



# 3Q22 QUARTERLY EARNINGS SUPPLEMENT

October 25, 2022

# Special Note Concerning Forward-Looking Statements



Statements made in this document, other than those concerning historical financial information, may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance, and business of the Company. Forward-looking statements, which may be based upon beliefs, expectations, and assumptions of the Company's management, and on information currently available to management, are generally identifiable by the use of words such as "believe," "expect," "anticipate," "plan," "intend," "estimate," "may," "will," "would," "could," "should," or other similar expressions. Additionally, all statements in this document, including forward-looking statements, speak only as of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events. A number of factors, many of which are beyond the Company's ability to control or predict, could cause actual results to differ materially from those in the Company's forward-looking statements. These factors include, among others, the following: (I) the strength of the local, state, national, and international economy (including effects of inflationary pressures and supply chain constraints); (ii) the economic impact of any future terrorist threats or attacks, widespread disease or pandemics (including the Coronavirus Disease 2019 pandemic), or other adverse external events that could cause economic deterioration or instability in credit markets (including Russia's invasion of Ukraine); (iii) changes in state and federal laws, regulations, and governmental policies concerning the Company's general business; (iv) changes in accounting policies and practices; (v) changes in interest rates and prepayment rates of the Company's assets (including the impact of The London Inter-bank Offered Rate phase-out); (vi) increased competition in the financial services sector and the inability to attract new customers; (vii) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (viii) the loss of key executives or associates; (ix) changes in consumer spending; (x) unexpected results of current and/or future acquisitions, which may include failure to realize the anticipated benefits of any acquisition and the possibility that transaction costs may be greater than anticipated; (xi) unexpected outcomes of existing or new litigation involving the Company; and (xii) the economic impact of exceptional weather occurrences such as tornadoes, hurricanes, floods, and blizzards. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Additional information concerning the Company and its business, including additional factors that could materially affect its financial results, is included in the Company's filings with the Securities and Exchange Commission.



This document contains certain financial information determined by methods other than GAAP. Management uses these non-GAAP measures, together with the related GAAP measures, in analysis of the Company's performance and in making business decisions, as well as comparison to the Company's peers. The Company believes the adjusted measures are useful for investors and management to understand the effects of certain non-recurring noninterest items and provide additional perspective on the Company's performance over time.

A reconciliation to what management believes to be the most directly comparable GAAP financial measures—specifically, net interest income, total noninterest income, net security gains and losses, and total noninterest expense in the case of pre-provision net revenue, adjusted pre-provision net revenue, pre-provision net revenue to average assets, and adjusted pre-provision net revenue to average assets; net income in the case of adjusted net income, adjusted diluted earnings per share, adjusted return on average assets, return on average tangible common equity, and adjusted return on average tangible common equity; net interest income in the case of adjusted net interest income and adjusted net interest margin; net interest income, total noninterest income, and total noninterest expense in the case of adjusted noninterest expense, adjusted core expense, efficiency ratio, adjusted efficiency ratio, and adjusted core efficiency ratio; total stockholders' equity in the case of tangible book value per common share; total assets and total stockholders' equity in the case of tangible common equity and tangible common equity to tangible assets; portfolio loans in the case of core loans and core loans to portfolio loans; total deposits in the case of core deposits and core deposits to total deposits; and portfolio loans and total deposits in the case of core loans to core deposits—appears below.

These non-GAAP disclosures have inherent limitations and are not audited. They should not be considered in isolation or as a substitute for operating results reported in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Tax effected numbers included in these non-GAAP disclosures are based on estimated statutory rates or effective rates as appropriate.

# Table of Contents



Overview of First Busey Corporation (BUSE)	<a href="#">5</a>
Sizable Business Lines Provide for Innovative Solutions	<a href="#">6</a>
Investment Highlights	<a href="#">7</a>
Experienced Management Team	<a href="#">8</a>
Strong Regional Operating Model	<a href="#">9</a>
High Quality Loan Portfolio	<a href="#">10</a>
Top Tier Core Deposit Franchise	<a href="#">11</a>
Diversified and Significant Sources of Fee Income	<a href="#">12</a>
Fully Integrated Wealth Management Platform	<a href="#">13</a>
Wealth Management	<a href="#">14</a>
Scalable Payment Technology Solutions Platform	<a href="#">15</a>
FirsTech	<a href="#">16</a>
Net Interest Margin	<a href="#">17</a>
Focused Control on Expenses	<a href="#">18</a>
Continued Investment in Technology Enterprise-Wide	<a href="#">19</a>
Rising Digital Banking Adoption	<a href="#">20</a>
Fortress Balance Sheet	<a href="#">21</a>
Robust Capital Foundation	<a href="#">22</a>
Pristine Credit Quality	<a href="#">23</a>
Reserve Supports Credit & Growth Profile	<a href="#">24</a>
Balanced, Low-Risk, Short-Duration Investment Portfolio	<a href="#">25</a>
Actively Managing Asset-Sensitive Balance Sheet	<a href="#">26</a>
Quarterly Earnings Review	<a href="#">27</a>
Earnings Performance	<a href="#">28</a>
Environmental, Social and Governance Responsibility	<a href="#">29</a>
Appendix: Hurricane Ian Response, Loan Portfolio Detail, Non-GAAP Financial Information	<a href="#">30</a>

# Overview of First Busey Corporation (BUSE)



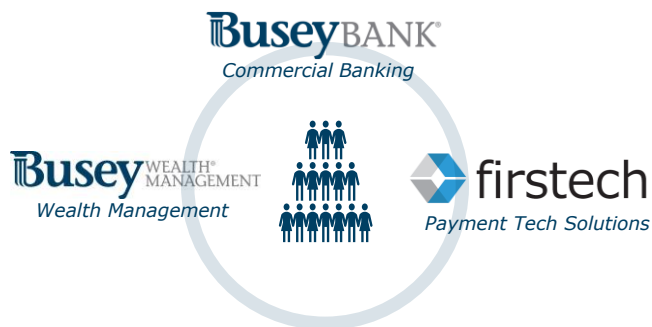
## Company Overview

**150+**  
YEARS

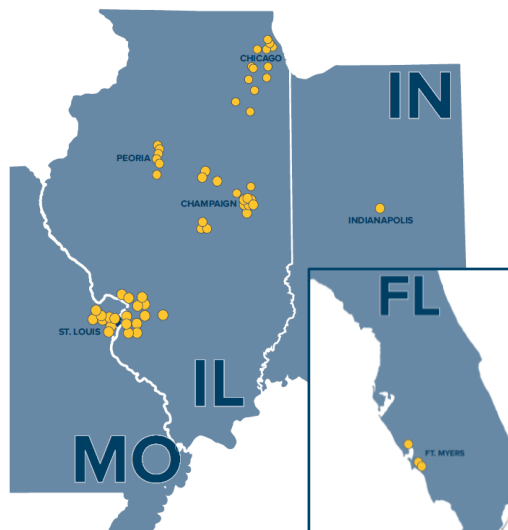
150+ year old financial institution  
headquartered in CHAMPAIGN, IL

Regional operating model serving 4 regions:  
NORTHERN, CENTRAL, GATEWAY, FLORIDA

AMONG THE BEST



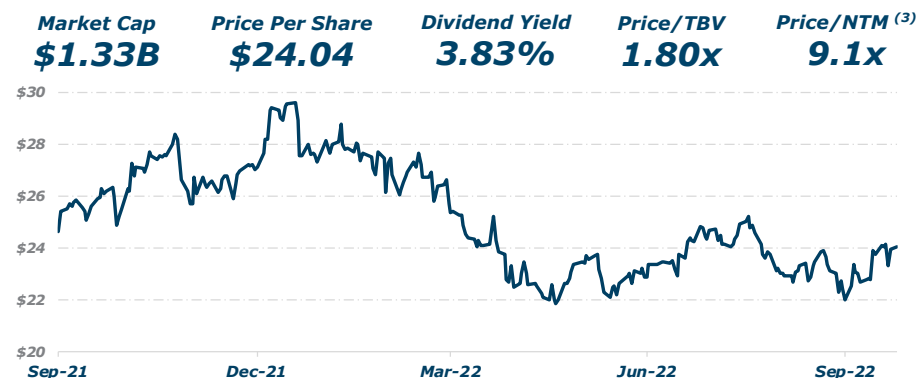
**Unwavering Focus on 4 Pillars:**  
ASSOCIATES, CUSTOMERS,  
COMMUNITIES AND SHAREHOLDERS



## Financial Highlights

\$ in millions	2020	2021	2022 Q3 YTD
Total Assets	\$10,544	\$12,860	\$12,497
Total Loans (Ex-HFS)	\$6,814	\$7,189	\$7,670
Total Deposits	\$8,678	\$10,769	\$10,601
Total Equity	\$1,270	\$1,319	\$1,107
NPA/Assets	0.27%	0.17%	0.14%
Net Interest Margin	3.03%	2.49%	2.71%
Adj. PPNR ROAA (1)	1.75%	1.35%	1.38%
Adj. ROAA (1)	1.06%	1.15%	1.02%
Adj. ROATCE (1)	12.47%	14.40%	15.08%

## BUSE Stock Price <sup>(2)</sup>



(1) Non-GAAP calculation, see Appendix (2) Market Data for BUSE updated to close on 10/24/22, per Nasdaq (3) Based on consensus median net income of covering analysts as of 10/24/22



Diversified financial holding company with comprehensive and innovative financial solutions for individuals and businesses

**Busey**BANK®

Full suite of diversified financial products for individuals and businesses

**\$12.5 Billion**  
Assets <sup>(1)</sup>

**\$378.5 Million**  
LTM Revenue <sup>(2)</sup>

**17.8%**  
Adj. ROATCE (MRQ) <sup>(3)</sup>

**Busey** WEALTH®  
MANAGEMENT

Wealth & asset management services for individuals and businesses

**\$10.8 Billion**  
Assets Under Care

**\$56.2 Million**  
LTM Revenue <sup>(4)</sup>

**38.6%**  
PT Margin (MRQ)

 **firstech**

Payment platform that enables the collection of payments across a variety of modules

**\$11 Billion**  
Payments Processed <sup>(5)</sup>

**\$21.3 Million**  
LTM Revenue <sup>(6)</sup>

**12.2%**  
Revenue Growth (YoY)

(1) Consolidated (2) Busey Bank segment, excluding Wealth Management & FirsTech; excludes intracompany eliminations and consolidations (3) Consolidated; Non-GAAP calculation, see Appendix (4) Wealth Management segment (5) LTM total payments processed (6) FirsTech segment; Non-GAAP calculation, excludes intracompany eliminations



## Attractive Franchise that Provides Innovative Financial Solutions

- 58 branches across four states: Illinois, Missouri, Indiana, and Florida
- Premier commercial bank, wealth management, and payment technology solutions for individuals and businesses
- Attractive core deposit to total deposit ratio (99.0%)<sup>(1)</sup> and low cost of non-time deposits (11 bps) in 3Q22
- Substantial investments in technology enterprise-wide and next generation leadership talent

## Sound Growth Strategy Driven by Regional Operating Model

- Organic growth across key business lines driven by regional operating model that aligns commercial, wealth and FirstTech operations
- Quarter-over-quarter core loan<sup>(2)</sup> growth of \$179 million (2.4% QoQ growth) and year-over-year core loan<sup>(2)</sup> growth of \$696 million (10.0% YoY growth)
- Efficient and right-sized branch network (average deposits per branch of \$183 million)
- Leverage track record as proven successful acquirer to expand through disciplined M&A
- During 3Q22, hired new market president for Indiana with deep commercial and wealth experience in the market

## Powerful Combination of Three Business Lines Drives Strong Noninterest Income

- Significant revenue derived from diverse and complementary fee income sources
- Noninterest income / revenue (ex-securities gains/losses)<sup>(3)</sup> of 26.4% for 3Q22
- Wealth management and payment technology solutions account for 56.9% of noninterest income (ex-securities losses) in 3Q22
- Sizable business lines provide for a full suite of solutions for our clients across their lifecycle

## Attractive Profitability and Returns

- Adjusted ROAA of 1.15%<sup>(1)</sup> & Adjusted ROATCE of 17.79%<sup>(1)</sup> for 3Q22
- Adjusted Core Efficiency Ratio 55.7%<sup>(1)</sup> for 3Q22
- Adjusted diluted EPS \$0.65<sup>(1)</sup> for 3Q22
- Quarterly dividend of \$0.23 (3.83% yield)<sup>(4)</sup>



## BUILT ON A FORTRESS BALANCE SHEET

*Pristine asset quality, highly diversified loan portfolio, & capital levels significantly in excess of well-capitalized minimums*

(1) Non-GAAP calculation, see Appendix (2) Ex-PPP; Non-GAAP calculation, see Appendix (3) Revenue consists of net interest income plus noninterest income, excluding security gains and losses  
(4) Based on BUSE closing stock price on 10/24/22

# Experienced Management Team



**Van A. Dukeman**  
*Chairman, President & CEO,  
First Busey Corp.*

Has served as President & CEO of First Busey since 2007 and became Chairman of the Board effective July 2020. Mr. Dukeman was President & CEO of Main Street Trust from 1998 until its merger with First Busey in 2007. His 40 years of diverse financial services experience and extensive board involvement brings a conservative operating philosophy and a management style that focuses on Busey's associates, customers, communities and shareholders.



**Monica L. Bowe**  
*EVP & Chief Risk Officer*

Joined Busey in January 2020 with nearly 25 years of financial leadership experience. Previously, Ms. Bowe served as Senior Director of Operational Risk Program Management at KeyBank. Ms. Bowe offers experience in M&A due diligence, effective navigation of key risk areas and dedication to continuous improvement towards enterprise-wide risk management strategies.



**Robert F. Plecki, Jr.**  
*EVP & Vice Chairman of Credit*

Joined Busey in 1984, serving in the role of Vice Chairman of Credit, Chief Banking Officer or Chief Credit Officer since 2010 and chairing all Credit Committees. Mr. Plecki previously served as COO, President & CEO of Busey Wealth Management, and EVP of the Florida and Champaign markets. Prior to the 2007 merger with First Busey, he served in various management roles at Main Street Trust.



**Joseph A. Sheils**  
*EVP & President of  
Consumer and Digital Banking*

Joined Busey in June 2022 to lead the Consumer, Community, Mortgage and Digital Banking teams. Mr. Sheils' nearly 25 years of banking experience includes serving as the Head of Retail Banking at MB Financial. Prior to his shift to retail, he led teams in Commercial Banking at MB Financial and at LaSalle Bank. Mr. Sheils brings seasoned expertise in consumer and small business strategy, call center management, retail operations, deposit and income growth, product development and enhancing digital options.



**Robin N. Elliott**  
*President & CEO, Busey Bank*

Joined Busey in 2006 and led various finance functions prior to serving as CFO/COO and now Bank President/CEO. Mr. Elliott has played instrumental roles in executing various strategic and growth initiatives. Before joining Busey, Mr. Elliott worked for Ernst & Young.



**John J. Powers**  
*EVP & General Counsel*

Joined Busey in December 2011 and has over 40 years of legal experience. Prior to joining Busey, he was a partner in the law firm of Meyer Capel, where he specialized in serving the financial services industry.



**Chip Jorstad**  
*EVP & President of  
Credit and Bank Administration*

Joined Busey in 2011 and has over 15 years of experience in the banking industry. Before being named President of Credit and Bank Administration in 2022, he served as Co-Chief Banking Officer for two years. Mr. Jorstad has also held the role of Regional President for Commercial Banking – overseeing business banking efforts, including Agricultural, Commercial, Construction and Real Estate financing.



