



Gotham Bank of New York

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**FOR IMMEDIATE RELEASE**

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**GOTHAM BANK OF NEW YORK AGREES TO BE ACQUIRED BY PROVIDENT BANK**

**NEW YORK, NY-- (January 18, 2012)** – Gotham Bank of New York (Pink Sheets: GOBN) announced today that it has entered into a definitive agreement to be acquired by Provident Bank, a wholly owned subsidiary of Provident New York Bancorp (NYSE: PBNY), in an all-cash transaction. Completion of the transaction is subject to the receipt of regulatory and shareholder approval and other customary closing conditions.

Under the terms of the agreement, Gotham Bank’s shareholders will receive a per share price equal to the sum of 125% of Gotham Bank’s adjusted tangible net worth as of a date shortly prior to the closing date and the implied exercise price of options outstanding as of the closing date, divided by the outstanding shares of Gotham Bank on the closing date assuming full exercise of outstanding options.

“After an extensive review of the strategic alternatives available to Gotham Bank, our Board of Directors has determined that the definitive agreement reached with Provident provides an attractive all-cash valuation to our shareholders,” said Harry Braunstein, Chairman of the Board of Gotham Bank. “We are looking forward to completing this transaction as expeditiously as possible.”

Headquartered in Montebello, N.Y., Provident Bank, with \$3.1 billion in assets, specializes in the delivery of service and solutions to business owners, their families, and consumers in communities within the greater New York City marketplace through teams of dedicated and

experienced relationship managers. Its franchise includes 38 Financial Centers, and it offers a complete line of commercial, business, and consumer banking products and services. Provident Bank plans to continue Gotham Bank's focus on community-oriented banking and its emphasis on providing a high level of personal service.

"We are excited to join Provident Bank. This combination is a great outcome for our shareholders and employees as we share a commitment to providing our clients an unparalleled level of service. Provident Bank has a strong plan for the future and we are pleased to be an important part of their entry into New York City," said Laurence R. Marchini, Jr., Chief Executive Officer of Gotham Bank.

"Gotham Bank is a great strategic fit for us and offers an attractive platform in the New York City market to grow our franchise," said Jack Kopnisky, President and CEO of Provident Bank. "The acquisition of Gotham Bank continues the implementation of our strategic objective to expand our reach into the greater New York City marketplace."

The transaction, which has been approved by the boards of directors of both companies, is expected to close in the third quarter of 2012. In connection with the acquisition, Gotham Bank will merge into Provident Bank.

### **About Gotham Bank**

Chartered in 1980, Gotham Bank is a community commercial bank that is headquartered in midtown Manhattan. Gotham Bank provides a variety of personalized banking products and services to its customers, and emphasizes a high level of personal service as a core business practice.

### **Information Regarding the Solicitation of Proxies**

In connection with the proposed transaction, Gotham Bank will prepare an information statement and other relevant documents relating to the solicitation of proxies to vote at a special meeting of stockholders to be called to approve the proposed transaction. The information statement and related documentation will be mailed to the stockholders of the company in advance of the special meeting. Shareholders of Gotham Bank are urged to read these materials when they become available because they will contain important information about the company and the proposed transaction.