



Valley
to Acquire
Oritani Financial



June 26, 2019

Forward Looking Statements

The foregoing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to those regarding the proposed Merger. Such statements are not historical facts and include expressions about management's confidence and strategies and management's expectations about new and existing programs and products, relationships, opportunities, taxation, technology and market conditions. These statements may be identified by such forward-looking terminology as "expect," "believe," "view," "opportunity," "allow," "continues," "reflects," "typically," "usually," "anticipate," or similar statements or variations of such terms. Such forward-looking statements involve certain risks and uncertainties. Actual results may differ materially from such forward-looking statements. Factors that may cause actual results to differ from those contemplated by such forward-looking statements include, but are not limited to, the following: failure to obtain shareholder or regulatory approval for the Merger or to satisfy other conditions to the Merger on the proposed terms and within the proposed timeframe including, without limitation, delays in closing the Merger; the inability to realize expected cost savings and synergies from the Merger in amounts or in the timeframe anticipated; changes in the estimates of non-recurring charges; the diversion of management's time on issues relating to the Merger; costs or difficulties relating to Oritani integration matters might be greater than expected; changes in the stock price of Valley from the date of the Merger announcement to the closing date; material adverse changes in Valley's or Oritani's operations or earnings; the inability to retain customers and qualified employees of Oritani; the inability to repay \$635 million of higher cost FHLB borrowings in conjunction with the Merger, developments in the DC Solar bankruptcy and federal investigations that could require the recognition of additional tax provision charges related to uncertain tax liability positions; higher or lower than expected income tax expense or tax rates, including increases or decreases resulting from changes in uncertain tax position liabilities, tax laws, regulations and case law; and weakness or a decline in the U.S. economy, in particular in New Jersey, the New York Metropolitan area (including Long Island), Florida and Alabama, an unexpected decline in commercial real estate values within our market areas, as well as the risk factors set forth in Valley's Annual Report on Form 10-K for the year ended December 31, 2018. Valley assumes no obligation for updating any such forward-looking statement at any time.



Compelling, Low-risk Transaction That Bolsters Capital and Accelerates Strategic Initiatives

- Accelerates achievement of existing strategic initiatives
- Bolsters capital while preserving earnings per share
- Increases balance sheet flexibility (liquidity and capital)
- Low risk, in-market merger with substantial cost synergies
- Densifies presence in attractive Bergen County



Acquisition Aligns with Strategic Initiatives

Three core principles to enhance shareholder returns over the long-term

Growth

- Capital and liquidity to support future growth
- \$3.5bn new loans
- \$2.9bn new deposits
- ~76 thousand new deposit accounts (excludes time)

Efficiency

- 100% branch overlap within 3 miles
- 50%+ cost savings
- 350bps+ efficiency ratio improvement

Diversification

- Deeper product penetration of Oritani's customers
- Balance sheet flexibility to support further diversification

Capital injection allows for continued balance sheet optionality and future growth, supporting Valley's long-term profitability goals
(Estimated 8 bps positive impact to ROAA)



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Transaction Overview

Consideration & Structure¹

- Deal value: \$740 million
- Consideration: 100% stock
- Exchange ratio: Fixed exchange ratio of 1.60x
- Implied premium: 0.5%
- Oritani dividend adjusted (to Valley's) for all periods subsequent to period ending June, 30, 2019
- Pro forma ownership: 82% Valley / 18% Oritani
- Oritani will receive one board seat as per the terms of the transaction

Approvals & Timing

- Approvals: Customary regulatory and Valley and Oritani shareholders
- Expected closing: Fourth quarter of 2019

Low-risk Transaction

- In-market acquisition of well-known franchise
- 100% branch overlap within 3 miles coupled with same core system provider
- Comprehensive due diligence completed
- Excellent asset quality (current and historic)

¹ Based on Valley's closing stock price of \$10.18 as of June 25, 2019



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Pricing and Financial Impact

		Transaction ^{1,2}
Pricing	Price / 2020E EPS	15.3x
	Price / 2020E Synergized EPS	9.8x
	Price / Tangible Book Value Per Share	1.4x
Returns	2020E EPS accretion ³	Neutral +0.1%
	IRR	20%+
	Tangible Book Value Per Share Accretion	Neutral +0.0%
Projected Capital at Close	Common Equity Tier 1	9.2% <i>~50bps accretive</i>
	TCE / TA	7.3% <i>~50bps accretive</i>