**Jeff D. Burgess**  
*EVP & President of  
Busey Wealth Management*

Joined Busey in 2021, leading the team that provides asset management, investment and fiduciary services to individuals, businesses and foundations. Mr. Burgess formerly served as President of Commerce Brokerage Services, Inc., and was Director of Business Development for the east region of Commerce Trust Company. Previously, he served as Vice President of Sales Operations for Fisher Investments in Woodside, California.



**Jeffrey D. Jones**  
*EVP & CFO*

Joined Busey in August 2019, bringing his nearly 20 years of investment banking and financial services experience to Busey. Mr. Jones previously served as Managing Director and Co-Head of Financial Institutions at Stephens Inc. Mr. Jones began his career in the Banking Supervision and Regulation division of the Federal Reserve.



**Amy L. Randolph**  
*Chief of Staff &  
EVP of Pillar Relations*

Joined Busey in 2008 and now leads many areas, including: corporate strategy, marketing & communications, community relations, human resources, as well as M&A integration and other key projects and strategic initiatives. Prior to joining Busey, Mrs. Randolph worked for 10+ years with CliftonLarsonAllen LLP.



**Willie B. Mayberry**  
*EVP & President of Regional Banking*

Joined Busey in 2021 where he focuses on developing strategic growth opportunities and product development with an emphasis on well-capitalized banking. Prior to Busey, Mr. Mayberry was with PNC, serving as EVP & Director of Strategy and Planning for the Commercial Bank. With over 30 years of financial and commercial banking experience, he previously served as the Midwest Business Banking Regional Executive and National Sales Leader of Treasury Services for JPMorgan Chase.



**Farhan Yasin**  
*President & CEO, FirsTech  
CTO, Busey Bank*

Joined Busey in 2020 in his current role. Mr. Yasin is a seasoned technology operator, founder, investor and advisor, working with technology companies across the globe. His experience includes working with Groupon, CareerBuilder, Accenture, and KKR. Mr. Yasin has been a member of the Illinois Bar Association since 2003.



# Strong Regional Operating Model



Our go-to-market strategy utilizes a regional operating model where we combine the power of commercial & wealth to provide a broad set of solutions for our customers

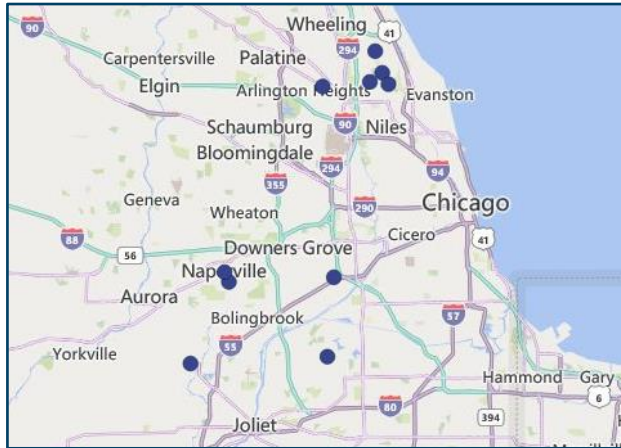
## Northern

**Banking Centers:**  
10

**Deposits:**  
\$1.9 billion

**Avg. Deposits Per Branch:**  
\$186.9 million

**Median HHI:**  
\$83,335



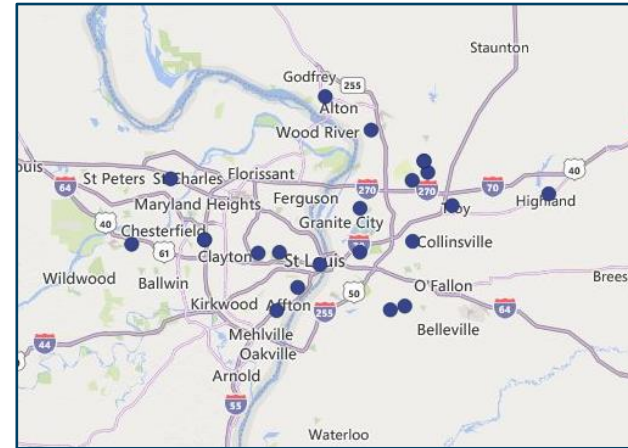
## Gateway

**Banking Centers:**  
20

**Deposits:**  
\$2.8 billion

**Avg. Deposits Per Branch:**  
\$141.3 million

**2022 Pop:**  
2.8 Million



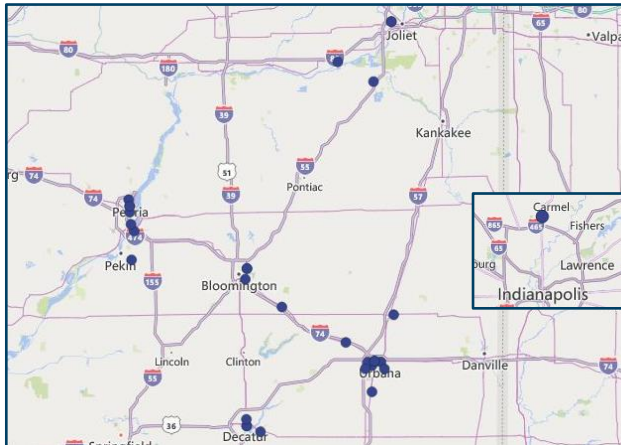
## Central

**Banking Centers:**  
25

**Deposits:**  
\$5.4 billion

**Avg. Deposits Per Branch:**  
\$215.2 million

**DMS Rank:**  
Top 4 in four MSAs



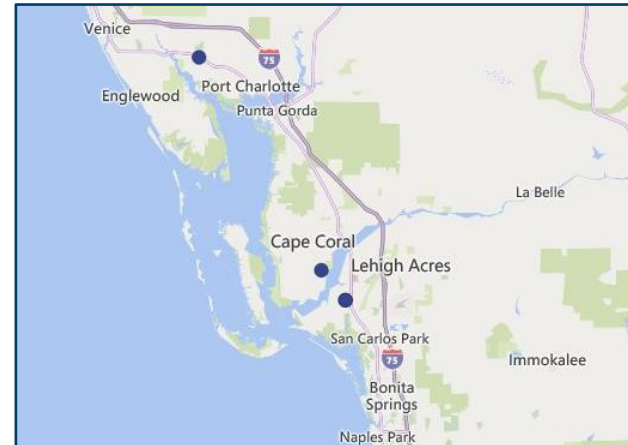
## Florida

**Banking Centers:**  
3

**Deposits:**  
\$458.1 million

**Avg. Deposits Per Branch:**  
\$152.7 million

**2022-27 Pop. Growth:**  
6.0% versus U.S. avg. 3.2%

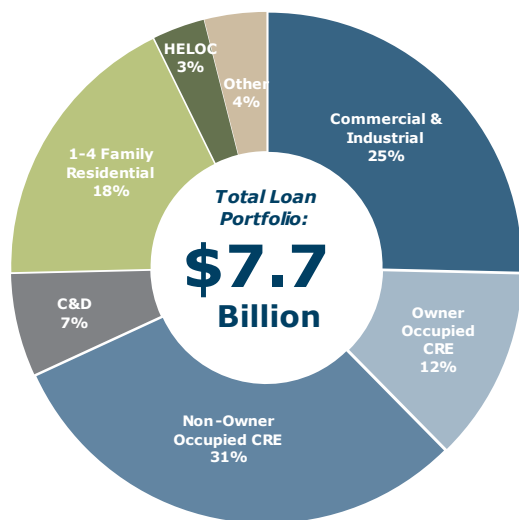


Source: US Census Claritas data as of most recent date available & 2022 FDIC Summary of Deposits

# High Quality Loan Portfolio



## Loan Portfolio Composition – Q3 2022



MRQ Yield on Loans

**3.98%**

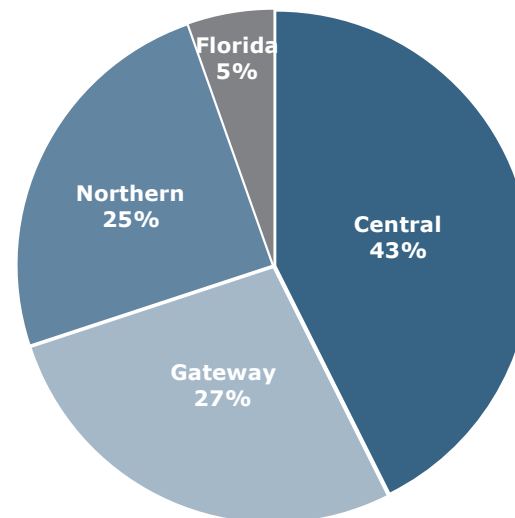
Classified Lns / Capital<sup>(1)</sup>

**7.4%**

New Originations YTD 2022

- New CRE-I originations had a weighted-avg LTV of 62%
- New C&I originations were low levered with WAvg Total Funded Debt to EBITDA of 2.7x

## Loan Portfolio Regional Segmentation<sup>(2)</sup>



## Ex-PPP Loans Trends

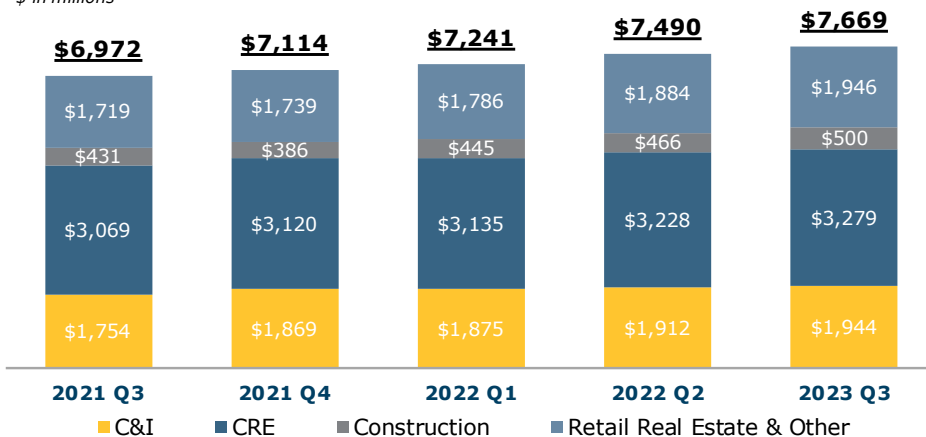
LTM Core Growth<sup>(3)</sup>

**10.0%**

LTM Commercial Growth<sup>(3)</sup>

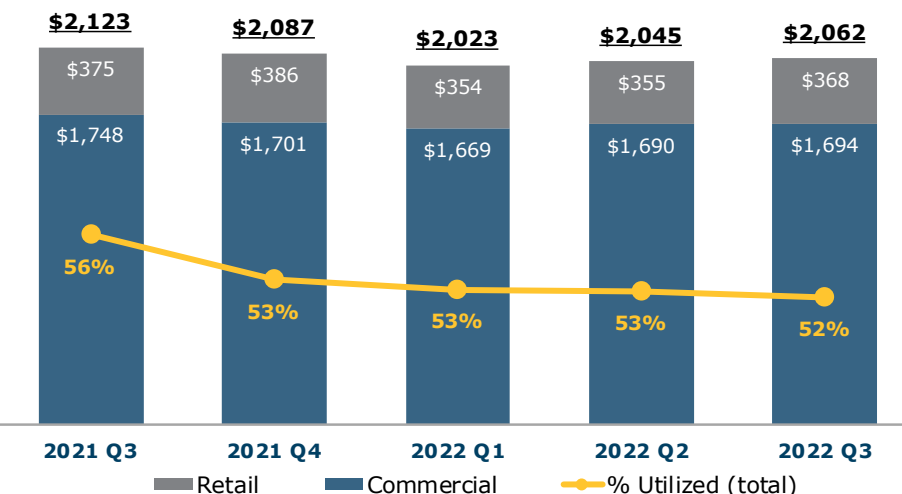
**8.9%**

\$ in millions



## Funded Draws & Line Utilization Rate<sup>(4)</sup>

\$ in millions

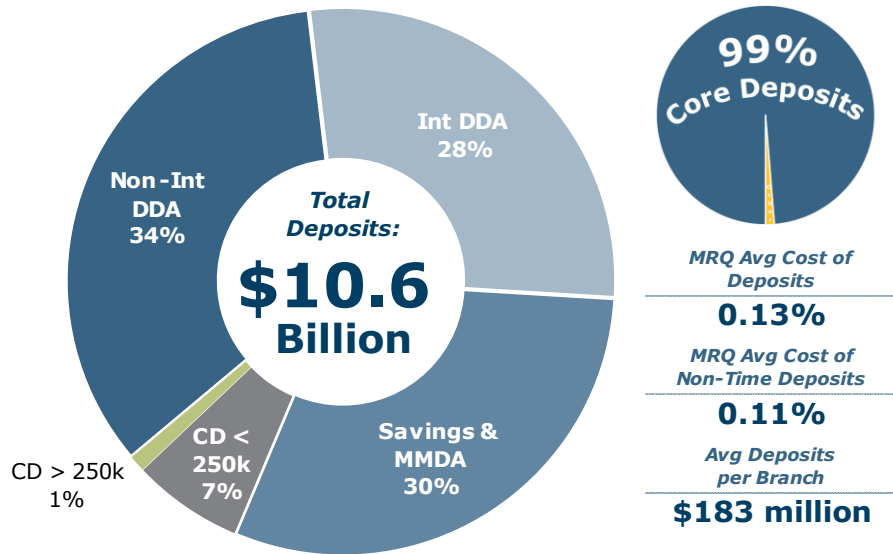


(1) Capital is Bank Tier 1 Capital + Allowance for credit losses (2) Based on loan origination (3) Busey loans ex-PPP (4) Excludes credit card & overdraft protection & includes tranche loan commitments/associated sub notes

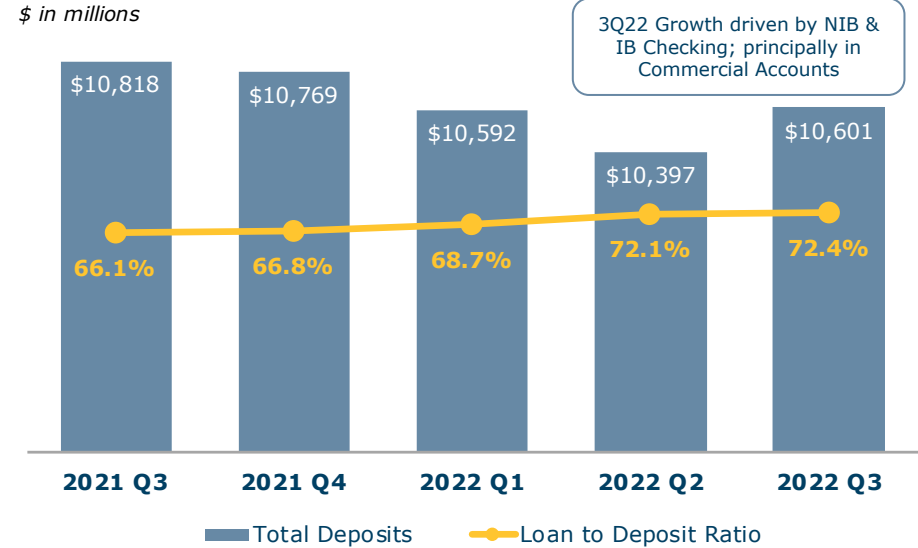
# Top Tier Core Deposit Franchise



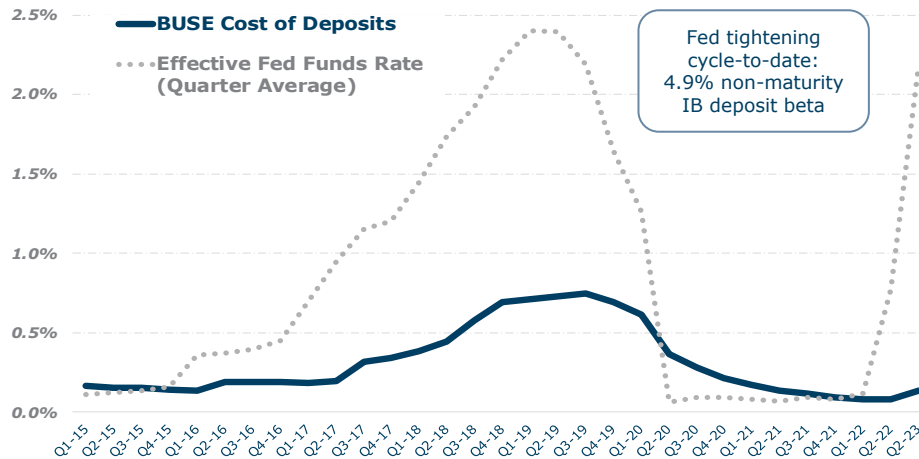
## Deposit Portfolio Composition – Q3 2022



