

Investor Presentation

Clayton Deutsch
Chief Executive Officer

David Kaye
Chief Financial and Administrative Officer

Mark Thompson
President

Q2 2015

Forward Looking Statements

This presentation contains financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The Company’s management uses these non-GAAP measures in its analysis of the Company’s performance. These measures typically adjust GAAP performance measures to exclude significant gains or losses that are unusual in nature. Because these items and their impact on the Company’s performance are difficult to predict, management believes that presentations of financial measures excluding the impact of these items provide useful supplemental information that is essential to a proper understanding of the operating results of the Company’s core businesses. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures which may be presented by other companies.

Certain statements in this presentation that are not historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties. These statements include, among others, statements regarding our strategy, evaluations of future interest rate trends and liquidity, prospects for growth in assets, and prospects for overall results over the long term. You should not place undue reliance on the Company’s forward-looking statements. You should exercise caution in interpreting and relying on forward-looking statements because they are subject to significant risks, uncertainties and other factors which are, in some cases, beyond the Company’s control. Forward-looking statements are based on the current assumptions and beliefs of management and are only expectations of future results. The Company’s actual results could differ materially from those projected in the forward-looking statements as a result of, among other factors, adverse conditions in the capital and debt markets and the impact of such conditions on the Company’s private banking, investment management and wealth advisory activities; changes in interest rates; competitive pressures from other financial institutions; the effects of weakness in general economic conditions on a national basis or in the local markets in which the Company operates; changes in the value of securities and other assets; changes in loan default and charge-off rates, the adequacy of loan loss reserves, or decreases in deposit levels necessitating increased borrowing to fund loans and investments; changes in government regulation; the risk that goodwill and intangibles recorded in the Company’s financial statements will become impaired; the risk that the Company’s deferred tax asset may not be realized; risks related to the identification and implementation of acquisitions, dispositions and restructurings; and changes in assumptions used in making such forward-looking statements, as well as the other risks and uncertainties detailed in the Company’s Annual Report on Form 10-K, as updated by the Company’s Quarterly Reports on Form 10-Q and other filings submitted to the Securities and Exchange Commission. Forward-looking statements speak only as of the date on which they are made. The Company does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statement is made.

Agenda

1. Boston Private: An appealing business and economic model
 - Wealth Management
 - Private Banking
2. Our return targets
3. Appendix

1. BPFH: A Premier Wealth Management And Private Banking Company

WEALTH MANAGEMENT

Fee-Based Wealth Advisory

KLS: New York, Los Angeles

BOS: San Francisco, Palo Alto

- Boutique-based comprehensive financial planning, portfolio construction and asset allocation
- Nationwide reach, referral-driven, growing clientele

Proprietary Investment Management

Anchor Capital: Boston

DGHM: New York

- Proprietary, active asset management
- Value-driven investors
- Individual and institutional clientele

Wealth Management & Trust

Boston Private Wealth: Boston, Los Angeles, San Francisco, Atlanta, Florida, Wisconsin, and Texas

- Robust wealth management offering including proprietary fixed income, actively managed equities, asset allocation and trust capabilities
- HNW and select institutional clientele; Bank-driven referrals

PRIVATE BANKING

Residential Mortgage

Boston Private Residential Mortgage: All Bank markets

- High service jumbo mortgage
- Superior economics

Commercial Lending

Boston Private Commercial Banking: All Bank markets

- Commercial lending and related services for private companies, partnerships and non-profit institutions
- Strong cross-sell to Deposit Services and Boston Private Wealth

Deposit Services

Boston Private Deposit Services and Cash Management: All Bank markets

- Highly client-centered cash and liquidity management
- Strong referral links all Boston Private business lines; deep client loyalty

Two Distinct Business Models Drive Value

Metric	Wealth Management	Private Bank & HoldCo	BPFH
Q1 2015 annualized earnings ^(1,2)	\$16.9	\$52.4	\$69.3
Q1 2015 annualized EPS contribution	\$0.20	\$0.63	\$0.83
Tangible common equity ⁽²⁾	\$2.9	\$488.9	\$491.8
TBV/share	\$0.03	\$5.85	\$5.88
Capital requirements:	Minimal	Intensive	

Notes:

(1) Net Income after Series D Preferred Dividends.

(2) Dollars in millions.

Our Strategy for Increasing Value

Revenue Mix Management

Drive fee revenue growth, with a particular focus on Wealth Management expansion and generation of Banking fees in excess of NII growth

Disciplined Expense Management

Tightly manage expenses, and create positive operating leverage in excess of margin compression

Efficient Capital Management

Continue to de-risk; achieve a top quartile risk profile, and fine tune leverage with efficient capital management

Deliver greater cash return to shareholders while adequately reinvesting in our Company's businesses

Wealth Management

- Steady fee-based revenue stream
 - Wealth management fees⁽¹⁾ account for 43% of Q2 15 revenue
- \$29.6 bn in AUM
- Q2 15 EBITDA margin of 29%
- Wealth Management encompasses:

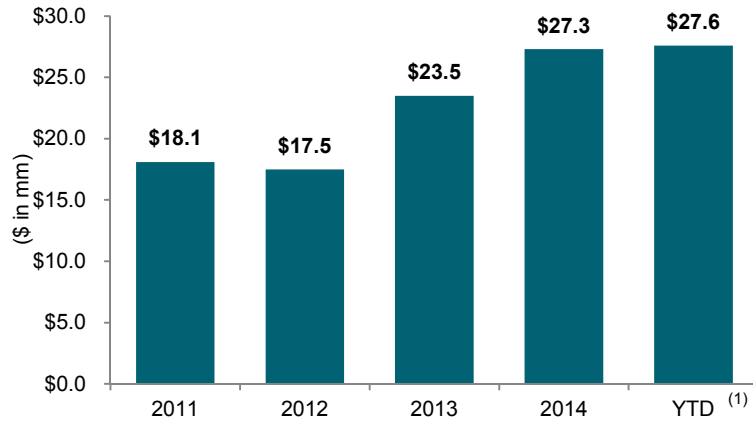
Wealth Advisory	Investment Managers	Wealth Management & Trust
KLS Professional Advisors Bingham, Osborn & Scarborough	Anchor Capital Dalton, Greiner, Hartman & Maher	Boston Private Wealth

Notes:

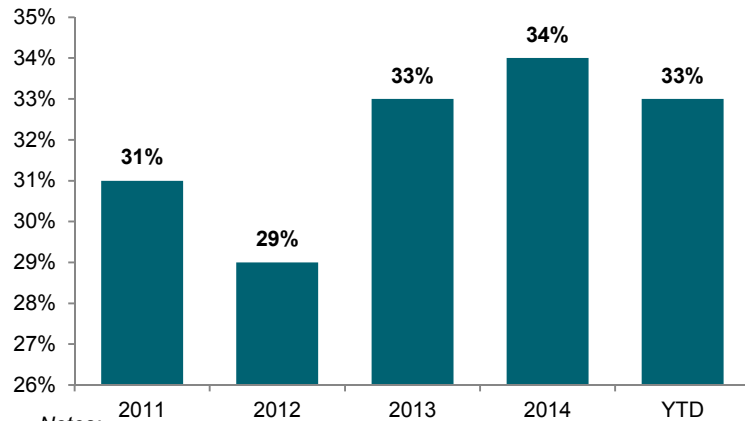
(1) Includes Investment Management Fees, Wealth Management and Trust Fees, & Wealth Advisory Fees.

