

The slide features a solid blue background with a repeating pattern of light blue, stylized, overlapping arches or petals. The text is centered in a white, sans-serif font.

Bankwell Financial Group 1Q19 Investor Presentation



This presentation may contain certain forward-looking statements about the Company. Forward-looking statements include statements regarding anticipated future events and can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as “believe,” “expect,” “would,” “should,” “could,” or “may.” Forward-looking statements, by their nature, are subject to risks and uncertainties. Certain factors that could cause actual results to differ materially from expected results include increased competitive pressures, changes in the interest rate environment, general economic conditions or conditions within the securities markets, and legislative and regulatory changes that could adversely affect the business in which the Company and its subsidiaries are engaged.



1Q19 Performance



1Q19 Highlights

- Reported Net Income of \$5.1 million, or \$0.65 earnings per share
- The orderly resolution of the “Quarry Loans”¹ progressing according to plan
- Loan originations remain strong at \$93 million
- Loan growth impacted by elevated prepayments
- Net Interest Margin (“NIM”) benefiting from prepayment activity
- Heated competition for deposits continues into 2019
- The Company’s Board of Directors declared a 2Q19 dividend of \$0.13 per share

¹ See BWFG’s 4Q’18 Earnings Release and related Investor Presentation for “Quarry Loans” background



1Q19 Results

Profitability

- \$5.1 million Net Income
- 1.10% Return on Average Assets
- 11.60% Return on Average Equity
- \$22.38 Tangible Book Value

Growth

- \$1.6 billion of gross loans, 3% growth year over year
- \$1.5 billion of deposits, 7% growth year over year
- \$13 million of assets per FTE

Stability

- 1Q19 dividend of \$0.13 per share
 - Considered “Well Capitalized” with
 - 10.53% Tier 1 Leverage
 - 12.00% CET1 / RWA
 - 12.94% Total Capital / RWA
-



1Q Consolidated Statement of Income

Dollars in millions	2019	2018	QoQ ¹	Notes
Total Interest Income	\$21.5	\$18.6	\$2.9	Net Interest Income
Total Interest Expense	\$7.2	\$4.9	\$2.3	
<i>Net Interest Income</i>	<i>\$14.3</i>	<i>\$13.7</i>	<i>\$0.6</i>	
Provision/(Credit) for Loan Losses	\$0.2	\$0.0	\$(0.2)	• Loan growth year over year along with incremental fees from prepayments driving favorability
Net Interest Income after Provision	\$14.1	\$13.7	\$0.4	Non Interest Expense
Non Interest Income	\$1.3	\$1.3	\$(0.0)	
Non Interest Expense	\$9.0	\$9.2	\$0.2	
Pre-Tax Income	\$6.4	\$5.8	\$0.6	• Rising deposit costs partially offsetting Interest Income growth
Income Tax Expense	\$1.3	\$1.2	\$(0.1)	• Decrease in salaries and employee benefits expense, driven by reduction in full time equivalent employees and an increase in deferred loan origination costs as a result of higher loan volume
Reported Net Income (Loss)	\$5.1	\$4.6	\$0.5	
EPS	\$0.65	\$0.59	\$0.06	• Decrease in professional services expense as a result of reduced audit-related fees

¹ Variances are rounded based on actual whole dollar amounts



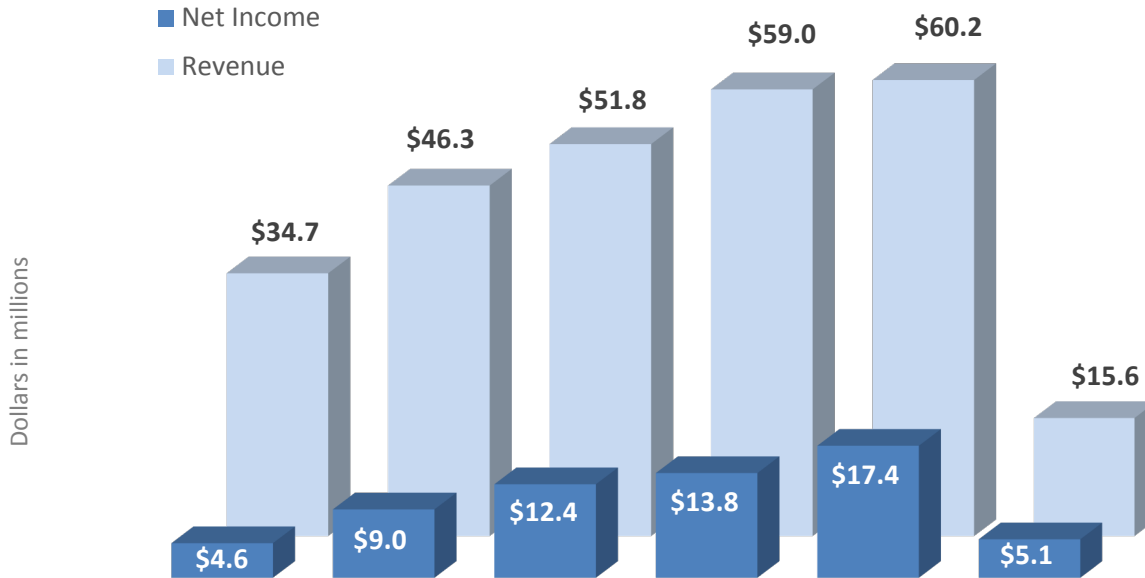
1Q Consolidated Balance Sheet

Dollars in millions	1Q19	4Q18	V ¹
Cash & Cash Equivalents	\$94	\$78	\$15
Investment Securities	\$120	\$117	\$3
Loans Receivable, net	\$1,579	\$1,587	\$(8)
All Other Assets	\$106	\$92	\$14
Total Assets	\$1,898	\$1,874	\$24
Total Deposits	\$1,521	\$1,502	\$19
FHLB Advances & Other Borrowings	\$175	\$185	\$(10)
Other Liabilities	\$24	\$12	\$12
Total Liabilities	\$1,721	\$1,699	\$21
Equity	\$177	\$174	\$3
Total Liabilities & Equity	\$1,898	\$1,874	\$24

