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## Section 1: 8-K (8-K)

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 30, 2019

TRISTATE CAPITAL HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania

(State or other jurisdiction of incorporation or organization)

001-35913

(Commission File Number)

20-4929029

(I.R.S. Employer Identification No.)

One Oxford Centre

301 Grant Street, Suite 2700

Pittsburgh, Pennsylvania 15219

(Address of principal executive offices)

(Zip Code)

(412) 304-0304

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Results of Operations and Financial Condition.**

On January 30, 2019, TriState Capital Holdings, Inc. issued a press release which disclosed results of operations for the three months and year ended December 31, 2018. A copy of the press release is included as Exhibit 99 to this report.

The information in this report, including the exhibit attached hereto, is furnished solely pursuant to Item 2.02 of this Form 8-K and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.****Exhibit No. Description**

99      [Press release dated January 30, 2019, filed herewith, for item 2.02.](#)

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRISTATE CAPITAL HOLDINGS, INC.

By /s/ James F. Getz

James F. Getz

Chairman, President and Chief Executive Officer

Date: January 30, 2019

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## Section 2: EX-99 (EXHIBIT 99)

EXHIBIT 99

FOR IMMEDIATE RELEASE

### TRISTATE CAPITAL REPORTS RECORD FINANCIAL RESULTS, INCLUDING EPS OF \$1.81 FOR FULL YEAR 2018 AND \$0.50 FOR THE FOURTH QUARTER

*-- EPS grew 37.1% for 2018 and 19.0% for the fourth quarter compared to a year ago, private banking and commercial loan balances hit new record levels, and investment management performance attracts positive net inflows of client assets --*

**PITTSBURGH, January 30, 2019** - TriState Capital Holdings, Inc. (Nasdaq: TSC) fourth quarter and full year 2018 financial results included record levels of earnings, new private banking and commercial loan originations, and deposit and treasury management business growth, as well as positive net inflows of client assets under management and improved operating leverage.

The parent company of TriState Capital Bank and Chartwell Investment Partners reported net income available to common shareholders of \$52.3 million in 2018, an increase of 37.7% from \$38.0 million in 2017. Diluted earnings per share (EPS) grew to \$1.81 in 2018, an increase of 37.1% from \$1.32 in 2017. For the fourth quarter of 2018, the company grew net income available to common shareholders to \$14.4 million, up 19.9% from \$12.0 million in the fourth quarter of 2017 and up 5.9% from \$13.6 million in the linked third quarter of 2018. Fourth quarter EPS grew to \$0.50, increasing 19.0% from \$0.42 in the fourth quarter of 2017 and 6.4% from \$0.47 in the linked quarter.

“TriState Capital’s record performance illustrates the consistent earnings power of our unique combination of businesses with diverse revenue streams, attractive risk profiles, growing client base, and a balance sheet built for growth and resilience across economic cycles and operating environments,” Chief Executive Officer James F. Getz said. “As we begin the new year, pipelines are very strong for each of our three business channels. We are very confident about demand trends for our select product offerings and markets, as well as our team’s ability to consistently execute against our growth strategy in 2019 and beyond.”

### FOURTH QUARTER 2018 HIGHLIGHTS

- Chartwell’s active investment strategies generated net inflows of \$174 million in 2018 and \$25 million in the quarter
- Net interest income (NII) grew to a record \$29.5 million, increasing 19.1% from the fourth quarter of 2017 and 2.5% from the linked quarter
- Total loans surpassed \$5 billion at period end, growing 22.7% from one year prior and 7.9% during the quarter

- Private banking loans grew 26.6% from one year prior and 9.2% during the quarter, commercial and industrial loans grew 17.6% from one year prior and 1.8% during the quarter and commercial real estate loans grew 18.2% from one year prior and 8.8% during the quarter
- Total assets surpassed \$6 billion at period end, growing 26.3% from one year prior and 8.3% during the quarter
- Total deposits surpassed \$5 billion at period end, growing 26.7% from one year prior and 6.2% during the quarter, supported by continued growth in national deposits and family office deposits and demand for treasury and liquidity management products
- Superior credit quality metrics continued to improve, with non-performing assets declining to 0.09% of assets, non-performing loans declining to 0.04% of loans and adverse-rated credits declining to 0.48% of loans at period end
- Operating leverage drove further improvement in the bank's efficiency ratio to 53.09% for the year and 54.60% for the quarter

## **RECORD NET INTEREST INCOME**

TriState Capital's record fourth quarter 2018 NII of \$29.5 million increased 19.1% from \$24.8 million in the year-ago quarter and 2.5% from \$28.8 million in the linked quarter, as the company continued to expand its deposit franchise to fund organic loan growth at double-digit annual rates, while reducing balance sheet risk via the continued growth in private banking loans backed by marketable securities.

Fourth quarter 2018 non-interest income totaled \$11.6 million and represented 28.3% of total revenue for the period, reflecting a modest quarterly decline in Chartwell investment management fees, after positive net inflows of client assets last year were offset by market depreciation. In the fourth quarter of 2017 and third quarter of 2018 non-interest income totaled \$12.1 million and \$12.8 million, respectively. Fees from borrower-facing interest rate swap activity grew to \$2.2 million during the fourth quarter of 2018, increasing 36.5% from the year-ago quarter and 19.4% from the linked quarter.

NII and non-interest income, excluding gains and losses on the sale of securities, combined to generate total revenue of \$41.2 million for the fourth quarter of 2018, compared to \$36.9 million in the year-ago period and \$41.6 million in the linked quarter. Full year 2018 total revenue of \$161.4 million increased 16.9% from \$138.0 million in 2017.

#### **OPERATING LEVERAGE**

TriState Capital Bank's efficiency ratio for the fourth quarter of 2018 was 54.60%, compared to 61.42% in the year-ago quarter and 52.86% in the linked quarter. The bank's full-year efficiency ratio improved to 53.09% in 2018, from 57.39% in 2017, as investments made in talent and building scale continue to drive revenue growth while building incremental operating leverage.

Non-interest expense totaled \$26.3 million in the fourth quarter of 2018, \$25.7 million in the year-ago quarter and \$25.7 million in the linked quarter. For the full year, non-interest expense totaled \$101.2 million, increasing by 10.6% from 2017.

Fourth quarter 2018 non-interest expenses were reduced by a \$218,000 adjustment in the fair value of previously accrued contingent consideration associated with last year's acquisition of client assets under management from Columbia Partners, L.L.C.

TriState Capital's 2018 effective tax rate was 9.8%, reflecting the favorable impact of tax credit investments and prudent tax expense management strategies. For 2019, the company currently expects an effective tax rate ranging in the mid to high teens. The company's effective tax rate will vary according to certain factors including the number, timing and size of tax credit investments, as well as the proportion of consolidated earnings attributed to investment management, which has a higher effective tax rate than the bank.

Fourth quarter 2018 net income available to common shareholders, as well as EPS, reflected \$679,000 of quarterly cash dividends payable on the company's Series A Non-Cumulative Perpetual Preferred Stock.

#### **ORGANIC LOAN GROWTH**

TriState Capital continued to deliver strong organic growth on both sides of its balance sheet, expanding the number and depth of its relationships with middle-market commercial customers, as well as the high-net-worth clients the bank serves through registered investment advisors and other financial intermediaries in its national referral network.

