Valley

1Q23 Earnings Presentation

April 27, 2023

Forward Looking Statements

This presentation 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 our business, 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 "intend," "should," "expect," "believe," "view," "opportunity," "allow," "continues," "reflects," "would," "could," "typically," "usually," "anticipate," "may," "estimate," "outlook," "project," 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: the impact of Federal Reserve actions impacting the level of market interest rates and increases in business failures, specifically among our clients, as well as on our business, our employees and our ability to provide services to our customers; the potential impact of recent and possible future bank failures on the business environment in which we operate, including potential customer deposit withdrawals from Valley National Bank or business disruptions or liquidity issues that may affect our customers; the impact of unfavorable macroeconomic conditions or downturns, instability or volatility in financial markets, unanticipated loan delinquencies, loss of collateral, decreased service revenues, and other potential negative effects on our business caused by and factors outside of our control, such as geopolitical instabilities or events; natural and other disasters (including severe weather events) and health emergencies, acts of terrorism or other external events; risks associated with our acquisition of Bank Leumi USA, including (i) the inability to realize expected cost savings and synergies from the acquisition in the amounts or timeframe anticipated and (ii) greater than expected costs or difficulties relating to integration matters; the loss of or decrease in lower-cost funding sources within our deposit base; the need to supplement debt or equity capital to maintain or exceed internal capital thresholds; the inability to attract new customer deposits to keep pace with loan growth strategies; a material change in our allowance for credit losses under CECL due to forecasted economic conditions and/or unexpected credit deterioration in our loan and investment portfolios; greater than expected technology related costs due to, among other factors, prolonged or failed implementations, additional project staffing and obsolescence caused by continuous and rapid market innovations; the risks related to the replacement of the London Interbank Offered Rate with Secured Overnight Financing Rate and other reference rates, including increased expenses and risk of litigation and the effectiveness of hedging strategies; cyber-attacks, ransomware 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; damage verdicts or settlements or restrictions related to existing or potential class action litigation or individual litigation arising from claims of violations of laws or regulations, contractual claims, breach of fiduciary responsibility, negligence, fraud, environmental laws, patent or trademark infringement, employment related claims, and other matters; changes to laws and regulations, including changes affecting oversight of the financial services industry; changes in the enforcement and interpretation of such laws and regulations; and changes in accounting and reporting standards; higher or lower than expected income tax expense or tax rates, including increases or decreases resulting from changes in uncertain tax position liabilities, tax laws, regulations and case law; results of examinations by the Office of the Comptroller of the Currency (OCC), the Federal Reserve Bank (FRB), the Consumer Financial Protection Bureau (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, reimburse customers, change the way we do business, or limit or eliminate certain other banking activities; our inability or determination not to pay dividends at current levels, or at all, because of inadequate earnings, regulatory restrictions or limitations, changes in our capital requirements or a decision to increase capital by retaining more earnings; a prolonged downturn in the economy, mainly in New Jersey, New York, Florida, Alabama, California, and Illinois, as well as an unexpected decline in commercial real estate values within our market areas; and 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. 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, 2022. 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.

Overview of 1Q 2023

Balance Sheet Strength Supported by Diversification

- Total Deposits Remained Stable Supported by Diverse Sources and Granular Relationships
- Excess Loan Growth Reflects Consistent Origination Activity and Modest Payoffs
- Substantial Excess Liquidity Available From On- and Off-Balance Sheet Sources
- Strong Capital Position with Minimal Exposure to OCI Impacts
- Highly Diversified CRE Portfolio With Modest and Granular Office Portfolio

Liquidity Actions

- Utilized Short-Term FHLB Advances to Quickly Build Excess Liquidity Out of An Abundance of Caution
- Bolstered On-Hand Liquidity With Fully FDIC-Insured Indirect Customer Deposits Sourced Across Substantial Dealer Network
- Excess Liquidity Continues to Normalize as FHLB Advances Mature

Key Business Initiatives

- Loan Growth Remains Well-Balanced by Geography and Asset Class
- Utilizing Tools to Increase Insured Deposits While Preserving and Enhancing Customer Relationships
- Prioritizing Service Excellence and Holistic Approach to Customer Relationships
- Streamlining Technology and External Resources to Manage Go-Forward Costs

1Q 2023 Financial Highlights

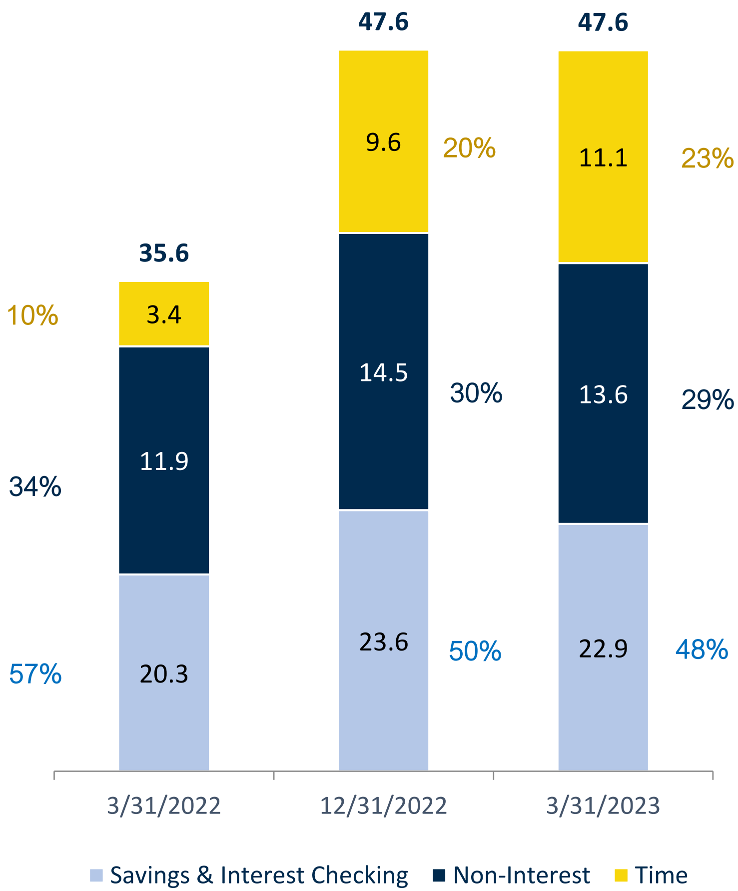
	GAAP Reported			Non-GAAP Adjusted [1]		
	1Q23	**4Q22**	**1Q22**	**1Q23**	**4Q22**	**1Q22**
Net Income ($mm)	**$146.6**	$177.6	$116.7	**$154.5**	$182.9	$120.3
Return on Average Assets *Annualized*	**0.98%**	1.25%	1.07%	**1.03%**	1.29%	1.10%
Efficiency Ratio (Non-GAAP)	--	--	--	**53.8%**	49.3%	53.2%
Diluted Earnings Per Share	**$0.28**	$0.34	$0.27	**$0.30**	$0.35	$0.28
Pre-Provision Net Revenue [2] ($mm)	**$218.2**	$252.4	$159.6	**$226.6**	$263.0	$167.1
PPNR / Average Assets [2] *Annualized*	**1.46%**	1.77%	1.47%	**1.51%**	1.85%	1.53%

- **Adjusted earnings reflect net interest income headwinds inclusive of excess liquidity drag in March, and lower 1Q23 day count.**
- **Seasonal expense increases, primarily related to payroll taxes, offset solid non-interest income results.**
- **Provision reflective of loan growth and positive underlying credit trends.**

