

# 50 BRANCHES AND GROWING

2017 ANNUAL REPORT



The First National Bank of Long Island  
*Where Everyone Knows Your Name®*

The  
FIRST OF  
LONG ISLAND



## LONG ISLAND

- |  |  |   |   |
|--|--|---|---|
| <p><b>1</b> BABYLON<br/>42 Deer Park Avenue<br/>Babylon, NY 11702<br/>(631) 422-1700</p> <p><b>2</b> BAYVILLE<br/>282 Bayville Avenue<br/>Bayville, NY 11709<br/>(516) 628-1288</p> <p><b>3</b> BELLMORE<br/>408 Bedford Avenue<br/>Bellmore, NY 11710<br/>(516) 679-6200</p> <p><b>4</b> BOHEMIA<br/>30 Orville Drive<br/>Bohemia, NY 11716<br/>(631) 218-2500</p> <p><b>5</b> COLD SPRING HARBOR<br/>147 Main Street<br/>Cold Spring Harbor, NY 11724<br/>(631) 367-3600</p> <p><b>6</b> DEER PARK<br/>60 East Industry Court<br/>Deer Park, NY 11729<br/>(631) 243-2600</p> <p><b>7</b> EAST ISLIP<br/>151 West Main Street<br/>East Islip, NY 11730<br/>(631) 277-2936</p> | <p><b>8</b> EAST MEADOW<br/>1975 Hempstead Turnpike<br/>East Meadow, NY 11554<br/>(516) 357-7200</p> <p><b>9</b> EAST SETAUKET<br/>234 Main Street (Route 25A)<br/>East Setauket, NY 11733<br/>(631) 564-1000</p> <p><b>10</b> FARMINGDALE<br/>22 Allen Boulevard<br/>Farmingdale, NY 11735<br/>(631) 753-8888</p> <p><b>11</b> GARDEN CITY<br/>1050 Franklin Avenue<br/>Suite 100<br/>Garden City, NY 11530<br/>(516) 742-6262</p> <p><b>12</b> GLEN HEAD<br/>10 Glen Head Road<br/>Glen Head, NY 11545<br/>(516) 674-6650</p> <p><b>13</b> GREAT NECK<br/>536 Northern Boulevard<br/>Great Neck, NY 11021<br/>(516) 482-6666</p> <p><b>14</b> GREENLAWN<br/>76 Broadway<br/>Greenlawn, NY 11740<br/>(631) 754-0660</p> | <p><b>15</b> GREENVALE<br/>7 Glen Cove Road<br/>Greenvale, NY 11548<br/>(516) 621-8811</p> <p><b>16</b> HAUPPAUGE<br/>330 Motor Parkway<br/>Suite 100<br/>Hauppauge, NY 11788<br/>(631) 952-2900</p> <p><b>17</b> HEWLETT<br/>1301 Broadway<br/>Hewlett, NY 11557<br/>(516) 295-1974</p> <p><b>18</b> HICKSVILLE<br/>106 Old Country Road<br/>Hicksville, NY 11801<br/>(516) 932-7150</p> <p><b>19</b> HUNTINGTON<br/>253 New York Avenue<br/>Huntington, NY 11743<br/>(631) 427-4143</p> <p><b>20</b> LAKE SUCCESS<br/>3000 Marcus Avenue<br/>Lake Success, NY 11042<br/>(516) 775-3133</p> <p><b>21</b> LINDENHURST<br/>1 East Montauk Highway<br/>Lindenhurst, NY 11757<br/>(631) 956-3800</p> | <p><b>22</b> LOCUST VALLEY<br/>108 Forest Avenue<br/>Suite 2<br/>Locust Valley, NY 11560<br/>(516) 671-2299</p> <p><b>23</b> MANHASSET<br/>572 Plandome Road<br/>Manhasset, NY 11030<br/>(516) 365-5010</p> <p><b>24</b> MASSAPEQUA<br/>574 Broadway<br/>Massapequa, NY 11758<br/>(516) 795-0100</p> <p><b>25</b> MASSAPEQUA PARK<br/>1049 Park Boulevard<br/>Massapequa Park, NY 11762<br/>(516) 795-2265</p> <p><b>26</b> MELVILLE<br/>555 Broad Hollow Road<br/>Suite 001<br/>Melville, NY 11747<br/>(631) 752-1000</p> <p><b>27</b> MERRICK<br/>1810 Merrick Avenue<br/>Merrick, NY 11566<br/>(516) 771-6000</p> <p><b>28</b> NEW HYDE PARK<br/>243 Jericho Turnpike<br/>New Hyde Park, NY 11040<br/>(516) 328-3100</p> |
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## GROWING IN A MEASURED AND DISCIPLINED WAY

- 29** NORTHPORT  
711 Fort Salonga Road  
Northport, NY 11768  
(631) 261-4000
- 30** NORTHPORT VILLAGE  
105 Main Street  
Northport, NY 11768  
(631) 261-0331
- 31** OCEANSIDE  
2933 Long Beach Road  
Oceanside, NY 11772  
(516) 536-3989
- 32** OLD BROOKVILLE  
209 Glen Head Road  
Old Brookville, NY 11545  
(516) 759-9002
- 33** PATCHOGUE  
392 East Main Street  
Patchogue, NY 11772  
(631) 289-1189
- 34** POINT LOOKOUT  
26A Lido Boulevard  
P.O. Box 173  
Point Lookout, NY 11569  
(516) 431-3144
- 35** PORT JEFFERSON STATION  
Davis Professional Park  
5225 Nesconset Highway  
Building 4, Suite 21  
Port Jefferson Station, NY 11776  
(631) 928-4411

- 36** ROCKVILLE CENTRE  
310 Merrick Road  
Rockville Centre, NY 11570  
(516) 763-5533
- 37** ROSLYN HEIGHTS  
130 Mineola Avenue  
Roslyn Heights, NY 11577  
(516) 621-1900
- 38** SAYVILLE  
215 West Main Street  
Sayville, NY 11782  
(631) 472-7000
- 39** SEA CLIFF  
299 Sea Cliff Avenue  
Sea Cliff, NY 11579  
(516) 671-7868
- 40** SMITHTOWN  
285 Middle Country Road  
Suite 104  
Smithtown, NY 11787  
(631) 265-0200
- 41** VALLEY STREAM  
127 East Merrick Road  
Valley Stream, NY 11580  
(516) 825-0202
- 42** WOODBURY  
800 Woodbury Road  
Suite M  
Woodbury, NY 11797  
(516) 364-3434

