Associated Bank

Fourth Quarter 2024
Earnings Presentation

January 23, 2025

Associated Banc-Corp

ASB
LISTED
NYSE

Important Disclosures

Important note regarding forward-looking statements:

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Within the charts and tables presented, certain segments, columns and rows may not sum to totals shown due to rounding.

Non-GAAP Measures:

This presentation includes certain non-GAAP financial measures. These financial measures have been included as they provide meaningful supplemental information to assess trends in the Corporation's results of operations. These non-GAAP measures are provided in addition to, and not as substitutes for, measures of our financial performance determined in accordance with GAAP. Our calculation of these non-GAAP measures may not be comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of these non-GAAP measures has limitations and should not be considered superior to, in isolation from, or as a substitute for, related GAAP measures. Unless otherwise noted, reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found at the end of this presentation.

Fourth Quarter & Full Year 2024 Results[1]

4Q 2024 Operating Results

- GAAP diluted EPS of $(1.03)
- Adjusted diluted EPS of $0.57[2]
- Total deposit growth of $1.1 billion
- Total core customer deposit growth of $869 million[3]
- Total loan decrease of $222 million
- Adjusted total loan growth of $501 million[2]
- Net interest income of $270 million
- Net interest margin of 2.81%
- Noninterest (loss) income of $(207) million
- Adjusted noninterest income of $72 million[2]
- Noninterest expense of $224 million
- Adjusted noninterest expense of $210 million[2]
- Provision for credit losses of $17 million
- NCOs/avg. loans (annualized) of 0.16%

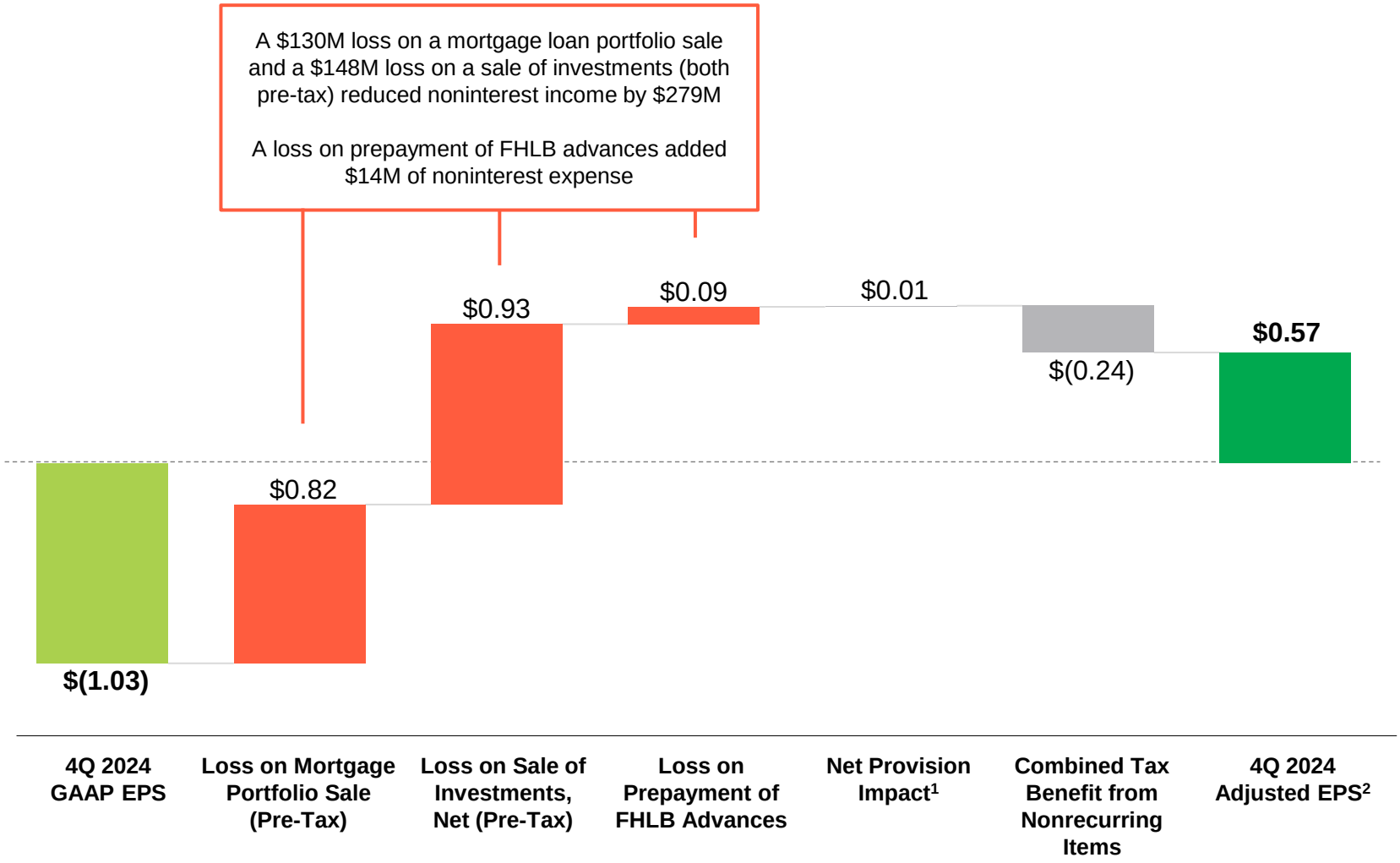
FY 2024 Highlights

3.6% Total Deposit Growth *+$1.2 billion*	**4.3%** Core Customer Deposit Growth[3] *+$1.2 billion*
1.9% Total Loan Growth *+$552 million*	**4.4%** Adjusted Loan Growth[4] *+$1.3 billion*
(5.9%) Total Revenue (Decrease)	**1.0%** Adjusted Revenue Growth[2]
0.6% Total Noninterest Expense Growth	**2.7%** Adjusted Noninterest Expense Growth[2]

[1] All figures shown on an end of period basis. 4Q 2024 results compared to 3Q 2024 unless otherwise noted. FY 2024 results compared to FY 2023 unless otherwise noted.
[2] This adjusted figure excludes the impact of the balance sheet repositionings that impacted 4Q 2023 and 4Q 2024 financial results. Adjusted noninterest expense growth also excludes $31 million of FDIC special assessment costs incurred in 4Q 2023. This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[3] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[4] Adjusted loan growth excludes $723 million in residential mortgage balances that were moved to loans held for sale as a result of the balance sheet repositioning announced during 4Q 2024. This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

4Q 2024 EPS Adjustments

4Q GAAP EPS was impacted by several nonrecurring items



[1] Net provision impact includes a $3 million release for the sale of $723 million in residential mortgage loan balances and a $4 million provision build for the purchase of $55 million in credit card balances during the quarter.

[2] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Advancing our Growth Strategy[1]

Growth initiatives & an infusion of talent in key areas have provided tailwinds for our company into 2025

Filled Several Key Leadership Roles

- *Onboarded four new executive leaders in 2024*
- *Added three new directors in 2024*

Upgraded Customer Experience

- *+$1.5B in net new Mass Affluent deposits since Dec. 2022 launch*
- *Launched customer-favorite enhancements including Grace Zone, Early Pay & Credit Monitor in 2023-2024*
- *Steady cadence of digital upgrades planned for 2025*

Rebalanced Consumer Lending Approach

- *Reduced mortgage loan concentration from 36% (2018) to 24% (2024)*
- *+$2.8B in prime/super prime Auto Finance balances since 3Q21*

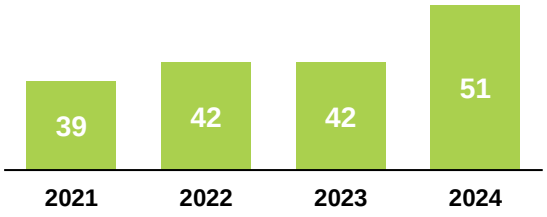
Repositioned Balance Sheet

- *Sold $0.8B of securities and $1.0B of mortgage loans in 2023*
- *Sold $1.3B of securities and $0.7B of mortgage loans in 2024*
- *Purchased $55M in existing customer credit card balances in Dec. 2024*

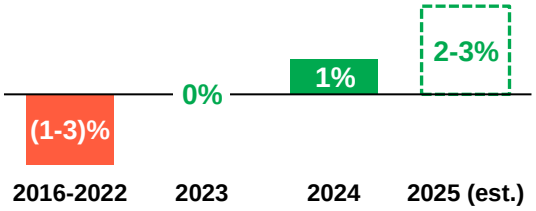
Expanding our Commercial Presence

- *Launched new deposit vertical in 4Q 2024*
- *On track to add 26 commercial & business RMs by 1Q 2025 (vs. 9/30/2023)*

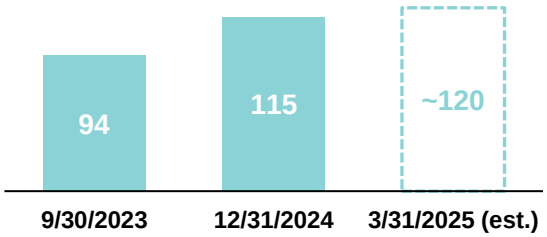
Net Promoter Score[2]



Customer Checking Household Growth



Commercial & Business RM FTE



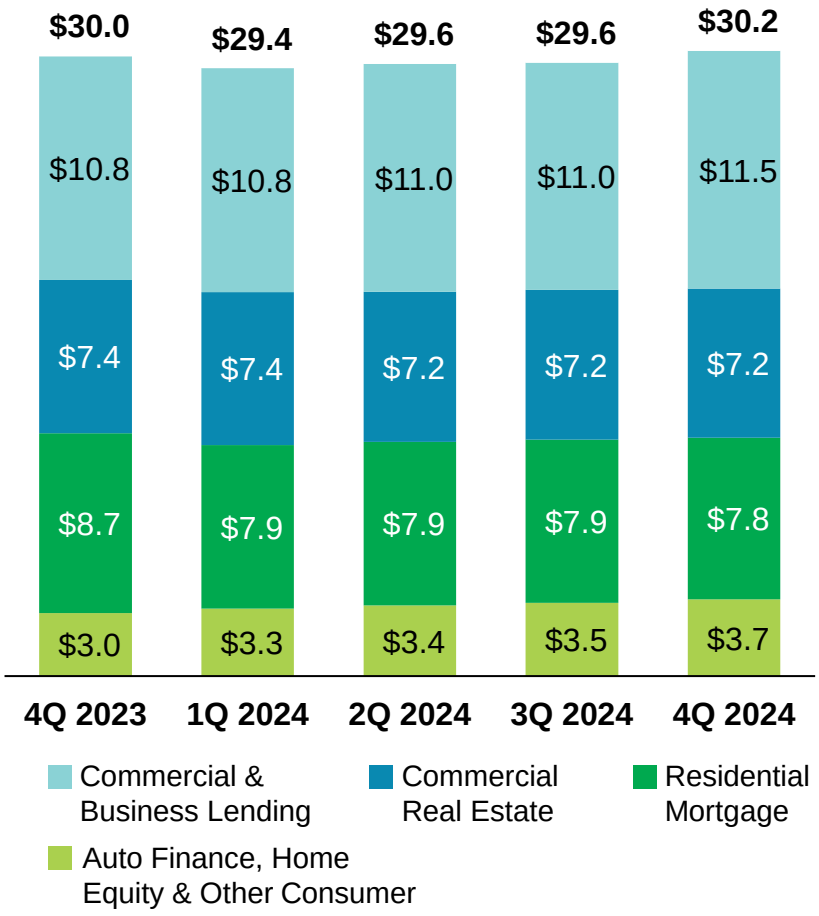
[1] All updates as of or for the years ended December 31st unless otherwise noted.
[2] Annual net promoter score as measured by a customer's likelihood to recommend Associated Bank to family & friends per our internal Consumer Relationship Survey.

Quarterly Loan Trends

Total period end loans decreased $222M vs. 3Q24, but increased $501M after excluding the 4Q24 loan sale[1,2]

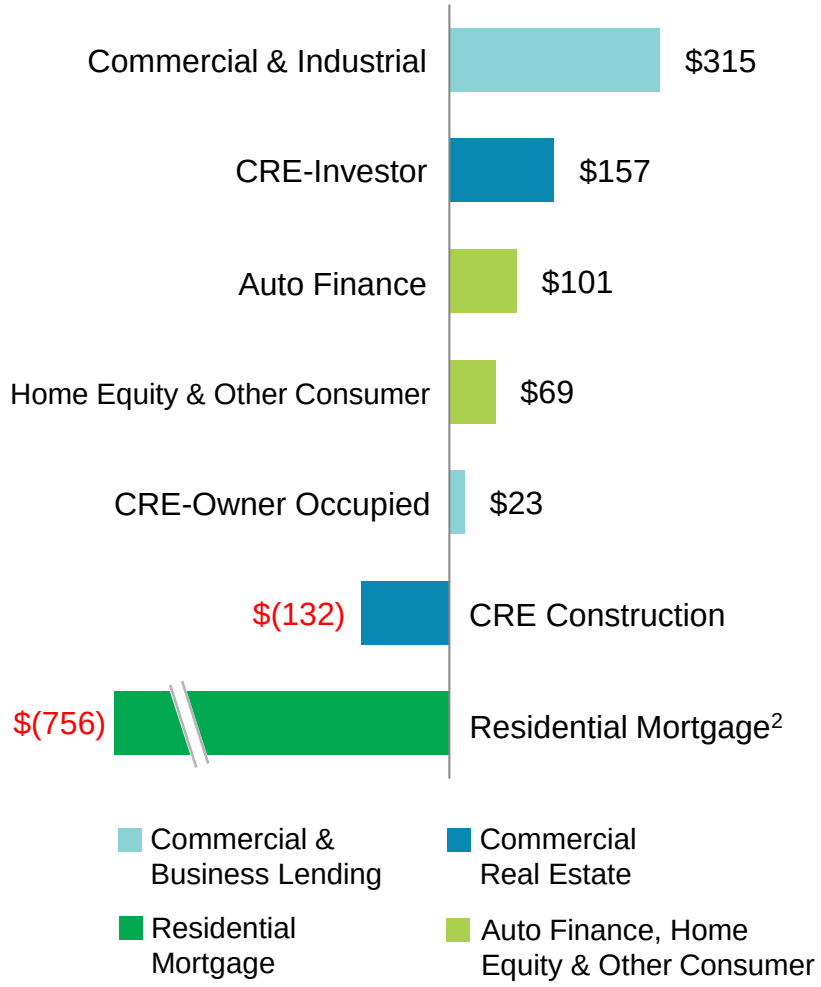
Average Quarterly Loans

($ in billions)



Period End Loan Change (9/30/2024 to 12/31/2024)

($ in millions)



