



3Q23 Earnings Presentation



October 26, 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 affecting 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 impact of a potential U.S. Government shutdown on economic activity in the markets in which we operate and, in general, on levels of end market demand in the economy; the impact of possible future bank failures on the business environment in which we operate and resulting market volatility and reduced confidence in depository institutions, including impact on stock price, customer deposit withdrawals from Valley National Bank, or business disruptions or liquidity issues that have or 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 (including the recent conflict in Israel and Gaza); 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 Le-Israel Corporation (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; 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, as well as an unexpected decline in commercial real estate values collateralizing a significant portion of our loan portfolio; 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 and in Item 1A of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2023. 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.



3Q 2023 Financial Highlights

	GAAP Reported			Non-GAAP Adjusted ¹		
	3Q23	2Q23	3Q22	3Q23	2Q23	3Q22
Net Income (\$mm)	\$141.3	\$139.1	\$178.1	\$136.4	\$147.1	\$181.5
Return on Average Assets <i>Annualized</i>	0.92%	0.90%	1.30%	0.89%	0.95%	1.32%
Efficiency Ratio (Non-GAAP)	--	--	--	56.7%	55.6%	49.8%
Diluted Earnings Per Share	\$0.27	\$0.27	\$0.34	\$0.26	\$0.28	\$0.35
Pre-Provision Net Revenue ² (\$mm)	\$203.9	\$196.9	\$248.5	\$201.2	\$213.1	\$256.3
PPNR / Average Assets ² <i>Annualized</i>	1.33%	1.27%	1.81%	1.31%	1.38%	1.87%

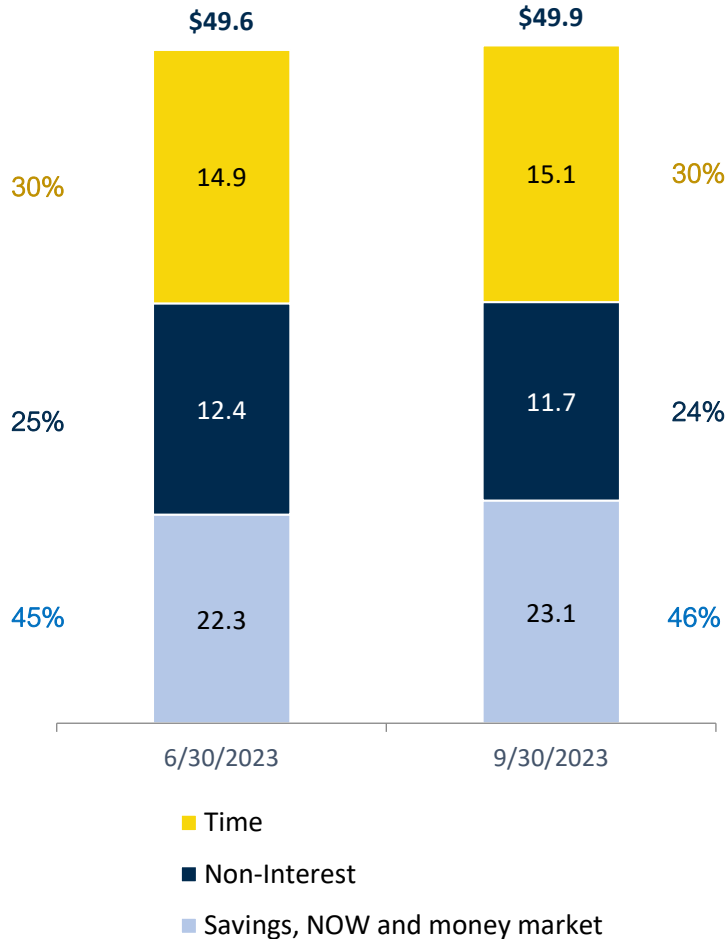
- Slower loan growth contributed to improved regulatory capital ratios.
- Signs of net interest income troughing on a monthly basis.
- Strong and stable asset quality across the loan portfolio.
- Sequential reduction in adjusted operating expenses.

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

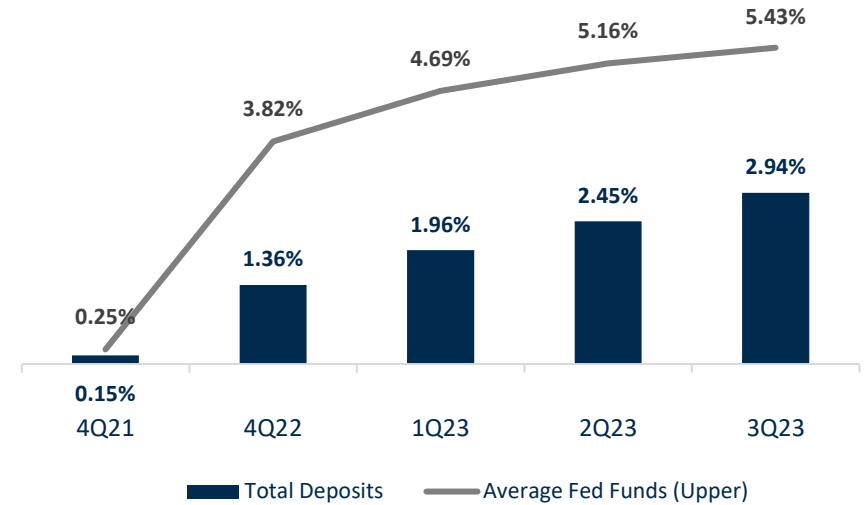


Total Deposits Remain Stable

Deposit Balance Trends (\$bn)



Avg. Fed Funds vs. Deposit Costs (%)



Cumulative Beta (Current Cycle) ¹

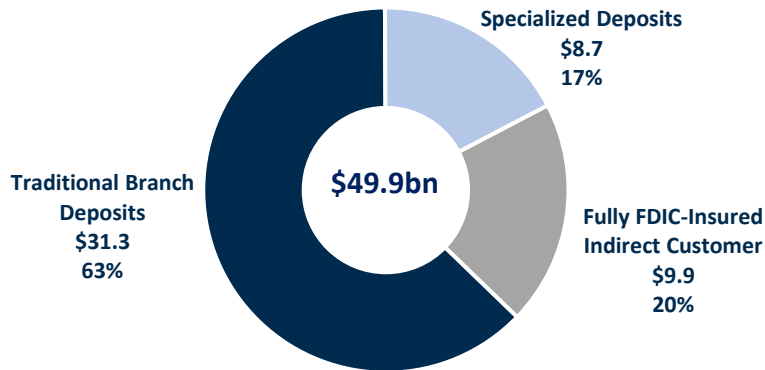
	Avg. Fed Funds (Upper)	Total Cost of Deposits	Cumulative Beta
4Q21	0.25%	0.15%	--
4Q22	3.82%	1.36%	34%
1Q23	4.69%	1.96%	41%
2Q23	5.16%	2.45%	47%
3Q23	5.43%	2.94%	54%

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.

