



BankUnited, Inc.

November 2018

Forward-Looking Statements



This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect the current views of BankUnited, Inc. (“BankUnited,” “BKU” or the “Company”) with respect to, among other things, future events and financial performance. BankUnited generally identifies forward-looking statements by terminology such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “could,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “projects,” “anticipates” or the negative version of those words or other comparable words. Any forward-looking statements contained in this presentation are based on the historical performance of the Company or the Company’s current plans, estimates and expectations. The inclusion of any forward-looking information regarding BankUnited should not be regarded as a representation that future plans, estimates or expectations contemplated herein will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to BKU’s operations, financial results, financial condition, business prospects, growth, strategy and liquidity. If one or more of these or other risks or uncertainties materialize, or if the underlying assumptions prove to be incorrect, actual results may vary materially from those indicated in these statements. These factors should not be construed as exhaustive. BankUnited does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements including, but not limited to, the risk factors described in the most recent Annual Report on Form 10-K of BKU and in the subsequent Quarterly Reports on Form 10-Q of BKU, filed with the Securities and Exchange Commission (the “SEC”) and available at the SEC’s website (www.sec.gov).



Who We Are

Traditional commercial bank built on core competencies and a management team with a proven track record in our businesses and geographies

Nimble regional bank evidenced by talent acquisition, infrastructure investment, streamlined decision making processes, and strategic capital deployment

Growth one relationship at a time, generated by lenders and relationship bankers experienced in market, supported by a strong credit culture

Diversification in asset classes, funding sources and geography

Who We Are NOT

Not expanding into higher risk businesses such as sub-prime lending, credit cards, HELOCs, student loans

Not a community bank with limited balance sheet or a universal bank with low-touch or remote decision making

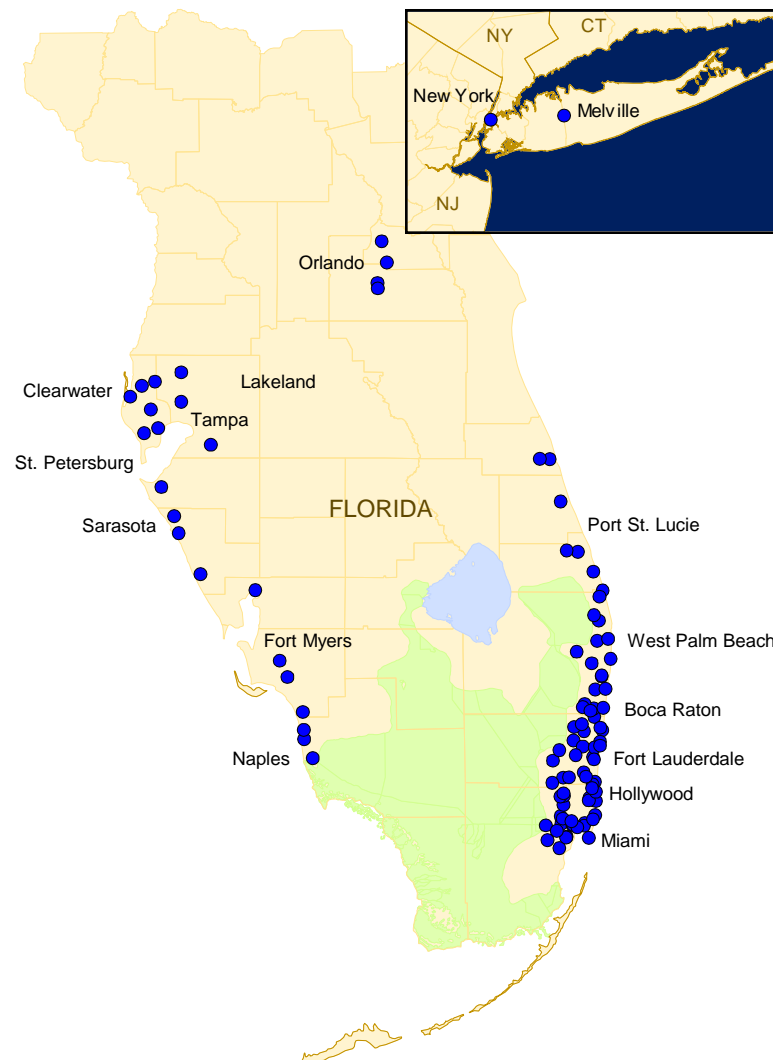
Not driving growth through bulk loan purchases, participations or leveraged acquisitions

Not highly concentrated in limited number of asset classes



Company Snapshot as of September 30, 2018

- \$31.5 billion of assets
- \$22.6 billion of loans and leases, including equipment under operating lease
 - Non-covered loans and leases, including equipment under operating lease, grew by \$211 million during the three months ended September 30, 2018. For the nine months ended September 30, 2018, non-covered loans and leases grew by \$708 million.
- \$22.3 billion deposit portfolio
 - Total deposits increased by \$127 million during the three months ended September 30, 2018, of which \$98 million was non-interest bearing demand deposits. Total deposits increased by \$427 million for the nine months ended September 30, 2018, of which \$343 million was non-interest bearing demand deposits.
- Net income of \$97.3 million, or \$0.90 per diluted common share, for the quarter ended September 30, 2018.