[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

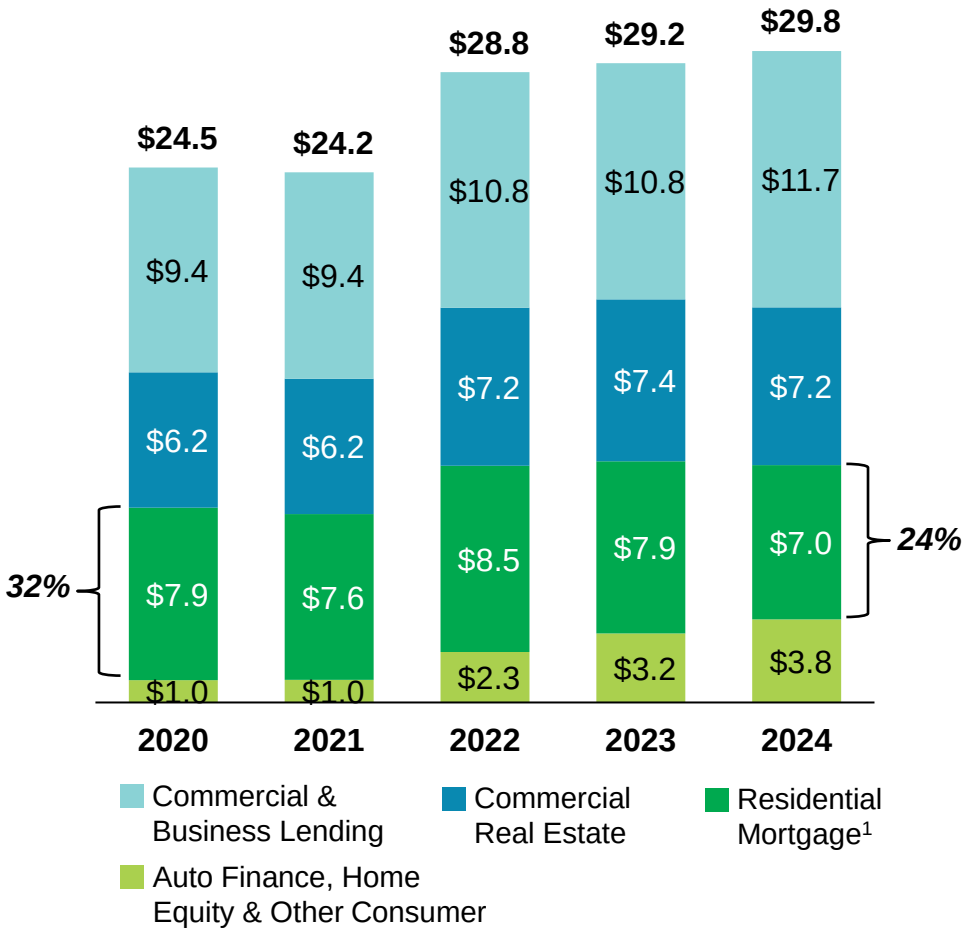
[2] Approximately $723 million in residential mortgage balances were moved to loans held for sale as a result of the balance sheet repositioning announced during 4Q 2024. Loan sale expected to close during 1Q 2025. Number may be adjusted upon closing in 1Q 2025.

Annual Loan Trends

Total period end loans increased $552 million vs. year-end 2023, with C&I loans up $842 million

Period End Annual Loans

($ in billions)



Emerging C&I Loan Growth

(Period end balances)

Commercial & Industrial Loans

1H 2024	2H 2024
+$239 million	+$603 million

FY 2025 Outlook
+$1.2 billion

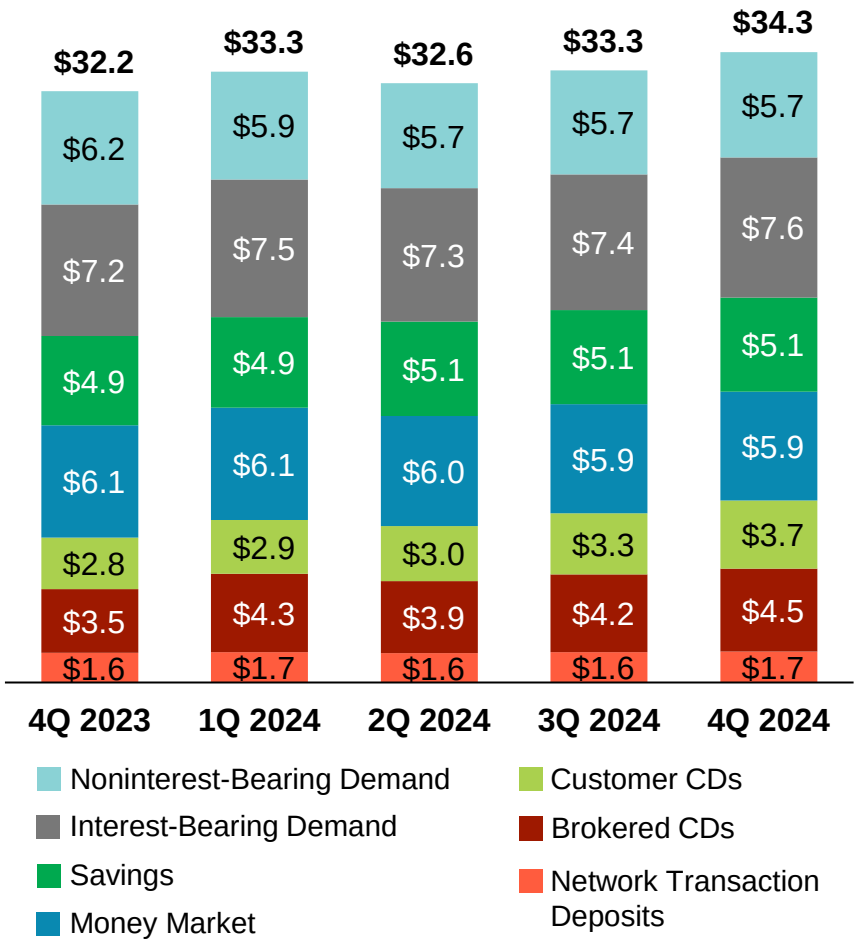
[1] Approximately $723 million in residential mortgage balances were moved to loans held for sale as a result of the balance sheet repositioning announced during 4Q 2024. Loan sale expected to close during 1Q 2025. Number may be adjusted upon closing in 1Q 2025.

Quarterly Deposit & Funding Trends

Total period end deposits increased $1.1B vs. the prior quarter, while core customer deposits[1] grew by $869M

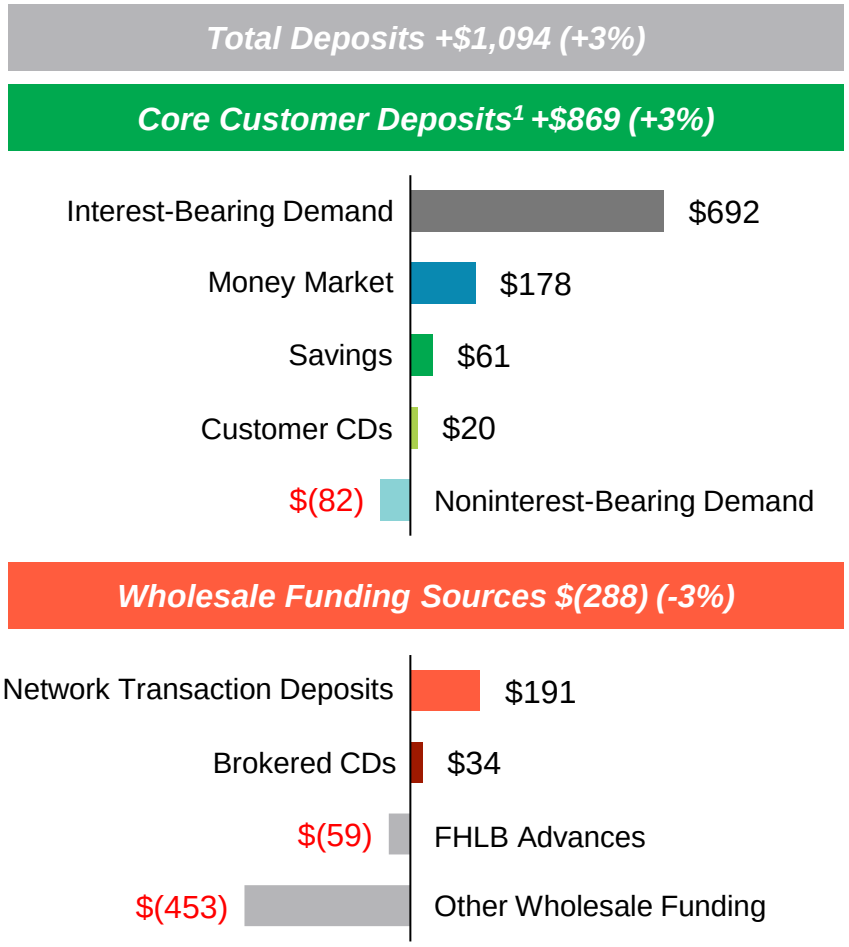
Average Quarterly Deposits

($ in billions)



Period End Funding Change (9/30/2024 to 12/31/2024)

($ in millions)



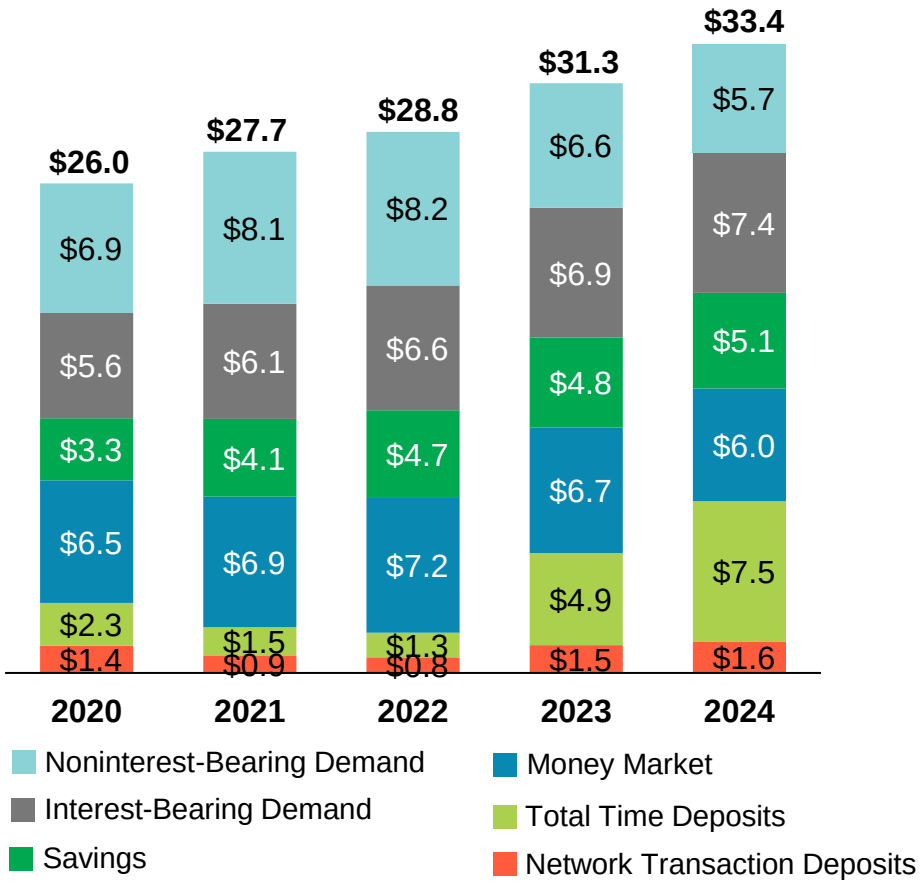
[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Annual Deposit Trends

Total period end deposits & core customer deposits[1] both grew by $1.2B in 2024

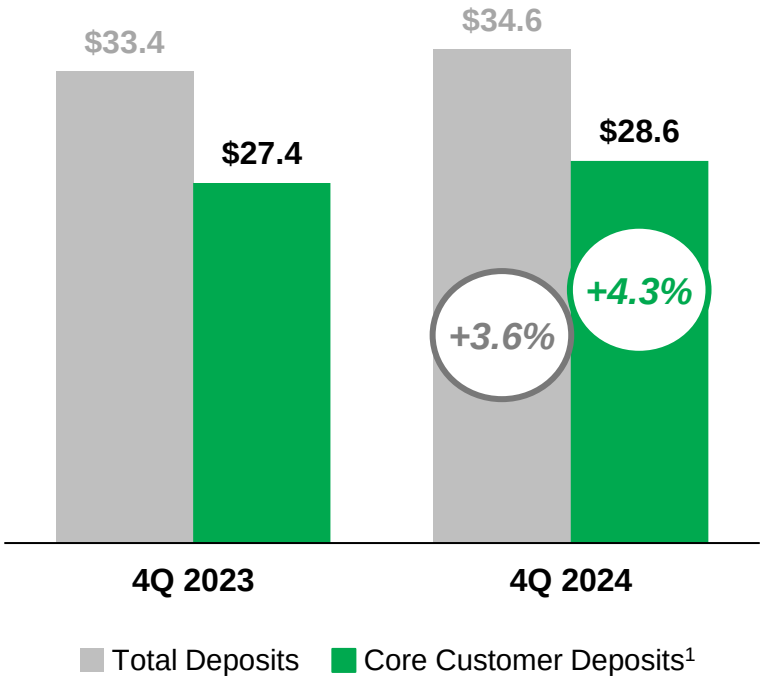
Average Annual Deposits

($ in billions)



Period End Deposit Growth

($ in billions)