¹ Based on Valley's closing stock price of \$10.18 as of June 25, 2019; ² Estimated financial impact is presented solely for illustrative purposes using median analyst estimates; ³ Pro forma impacts presented inclusive of anticipated balance sheet restructuring, purchase accounting marks, cost savings, and other adjustments



Key Transaction Assumptions

Expense Savings + Transaction Expense

- 50% of Oritani's core non-interest expenses plus elimination of legacy mutual costs
 - ~\$22 million pre-tax, inclusive of ~\$5 million in legacy mutual costs such as annual ESOP & other benefits expense
- One-time costs: ~\$39 million pre-tax including elimination of legacy mutual costs
- Revenue synergies: identified, but not modeled

Purchase Accounting

- Gross credit mark: \$28 million (0.79% of gross loans)
- Core deposit intangible: 1.6% of Oritani's core deposits¹ amortized over 10 years
- Balance sheet marks: \$4 million pre-tax
- Real estate write-up: \$5 million pre-tax

Other Adjustments

- Balance sheet restructuring: \$635 million of Valley's FHLB to be refinanced for an estimated 190bps of ongoing savings
- Estimated Durbin amendment impact on Oritani's earnings: \$200k pre-tax

¹ For purposes of CDI, core deposits includes all core deposits less time deposits

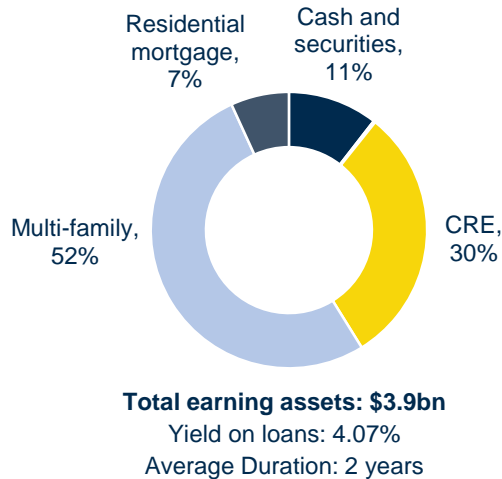


Overview of Oritani

Company Overview

- **Ticker:** ORIT (Nasdaq)
- **Founded:** 1911
- **Completed mutual conversion:** 2010
- **Headquarters:** Washington Township, NJ
- **Total assets:** \$4.1 billion
- **Market capitalization:** \$740 million¹
- **Footprint:** 26 branches across four NJ counties

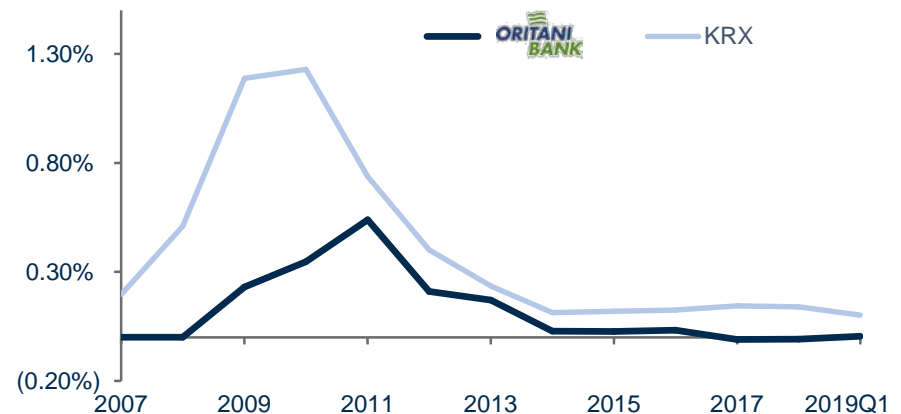
Low Risk, Liquid Balance Sheet



Financial Highlights as of 3/31/2019 (\$mm)

