# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

## FORM 8-K

**Current Report**
**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **September 22, 2020**

# First Busey Corporation
(Exact name of registrant as specified in its charter)

| Nevada | 0-15950 | 37-1078406 |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

**100 W. University Ave.**
**Champaign, Illinois 61820**
(Address of principal executive offices) (Zip code)

**(217) 365-4544**
(Registrant's telephone number, including area code)

**N/A**
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.001 par value | BUSE | The Nasdaq Stock Market LLC |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b- 2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter). ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 7.01. Regulation FD Disclosure.**

Management of First Busey Corporation (the "Company") is scheduled to participate in the Stephens Bank Forum on Tuesday, September 22, 2020. Management will review the investor presentation, attached hereto as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference. The Company will post the investor presentation to its website, ir.busey.com.

*The information in Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto is being "furnished" and will not, except to the extent required by applicable law or regulation, be deemed "filed" by First Busey for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor will any of such information or exhibits be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.*

**Item 9.01. Financial Statements and Exhibits.**

| | |
|---|---|
| 99.1 | Investor Presentation by First Busey Corporation, dated September 2020. |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101). |

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 22, 2020

**First Busey Corporation**

By: /s/ Jeffrey D. Jones
Name: Jeffrey D. Jones
Title: Chief Financial Officer

Exhibit 99.1


INVESTOR
PRESENTATION
September 2020
busey.com Member FDIC
Busey
FIRST BUSEY CORPORATION

# 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 the impact of the 2020 presidential election and the impact of tariffs, a U.S. withdrawal from or significant negotiation of trade agreements, trade wars and other changes in trade regulations); (ii) the economic impact of any future terrorist threats or attacks, widespread disease or pandemics (including the COVID-19 pandemic in the United States), or other adverse external events that could cause economic deterioration or instability in credit markets; (iii) changes in state and federal laws, regulations and governmental policies concerning the Company's general business; (iv) changes in accounting policies and practices, including CECL, that changed how the Company estimates credit losses; (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 the acquisition and the possibility that the 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.

# Non-GAAP Financial Measures

This document contains financial information determined other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Management uses these "non-GAAP" measures in its analysis of the Company's performance. Management also believes that these non-GAAP financial measures allow for better comparability of period to period operating performance. Additionally, the Company believes this information is utilized by regulators and market analysts to evaluate a company's financial condition, and therefore, such information is useful to investors. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. A reconciliation of the non-GAAP measures used in this document to the most directly comparable GAAP measures is provided beginning on page 32 of this document. For more details on the Company's non-GAAP measures, refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2019 and the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020.

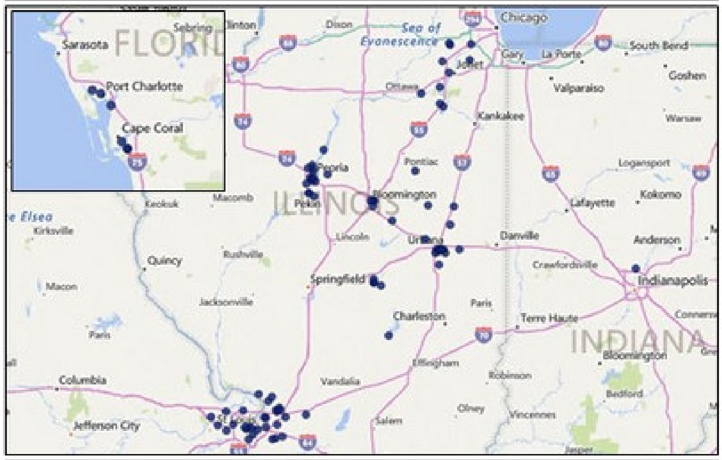
# Table of Contents

# Overview of First Busey Corporation (BUSE)

## Company Overview

- 150+ year old bank headquartered in Champaign, IL
- Full service community bank serving Illinois, St. Louis, Indianapolis, and Southwest Florida markets
- Diversified lending portfolio across real estate, commercial, and retail products
- Named among Forbes' 2019 Best-In-State Banks—one of five in Illinois
- Numerous, repeat "Best Places to Work" awards in all states in which it operates
- First Busey's vision is focused around 4 pillars:
  1. Associates
  2. Customers
  3. Communities
  4. Shareholders
- First Busey works to preserve the Busey legacy – a legacy of customer service, associate excellence, community involvement and expanding shareholder value

## Branch Map




## Primary Business Segments

### Commercial Banking

BuseyBANK

- Illinois state chartered bank, organized in 1868
- Bank offers full suite of diversified financial products and services for consumers and businesses
- 80 branch locations, serving four state footprint

### Wealth Management

Busey WEALTH MANAGEMENT

- Provides premier wealth and asset management services for individuals and businesses
- $9.02bn Assets Under Care

### Retail Payment Processing

firstech

- Provides comprehensive and innovative payment processing capabilities
- Solutions tailored for online, mobile, walk-in, CSR, direct debit, lockbox, auto phone pay, VerID
- 27 million transactions per year

(1) Non-GAAP calculation, see Appendix

## Financial Highlights

| $ in millions | 2018 | 2019 | 6/30/20 |
|---|---|---|---|
| Total Assets | $7,702 | $9,696 | $10,836 |
| Total Loans (Exc. HFS) | 5,568 | 6,687 | 7,229 |
| Total Deposits | 6,249 | 7,902 | 8,910 |
| Total Equity | 995 | 1,220 | 1,236 |
| NPA/Assets | 0.48% | 0.34% | 0.27% |
| NIM | 3.45% | 3.38% | 3.11% |
| Core PPNR ROAA[1] | 1.86% | 1.76% | 1.70% |
| Core ROAA[1] | 1.34% | 1.25% | 0.84% |
| Core ROATCE[1] | 15.9% | 14.5% | 9.8% |

# Diversified Business Model

**Banking the intersection of commercial and wealth**

## Busey BANK

### Business

- Commercial Lending
- Business Saving Services
- Business Checking Services
- Merchant Services Solutions

### Personal

- Online Banking
- Credit and Debit Cards
- Checking Services
- Consumer Loans
- Mortgage Banking
- Mobile Banking

## Busey WEALTH MANAGEMENT

### Investment Advisory

- Investment Services
- Investment Management
- Financial Goals
- Private Client
- Business Planning

## firstech

### Business Solutions

- Custom Consulting
- Lockbox Processing
- Payment Concentrator Processing
- Verid

### Payment Solutions

- Walk-In Payments
- Online Bill Payments
- Mobile Payments
- Direct Debit

# Attractive Geographic Footprint

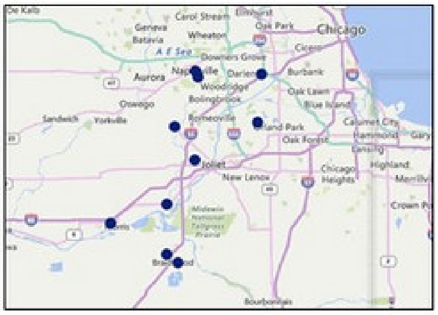
**Four Distinct Operating Regions provide for attractive mix of customers and demographic opportunities**

## Northern

**Banking Centers:** 10

**Deposits:** $857MM

**Median HHI:** $74,285




## Gateway

**Banking Centers:** 29

**Deposits:** $2.6B

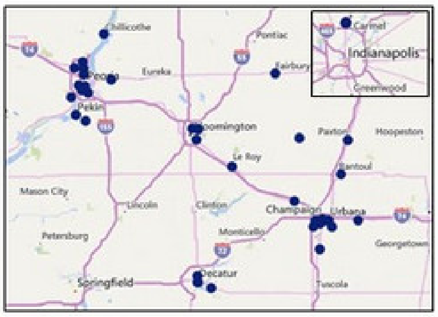
**2020 Pop.:** 2.8 Million

## Central

**Banking Centers:** 36

**Deposits:** $4.0B

**DMS Rank:** Top 5 in 7 out of 8 IL Markets

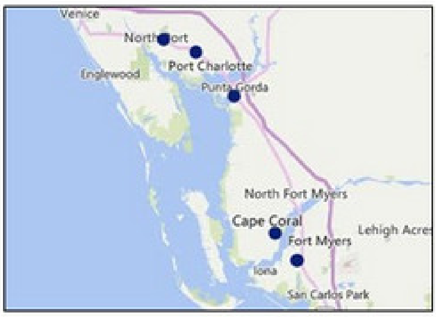



## Florida

**Banking Centers:** 5

**Deposits:** $289MM

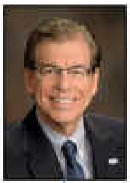
**2020-25 Pop. Growth:** 6.6% versus U.S. avg. 3.3%




Previously announced branch consolidation when completed in 4Q20 will reduce branch count by 2 in the Northern region, by 5 in the Gateway region, by 4 in the Central region and by 1 in the Florida region

Source: S&P Global Market Intelligence, US Census Claritas

# Experienced Management Team



**Van A. Dukeman**
*President & Chief Executive Officer, First Busey Corporation*

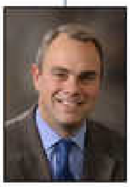
Has served as President & CEO of First Busey since 2007. Mr. Dukeman was President & CEO of Main Street Trust from 1998 until its merger with First Busey in 2007.

