

# AMERANT

## **Investor Presentation**

As of December 31, 2019



# Important Notices and Disclaimers

## Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, including, without limitation, future financial and operating results; costs and revenues; economic conditions generally and in our markets and among our customer base; loan demand; drivers for improvement; mortgage lending activity; changes in the mix of our earning assets and our deposit and wholesale liabilities; net interest margin; yields on earning assets; interest rates (generally and those applicable to our assets and liabilities); credit quality, including loan performance, non-performing assets, provisions for loan losses, charge-offs, other-than-temporary impairments and collateral values; rebranding and staff realignment costs and expected savings; market trends; and customer preferences, as well as statements with respect to our objectives, expectations and intentions and other statements that are not historical facts. All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as “may,” “will,” “anticipate,” “assume,” “should,” “indicate,” “would,” “believe,” “contemplate,” “expect,” “estimate,” “continue,” “plan,” “point to,” “project,” “could,” “intend,” “target,” “goals,” “outlooks,” “modeled” and other similar words and expressions of the future.

Forward-looking statements, including those as to our beliefs, plans, objectives, goals, expectations, anticipations, estimates and intentions, involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the Company’s actual results, performance, achievements, or financial condition to be materially different from future results, performance, achievements, or financial condition expressed or implied by such forward-looking statements. You should not rely on any forward-looking statements as predictions of future events. You should not expect us to update any forward-looking statements. All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary notice, together with those risks and uncertainties described in “Risk factors” in our annual report on Form 10-K for the fiscal year ended December 31, 2018 and in our other filings with the U.S. Securities and Exchange Commission (the “SEC”), which are available at the SEC’s website [www.sec.gov](http://www.sec.gov).

## Interim Financial Information

Unaudited financial information as of and for interim periods, including the three and twelve month periods ended December 31, 2019 and the three month period ended December 31, 2018, may not reflect our results of operations for our fiscal year ended, or financial condition as of December 31, 2019, or any other period of time or date.

## Non-GAAP Financial Measures

The Company supplements its financial results that are determined in accordance with generally accepted accounting principles in the United States of America (“GAAP”) with non-GAAP financial measures, such as Adjusted Net Income, Adjusted Net Income per Share (Basic and Diluted), Adjusted Noninterest Expense, Adjusted Noninterest Income, Adjusted Return on Equity (ROE), Adjusted Return on Assets (ROA), Adjusted Efficiency Ratio, and other ratios. This supplemental information should not be considered in isolation or as a substitute for the GAAP measures presented herein.

We use certain non-GAAP financial measures, including these, both to explain our results to shareholders and the investment community and in the internal evaluation and management of our businesses. Our management believes that these non-GAAP financial measures and the information they provide are useful to investors since these measures permit investors to view our performance using the same tools that our management uses to evaluate our past performance and prospects for future performance, especially in light of the additional costs we incurred in 2018 in connection with the spin-off and related transactions, and the rebranding and restructuring expenses which began in 2018 and continued in 2019. While we believe that these non-GAAP financial measures are useful in evaluating our performance, this information should be considered as supplemental and not as a substitute for or superior to the related financial information prepared in accordance with GAAP. Additionally, these non-GAAP financial measures may differ from similar measures presented by other companies. See Appendix 2 “Non-GAAP Financial Measures Reconciliations” for a reconciliation of these non-GAAP financial measures to their GAAP counterparts.

# Who We Are

## History

- Founded in 1979
- Acquired in 1987 by MSF <sup>(1)</sup>
- 80.1% spin-off in August 2018
- Completed IPO in December 2018
- Rebranded as Amerant in June 2019
- MSF no longer has any stake in the Company <sup>(2)</sup>

## Headquarters

- Coral Gables, FL

## Employees

- 829 FTEs

## Footprint

- 27<sup>(9)</sup> branches throughout South Florida and Houston, loan production offices in New York City and Dallas

## Market Share

- Largest community bank headquartered in Florida <sup>(3)</sup>

## Assets

- \$7.99 billion

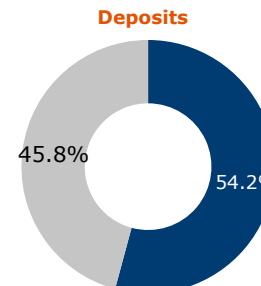
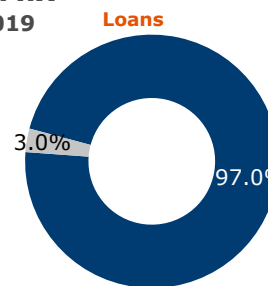
## Deposits

- \$5.76 billion

## AUM

- \$1.82 billion under management/custody

## Geographic Mix December 31, 2019



- Domestic
- International

## Financial Highlights

(in millions, except per share data and percentages)

### Balance Sheet

	2015	2016	2017	2018	2019
Assets	\$ 8,163	\$ 8,434	\$ 8,437	\$ 8,124	\$ 7,985
Loans	5,623	5,765	6,066	5,920	5,744
Deposits	6,520	6,577	6,323	6,033	5,757
Tangible Common Equity <sup>(5)</sup>	661	683	732	726 <sup>(4)</sup>	813

### Income Statement

Net Income	\$ 15.0	\$ 23.6	\$ 43.1	\$ 45.8	\$ 51.3
Adjusted Net Income <sup>(5)</sup>	\$ 15.0	\$ 23.6	\$ 48.4	\$ 57.9	\$ 53.1
Net Income per Share - Basic	\$ 0.35	\$ 0.55	\$ 1.01	\$ 1.08	\$ 1.21
Adjusted Net Income per Share - Basic <sup>(5)</sup>	\$ 0.35	\$ 0.55	\$ 1.14	\$ 1.36	\$ 1.25
ROA	0.19 %	0.29%	0.51%	0.55%	0.65%
Adjusted ROA <sup>(5)</sup>	0.19 %	0.29%	0.57%	0.69%	0.67%
ROE	2.14 %	3.29%	5.62%	6.29%	6.43%
Adjusted ROE <sup>(5)</sup>	2.14 %	3.29%	6.32%	7.95%	6.66%
Efficiency Ratio <sup>(6)</sup>	84.7 %	78.0%	73.8%	78.8%	77.5%
Adjusted Efficiency Ratio <sup>(5)</sup>	84.7 %	78.0%	74.8%	74.0%	76.4%

### Capital

Tier 1 Common Ratio	10.1 %	10.3%	10.7%	11.1%	12.6%
Tier 1 Capital Ratio	11.8 %	11.9%	12.3%	12.7%	13.9%
Total Risk-based Capital	12.9 %	13.1%	13.3%	13.5%	14.8%
Tangible Common Equity Ratio	8.1 %	8.1%	8.7%	9.0%	10.2%
Stockholders' Book Value per Common Share	\$ 16.06	\$ 16.59	\$ 17.73	\$ 17.31	\$ 19.35
Tangible Book Value per Common Share <sup>(5)</sup>	\$ 15.56	\$ 16.08	\$ 17.23	\$16.82 <sup>(4)</sup>	\$ 18.84

### Credit

Non-performing Assets <sup>(7)</sup> / Assets	0.95 %	0.85%	0.32%	0.22%	0.41%
Net Charge-offs (Recoveries) / Average Total Loans <sup>(8)</sup>	(0.01)%	0.32%	0.11%	0.18%	0.11%

**AMERANT**

- (1) Mercantil Servicios Financieros, C.A. ("MSF")
- (2) In 2019, issued approximately 2.1 million shares of Class A common stock and used the proceeds to repurchase all of the remaining Class B shares held by MSF.
- (3) Community banks - less than \$10 billion (assets). Source S&P Market Intelligence
- (4) Reflects special one-time dividend of \$40.0 million paid on March 13, 2018 to MSF in connection with the spin-off
- (5) See Appendix 2 "Non-GAAP Financial Measures Reconciliations" for a reconciliation of these non-GAAP financial measures to their GAAP counterparts. There were no non-GAAP adjustments in 2015 and 2016
- (6) Efficiency ratio: result of non-int exp. divided by non-int. income plus NII. The adjusted efficiency ratio utilized the same calculation but with adjusted figures.
- (7) Includes all accruing loans past due 90 days or more, all nonaccrual loans, restructured loans that are considered "troubled debt restructurings" or "TDRs", and OREO properties acquired through or in lieu of foreclosure
- (8) Average daily balance of loans net of deferred loan fees and costs, excluding the ALL
- (9) Opened two new branches during Q4 2019 (Miami Lakes, FL, and Boca Raton, FL), and one on March 2<sup>nd</sup>, 2020 in Delray Beach, FL

# Investment Opportunity Highlights

## Established Franchise in Attractive Markets

- Long history with strong reputation and deep client relationships
- Presence in high-growth markets of Florida, Texas, and New York
- Seasoned management team and Board with long tenure
- Largest community bank headquartered in Florida and one of the leading banks serving the Hispanic community