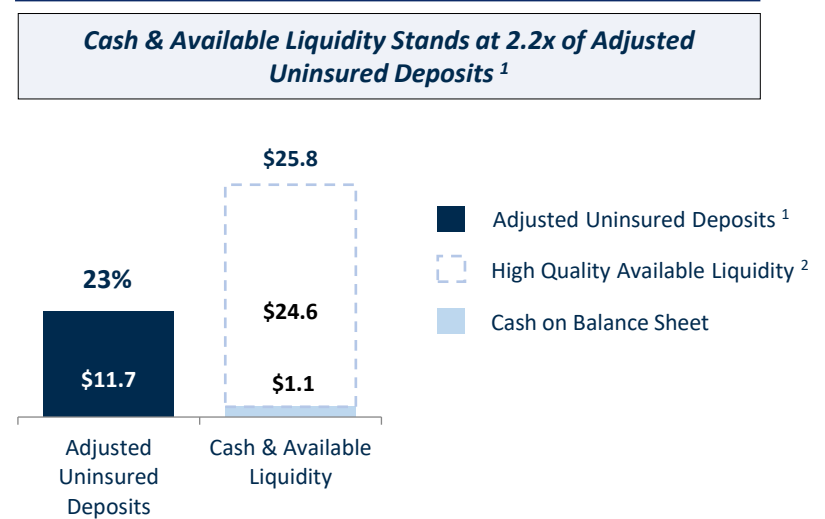


Customer Deposit Base Diversified by Geography and Source

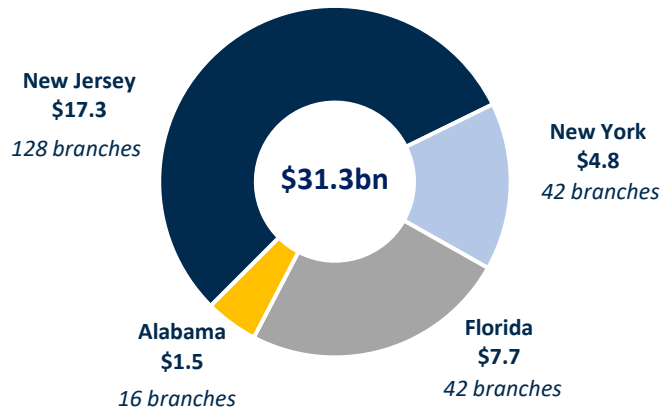
Total Deposit Breakdown (\$bn, as of 9/30/23)



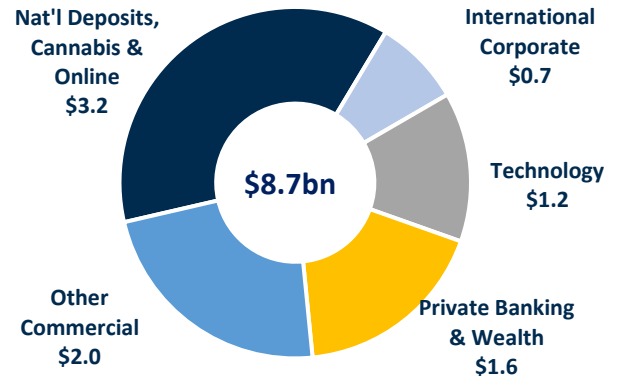
Uninsured Deposit & Liquidity (\$bn, as of 9/30/23)



Traditional Branch Deposits³ (\$bn, as of 9/30/23)



Specialized Deposits by Business Line (\$bn, as of 9/30/23)



¹ Adjusted for collateralized government deposits in excess of FDIC \$250k limit and intercompany deposits eliminated in consolidation. ² "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. ³ Traditional Branch Deposits Include Commercial (inclusive of \$1bn of HOA deposits), Consumer and Government. Totals may not sum due to rounding.

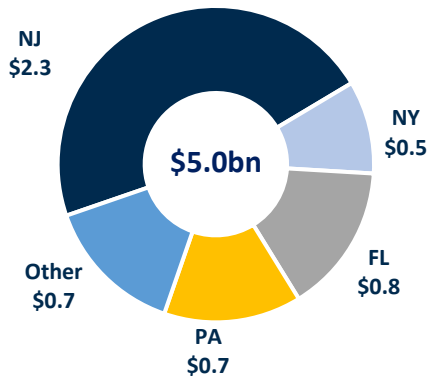


Highly Granular Deposits – 9/30/2023

Customer Type	Deposits (\$bn)	% of Total Deposits
Commercial	\$17.9	36%
Consumer	\$17.0	34%
Fully FDIC-Insured Indirect	\$9.9	20%
Fully-Collateralized Government ¹	\$5.0	10%

Top 10 Commercial Industries ²	Deposits (\$bn)	% of Total Deposits
Real Estate / Rental / Leasing	\$3.4	7%
Finance & Insurance	\$3.3	7%
Professional, Scientific, Technical Services	\$2.2	4%
Other Services	\$1.7	3%
Construction	\$1.5	3%
Health Care & Social Assistance	\$1.0	2%
Manufacturing	\$1.0	2%
Wholesale Trade	\$0.9	2%
Retail Trade	\$0.7	1%
Arts, Entertainment & Recreation	\$0.5	1%