Attractiveness of Fee-Based Revenue Stream

Investment Management and Wealth Advisory Pre-Tax Income



Investment Management and Wealth Advisory EBITDA Margin

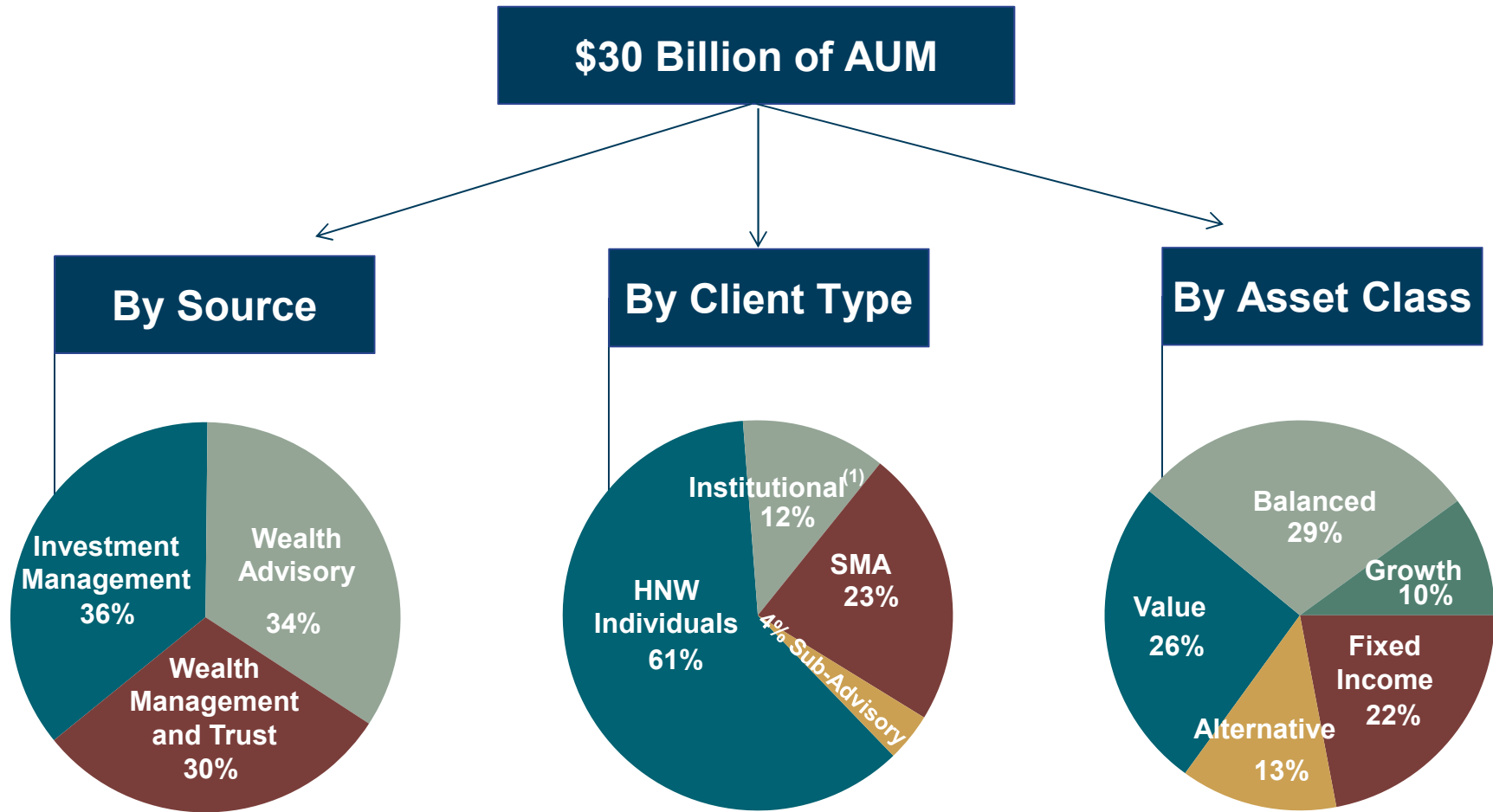


Notes:
(1) Annualized

Comments

- Capital-light businesses
 - No additional capital needed for growth
 - Stable, significant stream of unrestricted cash flow
- Stable source of revenue
 - Diversifies NII exposure
 - Less volatile than overall equity market
- Strong profit margins
 - Expand well in growth cycle
 - Demonstrated operating leverage/margin expansion

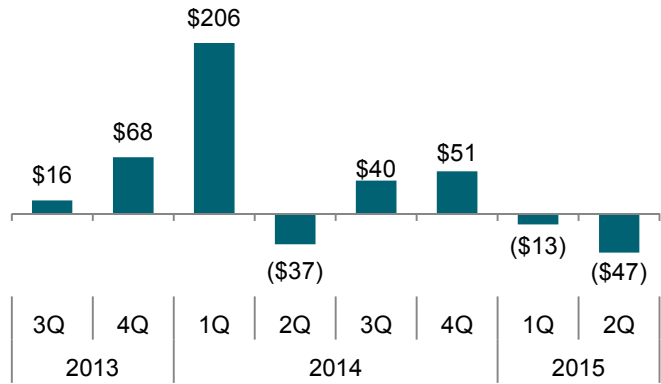
Our Wealth Management Group Platform: A Diverse Portfolio



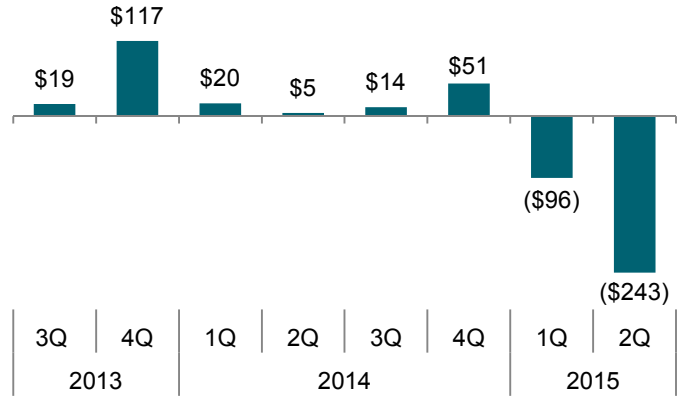
Notes:
(1) Corporate, ERISA, Foundations/ Endowments, & Public.

Boston Private AUM Net Flows

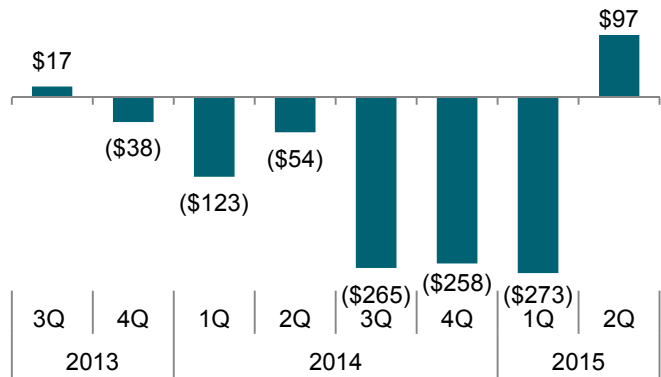
Wealth Advisory (\$ in mm)



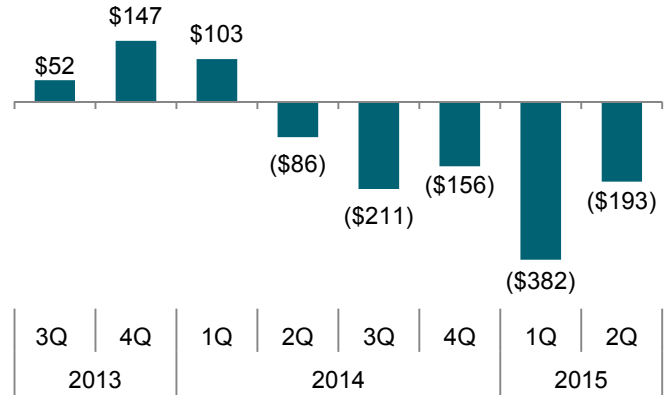
Wealth Management & Trust (\$ in mm)



Investment Management (\$ in mm)

