Valley National Bancorp®

Investor Presentation

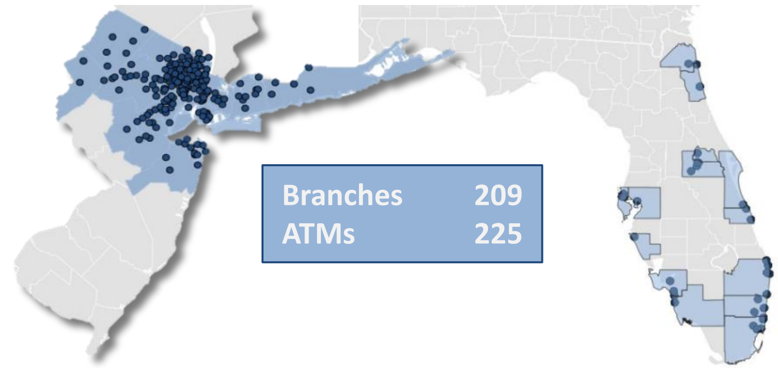
Forward Looking Statements

The foregoing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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, acquisitions, relationships, opportunities, taxation, technology, market conditions and economic expectations. These statements may be identified by such forward looking terminology as "should," "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 materially from those contemplated by such forward-looking statements include, but are not limited to: weakness or a decline in the U.S. economy, in particular in New Jersey, New York Metropolitan area (including Long Island) and Florida as well as an unexpected decline in commercial real estate values within our market areas; less than expected cost savings and revenue enhancement from Valley's cost reduction plans including its earnings enhancement program called "LIFT"; damage verdicts or settlements or restrictions related to existing or potential litigations arising from claims of breach of fiduciary responsibility, negligence, fraud, contractual claims, environmental laws, patent or trade mark infringement, and other matters; cyber attacks, computer viruses or other malware that may breach the security of our websites or other systems to obtain unauthorized access to confidential information, destroy data, disable or degrade service, or sabotage our systems; results of examinations by the OCC, the FRB, the CFPB and other regulatory authorities, including the possibility that any such regulatory authority may, among other things, require us to increase our allowance for credit losses, write-down assets, require us to reimburse customers, change the way we do business, or limit or eliminate certain other banking activities; changes in accounting policies or accounting standards, including the new authoritative accounting guidance (known as the current expected credit loss (CECL) model) which may increase the required level of our allowance for credit losses after adoption on January 1, 2020; higher or lower than expected income tax expense or tax rates, including increases or decreases resulting from changes in tax laws, regulations and case law; government intervention in the U.S. financial system and the effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Federal Reserve; unexpected changes in market interest rates for interest earning assets and/or interest bearing liabilities; changes in investor sentiment or consumer spending savings behavior; our inability to pay dividends at current levels, or at all, because of inadequate future earnings, regulatory restrictions or limitations, and changes in the composition of qualifying regulatory capital and minimum capital requirements (including those resulting from the U.S. implementation of Basel III requirements); less than expected cost savings from the maturity, modification or prepayment of long-term borrowings that mature through 2022; further prepayment penalties related to the early extinguishment of high cost borrowings; higher than expected loan losses within one or more segments of our loan portfolio; lower than expected cash flows from purchased credit-impaired loans; unanticipated loan delinquencies, loss of collateral, decreased service revenues, and other potential negative effects on our business caused by severe weather or other external events; unexpected significant declines in the loan portfolio due to the lack of economic expansion, increased competition, large prepayments, changes in regulatory lending guidance or other factors; the failure of other financial institutions with whom we have trading, clearing, counterparty and other financial relationships; and inability to retain and attract customers and qualified employees. A detailed discussion of factors that could affect our results is included in our SEC filings, including the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2015. We undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in our expectations. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

Valley National Bancorp

Overview of Valley National Bancorp

- Traded on the New York Stock Exchange (NYSE: VLY)
- Regional Bank Holding Company
- Headquartered in Wayne, New Jersey
- Founded in 1927



Average Balance Sheet & Other Items	4Q 2016	4Q 2015
Assets	$22.7 billion	$20.3 billion
Interest Earning Assets	$20.4 billion	$18.2 billion
Loans	$16.8 billion	$15.3 billion
Deposits	$17.4 billion	$15.5 billion
Shareholders' Equity	$2.3 billion	$2.1 billion
Total Employees*	2,828	2,929
Branch Count	209	227

*Total employees reflects the full-time equivalent as of the date shown

Valley National Bancorp

Large Regional Bank that Operates and Feels Like a Small Closely Held Company

Core Focus

- Customer centric culture with experienced commercial lenders
- Superior credit quality
- Measured growth strategies
- Seasoned management team

Demographic Focus

- Operations in three (3) of the most heavily populated states
- Concentrated in affluent geographic markets

Shareholder Focus

- Balanced institutional and retail stock ownership
- More than 246 institutional holders or 54% of all shares*
- Long-term investment approach
- Focus on cash dividends
- Large insider stock ownership including family members, retired employees and retired directors