¹ Variances are rounded based on actual whole dollar amounts



Financial Performance Trends



	2014	2015	2016	2017	2018	1Q19
EPS	\$0.78	\$1.21	\$1.62	\$1.78¹	\$2.21	\$0.65
Efficiency Ratio	68.7%	62.3%	56.5%	54.9%	59.2%	57.5%
NIM	3.84%	3.77%	3.54%	3.30%	3.18%	3.19%
Non Interest Exp / Assets	2.94%	2.42%	2.03%	1.88%	1.93%	1.94%

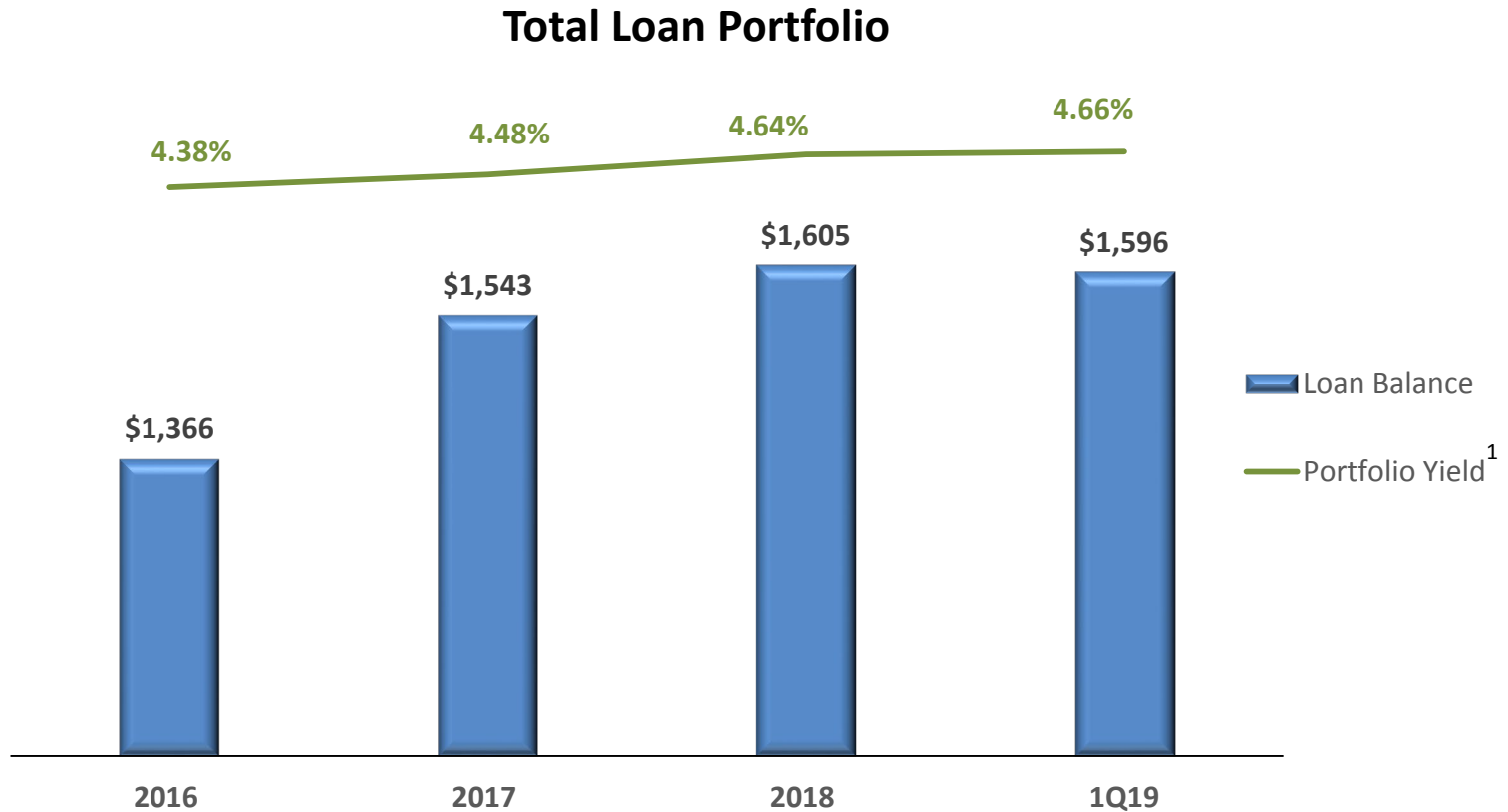
- Rising deposit costs increase pressure on NIM
- 1Q19 NIM is benefitting from fees associated with elevated loan prepayments, including just under \$1.0 million in fees recognized as a result of one lending relationship payoff
- The first quarter Efficiency Ratio was 57.5%, in part benefitting from increased revenue due to loan prepayments as well as continued disciplined expense management
- Post-IPO, Non-Interest Expense as a % of Average Assets has decreased 100 bps, to 1.94%

¹4Q'17 EPS reduced by \$0.26 due to the impact of the *Tax Cut and Jobs Act* passed in December 2017 along with several other smaller items; on a "core" basis, 2017 EPS is \$2.03, please refer to BWFG's 4Q'17 Earnings Release for further detail



