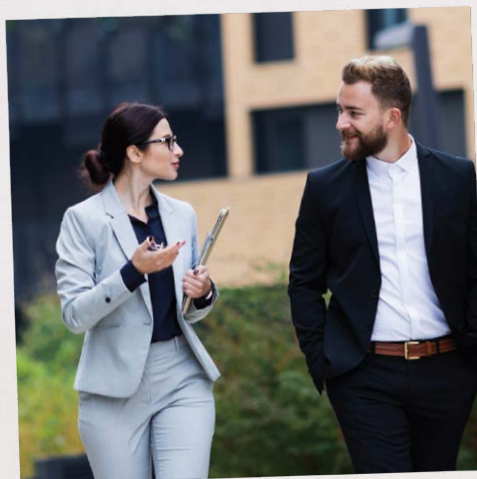


SMALL ENOUGH
TO KNOW YOU.
LARGE ENOUGH
TO HELP YOU.®

2019 ANNUAL REPORT

FLUSHING BANK 90th ANNIVERSARY





FLUSHING FINANCIAL CORPORATION

(Nasdaq: FFIC) is the holding company for Flushing Bank®, a New York State-chartered commercial bank insured by the Federal Deposit Insurance Corporation (FDIC). The Bank serves consumers, businesses, professionals, corporate clients, and public entities by offering a full complement of deposit, loan, equipment finance, and cash management services through its banking offices located in Queens, Brooklyn, Manhattan, and on Long Island. As a leader in real estate lending, the Bank's experienced lending teams create mortgage solutions for real estate owners and property managers both within and outside the New York City metropolitan area. Flushing Bank is an Equal Housing Lender. The Bank also operates an online banking division consisting of iGObanking®, which offers competitively priced deposit products to consumers nationwide, and BankPurely®, an eco-friendly, healthier lifestyle community brand.

FINANCIAL HIGHLIGHTS

	At or for the years ended December 31,	
(Dollars in thousands, except per share data)		
Selected Financial Condition Data	2019	2018
Total assets	\$7,017,776	\$6,834,176
Loans, net	\$5,750,455	\$5,530,539
Securities held to maturity	\$ 58,888	\$ 32,018
Securities available for sale	\$ 772,500	\$ 822,655
Certificates of deposit	\$1,437,890	\$1,563,310
Other deposit accounts	\$3,628,534	\$3,397,474
Stockholders' equity	\$ 579,672	\$ 549,464
Dividends paid per common share	\$ 0.84	\$ 0.80
Book value per common share	\$ 20.59	\$ 19.64
Selected Operating Data		
Net interest income	\$ 161,940	\$ 167,406
Net income	\$ 41,279	\$ 55,090
Basic earnings per common share	\$ 1.44	\$ 1.92
Diluted earnings per common share	\$ 1.44	\$ 1.92
Selected Financial Ratios and Other Data		
Performance ratios:		
Return on average assets	0.59%	0.85%
Return on average equity	7.35%	10.30%
Interest rate spread	2.25%	2.54%
Net interest margin	2.47%	2.72%
Efficiency ratio	63.89%	62.12%
Equity to total assets	8.26%	8.04%
Nonperforming assets to total assets	0.19%	0.24%
Allowance for loan losses to gross loans	0.38%	0.38%
Allowance for loan losses to total nonperforming loans	164.05%	128.87%

TO OUR VALUED SHAREHOLDERS,

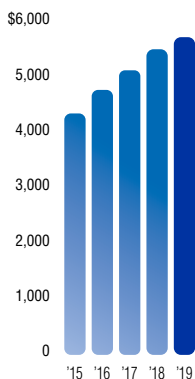
In 2019, we celebrated our 90th anniversary of helping families, business owners, and communities grow and prosper. We continued to build upon our solid track record of delivering strong and consistent financial performance with profitable growth. Since our IPO in 1995, we have achieved positive earnings every single year. Our total shareholder return since 1995 has been 902%.*

We achieved GAAP earnings per diluted share of \$1.44 and for a fifth consecutive year had over \$1 billion in total loan closings. Although income was down from the prior year due to a low interest rate environment and continued pressure on loan rates, we actively managed our funding costs to deliver solid performance. Fueling our performance was loan growth of 4%, deposit growth of 2%, and industry-leading credit quality.

