

Peapack-Gladstone Financial Corporation (NASDAQ: PGC; Bedminster, NJ) Completes Offering of \$50 Million of Subordinated Notes due 2026

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

This transaction is the 61st 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.¹ Sandler O'Neill's market share during this period, based on transactions reported in SNL Financial, is approximately 50%.²

About the Offering:

BEDMINSTER, NJ, June 15, 2016 -- Peapack-Gladstone Financial Corporation (Nasdaq Global Select Market: PGC) (the "Company"), the parent corporation of Peapack-Gladstone Bank (the "Bank"), today announced that it closed on \$50 million of its Fixed-to-Floating Subordinated Notes due June 30, 2026 (the "Notes"). The Notes will bear interest at a rate of 6% per annum to June 30, 2021. Thereafter and through maturity or earlier redemption, the interest rate shall reset quarterly to the then current three-month LIBOR rate plus 485 basis points.

The Company intends to use the net proceeds from this offering for general corporate purposes, including investment in the Bank as regulatory capital to fund future loan growth and potential strategic wealth related acquisitions, both of which are in line with the Bank's Strategic Plan.

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:

Peapack-Gladstone Financial Corporation is a New Jersey bank holding company with approximately \$3.5 billion in assets as of March 31, 2016. Founded in 1921, Peapack-Gladstone Bank is a commercial bank that provides innovative private banking services to businesses, non-profits and consumers which help them to establish, maintain and expand their legacy. Through its private banking locations in Bedminster, Morristown, Princeton and Teaneck, its wealth management division, and its branch network and online platforms, Peapack-Gladstone Bank offers an unparalleled commitment to client service.

(1) Source: Sandler O'Neill + Partners. Deal count includes nationwide subordinated debt and senior note offerings since 1/1/2014 for banks or bank holding companies with less than \$25 billion in assets.

(2) Source: SNL Financial. Aggregate deal count used in market share calculation includes nationwide subordinated debt and senior note offerings since 1/1/2014 for banks or bank holding companies with less than \$25 billion in assets that have reported book-running managers or placement agents. Sandler O'Neill transactions used to calculate market share are those in which Sandler O'Neill acted as either a book-runner or placement agent.

(3) Financial data not pro forma for the offering.

June 15, 2016

6.00% Fixed-to-Floating Rate
Subordinated Notes due 2026
\$50.0 Million



**PEAPACK-GLADSTONE
FINANCIAL CORPORATION**

Sole Book-Running Manager

SANDLER O'NEILL + PARTNERS

Financial Highlights as of March 31, 2016³**Dollars in Millions**

Total Assets	\$3,466
Gross Loans	\$3,028
Total Deposits	\$3,044
Total Equity	\$284
Leverage Ratio	8.19%
Tier 1 Risk-Based Capital Ratio	10.56%
Total Risk-Based Capital Ratio	11.57%
Tang. Common Equity / Tang. Assets	8.09%

Sandler O'Neill Contacts:

Bob Kleinert
Managing Principal
(212) 466-7806

Bill Hickey
Principal
(212) 466-7704

Jacques de Saint Phalle
Principal
(212) 466-7721

John Beckelman
Principal
(212) 466-7832

Jenn Docherty
Managing Director
(212) 466-7796

Susan Weinberg
Managing Director
(212) 466-7807

James Furey
Managing Director
(212) 466-7934

Jess Martino
Analyst
(212) 466-7776