

Macquarie Capital (USA) Inc. Small- & Mid- Cap Conference June 16, 2010



Forward Looking Statement

Certain statements contained in this presentation that are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"), notwithstanding that such statements are not specifically identified as such. Examples of forward-looking statements include, but are not limited to: (i) projections of revenues, expenses, income or loss, earnings or loss per share, the payment or nonpayment of dividends, capital structure and other financial items; (ii) statements of plans, objectives and expectations of Dime Community Bancshares, Inc. and its subsidiaries (the "Company") or those of its management or board of directors, including those relating to products or services; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Forward-looking statements include information concerning possible or assumed future results of operations and statements preceded by, followed by or that include the words "believes," "expects," "feels," "anticipates," "intends," "plans," "estimates," "predicts," "projects," "potential," "outlook," "could," "will," "may" or similar expressions.

Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions. Actual results may differ materially from those expressed in or implied by these forward-looking statements. Factors that could cause actual results to differ from these forward-looking statements include, but are not limited to, the following:

•the timing and occurrence or non-occurrence of events may be subject to circumstances beyond the Company's control; •there may be increases in competitive pressure among financial institutions or from non-financial institutions; •changes in the interest rate environment may reduce interest margins; •changes in deposit flows, loan demand or real estate values may adversely affect the business of The Dime Savings Bank of Williamsburgh (the"Bank"); •changes in accounting principles, policies or guidelines may cause the Company's financial condition to be perceived differently; •changes in corporate and/or individual income tax laws may adversely affect the Company's business or financial condition; •general economic conditions, either nationally or locally in some or all areas in which the Company conducts business, or conditions in the securities markets or banking industry, may be less favorable than currently anticipated; • legislation or regulatory changes may adversely affect the Company's business; •technological changes may be more difficult or expensive than what the Company anticipates; •success or consummation of new business initiatives may be more difficult or expensive than what the Company anticipates; •litigation or other matters before regulatory agencies, whether currently existing or commencing in the future, may delay the occurrence or non-occurrence of events longer than what the Company anticipates; and •the risks referred to in the section entitled "Risk Factors."

Undue reliance should not be placed on any forward-looking statements. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update them in light of new information or future events except to the extent required by Federal securities laws.

DIME Since 1864

Who We Are

- Dime Savings Bank founded 1864 as a mutual savings bank in Williamsburg, Brooklyn
- Converted to Public Ownership in June 1996
- Community retail bank model
 with an emphasis on multifamily residential lending
- Help to grow to current size through 2 thrift acquisitions:
 - Pioneer Savings Bank, 1996
 - Financial Federal Savings Bank, 1999



Experienced Operators

The Management Team includes officers with many years of experience in commercial real estate and multifamily lending through numerous credit cycles in the New York market, including:

- Vincent Palagiano, Chairman/CEO, 39 years with Dime
- Michael Devine, President/COO, 38 years with Dime
- Kenneth Mahon, 1st Executive VP/CFO, 29 years with Dime
- Dan Harris, Executive Vice President, CLO, with over 30 years multifamily lending experience

And supported by numerous other officers in lending and loan servicing, many tenured more than 20 years with Dime



Insider Ownership*

The Executive Officers and Directors, and employees, have a significant ownership stake in the performance of the Company.

Vincent F. Palagiano – Chairman of the Board & CEO	992,104**	2.9%
Michael P. Devine – President and Chief Operating Officer	656,542**	1.9%
Kenneth J. Mahon – First Executive Vice President and CFO	428,958**	1.2%
All Directors and Executive Officers	5,114,891**	14.9%
All Directors and Executive Officers (Including Stock Options)	6,693,896	19.5%

^{**} Amounts exclude vested stock options and include other non-beneficial ownership share amount (in which the executive officers have a personal interest).



^{*} Amounts per page 4 of the Company's proxy statement dated April 7, 2010.

Prudent Branch Expansion

Two De novo branches set to open later this year, are strategically located and deepen the Dime footprint.



