



GREENBANCORP

Fourth Quarter 2014 Earnings Presentation

January 29, 2015

Today's Speakers



- Manny Mehos – Chairman and Chief Executive Officer
- Geoff Greenwade – President and Bank Chief Executive Officer
- Donald Perschbacher – Executive Vice President & Corporate Chief Credit Officer
- John Durie – Executive Vice President and Chief Financial Officer



The following information contains, or may be deemed to contain, “forward-looking statements” (as defined in the U.S. Private Securities Litigation Reform Act of 1995). Most forward-looking statements contain words that identify them as forward-looking, such as “may”, “plan”, “seek”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “project”, “opportunity”, “target”, “goal”, “growing” and “continue” or other words that relate to future events, as opposed to past or current events. By their nature, forward-looking statements are not statements of historical facts and involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These statements give Green Bancorp’s current expectation of future events or its future performance and do not relate directly to historical or current events or Green Bancorp’s historical or future performance. As such, Green Bancorp’s future results may vary from any expectations or goals expressed in, or implied by, the forward-looking statements included in this presentation, possibly to a material degree.

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Fourth Quarter Highlights



- Earnings per share of \$0.18, excluding one-time acquisition expenses, an increase of 20% when compared to fourth quarter 2013
- Net income of \$4.8 million, excluding one-time acquisition expenses, an increase of 58% when compared to fourth quarter 2013
- Strong loan growth, up \$439.7 million or 32.3% to \$1.8 billion⁽¹⁾
- Nonperforming assets remain low decreasing to 0.55% of fourth quarter total assets
- Deposit growth of 27.5%, to \$1.8 billion driven by strong growth in noninterest-bearing deposits ⁽¹⁾
- Completed the integration of SP Bancorp and its subsidiary SharePlus Bank

⁽¹⁾ Includes the acquisition of SharePlus Bank

Energy Exposure



- Total energy loan exposure of 14% in the fourth quarter 2014 down from 19% in the third quarter driven largely by the closing of SP Bancorp
- Energy reserve lending portfolio: 9% of total loans down five percentage points from third quarter 2014
 - Long life, shallow reserves, produced from conventional drilling
 - Weighted average half-life of oil and gas reserves of over 8 years
 - Positioned to withstand lower oil price environment
- Energy service industry portfolio: 5% of total loans down three percentage points from the third quarter 2014
- Active dialogue with clients, aggressively managing our risk
- No credit impairment to date

Full Year 2014 Highlights



- Initial Public Offering completed August 8
- Organic loan growth of 16% year-over-year
- Organic deposit growth of 11% year-over-year, including \$117 million of noninterest-bearing deposits
- Completed the acquisition of SP Bancorp October 17
- Cost of deposits including noninterest-bearing improved from 0.75% in 2013 to 0.59% in 2014, while reaching 0.50% in the fourth quarter of 2014
- Net interest margin improved from 3.49% in 2013 to 3.88% in 2014
- Government guaranteed lending program produced \$2.9 million of noninterest income
- Customer service fee income increased to \$2.7 million
- Controlled noninterest expense while growing the balance sheet

SharePlus Integration Update



Acquisition Highlights

- Consistent with Green Bank's strategic objective to build a high-performing community banking enterprise with a diversified asset mix, core deposit focus, strong credit culture, and commitment to the communities it serves
- Closed October 17, 2014
- Added \$251 million in total loans⁽¹⁾ and \$270 million in total deposits
- Provides presence in the fast growing North Dallas / Plano market
- Creates a complementary retail component to our core commercial and private banking strategy
- Integration and cost saves tracking to expectations

⁽¹⁾ Excludes loans held for sale

Scalable Platform for Growth



Organic Growth Portfolio Banker Model

- Portfolio Bankers are actively generating business and serving as the primary point of contact for our customers
 - Private and business bankers focus on emerging affluent and small business customers
 - Commercial and specialty bankers focus on C&I, real estate, energy, mortgage warehouse and SBA loans
- Continue to increase the productivity of our existing portfolio bankers
 - Remaining capacity of 30% imbedded in our current team
 - As utilization rises our efficiency ratio will continue to improve

