

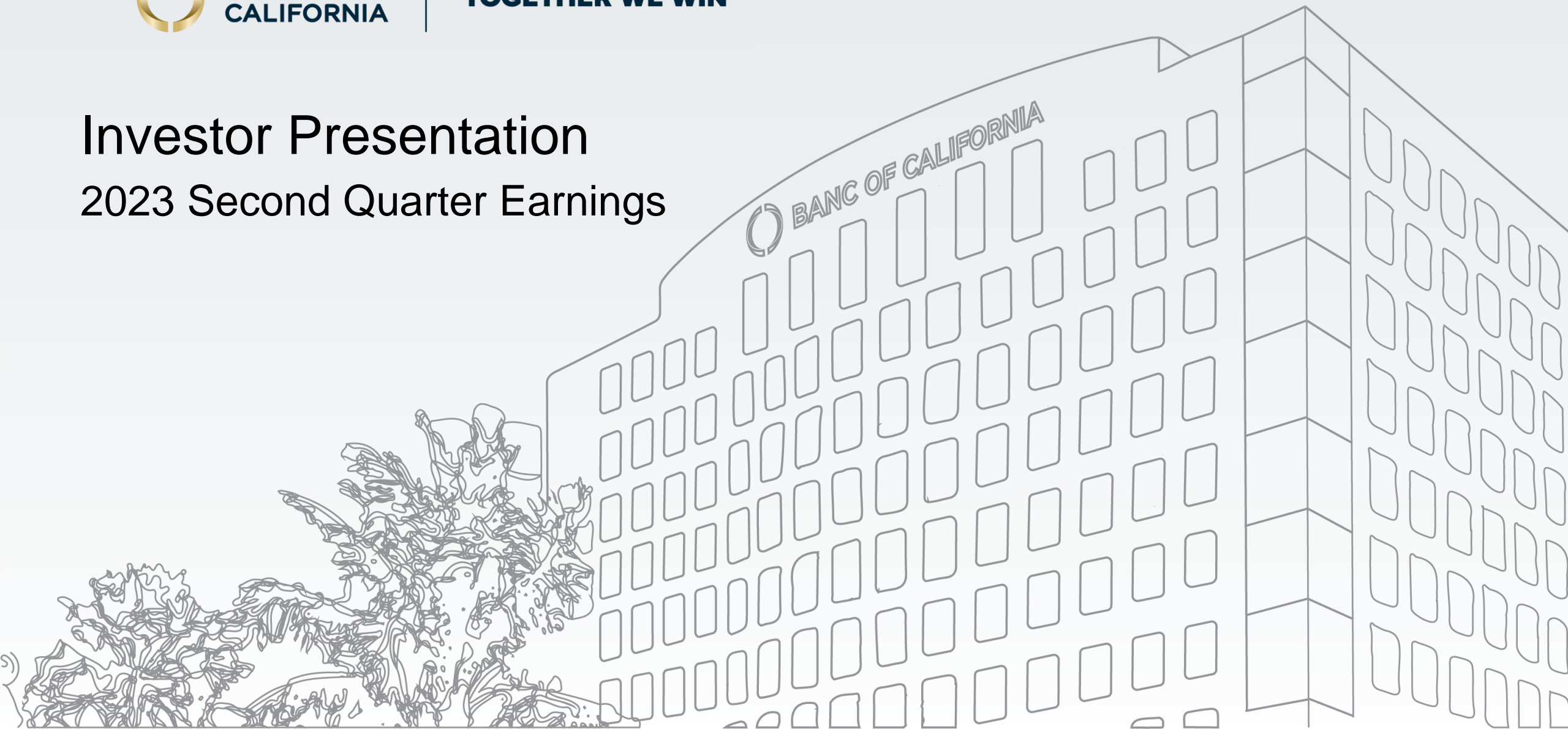


**BANC OF
CALIFORNIA**

TOGETHER WE WIN[®]

Investor Presentation

2023 Second Quarter Earnings



FORWARD LOOKING STATEMENTS

When used in this report and in documents filed with or furnished to the Securities and Exchange Commission (the “SEC”), in press releases or other public stockholder communications, or in oral statements made with the approval of an authorized executive officer, the words or phrases “believe,” “will,” “should,” “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “plans,” “strategy,” or similar expressions are intended to identify “forward-looking statements” within the meaning of the “Safe-Harbor” provisions of the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on any forward-looking statements. These statements are necessarily subject to risk and uncertainty and actual results could differ materially from those anticipated due to various factors, including those set forth from time to time in the documents filed or furnished by Banc of California, Inc. (“BANC,” the “Company,” “we,” “us” or “our”) with the SEC. The Company undertakes no obligation to revise or publicly release any revision or update to these forward-looking statements to reflect events or circumstances that occur after the date on which such statements were made, except as required by law.

Factors that could cause actual results to differ materially from the results anticipated or projected include, but are not limited to: (i) changes in general economic conditions, either nationally or in our market areas, including the impact of supply chain disruptions, and the risk of recession or an economic downturn; (ii) changes in the interest rate environment, including the recent and anticipated increases in the FRB benchmark rate, which could adversely affect our revenue and expenses, the value of assets and obligations, and the availability and cost of capital and liquidity, the impacts of continuing inflation; (iii) the credit risks of lending activities, which may be affected by deterioration in real estate markets and the financial condition of borrowers, and the operational risk of lending activities, including the effectiveness of our underwriting practices and the risk of fraud, any of which may lead to increased loan delinquencies, losses, and non-performing assets, and may result in our allowance for credit losses not being adequate; (iv) fluctuations in the demand for loans, and fluctuations in commercial and residential real estate values in our market area; (v) the quality and composition of our securities portfolio; (vi) our ability to develop and maintain a strong core deposit base or other low cost funding sources necessary to fund our activities particularly in a rising or high interest rate environment; (vii) the rapid withdrawal of a significant amount of demand deposits over a short period of time; (viii) the costs and effects of litigation; (ix) risks related to the Company’s acquisitions, including disruption to current plans and operations; difficulties in customer and employee retention; fees, expenses and charges related to these transactions being significantly higher than anticipated; and our inability to achieve expected revenues, cost savings, synergies, and other benefits; and in the case of our recent acquisition of Deepstack Technologies, LLC (Deepstack), reputational risk, regulatory risk and potential adverse reactions of the Company’s or Deepstack’s customers, suppliers, vendors, employees or other business partners; (x) results of examinations by regulatory authorities of the Company and the possibility that any such regulatory authority may, among other things, limit our business activities, restrict our ability to invest in certain assets, refrain from issuing an approval or non-objection to certain capital or other actions, increase our allowance for credit losses, result in write-downs of asset values, restrict our ability or that of our bank subsidiary to pay dividends, or impose fines, penalties or sanctions; (xi) legislative or regulatory changes that adversely affect our business, including changes in tax laws and policies, accounting policies and practices, privacy laws, and regulatory capital or other rules; (xii) the risk that our enterprise risk management framework may not be effective in mitigating risk and reducing the potential for losses; (xiii) errors in estimates of the fair values of certain of our assets and liabilities, which may result in significant changes in valuation; (xiv) failures or security breaches with respect to the network, applications, vendors and computer systems on which we depend, including due to cybersecurity threats; (xv) our ability to attract and retain key members of our senior management team; (xvi) the effects of climate change, severe weather events, natural disasters, pandemics, epidemics and other public health crises, acts of war or terrorism, and other external events on our business; (xvii) the impact of bank failures or other adverse developments at other banks on general investor sentiment regarding the stability and liquidity of banks; (xviii) the possibility that our recorded goodwill could become impaired, which may have an adverse impact on our earnings and capital; (xix) the risks, uncertainties and assumptions set forth under the heading, “Cautionary Note Regarding Forward-Looking Statements” in the joint press release issued by the Company and PacWest Bancorp on the date hereof with respect to the proposed merger transaction between the Company and PacWest Bancorp; and (xx) other economic, competitive, governmental, regulatory, and technological factors affecting our operations, pricing, products and services and the other risks described in this press release and from time to time in other documents that we file with or furnish to the SEC.

SECOND QUARTER 2023 RESULTS

<i>(\$ in Thousands Except Per Share Data)</i>	2Q23	1Q23	2Q22
Net interest income	\$ 69,632	\$ 73,053	\$ 78,299
Provision for credit losses	\$ 1,900	\$ 2,000	-
Net income	\$ 17,879	\$ 20,278	\$ 26,712
Earnings per diluted common share	\$ 0.31	\$ 0.34	\$ 0.43
Adjusted net income ⁽¹⁾	\$ 18,383	\$ 21,685	\$ 27,767
Adjusted earnings per diluted common share ⁽¹⁾	\$ 0.32	\$ 0.37	\$ 0.45
Pre-tax pre-provision (PTPP) income ⁽¹⁾	\$ 26,524	\$ 29,673	\$ 36,873
Adjusted PTPP income ⁽¹⁾	\$ 27,240	\$ 31,671	\$ 38,371
Return on average assets (ROAA)	0.75%	0.88%	1.15%
Adjusted ROAA ⁽¹⁾	0.77%	0.94%	1.19%
PTPP ROAA ⁽¹⁾	1.11%	1.29%	1.58%
Adjusted PTPP ROAA ⁽¹⁾	1.14%	1.38%	1.65%
Average assets	\$ 9,611,239	\$ 9,317,209	\$ 9,342,696
Net interest margin	3.11%	3.41%	3.58%
Allowance for credit losses coverage ratio	1.19%	1.27%	1.34%
NIE / Average assets	2.05%	2.23%	2.09%
Adjusted NIE / Average assets ⁽¹⁾	2.02%	2.14%	2.02%
Common equity tier 1 ⁽²⁾	11.88%	11.79%	11.29%
Tangible common equity per share ⁽¹⁾	\$ 14.56	\$ 14.26	\$ 14.05
Average Noninterest-bearing deposits as % of average deposits	35.8%	38.3%	37.9%