In addition to his current role as President & CEO, Mr. Dukeman became Chairman of the Holding Company Board effective July 22

Mr. Dukeman's 40 years of diverse financial services experience and extensive board involvement throughout his career brings a conservative operating philosophy and a management style that focus on Busey's customers, associates, communities and shareholders.

**Highly experienced board with nearly 150 years of combined director experience**

**Management aligned with shareholders (insider ownership of 8.3%)**



**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 various national public accounting firms, including Ernst & Young.

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

Joined Busey 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.

**Robert F. Plecki, Jr.**
*EVP, Chief Credit Officer*

Joined Busey in 1984 and has served as Chief Credit Officer of First Busey since March 2010.

Mr. Plecki previously served as President & CEO of Busey Wealth Management, COO, and EVP of the Florida and Champaign market.

Prior to the 2007 merger with First Busey, Bob served in various management roles at Main Street Trust.

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

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

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

# Investment Highlights

| | |
|---|---|
| **Attractive Franchise** | • Established in 1868, with more than 150 years of commitment to local communities and businesses<br>• Operating with 80 branches across four states: Illinois, Missouri, Indiana, and Florida<br>• Experienced and proven management team<br>• Attractive and diverse business strategy with premier commercial bank, wealth management, and payment processing solutions for individuals and businesses |
| **Sound Growth Strategy** | • Continue expansion in key geographic footprint and expand product and service offerings into newly acquired networks<br>• Grow organically, with community and relationship focused strategies to grow loans and deposits<br>• Continue to grow through disciplined and focused M&A; proven successful acquirer<br>• Core ROAA 1.25% in 2019; 0.84% thru 6/30/20 YTD including the impact of CECL and COVID (1) |
| **Strong Core Deposits** | • Attractive core deposit to total deposit ratio (96%) (2)<br>• Low cost of total deposits (36 bps) and cost of non-time deposits (12 bps) in Q2 2020 |
| **High Quality Loan Portfolio** | • Strengths in commercial & industrial lending, commercial real estate lending, and residential real estate |
| **Diversified Revenue** | • Significant revenue derived from fee income sources (wealth management and retail payment processing)<br>• 29% noninterest income/operating revenue (LTM) |
| **Conservative and Stable Risk Culture** | • Highly diversified loan portfolio without material loan concentrations<br>• Strong asset quality and continued firm-wide commitment to upholding high standards of credit quality<br>• Sound enterprise risk management and corporate governance<br>• NPL/Loans of 0.39% and Reserves/NPLs of 378% (excludes PPP loans; as of 6/30/20) |
| **Strong Capital and Liquidity Position** | • GAAP and regulatory capital levels in excess of well-capitalized requirements<br>• Remains strongly core deposit funded, with a low loan-to-deposit ratio<br>• High quality, short duration securities portfolio and asset sensitive balance sheet |

(1) Non-GAAP calculation, see Appendix; (2) Core Deposits include non-brokered transaction accounts, money market deposit accounts, and time deposits of $250,000 or less

# Protecting a Strong Balance Sheet

**Robust Capital Foundation**

- Capital ratios significantly in excess of well-capitalized minimums
- Regulatory capital relief on CECL implementation and PPP loans
- TCE/TA ratio of 8.43% at 6/30/20
- Total RBC of 16.23% at 6/30/20 ($125mm sub-debt raise in 2Q20)
- Suspended share repurchase program on March 16, 2020
- TBV per share of $15.92 at 6/30/20, up 6.5% year-over-year

**Resilient Loan Portfolio**

- Diversified portfolio, conservatively underwritten with low levels of concentration
- NPAs/Assets: 0.27%    Classified Assets/Capital: 10.5%
- Following adoption of CECL → ACL/Loans: 1.48%[1]  ACL/NPLs: 378%
- 100 / 300 Test: 42% C&D  229% CRE

**Strong Core Deposit Franchise & Ample Liquidity**

- Robust bank-level liquidity
  - 81.1% loan-to-deposit ratio
  - 96.5% core deposits [2]
- Borrowings accounted for less than 4% of total funding at 6/30/20
- $2.8 billion in cash & securities (62% of securities portfolio unpledged)
- Substantial sources of off-balance sheet contingent funding ($3.4 billion, excluding PPPLF)
- Bolstered FBC liquidity with upstream dividend from bank in 1Q20 and sub-debt raise in 2Q20

(1) Excludes amortized cost of PPP loans from calculated loan balance
(2) Core Deposits include non-brokered transaction accounts, money market deposit accounts, and time deposits of $250,000 or less
Note: Financial metrics as of June 30, 2020, unless otherwise noted

# Robust Capital Foundation

## Tangible Common Equity Ratio [1]


## Leverage Ratio


## Total Capital Ratio


## Consolidated Capital as of 6/30/2020*

$ in millions

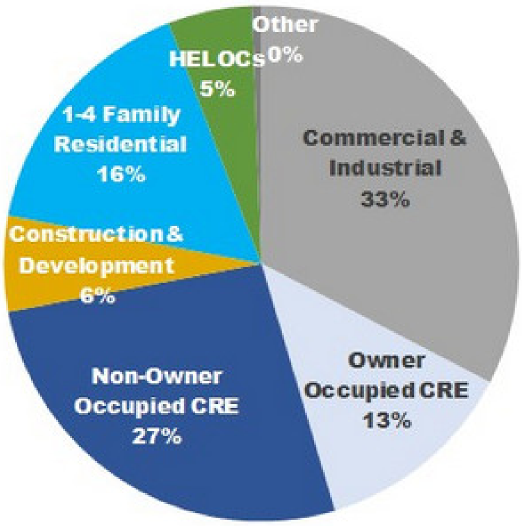
| | Total Capital Ratio | Tier 1 Capital Ratio | Common Equity Tier 1 Ratio |
|---|---|---|---|
| Current Ratio | 16.2% | 12.7% | 11.7% |
| Minimum Well Capitalized Ratio | 10.0% | 8.0% | 6.5% |
| Amount of Capital | 1,200 | 941 | 867 |
| Well Capitalized Minimum | 739 | 591 | 480 |
| Excess Amount over Well-Capitalized | 461 | 350 | 387 |

*2Q20 Capital Ratios are preliminary estimates

(1) Non-GAAP calculation, see Appendix

# High Quality Loan Portfolio

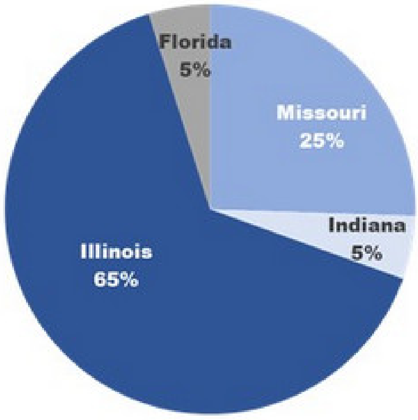
## Loan Portfolio Composition as of 6/30/2020




Total Loan Portfolio = $7.2 billion
MRQ Yield on Loans = 3.94%

Loan Portfolio (ex-PPP) = $6.5 billion
MRQ Yield on Loans (ex-PPP) = 4.02%

## Loan Geographic Segmentation




## Funded Draws & Line Utilization Rate (1)


(1) Excludes Credit Card and Overdraft Protection

# High Quality Loan Portfolio: C&I

**C&I Portfolio Overview**

- 25% of total loan portfolio (ex-PPP loans)
- Diversified portfolio results in low levels of concentrated exposure
  - Top concentration in one industry (manufacturing) is 15%, or 4% of total loans
- Only 3% of loans are classified
- No material exposure to oil & gas
- Decline in C&I loans outstanding Q1 to Q2 largely driven by decreased line utilization

