



Associated

**Associated Banc-Corp
Investor Presentation**

February 2012

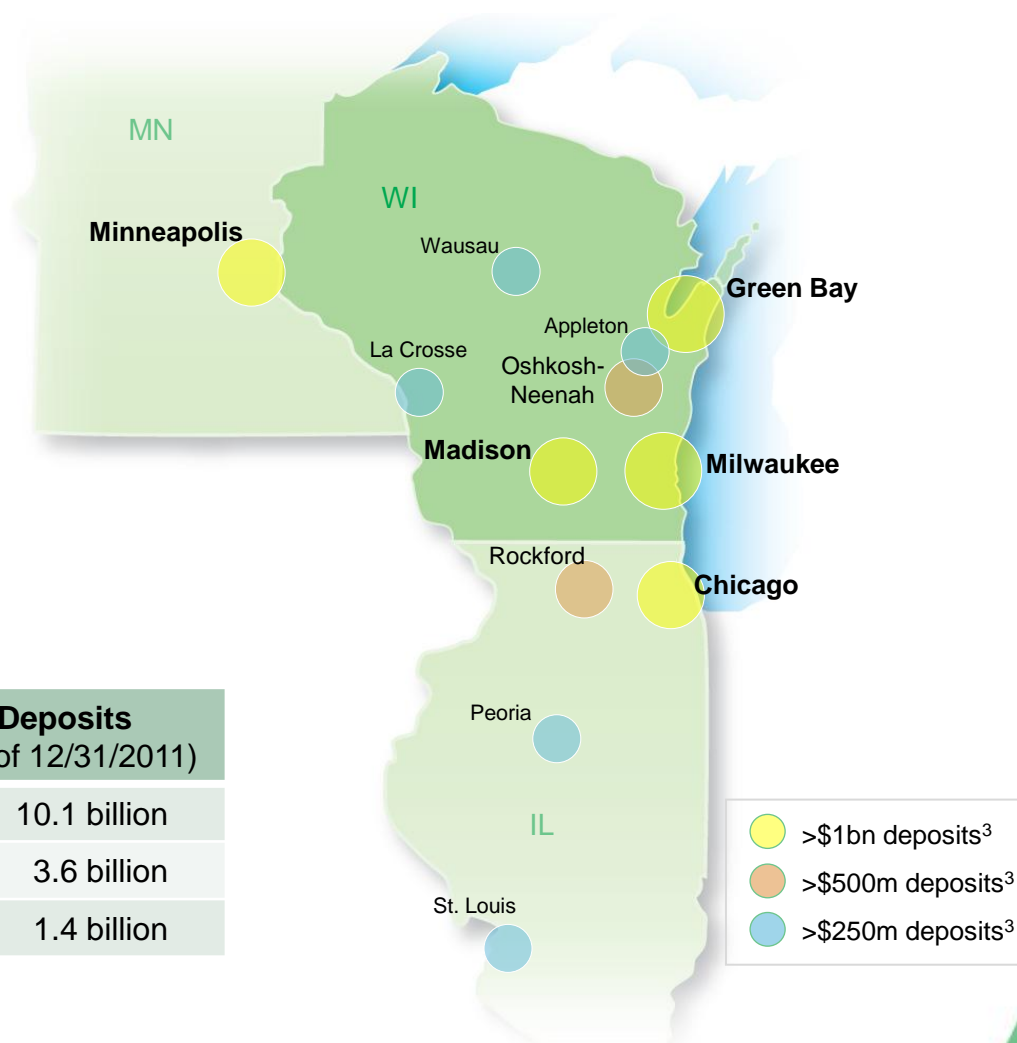
Forward-Looking Statements

Important note regarding forward-looking statements:

Statements made in this presentation which are not purely historical are forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. This includes any statements regarding management's plans, objectives, or goals for future operations, products or services, and forecasts of its revenues, earnings, or other measures of performance. Forward-looking statements are based on current management expectations and, by their nature, are subject to risks and uncertainties. These statements may be identified by the use of words such as "believe", "expect", "anticipate", "plan", "estimate", "should", "will", "intend", "outlook", or similar expressions. Outcomes related to such statements are subject to numerous risk factors and uncertainties including those listed in the company's most recent Form 10-K and any subsequent Form 10-Q.

Leading Midwest Banking Franchise

- Top 50 U.S. bank holding company with \$22 billion in assets
- Largest bank headquartered in Wisconsin
 - More than 250 banking offices serving over 150 communities
 - #1 mortgage originator in Wisconsin¹
 - #1 SBA lender in Wisconsin²



State	Deposits (as of 12/31/2011)
Wisconsin	\$ 10.1 billion
Illinois	\$ 3.6 billion
Minnesota	\$ 1.4 billion



¹ Based on 2010 number of funded mortgage loans per HMDA data

² Based on 2011 FY number of funded SBA loans

³ FDIC market share data 6/30/11

Why Associated

Attractive Midwest Markets

- Upper Midwest continues to outpace the broader economy
 - Employment and output levels above national averages
- Continuing growth in manufacturing and other sectors providing regional stimulus

Proven Track Record of Results

- Aggressively addressed legacy problem credits and improved core profitability
- Exited TARP in a shareholder-friendly manner
- Satisfactorily addressed OCC and Fed Memorandums of Understanding (MOUs)
- Grew loans in challenging economic environment; 2011 net loan growth +11% YoY

