

FY 2016 Q1 Investor Call

October 27, 2015



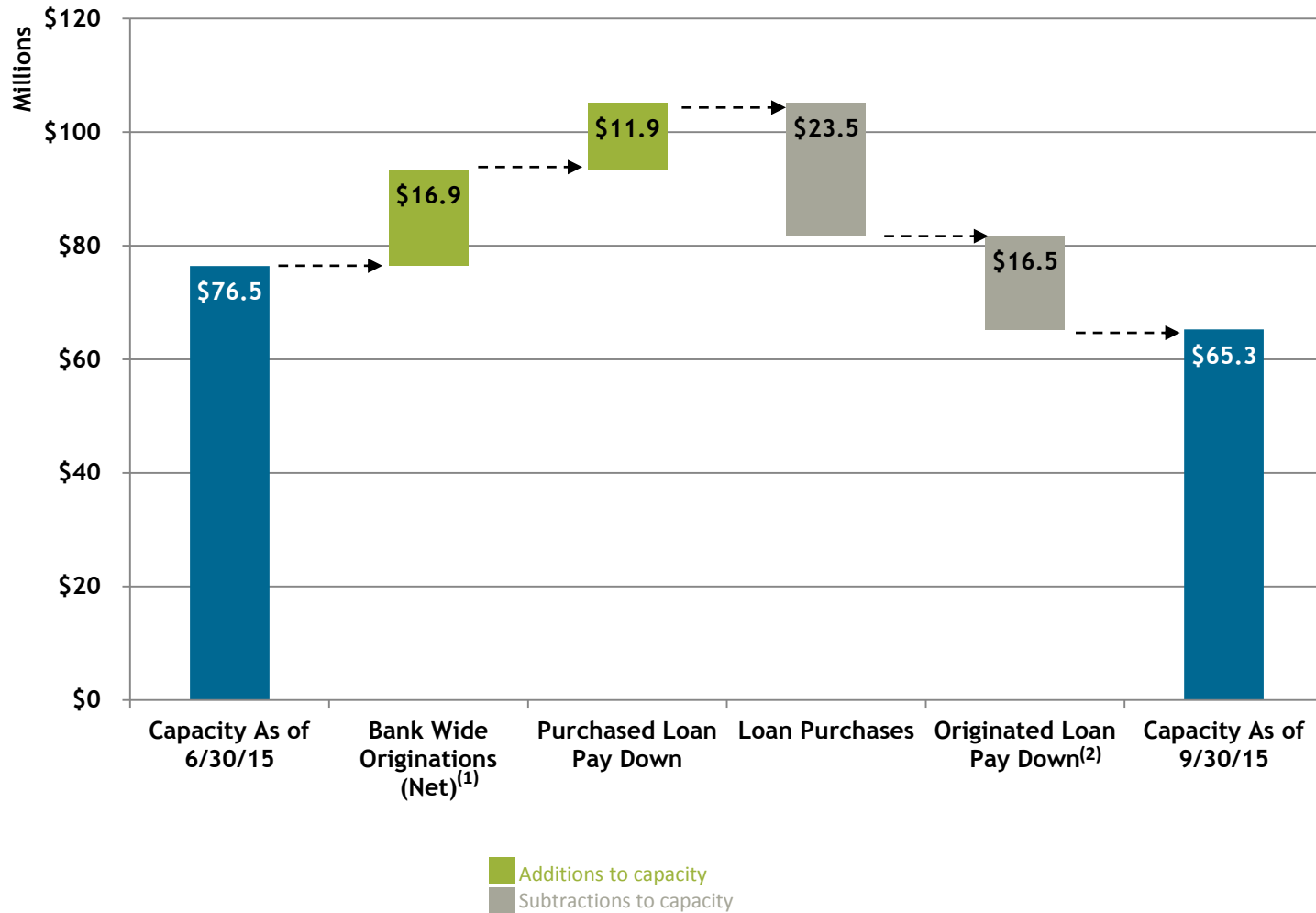
Safe Harbor Statement

Certain statements in this presentation are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous assumptions, risks and uncertainties, and represent only the Company's belief regarding future events, many of which, by their nature, are inherently uncertain and outside its control. Any forward-looking statements the Company may make speak only as of the date on which such statements are made. The Company's actual results and financial position may differ materially from the anticipated results and financial condition indicated in or implied by these forward-looking statements, and the Company makes no commitment to update or revise forward-looking statements to reflect new information or subsequent events or changes in expectations. For a discussion of some of the risks and important factors that could affect the Company's future results and financial condition, see "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Forward-Looking Statements and Factors that Could Affect Future Results" in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014, as updated by our SEC filings, and any other cautionary statements, written or oral, that may be made or referred to in connection with such forward-looking statements.

Q1 FY16 Highlights

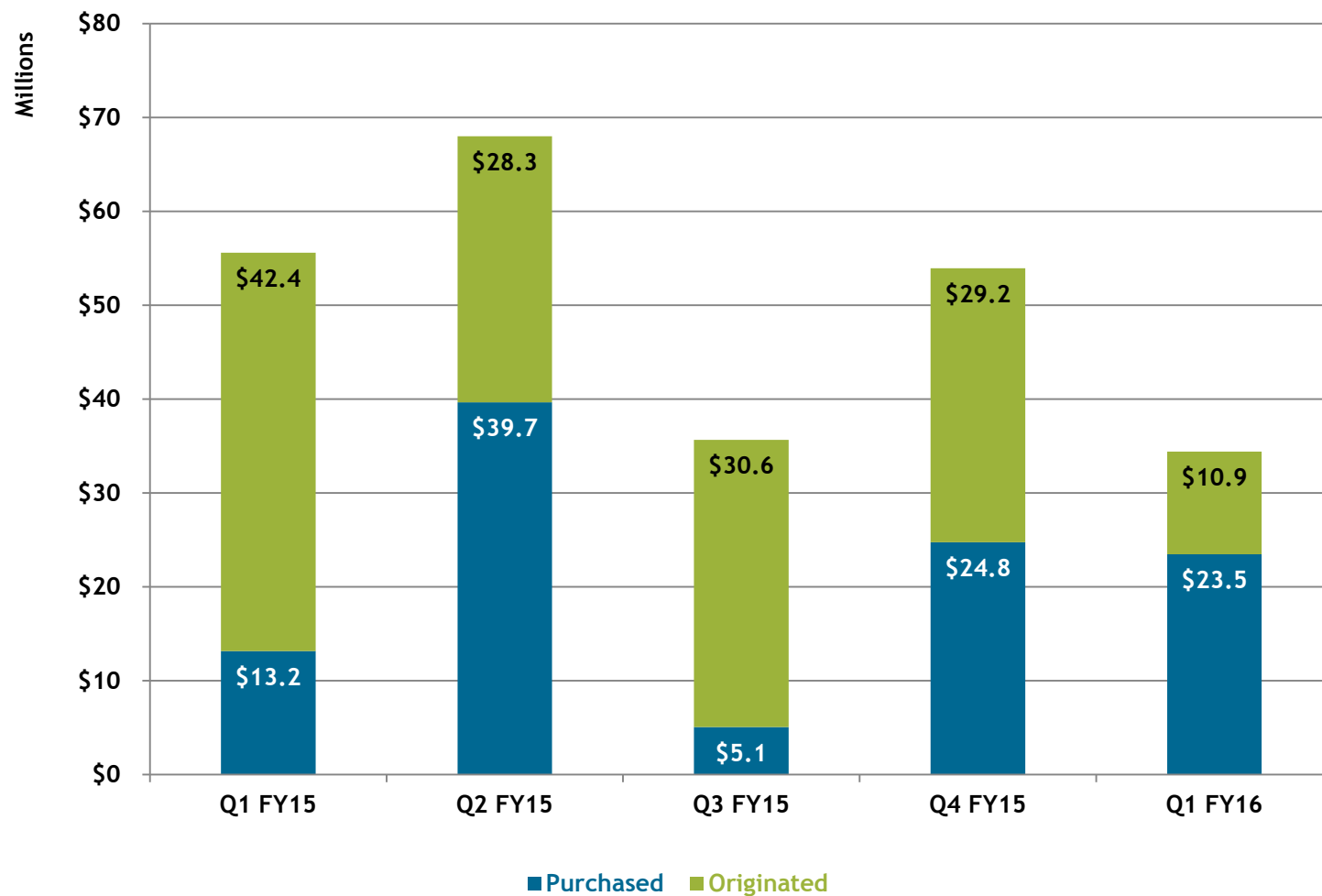
- Net income of \$1.9 million and EPS of \$0.20
- Achieved a 4.45% NIM
- Loan originations and acquisitions for the quarter totaled \$78.9 million
- Achieved a 12.1% purchased loan return as a result of \$2.2 million of transactional income
- Achieved net deposit growth of \$18.7 million (2.8% deposit growth)
- Repurchased 52,500 shares at a \$10.45 average repurchase price; 1,054,362 shares at an average price of \$9.52 have been repurchased since inception