Since the Bank was founded in 1927, Valley has never produced a losing quarter

*Data as of January 26, 2017

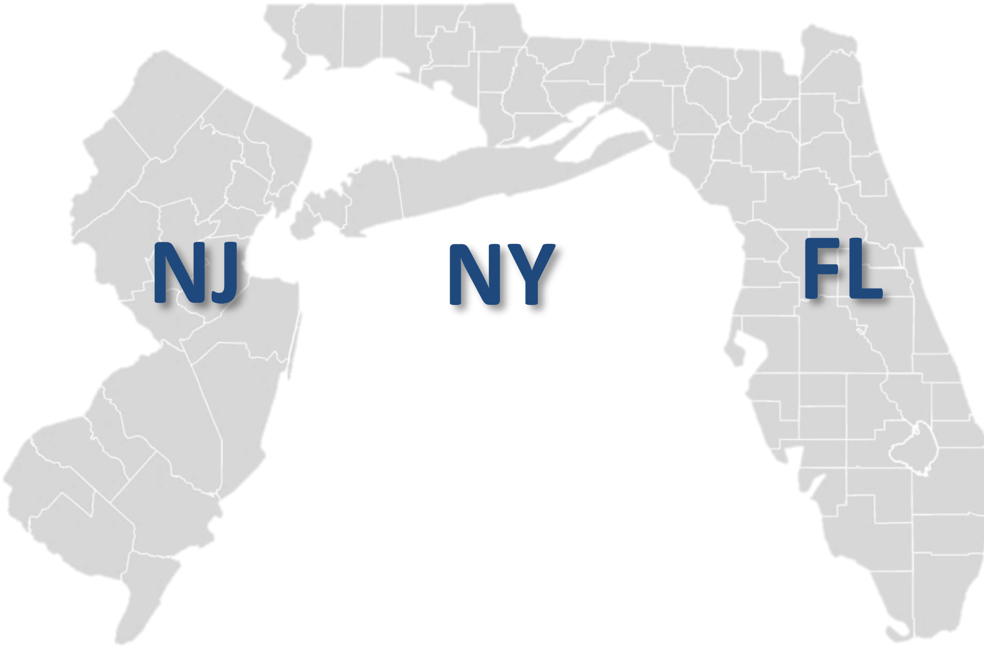
Our 2020 Vision

Vision Statement

- A premier commercial banking franchise with a diversified balance sheet
- Asset generator in three (3) of the best markets on the East Coast

Strategic Focus

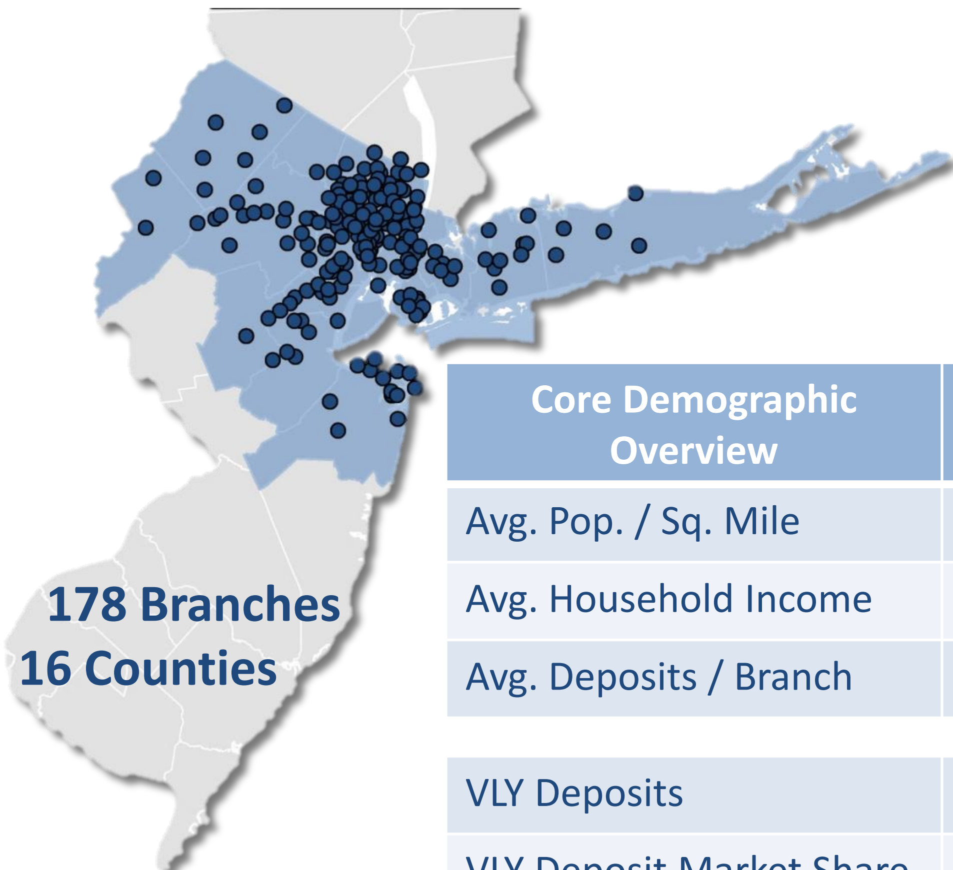
- **Enhance noninterest revenue** to deliver solid performance in a challenging environment
- **Reduce operating expenses** by utilizing technology to enhance and streamline the operations and delivery channels
- **Expand the customer base** by leveraging current infrastructure with emphasis on Florida to drive growth



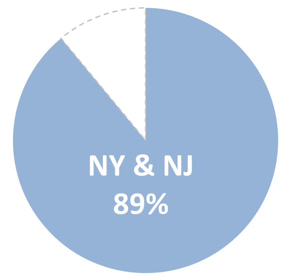
Bank Profile

- **Asset Size:** Mid-Size Bank ($10 to 50 billion)
- **Footprint:** NJ / NY / FL
- **Growth:** Organic / Opportunistic Acquisitions

