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Bankwell Financial Group

2Q'18 Investor Presentation



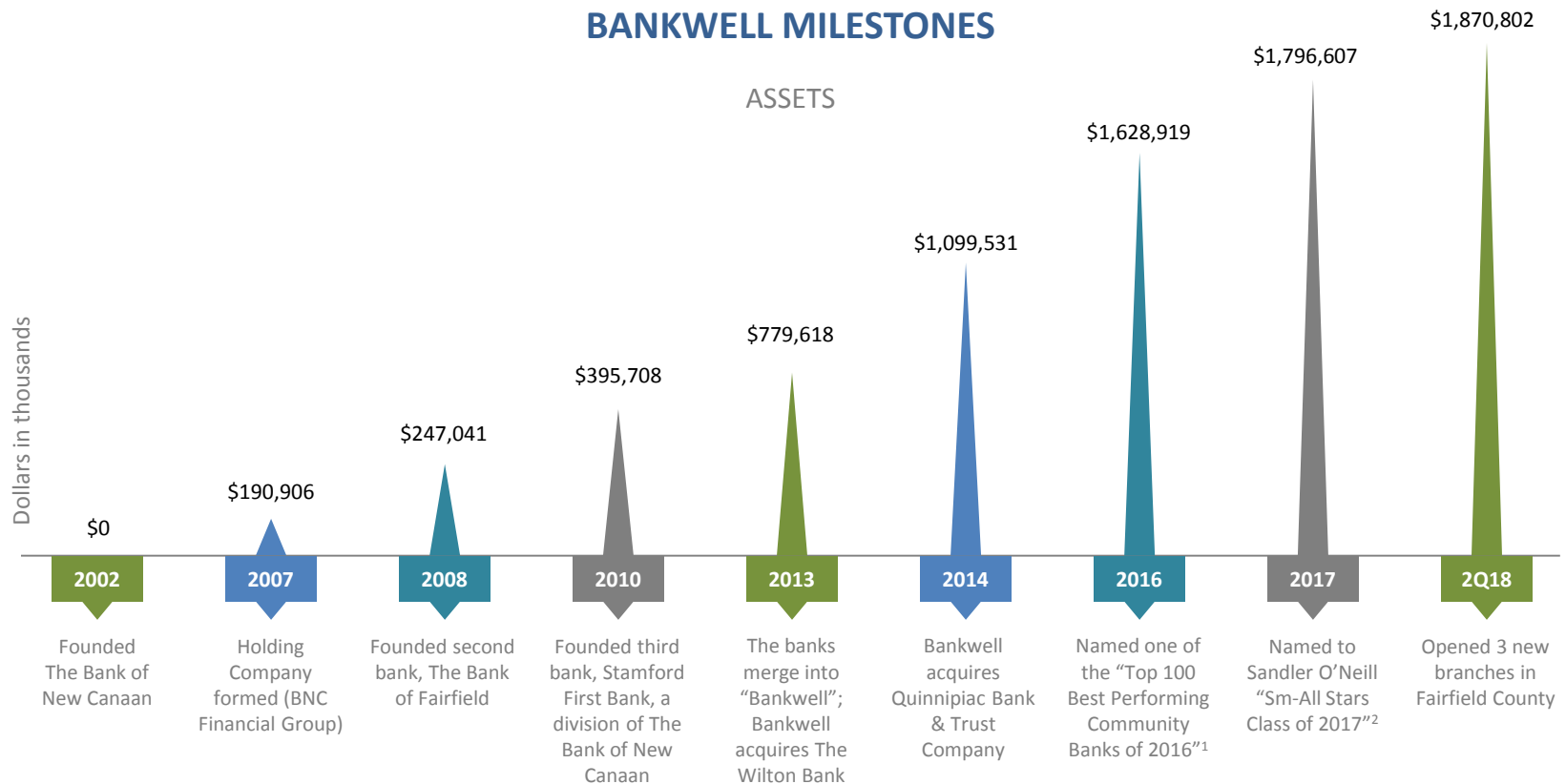
This presentation may contain certain forward-looking statements about the Company. Forward-looking statements include statements regarding anticipated future events and can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as “believe,” “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.