Capacity Bridge Under The 40% Purchased Loan Limitation

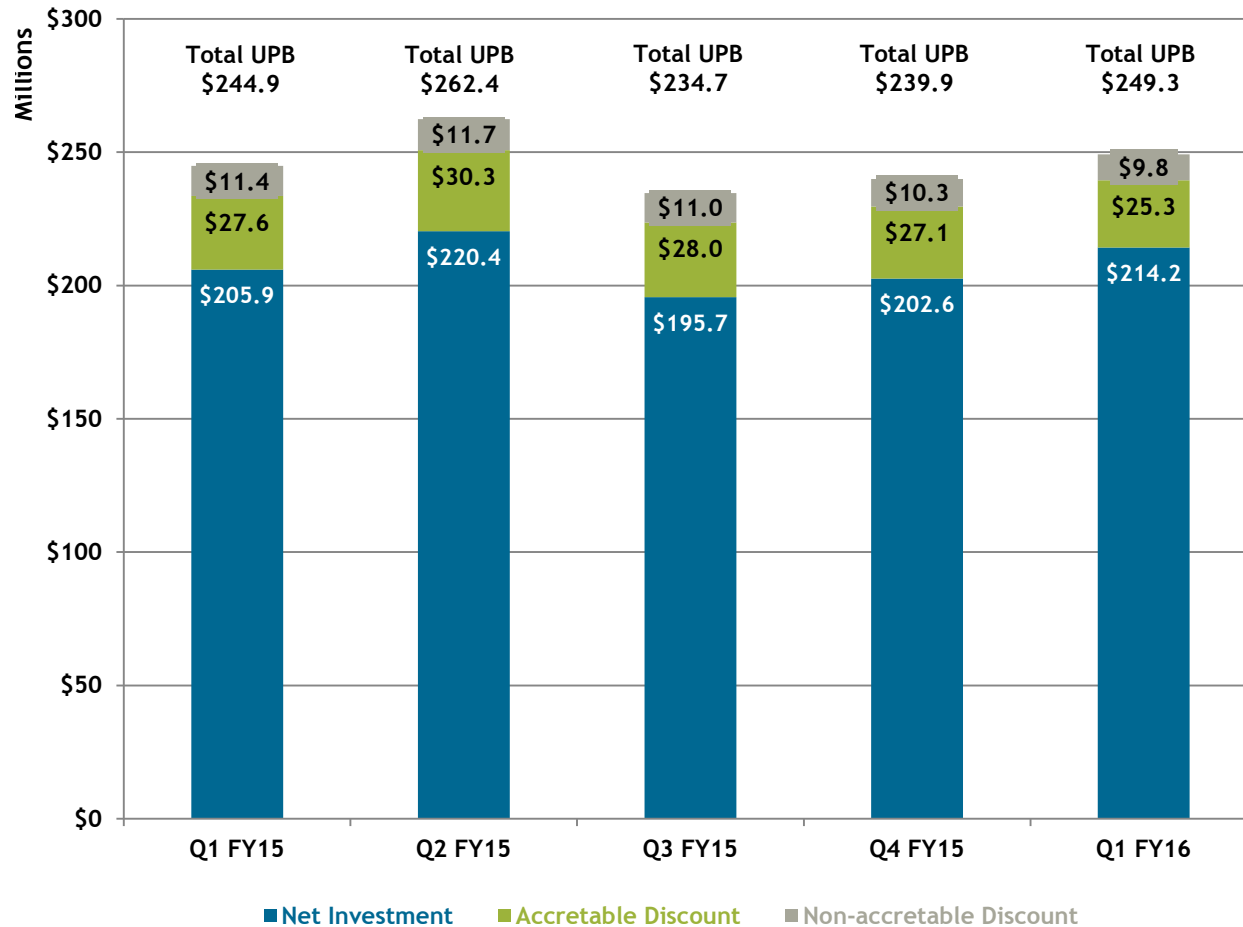


- (1) Bank wide net originations (gross originations less secondary market sales) of \$25.4MM created \$16.9MM of purchased loan capacity
- (2) \$24.7 million of originated loan pay downs consumed \$16.5 million of purchased loan capacity
- (3) Every dollar of originations creates 0.67 dollars of purchased loan capacity

LASG Activity By Trailing 5 Quarters



Purchased Loan Investment Basis and Discount Growth By Trailing 5 Quarters



• For the quarter, the net investment basis of purchased loans increased by \$11.6 million as a result of purchases of \$23.5 million and purchased loans payoffs of \$11.9 million, which generated transactional income of \$2.2 million

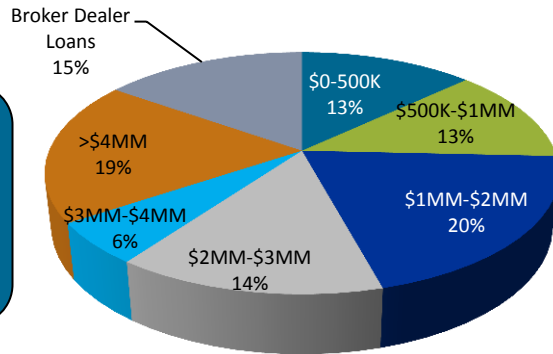
LASG Portfolio – Q1 FY16 Return Summary⁽¹⁾

	<u>Purchased</u>	<u>Traditional Originations</u>	<u>Securities Lending</u>	<u>Totals</u>
Regularly Scheduled Interest & Accretion	7.70%	5.67%	0.50%	5.93%
Gain/(Loss) on Asset Sales	0.04%	0.00%	0.00%	0.02%
Accelerated Accretion & Fees Recognized on Loan Payoffs	4.37%	0.00%	0.00%	2.31%
Total⁽²⁾	12.11%	5.67%	0.50%	8.26%

(1) The total return represents scheduled accretion, accelerated accretion, gains/(losses) on asset sales, and other noninterest income recorded during the period divided by the average invested balance, on an annualized basis.

