

**OpusBank**  
BUILD YOUR MASTERPIECE®

THIRD QUARTER 2015 EARNINGS



## Forward Looking Statements

Certain information contained in this presentation constitutes forward-looking statements within the meaning of U.S. federal securities laws. Information regarding future economic performance, financial condition, prospects, growth, strategies and expectations and objectives of management are all likely to include forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and generally contain words such as "believes," "expects," "may," "will," "should," "seeks," "projects," "approximately," "intends," "plans," "estimates" or "anticipates" or similar expressions. Our forward-looking statements are subject to risks and uncertainties, which may cause actual results to differ materially from those projected or implied by the forward-looking statement.

Forward-looking statements are based on current expectations and assumptions and currently available data and are neither predictions nor guarantees of future events or performance. You should not place undue reliance on forward-looking statements, which speak only as of the date hereof. We do not undertake to update or revise any forward-looking statements after they are made, whether as a result of new information, future events, or otherwise, except as required by applicable law.



## Third Quarter 2015 Earnings Conference Call

*October 26, 2015*



# Opus Bank snapshot

## Company overview

- Opus Bank has been sharply focused on building a super-regional bank that is entrepreneurial, service-driven, solution-oriented, relationship-based, and business-focused.
- Financial results for the third quarter of 2015 are a testament to the strength of Opus' core business.
- Recorded net income of \$14.7 million, or \$0.44 per diluted share for the quarter ended September 30, 2015.
- Total assets increased 6% from June 30, 2015 to a record \$6.2 billion due to continued strong loan and deposit growth.
- Record new loan fundings in 3Q 2015 totaled \$638.3 million and loan commitments were \$807.0 million, driving 8% quarter-over-quarter growth and 34% year-over-year growth in total loans.
  - Commercial and Specialty Banking divisions represented 48% of loan originations in the third quarter, continuing the strategic shift in the mix of loans.
  - Loan pipeline remains strong entering the fourth quarter. Commercial and Specialty Banking divisions comprised 59% of our pipeline at October 1, 2015.
- Deposits grew to a record 4.9 billion, an increase of \$356.4 million, or 8%, from June 30, 2015 and \$1.4 billion, or 41%, from September 30, 2014, driven by healthy contributions from Commercial & Specialty Banking divisions.
- Efficiency ratio improved to 45.8% and expenses to average assets improved to 1.8% during the 3rd quarter of 2015 from 59.5% and 2.2% in the 3rd quarter of 2014, respectively.
- Increased quarterly dividend payment by 20% to \$0.12 per share.

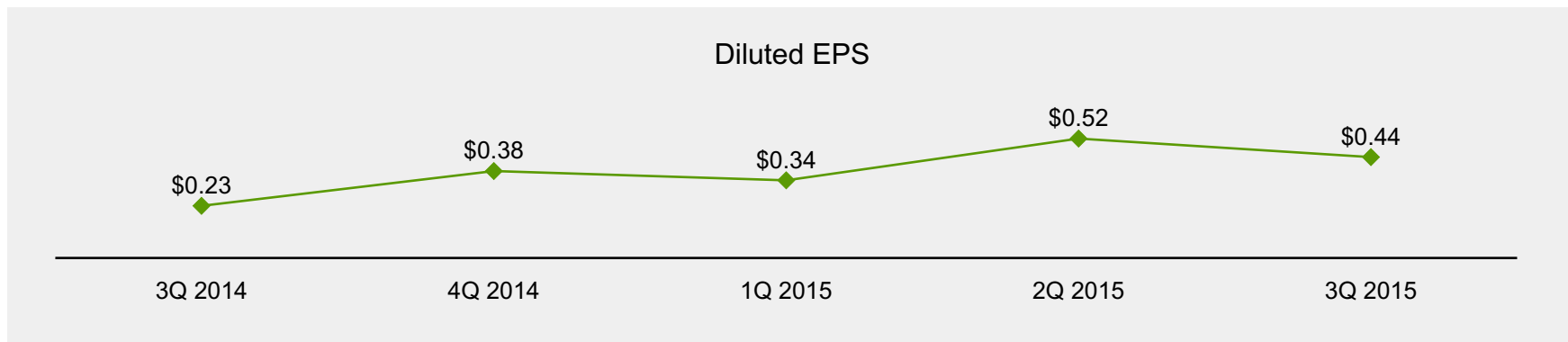
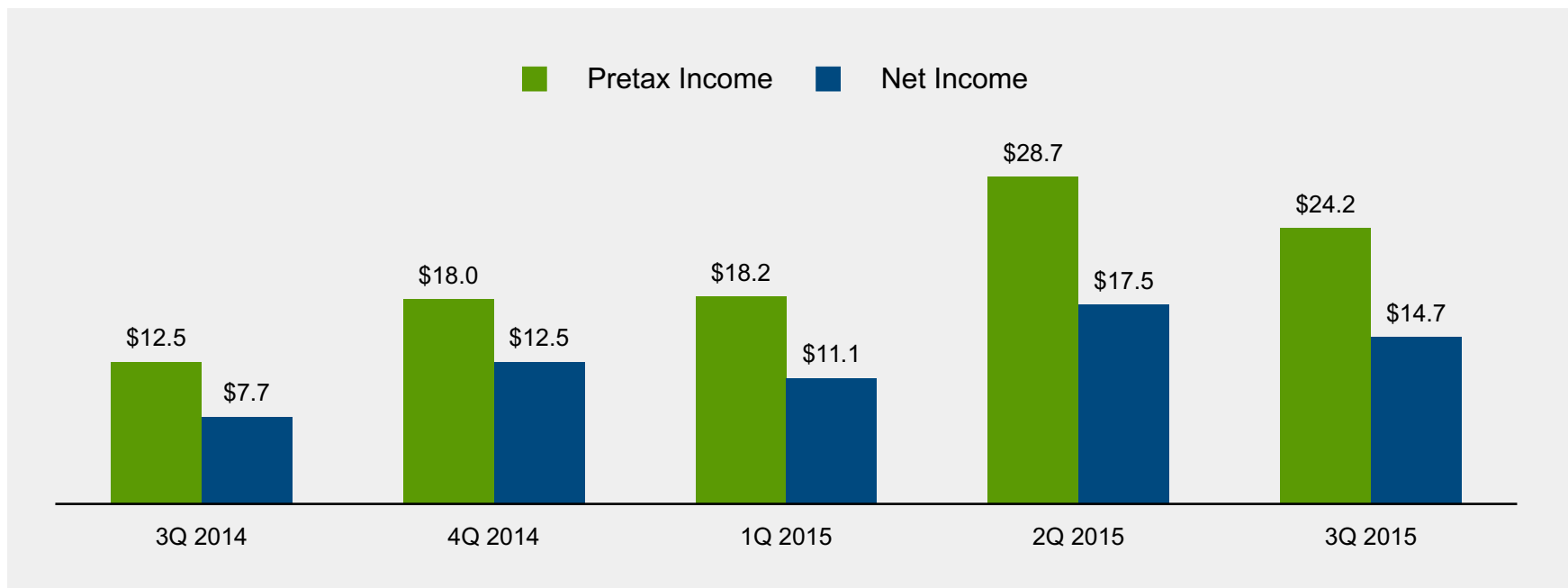
## Financial highlights (\$ in millions)