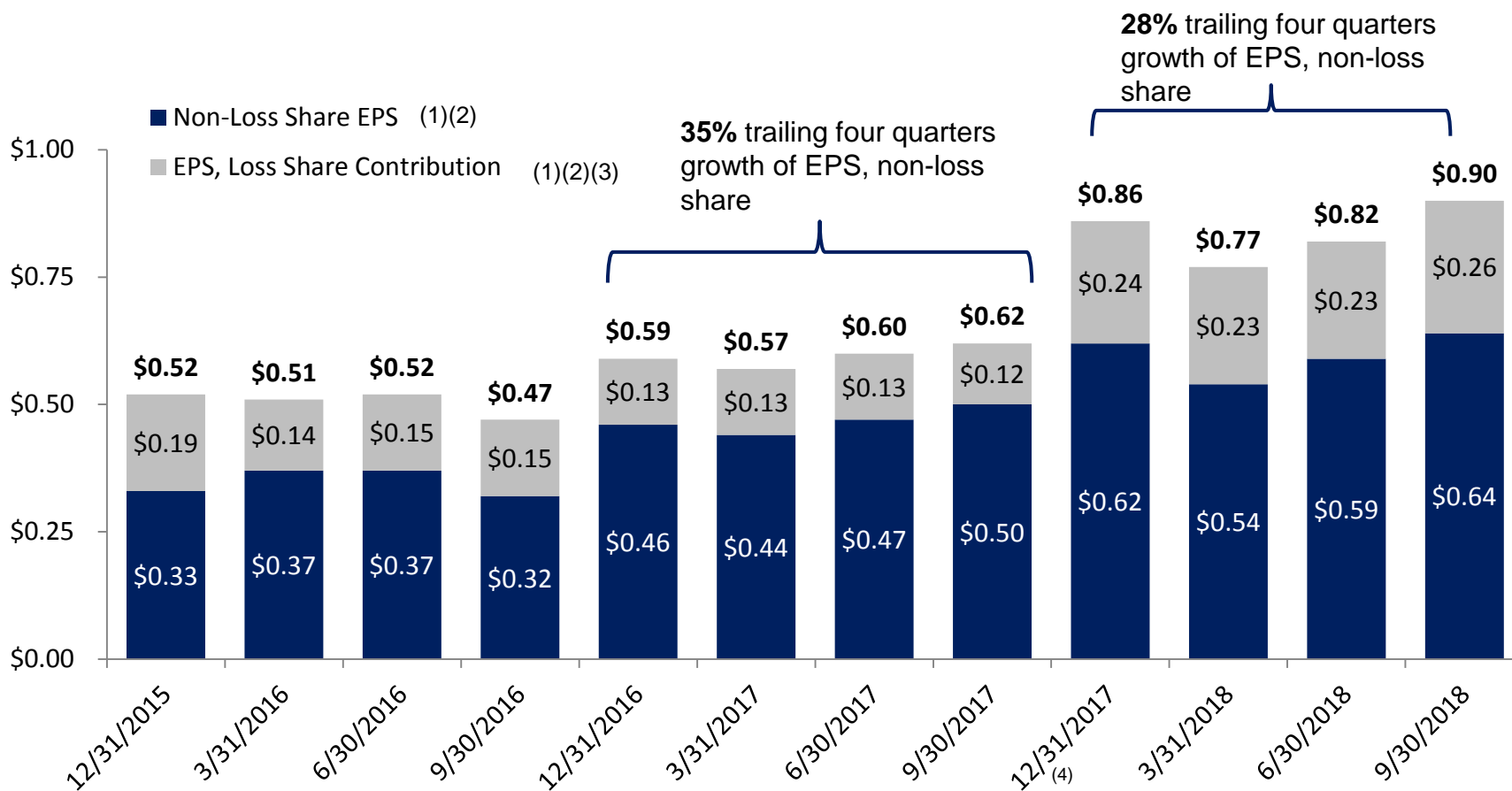
Interest income (accretion) on covered loans, net of amortization of the FDIC indemnification asset (referred to in this presentation as “Loss Share Earnings”) has augmented and will continue to augment earnings and growth in our tangible book value (“TBV”).

- Estimated future impact from loss share earnings to earnings and tangible book value

Future estimated accretion on covered loans	\$415.9 million
Future estimated amortization of the indemnification asset	(\$116.8 million)
Net cumulative impact on future pre-tax earnings	\$299.1 million
Net cumulative impact on future after-tax earnings (assuming 26.5% marginal tax rate)	\$220 million

