

FIG Partners 3rd Annual West Coast Bank CEO Forum

February 7, 2012

Greg Garrabrants
President & Chief Executive
Officer



Safe Harbor


This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”). The words “believe,” “expect,” “anticipate,” “estimate,” “project,” or the negation thereof or similar expressions constitute forward-looking statements within the meaning of the Reform Act. These statements may include, but are not limited to, projections of revenues, income or loss, estimates of capital expenditures, plans for future operations, products or services, and financing needs or plans, as well as assumptions relating to these matters. Such statements involve risks, uncertainties and



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Q2 Fiscal 2012 Financial Highlights

<u>Q2 2012 vs Q2 2011</u>	<u>Amount (\$M or %)</u>	<u>Increase (%)</u>
Asset growth	\$567.3	33.9%
Deposit growth	\$436.9	39.1%
Loan portfolio growth	\$523.3	52.2%
Loan origination growth	\$175.9	84.2%
Non-performing assets to total assets	64 bps	-61 bps
Q2 Net Income	\$6.7	35.2%



Return on Equity: 15.6%

Return on Assets: 1.23%

Bofl is Consistently Ranked Among the Best of the Biggest Thrifts by SNL Financial



2010 The Best of the Biggest Thrifts

The best of the biggest (part 1)
The 100 largest public thrifts by asset size, ranked by financial performance for 12 months ended March 31, 2011 (1-25)

2010 Rank	Company (ticker)	State	Score	Total assets (\$M)	ROAA (%)	ROATCE (%)	TBV / share 3-yr CAGR (%)	Efficiency ratio (%)	NPLs / loans (%)	NCOs / avg. loans (%)
1	Malaga Financial Corp. (MLGF)	CA	134.22	817	1.32	15.57	13.27	35.86	0.23	0.00
2	Bofl Holding Inc. (BOFI)	CA	127.12	1,736	1.29	15.44	15.16	39.43	1.51	0.45
3	New York Community Bancorp Inc. (NYB)	NY	126.45	41,047	1.32	19.31	11.74	36.43	3.04	0.26
4	Bank of America Corp. (BAC)	NC	125.21	1,000	1.29	15.44	15.16	39.43	1.51	0.45
5	Bank of Montreal (BMO)	QC	125.15	1,000	1.29	15.44	15.16	39.43	1.51	0.45
6	Bank of New York Mellon Corp. (BK)	NY	125.15	1,000	1.29	15.44	15.16	39.43	1.51	0.45
7	Ontario Financial Corp. (OFI)	ON	87.21	2,557	0.71	3.12	33.13	32.80	1.78	0.61
8	Kaiser Federal Financial Group Inc. (KFFG)*	CA	83.95	902	0.95	7.39	20.85	53.74	4.06	0.40
9	Northwest Bancshares Inc. (NWBI)*	PA	81.68	8,122	0.76	5.60	36.85	57.01	3.25	0.67

2 Bofl Holding, Inc. (BOFI) CA 127.12 1,736 1.29 15.44 15.16 39.43 1.51 0.45

#2

2009 The Best of the Biggest Thrifts

The best of the biggest (part 1)
The 100 largest public thrifts by asset size, ranked by financial performance for the 12 months ended March 31, 2010 (1-25)

2009 rank	2008 rank	Company (ticker)	State	Score	Total assets (\$M)	Core ROAA (%)	Core ROAE (%)	TBV / share 3-yr CAGR (%)	Efficiency ratio (%)	NPAs +90 / assets (%)	NCOs / avg. loans (%)
1	NR	Malaga Financial Corp. (MLGF)	CA	95.80	829.0	1.22	14.87	7.61	37.95	0.21	-0.01
2	2	Hingham Institution for Savings (HIFS)	MA	90.70	966.4	1.00	14.06	8.37	44.13	1.34	0.08
3	5	Bofl Holding Inc. (BOFI)	CA	89.40	1,401.1	1.16	15.87	13.14	32.23	1.21	0.80
4	42	New York Community Bancorp Inc. (NYB)	NY	88.50	42,430.7	1.22	9.56	9.97	35.40	2.40	0.14
5	3	Bank of America Corp. (BAC)	NC	88.40	1,000	1.29	15.44	15.16	39.43	1.51	0.45
6	1	Bank of Montreal (BMO)	QC	88.40	1,000	1.29	15.44	15.16	39.43	1.51	0.45
7	12	Ocean Shore Holding Co. (OSHC)	ND	82.70	781.2	0.76	0.82	17.39	63.63	0.33	0.07
8	11	Bank of New York Mellon Corp. (BK)	NY	82.70	1,000	1.29	15.44	15.16	39.43	1.51	0.45
9	1	Flushing Financial Corp. (FFIC)	NY	81.10	4,183.1	0.77	9.25	5.76	47.48	2.36	0.39
10	6	Harleysville Savings Financial Corp. (HARL)	PA	79.10	843.1	0.58	9.60	3.54	61.88	0.08	0.07

3 5 Bofl Holding, Inc. (BOFI) CA 89.40 1,401.1 1.16 15.87 13.14 32.23 1.21 0.80

#3

2008 The Best of the Biggest Thrifts

The best of the biggest (part 1)
The 100 largest public thrifts by asset size, ranked by financial performance for calendar year 2008 (Nos. 1-25)