	As of and for the quarter ended September 30, 2015	As of and for the quarter ended June 30, 2015
<b><u>Balance Sheet</u></b>		
Total Assets	\$6,183	\$5,833
Loans Held-for-Investment	5,002	4,629
Total Deposits	4,948	4,591
Total Equity	852	839
<b><u>Profitability</u></b>		
Return on Average Assets	0.98%	1.23%
Net Interest Margin	3.80%	4.29%
Efficiency Ratio	45.8%	45.3%
<b><u>Capital</u></b>		
Tier 1 Leverage Ratio	9.96%	9.98%
Tangible Book Value <sup>1</sup>	\$17.89	\$17.48
<b><u>Asset Quality</u></b>		
NPAs / Total Assets	0.27%	0.22%
NPAs / Loans and OREO	0.34%	0.27%
Reserves / Loans	0.74%	0.66%
Allowance for Loan Losses / NPLs	293.5%	355.5%



# Net Income and Earnings per Share

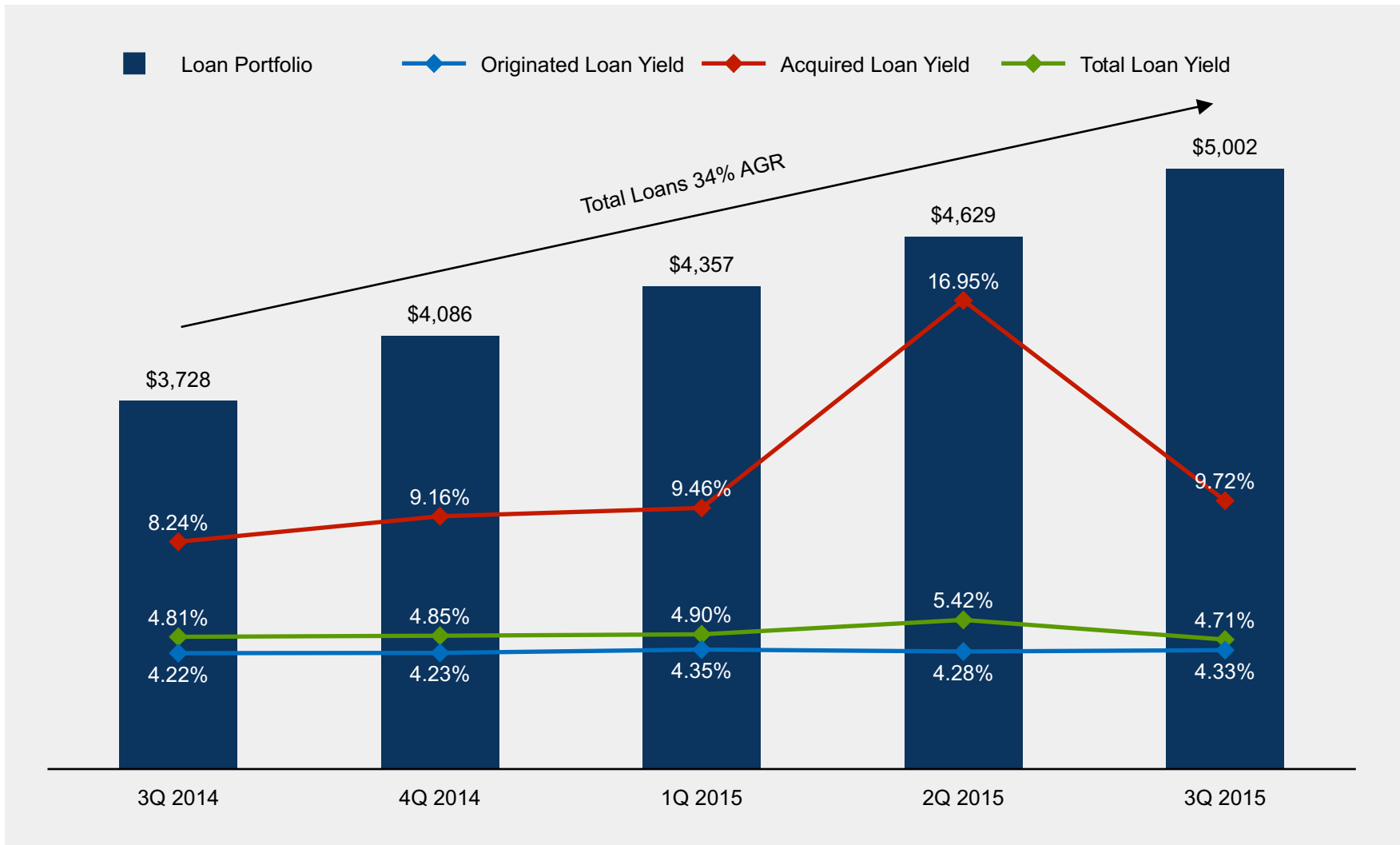
\$ in millions, except per share data





# Loan Portfolio and Yields

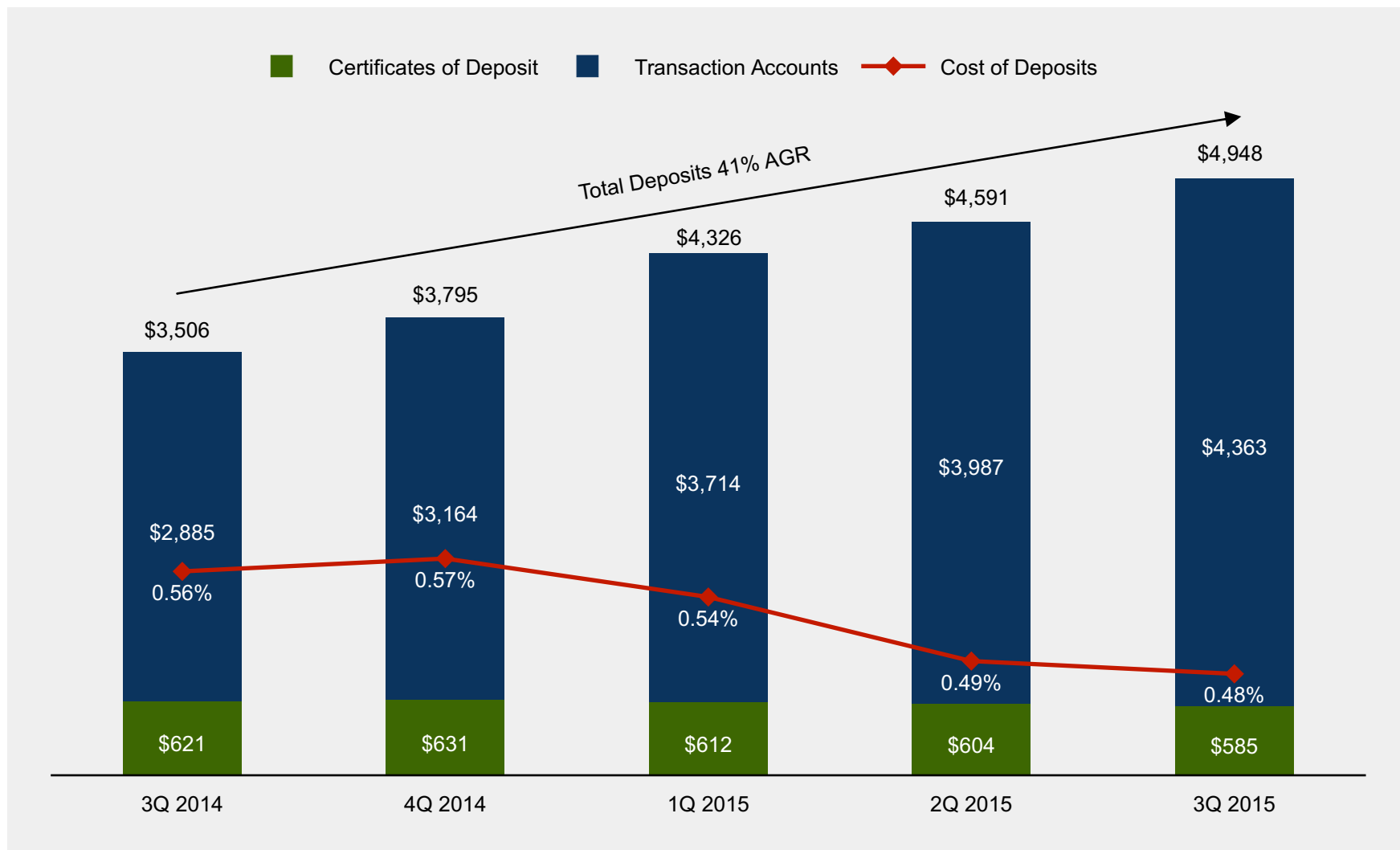
\$ in millions





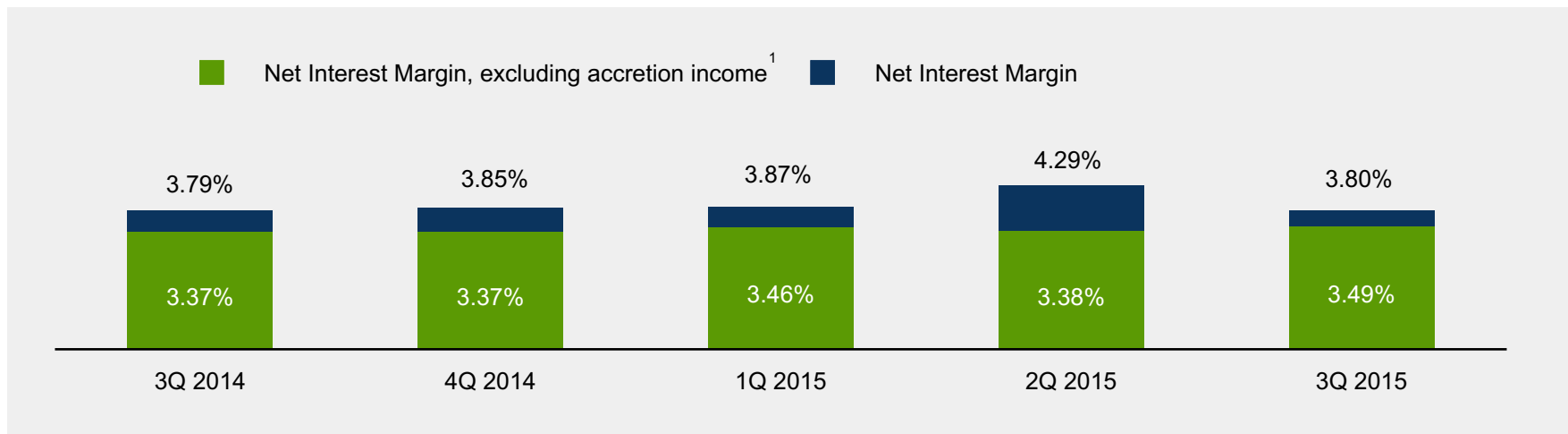
# Deposit Balances and Rates

\$ in millions



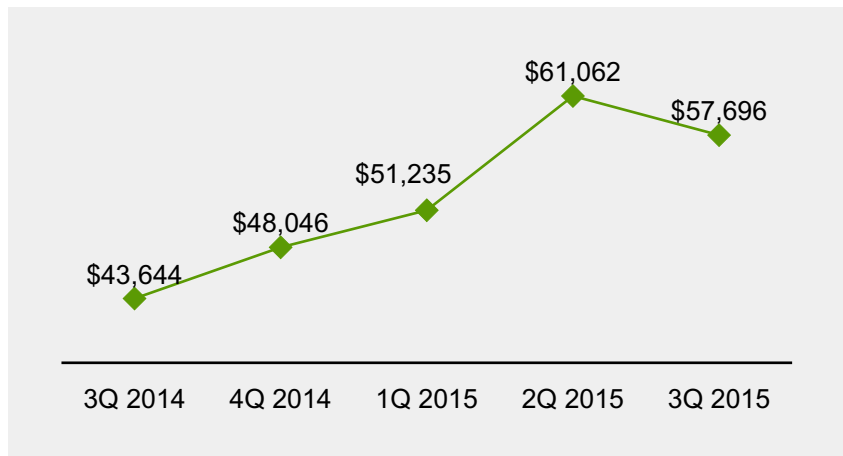


## Net Interest Margin



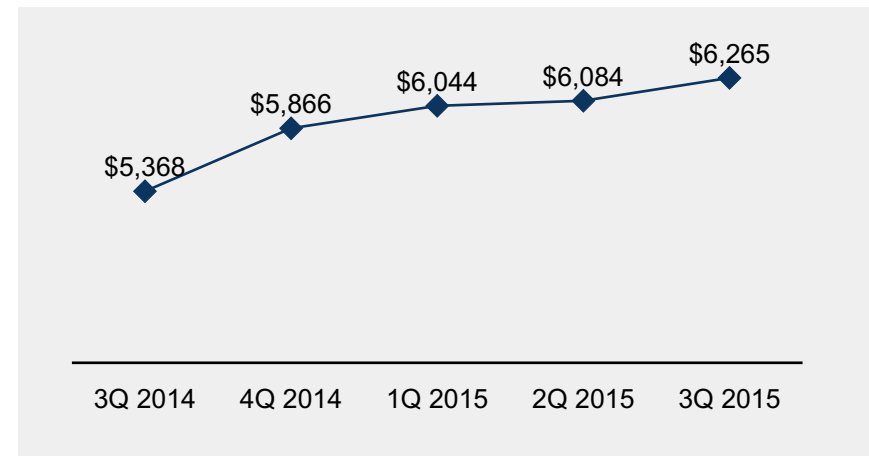
## Interest Income

*\$ in thousands*



## Interest Expense

*\$ in thousands*

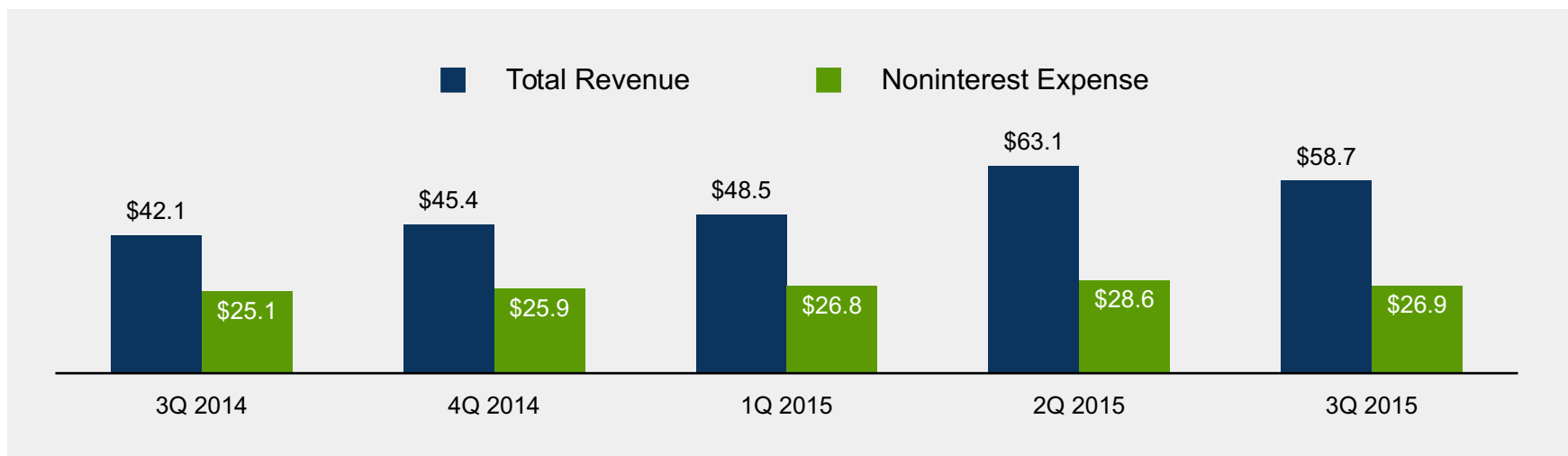




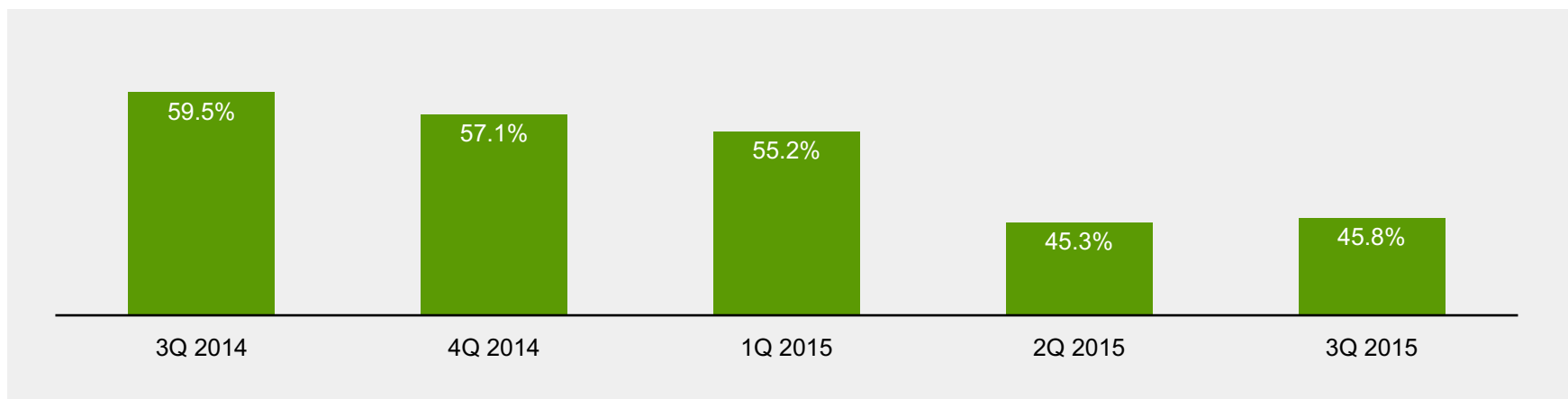


## Revenue Growth and Cost Control

\$ in millions

