

The slide features a solid blue background with a repeating pattern of light blue, stylized, overlapping arches that resemble a honeycomb or geometric lattice structure. The text is centered in a clean, white, sans-serif font.

Bankwell Financial Group 2Q19 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.



2Q19 Performance



2Q19 Highlights

- Reported Net Income of \$5.6 million, or \$0.71 earnings per share
- The orderly resolution of the “Quarry Loans”¹ progressing according to plan
- Solid loan originations of \$75 million; net loan growth continues to be impacted by elevated prepayments
- Repurchased 34,168 of outstanding common stock at a cost of \$1.0 million
- The Company’s Board of Directors declared a 3Q19 dividend of \$0.13 per share

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



2Q19 Results

Profitability

- \$5.6 million Net Income
- 1.20% Return on Average Assets
- 12.48% Return on Average Equity
- \$22.47 Tangible Book Value

Balance Sheet

- \$1.6 billion of gross loans
- \$1.5 billion of deposits
- \$13 million of assets per FTE

Capital

- 2Q19 dividend of \$0.13 per share paid
- Considered “Well Capitalized” with¹
 - 10.75% Tier 1 Leverage
 - 12.40% CET1 / RWA
 - 13.26% Total Capital / RWA

¹ Capital metrics represent Bank ratios



2Q Consolidated Statement of Income

Dollars in millions	2019	2018	QoQ ¹	Notes
Total Interest Income	\$21.0	\$19.4	\$1.6	Net Interest Income
Total Interest Expense	\$7.5	\$5.5	\$1.9	
<i>Net Interest Income</i>	<i>\$13.6</i>	<i>\$13.9</i>	<i>\$(0.3)</i>	
(Credit)/Provision for Loan Losses	\$(0.8)	\$0.3	\$(1.2)	
Net Interest Income after Provision	\$14.4	\$13.6	\$0.8	• Higher average earning assets along with incremental fees from loan prepayments driving favorability
Non Interest Income	\$1.3	\$1.1	\$0.2	Provision for Loan Losses
Non Interest Expense	\$8.8	\$8.8	\$0.0	
Pre-Tax Income	\$7.0	\$5.9	\$1.1	Non Interest Income
Income Tax Expense	\$1.4	\$1.2	\$0.2	
Reported Net Income (Loss)	\$5.6	\$4.7	\$0.9	• Rising deposit costs offsetting Interest Income growth
EPS	\$0.71	\$0.60	\$0.11	• Favorable due to improving historical loss trends
				• Increased loan sales in 2019

¹ Variances are rounded based on actual whole dollar amounts



2Q YTD Consolidated Statement of Income

Dollars in millions	2019	2018	QoQ ¹	Notes
Total Interest Income	\$42.5	\$38.0	\$4.5	Net Interest Income
Total Interest Expense	\$14.7	\$10.4	\$4.2	
<i>Net Interest Income</i>	\$27.9	\$27.6	\$0.3	
(Credit)/Provision for Loan Losses	\$(0.6)	\$0.3	\$(1.0)	
Net Interest Income after Provision	\$28.5	\$27.3	\$1.2	Provision for Loan Losses
Non Interest Income	\$2.6	\$2.4	\$0.2	
Non Interest Expense	\$17.7	\$18.0	\$(0.2)	Non Interest Expense
Pre-Tax Income	\$13.4	\$11.8	\$1.7	
Income Tax Expense	\$2.8	\$2.4	\$0.3	
Reported Net Income (Loss)	\$10.7	\$9.3	\$1.3	
EPS	\$1.35	\$1.19	\$0.16	

- Higher average earning assets year over year along with incremental fees from loan prepayments driving favorability
- Rising deposit costs partially offsetting Interest Income growth
- Favorable due to improving historical loss trends
- Decrease attributable to lower marketing expenses (2018 included elevated marketing activity due to new branch activity) as well as a reduction in FDIC insurance expense

¹ Variances are rounded based on actual whole dollar amounts



2Q Consolidated Balance Sheet

Dollars in millions	2Q19	4Q18	V ¹
Cash & Cash Equivalents	\$79	\$78	\$1
Investment Securities	\$116	\$117	\$(0)
Loans Receivable, net	\$1,552	\$1,587	\$(35)
All Other Assets	\$113	\$92	\$21
Total Assets	\$1,860	\$1,874	\$(14)
Total Deposits	\$1,478	\$1,502	\$(25)
FHLB Advances & Other Borrowings	\$175	\$185	\$(10)
Other Liabilities	\$30	\$12	\$18
Total Liabilities	\$1,683	\$1,699	\$(17)
Equity	\$177	\$174	\$3
Total Liabilities & Equity	\$1,860	\$1,874	\$(14)

¹ Variances are rounded based on actual whole dollar amounts



Financial Performance Trends



- Rising deposit costs increase pressure on NIM
- 2019 NIM is benefitting from fees associated with elevated loan prepayments, including approximately \$1.8 million in fees collected
- The 2019 Efficiency Ratio is 58.0%, in part benefitting from increased revenue due to loan prepayments as well as continued disciplined expense management
- Non-Interest Expense as a percentage of Average Assets is 1.91%