## Strong and Diverse Deposit Base

- Combination of domestic and low-cost international deposits
- Domestic deposit base experiencing significant growth (approximately 11.4% CAGR since 2015)
- Low cost granular international deposit base (0.41% average cost in 2019) is a strategic advantage
- Retain international deposits by adding new and revamped products bundles and improve customer journey

## Well-Positioned Loan Portfolio

- Loan book well-diversified across various asset classes and markets
- Outstanding credit performance due to disciplined underwriting culture
- High level of relationship lending
- Strong risk management to allow adjustments based on market conditions

## Significant Fee Income Platform

- Wealth management and brokerage platform with accompanying trust and private banking capabilities
- Approximately 19.5% noninterest income/total operating income in 2019

## Pathway to Strong Profitability

- Independence from MSF allows for clearer path to ROA/ROE improvement through efficiency, fee income, and other levers
- Building on preserving financial performance as part of a multi-year shift towards increasing core domestic growth and profitability
- Embarking on digital transformation to adapt to a new competitive environment

# Experienced Management Team



**Frederick  
Copeland**

**Chairman of the Board**

78 years old

- Chairman since January 2019
- Director of Company and Bank from 2007 to 2018
- Former President and CEO of Far East National Bank
- Former President and CEO of Aetna International, Inc.
- Former Chairman, President, and CEO of Fleet Bank, N.A. Connecticut
- Former President and CEO of Citibank Canada



**Millar  
Wilson**

**Vice-Chairman & CEO**

67 years old

- CEO since 2009, Vice-Chairman since 2013 and Director since 1987 of Company and Bank
- Spearheaded MSF's entry into the U.S. in 1983
- 42 years of experience with MSF/Amerant Bancorp ("AMTB"), including Executive Director of International Business
- Director of the Federal Reserve Bank of Atlanta-Miami Branch from 2013 to 2018



**Carlos  
Iafigliola**

**Interim CFO <sup>(1)</sup>**

43 years old

- Interim CFO as of March 2020
- 22 years with MSF / AMTB
- Head of Treasury from 2015 to 2020
- Asset & Liability Manager at AMTB from 2004 to 2015
- Served in Market Risk Management at MSF 1998 to 2004



**Alfonso  
Figueredo**

**Co-President & COO**

58 years old

- Co-President and COO since February 2018
- 31 years with MSF / AMTB
- Executive Vice President of Operations and Administration of MSF from 2015 to 2018
- CFO of MSF from 2008 to 2015



**Alberto  
Capriles**

**Executive Vice President  
& Chief Risk Officer**

52 years old

- Executive Vice President and Chief Risk Officer since 2015
- 24 years with MSF / AMTB
- Corporate Treasurer of MSF from 2008 to 2015
- Corporate Market Risk Manager of MSF from 1999 to 2008



**Miguel  
Palacios**

**Executive Vice President  
& Chief Business Officer**

51 years old

- Executive Vice President and Chief Business Officer since February 2018
- All 27 years of banking experience with MSF / AMTB
- Domestic Personal and Commercial Manager from 2012 to 2018
- Special Assets Manager from 2009 to 2012

(1) On March 4, 2020, the Company announced (i) the resignation of Mr. Peraza as Co-President and Chief Financial Officer and (ii) the appointment of Carlos Iafigliola as interim Chief Financial Officer, effective March 16<sup>th</sup>, 2020

# Deep Culture of Enterprise Risk Management

✓ **Enterprise-Wide Risk Governance**

✓ **Risk Culture**

✓ **Risk Appetite**

✓ **Strategic Planning**

**Board of Directors**

**Senior Management**

## Three Lines of Defense



**1**

### Front Line Units

- Own and manage their risks
- Identify, measure, monitor, report, analyze, and mitigate risks
- Internal controls
- Strong culture of compliance with BSA/AML and all regulatory standards
- Comprehensive daily OFAC screening of all clients and counterparties

**2**

### Risk Management

- Independent from front line units
- Direct access to the Board
- Sophisticated and specialized: Market Risk, Credit Risk, Operational Risk, Data Security, Model Risk, and Compliance
- Comprehensive and robust BSA/AML program with extensive experience and resources
- Proprietary BSA/AML monitoring and risk rating programs

**3**

### Internal Audit

- Direct report to the Board
- Independent
- Risk-based approach

# Our New Brand

## Meant for You: A Different Kind of Bank



### Our new purpose

All that we do, our attitude and behaviors, aim at our ultimate goal: offering the closest, most personal and exceptional service to our customers

We have developed strong relationships for 40 years and we are excited to create new ones, always adapting to your lives and specific needs, in a dynamic and positive way



### We are evolving, just like you

We are renewing our commitment to you by aiming to keep growing and making possible a brighter future for you, our investors, our communities, and our people

Everything we do is designed with our stakeholders in mind

# Market Strategy

**Our strategy is to operate and expand in high-growth, diverse economies where we can build from our heritage serving the Hispanic community**

## Target markets have:

- Substantial domestic deposit growth potential
- Diversified industries, requiring high-quality loans
- Population growth, and thus a larger number of potential customers
- Customers that require more than one of our banking services
- Existing, significant Hispanic communities that value our bilingual employees and services



### Miami-Dade MSA

- Major industry sectors are trade, tourism, services, manufacturing, education, and real estate
- Unemployment rate of 2.9% as of October 2019
- Ranked #1 MSA for startup activity by the 2017 Kauffman Index among the 39 largest MSAs

### Houston MSA

- Major industry sectors of health care, retail, oil/gas, travel, and services
- Unemployment rate of 3.5% as of October 2019
- Home to the world's largest medical complex. Ranks #2 in manufacturing GDP nationwide

### NYC MSA

- Major industry sectors of education, health care, tourism, financial services, and professional / business services
- Unemployment rate of 3.7% as of October 2019
- MSA has #1 GDP in the nation

**Our markets are diverse with growing demographics and industry**

Sources: S&P Global Market Intelligence. US Bureau of Labor Statistics. Greater Houston Partnership ([www.Houston.org](http://www.Houston.org)). Business Facilities' 2018 Metro Rankings Report. US Bureau of Economic Analysis. Center for Governmental Research.

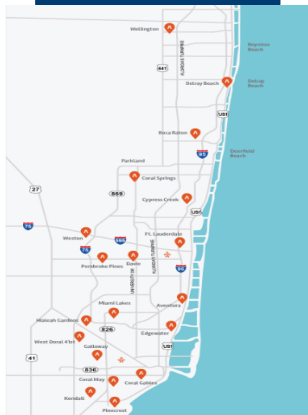


# Growing and Diverse Markets

## Branch Footprint<sup>(1)</sup>

March 12, 2019

19 banking centers



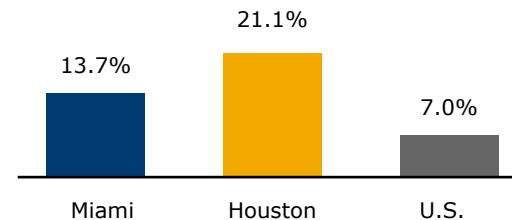
## Deposit Market Share<sup>(2)</sup>

June 30, 2019

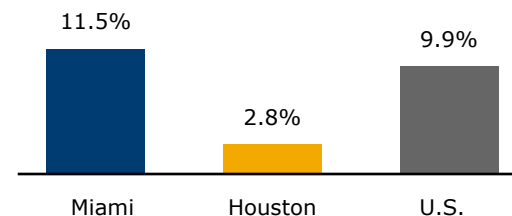
Market	Branches	Deposits (\$mm)	% of AMTB	Market Share %
Miami-Dade, FL	9	\$4,793	81.6	3.6
Broward, FL	5	330	5.6	0.6
Palm Beach, FL	1	106	1.8	0.2
<b>Florida</b>	<b>15</b>	<b>\$5,228</b>	<b>89.0%</b>	<b>0.9%</b>

## Market Demographics

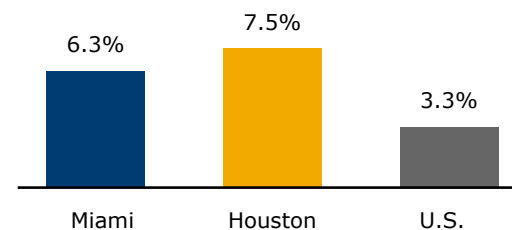
2010 – 2020 Est. Population Change



## 2019 – 2025 Median Est. Household Income Change

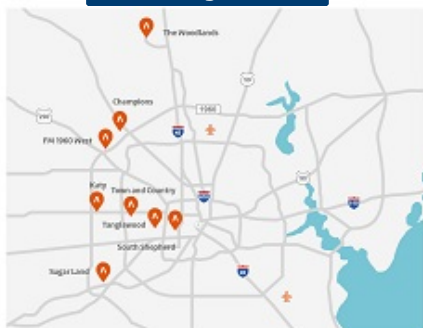


## 2020 – 2025 Est. Population Change



Market	Branches	Deposits (\$mm)	% of AMTB	Market Share %
Harris, TX <sup>(3) (4)</sup>	7	\$573	9.8	0.3
Montgomery, TX	1	73	1.2	0.6
<b>Texas</b>	<b>8</b>	<b>\$645</b>	<b>11.0%</b>	<b>0.1%</b>