LASG Loan Portfolio Statistics As Of September 30, 2015

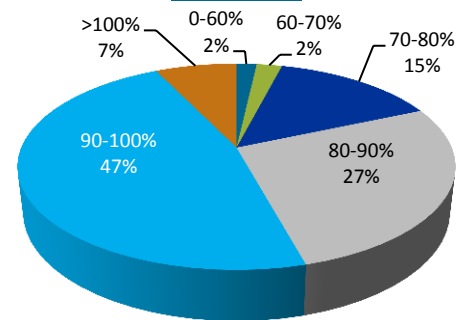
Investment Size



- Average investment is \$845K/loan
- Broker dealer loans are each \$12 million

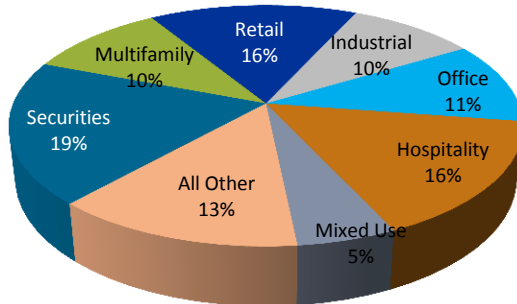
Purchased Loan Net Investment

Basis %



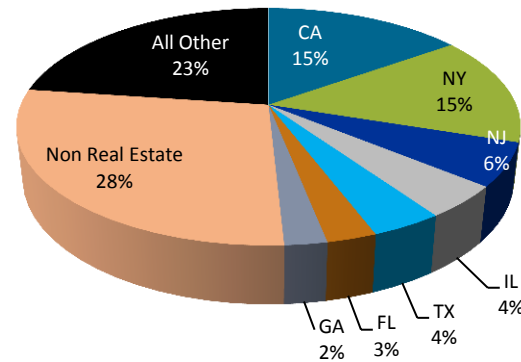
- Net investment basis of 86% for purchased loans

Collateral Type



- Diverse collateral types focused primarily in five major real estate sectors: office, industrial, retail, hospitality, and multifamily

Collateral State⁽¹⁾

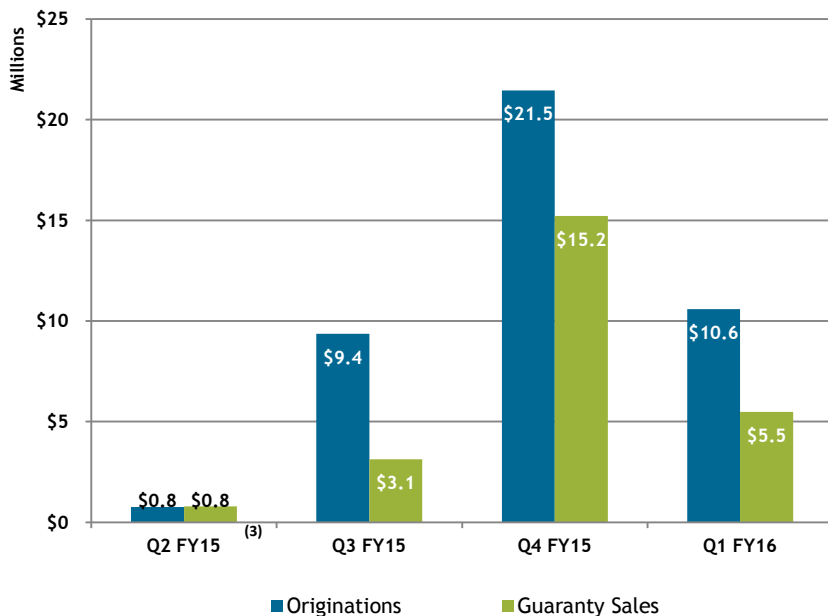


- Geographically diverse with collateral in 36 different states
- CA and NY represent combined 30% of portfolio

