

Washington Trust Bancorp, Inc.

2015 Annual Report



Message to Shareholders



L-R: Edward O. Handy III, President & Chief Operating Officer, and Joseph J. MarcAurele, Chairman & Chief Executive Officer

2015 was another outstanding year for our Corporation, as we generated record earnings for the fifth consecutive year. Consistency and steady growth have been a hallmark for Washington Trust through our 215-year history and we believe the personalized service we deliver to customers each day not only differentiates us from our competitors, but also contributes directly to the steady financial performance that our company has achieved.

We reported all-time high levels of deposits, loans, and wealth management assets under administration, and our profitability, capital, and asset quality measures remained strong despite the pressures of a challenging economic, regulatory and competitive environment. We continued to be recognized for our leadership and as a top-performing bank both locally and regionally. As a result of our solid 2015 performance, we provided healthy returns and increased dividends to our shareholders.

A strategic priority has been to grow our core business lines through market expansion, de novo branching, acquisition, and attracting new talent. And we've had great success in transitioning Washington Trust from a local, Rhode Island-based community bank into a regional financial services company with offices in three New England states.

In 2015, wealth management revenues and assets under administration reached record levels, benefitting from the third quarter acquisition of Halsey Associates, Inc., an SEC-registered investment advisor headquartered in New Haven, Connecticut. The Halsey acquisition provided a solid base of high net worth clients, corporations, foundations, and endowments in the Connecticut - Metropolitan New York area and will help us expand our presence in those markets.

The mortgage lending area has experienced extraordinary growth in recent years, primarily as a result of our expansion into Massachusetts and Connecticut. We now have three offices in Massachusetts, two in Connecticut and one in Rhode Island. Our expanded presence in southern New England has resulted in strong mortgage volume.

Our commercial lending group posted solid numbers in both commercial and industrial and commercial real estate loans in the tri-state area - Rhode Island, Massachusetts and Connecticut. We believe the Halsey acquisition will help us broaden our referral network and client base in the region. Our commercial lending expertise and ability to make decisions locally and quickly will also continue to give us an edge over our larger competitors.

Our retail branch expansion has been focused in our home state of Rhode Island, where we have a great statewide reputation. We are the largest state-chartered bank in the State and rank third in deposit market share, and believe there is potential to grow. Since 2010, we have doubled our deposit market share by opening new branches, improving our cash management offerings, and expanding our institutional and municipal client base. In early 2016 we opened our twenty-first branch on the East Side of Providence, featuring state-of-the-art technology designed for a more mobile and social customer experience.

We continue to be recognized in the industry for our stability and commitment to our employees, by Forbes as one of "America's 50 Most Trustworthy Financial Companies," and by Providence Business News as one of the "Best Places To Work" for the fifth consecutive year. Our employees remain committed to the communities we serve, carrying on Washington Trust's promise to enrich the lives of our neighbors through charitable giving and volunteer hours.

Washington Trust remains a strong, well-capitalized institution. We have a solid foundation, and are committed to growing the Corporation to enhance the value to our shareholders. We appreciate the loyalty of our customers, the expertise of our employees, and the confidence of our shareholders, and look forward to continued growth and performance in 2016.

