



## **For Immediate Release**

### **First Hawaiian, Inc. Reports Second Quarter 2020 Financial Results and Declares Dividend**

HONOLULU, Hawaii July 24, 2020--(Globe Newswire)--First Hawaiian, Inc. (NASDAQ:FHB), ("First Hawaiian" or the "Company") today reported financial results for its quarter ended June 30, 2020.

"I am very proud of our teams' extraordinary efforts to manage through the pandemic's disruption with agility and resilience while ensuring the health and safety of their co-workers, customers and community," said Bob Harrison, Chairman, President and CEO. "During this difficult time for our local economy, we focused our efforts on creating stability by offering relief assistance to customers and support to the community. Our teams leveraged technology investments to develop an online application portal that enabled us to secure over \$940 million in PPP loans for 6,000 small business customers. We also successfully launched the Aloha for Hawaii Fund, which supported the restaurant industry, and donated \$1 million to non-profits for COVID-19 relief. Another \$1 million was donated to the Stronger Together Fund to support the 2020 public high school graduates as they transition to the next phase of their lives."

On July 22, 2020 the Company's Board of Directors declared a quarterly cash dividend of \$0.26 per share. The dividend will be payable on September 4, 2020 to stockholders of record at the close of business on August 24, 2020.

#### **Second Quarter 2020 Highlights:**

- Net income of \$20.0 million, or \$0.15 per diluted share
- Total loans and leases increased \$383.8 million, or 2.9%, versus prior quarter
- Deposits balances increased \$2.3 billion, or 13.8% versus the prior quarter
- Net interest margin ("NIM") was 2.58%
- Recorded a \$55.4 million provision for credit losses
- Board of Directors declared a quarterly dividend of \$0.26 per share

#### **Balance Sheet**

Total assets were \$23.0 billion as of June 30, 2020, compared to \$20.8 billion as of March 31, 2020.

Gross loans and leases were \$13.8 billion as of June 30, 2020, an increase of \$383.8 million, or 2.9%, from \$13.4 billion as of March 31, 2020. Loan growth was driven by Paycheck Protection Program ("PPP") loans, partially offset by declines in other commercial loans, including shared national credits ("SNCs") and dealer flooring loans.

Total deposits were \$19.4 billion as of June 30, 2020, an increase of \$2.3 billion, or 13.8%, from \$17.0 billion as of March 31, 2020. The increase in deposit balances was due to growth in consumer and commercial deposits, which included a portion of PPP loan proceeds, and an increase in public deposits.

#### **Net Interest Income**

Net interest income for the second quarter of 2020 was \$127.8 million, a decrease of \$10.9 million, or 7.8%, compared to \$138.7 million for the prior quarter.

The NIM was 2.58% in the second quarter of 2020, a decrease of 54 basis points compared to 3.12% in the first quarter of 2020. The decline in NIM was due to lower interest rates and excess liquidity.

#### **Provision Expense**

During the quarter ended June 30, 2020, the Bank recorded a total provision for credit losses of \$55.4 million. In the quarter ended March 31, 2020, the total provision for credit losses was \$41.2 million. The provision expense recorded in the first and second quarters was due to expectations for increased credit losses as a result of COVID-19 and its impact on Hawaii's economy.

#### **Noninterest Income**

Noninterest income was \$45.7 million in the second quarter of 2020, a decrease of \$3.6 million compared to noninterest income of \$49.2 million in the first quarter of 2020.

## **Noninterest Expense**

Noninterest expense was \$91.5 million in the second quarter of 2020, a decrease of \$5.0 million from \$96.5 million in the first quarter of 2020.

The efficiency ratio was 52.7% and 51.3% for the quarters ended June 30, 2020 and March 31, 2020, respectively.

## **Taxes**

The effective tax rate was 24.6% for the quarter ended June 30, 2020 and 22.6% for the quarter ended March 31, 2020.

## **Asset Quality**

The allowance for credit losses was \$192.1 million, or 1.40% of total loans and leases, as of June 30, 2020, compared to \$166.0 million, or 1.24% of total loans and leases, as of March 31, 2020. The reserve for unfunded commitments was \$23.2 million as of June 30, 2020 compared to \$17.3 million as of March 31, 2020. Net charge-offs were \$23.4 million, or 0.67% of average loans and leases on an annualized basis for the quarter ended June 30, 2020, compared to \$6.1 million, or 0.19% of average loans and leases on an annualized basis for the quarter ended March 31, 2020. Total non-performing assets were \$33.3 million, or 0.24% of total loans and leases and other real estate owned, at June 30, 2020, compared to non-performing assets of \$7.2 million, or 0.05% of total loans and leases and other real estate owned, at March 31, 2020.

## **Capital**

Total stockholders' equity was \$2.7 billion at both June 30 and March 31, 2020.

The tier 1 leverage, common equity tier 1 and total capital ratios were 7.75%, 11.86% and 13.11%, respectively, at June 30, 2020, compared with 8.63%, 11.65% and 12.90%, respectively, at March 31, 2020.

The Company suspended its stock repurchase program during the first quarter and did not repurchase any shares of common stock in the second quarter.

## **First Hawaiian, Inc.**

First Hawaiian, Inc. (NASDAQ:FHB) is a bank holding company headquartered in Honolulu, Hawaii. Its principal subsidiary, First Hawaiian Bank, founded in 1858 under the name Bishop & Company, is Hawaii's oldest and largest financial institution with branch locations throughout Hawaii, Guam and Saipan. The company offers a comprehensive suite of banking services to consumer and commercial customers including deposit products, loans, wealth management, insurance, trust, retirement planning, credit card and merchant processing services. Customers may also access their accounts through ATMs, online and mobile banking channels. For more information about First Hawaiian, Inc., visit the Company's website, [www.fhb.com](http://www.fhb.com).

## **Conference Call Information**

First Hawaiian will host a conference call to discuss the Company's results today at 1:00 p.m. Eastern Time, 7:00 a.m. Hawaii Time. To access the call, participants should dial (844) 452-2942 (US/Canada), or (574) 990-9846 (International) ten minutes prior to the start of the call and enter the conference ID: 4496063. A live webcast of the conference call, including a slide presentation, will be available at the following link: [www.fhb.com/earnings](http://www.fhb.com/earnings). The archive of the webcast will be available at the same location. A telephonic replay of the conference call will be available two hours after the conclusion of the call until 4:30 p.m. (Eastern Time) on July 31, 2020. Access the replay by dialing (855) 859-2056 or (404) 537-3406 and entering the conference ID: 4496063.

## **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as "may", "might", "should", "could", "predict", "potential", "believe", "expect", "continue", "will", "anticipate", "seek", "estimate", "intend", "plan", "projection", "would", "annualized" and "outlook", or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. Further, statements about the potential effects of the COVID-19 pandemic on our businesses and financial results and conditions may constitute forward-looking statements and are subject to the risk that the actual effects may differ, possibly materially, from what is reflected in those forward-looking statements due to factors and future developments that are uncertain, unpredictable and in many cases beyond our control, including the scope and duration of the pandemic, actions taken by governmental authorities in response to the pandemic, and the direct and indirect impact of the pandemic on our customers, third parties and us. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, there can be no assurance that actual results will not prove to be materially different from the results expressed or implied by the forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the domestic

and global economic environment and capital market conditions and other risk factors. For a discussion of some of these risks and important factors that could affect our future results and financial condition, see our U.S. Securities and Exchange Commission (“SEC”) filings, including, but not limited to, our Annual Report on Form 10-K for the year ended December 31, 2019 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.

### **Use of Non-GAAP Financial Measures**

We present net interest income, noninterest income, noninterest expense, net income, earnings per share (basic and diluted) and the related ratios described below, on an adjusted, or “core,” basis, each a non-GAAP financial measure. These core measures exclude from the corresponding GAAP measure the impact of certain items that we do not believe are representative of our financial results. We believe that the presentation of these non-GAAP financial measures helps identify underlying trends in our business from period to period that could otherwise be distorted by the effect of certain expenses, gains and other items included in our operating results. We believe that these core measures provide useful information about our operating results and enhance the overall understanding of our past performance and future performance. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition.

Core net interest margin, core efficiency ratio, core return on average total assets and core return on average total stockholders’ equity are non-GAAP financial measures. We compute our core net interest margin as the ratio of core net interest income to average earning assets. We compute our core efficiency ratio as the ratio of core noninterest expense to the sum of core net interest income and core noninterest income. We compute our core return on average total assets as the ratio of core net income to average total assets. We compute our core return on average total stockholders’ equity as the ratio of core net income to average total stockholders’ equity.

Return on average tangible stockholders’ equity, core return on average tangible stockholders’ equity, return on average tangible assets, core return on average tangible assets and tangible stockholders’ equity to tangible assets are non-GAAP financial measures. We compute our return on average tangible stockholders’ equity as the ratio of net income to average tangible stockholders’ equity, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total stockholders’ equity. We compute our core return on average tangible stockholders’ equity as the ratio of core net income to average tangible stockholders’ equity, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total stockholders’ equity. We compute our return on average tangible assets as the ratio of net income to average tangible assets, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total assets. We compute our core return on average tangible assets as the ratio of core net income to average tangible assets. We compute our tangible stockholders’ equity to tangible assets as the ratio of tangible stockholders’ equity to tangible assets, each of which we calculate by subtracting (and thereby effectively excluding) the value of our goodwill. We believe that these measurements are useful for investors, regulators, management and others to evaluate financial performance and capital adequacy relative to other financial institutions. Although these non-GAAP financial measures are frequently used by stakeholders in the evaluation of a company, they have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results or financial condition as reported under GAAP.