### MANHATTAN

- 43** 232 Madison Avenue  
New York, NY 10016  
(212) 213-8111
- 44** 225 Broadway  
Suite 703  
New York, NY 10007  
(212) 693-1515

### QUEENS

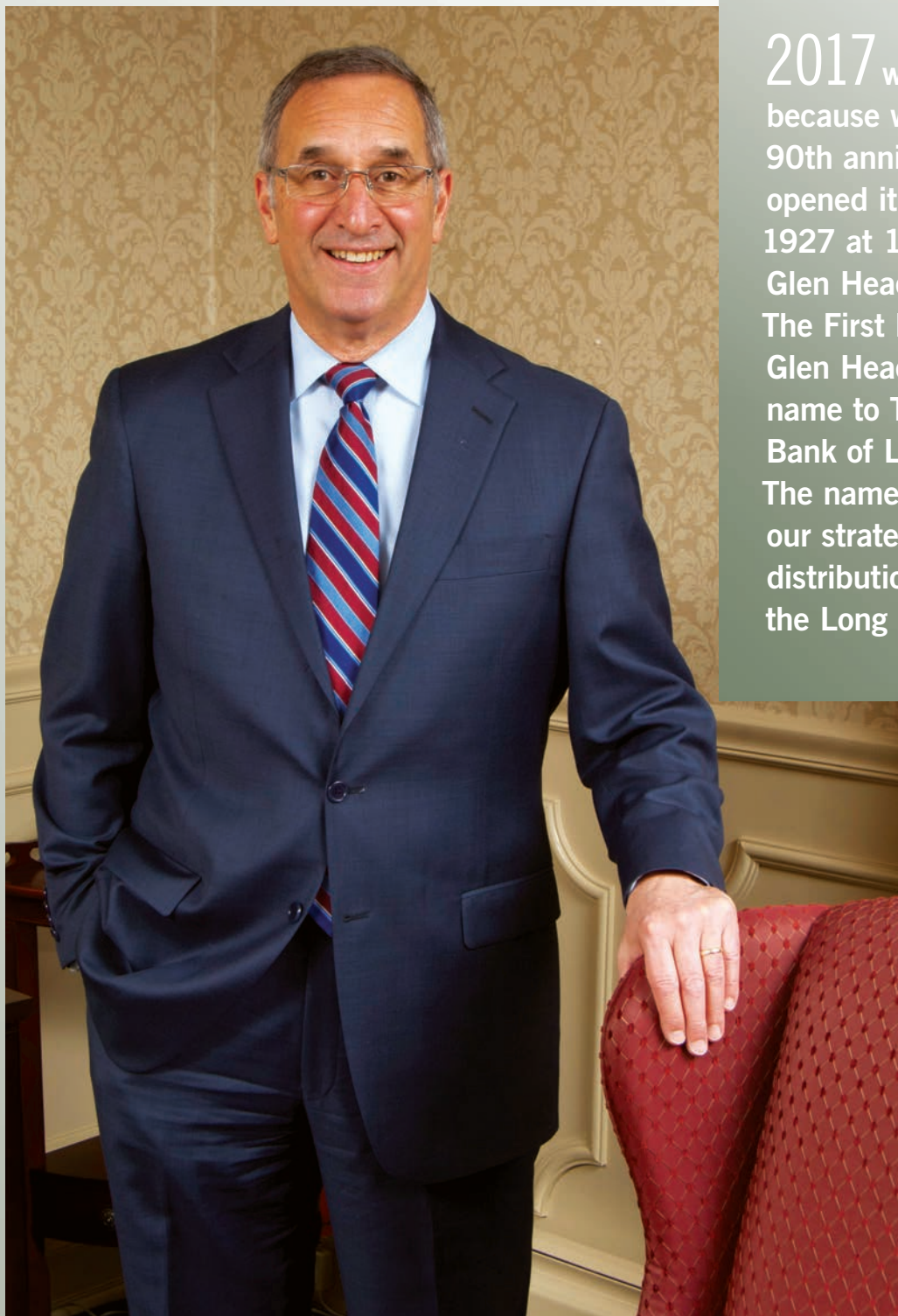
- 45** ASTORIA  
23-25 31st Street  
Astoria, NY 11105  
(929) 429-3500
- 46** BAY TERRACE  
23-88A Bell Boulevard  
Bayside, NY 11360  
(929) 409-6100
- 47** COLLEGE POINT  
132-11A 14th Avenue  
College Point, NY 11356  
(718) 215-7500
- 48** HOWARD BEACH  
159-14 Cross Bay Boulevard  
Howard Beach, NY 11414  
(718) 835-1962
- 49** LITTLE NECK  
254-57 Horace Harding Expressway  
Little Neck, NY 11362  
(929) 448-2200

- 50** WHITESTONE  
19-01 Utopia Parkway  
Whitestone, NY 11357  
(718) 279-1206

### BROOKLYN

- 51** BAY RIDGE  
9202 4th Avenue  
Brooklyn, NY 11209  
(646) 795-5000
- 52** **Coming Soon!**  
FORT HAMILTON  
Fort Hamilton Pkwy  
559 86th Street  
Brooklyn, NY 11209
- 53** **Coming Soon!**  
COBBLE HILL  
227 Smith Street  
Brooklyn, NY 11231
- 54** **Coming Soon!**  
MARINE PARK  
4102 Avenue U  
Brooklyn, NY 11234

DEAR SHAREHOLDERS,



2017 was noteworthy because we celebrated our 90th anniversary. The Bank opened its doors in October 1927 at 10 Glen Head Road, Glen Head, New York as The First National Bank of Glen Head. We changed our name to The First National Bank of Long Island in 1978. The name change symbolized our strategy to expand our distribution system throughout the Long Island market.