Organic Growth Opportunity

- Executing on strategic initiatives for growth
- Re-mixing securities into loans provides opportunity for margin retention/expansion despite a flat rate environment
- Continuing improvements in core funding base from enhanced customer acquisition and retention
- Capitalizing on competitive disruptions in our markets to drive further market share gains

Opportunities for Capital Deployment

- Strong balance sheet with ample liquidity
- Capital levels exceeding Basel III guidelines
- Increased quarterly dividend to \$0.05/share

Attractive Midwest Markets

Wisconsin

- Population: 5.7 million
- GSP¹: \$248 billion
- Unemployment²: 7.1%

- Wisconsin continues to show above average employment levels
- Wisconsin expects to add 136,000 jobs by 2014³
- Madison MSA unemployment rate at 4.7%
- Green Bay MSA unemployment at 6.3%, Milwaukee MSA unemployment at 6.9%
- Largest WI deposit MSAs: Milwaukee, Madison, Green Bay

Minnesota

- Population: 5.3 million
- GSP¹: \$270 billion
- Unemployment²: 5.7%

- Minnesota continues to show above average employment levels
- Unemployment rate has dropped to 5.7% from 6.9% since Sept. 2011
- Minnesota is expected to have continuing job growth on a year-over-year basis and better than 5% sales growth year-over-year in 2012⁴
- Minneapolis MSA accounts for over 70% of total MN deposits

Illinois

- Population: 12.8 million
- GSP¹: \$652 billion
- Unemployment²: 9.8%

- Chicago Fed's Midwest Manufacturing Index continues to strengthen
- Midwest Manufacturing is up 8.4% year-over-year (vs. 4.0% nationally)⁵
- Midwest Machinery output is up 12.1% year-over year⁵
- Chicago MSA accounts for over 80% of total IL deposits

U.S (National)

- Unemployment²: 8.3%

- Our top 5 markets have a deposit-weighted average unemployment rate of 6.7%, or 19% below the national average⁶



¹Source: Gross State Product: 2010 GDP by state, Bureau of Economic Analysis; ²Source: U.S. BLS, Dec. 2011, Jan. 2012; ³Source: Wisconsin Department of Revenue Economic Outlook, Fall 2011; ⁴Source: Fitch Ratings; ⁵Source: FRB Chicago Midwest Manufacturing Index, Dec. 2011; ⁶Source: U.S. BLS, Dec. 2011, Jan. 2012 & FDIC, Jun. 2011

Proven Track Record of Results

Recap of Success; Executing on Strategic Plan

TARP / MOUs

- Completed the repurchase of TARP funds in September 2011
 - No incremental common equity raised
- OCC Memorandum of Understanding (MOU) terminated in September 2011
- Fed MOU expected to be terminated in March 2012

Loan Growth

- Grew loans and gained market share
 - Total loans grew 11% YoY; commercial and business loans grew 17% YoY

Net Interest Margin

- Defended the margin despite interest rate headwinds
 - NIM increased 6 bps from FY 2010 to FY 2011; up 8bps 4Q11 vs. 4Q10

Credit

- Credit quality continues to improve at a steady pace
 - Nonaccruals down 38% YoY; net charge offs down 69% YoY

Earnings

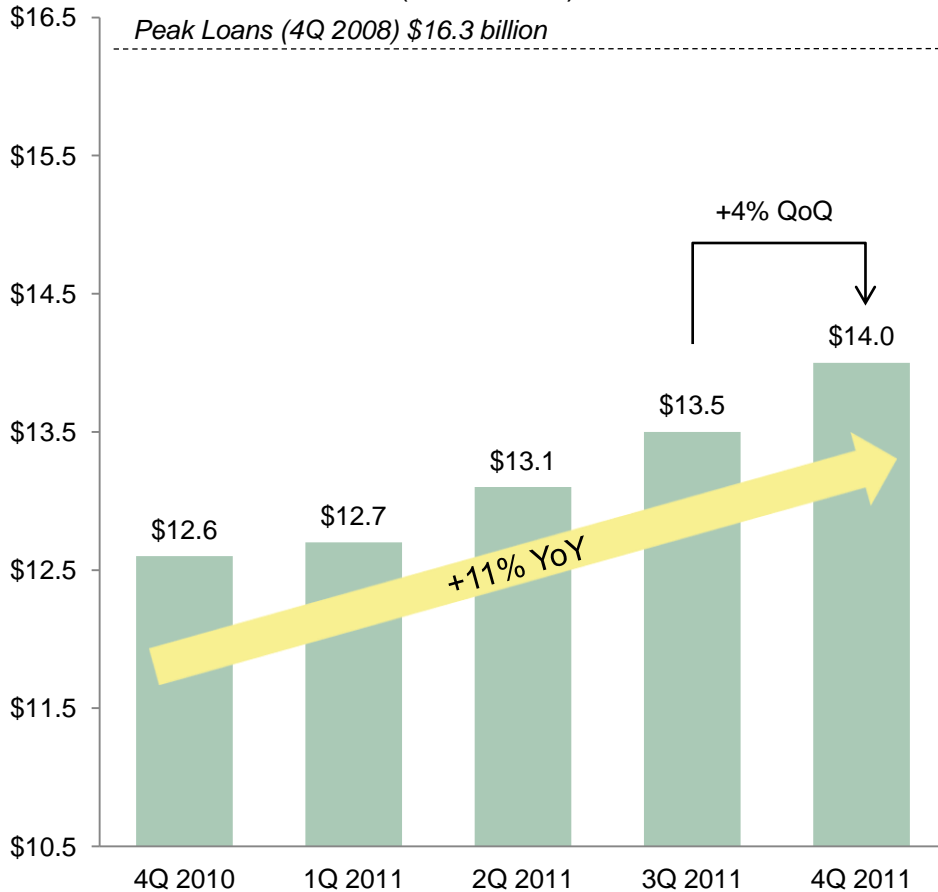
- FY 2011 earnings of \$115 million compared to a net loss in 2010
- Increased earnings per share in each of the four quarters
 - EPS improved \$0.84 per share from FY 2010; EPS improved \$0.19 per share from 4Q10 to 4Q11

