



First Quarter 2019 Earnings Presentation



April 29, 2019

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Member FDIC  Equal Housing Lender



Forward Looking Statements

The supplemental information furnished here contains certain forward-looking statements. Forward looking statements are neither historical facts nor assurances of future performance. The Bank generally identifies forward-looking statements by terminology such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “could,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates” or the negative version of those words or other comparable words. Any forward-looking statements contained in this exhibit are based on the historical performance of the Bank and its subsidiaries or on its current plans, estimates and expectations, including, without limitation: our beliefs regarding our funding pipeline, capital levels, expense management, and loan portfolio composition; our estimates regarding interest income, deposit costs, loan rates, and our tax rate; our plans to execute on our strategy; our target NIM range; and our efficiency ratio goals.

The inclusion of this forward-looking information should not be regarded as a representation by the Bank or any other person that the future plans, estimates or expectations contemplated by the Bank will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to the Bank’s operations, financial results, financial condition, business prospects, growth strategy and liquidity that could cause actual results to differ materially from those indicated by the forward-looking statements, including, without limitation: market and economic conditions, changes in interest rates, our liquidity position, the management of our growth, the risks associated with our loan portfolio, local economic conditions affecting retail and commercial real estate, our geographic concentration in the western region of the United States, competition within the industry, dependence on key personnel, government legislation and regulation, the risks associated with any future acquisitions, the effect of natural disasters, and risks related to our technology and information systems. For a more complete discussion of those factors and risks and uncertainties, see “Risk Factors” in our 2018 Annual Report on Form 10-K filed with the Federal Deposit Insurance Corporation on February 28, 2019. If one or more of these or other risks or uncertainties materialize, or if the Bank’s underlying assumptions prove to be incorrect, the Bank’s actual results may vary materially from those indicated in these statements. The Bank does not undertake any obligation to publicly update or review any forward looking statement, whether as a result of new information, future developments or otherwise.

First Quarter 2019 Results

Highlights

- Reported EPS of \$0.28 for 1Q 2019. Earnings included \$1.9 million of expenses related to a long-standing legal settlement and the exiting of a line of business, impacting EPS by 4 cents.
- Net interest income increased 1% from the prior quarter and net interest margin expanded 8 basis points to 3.15%.
- Loans increased 6% during the first quarter, driven by strong and disciplined growth in multifamily loans.
- Deposits increased 2% from the prior quarter, while the cost of deposits rose 13 bps to 0.92%.
- Excluding one-time items, noninterest expense increased 2% from the prior quarter, primarily due to seasonally-higher employer taxes.
- Nonperforming assets decreased 17% from the prior quarter and Enterprise Value loans decreased 14%.
- Provision for loan losses was \$2.2 million, largely from growth, with net recoveries of \$1.6 million.
- Tangible book value per share increased \$0.19 to \$17.96 and our TCE ratio decreased to 8.88% due to asset growth.

(\$ in millions)	1Q19	4Q18	1Q18
Net Interest Income	\$ 50.8	\$ 50.4	\$ 51.7
Noninterest Income	11.1	3.4	13.3
Noninterest Expenses	45.4	53.7	44.1
Pre-Provision Net Revenue	16.5	0.1	20.9
Provision for Loan Losses	2.2	7.7	3.9
Income Tax Expense	3.4	(0.7)	4.1
Net Income	\$ 10.9	\$ (6.9)	\$ 12.9
Earnings Per Diluted Share	\$0.28	(\$0.20)	\$0.34
Tangible Book Value per Share ¹	\$17.96	\$17.77	\$17.17
Return on Avg Assets	0.60%	(0.38%)	0.72%
Return on Tangible Equity ¹	6.47%	(4.06%)	8.07%
Net Interest Margin	3.15%	3.07%	3.20%
Efficiency Ratio ²	70.6%	81.5%	65.5%

[1] See page 16-18 for non-GAAP reconciliations.

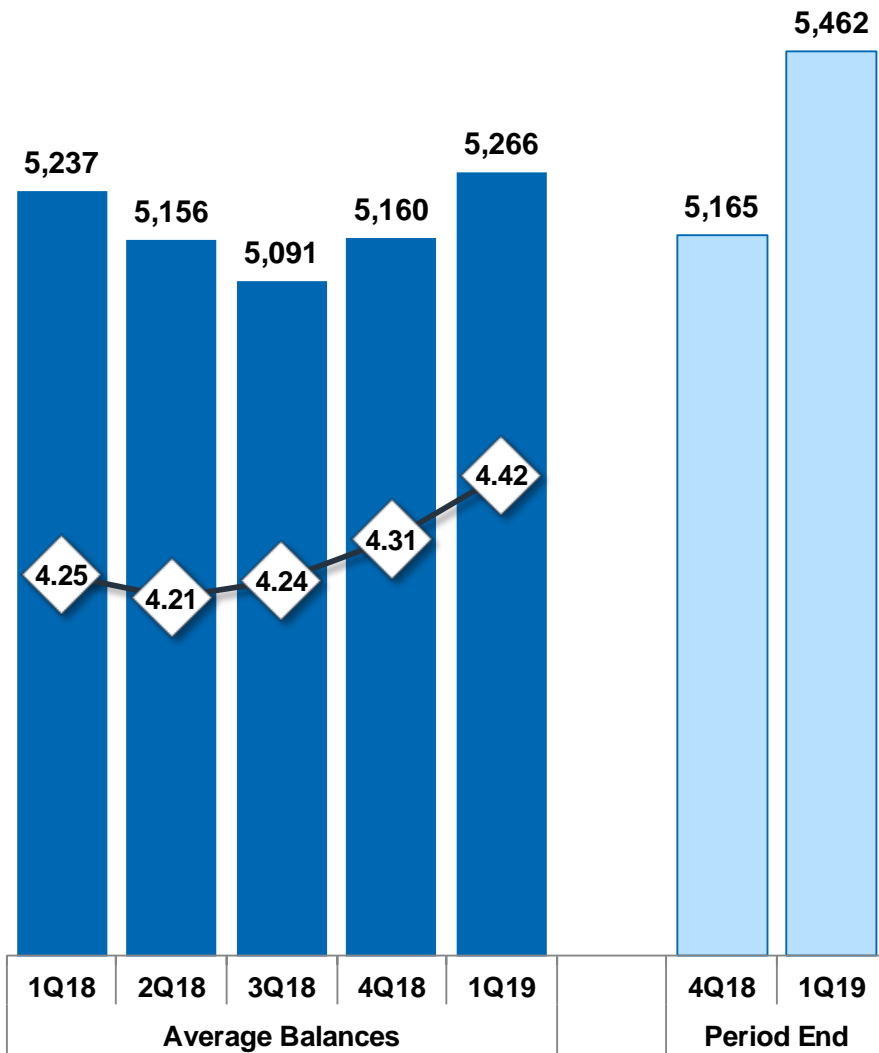
[2] The efficiency ratio is calculated by dividing noninterest expense less amortization of other intangible assets by the sum of tax-equivalent net interest income before provision for loan losses and noninterest income less gain (loss) on sale of loans, assets, OREO and other repossessed assets, and investment securities.