Strategic Acquisitions

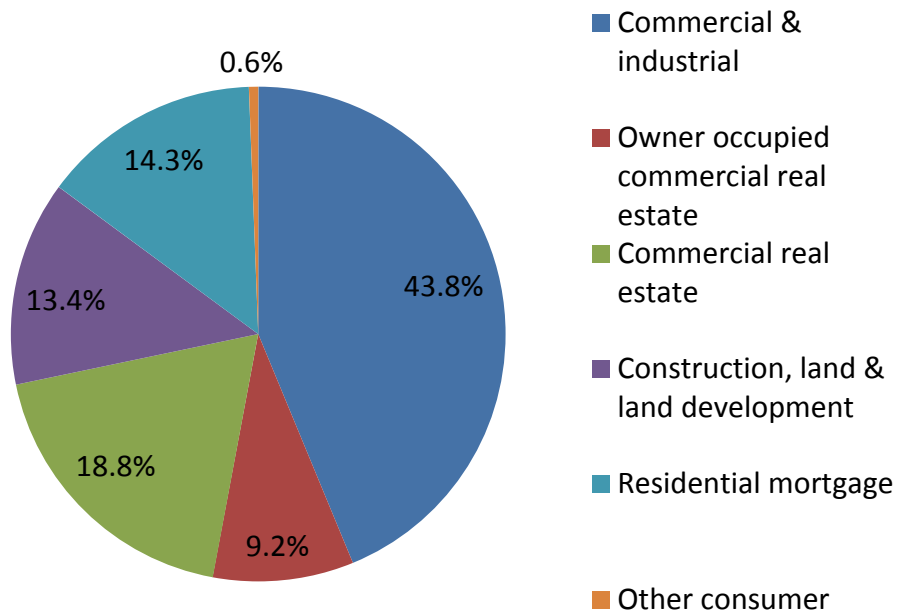
- Focused on well managed banks in our target markets
 - Favorable market share
 - Low cost deposit funding
 - Compelling noninterest income generating business
- Maintain discipline in pricing and pursue transactions expected to produce attractive risk adjusted returns
- Develop unique structures utilizing cash and stock

Credit Update



Total Loan Composition

As of December 31, 2014



Highlights

- Asset quality improvement continues
 - NPA's of \$12.0 million or 0.55% of period end assets
 - Compares favorably to \$23.4 million or 1.38% of period end total assets at December 31, 2013
- Allowance for loan losses of 0.87% of total loans at December 31, 2014
 - Compares to 1.20% of total loans at December 31, 2013 and 1.01% of total loans at September 30, 2014

Energy Portfolio Update



- Energy-related exposure was 14% of total loans as of December 31, 2014:
 - Reserve-based lending represents approximately 9% of total loan portfolio
 - Service companies represent approximately 5% of total loan portfolio
 - 80% of energy-related exposure is direct
- Disciplined approach to reserve-based lending:
 - Proven reserves only, with emphasis on proven developed producing reserves
 - Conservative borrowing base and underwriting parameters
 - Majority of reserve-based portfolio hedged for 2015
- Service Companies:
 - Whole portfolio reviewed for service company exposure
 - 30 borrowers, diversified customer base
 - Frequent and direct customer communication

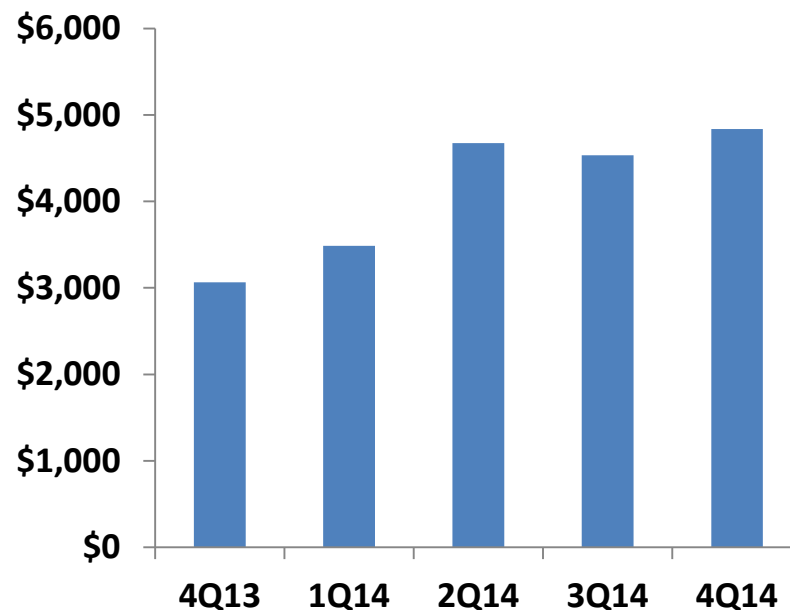
Fourth Quarter 2014 Financial Highlights



