



 First Hawaiian, Inc.

# Investor Presentation

September 2022



## **Forward-Looking Statements**

*This presentation contains, and from time-to-time in connection with this presentation our management may make, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our views at such time 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 these 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, and any such forward-looking statements 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. Actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Factors that could cause our actual results to differ materially from those described in 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, can be found in our SEC filings, including, but not limited to, our Annual Report on Form 10-K for the year ended December 31, 2021, and our Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2022, which are available on our website ([www.fhb.com](http://www.fhb.com)) and the SEC’s website ([www.sec.gov](http://www.sec.gov)). Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable law.*

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

*The information provided herein includes certain non-GAAP financial measures. We believe that these measures provide useful information about our operating results and enhance the overall understanding of our past performance and future performance. 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. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition. The reconciliation of such measures to the comparable GAAP figures are included in the appendix of this presentation.*

## **Other**

*References to “we,” “us,” “our,” “FHI,” “FHB,” “Company,” and “First Hawaiian” refer to First Hawaiian, Inc. and its consolidated subsidiaries.*

# Q2 2022 FINANCIAL HIGHLIGHTS<sup>1</sup>

	Q2 2022	Q1 2022
Net Income (\$mm)	\$59.4	\$57.7
Diluted EPS	\$0.46	\$0.45
Net Interest Margin	2.60%	2.42%
Efficiency Ratio	57.3%	59.0%
ROA / ROATA <sup>2</sup>	0.94% / 0.98%	0.93% / 0.97%
ROE / ROATCE <sup>2</sup>	10.52% / 18.79%	9.19% / 15.08%
Tier 1 Leverage Ratio	7.54%	7.50%
CET 1 Capital Ratio	11.98%	12.27%
Total Capital ratio	13.14%	13.48%
Dividend <sup>3</sup>	\$0.26 / share	\$0.26 / share

- Net income \$59.4 mm
- Grew total loans and leases \$371 mm
- Grew total deposits \$331 mm, 8 bp cost of deposits
- Net interest margin expanded 18 bps.
- Excellent credit quality. Recorded \$1.0 mm provision expense
- Well capitalized: 11.98% CET1 ratio
- Declared \$0.26 / share dividend

(1) Comparisons to Q1 2022

(2) ROATA and ROATCE are non-GAAP financial measures. A reconciliation of average tangible assets and average tangible stockholders' equity to the comparable GAAP measurements is provided in the appendix of this slide presentation.

(3) Declared on July 27, 2022. Payable September 2, 2022 to shareholders of record at close of business on August 22, 2022.

# BALANCE SHEET HIGHLIGHTS

\$ in thousands	6/30/22	3/31/22
<b>Assets</b>		
Int-bearing Deposits in Other Banks	\$ 1,254.0	\$ 1,352.1
Investment Securities - AFS	3,967.7	8,062.4
Investment Securities - HTM	4,093.2	---
Loans and Leases	13,262.8	12,891.7
Total Assets	25,377.5	25,042.7
<b>Liabilities</b>		
Deposits	\$ 22,601.5	\$ 22,270.4
Long-Term Borrowings	---	---
Total Stockholders Equity	2,252.6	2,285.1



Comments
<ul style="list-style-type: none"> <li>• Asset-sensitive balance sheet, with 39% of the loan portfolio repricing within 90 days</li> <li>• Low loan-to-deposit ratio (58.7%) with ample liquidity to fund future loan growth</li> <li>• Balance sheet remains well-capitalized</li> <li>• Reduced volatility of AOCI by reclassifying approximately \$4 billion of securities from available-for-sale to held-to-maturity</li> <li>• Investment portfolio continues to perform well                             <ul style="list-style-type: none"> <li>• 5.6 yr portfolio duration at end of Q2 unchanged from year-end 2021</li> <li>• Limited extension and contraction risk</li> <li>• Reliable cash flows between \$100 to \$125 million per month, support strong liquidity position</li> </ul> </li> </ul>

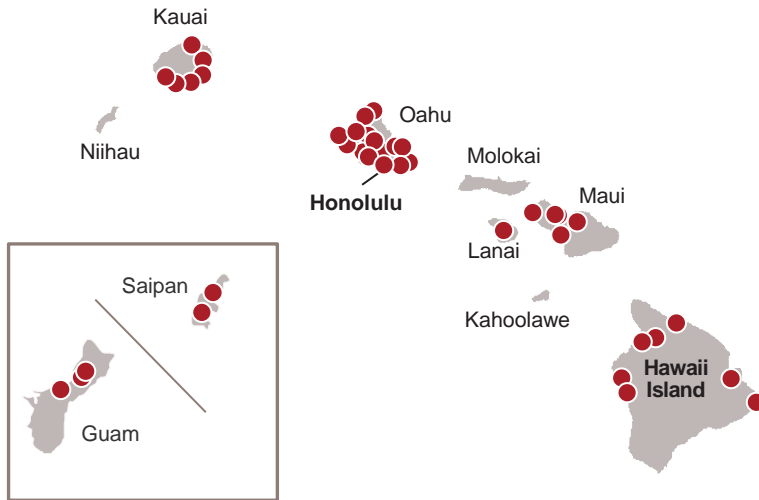
# INVESTMENT HIGHLIGHTS

- 1 Strong, Consistent Financial Performance
- 2 Leading Position In Attractive Markets
- 3 Experienced Leadership Team
- 4 High Quality Balance Sheet
- 5 Proven Through The Cycle Performance
- 6 Well-Capitalized With Attractive Dividend

# STRONG PERFORMER IN ATTRACTIVE MARKET

## Branch Presence

51 branches



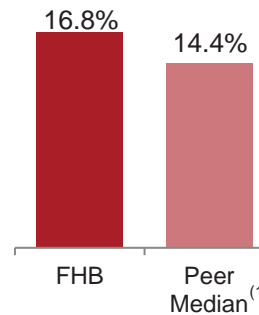
## Company Highlights

- ✓ Oldest and largest Hawaii-based bank
- ✓ Full-service community bank with complete suite of products & services
- ✓ Largest combined deposit base in Hawaii, Guam and Saipan
- ✓ Largest Hawaii-based lender
- ✓ \$16.5 bn assets under administration as of 2Q22
- ✓ Proven through the cycle and outstanding operating performance

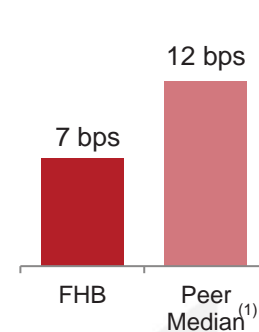
## Financial Overview – 2Q 2022 YTD (\$ billions)

<b>Market Cap</b>	<b>\$ 3.3</b>	<b>Loans</b>	<b>\$ 13.3</b>
<b>Assets</b>	<b>\$ 25.4</b>	<b>Deposits</b>	<b>\$ 22.6</b>

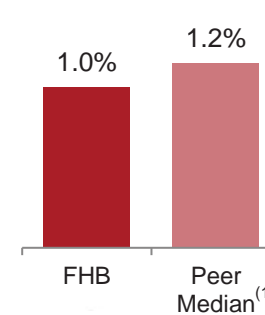
### ROATCE<sup>(2)</sup>



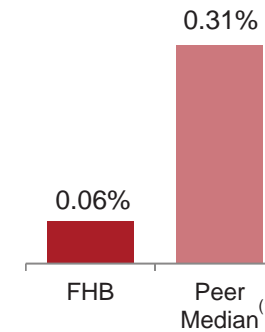
### Cost of Deposits



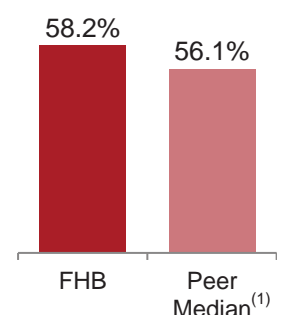
### ROATA<sup>(2)</sup>



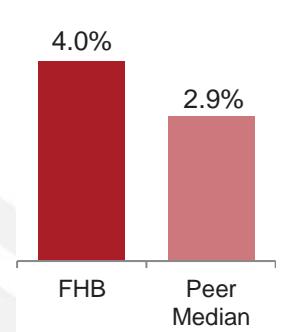
### NALs / Loans



### Efficiency Ratio



### Dividend Yield<sup>(3)</sup>



Source: Public filings and S&P Global Market Intelligence as of 31-Aug-2022

Note: Financial data as of 30-Jun-2022. Market data as of 31-Aug-2022.

(1) Peer median is based on public banks \$10–\$50bn in assets constituted as of 31-Dec-2021; excludes merger targets.