Our original headquarters was less than 2,000 square feet. What drove the opening of the Bank was a dissatisfaction with the personal service being provided by the large banks of that time. It was time to create an “alternative” to the big banks.

Today we see ourselves no differently as we position our brand of banking as the “big bank alternative.” When it comes down to it, many banks are the same in terms of product and service offerings. We believe today as we did in 1927 that over the long-term the only thing that will differentiate one bank from another is the quality of “personal” service rendered by its employees. That service ethic is embodied in the culture of the organization. It is reinforced each and every day by the senior management team of the Bank.

I am grateful to the dedicated employees of The First National Bank of Long Island. They are a talented and motivated group of individuals who live in and are an integral part of the fabric of the communities they serve. On a daily basis, they routinely exceed my expectations ensuring clients receive superior service. They have made our institution a warm, friendly place to bank and it is my pleasure to work beside them on a daily basis. I am proud to say we have delivered this kind of service approach for the last 90 years. I truly believe our culture and friendly approach helps drive shareholder value.

On that note, I am pleased to report another year of strong financial performance for our bank. Net Income for 2017 was \$35.1 million, an increase of \$4.2 million, or 13.7%, over 2016. The increase was primarily attributable to growth in net interest income of \$10.4 million, or 12.1%, and noninterest income, before security gains and losses, of \$1.2 million, or 15.8%. The increase in net interest income is mainly attributable to growth in average interest-earning assets of \$335.6 million, or 10.4%, which was driven by an increase in the average balance of loans of \$393.9 million or 16.7%. Our loan growth occurred in commercial and residential mortgage loans and, to a lesser degree, commercial and industrial loans. Our loan growth was mainly funded by growing our deposits through the continued expansion of our branch distribution system, targeted solicitation efforts, delivery of high quality personalized service and offering a competitive product suite.

I am also pleased to report that the average balance of our noninterest-bearing checking deposits grew 10.2%. We consider the checking account to be the primary relationship account, and growth in this product category demonstrates the genuine franchise value that we continue to build for our investors. Robust growth in deposits and earning assets is essential in a challenging interest rate environment.

Some other significant highlights include the continued increase in our cash dividends per share which increased 5.5% to \$.58 this year from \$.55. Over the years, the continued and consistent increases in our cash dividends demonstrates the confidence that management and the Board have in the Bank’s future earnings power. We remain confident in our organic growth strategy. Over the last ten years, our net income increased at a compound annual growth rate (“CAGR”) of 11.8%. We are proud of our results.

In the process of growing earnings, our book value per share increased 11.4% to \$14.37 at December 31, 2017 from \$12.90 at December 31, 2016. In our opinion, the growth in our book value is a strong indicator of the shareholder value we are creating. Over the last ten years, our book value per share has grown at a CAGR of 8.9%. Book value growth over the long-term is consistent with how we manage the Bank. We do not focus on short-term performance. We do not manage the Bank on a day-to-day or quarter-to-quarter basis. It is always about our performance over the long-term. It is interesting to note that our stock’s total return, including dividend reinvestment, for the 15-year period ended December 31, 2017 is 410%.

Our growth and profitability has been enhanced by the expansion of our branch distribution system. We believe in branches. As we enter new micro-markets within the New York Metropolitan area, our branches have been the catalyst for gaining market share. Their locations and design are well thought out in terms of the target markets we serve, the amount of capital we invest and efficiency of our expense base. During the year, we opened four more branches. These include our East Islip and East Setauket locations in Suffolk County opened in February and July and our Little Neck and Astoria locations in Queens opened in December. The Astoria branch was our sixth location in the boroughs of Queens and Brooklyn. As these boroughs are lucrative

retail banking markets, we plan to open three or four more branches there before the end of 2018 and are committed to continued expansion in the coming years. We anticipate gaining market-share in the process which will drop to the bottom line. Our model remains utilizing continued branch expansion to fund loan growth with core deposits and maintaining pristine credit quality and best-in-class operating efficiency. This approach remains valid and has been driving shareholder value.

The conservative mix of the earning assets on our balance sheet is measured by our asset quality. In a flat yield curve environment, asset quality is paramount. At December 31, 2017, our nonaccrual loans amounted to \$1 million, or 3 basis points of total loans outstanding, compared to \$2.6 million, or 10 basis points at December 31, 2016. Troubled debt restructurings amounted to \$1 million, or 4 basis points of total loans outstanding at December 31, 2017, representing a decrease of \$498,000 from year-end 2016. Loans past due 30 to 89 days amounted to only \$2.8 million, or 9 basis points of total loans outstanding. Any way you look at it, our loan quality remains excellent.

The credit quality of the Bank's securities also remains excellent. 74% of our mortgage securities are full faith and credit obligations of the U.S. government. The balance are obligations of government-sponsored entities. The remainder of the Bank's securities portfolio principally consists of high quality, general obligation municipal securities rated AA or better by major rating agencies. In buying municipal securities, the Bank uses credit agency ratings for screening purposes only and then performs its own credit analysis. On an ongoing basis, the bank periodically assesses the credit strength of the municipal securities in its portfolio and makes decisions to hold or sell our securities based on such assessments.

We are serious about maintaining our credit quality. As bankers, we believe that conservatism is essential to producing consistently strong financial results and creating long-term shareholder value.

We will face a variety of challenges in 2018 and beyond. In the current interest rate environment, competitive market forces are driving up our cost of deposits while yields on our earning assets are not expected to increase as quickly or as much. As a result, our net interest margin will remain under pressure and our net interest income and corresponding earnings will only be able to increase with appropriate growth. Price competition will remain a significant factor especially as we compete for core deposits and high quality loans.

The banking industry continues to face new and complex regulatory requirements and enhanced supervisory oversight which is exerting downward pressure on revenues and upward pressure on required capital levels and the cost of doing business. Although the markets are expecting some regulatory relief, the timing and magnitude of that remains uncertain.

Despite these challenges, the Bank has been able to produce long-term results that we are proud of. We have assembled a talented management team and a dedicated staff. Expenses are well-managed, and our asset quality is among the best in our peer group. We continue to grow organically in a measured and disciplined way. The morale of our employees is high, and they are proud of the Bank. This has certainly worked in our favor in building brand and reputation in the market. Our board, myself, our senior management and our employees remain committed to building long-term franchise value and the shareholder value that you are entitled to.