Loan Portfolio

Total Loans

(\$ in millions)

—◇— Loan Yield (%)¹

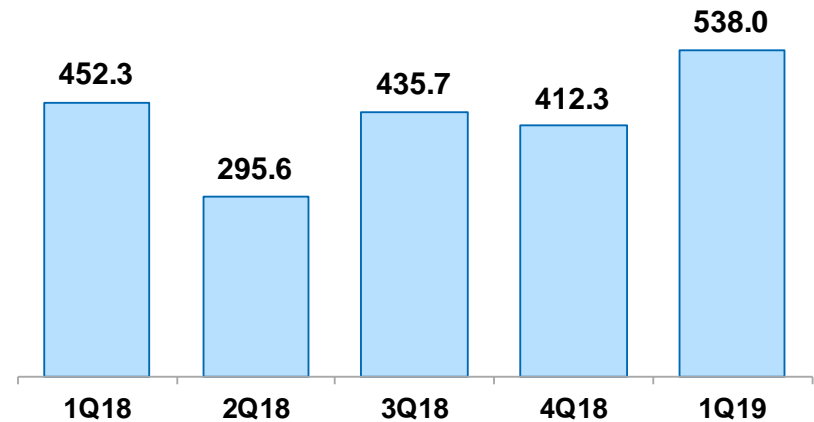


1Q 2019 Highlights

- Average loans increased \$106.9 million, or 2.1%, driven by strong growth in multifamily loans.
 - New loan fundings totaled \$538.0 million, up 30% from the prior quarter
 - Loan payoffs totaled \$196.2 million, including \$22.5 million of planned exits
 - Multifamily loans increased \$323.6 million during the quarter, while C&I loans decreased \$22.8 million
- Total loan yield increased 11 basis points to 4.42%¹

New Loan Fundings

(\$ in millions)

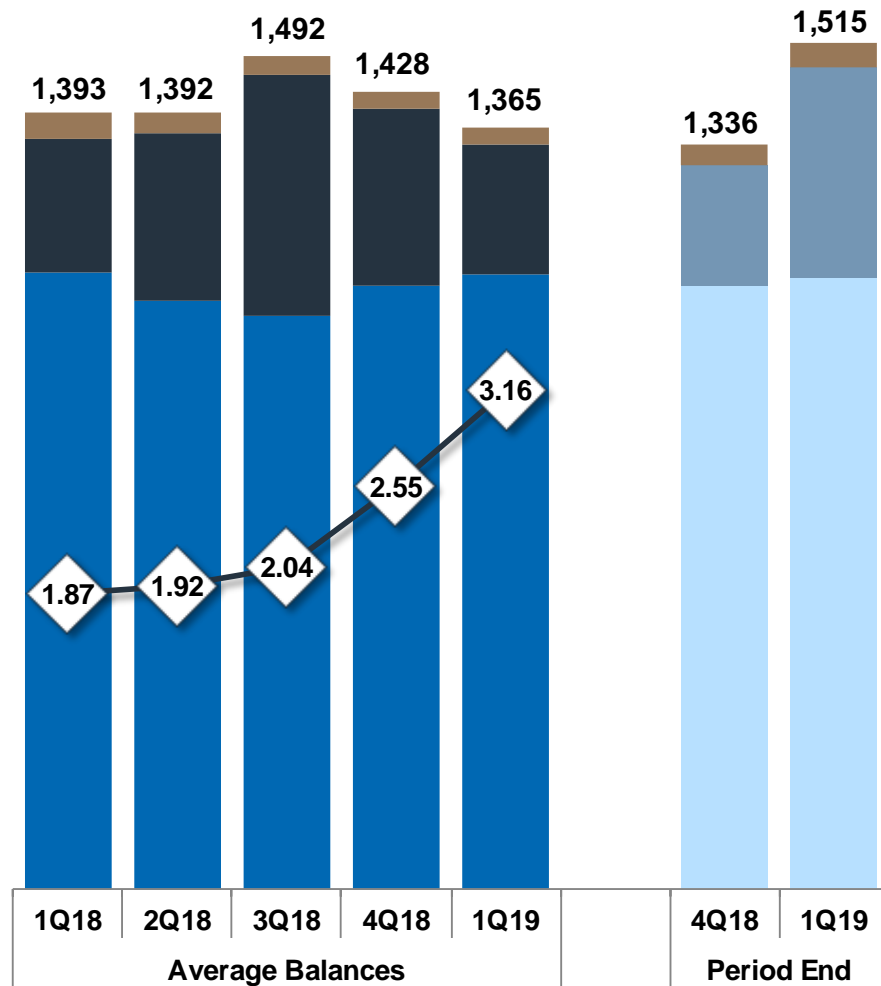


Cash and Investment Securities

Cash and Investment Securities

(\$ in millions)