## Total Deposits & Loan to Deposit Ratio



## Historical Cost of Deposits, 2015 – Q3 2022 <sup>(1)</sup>



## Core Deposits <sup>(2)</sup> / Total Deposits

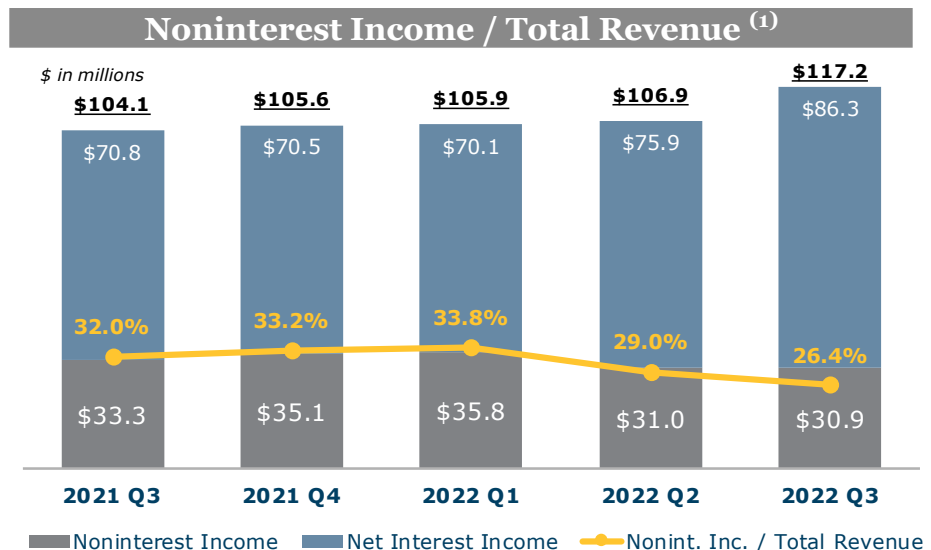


(1) Quarterly effective fed funds per FRED, Federal Reserve Bank of St. Louis. Average during quarter, not seasonally adjusted (2) Non-GAAP calculation, see Appendix

# Diversified and Significant Sources of Fee Income

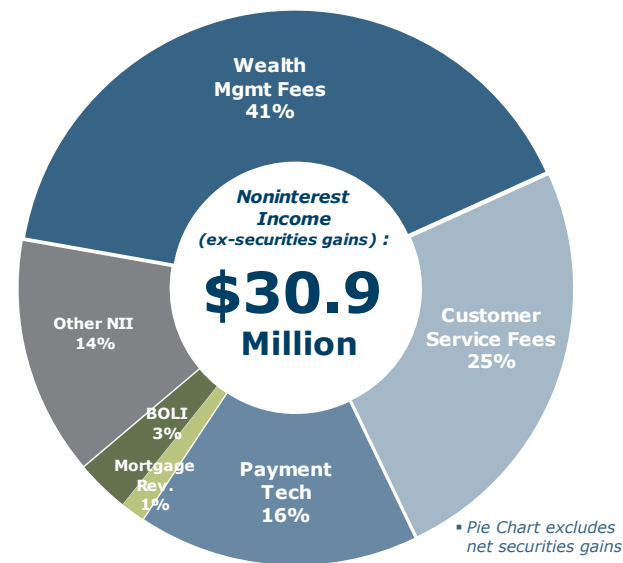


- Noninterest income represented 26.4% of revenue (ex-securities gains/losses) in 3Q22
- Key businesses of wealth management and payment technology solutions contributed 56.9% of noninterest income (ex-securities gains/losses) in 3Q22
- YoY decline in noninterest income attributable to continued impact of market declines on wealth management and lower Customer Services fees due to Durbin Amendment impact that began 7/1/22
  - Durbin Amendment impact in 3Q22 resulted in reduction in fees of \$2.4 million
  - Excluding Durbin Amendment impact, 3Q22 fees for customer services is up 8% YoY & total noninterest income (ex-securities gains) is up 0.5% YoY



## Sources of Noninterest Income

Noninterest Income Detail	2021 Q3	2022 Q3	YoY Change
Wealth Management Fees	\$13,749	\$12,508	-9%
Fees for Customer Services	\$9,288	\$7,627	-18%
Payment Technology Solutions	\$4,620	\$5,080	10%
Mortgage Revenue	\$1,740	\$438	-75%
Income on Bank Owned Life Insurance	\$999	\$958	-4%
Net Securities Gains (Losses)	\$57	\$4	NM
Other Noninterest Income	\$2,806	\$4,318	+54%
<b>Total Noninterest Income</b>	<b>\$33,259</b>	<b>\$30,933</b>	<b>-7%</b>



(1) Includes net security gains and losses

## Six Distinct Teams



### Private Wealth Advisor

- Risk-return optimization
- Specialized strategies for tax efficiency



### Portfolio Management

- Institutional approach
- Corporate retirement plan advisory
- Consistent track record of outperformance



### Legacy Planning

- Philanthropic advisory
- Tax-efficient wealth transfer & asset protection



### Tax Planning & Preparation

- Deduction maximization & tax-advantaged savings strategies
- 1040 & 1041 preparation by in-house team



### Wealth Planning

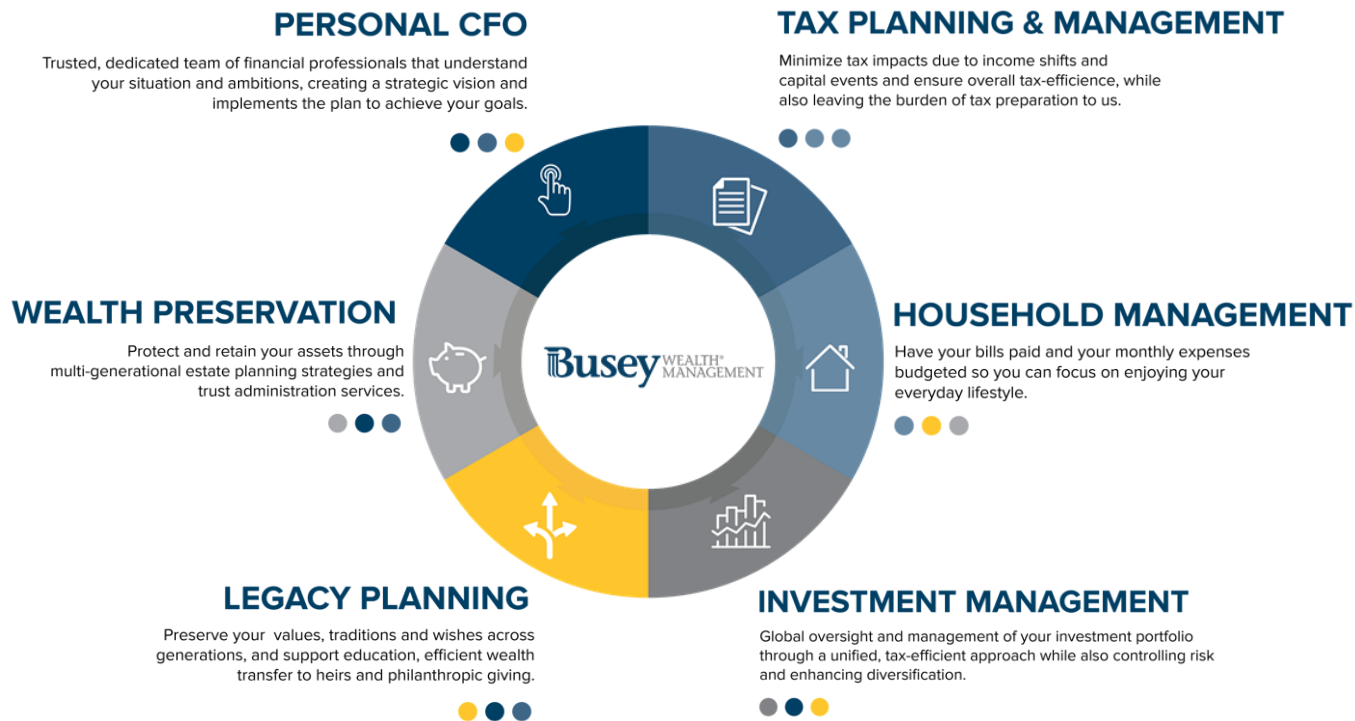
- Tax-advantaged retirement savings maximization
- Goal tracking, projections & stress testing



### Private Client

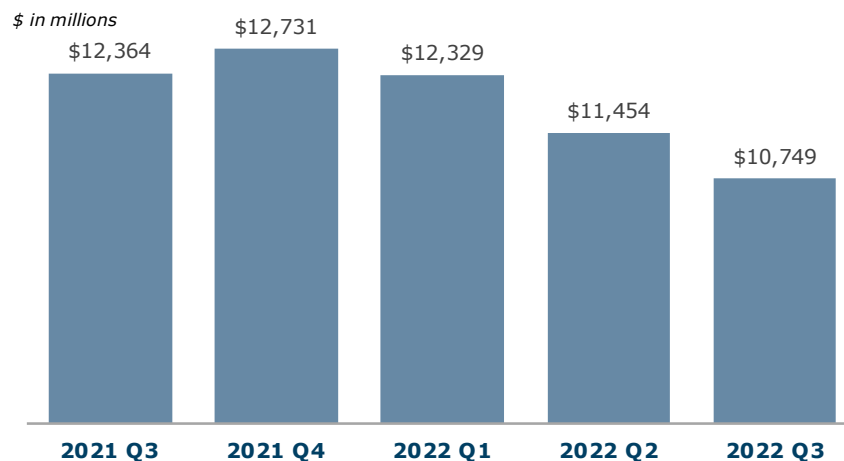
- Concierge banking with one point of contact
- Complete and simplified coordination of all banking needs

Our wealth management business provides effective and high-touch solutions for high-net-worth individuals. Our clients work with a dedicated team of financial professionals, with each team member bringing their specialized focus to add value to each client's personal situation. With financial planning at the core of our client experience, we leverage the collective expertise of the team to streamline the delivery of our investment strategy and holistic wealth services, in a cohesive, consolidated manner.

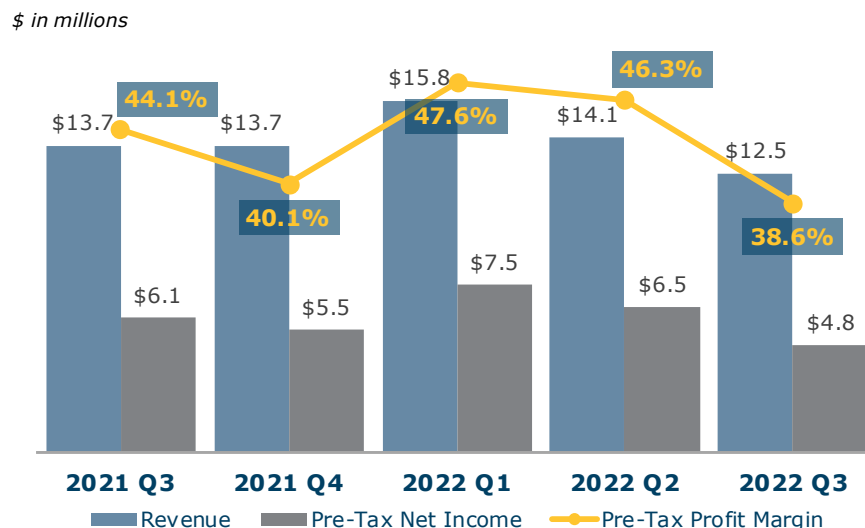


- Assets under care of \$10.8 billion, a QoQ decrease of \$705 million, predominantly due to reduction in market valuations during 3Q22
- Wealth revenue of \$12.5 million, a YoY decrease of 9.0% and pre-tax net income of \$4.8 million, a YoY decrease of 20.4%
- Pre-tax profit margin of 38.6% in 3Q22 and 43.4% over the last twelve months
- The investment team continues to produce excellent returns, outperforming benchmarks over multiple measurement periods
  - The team's blended portfolio outperformed the blended benchmark<sup>(1)</sup> by 181 bps YTD
- Continued rotation from low-fee customer exits to acquiring new higher-fee customers
- Ongoing account fee structure initiatives expected to generate incremental revenue growth over the next twelve months

## Wealth - Assets Under Care



## Wealth – Revenue & Pre-tax Income <sup>(2)</sup>



(1) Blended benchmark consists of 60% MSCI All-Country World Index / 40% Bloomberg Intermediate Govt/Credit Index (2) Wealth Management segment

# Scalable Payment Technology Solutions Platform



## Renew & Expand Core Business

- Money movement that allows our customers to accelerate revenue realization
- Frictionless payments across FirsTech's omnichannel, single vendor solution, online and offline
- Securely protects customers – FirsTech subject to Bank Regulatory Compliance and Audits
- Use the bank as a lab to build & perfect products for our customers

**3Q Case Study:** An existing FirsTech enterprise client was referred to the commercial team and subsequently became a new commercial client for the bank. Growing this relationship allowed FirsTech to expand its service offerings and FirsTech can now provide all possible payment solutions for this client.

## Innovating for Growth

### BaaS Solution

- Out-of-the-box customized payment solution with attractive & adaptive UX
- Customers can offer white-labeled web & mobile platforms to their clients
- API connection to customer's existing core for seamless integration
- Revenue generated from one-time setup fee, recurring SaaS fee, and revenue share per transaction above certain processing thresholds

### SMB Vertical

- Turnkey application that enables customers to move to an ecommerce platform & accept payments
- Strategy of leading with Merchant Processing equipment sales, then demonstrate value of upgrading to ecommerce platform to existing customers

## Primary Core Verticals – Highly Regulated Industries



Utilities



Telecom



Insurance



Municipalities

## Primary BaaS Vertical



Community Banks & Credit Unions

FirsTech's customized payments platform

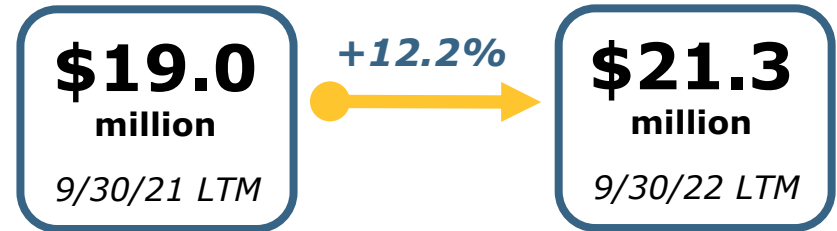
Payment Date	Payment Method	Status	Amount	Action
07/02/2022	Apple Pay	Pending	\$120.80	...
08/02/2022	My Saving Acc.	Paid	\$120.80	...
09/03/2022	My Investment Card	Scheduled	\$120.80	...
10/03/2022	Apple Pay	Cancelled	\$120.80	...
11/03/2022	Apple Pay	Disputed	\$120.80	...
11/03/2022	Apple Pay	Paid	\$120.80	...
12/03/2022	Apple Pay	Paid	\$120.80	...
12/03/2022	Apple Pay	Paid	\$120.80	...