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
- 2 Bankwell was named one of 29 banks nationwide to make the Sandler O'Neill + Partners list of "Sm-All Stars", and the only CT bank to make the list



Industry and Community Recognition

Named by S&P Global Market Intelligence one of the “**Top 100 Best Performing Community Banks of 2016**”



Named to Sandler O’Neill “**Sm-All Stars Class of 2017**”

Named by Banking Choice Awards “**#1 Bank in Fairfield County for Customer Service**”



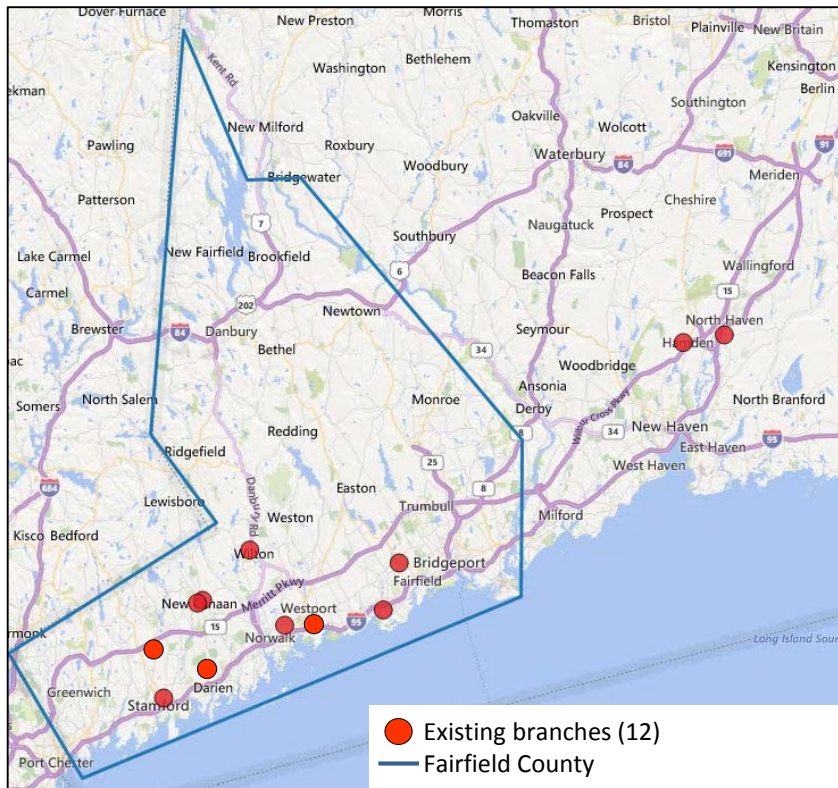


Bankwell Profile

Company Overview

NASDAQ: BWFG

- \$1.87B asset Connecticut-based bank with focus on CRE and C&I lending
- 12 existing branches in Fairfield & New Haven Counties



- \$158MM deposits per branch, 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 6/30/17, 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, 2016* news release on 11/16/17



Why Bankwell?

Growth

- Proven track record of quality loan originations; \$400MM annually in past 3 yrs.
- Tangible Book Value growth of 32% since 2014 IPO
- Significant investment in personnel, systems & footprint expansion

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

- Strong Net Income growth; quarterly dividends paid since 4Q'15
- Outperformed KBW Regional Banking Index by 10% since 2014 IPO¹
- 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
- 22%+ “Insider Ownership” of the Bank²

Consistently strong performer in highly attractive markets

¹ as of June 29th, 2018

² as of June 30th, 2018



Strategic Priorities





2Q'18 Highlights

Profitability

- \$4.7 million Net Income
- 1.03% Return on Average Assets
- 11.28% Return on Equity
- \$21.56 Tangible Book Value

Growth

- \$1.6 billion of gross loans, 7% growth year over year
- \$1.5 billion of deposits, 4% growth year over year
- Opened 3 new branches in June
- \$12.7MM of assets per employee

Stability

- 2Q'18 dividend of \$0.12 declared
 - Considered “Well Capitalized” with
 - 10.03% Tier 1 Leverage
 - 11.31% CET1 / RWA
 - 12.47% Total Capital / RWA
-



2Q Consolidated Statement of Income

Dollars in millions	2018	2017	V	Key drivers
Total Interest Income	\$19.4	\$17.7	\$1.7	Net Interest Income growth driven by loan originations, partially offset from rising cost of funds on deposits & increased borrowings
Total Interest Expense	\$5.5	\$4.0	\$1.5	
<i>Net Interest Income</i>	<i>\$13.9</i>	<i>\$13.6</i>	<i>\$0.3</i>	
Provision for Loan Losses	\$0.3	\$0.9	\$(0.6)	Provision for Loan Losses favorable due to improving historical loss trends
Net Interest Income after Provision	\$13.6	\$12.7	\$0.9	Non Interest Expense increase over prior quarter in support of ongoing business growth, reflected in increased C&B and Occupancy / Equipment expenses
Non Interest Income	\$1.1	\$1.0	\$0.1	
Non Interest Expense	\$8.8	\$7.6	\$1.2	
Pre-Tax Income	\$5.9	\$6.2	\$0.2	Tax Expense reflects the impact of the new Corporate Tax Rate of 21%, vs prior rate of 35%
Income Tax Expense	\$1.2	\$2.4	\$(1.2)	
Reported Net Income (Loss)	\$4.7	\$3.8	\$0.9	
EPS	\$0.60	\$0.49	\$0.11	