Loan Pricing Trends

Dollars in millions



Current market rates imply further portfolio yield increases for 2019

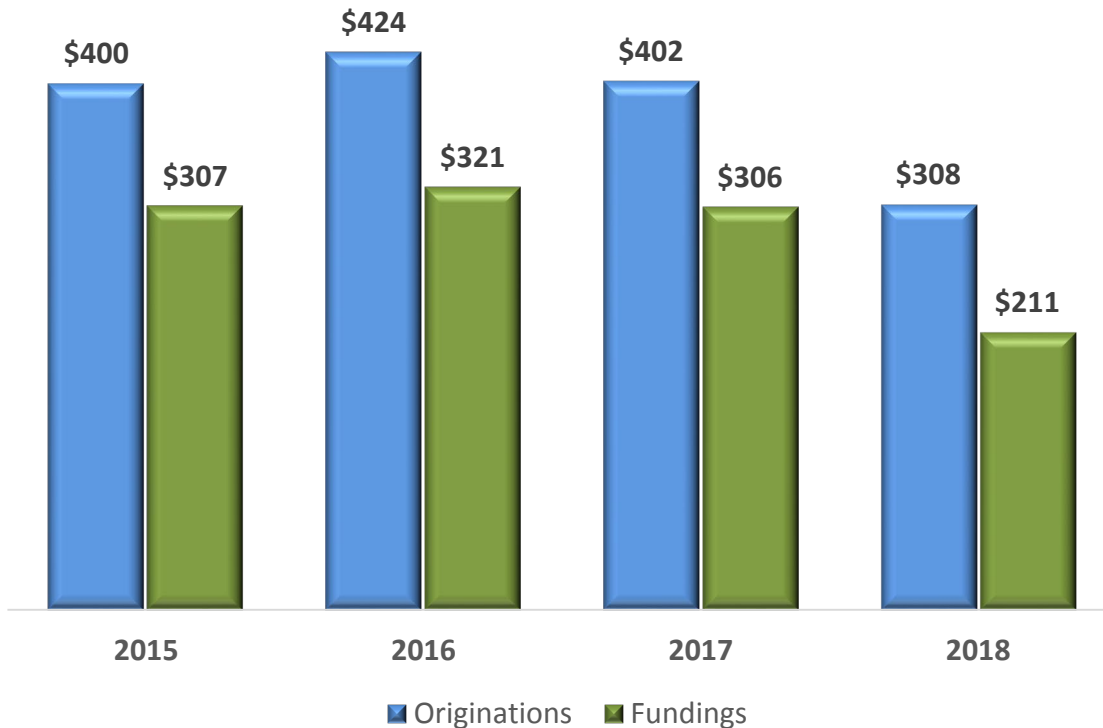
¹ Weighted average yield based on active loans as of 12-31-16, 12-31-17, 12-31-18 & 3-31-19, respectively



Loan Volume Trends

Dollars in millions

Loan Volume



- 2018 volume includes 1Q originations of \$55 million, with \$28 million of fundings, reflecting pricing discipline during a period of disproportionate competition
- By 4Q18, originations rebounded to \$94 million, with \$77 million of fundings
- Strong originations continued into 1Q19, totaling \$93 million, with \$62 million of fundings