23 Branch locations as of March 31, 2010



Balance Sheet Review

As of or for the Three Months
Ended March 31,

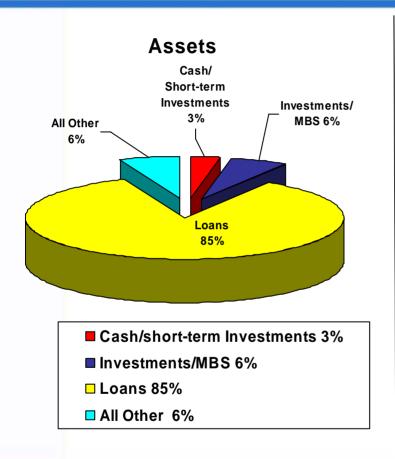
		2010	2009	change	
Total As	sets	\$ 4,113,940	\$ 4,040,758	\$ 73,182	1.8% decrease
Total Lo	ans	3,487,727	3,298,349	\$ 189,378	5.7% increase
Total De	posits	2,312,610	2,335,524	(\$ 22,914)	1.0% decrease
Consolid	ated Tangible Equity	257,636	232,397	\$ 25,239	10.9% increase
	% of tangible assets	6.35%	5.83%	0.52%	
Non-perf	Forming loans	\$29,520	\$13,123		

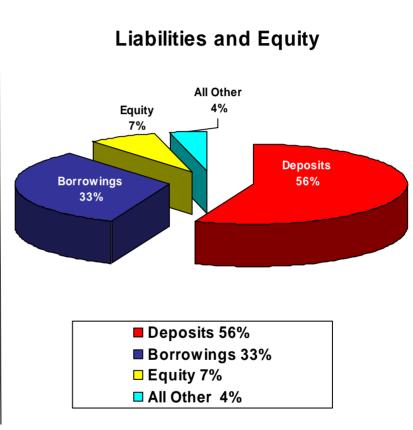
(\$ in thousands)



Balance Sheet Composition

Loans comprise 85% of assets; 151% Loan to Deposit Ratio







Financial Performance Review

Three Months Ended March 31, 2010

- 1. Core Earnings Per Share \$0.29
- 2. Net Interest Margin 3.46%
- 3. Core Return on Average Tangible Equity 15.3%
- 4. Core Return on Average Assets 0.95%
- 5. Efficiency ratio 45.0%



2009 P&L Line Items

2009 REPORTED EPS = \$.79

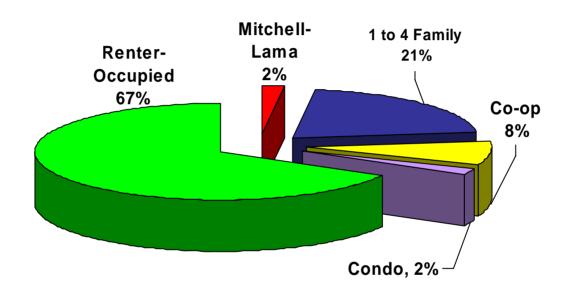
- 1. OTTI credit charges of \$7.9 million (13 cents per share)
- 2. Loan credit costs of \$16.5 million (27 cents per share)
- 3. FDIC Assessment cost of \$5.5 million (9 cents per share) (of which 3 cents was a one-time special assessment)

EPS after adjustments = \$1.28



New York City

Types of Housing*

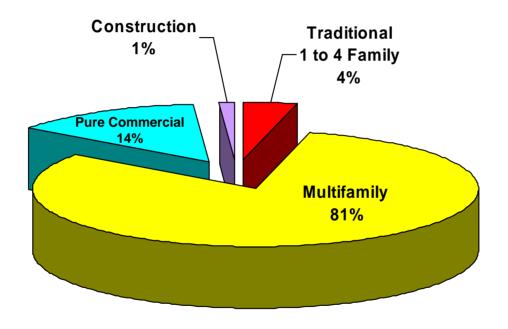


* Housing stock equals 3,325,902 units.