Average loans totaled a record \$4.85 billion in the fourth quarter of 2018, growing 21.8% from \$3.98 billion in the year-ago quarter and 5.6% from \$4.59 billion in the linked quarter. Loans at December 31, 2018 totaled \$5.13 billion, growing \$948.6 million, or 22.7%, from one year prior and \$374.5 million, or 7.9%, from September 30, 2018.

TriState Capital's growing distribution helped drive record new loan originations for the fourth quarter of 2018 in its national private banking business. Private banking loans grew to \$2.87 billion at December 31, 2018, up \$603.8 million, or 26.6%, from one year prior and \$241.8 million, or 9.2%, from September 30, 2018.

The company grew relationships with middle-market borrowers in the fourth quarter of 2018 to drive record originations of commercial and industrial loans and commercial real estate loans. Total commercial loans grew to \$2.26 billion at December 31, 2018, increasing by \$344.8 million, or 18.0%, from one year prior and \$132.7 million, or 6.2%, from September 30, 2018.

#### **STRATEGIC DEPOSIT FRANCHISE EXPANSION**

TriState Capital continues to support demand for its private banking and commercial loans with the strategic and organic expansion of its deposit franchise. The bank's national deposit, treasury management and liquidity management offerings are

increasing the number and depth of depositor relationships with financial services businesses, high-net-worth individuals, family offices, middle market companies, municipalities, and non-profits.

Deposits at December 31, 2018 totaled \$5.05 billion, growing by \$1.06 billion, or 26.7%, from one year prior and \$295.9 million, or 6.2%, from September 30, 2018. Average deposits totaled \$4.80 billion in the fourth quarter of 2018, growing 25.5% from \$3.82 billion in the same period last year and 4.9% from \$4.57 billion in the linked quarter.

#### INTEREST RATE MANAGEMENT

TriState Capital continues to manage an asset-sensitive balance sheet, while maintaining significant flexibility to manage interest rate risk in changing markets. At December 31, 2018, 92% of the company's loan portfolio was floating rate and 24% of deposits were fixed-rate certificates of deposit.

The yield on total loans averaged 4.35% in the fourth quarter of 2018, expanding 80 basis points from 3.55% in the fourth quarter of 2017 and 16 basis points from 4.19% in the third quarter of 2018.

Total cost of funds for all deposits and interest-bearing liabilities averaged 2.19% during the fourth quarter of 2018, compared to 1.26% in the fourth quarter of 2017 and 1.94% in the linked third quarter. The cost of total deposits averaged 2.17% for the three months ended December 31, 2018, compared to 1.21% for the three months ended December 31, 2017 and 1.92% in the third quarter of 2018.

#### INVESTMENT MANAGEMENT

Chartwell total assets under management (AUM) were \$9.19 billion at December 31, 2018, compared to \$8.31 billion one year prior and \$9.87 billion at September 30, 2018. Chartwell reported new business and new flows from existing accounts of \$372 million, which more than offset outflows of \$347 million in the fourth quarter of 2018. AUM at the end of the fourth quarter of 2018 also reflected market depreciation of \$701 million in the period. Fixed income represented 58% of client AUM at the end of the fourth quarter of 2018, with the balance in equity strategies.

Chartwell's weighted average fee rate was 0.39% at December 31, 2018. Investment management fee revenue totaled \$9.2 million in the fourth quarter of 2018, compared to \$9.4 million in the year-ago quarter and \$9.8 million in the linked quarter.

#### ASSET QUALITY

TriState Capital maintained strong asset quality metrics in the fourth quarter of 2018, reflecting the company's disciplined credit culture and expansion of its private banking non-purpose margin loans secured by marketable securities. Private banking grew to represent 55.9% of total loans at December 31, 2018, while commercial real estate and commercial and industrial comprised 28.8% and 15.3% of total loans, respectively.

Non-performing assets (NPAs) totaled \$5.7 million at December 31, 2018, declining 16.2% from \$6.8 million at December 31, 2017 and 3.1% from \$5.8 million at September 30, 2018. NPAs made up 0.09% of total assets at year-end, declining by 5 basis points during 2018 and 1 basis point during the fourth quarter.

Non-performing loans (NPLs) totaled \$2.2 million at December 31, 2018, declining 29.7% from \$3.2 million at December 31, 2017 and 1.4% from \$2.3 million at September 30, 2018. NPLs made up 0.04% of total loans at year-end, declining by 4 basis points during 2018 and 1 basis point during the fourth quarter.

Adverse-rated credits declined 17.2% from December 31, 2017, and 12.2% during the fourth quarter of 2018. Adverse-rated credits represented 0.48% of total loans at the end of the fourth quarter of 2018, 0.71% at December 31, 2017 and 0.59% at September 30, 2018.

The company recorded net recoveries of \$206,000 in the fourth quarter of 2018 and \$103,000 in the year-ago quarter. Net charge-offs were \$1.5 million, or 0.13% of average total loans, in the third quarter of 2018.

TriState Capital recorded a credit to provision of \$581,000 for the fourth quarter of 2018, \$1.7 million for the year-ago quarter and \$234,000 for the third quarter of 2018. These credits to provision reflect net recoveries as well as declining non-performing loans and adverse rated credits.

The company's allowance for loan losses (ALL) continued to reflect declining NPLs and lower levels of provision required by the low risk profile of the growing proportion of private banking loans in the bank's portfolio. ALL represented 0.26% of total loans at December 31, 2018, 0.34% at December 31, 2017 and 0.29% at September 30, 2018.

### **CAPITAL STRENGTH AND FLEXIBILITY**

TriState Capital Holdings reported capital ratios as of December 31, 2018 of 10.86% for total risk-based capital, 10.58% for tier 1 risk-based capital, 9.64% for common equity tier 1 risk-based capital and 7.28% for tier 1 leverage.

During 2018, the company repurchased 263,540 shares of its common stock, including 93,604 shares in the fourth quarter of 2018 for approximately \$2.2 million at an average cost of \$23.75 per share. Since the Board first authorized share buybacks in October 2014, the company has repurchased a total of 2,014,910 shares for approximately \$30.5 million at an average cost of \$15.14 per share. TriState Capital has \$2.2 million of repurchase authority remaining under its buyback program announced in October 2018.

### **CONFERENCE CALL**

As previously announced, TriState Capital will hold a conference call tomorrow to review its financial results and operating performance.

The live conference call on January 31 will be held at 8:30 a.m. ET. Telephone participants may avoid any delays by pre-registering for the call using the link <http://dpreregister.com/10127209> to receive a special dial-in number and PIN. Telephone participants who are unable to pre-register should dial in at least 10 minutes prior to the call and request the "TriState Capital earnings call." The call may be accessed by dialing 888-339-0757 from the United States, 855-669-9657 from Canada or 412-902-4194 from other international locations.

A replay of the call will be available approximately one hour after the end of the conference call through February 7. The replay may be accessed by dialing 877-344-7529 from the United States, 855-669-9658 from Canada or 412-317-0088 from other locations and entering the conference number 10127209.