**Total C&I Loans (1)**


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

$ in thousands

| NAICS Sector | 6/30/20 Balances (ex-PPP) | % of Total Loans (ex-PPP) | 6/30/20 Classified Loans |
|---|---|---|---|
| Manufacturing | $253,343 | 3.9% | $15,794 |
| Finance and Insurance | $188,816 | 2.9% | $0 |
| Educational Services | $156,255 | 2.4% | $3,352 |
| Wholesale Trade | $145,790 | 2.2% | $918 |
| Real Estate Rental & Leasing | $145,763 | 2.2% | $1,243 |
| Health Care and Social Assistance | $132,200 | 2.0% | $3,159 |
| Construction | $120,176 | 1.9% | $2,765 |
| Agriculture, Forestry, Fishing and Hunting | $116,578 | 1.8% | $2,381 |
| Retail Trade | $80,523 | 1.2% | $2,063 |
| Public Administration | $71,951 | 1.1% | $0 |
| Transportation and Warehousing | $40,679 | 0.6% | $3,136 |
| Professional, Scientific, & Technical Services | $38,626 | 0.6% | $6,669 |
| Food Services and Drinking Places | $37,027 | 0.6% | $768 |
| Other Services (except Public Administration | $29,372 | 0.5% | $86 |
| Admin, Support & Waste Mgt Services | $25,099 | 0.4% | $3,971 |
| Accommodation | $20,077 | 0.3% | $0 |
| Arts, Entertainment, and Recreation | $9,825 | 0.2% | $2,109 |
| Information | $8,810 | 0.1% | $0 |
| Management of Companies and Enterprises | $7,019 | 0.1% | $0 |
| Mining, Quarrying, & Oil and Gas Extraction | $1,754 | 0.0% | $0 |
| Utilities | $200 | 0.0% | $0 |
| **Grand Total** | $1,629,883 | 25.1% | $48,414 |

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

# Loan Portfolio: Low Levels of Concentrated Exposure

$ in thousands

## Manufacturing Loans

| Subsector | 6/30/20 Balances (ex-PPP) | % of Total Loans (ex-PPP) | 9/11/20 Active Deferral Balances | 6/30/20 Classified Balances | % of Category Classified | 6/30/20 PPP Balances |
|---|---|---|---|---|---|---|
| Machinery | $58,660 | 0.9% | $0 | $235 | 0.4% | $13,492 |
| Transportation Equipment | $52,920 | 0.8% | $0 | $4,054 | 7.7% | $2,301 |
| Food | $42,381 | 0.7% | $33 | $1,393 | 3.3% | $11,013 |
| Miscellaneous | $17,497 | 0.3% | $4,233 | $0 | 0.0% | $7,674 |
| Fabricated Metal Product | $16,803 | 0.3% | $0 | $114 | 0.7% | $8,148 |
| Chemical | $14,072 | 0.2% | $0 | $0 | 0.0% | $2,186 |
| Primary Metal | $10,195 | 0.2% | $7,035 | $0 | 0.0% | $4,173 |
| Printing and Related Support Activities | $9,712 | 0.1% | $2,275 | $0 | 0.0% | $4,977 |
| Textile Product Mills | $6,919 | 0.1% | $0 | $3,707 | 53.6% | $6,384 |
| Electrical Equipment, Appliance, and Component | $5,961 | 0.1% | $0 | $0 | 0.0% | $3,357 |
| Beverage and Tobacco Product | $4,722 | 0.1% | $180 | $3,175 | 67.2% | $1,769 |
| Plastics and Rubber Products | $4,517 | 0.1% | $0 | $240 | 5.3% | $1,344 |
| Computer and Electronic Product | $3,713 | 0.1% | $0 | $2,823 | 76.0% | $2,992 |
| Nonmetallic Mineral Product | $2,325 | 0.0% | $0 | $0 | 0.0% | $968 |
| Furniture and Related Product | $1,385 | 0.0% | $0 | $53 | 3.8% | $723 |
| Paper | $638 | 0.0% | $0 | $0 | 0.0% | $1,373 |
| Wood Product | $611 | 0.0% | $0 | $0 | 0.0% | $1,882 |
| Apparel | $268 | 0.0% | $0 | $0 | 0.0% | $519 |
| Leather and Allied Product | $30 | 0.0% | $0 | $0 | 0.0% | $71 |
| Textile Mills | $14 | 0.0% | $0 | $0 | 0.0% | $0 |
| Petroleum and Coal Products | $0 | 0.0% | $0 | $0 | 0.0% | $349 |
| Grand Total | $253,343 | 3.9% | $13,756 | $15,794 | 6.2% | $75,694 |

**Total Manufacturing Loans: $253 Million or 3.9% of Loan Portfolio (ex-PPP loans)**

**6.2% Classified Loans**

**Diversified exposure across 20 industry subsectors results in no single level of high concentration**

**No subsector accounts for more than 1% of the total portfolio**

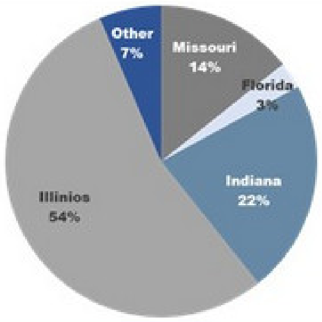
# High Quality Loan Portfolio: CRE

$ in thousands

## Owner Occupied CRE Loans by Industry

| Property Type | 6/30/20 Balances (ex-PPP) | % of Total Loans (ex-PPP) | 6/30/20 Classified Loan Balances |
|---|---|---|---|
| Industrial/Warehouse | $293,428 | 4.5% | $10,982 |
| Specialty CRE | $247,103 | 3.8% | $8,824 |
| Office CRE | $189,851 | 2.9% | $1,083 |
| Retail CRE | $78,069 | 1.2% | $1,937 |
| Restaurant CRE | $66,379 | 1.0% | $5,503 |
| Nursing Homes | $2,126 | 0.0% | $0 |
| Hotel | $1,399 | 0.0% | $0 |
| Apartments | $772 | 0.0% | $0 |
| Student Housing | $114 | 0.0% | $0 |
| Senior Housing | $0 | 0.0% | $0 |
| Other CRE | $43,149 | 0.7% | $656 |
| **Grand Total** | $922,390 | 14.2% | $28,984 |

## Multifamily - Apartments & Student Housing by State




- 62.1% Weighted Avg. LTV
- $67,678M as of 9/11/20 in Active Deferral
- 58.7% are long-term Busey customers (4+ yrs)
- 0.2% Classified Loans in Segment

## Investor Owned CRE Loans by Industry [1]

| Property Type | 6/30/20 Balances (ex-PPP) | % of Total Loans (ex-PPP) | 6/30/20 Classified Loan Balances |
|---|---|---|---|
| Retail CRE | $453,200 | 7.0% | $823 |
| Apartments | $437,150 | 6.7% | $1,267 |
| Student Housing | $308,714 | 4.8% | $0 |
| Office CRE | $272,175 | 4.2% | $2,552 |
| Industrial/Warehouse | $239,421 | 3.7% | $11 |
| Hotel | $164,796 | 2.5% | $1,879 |
| Senior Housing | $122,114 | 1.9% | $0 |
| Land Acquisition & Dev. | $85,960 | 1.3% | $2,634 |
| Specialty CRE | $81,424 | 1.3% | $60 |
| Nursing Homes | $68,304 | 1.1% | $5,672 |
| Restaurant CRE | $35,875 | 0.6% | $1,952 |
| Continuing Care Facilities | $14,685 | 0.2% | $0 |
| 1-4 Family | $13,155 | 0.2% | $308 |
| Other CRE | $47,951 | 0.7% | $292 |
| **Grand Total** | $2,344,924 | 36.2% | $17,450 |

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

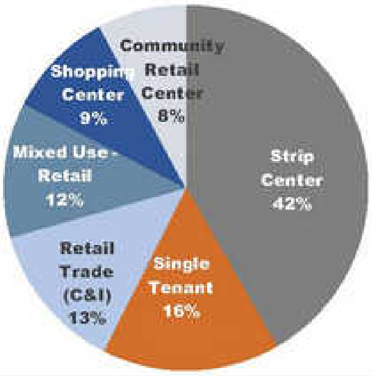
### CRE Portfolio Overview

- 50% of total loan portfolio
- 28% of CRE loans are owner-occupied
- Only 1.4% of CRE loans are classified
- Low Levels of Concentrated Exposure
  - Industrial/Warehouse top concentration at 16% of total CRE portfolio

# Loan Portfolio: Low Levels of Concentrated Exposure

$ in thousands

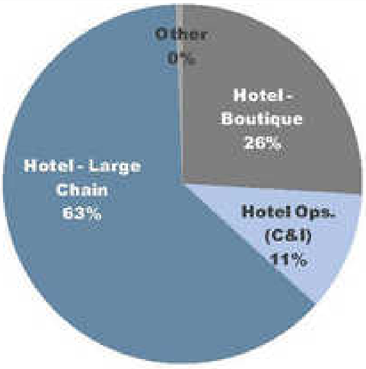
## Retail Trade & Retail CRE Loans




| Retail Type | 6/30/20 Balances (ex-PPP) | % of Total Loans (ex-PPP) | 9/11/20 Active Deferral Balances | Weighted Avg LTV | % of Classified Loans in Segment | 6/30/20 PPP Balances |
|---|---|---|---|---|---|---|
| Strip Center | $255,201 | 3.9% | $57,207 | 66.7% | 0.1% | $0 |
| Single Tenant | $96,372 | 1.5% | $13,126 | 54.8% | 2.0% | $0 |
| Retail Trade (C&I) | $80,523 | 1.2% | $1,860 | | 2.6% | $47,627 |
| Mixed Use - Retail | $73,263 | 1.1% | $19,084 | 63.0% | 0.7% | $0 |
| Shopping Center | $58,357 | 0.9% | $24,042 | 47.4% | 0.0% | $0 |
| Community Retail Center | $48,076 | 0.7% | $10,374 | 53.5% | 0.0% | $0 |
| Grand Total | $611,793 | 9.4% | $125,693 | 60.5% | 0.8% | $47,627 |