2008 rank	2007 rank	Company (ticker)	State	Score	Total assets (\$M)	Core ROAA (%)	Core ROAE (%)	TBV / share 3-yr CAGR (%)	Efficiency ratio (%)	NPAs +90 / assets (%)	NCOs / avg. loans (%)
1	4	Flushing Financial Corp. (FFIC)	NY	87.3	3,949	1.08	16.47	3.80	45.44	1.03	0.04
2	11	Hingham Institution for Savings (HIFS)	MA	85.9	806	0.81	11.08	7.01	51.85	0.91	0.03
3	3	Hudson City Bancorp Inc. (HCBK)	NJ	85.9	54,145	0.91	9.36	1.15	20.71	0.43	0.02
4	13	Bank of America Corp. (BAC)	NC	85.7	1,000	1.29	15.44	15.16	39.43	1.51	0.45
5	1	Bank of Montreal (BMO)	QC	85.7	1,000	1.29	15.44	15.16	39.43	1.51	0.45
6	2	Bank of New York Mellon Corp. (BK)	NY	85.7	1,000	1.29	15.44	15.16	39.43	1.51	0.45
7	17	Waco Bank Corp. (WBS)	TX	80.1	3,307	0.55	1.15	0.54	21.55	0.22	0.13
8	7	ESB Financial Corp. (ESBF)	PA	80.1	1,975	0.57	8.36	9.94	55.92	0.17	0.12
9	24	Teche Holding Co. (TSH)	LA	79.3	768	1.14	12.64	6.85	69.16	0.93	0.07
10	10	Parkvale Financial Corp. (PVSA)	PA	77.7	1,890	0.74	9.95	7.68	52.39	1.10	0.29

5 28 Bofl Holding, Inc. (BOFI) CA 81.4 1,220 0.75 10.89 5.36 38.88 0.83 0.28

#5

Comparison of the 2010 SNL Number 1 Thrift and Number 2 Ranked Thrift

For The Year Ended June 30, 2011

	<u>Bank of Internet¹</u>	<u>Malaga Bank²</u>
2011 ROE (%)	15.2	12.5
2011 Asset Growth (\$MM)	519	5
2011 Loan Growth (\$MM)	550	11
2010 SNL Thrift Ranking	#2	#1

1. Including BofI Holding

2. Malaga reports on calendar year . Data derived from FDIC reports.

Bofi is a Top Quartile Performer Versus Thrift Peer Group

For Quarter Ended June 30, 2011

The 93% on ROE means that the Bank outperformed 93% of all Banks. The 15% G&A ranking means that only 15% of Banks spend less on G&A than Bofi. Peer group includes thrifts up to \$5 billion dollars.

	Bank of Internet	Peer Group	Percentile
ROAA	1.35%	.58%	86%
Return on equity	16.93%	5.28%	93%
G&A	1.53%	2.48%	15%
Efficiency ratio	42.68	69.92	14%
Mortgage loans originated ¹	17.40%	2.95%	90%

1. Percent of assets at start of the period

Note: Peer group is all thrifts with assets between \$1 and \$5 billion dollars

Source: UTPR

Our Business Model is More Profitable Because Our Costs are Lower...

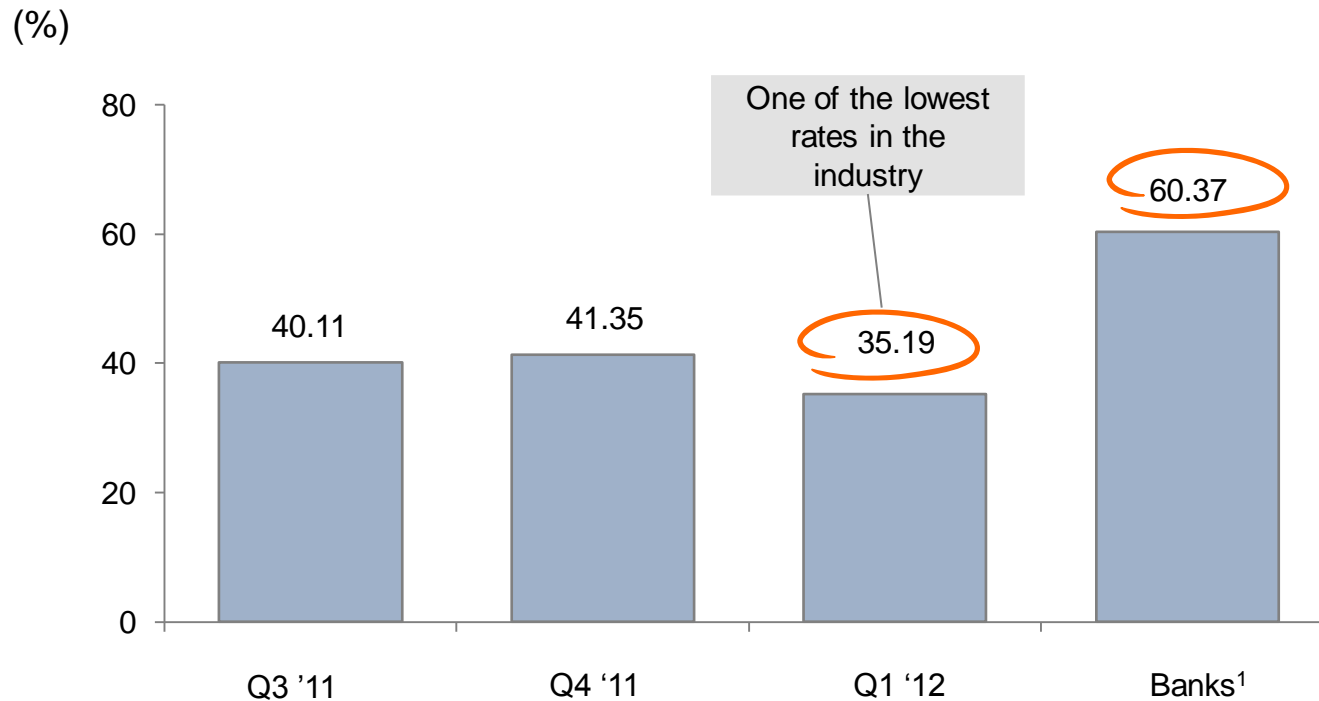
<i>As % of average assets</i>	BofI¹ (%)	Banks \$1-\$10bn² (%)
Net interest income	3.62	3.63
Salaries and benefits	0.85	1.42
Premises and equipment	0.18	0.37
Other non-interest expense	0.55	1.07
Total non-interest expense	1.58	2.86
Core business margin	2.04	0.77