Loan Portfolio Composition

At March 31, 2010



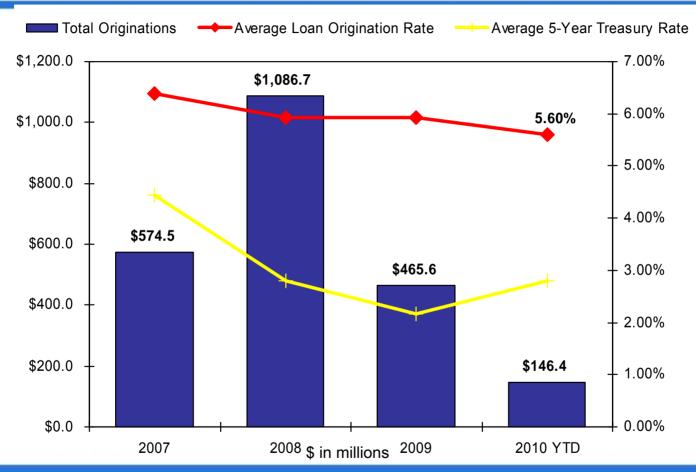


Loan Portfolio Composition

Total Loan Portfolio as of March 31, 2010								
Description Total Balance Current LTV DSR %								
Traditional 1 to 4 Family / COOP Unit	Primary Residence	128,146,000	51%	N/A	3.7%			
	MultiFamily Residential	1,388,278,000	61%	1.7	39.9%			
MultiCamily/ Mixed Hee Devtfelie	MultiFamily (Commercial Rents < 50%)	830,843,000		1.8	23.9%			
MultiFamily/ Mixed Use Portfolio	Mixed Use (Commercial Rents > 50%)	356,084,000	56%	1.6	10.2%			
	Co-op Building Underlying Mortgage	258,842,000	16%	2.0	7.4%			
Commercial Real Estate	Pure Commercial Real Estate	488,914,000	54%	1.9	14.0%			
Construction	Construction loans	\$29,830,000	N/A	N/A	0.9%			
	Grand Total	\$3,480,937,000	53%	1.8	100.0%			

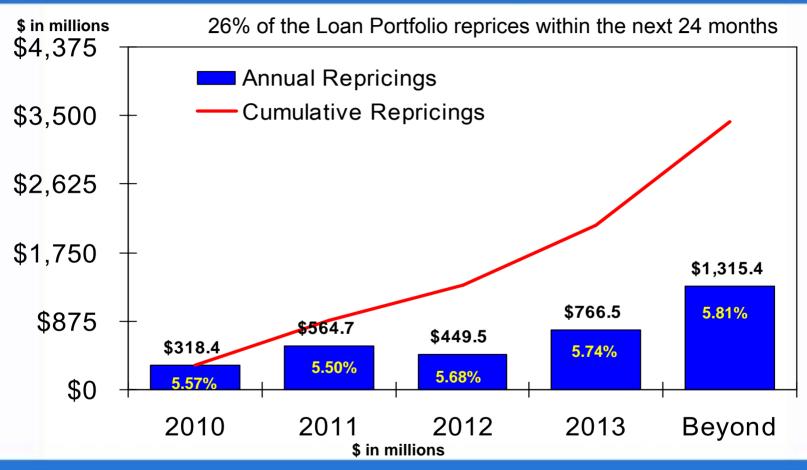


Loan Originations





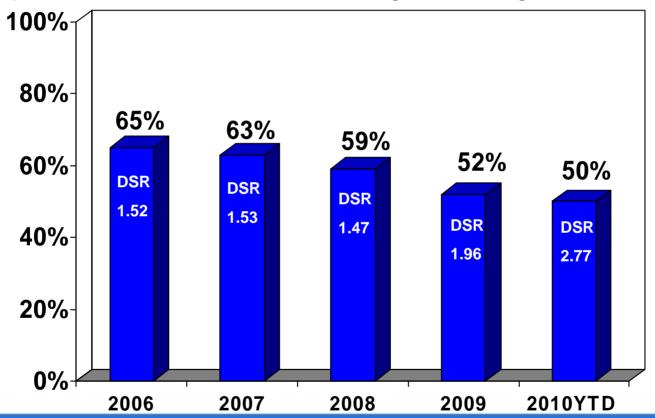
Repricing Loans





Loan-to-Value Ratios on New Loans

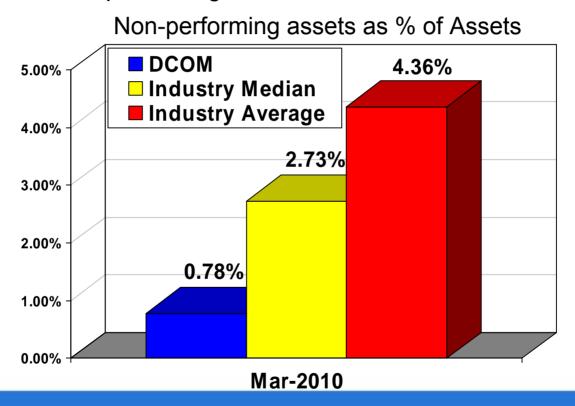
Loan policy permits LTVs to 80%; however, weighted average consistently below 70%





