



**First Merchants  
Corporation**

NASDAQ: FRME

## **INVESTOR UPDATE**

Third Quarter 2024

# Forward Looking Statement

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This presentation contains forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements can often, but not always, be identified by the use of words like “believe”, “continue”, “pattern”, “estimate”, “project”, “intend”, “anticipate”, “expect” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “might”, “can”, “may”, or similar expressions. These forward-looking statements include, but are not limited to, statements relating to First Merchants’ goals, intentions and expectations; statements regarding the First Merchants’ business plan and growth strategies; statements regarding the asset quality of First Merchants’ loan and investment portfolios; and estimates of First Merchants’ risks and future costs and benefits. These forward-looking statements are subject to significant risks, assumptions and uncertainties that may cause results to differ materially from those set forth in forward-looking statements, including, among other things: possible changes in economic and business conditions; the existence or exacerbation of general geopolitical instability and uncertainty; the effects of a pandemic or other unforeseeable event; the ability of First Merchants to integrate recent acquisitions and attract new customers; possible changes in monetary and fiscal policies, and laws and regulations; the effects of easing restrictions on participants in the financial services industry; the cost and other effects of legal and administrative cases; possible changes in the credit worthiness of customers and the possible impairment of collectability of loans; fluctuations in market rates of interest; competitive factors in the banking industry; changes in the banking legislation or regulatory requirements of federal and state agencies applicable to bank holding companies and banks like First Merchants’ affiliate bank; continued availability of earnings and excess capital sufficient for the lawful and prudent declaration of dividends; changes in market, economic, operational, liquidity (including the ability to grow and maintain core deposits and retain large, uninsured deposits), credit and interest rate risks associated with the First Merchants’ business; and other risks and factors identified in each of First Merchants’ filings with the Securities and Exchange Commission. First Merchants undertakes no obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this presentation or press release. In addition, the company’s past results of operations do not necessarily indicate its anticipated future results.

## NON-GAAP FINANCIAL MEASURES

These slides contain non-GAAP financial measures. For purposes of Regulation G, a non-GAAP financial measure is a numerical measure of the registrant’s historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statement of income, balance sheet or statement of cash flows (or equivalent statements) of the issuer; or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. In this regard, GAAP refers to generally accepted accounting principles in the United States. Pursuant to the requirements of Regulation G, First Merchants Corporation has provided reconciliations within the slides, as necessary, of the non-GAAP financial measure to the most directly comparable GAAP financial measure.



**First Merchants Corporation**

*Helping you prosper*

# Executive Management Team

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**FMB:**  
26 Yrs

**Banking:**  
26 Yrs

## **Mark Hardwick** **Chief Executive Officer**

Mark K. Hardwick currently serves as the Chief Executive Officer of First Merchants Corporation and First Merchants Bank. Mark joined First Merchants in November of 1997 as Corporate Controller and was promoted to Chief Financial Officer in April of 2002. In 2016, Mark's title expanded to include Chief Operating Officer, overseeing the leadership responsibilities for finance, operations, technology, risk, legal, and facilities for the corporation. Prior to joining First Merchants Corporation, Mark served as a senior accountant with BKD, LLP in Indianapolis.

Mark is a graduate of Ball State University with a Master of Business Administration and Bachelor's degree in Accounting. He is also a certified public accountant and a graduate of the Stonier School of Banking.

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**FMB:**  
16 Yrs

**Banking:**  
36 Yrs

## **Mike Stewart** **President**

Mike Stewart currently serves as President for First Merchants Corporation and First Merchants Bank overseeing the Commercial, Private Wealth, and Consumer Lines of Business for the Bank. Mike joined the bank in 2008 as Chief Banking Officer. Prior to joining First Merchants, Mike spent 18 years with National City Bank in various commercial sales and credit roles. Mike has a Master of Business Administration from Butler University and a Bachelor's degree in Finance from Millikin University.

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**FMB:**  
16 Yrs

**Banking:**  
34 Yrs

## **John Martin** **Chief Credit Officer**

John Martin currently serves as Executive Vice President and Chief Credit Officer of First Merchants Corporation overseeing the Commercial, Small Business and Consumer Credit functions, as well as Bank Operations and the Mortgage Line of Business. Prior to joining First Merchants, John spent 18 years with National City Bank in various sales and senior credit roles. John is a graduate of Indiana University where he earned a Bachelor of Arts in Economics. He also holds a Master of Business Administration in Finance from Case Western Reserve University.

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**FMB:**  
9 Yrs

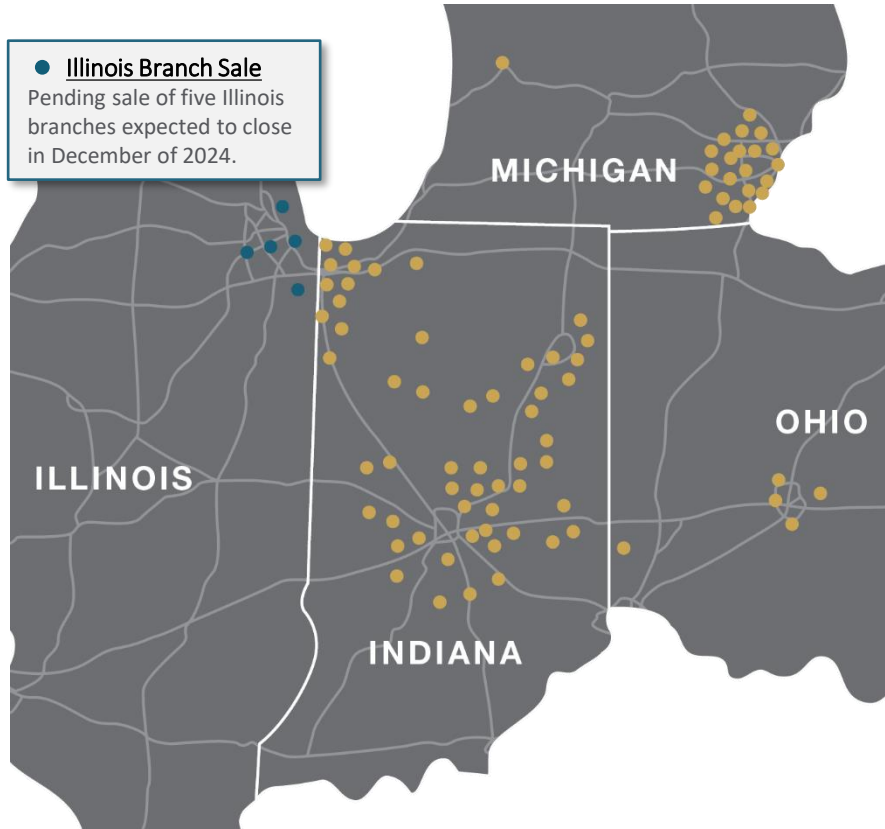
**Banking:**  
21 Yrs

## **Michele Kawiecki** **Chief Financial Officer**

Michele Kawiecki currently serves as Executive Vice President and Chief Financial Officer for First Merchants Corporation and First Merchants Bank. Michele joined First Merchants in 2015 as Director of Finance. Prior to joining First Merchants, Michele spent 12 years with UMB Financial Corporation in Kansas City, Missouri having served as Senior Vice President of Capital Management and Assistant Treasurer; Director of Corporate Development and the Enterprise Project Management Office; and Chief Risk Officer. Prior to UMB, she worked for PriceWaterhouseCoopers LLP as an Audit Manager. Michele earned both a Master of Science in Accounting and an Executive Master of Business Administration from the University of Missouri-Kansas City and a Bachelor's degree in Accounting from Dakota Wesleyan University.

# First Merchants Corporation (NASDAQ: FRME)

Largest financial services holding company  
headquartered in Central Indiana



115 Banking Centers

## Financial Highlights as of 9/30/2024

**\$18.3 Billion**  
Total Assets

**\$12.7 Billion**  
Total Loans

**\$14.4 Billion**  
Total Deposits

**\$5.6 Billion**  
Assets Under Advisement\*

YTD ROAA: 0.99%

YTD Return on TCE 12.64%

TCE/TA: 8.76%

Market Cap \$2.2B

Dividend Yield: 3.71%

Price / Tangible Book: 1.40x

Price / LTM EPS: 12.3x

\*Excludes custody of \$4.2 Billion, includes Assets Under Management of \$4.0 Billion



# Highlights

## Third Quarter

### Net Income & EPS<sup>1</sup>

**\$48.7** Million

**\$0.84** Per Share

- EPS of \$0.95<sup>1,2</sup> when adjusted for the loss from repositioning of available for sale securities portfolio. Reported EPS of \$0.84 compared to \$0.94 in 3Q23.
- Strong earnings growth; PPNR growth over linked quarter and 3Q23
- Achieved positive operating leverage over 3Q23; Efficiency Ratio of 53.76%

### ROA (Annualized)

**1.07%** ROA

**1.34%** PTPP ROA<sup>2</sup>

### ROE & ROTCE (Annualized)

**7.16%** ROE

**13.39%** ROTCE<sup>2</sup>

- Grew net income and margin
- Strong capital position with tangible common equity ratio of 8.76%
- Announced sale of five Illinois branches and certain loans and deposits resulting in an exit from the suburban Chicago market

## Year-to-Date

### Net Income & EPS<sup>1</sup>

**\$135.6** Million

**\$2.31** Per Share

- EPS of \$2.48<sup>1,2</sup> when adjusted for the loss from repositioning of available for sale securities portfolio and non-core expenses. Reported EPS of \$2.31 compared to \$3.03 in 3Q23.
- Annualized loan growth of 1.9%

### ROA (Annualized)

**0.99%** ROA

**1.38%** PTPP ROA<sup>2</sup>

### ROE & ROTCE (Annualized)

**8.10%** ROE

**12.64%** ROTCE<sup>2</sup>

- Repurchased 1,481,565 shares totaling ~\$50 million; redeemed \$65 million of sub debt
- Completed four major technology initiatives



# Business Strategy

## Commercial Banking

Full Spectrum of Debt Capital and Treasury Service Offerings  
Located in Prime Growth Markets

- › Small Business & SBA
- › Middle Market C&I
- › Investment Real Estate
- › Public Finance
- › Sponsor Finance
- › Asset Based Lending
- › Syndications
- › Treasury Management Services
- › Merchant Processing Services

## Mortgage Banking

Offering a full suite of mortgage solutions to assist with purchase, construction, renovation, and home finance

- › Strengthen existing Commercial, Consumer and Private Wealth relationships
- › Create new household relationships
- › Support underserved borrowers and neighborhoods
- › Deliver solutions through a personalized, efficient, and scalable model

## Consumer Banking

Full Spectrum of Consumer Deposit and Lending Offerings  
Supported by:

- › Talented, Customer Service Oriented Banking Center and Call Center Professionals
- › Competitive Digital Solutions
  - Deposit and CRM
  - Online Banking
  - Mobile Banking
- › Diverse Locations in Stable Rural and Growth Metro Markets

## Private Wealth Advisors

Comprehensive and coordinated approach to personal wealth management

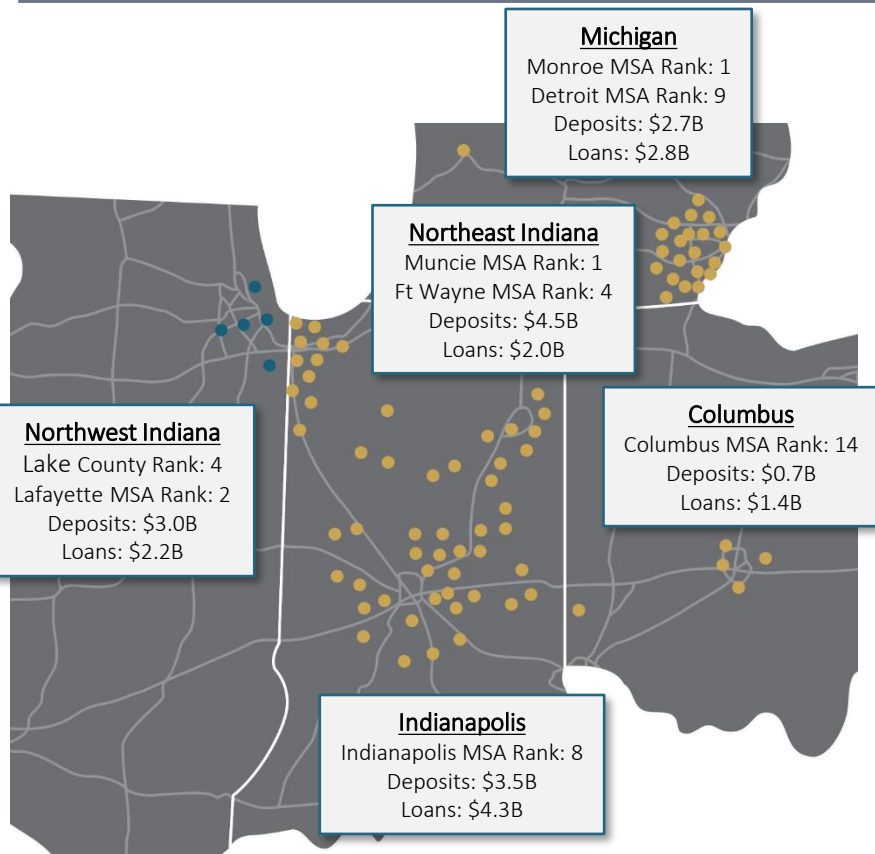
Expertise in:

- › Investment Management
- › Private Banking
- › Fiduciary Estate
- › Financial Planning

Strengthen commercial relationships with personal services for executives/owners and retirement plan services for companies

Partner with consumer to offer personal investment advice through First Merchants Investment Services

# Business Highlights - Loans



MSA and County ranking data per FDIC

<sup>1</sup>Commercial includes Municipal deposits and Consumer includes Private Wealth and Mortgage

<sup>2</sup>Adjusted for \$287.7 million of deposits reclassified to held for sale

## Loan Growth Summary

	3Q24 Balance (\$B)	Growth
Commercial	9.6	-0.2%
Consumer	3.0	1.5%
<b>Total Loan Growth QTD</b>		<b>0.5%</b>
<b>Total Loan Growth YTD</b>		<b>1.9%</b>

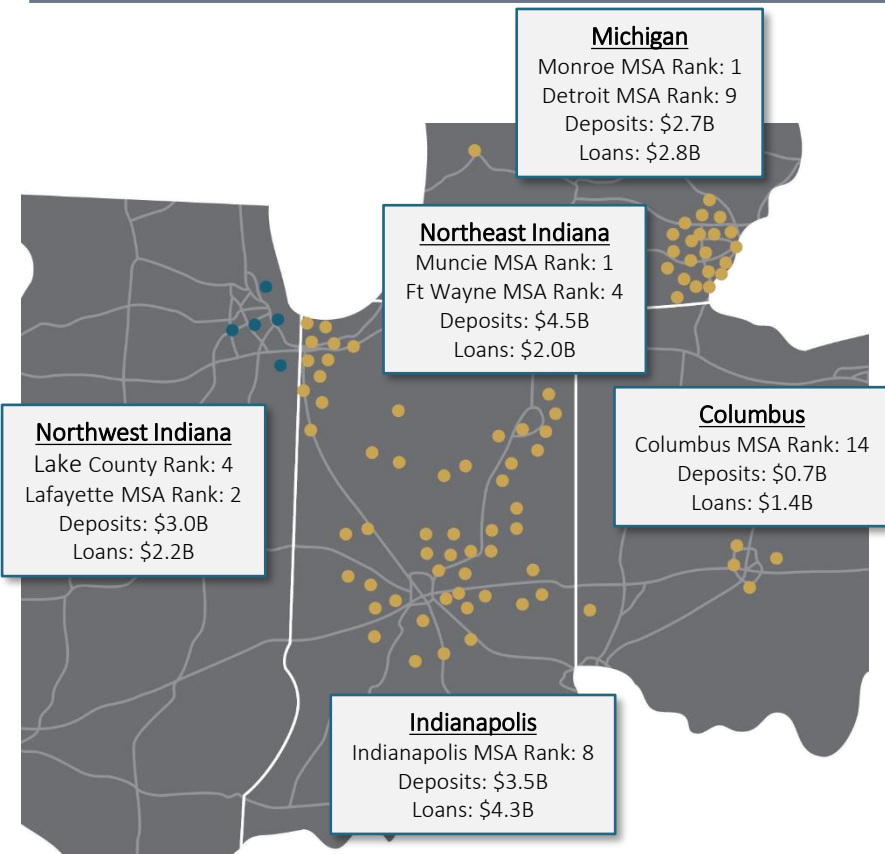
### Commercial

- Commercial loan growth softened during the 3<sup>rd</sup> quarter:
  - C&I annualized growth was 1% or ~\$18 million
  - IRE annualized decline was 5.5% or ~\$22 million
- YTD Commercial loan growth was 1.5% or ~\$108 million
  - YTD C&I growth was 4.3% or ~\$250 million
- Commercial pipelines strengthened from prior quarter end for both C&I and IRE. The combined pipeline was at a 12-month high.

### Consumer

- Consumer loan growth continued during the 3<sup>rd</sup> quarter:
  - Small Business and Private Banking annualized growth was 9.3% or ~\$18 million
  - Residential Mortgage declined 1.4% or ~\$7.5 million
- YTD Consumer loan growth was 3.7% or ~\$80 million
- Consumer pipeline remained strong at quarter end for Small Business, Private Wealth and Mortgage.

# Business Highlights - Deposits



MSA and County ranking data per FDIC

<sup>1</sup>Commercial includes Municipal deposits and Consumer includes Private Wealth and Mortgage

<sup>2</sup>Adjusted for \$287.7 million of deposits reclassified to held for sale

## Deposit Growth Summary <sup>1,2</sup>

	3Q24 Balance (\$B)	Growth
Commercial	7.2	4.7%
Consumer	6.2	-11.0%
<b>Total Deposit Growth QTD</b>		<b>2.3%</b>
<b>Total Deposit Growth YTD</b>		<b>-1.5%</b>

### Commercial

- Commercial deposit growth excluding public funds strengthened during the 3<sup>rd</sup> quarter:
  - Non-Public Funds annualized growth was 23.0% or ~\$255 million
  - Public Funds annualized decline was 25.3% or ~\$172 million
- Commercial deposits grew by 1.0% or ~\$35 million YTD excluding a \$204 million decline in Public Fund balances

### Consumer

- Consumer deposits declined during the quarter driven by declines in time deposits
- ~50% of the time deposit portfolio matures in 4Q and will reprice at lower rates



# Third Quarter Financial Results

(\$M except per share data)

	For the Three Months Ended,					Variance Linked Quarter	% Variance Linked QTR- Annualized
	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24		
<b>Balance Sheet &amp; Asset Quality</b>							
1. Total Assets	\$18,078.3	\$18,309.5	\$18,317.8	\$18,303.4	\$18,347.6	\$44.1	1.0%
2. Total Loans	12,302.4	12,505.0	12,480.7	12,671.9	12,687.5	15.5	0.5%
3. Investments	3,713.7	3,811.4	3,783.6	3,753.1	3,662.1	(90.9)	-9.7%
4. Deposits	14,646.6	14,821.5	14,884.6	14,569.1	14,365.1	(204.0)	-5.6%
5. Total Equity	2,092.6	2,247.7	2,224.8	2,212.5	2,302.4	89.8	16.2%
6. TCE Ratio	7.65%	8.40%	8.32%	8.27%	8.76%	0.49%	
7. Total RBC Ratio	13.66	13.67	13.34	12.95	13.18	0.23	
8. ACL / Loans	1.67	1.64	1.64	1.50	1.48	-0.02	
9. NCOs / Avg Loans	0.66	0.10	0.07	1.26	0.21	-1.05	
10. NPAs + 90PD / Assets	0.33	0.32	0.38	0.37	0.43	0.06	
<b>Summary Income Statement</b>							
11. Net Interest Income	\$133.4	\$130.1	\$127.1	\$128.6	\$131.1	\$2.5	1.9%
12. Provision for Credit Losses	2.0	1.5	2.0	24.5	5.0	(19.5)	
13. Noninterest Income	27.8	26.4	26.6	31.3	24.9	(6.4)	-20.4%
14. Noninterest Expense	93.8	108.1	96.9	91.4	94.6	3.2	3.5%
15. Pre-tax Income	65.4	46.9	54.8	44.0	56.4	12.4	28.2%
16. Provision for Taxes	9.0	4.4	6.8	4.1	7.2	3.1	75.6%
17. Net Income	56.4	42.5	48.0	39.9	49.2	9.3	23.3%
18. Preferred Stock Dividends	0.5	0.5	0.5	0.5	0.5	0.0	
19. Net Income Available to Common Stockholders	55.9	42.0	47.5	39.4	48.7	9.3	23.6%
20. ROAA	1.24%	0.92%	1.04%	0.87%	1.07%	0.20%	
21. ROAE	10.38	7.89	8.47	7.16	8.66	1.50	
22. ROTCE	16.54	12.75	13.21	11.29	13.39	2.10	
23. Net Interest Margin	3.29	3.16	3.10	3.16	3.23	0.07	
24. Efficiency Ratio	53.91	63.26	59.21	53.84	53.76	-0.08	
<b>Per Share</b>							
25. Earnings per Diluted Share	\$0.94	\$0.71	\$0.80	\$0.68	\$0.84	\$0.16	
26. Tangible Book Value per Share	22.43	25.06	25.07	25.10	26.64	1.54	
27. Dividend per Share	0.34	0.34	0.34	0.35	0.35	0.00	
28. Dividend Payout Ratio	36.2%	47.9%	42.5%	51.5%	41.7%	-9.8%	

## 3Q24 Highlights

- **53.76% Efficiency Ratio**
- **Net interest income, increased \$2.5 million** due to earning asset income growth outpacing funding costs
- **Noninterest income decreased \$6.4 million** due to \$9.1 million of realized losses on available for sale securities
- **Pre-Tax, Pre-Provision (PTPP) Earnings totaled \$70.5 million.** PTPP ROA 1.54% and PTPP ROE was 12.52%<sup>1</sup>
- **TCE Ratio increased 0.49% to 8.76%** due to earnings growth and recapture of AOCI
- **\$26.64 Tangible Book Value per share, an increase of \$1.54** from prior quarter

# Year-to-Date Financial Results

(\$M except per share data)

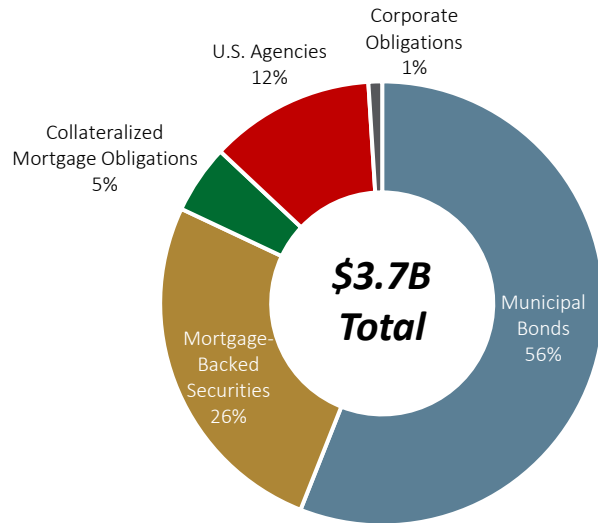
	For the Nine Months Ended September 30,			Variance YOY	% Variance YOY
	2022	2023	2024		
<b>Balance Sheet &amp; Asset Quality</b>					
1. Total Assets	\$17,719.0	\$17,996.6	\$18,347.6	\$350.9	1.9%
2. Total Loans	11,675.4	12,302.4	12,687.5	385.1	3.1%
3. Investments	4,294.8	3,713.7	3,662.1	(51.6)	-1.4%
4. Deposits	14,434.8	14,646.6	14,365.1	(281.5)	-1.9%
5. Total Equity	1,906.7	2,092.6	2,302.4	209.7	10.0%
6. TCE Ratio	6.66%	7.69%	8.76%	1.07%	
7. Total RBC Ratio	12.84	13.66%	13.18	-0.48	
8. ALLL / Loans	1.94	1.67	1.48	-0.19	
9. NCOs / Avg Loans	-0.01	0.24	0.51	0.27	
10. NPAs + 90PD / Assets	0.29	0.33	0.43	0.10	
<b>Summary Income Statement</b>					
11. Net Interest Income	\$371.2	\$415.3	\$386.7	(\$28.6)	-6.9%
12. Provision for Credit Losses	16.8	2.0	31.5	29.5	
13. Noninterest Income	83.8	79.2	82.8	3.7	4.6%
14. Noninterest Expense	266.0	280.2	283.0	2.8	1.0%
15. Pre-tax Income	172.3	212.3	155.1	(57.2)	-27.0%
16. Provision for Taxes	20.9	31.0	18.1	(13.0)	-41.8%
17. Net Income	151.3	181.3	137.1	(44.3)	-24.4%
18. Preferred Stock Dividends	0.9	1.4	1.4	0.0	
19. Net Income Available to Common Stockholders	150.4	179.9	135.6	(44.3)	-24.6%
20. ROAA	1.19%	1.33%	0.99%	-0.34%	
21. ROAE	10.14	11.28	8.10	-3.18	
22. ROTCE	16.22	18.10	12.64	-5.46	
23. Net Interest Margin	3.30	3.42	3.16	-0.26	
24. Efficiency Ratio	54.95	52.60	55.54	2.94	
<b>Per Share</b>					
25. Earnings per Diluted Share	\$2.62	\$3.03	\$2.31	(\$0.72)	
26. Tangible Book Value per Share	19.26	22.43	26.64	4.21	
27. Dividend per Share	0.93	1.00	1.04	0.04	
28. Dividend Payout Ratio	35.5%	33.0%	45.0%	12.0%	