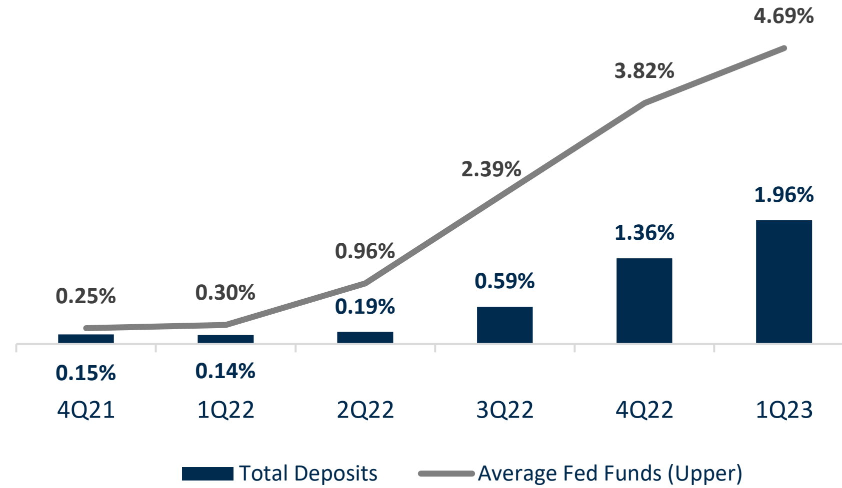
[1] Please refer to the Non-GAAP Disclosure Reconciliation in Appendix. [2] Pre-provision net revenue equals net interest income plus total non-interest income less total non-interest expense

Total Deposits Remain Stable

Deposit Balance Trends ($bn)



Avg. Fed Funds vs. Deposit Costs (%)



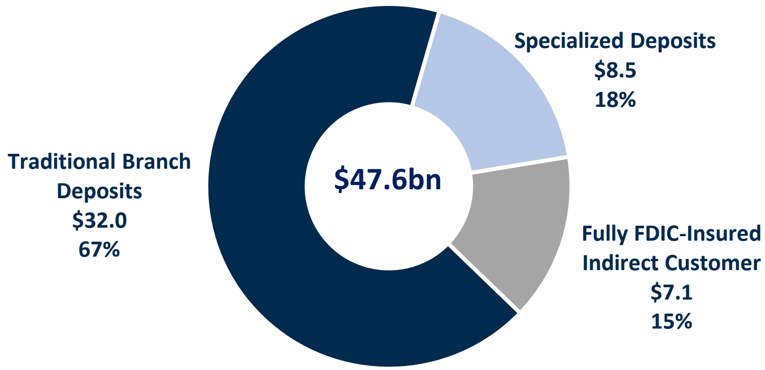
Cumulative Beta (Current Cycle) [1]

	Avg. Fed Funds (Upper)	Total Cost of Deposits	Cumulative Beta
4Q21	0.25%	0.15%	--
1Q22	0.30%	0.14%	--
2Q22	0.96%	0.19%	5%
3Q22	2.39%	0.59%	20%
4Q22	3.82%	1.36%	34%
1Q23	4.69%	1.96%	41%

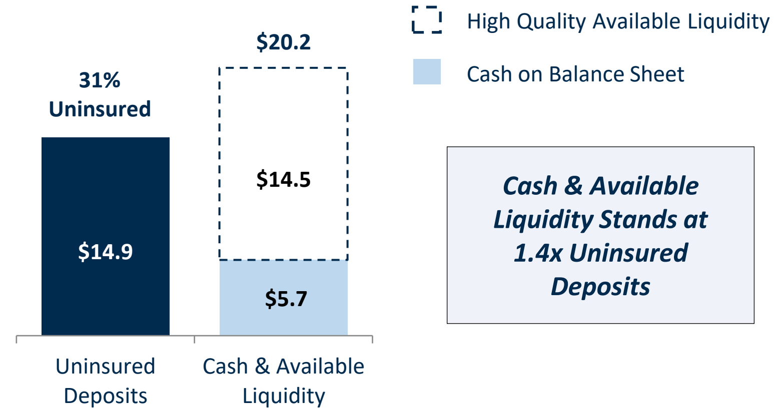
[1] Cumulative Beta is measured as the change in Valley's quarterly average deposit costs since the quarter preceding the rate hike cycle (4Q21) as a percentage of the change in the average quarterly Fed Funds Upper Bound over the same period.

Customer Deposit Base Diversified by Geography and Source

Total Deposit Breakdown (as of 3/31/23)

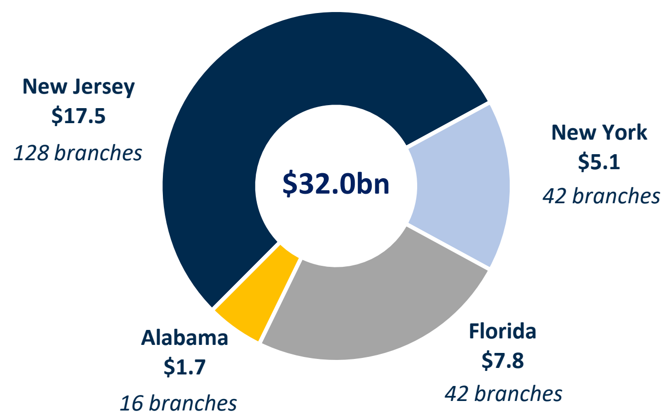


Uninsured Deposit & Liquidity ($bn, as of 3/31/23)

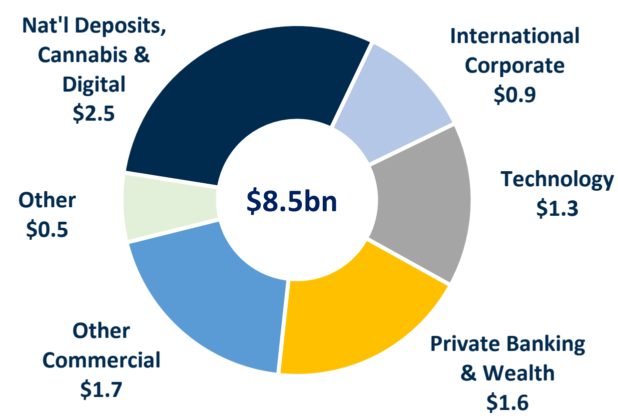


Cash & Available Liquidity Stands at 1.4x Uninsured Deposits

Traditional Branch Deposits [2] ($bn, as of 3/31/23)



Specialized Deposits by Business Line ($bn, as of 3/31/23)



[1] "High Quality Available Liquidity" includes the following off balance sheet sources of potential liquidity: FHLB, unencumbered investment securities, FRBNY Discount Window Availability, and Uncommitted Fed Funds Lines [2] Traditional Branch Deposits Include Commercial (inclusive of $1bn of HOA deposits), Consumer and Government

Highly Granular Deposits – 3/31/2023

Customer Type	Deposits ($bn)	% of Total Deposits
Commercial	$19.6	41%
Consumer	$16.3	34%
Fully FDIC-Insured Indirect	$7.1	15%
Fully-Collateralized Government [1]	$4.6	10%

Top 10 Commercial Industries [2]	Deposits ($bn)	% of Total Deposits
Real Estate / Rental / Leasing	$3.8	8%
Finance & Insurance	$3.5	7%
Professional, Scientific, Technical Services	$2.7	6%
Other Services	$2.0	4%
Construction	$1.4	3%
Wholesale Trade	$1.0	2%
Health Care & Social Assistance	$1.0	2%
Retail Trade	$0.9	2%
Manufacturing	$0.8	2%
Arts, Entertainment & Recreation	$0.6	1%

