FOR RELEASE: IMMEDIATELY
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Bryn Mawr Bank Corporation Reports Record Quarterly Net Income of $9.4 Million and Record Annual Net Income of $36.0 Million, Driven by 2016 Annual Loan Growth of 11.7%, Wealth Assets Reach $11.3 Billion

BRYN MAWR, Pa., January 19, 2017 - Bryn Mawr Bank Corporation (NASDAQ: BMTC) (the "Corporation"), parent of The Bryn Mawr Trust Company (the "Bank"), today reported net income of $9.4 million and diluted earnings per share of $0.55 for the three months ended December 31, 2016, as compared to net income of $9.4 million, or $0.55 diluted earnings per share, for the three months ended September 30, 2016 and a net loss of $6.4 million, or $(0.37) diluted earnings per share, for the three months ended December 31, 2015.

On a non-GAAP basis, core net income, which excludes certain non-core income and expense items, as detailed in the appendix to this earnings release, was also $9.4 million, or $0.55 diluted earnings per share, for the three months ended December 31, 2016 as compared to $9.4 million, or $0.55 diluted earnings per share, for the three months ended September 30, 2016 and $7.5 million, or $0.44 diluted earnings per share, for the three months ended December 31, 2015. Management believes the core net income measure is important in evaluating the Corporation's performance on a more comparable basis between periods. A reconciliation of this and other non-GAAP to GAAP performance measures is included in the appendix to this earnings release.

"We were pleased to conclude 2016 on a positive note, with fourth quarter and annual net income, both GAAP and core, reaching all-time highs," commented Frank Leto, President and

Chief Executive Officer, continuing, "The outstanding loan growth we saw during the year, coupled with the momentum in our wealth management business positions us well going into 2017." Mr. Leto added, "Although the future operating environment may be more difficult to predict, at this juncture, we are confident that our unique blend of expertise and customer service, coupled with an expanding digital capability and enhanced product offerings, will ensure we remain poised to take advantage of future opportunities."

On January 19, 2017, the Board of Directors of the Corporation declared a quarterly dividend of $0.21 per share, payable March 1, 2017 to shareholders of record as of February 2, 2017.

SIGNIFICANT ITEMS OF NOTE

Results of Operations – Fourth Quarter 2016 Compared to Third Quarter 2016

- Net income for the three months ended December 31, 2016 was $9.4 million, as compared to $9.4 million for the three months ended September 30, 2016. The recovery of mortgage servicing rights ("MSR"s), the increase in net interest income, and the increase in fees for wealth management services were offset by a decrease in gain on sale of residential mortgage loans and an increase in other operating expense.

- Net interest income for the three months ended December 31, 2016 was $27.0 million, an increase of $273 thousand from $26.7 million for the three months ended September 30, 2016. Average interest-earning assets increased by $75.8 million, but decreased in yield by 4 basis points, while average interest-bearing liabilities increased by $58.8 million, accompanied by a 1 basis point increase in rate paid.

- The tax-equivalent net interest margin of 3.65% for the fourth quarter of 2016 decreased 6 basis points from 3.71% for the third quarter of 2016. The decrease was primarily the result of a 2 basis point decrease in tax-equivalent yield earned on average loans, which totaled $2.5 billion for the three months ended December 31, 2016, coupled with a 3 basis point increase in tax-equivalent rate paid on average interest-bearing deposits, which totaled $1.8 billion for the three months ended December 31, 2016.

- Non-interest income for the three months ended December 31, 2016 decreased $773 thousand from the third quarter of 2016. The decrease was largely the result of a $507 thousand decrease in gain on sale of residential mortgage loans and a $305 thousand decrease in other operating income. Partially offsetting these decreases was a $227 thousand increase in fees for wealth management services.

- Non-interest expense for the three months ended December 31, 2016 decreased $519 thousand, to $25.0 million, as compared to $25.5 million for the third quarter of 2016. Largely contributing to the decrease was a $580 thousand recovery of MSRs during the fourth quarter and an $879 thousand decrease in Pennsylvania bank shares tax. The recovery of MSRs was a result of rising interest rates which reversed the impairment recorded in the second quarter of 2016. The reduction in Pennsylvania bank shares tax resulted from $855 thousand in tax credits received in return for $950 thousand of contributions to local schools under the Pennsylvania Educational Improvement Tax Credit (EITC) program. These contributions are reflected in the $857 thousand increase in other operating expense.

- For the three months ended December 31, 2016, net loan and lease charge-offs totaled $1.3 million, as compared to $704 thousand for the third quarter of 2016. The provision for loan and lease losses (the "Provision") for the three months ended December 31, 2016 was $1.1 million, a decrease of $353 thousand from the third quarter of 2016.

- Income tax expense for the fourth quarter of 2016 increased by $338 thousand as compared to the third quarter of 2016. The increase in the effective tax rate from the third quarter of 2016 to the fourth quarter of 2016 from 31.7% to 33.2%, respectively, was the result of the early adoption of ASC 2016-09 in the third quarter of 2016. ASC 2016-09 allows for the excess tax benefit from stock-based compensation to be recorded as a discrete item on the income statement. During the third quarter of 2016, discrete tax items totaled $385 thousand as compared to $120 thousand in the fourth quarter of 2016.