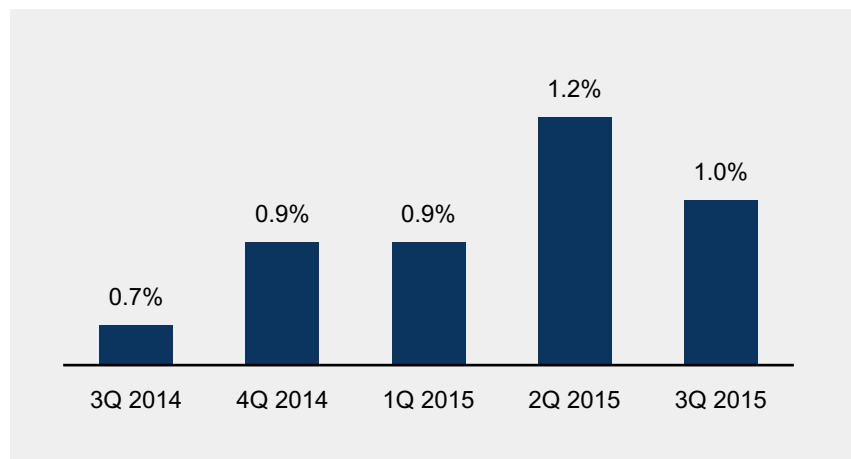


## Efficiency Ratio<sup>1</sup>

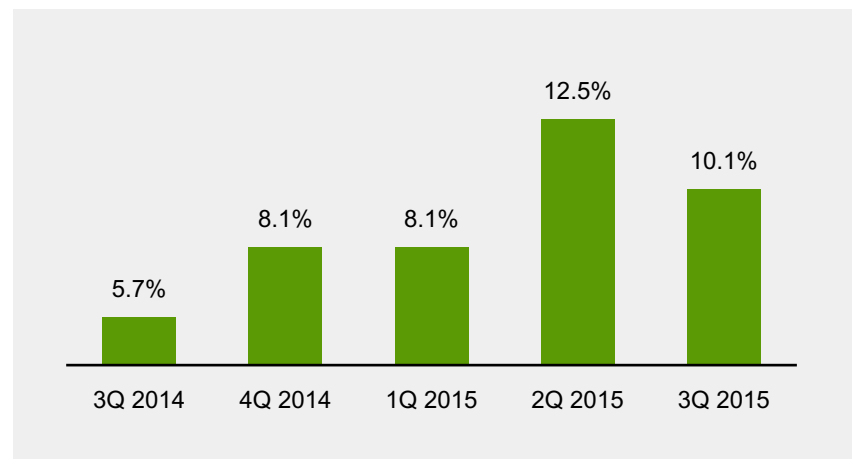




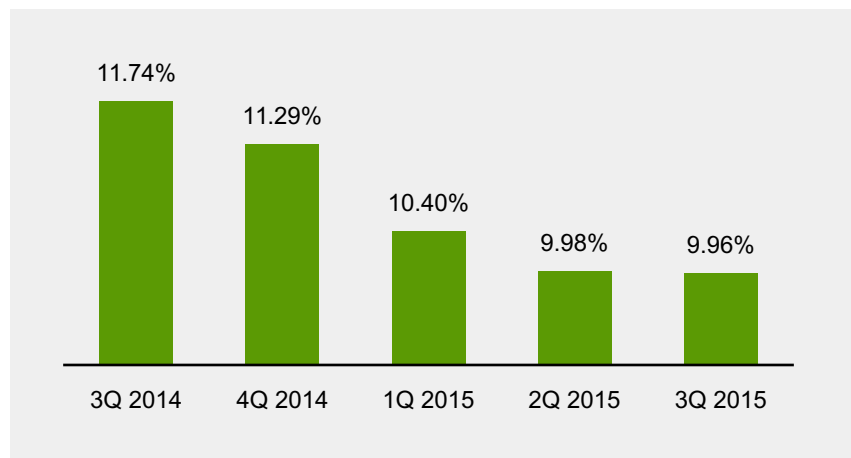
## Return on Average Assets<sup>1</sup>



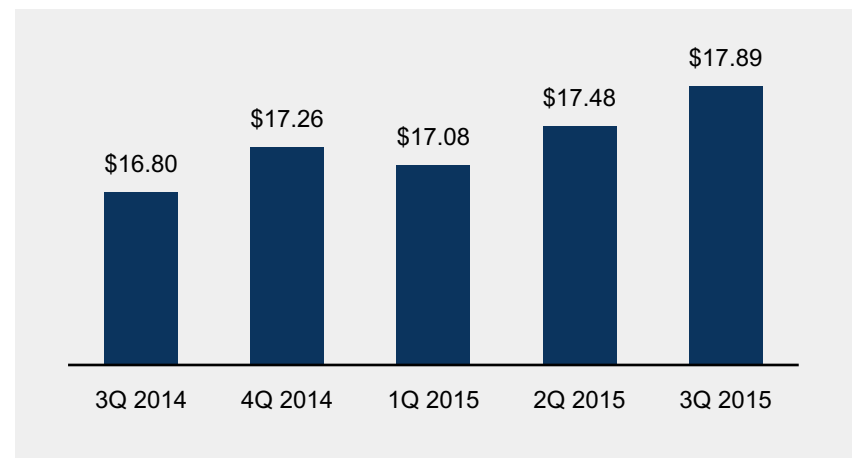
## Return on Average Tangible Equity<sup>1</sup>



## Tier 1 Leverage Ratio<sup>2</sup>



## Tangible Book Value per Share<sup>3</sup>



<sup>1</sup> Return on Average Assets and Return on Average Tangible Equity are tax adjusted for the three months ended December 31, 2014 for an adjustment to deferred tax assets. See pages 15-17 for Non-GAAP reconciliations.

