

Associated Banc-Corp
Investor Presentation

2017

THIRD QUARTER



DISCLAIMER

Important note regarding forward-looking statements:

This presentation contains “forward-looking statements” within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may include: management plans relating to the proposed merger between Associated Banc-Corp (“Associated”) and Bank Mutual Corporation (“Bank Mutual”); the expected timing of the completion of the proposed transaction; the ability to complete the proposed transaction; the ability to obtain and required regulatory, shareholder or other approvals; any statements of the plans and objectives of management for future operations, products or services, including the execution of integration plans relating to the proposed transaction; any statements of expectation or belief; projections related to certain financial metrics or other benefits of the transaction; and any statements of assumptions underlying any of the foregoing. Forward-looking statements are typically identified by words such as “believe,” “expect,” “anticipate,” “intend,” “seek,” “plan,” “will,” “would,” “target,” “outlook,” “estimate,” “forecast,” “project” and other similar words and expressions or negatives of these words. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time and are beyond our control. Forward-looking statements speak only as of the date they are made. Neither Associated nor Bank Mutual assumes any duty and does not undertake to update any forward-looking statements. Because forward-looking statements are by their nature, to different degrees, uncertain and subject to assumptions, actual results or future events could differ, possibly materially, from those that Associated or Bank Mutual anticipated in its forward-looking statements, and future results could differ materially from historical performance. Factors that could cause or contribute to such differences include, but are not limited to, those included under Item 1A “Risk Factors” in Associated’s Annual Report on Form 10-K for the year ended December 31, 2016, those included under Item 1A “Risk Factors” in Bank Mutual’s Annual Report on Form 10-K for the year ended December 31, 2016, those disclosed in Associated’s and Bank Mutual’s respective other periodic reports filed with the Securities and Exchange Commission (the “SEC”), as well as the possibility that expected benefits of the proposed transaction may not materialize in the timeframe expected or at all, or may be more costly to achieve; the proposed transaction may not be timely completed, if at all; that prior to the completion of the proposed transaction or thereafter, Associated’s and Bank Mutual’s respective businesses may not perform as expected due to transaction-related uncertainty or other factors; that the parties are unable to successfully implement integration strategies related to the proposed transaction; that required regulatory, shareholder or other approvals are not obtained or other customary closing conditions are not satisfied in a timely manner or at all; reputational risks and the reaction of the companies’ shareholders, customers, employees or other constituents to the proposed transaction; and diversion of management time on merger-related matters. These risks, as well as other risks associated with the proposed transaction, will be more fully discussed in the proxy statement/prospectus that will be included in the registration statement on Form S-4 that will be filed with the SEC in connection with the proposed transaction. While the list of factors presented here is, and the list of factors presented in the registration statement on Form S-4 will be, considered representative, no such lists should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. For any forward-looking statements made in this presentation or in any documents, Associated and Bank Mutual claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Associated and Bank Mutual annualized, pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results.

Trademarks:

All trademarks, service marks, and trade names referenced in this material are official trademarks and the property of their respective owners.

DISCLAIMER

Important Additional Information and Where to Find It

In connection with the proposed merger, Associated will file with the SEC a Registration Statement on Form S-4 that will include a Proxy Statement of Bank Mutual and a Prospectus of Associated, as well as other relevant documents concerning the proposed transaction. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. SHAREHOLDERS OF BANK MUTUAL CORPORATION ARE URGED TO READ THE REGISTRATION STATEMENT AND THE PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

A free copy of the Proxy Statement/Prospectus, as well as other filings containing information about Associated and Bank Mutual, may be obtained at the SEC's Internet site (<http://www.sec.gov>). You will also be able to obtain these documents, free of charge, from Associated Banc-Corp at <http://www.associatedbank.com> under the heading "About" and then under the heading "Investor Relations" and then under "SEC Filings" or from Bank Mutual Corporation at <http://www.bankmutual.com/bank-mutual-corporation/> under the heading "Financial & SEC Reports." Copies of the Proxy Statement/Prospectus can also be obtained, free of charge, by directing a request to Associated Banc-Corp, 433 Main Street, Green Bay, Wisconsin 54301, Attention: Investor Relations, Telephone: (920) 491-7059 or to Bank Mutual Corporation, 4949 West Brown Deer Road, Milwaukee, Wisconsin 53223, Attention: Michael W. Dosland, Telephone: (414) 354-1500.

Participants in the Solicitation

Associated, Bank Mutual, and certain of their respective directors, executive officers and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Associated's directors and executive officers is available in its definitive proxy statement, which was filed with the SEC on March 14, 2017, and certain of its Current Reports on Form 8-K.

Information regarding Bank Mutual's directors and executive officers is available in its definitive proxy statement, which was filed with SEC on March 8, 2017, and certain of its Current Reports on Form 8-K. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials filed with the SEC. Free copies of this document may be obtained as described in the preceding paragraph.

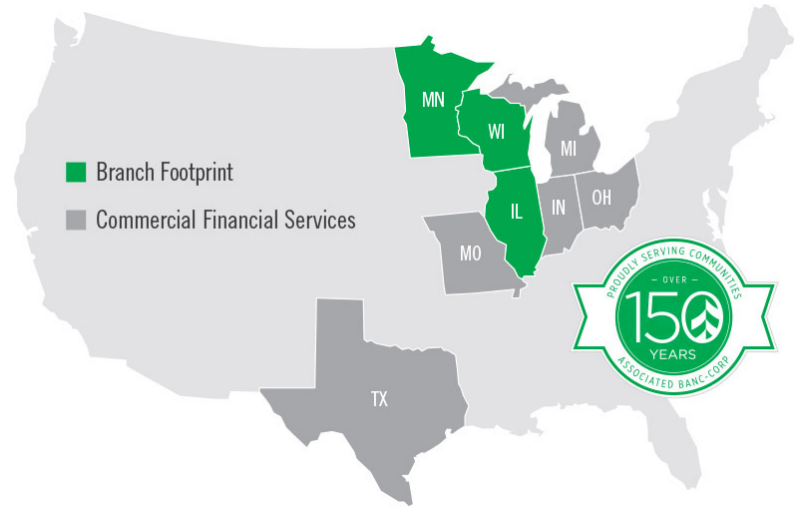
Non-GAAP Measures

This presentation includes certain non-GAAP financial measures. These non-GAAP measures are provided in addition to, and not as substitutes for, measures of our financial performance determined in accordance with GAAP. Our calculation of these non-GAAP measures may not be comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of these non-GAAP measures has limitations and should not be considered superior to, in isolation from, or as a substitute for, related GAAP measures. Reconciliations of these non- GAAP financial measures to the most directly comparable GAAP financial measures can be found at the end of this presentation.