Fully-Collateralized Government Deposits by State ¹



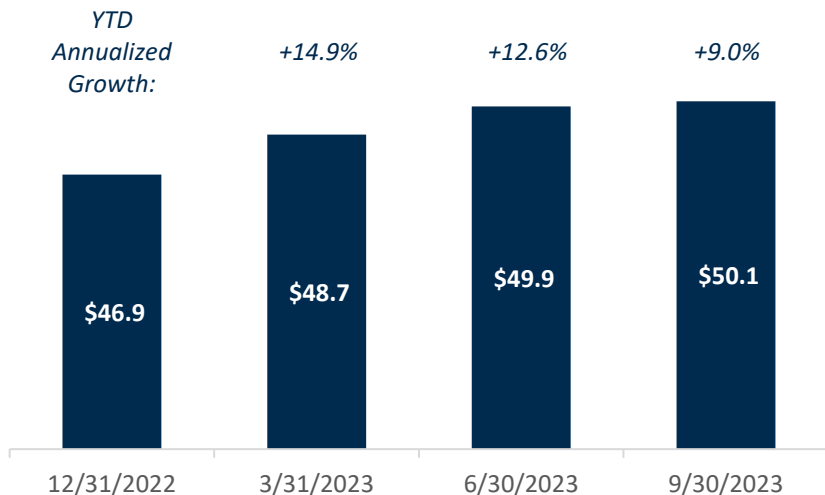
¹ Fully-collateralized to relevant state requirements. ² Commercial industries determined by NAICS Sector / Industry.



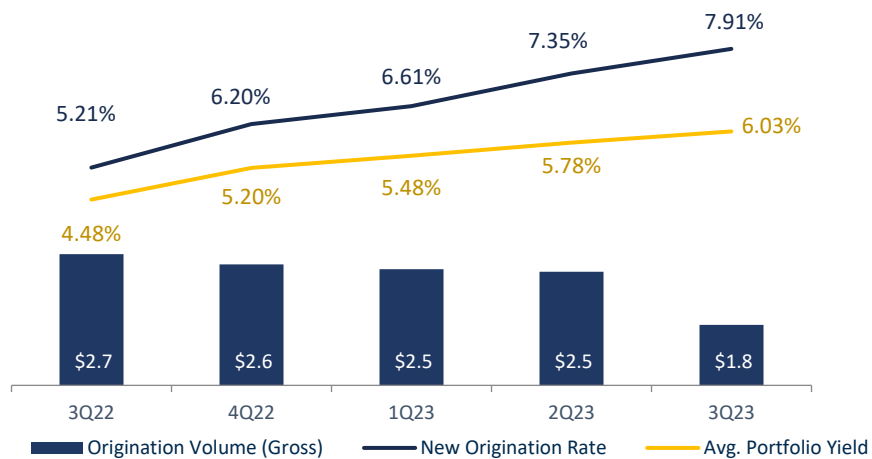
SLIDE 7

Diversified Loan Portfolio

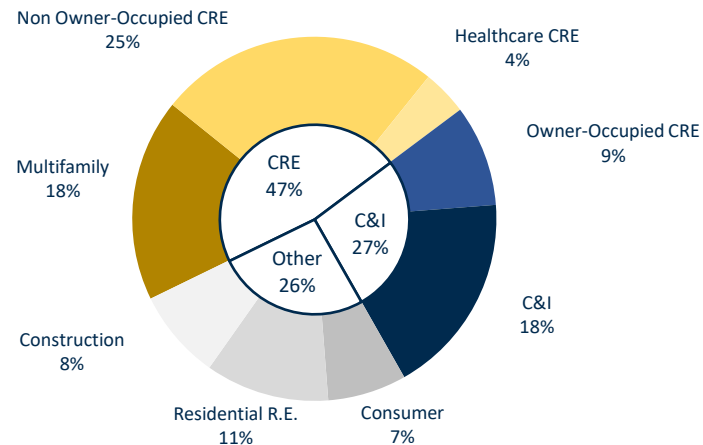
Gross Loans (\$bn)



New Loan Originations (\$bn)



9/30/2023 Loan Composition ¹



Cumulative Loan Beta (Current Cycle) ²

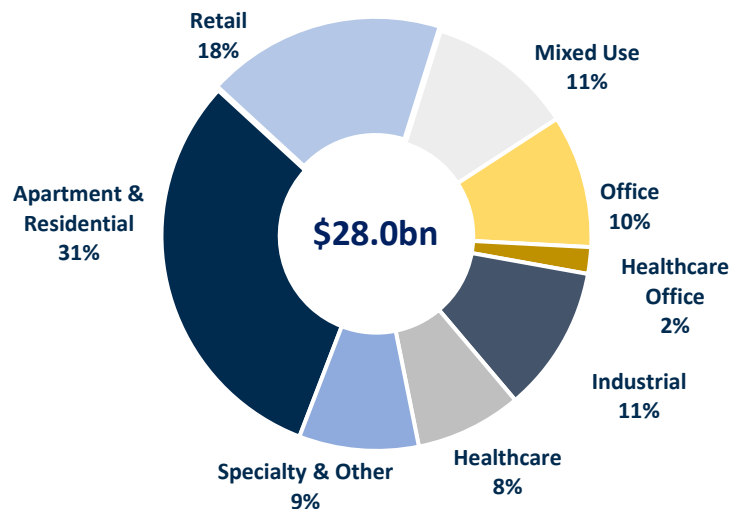
	Avg. Fed Funds (Upper)	Avg. Loan Yield	Cumulative Beta
4Q21	0.25%	3.83%	--
4Q22	3.82%	5.20%	38%
1Q23	4.69%	5.48%	37%
2Q23	5.16%	5.78%	40%
3Q23	5.43%	6.03%	43%

¹ 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. ² 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.