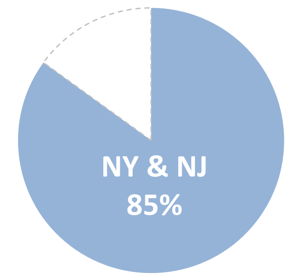
New York & New Jersey Franchise



Loans



Deposits



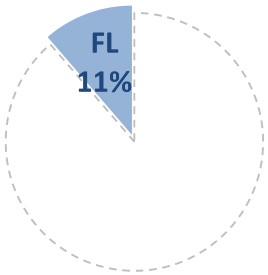
Core Demographic Overview	NJ Core Market[1]	New York City[2]	Long Island	U.S.A.
Avg. Pop. / Sq. Mile	6,079	40,520	3,147	91
Avg. Household Income	$103,362	$91,385	$120,590	$77,135
Avg. Deposits / Branch	$120,448	$741,283	$137,345	$113,614

VLY Deposits	$8.8 billion	$2.3 billion	$1.1 billion	$16.4 billion
VLY Deposit Market Share	6.34%	0.21%	0.92%	0.15%

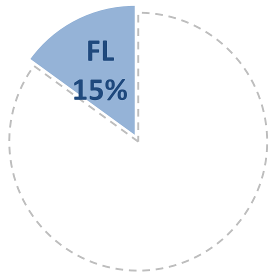
(1)NJ Core Market includes Passaic, Morris, Hudson, Essex and Bergen Counties
(2)New York City includes Brooklyn, Queens and Manhattan; Demographic and deposit data for 2016

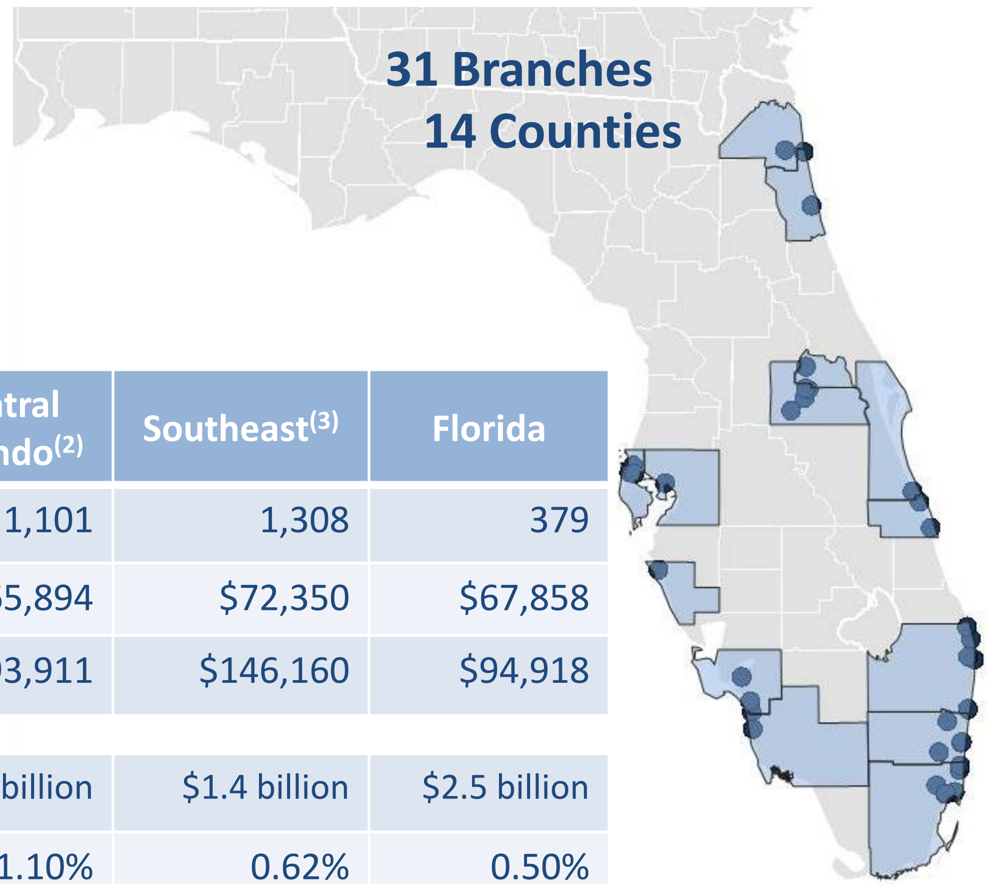
Florida Franchise

Loans



Deposits





Core Demographic Overview	Central Tampa[1]	Central Orlando[2]	Southeast[3]	Florida
Avg. Pop. / Sq. Mile	2,219	1,101	1,308	379
Avg. Household Income	$69,745	$65,894	$72,350	$67,858
Avg. Deposits / Branch	$115,137	$93,911	$146,160	$94,918
VLY Deposits	$0.1 billion	$0.5 billion	$1.4 billion	$2.5 billion
VLY Deposit Market Share	0.17%	1.10%	0.62%	0.50%

[1]Central Tampa includes Pinellas & Hillsborough Counties [2]Central Orlando includes Orange, Brevard & Indian River Counties [3]Southeast includes Palm Beach, Broward & Miami-Dade Counties; Demographic and deposit data for 2016