- LTM revenue of \$21.3 million, an increase of 12% over the prior twelve-month period
- Finalized upgrades of IVR solution for customers during 3Q22; new tech provides superior experience
- Continue to invest and build-out the BaaS offering initiative. YTD hired and trained four new associates focused on BaaS and conducted more than 250 meetings with potential customers
- Pipeline continues to build – regularly track progress to adapt go-to-market sales strategies
- The value of customized payments-enabled software platforms from an ODFI-sponsored company resonates with potential customers
- Average processing revenue per processing day increased in 3Q22 to \$83,566 from \$80,073 in 2Q22, or more than 4%
- Strong revenue growth metrics in key business lines that have been targeted for investment to-date

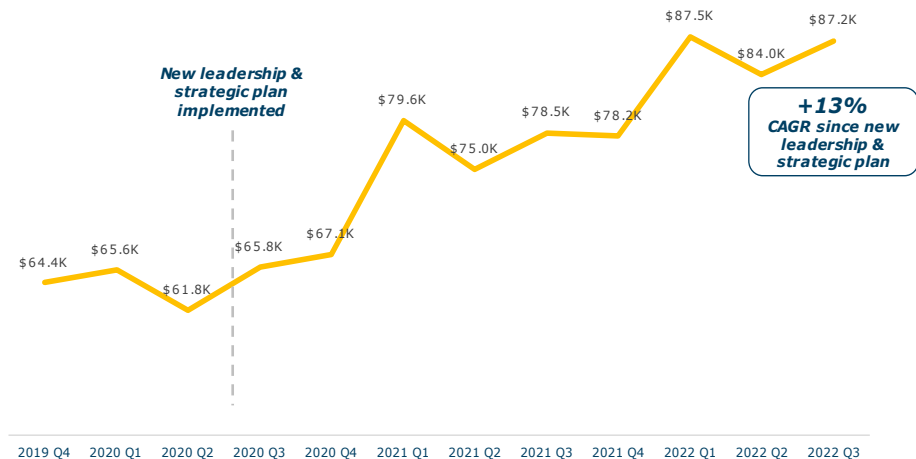
**\$11** billion  
Payments processed annually <sup>(1)</sup>

**34** million  
Transactions processed per year <sup>(2)</sup>

## Revenue Growth <sup>(3)</sup>



## Total Revenue Per Day <sup>(4)</sup> Trend



(1) LTM total payments processed (2) LTM total transactions processed (3) Non-GAAP, revenue equates to all revenue sources tied to FirsTech and excludes intracompany eliminations (4) Revenue per processing day

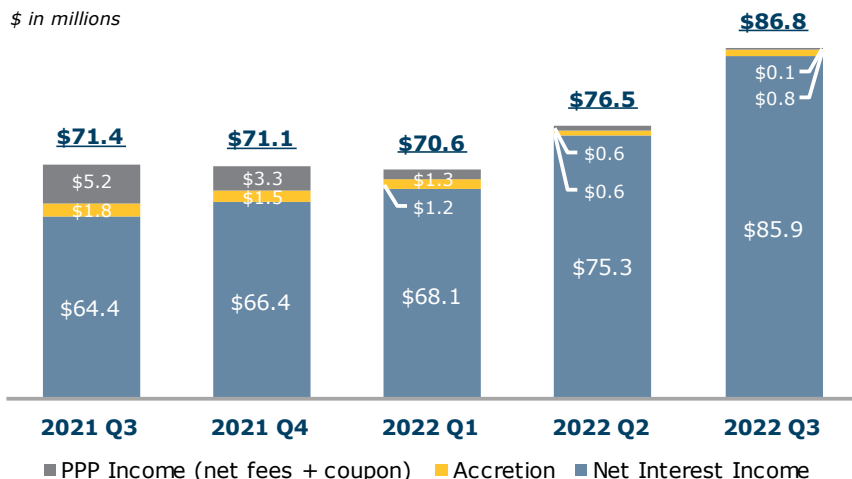


# Net Interest Margin

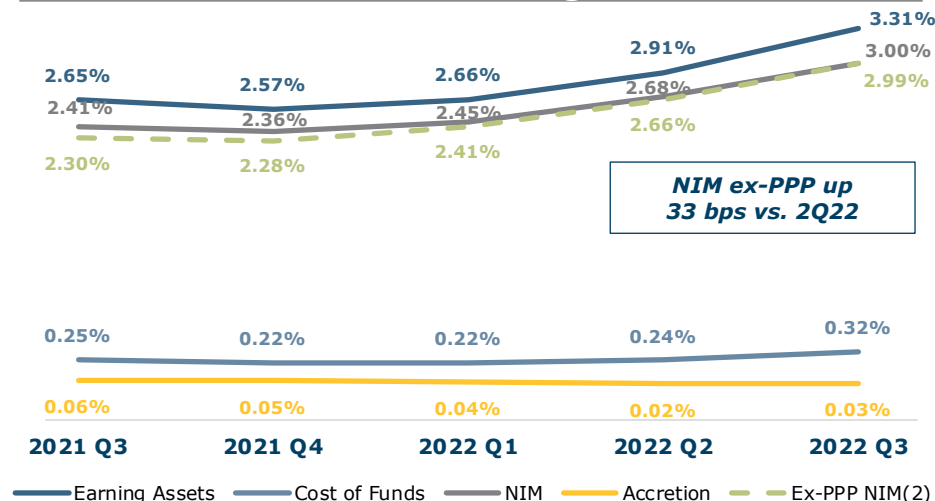


## Net Interest Income <sup>(1)</sup>

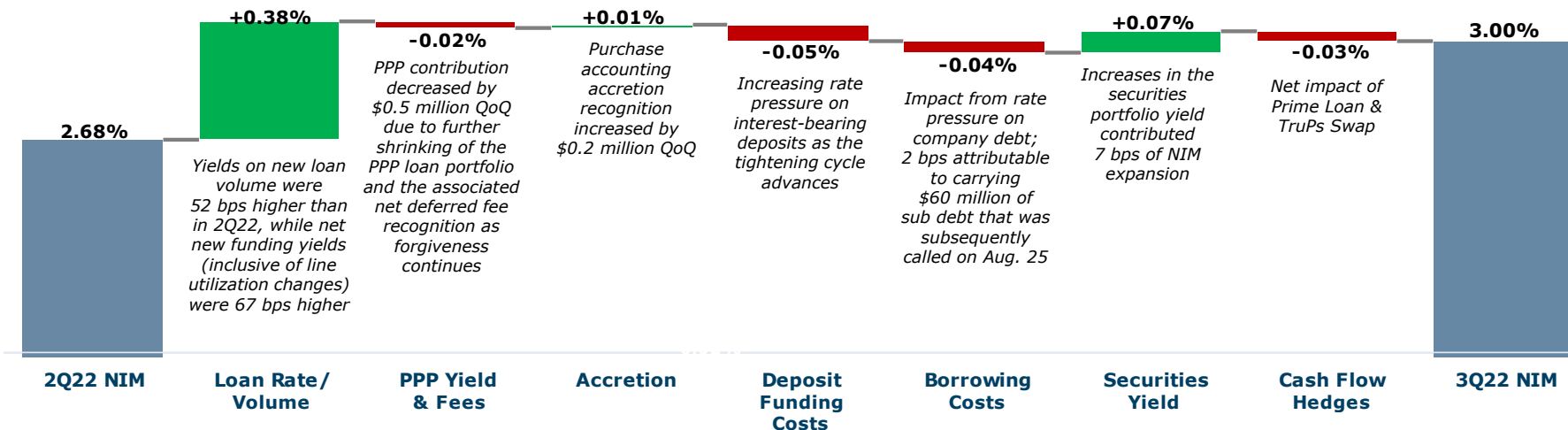
\$ in millions



## Net Interest Margin <sup>(1)</sup>



## Net Interest Margin Bridge – Factors contributing to 32 bps NIM increase during quarter



(1) Tax-equivalent adjusted amounts; Non-GAAP, see Appendix (2) Non-GAAP; Ex-PPP NIM removes the balance of PPP loans and associated income as well as the equivalent amount of self-funding noninterest-bearing deposits

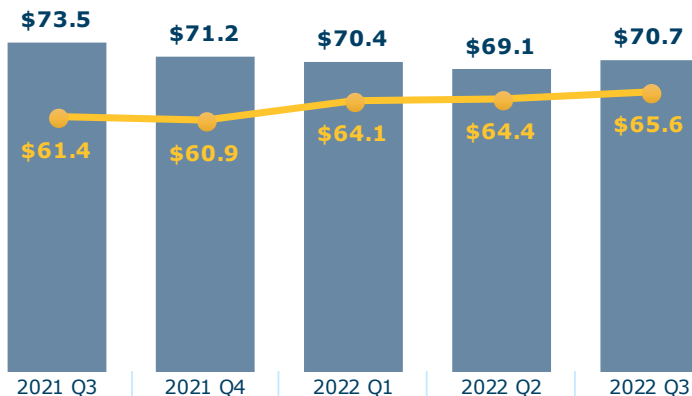
# Focused Control on Expenses



## Noninterest Expense

\$ in millions

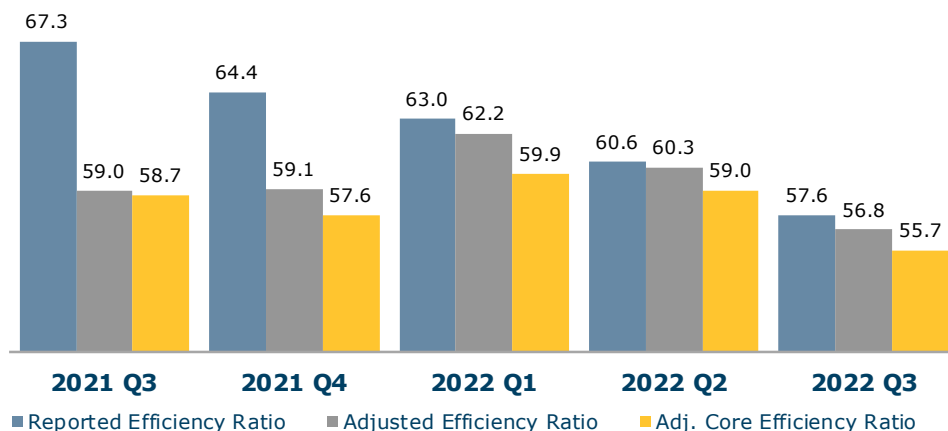
■ Noninterest Exp.  
● Adj. Core Exp. (1)



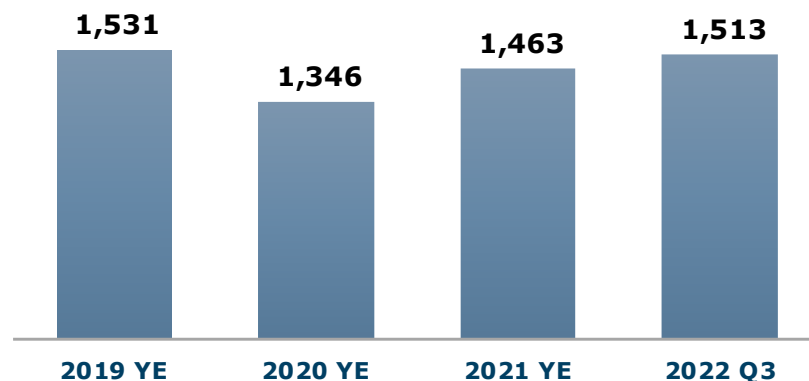
	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3
Noninterest Exp.	\$73.5	\$71.2	\$70.4	\$69.1	\$70.7
Unfunded Provision	(\$1.0)	\$0.3	\$1.1	(\$0.3)	(\$0.3)
Acq./Restructuring Exp.	\$8.7	\$5.6	\$0.8	\$0.3	\$1.0
Intangible Amort.	\$3.1	\$3.1	\$3.0	\$3.0	\$2.9
NMTC Amort.	\$1.2	\$1.3	\$1.3	\$1.7	\$1.7
Adj. Core Exp. (1)	\$61.4	\$60.9	\$64.1	\$64.4	\$65.6

- Adjusted core expenses<sup>(1)</sup> of \$65.6 million in 3Q22
- Continued investment in talent across our business lines, risk management infrastructure and organic growth opportunities
  - QoQ variance in adjusted core expenses attributable to compensation expense
- Subsequent to quarter-end, implemented a targeted restructuring & efficiency optimization plan
  - Projected to generate annual salary & benefits savings of \$4.0 to \$4.4 million that we expect to reinvest in growth initiatives across our franchise
  - Associated one-time severance-related costs of \$1.1 to \$1.3 million are expected, mostly to be realized in 4Q22
- Over prior two years, reduced branch count from 87 (proforma for GSB) to 58, while increasing average deposits per branch from \$113 million at 9/30/20 to \$183 million at 9/30/22

## Efficiency Ratio <sup>(1)</sup>



## Full-Time Equivalents (FTE)

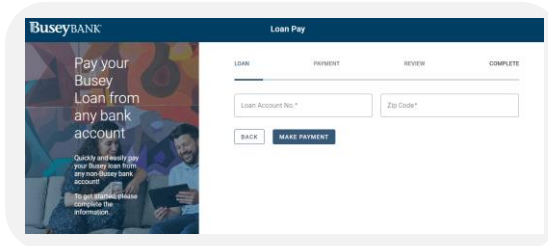


(1) Non-GAAP, see Appendix; adjusted core expenses exclude amortization of intangible assets, provision for unfunded commitments, acquisition/restructuring related charges, and NMTC amortization

## 2022 Tech Investment Highlights

Q1

FirsTech launched new one-time payments platform for Busey Bank customers



### Investment Legend

Enhanced Customer Experience

Scale & Efficiency Upgrades

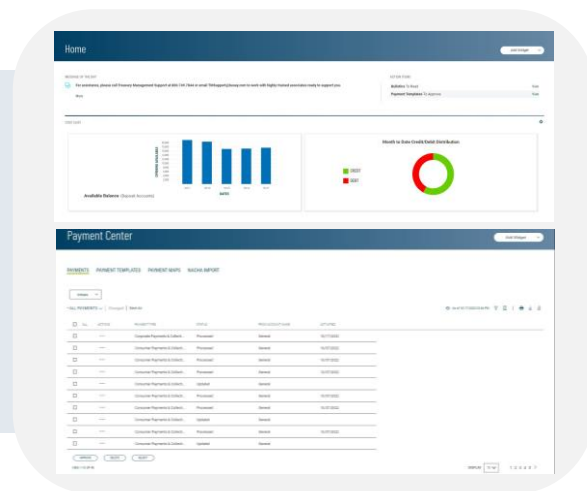
Q2

Launched integrated payables platform, offering commercial clients a portal to manage their payables process

Mortgage eClosing option integrated into retail platforms; has reduced the loan closing process time by 75%

