

Dime Community Bancshares, Inc. (NASDAQ: DCOM) Closes Offering of \$115.0 Million of Subordinated Notes due 2027

Sandler O'Neill + Partners, L.P. served as the sole book-running manager for this offering.

The 4.50% coupon matches the lowest coupon of all subordinated holding company offerings to date in 2017.¹

This transaction is the 112th 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 \$3.4 Billion for its clients, capturing a 69.6% market share of announced transactions.¹

About the Offering:

BROOKLYN, N.Y., June 13, 2017 -- Dime Community Bancshares, Inc. (the "Company") (NASDAQ: DCOM), the holding company for Dime Community Bank (the "bank"), today announced that it has completed its underwritten public offering of \$115 million aggregate principal amount of fixed-to-floating rate subordinated notes (the "Notes") due June 15, 2027. The Notes will initially bear a fixed interest rate of 4.50% per year. Commencing on June 15, 2022, the interest rate on the Notes will reset on a quarterly basis to the three-month LIBOR rate plus a spread of 266 basis points, payable quarterly in arrears. The Company plans to use the net proceeds from the offering to redeem the \$70.7 million of trust preferred securities currently paying a 7.00% annual coupon of Dime Community Capital Trust I (expected to occur in the third quarter) and for general corporate purposes, including the payment of dividends and funding potential strategic growth opportunities, including, but not limited to, acquisitions.

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:

The Company had \$6.10 billion in consolidated assets as of March 31, 2017, and is the parent company of the bank. The bank was founded in 1864, is headquartered in Brooklyn, New York, and currently has twenty-seven branches located throughout Brooklyn, Queens, the Bronx and Nassau County, New York. More information on the Company and the bank can be found on Dime's website at www.dime.com.

(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 not pro forma for the offering

June 13, 2017

4.500% Fixed-to-Floating Rate
Subordinated Notes due 2027
\$115.0 Million



Sole Book-Running Manager

SANDLER O'NEILL + PARTNERS

Financial Highlights as of March 31, 2017²

(Dollars in thousands)

Total Assets	\$6,095,370
Net Loans	5,731,195
Total Deposits	4,508,482
Total Equity	573,225
Tang. Common Equity/ Tang. Assets (%)	8.57
LTM ROAA (%)	0.58
LTM ROAE (%)	6.04

Sandler O'Neill Contacts:

Bill Hickey
Principal, Co-Head of
Investment Banking
(212) 466-7704

John Beckelman
Principal
(212) 466-7832

Jacques de Saint Phalle
Principal
(212) 466-7721

Tom Gallagher
Managing Director
(212) 466-8069

Jennifer Docherty
Managing Director
(212) 466-7796

Susan Weinberg
Managing Director
(212) 466-7807

James Furey
Managing Director
(212) 466-7934

Matt Landolphi
Associate
(212) 466-7732

Mackenzie Boydston
Analyst
(212) 466-7747

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New York – Atlanta – Boston – Chicago – San Francisco