8 banking centers



**Amerant is growing in attractive markets and is the largest community bank in the Miami-Dade MSA<sup>(5)</sup>**

(1) During 4Q19, the Bank opened two new branches: Miami Lakes, Miami-Dade County, FL (10/07/19), and Boca Raton, Palm Beach County, FL (12/09/2019). On March 2<sup>nd</sup>, 2020, the Bank opened one branch in Delray Beach, Palm Beach County, FL

(2) Deposits amount does not reflect the two branches opened during the second half of 2019

(3) Includes the Katy, TX branch. The city of Katy is in Harris, Fort Bend, and Waller Counties and the new facility serves nearby areas of these counties

(4) Our Sugar Land, TX branch also serves Fort Bend County and our Katy, TX branch lies adjacent to this market

(5) Community banks include those with less than \$10 billion in assets

Sources: Deposit data from FDIC as of June 30, 2019 (Bank-level). Market demographics, and county data and market share from S&P Global Market Intelligence as of June 30, 2019

(6) In January 2019, the Bank opened a Loan Production Office in Dallas, Texas

# Ongoing Business Transformation

## From...

Part of a diverse international financial group, with a sophisticated international customer base

A number of non-core products and services were offered as a result of the relationship with former parent

Wide range of lending products with diverse underwriting standards

Depositor base comprised substantially of individuals and corporations outside of the U.S.

Value proposition “in development” and strong reliance on “non-relationship” assets and liabilities

## To...

Focused on traditional community banking business in the U.S. and an international business to service valued relationships

No ongoing commercial or shared services relationships with former parent

Loan growth in a refined U.S. product suite and tightened credit standards have led to much improved credit performance

Double-digit growth of domestic deposits over the last four years while continuing to benefit from low cost international deposit base

Value proposition focused on expanding presence within target U.S. communities and strengthening relationships (share of wallet)

**Pivot from an internationally focused bank to a traditional community bank with a Latin American heritage**

# Summary of Our Strategic Plan

## Building on our strengths to shape our future

### Domestic focus with an International Heritage

- Protect and serve profitable international customer base
- Grow U.S. presence and enhance market share in existing and adjacent markets
- Enhance multi-channel client experience with improved branch experience
- Replace low yielding foreign loans with higher margin domestic loans (completed in 2019)



### Strong Credit Culture

- Exit higher-risk and less attractive businesses
- Pursue targeted lending opportunities within prudent credit guidelines
- Refined product suite targeting selected domestic customers and verticals/niches



### Growth in Core, Domestic Deposits

- Continue strong domestic deposit growth through a high-touch, needs-based approach
- Improve deposit account penetration of the commercial customer base
- Enhance retail and commercial sales with consultative sales approach and improved banking centers



### Expanding Business and Geographic Presence

- Continued strategic expansion (e.g. Dallas, Palm Beach)
- Focus on increased share of wallet and non-lending products from existing client base
- Expand wealth management client acquisition and cross-selling opportunities

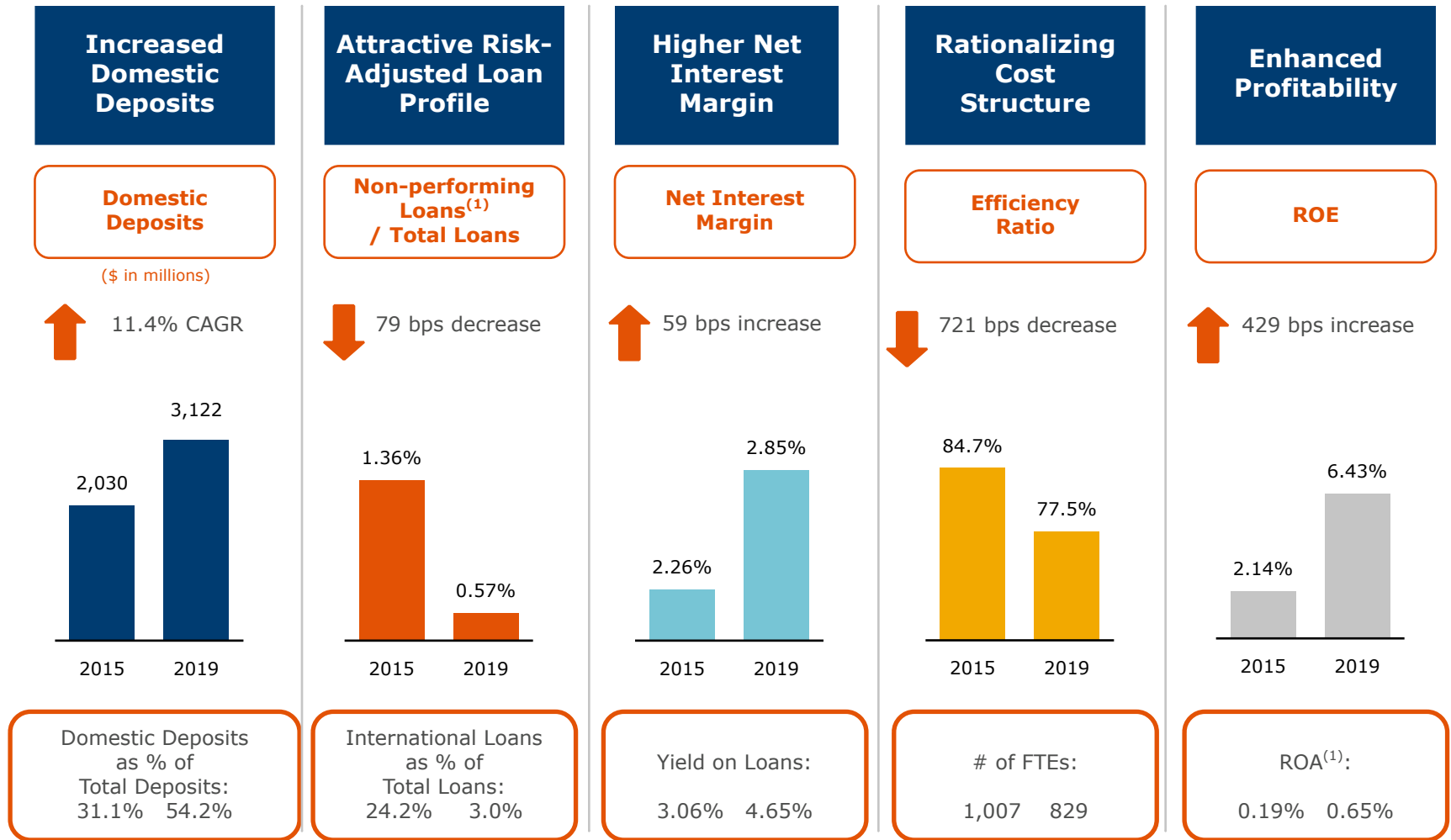


### Increased Profitability and Returns

- Improve cross-selling initiatives, including scalable wealth management platform
- Ongoing expense rationalization and efficiency initiatives
- Focus on solidifying presence in target U.S. communities
- Initiatives to increase domestic fee income generation

Creating shareholder value through the implementation of a multi-dimensional strategic plan

# Build on Improving Financial Performance



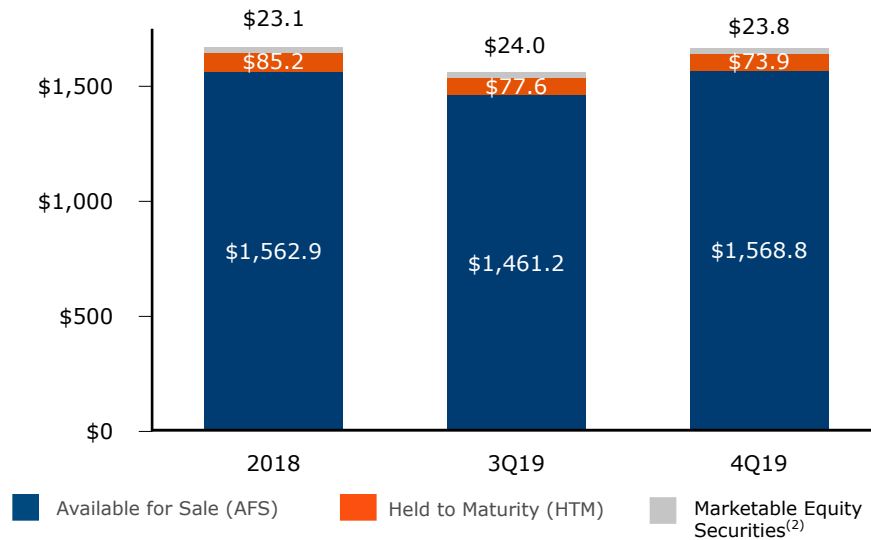
**Multi-year shift towards increasing core domestic growth and profitability**