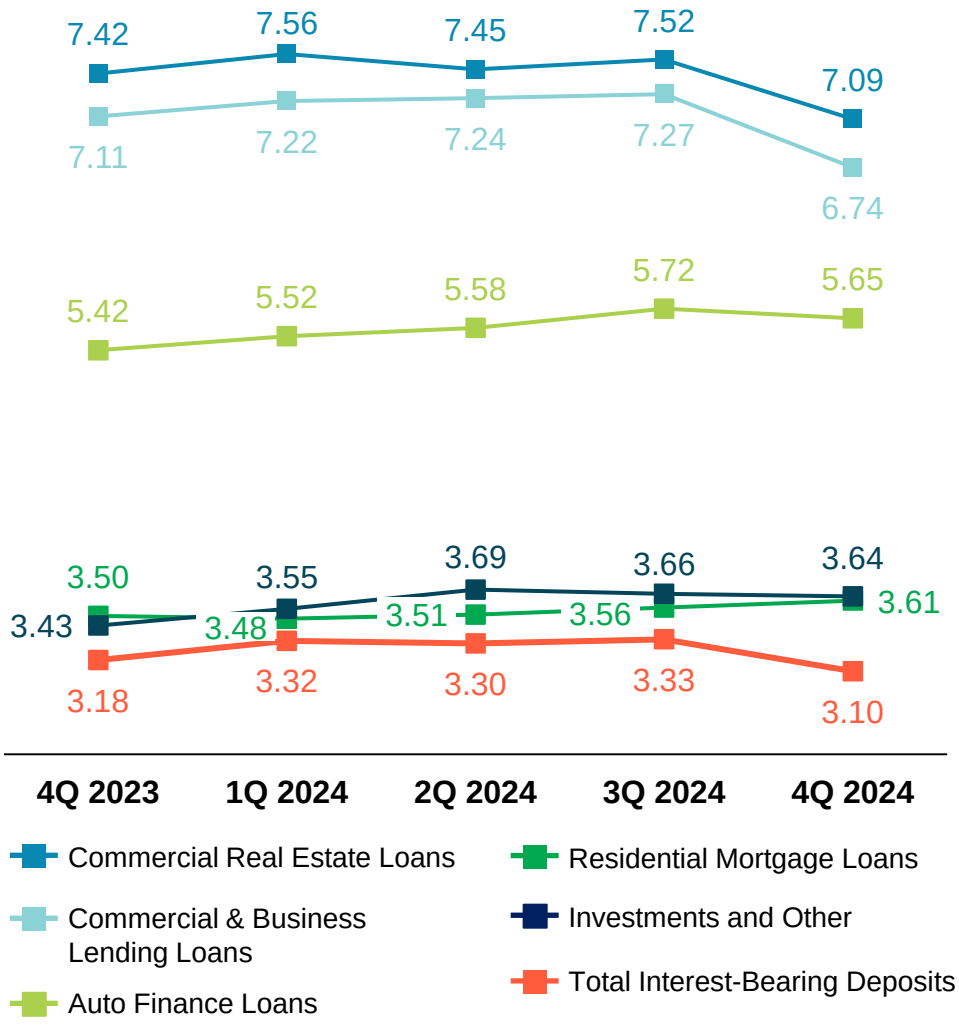


[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

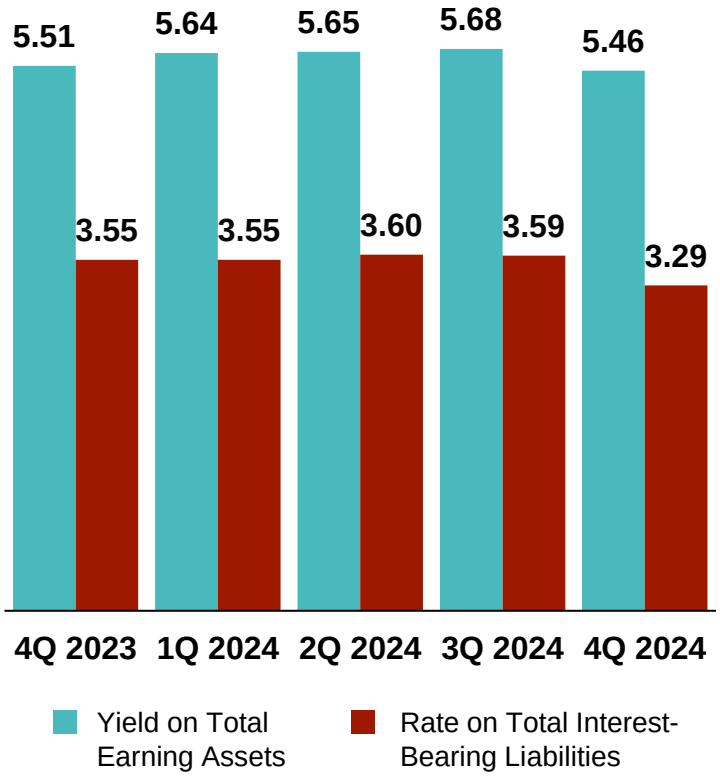
Average Yield Trends

Earning asset yields decreased 22 bps during 4Q, while interest-bearing liabilities costs decreased 30 bps

Quarterly Average Yields (%)



Asset & Liability Yield / Rate Trends (%)

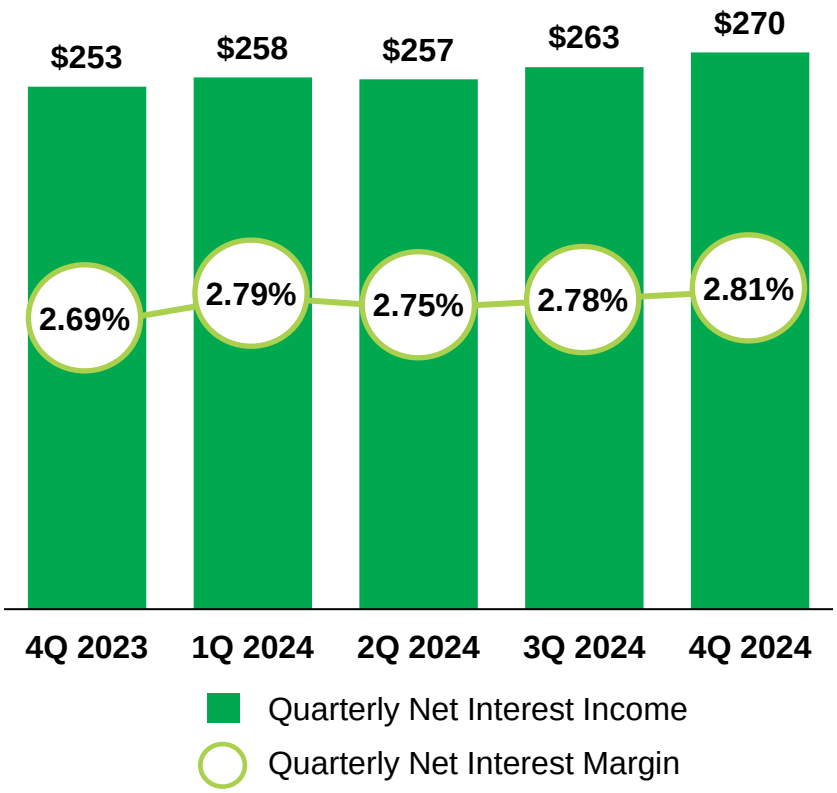


Net Interest Income & Net Interest Margin Trends

NII increased by $8 million and NIM expanded by 3 bps during 4Q

Net Interest Income & Net Interest Margin

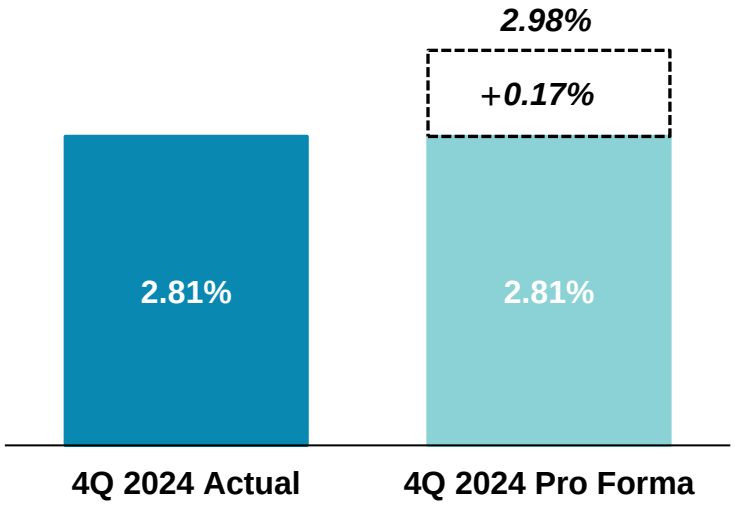
($ in millions)



4Q 2024 Pro Forma Net Interest Margin[1]

Our 4Q 2024 balance sheet repositioning & credit card balance acquisition would have added an incremental ~17 bps to our 4Q NIM if the transactions were completed on 10/1/2024.

We expect the repositioning to be completed in 1Q 2025 with the full financial impact realized beginning in 2Q 2025.



[1] Pro forma net interest margin reflects the impact of the balance sheet repositioning announced in December 2024 and the credit card balance acquisition completed in December 2024 as if both transactions were completed on October 1, 2024.

Interest Rate Risk Management[1]

We've taken proactive steps to reduce our asset sensitivity & protect NII in a falling rate environment

Balance Sheet Actions Since 2021

- Added $2.8 billion of fixed-rate prime/super prime Auto Finance balances since 3Q 2021
- Gradually built receive fixed swaps portfolio to protect against downside rate risk, with notional balances of ~$2.70 billion as of 12/31/2024
- Emphasized shorter-term durations on contractual funding sources to maintain repricing flexibility in a falling rate environment

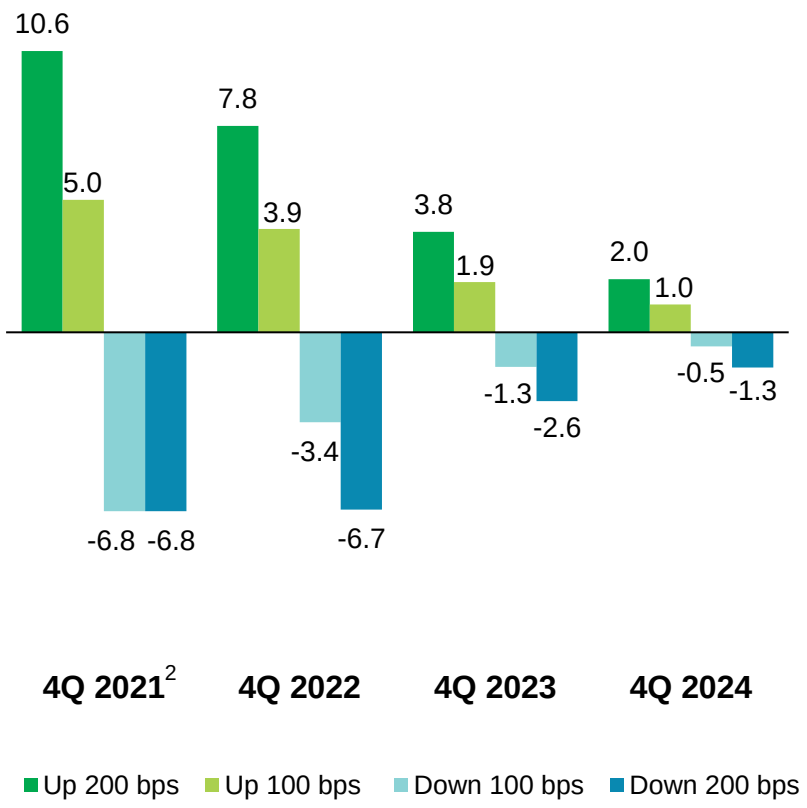
Contractual Funding Obligations

($ in billions)

	≤ 1 Yr.	1-3 Yrs.	3+ Yrs.	Total
Time Deposits	**$7.9**	$0.1	$0.0	$8.0
Short-Term Funding	**$0.5**	-	-	$0.5
FHLB Advances	**$1.6**	$0.0	$0.2	$1.9
Other Long-Term Funding	**$0.3**	$0.0	$0.6	$0.8
Total	**$10.3**	$0.1	$0.8	$11.1

Estimated NII Sensitivity Profile (%)

(12-Month Ramp, Dynamic Forecast)



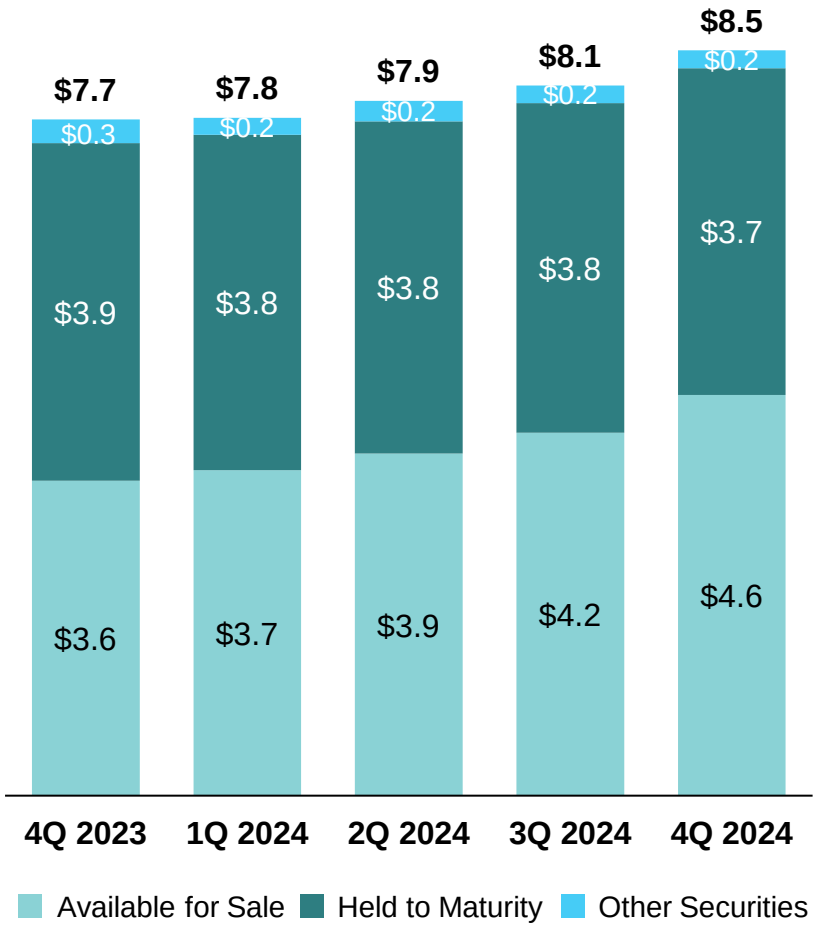
[1] All updates as of or for the period ended December 31, 2024 unless otherwise noted.
[2] In both the down 100 and down 200 for 4Q 2021, scenario rates are floored at zero.

