2018 ANNUAL SHAREHOLDERS' MEETING

W.T.B. Financial Corporation

Our Mission

"We will be the best at understanding and meeting the financial needs of our customers. We will focus our unique strengths as a community bank on serving those customers who perceive a distinct value in building long-term relationships with us.

We will be empowered to act on behalf of Washington Trust to meet our customers' needs and will have the competencies to fulfill this mission. We will conduct ourselves in accordance with our guiding principles.

We will organize and manage to best support one another in these efforts and to ensure the long-term viability of the Bank."

FORWARD LOOKING STATEMENTS

"This presentation contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects" and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements we make regarding our evaluation of macro-environment risks, Federal Reserve rate management, and trends reflecting things such a regulatory capital standards and adequacy. Forward looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you therefore against relying on any of these forward-looking statements. They are neither statements of historical fact or guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statement include:

- the ability to attract new deposits and loans;
- demand for financial services in our market areas;
- competitive market pricing factors;
- deterioration in economic conditions that could result in increased loan losses;
- actions by competitors and other market participants that could have an adverse impact on our expected performance;
- risks associated with concentrations in real estate related loans;
- market interest rate volatility;
- stability of funding sources and continued availability of borrowings;
- risk associated with potential cyber threats;
- changes in legal or regulatory requirements or the results of regulatory examinations that could restrict growth;
- the ability to recruit and retain key management and staff;
- the ability to raise capital or incur debt on reasonable terms;
- effectiveness of legislation and regulatory efforts to help the U.S. and global financial markets.

There are many factors that could cause actual results to differ materially from those contemplated by forward-looking statements. Any forward-looking statement made by us in this presentation speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publically update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law."

CORE IDENTITY

- **Pacific Northwest community bank**
  - Over 100 years of heritage
  - 4th generation Chairman of the Board and CEO
- **Relationship banking**
  - High value customer relationships
  - Organic customer growth
- **Broad product line and customer base**
  - Commercial banking customer focus
  - Retail and private banking clients
  - Wealth management expands service lines
- **Private ownership and family heritage**
  - Conservative risk profile
  - Balance sheet strength
  - Capital management discipline
  - Risk adjusted performance
  - Long-term franchise and shareholder value

BUSINESS MODEL

- **Relationship banking requires…**
  - A high degree of customer focus
  - High caliber professional bankers
  - Empowered employees
  - Decentralized decision-making
  - First-rate financial solutions
    - Customized to meet client needs
    - Standardized to be efficient and scalable
  - Customers that value their relationship with us

- **Relationship banking is…**
  - Valued by our customers
  - Career enhancing for our employees
  - A high value business model for our shareholders
  - Efficient and focused path for growth
    - More challenging, but more durable
  - A model that preserves company culture

FINANCIAL MANAGEMENT PRINCIPLES

- **Balance Sheet Strength:**
  - Credit discipline
  - Capital management
  - Allowance for loan losses
  - Liquidity resources

- **Risk Adjusted Performance:**
  - Recurring earning power:
    - Earning assets = 97% of total assets
    - Interest rate risk positioning
  - Durability across the business cycle

- **Shareholder Value / Capital Discipline:**
  - Maintain capital adequacy
  - Internal capital generation for growth
  - Calibrate dividends to profitability
  - Minimize dilution to ownership and earnings

MAJOR INDUSTRY THEMES

- **Credit quality across the industry is excellent**
  - Industry NPA's to assets = 0.72% (lowest in 10 years)
  - Number of problem institutions = 95 (recent peak of 884 in 2010)
  - Industry ALLL to loans = 1.27% (also lowest in 10 years)
- **Tax reform weighed on profitability (favorable 2018 and beyond)**
  - Industry Q4 earnings down 40.9% YoY largely due to tax reform
- **Rising rates pose new challenge**
  - Favorable to asset yields, but funding costs likely to accelerate
  - Increases opportunity cost of liquidity for customers and bank
  - Adverse to bond valuations
- **Financial strength of the industry is considerable**
  - Capital ratios are near historic highs
  - Liquidity levels (cash and bonds) are near historic highs
  - However, allowance position down to 1.27% of loans, lowest level since Q3 2007
- **Industry consolidation continues**
  - Down 4%, or 300 banks +/- per year (2009 – 2017)
  - Down 2,900 banks, or 34% since financial crisis to 5,700
- **FinTech revolution will continue to reshape banking**
  - Disrupters and strategic partners
  - Remaining competitive is a critical and expensive objective

Source for industry performance: FDIC website

COMPANY OVERVIEW

W.T.B. FINANCIAL CORPORATION

Demographics	W.T.B. Financial Corporation is the parent company Washington Trust Bank is the primary subsidiary Shares listed on the OTC Pink Marketplace: www.otc markets.com WTBFA -- Class A shares (Voting) WTBFB -- Class B shares (Non-Voting)
History	Over 100 years of banking history in the Pacific Northwest 1983: \$500 million in assets 1994: \$1 billion in assets 2017: \$6.2 billion in assets
Diversified Geography	Headquarters is Spokane, Washington Operates across 3 states (WA, OR and ID) Historical markets: Spokane, Northern Idaho and Central Washington Growth markets: Puget Sound, Portland and Boise
Relationship Banking Business Model	Community bank serving people, businesses and community organizations Conservative and disciplined bankers Relationship banking/Organic growth orientation Commercial, private and retail banking divisions Wealth management division, including trust powers

2017 PERFORMANCE SUMMARY

2017 FINANCIAL POSITION AND PERFORMANCE

Balance Sheet	Deposit growth of $525 million, or 10.7% drove strong asset growth Assets finished the year at $6.2 billion, up 10.2%, or $577 million Loans grew $147 million, or 3.9% to $3.9 billion Common shareholders' equity increased $35 million, or 7.0%
Earnings and Shareholder Value	Earnings decreased $9.9 million, or 19.2% to $41.8 million (tax reform impact) Net interest revenue grew $25.2 million, or 13.9% to $206.8 million Diluted earnings per share decreased $3.93, or 19.4% to $16.36 Book value per share increased $12.82, or 6.6% to $206.48
2017 Performance	Net interest margin widened by 13 bps to 3.66% Return on assets decreased 26 bps to 0.72% Return on shareholders' equity decreased 260 bps to 7.93% Common shareholder dividends increased $0.36 per share, or 12.0% to $3.36
Risk Profile	Capital exceeds regulatory minimums and internal targets Asset quality is high with historically low non-performing assets Allowance position remains substantial at $87 million, or 2.21% of loans Liquidity levels are elevated with a Liquidity Ratio of 31.8%

2017 INDUSTRY PERFORMANCE

Industry Earnings:

- Industry earnings = $165 billion, down $6 billion, or 3.5% YoY
  - Net interest revenue increased 8.2% on growth and wider margins
  - Provision for loan loss expense increased $3 billion, or 6.2%
  - Q4 noninterest expense up $9.4 billion, or 8.6% from Q4 2016

Industry Balance Sheet:

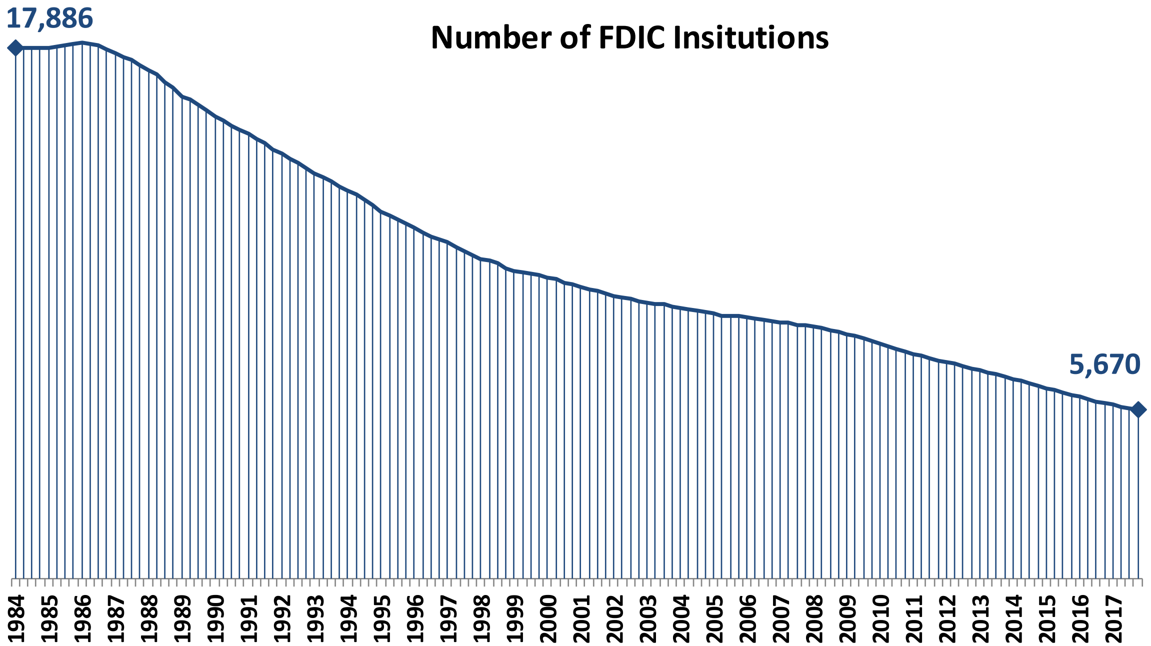
- Deposits = $13.4 trillion, up $504 billion, or 3.9%
- Assets = $17.4 trillion, up $637 billion, or 3.8%
- Loans = $9.7 trillion, up $416 billion, or 4.5%
- Equity = $2.0 trillion, up $89 billion, or 4.8%

