For Immediate Release
Unity Bancorp, Inc. (NSDQ: UNTY)
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Unity Bancorp Reports Quarterly Earnings up 9.8%

Net Income per Diluted Share = $0.52	ROA = 1.55%	ROE = 16.52%	Net Interest Margin = 4.06%

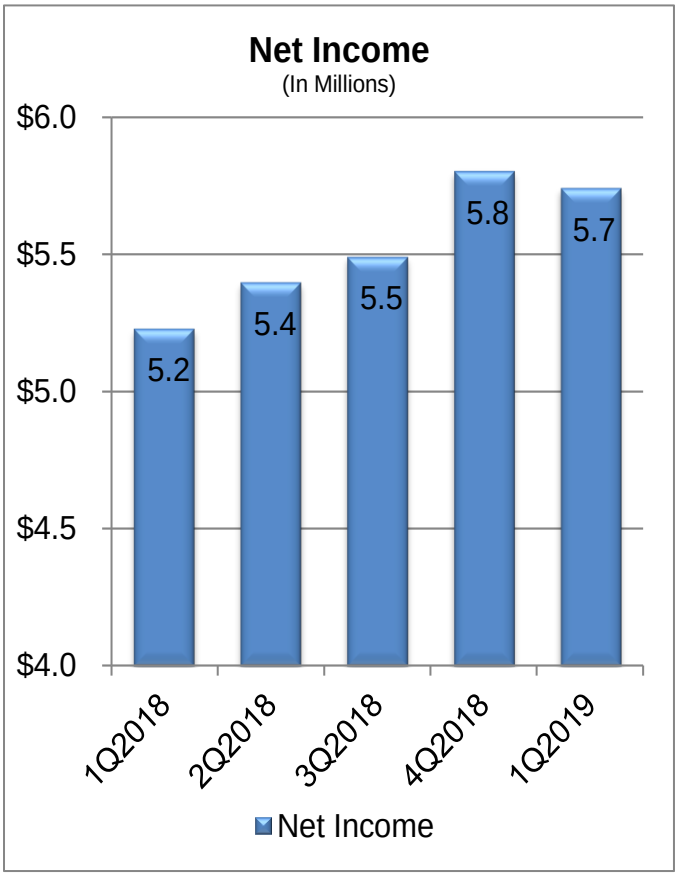
CEO COMMENTARY:

James A. Hughes, President and CEO, stated:

I am pleased to report a record first quarter highlighted by improving margins in an extremely challenging interest rate environment. Earnings improved by nearly 10% over the same period one year ago. Despite the challenge of an inverted yield curve, our net interest margin expanded compared to the fourth quarter 2018. Loan originations were robust for the quarter, however, significant payoffs resulted in modest loan growth.

We continue to grow our capital organically and look to expand our branch and lending networks. I am excited about the prospects for continued improved earnings throughout the year.

In addition to our financial results, I am proud to announce that Unity Bank has been named one of the Best Places to Work in New Jersey for the third year in a row.



Clinton, NJ, April 18, 2019 - Unity Bancorp, Inc. (NASDAQ: UNTY), parent company of Unity Bank, reported net income of $5.7 million, or $0.52 per diluted share, for the quarter ended March 31, 2019, compared to $5.2 million, or $0.48 per diluted share, for the prior year's first quarter.

First Quarter Earnings Highlights

- Net interest income, our primary driver of earnings, increased $1.3 million to $14.2 million for the quarter ended March 31, 2019, compared to the prior year's quarter, due to loan growth and an increased net interest margin.
- Net interest margin expanded 7 basis points to 4.06%, compared to 3.99% for the prior year's quarter and increased 5 basis points from 4.01% in the prior sequential quarter ended December 31, 2018 despite the inverted yield curve. The net interest margin is expected to remain stable.
- The provision for loan losses was unchanged at $500 thousand for each of the quarters ended March 31, 2019 and 2018.
- Noninterest income decreased $266 thousand to $2.0 million compared to the prior year's quarter and increased $66 thousand compared to the prior sequential quarter. The quarter included lower loan payoff charges and reduced premiums received on SBA loan sales.
- Noninterest expense increased $282 thousand to $8.5 million compared to the prior year's quarter and increased $208 thousand compared to the prior sequential quarter. The increases were primarily due to investments in software and equipment to remain efficient, secure and competitive technologically. Compensation and benefits expense remained flat as lower benefits costs partially offset increased salary expense.
- The effective tax rate was 20.9% compared to 19.1% in the prior year's quarter.