(1) Non-performing loans include all accruing loans past due by 90 days or more, all nonaccrual loans and restructured loans that are considered "troubled debt restructurings" or "TDRs"

# Investment Portfolio

## Investment Securities Balances and Yields<sup>(1)</sup>

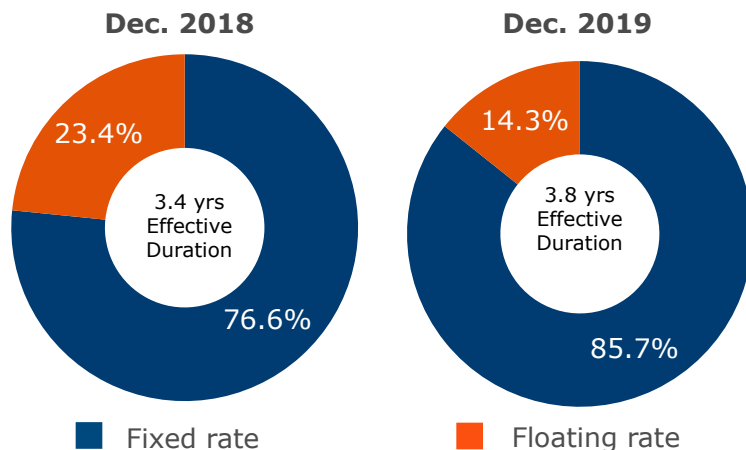
(in millions)



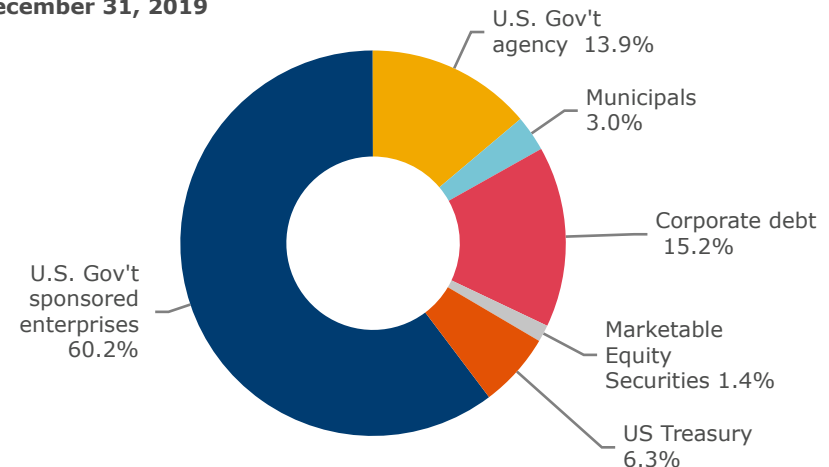
## Highlights

- Effective duration increased to 3.8 years as we prepared for continued rate decline by purchasing 20-year U.S. Treasuries and collateralized mortgage obligations (CMOs) with prepayment protection
- Floating rate portfolio declined to 14% by the end of 2019 compared to 2018
- Recognized YTD marketable equity securities gain through income as a result of the the adoption of new accounting standard

## Investments Securities Fixed vs. Floating



## Investment Securities by Type December 31, 2019



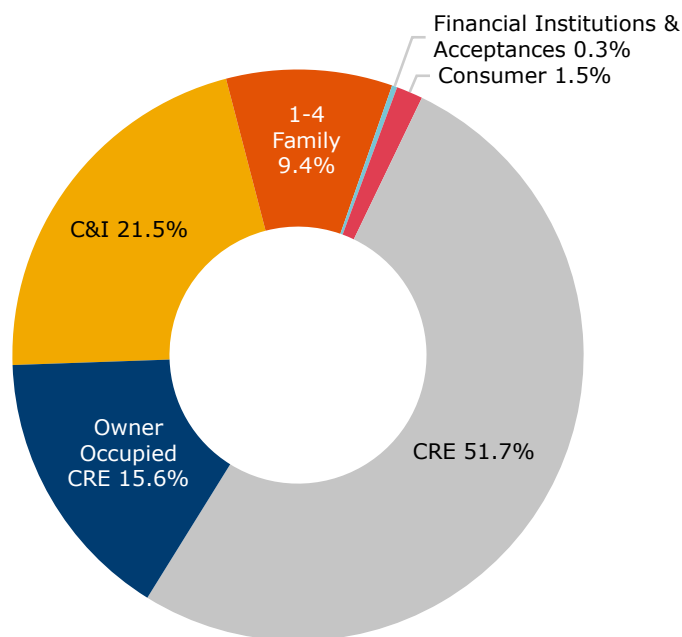
(1) Excludes Federal Reserve Bond and FHLB Stock

(2) The Company adopted ASU 2016-01 on December 31, 2019. Marketable Equity Securities are shown for prior quarters for comparative purposes

# Strategic Shift in Loan Mix Yielding Benefits

## Loan Portfolio

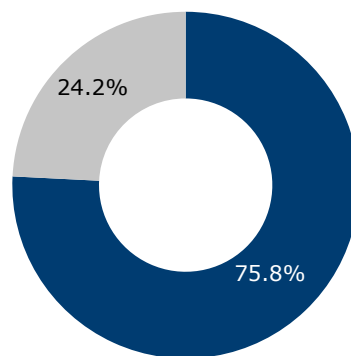
December 31, 2019



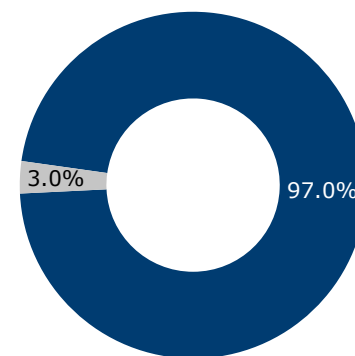
**Total: \$5.7 billion**

## Loan Mix by Geography

December 31, 2015



December 31, 2019



■ Domestic ■ International

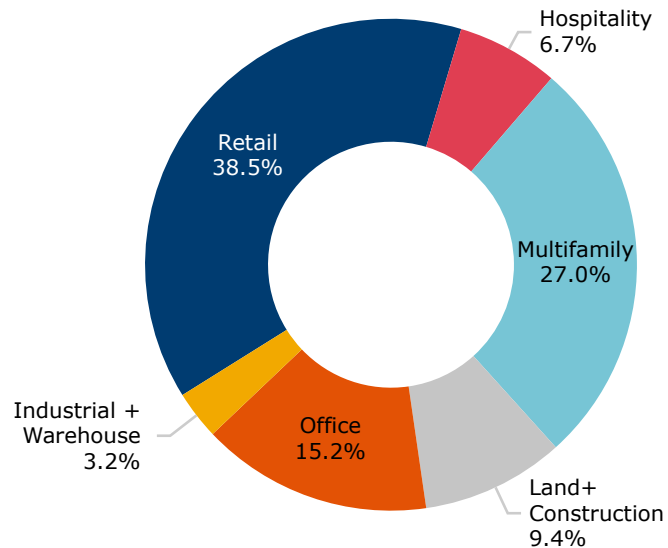
## Highlights

- Domestic loan CAGR of 6.9% since 2015
- Planned reduction of foreign financial institution (FI) and non-relationship SNC loans (C&I) has been completed
- Average loan yields have increased from 3.06% in 2015 to 4.65% in 2019
- Emphasis on select growth in Florida and continued expansion in Texas and New York to diversify portfolio
- Total loan growth expected to be driven by select C&I, owner occupied, and single-family residential loans

**Targeted reduction in international loan portfolio, coupled with growth in domestic C&I, CRE, and residential mortgages, has resulted in a better risk-adjusted loan book**

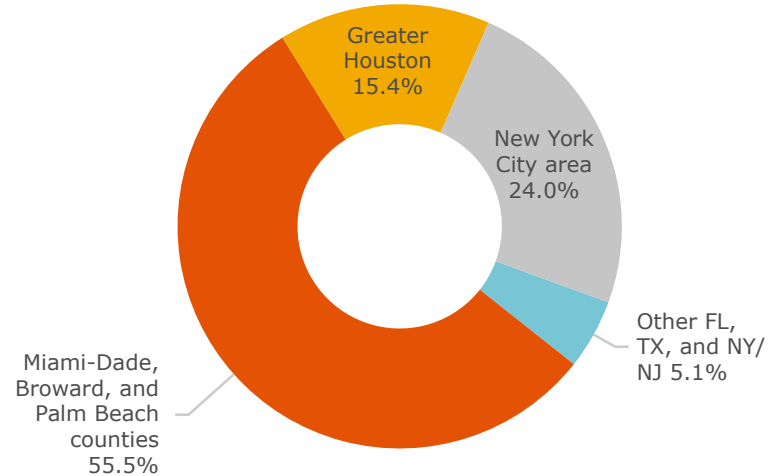
# Balanced CRE Loan Portfolio

**CRE Portfolio**  
December 31, 2019



**Total: \$3.0 billion**

**CRE Loan Mix by Primary Market Area<sup>(1)</sup>**  
December 31, 2019



## Highlights

- Well diversified among sectors, with land and construction representing less than 10%
- Geographically diversified