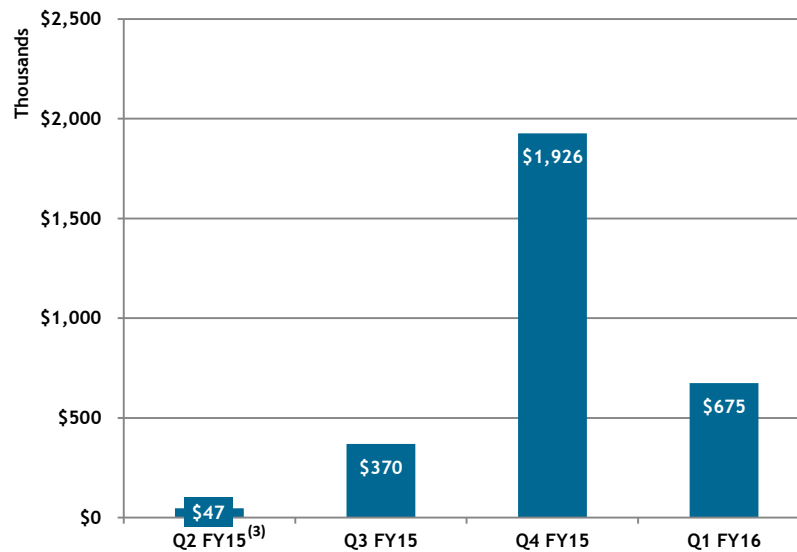
(1) Excludes loans to broker dealers

National SBA Division Activity

Originations & Guaranty Sales

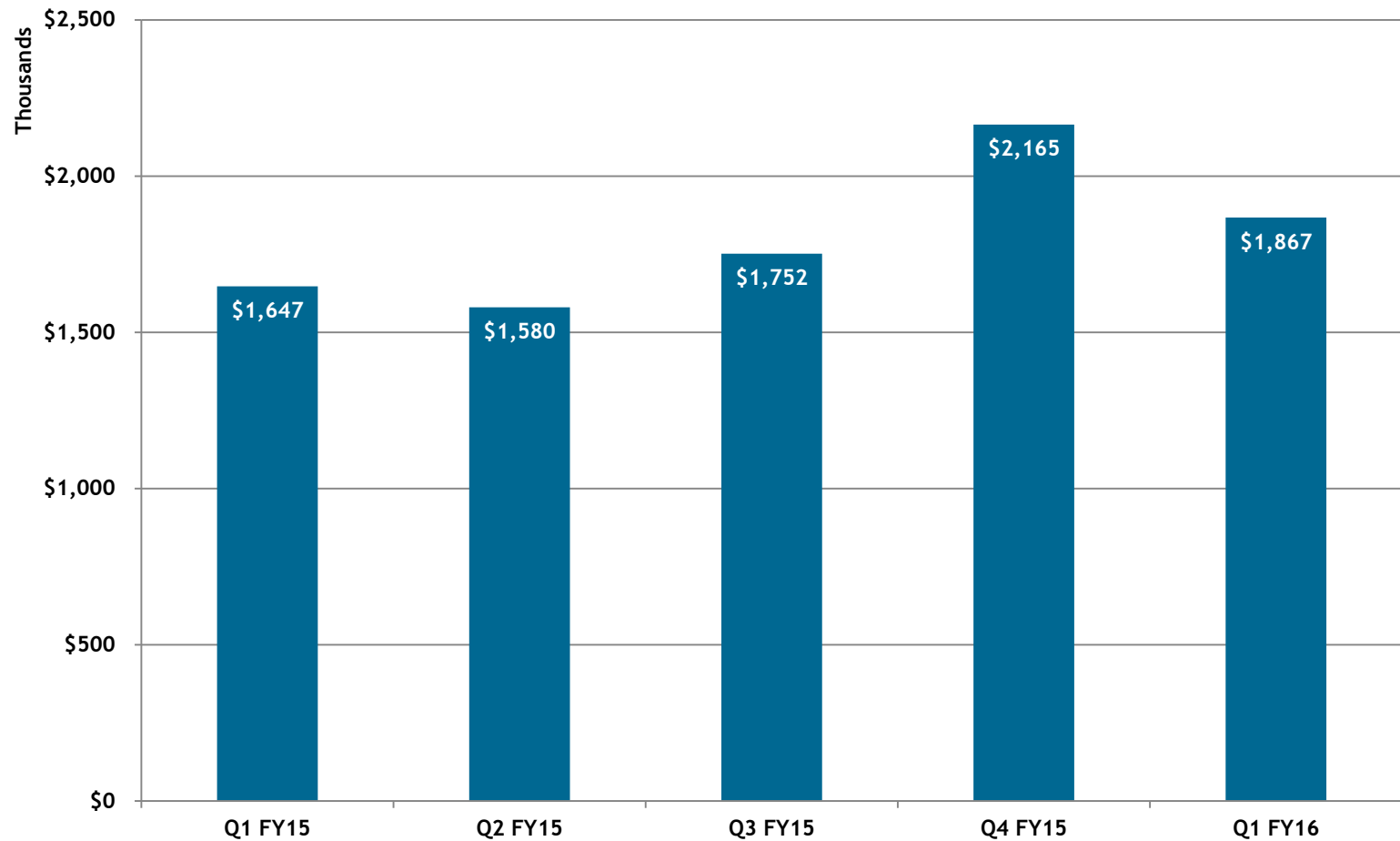


Net Gain on Sale^(1,2)

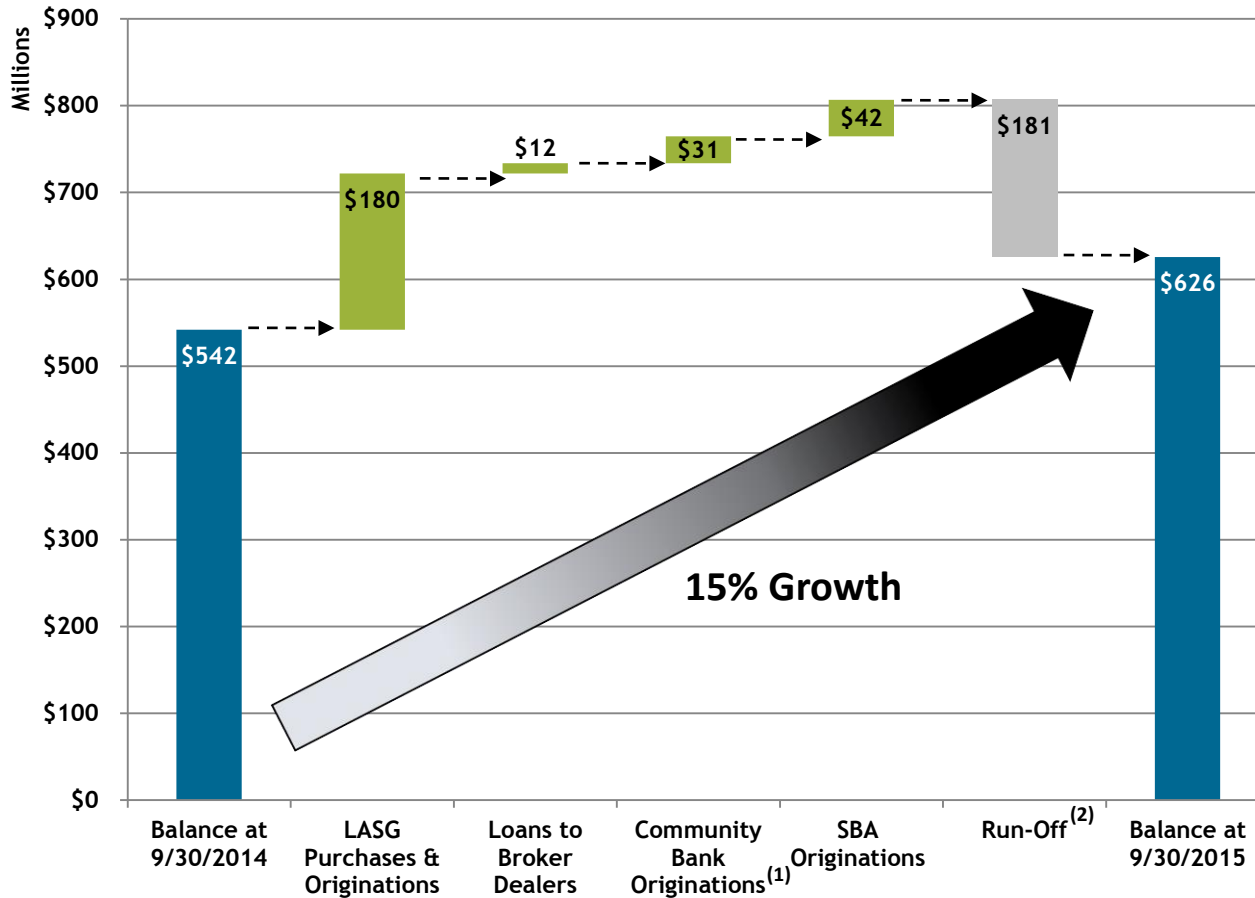


- Net gain on sale presented above includes any servicing asset that is capitalized
- Realized secondary market premiums in Q1 FY16 ranged from 109.70% to 117.60% with an average of 113.64% *(note: any premium above 110% is split 50/50 with the SBA)*