1. Bank of Internet USA only for three months ended 9/30/11 - the most recent data on FDIC website "Statistics on Depository Institutions Report." Excludes BofI Holding company to compare to FDIC data

2. Commercial banks by asset size. FDIC reported for three months ended 9/30/11. Total of 434 institutions \$1-\$10 billion

... Resulting In An Efficiency Ratio That Is Consistently One of the Industry's Lowest

Efficiency Ratio
(Bank of Internet USA, for the fiscal quarter ended)



1. Reported by FDIC – 434 commercial banks with \$1-\$10 billion in assets for the quarter ended 9/30/11
Source: FDIC Statistics on Depository Institutions. All data excludes holding companies for banks



Vision

We aspire to be the most innovative branchless bank in the United States providing products and services superior to our branch based competitors

Key Facts

- \$2.2 billion asset savings and loan holding company¹
- 11 years operating history, publicly traded on NASDAQ(BOFI) since 2005
- Headquartered in single branch location in San Diego, CA
- 37,000 deposit and loan customers¹
- 200 employees (\$11 million in assets per employee)¹
- Market Capitalization of \$192 million²

1. As of 12/31/11

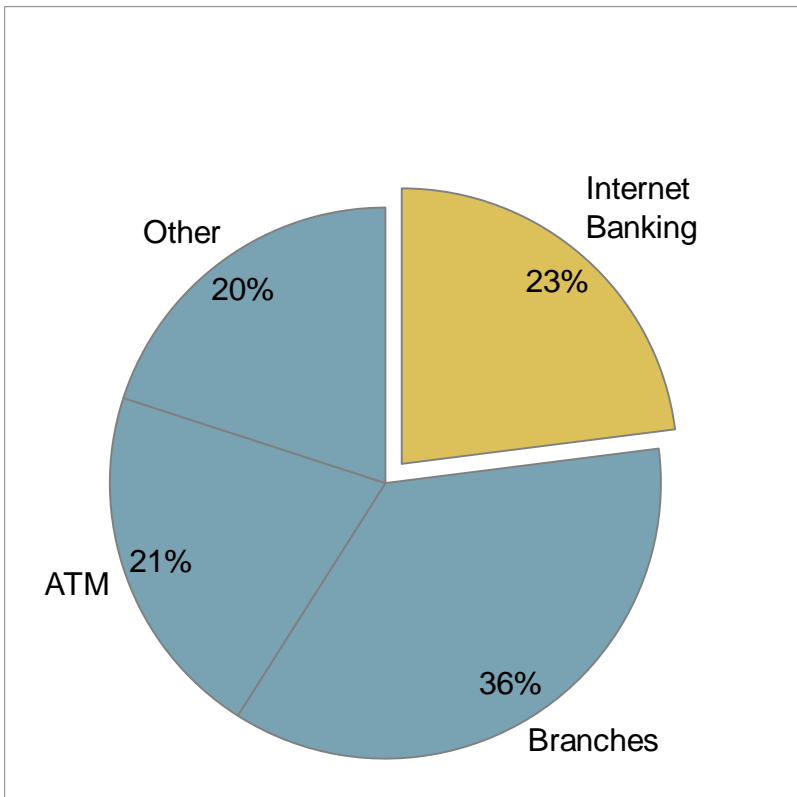
2. As of 2/1/12 closing price of \$16.78 per share