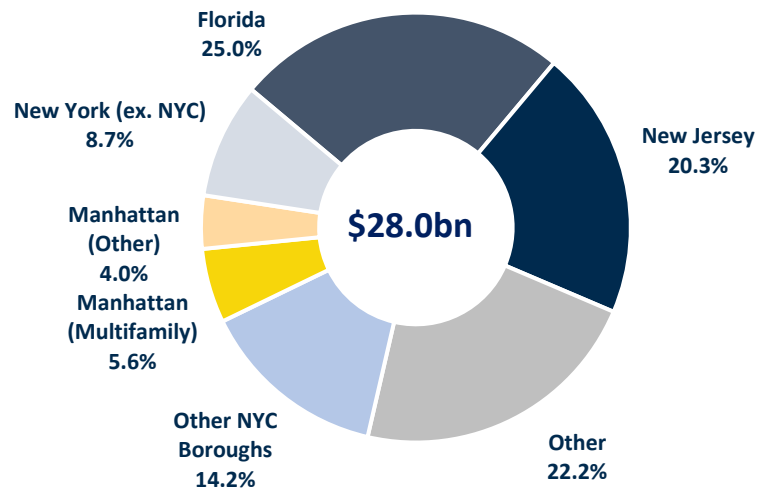


CRE Detail as of 9/30/2023

Portfolio by Collateral Type



Portfolio by Geography



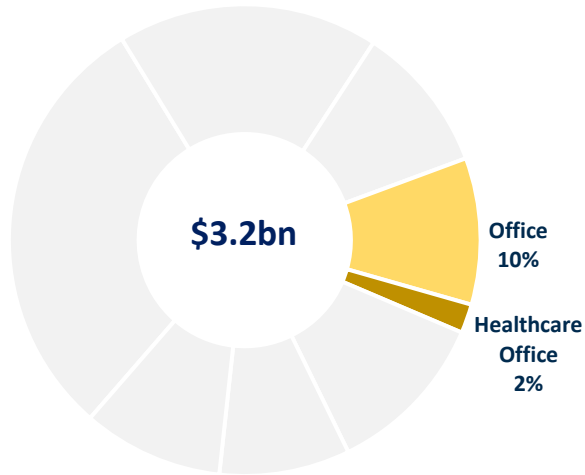
\$4.4bn of CRE Portfolio (16%) is Owner-Occupied.

Geography	Outstanding (\$bn)	% of Total	Wtd. Avg. LTV	Wtd. Avg. DSCR
Florida	\$7.0	25.0%	61%	1.80x
New Jersey	\$5.7	20.3%	62%	1.71x
Other NYC Boroughs	\$4.0	14.2%	55%	1.50x
Manhattan	\$2.7	9.6%	39% (53% ex Co-Ops)	1.72x
New York (ex. NYC)	\$2.4	8.7%	54%	1.82x
Other	\$6.2	22.2%	64%	1.76x
Total	\$28.0	100.0%	58%	1.69x

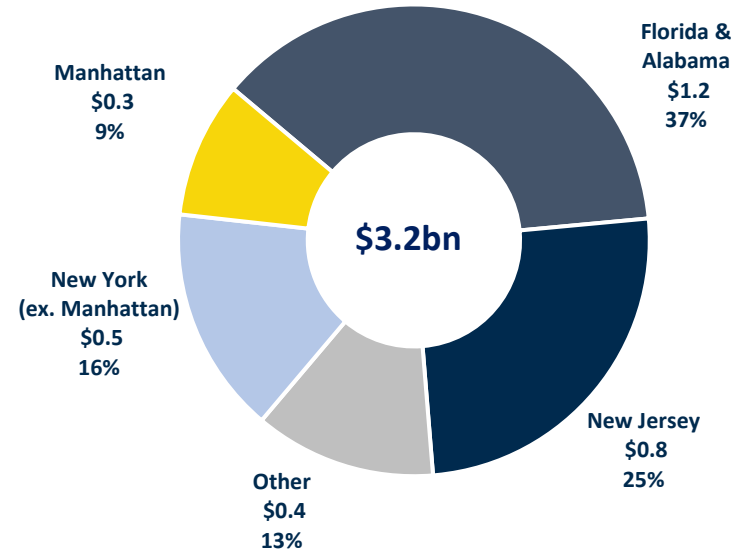


Granular & Diverse Office Portfolio

CRE Portfolio



Office Portfolio by Geography (\$bn)



~20% of Office Portfolio is Owner-Occupied.

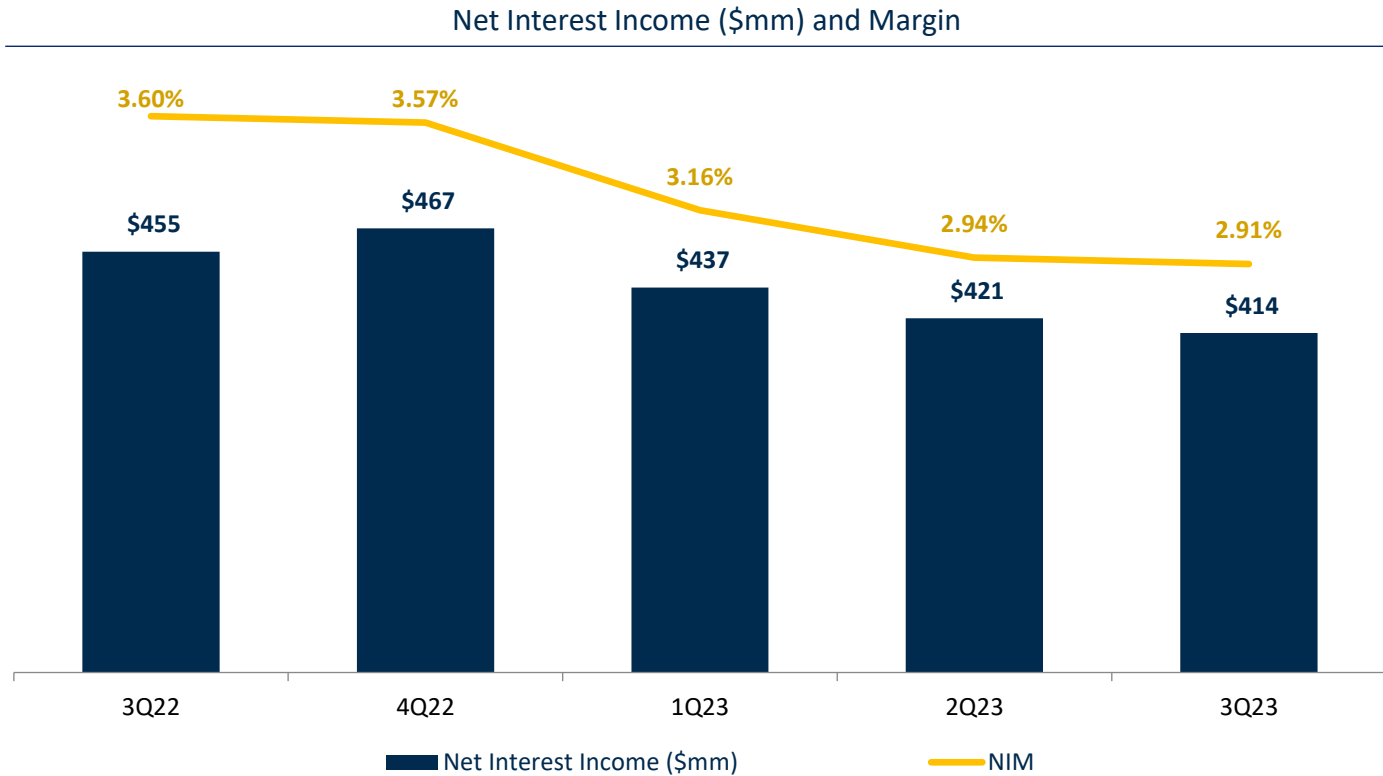
- \$138,000 of non-accruals (0.01% of office).
- No charge-offs in recent history.
- 72% of portfolio is multi-tenant.