Tables 14 and 15 at the end of this document provide a reconciliation of these non-GAAP financial measures with their most directly comparable GAAP measures.

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## Financial Highlights

Table 1

|  | For the Three Months Ended |                   |                  | For the Six Months Ended |               |
|--|----------------------------|-------------------|------------------|--------------------------|---------------|
|  | June 30,<br>2020           | March 31,<br>2020 | June 30,<br>2019 | June 30,<br>2020         | 2019          |
| (dollars in thousands, except per share data)                                  |                            |                   |                  |                          |               |
| <b>Operating Results:</b>  |                            |                   |                  |                          |               |
| Net interest income  | \$ 127,822                 | \$ 138,683        | \$ 145,613       | \$ 266,505               | \$ 290,702    |
| Provision for credit losses  | 55,446                     | 41,200            | 3,870            | 96,646                   | 9,550         |
| Noninterest income   | 45,656                     | 49,228            | 48,773           | 94,884                   | 95,845        |
| Noninterest expense  | 91,450                     | 96,466            | 93,290           | 187,916                  | 185,913       |
| Net income   | 20,049                     | 38,865            | 72,433           | 58,914                   | 142,357       |
| Basic earnings per share   | 0.15                       | 0.30              | 0.54             | 0.45                     | 1.06          |
| Diluted earnings per share   | 0.15                       | 0.30              | 0.54             | 0.45                     | 1.06          |
| Dividends declared per share   | 0.26                       | 0.26              | 0.26             | 0.52                     | 0.52          |
| Dividend payout ratio  | 173.33 %                   | 86.67 %           | 48.15 %          | 115.56 %                 | 49.06 %       |
| <b>Supplemental Income Statement Data (non-GAAP):</b>                          |                            |                   |                  |                          |               |
| Core net interest income   | \$ 127,822                 | \$ 138,683        | \$ 145,613       | \$ 266,505               | \$ 290,702    |
| Core noninterest income  | 45,867                     | 49,143            | 48,752           | 95,010                   | 98,437        |
| Core noninterest expense   | 91,450                     | 96,466            | 93,029           | 187,916                  | 185,391       |
| Core net income  | 20,204                     | 38,803            | 72,612           | 59,007                   | 144,664       |
| Core basic earnings per share  | 0.16                       | 0.30              | 0.54             | 0.45                     | 1.07          |
| Core diluted earnings per share  | 0.16                       | 0.30              | 0.54             | 0.45                     | 1.07          |
| <b>Performance Ratio<sup>(1)</sup>:</b>  |                            |                   |                  |                          |               |
| Net interest margin  | 2.58 %                     | 3.12 %            | 3.25 %           | 2.84 %                   | 3.24 %        |
| Core net interest margin (non-GAAP)  | 2.58 %                     | 3.12 %            | 3.25 %           | 2.84 %                   | 3.24 %        |
| Efficiency ratio   | 52.70 %                    | 51.33 %           | 47.99 %          | 51.99 %                  | 48.09 %       |
| Core efficiency ratio (non-GAAP)   | 52.64 %                    | 51.35 %           | 47.86 %          | 51.97 %                  | 47.64 %       |
| Return on average total assets   | 0.36 %                     | 0.77 %            | 1.42 %           | 0.56 %                   | 1.40 %        |
| Core return on average total assets (non-GAAP)                                 | 0.36 %                     | 0.77 %            | 1.43 %           | 0.56 %                   | 1.43 %        |
| Return on average tangible assets (non-GAAP)                                   | 0.38 %                     | 0.81 %            | 1.50 %           | 0.58 %                   | 1.48 %        |
| Core return on average tangible assets (non-GAAP) <sup>(2)</sup>               | 0.38 %                     | 0.81 %            | 1.50 %           | 0.58 %                   | 1.50 %        |
| Return on average total stockholders' equity                                   | 2.99 %                     | 5.87 %            | 11.13 %          | 4.42 %                   | 11.15 %       |
| Core return on average total stockholders' equity (non-GAAP)                   | 3.01 %                     | 5.87 %            | 11.16 %          | 4.43 %                   | 11.33 %       |
| Return on average tangible stockholders' equity (non-GAAP)                     | 4.74 %                     | 9.39 %            | 17.99 %          | 7.04 %                   | 18.17 %       |
| Core return on average tangible stockholders' equity (non-GAAP) <sup>(3)</sup> | 4.77 %                     | 9.37 %            | 18.03 %          | 7.05 %                   | 18.46 %       |
| <b>Average Balances:</b>   |                            |                   |                  |                          |               |
| Average loans and leases   | \$ 13,956,669              | \$ 13,191,426     | \$ 13,209,655    | \$ 13,574,048            | \$ 13,142,057 |
| Average earning assets   | 19,854,795                 | 17,814,189        | 17,971,615       | 18,834,492               | 18,031,189    |
| Average assets   | 22,341,654                 | 20,313,304        | 20,390,273       | 21,327,479               | 20,442,266    |
| Average deposits   | 18,540,394                 | 16,543,305        | 16,664,837       | 17,541,849               | 16,764,700    |
| Average stockholders' equity   | 2,697,775                  | 2,660,811         | 2,610,565        | 2,679,293                | 2,575,775     |
| <b>Market Value Per Share:</b>   |                            |                   |                  |                          |               |
| Closing  | 17.24                      | 16.53             | 25.87            | 17.24                    | 25.87         |
| High   | 21.50                      | 31.25             | 28.20            | 31.25                    | 28.20         |
| Low  | 13.56                      | 15.42             | 24.83            | 13.56                    | 22.13         |

|   | As of<br>June 30,<br>2020 | As of<br>March 31,<br>2020 | As of<br>December 31,<br>2019 | As of<br>June 30,<br>2019 |
|---|---------------------------|----------------------------|-------------------------------|---------------------------|
| <b>Balance Sheet Data:</b>  |                           |                            |                               |                           |
| Loans and leases  | \$ 13,764,030             | \$ 13,380,270              | \$ 13,211,650                 | \$ 13,264,609             |
| Total assets  | 22,993,715                | 20,755,891                 | 20,166,734                    | 20,526,367                |
| Total deposits  | 19,361,634                | 17,020,002                 | 16,444,994                    | 16,792,078                |
| Short-term borrowings   | 200,000                   | 400,000                    | 400,000                       | 200,000                   |
| Long-term borrowings  | 200,019                   | 200,019                    | 200,019                       | 400,028                   |
| Total stockholders' equity  | 2,701,897                 | 2,664,685                  | 2,640,258                     | 2,659,441                 |
| <b>Per Share of Common Stock:</b>   |                           |                            |                               |                           |
| Book value  | \$ 20.81                  | \$ 20.52                   | \$ 20.32                      | \$ 19.92                  |
| Tangible book value (non-GAAP) <sup>(4)</sup>                             | 13.14                     | 12.86                      | 12.66                         | 12.46                     |
| <b>Asset Quality Ratios:</b>  |                           |                            |                               |                           |
| Non-accrual loans and leases / total loans and leases                     | 0.24 %                    | 0.05 %                     | 0.04 %                        | 0.03 %                    |
| Allowance for credit losses for loans and leases / total loans and leases | 1.40 %                    | 1.24 %                     | 0.99 %                        | 1.04 %                    |
| <b>Capital Ratios:</b>  |                           |                            |                               |                           |
| Common Equity Tier 1 Capital Ratio  | 11.86 %                   | 11.65 %                    | 11.88 %                       | 11.84 %                   |
| Tier 1 Capital Ratio  | 11.86 %                   | 11.65 %                    | 11.88 %                       | 11.84 %                   |
| Total Capital Ratio   | 13.11 %                   | 12.90 %                    | 12.81 %                       | 12.81 %                   |
| Tier 1 Leverage Ratio   | 7.75 %                    | 8.63 %                     | 8.79 %                        | 8.75 %                    |
| Total stockholders' equity to total assets                                | 11.75 %                   | 12.84 %                    | 13.09 %                       | 12.96 %                   |
| Tangible stockholders' equity to tangible assets (non-GAAP)               | 7.76 %                    | 8.45 %                     | 8.58 %                        | 8.52 %                    |
| <b>Non-Financial Data:</b>  |                           |                            |                               |                           |
| Number of branches  | 58                        | 58                         | 58                            | 59                        |
| Number of ATMs  | 295                       | 304                        | 301                           | 292                       |
| Number of Full-Time Equivalent Employees                                  | 2,100                     | 2,103                      | 2,092                         | 2,123                     |

- <sup>(1)</sup> Except for the efficiency ratio and the core efficiency ratio, amounts are annualized for the three and six months ended June 30, 2020 and 2019 and the three months ended March 31, 2020.
- <sup>(2)</sup> Core return on average tangible assets is a non-GAAP financial measure. We compute our core return on average tangible assets as the ratio of core net income to average tangible assets, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total assets. For a reconciliation to the most directly comparable GAAP financial measure for core net income, see Table 14, GAAP to Non-GAAP Reconciliation.
- <sup>(3)</sup> Core return on average tangible stockholders' equity is a non-GAAP financial measure. We compute our core return on average tangible stockholders' equity as the ratio of core net income to average tangible stockholders' equity, which is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our average total stockholders' equity. For a reconciliation to the most directly comparable GAAP financial measure for core net income, see Table 14, GAAP to Non-GAAP Reconciliation.
- <sup>(4)</sup> Tangible book value is a non-GAAP financial measure. We compute our tangible book value as the ratio of tangible stockholders' equity to shares outstanding. Tangible stockholders' equity is calculated by subtracting (and thereby effectively excluding) amounts related to the effect of goodwill from our total stockholders' equity. For a reconciliation to the most directly comparable GAAP financial measure for core net income, see Table 14, GAAP to Non-GAAP Reconciliation.