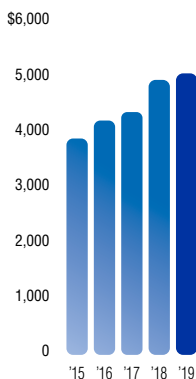
We initiated and completed many important strategic actions in 2019 to further enable us to achieve profitable growth in the future, including:

- Announced a definitive agreement to acquire Empire Bancorp, Inc., which will increase core deposits, lower cost of funds, improve our loan-to-deposit ratio, enhance core earnings power, and create one of Long Island's largest banks by deposit share among regional and community banks.
 - The transaction was expected to close in the second quarter of 2020, however, given recent events related to the coronavirus (COVID-19) pandemic and the volatility of financial markets, a joint decision was made to delay the merger.
- Strengthened our branch network's connection with the Asian market by opening a new branch in Hicksville, New York, and relocating our Bayside branch to enhance customer access and brand visibility.
- Shifted toward more floating rate C&I business loans and successfully increased our portfolio of C&I loans to 19% of total loans, part of our balance sheet strategy to become less liability sensitive.
 - In 2019, we originated \$1.2 billion of loans, of which over half were C&I originations.
- Maintained investment grade ratings on our debt for the fourth consecutive year.
- Continued to improve our credit quality with classified assets at the lowest level since 2008.
- Enhanced our brand with a focus on optimizing both digital and branch footprint.
 - We expect the buildout of our new digital environment with mobile and online banking

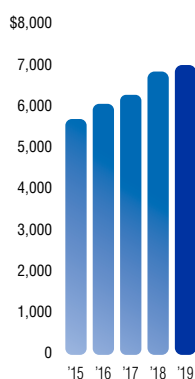
Net Loan Portfolio
(in millions)



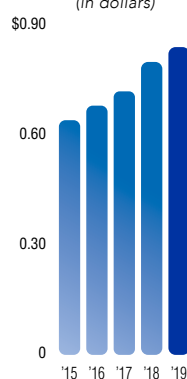
Deposits
(in millions)



Total Assets
(in millions)



Dividends Paid Per Common Share
(in dollars)



*As of December 31, 2019



offerings to be fully operational in the second quarter of 2020, enabling us to attract customers outside our footprint and deepen current customer relationships.

- Volunteered support and sponsored numerous cultural events and local organizations, including South Asian Business Community Networking, Chinatown Community Center, Neighborhood Housing Services of NYC, United Way of Long Island, American Heart Association, and Hong Kong Dragon Boat Festival.

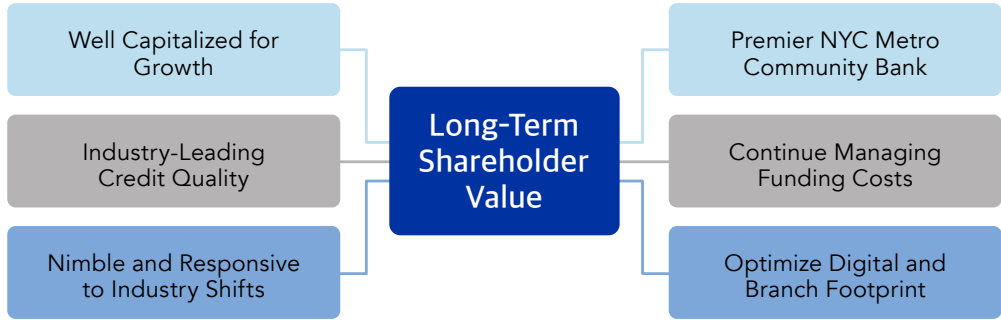
Recent events, including the reaction of the markets to the novel coronavirus and the Federal Reserve rate cuts in March 2020, have increased uncertainty in the markets. These conditions have adversely impacted the value of our stock along with others in the financial sector. Positively, we remain well positioned to manage through these times of volatility and believe our underlying strategic objectives will continue to move our Company forward in 2020 and beyond.