Geography	Outstanding (\$bn)	Avg. Size (\$mm)	% of Total Office	Wtd. Avg. LTV	Wtd. Avg. DSCR
Florida & Alabama	\$1.2bn	\$2mm	37%	51%	1.76x
New Jersey	\$0.8	\$2mm	25%	55%	1.51x
New York (ex. Manhattan)	\$0.5	\$4mm	19%	52%	1.63x
Manhattan	\$0.3	\$6mm	6%	55%	1.30x
Other	\$0.4	\$6mm	13%	56%	1.68x
Total	\$3.2bn	\$2mm	100%	53%	1.63x



SLIDE 10

Net Interest Margin

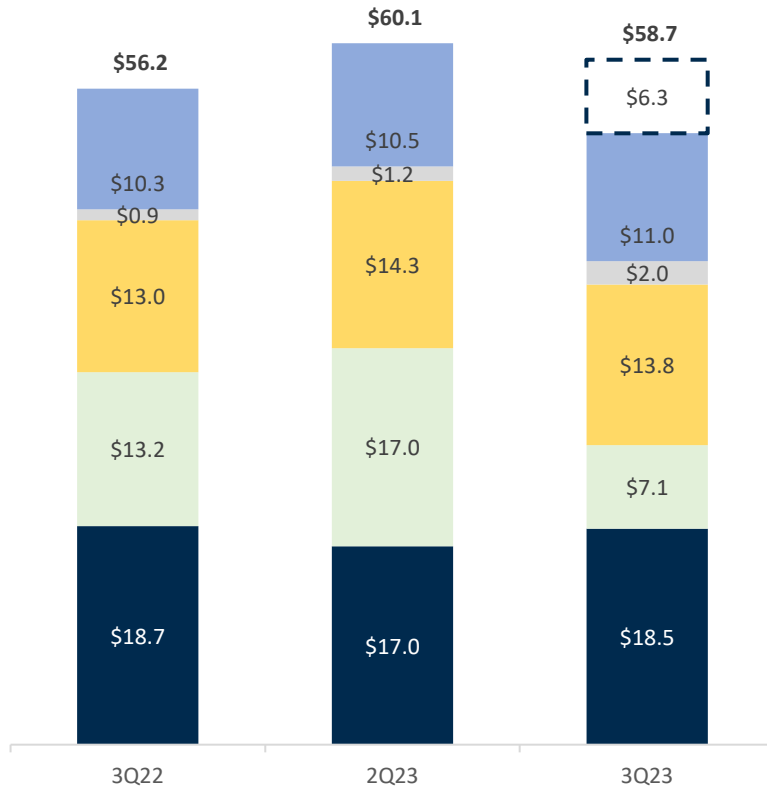


- Continued improvement in yields on new and existing loans.
- Non-interest bearing deposit run-off has slowed.
- Cash and short-term borrowing balances had normalized by quarter-end.



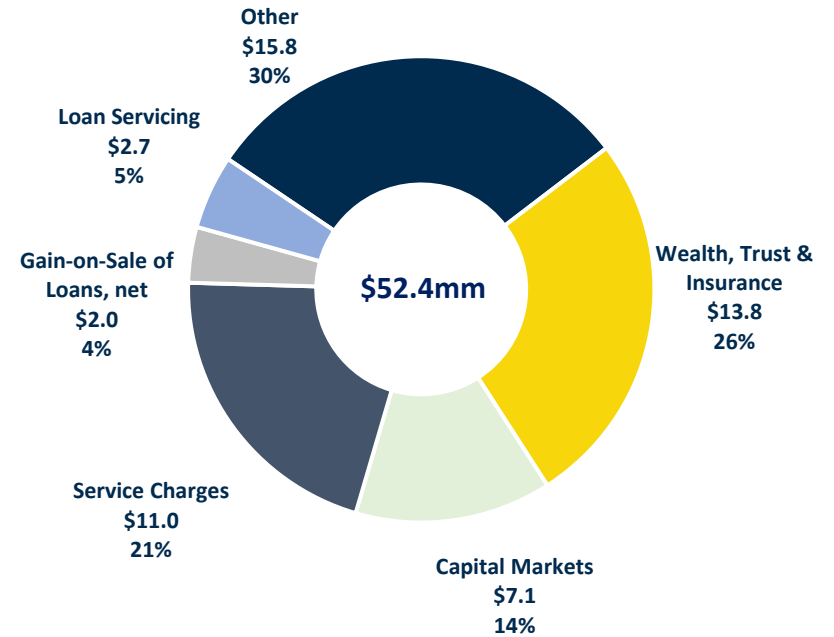
Diverse Fee Income Sources

Non-Interest Income (\$mm)



- Other Non-Interest Income
- Capital Markets
- Wealth, Trust & Insurance
- Gain on Sale of Loans
- Deposit Service Charges
- Net non-core income¹