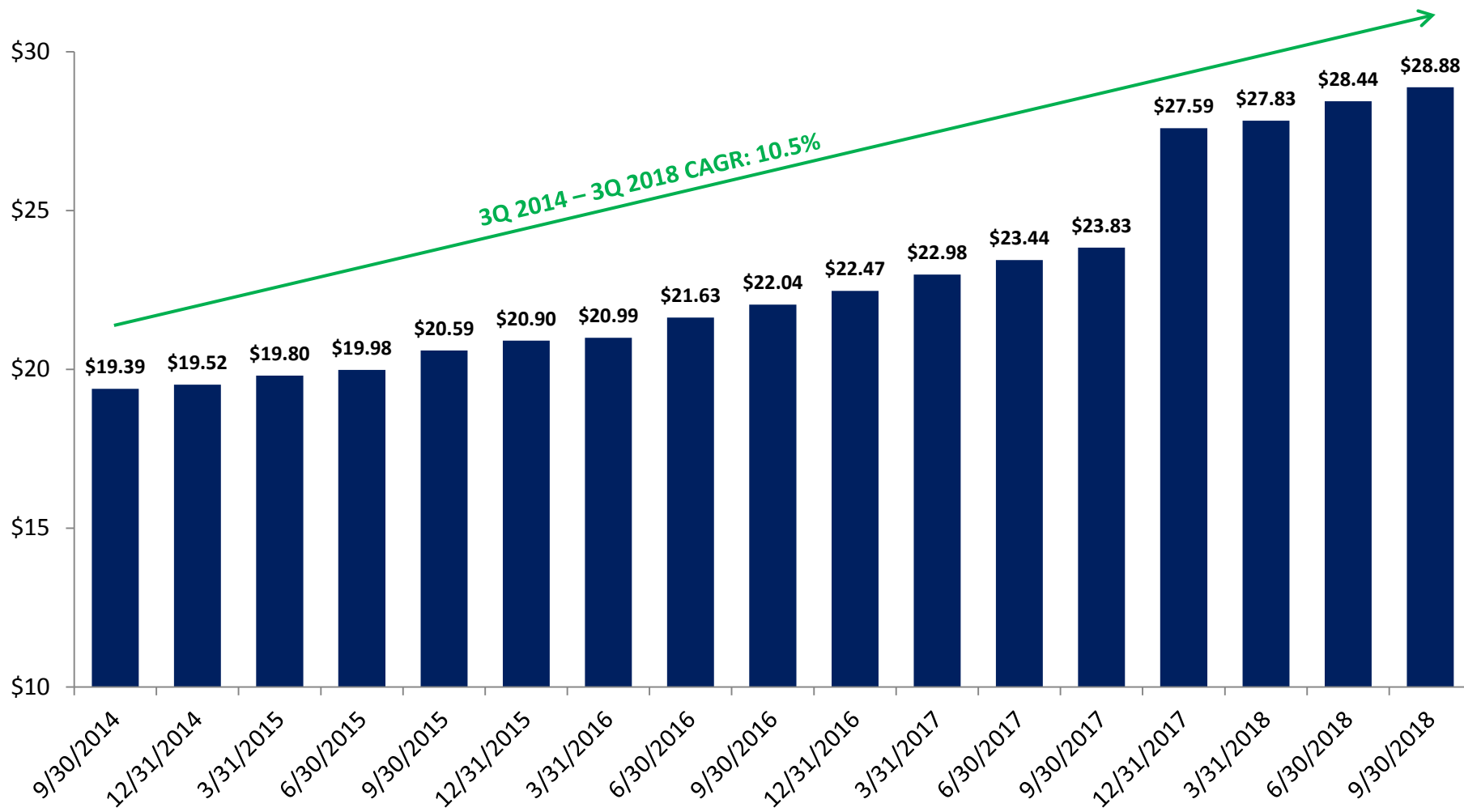
- On October 31, 2018 the Bank received consent from the FDIC, pursuant to the terms of the Single Family Shared-Loss Agreement, to execute a portfolio sale of certain Covered loans and OREO. The unpaid principal balance of loans encompassed by the consent totaled approximately \$263 million as of September 30, 2018. The Company intends to sell these loans in the fourth quarter of 2018. Covered loans with an unpaid principal balance totaling approximately \$421 million as of September 30, 2018 are expected to be retained by the Bank.
- The Company expects accretion related to covered loans and the amortization of the FDIC indemnification asset to total approximately \$114 million and \$117 million, respectively, on a pre-tax basis, in the fourth quarter of 2018. The estimated accretion related to the retained loans to be recognized after the fourth quarter of 2018, over the expected lives of those loans, is approximately \$302 million, on a pre-tax basis.
- The timing of the portfolio sale in the fourth quarter of 2018, and retention of a portion of loans beyond the second quarter of 2019, will result in increased amortization of the FDIC indemnification asset in the fourth quarter of 2018.
- The accretable yield related to retained loans is expected to increase, in part due to expected collection of additional contractual interest occurring over a longer period of time reflective of the expected lives of the retained loans. The yield on the retained loans is expected to decline from current levels.
- These estimates are based on several assumptions, including but not limited to the estimated price to be received for loans included in the fourth quarter portfolio sale, as well as estimated future prepayment speeds, default rates and loss severity related to the loans retained. As a result, actual results may differ materially from these estimates.

Non-Loss Share Earnings



- (1) Non-loss share EPS and EPS, loss share contribution are non-GAAP measures. See section entitled "Non-GAAP Financial Measures" below for reconciliation of non-GAAP financial measurements to their comparable GAAP financial measurements.
- (2) Loss Share Contribution is defined as the excess of Loss Share Earnings (generally defined as accretion on covered loans net of amortization of the FDIC indemnification asset) over the hypothetical amount of interest income that could have been earned if the average balance of covered loans and the indemnification asset were instead assumed to be invested in securities at the weighted average yield earned on the Company's investment securities portfolio as reported for each respective quarter, net of related income taxes. See section entitled "Calculation of Loss Share Contribution and Non-Loss Share Earnings Per Share" below for details of the calculation.
- (3) See section entitled "Calculation of Loss Share Contribution and Non-Loss Share Earnings Per Share" below for details of the calculation.
- (4) EPS for the quarter ended December 31, 2017 is shown net of discrete income tax benefit and related professional fees. EPS, net of discrete income tax benefit and related professional fees is a non-GAAP financial measure. See section entitled "Non-GAAP Financial Measures" below for reconciliation of this measure to the GAAP measure of earnings per common share, diluted.

Tangible Book Value Per Share Has Grown Steadily Over Time



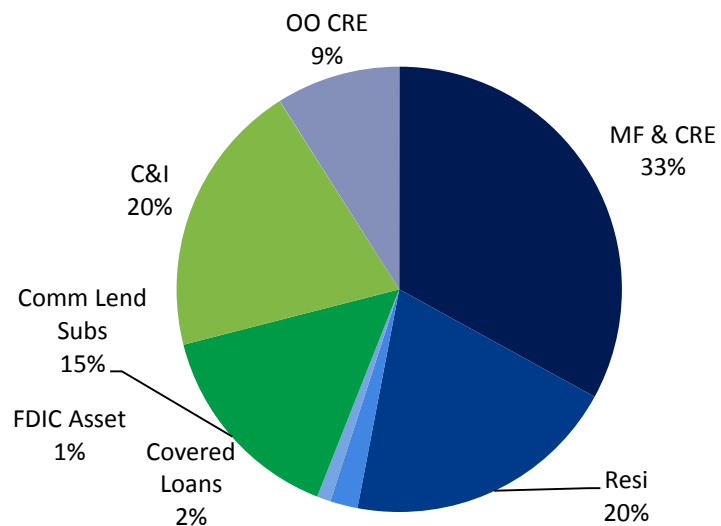
Tangible book value per share is a non-GAAP financial measure. See section entitled "Non-GAAP Financial Measures" below.