	2014 Q4	2013 Q4	Growth
Net Income⁽¹⁾	\$4,835	\$3,064	58%
EPS⁽¹⁾	\$0.18	\$0.15	20%
ROAA⁽¹⁾	0.90%	0.71%	26%
Loans⁽²⁾	\$1,799,155	\$1,359,415	32%
Deposits	\$1,845,713	\$1,447,372	28%

*Dollars in thousands, except per share data

Net Income⁽¹⁾



*Dollars in thousands

(1) Excluding one-time expenses related to SharePlus acquisition

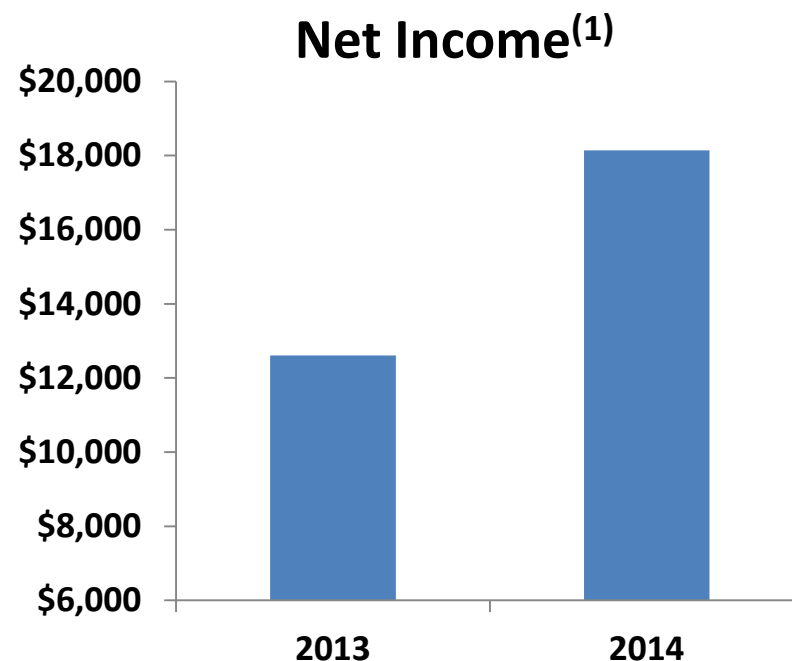
(2) Excluding loans held for sale

Full Year 2014 Financial Highlights



	2014	2013	Growth
Net Income⁽¹⁾	\$18,139	\$12,610	44%
EPS⁽¹⁾	\$0.79	\$0.60	32%
ROAA⁽¹⁾	0.97%	0.75%	30%
Loans⁽²⁾	\$1,799,155	\$1,359,415	32%
Deposits	\$1,845,713	\$1,447,372	28%