■ Cash and due from banks ■ Due from banks - interest bearing
■ Investment Securities ◊ Yield on Investment Securities (%)



1Q 2019 Highlights

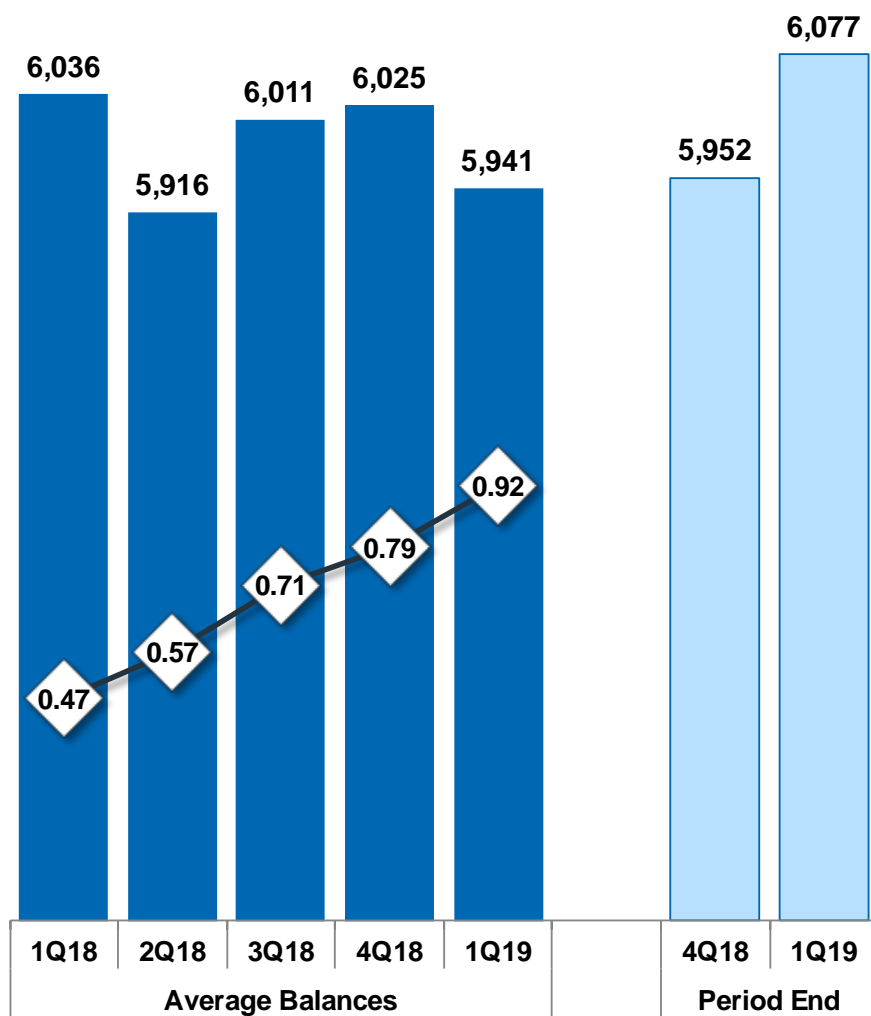
- Average Cash & Investment Securities decreased \$62.8 million, or 4.4%, from the prior quarter.
 - Average Securities increased \$20.8M
 - Average cash balances decreased \$84.9M
 - Period-end cash balances increased due to FHLB advances near end of the quarter
- Securities yield increased 61 basis points to 3.16% for 1Q 2019
- Cash and Investment Securities comprised 20% of total assets as of March 31, 2019

Deposit Portfolio

Total Deposits

(\$ in millions)

—◇— Cost of Total Deposits (%)