Loan Portfolio Growth and Composition

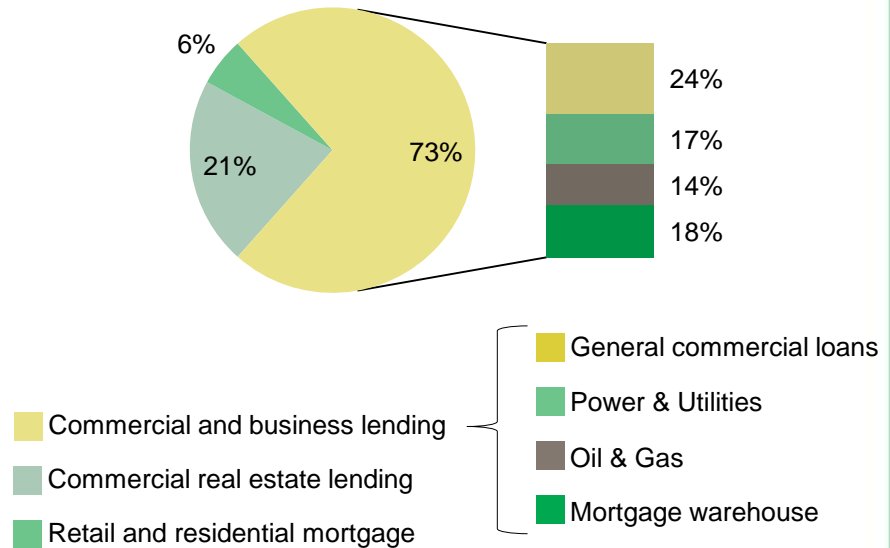
Total Loans of \$14 billion at December 31, 2011

Total Loans

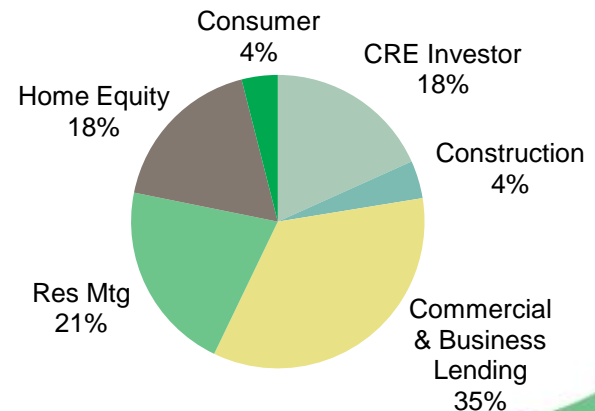
(\$ in billions)