Our strategic plan remains focused on diversified growth of assets with the best risk-adjusted returns

while maintaining a conservative risk management approach. We continue to leverage our strong banking relationships to execute on our strategic objectives:

- Manage cost of funds and continue to improve funding mix
- Increase interest income by leveraging loan pricing opportunities and portfolio mix
- Enhance earnings power by improving scalability and efficiency
- Increase our multicultural markets commitment, with particular focus on the Asian community
- Manage credit risk
- Remain well capitalized
- Manage enterprise-wide risk

Our brand message “**Small enough to know you. Large enough to help you.**” continues to perfectly capture our vision to be the preeminent bank in our multicultural markets by exceeding customer expectations. As a premier New York City Metro bank, we have sufficient scale to facilitate banking and lending solutions offered by larger commercial



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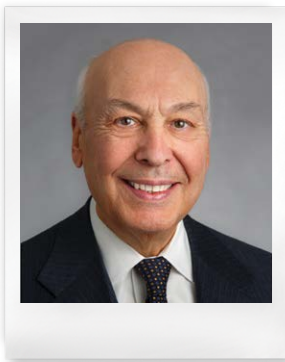
banks while being nimble enough to offer customized solutions to meet the individual needs of our customers. We will continue to create value and attract new customers by delivering a consistent and superior customer experience at every touchpoint and providing new account access, product choices, and delivery channels that enable our customers to bank where, when, and how they choose.

As a community bank, we believe it is important to staff our branches with dedicated employees who understand the culture and speak the

language of our communities. Our exceptional employees, who speak over 20 languages and are the face of our brand and our connection to our neighborhoods, remain a significant competitive advantage.

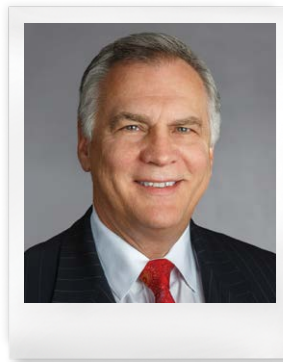
In summary, we remain confident that our brand, consistent and clear strategy, and seasoned leadership team will continue to execute and drive positive momentum. Our strong foundation and proven track record over the last 90 years continue to position us very well to further deliver solid risk-adjusted returns, consistent profitable growth, and long-term value to our shareholders.

In closing, our community-focused bank truly cares about our customers, employees, and the communities we serve. We are continuing our 90-year tradition of providing quality service to local communities, supporting their growth, diversity, and prosperity. We appreciate our employees for their dedication and commitment, and our customers for their continued trust. To our valued shareholders, we are honored to serve you, and we thank you for your continued trust and support.



Alfred A. DelliBovi

Alfred A. DelliBovi
Chairman of the Board



John R. Buran

John R. Buran
President and Chief Executive Officer

At the heart of our community-based approach

to banking relationships is the philosophy that we are “**Small enough to know you. Large enough to help you.**” We offer the products, services, and conveniences associated with large commercial banks combined with the personalized, relationship-based attention you would expect from a community bank.

At Flushing Bank, we recognize the importance of our role in the community and believe it is our responsibility to do more for our customers and the communities we serve. For more than 90 years, we have been integrally connected to these communities, and we support their prosperity and diversity.

As a community-focused organization that has distinguished itself as a leader in serving multicultural neighborhoods, we are proud to sponsor cultural and charitable events throughout our markets. We pride ourselves on staffing our branches with bankers who can communicate in the languages and dialects prevalent within our multicultural customer base to help ensure a first-rate experience for every customer.



SMALL ENOUGH TO KNOW YOU.

Our size allows us to be nimble, offer choices to our customers, and customize solutions specifically for them.



BUSINESS BANKING: Our business team is inspired by our commitment to local business owners and by our certainty that we will continue to grow together. We offer a full suite of products and lending solutions, including credit lines, term loans, equipment financing, owner-occupied commercial real estate mortgages, SBA loans, deposit products, and cash management services designed for small, middle market, and large corporate clients.



GOVERNMENT BANKING: Our government banking team focuses exclusively on serving the unique needs of public entities, municipalities, and school districts across the New York area. We offer expert service, customized solutions (including operating and investment accounts), traditional collateral options, letters of credit, and reciprocal deposits with full FDIC coverage.



REAL ESTATE LENDING: Our real estate team, composed of experienced lenders with local market knowledge, takes a community-based approach that features solutions with competitive rates, such as long-term, fixed-rate loan programs. Our prudent lending philosophy enables us to grow our loan portfolio while maintaining high credit standards.



