

SANDY SPRING BANCORP INC

Form S-4/A

August 23, 2017

Table of Contents

As filed with the Securities and Exchange Commission on August 23, 2017

Registration No. 333-219353

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1
to
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

SANDY SPRING BANCORP, INC.

(Exact name of the registrant as specified in its charter)

Maryland (State or other jurisdiction of Incorporation or organization)	6022 (Primary Standard Industrial Classification Code Number) 17801 Georgia Avenue, Olney, Maryland 20832	52-1532952 (I.R.S. Employer Identification No.)
--	---	--

(301) 774-6400

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Ronald E. Kuykendall, Esq.

Executive Vice President,

General Counsel and Secretary

17801 Georgia Avenue

Olney, Maryland 20832

(301) 774-6400

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

Aaron M. Kaslow, Esq.

Stephen F. Donahoe, Esq.

Kilpatrick Townsend & Stockton LLP

607 14th Street, NW, Suite 900

Washington, D.C. 20005

Phone: (202) 508-5800

Jacob A. Lutz III, Esq.

Mark W. Jones, Esq.

Troutman Sanders LLP

1001 Haxall Point, 15th Floor

Richmond, Virginia 23219

Phone: (804) 697-1200

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective and the conditions to the closing of the merger described herein have been satisfied or waived.

If the securities being registered on this Form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company and emerging growth company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This document shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED AUGUST 23, 2017

Proxy Statement

Prospectus

MERGER AND SHARE ISSUANCE PROPOSED YOUR VOTE IS NEEDED

Dear Stockholder:

On May 15, 2017, Sandy Spring Bancorp, Inc., a Maryland corporation (which we refer to as **Sandy Spring**), WashingtonFirst Bankshares, Inc., a Virginia corporation (which we refer to as **WashingtonFirst**), and Touchdown Acquisition, Inc., a Virginia corporation and a wholly-owned subsidiary of Sandy Spring (which we refer to as **Merger Sub**), entered into an Agreement and Plan of Merger (which we refer to as the **merger agreement**) that provides for the combination of Sandy Spring and WashingtonFirst. Under the terms of the merger agreement, (i) Merger Sub will merge with and into WashingtonFirst (which we refer to as the **first-step merger**), with WashingtonFirst continuing as the surviving corporation in the first-step merger and as a wholly-owned subsidiary of Sandy Spring, (ii) immediately following the completion of the first-step merger, WashingtonFirst will merge with and into Sandy Spring (which we refer to as the **second-step merger**) and, together with the first-step merger, the **integrated mergers**), with Sandy Spring continuing as the surviving corporation in the second-step merger, and (iii) immediately following the completion of the integrated mergers, WashingtonFirst Bank, a Virginia state-chartered bank and a wholly-owned subsidiary of WashingtonFirst, will merge with and into Sandy Spring Bank, a Maryland state-chartered trust company with commercial banking powers and a wholly-owned subsidiary of Sandy Spring, with Sandy Spring Bank being the surviving bank (which we refer to as the **bank merger**) and, together with the integrated mergers, the **Transactions**).

At the effective time of the first-step merger, each outstanding share of the common stock, par value \$0.01 per share, of WashingtonFirst (which we refer to as **WashingtonFirst common stock**) and each share of WashingtonFirst Series A non-voting common stock (which we refer to as the **WashingtonFirst non-voting common stock**), except for (i) specified shares of WashingtonFirst common stock and WashingtonFirst non-voting common stock owned by WashingtonFirst or Sandy Spring and (ii) shares of WashingtonFirst non-voting common stock whose holders have validly exercised and perfected their appraisal rights under Virginia law (which we collectively refer to as the **excluded shares**), will be converted into the right to receive 0.8713 shares (such number being referred to as the **exchange ratio**) of the common stock, par value \$1.00 per share, of Sandy Spring (which we refer to as the **Sandy Spring common stock**), together with cash in lieu of fractional shares, subject to adjustment if the volume-weighted average price of Sandy Spring common stock on the Nasdaq Global Select Market, for the twenty trading day period ending on the fifth trading day before the day of completion of the first-step merger (which we refer to as the **Sandy Spring volume-weighted average price**), is more than \$50.15 or less than \$37.07 per share. As a result, the number of

shares of Sandy Spring common stock that WashingtonFirst stockholders will receive in the merger may fluctuate with the market price of Sandy Spring common stock and will not be known at the time that WashingtonFirst stockholders vote on the merger agreement. If the Sandy Spring volume-weighted average price is less than \$34.00, WashingtonFirst may terminate the merger agreement unless Sandy Spring adjusts the merger consideration by either (i) increasing the exchange ratio to equal \$32.30 divided by the Sandy Spring volume-weighted average price or (ii) adding a cash amount to bring the total value of the merger consideration to \$32.30 per share. In this joint proxy statement/prospectus, we refer to the number of shares of Sandy Spring common stock that a WashingtonFirst stockholder will receive in the merger, together with cash in lieu of fractional shares, as the merger consideration.

On May 15, 2017, the last full trading day before the public announcement of the Transactions, the closing price of Sandy Spring common stock was \$42.72, and on [], 2017, the most recent trading day practicable before the printing of this proxy statement/prospectus, the closing price of Sandy Spring common stock was \$[]. If \$42.72 was the Sandy Spring volume-weighted average price, WashingtonFirst stockholders would receive merger consideration of 0.8713 shares of Sandy Spring common stock for each of their shares of WashingtonFirst common stock and WashingtonFirst non-voting common stock, and if \$[] was the Sandy Spring volume-weighted average price, WashingtonFirst stockholders would receive merger consideration of [] shares of Sandy Spring common stock for each of their shares of WashingtonFirst common stock and WashingtonFirst non-voting common stock, in each case with cash paid in lieu of fractional shares. Based on an

Table of Contents

exchange ratio of 0.8713 and the number of shares of WashingtonFirst common stock and WashingtonFirst non-voting common stock outstanding on [], 2017 (which includes the number of shares of WashingtonFirst common stock underlying WashingtonFirst's restricted stock awards as of [], 2017), the maximum number of shares of Sandy Spring common stock estimated to be issuable at the effective time of the first-step merger is []. **We urge you to obtain current market quotations for Sandy Spring (trading symbol SASR) and WashingtonFirst (trading symbol WFBI).**

Sandy Spring will hold a special meeting of its stockholders (which we refer to as the Sandy Spring special meeting) in connection with the issuance of the shares of Sandy Spring common stock representing the merger consideration (which we refer to as the Sandy Spring share issuance). At the Sandy Spring special meeting, the holders of Sandy Spring common stock (which we refer to as Sandy Spring stockholders) will be asked to vote to approve the Sandy Spring share issuance. Approval of the Sandy Spring share issuance requires the affirmative vote of a majority of the total votes cast by the Sandy Spring stockholders at the Sandy Spring special meeting.

WashingtonFirst will hold a special meeting of its stockholders (which we refer to as the WashingtonFirst special meeting) in connection with the first-step merger. At the WashingtonFirst special meeting, the holders of WashingtonFirst common stock (which we refer to as WashingtonFirst stockholders) will be asked to vote to approve the merger agreement and related matters as described in this joint proxy statement/prospectus. Under Virginia law and WashingtonFirst's organizational documents, approval of the merger agreement requires the affirmative vote of a majority of the votes cast by WashingtonFirst stockholders entitled to vote at the WashingtonFirst special meeting.

The Sandy Spring special meeting will be held on [] at [], at [] local time. The WashingtonFirst special meeting will be held on [] at [], at [] local time.

The Sandy Spring board of directors unanimously recommends that Sandy Spring stockholders vote FOR the Sandy Spring share issuance and FOR the adjournment of the Sandy Spring special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Sandy Spring share issuance.

The WashingtonFirst board of directors unanimously recommends that WashingtonFirst stockholders vote FOR the approval of the merger agreement and the transactions contemplated thereby, including the first-step merger, and FOR the adjournment of the WashingtonFirst special meeting, if necessary or appropriate, to solicit additional proxies in favor of the approval of the merger agreement.

This joint proxy statement/prospectus describes the WashingtonFirst special meeting, the Sandy Spring special meeting, the Transactions, the Sandy Spring share issuance, the documents related to the Transactions and other related matters. **Please carefully read this entire joint proxy statement/prospectus, including the section entitled Risk Factors beginning on page 26, for a discussion of the risks relating to the proposed merger and the Sandy Spring share issuance.** You can also obtain information about Sandy Spring and WashingtonFirst from documents that each has filed with the Securities and Exchange Commission (which we refer to as the SEC).

Daniel J. Schrider

President and Chief Executive Officer

Sandy Spring Bancorp, Inc.

Shaza L. Andersen

President and Chief Executive Officer

WashingtonFirst Bankshares, Inc.

Neither the SEC nor any state securities commission has approved or disapproved of the securities to be issued in the first-step merger or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

The securities to be issued in the first-step merger are not savings or deposit accounts or other obligations of any bank or non-bank subsidiary of either Sandy Spring or WashingtonFirst, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

The date of this joint proxy statement/prospectus is [], 2017, and it is first being mailed or otherwise delivered to the stockholders of Sandy Spring and WashingtonFirst on or about [], 2017.

Table of Contents

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To the Stockholders of Sandy Spring:

Sandy Spring will hold the Sandy Spring special meeting at [], local time, on [] at [] to consider and vote upon the following matters:

A proposal to approve the issuance of shares of Sandy Spring common stock in connection with the first-step merger (which we refer to as the Sandy Spring share issuance proposal); and

A proposal to adjourn the Sandy Spring special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Sandy Spring share issuance proposal (which we refer to as the Sandy Spring adjournment proposal).

We have fixed the close of business on [] as the record date for the Sandy Spring special meeting (which we refer to as the Sandy Spring record date). Only Sandy Spring stockholders of record as of the Sandy Spring record date are entitled to notice of, and to vote at, the Sandy Spring special meeting, or any adjournment of the Sandy Spring special meeting. Approval of the Sandy Spring share issuance proposal requires the affirmative vote of a majority of the total votes cast by the holders of Sandy Spring common stock at the Sandy Spring special meeting. The Sandy Spring adjournment proposal will be approved if a majority of the votes cast by holders of Sandy Spring common stock at the Sandy Spring special meeting are voted in favor of the Sandy Spring adjournment proposal.

The Sandy Spring board of directors has unanimously approved the merger agreement and the transactions contemplated thereby, including the integrated mergers and the Sandy Spring share issuance, and unanimously recommends that Sandy Spring stockholders vote FOR the Sandy Spring share issuance proposal and FOR the Sandy Spring adjournment proposal.

Your vote is very important. We cannot complete the integrated mergers unless the Sandy Spring stockholders approve the Sandy Spring share issuance proposal.

Regardless of whether you plan to attend the Sandy Spring special meeting, please vote as soon as possible. If you hold stock in your name as a stockholder of record of Sandy Spring please complete, sign, date and return the accompanying proxy card in the enclosed postage-paid return envelope. You may also vote through the Internet or by telephone by following the instructions on the accompanying proxy card. If you hold your stock in street name through a bank or broker, please follow the instructions on the voting instruction card furnished by the record holder.

This joint proxy statement/prospectus provides a detailed description of the Sandy Spring special meeting, the Transactions, the Sandy Spring share issuance, the documents related to the Transactions and other related matters. We urge you to read this entire joint proxy statement/prospectus, including any documents incorporated in the joint proxy statement/prospectus by reference, and its annexes carefully and in their entirety.

BY ORDER OF THE BOARD OF DIRECTORS,

Ronald E. Kuykendall

General Counsel and Secretary

Table of Contents

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To the Stockholders of WashingtonFirst:

WashingtonFirst will hold the WashingtonFirst special meeting at [], local time, on [] at [] to consider and vote upon the following matters:

A proposal to approve the merger agreement and the first-step merger, pursuant to which Merger Sub will merge with and into WashingtonFirst, as more fully described in this joint proxy statement/prospectus (which we refer to as the WashingtonFirst merger proposal); and

A proposal to adjourn the WashingtonFirst special meeting, if necessary or appropriate, to solicit additional proxies in favor of the WashingtonFirst merger proposal (which we refer to as the WashingtonFirst adjournment proposal).

We have fixed the close of business on [], as the record date for the WashingtonFirst special meeting (which we refer to as the WashingtonFirst record date). Only WashingtonFirst stockholders of record as of the WashingtonFirst record date are entitled to notice of, and to vote at, the WashingtonFirst special meeting, or any adjournment of the WashingtonFirst special meeting. Under Virginia law and WashingtonFirst's organizational documents, approval of the WashingtonFirst merger proposal requires the affirmative vote of a majority of the votes cast by WashingtonFirst stockholders entitled to vote at the WashingtonFirst special meeting. The WashingtonFirst adjournment proposal will be approved if a majority of the votes cast on such proposal at the WashingtonFirst special meeting are voted in favor of such proposal.

The WashingtonFirst board of directors has unanimously approved the merger agreement, has determined that the merger agreement and the transactions contemplated thereby, including the first-step merger, are advisable and in the best interests of WashingtonFirst and its stockholders, and unanimously recommends that WashingtonFirst stockholders vote FOR the WashingtonFirst merger proposal and FOR the WashingtonFirst adjournment proposal.

Your vote is very important. We cannot complete the integrated mergers unless the WashingtonFirst stockholders approve the WashingtonFirst merger proposal.

Regardless of whether you plan to attend the WashingtonFirst special meeting, please vote as soon as possible. If you hold stock in your name as a stockholder of record of WashingtonFirst, please complete, sign, date and return the accompanying proxy card in the enclosed postage-paid return envelope. You may also vote through the Internet or by telephone by following the instructions on the accompanying proxy card. If you hold your stock in street name through a bank or broker, please follow the instructions on the voting instruction card furnished by the record holder.

This joint proxy statement/prospectus provides a detailed description of the WashingtonFirst special meeting, the Transactions, the documents related to the Transactions and other related matters. We urge you to read the joint proxy statement/prospectus, including any documents incorporated in the joint proxy statement/prospectus by reference, and its annexes carefully and in their entirety.

BY ORDER OF THE BOARD OF DIRECTORS,

Richard D. Horn

General Counsel and Secretary

Table of Contents

REFERENCES TO ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about Sandy Spring and WashingtonFirst from documents filed with the SEC that are not included in or delivered with this joint proxy statement/prospectus. You can obtain any of the documents filed with or furnished to the SEC by Sandy Spring and/or WashingtonFirst at no cost from the SEC's website at <http://www.sec.gov>. You may also request copies of these documents, including documents incorporated by reference in this joint proxy statement/prospectus, at no cost by contacting the appropriate company at the following address:

Sandy Spring Bancorp, Inc.

17801 Georgia Avenue

Olney, Maryland 20832

(800) 399-5919

WashingtonFirst Bankshares, Inc.

11921 Freedom Drive, Suite 250

Reston, Virginia 20190

(703) 840-2410

You will not be charged for any of these documents that you request. To obtain timely delivery of these documents, you must request them no later than five business days before the date of your meeting. This means that Sandy Spring stockholders requesting documents must do so by [], in order to receive them before the Sandy Spring special meeting, and WashingtonFirst stockholders requesting documents must do so by [], in order to receive them before the WashingtonFirst special meeting.

You should rely only on the information contained in, or incorporated by reference into, this document. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this document. This document is dated [], and you should assume that the information in this document is accurate only as of such date. You should assume that the information incorporated by reference into this document is accurate as of the date of such document, and neither the mailing of this document to WashingtonFirst stockholders or Sandy Spring stockholders nor the issuance by Sandy Spring of shares of Sandy Spring common stock in connection with the first-step merger will create any implication to the contrary.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Except where the context otherwise indicates, information contained in this document regarding WashingtonFirst has been provided by WashingtonFirst and information contained in this document regarding Sandy Spring has been provided by Sandy Spring.

See "Where You Can Find More Information" beginning on page [] for more details.

Table of Contents

TABLE OF CONTENTS

	Page
<u>QUESTIONS AND ANSWERS</u>	1
<u>SUMMARY</u>	10
<u>SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF SANDY SPRING</u>	21
<u>SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF WASHINGTONFIRST</u>	22
<u>SELECTED UNAUDITED PRO FORMA FINANCIAL DATA</u>	23
<u>UNAUDITED COMPARATIVE PER SHARE DATA</u>	25
<u>RISK FACTORS</u>	26
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	32
<u>THE WASHINGTONFIRST SPECIAL MEETING</u>	33
<u>Date, Time and Place of the WashingtonFirst Special Meeting</u>	33
<u>Matters to Be Considered at the WashingtonFirst Special Meeting</u>	33
<u>Recommendation of the WashingtonFirst Board</u>	33
<u>WashingtonFirst Record Date and Quorum</u>	33
<u>Required Vote; Treatment of Abstentions, Broker Non-Votes and Failure to Vote</u>	34
<u>Shares Held by Officers, Directors and Certain Stockholders</u>	34
<u>Voting by Proxy or in Person; Incomplete Proxies</u>	34
<u>Shares Held in Street Name</u>	35
<u>Revocability of Proxies and Changes to a WashingtonFirst Stockholder's Vote</u>	36
<u>Solicitation of Proxies</u>	36
<u>Attending the WashingtonFirst Special Meeting</u>	36
<u>Delivery of Proxy Materials to WashingtonFirst Stockholders Sharing an Address</u>	37
<u>Assistance</u>	37
<u>THE WASHINGTONFIRST PROPOSALS</u>	38
<u>Proposal No. 1 WashingtonFirst Merger Proposal</u>	38
<u>Proposal No. 2 WashingtonFirst Adjournment Proposal</u>	38
<u>THE SANDY SPRING SPECIAL MEETING</u>	39
<u>Date, Time and Place of the Sandy Spring Special Meeting</u>	39
<u>Matters to Be Considered at the Sandy Spring Special Meeting</u>	39
<u>Recommendation of the Sandy Spring Board</u>	39
<u>Sandy Spring Record Date and Quorum</u>	39
<u>Required Vote; Treatment of Abstentions, Broker Non-Votes and Failure to Vote</u>	40
<u>Shares Held by Officers, Directors and Certain Stockholders</u>	40
<u>Voting by Proxy or in Person; Incomplete Proxies</u>	40
<u>Shares Held in Street Name</u>	41
<u>Revocability of Proxies and Changes to a Sandy Spring Stockholder's Vote</u>	41
<u>Solicitation of Proxies</u>	42
<u>Attending the Sandy Spring Special Meeting</u>	42
<u>Delivery of Proxy Materials to Sandy Spring Stockholders Sharing an Address</u>	42
<u>Assistance</u>	43
<u>THE SANDY SPRING PROPOSALS</u>	44
<u>Proposal No. 1 Sandy Spring Share Issuance Proposal</u>	44
<u>Proposal No. 2 Sandy Spring Adjournment Proposal</u>	44
<u>INFORMATION ABOUT SANDY SPRING</u>	45

<u>INFORMATION ABOUT MERGER SUB</u>	45
<u>INFORMATION ABOUT WASHINGTONFIRST</u>	46
<u>THE TRANSACTIONS</u>	47
<u>Structure of the Transactions</u>	47
<u>Background of the Transactions</u>	47
<u>WashingtonFirst's Reasons for the Transactions; Recommendation of WashingtonFirst Board</u>	53

Table of Contents

	Page
<u>Opinion of WashingtonFirst's Financial Advisor</u>	57
<u>Sandy Spring's Reasons for the Transactions; Recommendation of Sandy Spring Board</u>	70
<u>Opinion of Sandy Spring's Financial Advisor</u>	72
<u>Certain Unaudited Prospective Financial Information</u>	84
<u>Interests of Certain WashingtonFirst Directors and Executive Officers in the Transactions</u>	87
<u>Public Trading Markets</u>	91
<u>Dividend Policy</u>	91
<u>Dissenters' Rights</u>	91
<u>Regulatory Approvals Required for the Transactions</u>	91
<u>THE MERGER AGREEMENT</u>	94
<u>ACCOUNTING TREATMENT</u>	114
<u>U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE INTEGRATED MERGERS</u>	115
<u>DESCRIPTION OF CAPITAL STOCK OF SANDY SPRING</u>	118
<u>Authorized Capital Stock</u>	118
<u>Common Stock</u>	
<u>Preferred Stock</u>	119
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u>	120
<u>COMPARISON OF STOCKHOLDER RIGHTS</u>	130
<u>COMPARATIVE MARKET PRICES AND DIVIDENDS</u>	142
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF SANDY SPRING</u>	143
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF WASHINGTONFIRST</u>	145
<u>LEGAL MATTERS</u>	148
<u>EXPERTS</u>	148
<u>Sandy Spring</u>	148
<u>WashingtonFirst</u>	148
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	149
<u>Annexes</u>	
<u>Annex A Agreement and Plan of Merger</u>	A-1
<u>Annex B Form of Voting Agreement with Sandy Spring Directors</u>	B-1
<u>Annex C Form of Voting Agreement with WashingtonFirst Directors</u>	C-1
<u>Annex D Voting Agreement with Endicott Opportunity Partners III, L.P.</u>	D-1
<u>Annex E Opinion of Keefe, Bruyette & Woods, Inc.</u>	E-1
<u>Annex F Opinion of Sandler O'Neill & Partners, L.P.</u>	F-1

Table of Contents

QUESTIONS AND ANSWERS

*The following are some questions that you, as a Sandy Spring stockholder or a WashingtonFirst stockholder, may have about the Transactions, the Sandy Spring share issuance, the Sandy Spring special meeting or the WashingtonFirst special meeting, as applicable, and brief answers to those questions. We urge you to read carefully the remainder of this joint proxy statement/prospectus because the information in this section does not provide all of the information that might be important to you with respect to the Transactions, the Sandy Spring share issuance, the Sandy Spring special meeting or the WashingtonFirst special meeting, as applicable. For details about where you can find additional important information, please see the section of this joint proxy statement/prospectus entitled *Where You Can Find More Information* beginning on page [].*

*Unless the context otherwise requires, references in this joint proxy statement/prospectus to *Sandy Spring* refer to *Sandy Spring Bancorp, Inc.*, a Maryland corporation, and its subsidiaries, and references to *WashingtonFirst* refer to *WashingtonFirst Bankshares, Inc.*, a Virginia corporation, and its subsidiaries.*

Q: What are the Transactions?

A: Sandy Spring, WashingtonFirst and Merger Sub entered into the merger agreement on May 15, 2017. The first-step merger is the first step in a series of transactions to combine Sandy Spring and WashingtonFirst, and their respective subsidiary banks, Sandy Spring Bank and WashingtonFirst Bank.

Under the terms of the merger agreement:

Merger Sub will merge with and into WashingtonFirst, with WashingtonFirst continuing as the surviving corporation in such merger and as a wholly-owned subsidiary of Sandy Spring (which we refer to as the first-step merger).

Immediately following the completion of the first-step merger, WashingtonFirst, as the surviving corporation in the first-step merger, will merge with and into Sandy Spring, with Sandy Spring being the surviving corporation (which we refer to as the second-step merger and, together with the first-step merger, the integrated mergers).

Immediately following the completion of the integrated mergers, WashingtonFirst Bank will merge with and into Sandy Spring Bank, with Sandy Spring Bank being the surviving bank (which we refer to as the bank merger, and together with the integrated mergers, the Transactions).

A copy of the merger agreement is included in this joint proxy statement/prospectus as Annex A.

The integrated mergers cannot be completed unless, among other things:

The holders (which we refer to as the Sandy Spring stockholders) of the common stock, par value \$1.00 per share, of Sandy Spring (which we refer to as the Sandy Spring common stock) approve the issuance of the shares of Sandy Spring common stock in connection with the first-step merger (which we refer to as the Sandy Spring share issuance).

The holders (which we refer to as the WashingtonFirst stockholders) of the common stock, par value \$0.01 per share, of WashingtonFirst (which we refer to as the WashingtonFirst common stock) approve the merger agreement and the transactions contemplated thereby, including the first-step merger (which we refer to as the WashingtonFirst merger proposal).

The completion of the integrated mergers is subject to the fulfillment of additional customary conditions, which are discussed in the section of this joint proxy statement/prospectus entitled The Merger Agreement Conditions to Complete the Integrated Mergers beginning on page [].

Table of Contents

Q: Why am I receiving this joint proxy statement/prospectus?

A: We are delivering this document to you because it is a joint proxy statement being used by both the Sandy Spring board of directors (which we refer to as the Sandy Spring board) and the WashingtonFirst board of directors (which we refer to as the WashingtonFirst board) to solicit proxies of the stockholders of Sandy Spring and WashingtonFirst, as applicable, in connection with approval of the Sandy Spring share issuance and the first-step merger, as applicable, and related matters.

In order to approve the Sandy Spring share issuance, Sandy Spring has called a special meeting of the Sandy Spring stockholders (which we refer to as the Sandy Spring special meeting). In order to approve the merger agreement and the transactions contemplated thereby, including the first-step merger, WashingtonFirst has called a special meeting of the WashingtonFirst stockholders (which we refer to as the WashingtonFirst special meeting). This document also serves as a notice of the Sandy Spring special meeting and the WashingtonFirst special meeting, and describes the proposals to be presented at each special meeting.

In addition, this document is also a prospectus that is being delivered to WashingtonFirst stockholders because Sandy Spring is offering shares of Sandy Spring common stock to WashingtonFirst stockholders in connection with the first-step merger.

This joint proxy statement/prospectus contains important information about the Transactions. This document also contains important information about the proposals being voted on at the Sandy Spring special meeting and the WashingtonFirst special meeting, respectively. You should read this document carefully and in its entirety. The enclosed materials allow you to have your shares voted by proxy without attending your special meeting. **Your vote is important.** We encourage you to submit your proxy as soon as possible.

Q: In addition to the Sandy Spring share issuance, what else are Sandy Spring stockholders being asked to vote on at the Sandy Spring special meeting?

A: In addition to voting on the Sandy Spring share issuance (which we refer to as the Sandy Spring share issuance proposal), Sandy Spring is soliciting proxies from the Sandy Spring stockholders with respect to a proposal to adjourn the Sandy Spring special meeting, if necessary or appropriate, to solicit additional proxies in favor of the Sandy Spring share issuance proposal (which we refer to as the Sandy Spring adjournment proposal). Completion of the integrated mergers is not conditioned upon approval of the Sandy Spring adjournment proposal.

Q: In addition to the approval of the merger agreement and the first-step merger, what else are WashingtonFirst stockholders being asked to vote on at the WashingtonFirst special meeting?

A: In addition to voting on the WashingtonFirst merger proposal, WashingtonFirst is soliciting proxies from the WashingtonFirst stockholders with respect to a proposal to adjourn the WashingtonFirst special meeting, if necessary or appropriate, to solicit additional proxies in favor of the WashingtonFirst merger proposal (which we refer to as the WashingtonFirst adjournment proposal). Completion of the integrated mergers is not conditioned upon approval of the WashingtonFirst adjournment proposal.

Q: What will WashingtonFirst stockholders be entitled to receive in the first-step merger?

A: If the first-step merger is completed, each outstanding share of WashingtonFirst common stock and each share of WashingtonFirst non-voting common stock, except for (i) specified shares of WashingtonFirst common stock and WashingtonFirst non-voting common stock owned by WashingtonFirst or Sandy Spring and (ii) shares of WashingtonFirst non-voting common stock whose holders have validly exercised and

Table of Contents

perfected their appraisal rights under Virginia law (which we collectively refer to as the excluded shares), will be converted into the right to receive 0.8713 shares (such number being referred to as the exchange ratio) of Sandy Spring common stock, together with cash in lieu of fractional shares, and subject to adjustment if the volume-weighted average price of Sandy Spring common stock on the Nasdaq Global Select Market, for the twenty trading day period ending on the fifth trading day before the day of completion of the first-step merger (which we refer to as the Sandy Spring volume-weighted average price), is more than \$50.15 or less than \$37.07 per share (which we refer to as the merger consideration). WashingtonFirst stockholders who would otherwise be entitled to receive a fractional share of Sandy Spring common stock upon the completion of the first-step merger will instead be entitled to receive an amount in cash (rounded to the nearest cent) based on the final exchange ratio.

Q: What will Sandy Spring stockholders be entitled to receive in the first-step merger?

A: Sandy Spring stockholders will not be entitled to receive any merger consideration and will continue to hold the shares of Sandy Spring common stock that they held immediately prior to the completion of the first-step merger.

Q: How will the first-step merger affect WashingtonFirst equity awards?

A: The WashingtonFirst equity awards will be affected as follows:

Restricted Stock Awards: At the effective time of the first-step merger (which we refer to as the effective time), each restricted stock award granted by WashingtonFirst will become fully vested and each holder of such restricted stock awards will be entitled to receive the per share merger consideration for each share of WashingtonFirst common stock held by such holder.

Stock Options: Also at the effective time, all outstanding and unexercised options to purchase shares of WashingtonFirst common stock will be canceled and will be cashed out for an amount equal to the value of the per share merger consideration less the option exercise price, assuming for purposes of this calculation that all such options were 100% vested as of the effective time. The value of the per share merger consideration for this purpose will be the exchange ratio multiplied by the Sandy Spring volume-weighted average price.

Q: Will the value of the merger consideration change between the date of this joint proxy statement/prospectus and the time that the first-step merger is completed?

A: Perhaps. The value of the merger consideration may fluctuate between the date of this joint proxy statement/prospectus and the closing date because the market value for Sandy Spring common stock fluctuates.

Q: How does the Sandy Spring board recommend that I vote at the Sandy Spring special meeting?

A:

The Sandy Spring board unanimously recommends that you vote FOR the Sandy Spring share issuance proposal and FOR the Sandy Spring adjournment proposal.

Q: How does the WashingtonFirst board recommend that I vote at the WashingtonFirst special meeting?

A: The WashingtonFirst board unanimously recommends that you vote FOR the WashingtonFirst merger proposal and FOR the WashingtonFirst adjournment proposal.

Q: When and where are the meetings?

A: The Sandy Spring special meeting will be held at [] on [] at [], local time.

The WashingtonFirst special meeting will be held at [] on [] at [], local time.

Table of Contents

Q: What do I need to do now?

A: Please carefully read and consider the information contained in and incorporated by reference into this joint proxy statement/prospectus. After you have carefully read this joint proxy statement/prospectus and have decided how you wish to vote your shares, please vote your shares promptly as described under **Q: How do I vote?** immediately below. In order to assure that your shares are represented and voted at your special meeting, please submit your proxy as instructed on the accompanying proxy card even if you currently plan to attend your special meeting in person.

Q: How do I vote?

A: You may vote **FOR**, **AGAINST** or **ABSTAIN** on any proposal. The procedures for voting are as follows:
Voting by Proxy:

If you hold your shares in your name as a stockholder of record, you may vote by mail, through the Internet or by telephone.

To vote by mail, you must complete, sign, date and mail your proxy card in the enclosed postage-paid return envelope as soon as possible. Please respond promptly to ensure your proxy card is mailed sufficiently in advance to ensure receipt prior to your special meeting.

To vote through the Internet, please follow the instructions on the accompanying proxy card as soon as possible. The instructions in the enclosed proxy card contain the applicable deadlines and other information about voting your shares through the Internet.

To vote by telephone, please follow the instructions on the accompanying proxy card as soon as possible. The instructions in the enclosed proxy card contain the applicable deadlines and other information about voting your shares by telephone.

If you hold your shares in *street name* through a bank or broker, you must direct your bank or broker how to vote in accordance with the instructions you have received or will receive from your bank or broker.

If your special meeting is postponed or adjourned for any reason, at any subsequent reconvening of your special meeting all proxies will be voted in the same manner as the proxies would have been voted at the original convening of your special meeting, except for any proxies that have at that time effectively been revoked or withdrawn, even if the proxies had been effectively voted on the same or any other matter at a previous meeting.

Voting in Person at Your Special Meeting:

If you hold your shares in your name as a stockholder of record and wish to attend your special meeting and vote in person, you may request a ballot when you arrive. *Street name* stockholders who wish to vote in person at their special meeting will need to obtain a legal proxy from the institution that holds their shares.

Q: What constitutes a quorum for the Sandy Spring special meeting?

A: The presence at the Sandy Spring special meeting, in person or by proxy, of holders representing at least a majority of the outstanding shares of Sandy Spring common stock entitled to be voted at the Sandy Spring special meeting will constitute a quorum for the transaction of business at the Sandy Spring special meeting. Once a share is represented for any purpose at the Sandy Spring special meeting, it is deemed present for quorum purposes for the remainder of the Sandy Spring special meeting or for any adjournment(s) thereof. Abstentions and broker non-votes, if any, will be included in determining the number of shares present at the meeting for the purpose of determining the presence of a quorum.

Table of Contents

Q: What constitutes a quorum for the WashingtonFirst special meeting?

A: The presence at the WashingtonFirst special meeting, in person or by proxy, of holders representing at least a majority of the issued and outstanding shares of WashingtonFirst common stock entitled to be voted at the WashingtonFirst special meeting will constitute a quorum for the transaction of business at the WashingtonFirst special meeting. Once a share is represented for any purpose at the WashingtonFirst special meeting, it is deemed present for quorum purposes for the remainder of the WashingtonFirst special meeting or for any adjournment(s) thereof. Abstentions and broker non-votes, if any, will be included in determining the number of shares present at the meeting for the purpose of determining the presence of a quorum.

Q: What is the vote required to approve each proposal at the Sandy Spring special meeting?

A: *Sandy Spring share issuance proposal:*

Standard: Approval of the Sandy Spring share issuance proposal requires the affirmative vote of a majority of the total votes cast by the holders of Sandy Spring common stock at the Sandy Spring special meeting.

Effect of abstentions and broker non-votes: If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the Sandy Spring special meeting, or fail to instruct your bank or broker how to vote with respect to the Sandy Spring share issuance proposal, it will have no effect on the Sandy Spring share issuance proposal.

Sandy Spring adjournment proposal:

Standard: Approval of the Sandy Spring adjournment proposal requires the affirmative vote of a majority of the total votes cast by the holders of Sandy Spring common stock at the Sandy Spring special meeting.

Effect of abstentions and broker non-votes: If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the Sandy Spring special meeting, or fail to instruct your bank or broker how to vote with respect to the Sandy Spring adjournment proposal, it will have no effect on the Sandy Spring adjournment proposal.

Q: What is the vote required to approve each proposal at the WashingtonFirst special meeting?

A: WashingtonFirst merger proposal:

Standard: Approval of the WashingtonFirst merger proposal requires the affirmative vote of a majority of the outstanding shares of WashingtonFirst common stock entitled to vote at the WashingtonFirst special

meeting.

Effect of abstentions and broker non-votes: If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the WashingtonFirst special meeting, or fail to instruct your bank or broker how to vote with respect to the WashingtonFirst merger proposal, it will have the effect of a vote against the WashingtonFirst merger proposal.

WashingtonFirst adjournment proposal:

Standard: Approval of the WashingtonFirst adjournment proposal requires the affirmative vote of a majority of the votes cast by WashingtonFirst stockholders entitled to vote at the WashingtonFirst special meeting.

Effect of abstentions and broker non-votes: If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the WashingtonFirst special meeting, or fail to instruct your bank or broker how to vote with respect to the WashingtonFirst adjournment proposal, it will have no effect on the WashingtonFirst adjournment proposal.

Table of Contents

Q: Why is my vote important?

A: If you do not vote, it will be more difficult for Sandy Spring or WashingtonFirst to obtain the necessary quorum to hold their respective special meetings. If you are a Sandy Spring stockholder, your failure to submit a proxy or vote in person, or failure to instruct your bank or broker how to vote, or abstention with respect to the Sandy Spring share issuance proposal will not be counted as a vote cast and will have no effect on the approval of such proposal, even though such approval is a condition to the completion of the integrated mergers. If you are a WashingtonFirst stockholder, your failure to submit a proxy or vote in person, or failure to instruct your bank or broker how to vote, or abstention with respect to the WashingtonFirst merger proposal will have the same effect as a vote against the proposal, even though such approval is a condition to the completion of the integrated mergers. The Sandy Spring share issuance must be approved by the affirmative vote of at least a majority of the total votes cast by the Sandy Spring stockholders at the Sandy Spring special meeting. The merger agreement must be approved by the affirmative vote of a majority of the outstanding shares of WashingtonFirst common stock entitled to vote at the WashingtonFirst special meeting. The Sandy Spring board unanimously recommends that the Sandy Spring stockholders vote FOR the Sandy Spring share issuance proposal and the WashingtonFirst board unanimously recommends that the WashingtonFirst stockholders vote FOR the WashingtonFirst merger proposal.

Q: If my shares of common stock are held in street name by my bank or broker, will my bank or broker automatically vote my shares for me?

A: No. Your bank or broker cannot vote your shares without instructions from you. You should instruct your bank or broker how to vote your shares in accordance with the instructions provided to you. Please check the voting form used by your bank or broker.

Q: Can I attend the meeting and vote my shares in person?

A: Yes. All stockholders of Sandy Spring and WashingtonFirst, including stockholders of record and stockholders who hold their shares in street name through banks, brokers, nominees or any other holder of record, are invited to attend their respective meetings. Holders of record of Sandy Spring and WashingtonFirst common stock can vote in person at the Sandy Spring special meeting and WashingtonFirst special meeting, respectively. If you are not a stockholder of record, you must obtain a proxy, executed in your favor, from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at your meeting. If you plan to attend your special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership. In addition, you must bring a form of personal photo identification with you in order to be admitted. Sandy Spring and WashingtonFirst reserve the right to refuse admittance to anyone without proper proof of share ownership or without proper photo identification. The use of cameras, sound recording equipment, communications devices or any similar equipment during the special meetings is prohibited without Sandy Spring's or WashingtonFirst's express written consent, respectively.

Q: Can I change my vote?

A: *Sandy Spring stockholders*: Yes. If you are a holder of record of Sandy Spring common stock, you may change your vote or revoke any proxy at any time before it is voted by (i) signing and returning a proxy card with a later date, (ii) delivering a written revocation letter to Sandy Spring's corporate secretary, (iii) attending the Sandy Spring special meeting in person, notifying the corporate secretary and voting by ballot at the Sandy Spring special meeting or (iv) voting through the Internet or by telephone at a later time. Attendance at the Sandy Spring special meeting will not automatically revoke your proxy. A revocation or later-dated proxy received by Sandy Spring after the vote will not affect the vote. Sandy Spring's corporate secretary's mailing address is: Corporate Secretary, 17801 Georgia Avenue, Olney, Maryland 20832.

Table of Contents

WashingtonFirst stockholders: Yes. If you are a holder of record of WashingtonFirst common stock, you may change your vote or revoke any proxy at any time before it is voted by (i) signing and returning a proxy with a later date, (ii) delivering a written revocation letter to WashingtonFirst's corporate secretary, (iii) attending the WashingtonFirst special meeting in person, notifying the corporate secretary and voting by ballot at the WashingtonFirst special meeting or (iv) voting through the Internet or by telephone at a later time. Attendance at the WashingtonFirst special meeting by itself will not automatically revoke your proxy. A revocation or later-dated proxy received by WashingtonFirst after the vote will not affect the vote. WashingtonFirst's corporate secretary's mailing address is: Corporate Secretary, 11921 Freedom Drive, Reston, Virginia 20190.

If you hold your shares of Sandy Spring common stock or WashingtonFirst common stock in street name through a bank or broker, you should contact your bank or broker to change your vote or revoke your proxy.

Q: Will Sandy Spring be required to submit the Sandy Spring share issuance proposal to its stockholders even if the Sandy Spring board has withdrawn, modified or qualified its recommendation?

A: No, Sandy Spring will not be required to submit the Sandy Spring share issuance proposal to its stockholders if the Sandy Spring board has withdrawn, modified or qualified its recommendation.

Q: Will WashingtonFirst be required to submit the WashingtonFirst merger proposal to its stockholders even if the WashingtonFirst board has withdrawn, modified or qualified its recommendation?

A: No, WashingtonFirst will not be required to submit the WashingtonFirst merger proposal to its stockholders if the WashingtonFirst board has withdrawn, modified or qualified its recommendation.

Q: What are the U.S. federal income tax consequences of the integrated mergers to WashingtonFirst stockholders?

A: The obligations of WashingtonFirst and Sandy Spring to complete the integrated mergers are subject to, among other customary closing conditions described in this joint proxy statement/prospectus, the receipt by each of WashingtonFirst and Sandy Spring of the opinion of its counsel to the effect that the integrated mergers together will be treated as an integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (which we refer to as the Code). Assuming that the integrated mergers qualify as a reorganization under the Code, holders of WashingtonFirst common stock generally will not recognize any gain or loss for U.S. federal income tax purposes on the exchange of shares of WashingtonFirst common stock for shares of Sandy Spring common stock, except with respect to any cash received instead of fractional shares of Sandy Spring common stock.

You should read the section of this joint proxy statement/prospectus entitled "U.S. Federal Income Tax Consequences of the Integrated Mergers" beginning on page [] for a more complete discussion of the U.S. federal income tax consequences of the integrated mergers. Tax matters can be complicated and the tax consequences of the integrated mergers to you will depend on your particular tax situation. You should consult your tax advisor to determine the tax consequences of the integrated mergers to you.

Q: Are WashingtonFirst stockholders entitled to dissenters rights?

A: Holders of shares WashingtonFirst common stock are not entitled to exercise dissenters rights in connection with the WashingtonFirst merger proposal. However, holders, of shares of WashingtonFirst non-voting common stock are entitled to exercise dissenters rights in connection with the WashingtonFirst merger proposal. For further information, see The Transactions Dissenters Rights beginning on page [].

Table of Contents

Q: If I am a WashingtonFirst stockholder, should I send in my WashingtonFirst stock certificates now?

A: No. Please do not send in your WashingtonFirst stock certificates with your proxy. Promptly following the completion of the first-step merger, an exchange agent will send you instructions for exchanging WashingtonFirst stock certificates for the merger consideration. See The Merger Agreement Conversion of Shares; Exchange of Certificates beginning on page [].

Q: What should I do if I hold my shares of WashingtonFirst common stock in book-entry form?

A: You are not required to take any special additional actions if your shares of WashingtonFirst common stock are held in book-entry form. Promptly following the completion of the first-step merger, shares of WashingtonFirst common stock held in book-entry form automatically will be exchanged for shares of Sandy Spring common stock in book-entry form and cash to be paid in exchange for fractional shares, if any.

Q: Whom may I contact if I cannot locate my WashingtonFirst stock certificate(s)?

A: If you are unable to locate your original WashingtonFirst stock certificate(s), you should contact Computershare Investor Services, WashingtonFirst's transfer agent, at (800) 368-5948 or P.O. Box 43078, Providence, Rhode Island 02940-3078.

Q: What should I do if I receive more than one set of voting materials?

A: Sandy Spring stockholders and WashingtonFirst stockholders may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold shares of Sandy Spring and/or WashingtonFirst common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold such shares. If you are a holder of record of Sandy Spring common stock or WashingtonFirst common stock and your shares are registered in more than one name, you will receive more than one proxy card. In addition, if you are a holder of both Sandy Spring common stock and WashingtonFirst common stock, you will receive one or more separate proxy cards or voting instruction cards for each company. Please complete, sign, date and return each proxy card and voting instruction card that you receive or otherwise follow the voting instructions set forth in this joint proxy statement/prospectus to ensure that you vote every share of Sandy Spring common stock and/or WashingtonFirst common stock that you own.

Q: When do you expect to complete the Transactions?

A: Sandy Spring and WashingtonFirst currently expect to complete the Transactions in the fourth quarter of 2017. However, neither Sandy Spring nor WashingtonFirst can assure you of when, or if, the Transactions will be completed. The completion of the integrated mergers is subject to the fulfillment of customary closing conditions,

including the approval by the Sandy Spring stockholders of the Sandy Spring share issuance proposal, the approval by the WashingtonFirst stockholders of the WashingtonFirst merger proposal and the receipt of necessary regulatory approvals.

Q: What happens if the first-step merger is not completed?

A: If the first-step merger is not completed, WashingtonFirst stockholders will not receive any consideration for their shares in connection with the first-step merger. Instead, WashingtonFirst will remain an independent publicly traded company and its common stock will continue to be listed and traded on the Nasdaq Capital Market. In addition, if the merger agreement is terminated in certain circumstances, a termination fee may be required to be paid by either Sandy Spring or WashingtonFirst. For a more detailed

Table of Contents

discussion of the circumstances under which such payments will be required to be paid, please see the section of this joint proxy statement/prospectus entitled "The Merger Agreement - Termination Fee" beginning on page [].

Q: Whom should I call with questions?

A: Sandy Spring stockholders: If you have any questions concerning the Transactions or this joint proxy statement/prospectus, would like additional copies of this joint proxy statement/prospectus or need help voting your shares of Sandy Spring common stock, please contact Investor Relations at [] or Sandy Spring's proxy solicitor, Laurel Hill Advisory Group, LLC, at (888) 742-1305.

WashingtonFirst stockholders: If you have any questions concerning the Transactions or this joint proxy statement/prospectus, would like additional copies of this joint proxy statement/prospectus or need help voting your shares of WashingtonFirst common stock, please contact Richard D. Horn, General Counsel, or Matthew R. Johnson, Executive Vice President and Chief Financial Officer, at (703) 840-2410 or WashingtonFirst's proxy solicitor, Laurel Hill Advisory Group, LLC, at (888) 742-1305.