Joseph J. MarcAurele
Chairman & Chief Executive Officer

Edward O. Handy III
President & Chief Operating Officer

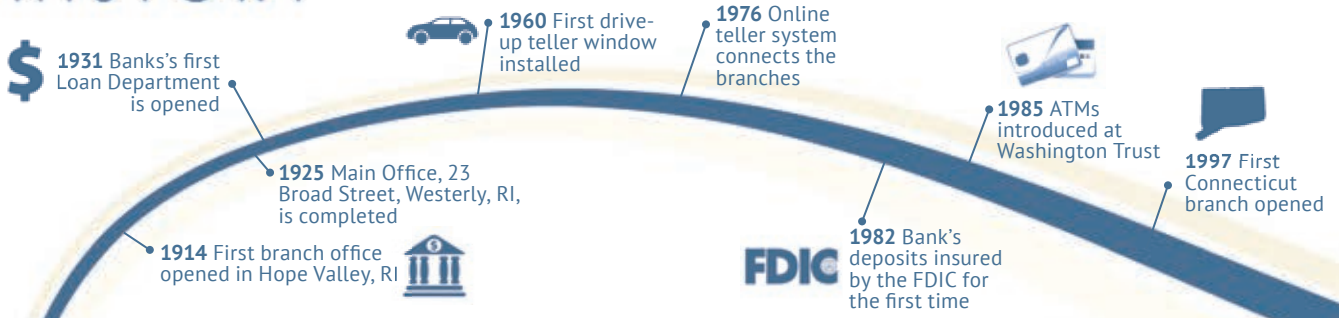


History of Success

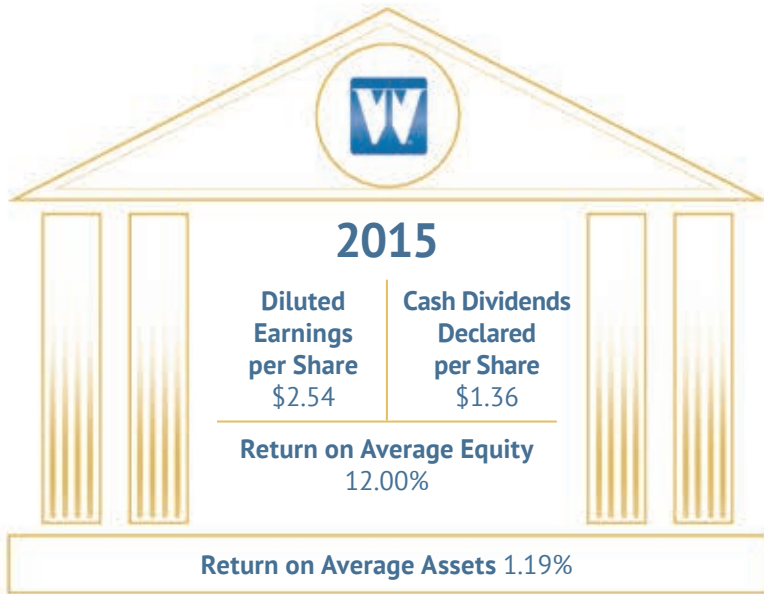
PERFORMANCE



HISTORY



STRENGTH



2015 Washington Trust reports record earnings

2015 Halsey Associates in New Haven, Connecticut acquired

2014 Residential Mortgage Office opened in Darien, Connecticut

2011 First Connecticut Mortgage Company office opened

2009 First Mortgage Company office opened in Massachusetts

2005 Weston Financial in Wellesley, Massachusetts acquired

2006 Providence Commercial Lending Office opened

2002 First Financial acquired

2002 Washington Trust reached \$1 billion in deposits

2004 Washington Trust reached \$1 billion in total loans

2000 Washington Trust celebrated its 200th birthday

2000 Online Banking introduced

2000 Phoenix Investment Management acquired

1999 Bank's website, www.washtrust.com, introduced

1999 Pier Bank acquired

1999 Washington Trust Wealth Management reached \$1 Billion in AUA

RECOGNITION



Forbes 2015
America's 50 Most Trustworthy Financial Companies

Bank Director's
Bank Performance Scorecard

KBW
Honor Roll

ABA Banking
Journal Performance Scorecard

Providence Business
News Best Places To Work

Financial Highlights

Dollars in thousands, except per share amounts	At or for the years ended December 31,				
	2015	2014	2013	2012	2011
Financial Condition					
Total assets	\$3,771,604	\$3,586,874	\$3,188,867	\$3,071,884	\$3,064,098
Total securities	395,067	382,884	422,808	415,879	593,392
Total loans	3,013,127	2,859,276	2,462,884	2,294,003	2,147,159
Allowance for loan losses	27,069	28,023	27,886	30,873	29,802
Total deposits	2,934,255	2,754,818	2,505,321	2,312,631	2,126,315
Total shareholders' equity	375,388	346,279	329,646	295,652	281,351
Book value per share	22.06	20.68	19.84	18.05	17.27
Total risk-based capital ratio	12.58%	12.56%	13.29%	13.26%	12.86%
Equity to assets	9.95%	9.65%	10.34%	9.62%	9.18%
Operating Results					
Net interest income	\$103,982	\$99,505	\$91,785	\$90,696	\$84,955
Provision for loan losses	1,050	1,850	2,400	2,700	4,700
Wealth management revenues	35,416	33,378	31,825	29,641	28,306
Mortgage banking revenues	9,901	7,152	13,293	14,148	4,772
Net income	43,465	40,824	36,153	35,074	29,724
Diluted earnings per common share	2.54	2.41	2.16	2.13	1.82
Cash dividends declared per share	1.36	1.22	1.03	0.94	0.88
Return on average assets	1.19%	1.23%	1.17%	1.16%	1.02%
Return on average equity	12.00%	11.87%	11.65%	11.97%	10.61%
Net interest margin (taxable equivalent basis)	3.12%	3.28%	3.28%	3.29%	3.20%
Asset Quality					
Nonperforming assets to total assets	0.58%	0.48%	0.62%	0.83%	0.81%