Cash & Investment Securities Portfolio

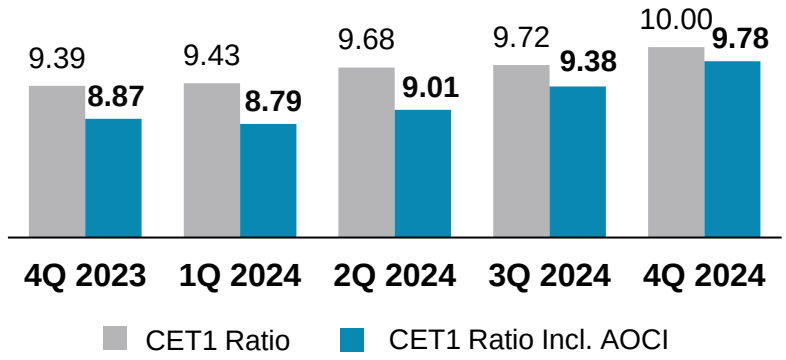
We are targeting securities + cash / total assets of 22% to 24% in 2025

Period End Securities Book Composition

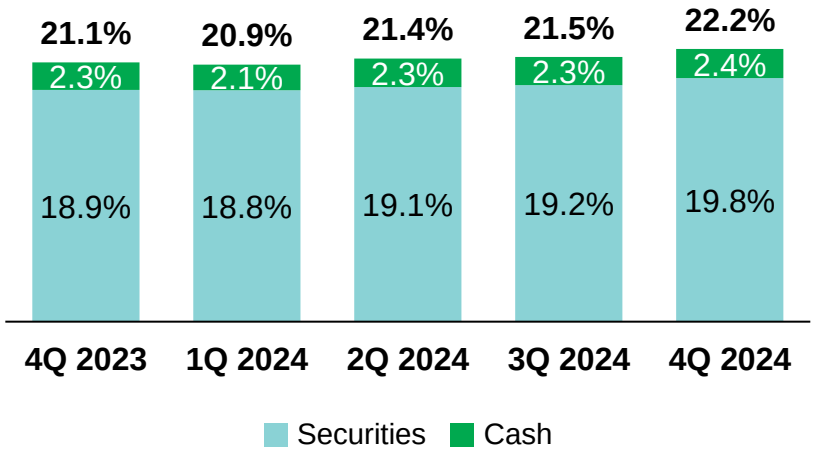
($ in billions)



CET1 Including AOCI[1] (%)



Period End Securities + Cash / Total Assets



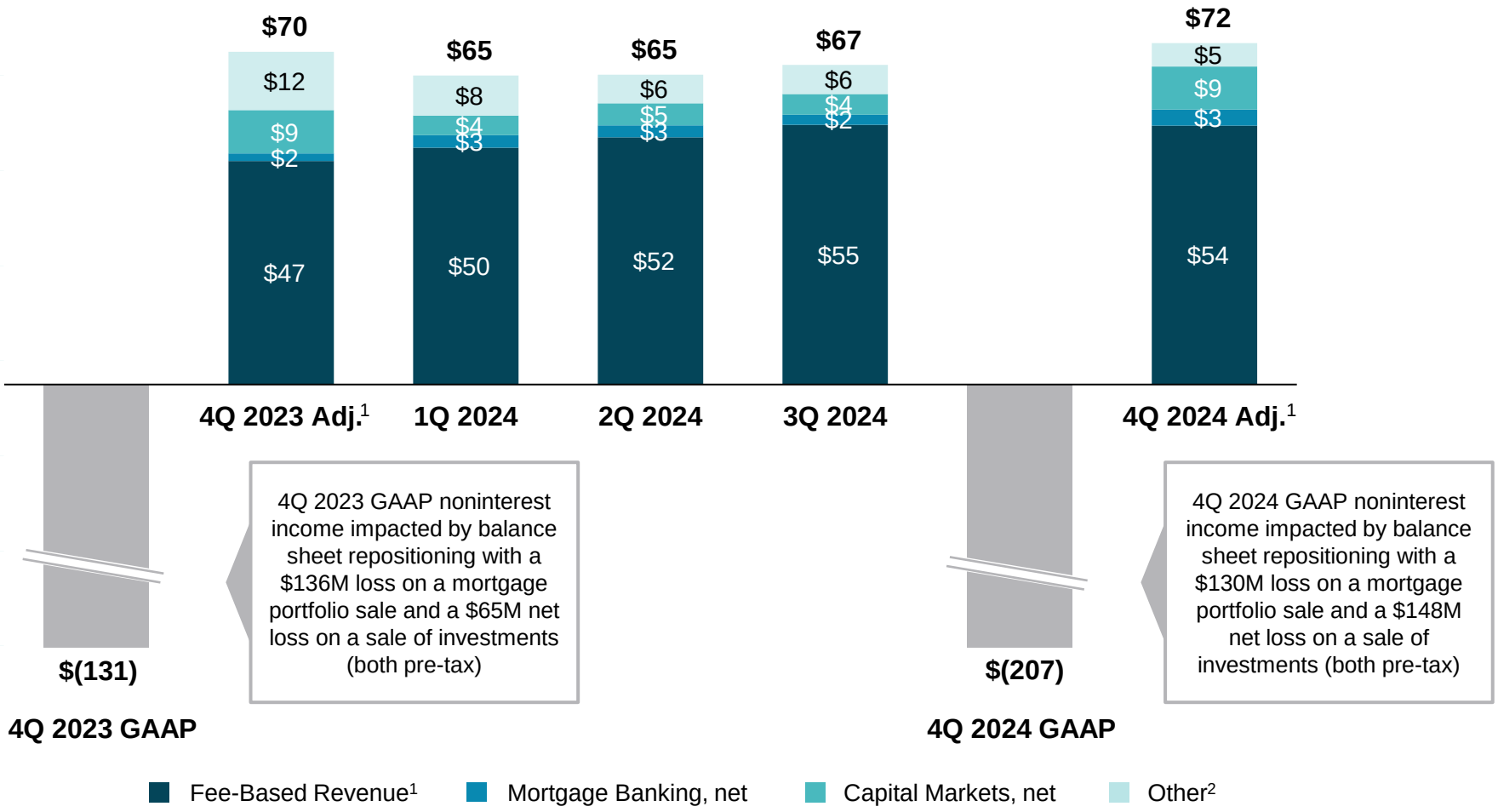
[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Noninterest Income Trends

GAAP noninterest income was impacted by nonrecurring items in 4Q 2024

Quarterly Noninterest Income Trends

($ in millions)



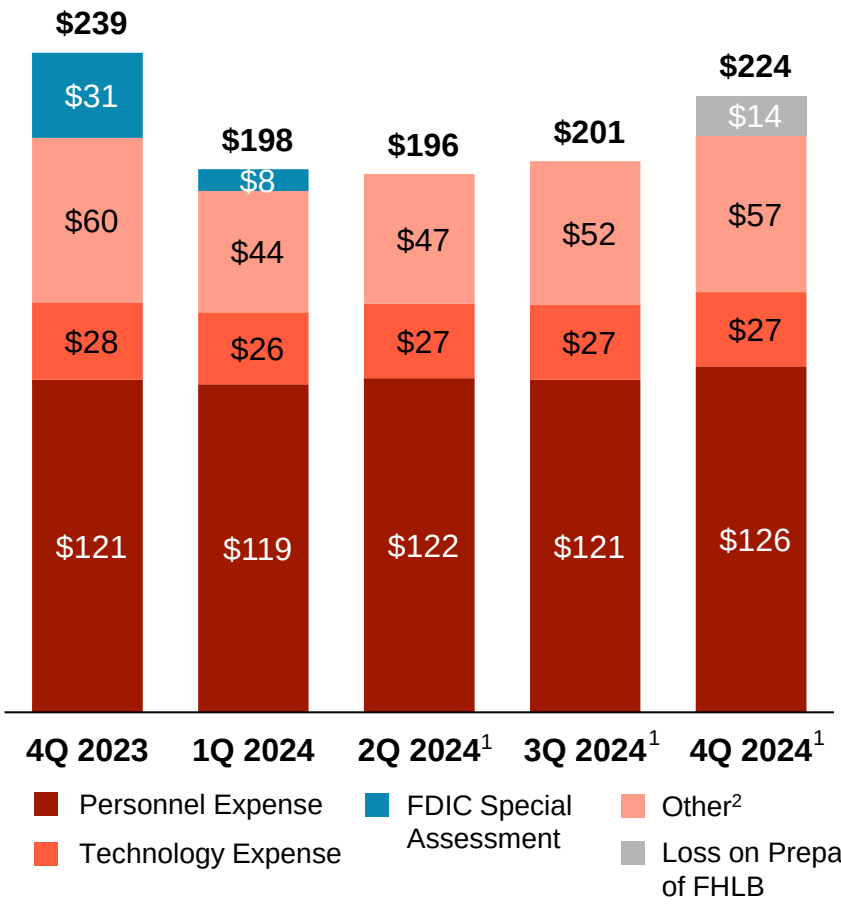
[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[2] Other noninterest income is primarily comprised of bank and corporate owned life insurance, asset gains (losses), net and investment securities gains (losses), net.

Noninterest Expense Trends

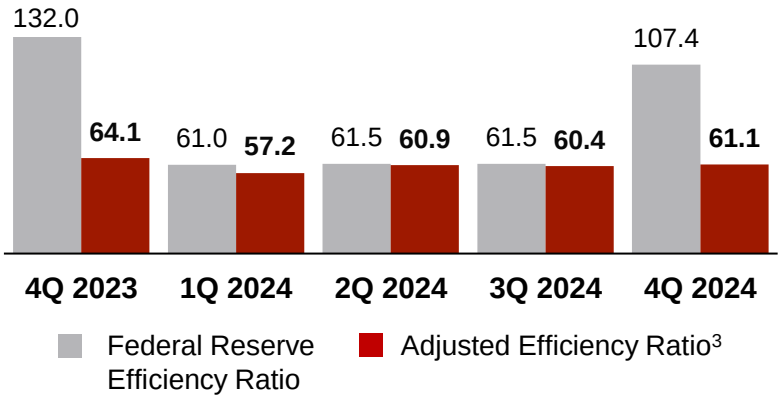
4Q noninterest expense included a $14 million loss on prepayment of FHLB advances

Noninterest Expense Trends

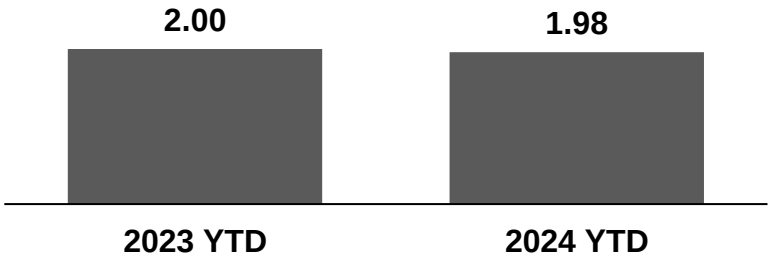
($ in millions)



Efficiency Ratio (%)



Noninterest Expense / Average Assets (%)

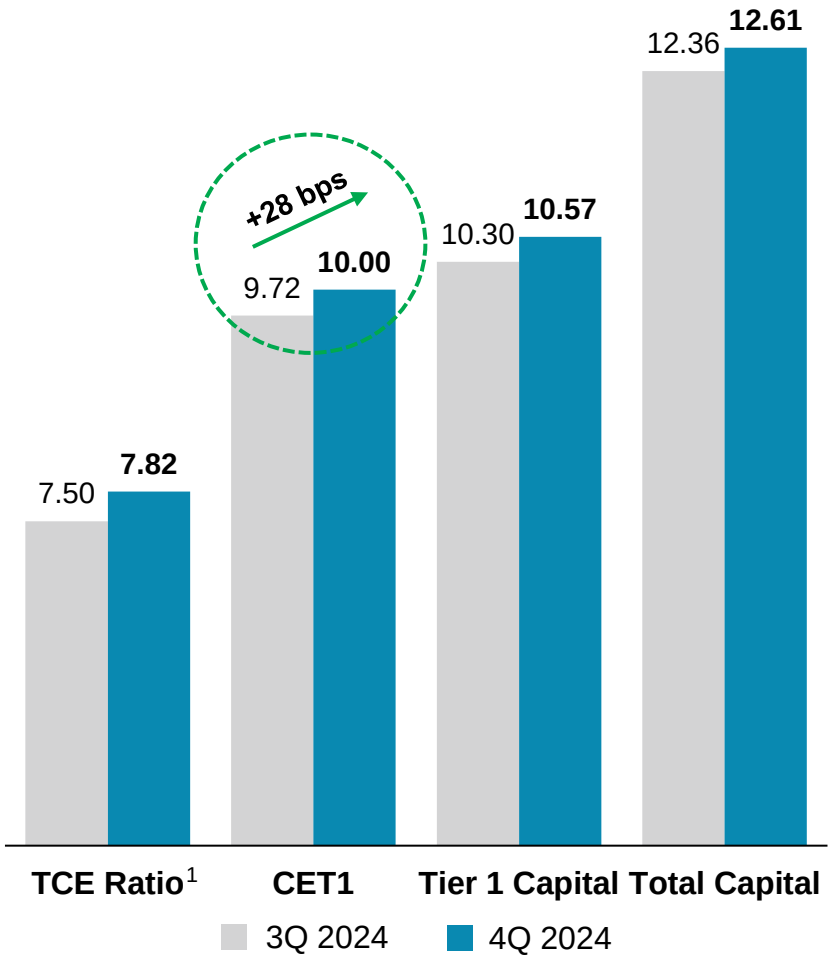


[1] Based on updated estimates of the FDIC special assessment received from the FDIC over the course of 2024, we recognized a $2 million decrease of FDIC special assessment expense in 2Q 2024, a further $1 million decrease in 3Q 2024, and a further $0.5 million decrease in 4Q 2024.
[2] Other expenses are primarily comprised of occupancy, business development & advertising, equipment, legal & professional, and FDIC assessment costs.
[3] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Capital Profile

Our CET1 capital ratio increased by 28 bps in 4Q following the transactions announced during the quarter

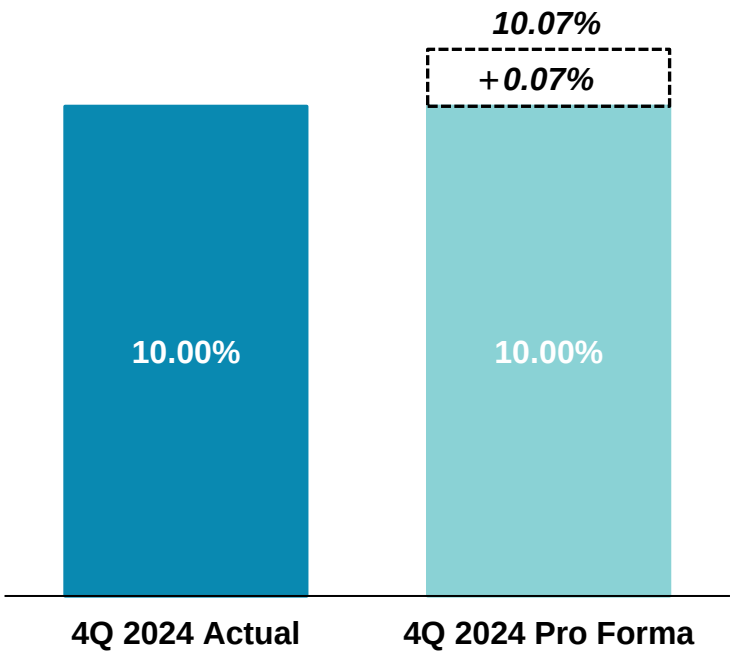
Capital Ratios (%)



4Q 2024 Pro Forma CET1 Ratio[2]

The residential mortgage loan sale announced during 4Q 2024 would have added an incremental ~7 bps to our 4Q CET1 ratio if the transaction had closed during 4Q.

We expect the loan sale to close in 1Q 2025.



[1] Tangible common equity / tangible assets. This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[2] Pro forma CET1 ratio reflects the impact of the $723 million residential mortgage loan sale announced in December 2024 as if the transaction had closed in 4Q 2024. Transaction expected to close in 1Q 2025.