Diversified Branchless Customer Acquisition Channels

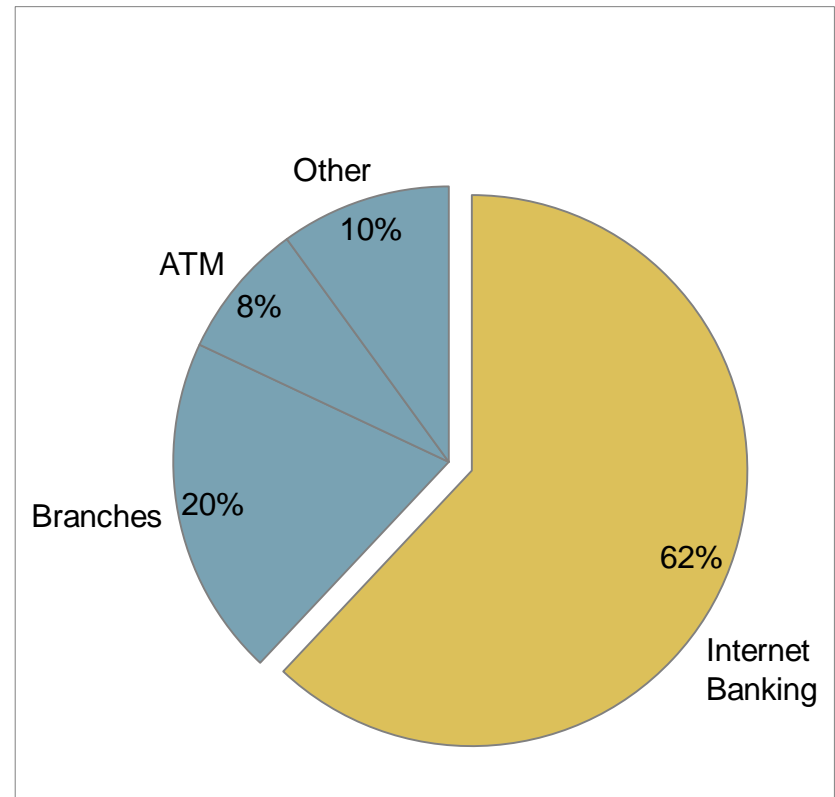
	Bank brands	Description	Affinity Partners	Description
Consumer online brands		<ul style="list-style-type: none"> Value-oriented consumer High-end/older demographic 		<ul style="list-style-type: none"> 45 million members
		<ul style="list-style-type: none"> Airline rewards oriented Wider demographic 	 	<ul style="list-style-type: none"> 12 million members
		<ul style="list-style-type: none"> Business checking 		<ul style="list-style-type: none"> 2 million members
		<ul style="list-style-type: none"> Products tailored to financial planning advisors and customers 		<ul style="list-style-type: none"> 1 million members

Preference Toward Delivery Has Shifted Rapidly Toward the Internet Over Last Four Years

