Customers Bancorp, Inc.

Analyst Day

October 15, 2018

Customers Bancorp, Inc.

AGENDA

I. Customers Bancorp: A brief history

- Jay Sidhu, Chairman and CEO

II. Positioning CUBI For the future

- Jay Sidhu, Chairman and CEO

A. Our view of the current banking environment
B. Current strategy to position CUBI for the future

a. Capital
b. Core Deposit and Loan Growth Strategies and Results to Date
c. Net Interest Margin Expansion Goals With Specific Tactics
d. Profitability Improvement Strategies with ROA & ROTCE Targets
e. Physical to digital revolution
f. Risk Management & Corporate Governance - *Robert White, CRO; Mike DeTomasso, General Counsel*

III. Business Line Update

A. CB Private & Commercial Banking

- Dick Ehst, President & COO, Customers Bank

B. Direct Digital Distribution Strategy

- Jim Collins, CAO & President, Digital Direct Bank

C. BankMobile

-Luvleen Sidhu, President, BankMobile; Bob Savino, CPO, BankMobile; Paul Young, CFO, BankMobile

a. 3 year goals
b. Student and Disbursements Business
c. White Label / BaaS Business Model
d. Technology
e. Strategy

IV. Putting it All Together

- Bob Ramsey, Director of Strategic Planning and Investor Relations

A. What will CUBI look like in 3 years?
B. Impacts on Q3 2018

V. Q&A

A Brief History of Customers Bancorp

Jay Sidhu, Chairman & CEO

October 2018

Customers Bancorp, Inc.

CUSTOMERS BANCORP: A BRIEF HISTORY

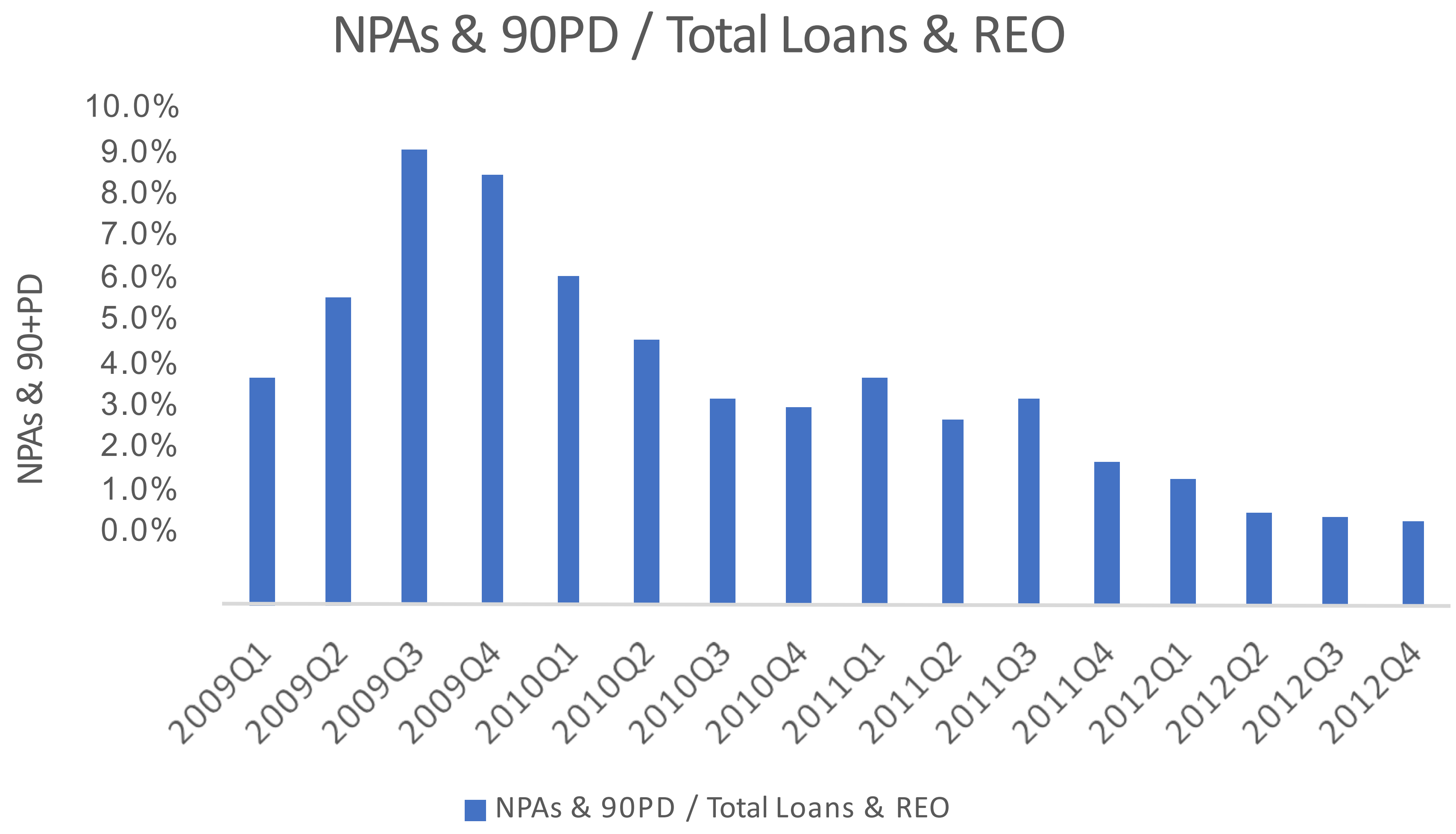
Started CUBI in 2009 to clean up a failing bank and do FDIC assisted deals

1. **New Century bank had ~$250 million in assets**

   - Mostly non-core deposits
   - 5 branches
   - > 9% NPAs & 90+PD / Loans & REO
   - < 6% TCE

2. **Strategy: Acquire a banking platform at no cost, do FDIC assisted deals, use the platform to build a "branch lite" business and consumer bank**

Legacy NPAs Worked Down From 2009 through2012



Source: Company Data, SNL Financial

CUSTOMERS BANCORP: A BRIEF HISTORY (CONT.)

Started CUBI in 2009 to clean up a failing bank and do FDIC assisted deals

3. **Completed 2 FDIC assisted deals**

   - USA Bank in July 2010, ISN Bank in September 2010
   - Added ~$305 million in assets
   - Boosted equity with $40.3 million bargain purchase gain

4. **Results:**

   - Acquired a "bank platform" at a gain (capital created)
   - Built Bank by being opportunistic
   - Began implementing organic "opportunistic growth strategies"

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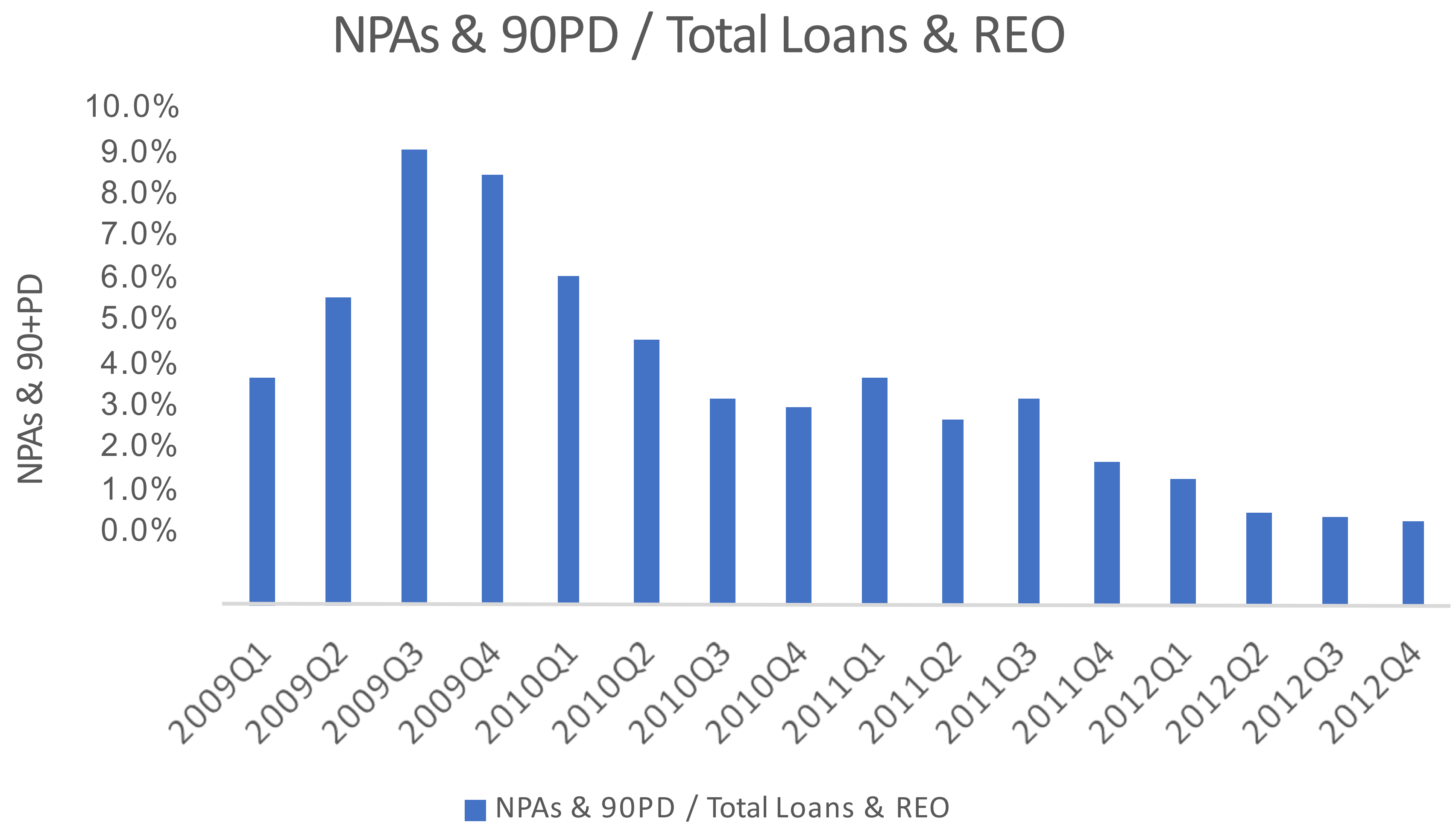
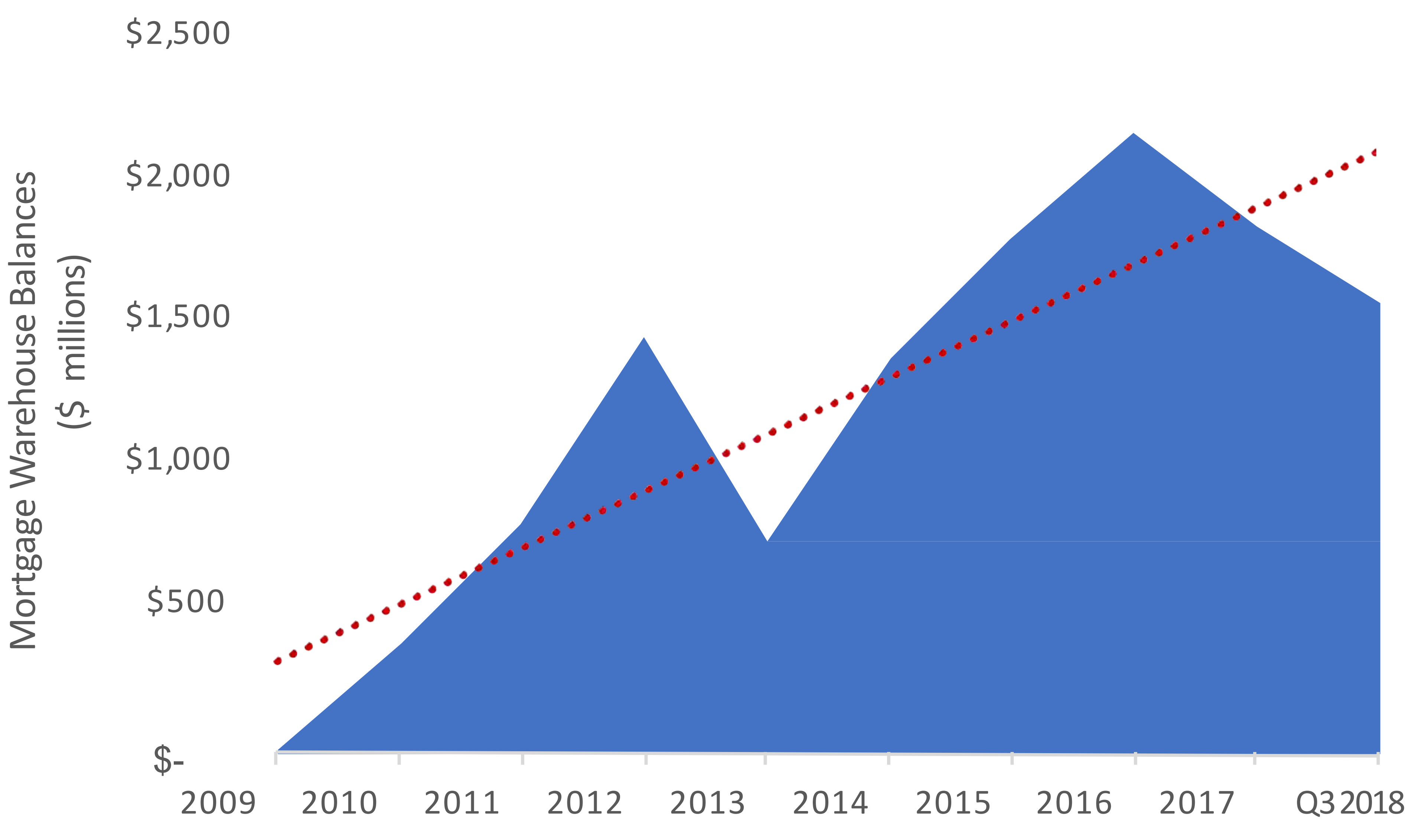


Source: Company Data, SNL Financial

OPPORTUNISTIC GROWTH STRATEGIES: *WAREHOUSE LENDING*

Period-End Mortgage Warehouse Balances



Source: Company Data

Developed Mortgage Warehouse Business

1. Recruited a team in late 2009 from GE Capital / Banco Popular

2. Continued to build out our infrastructure

Key Metrics

- Short duration asset (<30 days)
- Collateralized, no credit losses to date
- Loan yields today are above 5%
- Get non-interest bearing deposits equal to approximately 10% of loans
- Strong ROA profile
- Most profitable business in our bank

OPPORTUNISTIC GROWTH STRATEGIES: BUILDOUT C&I BUSINESS

Started buildout of commercial lending

1. **Focused on Single Point of Contact (“SPOC”) model**

2. **“Branch Lite”**

3. **Recruit teams who bring long-established client relationships**

4. **We have recruited 20+ teams**

5. **Accelerated with 2013 acquisition of New England team and loan portfolio from Flagstar Bancorp**

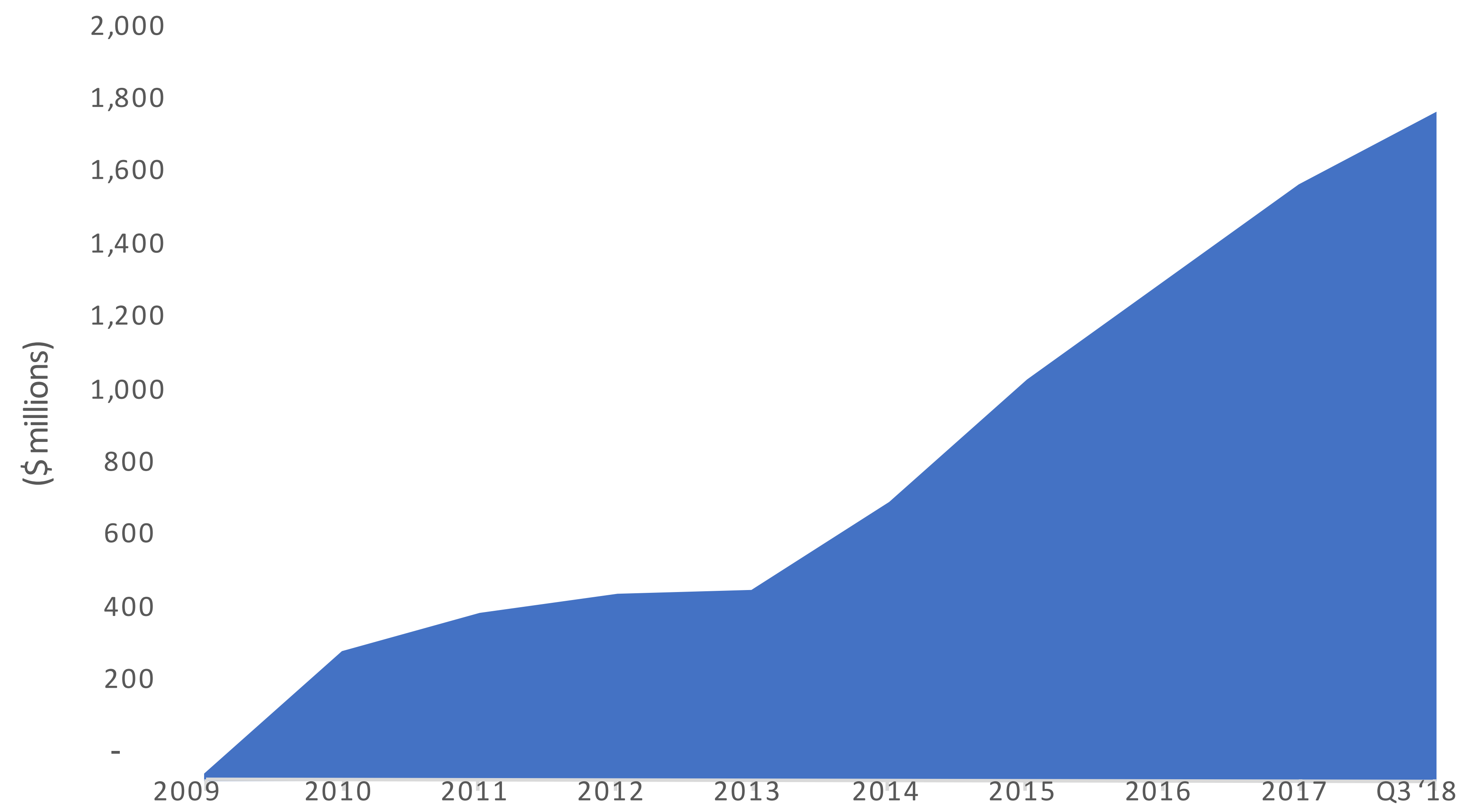
6. **Opened a few select denovo branches and 3 loan production offices to build a strong and unique presence in New York, New England, Pennsylvania/ New Jersey, Chicago and Washington, DC**

Opportunistic Strategies to Build Out C&I (CONT.)

Key Metrics

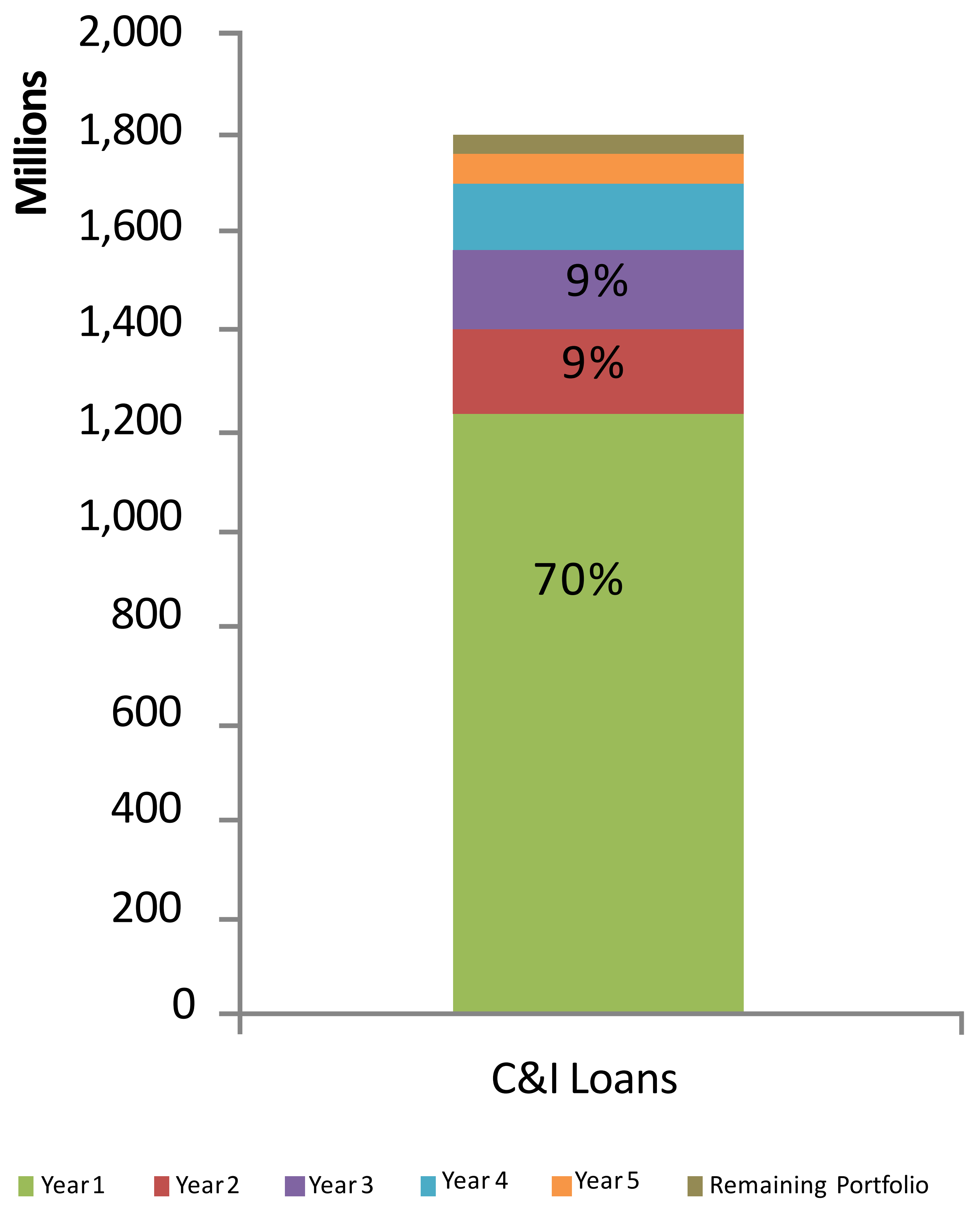
1. 70% of loans reprice within 1 year
2. Loan yields today are right at 5%, but higher in equipment finance and healthcare niches
3. Require compensating deposit balances

Period-End C&I / Owner Occupied CRE Loans



Source: Company Data

C&I / Owner Occupied CRE LoanRepricing



Source: Company Data, as of August 31, 2018

OPPORTUNISTIC GROWTH STRATEGIES: MULTIFAMILY

Built a great NYC focused Multifamily business

1. **Goal was to build profitability and minimize volatility from mortgage warehouse with a foundation of stable, high quality assets**

2. **While we like the asset class, today the spreads are not attractive, interest rate risk is high, and so we are de-emphasizing**

Key Metrics

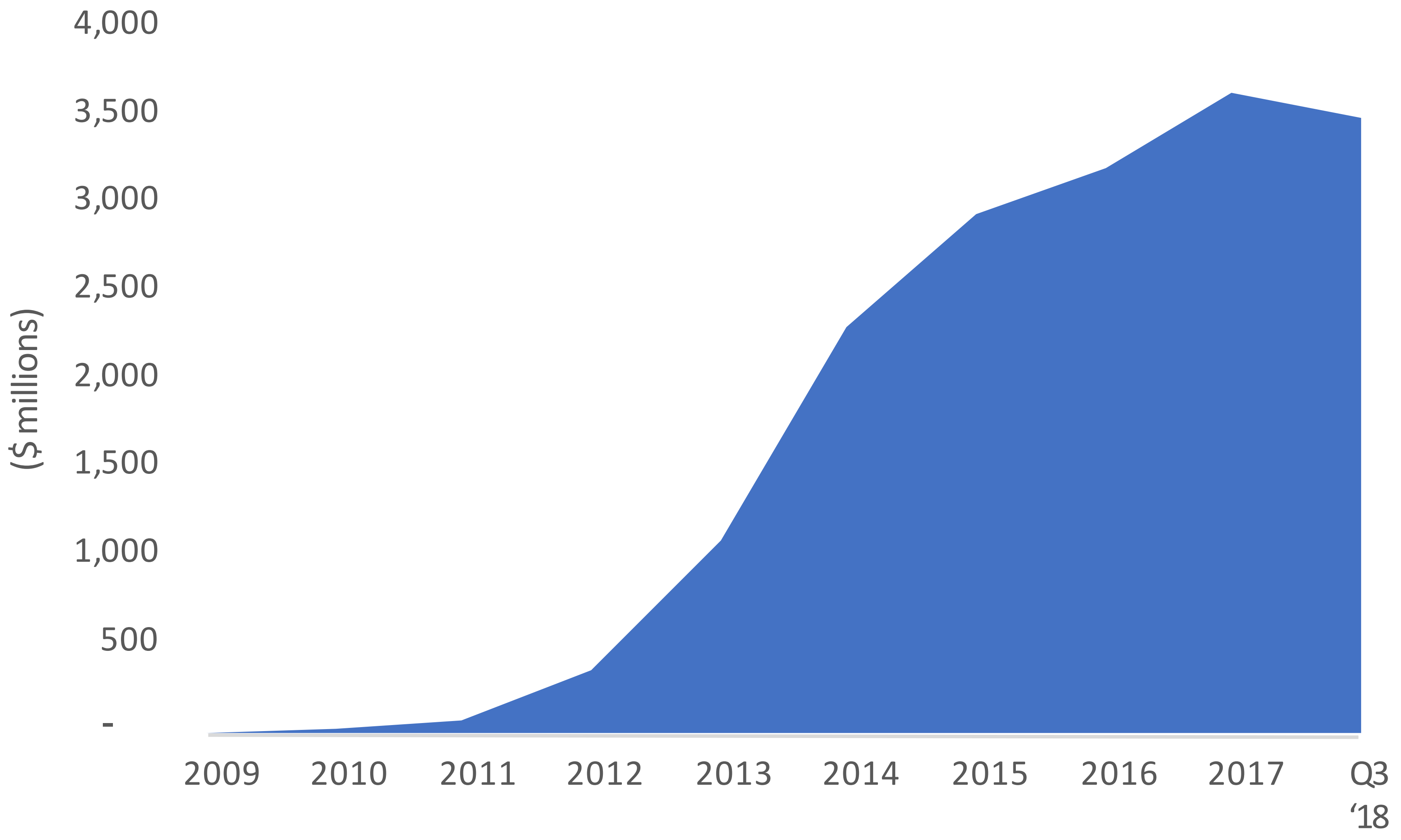
1. **Portfolio yield is below 4%, and relatively long duration assets**

2. **We have stopped originating new loans given market rates only slightly above 4%**

3. **Focus on metro New York apartments subject to rent regulation**

4. **We have never had a credit loss**

Period-End Multifamily Loans



Source: Company Data

OPPORTUNISTIC GROWTH STRATEGIES: MULTIFAMILY (CONT.)