## Consolidated Statements of Income

Table 2

|   | For the Three Months Ended |                   |                  | For the Six Months Ended |                  |
|---|----------------------------|-------------------|------------------|--------------------------|------------------|
|   | June 30,<br>2020           | March 31,<br>2020 | June 30,<br>2019 | June 30,<br>2020         | June 30,<br>2019 |
| (dollars in thousands, except per share amounts)      |                            |                   |                  |                          |                  |
| <b>Interest income</b>                                |                            |                   |                  |                          |                  |
| Loans and lease financing                             | \$ 122,298                 | \$ 134,971        | \$ 146,883       | \$ 257,269               | \$ 291,289       |
| Available-for-sale securities                         | 17,529                     | 21,210            | 24,784           | 38,739                   | 49,270           |
| Other   | 792                        | 2,351             | 2,151            | 3,143                    | 5,820            |
| Total interest income                                 | 140,619                    | 158,532           | 173,818          | 299,151                  | 346,379          |
| <b>Interest expense</b>                               |                            |                   |                  |                          |                  |
| Deposits  | 8,583                      | 15,600            | 23,693           | 24,183                   | 46,890           |
| Short-term and long-term borrowings                   | 4,214                      | 4,249             | 4,512            | 8,463                    | 8,787            |
| Total interest expense                                | 12,797                     | 19,849            | 28,205           | 32,646                   | 55,677           |
| Net interest income                                   | 127,822                    | 138,683           | 145,613          | 266,505                  | 290,702          |
| Provision for credit losses                           | 55,446                     | 41,200            | 3,870            | 96,646                   | 9,550            |
| Net interest income after provision for credit losses | 72,376                     | 97,483            | 141,743          | 169,859                  | 281,152          |
| <b>Noninterest income</b>                             |                            |                   |                  |                          |                  |
| Service charges on deposit accounts                   | 5,927                      | 8,950             | 8,123            | 14,877                   | 16,183           |
| Credit and debit card fees                            | 10,870                     | 14,949            | 16,629           | 25,819                   | 33,284           |
| Other service charges and fees                        | 7,912                      | 8,539             | 9,403            | 16,451                   | 18,532           |
| Trust and investment services income                  | 8,664                      | 9,591             | 8,931            | 18,255                   | 17,549           |
| Bank-owned life insurance                             | 4,432                      | 2,260             | 3,390            | 6,692                    | 7,203            |
| Investment securities (losses) gains, net             | (211)                      | 85                | 21               | (126)                    | (2,592)          |
| Other   | 8,062                      | 4,854             | 2,276            | 12,191                   | 5,686            |
| Total noninterest income                              | 45,656                     | 49,228            | 48,773           | 94,884                   | 95,845           |
| <b>Noninterest expense</b>                            |                            |                   |                  |                          |                  |
| Salaries and employee benefits                        | 42,414                     | 44,829            | 42,185           | 87,243                   | 87,045           |
| Contracted services and professional fees             | 15,478                     | 16,055            | 14,303           | 31,533                   | 27,948           |
| Occupancy   | 7,302                      | 7,243             | 7,286            | 14,545                   | 14,272           |
| Equipment   | 5,207                      | 4,708             | 4,544            | 9,915                    | 8,828            |
| Regulatory assessment and fees                        | 2,100                      | 1,946             | 2,149            | 4,046                    | 3,596            |
| Advertising and marketing                             | 1,402                      | 1,823             | 1,980            | 3,225                    | 3,946            |
| Card rewards program                                  | 5,163                      | 7,015             | 7,664            | 12,178                   | 14,396           |
| Other   | 12,384                     | 12,847            | 13,179           | 25,231                   | 25,882           |
| Total noninterest expense                             | 91,450                     | 96,466            | 93,290           | 187,916                  | 185,913          |
| Income before provision for income taxes              | 26,582                     | 50,245            | 97,226           | 76,827                   | 191,084          |
| Provision for income taxes                            | 6,533                      | 11,380            | 24,793           | 17,913                   | 48,727           |
| <b>Net income</b>                                     | \$ 20,049                  | \$ 38,865         | \$ 72,433        | \$ 58,914                | \$ 142,357       |
| Basic earnings per share                              | \$ 0.15                    | \$ 0.30           | \$ 0.54          | \$ 0.45                  | \$ 1.06          |
| Diluted earnings per share                            | \$ 0.15                    | \$ 0.30           | \$ 0.54          | \$ 0.45                  | \$ 1.06          |
| Basic weighted-average outstanding shares             | 129,856,730                | 129,895,706       | 134,420,380      | 129,876,218              | 134,655,217      |
| Diluted weighted-average outstanding shares           | 130,005,195                | 130,351,585       | 134,652,008      | 130,163,722              | 134,924,331      |

## Consolidated Balance Sheets

Table 3

| (dollars in thousands)   | June 30,<br>2020     | March 31,<br>2020    | December 31,<br>2019 | June 30,<br>2019     |
|--|----------------------|----------------------|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |                      |                      |
| Cash and due from banks  | \$ 347,592           | \$ 353,908           | \$ 360,375           | \$ 423,802           |
| Interest-bearing deposits in other banks   | 1,507,630            | 698,924              | 333,642              | 259,713              |
| Investment securities, at fair value (amortized cost: \$5,025,433 as of June 30, 2020, \$4,014,397 as of March 31, 2020, \$4,080,663 as of December 31, 2019 and \$4,399,597 as of June 30, 2019)  | 5,135,775            | 4,058,457            | 4,075,644            | 4,395,476            |
| Loans held for sale  | 6,698                | 8,180                | 904                  | 215                  |
| Loans and leases   | 13,764,030           | 13,380,270           | 13,211,650           | 13,264,609           |
| Less: allowance for credit losses  | 192,120              | 166,013              | 130,530              | 138,535              |
| Net loans and leases   | 13,571,910           | 13,214,257           | 13,081,120           | 13,126,074           |
| Premises and equipment, net  | 322,919              | 321,254              | 316,885              | 313,200              |
| Other real estate owned and repossessed personal property  | 446                  | 238                  | 319                  | —                    |
| Accrued interest receivable  | 58,420               | 43,552               | 45,239               | 49,205               |
| Bank-owned life insurance  | 458,720              | 455,226              | 453,873              | 450,722              |
| Goodwill   | 995,492              | 995,492              | 995,492              | 995,492              |
| Mortgage servicing rights  | 11,595               | 11,979               | 12,668               | 14,573               |
| Other assets   | 576,518              | 594,424              | 490,573              | 497,895              |
| <b>Total assets</b>  | <b>\$ 22,993,715</b> | <b>\$ 20,755,891</b> | <b>\$ 20,166,734</b> | <b>\$ 20,526,367</b> |
| <b>Liabilities and Stockholders' Equity</b>  |                      |                      |                      |                      |
| Deposits:  |                      |                      |                      |                      |
| Interest-bearing   | \$ 12,481,543        | \$ 11,274,463        | \$ 10,564,922        | \$ 11,028,921        |
| Noninterest-bearing  | 6,880,091            | 5,745,539            | 5,880,072            | 5,763,157            |
| Total deposits   | 19,361,634           | 17,020,002           | 16,444,994           | 16,792,078           |
| Short-term borrowings  | 200,000              | 400,000              | 400,000              | 200,000              |
| Long-term borrowings   | 200,019              | 200,019              | 200,019              | 400,028              |
| Retirement benefits payable  | 138,624              | 138,396              | 138,222              | 128,610              |
| Other liabilities  | 391,541              | 332,789              | 343,241              | 346,210              |
| Total liabilities  | 20,291,818           | 18,091,206           | 17,526,476           | 17,866,926           |
| Stockholders' equity   |                      |                      |                      |                      |
| Common stock (\$0.01 par value; authorized 300,000,000 shares; issued/outstanding: 140,140,542 / 129,866,898 shares as of June 30, 2020, issued/outstanding: 140,092,172 / 129,827,968 shares as of March 31, 2020, issued/outstanding: 139,917,150 / 129,928,479 shares as of December 31, 2019 and issued/outstanding: 139,857,673 / 133,508,212 shares as of June 30, 2019) | 1,401                | 1,401                | 1,399                | 1,399                |
| Additional paid-in capital   | 2,509,271            | 2,506,477            | 2,503,677            | 2,499,946            |
| Retained earnings  | 415,296              | 429,323              | 437,072              | 363,748              |
| Accumulated other comprehensive income (loss), net   | 52,731               | 4,129                | (31,749)             | (31,984)             |
| Treasury stock (10,273,644 shares as of June 30, 2020, 10,264,204 shares as of March 31, 2020, 9,988,671 shares as of December 31, 2019 and 6,349,461 shares as of June 30, 2019)  | (276,802)            | (276,645)            | (270,141)            | (173,668)            |
| Total stockholders' equity   | 2,701,897            | 2,664,685            | 2,640,258            | 2,659,441            |
| <b>Total liabilities and stockholders' equity</b>  | <b>\$ 22,993,715</b> | <b>\$ 20,755,891</b> | <b>\$ 20,166,734</b> | <b>\$ 20,526,367</b> |

