



**customers
bancorp**

Let's take on tomorrow.

"A Digital-Forward Super-Community Bank"

Investor Presentation: Q1 2022

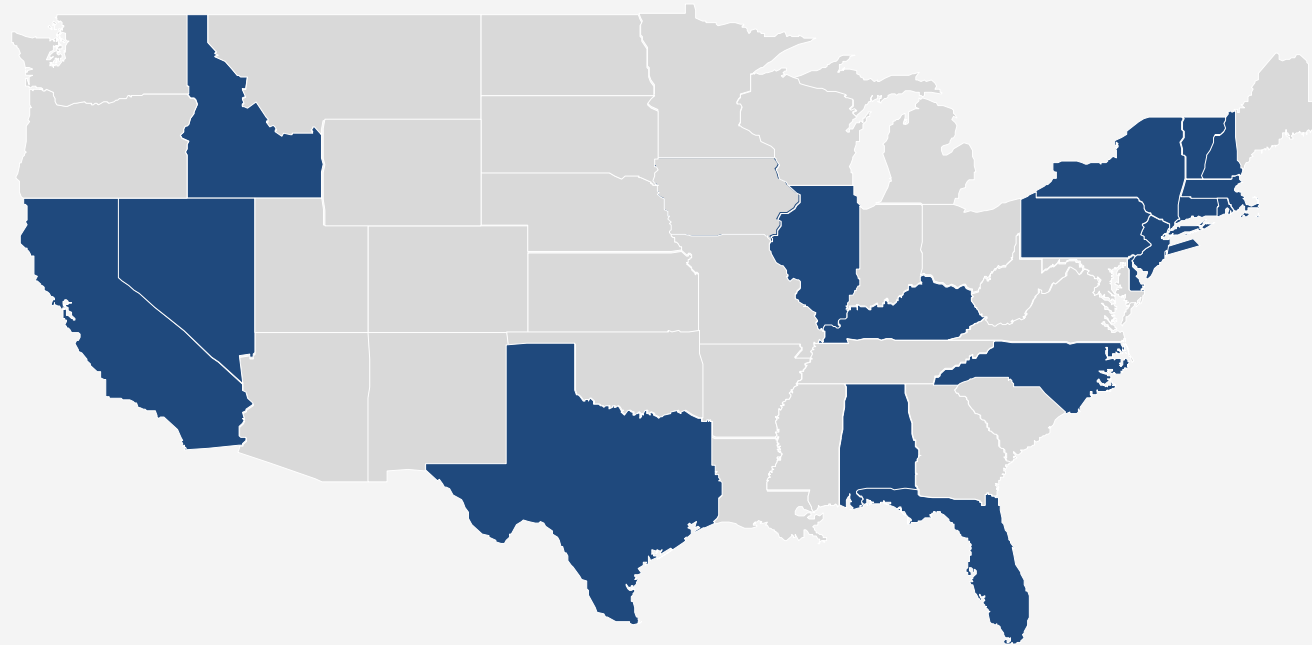
April 2022

Forward-Looking Statements



In addition to historical information, this presentation may contain “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements with respect to Customers Bancorp, Inc.’s strategies, goals, beliefs, expectations, estimates, intentions, capital raising efforts, financial condition and results of operations, future performance and business. Statements preceded by, followed by, or that include the words “may,” “could,” “should,” “pro forma,” “looking forward,” “would,” “believe,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “project”, or similar expressions generally indicate a forward-looking statement. These forward-looking statements involve risks and uncertainties that are subject to change based on various important factors (some of which, in whole or in part, are beyond Customers Bancorp, Inc.’s control). Numerous competitive, economic, regulatory, legal and technological events and factors, among others, could cause Customers Bancorp, Inc.’s financial performance to differ materially from the goals, plans, objectives, intentions and expectations expressed in such forward-looking statements, including: The impact of the ongoing pandemic on the U.S. economy and customer behavior, the impact that changes in economy have on the performance of our loan and lease portfolio, the market value of our investment securities, the demand for our products and services and the availability of sources of funding, the continued success and acceptance of our blockchain payments system; the effects of actions by the federal government, including the Board of Governors of the Federal Reserve System and other government agencies, that effect market interest rates and the money supply; the actions that we and our customers take in response to these developments and the effects such actions have on our operations, products, services and customer relationships; and the effects of changes in accounting standards or policies. Customers Bancorp, Inc. cautions that the foregoing factors are not exclusive, and neither such factors nor any such forward-looking statement takes into account the impact of any future events. All forward-looking statements and information set forth herein are based on management’s current beliefs and assumptions as of the date hereof and speak only as of the date they are made. For a more complete discussion of the assumptions, risks and uncertainties related to our business, you are encouraged to review Customers Bancorp, Inc.’s filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K for the year ended December 31, 2021, subsequently filed quarterly reports on Form 10-Q and current reports on Form 8-K, including any amendments thereto, that update or provide information in addition to the information included in the Form 10-K and Form 10-Q filings, if any. Customers Bancorp, Inc. does not undertake to update any forward-looking statement whether written or oral, that may be made from time to time by Customers Bancorp, Inc. or by or on behalf of Customers Bank, except as may be required under applicable law. This does not constitute an offer to sell, or a solicitation of an offer to buy, any security in any state or jurisdiction in which such offer, solicitation or sale would be unlawful.

Customers Bancorp Snapshot



Lines of Business

Community Banking

- C&I
- CRE
- Multi-Family
- SBA
- SMB Lending
- Residential Mortgage

Specialty Banking

- Mortgage Banking Lending
- Lender Finance
- Fund Finance
- Real Estate Specialty Finance
- Equipment Finance
- Healthcare Lending
- Technology and Venture Capital Banking
- Financial Institutions Group

Digital Banking

- | | |
|--|--|
| <p>Consumer</p> <ul style="list-style-type: none"> ○ Checking & Savings ○ Personal Installment ○ Student Loan Refinancing ○ Medical/Dental ○ Credit Card | <p>Commercial</p> <ul style="list-style-type: none"> ○ Instant Payments ○ Digital Asset Banking ○ SMB Bundle ○ Credit Card <p>BaaS</p> <ul style="list-style-type: none"> ○ MPL Program |
|--|--|

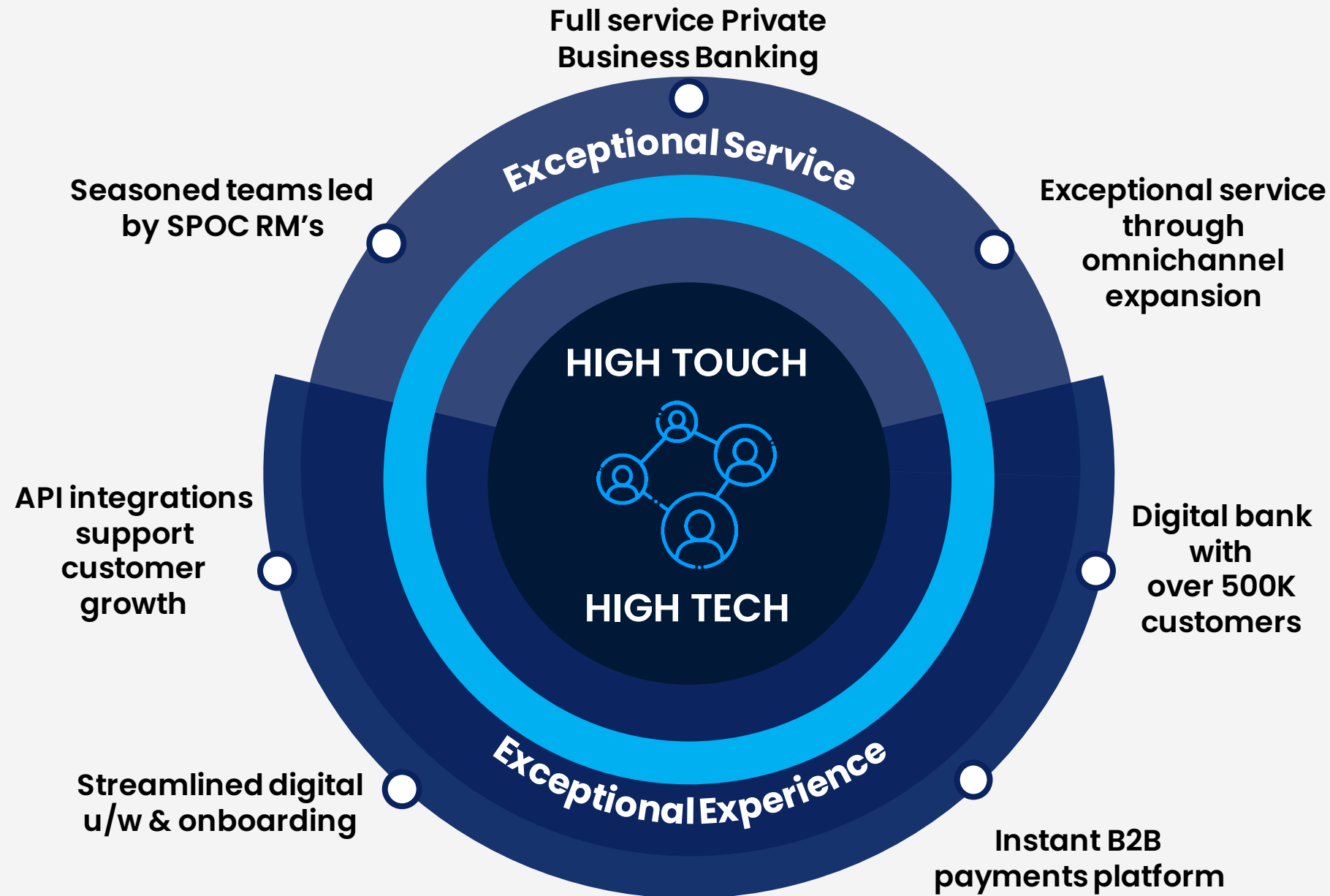
Customers Bancorp, Inc. NYSE: CUBI

Headquarters	West Reading, PA
Offices ¹	40
FTE Employees	665
Market Capitalization ² As of 04/22/2022	\$1.4B
Total Assets	\$19.2B
Tangible Book Value ³	\$37.50

Data as of 03/31/2022, unless otherwise noted.

- (1) Offices includes branches, executive offices, Private Banking Offices and Loan Production Offices.
- (2) Calculated based on shares outstanding of 33.0M.
- (3) Non-GAAP Measure, refer to Appendix for reconciliation.

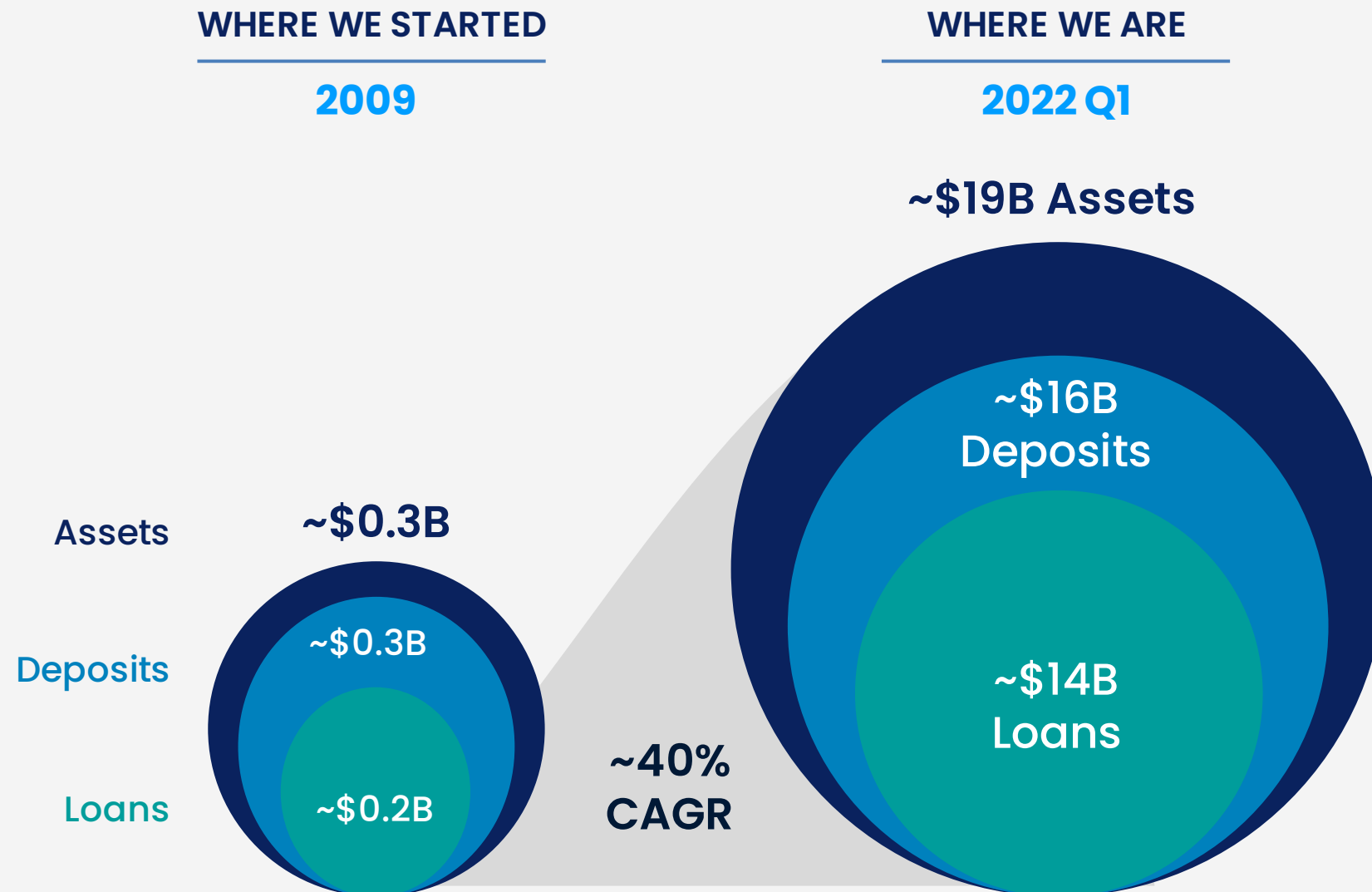
The customer is at the center of everything we do