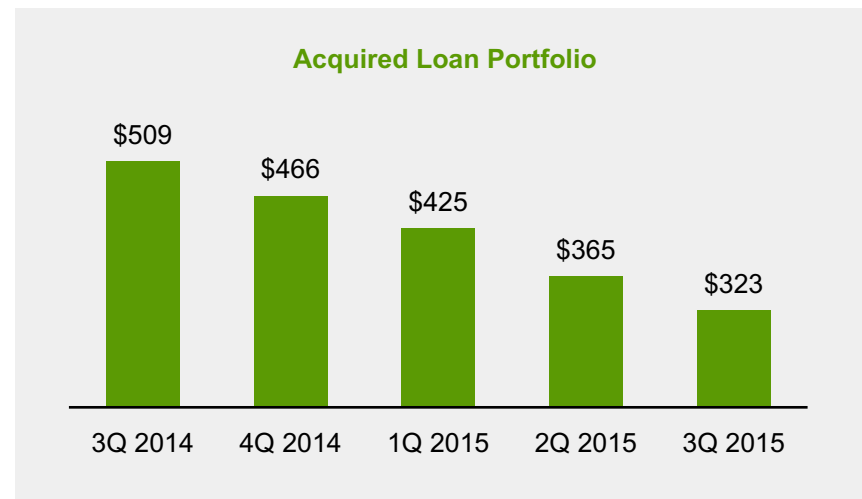
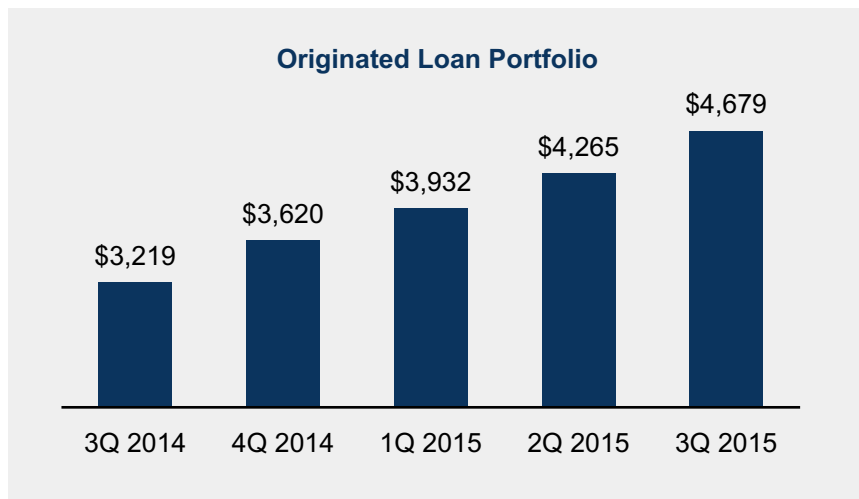
<sup>2</sup> The Tier 1 Leverage ratio for the periods 1Q 2015, 2Q 2015 and 3Q 2015 reflect the adoption of Basel III in effect beginning January 1, 2015 while ratios for the prior periods represent the previous capital rules under Basel I.

<sup>3</sup> Tangible Book Value per as converted share includes additional common stock to be issued upon conversion of outstanding preferred stock to common stock. See page 15-17 for Non-GAAP reconciliations.