Portfolio and Geographic Mix

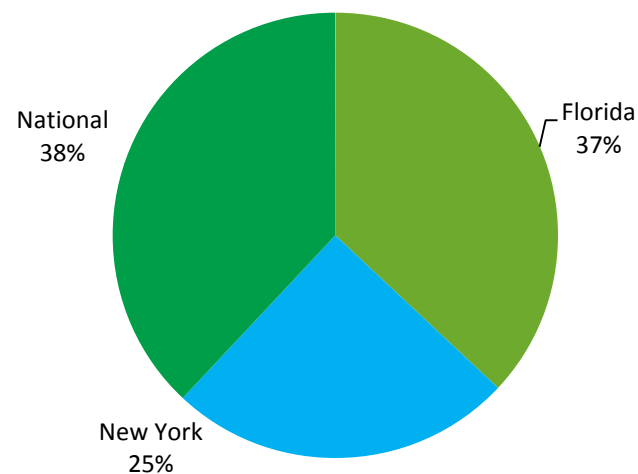
As of September 30, 2018



Portfolio Mix

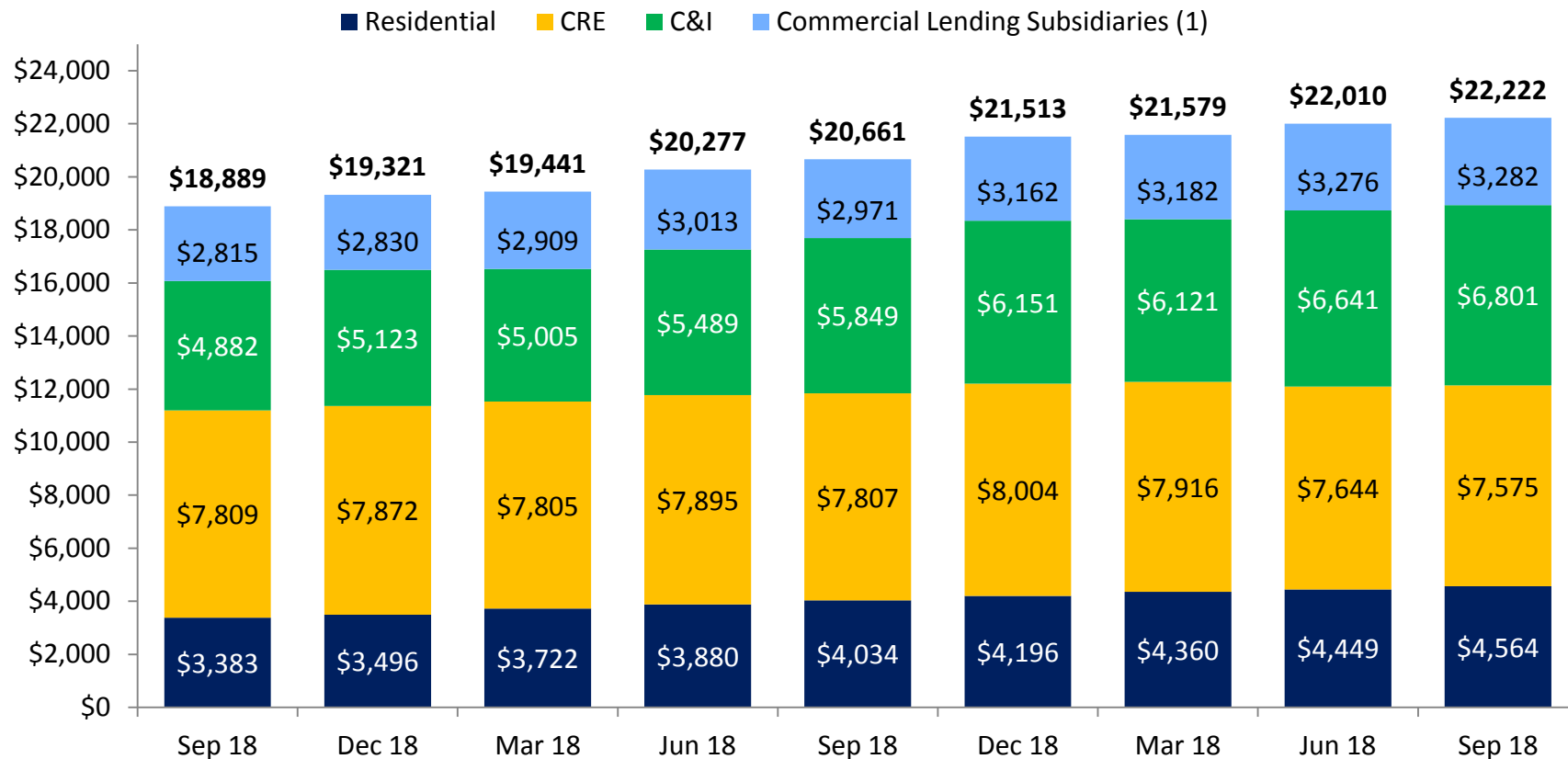


Geographic Mix



Non-Covered Loan and Lease Portfolio