- Single Point of Contact for customers (SPOC)
- Technology led customer experience
- Customer retention & referrals at an all time high
- Industry leading employee retention



Our vision for growth has remained a part of our story since the beginning



- A Digital-Forward Super-Community Bank
- Growth story remains committed to maintaining best in class credit quality
- Unique specialty lending strategy customizable to client needs
- Technology enhanced products and processes enable scalable loan and deposit growth

Environmental, Social & Governance Report

– 2021 Milestones



In total, Customers Bank contributed over \$4 million in 2021 through CRA-eligible donations, charitable donations, community sponsorships, and tax credit programs.

In addition to these contributions, Customers Bank made ~\$50 million of CRA-qualified investments (mutual funds and small business investment companies) to support affordable housing and economic development within the bank's footprint.

Customers Bank ultimately participated in over 350,000 Paycheck Protection Program (PPP) loans worth more than \$10 billion as an originator, funder, servicer, or lending partner. It is estimated that this work may have saved as many as 1 million jobs and tens of thousands of business establishments.

Pennsylvania Housing Finance Agency (PHFA) recognized Customers Bank as a top-10 producing lending partner across the state in 2021 for completing 241 mortgages totaling ~\$35 million

Customers Bank in 2021 financed over \$40 million of hydroelectric, solar and low emission domestic natural gas energy projects.

Customers Bank's SBA/Government Guaranteed Lending team ranked 36th in the nation in 2021 with ~\$56 million in loans to qualifying small businesses.

The Board created the Environmental Social & Governance Committee charging the members to drive a positive impact within the communities we serve and through the people and organizations with whom we do business.

Customers Bank was ranked as #1 "medium sized" employer in the Philadelphia region on the basis of its wellness program, culture and leadership commitment, foundational components, strategic planning, communication and marketing, programming and interventions, and reporting and analysis.



Let's take on tomorrow.

Highlights - GAAP



Q1'22 (vs. Q1'21)	Q1'22 (vs. Q1'21)		
Highlights	Profitability	Balance Sheet	Credit
Diluted EPS \$2.18 +116%	3.59% vs. 3.00% NIM	\$19.2B +2% Total Assets	0.23% -3 bps NPA Ratio
Net Income¹ \$74.9M +126%	1.63% vs. 0.80% ROAA	\$14.1B -13% Total Loans and Leases	1.18% +18 bps Reserve Coverage
ROCE 24.3% vs. 14.7%	NA Adjusted PTPP ROAA²	\$16.4B +32% Total Deposits	333.2% vs. 264.2% Reserves to NPLs

1. Net income to common shareholders
 2. ROAA is the GAAP metric which is already provided.

Highlights - Adjusted



Q1'22 (vs. Q1'21)		Q1'22 (vs. Q1'21)		
Highlights		Profitability	Balance Sheet	Credit
Core EPS¹ \$2.19 +2%	Core EPS ex PPP^{1,2} \$1.47 +7%	3.32% vs. 2.99% NIM^{1,2}	\$17.0B +24% Core Assets^{1,2}	0.23% -3 bps NPA Ratio
Core Earnings¹ \$75.2M +7%		1.63% vs. 1.61% Core ROAA¹	\$11.9B +8% Total Loans and Leases^{1,2}	1.44% -27 bps Reserve Coverage^{1,2}
Core ROCE¹ 24.4% vs. 31.0%		2.38% vs. 1.90% Adjusted PTPP ROAA¹	\$16.4B +32% Total Deposits	333.2% vs. 264.2% Reserves to NPLs

1. Non-GAAP Measure, refer to appendix slides for reconciliation.
 2. Ex PPP

Business Line Accomplishments and Strategic Priorities



Community

Specialty

Digital

2022 PRIORITIES

Geographic expansion

- Continue to recruit regional C&I teams in adjacent and expansion markets

Continued Growth of Existing Verticals

- Achieve double digit loan growth across all verticals (ex MWH)

SBA Growth

- Grow originations by at least 50%

Specialty Lending Expansion

- Continue to recruit specialty lending teams and add to existing teams to support future growth
- Evaluate new banking verticals including Digital Asset Lending
- New lending verticals are expected to surpass \$1B in outstanding in 2022

Continued Growth of Existing Verticals

- Achieve double digit loan growth across all verticals (ex MWH)

Consumer:

- Continue to index portfolio mix to direct originations
- Expand cross-sell with products

Commercial:

- Continue to scale CBIT customers and significantly grow deposits
- Digital SMB bundle product pilot launch in H1'22 to cross-sell to digital SMB customers

Banking-as-a-Service

- Achieve \$5M+ of run rate revenue in H2'22

2022 Q1 ACCOMPLISHMENTS

Geographic expansion

- Strengthened presence and reputation in local markets laying the foundation for continued production growth and team recruitment

Continued Growth of Existing Verticals

- Net loan growth of 9% QoQ from Mid-Atlantic region C&I
- Successful re-launch of relationship focused multifamily program resulting in loan growth of \$200M+ for the quarter

SBA Growth

- SBA production growth of 14% QoQ
- Originated over \$5M in Q1'22 through digital lending program

Specialty Lending Expansion

- New lending verticals have achieved outstanding balance of ~\$434M
- Onboarded new leader to launch a technology enhanced Small Ticket/SMB Vendor Finance product within our Equipment Finance business
- Digital Asset Lending initiative progressing with initial loans expected to be originated in Q2/Q3'22

Continued Growth of Existing Verticals

- Industry leading growth in existing verticals
 - Lender Finance (+32% QoQ)
 - Funds Finance (+41% QoQ)
 - RE Specialty Finance (+11% QoQ)
 - Equipment Finance (+6% QoQ)

Consumer:

- Crossed over \$2.0B in lifetime direct personal loans originations

Commercial:

- Onboarded 74 new CBIT customers continuing to enhance the existing platform nodes
- On track for Digital SMB bundle product pilot launch in Q2/Q3'22

Banking-as-a-Service

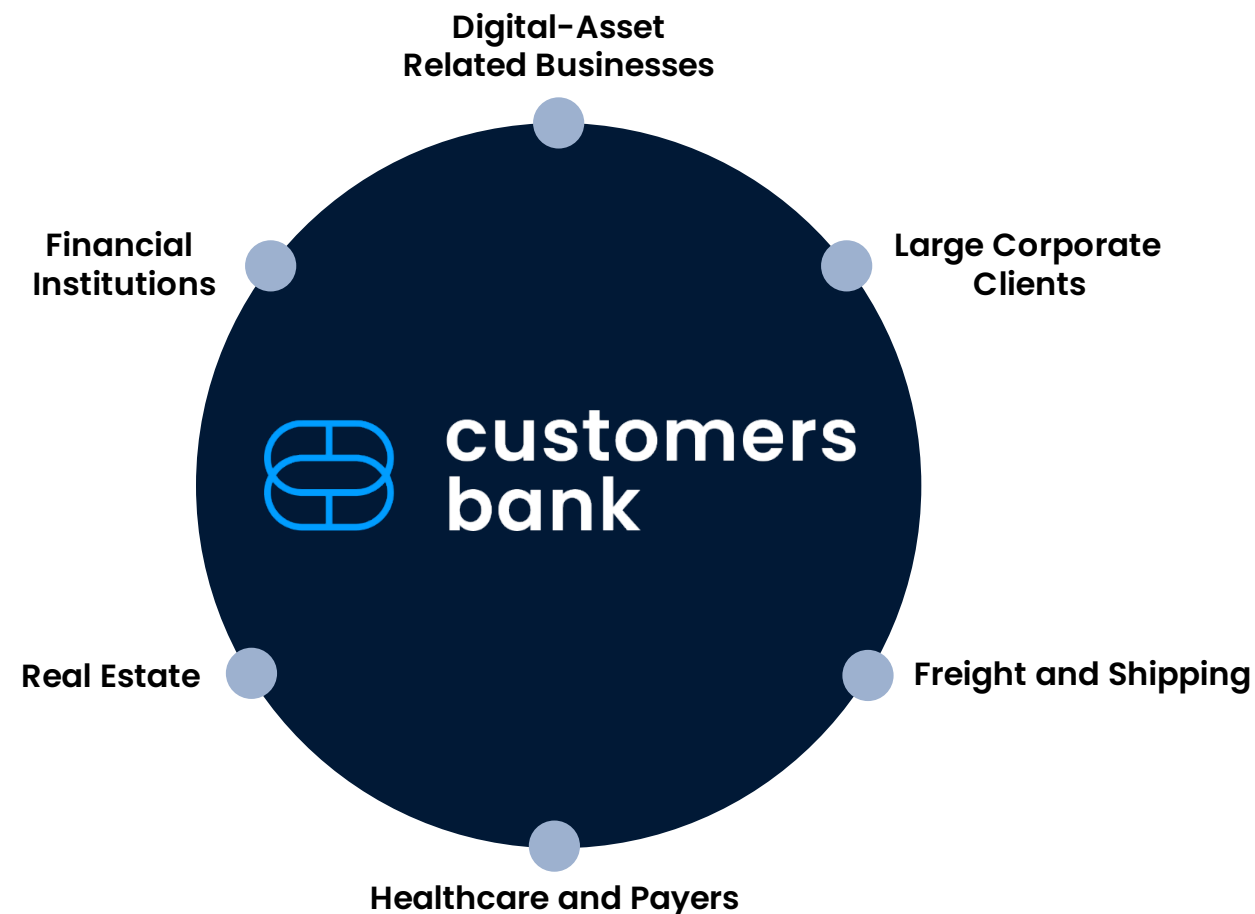
- Expect to launch our initial MPL program in early Q3'22

A Blockchain-based, instant payments platform generating \$2.3B¹ in low cost deposits



Introducing: Customers Bank Instant Token (CBIT™)

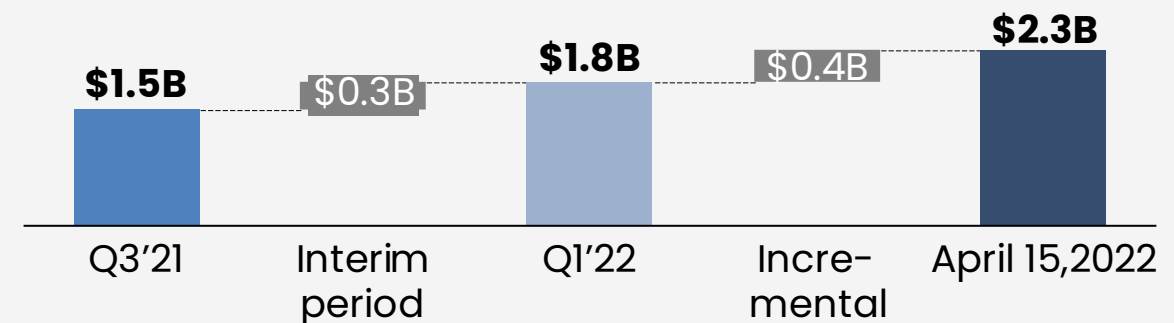
An Instant Payments Tool to Serve Diverse Potential Commercial Clients in 2022 and Beyond