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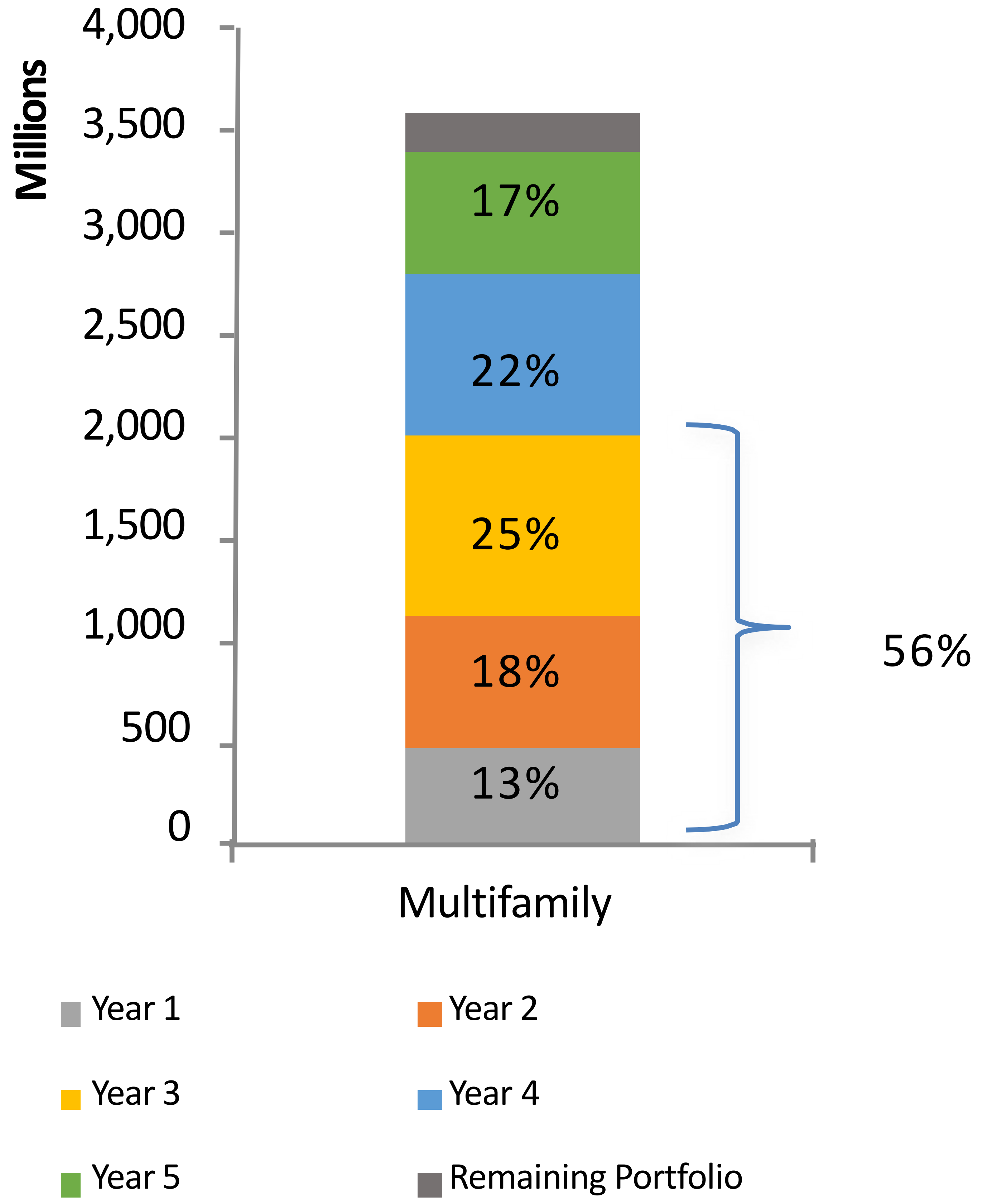
Multifamily Loan Repricing



Source: Company Data, as of August 31, 2018

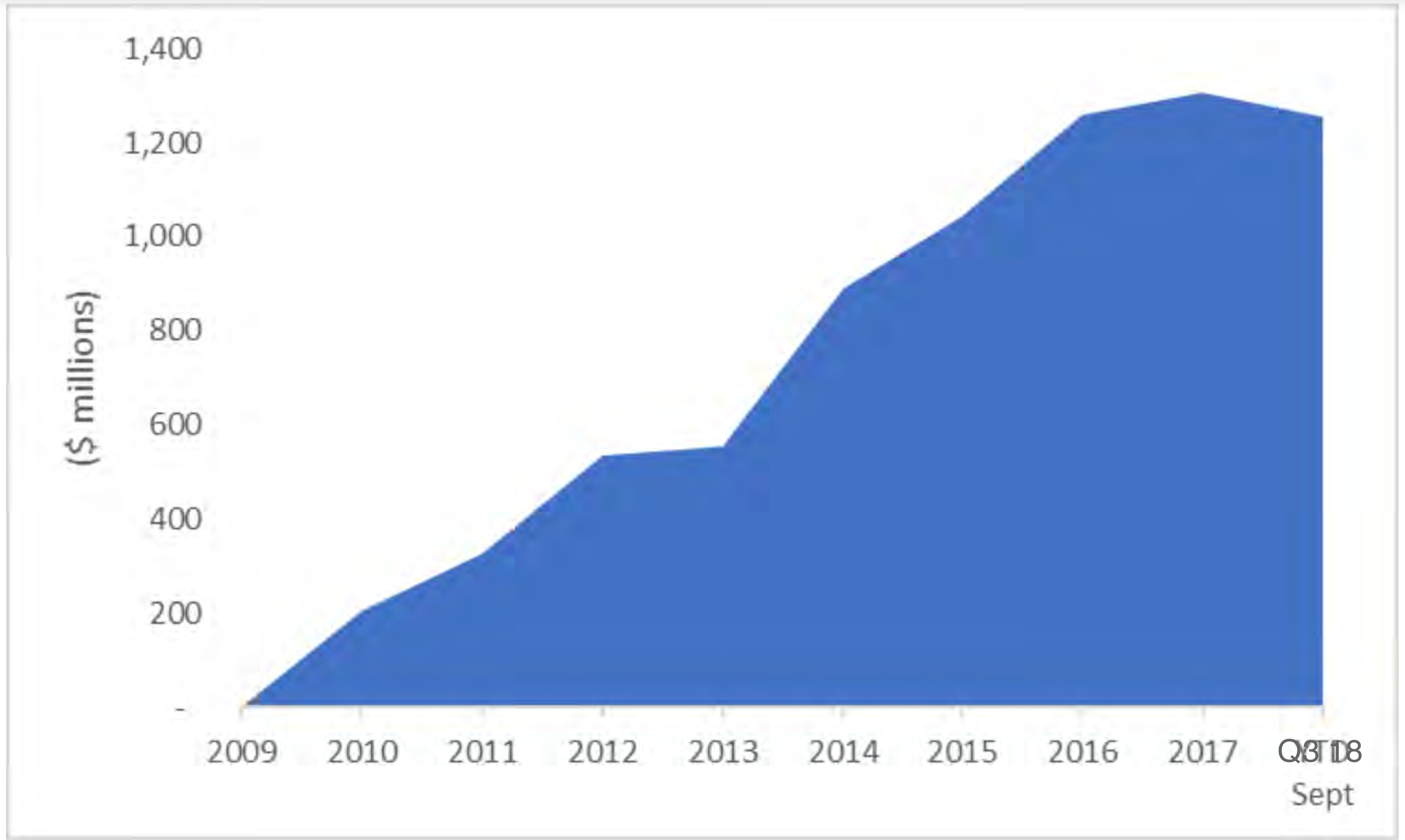
OPPORTUNISTIC GROWTH STRATEGIES: OTHER CRE

Our commercial real estate portfolio has had steady growth and makes up approximately 14% of total loans.

Key Metrics

1. **Portfolio yield is just over 4%**
2. **Underwriting focused on conservative loan / values and debt service coverage ratios**

Period-End NOO CRE Loans



Source: Company Data

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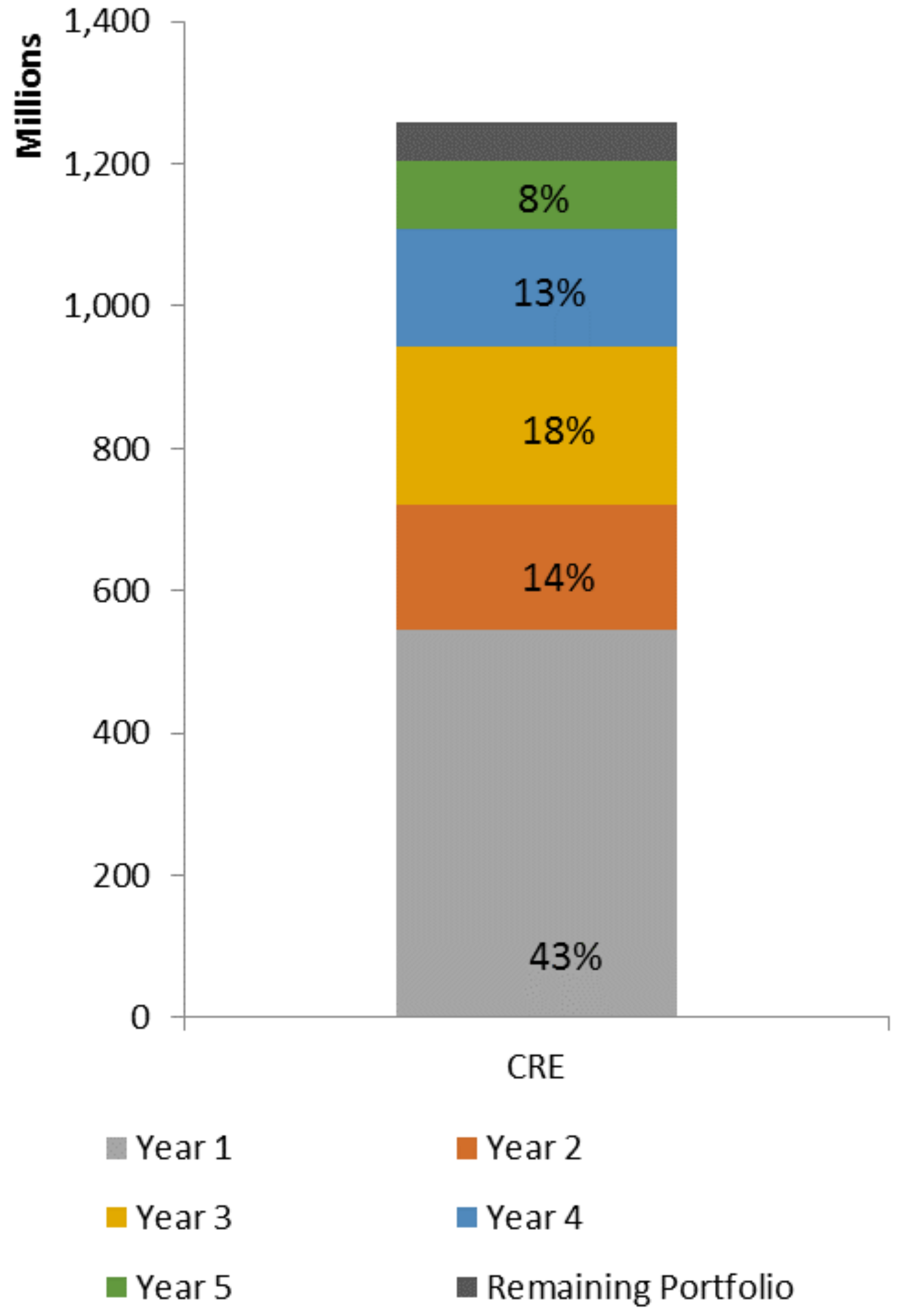
NOO CRE Loan Repricing



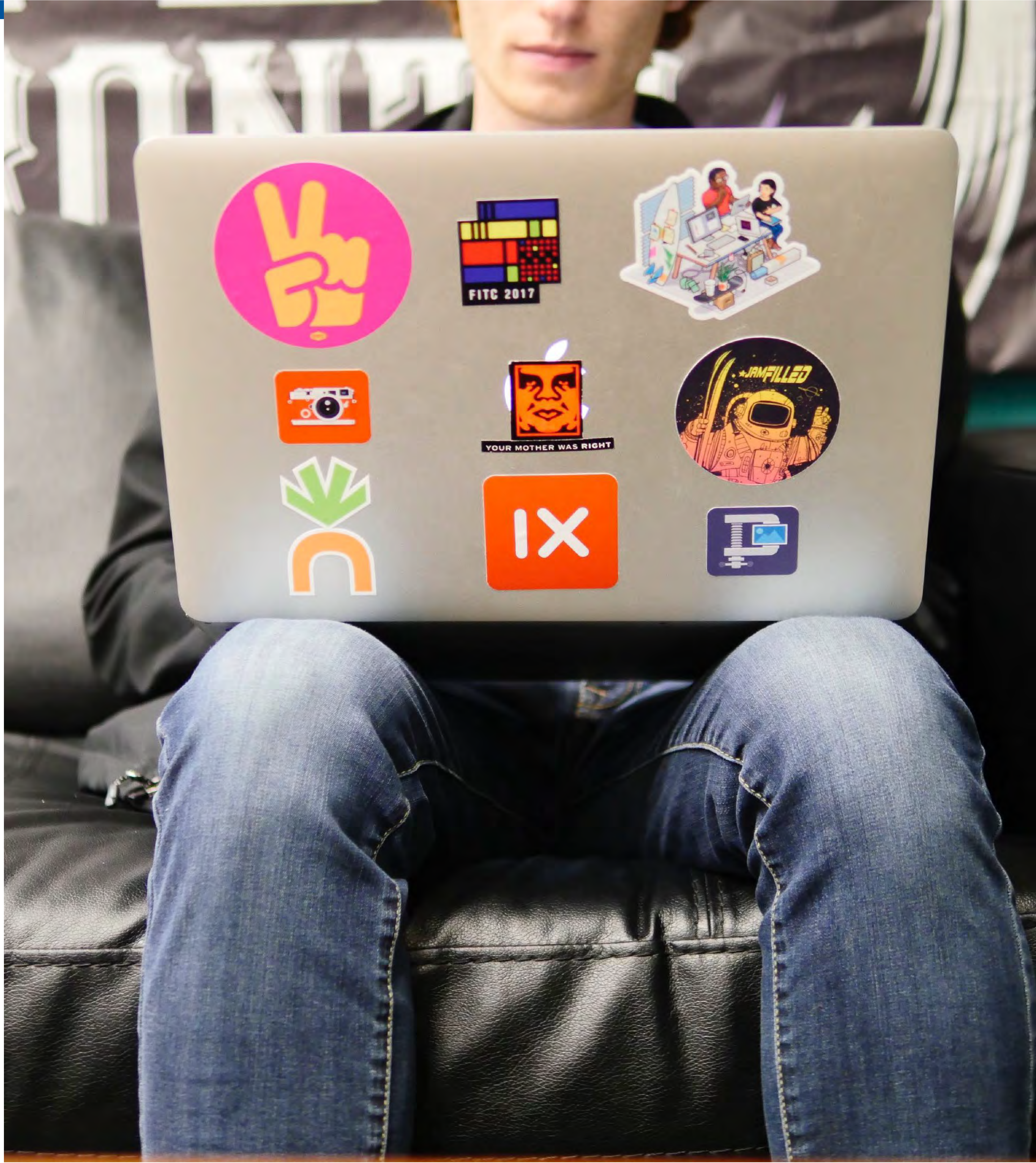
Source: Company Data, as of August 31, 2018

OPPORTUNISTIC GROWTH STRATEGIES: BANKMOBILE

Recognizing the changing consumer behavior and advent of mobile technology, we launched BankMobile in 2016.

Today BankMobile has:

1. **1.0 million active customers**
2. **726 campuses serviced**
3. **$31 million YTD (9/30/18) non-interest revenues**
4. **$732 million (9/30/18) of demand deposits**
5. **We will launch our first White Label partnership in Q4 2018**



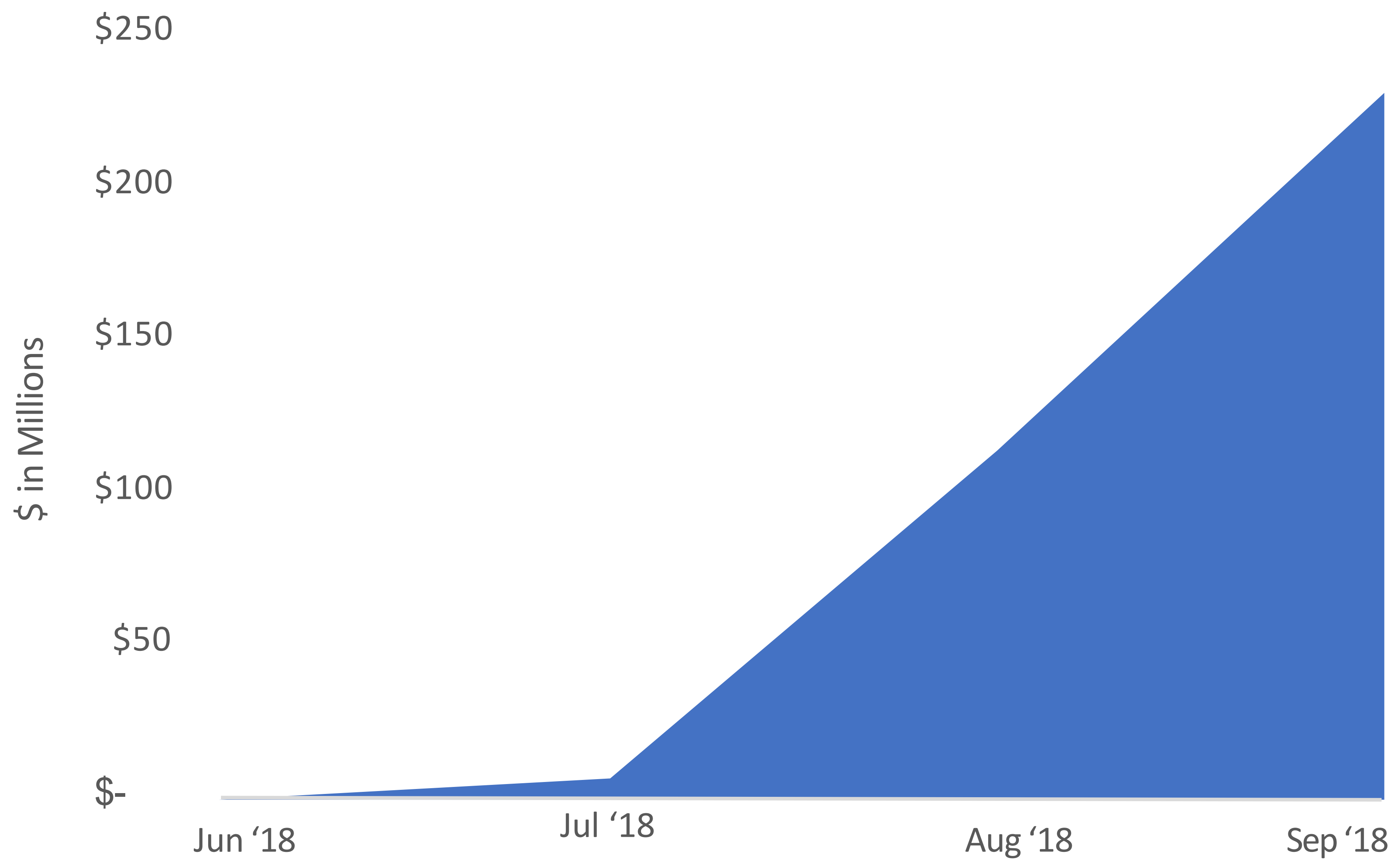
OPPORTUNISTIC GROWTH STRATEGIES: DIGITAL DIRECT BANKING

Launched a new digital platform in late June, which has had steady growth.

Key Metrics

1. **Digital offering for high income / high net worth individuals**

Period-End Online Deposits



Source: Company Data

CUSTOMERS TODAY: 3 DISTINCT DIVISIONS

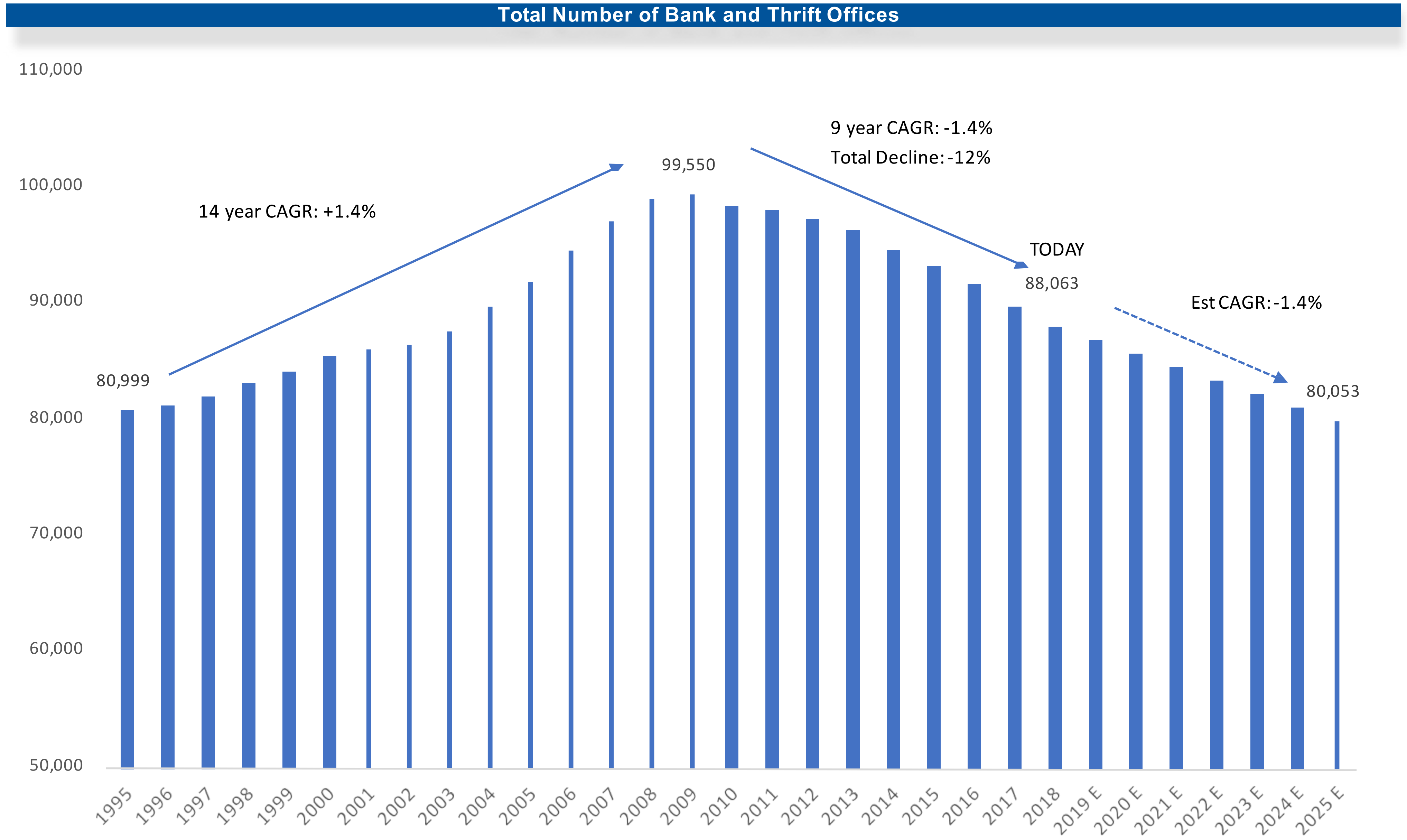
Customers Bank

CB Private & Commercial Banking	+	CB Digital Direct Banking	+	BankMobile
Launched in late 2009		Launched in Q3 2018		Launched in mid-2016

Our View of the Current Banking Environment

October 2018

Customers Bancorp, Inc.



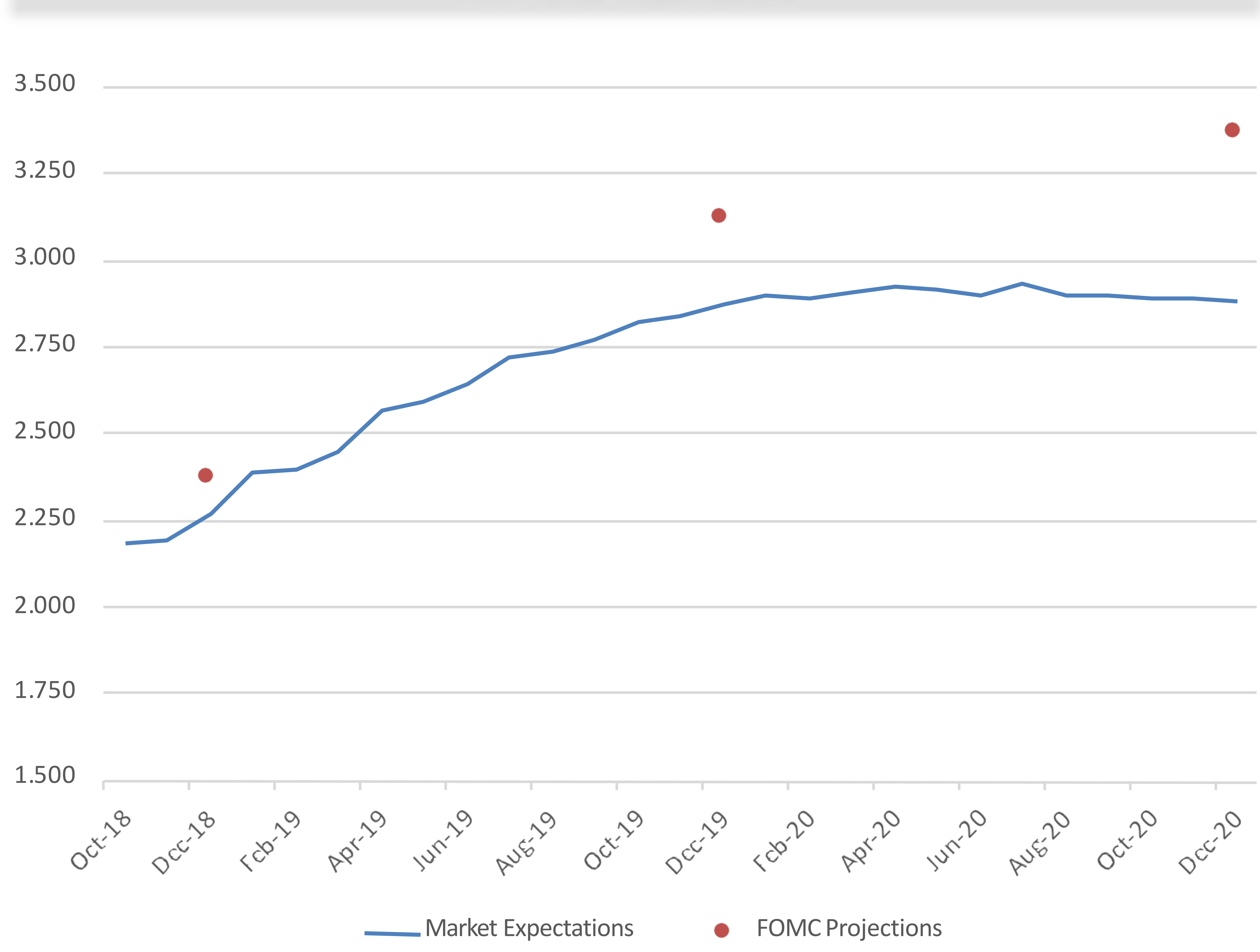
Source: FDIC Summary of Deposits; Company estimates

BRANCHES ARE IN DECLINE

Nationally, branches are in decline

1. **Our branch-lite strategy is to enter new markets with LPOs**
2. **We plan to follow with a limited number of new branches added to our private banking offices over next 2-3 years**
3. **Currently in 5 markets (New York, New England, Pennsylvania / New Jersey, Chicago, and DC). We do not envision entering any new geographies over next 2-3 years**

Fed Funds Expectations



RATES ARE ON THE RISE

The Fed has raised short-term rates 200 bps since late 2015. The consensus view is for another increase this year (4 total) and 2-3 more increases in 2019, but the Federal Reserve's Dot Plot suggests it could be more.

WHEN IS THE NEXT RECESSION COMING?

We know a recession will come, but are we getting close?

Recession Dashboard

Start of Recession	Yield Curve	Inflation Trends	Job Creation	Credit Perform	ISM Mfg.	Earnings Quality	Housing Market
Nov-73	⇩	⇩	⇩	⇩	⇩	--	⇩
Jan-80	⇩	⇩	⇩	⇩	⇩	--	⇩
Jul-81	⇩	⇧	⇧	⇩	⇩	--	⇩
Jul-90	⇩	⇩	⇩	⇩	⇩	⇩	⇩
Mar-01	⇩	⇩	⇩	⇩	⇩	⇩	⇔
Dec-07	⇩	⇩	⇔	⇩	⇩	⇩	⇩
Present	⇧	⇔	⇧	⇧	⇧	⇧	⇧

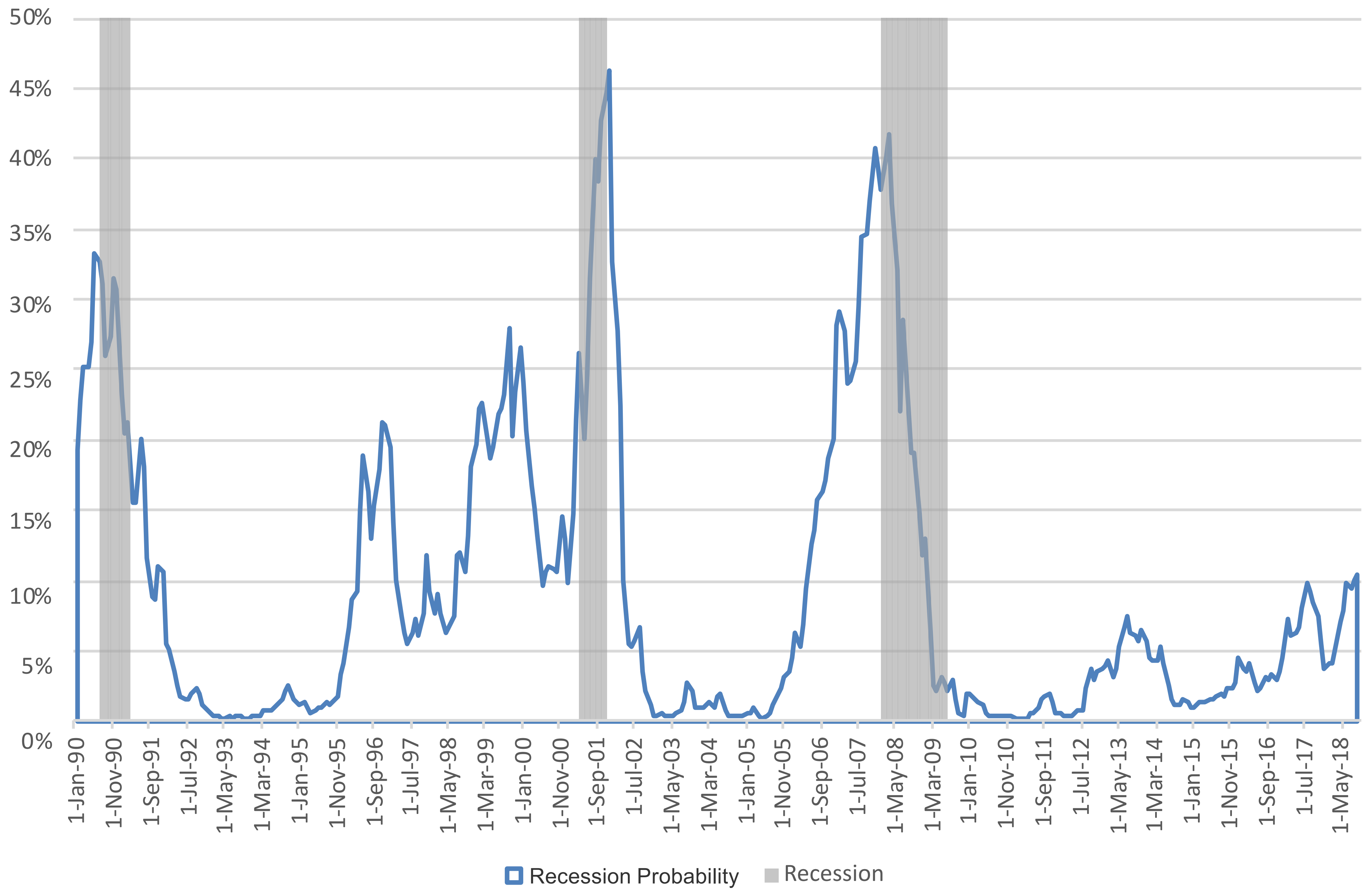
Key: ⇩ Recessionary ⇧ Expansionary ⇔ Neutral

Source: Second Curve, Jonathan Golub, Credit Suisse; "S&P 500 to 3,350," 10/4/18; BLS, Haver Analytics, Credit Suisse

WHEN IS THE NEXT RECESSION COMING?