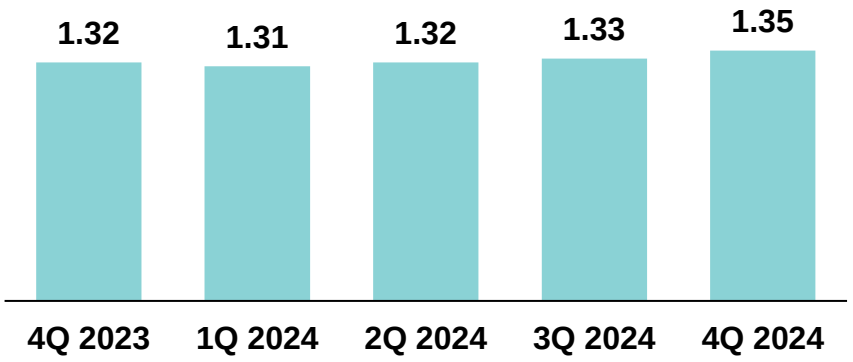
Allowance for Credit Losses on Loans (ACLL)

Our ACLL percentage increased by 2 basis points vs. the prior quarter to 1.35%

ACLL[1] Update

- ACLL increased $5 million from the prior quarter to $402 million, driven primarily by incremental credit movement coupled with general macroeconomic trends
- CECL forward-looking assumptions based on Moody's November 2024 Baseline forecast

ACLL / Total Loans (%)



($ in thousands)

Loan Category	12/31/2023 ACLL	12/31/2023 ACLL / Loans	9/30/2024 ACLL	9/30/2024 ACLL / Loans	12/31/2024 ACLL	12/31/2024 ACLL / Loans
C&BL	$ 152,341	1.41%	$ 143,974	1.27%	$ 160,620	1.37%
CRE - Investor	68,338	1.33%	78,743	1.55%	72,125	1.38%
CRE - Construction	70,578	3.11%	79,136	3.74%	71,090	3.59%
Residential Mortgage	37,808	0.48%	34,931	0.45%	32,576	0.46%
Other Consumer	56,805	1.80%	60,756	1.68%	65,910	1.74%
Total	**$ 385,870**	**1.32%**	**$ 397,541**	**1.33%**	**$ 402,322**	**1.35%**

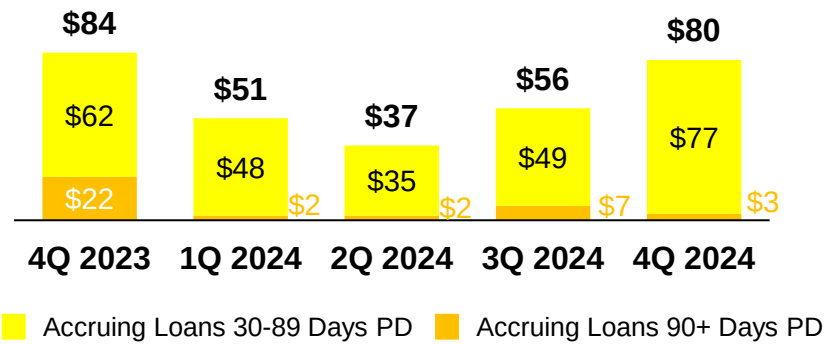
[1] Includes funded and unfunded reserve for loans, excludes reserve for HTM securities.

Credit Quality Trends

4Q 2024 credit quality remained solid with NALs down $5 million & NCOs down $1 million vs. prior quarter

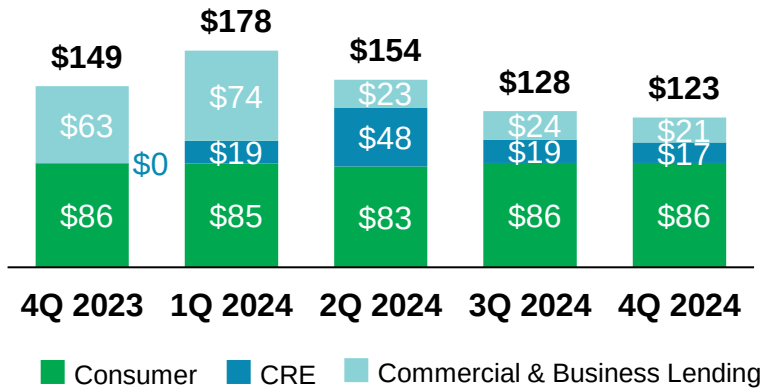
Total Delinquent Loans

($ in millions)



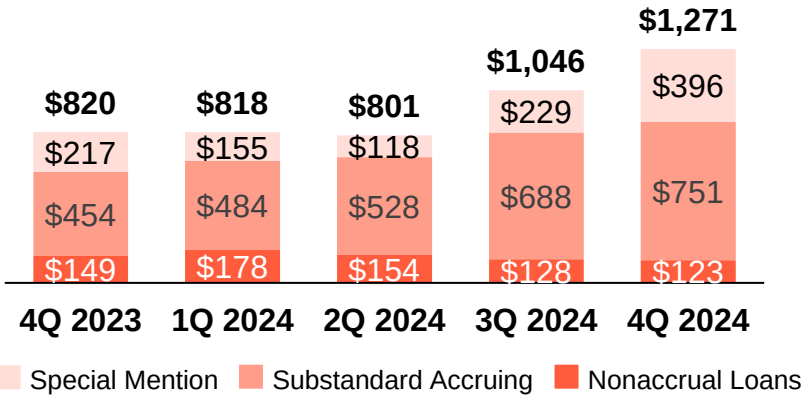
Nonaccrual Loans

($ in millions)



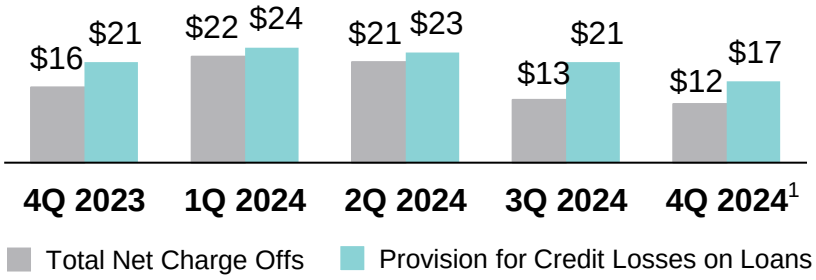
Total Criticized Loans

($ in millions)



Net Charge Offs & Provision

($ in millions)



[1] 4Q 2024 provision impact includes a $3 million release for the sale of $723 million in residential mortgage loan balances and a $4 million provision build for the purchase of $55 million in credit card balances during the quarter.

FY 2025 Outlook

	FY 2025 Guidance[1]
Total Loan Growth	**Up 5% to 6%**
Total Deposit Growth	**Up 1% to 2%**
Core Customer Deposit Growth[2]	**Up 4% to 5%**
Net Interest Income	**Up 12% to 13%**
Effective Tax Rate	**19% to 21%**
CET1 Capital Ratio	**10% to 10.5%**

	GAAP FY 2024 Result	Adjusted FY 2024 Result[3]	FY 2025 Guidance[4]
Noninterest Income	$(9)M	$269M	**Up 0% to 1%**
Noninterest Expense	$818M	$804M	**Up 3% to 4%**

[1] Projections are on an end of period basis as of and for the year ended 12/31/2025 as compared to 2024 results as of 12/31/2024 unless otherwise noted.
[2] Core customer deposits is a non-GAAP financial measure which excludes network transaction deposits and brokered CDs from total deposits. We have not provided a reconciliation of the projection for core customer deposits to the projection for total deposits due to the low visibility and unpredictability of the components of total deposits necessary for such reconciliation.
[3] Adjusted 2024 figures have been provided for noninterest income and noninterest expense to exclude the impact of nonrecurring items incurred as a result of a balance sheet repositioning that the Corporation announced in the fourth quarter of 2024. These figures are non-GAAP financial measures. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[4] Projections are on an end of period basis as of and for the year ended 12/31/2025 as compared to adjusted 2024 results as of 12/31/2024 unless otherwise noted.

Appendix

Balance Sheet Repositioning Summary

We are on track to finalize our balance sheet repositioning in 1Q 2025

	Estimated 12/4/2024	Actions Taken as of 12/31/2024	Remaining in 1Q 2025
Total Loans Sold[1]	**$0.2B in ARMs & $0.5B in fixed-rate mortgages** *Wtd. avg. yield ~2.99%*	**$723M** in residential mortgage balances moved to loans held for sale	Loan sale on track to close in January 2025
Securities Sold	**$1.3B in AFS securities** *Wtd. avg. yield 1.87%*	Sold **$1.295B** in AFS securities *Wtd. avg. yield 1.87%*	**Securities sale completed** ✓
4Q 2024 One-Time Loss (After-Tax)[2]	**$253M**	Reported **$256M** after-tax loss for loan sale, securities sale, credit card balance purchase & loss on prepayment of FHLB	FAS91 impact to be finalized upon closing of loan sale
Use of Proceeds	**Reinvest into $1.5B of GNMA securities** *Wtd. avg. yield ~5.08%* *~4 yr. duration*	Reinvested into **$1.486B** of GNMA securities *Wtd. avg. yield ~5.08%* *4.15 yr. duration*	**Securities reinvestment completed** ✓
		Purchased **$55M** in existing customer credit card balances	**Credit card balance purchase completed** ✓
	Repay $0.6B of FHLB advances *Wtd. avg. cost ~5.90%*	Paid down **$600M** of FHLB advances at 6.17% and temporarily borrowed **$600M** at a spread reduction of 1.43%	$600M of FHLB advances to be repaid upon closing of loan sale

[1] Approximately $723 million in residential mortgage balances were moved to loans held for sale as a result of the balance sheet repositioning announced during 4Q 2024. Loan sale expected to close during 1Q 2025. Number may be adjusted upon closing in 1Q 2025.

[2] Net of tax and the net provision impact of the residential mortgage loan sale and credit card balance purchase. Net provision impact includes a $3 million release for the sale of $723 million in residential mortgage loan balances and a $4 million provision build for the purchase of $55 million in credit card balances during the quarter.

Improving our Return Profile Over Time[1]

Our efforts to remix the balance sheet & drive toward improved profitability are on track

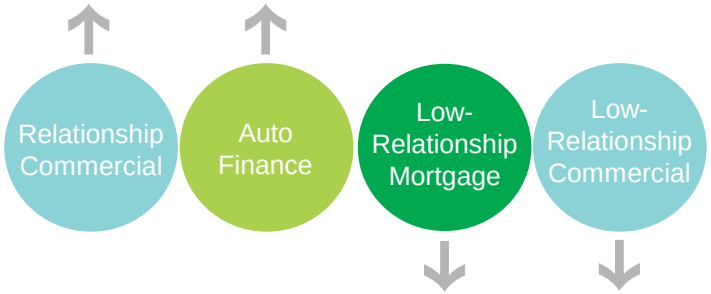
Assets

Growing diversified asset classes to decrease reliance on legacy low-yielding, low-relationship asset classes

Liabilities

Attracting & deepening customer relationships to decrease reliance on wholesale & network funding sources

Strategy



Highlights Since 2021

- Expanded Commercial & Business RMs by 44% since 12/31/2021
- Increased total commercial loans by $3.3B vs. 4Q21 (+21%)
- Added $2.8B in fixed-rate prime/super prime Auto Finance balances since 3Q21
- Exited TPO mortgage business in 1Q23
- Sold $969M in mortgage loans & pivoted to “originate to sell” model in 4Q23
- Sold $723M in mortgage loans in 4Q24

- Shifted to balanced RM scorecard to deepen Commercial relationships
- Modernized digital banking experience
- Quarterly upgrades to products & services
- $1.5B in net new Mass Affluent deposits
- Repaid $849M of FHLB advances in 4Q23 and an additional $600M in 4Q24
- Added new Specialty Deposit & Payment Solutions vertical in 4Q24
- Added $1.2B of core customer deposits[2] in 2024

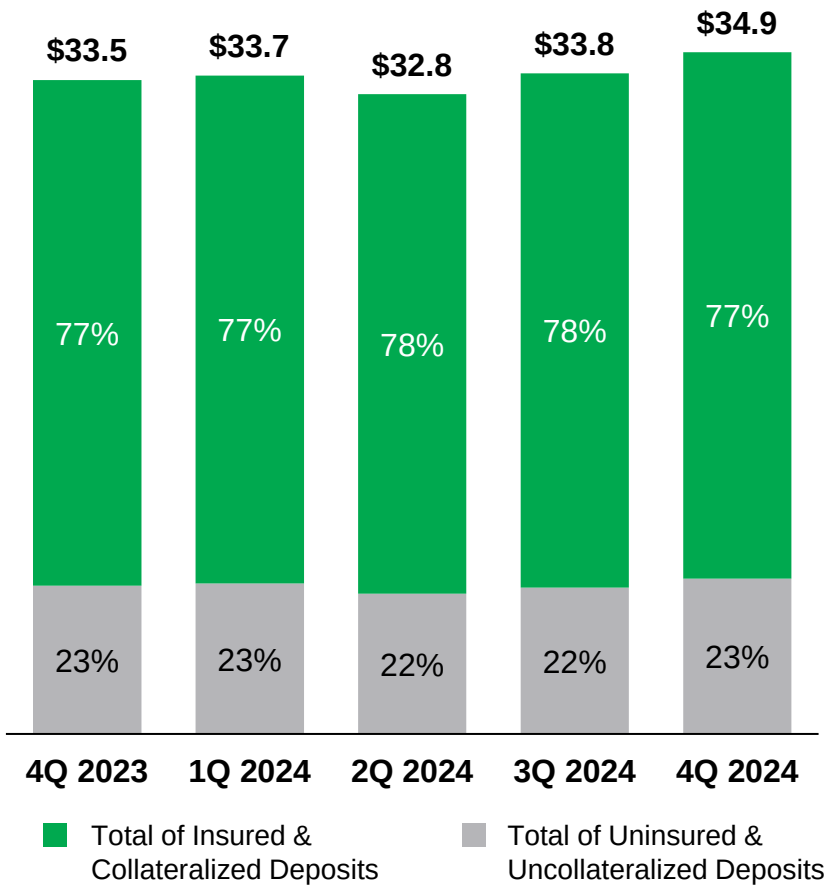
[1] All updates as of or for the period ended December 31, 2024 unless otherwise noted.
[2] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Stable, Granular Deposit Portfolio

As of 12/31/2024, ASB's total liquidity sources covered 162% of uninsured, uncollateralized deposits

Period End Deposit Trends (Associated Bank, N.A.)