**Our CRE loan portfolio is highly diversified across geographies and industry segments**

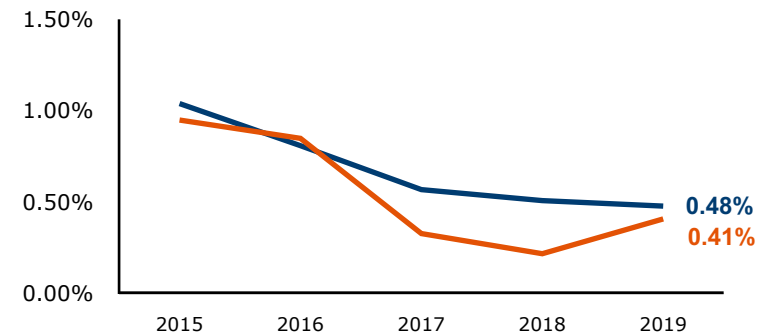
(1) Primary market areas are Miami-Dade, Broward, and Palm Beach counties; Dallas and the Greater Houston market area; and the New York City area, including all five boroughs

# Disciplined Credit Culture

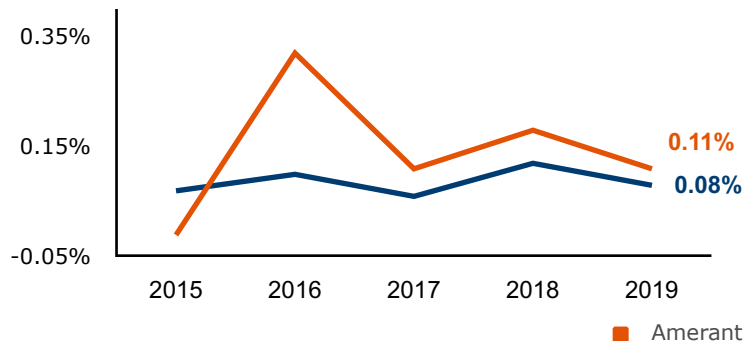
## Robust Underwriting Standards

- Credit quality and reserve coverage remains strong
- The increase in charge-offs was due to:
  - Several international commercial credits (2016)
  - One isolated CRE loan <sup>(1)</sup> (2018)
  - Approx. 60% of charge-offs was due to the planned sunset of the credit card products; otherwise Net Charge-offs / Avg Loans was 0.02%. (2019)
- The increase in Non-performing assets was mainly due to:
  - \$11.9 million multiple loan relationship to a South Florida borrower in the food wholesale industry secured with a combination of real estate, receivables and inventory; and with an allocated 20% in specific reserves

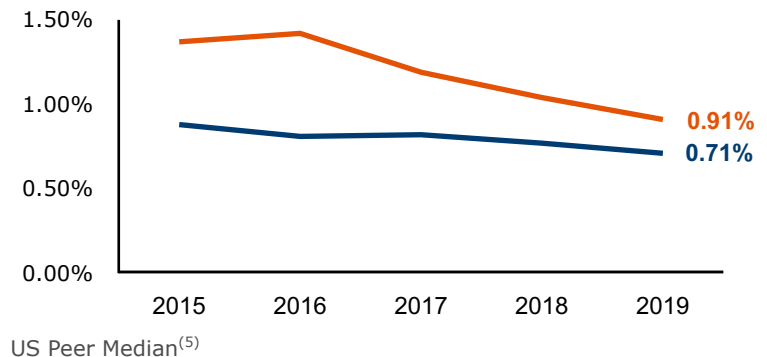
## Non-performing Assets<sup>(3)</sup> / Total Assets



## Net Charge-Offs / Average Total Loans<sup>(2)</sup>



## Allowance for Loan Losses / Total Loans<sup>(4)</sup>



**Prudent underwriting across portfolios has translated into exceptional credit performance**

(1) During the fourth quarter of 2018, the Company sold and charged-off \$5.8 million of a Houston CRE loan that originated in 2007, which had been restructured.

This resulted in Net Charges-Off / Average Total Loans of 0.18% for 2018

(2) Calculated based upon the average daily balance of outstanding loan principal balance net of deferred loan fees and costs, excluding the allowance for loan losses

(3) Non-performing assets include all accruing loans past due 90 days or more, all nonaccrual loans, restructured loans that are considered "troubled debt restructurings" or "TDRs", and OREO properties acquired through or in lieu of foreclosure

(4) Outstanding loans are net of deferred loan fees and costs. 2015 and 2017 include loans held for sale of \$9.7 million and \$5.6 million, respectively. There were no loans held for sale at any of the other dates presented

(5) Peer data is not yet available for FYE19. Peers are SSB, HOMB, TRMK, HTH, IBOC, CADE, PFS, LTXB, FFBC, IBTX, TOWN, INDB, CSFL, WSFS, DCOM, FFIC, SBCF, LBAI, EBSB, EFSC and CNOB. Source: S&P Global Market Intelligence



# Highly Attractive Deposit Franchise

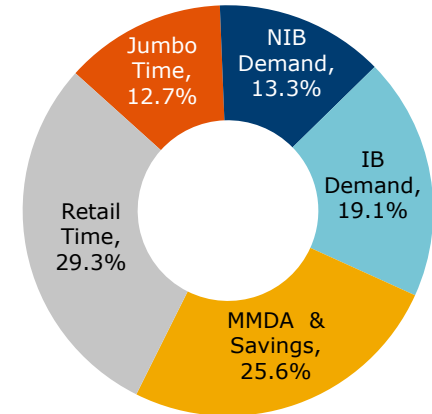
## Highlights

- Focus on developing domestic relationships as opposed to rate sensitive, non-relationship time deposits
- Experienced 11.4% CAGR in domestic deposits
- Protect and grow low cost deposits
- 13.1% international deposit decline in 2019

## Deposit Mix <sup>(1)</sup>

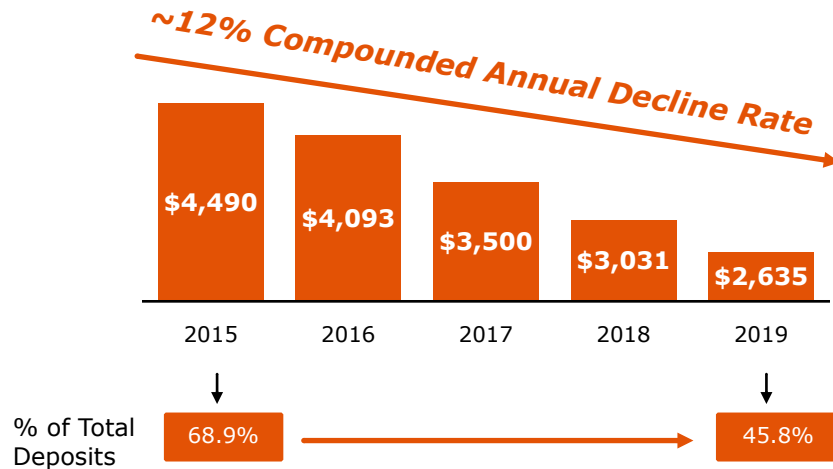
December 31, 2019

**Total Deposits:**  
**\$5.8 billion**



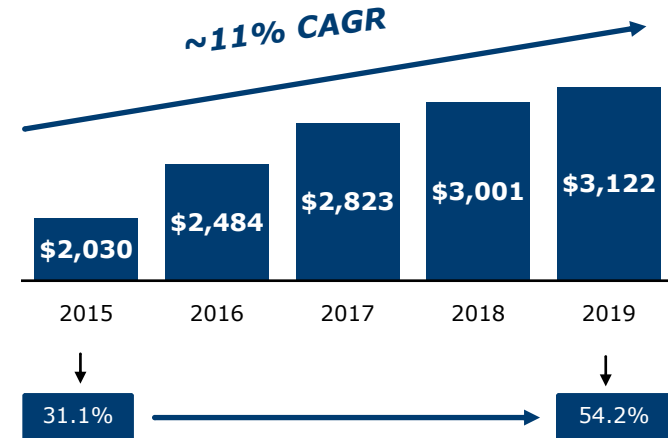
## International Deposits

(in millions)



## Domestic Deposits

(in millions)