Valley's 4Q 2016 Highlights

Financial Highlights

- Net interest income of $166.6 million increased $10.3 million from the previous quarter
- Net interest margin of 3.27 percent up 13 bps from the previous quarter
- Cost of funds declined 3 bps to 0.73 percent in the quarter partly due to previous modifications of high-cost borrowings
- Loans increased $602.0 million or 14.5 percent on an annualized basis from the previous quarter
- Noninterest income increased 31 percent or $7.8 million to $32.7 million compared to the prior quarter

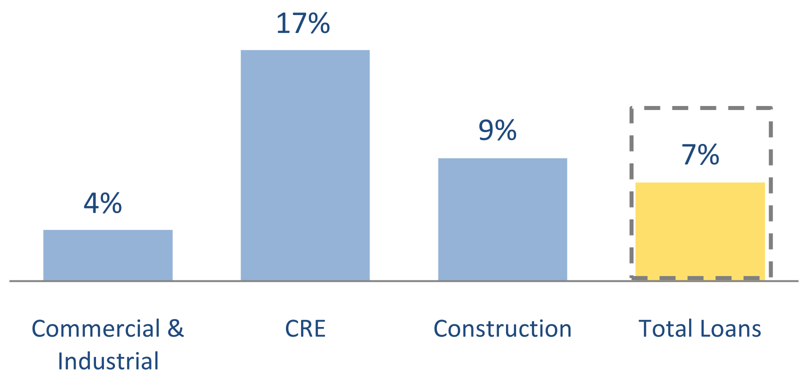
Operating Efficiency

- Efficiency ratio improved further to ~59 percent[3]
- Announced LIFT – an earnings enhancement initiative to identify additional expense reduction opportunities

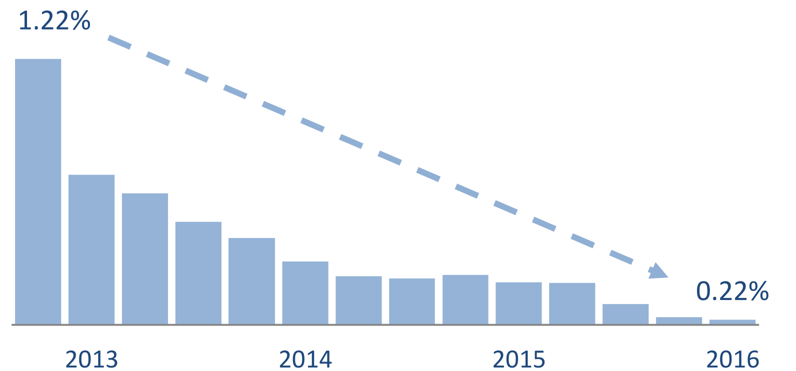
Credit Quality

- NPAs decreased 3.1 percent to $49.4 million from the prior quarter
- Recognized $110 thousand in net loan charge-offs

Loan Growth for Select Portfolios[1]



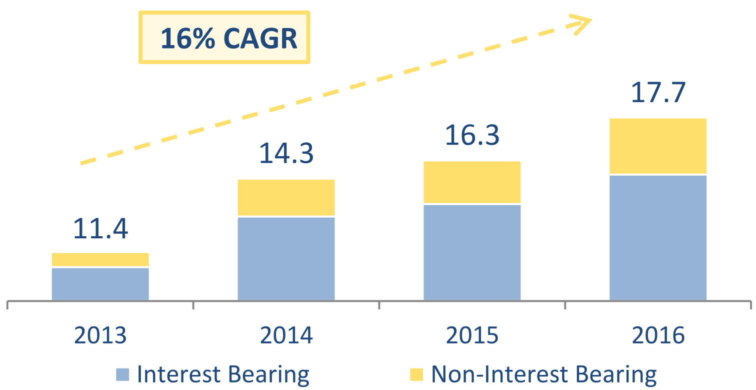
Non-Performing Assets to Total Assets[2]



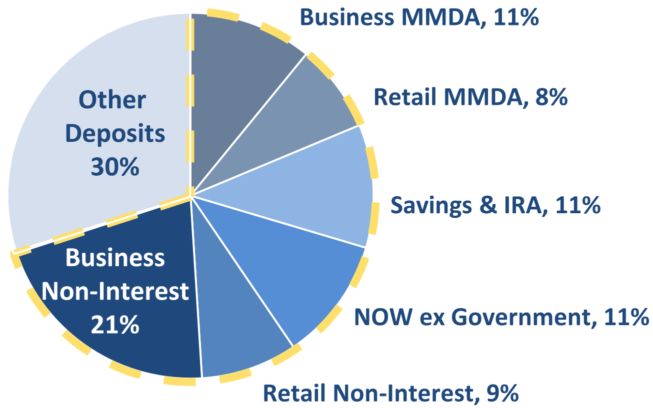
[1]Loan growth is the change from December 31, 2015 to December 31, 2016; [2]Excludes purchase credit impaired loans
[3] Refer to the disclosure in the appendix regarding the calculation for the efficiency ratio

Diversified Funding Sources

Deposit Growth Trend ($, in billions)



Attractive Deposit Composition (4Q 2016)