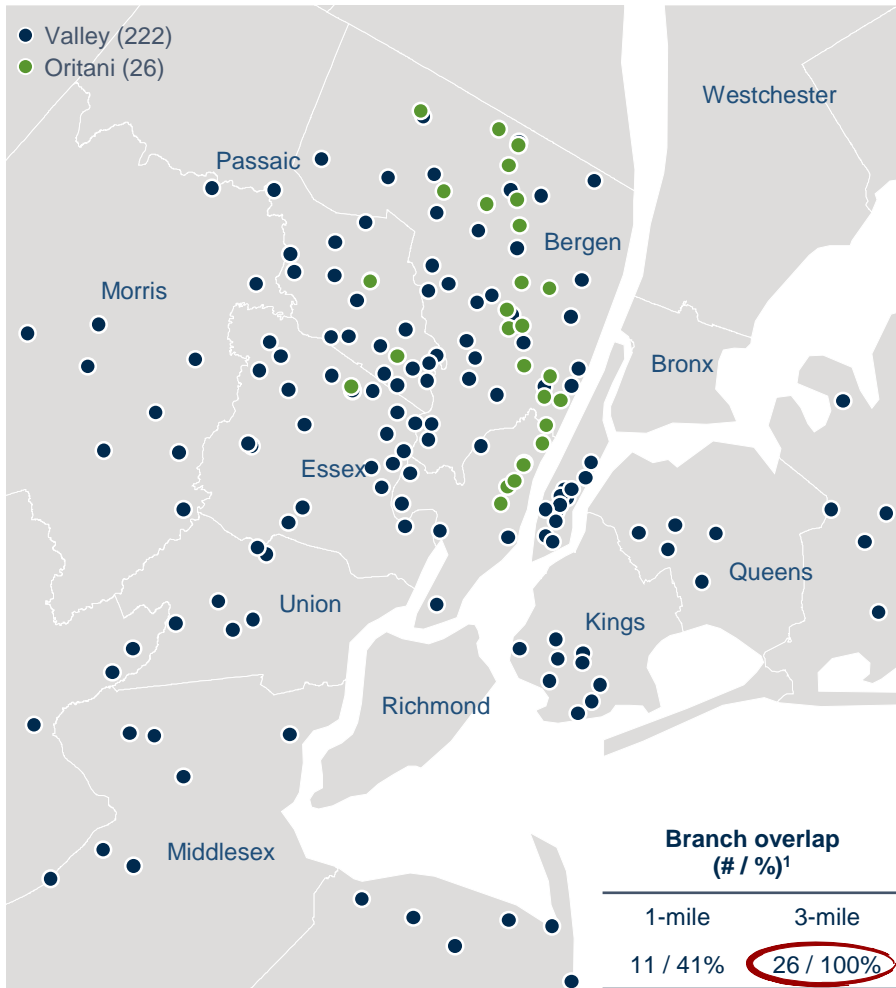
Assets	\$4,075
Gross Loans Held For Investment	3,524
Deposits	2,899
Loan-to-Deposit Ratio	122%
Return on Average Assets (annualized)	1.22%
Efficiency Ratio	36.4%
NPAs / Assets	0.27%
TCE / TA	13.0%
CET1	14.5%

Net Charge Off Rate Through the Cycle



¹ Based on Oritani's closing stock price of \$16.21 as of June 25, 2019

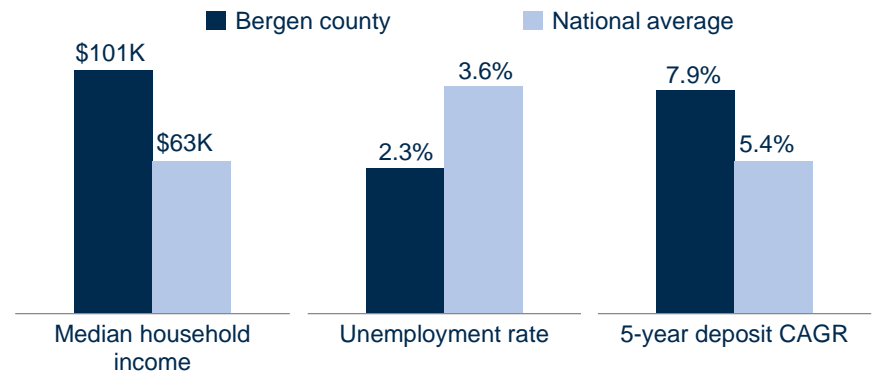
Densifies Presence in Attractive Bergen County