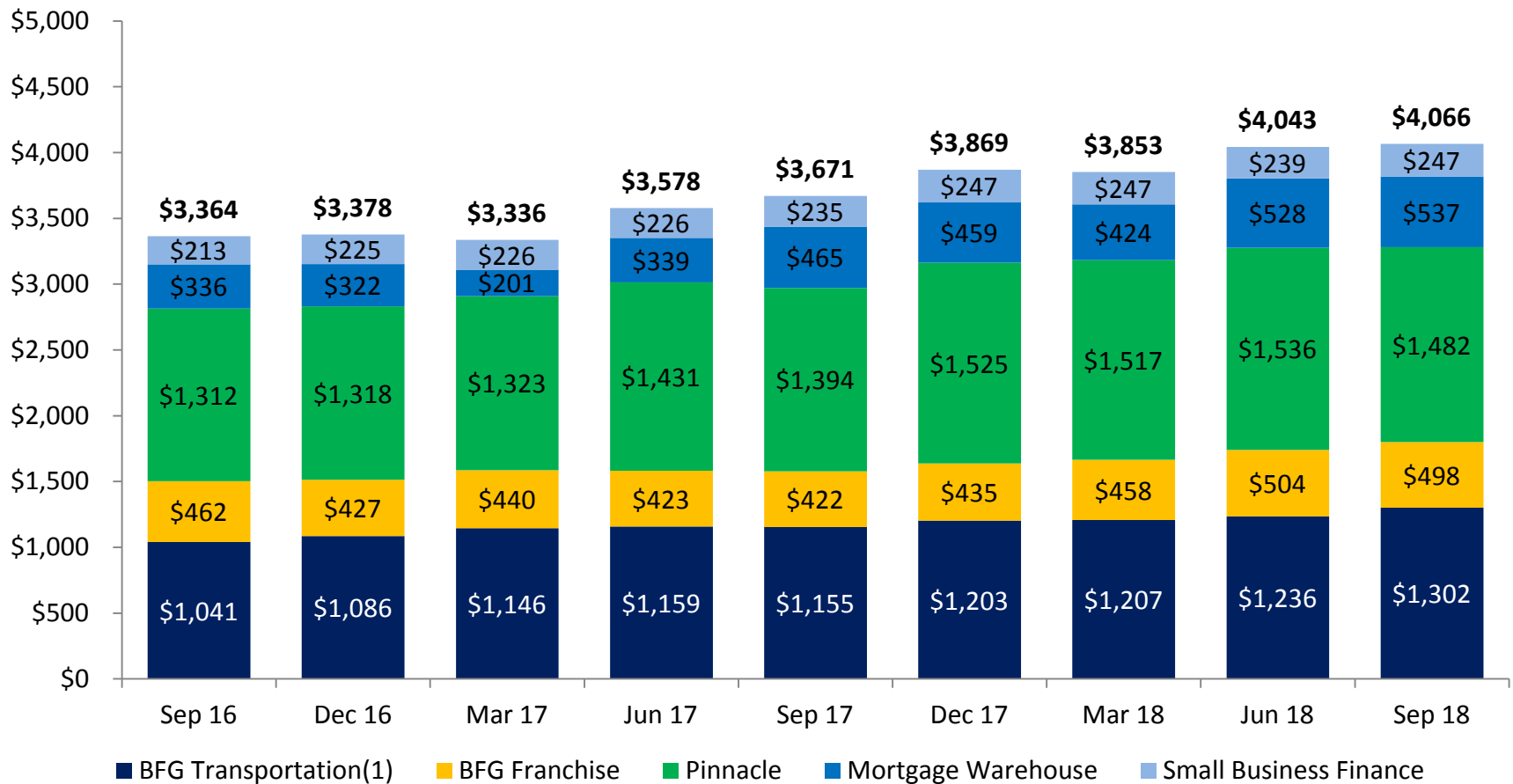
\$ in millions



(1) Includes equipment under operating lease.

National Commercial Portfolio

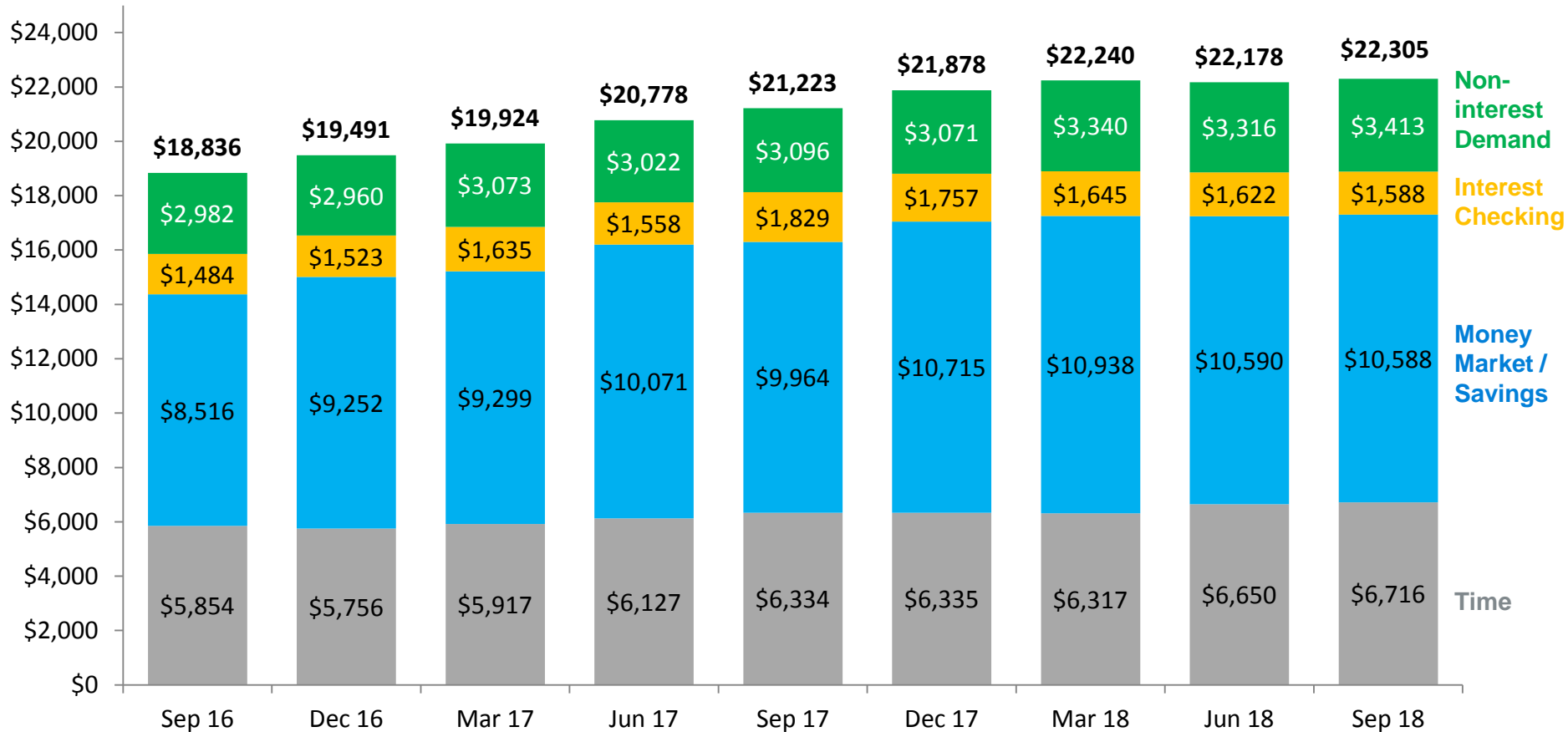
\$ in millions



(1) Figures include equipment under operating lease.