1Q 2019 Highlights

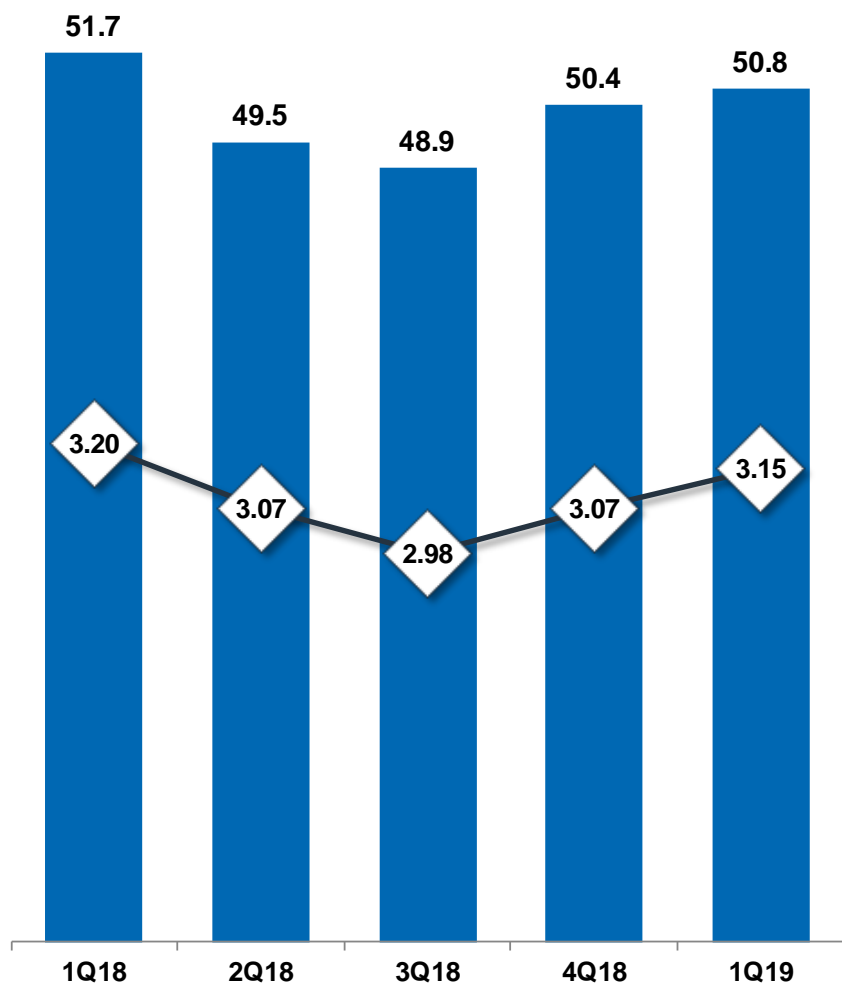
- Average deposits decreased \$84.3 million, or 1.4%, from the prior quarter
- Period-end deposits increased \$124.9 million, or 2.1%, as balances grew near quarter-end
 - Money market and savings increased 5.2%
 - Interest checking decreased 4.4%
 - Time deposits increased 17.9%, including \$46.4 million of brokered CDs
- Cost of deposits increased 13 bps to 92 basis points for 1Q 2019
- Noninterest-bearing demand deposits comprise 12.9% of total deposits
- Loan-to-Deposit ratio increased to 89.9%, up from 86.8% in the prior quarter

Net Interest Income and Margin

Net Interest Income

(\$ in millions)

—◇— Net Interest Margin¹ (%)



1Q 2019 Highlights

- Net interest income increased 0.7% linked-quarter
- Interest income increased 3.9%, while interest expense increased 15.3%
- The yield on interest-earning assets rose 21 bps versus a 16 bps increase in the cost of funds
- Fewer days in 1Q19 benefitted NIM by 6 bps

Net Interest Income and NIM Activity¹

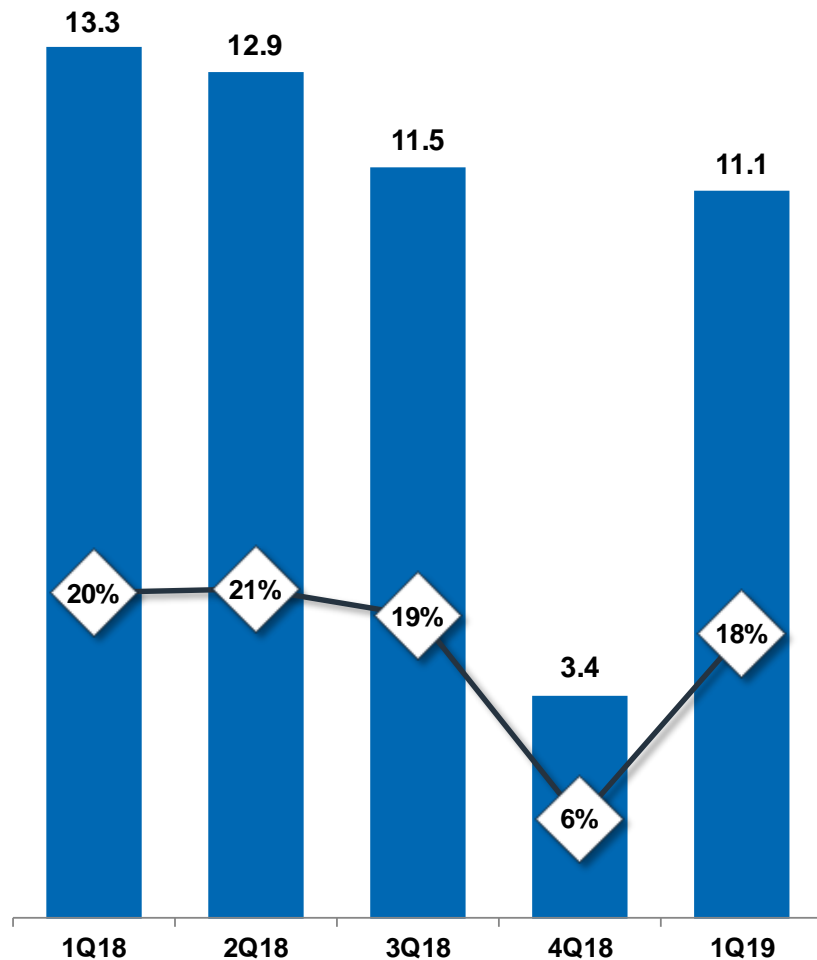
\$50,429	4Q 2018	3.07%
1,306	Loan Impacts:	0.14%
	854 Higher average loan balances	
	814 Repricing/rate increases	
	302 Interest recovered on nonaccrual loans	
	(172) Lower net benefit from prepays	
	(491) Day count and acquired loan income	
1,212	Cash and Investment Securities:	0.07%
	1,608 Higher rates	
	93 Average bal. of securities and day count	
	(489) Lower average bal. of int-bearing cash	
(2,143)	Deposits and Borrowings:	(0.13%)
	(1,686) Higher rates	
	299 Day count	
	(756) Increase in FHLB advances	
\$50,804	1Q 2019	3.15%

Noninterest Income

Noninterest Income

(\$ in millions)

■ Noninterest Income
◆ Noninterest Income / Total Revenues (%)