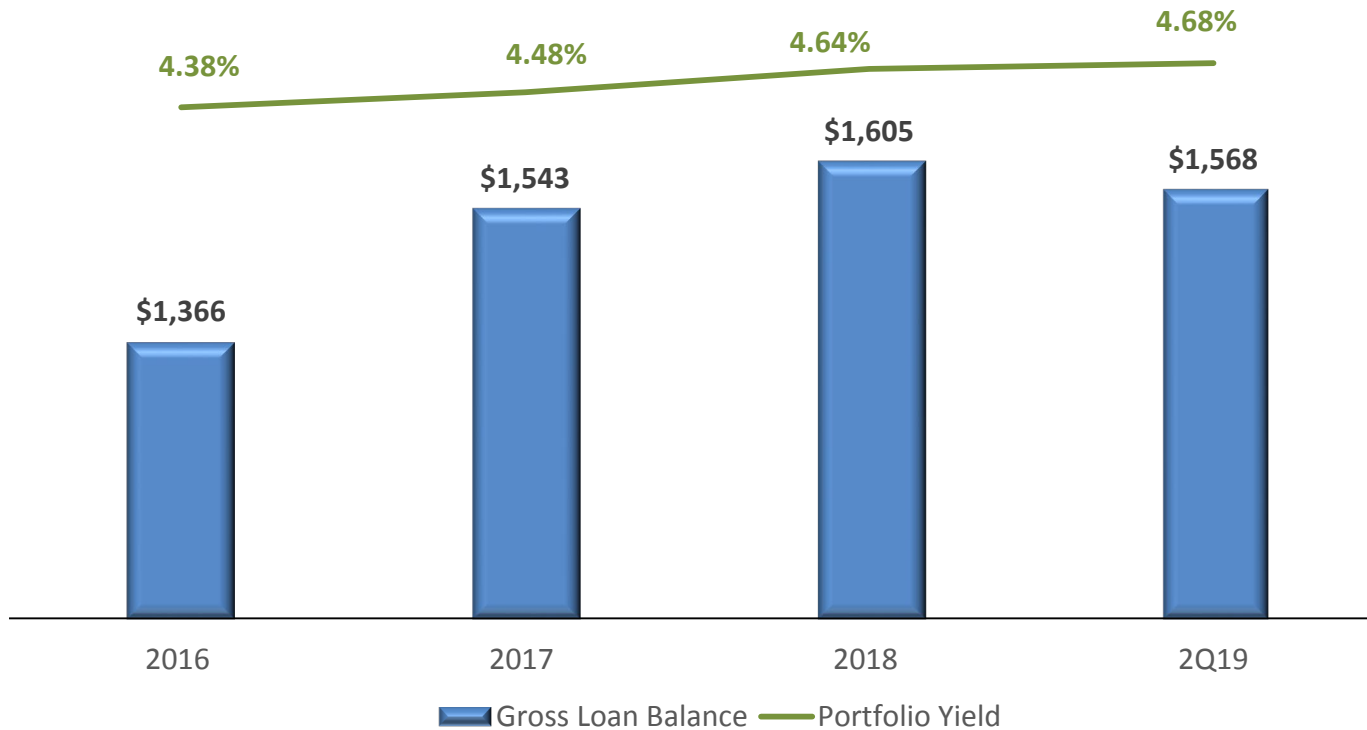
¹4Q'17 EPS reduced by \$0.26 due to the impact of the *Tax Cut and Jobs Act* passed in December 2017 along with several other smaller items; on a "core" basis, 2017 EPS is \$2.03, please refer to BWFG's 4Q'17 Earnings Release for further detail



Loan Pricing Trends

Dollars in millions

Total Loan Portfolio



- 2019 originations yields exceeded total loan portfolio yields
- Bankwell committed to disciplined loan pricing