Overview

- API connected platform with customers
- Onboarded 74 new customers in Q1'22 bring total customers to 100
- Compliance-first, best-in-class onboarding process. Successfully onboarded customers with transaction volume of billions of dollars in Q1'22
- CBIT adoption central to our strategy. Digital banking team closely integrated with all the other business unit heads
- Attracted ~\$2.3B billion of total deposits as of April 15, 2022

Deposit Inflow as a Result of CBIT Launch



1. As of April 15, 2022

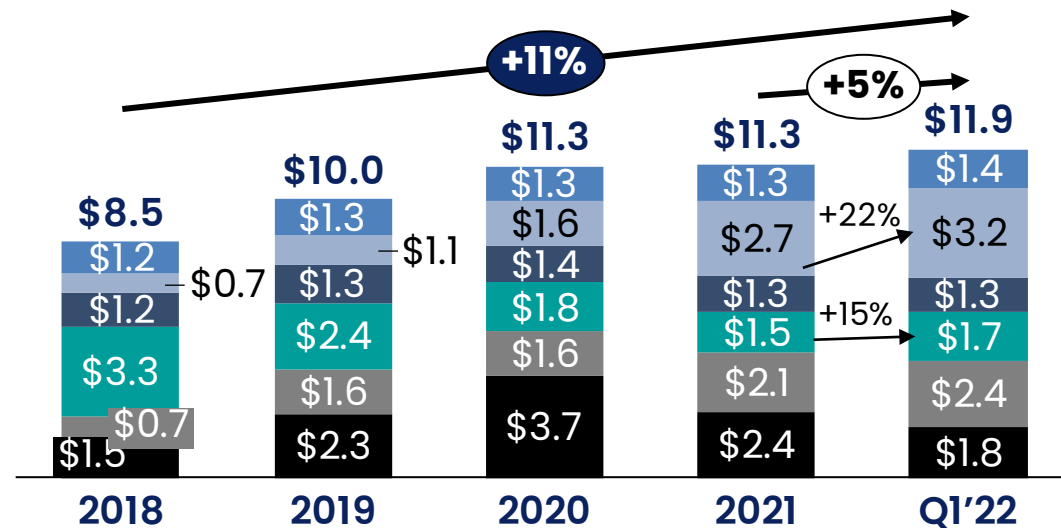
Balance Sheet: Loan Growth & Mix



Loans ex PPP¹

\$ billions

- Community C&I
- Multifamily
- Specialty C&I
- Consumer²
- Investment CRE
- Mortgage warehouse



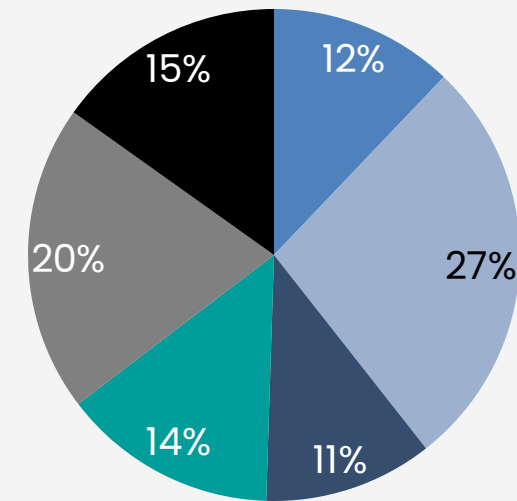
PPP loans	2018	2019	2020	2021	Q1'22
PPP loans	-	-	\$4.6	\$3.3	\$2.2

- Loan growth ex PPP¹: +\$559M QoQ, 5% QoQ, 8% YoY
- Loan growth ex PPP ex MWH¹: +\$1,091M QoQ, 12% QoQ, 33% YoY
- Specialty C&I: +\$567M QoQ, 22% QoQ, 122% YoY

Loan mix ex PPP¹

percent

- Community C&I
- Multifamily
- Specialty C&I
- Consumer²
- Investment CRE
- Mortgage warehouse



As of Q1'22

80% Commercial Loans

- Significant improvement in loan mix with greater proportion of lower credit risk verticals
- Pipeline remains extremely strong especially in C&I
- Loan mix ex PPP¹: Consumer installment (16%), Consumer mortgages³ (4%)

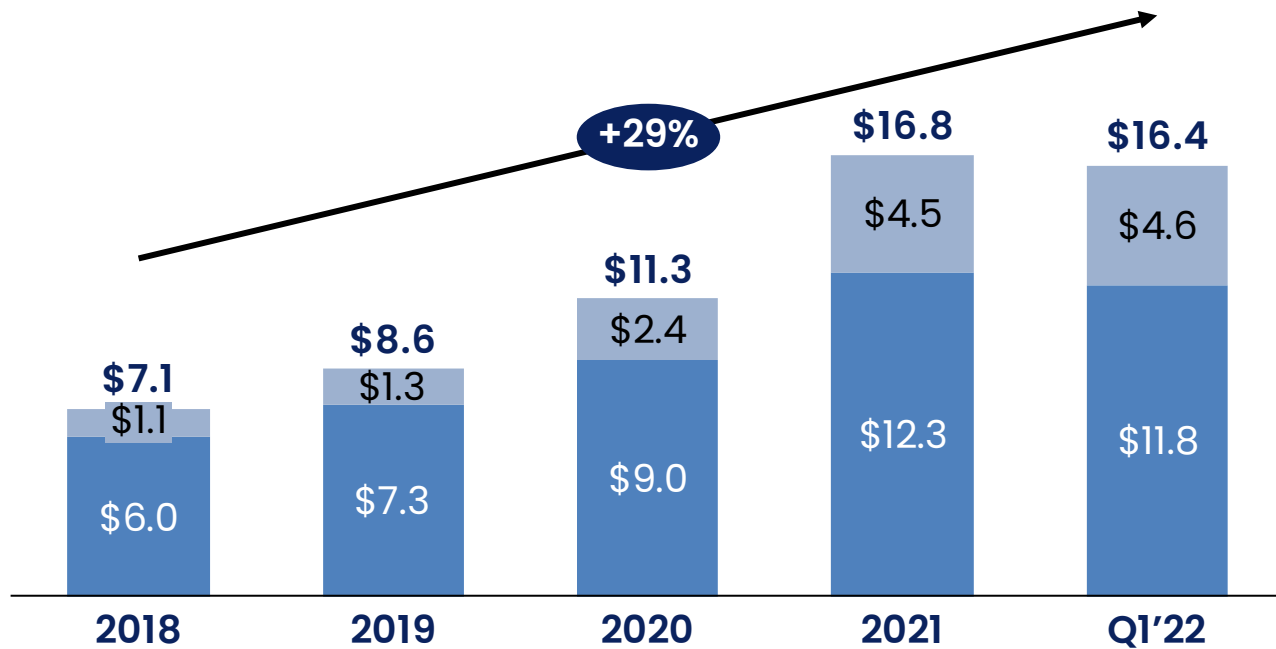
1. Non-GAAP Measure, refer to appendix slides for reconciliation.
 2. Includes consumer installment (\$1.9B), Mortgage loans (\$450M), Manufactured housing (\$51M) and Home Equity Loans (\$19M)
 3. Includes mortgages, manufactured housing, Home Equity loans

Balance Sheet: Deposit Growth & Mix



Deposits \$ billions

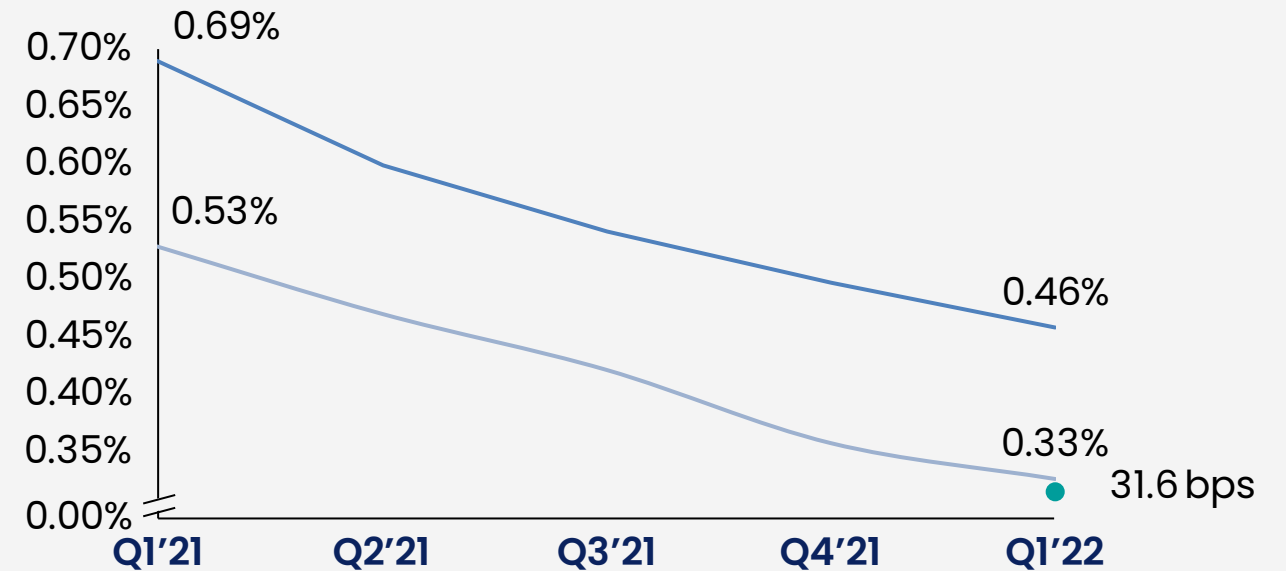
■ Non-interest bearing deposits
■ Interest bearing deposits



- Proportion of non-interest bearing deposits has increased from 16% in 2018 to 28% in Q1'22
- Continued execution of our initiative to reduce reliance on
 - Collateralized deposits (decline of ~\$123M QoQ and \$310M since Q3'21)
 - Ascent market rate sensitive balances (decline of \$194mm QoQ and \$497M since Q3'21)

Deposit costs percent

— Cost of interest bearing deposits ● Spot cost of deposits
— Total deposit costs

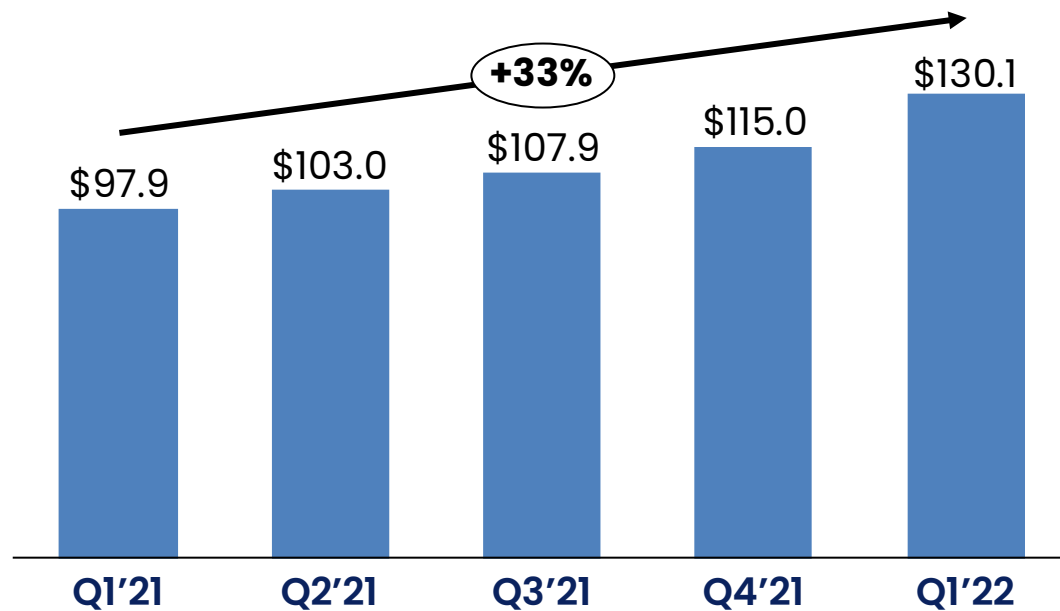


- Total cost of deposits has declined significantly YoY due to
 - Decrease in funding cost of interest bearing deposits by 23 bps
 - Increase in average balance of non-interest bearing deposits by \$2.1B