Results of Operations – Fourth Quarter 2016 Compared to Fourth Quarter 2015

- Net income for the three months ended December 31, 2016 was $9.4 million, or $0.55 diluted earnings per share, as compared to a loss of $6.4 million, or diluted earnings per share of $(0.37) for the same period in 2015. The primary driver of the loss in the fourth quarter of 2015 was the loss on settlement of the corporate pension plan, which resulted in a $17.4 million pre-tax charge. On a core basis (a non-GAAP measure detailed in the appendix to this earnings release), core net income for the fourth quarter of 2016 of $9.4 million was a $1.9 million increase from core net income of $7.5 million for the fourth quarter of 2015. The increase in core net income was driven by a $1.6 million increase in net interest income, a $718 thousand decrease in the Provision and a $332 thousand increase in fees for wealth management services. In addition, decreases of $260 thousand, $265 thousand and $158 thousand in furniture, fixtures and equipment, advertising and Pennsylvania bank shares tax, respectively, contributed to the increase in net income.

- Net interest income for the three months ended December 31, 2016 was $27.0 million, an increase of $1.6 million, or 6.1%, from $25.4 million for the same period in 2015. The increase in net interest income was primarily related to the growth in average loan balances between the periods. Average loans and leases for the three months ended December 31, 2016 increased by $270.2 million from the same period in 2015. The increase in average loan balances was offset by a 14 basis point decrease in tax-equivalent yield earned on loans and leases. The net effect of the yield decrease and volume increase on average loans and leases was a $2.2 million increase in tax-equivalent interest income on loans. Partially offsetting the increase in average loans was a $197.7 million increase in average interest-bearing deposits accompanied by a 13 basis point increase in rate paid on deposits.

- The tax-equivalent net interest margin of 3.65% for the three months ended December 31, 2016 was a 12 basis point decrease from 3.77% for the same period in 2015. The primary reason for the decline in the margin was the 14 basis point decrease in tax-equivalent yield earned on loans and the 13 basis point increase in rate paid on deposits.

- Non-interest income for the three months ended December 31, 2016 decreased $549 thousand as compared to the same period in 2015. Contributing to this decrease was a $273 thousand decrease in gain on sale of residential mortgage loans, as interest rate increases during the fourth quarter of 2016 have slowed originations. In addition, a $233 thousand decrease in other operating income, largely related to the income recognized from the pay-off, in full, of purchased credit-impaired loans, which decreased from $319 thousand in the fourth quarter of 2015 to $159 thousand in the fourth quarter of 2016, contributed to the decrease in non-interest income.

- Non-interest expense for the three months ended December 31, 2016 decreased $22.0 million, primarily related to the $17.4 million loss on settlement of the corporate pension plan, which occurred in the fourth quarter of 2015. Excluding the non-core expense items detailed in the Appendix to this press release, decreases of $260 thousand, $265 thousand and $158 thousand in furniture, fixtures and equipment, advertising and Pennsylvania bank shares tax, respectively, contributed to the decrease in non-interest expense.

- The Provision for the three months ended December 31, 2016 of $1.1 million was a $718 thousand decrease from the same period in 2015. The level of net charge-offs in the fourth quarter of 2016 was $538 thousand lower than that in the fourth quarter of 2015. On an annual basis, net charge-offs for 2016 decreased by 13.7% from $3.1 million in 2015 to 2.7 million in 2016. The credit quality of the loan portfolio remains strong.

Financial Condition – December 31, 2016 Compared to December 31, 2015

- Total portfolio loans and leases of $2.54 billion as of December 31, 2016 increased by $266.4 million, or 11.7%, from December 31, 2015. Loan growth was concentrated in the commercial mortgage, commercial and industrial, and construction categories, which increased $146.6 million, $55.3 million and $51.5 million, respectively, since December 31, 2015.

- The allowance for loan and lease losses (the "Allowance") as of December 31, 2016 was $17.5 million, or 0.69% of portfolio loans as compared to $15.9 million, or 0.70% of portfolio loans and leases, as of December 31, 2015. In addition to the ratio of Allowance to portfolio loans, management also calculates two non-GAAP measures: the Allowance as a percentage of originated loans and leases, which was 0.78% as of December 31, 2016, as compared to 0.84% as of December 31, 2015, and the Allowance plus the remaining loan mark as a percentage of gross loans, which was 1.17% as of December 31, 2016, as compared to 1.44% as of December 31, 2015. A reconciliation of these and other non-GAAP to GAAP performance measures is included in the appendix to this earnings release.

- Available for sale investment securities as of December 31, 2016 were $567.0 million, an increase of $218.0 million from December 31, 2015. The primary contributor to the increase in the portfolio was the purchase, during December 2016, of $200 million of short-term U.S. Treasury bills.

