



Brookline Bancorp Announces Record Second Quarter Results

Net Income of \$31.6 million, EPS of \$0.40

BOSTON, MA -- July 28, 2021 -- Brookline Bancorp, Inc. (NASDAQ: BRKL) (the "Company") today announced record net income of \$31.6 million, or \$0.40 per basic and diluted share, for the second quarter of 2021, compared to net income of \$26.5 million, or \$0.34 per basic and diluted share, for the first quarter of 2021, and net income of \$19.6 million, or \$0.25 per basic and diluted share, for the second quarter of 2020.

"We are pleased to report earnings of \$31.6 million for the second quarter of 2021 representing \$0.40 per share," Paul Perrault, Chairman and Chief Executive Officer of the Company continued, "Brookline Bancorp and its employees continue to execute on our strategy of high performance for both our customers and our stockholders. We look forward to continued success in the second half of 2021."

BALANCE SHEET

Total assets at June 30, 2021 decreased \$97.8 million to \$8.5 billion from \$8.6 billion at March 31, 2021, and decreased \$607.7 million from \$9.1 billion at June 30, 2020. At June 30, 2021, total loans and leases were \$7.0 billion, representing a decrease of \$247.3 million from March 31, 2021, and a decrease of \$387.4 million from June 30, 2020.

The Company funded a total of 4,700 of SBA Paycheck Protection Program ("PPP") loans in the aggregate amount of \$872.1 million. As of June 30, 2021, \$348.4 million in PPP loans remain outstanding, net of deferred fees and costs of \$10.3 million. Excluding PPP loan activity, the core loan portfolio grew \$9.1 million in the quarter compared to a decline of \$117.6 million in the first quarter.

Total investment securities at June 30, 2021 decreased \$36.3 million to \$694.2 million from \$730.4 million at March 31, 2021, and decreased \$162.3 million from \$856.5 million at June 30, 2020. Total cash and cash equivalents at June 30, 2021 increased \$189.5 million to \$320.4 million from \$130.9 million at March 31, 2021, and increased \$65.5 million from \$254.9 million at June 30, 2020. As of June 30, 2021, total investment securities and total cash and cash equivalents represented 12.0 percent of total assets as compared to 10.1 percent and 12.3 percent as of March 31, 2021 and June 30, 2020, respectively.

Total deposits at June 30, 2021 increased \$27.9 million to \$6.89 billion from \$6.87 billion at March 31, 2021 and increased \$454.5 million from \$6.4 billion at June 30, 2020.

Total borrowed funds at June 30, 2021 decreased \$183.0 million to \$363.0 million from \$546.0 million at March 31, 2021 and decreased \$1.0 billion from \$1.4 billion at June 30, 2020.

The ratio of stockholders' equity to total assets was 11.49 percent at June 30, 2021, as compared to 11.04 percent at March 31, 2021, and 10.21 percent at June 30, 2020. The ratio of tangible stockholders' equity to tangible assets (non-GAAP) was 9.75 percent at June 30, 2021, as compared to 9.31 percent at March 31, 2021, and 8.56 percent at June 30, 2020. Tangible book value per share (non-GAAP) increased \$0.34 from \$10.01 at March 31, 2021 to \$10.35 at June 30, 2021, compared to \$9.67 at June 30, 2020.

NET INTEREST INCOME

Net interest income increased \$2.0 million to \$71.1 million for the second quarter of 2021 from \$69.1 million at the quarter ended March 31, 2021. The net interest margin increased 13 basis points to 3.52 percent for the three months ended June 30, 2021 from 3.39 percent for the three months ended March 31, 2021.

NON-INTEREST INCOME

Total non-interest income for the quarter ended June 30, 2021 increased \$1.1 million to \$5.9 million from \$4.8 million for the quarter ended March 31, 2021. The increase was primarily driven by an increase of \$0.7 million in deposit fees and an increase of \$1.0 million in other non-interest income, partially offset by a decrease of \$0.4 million in loan level derivative income, net and a decrease of \$0.2 million in gain on sales of loans and leases.

PROVISION FOR CREDIT LOSSES

The Company recorded a negative provision for credit losses of \$3.3 million for the quarter ended June 30, 2021, compared to a negative provision for credit losses of \$2.1 million for the quarter ended March 31, 2021. Total net charge-offs for the second quarter of 2021 were \$0.6 million compared to \$1.8 million in the first quarter of 2021. The decrease is primarily driven by a combination of a decrease in charge-offs of equipment financing loans and commercial loans of \$0.6 million and \$0.3 million, respectively, and an increase in recoveries of equipment financing loans and home equity loans of \$0.2 million and \$0.1 million, respectively. The ratio of net loan and lease charge-offs to average loans and leases on an annualized basis decreased to 3 basis points for the second quarter of 2021 from 10 basis points for the first quarter of 2021.

The allowance for loan and lease losses represented 1.52 percent of total loans and leases at June 30, 2021, compared to 1.51 percent at March 31, 2021, and 1.61 percent at June 30, 2020. Excluding PPP loans, the allowance for loan and lease losses represents 1.60 percent of total loans and leases at June 30, 2021 compared to 1.65 percent at March 31, 2021, and 1.75 percent at June 30, 2020.

ASSET QUALITY

The ratio of nonperforming loans and leases to total loans and leases was 0.49 percent at June 30, 2021, an increase from 0.43 percent at March 31, 2021. Total nonaccrual loans and leases increased \$3.2 million to \$34.2 million at June 30, 2021 from \$31.0 million at March 31, 2021. The ratio of nonperforming assets to total assets was 0.41 percent at June 30, 2021, a decrease from 0.44 percent at March 31, 2021. Total nonperforming assets decreased \$2.8 million to \$34.6 million at June 30, 2021 from \$37.4 million at March 31, 2021.

From March 1, 2020 through the earlier of January 1, 2022 or 60 days after the termination date of the national emergency declared by the President on March 13, 2020 concerning the COVID-19 outbreak, a financial institution may elect to suspend the requirements under accounting principles generally accepted in the U.S. for loan modifications related to the COVID-19 pandemic that would otherwise be categorized as a troubled debt restructured, including impairment accounting. This troubled debt restructuring relief applies for the term of the loan modification that occurs during the applicable period for a loan that was not more than 30 days past due as of December 31, 2019. Financial institutions are required to maintain records of the volume of loans involved in modifications to which troubled debt restructuring relief is applicable. As of June 30, 2021, approximately 90 percent of loans granted an initial loan payment deferral have returned to payment status and 151 credits totaling \$96.0 million or 1.4 percent of total loans outstanding are operating under modified terms.

NON-INTEREST EXPENSE

Non-interest expense for the quarter ended June 30, 2021 decreased \$2.8 million to \$38.0 million from \$40.8 million for the quarter ended March 31, 2021. The decrease was primarily driven by decreases of \$0.6 million in compensation and employee benefits expense, \$0.4 million in FDIC insurance expense and \$1.8 million in other non-interest expense due to a \$2.1 million gain on sale of other real estate owned.