4Q 2011 Net Loan Growth of \$528 million



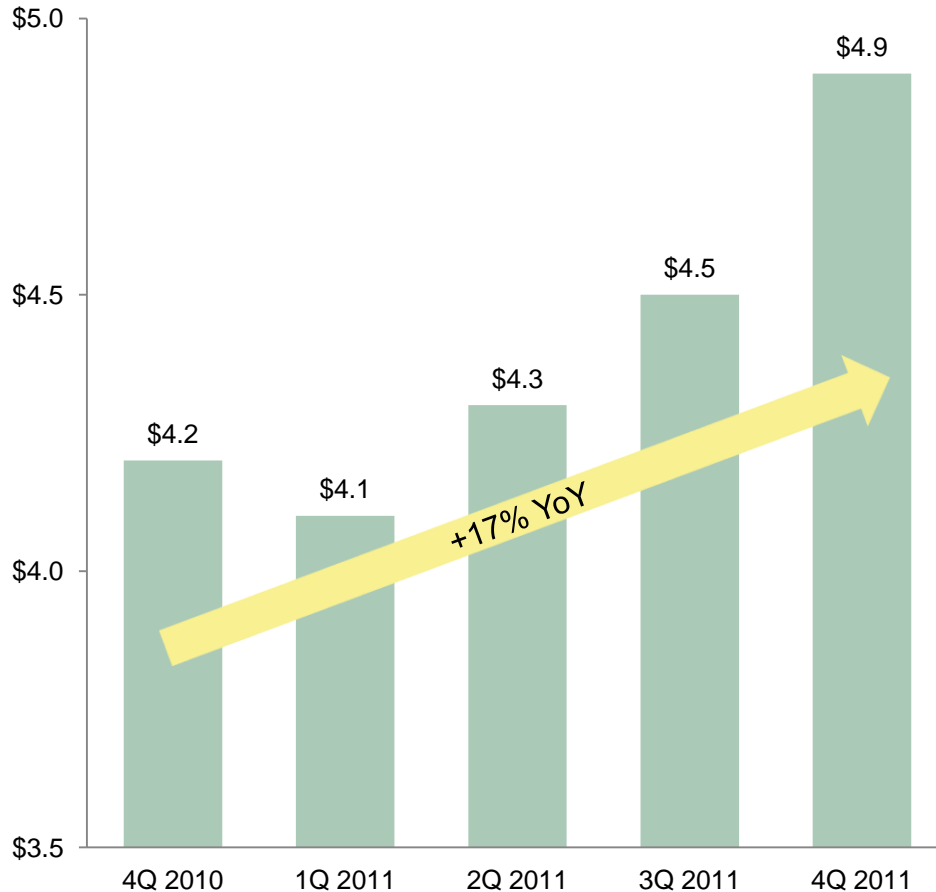
Loan Mix – YE 2011



Growing Commercial & Business Lending

Commercial & Business Lending Loans

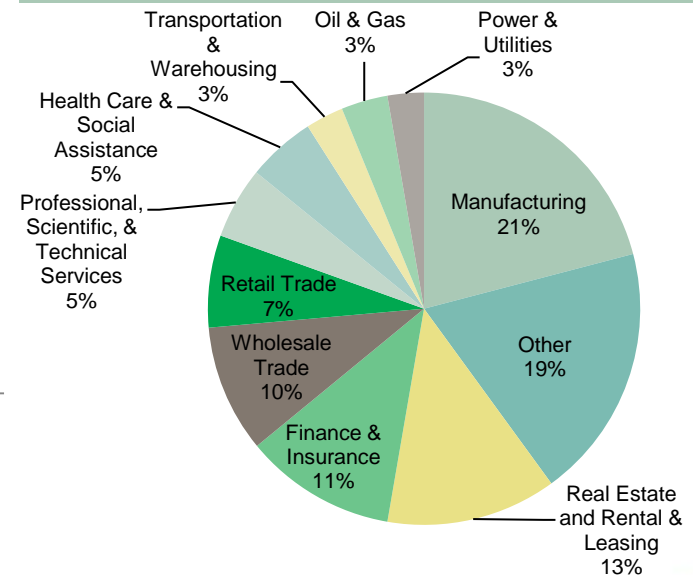
(\$ in billions)



Highlights

- Q4 loan production continued to show strength across all markets; pipeline remained strong
- Recent hires continue to gain traction in driving new relationships to Associated
- Launched enhanced Treasury Management online portal in February
- Focusing on cross-sell with Treasury Management, AFG, and Private Client & Institutional Services to deepen customer relationships

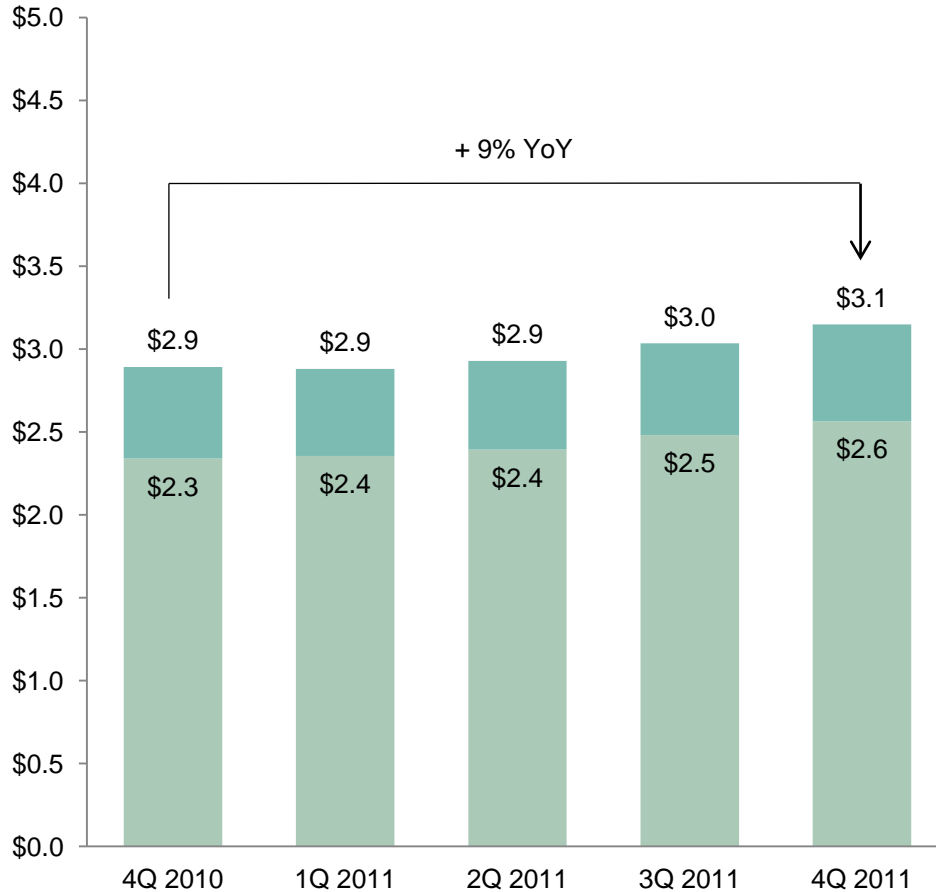
CB&L Loans by Industry (YE 2011)



Growing Commercial Real Estate Lending

Commercial Real Estate Lending Loans

(\$ in billions)