Industry Performance and Risk Metrics:

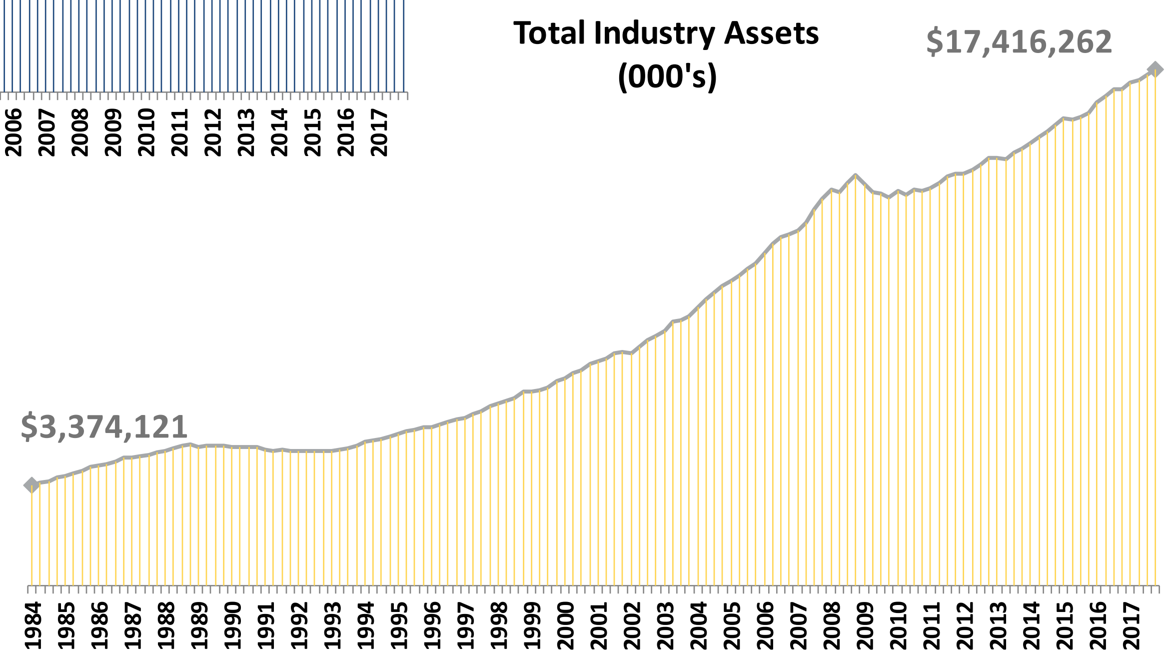
- Noncurrent loans + OREO to assets = 0.72% (peak of 3.45% in 2010)
- Loan loss allowance = $124 billion, or 1.27% of loans
  - Down from a recent peak of 3.51% in 2010
- Net Interest Margin = 3.13%, up 6 bps
- Return on assets = 0.97%, down 7 bps YoY
- Return on equity = 8.64%, down 65 bps

Source for industry performance: FDIC website

INDUSTRY CONSOLIDATION CONTINUES…



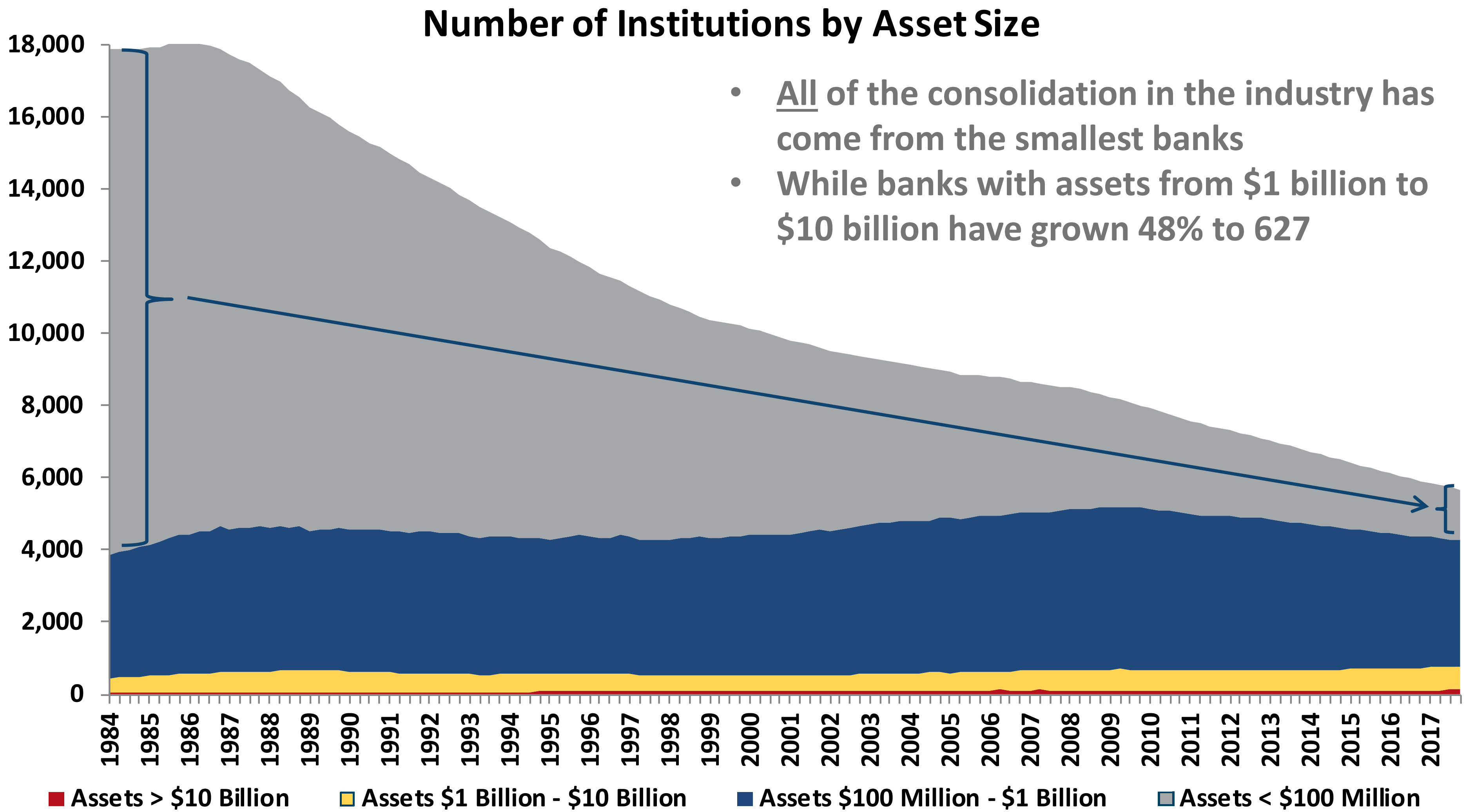
The number of FDIC insured institutions has declined by over 12,000, or 68% to 5,670 since 1984…



…while assets have quadrupled to over $17 trillion for a CAGR of 5.3%

Source: FDIC website as of 4/9/2018

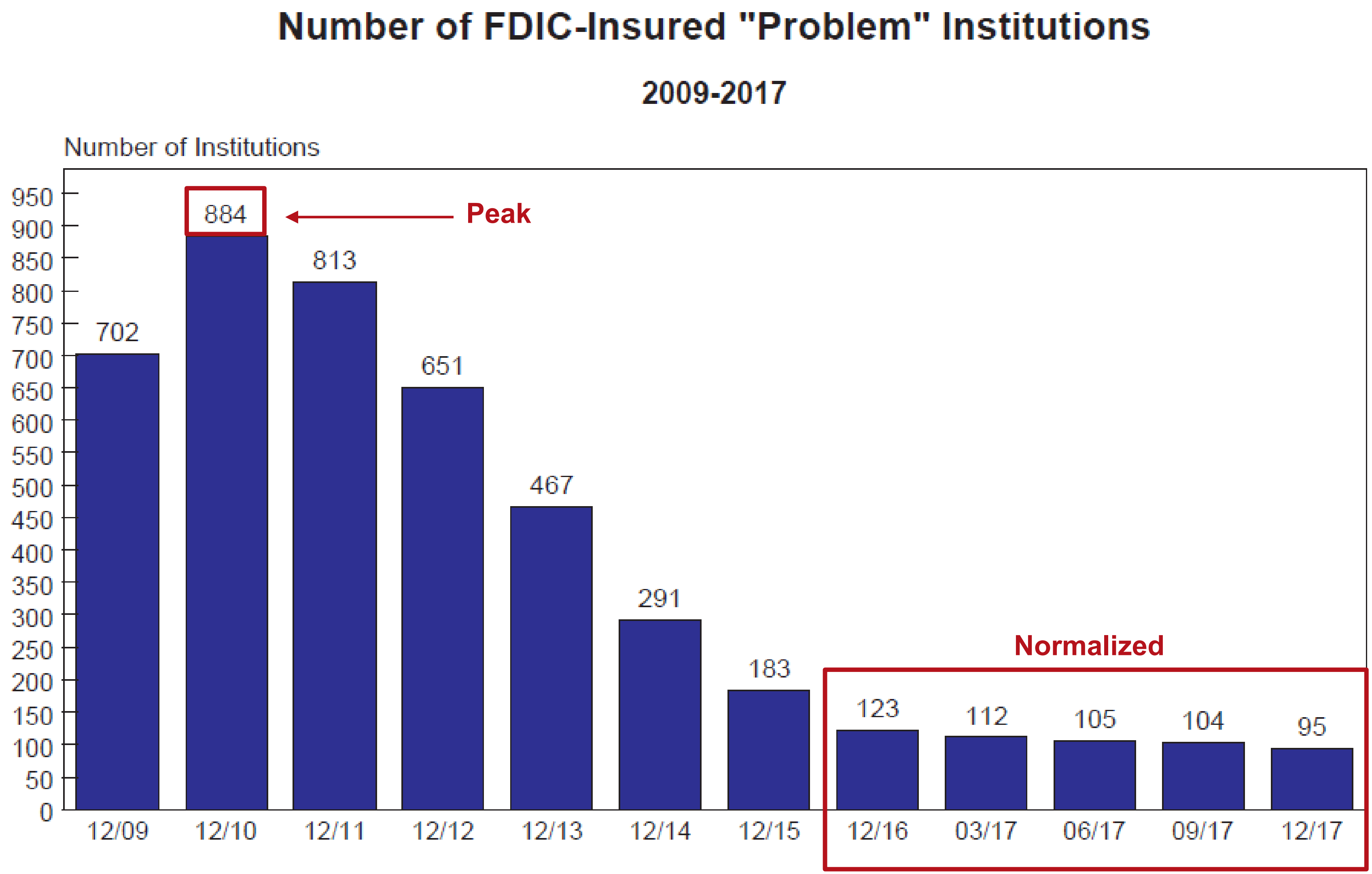
IMPACTING THE SMALLEST BANKS



- All of the consolidation in the industry has come from the smallest banks
- While banks with assets from $1 billion to $10 billion have grown 48% to 627