## Average Balances and Interest Rates

Table 4

|   | Three Months Ended<br>June 30, 2020 |                    |                | Three Months Ended<br>March 31, 2020 |                    |                | Three Months Ended<br>June 30, 2019 |                    |                |
|---|-------------------------------------|--------------------|----------------|--------------------------------------|--------------------|----------------|-------------------------------------|--------------------|----------------|
|   | Average<br>Balance                  | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance                   | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance                  | Income/<br>Expense | Yield/<br>Rate |
| (dollars in millions)                             |                                     |                    |                |                                      |                    |                |                                     |                    |                |
| <b>Earning Assets</b>                             |                                     |                    |                |                                      |                    |                |                                     |                    |                |
| Interest-Bearing Deposits in Other Banks          | \$ 1,436.2                          | \$ 0.4             | 0.10 %         | \$ 516.8                             | \$ 1.6             | 1.25 %         | \$ 247.2                            | \$ 1.4             | 2.35 %         |
| Available-for-Sale Investment Securities          | 4,390.4                             | 17.5               | 1.60           | 4,033.2                              | 21.2               | 2.10           | 4,438.1                             | 24.8               | 2.23           |
| Loans Held for Sale                               | 9.8                                 | 0.1                | 2.93           | 15.8                                 | 0.1                | 1.70           | 0.7                                 | —                  | 2.76           |
| Loans and Leases <sup>(1)</sup>                   |                                     |                    |                |                                      |                    |                |                                     |                    |                |
| Commercial and industrial                         | 3,601.0                             | 24.3               | 2.71           | 2,776.2                              | 24.6               | 3.56           | 3,235.0                             | 34.3               | 4.26           |
| Commercial real estate                            | 3,438.8                             | 28.3               | 3.31           | 3,433.2                              | 34.6               | 4.05           | 3,094.4                             | 36.0               | 4.67           |
| Construction                                      | 584.1                               | 4.9                | 3.35           | 538.5                                | 5.7                | 4.27           | 583.6                               | 6.9                | 4.73           |
| Residential:                                      |                                     |                    |                |                                      |                    |                |                                     |                    |                |
| Residential mortgage                              | 3,682.7                             | 35.7               | 3.88           | 3,721.2                              | 37.7               | 4.05           | 3,581.2                             | 37.2               | 4.16           |
| Home equity line                                  | 885.2                               | 6.8                | 3.07           | 887.4                                | 7.7                | 3.50           | 908.5                               | 8.6                | 3.79           |
| Consumer  | 1,526.5                             | 20.6               | 5.42           | 1,611.7                              | 23.0               | 5.75           | 1,657.7                             | 22.7               | 5.48           |
| Lease financing                                   | 238.4                               | 1.7                | 2.88           | 223.2                                | 1.6                | 2.85           | 149.3                               | 1.2                | 3.31           |
| Total Loans and Leases                            | 13,956.7                            | 122.3              | 3.52           | 13,191.4                             | 134.9              | 4.11           | 13,209.7                            | 146.9              | 4.46           |
| Other Earning Assets                              | 61.7                                | 0.4                | 2.79           | 57.0                                 | 0.7                | 5.30           | 76.0                                | 0.7                | 3.71           |
| Total Earning Assets <sup>(2)</sup>               | 19,854.8                            | 140.7              | 2.84           | 17,814.2                             | 158.5              | 3.57           | 17,971.7                            | 173.8              | 3.88           |
| Cash and Due from Banks                           | 295.1                               |                    |                | 327.4                                |                    |                | 342.6                               |                    |                |
| Other Assets                                      | 2,191.8                             |                    |                | 2,171.7                              |                    |                | 2,076.0                             |                    |                |
| <b>Total Assets</b>                               | <b>\$ 22,341.7</b>                  |                    |                | <b>\$ 20,313.3</b>                   |                    |                | <b>\$ 20,390.3</b>                  |                    |                |
| <b>Interest-Bearing Liabilities</b>               |                                     |                    |                |                                      |                    |                |                                     |                    |                |
| Interest-Bearing Deposits                         |                                     |                    |                |                                      |                    |                |                                     |                    |                |
| Savings   | \$ 5,501.9                          | \$ 0.9             | 0.07 %         | \$ 5,090.4                           | \$ 3.3             | 0.26 %         | 4,712.2                             | \$ 4.0             | 0.34 %         |
| Money Market                                      | 3,270.3                             | 1.1                | 0.13           | 3,064.8                              | 4.6                | 0.61           | 3,126.7                             | 7.4                | 0.95           |
| Time  | 3,335.6                             | 6.6                | 0.79           | 2,534.7                              | 7.7                | 1.23           | 3,084.6                             | 12.3               | 1.60           |
| Total Interest-Bearing Deposits                   | 12,107.8                            | 8.6                | 0.29           | 10,689.9                             | 15.6               | 0.59           | 10,923.5                            | 23.7               | 0.87           |
| Short-Term Borrowings                             | 395.6                               | 2.8                | 2.88           | 401.7                                | 2.8                | 2.88           | 50.4                                | 0.3                | 2.25           |
| Long-Term Borrowings                              | 200.0                               | 1.4                | 2.77           | 200.0                                | 1.4                | 2.77           | 593.5                               | 4.2                | 2.86           |
| <b>Total Interest-Bearing Liabilities</b>         | <b>12,703.4</b>                     | <b>12.8</b>        | <b>0.41</b>    | <b>11,291.6</b>                      | <b>19.8</b>        | <b>0.71</b>    | <b>11,567.4</b>                     | <b>28.2</b>        | <b>0.98</b>    |
| <b>Net Interest Income</b>                        |                                     | <b>\$ 127.9</b>    |                |                                      | <b>\$ 138.7</b>    |                |                                     | <b>\$ 145.6</b>    |                |
| Interest Rate Spread                              |                                     |                    | 2.43 %         |                                      |                    | 2.86 %         |                                     |                    | 2.90 %         |
| Net Interest Margin                               |                                     |                    | 2.58 %         |                                      |                    | 3.12 %         |                                     |                    | 3.25 %         |
| Noninterest-Bearing Demand Deposits               | 6,432.6                             |                    |                | 5,853.4                              |                    |                | 5,741.3                             |                    |                |
| Other Liabilities                                 | 507.9                               |                    |                | 507.5                                |                    |                | 471.0                               |                    |                |
| Stockholders' Equity                              | 2,697.8                             |                    |                | 2,660.8                              |                    |                | 2,610.6                             |                    |                |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 22,341.7</b>                  |                    |                | <b>\$ 20,313.3</b>                   |                    |                | <b>\$ 20,390.3</b>                  |                    |                |

<sup>(1)</sup> Non-performing loans and leases are included in the respective average loan and lease balances. Income, if any, on such loans and leases is recognized on a cash basis.

<sup>(2)</sup> Interest income includes taxable-equivalent basis adjustments of \$0.1 million, nil and nil for the three months ended June 30, 2020, March 31, 2020 and June 30, 2019, respectively.



|   | Six Months Ended<br>June 30, 2020 |                    |                | Six Months Ended<br>June 30, 2019 |                    |                |
|---|-----------------------------------|--------------------|----------------|-----------------------------------|--------------------|----------------|
|   | Average<br>Balance                | Income/<br>Expense | Yield/<br>Rate | Average<br>Balance                | Income/<br>Expense | Yield/<br>Rate |
| (dollars in millions)                             |                                   |                    |                |                                   |                    |                |
| <b>Earning Assets</b>                             |                                   |                    |                |                                   |                    |                |
| Interest-Bearing Deposits in Other Banks          | \$ 976.5                          | \$ 2.0             | 0.40 %         | \$ 376.5                          | \$ 4.6             | 2.49 %         |
| Available-for-Sale Investment Securities          | 4,211.8                           | 38.7               | 1.84           | 4,428.0                           | 49.3               | 2.23           |
| Loans Held for Sale                               | 12.8                              | 0.1                | 2.17           | 0.5                               | —                  | 2.76           |
| Loans and Leases <sup>(1)</sup>                   |                                   |                    |                |                                   |                    |                |
| Commercial and industrial                         | 3,188.4                           | 48.9               | 3.08           | 3,200.9                           | 67.5               | 4.25           |
| Commercial real estate                            | 3,426.3                           | 62.9               | 3.69           | 3,044.9                           | 70.7               | 4.68           |
| Construction                                      | 561.5                             | 10.6               | 3.79           | 610.2                             | 14.4               | 4.75           |
| Residential:                                      |                                   |                    |                |                                   |                    |                |
| Residential mortgage                              | 3,711.5                           | 73.4               | 3.95           | 3,563.2                           | 73.9               | 4.14           |
| Home equity line                                  | 886.3                             | 14.5               | 3.28           | 912.1                             | 17.3               | 3.82           |
| Consumer  | 1,569.2                           | 43.6               | 5.59           | 1,662.5                           | 45.2               | 5.48           |
| Lease financing                                   | 230.8                             | 3.3                | 2.90           | 148.3                             | 2.3                | 3.15           |
| Total Loans and Leases                            | 13,574.0                          | 257.2              | 3.80           | 13,142.1                          | 291.3              | 4.46           |
| Other Earning Assets                              | 59.4                              | 1.2                | 3.99           | 84.1                              | 1.2                | 2.81           |
| Total Earning Assets <sup>(2)</sup>               | 18,834.5                          | 299.2              | 3.19           | 18,031.2                          | 346.4              | 3.86           |
| Cash and Due from Banks                           | 311.2                             |                    |                | 351.4                             |                    |                |
| Other Assets                                      | 2,181.8                           |                    |                | 2,059.7                           |                    |                |
| <b>Total Assets</b>                               | <b>\$ 21,327.5</b>                |                    |                | <b>\$ 20,442.3</b>                |                    |                |
| <b>Interest-Bearing Liabilities</b>               |                                   |                    |                |                                   |                    |                |
| Interest-Bearing Deposits                         |                                   |                    |                |                                   |                    |                |
| Savings   | \$ 5,296.1                        | \$ 4.2             | 0.16 %         | \$ 4,762.6                        | \$ 8.2             | 0.35 %         |
| Money Market                                      | 3,167.6                           | 5.7                | 0.36           | 3,155.0                           | 15.0               | 0.96           |
| Time  | 2,935.1                           | 14.3               | 0.98           | 3,063.3                           | 23.7               | 1.56           |
| Total Interest-Bearing Deposits                   | 11,398.8                          | 24.2               | 0.43           | 10,980.9                          | 46.9               | 0.86           |
| Short-Term Borrowings                             | 398.6                             | 5.7                | 2.88           | 31.7                              | 0.4                | 2.29           |
| Long-Term Borrowings                              | 200.0                             | 2.7                | 2.77           | 596.7                             | 8.4                | 2.85           |
| <b>Total Interest-Bearing Liabilities</b>         | <b>11,997.4</b>                   | <b>32.6</b>        | <b>0.55</b>    | <b>11,609.3</b>                   | <b>55.7</b>        | <b>0.97</b>    |
| <b>Net Interest Income</b>                        |                                   | <b>\$ 266.6</b>    |                |                                   | <b>\$ 290.7</b>    |                |
| Interest Rate Spread                              |                                   |                    | 2.64 %         |                                   |                    | 2.89 %         |
| Net Interest Margin                               |                                   |                    | 2.84 %         |                                   |                    | 3.24 %         |
| Noninterest-Bearing Demand Deposits               | 6,143.0                           |                    |                | 5,783.8                           |                    |                |
| Other Liabilities                                 | 507.8                             |                    |                | 473.4                             |                    |                |
| Stockholders' Equity                              | 2,679.3                           |                    |                | 2,575.8                           |                    |                |
| <b>Total Liabilities and Stockholders' Equity</b> | <b>\$ 21,327.5</b>                |                    |                | <b>\$ 20,442.3</b>                |                    |                |

