



Customers Bancorp, Inc.

*Highly Focused, Low Risk, Above Average Growth
Bank Holding Company*

Customers  Bank
Member FDIC

Investor Presentation

July, 2017

NYSE: CUBI



This presentation, as well as other written or oral communications made from time to time by us, contains forward-looking information within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements relate to future events or future predictions, including events or predictions relating to future financial performance, and are generally identifiable by the use of forward-looking terminology such as “believe,” “expect,” “may,” “will,” “should,” “plan,” “intend,” or “anticipate” or the negative thereof or comparable terminology. Forward-looking statements in this presentation include, among other matters, guidance for our financial performance, and our financial performance targets. Forward-looking statements reflect numerous assumptions, estimates and forecasts as to future events. No assurance can be given that the assumptions, estimates and forecasts underlying such forward-looking statements will accurately reflect future conditions, or that any guidance, goals, targets or projected results will be realized. The assumptions, estimates and forecasts underlying such forward-looking statements involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions, which may not be realized and which are inherently subject to significant business, economic, competitive and regulatory uncertainties and known and unknown risks, including the risks described under “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2016 and subsequent Quarterly Reports on Form 10-Q, as such factors may be updated from time to time in our filings with the SEC. Our actual results may differ materially from those reflected in the forward-looking statements.

In addition to the risks described under “Risk Factors” in our filings with the SEC, important factors to consider and evaluate with respect to our forward-looking statements include:

- changes in external competitive market factors that might impact our results of operations;
- changes in laws and regulations, including without limitation changes in capital requirements under Basel III;
- changes in our business strategy or an inability to execute our strategy due to the occurrence of unanticipated events;
- our ability to identify potential candidates for, and consummate, acquisition or investment transactions;
- the timing of acquisition, investment or disposition transactions;
- constraints on our ability to consummate an attractive acquisition or investment transaction because of significant competition for these opportunities;
- local, regional and national economic conditions and events and the impact they may have on us and our customers;
- costs and effects of regulatory and legal developments, including the results of regulatory examinations and the outcome of regulatory or other governmental inquiries and proceedings, such as fines or restrictions on our business activities;
- our ability to attract deposits and other sources of liquidity;
- changes in the financial performance and/or condition of our borrowers;
- changes in the level of non-performing and classified assets and charge-offs;
- changes in estimates of future loan loss reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements;
- inflation, interest rate, securities market and monetary fluctuations;

- timely development and acceptance of new banking products and services and perceived overall value of these products and services by users, including the products and services being developed and introduced to the market by the BankMobile division of Customers Bank;
- changes in consumer spending, borrowing and saving habits;
- technological changes;
- our ability to increase market share and control expenses;
- continued volatility in the credit and equity markets and its effect on the general economy;
- effects of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board and other accounting standard setters;
- the businesses of Customers Bank and any acquisition targets or merger partners and subsidiaries not integrating successfully or such integration being more difficult, time-consuming or costly than expected;
- material differences in the actual financial results of merger and acquisition activities compared with our expectations, such as with respect to the full realization of anticipated cost savings and revenue enhancements within the expected time frame;
- our ability to successfully implement our growth strategy, control expenses and maintain liquidity;
- Customers Bank's ability to pay dividends to Customers Bancorp;
- risks related to the sale of BankMobile including:
 - our ability to successfully complete a sale and the timing of completion;
 - the ability of Customers and a buyer to meet all of the conditions to completion of a sale;
 - the impact of an announcement of a sale on the value of our securities, our business and our relationship with employees and customers;
 - our use of the proceeds from a sale if any; and
 - the effect on Customers' business if a sale is not completed and Customers is unable to sell or otherwise dispose of BankMobile.
- risks relating to BankMobile in the event Customers is unable to sell the BankMobile business, including:
 - The execution of our BankMobile integration and business plan may be less successful, more difficult, time-consuming or costly than expected, and that BankMobile may be unable to realize anticipated cost savings and revenue enhancements within the expected time frame or at all;
 - material variances in the adoption rate of BankMobile's services by new students and/or the usage rate of BankMobile's services by current student customers compared to our expectations;

- the levels of usage of other BankMobile student customers following graduation of additional product and service offerings of BankMobile or Customers Bank, including mortgages and consumer loans, and the mix of products and services used;
- our ability to implement changes to BankMobile's product and service offerings under current and future regulations and governmental policies;
- our ability to effectively manage revenue and expense fluctuations that may occur with respect to BankMobile's student-oriented business activities, which result from seasonal factors related to the higher-education academic year;
- our ability to implement our strategy regarding BankMobile, including with respect to our intent to sell or otherwise dispose of the BankMobile business in the future, depending upon market conditions and opportunities;
- BankMobile's ability to successfully implement its growth strategy and control expenses; and
- the effects on BankMobile's results of operations in the event that Customers' total assets exceed \$10 billion at December 31, 2017;

You are cautioned not to place undue reliance on any forward-looking statements we make, which speak only as of the date they are made. We do not undertake any obligation to release publicly or otherwise provide any revisions to any forward-looking statements we may make, including any forward-looking financial information, to reflect events or circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events, except as may be required under applicable law.

Investment Proposition

Customers Bank's BankMobile Division is Classified as Held for Sale in all Customers' Consolidated Financial Statements released since January 2017, Including the January, April and July Earnings Releases, the Form 10K as of, and for the Period Ending December 31, 2016, and the Form 10Q as of, and for the Period Ended March 31, 2017. Amounts Included in this Investor Presentation are "Combined", Including Both Continuing and Discontinued Operations, Unless Otherwise Indicated

- Q2 2017 Net Income to Common Shareholders of \$20.1 million Up 15.4% Over Q2 2016
- Q2 2017 Diluted Earnings Per Common Share of \$0.62, Up 5.1% from Q2 2016
- Q2 2017 Net Income from Continuing Operations to Common Shareholders was \$25.3 million Up 28.5% Over Q2 2016
- Q2 2017 Diluted Earnings Per Common Share from Continuing Operations was \$0.78 for Q2 2017 Up 16.4% from Q2 2016
- Q2 2017 Return on Average Assets of 0.93%
- Q2 2017 Return on Average Common Equity of 11.84%
- Pre-tax, pre-provision ROAA ⁽¹⁾ and ROACE ⁽²⁾ for Q2 2017 was 1.43% and 19.42%, respectively
- June 30, 2017 Shareholders Equity of \$910 million, up 33.8% from June 30, 2016 with Estimated Tier 1 Risk Based Capital of 10.94% and Tangible Common Equity to Average Tangible Assets ⁽³⁾ of 6.59% for Q2 2017
- Book Value Per Common Share of \$22.54 Up 12.8% from Q2 2016
- Total assets of \$10.9 billion as of June 30, 2017, up \$1.0 billion from March 31, 2017
- Q2 2017 Total Loans Up 6.7% to \$9.0 billion, and Total Deposits from Continuing Operations Up 7.8% to \$7.0 billion from Q2 2016
- Q2 2017 Efficiency Ratio from Continuing Operations was 40.6% Compared to Q2 2016 Efficiency Ratio from Continuing Operations of 46.5%
- BankMobile Classified as Held for Sale and Reported as Discontinued Operations in Financial Reports
- Non-Performing Loans to Total Loans only 0.21% and Reserves for Loan Losses 204.59% of Non-Performing Loans
- Customers Bancorp, Inc. issued \$100 million five year senior debt bearing interest at 3.95% on June 30, 2017

Amounts presented are on a “Combined” basis unless otherwise noted.

(1) Non-GAAP measure calculated as GAAP net income, plus provisions for loan losses and income tax divided by average total assets.

(2) Non-GAAP measure calculated as GAAP net income available to common shareholders, plus provisions for loan losses and income tax expense divided by average common equity.

(3) Non-GAAP measure calculated as GAAP total shareholders equity less preferred stock, less goodwill and other intangibles divided by average total assets less average goodwill and other intangibles

Highly Focused, Innovative, Relationship Banking Based Commercial Bank Providing;

Strong Organic Growth, Well Capitalized, Branch Lite Bank in Attractive Markets

Highly skilled teams targeting privately held businesses and high net worth families

Robust risk management driven business strategy

Target market from Boston to Philadelphia along Interstate 95

Strong Profitability, Growth & Efficient Operations

Operating efficiencies offset tighter margins and generate sustainable profitability

Continuing operations efficiency ratio in the 40's

Target above average ROA (~1%) and ROCE (~11%)

Strong Credit Quality & Low Interest Rate Risk

Unwavering underwriting standards

Loan portfolio performance consistently better than industry and peers

Somewhat asset sensitive

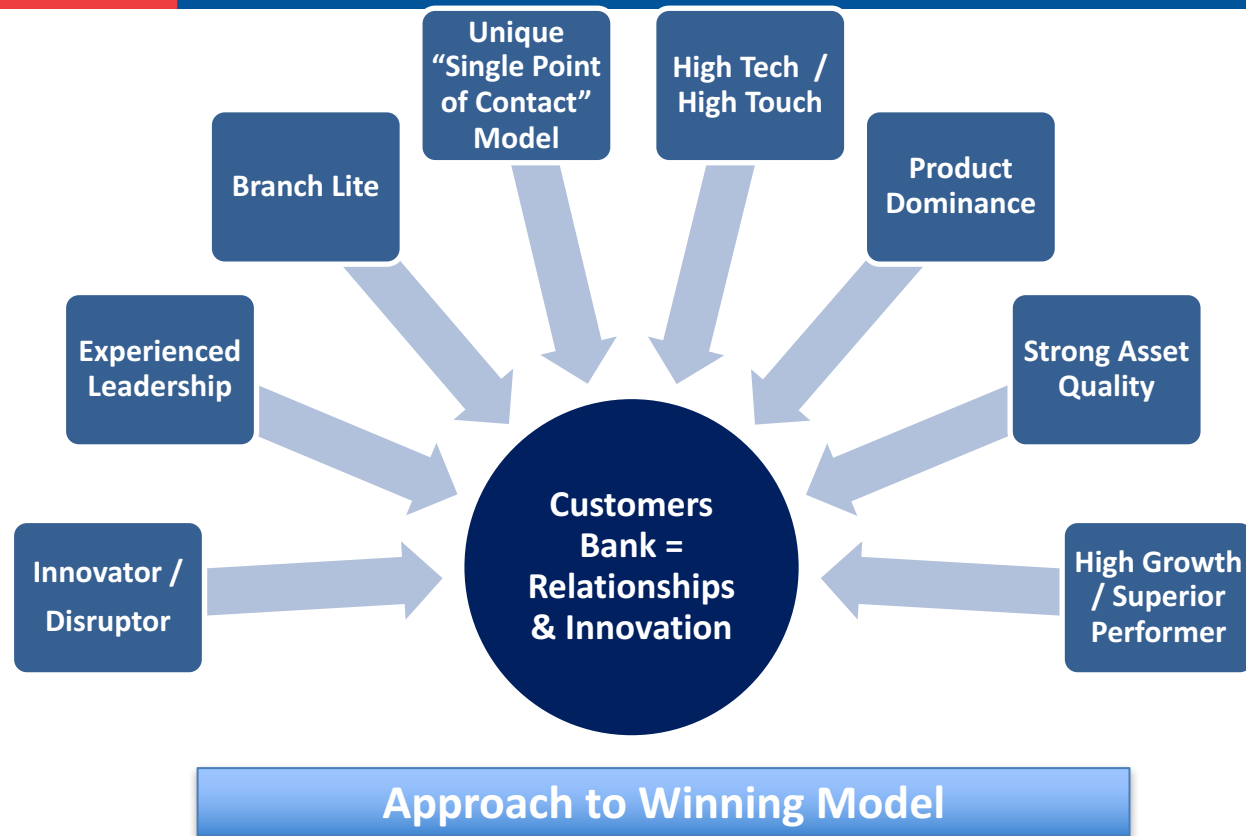
Attractive Valuation

July 19, 2017 share price of \$27.95, 10.8x street estimated 2017 earnings and 1.2x book value