Betas & Change in Duration Indicate Less Sensitivity to Increase in Rates

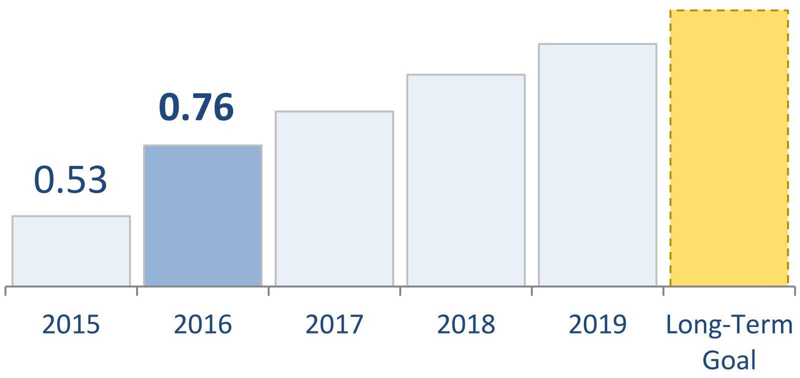
	Beta	Duration (in years) No Change	+100bps	+200bps
Business MMDA	0.240	5.38	5.23	5.05
Retail MMDA	0.488	5.43	5.25	5.06
Savings & IRA	0.125	5.77	5.61	5.44
NOW ex Government	0.312	8.15	7.93	7.70
Non-interest bearing	0.000	6.25	6.10	5.92
Total (weighted avg)	**0.160**	**6.11**	**5.95**	**5.77**

Continued focus on maintaining an attractive, stable funding base with less sensitivity to changes in rates

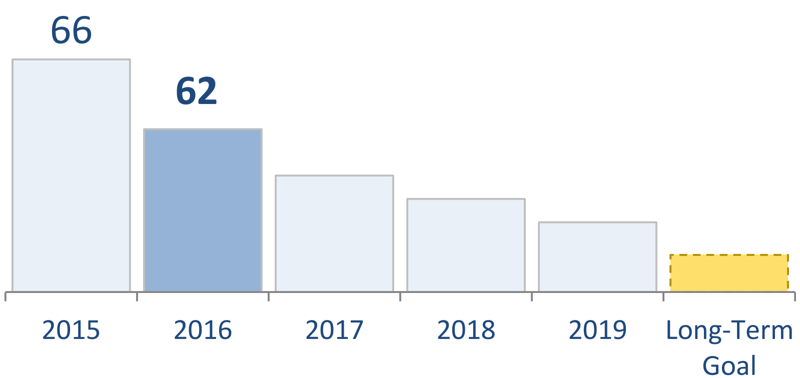
Note: Figures may not total to one hundred percent due to rounding

LIFT: Earnings Enhancement Program

ROAA: Improving our operating results



Remain focused on our efficiency ratio[1]



Program Highlights

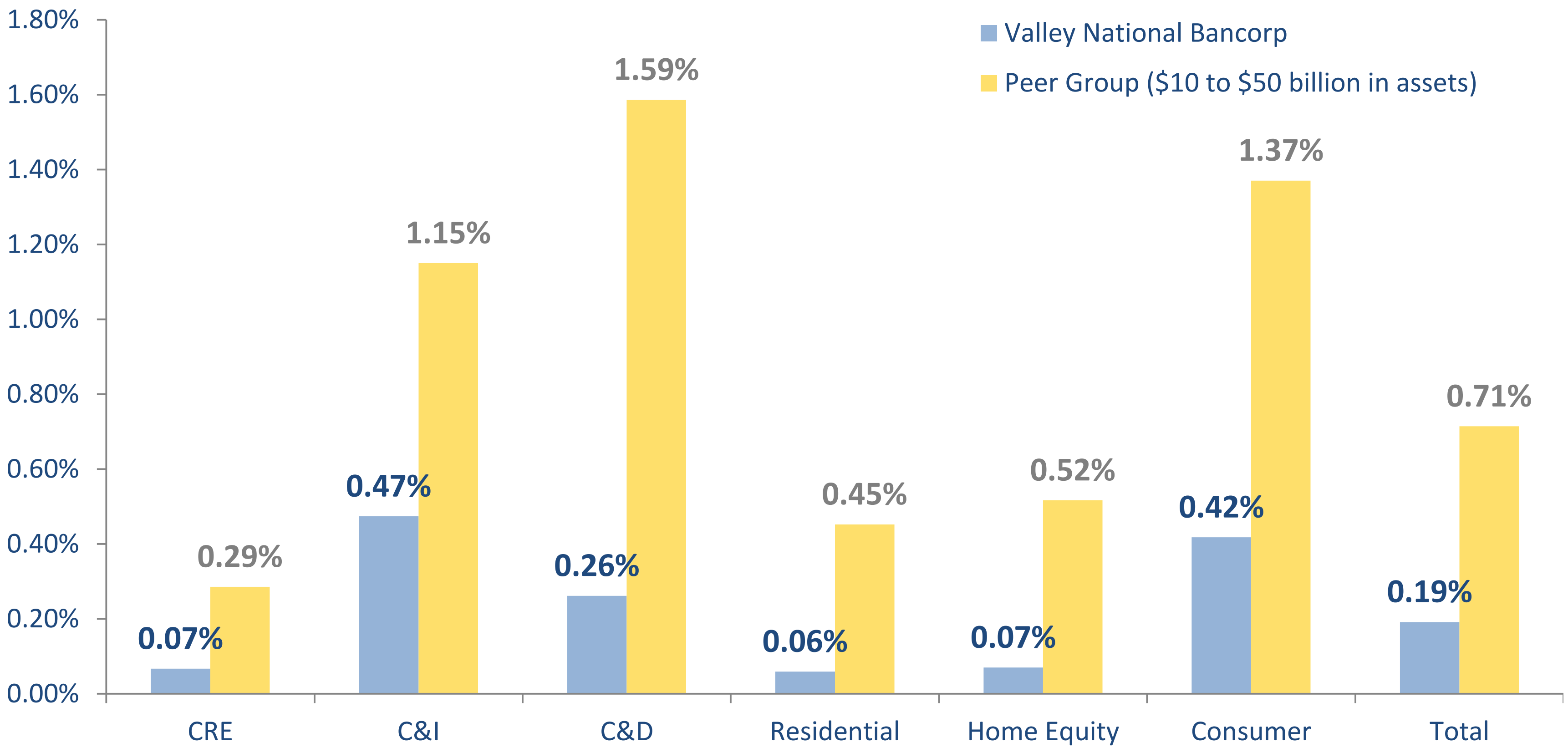
- Leveraging industry respected consultant EHS Partners LLC
  - Prior experience with major financial services companies
- Scope of engagement
  - Identify additional areas for operating expense reduction
  - Seek revenue enhancement opportunities