<sup>(1)</sup> Non-performing loans and leases are included in the respective average loan and lease balances. Income, if any, on such loans and leases is recognized on a cash basis.

<sup>(2)</sup> Interest income includes taxable-equivalent basis adjustments of \$0.1 million and nil for the six months ended June 30, 2020 and 2019, respectively.

## Analysis of Change in Net Interest Income

Table 6

| (dollars in millions)                    | Three Months Ended June 30, 2020<br>Compared to March 31, 2020 |                  |                  |
|--|--|------------------|------------------|
|  | Volume   | Rate             | Total            |
| <b>Change in Interest Income:</b>        |  |                  |                  |
| Interest-Bearing Deposits in Other Banks | \$ 1.1   | \$ (2.3)         | \$ (1.2)         |
| Available-for-Sale Investment Securities | 1.7  | (5.4)            | (3.7)            |
| Loans and Leases                         |  |                  |                  |
| Commercial and industrial                | 6.4  | (6.7)            | (0.3)            |
| Commercial real estate                   | —  | (6.3)            | (6.3)            |
| Construction                             | 0.5  | (1.3)            | (0.8)            |
| Residential:                             |  |                  |                  |
| Residential mortgage                     | (0.4)  | (1.6)            | (2.0)            |
| Home equity line                         | —  | (0.9)            | (0.9)            |
| Consumer                                 | (1.2)  | (1.2)            | (2.4)            |
| Lease financing                          | 0.1  | —                | 0.1              |
| Total Loans and Leases                   | 5.4  | (18.0)           | (12.6)           |
| Other Earning Assets                     | 0.1  | (0.4)            | (0.3)            |
| <b>Total Change in Interest Income</b>   | <b>8.3</b>   | <b>(26.1)</b>    | <b>(17.8)</b>    |
| <b>Change in Interest Expense:</b>       |  |                  |                  |
| Interest-Bearing Deposits                |  |                  |                  |
| Savings                                  | 0.2  | (2.6)            | (2.4)            |
| Money Market                             | 0.3  | (3.8)            | (3.5)            |
| Time                                     | 2.1  | (3.2)            | (1.1)            |
| Total Interest-Bearing Deposits          | 2.6  | (9.6)            | (7.0)            |
| <b>Total Change in Interest Expense</b>  | <b>2.6</b>   | <b>(9.6)</b>     | <b>(7.0)</b>     |
| <b>Change in Net Interest Income</b>     | <b>\$ 5.7</b>  | <b>\$ (16.5)</b> | <b>\$ (10.8)</b> |

## Analysis of Change in Net Interest Income

Table 7

| (dollars in millions)                    | Three Months Ended June 30, 2020<br>Compared to June 30, 2019 |                  |                  |
|--|---|------------------|------------------|
|  | Volume  | Rate             | Total            |
| <b>Change in Interest Income:</b>        |   |                  |                  |
| Interest-Bearing Deposits in Other Banks | \$ 1.4  | \$ (2.4)         | \$ (1.0)         |
| Available-for-Sale Investment Securities | (0.3)   | (7.0)            | (7.3)            |
| Loans Held for Sale                      | 0.1   | —                | 0.1              |
| Loans and Leases                         |   |                  |                  |
| Commercial and industrial                | 3.6   | (13.6)           | (10.0)           |
| Commercial real estate                   | 3.7   | (11.4)           | (7.7)            |
| Construction                             | —   | (2.0)            | (2.0)            |
| Residential:                             |   |                  |                  |
| Residential mortgage                     | 1.0   | (2.5)            | (1.5)            |
| Home equity line                         | (0.2)   | (1.6)            | (1.8)            |
| Consumer                                 | (1.8)   | (0.3)            | (2.1)            |
| Lease financing                          | 0.7   | (0.2)            | 0.5              |
| Total Loans and Leases                   | 7.0   | (31.6)           | (24.6)           |
| Other Earning Assets                     | (0.1)   | (0.2)            | (0.3)            |
| <b>Total Change in Interest Income</b>   | <b>8.1</b>  | <b>(41.2)</b>    | <b>(33.1)</b>    |
| <b>Change in Interest Expense:</b>       |   |                  |                  |
| Interest-Bearing Deposits                |   |                  |                  |
| Savings                                  | 0.6   | (3.7)            | (3.1)            |
| Money Market                             | 0.3   | (6.6)            | (6.3)            |
| Time                                     | 1.0   | (6.7)            | (5.7)            |
| Total Interest-Bearing Deposits          | 1.9   | (17.0)           | (15.1)           |
| Short-Term Borrowings                    | 2.4   | 0.1              | 2.5              |
| Long-Term Borrowings                     | (2.7)   | (0.1)            | (2.8)            |
| <b>Total Change in Interest Expense</b>  | <b>1.6</b>  | <b>(17.0)</b>    | <b>(15.4)</b>    |
| <b>Change in Net Interest Income</b>     | <b>\$ 6.5</b>   | <b>\$ (24.2)</b> | <b>\$ (17.7)</b> |

## Analysis of Change in Net Interest Income

Table 8

| (dollars in millions)                    | Six Months Ended June 30, 2020<br>Compared to June 30, 2019 |                  |                  |
|--|---|------------------|------------------|
|  | Volume  | Rate             | Total            |
| <b>Change in Interest Income:</b>        |   |                  |                  |
| Interest-Bearing Deposits in Other Banks | \$ 3.4  | \$ (6.0)         | \$ (2.6)         |
| Available-for-Sale Investment Securities | (2.3)   | (8.3)            | (10.6)           |
| Loans Held for Sale                      | 0.1   | —                | 0.1              |
| Loans and Leases                         |   |                  |                  |
| Commercial and industrial                | (0.2)   | (18.4)           | (18.6)           |
| Commercial real estate                   | 8.3   | (16.1)           | (7.8)            |
| Construction                             | (1.1)   | (2.7)            | (3.8)            |
| Residential:                             |   |                  |                  |
| Residential mortgage                     | 2.9   | (3.4)            | (0.5)            |
| Home equity line                         | (0.5)   | (2.3)            | (2.8)            |
| Consumer                                 | (2.5)   | 0.9              | (1.6)            |
| Lease financing                          | 1.2   | (0.2)            | 1.0              |
| Total Loans and Leases                   | 8.1   | (42.2)           | (34.1)           |
| Other Earning Assets                     | (0.4)   | 0.4              | —                |
| <b>Total Change in Interest Income</b>   | <b>8.9</b>  | <b>(56.1)</b>    | <b>(47.2)</b>    |
| <b>Change in Interest Expense:</b>       |   |                  |                  |
| Interest-Bearing Deposits                |   |                  |                  |
| Savings                                  | 0.9   | (4.9)            | (4.0)            |
| Money Market                             | 0.1   | (9.4)            | (9.3)            |
| Time                                     | (1.0)   | (8.4)            | (9.4)            |
| Total Interest-Bearing Deposits          | —   | (22.7)           | (22.7)           |
| Short-Term Borrowings                    | 5.2   | 0.1              | 5.3              |
| Long-Term Borrowings                     | (5.5)   | (0.2)            | (5.7)            |
| <b>Total Change in Interest Expense</b>  | <b>(0.3)</b>  | <b>(22.8)</b>    | <b>(23.1)</b>    |
| <b>Change in Net Interest Income</b>     | <b>\$ 9.2</b>   | <b>\$ (33.3)</b> | <b>\$ (24.1)</b> |