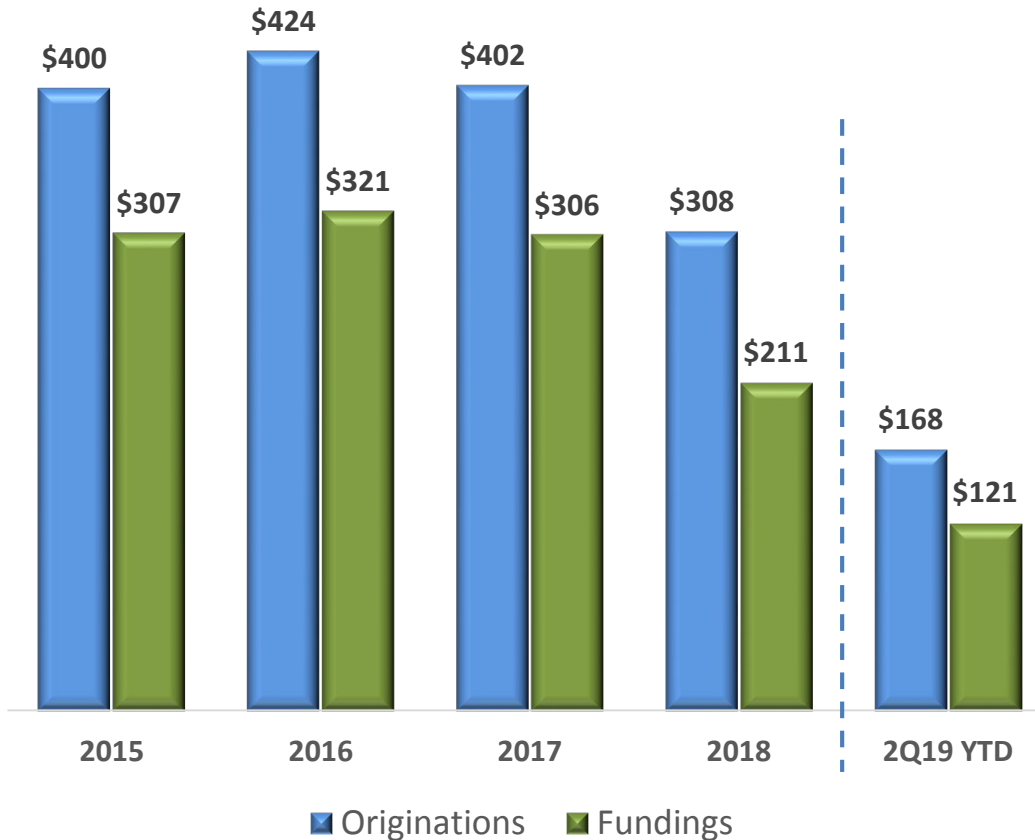
¹ Weighted average yield based on active loans as of 12-31-16, 12-31-17, 12-31-18 & 6-30-19, respectively



Loan Trends

Dollars in millions

Loan Volume



Prepayments

Quarter	2017	2018	2019
1Q	\$24	\$7	\$53
2Q	\$25	\$33	\$71
3Q	\$11	\$17	
4Q	\$29	\$62	
Total	\$89	\$119	\$124
<i>Avg / Qtr</i>	<i>\$22</i>	<i>\$30</i>	<i>\$62</i>

- Healthy 2019 originations in a competitive environment
- 2019 volume rebounding from challenging market in early 2018
- Elevated prepayments beginning in 4Q18
- A review of prepayments since 4Q18 indicates ~75% not related to loan refinancings