**Preferred Banking Method
(2007)**

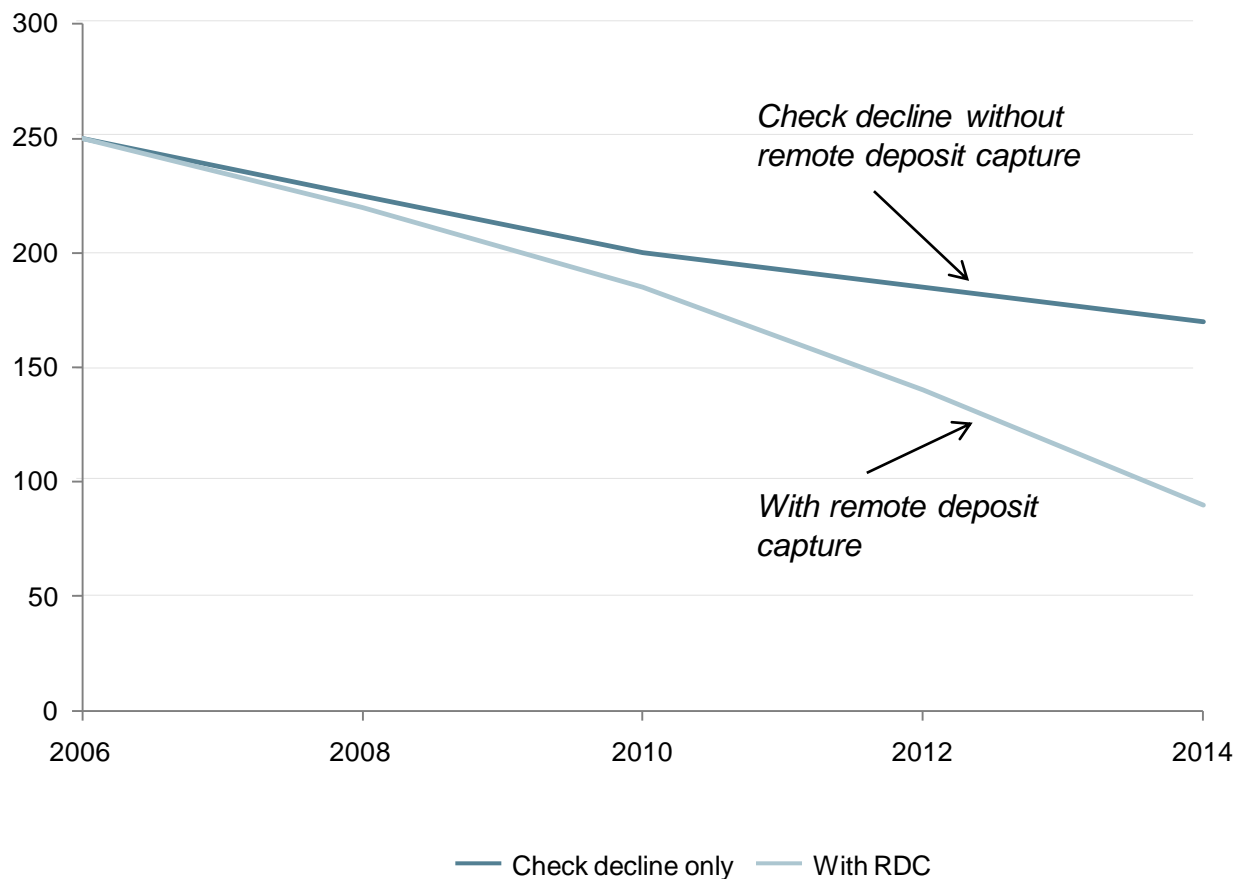


**Preferred Banking Method
(2011)**



With the Need For Branches to Deposit Checks Dropping Quickly

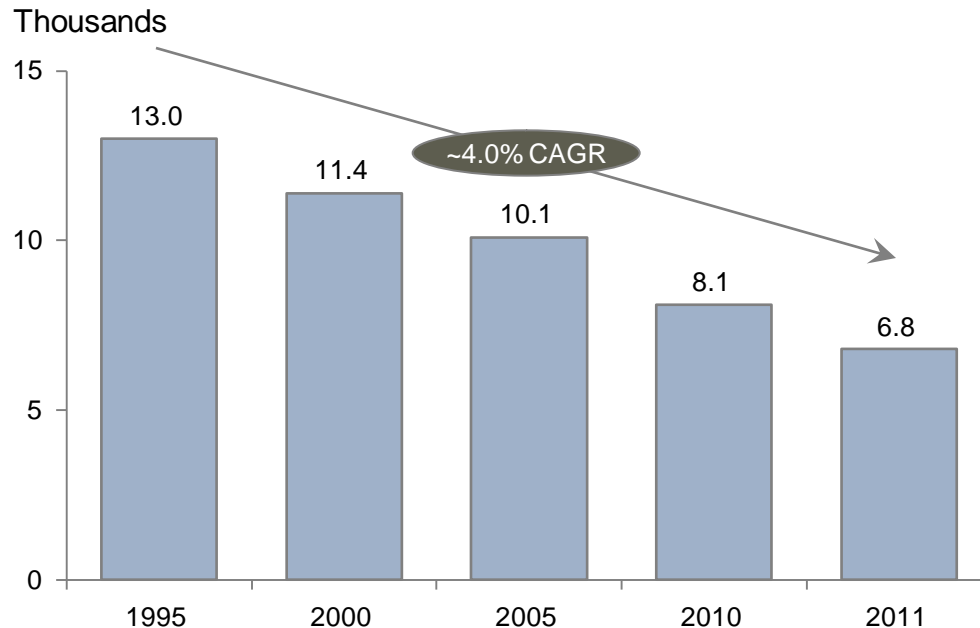
Avg. deposits per day per branch



- 45% decline from 2006 to 2011
- Additional decline by 2014 of 90% with Remote Deposit Capture Implementation

Branch Traffic Has Declined Approximately 4.0% Per Year For an Aggregated Decline of 90% Over the Last 16 Years

**Average Branch Monthly Volume –
Teller Transactions**



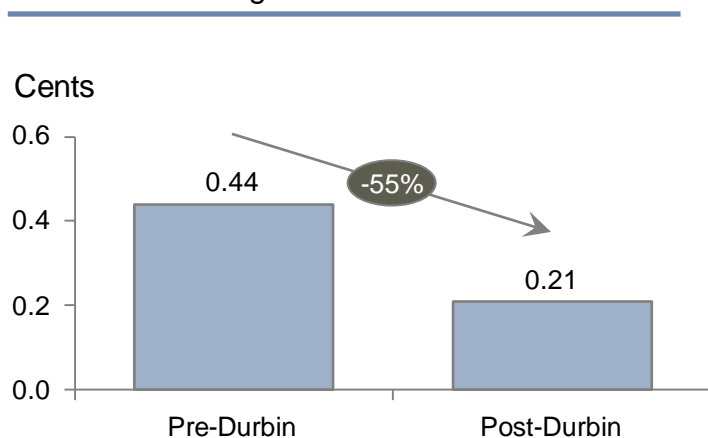
"Branch foot-traffic is plummeting and branches are largely idle, except for the activities of the employees"

"Check writing declines 6-10% per year"

– Bod Meara, Analyst, Celant

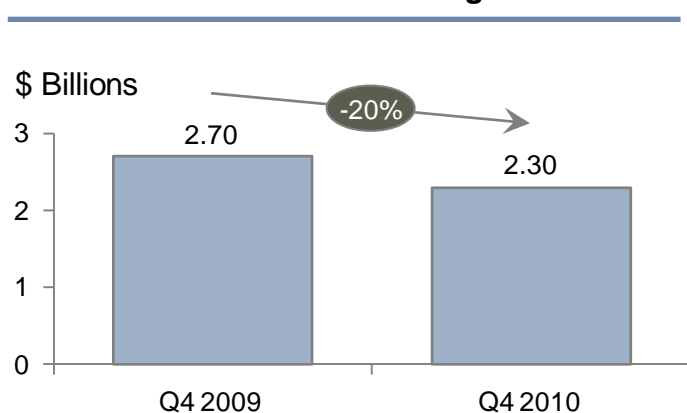
Branch Banks are Losing Sources of Revenue that Supported "Free" Checking

Interchange Income
Average Transaction Fee



- Interchange is roughly 20% on non-interest income
- \$27.5 billion dollars per year of lost interchange income
- Under \$10 billion dollar asset size banks unaffected