## Year-to-Date Highlights

- **55.54% Efficiency Ratio**
- **Net interest income declined 6.9% from prior year** due to increased funding costs offsetting earning asset income growth
- **Pre-Tax, Pre-Provision (PTPP) Earnings totaled \$199.3 million** PTPP ROA was 1.45% and PTPP ROE was 11.90%<sup>1</sup>
- **TCE Ratio increased to 8.76%**, an increase of 1.07% over prior year
- **Tangible Book Value per share totaled \$26.64**, an increase of \$4.21 over prior year

# Investment Portfolio Highlights

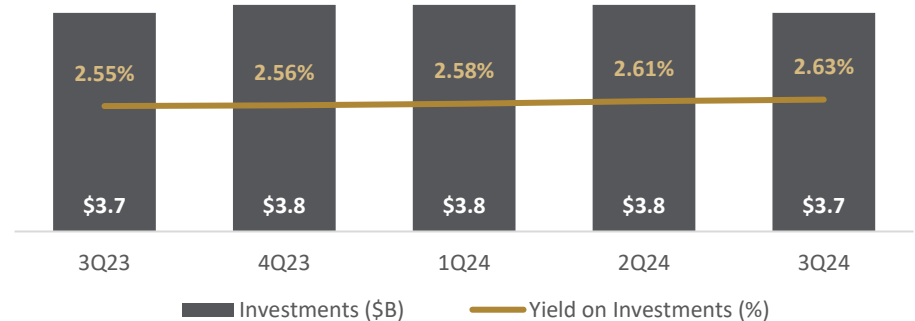
## 3Q24 Investment Portfolio Composition



### Highlights

- Effective duration of 6 years
- Cash flow of \$298 million in the next 12 months / ~2.28% yield
- AA rated municipal bond portfolio
- ~54% of portfolio classified as Held-to-Maturity
- Allowance for Credit Losses for Investments of \$245,000

## Yield on Investments (%) / Total Investments (\$B)



## Investment Portfolio Gains / Losses

### Unrealized Losses

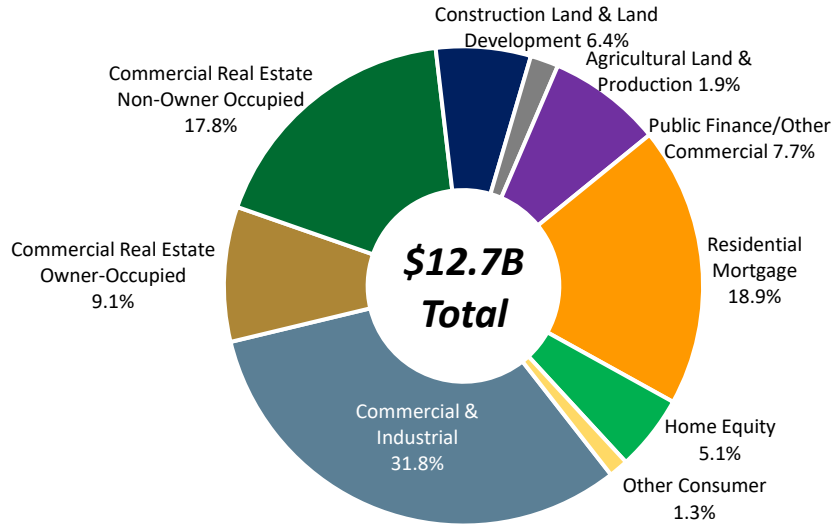
- Net unrealized AFS Loss of \$189.2 million (\$265.3M prior Q)
- Net unrealized HTM Loss of \$286.0 million (\$355.3M prior Q)

### Realized Gains/Losses

- 3Q 2023 \$1.7 million loss
- 4Q 2023 \$2.3 million loss
- 1Q 2024 none
- 2Q 2024 none
- 3Q 2024 \$9.1 million loss

# Loan Portfolio Highlights

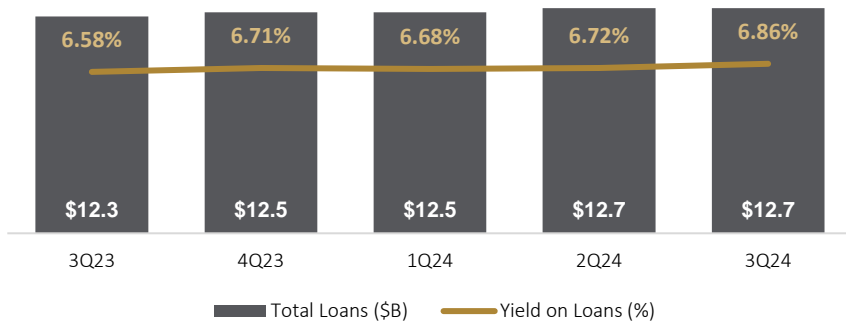
## 3Q24 Loan Composition



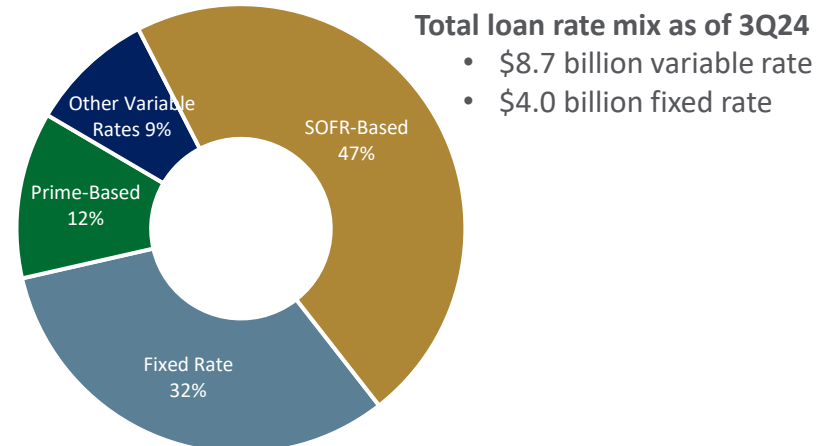
## Highlights

- Portfolio composition is ~75% Commercial oriented
- Total loan yield of 6.86%
- New/renewed loan yields averaged 7.70% for the quarter

## Yield on Loans (%) / Total Loans (\$B)

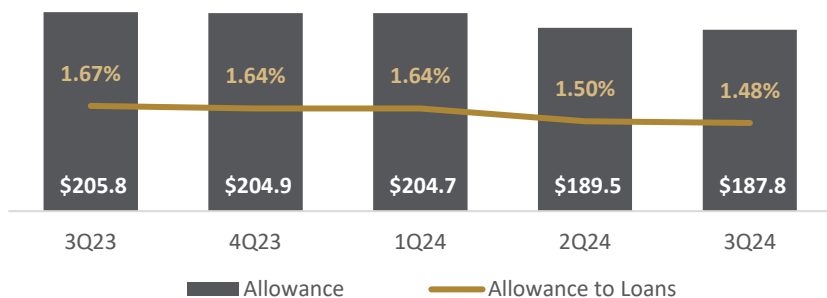


## 3Q24 Portfolio by Yield Type



# Allowance for Credit Losses - Loans

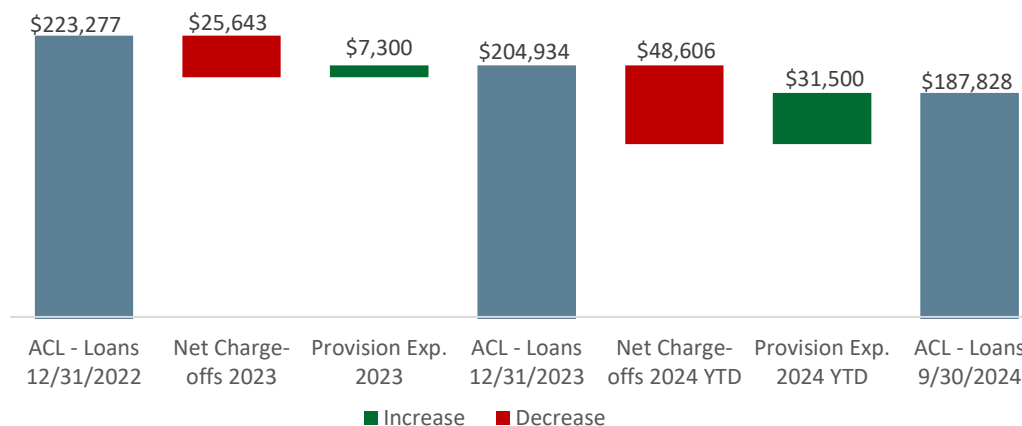
## 3Q24 Allowance for Credit Losses - Loans



## Highlights

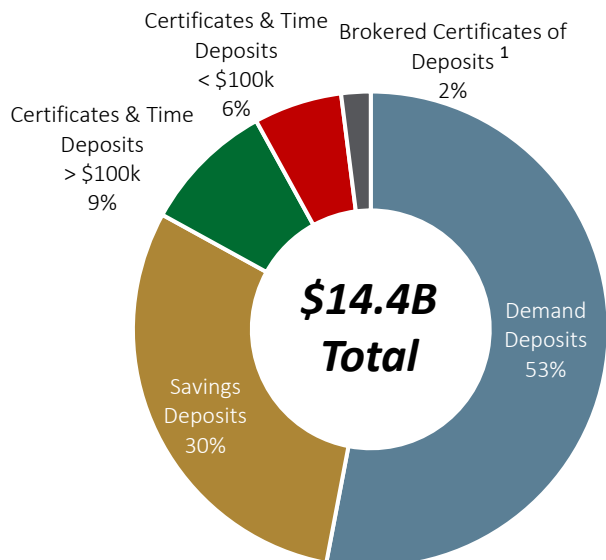
- \$5.0 million Q3 provision expense
- The reserve for unfunded commitments totals \$19.5 million and is recorded in Other Liabilities
- The remaining fair value accretion on acquired loans is \$18.8 million inclusive of credit and interest rate marks

## Change in ACL – Loans



# Deposit Portfolio Highlights

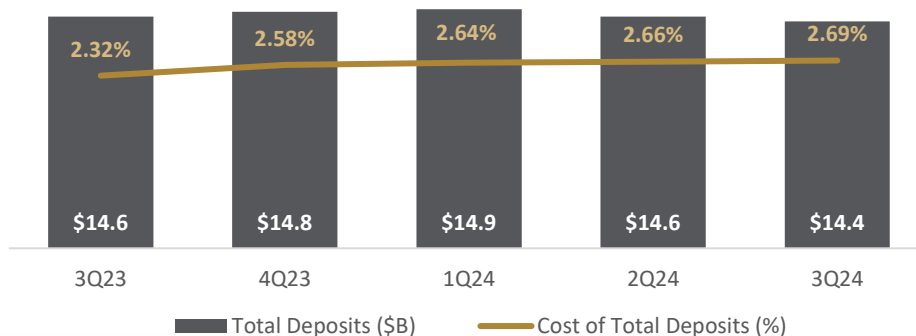
## 3Q24 Deposit Composition



## Highlights

- **Strong core deposit base**
  - 89% core deposits<sup>2</sup>
  - 16% noninterest bearing
  - 37% yield 5 bps or less
- **Rate paid on interest-bearing deposits increased slightly to 3.20%**
- **Insured 68.9% / Uninsured 31.1%**
- **Average deposit account balance of \$34,000**