Launched dedicated Busey Wealth Management mobile app

Upgraded treasury management solution for more robust customer functionality & more detailed internal reporting



Q3

Launched new IT security operations partnership that enhanced 24x7x365 support for monitoring of security alerts & events, incident response & remediation

Launched new robust & integrated intranet to support growing communication and education needs

Q4

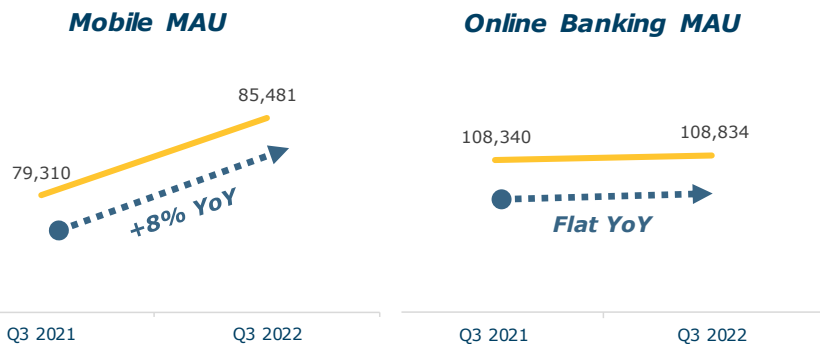
Complete migration of disaster recovery environment to cloud

# Rising Digital Banking Adoption

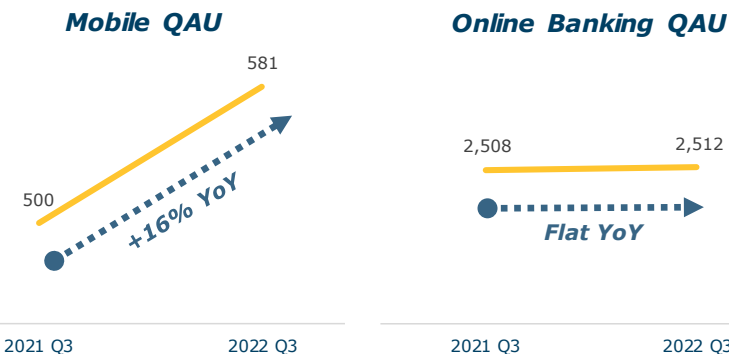


Digital engagement of customers continues growth trajectory

## Consumer Monthly Active Users (1)



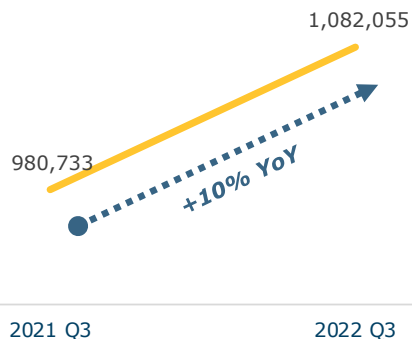
## Commercial Quarterly Active Users (2)



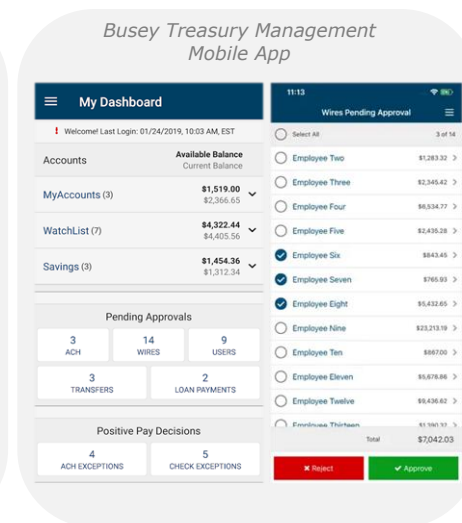
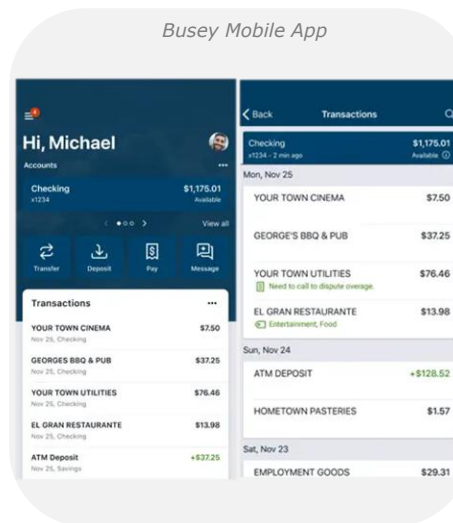
Glenview State Bank was integrated into the Bank during 3Q21, further driving YoY digital adoption

Customer base increasingly relying on self-service features

## Consumer Mobile & Online Transaction Activity (Counts, actual)



Total Consumer Mobile & Online activity includes remote deposits, transfers, bill pay, and Zelle transactions



(1) Customer has logged in at least once in the 30 days preceding period-end (2) Customer has logged in at least once in the 90 days preceding period-end



## Robust Capital Foundation

- Capital ratios significantly in excess of well-capitalized minimums
  - Total RBC of 16.0% and CET1 ratio of 11.8% at 9/30/22 <sup>(1)</sup>
- TCE/TA ratio of 6.17% at 9/30/22 <sup>(2)</sup>
- TBV per share of \$13.39 at 9/30/22 <sup>(2)</sup>
- \$100 million of subordinated debt raised in 2Q22
  - \$60 million of callable subordinated debt issued in 2017 was redeemed on 8/25/22

## High Quality, Resilient Loan Portfolio

- Diversified portfolio, conservatively underwritten with low levels of concentration
- Non-performing (0.14% of total assets) and classified assets (7.4% of capital <sup>(3)</sup>) both remain near historically low levels
- Reserves remain above initial Day 1 CECL coverage of 1.06%:  
ACL/Loans: 1.18% <sup>(4)</sup> | ACL/NPLs: 544.75%
- 100 / 300 Test: 37% C&D | 213% CRE

## Strong Core Deposit Franchise & Ample Liquidity

- Robust holding company and bank-level liquidity
- Strong core deposit franchise
  - 72.4% loan-to-deposit ratio, 99.0% core deposits <sup>(2)</sup>
  - 34.2% of total deposits are noninterest-bearing
- Borrowings accounted for approximately 3.1% of total funding at 9/30/22
- Substantial sources of off-balance sheet contingent funding (\$4.1 billion)

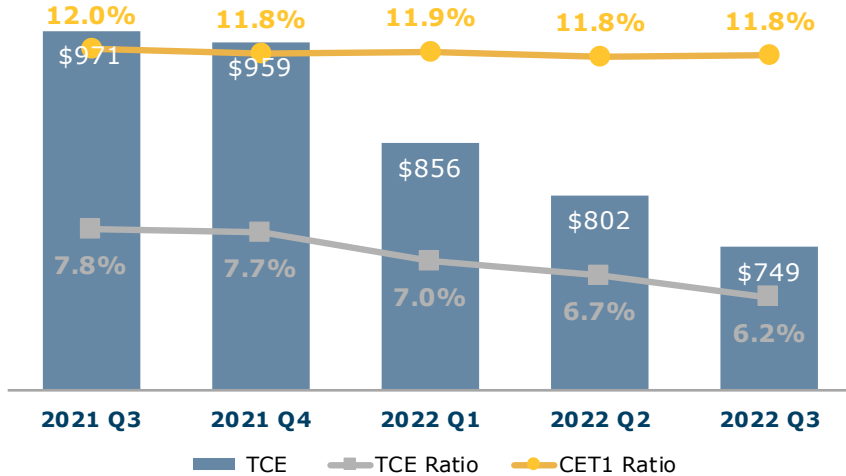
(1) Capital ratios are preliminary estimates (2) Non-GAAP calculation, see Appendix (3) Capital calculated as Bank Tier 1 Capital + Allowance for credit losses (4) Excluding amortized cost of PPP loans

# Robust Capital Foundation



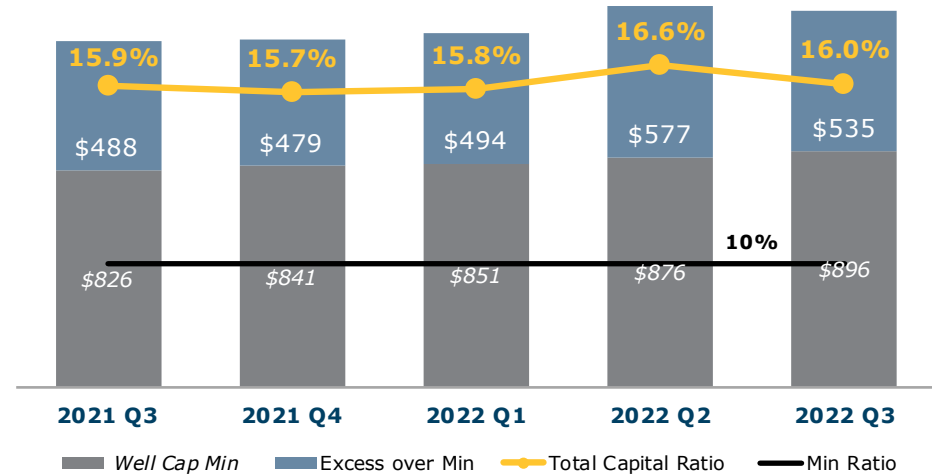
## Tangible Common Equity <sup>(1)</sup> & CET1 Ratios <sup>(2)</sup>

\$ in millions



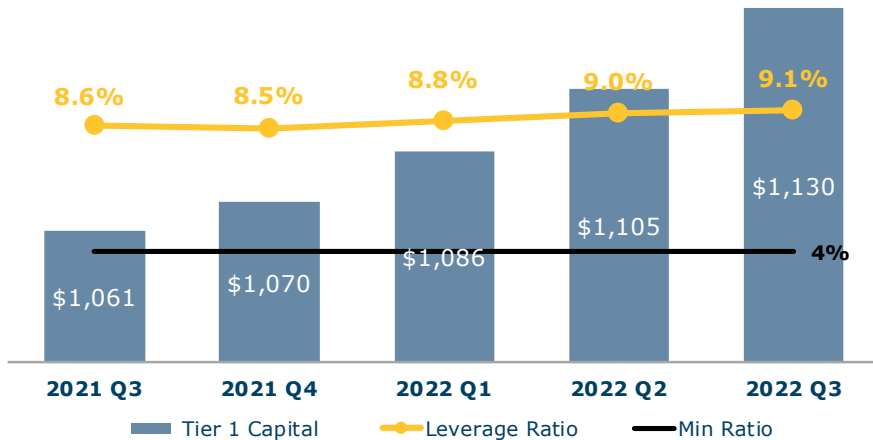
## Total Capital Ratio <sup>(2)</sup>

\$ in millions



## Leverage Ratio <sup>(2)</sup>

\$ in millions



## Consolidated Capital as of 9/30/22 <sup>(2)</sup>

\$ in millions

	Common Equity Tier 1 Ratio	Tier 1 Capital Ratio	Total Capital Ratio
Capital Ratio	11.8%	12.6%	16.0%
Minimum Well Capitalized Ratio	6.5%	8.0%	10.0%
Amount of Capital	\$1,056	\$1,130	\$1,431
Well Capitalized Minimum	\$582	\$717	\$896
Excess Amount over Minimum	\$474	\$413	\$535

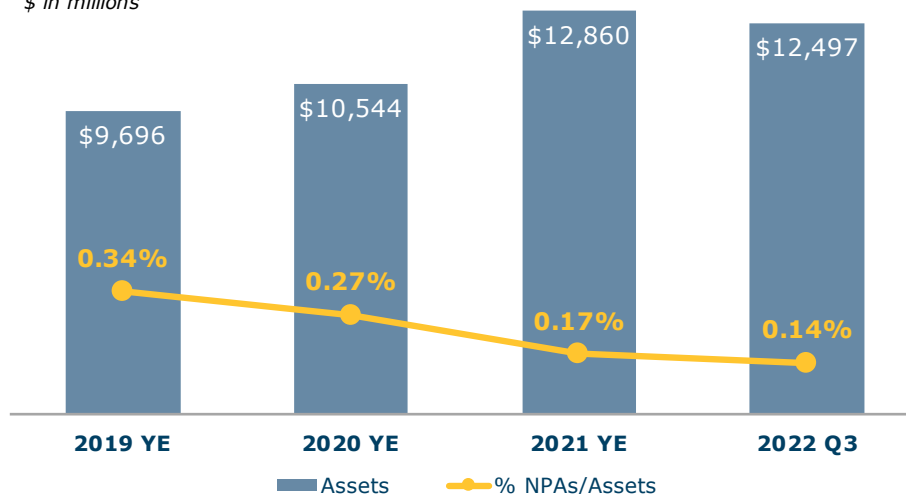
(1) Non-GAAP calculation, see Appendix (2) 3Q22 capital ratios are preliminary estimates



- Conservative underwriting leads to pristine credit quality
  - CRE factors of DSCR, Debt Yield, & LTV stressed for effective gross income decline and interest & cap rate stress
  - C&I factors including core, operating, traditional cash flows, working capital, and leverage ratios that each are stressed for rate hikes, historical revenue volatility, and a rigorous breakeven analysis
- Strong portfolio management that identifies early warning indicators and proactively engages the special assets group early in the credit review process (special assets group has remained intact since the Global Financial Crisis)
- Non-performing asset, classified asset, and net charge-off ratios remain near historically low levels
- Company-wide attention to changing economic environment and potential impact on credit
- LTM net charge-offs total \$1.1 million, which equates to 0.02% of LTM average loans

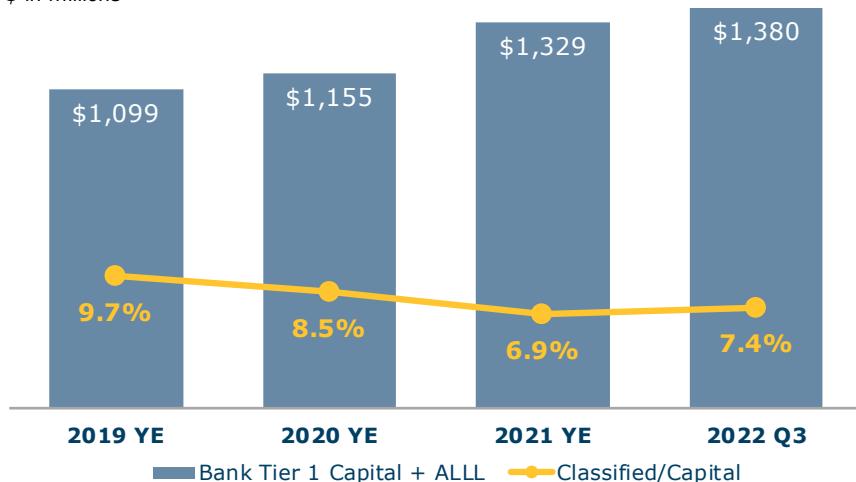
## NPAs / Assets

\$ in millions



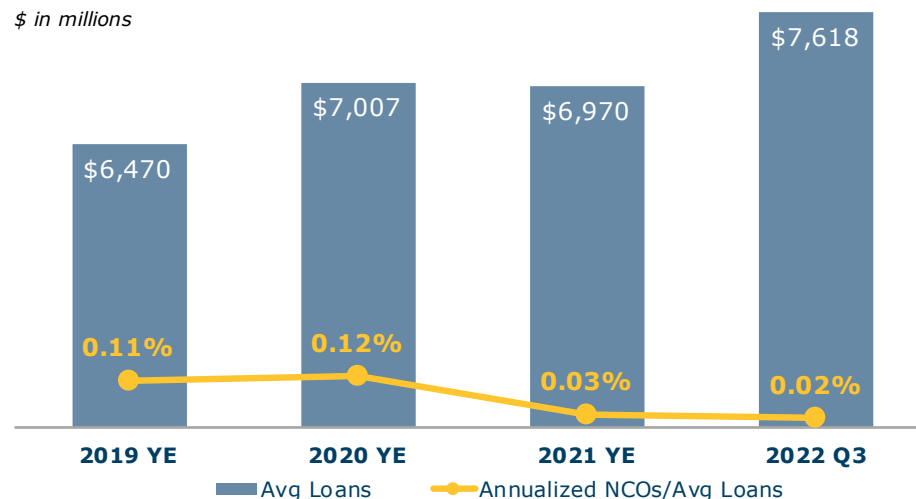
## Classifieds / Capital <sup>(1)</sup>

\$ in millions



## NCOs / Average Loans

\$ in millions



(1) Capital calculated as Busey Bank Tier 1 Capital + Allowance for credit losses