PROVISION FOR INCOME TAXES

The effective tax rate was 25.4 percent and 25.2 percent for the three and six months ended June 30, 2021 compared to 24.9 percent for the three months ended March 31, 2021 and 24.9 percent and a negative 2.2 percent for the three and six months ended June 30, 2020.

RETURNS ON AVERAGE ASSETS AND AVERAGE EQUITY

The annualized return on average assets increased to 1.48 percent during the second quarter 2021 from 1.21 percent for the first quarter of 2021.

The annualized return on average stockholders' equity increased to 13.21 percent during the second quarter of 2021 from 11.18 percent for the first quarter of 2021. The annualized return on average tangible stockholders' equity increased to 15.92 percent for the second quarter of 2021 from 13.51 percent for the first quarter of 2021.

DIVIDEND DECLARED

The Company's Board of Directors approved a dividend of \$0.12 per share for the quarter ended June 30, 2021. The dividend will be paid on August 27, 2021 to stockholders of record on August 13, 2021.

CONFERENCE CALL

The Company will conduct a conference call/webcast at 1:30 PM Eastern Daylight Time on Thursday, July 29, 2021 to discuss the results for the quarter, business highlights and outlook. A copy of the Earnings Presentation is available on the Company's website, www.brooklinebancorp.com. To listen to the call and view the Company's Earnings Presentation, please join the call via <https://services.choruscall.com/links/brkl1210729.html>. To listen to the call without access to the slides, interested parties may dial 877-504-4120 (United States) or 412-902-6650 (internationally) and ask for the Brookline Bancorp, Inc. conference call. A recorded playback of the call will be available for one week following the call on the Company's website under "Investor Relations" or by dialing 877-344-7529 (United States) or 412-317-0088 (internationally) and entering the passcode: 10157750.

ABOUT BROOKLINE BANCORP, INC.

Brookline Bancorp, Inc., a bank holding company with \$8.5 billion in assets and branch locations in Massachusetts and Rhode Island, is headquartered in Boston, Massachusetts and operates as the holding company for Brookline Bank and Bank Rhode Island (the "banks"). The Company provides commercial and retail banking services, cash management and investment services to customers throughout Central New England. More information about Brookline Bancorp, Inc. and its banks can be found at the following websites: www.brooklinebank.com and www.bankri.com.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release that are not historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements contained in this press release that do not describe historical or current facts are forward-looking statements, including statements regard the potential effects of COVID-19 on the Company's business, credit quality, financial condition, liquidity and results of operations. Forward-looking statements made with regard to the potential effects of the COVID-19 pandemic on the Company's business, financial condition, credit quality, liquidity and results of operation may differ, possibly materially, from what is included in this press release due to factors and future developments that are uncertain and beyond the scope of the Company's control. These included, but are not limited to, general business and economic conditions on a national basis and in the local markets in which the Company operates; changes in consumer behavior due to changing political business and economic conditions or legislative or regulatory initiatives; the possibility that future credit losses may be higher than currently expected; reputational risk relating to the Company's participation in the Paycheck Protection Program and other pandemic-related legislative and regulatory initiatives and programs; and turbulence in capital and debt markets. Forward-looking statements involve risks and uncertainties which are difficult to predict. The Company's actual results could differ materially from those projected in the forward-looking statements as a result of, among others, the risks outlined in the Company's Annual Report on Form 10-K, as updated by its Quarterly Reports on Form 10-Q and other filings submitted to the Securities and Exchange Commission ("SEC"). The Company does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statements are made.

BASIS OF PRESENTATION

The Company's consolidated financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") as set forth by the Financial Accounting Standards Board in its Accounting Standards Codification and through the rules and interpretive releases of the SEC under the authority of federal securities laws. Certain amounts previously reported have been reclassified to conform to the current period's presentation.

NON-GAAP FINANCIAL MEASURES

The Company uses certain non-GAAP financial measures, such as operating earnings, operating return on average assets, operating return on average tangible assets, operating return on average stockholders' equity, operating return on average tangible stockholders' equity, the allowance for loan and lease losses as a percentage of total loans and leases less PPP loans, tangible book value per common share, tangible stockholders' equity to tangible assets, return on average tangible assets (annualized) and return on average tangible stockholders' equity (annualized). These non-GAAP financial measures provide information for investors to effectively analyze financial trends of ongoing business activities, and to enhance comparability with peers across the financial services sector. A detailed reconciliation table of the Company's GAAP to the non-GAAP measures is attached.

INVESTOR RELATIONS:

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BROOKLINE BANCORP, INC. AND SUBSIDIARIES
Selected Financial Highlights (Unaudited)

| | At and for the Three Months Ended | | | | |
|---|--|-------------------|----------------------|-----------------------|------------------|
| | June 30, 2021 | March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 |
| | (Dollars In Thousands Except per Share Data) | | | | |
| Earnings Data: | | | | | |
| Net interest income | \$ 71,106 | \$ 69,109 | \$ 68,225 | \$ 65,938 | \$ 64,288 |
| (Credit) provision for credit losses | (3,331) | (2,147) | (2,103) | 4,528 | 5,347 |
| Non-interest income | 5,910 | 4,794 | 4,219 | 4,862 | 6,235 |
| Non-interest expense | 37,966 | 40,811 | 40,038 | 40,947 | 39,109 |
| Income before provision for income taxes | 42,381 | 35,239 | 34,509 | 25,325 | 26,067 |
| Net income | 31,602 | 26,454 | 26,663 | 18,679 | 19,571 |
| Performance Ratios: | | | | | |
| Net interest margin (1) | 3.52 % | 3.39 % | 3.23 % | 3.08 % | 3.09 % |
| Interest-rate spread (1) | 3.34 % | 3.15 % | 3.03 % | 2.85 % | 2.75 % |
| Return on average assets (annualized) | 1.48 % | 1.21 % | 1.20 % | 0.83 % | 0.88 % |
| Return on average tangible assets (annualized) (non-GAAP) | 1.51 % | 1.24 % | 1.22 % | 0.84 % | 0.90 % |
| Return on average stockholders' equity (annualized) | 13.21 % | 11.18 % | 11.38 % | 7.99 % | 8.45 % |
| Return on average tangible stockholders' equity (annualized) (non-GAAP) | 15.92 % | 13.51 % | 13.79 % | 9.70 % | 10.28 % |
| Efficiency ratio (2) | 49.30 % | 55.22 % | 55.27 % | 57.83 % | 55.46 % |
| Per Common Share Data: | | | | | |
| Net income — Basic | \$ 0.40 | \$ 0.34 | \$ 0.34 | \$ 0.24 | \$ 0.25 |
| Net income — Diluted | 0.40 | 0.34 | 0.34 | 0.24 | 0.25 |
| Cash dividends declared | 0.120 | 0.120 | 0.115 | 0.115 | 0.115 |
| Book value per share (end of period) | 12.44 | 12.10 | 12.05 | 11.84 | 11.75 |
| Tangible book value per share (end of period) (non-GAAP) | 10.35 | 10.01 | 9.96 | 9.77 | 9.67 |
| Stock price (end of period) | 14.95 | 15.00 | 12.04 | 8.65 | 10.08 |
| Balance Sheet: | | | | | |
| Total assets | \$ 8,461,964 | \$ 8,559,810 | \$ 8,942,424 | \$ 9,000,192 | \$ 9,069,667 |
| Total loans and leases | 7,020,275 | 7,267,552 | 7,269,553 | 7,396,358 | 7,407,697 |
| Total deposits | 6,894,701 | 6,866,786 | 6,910,696 | 6,792,523 | 6,440,233 |
| Total stockholders' equity | 972,252 | 945,399 | 941,778 | 935,558 | 926,413 |
| Asset Quality: | | | | | |
| Nonperforming assets | \$ 34,588 | \$ 37,403 | \$ 44,963 | \$ 39,365 | \$ 42,754 |
| Nonperforming assets as a percentage of total assets | 0.41 % | 0.44 % | 0.50 % | 0.44 % | 0.47 % |
| Allowance for loan and lease losses | \$ 106,474 | \$ 109,837 | \$ 114,379 | \$ 119,971 | \$ 119,553 |
| Allowance for loan and lease losses as a percentage of total loans and leases | 1.52 % | 1.51 % | 1.57 % | 1.62 % | 1.61 % |
| Net loan and lease charge-offs | \$ 595 | \$ 1,760 | \$ 4,381 | \$ 4,963 | \$ 1,383 |
| Net loan and lease charge-offs as a percentage of average loans and leases (annualized) | 0.03 % | 0.10 % | 0.24 % | 0.27 % | 0.08 % |
| Capital Ratios: | | | | | |
| Stockholders' equity to total assets | 11.49 % | 11.04 % | 10.53 % | 10.39 % | 10.21 % |
| Tangible stockholders' equity to tangible assets (non-GAAP) | 9.75 % | 9.31 % | 8.86 % | 8.73 % | 8.56 % |