Portfolio Metrics



Financial Snapshot

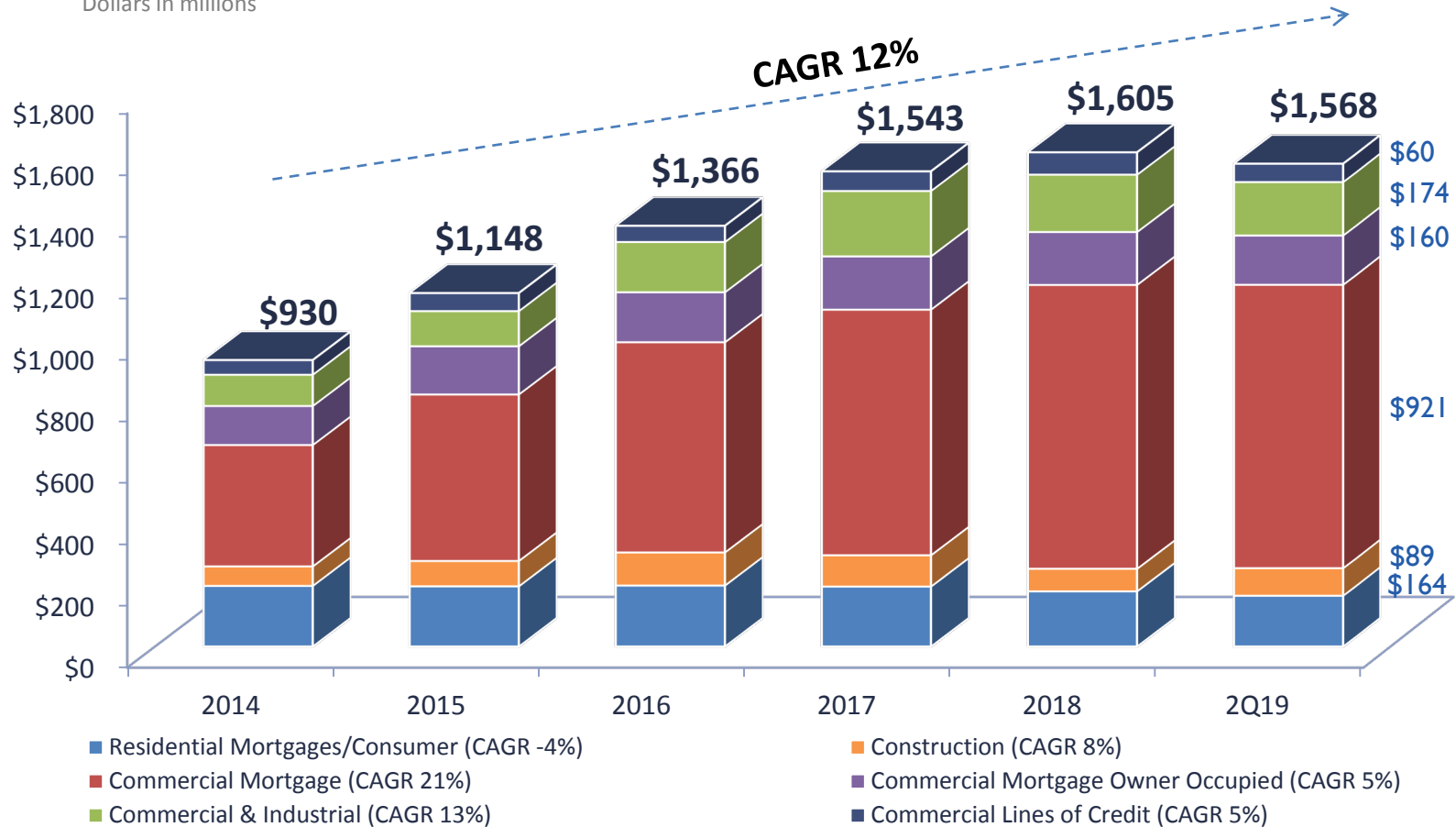
<i>Dollars in thousands, except per share data</i>	2014	2015	2016	2017 ¹	2018	2Q19 YTD
Total assets	\$1,099,531	\$1,330,372	\$1,628,919	\$1,796,607	\$1,873,665	\$1,859,665
Net loans	\$915,981	\$1,129,748	\$1,343,895	\$1,520,879	\$1,586,775	\$1,551,620
Loans to deposits	110.7%	109.1%	105.6%	110.1%	106.4%	105.7%
Efficiency ratio	68.7%	62.3%	56.5%	54.9%	59.2%	58.0%
Non interest expense / Avg. assets	2.94%	2.42%	2.03%	1.88%	1.93%	1.91%
Net interest margin	3.84%	3.77%	3.54%	3.30%	3.18%	3.13%
Total capital to risk weighted assets	13.55%	13.39%	12.85%	12.19%	12.50%	13.26%
Return on average equity	5.13%	6.76%	8.94%	8.93%	10.19%	12.05%
Tangible book value per share	\$16.35	\$17.43	\$18.98	\$20.59	\$22.06	\$22.47
Net interest income	\$31,660	\$42,788	\$49,092	\$54,364	\$56,326	\$27,868
Net income	\$4,568	\$9,030	\$12,350	\$13,830	\$17,433	\$10,656
EPS (fully diluted)	\$0.78	\$1.21	\$1.62	\$1.78	\$2.21	\$1.35