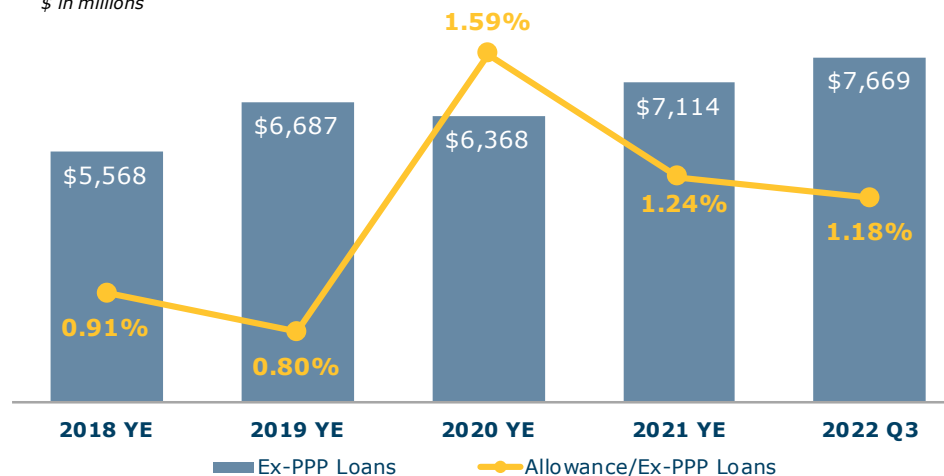
# Reserve Supports Credit & Growth Profile



- Reserve to loans of 1.18% (ex-PPP)
  - Day 1 CECL coverage was 1.06%
- Non-performing loan balances remain near historically low levels and decreased by \$0.8 million QoQ
- Reserves to NPLs now equal to 545%

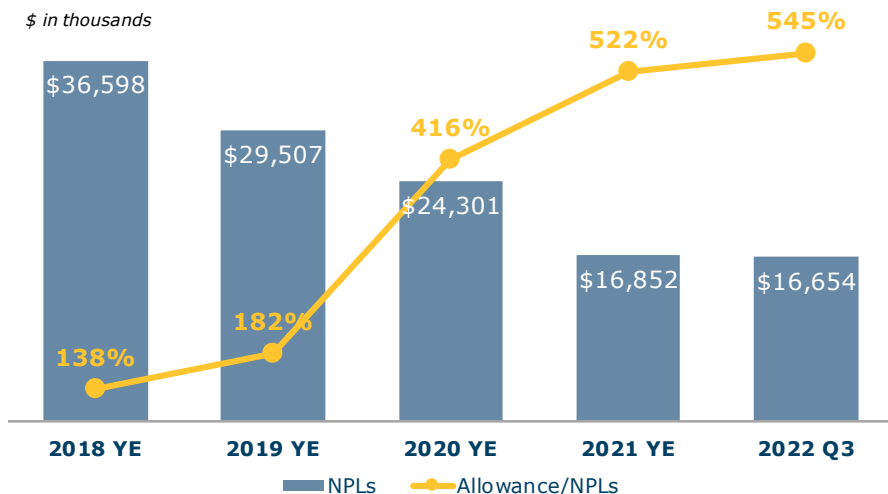
## Allowance / Loans (ex-PPP)

\$ in millions



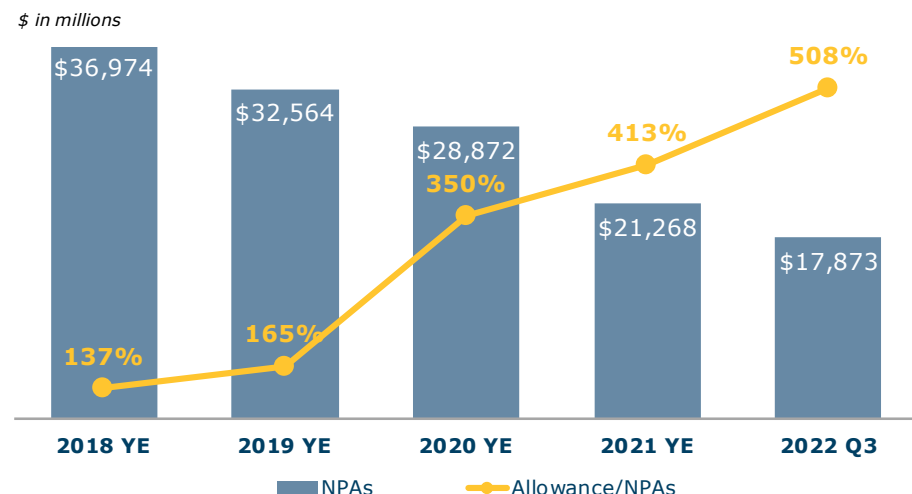
## Allowance / NPLs

\$ in thousands



## Allowance / NPAs

\$ in millions

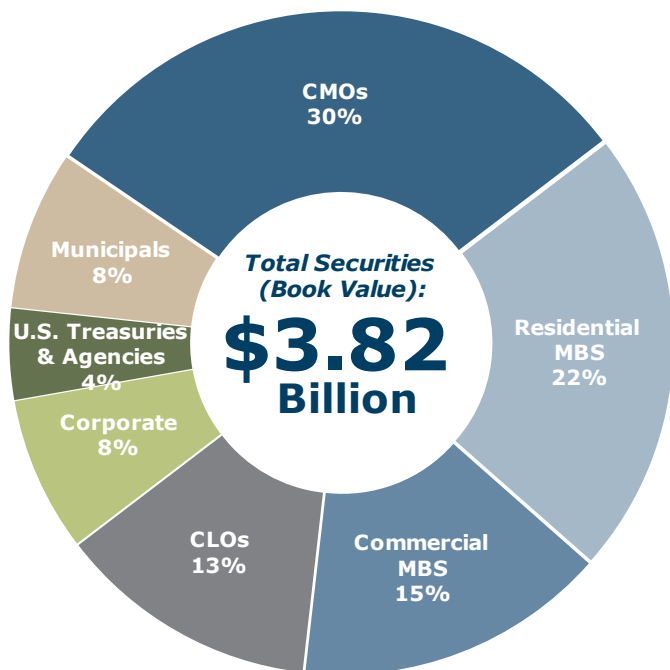




# Balanced, Low-Risk, Short-Duration Investment Portfolio



## Investment Portfolio Composition – Q3 2022



All Mortgage-Backed Securities & Collateralized Mortgage Obligations are Agency



90% of Municipal holdings rated AA or better and 9% rated A



100% of Corporate holdings are investment grade



Collateralized Loan Obligation portfolio consists of 86% rated AAA and 14% rated AA

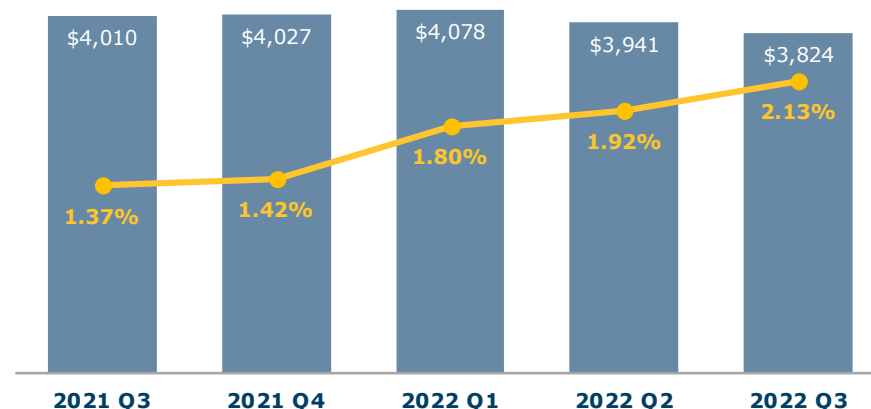
- BUSE carried \$936 million in held-to-maturity (HTM) securities as of 9/30/22
  - Transferred a portion of the portfolio comprised of Agency RMBS & CMBS from available-for-sale (AFS) to HTM during 1Q22
- The duration of the securities portfolio including HTM is 4.1 years and our fair value duration, which excludes the HTM portfolio, is 3.8 years
- After-tax net AFS unrealized loss position of \$328.8 million
- Carrying value of investment portfolio is 28% of total assets
- Projected remaining 2022 roll off cash flow (based on static rates) of \$150 million at ~1.75% yield
- Over the last two quarters the investment portfolio's book value has reduced by \$254 million as balance sheet rotation into loans continues

## Securities Portfolio – Book Value vs. TE Yield

\$ in millions

■ Book Value

—●— Tax Equivalent Yield



# Actively Managing Asset-Sensitive Balance Sheet



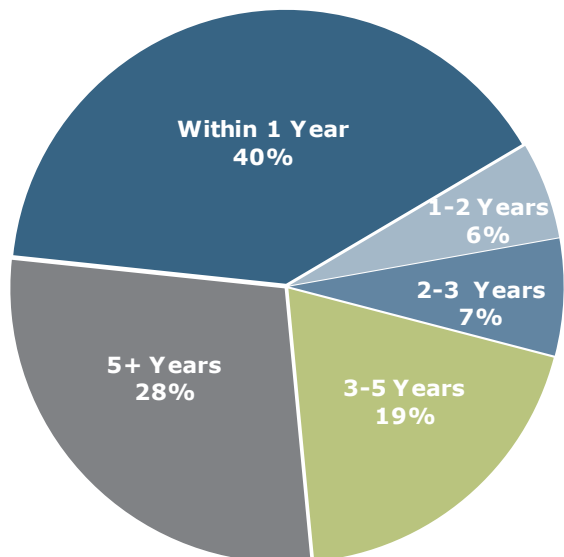
- Balance sheet remains materially asset-sensitive
- Vigilant focus on pricing discipline for both loans and deposits
- 40% of loan portfolio reprices in less than one year
- Less than 4% of deposits are indexed/floating rate
- Tightening cycle-to-date deposit beta of 5% vs. conservative ALCO model assumption of 30%

## Annual % Change in Net Interest Income under Shock Scenarios

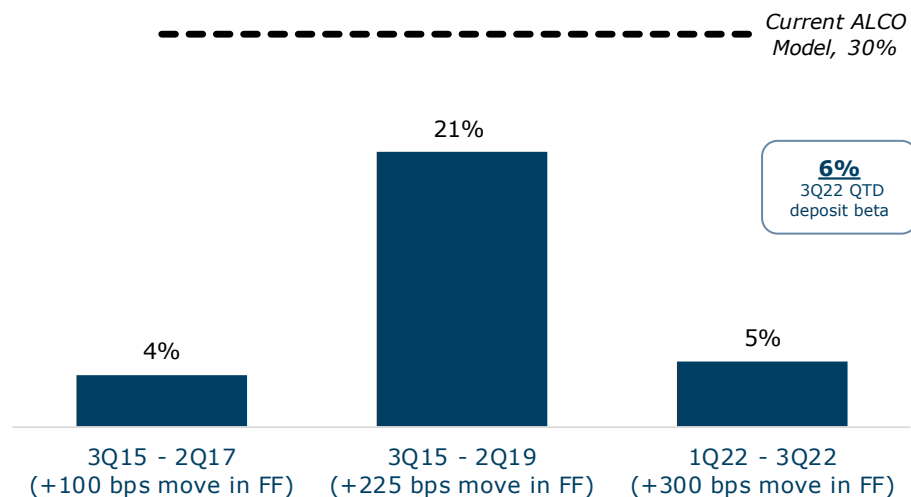
Rate Shock	Year 1	Year 2
+300 bps	+13.8%	+16.8%
+200 bps	+9.2%	+11.1%
+100 bps	+4.6%	+5.5%
-100 bps	-5.8%	-7.2%

*Balance sheet is projected over one- & two-year time horizons and net interest income is calculated under current market rates assuming permanent instantaneous shifts*

## Repricing / Maturity Structures of Portfolio Loans



## IB Non-Maturity Deposit Betas <sup>(1)</sup> in Last Tightening Cycle vs. Current ALCO Model



(1) Deposit betas are calculated based on an average fed funds target rate of 2.35% during 3Q22



## Net Interest Income

- Net interest income was \$86.3 million in 3Q22 vs. \$75.9 million in 2Q22 and \$70.8 million in 3Q21
- Net interest margin <sup>(1)</sup> was 3.00% in 3Q22, an increase of 32 bps vs. 2.68% in 2Q22
- Adjusted net interest margin <sup>(1)</sup> (ex-PAA) was 2.97% in 3Q22, an increase of 31 bps vs. 2.66% in 2Q22
- Primary factors contributing to the quarter's NIM expansion was the growth of the loan portfolio combined with higher new volume rates & repricing rates (38 bps increase) and securities portfolio yield (7 bps increase), offset partially by increased funding costs
- Total 3Q22 deposit growth of \$204 million, primarily in Commercial noninterest-bearing & interest-bearing checking accounts and offset by \$114 million in total retail deposit outflow

## Noninterest Income

- Noninterest income (ex-securities gains/losses) of \$30.9 million in 3Q22, representing 26% of revenue
- Wealth management fees of \$12.5 million in 3Q22, down from \$14.1 million in 2Q22 and down 9% YoY driven primarily by reduction in market valuations
- Payment tech solutions revenue of \$5.1 million in 3Q22, up from \$4.9 million in 2Q22 and up 10% YoY
- Fees for customer services of \$7.6 million in 3Q22, down 20% QoQ and down 18% YoY, attributable to impact from Durbin Amendment (\$2.4 million impact in 3Q22)

## Noninterest Expense

- Adjusted noninterest expense <sup>(1)</sup> (ex-amortization of intangibles, one-time acquisition and restructuring related items) of \$66.9 million in 3Q22, resulting in a 56.8% adjusted efficiency ratio <sup>(1)</sup>
- Adjusted core noninterest expense <sup>(1)</sup> of \$65.6 million (ex-amortization of intangible assets, unfunded commitment provision, NMTC amortization, and one-time items) in 3Q22, equating to 55.7% adjusted core efficiency ratio <sup>(1)</sup>

## Provision

- \$2.4 million loan loss provision expense
- \$0.3 million negative provision for unfunded commitments (captured in other noninterest expense)
- Net charge-offs of \$0.4 million in 3Q22

## Earnings

- Adjusted net income of \$36.4 million or \$0.65 per diluted share <sup>(1)</sup>
- Adjusted pre-provision net revenue of \$48.8 million (1.54% PPNR ROAA) in 3Q22 <sup>(1)</sup>
- 1.15% Adjusted ROAA and 17.79% Adjusted ROATCE in 3Q22 <sup>(1)</sup>