Net Income From Continuing Operations For Trailing 5 Quarters



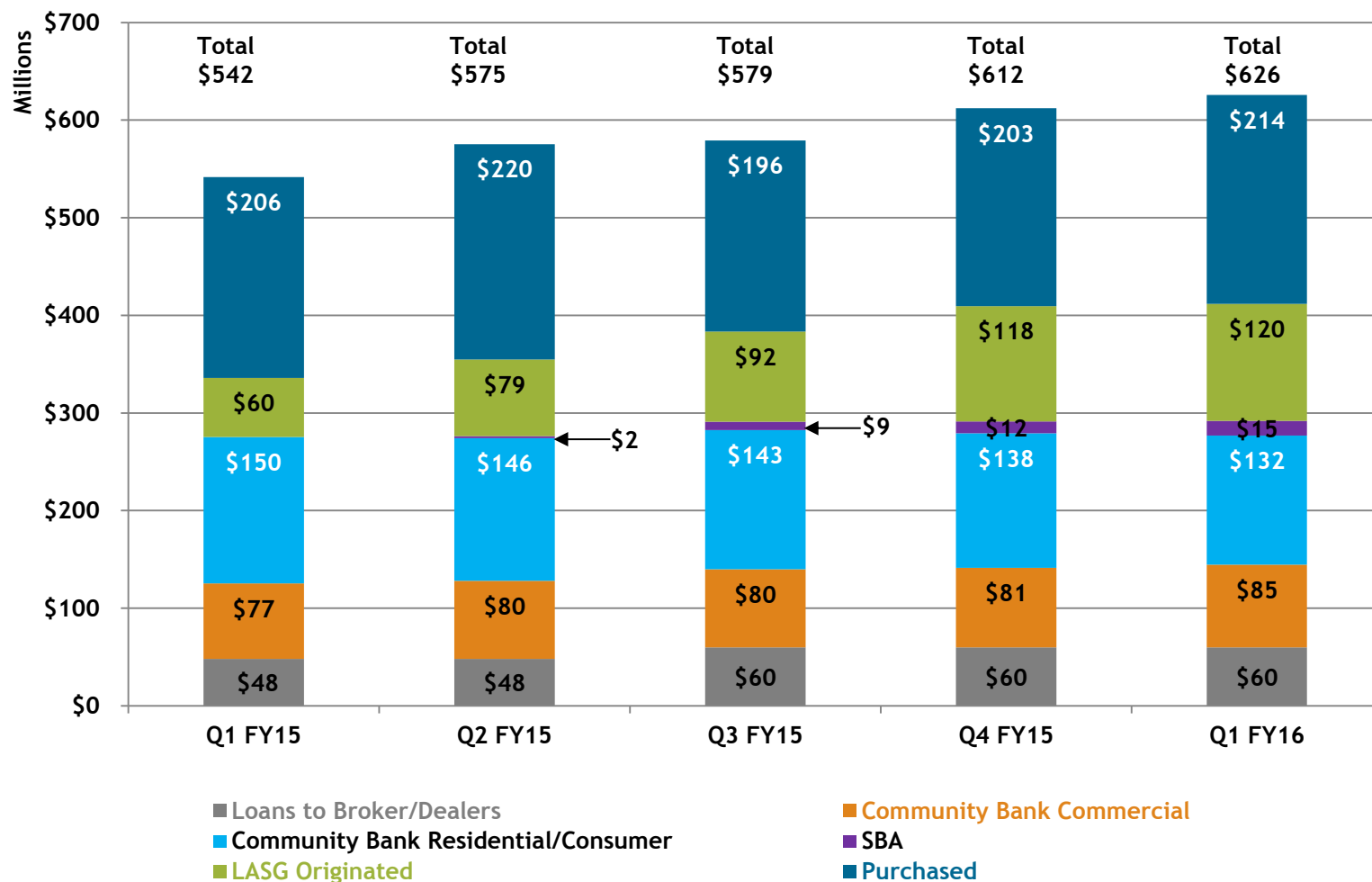
Loan Portfolio Roll Forward: 9/30/2014 – 9/30/2015



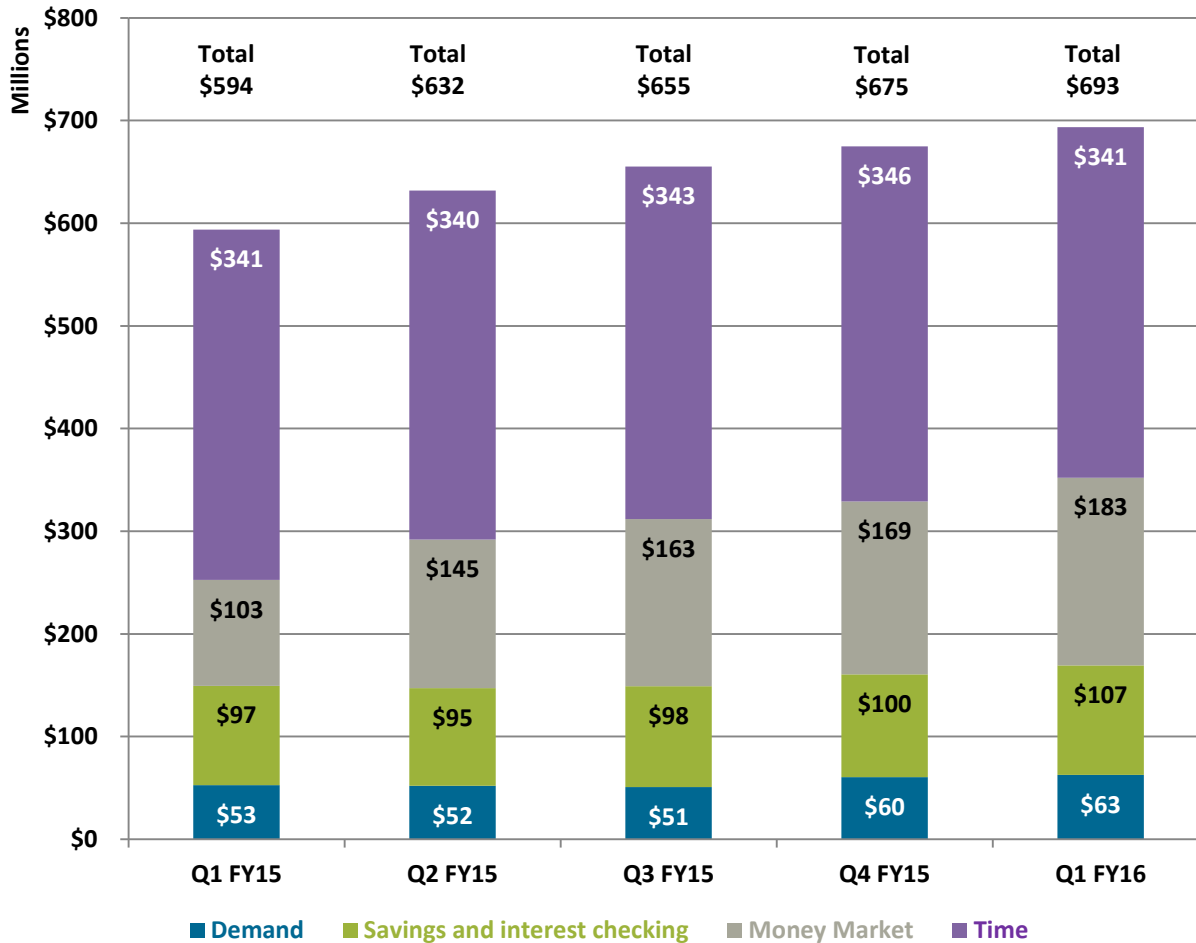
- \$84 million of growth (15%) over the trailing twelve month period
- Approximately \$265 million of purchases and originations over the trailing twelve month period⁽¹⁾
- 47% of the run-off has been in the purchased book (\$85.0 million), 15% in the LASG originated book (\$27.9 million), and 38% in the community bank / SBA (\$68.1 million)