RETAIL BANKING: Our retail branch network focuses on providing a consistent and superior customer experience and expanding relationships with our customers in the New York metropolitan area. Our online banks, iGObanking and BankPurely, strive for the same while serving consumers nationwide.

LARGE ENOUGH TO HELP YOU.

We provide a full range
of sophisticated services
formerly available only
at the largest banks.



We have upgraded our digital platforms to provide a superior experience with online and mobile solutions that offer the latest technology and provide customers access to their accounts when and where they need it.

ONLINE AND MOBILE BANKING: Provides on-the-go account management from most devices, including the ability to pay bills, check balances, view recent transactions, and transfer funds between Flushing Bank accounts.



MOBILE CHECK DEPOSIT: Enables customers to deposit checks remotely into their Flushing Bank accounts using their iPhone® or Android™ devices, or their PCs with a desktop scanner.



REMOTE DEPOSIT: Allows business customers to deposit checks into their accounts from their offices using a scanner attached to their computers.



CASH MANAGER DIRECT: Permits business customers to review their account balances and transaction details online, as well as to transfer funds, pay bills, initiate wire transfers, originate ACH payments, and request stop payments.

THE PERFECT SIZE FOR YOU.

We offer timely, innovative,
and flexible solutions to
meet the changing needs
of our customers.



Our goal is to be a reliable financial partner small enough to place the customer at the center of everything we do yet large enough to offer the latest banking technology. To improve our customer interactions, recent enhancements to our product offerings and branch network include:

UNIVERSAL BANKER: Provides a highly skilled banker as a single point of contact for all the customer's financial needs, supplemented with cutting-edge technology, including state-of-the-art ATMs, creating a stronger banking relationship and a superior banking experience.



ASSISTED SERVICE KIOSK (ASK): Allows customers to choose to self-serve for routine transactions. These enhanced ATMs handle almost any type of transaction that a teller can do, from cashing a check to providing cash in preferred denominations.



VIDEO BANKER: Enables face-to-face live banker service at the touch of a screen through a video-chat platform. Customers can simply touch "Help" on the ATM screen to request assistance, such as temporarily increasing their debit card withdrawal limit for an emergency or other situation.



John E. Roe, Sr.

1934–2019

On July 14, 2019, John E. Roe, Sr., our former Chairman, passed away at the age of 85. John served as Chairman of the Board of the Company and the Bank from February 16, 2011 to February 3, 2017. He was a member of the Board of Directors of the Company since its formation in 1994 and of the Bank since 1968. John retired from the Board on February 19, 2019.

During John's tenure as a Director, he served on numerous committees and made countless contributions to our organization. Most notably, his insurance industry experience as Chairman of City Underwriting Agency provided unique insights in mitigating the Company's risk profile. John's wise counsel over his 50 years as a Board member proved invaluable and has permeated the Company's culture. We will be forever grateful to John for his dedication and service to Flushing Financial Corporation and the Bank. Under his leadership, the Bank transformed from a savings bank into a commercial bank with over \$6 billion in assets. It's been a privilege for us and the other members of our Board of Directors to work with John over the years. He will be greatly missed by all.



Thomas S. Gulotta

1944–2019

On August 4, 2019, Thomas S. Gulotta, a member of the Board of Directors, passed away at the age of 75. Tom originally joined Flushing Financial Corporation as an Advisory Board member in 2010 and became an active Board member on August 1, 2013. He was a former Nassau County Executive and most recently served as the Chief Executive Officer of Executive Strategies, LLC. Tom also served as a gubernatorial appointee as the Director

of the United Nations Development Corporation and as Special Counsel to the law firm of Albanese & Albanese, LLP. He was admitted to practice law before the United States Supreme Court, the U.S. District Courts for the Southern and Eastern Districts of New York, and the Court of Appeals for the Armed Forces.

We are deeply saddened by Tom's passing. His dynamic personality, brilliant legal mind, and connection to local community and business leaders made him an invaluable member of our Board. Our organization benefited greatly from his insights, and we know we speak for all of the Board members when we say that he has left a void in our organization and our hearts. We will be forever grateful to Tom for his dedication and service to Flushing Financial Corporation and the Bank. It's been a privilege for us and the other members of our Board of Directors to work with Tom over the years. He will be greatly missed by all.