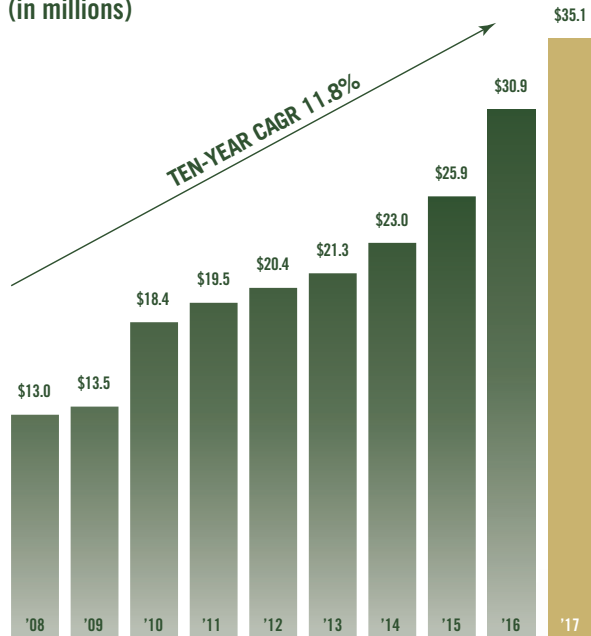
It is my distinct honor to be your President and Chief Executive Officer. Always feel free to contact me to answer any questions you may have.

Sincerely,

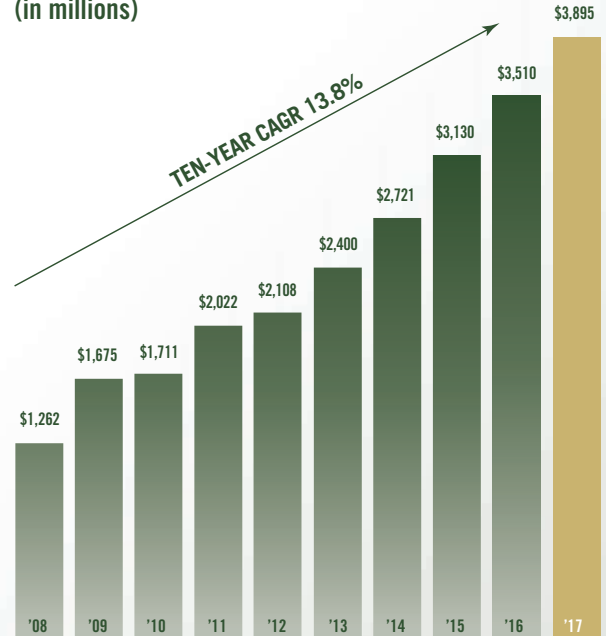
Michael N. Vittorio  
*President and Chief Executive Officer*

# FINANCIAL OVERVIEW

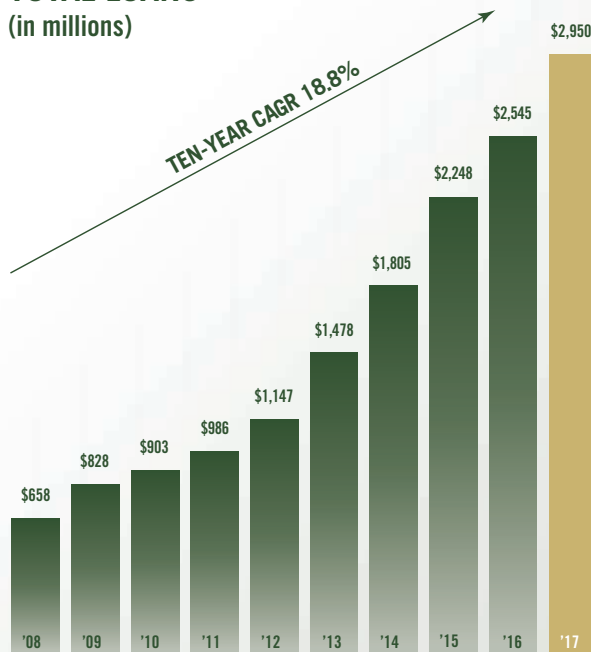
## NET INCOME (in millions)



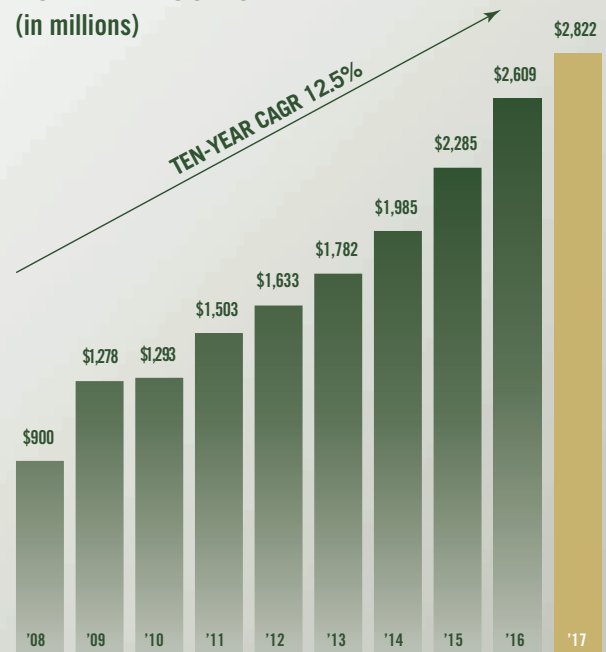
## TOTAL ASSETS (in millions)



## TOTAL LOANS (in millions)



## TOTAL DEPOSITS (in millions)



GROWING OUR PRESENCE

# LONG ISLAND

**EAST ISLIP | 151 WEST MAIN STREET | OPENED 2/6/17**

There are many success stories in the local communities we serve. Our clients' loyalty and longevity with our Bank is a result of the significant contributions our employees make every day to help our customers with their banking needs.