**Total Retail Loans: $612 million or 9.4% of Loan Portfolio**

## Traveler Accommodation Loans



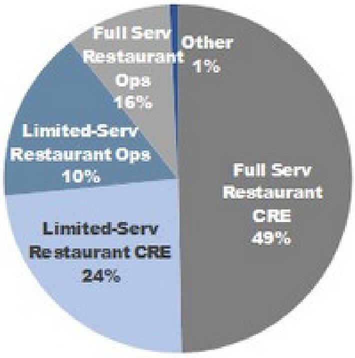

| Subsector | 6/30/20 Balances (ex-PPP) | % of Total Loans (ex-PPP) | 9/11/20 Active Deferral Balances | Weighted Avg LTV | % of Classified Loans in Segment | 6/30/20 PPP Balances |
|---|---|---|---|---|---|---|
| Hotel - Full Service Large Chain | $61,245 | 0.9% | $41,812 | 61.5% | 3.1% | $0 |
| Hotel - Limited Service Large Chain | $55,501 | 0.9% | $30,992 | 60.8% | 0.0% | $0 |
| Hotel - Full Service Boutique | $38,072 | 0.6% | $7,380 | 61.9% | 0.0% | $0 |
| Hotel Operations (C&I) | $20,015 | 0.3% | $0 | | 0.0% | $4,971 |
| Hotel - Limited Service Boutique | $10,310 | 0.2% | $8,755 | 53.7% | 0.0% | $0 |
| Motel CRE | $700 | 0.0% | $0 | 37.7% | 0.0% | $0 |
| Mixed Use CRE - Hotel/Motel | $368 | 0.0% | $368 | 42.3% | 0.0% | $0 |
| RV Parks & Campgrounds (C&I) | $62 | 0.0% | $0 | | 0.0% | $47 |
| Grand Total | $186,272 | 2.9% | $89,307 | 60.8% | 1.0% | $5,018 |

**Total Traveler Accommodation Loans: $186 Million or 2.9% of Loan Portfolio**

# Loan Portfolio: Low Levels of Concentrated Exposure

$ in thousands

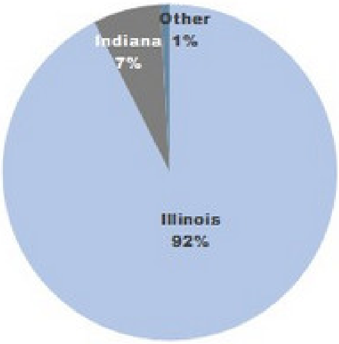
## Food Services Loans




| Food Services Type | 6/30/20 Balances (ex-PPP) | % of Total Loans (ex-PPP) | 9/11/20 Active Deferral Balances | Weighted Avg LTV | % of Classified Loans in Segment | 6/30/20 PPP Balances |
|---|---|---|---|---|---|---|
| Full-Service Restaurant CRE | $69,189 | 1.1% | $21,541 | 60.8% | 10.8% | $0 |
| Limited-Service Restaurant CRE | $33,065 | 0.5% | $5,565 | 72.0% | 0.0% | $0 |
| Limited-Service Restaurant Operations | $22,221 | 0.3% | $10,661 | | 0.0% | $9,239 |
| Full-Service Restaurant Operations | $13,704 | 0.2% | $3,865 | | 5.5% | $25,260 |
| Drinking Place Operations | $777 | 0.0% | $0 | | 0.0% | $1,668 |
| Snack and Nonalcoholic Beverage Bars | $146 | 0.0% | $0 | | 0.0% | $464 |
| Caterer Operations | $98 | 0.0% | $0 | | 0.0% | $517 |
| Mobile Food Services | $64 | 0.0% | $0 | | 0.0% | $22 |
| Grand Total | $139,262 | 2.1% | $41,632 | 64.4% | 5.9% | $37,170 |

**Total Food Services Loans: $139 Million or 2.1% of Loan Portfolio**

## Agriculture Loans




| Geographic Location by State | 6/30/20 Balances (ex-PPP) | % of Total Loans (ex-PPP) | 9/11/20 Active Deferral Balances | Weighted Avg LTV | % of Classified Loans in Segment | % of L-Term Customers (4+ Years) |
|---|---|---|---|---|---|---|
| Illinois | $88,580 | 1.4% | $131 | 42.9% | 1.0% | 84.8% |
| Indiana | $2,283 | 0.0% | $0 | 46.1% | 0.0% | 100.0% |
| Other State | $760 | 0.0% | $0 | 37.0% | 0.0% | 100.0% |
| Missouri | $479 | 0.0% | $0 | 43.9% | 0.0% | 50.0% |
| Total Farmland | $92,102 | 1.4% | $131 | 42.9% | 1.0% | 85.0% |
| Illinois | $39,959 | 0.6% | $0 | | 3.7% | 91.8% |
| Indiana | $6,823 | 0.1% | $0 | | 0.0% | 100.0% |
| Total Farm Operating Line | $46,782 | 0.7% | $0 | | 3.2% | 91.8% |
| Grand Total | $138,884 | 2.1% | $131 | | 1.7% | 87.1% |

**Total Agriculture Loans: $139 Million or 2.1% of Loan Portfolio**

# Update on COVID –Related Deferral & Modification Trends

## Commercial and Small Business Clients

- Busey is offering several options to Busey's qualifying business customers to help them through this period of economic disruption. Various six-month modification programs with opt-ins from the customer in 90-day intervals are available, including a 90-day deferral of principal & interest or interest only payment options

| *Commercial Payment Relief Program* | 9/11/20 # of Loans | 9/11/20 $ Net Balances | % of All Deferral Balances | *% of Total Net* | 6/30/20 # of Loans | 6/30/20 $ Net Balances | *% of Total Net* |
|---|---|---|---|---|---|---|---|
| **Total Commercial Loans:** | 8,047 | $5,009,859 | | | 8,305 | $5,096,211 | |
| **All Loans that took a deferral:** | | | | | | | |
| Full Payment Deferrals | 762 | $814,260 | | | 769 | $822,595 | |
| Interest-Only Deferrals | 366 | $349,404 | | | 355 | $355,981 | |
| *Total Loans that took a Deferral Option* | **1,128** | **$1,163,664** | | *23.23%* | **1,124** | **$1,178,577** | *23.13%* |
| **Loans that opted into a deferral extension:** | | | | | | | |
| 90-Day Full Pmt Deferrals that opted into 180-Days | 268 | $367,287 | 45.11% | | | | |
| 90-Day I/O Deferrals that opted into 180-Days | 53 | $80,819 | 23.13% | | | | |
| ***Total Loans that opted into a deferral extension*** | **321** | **$448,106** | **38.51%** | *8.94%* | | | |
| **Loans currently in the Payment Relief Program:** | | | | | | | |
| Active Full Pmt Deferrals | 251 | $379,880 | | | | | |
| Active I/O Deferrals | 64 | $105,482 | | | | | |
| **A *Total Active Deferral Loans*** | **315** | **$485,362** | **41.71%** | *9.69%* | | | |
| **Loans eligible for a deferral extension:** | | | | | | | |
| Active 90-Day Full Pmt Deferrals | 12 | $12,867 | | | | | |
| Active 90-Day I/O Deferrals | 15 | $9,057 | | | | | |
| **Total Active 90-Day Deferrals** | 27 | $21,924 | | | | | |
| Expired 90-Day Full Pmt Deferrals, regular pmt not yet received | 8 | $22,987 | | | | | |
| Expired 90-Day I/O Deferrals, regular pmt not yet received | 23 | $26,764 | | | | | |
| **B Total Expired 90-Day Deferrals, regular pmt not yet received** | 31 | $49,751 | | | | | |
| ***Total Loans eligible for a deferral extension*** | **85** | **$71,674** | **6.16%** | *1.43%* | | | |
| **C Expired 180-Day Payment Relief, regular pmt not yet received** | **26** | **$21,944** | **1.89%** | *0.44%* | | | |
| **D Exited Payment Relief Program** | **756** | **$606,607** | **52.13%** | *12.11%* | | | |
| Loans currently in the Payment Relief Program (A) | 315 | $485,362 | | | | | |
| Loans no longer in deferral (B + C + D) | 813 | $678,302 | | | | | |
| | 1,128 | $1,163,664 | | | | | |

