

BOSTON PRIVATE

WEALTH ▫ TRUST ▫ PRIVATE BANKING

Annual Shareholder Meeting

April 27, 2017

Clayton G. Deutsch

Chief Executive Officer

Topics

1. 2016 Look Back
2. 1Q17 Highlights
3. Priorities for 2017

2016 Full Year Performance

<u>Performance Metric</u>	<u>2016</u>
ROE	9.4%
GAAP Net Income	\$72 mm
Total Revenue Growth	3.5%
Fee Revenue Growth	(1.5%)
PTPP Growth	2.7%
Average Loan Growth	5.8%
Average Deposit Growth	4.8%
Tier 1 Common Equity / RWA	10.0%
Non-performing Assets / Total Assets	0.24%

2016 Highlights

- » Return of capital to shareholders: dividend increase and share buybacks
- » Continued excellence in risk management & strong asset quality
- » Strengthened Bank performance in all markets
- » Completed divestiture of two Southern California banking offices
- » Record levels of new business at Boston Private Wealth
- » Continued Board Advancement: added Joseph Guyaux and Mark Furlong to the Board of Directors

Q1 2017 Highlights

- » Growth of key revenue drivers
 - Loan growth of 10% annually to \$6.2 billion
 - Deposit growth of 7% annually to \$6.3 billion
 - AUM increased 7% annually to \$28.7B