**DEPOSITS AS  
OF 2/16/18:  
\$39,166,000**







**EAST SETAUKET | 234 MAIN STREET (ROUTE 25A) | OPENED 7/31/17**



The First National Bank of Long Island  
*Where Everyone Knows Your Name®*

1927-2017



The Bank's history of 90 years demonstrates growth and creation of shareholder value. We have differentiated ourselves from our competitors through the service we provide to our customers.

**DEPOSITS AS  
OF 2/16/18:  
\$22,686,000**

# CONTINUING OUR EXPANSION IN QUEENS

**LITTLE NECK | 254-57 HORACE HARDING EXPRESSWAY | OPENED 12/4/17**

The Bank's vision is clear and concise, to cater to our clients with the personalized service they deserve through our Relationship Managers. This includes tailored, financial solutions to professionals, business owners, consumers and families. We are a customer-driven organization and see ourselves as a big bank alternative.

**DEPOSITS AS  
OF 3/2/18:  
\$37,820,000**





**ASTORIA | 23-25 31ST STREET | OPENED 12/15/17**



We continue to expand in a measured and disciplined way. As we grow our market share, the results will drop to the bottom line—creating more value for our shareholders.

**DEPOSITS AS  
OF 3/3/18:  
\$1,939,000**



## FULL YEAR 2017 HIGHLIGHTS\*

- Net Income increased 13.7% to \$35.1 million from \$30.9 million
- EPS increased 6.7% to \$1.43 from \$1.34
- Cash Dividends Per Share increased 5.5% to \$.58 from \$.55
- Book Value Per Share increased 11.4% to \$14.37 at 12/31/17 from \$12.90 at 12/31/16
- 16.7% growth in the average balance of Loans
- 10.2% growth in the average balance of Noninterest-Bearing Checking Deposits
- 8.6% growth in the average balance of Total Deposits
- The Credit Quality of the Bank's loan and securities portfolios remains excellent

*\*All comparisons are of 2017 to 2016.*

## BUSINESS OF THE CORPORATION

The First of Long Island Corporation (“Corporation”) is a one-bank holding company organized under the laws of the State of New York. Its primary business is the operation of its sole subsidiary, The First National Bank of Long Island (“Bank”).

The Bank was organized in 1927 under national banking laws and became the sole subsidiary of the Corporation under a plan of reorganization effected April 30, 1984.

The Bank is a full service commercial bank which provides a broad range of financial services to individual, professional, corporate, institutional and government customers through its branch system in Nassau and Suffolk Counties, Long Island and the New York City boroughs of Queens, Brooklyn and Manhattan.

The Corporation is subject to regulation and supervision of the Federal Reserve Board and the Securities and Exchange Commission. The Bank is subject to regulation and supervision of the Federal Reserve Board, the Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation, which also insures its deposits. The OCC is the primary banking agency responsible for regulating and supervising the Bank.

## SELECTED FINANCIAL DATA

	2017	2016	2015	2014	2013
<b>INCOME STATEMENT DATA:</b>					
	<i>(dollars in thousands, except per share data)</i>				
Interest Income .....	\$118,265	\$104,123	\$92,135	\$81,976	\$74,851
Interest Expense .....	21,709	18,002	16,529	15,048	12,364
Net Interest Income .....	96,556	86,121	75,606	66,928	62,487
Provision for Loan Losses.....	4,854	3,480	4,317	3,189	2,997
Net Income .....	35,122	30,880	25,890	23,014	21,300
<b>PER SHARE DATA:</b>					
Basic Earnings.....	\$1.44	\$1.35	\$1.23	\$1.11	\$1.04
Diluted Earnings .....	1.43	1.34	1.22	1.10	1.03
Cash Dividends Declared .....	.58	.55	.52	.48	.45
Dividend Payout Ratio .....	40.56%	41.04%	42.62%	43.64%	43.69%
Book Value .....	\$14.37	\$12.90	\$11.85	\$11.20	\$10.04
Tangible Book Value .....	14.36	12.90	11.84	11.19	10.03
<b>BALANCE SHEET DATA AT YEAR END:</b>					
Total Assets .....	\$3,894,708	\$3,510,320	\$3,130,343	\$2,721,494	\$2,399,892
Loans.....	2,950,352	2,545,421	2,248,183	1,804,819	1,477,937
Allowance for Loan Losses.....	33,784	30,057	27,256	23,221	20,848
Deposits .....	2,821,997	2,608,717	2,284,675	1,985,025	1,782,128
Borrowed Funds.....	704,938	586,224	577,214	481,486	395,463
Stockholders' Equity .....	354,450	305,830	250,936	233,303	206,556
<b>AVERAGE BALANCE SHEET DATA:</b>					
Total Assets .....	\$3,695,850	\$3,329,308	\$2,897,548	\$2,515,103	\$2,240,139
Loans .....	2,758,116	2,364,187	1,990,823	1,584,198	1,286,227
Allowance for Loan Losses .....	32,022	28,238	24,531	21,554	19,847
Deposits .....	2,812,733	2,590,988	2,215,883	1,922,172	1,747,888
Borrowed Funds.....	540,307	432,554	419,372	347,946	272,737
Stockholders' Equity .....	334,088	290,806	243,330	224,585	203,125
<b>FINANCIAL RATIOS:</b>					
Return on Average Assets (ROA) .....	.95%	.93%	.89%	.92%	.95%
Return on Average Stockholders' Equity (ROE) .....	10.51%	10.62%	10.64%	10.25%	10.49%
Average Equity to Average Assets .....	9.04%	8.73%	8.40%	8.93%	9.07%

## STOCK PRICES AND CASH DIVIDENDS

The Corporation's common stock trades on the NASDAQ Capital Market tier of the NASDAQ Stock Market under the symbol "FLIC." The following table sets forth high and low sales prices and dividends declared, by quarter, for the years ended December 31, 2017 and 2016.