2Q YTD Consolidated Statement of Income

Dollars in millions	2018	2017	V	Key drivers
Total Interest Income	\$38.0	\$34.1	\$3.9	Net Interest Income growth driven by loan originations, partially offset from rising cost of funds on deposits & increased borrowings
Total Interest Expense	\$10.4	\$7.5	\$2.9	
<i>Net Interest Income</i>	\$27.6	\$26.6	\$1.0	
Provision for Loan Losses	\$0.3	\$1.4	\$(1.1)	Provision for Loan Losses favorable due to improving historical loss trends
Net Interest Income after Provision	\$27.3	\$25.2	\$2.1	Non Interest Expense increase over prior quarter in support of ongoing business growth, reflected in increased C&B and Occupancy / Equipment expenses, as well as reduced loan origination costs as a result of year-over-year lower loan volume
Non Interest Income	\$2.4	\$2.3	\$0.2	
Non Interest Expense	\$18.0	\$15.8	\$2.2	
Pre-Tax Income	\$11.8	\$11.6	\$0.2	
Income Tax Expense	\$2.4	\$4.1	\$1.7	Tax Expense reflects the impact of the new Corporate Tax Rate of 21%, vs prior rate of 35%
Reported Net Income (Loss)	\$9.3	\$7.5	\$1.8	
EPS	\$1.19	\$0.97	\$0.22	