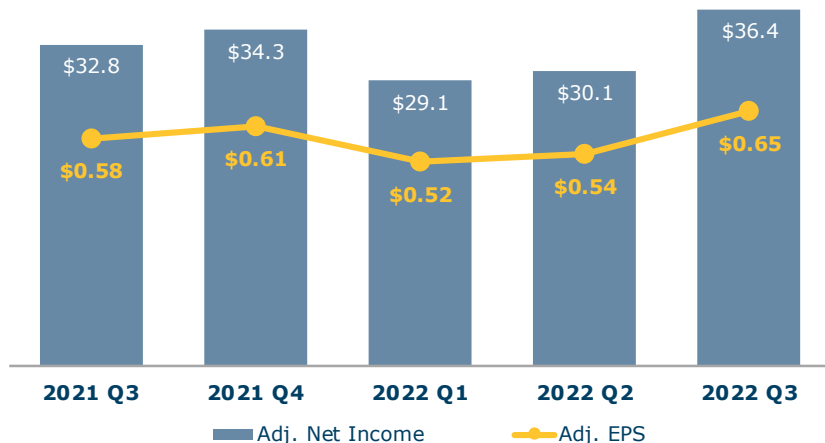
(1) Non-GAAP, see Appendix

# Earnings Performance



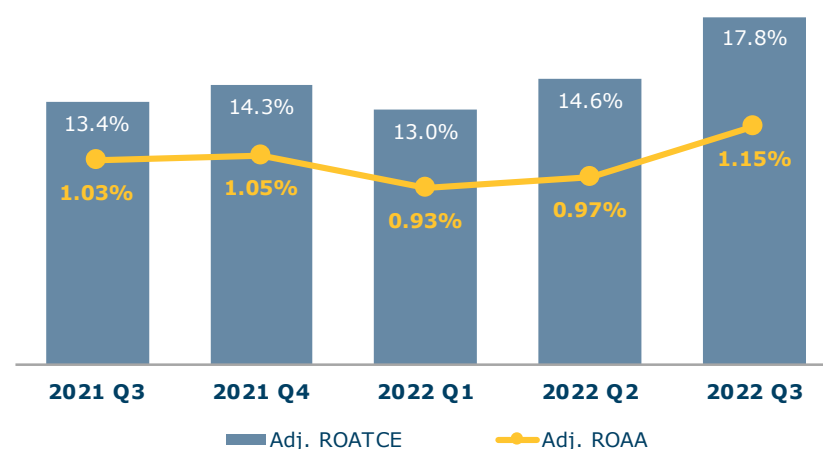
## Adjusted Net Income & Earnings Per Share <sup>(1)</sup>

\$ in millions



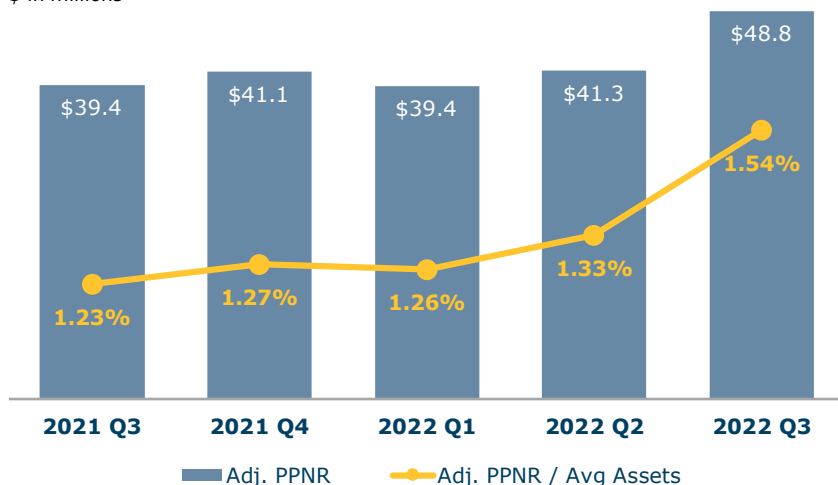
## Adjusted ROAA & Adjusted ROATCE <sup>(1)</sup>

\$ in millions

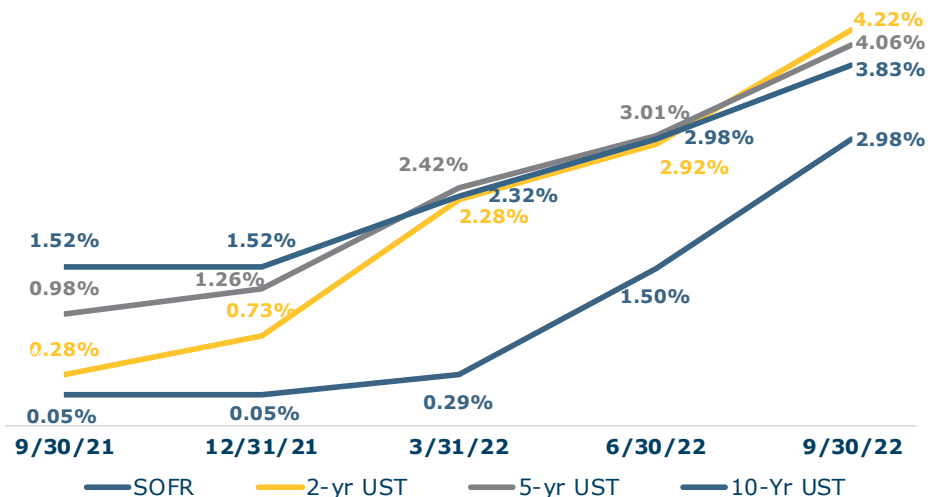


## Adjusted Pre-Provision Net Revenue / Avg. Assets <sup>(1)</sup>

\$ in millions



## Historical Key Rates <sup>(2)</sup>



(1) Non-GAAP calculation, see Appendix (2) Per FRED, Federal Reserve Bank of St. Louis



Building on 150 Years of Excellence | Advancing a Comprehensive ESG Strategy



Launched **Thrive**, a high-performance associate development series dedicated to support continuous learning no matter where associates are on their career path.



Partnered with the Ecology Action Center, a local environmental nonprofit, planting **1,500 new trees** in honor of Associate Appreciation Month.

## Commitment to Environment

- Helping our clients reduce their footprint from sustainable agriculture to green construction, financing for solar arrays, energy efficiency improvements, and more.
- Recycling nearly 500 tons of paper and saving nearly 2 million kilowatts of energy in 2021 alone.
- Providing all associates training on how to reduce their environmental impact at home and in the office.

## Commitment to People

- Donating more than \$1 million annually and volunteering over 10,000 hours in 2021.
- Attracting and retaining talent across a diverse set of backgrounds and experiences and investing in associate wellness and training and development.
- Building upon a legacy of corporate responsibility through an Enterprise Community Banking program.

## Commitment to Strong Governance

- Leading at the Board and Executive level with a team of diverse backgrounds and experiences.
- Adhering to a stringent code of ethics set forth standards that all Executives, Directors and Officers are expected to follow.
- Prioritizing strong corporate governance – employing sustainable and scalable processes, policies, and customs – exceeding industry metrics.



**First bank** to be Illinois Green Business Association certified in 2012

**Over \$16 million** in commitments to new green construction <sup>(1)</sup>



2022 Associate Engagement Score is the **highest in Busey's history** at 4.28/5.00 <sup>(2)</sup>

**8.5 years** average tenure <sup>(3)</sup>

**95%** engagement in wellness program <sup>(3)</sup>



**Strong 7% insider ownership** <sup>(1)</sup>

**40% of Board** have underrepresented backgrounds, with diverse lengths of tenure <sup>(1)</sup>

**ISS Score** <sup>(4)</sup>  
(1-10 Range, lower is better)

Environmental Disclosures **3**

Social Disclosures **4**

Governance Risk **2**

**Sustainalytics Score** <sup>(5)</sup>  
(Lower is better – Proxy Peers average 29.5)

**29.1**  
BUSE Score

To view the full Corporate Social Responsibility Report, visit [busey.com/CSR](https://busey.com/CSR).

(1) Definitive Proxy filed 4/14/22 (2) Gallup-conducted survey completed Apr. 2022; first conducted in 2014 (3) Annual Report filed 4/26/22 (4) Last ISS Governance data profile update: 3/28/22; Last ISS E&S data profile update: 9/10/21 (5) Sustainalytics Scores updated through 10/12/22. Reporting peer group is: ABCB, BANF, CUBI, EFSC, FFBC, FIBK, FRME, GBCI, HOMB, HTLF, ONB, PRK, RNST, SFBS, SFNC, STBA, TRMK, WSBC

# APPENDIX

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# Hurricane Ian Response



*On September 28, 2022, Hurricane Ian made landfall in southwest Florida, impacting our operations in the region, and we continue to assess the effects. We are focused on assisting our customers and associates as they navigate the challenges posed from this historic storm.*

- Quickly re-established operations at Florida locations
  - Through dedicated work from teams across Busey and determination by Florida associates, we were able to reopen two of three branches with normal operating hours within two weeks of the storm's landfall
  - Establishing an on-site mobile branch to provide temporary service to customers affected by the one damaged location that was unable to fully reopen
- Set up dedicated hotline & webpage for impacted customers – resources include insurance claim guide, fraud education and government assistance information
- Fee waivers & deferrals for impacted customers – fees incurred from Sept. 28 through Oct. 31 are being waived
- One office location set up as a Relief Center for associates to gather, stock up on needed supplies and utilize office space
- Providing financial assistance to associates & their families through an associate assistance fund and additional direct monetary distributions to cover critical necessities
- Every Florida-based associate continued to be paid regular wages regardless of ability to work through the impact period and provided all Florida associates additional personal days to help meet with insurance adjusters, contractors, etc.
- Dedicated to helping rebuild the area through lending of funds for commercial & retail projects; proactive customer outreach for the SBA programs of Home Disaster Loans, Business Physical Disaster Loans, and Economic Injury Disaster Loans
- Implementing a payment relief modification program for existing commercial customers
  - Offered in 3-month increments of interest-only or full payment deferral
  - Options are available on fully-secured pass or watch rated term loans
    - Relief for other loan segments require approval by loan committee or special assets group
- Completed third-party inspections of all properties in our CRE portfolio located in the impacted region

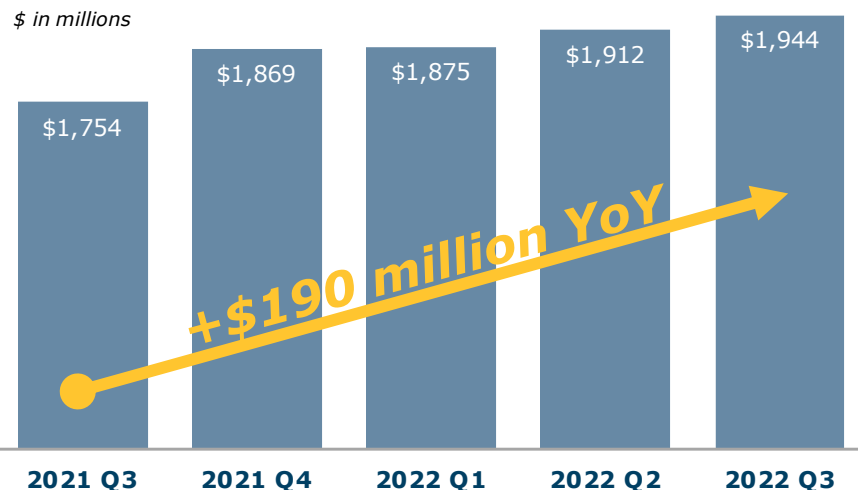


# High Quality Loan Portfolio: C&I



- 25.3% of total loan portfolio (ex-PPP loans)
- All C&I loans are underwritten to 1.20x FCCR requirement and RLOCs greater than \$1 million require a monthly borrowing base
- Diversified portfolio results in low levels of concentrated exposure
  - Top concentration in one industry (manufacturing) is 15% of C&I loans, or 4% of total loans
- Only 2.3% of C&I loans are classified
  - Manufacturing classified balances are primarily one credit (\$16 million outstanding) in the Transportation subsector that is experiencing persistent pandemic impacts; relationship was downgraded from special mention to classified during 2Q22

**Total C&I Loans <sup>(1)</sup>**



**C&I Loans by Sector (ex-PPP)**

<i>\$ in thousands</i>	9/30/22 Balances (ex-PPP)	% of Total Loans (ex-PPP)	9/30/22 Classified Balances
<b>NAICS Sector</b>			
Manufacturing	\$292,976	3.8%	\$19,968
Finance and Insurance	\$232,984	3.0%	\$0
Real Estate Rental & Leasing	\$217,743	2.8%	\$1,142
Wholesale Trade	\$200,216	2.6%	\$486
Educational Services	\$177,569	2.3%	\$0
Construction	\$172,692	2.3%	\$2,505
Health Care and Social Assistance	\$104,805	1.4%	\$6,780
Agriculture, Forestry, Fishing	\$97,677	1.3%	\$1,547
Food Services and Drinking Places	\$74,233	1.0%	\$693
Public Administration	\$74,163	1.0%	\$0
Transportation	\$68,848	0.9%	\$79
Retail Trade	\$70,625	0.9%	\$3,989
Other Services (except Public Admin)	\$50,940	0.7%	\$59
Professional, Scientific, & Tech Svcs	\$44,304	0.6%	\$4,754
Arts, Entertainment, and Recreation	\$29,494	0.4%	\$2,107
Administrative and Support Services	\$16,356	0.2%	\$814
Mining, Quarrying, & Oil & Gas Extr.	\$7,271	0.1%	\$0
Waste Management Services	\$6,632	0.1%	\$0
Information	\$2,743	0.0%	\$0
Management of Cos. & Enterprises	\$1,125	0.0%	\$0
Utilities	\$735	0.0%	\$0
<b>Grand Total</b>	<b>\$1,944,128</b>	<b>25.3%</b>	<b>\$44,922</b>

(1) Ex-PPP loan totals include purchase accounting, FASB, overdrafts, etc.