Balance Sheet Highlights

- Total loans increased $8.4 million, or 0.6%, from year-end 2018 to $1.3 billion at March 31, 2019. Loan originations for the quarter were on target. However, overall growth was impacted by increased payoffs in both commercial and residential mortgage loans. Commercial, residential mortgage and consumer loan portfolios increased $8.1 million, $2.4 million and $1.6 million, respectively, partially offset by a decline of $3.7 million in SBA loans. We experienced record volume in residential mortgage originations during the quarter.
- Total deposits increased $18.9 million, or 1.6%, from year-end 2018 to $1.2 billion at March 31, 2019. Growth consisted primarily of time deposits while demand deposits declined due to seasonal outflows of municipal deposits.
- Borrowed funds decreased $15.0 million to $205.0 million at March 31, 2019.
- Shareholders' equity was $143.7 million at March 31, 2019, an increase of $5.2 million from year-end 2018, due to retained net income.
- Book value per common share was $13.28 as of March 31, 2019.
- At March 31, 2019, the leverage, common equity Tier I, Tier I and Total Risk Based Capital ratios were 10.09%, 11.78%, 12.62% and 13.87% respectively, all in excess of the ratios required to be deemed "well-capitalized."
- Credit quality remains strong. Nonperforming loans consisted of $5.2 million in well secured residential mortgage loans. Nonperforming assets to total assets were 0.47% and the allowance to total loans ratio remained at 1.19% at March 31, 2019. Net charge-offs were $304 thousand for the quarter.

Unity Bancorp, Inc. is a financial service organization headquartered in Clinton, New Jersey, with approximately $1.6 billion in assets and $1.2 billion in deposits. Unity Bank provides financial services to retail, corporate and small business customers through its 19 retail service centers located in Bergen, Hunterdon, Middlesex, Somerset, Union and Warren Counties in New Jersey and Northampton County in Pennsylvania. For additional information about Unity, visit our website at www.unitybank.com , or call 800-618-BANK.

This news release contains certain forward-looking statements, either expressed or implied, which are provided to assist the reader in understanding anticipated future financial performance. These statements may be identified by use of the words "believe", "expect", "intend", "anticipate", "estimate", "project" or similar expressions. These statements involve certain risks, uncertainties, estimates and assumptions made by management, which are subject to factors beyond the company's control and could impede its ability to achieve these goals. These factors include those items included in our Annual Report on Form 10-K under the heading "Item IA-Risk Factors" as well as general economic conditions, trends in interest rates, the ability of our borrowers to repay their loans, our ability to manage and reduce the level of our nonperforming assets, and results of regulatory exams, among other factors.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