### **ABOUT TRISTATE CAPITAL**

TriState Capital Holdings, Inc. (Nasdaq: TSC) is a bank holding company headquartered in Pittsburgh, Pa., providing commercial banking, private banking and investment management services to middle-market companies, institutional clients and high-net-worth individuals. Its TriState Capital Bank subsidiary had \$5.9 billion in assets, as of December 31, 2018, and serves middle-market commercial customers through regional representative offices in Pittsburgh, Philadelphia, Cleveland, Edison, N.J., and New York City, as well as high-net-worth individuals nationwide through its national referral network of financial intermediaries. Its Chartwell Investment Partners subsidiary had \$9.2 billion in assets under management, as of December 31, 2018, and serves institutional clients and TriState Capital's financial intermediary network. For more information, please visit <http://investors.tristatecapitalbank.com>.

### **FORWARD LOOKING STATEMENTS**

This news release includes "forward-looking statements" in reliance on the safe-harbor for such statements provided by the Private Securities Litigation Reform Act of 1995. The words "achieve," "anticipate," "believe," "estimate," "expect," "intend," "maintain," "opportunity," "plan," "potential," "project," "sustain," "target," "trend," or similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may," and similar expressions, among others, generally identify forward-looking statements. Examples of forward-looking statements include, without limitation, statements relating to TriState Capital's future plans, objectives or goals and are based on current expectations, plans or forecasts. Such forward-looking statements are subject to risks, uncertainties and changed circumstances that are difficult to predict and are often beyond TriState Capital's ability to control. Actual results or outcomes could differ materially from those currently anticipated, discussed or projected by forward-looking statements. Such risks and uncertainties include, but are not limited to:

- those related to difficult market conditions and unfavorable economic trends in the United States generally, and particularly in the markets in which TriState Capital operates and in which its loans are concentrated, including the effects of an increase in unemployment levels, slowdowns in economic growth and changes in demand for products or services or the value of assets under management;



- TriState Capital's level of non-performing assets and the costs associated with resolving problem loans including litigation and other costs;
- possible loan losses, impairment and the collectability of loans;
- changes in market interest rates which may increase funding costs and/or reduce earning asset yields and thus reduce margin;
- the impact of changes in interest rates on the credit quality and value of underlying securities collateral of the loan portfolio and the effect of such changes on the market value of TriState Capital's investment securities portfolio;
- federal and state regulation, supervision and examination, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations issued thereunder, and potential expenses associated with complying with regulations;
- TriState Capital's ability to comply with applicable capital and liquidity requirements (including the finalized Basel III capital standards), including our ability to generate liquidity internally or raise capital on favorable terms;
- possible changes in trade, monetary and fiscal policies, laws and regulations and other activities of governments, agencies, and similar organizations;
- any impairment of TriState Capital's goodwill or other intangible assets;
- conditions in the financial markets that may limit TriState Capital's access to additional funding to meet its liquidity needs;
- the success of TriState Capital's growth plans, including the successful integration of past and future acquisitions;
- TriState Capital's ability to fully realize the cost savings and other benefits of its acquisitions, manage risks related to business disruption following those acquisitions, and customer disintermediation;
- TriState Capital's ability to develop and provide competitive products and services that appeal to its customers and target markets;
- negative perceptions or publicity with respect to any products or services offered by TriState Capital;
- fluctuations in the carrying value of Chartwell's assets under management;
- the relative and absolute investment performance of Chartwell's investment products;
- adverse judgments or other resolution of pending and future legal proceedings, and cost incurred in defending such proceedings;
- system failure or breaches of TriState Capital's network security;
- TriState Capital's ability to recruit and retain key employees;
- Chartwell's success in negotiating distribution arrangements and maintaining distribution channels for its products;
- the failure by a key vendor to fulfill its obligations to TriState Capital;
- the effects of problems encountered by other financial institutions that adversely affect TriState Capital or the banking industry generally;
- the effects of weather and natural disasters such as floods, droughts, wind, tornadoes and hurricanes as well as effects from geopolitical instability and man-made disasters including terrorist attacks;
- possible changes in the speed of loan prepayments by TriState Capital's customers and loan origination or sales volumes;
- regulatory limits on TriState Capital's ability to receive dividends from its subsidiaries and pay dividends to its preferred shareholders; and
- the effects of any reputation, credit, interest rate, market, operational, legal, liquidity, regulatory and compliance risk resulting from developments related to any of the risks discussed above.

We caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date on which they are made, and TriState Capital disclaims any duty to revise or update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of TriState Capital for any reason, except as specifically required by law. For further information about the factors that could affect TriState Capital's future results, please see the company's most-recent annual and quarterly reports filed on Form 10-K and Form 10-Q, and other documents the company files with the Securities and Exchange Commission from time to time.

#### **NON-GAAP FINANCIAL DISCLOSURES**

This news release contains financial information determined by methods other than in accordance with U.S. generally accepted accounting principles (GAAP). Specifically, TriState Capital reviews and reports tangible common equity, tangible book

value per common share, EBITDA, total revenue and efficiency ratio. Although TriState Capital believes these non-GAAP financial measures provide a greater understanding of its business, these measures are not necessarily comparable to similar measures that may be presented by other companies. These disclosures should not be viewed as a substitute for financial measures determined in accordance with GAAP. Where non-GAAP disclosures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found within this news release and accompanying tables.

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**MEDIA CONTACT**

Jack Horner  
267-932-8760, ext. 302  
412-600-2295 (mobile)  
jack@hornercom.com

**INVESTOR RELATIONS CONTACT**

Casteel Schoenborn  
Jeff Schoenborn and Kate Croft  
888-609-8351  
TSC@csirfirm.com

**TRISTATE CAPITAL HOLDINGS, INC.**  
**BALANCE SHEET DATA (UNAUDITED)**

|   | As of and For the<br>Three Months Ended |                       |                      | As of and For the<br>Years Ended |                      |
|---|---|-----------------------|----------------------|----------------------------------|----------------------|
|   | December 31,<br>2018                    | September 30,<br>2018 | December 31,<br>2017 | December 31,<br>2018             | December 31,<br>2017 |
| <i>(Dollars in thousands)</i>                     |   |                       |                      |                                  |                      |
| Cash and cash equivalents                         | \$ 189,985                              | \$ 186,535            | \$ 156,153           | \$ 189,985                       | \$ 156,153           |
| Total investment securities                       | 466,759                                 | 393,139               | 220,552              | 466,759                          | 220,552              |
| Loans held-for-investment                         | 5,132,873                               | 4,758,356             | 4,184,244            | 5,132,873                        | 4,184,244            |
| Allowance for loan losses                         | (13,208)                                | (13,583)              | (14,417)             | (13,208)                         | (14,417)             |
| Loans held-for-investment, net                    | 5,119,665                               | 4,744,773             | 4,169,827            | 5,119,665                        | 4,169,827            |
| Goodwill and other intangibles, net               | 67,863                                  | 68,365                | 65,358               | 67,863                           | 65,358               |
| Other assets                                      | 191,383                                 | 180,476               | 166,007              | 191,383                          | 166,007              |
| <b>Total assets</b>                               | <b>\$ 6,035,655</b>                     | <b>\$ 5,573,288</b>   | <b>\$ 4,777,897</b>  | <b>\$ 6,035,655</b>              | <b>\$ 4,777,897</b>  |
| Deposits  | \$ 5,050,461                            | \$ 4,754,588          | \$ 3,987,611         | \$ 5,050,461                     | \$ 3,987,611         |
| Borrowings, net                                   | 404,166                                 | 262,365               | 335,913              | 404,166                          | 335,913              |
| Other liabilities                                 | 101,674                                 | 88,715                | 65,302               | 101,674                          | 65,302               |
| <b>Total liabilities</b>                          | <b>5,556,301</b>                        | <b>5,105,668</b>      | <b>4,388,826</b>     | <b>5,556,301</b>                 | <b>4,388,826</b>     |
| Preferred stock                                   | 38,468                                  | 38,468                | —                    | 38,468                           | —                    |
| Common shareholders' equity                       | 440,886                                 | 429,152               | 389,071              | 440,886                          | 389,071              |
| <b>Total shareholders' equity</b>                 | <b>479,354</b>                          | <b>467,620</b>        | <b>389,071</b>       | <b>479,354</b>                   | <b>389,071</b>       |
| <b>Total liabilities and shareholders' equity</b> | <b>\$ 6,035,655</b>                     | <b>\$ 5,573,288</b>   | <b>\$ 4,777,897</b>  | <b>\$ 6,035,655</b>              | <b>\$ 4,777,897</b>  |