(1) Calculated on a fully tax-equivalent basis.

(2) Calculated as non-interest expense as a percentage of net interest income plus non-interest income.

BROOKLINE BANCORP, INC. AND SUBSIDIARIES
Consolidated Balance Sheets (Unaudited)

| | June 30, 2021 | March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 |
|---|----------------------------------|---------------------------|------------------------------|-------------------------------|--------------------------|
| <i>ASSETS</i> | | | | | |
| | (In Thousands Except Share Data) | | | | |
| Cash and due from banks | \$ 36,079 | \$ 41,284 | \$ 36,069 | \$ 33,818 | \$ 38,522 |
| Short-term investments | 284,370 | 89,643 | 398,848 | 283,515 | 216,394 |
| Total cash and cash equivalents | <u>320,449</u> | <u>130,927</u> | <u>434,917</u> | <u>317,333</u> | <u>254,916</u> |
| Investment securities available-for-sale | 694,151 | 729,901 | 745,822 | 783,867 | 854,505 |
| Investment securities held-to-maturity | — | — | — | — | — |
| Equity securities held-for-trading | — | 518 | 526 | 525 | 1,992 |
| Total investment securities | <u>694,151</u> | <u>730,419</u> | <u>746,348</u> | <u>784,392</u> | <u>856,497</u> |
| Loans and leases: | | | | | |
| Commercial real estate loans | 3,815,581 | 3,790,341 | 3,823,826 | 3,835,372 | 3,837,703 |
| Commercial loans and leases | 2,038,851 | 2,324,202 | 2,274,899 | 2,354,613 | 2,361,463 |
| Consumer loans | 1,165,843 | 1,153,009 | 1,170,828 | 1,206,373 | 1,208,531 |
| Total loans and leases | <u>7,020,275</u> | <u>7,267,552</u> | <u>7,269,553</u> | <u>7,396,358</u> | <u>7,407,697</u> |
| Allowance for loan and lease losses | (106,474) | (109,837) | (114,379) | (119,971) | (119,553) |
| Net loans and leases | <u>6,913,801</u> | <u>7,157,715</u> | <u>7,155,174</u> | <u>7,276,387</u> | <u>7,288,144</u> |
| Restricted equity securities | 31,627 | 40,400 | 49,786 | 61,715 | 71,638 |
| Premises and equipment, net of accumulated depreciation | 71,240 | 72,524 | 71,568 | 72,441 | 73,127 |
| Right-of-use asset operating leases | 22,682 | 23,180 | 24,143 | 23,492 | 24,343 |
| Deferred tax asset | 41,324 | 42,857 | 40,129 | 42,269 | 42,683 |
| Goodwill | 160,427 | 160,427 | 160,427 | 160,427 | 160,427 |
| Identified intangible assets, net of accumulated amortization | 2,692 | 2,920 | 3,152 | 3,464 | 3,775 |
| Other real estate owned and repossessed assets | 372 | 6,383 | 6,515 | 1,413 | 1,454 |
| Other assets | 203,199 | 192,058 | 250,265 | 256,859 | 292,663 |
| Total assets | <u>\$ 8,461,964</u> | <u>\$ 8,559,810</u> | <u>\$ 8,942,424</u> | <u>\$ 9,000,192</u> | <u>\$ 9,069,667</u> |
| <i>LIABILITIES AND STOCKHOLDERS' EQUITY</i> | | | | | |
| Deposits: | | | | | |
| Demand checking accounts | \$ 1,926,713 | \$ 1,724,170 | \$ 1,592,205 | \$ 1,550,267 | \$ 1,603,037 |
| NOW accounts | 495,598 | 481,988 | 513,948 | 459,902 | 417,622 |
| Savings accounts | 782,482 | 724,504 | 701,659 | 716,630 | 657,758 |
| Money market accounts | 2,250,651 | 2,192,468 | 2,018,977 | 1,878,258 | 1,809,868 |
| Certificate of deposit accounts | 1,178,131 | 1,273,105 | 1,389,998 | 1,492,913 | 1,601,768 |
| Brokered deposit accounts | 261,126 | 470,551 | 693,909 | 694,553 | 350,180 |
| Total deposits | <u>6,894,701</u> | <u>6,866,786</u> | <u>6,910,696</u> | <u>6,792,523</u> | <u>6,440,233</u> |
| Borrowed funds: | | | | | |
| Advances from the FHLBB | 204,154 | 378,646 | 648,849 | 841,169 | 1,267,570 |
| Subordinated debentures and notes | 83,821 | 83,783 | 83,746 | 83,707 | 83,668 |
| Other borrowed funds | 75,039 | 83,574 | 87,652 | 80,169 | 55,431 |
| Total borrowed funds | <u>363,014</u> | <u>546,003</u> | <u>820,247</u> | <u>1,005,045</u> | <u>1,406,669</u> |
| Operating lease liabilities | 22,682 | 23,180 | 24,143 | 23,492 | 24,343 |
| Mortgagors' escrow accounts | 6,231 | 6,483 | 5,901 | 6,429 | 6,467 |
| Reserve for unfunded credits | 13,142 | 13,705 | 13,071 | 13,964 | 14,816 |
| Accrued expenses and other liabilities | 189,942 | 158,254 | 226,588 | 223,181 | 250,726 |
| Total liabilities | <u>7,489,712</u> | <u>7,614,411</u> | <u>8,000,646</u> | <u>8,064,634</u> | <u>8,143,254</u> |
| Stockholders' equity: | | | | | |
| Common stock, \$0.01 par value; 200,000,000 shares authorized; 85,177,172 shares issued, 85,177,172 shares issued, 85,177,172 shares issued, 85,177,172 shares issued, and 85,177,172 shares issued, respectively | 852 | 852 | 852 | 852 | 852 |
| Additional paid-in capital | 738,557 | 737,882 | 737,178 | 736,294 | 738,155 |
| Retained earnings, partially restricted | 304,466 | 282,301 | 264,892 | 247,336 | 237,808 |
| Accumulated other comprehensive income | 6,089 | 2,082 | 16,490 | 18,782 | 19,538 |
| Treasury stock, at cost; | | | | | |
| 6,536,478, 6,534,602, 6,525,783, 5,629,854, and 5,859,708 shares, respectively | (77,493) | (77,463) | (77,343) | (67,376) | (69,572) |
| Unallocated common stock held by the Employee Stock Ownership Plan; | | | | | |
| 37,890, 44,502, 51,114, 58,227, and 65,334 shares, respectively | (219) | (255) | (291) | (330) | (368) |
| Total stockholders' equity | <u>972,252</u> | <u>945,399</u> | <u>941,778</u> | <u>935,558</u> | <u>926,413</u> |
| Total liabilities and stockholders' equity | <u>\$ 8,461,964</u> | <u>\$ 8,559,810</u> | <u>\$ 8,942,424</u> | <u>\$ 9,000,192</u> | <u>\$ 9,069,667</u> |