*Dollars in thousands, except per share data

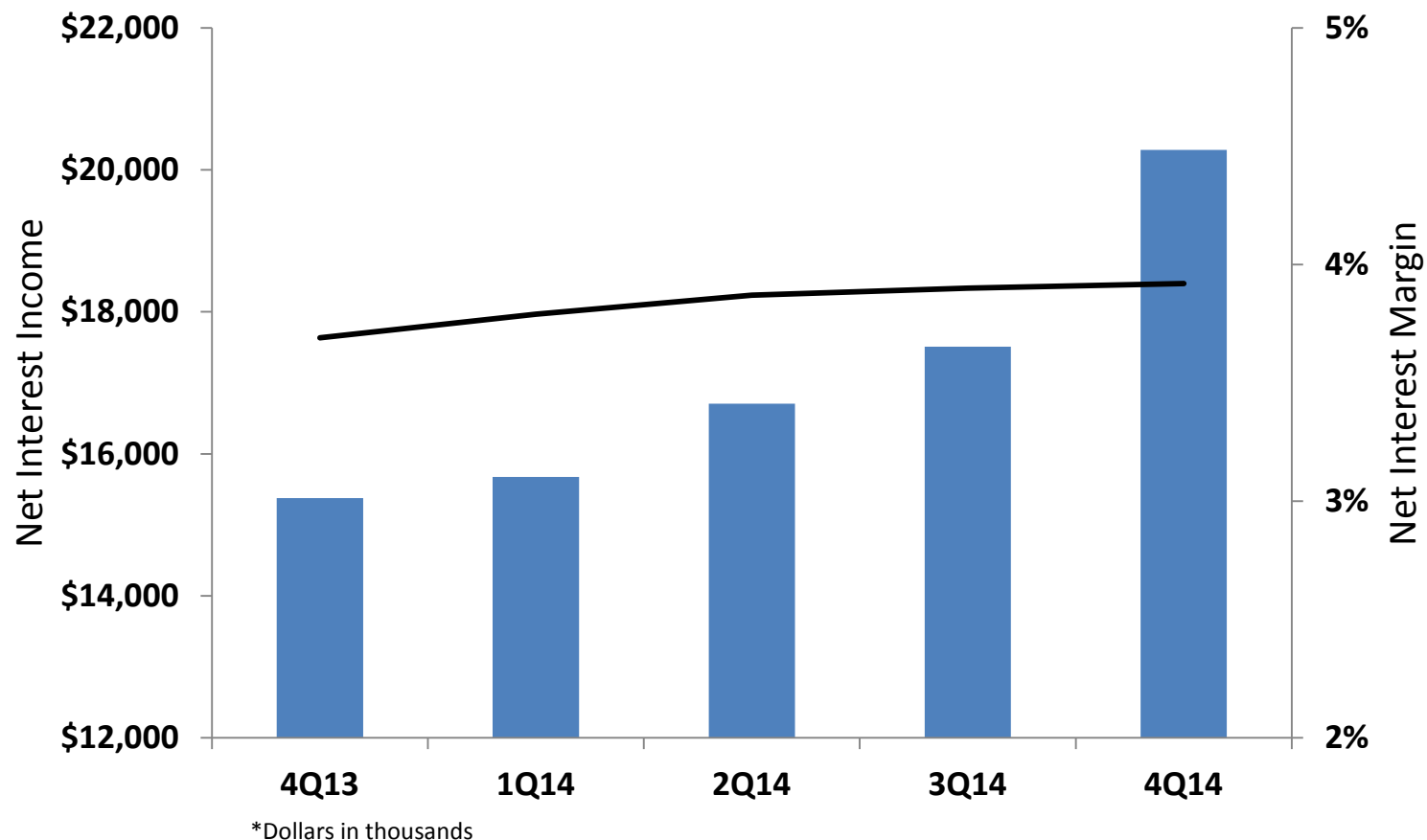


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