**TRISTATE CAPITAL HOLDINGS, INC.**  
**INCOME STATEMENT DATA (UNAUDITED)**

|  | As of and For the<br>Three Months Ended |                       |                      | As of and For the<br>Years Ended |                      |
|--|---|-----------------------|----------------------|----------------------------------|----------------------|
|  | December 31,<br>2018                    | September 30,<br>2018 | December 31,<br>2017 | December 31,<br>2018             | December 31,<br>2017 |
| <i>(Dollars in thousands)</i>                              |   |                       |                      |                                  |                      |
| <b>Interest income:</b>                                    |   |                       |                      |                                  |                      |
| Loans  | \$ 53,238                               | \$ 48,470             | \$ 35,679            | \$ 185,349                       | \$ 126,544           |
| Investments  | 3,706                                   | 2,893                 | 1,681                | 10,683                           | 6,217                |
| Interest-earning deposits                                  | 1,218                                   | 1,061                 | 508                  | 3,754                            | 1,534                |
| <b>Total interest income</b>                               | <b>58,162</b>                           | <b>52,424</b>         | <b>37,868</b>        | <b>199,786</b>                   | <b>134,295</b>       |
| <b>Interest expense:</b>                                   |   |                       |                      |                                  |                      |
| Deposits   | 26,214                                  | 22,182                | 11,672               | 78,493                           | 37,485               |
| Borrowings   | 2,416                                   | 1,423                 | 1,397                | 7,889                            | 5,457                |
| <b>Total interest expense</b>                              | <b>28,630</b>                           | <b>23,605</b>         | <b>13,069</b>        | <b>86,382</b>                    | <b>42,942</b>        |
| <b>Net interest income</b>                                 | <b>29,532</b>                           | <b>28,819</b>         | <b>24,799</b>        | <b>113,404</b>                   | <b>91,353</b>        |
| Provision (credit) for loan losses                         | (581)                                   | (234)                 | (1,665)              | (205)                            | (623)                |
| <b>Net interest income after provision for loan losses</b> | <b>30,113</b>                           | <b>29,053</b>         | <b>26,464</b>        | <b>113,609</b>                   | <b>91,976</b>        |
| <b>Non-interest income:</b>                                |   |                       |                      |                                  |                      |
| Investment management fees                                 | 9,225                                   | 9,828                 | 9,416                | 37,647                           | 37,100               |
| Service charges on deposits                                | 150                                     | 146                   | 112                  | 570                              | 399                  |
| Net gain (loss) on the sale and call of debt securities    | (76)                                    | —                     | 56                   | (70)                             | 310                  |
| Swap fees  | 2,245                                   | 1,881                 | 1,645                | 7,311                            | 5,353                |
| Commitment and other loan fees                             | 375                                     | 373                   | 222                  | 1,411                            | 1,462                |
| Other income   | (344)                                   | 523                   | 688                  | 1,048                            | 2,342                |
| <b>Total non-interest income</b>                           | <b>11,575</b>                           | <b>12,751</b>         | <b>12,139</b>        | <b>47,917</b>                    | <b>46,966</b>        |
| <b>Non-interest expense:</b>                               |   |                       |                      |                                  |                      |
| Compensation and employee benefits                         | 16,594                                  | 16,967                | 16,518               | 64,771                           | 59,316               |
| Premises and occupancy costs                               | 1,594                                   | 1,432                 | 1,247                | 5,580                            | 5,010                |
| Professional fees  | 1,191                                   | 889                   | 1,231                | 4,729                            | 3,873                |
| FDIC insurance expense                                     | 1,210                                   | 1,053                 | 1,164                | 4,543                            | 4,238                |
| General insurance expense                                  | 263                                     | 278                   | 242                  | 1,030                            | 1,047                |
| State capital shares tax                                   | 125                                     | 485                   | 398                  | 1,521                            | 1,546                |
| Travel and entertainment expense                           | 1,178                                   | 986                   | 928                  | 3,816                            | 3,118                |
| Intangible amortization expense                            | 503                                     | 502                   | 463                  | 1,968                            | 1,851                |
| Change in fair value of acquisition earn out               | (218)                                   | —                     | —                    | (218)                            | —                    |
| Other operating expenses                                   | 3,863                                   | 3,094                 | 3,527                | 13,417                           | 11,473               |
| <b>Total non-interest expense</b>                          | <b>26,303</b>                           | <b>25,686</b>         | <b>25,718</b>        | <b>101,157</b>                   | <b>91,472</b>        |
| <b>Income before tax</b>                                   | <b>15,385</b>                           | <b>16,118</b>         | <b>12,885</b>        | <b>60,369</b>                    | <b>47,470</b>        |
| Income tax expense   | 265                                     | 1,807                 | 842                  | 5,945                            | 9,482                |
| <b>Net income</b>  | <b>\$ 15,120</b>                        | <b>\$ 14,311</b>      | <b>\$ 12,043</b>     | <b>\$ 54,424</b>                 | <b>\$ 37,988</b>     |
| Preferred stock dividends on Series A                      | 679                                     | 679                   | —                    | 2,120                            | —                    |
| <b>Net income available to common shareholders</b>         | <b>\$ 14,441</b>                        | <b>\$ 13,632</b>      | <b>\$ 12,043</b>     | <b>\$ 52,304</b>                 | <b>\$ 37,988</b>     |