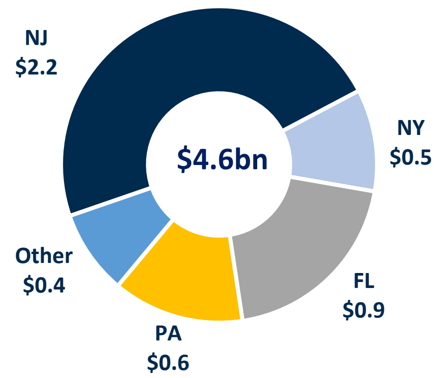
625,000
Deposit Customers

$58,000
Average Account Size (Commercial & Consumer)

10+ Years
Average Customer Relationship with Valley

~80% of Customers
With Valley for 5 Years or More

Fully-Collateralized Government Deposits by State [1]

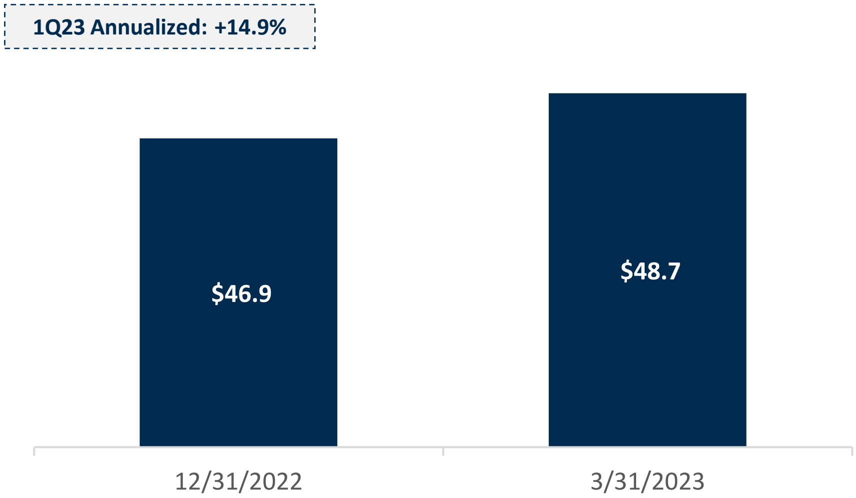


[1] Fully-collateralized to relevant state requirements [2] Commercial industries determined by NAICS Sector / Industry

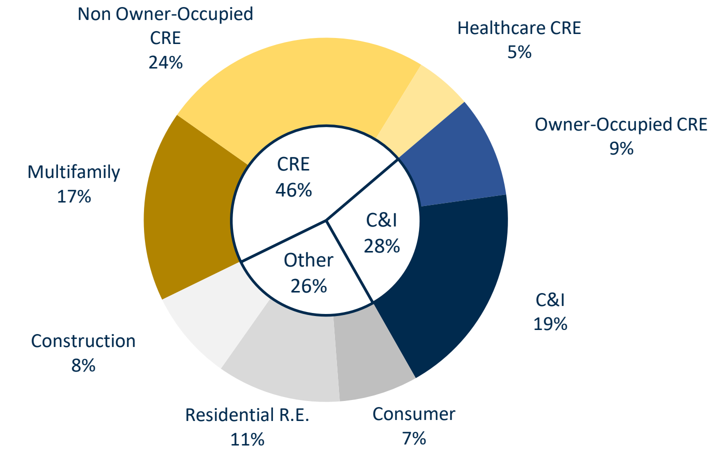
SLIDE 8

Slower Payoffs Continue to Enhance Loan Growth

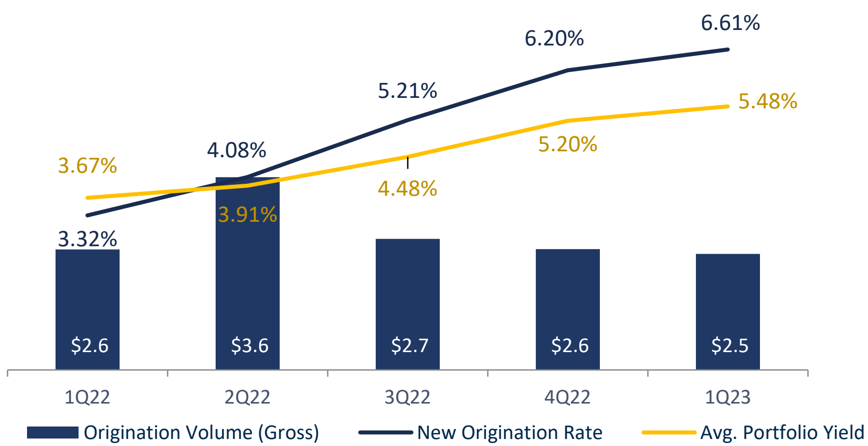
Gross Loans ($bn)



3/31/2023 Loan Composition [1, 2]



New Loan Originations ($bn)



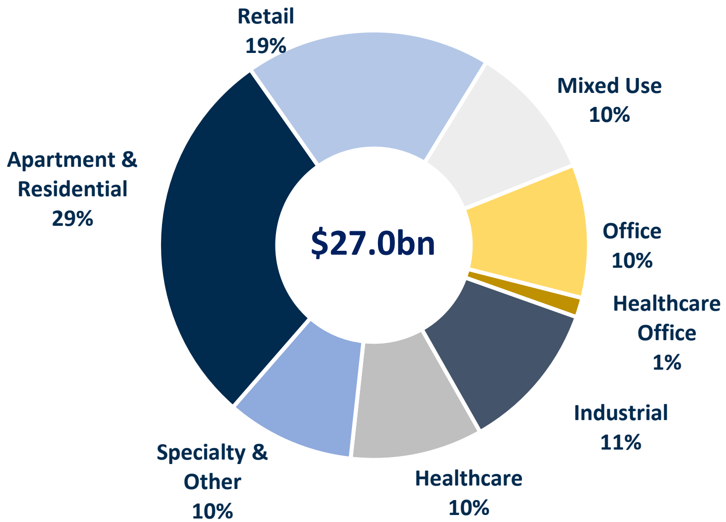
Cumulative Loan Beta (Current Cycle) [3]

	Avg. Fed Funds (Upper)	Avg. Loan Yield	Cumulative Beta
4Q21	0.25%	3.83%	--
1Q22	0.30%	3.67%	--
2Q22	0.96%	3.91%	11%
3Q22	2.39%	4.48%	30%
4Q22	3.82%	5.20%	38%
1Q23	4.69%	5.48%	37%

[1] Loan classifications according to Call Report schedule which may not correspond to classifications outlined in earnings release. [2] CRE includes multifamily, non-owner occupied CRE and healthcare CRE; C&I includes owner-occupied CRE and C&I; Other includes construction, residential RE and Consumer. [3] Cumulative Beta is measured as the change in Valley's quarterly average loan yield since the quarter preceding the rate hike cycle (4Q21) as a percentage of the change in the average quarterly Fed Funds Upper Bound over the same period.

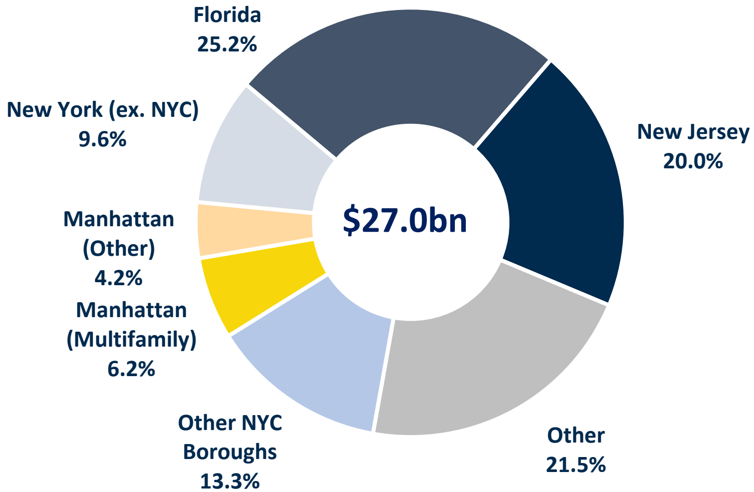
CRE Detail as of 3/31/2023

Portfolio by Collateral Type



$4.3bn of CRE Portfolio (16%) is Owner-Occupied.