OUR FRANCHISE

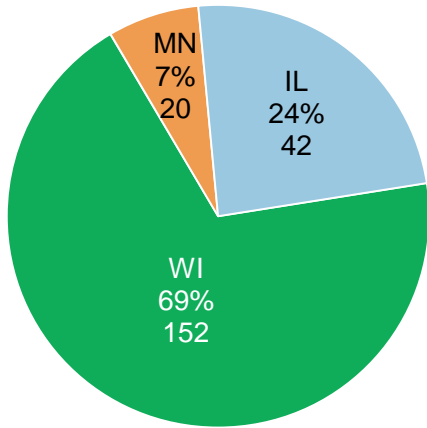
Second Quarter 2017¹

Nearly **\$30 billion** of assets **\$21 billion** of loans
 Over **\$1 billion** of revenue² **\$22 billion** of deposits

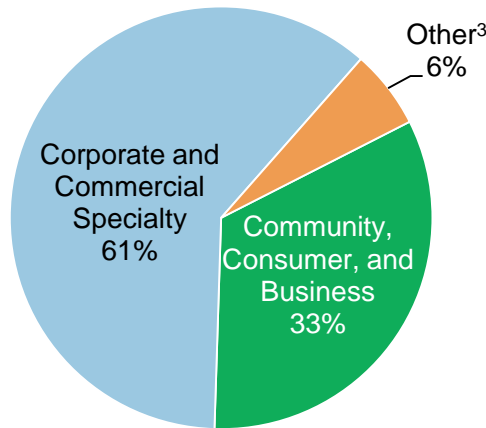


Largest bank headquartered in **Wisconsin**

Deposits (%)
And Branches



YTD 2Q 2017 Net Income
by Business Segment



Approximately **4,350** employees, serving over **1 million** customers in over **100** communities across **8** states

Affinity Programs



¹ – As of June 30, 2017, unless otherwise noted

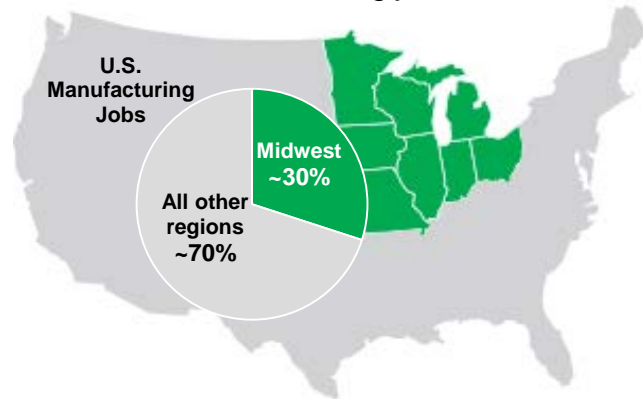
² – Twelve months ended June 30, 2017

³ – Risk Management and Shared Services

ATTRACTIVE MIDWEST MARKETS

Large Population Base With a Manufacturing and Wholesale Trade-Centric Economy

Midwest holds ~20% of the U.S. population¹ and ~30% of all U.S. manufacturing jobs²

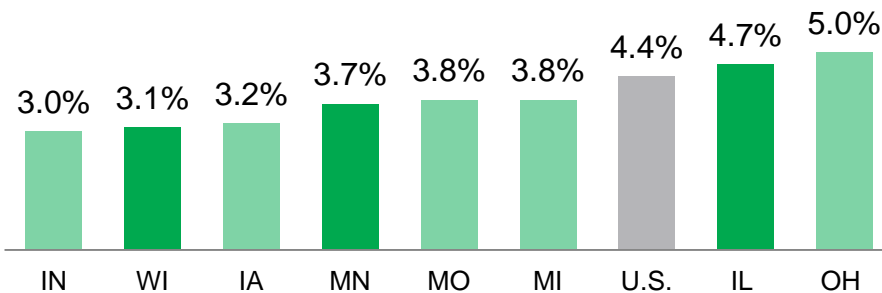


Commercial and Business Lending Loan Composition by Industry



Supporting Strong Employment Base and Healthy Consumer Credit

Several Midwestern states have unemployment rates³ below the national average



Dark green bars denote ASB branch states

Top U.S. Cities by Credit Score⁴

Rochester, MN.....	708
Mankato, MN.....	708
Minneapolis, MN.....	707
Green Bay, WI.....	704
Wausau, WI.....	704

Green font denotes ASB branch markets

¹—U.S. Census Bureau, Annual Estimates of the Resident Population, 2016

²—U.S. Bureau of Labor Statistics, Manufacturing Industry Employees, seasonally adjusted, June 2017 (preliminary)

³—U.S. Bureau of Labor Statistics, Unemployment Rates by State, seasonally adjusted, June 2017 (preliminary)

⁴—Experian, 2016 Annual State of Credit report, VantageScore is a registered trademark

2017 STRATEGIC PRIORITIES

Our Vision and Values: Associated Bank will be the Midwest's premier financial services company, distinguished by consistent, quality customer experiences, built upon a strong commitment to our colleagues and the communities we serve, resulting in exceptional value to our shareholders through economic cycles.

Strengthening Customer Relationships

- Providing outstanding customer experiences



FOR TWO YEARS IN A ROW, ASSOCIATED BANK'S CONTACT CENTERS HAVE BEEN RECOGNIZED BY J.D. POWER FOR PROVIDING "AN OUTSTANDING CUSTOMER SERVICE EXPERIENCE" FOR THE LIVE PHONE CHANNEL.

Delivering on our Strategy

- Strengthening our branch network in WI while investing in online and mobile channels
- Managing diverse revenue streams
- Limiting risk-taking outside of our core competencies, markets, and industry segments

Expanding our Community Presence

- Deepening our roots in existing communities
- Leveraging our expertise to promote affordable housing, small-business lending and neighborhood development
- Partnering with community economic development groups