June 30, 2017 tangible book value⁽¹⁾ of \$21.97, up 90% since Dec 2011 with a CAGR of 12%

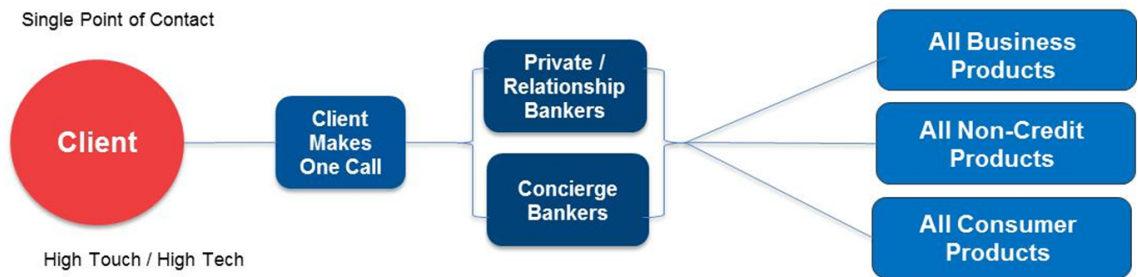
Amounts presented are on a “Combined” basis unless otherwise noted.

(1) Non-GAAP measure calculated as GAAP total shareholders equity less preferred stock, less goodwill and other intangibles divided by common shares outstanding.

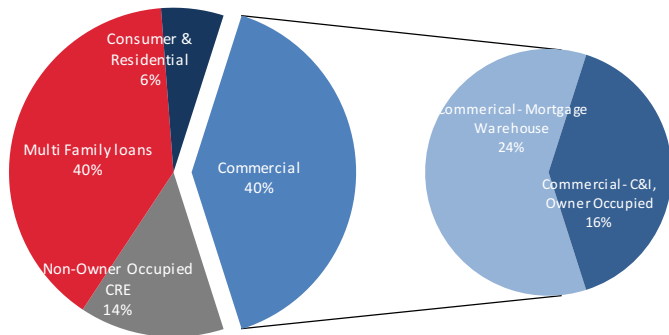


Relationship driven but never deviate from following critical success factors

- Only focus on very strong credit quality niches
 - Very strong risk management culture
- Operate at lower efficiency ratio than peers to deliver sustainable strong profitability and growth
 - Always attract and retain top quality talent
- Culture of innovation and continuous improvement



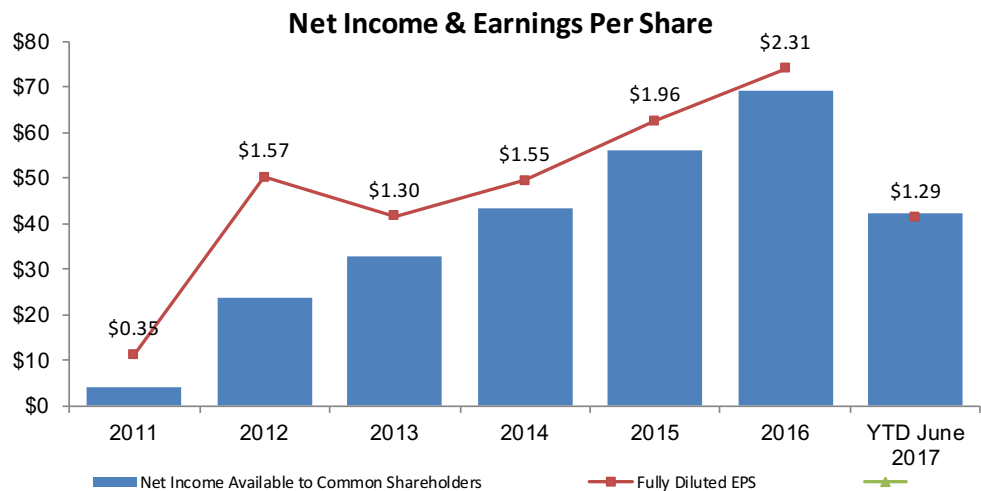
- Very Experienced Teams
- Exceptional Service
- Risk Based Incentive Compensation



Community Business Bank is Focused on the following businesses:

- Banking Privately Held Businesses – Commercial C&I loans are 40% of the portfolio
 - Manufacturing, service, technology, wholesale, equipment financing, private mid size mortgage companies
- Banking High Net Worth Families – Multi Family loans are 40% of the portfolio; New York and regional multi family lending
- Selected Commercial Real Estate loans are only 14% of portfolio

Name	Title	Years of Banking Experience	Background
Jay S. Sidhu	Chairman & CEO	41	Chairman and CEO of Sovereign Bank & Sovereign Bancorp, Inc.
Richard A. Ehst	President & COO	49	EVP, Commercial Middle Market, Regional President and Managing Director of Corporate Communications at Sovereign Bank
Robert E. Wahlman, CPA	Chief Financial Officer	36	CFO of Doral Financial and Merrill Lynch Banks; various roles at Bank One, US GAO and KPMG.
Steve Issa	EVP, New England Market President, Chief Lending Officer	40	EVP, Managing Director of Commercial and Specialty Lending at Flagstar and Sovereign Bank.
George Maroulis	EVP, Group Director of Private & Commercial Banking - NY Metro	25	Group Director and SVP at Signature Bank; various positions at Citibank and Fleet/Bank of America's Global Commercial & Investment Bank
Timothy D. Romig	EVP, Group Director of Commercial Banking - PA/NJ	33	SVP and Regional Executive for Commercial Lending (Berks and Montgomery County), VIST Financial; SVP at Keystone / M&T Bank
Ken Keiser	EVP, Director CRE and Multi-Family Housing Lending	40	SVP and Market Manager, Mid-Atlantic CRE Lending at Sovereign Bank; SVP & Senior Real Estate Officer, Allfirst Bank / M&T Bank
Glenn Hedde	EVP, President Banking for Mortgage Companies	30	President of Commercial Operations at Popular Warehouse Lending, LLC; various positions at GE Capital Mortgage Services and PNC Bank
James Collins	EVP, Chief Administrative Officer	26	Various positions at Sovereign including Director of Small Business Banking
Thomas Jastrem	EVP, Chief Credit Officer	39	Various positions at First Union Bank and First Fidelity Bank
Robert B. White	EVP, Chief Risk Officer	30	President RBW Financial Consulting; various positions at Citizens Bank and GE Capital
Mary Lou Scalese	EVP, Chief Auditor	41	Chief Auditor at Sovereign Bank and Chief Risk Officer at Customers Bank
Michael A. De Tommaso, Esquire	VP, General Counsel and Corporate Secretary	23	Former trial attorney and in-house counsel for Univest and National Penn Bank
Karen Kirchner	SVP, Director Team Member Services	29	SVP, Human Resources/CoreStates Bank- various positions including Manager for HR Business Partners, Manager of Recruitment and generalist in compensation and training



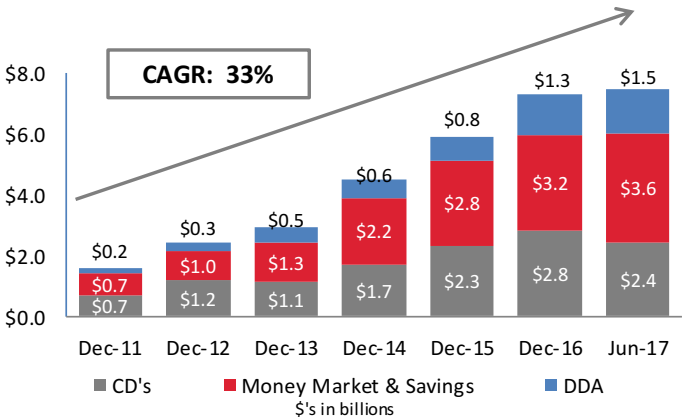
Customers Bank

Executing On Our Unique High Performing
Banking Model

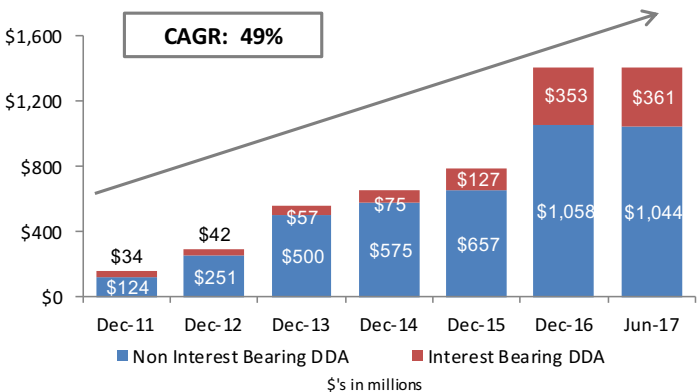
Results in: Organic Growth of Deposits with Controlled Costs

Customers’ strategies of single point of contact and recruiting known teams in target markets produce rapid deposit growth with low total cost