BROOKLINE BANCORP, INC. AND SUBSIDIARIES

Consolidated Statements of Income (Unaudited)

Three Months Ended

| | June 30, 2021 | March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 |
|---|----------------------------------|---------------------------|------------------------------|-------------------------------|--------------------------|
| | (In Thousands Except Share Data) | | | | |
| Interest and dividend income: | | | | | |
| Loans and leases | \$ 75,026 | \$ 75,009 | \$ 76,583 | \$ 76,240 | \$ 77,416 |
| Debt securities | 3,121 | 3,118 | 3,335 | 3,746 | 3,701 |
| Marketable and restricted equity securities | 233 | 301 | 490 | 672 | 908 |
| Short-term investments | 42 | 39 | 59 | 46 | 99 |
| Total interest and dividend income | <u>78,422</u> | <u>78,467</u> | <u>80,467</u> | <u>80,704</u> | <u>82,124</u> |
| Interest expense: | | | | | |
| Deposits | 5,380 | 6,707 | 8,825 | 10,583 | 12,778 |
| Borrowed funds | 1,936 | 2,651 | 3,417 | 4,183 | 5,058 |
| Total interest expense | <u>7,316</u> | <u>9,358</u> | <u>12,242</u> | <u>14,766</u> | <u>17,836</u> |
| Net interest income | 71,106 | 69,109 | 68,225 | 65,938 | 64,288 |
| (Credit) provision for credit losses | (3,331) | (2,147) | (2,103) | 4,528 | 5,347 |
| Net interest income after provision for credit losses | <u>74,437</u> | <u>71,256</u> | <u>70,328</u> | <u>61,410</u> | <u>58,941</u> |
| Non-interest income: | | | | | |
| Deposit fees | 3,015 | 2,281 | 2,358 | 2,305 | 1,929 |
| Loan fees | 607 | 599 | 588 | 397 | 513 |
| Loan level derivative income, net | 7 | 474 | 145 | 527 | 1,440 |
| Gain (loss) on investment securities, net | 1 | (7) | — | 54 | 586 |
| Gain on sales of loans and leases held-for-sale | 538 | 709 | 67 | 632 | 299 |
| Other | 1,742 | 738 | 1,061 | 947 | 1,468 |
| Total non-interest income | <u>5,910</u> | <u>4,794</u> | <u>4,219</u> | <u>4,862</u> | <u>6,235</u> |
| Non-interest expense: | | | | | |
| Compensation and employee benefits | 25,161 | 25,821 | 25,054 | 26,092 | 24,619 |
| Occupancy | 3,832 | 4,004 | 3,806 | 3,802 | 3,825 |
| Equipment and data processing | 4,697 | 4,493 | 4,193 | 4,293 | 4,155 |
| Professional services | 1,245 | 1,226 | 1,338 | 1,112 | 1,056 |
| FDIC insurance | 657 | 1,044 | 1,630 | 1,363 | 858 |
| Advertising and marketing | 1,110 | 1,100 | 1,010 | 1,024 | 1,017 |
| Amortization of identified intangible assets | 228 | 232 | 312 | 312 | 311 |
| Other | 1,036 | 2,891 | 2,695 | 2,949 | 3,268 |
| Total non-interest expense | <u>37,966</u> | <u>40,811</u> | <u>40,038</u> | <u>40,947</u> | <u>39,109</u> |
| Income before provision for income taxes | 42,381 | 35,239 | 34,509 | 25,325 | 26,067 |
| Provision for income taxes | 10,779 | 8,785 | 7,846 | 6,646 | 6,496 |
| Net income | <u>\$ 31,602</u> | <u>\$ 26,454</u> | <u>\$ 26,663</u> | <u>\$ 18,679</u> | <u>\$ 19,571</u> |
| Earnings per common share: | | | | | |
| Basic | \$ 0.40 | \$ 0.34 | \$ 0.34 | \$ 0.24 | \$ 0.25 |
| Diluted | \$ 0.40 | \$ 0.34 | \$ 0.34 | \$ 0.24 | \$ 0.25 |
| Weighted average common shares outstanding during the period: | | | | | |
| Basic | 78,150,364 | 78,143,752 | 78,533,351 | 78,948,139 | 78,849,282 |
| Diluted | 78,470,451 | 78,404,063 | 78,680,873 | 79,055,901 | 79,015,274 |
| Dividends paid per common share | \$ 0.120 | \$ 0.115 | \$ 0.115 | \$ 0.115 | \$ 0.115 |