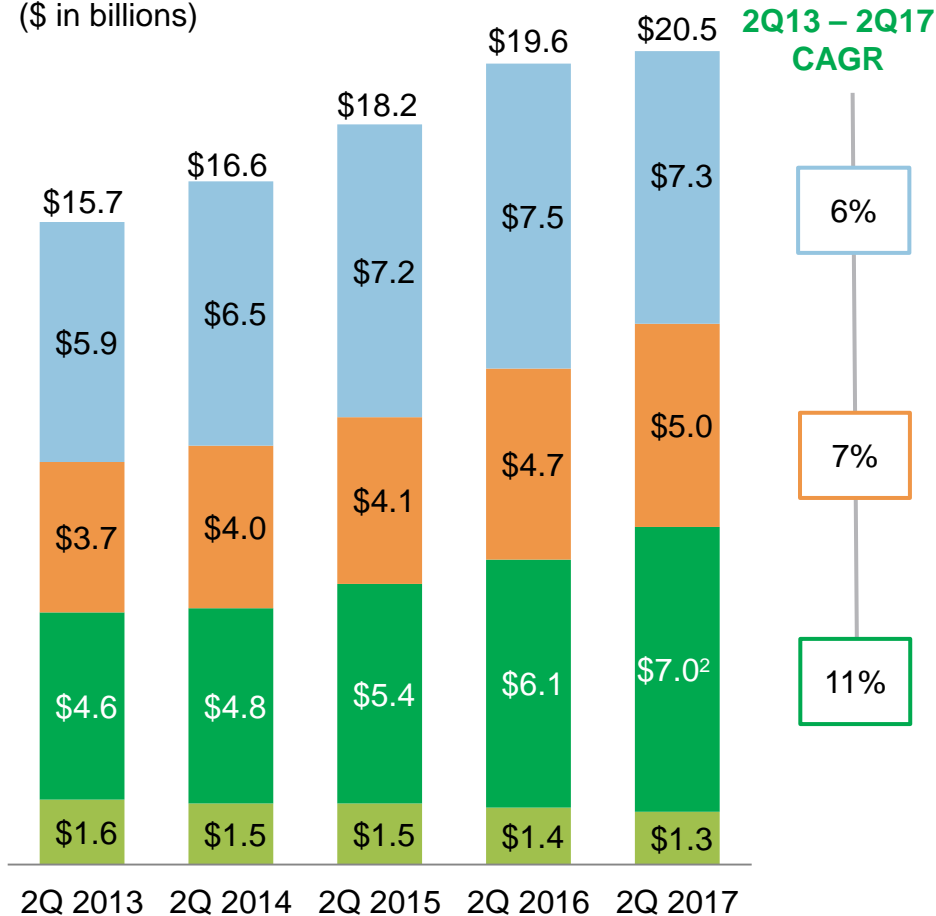
Providing Long-Term Value to Shareholders

- Diligently managing our costs
- Prudently managing capital
- Disciplined focus on improving the fundamentals of our business
- Delivering value to shareholders through economic cycles

POSITIONED FOR LOAN GROWTH

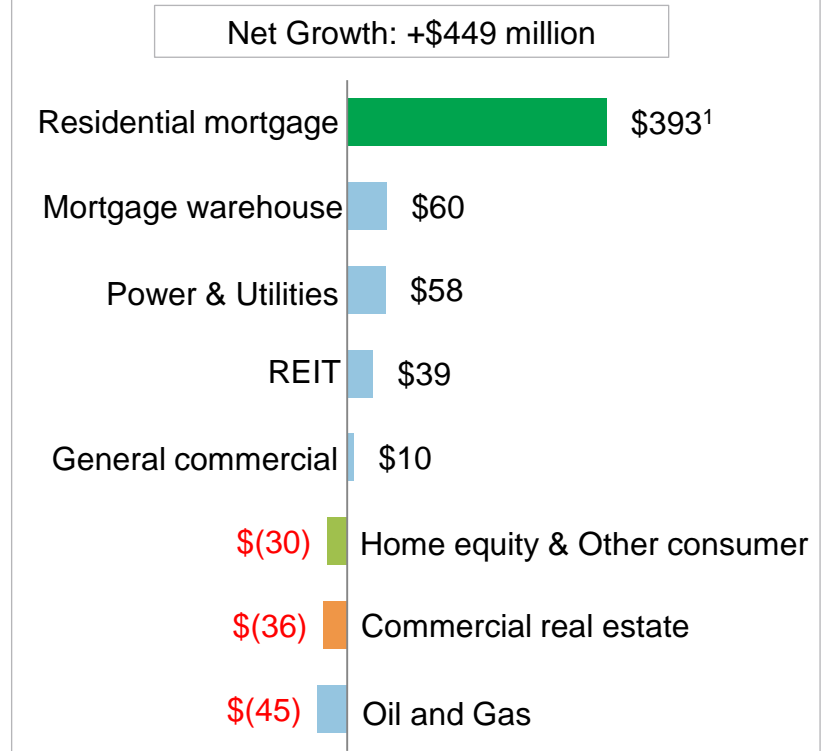
Average Quarterly Loans

(\$ in billions)



Linked Quarter Average Loan Growth

(\$ in millions)



- Commercial & business
- Commercial real estate
- Residential mortgage
- Home equity & Other consumer

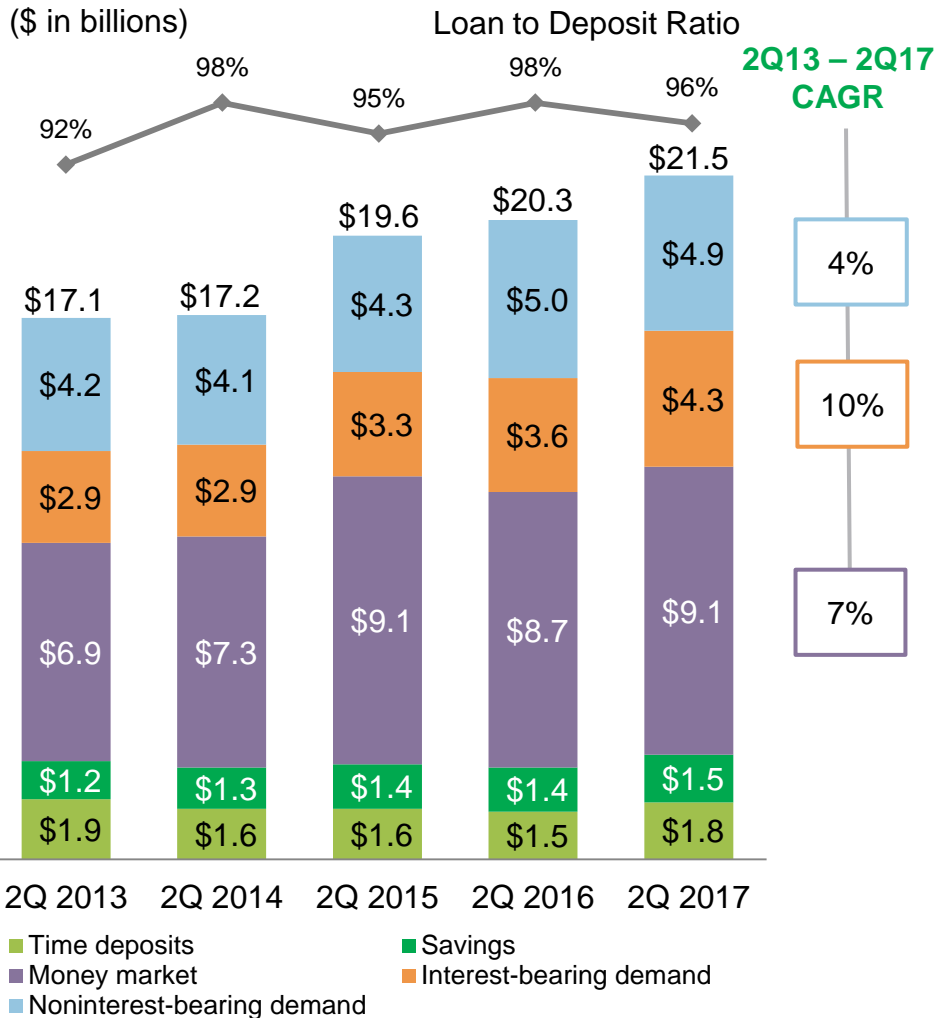
¹ - Approximately 60% of 2Q residential mortgage loan growth was in longer-dated production. Percentage based on change in period end composition.