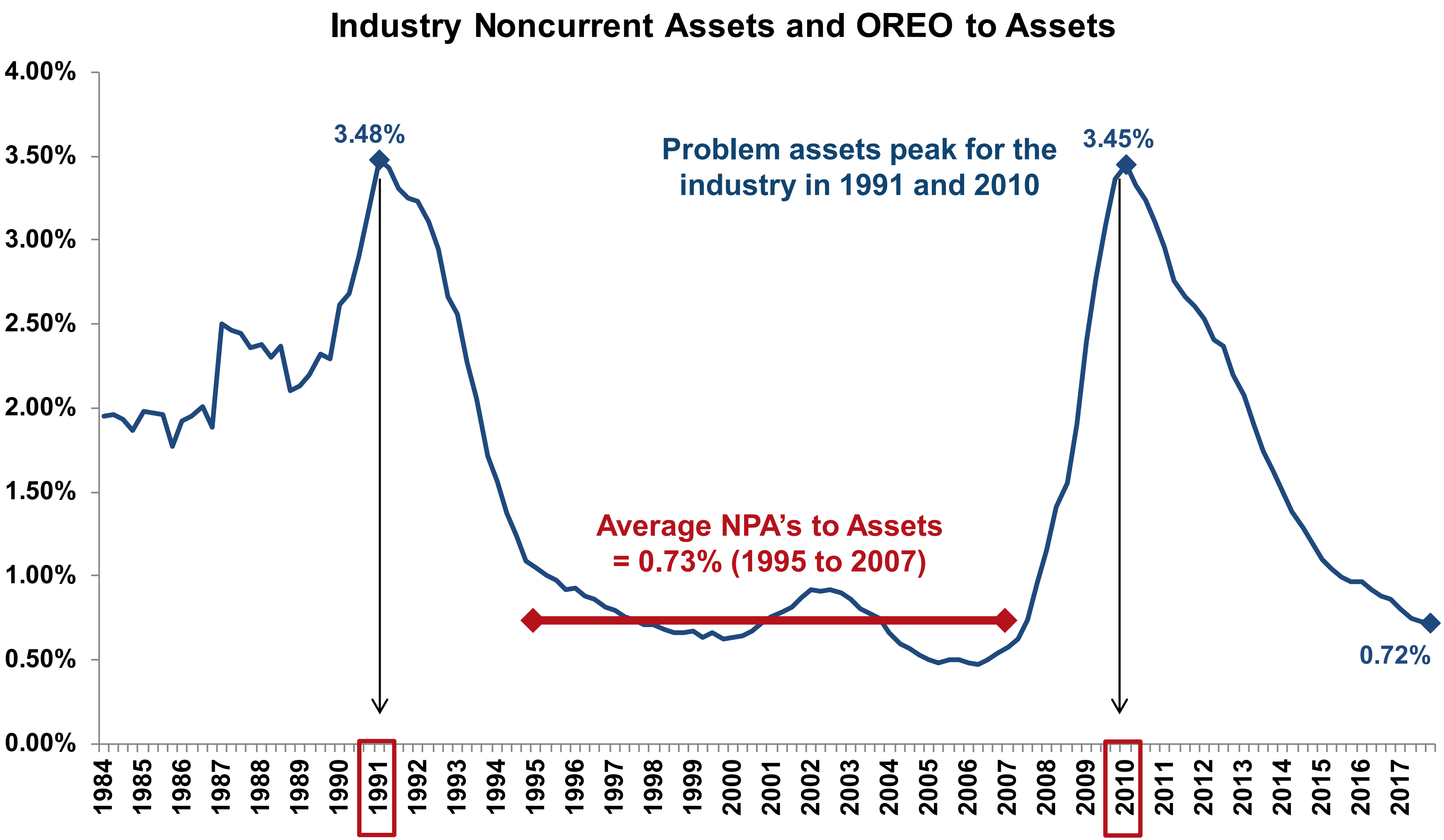
Source: FDIC website as of 4/9/2018

PROBLEM BANK LEVELS



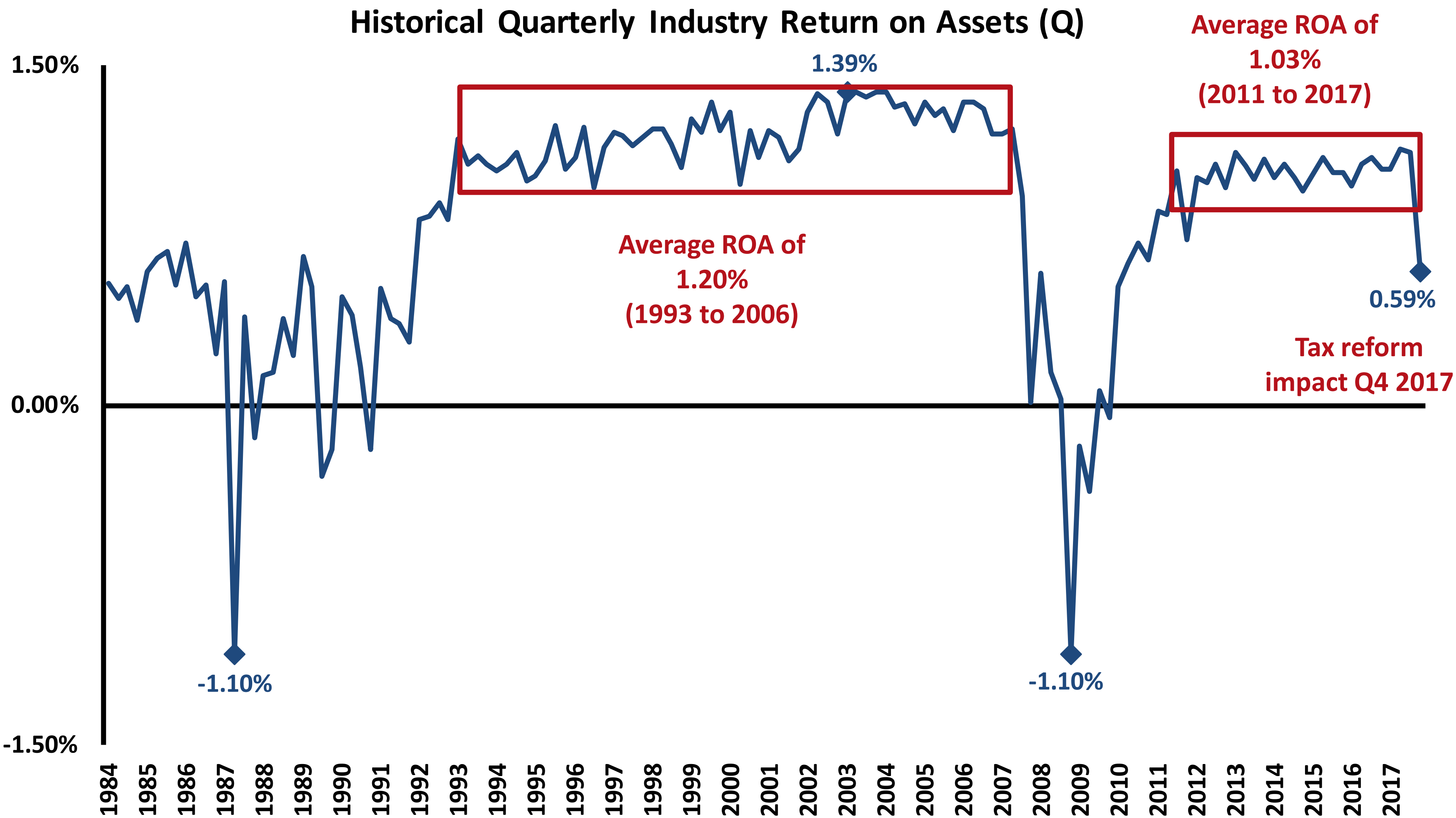
Source: FDIC website as of 4/10/2018

INDUSTRY ASSET QUALITY IS EXCELLENT



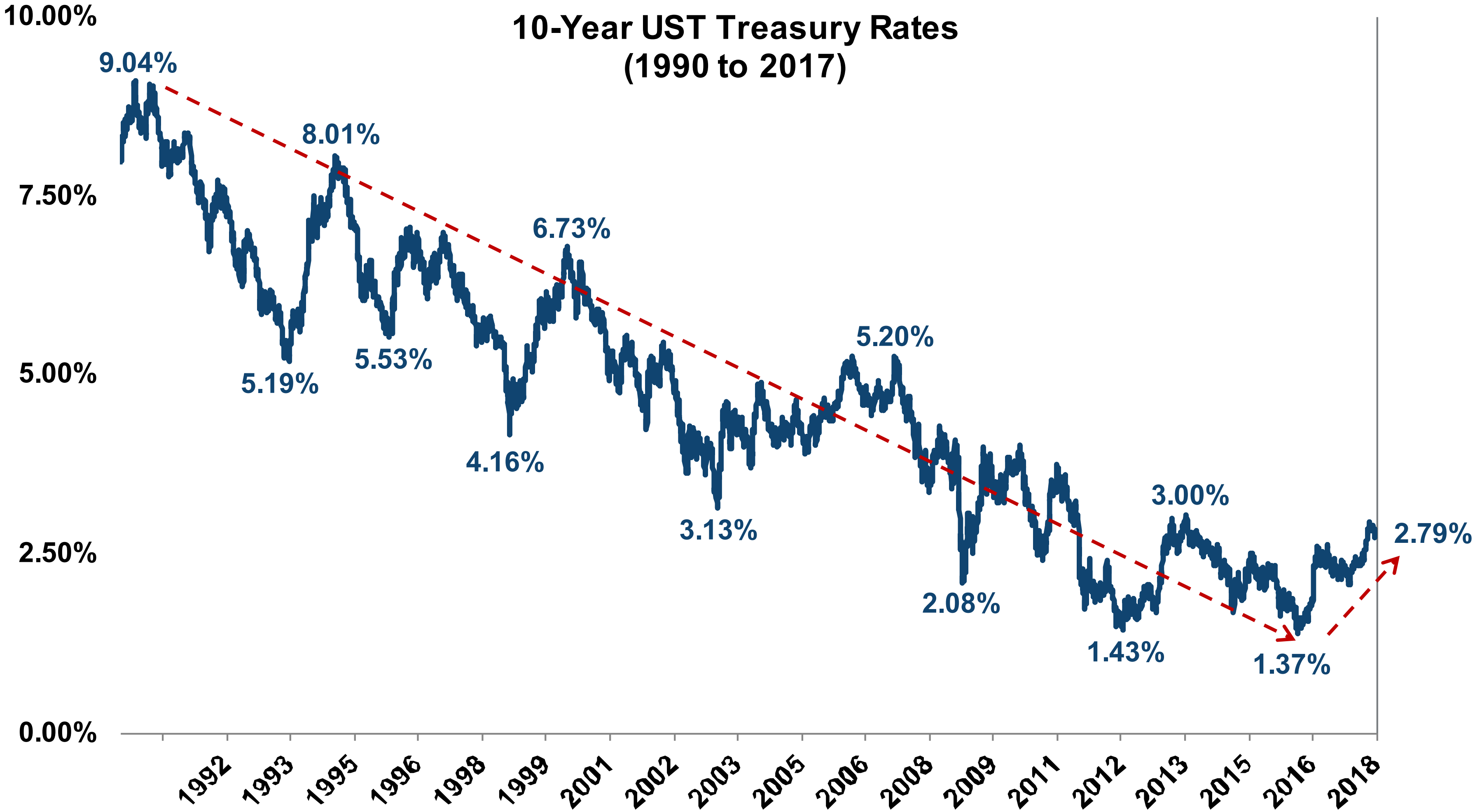
Source: FDIC website as of 4/9/2018

BUT PROFITABILITY HASN'T YET…



Source: FDIC Quarterly Bank Performance Data as of Fourth Quarter 2017

…AND WON'T UNTIL RATES "NORMALIZE"



Source: United States Treasury website as of 4/10/2018

W.T.B. Financial Corporation

INDUSTRY PERFORMANCE COMPARISON

COMPARATIVE METRIC:	Washington Trust Bank (2017)	FDIC DATA: All Insured Institutions	FDIC DATA: Community Banks
FINANCIAL PERFORMANCE	Actual	4-Quarter Average (2017)	
Net Interest Margin (NIR/Earning Assets)	3.66%	3.25%	3.62%
Cost of Funding Earning Assets	0.08%	0.48%	0.52%
Operating Expenses to Assets	2.88%	2.60%	2.77%
Efficiency Ratio (Expenses/Revenues)	64.9%	58.0%	64.7%
Return on Assets (Earnings/Assets)	0.71%	0.97%	0.97%
Return on Equity (Earnings/Equity)	7.99%	8.64%	8.70%