BROOKLINE BANCORP, INC. AND SUBSIDIARIES
Consolidated Statements of Income (Unaudited)

| | Six Months Ended June 30, | |
|---|----------------------------------|-------------|
| | 2021 | 2020 |
| | (In Thousands Except Share Data) | |
| Interest and dividend income: | | |
| Loans and leases | \$ 150,035 | \$ 156,975 |
| Debt securities | 6,239 | 6,677 |
| Marketable and restricted equity securities | 534 | 1,686 |
| Short-term investments | 81 | 308 |
| Total interest and dividend income | 156,889 | 165,646 |
| Interest expense: | | |
| Deposits | 12,087 | 29,018 |
| Borrowed funds | 4,587 | 10,628 |
| Total interest expense | 16,674 | 39,646 |
| Net interest income | 140,215 | 126,000 |
| (Credit) provision for credit losses | (5,478) | 59,461 |
| Net interest income after provision for credit losses | 145,693 | 66,539 |
| Non-interest income: | | |
| Deposit Fees | 5,296 | 4,387 |
| Loan Fees | 1,160 | 1,063 |
| Loan level derivative income, net | 481 | 3,596 |
| (Loss) gain on investment securities, net | (6) | 1,916 |
| Gain on sales of loans and leases held-for-sale | 1,247 | 419 |
| Other | 2,526 | 4,182 |
| Total non-interest income | 10,704 | 15,563 |
| Non-interest expense: | | |
| Compensation and employee benefits | 50,982 | 49,838 |
| Occupancy | 7,836 | 7,778 |
| Equipment and data processing | 9,190 | 8,858 |
| Professional services | 2,471 | 2,707 |
| FDIC insurance | 1,701 | 1,236 |
| Advertising and marketing | 2,210 | 2,092 |
| Amortization of identified intangible assets | 460 | 647 |
| Other | 3,927 | 6,701 |
| Total non-interest expense | 78,777 | 79,857 |
| Income before provision for income taxes | 77,620 | 2,245 |
| Provision (benefit) for income taxes | 19,564 | (50) |
| Net income | \$ 58,056 | \$ 2,295 |
| Earnings per common share: | | |
| Basic | \$ 0.74 | \$ 0.03 |
| Diluted | \$ 0.74 | \$ 0.03 |
| Weighted average common shares outstanding during the period: | | |
| Basic | 78,147,076 | 79,165,372 |
| Diluted | 78,437,275 | 79,340,524 |
| Dividends paid per common share | \$ 0.235 | \$ 0.230 |

BROOKLINE BANCORP, INC. AND SUBSIDIARIES

Asset Quality Analysis (Unaudited)

At and for the Three Months Ended

| | <u>June 30, 2021</u> | <u>March 31, 2021</u> | <u>December 31, 2020</u> | <u>September 30, 2020</u> | <u>June 30, 2020</u> |
|--|--------------------------|---------------------------|------------------------------|-------------------------------|--------------------------|
| | (Dollars in Thousands) | | | | |
| NONPERFORMING ASSETS: | | | | | |
| Loans and leases accounted for on a nonaccrual basis: | | | | | |
| Commercial real estate mortgage | \$ 11,657 | \$ 3,611 | \$ 3,300 | \$ 10,841 | \$ 10,139 |
| Multi-family mortgage | — | — | — | — | — |
| Construction | — | 3,853 | 3,853 | — | — |
| Total commercial real estate loans | <u>11,657</u> | <u>7,464</u> | <u>7,153</u> | <u>10,841</u> | <u>10,139</u> |
| Commercial | 3,207 | 3,161 | 7,702 | 7,751 | 12,427 |
| Equipment financing | 14,872 | 15,772 | 16,757 | 13,372 | 13,100 |
| Condominium association | 97 | 106 | 112 | 117 | 190 |
| Total commercial loans and leases | <u>18,176</u> | <u>19,039</u> | <u>24,571</u> | <u>21,240</u> | <u>25,717</u> |
| Residential mortgage | 3,638 | 3,722 | 5,587 | 4,634 | 4,157 |
| Home equity | 744 | 793 | 1,136 | 1,235 | 1,278 |
| Other consumer | 1 | 2 | 1 | 2 | 9 |
| Total consumer loans | <u>4,383</u> | <u>4,517</u> | <u>6,724</u> | <u>5,871</u> | <u>5,444</u> |
| Total nonaccrual loans and leases | <u>34,216</u> | <u>31,020</u> | <u>38,448</u> | <u>37,952</u> | <u>41,300</u> |
| Other real estate owned | — | 5,328 | 5,415 | — | — |
| Other repossessed assets | 372 | 1,055 | 1,100 | 1,413 | 1,454 |
| Total nonperforming assets | <u>\$ 34,588</u> | <u>\$ 37,403</u> | <u>\$ 44,963</u> | <u>\$ 39,365</u> | <u>\$ 42,754</u> |
| Loans and leases past due greater than 90 days and still accruing | <u>\$ 3,154</u> | <u>\$ 1,179</u> | <u>\$ 11,975</u> | <u>\$ 1,180</u> | <u>\$ 1,974</u> |
| Troubled debt restructurings on accrual | 14,387 | 16,770 | 11,483 | 11,309 | 10,172 |
| Troubled debt restructurings on nonaccrual | 6,410 | 6,293 | 7,476 | 5,742 | 5,972 |
| Total troubled debt restructurings | <u>\$ 20,797</u> | <u>\$ 23,063</u> | <u>\$ 18,959</u> | <u>\$ 17,051</u> | <u>\$ 16,144</u> |
| Nonperforming loans and leases as a percentage of total loans and leases | 0.49 % | 0.43 % | 0.53 % | 0.51 % | 0.56 % |
| Nonperforming assets as a percentage of total assets | 0.41 % | 0.44 % | 0.50 % | 0.44 % | 0.47 % |
| PROVISION AND ALLOWANCE FOR LOAN AND LEASE LOSSES: | | | | | |
| Allowance for loan and lease losses at beginning of period | \$ 109,837 | \$ 114,379 | \$ 119,971 | \$ 119,553 | \$ 113,181 |
| CECL adjustment to retained earnings | — | — | — | — | — |
| Charge-offs | (1,221) | (2,143) | (4,810) | (5,511) | (1,803) |
| Recoveries | 626 | 383 | 429 | 548 | 420 |
| Net charge-offs | <u>(595)</u> | <u>(1,760)</u> | <u>(4,381)</u> | <u>(4,963)</u> | <u>(1,383)</u> |
| (Credit) provision for loan and lease losses excluding unfunded commitments * | <u>(2,768)</u> | <u>(2,782)</u> | <u>(1,211)</u> | <u>5,381</u> | <u>7,755</u> |
| Allowance for loan and lease losses at end of period | <u>\$ 106,474</u> | <u>\$ 109,837</u> | <u>\$ 114,379</u> | <u>\$ 119,971</u> | <u>\$ 119,553</u> |
| Allowance for loan and lease losses as a percentage of total loans and leases | 1.52 % | 1.51 % | 1.57 % | 1.62 % | 1.61 % |
| NET CHARGE-OFFS: | | | | | |
| Commercial real estate loans | \$ 17 | \$ — | \$ 3,444 | \$ 70 | \$ (94) |
| Commercial loans and leases | 695 | 1,809 | 1,011 | 4,917 | 1,498 |
| Consumer loans | (117) | (49) | (74) | (24) | (21) |
| Total net charge-offs | <u>\$ 595</u> | <u>\$ 1,760</u> | <u>\$ 4,381</u> | <u>\$ 4,963</u> | <u>\$ 1,383</u> |
| Net loan and lease charge-offs as a percentage of average loans and leases (annualized) | 0.03 % | 0.10 % | 0.24 % | 0.27 % | 0.08 % |

*Provision for loan and lease losses does not include (credit) provision of \$(0.6) million, \$0.6 million, \$(0.9) million, \$(0.9) million and \$2.4 million for credit losses on unfunded commitments during the three months ended June 30, 2021, March 31, 2021, December 31, 2020, September 30, 2020 and June 30, 2020, respectively.