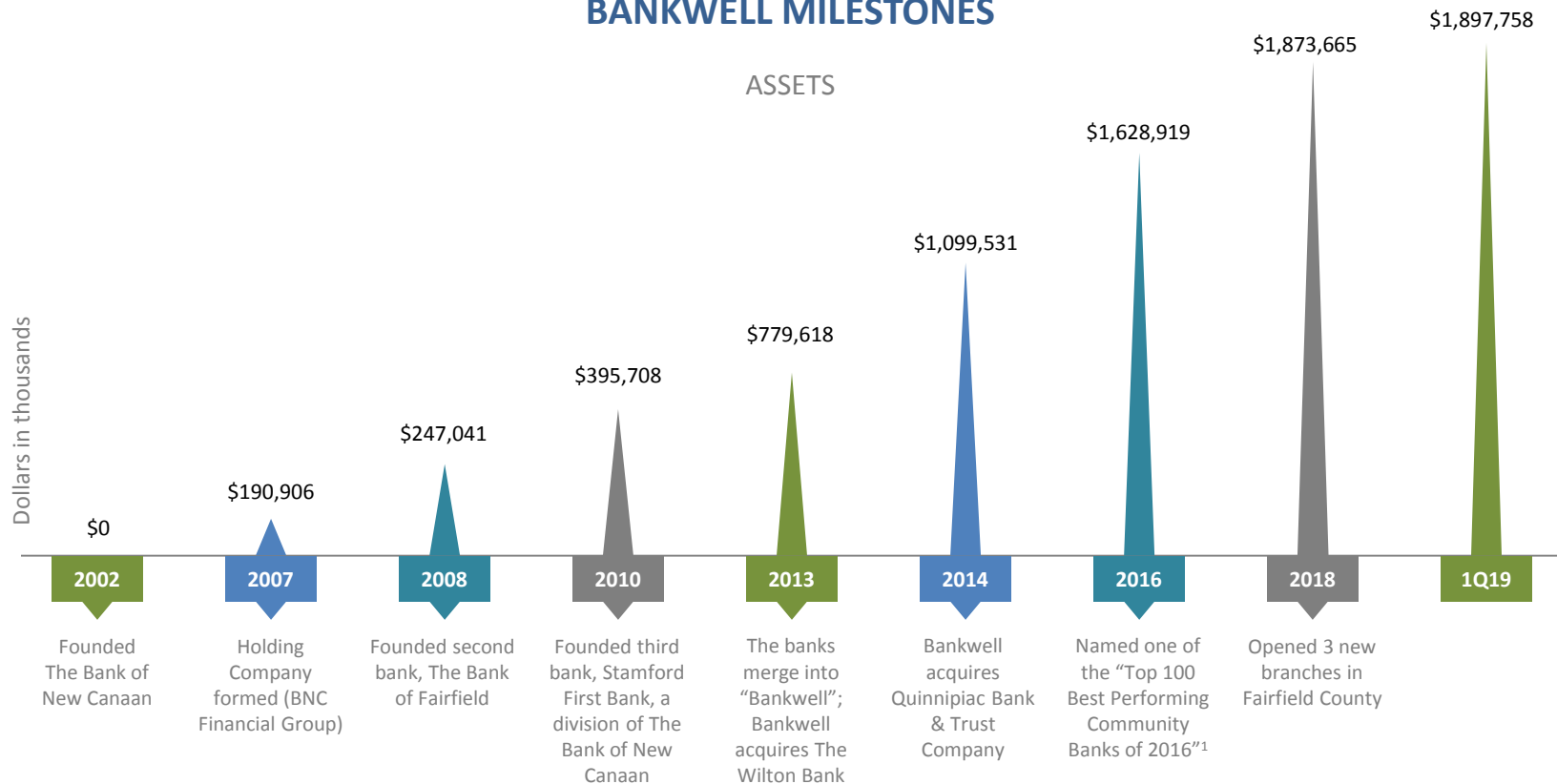
Bankwell Overview



Bankwell's Story

Bankwell is one of the fastest growing and most profitable community banks in Connecticut.

BANKWELL MILESTONES



1 Bankwell was named one of the "Top 100 Best Performing Community Banks of 2016" between \$1 billion and \$10 billion in assets nationwide based on certain metrics for the year ended December 31, 2016 by S&P Global Market Intelligence

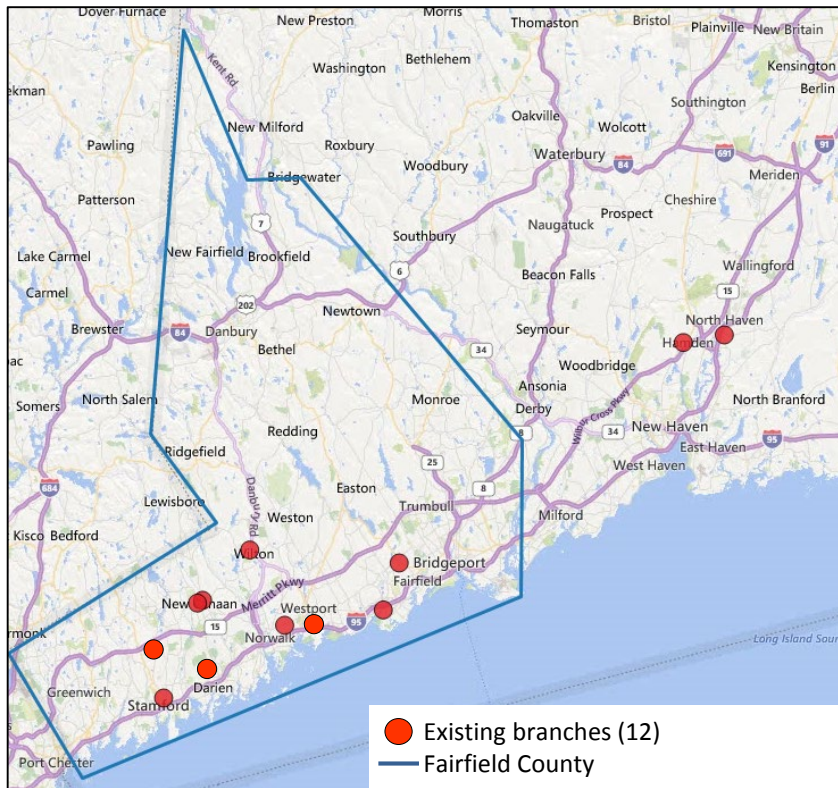


Bankwell Profile

Company Overview

NASDAQ: BWFG

- \$1.90B asset Connecticut-based bank with focus on CRE and C&I lending
- 12 existing branches in Fairfield & New Haven Counties



- \$162MM deposits per branch, excluding the 3 new branches opened in 2018; highest in Fairfield & New Haven Counties¹
- Attractive core market of Fairfield County / Bridgeport-Stamford-Norwalk MSA
 - Most affluent MSA in the Nation in per capita personal income (PCPI)²

¹ Source: S&P Global Market Intelligence's *Branch Competitors & Pricing Report* as of 6/30/18, excluding global money center banks (tickers BAC, WFC, JPM, TD & C)

² Source: Bureau of Economic Analysis' *Metropolitan Area Table*, contained within the *Local Area Personal Income, 2017* news release on 11/15/18



Why Bankwell?

Growth

- Proven track record of quality loan originations
- Tangible Book Value growth of 37% since 2014 IPO
- Operates in premiere markets

Risk Management

- Strong credit culture; prudent, conservative credit standards
- Historically low NPLs / NPAs with low charge-offs
- Diverse product experience in CRE, C&I, Residential & Consumer

Performance

- Bankwell stock price increased 62% since May 2014 IPO¹
- Strong Net Income growth; quarterly dividends paid since 4Q'15
- Capital ratios put BWFG well above “well capitalized”

Management

- Performance-driven, highly experienced Management Team
- Strong BOD comprised of a broad cross-section of Subject Matter Experts
- ~16% “Insider Ownership” of the Bank¹