Portfolio by Geography

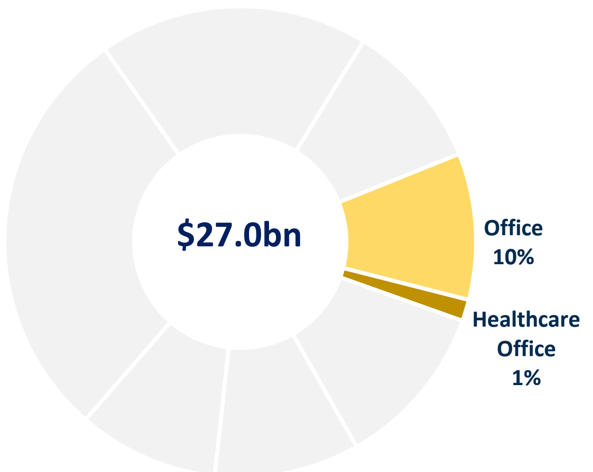


Geography	Outstanding ($bn)	% of Total	Wtd. Avg. LTV	Wtd. Avg. DSCR
Florida	$6.8	25.2%	61%	1.95x
New Jersey	$5.4	20.0%	61%	1.73x
Other NYC Boroughs	$3.6	13.3%	56%	1.52x
Manhattan	$2.8	10.4%	38% (53% ex Co-Ops)	1.79x
New York (ex. NYC)	$2.6	9.6%	55%	1.83x
Other	$5.8	21.5%	64%	1.68x
Total	**$27.0**	**100.0%**	**58%**	**1.76x**

Sums may be inconsistent due to rounding.

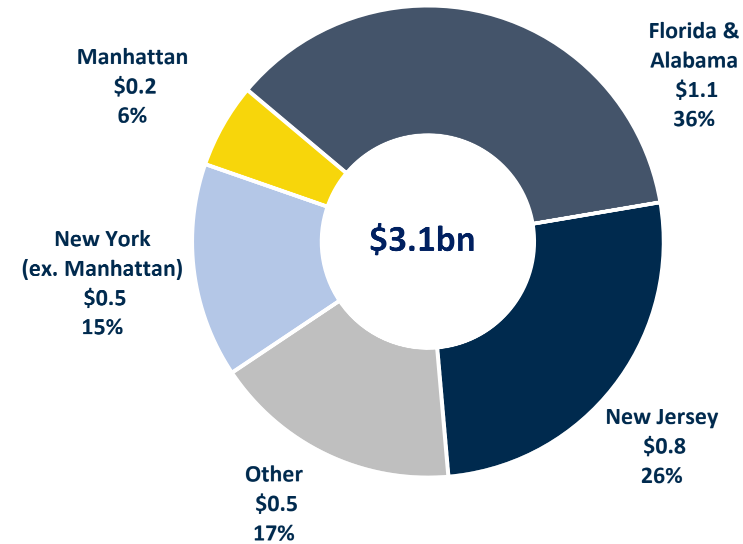
Granular & Diverse Office Portfolio

CRE Portfolio



~20% of Office Portfolio is Owner-Occupied.

Office Portfolio by Geography

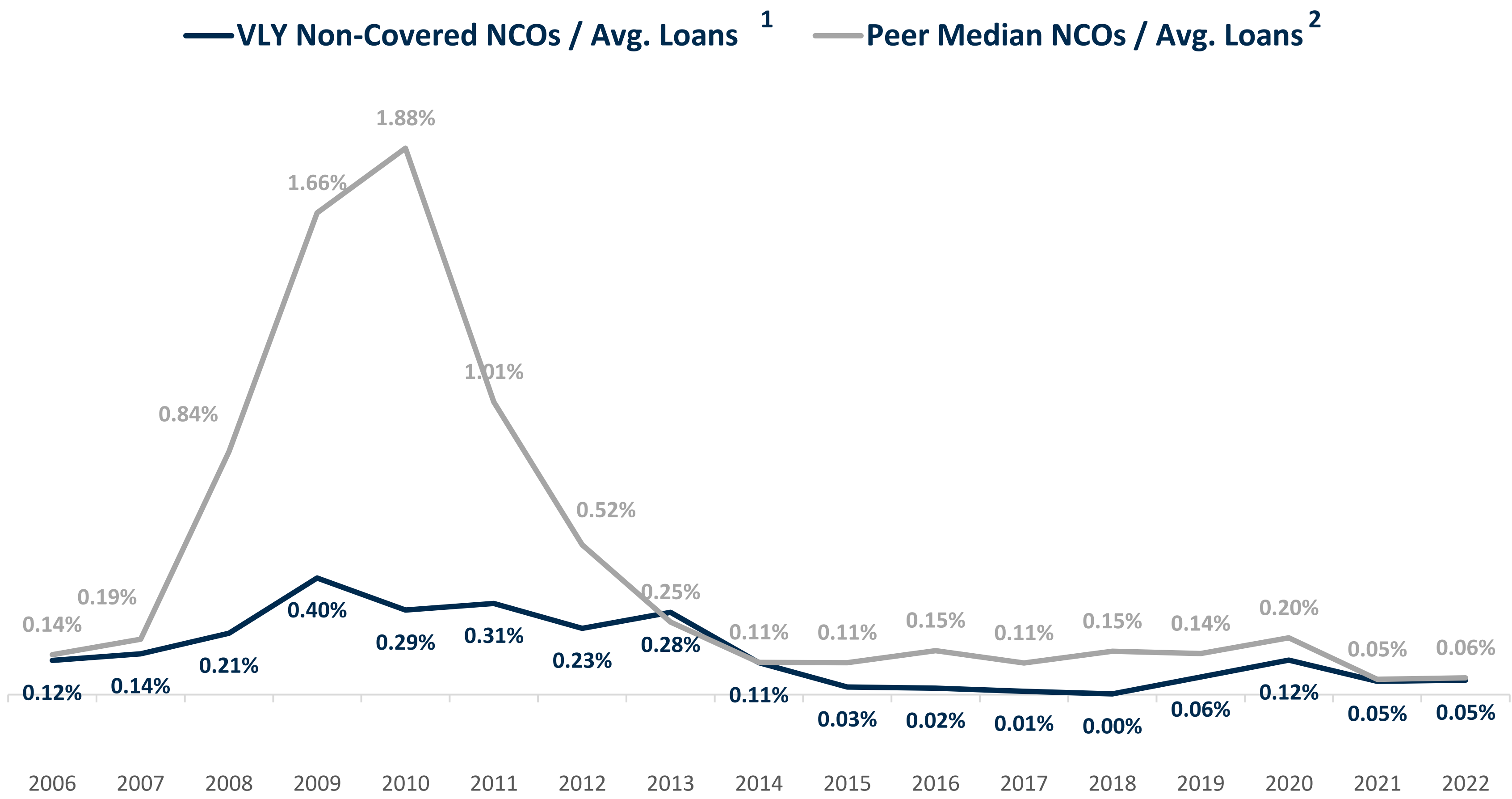


- **Single $315,000 loan on non-accrual (0.01% of office).**
- **No charge-offs in recent history.**
- **73% of portfolio is multi-tenant.**