**TRISTATE CAPITAL HOLDINGS, INC.**  
**SELECTED FINANCIAL HIGHLIGHTS (UNAUDITED)**

|  | As of and For the<br>Three Months Ended |                       |                      | As of and For the<br>Years Ended |                      |
|--|---|-----------------------|----------------------|----------------------------------|----------------------|
|  | December 31,<br>2018                    | September 30,<br>2018 | December 31,<br>2017 | December 31,<br>2018             | December 31,<br>2017 |
| <i>(Dollars in thousands, except per share data)</i>               |   |                       |                      |                                  |                      |
| <b>Per share and share data:</b>                                   |   |                       |                      |                                  |                      |
| Earnings per common share:   |   |                       |                      |                                  |                      |
| Basic  | \$ 0.52                                 | \$ 0.49               | \$ 0.44              | \$ 1.90                          | \$ 1.38              |
| Diluted  | \$ 0.50                                 | \$ 0.47               | \$ 0.42              | \$ 1.81                          | \$ 1.32              |
| Book value per common share  | \$ 15.27                                | \$ 14.84              | \$ 13.61             | \$ 15.27                         | \$ 13.61             |
| Tangible book value per common share <sup>(1)</sup>                | \$ 12.92                                | \$ 12.47              | \$ 11.32             | \$ 12.92                         | \$ 11.32             |
| Common shares outstanding, at end of period                        | 28,878,674                              | 28,920,978            | 28,591,101           | 28,878,674                       | 28,591,101           |
| Weighted average common shares outstanding:                        |   |                       |                      |                                  |                      |
| Basic  | 27,523,385                              | 27,588,607            | 27,458,044           | 27,583,519                       | 27,550,833           |
| Diluted  | 28,786,353                              | 28,949,924            | 28,679,619           | 28,833,396                       | 28,711,322           |
| <b>Performance ratios:</b>   |   |                       |                      |                                  |                      |
| Return on average assets <sup>(2)</sup>                            | 0.99 %                                  | 1.01%                 | 1.05 %               | 1.00%                            | 0.89%                |
| Return on average common equity <sup>(2)</sup>                     | 13.16 %                                 | 12.78%                | 12.51 %              | 12.57%                           | 10.30%               |
| Net interest margin <sup>(2)(3)</sup>                              | 2.12 %                                  | 2.22%                 | 2.26 %               | 2.26%                            | 2.25%                |
| Total revenue <sup>(1)</sup>                                       | \$ 41,183                               | \$ 41,570             | \$ 36,882            | \$ 161,391                       | \$ 138,009           |
| Bank efficiency ratio <sup>(1)</sup>                               | 54.60 %                                 | 52.86%                | 61.42 %              | 53.09%                           | 57.39%               |
| Non-interest expense to average assets <sup>(2)</sup>              | 1.81 %                                  | 1.90%                 | 2.24 %               | 1.93%                            | 2.15%                |
| <b>Asset quality:</b>  |   |                       |                      |                                  |                      |
| Non-performing loans   | \$ 2,237                                | \$ 2,269              | \$ 3,183             | \$ 2,237                         | \$ 3,183             |
| Non-performing assets  | \$ 5,661                                | \$ 5,845              | \$ 6,759             | \$ 5,661                         | \$ 6,759             |
| Other real estate owned  | \$ 3,424                                | \$ 3,576              | \$ 3,576             | \$ 3,424                         | \$ 3,576             |
| Non-performing assets to total assets                              | 0.09 %                                  | 0.10%                 | 0.14 %               | 0.09%                            | 0.14%                |
| Non-performing loans to total loans                                | 0.04 %                                  | 0.05%                 | 0.08 %               | 0.04%                            | 0.08%                |
| Allowance for loan losses to loans                                 | 0.26 %                                  | 0.29%                 | 0.34 %               | 0.26%                            | 0.34%                |
| Allowance for loan losses to non-performing loans                  | 590.43 %                                | 598.63%               | 452.94 %             | 590.43%                          | 452.94%              |
| Net charge-offs (recoveries)                                       | \$ (206)                                | \$ 1,504              | \$ (103)             | \$ 1,004                         | \$ 3,722             |
| Net charge-offs (recoveries) to average total loans <sup>(2)</sup> | (0.02)%                                 | 0.13%                 | (0.01)%              | 0.02%                            | 0.10%                |
| <b>Capital ratios:</b>   |   |                       |                      |                                  |                      |
| Tier 1 leverage ratio  | 7.28 %                                  | 7.53%                 | 7.25 %               | 7.28%                            | 7.25%                |
| Common equity tier 1 risk-based capital ratio                      | 9.64 %                                  | 10.52%                | 11.14 %              | 9.64%                            | 11.14%               |
| Tier 1 risk-based capital ratio                                    | 10.58 %                                 | 11.57%                | 11.14 %              | 10.58%                           | 11.14%               |
| Total risk-based capital ratio                                     | 10.86 %                                 | 11.89%                | 11.72 %              | 10.86%                           | 11.72%               |
| <b>Investment Management Segment:</b>                              |   |                       |                      |                                  |                      |
| Assets under management  | \$ 9,189,000                            | \$ 9,865,000          | \$ 8,309,000         | \$ 9,189,000                     | \$ 8,309,000         |
| EBITDA <sup>(1)</sup>  | \$ 1,890                                | \$ 1,867              | \$ 1,605             | \$ 6,900                         | \$ 7,421             |

<sup>(1)</sup> These measures are not measures recognized under GAAP and are therefore considered to be non-GAAP financial measures. See “Non-GAAP Financial Measures” for a reconciliation of these measures to their most directly comparable GAAP measures.

<sup>(2)</sup> Ratios are annualized.

<sup>(3)</sup> Net interest margin is calculated on a fully taxable equivalent basis.