(1) Does not include \$97.9 million of residential mortgages that were originated for sale
 (2) Run-off includes scheduled amortization, unscheduled principal pay downs, payoffs and SBA loan sales

Loan Mix As of Trailing 5 Quarter Ends

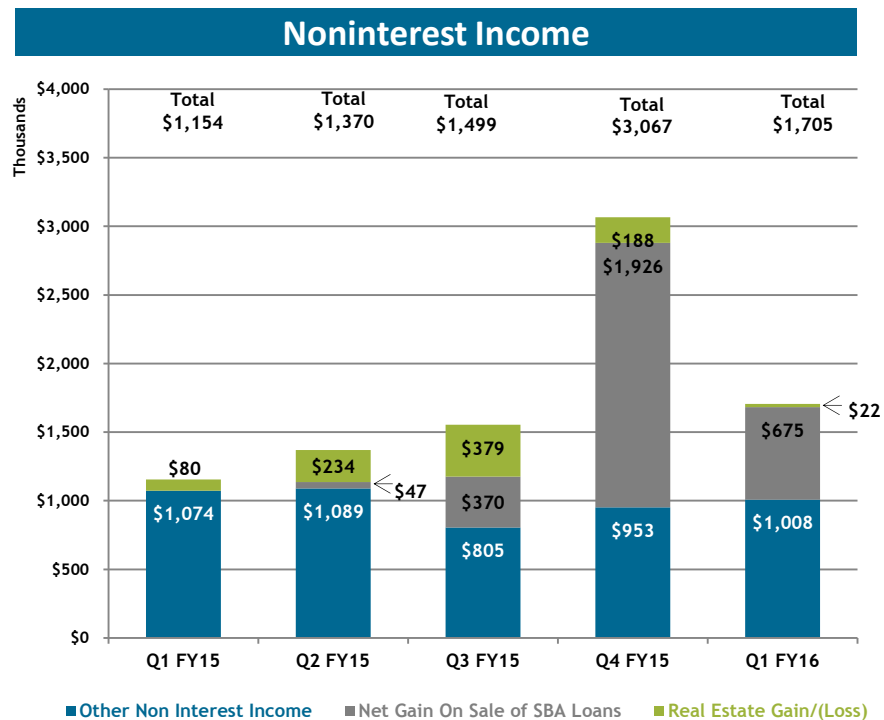
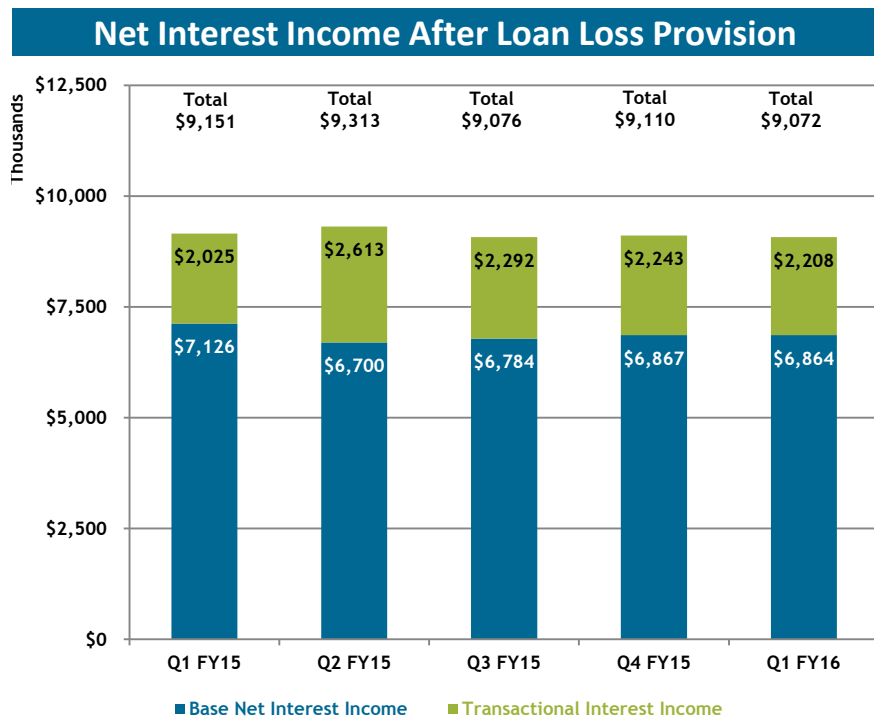