STRONG DEPOSIT BASE, LIQUIDITY AND CAPITAL

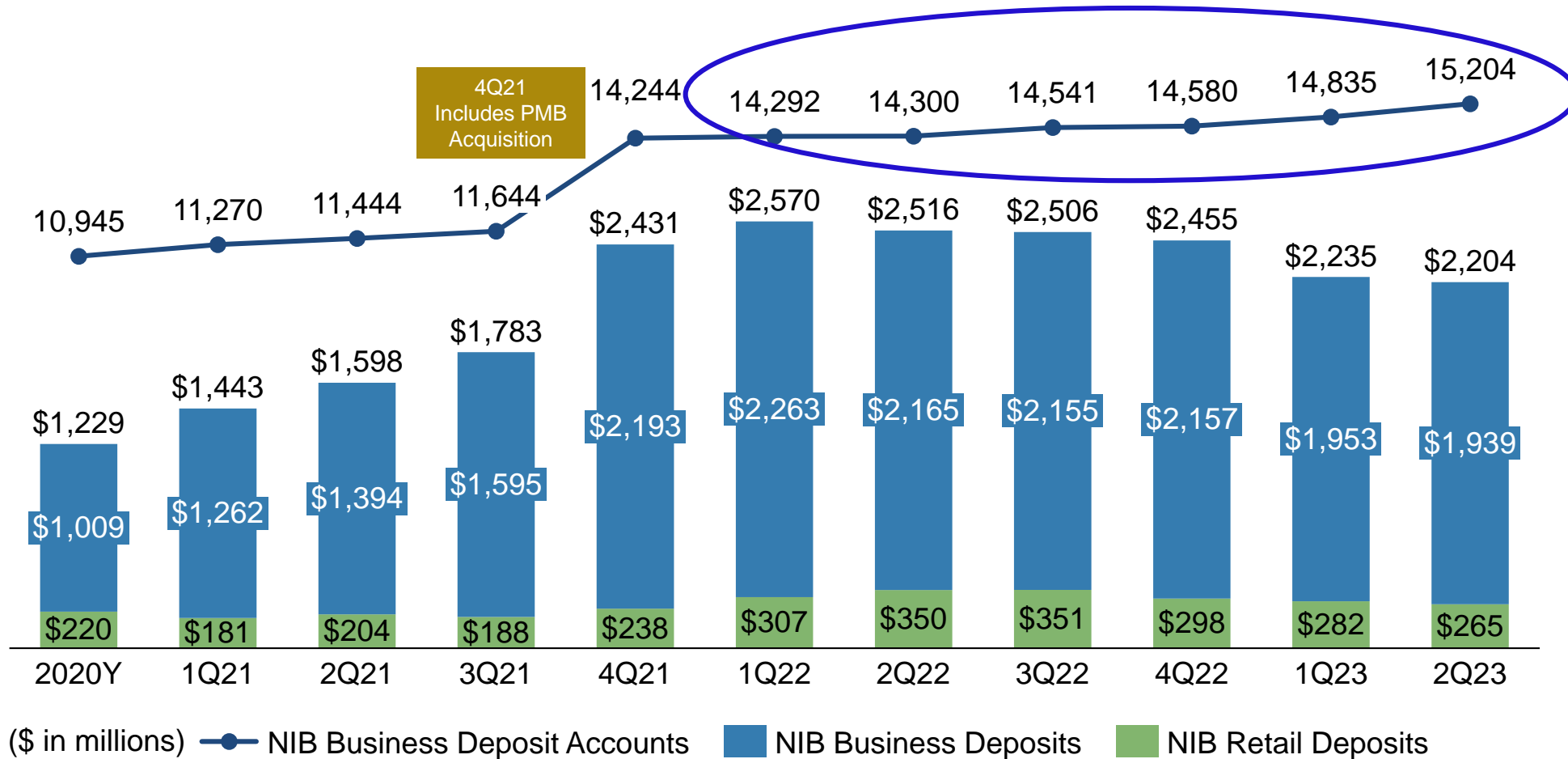
2Q23 Summary

Business model built for all cycles, with a focus on high-touch commercial relationships and value-added services and solutions to drive noninterest-bearing deposit growth

Strength of Deposit Franchise Demonstrated in 2Q23	<ul style="list-style-type: none">• Stable deposit base with noninterest-bearing deposits comprising 36% of 2Q23 ending total deposits, which was consistent with the 1Q23 ending total deposits mix, despite the challenging rate and operating environment• 10% annualized new commercial NIB account growth with a robust pipeline of new clients• \$75 million in new NIB deposit relationships added in both 1Q23 and 2Q23• Through 1H23, the pace of new NIB deposit relationship balances tracked 19% ahead of additions in 1H22
Commercial-driven Loan Growth	<ul style="list-style-type: none">• Total loans increased at an annualized rate of 6%, driven by commercial loan growth and warehouse• C&I portfolio increased by 5.6% in 2Q23, with continued growth in targeted verticals including healthcare, entertainment & media, and education, which generate NIB deposit growth• Increased utilization among existing clients drove growth in warehouse line balances, with focus on clients that contribute NIB deposits
High Levels of Liquidity and Capital⁽¹⁾	<ul style="list-style-type: none">• Total available liquidity of \$3.9 billion, which was 2.2x the level of uninsured and uncollateralized deposits• Solid financial performance and prudent balance sheet management resulted in the TCE ratio increasing to more than 9% and TBV/share increasing 2.1% to \$14.56⁽²⁾• Repurchased \$16 million of common stock in 2Q23 for a total of \$21 million repurchased in 1H23• Total risk-based capital ratio of 14.3%, CET1 ratio of 11.9% and leverage ratio of 9.5%⁽¹⁾
Healthy Asset Quality	<ul style="list-style-type: none">• NPAs stable excluding SFRs, which have low LTVs and minimal loss rates• ACL ratio of 1.19%
Positive Trends Exiting 2Q23	<ul style="list-style-type: none">• NIM in month of June was 13 bps higher than NIM for 2Q23• Ending balances of NIB deposits were in line with average balances for 2Q23• Average cost of deposits 1.67% for 2Q23 compared to spot cost of deposits 1.75% at June 30, 2023

DEPOSIT ENGINE CONSISTENTLY GENERATES NEW LOW-COST COMMERCIAL DEPOSIT RELATIONSHIPS

Accelerating growth in number of commercial deposit accounts and new relationships

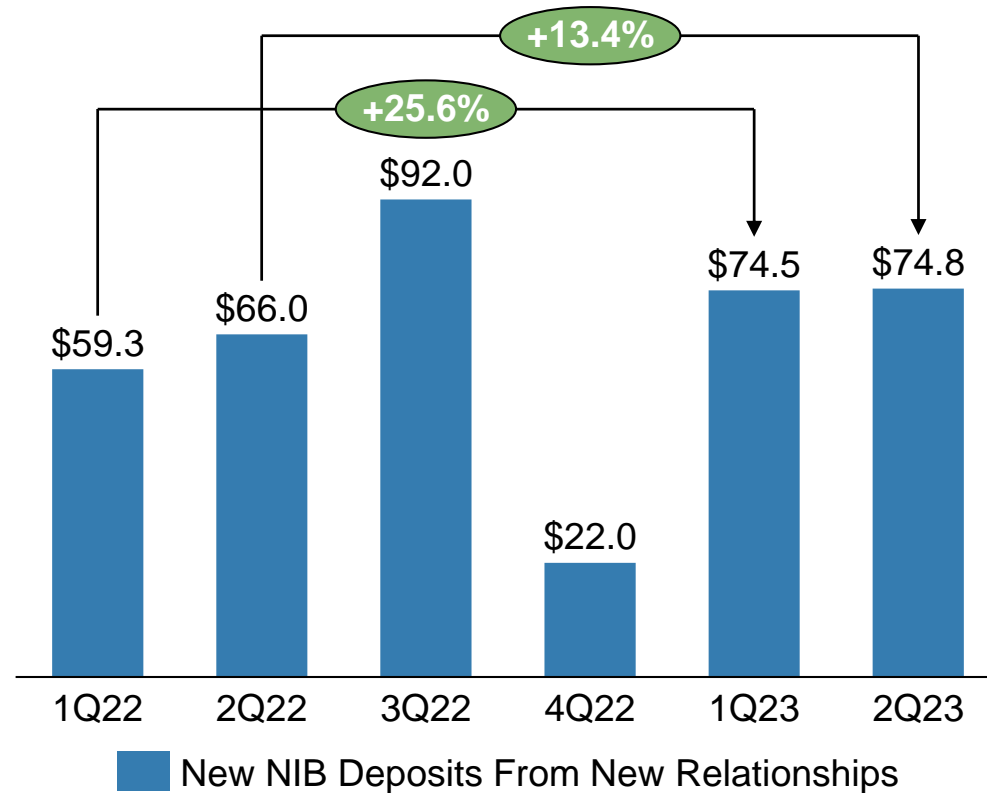


NIB commercial deposits comprise 88% of total NIB deposits⁽¹⁾

DEPOSIT ENGINE CONSISTENTLY GENERATES NEW NIB DEPOSITS FROM NEW RELATIONSHIPS

Strong YTD growth in new NIB deposits from BANC's deposit engine

(\$ in millions)