ASSET QUALITY METRICS	Actual	Period End Average	
Noncurrent Loans and OREO to Assets	0.19%	1.20%	0.85%
ALLL to Total Loans	2.21%	1.27%	1.16%
ALLL to Noncurrent Loans	755%	106%	136%
CAPITAL	Actual	Period End Average	
Equity to Assets	8.30%	11.22%	11.12%
Tier 1 Leverage Ratio (minimum = 5.00%)	9.10%	9.62%	10.80%
Tier 1 Risk Based Capital (minimum = 8.00%)	12.14%	13.19%	14.58%
Total Risk Based Capital (minimum =10.00%)	13.40%	14.57%	15.65%

Source:
FDIC Website; QBP Time Series Spreadsheets
Download Date: 4/10/2018

FINTECH REVOLUTION WELL UNDERWAY

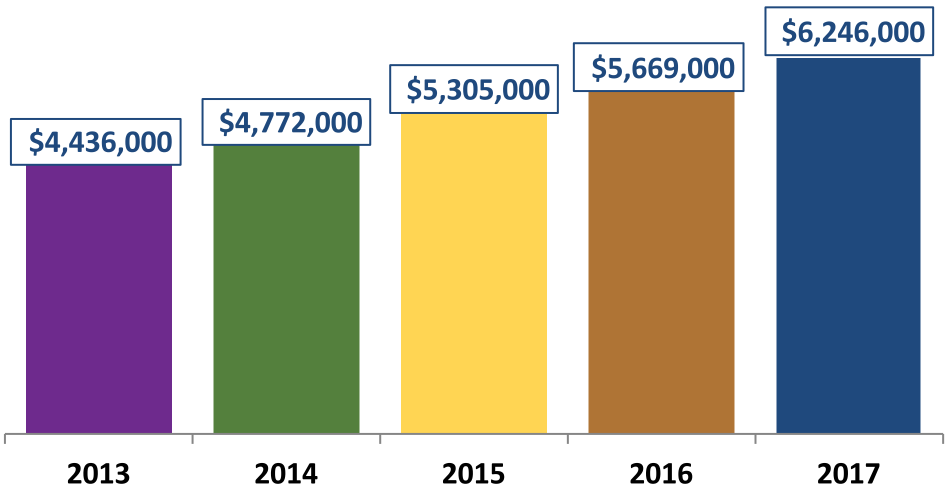
FOCUS ON WTBFC

COMPANY 2017 PERFORMANCE

IN PERSPECTIVE

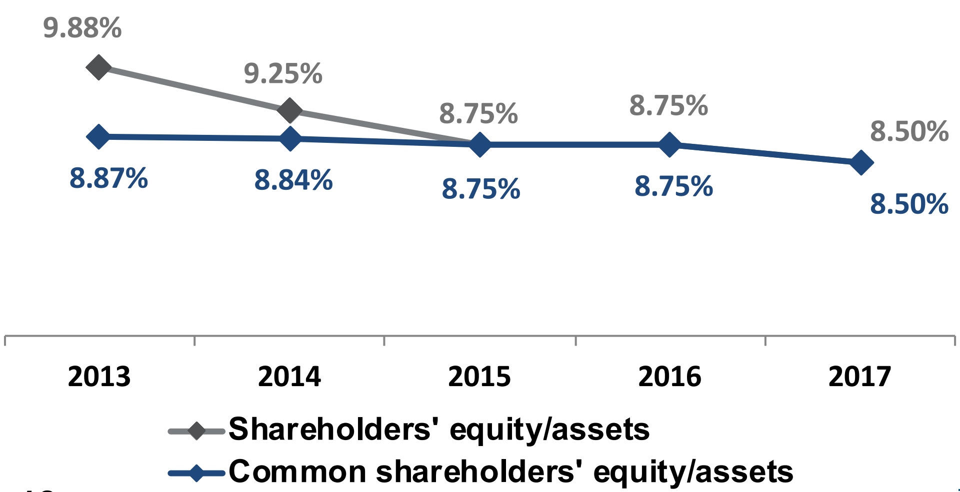
ASSETS AND CAPITAL

Total Assets (in thousands)

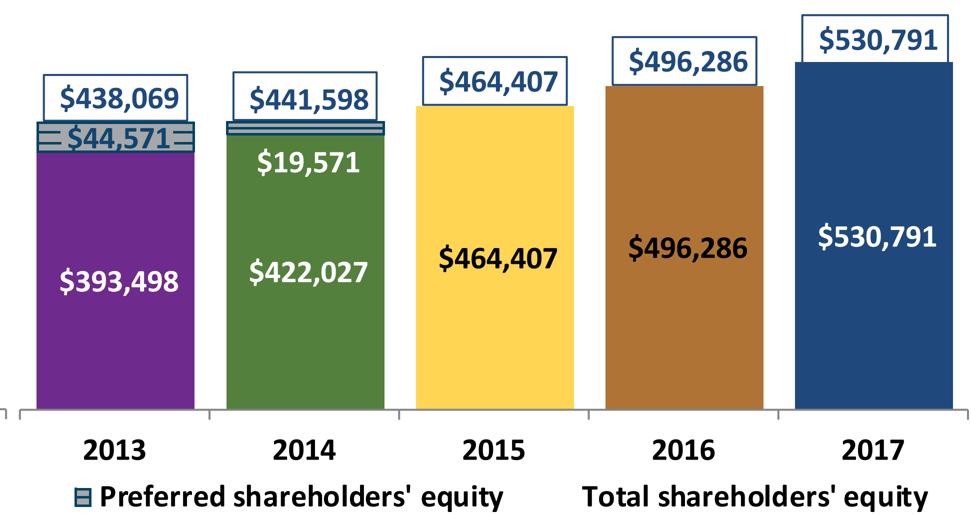


- Assets increased $1.8 billion, or 41% over past five years
- Common shareholders' equity increased $137 million, or 35% over past five years
- Common equity to assets declined 37 bps to 8.50% due to strong deposit growth
- Capital quality is high with all common equity and no intangibles