Bergen County Deposit Share (\$mm)²

Institution	Deposit Rank	Total Deposits	Total Market Share	Total Branches
Bank of America	1	\$8,220	15.2%	35
TD Bank	2	7,601	14.1%	38
Chase	3	5,904	10.9%	47
Pro forma Valley / Oritani	4	5,323	9.9%	48
Wells Fargo	4	2,779	5.1%	26
Valley	5	2,702	5.0%	29
Citi	6	2,644	4.9%	5
Oritani	7	2,621	4.9%	19
ConnectOne	8	2,475	4.6%	7
M&T	9	2,167	4.0%	26
PNC	10	2,069	3.8%	26

Bergen County Demographics





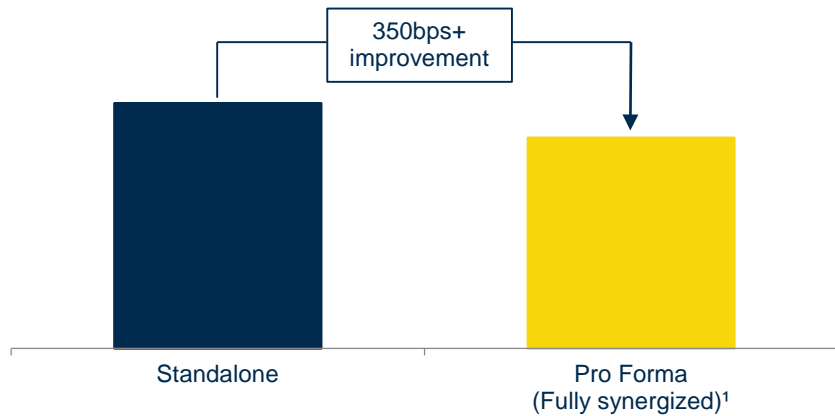
Ability to Expand Valley's Breadth of Products and Services to Oritani's Customers

	<u>Valley</u>	<u>Oritani</u>
Cash management		
Retail banking (branch, card, auto, etc.)		
Wealth management		
Residential mortgage		
Insurance		
SBA lending and small business checking		
Business checking and savings		
Commercial banking		
Asset-based lending		
Equipment financing		
Payments solutions		
Healthcare financial services		
Commercial lending		