**TRISTATE CAPITAL HOLDINGS, INC.**  
**AVERAGES AND YIELDS (UNAUDITED)**

|   | Three Months Ended |  |                           |                    |  |                           |                    |  |                           |
|---|--------------------|--|---------------------------|--------------------|--|---------------------------|--------------------|--|---------------------------|
|   | December 31, 2018  |  |                           | September 30, 2018 |  |                           | December 31, 2017  |  |                           |
|   | Average<br>Balance | Interest<br>Income <sup>(1)</sup> /<br>Expense | Average<br>Yield/<br>Rate | Average<br>Balance | Interest<br>Income <sup>(1)</sup> /<br>Expense | Average<br>Yield/<br>Rate | Average<br>Balance | Interest<br>Income <sup>(1)</sup> /<br>Expense | Average<br>Yield/<br>Rate |
| <i>(Dollars in thousands)</i>               |                    |  |                           |                    |  |                           |                    |  |                           |
| <b>Assets</b>                               |                    |  |                           |                    |  |                           |                    |  |                           |
| Interest-earning deposits                   | \$ 211,333         | \$ 1,162                                       | 2.18%                     | \$ 207,346         | \$ 1,015                                       | 1.94%                     | \$ 142,458         | \$ 485   | 1.35%                     |
| Federal funds sold                          | 9,959              | 57   | 2.27%                     | 9,563              | 46   | 1.91%                     | 8,179              | 23   | 1.12%                     |
| Debt securities available-for-sale          | 260,877            | 2,045  | 3.11%                     | 236,053            | 1,836  | 3.09%                     | 143,450            | 907  | 2.51%                     |
| Debt securities held-to-maturity            | 155,220            | 1,426  | 3.64%                     | 76,341             | 699  | 3.63%                     | 58,311             | 618  | 4.20%                     |
| Debt securities trading                     | —                  | —  | —%                        | —                  | —  | —%                        | 746                | 4  | 2.13%                     |
| Equity securities                           | 13,543             | 77   | 2.26%                     | 11,219             | 71   | 2.51%                     | 8,663              | 59   | 2.70%                     |
| FHLB stock                                  | 15,970             | 186  | 4.62%                     | 11,342             | 314  | 10.98%                    | 11,753             | 153  | 5.16%                     |
| Total loans                                 | 4,853,414          | 53,237   | 4.35%                     | 4,594,755          | 48,470   | 4.19%                     | 3,984,768          | 35,679   | 3.55%                     |
| Total interest-earning assets               | 5,520,316          | 58,190   | 4.18%                     | 5,146,619          | 52,451   | 4.04%                     | 4,358,328          | 37,928   | 3.45%                     |
| Other assets                                | 239,506            |  |                           | 223,996            |  |                           | 205,547            |  |                           |
| Total assets                                | \$ 5,759,822       |  |                           | \$ 5,370,615       |  |                           | \$ 4,563,875       |  |                           |
| <b>Liabilities and Shareholders' Equity</b> |                    |  |                           |                    |  |                           |                    |  |                           |
| Interest-bearing deposits:                  |                    |  |                           |                    |  |                           |                    |  |                           |
| Interest-bearing checking accounts          | \$ 722,386         | \$ 3,976                                       | 2.18%                     | \$ 657,402         | \$ 3,267                                       | 1.97%                     | \$ 448,226         | \$ 1,411                                       | 1.25%                     |
| Money market deposit accounts               | 2,605,148          | 14,844   | 2.26%                     | 2,506,334          | 12,428   | 1.97%                     | 2,142,251          | 6,839  | 1.27%                     |
| Certificates of deposit                     | 1,220,839          | 7,394  | 2.40%                     | 1,155,888          | 6,487  | 2.23%                     | 1,006,529          | 3,422  | 1.35%                     |
| Borrowings:                                 |                    |  |                           |                    |  |                           |                    |  |                           |
| FHLB borrowings                             | 352,337            | 1,811  | 2.04%                     | 221,576            | 853  | 1.53%                     | 260,218            | 792  | 1.21%                     |
| Line of credit borrowings                   | 3,652              | 51   | 5.54%                     | 1,277              | 16   | 4.97%                     | 4,703              | 51   | 4.30%                     |
| Subordinated notes payable, net             | 34,883             | 554  | 6.30%                     | 34,832             | 554  | 6.31%                     | 34,680             | 554  | 6.34%                     |
| Total interest-bearing liabilities          | 4,939,245          | 28,630   | 2.30%                     | 4,577,309          | 23,605   | 2.05%                     | 3,896,607          | 13,069   | 1.33%                     |
| Noninterest-bearing deposits                | 249,330            |  |                           | 253,033            |  |                           | 225,094            |  |                           |
| Other liabilities                           | 97,458             |  |                           | 78,802             |  |                           | 60,212             |  |                           |
| Shareholders' equity                        | 473,789            |  |                           | 461,471            |  |                           | 381,962            |  |                           |
| Total liabilities and shareholders' equity  | \$ 5,759,822       |  |                           | \$ 5,370,615       |  |                           | \$ 4,563,875       |  |                           |
| Net interest income <sup>(1)</sup>          | \$ 29,560          |  |                           | \$ 28,846          |  |                           | \$ 24,859          |  |                           |
| Net interest spread                         |                    |  | 1.88%                     |                    |  | 1.99%                     |                    |  | 2.12%                     |
| Net interest margin <sup>(1)</sup>          |                    |  | 2.12%                     |                    |  | 2.22%                     |                    |  | 2.26%                     |

<sup>(1)</sup> Interest income and net interest margin are calculated on a fully taxable equivalent basis.

**TRISTATE CAPITAL HOLDINGS, INC.**  
**AVERAGES AND YIELDS (UNAUDITED)**

|                                    | Years Ended       |  |                     |                   |  |                     |
|------------------------------------|-------------------|--|---------------------|-------------------|--|---------------------|
|                                    | December 31, 2018 |  |                     | December 31, 2017 |  |                     |
|                                    | Average Balance   | Interest Income <sup>(1)</sup> / Expense | Average Yield/ Rate | Average Balance   | Interest Income <sup>(1)</sup> / Expense | Average Yield/ Rate |
| <i>(Dollars in thousands)</i>      |                   |  |                     |                   |  |                     |
| <b>Assets</b>                      |                   |  |                     |                   |  |                     |
| Interest-earning deposits          | \$ 188,921        | \$ 3,598                                 | 1.90%               | \$ 126,888        | \$ 1,466                                 | 1.16%               |
| Federal funds sold                 | 8,315             | 156                                      | 1.88%               | 6,923             | 68                                       | 0.98%               |
| Debt securities available-for-sale | 205,652           | 6,195                                    | 3.01%               | 144,735           | 3,122                                    | 2.16%               |
| Debt securities held-to-maturity   | 90,895            | 3,399                                    | 3.74%               | 58,635            | 2,463                                    | 4.20%               |
| Debt securities trading            | —                 | —  | —%                  | 188               | 4  | 2.13%               |
| Equity securities                  | 10,517            | 277                                      | 2.63%               | 8,539             | 266                                      | 3.12%               |
| FHLB stock                         | 15,136            | 924                                      | 6.10%               | 13,286            | 603                                      | 4.54%               |
| Total loans                        | 4,500,117         | 185,349                                  | 4.12%               | 3,711,701         | 126,544                                  | 3.41%               |
| Total interest-earning assets      | 5,019,553         | 199,898                                  | 3.98%               | 4,070,895         | 134,536                                  | 3.30%               |
| Other assets                       | 221,467           |  |                     | 193,532           |  |                     |
| Total assets                       | \$ 5,241,020      |  |                     | \$ 4,264,427      |  |                     |

**Liabilities and Shareholders' Equity**

|  |              |           |       |              |          |       |
|--|--------------|-----------|-------|--------------|----------|-------|
| Interest-bearing deposits:                 |              |           |       |              |          |       |
| Interest-bearing checking accounts         | \$ 612,921   | \$ 11,440 | 1.87% | \$ 336,337   | \$ 3,706 | 1.10% |
| Money market deposit accounts              | 2,429,203    | 45,106    | 1.86% | 1,999,399    | 22,350   | 1.12% |
| Certificates of deposit                    | 1,071,556    | 21,947    | 2.05% | 967,503      | 11,429   | 1.18% |
| Borrowings:                                |              |           |       |              |          |       |
| FHLB borrowings                            | 325,356      | 5,555     | 1.71% | 295,315      | 3,152    | 1.07% |
| Line of credit borrowings                  | 2,568        | 119       | 4.63% | 2,214        | 90       | 4.07% |
| Subordinated notes payable, net            | 34,807       | 2,215     | 6.36% | 34,605       | 2,215    | 6.40% |
| Total interest-bearing liabilities         | 4,476,411    | 86,382    | 1.93% | 3,635,373    | 42,942   | 1.18% |
| Noninterest-bearing deposits               | 244,090      |           |       | 210,860      |          |       |
| Other liabilities                          | 75,473       |           |       | 49,279       |          |       |
| Shareholders' equity                       | 445,046      |           |       | 368,915      |          |       |
| Total liabilities and shareholders' equity | \$ 5,241,020 |           |       | \$ 4,264,427 |          |       |

|                                    |            |           |
|------------------------------------|------------|-----------|
| Net interest income <sup>(1)</sup> | \$ 113,516 | \$ 91,594 |
| Net interest spread                | 2.05%      | 2.12%     |
| Net interest margin <sup>(1)</sup> | 2.26%      | 2.25%     |

<sup>(1)</sup> Interest income and net interest margin are calculated on a fully taxable equivalent basis.