Deposit Mix By Trailing 5 Quarter Ends

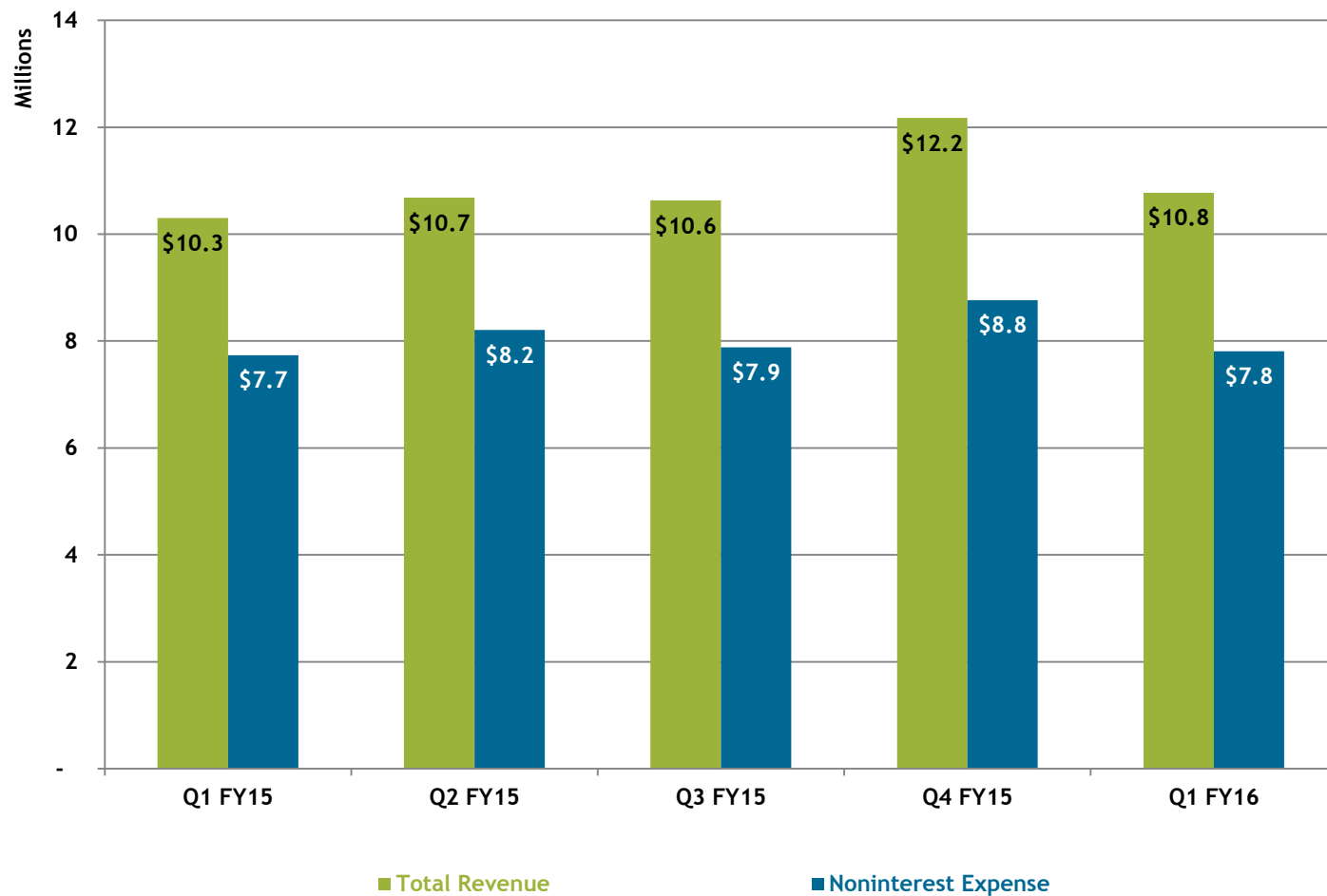


- \$99.7 million of net deposit growth over the past twelve months
- \$18.7 million in deposit growth in current quarter driven primarily by net growth of \$13 million in money market accounts at the Community Bank
- ableBanking money market deposits increased by \$69 million over past 12 months while ableBanking time deposits have decreased by \$10 million over the same timeframe.

Key Components of Income For Trailing 5 Quarters



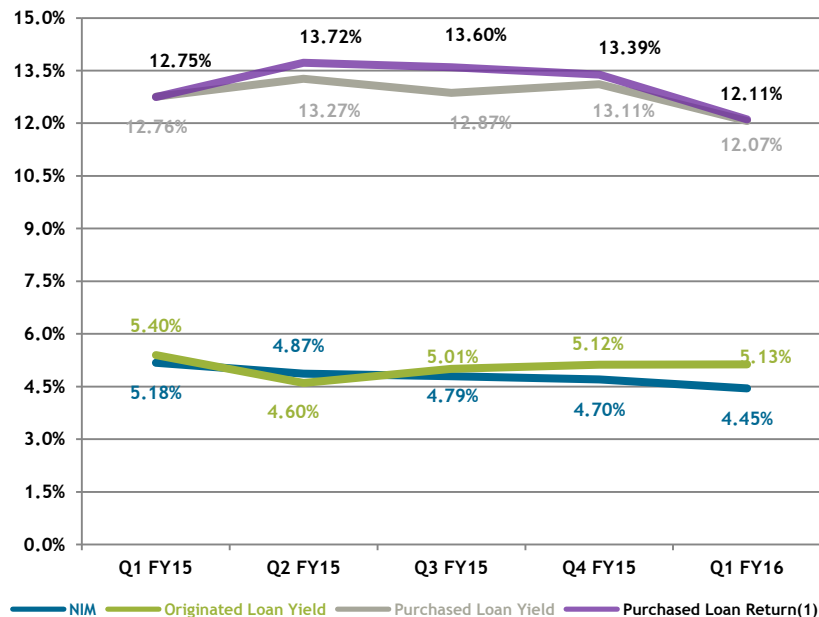
Revenue and Noninterest Expense for Trailing 5 Quarters



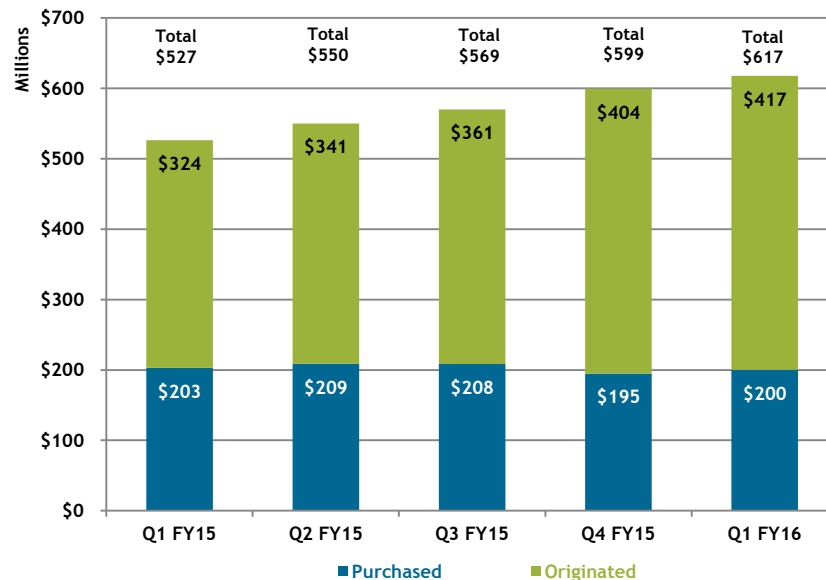
(1) Total Revenue includes net interest income after loan loss provision plus non interest income