Geography	Outstanding ($bn)	Avg. Size ($mm)	% of Total Office	Wtd. Avg. LTV	Wtd. Avg. DSCR
Florida & Alabama	$1.1bn	$1.5mm	36%	53%	2.04x
New Jersey	$0.8	$2.3	26%	54%	1.80x
New York (ex. Manhattan)	$0.5	$3.4	15%	52%	1.80x
Manhattan	$0.2	$4.9	6%	49%	2.22x
Other	$0.5	$0.4	17%	58%	1.73x
Total	**$3.1bn**	**$2.2mm**	**100%**	**54%**	**1.90x**

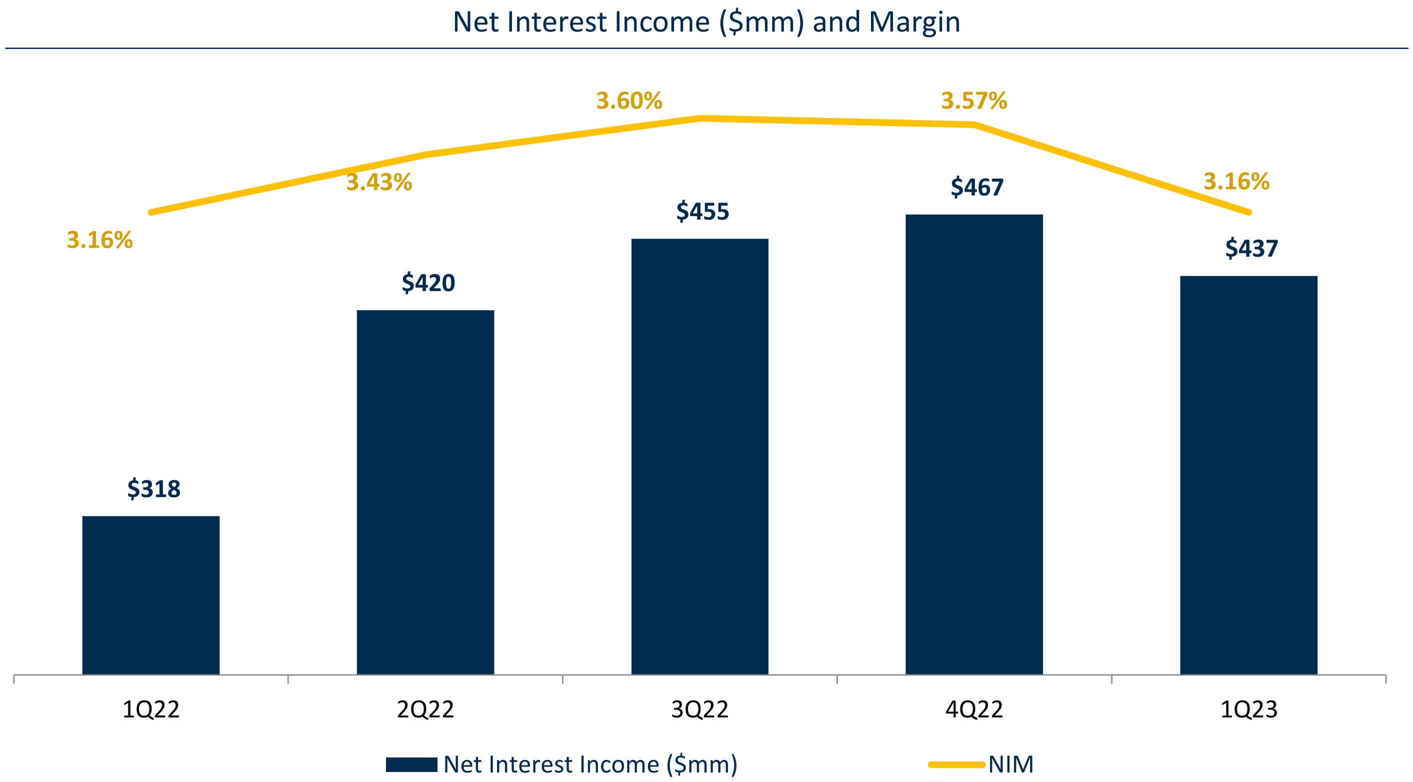
Track Record of Below-Peer Net Charge-Offs ("NCOs")

A proven and prudent risk management culture and rigorous underwriting standards have helped Valley create a strong credit culture, which has allowed Valley to maintain strong credit metrics and outperform the industry in both ordinary business cycles and periods of stress.



[1] Excludes FDIC transaction covered loan charge-offs for the following periods: $1.5mm in 2014, $0.1mm in 2013, $4.0mm in 2012, and $14.4mm in 2011.
[2] Peers include major exchange traded banks and thrifts with assets $40 billion to $80 billion as of 12/31/2022. Excludes merger targets. Source: S&P Capital IQ Pro