# Update on COVID –Related Deferral & Modification Trends

## Personal Loan and Mortgage Customers

### *Retail Payment Relief Program*

***Mortgage & Retail portfolio loans*** (1)

| | | # of Loans | % of Total | $ Balances | % of Total |
|---|---|---|---|---|---|
| | | | | 9/10/20 | |
| | Total Portfolio Loans | 21,829 | | $1,228,666 | |
| | **All Loans that took a deferral** (A + B) | 968 | | $132,195 | |
| | | | | 4/1/20 $ Balances | |
| **A** | Deferred Loans that Paid Off | 55 | | $7,426 | |
| | | | | 9/10/20 $ Balances | |
| **B** | Current loans outstanding that received deferral | 913 | | $124,769 | |
| | **Loans currently in the Payment Relief Program** | 632 | *2.9%* | $95,620 | *7.8%* |
| | **Exited Payment Relief Program** | 281 | *1.3%* | $29,149 | *2.4%* |

*(1) Table above does not include loans serviced by third parties. As of August 31, 2020, there were $110.8 million of total outstanding balance in such loans, of which $5.7 million had received a deferral with only $0.3 million remaining under active deferral.*

# Participating in the CARES Act Paycheck Protection Program

## Small Business Applications & Loan Funding

- As part of the CARES Act, Congress appropriated approximately $349 billion for the creation of the Paycheck Protection Program (PPP) as well as approving on April 24, 2020 an additional $310 billion for the PPP. This program provides payroll assistance for the nation's nearly 30 million small businesses - and select nonprofits - in the form of 100% guaranteed loans from the U.S. Small Business Administration (SBA)
- Busey was a bridge for this program and actively helped their customers sign up for this important financial resource.

## Summary Impact

- $746 million PPP loans outstanding as of 6/30/2020
- 4,445 total loans processed
- Over 85,000 jobs impacted
- Generated fees of over $25 million
  - Recognized $3.7 million fees during Q2 2020
  - $21.4 million deferred fees remaining as of 6/30/2020

$ in thousands

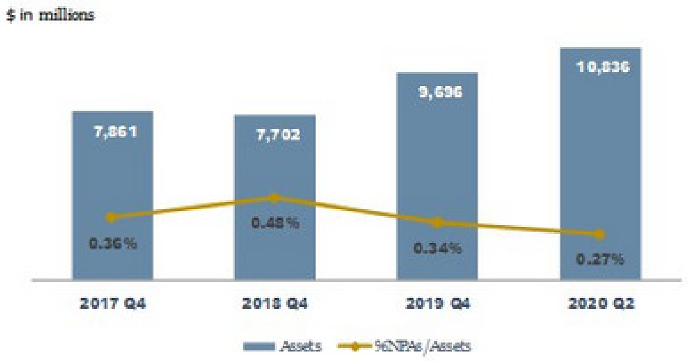
| Industry | Booked PPP Balances | # of PPP Loans | Average Loan Size | % of Total PPP Loans |
|---|---|---|---|---|
| Construction | $139,996 | 488 | $287 | 18.8% |
| Health Care and Social Assistance | $103,344 | 511 | $202 | 13.8% |
| Manufacturing | $75,694 | 274 | $276 | 10.1% |
| Professional, Scientific, and Technical Services | $74,252 | 501 | $148 | 9.9% |
| Wholesale Trade | $51,219 | 180 | $285 | 6.9% |
| Retail Trade | $47,627 | 345 | $138 | 6.4% |
| Other Services (except Public Administration) | $46,939 | 525 | $89 | 6.3% |
| Real Estate Rental & Leasing | $38,982 | 324 | $120 | 5.2% |
| Food Services and Drinking Places | $37,598 | 329 | $114 | 5.0% |
| Transportation and Warehousing | $27,865 | 122 | $228 | 3.7% |
| Admin, Support & Waste Mgt Services | $26,773 | 183 | $146 | 3.6% |
| Finance and Insurance | $23,635 | 221 | $107 | 3.2% |
| Educational Services | $13,098 | 67 | $195 | 1.8% |
| Arts, Entertainment, and Recreation | $9,085 | 142 | $64 | 1.2% |
| Information | $6,825 | 29 | $235 | 0.9% |
| Accommodation | $5,056 | 33 | $153 | 0.7% |
| Public Administration | $3,726 | 10 | $373 | 0.5% |
| Mining, Quarrying, and Oil and Gas Extraction | $2,537 | 8 | $317 | 0.3% |
| Agriculture, Forestry, Fishing and Hunting | $2,408 | 87 | $28 | 0.3% |
| Management of Companies and Enterprises | $725 | 6 | $121 | 0.1% |
| Utilities | $104 | 3 | $35 | 0.0% |
| Other | $8,942 | 57 | $157 | 1.2% |
| Grand Total | $746,431 | 4,445 | $168 | 100.0% |

# Entering Credit Cycle from Position of Strength

**Overview**

- Conservative underwriting and strong asset quality allow the Company to enter the economic downturn well-prepared
- Non-performing assets have decreased over time while total assets have increased significantly
- Strong reserve levels as provisioning under CECL reflects deteriorating economic conditions and expectations for credit stress to emerge in future periods
- Actively working with clients' deferral requests

**NPAs / Assets**




**Classifieds / Capital (1)**


**NCOs / Average Loans (2)**


(1) Capital calculated as Busey Bank Tier 1 Capital + Allowance for loan losses
(2) 6/30/2020 NCOs/Average Loans is annualized (quarterly NCO ratio is 0.02%)

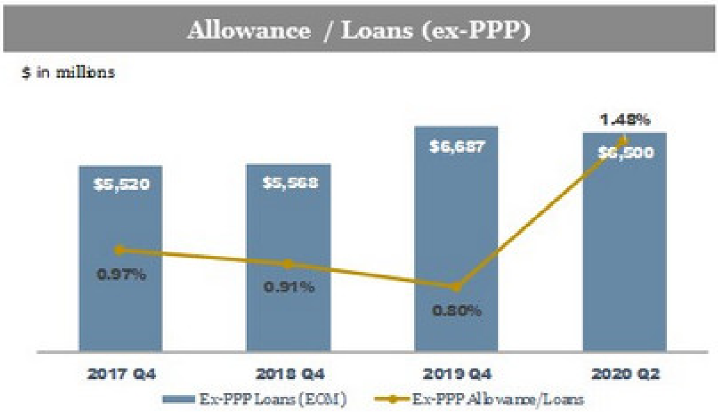
# Current Expected Credit Loss (CECL) Model

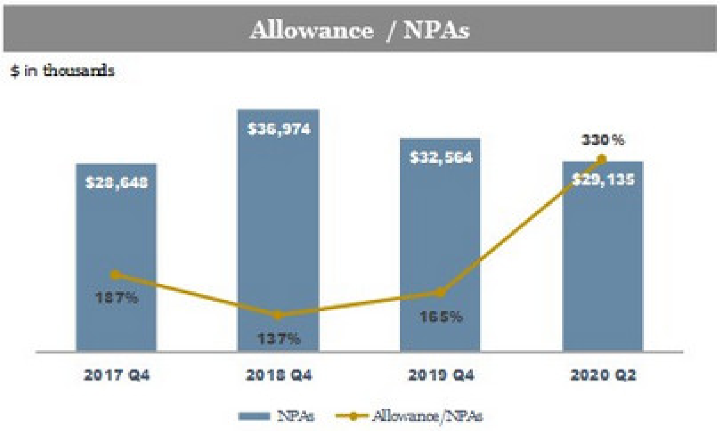
- On January 1, 2020, the Company adopted ASU 2016-13 (Topic 326), "Measurement of Credit Losses on Financial Instruments," commonly referenced as the CECL model. Upon adoption of CECL, we recognized:
  - $16.8 million increase in our allowance for credit losses, substantially attributable to the remaining loan fair value marks on prior acquisitions
  - $5.5 million increase in our reserve for unfunded commitments (carried in other liabilities)
  - Total Day 1 increase of 41.54% over 12/31/19 reserve balance
  - These one-time increases, net of tax, were $15.9 million and recorded as an adjustment to beginning retained earnings