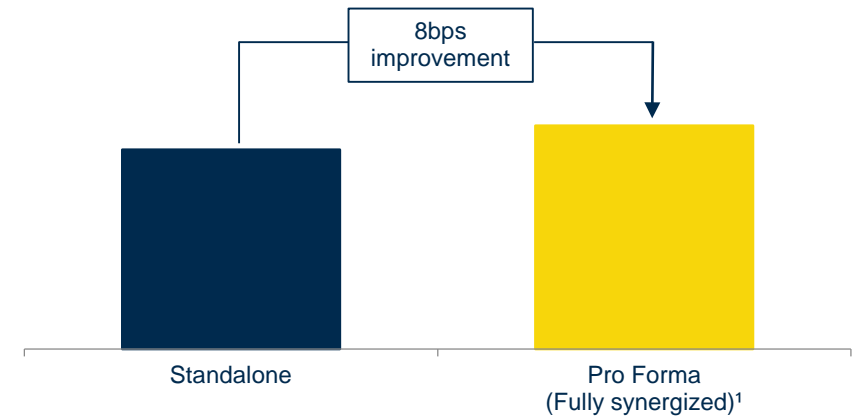


Improves Returns and Bolsters Capital

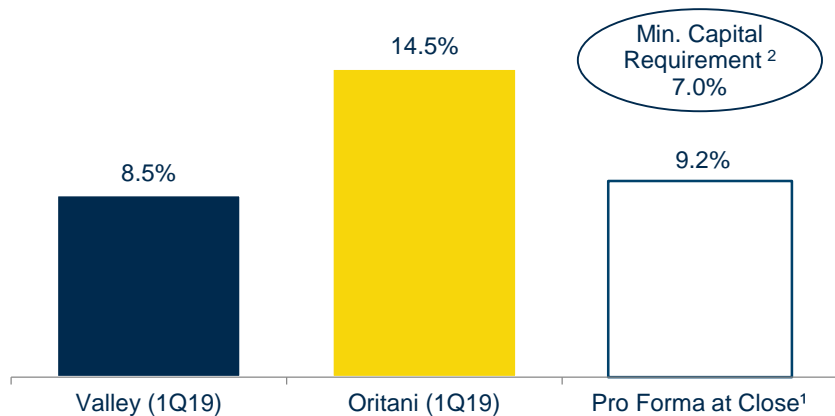
Estimated Efficiency Ratio



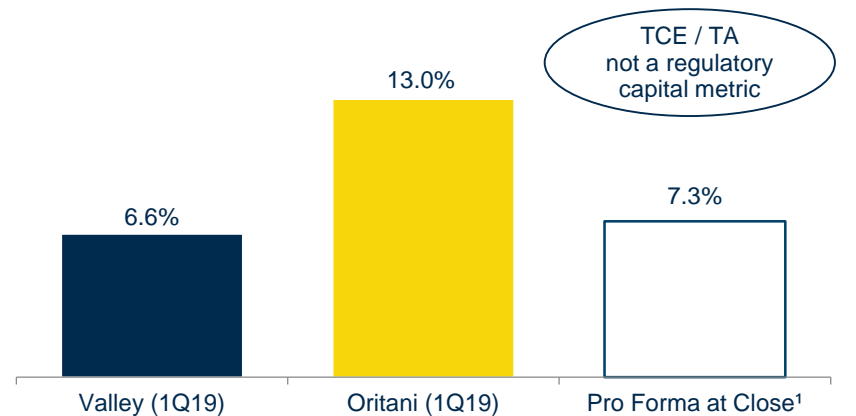
Estimated Return on Average Assets



Common Equity Tier 1 Ratio



TCE / TA



¹ Estimated financial impact is presented solely for illustrative purposes; Pro forma impacts presented inclusive of anticipated balance sheet restructuring, purchase accounting marks, cost savings, and other adjustments; Pro forma representative of combination between Valley and Oritani at illustrative fourth quarter 2019 close; ² Ratio includes capital conservation buffer



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Appendix



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Pro Forma Impact Financial Summary

	As of March 31, 2019		Pro Forma ¹	
	 Valley	 ORITANI BANK	 Valley / ORITANI BANK	
Balance Sheet (\$mm)	Total Assets	\$32,477	\$4,075	\$38,152
	Gross Loans Held for Investment	25,423	3,524	30,105
	Deposits	24,907	2,899	28,931
	Tangible Common Equity	2,077	531	2,695
Capital Ratios	TCE / TA	6.6%	13.0%	7.3%
	Leverage Ratio	7.6%	12.9%	8.2%
	Common Equity Tier 1 Ratio	8.5%	14.5%	9.2%
	Tier 1 Capital Ratio	9.4%	14.5%	10.0%
	Total Risk-based Capital Ratio	11.4%	15.3%	11.6%
	CRE Concentration	405%	639%	447%