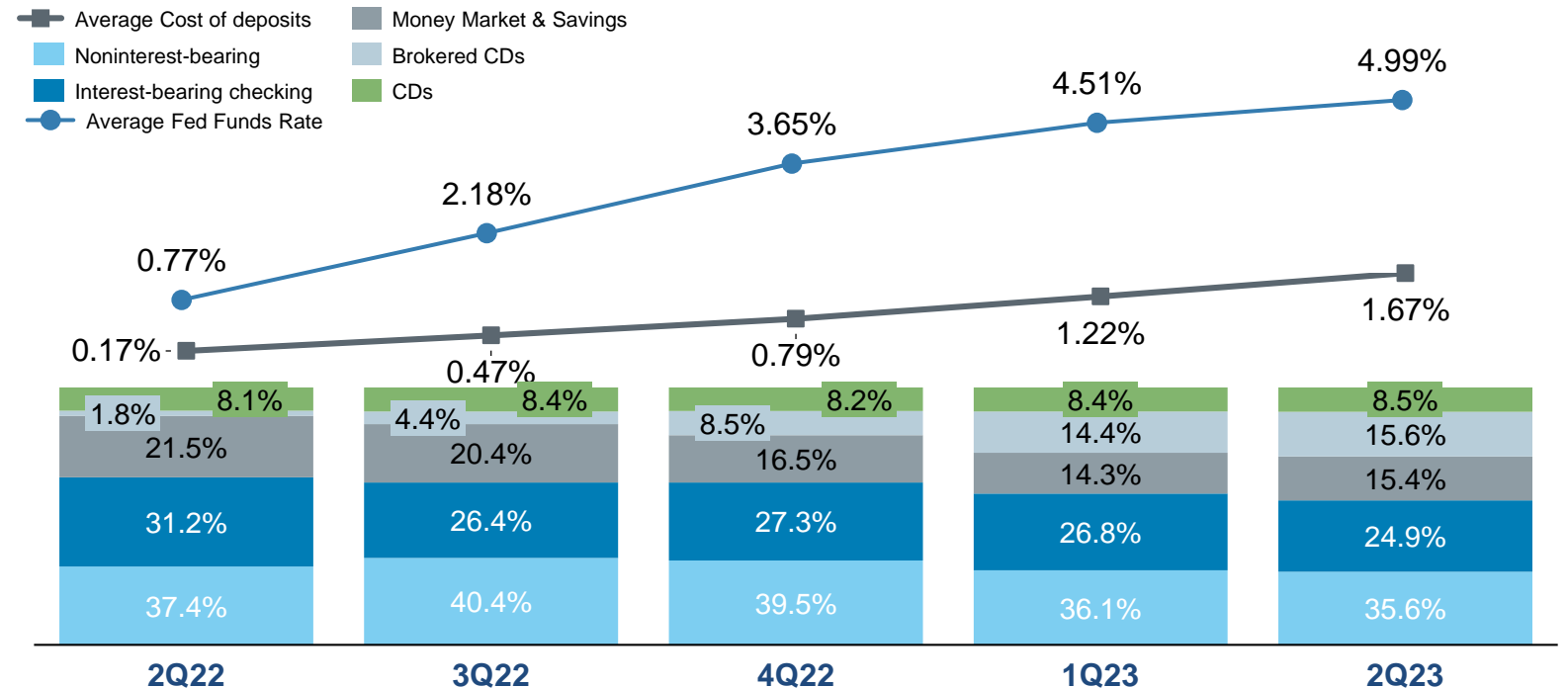
New NIB deposit growth from new relationships up 19% in 1H23

LOW COST DEPOSIT FRANCHISE

Widening spread against Fed funds rate driven by stable NIB deposit %

Highlights

- Solid NIB mix, including 36% average and ending total deposits, which was flat to 1Q23 ending levels
- YoY (through the cycle) average deposit beta of 33%
- 74% insured and collateralized deposits
- No material depository or industry concentration
- 06/30/23 spot rate on deposits of 1.75%



Category	2Q22	3Q22	4Q22	1Q23	2Q23
\$ in millions					
Noninterest-bearing checking	\$2,826.6	\$2,943.6	\$2,809.3	\$2,506.6	\$2,446.7
Interest-bearing checking	2,359.9	1,921.8	1,947.2	1,862.0	1,713.5
Demand deposits	5,186.5	4,865.4	4,756.6	4,368.6	4,160.2
Money market & savings	1,622.9	1,478.0	1,174.9	998.4	1,057.3
CDs	615.7	614.6	584.5	585.3	580.5
Brokered CDs	133.6	322.4	604.9	999.7	1,073.1
Total⁽¹⁾	\$7,558.7	\$7,280.4	\$7,120.9	\$6,952.0	\$6,871.1

1. Reflects balance as of period end

HIGH LEVEL OF AVAILABLE LIQUIDITY

Total available primary and secondary liquidity (\$3.93B) exceeds uninsured and uncollateralized deposits (\$1.76B) by 2.2x

(\$ in Millions)
June 30, 2023

	Current Availability	Utilization	Capacity
Primary Liquidity			
Cash	\$ 284		
AFS Securities (unpledged)*	716		
Total Primary Liquidity	\$ 1,000		
Secondary Liquidity			
FHLB	\$ 1,163	\$ 1,225	\$ 2,387
FRB (Discount Window & BIC)	728	340	1,068
FRB (Bank Term Funding Program)	384	-	384
Other	655	-	655
Total Secondary Liquidity	\$ 2,930	\$ 1,565	\$ 4,495
Total Primary + Secondary Liquidity**	\$ 3,930		

STRONG CAPITAL BASE

Provides Buffer for Economic Environment

	2Q23	1Q23	4Q22	3Q22	2Q22	Regulatory Well-Capitalized Ratios	MRQ Ratios in Excess of Well-Capitalized
Total Risk-Based Capital Ratio ⁽¹⁾	14.26%	14.22%	14.21%	13.86%	13.69%	10.00%	4.26%
Tier 1 Risk-based Capital ⁽¹⁾	11.88%	11.79%	11.80%	11.43%	11.29%	8.00%	3.88%
Common Equity Tier 1 (CET1) ⁽¹⁾	11.88%	11.79%	11.80%	11.43%	11.29%	6.50%	5.38%
Leverage Ratio ⁽¹⁾	9.54%	9.65%	9.70%	9.52%	9.58%	5.00%	4.54%
Tangible Common Equity / Tangible Assets ⁽²⁾	9.04%	8.44%	9.23%	8.97%	9.03%	NA	NA

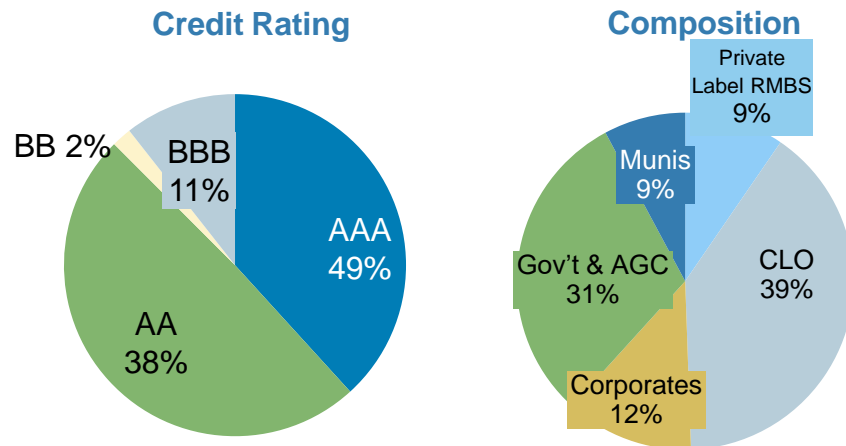
- 2Q23 reflects normalized liquidity reflected in 9.04% Tangible Common Equity ratio
- \$35 million stock repurchase authorized for 2023, of which \$21 million was repurchased by June 30
- 2022, 1Q23 and 2Q23 included \$75 million, \$5.2 million and \$16.0 million in common stock repurchases, respectively
- 3Q22 included the impact from the Deepstack acquisition

SECURITIES HAVE SHORT / MODERATE DURATION WITH LOW UNREALIZED AFS AND HTM LOSSES

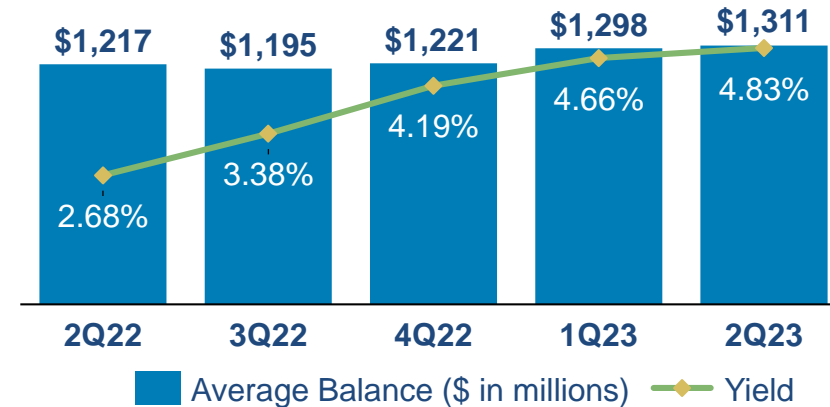
Securities Portfolio Detail

Security Type (\$ in millions)	QoQ			Effective Duration (yrs) 2Q23	Unrealized Loss 2Q23
	2Q23	1Q23	Change		
Gov't & Agency (MBS, CMO, & SBA)	\$ 180.2	\$ 187.4	\$ (7.2)	3.6	\$ (7.7)
CLOs	482.8	479.6	3.2	0.1	(7.7)
Corporate Securities	148.6	176.0	(27.4)	2.1	(27.2)
Private Label RMBS	111.5	115.4	(3.9)	7.0	(11.5)
AFS	\$ 923.1	\$ 958.4	\$ (35.3)	1.9	\$ (54.1)
Gov't & Agency (MBS, CMO, & SBA)	214.2	214.3	(0.1)	9.5	(39.9)
Municipal	114.2	114.2	0.0	9.9	(21.4)
HTM	\$ 328.4	\$ 328.5	\$ (0.1)	9.7	\$ (61.4)
Total Securities	\$ 1,251.5	\$ 1,286.9	\$ (35.4)	3.7	\$ (115.5)