Table of Contents

SUMMARY

*This summary highlights selected information from this joint proxy statement/prospectus. It may not contain all of the information that is important to you. We urge you to read carefully the entire joint proxy statement/prospectus, including the annexes, and the other documents to which we refer in order to fully understand the Transactions. See *Where You Can Find More Information* beginning on page []. Each item in this summary refers to the page of this joint proxy statement/prospectus on which that subject is discussed in more detail.*

In the First-Step Merger, WashingtonFirst Stockholders will be Entitled to Receive the Merger Consideration (page [])

Sandy Spring and WashingtonFirst are proposing a strategic merger. If the first-step merger is completed, each outstanding share of WashingtonFirst common stock, except for the excluded shares, will be converted into the right to receive a number of shares of Sandy Spring common stock based on the Sandy Spring volume-weighted average price. Specifically, at the effective time of the first-step merger, each share of WashingtonFirst common stock and each share of WashingtonFirst non-voting common stock, except for the excluded shares, will be converted into shares of Sandy Spring common stock as follows:

if the Sandy Spring volume-weighted average price is greater than \$53.23, the exchange ratio will equal 0.8210;

if the Sandy Spring volume-weighted average price is greater than \$50.15 and equal to or less than \$53.23, the exchange ratio will equal the quotient of \$43.70 divided by the Sandy Spring volume-weighted average price;

if the Sandy Spring volume-weighted average price is equal to or greater than \$37.07 and equal to or less than \$50.15, the exchange ratio will equal 0.8713;

if the Sandy Spring volume-weighted average price is equal to or greater than \$34.00 and less than \$37.07, the exchange ratio will equal the quotient of \$32.30 divided by the Sandy Spring volume-weighted average price; and

if the Sandy Spring volume-weighted average price is less than \$34.00, the exchange ratio will equal 0.9500.

Table of Contents

The following table illustrates the value of the merger consideration based on the Sandy Spring volume-weighted average price. Because the market value of Sandy Spring common stock will fluctuate, the value of the merger consideration may have a value as of the date the WashingtonFirst stockholders receive their shares that is less than, or greater than, the value of merger consideration on the date that the exchange ratio is determined.

Sandy Spring Volume-Weighted Average Price	Exchange Ratio	Implied Value of Merger Consideration
\$54.00	0.8210	\$44.33
\$53.23	0.8210	\$43.70
\$53.00	0.8245	\$43.70
\$52.00	0.8404	\$43.70
\$51.00	0.8569	\$43.70
\$50.15	0.8713	\$43.70
\$50.00	0.8713	\$43.57
\$49.00	0.8713	\$42.69
\$48.00	0.8713	\$41.82
\$47.00	0.8713	\$40.95
\$46.00	0.8713	\$40.08
\$45.00	0.8713	\$39.21
\$44.00	0.8713	\$38.34
\$43.00	0.8713	\$37.47
\$42.00	0.8713	\$36.59
\$41.00	0.8713	\$35.72
\$40.00	0.8713	\$34.85
\$39.00	0.8713	\$33.98
\$38.00	0.8713	\$33.11
\$37.07	0.8713	\$32.30
\$37.00	0.8730	\$32.30
\$36.00	0.8972	\$32.30
\$35.00	0.9229	\$32.30
\$34.00	0.9500	\$32.30
\$33.00	0.9500	\$31.35

Sandy Spring will not issue any fractional shares of Sandy Spring common stock in the first-step merger. WashingtonFirst stockholders who would otherwise be entitled to receive a fraction of a share of Sandy Spring common stock upon the completion of the first-step merger will instead be entitled to receive an amount in cash, rounded to the nearest cent, determined by multiplying the fraction of a share of Sandy Spring common stock to which the holder would otherwise be entitled by the Sandy Spring volume-weighted average price.

Table of Contents

Sandy Spring common stock is listed on the Nasdaq Global Select Market under the symbol SASR and WashingtonFirst common stock is listed on the Nasdaq Capital Market under the symbol WFBI. The following table shows the closing sale prices of Sandy Spring common stock and WashingtonFirst common stock as reported on the Nasdaq Stock Market on May 15, 2017, the last full trading day before the public announcement of the Transactions, and on [], the latest practicable trading day before the printing of this joint proxy statement/prospectus. This table also shows the implied value of the merger consideration payable for each share of WashingtonFirst common stock, which was calculated by first multiplying the closing price of Sandy Spring common stock on those dates by an exchange ratio of 0.8713.

	Sandy Spring Common Stock	WashingtonFirst Common Stock	Implied Value of Merger Consideration
May 15, 2017	\$ 42.72	\$ 28.18	\$ 37.22
[]	\$ []	\$ []	\$ []

The merger agreement governs the integrated mergers. The merger agreement is included in this joint proxy statement/prospectus as [Annex A](#). All descriptions in this summary and elsewhere in this joint proxy statement/prospectus of the terms and conditions of the integrated mergers are qualified by reference to the merger agreement. Please read the merger agreement carefully for a more complete understanding of the integrated mergers.

The Sandy Spring Board Unanimously Recommends that Sandy Spring Stockholders Vote FOR the Sandy Spring Share Issuance Proposal and the Sandy Spring Adjournment Proposal Presented at the Sandy Spring Special Meeting (page [])

The Sandy Spring board has unanimously approved the merger agreement. The Sandy Spring board unanimously recommends that Sandy Spring stockholders vote FOR the Sandy Spring share issuance proposal and FOR the Sandy Spring adjournment proposal presented at the Sandy Spring special meeting. For the factors considered by the Sandy Spring board in reaching its decision to approve the merger agreement, see the section of this joint proxy statement/prospectus entitled The Transactions Sandy Spring s Reasons for the Transactions; Recommendation of the Sandy Spring Board beginning on page [].

Each of Sandy Spring s directors, solely in his or her capacity as a Sandy Spring stockholder, has entered into a separate voting agreement with WashingtonFirst, pursuant to which each such director has agreed to vote all shares of Sandy Spring common stock over which he or she exercises sole disposition and voting rights in favor of the Sandy Spring share issuance. A form of these voting agreements is attached to this joint proxy statement/prospectus as [Annex B](#). For more information regarding the voting agreements, see the section of this joint proxy statement/prospectus entitled The Merger Agreement Sandy Spring Voting Agreements beginning on page [].

The WashingtonFirst Board Unanimously Recommends that WashingtonFirst Stockholders Vote FOR the WashingtonFirst Merger Proposal and the WashingtonFirst Adjournment Proposal Presented at the WashingtonFirst Special Meeting (page [])

The WashingtonFirst board has determined that the merger agreement and the transactions contemplated by the merger agreement, including the first-step merger, are advisable and in the best interests of WashingtonFirst and its stockholders and has unanimously approved the merger agreement. The WashingtonFirst board unanimously recommends that WashingtonFirst stockholders vote FOR the WashingtonFirst merger proposal and FOR the WashingtonFirst adjournment proposal presented at the WashingtonFirst special meeting. For the factors considered

by the WashingtonFirst board in reaching its decision to approve the merger agreement, see the section of this joint proxy statement/prospectus entitled "The Transactions WashingtonFirst's Reasons for the Transactions; Recommendation of the WashingtonFirst Board" beginning on page [].

Table of Contents

Each of WashingtonFirst's directors, solely in his or her capacity as a WashingtonFirst stockholder, has entered into a separate voting agreement with Sandy Spring, pursuant to which each such director has agreed to vote all shares of WashingtonFirst common stock over which he or she exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters and against alternative transactions. A form of these voting agreements is attached to this joint proxy statement/prospectus as [Annex C](#). In addition, Endicott Opportunity Partners III, L.P. (which we refer to as Endicott), which owned []% of the outstanding shares of WashingtonFirst common stock as of the WashingtonFirst record date, has also entered into a voting agreement with Sandy Spring pursuant to which Endicott has agreed to vote all shares of WashingtonFirst common stock over which it exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters and against alternative transactions. A copy of the Endicott voting agreement is attached to this joint proxy statement/prospectus as [Annex D](#). For more information regarding the voting agreements, see the section of this joint proxy statement/prospectus entitled "The Merger Agreement WashingtonFirst Voting Agreements" beginning on page [].

Opinion of WashingtonFirst's Financial Advisor (page [] and Annex E)

In connection with the integrated mergers, WashingtonFirst's financial advisor, Keefe, Bruyette & Woods, Inc. (which we refer to as KBW), delivered a written opinion, dated May 15, 2017, to the WashingtonFirst board of directors as to the fairness, from a financial point of view and as of the date of the opinion, to the holders of WashingtonFirst common stock of the exchange ratio in the proposed first-step merger. The full text of the opinion, which describes the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW in preparing the opinion, is attached as [Annex E](#) to this joint proxy statement/prospectus. **The opinion was for the information of, and was directed to, the WashingtonFirst board (in its capacity as such) in connection with its consideration of the financial terms of the integrated mergers. The opinion did not address the underlying business decision of WashingtonFirst to engage in the integrated mergers or enter into the merger agreement or constitute a recommendation to the WashingtonFirst board in connection with the integrated mergers, and it does not constitute a recommendation to any holder of WashingtonFirst voting common stock or any stockholder of any other entity as to how to vote in connection with the integrated mergers or any other matter.**

Opinion of Sandy Spring's Financial Advisor (page [] and Annex F)

On May 15, 2017, Sandler O'Neill & Partners, L.P. (which we refer to as Sandler O'Neill) rendered its written opinion to the Sandy Spring board that, as of the date of the opinion, and based upon and subject to the procedures followed, assumptions made, matters considered and qualifications and limitations set forth in the opinion, the merger consideration was fair, from a financial point of view, to Sandy Spring. The full text of the Sandler O'Neill written opinion, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached to this document as [Annex F](#). Sandy Spring stockholders are urged to read the opinion in its entirety. Sandler O'Neill's opinion speaks only as of the date of the opinion and was necessarily based on financial, economic, market and other conditions as they existed on, and the information made available to Sandler O'Neill as of, the date of Sandler O'Neill's opinion. The Sandler O'Neill written opinion is addressed to the Sandy Spring board, is directed only to the merger consideration, and does not constitute a recommendation as to how any holder of Sandy Spring common stock should vote with respect to the Sandy Spring share issuance proposal or any other matter.

Table of Contents

What Holders of WashingtonFirst Equity-Based Awards will be Entitled to Receive (page [])

The WashingtonFirst equity awards will be affected as follows:

Restricted Stock Awards: At the effective time, each restricted stock award granted by WashingtonFirst will become fully vested and each holder of such restricted stock awards will be entitled to receive the per share merger consideration for each share of WashingtonFirst common stock held by such holder.

Stock Options: Also at the effective time, all outstanding and unexercised options to purchase shares of WashingtonFirst common stock will be canceled and will be cashed out for an amount equal to the value of the per share merger consideration less the option exercise price, assuming for purposes of this calculation that all such options were 100% vested as of the effective time. The value of the per share merger consideration for this purpose will be the exchange ratio multiplied by the Sandy Spring volume-weighted average price.

Sandy Spring Will Hold the Sandy Spring Special Meeting on [] (page [])

The Sandy Spring special meeting will be held on [] at [], local time, at []. At the Sandy Spring special meeting, Sandy Spring stockholders will be asked to approve the Sandy Spring share issuance proposal and approve the Sandy Spring adjournment proposal.

Only holders of record of Sandy Spring common stock at the close of business on [] (which we refer to as the Sandy Spring record date), will be entitled to notice of, and to vote at, the Sandy Spring special meeting. Each share of Sandy Spring common stock is entitled to one vote on each proposal to be considered at the Sandy Spring special meeting. As of the Sandy Spring record date, there were [] shares of Sandy Spring common stock entitled to vote at the Sandy Spring special meeting.

As of the Sandy Spring record date, the directors and executive officers of Sandy Spring and their affiliates beneficially owned and were entitled to vote approximately [] shares of Sandy Spring common stock representing approximately []% of the shares of Sandy Spring common stock outstanding on that date.

Each of Sandy Spring's directors, solely in his or her capacity as a Sandy Spring stockholder, has entered into a separate voting agreement with WashingtonFirst, pursuant to which each such Sandy Spring director has agreed to vote all shares of Sandy Spring common stock over which he or she exercises sole disposition and voting rights in favor of the Sandy Spring share issuance proposal.

Approval of the Sandy Spring share issuance requires the affirmative vote of a majority of the total votes cast by the Sandy Spring stockholders at the Sandy Spring special meeting. If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the Sandy Spring special meeting or fail to instruct your bank or broker how to vote with respect to the Sandy Spring share issuance proposal, it will have no effect on the Sandy Spring share issuance proposal.

The Sandy Spring adjournment proposal will be approved if a majority of the votes cast by the holders of Sandy Spring common stock at the Sandy Spring special meeting are voted in favor of such proposal. If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the Sandy Spring special meeting or fail to instruct your bank or broker how to vote with respect to the Sandy Spring adjournment proposal, it will have no effect on the Sandy Spring adjournment proposal.

WashingtonFirst Will Hold the WashingtonFirst Special meeting on [] (page [])

The WashingtonFirst special meeting will be held on [] at [], local time, at []. At the WashingtonFirst special meeting, WashingtonFirst stockholders will be asked to approve the WashingtonFirst merger proposal and the WashingtonFirst adjournment proposal.

Table of Contents

Only holders of record of WashingtonFirst common stock at the close of business on [] (which we refer to as the WashingtonFirst record date), will be entitled to notice of, and to vote at, the WashingtonFirst special meeting. Each share of WashingtonFirst common stock is entitled to one vote on each proposal to be considered at the WashingtonFirst special meeting. As of the WashingtonFirst record date, there were [] shares of WashingtonFirst common stock entitled to vote at the WashingtonFirst special meeting.

As of the WashingtonFirst record date, the directors and executive officers of WashingtonFirst and their affiliates beneficially owned and were entitled to vote approximately [] shares of WashingtonFirst common stock representing approximately []% of the shares of WashingtonFirst common stock outstanding on that date.

Each of WashingtonFirst's directors, solely in his or her capacity as a WashingtonFirst stockholder, has entered into a separate voting agreement with Sandy Spring, pursuant to which each such WashingtonFirst director has agreed to vote all shares of WashingtonFirst common stock over which he or she exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters and against alternative transactions. In addition, Endicott has also entered into a voting agreement with Sandy Spring pursuant to which Endicott has agreed to vote all shares of WashingtonFirst common stock over which it exercises sole disposition and voting rights vote in favor of the WashingtonFirst merger proposal and certain related matters and against alternative transactions.

Under Virginia law and WashingtonFirst's organizational documents, approval of the WashingtonFirst merger proposal requires the affirmative vote of a majority of the outstanding shares of WashingtonFirst common stock entitled to vote at the WashingtonFirst special meeting. If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the WashingtonFirst special meeting, or fail to instruct your bank or broker how to vote with respect to the WashingtonFirst merger proposal, it will have the same effect as a vote against the WashingtonFirst merger proposal.

The WashingtonFirst adjournment proposal will be approved if a majority of the votes cast on such proposal at the WashingtonFirst special meeting are voted in favor of such proposal at the WashingtonFirst special meeting. If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the WashingtonFirst special meeting or fail to instruct your bank or broker how to vote with respect to either such proposal, it will have no effect on the WashingtonFirst adjournment proposal.

U.S. Federal Income Tax Consequences of the Integrated Mergers (page [])

The obligations of WashingtonFirst and Sandy Spring to complete the integrated mergers are subject to, among other customary closing conditions described in this joint proxy statement/prospectus, the receipt by each of WashingtonFirst and Sandy Spring of the opinion of its counsel to the effect that the integrated mergers together will be treated as an integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code. Assuming that the integrated mergers qualify as a reorganization, holders of WashingtonFirst common stock generally will not recognize any gain or loss for U.S. federal income tax purposes on the exchange of shares of WashingtonFirst common stock for shares of Sandy Spring common stock, except with respect to any cash received instead of fractional shares of Sandy Spring common stock.

You should read the section of this joint proxy statement/prospectus entitled **U.S. Federal Income Tax Consequences of the Integrated Mergers** beginning on page [] for a more complete discussion of the U.S. federal income tax consequences of the integrated mergers. Tax matters can be complicated and the tax consequences of the integrated mergers to you will depend on your particular tax situation. You should consult your tax advisor to determine the tax consequences of the integrated mergers to you.

Table of Contents

Certain WashingtonFirst Directors and Executive Officers Have Financial Interests in the Transactions that Differ from Your Interests (page [])

In considering the recommendation of the WashingtonFirst board to adopt the merger agreement, WashingtonFirst stockholders should be aware that certain directors and executive officers of WashingtonFirst have employment and other compensation agreements or plans that give them interests in the Transactions that are different from, or in addition to, their interests as WashingtonFirst stockholders. The WashingtonFirst board was aware of these circumstances at the time it approved the merger agreement. These interests include:

The awards of stock options that WashingtonFirst has made to its executive officers and directors under its equity incentive plan. As a result of the first-step merger, each stock option, whether vested or unvested, that is outstanding and unexercised immediately prior to the closing will be canceled and will be cashed out for an amount equal to the value of the per share merger consideration less the option exercise price, assuming for purposes of this calculation that all such options were 100% vested as of the effective time. The value of the per share merger consideration for this purpose will be the exchange ratio multiplied by the Sandy Spring volume-weighted average price;

The awards of restricted stock that WashingtonFirst has made to its executive officers and directors under its equity incentive plans. As a result of the first-step merger, each restricted stock award that is outstanding immediately prior to closing will fully vest and each holder will be entitled to receive the per share merger consideration for each share of WashingtonFirst common stock held by such holder;

The employment agreements with Shaza L. Andersen, President and Chief Executive Officer of WashingtonFirst Bank, and Michael J. Rebibo, Executive Vice President of WashingtonFirst Bank and President of 1st Portfolio Wealth Advisors and WashingtonFirst Mortgage, which provide for a cash severance payment (and, for Ms. Andersen, payment of premiums for continued health benefits for 12 months) in the event of a termination of employment without cause following a change in control;

The severance payment agreements with George W. Connors, IV, President and Chief Credit Officer of WashingtonFirst Bank, Richard D. Horn, General Counsel of WashingtonFirst Bank, and Matthew R. Johnson, Executive Vice President and Chief Financial Officer of WashingtonFirst Bank, which provide for a cash severance payment and payment of COBRA costs for continued health benefits for up to 12 months in the event of a termination of employment without cause following a change in control;

The supplemental executive retirement agreements with Shaza L. Andersen, George W. Connors, IV, Richard D. Horn, Matthew R. Johnson, and Joseph S. Bracewell, Chairman of the Board of WashingtonFirst, which provide each executive with a vested benefit upon a separation from service following a change in control of WashingtonFirst or WashingtonFirst Bank; and

That, pursuant to the merger agreement, Shaza L. Andersen, Joseph S. Bracewell and two additional members of WashingtonFirst's board of directors are to be appointed as members of the Sandy Spring and

Sandy Spring Bank boards of directors and Shaza L. Andersen and Joseph S. Bracewell are to be appointed to the executive committee of the Sandy Spring board.

Holders of WashingtonFirst Common Stock Are NOT Entitled to Assert Dissenters Rights (page [])

Under the Virginia Stock Corporation Act, the holders of WashingtonFirst common stock will not have any dissenters rights with respect to the WashingtonFirst merger proposal. However, the holders of shares of WashingtonFirst non-voting common stock will have dissenters rights with respect to the WashingtonFirst merger proposal. For further information, see The Transactions No Dissenters Rights beginning on page [].

Table of Contents

Completion of the Transactions; Conditions That Must Be Fulfilled For the Integrated Mergers To Occur (page [])

Currently, WashingtonFirst and Sandy Spring expect to complete the Transactions in the fourth quarter of 2017. As more fully described in this joint proxy statement/prospectus and in the merger agreement, the completion of the integrated mergers depends on a number of customary closing conditions being satisfied or, where legally permissible, waived. These conditions include:

approval of the merger agreement by the WashingtonFirst stockholders and approval of the issuance of shares of Sandy Spring common stock in connection with the first-step merger by Sandy Spring stockholders;

authorization for listing on the Nasdaq Global Select Market of the shares of Sandy Spring common stock to be issued in the first-step merger;

the receipt of required regulatory approval, including the approval of the Board of Governors of the Federal Reserve System (which we refer to as the Federal Reserve Board), the Maryland Office of the Commissioner of Financial Regulation and the Virginia Bureau of Financial Institutions, and the expiration of all statutory waiting periods and the absence of any materially burdensome conditions on any regulatory approvals;

the effectiveness of the registration statement of which this joint proxy statement/prospectus is a part;

the absence of any order, injunction or other legal restraint preventing the completion of the integrated mergers or making the completion of the integrated mergers illegal;

subject to the materiality standards provided in the merger agreement, the accuracy of the representations and warranties of Sandy Spring and WashingtonFirst in the merger agreement;

performance in all material respects by each of Sandy Spring and WashingtonFirst of its obligations under the merger agreement; and

receipt by each of Sandy Spring and WashingtonFirst of an opinion from its counsel as to certain tax matters. Neither WashingtonFirst nor Sandy Spring can be certain when, or if, the conditions to the integrated mergers will be satisfied or waived, or that the integrated mergers will be completed.

Termination of the Merger Agreement (page [])

The merger agreement can be terminated at any time prior to the completion of the first-step merger in the following circumstances:

by mutual written consent, if Sandy Spring and WashingtonFirst so determine;

by either Sandy Spring or WashingtonFirst, if the required vote of WashingtonFirst stockholders needed to approve the merger agreement or the required vote of Sandy Spring stockholders needed to approve the Sandy Spring share issuance is not received;

by either Sandy Spring or WashingtonFirst, if (i) any governmental entity denies any requisite regulatory approval in connection with the Transactions and such denial has become final and non-appealable, or (ii) any governmental entity of competent jurisdiction has issued a final and non-appealable order prohibiting or making illegal the consummation of the transactions contemplated by the merger agreement, unless the failure to obtain a requisite regulatory approval is due to the failure of the terminating party to perform or observe its obligations under the merger agreement;

Table of Contents

by either Sandy Spring or WashingtonFirst, if the integrated mergers have not been consummated on or before May 15, 2018, the one year anniversary of the date of the merger agreement (which we refer to as the termination date), unless the failure of the integrated mergers to be consummated by such date is due to the failure of the terminating party to perform or observe its obligations under the merger agreement;

by either Sandy Spring or WashingtonFirst (except that the terminating party cannot then be in material breach of any representation, warranty, covenant or other agreement contained in the merger agreement), if the other party breaches any of its obligations or any of its representations and warranties set forth in the merger agreement (or any such representation or warranty ceases to be true) which either individually or in the aggregate would constitute, if occurring or continuing on the closing date, the failure of a closing condition of the terminating party and such breach is not cured within 30 days following written notice to the party committing such breach, or such breach cannot be cured during such period;

by WashingtonFirst, prior to the time that the Sandy Spring share issuance proposal is approved, if the Sandy Spring board (i) fails to recommend in this joint proxy statement/prospectus that the Sandy Spring stockholders approve the Sandy Spring share issuance, or takes certain adverse actions with respect to such recommendation, or (ii) breaches certain obligations, including with respect to calling a meeting of its stockholders and recommending that they approve the Sandy Spring share issuance, in any material respect;

by Sandy Spring, prior to the time that the WashingtonFirst merger proposal is approved, if the WashingtonFirst board (i) fails to recommend in this joint proxy statement/prospectus that the WashingtonFirst stockholders approve the merger agreement, or takes certain adverse actions with respect to such recommendation, (ii) fails to recommend against acceptance of a tender offer or exchange offer for outstanding WashingtonFirst common stock that has been publicly disclosed (other than by Sandy Spring or an affiliate of Sandy Spring) within 10 business days after the commencement of such tender or exchange offer, (iii) recommends or endorses an alternative acquisition proposal, or (iv) breaches certain obligations, including with respect to alternative acquisition proposals or calling a meeting of its stockholders and recommending that they approve the merger agreement, in any material respect; or

by WashingtonFirst, if the Sandy Spring volume-weighted average price is less than \$34.00, subject to Sandy Spring's right to adjust the merger consideration by either (i) increasing the exchange ratio to equal \$32.30 divided by the Sandy Spring volume-weighted average price or (ii) adding a cash amount to bring the total value of the merger consideration to \$32.30 per share.

Termination Fee (page [])

If the merger agreement is terminated under certain circumstances, including circumstances involving alternative acquisition proposals with respect to WashingtonFirst, changes in the recommendation of the WashingtonFirst board or changes in the recommendation of the Sandy Spring board, WashingtonFirst or Sandy Spring, as applicable, may be required to pay to the other party a termination fee equal to \$18.5 million (which we refer to as the termination fee). The termination fee could discourage other companies from seeking to acquire or merge with WashingtonFirst or Sandy Spring.

Regulatory Approvals Required for the Integrated Mergers and the Bank Merger (page [])

Subject to the terms of the merger agreement, both WashingtonFirst and Sandy Spring have agreed to cooperate with each other and use their reasonable best efforts to obtain all regulatory approvals or waivers necessary or advisable to complete the transactions contemplated by the merger agreement. These include

Table of Contents

approvals from the Federal Reserve Board, the Maryland Office of the Commissioner of Financial Regulation and the Virginia Bureau of Financial Institutions. Sandy Spring submitted applications to the Federal Reserve Board on June 29, 2017 and to the Maryland Office of the Commissioner of Financial Regulation and the Virginia Bureau of Financial Institutions on July 5, 2017. As of the date of this joint proxy statement/prospectus these applications all remain outstanding. Although neither Sandy Spring nor WashingtonFirst knows of any reason why the applications should not be approved in a timely manner, Sandy Spring and WashingtonFirst cannot be certain when, or if, the applications will be approved.

The Rights of WashingtonFirst Stockholders Will Change as a Result of the First-Step Merger (page [])

Sandy Spring is incorporated under the laws of the State of Maryland and WashingtonFirst is incorporated under the laws of the Commonwealth of Virginia. Accordingly, Maryland law governs the Sandy Spring stockholders and Virginia law governs the WashingtonFirst stockholders. As a result of the first-step merger, WashingtonFirst stockholders will become stockholders of Sandy Spring. Thus, following the completion of the first-step merger, the rights of WashingtonFirst stockholders who become Sandy Spring stockholders in the first-step merger will be governed by the corporate law of the State of Maryland and will also then be governed by Sandy Spring's articles of incorporation and bylaws, rather than by the corporate law of the Commonwealth of Virginia and WashingtonFirst's articles of incorporation and bylaws.

See [Comparison of Stockholders' Rights](#) for a description of the material differences in stockholders' rights under the laws of the State of Maryland, the Commonwealth of Virginia and each of the Sandy Spring and WashingtonFirst governing documents.

Information About the Companies (page [])

Sandy Spring

Sandy Spring, headquartered in Olney, Maryland, is the holding company for Sandy Spring Bank. Sandy Spring Bank is a Maryland state-chartered trust company with commercial banking powers that offers a broad range of commercial banking, retail banking, mortgage and trust services throughout central Maryland, Northern Virginia, and the greater Washington, D.C. market. Through its subsidiaries, Sandy Spring Insurance Corporation and West Financial Services, Inc., Sandy Spring Bank also offers a comprehensive menu of insurance and wealth management services. With \$5.3 billion in assets at June 30, 2017, Sandy Spring operates 44 community offices and six financial centers across central Maryland, Northern Virginia, and the greater Washington, D.C. region.

Sandy Spring's common stock is traded on the Nasdaq Global Select Market under the symbol `SASR`.

Sandy Spring's principal executive office is located at 17801 Georgia Avenue, Olney, Maryland 20832 and its telephone number at that location is (800) 399-5919. Additional information about Sandy Spring and its subsidiaries is included in documents incorporated by reference in this joint proxy statement/prospectus. See the section of this joint proxy statement/prospectus entitled [Where You Can Find More Information](#) beginning on page [].

Merger Sub

Merger Sub is a Virginia corporation and a wholly-owned subsidiary of Sandy Spring. Merger Sub was formed by Sandy Spring for the sole purpose of consummating the integrated mergers. See the section of this joint proxy statement/prospectus entitled [Information About Merger Sub](#) beginning on page [].

WashingtonFirst

WashingtonFirst, headquartered in Reston, Virginia, is the holding company for WashingtonFirst Bank, which operates 19 full-service banking offices throughout the Washington, D.C. metropolitan area.

Table of Contents

WashingtonFirst Bank offers a comprehensive range of commercial banking products and services to small-to-medium sized businesses, not-for-profit organizations, professional service firms and individuals in the greater Washington, D.C. area. In addition, WashingtonFirst provides wealth management services through its subsidiary, 1st Portfolio Wealth Advisors, and mortgage banking services through WashingtonFirst Bank's subsidiary, WashingtonFirst Mortgage Corporation.

WashingtonFirst's common stock is traded on the Nasdaq Capital Market under the symbol WFBI.

WashingtonFirst's principal executive office is located at 11921 Freedom Drive, Suite 250, Reston, Virginia 20190 and its telephone number at that location is (703) 840-2410. Additional information about WashingtonFirst and its subsidiaries is included in documents incorporated by reference in this joint proxy statement/prospectus. See the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information" beginning on page [].

Litigation Related to the Transactions

On August 1, 2017, Paul Parshall, a purported stockholder of WashingtonFirst, filed a putative class action lawsuit in the United States District Court for the Eastern District of Virginia against WashingtonFirst, the members of the WashingtonFirst board and Sandy Spring on behalf of all WashingtonFirst public stockholders. The lawsuit alleges that Sandy Spring's registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, omitted certain material information, which rendered the registration statement false and misleading. The relief sought in the lawsuit includes preliminary and permanent injunction against the consummation of the Transactions, rescission or rescissory damages if the Transactions are completed, costs and attorney's fees. The defendants believe that the claims are without merit and intend to defend against the suit vigorously. However, at this time, it is not possible to predict the outcome of the lawsuit or the impact on Sandy Spring, WashingtonFirst or the Transactions.

Table of Contents**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF SANDY SPRING**

The following table presents selected historical consolidated financial data for Sandy Spring as of and for each of the years ended December 31, 2016, 2015, 2014, 2013 and 2012. This information has been derived in part from and should be read in conjunction with the audited consolidated financial statements of Sandy Spring. The following table also presents selected historical consolidated financial data for Sandy Spring as of and for each of the six months ended June 30, 2017 and 2016. This information has been derived in part from and should be read in conjunction with the unaudited consolidated financial statements of Sandy Spring.

The selected consolidated historical financial data below is only a summary. You should read this information in conjunction with the historical financial statements of Sandy Spring and the related notes, including those contained in Sandy Spring's Annual Report on Form 10-K for the year ended December 31, 2016 and in Sandy Spring's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017, each of which is incorporated by reference in this joint proxy statement/prospectus.

<i>(in thousands, except per share data)</i>	As of and for the Six Months Ended June 30,		As of and for the Year Ended December 31,				
	2017	2016	2016	2015	2014	2013	2012
Results of Operations							
Tax-equivalent interest income	\$ 94,534	\$ 83,456	\$ 177,267	\$ 164,790	\$ 153,558	\$ 154,639	\$ 149,244
Interest expense	11,955	10,602	21,004	20,113	18,818	19,433	22,651
Tax-equivalent net interest income	82,579	72,854	156,263	144,677	134,740	135,206	126,593
Tax-equivalent adjustment	3,697	3,304	6,711	6,478	5,192	5,292	5,374
Provision (credit) for loan losses	1,516	4,193	5,546	5,371	(163)	(1,084)	3,649
Net interest income after provision (credit) for loan losses	81,063	68,661	144,006	132,828	129,711	130,998	117,570
Non-interest income	26,203	26,114	51,042	49,901	46,871	47,511	46,956
Non-interest expenses	62,849	63,188	123,058	115,347	120,800	111,524	109,927
Income before taxes	44,417	31,587	71,990	67,382	55,782	66,985	54,599
Income tax expense	14,564	10,127	23,740	22,027	17,582	22,563	18,045
Net income	29,853	21,460	48,250	45,355	38,200	44,422	36,554
Per Share Data							
Net income basic per share	\$ 1.24	\$ 0.90	2.00	\$ 1.84	\$ 1.53	\$ 1.78	\$ 1.49
Net income diluted per share	1.23	0.89	2.00	1.84	1.52	1.77	1.48
Dividends declared per common share	0.52	0.48	0.98	0.90	0.76	0.64	0.48

Book value per common share	23.13	22.18	22.32	21.58	20.83	19.98	19.41
-----------------------------	-------	-------	-------	-------	-------	-------	-------

Period End Balances

Total assets	\$ 5,270,521	\$ 4,739,449	\$ 5,091,383	\$ 4,655,380	\$ 4,397,132	\$ 4,106,100	\$ 3,955,206
Total investment securities ⁽¹⁾	821,491	734,828	779,648	841,650	933,619	1,016,609	1,075,032
Total loans ⁽²⁾	4,133,171	3,672,624	3,927,808	3,495,370	3,127,392	2,784,266	2,531,128
Total deposits	3,885,445	3,510,141	3,577,544	3,263,730	3,066,509	2,877,225	2,913,034
Total borrowings	797,312	662,887	945,119	829,145	764,432	703,842	526,987
Total stockholders equity	554,683	529,479	533,572	524,427	521,751	499,363	483,512

(1) Includes available-for-sale securities and other equity securities.

(2) Includes loans held for investment at amortized cost.

Table of Contents**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF WASHINGTONFIRST**

The following table presents selected historical consolidated financial data for WashingtonFirst as of and for each of the years ended December 31, 2016, 2015, 2014, 2013 and 2012. This information has been derived in part from and should be read in conjunction with the audited consolidated financial statements of WashingtonFirst. The following table also presents selected historical consolidated financial data for WashingtonFirst as of and for each of the six months ended June 30, 2017 and 2016. This information has been derived in part from and should be read in conjunction with the unaudited consolidated financial statements of WashingtonFirst.

The selected consolidated historical financial data below is only a summary. You should read this information in conjunction with the historical financial statements of WashingtonFirst and the related notes, including those contained in WashingtonFirst's Annual Report on Form 10-K for the year ended December 31, 2016 and in WashingtonFirst's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017, each of which is incorporated by reference in this joint proxy statement/prospectus.

<i>(in thousands, except per share data)</i>	As of and for the Six Months Ended June 30,		As of and for the Year Ended December 31,				
	2017	2016	2016	2015	2014	2013	2012
Results of Operations							
Interest income	\$ 41,908	\$ 35,726	\$ 73,847	\$ 63,183	\$ 55,119	\$ 46,829	\$ 28,219
Interest expense	7,596	6,172	12,471	9,211	7,219	6,130	4,949
Net interest income	34,312	29,554	61,376	53,972	47,900	40,699	23,270
Provision for loan losses	1,940	1,605	3,880	3,550	3,005	4,755	3,225
Net interest income after provision for loan losses	32,372	27,949	57,496	50,422	44,895	35,944	20,045
Non-interest income	11,397	13,271	27,505	7,891	1,998	1,139	3,541
Non-interest expenses	28,764	28,036	56,863	39,589	33,116	28,117	20,178
Income before taxes	15,005	13,184	28,138	18,724	13,777	8,966	3,408
Income tax expense	5,232	4,862	10,131	6,469	4,353	2,627	1,173
Net income	9,773	8,322	18,007	12,255	9,424	6,339	2,235
Net income available to common stockholders	9,773	8,322	18,007	12,181	9,263	6,161	2,057
Per Share Data							
Net income basic per share ⁽¹⁾	\$ 0.75	\$ 0.65	\$ 1.40	\$ 1.15	\$ 1.09	\$ 0.73	\$ 0.54
Net income diluted per share ⁽¹⁾	0.74	0.64	1.37	1.13	1.06	0.72	0.53
Book value per common share ⁽¹⁾	15.57	14.64	14.94	13.95	12.07	10.65	10.13
Dividends paid	0.14	0.12	0.24	0.20	0.16		
Period End Balances							
Total assets	\$ 2,083,177	\$ 1,853,666	\$ 2,002,911	\$ 1,674,466	\$ 1,333,390	\$ 1,127,559	\$ 1,147,818

Edgar Filing: SANDY SPRING BANCORP INC - Form S-4/A

Total investments ⁽²⁾	319,289	265,156	291,930	226,241	171,733	148,897	138,221
Total loans ⁽³⁾	1,687,150	1,443,721	1,566,652	1,344,577	1,066,126	838,120	753,355
Total deposits	1,744,691	1,548,877	1,522,741	1,333,242	1,086,063	948,903	972,660
Total borrowings ⁽⁴⁾	121,135	103,563	270,587	149,913	104,311	63,489	64,923
Total stockholders equity	203,578	188,300	192,660	178,595	134,538	107,604	101,520

(1) Adjusted for stock dividends.

(2) Includes the following categories from the balance sheet: available-for-sale investment securities and restricted stocks.

(3) Includes loans held for sale at lower of cost or fair value and loans held for investment at amortized cost.

(4) Includes the following categories from the balance sheet: other borrowings, Federal Home Loan Bank advances and long-term borrowings.

Table of Contents**SELECTED UNAUDITED PRO FORMA FINANCIAL DATA**

The following table shows selected unaudited pro forma condensed combined financial data about the financial condition and results of operations of Sandy Spring giving effect to the Transactions.

With respect to the Transactions, the selected unaudited pro forma condensed combined financial information assumes that the Transactions will be accounted for under the acquisition method of accounting with Sandy Spring treated as the acquirer. Under the acquisition method of accounting, the identifiable assets and identifiable liabilities of WashingtonFirst, as of the effective date of the Transactions, will be recorded by Sandy Spring at their respective estimated fair values and the excess of the merger consideration over the estimated fair value of WashingtonFirst's net identifiable assets will be allocated to goodwill.

The pro forma financial condition data set forth in the table below assumes that the Transactions became effective on June 30, 2017. The accompanying unaudited pro forma condensed combined income statements for the periods ending December 31, 2016 and June 30, 2017 present the pro forma results of operations of Sandy Spring giving effect to the Transactions assuming that the Transactions became effective on January 1, 2016.

The selected unaudited pro forma condensed combined financial data has been derived from and should be read in conjunction with the unaudited pro forma condensed combined financial information, including the notes thereto, which is included in this joint proxy statement/prospectus under the section entitled Unaudited Pro Forma Condensed Combined Financial Statements. The selected unaudited pro forma condensed combined financial data is presented for illustrative purposes only and does not necessarily indicate the financial results of the combined companies had the companies actually been combined at the beginning of the periods presented. The selected unaudited pro forma condensed combined financial data also does not consider any potential impacts of current market conditions on revenues, potential revenue enhancements, anticipated cost savings and expense efficiencies, or asset dispositions, among other factors. Further, as explained in more detail in the notes accompanying the more detailed unaudited pro forma condensed combined financial information included under Unaudited Pro Forma Condensed Combined Financial Statements beginning on page [], the pro forma allocation of purchase price reflected in the selected unaudited pro forma condensed combined financial information is subject to adjustment and may vary from the actual purchase price allocation that will be recorded at the time the Transactions are completed. Additionally, the adjustments made in the unaudited pro forma condensed financial information, which are described in those notes, are preliminary and may be revised.

	As of June 30, 2017
Pro Forma Condensed Consolidated Combined Statement of Financial Condition Data	
<i>(Dollars in thousands)</i>	
Cash and cash equivalents	\$ 65,569
Net loans	5,729,708
Total assets	7,617,537
Deposits	5,629,763
Borrowings	919,351
Other liabilities	47,854
Stockholders' equity	1,020,569

Table of Contents

	Six Months Ended June 30, 2017	Year Ended December 31, 2016
Pro Forma Condensed Consolidated Combined Statement of Income Data		
<i>(Dollars in thousands, except per share data)</i>		
Net interest income	\$ 116,746	\$ 210,419
Provision for loan losses	3,456	9,426
Net interest income after provision for loan losses	113,290	200,993
Noninterest income	37,600	78,547
Noninterest expense	92,110	181,089
Income before income taxes	58,780	98,451
Income taxes	19,571	33,284
Net income	\$ 39,209	\$ 65,167
Pro Forma Condensed Consolidated Combined Per Share Data		
Net income per share basic	\$ 1.11	\$ 1.84
Net income per share diluted	1.10	1.84

Table of Contents**UNAUDITED COMPARATIVE PER SHARE DATA**

Presented below for Sandy Spring and WashingtonFirst is historical, unaudited pro forma combined and pro forma equivalent per share financial data. The information presented below should be read together with the historical consolidated financial statements of Sandy Spring and WashingtonFirst, including the related notes, filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. See [Where You Can Find More Information](#). The unaudited pro forma combined and pro forma equivalent per share information gives effect to the Transactions as if they had been effective on June 30, 2017 in the case of the book value data, and as if the Transactions had been effective as of the beginning of the periods presented in the case of the earnings per share and the cash dividends data. The unaudited pro forma earnings per share data combines the historical results of WashingtonFirst into Sandy Spring's consolidated statement of income. While certain adjustments to the book value data were made for the estimated impact of fair value adjustments and other acquisition-related activity, they are not indicative of what could have occurred had the acquisition taken place as of the beginning of the period presented. In addition, the unaudited pro forma data includes adjustments that are preliminary and may be revised. The unaudited pro forma data, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the impact of factors that may result as a consequence of the Transactions or consider any potential impacts of current market conditions or the Transactions on revenues, expense efficiencies, asset dispositions and share repurchases, among other factors, nor the impact of possible business model changes. As a result, unaudited pro forma data is presented for illustrative purposes only and does not represent an attempt to predict or suggest future results.

	Sandy Spring Historical	WashingtonFirst Historical	Pro Forma Combined⁽¹⁾	Per Equivalent WashingtonFirst Share⁽²⁾
Book value per share:				
At June 30, 2017	\$ 23.13	\$ 15.57	\$ 28.93	\$ 25.21
At December 31, 2016	\$ 22.32	\$ 14.94	\$ 28.08	\$ 24.62
Cash dividends declared per share:				
Six months ended June 30, 2017	\$ 0.52	\$ 0.14	\$ 0.52	\$ 0.45
Year ended December 31, 2016	\$ 0.98	\$ 0.24	\$ 0.98	\$ 0.85
Basic earnings per share:				
Six months ended June 30, 2017	\$ 1.24	\$ 0.75	\$ 1.11	\$ 0.97
Year ended December 31, 2016	\$ 2.00	\$ 1.40	\$ 1.84	\$ 1.60
Diluted earnings per share:				
Six months ended June 30, 2017	\$ 1.23	\$ 0.74	\$ 1.10	\$ 0.96
Year ended December 31, 2016	\$ 2.00	\$ 1.37	\$ 1.84	\$ 1.60

(1) Pro forma dividends per share represent Sandy Spring's historical dividends per share.

(2) Per equivalent WashingtonFirst share was computed by multiplying the pro forma combined amounts by the exchange ratio of 0.8713.

Table of Contents

RISK FACTORS

*In addition to general investment risks and the other information contained in or incorporated by reference into this joint proxy statement/prospectus, including the matters addressed under the section **Cautionary Statement Regarding Forward-Looking Statements** beginning on page [] you should carefully consider the following risk factors in deciding how to vote for the proposals presented in this joint proxy statement/prospectus. You should also consider the other information in this joint proxy statement/prospectus and the other documents incorporated by reference into this joint proxy statement/prospectus. See the section of this joint proxy statement/prospectus entitled **Where You Can Find More Information** beginning on page [].*

Because the market price of Sandy Spring common stock may fluctuate, WashingtonFirst stockholders cannot be certain of the precise value of the merger consideration they will be entitled to receive.

Upon completion of the first-step merger, each outstanding share of WashingtonFirst common stock and WashingtonFirst non-voting common stock will be converted into the right to receive 0.8713 of a share of Sandy Spring common stock, together with cash in lieu of fractional shares, subject to adjustment if the Sandy Spring volume-weighted average price is more than \$50.15 or less than \$37.07 per share. There will be a lapse of time between each of the date of this joint proxy statement/prospectus, the date of the Sandy Spring special meeting, the date of the WashingtonFirst special meeting and the date on which WashingtonFirst stockholders entitled to receive the merger consideration actually receive the merger consideration. The market value of Sandy Spring common stock may fluctuate during these periods as a result of a variety of factors, including general market and economic conditions, changes in Sandy Spring's businesses, operations and prospects and regulatory considerations. Many of these factors are outside of the control of Sandy Spring and WashingtonFirst. Consequently, at the time WashingtonFirst stockholders must decide whether to approve the merger agreement, they will not know the actual market value of the shares of Sandy Spring common stock they may receive when the first-step merger is completed. The value of the merger consideration will depend on the market value of shares of Sandy Spring common stock on the date the merger consideration is received. This value will not be known at the time of the WashingtonFirst special meeting and may be more or less than the current price of Sandy Spring common stock or the price of Sandy Spring common stock at the time of the WashingtonFirst special meeting.

The market price of Sandy Spring common stock after the first-step merger is completed may be affected by factors different from those affecting the market price of WashingtonFirst or Sandy Spring common stock currently.

Upon completion of the first-step merger, WashingtonFirst stockholders will become Sandy Spring stockholders. Sandy Spring's business differs in important respects from that of WashingtonFirst, and, accordingly, the results of operations of the combined company and the market price of Sandy Spring common stock after the completion of the first-step merger may be affected by factors different from those currently affecting the independent results of operations of each of Sandy Spring and WashingtonFirst. For a discussion of the businesses of Sandy Spring and WashingtonFirst and of some important factors to consider in connection with those businesses, see the documents incorporated by reference in this joint proxy statement/prospectus and referred to under **Where You Can Find More Information** beginning on page [].

Regulatory approvals may not be received, may take longer than expected or may impose conditions that are not presently anticipated or that could have an adverse effect on the combined company following the Transactions.