While a recession will come eventually, it seems that the economy is strong and the near-term likelihood of a recession is low.

New York Fed Probability of Recession in Next 12 Months



Source: NY Federal Reserve

STRATEGIES TO MANAGE IN THIS ENVIRONMENT

Our Strategies

1. **Continue to take advantage of our unique lower distribution costs with emphasis on digitizing the entire bank, build on our branch lite model, with positive operating leverage**

2. **Focus on strategies for significant deposit growth at a lower cost; continue to be laser focused on risk management**

3. **Manage the balance sheet for higher rates, but also evaluate the risks of lower rates**

4. **Acquisitions can add value, but need to be both financial and strategic in this environment**

   - We are focused on organic growth
   - Would consider acquisitions selectively of solid teams in high growth markets if opportunities presented themselves at the right price.
   - We will leverage existing strategies (CB Private & Commercial, CB Direct, BankMobile) to find short-term and long-term value where others don't see it.

WHAT'S NEXT?
HIGHLIGHTS OF OUR 3 YEARPLAN

Our spin-merge plans are on hold, we expect to keep BankMobile for the next 2-3 years.

1. Decision reflects complications with regulatory process for spin/merge, and the value we expect from the launch of our first White Label partner
2. BankMobile's future is bright, its new "White Label" partnership is expected to be launched soon and we are excited about its prospects as part of Customers Bancorp
3. We will continue to annually evaluate the best option for BankMobile

We will stay below $10 billion in assets while growing our core businesses.

1. We will continue to grow our 3 core businesses: CB Private and Commercial Banking, CB Digital Direct Banking, and BankMobile
2. Other non-core, areas will decline to make space, namely Multifamily and high rate non-core deposits and borrowings

WHAT'S NEXT?
HIGHLIGHTS OF OUR 3 YEAR PLAN(Cont.)

We will strengthen our balance sheet and improve profitability

1. **With a smaller balance sheet and BankMobile's core deposit growth, we expect to significantly improve our funding mix, deposit cost, net interest margin, liquidity, capital ratios, and profitability**

We will focus on digitization of the bank and serving our customers

Within 3-5 years, we aspire to become a bank with an ROA of 1.25%+, TCE ratio>7.0%, a strong core deposit franchise and very unique "Bank of Future" strategies, improving franchise value.

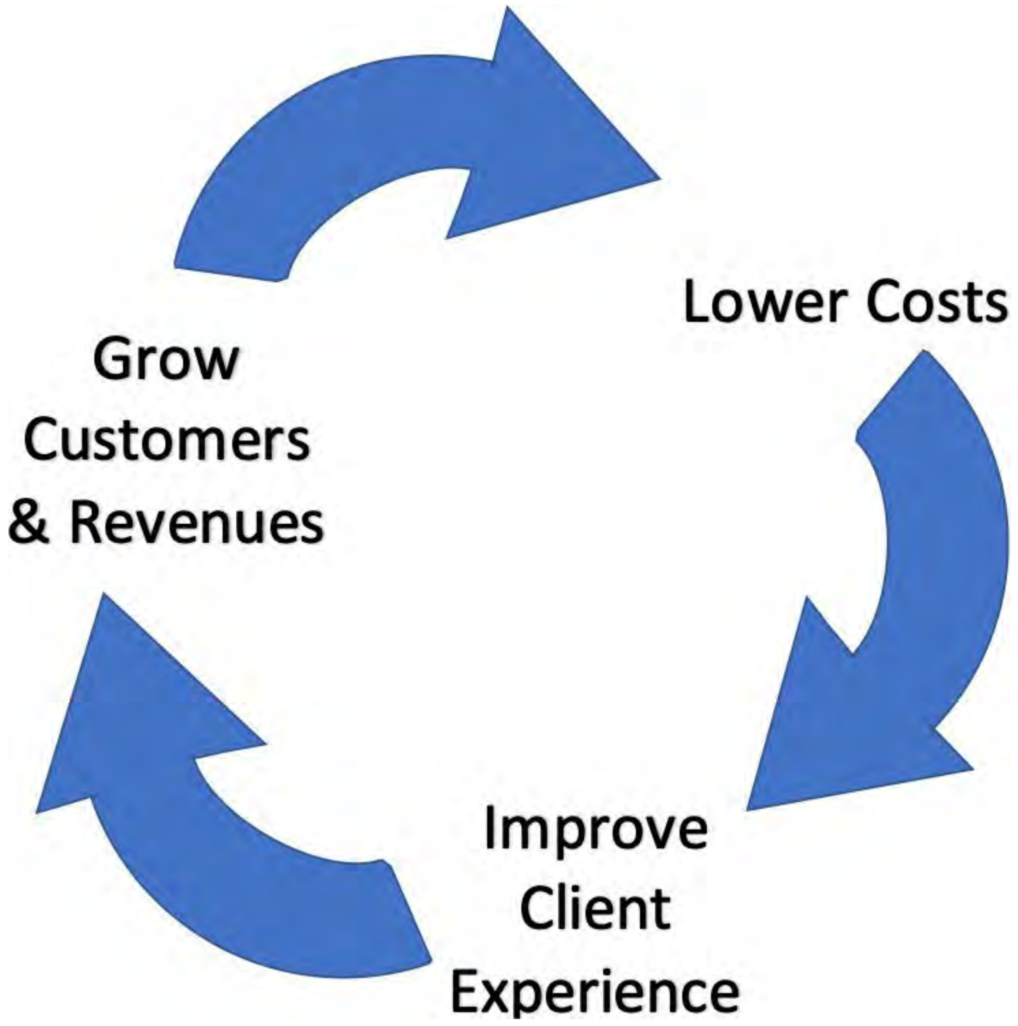
Our Strategy to Position CUBI for the Future

October 2018

Customers Bancorp, Inc.

Overall Strategies to Position for the Future

Our High Level Strategies



1. Focus on the digitization of all three operating lines of business
2. Continue to build "CB Private and Commercial Banking," "Direct Digital Bank," and BankMobile while deemphasizing non-core businesses
3. Embrace a virtuous competitive cycle
4. Differentiation must be based on delivery of service and measurable client satisfaction
5. New pricing models, with bundling, and personalized products, specifically for the consumer
   - Pricing that is aligned with value to the client
   - Traditional banks will be unable to do this due to heavy cost of distribution networks
6. Build out BaaS (Banking as a Service). Intermediaries are very critical for success in a digital world

CONSOLIDATED BANCORP CAPITAL

We target a Tangible Common Equity Ratio Greater than 7% and expect to be around 7.5% by year-end.

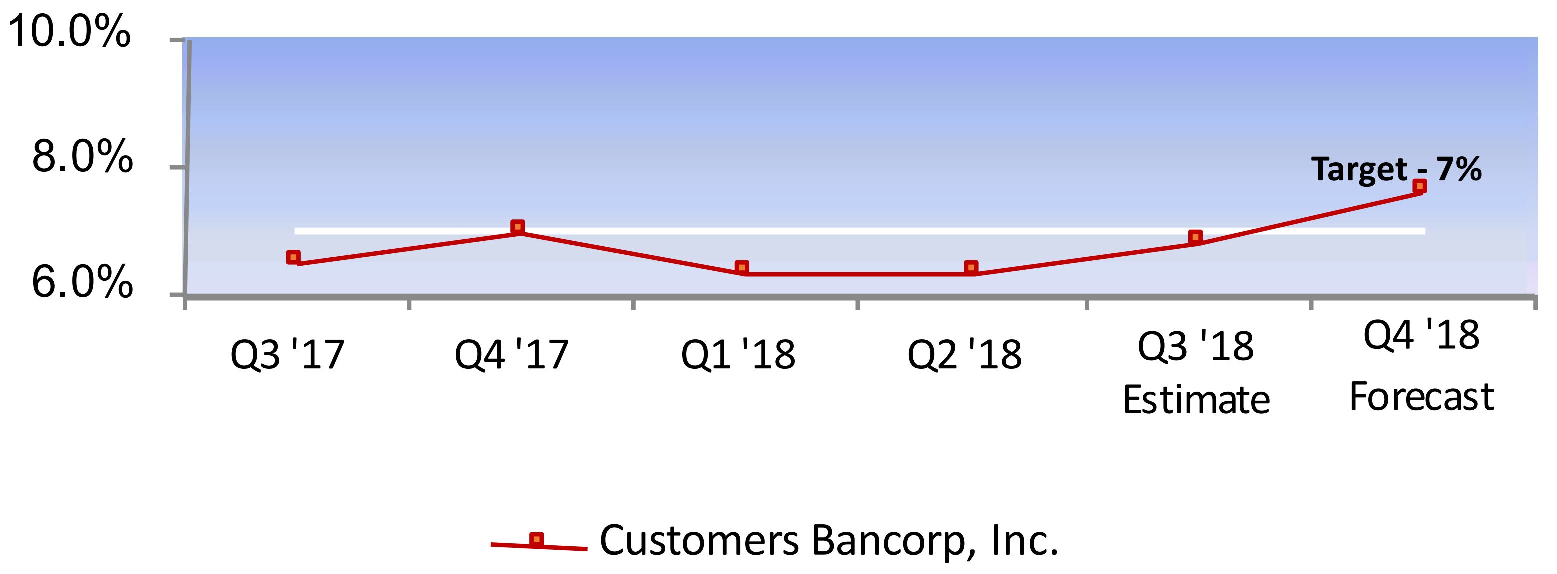
1. Today we have more preferred equity than peers, meaning that while CET1 and TCE ratios are narrower than peers, other regulatory capital ratios are closer. At the right price, we could call preferred and/or replace with common in an EPS accretive transaction once preferred can be called.

2. Tangible Common Equity / Tangible Assets is not a regulatory capital measure, but we understand it is important to equity investors and so we target a ratio above 7%. We expect that we will be there by year-end.

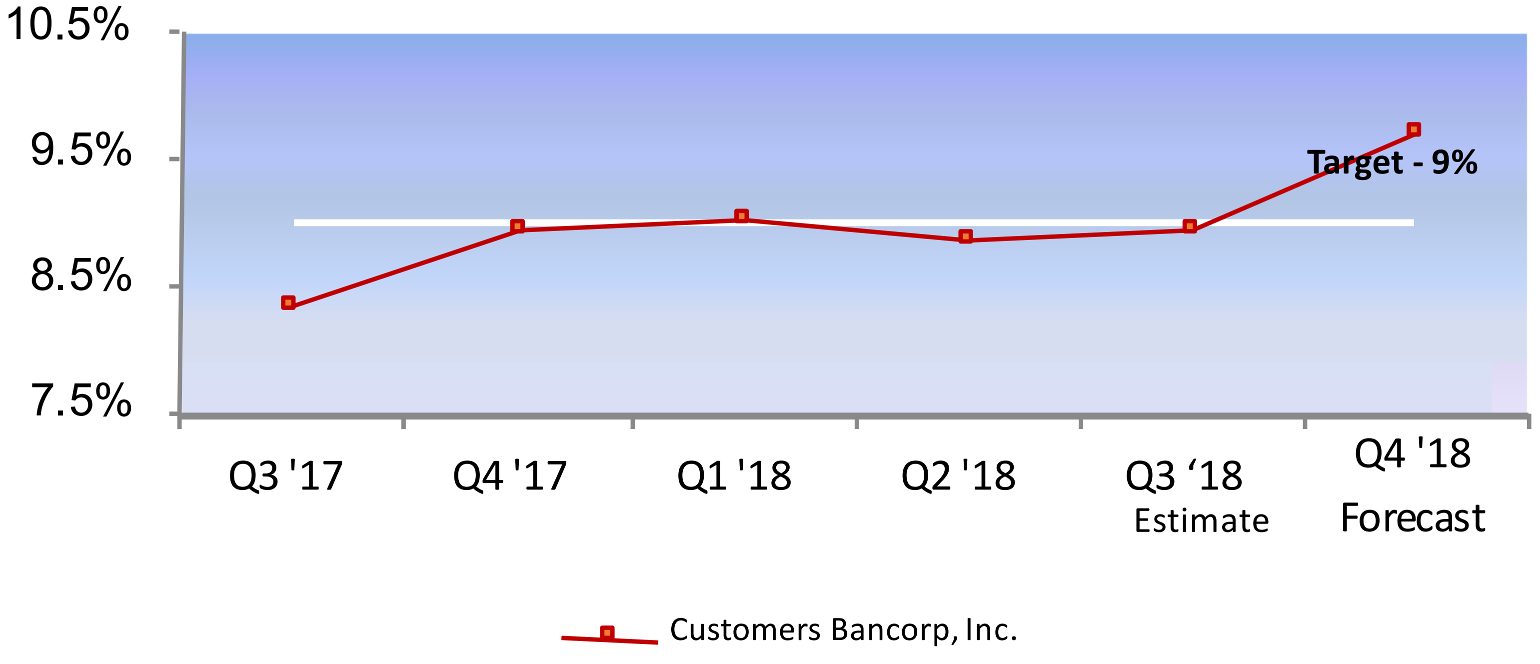
3. Share repurchases would be an accretive option. Our Board will visit this issue on a regular basis.

*TCE/TA is a non-GAAP measure, calculated as GAAP total shareholders equity less preferred stock and goodwill and other intangibles, divided by total assets less goodwill and other intangibles.
All Q3 2018 ratios are estimates

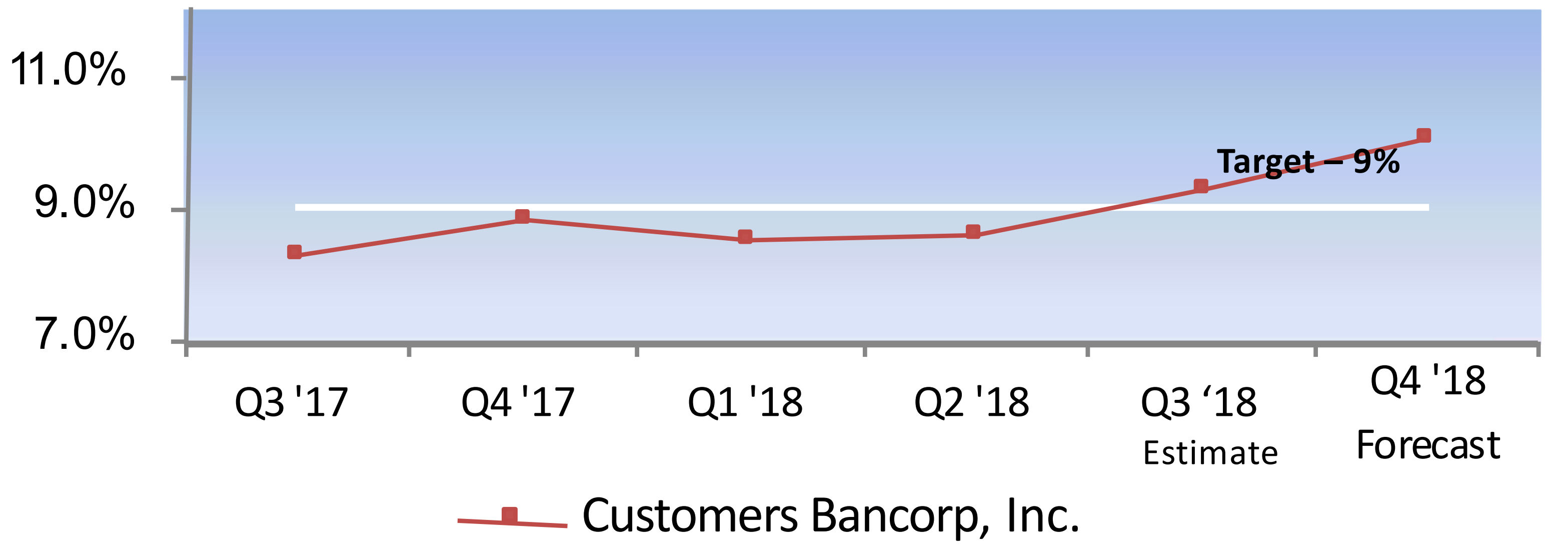
Consolidated Bancorp - TCE / TA*



Consolidated Bancorp - Tier 1 Leverage



Consolidated Bancorp - CET 1



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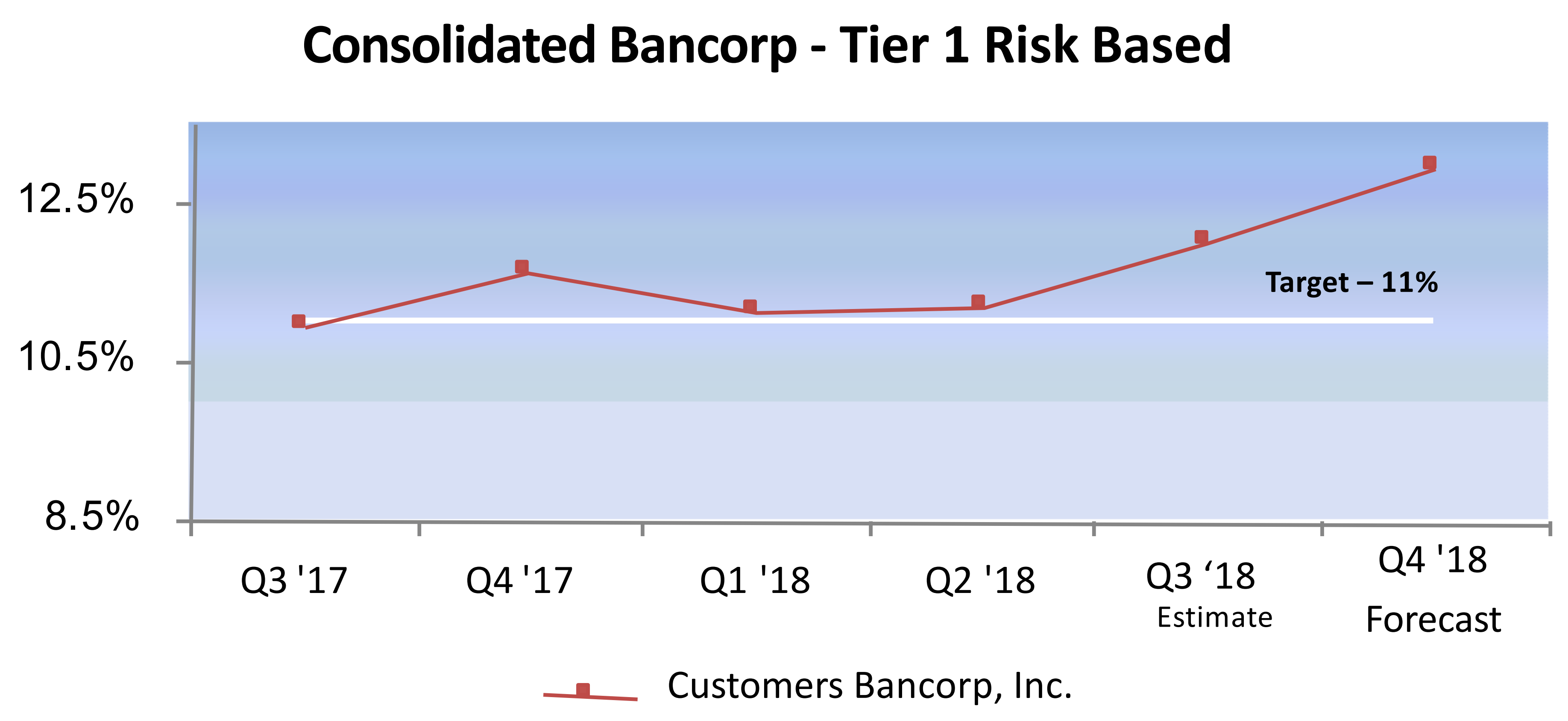
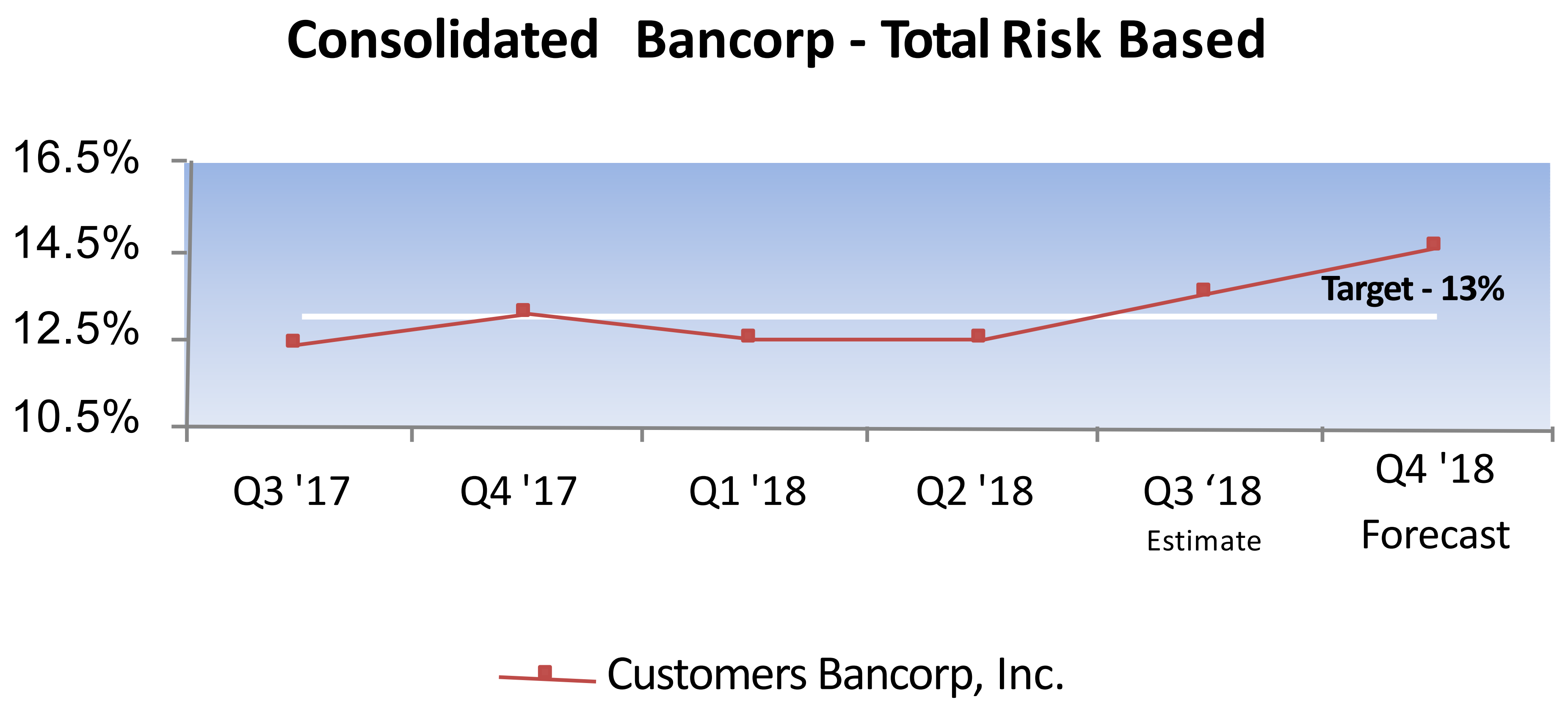
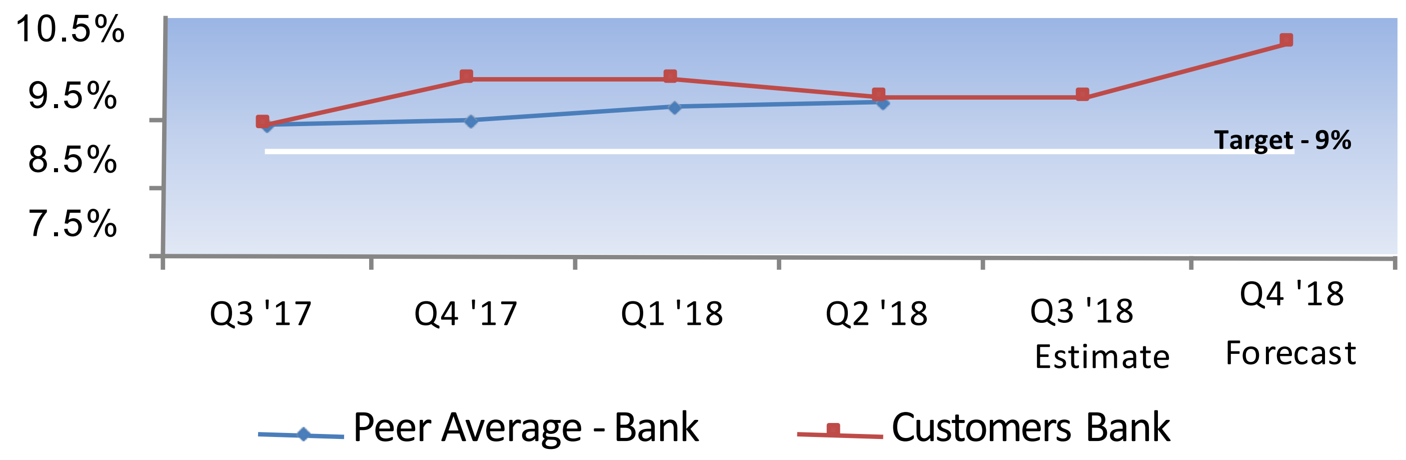