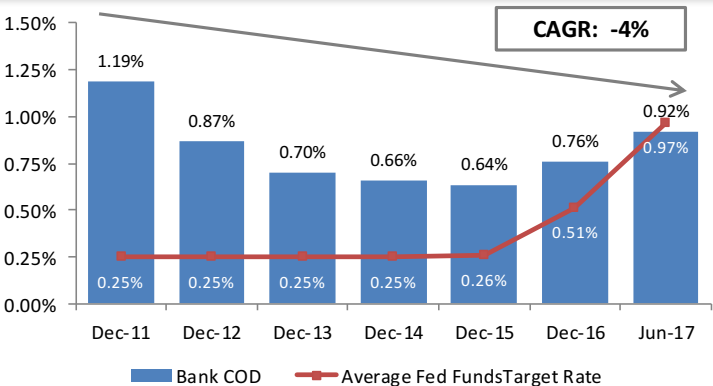
Total Deposit Growth (\$'s billions)



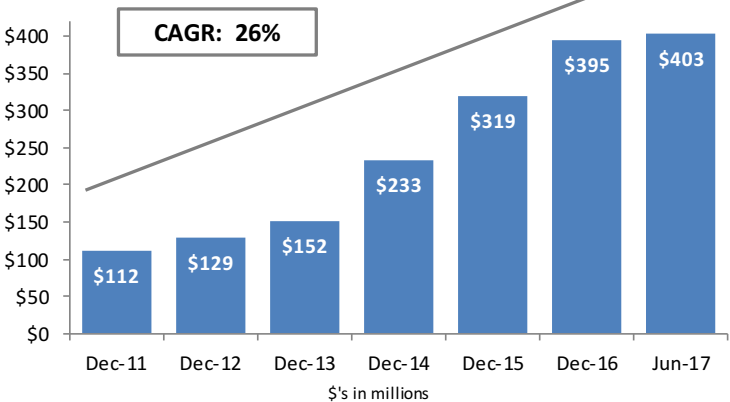
Average DDA Growth (\$mm)



Cost of Deposits



Total Deposits per Branch (\$mm)

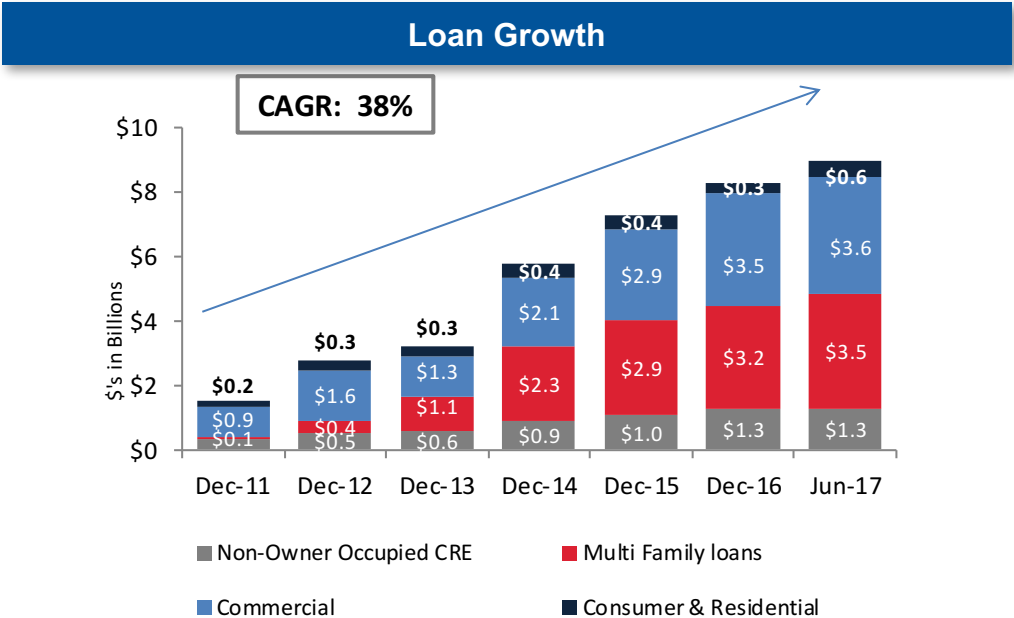


Amounts presented are on a “Combined” basis.

Source: Company data.

High Growth with Strong Credit Quality

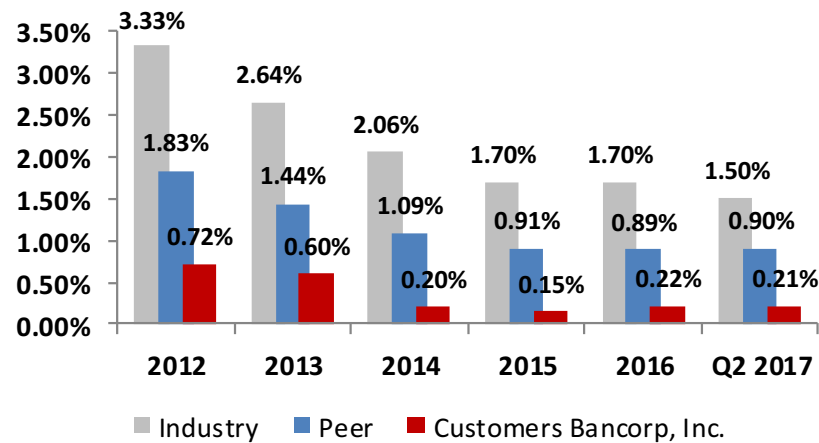
- Continuous recruitment and retention of high quality teams
 - Centralized credit committee approval for all loans
- Loans are stress tested for higher rates and a slower economy
- Insignificant delinquencies on loans originated since new management team took over
 - Creation of solid foundation for future earnings



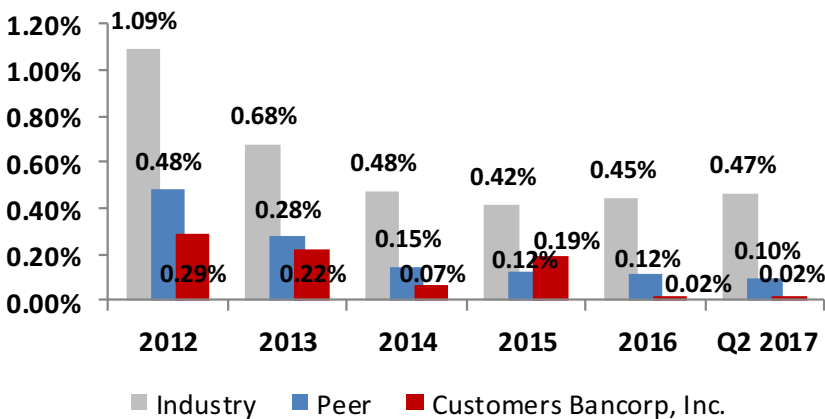
Source: Company data. Includes deferred costs and fees.

Asset Quality Indicators Continue to be Strong

NPL



Charge Offs

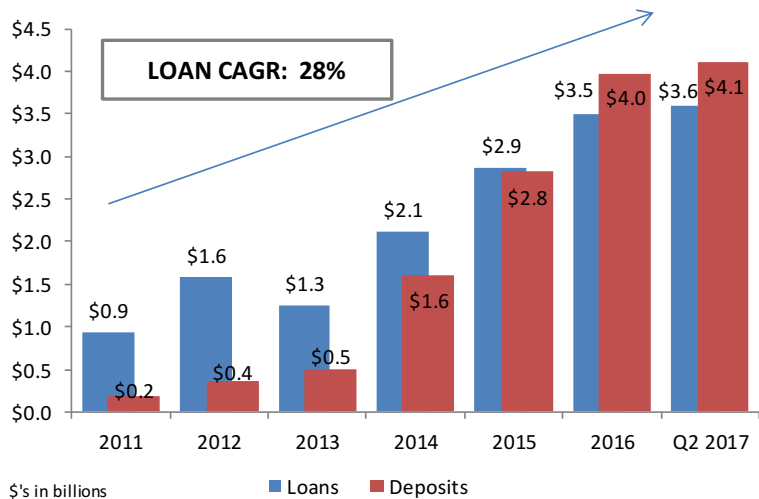


Note: Customers 2015 charge-offs includes 12 bps for a \$9 million fraudulent loan

Charge Off amounts presented are on a "Combined" basis and include \$696 thousand of charge offs related to BankMobile in 2016 and \$126 thousand through June 30, 2017.

Source: SNL Financial, Company data. Peer data consists of Northeast and Mid-Atlantic banks and thrifts with comparable size in assets and loan portfolios (excluding banks with large residential mortgage loan portfolios). Industry data includes all commercial and savings banks. Peer and Industry data as of March 31, 2017.

Commercial Loan and Deposit Growth (\$'s in billions)



Banking Privately Held Business

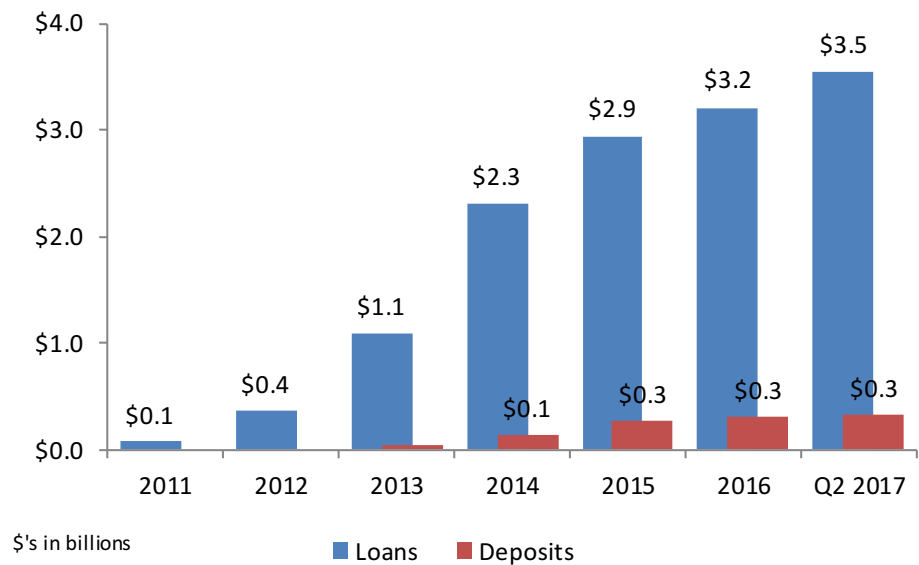
Private & Commercial Banking

- Target companies with up to \$100 million annual revenues
- Single point of contact
- NE, NY, PA & NJ markets
- SBA loans originated by small business relationship managers