Total past due loans to total loans	0.58%	0.63%	0.89%	1.22%	1.22%
Allowance for loan losses to total loans	0.90%	0.98%	1.13%	1.35%	1.39%
Net loan charge-offs to average loans	0.07%	0.07%	0.23%	0.07%	0.17%

Cash Dividends Declared Per Share



Diluted Earnings Per Share



Stock Transfer and Dividend Disbursing Agent

American Stock Transfer & Trust Company, 6201 15th Avenue, Brooklyn, NY 11219, 800-852-0354, www.amstock.com

The Corporation's 2016 Proxy Statement, Form 10-K and Annual Report for 2015 are available online by visiting the Corporation's website www.washtrustbancorp.com under SEC Filings, or by calling the Corporation's toll-free number 800-475-2265 extension 1566, or by email at investor.relations@washtrust.com.

Auditors: KPMG LLP, Providence, Rhode Island

Counsel: Goodwin Procter LLP, Boston, Massachusetts

This report contains certain statements that may be considered "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Actual results, performance or achievements of Washington Trust may differ materially from those discussed in these forward-looking statements, as a result of, among other factors, the factors described under the caption "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as filed with the Securities and Exchange Commission and updated by our Quarterly Reports on Form 10-Q. You should carefully review all of these factors, and you should be aware that there may be other factors that could cause these differences. These forward looking statements were based on information, plans and estimates at the date of this report, and Washington Trust assumes no obligation to update forward looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes.

Board of Directors

John J. Bowen, *Chancellor, President and Chief Executive Officer, Johnson & Wales University*

Steven J. Crandall, *Vice President, Ashaway Line & Twine Mfg. Co.*

Robert A. DiMuccio, CPA, *Chairman, President and Chief Executive Officer, Amica Mutual Insurance Company*

Barry G. Hittner, Esq., *Retired Attorney*

Katherine W. Hoxsie, CPA, *Retired Vice President, Hoxsie Buick-Pontiac-GMC Truck, Inc.*

Joseph J. MarcAurele, *Chairman and Chief Executive Officer, Washington Trust Bancorp, Inc.*

Kathleen E. McKeough, *Retired Senior Vice President of Human Resources, GTECH Holdings Corporation*

Victor J. Orsinger II, Esq., *Law Office of Victor J. Orsinger II*

H. Douglas Randall III, *Chief Executive Officer, Randall, Realtors, Kinlin Grover Real Estate, Page Taft Real Estate, Pequot Commercial and Kinlin Grover Commercial*

Edwin J. Santos, *Chairman, Prospect CharterCARE, LLC*

John F. Treanor, *Retired President and Chief Operating Officer, Washington Trust Bancorp, Inc.*