## Cost of Total Deposits (%) / Total Deposits (\$B)



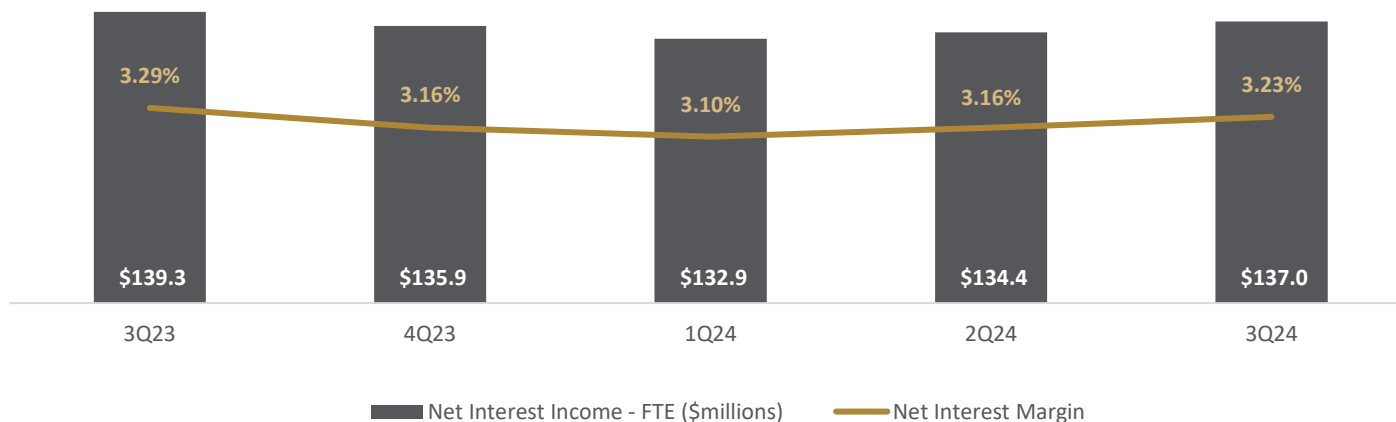
<sup>1</sup>Total brokered deposits of \$838 million, which includes brokered CDs of \$304 million

<sup>2</sup>Defined as total deposits less time deposits > \$100k

# Net Interest Margin

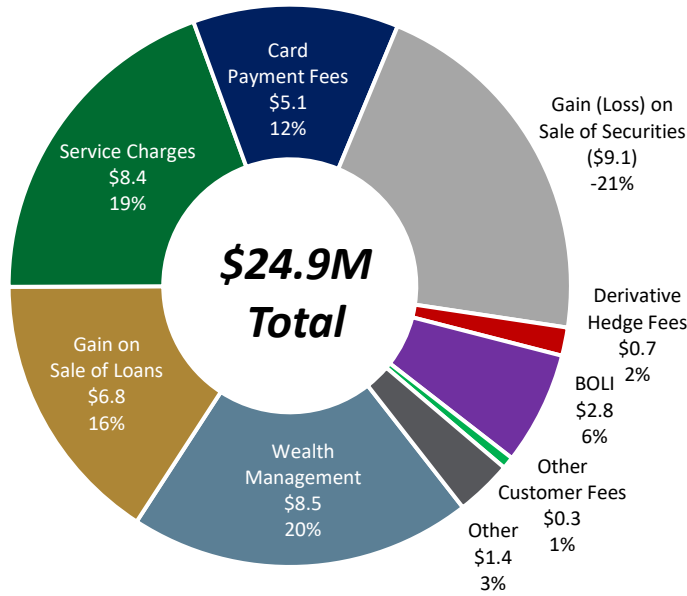
	3Q23	4Q23	1Q24	2Q24	3Q24
1. Net Interest Income - FTE (\$millions)	\$ 139.3	\$ 135.9	\$ 132.9	\$ 134.4	\$ 137.0
2. Fair Value Accretion	\$ 2.0	\$ 1.7	\$ 1.4	\$ 1.5	\$ 1.4
3. Adjusted Net Interest Income - FTE <sup>1</sup>	\$ 137.3	\$ 134.2	\$ 131.5	\$ 132.9	\$ 135.6
4. Tax Equivalent Yield on Earning Assets	5.55%	5.64%	5.65%	5.69%	5.82%
5. Interest Expense/Average Earning Assets	2.26%	2.48%	2.55%	2.53%	2.59%
6. Net Interest Margin	3.29%	3.16%	3.10%	3.16%	3.23%
7. Fair Value Accretion Effect	0.05%	0.04%	0.03%	0.03%	0.04%
8. Adjusted Net Interest Margin <sup>1</sup>	3.24%	3.12%	3.07%	3.13%	3.19%

<sup>1</sup>Adjusted for Fair Value Accretion



# Noninterest Income Highlights

## 3Q24 Noninterest Income Detail (\$M)

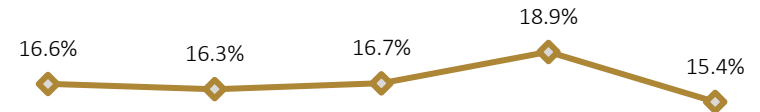


### Highlights

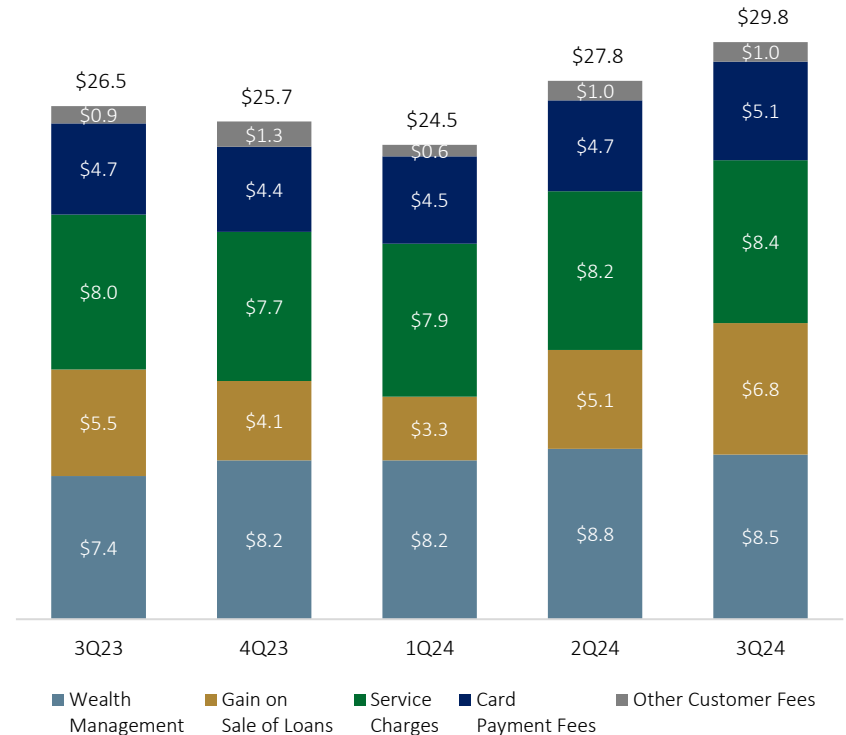
- Customer-related fees totaling \$29.8 million for 3Q24, increased \$2.0 million from 2Q24 driven by higher gains on the sales of mortgage loans
- Non-customer related fees decreased \$8.4 million from prior quarter primarily due to \$9.1 million in net realized losses on sales of available for sale securities

## Noninterest Income Trends

### Fee Income / Revenue



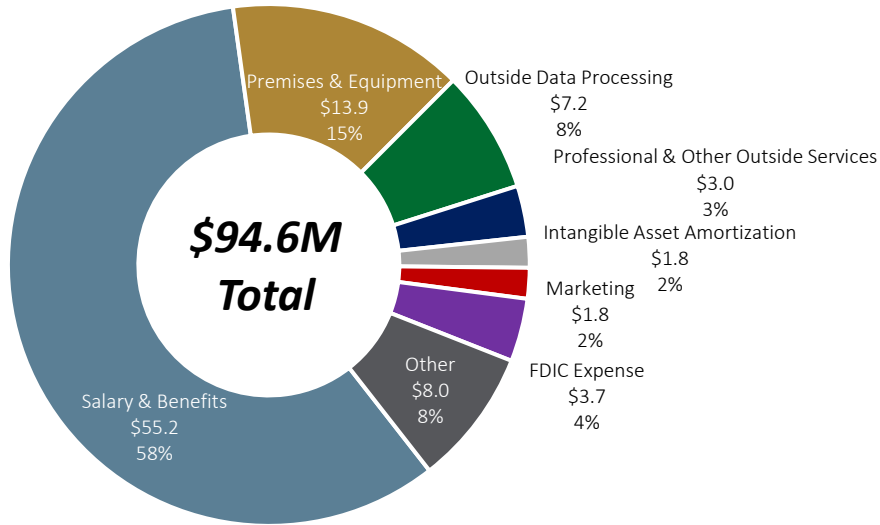
## Customer-Related Fees (\$M)





# Noninterest Expense Highlights

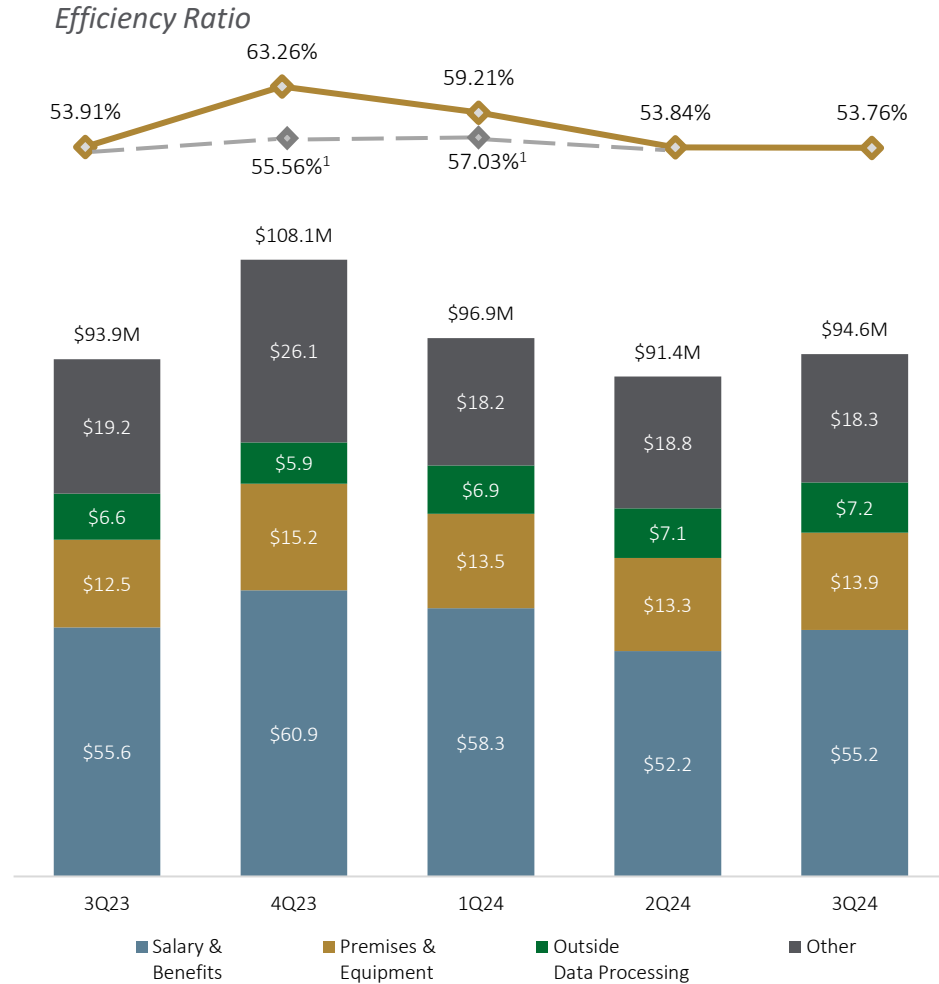
## 3Q24 Noninterest Expense Detail



### Highlights

- Increase from Q2 driven by a \$3.0 million increase in salaries and benefits mainly driven by higher incentives