UNITY BANCORP, INC.
SUMMARY FINANCIAL HIGHLIGHTS
March 31, 2019

(In thousands, except percentages and per share amounts)	**March 31, 2019**	**December 31, 2018**	**March 31, 2018**	**March 31, 2019 vs. December 31, 2018 %**	**March 31, 2019 vs. March 31, 2018 %**
BALANCE SHEET DATA:					
Total assets	**$ 1,590,046**	$ 1,579,157	$ 1,439,902	0.7 %	10.4 %
Total deposits	**1,226,586**	1,207,687	1,117,514	1.6	9.8
Total loans	**1,312,994**	1,304,566	1,195,110	0.6	9.9
Total securities	**62,962**	63,732	67,521	(1.2)	(6.8)
Total shareholders' equity	**143,717**	138,488	123,104	3.8	16.7
Allowance for loan losses	**(15,684)**	(15,488)	(14,196)	1.3	10.5
FINANCIAL DATA - QUARTER TO DATE:					
Income before provision for income taxes	**$ 7,260**	$ 7,350	$ 6,464	(1.2)	12.3
Provision for income taxes	**1,520**	1,547	1,235	(1.7)	23.1
Net income	**$ 5,740**	$ 5,803	$ 5,229	(1.1)	9.8
Net income per common share - Basic	**$ 0.53**	$ 0.54	$ 0.49	(1.9)	8.2
Net income per common share - Diluted	**$ 0.52**	$ 0.53	$ 0.48	(1.9)	8.3
Performance ratios:					
Return on average assets	**1.55 %**	1.56 %	1.53 %		
Return on average equity	**16.52 %**	17.00 %	17.69 %		
Efficiency ratio	**52.53 %**	50.69 %	54.00 %		
Net interest margin	**4.06 %**	4.01 %	3.99 %		
Noninterest expense to average assets	**2.29 %**	2.22 %	2.40 %		
SHARE INFORMATION:					
Market price per share	**$ 18.88**	$ 20.76	$ 22.00	(9.1)	(14.2)
Dividends paid	**$ 0.07**	$ 0.07	$ 0.06	-	16.7
Book value per common share	**$ 13.28**	$ 12.85	$ 11.50	3.3	15.5
Average diluted shares outstanding (QTD)	**10,955**	10,935	10,853	0.2	0.9
CAPITAL RATIOS:					
Total equity to total assets	**9.04 %**	8.77 %	8.55 %		
Leverage ratio	**10.09 %**	9.90 %	9.46 %		
Common equity tier 1 risk-based capital ratio	**11.78 %**	11.40 %	11.14 %		
Tier 1 risk-based capital ratio	**12.62 %**	12.24 %	12.07 %		
Total risk-based capital ratio	**13.87 %**	13.49 %	13.24 %		
CREDIT QUALITY AND RATIOS:					
Nonperforming assets	**$ 7,547**	$ 6,929	$ 4,333	8.9	74.2
QTD net chargeoffs (annualized) to QTD average loans	**0.09 %**	- %	(0.05) %		
Allowance for loan losses to total loans	**1.19 %**	1.19 %	1.19 %		
Nonperforming assets to total loans and OREO	**0.57 %**	0.53 %	0.36 %		
Nonperforming assets to total assets	**0.47 %**	0.44 %	0.30 %		

UNITY BANCORP, INC.
CONSOLIDATED BALANCE SHEETS
March 31, 2019

(In thousands, except percentages)	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019 vs. December 31, 2018 %	March 31, 2019 vs. March 31, 2018 %
ASSETS					
Cash and due from banks	**$ 20,737**	$ 20,028	$ 17,044	3.5 %	21.7 %
Fed funds, interest-bearing deposits and repos	**128,400**	125,487	99,243	2.3	29.4
Cash and cash equivalents	**149,137**	145,515	116,287	2.5	28.2
Securities:					
Securities available for sale	**45,934**	46,713	50,162	(1.7)	(8.4)
Securities held to maturity	**14,780**	14,875	16,168	(0.6)	(8.6)
Equity securities	**2,248**	2,144	1,191	4.9	88.7
Total securities	**62,962**	63,732	67,521	(1.2)	(6.8)
Loans:					
SBA loans held for sale	**8,010**	11,171	21,579	(28.3)	(62.9)
SBA loans held for investment	**38,815**	39,333	42,734	(1.3)	(9.2)
Commercial loans	**702,235**	694,102	636,684	1.2	10.3
Residential mortgage loans	**438,431**	436,056	380,857	0.5	15.1
Consumer loans	**125,503**	123,904	113,256	1.3	10.8
Total loans	**1,312,994**	1,304,566	1,195,110	0.6	9.9
Allowance for loan losses	**(15,684)**	(15,488)	(14,196)	1.3	10.5
Net loans	**1,297,310**	1,289,078	1,180,914	0.6	9.9
Premises and equipment, net	**23,059**	23,371	23,405	(1.3)	(1.5)
Bank owned life insurance ("BOLI")	**24,861**	24,710	24,398	0.6	1.9
Deferred tax assets	**5,320**	5,350	4,059	(0.6)	31.1
Federal Home Loan Bank ("FHLB") stock	**10,120**	10,795	9,308	(6.3)	8.7
Accrued interest receivable	**6,926**	6,399	5,898	8.2	17.4
Other real estate owned ("OREO")	**273**	56	56	387.5	387.5
Goodwill	**1,516**	1,516	1,516	-	-
Other assets	**8,562**	8,635	6,540	(0.8)	30.9
Total assets	**$ 1,590,046**	$ 1,579,157	$ 1,439,902	0.7 %	10.4 %
LIABILITIES AND SHAREHOLDERS' EQUITY					
Liabilities:					
Deposits:					
Noninterest-bearing demand	**$ 259,114**	$ 270,152	$ 265,346	(4.1) %	(2.3) %
Interest-bearing demand	**166,409**	185,792	162,848	(10.4)	2.2
Savings	**399,006**	394,727	408,255	1.1	(2.3)
Time deposits	**402,057**	357,016	281,065	12.6	43.0
Total deposits	**1,226,586**	1,207,687	1,117,514	1.6	9.8
Borrowed funds	**195,000**	210,000	181,000	(7.1)	7.7
Subordinated debentures	**10,310**	10,310	10,310	-	-
Accrued interest payable	**419**	406	410	3.2	2.2
Accrued expenses and other liabilities	**14,014**	12,266	7,564	14.3	85.3
Total liabilities	**1,446,329**	1,440,669	1,316,798	0.4	9.8
Shareholders' equity:					
Common stock	**88,779**	88,484	87,361	0.3	1.6
Retained earnings	**55,145**	50,161	35,713	9.9	54.4
Accumulated other comprehensive (loss) income	**(207)**	(157)	30	NM	NM
Total shareholders' equity	**143,717**	138,488	123,104	3.8	16.7
Total liabilities and shareholders' equity	**$ 1,590,046**	$ 1,579,157	$ 1,439,902	0.7 %	10.4 %
Issued and outstanding common shares	**10,822**	10,780	10,709		