1Q 2019 Highlights

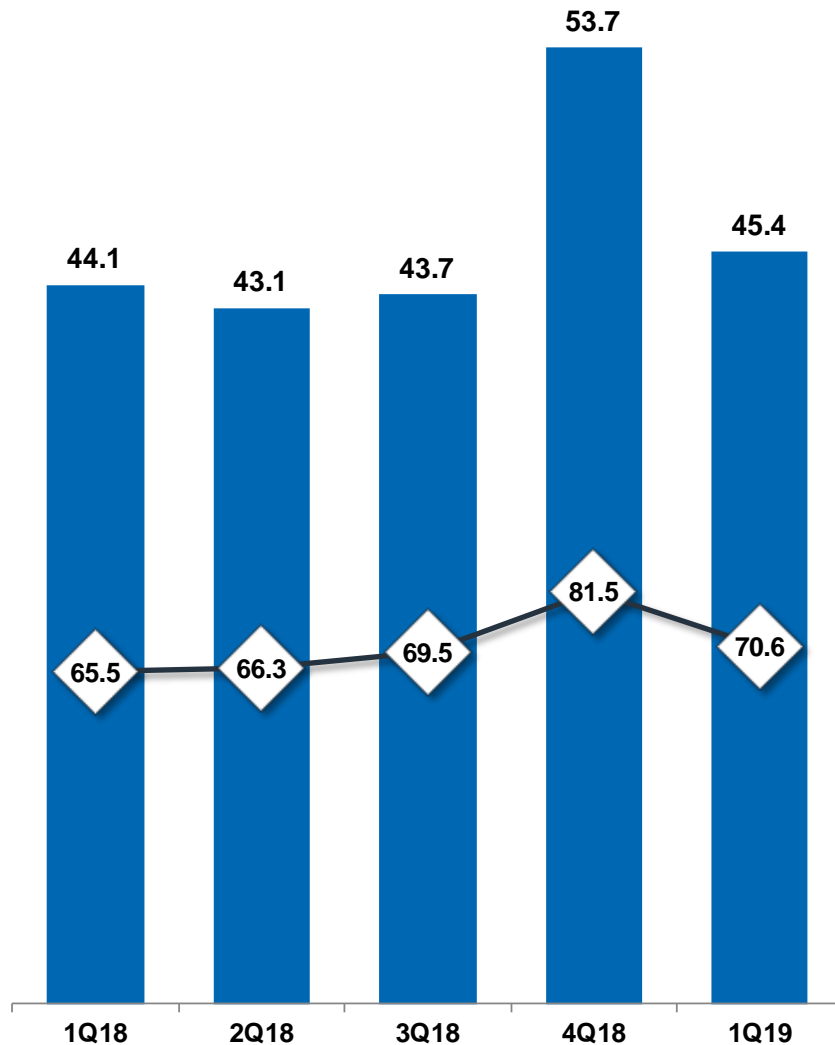
- Noninterest income totaled \$11.1 million for the first quarter of 2019
- Included a \$489,000 impairment charge on a sublet property related to exiting a line of business
- Diverse sources of noninterest income:
 - Trust Administrative fees \$6.7 million
 - Deposit and Treasury Management fees \$1.4 million
 - Escrow & Exchange fees \$1.4 million
 - BOLI income of \$1.0 million
- Noninterest income included a net increase in equity warrant valuations of \$49,000 and FHLB dividend of \$304,000.
- Noninterest income equaled 18% of total revenues in 1Q 2019

Noninterest Expense and Efficiency

Noninterest Expense

(\$ in millions)

—◇— Efficiency Ratio (%)²



1Q 2019 Highlights

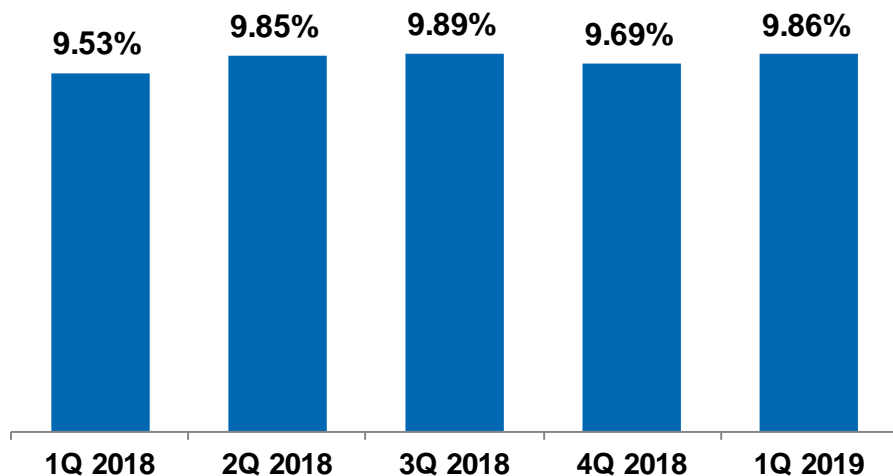
- Noninterest expense totaled \$45.4 million in the first quarter of 2019
 - Other expenses included a \$1.4 million settlement related to a long-standing legal matter
 - Excluding one-time items, noninterest expense increased 2% from the prior quarter¹
- Efficiency ratio decreased to 70.6% for 1Q 2019²

[1] Noninterest expense in the first quarter of 2019 adjusted to exclude \$1.4 million related to the settlement of a long-standing legal matter. Noninterest expense for the fourth quarter of 2018 adjusted to exclude \$10.5 million of restructuring charge related expenses, and gains and losses on sale of loans, assets, and securities.