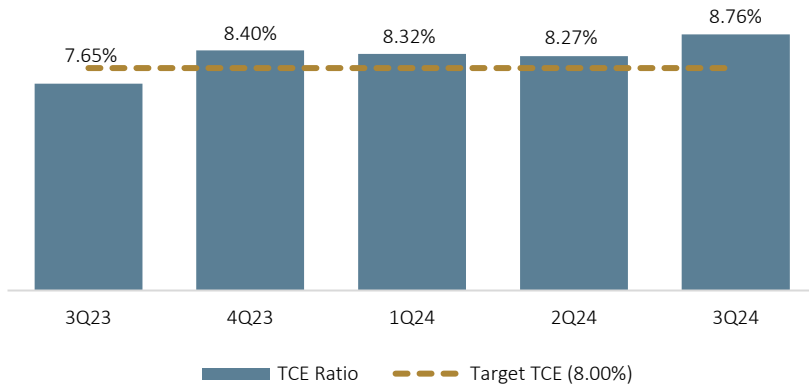
## Noninterest Expense Trends (\$M)



<sup>1</sup>4Q23 & 1Q24 Efficiency Ratio excluding non-core expenses, see "Non-GAAP Financial Information" for reconciliation

# Capital Ratios

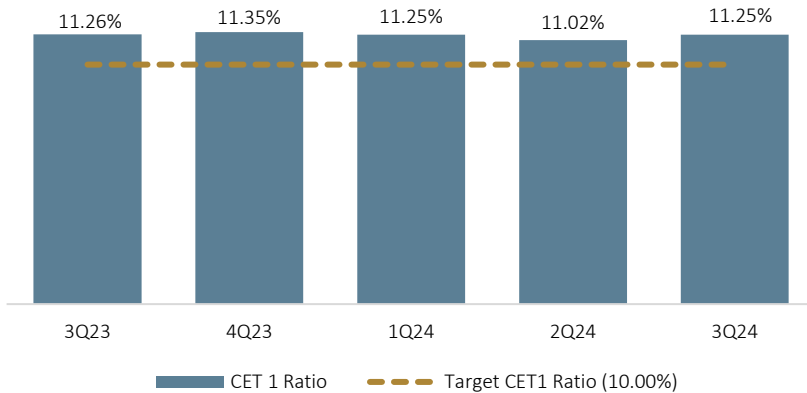
## Tangible Common Equity Ratio



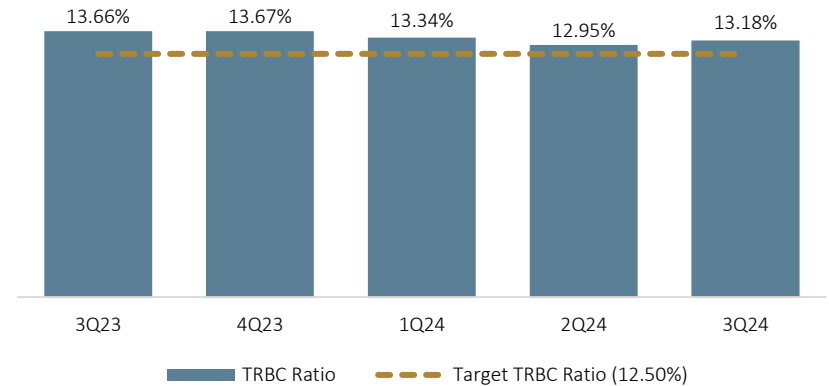
## Highlights

- Capital ratios reflect \$65 million of sub debt redemption and \$50 million of stock buyback YTD
- TCE increase due to strong earnings and securities valuation recapture in AOCI

## Common Equity Tier 1 Ratio



## Total Risk-Based Capital Ratio



# Loan Portfolio

## Loan Portfolio Trends (\$M)

	3Q23	4Q23	1Q24	2Q24	3Q24
1. C&I - Regional Banking	\$ 2,662	\$ 2,876	\$ 2,910	\$ 3,132	\$ 3,201
2. C&I - Sponsor Finance	829	795	813	818	841
3. CRE Owner Occupied	1,154	1,162	1,138	1,174	1,155
4. Construction/Land/Land Dev.	1,022	958	942	823	815
5. CRE Non-Owner Occupied	2,360	2,401	2,368	2,324	2,254
6. Agricultural	234	263	234	240	239
7. Public Finance/Other Commercial	967	956	965	965	982
<b>8. Total Commercial Loans</b>	<b>9,228</b>	<b>9,411</b>	<b>9,370</b>	<b>9,476</b>	<b>9,487</b>
9. Residential Mortgage	2,286	2,304	2,331	2,403	2,397
10. Home Equity	609	618	618	631	641
11. Other Consumer	179	172	162	162	163
<b>12. Total Resi Mortgage &amp; Consumer</b>	<b>3,074</b>	<b>3,094</b>	<b>3,111</b>	<b>3,196</b>	<b>3,201</b>
<b>13. Total Loans</b>	<b>\$ 12,302</b>	<b>\$ 12,505</b>	<b>\$ 12,481</b>	<b>\$ 12,672</b>	<b>\$ 12,688</b>

## 3Q24 Highlights

**Strong C&I loan demand. Higher rates moderating investment real estate activity**

- C&I and CRE OO up \$73.4 million
- CRE NOO & Construction down \$78.3 million

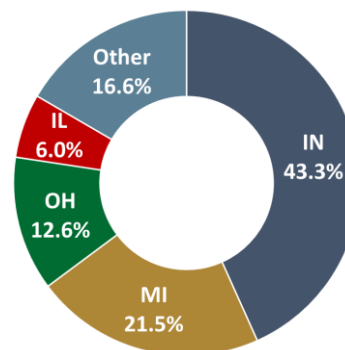
**Real Estate Concentration Levels:**

- CRE Construction: 42.7% / 100%
- CRE Total: 160.8% / 300%

## Year Over Year Highlights

**Loan growth of \$385.1 million or 3.1%**

- **Balanced commercial loan growth - \$258.8 million**
  - C&I – Regional Banking - \$538.9 million
  - C&I - Sponsor Finance - \$12.1 million
  - Public Finance - \$15.2 million
- **Total Resi Mtg & Cons. - \$126.8 million**
  - Mortgage growth of \$111.2 million, primarily from portfolio ARMs



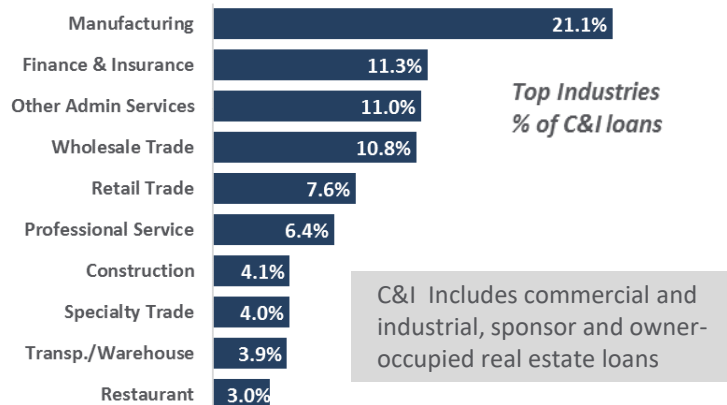
## Geography

83.4% of borrowers within four state Midwest geography

# Loan Portfolio Insights

## Commercial

### C&I



- Line utilization 3Q24 at 45.0% from 45.3% 2Q24
- Shared National Credits:
  - \$886.7 million to 79 Borrowers, \$11.2 million average balance
  - Top borrowers in Wholesale Trade, Agriculture, Finance & Insurance, and Rental and Leasing
- \$53.9 million of SBA guaranteed loans

### C&I - Sponsor Finance

- \$840.6 million to 89 companies, top borrowers in Construction, Rental and Leasing, Finance and Insurance, Manufacturing, and Other Admin/Prof. Services
- Senior Debt/Adj. EBITDA < 3.0X ~ 81.3%
- Total Debt/Adj. EBITDA < 4.0X ~ 80.3%
- FCCR > 1.50X ~ 65.6%
- ~5.0% Classified (as a % of portfolio)

### Construction Finance

- \$144.9 million Resi Real Estate Construction
- \$669.8 million CRE Construction<sup>3</sup>

(\$M)	Balance	Commit.	% CRE Construction <sup>3</sup>	Commit.
				QoQ \$ Change
Multi-Family	\$ 453	\$ 884	67.6%	\$ 17
Self Storage	\$ 43	\$ 61	6.5%	\$ (33)
Land/Land dev	\$ 36	\$ 40	5.3%	\$ (3)
Office-Medical	\$ 14	\$ 15	2.1%	\$ 7
Office-General	\$ 6	\$ 20	0.9%	\$ (2.8)

## Mortgage & Consumer

### Home Equity / Other Consumer

- > 95.7% of \$692.9 million in consumer loans had a credit score exceeding 669 at origination<sup>1</sup>

### Residential Mortgage

- \$262 million residential mortgage secured, related to commercial loan relationships
- \$2.0 billion residential mortgage loans
  - > 91% of \$1.8 billion in residential portfolio loans had a credit score at origination exceeding 669<sup>2</sup>



<sup>1</sup>Excludes ~14% of loans where origination data is unavailable

<sup>2</sup>Excludes ~14% of residential loans where origination data is unavailable

<sup>3</sup>Includes Construction, Land, & Land Development

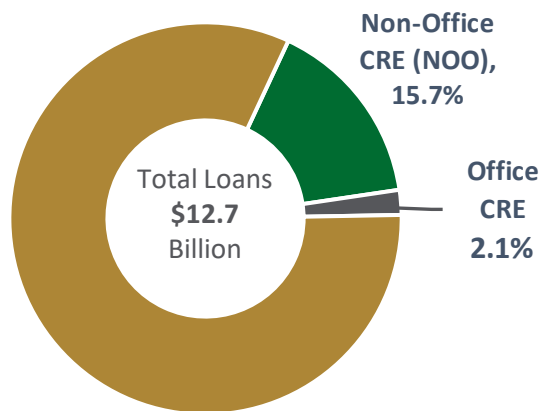
# Loan Portfolio Insights (continued)

## Commercial Real Estate (Non-Owner Occupied) (\$M)

	Multi-Family	Industrial	Retail	Office	Warehouse / Storage	Nursing Homes	Other	Total CRE (NOO)
Balance:	\$ 642.0	\$ 346.7	\$ 334.7	\$ 260.4	\$ 241.6	\$ 123.3	\$ 305.1	\$ 2,254
Commitment:	\$ 672.6	\$ 360.9	\$ 338.3	\$ 263.7	\$ 245.8	\$ 124.8	\$ 327.3	\$ 2,333
# of loans:	452	461	286	185	101	13	117	1,615
% of Total Loans:	5.1%	2.7%	2.6%	2.1%	1.9%	1.0%	2.4%	17.8%
Average Loan Balance:	\$ 1.4	\$ 0.8	\$ 1.2	\$ 1.4	\$ 2.4	\$ 9.5	\$ 2.6	\$ 1.4
Top 10 - Avg. Loan Com:	\$ 16.5	\$ 8.6	\$ 8.6	\$ 12.8	\$ 13.9	\$ 12.5	\$ 24.5	\$ 24.5

## Office (Non-Owner Occupied) (\$M)

### Office % Total Loans



### Office Type

General Office	\$104.9
Medical	\$66.5
Mixed	\$54.1
Government	\$18.9
Other	\$16.0

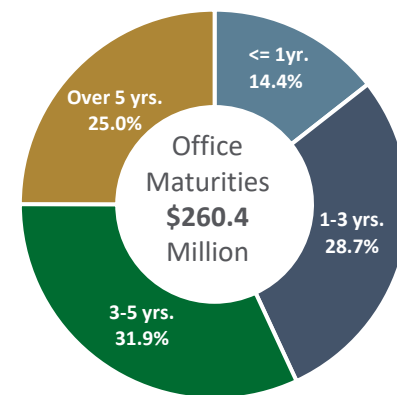
### Office Tenant Classification

Multi Tenant	\$146.9
Single Tenant	\$113.5

### Office Geographic

Michigan	\$81.0
Indiana	\$60.2
Ohio	\$33.4
California	\$25.0
Oklahoma	\$24.7
Other	\$36.1