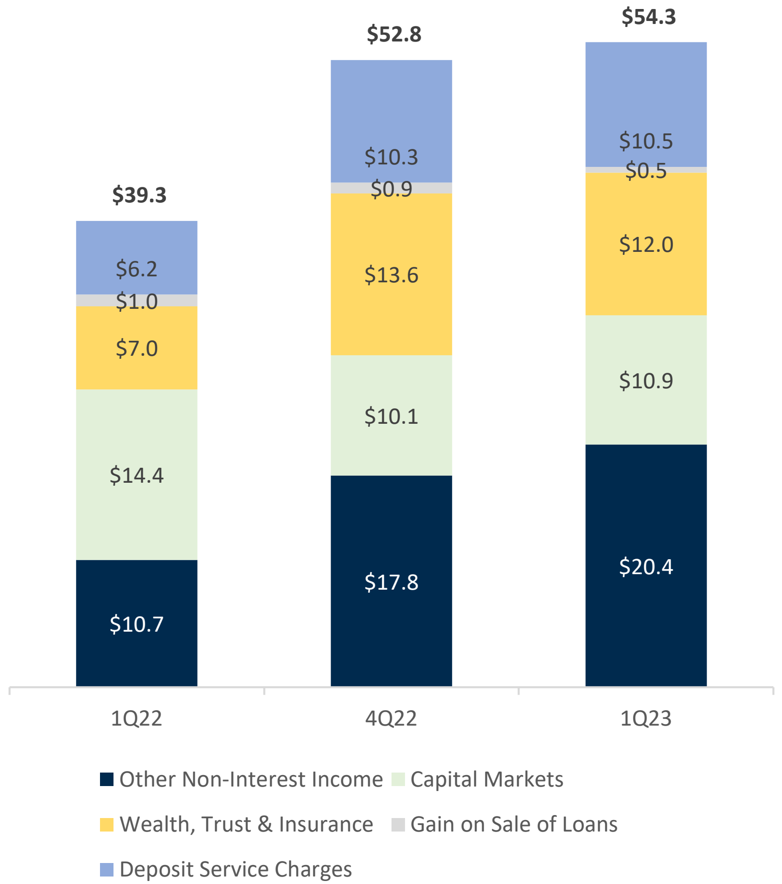
Net Interest Margin



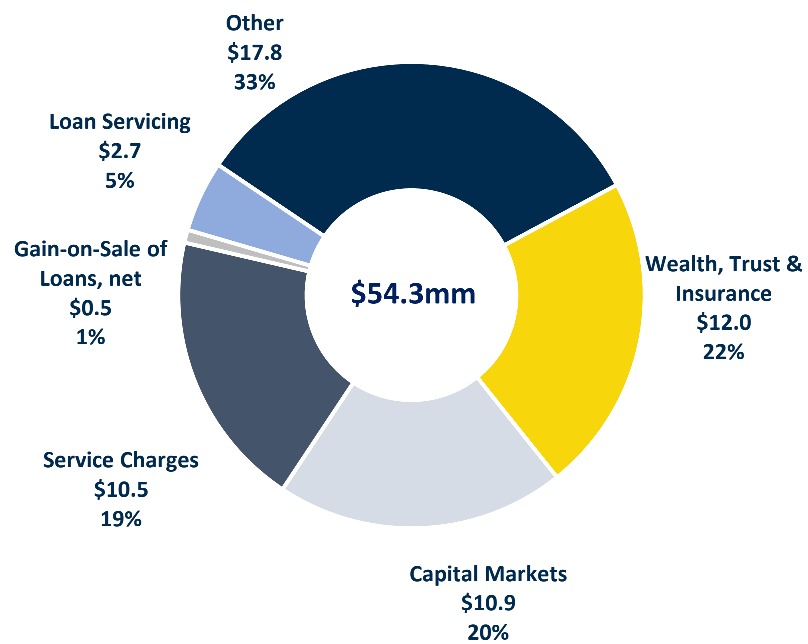
- **1Q23 day count and excess liquidity weighed on net interest income by ~$8.5mm.**
- **~40% of sequential decline (or 16b) in net interest margin was related to day count and excess liquidity.**
- **Excess liquidity continues to be prudently-managed in relation to a normalization of deposit flows.**

Diverse Fee Income Sources

Non-Interest Income ($mm)

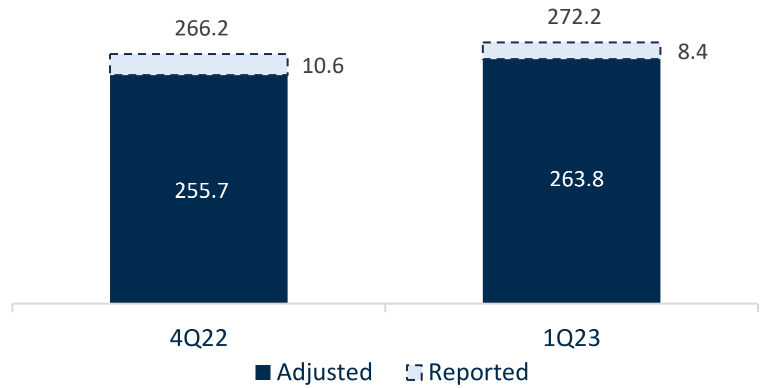


1Q23 Non-Interest Income Composition ($mm)

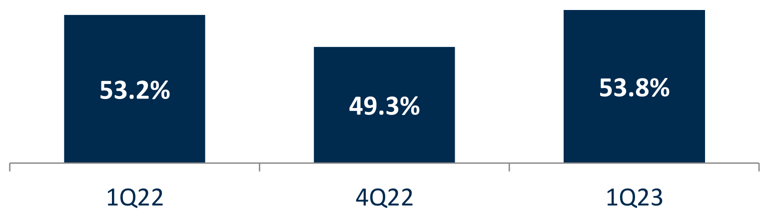


Seasonal Non-Interest Expense Growth

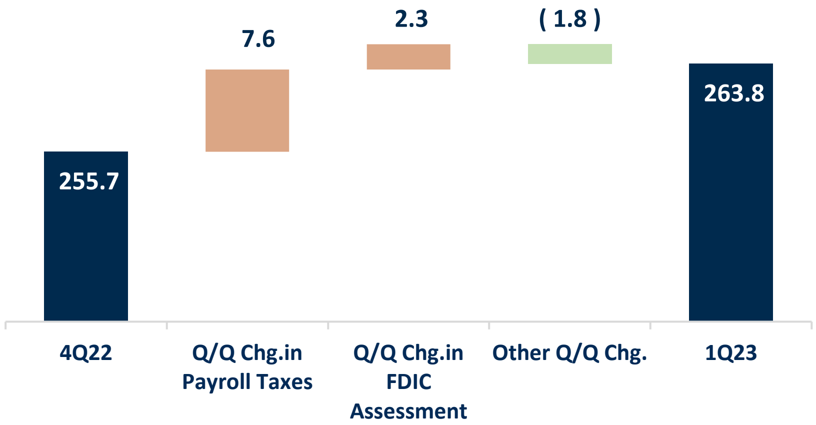
Non-Interest Expenses ($mm) [1]



Efficiency Ratio Trend [1]



Quarterly Expense Waterfall ($mm, Adj.) [1]

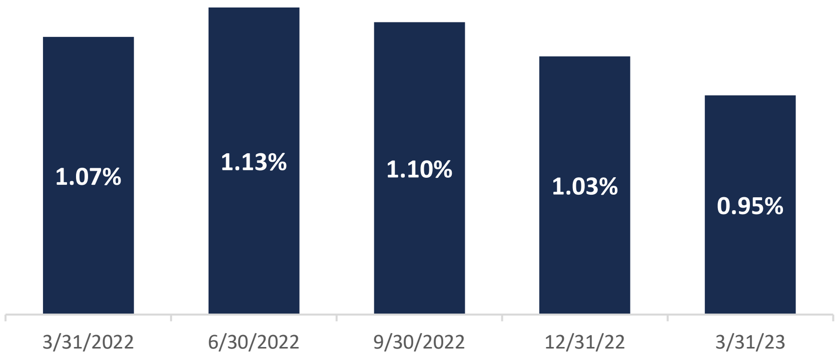


- Seasonal 1Q elevation in payroll taxes.
- Increase in FDIC Initial Base Assessment Rate as expected.
- Other expense categories were well-controlled during the quarter.

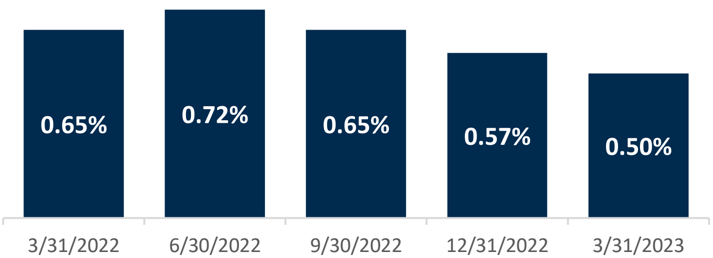
[1] Please refer to the Non-GAAP Disclosure Reconciliation in Appendix. Sums may be inconsistent due to rounding.

Asset Quality

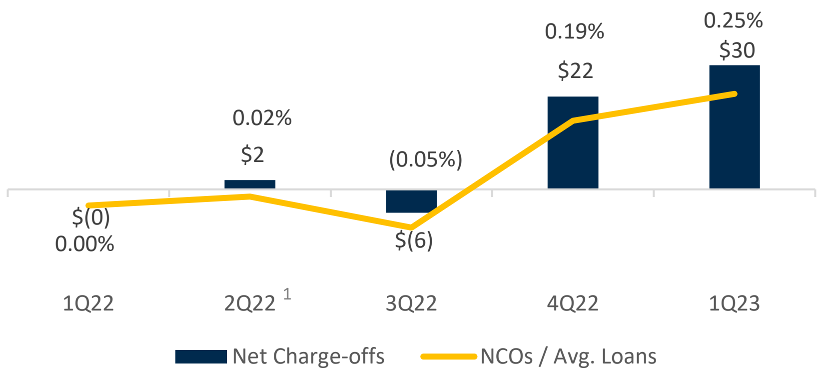
Allowance for Credit Losses for Loans / Total Loans