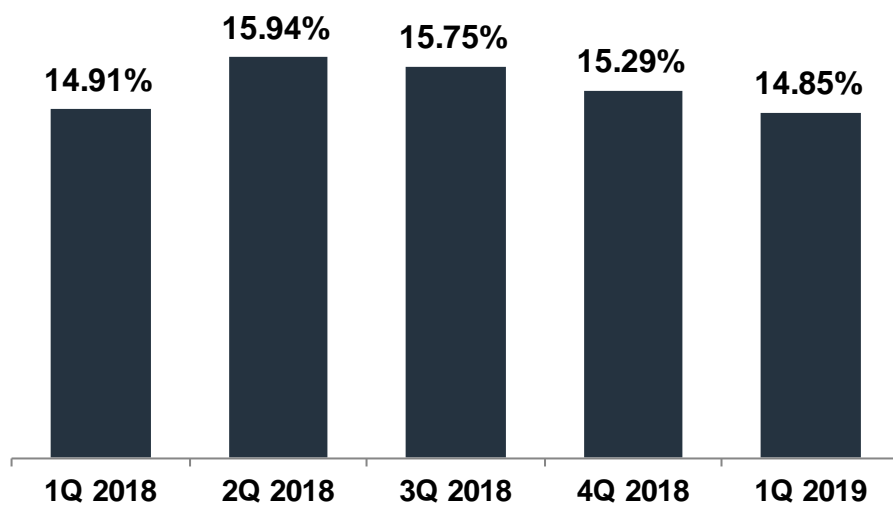
[2] The efficiency ratio is calculated by dividing noninterest expense less amortization of other intangible assets by the sum of tax-equivalent net interest income before provision for loan losses and noninterest income less gain (loss) on sale of loans, assets, OREO and other repossessed assets, and investment securities.

Capital

Tier 1 Leverage Ratio¹



Total Risk Based Capital Ratio¹



1Q 2019 Highlights

- Opus has ample capital to execute on its disciplined growth strategy in 2019
- Total Stockholders' Equity was \$1.0 billion as of March 31, 2019, up 0.7% from prior quarter
 - Retained earnings increased \$6.7 million
 - Accumulated Other Comprehensive Loss was \$3.4 million as of March 31, 2019
- Regulatory capital ratios remain robust¹
 - Tier 1 Leverage increased 17 bps to 9.86%
 - Total Risk-based Capital decreased 44 bps to 14.85%
- Tangible book value per share increased 19 cents to \$17.96 as of March 31, 2019²
- Board of Directors authorized the payment of a quarterly cash dividend of \$0.11 per share payable in 2Q 2019

[1] 1Q 2019 ratios are preliminary until the filing of our March 31, 2019 FDIC call report.

[2] See non-GAAP disclosures on pages 16-18.

Asset Sensitivity

As of March 31, 2019

- Duration of total assets (2.3 years) compared to total liabilities (3.1 years)
- Our asset liability management modeling estimates net interest income increases by 4.5% (+100bps shift) and 7.5% (+200bps shift) in year one

Asset and Liability Duration

Assets

Years

Investment Securities	3.8
Loans	2.0
○ Commercial & Industrial	1.5
○ Commercial Real Estate	1.6
○ Multifamily	2.4
Total Asset Duration	2.3

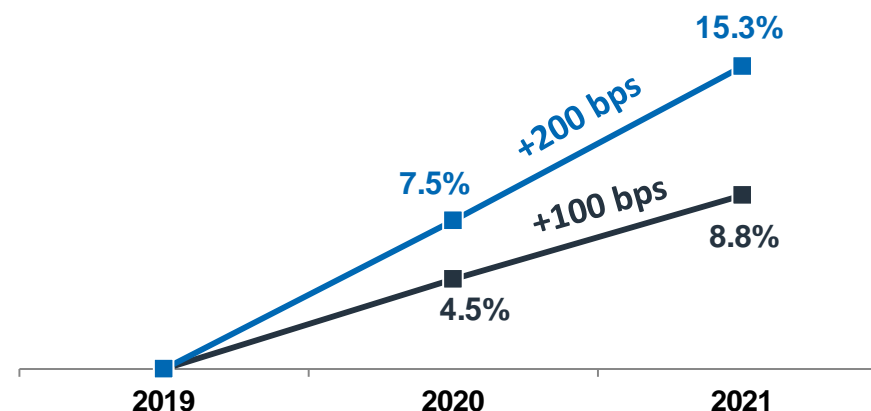
Liabilities

Years

Borrowings	1.5
Deposits	3.2
○ Non-interest Checking	5.9
○ NOW	4.5
○ Money Market	1.7
○ Savings	4.2
○ Time Deposits	0.7
Total Liability Duration	3.1

Simulations of Net Interest Income¹

Assumes instantaneous parallel shift upward in the yield curve



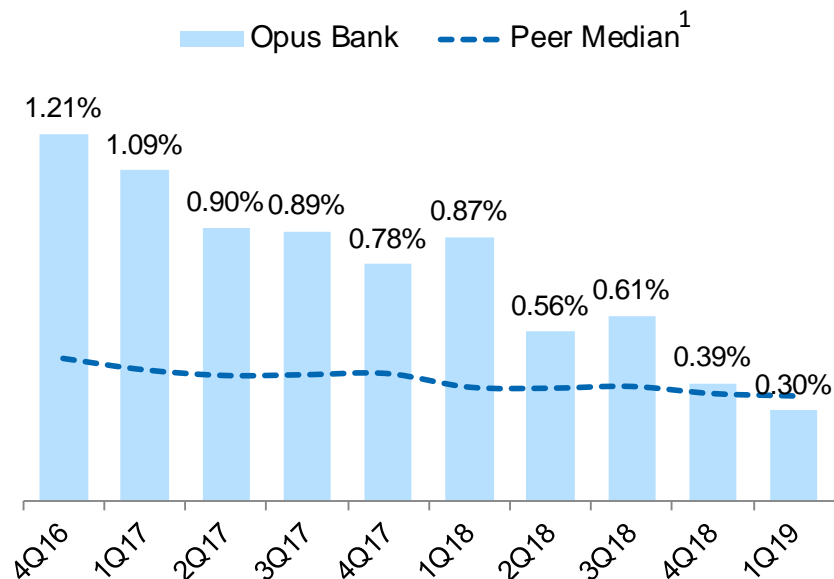
[1] Beginning of simulation is April 1, 2019