### Office - Maturities



- Top 10 loans are 48.9% of total office with WALTV of ~63.7% at origination
- Largest NOO Office \$25.0 million, medical office, 67.2% LTV
- 2nd largest \$24.7 million, 40% owner occupied



# Asset Quality

## Asset Quality Trends (\$M)

	3Q23	4Q23	1Q24	2Q24	3Q24
1. Non-Accrual Loans	\$ 53.1	\$ 53.6	\$ 62.5	\$ 61.9	\$ 59.1
2. Other Real Estate	6.5	4.8	4.9	4.8	5.2
3. 90PD Loans	<u>0.1</u>	<u>0.2</u>	<u>2.8</u>	<u>1.7</u>	<u>14.1</u>
4. NPAs + 90PD	\$ 59.7	\$ 58.6	\$ 70.2	\$ 68.4	\$ 78.4
5. NPAs + 90PD/Loans and ORE	0.49%	0.47%	0.56%	0.54%	0.62%
6. Classified Loans	\$ 232.2	\$ 242.8	\$ 279.4	\$ 296.6	\$ 370.9
7. Classified Loans/Loans	1.89%	1.94%	2.24%	2.34%	2.92%
8. Net Charge-offs (QTD)	\$ 20.4	\$ 3.1	\$ 2.3	\$ 39.6	\$ 6.7
9. QTD NCO/Avg. Loans (Annualized)	0.66%	0.10%	0.07%	1.26%	0.21%

## Highlights

### Non-Accruals:

- Largest: Hospitality, Nursing Care Facilities, Manufacturing
- Non-accrual loans down \$2.8 million
- NPAs + 90 days end quarter at \$78.4 million or 62 basis points
- \$13 million matured 90 day past due relationship renewed following Q end and is accruing and current

### Charge-offs:

- \$5.6 million of \$6.7 million charge-offs a result of additional loss related to prior quarter charge-off of trucking company relationship. Liquidation substantially complete by end of 4Q.

# Nonperforming Assets

## Nonperforming Assets Roll Forward (\$M)

	3Q23	4Q23	1Q24	2Q24	3Q24
<b>1. Beginning Balance NPAs + 90PD</b>	<b>\$ 77.3</b>	<b>\$ 59.7</b>	<b>\$ 58.6</b>	<b>\$ 70.2</b>	<b>\$ 68.4</b>
<u>Non-Accrual</u>					
2. Add: New Non-Accruals	7.5	10.3	17.7	51.6	13.2
3. Less: To Accrual or Payoff	(2.5)	(6.1)	(5.6)	(11.2)	(7.9)
4. Less: To OREO	(0.2)	-	-	(0.1)	(0.5)
5. Less: Charge-offs	<u>(20.9)</u>	<u>(3.7)</u>	<u>(3.2)</u>	<u>(40.9)</u>	<u>(7.6)</u>
<b>6. Non-Accrual Loans Change</b>	<b>(16.1)</b>	<b>0.5</b>	<b>8.9</b>	<b>(0.6)</b>	<b>(2.8)</b>
<u>Other Real Estate Owned (ORE)</u>					
7. Add: New ORE Properties	0.2	-	0.1	0.1	0.5
8. Less: ORE Sold	(1.4)	(0.6)	-	(0.2)	(0.1)
9. Less: ORE Losses (write-downs)	<u>-</u>	<u>(1.1)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>10. ORE Change</b>	<b>(1.2)</b>	<b>(1.7)</b>	<b>0.1</b>	<b>(0.1)</b>	<b>0.4</b>
11. 90PD Change	(0.3)	0.1	2.6	(1.1)	12.4
<b>12. NPAs + 90PD Change</b>	<b>(17.6)</b>	<b>(1.1)</b>	<b>11.6</b>	<b>(1.8)</b>	<b>10.0</b>
<b>13. Ending Balance NPAs + 90PD</b>	<b>\$ 59.7</b>	<b>\$ 58.6</b>	<b>\$ 70.2</b>	<b>\$ 68.4</b>	<b>\$ 78.4</b>

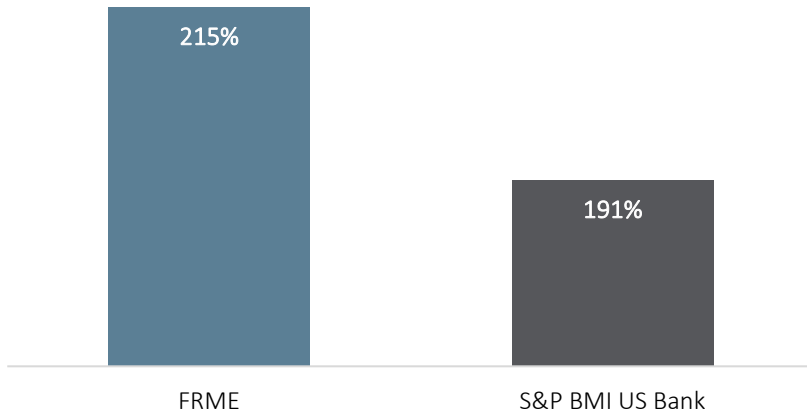
## 3Q24 Highlights

### Non-Accrual Migration:

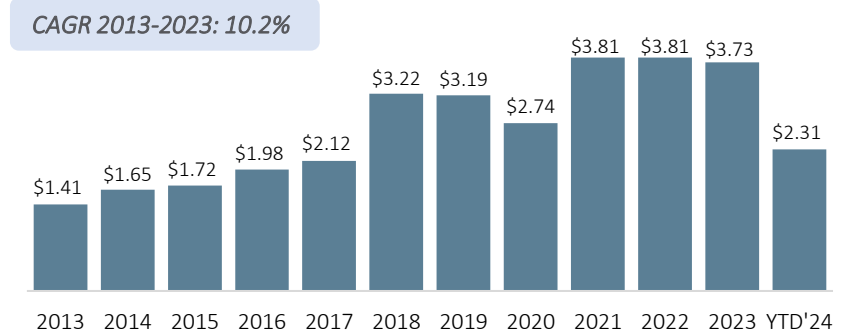
- New non-accruals down from 1<sup>st</sup> and 2<sup>nd</sup> quarter to \$13.2 million
- \$5.6 million of \$7.6 million gross charge-off a result of additional loss related to prior quarter charge-off of trucking company relationship
- NPAs and 90+ days past due up \$10 million but flat with renewal of matured relationship

# Track Record of Shareholder Value

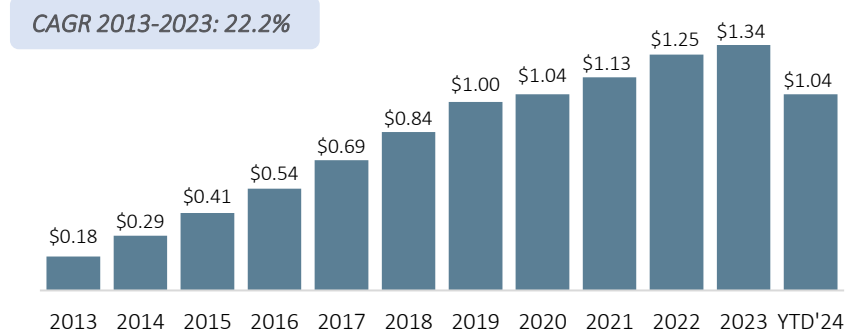
## 10-Year Total Return (2013-2023)



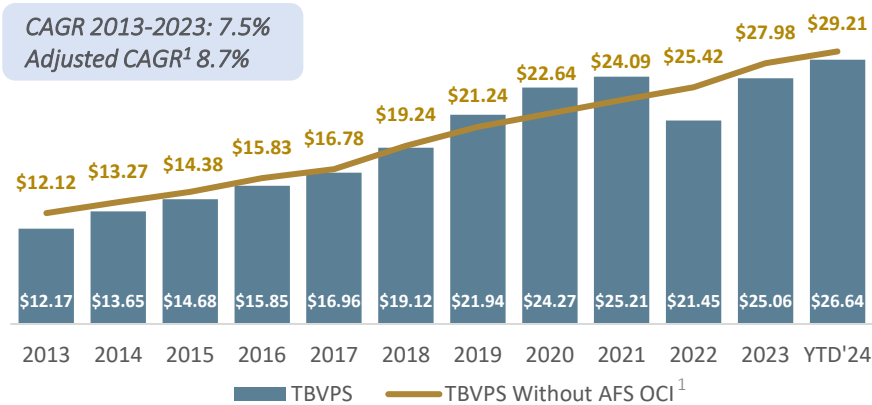
## Earnings per Share



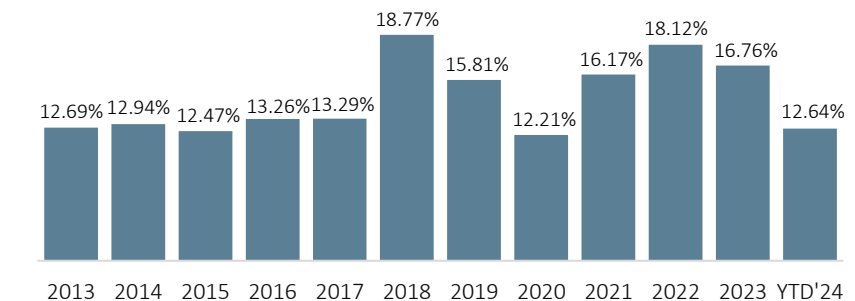
## Dividends per Share



## Tangible Book Value per Share



## Return on Tangible Common Equity



<sup>1</sup>Tangible book value per share excluding unrealized gain/loss in available for sale securities.

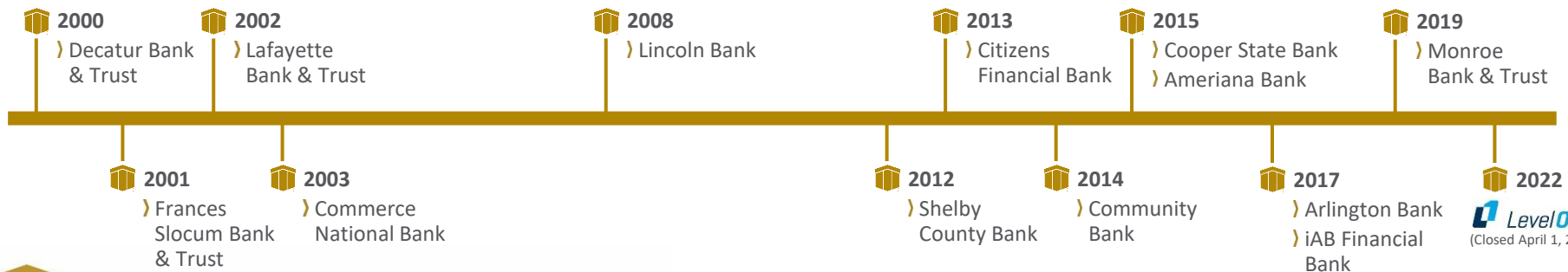
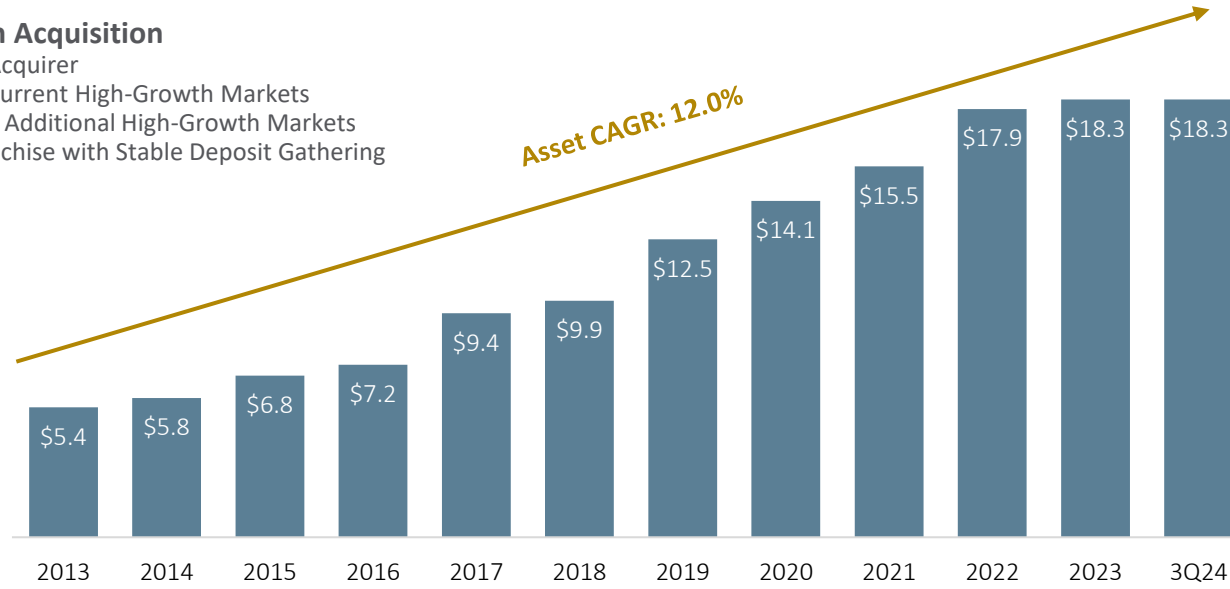