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

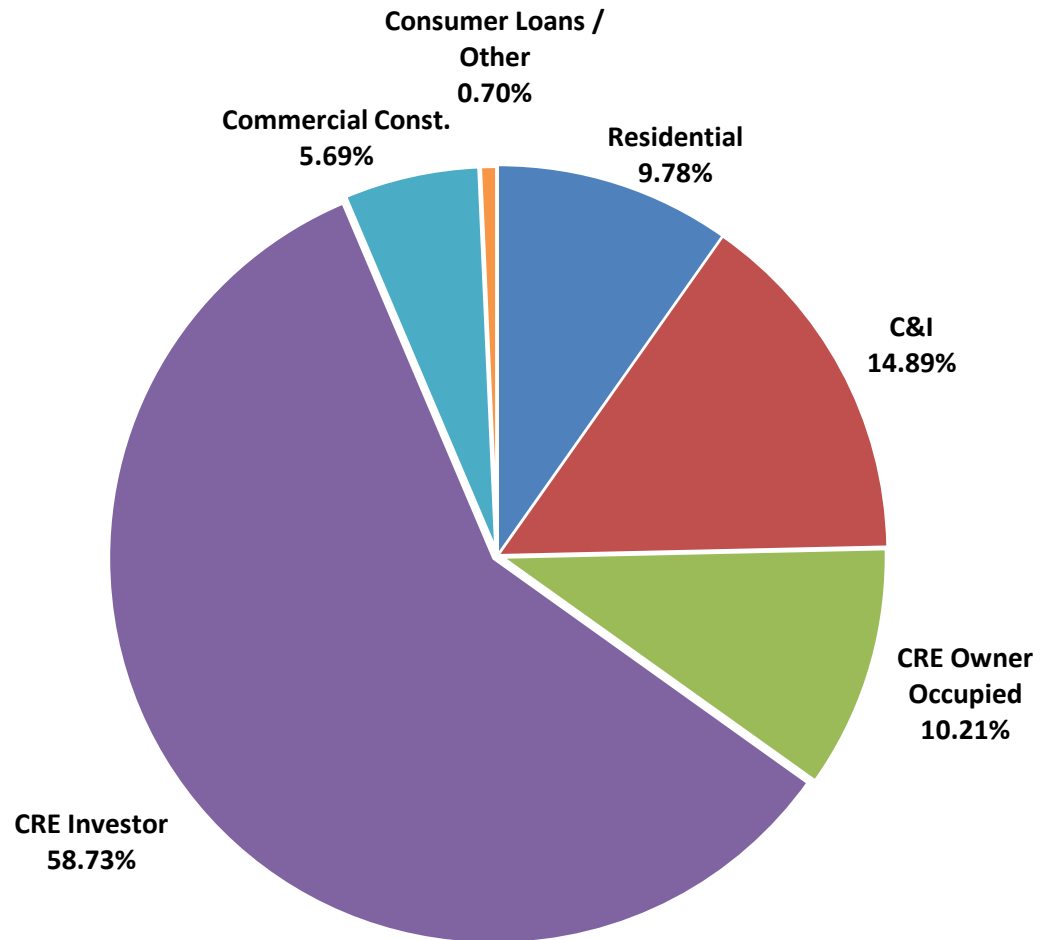


2019 originations tempered by elevated prepayments



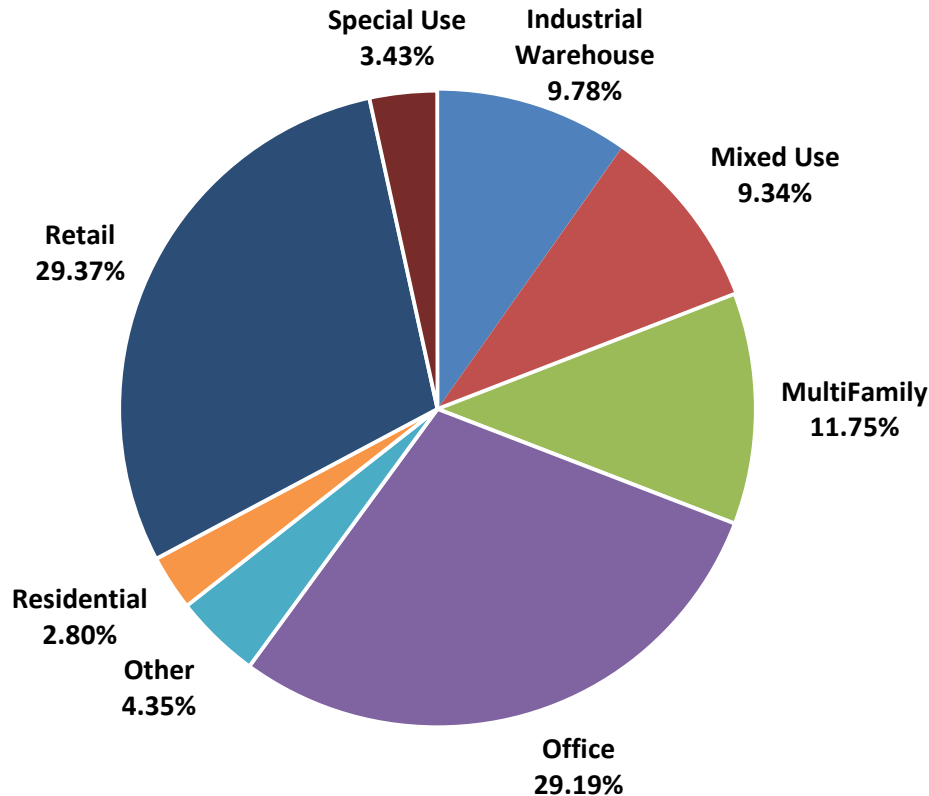
Loan Portfolio

- Portfolio oversight provided by team of 13 skilled credit analysts and portfolio managers, most with > 20 years' experience
- Concentration actively managed, with no single relationship representing more than 5.4% of total loan volume at June 30th, 2019





CRE Loan Portfolio¹



- Property Type mix continues to show well diversified exposure
- 82% of Office and 80% of Retail secured loans are recourse³

Dollars in millions

Retail Composition	\$	%
Retail ²	\$186	58.65%
Grocery	\$74	23.25%
Pharmacy	\$30	9.49%
Gas / Auto Services	\$14	4.33%
Restaurant	\$14	4.28%
Total Retail	\$317	100.00%

- Average deal size is \$2.2MM

Office Composition	\$	%
Office (primarily suburban)	\$224	70.99%
Medical	\$89	28.32%
Condo	\$2	0.68%
Total Office	\$316	100.00%