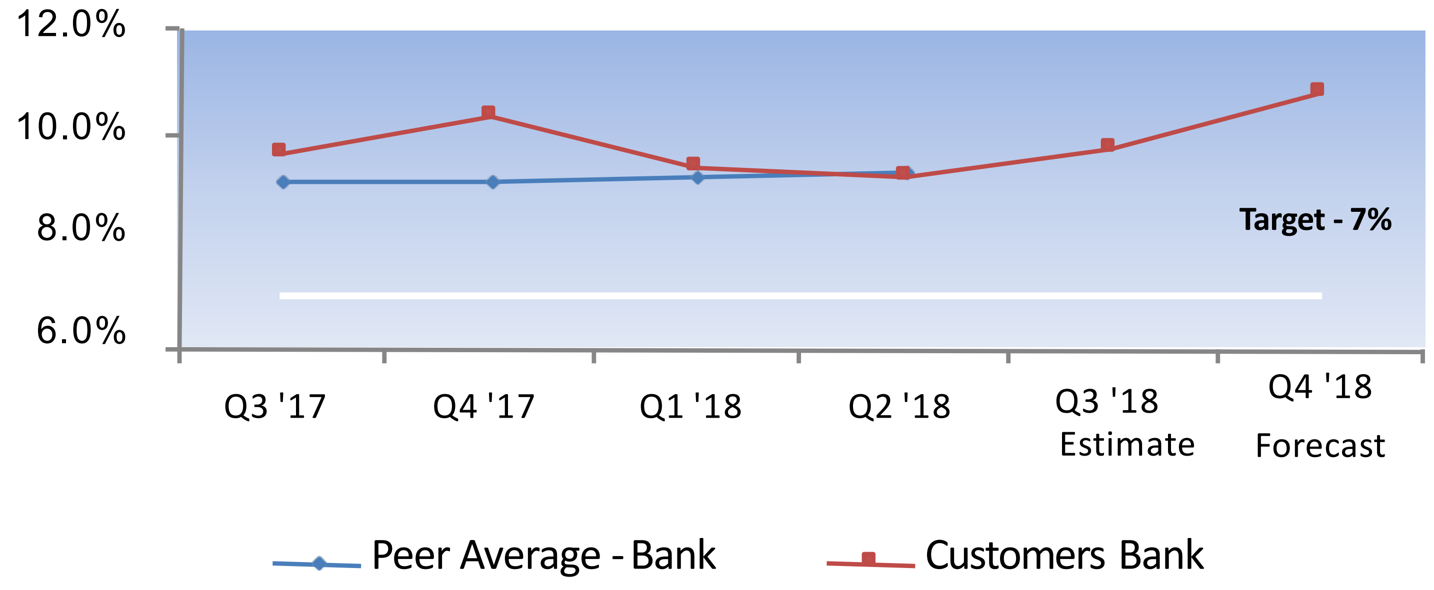
All Q3 2018 ratios are estimates

BANK CAPITAL

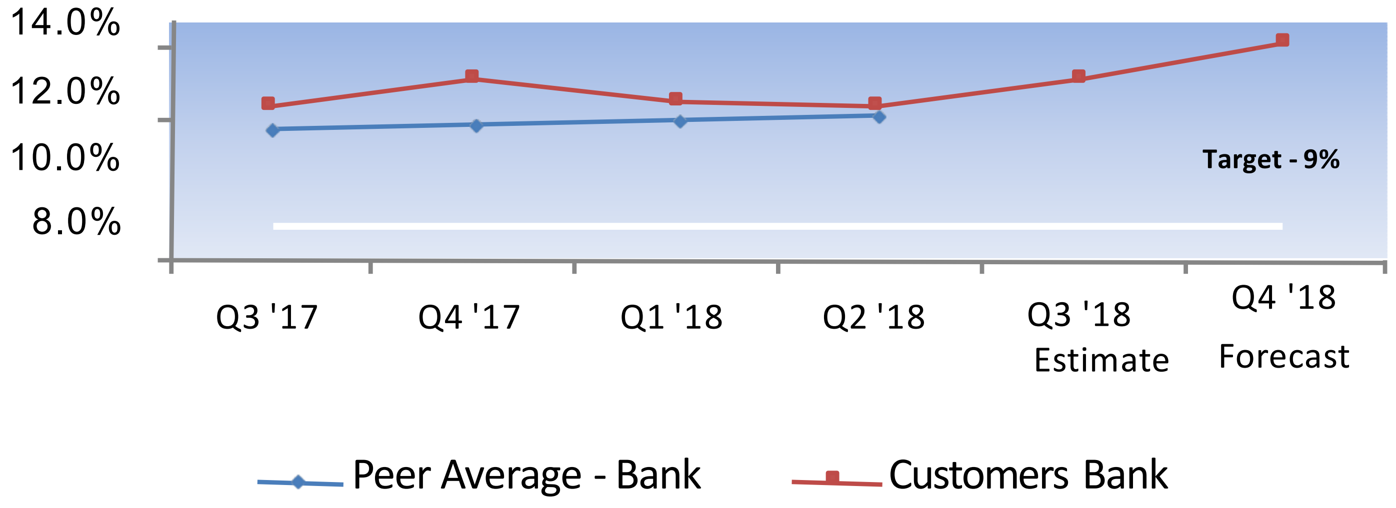
Bank - Tier 1 Leverage



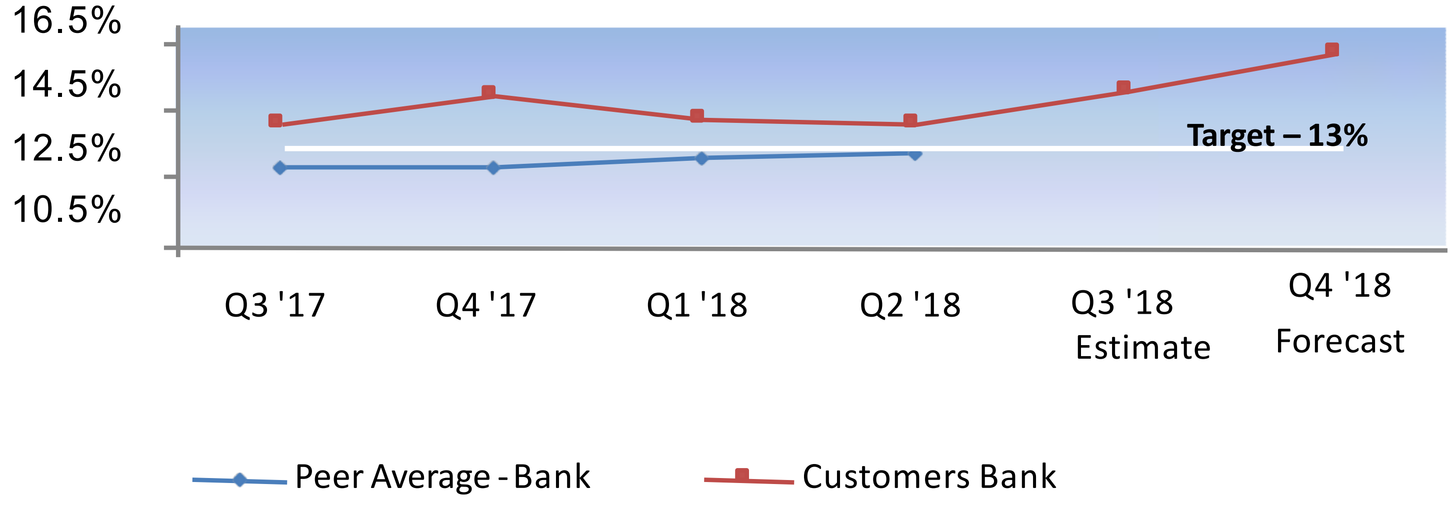
Bank - TCE / TA*



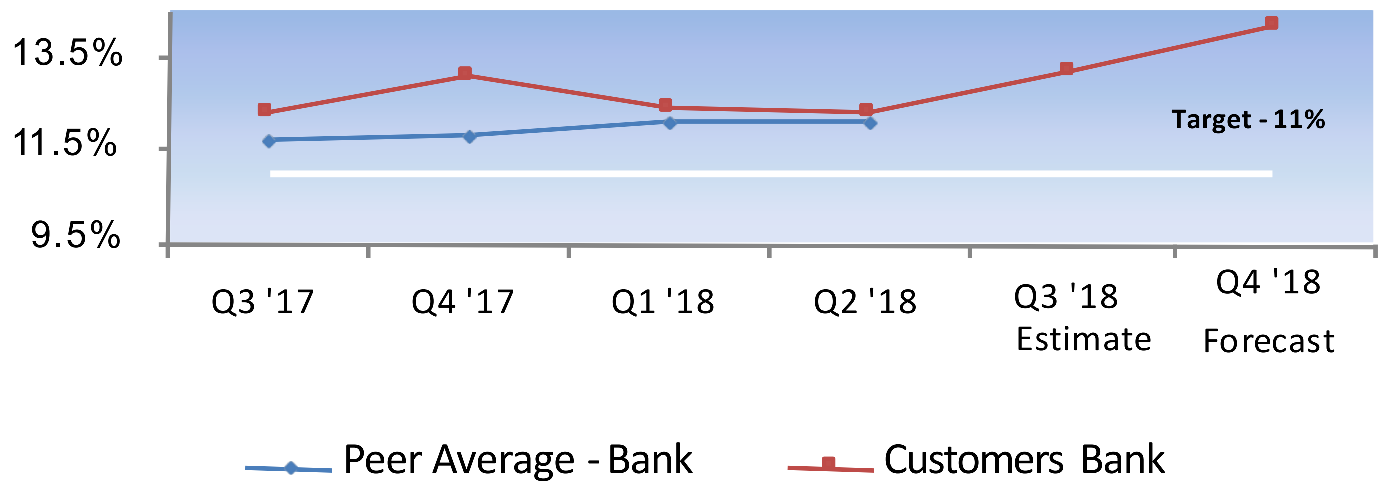
Bank - CET 1



Bank - Total Risk Based



Bank - Tier 1 Risk Based



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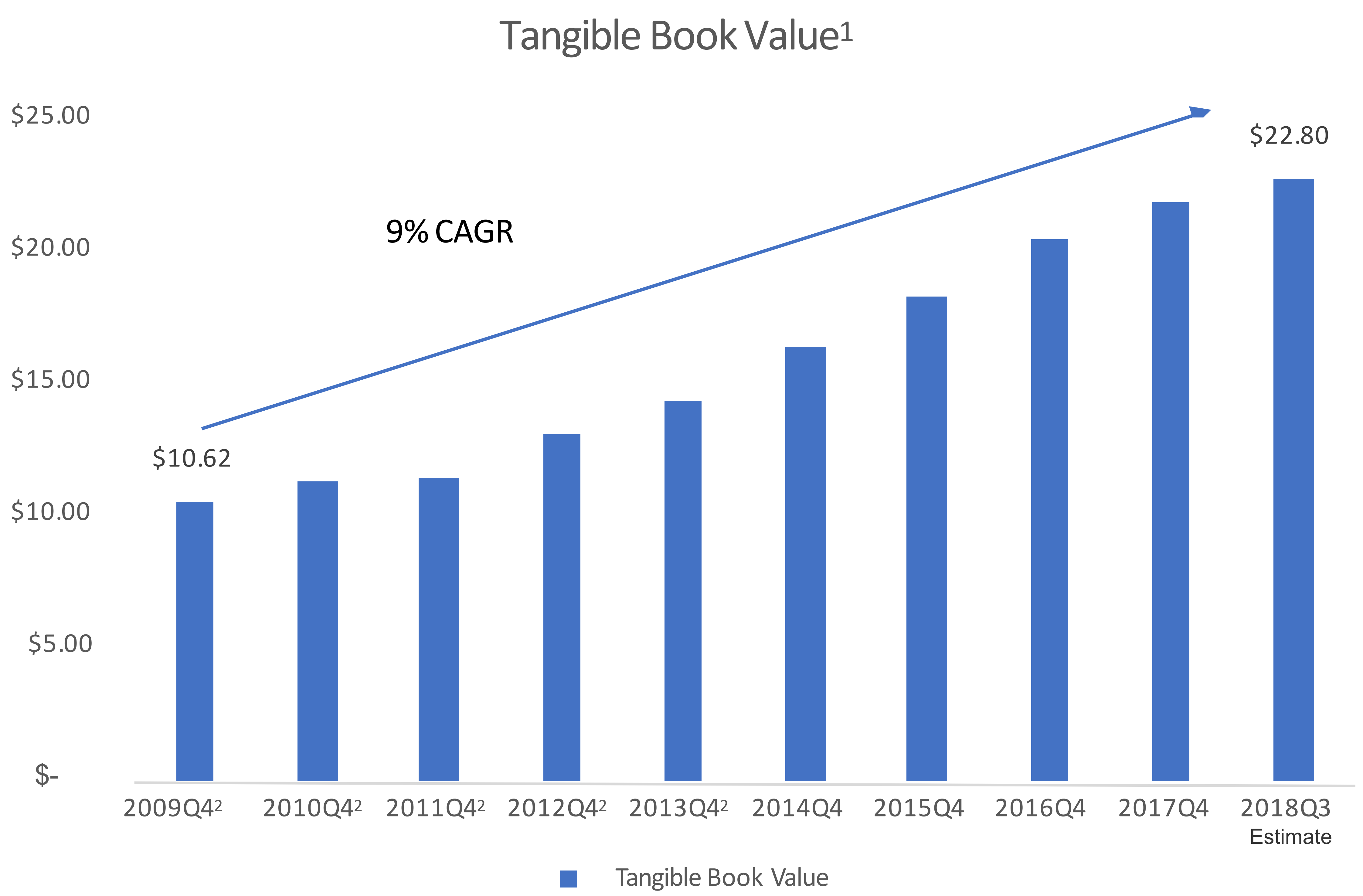
All Q3 2018 ratios are estimates

A FOCUS ON GROWING TBV

CUBI is currently trading below TBV!

TBV Growth



Source: Company Data, SNL Financial

[1] Tangible book value (TBV) is a non-GAAP measure, calculated as GAAP total shareholders equity less preferred stock and goodwill and other intangibles, divided by common shares outstanding at period end.
[2] Per share amounts have been adjusted to reflect the 10% stock dividend declared on May 15th 2014 and issued on June 30th 2014
Q3 2018 TBV is an estimate

SPECIFIC STRATEGIES: CORE DEPOSITS GROWTH

We are targeting a stronger mix of core deposit funding.

Q3 Trends:

1. Strong deposit growth of $1.2B just in Q3 2018 resulted from deliberate efforts to grow now to build up deposits ahead of future rate hikes, which was reflected in a large Q3 deposit beta. Deposit beta should be lower in Q4 and will benefit in 2019 as BankMobile's White Label partnership takes off.

2. Today, bank borrowings are only about $0.4 billion down $500 million from $0.9 billion at September 30, 2018

SPECIFIC STRATEGIES: CORE DEPOSITS GROWTH (Cont.)

We are targeting a stronger mix of core deposit funding.

Q4 2018, 2019, and beyond

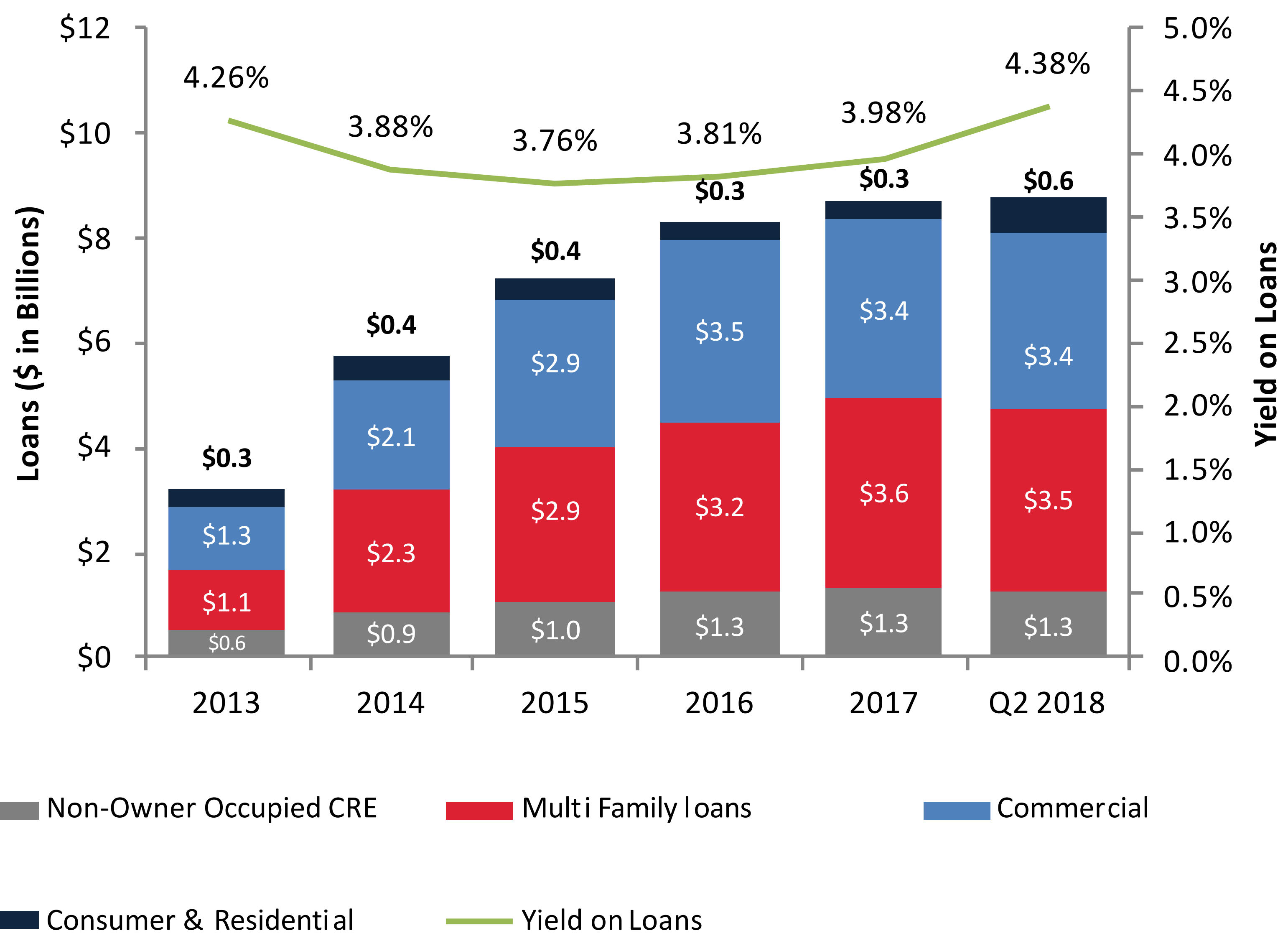
1. BankMobile is expected to contribute at least $500M of low cost deposit growth annually starting in 2019
2. We currently have just over $700M of deposits with a cost over 2.5% which we plan to run off and replace with low cost deposits
3. Digital direct to consumer deposit channel – we target over $350M by year-end
4. Other franchise deposit growth will continue – could be another $250 million+ during Q4 2018
5. Smaller balance sheet reduces need for non-core institutional and municipal funding
6. We will continue to challenge business units to grow lower cost core deposits

SPECIFIC STRATEGY: CORE LOAN GROWTH

We are targeting a stronger mix of higher yielding loans.

As we maintain a $10 billion balance sheet, the focus will be on growing our best portfolios (fund C&I and consumer loan growth with Multifamily runoff).

Loan Growth

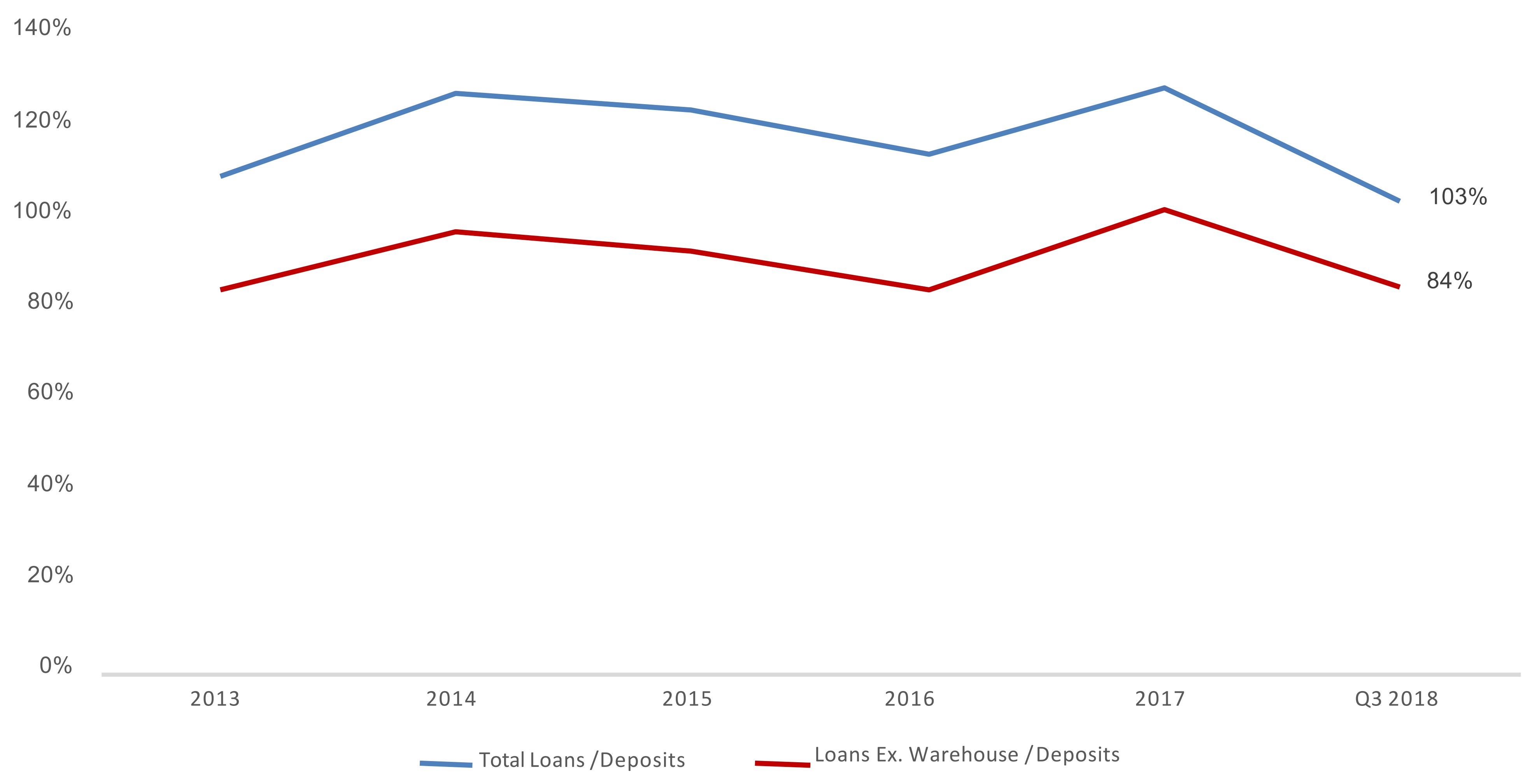


Source: Company Data

SPECIFIC STRATEGY: STRONGER LIQUIDITY FROM CORE DEPOSIT & LOAN GROWTH

1. With very strong deposit growth in Q3, our core loan to deposit ratio is now down to 84%

2. We view mortgage warehouse business as a better option to holding liquid investments



Warehouse loans are classified as “held for sale”.
Source: Company Data

SPECIFIC STRATEGY: NIM EXPANSION GOALS

Our long-term NIM target is 2.75%+; it will take 12-18 months to get there through remixing our balance sheet

Q3 NIM remained under pressure

1. Robust core deposit growth in Q3 reflected our focus on building a base prior to future Fed rate increases; however, was reflected in higher deposit and borrowing costs (our deposit beta in Q3 was approximately 100%)

2. Approximately 4-5 bps reduction from lower prepayments

3. 4-5 bps pressure from mortgage warehouse seasonally lower balances

4. A couple bps pressure from cash buildup given late August securities sale

… but we expect this to be a trough
We expect to be at our goal by the end of 2019 given:

1. August securities sale (we sold approximately $495 million in late August with a yield of 2.67%)

2. October exit of borrowings ($500M at 2.85% cost)

3. Asset mix shift away from Multifamily

4. Core deposit growth, particularly BankMobile non-interest bearing deposits will accelerate

NIM EXPANSION STRATEGIES

Our long-term NIM target is 2.75%+. It will take 12-18 months to get there through remixing our balance sheet

We are reducing our exposure to lower yielding assets while emphasizing C&I lending

Multifamily lending

- *Expect Multifamily loan balances to end 2018 around $3.3B, and to continue to trend lower over time.*
- We like the asset class, but not the spreads today. We expect to always maintain around $1 billion or 10% of assets
- We have been incentivizing loans to refinance off our balance sheet
- Will explore opportunities to securitize in the future – it would make sense to monetize our relationships and experience to generate fee income. It will likely take us 6-12 months to evaluate this option.

We are also increasing our exposure to higher yielding assets and diversifying our loan portfolio

Consumer lending

- We will add high quality consumer loans to our balance sheet
- We will limit consumer loans to 15% to 20% of our total balance sheet – our goal is to remain predominantly a small business bank
- We will not do subprime lending

NIM EXPANSION STRATEGIES

We recently sold securities and used the proceeds to repay borrowings

Securities Portfolio

- At the end of August, we sold $495 million of securities with a yield of 2.67% and a weighted average life of 7 years, at an after-tax loss of $14.2M
- Today, our pre-tax loss would have been ~$10 million higher
- Proceeds were used to repay borrowings in early October with a weighted average cost of 2.85%

Our view on securities

- In the current environment, we don't like the risk / return of a traditional MBS / CMBS securities portfolio – yields are just too low and duration risk is high
- We consider our mortgage warehouse business, which would liquidate quickly in a crisis as an alternate source of liquidity.
- Our Multifamily portfolio is another high quality asset with significantly better yields than securities
    - Other banks have been replacing securities with loans; you can expect us to replace Multifamily loans with higher yielding loans

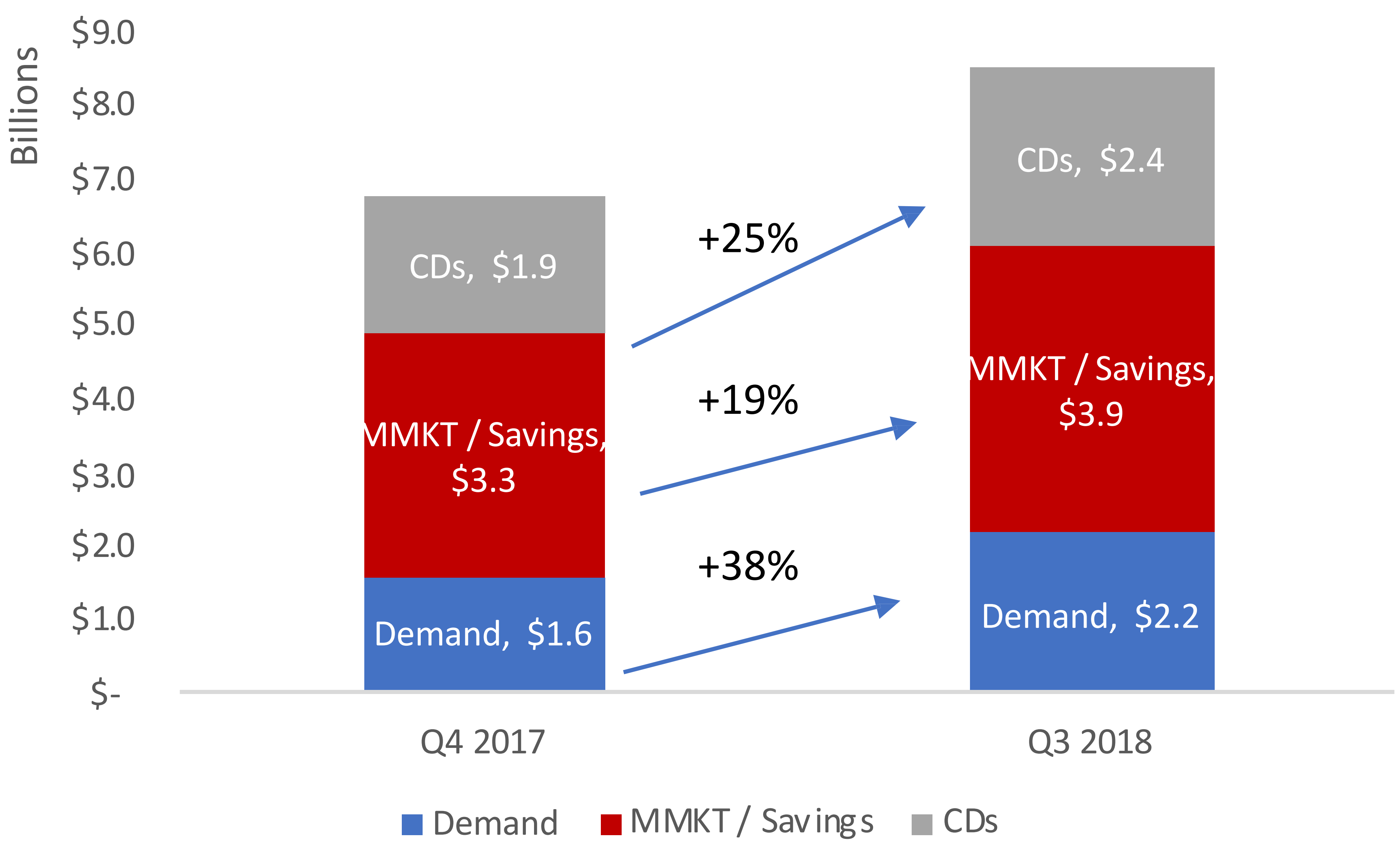
Our view on New York Multifamily Loans

- We like the asset class; we just don't like the competitive pricing pressure and risk from a flatter yield curve
- We will keep about 10% of our assets in high quality Multifamily loans

NIM EXPANSION STRATEGIES

Our long-term NIM target is 2.75%+. It will take 12-18 months to get there through remixing our balance sheet

YTD Deposit Growth



We are improving our funding mix as we replace higher cost funding with lower cost core deposits from BankMobile, our Digital Direct Bank, and core business units

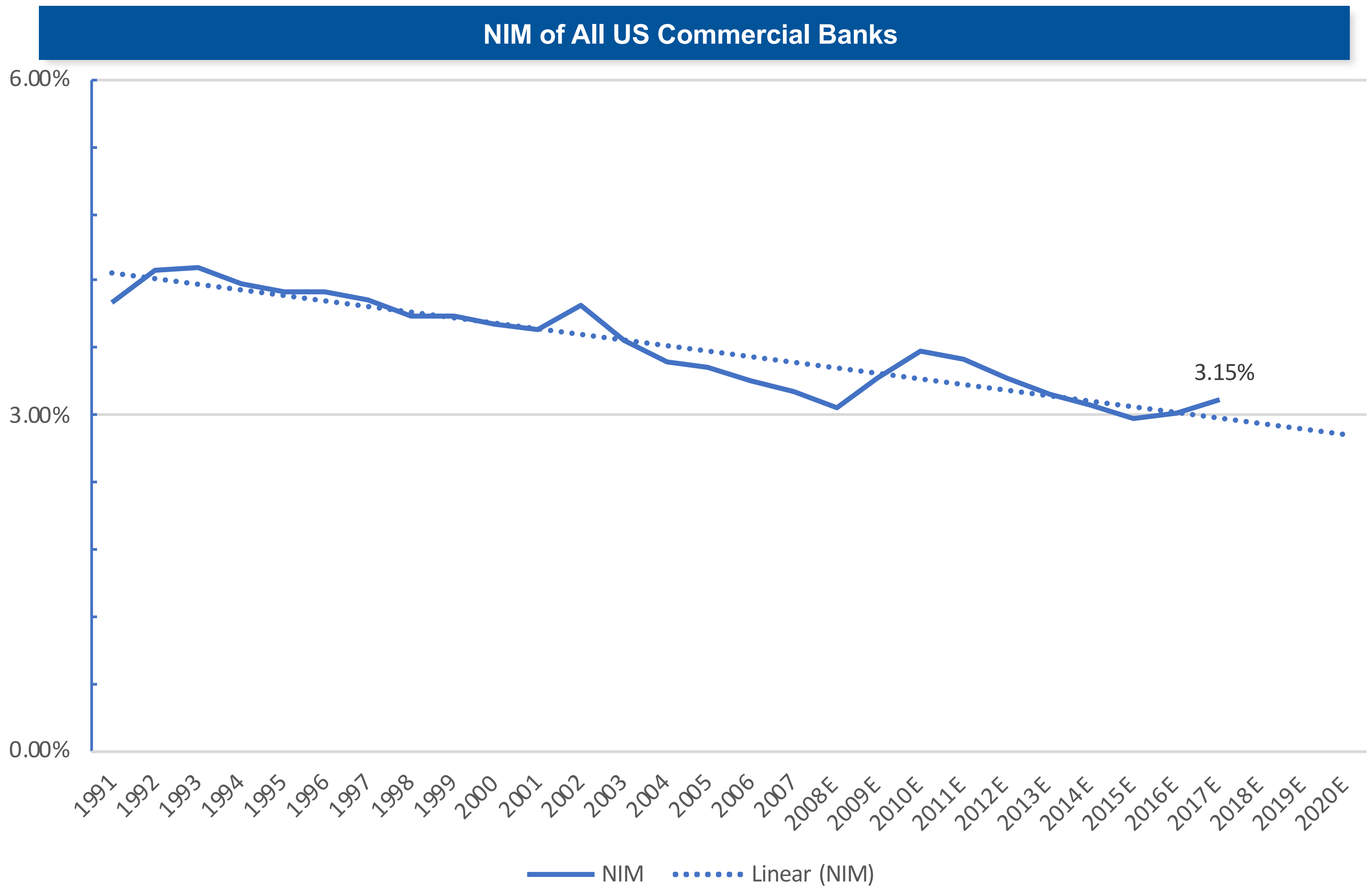
Source: Company Data

NIM DIRECTION OF THE INDUSTRY

Industry NIM is under secular pressure

- We are improving our funding mix as we replace higher cost funding with lower cost core deposits from BankMobile, our Digital Direct Bank, and core business units

- We are working to expand our NIM, in contrast with broader industry trends. You will see lower deposit betas and higher loan betas.