Before the Transactions can be completed, Sandy Spring and WashingtonFirst must obtain approvals from the Federal Reserve Board, the Maryland Office of the Commissioner of Financial Regulation and the Virginia Bureau of Financial Institutions. Sandy Spring submitted applications to the Federal Reserve Board on June 29, 2017 and to the

Maryland Office of the Commissioner of Financial Regulation and the Virginia Bureau of Financial Institutions on July 5, 2017. As of the date of this joint proxy statement/prospectus these applications

Table of Contents

all remain outstanding. In determining whether to approve these applications, the regulatory agencies consider a variety of factors, including the regulatory standing of each party and the factors described under the section of this joint proxy statement/prospectus entitled *The Transactions Regulatory Approvals Required for the Completion of the Transactions* beginning on page []. An adverse development in either party's regulatory standing or these factors could result in an inability to obtain approval or delay their receipt. These regulators may impose conditions on the completion of the Transactions or require changes to the terms of the Transactions. Such conditions or changes could have the effect of delaying or preventing completion of the Transactions or imposing additional costs on or limiting the revenues of the combined company following the completion of the Transactions, any of which might have an adverse effect on the combined company following the completion of the Transactions. For more information, see the section of this joint proxy statement/prospectus entitled *The Transactions Regulatory Approvals Required for the Transactions* beginning on page [].

Combining the two companies may be more difficult, costly or time consuming than expected and the anticipated benefits and cost savings of the Transactions may not be realized.

Sandy Spring and WashingtonFirst have operated and, until the completion of the Transactions, will continue to operate, independently. The success of the Transactions, including anticipated benefits and cost savings, will depend, in part, on Sandy Spring's ability to successfully combine and integrate the businesses of Sandy Spring and WashingtonFirst in a manner that permits growth opportunities and does not materially disrupt existing customer relations nor result in decreased revenues due to loss of customers. It is possible that the integration process could result in the loss of key employees, the disruption of either company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the combined company's ability to maintain relationships with clients, customers, depositors, employees and other constituents or to achieve the anticipated benefits and cost savings of the Transactions. The loss of key employees could adversely affect Sandy Spring's ability to successfully conduct its business, which could have an adverse effect on Sandy Spring's financial results and the value of its common stock. If Sandy Spring experiences difficulties with the integration process, the anticipated benefits of the Transactions may not be realized fully or at all, or may take longer to realize than expected. As with any merger of financial institutions, there also may be business disruptions that cause Sandy Spring and/or WashingtonFirst to lose customers or cause customers to remove their accounts from Sandy Spring and/or WashingtonFirst and move their business to competing financial institutions. Integration efforts between the two companies will also divert management attention and resources. These integration matters could have an adverse effect on each of WashingtonFirst and Sandy Spring during this transition period and for an undetermined period after completion of the Transactions on the combined company. In addition, the actual cost savings of the Transactions could be less than anticipated.

The unaudited pro forma condensed combined financial statements included in this document are preliminary. The actual financial condition and results of operations of Sandy Spring after the completion of the Transactions may differ materially.

The unaudited pro forma condensed combined financial statements in this joint proxy statement/prospectus are presented for illustrative purposes only and are not necessarily indicative of what Sandy Spring's actual financial condition or results of operations would have been had the Transactions been completed on the dates indicated. The unaudited pro forma condensed combined financial statements reflect adjustments to illustrate the effect of the Transactions had they been completed on the dates indicated. Such unaudited pro forma condensed combined financial statements are based upon preliminary estimates to record the WashingtonFirst identifiable assets acquired and liabilities assumed at fair value and the resulting goodwill recognized. The purchase price allocation for the first-step merger reflected in this joint proxy statement/prospectus is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the identifiable assets and identifiable

liabilities of WashingtonFirst as of the date of the completion of the Transactions. Accordingly, the final acquisition accounting adjustments may differ materially from the pro forma adjustments reflected in this joint proxy statement/prospectus. For more information, see the section of this joint proxy statement/prospectus entitled Unaudited Pro Forma Condensed Combined Financial Statements beginning on page [].

Table of Contents

Certain WashingtonFirst directors and executive officers have interests in the Transactions that may differ from the interests of WashingtonFirst stockholders.

The WashingtonFirst stockholders should be aware that certain WashingtonFirst directors and executive officers have interests in the Transactions and have arrangements that are different from, or in addition to, those of WashingtonFirst stockholders generally. The WashingtonFirst board was aware of these interests and considered these interests, among other matters, when making its decision to approve the merger agreement, and in recommending that WashingtonFirst stockholders vote in favor of the WashingtonFirst merger proposal and certain related matters and against alternative transactions.

The material interests considered by the WashingtonFirst board were as follows:

The awards of stock options that WashingtonFirst has made to its executive officers and directors under its equity incentive plan. As a result of the first-step merger, each stock option, whether vested or unvested, that is outstanding and unexercised immediately prior to the closing will be canceled and will be cashed out for an amount equal to the value of the per share merger consideration less the option exercise price, assuming for purposes of this calculation that all such options were 100% vested as of the effective time. The value of the per share merger consideration for this purpose will be the exchange ratio multiplied by the Sandy Spring volume-weighted average price;

The awards of restricted stock that WashingtonFirst has made to its executive officers and directors under its equity incentive plans. As a result of the first-step merger, each restricted stock award that is outstanding immediately prior to closing will fully vest and each holder will be entitled to receive the per share merger consideration for each share of WashingtonFirst common stock held by such holder;

The employment agreements with Shaza L. Andersen, President and Chief Executive Officer of WashingtonFirst Bank, and Michael J. Rebibo, Executive Vice President of WashingtonFirst Bank and President of 1st Portfolio Wealth Advisors and WashingtonFirst Mortgage, which provide for a cash severance payment (and, for Ms. Andersen, payment of premiums for continued health benefits for 12 months) in the event of a termination of employment without cause following a change in control;

The severance payment agreements with George W. Connors, IV, President and Chief Credit Officer of WashingtonFirst Bank, Richard D. Horn, General Counsel of WashingtonFirst Bank, and Matthew R. Johnson, Executive Vice President and Chief Financial Officer of WashingtonFirst Bank, which provide for a cash severance payment and payment of COBRA costs for continued health benefits for up to 12 months in the event of a termination of employment without cause following a change in control;

The supplemental executive retirement agreements with Shaza L. Andersen, George W. Connors, IV, Richard D. Horn, Matthew R. Johnson and Joseph S. Bracewell, Chairman of the Board of WashingtonFirst, which provide each executive with a vested benefit upon a separation from service following a change in control of WashingtonFirst or WashingtonFirst Bank; and

That, pursuant to the merger agreement, Shaza L. Andersen, Joseph S. Bracewell and two additional members of WashingtonFirst's board of directors are to be appointed as members of the Sandy Spring and Sandy Spring Bank boards of directors and Shaza L. Andersen and Joseph S. Bracewell are to be appointed to the executive committee of the Sandy Spring board.

For a more complete description of these interests, see the section of this joint proxy statement/prospectus entitled "The Transactions - Interests of Certain WashingtonFirst Directors and Executive Officers in the Transactions" beginning on page [].

Termination of the merger agreement could negatively impact WashingtonFirst or Sandy Spring.

If the merger agreement is terminated, there may be various consequences. For example, WashingtonFirst's or Sandy Spring's businesses may have been impacted adversely by the failure to pursue other opportunities due

Table of Contents

to management's focus on the Transactions, without realizing any of the anticipated benefits of completing the Transactions. Additionally, if the merger agreement is terminated, the market price of WashingtonFirst common stock or Sandy Spring common stock could decline to the extent that the current market prices reflect a market assumption that the Transactions will be completed. If the merger agreement is terminated under certain circumstances, WashingtonFirst or Sandy Spring may be required to pay to the other party a termination fee of \$18.5 million.

Sandy Spring and WashingtonFirst will be subject to business uncertainties and contractual restrictions while the Transactions are pending.

Uncertainty about the effect of the Transactions on employees and customers may have an adverse effect on WashingtonFirst or Sandy Spring. These uncertainties may impair WashingtonFirst's or Sandy Spring's ability to attract, retain and motivate key personnel until the Transactions are completed, and could cause customers and others that deal with WashingtonFirst or Sandy Spring to seek to change existing business relationships with WashingtonFirst or Sandy Spring. Retention of certain employees by WashingtonFirst or Sandy Spring may be challenging while the Transactions are pending, as certain employees may experience uncertainty about their future roles with Sandy Spring. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with WashingtonFirst or Sandy Spring, WashingtonFirst's business or Sandy Spring's business could be harmed. In addition, subject to certain exceptions, WashingtonFirst has agreed to operate its business in the ordinary course prior to closing, and each of WashingtonFirst and Sandy Spring has agreed to certain restrictive covenants. See the section of this joint proxy statement/prospectus entitled "The Merger Agreement Covenants and Agreements" beginning on page [] for a description of the restrictive covenants applicable to WashingtonFirst and Sandy Spring.

Litigation relating to the Transactions could require us to incur significant costs and suffer management distraction, as well as delay and/or enjoin the Transactions.

On August 1, 2017, Paul Parshall, a purported stockholder of WashingtonFirst, filed a putative class action lawsuit in the United States District Court for the Eastern District of Virginia against WashingtonFirst, the members of the WashingtonFirst board and Sandy Spring on behalf of all WashingtonFirst public stockholders. The lawsuit alleges that Sandy Spring's registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, omitted certain material information, which rendered the registration statement false and misleading. The relief sought in the lawsuit includes preliminary and permanent injunction against the consummation of the Transactions, rescission or rescissory damages if the Transactions are completed, costs and attorney's fees. The defendants believe that the claims are without merit and intend to defend against the suit vigorously. However, at this time, it is not possible to predict the outcome of the lawsuit or the impact on Sandy Spring, WashingtonFirst or the Transactions.

A negative outcome in this suit could have a material adverse effect on WashingtonFirst and Sandy Spring if it results in preliminary or permanent injunctive relief or rescission of the merger agreement. Such action may also create additional uncertainty relating to the Transactions, and defending such actions may be costly and distracting to management. Neither WashingtonFirst nor Sandy Spring is currently able to predict the outcome of the suit with any certainty. Additional suits arising out of or relating to the Transactions may be filed in the future. If additional similar complaints are filed, absent new or different allegations that are material, WashingtonFirst and Sandy Spring will not necessarily announce such additional filings.

If the Transactions are not completed, Sandy Spring and WashingtonFirst will have incurred substantial expenses without realizing the expected benefits of the Transactions.

Each of Sandy Spring and WashingtonFirst has incurred and will incur substantial expenses in connection with the negotiation and completion of the transactions contemplated by the merger agreement, as well as the costs and expenses of filing, printing and mailing this joint proxy statement/prospectus and all filing and other

Table of Contents

fees paid to the SEC in connection with the first-step merger. If the Transactions are not completed, Sandy Spring and WashingtonFirst would have to recognize these expenses without realizing the expected benefits of the Transactions.

The merger agreement limits WashingtonFirst's ability to pursue alternative acquisition proposals and requires either company to pay a termination fee of \$18.5 million under limited circumstances, including circumstances relating to acquisition proposals for WashingtonFirst. Additionally, certain provisions of WashingtonFirst's articles of incorporation and bylaws may deter potential acquirers.

The merger agreement prohibits WashingtonFirst from initiating, soliciting, knowingly encouraging or knowingly facilitating certain third-party acquisition proposals. For more information, see the section of this joint proxy statement/prospectus entitled "The Merger Agreement – Agreement Not to Solicit Other Offers" beginning on page []. The merger agreement also provides that Sandy Spring or WashingtonFirst must pay a termination fee in the amount of \$18.5 million in the event that the merger agreement is terminated under certain circumstances, including WashingtonFirst's failure to abide by certain obligations not to solicit acquisition proposals. See the section of this joint proxy statement/prospectus entitled "The Merger Agreement – Termination Fee" beginning on page []. These provisions might discourage a potential competing acquirer that might have an interest in acquiring all or a significant part of WashingtonFirst from considering or proposing such an acquisition. Each director of WashingtonFirst, solely in his or her capacity as a WashingtonFirst stockholder has entered into a separate voting agreement with Sandy Spring, pursuant to which each such director has agreed to vote all shares of WashingtonFirst common stock over which he or she exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters, and against alternative transactions. In addition, Endicott has entered into a similar voting agreement with Sandy Spring, pursuant to which Endicott has agreed to vote all shares of WashingtonFirst common stock over which it exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters, and against alternative transactions. As of the WashingtonFirst record date, (i) the WashingtonFirst directors that are party to these voting agreements exercised sole disposition and voting rights with respect to 1,089,796 shares of WashingtonFirst common stock, representing []% of the outstanding shares of WashingtonFirst common stock and (ii) Endicott exercised sole disposition and voting rights with respect to 1,199,032 shares of WashingtonFirst common stock, representing []% of the outstanding shares of WashingtonFirst common stock. For more information see the section of this joint proxy statement/prospectus entitled "The Merger Agreement – WashingtonFirst Voting Agreements" beginning on page []. Additionally, certain provisions of WashingtonFirst's articles of incorporation or bylaws or of the Virginia Stock Corporation Act (which we refer to as the "VSCA") could make it more difficult for a third-party to acquire control of WashingtonFirst or may discourage a potential competing acquirer.

The shares of Sandy Spring common stock to be received by WashingtonFirst stockholders as a result of the first-step merger will have different rights from shares of WashingtonFirst common stock.

The rights of WashingtonFirst stockholders are currently governed by the Virginia Stock Corporation Act, WashingtonFirst's articles of incorporation and WashingtonFirst's bylaws. Upon completion of the first-step merger, WashingtonFirst stockholders will become Sandy Spring stockholders and their rights as stockholders will then be governed by the Maryland General Corporation Law, Sandy Spring's articles of incorporation and Sandy Spring's bylaws. The rights associated with WashingtonFirst common stock are different from the rights associated with Sandy Spring common stock. See the section of this joint proxy statement/prospectus entitled "Comparison of Stockholders Rights" beginning on page [] for a discussion of the different rights associated with Sandy Spring common stock.

Holders of WashingtonFirst and Sandy Spring common stock will have a reduced ownership and voting interest after the first-step merger and will exercise less influence over management.

Holders of WashingtonFirst and Sandy Spring common stock currently have the right to vote in the election of the board of directors and on other matters affecting WashingtonFirst and Sandy Spring, respectively. Upon

Table of Contents

the completion of the first-step merger, each WashingtonFirst stockholder who receives shares of Sandy Spring common stock will become a Sandy Spring stockholder with a percentage ownership of Sandy Spring that is smaller than the stockholder's percentage ownership of WashingtonFirst. It is currently expected that the former WashingtonFirst stockholders as a group will receive shares in the first-step merger constituting approximately 32% of the outstanding shares of Sandy Spring common stock immediately after the first-step merger. As a result, current Sandy Spring stockholders as a group will own approximately 68% of the outstanding shares of Sandy Spring common stock immediately after the first-step merger. Because of this reduced ownership percentage, WashingtonFirst stockholders may have less influence on the management and policies of Sandy Spring than they now have on the management and policies of WashingtonFirst, and current Sandy Spring stockholders may have less influence than they now have on the management and policies of Sandy Spring. Upon consummation of the Transactions, Sandy Spring has agreed to increase the size of the Sandy Spring board and the board of directors of Sandy Spring Bank to fifteen members and appoint Shaza L. Andersen, Joseph S. Bracewell and two other current members of the WashingtonFirst board to the Sandy Spring board and the board of directors of Sandy Spring Bank.

Holders of WashingtonFirst common stock do not have dissenters' or appraisal rights with respect to the WashingtonFirst merger proposal.

Dissenters' rights are statutory rights that, if applicable under law, enable stockholders to dissent from an extraordinary transaction, such as a merger, and to demand that the corporation pay the fair value of their shares as determined by a court in a judicial proceeding instead of receiving the consideration offered to stockholders in connection with the extraordinary transaction. Virginia law provides that a stockholder is not entitled to demand the fair value of his or her shares of stock in any transaction if the stock is listed on a national securities exchange. Because the WashingtonFirst common stock is listed on the Nasdaq Capital Market, the holders of WashingtonFirst common stock are not entitled to dissenters' or appraisal rights in the first-step merger. However, the shares of WashingtonFirst non-voting common stock are not listed on any exchange, and this exception does not apply to holders of WashingtonFirst non-voting common stock. Therefore, the holders of WashingtonFirst non-voting common stock will have dissenters' rights with respect to the WashingtonFirst merger proposal.

Table of Contents

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus contains forward-looking statements. These forward-looking statements may include: management plans relating to the Transactions; the expected timing of the completion of the Transactions; the ability to complete the Transactions; the ability to obtain any required regulatory, stockholder or other approvals; any statements of the plans and objectives of management for future operations, products or services, including the execution of integration plans relating to the Transactions; any statements of expectation or belief; projections related to certain financial metrics; and any statements of assumptions underlying any of the foregoing. Forward-looking statements are typically identified by words such as believe, expect, anticipate, intend, outlook, estimate, project and other similar words and expressions. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time and are beyond our control. Forward-looking statements speak only as of the date they are made. Neither Sandy Spring nor WashingtonFirst assumes any duty and does not undertake to update forward-looking statements. Because forward-looking statements are subject to assumptions and uncertainties, actual results or future events could differ, possibly materially, from those that Sandy Spring or WashingtonFirst anticipated in its forward-looking statements and future results could differ materially from historical performance. Factors that could cause or contribute to such differences include, but are not limited to, those included under Item 1A Risk Factors in Sandy Spring's Annual Report on Form 10-K, those included under Item 1A Risk Factors in WashingtonFirst's Annual Report on Form 10-K, those disclosed in Sandy Spring's and WashingtonFirst's respective other periodic reports filed with the SEC, as well as the possibility: that expected benefits of the Transactions may not materialize in the timeframe expected or at all, or may be more costly to achieve; that the Transactions may not be timely completed, if at all; that prior to the completion of the Transactions or thereafter, Sandy Spring's and WashingtonFirst's respective businesses may not perform as expected due to transaction-related uncertainty or other factors; that the parties are unable to successfully implement integration strategies relating to the Transactions; that required regulatory, stockholder or other approvals are not obtained or other customary closing conditions are not satisfied in a timely manner or at all; that Sandy Spring and WashingtonFirst may face reputational risks and the reaction of the companies' customers, employees and other constituents to the Transactions; and that management's time may be diverted to merger-related matters. For any forward-looking statements made in this joint proxy statement/prospectus or in any documents, Sandy Spring and WashingtonFirst claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Annualized, pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results.

Table of Contents

THE WASHINGTONFIRST SPECIAL MEETING

This section contains information for WashingtonFirst stockholders about the WashingtonFirst special meeting that WashingtonFirst has called to allow its stockholders to consider and vote on the WashingtonFirst merger proposal and the WashingtonFirst adjournment proposal. WashingtonFirst is mailing this joint proxy statement/prospectus to you, as a WashingtonFirst stockholder, on or about [], 2017. This joint proxy statement/prospectus is accompanied by a notice of the WashingtonFirst special meeting and a form of proxy card that the WashingtonFirst board is soliciting for use at the WashingtonFirst special meeting and at any adjournments of the WashingtonFirst special meeting.

Date, Time and Place of the WashingtonFirst Special Meeting

The WashingtonFirst special meeting will be held at [] at [], local time, on []. On or about [], WashingtonFirst commenced mailing this joint proxy statement/prospectus and the enclosed form of proxy to its stockholders entitled to vote at the WashingtonFirst special meeting.

Matters to Be Considered at the WashingtonFirst Special Meeting

At the WashingtonFirst special meeting, you, as a WashingtonFirst stockholder, will be asked to consider and vote upon the following matters:

the WashingtonFirst merger proposal; and

the WashingtonFirst adjournment proposal.

Recommendation of the WashingtonFirst Board

The WashingtonFirst board has determined that the merger agreement and the transactions contemplated thereby, including the first-step merger, are advisable and in the best interests of WashingtonFirst and its stockholders, has unanimously approved the merger agreement and unanimously recommends that the WashingtonFirst stockholders vote FOR the WashingtonFirst merger proposal and FOR the WashingtonFirst adjournment proposal. See the section of this joint proxy statement/prospectus entitled The Transactions WashingtonFirst's Reasons for the Transactions; Recommendation of the WashingtonFirst Board beginning on page [] for a more detailed discussion of the WashingtonFirst board's recommendation.

WashingtonFirst Record Date and Quorum

The WashingtonFirst board has fixed the close of business on [], as the WashingtonFirst record date for determining the WashingtonFirst stockholders entitled to receive notice of, and to vote at, the WashingtonFirst special meeting.

As of the WashingtonFirst record date, there were [] shares of WashingtonFirst common stock outstanding and entitled to notice of, and to vote at, the WashingtonFirst special meeting held by [] holders of record. Each share of WashingtonFirst common stock entitles the holder to one vote at the WashingtonFirst special meeting on each proposal to be considered at the WashingtonFirst special meeting.

The presence at the WashingtonFirst special meeting, in person or by proxy, of holders representing at least a majority of the issued and outstanding shares of WashingtonFirst common stock entitled to be voted at the WashingtonFirst

special meeting will constitute a quorum for the transaction of business at the WashingtonFirst special meeting. Abstentions and broker non-votes, if any, will be treated as present for purposes of determining the presence or absence of a quorum for all matters voted on at the WashingtonFirst special meeting.

Table of Contents

Required Vote; Treatment of Abstentions, Broker Non-Votes and Failure to Vote

WashingtonFirst merger proposal:

Standard: Approval of the WashingtonFirst merger proposal requires the affirmative vote of a majority of the outstanding shares of WashingtonFirst common stock entitled to vote at the WashingtonFirst special meeting.

Effect of abstentions and broker non-votes: If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the WashingtonFirst special meeting, or fail to instruct your bank or broker how to vote with respect to the WashingtonFirst merger proposal, it will have the same effect as a vote against the WashingtonFirst merger proposal.

WashingtonFirst adjournment proposal:

Standard: Approval of the WashingtonFirst adjournment proposal requires the affirmative vote of a majority of the votes cast by WashingtonFirst stockholders entitled to vote at the WashingtonFirst special meeting.

Effect of abstentions and broker non-votes: If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the WashingtonFirst special meeting, or fail to instruct your bank or broker how to vote with respect to the WashingtonFirst adjournment proposal, it will have no effect on the WashingtonFirst adjournment proposal.

Shares Held by Officers, Directors and Certain Stockholders

As of the WashingtonFirst record date, the directors and executive officers of WashingtonFirst and their affiliates beneficially owned and were entitled to vote approximately [] shares of WashingtonFirst common stock, representing approximately []% of the shares of WashingtonFirst common stock outstanding on that date.

Each of WashingtonFirst's directors, in his or her capacity as a WashingtonFirst stockholder, has entered into a separate voting agreement with Sandy Spring, pursuant to which each such director has agreed to vote all shares of WashingtonFirst common stock over which he or she exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters and against alternative transactions. As of the WashingtonFirst record date, (i) the WashingtonFirst directors that are party to these voting agreements exercised sole disposition and voting rights with respect to 1,089,796 shares of WashingtonFirst common stock, representing []% of the outstanding shares of WashingtonFirst common stock. In addition, Endicott has also entered into a voting agreement with Sandy Spring pursuant to which Endicott has agreed to vote all shares of WashingtonFirst common stock over which it exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters and against alternative transactions. As of the WashingtonFirst record date, Endicott exercised sole disposition and voting rights with respect to 1,199,032 shares of WashingtonFirst common stock, representing []% of the outstanding shares of WashingtonFirst common stock. For more information regarding the voting agreements, see the section of this joint proxy statement/prospectus entitled **The Merger Agreement WashingtonFirst Voting Agreements** beginning on page []. As of the WashingtonFirst record date, Sandy Spring did not beneficially hold any shares of WashingtonFirst common stock.

Voting by Proxy or In Person; Incomplete Proxies

Any WashingtonFirst stockholder may vote by proxy or in person at the WashingtonFirst special meeting.

If you hold your shares of WashingtonFirst common stock in your name as a stockholder of record and wish to attend your special meeting and vote in person, you may request a ballot when you arrive.

Table of Contents

If you hold your shares of WashingtonFirst common stock in your name as a stockholder of record, you may vote by proxy by mail, through the Internet, or by telephone:

To vote by mail, you must complete, sign, date and mail your proxy card in the enclosed postage-paid return envelope as soon as possible. Please respond promptly to ensure your proxy card is mailed sufficiently in advance to ensure receipt prior to your special meeting.

To vote through the Internet, please follow the instructions on the accompanying proxy card as soon as possible. The instructions in the enclosed proxy card contain the applicable deadlines and other information about voting your shares through the Internet.

To vote by telephone, please follow the instructions on the accompanying proxy card as soon as possible. The instructions in the enclosed proxy card contain the applicable deadlines and other information about voting your shares by telephone.

WashingtonFirst requests that WashingtonFirst stockholders vote as soon as possible by completing and signing the accompanying proxy card and returning it to WashingtonFirst in the enclosed postage-paid envelope, through the Internet, or by telephone. When the accompanying proxy card is returned properly executed, you will be appointing the proxies named in the proxy card to vote your shares for you at the WashingtonFirst special meeting. The shares of WashingtonFirst common stock represented by your properly executed proxy card will be voted at the WashingtonFirst special meeting in accordance with the instructions contained on the proxy card. If any proxy card is returned without indication as to how to vote, the shares of WashingtonFirst common stock represented by the proxy card will be voted (i) FOR the WashingtonFirst merger proposal and (ii) FOR the WashingtonFirst adjournment proposal.

If you vote through the Internet or by telephone, you do not need to sign and return a proxy card. Under Virginia law, you will be appointing the proxies to vote your shares on the same terms as are described above and with the same authority as if you completed, signed and returned a proxy card. The authority you will be giving the proxies is described in the proxy card.

Every WashingtonFirst stockholder's vote is important. Accordingly, each WashingtonFirst stockholder should sign, date and return the enclosed proxy card, or vote through the Internet or by telephone, whether or not the WashingtonFirst stockholder plans to attend the WashingtonFirst special meeting in person. Sending in your proxy card or voting on the Internet will not prevent you from voting your shares personally at the meeting, since you may revoke your proxy at any time before it is voted.

Shares Held in Street Name

If you are a WashingtonFirst stockholder and your shares are held in street name through a bank, broker or other holder of record, you must provide the record holder of your shares with instructions on how to vote the shares. Please follow the voting instructions provided by the bank or broker. WashingtonFirst's stockholders should check the voting form used by that firm to determine whether you may vote by telephone or the Internet. You may not vote shares held in street name by returning a proxy card directly to WashingtonFirst or by voting in person at the WashingtonFirst special meeting unless you obtain a legal proxy from your broker, bank or other nominee. Furthermore, brokers, banks or other nominees who hold shares of WashingtonFirst common stock on behalf of their customers will not vote your

shares of WashingtonFirst common stock or give a proxy to WashingtonFirst to vote those shares with respect to the WashingtonFirst merger proposal without specific instructions from you, as brokers, banks and other nominees do not have discretionary voting power on such proposal.

To ensure that your shares are represented at the WashingtonFirst special meeting and voted in the manner you desire, it is important that you instruct your bank, broker or other holder of record as to how it should vote your shares.

Table of Contents

Revocability of Proxies and Changes to a WashingtonFirst Stockholder's Vote

If you are the record holder of shares of WashingtonFirst common stock, you have the power to change your vote at any time before your shares of WashingtonFirst common stock are voted at the WashingtonFirst special meeting by:

attending and voting in person at the WashingtonFirst special meeting;

giving notice of revocation of the proxy at the WashingtonFirst special meeting;

delivering to the Corporate Secretary of WashingtonFirst at 11921 Freedom Drive, Suite 250, Reston, Virginia 20190 (i) a written notice of revocation or (ii) a duly executed proxy card relating to the same shares, bearing a date later than the proxy card previously executed; or

if you appointed the proxies through the Internet or by telephone, you can go to the same Internet website or use the same telephone number that you previously used to appoint the proxies, and then change your voting instructions.

The proxies will follow the last voting instructions received from you before the WashingtonFirst special meeting. Attendance at the WashingtonFirst special meeting will not in and of itself constitute a revocation of proxy.

If you choose to send a completed proxy card bearing a later date than your original proxy card, the new proxy card must be received before the beginning of the WashingtonFirst special meeting. If your shares are held in street name and you have instructed a bank, broker or other nominee to vote your shares of WashingtonFirst common stock, you must follow the directions you receive from your bank, broker or other nominee in order to change or revoke your vote.

Solicitation of Proxies

This solicitation is made on behalf of the WashingtonFirst board, and WashingtonFirst will pay for the solicitation of proxies from the WashingtonFirst stockholders. In addition to soliciting proxies by mail, Laurel Hill Advisory Group, LLC, WashingtonFirst's proxy solicitor, will assist WashingtonFirst in soliciting proxies from the WashingtonFirst stockholders. WashingtonFirst has agreed to pay \$6,000, plus expenses, for these services. WashingtonFirst will, upon request, reimburse brokers, banks and other nominees for their expenses in sending proxy materials to their customers who are beneficial owners and obtaining their voting instructions. Additionally, directors, officers and employees of WashingtonFirst may solicit proxies personally and by telephone. None of these persons will receive additional or special compensation for soliciting proxies.

Attending the WashingtonFirst Special Meeting

All WashingtonFirst stockholders, including holders of record and WashingtonFirst stockholders who hold their shares through banks, brokers, nominees or any other holder of record are invited to attend the WashingtonFirst special meeting. WashingtonFirst stockholders of record can vote in person at the WashingtonFirst special meeting. If you are not a WashingtonFirst stockholder of record, you must obtain a proxy executed in your favor from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the WashingtonFirst

special meeting. If you plan to attend the WashingtonFirst special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership. In addition, you must bring a form of personal photo identification with you in order to be admitted. WashingtonFirst reserves the right to refuse admittance to anyone without proper proof of share ownership and without proper photo identification. The use of cameras, sound recording equipment, communications devices or any similar equipment during the WashingtonFirst special meeting is prohibited without WashingtonFirst's express written consent.

Table of Contents

Delivery of Proxy Materials to WashingtonFirst Stockholders Sharing an Address

As permitted by the Securities Exchange Act of 1934, as amended (which we refer to as the Exchange Act), only one copy of this joint proxy statement/prospectus is being delivered to multiple WashingtonFirst stockholders sharing an address unless WashingtonFirst has previously received contrary instructions from one or more such stockholders. This is referred to as householding. WashingtonFirst stockholders who hold their shares in street name can request further information on householding through their banks, brokers or other holders of record. On written or oral request to WashingtonFirst's proxy solicitor, Laurel Hill Advisory Group, LLC, at the following address 2 Robbins Lane, Suite 201, Jericho, New York 11753, or by telephone at (888) 742-1305, WashingtonFirst will promptly deliver a separate copy of this joint proxy statement/prospectus to a stockholder at a shared address to which a single copy of the document was delivered.

Assistance

If you need assistance in completing your proxy card, have questions regarding WashingtonFirst's special meeting or would like additional copies of this joint proxy statement/prospectus, please contact WashingtonFirst's proxy solicitor, Laurel Hill Advisory Group, LLC, at 2 Robbins Lane, Suite 201, Jericho, New York 11753, or by telephone at (888) 742-1305.

Table of Contents

THE WASHINGTONFIRST PROPOSALS

Proposal 1 WashingtonFirst Merger Proposal

WashingtonFirst is asking its stockholders to approve the merger agreement and the transactions contemplated thereby, including the first-step merger. WashingtonFirst stockholders should read this joint proxy statement/prospectus carefully and in its entirety, including the annexes, for more detailed information concerning the merger agreement and the Transactions. A copy of the merger agreement is attached to this joint proxy statement/prospectus as Annex A.

After careful consideration, the WashingtonFirst board unanimously approved the merger agreement, having determined that the merger agreement and the transactions contemplated thereby, including the first-step merger, were advisable and in the best interests of WashingtonFirst and WashingtonFirst's stockholders. See the section of this joint proxy statement/prospectus entitled "The Transactions WashingtonFirst's Reasons for the Transactions; Recommendation of the WashingtonFirst Board" beginning on page [] for a more detailed discussion of the WashingtonFirst board's recommendation.

The WashingtonFirst board unanimously recommends a vote FOR the WashingtonFirst merger proposal.

Proposal 2 WashingtonFirst Adjournment Proposal

The WashingtonFirst special meeting may be adjourned to another time or place, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the WashingtonFirst special meeting to approve the WashingtonFirst merger proposal. If, at the WashingtonFirst special meeting, the number of shares of WashingtonFirst common stock present or represented by proxy and voting in favor of the WashingtonFirst merger proposal is insufficient to approve the WashingtonFirst merger proposal, WashingtonFirst intends to move to adjourn the WashingtonFirst special meeting in order to enable the WashingtonFirst board to solicit additional proxies for approval of the WashingtonFirst merger proposal. In that event, WashingtonFirst will ask its stockholders to vote upon the WashingtonFirst adjournment proposal, but not the WashingtonFirst merger proposal.

In this proposal, WashingtonFirst is asking its stockholders to authorize the holder of any proxy solicited by the WashingtonFirst board on a discretionary basis to vote in favor of adjourning the WashingtonFirst special meeting to another time and place for the purpose of soliciting additional proxies, including the solicitation of proxies from WashingtonFirst stockholders who have previously voted.

The WashingtonFirst board unanimously recommends a vote FOR the WashingtonFirst adjournment proposal.

Table of Contents

THE SANDY SPRING SPECIAL MEETING

This section contains information for Sandy Spring stockholders about the Sandy Spring special meeting that Sandy Spring has called to allow its stockholders to consider and vote on the Sandy Spring share issuance proposal and the Sandy Spring adjournment proposal. Sandy Spring is mailing this joint proxy statement/prospectus to you, as a Sandy Spring stockholder, on or about [], 2017. This joint proxy statement/prospectus is accompanied by a notice of the Sandy Spring special meeting and a form of proxy card that the Sandy Spring board is soliciting for use at the Sandy Spring special meeting and at any adjournments or postponements of the Sandy Spring special meeting.

Date, Time and Place of the Sandy Spring Special Meeting

The Sandy Spring special meeting will be held at [], at [], local time, on []. On or about [], Sandy Spring commenced mailing this joint proxy statement/prospectus and the enclosed form of proxy card to its stockholders to vote at the Sandy Spring special meeting.

Matters to Be Considered at the Sandy Spring Special Meeting

At the Sandy Spring special meeting, you, as a Sandy Spring stockholder, will be asked to consider and vote upon the following matters:

the Sandy Spring share issuance proposal; and

the Sandy Spring adjournment proposal.

Recommendation of the Sandy Spring Board

The Sandy Spring board has unanimously approved the merger agreement and unanimously recommends that Sandy Spring stockholders vote FOR the Sandy Spring share issuance proposal and FOR the Sandy Spring adjournment proposal. See the section of this joint proxy statement/prospectus entitled The Transactions Sandy Spring s Reasons for the Transactions; Recommendation of the Sandy Spring Board beginning on page [] for a more detailed discussion of the Sandy Spring board s recommendation.

Sandy Spring Record Date and Quorum

The Sandy Spring board has fixed the close of business on [] as the Sandy Spring record date for determining the Sandy Spring stockholders entitled to receive notice of and to vote at the Sandy Spring special meeting.

As of the Sandy Spring record date, there were [] shares of Sandy Spring common stock outstanding and entitled to notice of, and to vote at, the Sandy Spring special meeting held by approximately [] holders of record. Each share of Sandy Spring common stock entitles the holder to one vote at the Sandy Spring special meeting on each proposal to be considered at the Sandy Spring special meeting.

The presence at the Sandy Spring special meeting, in person or by proxy, of holders representing at least a majority of the outstanding shares of Sandy Spring common stock entitled to be voted at the Sandy Spring special meeting will constitute a quorum for the transaction of business at the Sandy Spring special meeting. Once a share is represented for any purpose at the Sandy Spring special meeting, it is deemed present for quorum purposes for the remainder of

the Sandy Spring special meeting or for any adjournment(s) thereof. Abstentions and broker non-votes, if any, will be included in determining the number of shares present at the meeting for the purpose of determining the presence of a quorum.

Table of Contents

Required Vote; Treatment of Abstentions, Broker Non-Votes and Failure to Vote

Sandy Spring share issuance proposal:

Standard: Approval of the Sandy Spring share issuance proposal requires the affirmative vote of a majority of the total votes cast by the holders of Sandy Spring common stock at the Sandy Spring special meeting.

Effect of abstentions and broker non-votes: If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the Sandy Spring special meeting, or fail to instruct your bank or broker how to vote with respect to the Sandy Spring share issuance proposal, it will have no effect on the Sandy Spring share issuance proposal.

Sandy Spring adjournment proposal:

Standard: Approval of the Sandy Spring adjournment proposal requires the affirmative vote of a majority of the total votes cast by the holders of Sandy Spring common stock at the Sandy Spring special meeting.

Effect of abstentions and broker non-votes: If you mark **ABSTAIN** on your proxy, fail to submit a proxy or fail to vote in person at the Sandy Spring special meeting, or fail to instruct your bank or broker how to vote with respect to the Sandy Spring adjournment proposal, it will have no effect on the Sandy Spring adjournment proposal.

Shares Held by Officers, Directors and Certain Stockholders

As of the Sandy Spring record date, the directors and executive officers of Sandy Spring and their affiliates beneficially owned and were entitled to vote approximately [] shares of Sandy Spring common stock representing approximately []% of the shares of Sandy Spring common stock outstanding on that date.

Each of Sandy Spring's directors, in his or her capacity as a Sandy Spring stockholder, has entered into a separate voting agreement with WashingtonFirst, pursuant to which each such director has agreed to vote all shares of Sandy Spring common stock over which he or she exercises sole disposition and voting rights in favor of the Sandy Spring share issuance proposal. As of the Sandy Spring record date, the Sandy Spring directors that are party to these voting agreements exercised sole disposition and voting rights with respect to 254,220 shares of Sandy Spring common stock, representing []% of the outstanding shares of Sandy Spring common stock. For more information regarding the voting agreements, see the section of this joint proxy statement/prospectus entitled "The Merger Agreement - Sandy Spring Voting Agreements" beginning on page []. As of the Sandy Spring record date, WashingtonFirst did not beneficially hold any shares of Sandy Spring common stock.

Voting by Proxy or in Person; Incomplete Proxies

Any Sandy Spring stockholder may vote by proxy or in person at the Sandy Spring special meeting.

If you hold your shares of Sandy Spring stock in your name as a stockholder of record and wish to attend your special meeting and vote in person, you may request a ballot when you arrive.

If you hold your shares of Sandy Spring stock in your name as a stockholder of record, you may vote by proxy by mail, through the Internet, or by telephone:

To vote by mail, you must complete, sign, date and mail your proxy card in the enclosed postage-paid return envelope as soon as possible. Please respond promptly to ensure your proxy card is mailed sufficiently in advance to ensure receipt prior to your special meeting.

Table of Contents

To vote through the Internet, please follow the instructions on the accompanying proxy card as soon as possible. The instructions in the enclosed proxy card contain the applicable deadlines and other information about voting your shares through the Internet.

To vote by telephone, please follow the instructions on the accompanying proxy card as soon as possible. The instructions in the enclosed proxy card contain the applicable deadlines and other information about voting your shares by telephone.

Sandy Spring requests that Sandy Spring stockholders vote as soon as possible by completing and signing the accompanying proxy card and returning it to Sandy Spring in the enclosed postage-paid envelope, through the Internet, or by telephone. When the accompanying proxy card is returned properly executed, you will be appointing the proxies named in the proxy card to vote your shares for you at the Sandy Spring special meeting. The shares of Sandy Spring common stock represented by your properly executed proxy card will be voted at the Sandy Spring special meeting in accordance with the instructions contained on the proxy card. If any proxy card is returned without indication as to how to vote, the shares of Sandy Spring common stock represented by the proxy card will be voted (i) FOR the Sandy Spring share issuance proposal and (ii) FOR the Sandy Spring adjournment proposal.

If you vote through the Internet or by telephone, you do not need to sign and return a proxy card. Under Maryland law, you will be appointing the proxies to vote your shares on the same terms as are described above and with the same authority as if you completed, signed and returned a proxy card. The authority you will be giving the proxies is described in the proxy card.

Every Sandy Spring stockholder's vote is important. Accordingly, each Sandy Spring stockholder should sign, date and return the enclosed proxy card, or vote through the Internet or by telephone, whether or not the Sandy Spring stockholder plans to attend the Sandy Spring special meeting in person. Sending in your proxy card or voting on the Internet will not prevent you from voting your shares personally at the meeting, since you may revoke your proxy at any time before it is voted.

Shares Held in Street Name

If you are a Sandy Spring stockholder and your shares are held in street name through a bank, broker or other holder of record, you must provide the record holder of your shares with instructions on how to vote the shares. Please follow the voting instructions provided by the bank or broker. Sandy Spring's stockholders should check the voting form used by that firm to determine whether you may vote by telephone or the Internet. You may not vote shares held in street name by returning a proxy card directly to Sandy Spring or by voting in person at the Sandy Spring special meeting unless you obtain a legal proxy from your broker, bank or other nominee. Furthermore, brokers, banks or other nominees who hold shares of Sandy Spring common stock on behalf of their customers will not vote your shares of Sandy Spring common stock or give a proxy to Sandy Spring to vote those shares with respect to the Sandy Spring share issuance proposal without specific instructions from you, as brokers, banks and other nominees do not have discretionary voting power on such proposal.

To ensure that your shares are represented at the Sandy Spring special meeting and voted in the manner you desire, it is important that you instruct your bank, broker or other holder of record as to how it should vote your shares.

Revocability of Proxies and Change to a Sandy Spring Stockholder's Vote

If you are the record holder of shares of Sandy Spring common stock, you have the power to change your vote at any time before your shares of Sandy Spring common stock are voted at the Sandy Spring special meeting by:

attending and voting in person at the Sandy Spring special meeting;

Table of Contents

giving notice of revocation of the proxy at the Sandy Spring special meeting;

delivering to the Corporate Secretary of Sandy Spring at 17801 Georgia Avenue, Olney, Maryland 20832 (i) a written notice of revocation or (ii) a duly executed proxy card relating to the same shares, bearing a date later than the proxy card previously executed; or

if you appointed the proxies through the Internet or by telephone, you can go to the same Internet website or use the same telephone number that you previously used to appoint the proxies, and then change your voting instructions.

The proxies will follow the last voting instructions received from you before the Sandy Spring special meeting. Attendance at the Sandy Spring special meeting will not in and of itself constitute a revocable proxy.

If you choose to send a completed proxy card bearing a later date than your original proxy card, the new proxy card must be received before the beginning of the Sandy Spring special meeting. If you have instructed a bank, broker or other nominee to vote your shares of Sandy Spring common stock, you must follow the directions you receive from your bank, broker or other nominee in order to change or revoke your vote.

Solicitation of Proxies

This solicitation is made on behalf of the Sandy Spring board, and Sandy Spring will pay for the solicitation of proxies from the Sandy Spring stockholders. In addition to soliciting proxies by mail, Laurel Hill Advisory Group, LLC, Sandy Spring's proxy solicitor, will assist Sandy Spring in soliciting proxies from the Sandy Spring stockholders. Sandy Spring has agreed to pay \$6,000, plus expenses, for these services. Sandy Spring will, upon request, reimburse brokers, banks and other nominees for their expenses in sending proxy materials to their customers who are beneficial owners and obtaining their voting instructions. Additionally, directors, officers and employees of Sandy Spring may solicit proxies personally and by telephone. None of these persons will receive additional or special compensation for soliciting proxies.

Attending the Sandy Spring Special Meeting

All Sandy Spring stockholders, including holders of record and Sandy Spring stockholders who hold their shares through banks, brokers, nominees or any other holder of record are invited to attend the Sandy Spring special meeting. Sandy Spring stockholders of record can vote in person at the Sandy Spring special meeting. If you are not a Sandy Spring stockholder of record, you must obtain a proxy executed in your favor from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the Sandy Spring special meeting. If you plan to attend the Sandy Spring special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership. In addition, you must bring a form of personal photo identification with you in order to be admitted. Sandy Spring reserves the right to refuse admittance to anyone without proper proof of share ownership and without proper photo identification. The use of cameras, sound recording equipment, communications devices or any similar equipment during the Sandy Spring special meeting is prohibited without Sandy Spring's express written consent.

Delivery of Proxy Materials to Sandy Spring Stockholders Sharing an Address

As permitted by the Exchange Act, only one copy of this joint proxy statement/prospectus is being delivered to multiple Sandy Spring stockholders sharing an address unless Sandy Spring has previously received contrary

instructions from one or more such stockholders. This is referred to as householding. Sandy Spring stockholders who hold their shares in street name can request further information on householding through their banks, brokers or other holders of record. On written or oral request to Investor Relations at (800) 399-5919 or Sandy Spring's proxy solicitor, Laurel Hill Advisory Group, LLC, at (888) 742-1305, Sandy Spring will deliver promptly a separate copy of this joint proxy statement/prospectus to a stockholder at a shared address to which a single copy of the document was delivered.

Table of Contents

Assistance

If you need assistance in completing your proxy card, have questions regarding Sandy Spring's special meeting or would like additional copies of this joint proxy statement/prospectus, please contact Investor Relations at the following address 17801 Georgia Avenue, Olney, Maryland 20832, or by telephone at (800) 399-5919, or Sandy Spring's proxy solicitor, Laurel Hill Advisory Group, LLC, at 2 Robbins Lane, Suite 201, Jericho, New York 11753 or by telephone at (888) 742-1305.