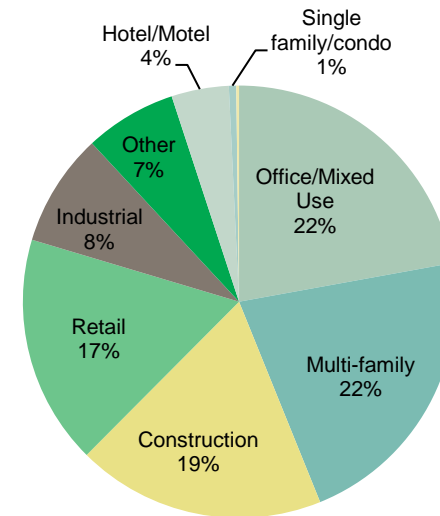
+ 9% YoY

Highlights

- Growing multi-family lending portfolio
 - Net growth over \$200 million in 2011
- Continuing strong growth across the footprint
- ~90% of CRE loans are in core three-state footprint



CRE Loans by Collateral (YE 2011)



■ Construction
■ Investor commercial real estate

Growing Private Client and Institutional Services (Formerly Wealth Management)

Highlights

- Focusing on core disciplines, business development, and cross-line partnership with Commercial Banking
- Increasing the number and depth of Private Banking households
- Hired new head of Trust; based in Milwaukee
- Addition of new talent in Minneapolis in order to execute on strategic growth in the market
- Product & service enhancements for affluent client base
- Over 60,000 participants in supported business retirement plans
- Over \$5.6 billion of assets under management



Cross-Line Partnerships between Private Client & Institutional Services and Commercial Banking & Insurance



Deposit Solutions

Asset Management

Brokerage

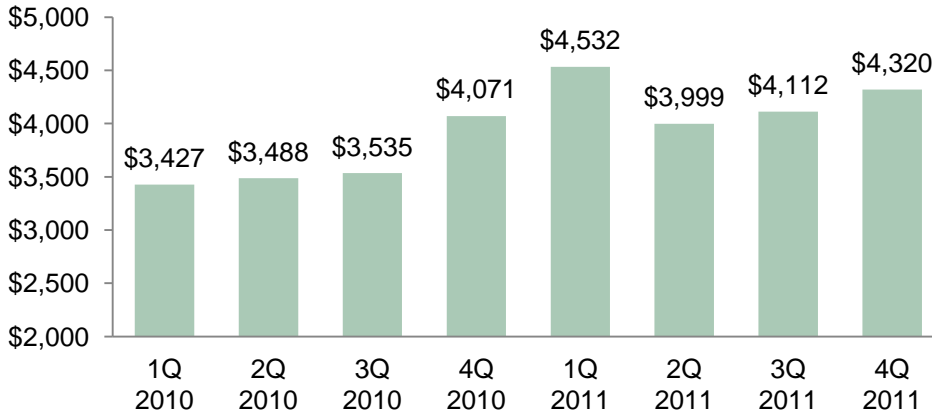
Trust & Custodial

Lending

Insurance

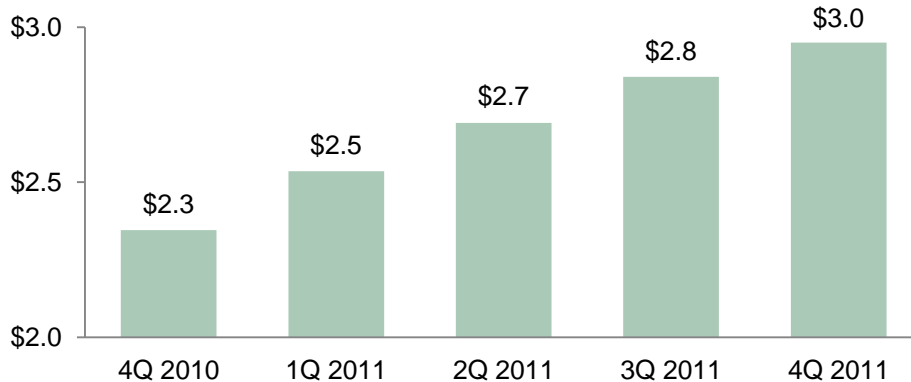
Expanding Retail Banking Relationships

Consumer DDA Average Balance per Account



Residential Mortgage Loan Portfolio

(\$ in billions)



Highlights

- Strengthening the basics
 - Strengthening our focus on our premier banking customers
 - Expanding the scope and reach of our market-leading mortgage franchise
- Leveraging our relationship with the Green Bay Packers & Aaron Rodgers

Packers Banking

Show your true colors.



Get Packers Checking, and get free stuff, too!

- Open a Packers Checking account at Associated Bank this week and show your Packers pride. Act right now, and you'll also get:
 - A limited edition Packers pennant
 - A limited edition Packers flag
 - Free first order of Packers checks to \$21 value!
 - \$10 credit to your account with your first Packers Debit MasterCard® purchase
 - 10% discount at the Packers Pro Shop*

This offer is good this week only, so ask for details!

Official Bank of the Green Bay Packers



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Aaron? Or tickets?
Which would you choose?

Open an account. Or apply for a loan. And win* a shot at the choice of a lifetime.