Outperformed KBW Regional Banking Index by 19% since '14 IPO¹

¹ as of March 29th, 2019



Portfolio Metrics



Financial Snapshot

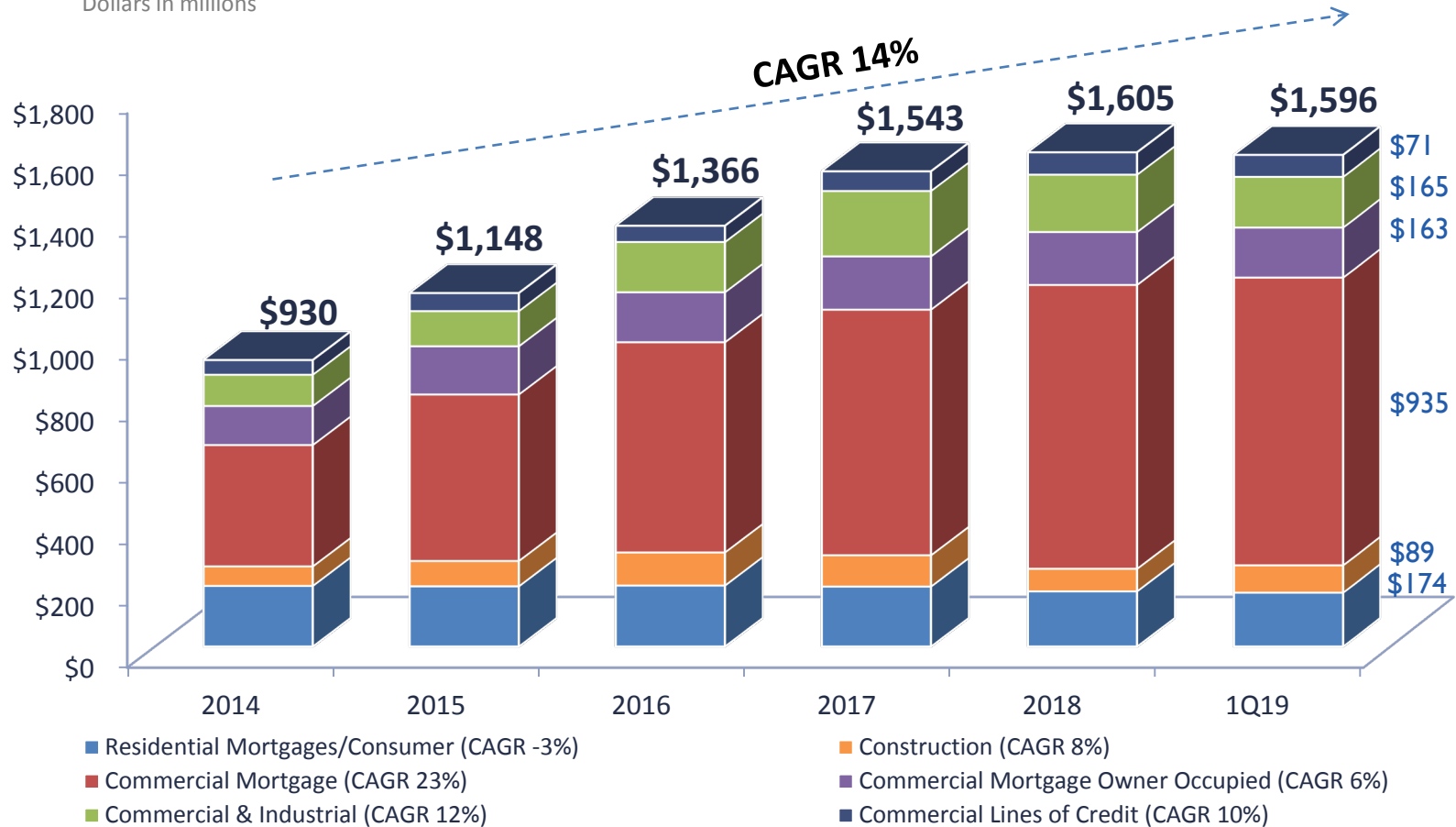
<i>Dollars in thousands, except per share data</i>	2014	2015	2016	2017 ¹	2018	1Q19
Total assets	\$1,099,531	\$1,330,372	\$1,628,919	\$1,796,607	\$1,873,665	\$1,897,758
Net loans	\$915,981	\$1,129,748	\$1,343,895	\$1,520,879	\$1,586,775	\$1,578,609
Loans to deposits	110.7%	109.1%	105.6%	110.1%	106.4%	104.6%
Efficiency ratio	68.7%	62.3%	56.5%	54.9%	59.2%	57.5%
Non interest expense / Avg. assets	2.94%	2.42%	2.03%	1.88%	1.93%	1.94%
Net interest margin	3.84%	3.77%	3.54%	3.30%	3.18%	3.19%
Total capital to risk weighted assets	13.55%	13.39%	12.85%	12.19%	12.50%	12.94%
Return on average equity	5.13%	6.76%	8.94%	8.93%	10.19%	11.60%
Tangible book value per share	\$16.35	\$17.43	\$18.98	\$20.59	\$22.06	\$22.38
Net interest income	\$31,660	\$42,788	\$49,092	\$54,364	\$56,326	\$14,273
Net income	\$4,568	\$9,030	\$12,350	\$13,830	\$17,433	\$5,080
EPS (fully diluted)	\$0.78	\$1.21	\$1.62	\$1.78	\$2.21	\$0.65

¹ Values are based on reported earnings / performance, which were impacted primarily as a result of the *Tax Cut and Jobs Act* passed in December 2017 along with several other smaller items. Please refer to BWFG's 4Q'17 Earnings Release for further detail