- Average deal size is \$2.3MM

¹ Includes Owner Occupied CRE, does not include Construction

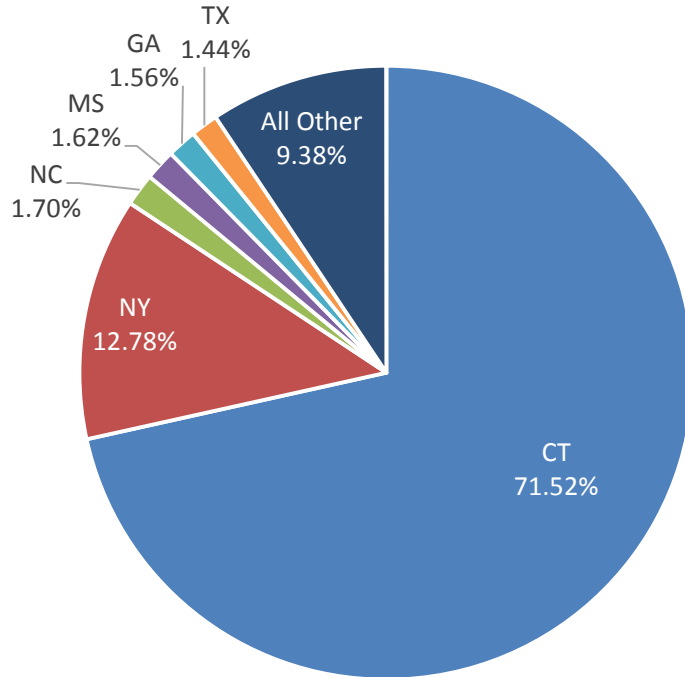
² Comprised primarily of neighborhood and convenience centers, typically characterized by: size up to 125,000 sq. ft.; convenience and service oriented 16

³ Based on dollar volume



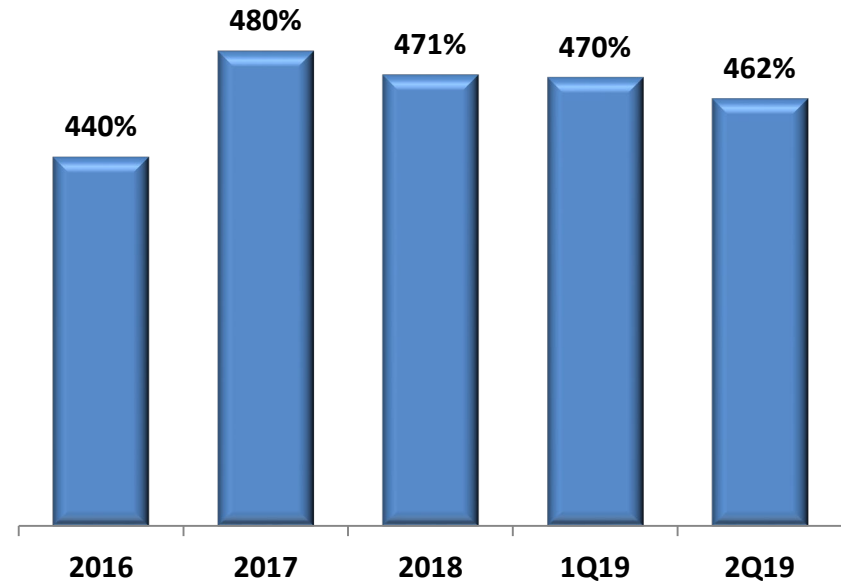
CRE Loan Portfolio¹

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
- Of the CT-based loans, 62% are in Fairfield County²

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 58% and an average DSCR of 1.67x
- No significant exposure to any one retailer and no exposure to bankrupt retailers