Income Statement: Growth in Net Interest Income & Margin

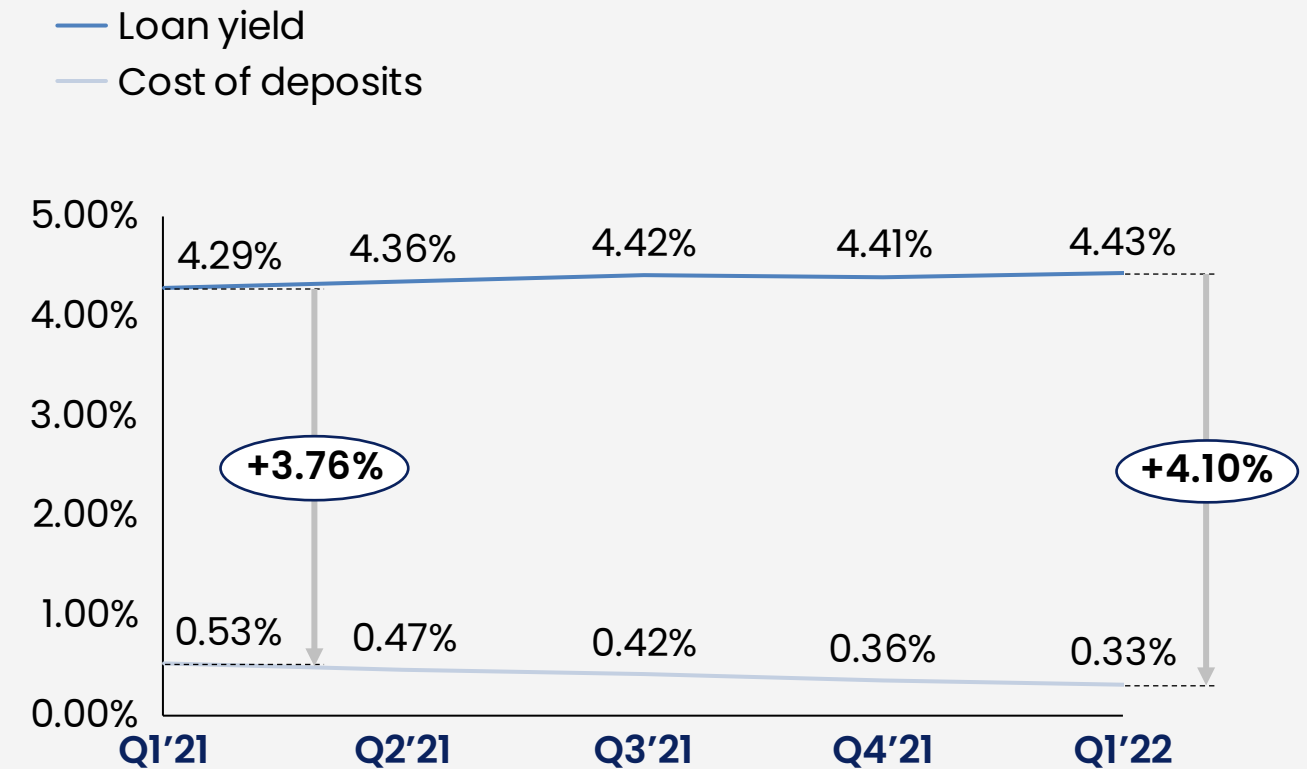


NII ex PPP¹
\$ millions



- Strong NII growth- 33% YoY, 13% QoQ
- NII benefited from \$5.2M dividend distribution in Q1'22
- NII growth driven by strong loan growth in C&I and increase in spread over Q1'21

Loan yield¹ and cost of deposits
percent

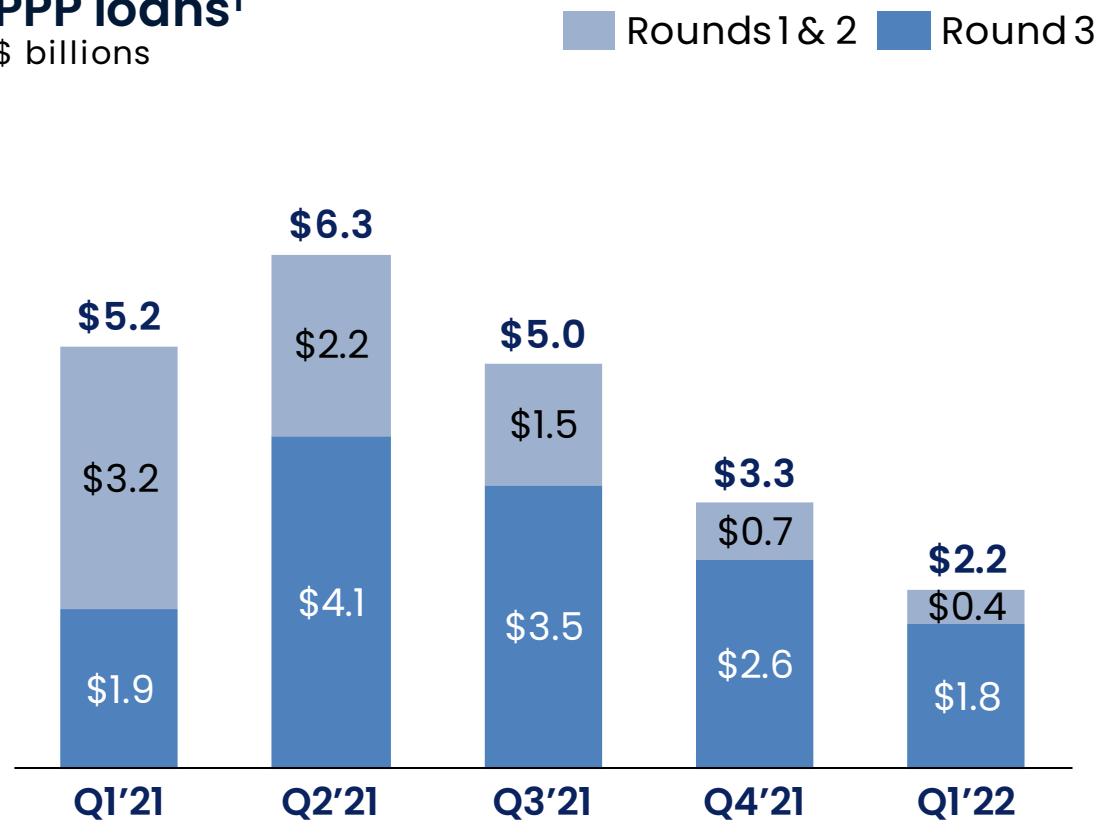


- Spread between loan yield and cost of deposits increased from 3.76% to 4.10%
- Cost of deposits decline driven by
 - Improvement in non-interest-bearing deposits mix (Q1'21-22% to Q1'22-28%)
 - decrease in interest bearing deposit cost (Q1'21-0.69% to Q1'22-0.46%)

Paycheck Protection Program: Loans and Fees

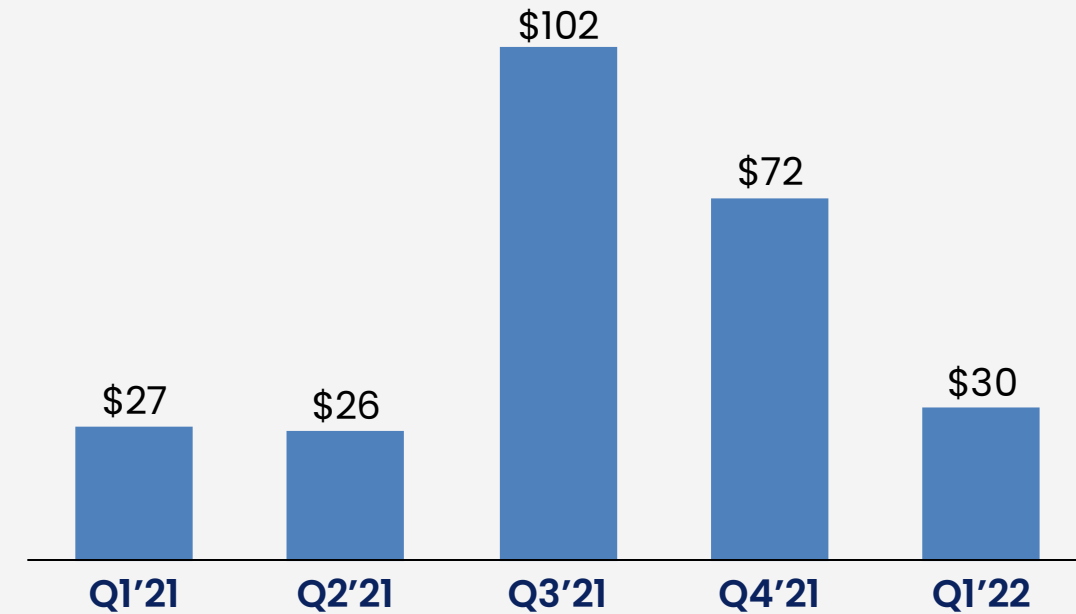


PPP loans¹
\$ billions



- Greater than \$1B of PPP loans were repaid/forgiven in Q1'22

Fee income recognized from PPP¹
\$ millions



- ~\$350 million of origination fee income from the program
- ~\$58M of deferred origination fees to be recognized mostly in 2022 and an immaterial amount in 2023 (expect ~2/3rds of remaining fees in H2'22)

1. As of 03/31/2022 includes all PPP loans facilitated by Customers Bank (originated and purchased).

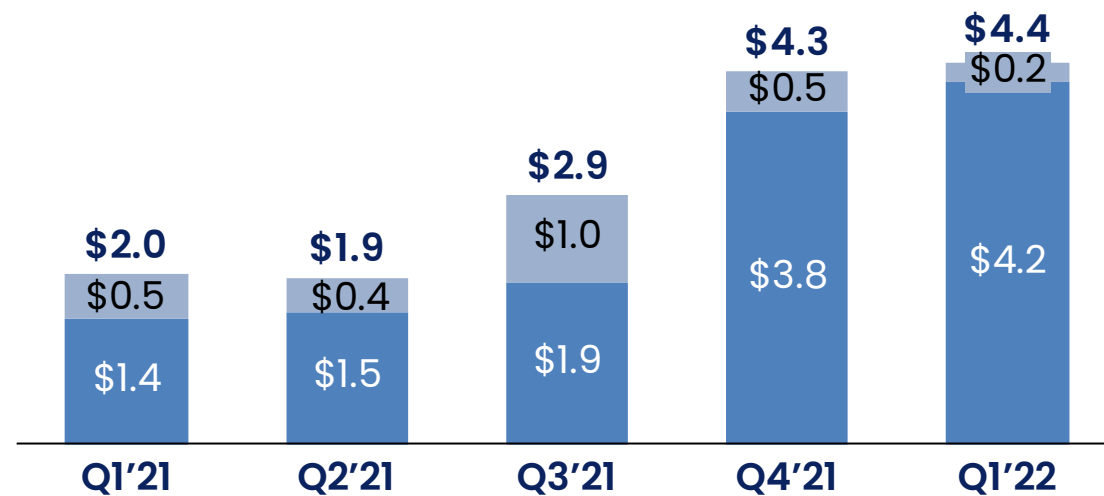
Liquidity and Investment Securities Mix



Liquidity

\$ billions

- Cash and Cash equivalents
- Investment securities portfolio

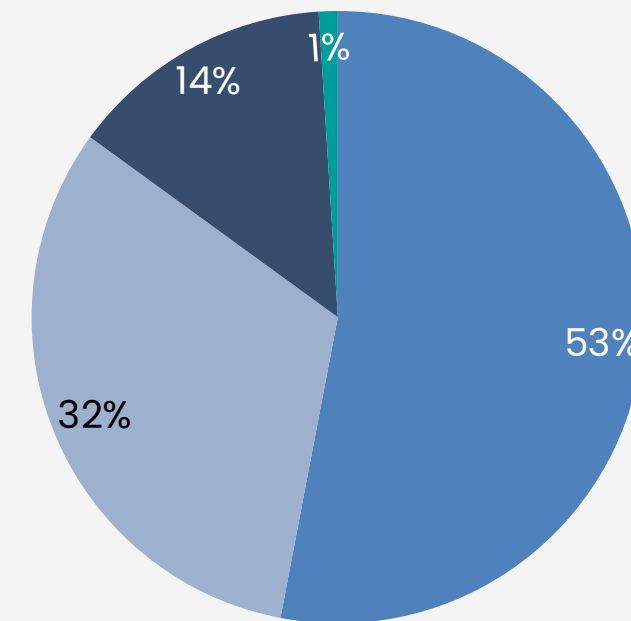


- Overall liquidity has more than doubled over the last year

Investment Securities mix

As of Mar 31, 2022, percent

- MBS & CMO
- ABS¹
- Corporates
- Other



- Majority of investment securities are deployed in MBS & CMO and ABS¹
- Ample liquidity to fund future loan growth
- Portfolio yield: 2.21 % (as of Q1'22)
 - Short duration of ~2.12 years
 - ~50% of Investment securities portfolio is floating rate