Equity to Assets

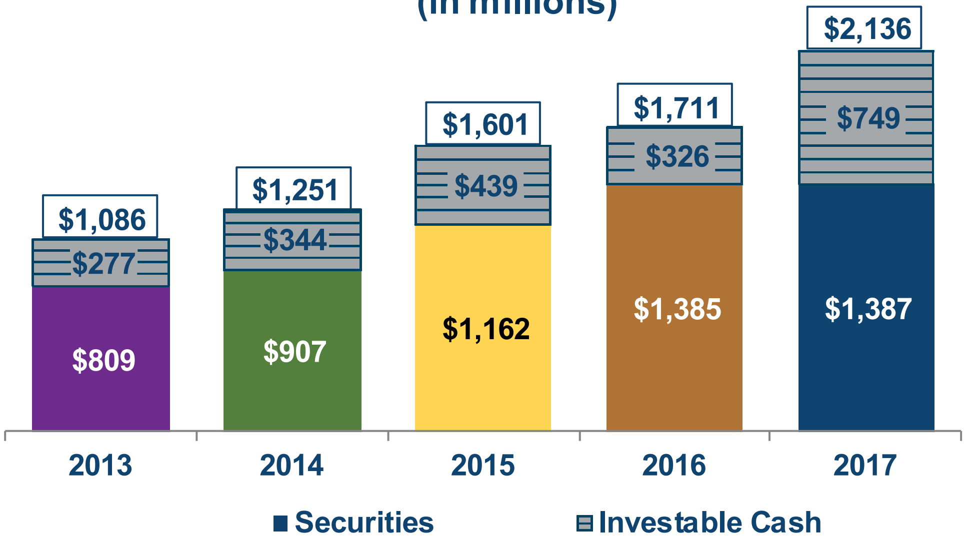


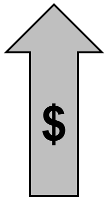
Shareholders' Equity (in thousands)



INVESTABLE CASH AND SECURITIES TRENDS

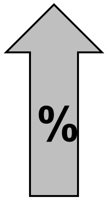
SECURITIES AND INVESTABLE CASH (in millions)





$425 Million

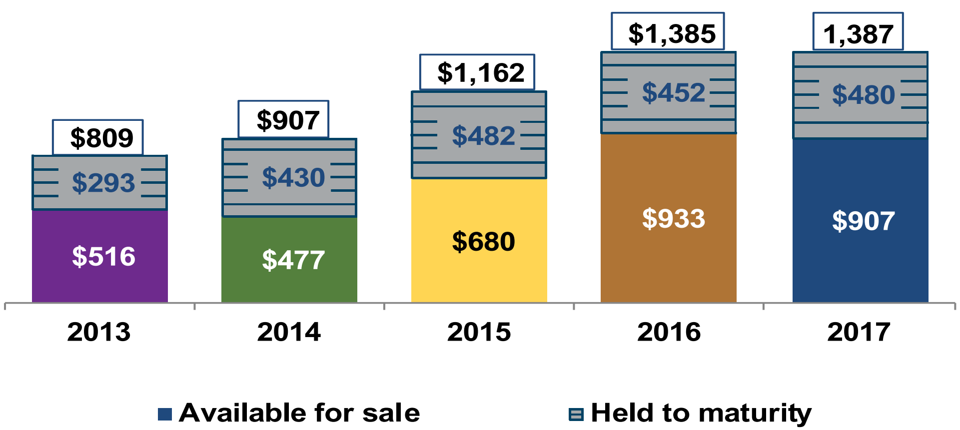
$ Growth over the Past Year



24.8%

% Growth over the Past Year

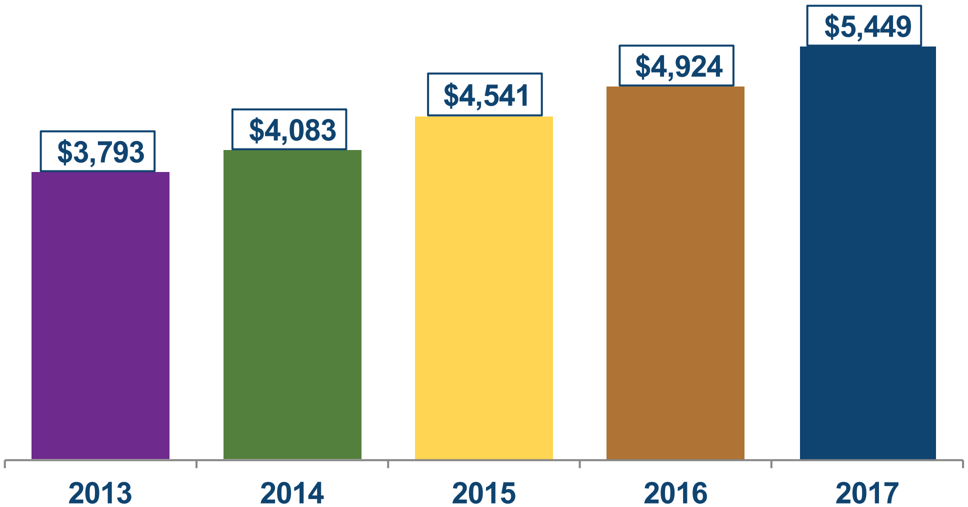
AFS and HTM (in millions)

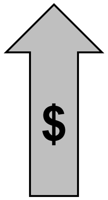


- Growth in cash and securities reflects deposit growth > loan growth
- Growth in cash reflects relative attractiveness of bond opportunities
- Cash position benefits from Fed rate moves
- HTM classification roughly aligns with collateral pledging needs

DEPOSIT TRENDS

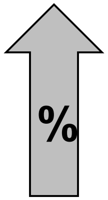
TOTAL DEPOSITS (in millions)





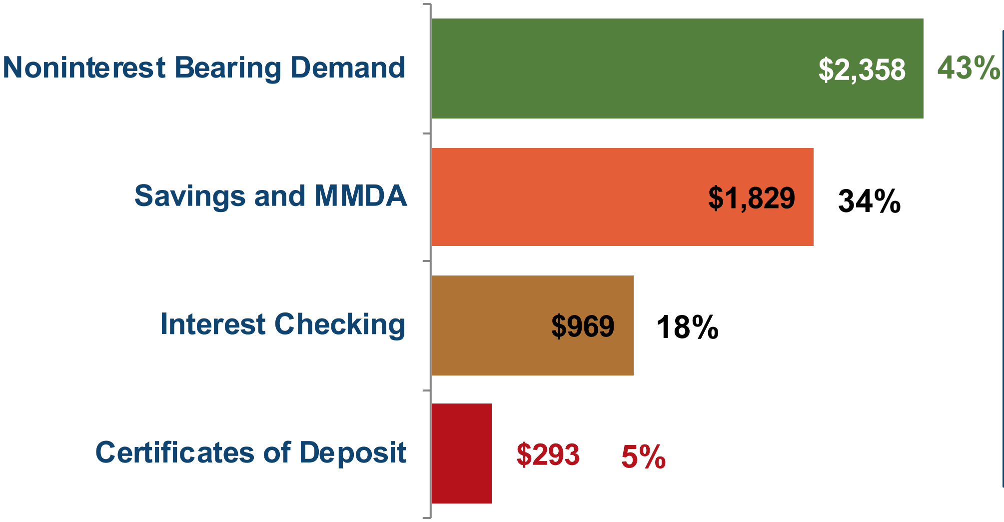
$525 Million

$ Growth over the Past Year



10.7%

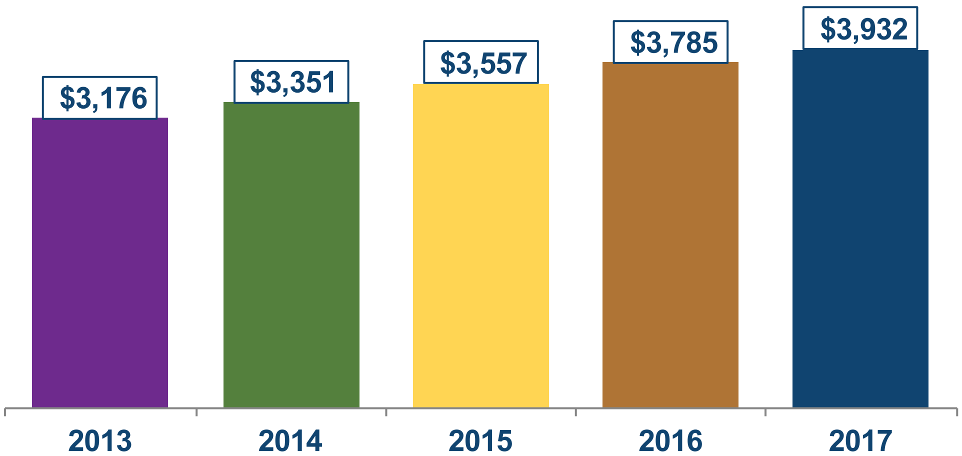
% Growth over the Past Year



- Deposit growth has been consistently strong (5 year CAGR of 7.5%)
- Low rate environment:
  - Favors noninterest bearing demand balances (43% of total)
  - Discourages CD balances (5% of total)
  - Rising rates may shift client behavior
- Funding costs remained low (overall cost of funds = 0.08%)

