

Statement of Condition
January 1, 2018

Writing Success Stories.
Strengthening Communities.
Multiplying the Good.





multiply the good

Message from the Chairman

Our primary focus over the past year has been to continue to produce incremental positive change and deliver value at every touchpoint of our customers' experience. When we think about Ridgewood's value proposition, it comes down to just a few things: building strong relationships, providing convenient and personalized service, and developing products and services that help our customers achieve their financial dreams; deploying technologies and digital banking enhancements that make banking easy; offering competitive rates on our loan and deposit products; and remaining a stable, sound financial institution, committed to partnering with and serving our communities.

With those directives guiding us in 2017, we expanded banking hours at all our branches; established a telephone contact center with expanded services and hours; opened two new retail branches in Clinton Hill, Brooklyn and in Plainview, Long Island; upgraded all of our ATMs with envelope-free deposit automation technology; installed drive-up ATMs in two of our Long Island branches; introduced Android Pay™, Apple Pay® and Samsung Pay®; and rolled out several enhancements to our Mobile Banking app, including SmartWatch functionality, touch ID for secure and convenient login, quick balance widget to view account balances, and Person to Person ("P2P") funds transfer ability. We also upgraded our Debit Card rewards to the new, enhanced uChoose Rewards® program and raised rates on all of our deposit accounts.

While we are pleased with these efforts, we recognize that our competitive marketplace will not permit us to rest for a moment. Some of our significant plans for the upcoming year include designing and planning renovations to several of our branches, installation of additional drive-up ATMs, new or improved business banking money market and retail checking account offerings, and additional mobile banking enhancements. We will also launch a new loan origination system that will enhance our lending process.

Ridgewood's strong community involvement continued on many levels in 2017. The Bank financed over \$200 million in multifamily housing and mixed-use properties in low- to moderate-income neighborhoods and invested an additional \$7.5 million to help build, rehabilitate and provide safe and affordable housing for lower-income New York residents.

Our corporate giving and matching gifts programs supported many worthy projects, including hospitals, food banks, volunteer fire and ambulance services, youth programs, and educational and housing initiatives within our communities. In addition, our employees volunteered over 2,400 hours of their time at community and charitable events throughout the year. We continued to conduct financial literacy workshops in our communities on topics such as buying a home, budgeting, saving and credit management. We expanded our financial literacy program in 2017, educating over 2,000 senior citizens about how to protect themselves from identity theft and fraud. Additionally, through our participation in the Teach Children to Save and Get Smart About Credit programs sponsored by the American Bankers Association, our employees educated nearly 15,000 students in local schools.

Continued on next page ...

2017 was a bittersweet year for us. Several of our 35 branches celebrated significant anniversaries: Garden City Park – 45 years; Bay Ridge – 30 years; Astoria – 15 years; and Bayside and Morris Park – 10 years. We held community appreciation events at these branches and throughout our branch network, and were pleased to meet and talk with many longstanding customers at these events and to receive such positive feedback.

In November, we lost a dear friend, Robert W. (“Bill”) Donohue, who served admirably as a Trustee of the Bank for 10 years. Bill was not only a committed and engaged Trustee, but also a passionate supporter of community and charitable endeavors. Bill will truly be missed.

Michael A. Agnes, a Trustee of the Bank since 2006, retired at year-end. We wish him many happy and healthy years of retirement, and will undoubtedly miss his sharp intellect and sound guidance.

Our officer ranks were also diminished at year-end by the retirement of Peter M. Boger after 18 years of dedicated service, including six years as Chairman and Chief Executive Officer of the Bank. We extend Peter our best wishes for good health and happiness in retirement and are grateful for the vision and guidance he will provide as a Trustee of the Bank.

As for our financial results, despite both a challenging and volatile financial and regulatory climate, net income was \$17.2 million for the year ended December 31, 2017.