**Loans and Leases**
**Table 9**

|                               | June 30,<br>2020     | March 31,<br>2020    | December 31,<br>2019 | June 30,<br>2019     |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| (dollars in thousands)        |                      |                      |                      |                      |
| Commercial and industrial     | \$ 3,423,708         | \$ 3,025,345         | \$ 2,743,242         | \$ 3,177,844         |
| Commercial real estate        | 3,423,499            | 3,413,014            | 3,463,953            | 3,194,219            |
| Construction                  | 617,935              | 572,062              | 519,241              | 549,578              |
| Residential:                  |                      |                      |                      |                      |
| Residential mortgage          | 3,691,950            | 3,673,455            | 3,768,936            | 3,618,433            |
| Home equity line              | 876,491              | 891,698              | 893,239              | 908,452              |
| Total residential             | 4,568,441            | 4,565,153            | 4,662,175            | 4,526,885            |
| Consumer                      | 1,492,160            | 1,568,073            | 1,620,556            | 1,650,713            |
| Lease financing               | 238,287              | 236,623              | 202,483              | 165,370              |
| <b>Total loans and leases</b> | <b>\$ 13,764,030</b> | <b>\$ 13,380,270</b> | <b>\$ 13,211,650</b> | <b>\$ 13,264,609</b> |

| Deposits               |                      |                      |                      | Table 10             |
|------------------------|----------------------|----------------------|----------------------|----------------------|
| (dollars in thousands) | June 30,<br>2020     | March 31,<br>2020    | December 31,<br>2019 | June 30,<br>2019     |
| Demand                 | \$ 6,880,091         | \$ 5,745,539         | \$ 5,880,072         | \$ 5,763,157         |
| Savings                | 5,727,367            | 5,213,471            | 4,998,933            | 4,908,000            |
| Money Market           | 3,247,511            | 3,148,694            | 3,055,832            | 3,050,843            |
| Time                   | 3,506,665            | 2,912,298            | 2,510,157            | 3,070,078            |
| <b>Total Deposits</b>  | <b>\$ 19,361,634</b> | <b>\$ 17,020,002</b> | <b>\$ 16,444,994</b> | <b>\$ 16,792,078</b> |

**Non-Performing Assets and Accruing Loans and Leases Past Due 90 Days or More**
**Table 11**

|  | June 30,<br>2020     | March 31,<br>2020    | December 31,<br>2019 | June 30,<br>2019     |
|--|----------------------|----------------------|----------------------|----------------------|
| (dollars in thousands)   |                      |                      |                      |                      |
| <b>Non-Performing Assets</b>   |                      |                      |                      |                      |
| Non-Accrual Loans and Leases   |                      |                      |                      |                      |
| Commercial Loans:  |                      |                      |                      |                      |
| Commercial and industrial  | \$ 11,559            | \$ 32                | \$ 32                | \$ 119               |
| Commercial real estate   | 13,168               | —                    | 30                   | —                    |
| Construction   | 2,043                | 2,422                | —                    | —                    |
| Total Commercial Loans   | 26,770               | 2,454                | 62                   | 119                  |
| Residential Loans:   |                      |                      |                      |                      |
| Residential mortgage   | 6,059                | 4,472                | 5,406                | 3,771                |
| Total Residential Loans  | 6,059                | 4,472                | 5,406                | 3,771                |
| Total Non-Accrual Loans and Leases   | 32,829               | 6,926                | 5,468                | 3,890                |
| Other Real Estate Owned  | 446                  | 238                  | 319                  | —                    |
| <b>Total Non-Performing Assets</b>   | <b>\$ 33,275</b>     | <b>\$ 7,164</b>      | <b>\$ 5,787</b>      | <b>\$ 3,890</b>      |
| <b>Accruing Loans and Leases Past Due 90 Days or More</b>                    |                      |                      |                      |                      |
| Commercial Loans:  |                      |                      |                      |                      |
| Commercial and industrial  | \$ 2,309             | \$ 4,007             | \$ 1,429             | \$ 807               |
| Commercial real estate   | 900                  | 757                  | 1,013                | —                    |
| Construction   | 248                  | 148                  | 2,367                | —                    |
| Total Commercial Loans   | 3,457                | 4,912                | 4,809                | 807                  |
| Residential Loans:   |                      |                      |                      |                      |
| Residential mortgage   | —                    | 82                   | 74                   | —                    |
| Home equity line   | 4,496                | 2,566                | 2,995                | 1,635                |
| Total Residential Loans  | 4,496                | 2,648                | 3,069                | 1,635                |
| Consumer   | 2,167                | 3,353                | 4,272                | 3,295                |
| <b>Total Accruing Loans and Leases Past Due 90 Days or More</b>              | <b>\$ 10,120</b>     | <b>\$ 10,913</b>     | <b>\$ 12,150</b>     | <b>\$ 5,737</b>      |
| <b>Restructured Loans on Accrual Status and Not Past Due 90 Days or More</b> | <b>11,182</b>        | <b>17,823</b>        | <b>14,493</b>        | <b>23,466</b>        |
| <b>Total Loans and Leases</b>  | <b>\$ 13,764,030</b> | <b>\$ 13,380,270</b> | <b>\$ 13,211,650</b> | <b>\$ 13,264,609</b> |

**Allowance for Credit Losses**
**Table 12**

|  | For the Three Months Ended |                      |                      | For the Six Months Ended |                      |
|--|----------------------------|----------------------|----------------------|--------------------------|----------------------|
|  | June 30,<br>2020           | March 31,<br>2020    | June 30,<br>2019     | June 30,<br>2020         | June 30,<br>2019     |
| (dollars in thousands)   |                            |                      |                      |                          |                      |
| <b>Balance at Beginning of Period</b>  | <b>\$ 166,013</b>          | <b>\$ 130,530</b>    | <b>\$ 141,546</b>    | <b>\$ 130,530</b>        | <b>\$ 141,718</b>    |
| <b>Adjustment to Adopt ASC Topic 326</b>   | <b>—</b>                   | <b>770</b>           | <b>—</b>             | <b>770</b>               | <b>—</b>             |
| <b>After Adoption of ASC Topic 326</b>   | <b>166,013</b>             | <b>131,300</b>       | <b>141,546</b>       | <b>131,300</b>           | <b>141,718</b>       |
| <b>Loans and Leases Charged-Off</b>  |                            |                      |                      |                          |                      |
| Commercial Loans:  |                            |                      |                      |                          |                      |
| Commercial and industrial  | (13,974)                   | (201)                | (2,000)              | (14,175)                 | (2,000)              |
| Commercial real estate   | (2,723)                    | —                    | —                    | (2,723)                  | —                    |
| Construction   | (379)                      | —                    | —                    | (379)                    | —                    |
| Lease financing  | —                          | —                    | —                    | —                        | (24)                 |
| Total Commercial Loans   | (17,076)                   | (201)                | (2,000)              | (17,277)                 | (2,024)              |
| Residential Loans:   |                            |                      |                      |                          |                      |
| Residential mortgage   | (14)                       | —                    | —                    | (14)                     | —                    |
| Home equity line   | —                          | (8)                  | —                    | (8)                      | —                    |
| Total Residential Loans  | (14)                       | (8)                  | —                    | (22)                     | —                    |
| Consumer   | (8,907)                    | (8,597)              | (7,505)              | (17,504)                 | (16,103)             |
| <b>Total Loans and Leases Charged-Off</b>  | <b>(25,997)</b>            | <b>(8,806)</b>       | <b>(9,505)</b>       | <b>(34,803)</b>          | <b>(18,127)</b>      |
| <b>Recoveries on Loans and Leases Previously Charged-Off</b>   |                            |                      |                      |                          |                      |
| Commercial Loans:  |                            |                      |                      |                          |                      |
| Commercial and industrial  | 100                        | 220                  | 25                   | 320                      | 62                   |
| Commercial real estate   | —                          | —                    | 32                   | —                        | 63                   |
| Construction   | 30                         | 110                  | —                    | 140                      | —                    |
| Total Commercial Loans   | 130                        | 330                  | 57                   | 460                      | 125                  |
| Residential Loans:   |                            |                      |                      |                          |                      |
| Residential mortgage   | 17                         | 135                  | 118                  | 152                      | 336                  |
| Home equity line   | 8                          | 122                  | 67                   | 130                      | 99                   |
| Total Residential Loans  | 25                         | 257                  | 185                  | 282                      | 435                  |
| Consumer   | 2,456                      | 2,083                | 2,382                | 4,539                    | 4,834                |
| <b>Total Recoveries on Loans and Leases Previously Charged-Off</b>                                     | <b>2,611</b>               | <b>2,670</b>         | <b>2,624</b>         | <b>5,281</b>             | <b>5,394</b>         |
| <b>Net Loans and Leases Charged-Off</b>  | <b>(23,386)</b>            | <b>(6,136)</b>       | <b>(6,881)</b>       | <b>(29,522)</b>          | <b>(12,733)</b>      |
| <b>Provision for Credit Losses - Loans and Leases</b>  | <b>49,493</b>              | <b>40,849</b>        | <b>3,870</b>         | <b>90,342</b>            | <b>9,550</b>         |
| <b>Balance at End of Period</b>  | <b>\$ 192,120</b>          | <b>\$ 166,013</b>    | <b>\$ 138,535</b>    | <b>\$ 192,120</b>        | <b>\$ 138,535</b>    |
| <b>Average Loans and Leases Outstanding</b>  | <b>\$ 13,956,669</b>       | <b>\$ 13,191,426</b> | <b>\$ 13,209,655</b> | <b>\$ 13,574,048</b>     | <b>\$ 13,142,057</b> |
| <b>Ratio of Net Loans and Leases Charged-Off to Average Loans and Leases Outstanding<sup>(1)</sup></b> | <b>0.67 %</b>              | <b>0.19 %</b>        | <b>0.21 %</b>        | <b>0.44 %</b>            | <b>0.20 %</b>        |
| <b>Ratio of Allowance for Credit Losses for Loans and Leases to Loans and Leases Outstanding</b>       | <b>1.40 %</b>              | <b>1.24 %</b>        | <b>1.04 %</b>        | <b>1.40 %</b>            | <b>1.04 %</b>        |