Quarter	2017			2016		
	High	Low	Dividends Declared	High	Low	Dividends Declared
First	\$29.30	\$26.00	\$ .14	\$20.33	\$17.43	\$ .13
Second	30.15	25.60	.14	21.29	18.06	.13
Third	31.10	26.05	.15	22.35	18.68	.14
Fourth	33.50	27.50	.15	29.67	20.99	.14

## CONSOLIDATED BALANCE SHEETS

December 31 (in thousands)	2017	2016
<b>Assets:</b>		
Cash and cash equivalents .....	\$ 69,672	\$ 36,929
Investment securities:		
Held-to-maturity, at amortized cost (fair value of \$7,749 and \$11,637) .....	7,636	11,387
Available-for-sale, at fair value.....	720,128	815,299
	<u>727,764</u>	<u>826,686</u>
Loans:		
Commercial and industrial.....	109,623	126,038
Secured by real estate:		
Commercial mortgages.....	1,193,007	1,085,198
Residential mortgages.....	1,558,564	1,238,431
Home equity lines.....	83,625	86,461
Consumer and other .....	5,533	9,293
	<u>2,950,352</u>	<u>2,545,421</u>
Allowance for loan losses .....	(33,784)	(30,057)
	<u>2,916,568</u>	<u>2,515,364</u>
Restricted stock, at cost.....	37,314	31,763
Bank premises and equipment, net.....	39,648	34,361
Bank-owned life insurance.....	59,665	33,097
Pension plan assets, net.....	19,152	17,316
Other assets.....	24,925	14,804
	<u>\$ 3,894,708</u>	<u>\$ 3,510,320</u>
<b>Liabilities:</b>		
Deposits:		
Checking.....	\$ 896,129	\$ 808,311
Savings, NOW and money market.....	1,602,460	1,519,749
Time, \$100,000 and over .....	203,890	178,918
Time, other .....	119,518	101,739
	<u>2,821,997</u>	<u>2,608,717</u>
Short-term borrowings.....	281,141	207,012
Long-term debt.....	423,797	379,212
Accrued expenses and other liabilities.....	10,942	9,481
Deferred income taxes payable.....	2,381	68
	<u>3,540,258</u>	<u>3,204,490</u>
<b>Stockholders' Equity:</b>		
Common stock, par value \$.10 per share:		
Authorized, 40,000,000 shares		
Issued and outstanding, 24,668,390 and 23,699,107 shares.....	2,467	2,370
Surplus .....	127,122	101,738
Retained earnings .....	224,315	203,326
	<u>353,904</u>	<u>307,434</u>
Accumulated other comprehensive income (loss), net of tax .....	546	(1,604)
	<u>354,450</u>	<u>305,830</u>
	<u>\$ 3,894,708</u>	<u>\$ 3,510,320</u>

## CONSOLIDATED STATEMENTS OF INCOME

Year Ended December 31 (dollars in thousands, except per share data)	2017	2016	2015
<b>Interest and dividend income:</b>			
Loans.....	\$ 97,027	\$ 82,456	\$ 70,558
Investment securities:			
Taxable.....	7,754	7,981	7,991
Nontaxable .....	13,484	13,686	13,586
	<u>118,265</u>	<u>104,123</u>	<u>92,135</u>
<b>Interest expense:</b>			
Savings, NOW and money market deposits .....	7,113	5,344	2,564
Time deposits.....	5,479	5,107	5,987
Short-term borrowings.....	1,345	296	183
Long-term debt.....	7,772	7,255	7,795
	<u>21,709</u>	<u>18,002</u>	<u>16,529</u>
Net interest income .....	96,556	86,121	75,606
<b>Provision for loan losses .....</b>	<b>4,854</b>	<b>3,480</b>	<b>4,317</b>
Net interest income after provision for loan losses.....	<u>91,702</u>	<u>82,641</u>	<u>71,289</u>
<b>Noninterest income:</b>			
Investment Management Division income.....	2,090	2,000	2,044
Service charges on deposit accounts.....	2,792	2,666	2,577
Net gains (losses) on sales of securities.....	(1,866)	1,868	1,324
Other.....	3,813	2,845	2,813
	<u>6,829</u>	<u>9,379</u>	<u>8,758</u>
<b>Noninterest expense:</b>			
Salaries .....	24,159	22,116	20,680
Employee benefits .....	7,150	6,889	6,021
Occupancy and equipment .....	10,245	9,264	8,798
Debt extinguishment.....	—	1,756	1,084
Other .....	11,966	12,066	10,108
	<u>53,520</u>	<u>52,091</u>	<u>46,691</u>
Income before income taxes.....	45,011	39,929	33,356
<b>Income tax expense.....</b>	<b>9,889</b>	<b>9,049</b>	<b>7,466</b>
<b>Net income.....</b>	<b>\$ 35,122</b>	<b>\$ 30,880</b>	<b>\$ 25,890</b>
<b>Earnings per share:</b>			
Basic.....	<u>\$1.44</u>	<u>\$1.35</u>	<u>\$1.23</u>
Diluted .....	<u>\$1.43</u>	<u>\$1.34</u>	<u>\$1.22</u>
<b>Cash dividends declared per share.....</b>	<b>\$ .58</b>	<b>\$ .55</b>	<b>\$ .52</b>

**BOARD OF DIRECTORS** THE FIRST OF LONG ISLAND CORPORATION



*Left to right (standing):* Eric J. Tvetter, Howard Thomas Hogan Jr., Esq., Walter C. Teagle III, Michael N. Vittorio, Denise Strain, Paul T. Canarick and Alexander L. Cover  
*Left to right (seated):* Peter Quick, Milbrey Rennie Taylor, John J. Desmond and Stephen V. Murphy

**Paul T. Canarick**  
*President & Principal  
 Paul Todd, Inc.  
 (construction company)*

**Alexander L. Cover**  
*Business & Management  
 Consultant  
 Retired Partner of  
 Ernst & Young LLP*

**John J. Desmond**  
*Retired Partner-in-Charge  
 of the Long Island Office  
 Grant Thornton LLP*

**Howard Thomas Hogan Jr., Esq.**  
*Director  
 Hogan & Hogan  
 (attorney at law)*

**Stephen V. Murphy**  
*President  
 S.V. Murphy & Co.  
 (investment banking)*

**Peter Quick**  
*Partner  
 Burke and Quick Partners  
 Holdings LLP*

**Denise Strain**  
*Retired Managing Director  
 of Citigroup Inc.*

**Milbrey Rennie Taylor**  
*Retired Executive Producer  
 of CBS News*

**Walter C. Teagle III**  
*Chairman  
 President  
 Teagle Management, Inc.  
 (private investment firm)  
 Chairman  
 The Teagle Foundation, Inc.  
 Managing General Partner  
 Gulo Capital Partners L.P.  
 (private investment partnership)*