($ in billions)



Liquidity Sources

	9/30/2024	12/31/2024
Federal Reserve Balance	$405.8	$451.3
FHLB Chicago Capacity	$6,164.5	$7,097.4
Fed Discount Window Capacity	$2,981.2	$2,778.3
Funding Available Within One Business Day[1]	**$9,551.5**	**$10,327.0**
Fed Funds Lines	$1,401.0	$1,164.0
Brokered Deposits Capacity[2]	$520.8	$418.2
Unsecured Debt Capacity[3]	$1,000.0	$1,000.0
Total Liquidity	**$12,473.3**	**$12,909.2**

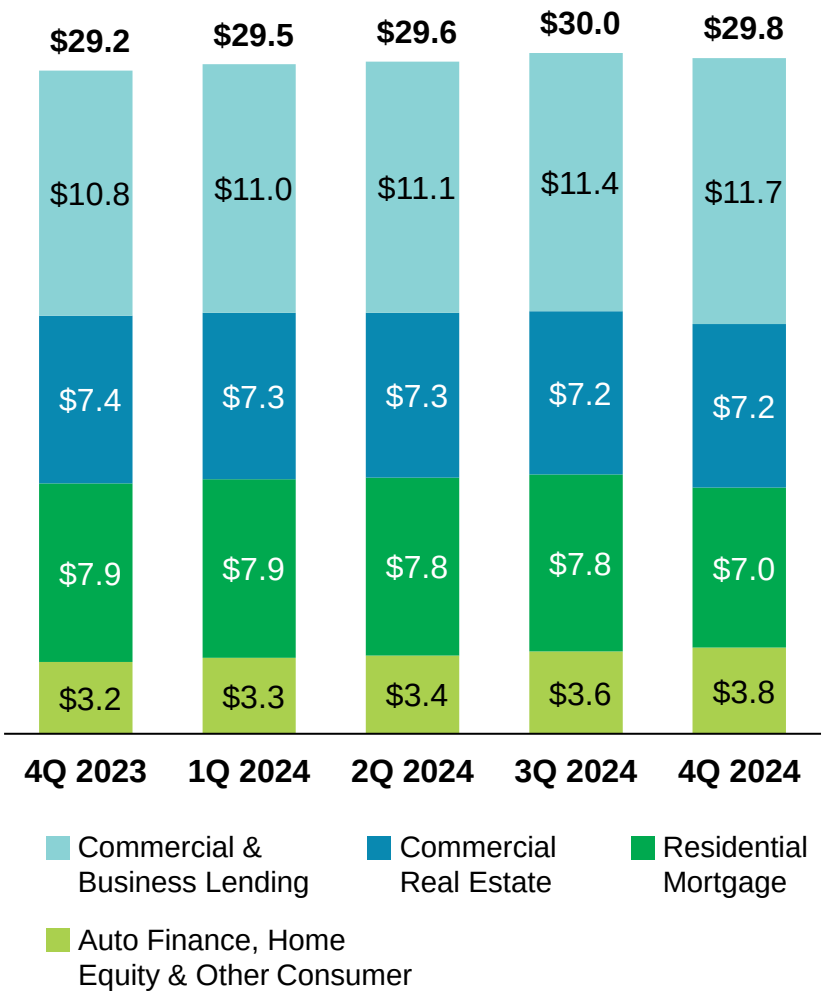
162%
of uninsured, uncollateralized deposits

[1] Estimated based on normal course of operations with the indicated institution.
[2] Availability based on internal policy limitations. The Corporation includes outstanding deposits that have received a primary purpose exemption in the brokered deposit classification as they have similar funding characteristics and risk as brokered deposits.
[3] Estimated availability based on the Corporation's current internal funding considerations.

Additional Quarterly Loan Trends

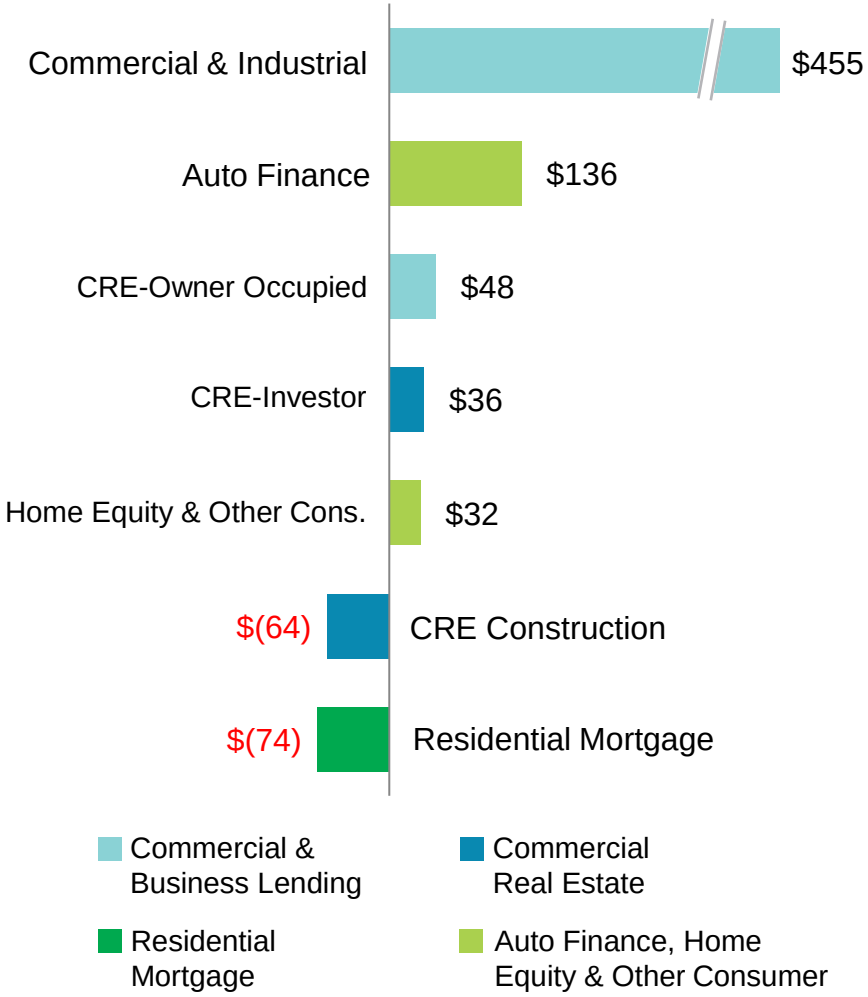
Period End Quarterly Loan Trends

($ in billions)



Quarterly Average Loan Change (3Q24 to 4Q24)

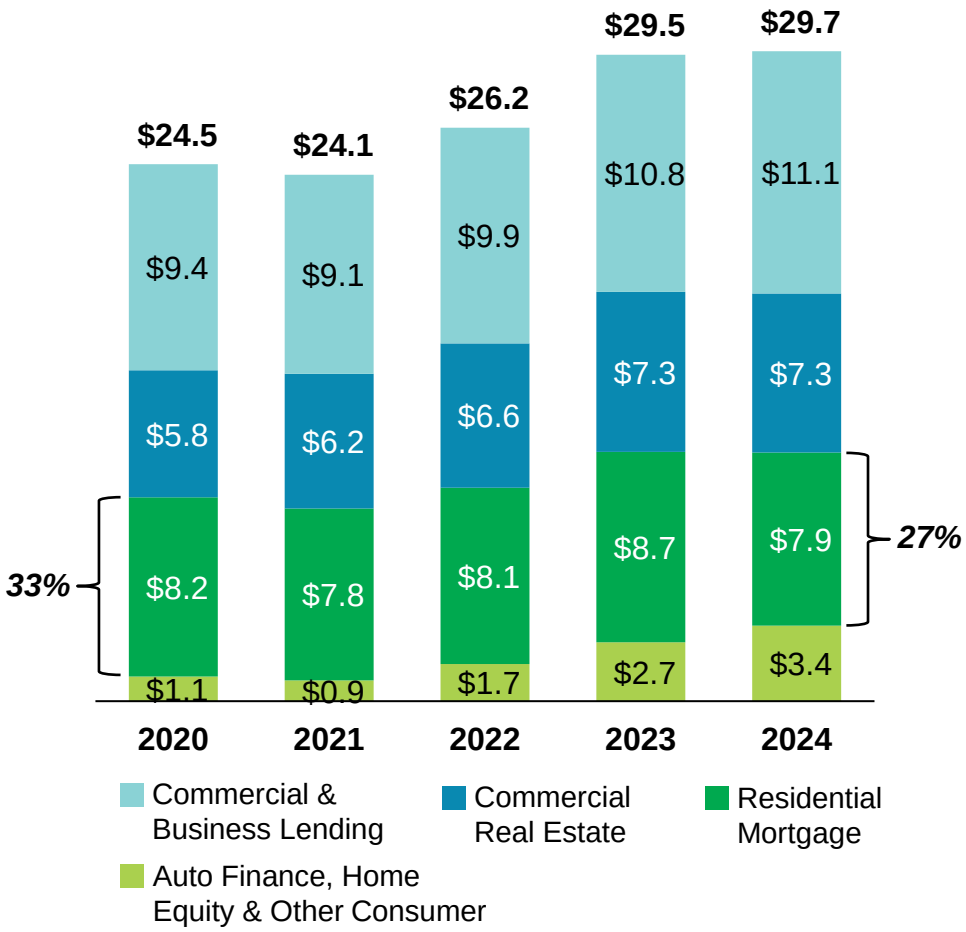
($ in millions)



Additional Annual Loan Trends

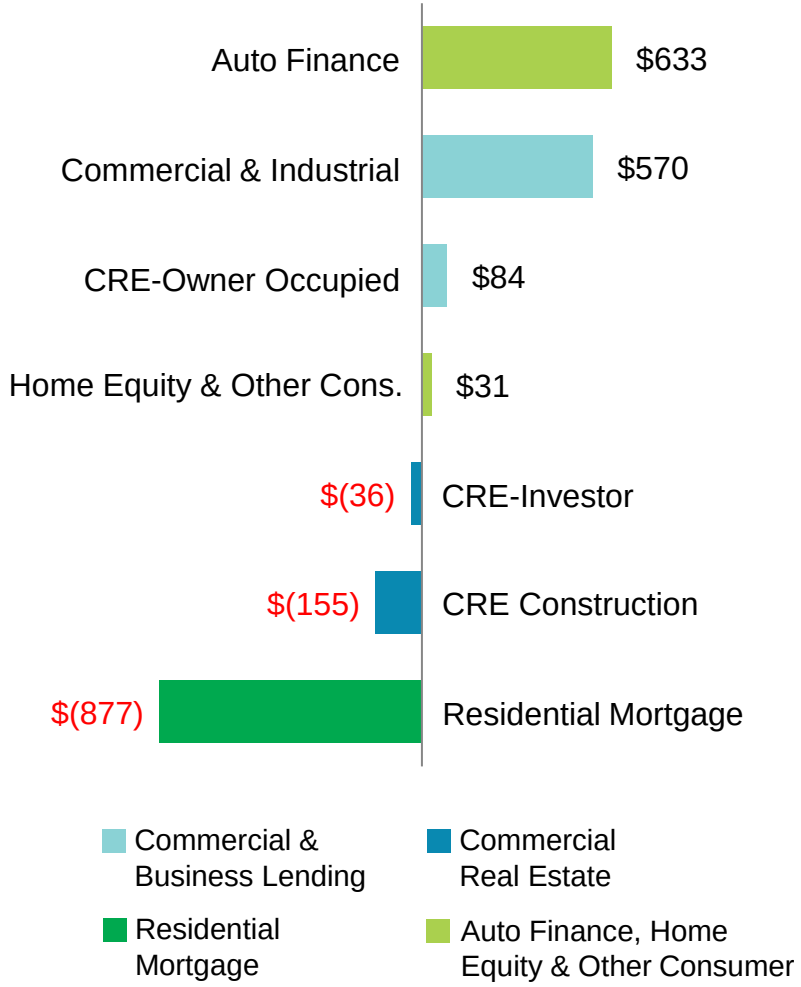
Average Annual Loans

($ in billions)



Quarterly Average Loan Change (4Q23 to 4Q24)

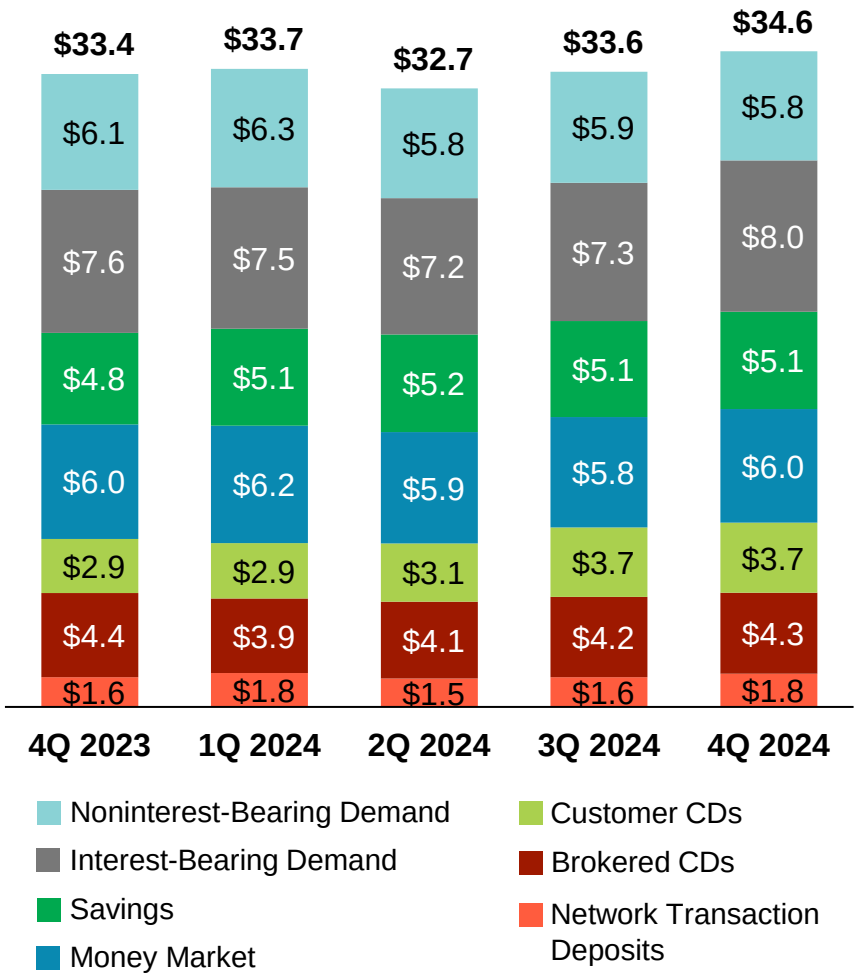
($ in millions)



Additional Quarterly Deposit & Funding Trends

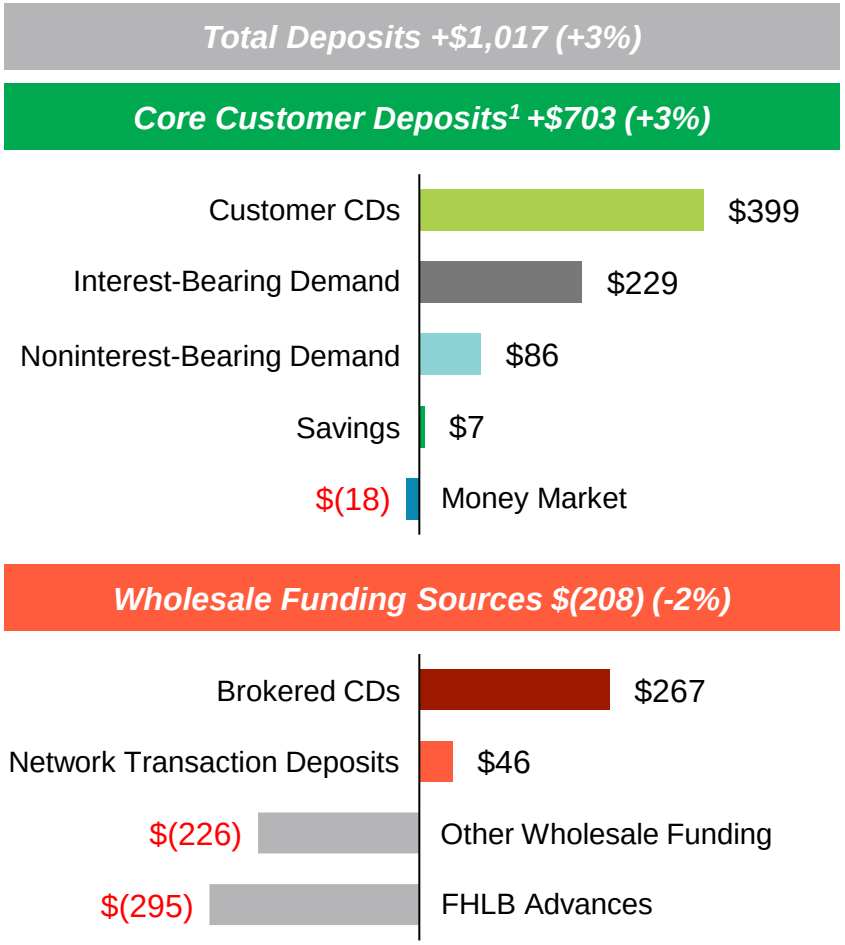
Period End Quarterly Deposits

($ in billions)