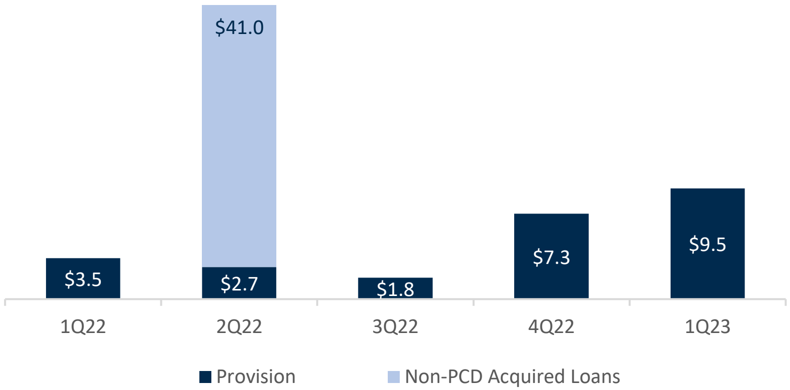
Non-Accrual Loans / Total Loans



Net Charge-offs ($mm)



Loan Loss Provision ($mm)

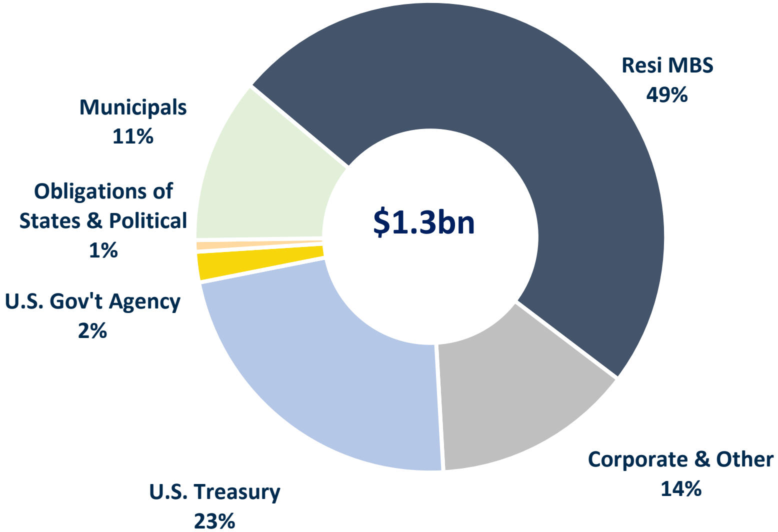


[1] Excludes $62.4mm of charge-offs related to PCD loans acquired from Leumi and recognized upon completion of the merger in accordance with GAAP. Sums may be inconsistent due to rounding.

Small, High-Quality Securities Portfolio

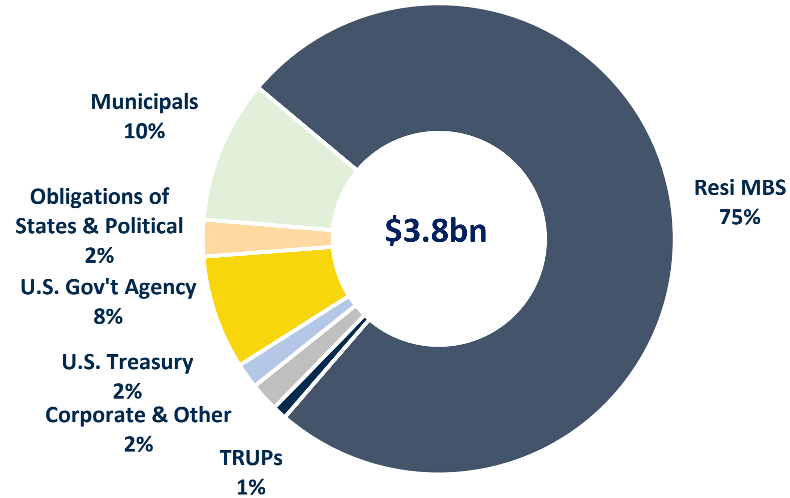
Our high-quality securities portfolio represents a modest 8% of total assets. We manage our portfolio for liquidity, not income.

AFS Securities Portfolio (as of 3/31/23)



87%
A-Rated or Better

HTM Securities Portfolio (as of 3/31/23)

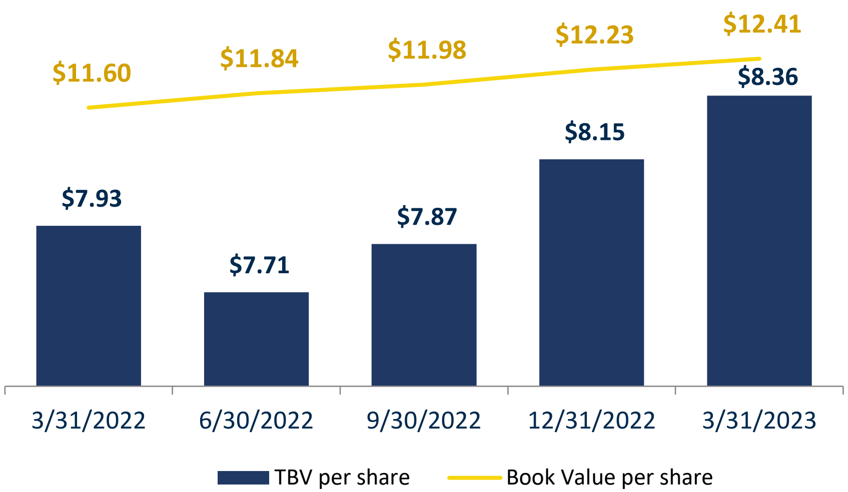


95%
A-Rated or Better

Equity & Capitalization

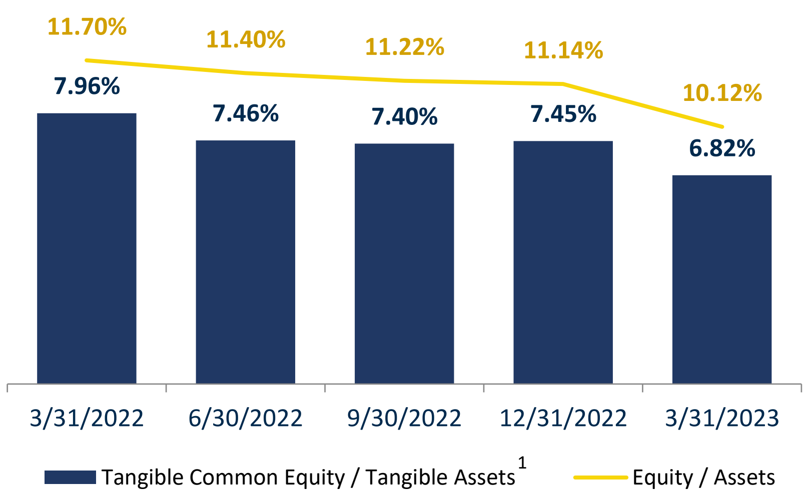
SLIDE 17

Book Value and Tangible Book Value per Share [1]



Equity Capitalization Level [1]

Conservative Liquidity Build Weighed on TCE / TA by ~56bp



Holding Company Capital Ratios	3/31/22	12/31/22	3/31/23	*OCI-Adjusted* [1]
Tier 1 Leverage	8.70	8.23	**7.96**	*7.72*
Common Equity Tier 1	9.67	9.01	**9.02**	*8.72*
Tier 1 Risk-Based	10.27	9.46	**9.46**	*9.16*
Total Risk-Based	12.65	11.63	**11.58**	*11.29*

[1] Please refer to the Non-GAAP Disclosure Reconciliation in Appendix.