² - \$4.8 billion of the total residential mortgage portfolio was comprised of adjustable-rate loans. Amount based on period end composition.



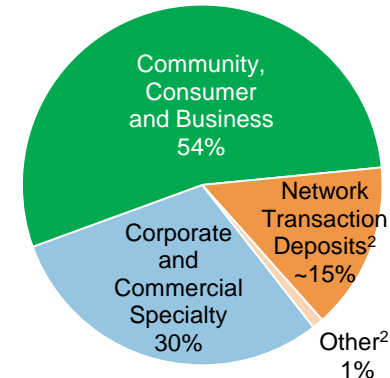
POSITIONED FOR DEPOSIT GROWTH

Average Quarterly Deposits

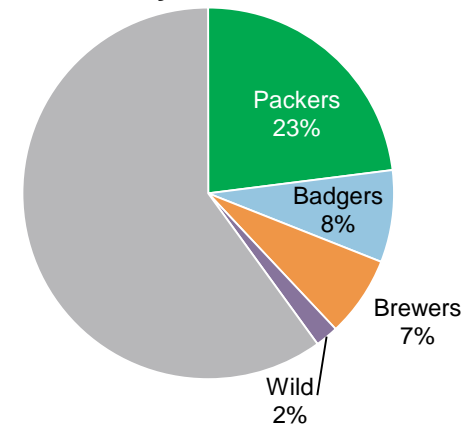


Focused on Granular Low Cost Deposits

Deposits by Segment¹



Affinity Debit Cards³



¹ – Percentages based on second quarter 2017 average balances

² – Risk Management and Shared Services segment balances

³ – Affinity debit cards as a percentage of active personal checking accounts, as of June 30, 2017

SECOND QUARTER UPDATE

2017 Strategic Priorities

Strengthening
Customer
Relationships

Delivering
on our
Strategy

Expanding our
Community
Presence

Providing Long-
Term Value to
Shareholders

Balance Sheet Management

- Mid-to-high single digit annual average loan growth
- Maintain Loan to Deposit ratio under 100%
- Improving NIM trend

YoY
Progress



Expense Management

- Approximately 1% higher than the prior year
- Continued improvement to our efficiency ratio

YoY
Progress



Fee Businesses

- Improving year over year fee-based revenues
- Declining year over year mortgage banking revenue



Capital & Credit Management

- Continue to follow stated corporate priorities for capital deployment
- Provision expected to adjust with changes to risk grade, other indications of credit quality, and loan volume



ACQUISITION OF BANK MUTUAL

Associated Banc-Corp

Acquisition of



July 20, 2017

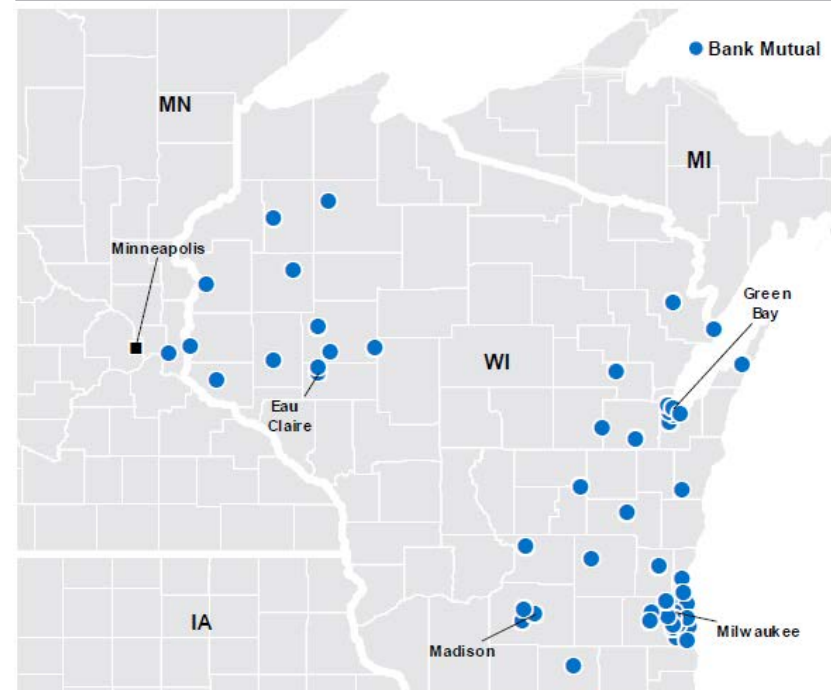
Transaction Pricing

- 100% stock transaction
 - 0.422 exchange ratio
- 1.6x price / tangible book value per share of \$6.33 as of 30-Jun-17
- 12.5x price / 2017E EPS with fully phased-in 45% after-tax cost savings³

Bank Mutual Profile

Second Quarter 2017

Branches ¹	58
Loans	\$2.0bn
Deposits	\$1.9bn
Revenue ²	\$100 mm
Expenses ²	\$70mm



¹ – Excludes previously announced pending sale of five branches. 57 branches in WI and one branch in MN