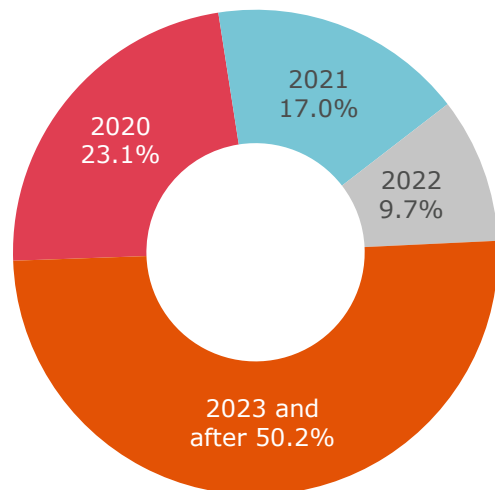


**Strategic focus on defending international deposits while steadily growing domestic deposit base**

(1) Based on Bank's December 31, 2019 call report

# Wholesale Funding

## FHLB and Other Borrowings by Maturity December 31, 2019



## Advances from the Federal Home Loan Bank and Other Borrowings (in millions)

Year of Maturity	Interest Rate	2018	3Q19	4Q19
2019	1.80% to 3.86%	440	195	—
2020	1.50% to 2.74%	306	325	285
2021	1.75% to 3.08%	210	240	210
2022	1.14% to 2.80%	120	320 <sup>(1)</sup>	120
2023 and after	0.71% to 3.23%	90	90	620 <sup>(2)</sup>
<b>Total</b>		<b>\$ 1,166</b>	<b>\$ 1,170</b>	<b>\$ 1,235</b>

(1) Advances of \$200 million were called/prepaid during 4Q19

(2) Includes \$530 million in callable advances (fixed interest rates from 0.77% to 0.97%)

## Highlights

- Took advantage of the yield curve by replacing funding with fixed-rate longer-term advances with callable features, resulting in 25 bps overall funding cost savings in 4Q19
- We expect to continue taking FHLB funding as needed with short duration maturities or advances structured to allow us drive down funding costs

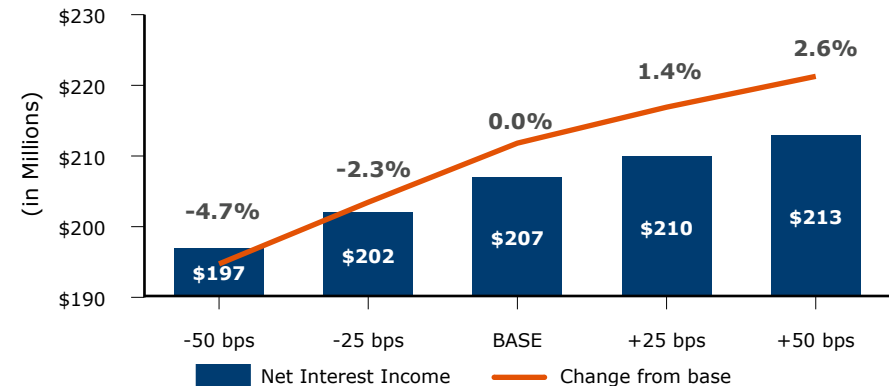
# Interest Income and Margin Trends

## Highlights

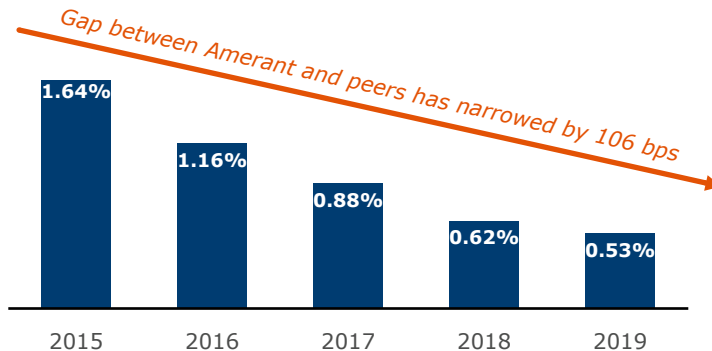
- Increase in NIM in 2019 driven by improved loan portfolio mix, including the planned strategic run-off of foreign FI and non-relationship SNC loans, partially offset by an increase in the cost of certain time deposit renewals
- The Company continues to be asset sensitive driven by floating rate loans and loans maturing in less than a year
- Given more recent market interest rate expectations, management has been taking steps to create protection if interest rates decline further
- In line with these efforts, the duration of the investment portfolio increased to 3.8 years in 4Q19 compared to 2.6 years in 3Q19 with the strategic purchase of 20-year U.S. Treasuries and CMOs with prepayment protection

## Impact on NII from Interest Rate Change<sup>(3)</sup>

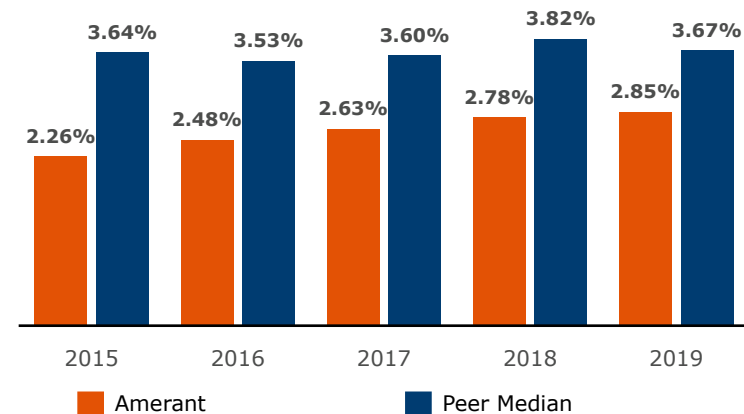
(As of December 31, 2019)



## Loan Yield Gap<sup>(1)(2)</sup>



## Net Interest Margin<sup>(1)(2)</sup>



## Continued improvement in Loan Yields and NIM

(1) Peer data is not yet available for 2019, data as of 3Q19

(2) Peers are SSB, HOMB, TRMK, HTH, IBOC, CADE, PFS, LTXB, FFBC, IBTX, TOWN, INDB, CSFL, WSFS, DCOM, FFIC, SBCF, LBAI, EBSB, EFSC and CNOB. Peer data as of September 30, 2019. Source: S&P Global Market Intelligence

(3) NII and percentage change represents the base scenario of net interest income. The base scenario assumes (i) flat interest rates over the next 12 months, (ii) that total financial instrument balances are kept constant over time and (iii) that interest rate shocks are instant and parallel to the yield curve

# Wealth Management Franchise Expansion - Key Component of Noninterest Income

## Wealth Management Platform

### Amerant Trust

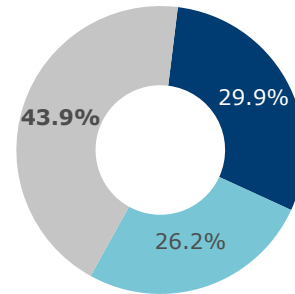
- Estate Planning
- Asset Protection
- Escrow Services

### Amerant Investments

- Brokerage Services
- Investment Advisory Services

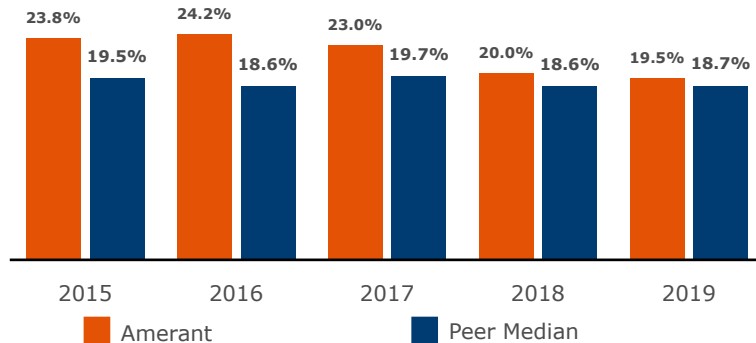
## 2019 YTD Noninterest Income Mix

Total: \$57.1 million



- Deposits and service fees
- Brokerage, advisory, and fiduciary activities
- Other noninterest income (includes derivative income <sup>(4)</sup>)

## Noninterest Income as a % of Operating Revenue <sup>(1)(2)(3)</sup>



## Highlights

- Continue focus on domestic market to expand our footprint
- Building team to focus on domestic retail strategy to increase banking center referrals to the Wealth Management team
- \$1.82 billion in assets under management/custody
- Deposit and service fees also contribute significantly to noninterest income

**Expansion of fee income capabilities a key focal point and growth lever**

- (1) Peers are SSB, HOMB, TRMK, HTH, IBOC, CADE, PFS, LTXB, FFBC, IBTX, TOWN, INDB, CSFL, WSFS, DCOM, FFIC, SBCF, LBAI, EBSB, EFSC and CNOB. Peer data obtained from S&P Global Market Intelligence and is adjusted to exclude all securities gains and losses
- (2) Peer data is not yet available for FYE19
- (3) Operating revenue is the result of net interest income before provision for loan losses plus noninterest income. Noninterest income excludes all securities gains and losses. Years 2019 and 2017, also exclude \$2.8 million gain on sale of excess land and \$10.5 million gain on sale of the NY building, respectively.
- (4) \$5.1 million from derivative transactions sold to borrowing customers, including \$2.5 million recorded in 4Q19

# Increasing Operating Efficiency

## Cost Initiatives

### Rationalization of Business Lines

- Continue simplification of business model and product offerings as part of spin-off
- Streamlined international business resulting in less complexity and reduced costs