Ridgewood remains the largest mutual savings bank in New York state. In 2017, the Bank's assets grew by \$42.7 million, to \$5.4 billion. This growth was made possible by our depositors, whose savings grew to \$4.15 billion. Loans grew 10.5% in 2017,

as we originated \$326 million in residential loans and \$384 million in commercial real estate loans, mainly in the multifamily category. As a result of this growth, our loan portfolio reached a record \$3.5 billion at year-end. The deposit and loan growth we achieved reflected our ongoing commitment to customer service as well as our competitive interest rates and diverse product offerings.

Ridgewood's capital levels continue to be more than twice their regulatory requirement. Our net worth surpassed \$700 million for the first time.

These were some of our most noteworthy events and accomplishments for 2017. We remain confident that by staying true to a course that has demonstrated long-term success, and through the sustained efforts of a dedicated Board of Trustees, supportive and capable Management, and a loyal Staff, we will continue to meet the challenges of this economic environment and share our success with our Customers, our Communities and our Employees.

From all of us in the Ridgewood family, we thank you for your continued support. We remain ever mindful of the trust you have placed in us. We extend our best wishes to you for good health, happiness and prosperity in 2018.



Leonard Stekol

Chairman, President & CEO

Here for Our Community

Since we first opened our doors in 1921, community has been the foundation for everything we do. Each year, Ridgewood proudly supports local hospitals, food banks, youth programs, housing initiatives and many other worthy causes through corporate giving and the generosity of our employees.

How We Gave Back in 2017:



333 employee volunteers

2,400 volunteer hours

1,070 hours volunteering
at local soup kitchens



\$140,000 in community
reinvestment

\$80,000 in community
outreach

\$580,000 in corporate
giving & donations

\$63,000 in employee
charitable donations

\$101,000 in bank-
matched donations



15,000 students and
2,000 senior citizens reached
through Ridgewood's
financial literacy program

Get More from Your Banking Experience

As a mutual savings bank, we work for you, not shareholders. This means we can offer the full range of products and services you'd expect from a larger bank, but with fewer fees, better rates and more convenience.

Banking

Live a better financial lifestyle with our quality checking and savings options and convenient features.

- Low fees, low minimum deposits and competitive rates
- 24/7 access with Digital Banking
- 55,000 surcharge-free ATMs around the world

Borrowing

Buy your first home, build an addition and much more with our help.

- Affordable Mortgage program offering flexible options, lower rates and low down payment options
- Competitive home equity and personal loans with fast online applications
- Commercial real estate financing with an experienced team of local lenders

Business Banking

We offer the banking and lending solutions that local businesses need to thrive.

- Business bank accounts and technology, Payroll Services* and Merchant Services*
- Business Loans* and Lines of Credit* with fast pre-qualification for qualified applicants

*Offered through third-party partners.

97 Years and Still Innovating

We're always adding new benefits and technologies to make banking easier and more rewarding. Here's what's new at Ridgewood.



uChoose Rewards®

With this free rewards program, you can earn rewards points automatically by making purchases with your Ridgewood Debit Mastercard®. Access a vast selection of rewards like cash back, travel, concert tickets, gift cards and more.



Mobile Banking and Mobile Deposit

Our highly rated Mobile Banking app lets you bank practically anywhere. Deposit checks, pay bills, make easy person-to-person payments and more – all from your mobile device.



SmartWatch Banking

See transactions and get up-to-the-minute balances at a glance on your watch. This free feature is available through Ridgewood's Mobile Banking app.



CardValet®

Take control of your debit card and help prevent unauthorized transactions, right from your phone. With this app, you can get real-time alerts, control how the card is used and even turn your card "off" if it's ever lost or stolen.