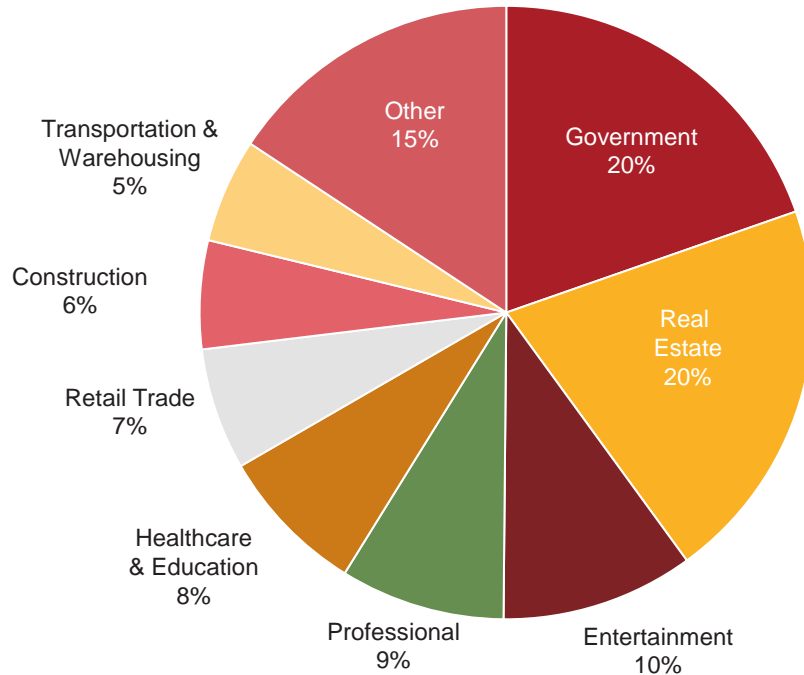
(2) ROATA (Return On Average Tangible Assets) and ROATCE (Return on Average Tangible Common Equity) are non-GAAP financial measures. A reconciliation to the comparable FHB GAAP measures is provided in the appendix.

(3) Dividend yield based on dividend paid in 2Q 2022 and closing market price as of 31-Aug-2022.

# DESPITE NEAR-TERM CHALLENGES, THE FUNDAMENTAL STRENGTHS OF HAWAII'S ECONOMY REMAIN INTACT

## Hawaii GDP by Industry (2019)<sup>(1)</sup>

Visitor spending is ~19% of Hawaii GDP<sup>(2)</sup>



## Fundamental Strengths

- Attractive destination for domestic and international travelers
  - Attractive alternative for travelers concerned about international travel
  - Well-developed visitor industry infrastructure
  - High quality medical care
- Strategically important
  - Headquarters of US Indo-Pacific Command and regional component commands: Army, Navy, Air Force, Marines
  - Estimated total defense spending in Hawaii in 2020: \$7.7bn <sup>(3)</sup>
  - Defense spending is 8.5% of state GDP <sup>(3)</sup>
  - Over 50k active duty, National Guard and Reserve personnel stationed in Hawaii <sup>(3)</sup>
  - Almost 20k civilian employees<sup>(3)</sup>

<sup>(1)</sup> US Bureau of Economic Analysis

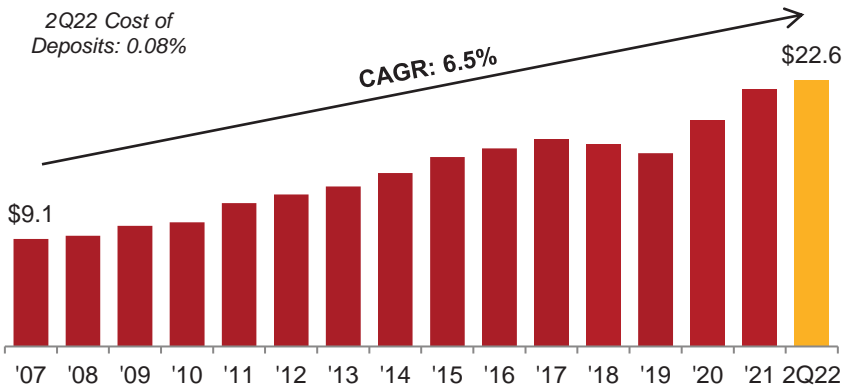
<sup>(2)</sup> Based on \$17.9bn of 2019 visitor spending according to Hawaii Department of Business, Economic Development and Tourism.

<sup>(3)</sup> [defenseeconomy.hawaii.gov](https://defenseeconomy.hawaii.gov)

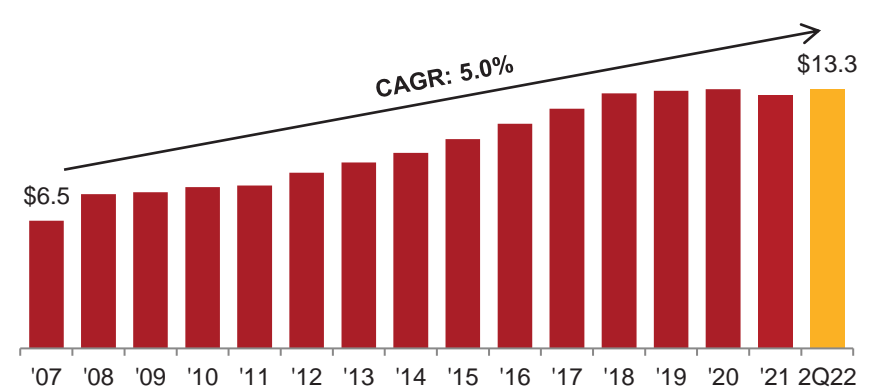
# STRONG PERFORMANCE THROUGH THE CYCLE



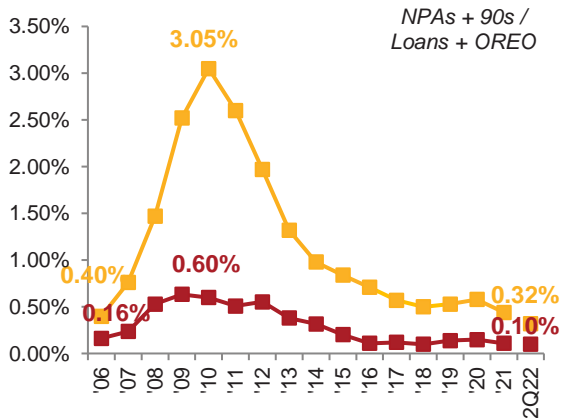
## Consistent Deposit Growth (\$bn)



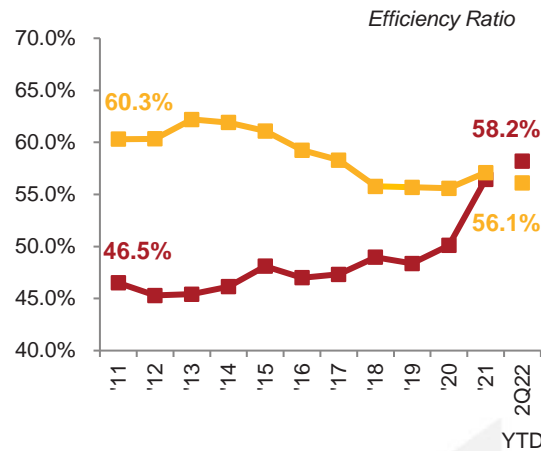
## Steady, Balanced Loan Growth (\$bn)



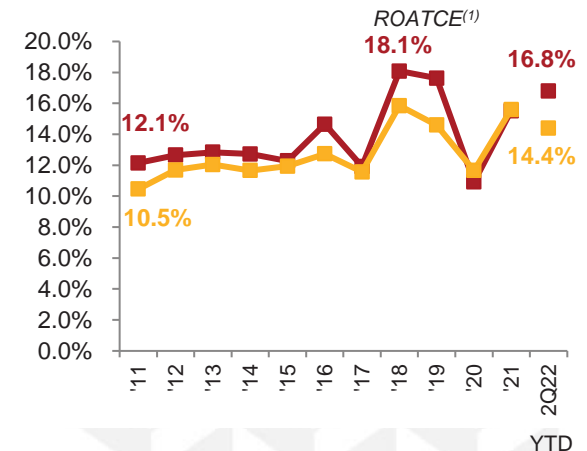
## Through the Cycle Credit Performer



## Strong Expense Mgmt. Culture



## Consistent Record of Profitability



■ First Hawaiian, Inc.

■ Public U.S. Banks with \$10-\$50bn of Assets

Source: Public filings and S&P Global Market Intelligence as of 31-Aug-2022

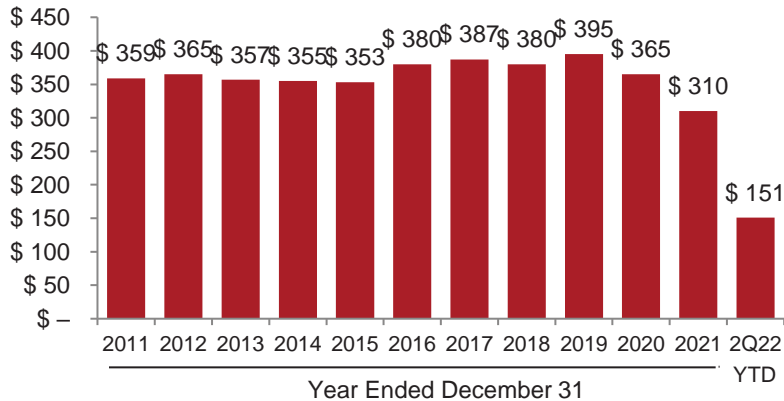
Note: Financial data as of 30-Jun-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

(1) ROATCE (Return on Average Tangible Common Equity) is a non-GAAP financial measure. A reconciliation to the comparable FHB GAAP measure is provided in the appendix.