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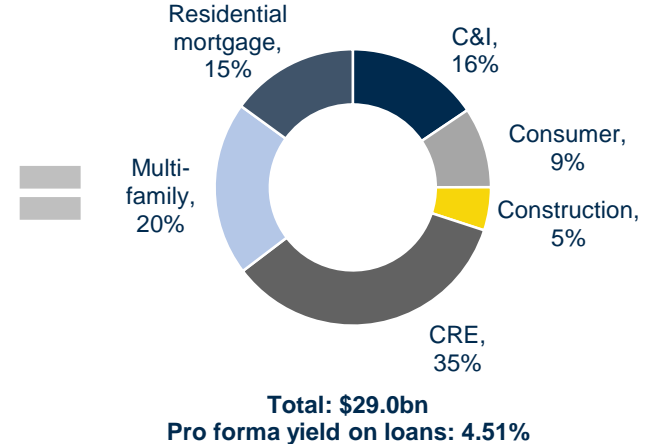
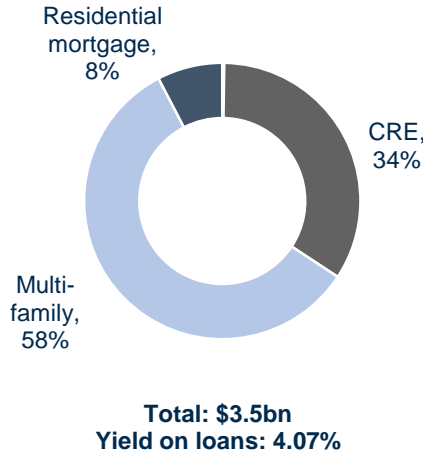
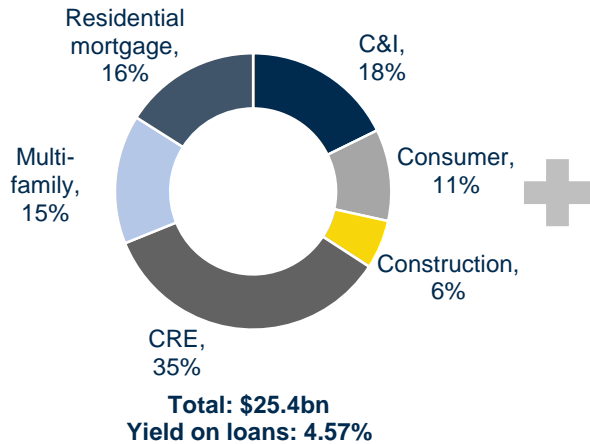


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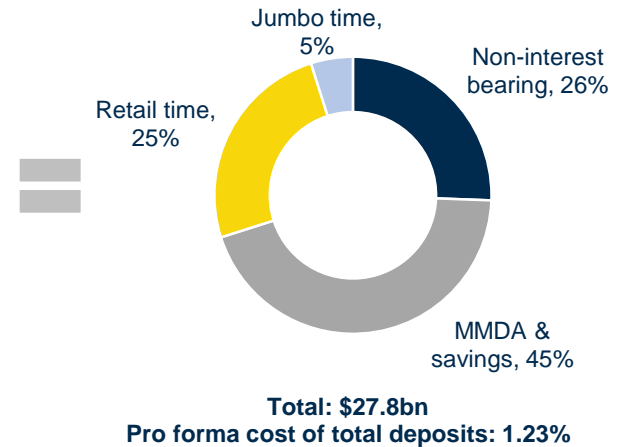
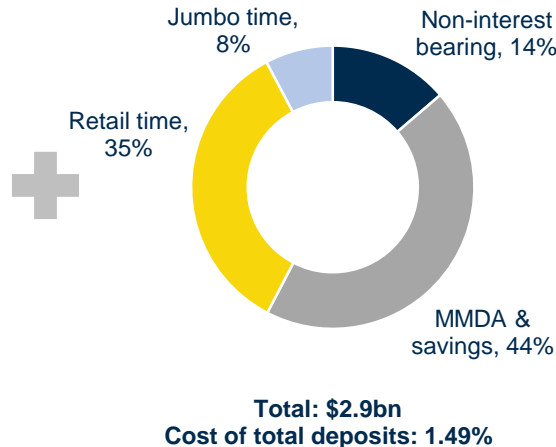
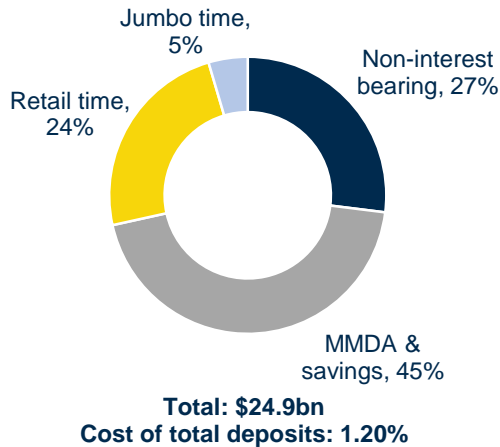
Enhances Balance Sheet Flexibility



Loans



Deposits





For More Information

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- Email requests to: rkraemer@valley.com
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Attn: Rick Kraemer, FSVP – Director, Corporate Finance
- ❖ Log onto our website above or www.sec.gov to obtain free copies of documents filed by Valley with the SEC