Source: FDIC Quarterly Banking Profile, SNL Financial, Company Data

OUR STRATEGY: IMPROVE PROFITABILITY

We target an ROAA of 1.25% + over a 3-5 year period

1. Target top quartile of peer group – today that equates to 1.17%, but we know it is headed higher
2. We expect that the shift in asset and funding mix will drive a wider NIM at the core banking operations
3. As BankMobile's growth accelerates, it has ROA potential that is greater than Customers Bank, given significant non- interest bearing deposit balances and fee income. The shift from BankMobile as a drag to BankMobile as a lift, which is expected to begin in mid-2019, should raise consolidated profitability
4. We will remain focused on expense control and positive operating leverage
5. We will also look for opportunities to grow fee income. Expect to enter wealth management by 12/31/19
6. All these factors should push consolidated ROAA and ROTCE higher and efficiency lower
7. Our ROAA target and capital targets equate to a double digit ROTCE
8. We will consider capital deployment through share repurchases and redeeming preferred stock

OUR STRATEGY:
IMPROVE PROFITABILITY

With a cap on balance sheet size, we are looking very closely at costs

1. **We expect to have deminimus growth in CB Private and Commercial banking expense**
2. **Growth in costs at the digital bank and BankMobile will be tied to their growing contribution**
3. **Consolidated efficiency should move lower as our first White Label partner comes online and BankMobile begins to have a more meaningful contribution to the overall business**

OUR STRATEGY: DIGITAL FOCUS

We will continue to be a leader in the industry's shift to digital

1. There is a major initiative throughout the company to digitize not only the front end but the entire operation that supports the front end
2. We hold quarterly discussions with our tech partners at FIS to see how to partner with them to achieve our goals
3. Consistent with our view of a virtuous cycle, of improving costs, customer experience and revenues, all simultaneously
4. We want to be in the business of providing customized customer experiences, but we are not there yet
5. Use of machine learning and artificial intelligence will help us to make intelligent, and quicker decisions
6. We will partner with FinTech companies where we can to be sure we can have the same capabilities as bigger banks without their technology budgets

RISK MANAGEMENT IS ALWAYS A FOCUS

CUBI has been focused from the very beginning on risk management and corporate governance

1. **We consider risk management a critical function**
2. **Over 90 full time employees are dedicated to risk management**
3. **The Board is actively engaged with top management in setting risk focused culture and detailed oversight**
4. **Board level risk committee meeting each month**
5. **We hold two annual offsite risk summits**
6. **We learned from fair lending issues and HigherOne's mistakes**

RISK MANAGEMENT IS ALWAYS A FOCUS

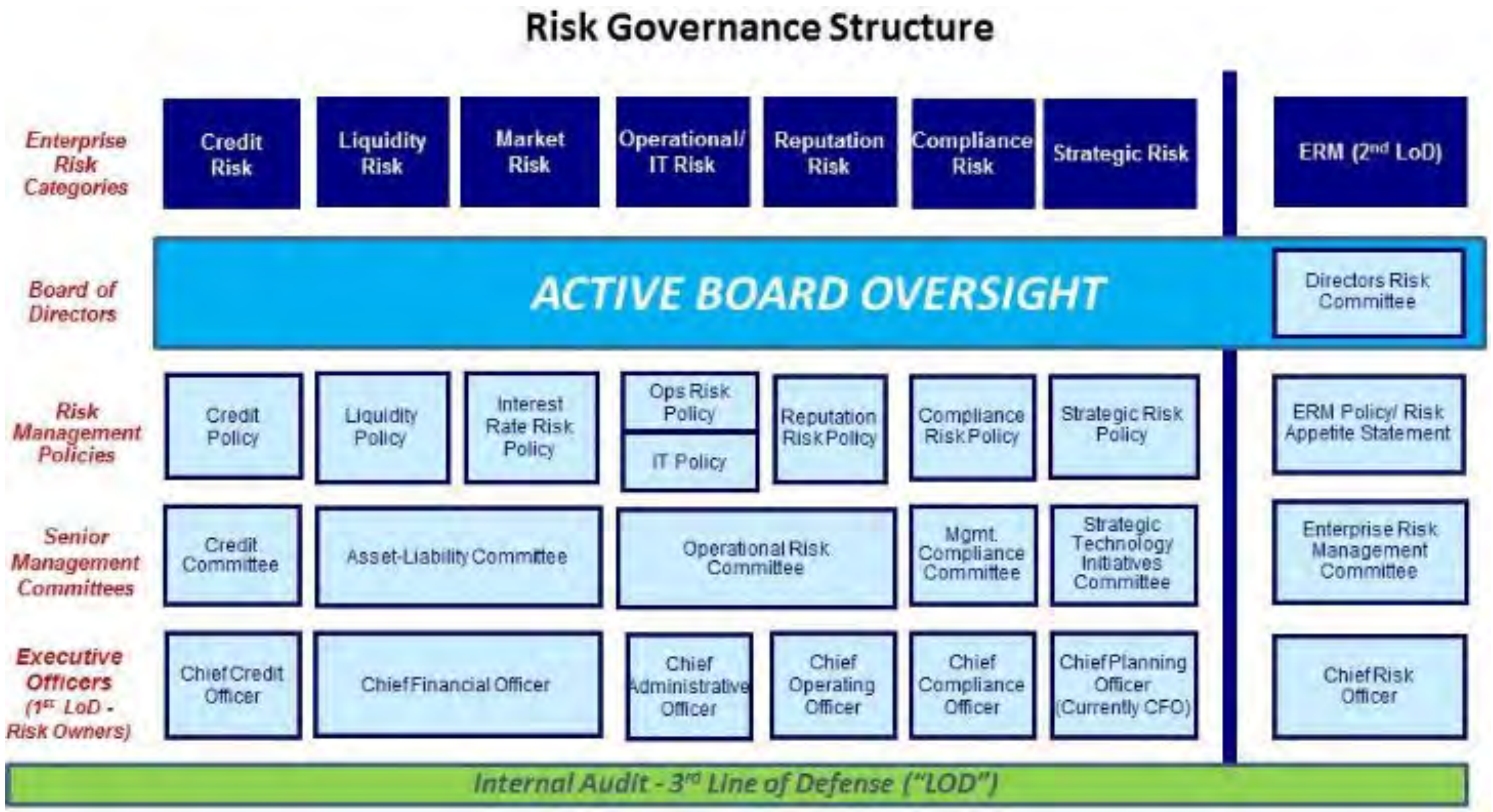
Board of Directors / Board Committees

- Set an appropriate tone at the top for risk culture
- Hold senior management accountable for adhering to Risk Management Framework (RMF)
- Hold 1st and 2nd LoD responsible for managing risk assessment of respective activities
- Exercise independent judgement
- Effectively challenge management and management committee
- Review and approve talent management, including succession planning

Senior Management / Management Committees

- Provide updates to the Board of Directors or Risk Committee in a timely manner
- Establish and implement RMF and Risk Appetite for annual board approval
- Aggregate and report risk assessment results
- Execute delegated authorities from the Board
- Escalate current and emerging risks to appropriate management committee(s)
- Formalize on-going training to all Directors
- Discuss and escalate current and emerging risks to appropriate Board committee(s)
- Provide effective challenge of risk decisions

RISK MANAGEMENT IS ALWAYS A FOCUS



Business Line Update

Dick Ehst, President & COO

October 2018

Customers Bancorp, Inc.

CB *Private & Commercial Banking*

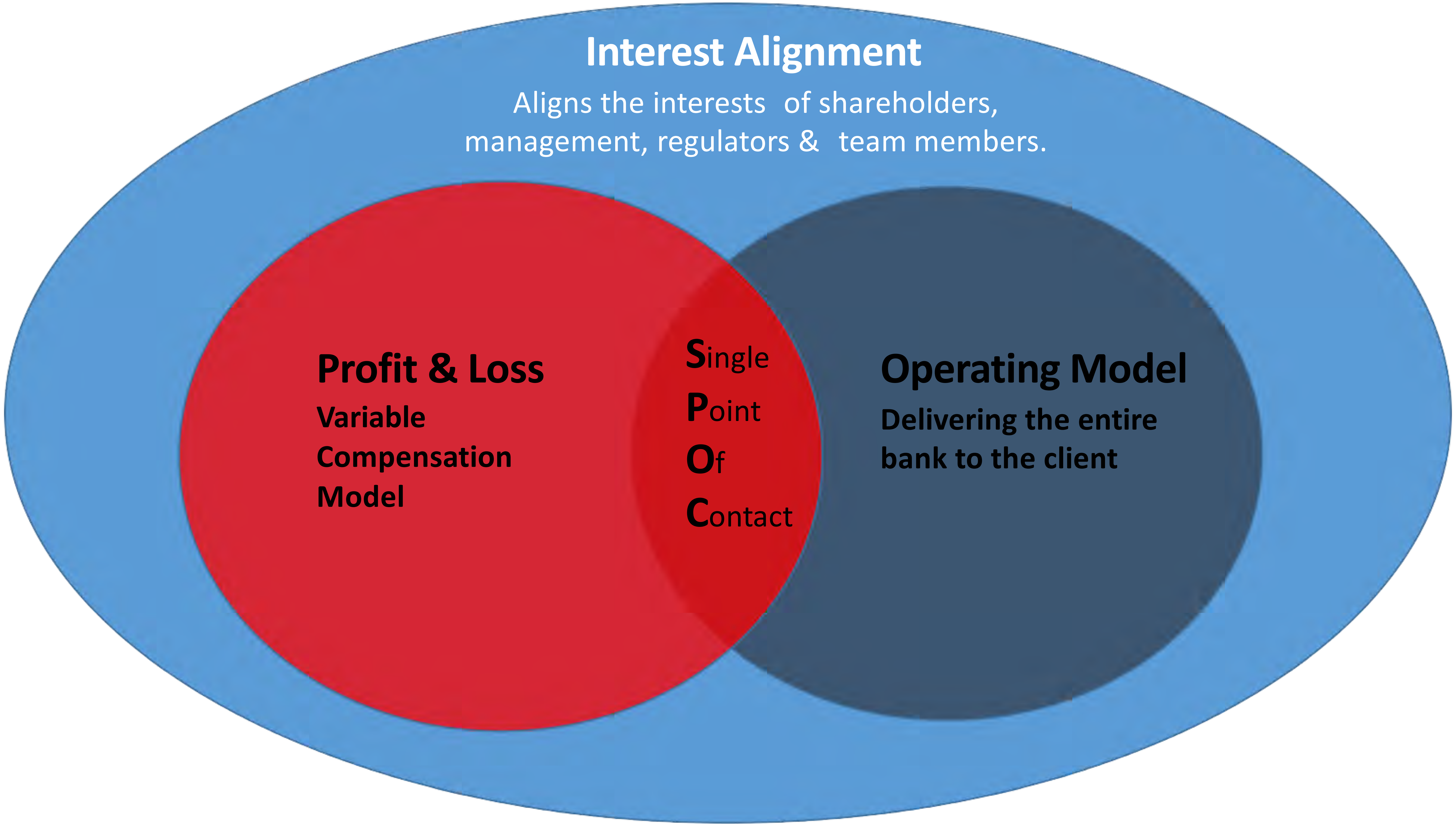
CB Private & Commercial Banking

OUR STRATEGY: IMPROVE PROFITABILITY

Single point of contact

“We are a bank of 25 teams of highly-experienced and well-compensated professionals who own the customer experience for both loans and deposits, and are devoted to delivering the entire bank to the customer, with certainty of execution.”

The Value & Power of SPOC



CB PRIVATE & COMMERCIAL BANKING FOOTPRINT

The CB Private & Commercial Banking Team

“Branch Lite” – meeting customers where they are located, not in a branch.

1. 580 total Team Members
2. 36% are client facing
3. 64% are executive, corporate, operations, risk & compliance support
4. 32 work remotely, 548 spread across 32 locations
5. 98% retention rate
6. 73% of new hires come as referrals from existing team members

Increasing the use of technology to work smarter, with distributed systems and collaboration with a focus on digitizing operations.

Deposit Generation by Teams & Cost of Funds

1. **All divisions of the bank are committed to deposit gathering.**
2. **The divisions have aggressive but achievable goals.**

	Cost of Funds	9/30/2018 Balance	2019 Yr End Goal
Metro New York	1.84%	$2,224	$3,150
New England	1.22%	$146	$300
PA/NJ	1.59%	$2,349	$2,800
TOTAL	**1.70%** (weighted average)	**$4,719**	

DEPOSIT GATHERING

1. **Offering new products including 1.5% business checking.**
    - $100 million deposits through this product YTD.
2. **Hiring deposit teams.**
    - Team hired for Global Funding in Wyomissing.
    - Team hired for Philadelphia, New Jersey, Chicago and D.C.
    - New teams being interviewed for New England.
    - Looking at additional teams in Metro NYC.
3. **Warehouse Lending opportunity for significant deposit generation**
    - ~$300 million in 2019
4. **Seeking compensating balances**
    - PA/NJ hitting nearly 20%; others are 10% or less.

C&I OPPORTUNITIES

1. **Focusing on core industries:**
   - Manufacturing & Service
   - Real Estate
   - Finance
   - Healthcare
   - Hospitality & Food Services

2. **Keeping an eye on margins – 2.75% minimum; 3.0% target**

3. **Expanding in Philadelphia, Chicago and Washington, D.C. with new teams with strong expectations for performance:**

• New York 2019 net loan goal	$125 MM
• PA/NJ 2019 net loan goal	$300 MM (includes SBA)
• NE 2019 net loan goal	$300 MM
	$725 Million

COMMERCIAL REAL ESTATE

Commercial Real Estate (CRE) portfolio is about $4.72 billion at 9/30/2018. The portfolio components are:

Portfolio	Exposure	Avg Loan Size	% TRBC
Multifamily	$3,500,000	$6,700	311%
Investment CRE	$1,000,000	$1,100	89%
Construction & Land Development	$220,000	$1,000	20%
TOTAL	**$4,720,000**		**420%**
Approximation at 9/30/2018			**($000s)**

Reaching 420% of total risk based capital (down from nearly 600%) is good but the total CRE will be reduced further, aiming for the 300% guideline in 2019.

The Multifamily portfolio will be at or below $3.3 billion by 12/31/2018 and down by about 70% - 75%, to about $1 billion, within 3 years.

SBA OPPORTUNITIES

SBA Preferred Lender:

CONCENTRATION ON VERTICALS:

1. Hospitality, Medical/veterinary practices, Plaintiffs' attorneys
2. Hired 3 new BDOs w/experience in these verticals, for total of 13 BDOs
3. Strong use of digital and content marketing

GREAT CUSTOMER SERVICE:

1. Close within 45 days
2. Concierge lending with 48-hour approvals
3. Elimination of 3rd party lender service

Forecast 2018	***$100 million origination***
Current pipeline	***$74 million***
Forecast 2018 total SBA income	***$6 million***
Goal for 2019	***$150 million origination***
Forecast 2019 total SBA income	***$ ~8 million***

COMMERCIAL LEASING OPPORTUNITIES

1. **National footprint**
   - Did business in 24 states in 2018
2. **YTD September 2018 volume of $120 million through 119 contracts**
3. **$90 million of contracts are concentrated in four industry sectors:**
   - Transportation – primarily truck fleets
   - Construction equipment
   - Motor coach equipment
   - Packaging & plastics equipment

BANKING MORTGAGE COMPANIES (WAREHOUSE LENDING)

1. **Year-end 2018 balance is forecasted to be between $1.3 billion and $1.5 billion**

2. **YTD September 2018 mortgage warehouse volume was $20.6 billion**

3. **We serve 62 mortgage banking clients**

4. **Looking ahead, CB Private & Commercial Bank for mortgage companies typically trends with national volume forecast.**

   - Mortgage Bankers Association Future Volume Forecast (9/19/2018)
     - 2017 actual volume: $1.71 trillion
     - 2018 forecasted: $1.606 trillion
     - 2019 forecasted: $1.592 trillion
     - 2020 forecasted: $1.63 trillion

NEW PRODUCT INTRODUCTIONS

Nationwide Lockbox

A highly portable, flexible and scalable approach to retail and wholesale lockbox processing.

Electronic Bill Presentment and Payment with Debit / Credit Cards

Gives commercial clients the ability to quickly and easily present summary statements online and allow their consumers to make payments electronically with Debit or Credit Cards.

Electronic Bill Presentment and Payment with ACH Direct Debit

Gives commercial clients the ability to quickly and easily present summary statements online and allow their consumers to make payments electronically via ACH Debit.

NEW PRODUCT INTRODUCTIONS

REMOTE PAYMENT CONCENTRATION

An automated eLockbox solution for collecting bill payments made by consumers at online bill payment sites.

REMOTE CAPTURE WITH LOCKBOX

Allows commercial clients to use a web-connected PC and desktop scanner to capture payments and transmit them into a lockbox.

HEALTHCARE LOCKBOX

Streamlines healthcare receivable using a lockbox specifically designed for the industry, converting paper EOBs to ANSI 835 files for direct posting into the billing system.

TAX ESCROW

Helps the bank maintain control of escrowed funds while eliminating the time spent coordinating these efforts.

CREDIT PROCESS

Loans with aggregate exposure of < or = $1.0MM

Directed to centralized Small Business Lending Group where they are underwritten and decisioned through a well-established and proven scoring system that has a well-defined conservative product line with limited to no deviations. Dedicated SBA Credit Officer with dual signatures including the SBA Loan Officer on every SBA loan approval.

Loans with aggregate exposure > $1.0MM but < or = $20.0MM

Underwritten by the Bank's Credit Department and approved on a joint signature basis as outlined in the Loan Policy. A Credit Officer approval is required for every loan.

CREDIT PROCESS (CONT.)

LOANS WITH AGGREGATE EXPOSURE > $20.0MM

Underwritten by the Bank's Credit Department and approved by the applicable Loan Committee. Each loan committee has at least 8 voting members with at least 4 Credit Officers and 4 Line of Business Leaders so they are well diversified and meet weekly.

CONSUMER AND MORTGAGE LOANS

Underwritten and decisioned in a centralized department with standard product parameters (i.e. terms and conditions). If the loan exceeds $1.5MM additional approval from a Loan Committee designated Bank Officer is required.

Business Line Update
Direct Digital Distribution Channel

Jim Collins, Chief Administrative Officer

October 2018

Customers Bancorp, Inc.

FOUR PILLARS OF DIGITAL TRANSFORMATION

1. Reinvent the Customer Journey
2. Leverage the Power of Data
3. Redefine the Operating Model
4. Build a Digital Driven Organization

Source: https://thefinancialbrand.com/71733/four-pillars-of-digital-transformation-banking-strategy/

CUSTOMERS BANK DIGITAL SCOPE

Digital-first products, positioning and marketing are no longer "special projects", but core drivers of growth, revenue, product differentiation and customer loyalty.

Our digital strategy has encouraged us to bake digital-first thinking into our core business, from Sales, Marketing, Product Management, all the way through Customer Care and Operations.

Product Management

digital accounts, online banking, mobile apps, digital account origination, loan underwriting, fraud & CIP tools, SLAs, KPIs, reporting

Customer Care

1st tier contact center management, escalations and CUBI Digital Banking Support Team (2nd tier), email, maintenance tickets, monitoring net promoter score

Operations & Vendor Management

deposit operations, fraud and loss prevention, web/mobile/IoT banking, account origination/onboarding, behavioral and velocity analysis, tools

Product Discovery & Sales

competitive analysis, social media, outbound communications, BankRate, SEO, Google, online ads, HB&M, click-through optimization, CUBI/other websites

EXAMPLE OF LEADING TECHNOLOGY ADOPTION

1. Digital Account Creation (FIS IBS)
2. Sales Pipeline Management (Salesforce Sales Cloud)
3. Campaign Management and Customer Email Journeys (Salesforce Marketing Cloud)
4. Case Management (Salesforce Service Cloud)
5. AI Experimentation (Salesforce Einstein)
6. Custom Developed Solutions (Salesforce Platform)
7. Commercial Loan Origination (nCino bank operating system)
8. Vendor Solutions (Salesforce AppExchange)
9. Digital Workforce (Microsoft O365 suite of products)
10. Data Analytics & Reporting (Data Warehouse & Qlikview)

Digitization of our ecosystem

Digital Banking Customer Care

Provides online and mobile banking support to all CUBI customers (not just Digital Customers).

Digital Deposit Operations

1. The Deposit Operations team processes maintenance requests via tools used by Tier 1 and Tier 2 customer service.

2. They perform ‘money movement’ functions, including check handling and review, and special tasks like external account ownership validation.

3. Manage and implement deposit holds policy.

4. Manage and implement new accounts.

Digital Banking Loss Prevention & Investigations

1. LP&I performs normal account investigations due to fraudulent behavior, suspect behavior, information from other financial institutions, as well as full documentation of cases and account closures.

2. LP&I also provides automated re-scoring for new account fraud using modern and digitally-focused tools sourced from third-parties and built in-house.

Digital Marketing

1. Customers Bank Digital has a marketing project team that includes dedicated personnel and our external agency (HB&M) marketing support.

2. Tasks include collateral creation, websites, SEO, management of digital marketing spend, click-through rate analysis, conversion analysis, and geo-location target marketing planning.

CURRENT STRATEGY

Target Market

- High Net Worth, Income, and best customers of traditional banks across the US

Focus

- To attract nationwide deposits, begin to build long term sustainable relationships with this digital customer base, and build brand awareness in the nationwide digital community

Differentiation

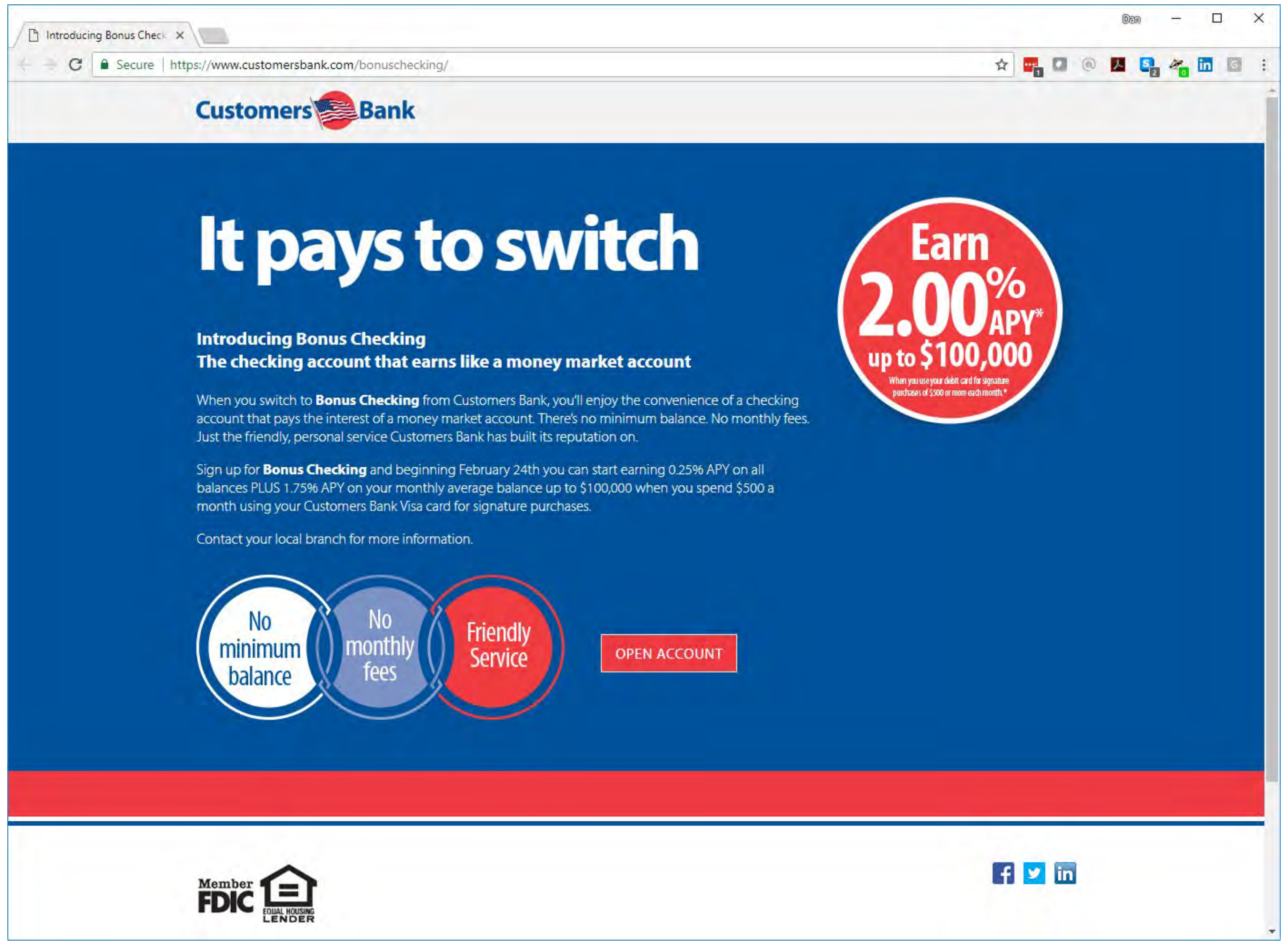
- Our target market creates a differentiation strategy
- The use of a combination of leading technology applications enables us to create a different customer journey and create a memorable experience

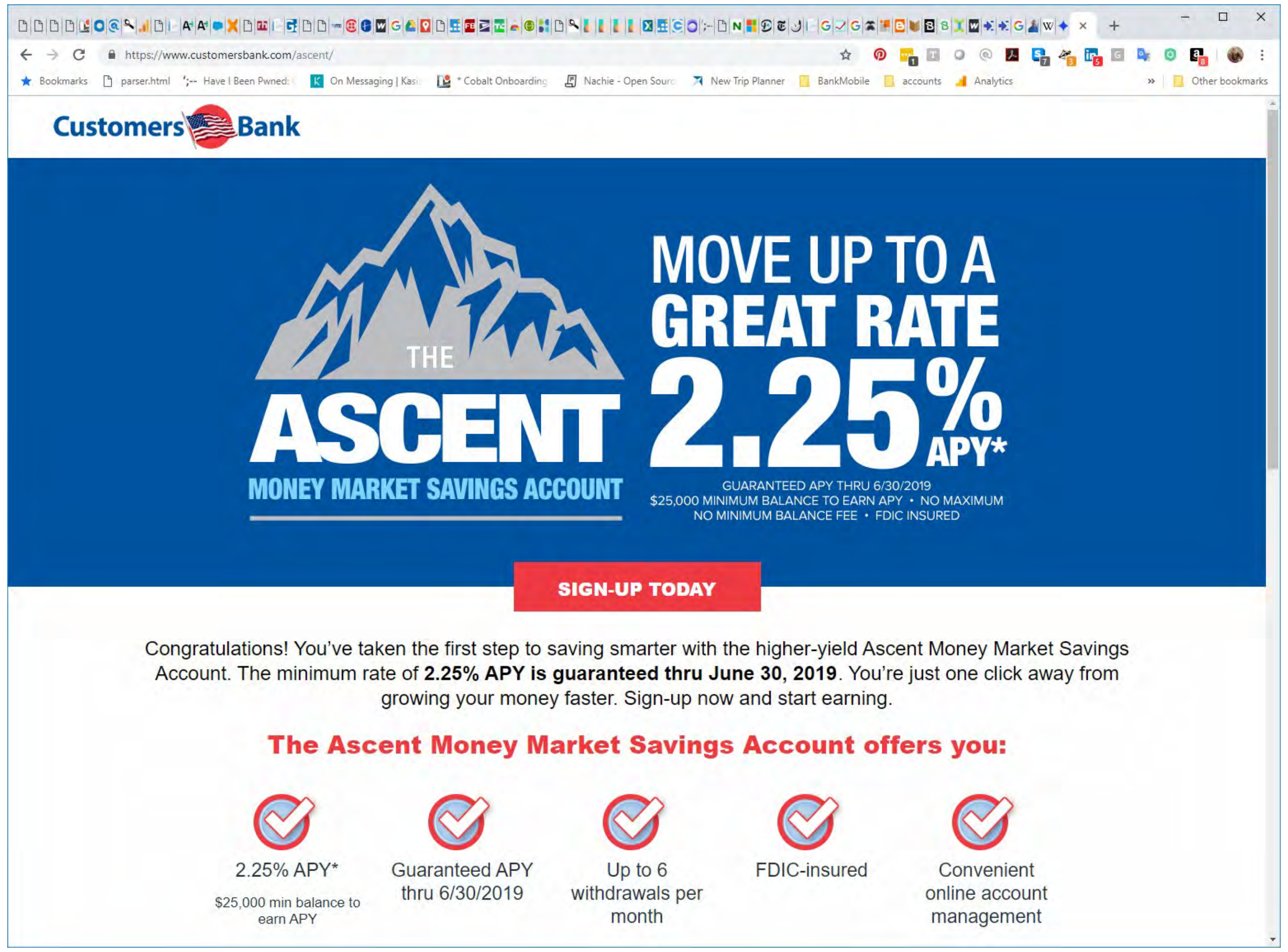
CUSTOMERS DIRECT - DIGITAL BRAND

1. Customers Bank Bonus Checking and Ascent MMSA were launched with a slightly bolder color scheme, a digital "twist".

2. Customers Bank Digital's brand and positioning strategy leverages the current brand, but appeals to digital-first, retail customers.