Table of Contents

THE SANDY SPRING PROPOSALS

Proposal No. 1 Sandy Spring Share Issuance Proposal

In this proposal, Sandy Spring is asking its stockholders to approve the Sandy Spring share issuance. Sandy Spring stockholders should read this joint proxy statement/prospectus carefully and in its entirety, including the annexes, for more detailed information concerning the merger agreement, the Transactions and the Sandy Spring share issuance. A copy of the merger agreement is attached to this joint proxy statement/prospectus as Annex A.

After careful consideration, the Sandy Spring board unanimously approved the Sandy Spring share issuance proposal and the merger agreement, having determined that the merger agreement and the transactions contemplated thereby were in the best interests of Sandy Spring and Sandy Spring's stockholders. See the section of this joint proxy statement/prospectus entitled "The Transactions - Sandy Spring's Reasons for the Transactions; Recommendation of the Sandy Spring Board" beginning on page [] for a more detailed discussion of the Sandy Spring board's recommendation.

The Sandy Spring board unanimously recommends that Sandy Spring stockholders vote FOR the Sandy Spring share issuance proposal.

Proposal No. 2 Sandy Spring Adjournment Proposal

The Sandy Spring special meeting may be adjourned to another time or place, if necessary or appropriate, to permit, among other things, further solicitation of proxies as necessary to obtain additional votes in favor of the Sandy Spring share issuance proposal.

If, at the Sandy Spring special meeting, the number of shares of Sandy Spring common stock present or represented by proxy and voting in favor of the Sandy Spring share issuance proposal is insufficient to approve the Sandy Spring share issuance proposal, Sandy Spring intends to move to adjourn the Sandy Spring special meeting in order to enable the Sandy Spring board to solicit additional proxies for approval of the Sandy Spring share issuance proposal. In that event, Sandy Spring will ask its stockholders to vote upon the Sandy Spring adjournment proposal, but not the Sandy Spring share issuance proposal.

In this proposal, Sandy Spring is asking its stockholders to authorize the holder of any proxy solicited by the Sandy Spring board on a discretionary basis to vote in favor of adjourning the Sandy Spring special meeting to another time and place for the purpose of soliciting additional proxies, including the solicitation of proxies from Sandy Spring stockholders who have previously voted.

The Sandy Spring board unanimously recommends that Sandy Spring stockholders vote FOR the Sandy Spring adjournment proposal.

Table of Contents

INFORMATION ABOUT SANDY SPRING

Sandy Spring is the holding company for Sandy Spring Bank. Sandy Spring Bank is a Maryland state-chartered trust company with commercial banking powers that offers a broad range of commercial banking, retail banking, mortgage and trust services throughout central Maryland, Northern Virginia, and the greater Washington, D.C. market. Through its subsidiaries, Sandy Spring Insurance Corporation and West Financial Services, Inc., Sandy Spring Bank also offers a comprehensive menu of insurance and wealth management services. With \$5.3 billion in assets at June 30, 2017, Sandy Spring operates 44 community offices and six financial centers across central Maryland, Northern Virginia, and the greater Washington, D.C. region.

Sandy Spring common stock is traded on the Nasdaq Global Select Market under the symbol SASR.

Sandy Spring's principal executive office is located at 17801 Georgia Avenue, Olney, Maryland 20832 and its telephone number at that location is (800) 399-5919. Additional information about Sandy Spring and its subsidiaries is included in documents incorporated by reference in this joint proxy statement/prospectus. See the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information" beginning on page [].

INFORMATION ABOUT MERGER SUB

Merger Sub is a Virginia corporation and a wholly-owned subsidiary of Sandy Spring. Merger Sub was formed by Sandy Spring for the sole purpose of consummating the integrated mergers.

Table of Contents

INFORMATION ABOUT WASHINGTONFIRST

WashingtonFirst is the holding company for WashingtonFirst Bank. WashingtonFirst Bank, headquartered in Reston, Virginia, operates 19 full-service banking offices throughout the Washington, D.C. metropolitan area. WashingtonFirst Bank offers a comprehensive range of commercial banking products and services to small-to-medium sized businesses, not-for-profit organizations, professional service firms and individuals in the greater Washington, D.C. area. In addition, WashingtonFirst provides wealth management services through its subsidiary, 1st Portfolio Wealth Advisors, and mortgage banking services through WashingtonFirst Bank's subsidiary, WashingtonFirst Mortgage Corporation.

WashingtonFirst's common stock is traded on the Nasdaq Capital Market under the symbol WFBI.

WashingtonFirst's principal executive office is located at 11921 Freedom Drive, Suite 250, Reston, Virginia 20190 and its telephone number at that location is (703) 840-2410. Additional information about WashingtonFirst and its subsidiaries is included in documents incorporated by reference in this joint proxy statement/prospectus. See the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information" beginning on page [].

Table of Contents

THE TRANSACTIONS

The following discussion contains certain information about the Transactions. The discussion is subject, and qualified in its entirety by reference, to the merger agreement attached as Annex A to this joint proxy statement/prospectus and incorporated by reference. We urge you to read carefully this entire joint proxy statement/prospectus, including the merger agreement attached as Annex A, for a more complete understanding of the Transactions.

Structure of the Transactions

Each of the Sandy Spring board and WashingtonFirst board has unanimously approved the merger agreement. The merger agreement provides that (i) Merger Sub will merge with and into WashingtonFirst, with WashingtonFirst continuing as the surviving corporation in the first-step merger and as a wholly-owned subsidiary of Sandy Spring, (ii) immediately following the first-step merger, WashingtonFirst will merge with and into Sandy Spring, with Sandy Spring continuing as the surviving corporation in the second-step merger and (iii) immediately following the completion of the integrated mergers, WashingtonFirst Bank will merge with and into Sandy Spring Bank, with Sandy Spring Bank being the surviving entity in the bank merger.

At the effective time of the first-step merger, each issued and outstanding share of WashingtonFirst common stock and WashingtonFirst non-voting common stock, except for the excluded shares, will be converted into the right to receive 0.8713 shares of Sandy Spring common stock, subject to adjustment if the Sandy Spring volume-weighted average price is more than \$50.15 or less than \$37.07 per share. No fractional shares of Sandy Spring common stock will be issued in connection with the first-step merger, and WashingtonFirst stockholders will instead be entitled to receive cash in lieu thereof.

WashingtonFirst stockholders are being asked to approve the merger agreement and the first-step merger. Sandy Spring stockholders are being asked to approve the Sandy Spring share issuance. See the section of this joint proxy statement/prospectus entitled "The Merger Agreement" beginning on page [] for additional and more detailed information regarding the legal documents that govern the Transactions, including information about the conditions to the completion of the integrated mergers and the provisions for terminating or amending the merger agreement.

Background of the Transactions

From time to time, the boards of directors and senior management of both Sandy Spring and WashingtonFirst have independently conducted reviews of their respective corporate strategies, business objectives and long-term prospects to assess whether there were opportunities to better maximize stockholder value and the overall success of their organizations. The directors and senior management teams would consider, without limitation, the historical and projected future financial performance of each organization, including projected organic growth; the state of the banking industry, generally and in the greater Washington, D.C. metropolitan area specifically, including consolidation trends and likely opportunities for acquisitive growth; the state of the national and local economies; the business cycle and stock market performance; and the current and prospective regulatory environment and related compliance costs. These reviews included periodic assessment of whether the organizations' corporate strategies, business objectives and long-term prospects could be advanced through business combinations or similar strategic transactions.

Around the time of WashingtonFirst's tenth anniversary in April 2014, Joseph Bracewell, WashingtonFirst's Chairman, and Shaza Andersen, WashingtonFirst's President and Chief Executive Officer, discussed WashingtonFirst's future plans for continued growth and improved profitability. Ms. Andersen and Mr. Bracewell also discussed the desirability of beginning to think about the range of strategic alternatives available to WashingtonFirst. Although there

was no immediate plan to pursue a potential transaction, Ms. Andersen and Mr. Bracewell felt it would be appropriate to begin getting acquainted with executives of

Table of Contents

banks that had expressed an interest in expansion in the greater Washington, D.C. metropolitan area. Over the next two and a half years Ms. Andersen and Mr. Bracewell met informally with senior leadership of a number of financial institutions. The primary purpose of these meetings was for all parties to get acquainted with one another on a face-to-face basis. No specific or confidential information was discussed or and no proposals were made at any of these meetings.

During 2016, market multiples for bank stocks steadily increased, and merger activity in WashingtonFirst's market area continued to remain robust. In August 2016, one of WashingtonFirst's principal competitors announced that it was being acquired. That transaction represented a multiple of tangible book value that prompted management of WashingtonFirst to assess whether it might be timely to consider seeking a larger merger partner.

Through the fourth quarter of 2016, market multiples for bank stocks had continued to climb, especially after the November elections. On November 10, 2016, representatives of KBW, an investment banking firm that was subsequently engaged to act as WashingtonFirst's financial advisor in a sale of WashingtonFirst, met with Ms. Andersen and Mr. Bracewell to discuss potential strategic alternatives, including potential acquirers for WashingtonFirst. At this meeting, Ms. Andersen and Mr. Bracewell told the representatives of KBW that they believed the timing was right for WashingtonFirst to evaluate its strategic options.

Since mid-2014, Ms. Andersen, Mr. Bracewell and other senior leadership of WashingtonFirst met several times with management of a financial institution, which we refer to herein as Bank A. Because of these extensive contacts, Bank A's expressed desire to expand in the greater Washington, D.C. metropolitan area market with the WashingtonFirst team as flagship market leaders, Bank A's history of successfully executing acquisitions, and the fact that Bank A's loan portfolio was not overly concentrated in commercial real estate loans, Ms. Andersen and Mr. Bracewell authorized KBW to approach Bank A. Representatives of KBW met with Bank A in November, 2016. Bank A responded that it was not in a position to engage in negotiations with WashingtonFirst at that time; however, Bank A reiterated that the greater Washington, D.C. metropolitan market, and WashingtonFirst in particular, would be high on its priority list once Bank A was in a position to engage.

In December 2016, the senior management of WashingtonFirst, consisting of Ms. Andersen, Messrs. Bracewell and Johnson and Richard Horn, General Counsel, who we collectively refer to herein as the WashingtonFirst Executives, engaged in discussions with representatives of KBW concerning a potential sale of WashingtonFirst. The WashingtonFirst Executives and the representatives of KBW discussed, among other things, potential merger partners, the desirability of an in-market versus out-of-market combination, market timing, the overall economic outlook for the financial services sector in particular and the regional economy in general, valuation considerations, possible deal points, and the risks associated with a sale strategy.

On December 14, 2016, Daniel J. Schrider, President and Chief Executive Officer of Sandy Spring, contacted Ms. Andersen and asked to schedule a meeting.

During the latter part of December 2016 and into January 2017, WashingtonFirst established a virtual data room to be utilized by potential acquirers for the purpose of conducting the diligence necessary to prepare written expressions of interest to acquire WashingtonFirst.

In early February 2017, the WashingtonFirst Executives and KBW discussed a list of the financial institutions, including Sandy Spring, to be contacted by KBW to gauge their potential interest in a business combination transaction with WashingtonFirst. The list of financial institutions was developed with key input from Mr. Bracewell and Ms. Andersen, based in large measure on the positive feedback and interest received during their meetings with bankers over the prior two years.

On February 9, 2017, Ms. Andersen and Mr. Schrider met for lunch in Reston, Virginia. Ms. Andersen did not disclose at this lunch meeting that WashingtonFirst was considering a sale of the organization; rather, the two

Table of Contents

discussed in more general terms the local and regional banking market generally, and Mr. Schrider's continuing interest in WashingtonFirst as a potential strategic partner, effectively continuing a theme of discussion that had begun several years earlier when Mr. Schrider and Ms. Andersen were first introduced.

At the direction of WashingtonFirst, KBW contacted the potential acquirers approved by the WashingtonFirst Executives, and invited each of them to execute a non-disclosure agreement, or NDA, as a precondition to learning WashingtonFirst's identity and receiving confidential information about WashingtonFirst and the acquisition opportunity. Following the signing of an NDA, a Confidential Information Memorandum which had been prepared by WashingtonFirst, with KBW's assistance, during January and early February was provided to the potential acquirers. The Confidential Information Memorandum contained detailed instructions for submitting written expressions of interest to acquire WashingtonFirst, as well as summary information about WashingtonFirst, including an historical overview, performance highlights, loan and deposit detail, capitalization, forecasted earnings and an analysis of cost savings to be achieved in a merger.

In all, KBW contacted 18 financial institutions that were approved by the WashingtonFirst Executives, including Bank A and Sandy Spring. KBW's initial communications provided general information about the nature of WashingtonFirst, but did not identify WashingtonFirst by name. Nine of the 18 institutions signed NDAs, including Bank A and Sandy Spring, and were provided with the Confidential Information Memorandum and access to WashingtonFirst's virtual data room to conduct preliminary due diligence. Per the instructions contained in the Confidential Information Memorandum, interested parties were requested to submit their written expressions of interest to acquire WashingtonFirst by March 7, 2017.

On March 1, 2017, Mr. Schrider, together with Philip J. Mantua, Sandy Spring's Executive Vice President and Chief Financial Officer, and representatives of The Kafafian Group, Inc. (which we refer to as The Kafafian Group), Sandy Spring's financial advisor, reviewed financial aspects of a possible acquisition of WashingtonFirst with the Sandy Spring board's Executive and Governance Committee, which approved the submission of a non-binding indication of interest.

By letter dated March 7, 2017, Sandy Spring provided a non-binding expression of interest in the combination of WashingtonFirst and Sandy Spring, which we refer to herein as the Letter of Intent. In its Letter of Intent, Sandy Spring proposed to acquire all of the outstanding shares of WashingtonFirst for shares of Sandy Spring, at an exchange ratio of 0.8713 shares of Sandy Spring stock for each share of WashingtonFirst stock. Based on the closing price of Sandy Spring's common stock on March 6, 2017, the implied per share value of the Letter of Intent was \$38.00 per share for WashingtonFirst. Sandy Spring also proposed to assume all outstanding WashingtonFirst warrants and to cash out each WashingtonFirst stock option, whether vested or unvested, for the difference between the market value of the stock consideration per share and each stock option's exercise price. Sandy Spring also expressed an interest in retention of certain key members of the WashingtonFirst executive management team. Additionally, Sandy Spring proposed to expand the Sandy Spring board and the board of directors of its banking subsidiary, Sandy Spring Bank, and to appoint four non-employee directors of WashingtonFirst to fill the newly created positions. The proposal was expressly subject to the completion of due diligence review by Sandy Spring, the execution of a definitive agreement and both regulatory and stockholder approvals. The March 7, 2017 Letter of Intent was the first expression by Sandy Spring of the proposed terms for a transaction.

On March 9, 2017, WashingtonFirst convened a meeting of the WashingtonFirst board's Executive Committee to evaluate the terms of the Letter of Intent and to decide whether to proceed with consideration of the merger opportunity. The Executive Committee consisted of Bracewell and Andersen, as well as WashingtonFirst's independent directors: C.E. Andrews, Juan Mencia, Madhu Mohan, William Oldaker and Kenneth Morrisette. The Executive Committee reviewed preliminary information from KBW regarding financial aspects of the proposal and

discussed the matter extensively. The Executive Committee considered how the proposal compared with WashingtonFirst's strategic vision described above and noted that the Sandy Spring proposal would capture in just over one year approximately 60% of the stock value appreciation targeted in the

Table of Contents

strategic vision over a five year period. The Executive Committee also considered the possible benefits of waiting until other interested parties might be in a position to submit a bid, concluding that the Sandy Spring proposal appeared to be a strong enough bid that it was unlikely to be improved upon by waiting. The Executive Committee also discussed the desirability of a cash component to the consideration or a price protection mechanism. After considerable discussion, the Executive Committee voted unanimously to authorize the WashingtonFirst Executives and KBW to continue discussions with Sandy Spring and another financial institution, which we refer to herein as Bank B, for the sale of WashingtonFirst. The WashingtonFirst Executives informed representatives of KBW of the decision of the Executive Committee later that day.

On March 16, 2017, representatives of WashingtonFirst, Sandy Spring, KBW and The Kafafian Group met at the Tower Club in Tysons Corner. At this meeting, WashingtonFirst advised Sandy Spring of WashingtonFirst's desire for a cash component to the consideration or other price protection mechanism. WashingtonFirst also informed Sandy Spring that they would be invited to begin detailed due diligence efforts on WashingtonFirst's operations and financial condition with the goal of submitting a revised indication of interest to WashingtonFirst by April 7, 2017. Over the ensuing weeks, Sandy Spring was provided additional detailed due diligence information through the virtual data room, as well as conducting onsite credit due diligence and selected due diligence discussions with members of WashingtonFirst's executive team.

On March 27, 2017, Sandy Spring and Sandler O'Neill entered into an engagement letter pursuant to which Sandler O'Neill would provide a fairness opinion to the Sandy Spring board.

On March 29, 2017, Ms. Andersen and Mr. Horn had lunch in Reston, Virginia with representatives of Troutman Sanders LLP, WashingtonFirst's legal counsel, at which time the group discussed at a high-level the terms of the Letter of Intent and related legal and business issues.

On March 29, 2017, a regular meeting of the Sandy Spring board was held. Among other things, the Sandy Spring board was briefed on discussions with WashingtonFirst by management and representatives of The Kafafian Group. The terms of the March 7 Letter of Intent, including its financial and other terms, were discussed in detail. The Sandy Spring board was informed that WashingtonFirst may request some protection against volatility in the price of Sandy Spring stock. After discussion, the Sandy Spring board encouraged management to continue to conduct due diligence and express interest in a possible transaction along the terms discussed.

On April 4, 2017, the WashingtonFirst Executives and Mr. Connors met with the following executives of Sandy Spring at the Tysons Corner, Virginia office of Troutman Sanders: Mr. Schrider; Mr. Mantua; Ronda McDowell, Executive Vice President and Chief Credit Officer; Joseph J. O'Brien, Executive Vice President Commercial & Retail Banking; and Ronald E. Kuykendall, Executive Vice President, General Counsel and Secretary. Also present at this meeting were representatives of KBW, The Kafafian Group, and Kilpatrick Townsend & Stockton LLP, Sandy Spring's legal counsel (which we refer to as Kilpatrick Townsend). The meeting participants engaged in high level discussions of each organization's business philosophy, including commercial and retail strategies, credit culture, management and operational matters, and strategic vision.

By letter dated April 7, 2017, Sandy Spring presented an updated non-binding expression of interest to acquire WashingtonFirst, which we refer to herein as the Updated Letter of Intent. The material terms of the Updated Letter of Intent were substantially unchanged from the Letter of Intent, including that each outstanding common share of WashingtonFirst would be acquired at an exchange ratio of 0.8713 shares of Sandy Spring common stock for each common share of WashingtonFirst. In the Updated Letter of Intent, Sandy Spring noted that it would be open to discussing a form of price protection for its and WashingtonFirst's respective stockholder bases. Sandy Spring also specified that Ms. Andersen and Mr. Bracewell would be two of the four WashingtonFirst directors appointed to the

Sandy Spring board and that two of the legacy WashingtonFirst directors would also serve on the Executive Committee of the Sandy Spring board.

Table of Contents

Simultaneous with delivery of the Updated Letter of Intent, Sandy Spring provided WashingtonFirst with a proposed Exclusivity Agreement, granting the parties a period of 45 days in which to negotiate the terms of a definitive merger agreement, and a draft form of merger agreement based upon the terms of Sandy Spring's Updated Letter of Intent.

Following WashingtonFirst's receipt of the March 7, 2017 Letter of Intent, Bank B had expressed an interest to KBW in continuing to analyze a potential acquisition of WashingtonFirst and requested that it be permitted to retain access to the virtual data room, though it did not submit an indication of interest at that time. During the period between the submission of Sandy Spring's Letter of Intent and the Updated Letter of Intent, in accordance with WashingtonFirst's directives, KBW periodically had conversations with Bank B about its continued interest in submitting an indication of interest to acquire WashingtonFirst. KBW advised WashingtonFirst that Bank B knew that WashingtonFirst was moving forward with a proposal and was nevertheless evaluating whether or not to submit a competing bid. Following the receipt of Sandy Spring's Updated Letter of Intent, in accordance with WashingtonFirst's directives, KBW reached out to Bank B again about its interest in submitting a proposal to acquire WashingtonFirst. Bank B then notified KBW that it was not in a position to bid for WashingtonFirst at that time due to reasons unrelated to WashingtonFirst.

Following receipt of the Updated Letter of Intent, WashingtonFirst discussed with Sandy Spring its desire to revise the pricing structure in Sandy Spring's Updated Letter of Intent to provide WashingtonFirst with some protection against volatility in the price of Sandy Spring stock between the date of a signed merger agreement and the closing of the transaction. On April 19, 2017, Ms. Andersen met in person with Mr. Schrider to discuss this request.

After further negotiation, by letter dated April 21, 2017, Sandy Spring provided an addendum to the Updated Letter of Intent, which we refer to herein as the Addendum, that included an adjustment to the pricing mechanism based on a twenty day volume weighted average price, as described below under "The Merger Agreement - Structure of the Transactions; Merger Consideration."

On April 23, 2017, WashingtonFirst convened another meeting of the WashingtonFirst board's Executive Committee to consider and vote on whether to recommend that the full WashingtonFirst board approve the Updated Letter of Intent and Addendum. Following an update from Ms. Andersen, Mr. Bracewell and representatives of KBW on events since the prior Executive Committee meeting, the Committee voted unanimously to recommend that the WashingtonFirst board accept the Updated Letter of Intent and Addendum, execute the Exclusivity Agreement, conduct reverse due diligence and negotiate the terms of a definitive merger agreement.

On April 24, 2017, Sandy Spring provided an updated draft of a form of merger agreement. The updated form of merger agreement reflected the changes in pricing terms proposed by Sandy Spring in its Addendum of April 21, 2017.

On April 26, 2017 a regular meeting of the Sandy Spring board was held. The board was briefed in detail on the Updated Letter of Intent and Addendum, the results of further diligence and the status of negotiations with WashingtonFirst, including a general description of the terms of the proposed merger agreement and Sandy Spring's request that WashingtonFirst agree to deal exclusively with Sandy Spring on customary terms. After discussion, the board encouraged management to complete its due diligence and continue negotiations for a possible transaction.

On April 26, 2017, the full WashingtonFirst board met for the purpose of considering the Updated Letter of Intent and Addendum. Following an overview by Ms. Andersen, Mr. Bracewell and management of events and discussions to that date, representatives of KBW discussed financial aspects of the proposed transaction based on the terms of the Updated Letter of Intent and Addendum and gave an overview of each of Sandy Spring's and WashingtonFirst's business, performance and competitive positioning. Representatives of KBW also discussed

Table of Contents

the banking industry more generally and recent developments in the trading prices of WashingtonFirst, Sandy Spring and similar financial institutions generally. Social aspects of the proposed transaction were also discussed at this meeting. WashingtonFirst would receive four of 15 board seats, two of which would include Mr. Bracewell and Ms. Andersen. Mr. Bracewell and Ms. Andersen would also serve on the Executive Committee of the Sandy Spring board. It was also noted that Sandy Spring had agreed to establish a bonus retention pool for key WashingtonFirst Bank employees, and the transaction would be subject to customary regulatory and stockholder approvals. Following robust discussion, the WashingtonFirst board voted unanimously to proceed with accepting the Updated Letter of Intent and Addendum, executing the Exclusivity Agreement, conducting reverse due diligence and negotiating the terms of a definitive merger agreement.

WashingtonFirst executed the Exclusivity Agreement on April 27, 2017, after which WashingtonFirst began its reverse due diligence and the parties and their respective legal advisers continued to negotiate the final terms of the merger agreement and related voting agreements.

On May 5, 2017, WashingtonFirst completed reverse due diligence with telephonic management interviews of senior management of Sandy Spring. Representatives from Sandy Spring, The Kafafian Group, Kilpatrick Townsend, WashingtonFirst, KBW and Troutman Sanders participated in the call.

Over the course of the following days, the parties, with the assistance of their respective legal and financial advisors, continued to negotiate and finalize the terms of the proposed transaction and exchange drafts of the merger agreement. Mr. Schrider and Ms. Andersen discussed potential roles for Ms. Andersen in the combined company.

On May 12, 2017, Sandy Spring and WashingtonFirst conducted a bilateral bring-down diligence teleconference to confirm there were no material developments that needed to be disclosed in advance of the parties' pending board meetings. Representatives from Sandy Spring, The Kafafian Group, Sandler O'Neill, Kilpatrick Townsend, WashingtonFirst, KBW and Troutman Sanders participated in the call.

On May 13, 2017, Kilpatrick Townsend circulated an execution version of the merger agreement to Troutman Sanders.

On May 15, 2017, the WashingtonFirst board held a regular meeting, which was attended by all directors, members of senior management, KBW and Troutman Sanders. At this meeting, KBW reviewed the financial aspects of the proposed merger and delivered to the WashingtonFirst board its opinion (a copy of which is attached to this joint proxy statement/prospectus as [Annex E](#)) to the effect that, as of that date and subject to the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW as set forth in such opinion, the exchange ratio in the proposed first-step merger (defined, for purposes of the opinion, as the ratio of 0.8713 of a share of Sandy Spring common stock for one share of WashingtonFirst common stock) was fair, from a financial point of view, to the holders of WashingtonFirst common stock. The Washington First board also received a presentation from Troutman Sanders regarding the structure of the merger, the proposed terms of the merger agreement and the director voting agreements, duties of the WashingtonFirst board under applicable law and how those duties related to the process that WashingtonFirst (including the WashingtonFirst board) employed in considering the business combination with Sandy Spring. Following discussion among the directors, including a consideration of the presentations and the factors described in the section of this joint proxy statement/prospectus entitled WashingtonFirst's Reasons for the Transactions; Recommendation of the WashingtonFirst Board, and questions to and answers from senior management, KBW and Troutman Sanders, the WashingtonFirst board unanimously determined that the merger agreement and the transactions contemplated thereby, including the integrated mergers, were advisable and in the best interests of WashingtonFirst's stockholders and unanimously resolved to approve and adopt, and to recommend that WashingtonFirst's stockholders approve and adopt, the

Transactions, the merger agreement, the related plan of merger and other supporting documents.

Table of Contents

Also on May 15, 2017, the Sandy Spring board met to discuss the proposed transaction. Representatives of The Kafafian Group, Sandler O'Neill and Kilpatrick Townsend were present at that meeting. The Sandy Spring board had been provided with a set of meeting materials in advance of the meeting, including a summary of the terms and conditions of the merger agreement prepared by Kilpatrick Townsend. A representative of Sandler O'Neill reviewed with the Sandy Spring board its financial analysis of the Transactions and rendered its oral opinion, which was subsequently confirmed in writing (a copy of which is attached to this joint proxy statement/prospectus as Annex F), to the Sandy Spring board that, as of the date of the opinion, and based upon and subject to the factors and assumptions set forth in the opinion, the exchange ratio in the first-step merger was fair, from a financial point of view, to Sandy Spring. A representative of Kilpatrick Townsend reviewed the terms of the proposed merger agreement with the Sandy Spring board. After extensive discussions, including a consideration of the presentations and the factors described in the section of this joint proxy statement/prospectus entitled "Sandy Spring's Reasons for the Transactions; Recommendation of the Sandy Spring Board," the Sandy Spring board unanimously approved the merger agreement and determined to recommend that the Sandy Spring stockholders approve the Sandy Spring share issuance.

The merger agreement was entered into by Sandy Spring and WashingtonFirst the evening of May 15, 2017. The transaction was announced via a joint press release issued prior to the opening of trading on May 16, 2017.

WashingtonFirst's Reasons for the Transactions; Recommendation of the WashingtonFirst Board

After careful consideration, the WashingtonFirst board, at a meeting held on May 15, 2017, unanimously determined that the merger agreement, including the Transactions and the other transactions contemplated thereby, is in the best interests of WashingtonFirst and its stockholders. Accordingly, the WashingtonFirst board has unanimously approved the Transactions and the merger agreement and unanimously recommends that WashingtonFirst's stockholders vote **FOR** approval of the merger agreement and the Transactions.

In evaluating the Transactions and the merger agreement, the WashingtonFirst board consulted with WashingtonFirst's management and WashingtonFirst's financial and legal advisors. The WashingtonFirst board carefully considered the terms of the merger agreement and the value of the merger consideration to be received by WashingtonFirst's stockholders and ultimately determined that it was in the best interests of WashingtonFirst and its stockholders for WashingtonFirst to enter into the merger agreement with Sandy Spring. The WashingtonFirst board believes that partnering with Sandy Spring and becoming the largest locally-headquartered community bank in the Washington, D.C. metropolitan area will maximize the long-term value of its stockholders' investment in WashingtonFirst, and that the merger will provide the combined company with additional resources necessary to compete more effectively in Northern Virginia and the Washington, D.C. metropolitan area.

In reaching its unanimous decision to approve the Transactions and the merger agreement and to recommend that the WashingtonFirst stockholders vote **FOR** approval of the Transactions and the merger agreement, the WashingtonFirst board considered many factors, including, without limitation, the following:

the extensive review undertaken by WashingtonFirst's Executive Committee, with the assistance of WashingtonFirst's executive management and WashingtonFirst's financial and legal advisors, with respect to the strategic alternatives available to WashingtonFirst;

the substantial management, financial and employee resources that would be required to execute WashingtonFirst's strategic plan, the length of time it would take to achieve the objectives of its strategic plan and the risks and challenges inherent in the successful execution of its strategic plan;

its understanding of the current and prospective economic environment in which WashingtonFirst and Sandy Spring operate, including the interest rate environment, the competitive and regulatory environments for financial institutions generally, the increased regulatory burdens on financial institutions, the uncertainties of the regulatory environment in the future and the likely effect of these factors on WashingtonFirst both with and without the Transactions;

Table of Contents

the feasibility and prospects of WashingtonFirst continuing to operate independently, including WashingtonFirst's ability to compete with much larger regional and national banks, the challenges associated with hiring and retaining senior management personnel experienced in the management of larger institutions, the potential need to eventually raise additional capital that could be dilutive to existing WashingtonFirst stockholders and the potential future trading value of WashingtonFirst common stock compared to the implied value of the merger consideration offered by Sandy Spring;

Sandy Spring's asset size, capital position and financial performance in recent periods, which make Sandy Spring an attractive merger partner and would increase the combined company's asset base to approximately \$7.5 billion;

the additional products offered by Sandy Spring to its customers, the ability of the combined company to provide comprehensive financial services to its customers, and the potential for operating synergies and cross-marketing of products and services across the combined company, and the diversity of revenue sources associated with such products and services;

the anticipated continued participation of certain of WashingtonFirst's directors, officers and employees, including Shaza Andersen and Joseph Bracewell, in the combined company, which enhances the likelihood that the strategic benefits expected to be achieved as a result of the Transactions will be realized;

the solicitation process undertaken by WashingtonFirst with the assistance of KBW;

the earnings prospects of the combined company after completion of the Transactions as compared to the anticipated future earnings growth of WashingtonFirst as a stand-alone company;

the financial presentation of KBW, dated May 15, 2017 to the WashingtonFirst board and the written opinion, dated May 15, 2017, of KBW to the WashingtonFirst board as to the fairness, from a financial point of view and as of the date of the opinion, to the holders of WashingtonFirst common stock of the exchange ratio in the proposed Transactions, as more fully described below under "Opinion of WashingtonFirst's Financial Advisor" beginning on page [];

the presentation by Troutman Sanders LLP, legal counsel to WashingtonFirst, regarding the structure of the Transactions, the terms of the merger agreement, the duties of the WashingtonFirst board under applicable law and how those duties related to the process that WashingtonFirst (including its board of directors) employed in considering all potential strategic transactions, including the merger with Sandy Spring;

the value of the Sandy Spring common stock consideration being offered to WashingtonFirst stockholders in relation to the market value, book value per share, tangible book value per share, earnings per share and

projected earnings per share of WashingtonFirst;

the fact that the merger consideration represented approximately 2.56 times the book value per share of WashingtonFirst common stock based on the closing price of Sandy Spring common stock on May 12, 2017 and represented a premium of approximately 33.4% to WashingtonFirst's closing stock price as of the same day;

the expected future payment after completion of the Transactions of significant dividends to legacy WashingtonFirst stockholders, based on Sandy Spring's current and forecasted dividend yield;

the market capitalization and trading liquidity of Sandy Spring common stock in the event WashingtonFirst stockholders desired to sell the shares of Sandy Spring common stock to be received by them upon completion of the Transactions;

the price protection in the form of a price collar fixing the deal value per share of WashingtonFirst common stock at \$32.30 per share if the average closing price of Sandy Spring's common stock, measured pursuant to the terms of the merger agreement, is equal to or greater than \$34.00 and less than \$37.07 per share;

Table of Contents

the ability to terminate the merger agreement if the Sandy Spring volume-weighted average price falls below \$34.00 per share, subject to Sandy Spring's right to prevent a walkaway by increasing the exchange ratio or agreeing to add a cash component to the per share consideration as more fully set forth in the merger agreement;

the potential value of an expansion of the Sandy Spring branch network, particularly in northern Virginia, adding WashingtonFirst branch locations to Sandy Spring's existing branch network in Virginia, Maryland, and Washington, D.C.;

the increased possibilities for growth, both organically and through possible future acquisitions, that would be available to the combined company, given its larger size, asset base, capital and footprint;

the shared community banking philosophies of WashingtonFirst and Sandy Spring, and each entity's commitment to community service and support of community-based non-profit organizations and causes;

the likelihood of successful integration and operation of the combined company;

the likelihood of obtaining the regulatory approvals needed to complete the transaction;

the strategic benefits of the transaction, including the potential cost-saving opportunities resulting from the Transactions and the potential for WashingtonFirst's stockholders, as future Sandy Spring stockholders, to benefit to the extent of their interest in the combined company from the anticipated pro forma impact of the Transactions; and

the effects of the Transactions on WashingtonFirst employees, including the prospects for continued employment and the severance and other benefits agreed to be provided to WashingtonFirst employees.

In addition to considering the factors described above, the WashingtonFirst board also considered a number of potential risks and uncertainties associated with the Transactions in connection with its deliberations on the Transactions, including without limitation the following factors:

the challenges of integrating WashingtonFirst's businesses, operations and employees with those of Sandy Spring;

the potential effects of the Transactions on WashingtonFirst's deposit and loan customers, employees and on the communities in which WashingtonFirst operates;

the need to obtain approval by stockholders of WashingtonFirst and Sandy Spring, as well as regulatory approvals in order to complete the Transactions;

the risks associated with the operations of the combined company, including the ability to achieve the anticipated cost savings;

the fact that certain WashingtonFirst directors and executive officers have interests in the Transactions that are different from, or in addition to, those of other WashingtonFirst stockholders, as more fully discussed under [Interests of Certain WashingtonFirst Directors and Executive Officers in the Transactions](#) on page [];

the risks associated with entry into the merger agreement and the conduct of WashingtonFirst's business before the Transactions are completed, including diversion of management's attention and resources from the operation of WashingtonFirst's business in planning for the merger and executing integration plans and the possibility of employee attrition or adverse effects on client and business relationships as a result of the announcement and pendency of the Transactions;

the impact that provisions of the merger agreement relating to the payment of a termination fee by WashingtonFirst may have on WashingtonFirst receiving superior acquisition offers; and

the fact that the value of the aggregate and per share merger consideration will fluctuate with the market price of Sandy Spring's common stock if the average price of Sandy Spring's common stock

Table of Contents

moves outside the price collar, and the risk that Sandy Spring's common stock price might decline reducing the aggregate and per share merger consideration from the values at the time the merger agreement was approved.

The WashingtonFirst board also considered the structural protections included in the merger agreement, such as the ability of WashingtonFirst to terminate the merger agreement if, without limitation:

Sandy Spring breaches the representation that, since December 31, 2016, no event has occurred or circumstance arisen that has had, or is reasonably expected to have, a material adverse effect with respect to Sandy Spring, which breach cannot be or has not been cured within 30 days after written notice of the breach to Sandy Spring;

Sandy Spring materially breaches any of its covenants or agreements under the merger agreement, which material breach cannot be or has not been cured within 30 days after written notice of the breach to Sandy Spring; or

any required approval of any government authority is denied by final nonappealable action of such government authority, or the Sandy Spring stockholders do not approve the Sandy Spring share issuance proposal at the Sandy Spring special meeting or the WashingtonFirst stockholders do not approve the WashingtonFirst merger proposal at the WashingtonFirst special meeting.

The WashingtonFirst board also noted that it could terminate the merger agreement if the volume-weighted average closing price of Sandy Spring common stock, as determined pursuant to the terms of the merger agreement, is less than \$34.00, subject however, to Sandy Spring's rights under the merger agreement to prevent WashingtonFirst's termination by agreeing to provide WashingtonFirst's stockholders with a minimum deal value of \$32.30 per share of WashingtonFirst common stock by either increasing the exchange ratio or adding a cash component to the merger consideration.

Finally, the WashingtonFirst board took note of its right to participate in discussions with respect to an unsolicited acquisition proposal, as defined in the merger agreement, that was received by WashingtonFirst in compliance with the non-solicitation provisions of the merger agreement and that constitutes or is reasonably likely to lead to a transaction that involves consideration to the WashingtonFirst stockholders that is more favorable, from a financial point of view, than the merger consideration under the merger agreement. In the event the WashingtonFirst board, in the exercise of their fiduciary obligations to WashingtonFirst's stockholders, recommend or endorse such an acquisition proposal, Sandy Spring would have the right to terminate the merger agreement and collect from WashingtonFirst a termination fee of \$18.5 million. The amount of this potential termination fee was negotiated at arm's-length and was deemed by the WashingtonFirst board to be reasonable based upon the break-up fees provided for in comparable transactions and the fact that multiple institutions had already been given an opportunity to bid prior to the approval of the merger agreement. As of the date of this joint proxy statement/prospectus, no unsolicited acquisition proposals have been received.

The foregoing discussion of the information and factors considered by the WashingtonFirst board is not intended to be exhaustive, but includes the material factors considered by the WashingtonFirst board. In view of the wide variety and complexity of factors considered in connection with its evaluation of the Transactions, the WashingtonFirst board did not find it practicable to, and did not attempt to, quantify, rank or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given

different weights to different factors. The WashingtonFirst board did not undertake to make any specific determination as to whether any factor, or any particular aspect of any factor, supported or did not support its ultimate determination. The WashingtonFirst board based its recommendation on the totality of the information considered.

The WashingtonFirst board unanimously recommends that you vote FOR the approval of the WashingtonFirst merger proposal and FOR the WashingtonFirst adjournment proposal. WashingtonFirst stockholders should be aware that WashingtonFirst's directors and executive officers have interests in the

Table of Contents

Transactions that are different from, or in addition to, those of other WashingtonFirst stockholders. The WashingtonFirst board was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the Transactions, and in unanimously recommending that the merger agreement be approved by the WashingtonFirst stockholders. See [Interests of Certain WashingtonFirst Directors and Executive Officers in the Transactions](#) on page [].

Opinion of WashingtonFirst's Financial Advisor

WashingtonFirst engaged KBW to render financial advisory and investment banking services to WashingtonFirst, including an opinion to the WashingtonFirst board as to the fairness, from a financial point of view, to the holders of WashingtonFirst common stock of the exchange ratio to be received by such stockholders in the proposed first-step merger. WashingtonFirst selected KBW because KBW is a nationally recognized investment banking firm with substantial experience in transactions similar to the Transactions. As part of its investment banking business, KBW is continually engaged in the valuation of financial services businesses and their securities in connection with mergers and acquisitions.

As part of its engagement, representatives of KBW attended the meeting of the WashingtonFirst board held on May 15, 2017, at which the WashingtonFirst board evaluated the proposed Transactions. At this meeting, KBW reviewed the financial aspects of the proposed Transactions and rendered to the WashingtonFirst board an opinion to the effect that, as of such date and subject to the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW as set forth in its opinion, the exchange ratio in the proposed first-step merger (defined, for purposes of the opinion, as the ratio of 0.8713 of a share of Sandy Spring common stock for one share of WashingtonFirst common stock) was fair, from a financial point of view, to the holders of WashingtonFirst common stock. The WashingtonFirst board approved the merger agreement at this meeting.

The description of the opinion set forth herein is qualified in its entirety by reference to the full text of the opinion, which is attached as [Annex E](#) to this joint proxy statement/prospectus and is incorporated herein by reference, and describes the procedures followed, assumptions made, matters considered, and qualifications and limitations on the review undertaken by KBW in preparing the opinion.

KBW's opinion speaks only as of the date of the opinion. The opinion was for the information of, and was directed to, the WashingtonFirst board (in its capacity as such) in connection with its consideration of the financial terms of the integrated mergers. The opinion addressed only the fairness, from a financial point of view, of the exchange ratio in the first-step merger to the holders of WashingtonFirst common stock. It did not address the underlying business decision of WashingtonFirst to engage in the integrated mergers or enter into the merger agreement or constitute a recommendation to the WashingtonFirst board in connection with the integrated mergers, and it does not constitute a recommendation to any holder of WashingtonFirst voting common stock or any stockholder of any other entity as to how to vote in connection with the integrated mergers or any other matter, nor does it constitute a recommendation regarding whether or not any stockholder of WashingtonFirst or any other entity should enter into a voting, stockholders', or affiliates agreement with respect to the Transactions or exercise any dissenters' or appraisal rights that may be available to such stockholder.

KBW's opinion was reviewed and approved by KBW's Fairness Opinion Committee in conformity with its policies and procedures established under the requirements of Rule 5150 of the Financial Industry Regulatory Authority.

In connection with the opinion, KBW reviewed, analyzed and relied upon material bearing upon the financial and operating condition of WashingtonFirst and Sandy Spring and bearing upon the integrated mergers, including, among other things:

a draft of the merger agreement dated May 15, 2017 (the most recent draft then made available to KBW);

Table of Contents

the audited financial statements and the Annual Reports on Form 10-K for each of the three fiscal years in the period ended December 31, 2016 of WashingtonFirst;

the unaudited quarterly financial statements and Quarterly Report on Form 10-Q for the period ended March 31, 2017 of WashingtonFirst;

the audited financial statements and the Annual Reports on Form 10-K for each of the three fiscal years in the period ended December 31, 2016 of Sandy Spring;

the unaudited quarterly financial statements and Quarterly Report on Form 10-Q for the period ended March 31, 2017 of Sandy Spring;

certain regulatory filings of WashingtonFirst and Sandy Spring including the quarterly reports on Form FR Y-9C and call reports filed with respect to each quarter during the three-year period ended March 31, 2017 for Sandy Spring and December 31, 2016 for WashingtonFirst and their respective subsidiary bank's call reports filed with respect to each quarter during the three-year period ended March 31, 2017;

certain other interim reports and other communications of WashingtonFirst and Sandy Spring to their respective stockholders; and

other financial information concerning the businesses and operations of WashingtonFirst and Sandy Spring that was furnished to KBW by WashingtonFirst and Sandy Spring or which KBW was otherwise directed to use for purposes of KBW's analyses.

KBW's consideration of financial information and other factors that it deemed appropriate under the circumstances or relevant to its analyses included, among others, the following:

the historical and current financial position and results of operations of WashingtonFirst and Sandy Spring;

the assets and liabilities of WashingtonFirst and Sandy Spring;

the nature and terms of certain other merger transactions and business combinations in the banking industry;

a comparison of certain financial and stock market information for WashingtonFirst and Sandy Spring with similar information for certain other companies the securities of which were publicly traded;

financial and operating forecasts and projections of WashingtonFirst that were prepared by, and provided to KBW and discussed with KBW by, WashingtonFirst management and that were used and relied upon by KBW at the direction of such management and with the consent of the WashingtonFirst board;

publicly available consensus street estimates of Sandy Spring for 2017 and 2018, as well as, for 2018, adjustments thereto by Sandy Spring management for current tax rates and assumed long-term Sandy Spring growth rates provided to KBW by Sandy Spring management, all of which information was discussed with KBW by Sandy Spring management and used and relied upon by KBW based on such discussions, at the direction of WashingtonFirst management and with the consent of the WashingtonFirst board; and

estimates regarding certain pro forma financial effects of the integrated mergers on Sandy Spring (including, without limitation, the cost savings and related expenses expected to result or be derived from the integrated mergers) that were prepared by, and provided to and discussed with KBW by, Sandy Spring management, and used and relied upon by KBW based on such discussions, at the direction of WashingtonFirst management and with the consent of the WashingtonFirst board.

KBW also performed such other studies and analyses as it considered appropriate and took into account its assessment of general economic, market and financial conditions and its experience in other transactions, as well

Table of Contents

as its experience in securities valuation and knowledge of the banking industry generally. KBW also participated in discussions held by the managements of WashingtonFirst and Sandy Spring regarding the past and current business operations, regulatory relations, financial condition and future prospects of their respective companies and such other matters as KBW deemed relevant to its inquiry. In addition, KBW considered the results of the efforts undertaken by WashingtonFirst, with KBW's assistance, to solicit indications of interest from third parties regarding a potential transaction with WashingtonFirst.