Steadily Growing Deposit Base

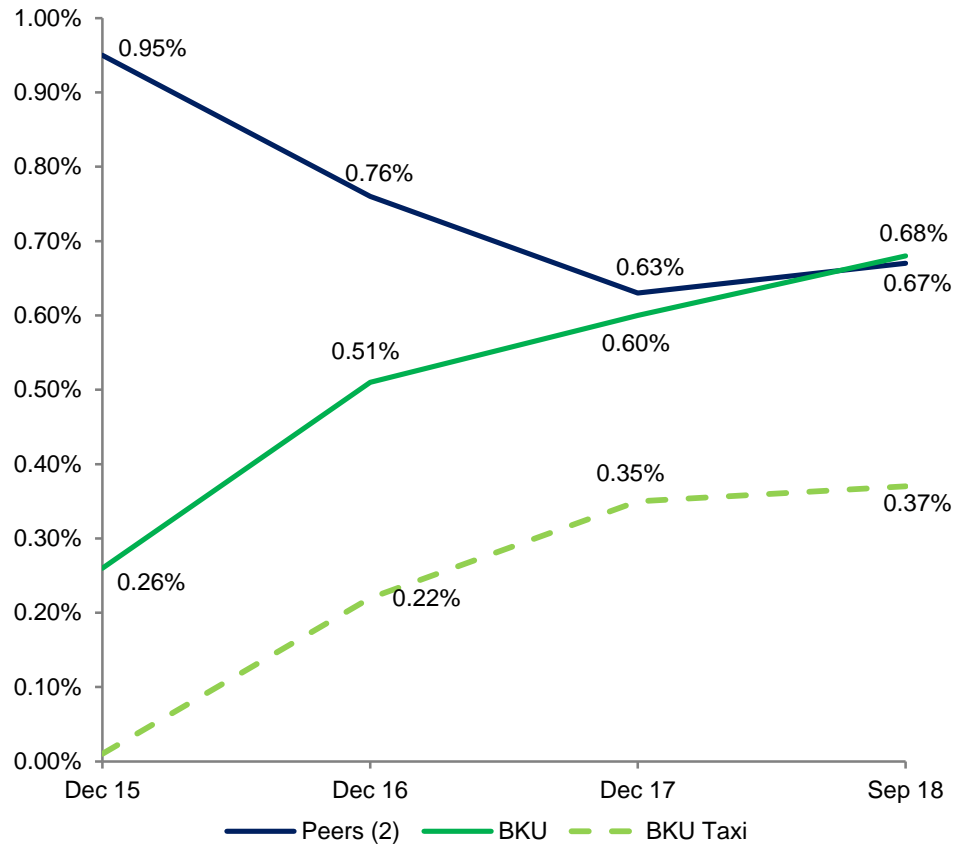
\$ in millions



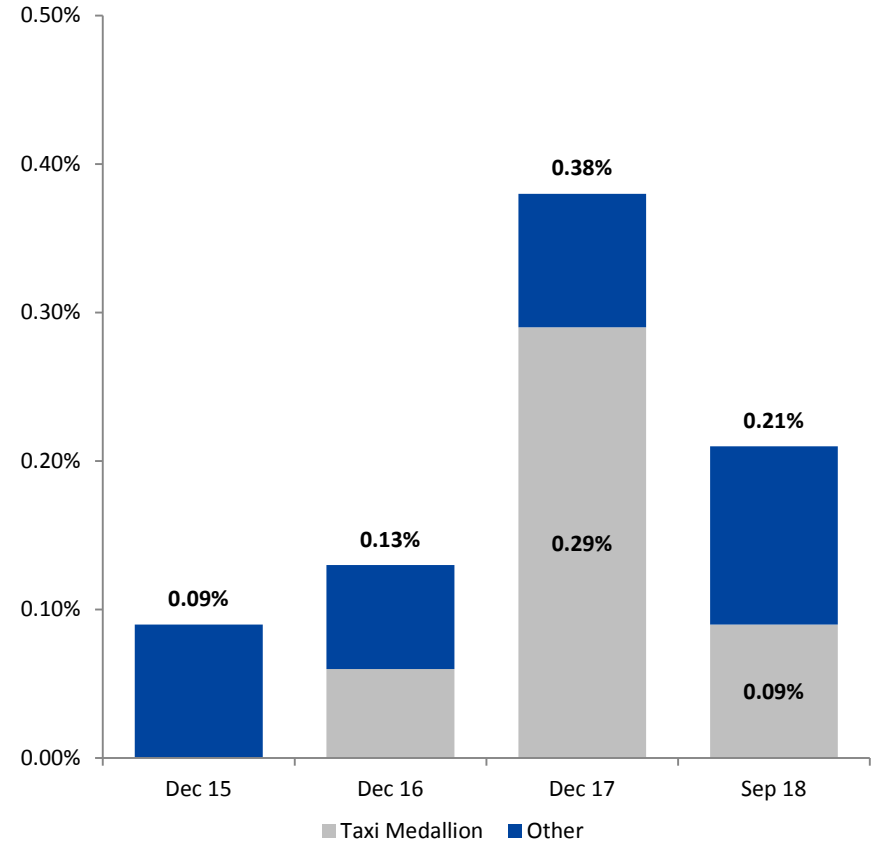
Cost of Deposits	0.67%	0.69%	0.72%	0.79%	0.87%	0.94%	1.04%	1.19%	1.35%
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NPA Ratio ⁽¹⁾



Net Charge-off Ratio ⁽³⁾



(1) NPA ratio calculated as non-covered NPAs as a percentage of total assets.

(2) Source: SNL Financial. Financial data as of most recent quarter available. Similarly sized banks include median values for publicly traded U.S. banks with assets between \$10-50 bn.

(3) Annualized for the nine months ended September 30, 2018.



Appendix

Calculation of Loss Share Contribution and Non-Loss Share Earnings Per Share



Loss Share Contribution is a hypothetical presentation of the impact of the covered loans and FDIC indemnification asset on earnings for each respective quarter, reflecting the excess of Loss Share Earnings over hypothetical interest income that could have been earned on alternative assets.