# History of Organic and Whole Bank Acquisition Growth

Total Assets (\$B)

## Growth Through Acquisition

- ✓ Experienced Acquirer
- ✓ Expanded in Current High-Growth Markets
- ✓ Extended into Additional High-Growth Markets
- ✓ Added to Franchise with Stable Deposit Gathering Markets



**LevelOne**  
(Closed April 1, 2022)

# Vision for the Future

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- Our Vision:** *To enhance the financial wellness of the diverse communities we serve.*
- Our Mission:** *To be the most attentive, knowledgeable, and high-performing bank for our clients, teammates, and shareholders.*
- Our Team:** *We are a collection of dynamic colleagues with diverse experiences and perspectives who share a passion for positively impacting lives. We are genuinely committed to attracting and engaging teammates of diverse backgrounds. We believe in the power of inclusion and belonging.*
- 

## **Strategic Imperatives:**

- Drive engagement through inclusivity, teamwork, performance management, career development, rewards, and work-life balance
- Produce organic growth across all lines of business and markets through focused, data-driven, industry-leading client acquisition, expansion, and retention activities
- Continued investment in the digitization of our delivery channels to simplify the client experience
- Maintain top-quartile financial results supported by industry-leading governance, risk, and compliance practices to ensure long-term sustainability
- Continue to leverage our core competency in acquisitions to enhance growth, efficiency, and high performance
- Cultivate a high-quality shareholder base that values our stakeholder-centric business model

# APPENDIX



**First Merchants Corporation**

*Helping you prosper*

# Non-GAAP

## ADJUSTED NET INCOME AND DILUTED EARNINGS PER COMMON SHARE

	3Q23	4Q23	1Q24	2Q24	3Q24	9/30/22 YTD	9/30/23 YTD	9/30/24 YTD
<b>(Dollars in Thousands, Except Per Share Amounts)</b>								
Net Income Available to Common Stockholders - GAAP	\$ 55,898	\$ 42,010	\$ 47,472	\$ 39,456	\$ 48,719	\$ 150,391	\$ 179,901	\$ 135,647
Adjustments:								
PPP loan income	(8)	(7)	-	-	-	(3,098)	(42)	-
Net realized losses/(gains) on sales of available for sale securities	1,650	2,317	2	49	9,114	(1,137)	4,613	9,165
Acquisition-related expenses	-	-	-	-	-	16,118	-	-
Acquisition-related provision expense	-	-	-	-	-	16,755	-	-
Non-core expenses <sup>1,2</sup>	-	12,682	3,481	-	-	-	-	3,481
Tax on adjustments	(403)	(3,652)	(848)	(12)	(2,220)	(7,022)	(1,121)	(3,081)
<b>Adjusted Net Income Available to Common Stockholders - NON-GAAP</b>	<b>\$ 57,137</b>	<b>\$ 53,350</b>	<b>\$ 50,107</b>	<b>\$ 39,493</b>	<b>\$ 55,613</b>	<b>\$ 172,007</b>	<b>\$ 183,351</b>	<b>\$ 145,212</b>
Average Diluted Common Shares Outstanding	59,503	59,556	59,273	58,328	58,289	57,468	59,465	58,629
Diluted Earnings Per Common Share - GAAP	\$ 0.94	\$ 0.71	\$ 0.80	\$ 0.68	\$ 0.84	\$ 2.62	\$ 3.03	\$ 2.31
Adjustments:								
PPP loan income	-	-	-	-	-	(0.05)	-	-
Net realized losses/(gains) on sales of available for sale securities	0.03	0.04	-	-	0.15	(0.02)	0.07	0.16
Acquisition-related expenses	-	-	-	-	-	0.27	-	-
Acquisition-related provision expense	-	-	-	-	-	0.30	-	-
Non-core expenses <sup>1,2</sup>	-	0.21	0.06	-	-	-	-	0.06
Tax on adjustments	(0.01)	(0.06)	(0.01)	-	(0.04)	(0.12)	(0.02)	(0.05)
<b>Adjusted Diluted Earnings Per Common Share - NON-GAAP</b>	<b>\$ 0.96</b>	<b>\$ 0.90</b>	<b>\$ 0.85</b>	<b>\$ 0.68</b>	<b>\$ 0.95</b>	<b>\$ 3.00</b>	<b>\$ 3.08</b>	<b>\$ 2.48</b>

<sup>1</sup>Non-core expenses in 4Q23 included \$4.3 million from the FDIC special assessment, \$6.3 million from early retirement and severance costs, and \$2.1 million from a lease termination.

<sup>2</sup>Non-core expenses in 1Q24 included \$1.1 million from the FDIC special assessment and \$2.4 million from digital platform conversion costs.

# Non-GAAP

## PRE-TAX, PRE-PROVISION ("PTPP") EARNINGS, AS ADJUSTED

(Dollars in Thousands, Except Per Share Amounts)

	3Q23	4Q23	1Q24	2Q24	3Q24	9/30/22 YTD	9/30/23 YTD	9/30/24 YTD
Net Interest Income (GAAP)	\$ 133,383	\$ 130,064	\$ 127,063	\$ 128,571	\$ 131,110	\$ 371,247	\$ 415,337	\$ 386,744
Other Income (GAAP)	27,842	26,443	26,638	31,334	24,866	83,790	79,158	82,838
Total Revenue	161,225	156,507	153,701	159,905	155,976	455,037	494,495	469,582
Less: Other Expenses (GAAP)	(93,854)	(108,103)	(96,935)	(91,412)	(94,628)	(266,016)	(280,167)	(282,977)
Add: Net Realized Losses on Sales of Available for Sale Securities	1,650	2,317	2	49	9,114	(1,137)	4,613	9,165
Add: Acquisition-Related Expenses (GAAP)	-	-	-	-	-	16,118	-	-
Add: Non-core Expenses <sup>1,2</sup> (non-GAAP)	-	12,682	3,481	-	-	-	-	3,481
Pre-Tax, Pre-Provision Earnings (non-GAAP)	\$ 69,021	\$ 63,403	\$ 60,249	\$ 68,542	\$ 70,462	\$ 204,002	\$ 218,941	\$ 199,251
Average Assets (GAAP)	\$ 18,152,239	\$ 18,397,200	\$ 18,430,521	\$ 18,332,159	\$ 18,360,580	\$ 17,012,930	\$ 18,115,504	\$ 18,374,370
Average Equity (GAAP)	\$ 2,154,232	\$ 2,130,993	\$ 2,242,139	\$ 2,203,361	\$ 2,251,547	\$ 1,977,299	\$ 2,126,005	\$ 2,232,419
PTPP/Average Assets (PTPP ROA)	1.52%	1.38%	1.31%	1.50%	1.54%	1.60%	1.61%	1.45%
PTPP/Average Equity (PTPP ROE)	12.82%	11.90%	10.75%	12.44%	12.52%	13.76%	13.73%	11.90%

<sup>1</sup>Non-core expenses in 4Q23 included \$4.3 million from the FDIC special assessment, \$6.3 million from early retirement and severance costs, and \$2.1 million from a lease termination.

<sup>2</sup>Non-core expenses in 1Q24 included \$1.1 million from the FDIC special assessment and \$2.4 million from digital platform conversion costs.

# Non-GAAP

## NET INTEREST MARGIN ("NIM"), ADJUSTED

**(Dollars in Thousands, Except Per Share Amounts)**

	3Q23	4Q23	1Q24	2Q24	3Q24	9/30/22 YTD	9/30/23 YTD	9/30/24 YTD
Net Interest Income (GAAP)	\$ 133,383	\$ 130,063	\$ 127,063	\$ 128,571	\$ 131,110	\$ 371,247	\$ 415,337	\$ 386,744
Fully Taxable Equivalent ("FTE") Adjustment	5,911	5,853	5,795	5,859	5,883	18,220	18,090	17,538
Net Interest Income (FTE) (non-GAAP)	<u>139,294</u>	<u>135,916</u>	<u>132,858</u>	<u>134,430</u>	<u>136,993</u>	<u>389,467</u>	<u>433,427</u>	<u>404,282</u>
Average Earning Assets (GAAP)	\$ 16,947,669	\$ 17,222,714	\$ 17,123,851	\$ 17,013,984	\$ 16,990,358	\$ 15,744,040	\$ 16,913,965	\$ 17,042,540
Net Interest Margin (GAAP)	3.15%	3.02%	2.97%	3.02%	3.09%	3.14%	3.27%	3.03%
Net Interest Margin (FTE) (non-GAAP)	3.29%	3.16%	3.10%	3.16%	3.23%	3.30%	3.42%	3.16%

# Non-GAAP

	3Q23	4Q23	1Q24	2Q24	3Q24	3Q22 YTD	3Q23 YTD	3Q24 YTD
<b>EFFICIENCY RATIO (dollars in thousands):</b>								
Non Interest Expense (GAAP)	\$ 93,854	\$ 108,103	\$ 96,935	\$ 91,413	\$ 94,629	\$ 266,016	\$ 280,167	282,977
Less: Intangible Asset Amortization	(2,182)	(2,182)	(1,957)	(1,771)	(1,772)	(5,972)	\$ (6,561)	(5,500)
Less: OREO and Foreclosure Expenses	(677)	(1,743)	(534)	(373)	(942)	(626)	\$ (1,575)	(1,849)
Adjusted Non Interest Expense (non-GAAP)	90,995	104,178	94,444	89,269	91,915	259,418	272,031	275,628
Net Interest Income (GAAP)	133,383	130,063	127,063	128,571	131,110	371,247	415,337	386,744
Plus: Fully Taxable Equivalent Adjustment	5,911	5,853	5,795	5,859	5,883	18,220	18,090	17,538
Net Interest Income on a Fully Taxable Equivalent Basis (non-GAAP)	139,294	135,916	132,858	134,430	136,993	389,467	433,427	404,282
Non Interest Income (GAAP)	27,842	26,444	26,638	31,334	24,866	83,791	79,158	82,838
Less: Investment Securities (Gains) Losses	1,650	2,317	2	49	9,114	(1,137)	4,613	9,165
Adjusted Non Interest Income (non-GAAP)	29,492	28,761	26,640	31,383	33,980	82,654	83,771	92,003
Adjusted Revenue (non-GAAP)	168,786	164,677	159,498	165,813	170,973	472,121	517,198	496,285
<b>Efficiency Ratio (non-GAAP)</b>	<b>53.91%</b>	<b>63.26%</b>	<b>59.21%</b>	<b>53.84%</b>	<b>53.76%</b>	<b>54.95%</b>	<b>52.60%</b>	<b>55.54%</b>
Adjusted Non Interest Expense (non-GAAP)	90,995	104,178	94,444	89,269	91,915	259,418	272,031	275,628
Acquisition-related expenses	-	-	-	-	-	(16,118)	-	-
Non-core expenses <sup>1,2</sup>	-	(12,682)	(3,481)	-	-	-	-	(3,481)
Adjusted Non Interest Expense Excluding Non-Core Expenses (non-GAAP)	90,995	91,496	90,963	89,269	91,915	243,300	272,031	272,147
<b>Efficiency Ratio Excluding Non-Core Expenses (non-GAAP)</b>	<b>53.91%</b>	<b>55.56%</b>	<b>57.03%</b>	<b>53.84%</b>	<b>53.76%</b>	<b>51.53%</b>	<b>52.60%</b>	<b>54.84%</b>

<sup>1</sup>Non-core expenses in 4Q23 included \$4.3 million from the FDIC special assessment, \$6.3 million from early retirement and severance costs, and \$2.1 million from a lease termination.