3. Customers Bank Digital's brand is confluent with Customers Bank's image, minimally disruptive to commercial business and customers, and also supports the Customers Bank brand and values.





DIGITAL PRODUCTS: ASCENT MMSA

1. Money Market Savings Account – Liquidity
2. Currently 2.25% APY
3. $25,000 minimum balance to earn interest
4. No fees, external incoming wire fees refunded
5. Marketing Promotion via multiple media outlets
6. Launched July 1, 2018
7. Current Stats (as of Oct 6, 2018):
    - Total customers: 2,038
    - Total deposits: $254,031,539
    - All development costs have been expensed

ASCENT MMSA: 12 WEEKS OF NATION-WIDE SALES SUCCESS

THE ASCENT MONEY MARKET SAVINGS ACCOUNT

As of October 04, 2018

- $50k - $99k (532)
- $100k - $249k (447)
- $25k - $49k (425)
- $250k - $499k (247)
- $500k - $749k (51)
- $750k - $999k (10)
- $1 m - $5 m (10)

ASCENT MONEY MARKET

Top Markets

1. CA – 25%
2. FL – 15%
3. NY – 11%
4. TX – 10%
5. NJ – 6%

Demographics

Age Range	%
23 - 27	1%
28 - 35	7%
36 - 45	16%
46 - 54	20%
55 - 65	32%
Over 66	24%

ON THE ROADMAP

Customers Bank Convenience Checking

1. **Digital re-launch, targeted at Ascent MMSA customers and new customers**
2. **No minimum balance**
3. **No ATM fees with an average total balance of $5,000**
4. **Checks, debit cards, web/mobile banking with Apple and Samsung pay digital wallets**
5. **MRDC, bill-pay, text alerts, FIS People Pay, stop check**

Customers Bank Online CDs

1. **Highly attractive rates via digital-only sales channels**
2. **Current plan is for 4 CD time-based and rate variations, to meet varying consumer needs**

ON THE ROADMAP (CONT.)

Customers Bank Goal Savings

1. **Digital-first savings account at a highly competitive rate**

2. **Innovative online savings tools embedded, including weekly savings auto-sweep (combined with Convenience Checking), online savings goal planner, savings goals and activities alerts (email, text) and an interactive savings calculator.**

Home Equity, Mortgage, & Credit Card Offerings

Build a multibillion dollar deposit and loan consumer digital channel within 3-5 years

Business Line Update: BankMobile

Jay Sidhu, Customers Chairman & CEO
Luvleen Sidhu, BankMobile President
Bob Savino, BankMobile Chief Product Officer
Bob Diegel, BankMobile COO
Paul Young, BankMobile CFO

October 2018

Customers Bancorp, Inc.

OUR B2B2C (BUSINESS TO BUSINESS TO CONSUMER) BUSINESS

As you have heard, we are putting our spin-merge plans on hold. Keeping BankMobile for the next 2-3 years is aligned with our strategy to focus on balance sheet mix, capital, and profitability with a balance sheet below $10 billion

1. **We intend to benefit from 2-3 years of growth from our first White Label Partner**
2. **Our first White Label partnership has taken a long time to develop - over 2 years**
3. **We are very excited about disrupting the banking industry**

BankMobile Update

Luvleen Sidhu, President
Bob Savino, CTO & CPO
Bob Diegel, BankMobile COO
Paul Young, CFO

October 2018

Customers Bancorp, Inc.

What we will be covering today

1. How changing trends are creating unique opportunities for a mobile first digital distribution strategy
2. What is BankMobile's strategy? Why is it unique and cannot be easily copied?
3. Critical success factors for BankMobile
4. Status of the student business
5. "Bank as a Service" Model an our unique technology
6. 3 year growth goals
7. Where are we heading?

TRADITIONAL BANKS HAVE BEEN SLOW TO ADDRESS CHANGING CONSUMER NEEDS AND ABANDON INEFFICIENT BRANCH MODEL . . .

1. **Customers are 3x more likely to use mobile banking than to visit a bank branch(1)**
2. **Banks on average open ONLY 1 net new checking account per branch per week – very inefficient model(2)**
3. **~40% of millennials would consider banking with a branchless bank(3)**
4. **Consumers are now interacting with their banks more through mobile devices than any other channel(4)**
5. **Digital banks are expected to provide access to affordable banking to millions of Americans, resulting in eventually disrupting the traditional banking revenues significantly**
6. **Over 10% of the consumer banking revenues expected to come from digital banking models in 2020 versus only 1% today(3)**
7. **BankMobile provides better products than traditional banks offer, but with no brick and mortar branches(5) and few fees.**

(1) Board of Governors of the Federal Reserve, "Consumer and Mobile Financial Services 2016", March 2016. Survey results indicate people who visited a bank branch averaged 2.9 visits per month compared to people who used online banking averaged 9.0 uses in the last month.
(2) "The Cornerstone Performance Report: Benchmarks and Best Practices for Mid-Size Banks," 2014
(3) Accenture, "The Digital Disruption in Banking: Demons, demands, and dividends," 2014
(4) Bain & Company, "Customer Behavior and Loyalty in Retail Banking," 2015
(5) BankMobile has no existing branches..

AMERICANS ARE STRUGGLING AND NEED AN AFFORDABLE BANKING ALTERNATIVE

33% Of Americans Living pay check to pay check[1]

47% Do not have enough to pay for a $400 emergency[2]

20% Are saving nothing[3]

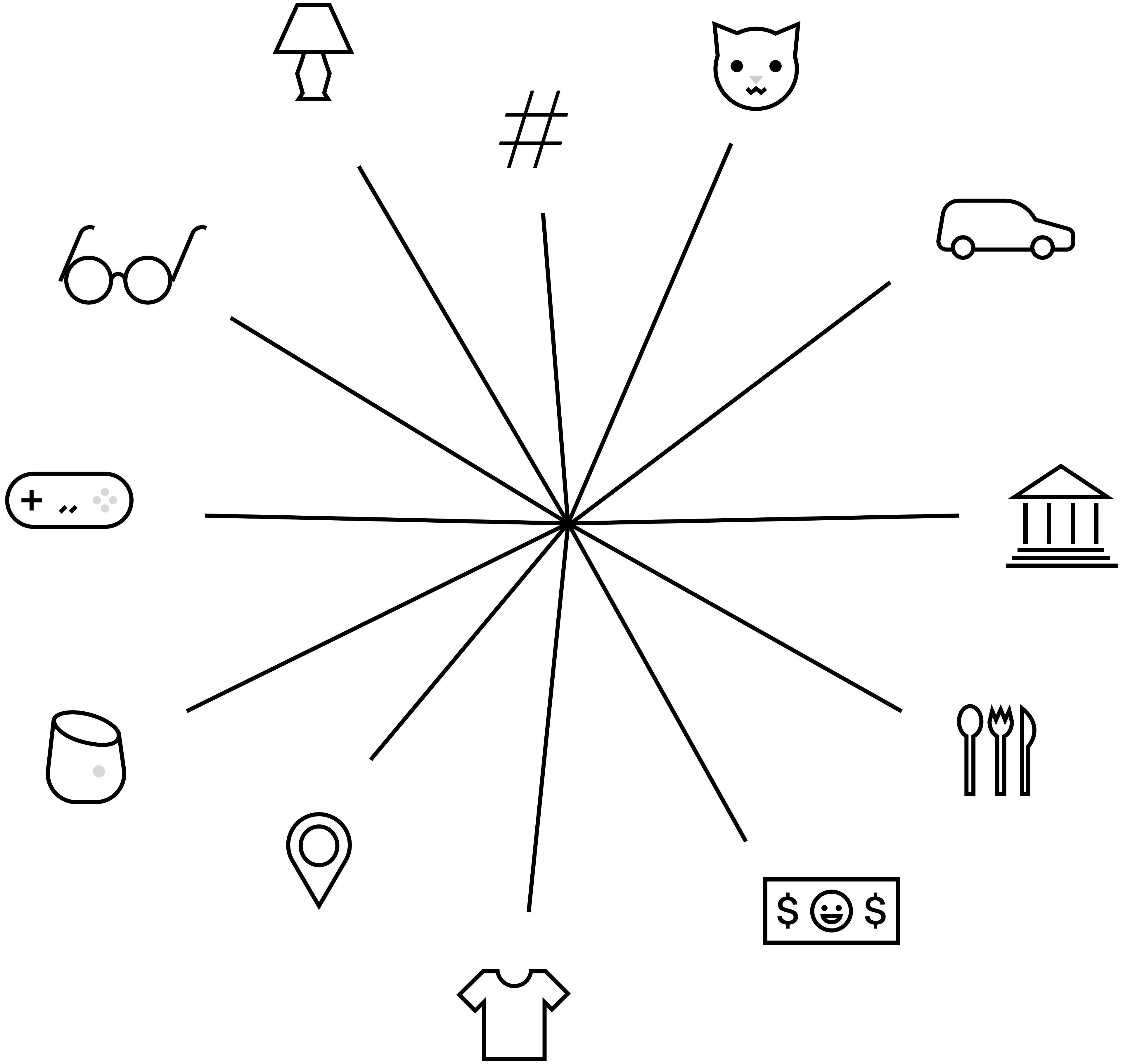
50% Are saving less than 5%[3]

BankMobile was formed to address these issues

(1) Source: Brookings "The Wealthy-Hand-to-Mouth," Spring 2014
(2) Source: Board of Governors of the Federal Reserve System "Report on the Economic Well-Being of U.S. Households in 2014"
(3) Source: Economic Policy Institute: "The State of American Retirement," March 3, 2016

Untapped exponential technologies ready to be used

- Internet of everything
- Sensors
- Artificial intelligence
- Machine learning
- Mobile internet
- Personal devices
- Blockchain
- Data analytics
- Robotics
- Biometrics



Critical success factors

1. Unique and exponentially better customer acquisition strategy
2. Customer engagement and customer for life profitability strategy
3. Unique technology, contractual relationships, and Durbin create barriers to entry
4. Long-term profitability better than traditional banks

Critical success factors

1. Unique and exponentially better customer acquisition strategy

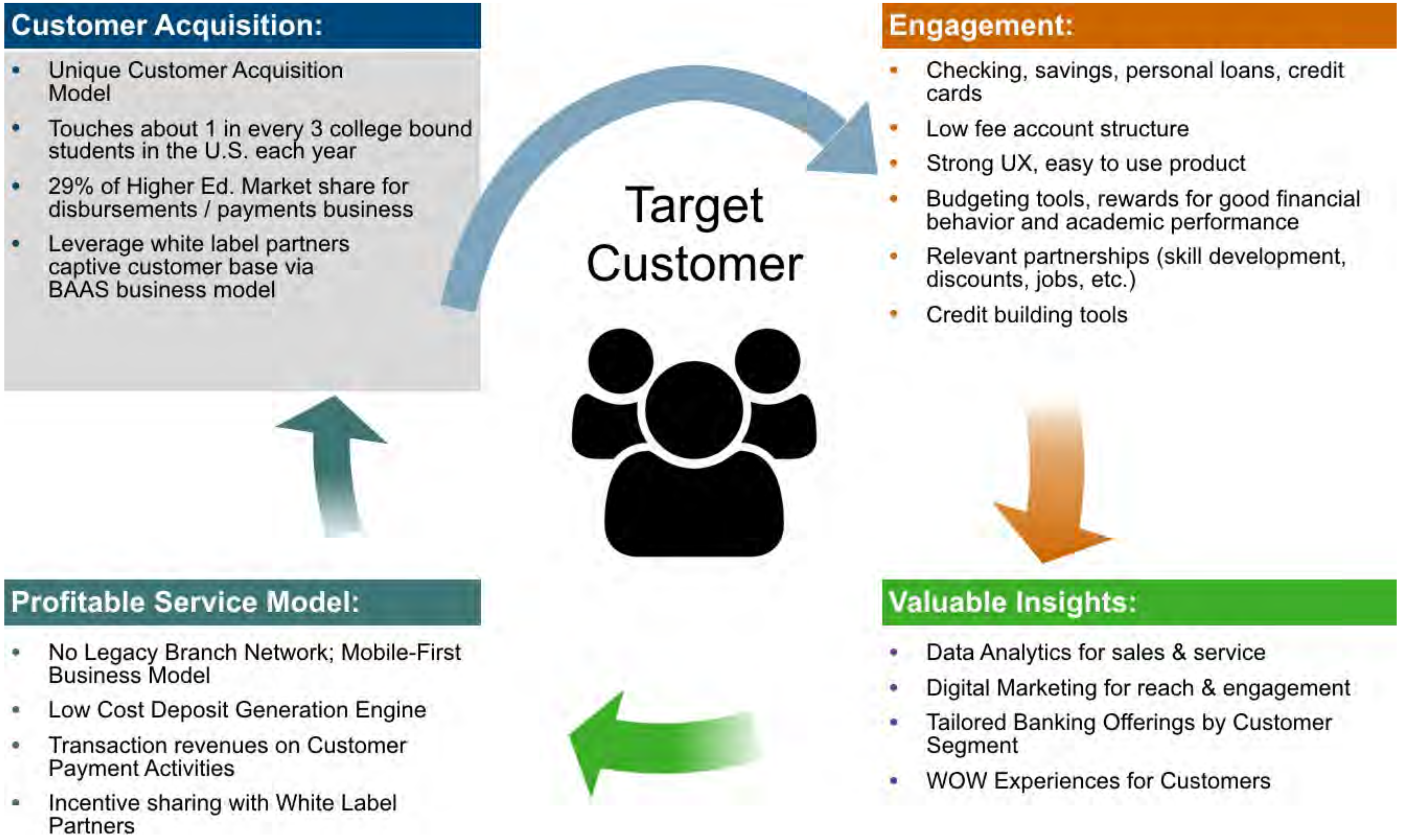
- Banks on average open ONLY 1 net new checking account per branch per week – very inefficient model

- Here is how BankMobile is operating today:
  - 1 in every 3 college students in the country go through our digital “branches”(1)
  - Through our student channel we are opening ~300,000 new checking accounts annually
  - We expect to open an additional 150K-500K or more new checking accounts each year through our White Label partnerships
  - BankMobile has an extremely low-cost customer acquisition cost at $19(2) versus $100 – $400 for traditional banks(2)

(1)Source: Company’s internal sales database and estimated student market size
(2)See appendix for additional details

Critical success factors

2. Customer engagement and customer for life profitability strategy



Recent focus in the student / disbursement business

- Recovering from Department of Education Ban
  - Proactive carding ban dropped adoption rate to historical low of ~19%; this took away ~$20 million in non-interest revenues from BankMobile.
  - Through brand awareness, marketing campaigns, and product suite enhancements we have driven adoption up to 25% today
  - We plan to make the student business profitable by the end of 2019
- Record Sales Year in 2018 – Best year in the history of the company
  - Sold 56 new schools bringing in 570,793 new SSEs YTD
  - Expecting another ~120K by year end
  - This builds higher sales and higher revenues going forward
- Expanded Product Offering
  - Introduced savings account, interest bearing checking account, personal loans in Q2 and Q3 2018
  - Since May 2018, we have opened 85,663 savings accounts
- Eliminated over $100 million in bank fees for our student customers since we took over the business in 2016
- Product offering is easy to use, transparent, affordable, and creates an emotional connection

Critical success factors

Banking as a Service

Besides student disbursements, our biggest focus over the last two years has been the development of “Banking as a Service” model

- Spent significantly in R&D, technology and product development for White Label
- Expected to be a very customer friendly product offering
- We will have more to share later this year

Critical success factors

3. Unique technology, contractual relationships, & Durbin create barriers to entry

- Today, BankMobile has relationships with approximately 726 campuses that have approximately 5.7 million students
- Our patented disbursement process designed for higher ed; saving colleges millions of dollars
  - Disbursing ~$10 billion each year of which over $3 billion go into Vibe Checking Accounts
- Relationship with T-Mobile first signed LOI in Sept 2016
  - Building technology and product since that time
- In addition, we have built proprietary technology to support the roll out of a full service bank for our partners ("Bank as a Service") with speed and cost efficiency
- Durbin makes is practically impossible for banks greater than $10 billion in assets to compete with us

Critical success factors

4. Long-term profitability better than traditional banks

- 2% or higher ROA which is significantly better than traditional banks
- Uniqueness of Durbin – a significant competitive advantage that benefits our partners and our customers
- High volume and Low cost customer acquisition - $19 for BankMobile student business versus $100 – $400 for traditional banks
- A very unique offering to potentially attract millions of consumers for primary checking accounts and building potentially billions of no to very low cost stable deposits

BankMobile

STUDENT SEGMENT UPDATE

October 2018

College student segment

Every student on every campus we serve is exposed to our brand regardless if they choose our product or not.

18+

years of Disbursement Management

700+

campuses served

5M+

students served

- Help over 700+ colleges and university campuses across the U.S. deliver financial aid credit balances to students securely, efficiently, and in compliance with federal regulations.Uniqueness of Durbin – a significant competitive advantage that benefits our partners and our customers
- Industry leader with a better student experience and a better account, 1 in every 4 students choose our account through the refund selection process.

BankMobile has unparalleled knowledge of the student segment

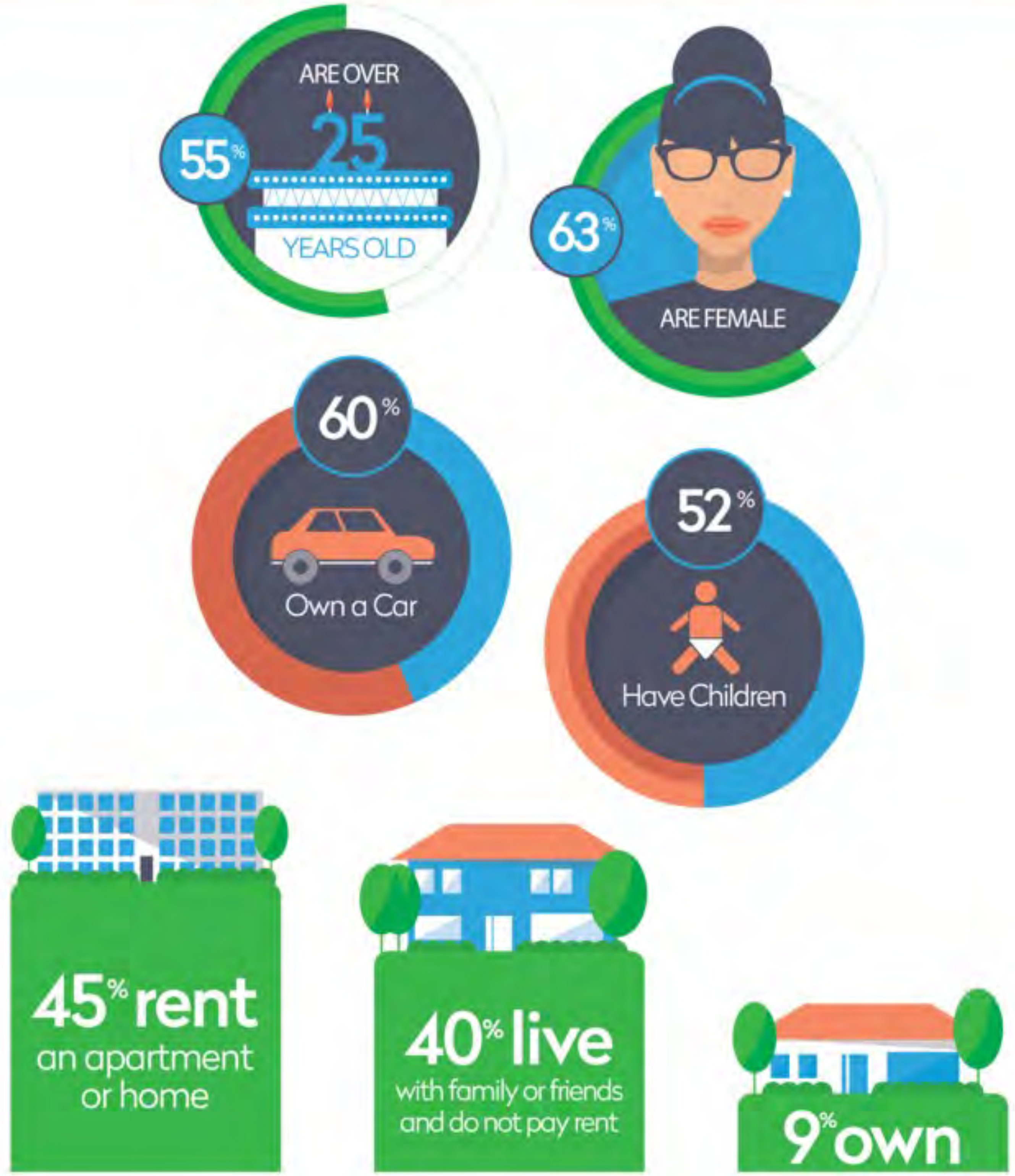
5.7 Million
Students on Campuses Served by BankMobile

2 Million
BankMobile Checking Accountholders

Over $3 Billion
Refunds disbursed in BankMobile VIBE accounts in 2017

$1 Billion
Organic Deposits[(1)] in BankMobile VIBE accounts in 2017

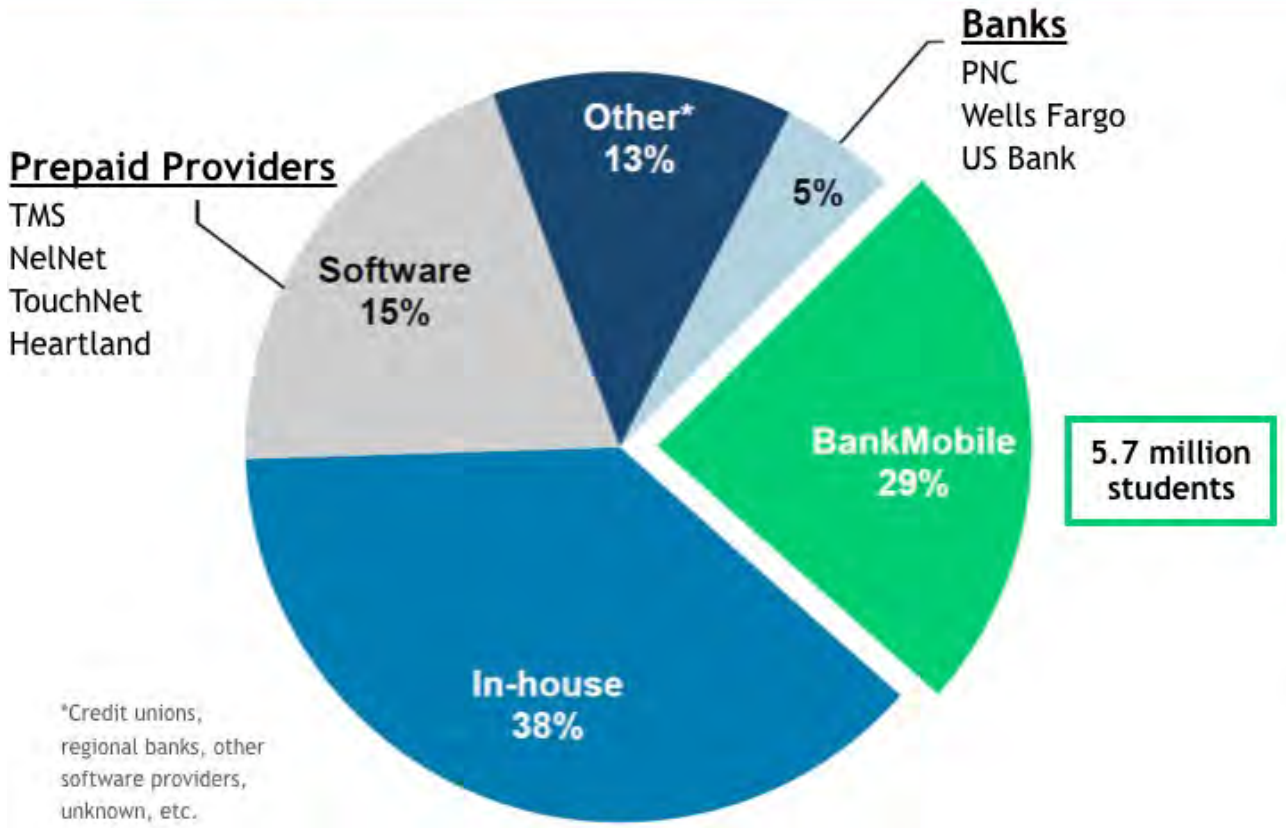
Profile of Typical Student Account Holder



Source: BankMobile Internal Information
(1) Organic deposits defined as non-financial aid refund deposits

Market Leader with Diverse Customer Base and Exclusive, Long-Term Campus Relationships

U.S. Higher Education Student Disbursement Market Share(1)