# CONSISTENT TRACK RECORD OF STRONG PROFITABILITY

## Pre-Tax, Pre-Provision Earnings (\$mm)<sup>(1)</sup>

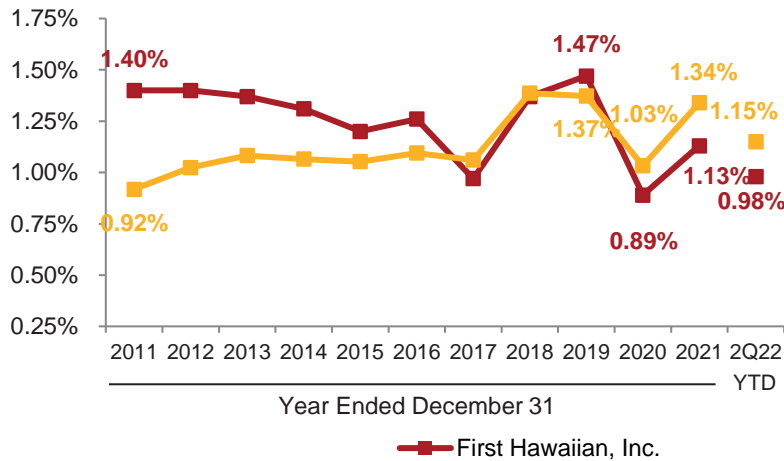


Consistent PTPP Earnings

## Stable Earnings Drivers

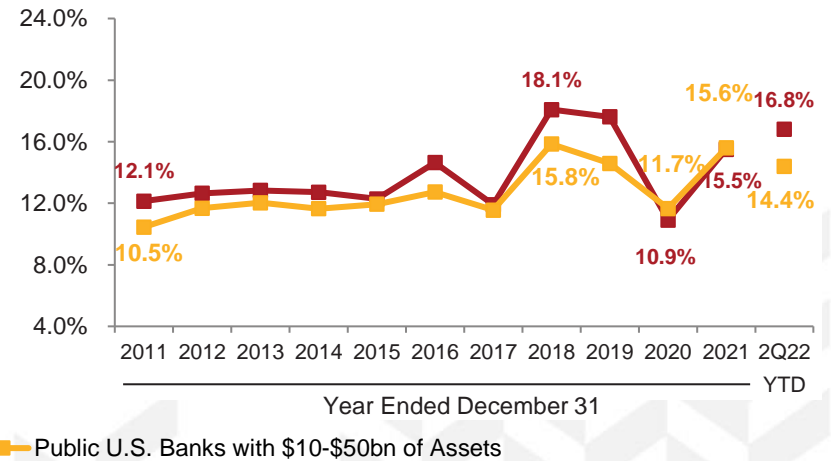
- Dominant loan and deposit positions in attractive markets
- Consistent underwriting standards with proven performance through the credit cycle
- Demonstrated history of disciplined expense management

## ROATA<sup>(1)</sup>



Consistent History of Strong Profitability

## ROATCE<sup>(1)</sup>



Source: Public filings and S&P Global Market Intelligence, as of 31-Aug-2022

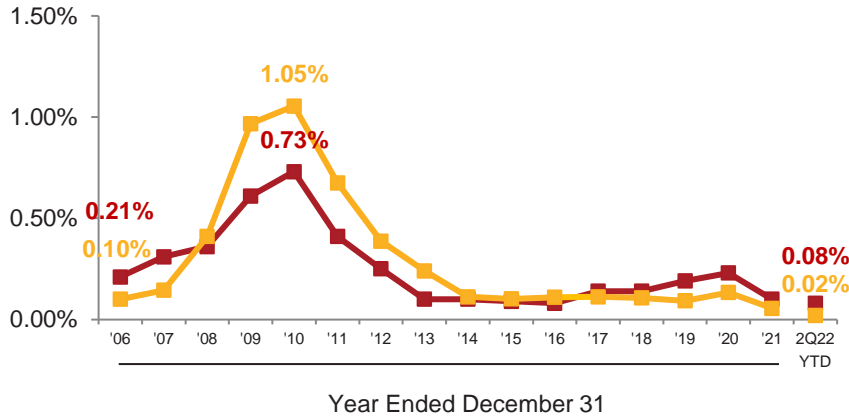
Note: Financial data as of 30-Jun-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

(1) PTPP (Pre-Tax, Pre-Provision) Earnings, ROATA (Return On Average Tangible Assets) and ROATCE (Return On Average Tangible Common Equity) are non-GAAP financial measures. A reconciliation to the comparable FHB GAAP measures is provided in the appendix.

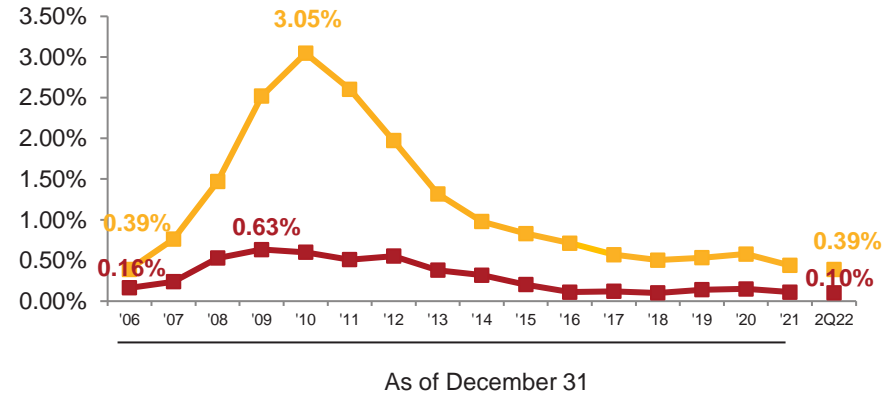
# PROVEN, CONSISTENT, AND CONSERVATIVE CREDIT RISK MANAGEMENT

*Strong through the cycle credit performance driven by conservative approach to credit risk management*

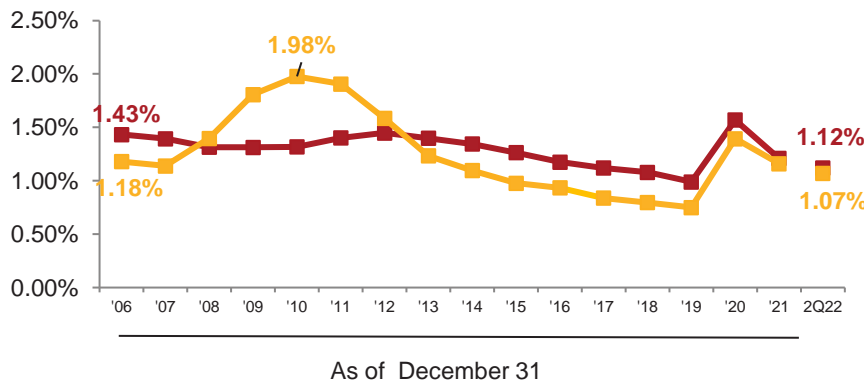
### NCOs / Average Loans



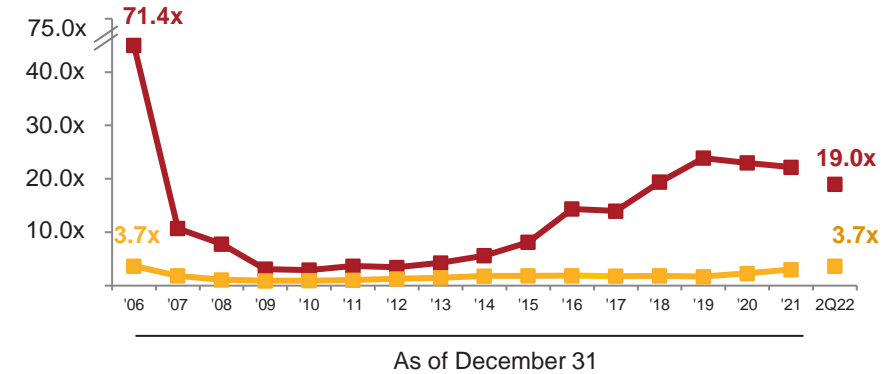
### NPAs + 90s / Loans + OREO



### Reserves / Loans



### Reserves / Non-Accrual Loans



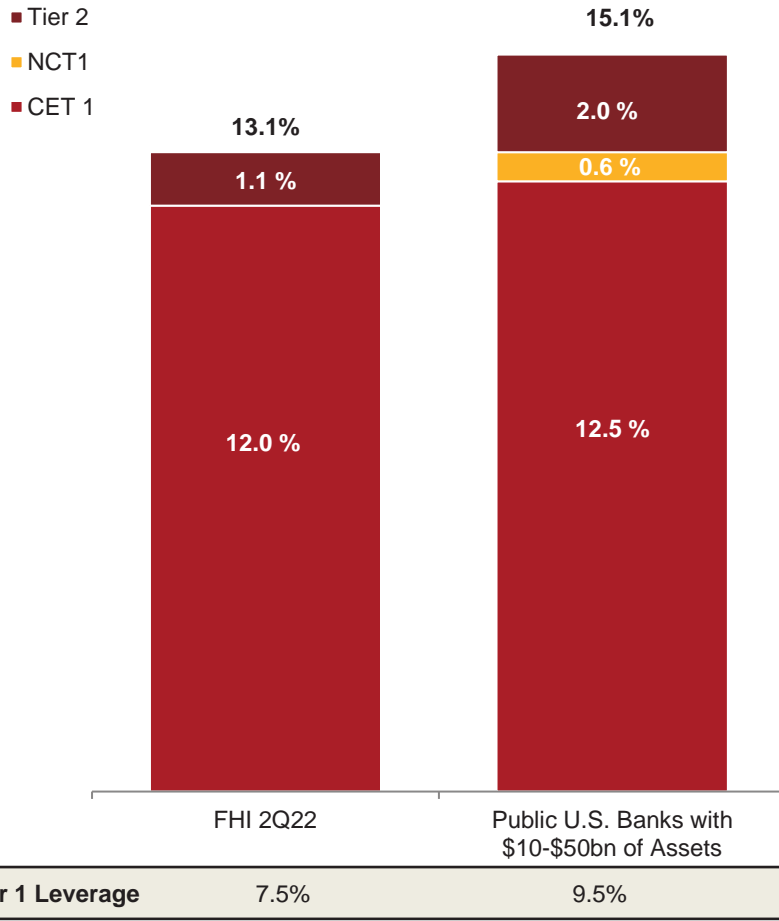
■ First Hawaiian, Inc.