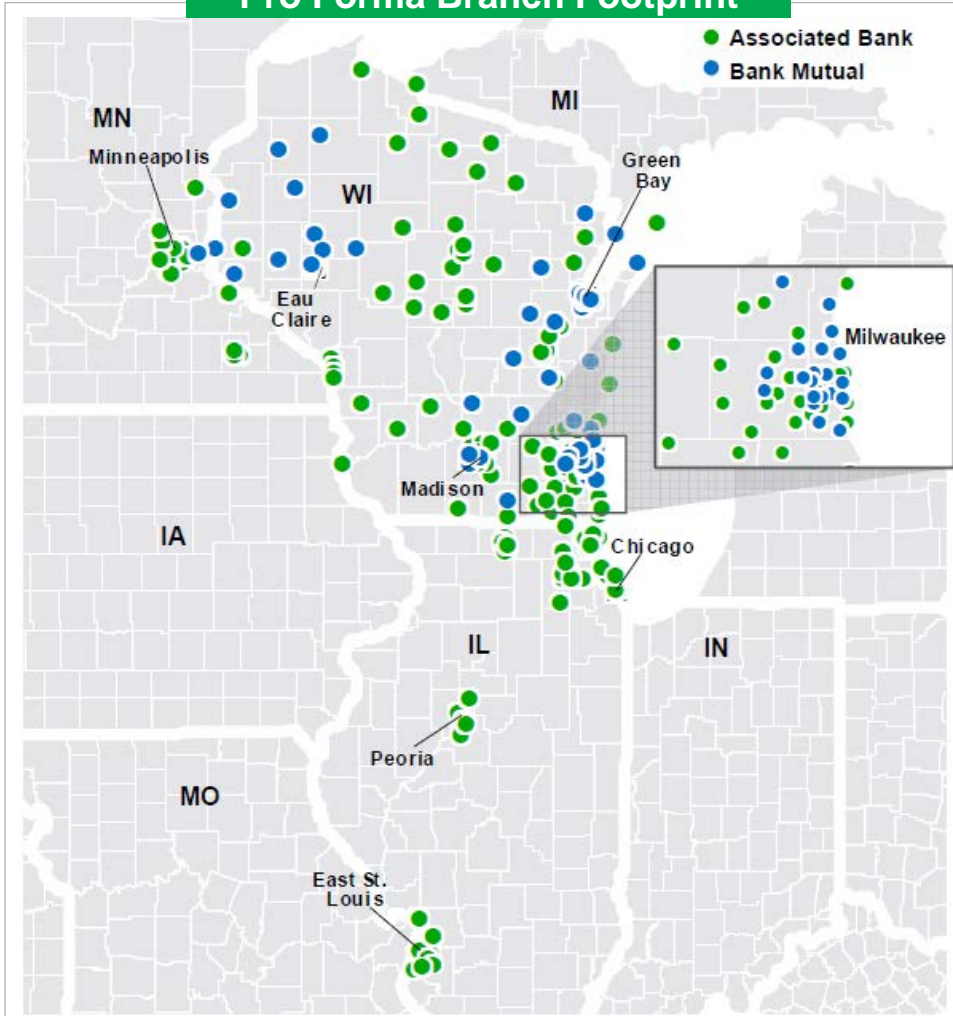
² – Twelve months ended June 30, 2017

³ – Based on BKMU IBES median 2017E EPS of \$0.38



ASSOCIATED'S PRO FORMA FOOTPRINT

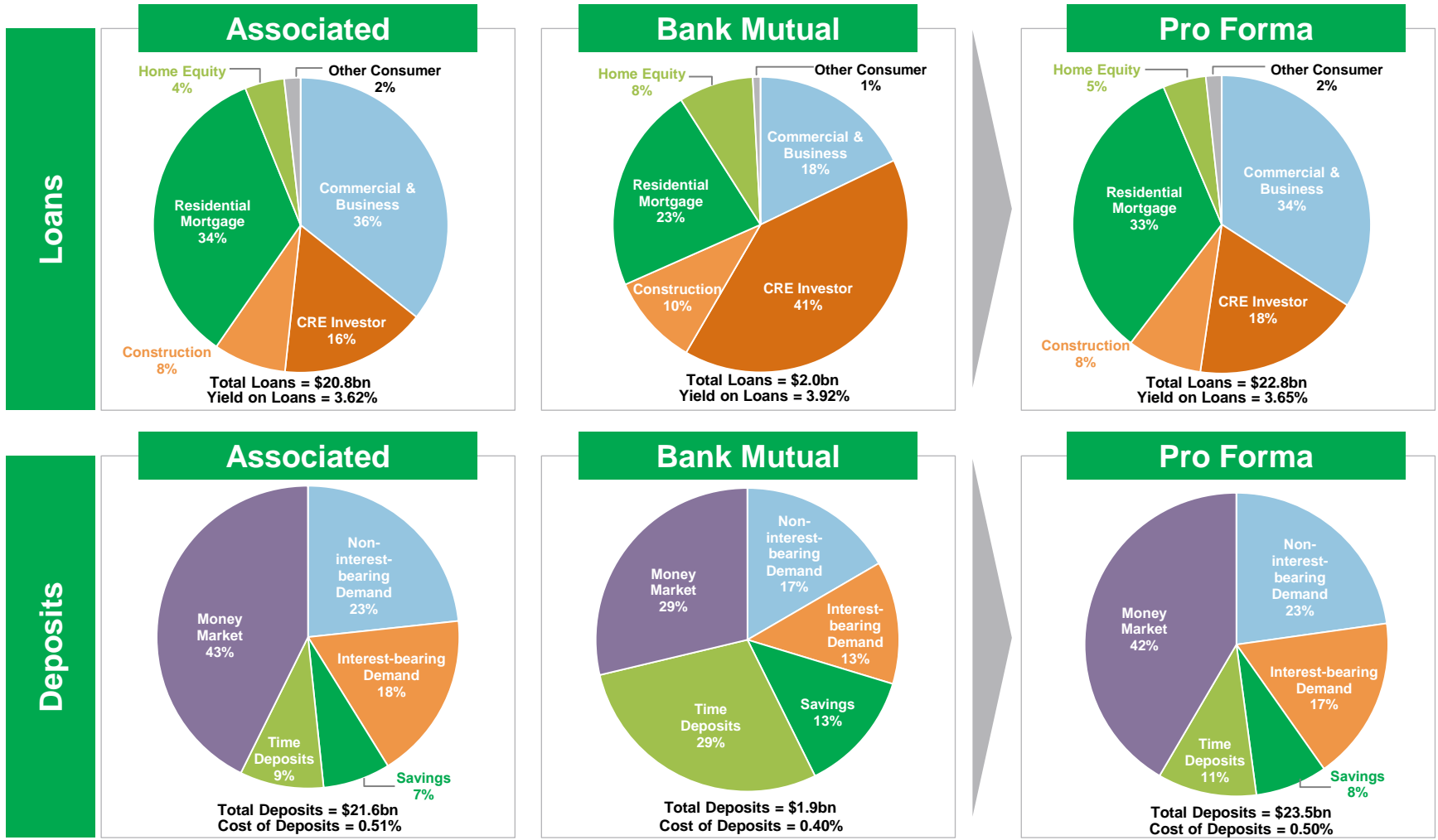
Pro Forma Branch Footprint



Improved Scale and Customer Reach

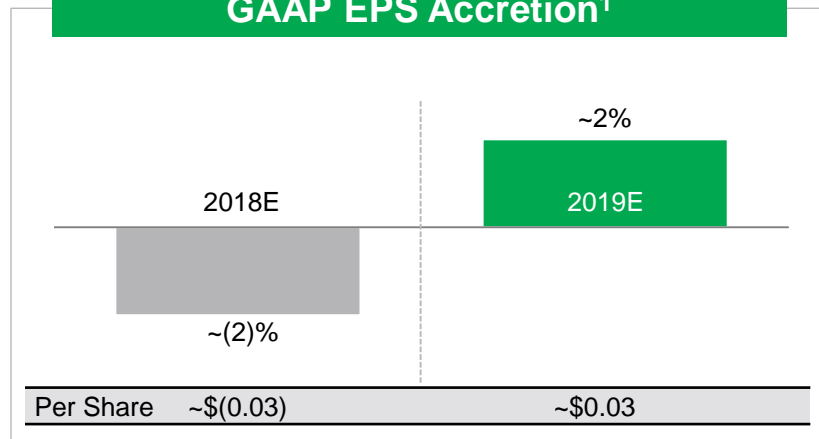
- Strengthens our position as largest bank headquartered in the state of Wisconsin
 - > \$32bn combined total assets
 - Adds > 120,000 customer accounts to the Associated franchise
- Significant efficiency opportunities
 - 50% of Bank Mutual branches are within 1 mile of an Associated branch
 - Several shared key technology vendors
 - Positioned to further invest in and better support the customer experience
- Continued commitment to supporting the socioeconomic health of our combined communities and markets
 - Expanding services into nearly a dozen new markets
 - Offers new customers access to Associated's broader network and solutions

PRO FORMA LOANS & DEPOSITS



ESTIMATED PRO FORMA FINANCIAL METRICS

GAAP EPS Accretion¹



Capital Metrics

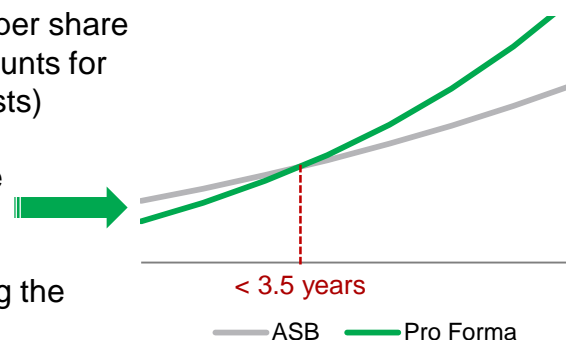
	ASB Current (30-Jun-17)	Pro Forma ²
Common Equity Tier 1 Ratio	9.9 %	10.1 %
Tier 1 Capital Ratio	10.6	10.8
Total Capital Ratio	13.0	12.9
Tier 1 Leverage Ratio	8.1	8.2

Tangible Book Value Per Share Impact¹

- < 1% tangible book value per share dilution at close (fully accounts for merger and integration costs)

— ~\$0.07 dilution at close on a per share basis

- < 3.5 years earnback using the crossover method



Additional Comments

- Pre-tax cost savings of 45% of BKMU non-interest expense
- Expected to improve efficiency ratio by > 100bps with fully phased-in cost savings
- Internal rate of return in the high teens
- Transaction does not alter dividend policy or capital priorities

¹ – Based on ASB and BKMU IBES median EPS estimates in 2017, 2018, and grown at 7% IBES median long-term growth rate thereafter. EPS accretion is excluding one-time charges.