**Eric J. Tvetter**  
*Chief Executive Officer  
 Central Europe Group  
 Liberty Global plc*

**Michael N. Vittorio**  
*President and Chief  
 Executive Officer  
 The First National Bank  
 of Long Island*



## EXECUTIVE STAFF THE FIRST NATIONAL BANK OF LONG ISLAND

**Tanweer S. Ansari, Esq.**  
*Senior Vice President and Chief  
 Compliance Officer*  
 Compliance

**William Aprigliano**  
*Senior Vice President and Chief  
 Accounting Officer*  
 Finance

**Christopher Becker**  
*Executive Vice President and Chief  
 Risk Officer*  
 Risk Management

**Margaret M. Curran-Rusch**  
*Senior Vice President and Team Leader,  
 Suffolk County Regional Office*  
 Commercial Banking

**Mark D. Curtis**  
*Senior Executive Vice President,  
 Chief Financial Officer and Cashier*  
 Finance

**Paul J. Daley**  
*Executive Vice President*  
 Commercial Banking

**Jose Diaz**  
*Senior Vice President*  
 Technology & Operations Officer

**Rose Florio-Campanaro**  
*Senior Vice President and Loan Center  
 Department Manager*  
 Loan Center

**Christopher J. Hilton**  
*Senior Vice President and  
 Commercial Banking Manager*

**Richard Kick**  
*Executive Vice President*  
 Retail Lending & Facilities  
 Administration

**Donald L. Manfredonia**  
*Executive Vice President*  
 Senior Lending and  
 Deputy CRA Officer

**Jay P. McConie**  
*Senior Vice President and  
 Chief Investment Officer*  
 Finance

**Cathy C. O'Malley**  
*Senior Vice President,  
 Branch District Manager,  
 Western District*

**Richard P. Perro**  
*Executive Vice President*  
 Branch Administration

**Jane F. Reed**  
*Senior Vice President and  
 Team Leader, Nassau County  
 Regional Office*  
 Commercial Banking

**Allison Stansfield**  
*Senior Vice President,  
 Branch District Manager,  
 Eastern and Manhattan Districts*

**Anne Marie Stefanucci**  
*Senior Vice President,  
 Credit Risk and  
 Administration Officer*  
 Credit Department

**Michael N. Vittorio**  
*President & Chief Executive Officer*



*Back Row:* Paul J. Daley and Richard Kick  
*Middle Row:* Anne Marie Stefanucci, William Aprigliano, Jane F. Reed, Donald L. Manfredonia, Christopher Becker, Michael N. Vittorio, Mark D. Curtis, Christopher J. Hilton, Richard P. Perro and Rose Florio-Campanaro  
*Front Row:* Margaret M. Curran-Rusch, Jay P. McConie, Allison Stansfield, Tanweer S. Ansari, Cathy C. O'Malley and Jose Diaz