■ Public U.S. Banks with \$10-\$50bn of Assets

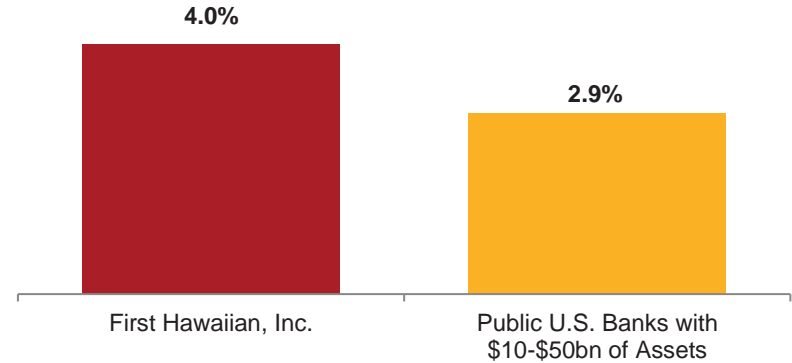
Source: Public filings and SNL Financial, available as of 31-Aug-2022  
 Note: Financial data as of 30-Jun-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

# WELL-CAPITALIZED WITH AN ATTRACTIVE DIVIDEND

## Robust Capital Position



## Attractive Dividend Yield<sup>(1)(2)</sup>



## Capital Management Approach

- Retain sufficient earnings to support loan growth and maintain strong capital levels
- Return excess capital through dividends and share repurchases
- Stock repurchase program for up to \$75mm of common stock during 2022
- Held dividend at \$0.26/share in 2Q 2022
- 0.3 mm shares repurchased in 2Q 2022

Source: Public filings and S&P Global Market Intelligence as of 31-Aug-2022

Note: Financial data as of 30-Jun-2022. \$10-\$50bn banks constituted as of 31-Dec-2021, excludes merger targets. Percentages may not total due to rounding.

<sup>(1)</sup> Dividends and share repurchases are subject to approval of FHI's board of directors, future capital needs and regulatory approvals.

<sup>(2)</sup> Dividend yield (MRQ) based on 2Q 2022 paid dividend and market data as of 31-Aug-2022.

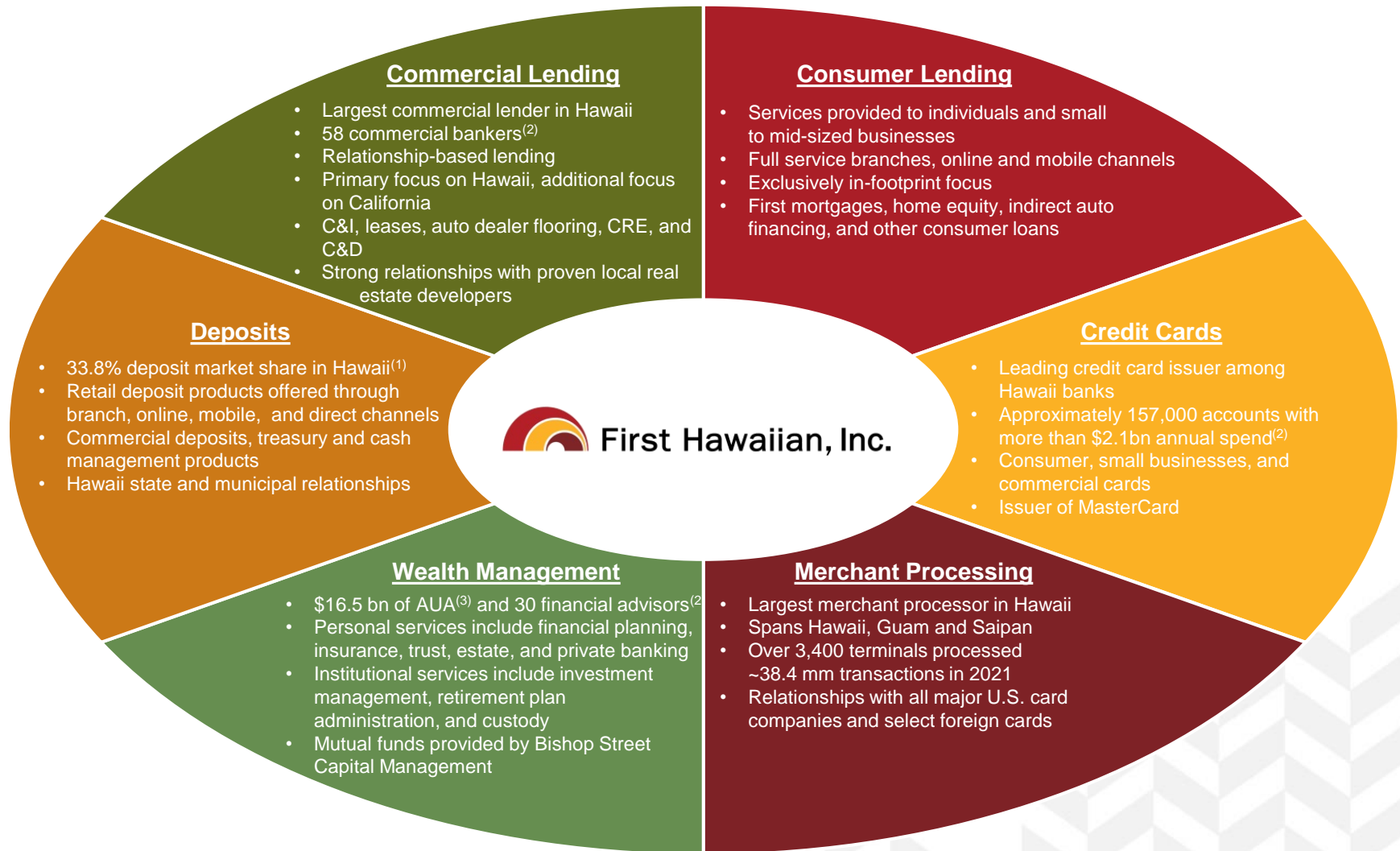
# Appendix



First Hawaiian, Inc.

# FULL SUITE OF PRODUCTS AND SERVICES

*First Hawaiian is a full-service community bank focused on building relationships with our customers*



(1) Source: FDIC as of 30-Jun-2021

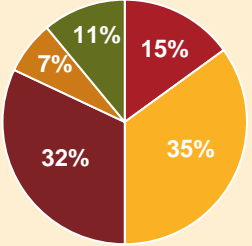
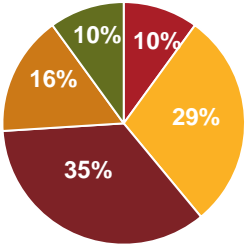
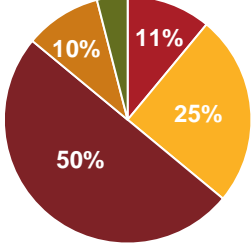
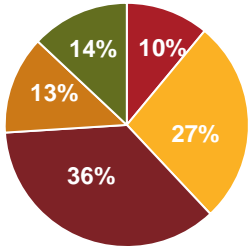
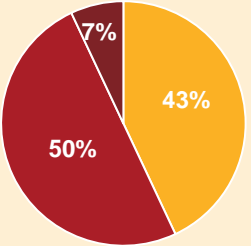
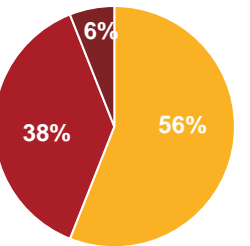
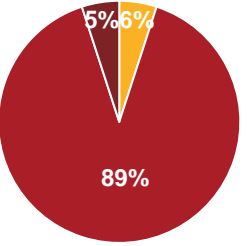
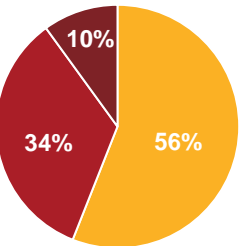
(2) As of 31-Dec-2021

(3) As of 30-Jun-2022

# A LEADER IN HAWAII

*The banking market in Hawaii is dominated by local banks, with the top 4 banks accounting for ~93% of deposits*



	First Hawaiian, Inc.	Bank of Hawaii	AMERICAN Savings Bank	CENTRAL PACIFIC BANK
<b>Branches</b>	51	54	38	30
<b>FTEs</b>	2,021	2,114	1,075	774
<b>Assets (\$bn)</b>	25.4	23.2	9.2	7.3
<b>Loans (\$bn)</b>	13.3	13.0	5.4	5.3
<b>Deposits (\$bn)</b>	22.6	21.0	8.3	6.6
<b>YTD 2Q 2022 ROATCE</b>	16.8% <sup>(1)</sup>	15.2%	15.0%	14.8%
<b>YTD 2Q 2022 ROATA</b>	0.98% <sup>(1)</sup>	0.98%	0.90%	1.02%
<b>Loan Portfolio</b>	 <ul style="list-style-type: none"> <li>Commercial</li> <li>Commercial RE</li> <li>Residential RE</li> <li>HELOC</li> <li>Consumer &amp; Other</li> </ul>	 <ul style="list-style-type: none"> <li>Commercial</li> <li>Commercial RE</li> <li>Residential RE</li> <li>HELOC</li> <li>Consumer &amp; Other</li> </ul>	 <ul style="list-style-type: none"> <li>Commercial</li> <li>Commercial RE</li> <li>Residential RE</li> <li>HELOC</li> <li>Consumer &amp; Other</li> </ul>	 <ul style="list-style-type: none"> <li>Commercial</li> <li>Commercial RE</li> <li>Residential RE</li> <li>HELOC</li> <li>Consumer &amp; Other</li> </ul>
<b>Deposit Portfolio</b>	 <ul style="list-style-type: none"> <li>Transaction Accounts</li> <li>Savings / MMDA</li> <li>Time Deposits</li> </ul>	 <ul style="list-style-type: none"> <li>Transaction Accounts</li> <li>Savings / MMDA</li> <li>Time Deposits</li> </ul>	 <ul style="list-style-type: none"> <li>Transaction Accounts</li> <li>Savings / MMDA</li> <li>Time Deposits</li> </ul>	 <ul style="list-style-type: none"> <li>Transaction Accounts</li> <li>Savings / MMDA</li> <li>Time Deposits</li> </ul>
<b>Hawaii Deposits<sup>2</sup></b>				
<b>Balance (\$bn)</b>	\$19.1	\$19.2	\$7.9	\$6.4
<b>Share</b>	33.8%	34.0%	14.0%	11.3%

Sources: S&P Global Market Intelligence, FDIC, SEC and company filings. Company filings used for peers where available, otherwise regulatory data used.