2017 Key Milestones

- Announced LIFT program in December 2016
- Planning & discovery phase of the process has commenced and scheduled for completion in 1H 2017
- Implementation phase will begin soon thereafter
- Recognize majority of benefits beginning in 2018

(1)Refer to the disclosure in the appendix regarding the calculation for the efficiency ratio

Average Net Charge-Offs to Loans by Category

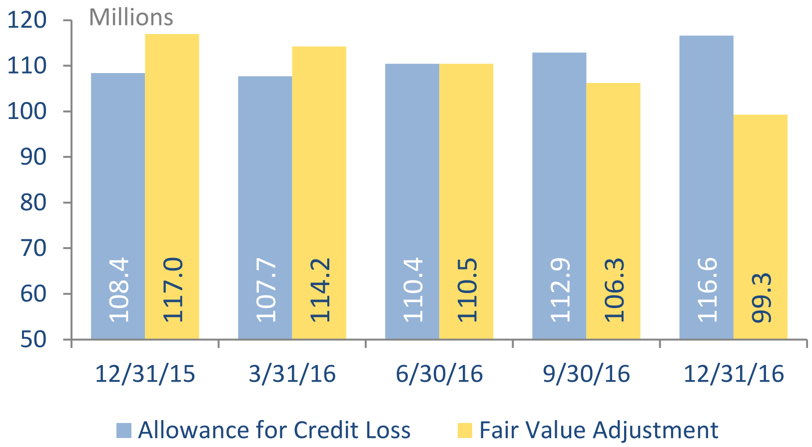


Average net charge-offs from 2003 through 2016 well anchored below peers demonstrating Valley's prudent risk management practices

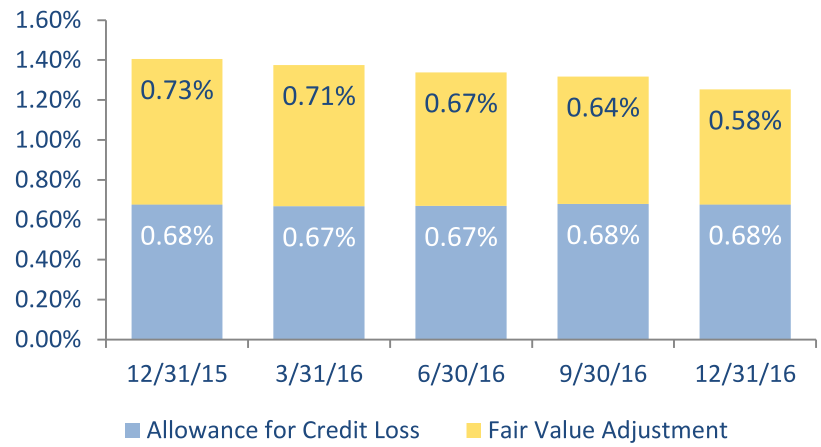
Data as of January 27, 2017
Peer group includes banks between $10 billion and $50 billion in assets

Capital Strength

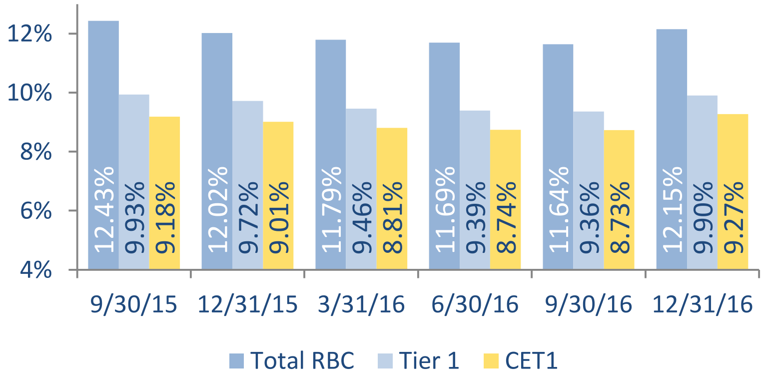
PCI Fair Value Adjustment & ACL*



PCI FVA & ACL as Percent of Total Loans



Bancorp Regulatory Capital Ratios



Capital Highlights

- Raised $106.4 million in secondary offering in December 2016
- Net proceeds will be used to support continued strong loan growth

*Allowance for credit losses (ACL)

Purchased credit impaired (PCI) loans; Fair value adjustment (FVA); Allocated by pool and cannot be utilized across pools