Portfolio Profile



Portfolio Average Balances & Yields



LOW UNREALIZED SECURITIES LOSSES AS A % OF CAPITAL⁽¹⁾

Highlights

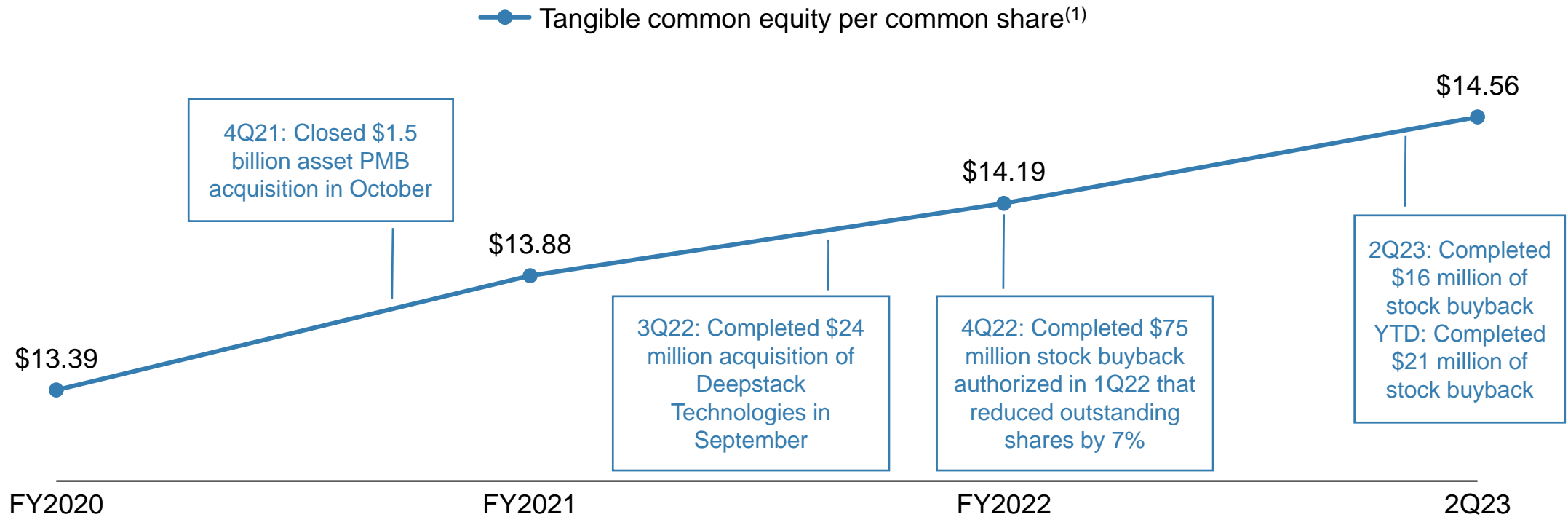
- 2Q23 AFS unrealized losses were 4.3% of 2Q23 CET1 Capital
- 2Q23 AFS + HTM unrealized losses were 9.1% of 2Q23 CET1 Capital
- Including unrealized losses, CET1 remains 4.3% above “Well Capitalized” guidelines⁽³⁾

	(Dollars in thousands)	
	2Q23	
AFS (Unrealized Loss Pre-Tax)	\$	54,124
HTM (Unrealized Loss Pre-Tax)		61,360
Total Securities Unrealized Loss Pre-Tax	\$	115,483
Net Unrealized Loss on AFS After-Tax	\$	38,103 4.3% of CET1
Net Unrealized Loss on HTM After-Tax		43,197 4.8% of CET1
Net Unrealized Loss on Securities After-Tax⁽²⁾	\$	81,300
Capital Analysis		
CET 1 Capital	\$	892,009
Net Unrealized Loss on Securities After-Tax ⁽²⁾		81,300 9.1% of CET1
CET 1 (Deficit) / Surplus	\$	810,709
CET1 Well-Capitalized Guideline		6.50%
CET1 Ratio		11.88%
CET1 Ratio, assuming AFS losses realized		11.37%
CET1 Ratio, assuming AFS & HTM losses realized		10.80%

Total unrealized losses reduce the CET1 ratio by only 108 bps

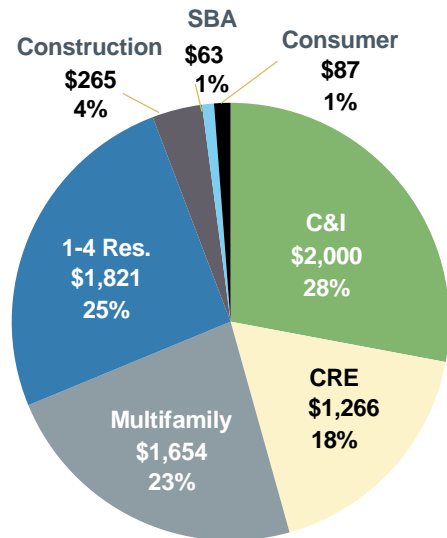
CONTINUED TBV PER SHARE GROWTH

Growth in TBV per common share⁽¹⁾ driven by strong earnings and prudent balance sheet management that more than offset negative AOCI marks, dividends, common stock repurchases and acquisitions of Pacific Mercantile Bank and Deepstack Technologies



DIVERSIFIED LOAN PORTFOLIO MITIGATES RISK AND GENERATES ATTRACTIVE RISK-ADJUSTED YIELDS

Loan Segment	2Q23			1Q23			Change		
	\$(¹)	%	Avg. Yield	\$(¹)	%	Avg. Yield	\$(¹)	%	Avg. Yield
<i>\$ in Millions</i>									
C&I: Warehouse	\$ 786	11.0%	8.66%	\$ 637	9.0%	8.15%	\$ 149	23.5%	0.52%
C&I: All Other	1,214	17.0%	6.55%	1,150	16.3%	6.22%	64	5.6%	0.33%
Multifamily	1,654	23.1%	4.16%	1,678	23.8%	4.10%	(24)	-1.4%	0.06%
CRE	1,266	17.7%	4.86%	1,302	18.5%	4.74%	(36)	-2.8%	0.12%
Construction	265	3.7%	8.80%	260	3.7%	8.59%	5	1.7%	0.21%
SBA	63	0.9%	6.22%	65	0.9%	4.86%	(2)	-3.3%	1.36%
Total Commercial Loans	5,249	73.3%	5.69%	5,093	72.2%	5.40%	156	3.1%	0.29%
SFR	1,821	25.4%	4.10%	1,877	26.6%	4.15%	(56)	-3.0%	-0.05%
Consumer	87	1.2%	6.47%	84	1.2%	6.26%	3	3.0%	0.21%
Total Consumer Loans	1,908	26.7%	4.20%	1,961	27.8%	4.24%	(54)	-2.7%	-0.04%
Total Loans HFI	\$ 7,156	100%	5.28%	\$ 7,054	100%	5.07%	\$ 102	1.4%	0.21%



2Q23 Highlights

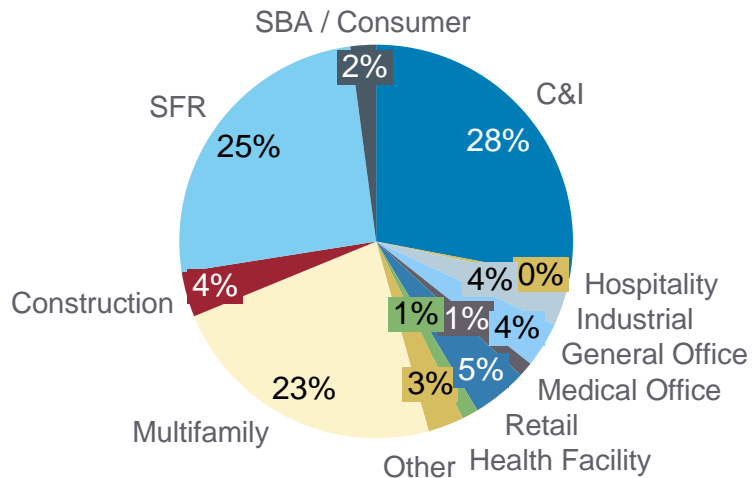
- 55% of loans are variable or hybrid
- 63% of the loan portfolio is secured by residential real estate
- Multifamily weighted average LTV of 57%
- CRE weighted average LTV of 55%
- SFR weighted average LTV of 59% and average FICO 742
- 71% of the SFR loan portfolio have LTVs of less than 70%
- 83% of all real estate secured loans have LTVs of less than 70%

CALIFORNIA-CENTRIC CRE PORTFOLIO HAS LOW WEIGHTED-AVERAGE LTV AND SOLID CREDIT QUALITY

CRE comprises 17.7% of total loans; General Office at only 3.7% of total loans

Collateral Type	Count	Balance	% of Total Loans	Avg. Loan Size	WA LTV
		(\$ millions)		(\$ millions)	
General Office	71	\$ 265	3.7%	\$ 3.7	53%
Medical Office	71	87	1.2%	1.2	55%
Retail	78	324	4.5%	4.2	53%
Industrial	69	254	3.5%	3.7	58%
Health Facility	8	97	1.4%	12.1	60%
Hospitality	5	29	0.4%	5.8	35%
Other	127	211	2.9%	1.7	58%
Total CRE	429	\$ 1,266	17.7%	\$ 3.0	55%

% of Total Loans



Highlights

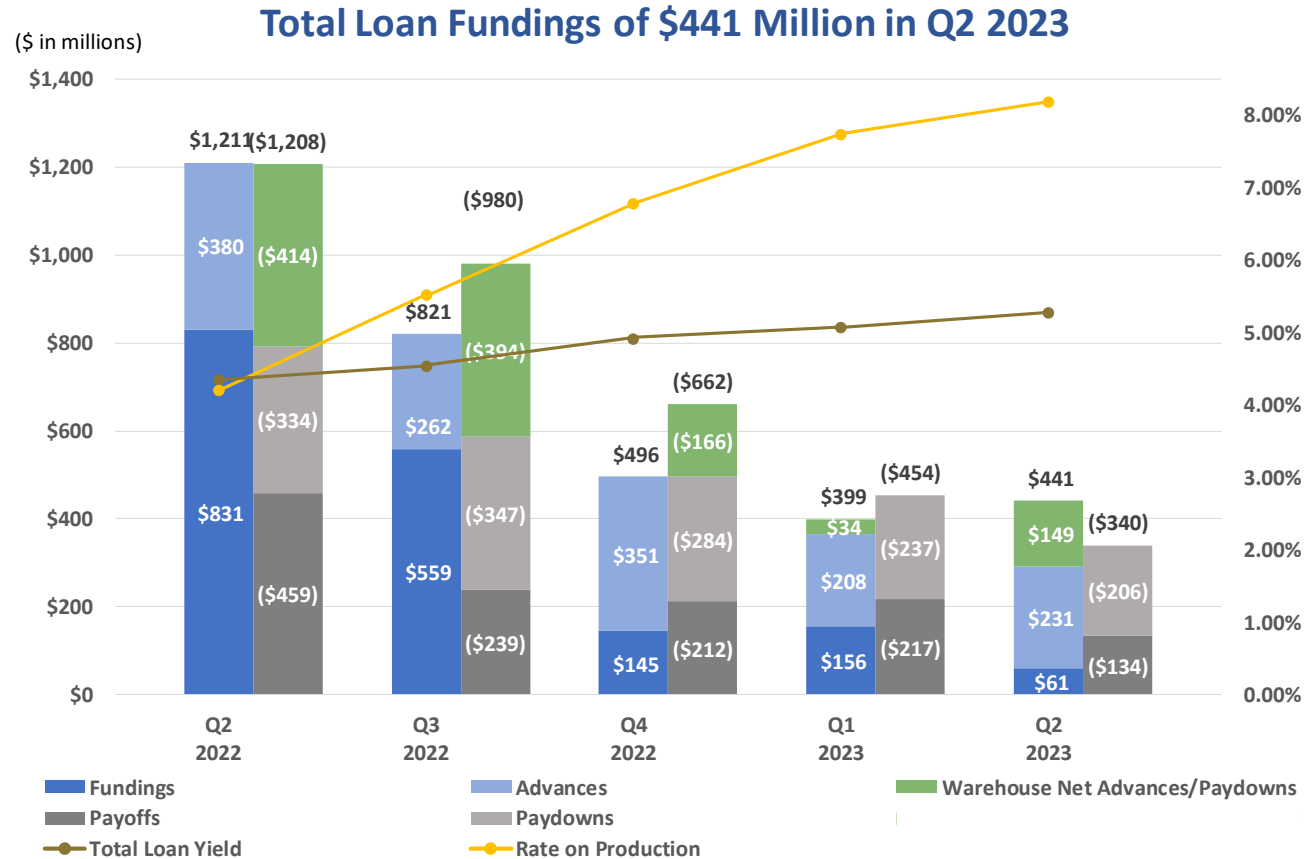
- CRE loan delinquency rate <1%
- CRE nonperforming loans <1%
- CRE weighted average LTV 55%
- Retail is well diversified with 1.9x debt service coverage
- Total CRE debt service coverage of 1.8x