Average Funding Change (3Q 2024 to 4Q 2024)

($ in millions)

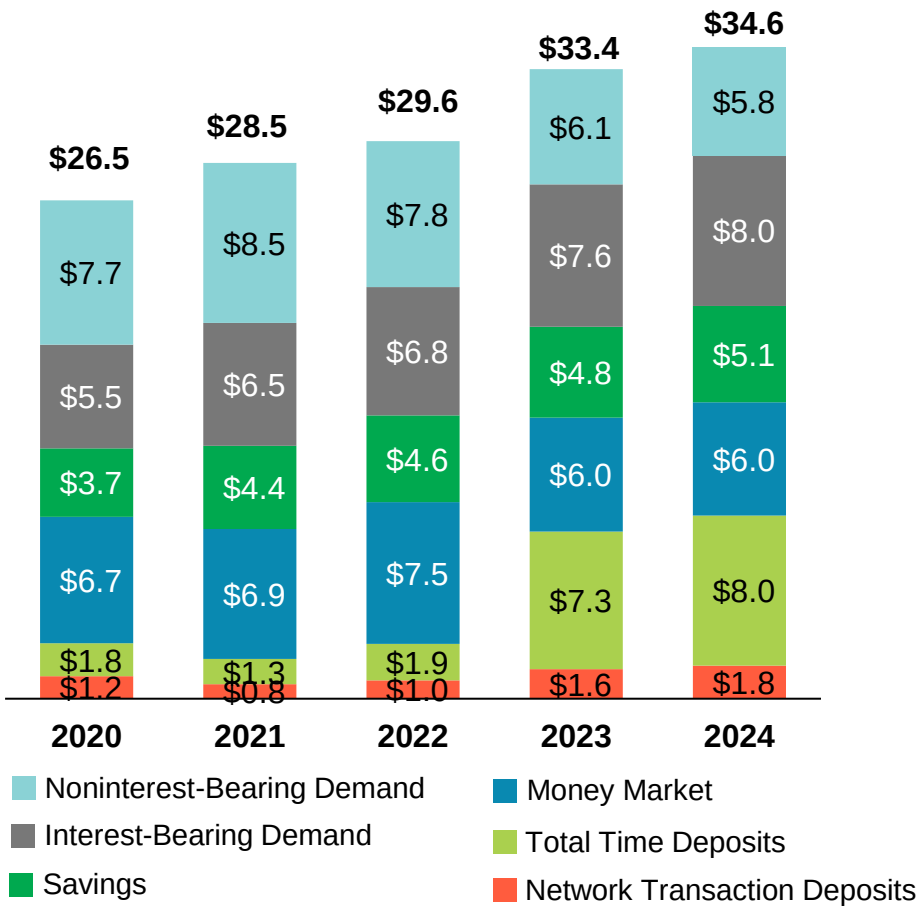


[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Additional Annual Deposit Trends

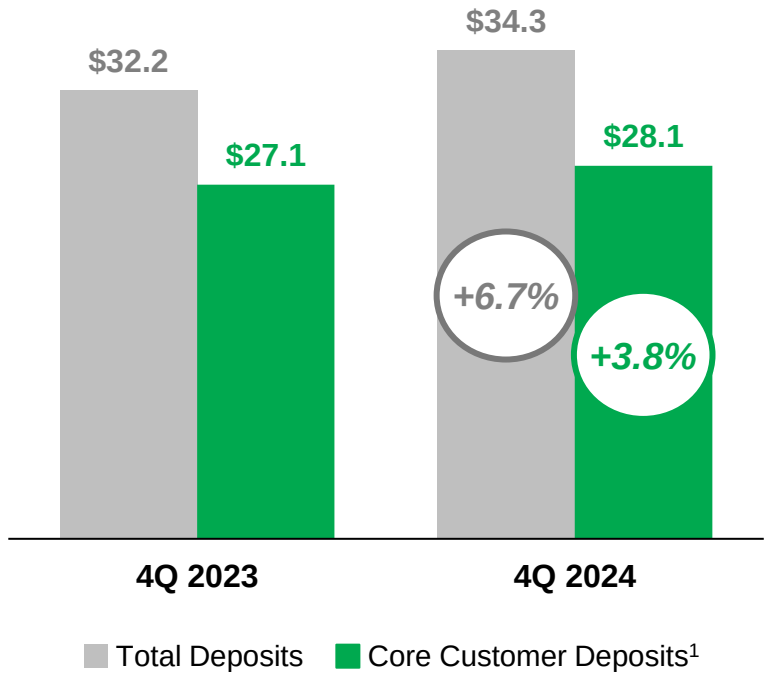
Period End Annual Deposits

($ in billions)



Quarterly Average Deposit Growth

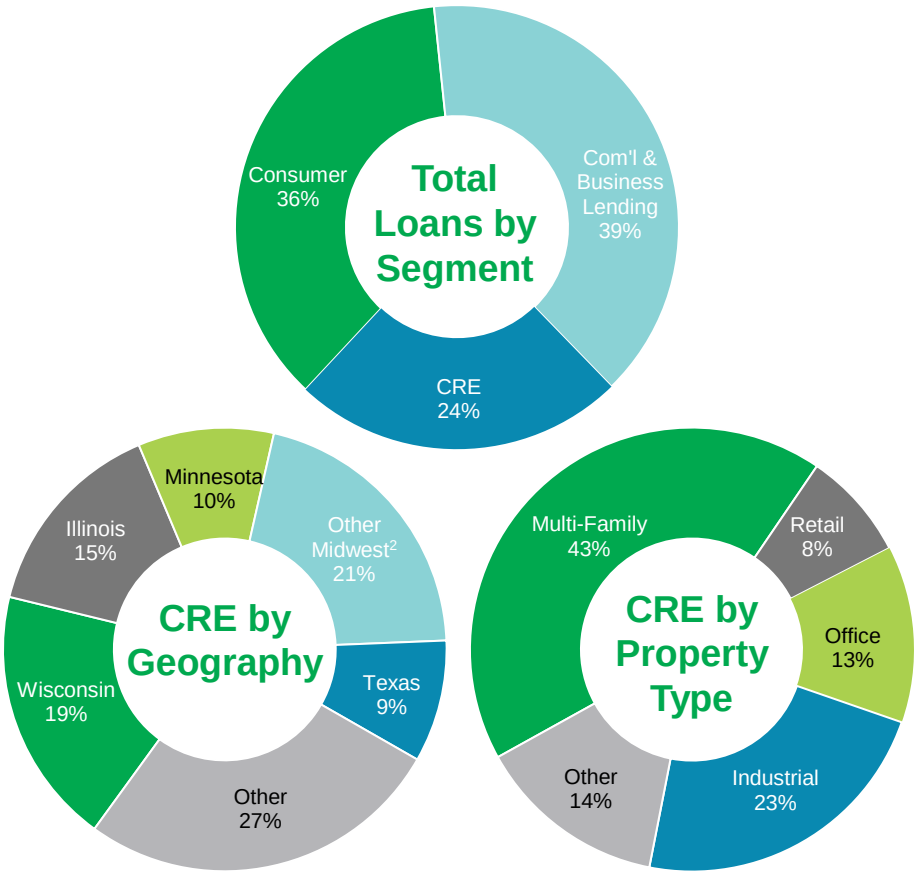
($ in billions)



[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

High-Quality Commercial Real Estate Portfolio[1]

ASB has built a diversified CRE portfolio by partnering with well-known developers in stable Midwest markets



CRE Credit Quality

	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24
Portfolio LTV	58%	59%	59%	58%	57%
Delinquencies/Loans[3]	0.52%	0.28%	0.01%	0.22%	0.50%
NALs/Loans	0.00%	0.26%	0.67%	0.26%	0.23%
ACLL/Loans	1.88%	1.87%	1.98%	2.20%	1.99%
NCOs/Avg. Loans[4]	(0.01%)	0.00%	0.25%	0.00%	0.37%

CRE Loan Portfolio Granularity

	% of Total Loans
Largest Single CRE Borrower	0.19%
Top 10 Largest CRE Borrowers	1.38%
Largest CRE Property Type (Multi-Fam)	10.34%
CRE Office Loans	**3.08%**

CRE Office Highlights

WAvg. Debt Service Coverage Ratio[5]	1.19x
2025 Remaining Maturities	$420 million
Central Business District vs. Suburban	~77% Suburban
Property Class Mix	~56% Class A[6]

[1] All updates as of or for the period ended December 31, 2024 unless otherwise noted.
[2] Other Midwest includes Missouri, Indiana, Ohio, Michigan and Iowa.
[3] Accruing loans 30-89 days past due + accruing loans 90+ days past due.
[4] Calculated on an annualized basis. Negative values indicate a net recovery.
[5] Calculated based on the 10-year Treasury rate plus 300 basis points/25-year amortization.
[6] Class A determined by third-party vendor partner mapping of portfolio.

Total Loans Outstanding Balances as of December 31, 2024

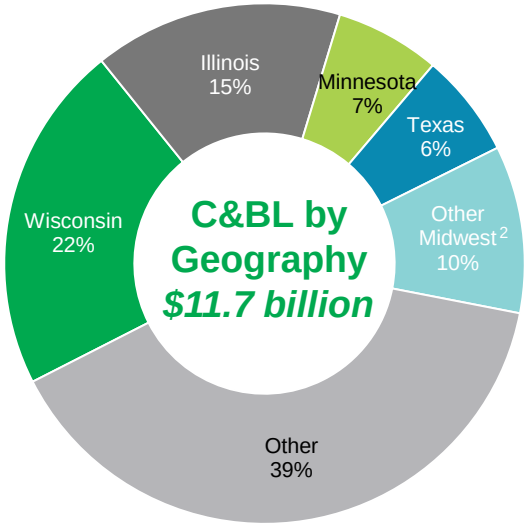
($ in millions)

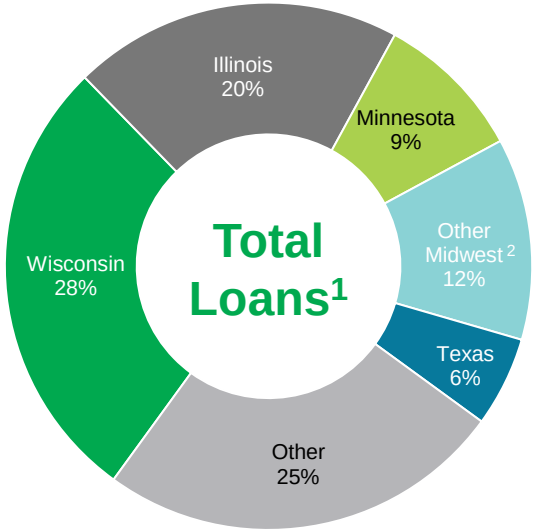
	12/31/2024[1]	% of Total Loans
C&BL (by NAICS[2])		
Utilities	$ 2,570	8.6%
Manufacturing & Wholesale Trade	2,452	8.2%
Real Estate (includes REITs)	2,074	7.0%
Finance & Insurance	708	2.4%
Mortgage Warehouse	670	2.2%
Retail Trade	551	1.9%
Rental and Leasing Services	476	1.6%
Transportation and Warehousing	396	1.3%
Health Care and Social Assistance	380	1.3%
Construction	362	1.2%
Professional, Scientific, and Tech. Serv.	301	1.0%
Waste Management	215	0.7%
Accommodation and Food Services	101	0.3%
Management of Companies & Enterprises	60	0.2%
Arts, Entertainment, and Recreation	59	0.2%
Information	58	0.2%
Educational Services	29	0.1%
Public Administration	16	0.1%
Agriculture, Forestry, Fishing and Hunting	0	0.0%
Mining	-	0.0%
Other	240	0.8%
Total C&BL	$ 11,717	39.4%

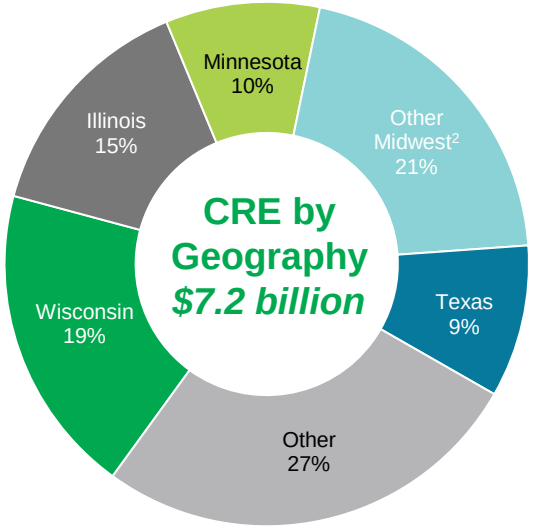
	12/31/2024[1]	% of Total Loans
CRE (by property type)		
Multi-Family	$ 3,077	10.3%
Industrial	1,635	5.5%
Office	917	3.1%
Retail	599	2.0%
Warehouse	205	0.7%
Hotel/Motel	195	0.7%
Medical	156	0.5%
Single Family Construction	156	0.5%
Land	96	0.3%
Self Storage	20	0.1%
Other	155	0.5%
Total CRE	$ 7,211	24.2%
Consumer		
Residential Mortgage	$ 7,048	23.7%
Auto Finance	2,810	9.4%
Home Equity	664	2.2%
Credit Cards	197	0.7%
Student Loans	49	0.2%
Other	72	0.2%
Total Consumer	$ 10,840	36.4%
Total Loans	$ 29,769	100.0%

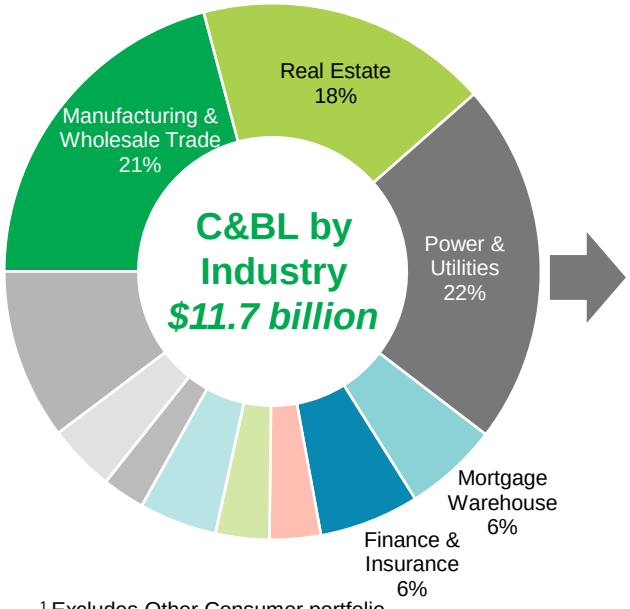
[1] All values as of period end.
[2] North American Industry Classification System.