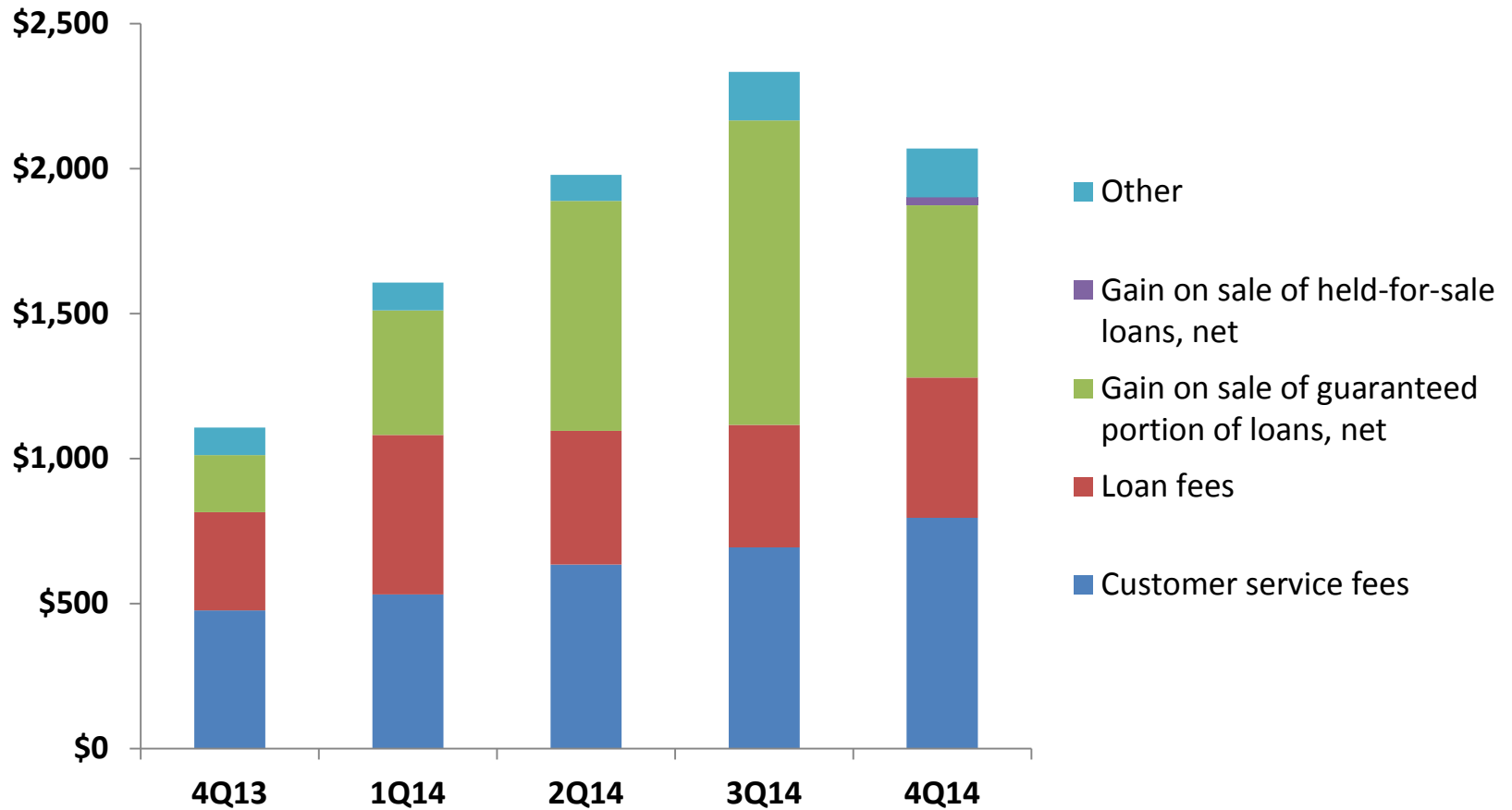
(1) Excluding one-time expenses related to SharePlus acquisition