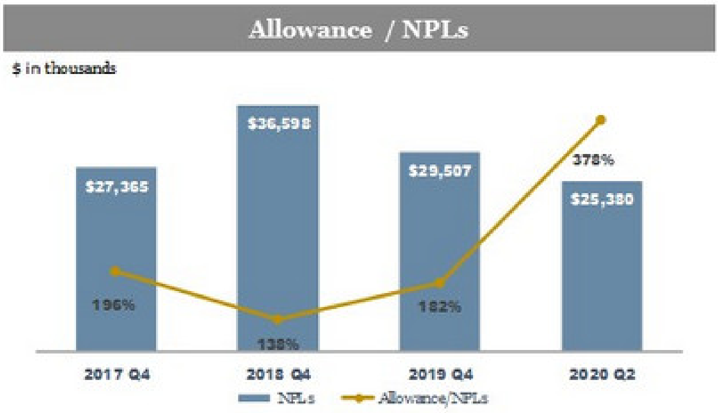
- During the first quarter of 2020, the Company recorded provision for credit losses of $17.2 million and provision for unfunded commitments of $1.0 million primarily as a result of economic factors around COVID-19
- During the second quarter of 2020, the Company recorded provision for credit losses of $12.9 million and provision for unfunded commitments of $0.6 million
  - While our portfolio has not yet demonstrated material indications of weakness, provisioning under CECL reflects deteriorating economic conditions and expectations for credit stress to emerge in future periods
  - June 30, 2020 increase of 91.86% over 12/31/19 reserve balance and 13.45% over Q1 2020
  - Ongoing impacts of the CECL methodology will be dependent upon changes in economic conditions and forecasts, originated and acquired loan portfolio composition, credit performance trends, portfolio duration, and other factors

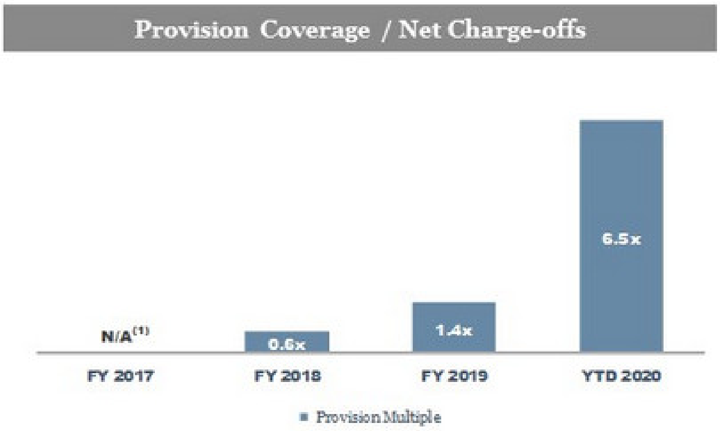
- Increase in allowance for credit losses moves allowance for credit losses as a percentage of portfolio loans to 1.48% at June 30, 2020 (excludes PPP loans) and allowance for credit losses as a percentage of non-performing loans to 378.43%

# Adoption of CECL Fortifies Loan Loss Reserves



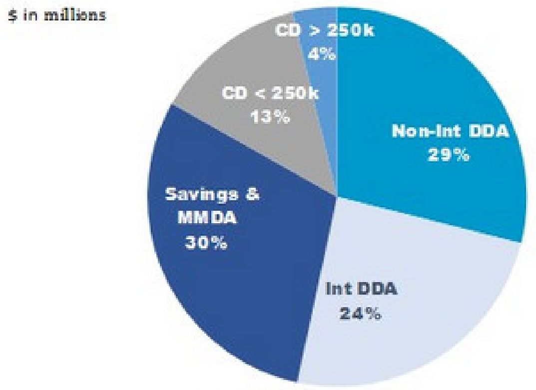




(1) 4Q17 provision expense was $5.303 million and net recoveries were $0.484 million

# Ample Sources of Liquidity

## Deposit Composition as of 6/30/20




Cost of Deposits = 0.36%

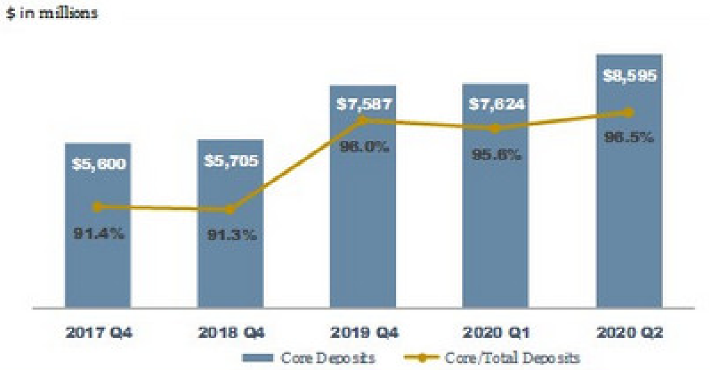
## Total Deposits & Loan to Deposit Ratio


## Contingency Liquidity as of 6/30/20

$ in millions

| | |
|---|---|
| Unpledged Securities | $1,062 |
| Available FHLB | $1,561 |
| FRB Discount | $474 |
| Fed Funds Lines | $467 |
| Brokered Availability (10% deposits) | $873 |
| PPPLF Availability | $746 |
| Total | $5,183 |

## Core Deposits[1] / Total Deposits



# Quarterly Earnings Review

**Net Interest Income**

- Net Interest Income increased from $69.4 million in Q1 to $70.8 million in Q2
- Net Interest Margin decreased 17 bps vs Q1 from 3.20% to 3.03%
- NIM impacted by late Q1 Fed rate actions, PPP loan funding and corresponding deposit retention as well as $125mm sub-debt issuance on June 1, 2020
- Core NIM ex-accretion income declined 14 bps from 3.07% to 2.93%
- 41 bps decline in asset yields offset by 26 bps improvement in funding costs
- Accretion income accounted for 10 bps of NIM, down from 13bps in Q1

**Non Interest Income**

- Non-interest income of $28.0 million in Q2, equated to 28% of operating revenue
- Wealth Management revenue down 12% linked quarter based on market volatility and seasonality in farm management
- Mortgage revenue of $2.7 million in Q2 increased compared to $1.4 million Q1. The increase in Q2 was due to higher mortgage production and stronger gain on sale margin
- Fees for customer services were $7.0 million in Q2, a decrease from $8.4 million in Q1 resulting from Financial Relief Program and changing customer behaviors from COVID-19
- Personal and business overdraft fees were the most impacted decreasing $1.6 million in Q2 compared to Q1

**Non Interest Expense**

- Adjusted non-interest expense of $50.1 million equates to 50.5% adjusted efficiency ratio[1]
- Adjusted excludes intangible amortization ($2.5 million) and one-time acquisitions and restructuring related items ($0.5 million)[1]
- Expenses impacted by $0.6 million increase to reserve for unfunded commitments under CECL
- Deferred PPP loan origination cost reduced quarterly non-interest expense by $4.9 million
- On track to deliver above the upper-end of $5-10 million expense reduction range communicated following 1Q20

**Earnings**

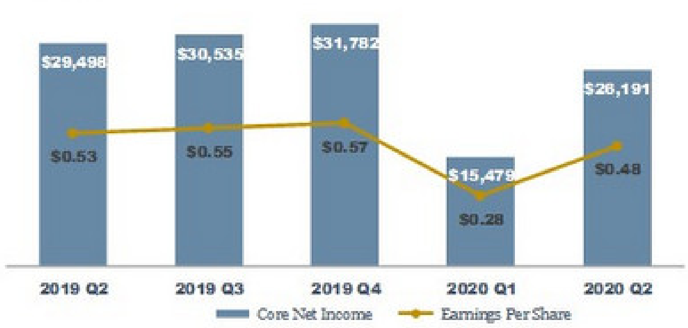
- Core, adjusted pre-tax, pre-provision income of $46.4 million (~1.80% PTPP ROAA)[1]
- Core net income of $26.2 million or $0.48 per share[1]
- 1.02% Core ROAA and 12.2% Core ROATCE[1]
- 2Q20 results impacted significantly by CECL amidst COVID-19
  - Provision and unfunded commitment expense in excess of NCOs; $12.2 million
    - ~$0.18 per share, after-tax