(\$ in millions, except per share data)	Quarter Ended					Quarter Ended				Quarter Ended		
	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018
	(3)	(3)	(3)	(3)	(3)		(3)	(3)	(3)		(3)	
Net Income As Reported (2)	\$ 56.3	\$ 54.9	\$ 56.7	\$ 50.8	\$ 63.3	\$ 62.3	\$ 66.4	\$ 67.8	\$ 94.8	\$ 85.2	\$ 89.9	\$ 97.3
Calculation of Loss Share Contribution:												
Interest Income - Covered Loans (Accretion)	\$ 78.5	\$ 75.8	\$ 76.4	\$ 74.5	\$ 75.0	\$ 75.2	\$ 76.6	\$ 73.5	\$ 75.3	\$ 81.3	\$ 84.2	\$ 81.3
Net impact of sale of covered loans									16.5			10.4
Amortization of FDIC Indemnification Asset	(32.5)	(39.7)	(38.1)	(39.0)	(43.4)	(44.5)	(45.7)	(45.2)	(41.1)	(40.3)	(44.3)	(48.3)
Loss Share Earnings	45.9	36.1	38.3	35.5	31.6	30.7	30.9	28.2	50.7	41.0	40.0	43.4
Hypothetical interest income on alternate assets (1)	(11.1)	(10.4)	(9.9)	(9.3)	(8.5)	(8.2)	(7.5)	(7.2)	(6.1)	(5.9)	(5.9)	(4.9)
Loss Share Contribution, pre-tax	34.8	25.7	28.5	26.2	23.0	22.5	23.4	21.1	44.6	35.1	34.1	38.5
Income taxes (4)	(13.8)	(10.1)	(11.2)	(10.3)	(9.1)	(8.9)	(9.2)	(8.3)	(17.6)	(9.3)	(9.0)	(10.2)
Loss Share Contribution, after tax	\$ 21.1	\$ 15.5	\$ 17.2	\$ 15.8	\$ 13.9	\$ 13.6	\$ 14.2	\$ 12.8	\$ 27.0	\$ 25.8	\$ 25.0	\$ 28.3
Net Income as reported, minus Loss Share Contribution	\$ 35.2	\$ 39.3	\$ 39.5	\$ 35.0	\$ 49.4	\$ 48.7	\$ 52.2	\$ 55.0	\$ 67.9	\$ 59.4	\$ 64.9	\$ 69.0
Diluted Earnings Per Share - Loss Share Contribution	\$ 0.19	\$ 0.14	\$ 0.15	\$ 0.15	\$ 0.13	\$ 0.13	\$ 0.13	\$ 0.12	\$ 0.24	\$ 0.23	\$ 0.23	\$ 0.26
Non-Loss Share Diluted Earnings Per Share	0.33	0.37	0.37	0.32	0.46	0.44	0.47	0.50	0.62	0.54	0.59	0.64
Fully Diluted Earnings Per Share, as Reported	\$ 0.52	\$ 0.51	\$ 0.52	\$ 0.47	\$ 0.59	\$ 0.57	\$ 0.60	\$ 0.62	\$ 0.86	\$ 0.77	\$ 0.82	\$ 0.90

- (1) Net income and Diluted earnings per common share for the three months ended December 31, 2017 are net of non-GAAP adjustments to remove a discrete income tax benefit and related professional fees recognized in that period. See below for reconciliation of these non-GAAP financial measurements to their comparable GAAP financial measurements.
- (2) Net impact on diluted earnings per share of Loss Share Contribution (non-GAAP) adjusted for rounding.
- (3) Calculation variances of \$0.1 million in the table above are due to rounding.



Calculation of Hypothetical Interest Income on Alternate Assets

The hypothetical interest income calculated below reflects the estimated income that may have been earned if the average balance of covered loans and the FDIC indemnification asset were liquidated and the proceeds assumed to be invested in securities at the weighted average yield on the Company's investment securities portfolio as reported for each respective quarter. Historically, cash received from the repayment, sale, or other resolution of covered loans and cash payments received from the FDIC under the terms of the Shared Loss Agreement have generally been reinvested in non-covered loans or investment securities. There is no assurance that the hypothetical results illustrated below would have been achieved if the covered loans and FDIC indemnification asset had been liquidated and proceeds reinvested in the respective quarters.

(\$ in millions, except per share data)	Quarter Ended		Quarter Ended				Quarter Ended				Quarter Ended		
	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	
Average Balances (1)													
Avg Covered Loans	\$ 832	\$ 788	\$ 741	\$ 693	\$ 642	\$ 596	\$ 553	\$ 533	\$ 521	\$ 499	\$ 476	\$ 408	
Avg FDIC Indemnification Asset	769	712	659	608	549	488	433	378	323	278	231	170	
Avg Loss Share Asset	\$ 1,601	\$ 1,500	\$ 1,400	\$ 1,301	\$ 1,191	\$ 1,084	\$ 986	\$ 911	\$ 844	\$ 777	\$ 707	\$ 578	
Yield													
Yield on securities- reported (2)	2.77%	2.78%	2.82%	2.87%	2.87%	3.01%	3.05%	3.14%	2.89%	3.04%	3.33%	3.41%	
Hypothetical interest income on alternate assets	11.1	10.4	9.9	9.3	8.5	8.2	7.5	7.1	6.1	5.9	5.9	4.9	

(1) Calculated as the simple average of beginning and ending balances reported for each period.

(2) The weighted average yield on the Company's investment securities as reported for the applicable quarter.



Non-GAAP Financial Measures

Net income and diluted earnings per common share, in each case excluding the impact of Loss Share Contribution, as defined in the section entitled "Non-Loss Share Earnings" above, are non-GAAP financial measures. Management believes disclosure of these measures provides readers with information that may be useful in understanding the impact of the covered loans and FDIC indemnification asset on the Company's earnings. The following table reconciles these non-GAAP financial measurements to the comparable GAAP financial measurements of net income and diluted earnings per common share for the periods indicated.