NM=Not meaningful

UNITY BANCORP, INC.
QTD CONSOLIDATED STATEMENTS OF INCOME
March 31, 2019

	For the three months ended			March 31, 2019 vs. December 31, 2018		March 31, 2019 vs. March 31, 2018	
(In thousands, except percentages and per share amounts)	**March 31, 2019**	**December 31, 2018**	**March 31, 2018**	**$**	**%**	**$**	**%**
INTEREST INCOME							
Fed funds, interest-bearing deposits and repos	**$ 221**	$ 210	$ 205	$ 11	5.2 %	$ 16	7.8 %
FHLB stock	**116**	104	134	12	11.5	(18)	(13.4)
Securities:							
Taxable	**475**	466	492	9	1.9	(17)	(3.5)
Tax-exempt	**29**	28	31	1	3.6	(2)	(6.5)
Total securities	**504**	494	523	10	2.0	(19)	(3.6)
Loans:							
SBA loans	**995**	974	1,183	21	2.2	(188)	(15.9)
Commercial loans	**9,069**	9,167	7,726	(98)	(1.1)	1,343	17.4
Residential mortgage loans	**5,560**	5,172	4,340	388	7.5	1,220	28.1
Consumer loans	**2,035**	1,939	1,529	96	5.0	506	33.1
Total loans	**17,659**	17,252	14,778	407	2.4	2,881	19.5
Total interest income	**18,500**	18,060	15,640	440	2.4	2,860	18.3
INTEREST EXPENSE							
Interest-bearing demand deposits	**409**	389	224	20	5.1	185	82.6
Savings deposits	**1,119**	1,103	776	16	1.5	343	44.2
Time deposits	**2,007**	1,861	1,000	146	7.8	1,007	100.7
Borrowed funds and subordinated debentures	**749**	543	768	206	37.9	(19)	(2.5)
Total interest expense	**4,284**	3,896	2,768	388	10.0	1,516	54.8
Net interest income	**14,216**	14,164	12,872	52	0.4	1,344	10.4
Provision for loan losses	**500**	500	500	-	-	-	-
Net interest income after provision for loan losses	**13,716**	13,664	12,372	52	0.4	1,344	10.9
NONINTEREST INCOME							
Branch fee income	**368**	413	330	(45)	(10.9)	38	11.5
Service and loan fee income	**442**	690	564	(248)	(35.9)	(122)	(21.6)
Gain on sale of SBA loans held for sale, net	**316**	298	547	18	6.0	(231)	(42.2)
Gain on sale of mortgage loans, net	**350**	277	424	73	26.4	(74)	(17.5)
BOLI income	**151**	165	171	(14)	(8.5)	(20)	(11.7)
Net security gains (losses)	**100**	(193)	(15)	293	151.8	115	766.7
Other income	**293**	304	265	(11)	(3.6)	28	10.6
Total noninterest income	**2,020**	1,954	2,286	66	3.4	(266)	(11.6)
NONINTEREST EXPENSE							
Compensation and benefits	**4,845**	4,845	4,834	-	-	11	0.2
Occupancy	**694**	681	690	13	1.9	4	0.6
Processing and communications	**716**	716	689	-	-	27	3.9
Furniture and equipment	**657**	616	536	41	6.7	121	22.6
Professional services	**288**	252	251	36	14.3	37	14.7
Loan collection & OREO expenses	**66**	31	6	35	112.9	60	1,000.0
Other loan expenses	**46**	(2)	33	48	2,400.0	13	39.4
Deposit insurance	**167**	189	186	(22)	(11.6)	(19)	(10.2)
Advertising	**348**	360	319	(12)	(3.3)	29	9.1
Director fees	**163**	169	162	(6)	(3.6)	1	0.6
Other expenses	**486**	411	488	75	18.2	(2)	(0.4)
Total noninterest expense	**8,476**	8,268	8,194	208	2.5	282	3.4
Income before provision for income taxes	**7,260**	7,350	6,464	(90)	(1.2)	796	12.3
Provision for income taxes	**1,520**	1,547	1,235	(27)	(1.7)	285	23.1
Net income	**$ 5,740**	$ 5,803	$ 5,229	$ (63)	(1.1) %	$ 511	9.8 %
Effective tax rate	**20.9 %**	21.0 %	19.1 %				
Net income per common share - Basic	**$ 0.53**	$ 0.54	$ 0.49				
Net income per common share - Diluted	**$ 0.52**	$ 0.53	$ 0.48				
Weighted average common shares outstanding - Basic	**10,801**	10,765	10,678				
Weighted average common shares outstanding - Diluted	**10,955**	10,935	10,853				