(2) Excluding loans held for sale

Net Interest Income and Net Interest Margin

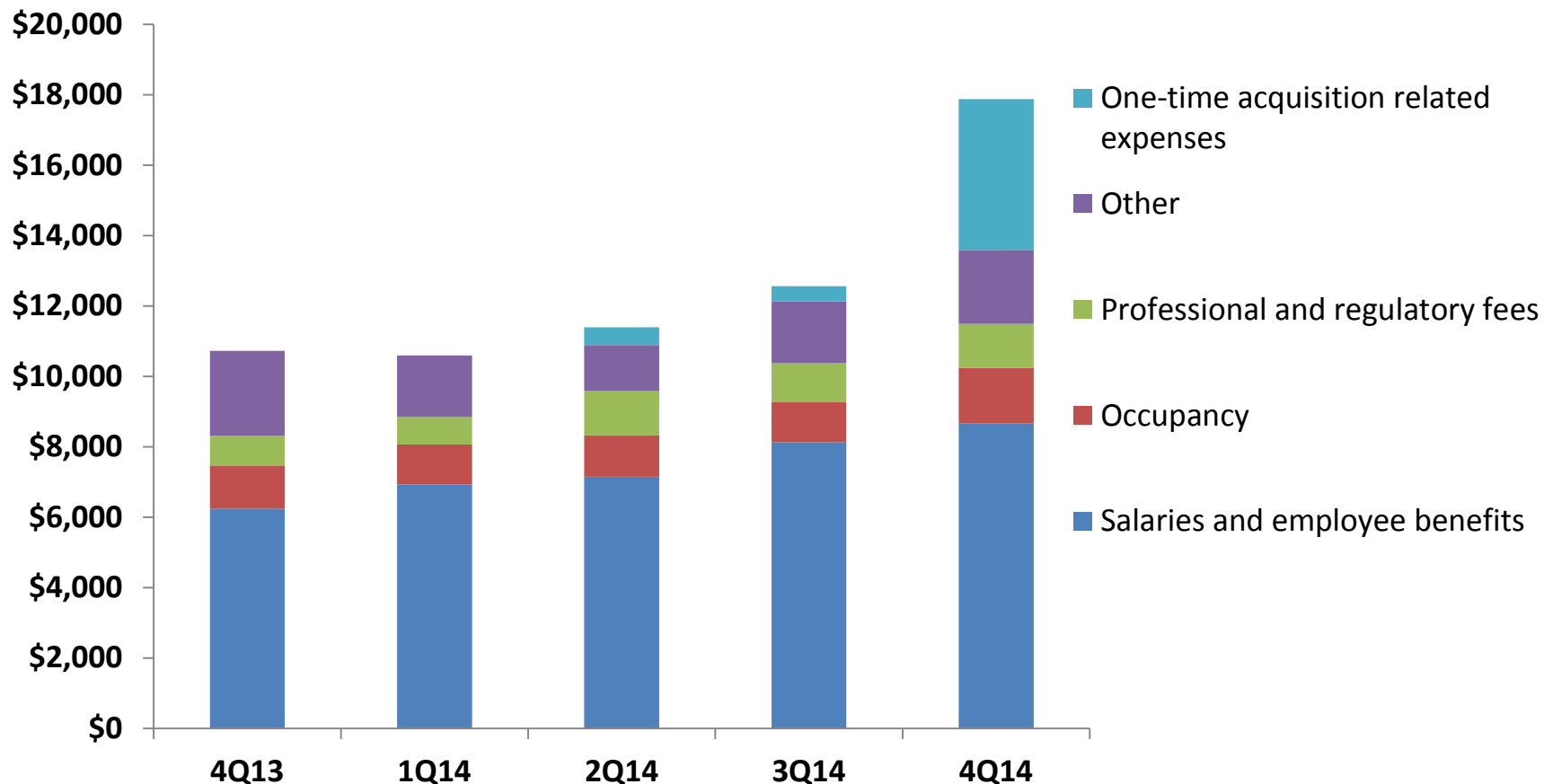


Noninterest Income



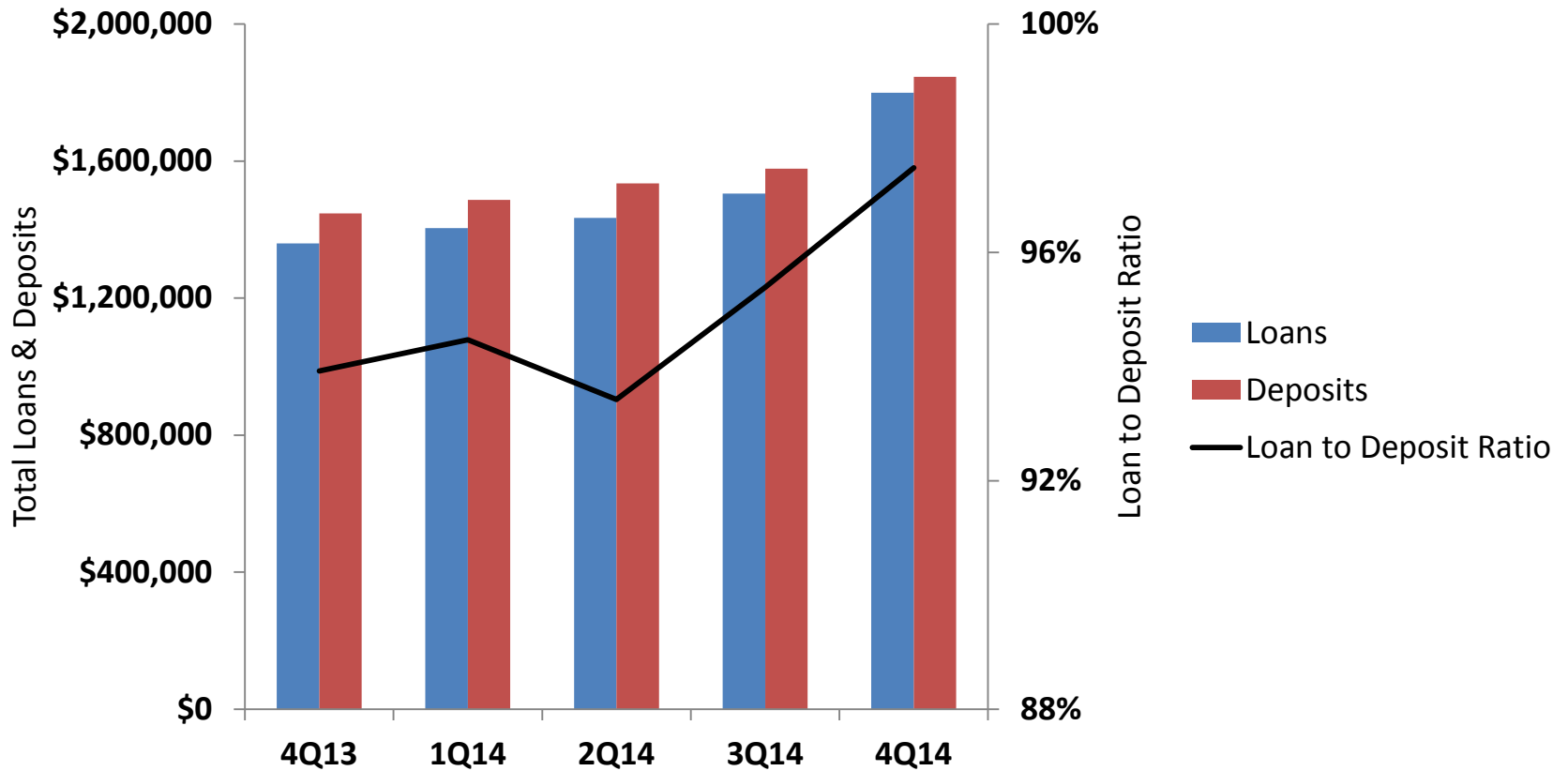
*Dollars in thousands

Noninterest Expense



*Dollars in thousands

Loans and Deposits

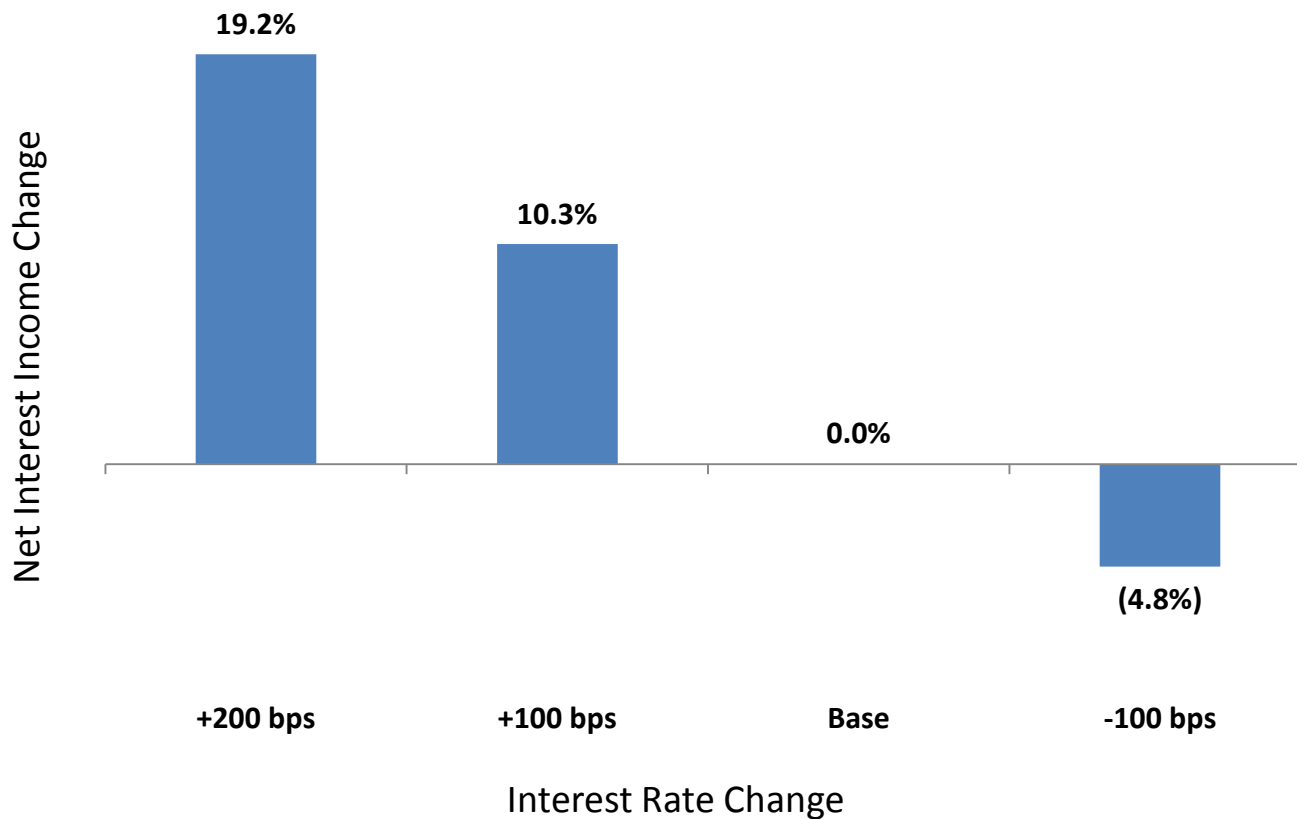