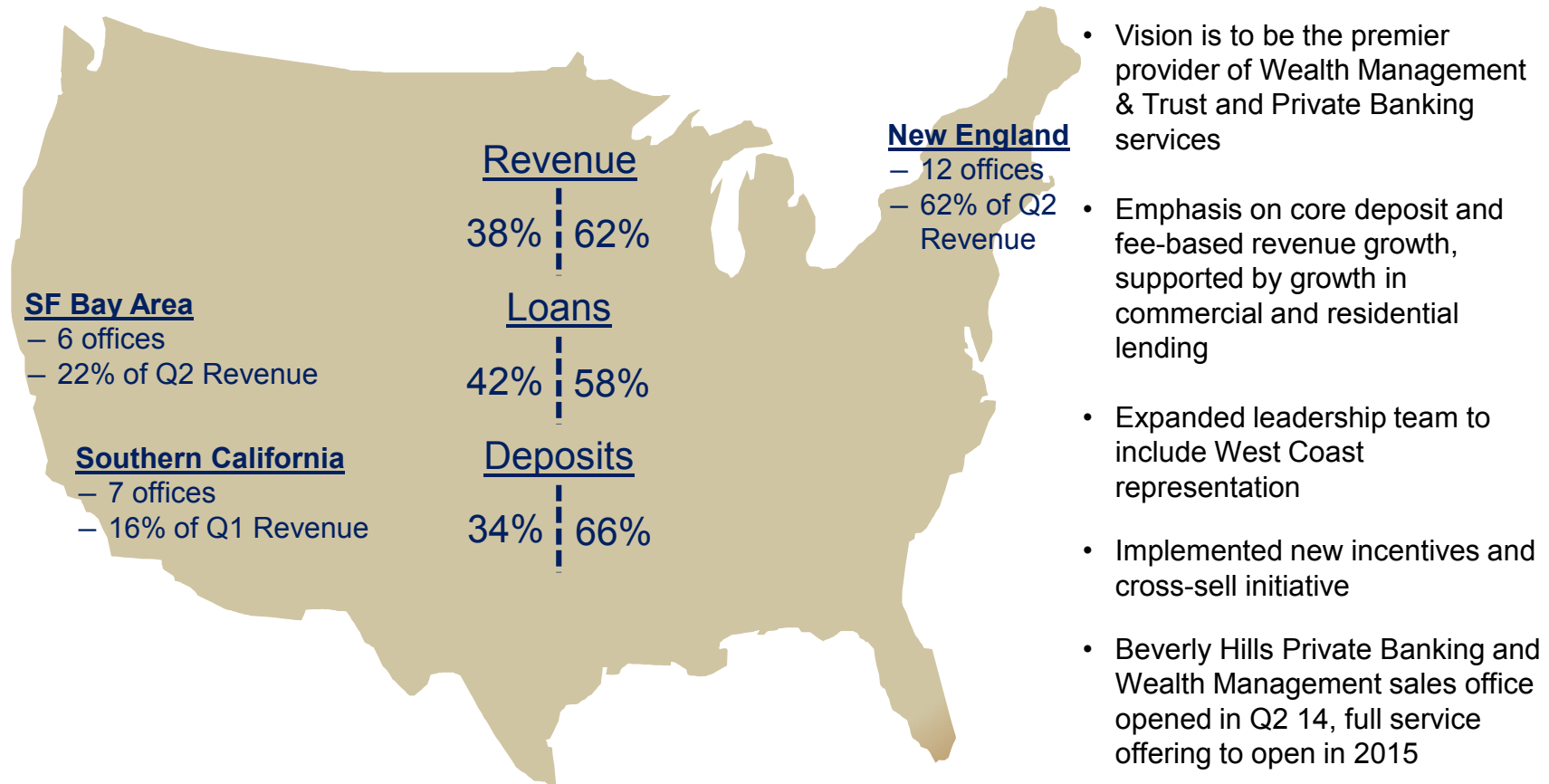


Consolidated (\$ in mm)



Private Banking

Boston Private Bank: Fully Integrated and Branded as of September 2012



Private Banking

- Represents 56%⁽¹⁾ of Company revenue
- \$6.9 bn Private Banking balance sheet
- \$5.5 bn in loans; \$5.4 bn in deposits
- Attractive risk profile with:
 - Steady and steep reduction in problem assets
 - High level of reserves and low charge-offs relative to industry and peer group
- Capital build:
 - Bank-only Tier 1 ratio of 11.5%
- Consolidated Q2 15 NIM of 2.90%

Notes:

(1) Excludes Private Bank Wealth Management & Trust Fees.

Boston Private Target Client Segments

High Net Worth Individuals

- Entrepreneurs
- Executives
- Family Wealth
- Baby Boomers/Retirees

Privately Held Businesses

- C&I (preferred industries)
- Professional Service Firms

Private Partnerships

- Venture Capital
- Hedge Funds
- Private Equity
- Real Estate Inv/Dev

Non-Profits

- Educational
- Foundations/Endowments
- Health & Human Services

\$3 - \$30 million of financial assets

- “Sweet spot” is \$3 - \$15 million
- Selection factors favor us

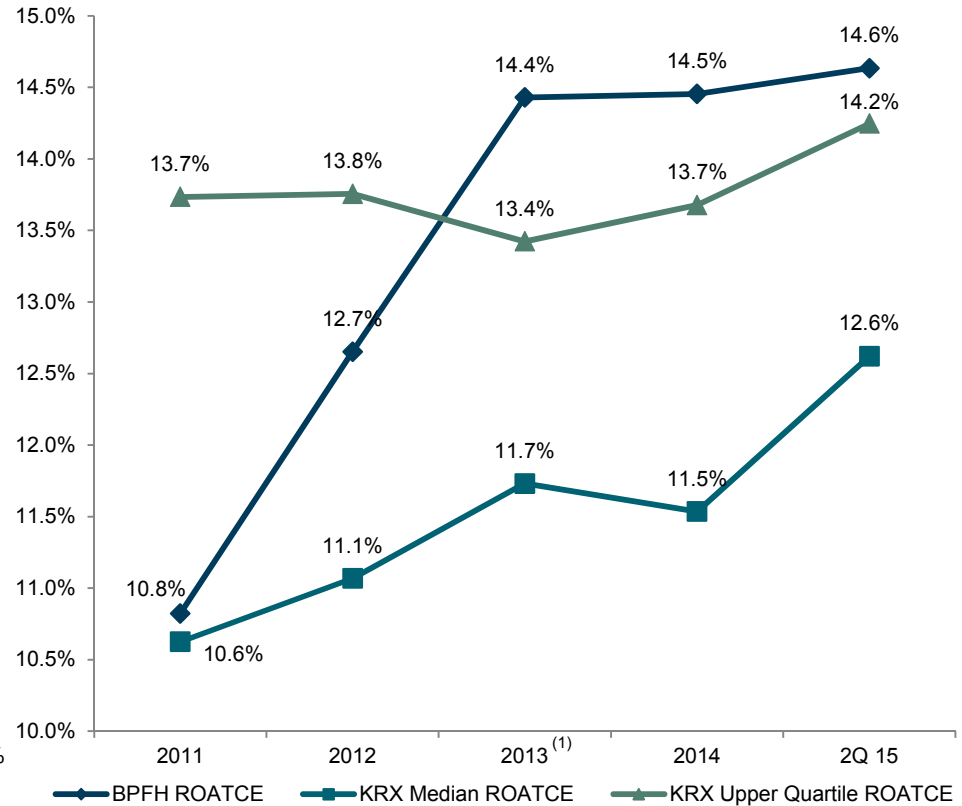
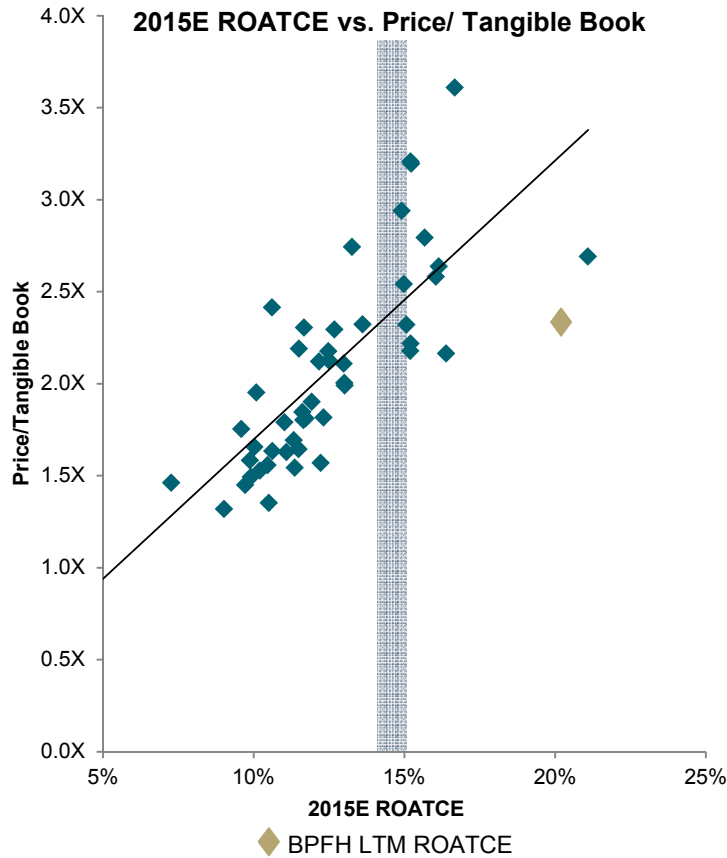
Appeal of targeted segments includes:

- Stable growth
 - Historically 1.5x – 3x GDP
- Lower risk
 - Better loan loss rates, capital-light advisory activities
- Superior profitability
 - Relationship size and longevity, pricing flexibility

Basis of differentiation:

- Distinctive client service
- Private Banker stability; relationship management focus
- Superb execution
- Delivery of cross-enterprise client development expertise

2. Our Primary Focus is to Increase ROATCE



Approximately 50% of executive variable compensation is tied to ROACE performance

Notes:

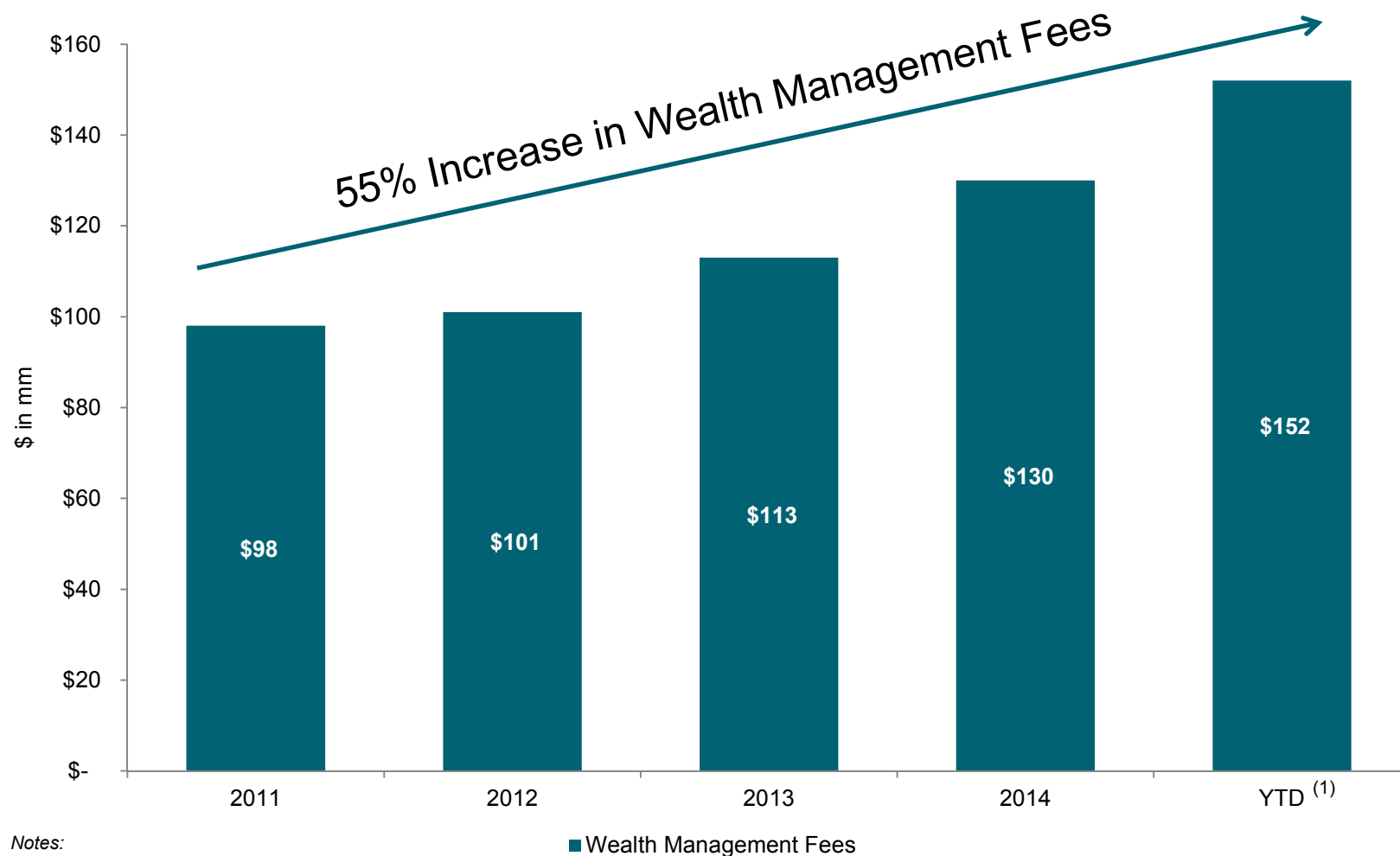
(1) Excludes gain on sale of Pacific Northwest offices.

Data based on KBW Regional Bank Index consensus estimates as of 8/3/15.

Steps to Attain Target Return Levels

1. Expand Wealth Management activity
2. Drive West Coast client expansion
3. Tightly manage expenses
4. Manage risk and efficiently manage capital