Loan Resets and Maturities ²	< 1 Yr	1-3 Yrs	3-5 Yrs	> 5 Yrs	Total
Prime and 1M LIBOR	7.2%	0.6%	0.0%	0.0%	7.8%
3M LIBOR	10.2%	0.0%	1.2%	0.8%	12.2%
6M LIBOR	8.7%	19.8%	14.1%	9.0%	51.6%
Other Indexed Rate Loans	1.8%	1.7%	9.6%	2.7%	15.8%
Total Variable Rate Loans	27.9%	22.1%	24.9%	12.5%	87.4%
Fixed Rate Loans	0.5%	2.1%	2.3%	7.7%	12.6%
Total Loans	28.4%	24.2%	27.2%	20.2%	100.0%

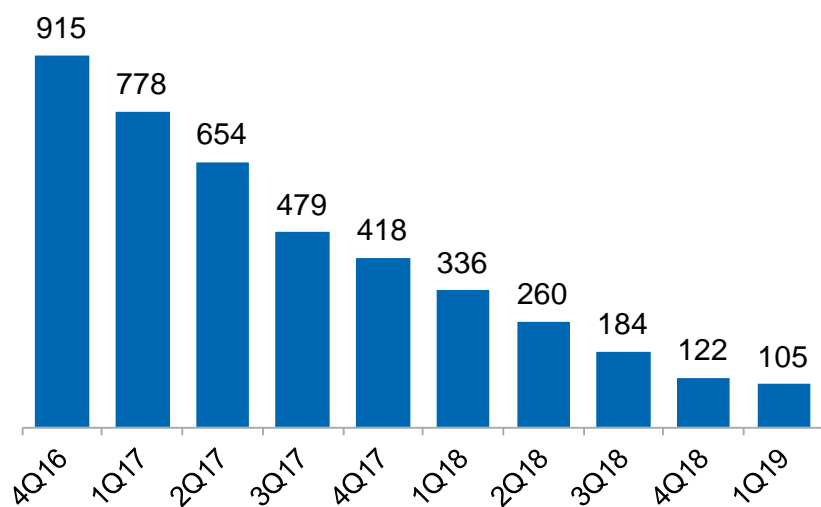
[2] Does not consider prepayments, normal amortization, or the effect of floors.

Credit Quality Overview

NPAs / Total Assets



Enterprise Value Loans (\$M)



1Q 2019 Highlights

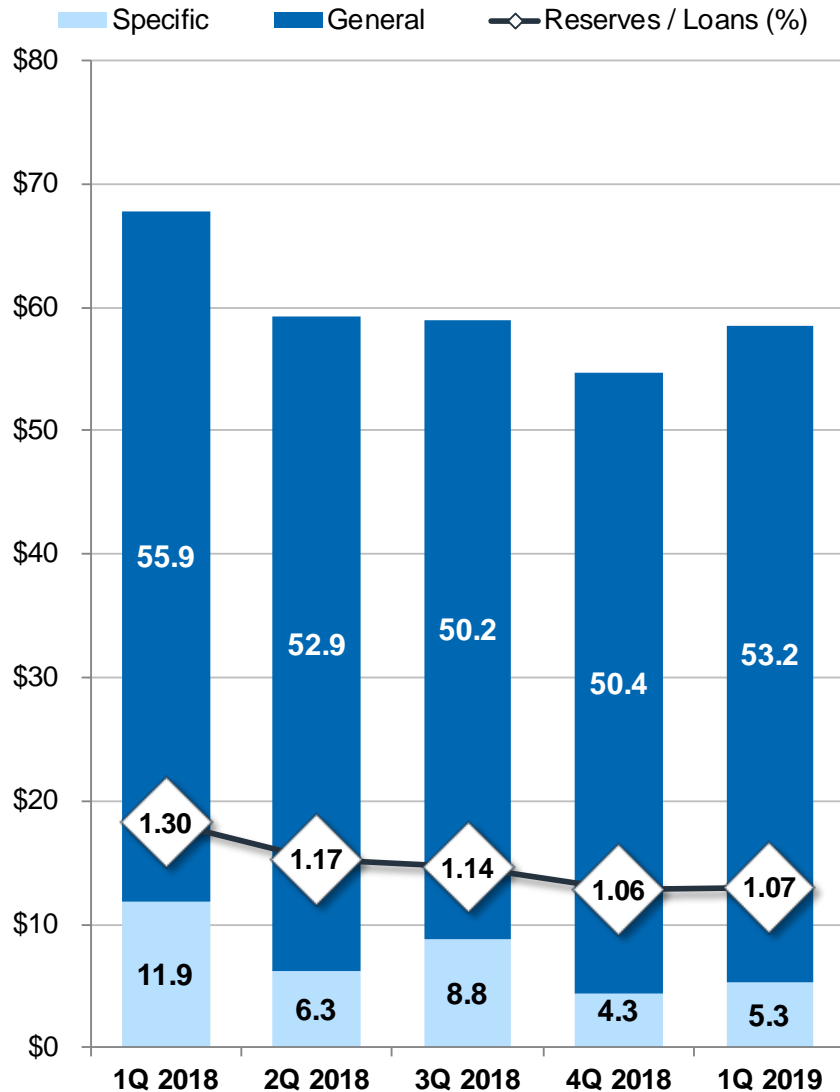
- Nonperforming assets decreased 17% to \$23.3 million, or 0.30% of total assets
- Net recoveries of \$1.6 million
- Provision for loan losses of \$2.2 million
- Continued to reduce exposure to previously de-emphasized loan portfolios:
 - Enterprise Value loans down 14% to \$105.0 million
 - Further reduction of EV loans in the second quarter to \$97.4 million
 - Total EV reduction of 89% since 4Q 2016
 - Planned exits through loan payoffs and sales totaled \$22.0 million in 1Q 2019
- Criticized Loans increased 1% to \$152.5 million
 - Special Mention decreased \$13.2 million
 - Classified increased \$15.4 million