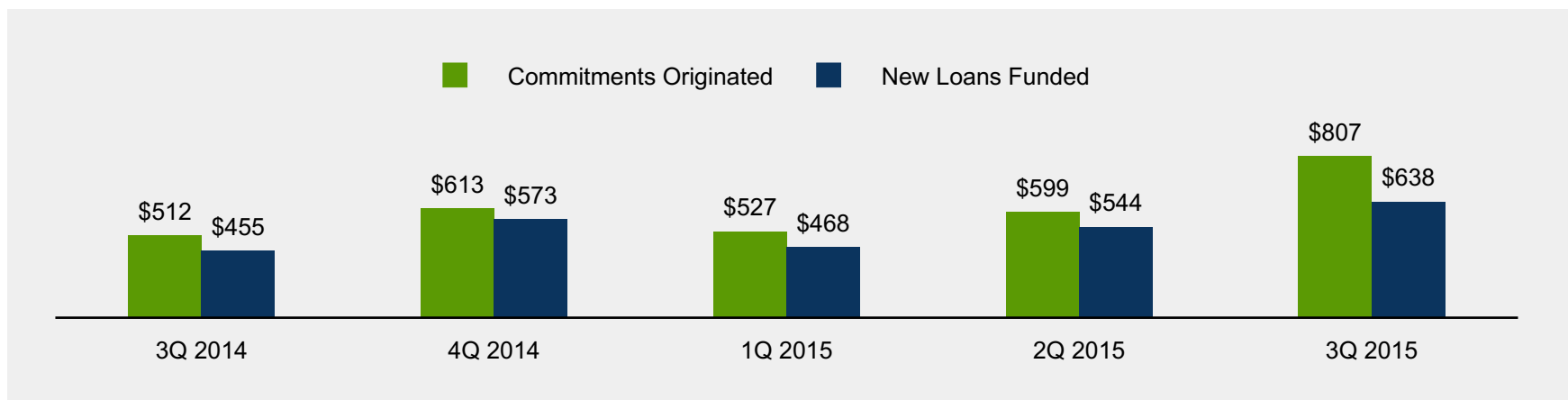
## Loan Portfolio Growth

\$ in millions



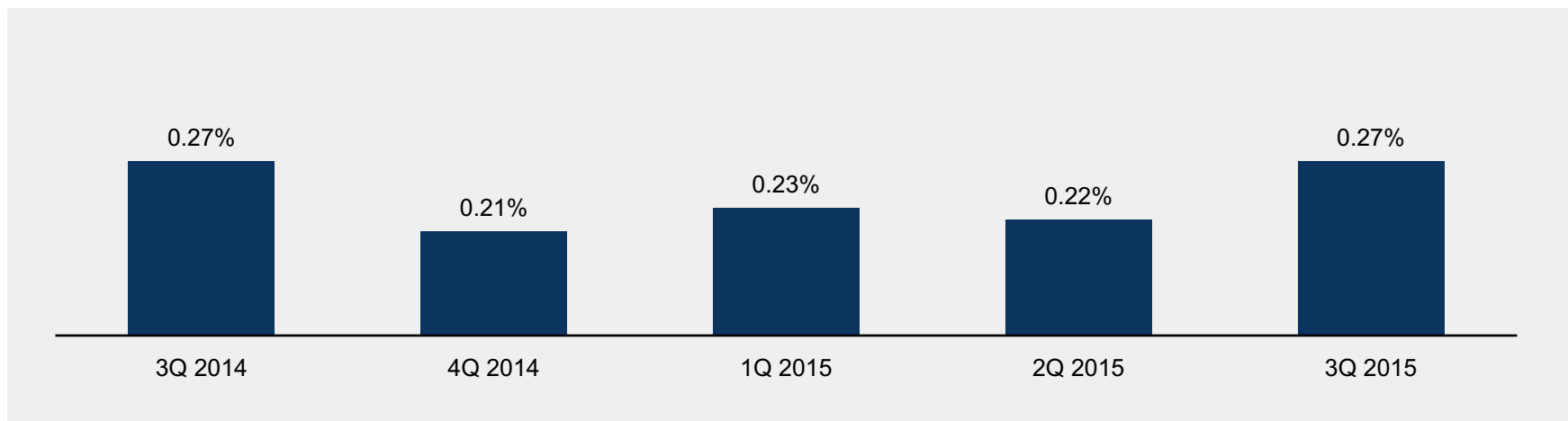
## Loan Originations

\$ in millions

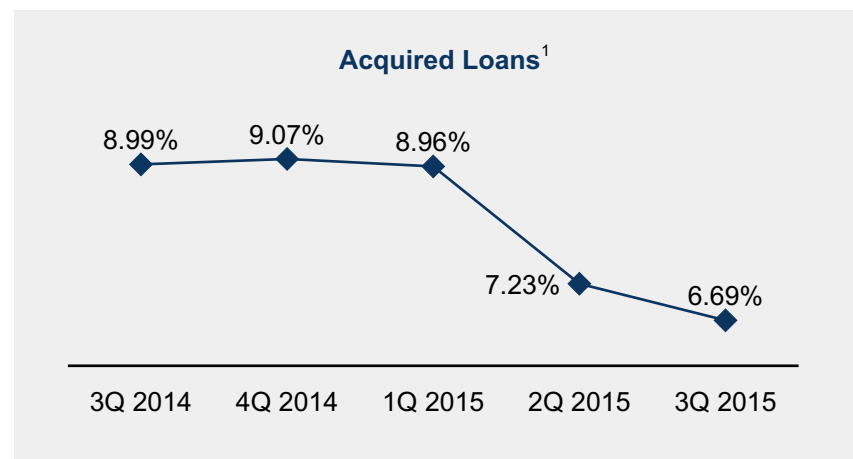
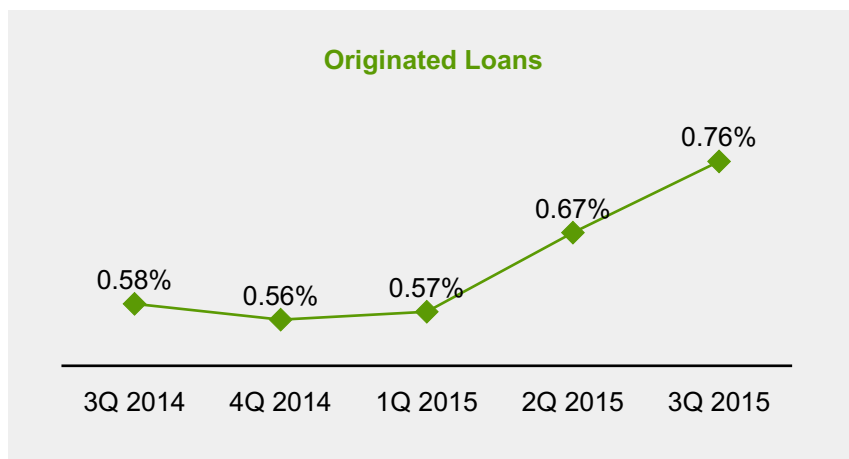




## Nonperforming Assets to Total Assets



## Coverage Ratio

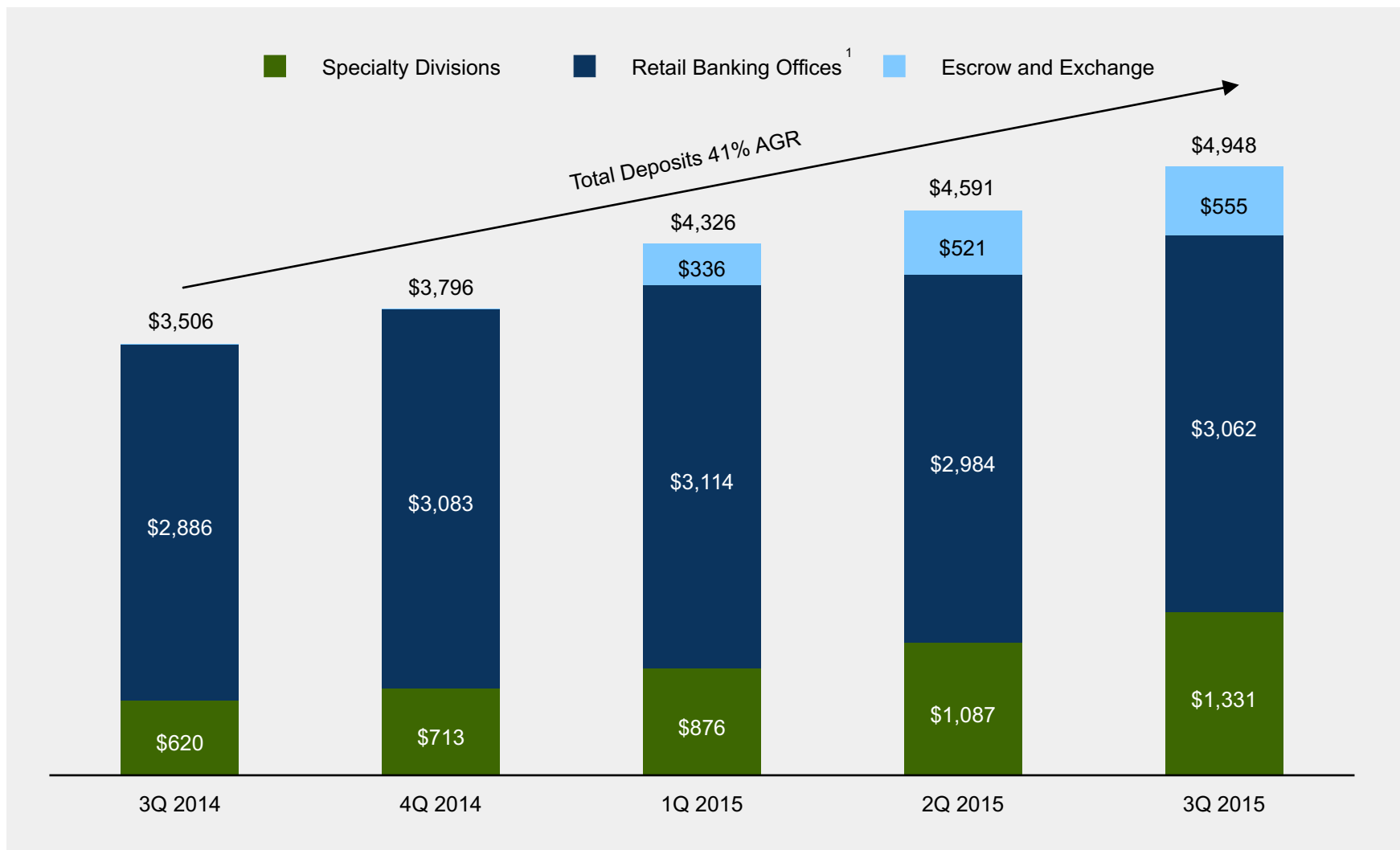


<sup>1</sup> The coverage ratio for acquired loans is the ratio of allowance for loan losses and remaining acquisition discount on acquired loans to gross acquired loans. The remaining acquisition discount on acquired loans is added back to acquired loans held for investment to calculate gross acquired loans.