Low Level of Non-Performing Assets

Dime is an industry leader in loan quality, with a low level of non-performing assets....





Charge-off Experience

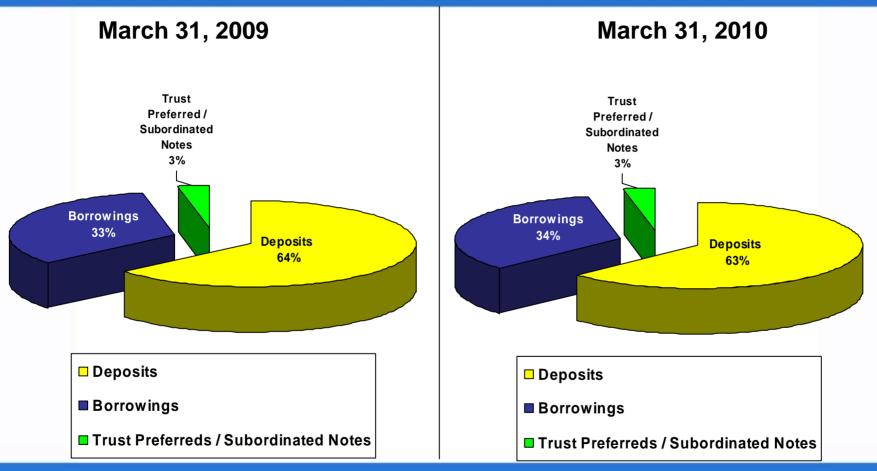
Loan Charge-offs by Location & Portfolio

Portfolio	Year	New York	N	lew Jersey		Total	Charge-offs By Portfolio	Charge-offs as % of Average Loans
DIME	2008 2009 2010 (Q1)	\$ 27,243 1,617,384 639,072	\$	530,102 413,091 106,312		\$ 557,345 2,030,475 745,384		0.02% 0.07% 0.02%
Total Dime	, í	\$ 2,256,456	\$	519,403		\$ 2,775,859	16%	0.09%
FANNIE MAE	2008 2009 2010 (Q1)		\$	4,293,294 10,275,617 22,507	(1)	\$ 4,293,294 10,275,617 22,507		0.80% 2.15% 0.01%
Total Fannie Mae	(_,	\$ -	\$	14,591,418	•	\$ 14,591,418	84%	2.94%
Grand T	otal	\$ 2,256,456	\$	15,110,821		\$ 17,367,277	100%	
% Charge-offs by	location	13%		87%		100%		

⁽¹⁾ Includes \$3,842,820 of second mortgages in the DIME portfolio on properties where Fannie Mae held the first mortgage.