General Office CRE comprised of B/C low-rise with:

- LTV of 53%
- 1.6x debt service coverage

DIVERSIFIED BUSINESS MIX

LOAN YIELDS ON NEW PRODUCTION CONTINUE TO RISE



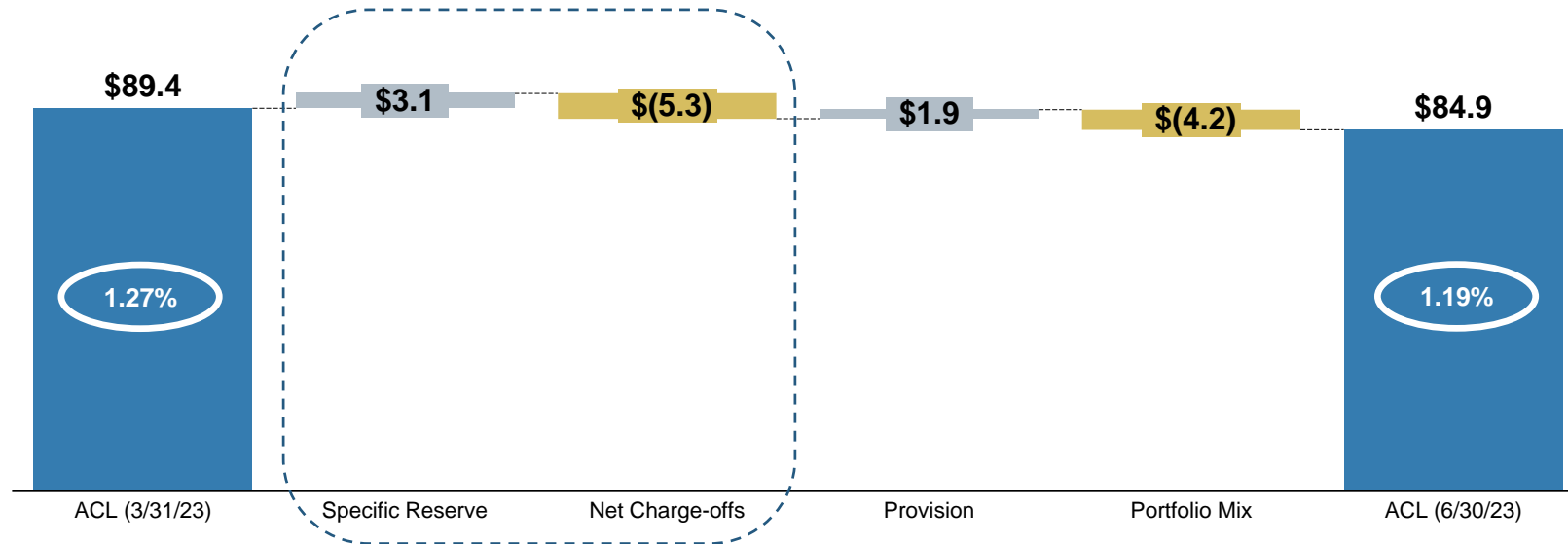
	Loans Beginning Balance	Total Fundings	Total Payoffs	Net Difference	Other Change ⁽¹⁾	Loans Ending Balance	Total Loan Yield	Rate on Production
(\$ in millions)								
Q2 2023	\$ 7,059	\$ 441	\$ 340	\$ 101	\$ 1	\$ 7,161	5.28%	8.18%
Q1 2023	\$ 7,119	\$ 399	\$ 454	\$ (55)	\$ (6)	\$ 7,059	5.07%	7.74%
Q4 2022	\$ 7,294	\$ 496	\$ 662	\$ (166)	\$ (8)	\$ 7,119	4.92%	6.78%
Q3 2022	\$ 7,455	\$ 821	\$ 980	\$ (159)	\$ (2)	\$ 7,294	4.54%	5.52%
Q2 2022	\$ 7,455	\$ 1,211	\$ 1,208	\$ 3	\$ (2)	\$ 7,455	4.35%	4.20%

1. Includes deferred costs/fees, transfers, sales and other adjustments

ALLOWANCE FOR CREDIT LOSSES WALK

Lower non-warehouse balances impacted portfolio mix

(\$ in millions)



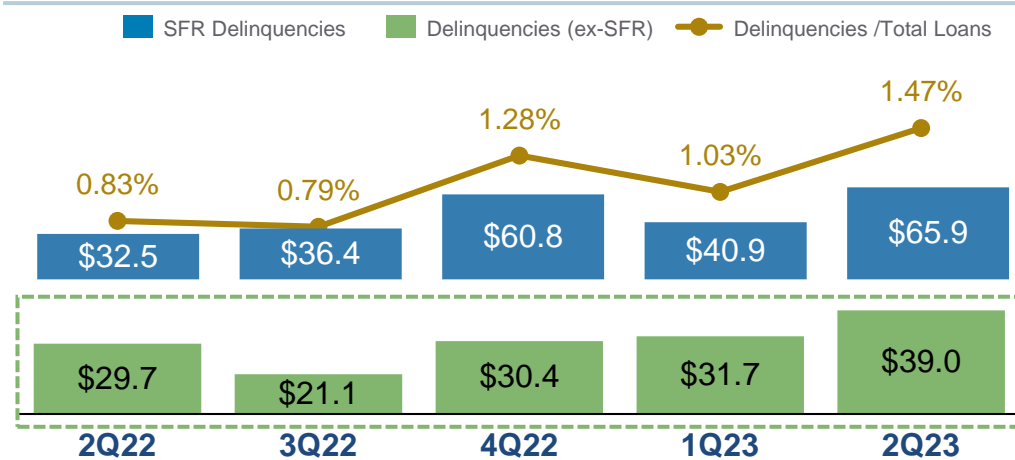
- ACL includes the Allowance for Loan Losses (ALL) and Reserve for Unfunded Loan Commitments (RUC)
- ACL decreased by \$4.5 million due to (i) net charge offs of \$5.3 million of which \$3.0 million was specifically reserved for at March 31, 2023, (ii) lower reserves of \$4.2 million due to changes in the portfolio mix including lower non-warehouse loans, partially offset by (iii) new/increases to existing specific reserves totaling \$3.1 million. ACL provision for the quarter was \$1.9 million
- Total coverage ratio decreased 8 bps to 1.19%

ASSET QUALITY REMAINS STRONG

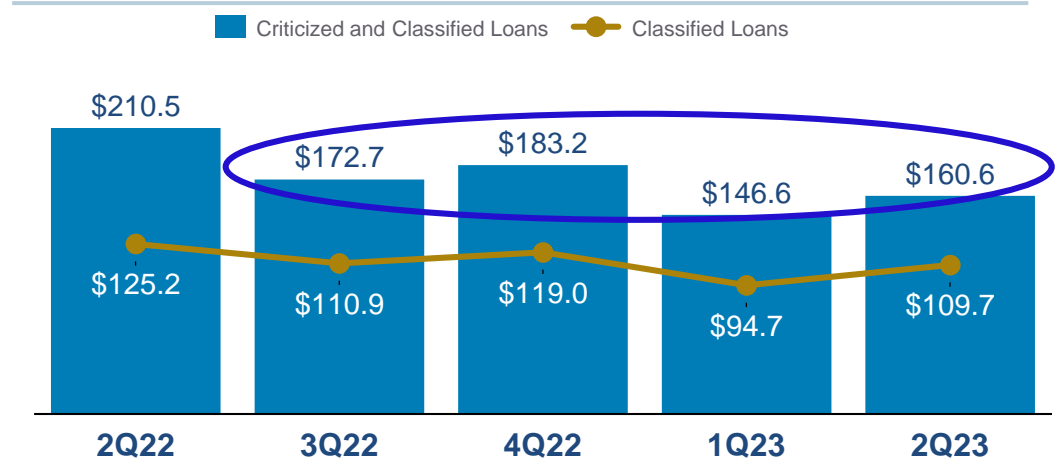
NPLs, Delinquencies, and Classified Loans

NPLs excluding SFR loans stable:
SFR loans have low LTVs and minimal loss exposure