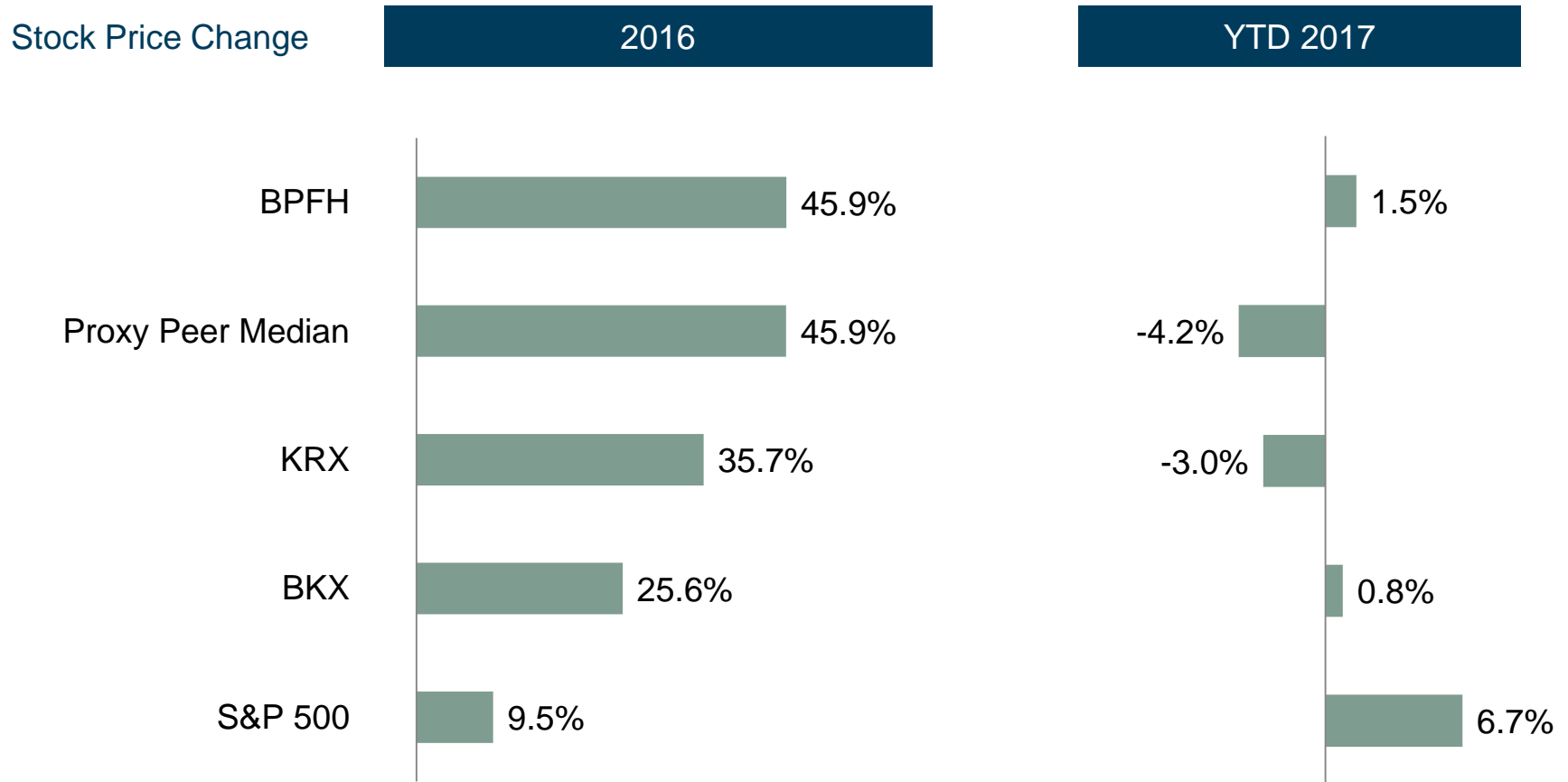
- » Core Net Interest Margin expansion

- » Continued credit quality excellence

- » Positive balance sheet development: steady liquidity and strong capital base

- » Investing in the future of the Company: new hires in business development, upgrades to technology

Perspective on Recent Stock Price Performance

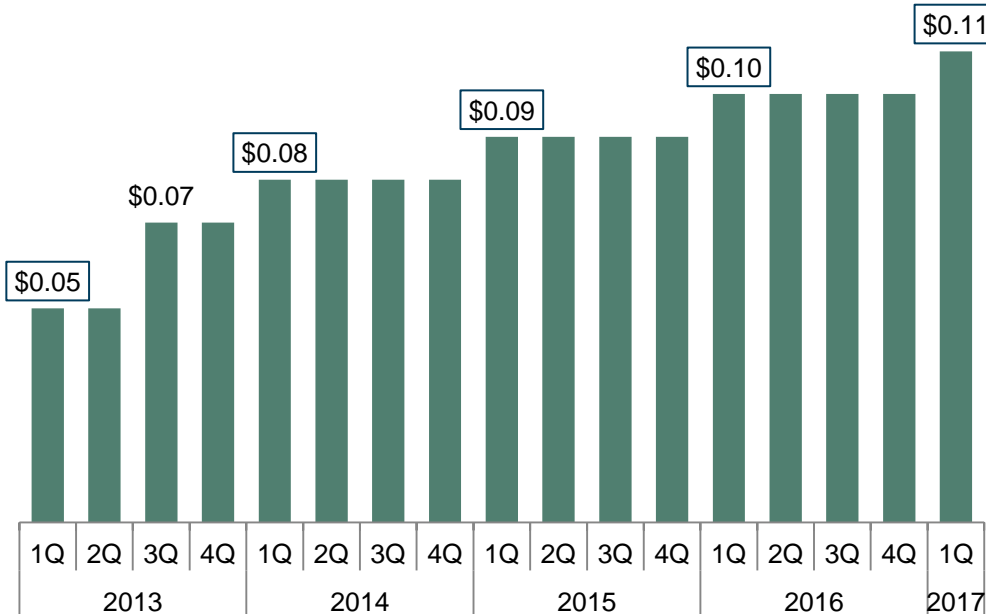


Note: Data as of 4-25-16

2016 Return of Capital to Shareholders

Quarterly Dividend to Common Shareholders

Fifth consecutive annual increase



Comments

Increased Common Dividend

- » Board of Directors approved a 10% increase in the Common Dividend from \$0.10 per common share to \$0.11 payable in the first quarter of 2017
- » Distributed \$0.40 per share in 2016

Initiated common share repurchase

- » Completed \$9 million of share repurchases in 2016

Total Return to Shareholders

- » 59% of earnings in 2016 returned to common shareholders in the form of dividends and share repurchases

2017: Our Critical Building Blocks for Success

1 Execute the Technology plan

2 Invest in strategic staffing

3 Continue to raise our game in client engagement and client experience

4 Build Boston Private Wealth for the long term

5 Focus on “One Boston Private” market development and management processes/ability

6 Continue to position the Affiliates for success in delivering shareholder value