BROOKLINE BANCORP, INC. AND SUBSIDIARIES
Average Yields / Costs (Unaudited)

Three Months Ended

| | June 30, 2021 | | | March 31, 2021 | | | June 30, 2020 | | |
|--|------------------------|------------------|---------------------|---------------------|------------------|---------------------|---------------------|------------------|---------------------|
| | Average Balance | Interest (1) | Average Yield/ Cost | Average Balance | Interest (1) | Average Yield/ Cost | Average Balance | Interest (1) | Average Yield/ Cost |
| | (Dollars in Thousands) | | | | | | | | |
| Assets: | | | | | | | | | |
| Interest-earning assets: | | | | | | | | | |
| Investments: | | | | | | | | | |
| Debt securities (2) | \$ 721,029 | \$ 3,121 | 1.73 % | \$ 754,699 | \$ 3,118 | 1.65 % | \$ 773,523 | \$ 3,719 | 1.92 % |
| Marketable and restricted equity securities (2) | 34,989 | 233 | 2.67 % | 45,673 | 301 | 2.64 % | 71,058 | 915 | 5.15 % |
| Short-term investments | 234,317 | 42 | 0.07 % | 191,751 | 39 | 0.08 % | 245,577 | 99 | 0.16 % |
| Total investments | <u>990,335</u> | <u>3,396</u> | <u>1.37 %</u> | <u>992,123</u> | <u>3,458</u> | <u>1.39 %</u> | <u>1,090,158</u> | <u>4,733</u> | <u>1.74 %</u> |
| Loans and Leases: | | | | | | | | | |
| Commercial real estate loans (3) | 3,780,920 | 34,320 | 3.59 % | 3,785,897 | 34,245 | 3.62 % | 3,761,667 | 36,829 | 3.87 % |
| Commercial loans (3) | 1,115,910 | 13,040 | 4.62 % | 1,249,824 | 12,746 | 4.08 % | 1,234,537 | 10,450 | 3.35 % |
| Equipment financing (3) | 1,074,469 | 17,963 | 6.69 % | 1,079,039 | 18,043 | 6.69 % | 1,069,192 | 18,973 | 7.10 % |
| Residential mortgage loans (3) | 788,296 | 6,927 | 3.51 % | 780,785 | 7,232 | 3.71 % | 814,431 | 8,068 | 3.96 % |
| Other consumer loans (3) | 368,845 | 2,833 | 3.08 % | 375,590 | 2,795 | 3.02 % | 411,326 | 3,153 | 3.07 % |
| Total loans and leases | <u>7,128,440</u> | <u>75,083</u> | <u>4.21 %</u> | <u>7,271,135</u> | <u>75,061</u> | <u>4.13 %</u> | <u>7,291,153</u> | <u>77,473</u> | <u>4.25 %</u> |
| Total interest-earning assets | <u>8,118,775</u> | <u>78,479</u> | <u>3.87 %</u> | <u>8,263,258</u> | <u>78,519</u> | <u>3.80 %</u> | <u>8,381,311</u> | <u>82,206</u> | <u>3.92 %</u> |
| Non-interest-earning assets | <u>421,453</u> | | | <u>450,900</u> | | | <u>488,229</u> | | |
| Total assets | <u>\$ 8,540,228</u> | | | <u>\$ 8,714,158</u> | | | <u>\$ 8,869,540</u> | | |
| Liabilities and Stockholders' Equity: | | | | | | | | | |
| Interest-bearing liabilities: | | | | | | | | | |
| Deposits: | | | | | | | | | |
| NOW accounts | \$ 499,883 | 146 | 0.12 % | \$ 477,893 | 130 | 0.11 % | \$ 395,158 | 114 | 0.12 % |
| Savings accounts | 774,406 | 248 | 0.13 % | 712,728 | 235 | 0.13 % | 663,782 | 357 | 0.22 % |
| Money market accounts | 2,247,997 | 1,497 | 0.27 % | 2,084,503 | 1,486 | 0.29 % | 1,784,343 | 2,074 | 0.47 % |
| Certificates of deposit | 1,226,668 | 3,102 | 1.01 % | 1,328,112 | 4,154 | 1.27 % | 1,637,486 | 8,364 | 2.05 % |
| Brokered deposit accounts | 418,166 | 387 | 0.37 % | 610,824 | 702 | 0.47 % | 381,709 | 1,869 | 1.97 % |
| Total interest-bearing deposits | <u>5,167,120</u> | <u>5,380</u> | <u>0.42 %</u> | <u>5,214,060</u> | <u>6,707</u> | <u>0.52 %</u> | <u>4,862,478</u> | <u>12,778</u> | <u>1.06 %</u> |
| Borrowings | | | | | | | | | |
| Advances from the FHLBB | 250,102 | 663 | 1.05 % | 488,537 | 1,370 | 1.12 % | 1,102,079 | 3,751 | 1.35 % |
| Subordinated debentures and notes | 83,802 | 1,242 | 5.93 % | 83,764 | 1,242 | 5.93 % | 83,647 | 1,263 | 6.04 % |
| Other borrowed funds | 74,285 | 31 | 0.17 % | 92,391 | 39 | 0.17 % | 70,795 | 44 | 0.25 % |
| Total borrowings | <u>408,189</u> | <u>1,936</u> | <u>1.88 %</u> | <u>664,692</u> | <u>2,651</u> | <u>1.60 %</u> | <u>1,256,521</u> | <u>5,058</u> | <u>1.59 %</u> |
| Total interest-bearing liabilities | <u>5,575,309</u> | <u>7,316</u> | <u>0.53 %</u> | <u>5,878,752</u> | <u>9,358</u> | <u>0.65 %</u> | <u>6,118,999</u> | <u>17,836</u> | <u>1.17 %</u> |
| Non-interest-bearing liabilities: | | | | | | | | | |
| Demand checking accounts | 1,785,023 | | | 1,643,373 | | | 1,512,089 | | |
| Other non-interest-bearing liabilities | 222,689 | | | 245,551 | | | 312,213 | | |
| Total liabilities | <u>7,583,021</u> | | | <u>7,767,676</u> | | | <u>7,943,301</u> | | |
| Stockholders' equity | <u>957,207</u> | | | <u>946,482</u> | | | <u>926,239</u> | | |
| Total liabilities and equity | <u>\$ 8,540,228</u> | | | <u>\$ 8,714,158</u> | | | <u>\$ 8,869,540</u> | | |
| Net interest income (tax-equivalent basis) /Interest-rate spread (4) | | 71,163 | <u>3.34 %</u> | | 69,161 | <u>3.15 %</u> | | 64,370 | <u>2.75 %</u> |
| Less adjustment of tax-exempt income | | 57 | | | 52 | | | 82 | |
| Net interest income | | <u>\$ 71,106</u> | | | <u>\$ 69,109</u> | | | <u>\$ 64,288</u> | |
| Net interest margin (5) | | | <u>3.52 %</u> | | | <u>3.39 %</u> | | | <u>3.09 %</u> |

(1) Tax-exempt income on debt securities, equity securities and revenue bonds included in commercial real estate loans is included on a tax-equivalent basis.