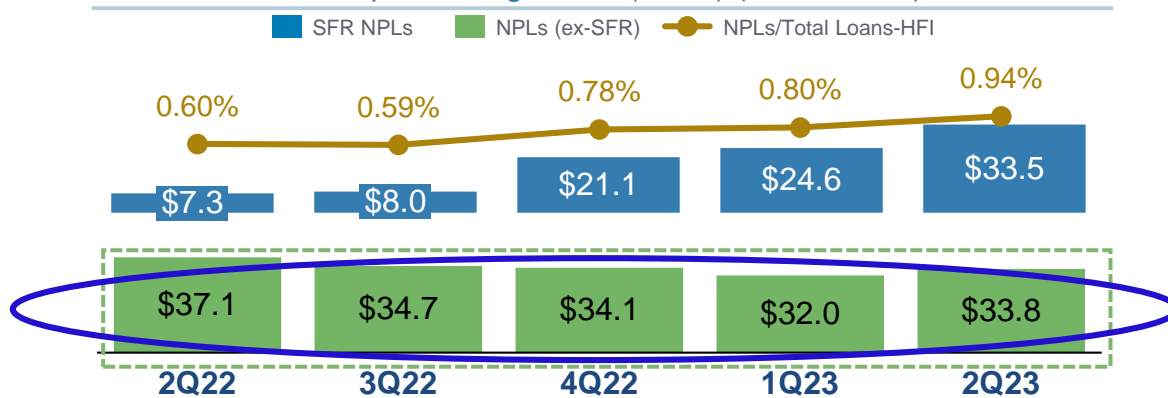
Delinquencies (\$ in millions)



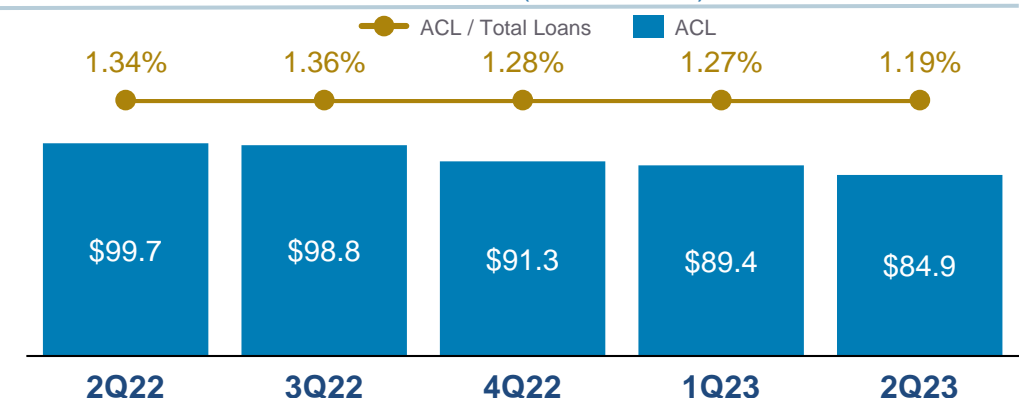
Criticized and Classified Loans (\$ in millions)



Non-performing Loans (NPLs) (\$ in millions)



ACL / Total Loans (\$ in millions)



INTEREST RATE RISK MANAGEMENT

Positioned for future rate cycles with a neutral balance sheet

Interest Rate Risk Position (within 12 months)

Rate Sensitive Assets at 35% of Total Assets

Loan Portfolio

- \$2.5 billion mature or reset within 12 months
- Given a 25 bps market rate increase, 99% of adjustable-rate loans with floors are eligible to reprice

Cash & Investments

- \$284 million in total cash
- \$497 million reprice within 12 months, mostly CLOs

LESS

Rate Sensitive Liabilities at 20% of Total Assets

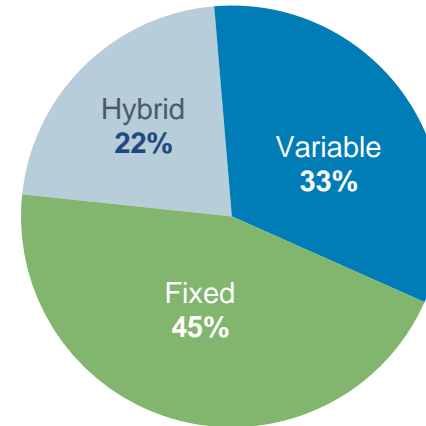
- \$1.5 billion of CDs mature or reprice within 12 months
- \$340 million in overnight borrowings



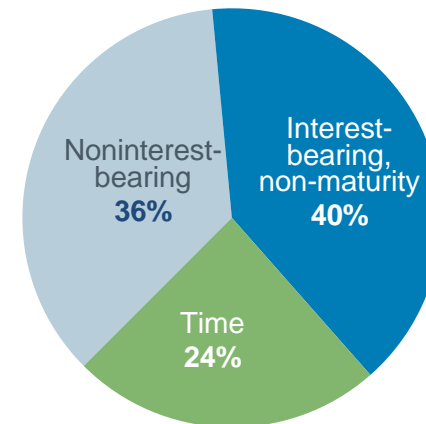
One Year Positive Gap Ratio is 15% of Total Assets

Loan & Deposit Mix

HFI Loans: \$7.2 billion



Total Deposits: \$6.9 billion



2023 STRATEGIC OBJECTIVES

Well-Positioned to Grow Franchise Value

Protect The Balance Sheet

- Continued focus on noninterest-bearing deposits, credit quality, robust capital and tangible book value growth

Proactively Manage Asset-Liability Mix

- Balance asset sensitivity while also proactively taking advantage of opportunities to enhance earnings for the long term

Target Opportunistic Growth in our Core Niches

- Continue momentum in media/entertainment, healthcare and selective bridge real estate where we have unique expertise

Scale Payments Business and Related Initiatives

- Build differentiated payment business that will drive fee income and commercial deposits

Allocate Capital to Drive Long Term Shareholder Returns

- Options include, but are not limited to: balance sheet growth, investments in people and technology, stock repurchases, debt paydowns, and other targeted ways to enhance yield



APPENDIX

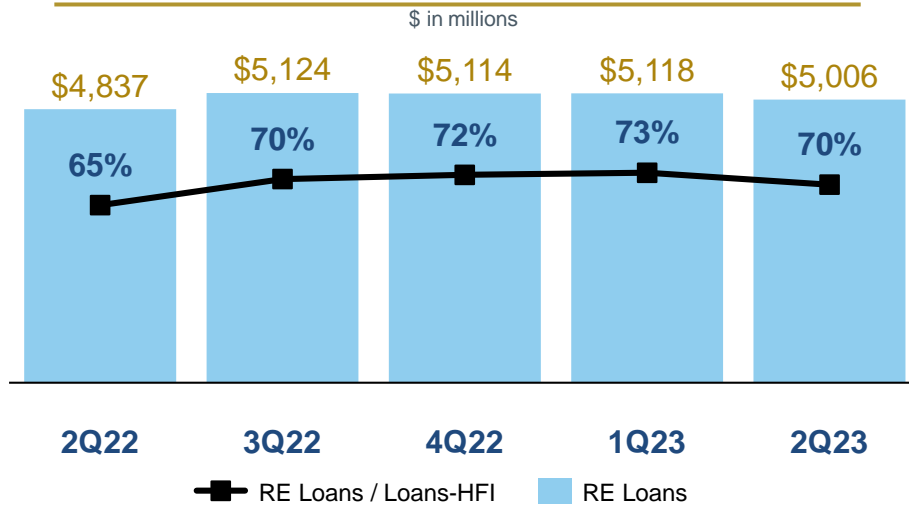
BANC FAST FACTS

(Dollars in millions)

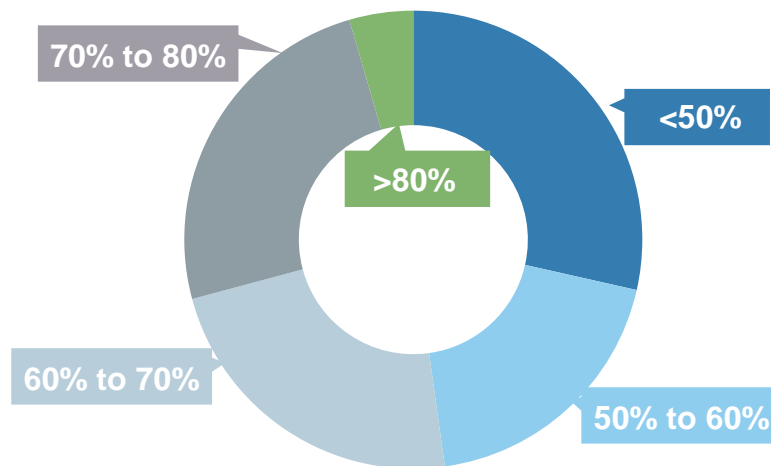
	2Q23	1Q23	4Q22	3Q22	2Q22
Total assets	\$ 9,370	\$ 10,039	\$ 9,197	\$ 9,369	\$ 9,502
Securities available-for-sale	922	958	868	848	865
Securities held-to-maturity	328	329	329	329	329
Loans held-for-investment	7,156	7,054	7,115	7,289	7,451
Total deposits	6,871	6,952	7,121	7,280	7,559
Net interest income	\$ 69.6	\$ 73.1	\$ 80.2	\$ 79.4	\$ 78.3
Total noninterest income	6.0	7.9	(1.4)	5.7	7.2
Total revenue	75.7	80.9	78.8	85.1	85.5
Noninterest expense	49.2	49.6	47.6	50.5	47.6
Loss in alternative energy partnership investments	(0.0)	1.6	0.6	0.5	1.0
Total noninterest expense	49.1	51.2	48.2	51.0	48.6
Pre-tax pre-provision income ⁽¹⁾	26.5	29.7	30.6	34.1	36.9
Provision for credit losses	1.9	2.0	-	-	-
Income tax expense	6.7	7.4	9.1	9.9	10.2
Net income	17.9	20.3	21.5	24.2	26.7
Net income available to common stockholders	\$ 17.9	\$ 20.3	\$ 21.5	\$ 24.2	\$ 26.7
Diluted earnings per common share	\$ 0.31	\$ 0.34	\$ 0.36	\$ 0.40	\$ 0.43
Tangible common equity per common share⁽¹⁾	\$ 14.56	\$ 14.26	\$ 14.19	\$ 13.79	\$ 14.05
Return on average assets	0.75%	0.88%	0.92%	1.02%	1.15%
Adjusted efficiency ratio ⁽¹⁾	63.99%	60.86%	56.03%	55.66%	55.11%

DIVERSIFIED AND LOW LTV REAL ESTATE PORTFOLIO

Real Estate Loan Balances⁽¹⁾



SFR Portfolio by LTV



Real Estate ⁽¹⁾ LTVs	\$	%	Count
<i>\$ in Millions</i>			
<50%	\$ 1,415	28%	1,031
50% to 60%	1,134	23%	496
60% to 70%	1,622	32%	616
70% to 80%	731	15%	447
>80%	105	2%	90
Total	\$ 5,006	100%	2,680