Banking Mortgage Companies

- Private banking focused on privately held mortgage companies generally with equity of \$5 to \$50 million with average equity of \$37 million
- Very strong credit quality relationship business with good fee income and deposits
- ~75 strong mortgage companies as clients
- All outstanding loans are variable rate and classified as held for sale
- Non-interest bearing DDA's are about 10% of outstanding loans

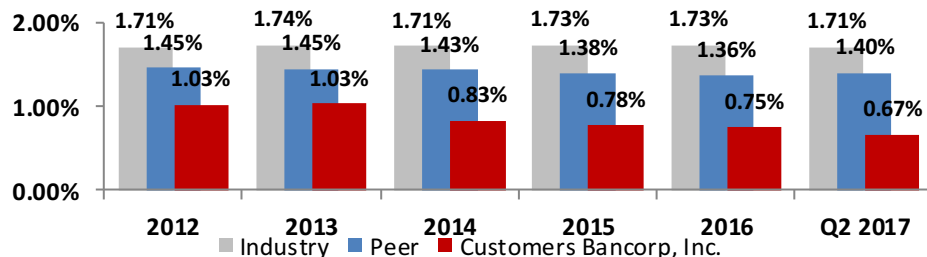
Multi-Family Loan and Deposit Growth (\$'s in billions)



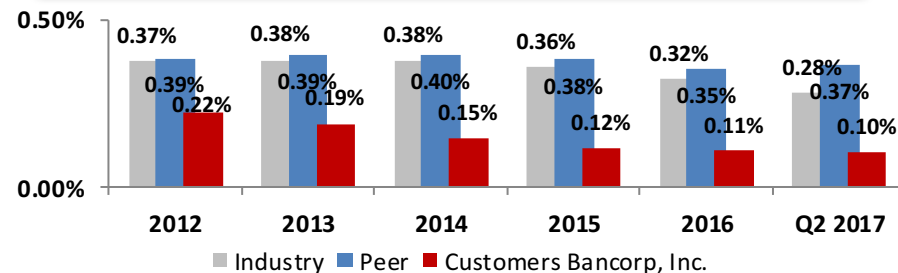
Banking High Net Worth Families

- Focus on families that have income producing real estate in their portfolios
- Private banking approach
- Focus Markets: New York & Philadelphia MSAs
- Average Loan Size: \$6.8 million
- Remote banking for deposits and other relationship based loans
- Portfolio grown organically from a start up with very experienced teams hired in the past 4 years
- Strong credit quality niche
- Interest rate risk managed actively

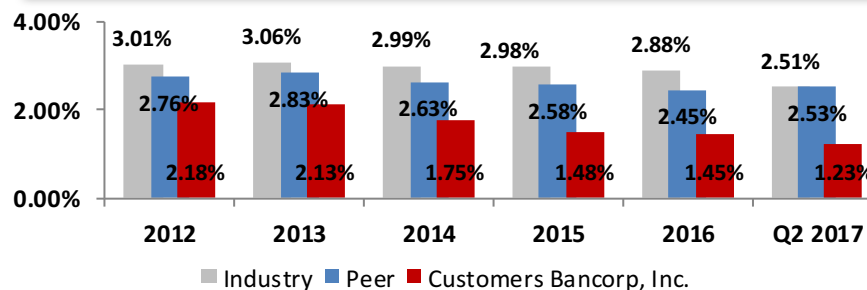
Staff Expense Ratio



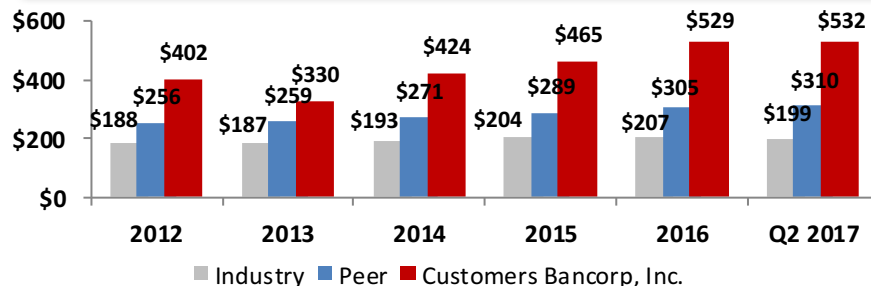
Occupancy Expense Ratio



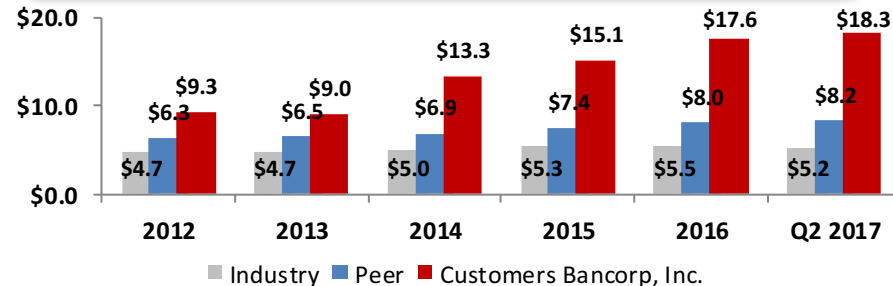
Total Costs as a % of Assets



Total Revenue per Employee (\$000s)



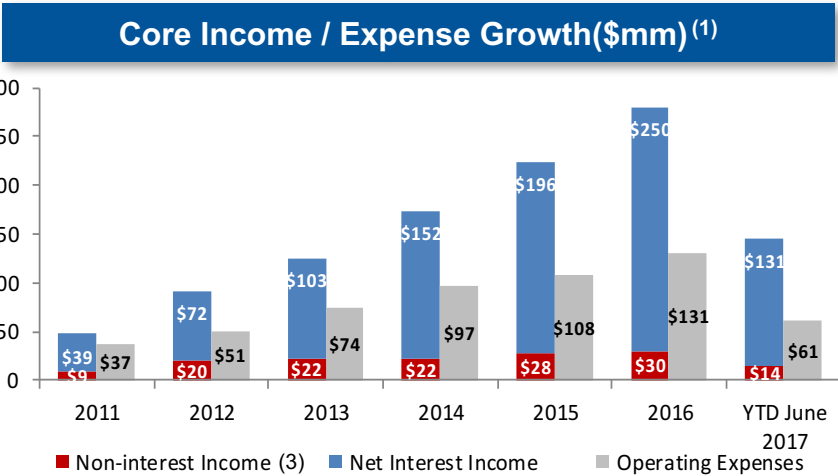
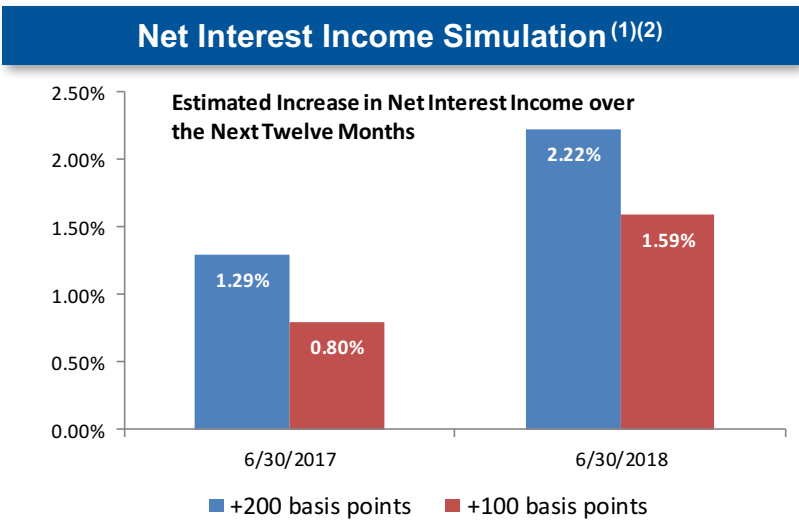
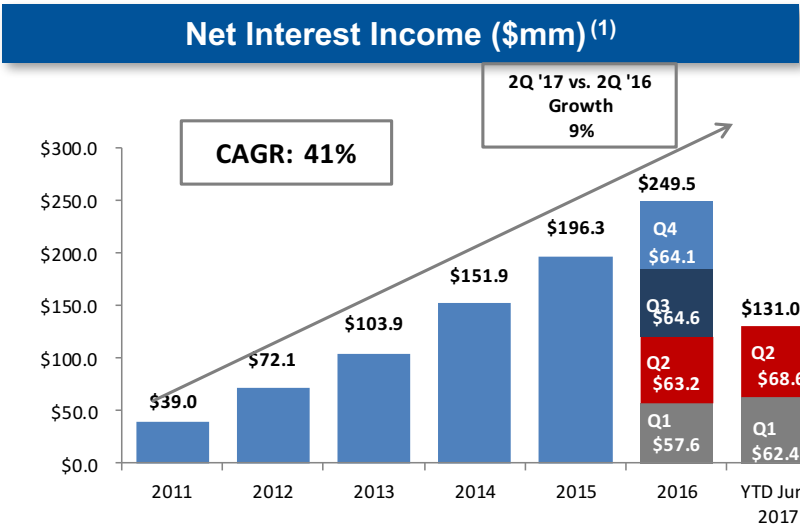
Assets per Employee (\$mm)



Amounts presented are on a Continuing Operations basis.

Source: SNL Financial, Company data based on continuing operations. Peer data consists of Northeast and Mid-Atlantic banks and thrifts with comparable size in assets and loan portfolios (excluding banks with large residential mortgage loan portfolios). Industry data includes SEC reporting banks. Peer and Industry data as of March 31, 2017.