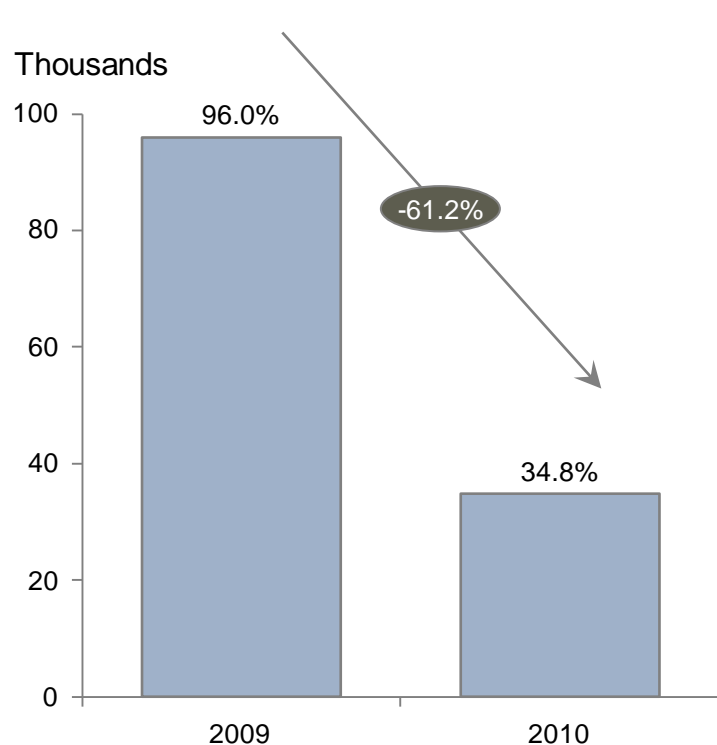
Bank Service Charges



- Non-sufficient funds fees significantly reduced from new regulation

Banks over \$50 Billion Dollars In Assets Offering Free Checking Dropped to Less than 35% from 96% in One Year

Banks greater than \$50 billion in assets that offer free checking



Represents a secular trend toward less competitive products at banks with branch-based cost structures

Enhanced Value Proposition For Deposit Customers

Product

- Free checking with unlimited ATM reimbursement
- Rate rewards features
- Merchant/purchase rewards

Customer Service

- Enhanced call center representatives training
- Call center representative extended hours
- Outbound calling for setup and welcome

Platform Features

- Remote check deposit capture
- Personal financial management/account aggregation
- POP money (money transfer to mobile phones to emails)
- Enhanced mobile banking platform
- Mobile remote deposit capture (end of December)
- New iPhone and Android application (end of November)

CNN Money Recently Highlighted The Bank's Checking Account In Its Article Describing The Bank As "One of 7 Banks That Is Still Awesome"



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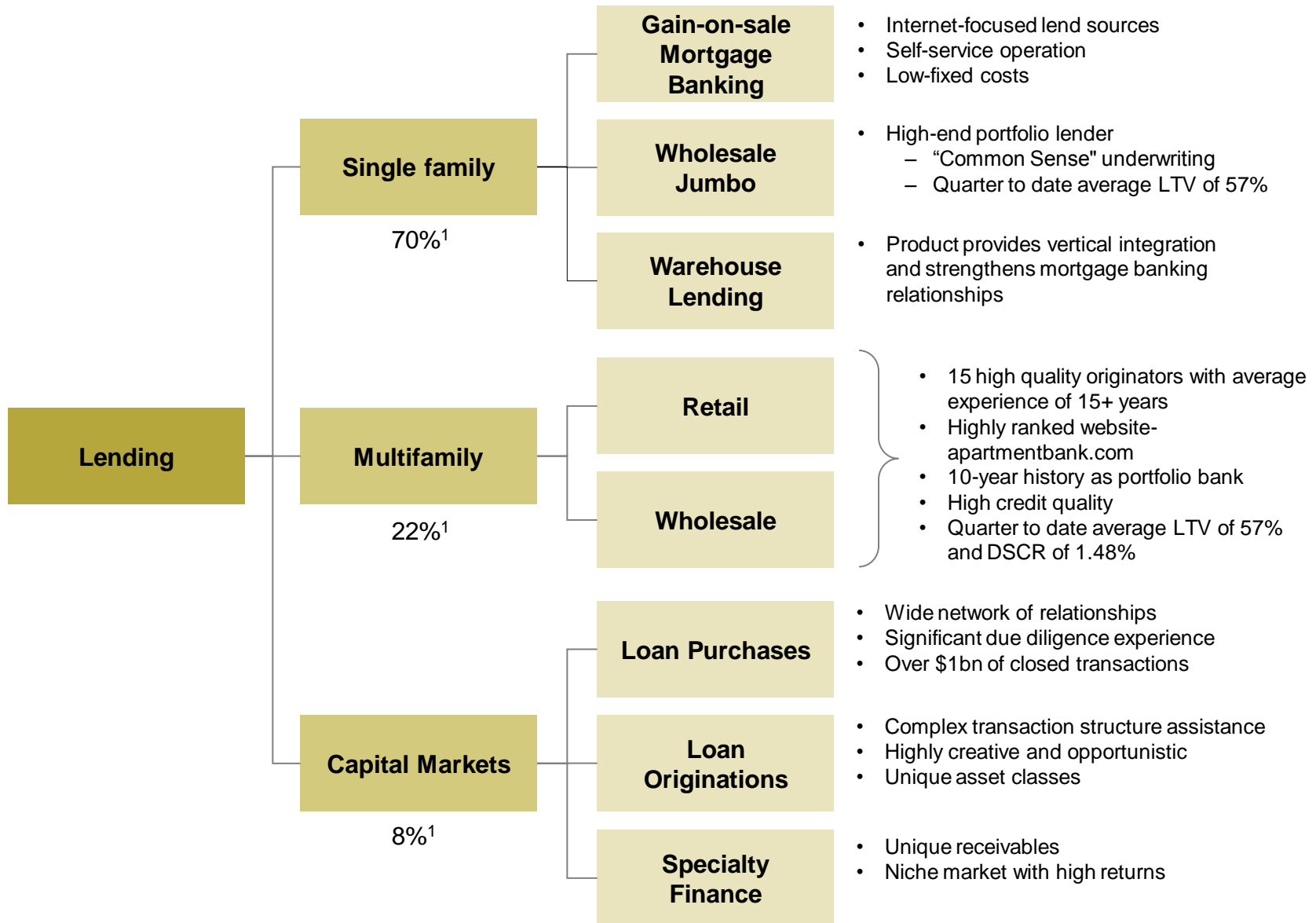
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Primary Business – Lending