- 83% of all real estate secured loans have LTVs of less than 70%
- Weighted average LTV is 57%

SFR LTVs	\$	%	Count
<i>\$ in Millions</i>			
<50%	\$ 519	29%	621
50% to 60%	351	19%	287
60% to 70%	419	23%	351
70% to 80%	449	25%	353
>80%	82	5%	78
Total	\$ 1,821	100%	1,690

- 71% of all existing SFR have LTVs of less than 70%
- Weighted average LTV is 59%

STRONG ALLOWANCE COVERAGE RATIO

RESERVE BY LOAN TYPE

ACL Composition (\$ in thousands)	6/30/2023		3/31/2023	
	Amount	% of Loans	Amount	% of Loans
Commercial real estate	\$ 15,767	1.24%	\$ 16,119	1.24%
Multifamily	14,697	0.89%	15,038	0.90%
Construction	6,053	2.29%	6,425	2.47%
Commercial and industrial	30,258	2.49%	30,327	2.64%
Commercial and industrial - warehouse	2,565	0.33%	2,317	0.36%
SBA	1,387	2.21%	2,097	3.22%
Total commercial loans	70,727	1.35%	72,323	1.42%
Single family residential mortgage	9,518	0.52%	11,481	0.61%
Other consumer	638	0.73%	756	0.90%
Total consumer loans	10,156	0.53%	12,237	0.62%
Allowance for loan losses	80,883	1.13%	84,560	1.20%
Reserve for unfunded commitments	4,005	0.06%	4,805	0.07%
Allowance for credit losses	\$ 84,888	1.19%	\$ 89,365	1.27%

- Allowance for Credit Losses (ACL) includes Reserve for Unfunded Commitments
- ACL coverage ratio of 1.19% at the end of 2Q23

CLO PORTFOLIO HAS DIVERSIFIED EXPOSURE

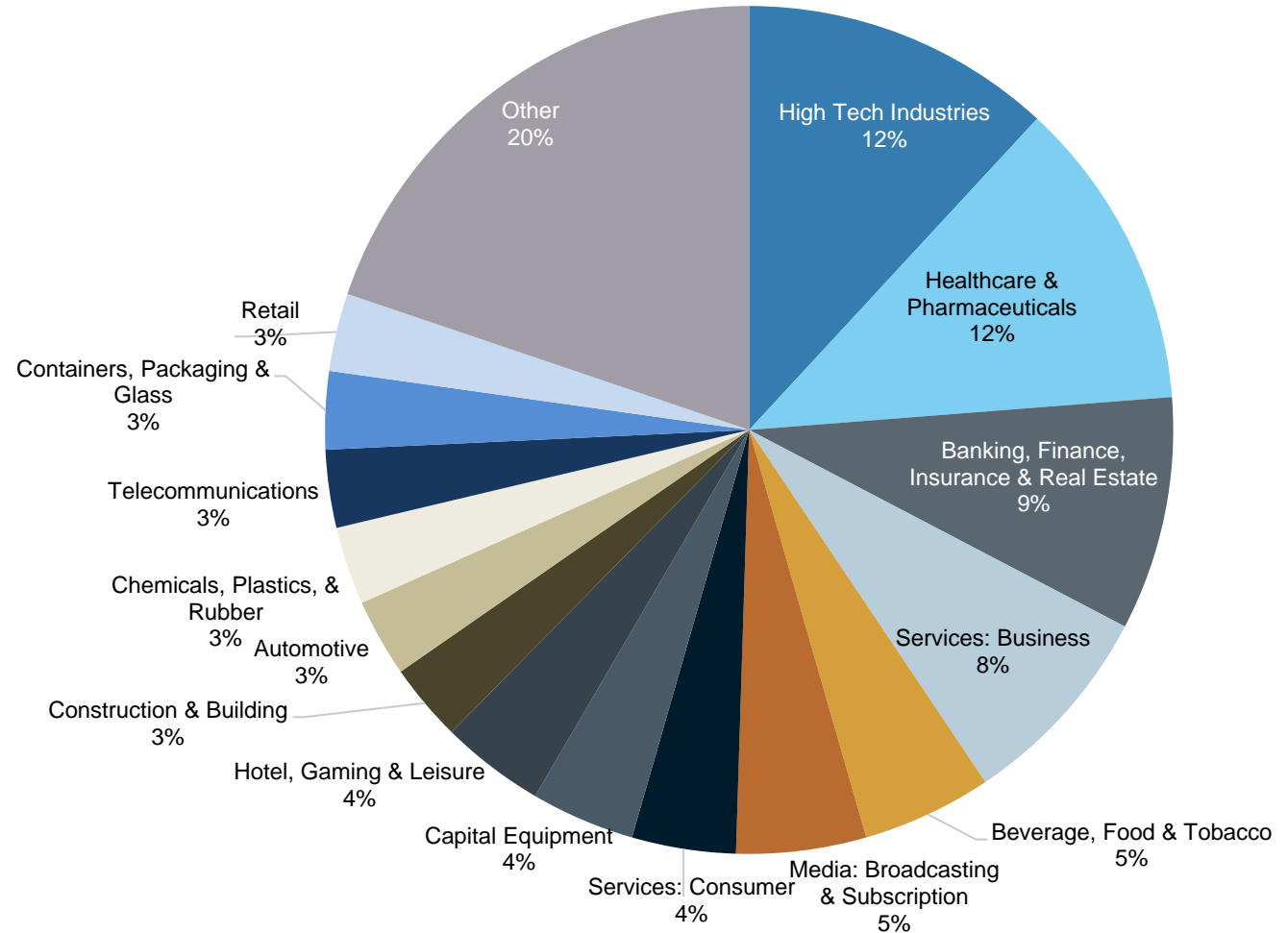
Credit Enhancement Provides Significant Principal Protection

Highlights

- CLO portfolio has underlying diversified exposure
- AAA and AA holdings provide principal protection – exposure to underlying credit losses would require a combination of lifetime defaults (25-40% CDR), loss severity (40-50%), and prepayment assumptions (10-20% CPR)
- Under these assumptions, the underlying securities would need to take losses of approximately 30% before we would anticipate incurring losses on principal
- 2Q23 average CLO portfolio yield of 6.9%, up from 6.4% in 1Q23
- Quarterly reset based on 3 Month LIBOR + 1.62%
- CLOs included an unrealized loss of \$7.7 million as of 2Q23, down from \$11.2 million as of 1Q23

CLO Industry Breakdown

\$483 million at June 30, 2023
(net of \$7.7 million unrealized loss)



NON-GAAP FINANCIAL INFORMATION

Tangible assets, tangible equity, tangible common equity, tangible common equity to tangible assets, tangible common equity per share, return on average tangible common equity, adjusted noninterest income, adjusted noninterest expense, adjusted noninterest income to adjusted total revenue, adjusted noninterest expense to average total assets, pre-tax pre-provision (PTPP) income, adjusted PTPP income, PTPP income ROAA, adjusted PTPP income ROAA, efficiency ratio, adjusted efficiency ratio, adjusted net income, adjusted net income available to common stockholders, adjusted diluted earnings per share (EPS), adjusted return on average assets (ROAA), adjusted common equity tier 1 (CET 1) and adjusted CET1 ratios constitute supplemental financial information determined by methods other than in accordance with GAAP. These non-GAAP measures are used by management in its analysis of the Company's performance.

Tangible assets and tangible equity are calculated by subtracting goodwill and other intangible assets from total assets and total equity. Tangible common equity is calculated by subtracting preferred stock, as applicable, from tangible equity. Return on average tangible common equity is calculated by dividing net income available to common stockholders, after adjustment for amortization of intangible assets, by average tangible common equity. Banking regulators also exclude goodwill and other intangible assets from stockholders' equity when assessing the capital adequacy of a financial institution.

PTPP income is calculated by adding net interest income and noninterest income (total revenue) and subtracting noninterest expense. Adjusted PTPP income is calculated by adding net interest income and adjusted noninterest income (adjusted total revenue) and subtracting adjusted noninterest expense. PTPP income ROAA is calculated by dividing annualized PTPP income by average assets. Adjusted PTPP income ROAA is calculated by dividing annualized adjusted PTPP income by average assets. Efficiency ratio is calculated by dividing noninterest expense by total revenue. Adjusted efficiency ratio is calculated by dividing adjusted noninterest expense by adjusted total revenue.

Adjusted net income is calculated by adjusting net income for tax-effected noninterest income and noninterest expense adjustments and the tax impact from the exercise of stock appreciation rights for the periods indicated. Adjusted ROAA is calculated by dividing annualized adjusted net income by average assets. Adjusted net income available to common stockholders is calculated by removing the impact of preferred stock redemptions from adjusted net income. Adjusted diluted earnings per share is calculated by dividing adjusted net income available to common stockholders by the weighted average diluted common shares outstanding.

Common equity tier 1 and the common equity tier 1 ratio are defined by regulatory capital rules. Adjusted CET 1 is calculated by subtracting net unrealized losses on securities from CET 1 capital. Adjusted CET 1 ratio is calculated by dividing adjusted CET 1 by total risk-weighted assets. Adjusted CET 1 ratio, assuming AFS losses realized, is calculated by dividing CET 1 capital amount after adjusting for the net unrealized losses on AFS securities, by total risk-weighted assets. Adjusted CET 1 ratio, assuming HTM losses realized, is calculated by dividing CET 1 capital after adjusting for the net unrealized losses on HTM securities, by total risk-weighted assets. Adjusted CET 1 and adjusted CET 1 ratios are provided to reflect management's assessment of capital impacts from net unrealized losses on securities. Capital amounts and ratios as of June 30, 2023 are preliminary.

Management believes the presentation of these financial measures adjusting the impact of these items provides useful supplemental information that is essential to a proper understanding of the financial results and operating performance of the Company. This disclosure should not be viewed as a substitute for results determined in accordance with GAAP, nor is it necessarily comparable to non-GAAP performance measures that may be presented by other companies.

Reconciliations of these measures to measures determined in accordance with GAAP are contained on slides 26-31 of this presentation.