Deposit, Lending and Efficiency Strategies Result in Disciplined & Profitable Growth

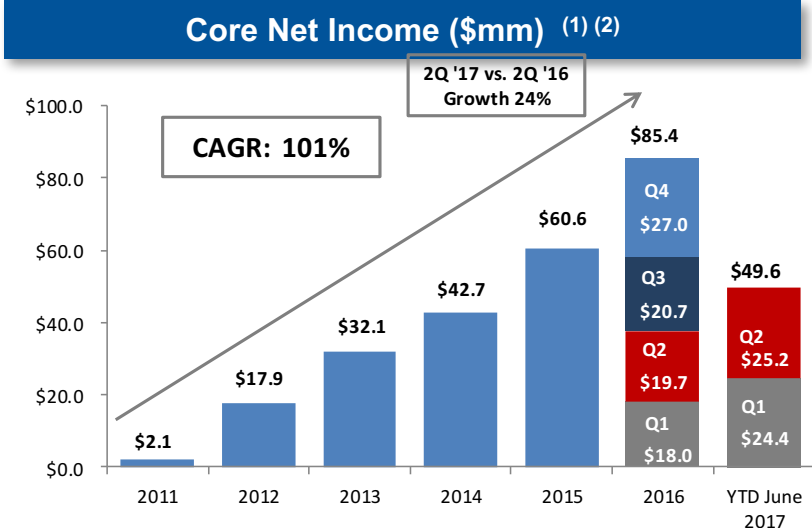
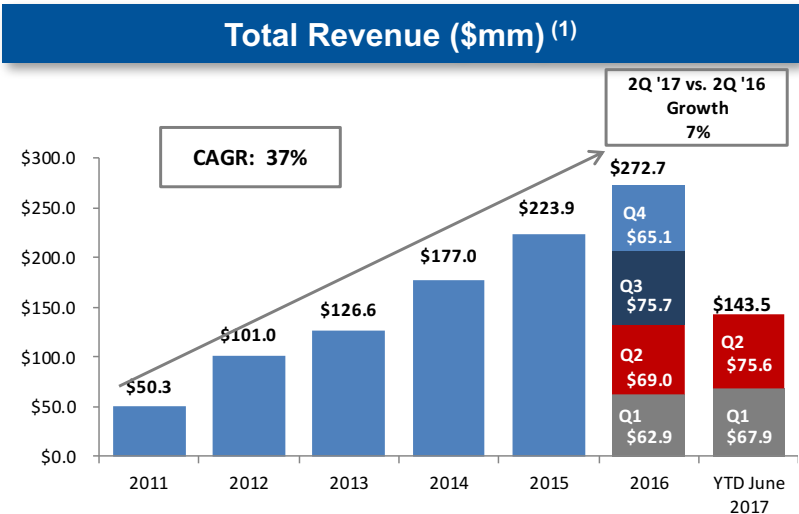
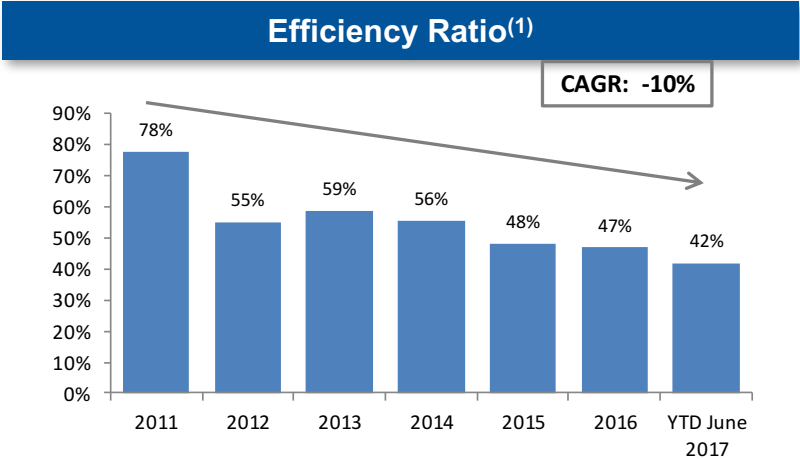


Amounts presented are on a Continuing Operations basis.

(1) Source: Company data
 (2) NII Simulation based on ALM model data and assumes a flat balance sheet with no volume increases or decline with the desired basis points increase ramped over 12 months.
 (3) Non-GAAP measure calculated as GAAP net income less/plus securities gains and losses (including the impairment loss recognized on the equity investment) .

Deposit, Lending and Efficiency Strategies Result in Disciplined & Profitable Growth

- Strategy execution has produced superior growth in revenues and earnings

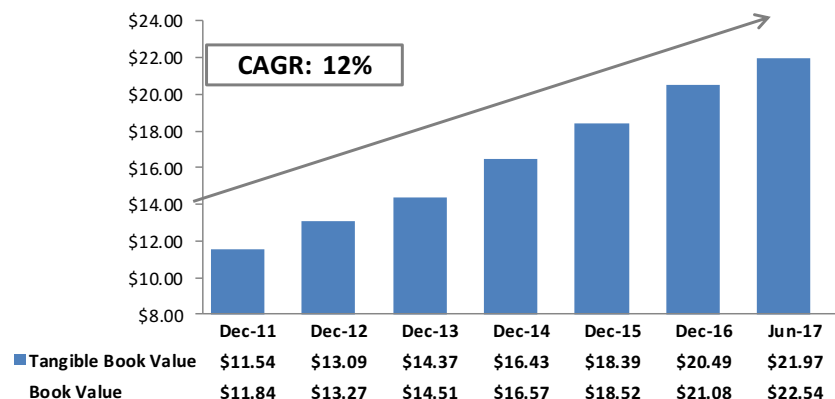


Amounts presented are on a Continuing Operations basis.

(1) Source: Company data
(2) Non-GAAP measure calculated as GAAP net income less/plus securities gains and losses (including the impairment loss recognized on the equity investment).

Building Customers Bank to Provide Superior Returns to Investors

Tangible BV per Share (1)



Recent Performance Results

	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017
ROA	0.85%	0.89%	0.84%	1.09%	0.93%
ROCE	13.07%	13.21%	10.45%	13.80%	11.84%
NIM	2.83%	2.83%	2.84%	2.73%	2.78%
Efficiency	53%	61%	58%	57%	58%
EPS	\$0.59	\$0.63	\$0.51	\$0.67	\$0.62

Financial Performance Targets

Criteria	Goals
Return on Assets	~ 1%
Return on Common Equity	11% or greater
Net Interest Margin	~ 3%
EPS	~ 15% annual compounded growth
Efficiency Ratio (continuing operations)	In the 40's

Amounts presented are on a "Combined" basis.

(1) Non-GAAP measure calculated as GAAP total shareholders equity less preferred stock, less goodwill and other intangibles divided by common shares outstanding.

Customers Bank

Community Business Banking and
BankMobile Business Segments

- Customers Bank acquired the Disbursements Business of Higher One, Inc. on June 15, 2016
- The acquired Disbursements Business was combined with Customers Bank's existing BankMobile product line in Q2 2016
- Effective for the 2016 fourth quarter and year end financial reports, Customers begins reporting BankMobile as discontinued operations/held for sale to the investor community
- Q1 2017 Customers announces agreement to sell BankMobile
- Q2 2017 Customers announces buyer was not able to raise the capital required per the contractual requirements, and that Customers had received an alternative proposal from buyer and two unsolicited proposals, all subject to due diligence

- 2014 – Customers Bank began development of a consumer bank in alignment with the *future model of banking*
 - A completely branchless experience
 - A fin-tech company with a bank charter
 - 10X better customer acquisition and retention strategy than traditional players
 - Better product than what exists today
 - Sustainable business model
- 2015 (January) – Launched BankMobile app 1.0
 - Keep it simple
 - Best in class user experience
 - App speaks with an authentic voice
- 2016 (June) – Acquired Disbursements Business
 - Combined Disbursements and BankMobile
 - Transform students into customers for life
 - Leverage platform to extend services to white label partners
- 2016 (October) – Announced intent to divest BankMobile
- 2017 (March) – Announced agreement to sell BankMobile
- 2017 (April) – Launched new BankMobile mobile application
- 2017 (May) – Announced receipt of alternate unsolicited proposals
 - initial buyer inability to meet contract requirements

Segment Financial Performance Results

(dollars in thousands)

	Three months ended June 30, 2017		
	Community Business Banking	BankMobile	Consolidated
Interest income	\$ 91,107	\$ 2,745	\$ 93,852
Interest expense	25,228	18	25,246
Net interest income	65,879	2,727	68,606
Provision for loan losses	535	—	535
Non-interest income	6,971	11,420	18,391
Non-interest expense	30,567	19,846	50,413
Income (loss) before income tax expense (benefit)	41,748	(5,699)	36,049
Income tax expense (benefit)	14,493	(2,166)	12,327
Net income (loss)	27,255	(3,533)	23,722
Preferred stock dividends	3,615	—	3,615
Net income (loss) available to common shareholders	\$ 23,640	\$ (3,533)	\$ 20,107

	Six months ended June 30, 2017		
	Community Business Banking	BankMobile	Consolidated
Interest income	\$ 169,938	\$ 7,008	\$ 176,946
Interest expense	45,883	39	45,922
Net interest income	124,055	6,969	131,024
Provision for loan losses	3,585	—	3,585
Non-interest income	12,398	28,746	41,144
Non-interest expense	60,714	39,064	99,778
Income (loss) before income tax expense (benefit)	72,154	(3,349)	68,805
Income tax expense (benefit)	20,609	(1,273)	19,336
Net income (loss)	51,545	(2,076)	49,469
Preferred stock dividends	7,229	—	7,229
Net income (loss) available to common shareholders	\$ 44,316	\$ (2,076)	\$ 42,240

- Comparable 2016 periods are not provided as BankMobile was not operating as a segment in the second quarter of 2016 and its operations were not material.
- Segment results presented above include an internal allocation from Community Business Banking to BankMobile of \$2.7 million in Q2 2017 for interest on deposits generated by the BankMobile segment used to fund the Community Business Banking Segment. The discontinued operations loss disclosed in the income statement prepared in accordance with generally accepted accounting principles (“GAAP”) does not consider the funds transfer pricing benefits of deposits.
- Direct operating revenues and costs are captured separately in the accounting records for each business segment. All corporate overhead costs are assigned to the Community Business Banking segment as those costs are expected to stay with the segment following the sale of the BankMobile segment, currently anticipated to occur within 6 to 12 months.

Amounts presented are on a “Combined” basis.

- Opened over 325,000 new checking accounts since June 16, 2016.
- Funds received from educational institutions and processed to students totaled \$1.23 billion during Q2 2017.
- 33% of Title IV funds received by students at colleges to which BankMobile provided disbursement services in Q2 2017 were deposited into accounts with BankMobile. Other students receiving Title IV funds at these colleges requested the transfer of funds to existing accounts at other banks or received a check.
- Signed contracts to provide disbursement services to an additional 13 educational institutions with student enrollment totaling 88K during 2017, and 24 institutions with student enrollment totaling 147K during the trailing four quarters. Also notable are 14 institutions totaling 100K student enrollment, which signed in the first half of 2016 and were launched during the past year.
- Active student checking accounts serviced number 1.2 million as of June 30, 2017, with balances of \$321.9 million on that date and \$118.6 million non-student customers, including universities, deposits for a total of \$440.5 million deposits.