# High Quality Loan Portfolio: CRE



## Owner Occupied CRE Loans by Property Type

<i>\$ in thousands</i>			
Property Type	9/30/22 Balances	% of Total Loans (ex-PPP)	9/30/22 Classified Balances
Industrial/Warehouse	\$328,708	4.3%	\$2,166
Specialty	\$222,777	2.9%	\$1,118
Medical Office	\$148,490	1.9%	\$0
Traditional Office	\$115,069	1.5%	\$480
Retail	\$64,149	0.8%	\$2,108
Restaurant	\$57,033	0.7%	\$2,904
Nursing Homes	\$1,470	0.0%	\$0
Health Care	\$999	0.0%	\$0
Other	\$898	0.0%	\$0
Hotel	\$614	0.0%	\$0
Apartments	\$433	0.0%	\$0
Student Housing	\$105	0.0%	\$0
<b>Grand Total</b>	<b>\$940,744</b>	<b>12.3%</b>	<b>\$8,776</b>

### Total CRE: CRE-I and OOCRE Portfolio

- Only 1.3% of total CRE loans and 1.4% of CRE-I loans are classified
- CRE-I permanent financing guidance requires 1.15x-1.35x pre-distr. DSCR & 65%-80% LTV depending on property type, with lower of LTC or LTV for construction projects
- Owner-occupied properties are underwritten to operating cash flow and guidance requires a 1.20x FCCR
- Low levels of concentrated exposure
  - Continue to actively monitor CRE-I concentrations vs. internally-defined appetite thresholds
  - Industrial/Warehouse top concentration at 18% of total CRE
  - Over 42% of total Office CRE portfolio is Medical Office, a segment minimally impacted by work-from-home trends; Urban business-district exposure is minimal

## Investor Owned CRE Loans by Property Type <sup>(1)</sup>

<i>\$ in thousands</i>			
Property Type	9/30/22 Balances	% of Total Loans (ex-PPP)	9/30/22 Classified Balances
Apartments	\$582,540	7.6%	\$731
Retail	\$469,075	6.1%	\$1,137
Industrial/Warehouse	\$315,104	4.1%	\$0
Traditional Office	\$298,749	3.9%	\$537
Student Housing	\$237,886	3.1%	\$0
Hotel	\$210,490	2.7%	\$502
Senior Housing	\$182,062	2.4%	\$0
Medical Office	\$154,508	2.0%	\$0
LAD	\$139,394	1.8%	\$2,400
Specialty CRE	\$91,318	1.2%	\$37
Nursing Homes	\$60,373	0.8%	\$34,795
Restaurant CRE	\$26,744	0.3%	\$0
Health Care	\$20,000	0.3%	\$0
1-4 Family	\$14,388	0.2%	\$0
Continuing Care Facilities	\$14,252	0.2%	\$0
Other	\$923	0.0%	\$0
<b>Grand Total</b>	<b>\$2,817,806</b>	<b>36.7%</b>	<b>\$40,139</b>

- Apartments & Student Housing represents 29% of CRE-I
  - 61.7% WAvg LTV & 59.9% long-term customers (4+ yrs)
- Nursing Home portfolio has been a primary focus of ongoing monitoring activities since onset of pandemic
  - Customers experienced significant occupancy declines (62.4% avg occupancy of portfolio as of YE 2021) and have been slow to recover
  - Illinois law boosting funding by \$700 million annually for Medicaid-funded nursing homes went into effect on 7/1/22; provides new support for Illinois-based customers

(1) Investor owned CRE includes C&D, Multifamily and non-owner occupied CRE



**Pre-Provision Net Revenue, Adjusted Pre-Provision Net Revenue,  
Pre-Provision Net Revenue to Average Assets, and Adjusted Pre-Provision Net Revenue to Average Assets**

(dollars in thousands)

	Three Months Ended			Nine Months Ended	
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
<b>PRE-PROVISION NET REVENUE</b>					
Net interest income	\$ 86,305	\$ 75,928	\$ 70,755	\$ 232,289	\$ 200,190
Total noninterest income	30,933	31,019	33,259	97,724	97,715
Net security (gains) losses	(4)	1,714	(57)	2,324	(2,596)
Total noninterest expense	(70,736)	(69,092)	(73,487)	(210,204)	(190,611)
Pre-provision net revenue	46,498	39,569	30,470	122,133	104,698
Non-GAAP adjustments:					
Acquisition and other restructuring expenses	957	303	8,677	2,095	11,710
Provision for unfunded commitments	(320)	(267)	(978)	525	(1,068)
Amortization of New Markets Tax Credits	1,665	1,662	1,240	4,668	4,308
Adjusted pre-provision net revenue	<u>\$ 48,800</u>	<u>\$ 41,267</u>	<u>\$ 39,409</u>	<u>\$ 129,421</u>	<u>\$ 119,648</u>
Pre-provision net revenue, annualized [a]	\$ 184,476	\$ 158,711	\$ 120,886	\$ 163,291	\$ 139,981
Adjusted pre-provision net revenue, annualized [b]	193,609	165,521	156,351	173,035	159,969
Average total assets [c]	12,531,856	12,452,070	12,697,795	12,547,816	11,571,270
<b>Reported:</b> Pre-provision net revenue to average assets <sup>1</sup> [a÷c]	1.47 %	1.27 %	0.95 %	1.30 %	1.21 %
<b>Adjusted:</b> Pre-provision net revenue to average assets <sup>1</sup> [b÷c]	1.54 %	1.33 %	1.23 %	1.38 %	1.38 %

<sup>1</sup>. Annualized measure.

# Non-GAAP Financial Information



**Adjusted Net Income, Adjusted Diluted Earnings Per Share, Adjusted Return on Average Assets,  
Return on Average Tangible Common Equity, and Adjusted Return on Average Tangible Common Equity**  
*(dollars in thousands, except per share amounts)*

		Three Months Ended			Nine Months Ended	
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
<b>NET INCOME ADJUSTED FOR NON-OPERATING ITEMS</b>						
<b>Net income</b>	[a]	\$ 35,661	\$ 29,824	\$ 25,941	\$ 93,924	\$ 93,523
Non-GAAP adjustments:						
Acquisition expenses:						
Salaries, wages, and employee benefits		—	—	4,462	587	5,587
Data processing		—	—	3,182	214	3,557
Professional fees, occupancy, and other		4	204	776	242	2,309
Other restructuring expenses:						
Salaries, wages, and employee benefits		—	—	257	—	257
Loss on leases or fixed asset impairment		877	99	—	976	—
Professional fees, occupancy, and other		76	—	—	76	—
Related tax benefit		(183)	(46)	(1,773)	(399)	(2,402)
Adjusted net income	[b]	<u>\$ 36,435</u>	<u>\$ 30,081</u>	<u>\$ 32,845</u>	<u>\$ 95,620</u>	<u>\$ 102,831</u>
<b>DILUTED EARNINGS PER SHARE</b>						
Diluted average common shares outstanding	[c]	56,073,164	56,104,017	56,832,518	56,123,756	55,872,835
<b>Reported:</b> Diluted earnings per share	[a÷c]	\$ 0.64	\$ 0.53	\$ 0.46	\$ 1.67	\$ 1.67
<b>Adjusted:</b> Diluted earnings per share	[b÷c]	\$ 0.65	\$ 0.54	\$ 0.58	\$ 1.70	\$ 1.84
<b>RETURN ON AVERAGE ASSETS</b>						
Net income, annualized	[d]	\$ 141,481	\$ 119,624	\$ 102,918	\$ 125,576	\$ 125,040
Adjusted net income, annualized	[e]	144,552	120,655	130,309	127,844	137,485
Average total assets	[f]	12,531,856	12,452,070	12,697,795	12,547,816	11,571,270
<b>Reported:</b> Return on average assets <sup>1</sup>	[d÷f]	1.13 %	0.96 %	0.81 %	1.00 %	1.08 %
<b>Adjusted:</b> Return on average assets <sup>1</sup>	[e÷f]	1.15 %	0.97 %	1.03 %	1.02 %	1.19 %
<b>RETURN ON AVERAGE TANGIBLE COMMON EQUITY</b>						
Average common equity		\$ 1,181,448	\$ 1,197,052	\$ 1,351,416	\$ 1,219,645	\$ 1,323,571
Average goodwill and other intangible assets, net		(368,981)	(371,890)	(380,885)	(371,873)	(370,829)
Average tangible common equity	[g]	<u>\$ 812,467</u>	<u>\$ 825,162</u>	<u>\$ 970,531</u>	<u>\$ 847,772</u>	<u>\$ 952,742</u>
<b>Reported:</b> Return on average tangible common equity <sup>1</sup>	[d÷g]	17.41 %	14.50 %	10.60 %	14.81 %	13.12 %
<b>Adjusted:</b> Return on average tangible common equity <sup>1</sup>	[e÷g]	17.79 %	14.62 %	13.43 %	15.08 %	14.43 %

<sup>1</sup> Annualized measure.



## Adjusted Net Interest Income and Adjusted Net Interest Margin

(dollars in thousands)

	Three Months Ended			Nine Months Ended	
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
<b>Net interest income</b>	\$ 86,305	\$ 75,928	\$ 70,755	\$ 232,289	\$ 200,190
Non-GAAP adjustments:					
Tax-equivalent adjustment	543	546	598	1,635	1,778
Tax-equivalent net interest income	86,848	76,474	71,353	233,924	201,968
Purchase accounting accretion related to business combinations	(830)	(599)	(1,799)	(2,588)	(5,682)
Adjusted net interest income	<u>\$ 86,018</u>	<u>\$ 75,875</u>	<u>\$ 69,554</u>	<u>\$ 231,336</u>	<u>\$ 196,286</u>
Tax-equivalent net interest income, annualized [a]	\$ 344,560	\$ 306,736	\$ 283,085	\$ 312,756	\$ 270,030
Adjusted net interest income, annualized [b]	341,267	304,334	275,948	309,295	262,434
Average interest-earning assets [c]	11,497,783	11,453,198	11,730,637	11,550,887	10,651,386
<b>Reported: Net interest margin<sup>1</sup></b> [a÷c]	3.00 %	2.68 %	2.41 %	2.71 %	2.54 %
<b>Adjusted: Net interest margin<sup>1</sup></b> [b÷c]	2.97 %	2.66 %	2.35 %	2.68 %	2.46 %

<sup>1</sup> Annualized measure.

# Non-GAAP Financial Information



## Adjusted Noninterest Expense, Adjusted Core Expense, Efficiency Ratio, Adjusted Efficiency Ratio, and Adjusted Core Efficiency Ratio (dollars in thousands)

	Three Months Ended			Nine Months Ended	
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
<b>Net interest income</b>	\$ 86,305	\$ 75,928	\$ 70,755	\$ 232,289	\$ 200,190
Non-GAAP adjustments:					
Tax-equivalent adjustment	543	546	598	1,635	1,778
Tax-equivalent net interest income	86,848	76,474	71,353	233,924	201,968
<b>Total noninterest income</b>	30,933	31,019	33,259	97,724	97,715
Non-GAAP adjustments:					
Net security (gains) losses	(4)	1,714	(57)	2,324	(2,596)
Noninterest income excluding net securities gains and losses	30,929	32,733	33,202	100,048	95,119
Tax-equivalent net interest income plus noninterest income excluding net securities gains and losses [a]	\$ 117,777	\$ 109,207	\$ 104,555	\$ 333,972	\$ 297,087
<b>Total noninterest expense</b>	\$ 70,736	\$ 69,092	\$ 73,487	\$ 210,204	\$ 190,611
Non-GAAP adjustments:					
Amortization of intangible assets [b]	(2,871)	(2,951)	(3,149)	(8,833)	(8,200)
Non-interest expense excluding amortization of intangible assets [c]	67,865	66,141	70,338	201,371	182,411
Non-operating adjustments:					
Salaries, wages, and employee benefits	—	—	(4,719)	(587)	(5,844)
Data processing	—	—	(3,182)	(214)	(3,557)
Impairment, professional fees, occupancy, and other	(957)	(303)	(776)	(1,294)	(2,309)
Adjusted noninterest expense [f]	66,908	65,838	61,661	199,276	170,701
Provision for unfunded commitments	320	267	978	(525)	1,068
Amortization of New Markets Tax Credits	(1,665)	(1,662)	(1,240)	(4,668)	(4,308)
Adjusted core expense [g]	\$ 65,563	\$ 64,443	\$ 61,399	\$ 194,083	\$ 167,461
Noninterest expense, excluding non-operating adjustments [f-b]	\$ 69,779	\$ 68,789	\$ 64,810	\$ 208,109	\$ 178,901
<b>Reported:</b> Efficiency ratio [c÷a]	57.62 %	60.56 %	67.27 %	60.30 %	61.40 %
<b>Adjusted:</b> Efficiency ratio [f÷a]	56.81 %	60.29 %	58.97 %	59.67 %	57.46 %
<b>Adjusted:</b> Core efficiency ratio [g÷a]	55.67 %	59.01 %	58.72 %	58.11 %	56.37 %

<sup>†</sup> Annualized measure.

# Non-GAAP Financial Information



## Tangible Book Value Per Common Share (dollars in thousands, except per share amounts)

	As of				
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
<b>Total stockholders' equity</b>	\$ 1,106,588	\$ 1,161,957	\$ 1,218,025	\$ 1,319,112	\$ 1,333,076
Goodwill and other intangible assets, net	(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tangible book value [a]	<u>\$ 739,497</u>	<u>\$ 791,995</u>	<u>\$ 845,112</u>	<u>\$ 943,188</u>	<u>\$ 954,185</u>
Ending number of common shares outstanding [b]	55,232,434	55,335,703	55,278,785	55,434,910	55,826,984
Tangible book value per common share [a÷b]	\$ 13.39	\$ 14.31	\$ 15.29	\$ 17.01	\$ 17.09

## Tangible Common Equity and Tangible Common Equity to Tangible Assets (dollars in thousands)

	As of				
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
<b>Total assets</b>	\$ 12,497,388	\$ 12,356,433	\$ 12,567,509	\$ 12,859,689	\$ 12,899,330
Non-GAAP adjustments:					
Goodwill and other intangible assets, net	(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tax effect of other intangible assets <sup>1</sup>	9,369	9,905	10,456	16,254	17,115
Tangible assets [a]	<u>\$ 12,139,666</u>	<u>\$ 11,996,376</u>	<u>\$ 12,205,052</u>	<u>\$ 12,500,019</u>	<u>\$ 12,537,554</u>
<b>Total stockholders' equity</b>	\$ 1,106,588	\$ 1,161,957	\$ 1,218,025	\$ 1,319,112	\$ 1,333,076
Non-GAAP adjustments:					
Goodwill and other intangible assets, net	(367,091)	(369,962)	(372,913)	(375,924)	(378,891)
Tax effect of other intangible assets <sup>1</sup>	9,369	9,905	10,456	16,254	17,115
Tangible common equity [b]	<u>\$ 748,866</u>	<u>\$ 801,900</u>	<u>\$ 855,568</u>	<u>\$ 959,442</u>	<u>\$ 971,300</u>
Tangible common equity to tangible assets <sup>2</sup> [b÷a]	6.17 %	6.68 %	7.01 %	7.68 %	7.75 %

<sup>1</sup> Net of estimated deferred tax liability.

<sup>2</sup> Tax-effected measure.



**Core Loans, Core Loans to Portfolio Loans,  
Core Deposits, Core Deposits to Total Deposits, and Core Loans to Core Deposits**  
(dollars in thousands)

		As of				
		September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021
<b>Portfolio loans</b>	[a]	\$ 7,670,114	\$ 7,497,778	\$ 7,272,873	\$ 7,188,998	\$ 7,150,635
Non-GAAP adjustments:						
PPP loans amortized cost		(1,426)	(7,616)	(31,769)	(74,958)	(178,231)
<b>Core loans</b>	[b]	<u>\$ 7,668,688</u>	<u>\$ 7,490,162</u>	<u>\$ 7,241,104</u>	<u>\$ 7,114,040</u>	<u>\$ 6,972,404</u>
<b>Total deposits</b>	[c]	\$ 10,601,397	\$ 10,397,228	\$ 10,591,836	\$ 10,768,577	\$ 10,817,867
Non-GAAP adjustments:						
Brokered transaction accounts		(2,006)	(2,002)	(2,002)	(2,248)	(2,002)
Time deposits of \$250,000 or more		(103,534)	(117,957)	(139,245)	(137,449)	(156,419)
<b>Core deposits</b>	[d]	<u>\$ 10,495,857</u>	<u>\$ 10,277,269</u>	<u>\$ 10,450,589</u>	<u>\$ 10,628,880</u>	<u>\$ 10,659,446</u>
<b>RATIOS</b>						
Core loans to portfolio loans	[b÷a]	99.98 %	99.90 %	99.56 %	98.96 %	97.51 %
Core deposits to total deposits	[d÷c]	99.00 %	98.85 %	98.67 %	98.70 %	98.54 %
Core loans to core deposits	[b÷d]	73.06 %	72.88 %	69.29 %	66.93 %	65.41 %