# OFFICERS AND OFFICIAL STAFF

## OFFICERS The First of Long Island Corporation

**Michael N. Vittorio**  
*President and  
Chief Executive Officer*

**Mark D. Curtis**  
*Senior Executive Vice President,  
Chief Financial Officer and  
Treasurer*

**Christopher Becker**  
*Executive Vice President,  
Chief Risk Officer and  
Corporate Secretary*

**Paul J. Daley**  
*Executive Vice President*

**Richard Kick**  
*Executive Vice President*

**Donald L. Manfredonia**  
*Executive Vice President*

**Richard P. Perro**  
*Executive Vice President*

**William Aprigliano**  
*Senior Vice President and  
Chief Accounting Officer*

**Robert J. Colosa**  
*Vice President and Chief Auditor*

## OFFICIAL STAFF The First National Bank of Long Island

### EXECUTIVE OFFICE

**Michael N. Vittorio**  
*President and  
Chief Executive Officer*

### BRANCH ADMINISTRATION

**Richard P. Perro**  
*Executive Vice President*

**Cathy C. O'Malley**  
*Senior Vice President,  
Branch District Manager,  
Western District*

**Allison Stansfield**  
*Senior Vice President,  
Branch District Manager,  
Eastern and Manhattan Districts*

**Giuseppe Sparacino**  
*Vice President and Branch  
Operations Manager*

### COMMERCIAL BANKING

**Paul J. Daley**  
*Executive Vice President*

**Christopher J. Hilton**  
*Senior Vice President and  
Commercial Banking Manager  
Nassau County Regional Office*

**Jane F. Reed**  
*Senior Vice President and  
Team Leader*

**Doreen D. Severin**  
*Vice President*

**Nicholas E. Ulrich**  
*Vice President*

**Joseph J. Wasilus**  
*Vice President  
Suffolk County Regional Office*

**Margaret M. Curran-Rusch**  
*Senior Vice President and  
Team Leader*

**Stephen Durso**  
*Vice President*

**Alessandro Scichilone**  
*Vice President*

**Richard B. Smith**  
*Vice President*

*Municipal Banking*

**Yve L. Sullivan**  
*Vice President*

### COMMERCIAL LENDING

**John G. Fitzpatrick**  
*Vice President*

**Richard O'Rourke**  
*Vice President*

**Kevin J. Talty**  
*Vice President*

### CREDIT ADMINISTRATION

**Donald L. Manfredonia**  
*Executive Vice President,  
Senior Lending and Deputy  
CRA Officer*

### CREDIT DEPARTMENT

**Anne Marie Stefanucci**  
*Senior Vice President, Credit Risk  
and Administration Officer*

**Lisa M. Woltmann**  
*Vice President, Assistant Manager*

**Suzan Haas**  
*Vice President*

**Kelly McCormack**  
*Vice President*

**Andrea Volpe**  
*Vice President*

### FINANCE

**Mark D. Curtis**  
*Senior Executive Vice President,  
Chief Financial Officer and  
Cashier*

**William Aprigliano**  
*Senior Vice President and  
Chief Accounting Officer*

**Jay P. McConie**  
*Senior Vice President and  
Chief Investment Officer*

**Maria E. Doyle**  
*Vice President and Controller*

**Dina M. Cascione**  
*Vice President and Financial  
Reporting Manager*

**Matthew J. Mankowski**  
*Vice President and  
Assistant Controller*

### HUMAN RESOURCES

**Susan J. Hempton**  
*Vice President and Director*

**Rita E. Quinn**  
*Vice President and Human  
Resources Generalist*

### INVESTMENT MANAGEMENT DIVISION

**Jane Carmody**  
*Vice President and  
Managing Director*

**JoAnne C. Buckley**  
*Vice President*

**Sharon E. Pazienza**  
*Vice President and Trust Officer*

**Keith Rugen**  
*Vice President and  
Portfolio Manager*

### LOAN CENTER

**Rose Florio-Campanaro**  
*Senior Vice President and  
Loan Center Department Manager*

### MARKETING

**Laura C. Ierulli**  
*Vice President and Director*

### RETAIL LENDING & FACILITIES ADMINISTRATION

**Richard Kick**  
*Executive Vice President, Senior  
Retail Lending Officer,  
Senior Facilities Administrator  
and Chief Security Officer*

**Frederick T. Hughes**  
*Vice President and Residential  
Mortgage Sales Department  
Manager*

**Marina Salazar**  
*Vice President and Assistant  
Residential Mortgage Sales  
Manager*

**Daniel Sapanara**  
*Vice President and  
General Services Manager*

### RISK MANAGEMENT

**Christopher Becker**  
*Executive Vice President and  
Chief Risk Officer*

**Tanweer S. Ansari, Esq.**  
*Senior Vice President and  
Chief Compliance Officer*

**Robert J. Colosa**  
*Vice President and Chief Auditor*

**Leonardo G. Tavera**  
*Vice President and Risk Manager*

### TECHNOLOGY & OPERATIONS

**Jose Diaz**  
*Senior Vice President*

**Conrad Lissade**  
*Vice President and Director of  
Information Security*

**Kristen Valkuchak**  
*Vice President and Operations  
Manager*

**Daniel J. Viola**  
*Vice President and Director of  
Information Technology*

### GENERAL COUNSEL

Schupbach, Williams &  
Pavone LLP

### SEC COUNSEL

Luse Gorman, PC

### INDEPENDENT AUDITORS

Crowe Horwath LLP

### ANNUAL REPORT ON FORM 10-K

A copy of the Corporation's annual report on Form 10-K for 2017 may be obtained without charge upon written request to Mark D. Curtis, Senior Executive Vice President, Chief Financial Officer and Treasurer, The First of Long Island Corporation, 10 Glen Head Road, PO Box 67, Glen Head, New York 11545-0067.

### EXECUTIVE OFFICE

The First of Long Island Corporation  
10 Glen Head Road, Glen Head, New York 11545  
(516) 671-4900 | www.fnbli.com

### TRANSFER AGENT AND REGISTRAR

Continental Stock Transfer & Trust Company  
1 State Street, 30th Floor  
New York, NY 10004  
(800) 509-5586  
cstmail@continentalstock.com

### ANNUAL MEETING NOTICE

The Annual Meeting of Stockholders will be held at The Carlton, Eisenhower Park, East Meadow, New York on Tuesday, April 17, 2018 at 3:30 P.M.

## BUSINESS ADVISORY BOARD



Joseph R. Albanese, Esq.  
Managing Partner  
Albanese & Albanese  
LLP



Nicola Arena  
Chairman  
Mediterranean Shipping  
Co. (USA)



Richard Arote  
Chief Executive Officer  
A.D.E. Systems Inc.



Barry Berg, CPA  
Managing Partner  
Nussbaum, Yates, Berg,  
Klein & Wolpow, LLP



Thomas Burke  
Chief Executive Officer  
Spectrum Vision Partners



Frank DellaFera  
President  
Fera Pharmaceuticals,  
LLC



Bernard Esqueten  
Chief Executive Officer  
The Ruhof Corporation



Robert Giambalvo, CPA  
Partner  
Giambalvo, Stalzer &  
Company, CPAs, P.C.



Kevin J. Harding, Esq.  
Partner  
Harding and Burke, PLLC



Carmine R. Inserra  
Principal, Executive  
Director  
NAI Long Island



David L. Katz, M.D.  
President  
DLK Consulting Services,  
LLC  
Healthcare Consulting,  
Investments, Management



James D. Kiley  
Partner  
Kiley, Kiley, & Kiley,  
PLLC



John I. Martinelli  
Principal  
Owen Petersen & Co.,  
LLP



Susan Hirschfeld Mohr  
President  
J.W. Hirschfeld  
Agency, Inc.



James Panos, Esq.  
Attorney  
James Panos,  
Attorney at Law



John G. Passarelli, M.D.  
President, Sight M.D.  
Medical Director  
Long Island Eye  
Surgical Care P.C.  
Long Island Ambulatory  
Surgery Center, LLC



Jay Pitti  
Chief Executive Officer  
Merrick House &  
Gardens



Arthur C. Schupbach, Esq.  
Partner  
Schupbach, Williams &  
Pavone LLP



Frank Shahery  
Vice President  
Convermat Corporation



Lloyd Straus  
Senior Advisor  
North American Partners  
in Anesthesia, LLP



H. Craig Treiber  
C.E.O.  
Treiber Family  
Enterprises



Sal J. Turano  
President  
Abstracts Incorporated



Candy Udell  
President  
London Jewelers



Mark Udell  
Chief Executive Officer  
London Jewelers



Arthur Ventura  
President  
Badge Agency, Inc.



George J. Walsh  
Partner  
Thompson Hine LLP



David Weinstein  
Partner  
DNA Partners LLC



Mark Wurzel  
President  
Calico Cottage Inc.



John W. Walter\*  
CEO & President  
National Security  
Systems, Inc.  
Exclusive Vice President  
Trump Management, Inc.

\* In memoriam: We express our sincere condolences for the recent passing of John W. Walter and are very appreciative for his dedicated service to the Bank.

The First National Bank of Long Island  
*Where Everyone Knows Your Name*<sup>®</sup>