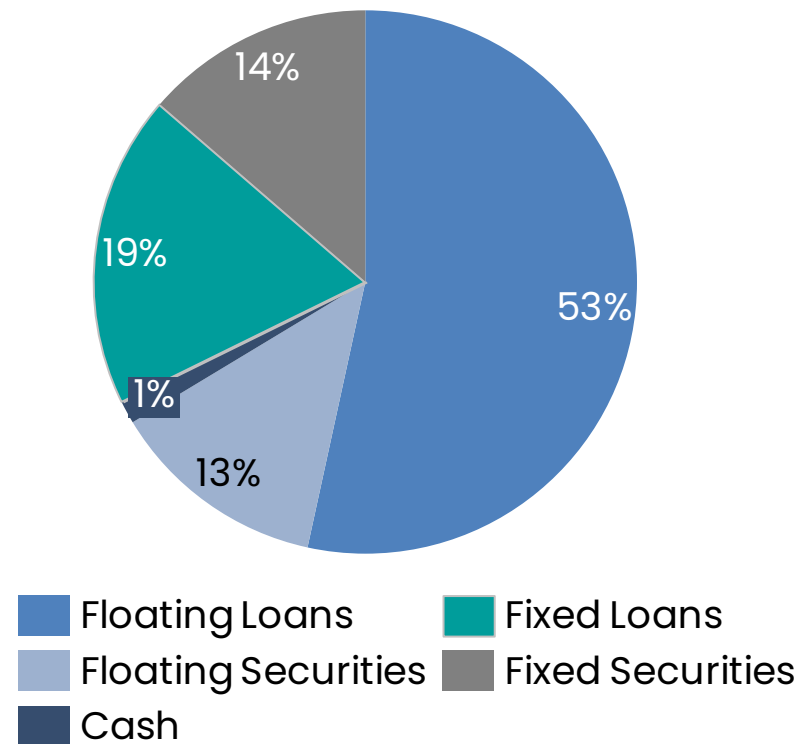
1. Includes CLOs

Interest Rate Sensitive Earning Asset Mix



Interest earning assets mix¹

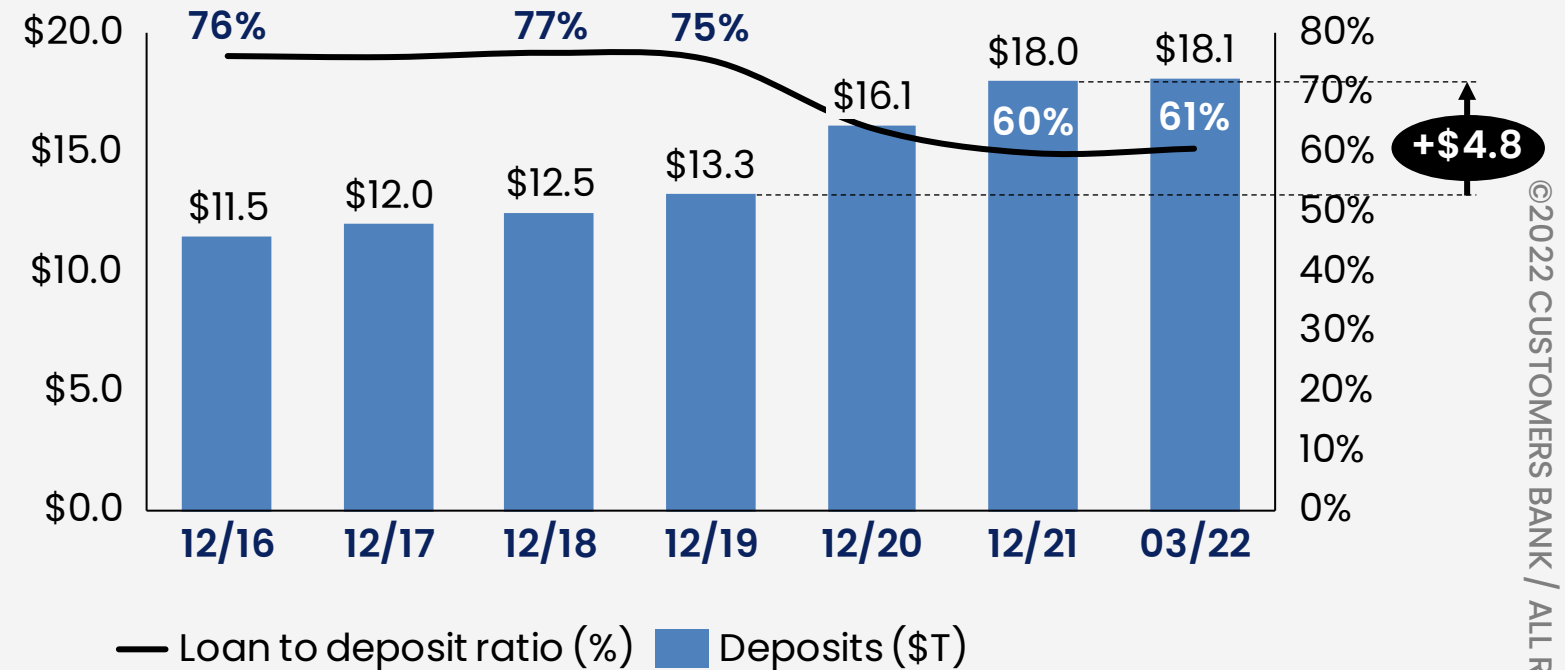
Q4'21, percent



- ~68% of interest earning assets are market sensitive
- Expected to benefit from rising rate environment

Loan and deposits for US Commercial Banks² and Industry deposits

2016-2021



- Expected deposit beta of 45%-55% in +100 bps interest rate shock
- Banking system wide deposits have increased by over \$4.8 trillion since 2019

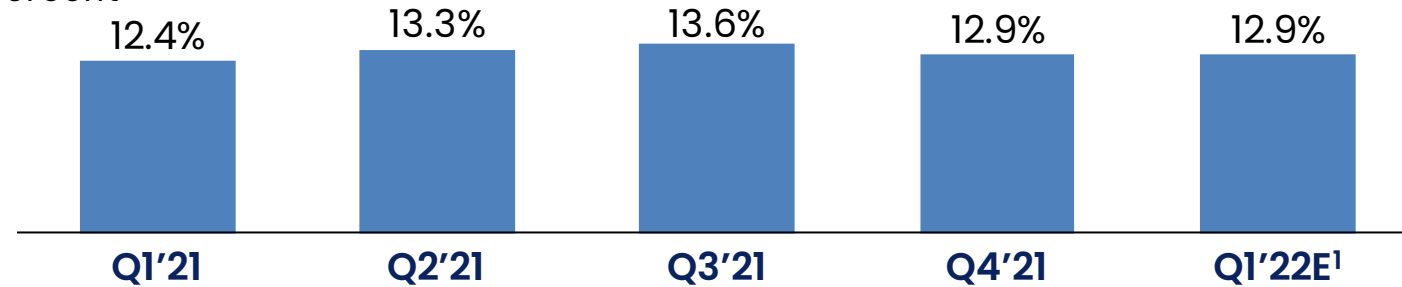
1. Floating rate loans and securities are defined as assets with resets less than one year and include fixed loans maturing within one year (including PPP loans). ~13% of floating loans are floored warehouse loans
 2. Ending balance as of beginning of the month. As per FRED.

Capital: Strong Capital Position



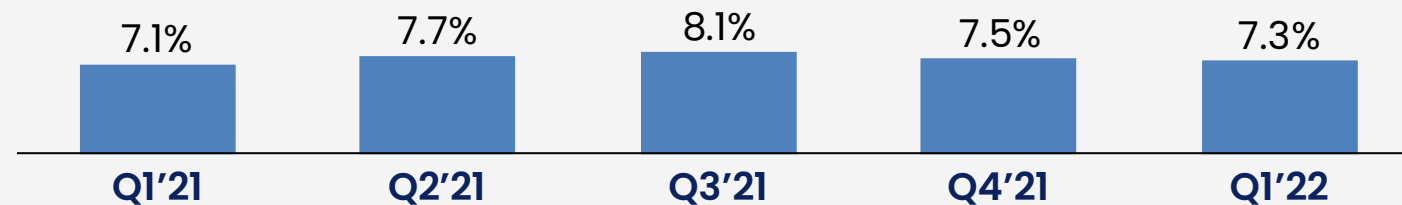
Total risk based capital

percent



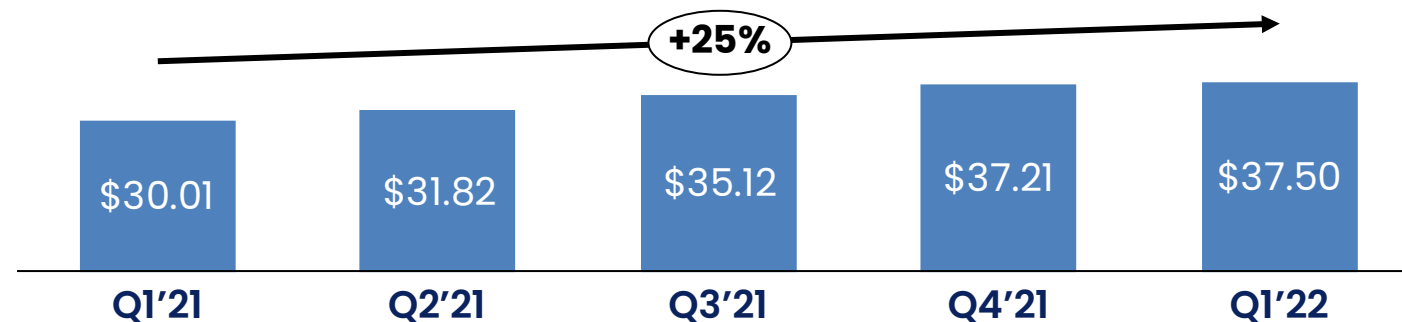
TCE/TA excl PPP²

percent



Tangible book value²

per share



- TRB capital ratio increased 44 bps over Q1'21, driven by PPP revenue and core bank earnings
- TCE/TA excl. PPP² increased 19 bps compared to Q1'21 due to increase in core bank earnings
- Unrealized loss impact in AFS portfolio negatively impact capital and tangible book value per share

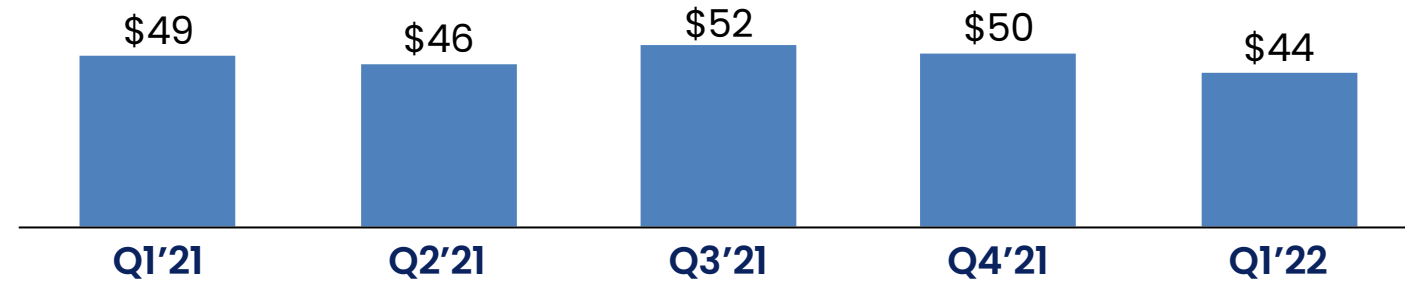
1. Total capital ratio is estimated pending final Call report.
 2. Non-GAAP Measure, refer to Appendix for reconciliation.