(1) Non-GAAP calculation

# Core Earnings Power

## Core Net Income & Earnings Per Share (1)

$ in thousands

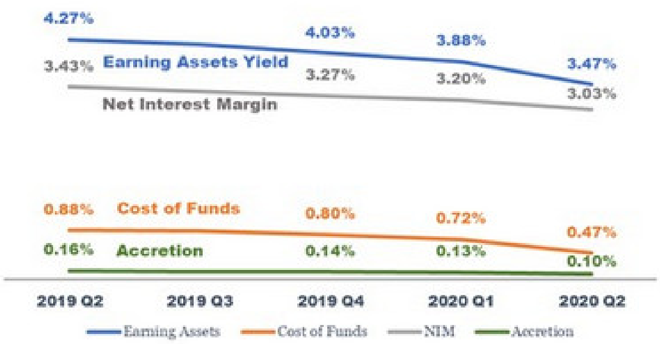



## Core ROAA & ROATCE (1)


## Core Pre-Provision Net Revenue / Avg. Assets (1)

$ in thousands

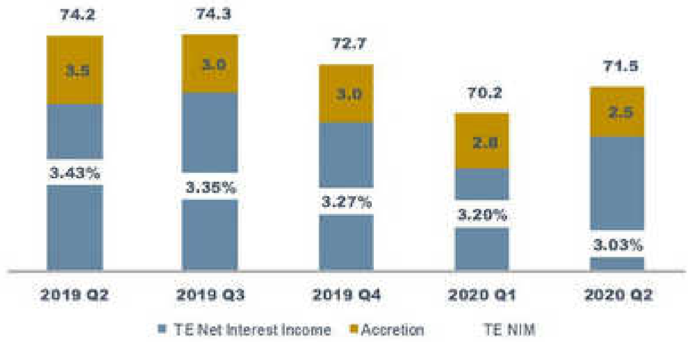

## Net Interest Margin




(1) Non-GAAP calculation, see Appendix

# Net Interest Margin

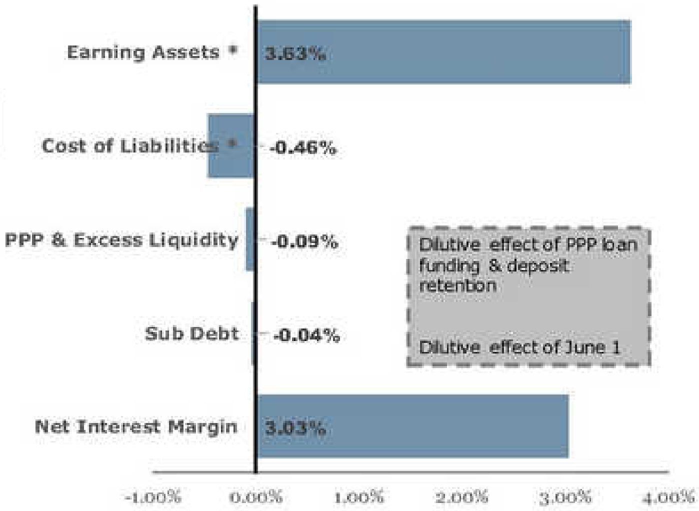
## Net Interest Income & Net Interest Margin




## Historical Key Rates


- Net impact of PPP loans and corresponding excess liquidity drove down NIM 9 bps during the quarter
- Subordinated debt issuance of $125mm on June 1, 2020 impacted quarterly NIM by 4 bps

## Net Interest Margin Components (ex-PPP) & Sub-debt



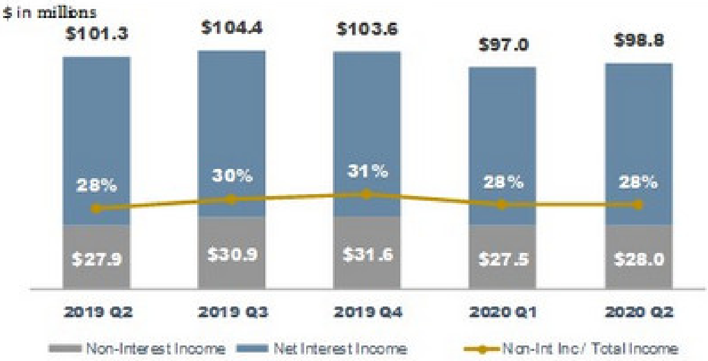

* Earning Assets and Cost of Liabilities (ex-PPP) and Sub-debt issuance

# Diversified and Significant Sources of Fee Income

**Overview**

- Anchored by wealth management and payment processing, fee income represented approximately 29% of total income over the last 12 months
- Strong source of revenue synergies as the Company's balance sheet continues to grow both organically as well as through M&A
- New Markets Tax Credit (NMTC) charge in 1Q20 reduced other non-interest income by $1.2 million (offset through lower taxes)

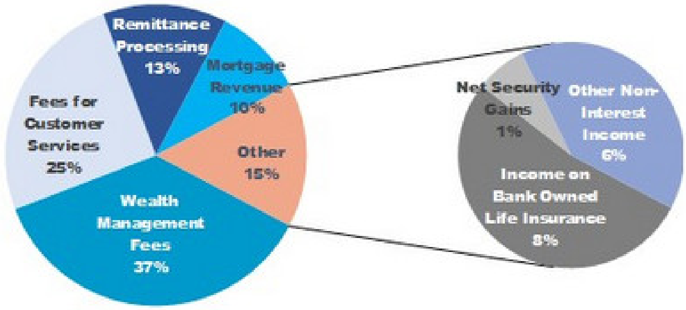
## Non-Interest Income / Total Income



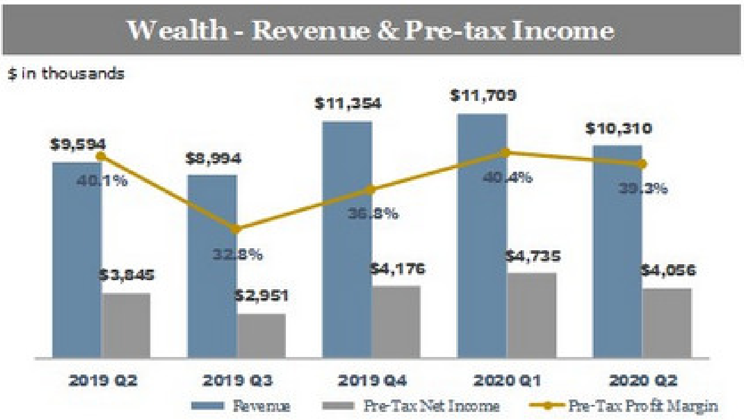

## Sources of Non-Interest Income

$ in thousands

| Non-Interest Income Details | 2020 Q2 |
|---|---|
| Wealth Management Fees | $10,193 |
| Fees for Customer Services | $7,025 |
| Remittance Processing | $3,718 |
| Mortgage Revenue | $2,705 |
| Income on Bank Owned Life Insurance | $2,282 |
| Net Security Gains | $315 |
| Other Non-Interest Income | $1,726 |
| **Total Non-Interest Income** | **$27,964** |



# Resilient Wealth Management Platform


**Overview**

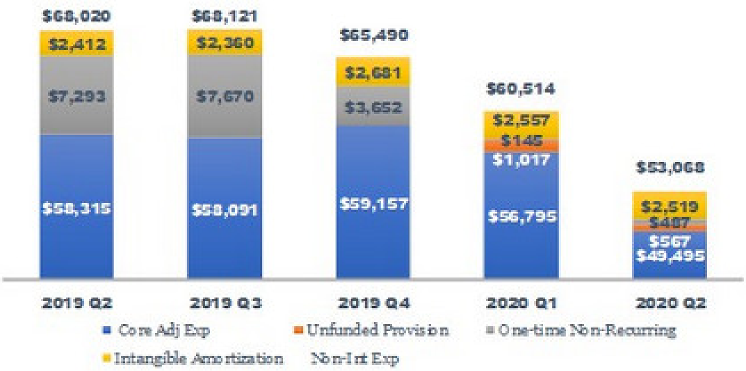
- Provides a full range of asset management, investment and fiduciary services to individuals, businesses and foundations, tax preparation, philanthropic advisory services and farm and brokerage services

**Q2 2020 Summary**

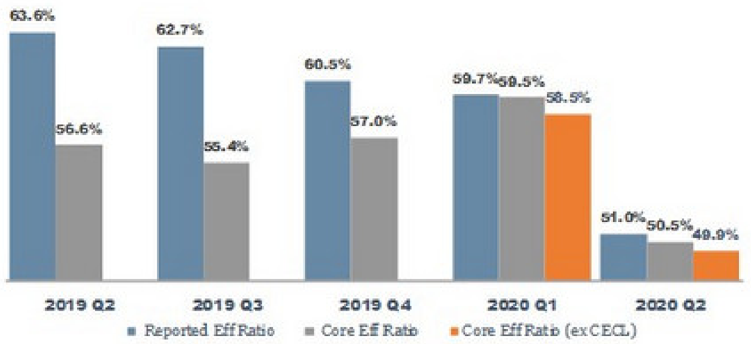
- New account activity strengthened during 2Q20 establishing 213 new investment relationships, representing approximately $52 million in new Assets Under Care
- 90-day new asset pipeline remains strong and has grown since end of 1Q20
- YTD Pre-tax profit margin of 39.9% in the Wealth Management segment
- Expanded Busey Wealth Management webinar series to address topics including Navigating the CARES Act, Charitable Giving, Mitigating Risk in the Equity and Fixed Income Markets, and Planning Strategies for Women

# Focused Control on Expenses

## Non-Interest Expense




## Efficiency Ratio [1]




(1) Non-GAAP calculation, see Appendix

### Overview

- The Company continues to manage its efficiency ratio by limiting nominal costs, as well as leveraging efficiencies throughout its branch network as a result of its successful M&A strategy and strong top-line growth