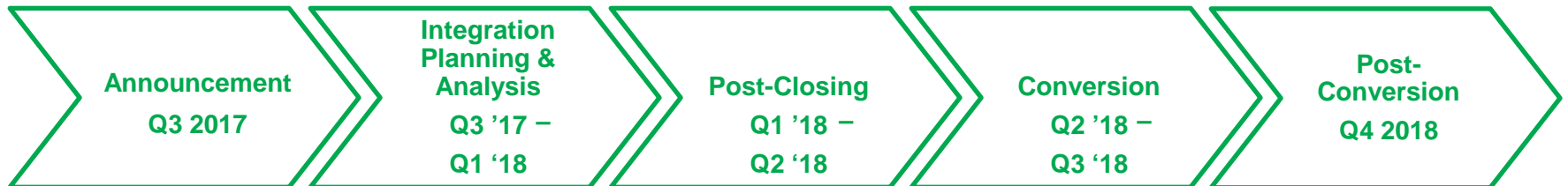
² – Estimated pro forma capitalization as of 30-Jun-17, net of merger and integration costs and purchase accounting adjustments.

POST ANNOUNCEMENT UPDATE & TIMELINE

Post Announcement Activities and Integration Planning

- ASB management team has developed a detailed integration plan spanning from transaction announcement through closing, conversion, and post-conversion time periods
- ASB/BKMU integration team has significant local market knowledge and deep operational expertise from prior consolidations to execute a seamless transition for customers, employees, and stakeholders

Projected Post-Announcement Timeline



ACCELERATES 2017 STRATEGIC PRIORITIES

Strengthening Customer Relationships



- Adds over 120,000 customer accounts and nearly 1,000 commercial relationships
- Extends Associated's specialized products to Bank Mutual's customer base
- Positions Associated to gain efficiencies and further invest in customer experience

Delivering on our Strategy



- Delivers smaller sized, in-market, depository institution acquisition
- Drives efficiency through improved scale and distribution
- Disciplined transaction terms with attractive economics

Expanding our Community Presence



- Strengthens core deposit franchise
- Enhances branch network and density
- Increases current market share and expands services to new communities

Providing Long-term Value to Shareholders



- A low-risk transaction with significant opportunities for cost savings
- Expected to produce modest initial dilution to tangible book value per share with positive EPS accretion in 2019
- Expected to improve efficiency ratio by > 100bps with fully phased-in cost savings



OVERALL EXPENSE EFFICIENCY

Efficiency Drivers

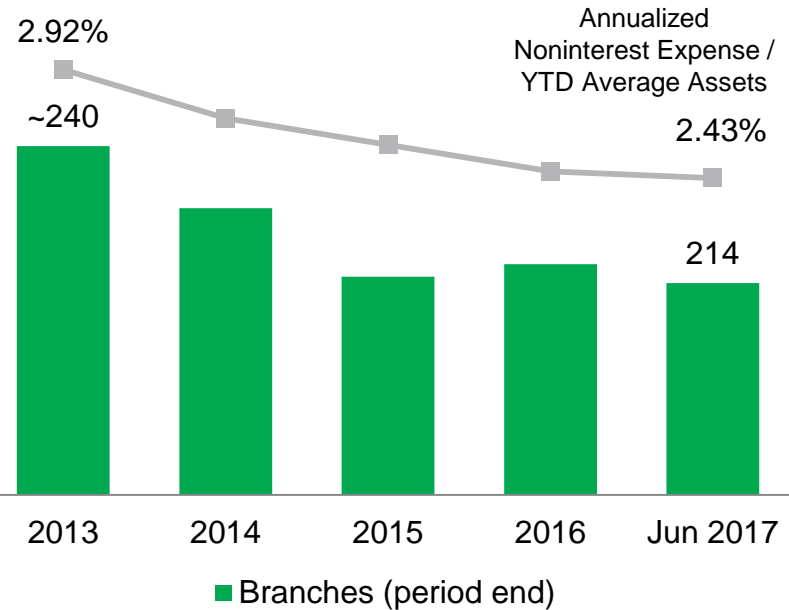
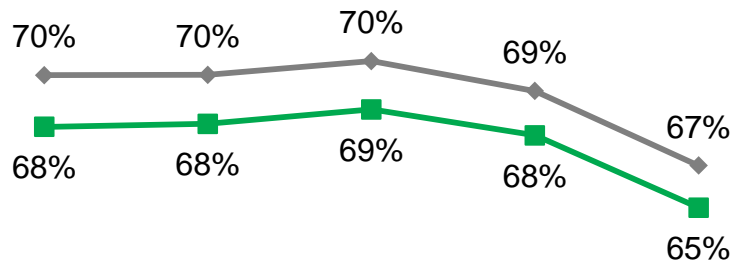
Enhanced Automation