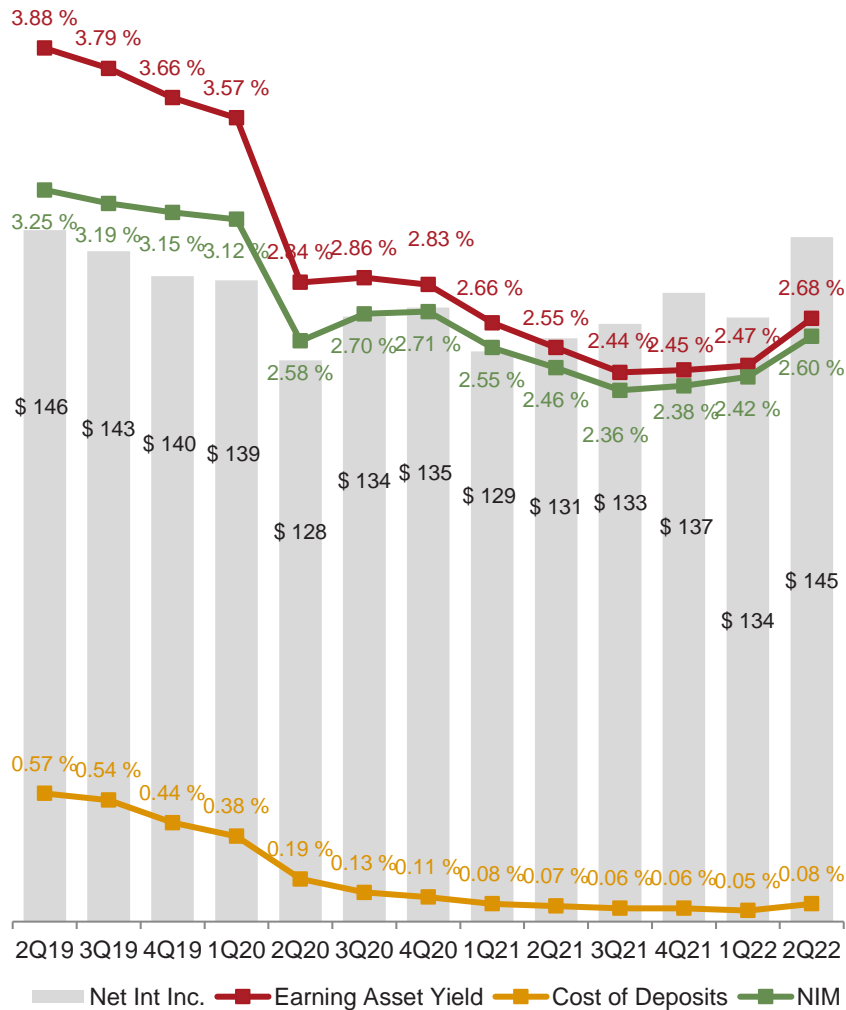
Note: Financial data as of 30-Jun-2022.

(1) ROATCE (return on average tangible common equity) and ROATA (return on average tangible assets) are non-GAAP financial measures. Reconciliations to the comparable FHB GAAP measures are provided in the appendix.

(2) Deposit market share based on FDIC data as of 30-Jun-2021.

# BALANCE SHEET WELL POSITIONED TO BENEFIT FROM RISING RATES

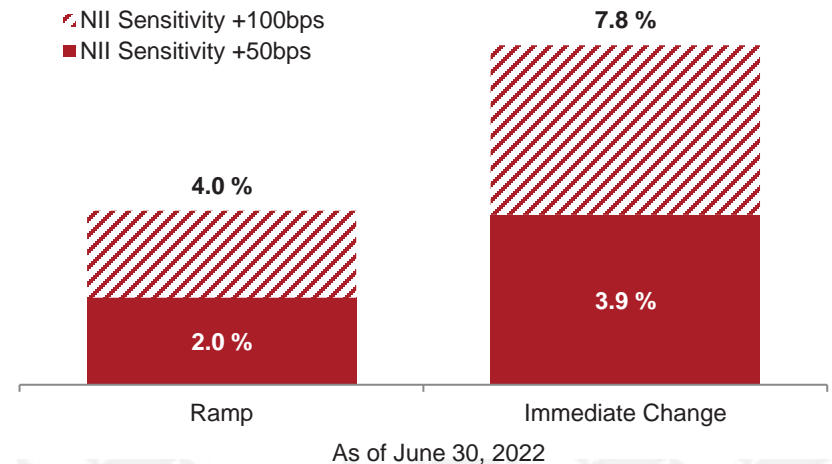
## 18 bp NIM increase in 2Q



## Well Positioned for Rising Rates

- Approximately \$5.1 bn, or 39% of the loan portfolio, reprices within 90 days
- Well-structured investment portfolio with limited extension risk
- Stable, low-cost deposit base
- Hawaii has experienced lower deposit costs and had a lower deposit beta in previous rate cycles

### NII Benefit From Rate Hike<sup>(1)</sup>

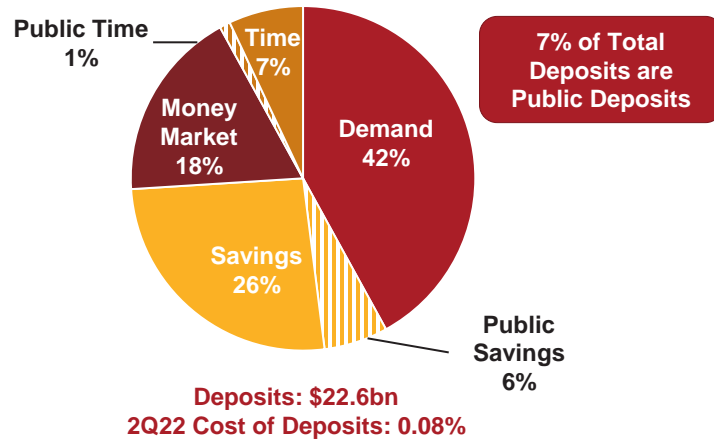


(1) For a discussion of the factors that could cause actual NII Sensitivity results to differ from simulation analyses, see "Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations — Risk Governance and Quantitative and Qualitative Disclosures About Market Risk – Market Risk Measurement" in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2022.

# SOLID, LOW-COST CORE DEPOSIT BASE

*Strong brand, deep ties to the community and a leading market share position have driven an attractive, low-cost deposit base*

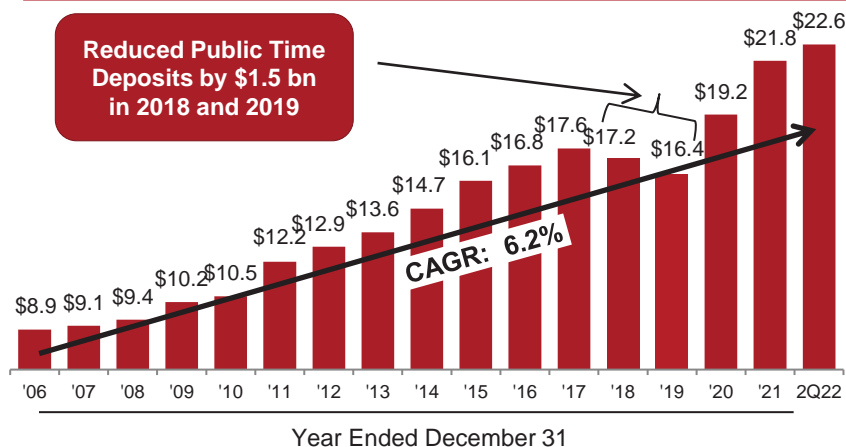
## Deposit Portfolio Composition



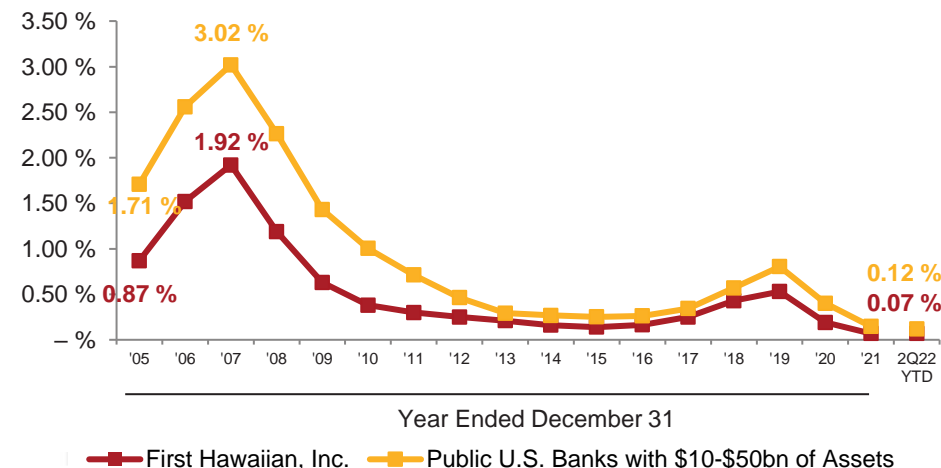
## Growing Consumer and Commercial Deposits, Reducing Public Time Deposits