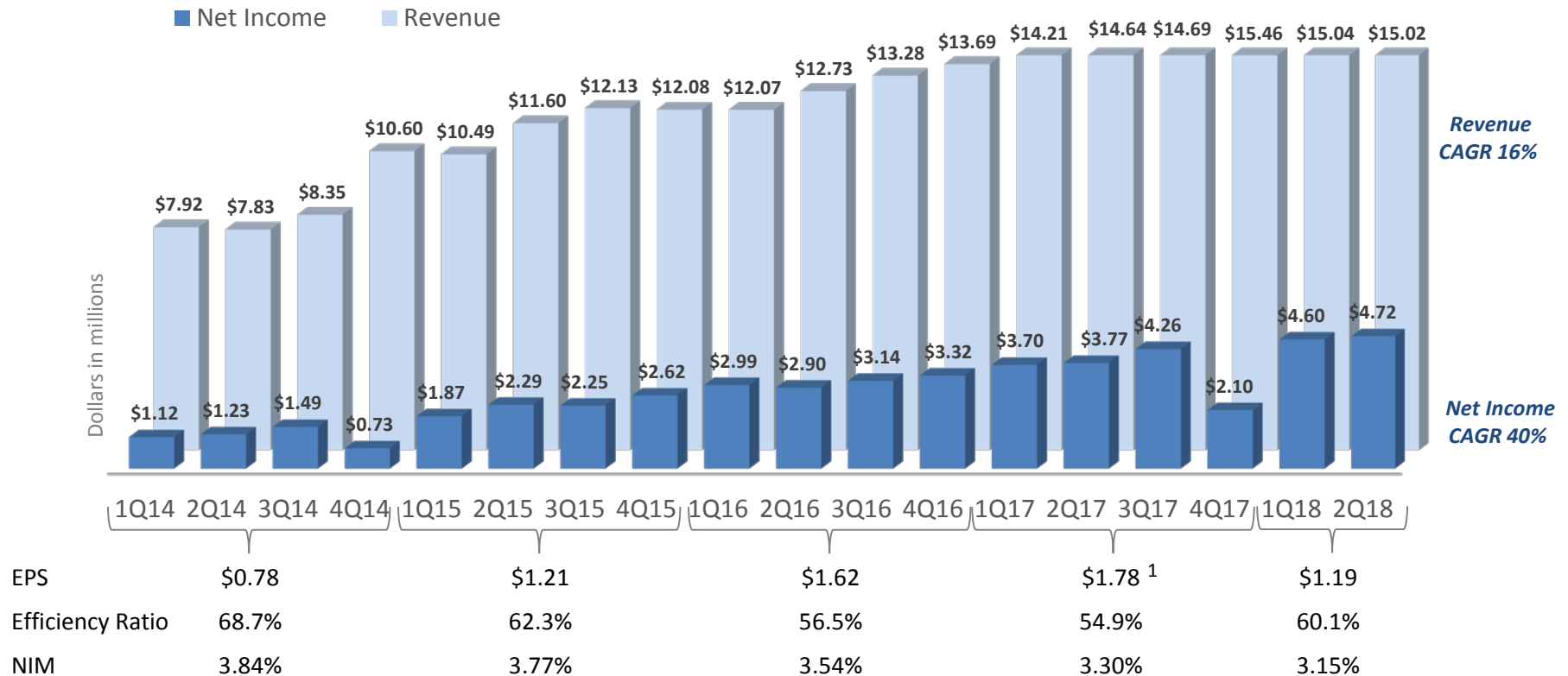
Financial Snapshot

<i>Dollars in thousands, except per share data</i>	2014	2015	2016	2017 ¹	1Q'18	2Q'18
Total assets	\$1,099,531	\$1,330,372	\$1,628,919	\$1,796,607	\$1,831,243	\$1,870,802
Net loans	\$915,981	\$1,129,748	\$1,343,895	\$1,520,879	\$1,534,565	\$1,572,591
Loans to deposits	110.7%	109.1%	105.6%	110.1%	108.7%	108.4%
Efficiency ratio	68.7%	62.3%	56.5%	54.9%	62.0%	60.1%
Net interest margin	3.84%	3.77%	3.54%	3.30%	3.15%	3.15%
Total capital to risk weighted assets	13.55%	13.39%	12.85%	12.19%	12.35%	12.47%
Return on average equity	5.13%	6.76%	8.94%	8.93%	11.35%	11.28%