NON-GAAP RECONCILIATION

(Dollars in thousands, except per share data)

Tangible Common Equity to Tangible Assets Ratio

	2Q23	1Q23	4Q22	3Q22	2Q22
Total assets	\$ 9,370,265	\$ 10,038,901	\$ 9,197,016	\$ 9,368,578	\$ 9,502,113
Less: goodwill	(114,312)	(114,312)	(114,312)	(114,312)	(95,127)
Less: other intangible assets	(6,603)	(7,065)	(7,526)	(8,081)	(4,677)
Tangible assets ⁽¹⁾	\$ 9,249,350	\$ 9,917,524	\$ 9,075,178	\$ 9,246,185	\$ 9,402,309

Total stockholders' equity	\$ 957,054	\$ 958,907	\$ 959,618	\$ 951,990	\$ 949,130
Less: goodwill	(114,312)	(114,312)	(114,312)	(114,312)	(95,127)
Less: other intangible assets	(6,603)	(7,065)	(7,526)	(8,081)	(4,677)
Tangible common equity ⁽¹⁾	\$ 836,139	\$ 837,530	\$ 837,780	\$ 829,597	\$ 849,326

Total stockholders' equity to total assets	10.21%	9.55%	10.43%	10.16%	9.99%
Tangible common equity to tangible assets ⁽¹⁾	9.04%	8.44%	9.23%	8.97%	9.03%

Common shares outstanding	56,944,706	58,237,303	58,544,534	59,679,558	59,985,736
Class B non-voting non-convertible common shares outstanding	477,321	477,321	477,321	477,321	477,321
Total common shares outstanding	57,422,027	58,714,624	59,021,855	60,156,879	60,463,057

Book value per common share	\$ 16.67	\$ 16.33	\$ 16.26	\$ 15.83	\$ 15.70
Tangible Book Value Per Share ⁽¹⁾	\$ 14.56	\$ 14.26	\$ 14.19	\$ 13.79	\$ 14.05

NON-GAAP RECONCILIATION

(Dollars in thousands)

Return on tangible common equity

	2Q23	1Q23	4Q22	3Q22	2Q22
Average total stockholders' equity	\$ 997,049	\$ 1,004,794	\$ 989,414	\$ 960,806	\$ 969,885
Less: Average preferred stock	-	-	-	-	-
Average common stockholders' equity	997,049	1,004,794	989,414	960,806	969,885
Less: Average goodwill	(114,312)	(114,312)	(114,312)	(98,916)	(95,127)
Less: Average other intangible assets	(6,885)	(7,355)	(7,869)	(4,570)	(4,869)
Average tangible common equity ⁽¹⁾	\$ 875,852	\$ 883,127	\$ 867,233	\$ 857,320	\$ 869,889

Net income available to common stockholders	\$ 17,879	\$ 20,278	\$ 21,519	\$ 24,196	\$ 26,712
Add: Amortization of intangible assets	462	461	555	396	313
Less: Tax effect on amortization of intangible assets ⁽²⁾	(137)	(136)	(164)	(117)	(93)
Net income available to common stockholders after the adjustments for intangible assets ⁽¹⁾	\$ 18,204	\$ 20,603	\$ 21,910	\$ 24,475	\$ 26,932

Return on average equity	7.19%	8.18%	8.63%	9.99%	11.05%
Return on average tangible common equity ⁽¹⁾	8.34%	9.46%	10.02%	11.33%	12.42%

NON-GAAP RECONCILIATION

(Dollars in thousands)

Adjusted Noninterest Income

	2Q23	1Q23	4Q22	3Q22	2Q22
Total noninterest income	6,024	7,859	(1,427)	5,681	7,186
Net loss on securities available for sale	-	-	7,708	-	-
Adjusted noninterest income ⁽¹⁾	\$ 6,024	\$ 7,859	\$ 6,281	\$ 5,681	\$ 7,186

Adjusted Noninterest Expense

Total noninterest expense	\$ 49,132	\$ 51,239	\$ 48,203	\$ 50,962	\$ 48,612
Noninterest expense adjustments:					
Indemnified legal recoveries (fees)	(752)	(380)	869	(1,017)	(455)
Acquisition, integration and transaction costs	-	-	-	(2,080)	-
Noninterest expense adjustments before gain (loss) in alternative energy partnership investments	(752)	(380)	869	(3,097)	(455)
(Loss) gain in alternative energy partnership investments	36	(1,618)	(608)	(504)	(1,043)
Total noninterest expense adjustments	(716)	(1,998)	261	(3,601)	(1,498)
Adjusted noninterest expense ⁽¹⁾	\$ 48,416	\$ 49,241	\$ 48,464	\$ 47,361	\$ 47,114

Average assets	\$9,611,239	\$9,317,209	\$9,257,311	\$9,408,740	\$9,342,696
Noninterest income to total revenue ⁽¹⁾	7.96%	9.71%	(1.81%)	6.68%	8.41%
Adjusted noninterest income to adjusted total revenue ⁽¹⁾	7.96%	9.71%	7.26%	6.68%	8.41%
Noninterest expense / Average assets ⁽²⁾	2.05%	2.23%	2.07%	2.15%	2.09%
Adjusted noninterest expense / Average assets ⁽¹⁾⁽²⁾	2.02%	2.14%	2.08%	2.00%	2.02%

NON-GAAP RECONCILIATION

(Dollars in thousands)	2Q23	1Q23	4Q22	3Q22	2Q22
Adjusted pre-tax pre-provision income					
Net interest income	\$ 69,632	\$ 73,053	\$ 80,217	\$ 79,408	\$ 78,299
Noninterest income	6,024	7,859	(1,427)	5,681	7,186
Total revenue	75,656	80,912	78,790	85,089	85,485
Noninterest expense	49,132	51,239	48,203	50,962	48,612
Pre-tax pre-provision income ⁽¹⁾	\$ 26,524	\$ 29,673	\$ 30,587	\$ 34,127	\$ 36,873
Total revenue	\$ 75,656	\$ 80,912	\$ 78,790	\$ 85,089	\$ 85,485
Total noninterest income adjustments	-	-	7,708	-	-
Adjusted total revenue ⁽¹⁾	\$ 75,656	\$ 80,912	\$ 86,498	\$ 85,089	\$ 85,485
Noninterest expense	\$ 49,132	\$ 51,239	\$ 48,203	\$ 50,962	\$ 48,612
Total noninterest expense adjustments	(716)	(1,998)	261	(3,601)	(1,498)
Adjusted noninterest expense ⁽¹⁾	48,416	49,241	48,464	47,361	47,114
Adjusted pre-tax pre-provision income ⁽¹⁾	\$ 27,240	\$ 31,671	\$ 38,034	\$ 37,728	\$ 38,371
Average Assets	\$ 9,611,239	\$ 9,317,209	\$ 9,257,311	\$ 9,408,740	\$ 9,342,696
Pre-tax pre-provision ROAA ⁽¹⁾⁽²⁾	1.11%	1.29%	1.31%	1.44%	1.58%
Adjusted pre-tax pre-provision ROAA ⁽¹⁾⁽²⁾	1.14%	1.38%	1.63%	1.59%	1.65%
Efficiency Ratio ⁽²⁾	64.94%	63.33%	61.18%	59.89%	56.87%
Adjusted efficiency ratio ⁽¹⁾⁽²⁾	63.99%	60.86%	56.03%	55.66%	55.11%

NON-GAAP RECONCILIATION

(Dollars in thousands, except per share data)

	2Q23	1Q23	4Q22	3Q22	2Q22
Adjusted net income					
Net income ⁽¹⁾⁽²⁾	\$ 17,879	\$ 20,278	\$ 21,519	\$ 24,196	\$ 26,712
Adjustments:					
Noninterest income adjustments	-	-	7,708	-	-
Noninterest expense adjustments	716	1,998	(261)	3,601	1,498
Total adjustments	716	1,998	7,447	3,601	1,498
Tax impact of adjustments above ⁽²⁾	(212)	(591)	(2,202)	(1,065)	(443)
Adjustments to net income	504	1,407	5,245	2,536	1,055
Adjusted net income ⁽¹⁾⁽³⁾	\$ 18,383	\$ 21,685	\$ 26,764	\$ 26,732	\$ 27,767
Average Assets	\$ 9,611,239	\$ 9,317,209	\$ 9,257,311	\$ 9,408,740	\$ 9,342,696
ROAA ⁽⁴⁾	0.75%	0.88%	0.92%	1.02%	1.15%
Adjusted ROAA ⁽³⁾⁽⁴⁾	0.77%	0.94%	1.15%	1.13%	1.19%
Adjusted net income available to common stockholders					
Net income available to common stockholders	\$ 17,879	\$ 20,278	\$ 21,519	\$ 24,196	\$ 26,712
Adjustments to net income	504	1,407	5,245	2,536	1,055
Adjusted net income available to common stockholders ⁽³⁾	\$ 18,383	\$ 21,685	\$ 26,764	\$ 26,732	\$ 27,767
Average diluted common shares	58,026,007	59,206,619	59,725,283	60,492,460	61,600,615
Diluted EPS	\$ 0.31	\$ 0.34	\$ 0.36	\$ 0.40	\$ 0.43
Adjusted diluted EPS ⁽³⁾⁽⁵⁾	\$ 0.32	\$ 0.37	\$ 0.45	\$ 0.44	\$ 0.45

1. Net income for the three months ended December 31, 2022 includes a \$7.7 million pre-tax loss on sale of securities
2. Tax impact of adjustments shown at a statutory tax rate of 29.6%
3. Non-GAAP measure
4. Ratio presented on an annualized basis
5. Represents adjusted net income available to common stockholders divided by average diluted common shares

NON-GAAP RECONCILIATION

(Dollars in thousands)	2Q23
Adjusted Common Equity Tier 1 (CET 1) capital^(1,3)	
CET 1 capital	\$ 892,009
Less unrealized loss on AFS securities, net of tax	(38,103)
Less unrealized loss on HTM securities, net of tax	(43,197)
Adjusted CET 1 capital ⁽³⁾	\$ 810,709
Total risk-weighted assets ⁽²⁾	\$ 7,507,389
CET 1 ratio ⁽²⁾	11.88%
Adjusted CET 1 ratio, assuming AFS losses realized ⁽³⁾	11.37%
Adjusted CET 1 ratio, assuming AFS and HTM losses realized ⁽³⁾	10.80%