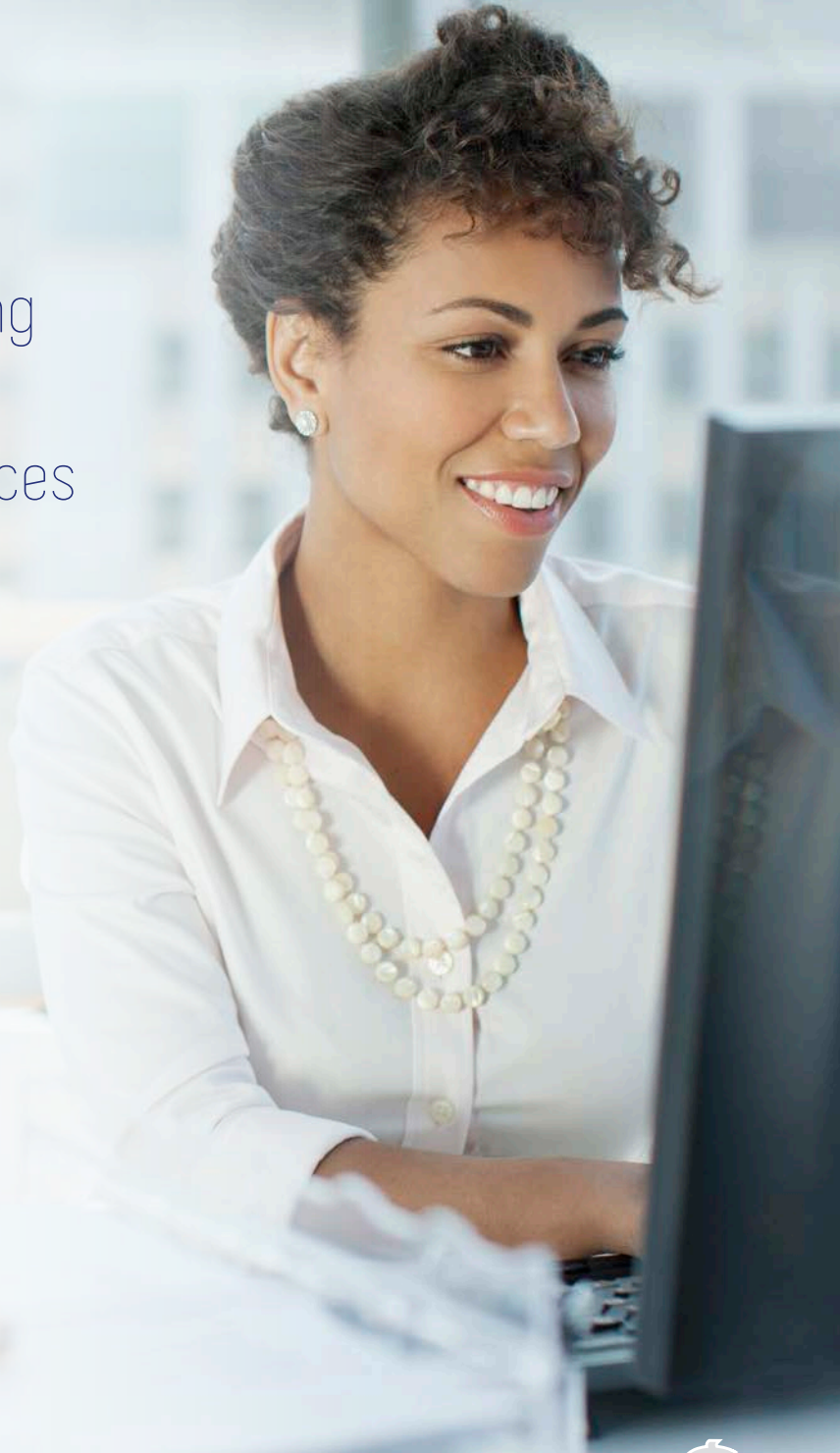
Download our Mobile Banking app today.



Account features and terms subject to change. Loans subject to credit approval.
Card Valet is a registered trademark of Fiserv. uChoose Rewards is a registered trademark of Fiserv.

Statement of Condition

We believe that our ongoing commitment to stability, responsible banking practices and investment within our communities will help us sustain our positive growth trajectory.