Tangible book value per share	\$16.35	\$17.43	\$18.98	\$20.59	\$21.12	\$21.56
Net interest income	\$31,660	\$42,788	\$49,092	\$54,364	\$13,705	\$13,908
Net income	\$4,568	\$9,030	\$12,350	\$13,830	\$4,600	\$4,715
EPS (fully diluted)	\$0.78	\$1.21	\$1.62	\$1.78	\$0.59	\$0.60

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



Financial Performance Trends



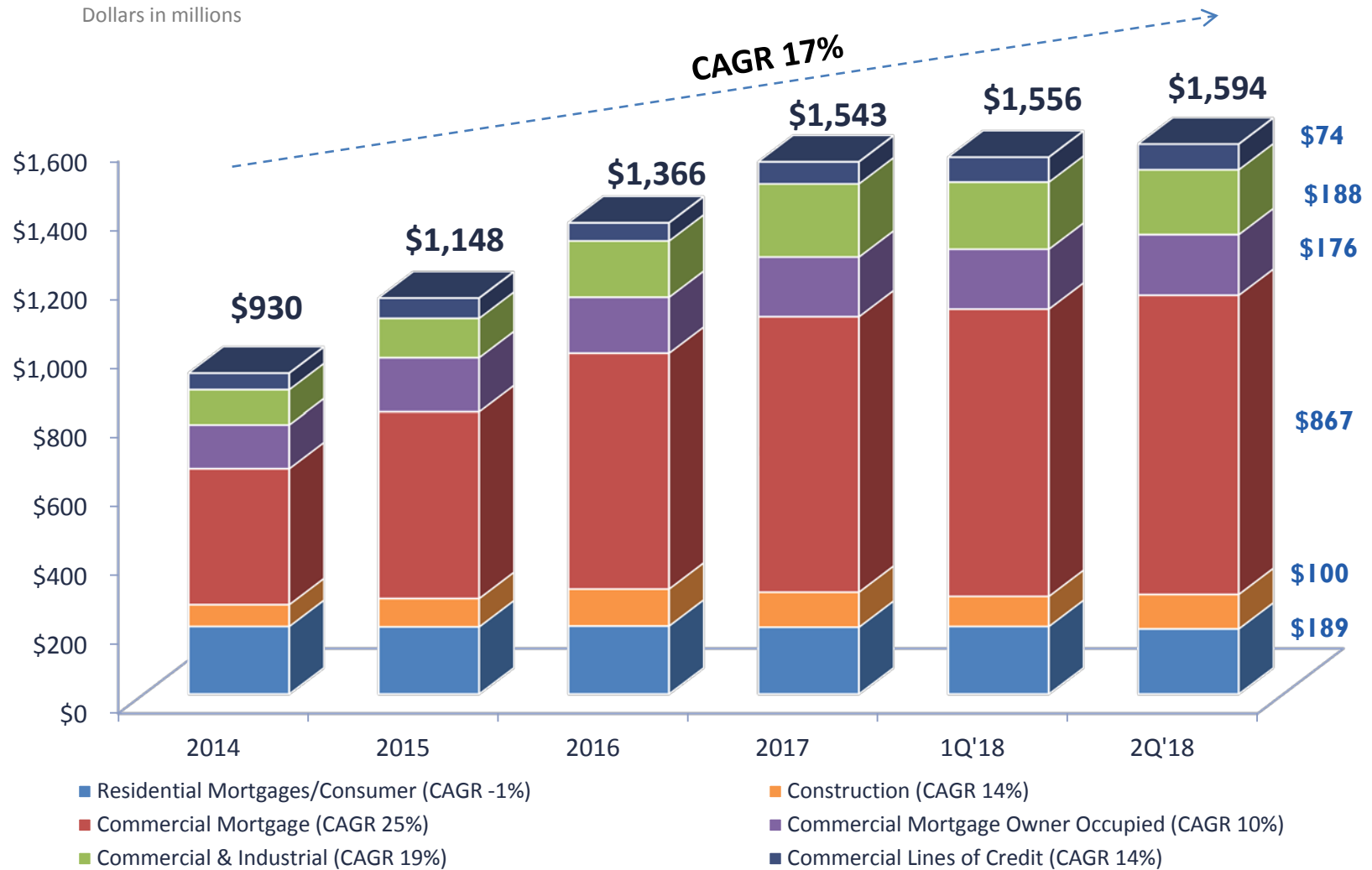
- The second quarter efficiency ratio was 58.2%, versus 62.0% in Q1, bringing the year to date ratio down to 60.1%
- NIM has remained constant from Q1 at 3.15%, despite rising pressure on deposit costs