**TRISTATE CAPITAL HOLDINGS, INC.**  
**LOAN COMPOSITION (UNAUDITED)**

|                                   | December 31, 2018 |                  | September 30, 2018 |                  | December 31, 2017 |                  |
|-----------------------------------|-------------------|------------------|--------------------|------------------|-------------------|------------------|
|                                   | Loan Balance      | Percent of Loans | Loan Balance       | Percent of Loans | Loan Balance      | Percent of Loans |
| <i>(Dollars in thousands)</i>     |                   |                  |                    |                  |                   |                  |
| Private banking loans             | \$ 2,869,543      | 55.9%            | \$ 2,627,749       | 55.2%            | \$ 2,265,737      | 54.1%            |
| Middle-market banking loans:      |                   |                  |                    |                  |                   |                  |
| Commercial and industrial         | 785,320           | 15.3%            | 771,546            | 16.2%            | 667,684           | 16.0%            |
| Commercial real estate            | 1,478,010         | 28.8%            | 1,359,061          | 28.6%            | 1,250,823         | 29.9%            |
| Total middle-market banking loans | 2,263,330         | 44.1%            | 2,130,607          | 44.8%            | 1,918,507         | 45.9%            |
| Loans held-for-investment         | \$ 5,132,873      | 100.0%           | \$ 4,758,356       | 100.0%           | \$ 4,184,244      | 100.0%           |





TRISTATE CAPITAL HOLDINGS, INC.  
STATEMENTS OF INCOME BY REPORTABLE SEGMENT (UNAUDITED)

| <i>(Dollars in thousands)</i>                              | Three Months Ended December 31, 2018 |                       |                  |              | Year Ended December 31, 2018 |                       |                  |              |
|--|--------------------------------------|-----------------------|------------------|--------------|------------------------------|-----------------------|------------------|--------------|
|  | Bank                                 | Investment Management | Parent and Other | Consolidated | Bank                         | Investment Management | Parent and Other | Consolidated |
| <b>Income statement data:</b>                              |                                      |                       |                  |              |                              |                       |                  |              |
| Interest income  | \$ 58,086                            | \$ —                  | \$ 76            | \$ 58,162    | \$ 199,510                   | \$ —                  | \$ 276           | \$ 199,786   |
| Interest expense   | 28,028                               | —                     | 602              | 28,630       | 84,055                       | —                     | 2,327            | 86,382       |
| Net interest income (loss)                                 | 30,058                               | —                     | (526)            | 29,532       | 115,455                      | —                     | (2,051)          | 113,404      |
| Provision (credit) for loan losses                         | (581)                                | —                     | —                | (581)        | (205)                        | —                     | —                | (205)        |
| Net interest income (loss) after provision for loan losses | 30,639                               | —                     | (526)            | 30,113       | 115,660                      | —                     | (2,051)          | 113,609      |
| Non-interest income:                                       |                                      |                       |                  |              |                              |                       |                  |              |
| Investment management fees                                 | —                                    | 9,318                 | (93)             | 9,225        | —                            | 37,939                | (292)            | 37,647       |
| Net loss on the sale and call of debt securities           | (76)                                 | —                     | —                | (76)         | (70)                         | —                     | —                | (70)         |
| Other non-interest income                                  | 3,237                                | —                     | (811)            | 2,426        | 11,112                       | 1                     | (773)            | 10,340       |
| Total non-interest income                                  | 3,161                                | 9,318                 | (904)            | 11,575       | 11,042                       | 37,940                | (1,065)          | 47,917       |
| Non-interest expense:                                      |                                      |                       |                  |              |                              |                       |                  |              |
| Intangible amortization expense                            | —                                    | 503                   | —                | 503          | —                            | 1,968                 | —                | 1,968        |
| Change in fair value of acquisition earn out               | —                                    | (218)                 | —                | (218)        | —                            | (218)                 | —                | (218)        |
| Other non-interest expense                                 | 18,179                               | 7,772                 | 67               | 26,018       | 67,190                       | 31,760                | 457              | 99,407       |
| Total non-interest expense                                 | 18,179                               | 8,057                 | 67               | 26,303       | 67,190                       | 33,510                | 457              | 101,157      |
| Income (loss) before tax                                   | 15,621                               | 1,261                 | (1,497)          | 15,385       | 59,512                       | 4,430                 | (3,573)          | 60,369       |
| Income tax expense (benefit)                               | 371                                  | (207)                 | 101              | 265          | 5,856                        | 579                   | (490)            | 5,945        |
| Net income (loss)  | \$ 15,250                            | \$ 1,468              | \$ (1,598)       | \$ 15,120    | \$ 53,656                    | \$ 3,851              | \$ (3,083)       | \$ 54,424    |

## Three Months Ended December 31, 2017

## Year Ended December 31, 2017

| <i>(Dollars in thousands)</i>                              | Three Months Ended December 31, 2017 |                       |                  |              | Year Ended December 31, 2017 |                       |                  |              |
|--|--------------------------------------|-----------------------|------------------|--------------|------------------------------|-----------------------|------------------|--------------|
|  | Bank                                 | Investment Management | Parent and Other | Consolidated | Bank                         | Investment Management | Parent and Other | Consolidated |
| <b>Income statement data:</b>                              |                                      |                       |                  |              |                              |                       |                  |              |
| Interest income  | \$ 37,809                            | \$ —                  | \$ 59            | \$ 37,868    | \$ 134,029                   | \$ —                  | \$ 266           | \$ 134,295   |
| Interest expense   | 12,466                               | —                     | 603              | 13,069       | 40,649                       | —                     | 2,293            | 42,942       |
| Net interest income (loss)                                 | 25,343                               | —                     | (544)            | 24,799       | 93,380                       | —                     | (2,027)          | 91,353       |
| Provision (credit) for loan losses                         | (1,665)                              | —                     | —                | (1,665)      | (623)                        | —                     | —                | (623)        |
| Net interest income (loss) after provision for loan losses | 27,008                               | —                     | (544)            | 26,464       | 94,003                       | —                     | (2,027)          | 91,976       |
| Non-interest income:                                       |                                      |                       |                  |              |                              |                       |                  |              |
| Investment management fees                                 | —                                    | 9,466                 | (50)             | 9,416        | —                            | 37,309                | (209)            | 37,100       |
| Net gain on the sale and call of debt securities           | 56                                   | —                     | —                | 56           | 310                          | —                     | —                | 310          |
| Other non-interest income                                  | 2,666                                | 1                     | —                | 2,667        | 9,554                        | 2                     | —                | 9,556        |
| Total non-interest income                                  | 2,722                                | 9,467                 | (50)             | 12,139       | 9,864                        | 37,311                | (209)            | 46,966       |
| Non-interest expense:                                      |                                      |                       |                  |              |                              |                       |                  |              |
| Intangible amortization expense                            | —                                    | 463                   | —                | 463          | —                            | 1,851                 | —                | 1,851        |
| Other non-interest expense                                 | 17,204                               | 7,990                 | 61               | 25,255       | 59,073                       | 30,387                | 161              | 89,621       |
| Total non-interest expense                                 | 17,204                               | 8,453                 | 61               | 25,718       | 59,073                       | 32,238                | 161              | 91,472       |
| Income (loss) before tax                                   | 12,526                               | 1,014                 | (655)            | 12,885       | 44,794                       | 5,073                 | (2,397)          | 47,470       |
| Income tax expense (benefit)                               | 1,477                                | (1,065)               | 430              | 842          | 9,211                        | 522                   | (251)            | 9,482        |
| Net income (loss)  | \$ 11,049                            | \$ 2,079              | \$ (1,085)       | \$ 12,043    | \$ 35,583                    | \$ 4,551              | \$ (2,146)       | \$ 37,988    |

**TRISTATE CAPITAL HOLDINGS, INC.**  
**NON-GAAP FINANCIAL MEASURES**

The information set forth above contains certain financial information determined by methods other than in accordance with GAAP. These non-GAAP financial measures are “tangible common equity,” “tangible book value per common share,” “EBITDA,” “total revenue,” and “efficiency ratio.” Although we believe these non-GAAP financial measures provide a greater understanding of our business, these measures are not necessarily comparable to similar measures that may be presented by other companies.