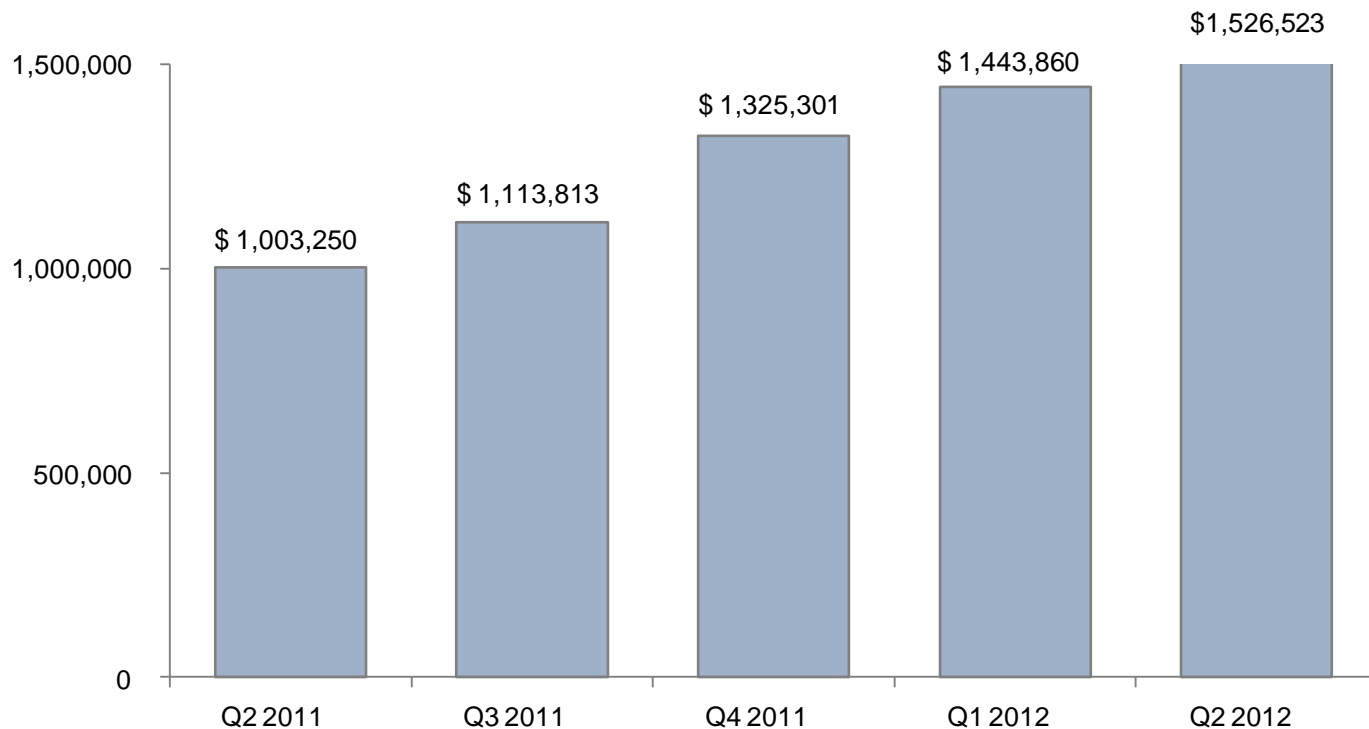


1. Percent of total originations and purchases for quarter ended December 31, 2011.

Our Rapid Asset Growth Has Been Driven by Strong and Profitable Organic Loan Production



Loan Portfolio - End of Last Five Quarters



Multifamily Avg LTV	52%	53%	54%	54%	53%
Single family Avg LTV	54%	54%	54%	53%	52%

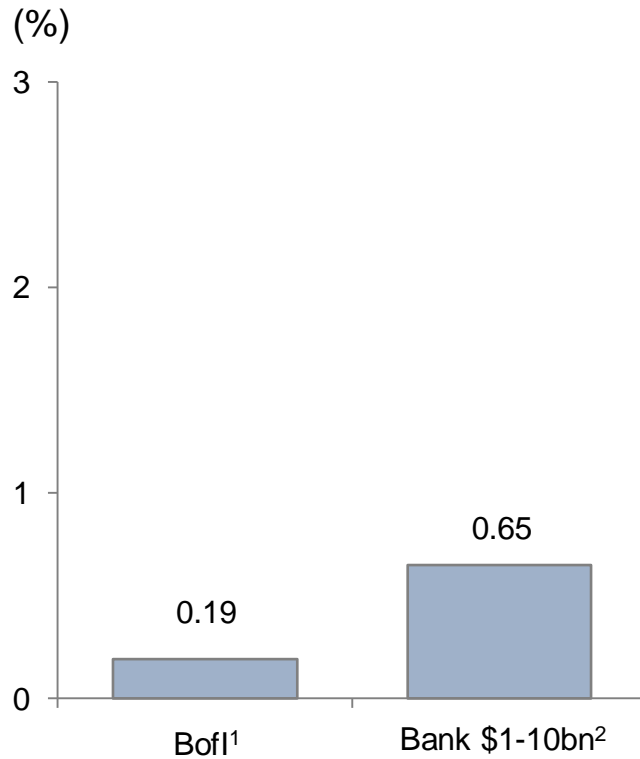
Loan Origination Group Production Year over Year