3Q23 Adjusted Non-Interest Income (\$mm)¹

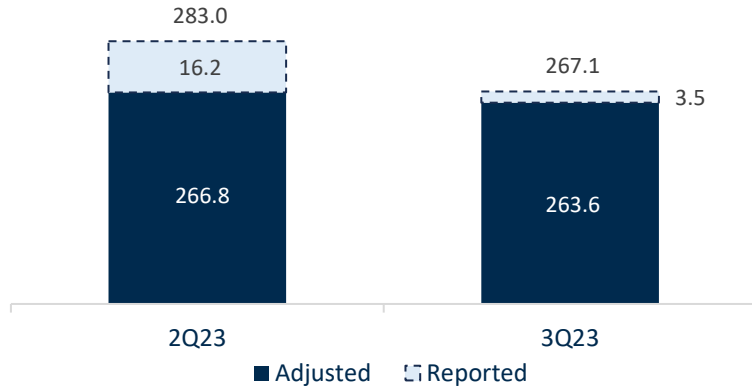


¹ Please refer to the Non-GAAP Disclosure Reconciliation in Appendix.

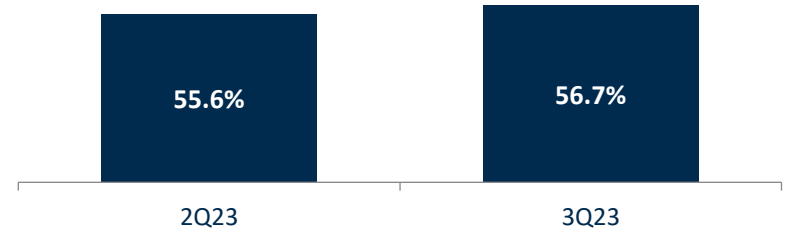


Non-Interest Expense

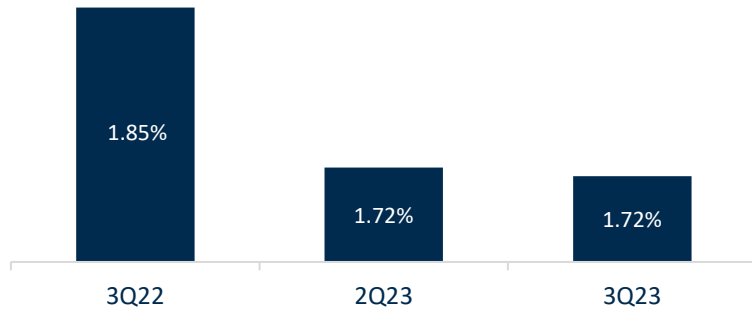
Non-Interest Expenses (\$mm) ¹



Efficiency Ratio Trend ¹



Adj. Non-Interest Expenses ¹ / Avg. Assets



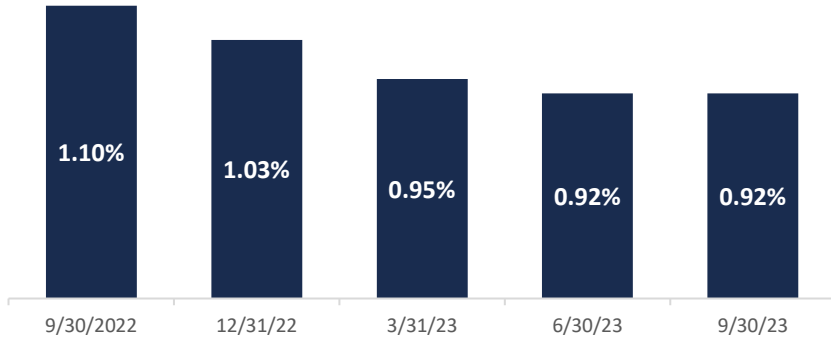
¹ Please refer to the Non-GAAP Disclosure Reconciliation in Appendix. Sums may be inconsistent due to rounding.



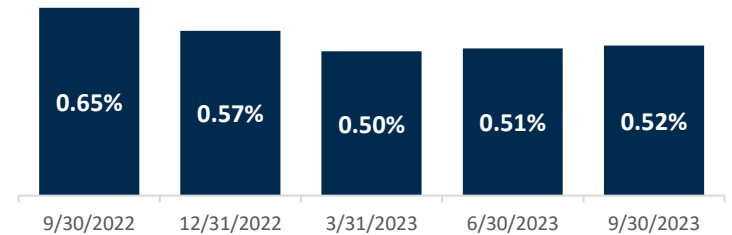
SLIDE 13

Asset Quality

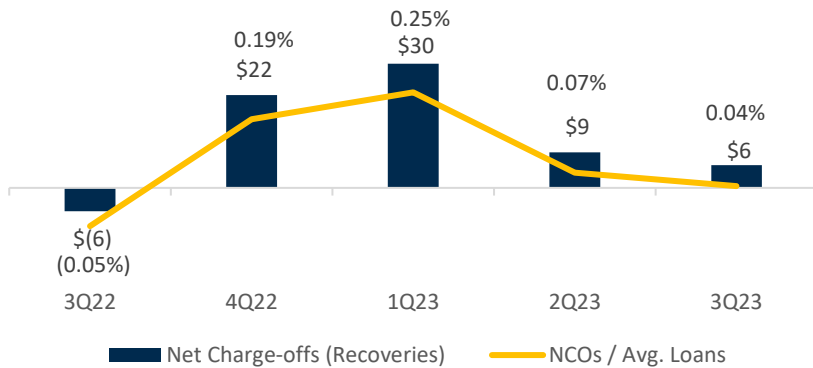
Allowance for Credit Losses for Loans / Total Loans



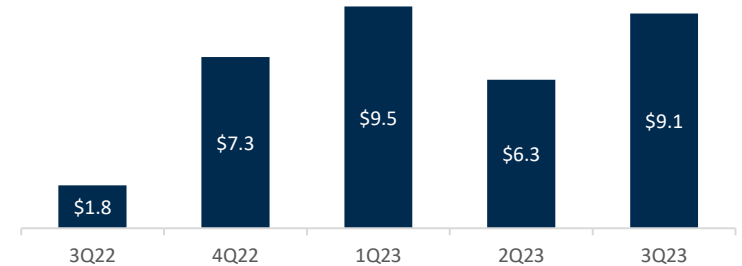
Non-Accrual Loans / Total Loans



Net Loan Charge-offs (\$mm)