¹ 4Q'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 Portfolio

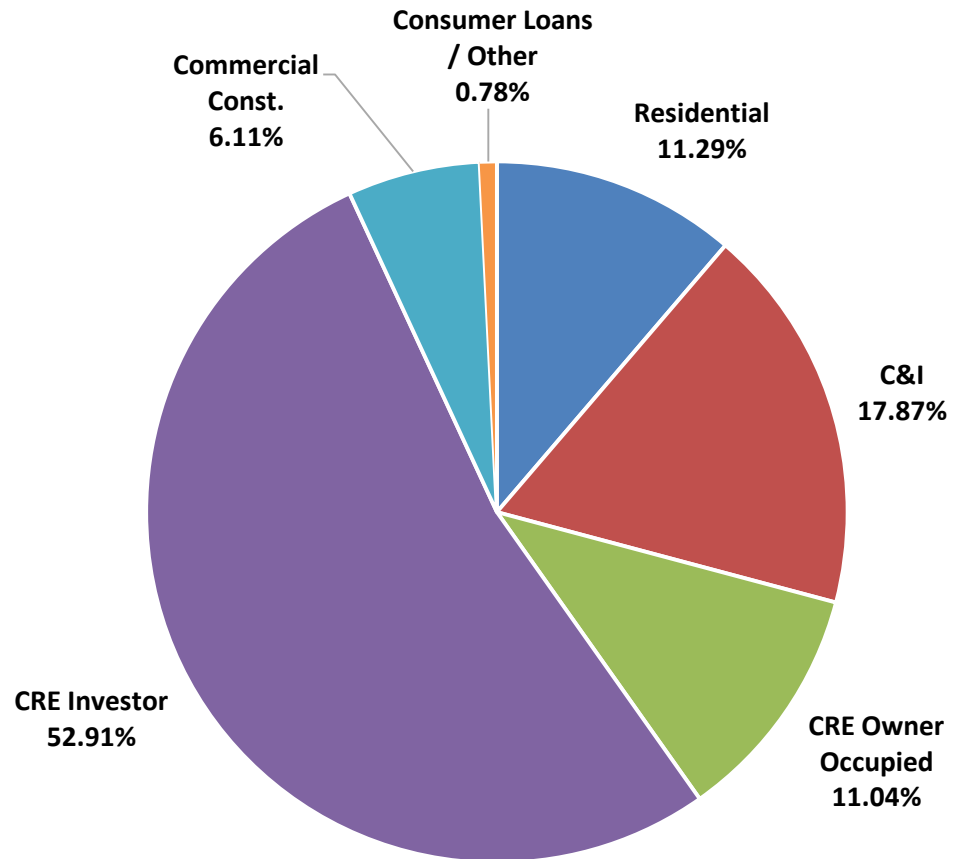
Dollars in millions





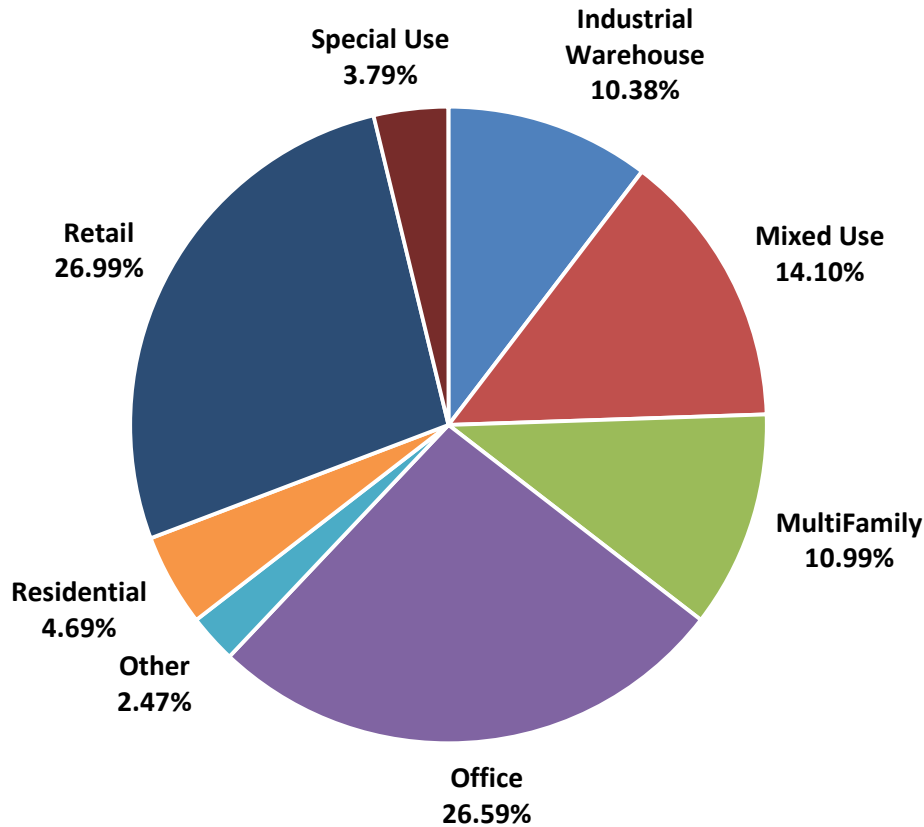
Loan Portfolio

- **Team of 10 skilled credit analysts, most with > 10 years' experience**
- **Strong risk management practices in place**
- **Developed rigorous suite of risk management reports, enabling multi-level portfolio stratification**
- **Proven track record as CRE Lender**





CRE Loan Portfolio¹



Dollars in millions

Retail Composition	\$	%
Retail ²	\$165	54.86%
Grocery	\$76	25.29%
Pharmacy	\$28	9.15%
Restaurant	\$16	5.39%
Gas / Auto Services	\$16	5.31%
Total Retail	\$301	100.00%

- Fairfield County, CT exposure is \$82MM, 27% of total Retail
- Average deal size is \$2.1MM

Office Composition	\$	%
Office (primarily suburban)	\$214	72.20%
Medical	\$80	27.10%
Condo	\$2	0.70%
Total Office	\$297	100.00%

- Fairfield County, CT exposure is \$77MM, 26% of total Office
- Average deal size is \$2.0MM

- At year-end 2017, Retail and Office concentrations were 27.21% and 27.90%, respectively
- Property Type mix has diversified over 2018

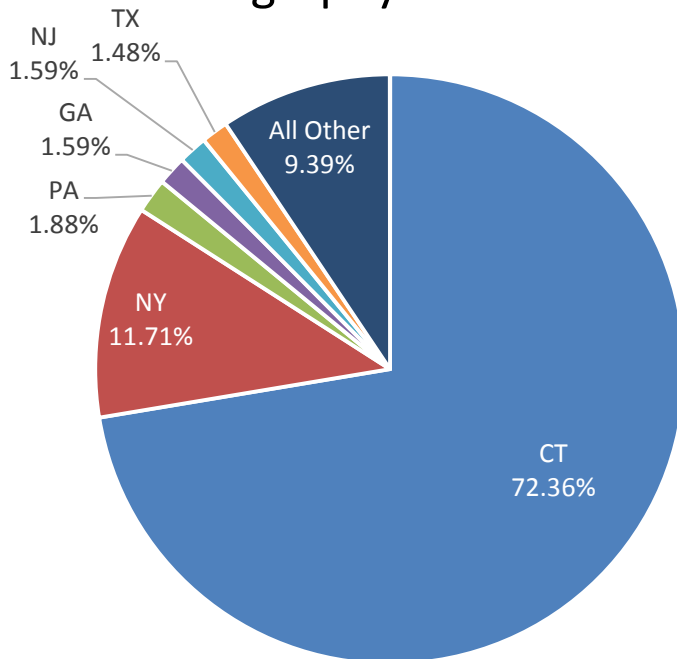
¹ Includes Owner Occupied CRE

² Comprised primarily of neighborhood and convenience centers, typically characterized by: size up to 125,000 sq. ft.; convenience and service oriented 15