*Dollars in thousands

Interest Rate Sensitivity



Change in Net Interest Income: 12-Month Horizon

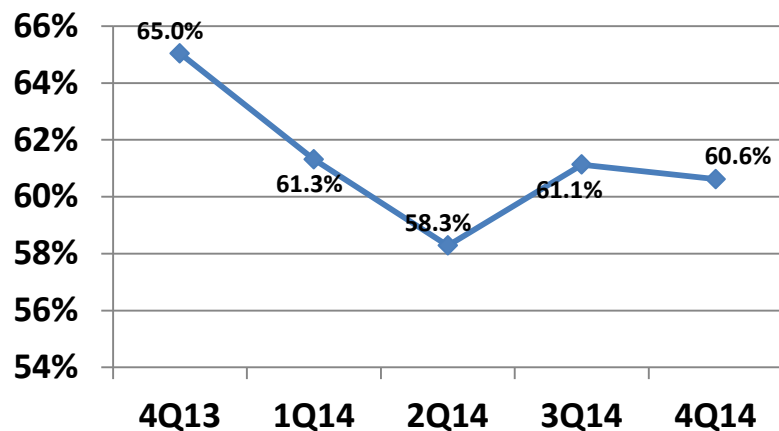


*This data is derived from an internal static interest rate shock model. The assumptions incorporated into the model are inherently uncertain and, as a result, the model cannot