Loan Loss Provision (\$mm)

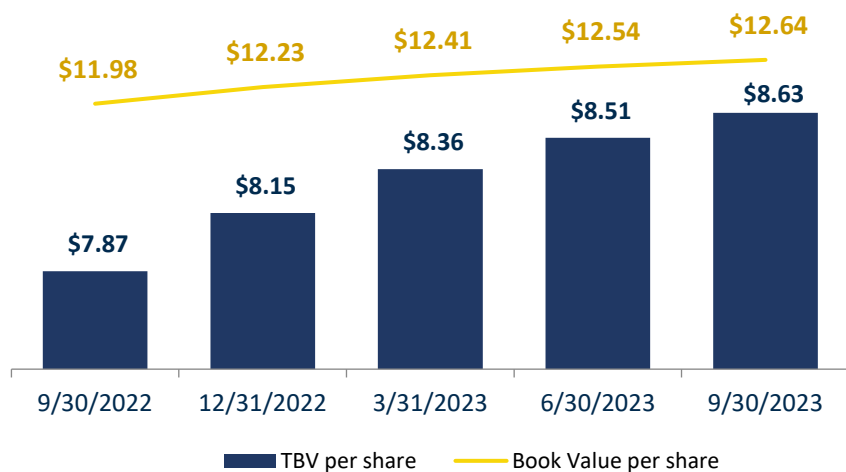




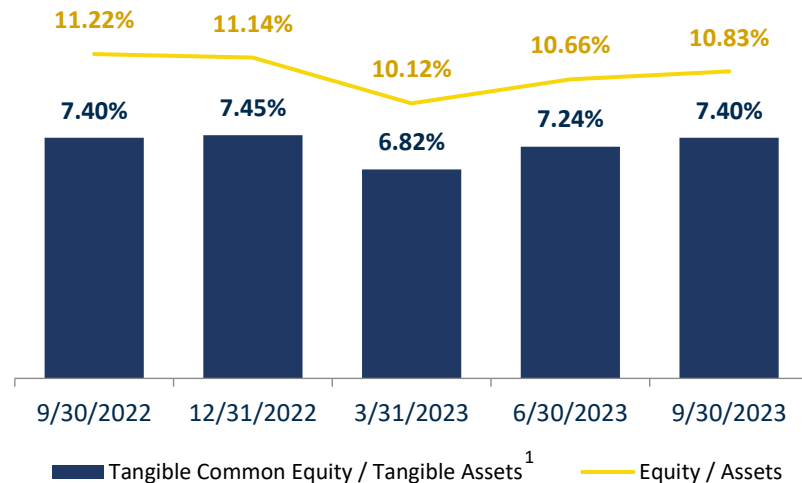
SLIDE 14

Equity & Capitalization

Book Value and Tangible Book Value per Share ¹



Equity Capitalization Level ¹



Holding Company Capital Ratios	9/30/22	6/30/23	9/30/23
Tier 1 Leverage	8.31	7.86	8.08
Common Equity Tier 1	9.09	9.03	9.21
Tier 1 Risk-Based	9.56	9.47	9.64
Total Risk-Based	11.84	11.52	11.68

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



Appendix



Non-GAAP Reconciliations to GAAP Financial Measures

(\$ in thousands, except for share data)

Adjusted net income available to common shareholders (Non-GAAP):

Net income, as reported (GAAP)	\$141,346	\$139,060	\$178,119
Add: Losses (gains) on available for sale and held to maturity securities transactions (net of tax) (a)	318	6	(24)
Add: Restructuring charge (net of tax) (b)	(484)	8,015	—
Add: Branch related asset impairment (net of tax) (c)	1,004	—	—
Add: Net gains on sales of office buildings (net of tax) (d)	(5,821)	—	—
Add: Merger related expenses (net of tax) (e)	—	—	3,360
Net income, as adjusted (Non-GAAP)	\$136,363	\$147,081	\$181,455
Dividends on preferred stock	4,127	4,030	3,172
Net income available to common shareholders, as adjusted (Non-GAAP)	\$132,236	\$143,051	\$178,283

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

(b) Represents severance expense related to workforce reductions within salary and employee benefits expense.

(c) Branch related asset impairment is included in net gains (losses) on sale of assets within non-interest income.

(d) Included in net gains (losses) on sales of assets within non-interest income.

(e) Included primarily within salary and employee benefits expense.

Adjusted per common share data (Non-GAAP):

Net income available to common shareholders, as adjusted (Non-GAAP)	\$132,236	\$143,051	\$178,283
Average number of shares outstanding	507,650,668	507,690,043	506,342,200
Basic earnings, as adjusted (Non-GAAP)	\$0.26	\$0.28	\$0.35
Average number of diluted shares outstanding	509,256,599	508,643,025	508,690,997
Diluted earnings, as adjusted (Non-GAAP)	\$0.26	\$0.28	\$0.35

Adjusted annualized return on average tangible shareholders' equity (Non-GAAP):

Net income, as adjusted (Non-GAAP)	\$136,363	\$147,081	\$181,455
Average shareholders' equity	6,605,786	6,546,452	6,256,767
Less: Average goodwill and other intangible assets	2,042,486	2,051,591	2,117,818
Average tangible shareholders' equity	4,563,300	4,494,861	4,138,949
Annualized return on average tangible shareholders' equity, as adjusted (Non-GAAP)	11.95%	13.09%	17.54%

Adjusted annualized return on average assets (Non-GAAP):

Net income, as adjusted (Non-GAAP)	\$136,363	\$147,081	\$181,455
Average assets	\$61,391,688	\$61,877,464	\$54,858,306
Annualized return on average assets, as adjusted (Non-GAAP)	0.89%	0.95%	1.32%

Adjusted annualized return on average shareholders' equity (Non-GAAP):

Net income, as adjusted (Non-GAAP)	\$136,363	\$147,081	\$181,455
Average shareholders' equity	6,605,786	6,546,452	6,256,767
Annualized return on average shareholders' equity, as adjusted (Non-GAAP)	8.26%	8.99%	11.60%