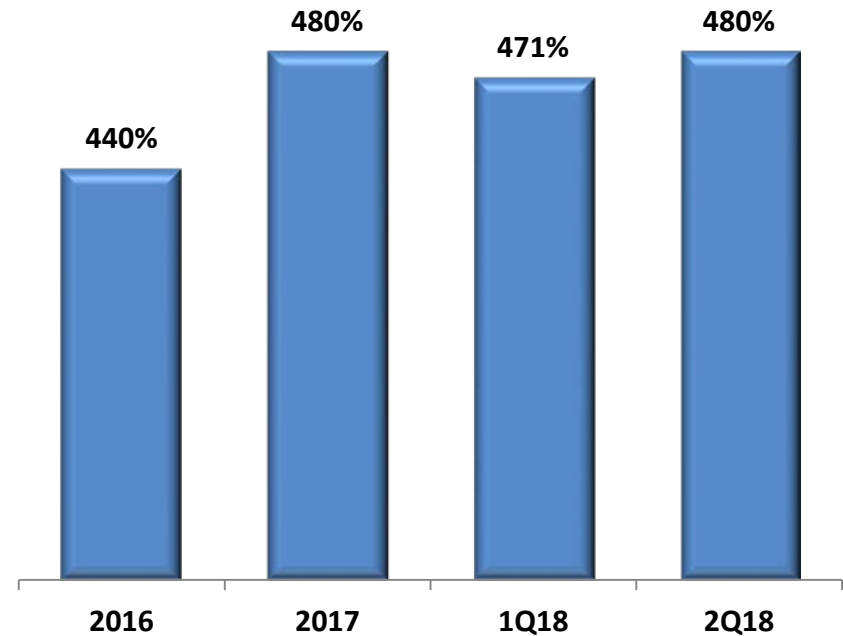
CRE Loan Portfolio¹

Geography Distribution



- Measured Approach To Expansion
- Following Existing Customers To New Locations

CRE to Risk Based Capital Ratio



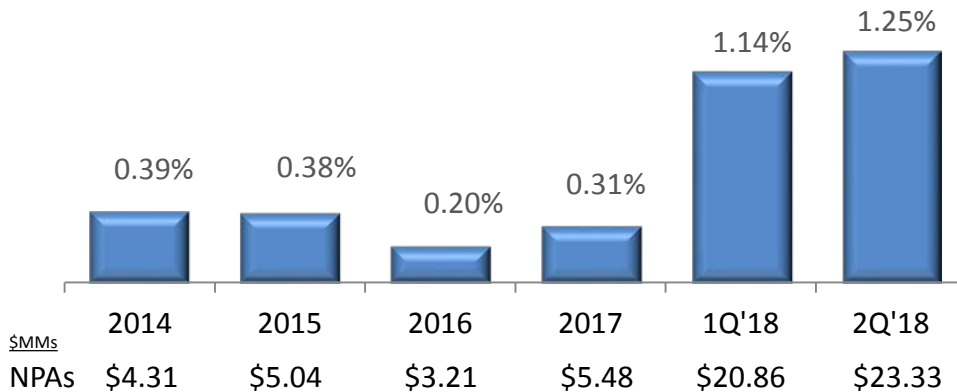
- Proven track record as CRE Lender
- Strong risk management practices in place

¹ Includes Owner Occupied CRE

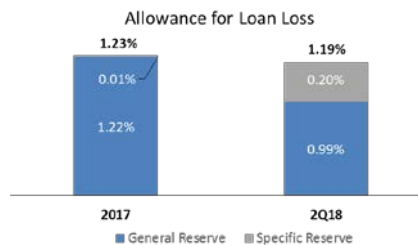


Asset Quality

NPA to Total Assets



- 1Q increase in NPAs driven by two specific relationships
- Increase seen in 2Q NPAs attributable to required repurchase of guaranteed portion of SBA loan deemed an NPA in 1Q
- The total allowance for loan loss (“ALLL”) reserve is \$19.0MM and represents 1.19% of total loans
- The general ALLL reserve provides 256% coverage of NPAs that are not already covered by specific reserves
- Net Charge-Offs / Total Loans remains low at 0.01%



Update on the 2 recent NPAs

NPA #1

\$4MM loan fully paid off
(subsequent to quarter-end)

BWFG recovered 100% principal plus default interest and expenses

All else equal, NPA / Total Assets would have been 1.04% for 2Q, excluding this loan

