

CAPITAL MARKETS ANNOUNCEMENT

Astoria Financial Corp. (NYSE: AF; Lake Success, NY) Closes Offering of \$200.0 Million of 3.500% Senior Notes due June 8, 2020

Sandler O'Neill + Partners, L.P. served as Sole Book-Running Manager for this offering.

This transaction is the 111th subordinated note or senior note transaction for a community bank since January 1, 2014 in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner or initial purchaser. Since May 20, 2016, Sandler O'Neill has raised approximately \$3.3 Billion for its clients, capturing a 68.8% market share of announced transactions.¹

About the Offering:

LAKE SUCCESS, N.Y., June 8, 2017 -- Astoria Financial Corporation (NYSE: AF) ("Astoria" or the "Company"), the holding company for Astoria Bank (the "Bank"), announced today the closing of its previously announced underwritten public offering of \$200 million aggregate principal amount of 3.500% Senior Notes due 2020. The proceeds from the offering will be used to repay \$250 million in outstanding 5.000% Senior Notes due June 19, 2017 and for general corporate purposes.

This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.

About the Company:

Astoria Financial Corporation, with assets of \$14.3 billion, is the holding company for Astoria Bank. Established in 1888, Astoria Bank, with deposits in New York totaling \$9.0 billion, is the second largest thrift depository in New York and provides the customers and local communities it serves with quality financial products and services through 88 convenient banking branch locations, a business banking office in Manhattan, and multiple delivery channels, including its flexible mobile banking app. Astoria Bank commands a significant deposit market share in the attractive Long Island market, which includes Brooklyn, Queens, Nassau, and Suffolk counties with a population exceeding that of 38 individual states.

(1) Source: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes nationwide subordinated debt and senior note offerings for Community Banks; Community Banks defined as banks or bank holding companies with less than \$25 billion in assets.

(2) Financial data is not pro forma for the offering or acquisition by Sterling Bancorp

June 8, 2017

3.500% Fixed Rate
Senior Notes due 2020

\$200.0 Million



ASTORIA FINANCIAL CORPORATION

Sole Book-Running Manager

SANDLER O'NEILL + PARTNERS

Financial Highlights (as of 3/31/2017)²

(Dollars in thousands)

Total Assets	\$14,342,610
Net Loans	10,124,702
Total Deposits	8,990,247
Total Equity	1,723,964
Tang. Common Equity/ Tang. Assets (%)	9.95
LTM ROAA (%)	0.46
LTM ROAE (%)	3.95

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