Loan Portfolio

Dollars in millions

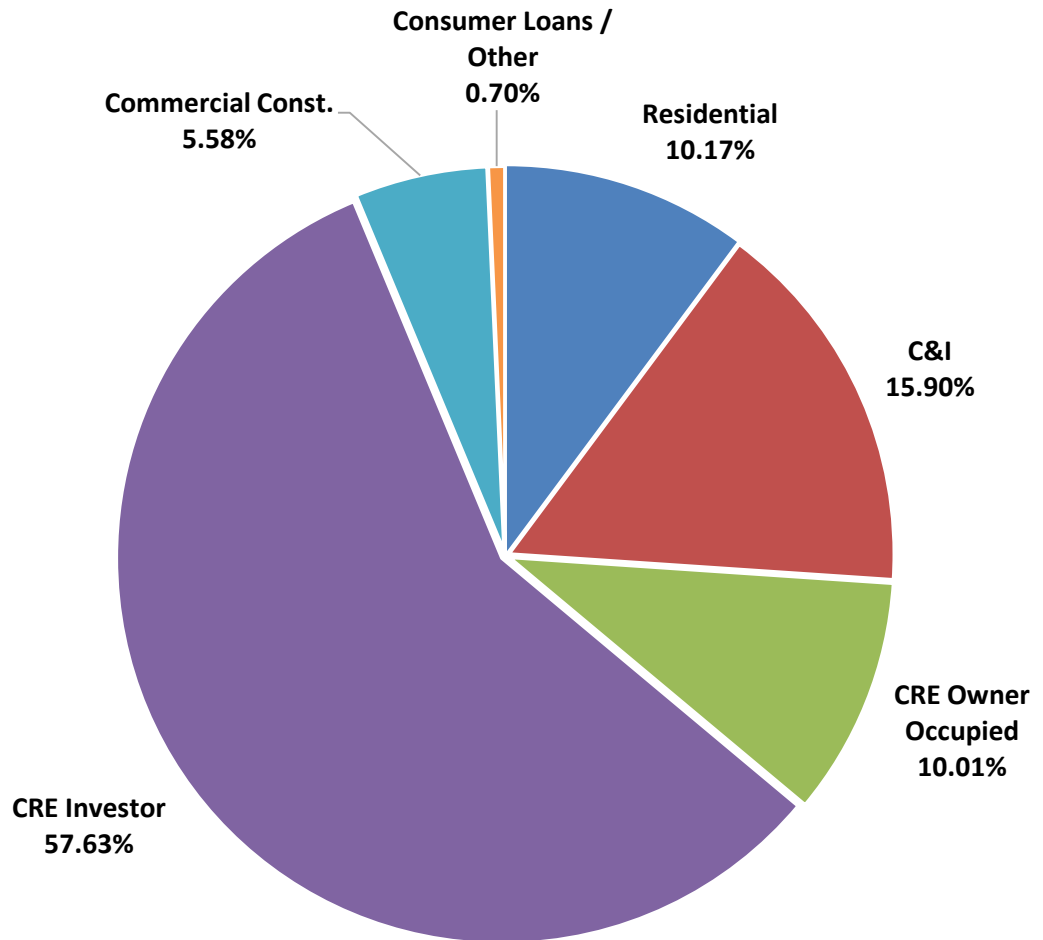


1Q19 originations tempered by elevated prepayments



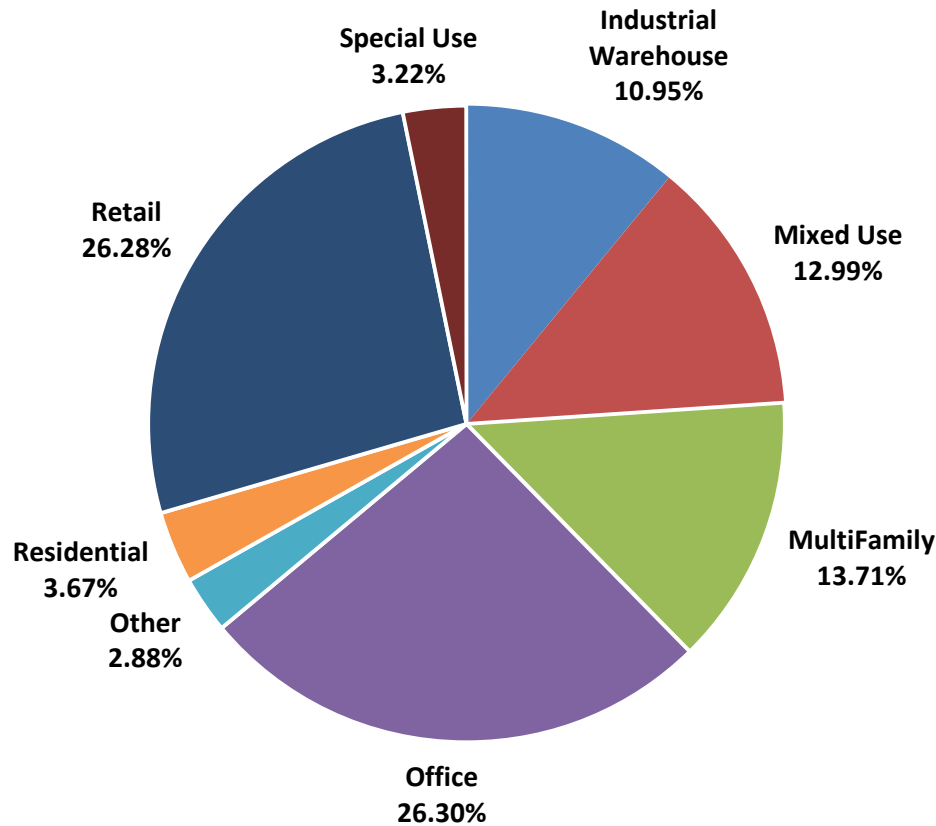
Loan Portfolio

- Portfolio oversight provided by team of 15 skilled credit analysts and portfolio managers, most with > 20 years' experience
- Concentration actively managed, with no single relationship representing more than 5.3% of total loan volume at March 31st, 2019