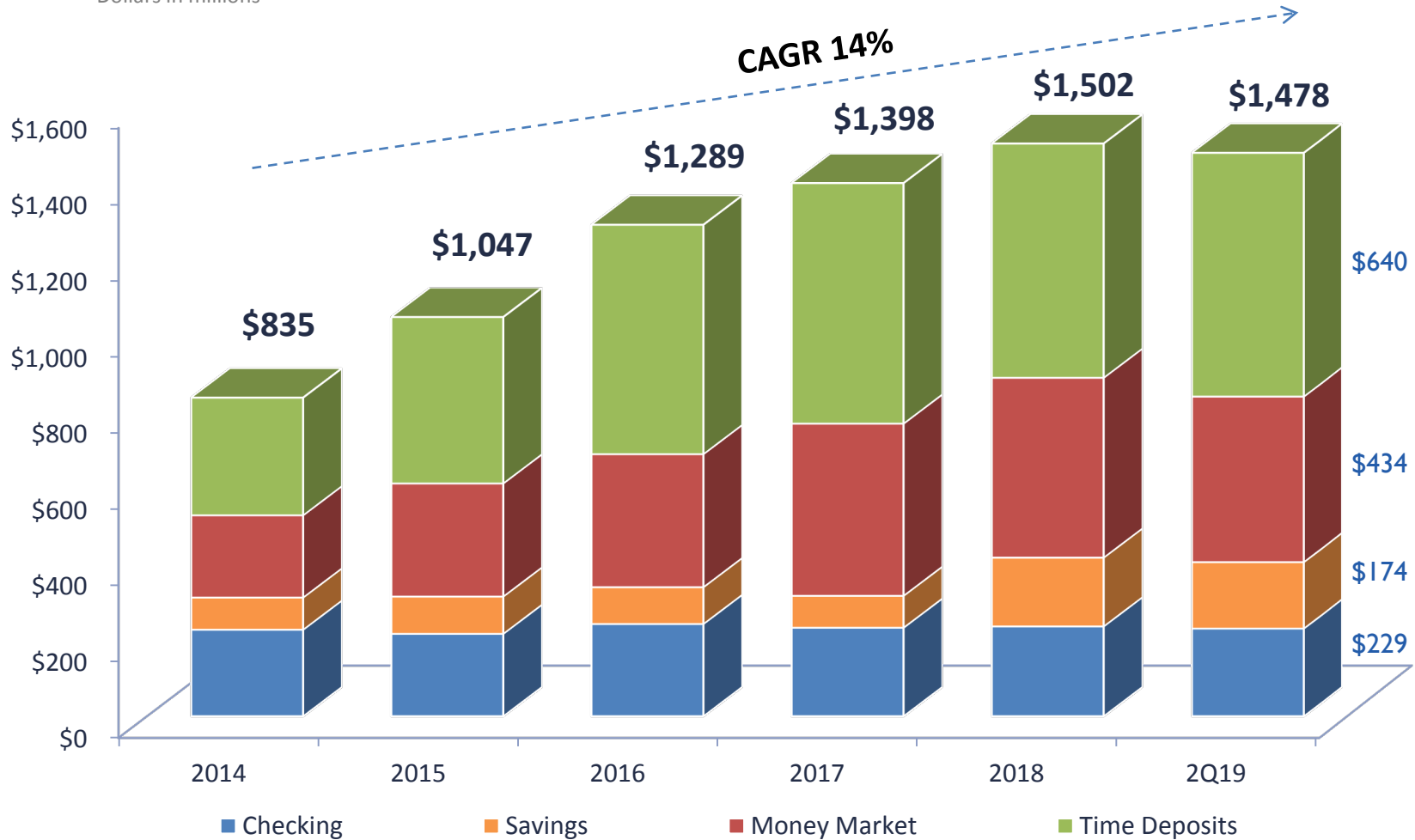
¹ Includes Owner Occupied CRE, does not include Construction

² Based on dollar volume



Deposits

Dollars in millions





Deposit Market Share

Growing deposit share in very competitive markets

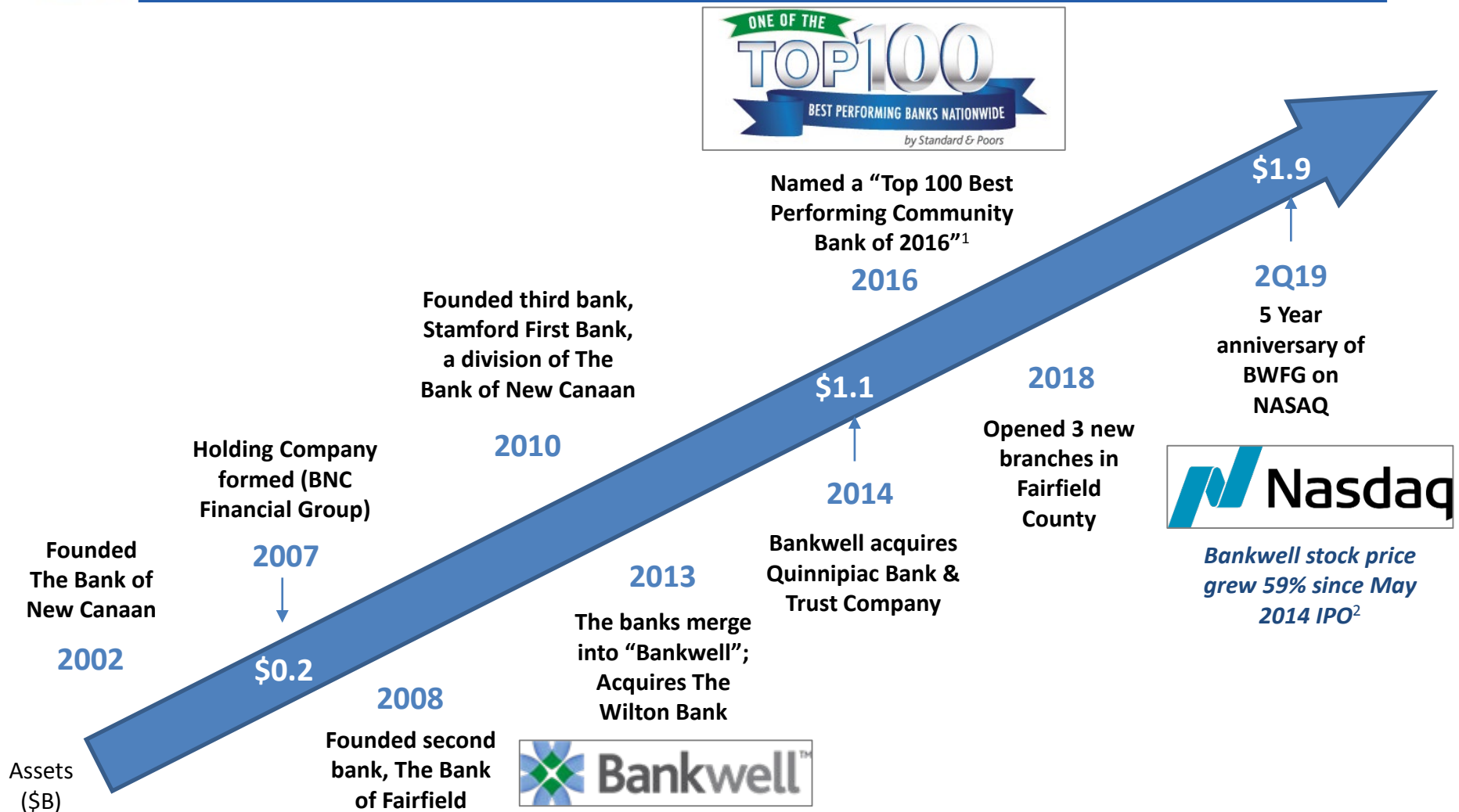
	Deposit Market Share					
Location	2013	2014	2015	2016	2017	2018
New Canaan	19.77%	22.71%	24.40%	29.59%	31.10%	32.44%
Wilton	6.26%	6.87%	7.76%	9.85%	13.81%	15.18%
Fairfield	5.95%	7.65%	6.38%	7.58%	9.18%	9.14%
Norwalk	<i>not applicable</i>		1.44%	1.97%	2.92%	3.62%
Stamford	1.99%	2.84%	2.00%	1.92%	2.28%	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%