- Year-to-date through 6/30/22, total deposits grew by \$785.3 mm, or 3.6%
  - Commercial and consumer deposits increased by \$312.3 mm
  - Public deposits increased by \$473.0 mm
    - Public time deposits decreased by \$55.0 mm

## Consistent Deposit Growth (\$bn)



## Best-in-Class Cost of Deposits



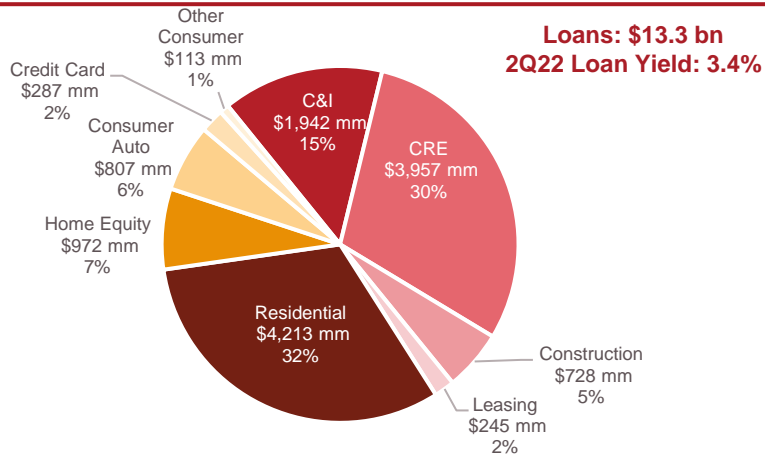
Source: Public filings and S&P Global Market Intelligence, as of 31-Aug-2022  
Note: Financial data as of 30-Jun-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.



# STEADY ORGANIC GROWTH AND BALANCED LOAN PORTFOLIO

*Steady through the cycle organic loan growth and balanced loan portfolio  
Expect mid-to-high single digit loan growth (ex PPP) in 2022*

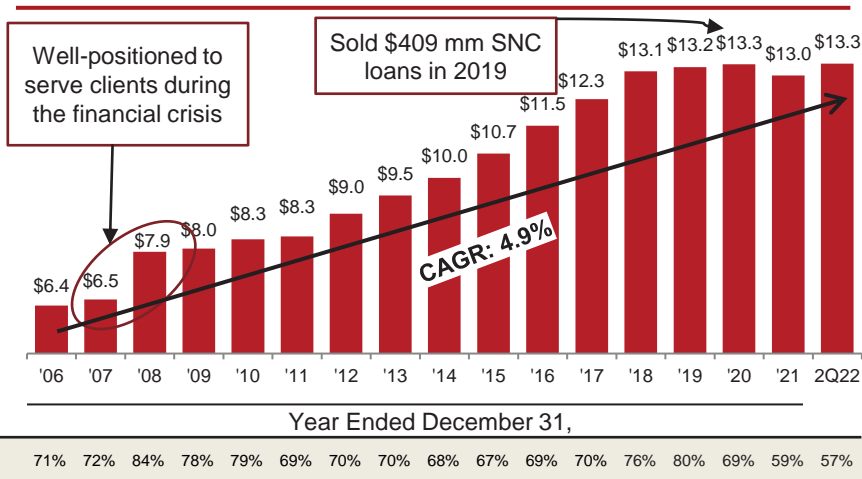
## Balanced Loan Portfolio (as of 6/30/22)



## Loan Portfolio Highlights (as of 6/30/22)

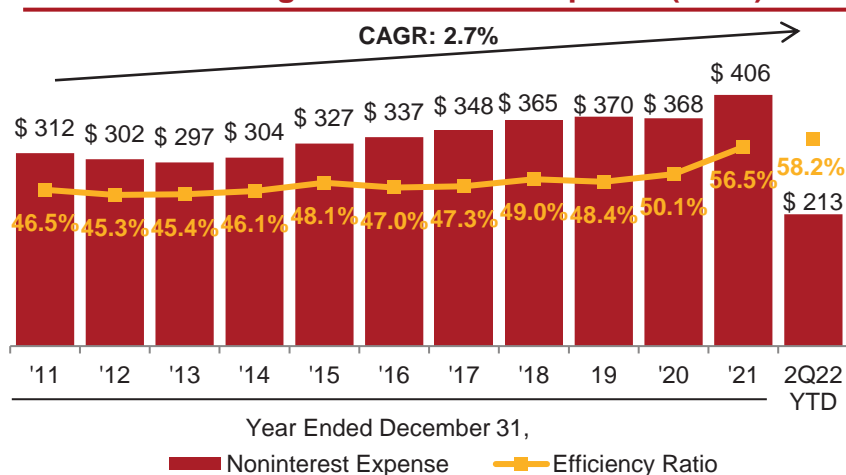
- Largest Hawaii-based lender
- Balanced Portfolio
  - 52% Commercial, 48% Consumer
  - 78% Hawaii/Guam/Saipan, 22% Mainland
- Commercial
  - Hawaii's leading commercial bank with most experienced lending team.
    - Average commercial loan officer experience > 25 years
  - 59% Hawaii/Guam/Saipan, 41% Mainland
  - \$1,429 mm Shared National Credit portfolio
    - Participating in SNC lending for over 20 years
    - 20% Hawaii-based, 80% Mainland
- Leading SBA lender Hawaii
  - SBA Lender of the Year (Category 1) 2017, 2018, 2019
  - Leveraged SBA experience to quickly launch PPP program
  - Originated over 10k PPP loans for over \$1.4bn in principal balances in 2020 and 2021
- Consumer
  - Primarily a Prime and Super Prime lender
  - ~90% of portfolio collateralized
  - Financing consumer auto loans for over 40 years

## Steady Loan Growth (\$bn)

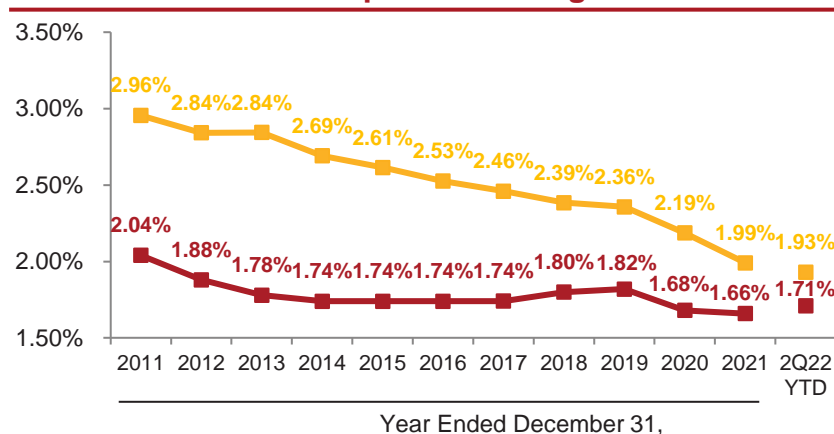


# DEMONSTRATED HISTORY OF DISCIPLINED EXPENSE MANAGEMENT

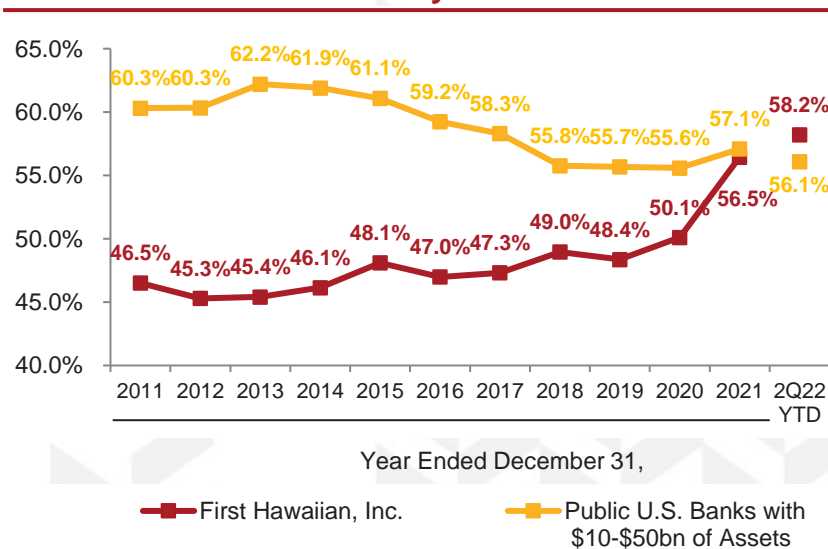
## Well Managed Noninterest Expense (\$mm)