(2) Average balances include unrealized gains (losses) on investment securities. Dividend payments may not be consistent and average yield on equity securities may vary from month to month.

(3) Loans on nonaccrual status are included in the average balances.

(4) Interest rate spread represents the difference between the yield on interest-earning assets and the cost of interest-bearing liabilities.

(5) Net interest margin represents net interest income (tax-equivalent basis) divided by average interest-earning assets on an actual/actual basis.

BROOKLINE BANCORP, INC. AND SUBSIDIARIES

Average Yields / Costs (Unaudited)

| | Six Months Ended | | | | | |
|--|---------------------------|-------------------|---------------------------|---------------------------|-------------------|---------------------------|
| | June 30, 2021 | | | June 30, 2020 | | |
| | Average Balance | Interest (1) | Average Yield/ Cost | Average Balance | Interest (1) | Average Yield/ Cost |
| | (Dollars in Thousands) | | | | | |
| Assets: | | | | | | |
| Interest-earning assets: | | | | | | |
| Investments: | | | | | | |
| Debt securities (2) | \$ 737,771 | \$ 6,239 | 1.69 % | \$ 689,704 | \$ 6,743 | 1.96 % |
| Marketable and restricted equity securities (2) | 40,302 | 534 | 2.65 % | 64,968 | 1,701 | 5.24 % |
| Short-term investments | 213,152 | 81 | 0.08 % | 164,943 | 308 | 0.37 % |
| Total investments | <u>991,225</u> | <u>6,854</u> | 1.38 % | <u>919,615</u> | <u>8,752</u> | 1.90 % |
| Loans and Leases: | | | | | | |
| Commercial real estate loans (3) | 3,783,394 | 68,565 | 3.60 % | 3,729,339 | 77,297 | 4.10 % |
| Commercial loans (3) | 1,182,498 | 25,786 | 4.34 % | 1,008,923 | 18,778 | 3.68 % |
| Equipment financing (3) | 1,076,741 | 36,006 | 6.69 % | 1,061,019 | 37,919 | 7.15 % |
| Residential mortgage loans (3) | 784,562 | 14,159 | 3.61 % | 812,507 | 16,002 | 3.94 % |
| Other consumer loans (3) | 372,198 | 5,628 | 3.05 % | 414,570 | 7,108 | 3.43 % |
| Total loans and leases | <u>7,199,393</u> | <u>150,144</u> | 4.17 % | <u>7,026,358</u> | <u>157,104</u> | 4.47 % |
| Total interest-earning assets | <u>8,190,618</u> | <u>156,998</u> | 3.83 % | <u>7,945,973</u> | <u>165,856</u> | 4.17 % |
| Non-interest-earning assets | <u>436,121</u> | | | <u>471,710</u> | | |
| Total assets | <u><u>\$8,626,739</u></u> | | | <u><u>\$8,417,683</u></u> | | |
| Liabilities and Stockholders' Equity: | | | | | | |
| Interest-bearing liabilities: | | | | | | |
| Deposits: | | | | | | |
| NOW accounts | \$ 488,949 | 276 | 0.11 % | \$ 377,399 | 230 | 0.12 % |
| Savings accounts | 743,738 | 483 | 0.13 % | 645,363 | 1,000 | 0.31 % |
| Money market accounts | 2,166,702 | 2,983 | 0.28 % | 1,731,496 | 6,315 | 0.73 % |
| Certificates of deposit | 1,277,110 | 7,256 | 1.15 % | 1,660,193 | 17,615 | 2.13 % |
| Brokered deposit accounts | 513,963 | 1,089 | 0.43 % | 369,856 | 3,858 | 2.10 % |
| Total interest-bearing deposits | <u>5,190,462</u> | <u>12,087</u> | 0.47 % | <u>4,784,307</u> | <u>29,018</u> | 1.22 % |
| Borrowings | | | | | | |
| Advances from the FHLBB | 368,661 | 2,033 | 1.10 % | 937,271 | 7,848 | 1.66 % |
| Subordinated debentures and notes | 83,783 | 2,484 | 5.93 % | 83,628 | 2,547 | 6.09 % |
| Other borrowed funds | 83,288 | 70 | 0.17 % | 80,924 | 233 | 0.58 % |
| Total borrowings | <u>535,732</u> | <u>4,587</u> | 1.70 % | <u>1,101,823</u> | <u>10,628</u> | 1.91 % |
| Total interest-bearing liabilities | <u>5,726,194</u> | <u>16,674</u> | 0.59 % | <u>5,886,130</u> | <u>39,646</u> | 1.35 % |
| Non-interest-bearing liabilities: | | | | | | |
| Demand checking accounts | 1,714,589 | | | 1,323,202 | | |
| Other non-interest-bearing liabilities | 234,082 | | | 272,162 | | |
| Total liabilities | <u>7,674,865</u> | | | <u>7,481,494</u> | | |
| Stockholders' equity | <u>951,874</u> | | | <u>936,189</u> | | |
| Total liabilities and equity | <u><u>\$8,626,739</u></u> | | | <u><u>\$8,417,683</u></u> | | |
| Net interest income (tax-equivalent basis) /Interest-rate spread (4) | | 140,324 | 3.24 % | | 126,210 | 2.82 % |
| Less adjustment of tax-exempt income | | 109 | | | 210 | |
| Net interest income | | <u>\$ 140,215</u> | | | <u>\$ 126,000</u> | |
| Net interest margin (5) | | | 3.45 % | | | 3.19 % |

(1) Tax-exempt income on debt securities, equity securities and revenue bonds included in commercial real estate loans is included on a tax-equivalent basis.

(2) Average balances include unrealized gains (losses) on investment securities. Dividend payments may not be consistent and average yield on equity securities may vary from month to month.

(3) Loans on nonaccrual status are included in the average balances.

(4) Interest rate spread represents the difference between the yield on interest-earning assets and the cost of interest-bearing liabilities.

(5) Net interest margin represents net interest income (tax-equivalent basis) divided by average interest-earning assets on an actual/actual basis.