Bankwell Overview



Bankwell's 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 as of June 28th, 2019

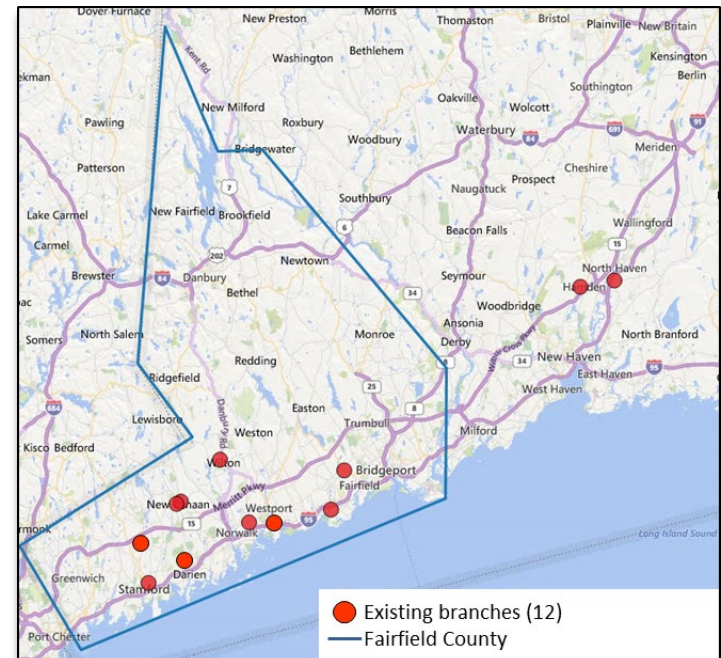


Bankwell Profile

Company Overview

NASDAQ: BWFG

- Connecticut-based \$1.9 billion bank, with focus on CRE and C&I lending
- 12 existing branches in Fairfield & New Haven Counties
- Excluding the 3 branches opened in 2018, BWFG has \$162 million deposits per branch; highest in Fairfield & New Haven Counties¹
- Our core market of Fairfield County (the Bridgeport-Stamford-Norwalk MSA) is the premier Connecticut location, highlighted by:



- + Most affluent MSA in the Nation in per capita personal income (PCPI)²
- + 4 of the top 25 wealthiest towns in the U.S.³

- + Headquarters of 9 Fortune 500 companies⁴
- + Home to the two largest hedge funds in the U.S.⁵

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 11/15/18

³ Source: Bloomberg: *These Are the Wealthiest Towns in The U.S.*, 2/13/19

⁴ Source: Fortune.com: *2019 Fortune 500*

⁵ Source: Business Insider: *The 10 Biggest Hedge Funds in the U.S.*, 5/18/18



Why Bankwell?

Growth

- Proven track record of quality loan originations
- Tangible Book Value growth of 38% 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 grew 59% 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 Bank^{1,2}

Outperformed KBW Regional Banking Index by 13% since '14 IPO¹

¹ as of June 28th, 2019

² Insider Ownership defined as current BWFG Board Members and Executive Management team



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