### Q2 2020 Summary

- Core adjusted expenses of $49.5 million in 2Q20 excluding amortization, acquisition / restructuring related charges and CECL (unfunded reserve)
- Deferred PPP loan origination cost reduced quarterly non-interest expense by $4.9 million
- On track to deliver above the upper-end of $5-10 million expense reduction range communicated following 1Q20
- Announced in July consolidation of 12 branches to ensure a balance between Busey's physical network and robust digital banking services
- $3.3 million expected annualized cost savings resulting from branch consolidations
  - These savings are incremental to previously announced expense reductions

# APPENDIX

# Use of Non-GAAP Financial Measures

($ in thousands)

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | June 30, 2020 | March 31, 2019 | December 31, 2019 | September 30, 2019 | June 30, 2019 |
| Net interest income | $ 70,813 | $ 69,433 | $ 71,936 | $ 73,476 | $ 73,428 |
| Non-interest income | 27,964 | 27,517 | 31,638 | 30,936 | 27,896 |
| Less net losses/gains on sales of securities and unrealized losses/gains recognized on equity securities | (315) | (587) | (605) | (361) | 1,026 |
| Non-interest expense | (53,068) | (60,514) | (65,490) | (68,121) | (68,020) |
| Pre-provision net revenue | $ 45,394 | $ 35,849 | $ 37,479 | $ 35,930 | $ 34,330 |
| | | | | | |
| Acquisition and other restructuring expenses | 487 | 145 | 3,652 | 7,670 | 7,293 |
| Provision for unfunded commitments | 567 | 1,017 | — | — | — |
| New Market Tax Credit amortization | — | 1,200 | — | — | 1,200 |
| **Adjusted**: pre-provision net revenue | $ 46,448 | $ 38,211 | $ 41,131 | $ 43,600 | $ 42,823 |
| | | | | | |
| **Average total assets** | $ 10,374,820 | $ 9,688,177 | $ 9,713,858 | $ 9,659,769 | $ 9,522,678 |
| | | | | | |
| **Reported**: Pre-provision net revenue to average assets (1) | 1.76 % | 1.49 % | 1.53 % | 1.48 % | 1.45 % |
| **Adjusted**: Pre-provision net revenue to average assets (1) | 1.80 % | 1.59 % | 1.68 % | 1.79 % | 1.80 % |

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | June 30, 2020 | March 31, 2020 | December 31, 2019 | September 30, 2019 | June 30, 2019 |
| Net income | $ 25,806 | $ 15,364 | $ 28,571 | $ 24,828 | $ 24,085 |
| Acquisition expenses | | | | | |
| Salaries, wages, and employee benefits | — | — | 367 | 3,673 | 43 |
| Data processing | — | — | 1,017 | 172 | 327 |
| Lease or fixed asset impairment | — | — | 165 | — | 415 |
| Other (includes professional and legal) | 141 | 145 | 879 | 3,100 | 3,293 |
| Other restructuring costs | | | | | |
| Salaries, wages, and employee benefits | 346 | — | 38 | 182 | 275 |
| Data processing | — | — | 351 | 84 | 292 |
| Fixed asset impairment | — | — | 1,861 | — | |
| Other (includes professional and legal) | — | — | 796 | 459 | 826 |
| MSR valuation impairment | — | — | (1,822) | — | 1,822 |
| Related tax benefit | (102) | (30) | (441) | (1,963) | (1,880) |
| Adjusted net income | $ 26,191 | $ 15,479 | $ 31,782 | $ 30,535 | $ 29,498 |
| Dilutive average common shares outstanding | 54,705,273 | 54,913,329 | 55,363,258 | 55,646,104 | 55,941,117 |
| **Reported**: Diluted earnings per share | $ 0.47 | $ 0.28 | $ 0.52 | $ 0.45 | $ 0.43 |
| **Adjusted**: Diluted earnings per share | 0.48 | 0.28 | 0.57 | 0.55 | 0.53 |
| Average total assets | $ 10,374,820 | $ 9,688,177 | $ 9,713,858 | $ 9,659,769 | $ 9,522,678 |
| **Reported**: Return on average assets (1) | 1.00 % | 0.64 % | 1.17 % | 1.02 % | 1.01 % |
| **Adjusted**: Return on average assets (1) | 1.02 % | 0.64 % | 1.30 % | 1.25 % | 1.24 % |

(1) Annualized measure

# Use of Non-GAAP Financial Measures

($ in thousands)

| | Three Months Ended | | | | |
|---|---|---|---|---|---|
| | June 30, 2020 | March 31, 2020 | December 31, 2019 | September 30, 2019 | June 30, 2019 |
| **Reported**: Net Interest income | $ 70,813 | $ 69,433 | $ 71,936 | $ 73,476 | $ 73,428 |
| Tax-equivalent adjustment | 717 | 730 | 781 | 778 | 777 |
| Tax-equivalent interest income | $ 71,530 | $ 70,163 | $ 72,717 | $ 74,254 | $ 74,205 |
| **Reported**: Non-interest income | 27,964 | 27,517 | 31,638 | 30,936 | 27,896 |
| Less net losses/gains on sales of securities and unrealized losses/gains recognized on equity securities | (315) | (587) | (605) | (361) | 1,026 |
| **Adjusted**: Non-interest income | $ 27,649 | $ 26,930 | $ 31,033 | $ 30,575 | $ 28,922 |
| **Reported**: Non-interest expense | 53,068 | 60,514 | 65,490 | 68,121 | 68,020 |
| Amortization of intangible assets | (2,519) | (2,557) | (2,681) | (2,360) | (2,412) |
| Non-operating adjustments: | | | | | |
| Salaries, wages, and employee benefits | (346) | — | (405) | (3,855) | (318) |
| Data processing | — | — | (1,368) | (256) | (619) |
| Other | (141) | (145) | (1,879) | (3,559) | (6,356) |
| **Adjusted**: Non-interest expense | $ 50,062 | $ 57,812 | $ 59,157 | $ 58,091 | $ 58,315 |
| **Reported**: Efficiency ratio | 50.97 % | 59.69 % | 60.54 % | 62.73 % | 63.62 % |
| **Adjusted**: Efficiency ratio | 50.48 % | 59.54 % | 57.02 % | 55.42 % | 56.55 % |

| | As of and for the Three Months Ended | | | | |
|---|---|---|---|---|---|
| | June 30, 2020 | March 31, 2020 | December 31, 2019 | September 30, 2019 | June 30, 2019 |
| Total Assets | $ 10,835,965 | $ 9,721,405 | $ 9,695,729 | $ 9,753,760 | $ 9,612,667 |
| Goodwill and other intangible assets, net | (368,053) | (370,572) | (373,129) | (381,323) | (375,327) |
| Tax effect of other intangible assets, net | 15,825 | 16,530 | 17,247 | 16,415 | 17,075 |
| Tangible assets | $ 10,483,737 | $ 9,367,363 | $ 9,339,847 | $ 9,388,852 | $ 9,254,415 |
| Total stockholders' equity | 1,236,084 | 1,217,585 | 1,220,434 | 1,215,981 | 1,203,608 |
| Goodwill and other intangible assets, net | (368,053) | (370,572) | (373,129) | (381,323) | (375,327) |
| Tax effect of other intangible assets, net | 15,825 | 16,530 | 17,247 | 16,415 | 17,075 |
| Tangible common equity | $ 883,856 | $ 863,543 | $ 864,552 | $ 851,073 | $ 845,356 |
| Ending number of common shares outstanding | 54,516,000 | 54,401,208 | 54,788,772 | 55,197,277 | 55,386,636 |
| **Tangible common equity to tangible assets**[1] | 8.43 % | 9.22 % | 9.26 % | 9.06 % | 9.13 % |
| **Tangible book value per share** | $ 15.92 | $ 15.57 | $ 15.46 | $ 15.12 | $ 14.95 |
| Average stockholders' common equity | $ 1,233,270 | $ 1,218,160 | $ 1,224,447 | $ 1,212,833 | $ 1,195,802 |
| Average goodwill and other intangible assets, net | (369,699) | (372,240) | (379,268) | (377,601) | (376,851) |
| Average tangible stockholders' common equity | $ 863,571 | $ 845,920 | $ 845,179 | $ 835,232 | $ 818,951 |
| **Reported**: Return on average tangible common equity[2] | 12.02 % | 7.30 % | 13.41 % | 11.79 % | 11.80 % |
| **Adjusted**: Return on average tangible common equity[2][3] | 12.20 % | 7.36 % | 14.92 % | 14.50 % | 14.45 % |

(1) Tax-effected measure
(2) Annualized measure
(3) Calculated using adjusted net income