UNITY BANCORP, INC.
QUARTER TO DATE NET INTEREST MARGIN
March 31, 2019

(Dollar amounts in thousands, interest amounts and interest rates/yields on a fully tax-equivalent basis)

	For the three months ended					
	March 31, 2019			December 31, 2018		
	Average Balance	Interest	Rate/Yield	Average Balance	Interest	Rate/Yield
ASSETS						
Interest-earning assets:						
Fed funds, interest-bearing deposits and repos	**$ 38,066**	**$ 221**	**2.35 %**	$ 34,551	$ 210	2.41 %
FHLB stock	**6,951**	**116**	**6.77**	5,762	104	7.16
Securities:						
Taxable	**58,735**	**475**	**3.28**	58,350	466	3.17
Tax-exempt	**4,588**	**36**	**3.18**	4,776	35	2.91
Total securities (A)	**63,323**	**511**	**3.27**	63,126	501	3.15
Loans:						
SBA loans	**50,015**	**995**	**8.07**	53,803	974	7.18
Commercial loans	**697,856**	**9,069**	**5.27**	698,609	9,167	5.21
Residential mortgage loans	**439,904**	**5,560**	**5.13**	423,674	5,172	4.84
Consumer loans	**125,987**	**2,035**	**6.55**	121,214	1,939	6.35
Total loans (B)	**1,313,762**	**17,659**	**5.45**	1,297,300	17,252	5.28
Total interest-earning assets	**$ 1,422,102**	**$ 18,507**	**5.28 %**	$ 1,400,739	$ 18,067	5.12 %
Noninterest-earning assets:						
Cash and due from banks	**26,105**			25,410		
Allowance for loan losses	**(15,753)**			(15,266)		
Other assets	**70,586**			66,925		
Total noninterest-earning assets	**80,938**			77,069		
Total assets	**$ 1,503,040**			$ 1,477,808		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-bearing liabilities:						
Total interest-bearing demand deposits	**$ 182,080**	**$ 409**	**0.91 %**	$ 187,827	$ 389	0.82 %
Total savings deposits	**397,209**	**1,119**	**1.14**	406,681	1,103	1.08
Total time deposits	**370,990**	**2,007**	**2.19**	356,520	1,861	2.07
Total interest-bearing deposits	**950,279**	**3,535**	**1.51**	951,028	3,353	1.40
Borrowed funds and subordinated debentures	**134,877**	**749**	**2.25**	108,465	543	1.99
Total interest-bearing liabilities	**$ 1,085,156**	**$ 4,284**	**1.60 %**	$ 1,059,493	$ 3,896	1.46 %
Noninterest-bearing liabilities:						
Noninterest-bearing demand deposits	**262,664**			271,440		
Other liabilities	**14,327**			11,454		
Total noninterest-bearing liabilities	**276,991**			282,894		
Total shareholders' equity	**140,893**			135,421		
Total liabilities and shareholders' equity	**$ 1,503,040**			$ 1,477,808		
Net interest spread		**$ 14,223**	**3.68 %**		$ 14,171	3.66 %
Tax-equivalent basis adjustment		**(7)**			(7)	
Net interest income		**$ 14,216**			$ 14,164	
Net interest margin			**4.06 %**			4.01 %