—John R. Buran, President and Chief Executive Officer

—Alfred A. DelliBovi, Chairman of the Board

BROOKLYN

7102 Third Avenue
186 Montague Street
1402 Avenue J
217 Havemeyer Street
4616 13th Avenue

MANHATTAN

183 Canal Street
99 Park Avenue
225 Park Avenue South

NASSAU COUNTY

GARDEN CITY
1122 Franklin Avenue
HICKSVILLE
268 North Broadway
NEW HYDE PARK
661 Hillside Avenue
UNIONDALE
260E RXR Plaza

QUEENS

ASTORIA
31-16 30th Avenue
BAYSIDE
61-14 Springfield Boulevard
213-03 Northern Boulevard
FLUSHING
147-42 Northern Boulevard
164-20 Northern Boulevard
44-43 Kissena Boulevard
136-41 Roosevelt Avenue
FOREST HILLS
107-11 Continental Avenue

CORPORATE INFORMATION

Executive and Senior Management

John R. Buran

President,
Chief Executive Officer

Michael Bingold

Senior Executive Vice President,
Chief Retail & Client
Development Officer

Susan K. Cullen

Senior Executive Vice President,
Treasurer & Chief Financial Officer

Maria A. Grasso

Senior Executive Vice President,
Chief Operating Officer &
Corporate Secretary

Francis W. Korzekwinski

Senior Executive Vice President,
Chief of Real Estate Lending

Barbara A. Beckmann

Executive Vice President,
Director of Operations

Allen M. Brewer

Executive Vice President,
Chief Information Officer

Astrid Burrowes

Executive Vice President,
Chief Accounting Officer

Ruth E. Filiberto

Executive Vice President,
Director of Human Resources

Ronald M. Hartmann

Executive Vice President,
Director of Commercial
Real Estate Lending

James P. Jacovatos

Executive Vice President,
Real Estate Credit Center Manager

Jeoung Yun Jin

Executive Vice President,
Director of Residential &
Mixed-Use Lending

Theresa Kelly

Executive Vice President,
Director of Business Banking

Gary P. Liotta

Executive Vice President,
Chief Risk Officer

Rosina Manzi

Executive Vice President,
Chief Audit Officer

Patricia Mezeul

Executive Vice President,
Director of Government Banking

Frank Akalski

Senior Vice President,
Chief Investment Officer

Kevin Kennedy

Senior Vice President,
Chief Technology Officer

Patricia Tiffany

Senior Vice President,
Director of Marketing

Richard White

Senior Vice President,
Chief Information Security Officer

Board of Directors

Alfred A. DelliBovi

Chairman of the Board
Retired President & CEO of the
Federal Home Loan Bank of New York

Michael A. Azarian

Retired Managing Director
Citigroup

John R. Buran

President & Chief Executive Officer

James D. Bennett

Attorney in Nassau County, New York

Steven J. D'Iorio

Senior Vice President
Jones, Lang, LaSalle

Louis C. Grassi

Managing Partner & Chief Executive
Officer of Grassi & Co.

Thomas S. Gulotta*

Special Counsel, Albanese & Albanese

Sam S. Han

Founder & President
The Korean Channel, Inc.

John J. McCabe

Retired Chief Equity Strategist
Shay Assets Management

Donna M. O'Brien

President
Strategic Visions in Healthcare, LLC

John E. Roe, Sr.*

Former Chairman of the Board

Michael J. Russo

Consulting Engineer, CEO
Fresh Meadow Mechanical Corp. and
President & Director of Operations for
Northeastern Aviation Corp.

Caren C. Yoh

President, CPA
Accounting Firm

*Deceased

Shareholder Information

Annual Meeting

The Annual Meeting of Shareholders of
Flushing Financial Corporation will be
held at 1:00 p.m., May 26, 2020, at:
RXR Plaza Conference Center
625 RXR Plaza, Lobby Level
Uniondale, New York 11556

Stock Listing

NASDAQ Global Select MarketSM
Symbol: FFIC

Transfer Agent and Registrar

Computershare Trust Company NA
P.O. Box 30170
College Station, TX 77842-3170
800-426-5523
www.Computershare.com

Shareholder Relations

Susan K. Cullen
718-961-5400

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Public Accounting Firm**

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212-885-8000

Legal Counsel

Hughes Hubbard & Reed, LLP
One Battery Park Plaza
New York, NY 10004
212-837-6000



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