Company:

Robert Wahlman, CFO

Tel: 610-743-8074

rwahlman@customersbank.com

www.customersbank.com

Jay Sidhu

Chairman & CEO

Tel: 610-301-6476

jsidhu@customersbank.com

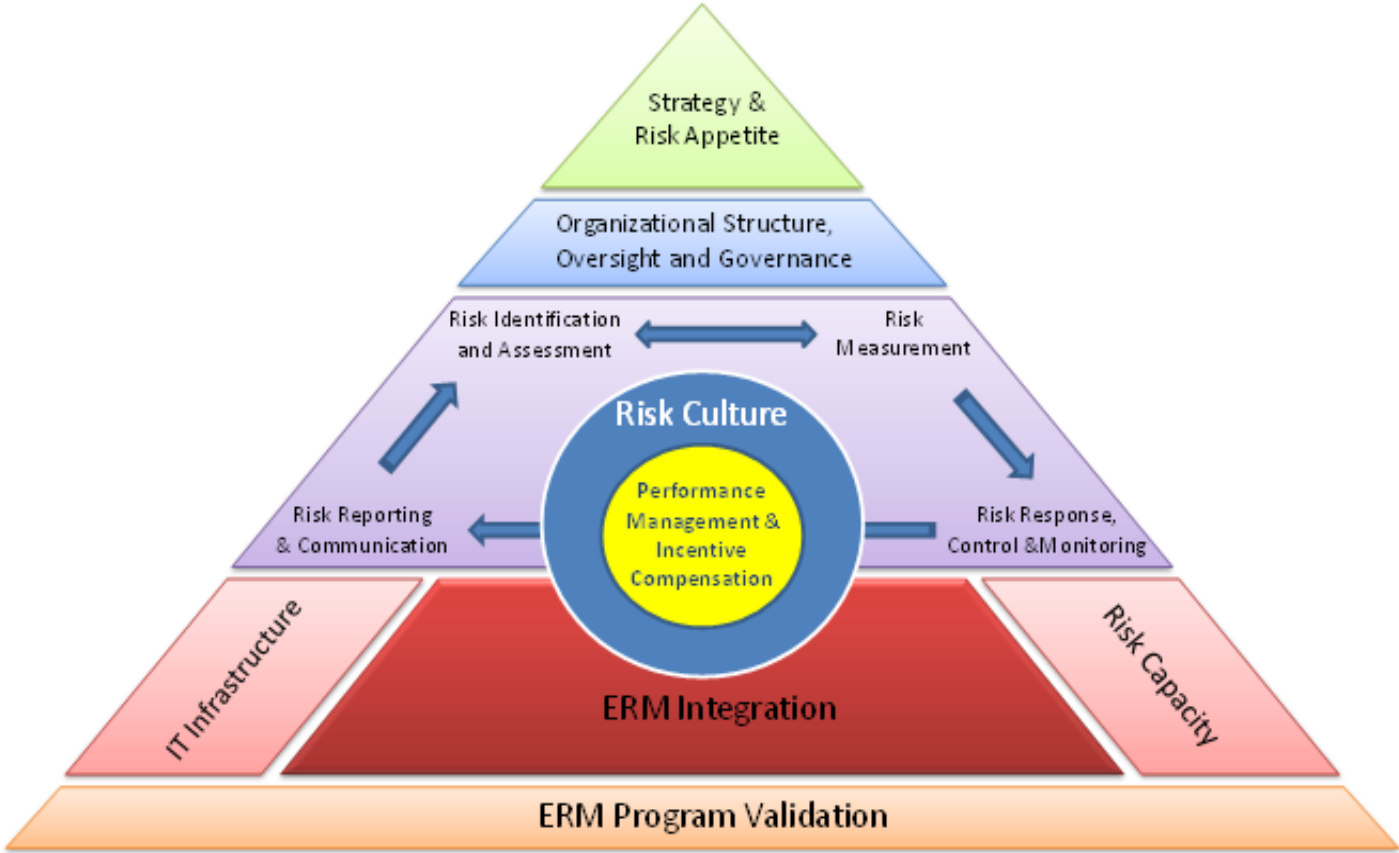
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Appendix

Customers Bank

Risk Management



Well Defined ERM Plan – ERM Integration into CAMELS +++++

Enterprise Risk Management

C	Capital Plan and Forecasts Capital Stress Testing Capital Committee & ALCO Oversight		+	IT Controls and Testing Plan New Product & New Initiatives Plans Technology Steering Committee New Product Committee	
A	Loan Underwriting Standards Credit Approval & Monitoring Process Credit Concentration Plan Loan Migration Analysis	Loan-to-one-borrower Analysis	+	Compliance Plan CRA Plan Fair & Responsible Banking Plans	Compliance Committee Oversight
M	Management Succession Plan Compensation Plans Corporate Governance	Strategic Plan Cyber Security Enterprise Risk Management	+	Litigation Mitigation Plan	
E	Budget and Forecasting Business Plans Strategic Plan	Management Financial Reporting Financial Analysis	+	Public Relations Plan Investor Relations Plan	
L	Funds Management Plan Wholesale Funding Contingency Funding Plan	Liquidity Stress Testing ALCO Oversight	+	Internal Audit Reports Internal Controls and Procedures Enterprise Risk Management Reviews	Risk Committee, Audit Committee Oversight
S	Interest Rate Risk Policy Limits Interest Rate Risk Analysis ALCO Oversight				

Customers Bancorp, Inc.

Financial Statements

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE THREE MONTHS ENDED- UNAUDITED

(Dollars in thousands, except per share data)

	Q2 2017	Q1 2017	Q2 2016
Interest income:			
Loans receivable, including fees	\$ 67,036	\$ 61,461	\$ 59,013
Loans held for sale	17,524	13,946	17,429
Investment securities	7,823	5,887	3,638
Other	1,469	1,800	1,240
Total interest income	93,852	83,094	81,320
Interest expense:			
Deposits	16,218	14,317	11,138
Other borrowings	1,993	1,608	1,620
FHLB advances	5,340	3,060	3,716
Subordinated debt	1,685	1,685	1,685
Total interest expense	25,236	20,670	18,159
Net interest income	68,616	62,424	63,161
Provision for loan losses	535	3,050	786
Net interest income after provision for loan losses	68,081	59,374	62,375
Non-interest income:			
Mortgage warehouse transactional fees	2,523	2,221	3,074
Bank-owned life insurance	2,258	1,367	1,120
Gain on sale of SBA and other loans	573	1,328	285
Mortgage banking income	291	155	285
Deposit fees	258	324	278
Interchange and card revenue	126	203	160
Gains (losses) on investment securities	301	(1,703)	—
Other	641	1,532	651
Total non-interest income	6,971	5,427	5,853
Non-interest expense:			
Salaries and employee benefits	16,687	16,163	16,401
Professional services	2,834	2,993	2,750
Technology, communication and bank operations	2,542	3,319	2,448
Occupancy	2,536	2,586	2,363
FDIC assessments, taxes, and regulatory fees	2,320	1,632	4,289
Loan workout	408	521	487
Other real estate owned expense (income)	160	(55)	183
Advertising and promotion	153	180	194
Other	2,927	2,808	2,970
Total non-interest expense	30,567	30,147	32,085
Income from continuing operations before income tax expense	44,485	34,654	36,143
Income tax expense	15,533	7,730	14,369
Net income from continuing operations	28,952	26,924	21,774
Loss from discontinued operations	(8,436)	(1,898)	(3,696)
Income tax benefit from discontinued operations	(3,206)	(721)	(1,405)
Net loss from discontinued operations	(5,230)	(1,177)	(2,291)
Net income	23,722	25,747	19,483
Preferred stock dividends	3,615	3,615	2,062
Net income available to common shareholders	\$ 20,107	\$ 22,132	\$ 17,421
Basic earnings per common share from continuing operations	\$ 0.83	\$ 0.77	\$ 0.73
Basic earnings per common share	\$ 0.66	\$ 0.73	\$ 0.64
Diluted earnings per common share from continuing operations	\$ 0.78	\$ 0.71	\$ 0.67
Diluted earnings per common share	\$ 0.62	\$ 0.67	\$ 0.59

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE SIX MONTHS ENDED- UNAUDITED

(Dollars in thousands, except per share data)

	June 30, 2017	June 30, 2016
Interest income:		
Loans receivable, including fees	\$ 128,497	\$ 113,485
Loans held for sale	31,470	31,534
Investment securities	13,710	7,347
Other	3,269	2,352
Total interest income	176,946	154,718
Interest expense:		
Deposits	30,535	21,347
Other borrowings	3,600	3,225
FHLB advances	8,401	5,984
Subordinated debt	3,370	3,370
Total interest expense	45,906	33,926
Net interest income	131,040	120,792
Provision for loan losses	3,585	2,766
Net interest income after provision for loan losses	127,455	118,026
Non-interest income:		
Mortgage warehouse transactional fees	4,743	5,622
Bank-owned life insurance	3,624	2,243
Gain on sale of SBA and other loans	1,901	929
Deposit fees	582	531
Mortgage banking income	446	450
Interchange and card revenue	329	304
(Losses) gains on investment securities	(1,402)	26
Other	2,175	1,016
Total non-interest income	12,398	11,121
Non-interest expense:		
Salaries and employee benefits	32,850	32,799
Technology, communication and bank operations	5,861	4,833
Professional services	5,827	5,071
Occupancy	5,121	4,600
FDIC assessments, taxes, and regulatory fees	3,953	8,130
Loan workout	928	905
Advertising and promotion	334	337
Other real estate owned	105	470
Other	5,735	6,812
Total non-interest expense	60,714	63,957
Income from continuing operations before income tax expense	79,139	65,190
Income tax expense	23,263	24,108
Net income from continuing operations	55,876	41,082
Loss from discontinued operations	(10,334)	(5,508)
Income tax benefit from discontinued operations	(3,927)	(2,093)
Net loss from discontinued operations	(6,407)	(3,415)
Net income	49,469	37,667
Preferred stock dividends	7,229	3,348
Net income available to common shareholders	\$ 42,240	\$ 34,319
Basic earnings per common share from continuing operations	\$ 1.59	\$ 1.40
Basic earnings per common share	\$ 1.38	\$ 1.27
Diluted earnings per common share from continuing operations	\$ 1.49	\$ 1.28
Diluted earnings per common share	\$ 1.29	\$ 1.17

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET - UNAUDITED

(Dollars in thousands)