Loan Performance & Average Loan Balance For Trailing 5 Quarters

Loan Performance

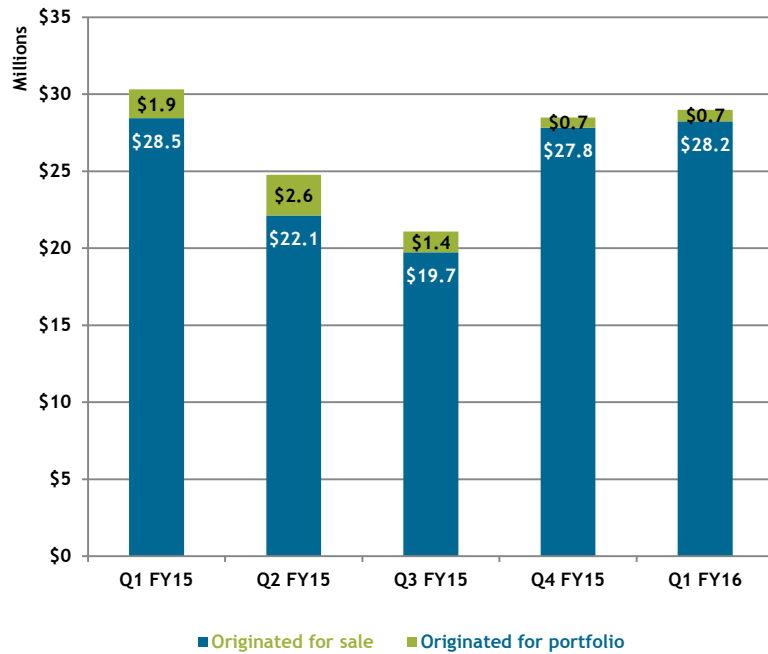


Average Loan Balance For Trailing 5 Quarters⁽²⁾

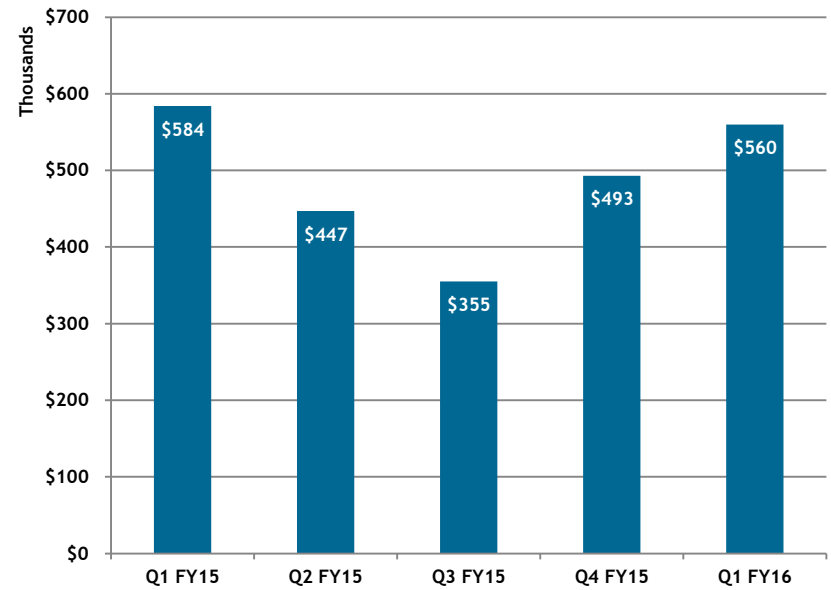


Residential Mortgage Originations & Gain On Sale By Trailing 5 Quarters

Residential Mortgage Originations

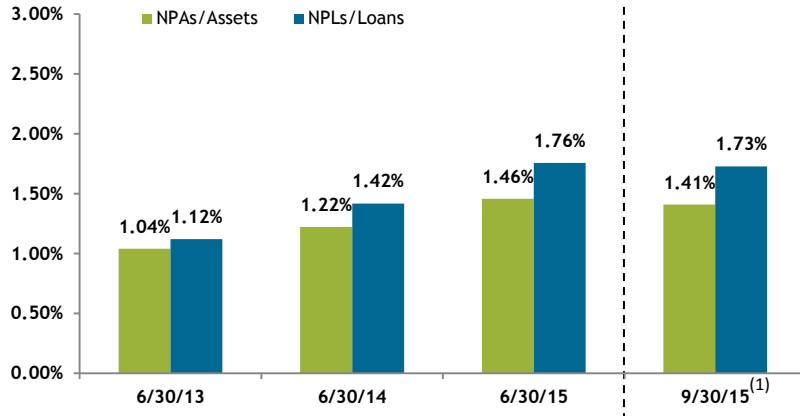


Residential Mortgage Gain On Sale

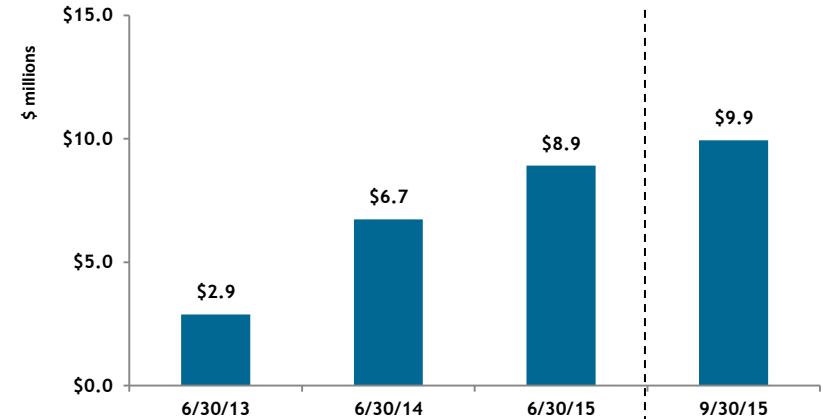


Asset Quality Metrics

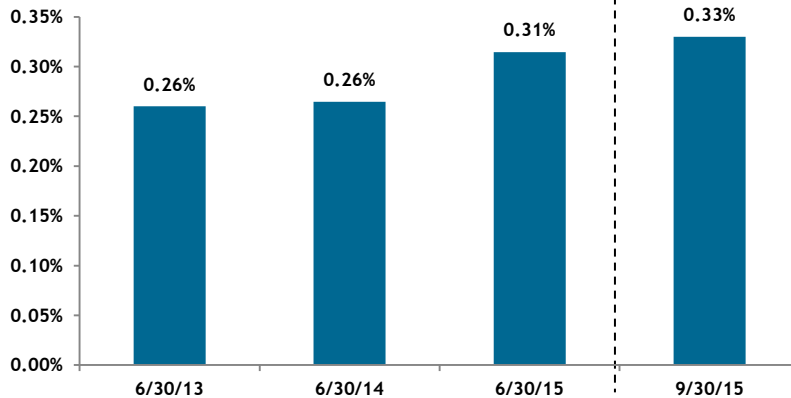
NPAs / Total Assets & NPLs / Total Loans



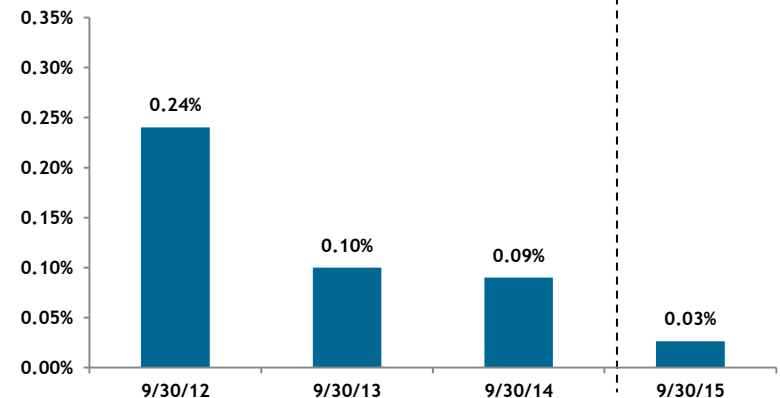
Classified Commercial Loans⁽²⁾



Allowance for Loan Losses / Gross Loans



NCOs / Average Loans⁽³⁾



(1) 48% of the loans on non-accrual as of September 30, 2015 are current

(2) Classified loans includes commercial real estate, commercial business, and construction loans risk rated under the Company's internal loan rating system

(3) Trailing twelve months of net charge-offs divided by average loans for the same period.