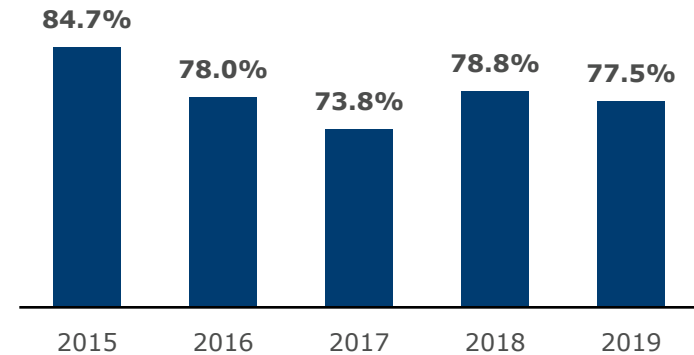
### Head Count Reduction

- Investments in technology are expected to drive further reduction in back-office headcount, generating efficiencies
- FTEs down 82, or 9% since December 2018

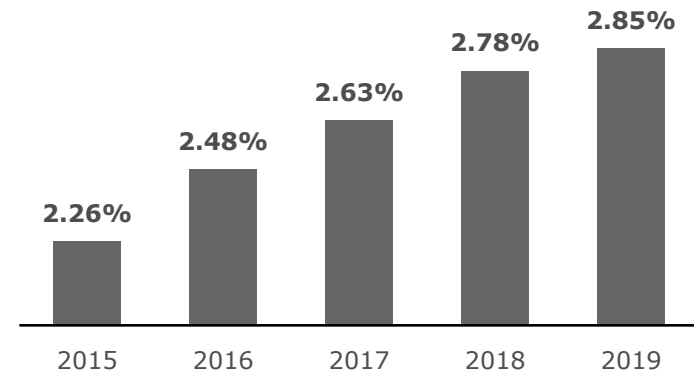
### Space Efficiencies

- Reduction and reorganization of existing office space to increase the amount available for lease to third parties
- New branches are smaller and optimize customer interaction

## Efficiency Ratio



## Net Interest Income as a % of Average Earnings Assets<sup>(1)</sup>



**Simplification of business model and new technology initiatives will allow for a significant reduction in headcount and further improvement in the efficiency ratio**

(1) Includes loans, securities available for sale and held to maturity, deposits with banks and other financial assets, which yield interests or similar income

# Investment Highlights

- ✓ Starting second year of shifting from preservation of capital to driving profitable growth and shareholder value
- ✓ Diversification of revenue from a greater share of wallet strategy and an attractive wealth management platform that is being refocused and cross-sold to domestic customers
- ✓ Low cost granular deposit base from international customers who view U.S. as a safe haven for their savings
- ✓ New products with significant fee income generation stream
- ✓ Focus on expanding domestic deposit base throughout our high growth U.S. markets
- ✓ Substantial and continuing insider ownership, approximately 30%
- ✓ Strong asset quality and domestic loan growth
- ✓ Top-shelf risk management culture stemming from having been part of large organization

# Appendices



# Appendix 1

## Summary Financial Statements

(in millions)	December 31,				
	2015	2016	2017	2018	2019
<b>Assets</b>					
Cash and cash equivalents	\$138.3	\$135.0	\$153.4	\$85.7	\$121.3
Total securities <sup>(1)</sup>	2,055.6	2,123.2	1,777.0	1,671.2	1,666.5
Loans held for sale (HFS)	9.7	—	5.6	—	—
Loans, gross (excl HFS)	5,623.2	5,764.8	6,066.2	5,920.2	5,744.3
Allowance for loan losses	77.0	81.8	72.0	61.8	52.2
Loans, net (excl HFS)	5,546.2	5,683.0	5,994.2	5,858.4	5,692.1
Premises & equipment, net	150.2	148.7	129.4	123.5	128.8
Goodwill	19.2	19.2	19.2	19.2	19.5
Bank owned life insurance	100.4	164.9	200.3	206.1	211.9
Other assets	143.2	160.3	157.6	160.1	145.3
<b>Total assets</b>	<b>\$8,162.8</b>	<b>\$8,434.3</b>	<b>\$8,436.8</b>	<b>\$8,124.3</b>	<b>\$7,985.4</b>
<b>Liabilities</b>					
Total deposits	\$6,519.7	\$6,577.4	\$6,323.0	\$6,032.7	\$5,757.1
Total Fed funds & repos	73.5	50.0	—	—	—
Advances from the Federal Home Loan Bank and other borrowings	722.3	931.0	1,173.0	1,166.0	1,235.0
Junior subordinated debentures held by trust subsidiaries	118.1	118.1	118.1	118.1	92.2
Accounts payable, accrued liabilities and other liabilities	46.9	53.1	69.2	60.1	66.3
<b>Total liabilities</b>	<b>\$7,480.4</b>	<b>\$7,729.6</b>	<b>\$7,683.3</b>	<b>\$7,376.9</b>	<b>\$7,150.7</b>
<b>Total stockholders' equity</b>	<b>682.4</b>	<b>704.7</b>	<b>753.5</b>	<b>747.4</b>	<b>834.7</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$8,162.8</b>	<b>\$8,434.3</b>	<b>\$8,436.8</b>	<b>\$8,124.3</b>	<b>\$7,985.4</b>

(1) The balance of securities includes held to maturity, marketable equity securities, and available for sale. FHLB and FRB stock are included in "Other Assets".



# Appendix 1

## Summary Financial Statements (cont'd)

(in thousands)	Years ended December 31,				
	2015	2016	2017	2018	2019
Total interest income	\$208,199	\$238,827	\$273,320	\$309,358	\$312,974
Total interest expense	35,914	46,894	63,610	90,319	99,886
Net interest income	\$172,285	\$191,933	\$209,710	\$219,039	\$161,826
(Reversal of) provision for loan & lease losses	11,220	22,110	(3,490)	375	(3,150)
Total noninterest income	54,756	62,270	71,485	53,875	57,110
Total noninterest expense	192,262	198,303	207,636	214,973	209,317
Net income before income tax	23,559	33,790	77,049	57,566	64,031
Income tax	(8,514)	(10,211)	(33,992)	(11,733)	(12,697)
<b>Net income</b>	<b>\$15,045</b>	<b>\$23,579</b>	<b>\$43,057</b>	<b>\$45,833</b>	<b>\$51,334</b>

# Appendix 2

## Non-GAAP Financial Measures Reconciliations

### Explanation of Certain Non-GAAP Financial Measures

This Presentation contains certain adjusted financial information, and their effects on noninterest income, noninterest expense, income taxes, net income, efficiency ratios, ROA and ROE and certain other financial ratios. These adjustments include:

- the \$2.8 million net gain on the sale of vacant Beacon land during the fourth quarter of 2019,
- the \$10.5 million net gain on the sale of the Company's New York City building during the third quarter of 2017,
- the \$9.6 million expense in the fourth quarter of 2017 resulting from the 2017 Tax Act,
- spin-off expenses totaling \$6.7 million in 2018 and \$5.2 million in 2017, beginning in the fourth quarter of 2017 and continuing to the fourth quarter of 2018,
- the \$6.4 million, \$0.9 million, \$2.7 million, \$1.3 million, and \$0.1 million, in restructuring expenses in the fourth quarter of 2018, first quarter of 2019, second quarter of 2019, third quarter of 2019 and fourth quarter of 2019, respectively, related to staff reduction costs, legal and strategic advisory costs and rebranding costs

These as-adjusted measures are not in accordance with generally accepted accounting principles ("GAAP"). This Appendix 2 reconciles these adjustments to reported results.

The Company uses certain non-GAAP financial measures, within the meaning of SEC Regulation G, which are included in this Presentation to explain our results and which are used in our internal evaluation and management of the Company's businesses. The Company's management believes these non-GAAP financial measures and the information they provide are useful to investors since these measures permit investors to view the Company's performance using the same tools that management uses to evaluate the Company's past performance and prospects for future performance. The Company believes these are especially useful in light of the effects of our spin-off and related restructuring expenses, as well as the sale of vacant Beacon land in the fourth quarter of 2019, the sale of our New York City building in third quarter 2017 and the charges to our deferred tax assets in fourth quarter 2017 resulting from the enactment of the 2017 Tax Act in December 2017. No adjustments were made to the 2015 and 2016 financial information.