(A) Yields related to securities exempt from federal and state income taxes are stated on a fully tax-equivalent basis. They are reduced by the nondeductible portion of interest expense, assuming a federal tax rate of 21 percent and applicable state rates.
(B) The loan averages are stated net of unearned income, and the averages include loans on which the accrual of interest has been discontinued.

UNITY BANCORP, INC.
QUARTER TO DATE NET INTEREST MARGIN
March 31, 2019

(Dollar amounts in thousands, interest amounts and interest rates/yields on a fully tax-equivalent basis)

	For the three months ended					
	March 31, 2019			March 31, 2018		
	Average Balance	Interest	Rate/Yield	Average Balance	Interest	Rate/Yield
ASSETS						
Interest-earning assets:						
Fed funds, interest-bearing deposits and repos	**$ 38,066**	**$ 221**	**2.35 %**	$ 48,936	$ 205	1.70 %
FHLB stock	**6,951**	**116**	**6.77**	7,799	134	6.97
Securities:						
Taxable	**58,735**	**475**	**3.28**	63,393	492	3.15
Tax-exempt	**4,588**	**36**	**3.18**	5,349	38	2.88
Total securities (A)	**63,323**	**511**	**3.27**	68,742	530	3.13
Loans:						
SBA loans	**50,015**	**995**	**8.07**	68,376	1,183	7.02
Commercial loans	**697,856**	**9,069**	**5.27**	632,409	7,726	4.95
Residential mortgage loans	**439,904**	**5,560**	**5.13**	371,061	4,340	4.74
Consumer loans	**125,987**	**2,035**	**6.55**	110,947	1,529	5.59
Total loans (B)	**1,313,762**	**17,659**	**5.45**	1,182,793	14,778	5.07
Total interest-earning assets	**$ 1,422,102**	**$ 18,507**	**5.28 %**	$ 1,308,270	$ 15,647	4.85 %
Noninterest-earning assets:						
Cash and due from banks	**26,105**			23,244		
Allowance for loan losses	**(15,753)**			(13,949)		
Other assets	**70,586**			65,686		
Total noninterest-earning assets	**80,938**			74,981		
Total assets	**$ 1,503,040**			$ 1,383,251		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-bearing liabilities:						
Total interest-bearing demand deposits	**$ 182,080**	**$ 409**	**0.91 %**	$ 178,385	$ 224	0.51 %
Total savings deposits	**397,209**	**1,119**	**1.14**	403,222	776	0.78
Total time deposits	**370,990**	**2,007**	**2.19**	252,000	1,000	1.61
Total interest-bearing deposits	**950,279**	**3,535**	**1.51**	833,607	2,000	0.97
Borrowed funds and subordinated debentures	**134,877**	**749**	**2.25**	167,458	768	1.86
Total interest-bearing liabilities	**$ 1,085,156**	**$ 4,284**	**1.60 %**	$ 1,001,065	$ 2,768	1.12 %
Noninterest-bearing liabilities:						
Noninterest-bearing demand deposits	**262,664**			252,128		
Other liabilities	**14,327**			8,910		
Total noninterest-bearing liabilities	**276,991**			261,038		
Total shareholders' equity	**140,893**			121,148		
Total liabilities and shareholders' equity	**$ 1,503,040**			$ 1,383,251		
Net interest spread		**$ 14,223**	**3.68 %**		$ 12,879	3.73 %
Tax-equivalent basis adjustment		**(7)**			(7)	
Net interest income		**$ 14,216**			$ 12,872	
Net interest margin			**4.06 %**			3.99 %

(A) Yields related to securities exempt from federal and state income taxes are stated on a fully tax-equivalent basis. They are reduced by the nondeductible portion of interest expense, assuming a federal tax rate of 21 percent and applicable state rates.
(B) The loan averages are stated net of unearned income, and the averages include loans on which the accrual of interest has been discontinued.