Officers of the Corporation

Joseph J. MarcAurele, *Chairman and Chief Executive Officer*

Edward O. Handy III, *President and Chief Operating Officer*

David V. Devault, *Vice Chair, Secretary and Chief Financial Officer*

Mark K. W. Gim, *Senior Executive Vice President, Wealth Management, and Treasurer*

The Washington Trust Company Directors' Advisory Council

Alcino G. Almeida	Brendan P. O'Donnell
Gary P. Bennett	Joseph H. Potter
Richard A. Grills	Joyce Olson Resnikoff
Larry J. Hirsch	Anthony J. Rose Jr.
Joseph J. Kirby	Patrick J. Shanahan Jr.
Jacques de Laporte	James P. Sullivan
Edward M. Mazze,	Neil H. Thorp
James W. McCormick Jr.	John C. Warren
Thomas F. Moore	William Blunt White

Senior Management

Joseph J. MarcAurele, *Chairman and Chief Executive Officer*

Edward O. Handy III, *President and Chief Operating Officer*

David V. Devault, *Vice Chair, Secretary and Chief Financial Officer*

Mark K. W. Gim, *Senior Executive Vice President, Wealth Management, and Treasurer*

Stephen M. Bessette, *Executive Vice President, Retail Lending*

Kristen L. DiSanto, *Executive Vice President, Human Resources*

Debra A. Gormley, *Executive Vice President, Retail Banking*

James M. Hagerty, *Executive Vice President and Chief Lending Officer*

Barbara J. Perino, CPA, *Executive Vice President, Operations*

William K. Wray Sr., *Executive Vice President and Chief Risk Officer*

Dennis L. Algieri, *Senior Vice President, Chief Compliance Officer and Director of Community Affairs*

Colleen O. Anderson, *Senior Vice President, Wealth Management Support Services*

Michael T. Clarkin, *Senior Vice President and Corporate Sales Manager*

Joseph M. Confessore, *Senior Vice President and Team Leader, Commercial Banking*

Laura L. Davis, *Senior Vice President, Lending Support Services*

Elizabeth B. Eckel, *Senior Vice President, Marketing*

Maria N. Janes, CPA, *Senior Vice President and Controller*

Robert R. Kent Jr., *Senior Vice President and Team Leader, Commercial Banking*

Mary E. Noons, *Senior Vice President, Retail Lending*

C. Scott Ostrowski, *Senior Vice President, Internal Audit*

Timothy M. Pickering, *Senior Vice President, Commercial Real Estate Group*

Kathleen A. Ryan, Esq., *Senior Vice President, Wealth Management Client Services*

L. Peter Sheehan, *Senior Vice President, Wealth Management Investments*

Julia Anne M. Slom, *Senior Vice President and Team Leader, Commercial Real Estate Group*

Richard T. Tjader, *Senior Vice President and Director of Project Management*

Weston Financial Group, Inc.

John W. Filoon III, *President and Chief Operating Officer*

Kerry P. Falco, CPA, *Managing Director*

Maria A. Staffiere, *Managing Director*

Ronald A. Sugameli, Esq., *Managing Director and Chief Investment Officer*

Nicole M. Tremblay, Esq., *Senior Vice President and Chief Compliance Officer*

Halsey Associates, Inc.