[1] Peer group includes BANC, BANR, BOH, CATY, COLB, CPF, CVBF, DCOM, FFWM, HAFC, HFWA, HMST, HOPE, NBHC, PFBC, PPBI, TCBK, WABC, WAFD, and WAL

Allowance for Loan Losses

Allowance for Loan Losses

(\$ in millions)



1Q 2019 Highlights

- Provision for loan losses of \$2.2 million
 - + Risk rating migration \$4.4 million
 - + Changes in portfolio mix and fundings \$3.4 million
 - + Specific reserves \$945,000
 - Loan exits \$4.0 million
 - Net recoveries \$1.6 million
 - Loss factors \$797,000 million
- Allowance for loan losses totaled \$58.4 million
 - Up \$3.8 million from the prior quarter
 - 1.07% of total loans
 - Specific reserves of \$5.3 million
- Continue to work through de-emphasized and criticized portfolios
- Risk of significant loss given default on individual loans if strategies are unsuccessful

Outlook

Loans	<ul style="list-style-type: none">• Estimate low double-digit to mid-teens loan growth in 2019
Deposits	<ul style="list-style-type: none">• Anticipate continued increasing deposit costs in 2019, with the expectation it will moderate in the second half of the year
Net Interest Margin	<ul style="list-style-type: none">• Estimate the full year 2019 NIM to be approximately 3.00%• Opus continues to face the headwinds of normalizing prepayments, a flat yield curve, and competitive deposit and loan pricing
Noninterest Expense	<ul style="list-style-type: none">• Disciplined expense management to increase operating leverage
Efficiency Ratio	<ul style="list-style-type: none">• Approximately 68% efficiency ratio for the full year 2019
Credit Quality	<ul style="list-style-type: none">• Expect net charge-offs to reduce in 2019• Continued reduction in the remaining balances of Enterprise Value and criticized loans
Tax Rate	<ul style="list-style-type: none">• Estimate effective tax rate of approximately 24% in 2019
Dividend	<ul style="list-style-type: none">• Will evaluate the dividend based upon Opus' earnings, risk profile, capital levels, and market conditions



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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 evaluating our financial results. These non-GAAP measures include our return on average tangible equity, tangible book value per common share, and tangible common equity ratio. These non-GAAP measures should be taken together with the corresponding GAAP measures and should not be considered a substitute of the GAAP measures.

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 return on average tangible equity

(unaudited)

(\$ in thousands, except share amounts)	For the three months ended		
	March 31, 2019	December 31, 2018	March 31, 2018
Average tangible equity:			
Average stockholders' equity	\$1,050,967	\$1,042,554	\$1,024,258
Less:			
Average goodwill	331,832	331,832	331,832
Average other intangible assets	38,234	39,663	44,083
Average tangible equity	680,901	671,059	648,343
Net Income (loss)	10,861	(6,861)	12,904
Return on average stockholders' equity	4.19%	(2.61)%	5.11%
Non-GAAP return on average tangible equity	6.47%	(4.06)	8.07%

Reconciliation of Non-GAAP Financial Measures

Non-GAAP tangible book value per common share

(unaudited)

(\$ in thousands, except share amounts)	As of		
	March 31, 2019	December 31, 2018	March 31, 2018
Tangible equity:			
Total stockholders' equity	\$1,048,106	\$1,040,813	\$1,022,378
Less:			
Preferred stock	29,110	29,110	29,110
Common equity	1,018,996	1,011,703	993,268
Less:			
Goodwill	331,832	331,832	331,832
Other intangible assets, net	37,510	38,926	43,321
Tangible common equity	649,654	640,945	618,115
Shares of common stock outstanding	36,178,980	36,060,375	36,001,581
Book value per common share	\$28.17	\$28.06	\$27.59
Tangible book value per common share	\$17.96	\$17.77	\$17.17

Reconciliation of Non-GAAP Financial Measures

Non-GAAP tangible common equity ratio

(unaudited)

(\$ in thousands)	As of		
	March 31, 2019	December 31, 2018	March 31, 2018
Total assets	\$7,687,905	\$7,180,903	\$7,297,761
Less:			
Goodwill	331,832	331,832	331,832
Other intangible assets, net	37,510	38,926	43,321
Tangible assets	7,318,563	6,810,145	6,922,608
Total stockholders' equity	1,048,106	1,040,813	1,022,378
Less:			
Goodwill	331,832	331,832	331,832
Other intangible assets, net	37,510	38,926	43,321
Tangible equity	678,764	670,055	647,225
Less: preferred stock	29,110	29,110	29,110
Tangible common equity	649,654	640,945	618,115
Total stockholders' equity to total assets	13.63%	14.49%	14.01%
Tangible equity to tangible assets ratio	9.27%	9.84%	9.35%
Total common equity to total assets	13.25%	14.09%	13.61%
Tangible common equity to tangible assets ratio	8.88%	9.41%	8.93%