	Three Months Ended		
	September 30, 2023	June 30, 2023	September 30, 2022
Net income, as reported (GAAP)	\$141,346	\$139,060	\$178,119
Add: Losses (gains) on available for sale and held to maturity securities transactions (net of tax) (a)	318	6	(24)
Add: Restructuring charge (net of tax) (b)	(484)	8,015	—
Add: Branch related asset impairment (net of tax) (c)	1,004	—	—
Add: Net gains on sales of office buildings (net of tax) (d)	(5,821)	—	—
Add: Merger related expenses (net of tax) (e)	—	—	3,360
Net income, as adjusted (Non-GAAP)	\$136,363	\$147,081	\$181,455
Dividends on preferred stock	4,127	4,030	3,172
Net income available to common shareholders, as adjusted (Non-GAAP)	\$132,236	\$143,051	\$178,283



Non-GAAP Reconciliations to GAAP Financial Measures

	Three Months Ended		
	September 30, 2023	June 30, 2023	September 30, 2022
(\$ in thousands)			
<u>Annualized return on average tangible shareholders' equity (Non-GAAP):</u>			
Net income, as reported (GAAP)	\$141,346	\$139,060	\$178,119
Average shareholders' equity	6,605,786	6,546,452	6,256,767
Less: Average goodwill and other intangible assets	2,042,486	2,051,591	2,117,818
Average tangible shareholders' equity	4,563,300	4,494,861	4,138,949
Annualized return on average tangible shareholders' equity (Non-GAAP):	12.39%	12.37%	17.21%
<u>Efficiency ratio (Non-GAAP):</u>			
Non-interest expense, as reported (GAAP)	\$267,133	\$282,971	\$261,640
Less: Restructuring charge (pre-tax)	(675)	11,182	
Less: Merger-related expenses (pre-tax)	—	—	4,707
Less: Amortization of tax credit investments (pre-tax)	4,191	5,018	3,105
Non-interest expense, as adjusted (Non-GAAP)	\$263,617	\$266,771	\$253,828
Net interest income, as reported (GAAP)	412,418	419,765	453,992
Non-interest income, as reported (GAAP)	58,664	60,075	56,194
Add: Losses on available for sale and held to maturity securities transactions, net (pre-tax)	443	9	(33)
Add: Net gains on sales of office buildings (pre-tax)	(6,721)	—	—
Non-interest income, as adjusted (Non-GAAP)	52,386	\$60,084	\$56,161
Gross operating income, as adjusted (Non-GAAP)	464,804	479,849	510,153
Efficiency ratio (Non-GAAP)	56.72%	55.59%	49.76%
<u>Annualized pre-provision net revenue / average assets</u>			
Net interest income, as reported (GAAP)	\$412,418	\$419,765	\$453,992
Non-interest income, as reported (GAAP)	58,664	60,075	56,194
Less: Non-interest expense, as reported (GAAP)	267,133	282,971	261,640
Pre-provision net revenue (GAAP)	\$203,949	\$196,869	\$248,546
Average assets	\$61,391,688	\$61,877,464	\$54,858,306
Annualized pre-provision net revenue / average assets (GAAP)	1.33%	1.27%	1.81%
<u>Annualized pre-provision net revenue / average assets, as adjusted</u>			
Pre-provision net revenue (GAAP)	\$203,949	\$196,869	\$248,546
Add: Restructuring charge (pre-tax)	(\$675)	\$11,182	
Add: Merger-related expenses (pre-tax)	—	—	4,707
Add: Amortization of tax credit investments (pre-tax)	4,191	5,018	3,105
Add: Losses (gains) on available for sale and held to maturity securities transactions, net (pre-tax)	443	9	(33)
Add: Net gain on sale of asset (pre-tax)	(6,721)	—	—
Pre-provision net revenue, as adjusted (Non-GAAP)	201,187	213,078	256,325
Average assets	\$61,391,688	\$61,877,464	\$54,858,306
Annualized pre-provision net revenue / average assets, as adjusted (Non-GAAP)	1.31%	1.38%	1.87%



SLIDE 18

Non-GAAP Reconciliations to GAAP Financial Measures

(\$ in thousands, except for share data)

Tangible book value per common share (Non-GAAP):

Common shares outstanding

Shareholders' equity

Less: Preferred Stock

Less: Goodwill and other intangible assets

Tangible common shareholders' equity (Non-GAAP)

Tangible book value per common share (Non-GAAP):

Tangible common equity to tangible assets (Non-GAAP):

Tangible common shareholders' equity (Non-GAAP)

Total assets

Less: Goodwill and other intangible assets

Tangible assets (Non-GAAP)

Tangible common equity to tangible assets (Non-GAAP)

	September 30, 2023	June 30, 2023	As of March 31, 2023	December 31, 2022	September 30, 2022
Common shares outstanding	507,660,742	507,619,430	507,762,358	506,374,478	506,351,502
Shareholders' equity	\$6,627,299	\$6,575,184	\$6,511,581	\$6,400,802	\$6,273,828
Less: Preferred Stock	209,691	209,691	209,691	209,691	209,691
Less: Goodwill and other intangible assets	2,038,202	2,046,882	2,056,107	2,066,392	2,079,731
Tangible common shareholders' equity (Non-GAAP)	\$4,379,406	\$4,318,611	\$4,245,783	\$4,124,719	\$3,984,406
Tangible book value per common share (Non-GAAP):	\$8.63	\$8.51	\$8.36	\$8.15	\$7.87
Tangible common shareholders' equity (Non-GAAP)	\$4,379,406	\$4,318,611	\$4,245,783	\$4,124,719	\$3,984,406
Total assets	61,183,352	61,703,693	64,319,460	57,466,232	55,927,501
Less: Goodwill and other intangible assets	2,038,202	2,046,882	2,056,107	2,066,392	2,079,731
Tangible assets (Non-GAAP)	59,145,150	59,656,811	62,263,353	55,399,840	53,847,770
Tangible common equity to tangible assets (Non-GAAP)	7.40%	7.24%	6.82%	7.45%	7.40%



For More Information

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- Log onto our website above or www.sec.gov to obtain free copies of documents filed by Valley with the SEC