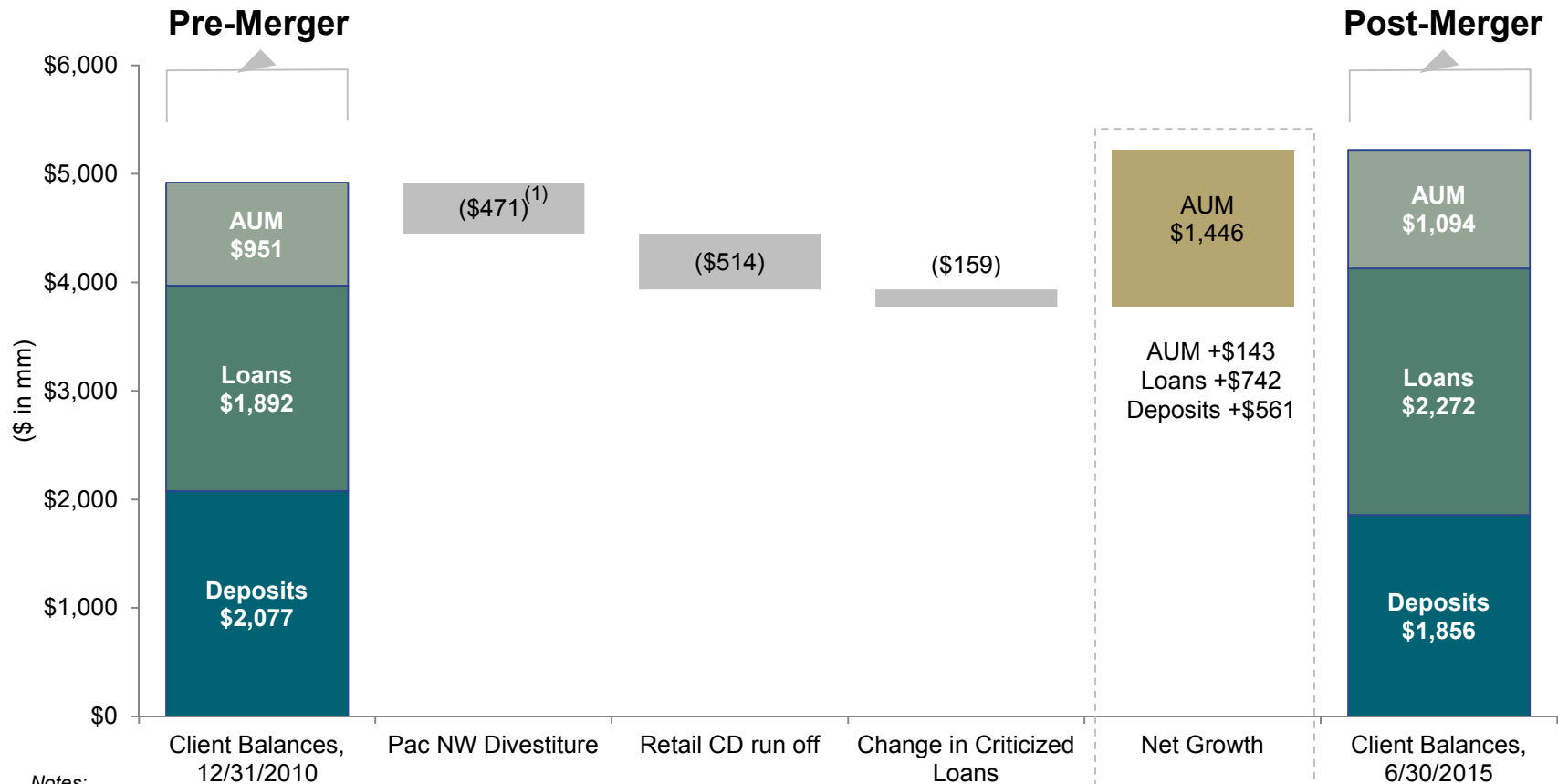
Expand Wealth Management Activity



Notes:
(1) Annualized

Drive West Coast Client Expansion

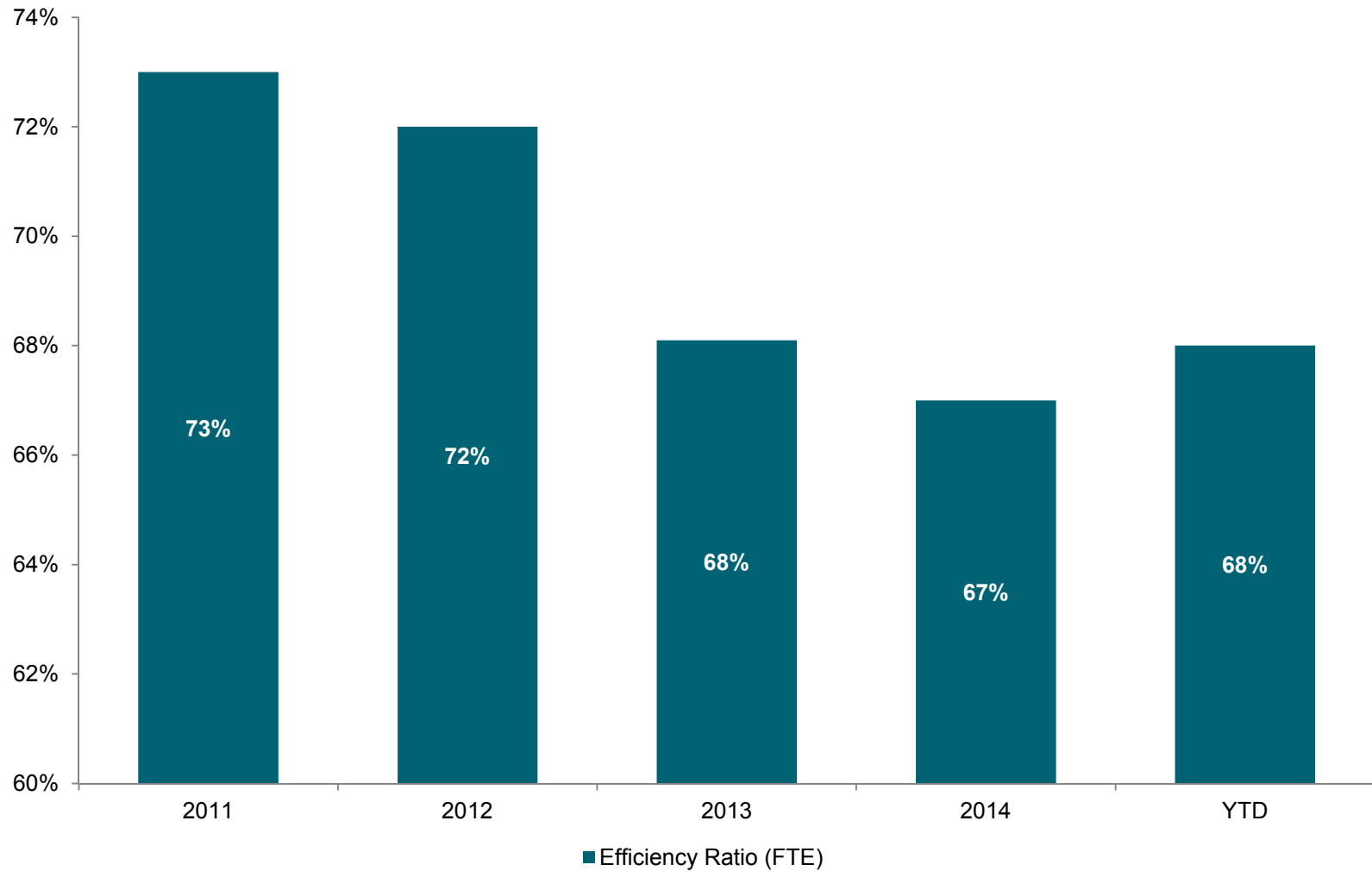
Excluding Purposeful Reduction Initiatives,
Private Bank West Coast Client Balances Growing at 6% CAGR



Notes:

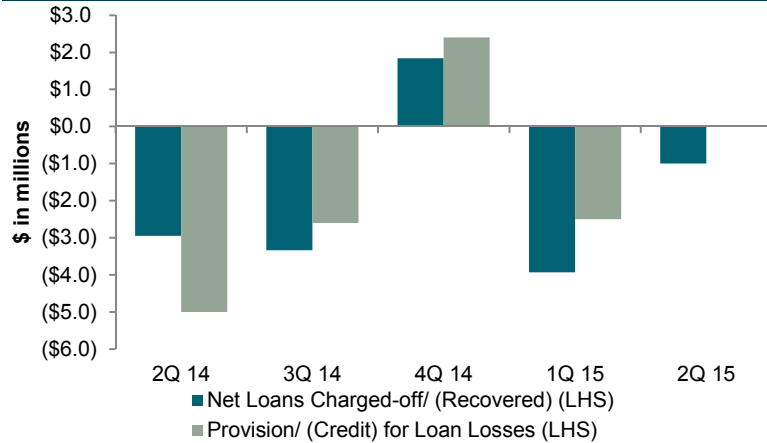
(1) Includes \$203 mm in loans and \$268 mm in deposits as of 12/31/10.