Valley National Bancorp

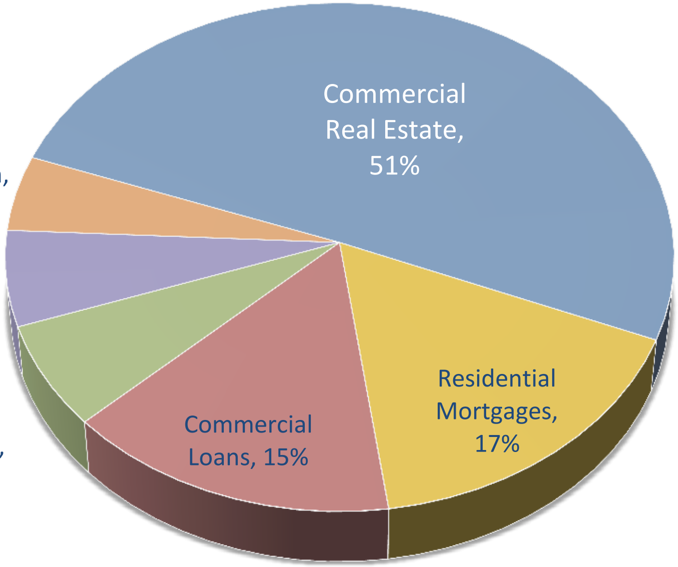
Appendix

Diversified Portfolio

Loan Portfolio as a Percent of Capital

Loan Portfolio	Percent of Capital, % [(1)]
Commercial Real Estate	454
Residential Mortgage	149
Commercial	137
Automobile	59
Other Consumer	54
Construction	43

Composition of Loan Portfolio ($17.2 billion)



[(1)]Capital is defined as regulatory tier I capital at the Bank plus the allowance for loan and lease losses

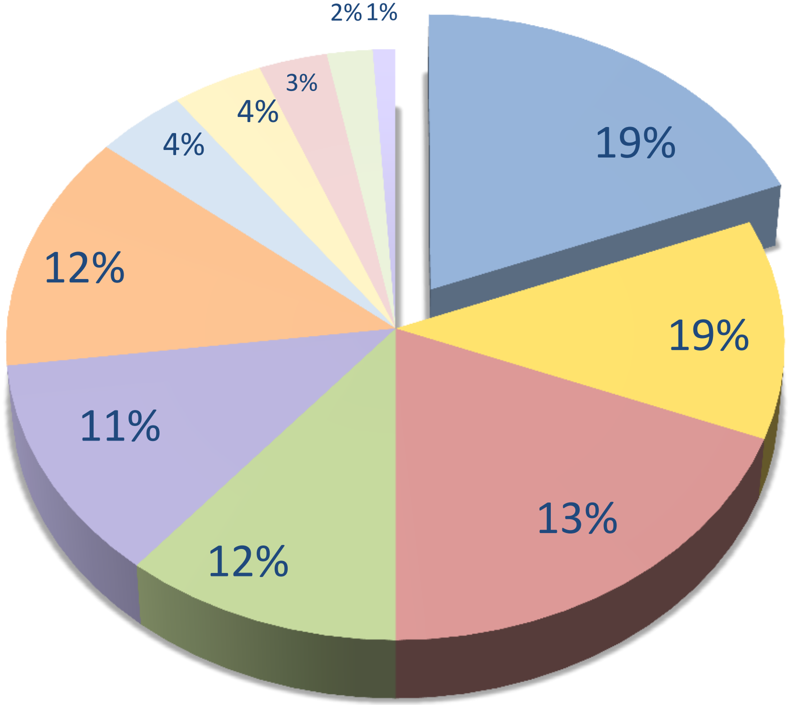
Note: Figures may not total to one hundred percent due to rounding

Commercial Real Estate

	Primary Property Type	$ Amount (Millions)	% of Total	Avg LTV	2012 4Q Avg LTV
	Retail	1,661	19%	53%	50%
	Apartments	1,636	19%	60%	37%
	Mixed Use	1,119	13%	54%	44%
	Coop Mortgages	1,043	12%	11%	N/A
	Industrial	984	11%	53%	51%
	Office	1,017	12%	54%	50%
	Healthcare	365	4%	53%	59%
	Specialty	340	4%	46%	49%
	Other	225	3%	45%	40%
	Residential	204	2%	56%	51%
	Land Loans	116	1%	60%	64%
	Total	**$8,710**	**100%**	**50%**	

Total Commercial Real Estate - $8.7 Billion

(Includes both Covered and Non-Covered Loans)



-Average LTV based on current balances and most recent appraised value.

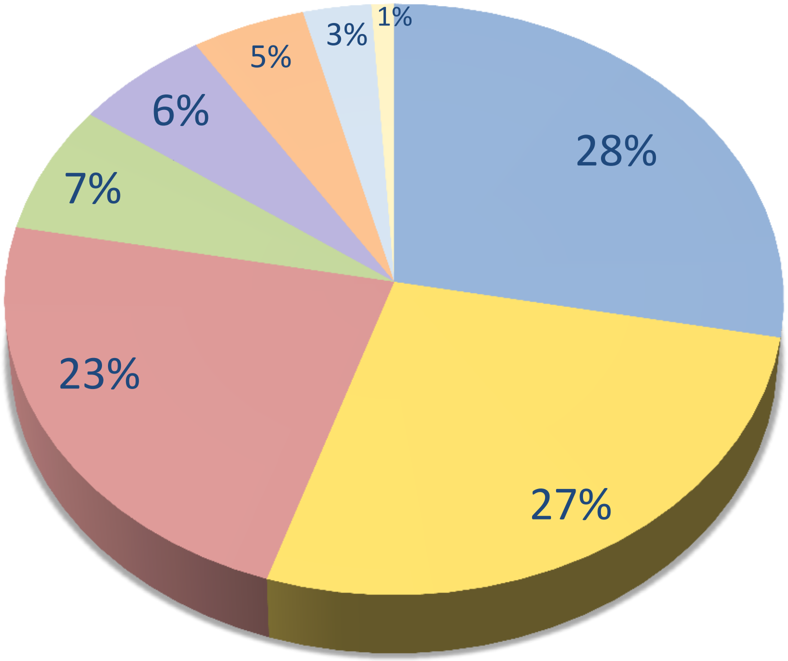
-The total CRE loan balance is based on Valley's internal loan hierarchy structure and does not reflect loan classifications reported in Valley's SEC and bank regulatory reports.