CRE Loan Portfolio¹



Dollars in millions

Retail Composition	\$	%
Retail ²	\$180	59.06%
Grocery	\$71	23.12%
Pharmacy	\$27	8.89%
Gas / Auto Services	\$14	4.54%
Restaurant	\$13	4.39%
Total Retail	\$305	100.00%

• Average deal size is \$2.1MM

Office Composition	\$	%
Office (primarily suburban)	\$213	69.61%
Medical	\$91	29.67%
Condo	\$2	0.72%
Total Office	\$306	100.00%

• Average deal size is \$2.1MM

- At year-end 2018, Retail and Office concentrations were 27.35% and 26.92%, respectively
- Property Type mix continues to diversify while overall portfolio has grown

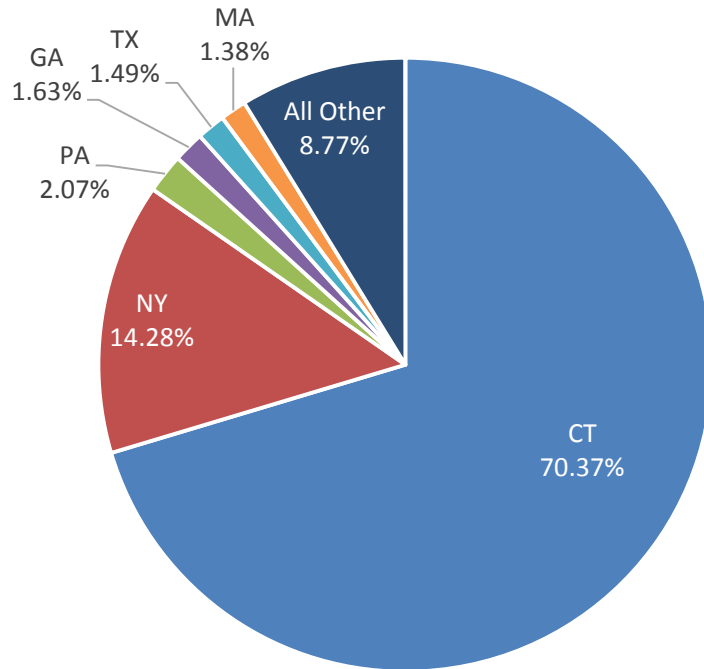
¹ Includes Owner Occupied CRE

² Comprised primarily of neighborhood and convenience centers, typically characterized by: size up to 125,000 sq. ft.; convenience and service oriented 19



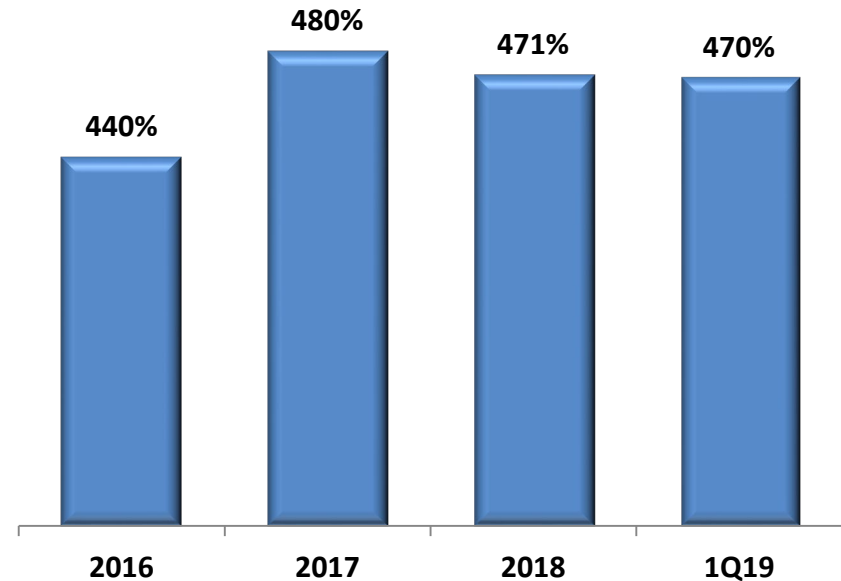
CRE Loan Portfolio¹

Geography Distribution



- Continued focus in primary market of the tri-state area (CT/NY/NJ) but maintaining diversification by following strongest customers to growth markets