Decisions, decisions. Open a personal account or apply for a personal loan by Feb. 15, and if you win, you get to choose: be in a TV ad with Aaron Rodgers CP! get tickets to every Packers 2012 regular season home game. And more! If you don't win, you'll find some fantastic Packers goods**, including a Packers check and a hardcover edition of Aaron Rodgers, Leader of the Pack. While supplies last.

Visit an Associated branch or AssociatedBank.com/YouDecide for details.



Official Bank of the Green Bay Packers



Footprint Update

Differentiating Associated in Branch Banking



Relocated office in Waukesha, WI



Our first in-store location in the Milwaukee area; includes new in-store design elements



Relocated office in Manitowoc, WI; one of our three founding communities



History wall in renovated office in Neenah, WI; one of our three founding communities

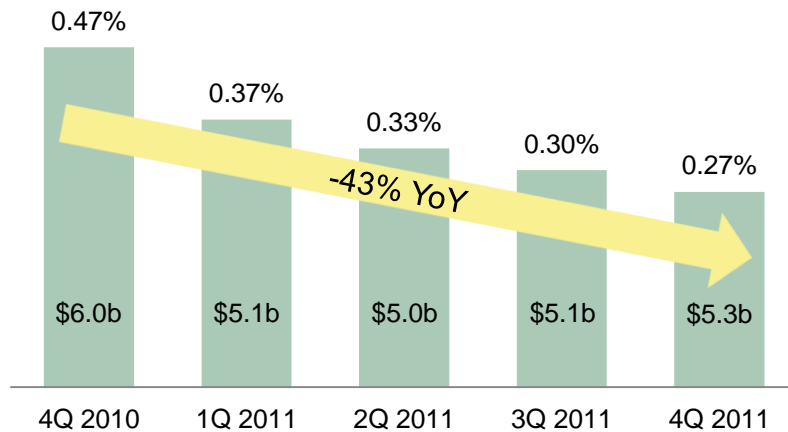
Highlights

- Installation of consistent signage throughout the footprint is largely complete
- Completed the remodel, relocation, or new construction of over 30 branches in 2011
- Planned consolidation of 21 branches in 1H2012
- Announced three additional branch sales in Jan. 2012; these locations are well outside of core retail footprint
- 50 remodels planned in 2012

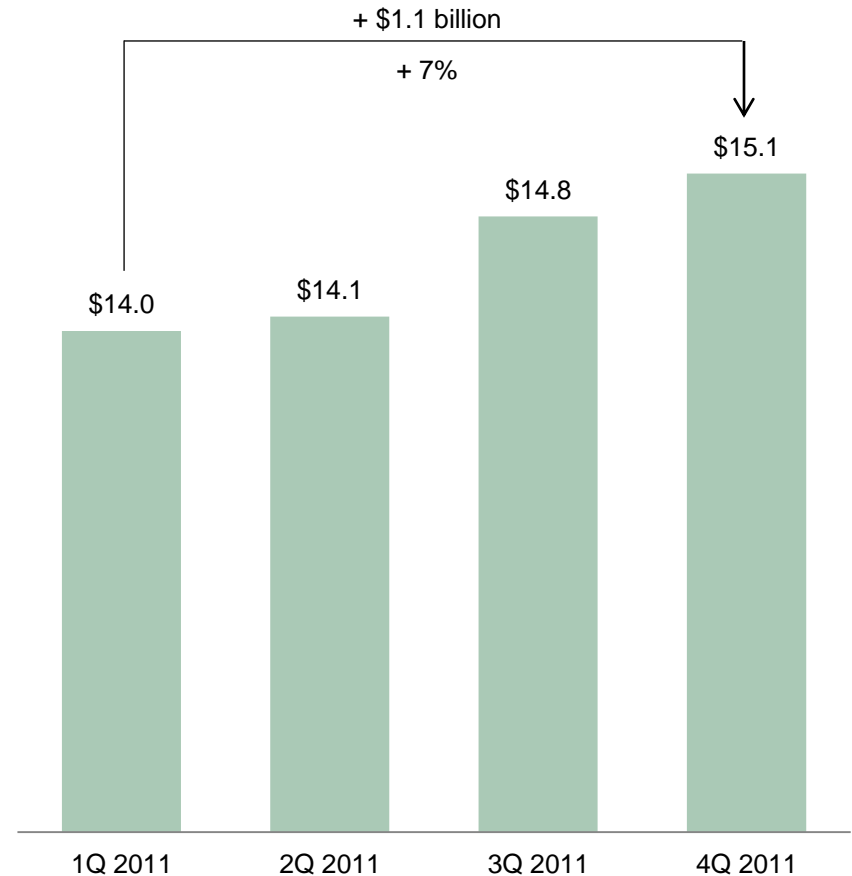
Managing the Cost of Funds and Deposit Levels

Total Deposits of \$15 billion at December 31, 2011

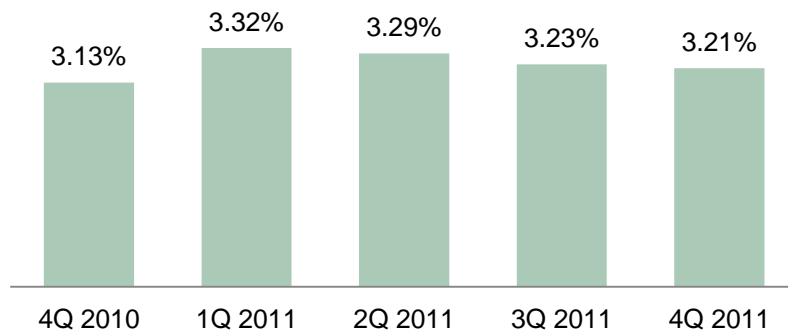
Cost of Money Market Deposits



Total Deposits (\$ in billions)