Operational Efficiencies

Branch Consolidations

Branch Staffing Initiatives

Efficiency Ratio¹



YTD 2Q13 YTD 2Q14 YTD 2Q15 YTD 2Q16 YTD 2Q17

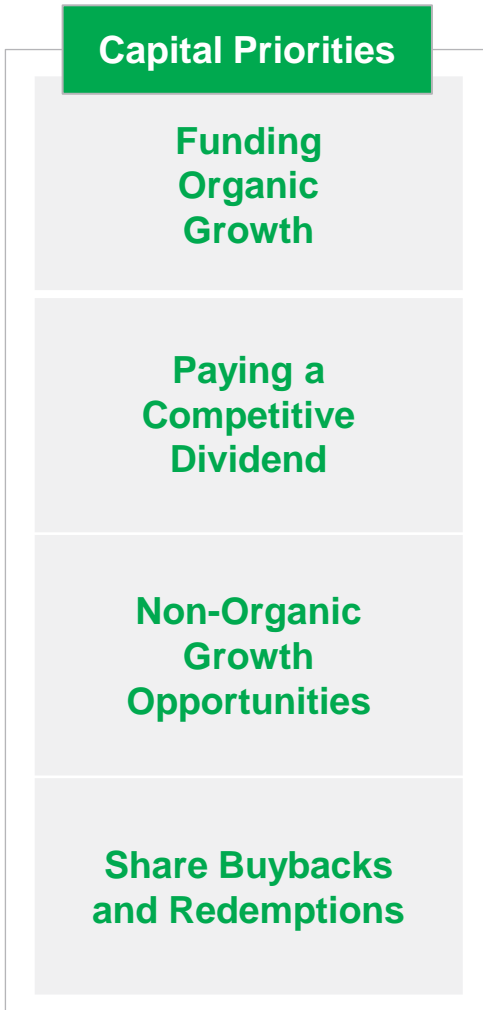
◆ Federal Reserve ■ Fully tax-equivalent

■ Branches (period end)

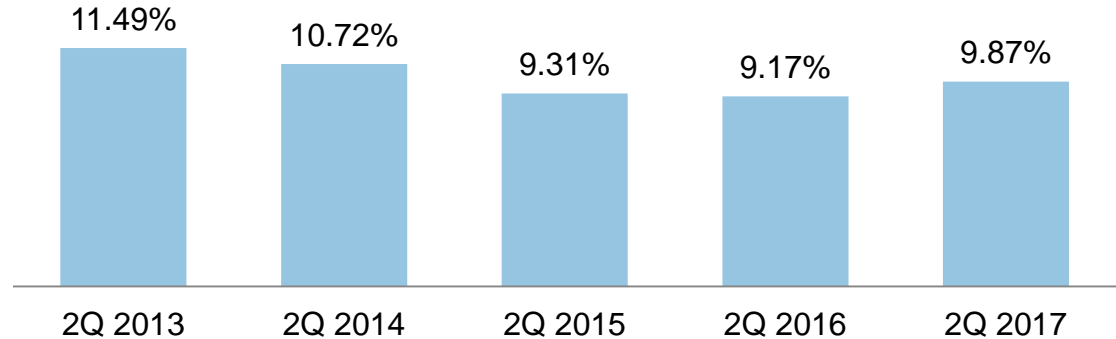
¹ – The efficiency ratio as defined by the Federal Reserve guidance is noninterest expense (which includes the provision for unfunded commitments) divided by the sum of net interest income plus noninterest income, excluding investment securities gains / losses, net. The fully tax-equivalent efficiency ratio, which is a non-GAAP financial measure, is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains / losses, net. Refer to the appendix for a reconciliation of the Federal Reserve efficiency ratio to the fully tax-equivalent efficiency ratio.



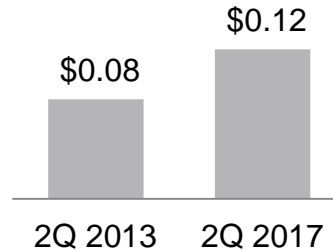
IMPROVING CAPITAL EFFICIENCY



Common Equity Tier 1 Ratio



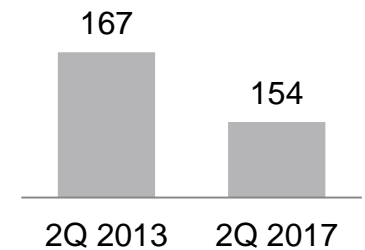
Dividends per Common Share



Tangible Book Value per Common Share



Average Common Shares Outstanding Diluted (in millions)

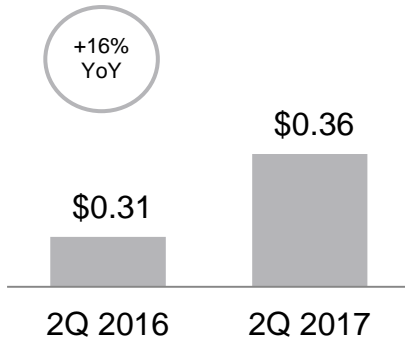


- From July 21, 2017 (after public announcement of the Bank Mutual acquisition) through August 7, 2017, the Corporation repurchased approximately 1.6 million shares of common stock at an average price of \$23.59 per share.