LOAN TRENDS

TOTAL LOANS (in millions)

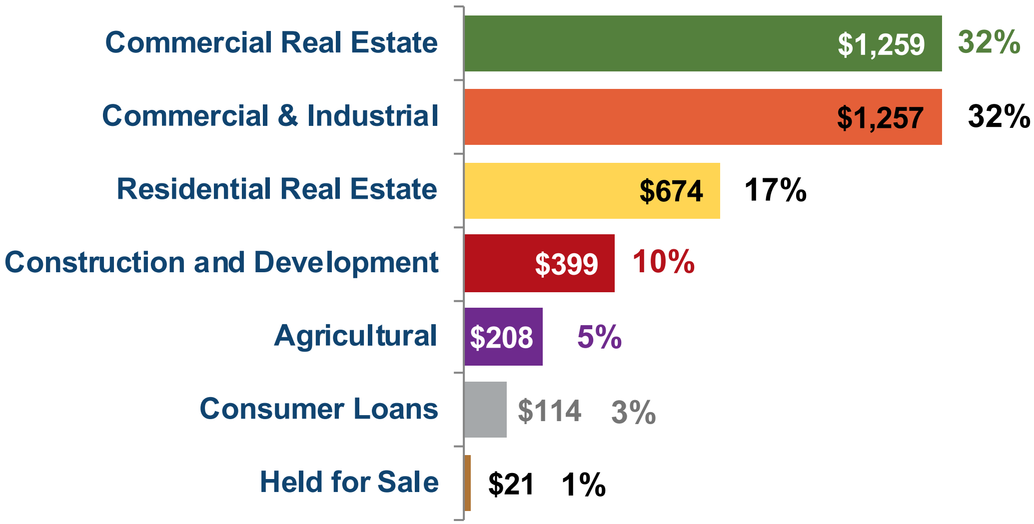


$147 Million

$ Growth over the Past Year

3.9%

% Growth over the Past Year



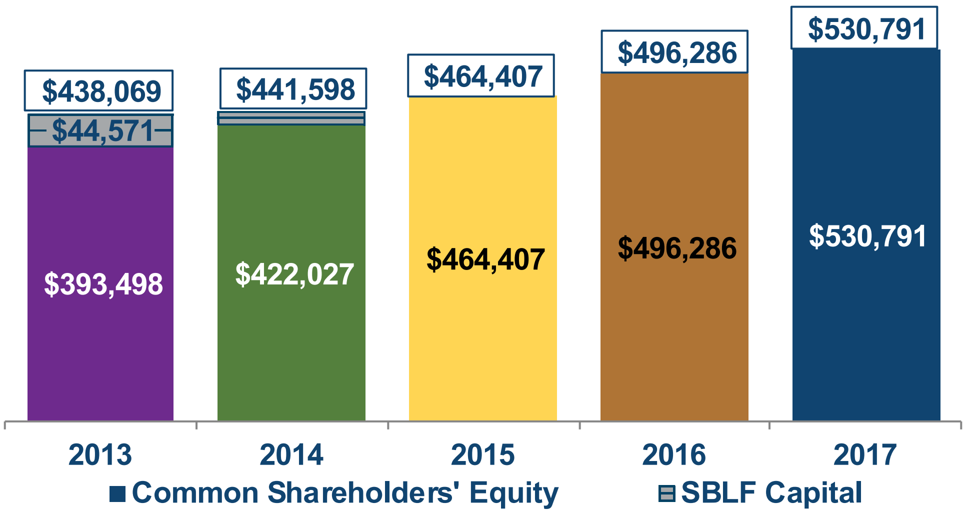
- Mix of 1/3 CRE and 1/3 C&I reflects commercial banking focus
- Loan growth moderated in 2017
  - Credit standards tempered growth
  - Emerging evidence of clients taking gains / reducing exposures
  - Loan pay-off proceeds a component of deposit growth
- Credit quality remains high (noncurrent loans + ORE to assets = 0.19%)

FOCUS ON CAPITAL

- Capital levels well above regulatory minimums
- Profitability levels sufficient to fund growth
  - Tax Reform favorable to capital formation
  - Quarterly dividend raised in Q1
    - Up $0.31 per share, or 37% to $1.15
- Risk profile moderate
- Capital quality is high (zero intangible assets)
- Balance sheet strength considerable
- Risk based capital ratio trends favorable
- 2017 share repurchase program expired
  - No share repurchases made
- Share repurchase program renewed for 2018
  - $2 million authorized
  - One year term
  - Repurchases dependent upon market conditions, corporate considerations

CAPITAL TRENDS

SHAREHOLDERS' EQUITY (in thousands)



Common Shareholders' Equity

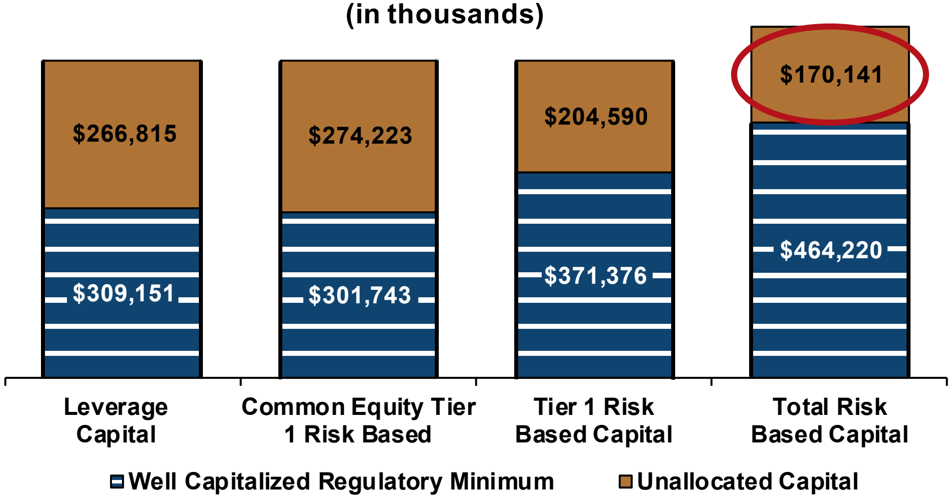
$ **$34.5 Million**

$ Growth over the Past Year

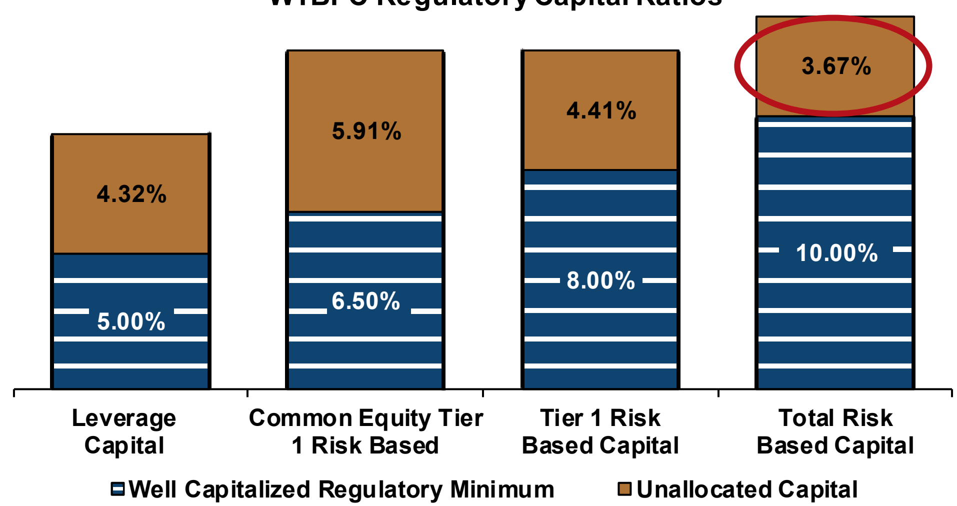
% **7.0%**

% Growth over the Past Year

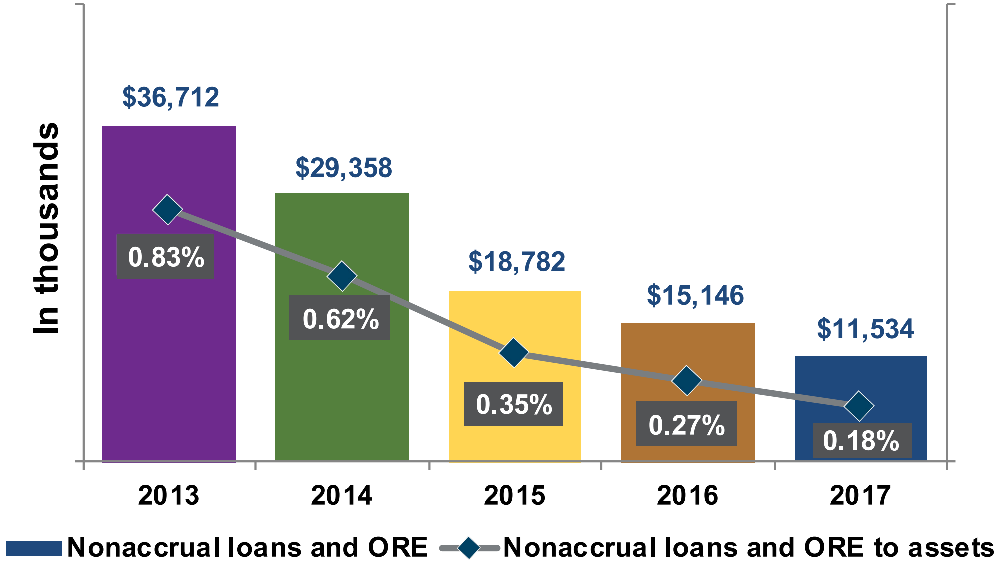
WTBFC Regulatory Capital Position (in thousands)