UNITY BANCORP, INC.
QUARTERLY ALLOWANCE FOR LOAN LOSSES AND LOAN QUALITY SCHEDULES
March 31, 2019

Amounts in thousands, except percentages	**Mar. 31, 2019**	**Dec. 31, 2018**	**Sept. 30, 2018**	**Jun. 30, 2018**	**Mar. 31, 2018**
ALLOWANCE FOR LOAN LOSSES:					
Balance, beginning of period	**$ 15,488**	$ 14,988	$ 14,634	$ 14,196	$ 13,556
Provision for loan losses charged to expense	**500**	500	500	550	500
	15,988	15,488	15,134	14,746	14,056
Less: Chargeoffs					
SBA loans	**308**	-	169	104	81
Commercial loans	**1**	10	-	-	-
Residential mortgage loans	**-**	-	-	-	-
Consumer loans	**1**	-	-	16	6
Total chargeoffs	**310**	10	169	120	87
Add: Recoveries					
SBA loans	**1**	3	1	3	64
Commercial loans	**5**	5	5	4	16
Residential mortgage loans	-	-	-	-	13
Consumer loans	-	2	17	1	134
Total recoveries	**6**	10	23	8	227
Net chargeoffs (recoveries)	**304**	-	146	112	(140)
Balance, end of period	**$ 15,684**	$ 15,488	$ 14,988	$ 14,634	$ 14,196
LOAN QUALITY INFORMATION:					
Nonperforming loans:					
SBA	**$ 814**	$ 1,560	$ 1,296	$ 1,421	$ 933
Commercial	**1,046**	1,076	1,234	2,061	1,069
Residential mortgage loans	**5,243**	4,211	3,537	1,660	1,952
Consumer loans	**171**	26	128	67	323
Total nonperforming loans (1)	**7,274**	6,873	6,195	5,209	4,277
Other real estate owned ("OREO")	**273**	56	56	56	56
Nonperforming assets	**7,547**	6,929	6,251	5,265	4,333
Less: Amount guaranteed by SBA	**68**	89	104	129	27
Net nonperforming assets	**$ 7,479**	$ 6,840	$ 6,147	$ 5,136	$ 4,306
Loans 90 days past due & still accruing	**$ 39**	$ 98	$ 546	$ 286	$ -
Performing Troubled Debt Restructurings (TDRs)	**$ 738**	$ 745	$ 755	$ 767	$ 774
(1) Nonperforming TDRs included in nonperforming loans	**-**	-	-	-	-
Total TDRs	**$ 738**	$ 745	$ 755	$ 767	$ 774
Allowance for loan losses to:					
Total loans at quarter end	**1.19 %**	1.19 %	1.17 %	1.17 %	1.19 %
Total nonperforming loans (1)	**215.62**	225.35	241.94	280.94	331.91
Nonperforming assets	**207.82**	223.52	239.77	277.95	327.63
Net nonperforming assets	**209.71**	226.43	243.83	284.93	329.68
QTD net chargeoffs (annualized) to QTD average loans:					
SBA loans	**2.49 %**	(0.02) %	1.17 %	0.65 %	0.10 %
Commercial loans	-	-	-	-	(0.01)
Residential mortgage loans	-	-	-	-	(0.01)
Consumer loans	-	(0.01)	(0.06)	0.05	(0.47)
Total loans	**0.09 %**	- %	0.05 %	0.04 %	(0.05) %
Nonperforming loans to total loans	**0.55 %**	0.53 %	0.48 %	0.42 %	0.36 %
Nonperforming loans and TDRs to total loans	**0.61**	0.58	0.54	0.48	0.42
Nonperforming assets to total loans and OREO	**0.57**	0.53	0.49	0.42	0.36
Nonperforming assets to total assets	**0.47**	0.44	0.40	0.35	0.30