(\$ in millions, except per share data; Shares in thousands)	Quarter Ended					Quarter Ended				Quarter Ended		
	12/31/2015	3/31/2016	6/30/2016	9/30/2016	12/31/2016	3/31/2017	6/30/2017	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018
Net Income (GAAP) (1)	\$ 56.3	\$ 54.9	\$ 56.7	\$ 50.8	\$ 63.3	\$ 62.3	\$ 66.4	\$ 67.8	\$ 94.8	\$ 85.2	\$ 89.9	\$ 97.3
Less Loss Share Contribution	(21.1)	(15.5)	(17.2)	(15.8)	(13.9)	(13.6)	(14.2)	(12.8)	(27.0)	(25.8)	(25.0)	(28.3)
Net Income as reported, minus Loss Share Contribution	\$ 35.2	\$ 39.3	\$ 39.5	\$ 35.0	\$ 49.4	\$ 48.7	\$ 52.2	\$ 55.0	\$ 67.8	\$ 59.4	\$ 64.9	\$ 69.0
Diluted earnings per common share, excluding Loss Share Contribution:												
Diluted earnings per common share (GAAP) (1)	\$ 0.52	\$ 0.51	\$ 0.52	\$ 0.47	\$ 0.59	\$ 0.57	\$ 0.60	\$ 0.62	\$ 0.86	\$ 0.77	\$ 0.82	\$ 0.90
Less: Net impact on diluted earnings per common share of Loss Share Contribution (non-GAAP)	(0.19)	(0.14)	(0.15)	(0.15)	(0.13)	(0.13)	(0.13)	(0.12)	(0.24)	(0.23)	(0.23)	(0.26)
Diluted earnings per common share, excluding the impact Loss Share Contribution (non-GAAP)	\$ 0.33	\$ 0.37	\$ 0.37	\$ 0.32	\$ 0.46	\$ 0.44	\$ 0.47	\$ 0.50	\$ 0.62	\$ 0.54	\$ 0.59	\$ 0.64
Impact on diluted earnings per common share of Loss Share Contribution:												
Loss Share Contribution	\$ 21.1	\$ 15.5	\$ 17.2	\$ 15.8	\$ 13.9	\$ 13.6	\$ 14.2	\$ 12.8	\$ 27.0	\$ 25.8	\$ 25.0	\$ 28.3
Weighted average shares for diluted earnings per share (GAAP)	103,451	103,552	103,732	103,561	103,779	105,378	103,138	106,073	106,072	105,934	105,471	104,384
Impact on diluted earnings per common share of Loss Share Contribution (non-GAAP)	0.20	0.15	0.17	0.15	0.13	0.13	0.14	0.12	0.25	0.24	0.24	0.27
Impact on diluted earnings per common share of Loss Share Contribution:												
Loss Share Contribution, net of tax, allocated to participating securities	(0.8)	(0.7)	(0.7)	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)	(1.0)	(1.0)	(1.0)	(1.0)
Weighted average shares for diluted earnings per share (GAAP)	103,451	103,552	103,732	103,561	103,779	105,378	103,138	106,073	106,072	105,934	105,471	104,384
Impact on diluted earnings per common share of Loss Share Contribution allocated to participating securities (non-GAAP)	(0.01)	(0.01)	(0.01)	(0.01)	-	-	(0.01)	-	(0.01)	(0.01)	(0.01)	(0.01)
Net impact on diluted earnings per share of Loss Share Contribution (non-GAAP)	\$ 0.19	\$ 0.14	\$ 0.15	\$ 0.15	\$ 0.13	\$ 0.13	\$ 0.13	\$ 0.12	\$ 0.24	\$ 0.23	\$ 0.23	\$ 0.26

- (1) Net income and Diluted earnings per common share for the three months ended December 31, 2017 are net of non-GAAP adjustments to remove a discrete income tax benefit and related professional fees recognized in that period. See below for reconciliation of these non-GAAP financial measurements to their comparable GAAP financial measurements.
- (2) Net impact on diluted earnings per share of Loss Share Contribution (non-GAAP) adjusted for rounding.
- (3) Calculation variances of \$0.1 million in the table above are due to rounding.



Non-GAAP Financial Measures (continued)

Net income and earnings per diluted common share, in each case excluding the impact of a discrete income tax benefit and related professional fees are non-GAAP financial measures. Management believes disclosure of these measures enhances readers' ability to compare the Company's financial performance for the three months ended December 31, 2017 to that of other periods presented. The following table reconciles these non-GAAP financial measurements to the comparable GAAP financial measurements of net income and earnings per diluted share for the three months ended December 31, 2017 (in thousands except share and per share data):

Net income excluding the impact of a discrete income tax benefit and related professional fees:

Net income (GAAP)	\$ 417,794
Less discrete income tax benefit	(327,945)
Add back related professional fees, net of tax of \$1,802	4,995
Net income excluding the impact of a discrete income tax benefit and related professional fees (non-GAAP)	<u>\$ 94,844</u>
Diluted earnings per common share, excluding the impact of a discrete income tax benefit and related professional fees:	
Diluted earnings per common share (GAAP)	\$ 3.79
Less impact on diluted earnings per common share of discrete income tax benefit and related professional fees, before allocation to participating securities (non-GAAP)	(3.04)
Less impact on diluted earnings per common share of discrete income tax benefit and related professional fees allocated to participating securities (non-GAAP)	0.12
Diluted earnings per common share, excluding the impact of a discrete income tax benefit and related professional fees (non-GAAP) ⁽¹⁾	<u>\$ 0.86</u>
Impact on diluted earnings per common share of discrete income tax benefit and related professional fees:	
Discrete income tax benefit and related professional fees, net of tax	\$ 322,950
Weighted average shares for diluted earnings per share (GAAP)	106,071,934
Impact on diluted earnings per common share of discrete income tax benefit and related professional fees, before allocation to participating securities (non-GAAP)	<u>\$ 3.04</u>
Impact on diluted earnings per common share of discrete income tax benefit and related professional fees allocated to participating securities:	\$ (12,354)
Discrete income tax benefit and related professional fees, net of tax, allocated to participating securities	
Weighted average shares for diluted earnings per share (GAAP)	106,071,934
Impact on diluted earnings per common share of discrete income tax benefit and related professional fees allocated to participating securities (non-GAAP)	<u>\$ (0.12)</u>

(1) Amount for the three months ended December 31, 2017 adjusted for rounding.



BankUnited, Inc.

November 2018