# Deposit Growth

\$ in millions



(1) Retail deposits adjusted for a reclassification to Specialty Deposits of \$70 million in 2Q 2015.



Retail  
Bank

Commercial  
Bank

Merchant  
Bank

Correspondent  
Bank

## Questions



## Exhibit - Reconciliation of Non-GAAP Financial Measures

Our accounting and reporting policies conform to generally accepted accounting principles in the United States ("GAAP"). We believe that the presentation of certain non-GAAP financial measures assists investors in assessing our financial results. These non-GAAP measures include our tax adjusted return on average assets, tax adjusted return on average stockholders' equity, tax adjusted return on average tangible equity, net interest income excluding acquisition accounting and tangible book value per as converted common share. These non-GAAP measures should be taken together with the corresponding GAAP measures and ratios and should not be considered a substitute of the GAAP measures and ratios.

The following tables present a reconciliation of the most comparable GAAP financial measures and ratios to the non-GAAP financial measures and ratios:

### Non-GAAP tax adjusted return on average assets

(unaudited) (\$ in thousands)	For the three months ended				
	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014
Average assets	\$ 5,943,066	\$ 5,708,996	\$ 5,272,779	\$ 4,872,538	\$ 4,537,185
Tax adjusted net income					
Net income	14,711	17,484	11,076	12,516	7,668
Less: Adjustments to deferred tax assets	—	—	—	(1,422)	—
Tax adjusted net income	14,711	17,484	11,076	11,094	7,668
Return on average assets	0.98%	1.23%	0.85%	1.02%	0.67%
Non-GAAP tax adjusted return on average assets (1)	0.98%	1.23%	0.85%	0.90%	0.67%

(1) Return on average assets are tax adjusted for the three months ended December 31, 2014 for an adjustment to deferred tax assets.



## Exhibit - Reconciliation of Non-GAAP Financial Measures (continued)

### Non-GAAP tax adjusted return on average tangible equity

(unaudited) (\$ in thousands)	For the three months ended				
	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014
Average tangible equity:					
Average stockholders' equity	\$ 849,777	\$ 832,916	\$ 808,576	\$ 794,066	\$ 783,938
Less:					
Average goodwill	262,115	262,115	238,790	238,528	238,528
Average core deposit intangibles	11,058	11,680	12,334	12,960	13,603
Tax adjusted average tangible equity	<u>576,604</u>	<u>559,121</u>	<u>557,452</u>	<u>542,578</u>	<u>531,807</u>
Tax adjusted net income:					
Net income	\$ 14,711	\$ 17,484	\$ 11,076	\$ 12,516	\$ 7,668
Less: Adjustments to deferred tax assets	—	—	—	(1,422)	—
Tax adjusted net income	<u>\$ 14,711</u>	<u>\$ 17,484</u>	<u>\$ 11,076</u>	<u>\$ 11,094</u>	<u>\$ 7,668</u>
Return on average stockholders' equity	6.87%	8.42%	5.56%	6.25%	3.88%
Non-GAAP tax adjusted return on average stockholders' equity (1)	6.87%	8.42%	5.56%	5.54%	3.88%
Non-GAAP tax adjusted return on average tangible equity (1)	10.12%	12.54%	8.06%	8.11%	5.72%

(1) Return on average stockholders' equity and average tangible equity are tax adjusted for the three months ended December 31, 2014 for an adjustment to deferred tax assets.





## Exhibit - Reconciliation of Non-GAAP Financial Measures (continued)

### Non-GAAP net interest margin

(unaudited) (\$ in thousands)	For the three months ended				
	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014
Net interest income	\$ 51,431	\$ 54,978	\$ 45,191	\$ 42,180	\$ 38,276
Less: Accretion/amortization of acquisition discount/premium (1)	(3,873)	(11,356)	(4,452)	(4,862)	(3,813)
Non-GAAP net interest income	47,558	43,622	40,739	37,318	34,463
Average interest earning assets	\$ 5,374,545	\$ 5,143,801	\$ 4,735,319	\$ 4,351,895	\$ 4,011,878
Add: Average unamortized acquisition discounts	25,407	37,488	42,453	44,976	48,373
Non-GAAP average interest-bearing assets	5,399,952	5,181,289	4,777,772	4,396,871	4,060,251
Net Interest margin impact	0.31%	0.91%	0.41%	0.48%	0.42%

(1) Accretion income on acquired loans only includes interest income recognized in excess of what would be accrued under the contractual terms as a result of acquisition accounting and loan exits through full payoff or charge-off, foreclosure or sale.

### Non-GAAP tangible book value per as converted common share

(unaudited) (\$ in thousands, except share amounts)	As of				
	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014
Tangible Equity:					
Total stockholders' equity	\$ 851,871	\$ 838,944	\$ 824,511	\$ 799,583	\$ 784,499
Less: Goodwill	262,115	262,115	262,115	238,528	238,528
Less: Core deposit intangibles	10,726	11,354	11,981	12,608	13,235
Tangible equity	579,030	565,475	550,415	548,447	532,736
Shares of common stock outstanding	28,738,019	28,722,647	28,599,329	28,148,516	28,100,932
Shares of common stock to be issued upon conversion of preferred stock	3,620,550	3,620,550	3,620,550	3,620,550	3,620,550
Total as converted shares of common stock outstanding (1)	32,358,569	32,343,197	32,219,879	31,769,066	31,721,482
Book value per as converted common share	\$26.33	\$25.94	\$25.59	\$25.17	\$24.73
Tangible book value per as converted common share	\$17.89	\$17.48	\$17.08	\$17.26	\$16.80

(1) Common stock outstanding includes additional shares of common stock that would be issued upon conversion of all outstanding shares of preferred stock to common stock and excludes shares issuable upon exercise of warrants and options.