precisely measure future net interest income or precisely predict the impact of fluctuations in market interest rates on net interest income.

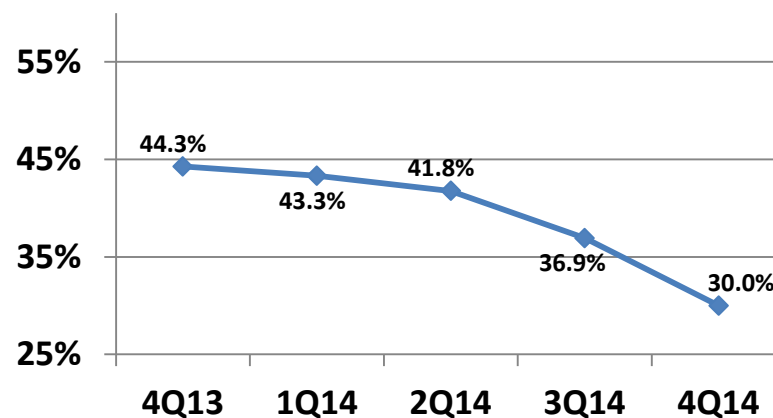
Performance Metrics



Efficiency Ratio⁽¹⁾



Remaining Banker Capacity



(1) Adjusted for one time expenses related to SharePlus



Q & A