Expenses Continue to be Tightly Managed Following 2011-2012 Restructuring Savings



Manage Risk

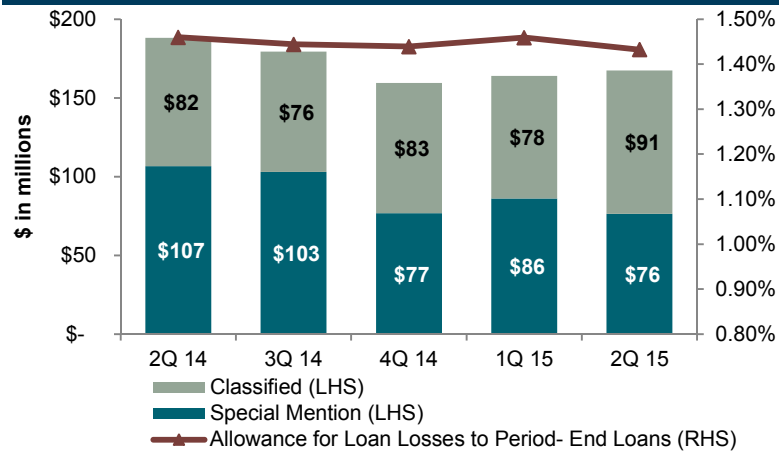
Net-Chargeoffs & Provision for Loan Losses



Comments

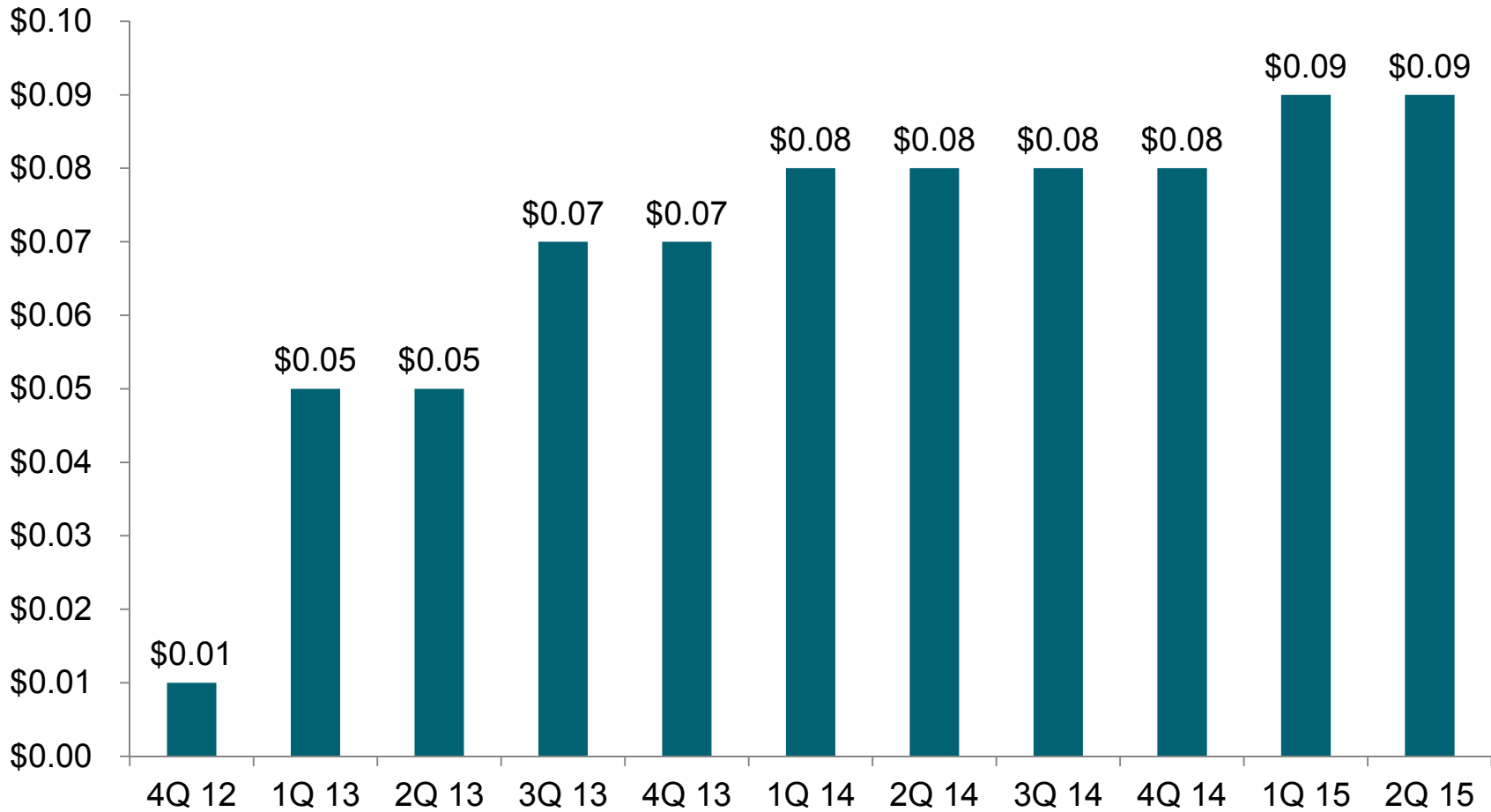
- Over the past five quarters, Provision for Loan Losses has largely tracked Net-Charge Offs / Net Recoveries
- The Company recorded no provision for loan loss in 2Q15 due to net recoveries of \$1 million, offset by loan growth and loan downgrades

Criticized Loans & Allowance for Loan Losses



- Total Criticized Loans decreased 11% year-over-year to \$167 million
- Allowance for Loan Losses as a percent of Total Loans finished the quarter at 1.43%

Capital Return Strategy: Dividends



Summary: Our Beliefs

- Our focus on private clients affords us attractive growth and return opportunities
- Our business mix is attractive and provides an important element of revenue diversification
- Our balance sheet, capital base and risk profile are strong and will continue to improve
- Our network and brand are important assets upon which to build, and represent opportunities to expand our client base
- Our non-bank wealth management businesses are important contributors

Appendix

Consolidated Performance Metrics

(\$ in millions except per share data)

	2Q15	1Q15	2Q14
Return on Average Common Equity	9.9%	10.9%	13.5%
Return on Average Tangible Common Equity	14.6%	16.2%	17.8%
Core Fee Income Ratio	46%	46%	42%
Efficiency Ratio (FTE)	67%	69%	64%
Tier 1 Common Equity Ratio	9.8%	9.8%	10.0%
Total AUM	\$29,642	\$30,025	\$25,370
Diluted EPS	\$0.20	\$0.21	\$0.25

Consolidated Income Statement

(\$ in millions)	% Change				
	2Q15	1Q15	2Q14	LQ	YY
Net Interest Income	\$45.1	\$46.1	\$46.3	(2%)	(3%)
Core Fees	40.3	40.2	34.1	0%	18%
Total Other Income	2.3	1.2	0.2	NMF	NMF
Total Revenue	\$87.7	\$87.4	\$80.6	0%	9%
Operating Expenses	62.4	63.4	54.4	(2%)	15%
Pre-tax Pre-Provision Income	\$25.3	\$24.0	\$26.2	6%	(3%)
Provision Expense / (Credit)	-	(2.5)	(5.0)	NMF	NMF
Pre-tax Income from Continuing Operations	\$25.3	\$26.5	\$31.2	(4%)	(19%)
Taxes	8.0	8.6	10.3	(7%)	(23%)
Discontinued Operations	1.5	2.1	1.5	(26%)	7%
NCI	1.3	1.2	1.0	3%	23%
Net Income	\$17.6	\$18.8	\$21.3	(6%)	(17%)

Comments

- Core Fees and Income increased 18% year-over-year due to the impact of the Banyan acquisition and organic growth
- 2Q15 Other Income includes \$1.1 million related to the fair-value accounting for the contingent payment liability and \$0.6 million in gains on partnership investments

Consolidated Expense Trends

(\$ in millions)	% Change				
	2Q15	1Q15	2Q14	LQ	YY
Operating Expenses:					
Salaries and employee benefits	\$39.8	\$42.1	\$34.3	(5%)	16%
Occupancy and equipment	9.1	9.0	7.3	1%	24%
Professional services	3.2	3.0	3.5	6%	(9%)
Marketing and business development	1.7	1.3	2.7	27%	(38%)
Contract services and data processing	1.5	1.4	1.4	4%	3%
Amortization of intangibles	1.7	1.6	1.0	3%	58%
FDIC insurance	1.0	1.0	0.9	(5%)	13%
Restructuring	0.2	-	-	NMF	NMF
Other	4.3	3.8	3.1	11%	37%
Total Operating Expenses	\$62.4	\$63.4	\$54.4	(2%)	15%

Comments

- First quarter Salaries and Employee Benefits includes \$1.5 million of seasonal compensation expense
- Marketing and Business Development expense increased linked quarter due to the timing of marketing campaigns
- Other expense includes \$0.3 million related to settlements in 2Q15