Statement of Condition

2017 Statement of Condition

For the Year Ended December 31, 2017
(Dollars in thousands)

Assets

Cash & Due from Banks	\$	66,326	
Federal Funds Sold		NONE	
Short-Term Money Market Instruments		NONE	
Investment Securities:			
Securities Held to Maturity:			
U.S. Government Obligations & Other Debt Securities	\$	25	
Mortgage-Backed Securities		287,341	287,366
Securities Available for Sale:			
Debt Securities:			
U.S. Government & Agency Obligations	\$	67,339	
Municipal Obligations		12,041	
Corporate Obligations		155,031	
Mortgage-Backed Securities		875,553	1,109,964
Equity Investments:			
Mutual Funds		111,346	111,346
Loans:			
Real Estate Loans:			
Conventional:			
One-to-Four Family Residential	\$	1,920,474	
Multifamily Residential		1,387,830	
Non-Residential		190,195	
F.H.A. Insured & V.A. Guaranteed		NONE	
Construction Loans		NONE	
Home Equity Loans		32,802	
Total Real Estate Loans	\$	3,531,302	
Consumer & Other Loans		8,766	
Net Deferred Costs on Loans		17,635	
Allowance for Possible Loan Losses		(19,147)	\$ 3,538,557
Investments in Bank Buildings & Equipment			14,845
Investments in Federal Home Loan Bank Stock			23,554
Accrued Interest Receivable			12,600
Goodwill & Other Intangibles			80,212
Other Real Estate Owned			288
Other Assets			153,056
Total Assets	\$	5,398,114	

Liabilities and Net Worth

Due to Depositors:			
Savings Deposits	\$	1,790,364	
Money Markets		256,856	
Time Deposits		1,602,206	
Demand Deposits		500,389	\$ 4,149,814
Escrow & Other Deposits			44,772
Brokered Deposits			NONE
Borrowings			396,020
Accrued Expenses & Taxes Payable			16,398
Other Liabilities			87,354
Net Worth			703,756
Total Liabilities and Net Worth	\$	5,398,114	

Statement of Condition

Statement of Income and Changes in Net Worth

For the Year Ended December 31, 2017
(Dollars in thousands)

Income Statement

Interest & Dividends on:

Investment Securities	\$ 35,794
Real Estate Loans	116,927
Other Loans	250
Short-Term Investments	614
Total Interest and Dividend Income	\$ 153,585

Interest Expense of:

Savings Deposits	5,150
Money Market Deposits	997
Time Deposits	22,056
Demand Deposits	578
Escrow Deposits	258
Borrowings	7,369
Total Interest Expense	\$ 36,408

Net Interest Income \$ 117,177

Less:

Provision for Possible Losses	2,479
Other Operating Income	13,029
Operating Expenses	99,804

Add:

Net Gain on Security Transactions	5,264
---	-------

Net Income Before Taxes \$ 33,187

Provision for Income Taxes:

Federal	11,357
New York State & City	4,571

Net Income for the Year \$ 17,259

Reconciliation of Net Worth

Net Worth at Beginning of Year	\$ 681,416
Net Income for the Year	17,259
Unrealized Appreciation on Available for Sale Securities	11,300
Pension & Other Postretirement Plans Unrecognized Costs	(6,219)
Net Worth at End of Year	\$ 703,756

Information concerning the remuneration of the three highest-paid officers and trustees' fees may be obtained upon written request from The New York State Department of Financial Services, One State Street, New York, NY 10004. A fee of \$.25 per page is required for each institution for which information is requested.