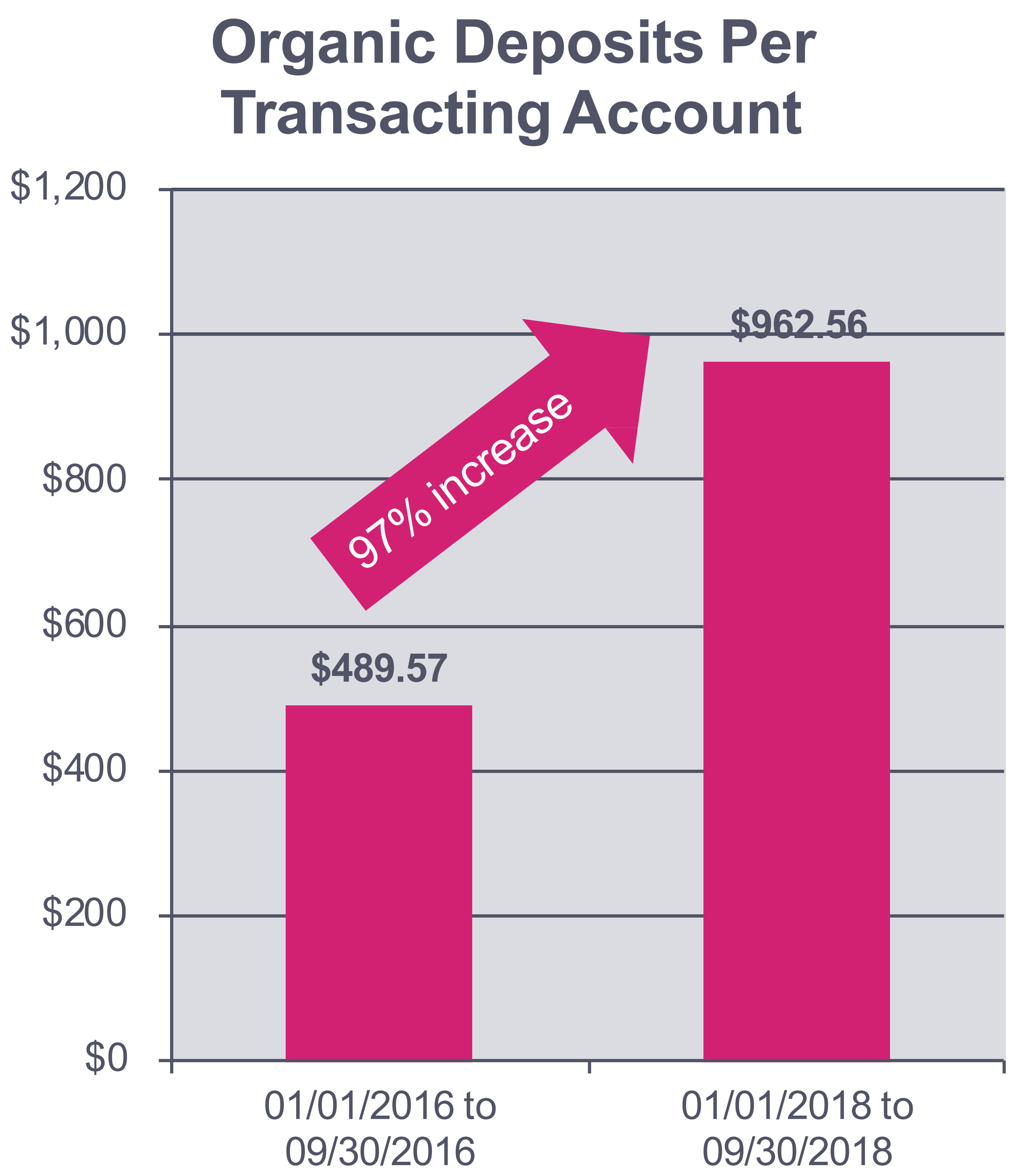
Total Addressable Market is 20 million students and replenishes every year(2)

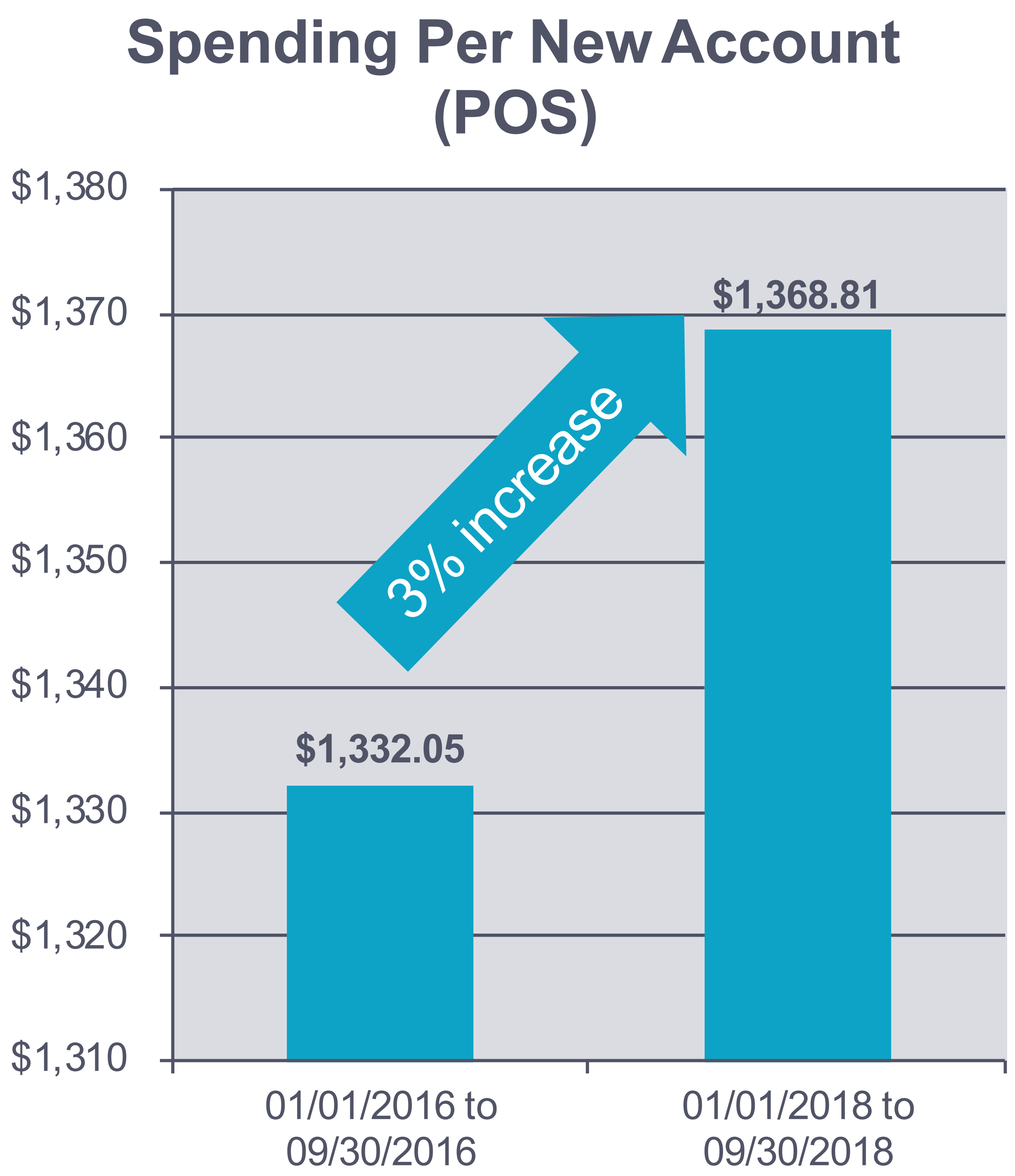
Exclusive, Long-term, and Contractual Campus Relationships

- Long-term embedded university client base of 700+ campuses
- Retention rate of over 98%(3)
- Average client tenure > 5 years
- Typical new contract term is 3 - 5 years with multiple auto-renewal periods
- Active pipeline of over 2 million students
- Expect prepaid providers to be a minimal threat as CFPB is cracking down on prepaid

(1) Source: Company's internal sales database and estimated student market size.
(2)Source: National Center for Education Statistics. "Enrollment and Employees in Postsecondary Institutions, Fall 2015; and Financial Statistics and Academic Libraries, Fiscal Year 2015", February 2017.
(3) Based on disbursement client retention from 2010 through 2016 (includes HigherOne).

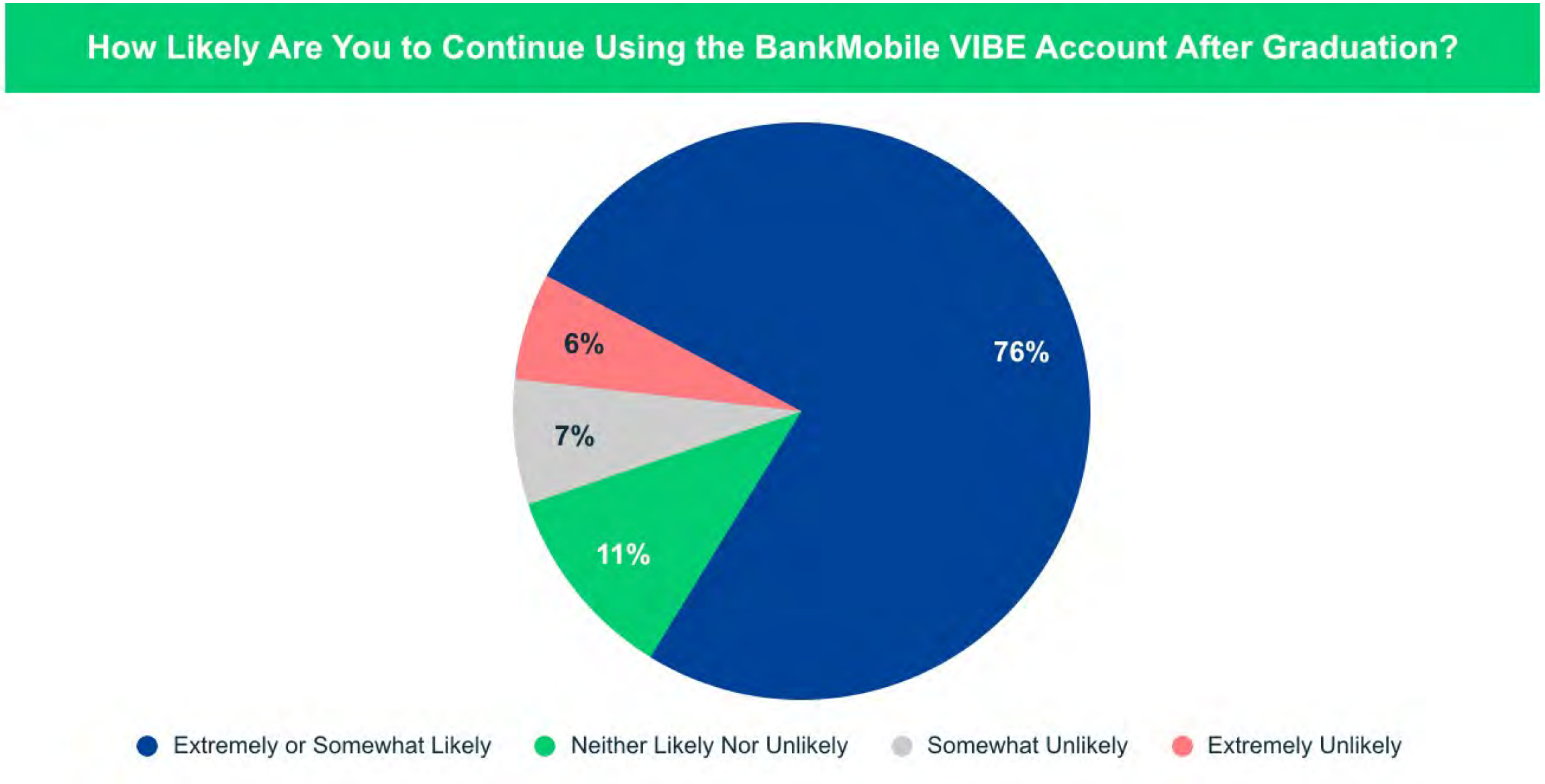
Revenue Generating transaction trends





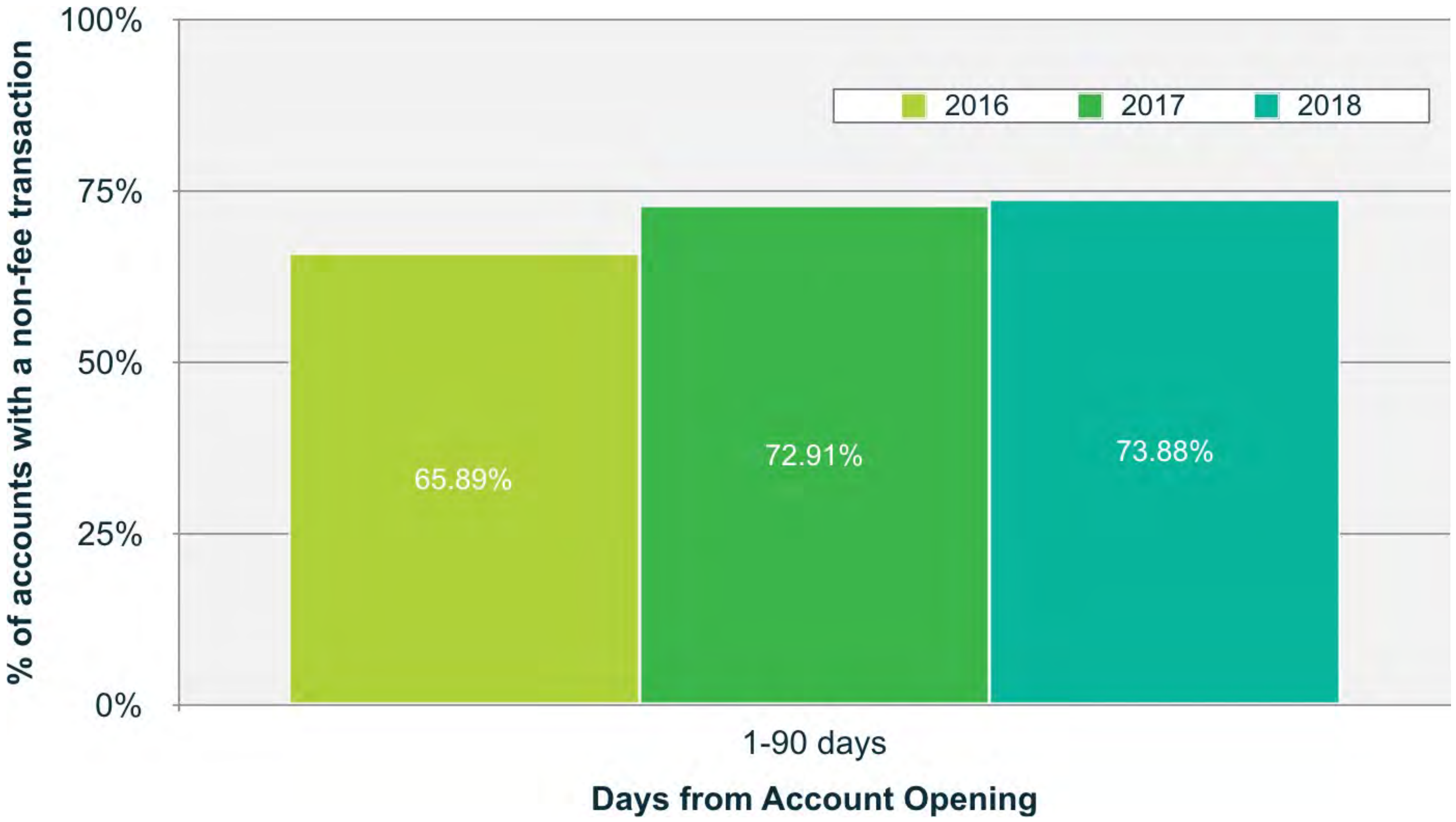
- Organic deposits per transacting account has increased by 97% in 2018 when compared to same period in 2016.
- Point of sale spending among newer accounts shows a 3% increase in 2018 when compared to same time period in 2016.

76% of Existing Student Customers Surveyed Likely to Use BankMobile VIBE Post-Graduation



Survey suggests improvements in customer retention rates

Account Engagement

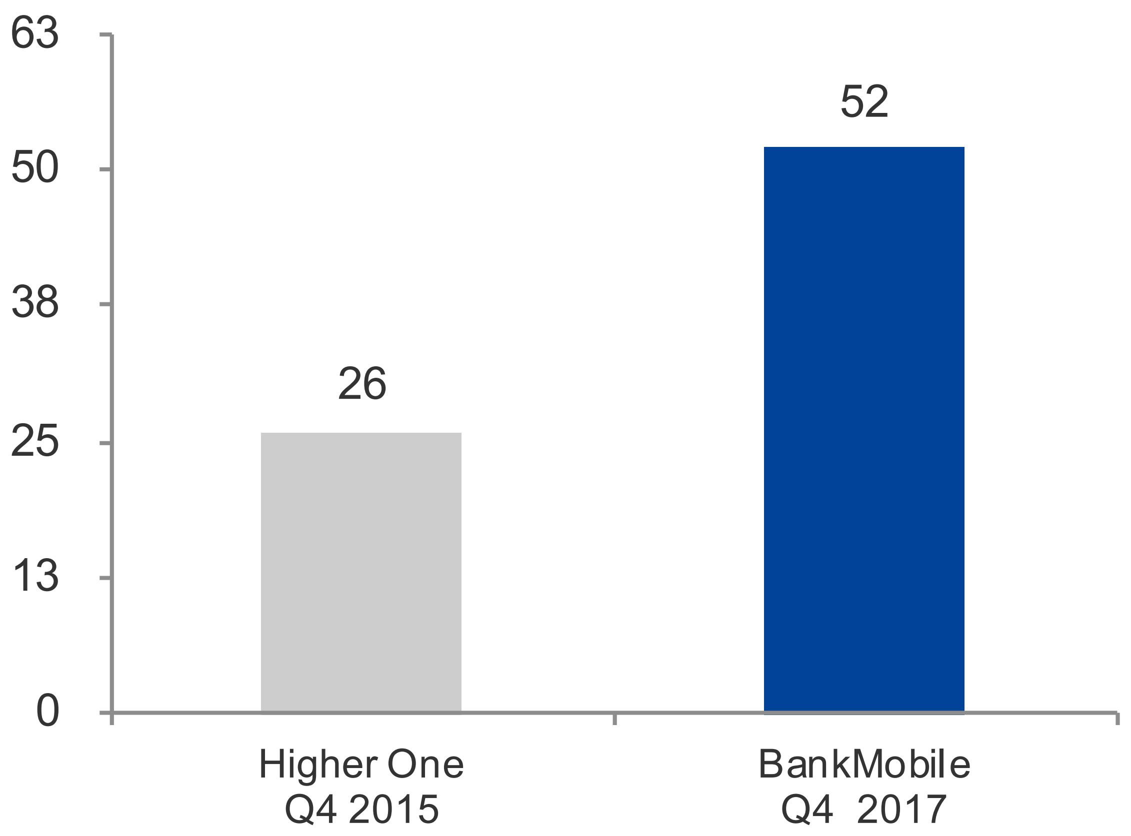


Of the accounts opened in 2018, 73.88% have made a transaction within the first 90 days from account opening. Overall, account retention among newer accounts is showing a positive trend

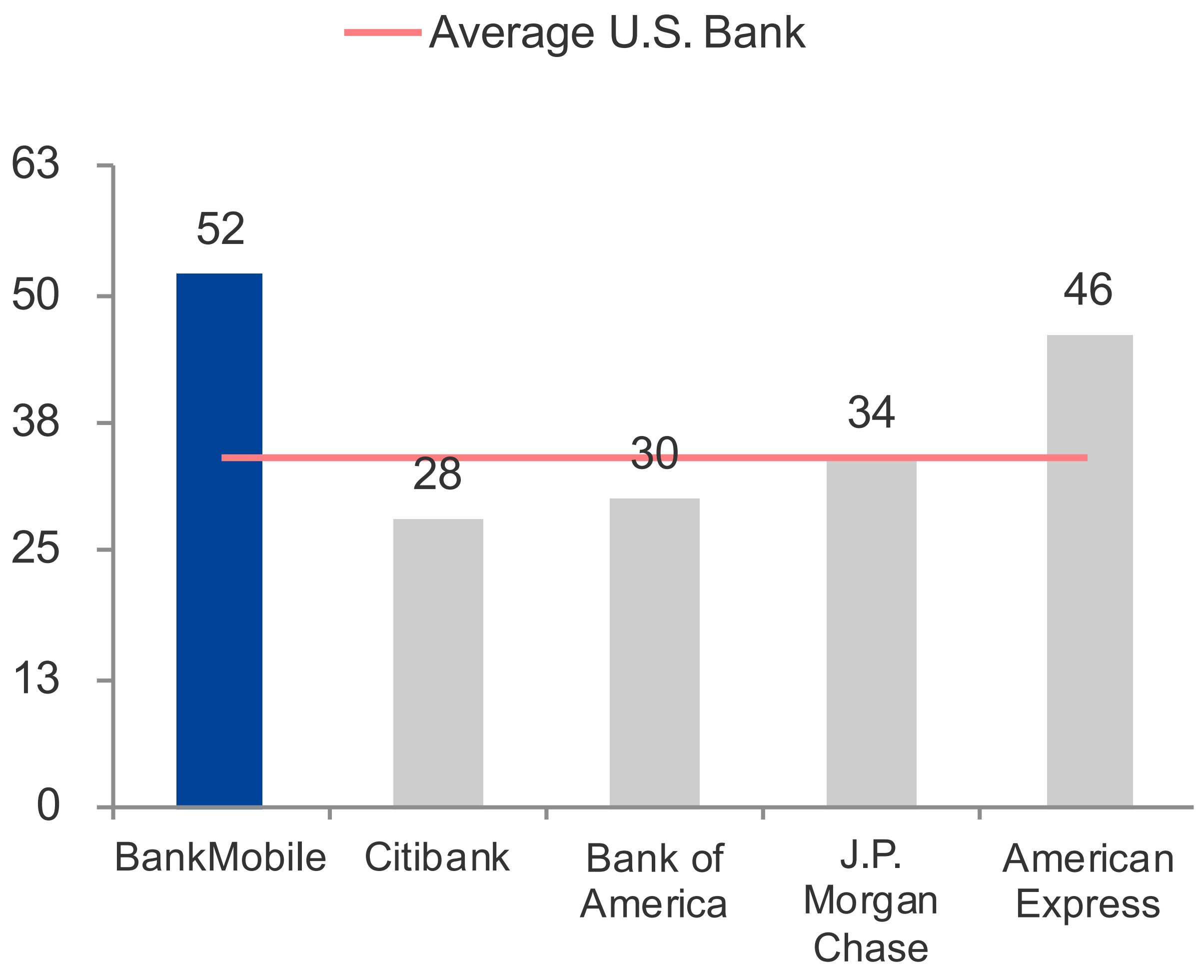
VIBE's Net Promoter Score ("NPS") Dramatically Increased from One Account and Significantly Higher than Traditional Banks

How likely are you to recommend the BankMobile VIBE Account to a friend or colleague?

Net Promoter Score



BankMobile NPS vs. Traditional Banks NPS



“Bank as a Service” Model and our unique technology

October 2018

White Label Partnerships

- What do customers want?
  - Ultimate convenience
  - Market rates for deposits
  - Faster and easy payment systems
  - Physical locations to supplement mobile experience
  - Reliable technology with strong UX

Bank as a service

- We believe that there is a significant opportunity to partner with businesses that desire to provide branded banking services "powered by BankMobile" to their customers
- We are focusing on Four Verticals for White Label Partnerships
  - Consumer products
  - Large employers (HR benefit)
  - Large member organizations (Labor unions)
  - Payroll processors

BankMobile Provides

- Fully branded digital bank
- Mobile banking app and Online interface
- Middleware integration
- Compliance / Risk expertise
- Customer service support
- Data analytics and reporting

Benefits to Partners

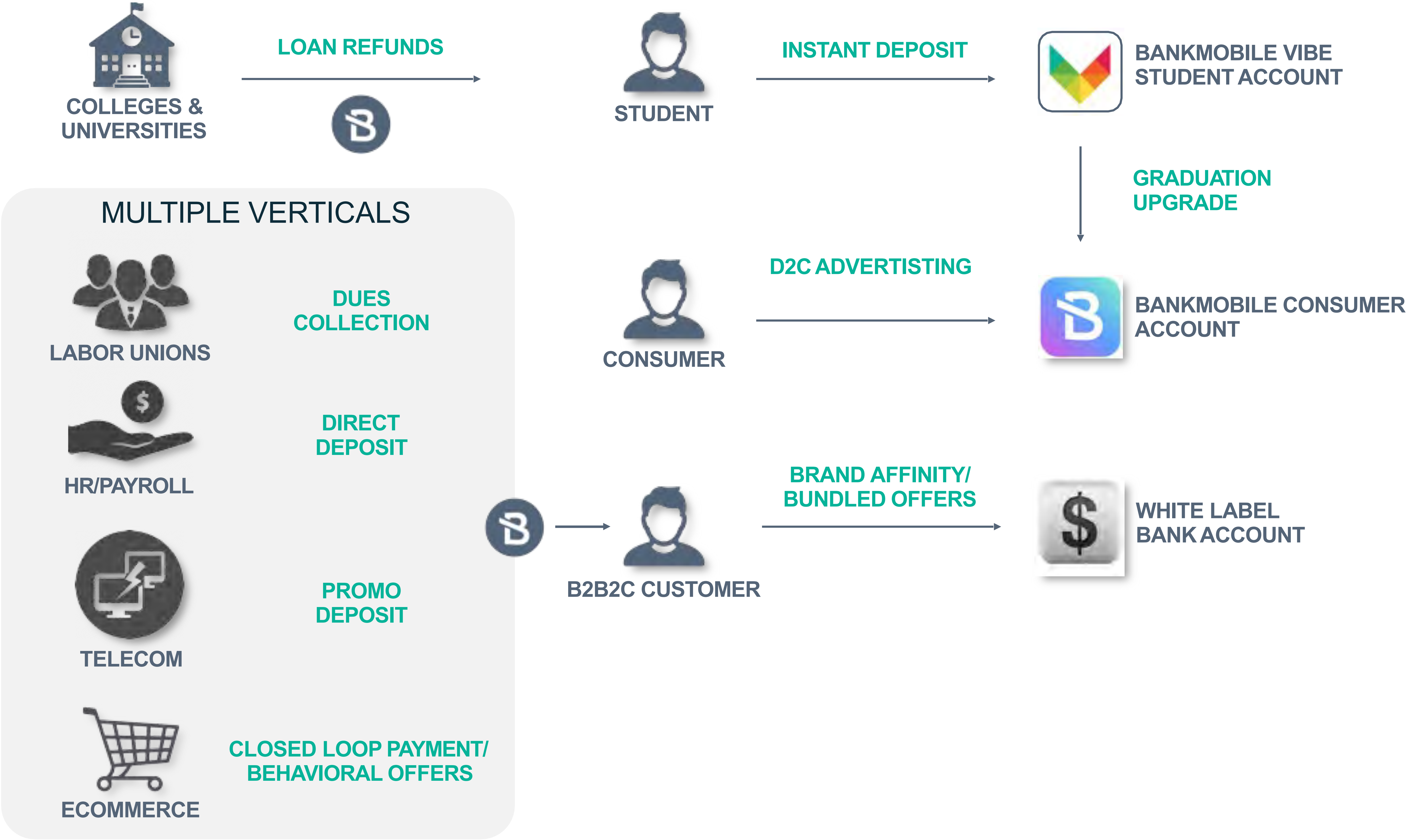
- Increase customer "stickiness"
- Rich data on customer
- Additional revenue stream

Benefits to BankMobile

- Low-Cost and High Volume Customer Acquisition
- Low cost deposits
- High margin business
- Potential for 2%+ ROA

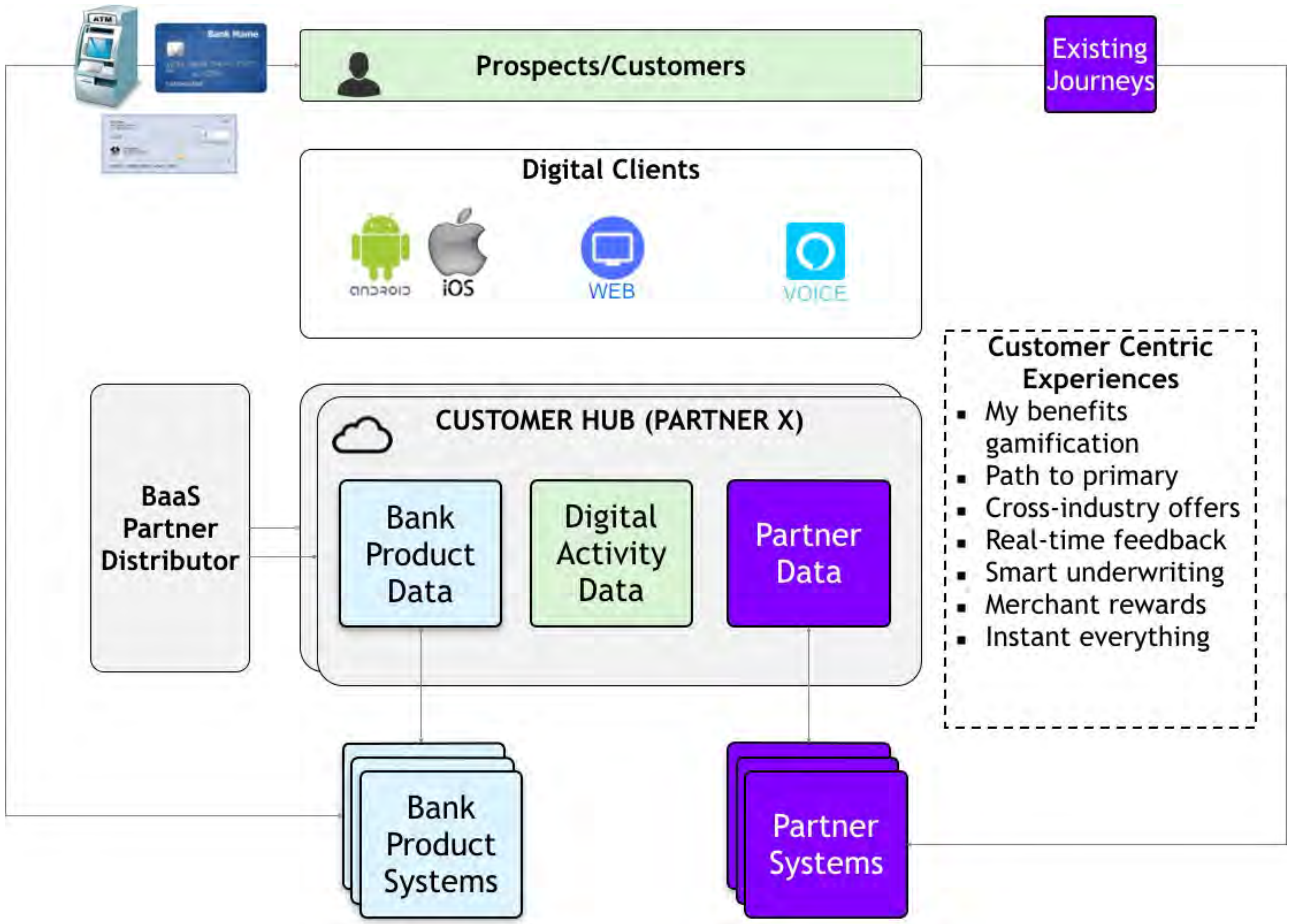
Multi-vertical customer use cases

Acquiring customers through non-bank journeys



Customer-centric technology

Modern “Bank as a Service” enabler



3 Year Growth Goals

October 2018

BankMobile Three Year Growth Trajectory Goals

Student Banking

Growth Goals
- Expand the number of contracted schools
  - SSE Growth: 600,000+ per year
  - 98% Client Retention
- Increase adoption of BankMobile Vibe accounts
  - Adoption Rate: 27%
- Retain more BankMobile Vibe accounts
  - Retention Rate: 75%
- Enhance and extend products and services - Customer for Life Strategy
  - Credit Cards: Q4/18
  - Student Loan Refinancing: Q1/19
  - Auto Loans: Q2/19
- Annual Deposit Growth
  - 10% +
- Achieve Profitability in 2019