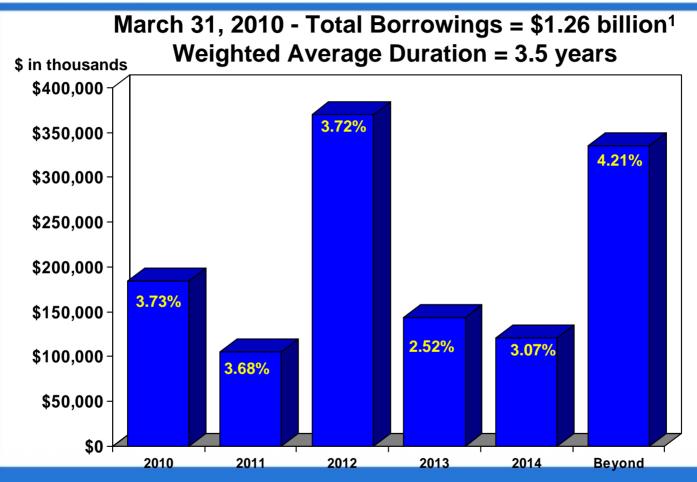


Funding Liabilities





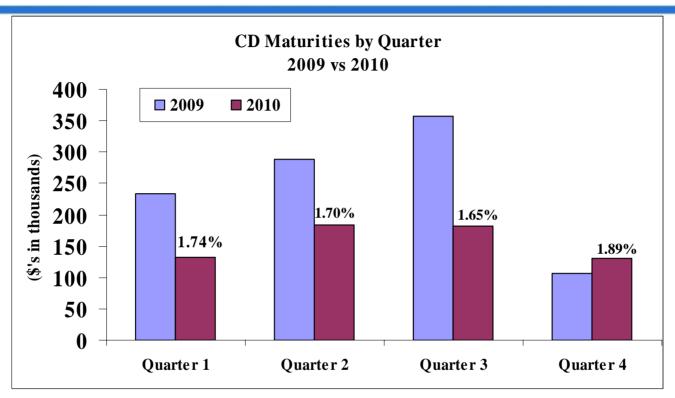
Maturing Borrowings





¹ Excludes \$68.5 million 7% trust preferred borrowing that matures in 2034.

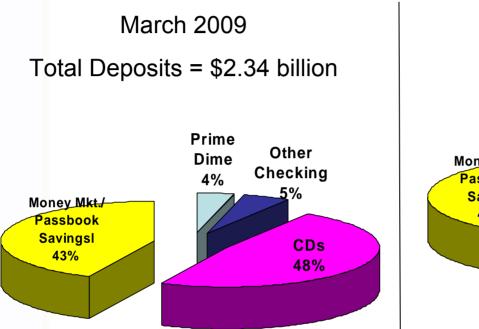
Maturing CD's

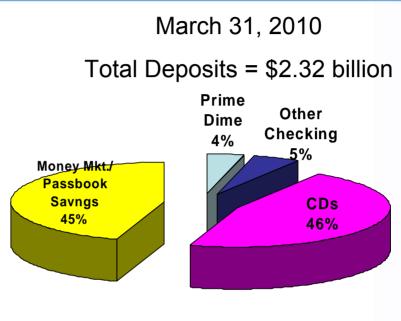


Weighted Average Duration of CD's = 15.2 Months at March 31, 2010 Weighted Average Duration of CD's = 8.6 Months at March 31, 2009



Focus on Profitable Deposits





3.0% Growth in Checking Accounts since March 2009



DIME'S DEPOSIT SHARE

	2009 Market Share Rank	2009 Number of DIME Branches	Deposits in Market (\$000)	Total Market Share (%)	Total Bank Deposits in Market (\$000)
BROOKLYN	9	9	\$ 943,172	2.76%	\$ 34,113,822
QUEENS, NY	13	8	\$ 816,800	1.98%	\$ 41,339,284
NASSAU COUNTY	16	5	\$ 552,692	1.02%	\$ 54,303,097
BRONX, NY	18	1	\$ 68,717	0.67%	\$ 10,250,729

Data as of June 30, 2009 Source: FDIC



TURNOVER RATE

for NYC Commercial Real Estate

The turnover rate for buildings—the ratio of the number of buildings sold compared to the existing stock of buildings—hit a 25-year low of 0.87% in 2009. During the previous two recessions, the turnover rate fell only as far as 1.6%. Over the last 25 years the average turnover rate has been 2.6%.

	2007 TRANSACTIONS	2008 TRANSACTIONS	2009 TRANSACTIONS
NEW YORK CITY-WIDE TRANSACTIONS	4,600 (e)	•••	1,224
MANHATTAN ONLY	1,900	600	275
BROOKLYN ONLY	1,650	975	416
QUEENS ONLY	1,050		306
BRONX/STATEN ISLAND			227
25-YEAR AVERAGE TURNOVER	2,800 (e)		

Source: Massey Knakal Realty Services, January 26, 2010



Thank you.



< Main Office Havemeyer Street, Williamsburgh, Brooklyn

Opening Ceremony > Brooklyn Heights Office on Montague Street