<i>(\$ Millions)</i>	Q2-2012 Production	Q2-2011 Production	Pipeline¹
Single Family – Gain on Sale	\$132.8	\$80.0	\$95
Single Family – Jumbo Portfolio	121.5	53.0	145
Multifamily – Portfolio	78.4	74.0	94
Total	\$332.7	\$207.0	\$334

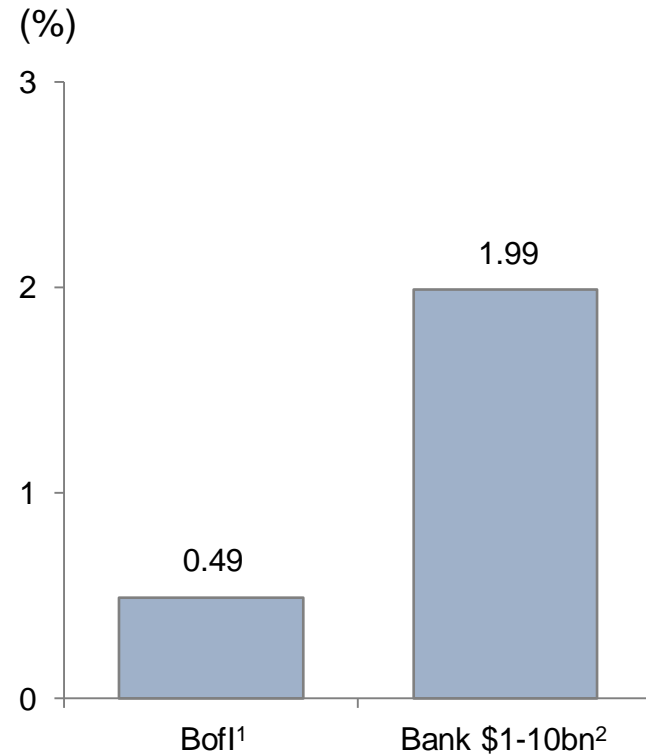
1. Applications in as of 12/31/11

Best in Class Asset Quality

Assets 30-89 days delinquent



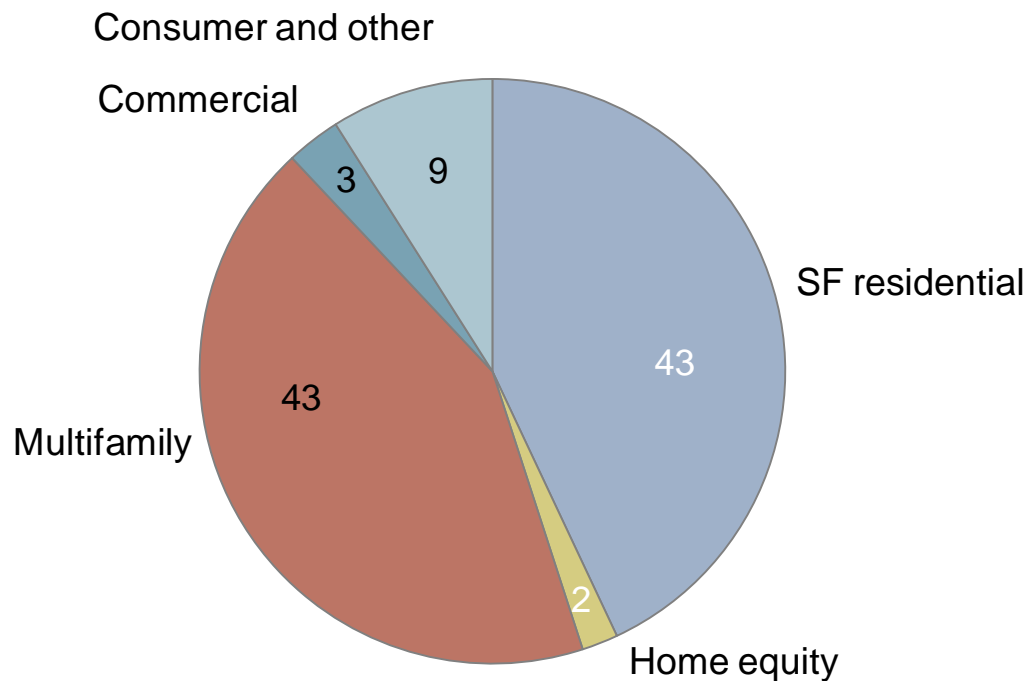
Assets in non-accrual



1. Bank of Internet USA only at 9/30/11 (excludes BofI Holding, Inc. to compare to FDIC data)
2. Commercial banks by asset size. FDIC reported at 9/30/11. Total of 434 institutions \$1-\$10 billion

Loan Diversity – December 31, 2011

Loan Portfolio¹ 100% = \$1,540 Million



1. Gross loans before premiums, discounts and allowances