Private Bank Performance Highlights

(\$ in millions)					
	2Q15	1Q15	2Q14	LQ	Y/Y
Net Interest Income	\$46.0	\$47.0	\$47.2	(2%)	(3%)
Core Fees	2.4	2.2	3.4	8%	(29%)
Total Other Income	1.0	0.6	0.1	NMF	NMF
Total Revenue	\$49.5	\$49.8	\$50.7	(1%)	(2%)
Operating Expenses	\$28.3	\$28.8	\$27.9	(2%)	2%
Pre-tax Pre-Provision Income	\$21.2	\$21.0	\$22.8	1%	(7%)
Provision Expense / (Credit)	-	(2.5)	(5.0)	NMF	NMF
Pre-tax Income from Continuing Operations	\$21.2	\$23.5	\$27.8	(10%)	(24%)
Taxes	6.8	7.8	9.7	(12%)	(29%)
Net Income	\$14.3	\$15.7	\$18.1	(9%)	(21%)

Comments

- 2Q15 Net Interest Income includes \$0.1 million of interest recovered on previous non-accrual loans while 1Q15 and 2Q14 includes recoveries of \$1.7 million and \$2.5 million, respectively
- Efficiency Ratio was 54% in 2Q15 compared to 55% in 1Q15 and 53% in 2Q14
- Average Loan-Deposits ratio decreased to 98% in 2Q15 from 101% in 2Q14

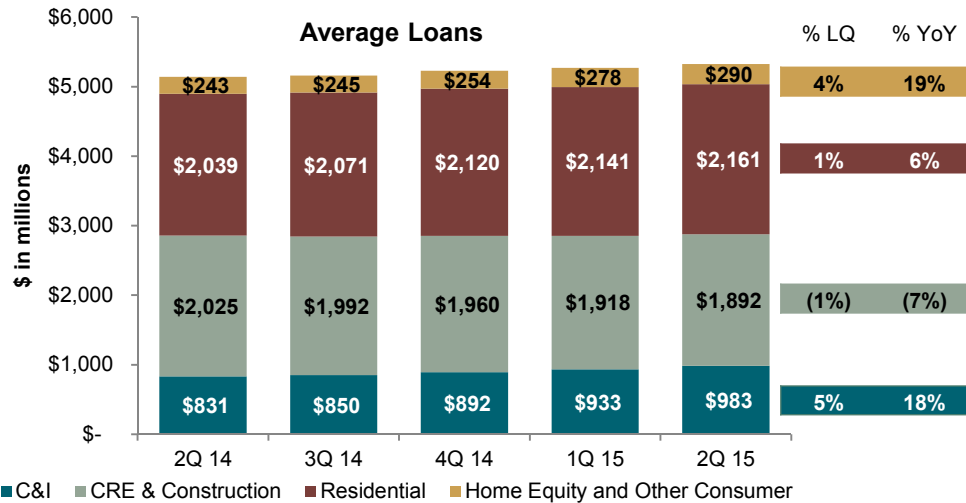
Key Statistics

	2Q15	1Q15	2Q14
Efficiency Ratio (FTE)	54%	55%	53%
Net Interest Margin	2.97%	3.07%	3.21%
Average Loan-to-Deposits Ratio ¹	98%	96%	101%

Notes:

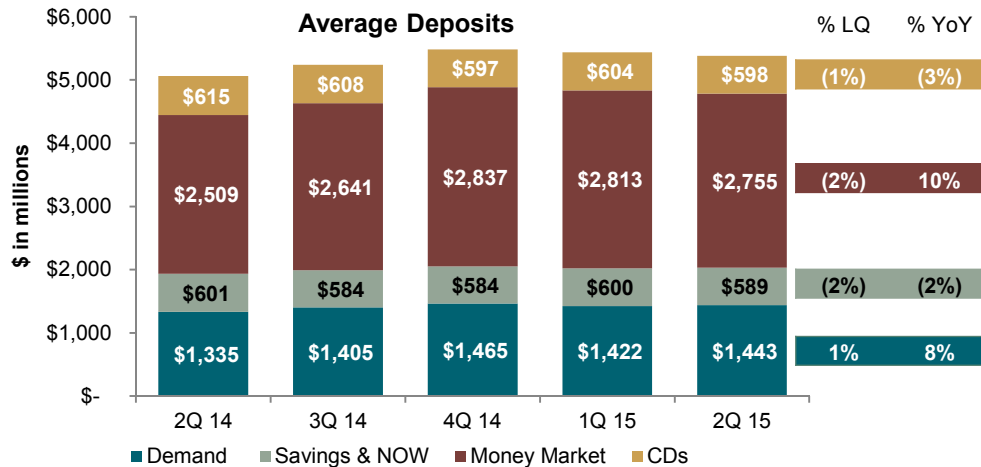
(1) Reflects bank subsidiary only.

Balance Sheet Highlights



Comments

- Average total loans increased 4% year-over-year, led by C&I (+18%) and Residential (+6%)
- CRE & Construction decreased 7% year-over-year, due in part to the loan sale executed in 2Q14 along with timing of new loans originated in the quarter



- Average Total Deposits increased 6% year-over-year to \$5.4 billion
- Demand Deposits (+8%) and Money Market (+10%) both posted strong growth year-over-year
- CDs continue to trend lower, down 1% linked quarter and 3% year-over-year

Regional Deposits

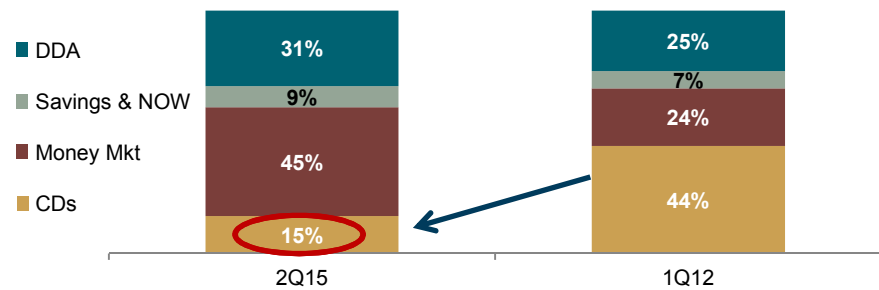
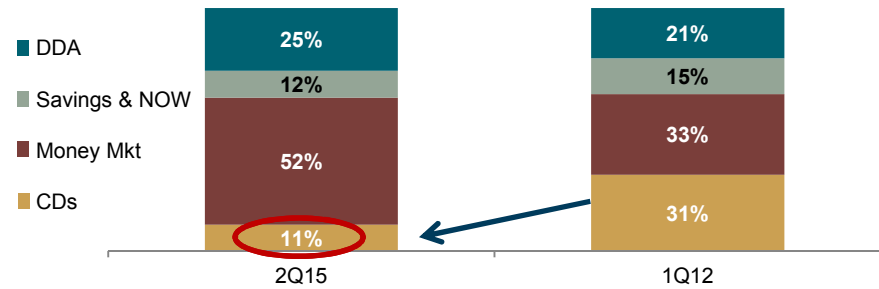
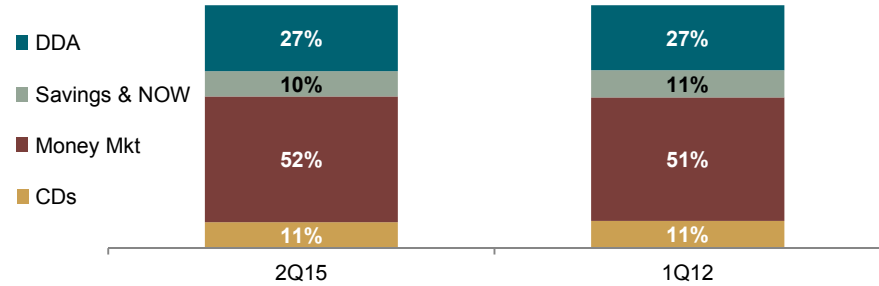
(\$ in millions)