Net Interest Margin



Significant Improvements in Credit Quality Indicators

(\$ in millions)

	4Q 2010	1Q 2011	2Q 2011	3Q 2011	4Q 2011
<i>Potential problem loans</i>	\$ 963.7	\$ 911.5	\$ 699.4	\$ 659.5	\$ 566.4
<i>Nonaccruals</i>	\$ 574.4	\$ 488.3	\$ 467.6	\$ 403.4	\$ 356.8
<i>Provision for loan losses</i>	\$ 63.0	\$ 31.0	\$ 16.0	\$ 4.0	\$ 1.0
<i>Net charge offs</i>	\$ 108.2	\$ 53.4	\$ 44.5	\$ 30.2	\$ 22.6
<i>ALLL/Total loans</i>	3.78%	3.59%	3.25%	2.96%	2.70%
<i>ALLL/Nonaccruals</i>	83.02%	93.07%	91.09%	99.09%	105.99%
<i>NPA/Assets</i>	2.84%	2.50%	2.33%	2.03%	1.82%
<i>Nonaccruals/Loans</i>	4.55%	3.86%	3.57%	2.99%	2.54%
<i>NCOs / Avg Loans</i>	3.41%	1.71%	1.37%	0.90%	0.64%

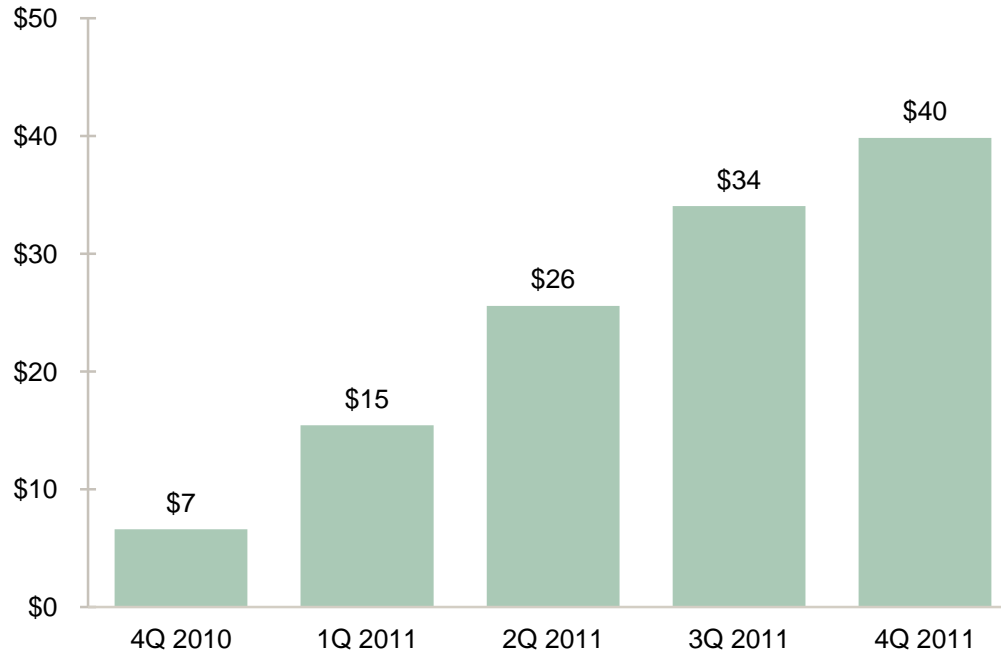
Improving Earnings Profile

Quarterly Results Reflect Positive Trends

- Net income available to common shareholders improved 17%, or \$6 million, from the prior quarter, and improved \$33 million from a year ago
- Full-year 2011 EPS of \$0.66 per share

Net Income Available to Common

(\$ in millions)



Maintaining a Strong Capital Profile

Strong Capital Provides Flexibility

- Sufficient capital to fund contemplated organic growth
- Opportunity to optimize capital over time (dividends, buybacks, acquisitions)

<u>ASBC Capital Ratios</u>	4Q 2010	1Q 2011	2Q 2011	3Q 2011	4Q 2011
Stockholders' equity / assets	14.50%	14.88%	13.60%	13.01%	13.07%
Tangible common equity / tangible assets	8.12%	8.42%	8.49%	8.77%	8.84%
Tangible equity / tangible assets	10.59%	10.93%	9.71%	9.07%	9.14%
Tier 1 leverage ratio	11.19%	11.65%	10.46%	9.62%	9.81%
Tier 1 common equity / risk-weighted assets	12.26%	12.65%	12.61%	12.44%	12.24%
Tier 1 risk-based capital ratio	17.58%	18.08%	16.03%	14.35%	14.08%
Total risk-based capital ratio	19.05%	19.56%	17.50%	15.81%	15.53%

2012 Outlook

Positioned for Growth; Creating Long-Term Shareholder Value

Loan Growth

- ~3% quarterly growth

Expenses

- Low single-digit YoY growth

Deposit Growth

- Continued run-off of high cost CDs & disciplined deposit pricing
- Sustained focus on treasury management solutions to drive growth in commercial deposits