James S. Zoldy Jr., *President*

Kenneth J. Julian, *Executive Vice President*

Locations

Branch Offices

HEADQUARTERS

23 Broad Street
Westerly, RI 02891
401-348-1200

BLOCK ISLAND, RI

Block Island Office
Ocean Avenue
Block Island, RI 02807
401-466-7710

CHARLESTOWN, RI

Charlestown Office
4137 Old Post Road
Charlestown, RI 02813
401-364-4000

CRANSTON, RI

Oaklawn Avenue Office
1203 Oaklawn Avenue
Cranston, RI 02920
401-732-0049

Plainfield Pike Office

2174 Plainfield Pike
Cranston, RI 02921
401-383-8223

Reservoir Avenue Office

645 Reservoir Avenue
Cranston, RI 02910
401-946-1004

EAST PROVIDENCE, RI

East Providence Office
587 Taunton Avenue
East Providence, RI 02914
401-383-8800

Rumford Office

330 Newport Avenue
Rumford, RI 02916
401-228-6555

JOHNSTON, RI

Johnston Office
1383 Atwood Avenue
Johnston, RI 02919
401-654-4837

NARRAGANSETT, RI

Bonnet Shores Office
885 Boston Neck Road
Narragansett, RI 02882
401-782-4800

Sweet Meadows Office

20 Point Judith Road
Narragansett, RI 02882
401-782-1000

NORTH KINGSTOWN, RI

North Kingstown Office
7625 Post Road
North Kingstown, RI 02852
401-295-4700

PROVIDENCE, RI

East Side Office
229 Waterman Street
Providence, RI 02903
401-443-2800

Providence Office

156 Westminster Street
Providence, RI 02903
401-421-3600

RICHMOND, RI

Richmond Office
1200 Main Street
Wyoming, RI 02898
401-539-2427

SOUTH KINGSTOWN, RI

Wakefield Office
730 Kingstown Road
Wakefield, RI 02879
401-782-4200

WARWICK, RI

Centerville Road Office
236 Centerville Road
Warwick, RI 02886
401-739-2353

Governor Francis Office

1473 Warwick Avenue
Warwick, RI 02888
401-921-2500

WESTERLY, RI

Main Office
23 Broad Street
Westerly, RI 02891
401-348-1200

Franklin Street Office

126 Franklin Street
Westerly, RI 02891
401-348-1367

McQuade's Marketplace

106 Main Street
Westerly, RI 02891
401-348-1201

MYSTIC, CT

McQuade's Marketplace
14 Clara Drive
Mystic, CT 06355
860-572-2058

Commercial Banking Offices

PROVIDENCE, RI

10 Weybosset Street, Suite 100
Providence, RI 02903
401-331-5090

WARWICK, RI

236 Centerville Road
Warwick, RI 02886
401-739-2353

WESTERLY, RI

23 Broad Street
Westerly, RI 02891
401-348-1200

Mortgage Offices

WARWICK, RI

171 Service Avenue
Warwick, RI 02886
401-681-4224

DARIEN, CT

1025 Boston Post Road
Darien, CT 06820
203-309-5571

GLASTONBURY, CT*

180 Glastonbury Boulevard, Suite 107
Glastonbury, CT 06033
860-430-9900

BRAINTREE, MA*

25 Braintree Hill Office Park, Suite 200
Braintree, MA 02184
781-930-3296

BURLINGTON, MA*

25 Mall Road, Suite 408
Burlington, MA 01803
781-229-2004

SHARON, MA*

One Merchant Street, Suite 102
Sharon, MA 02067
781-784-3089

*Operating as Washington Trust
Mortgage Company

Wealth Management Offices

PROVIDENCE, RI

10 Weybosset Street, Suite 200
Providence, RI 02903
401-654-4801

NARRAGANSETT, RI

20 Point Judith Road
Narragansett, RI 02882
401-782-1000

WESTERLY, RI

23 Broad Street
Westerly, RI 02891
401-348-1238

WELLESLEY, MA

Weston Financial Group
Wellesley Office Park
100 William Street, Suite 200
Wellesley, MA 02481
781-235-7055

NEW HAVEN, CT

Halsey Associates
234 Church Street
New Haven, CT 06510
203-772-0740

Customer Service Center

RI: 401-348-1200
CT: 860-443-1508
Toll-free: 800-475-2265

Websites

www.washtrustbancorp.com
www.washtrust.com
www.washtrustmortgage.com
www.washtrustwealth.com
www.westonfinancial.net
www.halseyassociates.com

Ticker Symbol

NASDAQ OMX®: WASH



WASHINGTON TRUST BANCORP, INC.

Parent Company of The Washington Trust Company

The Corporation has an Affirmative Action Plan and is an Equal Opportunity Employer. Washington Trust is also a member of the FDIC and an Equal Housing Lender.