Credit: Credit Quality and Reserves Remain Strong



NPL

\$ millions



NCO

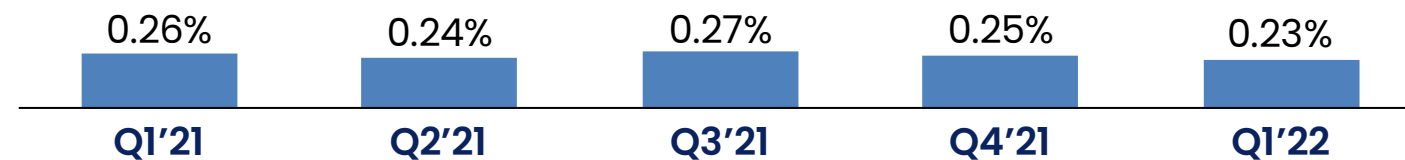
\$ millions

Commercial NCO Consumer NCO



NPA as percent of total assets

percent



- Due to the Bank's history of focusing on lower credit risk businesses, we expect near-term credit outlook to remain stable
- Credit quality remains excellent as evidenced by NPAs/Total Assets of only 0.23% at Q1'22
- The coverage ratio, excluding PPP loans¹ was 1.44% at Q1'22
- Reserves/NPLs was 333.2% at Q1'22

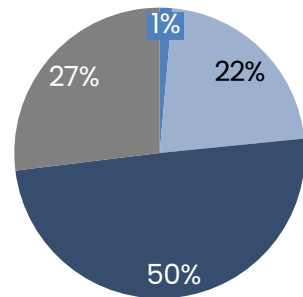
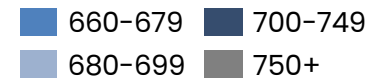
1. Non-GAAP Measure, refer to appendix slides for reconciliation

Consumer Installment Loans

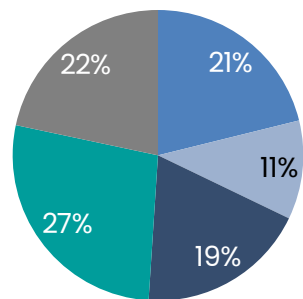


FICO Score¹

Average FICO Score¹ ~730

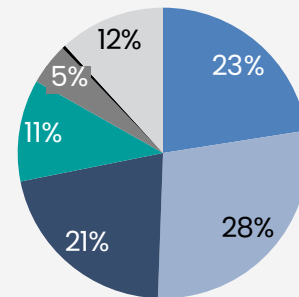
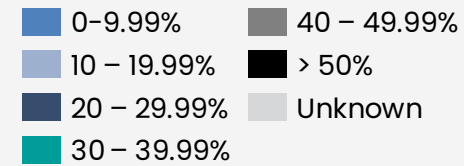


Geography

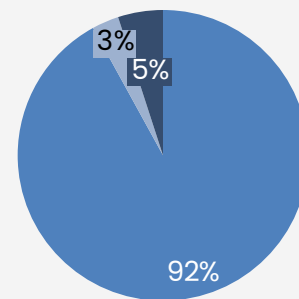
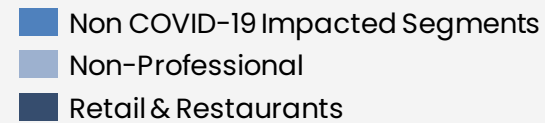


Debt to Income ratio

Average DTI ~16.5%

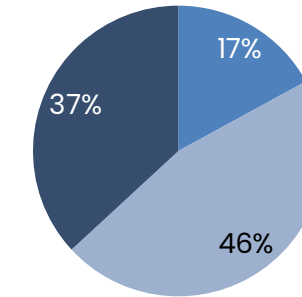


Profession

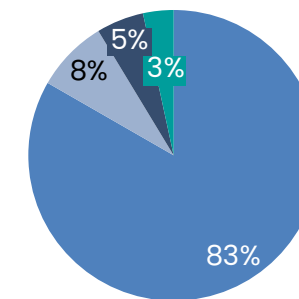


Borrower Income

Average borrower income ~\$101k



Purpose

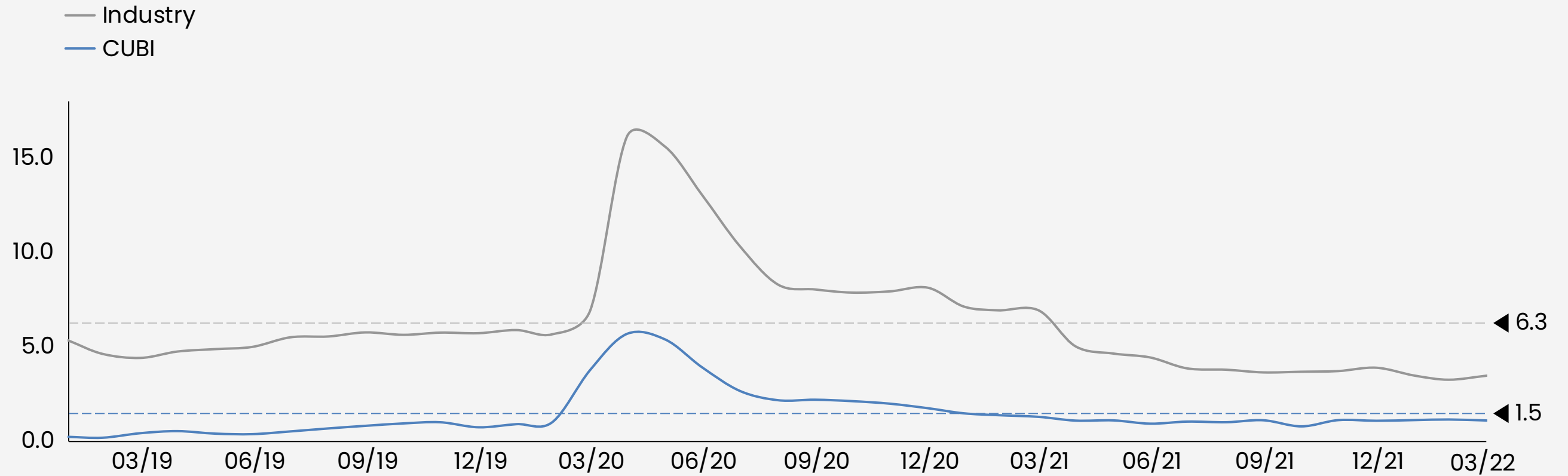


1. FICO score at time of origination.
Note: Data as of March 31, 2022.



CUBI Consumer installment loans impairment remains well below industry levels

Impairment of consumer loans Percent



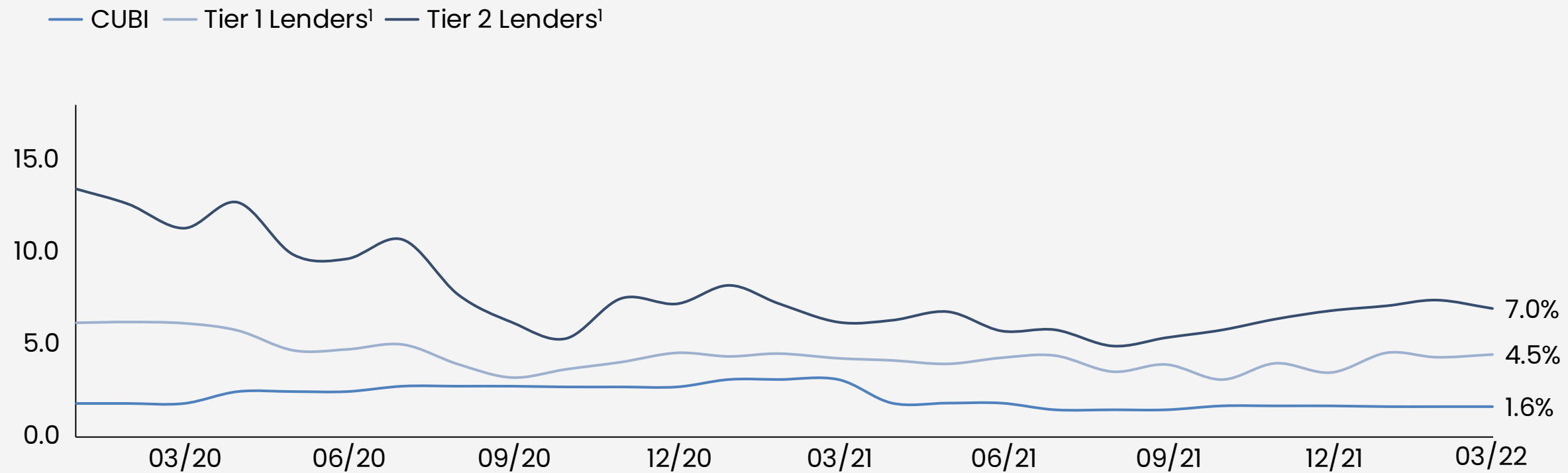
Note: Customers Bancorp's impairment percentages are considered 1 day+ delinquent or in forbearance. Industry chart is from DV01 Insights COVID-19 Performance Report dated March 02, 2022

CUBI's annualized net losses remain significantly lower than tier 1 and tier 2 lenders



Annualized net losses

Percent



1. Reflects the annualized net losses for each respective Tier as calculated and reported by KBRA. The Tier 1 MPL Index comprises ABS deals backed by loans originated through the SoFi, Marlette, and LendingClub (Super Prime) platforms and generally have weighted average FICOs between 710 and 740. Only deals with 6+ months of seasoning included. The Tier 2 MPL Index comprises ABS deals backed by loans originated through the Prosper, LendingClub (Prime), Upgrade, and Upstart platforms and generally have weighted average FICOs between 680 and 710. Only deals with 6+ months of seasoning included.



**customers
bank**

Let's take on tomorrow.

Key Investment Highlights



Demonstrated technological capabilities as a high-tech, high-touch bank



Industry leading **loan growth supported by best in class digital banking**



Exceptional **credit quality**



Customer centric culture built around service and experience



Well **positioned for higher interest rate environment** – low to no cost large scale deposit generation capabilities through CBIT and Digital Asset Banking Group



Attractive valuation – Trading at ~1.1X¹ tangible book value and less than 7X¹ 2023 analyst estimated EPS

1. Based on share price as of April 22, 2022 (~\$42.84)



ANALYST COVERAGE

B. Riley Financial, Inc.

Steve Moss

D.A. Davidson Companies

Russell Gunther

Hovde Group

Will Curtiss

Jefferies Group LLC

Casey Haire

Wedbush Securities Inc.

Peter Winter

Keefe, Bruyette & Woods Inc.

Michael Perito

Maxim Group Inc.

Michael Diana

Piper Sandler Companies

Frank Schiraldi

Stephens Inc.