WTBFC Regulatory Capital Ratios

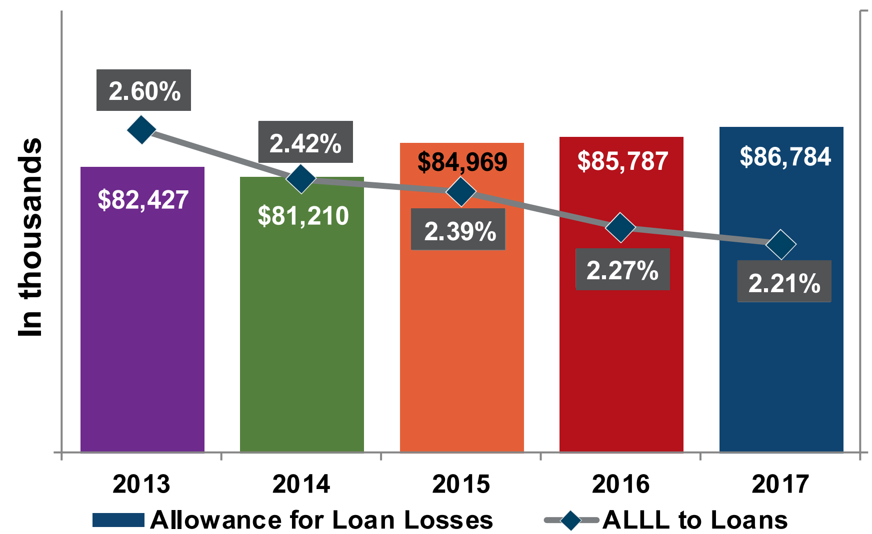


ASSET QUALITY IS HIGH



The Bank's asset quality is high with problem assets declining significantly to historically low levels

The Bank's allowance for loan loss position has grown and ALLL to loans is substantial, maintaining balance sheet strength



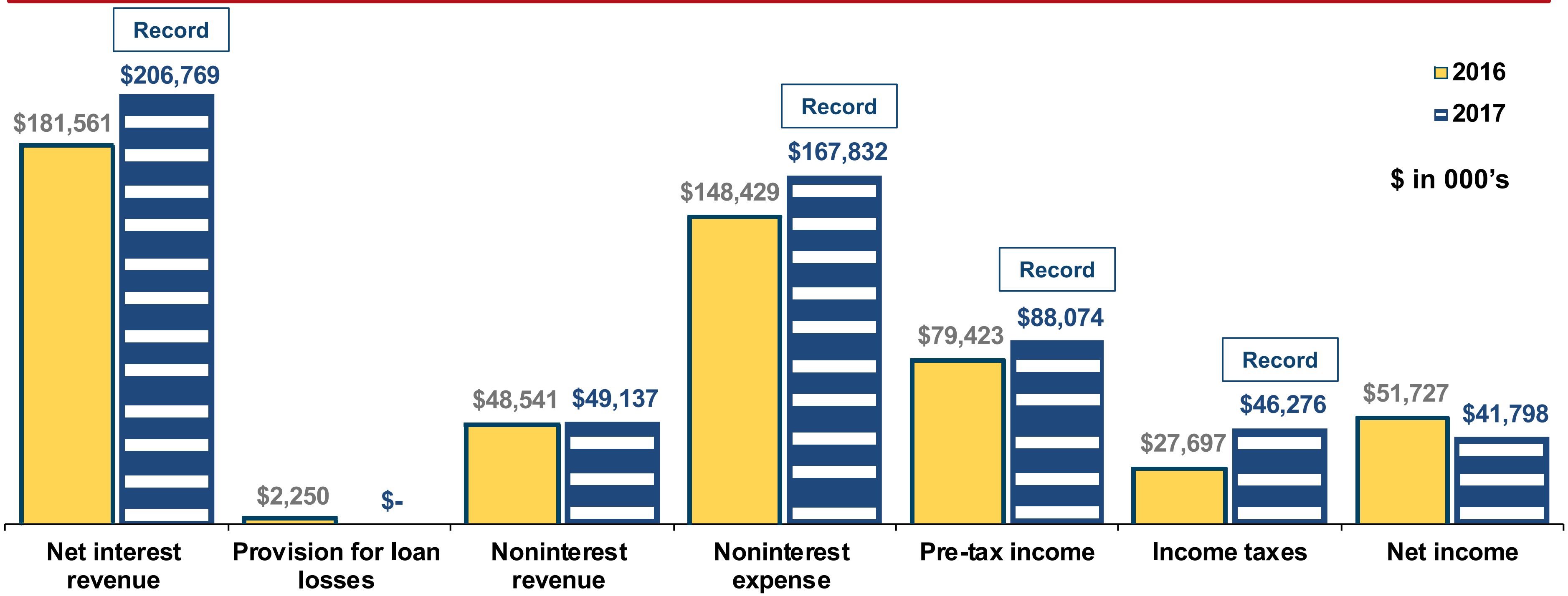
WMAS AND TRUST: KEY BUSINESS LINE

Wealth Management and Advisory Services, including Trust Powers

- $5.6 billion portfolio of assets
  - Managed asset growth of $471 million, or 16.5%
  - Total asset growth of $811 million, or 17.1%
- Fee income based business
- Recurring revenue stream
- Diversifies revenue base
- Off-balance sheet business line
  - Capital neutral/Capital efficient
  - Profitability enhances ROA and ROE
- Competitive advantage for high value and affluent customers
- Long-term, relationship based business line

INCOME STATEMENT TRENDS

Income Statement (000's)	Years Ended December 31, 2016	2017	$ Difference	% Change
Net interest revenue	$ 181,561	$ 206,769	$ 25,208	13.9%
Provision for loan losses	2,250	-	(2,250)	-100.0%
Noninterest revenue	48,541	49,137	596	1.2%
Noninterest expense	148,429	167,832	19,403	13.1%
Pre-tax income	79,423	88,074	8,651	10.9%
Income taxes	27,696	46,276	18,580	67.1%
Net income	$ 51,727	$ 41,798	$ (9,929)	-19.2%



OVERVIEW OF TAX REFORM ACT

- Tax rate change
  - From 35% in 2017 to 21% effective in 2018 and beyond
- Revaluation of deferred tax assets
  - DTA's arise from timing differences
    - Recognized for financial statements, but delayed for tax
- Tax rate change increased income tax expense by $16.8 million
  - Non-cash expense
  - Accounting entry only (to reflect lower future tax rates)
- Incentive to accelerate expenses into 2017 ($6 million +/-)
  - Accelerated technology purchases
  - Charitable contributions
  - Accelerated depreciation, software and expense accruals
  - Compensation (related to strong 2017 performance)
- Instituted an employee service program supporting our communities
- Lowered reported earnings and performance metrics
- 21% tax rate favorable to financial performance in 2018 and beyond
- Period over period comparability a challenge (pre-tax focus)

OVERVIEW OF TAX REFORM ACT

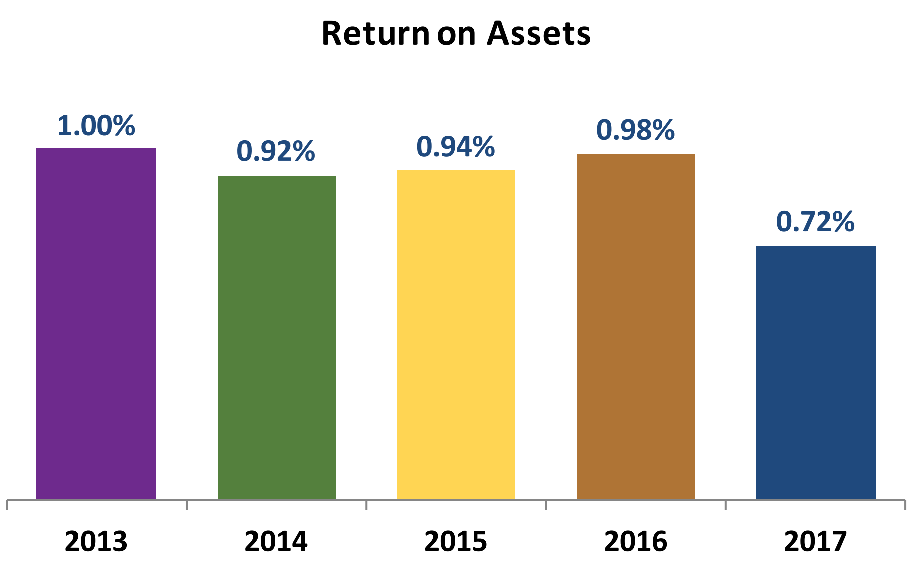
W.T.B. Financial Corporation
Comparative Summary of the Impact of Tax Reform and Tax Planning on 2017 Performance