White Label Banking

Compelling Financial Opportunities
- Low-cost and high volume customer acquisition model
- Large Retail Store Networks
- Access to millions of customers
- Shared Interchange Revenues
- Interest Expense
  - Minimal
- Non-Interest Expense
  - Majority of development and customer service costs reimbursed by partners
- Fraud Losses
  - Shared with partners
- Conservative modeling in Base Case

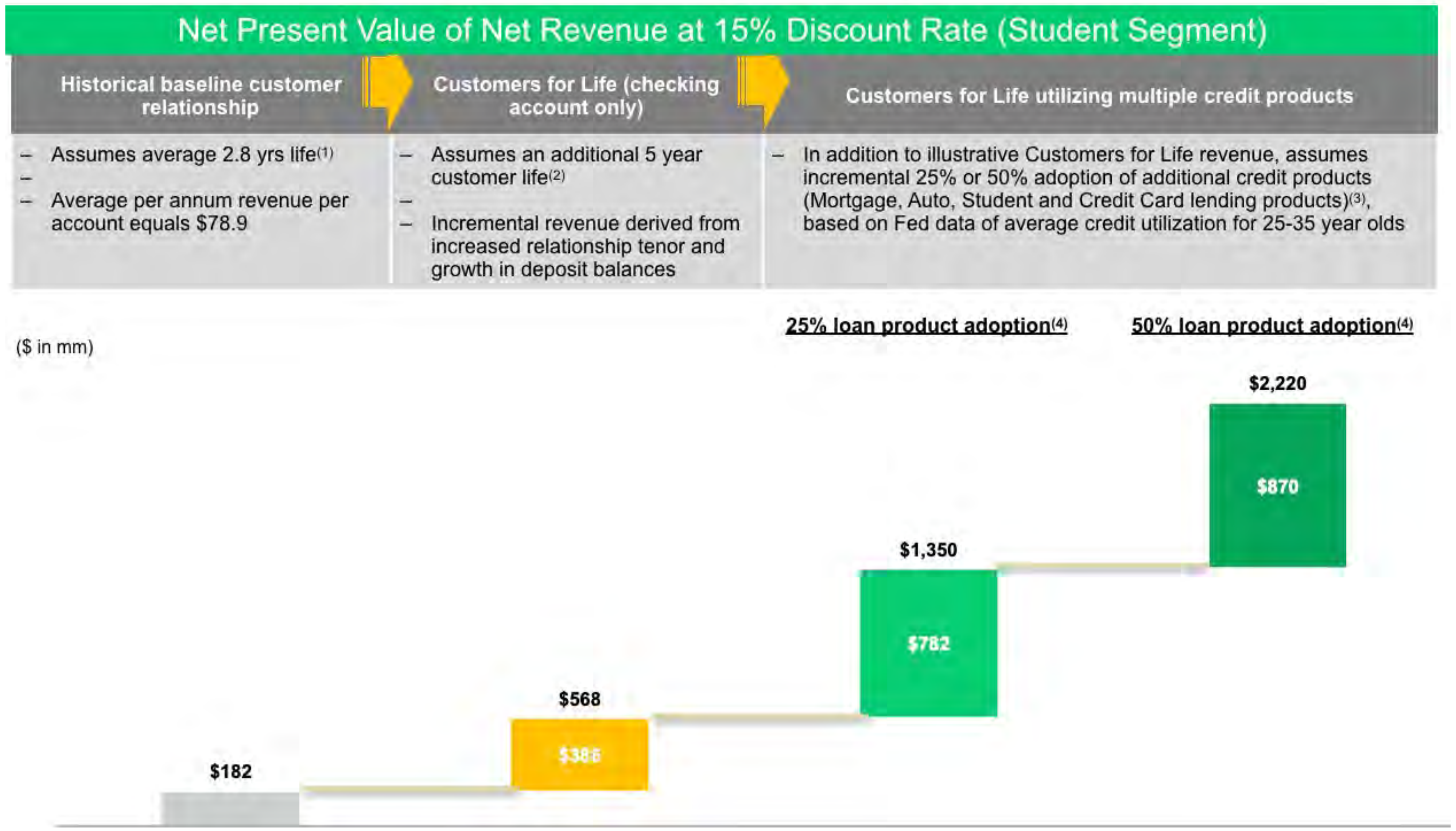
Total BankMobile

Key Goals - Base Case
- Annual Deposit Growth
  - Greater than $500 million
- Fees/Revenues: 48%
- Efficiency Ratio
  - Trending down to 55%
- Return on Average Assets
  - 2.3%
  - Contributes 0.35 to CUBI ROAA growth

Sensitivity
- Increase of 0.5 White Label sign-ups per store PER WEEK
  - $ 148 Million Increased Annual Deposits
  - Contributes 0.11 to CUBI ROAA growth

Key Goals – Growth Case
- Annual Deposit Growth
  - Greater than $1 Billion
- Efficiency Ratio
  - Trending down to under 50%
- Return on Average Assets
  - 2.6%

Customer engagement and customer for life profitability



Source: Federal Reserve State of Consumer Finance Chartbook 2016.

(1) Assumed on an assumed weighting of 40% in 4 yr schools, 60% in 2yr schools.
(2) Based on an increase in transaction account balances of 1.5x with a linear impact on revenues.
(3)Based on growth in median account balances. Assumed average yield on mortgage, auto, student and credit card loans of 4%, 4%, 7% and 10%, respectively. Assumes a cost of funds of 1.5%.
(4) Assumes 25% to 50% capture in the median growth of credit lending products based on national averages across all households.

Where are we heading?

October 2018

Competition is increasing, yet we have strong barriers to entry

DISBURSEMENTS

Heartland · nelnet (Education Planning & Financing) · TouchNet (Get the Curve)

PNC · usbank · Wells Fargo

MOBILE BANKING

Aspiration (Do Well. Do Good.) · chime · finn by Chase

N26 · Moven · Marcus: by Goldman Sachs

Revolut · VARO · zero

Version of BaaS

The Bancorp · fidor BANK · GObank

solarisBank · WebBank

wirecard · WSFS bank (We Stand For Service) · yantra

Some Limitations or Barriers to Entry

- Financial aid is highly regulated, resource-intensive
- DOE rules limit potential fee/revenue streams
- Long-Term contracts, high (98%) client retention
- Durbin Amendment limits profitability for later peers

- Need for BAAS partner or bank charter
- Up-front investment requires venture funding
- Large user base needed to reach profitability
- Compliance burden (eg: BSA, AML, KYC)
- Regulatory scrutiny of new or unfamiliar business models

- Banking charter required
- Regulatory uncertainty due to unproven model
- Risk due to potential liability for partner actions
- High and Ongoing Technological Investment Required
- Profitability of business – split with non-bank partner

Goals for the Next 2-3 Years

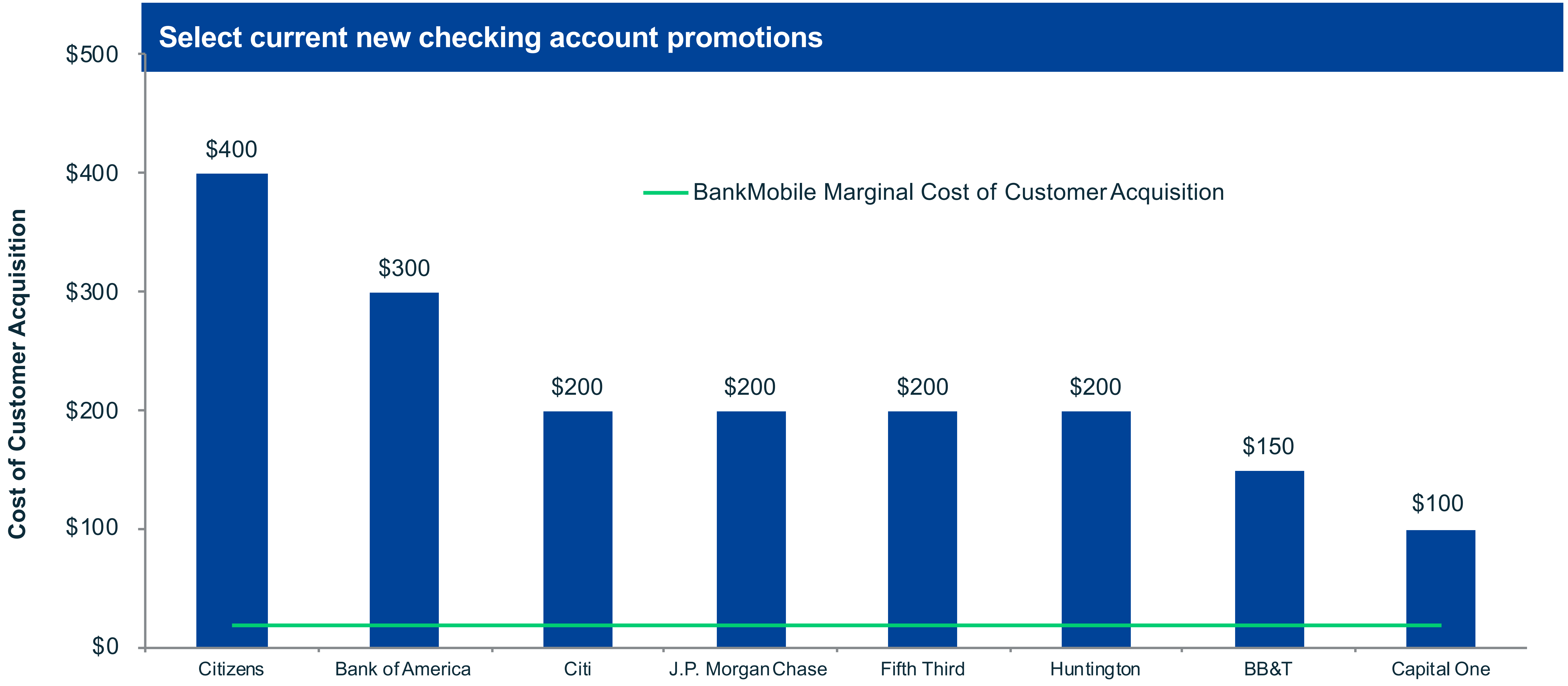
- Attracting over a million checking accounts per year
- Top 5 bank in the country in terms of # of checking accounts
- Strong brand presence and perceived as a world-class digital bank
- Standalone ROAA in 2% range


BANK

Appendix

October 2018

Acquisition costs reflect BankMobile's unique customer channels



Colleges pay BankMobile for disbursement services, which further lowers customer acquisition cost to almost zero

Putting it all together

Bob Ramsey, Director of Investor Relations and Strategic Planning

Customers Bancorp, Inc.

October 2018

Impacts on Q3 2018

A quick review of the Q3 financial impact of some of the items you have heard discussed today:

- $14.2M after tax loss on $495M of securities sold in the third quarter
- $ 0.9M after tax net gain on discontinuing cash flow hedge and equity security impairments
- In total, these notable items reduced Q3 net income by approximately $13.3 million and EPS by ~$0.41
- In the event that the Flagship deal is terminated, there may be additional related costs

Other Q3 trends:

- Our deposits grew by $1.2 billion
- Our NIM remained under pressure in Q3
  - We had strong deposit growth, but our deposit beta was approximately 100%
- We began to reduce the size of our balance sheet with the August securities sale (which sat in cash at September 30)
  - We ended Q3 with $10.62 billion in assets, and are below $10.2 billion today
- Credit trends are stable

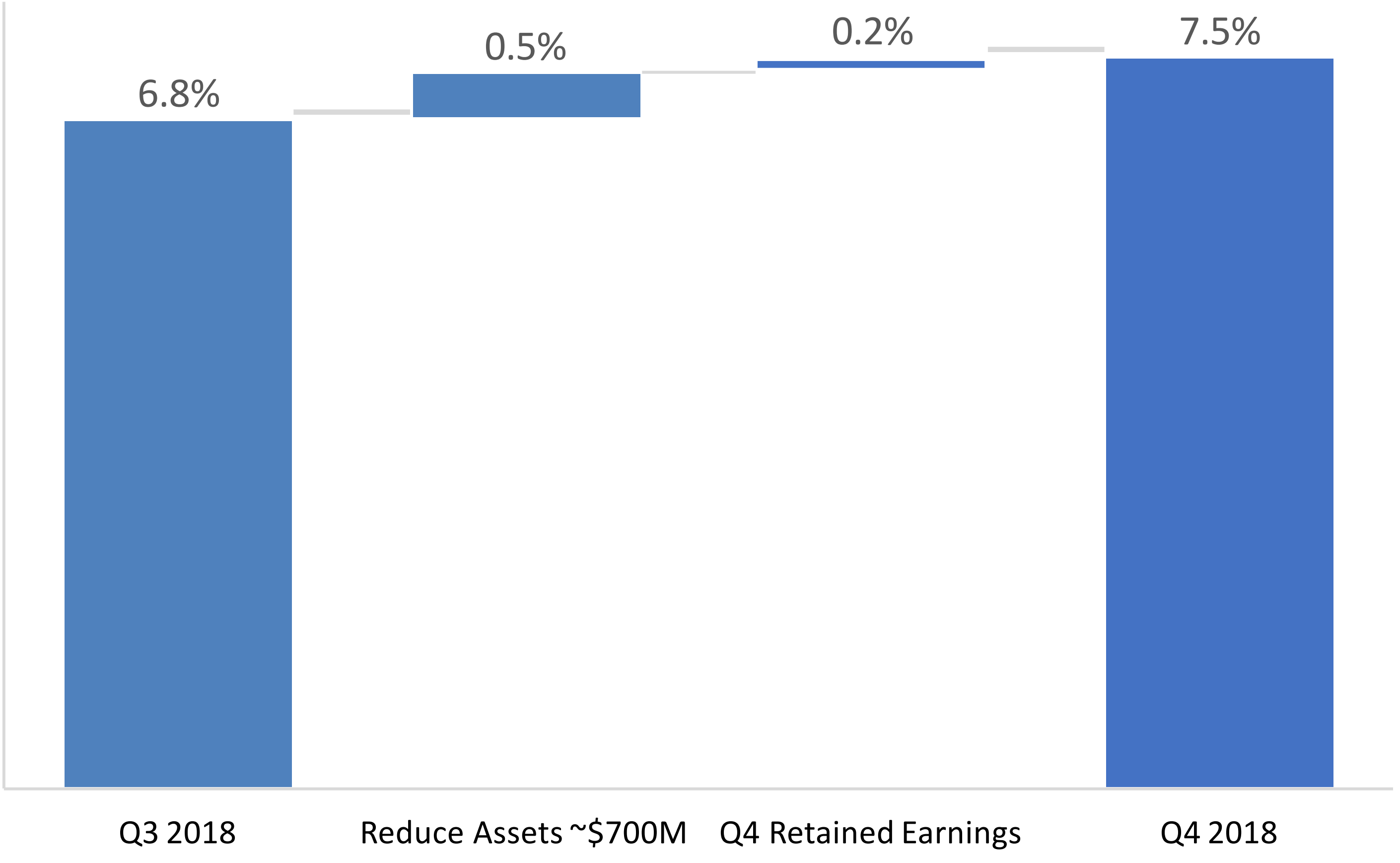
What will CUBI Look Like in 3 Years?

Balance Sheet Statement

- We plan to stay under $10 billion in assets
- We are adding higher yielding consumer loans but will remain a business bank
  - Our business mix will be ~15% consumer / 85% business
  - Multifamily will end this year at or below $3.3 billion and trend lower
- We are focused on improving our balance sheet mix
  - Reduce higher cost institutional and municipal deposits and FHLB borrowings.
  - Increase core deposit funding
    - BankMobile expects to generate at least $500M per year in new core deposits

What will CUBI Look Like in 3 Years?

We expect to exceed our TCE/TA* Capital Target by 50 bps by Q4 2018



Capital Management is Now an Option

- In 2019 and 2020 with a stable balance sheet and no dividend, every dollar earned will add to capital ratios
- Our board will evaluate share repurchases when shares are undervalued
- In times of a stronger valuation, our board will evaluate calling preferred

Series	Issue Date	Call Date	Amount ($M)	Rate	Annual Expense ($M)	EPS Cost
Series C	3/18/2015	6/15/2020	$57.50	7.00%	$4.03	$0.13
Series D	1/29/2016	3/15/2021	$25.00	6.50%	$1.63	$0.05
Series E	4/28/2016	6/15/2021	$57.50	6.45%	$3.71	$0.12
Series F	9/16/2016	12/15/2021	$85.00	6.00%	$5.10	$0.16
Total:			$225.00	6.43%	$14.46	$0.45

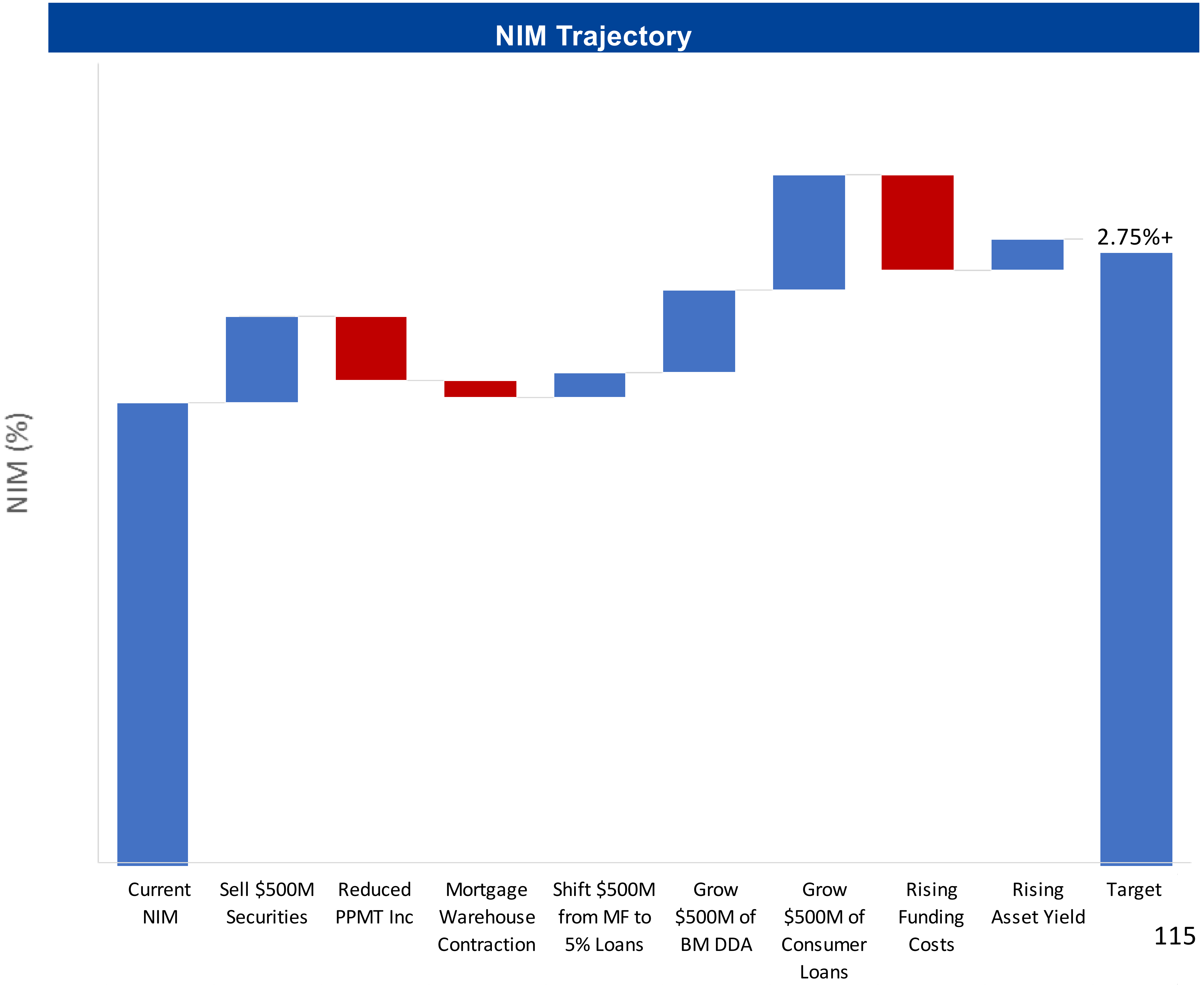
Source: Company data and estimates

*TCE is a non-GAAP measure, calculated as GAAP total shareholders equity less preferred stock and goodwill and other intangibles, divided by total assets less goodwill and other intangibles.
All Q3 2018 ratios are estimates

What will CUBI Look Like in 3 Years?

Profitability

- We expect to reach our NIM target of 2.75%+ by the end of 2019
- Continued focus on efficiency and costs
- ROA of 1.25% in 3-5 years, double digit ROTCE



Q&A

Senior executive management

OCTOBER 2018

Reconciliation of Non-GAAP Measures - Unaudited

Customers believes that the non-GAAP measurements disclosed within this document are useful for investors, regulators, management and others to evaluate our results of operations and financial condition relative to other financial institutions. These non-GAAP financial measures exclude from corresponding GAAP measures the impact of certain elements that we do not believe are representative of our financial results, which we believe enhance an overall understanding of our performance. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition. Although non-GAAP financial measures are frequently used in the evaluation of a company, they have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results of operations or financial condition as reported under GAAP.

The following tables present reconciliations of GAAP to Non-GAAP measures disclosed within this document.

Reconciliation of Non-GAAP Measures - Unaudited

Tangible Common Equity to Tangible Assets - Consolidated Bancorp

(dollars in thousands)	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017
GAAP - Total Shareholders' Equity	$ 956,846	$ 936,227	$ 919,088	$ 920,964	$ 910,642
Reconciling Items:					
Preferred Stock	(217,471)	(217,471)	(217,471)	(217,471)	(217,471)
Goodwill and Other Intangibles	(16,825)	(17,150)	(17,477)	(16,295)	(16,604)
Tangible Common Equity	$ 722,550	$ 701,606	$ 684,140	$ 687,198	$ 676,567
Total Assets	$ 10,619,138	$ 11,092,846	$ 10,769,266	$ 9,839,555	$ 10,471,829
Reconciling Items:					
Goodwill and Other Intangibles	(16,825)	(17,150)	(17,477)	(16,295)	(16,604)
Tangible Assets	$ 10,602,313	$ 11,075,696	$ 10,751,789	$ 9,823,260	$ 10,455,225
Tangible Common Equity to Tangible Assets	6.82%	6.33%	6.36%	7.00%	6.47%

Reconciliation of Non-GAAP Measures - Unaudited

Tangible Common Equity to Tangible Assets - Bank

(dollars in thousands)	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017
GAAP - Total Shareholders' Equity	$ 1,053,297	$ 1,037,815	$ 1,028,941	$ 1,036,525	$ 1,024,575
Reconciling Items:					
Goodwill and Other Intangibles	(16,825)	(17,150)	(17,477)	(16,295)	(16,604)
Tangible Common Equity	$ 1,036,472	$ 1,020,665	$ 1,011,464	$ 1,020,230	$ 1,007,971
Total Assets	$ 10,617,577	$ 11,088,756	$ 10,756,824	$ 9,833,071	$ 10,465,588
Reconciling Items:					
Goodwill and Other Intangibles	(16,825)	(17,150)	(17,477)	(16,295)	(16,604)
Tangible Assets	$ 10,600,752	$ 11,071,606	$ 10,739,347	$ 9,816,776	$ 10,448,984
Tangible Common Equity to Tangible Assets	9.78%	9.22%	9.42%	10.39%	9.65%

Reconciliation of Non-GAAP Measures - Unaudited

Tangible Book Value per Common Share

(dollars in thousands, except per share data)	Q3 2018	Q4 2017	Q4 2016	Q4 2015	Q4 2014	Q4 2013	Q4 2012	Q4 2011	Q4 2010	Q4 2009
GAAP - Total Shareholders' Equity	$ 956,846	$ 920,964	$ 855,872	$ 553,902	$ 443,145	$ 386,623	$ 269,475	$ 147,748	$ 105,140	$ 21,503
Reconciling Items:										
Preferred Stock	(217,471)	(217,471)	(217,471)	(55,569)	-	-	-	-	-	-
Goodwill and Other Intangibles	(16,825)	(16,295)	(17,621)	(3,651)	(3,664)	(3,676)	(3,689)	(3,705)	-	-
Tangible Common Equity	$ 722,550	$ 687,198	$ 620,780	$ 494,682	$ 439,481	$ 382,947	$ 265,786	$ 144,043	$ 105,140	$ 21,503
Common shares outstanding	31,687,340	31,382,503	30,289,917	26,901,801	26,745,529	26,646,566	20,305,452	12,482,451	9,237,817	2,024,993
Tangible Book Value per Common Share	$ 22.80	$ 21.90	$ 20.49	$ 18.39	$ 16.43	$ 14.37	$ 13.09	$ 11.54	$ 11.38	$ 10.62

Forward-Looking Statements

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, 2017 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.

This presentation provides certain preliminary estimated financial information for the three- and nine-month period ended September 30, 2018. This information reflects management’s estimates based upon information available to it as of the date of this presentation and is not a comprehensive statement of our financial results for the three- and nine-month period ended September 30, 2018. Our financial closing procedures for September 30, 2018 are not yet complete, and the information included in this presentation should not be considered a substitute for full unaudited financial statements for the three- and nine-month period ended September 30, 2018, once they become available and should not be regarded as a representation by us or our management as to our actual financial results. The preliminary estimated financial information included in this presentation is subject to change, and our actual financial results may differ from such preliminary estimates and such differences could be material. Accordingly, you should not place undue reliance upon these preliminary estimates.

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;

Forward-Looking Statements (Cont.)

- 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 our proposed spin-off of BankMobile and merger of BankMobile into Flagship Community Bank, including:
  - the possibility the transaction is terminated;
  - uncertainty of timing of a spin/merge transaction if it is not terminated;
  - our ability to successfully complete the transactions;
  - the ability of Customers and Flagship Community Bank to meet all of the conditions to completion of the proposed transactions;
  - The ability of Customers to maintain the planned tax-free of the transaction while also complying with federal and state bank laws, regulations and requirements;
  - the impact of an announcement of the proposed spin-off and merger on the value of our securities, our business and our relationship with employees and customers;
- risks relating to BankMobile, including:
  - our ability to maintain interchange income with the small issuer exemption to the Durbin amendment;
  - our ability to manage our balance sheet under $10 billion by December 31, 2018 and thereafter;
  - our ability to execute on our White Label strategy to grow demand deposits through strategic partnerships;
  - material variances in the adoption rate of BankMobile's services by new students
  - the usage rate of BankMobile's services by current student customers compared to our expectations;

Forward-Looking Statements (Cont.)

        - 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 spin-off and merge or otherwise dispose of the BankMobile business in the future, depending upon market conditions and opportunities; and
    - BankMobile's ability to successfully implement its growth strategy and control expenses.
- risks related to planned changes in our balance sheet, including:
    - our ability to reduce the size of our Multifamily loan portfolio;
    - our ability to execute our digital distribution strategy; and
    - our ability to manage the risk of change in our loan mix to include a greater proportion of consumer loans.

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.

This presentation shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.