Footprint

- Net consolidation in branch network while remodeling and renovations continue

NIM

- Relatively stable

Credit

- Continuing improvement in credit trends
- Very modest provision outlook

Fee Income

- Modest improvement despite considerable headwinds

Capital

- Continuing to fund organic growth
- Increased quarterly dividend to \$0.05; payable on March 15

Countering Headwinds in the Current Environment

Industry Headwinds

- Changing retail banking landscape
 - Headwinds to fee revenues
 - Shifts in customer behavior
- Sustained low interest rate environment
- Increased competitive backdrop
- Regulators “raising of the bar”
- Enhanced risk management standards
- Capital restrictions
 - Dividends
 - Total payout

How we are Addressing

- Continued loan growth across portfolios
- Disciplined deposit pricing
- Controlled expense growth while investing in systems, people, & footprint
- Continuing to enhance risk management practices and resolve BSA issues
- Working with our regulators to optimize capital

Building Value in Our Franchise

- Customer centric investments will provide attractive returns
- Focusing on levers for earnings expansion
- Loan growth and stable NIM, coupled with controlled expense growth, will deliver value to shareholders



Associated

Associated Banc-Corp will be the most admired Midwestern financial services company, distinguished by sound, value-added financial solutions with personal service for our customers, built upon a strong commitment to our colleagues and the communities we serve, resulting in exceptional value for our shareholders.

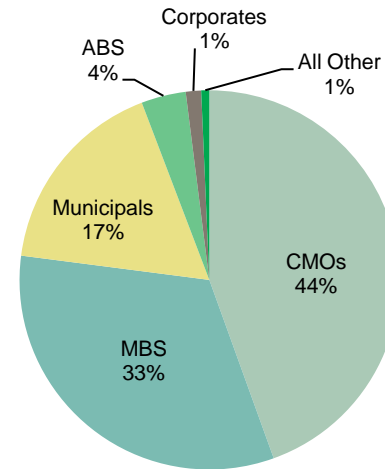
Appendix

High Quality Investment Securities Portfolio

Investment Portfolio – December 31, 2011

Type	Bk Value (000's)	Mkt Value (000's)	TEY (%)	Duration (Yrs)
Govt & Agencies	\$ 25,031	\$ 25,050	0.72	0.52
MBS	1,519,077	1,607,713	4.40	1.60
CMOs	2,172,266	2,196,420	2.69	1.53
Municipals	797,691	847,246	5.62	4.45
ABS	188,439	187,732	0.58	0.15
Corporates & Other	72,896	73,322	1.46	0.29
TOTAL AFS	\$4,775,400	\$4,937,483	3.61	1.99

Market Value Composition – December 31, 2011



Risk Weighted Profile – December 31, 2011

Type	Mkt Value (000's)	% of Total
0% RWA	\$ 56,452	1%
20% RWA	4,569,425	93%
50% RWA	38,982	1%
100% RWA	120,712	2%
Not subject to RW	151,822	3%
TOTAL	\$4,937,483	100%

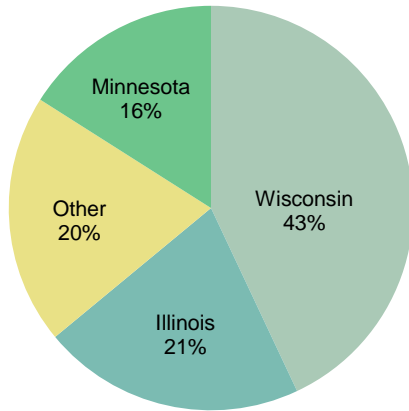
Portfolio Composition Ratings – December 31, 2011

Credit Rating	Mkt Value (000's)	% of Total
Govt & Agency	\$ 3,789,368	77%
AAA	203,571	4%
AA	786,118	16%
A	81,984	2%
BAA1, BAA2 & BAA3	16,887	---
BA1 & Lower and Non-rated	59,555	1%
TOTAL	\$4,937,483	100%

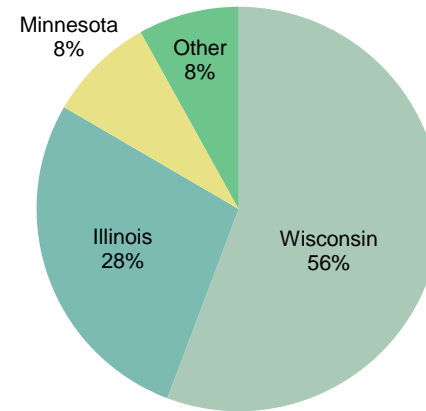
Loan Portfolios by Geography

(as of December 31, 2011)

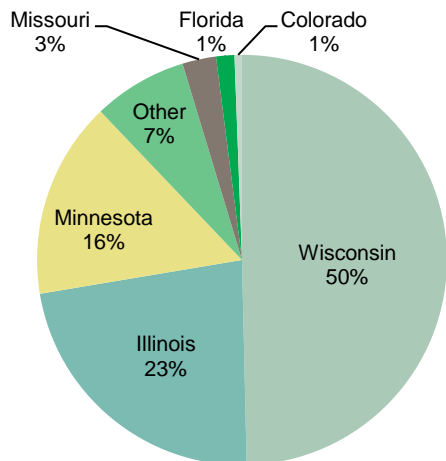
Commercial & Business Lending Loans by State



Residential Mortgage Loans by State



Commercial Real Estate Lending Loans by State



Home Equity Loans by State