NPA #2

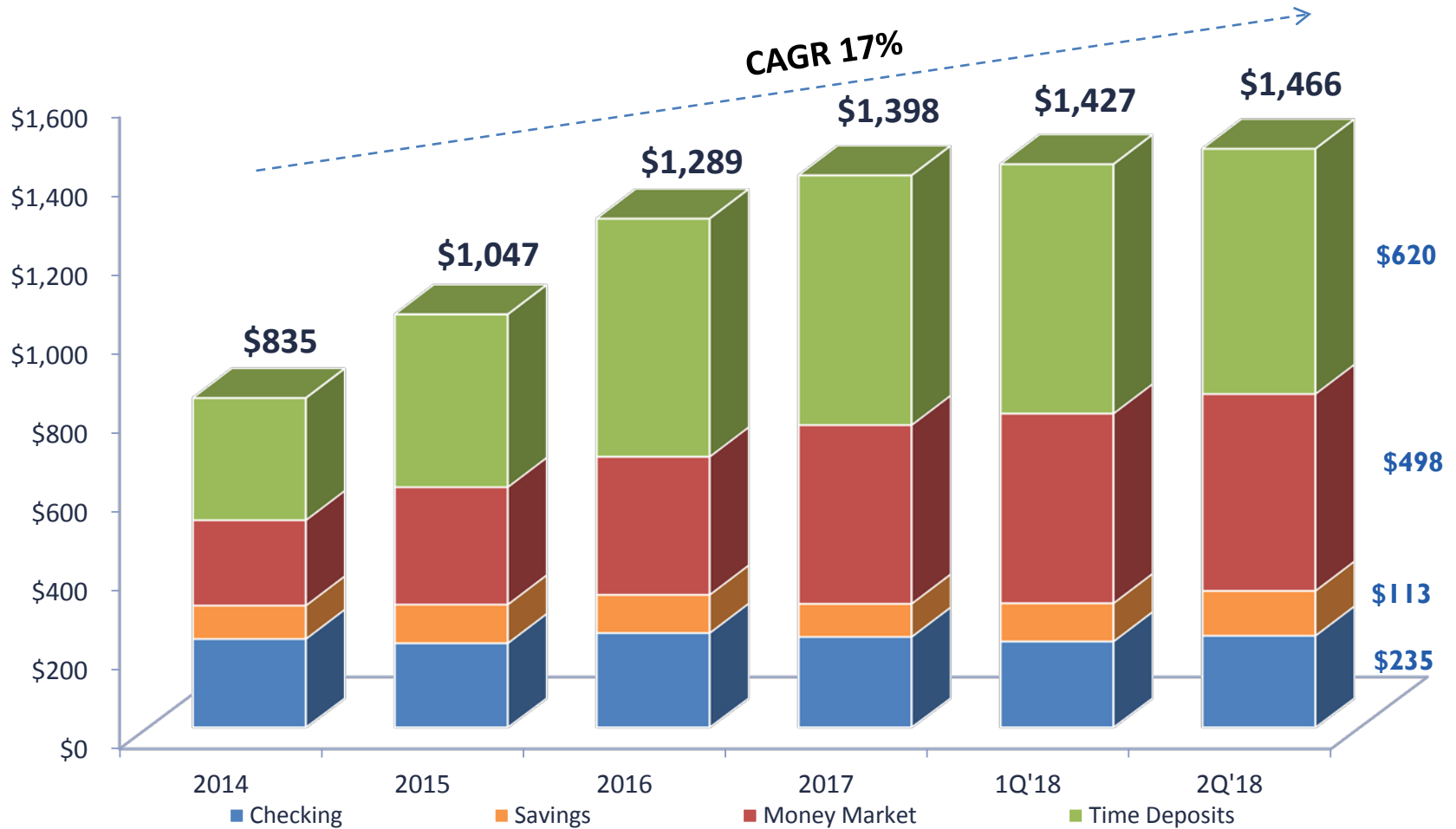
Continuing to work with borrower on multiple pathways to repayment

\$3MM specific reserve taken in 2Q



Deposits

Dollars in millions





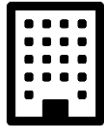
Deposit Market Share

Growing deposit share in all markets

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



Deposit Initiatives



Municipal Deposits

- Targeting the 12 municipalities in Bankwell's existing footprint
- \$2+ billion of annual budgets represent large potential banking opportunities in footprint alone



Treasury Management

- Targeted *Professional Services* campaign focusing on Attorneys, CPAs, Medical & Non-Profits, Property Managers
- Treasury Management officers assigned to each Lender for coordinated sales



Expanded Network

- 3 new branches opened in 2Q in the desirable markets of Darien, Westport and Stamford CT, bringing in \$11 million in new deposits by the end of the quarter
- Launched online deposit generation in 2Q

Continued expansion of deposit gathering abilities



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
David P. Dineen EVP & Head of Community Banking <i>(since 2016)</i>	30+	<ul style="list-style-type: none"> • Previously at Capital One Commercial Bank as the National Market Manager for Treasury Management and Deposit Services • Managed Retail Branch networks and Treasury Management sales teams at NorthFork Bank and Commerce 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