Matt Breese

Appendix



Credit: Allowance for Credit Losses for Loans and Leases



(\$ in thousands)	March 31, 2022			Q1 2022
	Amortized Cost	Allowance for Credit Losses	Lifetime Loss Rate	Annualized Net Charge Off Ratio
Loans and Leases Receivable:				
<u>Commercial:</u>				
Multi-Family	1,705,027	7,437	0.44%	0.08%
Commercial and Industrial	3,995,803	10,765	0.27%	0.01%
Commercial Real Estate Owner Occupied	701,893	3,841	0.55%	0.00%
Commercial Real Estate Non-Owner Occupied	1,140,311	5,955	0.52%	0.00%
Construction	161,024	939	0.58%	0.28%
Total Commercial Loans and Leases Receivable	\$ 7,704,058	\$ 28,937	0.38%	0.03%
<u>Consumer:</u>				
Residential real estate	466,422	4,685	1.00%	0.00%
Manufactured housing	50,669	4,342	8.57%	0.00%
Installment	1,897,706	107,883	5.68%	-1.63%
Total Consumer Loans Receivable	\$ 2,414,797	\$ 116,910	4.84%	-1.28%
Total Loans and Leases	\$ 10,118,855	\$ 145,847	1.44%	-0.29%

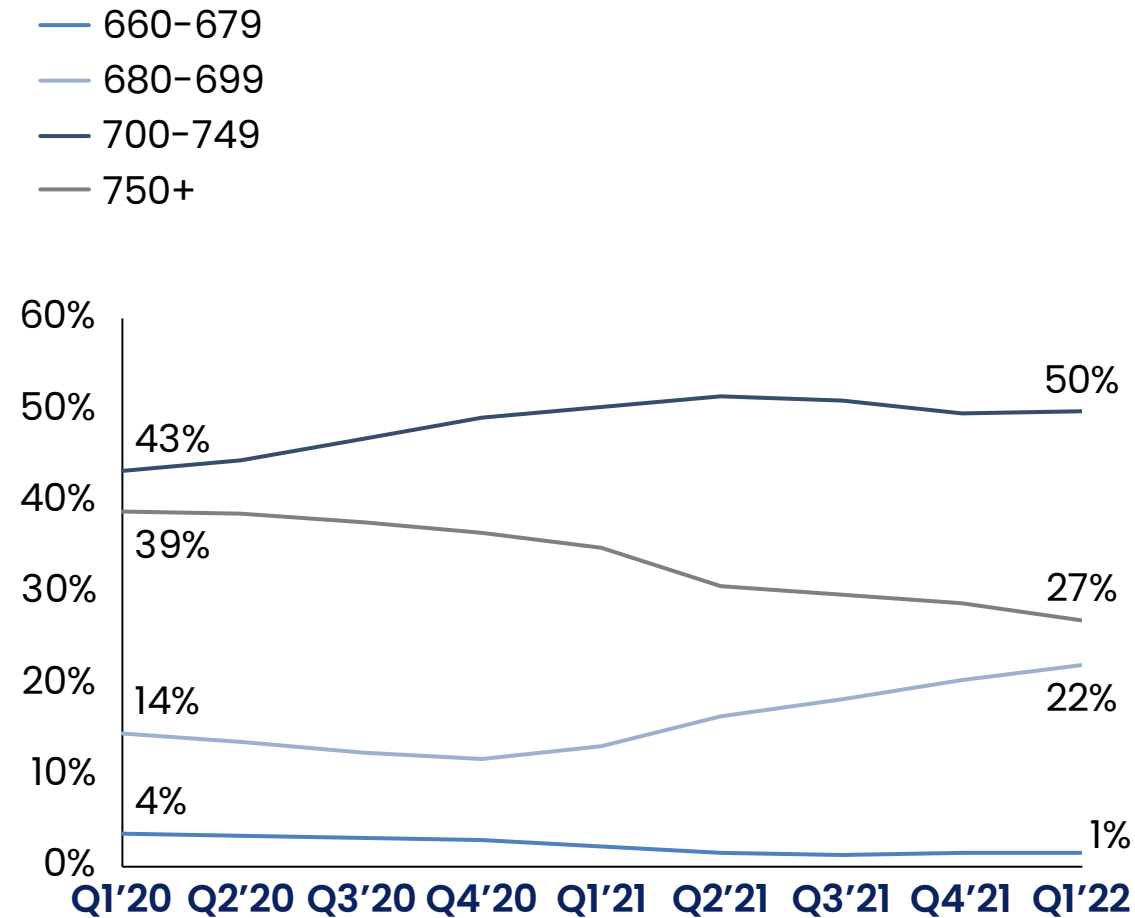
(1) Utilized Moody's March 2022 Baseline forecast with qualitative adjustments for Q1 2022 provision.
(2) Excludes Mortgage Warehouse loans reported at fair value, loans held for sale and PPP Loans.

CUBI Consumer Loans – Increase in Direct Installment Loans

Portfolio characteristics shift without impact to net losses

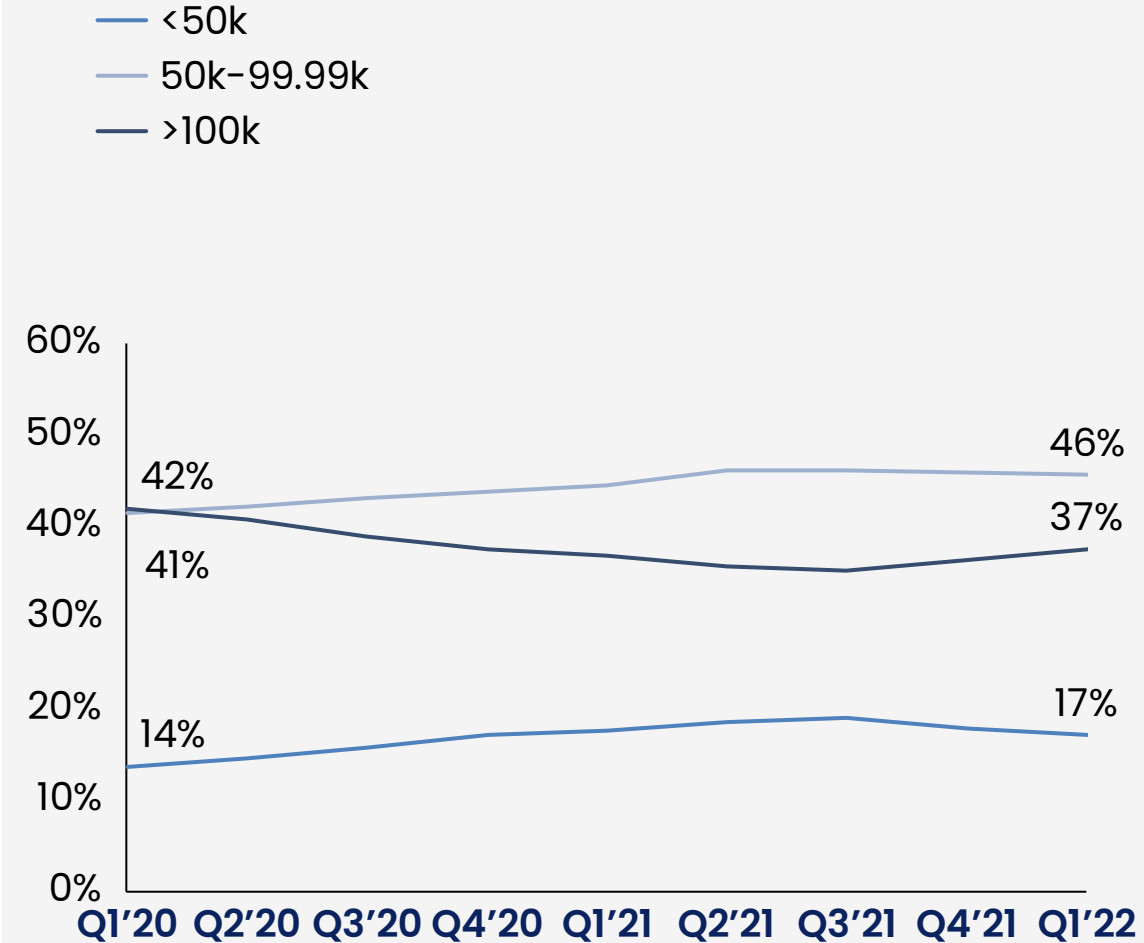


Portfolio FICO score trends



- No consumer loans with FICO score < 660
- 77% of consumer loans with FICO score greater than 700

Portfolio borrower income trends



- 83% of consumer loans with borrower income greater than 50k
- 37% of consumer loans with borrower income greater than 100k



Liquidity Sources (\$000's)	1Q 21	2Q 21	3Q 21	4Q 21	1Q 22	YOY Change
Cash and Cash Equivalents	\$512,241	\$393,663	\$1,000,885	\$482,794	\$219,085	(\$293,156)
FHLB Available Borrowing Capacity	\$713,673	\$1,466,067	\$2,031,551	\$1,798,374	\$3,213,767	\$2,500,094
FRB Available Borrowing Capacity	\$180,000	\$197,000	\$186,000	\$191,000	\$214,908	\$34,908
Investments (MV)						
US Gov't & Agency	\$20,053	\$20,114	\$0	\$0	\$0	(\$20,053)
MBS & CMO	\$590,485	\$661,823	\$871,191	\$1,838,872	\$2,194,557	\$1,604,072
Municipals	\$18,527	\$8,554	\$8,655	\$8,430	\$7,741	(\$10,786)
Corporates	\$257,924	\$350,420	\$440,892	\$580,046	\$593,749	\$335,825
ABS ¹	\$550,087	\$485,881	\$540,959	\$1,364,227	\$1,347,982	\$797,895
Other AFS	\$4,827	\$0	\$5,000	\$25,575	\$25,824	\$20,996
Less: Pledged Securities	(\$17,589)	(\$15,988)	(\$12,440)	(\$11,315)	(\$16,972)	\$618
Net Unpledged Securities	\$1,424,314	\$1,510,804	\$1,854,257	\$3,805,835	\$4,152,881	\$2,728,567
Total	\$2,830,229	\$3,567,534	\$5,072,693	\$6,278,003	\$7,800,641	\$4,970,412

(1) Includes CLOs

Reconciliation of Non-GAAP Measures – Unaudited



Customer's Bank believes that the non-GAAP measurements disclosed within this document are useful for investors, regulators, management and others to evaluate our core results of operations and financial condition relative to other financial institutions. These non-GAAP financial measures are frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in Customer's Bank's industry. These non-GAAP financial measures exclude from corresponding GAAP measures the impact of certain elements that we do not believe are representative of our ongoing financial results, which we believe enhance an overall understanding of our performance and increases comparability of our period to period results. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition. The non-GAAP measures presented are not necessarily comparable to non-GAAP measures that may be presented by other financial institutions. 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 (Contd.)



Core Earnings- Customers Bancorp

(\$ in thousands, not including per share amounts)

	Q1 2022		Q4 2021		Q3 2021		Q2 2021		Q1 2021	
	USD	Per Share	USD	Per Share	USD	Per Share	USD	Per Share	USD	Per Share
GAAP net income to common shareholders	\$ 74,896	\$ 2.18	\$ 98,647	\$ 2.87	\$ 110,241	\$ 3.25	\$ 58,042	\$ 1.72	\$ 33,204	\$ 1.01
Reconciling items (after tax):										
Net loss from discontinued operations	-	-	1,585	0.05	-	-	-	-	38,036	1.16
Severance expense	-	-	-	-	-	-	1,517	0.04	-	-
Merger and acquisition related expenses	-	-	-	-	-	-	-	-	320	0.01
Legal reserves	-	-	-	-	897	0.03	-	-	-	-
(Gains) losses on investment securities	1,030	0.03	43	0.00	(4,591)	(0.14)	(2,694)	(0.08)	(18,773)	(0.57)
Loss on sale of foreign subsidiaries	-	-	-	-	-	-	2,150	0.06	-	-
Loss on cash flow hedge derivative terminations	-	-	-	-	-	-	-	-	18,716	0.57
Derivative credit valuation adjustment	(736)	(0.02)	(180)	(0.01)	(198)	(0.01)	288	0.01	(1,195)	(0.04)
Deposit relationship adjustment fees	-	-	-	-	4,707	0.14	-	-	-	-
Loss on redemption of preferred stock	-	-	-	-	2,820	0.08	-	-	-	-
Core Earnings	\$ 75,190	\$ 2.19	\$ 100,095	\$ 2.92	\$ 113,876	\$ 3.36	\$ 59,303	\$ 1.76	\$ 70,308	\$ 2.14

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Core Earnings, Excluding PPP – Customers Bancorp

(\$ in thousands, not including per share amounts)

	Q1 2022		Q4 2021		Q3 2021		Q2 2021		Q1 2021	
	USD	Per Share	USD	Per Share	USD	Per Share	USD	Per Share	USD	Per Share
GAAP net income available to shareholders	\$ 74,896	\$ 2.18	\$ 98,647	\$ 2.87	\$ 110,241	\$ 3.25	\$ 58,042	\$ 1.72	\$ 33,204	\$ 1.01
Less: PPP net income (after tax)	24,713	0.72	64,323	1.87	81,337	2.40	24,312	0.72	25,079	0.76
GAAP net income to common shareholders, excluding PPP	50,183	1.46	34,324	1.00	28,904	0.85	33,730	1.00	8,125	0.25
Reconciling items (after tax):										
Net loss from discontinued operations	-	-	1,585	0.05	-	-	-	-	38,036	1.16
Severance expense	-	-	-	-	-	-	1,517	0.04	-	-
Merger and acquisition related expenses	-	-	-	-	-	-	-	-	320	0.01
Legal reserves	-	-	-	-	897	0.03	-	-	-	-
(Gains) losses on investment securities	1,030	0.03	43	0.00	(4,591)	(0.14)	(2,694)	(0.08)	(18,773)	(0.57)
(Gain) losses on sale of foreign subsidiaries	-	-	-	-	-	-	2,150	0.06	-	-
Loss on cash flow hedge derivative terminations	-	-	-	-	-	-	-	-	18,716	0.57
Derivative credit valuation adjustment	(736)	(0.02)	(180)	(0.01)	(198)	(0.01)	288	0.01	(1,195)	(0.04)
Deposit relationship adjustment fees	-	-	-	-	4,707	0.14	-	-	-	-
Loss on redemption of preferred stock	-	-	-	-	2,820	0.08	-	-	-	-
Core Earnings, excluding PPP	\$ 50,477	\$ 1.47	\$ 35,772	\$ 1.04	\$ 32,539	\$ 0.96	\$ 34,991	\$ 1.04	\$ 45,229	\$ 1.38