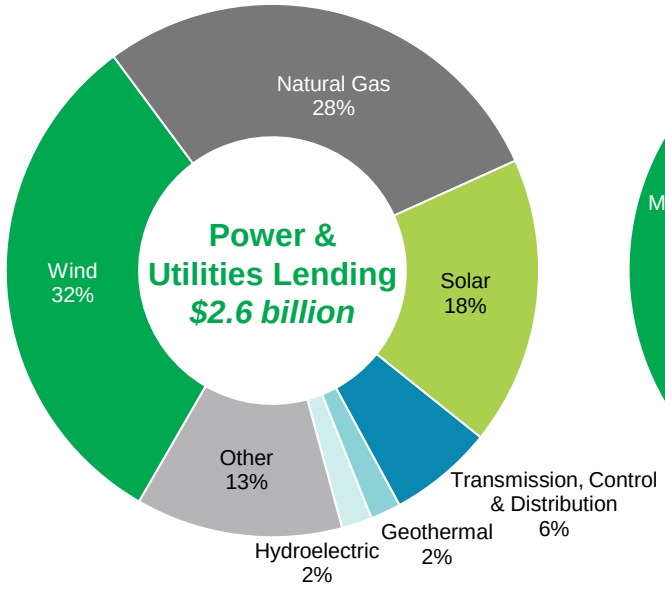
Loan Stratification Outstanding Balances as of December 31, 2024

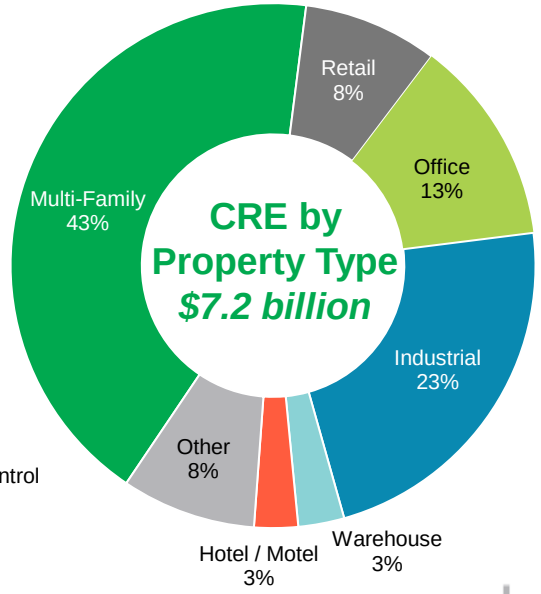










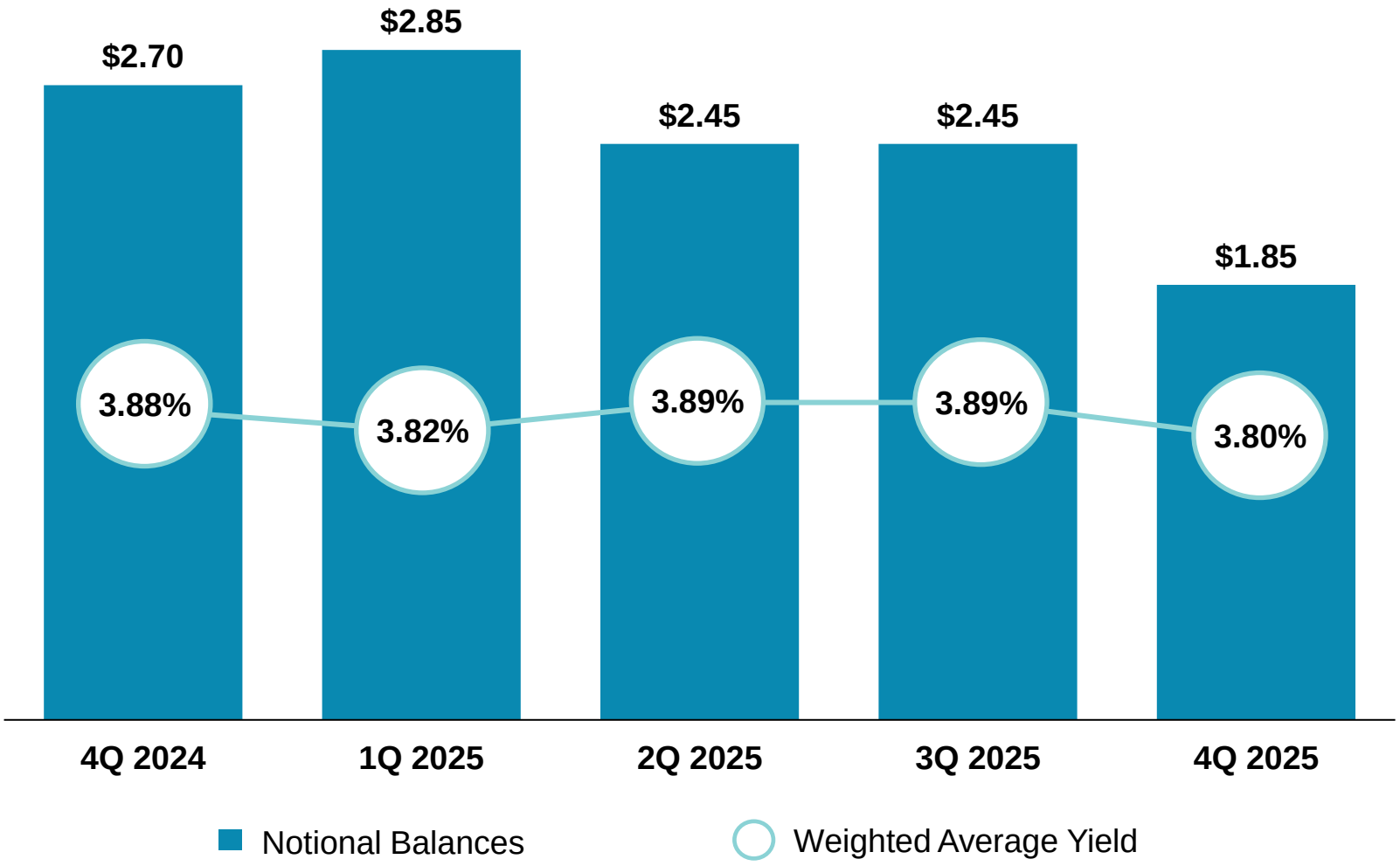


[1] Excludes Other Consumer portfolio.
[2] Other Midwest includes Missouri, Indiana, Ohio, Michigan and Iowa.

Swaps Update

Contractual swap balances as of 12/31/2024

($ in billions)



Reconciliation & Definitions of Non-GAAP Items

Nonrecurring Item Reconciliation ($ in millions, except per share data)	YTD Dec 2024	YTD Dec 2024 per share data (diluted)		4Q 2024	4Q 2024 per share data (diluted)
GAAP net income (loss)	$123	$0.72		$(162)	$(1.03)
Loss on mortgage portfolio sale[1]	130	0.85		130	0.82
Provision on initiatives	1	0.01		1	0.01
Net loss on sale of investments[1]	148	0.96		148	0.93
Loss on prepayments of FHLB advances[1]	14	0.09		14	0.09
Tax effect	(39)	(0.25)		(39)	(0.24)
Net income, excluding nonrecurring items, net of tax	$379	$2.38		$94	$0.57
Less preferred stock dividends	(12)			(3)	
Net income available to common equity, excluding nonrecurring items, net of tax	$367			$91	

Nonrecurring Item Noninterest Income Reconciliation ($ in thousands)	YTD Dec 2024	YTD Dec 2023	4Q 2024	4Q 2023
GAAP noninterest (loss) income	$(9,407)	$63,182	$(206,772)	(131,013)
Loss on mortgage portfolio sale[1]	130,406	136,239	130,406	136,239
Net loss on sale of investments[1]	148,183	64,940	148,183	64,940
Noninterest income, excluding nonrecurring items	$269,182	$264,361	$71,816	$70,166

Adjusted Revenue Reconciliation ($ in millions)	YTD Dec 2024	YTD Dec 2023
Net interest income	$1,047	$1,040
GAAP noninterest (loss) income	(9)	63
Loss on mortgage portfolio sale[1]	130	136
Net loss on sale of investments[1]	148	65
Noninterest income, excluding nonrecurring items	269	264
Adjusted total revenue, excluding nonrecurring items	$1,316	$1,304

[1] These items classified as nonrecurring items are the result of balance sheet repositionings that the Corporation announced in the fourth quarters of 2024 and 2023.

Reconciliation & Definitions of Non-GAAP Items

Nonrecurring Item Noninterest Expense Reconciliation ($ in thousands)	YTD Dec 2024	YTD Dec 2023	4Q 2024	4Q 2023
GAAP noninterest expense	$818,397	$813,682	$224,282	$239,391
Loss on prepayments of FHLB advances[1]	(14,243)	-	(14,243)	-
FDIC special assessment[1]	-	(30,597)	-	(30,597)
Noninterest expense, excluding nonrecurring items	$804,154	$783,085	$210,039	$208,795

Period End Loans Reconciliation ($ in thousands)	4Q 2024
Loans	$29,768,586
Mortgage portfolio loans transferred to held for sale	722,943
Adjusted loans	$30,491,529

Period End Core Customer Deposits Reconciliation ($ in millions)	4Q 2024	3Q 2024	2Q 2024	1Q 2024	4Q 2023
Total deposits	$34,648	$33,554	$32,691	$33,713	$33,446
Network transaction deposits	(1,758)	(1,567)	(1,503)	(1,793)	(1,566)
Brokered CDs	(4,276)	(4,243)	(4,062)	(3,931)	(4,447)
Core customer deposits	$28,614	$27,745	$27,127	$27,989	$27,432

Quarterly Average Core Customer Deposits Reconciliation ($ in millions)	4Q 2024	3Q 2024	2Q 2024	1Q 2024	4Q 2023
Total deposits	$34,337	$33,321	$32,629	$33,267	$32,192
Network transaction deposits	(1,691)	(1,644)	(1,595)	(1,652)	(1,617)
Brokered CDs	(4,515)	(4,248)	(3,928)	(4,269)	(3,471)
Core customer deposits	$28,132	$27,429	$27,106	$27,346	$27,105

[1] These items classified as nonrecurring items are the result of balance sheet repositionings that the Corporation announced in the fourth quarters of 2024 and 2023.

Reconciliation & Definitions of Non-GAAP Items

Common Equity Tier 1 Capital Ratio Reconciliation	4Q 2024	3Q 2024	2Q 2024	1Q 2024	4Q 2023
Common equity Tier 1 capital ratio	10.00%	9.72%	9.68%	9.43%	9.39%
Accumulated other comprehensive loss adjustment	(0.22)%	(0.34)%	(0.67)%	(0.64)%	(0.52)%
Common equity Tier 1 capital ratio including accumulated other comprehensive loss	9.78%	9.38%	9.01%	8.79%	8.87%

Selected Trend Information[1] ($ in millions)	4Q 2024	3Q 2024	2Q 2024	1Q 2024	4Q 2023
Wealth management fees	$24	$24	$23	$22	$21
Service charges and deposit account fees	13	14	12	12	11
Card-based fees	12	12	12	11	12
Other fee-based revenue	5	5	5	4	4
Fee-based revenue	54	55	52	50	47
Other[2]	(261)	13	13	15	(178)
Total noninterest income	$(207)	$67	$65	$65	$(131)

Efficiency Ratio Reconciliation[3]	4Q 2024	3Q 2024	2Q 2024	1Q 2024	4Q 2023
Federal Reserve efficiency ratio	107.36%	61.46%	61.51%	61.03%	132.01%
Fully tax-equivalent adjustment	(1.83)%	(0.69)%	(0.71)%	(0.71)%	(3.29)%
Other intangible amortization	(1.04)%	(0.67)%	(0.68)%	(0.69)%	(1.21)%
Fully tax-equivalent efficiency ratio	104.50%	60.11%	60.12%	59.63%	127.54%
FDIC special assessment	0.14%	0.30%	0.73%	(2.38)%	(9.50)%
Announced initiatives	(43.53)%	-	-	-	(53.92)%
Adjusted efficiency ratio	61.11%	60.42%	60.85%	57.25%	64.12%

[1] These financial measures have been included as they provide meaningful supplemental information to assess trends in the Corporation's results of operations.

[2] Other noninterest income is primarily comprised of capital markets, net, mortgage banking, net, bank and corporate owned life insurance, asset gains (losses), net and investment securities gains (losses), net. 4Q 2024 other noninterest income includes the loss on mortgage portfolio sale and net loss on sale of investments that are classified as nonrecurring items and are the result of a balance sheet repositioning that the Corporation announced in the fourth quarter of 2024. 4Q 2023 other noninterest income includes the loss on mortgage portfolio sale and net loss on sale of investments that are classified as nonrecurring items and are the result of a balance sheet repositioning that the Corporation announced in the fourth quarter of 2023.

[3] The efficiency ratio as defined by the Federal Reserve guidance is noninterest expense (which includes the provision for unfunded commitments) divided by the sum of net interest income plus noninterest income, excluding investment securities gains (losses), net. The fully tax-equivalent efficiency ratio is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains (losses), net. The adjusted efficiency ratio is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization, FDIC special assessment costs, and announced initiatives, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains (losses), net and announced initiatives. Management believes the adjusted efficiency ratio is a meaningful measure as it enhances the comparability of net interest income arising from taxable and tax-exempt sources and provides a better measure as to how the Corporation is managing its expenses by adjusting for nonrecurring costs like the FDIC special assessment and announced initiatives.

Reconciliation & Definitions of Non-GAAP Items

Tangible Common Equity and Tangible Assets Reconciliation[1] ($ in millions)	4Q 2024	3Q 2024	2Q 2024	1Q 2024	4Q 2023
Common equity	$4,411	$4,219	$4,048	$3,975	$3,980
Goodwill and other intangible assets, net	(1,137)	(1,139)	(1,141)	(1,143)	(1,145)
Tangible common equity	$3,275	$3,080	$2,907	$2,831	$2,834
Total assets	$43,023	$42,211	$41,624	$41,137	$41,016
Goodwill and other intangible assets, net	(1,137)	(1,139)	(1,141)	(1,143)	(1,145)
Tangible assets	$41,886	$41,072	$40,483	$39,994	$39,870

[1] The ratio tangible common equity to tangible assets excludes goodwill and other intangible assets, net. This financial measure has been included as it is considered to be a critical metric with which to analyze and evaluate financial condition and capital strength.