## Noninterest Expense / Average Assets



## Efficiency Ratio



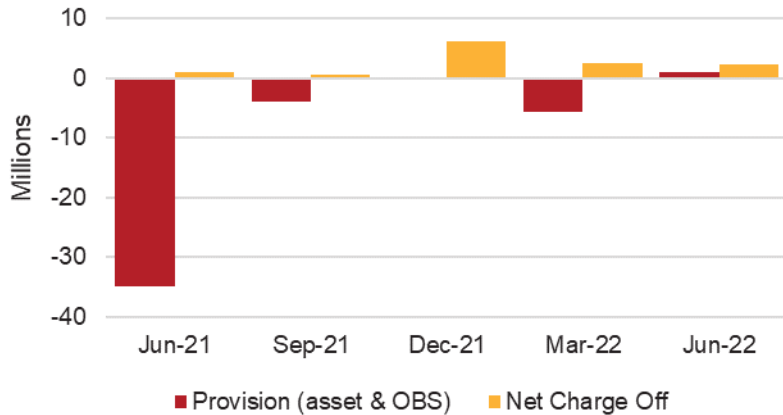
- Maintained expense discipline during pandemic
  - Very little expense growth from 2018 - 2020
- Q4 2021 expenses included a \$9 mm charge for prepayment of \$200 mm of FHLB advances
- Updated 2022 expense outlook
  - Noninterest expenses expected to be \$113 - \$114 mm per quarter in 2H 2022
  - Increase in outlook due to inflation impact on compensation expense and additional post-core conversion costs

Source: Public filings and S&P Global Market Intelligence, as of 31-Aug-2022  
 Note: Financial data as of 30-Jun-2022. \$10-\$50bn banks constituted as of 31-Dec-2021; excludes merger targets.

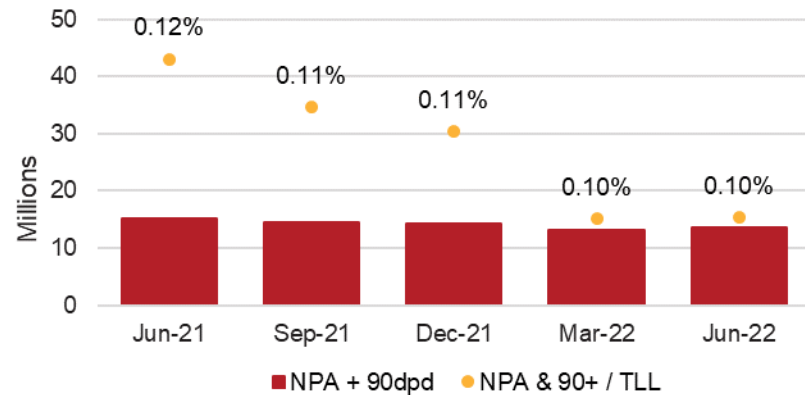
# ASSET QUALITY

## CREDIT COSTS AND PROBLEM LOAN LEVELS REMAIN LOW

### Provision and NCO

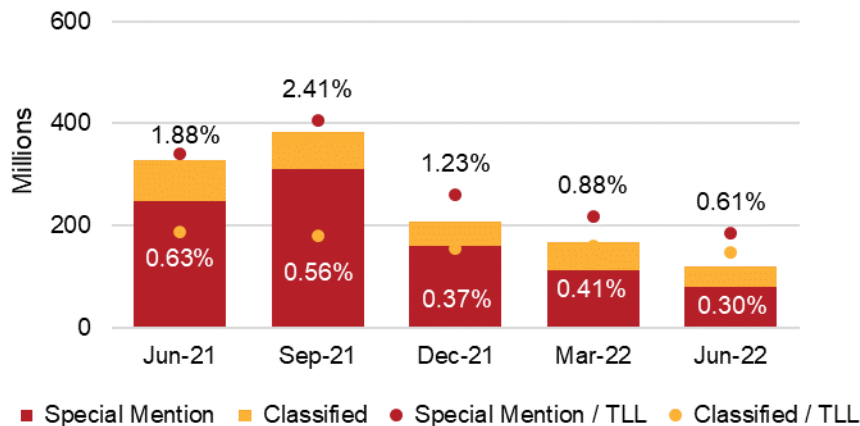


### NPA and 90 Past Due

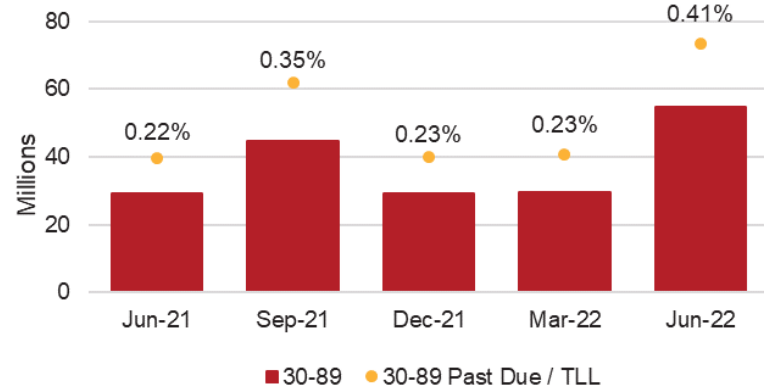


• Includes OREO

### Commercial Criticized Assets



### 30-89 Past Due

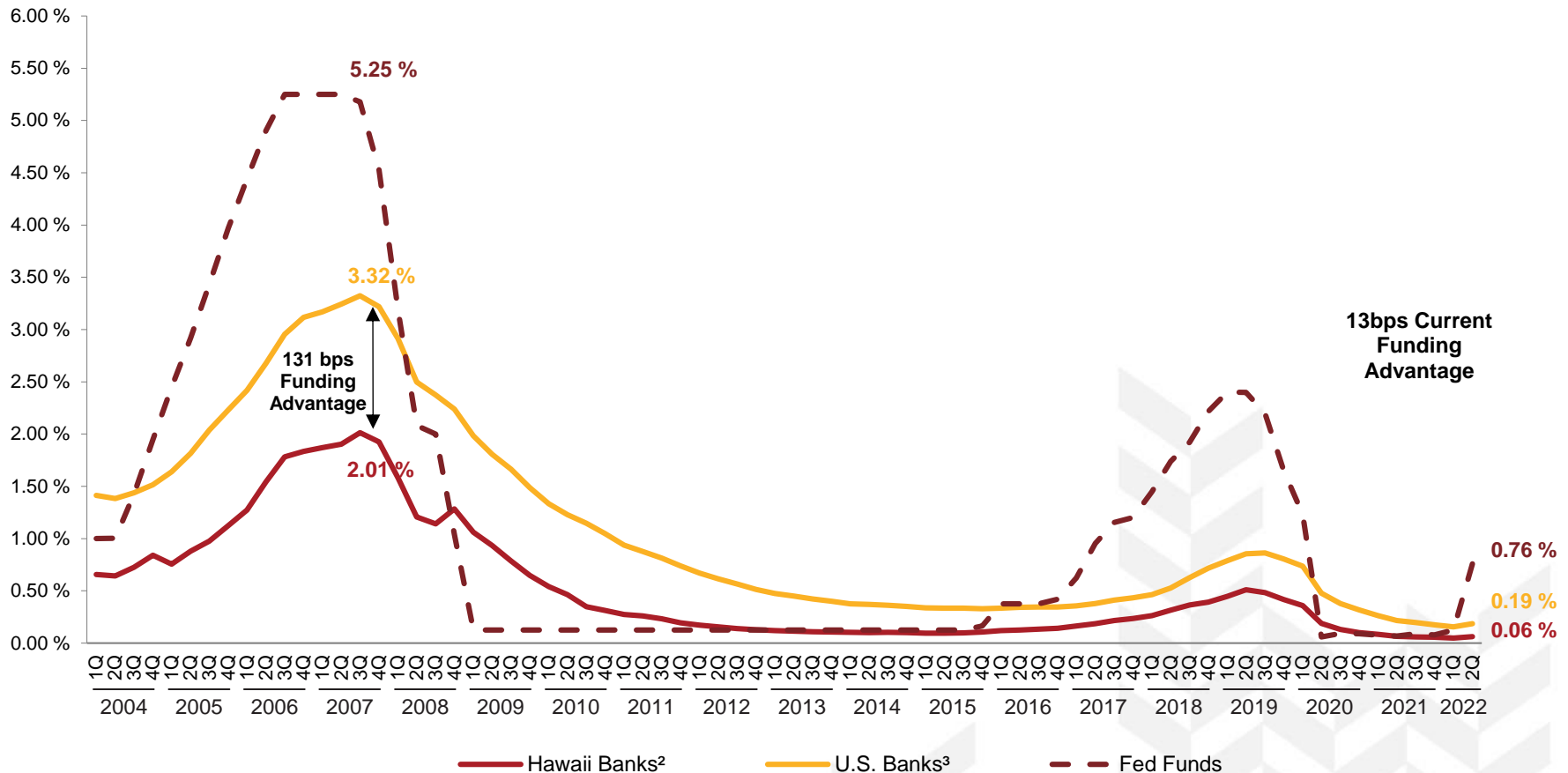


• 30-89 past due comprised of accruing and non-accruing loans

Note: TLL - Total Loans and Leases

# HAWAII BANKS HAVE A SIGNIFICANT DEPOSIT ADVANTAGE

*Hawaii banks experience more favorable deposit behavior across all rate cycles; Hawaii banks experienced a deposit beta<sup>(1)</sup> of ~34% vs. ~47% for broader U.S. banks during the last rising rate cycle*



Source: SNL Financial and the Federal Reserve website

<sup>(1)</sup> Deposit beta is defined as the change in deposit costs as a percentage of the change in Fed Funds over a particular period. Deposit cost uses starting point (2Q04) to peak (3Q07); one quarter lag.