UNITY BANCORP, INC.
QUARTERLY FINANCIAL DATA
March 31, 2019

(In thousands, except percentages and per share amounts)	Mar. 31, 2019	Dec. 31, 2018	Sept. 30, 2018	Jun. 30, 2018	Mar. 31, 2018
SUMMARY OF INCOME:					
Total interest income	**$ 18,500**	$ 18,060	$ 17,194	$ 16,369	$ 15,640
Total interest expense	**4,284**	3,896	3,627	3,225	2,768
Net interest income	**14,216**	14,164	13,567	13,144	12,872
Provision for loan losses	**500**	500	500	550	500
Net interest income after provision for loan losses	**13,716**	13,664	13,067	12,594	12,372
Total noninterest income	**2,020**	1,954	2,479	2,312	2,286
Total noninterest expense	**8,476**	8,268	8,801	8,158	8,194
Income before provision for income taxes	**7,260**	7,350	6,745	6,748	6,464
Provision for income taxes	**1,520**	1,547	1,255	1,351	1,235
Net income	**$ 5,740**	$ 5,803	$ 5,490	$ 5,397	$ 5,229
Net income per common share - Basic	**$ 0.53**	$ 0.54	$ 0.51	$ 0.50	$ 0.49
Net income per common share - Diluted	**$ 0.52**	$ 0.53	$ 0.50	$ 0.49	$ 0.48
COMMON SHARE DATA:					
Market price per share	**$ 18.88**	$ 20.76	$ 22.90	$ 22.75	$ 22.00
Dividends paid	**$ 0.07**	$ 0.07	$ 0.07	$ 0.07	$ 0.06
Book value per common share	**$ 13.28**	$ 12.85	$ 12.37	$ 11.94	$ 11.50
Weighted average common shares outstanding - Basic	**10,801**	10,765	10,743	10,717	10,678
Weighted average common shares outstanding - Diluted	**10,955**	10,935	10,936	10,915	10,853
Issued and outstanding common shares	**10,822**	10,780	10,756	10,731	10,709
PERFORMANCE RATIOS (Annualized):					
Return on average assets	**1.55 %**	1.56 %	1.50 %	1.53 %	1.53 %
Return on average equity	**16.52**	17.00	16.64	17.32	17.69
Efficiency ratio	**52.53**	50.69	54.86	52.80	54.00
Noninterest expense to average assets	**2.29**	2.22	2.41	2.32	2.40
BALANCE SHEET DATA:					
Total assets	**$ 1,590,046**	$ 1,579,157	$ 1,553,152	$ 1,514,120	$ 1,439,902
Total deposits	**1,226,586**	1,207,687	1,219,473	1,146,399	1,117,514
Total loans	**1,312,994**	1,304,566	1,283,304	1,246,511	1,195,110
Total securities	**62,962**	63,732	63,399	65,682	67,521
Total shareholders' equity	**143,717**	138,488	133,067	128,141	123,104
Allowance for loan losses	**(15,684)**	(15,488)	(14,988)	(14,634)	(14,196)
TAX EQUIVALENT YIELDS AND RATES:					
Interest-earning assets	**5.28 %**	5.12 %	4.97 %	4.91 %	4.85 %
Interest-bearing liabilities	**1.60**	1.46	1.38	1.27	1.12
Net interest spread	**3.68**	3.66	3.59	3.64	3.73
Net interest margin	**4.06**	4.01	3.92	3.95	3.99
CREDIT QUALITY:					
Nonperforming assets	**$ 7,547**	$ 6,929	$ 6,251	$ 5,265	$ 4,333
QTD net chargeoffs (annualized) to QTD average loans	**0.09 %**	- %	0.05 %	0.04 %	(0.05) %
Allowance for loan losses to total loans	**1.19**	1.19	1.17	1.17	1.19
Nonperforming assets to total loans and OREO	**0.57**	0.53	0.49	0.42	0.36
Nonperforming assets to total assets	**0.47**	0.44	0.40	0.35	0.30
CAPITAL RATIOS AND OTHER:					
Total equity to total assets	**9.04 %**	8.77 %	8.57 %	8.46 %	8.55 %
Leverage ratio	**10.09**	9.90	9.74	9.63	9.46
Common equity tier 1 risk-based capital ratio	**11.78**	11.40	11.15	11.05	11.14
Tier 1 risk-based capital ratio	**12.62**	12.24	12.00	11.92	12.07
Total risk-based capital ratio	**13.87**	13.49	13.25	13.14	13.24
Number of banking offices	**19**	19	19	19	18
Number of ATMs	**20**	20	20	20	19
Number of employees	**190**	198	195	197	199