“Tangible common equity” is defined as common shareholders’ equity reduced by intangible assets, including goodwill. We believe this measure is important to management and investors to better understand and assess changes from period to period in common shareholders’ equity exclusive of changes in intangible assets. Intangible assets are created when we buy businesses which add relationships and revenue to our Company. Intangible assets have the effect of increasing both equity and assets, while not increasing our tangible equity or tangible assets.

“Tangible book value per common share” is defined common shareholders’ equity reduced by intangible assets, including goodwill, divided by common shares outstanding. We believe this measure is important to many investors who are interested in changes from period to period in book value per common share exclusive of changes in intangible assets.

“EBITDA” is defined as net income before interest expense, income taxes, depreciation and amortization expenses. We use EBITDA particularly to assess the strength of our investment management business. We believe this measure is important because it allows management and investors to better assess our investment management performance in relation to our core operating earnings, excluding certain non-cash items and the volatility that is associated with certain discrete items that are unrelated to our core business.

“Total revenue” is defined as net interest income and non-interest income, excluding gains and losses on the sale and call of debt securities. We believe adjustments made to our operating revenue allow management and investors to better assess our operating revenue by removing the volatility that is associated with certain items that are unrelated to our core business.

“Efficiency ratio” is defined as non-interest expense divided by our total revenue. We believe this measure, particularly at the Bank, allows management and investors to better assess our operating expenses in relation to our core operating revenue by removing the volatility that is associated with certain one-time items that are unrelated to our core business.

**TRISTATE CAPITAL HOLDINGS, INC.**  
**NON-GAAP FINANCIAL MEASURES (UNAUDITED)**

| <i>(Dollars in thousands, except per share data)</i> | December 31,<br>2018 | September 30,<br>2018 | December 31,<br>2017 |
|--|----------------------|-----------------------|----------------------|
| <b>Tangible book value per common share:</b>         |                      |                       |                      |
| Common shareholders' equity                          | \$ 440,886           | \$ 429,152            | \$ 389,071           |
| Less: goodwill and intangible assets                 | 67,863               | 68,365                | 65,358               |
| Tangible common equity                               | \$ 373,023           | \$ 360,787            | \$ 323,713           |
| Common shares outstanding                            | 28,878,674           | 28,920,978            | 28,591,101           |
| Tangible book value per common share                 | \$ 12.92             | \$ 12.47              | \$ 11.32             |

**INVESTMENT MANAGEMENT SEGMENT**  
**NON-GAAP FINANCIAL MEASURES (UNAUDITED)**

| <i>(Dollars in thousands)</i>        | Three Months Ended   |                       |                      | Years Ended          |                      |
|--------------------------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
|                                      | December 31,<br>2018 | September 30,<br>2018 | December 31,<br>2017 | December 31,<br>2018 | December 31,<br>2017 |
| <b>Investment Management EBITDA:</b> |                      |                       |                      |                      |                      |
| Net income                           | \$ 1,468             | \$ 957                | \$ 2,079             | \$ 3,851             | \$ 4,551             |
| Interest expense                     | —                    | —                     | —                    | —                    | —                    |
| Income taxes expense (benefit)       | (207)                | 282                   | (1,065)              | 579                  | 522                  |
| Depreciation expense                 | 126                  | 126                   | 128                  | 502                  | 497                  |
| Intangible amortization expense      | 503                  | 502                   | 463                  | 1,968                | 1,851                |
| EBITDA                               | \$ 1,890             | \$ 1,867              | \$ 1,605             | \$ 6,900             | \$ 7,421             |

**TRISTATE CAPITAL HOLDINGS, INC.**  
**NON-GAAP FINANCIAL MEASURES (UNAUDITED)**

|   | Three Months Ended   |                       |                      | Years Ended          |                      |
|---|----------------------|-----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2018 | September 30,<br>2018 | December 31,<br>2017 | December 31,<br>2018 | December 31,<br>2017 |
| <i>(Dollars in thousands)</i>                                 |                      |                       |                      |                      |                      |
| <b>Total revenue:</b>   |                      |                       |                      |                      |                      |
| Net interest income   | \$ 29,532            | \$ 28,819             | \$ 24,799            | \$ 113,404           | \$ 91,353            |
| Total non-interest income                                     | 11,575               | 12,751                | 12,139               | 47,917               | 46,966               |
| Less: net gain (loss) on the sale and call of debt securities | (76)                 | —                     | 56                   | (70)                 | 310                  |
| <b>Total revenue</b>  | <b>\$ 41,183</b>     | <b>\$ 41,570</b>      | <b>\$ 36,882</b>     | <b>\$ 161,391</b>    | <b>\$ 138,009</b>    |

**BANK SEGMENT**  
**NON-GAAP FINANCIAL MEASURES (UNAUDITED)**

|   | Three Months Ended   |                       |                      | Years Ended          |                      |
|---|----------------------|-----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2018 | September 30,<br>2018 | December 31,<br>2017 | December 31,<br>2018 | December 31,<br>2017 |
| <i>(Dollars in thousands)</i>                                 |                      |                       |                      |                      |                      |
| <b>Bank total revenue:</b>                                    |                      |                       |                      |                      |                      |
| Net interest income   | \$ 30,058            | \$ 29,316             | \$ 25,343            | \$ 115,455           | \$ 93,380            |
| Total non-interest income                                     | 3,161                | 2,850                 | 2,722                | 11,042               | 9,864                |
| Less: net gain (loss) on the sale and call of debt securities | (76)                 | —                     | 56                   | (70)                 | 310                  |
| <b>Bank total revenue</b>                                     | <b>\$ 33,295</b>     | <b>\$ 32,166</b>      | <b>\$ 28,009</b>     | <b>\$ 126,567</b>    | <b>\$ 102,934</b>    |
| <b>Bank efficiency ratio:</b>                                 |                      |                       |                      |                      |                      |
| Total non-interest expense (numerator)                        | \$ 18,179            | \$ 17,002             | \$ 17,204            | \$ 67,190            | \$ 59,073            |
| Total revenue (denominator)                                   | \$ 33,295            | \$ 32,166             | \$ 28,009            | \$ 126,567           | \$ 102,934           |
| <b>Bank efficiency ratio</b>                                  | <b>54.60%</b>        | <b>52.86%</b>         | <b>61.42%</b>        | <b>53.09%</b>        | <b>57.39%</b>        |