<sup>(1)</sup> Annualized for the three and six months ended June 30, 2020 and 2019 and three months ended March 31, 2020.



| (dollars in thousands)           | Term Loans<br>Amortized Cost Basis by Origination Year |                     |                     |                   |                   |                     | Revolving<br>Loans<br>Amortized<br>Cost Basis | Revolving<br>Loans<br>Converted<br>to Term<br>Loans<br>Amortized<br>Cost Basis | Total               |
|----------------------------------|--|---------------------|---------------------|-------------------|-------------------|---------------------|---|--|---------------------|
|                                  | 2020   | 2019                | 2018                | 2017              | 2016              | Prior               |   |  |                     |
| <b>Commercial Lending</b>        |  |                     |                     |                   |                   |                     |   |  |                     |
| <b>Commercial and Industrial</b> |  |                     |                     |                   |                   |                     |   |  |                     |
| Risk rating:                     |  |                     |                     |                   |                   |                     |   |  |                     |
| Pass                             | \$ 989,501   | \$ 349,261          | \$ 271,941          | \$ 76,742         | \$ 62,113         | \$ 68,468           | \$ 1,182,299                                  | \$ 39,617  | \$ 3,039,942        |
| Special Mention                  | 28,136   | 9,235               | 8,460               | 841               | 335               | 27,174              | 113,642                                       | 509  | 188,332             |
| Substandard                      | 16,621   | 1,724               | 1,836               | 2,000             | 4,321             | 9,788               | 52,225  | 938  | 89,453              |
| Other <sup>(1)</sup>             | 9,091  | 16,661              | 12,574              | 7,884             | 3,199             | 811                 | 55,761  | —  | 105,981             |
| Total Commercial and Industrial  | 1,043,349  | 376,881             | 294,811             | 87,467            | 69,968            | 106,241             | 1,403,927                                     | 41,064   | 3,423,708           |
| <b>Commercial Real Estate</b>    |  |                     |                     |                   |                   |                     |   |  |                     |
| Risk rating:                     |  |                     |                     |                   |                   |                     |   |  |                     |
| Pass                             | 171,445  | 618,501             | 523,149             | 440,549           | 296,474           | 927,232             | 33,878  | —  | 3,011,228           |
| Special Mention                  | —  | 113,286             | 53,391              | 62,165            | 47,790            | 66,008              | 2,999   | —  | 345,639             |
| Substandard                      | —  | 16,304              | 14,617              | 1,655             | 6,630             | 17,947              | 8,970   | —  | 66,123              |
| Other <sup>(1)</sup>             | —  | —                   | —                   | —                 | —                 | 509                 | —   | —  | 509                 |
| Total Commercial Real Estate     | 171,445  | 748,091             | 591,157             | 504,369           | 350,894           | 1,011,696           | 45,847  | —  | 3,423,499           |
| <b>Construction</b>              |  |                     |                     |                   |                   |                     |   |  |                     |
| Risk rating:                     |  |                     |                     |                   |                   |                     |   |  |                     |
| Pass                             | 16,615   | 135,963             | 192,016             | 96,137            | 24,106            | 41,457              | 29,297  | —  | 535,591             |
| Special Mention                  | —  | —                   | 2,152               | 4,782             | —                 | 10,850              | 196   | —  | 17,980              |
| Substandard                      | —  | —                   | 541                 | 1,840             | 528               | 1,000               | —   | —  | 3,909               |
| Other <sup>(1)</sup>             | 8,415  | 31,038              | 8,546               | 5,562             | 1,795             | 4,514               | 585   | —  | 60,455              |
| Total Construction               | 25,030   | 167,001             | 203,255             | 108,321           | 26,429            | 57,821              | 30,078  | —  | 617,935             |
| <b>Lease Financing</b>           |  |                     |                     |                   |                   |                     |   |  |                     |
| Risk rating:                     |  |                     |                     |                   |                   |                     |   |  |                     |
| Pass                             | 45,489   | 67,806              | 11,965              | 18,915            | 3,764             | 59,364              | —   | —  | 207,303             |
| Special Mention                  | 9,142  | 1,931               | 4,626               | 1,545             | 1,440             | 5,854               | —   | —  | 24,538              |
| Substandard                      | 2,697  | 1,651               | 368                 | 1,207             | —                 | 523                 | —   | —  | 6,446               |
| Total Lease Financing            | 57,328   | 71,388              | 16,959              | 21,667            | 5,204             | 65,741              | —   | —  | 238,287             |
| <b>Total Commercial Lending</b>  | <b>\$ 1,297,152</b>                                    | <b>\$ 1,363,361</b> | <b>\$ 1,106,182</b> | <b>\$ 721,824</b> | <b>\$ 452,495</b> | <b>\$ 1,241,499</b> | <b>\$ 1,479,852</b>                           | <b>\$ 41,064</b>   | <b>\$ 7,703,429</b> |

| (continued)<br>(dollars in thousands) | Term Loans<br>Amortized Cost Basis by Origination Year |                     |                     |                     |                   |                     | Revolving<br>Loans<br>Amortized<br>Cost Basis | Revolving<br>Loans<br>Converted<br>to Term<br>Loans<br>Amortized<br>Cost Basis | Total                |
|---------------------------------------|--|---------------------|---------------------|---------------------|-------------------|---------------------|---|--|----------------------|
|                                       | 2020   | 2019                | 2018                | 2017                | 2016              | Prior               |   |  |                      |
| <b>Residential Lending</b>            |  |                     |                     |                     |                   |                     |   |  |                      |
| <b>Residential Mortgage</b>           |  |                     |                     |                     |                   |                     |   |  |                      |
| FICO:                                 |  |                     |                     |                     |                   |                     |   |  |                      |
| 740 and greater                       | \$ 300,079   | \$ 411,883          | \$ 353,197          | \$ 411,670          | \$ 362,197        | \$ 988,771          | \$ —  | \$ —   | \$ 2,827,797         |
| 680 - 739                             | 50,937   | 72,139              | 64,920              | 65,992              | 43,666            | 161,897             | —   | —  | 459,551              |
| 620 - 679                             | 6,098  | 12,708              | 12,060              | 12,648              | 10,789            | 55,000              | —   | —  | 109,303              |
| 550 - 619                             | 2,006  | 1,824               | 3,533               | 3,389               | 3,032             | 13,329              | —   | —  | 27,113               |
| Less than 550                         | —  | —                   | 1,204               | 1,907               | 528               | 6,324               | —   | —  | 9,963                |
| No Score <sup>(3)</sup>               | 15,676   | 21,603              | 24,182              | 23,736              | 16,298            | 51,943              | —   | —  | 153,438              |
| Other <sup>(2)</sup>                  | 8,244  | 20,308              | 22,241              | 23,435              | 12,412            | 17,063              | 579   | 503  | 104,785              |
| Total Residential Mortgage            | 383,040  | 540,465             | 481,337             | 542,777             | 448,922           | 1,294,327           | 579   | 503  | 3,691,950            |
| <b>Home Equity Line</b>               |  |                     |                     |                     |                   |                     |   |  |                      |
| FICO:                                 |  |                     |                     |                     |                   |                     |   |  |                      |
| 740 and greater                       | —  | —                   | —                   | —                   | —                 | —                   | 626,897                                       | 858  | 627,755              |
| 680 - 739                             | —  | —                   | —                   | —                   | —                 | —                   | 169,547                                       | 1,283  | 170,830              |
| 620 - 679                             | —  | —                   | —                   | —                   | —                 | —                   | 48,655  | 1,013  | 49,668               |
| 550 - 619                             | —  | —                   | —                   | —                   | —                 | —                   | 14,276  | 562  | 14,838               |
| Less than 550                         | —  | —                   | —                   | —                   | —                 | —                   | 6,661   | 212  | 6,873                |
| No Score <sup>(3)</sup>               | —  | —                   | —                   | —                   | —                 | —                   | 6,527   | —  | 6,527                |
| Total Home Equity Line                | —  | —                   | —                   | —                   | —                 | —                   | 872,563                                       | 3,928  | 876,491              |
| <b>Total Residential Lending</b>      | <b>383,040</b>   | <b>540,465</b>      | <b>481,337</b>      | <b>542,777</b>      | <b>448,922</b>    | <b>1,294,327</b>    | <b>873,142</b>                                | <b>4,431</b>   | <b>4,568,441</b>     |
| <b>Consumer Lending</b>               |  |                     |                     |                     |                   |                     |   |  |                      |
| FICO:                                 |  |                     |                     |                     |                   |                     |   |  |                      |
| 740 and greater                       | 65,206   | 141,704             | 120,178             | 71,525              | 35,932            | 12,451              | 109,702                                       | —  | 556,698              |
| 680 - 739                             | 47,584   | 109,728             | 87,056              | 48,728              | 24,478            | 10,094              | 83,021  | —  | 410,689              |
| 620 - 679                             | 24,185   | 65,310              | 43,282              | 31,318              | 16,144            | 7,013               | 42,511  | —  | 229,763              |
| 550 - 619                             | 5,881  | 26,220              | 22,891              | 20,874              | 10,869            | 5,467               | 18,429  | —  | 110,631              |
| Less than 550                         | 1,562  | 12,306              | 13,110              | 10,628              | 5,397             | 2,567               | 7,777   | —  | 53,347               |
| No Score <sup>(3)</sup>               | 3,799  | 124                 | 125                 | 126                 | 27                | 1                   | 34,281  | —  | 38,483               |
| Other <sup>(2)</sup>                  | 594  | 9,160               | 96                  | 2,225               | 72                | 6,804               | 73,598  | —  | 92,549               |
| <b>Total Consumer Lending</b>         | <b>148,811</b>   | <b>364,552</b>      | <b>286,738</b>      | <b>185,424</b>      | <b>92,919</b>     | <b>44,397</b>       | <b>369,319</b>                                | <b>—</b>   | <b>1,492,160</b>     |
| <b>Total Loans and Leases</b>         | <b>\$ 1,829,003</b>                                    | <b>\$ 2,268,378</b> | <b>\$ 1,874,257</b> | <b>\$ 1,450,025</b> | <b>\$ 994,336</b> | <b>\$ 2,580,223</b> | <b>\$ 2,722,313</b>                           | <b>\$ 45,495</b>   | <b>\$ 13,764,030</b> |

<sup>(1)</sup> Other credit quality indicators used for monitoring purposes are primarily FICO scores.