Banking Offices

Queens

Main Office – Ridgewood (1)

71-02 Forest Ave.
Ridgewood, NY 11385
(718) 240-4900

Astoria (2)

43-14 Ditmars Blvd.
Astoria, NY 11105
(718) 274-5400

Bayside (3)

208-24 Cross Island Pkwy.
Bayside, NY 11360
(718) 423-3508

Breezy Point (4)

202-16 Rockaway Pt. Blvd.
Breezy Pt., NY 11697
(718) 634-3600

Forest Hills (5)

107-55 Queens Blvd.
Forest Hills, NY 11375
(718) 261-2021

Glendale (6)

65-01 Myrtle Ave.
Glendale, NY 11385
(718) 821-8200

Grand Avenue (7)

74-25 Grand Ave.
Elmhurst, NY 11373
(718) 457-4200

Hollis (8)

205-11 Hillside Ave.
Hollis, NY 11423
(718) 776-9100

Laurelton (9)

230-22 Merrick Blvd.
Laurelton, NY 11413
(718) 276-3500

Whitestone (10)

25-29 Parsons Blvd.
Whitestone, NY 11354
(718) 961-6900

Bronx

Allerton Avenue (11)

711 Allerton Ave.
Bronx, NY 10467
(718) 882-2220

Crosby Avenue (12)

1745 Crosby Ave.
Bronx, NY 10461
(718) 931-7060

Gun Hill Road (13)

1770 East Gun Hill Rd.
Bronx, NY 10469
(718) 671-4600

Jerome Avenue (14)

3445 Jerome Ave.
Bronx, NY 10467
(718) 881-3430

Morris Park (15)

1134 Morris Park Ave.
Bronx, NY 10461
(718) 822-1190

Sedgwick Avenue (16)

3899 Sedgwick Ave.
Bronx, NY 10463
(718) 543-0400

White Plains Road (17)

3824 White Plains Rd.
Bronx, NY 10467
(718) 882-0440

Brooklyn

Bay Ridge (18)

8522 3rd Ave.
Brooklyn, NY 11209
(718) 680-9500

Bensonhurst (19)

7124 18th Ave.
Brooklyn, NY 11204
(718) 621-8480

Cobble Hill (20)

244 Court St.
Brooklyn, NY 11201
(718) 923-0300

Clinton Hill (21)

1035 Fulton St.
Brooklyn, NY 11238
(929) 666-4420

Dyker Heights (22)

7020 13th Ave.
Brooklyn, NY 11228
(718) 238-0060

Sheepshead Bay (23)

2520 East 17th St.
Brooklyn, NY 11235
(718) 615-4810

Manhattan

73rd Street (24)

1404 2nd Ave.
New York, NY 10021
(212) 327-0800

Yorkville (25)

1646 1st Ave.
New York, NY 10028
(212) 348-2200

Nassau

Baldwin Harbor (26)

835 Atlantic Ave.
Baldwin Harbor, NY 11510
(516) 223-2835

Bellmore (27)

2080 Bellmore Ave.
Bellmore, NY 11710
(516) 785-0385

Franklin Square (28)

1010 Hempstead Tpke.
Franklin Square, NY 11010
(516) 775-1010

Garden City Park (29)

2435 Jericho Tpke.
Garden City Park, NY 11040
(516) 294-9090

Hicksville (30)

220 Old Country Rd.
Hicksville, NY 11801
(516) 935-0522

Hicksville Drive-up Banking (31)

169 Old Country Rd.
Hicksville, NY 11801
(516) 935-1808

Plainview (32)

1125 Old Country Rd.
Plainview, NY 11803
(516) 261-0350

Suffolk

Lindenhurst (33)

317 S. Wellwood Ave.
Lindenhurst, NY 11757
(631) 225-6600

West Babylon (34)

50 Farmingdale Rd./Rte. 109
West Babylon, NY 11704
(631) 376-1200

Westchester

New Rochelle (35)

382 Pelham Rd.
New Rochelle, NY 10805
(914) 576-3200

Yonkers (36)

670 McLean Ave.
Yonkers, NY 10704
(914) 964-9820

See location map on
the next page ...



Other Services



Retirement Plan Services Center
(718) 621-1200



Mortgage Center
1981 Marcus Ave., Suite 110
New Hyde Park, NY 11042
(866) 772-4111



Customer Contact Center
(718) 240-4778
Monday – Friday: 7 a.m. – 8 p.m.
Saturday: 8 a.m. – 5 p.m.



www.ridgewoodbank.com