BROOKLINE BANCORP, INC. AND SUBSIDIARIES
Non-GAAP Financial Information (Unaudited)

| | At and for the Three Months Ended June 30, | | At and for the Six Months Ended June 30, | |
|--|---|------------------|---|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| (Dollars in Thousands Except Share Data) | | | | |
| Reconciliation Table - Non-GAAP Financial Information | | | | |
| Net income attributable to Brookline Bancorp, Inc. | \$ 31,602 | \$ 19,571 | \$ 58,056 | \$ 2,295 |
| Less: | | | | |
| Security gains (losses) (after-tax) | 1 | 440 | (4) | 1,958 |
| Operating earnings | <u>\$ 31,601</u> | <u>\$ 19,131</u> | <u>\$ 58,060</u> | <u>\$ 337</u> |
| Operating earnings per common share: | | | | |
| Basic | \$ 0.40 | \$ 0.24 | \$ 0.74 | \$ — |
| Diluted | 0.40 | 0.24 | 0.74 | — |
| Weighted average common shares outstanding during the period: | | | | |
| Basic | 78,150,364 | 78,849,282 | 78,147,076 | 79,165,372 |
| Diluted | 78,470,451 | 79,015,274 | 78,437,275 | 79,340,524 |
| Return on average assets * | 1.48 % | 0.88 % | 1.35 % | 0.05 % |
| Less: | | | | |
| Security gains (losses) (after-tax) * | — % | 0.02 % | — % | 0.04 % |
| Operating return on average assets * | <u>1.48 %</u> | <u>0.86 %</u> | <u>1.35 %</u> | <u>0.01 %</u> |
| Return on average tangible assets * | 1.51 % | 0.90 % | 1.37 % | 0.06 % |
| Less: | | | | |
| Security gains (losses) (after-tax) * | — % | 0.02 % | — % | 0.05 % |
| Operating return on average tangible assets * | <u>1.51 %</u> | <u>0.88 %</u> | <u>1.37 %</u> | <u>0.01 %</u> |
| Return on average stockholders' equity * | 13.21 % | 8.45 % | 12.20 % | 0.49 % |
| Less: | | | | |
| Security gains (losses) (after-tax) * | — % | 0.19 % | — % | 0.42 % |
| Operating return on average stockholders' equity * | <u>13.21 %</u> | <u>8.26 %</u> | <u>12.20 %</u> | <u>0.07 %</u> |
| Return on average tangible stockholders' equity * | 15.92 % | 10.28 % | 14.73 % | 0.59 % |
| Less: | | | | |
| Security gains (losses) (after-tax) * | — % | 0.24 % | — % | 0.50 % |
| Operating return on average tangible stockholders' equity * | <u>15.92 %</u> | <u>10.04 %</u> | <u>14.73 %</u> | <u>0.09 %</u> |

* Ratios at and for the three and six months ended are annualized.

(Continued)

BROOKLINE BANCORP, INC. AND SUBSIDIARIES
Non-GAAP Financial Information (Unaudited)

At and for the Three Months Ended

| | <u>June 30, 2021</u> | <u>March 31, 2021</u> | <u>December 31, 2020</u> | <u>September 30, 2020</u> | <u>June 30, 2020</u> |
|---|--------------------------|---------------------------|------------------------------|-------------------------------|--------------------------|
| | (Dollars in Thousands) | | | | |
| Net income, as reported | \$ 31,602 | \$ 26,454 | \$ 26,663 | \$ 18,679 | \$ 19,571 |
| Average total assets | \$ 8,540,228 | \$ 8,714,158 | \$ 8,874,467 | \$ 9,018,672 | \$ 8,869,540 |
| Less: Average goodwill and average identified intangible assets, net | 163,224 | 163,457 | 163,758 | 164,072 | 164,385 |
| Average tangible assets | <u>\$ 8,377,004</u> | <u>\$ 8,550,701</u> | <u>\$ 8,710,709</u> | <u>\$ 8,854,600</u> | <u>\$ 8,705,155</u> |
| Return on average tangible assets (annualized) | 1.51 % | 1.24 % | 1.22 % | 0.84 % | 0.90 % |
| Average total stockholders' equity | \$ 957,207 | \$ 946,482 | \$ 937,294 | \$ 934,632 | \$ 926,239 |
| Less: Average goodwill and average identified intangible assets, net | 163,224 | 163,457 | 163,758 | 164,072 | 164,385 |
| Average tangible stockholders' equity | <u>\$ 793,983</u> | <u>\$ 783,025</u> | <u>\$ 773,536</u> | <u>\$ 770,560</u> | <u>\$ 761,854</u> |
| Return on average tangible stockholders' equity (annualized) | 15.92 % | 13.51 % | 13.79 % | 9.70 % | 10.28 % |
| Total stockholders' equity | \$ 972,252 | \$ 945,399 | \$ 941,778 | \$ 935,558 | \$ 926,413 |
| Less: | | | | | |
| Goodwill | 160,427 | 160,427 | 160,427 | 160,427 | 160,427 |
| Identified intangible assets, net | 2,692 | 2,920 | 3,152 | 3,464 | 3,775 |
| Tangible stockholders' equity | <u>\$ 809,133</u> | <u>\$ 782,052</u> | <u>\$ 778,199</u> | <u>\$ 771,667</u> | <u>\$ 762,211</u> |
| Total assets | \$ 8,461,964 | \$ 8,559,810 | \$ 8,942,424 | \$ 9,000,192 | \$ 9,069,667 |
| Less: | | | | | |
| Goodwill | 160,427 | 160,427 | 160,427 | 160,427 | 160,427 |
| Identified intangible assets, net | 2,692 | 2,920 | 3,152 | 3,464 | 3,775 |
| Tangible assets | <u>\$ 8,298,845</u> | <u>\$ 8,396,463</u> | <u>\$ 8,778,845</u> | <u>\$ 8,836,301</u> | <u>\$ 8,905,465</u> |
| Tangible stockholders' equity to tangible assets | 9.75 % | 9.31 % | 8.86 % | 8.73 % | 8.56 % |
| Tangible stockholders' equity | <u>\$ 809,133</u> | <u>\$ 782,052</u> | <u>\$ 778,199</u> | <u>\$ 771,667</u> | <u>\$ 762,211</u> |
| Number of common shares issued | 85,177,172 | 85,177,172 | 85,177,172 | 85,177,172 | 85,177,172 |
| Less: | | | | | |
| Treasury shares | 6,536,478 | 6,534,602 | 6,525,783 | 5,629,854 | 5,859,708 |
| Unallocated ESOP shares | 37,890 | 44,502 | 51,114 | 58,227 | 65,334 |
| Unvested restricted shares | 448,105 | 449,981 | 458,800 | 487,318 | 398,188 |
| Number of common shares outstanding | <u>78,154,699</u> | <u>78,148,087</u> | <u>78,141,475</u> | <u>79,001,773</u> | <u>78,853,942</u> |
| Tangible book value per common share | \$ 10.35 | \$ 10.01 | \$ 9.96 | \$ 9.77 | \$ 9.67 |
| Allowance for loan and lease losses | <u>\$ 106,474</u> | <u>\$ 109,837</u> | <u>\$ 114,379</u> | <u>\$ 119,971</u> | <u>\$ 119,553</u> |
| Total loans and leases | \$ 7,020,275 | \$ 7,267,552 | \$ 7,269,553 | \$ 7,396,358 | \$ 7,407,697 |
| Less: | | | | | |
| Total PPP loans | 348,411 | 604,790 | 489,216 | 568,383 | 565,768 |
| Total loans and leases excluding PPP loans | <u>\$ 6,671,864</u> | <u>\$ 6,662,762</u> | <u>\$ 6,780,337</u> | <u>\$ 6,827,975</u> | <u>\$ 6,841,929</u> |
| Allowance for loan and lease losses as a percentage of total loans and leases less PPP loans | 1.60 % | 1.65 % | 1.69 % | 1.76 % | 1.75 % |