Appendix

Non-GAAP Reconciliations to GAAP Financial Measures

($ in thousands, except for share data)	Three Months Ended March 31, 2023	December 31, 2022	March 31, 2022
Adjusted net income available to common shareholders (Non-GAAP):			
Net income, as reported (GAAP)	$146,551	$177,591	$116,728
Add: Losses (gains) on available for sale and held to maturity securities transactions (net of tax) (a)	17	5	6
Add: Provision for credit losses for available for sale securities (b)	5,000	-	-
Add: Merger related expenses (net of tax) (c)	2,962	5,285	3,579
Net income, as adjusted (Non-GAAP)	$154,530	$182,881	$120,313
Dividends on preferred stock	3,874	3,630	3,172
Net income available to common shareholders, as adjusted (Non-GAAP)	$150,656	$179,251	$117,141

(a) Included in (losses) gains on securities transactions, net.

(b) Included in provision for credit losses for for held to maturity and available for sale securities (tax disallowed).

(c) Merger related expenses are primarily within salary and employee benefits expense for the three months ended March 31, 2023.

	March 31, 2023	December 31, 2022	March 31, 2022
Adjusted per common share data (Non-GAAP):			
Net income available to common shareholders, as adjusted (Non-GAAP)	$150,656	$179,251	$117,141
Average number of shares outstanding	507,111,295	506,359,704	421,573,843
Basic earnings, as adjusted (Non-GAAP)	$0.30	$0.35	$0.28
Average number of diluted shares outstanding	509,656,430	509,301,813	423,506,550
Diluted earnings, as adjusted (Non-GAAP)	$0.30	$0.35	$0.28
Adjusted annualized return on average tangible shareholders' equity (Non-GAAP):			
Net income, as adjusted (Non-GAAP)	$154,530	$182,881	$120,313
Average shareholders' equity	6,440,215	6,327,970	5,104,709
Less: Average goodwill and other intangible assets	2,061,361	2,074,367	1,538,356
Average tangible shareholders' equity	4,378,854	4,253,603	3,566,353
Annualized return on average tangible shareholders' equity, as adjusted (Non-GAAP)	14.12%	17.20%	13.49%
Adjusted annualized return on average assets (Non-GAAP):			
Net income, as adjusted (Non-GAAP)	$154,530	$182,881	$120,313
Average assets	$59,867,002	$56,913,215	$43,570,251
Annualized return on average assets, as adjusted (Non-GAAP)	1.03%	1.29%	1.10%
Adjusted annualized return on average shareholders' equity (Non-GAAP):			
Net income, as adjusted (Non-GAAP)	$154,530	$182,881	$120,313
Average shareholders' equity	6,440,215	6,327,970	5,104,709
Annualized return on average shareholders' equity, as adjusted (Non-GAAP)	9.60%	11.56%	9.43%

Non-GAAP Reconciliations to GAAP Financial Measures

($ in thousands)	Three Months Ended March 31, 2023	December 31, 2022	March 31, 2022
Annualized return on average tangible shareholders' equity (Non-GAAP):			
Net income, as reported (GAAP)	$146,551	$177,591	$116,728
Average shareholders' equity	6,440,215	6,327,970	5,104,709
Less: Average goodwill and other intangible assets	2,061,361	2,074,367	1,538,356
Average tangible shareholders' equity	4,378,854	4,253,603	3,566,353
Annualized return on average tangible shareholders' equity (Non-GAAP):	13.39%	16.70%	13.09%
Efficiency ratio (Non-GAAP):			
Non-interest expense, as reported (GAAP)	$272,166	$266,240	$197,340
Less: Merger-related expenses (pre-tax)	4,133	7,372	4,628
Less: Amortization of tax credit investments (pre-tax)	4,253	3,213	2,896
Non-interest expense, as adjusted (Non-GAAP)	$263,780	$255,655	$189,816
Net interest income, as reported (GAAP)	436,020	465,819	317,669
Non-interest income, as reported (GAAP)	54,299	52,796	39,270
Add: Losses on available for sale and held to maturity securities transactions, net (pre-tax)	24	7	9
Non-interest income, as adjusted (Non-GAAP)	$54,323	$52,803	$39,279
Gross operating income, as adjusted (Non-GAAP)	490,343	518,622	356,948
Efficiency ratio (Non-GAAP)	53.79%	49.30%	53.18%
Annualized pre-provision net revenue / average assets			
Net interest income, as reported (GAAP)	$436,020	$465,819	$317,669
Non-interest income, as reported (GAAP)	54,299	52,796	39,270
Less: Non-interest expense, as reported (GAAP)	272,166	266,240	197,340
Pre-provision net revenue (GAAP)	$218,153	$252,375	$159,599
Average assets	$59,867,002	$56,913,215	$43,570,251
Annualized pre-provision net revenue / average assets (GAAP)	1.46%	1.77%	1.47%
Annualized pre-provision net revenue / average assets, as adjusted			
Pre-provision net revenue (GAAP)	$218,153	$252,375	$159,599
Add: Merger-related expenses (pre-tax)	4,133	7,372	4,628
Add: Amortization of tax credit investments (pre-tax)	4,253	3,213	2,896
Add: Losses on available for sale and held to maturity securities transactions, net (pre-tax)	24	7	9
Pre-provision net revenue, as adjusted (Non-GAAP)	226,563	262,967	167,132
Average assets	$59,867,002	$56,913,215	$43,570,251
Annualized pre-provision net revenue / average assets, as adjusted (Non-GAAP)	1.51%	1.85%	1.53%

Non-GAAP Reconciliations to GAAP Financial Measures

($ in thousands, except for share data)	As of March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Tangible book value per common share (Non-GAAP):					
Common shares outstanding	507,762,358	506,374,478	506,351,502	506,328,526	421,437,068
Shareholders' equity	$6,511,581	$6,400,802	$6,273,828	$6,204,913	$5,096,384
Less: Preferred Stock	209,691	209,691	209,691	209,691	209,691
Less: Goodwill and other intangible assets	2,056,107	2,069,719	2,079,731	2,090,147	1,543,238
Tangible common shareholders' equity (Non-GAAP)	$4,245,783	$4,121,392	$3,984,406	$3,905,075	$3,343,455
Tangible book value per common share (Non-GAAP):	$8.36	$8.14	$7.87	$7.71	$7.93
Tangible common equity to tangible assets (Non-GAAP):					
Tangible common shareholders' equity (Non-GAAP)	$4,245,783	$4,121,392	$3,984,406	$3,905,075	$3,343,455
Total assets	64,319,460	57,466,232	55,927,501	54,438,807	43,551,457
Less: Goodwill and other intangible assets	2,056,107	2,069,719	2,079,731	2,090,147	1,543,238
Tangible assets (Non-GAAP)	62,263,353	55,396,513	53,847,770	52,348,660	42,008,219
Tangible common equity to tangible assets (Non-GAAP)	6.82%	7.44%	7.40%	7.46%	7.96%

Capital Ratios as of March 31, 2023

($ in thousands)	Reported		OCI Adjusted			
	Amount	Ratio	Reported Capital	OCI Adj.	Capital as Adjusted	Adj. Ratio
Holding Company Regulatory Capital Ratios						
Total Risk-Based Capital	$5,656,193	11.58%	$5,656,193	($143,647)	$5,512,546	11.29%
Common Equity Tier 1 Capital	4,402,540	9.02%	4,402,540	(143,647)	$4,258,893	8.72%
Tier 1 Risk-based Capital	4,617,381	9.46%	4,617,381	(143,647)	$4,473,734	9.16%
Tier 1 Leverage Capital	4,617,381	7.96%	4,617,381	(143,647)	$4,473,734	7.72%

For More Information

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