	(11)	—	—	—
Core Net interest income	<u>\$ 242,841</u>	<u>\$ 196,373</u>	<u>\$ 163,618</u>	<u>\$ 167,406</u>	<u>\$ 173,107</u>
GAAP Noninterest income	\$ 3,687	\$ 11,043	\$ 9,471	\$ 10,337	\$ 10,362
Net (gain) loss from fair value adjustments	12,995	2,142	5,353	4,122	3,465
Net (gain) loss on sale of securities	(113)	701	15	1,920	186
Life insurance proceeds	—	(659)	(462)	(2,998)	(1,405)
Net gain on disposition of assets	(621)	—	(770)	(1,141)	—
Core Noninterest income	<u>\$ 15,948</u>	<u>\$ 13,227</u>	<u>\$ 13,607</u>	<u>\$ 12,240</u>	<u>\$ 12,608</u>
GAAP Noninterest expense	\$ 147,322	\$ 137,931	\$ 115,269	\$ 111,683	\$ 107,474
Prepayment penalty on borrowings	—	(7,834)	—	—	—
Accelerated employee benefits upon Officer's death	—	—	(455)	(149)	—
Net amortization of purchase accounting adjustments	(560)	(91)	—	—	—
Merger expense	(2,562)	(6,894)	(1,590)	—	—
Core Noninterest expense	<u>\$ 144,200</u>	<u>\$ 123,112</u>	<u>\$ 113,224</u>	<u>\$ 111,534</u>	<u>\$ 107,474</u>
Net interest income	\$ 247,969	\$ 195,199	\$ 161,940	\$ 167,406	\$ 173,107
Noninterest income	3,687	11,043	9,471	10,337	10,362
Noninterest expense	(147,322)	(137,931)	(115,269)	(111,683)	(107,474)
Pre-provision pre-tax net revenue	<u>\$ 104,334</u>	<u>\$ 68,311</u>	<u>\$ 56,142</u>	<u>\$ 66,060</u>	<u>\$ 75,995</u>
Core:					
Net interest income	\$ 242,841	\$ 196,373	\$ 163,618	\$ 167,406	\$ 173,107
Noninterest income	15,948	13,227	13,607	12,240	12,608
Noninterest expense	(144,200)	(123,112)	(113,224)	(111,534)	(107,474)
Pre-provision pre-tax net revenue	<u>\$ 114,589</u>	<u>\$ 86,488</u>	<u>\$ 64,001</u>	<u>\$ 68,112</u>	<u>\$ 78,241</u>
Efficiency Ratio	55.7 %	58.7 %	63.9 %	62.1 %	57.9 %

Efficiency ratio, a non-GAAP measure, was calculated by dividing noninterest expenses (excluding merger expenses, OREO expense, prepayment penalty on borrowings, the net gain/loss from the sale of OREO and net amortization of purchase accounting adjustment) by the total of net interest income (excluding net gains and losses from fair value adjustments on qualifying hedges and net amortization of purchase accounting adjustments) and noninterest income (excluding life insurance proceeds, net gains and losses from the sale or disposition of securities, assets and fair value adjustments)

Reconciliation of GAAP NII & NIM to CORE and Base NII & NIM

	Years Ended				
	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
<i>(Dollars In thousands)</i>					
GAAP net interest income	\$ 247,969	\$ 195,199	\$ 161,940	\$ 167,406	\$ 173,107
Net (gain) loss from fair value adjustments on qualifying hedges	(2,079)	1,185	1,678	—	—
Net amortization of purchase accounting adjustments	(3,049)	(11)	—	—	—
Tax equivalent adjustment	450	508	542	895	—
Core net interest income FTE	<u>\$ 243,291</u>	<u>\$ 196,881</u>	<u>\$ 164,160</u>	<u>\$ 168,301</u>	<u>\$ 173,107</u>
Prepayment penalties received on loans and securities, net of reversals and recoveries of interest from nonaccrual loans	(6,627)	(4,576)	(6,501)	(7,058)	(7,050)
Base net interest income FTE	<u>\$ 236,664</u>	<u>\$ 192,305</u>	<u>\$ 157,659</u>	<u>\$ 161,243</u>	<u>\$ 166,057</u>
Total average interest-earning assets ⁽¹⁾	\$ 7,681,441	\$ 6,863,219	\$ 6,582,473	\$ 6,194,248	\$ 5,916,073
Core net interest margin FTE	3.17 %	2.87 %	2.49 %	2.72 %	2.93 %
Base net interest margin FTE	3.08 %	2.80 %	2.40 %	2.60 %	2.81 %
GAAP interest income on total loans, net	\$ 274,331	\$ 248,153	\$ 251,744	\$ 232,719	\$ 209,283
Net (gain) loss from fair value adjustments on qualifying hedges	(2,079)	1,185	1,678	—	—
Net amortization of purchase accounting adjustments	(3,013)	(356)	—	—	—
Core interest income on total loans, net	<u>\$ 269,239</u>	<u>\$ 248,982</u>	<u>\$ 253,422</u>	<u>\$ 232,719</u>	<u>\$ 209,283</u>
Prepayment penalties received on loans and securities, net of reversals and recoveries of interest from nonaccrual loans	(6,625)	(4,501)	(6,501)	(6,956)	(6,221)
Base interest income on total loans, net	<u>\$ 262,614</u>	<u>\$ 244,481</u>	<u>\$ 246,921</u>	<u>\$ 225,763</u>	<u>\$ 203,062</u>
Average total loans, net ⁽¹⁾	\$ 6,653,980	\$ 6,006,931	\$ 5,621,033	\$ 5,316,968	\$ 4,988,613
Core yield on total loans	4.05 %	4.14 %	4.51 %	4.38 %	4.20 %
Base yield on total loans	3.95 %	4.07 %	4.39 %	4.25 %	4.07 %

¹ Excludes purchase accounting average balances for the years ended 2021 and 2020

Calculation of Tangible Stockholders' Common Equity to Tangible Assets

<i>(Dollars in thousands)</i>	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Total Equity	\$ 679,628	\$ 618,997	\$ 579,672	\$ 549,464	\$ 532,608
Less:					
Goodwill	(17,636)	(17,636)	(16,127)	(16,127)	(16,127)
Core deposit Intangibles	(2,562)	(3,172)	—	—	—
Intangible deferred tax liabilities	328	287	292	290	291
Tangible Stockholders' Common Equity	<u>\$ 659,758</u>	<u>\$ 598,476</u>	<u>\$ 563,837</u>	<u>\$ 533,627</u>	<u>\$ 516,772</u>
Total Assets	\$ 8,045,911	\$ 7,976,394	\$ 7,017,776	\$ 6,834,176	\$ 6,299,274
Less:					
Goodwill	(17,636)	(17,636)	(16,127)	(16,127)	(16,127)
Core deposit Intangibles	(2,562)	(3,172)	—	—	—
Intangible deferred tax liabilities	328	287	292	290	291
Tangible Assets	<u>\$ 8,026,041</u>	<u>\$ 7,955,873</u>	<u>\$ 7,001,941</u>	<u>\$ 6,818,339</u>	<u>\$ 6,283,438</u>
Tangible Stockholders' Common Equity to Tangible Assets	<u>8.22 %</u>	<u>7.52 %</u>	<u>8.05 %</u>	<u>7.83 %</u>	<u>8.22 %</u>

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