-The chart above does not include $737 Million in Construction loans. Construction composition displayed separately in presentation.

Composition of CRE Retail

Retail Property Type	% of Total	Avg LTV	2012 4Q Avg LTV
Single Tenant	28%	53%	51%
Multi-Tenanted - Anchor	27%	54%	51%
Multi-Tenanted – No Anchor	23%	55%	53%
Auto Dealership	7%	50%	49%
Other	6%	N/A	N/A
Food Establishments	5%	53%	54%
Entertainment Facilities	3%	47%	54%
Auto Servicing	1%	48%	48%

Total Retail Property Types - $1.7 Billion



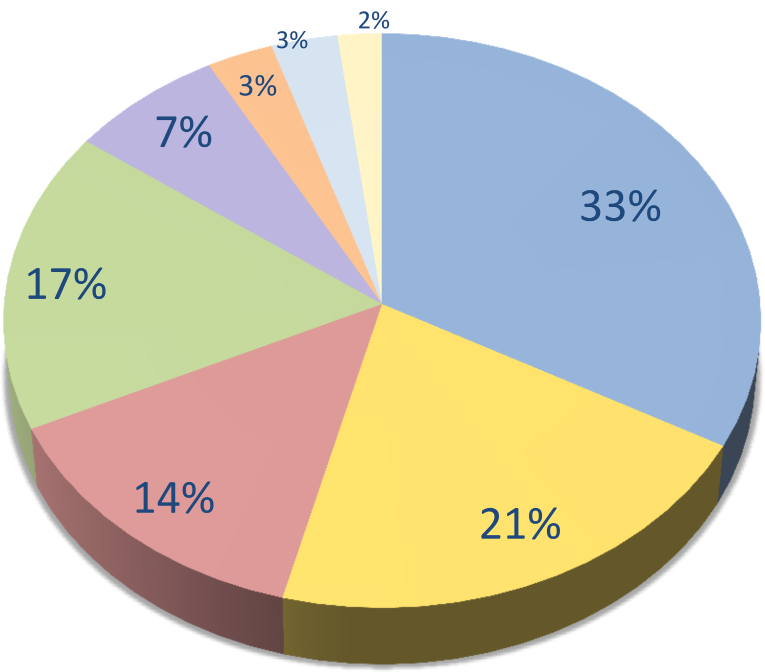
-Average LTV based on current balances and most recent appraised value

-The chart above excludes construction loans. Construction composition displayed separately in presentation

Composition of Construction

Primary Property Type	$ Amount (Millions)	% of Total	2012 4Q % of Total
Apartments	241	33%	16%
Mixed Use	155	21%	10%
Land Loans	100	14%	12%
Residential	124	17%	32%
Retail	50	7%	19%
Healthcare	25	3%	3%
Other	23	3%	5%
Specialty	19	2%	3%
Total	$737	100%	

Total Construction Loans - $737 Million



-Construction loan balance is based on Valley's internal loan hierarchy structure and does not reflect loan classifications reported in Valley's SEC and bank regulatory reports.

Operating Efficiency

Calculation for efficiency ratio

	Three Months Ended					Twelve Months Ended	
($, thousands)	**December 31, 2016**	**September 30, 2016**	**June 30, 2016**	**March 31, 2016**	**December 31, 2015**	**December 31, 2016**	**December 31, 2015**
Net Interest Income	164,395	154,146	151,455	148,153	148,046	618,149	550,269
Noninterest Revenue	32,660	24,853	24,264	21,448	24,039	103,225	83,803
less: net gain on sale of residential mortgages	7,500	-	-	-	-	7,500	-
Net Revenue	189,555	178,999	175,719	169,601	172,085	713,874	634,072
Noninterest Expense	124,829	113,268	119,803	118,225	174,893	476,125	499,075
less: amortiziaton of tax credits	13,384	6,450	7,646	7,264	13,081	34,744	27,312
less: loss on extinguishment of debt	-	-	-	-	51,129	315	51,129
Total Noninterest Expense	111,445	106,818	112,157	110,961	110,683	441,066	420,634
Efficiency Ratio	**58.79%**	**59.68%**	**63.83%**	**65.42%**	**64.32%**	**61.78%**	**66.34%**

For More Information

- Log onto our web site: www.valleynationalbank.com

- E-mail requests to: tscortes@valleynationalbank.com

- Call Shareholder Relations at: (973) 305-3380

- Write to: Valley National Bank
  1455 Valley Road
  Wayne, New Jersey 07470
  Attn: Tina Cortes, Shareholder Relations Specialist

- Log onto our website above or www.sec.gov to obtain free copies of documents filed by Valley with the SEC