	2Q15	1Q15	2Q14
New England			
DDA	\$987	\$918	\$906
Savings & NOW	379	373	379
Money Mkt	1,883	1,911	1,754
CDs	389	411	363
Total	\$3,638	\$3,613	\$3,402
Total Ex CDs	\$3,250	\$3,202	\$3,039

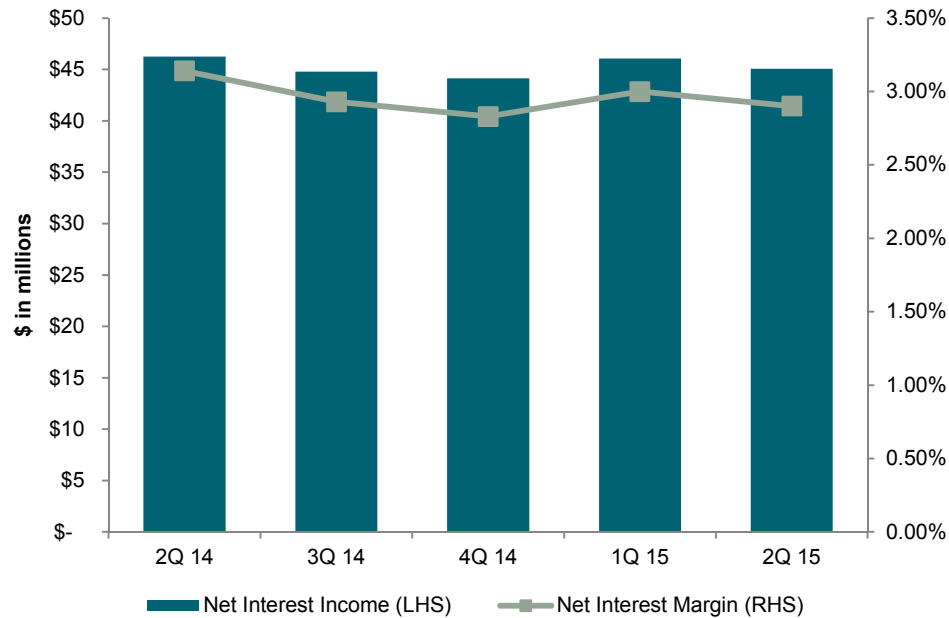
	2Q15	1Q15	2Q14
San Francisco Bay			
DDA	\$348	\$340	\$288
Savings & NOW	159	179	168
Money Mkt	707	674	540
CDs	146	149	170
Total	\$1,360	\$1,342	\$1,166
Total Ex CDs	\$1,214	\$1,193	\$996

	2Q15	1Q15	2Q14
Southern California			
DDA	\$154	\$145	\$130
Savings & NOW	44	46	40
Money Mkt	222	204	169
CDs	76	84	95
Total	\$496	\$479	\$434
Total Ex CDs	\$419	\$396	\$339

Deposit Mix



Net Interest Margin



Comments

- Excluding interest recovered on previous nonaccrual loans, Net Interest Margin was up 1 basis point linked quarter and down 7 basis points year-over-year to 2.90%
- Yield on Cash and Investments increased 15 basis points linked quarter as interest bearing cash was re-deployed into Agencies, MBS and Tax Exempt Municipal securities
- Yield on Loans, excluding interest recoveries, was 3.66% in 1Q15 and 3.76% in 2Q14 vs. 3.63% for 2Q15
- Cost of Funds (including DDA) of 0.45% was flat linked quarter and down 2 basis points year-over-year

Yield/ Cost

	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15
Cash and Investments	1.64%	1.43%	1.41%	1.78%	1.93%
Loans	3.95%	3.81%	3.71%	3.80%	3.63%
Interest-Bearing Deposits	0.36%	0.37%	0.39%	0.39%	0.39%
Total Interest-Bearing Liabilities	0.61%	0.61%	0.60%	0.60%	0.59%
Cost of Funds Including DDA	0.47%	0.47%	0.46%	0.45%	0.45%
Net Interest Margin (FTE)	3.14%	2.93%	2.83%	3.00%	2.90%

Boston Private Wealth Performance Highlights

(\$ in millions)					
	2Q15	1Q15	2Q14	% Change	
				LQ	Y/Y
Total Revenue	\$14.6	\$14.0	\$7.0	5%	108%
Operating Expenses	\$12.8	\$12.3	\$5.3	4%	141%
Pre-tax Income from Continuing Operations	\$1.9	\$1.6	\$1.7	15%	8%
Taxes	0.8	0.7	0.7	16%	11%
Net Income	\$1.1	\$0.9	\$1.0	14%	5%
Memo EBITDA:					
Pre-tax Income from Continuing Operations	\$1.9	\$1.6	\$1.7	15%	8%
Depreciation & Amortization	0.8	0.8	0.1	8%	NM
EBITDA	\$2.7	\$2.4	\$1.8	13%	53%

Comments

- 2Q15 Total Revenue includes a \$1.1 mm gain related to the fair-value accounting for the contingent payment liability
- 2Q15 Operating Expenses includes \$220k of restructuring expense
- New flows were negative \$243 million as new business was offset by client drawdowns and lost clients

Key Statistics

	2Q15	1Q15	2Q14
Net Flows (\$ in mm)	(\$243)	(\$96)	\$5
Total AUM (\$ in mm)	\$9,028	\$9,305	\$4,716
EBITDA Margin	18%	17%	25%
Pre-Tax Margin	13%	12%	25%

Investment Management Performance Highlights

(\$ in millions)	% Change				
	2Q15	1Q15	2Q14	LQ	YY
Total Revenue	\$11.7	\$11.7	\$11.8	0%	(0%)
Operating Expenses	\$8.5	\$8.7	\$9.1	(2%)	(6%)
Pre-tax Income from Continuing Operations	\$3.2	\$3.0	\$2.7	5%	20%
Taxes	1.0	1.0	0.9	4%	19%
NCI	0.6	0.6	0.5	(3%)	15%
Net Income	\$1.5	\$1.4	\$1.2	10%	24%
Memo EBITDA:					
Pre-tax Income from Continuing Operations	\$3.2	\$3.0	\$2.7	5%	20%
Depreciation & Amortization	0.8	0.8	0.8	0%	1%
EBITDA	\$4.0	\$3.9	\$3.5	4%	16%

Comments

- Total revenue was flat on a linked quarter and year-over-year basis
- EBITDA margin remains above 30% corporate target
- \$97 million of positive net flows

Key Statistics

	2Q15	1Q15	2Q14
Net Flows (\$ in mm)	\$97	(\$273)	(\$54)
Total AUM (\$ in mm)	\$10,695	\$10,730	\$10,917
EBITDA Margin	34%	33%	29%
Pre-Tax Margin	27%	26%	23%

Wealth Advisory Performance Highlights

(\$ in millions)					
	2Q15	1Q15	2Q14	% Change	
				LQ	Y/Y
Total Revenue	\$12.7	\$12.7	\$12.0	0%	6%
Operating Expenses	\$8.7	\$9.1	\$8.1	(5%)	7%
Pre-tax Income from Continuing Operations	\$4.0	\$3.6	\$3.9	12%	3%
Taxes	1.5	1.3	1.5	12%	(2%)
NCI	0.6	0.6	0.5	9%	32%
Net Income	\$1.9	\$1.7	\$1.9	12%	(1%)
Memo EBITDA:					
Pre-tax Income from Continuing Operations	\$4.0	\$3.6	\$3.9	12%	3%
Depreciation & Amortization	0.5	0.5	0.3	1%	41%
EBITDA	\$4.5	\$4.0	\$4.2	10%	6%

Comments

- Total Revenue was flat linked quarter and up 6% year-over-year
- Linked quarter decrease in Operating Expenses reflects seasonally high compensation and benefits in 1Q15
- 2Q15 EBITDA margin of 35% remains above the corporate target of 30%

Key Statistics

	2Q15	1Q15	2Q14
Net Flows (\$ in mm)	(\$47)	(\$13)	(\$37)
Total AUM (\$ in mm)	\$9,941	\$10,012	\$9,760
EBITDA Margin	35%	32%	35%
Pre-Tax Margin	31%	28%	32%