	June 30, 2017	December 31, 2016	June 30, 2016
ASSETS			
Cash and due from banks	\$ 18,503	\$ 17,485	\$ 26,768
Interest-earning deposits	383,187	227,224	256,029
Cash and cash equivalents	401,690	244,709	282,797
Investment securities available for sale, at fair value	1,012,605	493,474	547,935
Loans held for sale	2,255,096	2,117,510	2,301,821
Loans receivable	6,723,278	6,142,390	6,114,172
Allowance for loan losses	(38,458)	(37,315)	(38,097)
Total loans receivable, net of allowance for loan losses	6,684,820	6,105,075	6,076,075
FHLB, Federal Reserve Bank, and other restricted stock	129,689	68,408	111,418
Accrued interest receivable	26,163	23,690	22,401
Bank premises and equipment, net	12,028	12,259	11,842
Bank-owned life insurance	213,902	161,494	159,486
Other real estate owned	2,358	3,108	5,066
Goodwill and other intangibles	3,633	3,639	3,645
Assets held for sale	67,796	79,271	67,101
Other assets	73,768	70,099	95,038
Total assets	\$ 10,883,548	\$ 9,382,736	\$ 9,684,625
LIABILITIES AND SHAREHOLDERS' EQUITY			
Demand, non-interest bearing deposits	\$ 661,914	\$ 512,664	\$ 511,910
Interest-bearing deposits	6,360,008	6,334,316	5,999,330
Total deposits	7,021,922	6,846,980	6,511,240
Non-interest bearing deposits held for sale	447,325	453,394	237,654
Federal funds purchased	150,000	83,000	61,000
FHLB advances	1,999,600	868,800	1,906,900
Other borrowings	186,030	87,123	86,790
Subordinated debt	108,831	108,783	108,734
Other liabilities held for sale	22,394	31,403	32,267
Accrued interest payable and other liabilities	37,157	47,381	59,488
Total liabilities	9,973,259	8,526,864	9,004,073
Preferred stock	217,471	217,471	135,270
Common stock	31,261	30,820	27,817
Additional paid in capital	428,488	427,008	367,295
Retained earnings	235,938	193,698	158,830
Accumulated other comprehensive income (loss)	5,364	(4,892)	(427)
Treasury stock, at cost	(8,233)	(8,233)	(8,233)
Total shareholders' equity	910,289	855,872	680,552
Total liabilities & shareholders' equity	\$ 10,883,548	\$ 9,382,736	\$ 9,684,625

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES
AVERAGE BALANCE SHEET / NET INTEREST MARGIN (UNAUDITED)

(Dollars in thousands)

	Three months ended					
	June 30,		March 31,		June 30,	
	2017		2017		2016	
	Average Balance	Average yield or cost (%)	Average Balance	Average yield or cost (%)	Average Balance	Average yield or cost (%)
Assets						
Interest earning deposits	\$ 201,774	1.09%	\$ 498,364	0.79%	\$ 213,509	0.51%
Investment securities	1,066,277	2.94%	829,730	2.88%	550,130	2.65%
Loans held for sale	1,708,849	4.11%	1,426,701	3.96%	2,056,929	3.41%
Loans receivable	6,807,093	3.95%	6,427,682	3.88%	6,050,321	3.92%
Other interest-earning assets	105,908	3.48%	75,980	4.41%	102,599	3.79%
Total interest earning assets	9,889,901	3.81%	9,258,457	3.63%	8,973,488	3.64%
Non-interest earning assets	299,598		271,606		271,495	
Assets held for sale	75,834		77,478		14,209	
Total assets	\$ 10,265,333		\$ 9,607,541		\$ 9,259,192	
Liabilities						
Total interest bearing deposits (1)	\$ 6,252,293	1.04%	\$ 6,213,186	0.93%	\$ 5,770,969	0.78%
Borrowings	1,951,282	1.85%	1,130,490	2.28%	2,014,452	1.40%
Total interest bearing liabilities	8,203,575	1.23%	7,343,676	1.14%	7,785,421	0.94%
Non-interest bearing deposits (1)	556,947		524,211		475,968	
Non-interest bearing deposits held for sale (1)	525,853		790,983		283,405	
Total deposits & borrowings	9,286,375	1.09%	8,658,870	0.97%	8,544,794	0.85%
Other non-interest bearing liabilities	46,819		50,351		51,854	
Other liabilities held for sale	33,626		30,326		7,493	
Total liabilities	9,366,820		8,739,547		8,604,141	
Shareholders' equity	898,513		867,994		655,051	
Total liabilities and shareholders' equity	\$ 10,265,333		\$ 9,607,541		\$ 9,259,192	
Net interest margin		2.78%		2.73%		2.83%
Net interest margin tax equivalent		2.78%		2.73%		2.83%

(1) Total costs of deposits (including interest bearing and non-interest bearing) were 0.89%, 0.77% and 0.68% for the three months ended June 30, 2017, March 31, 2017 and June 30, 2016, respectively.

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES
AVERAGE BALANCE SHEET / NET INTEREST MARGIN (UNAUDITED)

(Dollars in thousands)

	Six months ended			
	June 30,		June 30,	
	2017		2016	
	Average Balance	Average yield or cost (%)	Average Balance	Average yield or cost (%)
Assets				
Interest earning deposits	\$ 349,250	0.88%	\$ 198,938	0.52%
Investment securities	948,657	2.91%	556,295	2.64%
Loans held for sale	1,568,555	4.05%	1,810,164	3.50%
Loans receivable	6,618,436	3.92%	5,864,596	3.89%
Other interest-earning assets	91,026	3.87%	91,367	4.03%
Total interest earning assets	9,575,924	3.73%	8,521,360	3.65%
Non-interest earning assets	285,609		281,916	
Assets held for sale	76,722		8,436	
Total assets	\$ 9,938,255		\$ 8,811,712	
Liabilities				
Total interest bearing deposits (1)	\$ 6,232,847	0.99%	\$ 5,622,382	0.76%
Borrowings	1,543,154	2.01%	1,747,640	1.45%
Total interest-bearing liabilities	7,776,001	1.19%	7,370,022	0.93%
Non-interest-bearing deposits (1)	540,669		452,446	
Non-interest bearing deposits held for sale (1)	657,686		316,027	
Total deposits & borrowings	8,974,356	1.03%	8,138,495	0.84%
Other non-interest bearing liabilities	48,576		50,217	
Other liabilities held for sale	31,985		2,470	
Total liabilities	9,054,917		8,191,182	
Shareholders' equity	883,338		620,530	
Total liabilities and shareholders' equity	\$ 9,938,255		\$ 8,811,712	
Net interest margin		2.75%		2.85%
Net interest margin tax equivalent		2.76%		2.85%

(1) Total costs of deposits (including interest bearing and non-interest bearing) were 0.83% and 0.67% for the six months ended June 30, 2017 and 2016, respectively.

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

PERIOD END LOAN COMPOSITION (UNAUDITED)

(Dollars in thousands)

	June 30, 2017	December 31, 2016	June 30, 2016
Commercial:			
Multi-family	\$ 3,550,375	\$ 3,214,999	\$ 3,336,083
Commercial & industrial (1)	3,607,128	3,487,668	3,464,567
Commercial real estate- non-owner occupied	1,216,012	1,193,715	1,139,711
Construction	61,226	64,789	99,615
Total commercial loans	8,434,741	7,961,171	8,039,976
Consumer:			
Residential	447,150	194,197	264,968
Manufactured housing	96,148	101,730	107,874
Other consumer	2,561	2,726	2,873
Total consumer loans	545,859	298,653	375,715
Deferred (fees)/costs and unamortized (discounts)/premiums, net	(2,226)	76	302
Total loans	\$ 8,978,374	\$ 8,259,900	\$ 8,415,993

(1) Commercial & industrial loans, including mortgage warehouse and owner occupied commercial real estate loans.

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

ASSET QUALITY - UNAUDITED

(Dollars in thousands)	As of June 30, 2017					As of December 31, 2016					As of June 30, 2016				
	Total Loans	Non Accrual /NPLs	Total Credit Reserves	NPLs / Total Loans	Total Reserves to Total NPLs	Total Loans	Non Accrual /NPLs	Total Credit Reserves	NPLs / Total Loans	Total Reserves to Total NPLs	Total Loans	Non Accrual /NPLs	Total Credit Reserves	NPLs / Total Loans	Total Reserves to Total NPLs
Originated Loans															
Multi-Family	\$ 3,396,888	\$ —	\$ 12,028	—%	—%	\$ 3,211,516	\$ —	\$ 11,602	—%	—%	\$ 3,303,076	\$ —	\$ 12,368	—%	—%
Commercial & Industrial (1)	1,409,349	12,258	13,701	0.87 %	111.77 %	1,271,237	10,185	12,560	0.80 %	123.32 %	1,082,109	6,605	10,999	0.61 %	166.53 %
Commercial Real Estate- Non-Owner Occupied	1,185,878	—	4,593	—%	—%	1,158,531	—	4,569	—%	—%	1,092,851	—	4,390	—%	—%
Residential	111,157	610	2,169	0.55 %	355.57 %	114,510	341	2,270	0.30 %	665.69 %	119,489	32	2,240	0.03 %	7,000.00 %
Construction	61,226	—	716	—%	—%	64,789	—	772	—%	—%	99,381	—	1,209	—%	—%
Other Consumer	132	—	14	—%	—%	190	—	12	—%	—%	142	—	8	—%	—%
Total Originated Loans	6,164,630	12,868	33,221	0.21 %	258.17 %	5,820,773	10,526	31,785	0.18 %	301.97 %	5,697,048	6,637	31,214	0.12 %	470.30 %
Loans Acquired															
Bank Acquisitions	157,239	4,228	4,970	2.69 %	117.55 %	167,946	5,030	5,244	3.00 %	104.25 %	192,173	6,172	6,445	3.21 %	104.42 %
Loan Purchases	403,635	2,075	1,030	0.51 %	49.64 %	153,595	2,236	1,279	1.46 %	57.20 %	224,649	1,818	1,684	0.81 %	92.63 %
Total Acquired Loans	560,874	6,303	6,000	1.12 %	95.19 %	321,541	7,266	6,523	2.26 %	89.77 %	416,822	7,990	8,129	1.92 %	101.74 %
Deferred (fees) costs and unamortized (discounts) premiums, net	(2,226)	—	—	—%	—%	76	—	—	—%	—%	302	—	—	—%	—%
Total Loans Held for Investment	6,723,278	19,171	39,221	0.29 %	204.59 %	6,142,390	17,792	38,308	0.29 %	215.31 %	6,114,172	14,627	39,343	0.24 %	268.98 %
Total Loans Held for Sale	2,255,096	—	—	—%	—%	2,117,510	—	—	—%	—%	2,301,821	—	—	—%	—%
Total Portfolio	\$ 8,978,374	\$ 19,171	\$ 39,221	0.21 %	204.59 %	\$ 8,259,900	\$ 17,792	\$ 38,308	0.22 %	215.31 %	\$ 8,415,993	\$ 14,627	\$ 39,343	0.17 %	268.98 %

(1) Commercial & industrial loans, including owner occupied commercial real estate.