In conducting its review and arriving at its opinion, KBW relied upon and assumed the accuracy and completeness of all of the financial and other information that was provided to it or that was publicly available and did not independently verify the accuracy or completeness of any such information or assume any responsibility or liability for such verification, accuracy or completeness. KBW relied upon the management of WashingtonFirst as to the reasonableness and achievability of the financial and operating forecasts and projections of WashingtonFirst referred to above (and the assumptions and bases therefor), and KBW assumed that such forecasts and projections were reasonably prepared and represented the best currently available estimates and judgments of such management and that such forecasts and projections would be realized in the amounts and in the time periods estimated by such management. KBW further relied, with the consent of WashingtonFirst, upon Sandy Spring management as to the reasonableness and achievability of the publicly available consensus street estimates of Sandy Spring (as adjusted for 2018), the assumed Sandy Spring long-term growth rates, and the estimates regarding certain pro forma financial effects of the Transactions on Sandy Spring, all as referred to above (and the assumptions and bases for all such information, including, without limitation, the cost savings and related expenses expected to result or be derived from the Transactions), and KBW assumed that all such information was reasonably prepared and represented, or in the case of the Sandy Spring street estimates (as adjusted for 2018) referred to above that such estimates were consistent with, the best currently available estimates and judgments of Sandy Spring management and that the forecasts, projections and estimates reflected in such information would be realized in the amounts and in the time periods estimated.

It is understood that the portion of the foregoing financial information of WashingtonFirst and Sandy Spring that was provided to KBW was not prepared with the expectation of public disclosure, that all of the foregoing financial information, including the publicly available consensus street estimates of Sandy Spring, was based on numerous variables and assumptions that are inherently uncertain, including, without limitation, factors related to general economic and competitive conditions and that, accordingly, actual results could vary significantly from those set forth in such information. KBW assumed, based on discussions with the respective managements of WashingtonFirst and Sandy Spring and with the consent of the WashingtonFirst board, that all such information provided a reasonable basis upon which KBW could form its opinion and KBW expressed no view as to any such information or the assumptions or bases therefor. KBW relied on all such information without independent verification or analysis and did not in any respect assume any responsibility or liability for the accuracy or completeness thereof.

KBW also assumed that there were no material changes in the assets, liabilities, financial condition, results of operations, business or prospects of either WashingtonFirst or Sandy Spring since the date of the last financial statements of each such entity that were made available to KBW. KBW is not an expert in the independent verification of the adequacy of allowances for loan and lease losses and KBW assumed, without independent verification and with WashingtonFirst's consent, that the aggregate allowances for loan and lease losses for WashingtonFirst and Sandy Spring are adequate to cover such losses. In rendering its opinion, KBW did not make or obtain any evaluations or appraisals or physical inspection of the property, assets or liabilities (contingent or otherwise) of WashingtonFirst or Sandy Spring, the collateral securing any of such assets or liabilities, or the collectability of any such assets, nor did KBW examine any individual loan or credit files, nor did it evaluate the solvency, financial capability or fair value of WashingtonFirst or Sandy Spring under any state or federal laws, including those relating to bankruptcy, insolvency or other matters. Estimates of values of companies and assets do

not purport to be appraisals or necessarily reflect the prices at which companies or

Table of Contents

assets may actually be sold. Because such estimates are inherently subject to uncertainty, KBW assumed no responsibility or liability for their accuracy.

KBW assumed, in all respects material to its analyses:

that the integrated mergers and any related transactions (including the bank merger) would be completed substantially in accordance with the terms set forth in the merger agreement (the final terms of which KBW assumed would not differ in any respect material to KBW's analyses from the draft reviewed and referred to above) with no adjustments to the exchange ratio and with no other consideration or payments in respect of the WashingtonFirst common stock;

that the representations and warranties of each party in the merger agreement and in all related documents and instruments referred to in the merger agreement were true and correct;

that each party to the merger agreement and all related documents would perform all of the covenants and agreements required to be performed by such party under such documents;

that there were no factors that would delay or subject to any adverse conditions any necessary regulatory or governmental approval for the integrated mergers or any related transactions (including the subsidiary bank merger) and that all conditions to the completion of the integrated mergers and any related transaction would be satisfied without any waivers or modifications to the merger agreement or any of the related documents; and

that in the course of obtaining the necessary regulatory, contractual, or other consents or approvals for the integrated mergers and any related transaction (including the subsidiary bank merger), no restrictions, including any divestiture requirements, termination or other payments or amendments or modifications, would be imposed that would have a material adverse effect on the future results of operations or financial condition of WashingtonFirst, Sandy Spring or the pro forma entity, or the contemplated benefits of the Transactions, including without limitation the cost savings and related expenses expected to result or be derived from the Transactions.

KBW assumed that the integrated mergers would be consummated in a manner that complies with the applicable provisions of the Securities Act of 1933, as amended, the Exchange Act, as amended, and all other applicable federal and state statutes, rules and regulations. KBW was further advised by representatives of WashingtonFirst that WashingtonFirst relied upon advice from its advisors (other than KBW) or other appropriate sources as to all legal, financial reporting, tax, accounting and regulatory matters with respect to WashingtonFirst, Sandy Spring, Merger Sub, the integrated mergers and any related transaction (including the subsidiary bank merger), and the merger agreement. KBW did not provide advice with respect to any such matters.

KBW's opinion addressed only the fairness, from a financial point of view, as of the date of the opinion, of the exchange ratio in the first-step merger to the holders of WashingtonFirst common stock, without regard to differences between WashingtonFirst voting common stock and WashingtonFirst non-voting common stock. KBW expressed no view or opinion as to any other terms or aspects of the integrated mergers or any term or aspect of any related

transaction (including the subsidiary bank merger), including without limitation, the form or structure of the merger or any such related transaction, any consequences of the integrated mergers or any such related transaction to WashingtonFirst, its stockholders, creditors or otherwise, or any terms, aspects, merits or implications of any employment, consulting, voting, support, stockholder or other agreements, arrangements or understandings contemplated or entered into in connection with the integrated mergers or otherwise. KBW's opinion was necessarily based upon conditions as they existed and could be evaluated on the date of such opinion and the information made available to KBW through such date. Developments subsequent to the date of KBW's opinion may have affected, and may affect, the conclusion reached in KBW's opinion and KBW did not and does not have an obligation to update, revise or reaffirm its opinion. For purposes of its analyses, KBW did not

Table of Contents

incorporate recently-announced proposed changes to United States tax laws regarding corporate tax rates. KBW's opinion did not address, and KBW expressed no view or opinion with respect to:

the underlying business decision of WashingtonFirst to engage in the integrated mergers or enter into the merger agreement;

the relative merits of the integrated mergers as compared to any strategic alternatives that are, have been or may be available to or contemplated by WashingtonFirst or the WashingtonFirst board;

the fairness of the amount or nature of any compensation to any of WashingtonFirst's officers, directors or employees, or any class of such persons, relative to the compensation to the holders of WashingtonFirst common stock;

the effect of the integrated mergers or any related transaction on, or the fairness of the consideration to be received by, holders of any class of securities of WashingtonFirst (other than the holders of WashingtonFirst common stock solely with respect to the exchange ratio, as described in KBW's opinion and not relative to the consideration to be received by holders of any other class of securities) or holders of any class of securities of Sandy Spring or any other party to any transaction contemplated by the merger agreement;

the relative fairness of the exchange ratio as between holders of WashingtonFirst voting common stock and holders of WashingtonFirst non-voting common stock;

any adjustment (as provided in the merger agreement) to the exchange ratio assumed for purposes of KBW's opinion or any other additional consideration (as provided in the merger agreement) that could be paid for WashingtonFirst common stock;

the actual value of Sandy Spring common stock to be issued in the first-step merger;

the prices, trading range or volume at which WashingtonFirst voting common stock or Sandy Spring common stock would trade following the public announcement of the integrated mergers or the prices, trading range or volume at which Sandy Spring common stock would trade following the consummation of the integrated mergers;

any advice or opinions provided by any other advisor to any of the parties to the integrated mergers or any other transaction contemplated by the merger agreement; or

any legal, regulatory, accounting, tax or similar matters relating to WashingtonFirst, Sandy Spring, their respective stockholders, or relating to or arising out of or as a consequence of the integrated mergers or any related transaction (including the subsidiary bank merger), including whether or not the integrated mergers would qualify as a tax-free reorganization for United States federal income tax purposes.

In performing its analyses, KBW made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, which are beyond the control of KBW, WashingtonFirst and Sandy Spring. Any estimates contained in the analyses performed by KBW are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses.

Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, the KBW opinion was among several factors taken into consideration by the WashingtonFirst board in making its determination to approve the merger agreement and the Transactions.

Consequently, the analyses described below should not be viewed as determinative of the decision of the WashingtonFirst board with respect to the fairness of the exchange ratio. The type and amount of consideration payable in the Transactions were determined through negotiation between WashingtonFirst and Sandy Spring and the decision of WashingtonFirst to enter into the merger agreement was solely that of the WashingtonFirst board.

Table of Contents

The following is a summary of the material financial analyses presented by KBW to the WashingtonFirst board in connection with its opinion. The summary is not a complete description of the financial analyses underlying the opinion or the presentation made by KBW to the WashingtonFirst board, but summarizes the material analyses performed and presented in connection with such opinion. The financial analyses summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex analytic process involving various determinations as to appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, KBW did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Accordingly, KBW believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying its analyses and opinion.

For purposes of the financial analyses described below, KBW utilized an implied transaction value for the proposed merger of \$36.50 per outstanding share of WashingtonFirst common stock based on the closing price of Sandy Spring common stock on May 12, 2017 and assuming each outstanding share of WashingtonFirst common stock will be converted into 0.8713 of a share of Sandy Spring common stock in the proposed first-step merger.

WashingtonFirst Selected Companies Analysis. Using publicly available information, KBW compared the financial performance, financial condition and market performance of WashingtonFirst to 10 selected major exchange-traded banks and thrifts headquartered in Maryland or Virginia with total assets between \$1.25 billion and \$5.0 billion and nonperforming assets to total assets less than 3.00%. Targets of publicly announced merger transactions were excluded from the selected companies.

The selected companies were as follows:

Access National Corporation	First Community Bancshares, Inc.
American National Bankshares, Inc.	Old Line Bancshares, Inc.
C&F Financial Corporation	Shore Bancshares, Inc.
Community Bankers Trust Corporation	Southern National Bancorp of Virginia, Inc.
Community Financial Corporation	Xenith Bankshares, Inc.

To perform this analysis, KBW used profitability and other financial information for, as of, or, in the case of last twelve months (LTM) information, through, the most recent completed quarter (MRQ) available (which was the fiscal quarter ended March 31, 2017, except as otherwise noted) and market price information as of May 12, 2017. KBW also used 2017 and 2018 earnings per share (EPS) estimates taken from consensus street estimates of WashingtonFirst and the selected companies to the extent publicly available (consensus street estimates were not publicly available for one of the selected companies). In addition, the assets, capital ratios, loans to deposits ratio, market capitalization and price to tangible book value per share multiple of Access National Corporation, Southern National Bancorp of Virginia, Inc., Old Line Bancshares, Inc. and Shore Bancshares, Inc. reflected the pro forma impact of pending and recently completed acquisitions based on publicly available information. Certain financial data prepared by KBW, and as referenced in the tables presented below, may not correspond to the data presented in WashingtonFirst s historical financial statements, or the data prepared by Sandler O Neill presented under the section Opinion of Sandy Spring s Financial Advisor, as a result of the different periods, assumptions and methods used by KBW to compute the

financial data presented.

Table of Contents

KBW's analysis showed the following concerning the financial performance of WashingtonFirst and the selected companies:

	Selected Companies				
	WashingtonFirst	25 th Percentile	Average	Median	75 th Percentile
LTM Core Return on Average Assets ⁽¹⁾	1.00%	0.88%	0.90%	0.93%	0.99%
LTM Core Return on Average Equity ⁽¹⁾	9.63%	7.71%	8.48%	8.08%	9.83%
LTM Core Return on Average Tangible Common Equity ⁽¹⁾	10.33%	7.98%	9.47%	10.06%	11.29%
LTM Net Interest Margin	3.50%	3.46%	3.91%	3.67%	3.90%
LTM Fee Income / Revenue Ratio ⁽²⁾	29.0%	10.1%	18.8%	18.5%	23.8%
LTM Efficiency Ratio	62.6%	64.9%	62.1%	63.0%	60.6%

(1) Core income excluded extraordinary items, non-recurring items (including, in the case of Xenith Bankshares, Inc., exclusion of a deferred tax asset valuation allowance reversal), gains/losses on sale of securities and amortization of intangibles.

(2) Excluded gains/losses on sale of securities.

KBW's analysis showed the following concerning the financial condition of WashingtonFirst and, to the extent publicly available, the selected companies:

	Selected Companies				
	WashingtonFirst	25 th Percentile	Average	Median	75 th Percentile
Tangible Common Equity / Tangible Assets	9.01%	8.25%	9.36%	8.96%	9.49%
Leverage Ratio	9.86%	8.95%	9.84%	9.63%	10.68%
Common Equity Tier 1 Ratio	11.07%	10.59%	11.47%	11.73%	11.94%
Total Capital Ratio	13.90%	12.82%	13.52%	13.48%	14.17%
Loans / Deposits	95.1%	86.2%	92.3%	89.2%	98.3%
Loan Loss Reserve / Gross Loans	0.89%	0.73%	1.07%	0.88%	1.06%
Nonperforming Assets / Loans + OREO ⁽¹⁾	0.46%	2.56%	2.03%	1.84%	1.35%
LTM Net Charge-Offs / Average Loans	0.14%	0.49%	0.37%	0.14%	0.08%

(1) The nonperforming assets to loans plus OREO ratio for Access National Corporation was based on consolidated December 31, 2016 financial data due to incomplete reported financial information as of March 31, 2017. Nonperforming assets included nonaccrual loans, accruing troubled debt restructured loans and other real estate owned.

Table of Contents

In addition, KBW's analysis showed the following concerning the market performance of WashingtonFirst and, to the extent publicly available, the selected companies (excluding the impact of the LTM EPS multiple for one of the selected companies and the 2017 EPS multiple for another of the selected companies, which multiples were considered to be not meaningful because they were greater than 30.0x or negative):

	WashingtonFirst	Selected Companies			
		25 th Percentile	Average	Median	75 th Percentile
One-Year Stock Price Change	35.4%	37.3%	42.8%	41.9%	51.3%
One-Year Total Return	36.7%	39.6%	45.1%	44.3%	52.2%
Year-To-Date Stock Price Change	(3.7%)	(2.2%)	3.7%	3.8%	9.8%
Stock Price / Tangible Book Value per Share	1.96x	1.51x	1.77x	1.71x	1.96x
Stock Price / LTM EPS	19.8x	17.9x	18.9x	20.1x	20.5x
Stock Price / 2017 Estimated EPS	18.4x ⁽²⁾	16.8x	18.4x	17.2x	18.5x
Stock Price / 2018 Estimated EPS	16.6x ⁽³⁾	13.5x	15.0x	15.2x	15.7x
Dividend Yield ⁽¹⁾	1.0%	1.1%	1.6%	1.6%	2.4%
Dividend Payout ⁽¹⁾	19.8%	23.1%	28.7%	29.4%	42.8%

(1) Dividend yield calculated using MRQ dividend annualized (excluding special dividends) as a percentage of stock price and dividend payout calculated using MRQ dividend annualized (excluding special dividends) as a percentage of LTM EPS.

(2) For reference purposes, using financial and operating forecasts and projections of WashingtonFirst provided by WashingtonFirst management, the market price to estimated 2017 EPS multiple of WashingtonFirst was 17.5x.

(3) For reference purposes, using financial and operating forecasts and projections of WashingtonFirst provided by WashingtonFirst management, the market price to estimated 2018 EPS multiple of WashingtonFirst was 15.3x.

KBW also reviewed with the WashingtonFirst board of directors implied transaction multiples for the proposed merger, based on the implied transaction value for the proposed merger of \$36.50 per outstanding share of WashingtonFirst common stock, of 2.56x WashingtonFirst's tangible book value per share as of March 31, 2017, 25.9x WashingtonFirst's LTM EPS, 24.1x WashingtonFirst's estimated 2017 EPS and 21.7x WashingtonFirst's estimated 2018 EPS using consensus street estimates of WashingtonFirst, and 22.8x WashingtonFirst's estimated 2017 EPS and 19.8x WashingtonFirst's estimated 2018 EPS using financial and operating forecasts and projections of WashingtonFirst provided by WashingtonFirst management.

No company used as a comparison in the above selected companies analysis is identical to WashingtonFirst. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Sandy Spring Selected Companies Analysis. Using publicly available information, KBW compared the financial performance, financial condition and market performance of Sandy Spring to 11 selected major exchange-traded banks and thrifts headquartered in Delaware, Maryland, Pennsylvania, Virginia or West Virginia with total assets between \$3.0 billion and \$9.0 billion. Targets of publicly announced merger transactions were excluded from the selected companies.

The selected companies were as follows:

Beneficial Bancorp, Inc.

TriState Capital Holdings, Inc.

Bryn Mawr Bank Corporation

Union Bankshares Corporation

City Holding Company

Univest Corporation of Pennsylvania

Eagle Bancorp, Inc.

WSFS Financial Corporation

First Commonwealth Financial Corporation

Xenith Bankshares, Inc.

S&T Bancorp, Inc.

Table of Contents

To perform this analysis, KBW used profitability and other financial information for, as of, or, in the case of LTM information, through, the fiscal quarter ended March 31, 2017 and market price information as of May 12, 2017. KBW also used 2017 and 2018 EPS estimates taken from consensus street estimates for Sandy Spring and the selected companies. In addition, the assets, capital ratios, loans to deposits ratio, market capitalization and price to tangible book value per share multiple for First Commonwealth Financial Corporation and Bryn Mawr Bank Corporation reflected the pro forma impact of pending and recently completed acquisitions based on publicly available information. Certain financial data prepared by KBW, and as referenced in the tables presented below, may not correspond to the data presented in Sandy Spring's historical financial statements, or the data prepared by Sandler O'Neill presented under the section Opinion of Sandy Spring's Financial Advisor, as a result of the different periods, assumptions and methods used by KBW to compute the financial data presented.

KBW's analysis showed the following concerning the financial performance of Sandy Spring and the selected companies:

	Selected Companies				
	Sandy Spring	25 th Percentile	Average	Median	75 th Percentile
LTM Core Return on Average Assets ⁽¹⁾	1.08%	0.86%	1.02%	1.02%	1.19%
LTM Core Return on Average Equity ⁽¹⁾	9.91%	7.98%	8.58%	8.71%	10.68%
LTM Core Return on Average Tangible Common Equity ⁽¹⁾	11.81%	10.95%	11.38%	12.35%	14.06%
LTM Net Interest Margin	3.51%	3.38%	3.47%	3.47%	3.77%
LTM Fee Income / Revenue Ratio ⁽²⁾	24.6%	18.3%	25.1%	24.8%	32.7%
LTM Efficiency Ratio	57.2%	67.1%	60.3%	61.2%	56.3%

(1) Core income excluded extraordinary items, non-recurring items (including, in the case of Xenith Bankshares, Inc., exclusion of a deferred tax asset valuation allowance reversal), gains/losses on sale of securities and amortization of intangibles.

(2) Excluded gains/losses on sale of securities.

KBW's analysis showed the following concerning the financial condition of Sandy Spring and the selected companies:

	Selected Companies				
	Sandy Spring	25 th Percentile	Average	Median	75 th Percentile
Tangible Common Equity / Tangible Assets	8.95%	8.12%	9.67%	8.36%	10.46%
Leverage Ratio	9.26%	8.93%	10.25%	9.61%	11.04%
Common Equity Tier 1 Ratio	11.02%	9.62%	11.81%	10.74%	12.02%
Total Capital Ratio	12.06%	12.21%	13.98%	13.01%	14.37%
Loans / Deposits	105.1%	93.3%	97.0%	97.0%	99.9%
Loan Loss Reserve / Gross Loans	1.09%	0.58%	0.76%	0.78%	0.94%
Nonperforming Assets / Loans + OREO ⁽¹⁾	0.80%	1.23%	0.94%	1.01%	0.64%
LTM Net Charge-Offs / Average Loans	0.06%	0.26%	0.21%	0.13%	0.09%

- (1) Nonperforming assets included nonaccrual loans, accruing troubled debt restructured loans and other real estate owned.

Table of Contents

In addition, KBW's analysis showed the following concerning the market performance of Sandy Spring and the selected companies (excluding the impact of the LTM EPS multiples for three of the selected companies and the 2017 EPS multiple for another of the selected companies, which multiples were considered to be not meaningful because they were greater than 30.0x):

	Sandy Spring	Selected Companies			
		25 th Percentile	Average	Median	75 th Percentile
One-Year Stock Price Change	50.9%	29.1%	41.1%	41.2%	49.5%
One-Year Total Return	55.2%	31.1%	43.5%	45.7%	53.0%
Year-To-Date Stock Price Change	4.8%	(9.6%)	(4.6%)	(3.5%)	(1.3%)
Stock Price / Tangible Book Value per Share	2.19x	2.08x	2.21x	2.35x	2.54x
Stock Price / LTM EPS	19.2x	17.9x	19.3x	19.0x	20.1x
Stock Price / 2017 Estimated EPS	17.4x	17.0x	18.7x	18.3x	19.1x
Stock Price / 2018 Estimated EPS	16.0x	14.3x	16.7x	14.9x	16.9x
Dividend Yield ⁽¹⁾	2.5%	0.3%	1.5%	2.0%	2.5%
Dividend Payout ⁽¹⁾	47.7%	6.5%	33.8%	39.1%	46.2%

(1) Dividend yield calculated using MRQ dividend annualized (excluding special dividends) as a percentage of stock price and dividend payout calculated using MRQ dividend annualized (excluding special dividends) as a percentage of LTM EPS.

No company used as a comparison in the above selected companies analysis is identical to Sandy Spring. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Selected Transactions Analysis. KBW reviewed publicly available information related to 25 selected U.S. whole bank transactions announced since January 1, 2016 with announced transaction values between \$200 million and \$1.0 billion. Terminated transactions were excluded from the selected transactions.

Table of Contents

The selected transactions were as follows:

Acquiror

South State Corporation
 TowneBank
 PacWest Bancorp
 Home BancShares, Inc.
 First Merchants Corporation
 Heartland Financial USA, Inc.
 First Busey Corporation
 Simmons First National Corporation
 Columbia Banking System, Inc.
 Simmons First National Corporation
 Pacific Premier Bancorp, Inc.
 Independent Bank Group, Inc.
 First Interstate BancSystem, Inc.
 Access National Corporation
 Community Bank System, Inc.
 United Bankshares, Inc.
 Cathay General Bancorp
 First Midwest Bancorp, Inc.
 People's United Financial, Inc.
 South State Corporation
 WesBanco, Inc.
 Mechanics Bank
 Pinnacle Financial Partners, Inc.
 Old National Bancorp
 OceanFirst Financial Corp.

Acquired Company

Park Sterling Corporation
 Paragon Commercial Corporation
 CU Bancorp
 Stonegate Bank
 Independent Alliance Banks, Inc.
 Citywide Banks of Colorado, Inc.
 First Community Financial Partners, Inc.
 First Texas BHC, Inc.
 Pacific Continental Corporation
 Southwest Bancorp, Inc.
 Heritage Oaks Bancorp
 Carlisle Bancshares, Inc.
 Cascade Bancorp
 Middleburg Financial Corporation
 Merchants Bancshares, Inc.
 Cardinal Financial Corporation
 SinoPac Bancorp
 Standard Bancshares, Inc.
 Suffolk Bancorp
 Southeastern Bank Financial Corporation
 Your Community Bankshares, Inc.
 California Republic Bancorp
 Avenue Financial Holdings, Inc.
 Anchor Bancorp Wisconsin Inc.
 Cape Bancorp, Inc.

For each selected transaction, KBW derived the following implied transaction statistics, in each case based on the transaction consideration value paid for the acquired company and using financial data based on the acquired company's then latest publicly available financial statements and, to the extent publicly available, consensus street estimates (except as otherwise indicated) prior to the announcement of the respective transaction:

Price per common share to tangible book value per share of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by total tangible common equity);

Tangible equity premium to core deposits (total deposits less time deposits greater than \$100,000) of the acquired company, referred to as core deposit premium;

Price per common share to LTM EPS of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided

by LTM earnings);

Price per common share to current year estimated EPS of the acquired company in the 18 selected transactions in which consensus street estimates for the acquired company were then available (or, in the case of the Simmons First National Corporation/First Texas BHC, Inc. transaction, where the current year's earnings estimate for the acquired company was provided in the investor presentation filed in conjunction with the announcement of that transaction).

KBW also reviewed the price per common share paid for the acquired company for the 20 selected transactions in which the acquired company was publicly traded as a premium to the closing price of the acquired

Table of Contents

company one day prior to the announcement of the respective transaction (expressed as a percentage and referred to as the one-day market premium). The above transaction statistics for the selected transactions were compared with the corresponding transaction statistics for the proposed Transactions based on the implied transaction value for the proposed Transactions of \$36.50 per outstanding share of WashingtonFirst common stock and using historical financial information for WashingtonFirst as of and for the twelve month period ended March 31, 2017, estimated 2017 EPS data of WashingtonFirst from consensus street estimates of WashingtonFirst and financial and operating forecasts and projections of WashingtonFirst provided by WashingtonFirst management, and the closing price of WashingtonFirst common stock on May 12, 2017.

The results of the analysis are set forth in the following table (excluding the impact of LTM EPS multiples for three of the selected transactions, which multiples were considered to be not meaningful because they were greater than 35.0x):

	WashingtonFirst	Selected Transactions			75 th Percentile
		25 th Percentile	Average	Median	
Price / Tangible Book Value (x)	2.56x	1.84x	2.08x	2.11x	2.38x
Core Deposit Premium (%)	24.6%	11.5%	14.1%	14.2%	18.3%
Price / LTM EPS (x)	25.9x	19.7x	23.4x	22.5x	27.1x
Price / Current Year EPS (x)	24.1x ⁽¹⁾ /22.8x ⁽²⁾	19.7x	22.3x	21.2x	24.3x
One-Day Market Premium (%)	30.8%	8.1%	23.9%	17.9%	35.9%

(1) Based on 2017 EPS mean consensus street estimate.

(2) Based on 2017 EPS estimate provided by WashingtonFirst management.

No company or transaction used as a comparison in the above selected transaction analysis is identical to WashingtonFirst or the proposed Transactions. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Table of Contents

Relative Contribution Analysis. KBW analyzed the relative standalone contribution of Sandy Spring and WashingtonFirst to various pro forma balance sheet and income statement items and the pro forma market capitalization of the combined entity. This analysis did not include purchase accounting adjustments or cost savings. To perform this analysis, KBW used (i) balance sheet and net income data for Sandy Spring and WashingtonFirst as of or for the twelve month period ended March 31, 2017, (ii) 2017 and 2018 net income consensus street estimates for Sandy Spring, as adjusted in the case of 2018 for current tax rates as provided by Sandy Spring management, (iii) financial forecasts and projections relating to the net income of WashingtonFirst provided by WashingtonFirst management, and (iv) market price data as of May 12, 2017. The results of KBW's analysis are set forth in the following table, which also compares the results of KBW's analysis with the implied pro forma ownership percentages of Sandy Spring and WashingtonFirst stockholders in the combined company assuming that each outstanding share of WashingtonFirst common stock will be converted into 0.8713 of a share of Sandy Spring common stock in the proposed Transactions:

	Sandy Spring as a % of Total	WashingtonFirst as a % of Total
Ownership		
At exchange ratio of 0.8713	68%	32%
Balance Sheet		
Total Assets	72%	28%
Gross Loans Held For Investment	71%	29%
Deposits	69%	31%
Tangible Common Equity	71%	29%
Income Statement		
LTM GAAP Net Income	74%	26%
2017 Estimated GAAP Net Income	74%	26%
2018 Estimated GAAP Net Income	72%	28%
Market Capitalization		
	73%	27%

WashingtonFirst Discounted Cash Flow Analysis. KBW performed a discounted cash flow analysis of WashingtonFirst to estimate a range for the implied equity value of WashingtonFirst. In this analysis, KBW used financial forecasts and projections relating to the net income and assets of WashingtonFirst provided by WashingtonFirst management, and assumed discount rates ranging from 10.0% to 14.0%. The ranges of values were derived by adding (i) the present value of the estimated excess cash flows that WashingtonFirst could generate over the period from December 31, 2017 through 2022 as a standalone company, and (ii) the present value of WashingtonFirst's implied terminal value at the end of such period. KBW assumed that WashingtonFirst would maintain a tangible common equity to tangible asset ratio of 8.00% and would retain sufficient earnings to maintain that level. In calculating the terminal value of WashingtonFirst, KBW applied a range of 14.0x to 18.0x estimated 2023 net income. This discounted cash flow analysis resulted in a range of implied values per share of WashingtonFirst common stock of \$24.30 to \$36.16.

The discounted cash flow analysis is a widely used valuation methodology, but the results of such methodology are highly dependent on the assumptions that must be made, including asset and earnings growth rates, terminal values, dividend payout rates, and discount rates. The foregoing discounted cash flow analyses did not purport to be indicative of the actual values of WashingtonFirst.

Forecasted Pro Forma Financial Impact Analysis. KBW performed a pro forma financial impact analysis that combined projected income statement and balance sheet information of Sandy Spring and WashingtonFirst. Using

(i) closing balance sheet estimates as of December 31, 2017 for Sandy Spring and WashingtonFirst, (ii) consensus street estimates of Sandy Spring for 2017 and 2018 (as adjusted in the case of 2018 for current tax rates as provided by Sandy Spring management) and assumed long-term growth rates for Sandy Spring provided by Sandy Spring management, (iii) consensus street estimates of WashingtonFirst for 2017, 2018 and 2019 as discussed with KBW by Sandy Spring management, and (iv) pro forma assumptions (including the cost

Table of Contents

savings and related expenses expected to result from the merger and purchase accounting and other adjustments assumed with respect thereto) provided by Sandy Spring management, KBW analyzed the potential financial impact of the Transactions on certain projected financial results of Sandy Spring. This analysis indicated the Transactions could be accretive to Sandy Spring's 2018 estimated EPS (excluding the impact of restructuring charges which may be realized during 2018) and 2019 estimated EPS and dilutive to Sandy Spring's estimated tangible book value per share as of December 31, 2017. Furthermore, the analysis indicated that, pro forma for the Transactions, Sandy Spring's leverage ratio and Total Risk Based Capital Ratio as of December 31, 2017 could be higher and each of Sandy Spring's tangible common equity to tangible assets ratio, Common Equity Tier 1 Ratio and Tier 1 Risk-Based Capital Ratio as of December 31, 2017 could be lower. For all of the above analysis, the actual results achieved by Sandy Spring following the Transactions may vary from the projected results, and the variations may be material.

Miscellaneous. KBW acted as financial advisor to WashingtonFirst and not as an advisor to or agent of any other person. As part of its investment banking business, KBW is continually engaged in the valuation of bank and bank holding company securities in connection with acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for various other purposes. As specialists in the securities of banking companies, KBW has experience in, and knowledge of, the valuation of banking enterprises. In the ordinary course of its and their broker-dealer businesses, and in the case of WashingtonFirst further to an existing sales and trading relationship with a KBW affiliate, KBW and its affiliates may from time to time purchase securities from, and sell securities to, WashingtonFirst and Sandy Spring. In addition, as a market maker in securities, KBW and its affiliates may from time to time have a long or short position in, and buy or sell, debt or equity securities of WashingtonFirst or Sandy Spring for its and their own accounts and for the accounts of its and their respective customers and clients.

Pursuant to the KBW engagement agreement, WashingtonFirst agreed to pay KBW a total cash fee equal to 1.0% of the aggregate merger consideration, \$250,000 of which became payable to KBW with the rendering of its opinion and the balance of which is contingent upon the closing of the first-step merger. WashingtonFirst also agreed to reimburse KBW for reasonable out-of-pocket expenses and disbursements incurred in connection with its retention and to indemnify KBW against certain liabilities relating to or arising out of KBW's engagement or KBW's role in connection therewith. In addition to this present engagement, during the two years preceding the date of its opinion, KBW has provided investment banking and financial advisory services to WashingtonFirst and received compensation for such services. KBW acted as an underwriter in connection with WashingtonFirst's December 2015 registered offering of common stock. In addition, KBW acted as placement agent in connection with WashingtonFirst's October 2015 private placement of subordinated debt securities. During the two years preceding the date of its opinion, KBW has not provided investment banking or financial advisory services to Sandy Spring for which compensation was received. KBW provided investment banking assistance to Sandy Spring in the two years preceding the date of its opinion in regard to a potential transaction that was considered but not consummated by Sandy Spring, in connection with which KBW did not enter into an engagement agreement or receive compensation. KBW may in the future provide investment banking and financial advisory services to WashingtonFirst or Sandy Spring and receive compensation for such services.

Sandy Spring's Reasons for the Transactions; Recommendation of the Sandy Spring Board

After careful consideration, the Sandy Spring board, at a meeting held on May 15, 2017, unanimously approved the merger agreement. Accordingly, the Sandy Spring board unanimously recommends that Sandy Spring stockholders vote FOR the Sandy Spring share issuance.

In reaching its decision to approve the merger agreement, the integrated mergers and the other transactions contemplated by the merger agreement, and to recommend that its stockholders approve the Sandy Spring share

issuance, the Sandy Spring board evaluated the merger agreement and the Transactions in consultation with Sandy Spring management, as well as Sandy Spring's legal counsel and financial advisors, and considered a

Table of Contents

number of factors in favor of the Transactions, including the following material factors, which are not presented in order of priority:

the fact that the Transactions are consistent with Sandy Spring's long-term strategic goal of creating stockholder value by being and remaining a preeminent community bank in the Washington, D.C. area, including through growth by acquisitions;

the fact that the Transactions are expected to create the largest locally-headquartered community bank in the Washington, D.C. metropolitan area and bring together two well-known financial services brands in the local community;

the fact that WashingtonFirst is among the few, and most attractive, acquisition targets of scale in the Washington, D.C. region;

the unusually complementary branch footprints of Sandy Spring and WashingtonFirst;

the fact that the Transactions would respond immediately to Sandy Spring's need for more scale in the attractive northern Virginia market;

the complementary cultures of Sandy Spring and WashingtonFirst and prospects for a smooth integration of key personnel and systems;

each of Sandy Spring's and WashingtonFirst's businesses, operations, financial condition, earnings and prospects, including the view of the Sandy Spring board that WashingtonFirst's business and operations complement Sandy Spring's existing operations and lines of business;

the nature and quality of WashingtonFirst's loan portfolio and deposit base;

the fact that the Transactions will enhance Sandy Spring's operating scale at reasonable pricing;

the current and prospective environment in which Sandy Spring and WashingtonFirst operate, including national, regional and local economic conditions, the competitive environment for financial institutions generally and the likely effect of these factors on Sandy Spring both with and without the Transactions;

its review and discussions with Sandy Spring's management and its legal counsel and financial advisors concerning the due diligence investigation of WashingtonFirst and the potential financial impact of the

Transactions on the combined company;

management's expectation that Sandy Spring will retain its strong capital position upon completion of the Transactions;

the financial presentation, dated May 15, 2017, of Sandler O'Neill to the Sandy Spring board and the opinion, dated May 15, 2017, of Sandler O'Neill to the Sandy Spring board as to the fairness, from a financial point of view and as of the date of the opinion, to Sandy Spring of the merger consideration, as more fully described below under the section of this joint proxy statement/prospectus entitled "Opinion of Sandy Spring's Financial Advisor";

the terms of the merger agreement, including the expected tax treatment and deal protection and termination fee provisions, which it reviewed with Sandy Spring's outside legal and financial advisors; and

the regulatory and other approvals required in connection with the Transactions and the expectation that such regulatory and other approvals will be received in a timely manner and without the imposition of unacceptable conditions.

The Sandy Spring board also considered potential risks associated with the Transactions in connection with its deliberations of the Transactions, including (i) the potential risk of diverting management attention and resources from the operation of Sandy Spring's business and towards the completion of the Transactions; (ii) the

Table of Contents

potential risks associated with achieving anticipated cost synergies and savings and successfully integrating WashingtonFirst's business, operations and workforce with those of Sandy Spring; and (iii) the other risks identified in the sections of this joint proxy statement/prospectus entitled "Risk Factors" beginning on page [] and "Cautionary Statement Regarding Forward-Looking Statements" beginning on page [].

The foregoing discussion of the factors considered by the Sandy Spring board is not intended to be exhaustive, but, rather, includes the material factors considered by the Sandy Spring board. In reaching its decision to approve the merger agreement, the integrated mergers and the other transactions contemplated by the merger agreement. The Sandy Spring board did not quantify or assign any relative weights to the factors considered, and individual directors may have given different weights to different factors. The Sandy Spring board considered all these factors as a whole and overall considered the factors to be favorable to, and to support, its determination. It should be noted that this explanation of the Sandy Spring board's reasoning and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the section of this joint proxy statement/prospectus entitled "Cautionary Statement Regarding Forward-Looking Statements" beginning on page [].

For the reasons set forth above, the Sandy Spring approved the merger agreement. The Sandy Spring board unanimously recommends that the Sandy Spring stockholders vote "FOR" the Sandy Spring share issuance proposal and "FOR" the Sandy Spring adjournment proposal.

Opinion of Sandy Spring's Financial Advisor

By letter dated March 27, 2017 Sandy Spring retained Sandler O'Neill to render a fairness opinion to the Sandy Spring board in connection with Sandy Spring's consideration of a possible business combination with WashingtonFirst. Sandler O'Neill is a nationally recognized investment banking firm whose principal business specialty is financial institutions. In the ordinary course of its investment banking business, Sandler O'Neill is regularly engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions and other corporate transactions.

Sandler O'Neill rendered a fairness opinion in connection with the proposed Transactions. At the May 15, 2017 meeting at which the Sandy Spring board considered and approved the merger agreement, Sandler O'Neill delivered to the Sandy Spring board its oral opinion, which was subsequently confirmed in writing, to the effect that, as of such date, the exchange ratio provided for in the Transactions was fair to Sandy Spring from a financial point of view.

The full text of Sandler O'Neill's opinion is attached as Annex F to this joint proxy statement/prospectus. The opinion outlines the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Sandler O'Neill in rendering its opinion. The description of the opinion set forth below is qualified in its entirety by reference to the full text of the opinion. Sandy Spring stockholders are urged to read the entire opinion carefully in connection with their consideration of the Sandy Spring share issuance proposal.

Sandler O'Neill's opinion speaks only as of the date of the opinion. The opinion was directed to the Sandy Spring board in connection with its consideration of the merger and is directed only to the fairness, from a financial point of view, of the exchange ratio to Sandy Spring. Sandler O'Neill's opinion does not constitute a recommendation to any Sandy Spring stockholder as to how such Sandy Spring stockholder should vote at any meeting of stockholders called to consider and vote upon the Sandy Spring share issuance proposal. It does not address the underlying business decision of Sandy Spring to engage in the Transactions, the form or structure of the Transactions, the relative merits of the Transactions as compared to any other alternative business

strategies that might exist for Sandy Spring or the effect of any other transaction in which Sandy Spring might engage. Sandler O Neill did not express any opinion as to the fairness of the amount or nature of the compensation to be received in the Transactions by any Sandy Spring or

Table of Contents

WashingtonFirst officers, directors, or employees, or class of such persons, relative to the compensation to be received in the Transactions by any other stockholders. Sandler O Neill's opinion was approved by Sandler O Neill's fairness opinion committee.

In connection with rendering its opinion, Sandler O Neill reviewed and considered, among other things:

an execution version of the merger agreement, dated May 15, 2017;

certain publicly available financial statements and other historical financial information of Sandy Spring and its bank subsidiary that Sandler O Neill deemed relevant;

certain publicly available financial statements and other historical financial information of WashingtonFirst and its bank subsidiary that Sandler O Neill deemed relevant;

publicly available consensus analyst earnings per share estimates for Sandy Spring for the years ending December 31, 2017 and December 31, 2018, as well as estimated dividends per share and long term earnings per share and asset growth rates for the years thereafter, as discussed with and confirmed by the senior management of Sandy Spring;

publicly available consensus analyst earnings per share estimates for WashingtonFirst for the years ending December 31, 2017 and December 31, 2018, as well as estimated dividends per share and long term earnings per share and asset growth rates for the years thereafter, as discussed with and confirmed by the senior management of WashingtonFirst;

the pro forma financial impact of the Transactions on Sandy Spring based on certain assumptions relating to transaction expenses, purchase accounting adjustments and cost savings, as provided by the senior management of Sandy Spring;

the publicly reported historical price and trading activity for Sandy Spring common stock and WashingtonFirst common stock, including a comparison of certain stock trading information for Sandy Spring common stock, WashingtonFirst common stock and certain stock indices as well as publicly available information for certain other similar companies the securities of which are publicly traded;

a comparison of certain financial information for Sandy Spring and WashingtonFirst with similar bank and thrift institutions for which information is publicly available;

the financial terms of certain recent business combinations in the bank and thrift industry (on a regional and nationwide basis), to the extent publicly available;

the current market environment generally and the banking environment in particular; and

such other information, financial studies, analyses and investigations and financial, economic and market criteria as Sandler O'Neill considered relevant.

Sandler O'Neill also discussed with certain members of the senior management of Sandy Spring the business, financial condition, results of operations and prospects of Sandy Spring and held similar discussions with the senior management of WashingtonFirst and their representatives regarding the business, financial condition, results of operations and prospects of WashingtonFirst.

In preparing its analyses, Sandler O'Neill used publicly available consensus analyst earnings per share estimates for Sandy Spring for the years ending December 31, 2017 and December 31, 2018, as well as estimated dividends per share and long term earnings per share and asset growth rates for the years thereafter, as discussed with and confirmed by the senior management of Sandy Spring. In addition, in preparing its analyses Sandler O'Neill used publicly available consensus analyst earnings per share estimates for WashingtonFirst for the years ending December 31, 2017 and December 31, 2018, as well as estimated dividends per share and long term earnings per share and asset growth rates for the years thereafter, as discussed with and confirmed by the senior management of WashingtonFirst. Sandler O'Neill also received and used in its pro forma analyses certain

Table of Contents

assumptions relating to transaction expenses, purchase accounting adjustments and cost savings, as provided by the senior management of Sandy Spring. With respect to the foregoing information, the respective managements of Sandy Spring and WashingtonFirst confirmed to Sandler O'Neill that such information reflected (or, in the case of the publicly available consensus analyst earnings per share estimates referred to above, were consistent with) the best currently available estimates and judgments of those respective managements of the future financial performance of Sandy Spring and WashingtonFirst, respectively, and Sandler O'Neill assumed that such performance would be achieved. Sandler O'Neill expressed no opinion as to such information, or the assumptions on which such information was based. Sandler O'Neill also assumed that there had been no material change in Sandy Spring's or WashingtonFirst's assets, financial condition, results of operations, business or prospects since the date of the most recent financial statements made available to Sandler O'Neill. Sandler O'Neill assumed in all respects material to its analysis that Sandy Spring and WashingtonFirst would remain as going concerns for all periods relevant to Sandler O'Neill's analyses.

Sandler O'Neill also assumed, with Sandy Spring's consent, in all respects material to its analysis, that (i) each of the parties to the merger agreement will comply in all material respects with all material terms and conditions of the merger agreement and all related agreements, that all of the representations and warranties contained in such agreements are true and correct in all material respects, that each of the parties to such agreements will perform in all material respects all of the covenants and other obligations required to be performed by such party under such agreements and that the conditions precedent in such agreements were not and will not be waived, (ii) in the course of obtaining the necessary regulatory or third party approvals, consents and releases with respect to the Transactions, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Sandy Spring, WashingtonFirst or the Transactions or any related transaction, (iii) the Transactions and any related transaction will be consummated in accordance with the terms of the merger agreement without any waiver, modification or amendment of any material term, condition or agreement thereof and in compliance with all applicable laws and other requirements, and (iv) the Transactions will qualify as a tax-free reorganization for federal income tax purposes. Sandler O'Neill expressed no opinion as to any of the legal, accounting or tax matters relating to the Transactions or any other transactions contemplated in connection therewith.

Sandler O'Neill's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Sandler O'Neill as of, the date thereof. Events occurring after the date thereof could materially affect Sandler O'Neill's opinion. Sandler O'Neill has not undertaken to update, revise, reaffirm or withdraw its opinion or otherwise comment upon events occurring after the date thereof. Sandler O'Neill expressed no opinion as to the trading values of Sandy Spring common stock or WashingtonFirst common stock at any time or what the value of Sandy Spring common stock will be once it is actually received by the holders of WashingtonFirst common stock and WashingtonFirst non-voting common stock.

In performing its analyses, Sandler O'Neill made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, which are beyond the control of Sandler O'Neill, Sandy Spring and WashingtonFirst. Any estimates contained in the analyses performed by Sandler O'Neill are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates of the values of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, Sandler O'Neill's opinion was among several factors taken into consideration by the Sandy Spring board in making its determination to approve the merger agreement and the merger. Consequently, the analyses described below should not be viewed as determinative of the decision of the Sandy Spring board with respect to the fairness of the exchange ratio. The type and amount of consideration payable in the merger were determined through negotiation between Sandy Spring and WashingtonFirst and the decision to enter into the merger agreement was solely that of the Sandy Spring board.