<sup>2</sup>Non-core expenses in 1Q24 included \$1.1 million from the FDIC special assessment and \$2.4 million from digital platform conversion costs.

# Non-GAAP

## CAPITAL RATIOS (dollars in thousands):

	3Q22	3Q23	4Q23	1Q24	2Q24	3Q24
<b>Total Risk-Based Capital Ratio (dollars in thousands)</b>						
Total Stockholders' Equity (GAAP)	1,906,666	2,092,644	2,247,713	2,224,803	2,212,525	2,302,373
Adjust for Accumulated Other Comprehensive (Income) Loss <sup>1</sup>	314,089	307,270	175,970	198,029	211,979	151,825
Less: Preferred Stock	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)
Add: Qualifying Capital Securities	25,000	25,000	25,000	25,000	25,000	25,000
Less: Tier 1 Capital Deductions	-	-	-	-	-	-
Less: Disallowed Goodwill and Intangible Assets	(740,780)	(732,903)	(731,315)	(729,734)	(728,321)	(726,907)
Less: Disallowed Deferred Tax Assets	(1,267)	(192)	(131)	(340)	(282)	(257)
Add: Modified CECL Transition Amount	23,028	11,514	11,514	-	-	-
Total Tier 1 Capital (Regulatory)	\$ 1,501,611	\$ 1,678,208	\$ 1,703,626	\$ 1,692,633	\$ 1,695,776	\$ 1,726,909
Qualifying Subordinated Debentures	143,089	143,147	132,174	98,176	78,236	78,205
Allowance for Loan Losses includible in Tier 2 Capital	178,490	184,046	185,324	185,639	189,697	189,366
Total Risk-Based Capital (Regulatory)	\$ 1,823,190	\$ 2,005,401	\$ 2,021,124	\$ 1,976,448	\$ 1,963,709	\$ 1,994,480
Net Risk-Weighted Assets (Regulatory)	\$ 14,196,430	\$ 14,683,329	\$ 14,787,474	\$ 14,818,838	\$ 15,161,104	\$ 15,132,640
<b>Total Risk-Based Capital Ratio (Regulatory)</b>	<b>12.84%</b>	<b>13.66%</b>	<b>13.67%</b>	<b>13.34%</b>	<b>12.95%</b>	<b>13.18%</b>
<b>Common Equity Tier 1 Capital Ratio</b>						
Total Tier 1 Capital (Regulatory)	\$ 1,501,611	\$ 1,678,208	\$ 1,703,626	\$ 1,692,633	\$ 1,695,776	\$ 1,726,909
Less: Qualified Capital Securities	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Add: Additional Tier 1 Capital Deductions	-	-	-	-	-	-
Common Equity Tier 1 Capital (Regulatory)	\$ 1,476,611	\$ 1,653,208	\$ 1,678,626	\$ 1,667,633	\$ 1,670,776	\$ 1,701,909
Net Risk-Weighted Assets (Regulatory)	\$ 14,196,430	\$ 14,683,329	\$ 14,787,474	\$ 14,818,838	\$ 15,161,104	\$ 15,132,640
<b>Common Equity Tier 1 Capital Ratio (Regulatory)</b>	<b>10.40%</b>	<b>11.26%</b>	<b>11.35%</b>	<b>11.25%</b>	<b>11.02%</b>	<b>11.25%</b>

<sup>1</sup> Includes net unrealized gains or losses on securities available for sale, net gains or losses on cash flow hedges, and amounts resulting from the application of the applicable accounting guidance for defined benefit and other postretirement plans.



# Non-GAAP

	3Q22	3Q23	4Q23	1Q24	2Q24	3Q24
<b>Tangible Common Equity Ratio (dollars in thousands)</b>						
Total Stockholders' Equity (GAAP)	\$ 1,906,666	\$ 2,092,644	\$ 2,247,713	\$ 2,224,803	\$ 2,212,525	\$ 2,302,373
Less: Preferred Stock	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)
Less: Intangible Assets	(750,713)	(741,283)	(739,101)	(737,144)	(735,373)	(733,601)
Tangible Common Equity (non-GAAP)	\$ 1,130,828	\$ 1,326,236	\$ 1,483,487	\$ 1,462,534	\$ 1,452,027	\$ 1,543,647
Total Assets (GAAP)	\$ 17,718,985	\$ 18,078,263	\$ 18,405,887	\$ 18,317,803	\$ 18,303,423	\$ 18,347,552
Less: Intangible Assets	(750,713)	(741,283)	(739,101)	(737,144)	(735,373)	(733,601)
Tangible Assets (non-GAAP)	\$ 16,968,272	\$ 17,336,980	\$ 17,666,786	\$ 17,580,659	\$ 17,568,050	\$ 17,613,951
<b>Tangible Common Equity Ratio (non-GAAP)</b>	<b>6.66%</b>	<b>7.65%</b>	<b>8.40%</b>	<b>8.32%</b>	<b>8.27%</b>	<b>8.76%</b>

	4Q13	4Q14	4Q15	4Q16	4Q17	4Q18	4Q19	4Q20
<b>Tangible Common Equity Per Share</b>								
Total Stockholders' Equity (GAAP)	\$ 634,923	\$ 726,827	\$ 850,509	\$ 901,657	\$ 1,303,463	\$ 1,408,260	\$ 1,786,437	\$ 1,875,645
Less: Preferred Stock	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)
Less: Intangible Assets	(202,767)	(218,755)	(259,764)	(258,866)	(476,503)	(469,784)	(578,881)	(572,893)
Tax Benefit	4,973	6,085	6,278	5,930	6,788	5,017	7,257	5,989
Tangible Common Equity, Net of Tax (non-GAAP)	\$ 437,004	\$ 514,032	\$ 596,898	\$ 648,596	\$ 833,623	\$ 943,368	\$ 1,214,688	\$ 1,308,616
Common Shares Outstanding	35,921,761	37,669,948	40,664,258	40,912,697	49,158,238	49,349,800	55,368,482	53,922,359
<b>Tangible Common Equity per Share (non-GAAP)</b>	<b>\$ 12.17</b>	<b>\$ 13.65</b>	<b>\$ 14.68</b>	<b>\$ 15.85</b>	<b>\$ 16.96</b>	<b>\$ 19.12</b>	<b>\$ 21.94</b>	<b>\$ 24.27</b>

	4Q21	3Q22	4Q22	3Q23	4Q23	1Q24	2Q24	3Q24
<b>Tangible Common Equity Per Share</b>								
Total Stockholders' Equity (GAAP)	\$ 1,912,571	\$ 1,906,666	\$ 2,034,770	\$ 2,092,644	\$ 2,247,713	\$ 2,224,803	\$ 2,212,525	\$ 2,302,373
Less: Preferred Stock	(125)	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)
Less: Intangible Assets	(570,860)	(750,713)	(747,844)	(741,283)	(739,101)	(737,144)	(735,373)	(733,601)
Tax Benefit	4,875	8,197	7,702	6,290	5,819	5,398	5,020	4,642
Tangible Common Equity, Net of Tax (non-GAAP)	\$ 1,346,461	\$ 1,139,025	\$ 1,269,503	\$ 1,332,526	\$ 1,489,306	\$ 1,467,932	\$ 1,457,047	\$ 1,548,289
Common Shares Outstanding	53,410,411	59,145,414	59,170,583	59,398,022	59,424,122	58,564,819	58,045,653	58,117,115
<b>Tangible Common Equity per Share (non-GAAP)</b>	<b>\$ 25.21</b>	<b>\$ 19.26</b>	<b>\$ 21.45</b>	<b>\$ 22.43</b>	<b>\$ 25.06</b>	<b>\$ 25.07</b>	<b>\$ 25.10</b>	<b>\$ 26.64</b>

# Non-GAAP

	2013	2014	2015	2016	2017	2018	2019
<b>Return on Tangible Common Equity</b>							
Total Average Stockholders' Equity (GAAP)	\$ 540,255	\$ 675,295	\$ 753,724	\$ 884,664	\$ 1,110,524	\$ 1,343,861	\$ 1,569,615
Less: Average Preferred Stock	(47,537)	(125)	(125)	(125)	(125)	(125)	(125)
Less: Average Intangible Assets, Net of Tax	(153,519)	(199,354)	(215,281)	(254,332)	(360,005)	(467,421)	(499,622)
Average Tangible Common Equity, Net of Tax (non-GAAP)	\$ 339,199	\$ 475,816	\$ 538,318	\$ 630,207	\$ 750,394	\$ 876,315	\$ 1,069,868
Net Income Available to Common Stockholders (GAAP)	\$ 42,150	\$ 60,162	\$ 65,384	\$ 81,051	\$ 96,070	\$ 159,139	\$ 164,460
Plus: Intangible Asset Amortization, Net of Tax	892	1,395	1,720	2,542	3,670	5,307	4,736
Tangible Net Income (non-GAAP)	\$ 43,042	\$ 61,557	\$ 67,104	\$ 83,593	\$ 99,740	\$ 164,446	\$ 169,196
<b>Return on Tangible Common Equity (non-GAAP)</b>	<b>12.69%</b>	<b>12.94%</b>	<b>12.47%</b>	<b>13.26%</b>	<b>13.29%</b>	<b>18.77%</b>	<b>15.81%</b>

	2020	2021	2022 YTD	2022	3Q23	2023 YTD
<b>Return on Tangible Common Equity</b>						
Total Average Stockholders' Equity (GAAP)	\$ 1,825,135	\$ 1,866,632	\$ 1,977,299	\$ 1,972,445	\$ 2,154,232	\$ 2,126,005
Less: Average Preferred Stock	(125)	(125)	(16,792)	(18,875)	(25,125)	(25,125)
Less: Average Intangible Assets, Net of Tax	(569,377)	(567,512)	(685,707)	(699,803)	(735,787)	(737,476)
Average Tangible Common Equity, Net of Tax (non-GAAP)	\$ 1,255,633	\$ 1,298,995	\$ 1,274,800	\$ 1,253,767	\$ 1,393,320	\$ 1,363,404
Net Income Available to Common Stockholders (GAAP)	\$ 148,600	\$ 205,531	\$ 150,391	\$ 220,683	\$ 55,898	\$ 179,901
Plus: Intangible Asset Amortization, Net of Tax	4,730	4,540	4,718	6,537	1,724	5,182
Tangible Net Income (non-GAAP)	\$ 153,330	\$ 210,071	\$ 155,109	\$ 227,220	\$ 57,622	\$ 185,083
<b>Return on Tangible Common Equity (non-GAAP)</b>	<b>12.21%</b>	<b>16.17%</b>	<b>16.22%</b>	<b>18.12%</b>	<b>16.54%</b>	<b>18.10%</b>

	4Q23	2023	1Q24	2Q24	3Q24	2024 YTD
<b>Return on Tangible Common Equity</b>						
Total Average Stockholders' Equity (GAAP)	\$ 2,130,993	\$ 2,127,262	\$ 2,242,139	\$ 2,203,361	\$ 2,251,547	\$ 2,232,419
Less: Average Preferred Stock	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)	(25,125)
Less: Average Intangible Assets, Net of Tax	(734,007)	(736,601)	(732,432)	(730,980)	(729,581)	(730,993)
Average Tangible Common Equity, Net of Tax (non-GAAP)	\$ 1,371,861	\$ 1,365,536	\$ 1,484,582	\$ 1,447,256	\$ 1,496,841	\$ 1,476,301
Net Income Available to Common Stockholders (GAAP)	\$ 42,010	\$ 221,911	\$ 47,472	\$ 39,456	\$ 48,719	\$ 135,647
Plus: Intangible Asset Amortization, Net of Tax	1,724	6,906	1,546	1,399	1,399	4,345
Tangible Net Income (non-GAAP)	\$ 43,734	\$ 228,817	\$ 49,018	\$ 40,855	\$ 50,118	\$ 139,992
<b>Return on Tangible Common Equity (non-GAAP)</b>	<b>12.75%</b>	<b>16.76%</b>	<b>13.21%</b>	<b>11.29%</b>	<b>13.39%</b>	<b>12.64%</b>