

# Flushing Bank Completes the Sale of Three Brooklyn Properties and Announces Plans to Transform Branches Into Universal Banker Model

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UNIONDALE, N.Y., May 11, 2015 (GLOBE NEWSWIRE) -- Flushing Financial Corporation (the "Company") (Nasdaq:FFIC), the parent holding company for Flushing Bank (the "Bank"), announced today the May 6<sup>th</sup> closing on the sale of the properties containing three of the Bank's Brooklyn branches (7102 3<sup>rd</sup> Avenue Bay Ridge, 186 Montague Street and 1402 Avenue J) and the lease-back of the branch space. The Bank plans to reinvest a portion of the proceeds of the sale into transforming the Montague Street location into a new branch model where Universal Bankers will leverage technology to deliver a superior customer experience. The new technology includes Hyosung MX8800 ATMs that provide customers a staff assisted channel to do their routine transactions. The Bank is considering similar plans for the other two Brooklyn branches.

Mr. Buran, the Company's President and Chief Executive Officer, stated: "Our retail branch network continues to be an important component in achieving our strategic growth. However, we recognize, as does the industry, that the role of the branch is changing and we must adapt to stay current with evolving trends. Our ultimate goal is to deliver a consistent and superior customer experience at every customer touchpoint. We are excited to announce that we will be renovating the Montague Street branch to augment our newly defined operating model allowing us to support the Universal Banker with advanced technology. This will afford us the opportunity to improve and modernize the branch environment for our customers in this location while improving the overall banking experience."

The Company realized a gain of \$12.7 million on the sale of the Brooklyn buildings, of which \$6.6 million will be recognized in income in the second quarter of 2015 and \$6.1 million which will be deferred and recognized over the lease terms.

## About Flushing Financial Corporation

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. The Bank serves consumers, businesses, and public entities by offering a full complement of deposit, loan, and cash management services through its 17 banking offices located in Queens, Brooklyn, Manhattan, and Nassau County. The Bank also operates an online banking division, iGObanking.com®, which offers competitively priced deposit products to consumers nationwide.

Additional information on the Bank and Flushing Financial Corporation may be obtained by visiting the Company's website at <http://www.flushingbank.com>.

**"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995:** Statements in this Press Release that are not descriptions of historical facts may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking

information is inherently subject to risks and uncertainties, and actual results could differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, risk factors discussed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and in other documents filed by the Company with the Securities and Exchange Commission from time to time. Forward-looking statements may be identified by terms such as "may", "will", "should", "could", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "forecasts", "potential" or "continue" or similar terms or the negative of these terms. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. The Company has no obligation to update these forward-looking statements.

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