The following is a summary of the material financial analyses presented by Sandler O'Neill to the Sandy Spring board in connection with its opinion. The summary is not a complete description of the financial analyses

Table of Contents

underlying the opinion or the presentation made by Sandler O'Neill to the Sandy Spring board, but summarizes the material analyses performed and presented in connection with such opinion. The financial analyses summarized below include information presented in tabular format. **In order to fully understand the financial analyses, these tables must be read together with the accompanying text.** The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex analytic process involving various determinations as to appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, Sandler O'Neill did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Accordingly, Sandler O'Neill believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying its analyses and opinion.

Summary of Proposed Merger Consideration and Implied Transaction Metrics

Sandler O'Neill reviewed the financial terms of the proposed Transactions. Pursuant to the terms of the merger agreement, at the effective time of the first-step merger, by virtue of the first-step merger, automatically and without any action on the part of the holder thereof, each share of WashingtonFirst common stock and each share of WashingtonFirst non-voting common stock that is issued and outstanding at the effective time, except for the excluded shares, shall become and be converted into the number of shares of Sandy Spring common stock as follows: (i) if the Sandy Spring volume-weighted average price is greater than \$53.23, the exchange ratio shall equal 0.8210; (ii) if the Sandy Spring volume-weighted average price is greater than \$50.15 and equal to or less than \$53.23, the exchange ratio shall equal the quotient of \$43.70 divided by the Sandy Spring volume-weighted average price; (iii) if the Sandy Spring volume-weighted average price is equal to or greater than \$37.07 and equal to or less than \$50.15, the exchange ratio shall equal 0.8713; (iv) if the Sandy Spring volume-weighted average price is equal to or greater than \$34.00 and less than \$37.07, the exchange ratio shall be equal to the quotient of \$32.30 divided by the Sandy Spring volume-weighted average price; and (v) if the Sandy Spring volume-weighted average price is less than \$34.00, the exchange ratio shall equal 0.9500. Using Sandy Spring's May 12, 2017 closing stock price of \$41.89, an implied exchange ratio of 0.8713, and based upon the following (as provided by WashingtonFirst management), (a) 13,055,408 shares of WashingtonFirst common stock and WashingtonFirst non-voting common stock outstanding, and (b) 570,303 outstanding WashingtonFirst options with a weighted average strike price of \$14.77, Sandler O'Neill calculated an implied transaction value per share of \$36.50 and an aggregate implied transaction value of approximately \$488.9 million.

Sandler O'Neill calculated the following implied transaction metrics:

Transaction Price / Last Twelve Months (LTM) Ended March 31, 2017 Earnings Per Share	25.9x
Transaction Price / 2017 Median Analyst Estimated Earnings Per Share	24.0x
Transaction Price / 2018 Median Analyst Estimated Earnings Per Share	21.7x
Transaction Price / March 31, 2017 Book Value Per Share	239%
Transaction Price / March 31, 2017 Tangible Book Value Per Share	256%
Tangible Book Premium / Core Deposits ⁽¹⁾	23.5%
Market Premium as of May 12, 2017	30.8%

(1) Core deposits equal to total deposits less jumbo CDs (greater than \$100,000)

Table of Contents***Stock Trading History***

Sandler O Neill reviewed the historical publicly reported trading prices of Sandy Spring common stock and WashingtonFirst common stock for the three year period ended May 12, 2017. Sandler O Neill then compared the relationship between the movements in the price of Sandy Spring common stock and WashingtonFirst common stock, respectively, to movements in their respective peer groups (as described below) as well as certain stock indices.

Sandy Spring's Three-Year Stock Performance

	Beginning Value May 12, 2014	Ending Value May 12, 2017
Sandy Spring	100%	169.7%
Sandy Spring Peer Group	100%	163.3%
NASDAQ Bank Index	100%	126.1%
S&P 500 Index	100%	143.8%

WashingtonFirst's Three-Year Stock Performance

	Beginning Value May 12, 2014	Ending Value May 12, 2017
WashingtonFirst	100%	203.3%
WashingtonFirst Peer Group	100%	167.6%
NASDAQ Bank Index	100%	126.1%
S&P 500 Index	100%	143.8%

Sandy Spring Comparable Company Analysis

Using publicly available information, Sandler O Neill compared selected financial information for Sandy Spring with a group of financial institutions selected by Sandler O Neill. The Sandy Spring peer group consisted of publicly-traded banks and thrifts headquartered in the Mid-Atlantic and Southeast regions with total assets between \$3.0 billion and \$7.5 billion, whose securities are publicly traded on a major exchange and whose non-performing assets / total assets is less than 1%, and LTM return on average assets is greater than 0.75% (which we refer to as the Sandy Spring Peer Group in this section). The Sandy Spring Peer Group included the following companies:

Bridge Bancorp, Inc.
 Bryn Mawr Bank Corporation
 CenterState Banks, Inc.
 Financial Institutions, Inc.
 First Commonwealth Financial Corporation
 First of Long Island Corporation
 Flushing Financial Corporation
 Lakeland Bancorp, Inc.

Peapack-Gladstone Financial Corporation
 S&T Bancorp, Inc.
 ServisFirst Bancshares, Inc.
 State Bank Financial Corporation
 Tompkins Financial Corporation
 TriState Capital Holdings, Inc.
 TrustCo Bank Corp NY
 WSFS Financial Corporation

Northfield Bancorp, Inc.

Table of Contents

The analysis compared publicly available financial information for Sandy Spring with the corresponding data for the Sandy Spring Peer Group as of or for the twelve months ended March 31, 2017, with pricing data as of May 12, 2017. The table below sets forth the data for Sandy Spring and the median, mean, high and low data for the Sandy Spring Peer Group:

	Sandy Spring	Sandy Spring Peer Group Median	Sandy Spring Peer Group Mean	Sandy Spring Peer Group High	Sandy Spring Peer Group Low
Total assets (\$ in millions)	5,201	4,887	5,055	7,065	3,293
Loans / Deposits (%)	105.1	96.1	94.5	113.4	75.8
Tangible common equity/Tangible assets (%)	8.95	8.32	8.89	15.52	6.16
Non-performing assets ⁽¹⁾ / Total assets (%)	0.61	0.56	0.53	0.88	0.09
CRE / Total RBC Ratio (%)	279.6	291.1	293.4	548.0	23.2
LTM Return on average assets (%)	1.08	0.94	1.02	1.40	0.77
LTM Return on average equity (%)	9.91	9.81	10.02	16.55	5.24
LTM Net interest margin (%)	3.51	3.36	3.35	4.68	2.20
LTM Efficiency ratio (%)	57.24	58.11	56.66	65.97	38.31
Price/Tangible book value (%)	219	216	221	366	143
Price/LTM Earnings per share	19.2	19.2	19.1	24.7	12.4
Price/2017 Est. Earnings per share (x)	17.2	17.9	18.6	27.9	15.5
Price/2018 Est. Earnings per share (x)	16.2	16.1	16.6	26.4	14.3
Current Dividend Yield (%)	2.5	2.1	1.8	3.4	0.0
Market value (\$ in millions)	1,004	845	973	1,942	479

(1) Nonperforming assets defined as nonaccrual loans and leases, renegotiated loans and leases and real estate owned.

WashingtonFirst Comparable Company Analysis

Using publicly available information, Sandler O'Neill compared selected financial information for WashingtonFirst with a group of financial institutions selected by Sandler O'Neill (which we refer to as the WashingtonFirst Peer Group in this section). The WashingtonFirst Peer Group consisted of publicly-traded banks and thrifts headquartered in the Mid-Atlantic and Southeast regions with total assets between \$1.0 billion and \$4.0 billion, whose securities are publicly traded on a major exchange, with LTM return on average assets greater than 0.85%, LTM efficiency ratio less than 65.00%, and non-performing assets / total assets less than 1.5%. The WashingtonFirst Peer Group included the following companies:

Arrow Financial Corporation
 Bear State Financial, Inc.
 Bryn Mawr Bank Corporation
 C&F Financial Corporation
 Carolina Financial Corporation

First Community Bancshares, Inc.
 First of Long Island Corporation
 National Bankshares, Inc.
 Northfield Bancorp, Inc.
 Old Line Bancshares, Inc.

Charter Financial Corporation
Citizens & Northern Corporation
Codorus Valley Bancorp, Inc.
Financial Institutions, Inc.

Peoples Financial Services Corp.
Southern First Bancshares, Inc.
Unity Bancorp, Inc.

Table of Contents

The analysis compared publicly available financial information for WashingtonFirst with the corresponding data for the WashingtonFirst Peer Group as of or for the twelve months ended March 31, 2017, with pricing data as of May 12, 2017. The table below sets forth the data for WashingtonFirst and the median, mean, high and low data for the WashingtonFirst Peer Group:

	WashingtonFirst	WashingtonFirst Peer Group Median	WashingtonFirst Peer Group Mean	WashingtonFirst Peer Group High	WashingtonFirst Peer Group Low
Total assets (\$ in millions)	2,059	2,024	2,213	3,860	1,226
Loans / Deposits (%)	95.1	96.6	91.9	113.4	62.3
Tangible common equity/Tangible assets (%)	9.01	8.83	9.99	15.52	6.16
Non-performing assets ⁽¹⁾ / Total assets (%)	0.37	0.59	0.66	1.30	0.09
CRE / Total RBC Ratio (%)	370.9	224.7	227.9	402.2	79.1
LTM Return on average assets (%)	0.99	1.00	1.02	1.26	0.85
LTM Return on average equity (%)	9.60	9.68	9.34	13.15	5.24
LTM Net interest margin (%)	3.50	3.72	3.73	6.24	2.89
LTM Efficiency ratio (%)	62.61	58.48	59.16	64.99	48.83
Price/Tangible book value (%)	196	178	182	273	132
Price/LTM Earnings per share (x)	19.8	17.8	18.0	24.7	12.0
Price/2017 Est. Earnings per share (x)	18.4	16.8	18.0	27.9	15.5
Price/2018 Est. Earnings per share (x)	16.6	14.8	16.2	26.4	13.4
Current Dividend Yield (%)	1.0	2.0	2.1	4.5	0.0
Market value (\$ in millions)	361	313	393	845	165

(1) Nonperforming assets defined as nonaccrual loans and leases, renegotiated loans and real estate owned.

Selected Transactions Analysis

Sandler O'Neill reviewed two groups of recent merger and acquisition transactions consisting of a national group as well as a regional group. The national group consisted of nationwide bank & thrift transactions with announced deal values, target total assets between \$1.5 billion and \$3.0 billion, target LTM return on average assets greater than 0.75%, and target non-performing assets/ total assets less than 1.00% announced between January 1, 2013 and May 12, 2017 (which we refer to as the Nationwide Precedent Transactions in this section). The regional group consisted of bank & thrift transactions in the Mid-Atlantic and Southeast with target total assets between \$1.0 billion and \$10.0 billion, target LTM return on average assets greater than 0.50%, and target non-performing assets/ assets less than 1.50% announced between January 1, 2015 and May 12, 2017 (which we refer to as the Regional Precedent Transactions).

The Nationwide Precedent Transactions group was composed of the following transactions:

Acquiror:

TowneBank
PacWest Bancorp
Home BancShares Inc.
Simmons First National Corp.
Pacific Premier Bancorp
People's United Financial Inc.
South State Corporation
Mechanics Bank
Western Alliance Bancorp
Simmons First National Corp.
Prosperity Bancshares Inc.
Provident New York Bancorp

Target:

Paragon Commercial Corp.
CU Bancorp
Stonegate Bank
First Texas BHC Inc.
Heritage Oaks Bancorp
Suffolk Bancorp
Southeastern Bank Financial Corp.
California Republic Bancorp
Bridge Capital Holdings
Community First Bancshares Inc.
FVNB Corp.
Sterling Bancorp

Using the latest publicly available information prior to the announcement of the relevant transaction, Sandler O'Neill reviewed the following transaction metrics: transaction price to last-twelve-months earnings per

Table of Contents

share, transaction price to median analyst estimated earnings per share, transaction price to tangible book value per share, core deposit premium, and 1-day market premium. Sandler O'Neill compared the indicated transaction metrics for the merger to the median, mean, high and low metrics of the Nationwide Precedent Transactions group.

	WashingtonFirst/ Sandy Spring	Median Nationwide Precedent Transactions	Mean Nationwide Precedent Transactions	High Nationwide Precedent Transactions	Low Nationwide Precedent Transactions
Transaction price/LTM earnings per share	25.9x	22.5x	21.3x	26.7x	11.9x
Transaction price/Median analyst estimated earnings per share	24.0x	20.0x	20.5x	25.1x	15.4x
Transaction price/Tangible book value per share	256%	221%	220%	284%	168%
Core deposit premium	23.5%	15.1%	14.6%	21.1%	8.1%
1-Day market premium	30.8%	15.0%	22.4%	50.1%	1.4%

The Regional Precedent Transactions group was composed of the following transactions:

Acquiror:

TowneBank
 South State Corporation
 Home BancShares Inc.
 IBERIABANK Corp.
 Pinnacle Financial Partners
 Renasant Corp.
 United Bankshares Inc.
 F.N.B. Corp.
 OceanFirst Financial Corp.
 Peoples United Financial Inc.
 South State Corporation
 Pinnacle Financial Partners
 Sandy Spring Financial Corp.
 TowneBank
 Univest Corp. of Pennsylvania
 United Bankshares Inc.
 Yadkin Financial Corporation
 BB&T Corp.
 PacWest Bancorp

Target:

Paragon Commercial Corp.
 Park Sterling Corporation
 Stonegate Bank
 Sabadell United Bank N.A.
 BNC Bancorp
 Metropolitan BancGroup Inc.
 Cardinal Financial Corp.
 Yadkin Financial Corporation
 Ocean Shore Holding Co.
 Suffolk Bancorp
 Southeastern Bank Financial Corp.
 Avenue Financial Holdings Inc.
 Cape Bancorp Inc.
 Monarch Financial Holdings
 Fox Chase Bancorp Inc.
 Bank of Georgetown
 NewBridge Bancorp
 National Penn Bancshares Inc.
 Square 1 Financial Inc.

Table of Contents

Using the latest publicly available information prior to the announcement of the relevant transaction, Sandler O'Neill reviewed the following transaction metrics: transaction price to last-twelve-months earnings per share, transaction price to median analyst estimated earnings per share, transaction price to tangible book value per share, core deposit premium, and 1-day market premium. Sandler O'Neill compared the indicated transaction metrics for the merger to the median, mean, high and low metrics of the Regional Precedent Transactions group.

	WashingtonFirst/ Sandy Spring	Median Regional Precedent Transactions	Mean Regional Precedent Transactions	High Regional Precedent Transactions	Low Regional Precedent Transactions
Transaction price/LTM earnings per share	25.9x	22.2x	22.2x	29.0x	16.7x
Transaction price/Median analyst estimated earnings per share	24.0x	19.8x	20.1x	23.6x	16.8x
Transaction price/Tangible book value per share	256%	218%	208%	270%	132%
Core deposit premium	23.5%	13.5%	14.7%	22.7%	5.2%
1-Day market premium	30.8%	16.6%	21.1%	52.4%	(0.7%)

Net Present Value Analyses

Sandler O'Neill performed an analysis that estimated the net present value per share of Sandy Spring's common stock, assuming Sandy Spring performed in accordance with publicly available analyst consensus earnings per share estimates for Sandy Spring for the years ending December 31, 2017 and December 31, 2018, and earnings per share estimates for the years ending December 31, 2019, December 31, 2020 and December 31, 2021 calculated based on an estimated long-term earnings per share growth rate of 8.0%, which growth rate was discussed and confirmed with the senior management of Sandy Spring. To approximate the terminal value of Sandy Spring common stock at December 31, 2021, Sandler O'Neill applied price to 2021 earnings multiples ranging from 17.0x to 24.5x and multiples of December 31, 2021 tangible book value ranging from 165% to 275%. The terminal values were then discounted to present values using different discount rates ranging from 9.0% to 13.0%, which were chosen to reflect different assumptions regarding required rates of return of holders or prospective buyers of Sandy Spring common stock. As illustrated in the following tables, the analysis indicated an imputed range of values per share of Sandy Spring common stock of \$34.79 to \$57.06 when applying multiples of earnings and \$29.18 to \$54.19 when applying multiples of tangible book value.

Earnings Per Share Multiples

Discount		17.0x	18.5x	20.0x	21.5x	23.0x	24.5x
Rate							
	9.0%	\$ 40.94	\$ 44.16	\$ 47.39	\$ 50.61	\$ 53.84	\$ 57.06
	10.0%	\$ 39.28	\$ 42.37	\$ 45.46	\$ 48.55	\$ 51.64	\$ 54.72
	11.0%	\$ 37.71	\$ 40.67	\$ 43.63	\$ 46.59	\$ 49.54	\$ 52.50
	12.0%	\$ 36.22	\$ 39.05	\$ 41.89	\$ 44.72	\$ 47.55	\$ 50.39

13.0%	\$ 34.79	\$ 37.51	\$ 40.23	\$ 42.95	\$ 45.67	\$ 48.38
-------	----------	----------	----------	----------	----------	----------

Tangible Book Value Multiples

Discount

Rate	165%	187%	209%	231%	253%	275%
9.0%	\$ 34.27	\$ 38.26	\$ 42.24	\$ 46.22	\$ 50.21	\$ 54.19
10.0%	\$ 32.90	\$ 36.72	\$ 40.53	\$ 44.34	\$ 48.16	\$ 51.97
11.0%	\$ 31.60	\$ 35.25	\$ 38.90	\$ 42.56	\$ 46.21	\$ 49.87
12.0%	\$ 30.36	\$ 33.86	\$ 37.36	\$ 40.86	\$ 44.36	\$ 47.86
13.0%	\$ 29.18	\$ 32.54	\$ 35.89	\$ 39.25	\$ 42.60	\$ 45.96

Table of Contents

Sandler O'Neill also considered and discussed with the Sandy Spring board of directors how this analysis would be affected by changes in the underlying assumptions, including variations with respect to net income. To illustrate this impact, Sandler O'Neill performed a similar analysis, assuming Sandy Spring's net income varied from 20% above estimates to 20% below estimates. This analysis resulted in the following range of per share values for Sandy Spring common stock, applying the price to 2021 earnings referred to above and a discount rate of 10.74%.

Earnings Per Share Multiples

Annual						
Estimated						
Variance	17.0x	18.5x	20.0x	21.5x	23.0x	24.5x
(20.0%)	\$ 31.33	\$ 33.72	\$ 36.12	\$ 38.51	\$ 40.90	\$ 43.30
(10.0%)	\$ 34.72	\$ 37.41	\$ 40.11	\$ 42.80	\$ 45.49	\$ 48.18
0.0%	\$ 38.11	\$ 41.10	\$ 44.09	\$ 47.09	\$ 50.08	\$ 53.07
10.0%	\$ 41.50	\$ 44.79	\$ 48.08	\$ 51.37	\$ 54.66	\$ 57.95
20.0%	\$ 44.89	\$ 48.48	\$ 52.07	\$ 55.66	\$ 59.25	\$ 62.84

Sandler O'Neill also performed two analyses that estimated the net present value per share of WashingtonFirst common stock under various circumstances. The first analysis assumed WashingtonFirst performed in accordance with publicly available analyst consensus estimates for WashingtonFirst for the years ending December 31, 2017 and December 31, 2018, and earnings per share estimates for the years ending December 31, 2019, December 31, 2020 and December 31, 2021 calculated based on an estimated long-term earnings per share growth rate of 10.5%, which growth rate was discussed and confirmed with the senior management of Sandy Spring (which we refer to as the WashingtonFirst Stand Alone NPV Analysis in this section). For the second analysis, Sandler O'Neill used the same assumptions as the WashingtonFirst Stand Alone NPV Analysis, but also included assumptions related to after-tax cost savings, as provided by the senior management of Sandy Spring (which we refer to as the WashingtonFirst Adjusted NPV Analysis in this section).

Table of Contents

For both the WashingtonFirst Stand Alone NPV Analysis and WashingtonFirst Adjusted NPV Analysis, to approximate the terminal value of WashingtonFirst common stock at December 31, 2021, Sandler O'Neill applied price to 2021 earnings multiples ranging from 16.0x to 22.0x and multiples of December 31, 2021 tangible book value ranging from 160% to 215%. The terminal values were then discounted to present values using different discount rates ranging from 10.0% to 14.0%, which were chosen to reflect different assumptions regarding required rates of return of holders or prospective buyers of WashingtonFirst common stock. As illustrated in the following tables, the WashingtonFirst Stand Alone NPV Analysis indicated an imputed range of values per share of WashingtonFirst common stock of \$20.72 to \$33.11 when applying multiples of earnings and the WashingtonFirst Adjusted NPV Analysis indicated an imputed range of values per share of WashingtonFirst common stock of \$33.25 to \$53.53 when applying multiples of earnings. In addition, as illustrated in the following tables, the WashingtonFirst Stand Alone NPV Analysis indicated an imputed range of values per share of WashingtonFirst common stock of \$19.89 to \$31.07 when applying multiples of tangible book value and the WashingtonFirst Adjusted NPV Analysis indicated an imputed range of values per share of WashingtonFirst common stock of \$23.59 to \$36.96 when applying multiples of tangible book value.

Earnings Per Share Multiples (WashingtonFirst Stand Alone NPV Analysis)

Discount						
Rate	16.0x	17.2x	18.4x	19.6x	20.8x	22.0x
10.0%	\$ 24.45	\$ 26.18	\$ 27.91	\$ 29.65	\$ 31.38	\$ 33.11
11.0%	\$ 23.44	\$ 25.10	\$ 26.76	\$ 28.42	\$ 30.08	\$ 31.74
12.0%	\$ 22.49	\$ 24.08	\$ 25.67	\$ 27.26	\$ 28.85	\$ 30.44
13.0%	\$ 21.58	\$ 23.11	\$ 24.63	\$ 26.16	\$ 27.68	\$ 29.21
14.0%	\$ 20.72	\$ 22.18	\$ 23.64	\$ 25.10	\$ 26.57	\$ 28.03

Earnings Per Share Multiples (WashingtonFirst Adjusted NPV Analysis)

Discount						
Rate	16.0x	17.2x	18.4x	19.6x	20.8x	22.0x
10.0%	\$ 39.29	\$ 42.14	\$ 44.99	\$ 47.83	\$ 50.68	\$ 53.53
11.0%	\$ 37.66	\$ 40.39	\$ 43.12	\$ 45.84	\$ 48.57	\$ 51.30
12.0%	\$ 36.12	\$ 38.73	\$ 41.34	\$ 43.95	\$ 46.57	\$ 49.18
13.0%	\$ 34.64	\$ 37.15	\$ 39.65	\$ 42.16	\$ 44.66	\$ 47.17
14.0%	\$ 33.25	\$ 35.65	\$ 38.05	\$ 40.45	\$ 42.86	\$ 45.26

Tangible Book Value Multiples (WashingtonFirst Stand Alone NPV Analysis)

Discount						
Rate	160%	171%	182%	193%	204%	215%
10.0%	\$ 23.47	\$ 24.99	\$ 26.51	\$ 28.03	\$ 29.55	\$ 31.07
11.0%	\$ 22.51	\$ 23.96	\$ 25.42	\$ 26.87	\$ 28.33	\$ 29.78

Edgar Filing: SANDY SPRING BANCORP INC - Form S-4/A

12.0%	\$ 21.59	\$ 22.99	\$ 24.38	\$ 25.78	\$ 27.17	\$ 28.56
13.0%	\$ 20.72	\$ 22.06	\$ 23.39	\$ 24.73	\$ 26.07	\$ 27.41
14.0%	\$ 19.89	\$ 21.18	\$ 22.46	\$ 23.74	\$ 25.02	\$ 26.31

Table of Contents**Tangible Book Value Multiples (WashingtonFirst Adjusted NPV Analysis)**

Discount						
Rate	160%	171%	182%	193%	204%	215%
10.0%	\$ 27.86	\$ 29.68	\$ 31.50	\$ 33.32	\$ 35.14	\$ 36.96
11.0%	\$ 26.71	\$ 28.45	\$ 30.20	\$ 31.94	\$ 33.68	\$ 35.43
12.0%	\$ 25.62	\$ 27.29	\$ 28.96	\$ 30.63	\$ 32.30	\$ 33.97
13.0%	\$ 24.58	\$ 26.18	\$ 27.78	\$ 29.39	\$ 30.99	\$ 32.59
14.0%	\$ 23.59	\$ 25.13	\$ 26.67	\$ 28.20	\$ 29.74	\$ 31.28

Sandler O Neill also considered and discussed with the Sandy Spring board of directors how this analysis would be affected by changes in the underlying assumptions, including variations with respect to net income. To illustrate this impact, Sandler O Neill performed a similar analysis assuming WashingtonFirst's net income varied from 20% above estimates to 20% below estimates for both the WashingtonFirst Stand Alone NPV Analysis and WashingtonFirst Adjusted NPV Analysis. This analysis resulted in the following range of per share values for WashingtonFirst common stock, applying the price to 2021 earnings multiples range of 16.0x to 22.0x referred to above and a discount rate of 12.62%.

Earnings Per Share Multiples (WashingtonFirst Stand Alone NPV Analysis)

Annual						
Estimate						
Variance	16.0x	17.2x	18.4x	19.6x	20.8x	22.0x
(20.0%)	\$ 17.79	\$ 19.03	\$ 20.27	\$ 21.51	\$ 22.75	\$ 23.99
(10.0%)	\$ 19.85	\$ 21.25	\$ 22.64	\$ 24.04	\$ 25.43	\$ 26.83
0.0%	\$ 21.92	\$ 23.47	\$ 25.02	\$ 26.57	\$ 28.12	\$ 29.67
10.0%	\$ 23.99	\$ 25.69	\$ 27.40	\$ 29.10	\$ 30.80	\$ 32.51
20.0%	\$ 26.05	\$ 27.91	\$ 29.77	\$ 31.63	\$ 33.49	\$ 35.35

Earnings Per Share Multiples (WashingtonFirst Adjusted NPV Analysis)

Annual						
Estimate						
Variance	16.0x	17.2x	18.4x	19.6x	20.8x	22.0x
(20.0%)	\$ 31.06	\$ 33.30	\$ 35.53	\$ 37.77	\$ 40.00	\$ 42.24
(10.0%)	\$ 33.13	\$ 35.52	\$ 37.91	\$ 40.30	\$ 42.69	\$ 45.08
0.0%	\$ 35.19	\$ 37.74	\$ 40.29	\$ 42.83	\$ 45.38	\$ 47.92
10.0%	\$ 37.26	\$ 39.96	\$ 42.66	\$ 45.36	\$ 48.06	\$ 50.76
20.0%	\$ 39.33	\$ 42.18	\$ 45.04	\$ 47.89	\$ 50.75	\$ 53.60

In connection with its analyses, Sandler O'Neill considered and discussed with the Sandy Spring board of directors how the present value analyses would be affected by changes in the underlying assumptions. Sandler O'Neill noted that the net present value analysis is a widely used valuation methodology, but the results of such methodology are highly dependent upon the numerous assumptions that must be made, and the results thereof are not necessarily indicative of actual values or future results.

Pro Forma Merger Analysis

Sandler O'Neill analyzed certain potential pro forma effects of the Transactions on Sandy Spring assuming the Transactions close at the end of the fourth calendar quarter of 2017. Sandler O'Neill utilized the following information and assumptions: (i) publicly available mean analyst earnings per share estimates for Sandy Spring for the years ending December 31, 2017 and December 31, 2018, and estimated long-term annual asset and

Table of Contents

earnings per share growth rates, and dividends per share for the years thereafter, as discussed and confirmed with the senior management of Sandy Spring, (ii) publicly available mean analyst earnings per share estimates for WashingtonFirst for the years ending December 31, 2017 and December 31, 2018, and estimated long-term annual asset and earnings per share growth rates, and dividends per share for the years thereafter, as discussed and confirmed with the senior management of Sandy Spring, and (iii) certain assumptions related to transaction expenses, purchase accounting adjustments, as well as certain cost savings assumptions, as provided by the senior management of Sandy Spring. The analysis indicated that the Transactions could be accretive to Sandy Spring's earnings per share (excluding one-time transaction costs and expenses) in the years ending December 31, 2018 and December 31, 2019 and dilutive to Sandy Spring's estimated tangible book value per share at close.

In connection with this analysis, Sandler O'Neill considered and discussed with the Sandy Spring board how the analysis would be affected by changes in the underlying assumptions and noted that the actual results achieved by the combined company may vary from projected results and the variations may be material.

Sandler O'Neill's Relationship

Sandler O'Neill received a fee for rendering its opinion in an amount equal to \$600,000, which fee was due and payable at the time the written opinion was delivered. Sandy Spring has also agreed to indemnify Sandler O'Neill against certain claims and liabilities arising out of Sandler O'Neill's engagement and to reimburse Sandler O'Neill for certain of its out-of-pocket expenses incurred in connection with Sandler O'Neill's engagement. Sandler O'Neill did not provide any other investment banking services to Sandy Spring in the two years preceding the date of its opinion. As Sandler O'Neill previously advised Sandy Spring, in the two years preceding the date of Sandler O'Neill's opinion, Sandler O'Neill provided certain investment banking services to, and received investment banking fees from, WashingtonFirst. Most recently, Sandler O'Neill acted as placement agent in connection with the offer and sale of WashingtonFirst's subordinated debt securities in October 2015 and as financial advisor to the board of directors of WashingtonFirst in connection with WashingtonFirst's acquisition of 1st Portfolio Holding Corporation, which transaction closed in July 2015. In the ordinary course of Sandler O'Neill's business as a broker-dealer, Sandler O'Neill may purchase securities from and sell securities to Sandy Spring, WashingtonFirst and their respective affiliates. Sandler O'Neill may also actively trade the equity and debt securities of Sandy Spring, WashingtonFirst or their respective affiliates for its own account and for the accounts of its customers.

Certain Unaudited Prospective Financial Information

Sandy Spring and WashingtonFirst do not as a matter of course make public projections as to future performance due to, among other reasons, the inherent difficulty of accurately predicting financial performance for future periods and the uncertainty of underlying assumptions and estimates. However, Sandy Spring and WashingtonFirst are including in this joint proxy statement/prospectus certain limited unaudited financial information for Sandy Spring and WashingtonFirst on a standalone basis, without giving effect to the mergers or the bank merger, which was discussed with Sandler O'Neill, KBW and the other party in connection with the merger.

Specifically, for purposes of the financial analyses performed in connection with Sandler O'Neill's opinion, WashingtonFirst discussed with Sandler O'Neill, and Sandler O'Neill used, publicly available consensus street estimates as of May 12, 2017 of WashingtonFirst's earnings per share for 2017 and for 2018. For purposes of these financial analyses, WashingtonFirst management also provided to and discussed with Sandler O'Neill an estimated annual earnings growth rate of 10.5% per year for beyond 2018. Taking into account these earnings per share estimates, estimated tangible book value per share for WashingtonFirst at December 31, 2017, 2018, 2019, 2020 and 2021 were also extrapolated from WashingtonFirst's historical tangible book value per share at December 31, 2016 for purposes of the financial analyses performed in connection with Sandler O'Neill's opinion. The following table presents

unaudited prospective earnings per share estimates for WashingtonFirst for

Table of Contents

the years ended December 31, 2017 through 2021 and unaudited prospective tangible book value per share estimates at December 31, 2017, 2018, 2019, 2020 and 2021 used by Sandler O'Neill as described above.

	Year Ended December 31,				
	2017	2018	2019	2020	2021
Earnings per share	\$ 1.52	\$ 1.68	\$ 1.86	\$ 2.06	\$ 2.27
Tangible book value per share	\$ 15.13	\$ 16.55	\$ 18.11	\$ 19.83	\$ 21.72

KBW also used the publicly available consensus street estimates of WashingtonFirst's earnings per share for 2017 and 2018, as well as a publicly available research analyst's street estimate of WashingtonFirst's earnings per share for 2019 of \$1.85, for purposes of the Forecasted Pro Forma Financial Impact Analysis and certain other financial analyses performed in connection with KBW's opinion. In addition, WashingtonFirst provided KBW with, and KBW used for purposes of the Relative Contribution Analysis, the WashingtonFirst Discounted Cash Flow Analysis and certain other financial analyses performed in connection with KBW's opinion, WashingtonFirst management's internal financial forecasts and projections consisting of (1) estimated earnings per diluted share of \$1.60 for 2017 and \$1.84 for 2018, and (2) an assumed earnings per share growth rate of 10.0% per year for 2019 through 2023.

In addition, for purposes of the financial analyses performed in connection with Sandler O'Neill's and KBW's opinions, Sandy Spring discussed with Sandler O'Neill and KBW, and Sandler O'Neill and KBW used, publicly available consensus street estimates as of May 12, 2017 of Sandy Spring's earnings per share for 2017 and for 2018 (adjusted, in the case of 2018, to eliminate the impact of proposed changes in corporate income tax rates). For purposes of these financial analysis, Sandy Spring management also provided to and discussed with Sandler O'Neill and KBW an estimated annual earnings growth rate of 8% per year for beyond 2018. Taking into account these earnings per share estimates, estimated tangible book value per share for Sandy Spring at December 31, 2017, 2018, 2019, 2020 and 2021 were also extrapolated from Sandy Spring's historical tangible book value per share at December 31, 2016 for purposes of the financial analyses performed in connection with Sandler O'Neill's opinion. The following table presents unaudited prospective earnings per share estimates for Sandy Spring for the years ended December 31, 2017 through 2021 and unaudited prospective tangible book value per share estimates at December 31, 2017, 2018, 2019, 2020 and 2021 used by Sandler O'Neill as described above.

	Year Ended December 31,				
	2017	2018	2019	2020	2021
Earnings per share	\$ 2.44 ⁽¹⁾	\$ 2.57	\$ 2.78	\$ 3.00	\$ 3.24
Tangible book value per share	\$ 20.17	\$ 21.68	\$ 23.35	\$ 25.21	\$ 27.26

(1) Reflected the median consensus street estimate. KBW used the mean consensus street estimate of \$2.41. The inclusion of any unaudited prospective financial information for Sandy Spring or WashingtonFirst, including street estimates, should not be regarded as an indication that any of Sandy Spring, WashingtonFirst, Sandler O'Neill, KBW, their respective representatives or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results, and it should not be relied on as such. This information was prepared solely for internal use and is subjective in many respects. While presented with numeric specificity, the unaudited prospective financial information reflects numerous estimates and assumptions made with respect to business, economic, market, competition, regulatory and financial conditions and matters specific to Sandy Spring's and WashingtonFirst's respective businesses, all of which are difficult to predict and many of which are beyond Sandy

Spring s and WashingtonFirst s control.

The unaudited prospective financial information reflects both assumptions as to certain business decisions that are subject to change and, in many respects, subjective judgment, and thus is susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. Neither Sandy

Table of Contents

Spring nor WashingtonFirst can give any assurance that the unaudited prospective financial information and the underlying estimates and assumptions will be realized. In addition, since the unaudited prospective financial information covers multiple years, such information by its nature becomes less predictive with each successive year. Actual results may differ materially from those set forth above, and important factors that may affect actual results and cause the unaudited prospective financial information to be inaccurate include risks and uncertainties relating to Sandy Spring's and WashingtonFirst's respective businesses, industry performance, general business and economic conditions, customer requirements, competition and adverse changes in applicable laws, regulations or rules. For other factors that could cause actual results to differ, please see Risk Factors and Cautionary Statement Regarding Forward-Looking Statements.

The unaudited prospective financial information appearing above was not prepared with a view toward public disclosure, nor was it prepared with a view toward compliance with GAAP, published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither BDO USA LLP, WashingtonFirst's current independent registered public accounting firm, nor Ernst & Young LLP, Sandy Spring's current independent registered public accounting firm, have compiled, examined or performed any procedures with respect to the unaudited prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability.

Furthermore, the unaudited prospective financial information does not take into account any circumstances or events occurring after the date it was prepared. Neither Sandy Spring nor WashingtonFirst can give any assurance that, had the unaudited prospective financial information been prepared as of the date of this joint proxy statement/prospectus, similar estimates and assumptions would be used. Sandy Spring and WashingtonFirst each do not intend to, and disclaim any obligation to, make publicly available any update or other revision to the unaudited prospective financial information to reflect circumstances existing since their preparation or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error, or to reflect changes in general economic or industry conditions.

The unaudited prospective financial information does not take into account the possible financial and other effects on Sandy Spring or WashingtonFirst of the Transactions and does not attempt to predict or suggest future results of Sandy Spring as the ultimate surviving company. The unaudited prospective financial information does not give effect to the Transactions, including the impact of negotiating or executing the merger agreement, the expenses that may be incurred in connection with consummating the Transactions, the potential synergies that may be achieved by Sandy Spring as the ultimate surviving company as a result of the integrated mergers, the effect on Sandy Spring or WashingtonFirst of any business or strategic decision or action that has been or will be taken as a result of the merger agreement having been executed, or the effect of any business or strategic decisions or actions which would likely have been taken if the merger agreement had not been executed, but which were instead altered, accelerated, postponed or not taken in anticipation of the Transactions. Further, the unaudited prospective financial information does not take into account the effect on Sandy Spring or WashingtonFirst of any possible failure of the Transactions to occur. None of WashingtonFirst, Sandy Spring, Sandler O'Neill, KBW or their respective representatives has made, makes or is authorized in the future to make any representation to any shareholder of WashingtonFirst or Sandy Spring or other person regarding WashingtonFirst's or Sandy Spring's ultimate performance compared to the information contained in the unaudited prospective financial information or that the forecasted results will be achieved. The unaudited prospective financial information of WashingtonFirst included above is being provided because it was made available by WashingtonFirst to KBW, WashingtonFirst's financial advisor in connection with the Transactions, and to Sandy Spring and Sandler O'Neill, Sandy Spring's financial advisor, in connection with the Transactions. The unaudited prospective financial information of Sandy Spring included above is being provided because it was made available by Sandy Spring to Sandler O'Neill in connection with the Transactions and to

WashingtonFirst and KBW in connection with the Transactions.

In light of the foregoing, and considering that the Sandy Spring and WashingtonFirst special meetings will be held several months after the unaudited prospective financial information was prepared, as well as the

Table of Contents

uncertainties inherent in any forecasted information, Sandy Spring stockholders and WashingtonFirst stockholders are cautioned not to place unwarranted reliance on such information, and Sandy Spring stockholders and WashingtonFirst stockholders are urged to review Sandy Spring's most recent SEC filings for a description of Sandy Spring's reported financial results and the financial statements of Sandy Spring included in this joint proxy statement/prospectus and WashingtonFirst's most recent SEC filings for a description of WashingtonFirst's reported financial results and the financial statements of WashingtonFirst included in this joint proxy statement/prospectus. See [Where You Can Find More Information](#) beginning on page [].

Interests of Certain WashingtonFirst Directors and Executive Officers in the Transactions

In considering the recommendation of the WashingtonFirst board that you vote to approve the merger agreement, you should be aware that WashingtonFirst's directors and executive officers have interests in the Transactions that are different from, or in addition to, those of WashingtonFirst's stockholders generally. The WashingtonFirst board was aware of and considered those interests, among other matters, in reaching its decisions to (i) approve and adopt the merger agreement and the transactions contemplated thereby and (ii) resolve to recommend the approval of the merger agreement to WashingtonFirst stockholders. WashingtonFirst's stockholders should take these interests into account in deciding whether to vote **FOR** the proposal to approve the merger agreement. These interests are described in more detail below.

Treatment of WashingtonFirst Equity-Based Awards

Restricted Stock Awards: At the effective time, each restricted stock award granted by WashingtonFirst will become fully vested and each holder of such restricted stock awards will be entitled to receive the per share merger consideration for each share of WashingtonFirst common stock held by such holder. It is currently estimated that Ms. Andersen and Messrs. Connors, Horn, Johnson and Bracewell will vest in 3,420 shares, 818 shares, 818 shares, 1,024 shares, and 1,710 shares, respectively, under their outstanding restricted stock awards in connection with the consummation of the Transactions.

Stock Options: Also at the effective time, all outstanding and unexercised options to purchase shares of WashingtonFirst common stock will be canceled and will be cashed out for an amount equal to the value of the per share merger consideration less the option exercise price, assuming for purposes of this calculation that all such options were 100% vested as of the effective time. The value of the per share merger consideration for this purpose will be the exchange ratio multiplied by the Sandy Spring volume-weighted average price. It is currently estimated that Ms. Andersen and Messrs. Connors, Horn, Johnson, Rebibo, and Bracewell will be entitled to receive a cash payment of \$4,571,290, \$1,495,396, \$206,402, \$822,439, \$130,521 and \$304,534, respectively, for their outstanding stock options in connection with the consummation of the Transactions, assuming an exchange ratio of 0.8713 per share and a Sandy Spring volume-weighted average price of \$40.04 per share. The actual cash benefit may differ based upon the number of options that remain outstanding as of the effective date, the exercise price of such outstanding options and the value of the per share merger consideration.

Employment Agreement between WashingtonFirst Bank and Shaza L. Andersen

WashingtonFirst Bank maintains an employment agreement with Shaza L. Andersen, its President and Chief Executive Officer. In the event Ms. Andersen terminates her employment in connection with a change of control (as defined in the employment agreement) and is no longer employed by a successor or assign of WashingtonFirst Bank after such change of control, Ms. Andersen will be entitled to receive a severance payment in a lump sum equal to three times her annual salary then in effect, one year of continued group medical and other health insurance at WashingtonFirst Bank's expense for Ms. Andersen and her immediate family, and full vesting of any outstanding stock

options. Ms. Andersen's employment agreement also would entitle her to a tax gross-up payment for any severance or other payments that may subject her to an excise tax under Section 280G of the Code.

Ms. Andersen's current base salary is \$606,236 and it is currently estimated that she will be entitled to receive a cash severance payment totaling \$1,818,708 and continued health benefits with an estimated value of

Table of Contents

\$30,966 under her employment agreement in connection with the consummation of the Transactions and her termination of employment. It is not anticipated that Ms. Anderson will receive a tax gross-up payment. It is currently anticipated that Ms. Andersen will terminate her employment on the effective date of the merger.

Ms. Andersen's employment agreement also contains noncompetition restrictions pursuant to which she has agreed not to engage in a competing business (as defined in the employment agreement) in the greater Washington, D.C. Metropolitan Area or any other city or county outside of the greater Washington, D.C. Metropolitan Area where WashingtonFirst Bank has an office on the date of Ms. Andersen's termination of employment with WashingtonFirst Bank. The noncompetition obligation extends for a period of twelve months after her termination date.

Employment Agreement between WashingtonFirst Bank and Michael J. Rebibo

WashingtonFirst Bank maintains an employment agreement with Michael J. Rebibo, its Executive Vice President and President of 1st Portfolio Wealth Advisors and WashingtonFirst Mortgage. Under the employment agreement, if, after a change of control (as defined in the employment agreement), Mr. Rebibo's employment is terminated for good reason (as defined in the employment agreement) or by WashingtonFirst Bank without cause, Ms. Rebibo will be entitled to receive monthly severance payments equal to one-twelfth of his base salary for each month remaining in the initial term (August 1, 2018) plus an additional 24 months.

Mr. Rebibo's current base salary is \$330,000 and it is currently estimated that he would be entitled to receive severance payments totaling \$880,000 under his employment agreement in connection with the consummation of the Transactions and his termination of employment.

Mr. Rebibo's employment agreement also contains noncompetition restrictions pursuant to which he has agreed not to engage in a competing business (as defined in the employment agreement) in the greater Washington, D.C. Metropolitan Area or any other city or county outside of the greater Washington, D.C. Metropolitan Area where WashingtonFirst Bank has an office on the date of Mr. Rebibo's termination of employment with WashingtonFirst Bank. The noncompetition obligation extends for a period of (i) twenty-four months after the termination date, if such termination occurs the initial term, (ii) twelve months after the termination date, if such termination occurs during the renewal period (as defined in the employment agreement and generally two years after the expiration of the initial three-year term) and (iii) six months after the termination date, if such termination occurs during the renewal period and after a change in control.

The payments to be made under Mr. Rebibo's employment agreement are subject to a limitation that the total amount of all payments to the officer that would constitute a parachute payment (as defined in Section 280G of the Code) shall be reduced so that no portion of such payments to the executive would be subject to the excise tax imposed by Section 4999 of the Code.

Severance Payment Agreements between WashingtonFirst and George W. Connors, IV, Richard D. Horn, and Matthew R. Johnson

WashingtonFirst Bank maintains a severance payment agreement with George W. Connors, IV, President and Chief Credit Officer of WashingtonFirst Bank, Richard D. Horn, General Counsel of WashingtonFirst Bank, and Matthew R. Johnson, Executive Vice President and Chief Financial Officer of WashingtonFirst Bank. Under the severance payment agreements, upon a covered termination (as defined in the agreement), the executive is entitled to receive (i) all accrued and unpaid salary, bonuses, vacation and other amounts earned or otherwise due through the termination date, (ii) a lump sum payment equal to two years' salary and (iii) contributions toward continued health insurance until twelve months pass, continuation coverage expires under federal law or the executive is eligible for

comparable insurance as a result of new employment or self-employment, whichever occurs first. In addition, all of the executive s outstanding equity awards will immediately vest upon a covered termination or if, in the event of a change of control (as defined in the severance payment agreement), the

Table of Contents

acquiring, surviving or successor entity does not assume, continue or substitute the executive's unvested outstanding equity awards, whether or not his employment is terminated as a result of the change of control.