CRE to Risk Based Capital Ratio



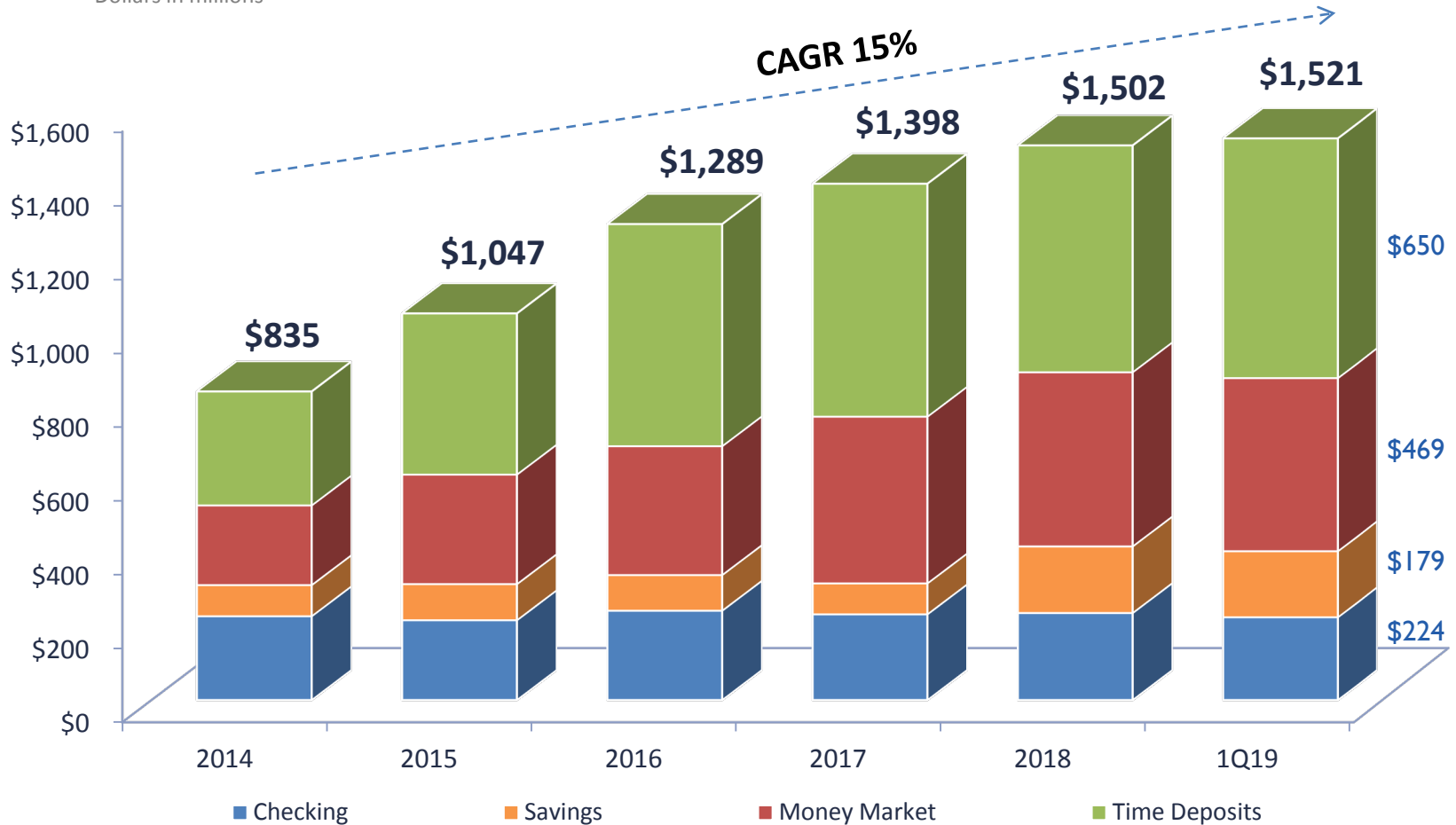
- Proven track record as CRE Lender with strong risk management practices in place
- CRE Retail loans have an average LTV of 59% and an average DSCR of 1.66x
- No significant exposure to any one retailer and no exposure to bankrupt retailers

¹ Includes Owner Occupied CRE



Deposits

Dollars in millions





Deposit Market Share

Growing deposit share in very competitive markets

	Deposit Market Share					
Location	2013	2014	2015	2016	2017	2018
New Canaan	19.77%	22.71%	24.40%	29.59%	31.10%	32.44%
Wilton	6.26%	6.87%	7.76%	9.85%	13.81%	15.18%
Fairfield	5.95%	7.65%	6.38%	7.58%	9.18%	9.14%
Norwalk	<i>not applicable</i>		1.44%	1.97%	2.92%	3.62%
Stamford	1.99%	2.84%	2.00%	1.92%	2.28%	2.50%
Darien	<i>not applicable</i>					0.31%
Westport	<i>not applicable</i>					0.05%
Fairfield County	1.51%	2.00%	1.94%	2.17%	2.54%	2.69%
New Haven County	0.40%	0.43%	0.45%	0.55%	0.61%	0.63%



Management Team

Name	Years Experience	Selected Professional Biography
Christopher Gruseke President & CEO <i>(since 2015)</i>	25+	<ul style="list-style-type: none"> • Founding investor of Bankwell’s precursor, Bank of New Canaan, member of BoD and ALCO Committee 2009 to 2012 • 20 year Investment Banking career focused on financial institutions, securitizations and interest rate risk management • Management positions include Chief Operating Officer of Greenwich Capital Markets
Penko Ivanov EVP & CFO <i>(since 2016)</i>	25+	<ul style="list-style-type: none"> • CFO for Darien Rowayton Bank & Doral Bank’s US Operations • Proven track record in building, improving and overseeing all areas of Finance, including Controllershship, SOX, Treasury, FP&A, as well as internal and external reporting functions • Prior experience includes 8 years with GE Capital in various finance roles
Heidi S. DeWyngaert EVP & Chief Lending Officer <i>(since 2004)</i>	30+	<ul style="list-style-type: none"> • Previously at Webster Bank, managing the Fairfield County Commercial Real Estate group • 10 years as Vice President for CRE at First Union National Bank
Christine A. Chivily EVP & Chief Risk & Credit Officer <i>(since 2013)</i>	30+	<ul style="list-style-type: none"> • Previously a Risk Manager for CRE and C&I at Peoples United Bank • SVP/Senior Credit Officer at RBS Greenwich Capital Markets (11 years); Director - Northeast Region, Multifamily at Freddie Mac (5 years); Manager, Loan Servicing - Distressed Assets at M&T Bank
Laura J. Waitz EVP & Chief of Staff <i>(since 2017)</i>	30+	<ul style="list-style-type: none"> • Previously Senior Managing Director, Global Head of Human Resources at The Blackstone Group (9 years) • Also at Citi Alternative Investments as MD & Global Head of Compensation & at Deutsche Bank as Head of Compensation (Americas) & as Global Compensation Mgr. for Private Equity & Investment Bank

Experienced management team with a diverse, non-community banking background



Thank You & Questions