<sup>(2)</sup> Other credit quality indicators used for monitoring purposes are primarily internal risk ratings.

<sup>(3)</sup> No FICO scores are primarily related to loans and leases extended to non-residents. Loans and leases of this nature are primarily secured by collateral and/or are closely monitored for performance.

## GAAP to Non-GAAP Reconciliation

Table 14

|  | For the Three Months Ended |                   |                  | For the Six Months Ended |                  |
|--|----------------------------|-------------------|------------------|--------------------------|------------------|
|  | June 30,<br>2020           | March 31,<br>2020 | June 30,<br>2019 | June 30,<br>2020         | June 30,<br>2019 |
| (dollars in thousands, except per share amounts)                               |                            |                   |                  |                          |                  |
| <b>Income Statement Data:</b>  |                            |                   |                  |                          |                  |
| Net income   | \$ 20,049                  | \$ 38,865         | \$ 72,433        | \$ 58,914                | \$ 142,357       |
| Core net income  | \$ 20,204                  | \$ 38,803         | \$ 72,612        | \$ 59,007                | \$ 144,664       |
| Average total stockholders' equity   | \$ 2,697,775               | \$ 2,660,811      | \$ 2,610,565     | \$ 2,679,293             | \$ 2,575,775     |
| Less: average goodwill   | 995,492                    | 995,492           | 995,492          | 995,492                  | 995,492          |
| Average tangible stockholders' equity  | \$ 1,702,283               | \$ 1,665,319      | \$ 1,615,073     | \$ 1,683,801             | \$ 1,580,283     |
| Average total assets   | \$ 22,341,654              | \$ 20,313,304     | \$ 20,390,273    | \$ 21,327,479            | \$ 20,442,266    |
| Less: average goodwill   | 995,492                    | 995,492           | 995,492          | 995,492                  | 995,492          |
| Average tangible assets  | \$ 21,346,162              | \$ 19,317,812     | \$ 19,394,781    | \$ 20,331,987            | \$ 19,446,774    |
| Return on average total stockholders' equity <sup>(1)</sup>                    | 2.99 %                     | 5.87 %            | 11.13 %          | 4.42 %                   | 11.15 %          |
| Core return on average total stockholders' equity (non-GAAP) <sup>(1)</sup>    | 3.01 %                     | 5.87 %            | 11.16 %          | 4.43 %                   | 11.33 %          |
| Return on average tangible stockholders' equity (non-GAAP) <sup>(1)</sup>      | 4.74 %                     | 9.39 %            | 17.99 %          | 7.04 %                   | 18.17 %          |
| Core return on average tangible stockholders' equity (non-GAAP) <sup>(1)</sup> | 4.77 %                     | 9.37 %            | 18.03 %          | 7.05 %                   | 18.46 %          |
| Return on average total assets <sup>(1)</sup>                                  | 0.36 %                     | 0.77 %            | 1.42 %           | 0.56 %                   | 1.40 %           |
| Core return on average total assets (non-GAAP) <sup>(1)</sup>                  | 0.36 %                     | 0.77 %            | 1.43 %           | 0.56 %                   | 1.43 %           |
| Return on average tangible assets (non-GAAP) <sup>(1)</sup>                    | 0.38 %                     | 0.81 %            | 1.50 %           | 0.58 %                   | 1.48 %           |
| Core return on average tangible assets (non-GAAP) <sup>(1)</sup>               | 0.38 %                     | 0.81 %            | 1.50 %           | 0.58 %                   | 1.50 %           |

|   | As of<br>June 30,<br>2020 | As of<br>March 31,<br>2020 | As of<br>December 31,<br>2019 | As of<br>June 30,<br>2019 |
|---|---------------------------|----------------------------|-------------------------------|---------------------------|
| <b>Balance Sheet Data:</b>                                  |                           |                            |                               |                           |
| Total stockholders' equity                                  | \$ 2,701,897              | \$ 2,664,685               | \$ 2,640,258                  | \$ 2,659,441              |
| Less: goodwill  | 995,492                   | 995,492                    | 995,492                       | 995,492                   |
| Tangible stockholders' equity                               | \$ 1,706,405              | \$ 1,669,193               | \$ 1,644,766                  | \$ 1,663,949              |
| Total assets  | \$ 22,993,715             | \$ 20,755,891              | \$ 20,166,734                 | \$ 20,526,367             |
| Less: goodwill  | 995,492                   | 995,492                    | 995,492                       | 995,492                   |
| Tangible assets   | \$ 21,998,223             | \$ 19,760,399              | \$ 19,171,242                 | \$ 19,530,875             |
| Shares outstanding  | 129,866,898               | 129,827,968                | 129,928,479                   | 133,508,212               |
| Total stockholders' equity to total assets                  | 11.75 %                   | 12.84 %                    | 13.09 %                       | 12.96 %                   |
| Tangible stockholders' equity to tangible assets (non-GAAP) | 7.76 %                    | 8.45 %                     | 8.58 %                        | 8.52 %                    |
| Book value per share  | \$ 20.81                  | \$ 20.52                   | \$ 20.32                      | \$ 19.92                  |
| Tangible book value per share (non-GAAP)                    | \$ 13.14                  | \$ 12.86                   | \$ 12.66                      | \$ 12.46                  |

<sup>(1)</sup> Annualized for the three and six months ended June 30, 2020 and 2019 and three months ended March 31, 2020.

## GAAP to Non-GAAP Reconciliation

Table 15

|   | For the Three Months Ended |                   |                  | For the Six Months Ended |                  |
|---|----------------------------|-------------------|------------------|--------------------------|------------------|
|   | June 30,<br>2020           | March 31,<br>2020 | June 30,<br>2019 | June 30,<br>2020         | June 30,<br>2019 |
| (dollars in thousands, except per share amounts)  |                            |                   |                  |                          |                  |
| Net interest income                               | \$ 127,822                 | \$ 138,683        | \$ 145,613       | \$ 266,505               | \$ 290,702       |
| Core net interest income (non-GAAP)               | \$ 127,822                 | \$ 138,683        | \$ 145,613       | \$ 266,505               | \$ 290,702       |
| Noninterest income                                | \$ 45,656                  | \$ 49,228         | \$ 48,773        | \$ 94,884                | \$ 95,845        |
| Losses (gains) on sale of securities              | 211                        | (85)              | (21)             | 126                      | 2,592            |
| Core noninterest income (non-GAAP)                | \$ 45,867                  | \$ 49,143         | \$ 48,752        | \$ 95,010                | \$ 98,437        |
| Noninterest expense                               | \$ 91,450                  | \$ 96,466         | \$ 93,290        | \$ 187,916               | \$ 185,913       |
| One-time items <sup>(1)</sup>                     | —                          | —                 | (261)            | —                        | (522)            |
| Core noninterest expense (non-GAAP)               | \$ 91,450                  | \$ 96,466         | \$ 93,029        | \$ 187,916               | \$ 185,391       |
| Net income  | \$ 20,049                  | \$ 38,865         | \$ 72,433        | \$ 58,914                | \$ 142,357       |
| Losses (gains) on sale of securities              | 211                        | (85)              | (21)             | 126                      | 2,592            |
| One-time noninterest expense items <sup>(1)</sup> | —                          | —                 | 261              | —                        | 522              |
| Tax adjustments <sup>(2)</sup>                    | (56)                       | 23                | (61)             | (33)                     | (807)            |
| Total core adjustments                            | 155                        | (62)              | 179              | 93                       | 2,307            |
| Core net income (non-GAAP)                        | \$ 20,204                  | \$ 38,803         | \$ 72,612        | \$ 59,007                | \$ 144,664       |
| Basic earnings per share                          | \$ 0.15                    | \$ 0.30           | \$ 0.54          | \$ 0.45                  | \$ 1.06          |
| Diluted earnings per share                        | \$ 0.15                    | \$ 0.30           | \$ 0.54          | \$ 0.45                  | \$ 1.06          |
| Efficiency ratio                                  | 52.70 %                    | 51.33 %           | 47.99 %          | 51.99 %                  | 48.09 %          |
| Core basic earnings per share (non-GAAP)          | \$ 0.16                    | \$ 0.30           | \$ 0.54          | \$ 0.45                  | \$ 1.07          |
| Core diluted earnings per share (non-GAAP)        | \$ 0.16                    | \$ 0.30           | \$ 0.54          | \$ 0.45                  | \$ 1.07          |
| Core efficiency ratio (non-GAAP)                  | 52.64 %                    | 51.35 %           | 47.86 %          | 51.97 %                  | 47.64 %          |

<sup>(1)</sup> One-time items included nonrecurring offering costs.

<sup>(2)</sup> Represents the adjustments to net income, tax effected at the Company's effective tax rate for the respective period.