A covered termination occurs if, after a change of control, the executive's employment with WashingtonFirst Bank is terminated (i) by WashingtonFirst Bank or its successor, other than for cause, disability (each as defined in the severance payment agreement) or death, on or within three years after the change of control, (ii) by the executive for good reason (as defined in the severance payment agreement) within three years after the change of control or (iii) by the executive, for any reason other than death or disability, during the period beginning ninety days after the change of control and ending three years after the change of control. The payments to be made under each severance payment agreement are subject to a limitation that the total amount of all payments to the officer that would constitute a parachute payment (as defined in Section 280G of the Code) shall be reduced so that no portion of such payments to the executive would be subject to the excise tax imposed by Section 4999 of the Code, unless the executive would be better off (on an after-tax basis) receiving all payments and benefits (without reduction) and paying all excise and applicable federal, state, and local employment and income taxes (all computed at the highest applicable marginal rate) (a Modified 280G Cutback). To the extent the executive is subject to the excise tax imposed by Section 4999 of the Code, WashingtonFirst will lose its corporate deduction for a portion of the severance payment. The severance payment agreements do not contain post-employment noncompetition restrictions.

Messrs. Connors, Horns, and Johnson's current base salary is \$357,674, \$341,630, and \$315,000, respectively, and it is currently estimated that Messrs. Connors, Horn, and Johnson will be entitled to receive a cash severance payment totaling \$715,348, \$683,260, and \$630,000, respectively, and COBRA payments for continued health benefits with an estimated value of \$30,966, \$30,966, and \$0, respectively, under their respective severance payment agreements in connection with the consummation of the Transactions and a covered termination of employment.

Modified 280G Cutback Agreement with Joseph S. Bracewell

Before the effective date, it is anticipated that Mr. Bracewell will enter into a Modified 280G Cutback agreement with WashingtonFirst. Under such agreement, the total amount of all payments to Mr. Bracewell in connection with the Transactions that would constitute a parachute payment (as defined in Section 280G of the Code) shall be reduced so that no portion of such payments to the executive would be subject to the excise tax imposed by Section 4999 of the Code, unless the executive would be better off (on an after-tax basis) receiving all payments and benefits (without reduction) and paying all excise and applicable federal, state, and local employment and income taxes (all computed at the highest applicable marginal rate). To the extent Mr. Bracewell is subject to the excise tax imposed by Section 4999 of the Code, WashingtonFirst will lose its corporate deduction for a portion of such payments.

Supplemental Executive Retirement Agreements between WashingtonFirst Bank and Certain of its Directors and Executive Officers

WashingtonFirst Bank has entered into supplemental executive retirement agreements with Ms. Andersen and Messrs. Connors, Horn, Johnson and Bracewell. The supplemental executive retirement agreements are intended to provide benefits to these directors and executive officers upon retirement, death, disability or voluntary or involuntary separation from service (other than for cause), subject to the requirements of Section 409A of the Code. Pursuant to the supplemental executive retirement agreements, if Ms. Andersen or Messrs. Connors, Horn, Johnson or Bracewell is terminated following a change in control of WashingtonFirst Bank, as defined in the supplemental executive retirement agreements, his or her full retirement benefit vests immediately and becomes payable, at his or her election (irrevocably made at the time of execution of the supplemental executive retirement agreement) in a lump sum occurring six months following separation from service or in monthly installments commencing at age 65 (or age 75 for Mr. Bracewell).

Table of Contents

It is currently estimated that Ms. Andersen and Messrs. Connors, Horn, and Johnson will be entitled to receive lump sum cash benefits of \$966,922, \$674,557, \$564,779, and \$520,964, respectively, with Mr. Bracewell entitled to receive 120 monthly installments beginning at age 75 in the amount of \$9,851 per month, under their supplemental executive retirement agreements in connection with the consummation of the Transactions.

Indemnification; Directors and Officers Insurance

Under the merger agreement, Sandy Spring has agreed to, following the effective time, indemnify and hold harmless all current and former directors, officers and employees of WashingtonFirst and its subsidiaries against all costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages or liabilities and amounts paid in settlement incurred in connection with any threatened or actual claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of matters existing or occurring at or prior to the effective time, whether asserted before or after the effective time, pertaining to (i) the fact that such person is or was a director, officer or employee of WashingtonFirst, any of its subsidiaries or any of their respective predecessors or was prior to the effective time serving at the request of any such party as a director, officer, employee, trustee or partner of another corporation, partnership, trust, joint venture, employee benefit plan or other entity, or (ii) any matters arising in connection with the transactions contemplated by the merger agreement, to the fullest extent such persons would have been indemnified or have the right to advancement of expenses pursuant to WashingtonFirst's articles of incorporation and bylaws (as in effect on the date of the merger agreement) and as permitted by applicable law. Sandy Spring and WashingtonFirst have also agreed to advance expenses as incurred to the fullest extent permitted under applicable law, provided that the person receiving such advance expenses provides a signed written undertaking to repay such advances if the person is not entitled to mandatory indemnification and it is ultimately determined that such person is not entitled to indemnification.

The merger agreement requires the surviving corporation to maintain, for a period of six years after completion of the first-step merger, WashingtonFirst's existing directors' and officers' liability insurance policy, or policies covering each person that was covered, as of the date of the merger agreement, by WashingtonFirst's existing directors' and officers' liability insurance policy with respect to claims against such persons arising from facts or events that occurred at or prior to the effective time. However, the surviving corporation is not required to spend annually more than 300% of the current annual premium paid as of the date of the merger agreement by WashingtonFirst for such insurance (which we refer to as the "premium cap"), and if such premiums for such insurance would at any time exceed that amount, then the surviving corporation will maintain policies of insurance which provide as much comparable coverage as is available at an annual premium equal to the premium cap. In lieu of the foregoing, Sandy Spring may (i) request WashingtonFirst to obtain an extended reporting period endorsement under WashingtonFirst's existing directors' and officers' liability insurance policy or (ii) substitute therefor "tail" policies the material terms of which (including coverage and amount), are no less favorable in any material respect to such persons than WashingtonFirst's existing insurance policies as of the date of the merger agreement and to the extent that the same may be obtained for an amount that, in the aggregate, does not exceed the premium cap. For additional information see the section entitled

The Merger Agreement - Director and Officer Indemnification and Insurance beginning on page [] of this joint proxy statement/prospectus.

Appointment to the Board of Directors

The merger agreement provides that, at the effective time, Sandy Spring will: (i) increase the size of the Sandy Spring board and the board of directors of Sandy Spring Bank to fifteen members, (ii) appoint Joseph S. Bracewell, Shaza L. Andersen and two additional current members of the WashingtonFirst board, to be selected by Sandy Spring after consultation with WashingtonFirst, to the Sandy Spring board and the board of directors of Sandy Spring Bank, with Joseph S. Bracewell nominated as a Class I director (with a term expiring at the 2021 annual meeting of Sandy

Spring s stockholders) and the other WashingtonFirst directors to be nominated to such

Table of Contents

classes as the nominating committee shall determine so that the number of directors in each class is as nearly equal as possible and (iii) appoint Joseph S. Bracewell and Shaza L. Andersen to the executive committee of the Sandy Spring board.

Public Trading Markets

Sandy Spring common stock is listed for trading on the Nasdaq Global Select Market under the symbol SASR and WashingtonFirst common stock is listed on the Nasdaq Capital Market under the symbol WFBI. Upon the completion of the first-step merger, WashingtonFirst common stock will no longer be listed on the Nasdaq Capital Market and will be de-registered under the Exchange Act. It is a condition to each party's obligations to complete the integrated mergers that the Sandy Spring common stock to be issued pursuant to the merger agreement be authorized for listing on the Nasdaq Global Select Market (subject to official notice of issuance). Immediately following the completion of the Transactions, shares of Sandy Spring common stock will continue to be traded on the Nasdaq Global Select Market under the symbol SASR.

Dividend Policy

Sandy Spring currently pays a quarterly cash dividend of \$0.26 per share, which is expected to continue, although the Sandy Spring board may change this dividend policy at any time. WashingtonFirst currently pays a quarterly cash dividend of \$0.07 per share, which is expected to continue until the effective time, although, subject to certain restrictions in the merger agreement, the WashingtonFirst board may change this dividend policy at any time. Sandy Spring will be entitled to receive dividends when and if declared by the Sandy Spring Bank board out of funds legally available for dividends. The Sandy Spring board will consider Sandy Spring's financial condition and level of net income, future prospects, economic condition, industry practices and other factors, including applicable banking laws and regulations, in determining whether to pay dividends in the future and the amount of such dividends.

Sandy Spring's principal source of income is dividends that are declared and paid by Sandy Spring Bank on its capital stock. Therefore, Sandy Spring's ability to pay dividends is dependent upon the receipt of dividends from Sandy Spring Bank. Insured depository institutions such as Sandy Spring Bank are prohibited from making capital distributions, including the payment of dividends, if, after making such distribution, the institution would become undercapitalized, as such term is defined in the applicable law and regulations. In the future, any declaration and payment of cash dividends will be subject to the Sandy Spring board's evaluation of Sandy Spring's operating results, financial condition, future growth plans, general business and economic conditions, and tax and other relevant considerations. The payment of cash dividends by Sandy Spring in the future will also be subject to certain other legal and regulatory limitations and ongoing review by the Sandy Spring's banking regulators.

Dissenters' Rights

Dissenters' rights are statutory rights that, if applicable under law, enable stockholders to dissent from an extraordinary transaction, such as a merger, and to demand that the corporation pay the fair value of their shares as determined by a court in a judicial proceeding instead of receiving the consideration offered to stockholders in connection with the extraordinary transaction. Virginia law provides that a stockholder is not entitled to demand the fair value of his or her shares of stock in any transaction if the stock is listed on a national securities exchange. Because WashingtonFirst's common stock is listed on the Nasdaq Capital Market, the holders of WashingtonFirst common stock are not entitled to dissenters' or appraisal rights with respect to the WashingtonFirst merger proposal. However, because WashingtonFirst's nonvoting common stock is not listed on a national securities exchange, holders of WashingtonFirst non-voting common stock are entitled to dissenters' rights with respect to the WashingtonFirst merger proposal.

Regulatory Approvals Required for the Transactions

Completion of the Transactions is subject to receipt of certain approvals, waivers and consents from applicable governmental and regulatory authorities, without certain conditions being imposed by any

Table of Contents

governmental authority as part of a regulatory approval that would reasonably be expected to result in a materially burdensome regulatory condition. Subject to the terms and conditions of the merger agreement, Sandy Spring and WashingtonFirst have agreed to use their reasonable best efforts and cooperate to promptly prepare and file all necessary documentation and to obtain as promptly as practicable all regulatory approvals necessary or advisable to complete the transactions contemplated by the merger agreement. These include, among others, approval from the Federal Reserve Board, the Maryland Office of the Commissioner of Financial Regulation and the Virginia Bureau of Financial Institutions. Sandy Spring submitted applications to the Federal Reserve Board on June 29, 2017 and to the Maryland Office of the Commissioner of Financial Regulation and the Virginia Bureau of Financial Institutions on July 5, 2017. As of the date of this joint proxy statement/prospectus, each of the applications remains outstanding. Although neither Sandy Spring nor WashingtonFirst knows of any reason why any of these applications should not be approved in a timely manner, Sandy Spring and WashingtonFirst cannot be certain when, or if, the applications will be approved.

Federal Reserve Board

Sandy Spring is a bank holding company regulated and supervised under the Bank Holding Company Act of 1956, as amended (which we refer to as the Bank Holding Company Act). Unless granted a waiver by the Federal Reserve Board, the transactions contemplated by the merger agreement require prior approval of the Federal Reserve Board under the Bank Holding Company Act.

Sandy Spring Bank is a Maryland state-chartered trust company with commercial banking powers that is regulated by the Maryland Office of the Commissioner of Financial Regulation and the Federal Reserve Board. The merger of WashingtonFirst Bank with and into Sandy Spring Bank requires prior approval of the Federal Reserve Board under the Bank Merger Act. In evaluating an application for such approval, the Federal Reserve Board takes into consideration a number of factors, including (i) the competitive impact of the transaction; (ii) financial and managerial resources of the bank parties to the bank merger or integrated mergers both on a current and pro forma basis; (iii) the convenience and needs of the community to be served and the record of the banks under the Community Reinvestment Act of 1977 (which we refer to as the CRA), including their CRA ratings; (iv) the banks effectiveness in combating money laundering activities; and (v) the extent to which the bank merger or integrated mergers would result in greater or more concentrated risks to the stability of the U.S. banking or financial system. In connection with its review, the Federal Reserve Board provides an opportunity for public comment on the application and is authorized to hold a public meeting or other proceeding if it determines that would be appropriate.

Maryland Office of the Commissioner of Financial Regulation

Because Sandy Spring Bank is chartered under the laws of the State of Maryland, the merger of WashingtonFirst Bank with and into Sandy Spring Bank also requires prior approval of the Maryland Office of the Commission of Financial Regulation under Maryland law. In evaluating an application for such approval, the Maryland Office of the Commissioner of Financial Regulation takes into account, among other things, the capital structure of the surviving institution and whether the proposed transaction is against the public interest.

Virginia Bureau of Financial Institutions

Because WashingtonFirst Bank is chartered under the laws of the Commonwealth of Virginia, the first-step merger also requires prior approval of the Virginia Bureau of Financial Institutions under Virginia law. In evaluating an application for such approval, the Virginia Bureau of Financial Institutions takes into account, among other things, (i) whether the proposed acquisition is detrimental to the safety and soundness of either institution; (ii) the qualifications, experience and financial responsibility of the acquiror s directors and officers; (iii) whether the

proposed acquisition would be prejudicial to the interests of the depositors, creditors, beneficiaries of fiduciary accounts or stockholders of either institution; and (iv) whether the proposed acquisition is in the public interest.

Table of Contents

Litigation Related to the Transactions

On August 1, 2017, Paul Parshall, a purported stockholder of WashingtonFirst, filed a putative class action lawsuit in the United States District Court for the Eastern District of Virginia, captioned *Parshall v. WashingtonFirst Bankshares, Inc., et al.* (17-cv-00877-TSE-JFA), against WashingtonFirst, the members of the WashingtonFirst board and Sandy Spring on behalf of all WashingtonFirst public stockholders. The lawsuit alleges that Sandy Spring's registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, omitted certain material information, which rendered the registration statement false and misleading. The relief sought in the lawsuit includes preliminary and permanent injunction against the consummation of the Transactions, rescission or rescissory damages if the Transactions are completed, costs and attorney's fees. The defendants believe that the claims are without merit and intend to defend against the suit vigorously. However, at this time, it is not possible to predict the outcome of the lawsuit or the impact on Sandy Spring, WashingtonFirst or the Transactions.

Table of Contents

THE MERGER AGREEMENT

The following description of the merger agreement is subject to, and qualified in its entirety by reference to, the express terms of the merger agreement, which is attached to this joint proxy statement/prospectus as Annex A and is incorporated by reference into this joint proxy statement/prospectus. We urge you to read the merger agreement carefully and in its entirety, as it is the legal document governing the integrated mergers.

Structure of the Transactions

Each of the Sandy Spring board and the WashingtonFirst board has unanimously approved the merger agreement. The merger agreement provides for (i) the merger of Merger Sub with and into WashingtonFirst, with WashingtonFirst continuing as the surviving corporation in the first-step merger and as a wholly-owned subsidiary of Sandy Spring, (ii) immediately following the completion of the first-step merger, WashingtonFirst will merge with and into Sandy Spring, with Sandy Spring continuing as the surviving corporation in the second-step merger and (iii) immediately following the completion of the integrated mergers, WashingtonFirst Bank will merge with and into Sandy Spring Bank, a wholly owned subsidiary of Sandy Spring, with Sandy Spring Bank continuing as the surviving bank in the bank merger.

Prior to the completion of the Transactions, Sandy Spring may change the method or structure of effecting the purposes of the merger agreement (as reasonably determined by Sandy Spring) except that no such change may (i) alter or change the amount and kind of the merger consideration, (ii) materially impede or delay consummation of the transactions contemplated by the merger agreement or (iii) adversely affect the tax treatment of the integrated mergers with respect to their qualification as a reorganization under the provisions of Section 368(a) of the Code. In the event that Sandy Spring elects to make such a change, Sandy Spring and WashingtonFirst agree to execute appropriate documents to reflect the revised structure.

Merger Consideration

Subject to the terms and conditions of the merger agreement, at the effective time of the first-step merger, each share of WashingtonFirst common stock and WashingtonFirst non-voting common stock, except for the excluded shares, will be converted into shares of Sandy Spring common stock as follows:

if the Sandy Spring volume-weighted average price is greater than \$53.23, the exchange ratio will equal 0.8210;

if the Sandy Spring volume-weighted average price is greater than \$50.15 and equal to or less than \$53.23, the exchange ratio will equal the quotient of \$43.70 divided by the Sandy Spring volume-weighted average price;

if Sandy Spring volume-weighted average price is equal to or greater than \$37.07 and equal to or less than \$50.15, the exchange ratio will equal 0.8713;

if the Sandy Spring volume-weighted average price is equal to or greater than \$34.00 and less than \$37.07, the exchange ratio will equal the quotient of \$32.30 divided by the Sandy Spring volume-weighted average price; and

if the Sandy Spring volume-weighted average price is less than \$34.00, the exchange ratio will equal 0.9500.

Table of Contents

The following table illustrates the value of the merger consideration based on the Sandy Spring volume-weighted average price. Because the market value of Sandy Spring common stock will fluctuate, the value of the merger consideration may have a value as of the date the WashingtonFirst stockholders receive their shares that is less than, or greater than, the value of merger consideration on the date that the exchange ratio is determined.

Sandy Spring Volume- Weighted Average Price	Exchange Ratio	Implied Value of Merger Consideration
\$54.00	0.8210	\$44.33
\$53.23	0.8210	\$43.70
\$53.00	0.8245	\$43.70
\$52.00	0.8404	\$43.70
\$51.00	0.8569	\$43.70
\$50.15	0.8713	\$43.70
\$50.00	0.8713	\$43.57
\$49.00	0.8713	\$42.69
\$48.00	0.8713	\$41.82
\$47.00	0.8713	\$40.95
\$46.00	0.8713	\$40.08
\$45.00	0.8713	\$39.21
\$44.00	0.8713	\$38.34
\$43.00	0.8713	\$37.47
\$42.00	0.8713	\$36.59
\$41.00	0.8713	\$35.72
\$40.00	0.8713	\$34.85
\$39.00	0.8713	\$33.98
\$38.00	0.8713	\$33.11
\$37.07	0.8713	\$32.30
\$37.00	0.8730	\$32.30
\$36.00	0.8972	\$32.30
\$35.00	0.9229	\$32.30
\$34.00	0.9500	\$32.30
\$33.00	0.9500	\$31.35

If, between the date of the merger agreement and the effective time, the outstanding shares of Sandy Spring common stock is increased, decreased, changed into or exchanged for a different number or class of shares as a result of a stock dividend, subdivision, recapitalization, reclassification, split, combination or exchange of shares, an appropriate and proportionate adjustment will be made to the merger consideration. As of the effective time of the first-step merger, each share of WashingtonFirst common stock and WashingtonFirst non-voting common stock held by WashingtonFirst or Sandy Spring will be canceled for no consideration or payment.

Fractional Shares

Sandy Spring will not issue any fractional shares of Sandy Spring common stock in the first-step merger. Instead, any WashingtonFirst stockholder who otherwise would have been entitled to receive a fraction of a share of Sandy Spring

common stock will instead be entitled to receive an amount in cash, rounded to the nearest cent, determined by multiplying the fraction of a share of Sandy Spring common stock to which the holder would otherwise be entitled by the Sandy Spring volume-weighted average price.

Governing Documents; Directors and Officers; Governance Matters

Upon the consummation of the integrated mergers, the articles of incorporation and bylaws of Sandy Spring in effect immediately prior to the effective time will be the articles of incorporation and bylaws of the surviving

Table of Contents

corporation after completion of the integrated mergers, until thereafter amended in accordance with applicable law and the terms of such documents.

Upon consummation of the Transactions, Sandy Spring has agreed to (i) increase the size of the Sandy Spring board and the board of directors of Sandy Spring Bank to fifteen members, (ii) appoint Joseph S. Bracewell, Shaza L. Andersen and two additional current members of the WashingtonFirst board, to be selected by Sandy Spring after consultation with WashingtonFirst, to the Sandy Spring board and the board of directors of Sandy Spring Bank, with Joseph S. Bracewell nominated as a Class I director (with a term expiring at the 2021 annual meeting of Sandy Spring's stockholders) and the other WashingtonFirst directors to be nominated to such classes as the nominating committee shall determine so that the number of directors in each class is as nearly equal as possible and (iii) appoint Joseph S. Bracewell and Shaza L. Andersen to the executive committee of the Sandy Spring board.

Treatment of WashingtonFirst Equity-Based Awards

Restricted Stock

At the effective time, each restricted stock award in respect of shares of WashingtonFirst common stock subject to vesting, repurchase or other lapse restriction will become fully vested and the restrictions thereon will lapse, and each holder of such restricted stock will be entitled to receive, without interest, the merger consideration.

Stock Options

Also at the effective time, all outstanding and unexercised options to purchase shares of WashingtonFirst common stock will be canceled and will be cashed out for an amount equal to the value of the per share merger consideration less the option exercise price, assuming for purposes of this calculation that all such options were 100% vested as of the effective time. The value of the per share merger consideration for this purpose will be the exchange ratio multiplied by the Sandy Spring volume-weighted average price.

Closing and Effective Time

The integrated mergers will be completed only if all conditions to the integrated mergers set forth in the merger agreement (as discussed in this joint proxy statement/prospectus) are either satisfied or waived. See the section of this joint proxy statement/prospectus entitled "Conditions to Complete the Integrated Mergers."

The first-step merger will become effective as of the date and time specified in the articles of merger to be filed with the Virginia State Corporation Commission. The second-step merger will become effective immediately thereafter or as set forth in the articles of merger to be filed with the Virginia State Corporation Commission and the Maryland State Department of Assessments and Taxation. The closing of the integrated mergers will take place at a time agreed to by the parties to the merger agreement on the date designated by Sandy Spring within seven days following satisfaction or waiver (subject to applicable law) of the conditions to closing set forth in the merger agreement or such later date as the parties may otherwise agree. Sandy Spring and WashingtonFirst currently expect to complete the Transactions in the fourth quarter of 2017, subject to the requisite approval of the Sandy Spring stockholders, the requisite approval of the WashingtonFirst stockholders, the receipt of regulatory approvals or waivers and the fulfillment of other customary closing conditions set forth in the merger agreement, but neither Sandy Spring nor WashingtonFirst can guarantee when, or if, the Transactions will be completed.

Conversion of Shares; Exchange of Certificates

The conversion of shares of WashingtonFirst common stock and WashingtonFirst non-voting common stock into the right to receive the merger consideration will occur automatically at the effective time. Promptly

Table of Contents

following the completion of the first-step merger, the exchange agent will exchange certificates of WashingtonFirst common stock and WashingtonFirst non-voting common stock for the merger consideration to be received pursuant to the terms of the merger agreement.

Letter of Transmittal

As promptly as reasonably practicable after the effective time, and in no event later than five business days thereafter, the exchange agent will mail to each holder of record of WashingtonFirst common stock and WashingtonFirst non-voting common stock immediately prior to the effective time a letter of transmittal and instructions on how to surrender their shares in exchange for the merger consideration the holder is entitled to receive under the merger agreement and any cash in lieu of fractional shares of Sandy Spring common stock.

If a certificate for WashingtonFirst common stock or WashingtonFirst non-voting common stock has been lost, stolen or destroyed, the exchange agent will issue the merger consideration upon receipt of (i) an affidavit of that fact by the claimant and (ii) if required by Sandy Spring or the exchange agent, the posting of a bond in an amount as exchange agent may direct as indemnity against any claim that may be made against it with respect to such certificate.

Immediately upon completion of the first-step merger, there will be no further transfers on the stock transfer books of WashingtonFirst of shares of WashingtonFirst common stock or WashingtonFirst non-voting common stock, other than to settle transfers of WashingtonFirst common stock or WashingtonFirst non-voting common stock that occurred prior to the effective time. Sandy Spring and the exchange agent may rely upon WashingtonFirst's stock transfer books to conclusively establish the identity of WashingtonFirst stockholders entitled to receive the merger consideration.

Withholding

Sandy Spring and the exchange agent will be entitled to deduct and withhold from any cash amount payable under the merger agreement to any holder of WashingtonFirst equity awards, the amounts they are required to deduct and withhold under the Code or any provision of state, local or foreign tax law. If any such amounts are so withheld and paid over to the appropriate governmental authority, these amounts will be treated for all purposes of the merger agreement as having been paid to the stockholders from whom they were withheld.

Dividends and Distributions

No dividends or other distributions declared with respect to Sandy Spring common stock will be paid to the holder of any unsurrendered certificates of WashingtonFirst common stock or WashingtonFirst non-voting common stock until the holder surrenders such certificate in accordance with the terms of the merger agreement. Subject to the effect of applicable abandoned property, escheat or similar laws, after the surrender of a certificate in accordance with the terms of the merger agreement, the record holder of such certificate will be entitled to receive any such dividends or other distributions, without any interest thereon, which subsequent to the effective time had previously become payable but not paid with respect to shares of Sandy Spring common stock represented by such person's certificates representing shares of WashingtonFirst common stock and WashingtonFirst non-voting common stock.

Representations and Warranties

The representations, warranties and covenants described below, and elsewhere in this joint proxy statement/prospectus, and included in the merger agreement were made by Sandy Spring and Merger Sub, on the one hand, and WashingtonFirst, on the other hand, for the benefit of the other party, only for purposes of the merger agreement and as of specific dates. In addition, the representations, warranties and covenants may be subject to

limitations, qualifications or exceptions agreed upon by the parties to the merger agreement, including those

Table of Contents

included in confidential disclosures made for the purposes of, among other things, allocating contractual risk between Sandy Spring and WashingtonFirst rather than establishing matters as facts, and may be subject to standards of materiality that differ from those standards relevant to investors. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the merger agreement, which subsequent information may or may not be fully reflected in public disclosures by Sandy Spring or WashingtonFirst. Therefore, you should not rely on the representations, warranties, covenants or any description thereof as characterizations of the actual state of facts or condition of Sandy Spring, WashingtonFirst or any of their respective subsidiaries or affiliates without considering the foregoing. The representations and warranties and other provisions of the merger agreement should not be read alone, but instead should be read only in conjunction with the information provided elsewhere in this joint proxy statement/prospectus and in the documents incorporated by reference into this joint proxy statement/prospectus. See the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information" beginning on page [].

The merger agreement contains customary representations and warranties of each of Sandy Spring and WashingtonFirst relating to their respective businesses. The representations and warranties in the merger agreement do not survive the effective time.

The merger agreement contains representations and warranties made by WashingtonFirst relating to a number of matters, including the following:

corporate matters, including due organization and qualification and subsidiaries;

capitalization;

authority relative to the execution and delivery of the merger agreement and the absence of conflicts with, or violations of, organizational documents or other obligations as a result of the integrated mergers;

required governmental, regulatory and third party consents, approvals and filings in connection with the integrated mergers;

SEC reports and reports to, and other filings with, regulatory authorities;

financial statements, internal controls, books and records and the absence of undisclosed liabilities;

the absence of certain changes or events;

legal proceedings;

the absence of agreements with, or orders, enforcement actions or other directives by, regulatory authorities;

compliance with applicable laws in all material respects;

tax matters;

certain material contracts;

intellectual property;

labor, employee and employee benefit matters;

real property;

the opinion of its financial advisor;

broker's fees payable in connection with the integrated mergers;

environmental matters;

loan matters;

Table of Contents

the inapplicability of anti-takeover statutes;

related party transactions;

insurance matters;

investment securities and derivatives;

corporate documents and records;

the accuracy of information supplied for inclusion in this joint proxy statement/prospectus and other similar documents;

internal controls;

data privacy and security; and

the absence of action or knowledge of any fact or circumstance that would prevent the Transactions from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

The merger agreement contains representations and warranties made by Sandy Spring relating to a number of matters, including the following:

corporate matters, including due organization and qualification and subsidiaries;

capitalization;

authority relative to the execution and delivery of the merger agreement and the absence of conflicts with, or violations of, organizational documents or other obligations as a result of the integrated mergers;

required governmental, regulatory and third party consents, approvals and filings in connection with the integrated mergers;

SEC reports and reports to, and other filings with, regulatory authorities;

financial statements, internal controls, books and records and the absence of undisclosed liabilities;

the absence of certain changes or events;

legal proceedings;

the absence of agreements with, or orders, enforcement actions or other directives by, regulatory authorities;

compliance with applicable laws in all respects;

tax matters;

employee benefits matters;

the opinion of its financial advisor;

broker's fees payable in connection with the integrated mergers;

loan matters;

the inapplicability of anti-takeover statutes;

insurance matters;

the accuracy of information supplied for inclusion in this joint proxy statement/prospectus and other similar documents;

internal controls;

Table of Contents

data privacy and security; and

the absence of action or knowledge of any fact or circumstance that would prevent the Transactions from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

Certain representations and warranties of Sandy Spring and WashingtonFirst are qualified as to materiality or material adverse effect. For purposes of the merger agreement, a material adverse effect, when used in reference to either Sandy Spring or WashingtonFirst or the combined company, means a material adverse effect on the business, financial condition or results of operations of such party and its subsidiaries taken as a whole (provided that, any effect, change or circumstance resulting from the following shall not be considered in determining whether a material adverse effect has occurred: (i) changes, after the date of the merger agreement, in laws, rules, or regulations or U.S. generally accepted accounting principles (which we refer to as GAAP) or applicable regulatory accounting requirements or interpretations thereof by courts or governmental entities, that apply to financial and/or depository institutions and/or their holding companies generally, (ii) changes, after the date of the merger agreement, in economic conditions affecting financial institutions generally, including but not limited to, changes in the general level of market interest rates, (iii) actions and omissions of Sandy Spring or WashingtonFirst taken with the prior written consent, or at the request, of the other, (iv) direct effects of compliance with the merger agreement on the operating performance of the parties, including expenses related to the Transactions, (v) changes in national or international political or social conditions including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon or within the United States and (vi) any failure, in and of itself (and not necessarily the facts or occurrences giving rise to or contributing to such failure), by Sandy Spring or WashingtonFirst to meet any internal or published projections, forecasts, estimates, or predictions in respect of revenues, earnings or other financial or operating metrics for any period; except, with respect to subclauses (i), (ii) and (v), to the extent that the effects of such changes are disproportionately adverse to such party and its subsidiaries as compared to comparable U.S. banking organizations.

Covenants and Agreements

Conduct of Business Prior to the Effective Time

WashingtonFirst has agreed that, prior to the effective time (or earlier termination of the merger agreement), subject to specified exceptions, it will, and will cause each of its subsidiaries to, conduct its business in the ordinary and usual course consistent with past practice and in accordance with written policies and procedures, use reasonable best efforts to maintain and preserve intact its business organization, employees and advantageous business relationships, and take no action that would reasonably likely to adversely affect or delay its ability to obtain any necessary approvals of any governmental entity or regulatory agency required for the transactions contemplated by the merger agreement or to perform its covenants and agreements under the merger agreement or to consummate the transactions contemplated thereby on a timely basis.

Additionally, prior to the effective time (or earlier termination of the merger agreement), subject to specified exceptions, WashingtonFirst may not, and may not permit any of its subsidiaries to, without the prior written consent of Sandy Spring, which consent cannot be unreasonably withheld, undertake the following actions:

other than in the ordinary course of business consistent with past practice, incur, modify, extend or renegotiate any indebtedness for borrowed money, assume, guarantee, endorse or otherwise as an

accommodation become responsible for the obligations of any other individual, corporation or other entity;

prepay any indebtedness or other similar arrangements so as to cause WashingtonFirst or any of its subsidiaries to incur any prepayment penalty thereunder;

purchase any brokered certificates of deposit other than in the ordinary course of business consistent with past practice with a term not in excess of one year;

Table of Contents

adjust, split, combine or reclassify any of its capital stock;

make, declare or pay any dividend, or make any other distribution on any shares of its capital stock or trust preferred securities, except (i) regular quarterly cash dividends by WashingtonFirst at a rate not in excess of \$0.07 per share of WashingtonFirst common stock, (ii) dividends paid by any of the subsidiaries of WashingtonFirst to WashingtonFirst, or (iii) required dividends or distributions in respect of trust preferred securities;

grant any stock options, stock appreciation rights, performance shares, restricted stock units, restricted shares or other equity or equity-based awards or interests, or grant any individual, corporation or other entity any right to acquire any shares of its capital stock;

issue, sell or otherwise permit to become outstanding any additional shares of capital stock or securities convertible or exchangeable into, or exercisable for, any shares of its capital stock or any options, warrants, or other rights of any kind to acquire any shares of capital stock, except pursuant to the exercise of WashingtonFirst stock options or the settlement of WashingtonFirst restricted stock awards in accordance with their terms;

directly or indirectly redeem, purchase or otherwise acquire, any shares of its capital stock, except the acceptance of shares of WashingtonFirst common stock as payment for the exercise price of WashingtonFirst stock options or for withholding taxes incurred in connection with the exercise of WashingtonFirst stock options or the vesting or settlement of WashingtonFirst restricted stock awards, in each case, in accordance with past practice and the terms of the applicable award agreements;

sell, transfer, mortgage, encumber or otherwise dispose of any of its material properties or assets to any individual, corporation or other entity other than WashingtonFirst or a subsidiary thereof, or cancel, release or assign any indebtedness to any such person or any claims held by any such person, in each case other than in the ordinary course of business consistent with past practice or pursuant to the contracts or agreements in force as of the date of the merger agreement;

except pursuant to agreements in force at the date of or permitted by the merger agreement, (i) acquire (whether by merger or consolidation, acquisition of stock or assets or by formation of a joint venture or otherwise) any other person or business or any material assets, deposits or properties of any other person; or (ii) make any equity investment, either by purchase of stock or securities, contributions to capital, property transfers or purchase of any property or assets of any other individual, corporation or other entity, or form any new subsidiary;

enter into, renew, amend or terminate any contract or agreement, or make any change in any of its leases or contracts, other than with respect to those involving aggregate payments of less than, or the provision of goods or services with a market value of less than, \$100,000 per annum, subject to certain exceptions;

make, renegotiate, renew, increase the amount of, extend the term of, modify or purchase any loan, or make any commitment in respect of any of the foregoing, (i) that would require an exception to WashingtonFirst Bank's formal loan policy as in effect as of the date of the merger agreement or that is not in strict compliance with the provisions of such loan policy, except for policy exceptions taken in the normal course for similarly-sized loans or (ii) other than incident to a reasonable loan restructuring, to any person or any director or officer of, or any owner of a material interest in, such person if such person or such affiliate is the obligor under any indebtedness to WashingtonFirst or any of its subsidiaries that constitutes a nonperforming loan or against any part of such indebtedness WashingtonFirst or any of its subsidiaries has established loss reserves or any part of which has been charged-off by WashingtonFirst or any of its subsidiaries;

enter into any material new line of business or change in any material respect its lending, investment, underwriting, risk and asset liability management and other banking and operating, securitization and servicing policies (including any change in the maximum ratio or similar limits as a percentage of its

Table of Contents

capital exposure applicable with respect to its loan portfolio or any segment thereof), except as required by applicable law or policies imposed by any governmental entity;

except for loans made in accordance with Regulation O of the Federal Reserve Board, make or increase any loan, or commit to make or increase any such loan or extension of credit, to any director or executive officer of WashingtonFirst or WashingtonFirst Bank, or any entity controlled, directly or indirectly, by any of the foregoing;

subject to certain exceptions, including as required under applicable law, (i) increase the compensation or benefits payable to any current or former employee, officer, director or consultant, except for merit or promotion based increases in annual base salary or wage rate for employees (other than directors or executive officers) in the ordinary course of business, consistent with past practice, that do not exceed, in the aggregate, 3% of the aggregate cost of all employee annual base salaries and wages in effect as of the date of the merger agreement, (ii) pay or award, or commit to pay or award, any bonuses or incentive compensation not required by any existing plan or agreement, (iii) enter into, adopt, amend or terminate any employee benefit or compensation plan, program, policy or arrangement for the benefit of any current or former employee, officer, director or consultant (who is a natural person), (iv) grant or accelerate the vesting of any equity-based awards or other compensation, (v) enter into any new, or amend (whether in writing or through the interpretation of) any existing, employment, severance, change in control, retention, bonus guarantee, or collective bargaining agreement or arrangement, (vi) elect to any senior executive office any person who is not a member of its senior executive officer team as of the date of the merger agreement or elect to its board of directors any person who is not a member of its board of directors as of the date of the merger agreement or (vii) hire any employee with annual compensation greater than \$100,000, or terminate the employment or services of any employee in a position of Vice President or above or whose annual compensation is greater than \$100,000, other than for cause;

commence any action or proceeding, other than to enforce any obligation owed to WashingtonFirst or any of its subsidiaries and in accordance with past practice, or settle any claim, action or proceeding (i) involving payment by it of money damages in excess of \$50,000 or (ii) which would impose any material restriction on its operations or the operations of any of its subsidiaries;

amend its articles of incorporation, bylaws or similar governing documents;

increase or decrease the rate of interest paid on time deposits or on certificates of deposit, except in a manner consistent with past practice;

materially restructure or materially change its investment securities or derivatives portfolio or its interest rate exposure, through purchases, sales or otherwise, or the manner in which the portfolio is classified or reported, except as may be required by GAAP or applicable laws or policies imposed by any governmental entity or requested by a governmental entity;

make, or commit to make, any capital expenditures other than (i) pursuant to binding commitments existing on the date of the merger agreement, (ii) expenditures necessary to maintain existing assets in good repair, and (iii) capital expenditures in the ordinary and usual course of business consistent with past practice in amounts not exceeding \$50,000 in the aggregate;

establish or commit to the establishment of any new branch or other office facilities or file any application to relocate or terminate the operation of any banking office;

enter into any futures contract, option, swap agreement, interest rate cap, interest rate floor, interest rate exchange agreement, or take any other action for purposes of hedging the exposure of its interest-earning assets or interest-bearing liabilities to changes in market rates of interest, other than in the ordinary course of business;

make, change or rescind any material tax or tax return election, file any amended tax return, enter into any closing agreement with respect to taxes, settle or compromise any material tax claim or assessment, or surrender any right to claim a refund of taxes or obtain any tax ruling;

Table of Contents

take any action that is intended or expected to result in any of its representations and warranties set forth in the merger agreement being or becoming untrue in any material respect at any time prior to the effective time, or in any of the conditions to the first-step merger not being satisfied or in a violation of any provision of the merger agreement;

implement or adopt any change in its accounting principles, practices or methods, other than as required by GAAP or regulatory guidelines;

take any action that would prevent or impede the integrated mergers from being treated as an integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code; or

agree to take, make any commitment to take, or adopt any resolutions of the WashingtonFirst board or similar governing body in support of, any of the foregoing.

Sandy Spring has agreed that, prior to the effective time, subject to specified exceptions, Sandy Spring shall use commercially reasonable efforts to preserve intact its and its subsidiaries business organization, goodwill, relationships with depositors, customers and employees, and maintain its rights and franchises in all material respects, and may not, and may not permit any of its subsidiaries to, without the prior written consent of Sandy Spring, undertake the following actions:

knowingly take any action that would adversely affect or delay (i) the ability to obtain any necessary approvals of any governmental entity required for the consummation of the Transactions or (ii) its ability to perform its obligations under the merger agreement or to consummate the Transactions;

take any action that is intended to or expected to result in any of its representations and warranties set forth in the merger agreement being or becoming untrue in any material respect at any time prior to the effective time, or in any of the conditions to the first-step merger not being satisfied or in a violation of any provision of the merger agreement;

take any action that would prevent or impede the integrated mergers, taken together, from being treated as an integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code;

amend, repeal or modify any provision of its articles of incorporation or bylaws in a manner that would adversely affect any WashingtonFirst stockholder or the Transactions; or

agree to take, make any commitment to take, or adopt any resolutions of the Sandy Spring board or similar governing body in support of, any of the foregoing.

Regulatory Matters

Sandy Spring and WashingtonFirst have agreed to use their respective reasonable best efforts to prepare and file as soon as reasonably practicable after the date of the merger agreement, all necessary applications, notices and filings, to obtain all permits, consents, approvals and authorizations of all governmental entities that are necessary or advisable, and all third parties that are required, to consummate the transactions contemplated by the merger agreement. Sandy Spring and WashingtonFirst have also agreed to furnish each other with all information concerning the other party or its subsidiaries as may be reasonably necessary or advisable in connection with any application, notice or filing to any governmental entity in connection with the Transactions, and Sandy Spring and WashingtonFirst have the right to review in advance, and to the extent practicable have agreed to consult with the other on, all information relating to Sandy Spring and WashingtonFirst, as the case may be, and any of their respective subsidiaries, appearing in any written materials submitted to any governmental entity. Each party has also agreed to provide the other with copies of any applications and all related correspondence prior to filing, other than portions of such material filed under a claim of confidentiality and to keep each other apprised of the status of matters related to the transactions contemplated by the merger agreement.

Table of Contents

Employee Benefit Matters

Following the effective time, Sandy Spring has agreed to cause the surviving corporation to maintain, for the benefit of all persons who were employees of WashingtonFirst and its subsidiaries immediately prior to the effective time whose employment is not specifically terminated at or prior to the effective time (whom we refer to as continuing employees), employee benefit plans and compensation opportunities that are substantially comparable in the aggregate to the employee benefit and compensation opportunities that are generally made available to similarly situated employees of Sandy Spring or its subsidiaries, provided that no continuing employee will be eligible to participate in any closed or frozen plan of Sandy Spring or its subsidiaries. Any employee of WashingtonFirst or any of its subsidiaries immediately prior to the effective time whose employment is specifically terminated at or prior to the effective time of the first-step merger and their qualified beneficiaries will have the right to continued coverage under group health plans of Sandy Spring in accordance with the Consolidated Omnibus Budget Reconciliation Act.

Under the merger agreement, WashingtonFirst has agreed to, effective immediately prior to the effective time (or such later date as requested by Sandy Spring or as may be required to comply with any applicable requirements contained in such plans), terminate WashingtonFirst's health and welfare plans and shall arrange for termination of all corresponding insurance policies, service agreements and related arrangements effective on the same date, provided that no coverage of any of the continuing employees may terminate under the WashingtonFirst plans prior to the time such continuing employees become eligible to participate in the health plans, programs and benefits common to all employees of Sandy Spring and its subsidiaries.

Under the merger agreement, Sandy Spring has agreed to, effective as of the effective time, assume and honor in accordance with their terms all employment, severance, change in control and other compensation agreements and arrangements between WashingtonFirst or any of its subsidiaries and any of their employees, which are not terminated in connection with the consummation of the Transactions, and all accrued and vested benefit obligations through the effective time which are between WashingtonFirst or any of its subsidiaries and any of their current or former directors, officers, employees or consultants.

The merger agreement also provides that the surviving corporation, with respect to the continuing employees, agrees to undertake the following:

provide each such continuing employee who becomes covered under health plans, programs and benefits of Sandy Spring or any of its subsidiaries with credit for any co-payments and deductibles paid prior to the effective time under a health plan sponsored by WashingtonFirst for the plan year in which coverage commences under Sandy Spring's health plan;

take and any all actions required to permit such continuing employees to roll over their account balances (excluding any loans) in WashingtonFirst's 401(k) plan immediately prior to the effective time into Sandy Spring's 401(k) plan; and

recognize all service of such continuing employees with WashingtonFirst and its subsidiaries, for purposes of vesting and determination of eligibility to participate under Sandy Spring's compensation and benefit plans, programs or policies (other than any plan that is frozen as to participation), except (i) to the extent duplication of benefits occurs with respect to the same period of service, (ii) to the extent prohibited under

Sandy Spring's compensation and benefit plans, programs or policies or (iii) for benefit accrual purposes under any of Sandy Spring's compensation and benefit plans, programs or policies (other than Sandy Spring's paid time off program).

Effective as of the day immediately prior to and conditioned upon the occurrence of the closing, WashingtonFirst will take all necessary and appropriate action to terminate its 401(k) plan. Upon termination of the 401(k) plan, all participants will be 100% vested in their account balances. Upon written request by Sandy Spring, WashingtonFirst agrees to take all necessary steps to file or cause to be filed all necessary documents with the Internal Revenue Service for a determination letter for termination of WashingtonFirst's 401(k) plan.

Table of Contents

WashingtonFirst also agrees (i) to provide or direct the fiduciaries of the 401(k) plan to provide (to the extent permitted by law), Sandy Spring and its counsel with a draft of each resolution, amendment, participant communication or other document relating to the termination of WashingtonFirst's 401(k) plan at least five business days before such document is adopted, distributed or filed, and (ii) not to adopt, distribute or file any such document without Sandy Spring's approval which may not be unreasonably withheld, conditioned or delayed.

With respect to each full time WashingtonFirst employee (immediately prior to the effective time) who is involuntarily terminated by Sandy Spring (other than for cause as determined by Sandy Spring) within twelve months of the effective time of the Transactions upon signing an appropriate release in a form reasonably determined by Sandy Spring, Sandy Spring agrees to provide a severance payment equal to two weeks' base pay (at the rate in effect on the termination date) for each full year of service at WashingtonFirst, with fractional years of service rounded up or down to the nearest full year, with a minimum payment equal to four weeks' base pay for WashingtonFirst employees who have one full year or less of service as of their date of termination and a maximum equal to twenty-six weeks' base pay, except that any such former employees of WashingtonFirst who are covered by a separate severance, change in control or employment agreement or other arrangement providing for a payment triggered by the first-step merger or the bank merger shall not receive any severance payment other than the one specified in such agreement.