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Core Return on Average Assets – Customers Bancorp

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP net income	\$ 76,761	\$ 100,669	\$ 116,042	\$ 61,341	\$ 36,595
Reconciling items (after tax):					
Net loss from discontinued operations	-	1,585	-	-	38,036
Severance expense	-	-	-	1,517	-
Merger and acquisition related expenses	-	-	-	-	320
Legal reserves	-	-	897	-	-
(Gains) losses on investment securities	1,030	43	(4,591)	(2,694)	(18,773)
Loss on sale of foreign subsidiaries	-	-	-	2,150	-
Loss on cash flow hedge derivative terminations	-	-	-	-	18,716
Derivative credit valuation adjustment	(736)	(180)	(198)	288	(1,195)
Deposit relationship adjustment fees	-	-	4,707	-	-
Core net income	\$ 77,055	\$ 102,117	\$ 116,857	\$ 62,602	\$ 73,699
Average total assets	\$ 19,129,330	\$ 19,214,241	\$ 19,739,340	\$ 19,306,948	\$ 18,525,721
Core return on average assets	1.63%	2.11%	2.35%	1.30%	1.61%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Adjusted Net Income and Adjusted ROAA - Pre-Tax Pre-Provision – Customers Bancorp

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP net income	\$ 76,761	\$ 100,669	\$ 116,042	\$ 61,341	\$ 36,595
Reconciling items:					
Income tax expense	19,332	12,993	36,263	20,124	17,560
Provision (benefit) for credit losses on loans and leases	15,997	13,890	13,164	3,291	(2,919)
Provision (benefit) for credit losses on unfunded commitments	(109)	352	669	45	(1,286)
Severance expense	-	-	-	2,004	-
Net loss from discontinued operations	-	1,585	-	-	38,036
Merger and acquisition related expenses	-	-	-	-	418
Legal reserves	-	-	1,185	-	-
(Gains) losses on investment securities	1,339	49	(6,063)	(3,558)	(24,540)
(Gain) losses on sale of foreign subsidiaries	-	-	-	2,840	-
(Gains) losses on hedge derivative terminations	-	-	-	-	24,467
Derivative credit valuation adjustment	(957)	(203)	(261)	380	(1,562)
Deposit relationship adjustment fees	-	-	6,216	-	-
Adjusted net income - pre-tax pre-provision	\$ 112,363	\$ 129,335	\$ 167,215	\$ 86,467	\$ 86,769
Average total assets	\$ 19,129,330	\$ 19,214,241	\$ 19,739,340	\$ 19,306,948	\$ 18,525,721
Adjusted ROAA - pre-tax pre-provision	2.38%	2.67%	3.36%	1.80%	1.90%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Core Return on Average Common Equity

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP net income to common shareholders	\$ 74,896	\$ 98,647	\$ 110,241	\$ 58,042	\$ 33,204
Reconciling items (after tax):					
Net loss from discontinued operations	-	1,585	-	-	38,036
Severance expense	-	-	-	1,517	-
Merger and acquisition related expenses	-	-	-	-	320
Legal reserves	-	-	897	-	-
(Gains) losses on investment securities	1,030	43	(4,591)	(2,694)	(18,773)
Loss on sale of foreign subsidiaries	-	-	-	2,150	-
Loss on cash flow hedge derivative terminations	-	-	-	-	18,716
Derivative credit valuation adjustment	(736)	(180)	(198)	288	(1,195)
Deposit relationship adjustment fees	-	-	4,707	-	-
Loss on redemption of preferred stock	-	-	2,820	-	-
Core Earnings	\$ 75,190	\$ 100,095	\$ 113,876	\$ 59,303	\$ 70,308
Average total common shareholders' equity	\$ 1,252,022	\$ 1,179,478	\$ 1,071,566	\$ 1,002,624	\$ 918,795
Core return on average common equity	24.36%	33.67%	42.16%	23.72%	31.03%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Tangible Equity

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP - Total shareholders' equity	\$ 1,377,406	\$ 1,366,217	\$ 1,284,299	\$ 1,250,729	\$ 1,188,721
Reconciling items:					
Goodwill and other intangibles	(3,678)	(3,736)	(3,794)	(3,853)	(3,911)
Tangible equity	\$ 1,373,728	\$ 1,362,481	\$ 1,280,505	\$ 1,246,876	\$ 1,184,810

Tangible Book Value per Common Share - Customers Bancorp

(\$ in thousands, except per share data)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP - Total shareholders' equity	\$ 1,377,406	\$ 1,366,217	\$ 1,284,299	\$ 1,250,729	\$ 1,188,721
Reconciling items:					
Preferred stock	(137,794)	(137,794)	(137,794)	(217,471)	(217,471)
Goodwill and other intangibles	(3,678)	(3,736)	(3,794)	(3,853)	(3,911)
Tangible common equity	\$ 1,235,934	\$ 1,224,687	\$ 1,142,711	\$ 1,029,405	\$ 967,339
Common shares outstanding	32,957,847	32,913,267	32,537,976	32,353,256	32,238,762
Tangible book value per common share	\$ 37.50	\$ 37.21	\$ 35.12	\$ 31.82	\$ 30.01

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Tangible Common Equity to Tangible Assets, Excluding PPP – Customers Bancorp

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP – Total shareholders' equity	\$ 1,377,406	\$ 1,366,217	\$ 1,284,299	\$ 1,250,729	\$ 1,188,721
Reconciling items:					
Preferred stock	(137,794)	(137,794)	(137,794)	(217,471)	(217,471)
Goodwill and other intangibles	(3,678)	(3,736)	(3,794)	(3,853)	(3,911)
Tangible common equity	\$ 1,235,934	\$ 1,224,687	\$ 1,142,711	\$ 1,029,405	\$ 967,339
GAAP – Total assets	\$ 19,163,708	\$ 19,575,028	\$ 19,108,922	\$ 19,635,108	\$ 18,817,660
Reconciling items:					
Goodwill and other intangibles	(3,678)	(3,736)	(3,794)	(3,853)	(3,911)
PPP loans	(2,195,902)	(3,250,008)	(4,957,357)	(6,305,056)	(5,178,089)
Tangible assets	\$ 16,964,128	\$ 16,321,284	\$ 14,147,771	\$ 13,326,199	\$ 13,635,660
Tangible common equity to tangible assets, excluding PPP	7.29%	7.50%	8.08%	7.72%	7.09%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Tangible Common Equity to Tangible Assets – Customers Bancorp

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP – Total shareholders' equity	\$ 1,377,406	\$ 1,366,217	\$ 1,284,299	\$ 1,250,729	\$ 1,188,721
Reconciling items:					
Preferred stock	(137,794)	(137,794)	(137,794)	(217,471)	(217,471)
Goodwill and other intangibles	(3,678)	(3,736)	(3,794)	(3,853)	(3,911)
Tangible common equity	\$ 1,235,934	\$ 1,224,687	\$ 1,142,711	\$ 1,029,405	\$ 967,339
GAAP – Total assets	\$ 19,163,708	\$ 19,575,028	\$ 19,108,922	\$ 19,635,108	\$ 18,817,660
Reconciling items:					
Goodwill and other intangibles	(3,678)	(3,736)	(3,794)	(3,853)	(3,911)
Tangible assets	\$ 19,160,030	\$ 19,571,292	\$ 19,105,128	\$ 19,631,255	\$ 18,813,749
Tangible common equity to tangible assets	6.45%	6.26%	5.98%	5.24%	5.14%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Total loans and leases, excluding PPP

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Total loans and leases	\$ 14,073,518	\$ 14,568,885	\$ 15,515,537	\$ 16,967,022	\$ 16,168,306
PPP loans	(2,195,902)	(3,250,008)	(4,957,357)	(6,305,056)	(5,178,089)
Loans and leases, excluding PPP	\$ 11,877,616	\$ 11,318,877	\$ 10,558,180	\$ 10,661,966	\$ 10,990,217

Total loans and leases, excluding mortgage warehouse and PPP

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Total loans and leases	\$ 14,073,518	\$ 14,568,885	\$ 15,515,537	\$ 16,967,022	\$ 16,168,306
Loans to mortgage companies	(1,830,121)	(2,362,438)	(2,626,483)	(2,922,217)	(3,463,490)
PPP loans	(2,195,902)	(3,250,008)	(4,957,357)	(6,305,056)	(5,178,089)
Loans and leases, excluding mortgage warehouse and PPP	\$ 10,047,495	\$ 8,956,439	\$ 7,931,697	\$ 7,739,749	\$ 7,526,727

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Core Assets

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP - Total assets	\$ 19,163,708	\$ 19,575,028	\$ 19,108,922	\$ 19,635,108	\$ 18,817,660
Reconciling items:					
Goodwill and other intangibles	(3,678)	(3,736)	(3,794)	(3,853)	(3,911)
PPP loans	(2,195,902)	(3,250,008)	(4,957,357)	(6,305,056)	(5,178,089)
Core assets	\$ 16,964,128	\$ 16,321,284	\$ 14,147,771	\$ 13,326,199	\$ 13,635,660

Coverage of credit loss reserves for loans and leases held for investment, excluding PPP

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Loans and leases receivable	\$ 12,314,757	\$ 12,268,306	\$ 12,927,956	\$ 14,077,198	\$ 12,714,578
PPP loans	(2,195,902)	(3,250,008)	(4,957,357)	(6,305,056)	(5,178,089)
Loans and leases held for investment, excluding PPP	\$ 10,118,855	\$ 9,018,298	\$ 7,970,599	\$ 7,772,142	\$ 7,536,489
Allowance for credit losses on loans and leases	\$ 145,847	\$ 137,804	\$ 131,496	\$ 125,436	\$ 128,736
Coverage of credit loss reserves for loans and leases held for investment, excluding PPP	1.44%	1.53%	1.65%	1.61%	1.71%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Net Interest Income, Excluding PPP – Customers Bancorp

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP net interest income	\$ 164,699	\$ 193,694	\$ 219,892	\$ 138,757	\$ 132,731
PPP net interest income	(34,615)	(78,647)	(112,005)	(35,785)	(34,842)
Net interest income, excluding PPP	\$ 130,084	\$ 115,047	\$ 107,887	\$ 102,972	\$ 97,889

Net Interest Margin, Tax Equivalent, Excluding PPP – Customers Bancorp

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
GAAP net interest income	\$ 164,699	\$ 193,694	\$ 219,892	\$ 138,757	\$ 132,731
PPP net interest income	(34,615)	(78,647)	(112,005)	(35,785)	(34,842)
Tax-equivalent adjustment	239	276	290	289	292
Net interest income, tax equivalent, excluding PPP	\$ 130,323	\$ 115,323	\$ 108,177	\$ 103,261	\$ 98,181
GAAP average total interest earning assets	\$ 18,572,308	\$ 18,576,433	\$ 19,033,826	\$ 18,698,996	\$ 17,943,944
Average PPP loans	(2,641,318)	(3,898,607)	(5,778,367)	(6,133,184)	(4,623,213)
Adjusted average total interest earning assets	\$ 15,930,990	\$ 14,677,826	\$ 13,255,459	\$ 12,565,812	\$ 13,320,731
Net interest margin, tax equivalent, excluding PPP	3.32%	3.12%	3.24%	3.30%	2.99%

Loan Yield, excluding PPP

(\$ in thousands)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Total interest on loans and leases	\$ 157,175	\$ 198,000	\$ 233,097	\$ 153,608	\$ 152,117
Interest on PPP loans	(36,894)	(82,086)	(117,102)	(41,137)	(38,832)
Interest on loans and leases, excluding PPP	\$ 120,281	\$ 115,914	\$ 115,995	\$ 112,471	\$ 113,285
Average loans and leases	\$ 13,656,991	\$ 14,335,370	\$ 16,192,744	\$ 16,482,802	\$ 15,329,111
Average PPP loans	(2,641,318)	(3,898,607)	(5,778,367)	(6,133,184)	(4,623,213)
Adjusted average total interest earning assets	\$ 11,015,673	\$ 10,436,763	\$ 10,414,377	\$ 10,349,618	\$ 10,705,898
Loan yield, excluding PPP	4.43%	4.41%	4.42%	4.36%	4.29%