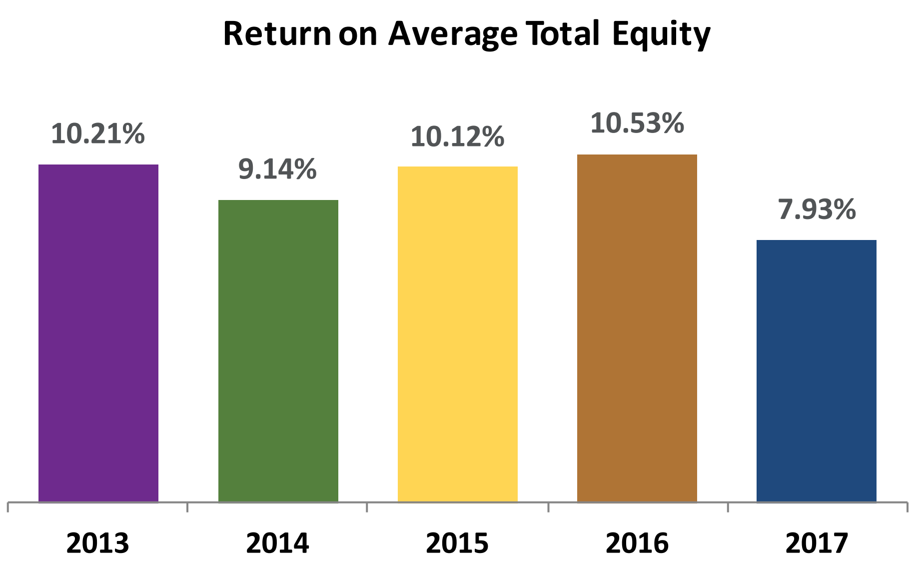
(Dollars in Thousands)	2017 Reporting Comparison: Actual Results	Tax Reform Impact	Results w/o Tax Reform	Comments
Earnings				
Net interest revenue	$ 206,769	-	$ 206,769	
Provision expense	-	-	-	
Noninterest revenue	49,137	-	49,137	
Noninterest expense [1]	167,832	5,849	161,983	Tax planning impact ~ accelerated expenses
Income before income taxes	88,074	-	93,923	
Income taxes	46,276	14,739	31,537	$16.8 million DTA write-down, less tax planning impact
Net income	$ 41,798	$ 20,588	$ 62,386	Tax reform impact on net income
Performance Ratios				
Return on average assets	0.72%	0.35%	1.07%	
Return on average equity	7.93%	3.89%	11.82%	

[1] **Tax Planning Noninterest Expense Impact:**		
Charitable contributions	$ 2,230	Donations and community support
Accelerated purchases	295	Software licenses
Fixed asset and software expense	1,794	Accelerating F&E write-downs and software purchases
Additional A/P expense accruals	745	2017 invoiced expenses
Compensation	785	Staff performance incentive compensation
Grand total	**$ 5,849**	

WTBFC FINANCIAL PERFORMANCE METRICS

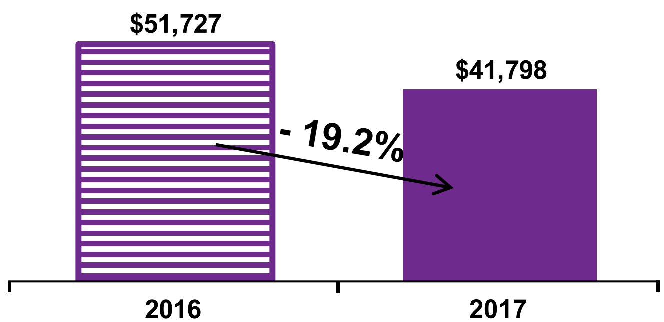
Performance Metric	For the Year 2016	For the Year 2017	Difference
Return on average assets	0.98%	0.72%	-0.26%
Return on shareholders' equity	10.53%	7.93%	-2.60%
Margin on average earning assets	3.53%	3.66%	0.13%
Noninterest expense to average assets	2.81%	2.89%	0.08%
Noninterest revenue to average assets	0.92%	0.85%	-0.07%
Efficiency ratio	64.1%	65.3%	1.20%



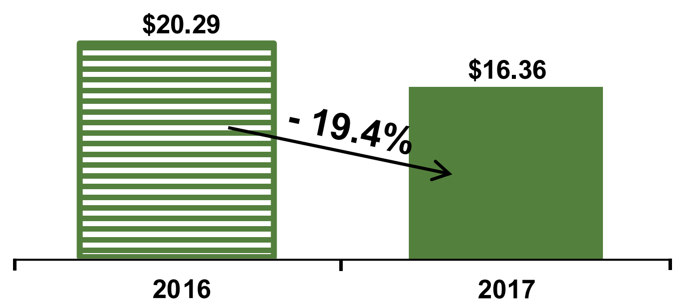


KEY SHAREHOLDER VALUE METRICS

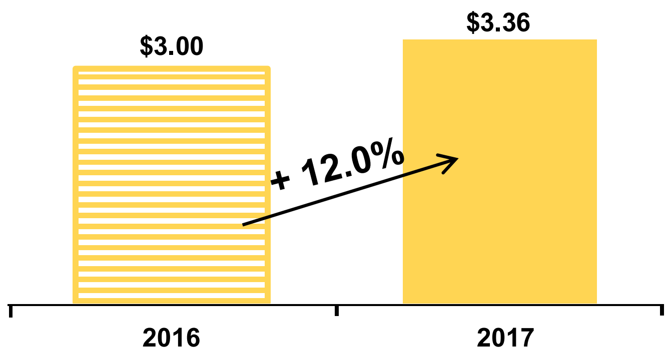
Income (000's) and Per Share Data	Years Ended December 31, 2016	Years Ended December 31, 2017	$ Difference	% Change
Net Income	$ 51,727	$ 41,798	$ (9,929)	-19.2%
Diluted Earnings per Common Share	$ 20.29	$ 16.36	$ (3.93)	-19.4%
Dividends per Common Share	$ 3.00	$ 3.36	$ 0.36	12.0%
Book Value per Common Share	$ 193.66	$ 206.48	$ 12.82	6.6%



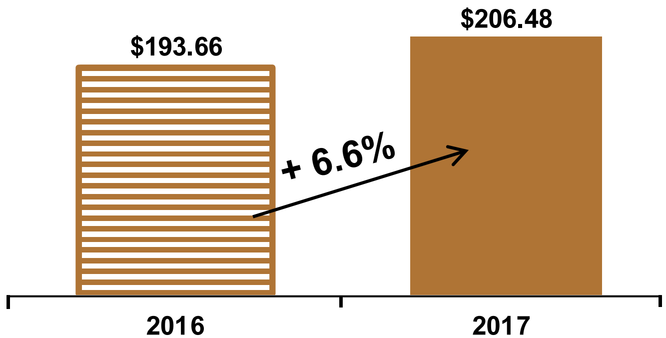
Net Income Available to Common Shareholders



Diluted Earnings per Common Share



Dividends per Common Share



Book Value per Common Share

WTBFB HISTORICAL RETURNS

WTBFC Class B Common Stock Returns

Valuation Method:	1 Year Returns			
			Valuation Change	
	YE 2016	YE 2017	Total $/Share	CAGR %
Book Value	$ 193.66	$ 206.48	$ 12.82	**6.6%**
Market Close	$ 255.00	$ 354.00	$ 99.00	**38.8%**

Valuation Method:	3 Year Returns			
			Valuation Change	
	YE 2014	YE 2017	Total $/Share	CAGR %
Book Value	$ 164.93	$ 206.48	$ 41.55	**7.8%**
Market Close	$ 199.99	$ 354.00	$ 154.01	**21.0%**

Valuation Method:	5 Year Returns			
			Valuation Change	
	YE 2012	YE 2017	Total $/Share	CAGR %
Book Value	$ 145.28	$ 206.48	$ 61.20	**7.3%**
Market Close	$ 133.00	$ 354.00	$ 221.00	**21.6%**

Source: OTC Markets historical trading data (www.otcmarkets.com/stock/WTBFB/chart)

Q1 2018 HIGHLIGHTS (YoY COMPARISON)

- Favorable earnings trends continued
  - Net interest revenue up $6.3 million, or 13.0% to $54.8 million
  - Noninterest revenue up $1.1 million, or 9.3% to $12.5 million
  - Noninterest expense up $2.7 million, or 6.7% to $42.6 million
- Performance enhanced by tax reform
  - Pre-tax income up $4.7 million, or 23.9% to $24.3 million
  - Income tax expense down $1.1 million, or 17.3% to $5.5 million
  - Net income up $5.8 million, or 44.9% to $18.8 million
- Credit performance remains high
- Shareholder returns favorable
  - Diluted EPS of $7.36, up $2.26 per share, or 44.3% YoY
  - Quarterly dividends per share $1.15, up $0.31, or 36.9% YoY
  - Book value per share $208.75, up $10.70, or 5.4% YoY

OUTLOOK ~ 2018 AND BEYOND

- Economic recovery accelerating
  - Tax reform contributing to renewed optimism
  - Capital market volatility a source of concern
  - Year 9 of expansion…cautious of late cycle risks
- Fed signaling further rate increases in the future
  - Rising rates bring liquidity risk management into focus
  - IRR management prominent
- Crucial to remain current and competitive on technology
- Our markets are providing opportunities
- WTBFC has capacity to serve/grow customers
- WTBFC positioned for future

KEY PRIORITIES

- **Strength**
  - Maintain balance sheet strength and conservative risk profile
  - Position for Fed policy shifts/macro events
- **Adapt and evolve**
  - Shifting "FinTech" landscape
  - Enhance the customer experience
  - Execute on electronic/mobile delivery
- **Discipline**
  - Stay true to relationship banking model
  - Compete for high quality customers ~ teams ~ bankers
  - Maintain credit discipline
  - Remain vigilant on cost structure, but still invest for future
- **Performance**
  - Improve core earnings/financial performance
  - Manage capital wisely and deliver shareholder value

YOUR TIME IS VALUABLE TO US

Thank You

WE APPRECIATE YOUR SUPPORT

AND ALWAYS

WELCOME CUSTOMER REFERRALS