- Total assets as of December 31, 2016 were $3.42 billion, an increase of $390.6 million from December 31, 2015. The purchase of $200 million of short-term U.S. Treasury bills and the $266.4 million increase in the loan portfolio were the primary causes for the increase.

- Wealth assets under management, administration, supervision and brokerage totaled $11.33 billion as of December 31, 2016, an increase of $2.96 billion, or 35.4%, from December 31, 2015. The significant growth in the wealth asset portfolio is largely comprised of accounts for which the Corporation provides trust and custodial services, which pay fees at lower rates per dollar of assets, or are billed on a flat-fee basis. As a result, fees for wealth management services are not increasing at the same rate at which the assets grow. However, as demonstrated by the increase in wealth management fees for the fourth quarter of 2016 as compared to both the fourth quarter of 2015 and the third quarter of 2016, the increased volume of assets is currently compensating for the lower yields.

- Deposits of $2.58 billion as of December 31, 2016 increased $327.0 million from December 31, 2015. Noninterest-bearing deposits increased by $109.5 million, retail time deposits and savings deposits increased by $93.7 million and $44.9 million, respectively, NOW accounts increased by $40.6 million and wholesale time deposits increased by $19.9 million.

- Borrowings of $393.9 million as of December 31, 2016 was a $44.9 million increase from December 31, 2015. The increase was comprised of a $110.0 million increase in short-term Federal Home Loan Bank ("FHLB") borrowings, drawn at year end to finance the purchase of $200 million of short-term U.S. Treasury bills, partially offset by a $65.1 million decrease in long-term FHLB advances which matured during 2016.

- The capital ratios for the Bank and the Corporation, as of December 31, 2016, as shown in the attached tables, indicate levels well above the regulatory minimum to be considered "well capitalized." At the Corporation level, all capital ratios have decreased from their December 31, 2015 levels, primarily due to the increase in total assets and the increase in other comprehensive loss associated with available for sale investment securities. On a linked-quarter basis, most capital levels at the Corporation have increased from their September 30, 2016 levels, primarily due to increases in retained earnings offset by dividends paid and increases in other comprehensive loss associated with available for sale investment securities. At the Bank level, all capital levels have increased from their December 31, 2015 levels, largely as a result of increases in retained earnings and a $15 million capital infusion from the Corporation, offset by a $16 million dividend paid to the Corporation and increases in other comprehensive losses associated with the available for sale investment portfolio. On a linked-quarter basis, all capital levels at the Bank have decreased from their September 30, 2016 level, primarily due to the $16 million dividend paid to the Corporation and the growth in assets between the dates.

FORWARD LOOKING STATEMENTS AND SAFE HARBOR

This press release contains statements which, to the extent that they are not recitations of historical fact may constitute forward-looking statements for purposes of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Such forward-looking statements may include financial and other projections as well as statements regarding the Corporation's future plans, objectives, performance, revenues, growth, profits, operating expenses or the Corporation's underlying assumptions. The words "may," "would," "should," "could," "will," "likely," "possibly," "expect," "anticipate," "intend," "indicate," "estimate," "target," "potentially," "promising," "probably," "outlook," "predict," "contemplate," “continue,” “plan,” “forecast,” “project,” “are optimistic,” “are looking,” “are looking forward” and “believe” or other similar words and phrases may identify forward-looking statements. Persons reading this press release are cautioned that such statements are only predictions, and that the Corporation’s actual future results or performance may be materially different.

Such forward-looking statements involve known and unknown risks and uncertainties. A number of factors, many of which are beyond the Corporation's control, could cause our actual results, events or developments, or industry results, to be materially different from any future results, events or developments expressed, implied or anticipated by such forward-looking statements, and so our business and financial condition and results of operations could be materially and adversely affected. Such factors include, among others, that the integration of acquired businesses with the Corporation’s may take longer than anticipated or be more costly to complete and that the anticipated benefits, including any anticipated cost savings or strategic gains may be significantly harder to achieve or take longer than anticipated or may not be achieved, our need for capital, our ability to control operating costs and expenses, and to manage loan and lease delinquency rates; the credit risks of lending activities and overall quality of the composition of our loan, lease and securities portfolio; the impact of economic conditions, consumer and business spending habits, and real estate market conditions on our business and in our market area; changes in the levels of general interest rates, deposit interest rates, or net interest margin and funding sources; changes in banking regulations and policies and the possibility that any banking agency approvals we might require for certain activities will not be obtained in a timely manner or at all or will be conditioned in a manner that would impair our ability to implement our business plans; changes in accounting policies and practices; the inability of key third-party providers to perform their obligations to us; our ability to attract and retain key personnel; competition in our marketplace; war or terrorist activities; material differences in the actual financial results, cost savings and revenue enhancements associated with our acquisitions; and other factors as described in our securities filings. All forward-looking statements and information set forth herein are based on management’s current beliefs and assumptions as of the date hereof and speak only as of the date they are made. The Corporation does not undertake to update forward-looking statements.

For a complete discussion of the assumptions, risks and uncertainties related to our business, you are encouraged to review our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K, as updated by our quarterly or other reports subsequently filed with the SEC.

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