<sup>(2)</sup> Includes First Hawaiian, Bank of Hawaii, American Savings, Central Pacific, Territorial Bancorp, Hawaii National. 2Q22 cost of deposits based on publicly available company reported information.

<sup>(3)</sup> Includes all U.S. bank holding companies excluding Hawaii-based banks. 2Q22 cost of deposits based on publicly available company reported information.

# GAAP TO NON-GAAP RECONCILIATIONS



*We present pre-tax, pre-provision earnings on an adjusted basis as a non-GAAP financial measure. We believe that the presentation of this non-GAAP financial measure helps identify underlying trends in our business from period to period that could otherwise be distorted by the effect of certain expenses included in our operating results. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition.*

*Return on average tangible stockholders' equity, 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 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 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. Investors should consider our performance and capital adequacy as reported under GAAP and all other relevant information when assessing our performance and capital adequacy.*

*The following tables provide a reconciliation of these non-GAAP financial measures with their most directly comparable GAAP measures.*

# GAAP TO NON-GAAP RECONCILIATION



(dollars in thousands, except per share amounts)	For the Three Months Ended			For the Six Months Ended	
	June 30, 2022	March 31, 2022	June 30, 2021	June 30, 2021	
<b>Income Statement Data:</b>					
Net income	\$ 59,360	\$ 57,719	\$ 86,741	\$ 117,079	\$ 144,434
Income Before Provision for Income Taxes	\$ 79,109	\$ 76,957	\$ 116,464	\$ 156,066	\$ 193,184
Provision for Credit Losses	1,000	(5,747)	(35,000)	(4,747)	(35,000)
Pre-Tax, Pre-Provision Earnings (non-GAAP)	\$ 80,109	\$ 71,210	\$ 81,464	\$ 151,319	\$ 158,184
Average total stockholders' equity	\$ 2,262,654	\$ 2,547,865	\$ 2,691,966	\$ 2,404,471	\$ 2,709,735
Less: average goodwill	995,492	995,492	995,492	995,492	995,492
Average tangible stockholders' equity	\$ 1,267,162	\$ 1,552,373	\$ 1,696,474	\$ 1,408,979	\$ 1,714,243
Average total assets	\$ 25,250,176	\$ 25,080,453	\$ 24,015,065	\$ 25,165,783	\$ 23,482,839
Less: average goodwill	995,492	995,492	995,492	995,492	995,492
Average tangible assets	\$ 24,254,684	\$ 24,084,961	\$ 23,019,573	\$ 24,170,291	\$ 22,487,347
Return on average total stockholders' equity <sup>(1)</sup>	10.52 %	9.19 %	12.92 %	9.82 %	10.75 %
Return on average tangible stockholders' equity (non-GAAP) <sup>(1)</sup>	18.79 %	15.08 %	20.51 %	16.76 %	16.99 %
Return on average total assets <sup>(1)</sup>	0.94 %	0.93 %	1.45 %	0.94 %	1.24 %
Return on average tangible assets (non-GAAP) <sup>(1)</sup>	0.98 %	0.97 %	1.51 %	0.98 %	1.30 %
<b>Balance Sheet Data:</b>					
(dollars in thousands, except per share amounts)	As of June 30, 2022	As of March 31, 2022	As of December 31, 2021	As of June 30, 2021	
Total stockholders' equity	\$ 2,252,611	\$ 2,285,149	\$ 2,656,912	\$ 2,731,341	
Less: goodwill	995,492	995,492	995,492	995,492	
Tangible stockholders' equity	\$ 1,257,119	\$ 1,289,657	\$ 1,661,420	\$ 1,735,849	
Total assets	\$ 25,377,533	\$ 25,042,720	\$ 24,992,410	\$ 24,246,328	
Less: goodwill	995,492	995,492	995,492	995,492	
Tangible assets	\$ 24,382,041	\$ 24,047,228	\$ 23,996,918	\$ 23,250,836	
Shares outstanding	127,451,087	127,686,307	127,502,472	129,019,871	
Total stockholders' equity to total assets	8.88 %	9.13 %	10.63 %	11.26 %	
Tangible stockholders' equity to tangible assets (non-GAAP)	5.16 %	5.36 %	6.92 %	7.47 %	
Book value per share	\$ 17.67	\$ 17.90	\$ 20.84	\$ 21.17	
Tangible book value per share (non-GAAP)	\$ 9.86	\$ 10.10	\$ 13.03	\$ 13.45	

<sup>(1)</sup> Annualized for the three and six months ended June 30, 2022 and 2021, and three months ended March 31, 2022

# GAAP TO NON-GAAP RECONCILIATION - ANNUAL



As of and for the Twelve Months Ended December 31,

(Dollars in millions, except per share data)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net Income	\$265.7	\$185.8	\$ 284.4	\$ 264.4	\$ 183.7	\$230.2	\$213.8	\$216.7	\$214.5	\$211.1	\$199.7
Average Total Stockholders' Equity	\$2,708.4	\$2,698.9	\$ 2,609.4	\$ 2,457.8	\$ 2,538.3	\$2,568.2	\$2,735.8	\$2,698.4	\$2,667.4	\$2,664.2	\$2,640.6
Less: Average Goodwill	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5
<b>Average Tangible Stockholders' Equity</b>	<b>\$1,712.9</b>	<b>\$1,703.4</b>	<b>\$ 1,613.9</b>	<b>\$ 1,462.3</b>	<b>\$ 1,542.8</b>	<b>\$1,572.7</b>	<b>\$1,740.3</b>	<b>\$1,702.9</b>	<b>\$1,672.0</b>	<b>\$1,668.7</b>	<b>\$1,645.1</b>
Total Stockholders' Equity	2,656.9	2,744.1	2,640.3	2,524.8	2,532.6	2,476.5	2,736.9	2,675.0	2,651.1	2,654.2	2,677.4
Less: Goodwill	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5
<b>Tangible Stockholders' Equity</b>	<b>\$1,661.4</b>	<b>\$1,748.6</b>	<b>\$ 1,644.8</b>	<b>\$ 1,529.3</b>	<b>\$ 1,537.1</b>	<b>\$1,481.0</b>	<b>\$1,741.4</b>	<b>\$1,679.5</b>	<b>\$1,655.6</b>	<b>\$1,658.7</b>	<b>\$1,681.9</b>
Average Total Assets	24,426.3	21,869.1	20,325.7	20,247.1	19,942.8	19,334.7	18,785.7	17,493.2	16,653.6	16,085.7	15,246.8
Less: Average Goodwill	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5
<b>Average Tangible Assets</b>	<b>\$23,430.8</b>	<b>\$20,873.6</b>	<b>\$ 19,330.2</b>	<b>\$ 19,251.6</b>	<b>\$ 18,947.3</b>	<b>\$18,339.2</b>	<b>\$17,790.2</b>	<b>\$16,497.7</b>	<b>\$15,658.1</b>	<b>\$15,090.2</b>	<b>\$14,251.3</b>
Total Assets	24,992.4	22,662.8	20,166.7	20,695.7	20,549.5	19,661.8	19,352.7	18,133.7	17,118.8	16,646.7	15,839.4
Less: Goodwill	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5	995.5
<b>Tangible Assets</b>	<b>\$23,996.9</b>	<b>\$21,667.3</b>	<b>\$ 19,171.2</b>	<b>\$ 19,700.2</b>	<b>\$ 19,554.0</b>	<b>\$18,666.3</b>	<b>\$18,357.2</b>	<b>\$17,138.2</b>	<b>\$16,123.3</b>	<b>\$15,651.2</b>	<b>\$14,843.9</b>
Return on Average Total Stockholders' Equity	9.81%	6.88%	10.90%	10.76%	7.24%	8.96%	7.81%	8.03%	8.04%	7.92%	7.56%
<b>Return on Average Tangible Stockholders' Equity (non-GAAP)</b>	<b>15.51%</b>	<b>10.91%</b>	<b>17.62%</b>	<b>18.08%</b>	<b>11.91%</b>	<b>14.64%</b>	<b>12.28%</b>	<b>12.72%</b>	<b>12.83%</b>	<b>12.65%</b>	<b>12.14%</b>
Return on Average Total Assets	1.09%	0.85%	1.40%	1.31%	0.92%	1.19%	1.14%	1.24%	1.29%	1.31%	1.31%
<b>Return on Average Tangible Assets (non-GAAP)</b>	<b>1.13%</b>	<b>0.89%</b>	<b>1.47%</b>	<b>1.37%</b>	<b>0.97%</b>	<b>1.26%</b>	<b>1.20%</b>	<b>1.31%</b>	<b>1.37%</b>	<b>1.40%</b>	<b>1.40%</b>
Income Before Provision for Income Taxes	\$ 349.0	\$ 243.7	\$ 381.7	\$ 358.2	\$ 368.4	\$ 371.8	\$ 343.2	\$ 344.2	\$ 344.5	\$ 329.8	\$ 316.4
Provision For Credit Losses	(39.0)	121.7	13.8	22.2	18.5	8.6	9.9	11.1	12.2	34.9	42.1
<b>Pre-Tax, Pre-Provision Earnings (Non-GAAP)</b>	<b>\$ 310.0</b>	<b>\$ 365.4</b>	<b>\$ 395.5</b>	<b>\$ 380.4</b>	<b>\$ 386.9</b>	<b>\$ 380.4</b>	<b>\$ 353.1</b>	<b>\$ 355.3</b>	<b>\$ 356.7</b>	<b>\$ 364.7</b>	<b>\$ 358.5</b>

Note: Totals may not sum due to rounding.