Amounts presented are on a Continuing Operations basis.

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

NET CHARGE-OFFS/(RECOVERIES) - UNAUDITED

(Dollars in thousands)

	For the Quarter Ended		
	Q2	Q1	Q2
	2017	2017	2016
<i>Originated Loans</i>			
Commercial & Industrial (1)	\$ 1,840	\$ (45)	\$ 41
Residential	69	31	—
Other Consumer	24	—	5
<i>Total Net Charge-offs (Recoveries) from Originated Loans</i>	1,933	(14)	46
<i>Loans Acquired</i>			
Bank Acquisitions	(121)	518	874
Loan Purchases	—	—	—
<i>Total Net Charge-offs (Recoveries) from Acquired Loans</i>	(121)	518	874
Total Net Charge-offs from Loans Held for Investment	1,812	504	920
Total Net Charge-offs (Recoveries) from BankMobile Loans (2)	148	(22)	140
Total Net Charge-offs	\$ 1,960	\$ 482	\$ 1,060

(1) Commercial & industrial loans, including owner occupied commercial real estate.

(2) Includes activity for BankMobile related loans, primarily overdrawn deposit accounts.

Reconciliation of Non-GAAP Measures - Unaudited

(dollars in thousands except per share amounts)

Pre-tax Pre-provision Return on Average Assets

	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
GAAP Net Income	\$ 23,722	\$ 25,747	\$ 19,828	\$ 21,207	\$ 19,483
Reconciling Items:					
Provision for loan losses	535	3,050	187	88	786
Income tax expense	12,327	7,009	9,320	14,558	12,964
Pre-Tax Pre-provision Net Income	\$ 36,584	\$ 35,806	\$ 29,335	\$ 35,853	\$ 33,233
Average Total Assets	\$ 10,265,333	\$ 9,607,541	\$ 9,339,158	\$ 9,439,573	\$ 9,259,192
Pre-tax Pre-provision Return on Average Assets	1.43%	1.51%	1.25%	1.51%	1.44%

Pre-tax Pre-provision Return on Average Common Equity

	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
GAAP Net Income Available to Common Shareholders	\$ 20,107	\$ 22,132	\$ 16,213	\$ 18,655	\$ 17,421
Reconciling Items:					
Provision for loan losses	535	3,050	187	88	786
Income tax expense	12,327	7,009	9,320	14,558	12,964
Pre-tax Pre-provision Net Income Available to Common Shareholders	\$ 32,969	\$ 32,191	\$ 25,720	\$ 33,301	\$ 31,171
Average Total Shareholders' Equity	\$ 898,513	\$ 867,994	\$ 834,480	\$ 710,403	\$ 655,051
Reconciling Item:					
Average Preferred Stock	(217,471)	(217,471)	(217,493)	(148,690)	(118,793)
Average Common Equity	\$ 681,042	\$ 650,523	\$ 616,987	\$ 561,713	\$ 536,258
Pre-tax Pre-provision Return on Average Common Equity	19.42%	20.07%	16.58%	23.59%	23.38%

Amounts presented are on a "Combined" basis.

Reconciliation of Non-GAAP Measures - Unaudited

<i>Net Interest Margin, tax equivalent</i>	Six months ended June 30,						
	2017	2016	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
GAAP Net interest income	\$ 131,040	\$ 120,792	\$ 68,616	\$ 62,424	\$ 64,134	\$ 64,590	\$ 63,161
Tax-equivalent adjustment	197	202	104	93	92	96	98
Net interest income tax equivalent	\$ 131,237	\$ 120,994	\$ 68,720	\$ 62,517	\$ 64,226	\$ 64,686	\$ 63,259
Average total interest earning assets	\$ 9,575,924	\$ 8,521,360	\$ 9,889,901	\$ 9,258,457	\$ 9,007,206	\$ 9,103,560	\$ 8,973,488
Net interest margin, tax equivalent	2.76%	2.85%	2.78%	2.73%	2.84%	2.83%	2.83%

Amounts presented are on a “Combined” basis.

Reconciliation of Non-GAAP Measures - Unaudited

Tangible Common Equity to Average Tangible Assets

	<u>Q2 2017</u>	<u>Q1 2017</u>	<u>Q4 2016</u>	<u>Q3 2016</u>	<u>Q2 2016</u>
GAAP - Total Shareholders' Equity	\$ 910,289	\$ 879,817	\$ 855,872	\$ 789,811	\$ 680,552
Reconciling Items:					
Preferred Stock	(217,471)	(217,471)	(217,471)	(217,549)	(135,270)
Goodwill and Other Intangibles	(17,615)	(17,618)	(17,621)	(16,924)	(17,197)
Tangible Common Equity	<u>\$ 675,203</u>	<u>\$ 644,728</u>	<u>\$ 620,780</u>	<u>\$ 555,338</u>	<u>\$ 528,085</u>
Average Total Assets	\$ 10,265,333	\$ 9,607,541	\$ 9,339,158	\$ 9,439,573	\$ 9,259,192
Reconciling Items:					
Average Goodwill and Other Intangibles	(17,616)	(17,620)	(16,847)	(17,101)	(6,037)
Average Tangible Assets	<u>\$ 10,247,717</u>	<u>\$ 9,589,921</u>	<u>\$ 9,322,311</u>	<u>\$ 9,422,472</u>	<u>\$ 9,253,155</u>
 Tangible Common Equity to Average Tangible Assets	 6.59%	 6.72%	 6.66%	 5.89%	 5.71%

Tangible Book Value per Common Share

	<u>Q2 2017</u>	<u>Q1 2017</u>	<u>Q4 2016</u>	<u>Q3 2016</u>	<u>Q2 2016</u>
GAAP - Total Shareholders' Equity	\$ 910,289	\$ 879,817	\$ 855,872	\$ 789,811	\$ 680,552
Reconciling Items:					
Preferred Stock	(217,471)	(217,471)	(217,471)	(217,549)	(135,270)
Goodwill and Other Intangibles	(17,615)	(17,618)	(17,621)	(16,924)	(17,197)
Tangible Common Equity	<u>\$ 675,203</u>	<u>\$ 644,728</u>	<u>\$ 620,780</u>	<u>\$ 555,338</u>	<u>\$ 528,085</u>
 Common shares outstanding	 30,730,784	 30,636,327	 30,289,917	 27,544,217	 27,286,833
 Tangible Book Value per Common Share	 \$ 21.97	 \$ 21.04	 \$ 20.49	 \$ 20.16	 \$ 19.35

Tangible Book Value per Common Share

	Q2 2017	2016	2015	2014	2013	2012	2011
GAAP - Total Shareholders' Equity	\$ 910,289	\$ 855,872	\$ 553,902	\$ 443,145	\$ 386,623	\$ 269,475	\$ 147,748
Reconciling Items:							
Preferred Stock	(217,471)	(217,471)	(55,569)	—	—	—	—
Goodwill and Other Intangibles	(17,615)	(17,621)	(3,651)	(3,664)	(3,676)	(3,689)	(3,705)
Tangible Common Equity	<u>\$ 675,203</u>	<u>\$ 620,780</u>	<u>\$ 494,682</u>	<u>\$ 439,481</u>	<u>\$ 382,947</u>	<u>\$ 265,786</u>	<u>\$ 144,043</u>
Common shares outstanding	30,730,784	30,289,917	26,901,801	26,745,529	26,646,566	20,305,452	12,482,451
Tangible Book Value per Common Share	\$ 21.97	\$ 20.49	\$ 18.39	\$ 16.43	\$ 14.37	\$ 13.09	\$ 11.54

Reconciliation of Non-GAAP Measures - Unaudited

Core Net Income

	<u>Q2 2017</u>	<u>Q1 2017</u>	<u>Q4 2016</u>	<u>Q3 2016</u>	<u>Q2 2016</u>	<u>Q1 2016</u>
GAAP Net Income from continuing operations	\$ 28,952	\$ 26,924	\$ 23,337	\$ 23,288	\$ 21,774	\$ 19,308
Preferred stock dividends	<u>3,615</u>	<u>3,615</u>	<u>3,615</u>	<u>2,552</u>	<u>2,062</u>	<u>1,286</u>
Net income from continuing operations available to common shareholders	25,337	23,309	19,722	20,736	19,712	18,022
Reconciling Items:						
Impairment losses on investment securities	2,882	1,703	7,262	—	—	—
(Gains) losses on sale of investment securities	(3,183)	—	—	1	—	(26)
Tax effect	<u>114</u>	<u>(647)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>10</u>
Core Net Income	<u>\$ 25,150</u>	<u>\$ 24,365</u>	<u>\$ 26,984</u>	<u>\$ 20,737</u>	<u>\$ 19,712</u>	<u>\$ 18,006</u>

	<u>YTD June 2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
GAAP Net Income from continuing operations	\$ 55,876	\$ 87,707	\$ 63,073	\$ 44,532	\$ 32,910	\$ 23,818	3,990
Preferred stock dividends	<u>7,229</u>	<u>9,515</u>	<u>2,493</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net income from continuing operations available to common shareholders	48,647	78,192	60,580	44,532	32,910	23,818	3,990
Reconciling Items:							
Impairment losses on investment securities	4,585	7,262	—	—	—	—	—
(Gains) losses on sale of investment securities	(3,183)	(25)	85	(3,191)	(1,274)	(9,017)	(2,731)
Tax effect	<u>(533)</u>	<u>10</u>	<u>(32)</u>	<u>1,323</u>	<u>446</u>	<u>3,065</u>	<u>854</u>
Core Net Income	<u>\$ 49,516</u>	<u>\$ 85,439</u>	<u>\$ 60,633</u>	<u>\$ 42,664</u>	<u>\$ 32,082</u>	<u>\$ 17,866</u>	<u>\$ 2,113</u>

Reconciliation of Non-GAAP Measures - Unaudited

Core Non-Interest Income

	<u>YTD June 2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
GAAP non-interest income	\$ 12,398	\$ 23,165	\$ 27,572	\$ 25,126	\$ 22,703	\$ 28,958	\$ 11,469
Reconciling Items:							
Impairment losses on investment securities	4,585	7,262	—	—	—	—	—
(Gains) losses on sale of investment securities	(3,183)	(25)	85	(3,191)	(1,274)	(9,017)	(2,731)
Core Non-Interest Income	<u>\$ 13,800</u>	<u>\$ 30,402</u>	<u>\$ 27,657</u>	<u>\$ 21,935</u>	<u>\$ 21,429</u>	<u>\$ 19,941</u>	<u>\$ 8,738</u>