Director and Officer Indemnification and Insurance

Under the merger agreement, Sandy Spring has agreed to, following the effective time, indemnify and hold harmless all current and former directors, officers and employees of WashingtonFirst and its subsidiaries against all costs or expenses (including reasonable attorneys' fees and expenses), judgments, fines, losses, claims, damages or liabilities and amounts paid in settlement incurred in connection with any threatened or actual claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of matters existing or occurring at or prior to the effective time, whether asserted before or after the effective time, pertaining to (i) the fact that such person is or was a director, officer or employee of WashingtonFirst, any of its subsidiaries or any of their respective predecessors or was prior to the effective time serving at the request of any such party as a director, officer, employee, trustee or partner of another corporation, partnership, trust, joint venture, employee benefit plan or other entity, or (ii) any matters arising in connection with the transactions contemplated by the merger agreement, to the fullest extent such persons would have been indemnified or have the right to advancement of expenses pursuant to WashingtonFirst's articles of incorporation and bylaws (as in effect on the date of the merger agreement) and as permitted by applicable law. Sandy Spring and WashingtonFirst have also agreed to advance expenses as incurred to the fullest extent permitted under applicable law, provided that the person receiving such advance expenses provides a signed written undertaking to repay such advances if the person is not entitled to mandatory indemnification and it is ultimately determined that such person is not entitled to indemnification.

The merger agreement requires the surviving corporation to maintain, for a period of six years after completion of the first-step merger, WashingtonFirst's existing directors' and officers' liability insurance policy, or policies covering each person that was covered, as of the date of the merger agreement, by WashingtonFirst's existing directors' and officers' liability insurance policy with respect to claims against such persons arising from facts or events that occurred at or prior to the effective time. However, the surviving corporation is not required to spend annually more than 300% of the current annual premium paid as of the date of the merger agreement by WashingtonFirst for such insurance (which we refer to as the "premium cap"), and if such premiums for such insurance would at any time exceed that amount, then the surviving corporation will maintain policies of insurance which provide as much comparable coverage as is available at an annual premium equal to the premium cap. In lieu of the foregoing, Sandy Spring may (i) request WashingtonFirst to obtain an extended reporting period endorsement under WashingtonFirst's existing directors' and officers' liability insurance policy or (ii) substitute therefor "tail" policies the material terms of which (including coverage and amount), are no less favorable in any material respect to such persons than WashingtonFirst's existing

insurance policies as of the

Table of Contents

date of the merger agreement and to the extent that the same may be obtained for an amount that, in the aggregate, does not exceed the premium cap.

Trust Preferred Securities and Subordinated Debt

At the effective time, Sandy Spring will expressly assume (including, without limitation, being substituted for WashingtonFirst) and thereafter will perform all of WashingtonFirst's obligations in connection with: (i) the indenture relating to such subordinated debt securities and the trust preferred securities issued by Alliance Virginia Capital Trust I; and (ii) the indenture relating to WashingtonFirst's issuance of \$25,000,000 principal amount of its 6.00% Fixed-to-Floating Rate Subordinated Notes due 2025. Sandy Spring will also execute any and all documents, instruments and agreements, including any supplemental indentures, guarantees, officers' certificates, opinions of counsel and declarations of trust required by such indentures.

Certain Additional Covenants

The merger agreement also contains additional covenants, including, among others, covenants relating to the filing of this joint proxy statement/prospectus and the registration statement that it is a part of, obtaining required consents, the listing of the shares of the Sandy Spring common stock to be issued in the first-step merger, access to information of the other company and notification of certain matters including certain threatened claims or litigation, defaults under material contracts or events or other occurrences reasonably likely to result in a material adverse effect, exemption from anti-takeover laws and public announcements with respect to the transactions contemplated by the merger agreement.

Stockholder Meetings and Recommendations of the WashingtonFirst Board and Sandy Spring Board

Each of Sandy Spring and WashingtonFirst has agreed to hold a meeting of its stockholders for the purpose of voting upon approval and adoption of the merger agreement, in the case of WashingtonFirst stockholders, and upon the Sandy Spring share issuance, in the case of Sandy Spring stockholders, in each case, as soon as reasonably practicable after the registration statement (of which this joint proxy statement/prospectus is a part) is declared effective. WashingtonFirst has agreed to use its reasonable best efforts to obtain from its stockholders the vote required to approve the merger agreement, including by communicating to its stockholders its recommendation (and including such recommendation in this joint proxy statement/prospectus) that they approve the merger agreement and the transactions contemplated thereby and Sandy Spring has made similar covenants with respect to the Sandy Spring share issuance.

If the Sandy Spring board, after receiving the advice of its outside counsel and, with respect to financial matters, its financial advisors, determines in good faith that it would be reasonably likely to result in a violation of its fiduciary duties under applicable law to continue to recommend approval of the issuance of shares of Sandy Spring common stock in connection with the first-step merger, then it may (but will not be required to) submit the merger agreement to its stockholders without recommendation (although the resolutions approving the merger agreement as of the date thereof may not be rescinded or amended) and may communicate the basis for its lack of a recommendation to its stockholders to the extent required by law.

If the WashingtonFirst board, after receiving the advice of its outside counsel and, with respect to financial matters, its financial advisors, determines in good faith that it would be reasonably likely to result in a violation of its fiduciary duties under applicable law to continue to recommend the merger agreement, then it may fail to make such recommendation or withdraw, modify or change any such recommendation (although the resolutions approving the merger agreement as of the date therefor may not be rescinded or amended); except that the WashingtonFirst board

may not take any such actions unless (i) WashingtonFirst gives Sandy Spring at least three business days prior written notice of its intention to take such action and a reasonable description of the event or circumstances giving rise to its determination to take such action (including, if such action is taken in response to any third-party proposal or offer or indication of interest with respect to any of the following: (1) any

Table of Contents

merger, consolidation, share exchange, combination, or other similar transaction involving WashingtonFirst or any of its subsidiaries; (2) any direct or indirect acquisition or purchase of, or any tender or exchange offer resulting in such third party beneficially owning, 25% or more of any class of equity securities or the consolidated assets of WashingtonFirst whether through a series of transactions or otherwise (each of which we refer to as an acquisition proposal), its basis for determining that such acquisition proposal constitutes a superior proposal (as defined in the section entitled Agreement Not to Solicit Other Offers below) to the contemplated Transactions (including the latest material terms and conditions of, and the identity of the third-party making, any such acquisition proposal, or any amendment or modification thereof, or describe in reasonable detail such other event or circumstances)) and (ii) at the end of such notice period, the WashingtonFirst board takes into account any amendment or modification to the merger agreement proposed by Sandy Spring (it being understood that Sandy Spring will not have any obligation to propose any adjustments, modifications or amendments to the terms and conditions of the merger agreement), and after receiving the advice of its outside counsel and, with respect to financial matters, its financial advisors, again determines in good faith that it would nevertheless be reasonably likely to result in a violation of its fiduciary duties under applicable law to continue to recommend the merger agreement. Any material amendment to any acquisition proposal will require a new determination and notice period.

Under the terms of the merger agreement, each of Sandy Spring and WashingtonFirst has agreed to adjourn or postpone the Sandy Spring stockholder meeting or the WashingtonFirst stockholder meeting, as the case may be, if, as of the time for which such meeting is originally scheduled, there are insufficient shares of Sandy Spring common stock or WashingtonFirst common stock, as the case may be, represented (either in person or by proxy) to constitute a quorum necessary to conduct the business of such meeting, or if on the date of such meeting, WashingtonFirst or Sandy Spring, as applicable, has not received proxies representing a sufficient number of shares necessary to obtain the requisite WashingtonFirst stockholder approval or the requisite Sandy Spring stockholder approval.

Agreement Not to Solicit Other Offers

From the date of the merger agreement until the closing of the Transactions (or earlier termination of the merger agreement), WashingtonFirst has agreed that it will not, and will not authorize or permit any of its subsidiaries or any of its or its subsidiaries officers, directors, or employees or any investment banker, financial advisor, attorney, accountant or other representative (which we refer to as its representatives) to, directly or indirectly, (i) initiate, solicit, encourage or take any other action to facilitate, any inquiries, discussions or proposals that constitutes or could reasonably be expected to lead to an acquisition proposal, (ii) provide any information or data regarding WashingtonFirst or any of its subsidiaries to any person in connection with or in response to an acquisition proposal or an inquiry or indication of interest that would reasonably be expected to lead to an acquisition proposal, or (iii) continue or otherwise participate in any discussions or negotiations, or otherwise communicate in any way with any person (other than Sandy Spring, Merger Sub or a representative of either) regarding an acquisition proposal. However, if WashingtonFirst receives an unsolicited bona fide written acquisition proposal prior to the date of the WashingtonFirst stockholder meeting and such acquisition proposal did not result from a breach of WashingtonFirst's non-solicitation obligations under the merger agreement, WashingtonFirst may, and may permit its subsidiaries and its and its subsidiaries representatives to, furnish or cause to be furnished nonpublic information or data and participate in negotiations or discussions to the extent that the WashingtonFirst board concludes in good faith (after receiving the advice of its outside counsel, and with respect to financial matters, its financial advisors) that (1) such acquisition proposal constitutes or is reasonably likely to lead to a superior proposal and (2) failure to take such actions would be reasonably likely to result in a violation of its fiduciary duties under applicable law, except that, prior to providing any such nonpublic information or data, WashingtonFirst must have provided such information or data to Sandy Spring and have entered into a confidentiality agreement with such third party on terms no more favorable to such third party than the confidentiality provisions in a letter agreement, dated February 9, 2017, between Sandy Spring and WashingtonFirst, which confidentiality agreement does not provide such third party with any exclusive right to

negotiate with WashingtonFirst.

Table of Contents

WashingtonFirst has also agreed to immediately cease and cause to be terminated any activities, discussions or negotiations existing as of the date of the merger agreement with any parties other than Sandy Spring, with respect to any acquisition proposal. In addition, WashingtonFirst has agreed that it will not release any third party from, or waive any provisions of, any confidentiality or standstill agreements to which WashingtonFirst or any of its subsidiaries is party and to use its reasonable best efforts to enforce any confidentiality or standstill agreement to which WashingtonFirst or any of its subsidiaries is party in accordance with the terms thereof.

WashingtonFirst has also agreed to promptly (and in any event within 24 hours) advise Sandy Spring of receipt of any acquisition proposal or any inquiry with respect to or which could reasonably be expected to lead to an acquisition proposal, and the substance thereof (including, in each case, the identity of the person making such inquiry or acquisition proposal and the material terms and conditions thereof), to provide to Sandy Spring copies of any written materials received by WashingtonFirst or any of its subsidiaries in connection therewith and to keep Sandy Spring apprised of any related developments, discussions and negotiations on a current basis, including any amendments to or revisions of the terms of such inquiry or acquisition proposal. Unless the merger agreement has been terminated in accordance with its terms, WashingtonFirst is prohibited from entering into, and must cause its subsidiaries and cause its and their officers, directors, agents, advisors and representatives not to enter into on its behalf, any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement or other agreement relating to any acquisition proposal.

For purposes of the merger agreement, a superior proposal means any bona fide written offer or proposal made by a third party to consummate an acquisition proposal that the WashingtonFirst board determines in good faith (after receiving the advice of its outside counsel and, with respect to financial matters, its financial advisors): (1) would, if consummated, result in the acquisition of all, but not less than all, of the issued and outstanding shares of WashingtonFirst common stock or all, or substantially all, of the assets of WashingtonFirst; (2) would result in a transaction that (A) involves consideration to the holders of the shares of WashingtonFirst common stock that is more favorable, from a financial point of view, than the consideration to be paid to the stockholders of WashingtonFirst pursuant to the merger agreement, considering, among other things, the nature of the consideration being offered and any material regulatory approvals or other risks associated with the timing of the proposed transaction beyond, or in addition to, those specifically contemplated by the merger agreement, and which proposal is not conditioned upon obtaining financing and (B) is, in light of the other terms of such proposal, more favorable to the stockholders of WashingtonFirst than the integrated mergers and the transactions contemplated by the merger agreement; and (3) is reasonably likely to be completed on the terms proposed, in each case, taking into account all legal, financial, regulatory and other aspects of the acquisition proposal.

Conditions to Completing the Integrated Mergers

Sandy Spring's and WashingtonFirst's respective obligations to complete the integrated mergers are subject to the satisfaction or waiver of the following customary closing conditions:

the approval of the merger agreement by the WashingtonFirst stockholders and the approval of the Sandy Spring share issuance by the Sandy Spring stockholders;

the authorization for listing on the Nasdaq Global Select Market, subject to official notice of issuance, of the Sandy Spring common stock to be issued pursuant to the merger agreement;

the receipt of requisite regulatory approvals, consents or waivers, including from the Federal Reserve Board, the Maryland Office of the Commission of Financial Regulation, the Virginia Bureau of Financial Institutions, state securities or blue sky authorities, and the expiration or termination of all statutory waiting periods in respect thereof, without the imposition of any materially burdensome regulatory condition or requirement;

the effectiveness of the registration statement of which this joint proxy statement/prospectus is a part, with respect to the Sandy Spring common stock to be issued upon the consummation of the first-step merger, and the absence of any stop order (or proceedings for that purpose initiated or threatened and not withdrawn) suspending the effectiveness of such registration statement;

Table of Contents

the absence of any order, injunction, or decree of any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the completion of the consummation of the integrated mergers or any of the other Transactions contemplated by the merger agreement, and the absence of any statute, rule, regulation, order, injunction or decree enacted, entered, promulgated or enforced by any governmental entity which prohibits or makes illegal consummation of the integrated mergers;

the accuracy of the representations and warranties of the other party contained in the merger agreement as of the date on which the merger agreement was entered into and (except to the extent such representations and warranties speak as of an earlier date, in which case such representations and warranties shall be so true and correct as of such earlier date) as of the date on which the first-step merger is completed, subject to the materiality standards provided in the merger agreement (and the receipt by each party of an officers certificate from the other party to such effect);

the performance in all material respects by the other party of all obligations required to be performed by it under the merger agreement at or prior to the date on which the integrated mergers are completed (and the receipt by each party of an officers certificate from the other party to such effect);

receipt by such party of an opinion of legal counsel to the effect that on the basis of facts, representations and assumptions set forth or referred to in such opinion (which must be consistent with the state of facts existing as of the effective time), the integrated mergers will together be treated as a reorganization within the meaning of Section 368(a) of the Code; and

with respect only to Sandy Spring's obligation to complete the integrated mergers, the absence of the occurrence of any material adverse effect with respect to WashingtonFirst since the date of the merger agreement.

Neither WashingtonFirst nor Sandy Spring can be certain when, or if, the conditions to the integrated mergers will be satisfied or waived or that the integrated mergers will be completed.

Termination of the Merger Agreement

The merger agreement can be terminated, and the integrated mergers abandoned, at any time prior to completion of the first-step merger, by action taken or authorized by the board of directors of the terminating party, either before or after obtaining the requisite stockholder approval (whether with respect to the approval of the merger agreement or the issuance of shares of Sandy Spring common stock in connection therewith, as the case may be) in the following circumstances:

by mutual written consent of Sandy Spring and WashingtonFirst;

by either Sandy Spring or WashingtonFirst, if (i) WashingtonFirst failed to obtain the affirmative vote of the holders of a majority of the outstanding shares of WashingtonFirst common stock at its duly convened stockholder meeting or at any adjournment thereof at which a vote on the adoption of the merger agreement

was taken or (ii) if Sandy Spring failed to obtain the affirmative vote of a majority of the votes cast by the holders of the shares of Sandy Spring common stock at the Sandy Spring stockholder meeting to approve the Sandy Spring share issuance at its duly convened stockholder meeting or at any adjournment thereof at which a vote on the Sandy Spring share issuance was taken;

by either Sandy Spring or WashingtonFirst, if (i) any governmental entity denies any regulatory approval, consent or waiver required to consummate the Transactions and such denial has become final and non-appealable or (ii) any governmental entity of competent jurisdiction has issued a final and non-appealable order enjoining or otherwise prohibiting the consummation of the transactions contemplated by the merger agreement;

by either Sandy Spring or WashingtonFirst, in the event that the first-step merger has not been consummated on or before the termination date, which is the one year anniversary of the date of the merger agreement, unless the failure to so consummate by such date is due to the failure of the terminating party to perform or observe its obligations under the merger agreement;

Table of Contents

by either Sandy Spring or WashingtonFirst (except that the terminating party cannot then be in material breach of any representation, warranty, covenant or other agreement contained in the merger agreement) if the other party breaches any of its covenants or agreements set forth in the merger agreement or any of its representations and warranties set forth in the merger agreement ceases to be true, such that in either case, such breach or untrue representation or warranty would constitute, if occurring or continuing on the closing date, the failure of a closing condition of the terminating party and such breach is not cured within 30 days following written notice to the breaching party, or such breach cannot be cured during such period;

by WashingtonFirst, prior to the time that the Sandy Spring share issuance proposal is approved, if the Sandy Spring board (i) fails to recommend in this joint proxy statement/prospectus that the Sandy Spring stockholders approve the Sandy Spring share issuance in connection with the first-step merger, or takes or resolves to take certain adverse actions with respect to such recommendation or fails to reaffirm such recommendation within two business days after WashingtonFirst's requests in writing that such action be taken or (ii) breaches certain obligations, including with respect to calling a meeting of its stockholders and recommending that they approve the Sandy Spring share issuance, in any material respect; or

by Sandy Spring, prior to the time that the WashingtonFirst stockholders approve the merger agreement, if the WashingtonFirst board (i) fails to recommend in this joint proxy statement/prospectus that the WashingtonFirst stockholders approve the merger agreement, or takes or resolves to take certain adverse actions with respect to such recommendation, (ii) fails to recommend against acceptance of a tender offer or exchange offer for outstanding WashingtonFirst common stock that has been publicly disclosed (other than by Sandy Spring or an affiliate of Sandy Spring) within 10 business days after the commencement of such tender or exchange offer, (iii) recommends or endorses an acquisition proposal or (iv) breaches certain obligations, including with respect to the solicitation of acquisition proposals or calling a meeting of its stockholders and recommending that they approve the merger agreement, in any material respect.

Additionally, WashingtonFirst may terminate the merger agreement if, as of the effective date, the Sandy Spring volume-weighted average price is less than \$34.00. If WashingtonFirst elects to exercise its termination right under such circumstances, it must notify Sandy Spring in writing of such election no later than the last day of the three-day period beginning on the fifth business day immediately preceding the closing date. During the three day period commencing with Sandy Spring's receipt of any such notice duly delivered by or on behalf of WashingtonFirst electing to exercise its right to terminate the merger agreement as described above, Sandy Spring will have the option to either (a) increase the exchange ratio to equal \$32.30 divided by the Sandy Spring volume-weighted average price or (b) pay, as part of the merger consideration, an additional amount in cash, without interest, equal to (x) \$32.30 minus (y) the Sandy Spring volume-weighted average price multiplied by 0.9500.

If within such three-day period, Sandy Spring delivers written notice to WashingtonFirst that it intends to proceed with the integrated mergers by paying such additional consideration, and notifies WashingtonFirst of the revised exchange ratio or additional cash payment, then no termination by WashingtonFirst will have occurred, and the merger agreement will remain in full force and effect in accordance with its terms (except as the exchange ratio shall have been so modified, and any references in the merger agreement to the merger consideration shall thereafter include any additional cash payment described above).

Effect of Termination

If the merger agreement is terminated, it will become void and have no effect, and there will be no liability on the part of any party thereto or their respective officers and directors, except that (i) each of Sandy Spring and

WashingtonFirst will remain liable for any liabilities or damages arising out of its fraud or willful breach of any provision of the merger agreement and (ii) designated provisions of the merger agreement will survive the

Table of Contents

termination, including those relating to payment of termination fees and expenses and the confidential treatment of information.

Termination Fee

In the event that the merger agreement is terminated by Sandy Spring prior to the approval by WashingtonFirst stockholders of the merger agreement based on the WashingtonFirst board having (i) failed to recommend in this joint proxy statement/prospectus that the WashingtonFirst stockholders approve the merger agreement, or withdrawn, modified or qualified such recommendation in a manner adverse to Sandy Spring, or resolved to do so, or failed to reaffirm such recommendation within two business days after Sandy Spring has requested in writing that such action be taken, or failed to recommend against acceptance of a tender offer or exchange offer for outstanding WashingtonFirst common stock that has been publicly disclosed (other than by Sandy Spring or an affiliate of Sandy Spring) within 10 business days after the commencement of such tender or exchange offer, or (ii) recommended or endorsed an acquisition proposal or (iii) breached certain obligations, including with respect to the non-solicitation of acquisition proposals or calling a meeting of its stockholders and recommending that the WashingtonFirst stockholders approve the merger agreement, in any material respect, then in either case (i), (ii) or (iii), WashingtonFirst will pay Sandy Spring, by wire transfer of same day funds, a \$18.5 million termination fee.

Sandy Spring will pay WashingtonFirst, by wire transfer of same day funds a \$18.5 million termination fee, in the event that the merger agreement is terminated by WashingtonFirst prior to the stockholder approval of the Sandy Spring share issuance (in connection with the first-step merger) based on the Sandy Spring board having (i) failed to recommend in this joint proxy statement/prospectus that the Sandy Spring stockholders approve the Sandy Spring share issuance, or withdrawn, modified or qualified such recommendation in a manner adverse to WashingtonFirst, or resolved to do so, or failed to reaffirm such recommendation within two business days after WashingtonFirst requests in writing that such action be taken or (ii) breached certain obligations, including with respect to calling a meeting of its stockholders and recommending that they approve the Sandy Spring share issuance, in any material respect.

In the event that, after the date of the merger agreement and prior to the termination of the merger agreement, (i) a bona fide acquisition proposal (which would, to the extent applicable, result in a third party beneficially owning 50% or more of any class of equity securities or the consolidated assets of WashingtonFirst whether through a series of transactions or otherwise) has been made known to senior management or the WashingtonFirst board or has been made directly to its stockholders generally or any person has publicly announced (and not withdrawn) an acquisition proposal (which would, to the extent applicable, result in a third party beneficially owning 50% or more of any class of equity securities or the consolidated assets of WashingtonFirst whether through a series of transactions or otherwise) with respect to WashingtonFirst, and (ii) thereafter, either (A) the merger agreement is terminated by either Sandy Spring or WashingtonFirst because the integrated mergers have not been completed prior to the termination date or because the requisite WashingtonFirst stockholder vote approving the merger agreement has not been obtained or (B) the merger agreement is terminated by Sandy Spring based on a breach of the merger agreement by WashingtonFirst that would constitute the failure of a closing condition and that has not been cured during the permitted time period or by its nature cannot be cured during such period and (iii) within 12 months after the date of such termination, WashingtonFirst enters into a definitive agreement or consummates a transaction with respect to an acquisition proposal (which would, to the extent applicable, result in a third party beneficially owning 50% or more of any class of equity securities or the consolidated assets of WashingtonFirst whether through a series of transactions or otherwise) whether or not the same acquisition proposal as that referred to above, then WashingtonFirst will, on the earlier of the date it enters into such definitive agreement and the date of consummation of such transaction, pay Sandy Spring, by wire transfer of same day funds, a \$18.5 million termination fee.

Table of Contents

Expenses and Fees

All costs and expenses incurred in connection with the merger agreement and the transactions contemplated thereby will be paid by the party incurring such expense, except that the costs and expenses of printing and mailing this joint proxy statement/prospectus shall be borne proportionately by Sandy Spring and WashingtonFirst based on the number of stockholders of such party and all filing and other fees paid to the SEC in connection with the integrated mergers will be borne equally by Sandy Spring and WashingtonFirst.

Amendment, Waiver and Extension of the Merger Agreement

Prior to the effective time and subject to compliance with applicable law, any provision of the merger agreement may be: (i) waived in writing by the party benefited by the provision or (ii) amended or modified at any time (including the structure of the transaction) by an agreement in writing between the parties to the merger agreement expressly stating such intent to amend or modify the merger agreement except that, after approval of the merger agreement by the WashingtonFirst stockholders or the approval of the issuance of shares of Sandy Spring common stock in connection with the first-step merger by the Sandy Spring stockholders, there may not be, without further approval of such stockholders, any amendment or modification of the merger agreement that would reduce the amount or alter or change the kind of consideration to be received by holders of WashingtonFirst common stock and WashingtonFirst non-voting common stock or that would contravene any provision of applicable law.

At any time prior to the completion of the first-step merger, the parties may, to the extent legally permitted, extend the time for the performance of any of the obligations or other acts of the other party, waive any inaccuracies in the representations and warranties contained in the merger agreement or in any document delivered pursuant to the merger agreement, and waive compliance with any of the agreements or satisfaction of any conditions contained in the merger agreement, except that after approval of the merger agreement by the WashingtonFirst stockholders or the approval of the issuance of shares of Sandy Spring common stock in connection with the first-step merger by the Sandy Spring stockholders, there may not be, without further approval of such stockholders, any extension or waiver of the merger agreement or any portion thereof that requires further approval under applicable law.

WashingtonFirst Voting Agreements

Simultaneously with the execution of the merger agreement, Sandy Spring entered into separate voting agreements with each of the directors of WashingtonFirst, solely in his or her capacity as a stockholder, of WashingtonFirst, pursuant to which each such stockholder agreed among other things, to vote all shares of WashingtonFirst common stock over which he or she exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters, and against alternative transactions. Each director also agreed to certain other restrictions with respect to the voting and transfer of such shares of WashingtonFirst common stock. As of the WashingtonFirst record date, the WashingtonFirst directors that are party to these voting agreements exercised sole disposition and voting rights with respect to 1,089,796 shares of WashingtonFirst common stock, representing []% of the outstanding shares of WashingtonFirst common stock. The foregoing description of the WashingtonFirst voting agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the WashingtonFirst voting agreements, a form of which is attached hereto as Annex C and is incorporated herein by reference.

Simultaneous with the execution of the merger agreement, Sandy Spring also entered into a voting agreement with Endicott, in its capacity as a stockholder of WashingtonFirst, pursuant to which Endicott agreed, among other things, to vote all shares of WashingtonFirst common stock over which it exercises sole disposition and voting rights in favor of the WashingtonFirst merger proposal and certain related matters, and against alternative transactions. In addition,

Endicott agreed to certain other restrictions with respect to the voting and transfer of such shares of WashingtonFirst common stock. As of the WashingtonFirst record date, Endicott

Table of Contents

exercised sole disposition and voting rights with respect to 1,199,032 shares of WashingtonFirst common stock, representing []% of the outstanding shares of WashingtonFirst common stock. The foregoing description of the Endicott voting agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Endicott voting agreement, a copy of which is attached hereto as Annex D and is incorporated herein by reference.

Sandy Spring Voting Agreements

Additionally, simultaneous with the execution of merger agreement, WashingtonFirst entered into separate voting agreements with each of the directors, solely in his or her capacity as a stockholder, of Sandy Spring pursuant to which each such stockholder agreed, among other things, to vote all shares of Sandy Spring common stock over which he or she exercises sole disposition and voting rights in favor of the Sandy Spring share issuance. As of the Sandy Spring record date, the Sandy Spring directors that are party to these voting agreements exercised sole disposition and voting rights with respect to 254,220 shares of Sandy Spring common stock, representing []% of the outstanding shares of Sandy Spring common stock. The foregoing description of the Sandy Spring voting agreements does not purport to be complete and is qualified in its entirety by reference to the full text of the Sandy Spring voting agreements, a form of which is attached hereto as Annex B and is incorporated herein by reference.

Table of Contents

ACCOUNTING TREATMENT

The integrated mergers will be accounted for using the acquisition method of accounting, in accordance with the provisions of FASB ASC Topic 805-10, *Business Combinations*. Under the acquisition method of accounting, the assets (including identifiable intangible assets) and liabilities (including executory contracts and other commitments) of WashingtonFirst as of the effective date of the integrated mergers will be recorded at their respective fair values and added to those of Sandy Spring. If the purchase price exceeds the difference between the fair value of assets acquired and the fair value of the liabilities assumed, then such excess will be recorded as goodwill. Financial statements of Sandy Spring issued after the completion of the integrated mergers will reflect these fair values and will not be restated retroactively to reflect the historical financial position or results of operations of WashingtonFirst before the integrated mergers.

Table of Contents

U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE INTEGRATED MERGERS

The following is a discussion of the U.S. federal income tax consequences of the integrated mergers to U.S. holders (as defined below) of WashingtonFirst common stock and WashingtonFirst non-voting common stock and is based upon the Code, Treasury regulations promulgated thereunder, administrative rulings and judicial decisions in effect as of the date of this joint proxy statement/prospectus, all of which are subject to change at any time, possibly with retroactive effect. Any such change could affect the accuracy of the statements and conclusions set forth in this discussion. This discussion does not address any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010 nor does it address any tax consequences arising under the laws of any state, local or foreign jurisdiction or under any U.S. federal laws other than those pertaining to the income tax. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax consequences set forth below.

For purposes of this summary, a U.S. holder is a beneficial owner of WashingtonFirst common stock or WashingtonFirst non-voting common stock that for U.S. federal income tax purposes is: (i) a citizen or resident of the United States; (ii) a corporation, or an entity treated as a corporation, created or organized in or under the laws of the United States or any state or political subdivision thereof; (iii) a trust (a) if the administration thereof is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of such trust or (b) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person; or (iv) an estate that is subject to U.S. federal income tax on its income regardless of the source.

If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) holds WashingtonFirst common stock, the tax treatment of a partner generally will depend on the status of the partner and the activities of the partnership. If you are a partner of a partnership holding WashingtonFirst common stock, you should consult your tax advisor.

The following summary addresses only those U.S. holders that hold their WashingtonFirst common stock or WashingtonFirst non-voting common stock as a capital asset within the meaning of Section 1221 of the Code. It does not address all the tax consequences that may be relevant to particular stockholders in light of their individual circumstances or to stockholders that are subject to special rules, including, without limitation: financial institutions; tax-exempt organizations; S corporations, partnerships or other pass-through entities (or an investor in an S corporation, partnership or other pass-through entity); insurance companies; mutual funds; dealers in stocks or securities, or foreign currencies; non-U.S. holders; a trader in securities who elects the mark-to-market method of accounting for the securities; persons that hold shares as a hedge against currency risk, a straddle or a constructive sale or conversion transaction; holders who acquired their shares pursuant to the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan; and holders of WashingtonFirst stock options, stock warrants or debt instruments. In addition, the discussion does not address any alternative minimum tax or any state, local or foreign tax consequences of the merger, nor does it address any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010.

The Integrated Mergers

In the opinion of Kilpatrick Townsend & Stockton LLP and Troutman Sanders LLP, the integrated mergers will together be treated as an integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code, with the tax consequences described below. The opinions will be given in reliance on facts and representations contained in representation letters from each of Sandy Spring and WashingtonFirst, in each case in form and substance reasonably satisfactory to such counsel, and on customary factual assumptions. Neither of these

opinions of counsel is binding on the Internal Revenue Service or the courts and no ruling has been, or will be, sought from the Internal Revenue Service as to the U.S. federal income tax consequences of the

Table of Contents

integrated mergers. Accordingly, each WashingtonFirst stockholder should consult its own tax advisor with respect to the particular tax consequences of the merger to such holder.

It is a condition to the obligation of Sandy Spring and WashingtonFirst to complete the integrated mergers that they receive a written opinion from their counsel, dated the closing date of the integrated mergers, to the effect that the integrated mergers will together be treated as an integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code.

Consequences to Sandy Spring and WashingtonFirst

Each of Sandy Spring and WashingtonFirst will be a party to the integrated mergers within the meaning of Section 368(b) of the Code, and neither Sandy Spring nor WashingtonFirst will recognize any gain or loss as a result of the integrated mergers.

Consequences to Stockholders

U.S. holders of WashingtonFirst common stock and WashingtonFirst non-voting common stock that exchange all of their shares solely for Sandy Spring common stock will not recognize income, gain or loss for U.S. federal income tax purposes, except, as discussed below, with respect to cash received in lieu of fractional shares of Sandy Spring common stock.

U.S. holders of WashingtonFirst common stock and WashingtonFirst non-voting common stock that receive cash in lieu of fractional shares of Sandy Spring common stock in the first-step merger generally will be treated as if the fractional shares of Sandy Spring common stock had been distributed to them as part of the first-step merger, and then redeemed by Sandy Spring in exchange for the cash actually distributed in lieu of the fractional shares, with the redemption generally qualifying as an exchange under Section 302 of the Code. Consequently, those holders generally will recognize capital gain or loss with respect to the cash payments they receive in lieu of fractional shares measured by the difference between the amount of cash received and the tax basis allocated to the fractional shares, and will be long-term capital gain or loss if, as of the effective date of the first-step merger, the holding period of such shares is greater than one year. The deductibility of capital losses is subject to limitations.

Each U.S. holder's aggregate tax basis in Sandy Spring common stock received in the merger will be equal to the U.S. holder's aggregate adjusted tax basis in the WashingtonFirst common stock exchanged in the first-step merger, decreased by the amount of any tax basis allocable to any fractional share interest for which cash is received (described above). The holding period of Sandy Spring common stock received by a U.S. holder in the first-step merger will include the holding period of the WashingtonFirst common stock or WashingtonFirst non-voting common stock exchanged in the first-step merger if the WashingtonFirst common stock or WashingtonFirst non-voting common stock exchanged is held as a capital asset at the time of the first-step merger. If a U.S. holder acquired different blocks of the WashingtonFirst common stock or WashingtonFirst non-voting common stock at different times or at different prices, the Sandy Spring common stock such holder receives will be allocated pro rata to each block of the WashingtonFirst common stock or WashingtonFirst non-voting common stock, and the basis and holding period of each block of Sandy Spring common stock such holder receives will be determined on a block-for-block basis depending on the basis and holding period of the blocks of the WashingtonFirst common stock or WashingtonFirst non-voting common stock exchanged for such block of Sandy Spring common stock.

Backup Withholding and Reporting Requirements

U.S. holders of WashingtonFirst common stock or WashingtonFirst non-voting common stock, other than certain exempt recipients, may be subject to backup withholding at a rate of 28% with respect to any cash payment received in the first-step merger in lieu of fractional shares. However, backup withholding will not

Table of Contents

apply to any U.S. holder that either (a) furnishes to Sandy Spring a correct taxpayer identification number and certifies that it is not subject to backup withholding and Sandy Spring and its exchange agent have not received notice to the contrary or (b) otherwise proves to Sandy Spring and its exchange agent that the U.S. holder is exempt from backup withholding.

In addition, U.S. holders of WashingtonFirst common stock or WashingtonFirst non-voting common stock are required to retain permanent records and make such records available to any authorized Internal Revenue Service officers and employees. The records should include the number of shares of WashingtonFirst stock exchanged, the number of shares of Sandy Spring stock received, the fair market value and tax basis of WashingtonFirst shares exchanged and the U.S. holder's tax basis in the Sandy Spring common stock received.

If a U.S. holder of WashingtonFirst common stock or WashingtonFirst non-voting common stock that exchanges such stock for Sandy Spring common stock is a significant holder with respect to WashingtonFirst, the U.S. holder is required to include a statement with respect to the exchange on or with the federal income tax return of the U.S. holder for the year of the exchange. A U.S. holder of WashingtonFirst common stock or WashingtonFirst non-voting common stock will be treated as a significant holder in WashingtonFirst if the U.S. holder's ownership interest in WashingtonFirst is 5% or more of WashingtonFirst's issued and outstanding common stock or if the U.S. holder's basis in the shares of WashingtonFirst stock exchanged is \$1,000,000 or more. The statement must be prepared in accordance with Treasury Regulation Section 1.368-3 and must include the names and employer identification numbers of WashingtonFirst and Sandy Spring, the date of the first-step merger, and the fair market value and tax basis of WashingtonFirst shares exchanged (determined immediately before the first-step merger).

This discussion of U.S. federal income tax consequences is for general information purposes only and is not intended to be, and should not be construed as, tax advice. Determining the actual tax consequences of the integrated mergers to you may be complex and will depend on your specific situation and on factors that are not within our control. You should consult your tax advisors with respect to the application of U.S. federal income tax laws to your particular situations as well as any tax consequences arising under the U.S. federal estate or gift tax rules or under the laws of any state, local, foreign or other taxing jurisdiction or under any applicable tax treaty.

Table of Contents

DESCRIPTION OF CAPITAL STOCK OF SANDY SPRING

The following is a brief description of the terms of the capital stock of Sandy Spring. This summary does not purport to be complete in all respects. This description is subject to and qualified in its entirety by reference to the Maryland General Corporation Law, federal law, Sandy Spring's articles of incorporation and Sandy Spring's bylaws. Copies of Sandy Spring's articles of incorporation and bylaws have been filed with the SEC and are also available upon request from Sandy Spring. To find out where copies of these documents can be obtained, see the section of this joint proxy statement/prospectus entitled "Where You Can Find More Information" beginning on page [].

Authorized Capital Stock

Sandy Spring's articles of incorporation currently authorize the issuance of up to 50,000,000 shares of capital stock, par value \$1.00 per share. As of the Sandy Spring record date, there were (i) [] shares of Sandy Spring common stock issued and outstanding, including [] shares of Sandy Spring common stock issued in respect of outstanding awards of restricted stock, (ii) [] shares of Sandy Spring common stock reserved for issuance upon the exercise of outstanding stock options to purchase shares of Sandy Spring common stock and (iii) [] shares of Sandy Spring common stock reserved for issuance upon the vesting of outstanding restricted stock performance awards.

Sandy Spring common stock is currently listed for quotation on the Nasdaq Global Select Market under the symbol SASR.

Preemptive Rights; Redemption Rights; Sinking Funds and Terms of Conversion

Preemptive Rights

The Sandy Spring common stock currently has no preemptive rights. The Sandy Spring board may fix preemptive rights for the Sandy Spring common stock at such prices as it determines in its sole discretion.

Redemption Rights

The Sandy Spring common stock does not currently have any redemption rights.

As of the Sandy Spring record date, there were no shares of Sandy Spring preferred stock outstanding. Preferred stock may be issued with preferences and designations as the Sandy Spring board may from time to time determine. The Sandy Spring board may, without stockholder approval, issue shares of preferred stock with voting, dividend, liquidation and conversion rights that could dilute the voting strength of the holders of Sandy Spring common stock.

Sinking Funds

The Sandy Spring common stock is not subject to any mandatory redemption, sinking fund or other similar provisions. Holders of Sandy Spring common stock have no right to require redemption or repurchase of any of their shares.

Conversion

The Sandy Spring common stock has no conversion rights.

Voting Rights

Because there are no issued and outstanding shares of Sandy Spring preferred stock, the holders of Sandy Spring common stock have exclusive voting rights in Sandy Spring. They elect the Sandy Spring board and act

Table of Contents

on other matters as are required to be presented to them under Maryland law or as are otherwise presented to them by the Sandy Spring board. Generally, each holder of Sandy Spring common stock is entitled to one vote per share and will not have any right to cumulate votes in the election of directors. If Sandy Spring issues shares of Sandy Spring preferred stock, holders of the Sandy Spring preferred stock may also possess voting rights, including the right, voting separately as a class, to elect one or more directors (in addition to the directors elected by the holders of Sandy Spring common stock).

Liquidation Rights

In the event of Sandy Spring's liquidation, dissolution or winding up, holders of Sandy Spring common stock would be entitled to receive, after payment or provision for payment of all its debts and liabilities, all of the assets of Sandy Spring available for distribution. If preferred stock is issued, the holders thereof may have a priority over the holders of the common stock in the event of liquidation, dissolution or winding up.

Dividend Rights

Holders of Sandy Spring common stock are entitled to receive ratably such dividends as may be declared by the Sandy Spring board out of legally available funds. The ability of the Sandy Spring board to declare and pay dividends on Sandy Spring common stock is subject to the terms of applicable Maryland law and banking regulations. If Sandy Spring issues shares of preferred stock, the holders thereof may have a priority over the holders of the common stock with respect to dividends.

Preferred Stock

Sandy Spring's articles of incorporation authorize the Sandy Spring board, without further stockholder action, to classify and reclassify any unissued shares of capital stock into a class or classes of preferred stock and to provide for the issuance of the shares of preferred stock in series, and by filing articles supplementary to the articles of incorporation pursuant to the applicable law of the State of Maryland, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and any qualifications, limitations or restrictions thereof. As of the Sandy Spring record date, there were no shares of Sandy Spring preferred stock outstanding. Preferred stock may be issued with preferences and designations as the Sandy Spring board may from time to time determine. The Sandy Spring board may, without stockholder approval, issue shares of preferred stock with voting, dividend, liquidation and conversion rights that could dilute the voting strength of the holders of Sandy Spring common stock.

Table of Contents

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The accompanying unaudited pro forma condensed combined balance sheet as of June 30, 2017 presents the pro forma consolidated financial position of Sandy Spring giving effect to the Transactions. The accompanying unaudited pro forma condensed combined income statements for the periods ending December 31, 2016 and June 30, 2017 present the pro forma results of operations of Sandy Spring giving effect to the Transactions, assuming that the Transactions became effective on January 1, 2016. These unaudited pro forma condensed combined financial statements are derived from and should be read in conjunction with the following historical financial statements, after giving effect to the Transactions, and the adjustments described in the following footnotes, and are intended to reflect the impact of the Transactions on Sandy Spring:

separate historical audited consolidated financial statements of WashingtonFirst as of and for the year ended December 31, 2016, and the related notes thereto, which are available in WashingtonFirst's Annual Report on Form 10-K for the year ended December 31, 2016 and are incorporated by reference in this joint proxy statement/prospectus;

separate historical consolidated financial statements of WashingtonFirst as of and for the six months ended June 30, 2017, and the related notes thereto, which are available in WashingtonFirst's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 and are incorporated by reference in this joint proxy statement/prospectus;

separate historical audited consolidated financial statements of Sandy Spring as of and for the year ended December 31, 2016, and the related notes thereto, which are available in Sandy Spring's Annual Report on Form 10-K for the year ended December 31, 2016 and are incorporated by reference in this joint proxy statement/prospectus; and

separate historical consolidated financial statements of Sandy Spring as of and for the six months ended June 30, 2017, and the related notes thereto, which are available in Sandy Spring's Quarterly Report on Form 10-Q for the quarter ended June 30, 2017 and are incorporated by reference in this joint proxy statement/prospectus.

The accompanying unaudited pro forma condensed combined financial statements are presented for illustrative purposes only and do not reflect the realization of potential cost savings, revenue synergies or any potential restructuring costs. Certain cost savings and revenue synergies may result from the Transactions. However, there can be no assurance that these cost savings or revenue synergies will be achieved. Cost savings, if achieved, could result from, among other things, the reduction of operating expenses, changes in corporate infrastructure and governance, the elimination of duplicative operating systems and the combination of regulatory and financial reporting requirements under one Maryland state-chartered trust company with commercial banking powers. The pro forma information is not necessarily indicative of what the financial position or results of operations actually would have been had the Transactions been completed at the dates indicated. In addition, the unaudited pro forma combined financial information does not purport to project the future financial position or operating results of the combined company after completion of the Transactions.

Table of Contents

**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL
CONDITION**

AS OF JUNE 30, 2017

REFLECTING THE TRANSACTIONS

<i>(Dollars in thousands)</i>	As reported ⁽¹⁾		Pro Forma Adjustments		Sandy Spring & WashingtonFirst Pro Forma Combined
	Sandy Spring	WashingtonFirst	Debits	Credits	
Assets					
Cash and due from banks	\$ 48,637	\$ 4,049	\$ (a)	\$ 41,417	\$ 11,269
Federal funds sold	2,831	25,901			28,732
Interest-bearing deposits with banks	25,468	100			25,568
Cash and cash equivalents	76,936	30,050		41,417	65,569
Residential mortgage loans held for sale (at fair value)	5,743	48,399			54,142
Investments available-for-sale (at fair value)	780,078	309,107			1,089,185
Other equity securities	41,413	10,182			51,595
Total loans	4,133,171	1,638,751	(c) 5,200	(b) 2,335	5,774,787
Less: allowance for loan losses	(45,079)	(14,074)	(d) 14,074		(45,079)
Net loans	4,088,092	1,624,677	19,274	2,335	5,729,708
Premises and equipment, net	53,235	6,396		(e) 750	58,881
Other real estate owned	1,460	725			2,185
Accrued interest receivable	14,910	5,778			20,688
Goodwill	85,768	11,420	(f) 291,380	(f) 11,420	377,148
Other intangible assets, net	629	1,484	(g) 9,500	(g) 1,484	10,129
Other assets	122,257	34,959	(a) 9,027	(h) 7,936	158,307
Total assets	\$ 5,270,521	\$ 2,083,177	\$ 329,181	\$ 65,342	\$ 7,617,537
Liabilities					
Noninterest-bearing deposits	\$ 1,302,536	\$ 515,861	\$	\$	\$ 1,818,397
Interest-bearing deposits	2,582,909	1,228,830	(i) 373		3,811,366
Total deposits	3,885,445	1,744,691	373		5,629,763
Securities sold under retail repurchase agreements and federal	127,312	15,275			142,587

funds purchased						
Advances from FHLB	670,000	73,103		(j)	351	743,454
Subordinated debentures		32,757	(k)	2,060	(k)	2,613
Accrued interest payable and other liabilities	33,081	13,773		(l)	1,000	47,854
Total liabilities	4,715,838	1,879,599				