# Appendix 2

## Non-GAAP Financial Measures Reconciliations (cont'd)

(in thousands)

	2019	2018	2017
Total noninterest income	\$ 57,110	\$ 53,875	\$ 71,485
Less: gain on sale of vacant Beacon land	(2,795)	—	—
Less: net gain on sale of New York building	—	—	(10,469)
Adjusted noninterest income	<u>\$ 54,315</u>	<u>\$ 53,875</u>	<u>\$ 61,016</u>
Total noninterest expenses	\$ 209,317	\$ 214,973	\$ 207,636
Less: Restructuring costs <sup>(1)</sup> :			
Staff reduction costs	1,471	\$ 4,709	—
Legal and strategy advisory costs	—	\$ 1,176	—
Rebranding costs	3,575	\$ 400	—
Other costs	—	\$ 110	—
Total restructuring costs	<u>5,046</u>	<u>6,395</u>	<u>—</u>
Less Spin-off costs:			
Legal fees	—	\$ 3,539	\$ 2,000
Additional contribution to non-qualified deferred compensation plan on behalf of participants to mitigate tax effects of unexpected early distribution due to spin-off <sup>(2)</sup>	—	\$ 1,200	—
Accounting and consulting fees	—	\$ 1,384	\$ 2,400
Other expenses	—	544	845
Total Spin-off costs	<u>—</u>	<u>6,667</u>	<u>5,245</u>
<b>Adjusted noninterest expense</b>	<u><u>\$ 204,271</u></u>	<u><u>\$ 201,911</u></u>	<u><u>\$ 202,391</u></u>

## Appendix 2

### Non-GAAP Financial Measures Reconciliations (cont'd)

(in thousands)

	2019	2018	2017
Net income	\$ 51,334	\$ 45,833	\$ 43,057
Plus after-tax restructuring costs:			
Restructuring costs before income tax effect	5,046	6,395	—
Income tax effect	(1,001)	(1,303)	—
Total after-tax restructuring costs	4,045	5,092	—
Plus after-tax total Spin-off costs:			
Total Spin-off costs before income tax effect	—	6,667	5,245
Income tax effect <sup>(3)</sup>	—	331	(2,314)
Total after-tax Spin-off costs	—	6,998	2,931
Less after-tax gain on sale of vacant Beacon land:			
Gain on sale of vacant Beacon land before income tax effect	(2,795)	—	—
Income tax effect	554	—	—
Total after-tax gain on sale of vacant Beacon land	(2,241)	—	—
Less after-tax net gain on sale of New York building:			
Net gain on sale of New York building before income tax effect	—	—	(10,469)
Income tax effect <sup>(4)</sup>	—	—	3,320
Total after-tax net gain on sale of New York building	—	—	(7,149)
Plus impact of lower rate under the 2017 Tax Act:			
Remeasurement of net deferred tax assets, other than balances corresponding to items in AOCI	—	—	8,470
Remeasurement of net deferred tax assets corresponding to items in AOCI	—	—	1,094
Total impact of lower rate under the 2017 Tax Act	—	—	9,564
<b>Adjusted net income</b>	<b>\$ 53,138</b>	<b>\$ 57,923</b>	<b>\$ 48,403</b>

# Appendix 2

## Non-GAAP Financial Measures Reconciliations (cont'd)

	2019	2018	2017
Basic earnings per share	\$ 1.21	\$ 1.08	\$ 1.01
Plus: after tax impact of restructuring costs	0.09	0.12	—
Plus: after tax impact of total spin-off costs	—	0.16	0.07
Plus: effect of lower rate under the 2017 Tax Act	—	—	0.23
Less: after tax gain on sale of vacant Beacon land	(0.05)	—	—
Less: after-tax net gain on sale of New York building	—	—	(0.17)
<b>Total adjusted basic earnings per common share</b>	<b>\$ 1.25</b>	<b>\$ 1.36</b>	<b>\$ 1.14</b>
Diluted earnings per share <sup>(5)</sup>	\$ 1.20	\$ 1.08	\$ 1.01
Plus: after tax impact of restructuring costs	0.09	0.12	—
Plus: after tax impact of total spin-off costs	—	0.16	0.07
Plus: effect of lower rate under the 2017 Tax Act	—	—	0.23
Less: after tax gain on sale of vacant Beacon land	(0.05)	—	—
Less: after-tax net gain on sale of New York building	—	—	(0.17)
<b>Total adjusted diluted earnings per common share</b>	<b>\$ 1.24</b>	<b>\$ 1.36</b>	<b>\$ 1.14</b>
Net income / Average total assets (ROA)	0.65%	0.55%	0.51%
Plus: after tax impact of restructuring costs	0.05%	0.06%	—%
Plus: after tax impact of total spin-off costs	—%	0.08%	0.03%
Plus: effect of lower rate under the 2017 Tax Act	—%	—%	0.11%
Less: after tax gain on sale of vacant Beacon land	-0.03%	—%	—%
Less: after-tax net gain on sale of New York building	—%	—%	-0.08%
<b>Adjusted net income / Average total assets (Adjusted ROA)</b>	<b>0.67%</b>	<b>0.69%</b>	<b>0.57%</b>
Net income / Average stockholders' equity (ROE)	6.43%	6.29%	5.62%
Plus: after tax impact of restructuring costs	0.51%	0.70%	—%
Plus: after tax impact of total spin-off costs	—%	0.96%	0.38%
Plus: effect of lower rate under the 2017 Tax Act	—%	—%	1.25%
Less: after tax gain on sale of vacant Beacon land	-0.28%	—%	—%
Less: after-tax net gain on sale of New York building	—%	—%	-0.93%
<b>Adjusted net income / Average stockholders' equity (Adjusted ROE)</b>	<b>6.66%</b>	<b>7.95%</b>	<b>6.32%</b>

## Appendix 2

### Non-GAAP Financial Measures Reconciliations (cont'd)

(in thousands, except per share data and percentages)

	2019	2018	2017
Efficiency ratio	77.64 %	78.77 %	73.84 %
Less: impact of restructuring costs	(2.43)%	(2.34)%	— %
Less: impact of total spin-off costs	— %	(2.44)%	(1.86)%
Plus: after-tax net gain on sale of New York building	— %	— %	2.78 %
<b>Adjusted efficiency ratio</b>	<b>75.21 %</b>	<b>73.99 %</b>	<b>74.76 %</b>
Tangible common equity ratio:			
Stockholders' equity	\$ 834,701	\$ 747,418	\$ 753,450
Less: Goodwill and other intangibles	(21,744)	(21,042)	(21,186)
Tangible common stockholders' equity	\$ 812,957	\$ 726,376	\$ 732,264
Total assets	7,985,399	8,124,347	8,436,767
Less: Goodwill and other intangibles	(21,744)	(21,042)	(21,186)
Tangible assets	\$ 7,963,655	\$ 8,103,305	\$ 8,415,581
Common shares outstanding	43,146	43,183	42,489
<b>Tangible common equity ratio</b>	<b>10.21 %</b>	<b>8.96 %</b>	<b>8.70 %</b>
<b>Stockholders' book value per common share</b>	<b>\$ 19.35</b>	<b>\$ 17.31</b>	<b>\$ 17.73</b>
<b>Tangible stockholders' book value per common share</b>	<b>\$ 18.84</b>	<b>\$ 16.82</b>	<b>\$ 17.23</b>

## Appendix 2

### Non-GAAP Financial Measures Reconciliations (cont'd)

- (1) Expenses incurred for actions designed to implement the Company's strategy as a new independent company. These actions include, but are not limited to, reductions in workforce, streamlining operational processes, rolling out the Amerant brand, implementation of new technology system applications, enhanced sales tools and training, expanded product offerings and improved customer analytics to identify opportunities.
- (2) The spin-off caused an unexpected early distribution for U.S. federal income tax purposes from our deferred compensation plan. This distribution was taxable to plan participants as ordinary income during 2018. We partially compensated plan participants, in the aggregate amount of \$1.2 million, for the higher tax expense they incurred as a result of the distribution increasing the plan participants' estimated effective federal income tax rates by recording a contribution to the plan on behalf of its participants. The after tax net effect of this \$1.2 million contribution for the period ended September 30, 2018, was approximately \$952,000. As a result of the early taxable distribution to plan participants, we expensed and deducted for federal income tax purposes, previously deferred compensation of approximately \$8.1 million, resulting in an estimated tax credit of \$1.7 million, which exceeded the amount of the tax gross-up paid to plan participants.
- (3) Calculated based upon the estimated annual effective tax rate for the periods, which excludes the tax effect of discrete items, and the amounts that resulted from the permanent difference between spin-off costs that are non-deductible for Federal and state income tax purposes, and total spin-off costs recognized in the consolidated financial statements. The estimated annual effective rate applied for the calculation differs from the reported effective tax rate since it is based on a different mix of statutory rates applicable to these expenses and to the rates applicable to the Company and its subsidiaries.
- (4) Calculated based upon an estimated annual effective rate of 31.71%.
- (5) As of December 31, 2019 dilutive instruments included 495,131 unvested shares of restricted stock, respectively. Share activity in 2019 includes 736,839 shares of restricted stock issued in December 2018 in connection with the Company's IPO, 1,299 additional shares of restricted stock issued in January 2019, 2,583 shares granted to a new employee in October 2019, and the vesting of 245,590 shares vested on December 21, 2019. As of December 31, 2019, these unvested shares of restricted stock, were included in the diluted earnings per share computation because, when the unamortized deferred compensation cost related to these shares was divided by the average market price per share at those dates, fewer shares would have been purchased than restricted shares assumed issued. Therefore, at that date, such awards resulted in higher diluted weighted average shares outstanding than basic weighted average shares outstanding and had a dilutive effect in earnings per share in 2019.

**AMERANT**

**Thank you**