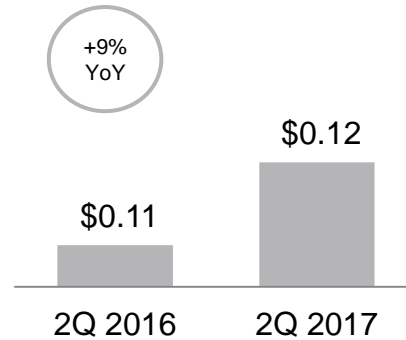


EXPANDING BOTTOM LINE

Earnings Per Share



Dividends

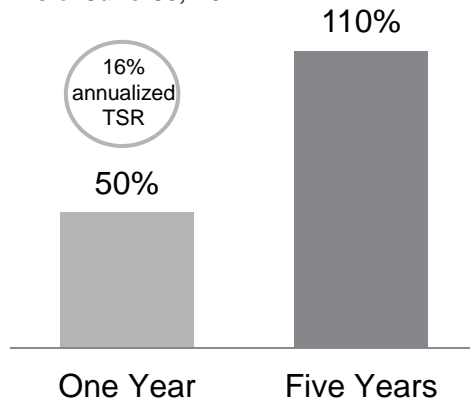


Exceptional Value

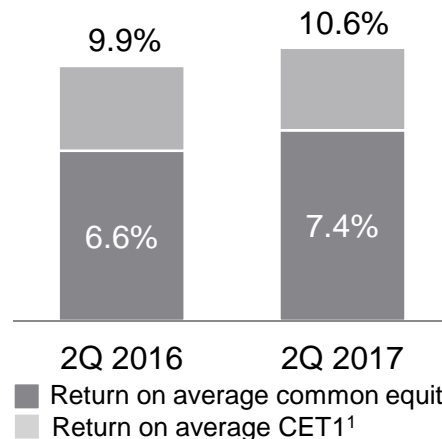
“We’ve shaped our success around a shared vision to become the Midwest’s premier financial services company, distinguished by consistent, quality customer experiences, built upon a strong commitment to our colleagues and the communities we serve, resulting in **exceptional value** to our shareholders through economic cycles.”

Shareholder Gain

As of June 30, 2017



Return on Average Common Equity



¹ – Refer to the appendix for a reconciliation of average common equity Tier 1 to average common equity



2017 OUTLOOK

This outlook reflects a stable to improving economy. It does not reflect any changes to the regulatory environment or to corporate tax rates. We may adjust our outlook if, and when, we have more clarity on any one, or more, of these factors.

Balance Sheet Management

- Mid-to-high single digit annual average loan growth
- Maintain Loan to Deposit ratio under 100%
- Improving NIM trend

Fee Businesses

- Improving year over year fee-based revenues
- Declining year over year mortgage banking revenue

Expense Management

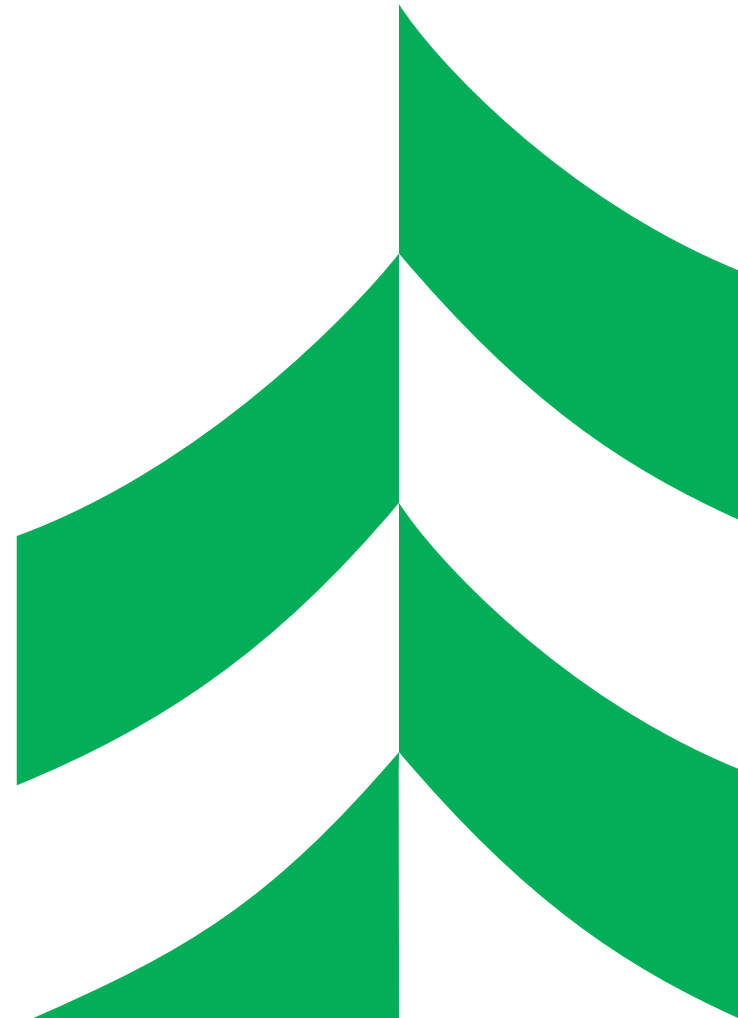
- Approximately 1% higher than the prior year
- Continued improvement to our efficiency ratio

Capital & Credit Management

- Continue to follow stated corporate priorities for capital deployment
- Provision expected to adjust with changes to risk grade, other indications of credit quality, and loan volume



APPENDIX



TRANSACTION SUMMARY

Buyer	▪ Associated Banc-Corp (NYSE: ASB)
Seller	▪ Bank Mutual Corporation (Nasdaq: BKMU)
Consideration	▪ 100% stock
Fixed Exchange Ratio	▪ 0.422 shares of ASB common stock for each share of BKMU common stock
Price per Share¹	▪ \$10.38
Transaction Value¹	▪ \$482 million
Pro Forma Ownership	▪ 89% ASB shareholders / 11% BKMU shareholders
Board Representation	▪ Chairman of BKMU, Michael T. Crowley, will be appointed to ASB's Board of Directors
Required Approvals	▪ Shareholder approval from BKMU and customary regulatory approvals
Expected Closing	▪ 1 st Quarter 2018

¹ – Based on ASB closing share price of \$24.60 on 19-Jul-17 and an assumed BKMU fully diluted share count of 46.5MM.



TRANSACTION MULTIPLES & ASSUMPTIONS

Transaction Pricing¹	<ul style="list-style-type: none">▪ 12.2% premium to BKMU's closing price of \$9.25 on 19-Jul-17▪ 1.6x price / tangible book value per share of \$6.33 as of 30-Jun-17▪ 12.5x price / 2017E EPS with fully phased-in after-tax cost savings²
Synergies	<ul style="list-style-type: none">▪ Pre-tax cost savings of 45% of BKMU non-interest expense<ul style="list-style-type: none">— Cost savings phased-in 25% in 2018 and 100% in 2019
Durbin	<ul style="list-style-type: none">▪ ~\$2mm annual pre-tax lost interchange revenue under the Durbin Amendment
Fair Value Marks	<ul style="list-style-type: none">▪ \$(32)mm gross credit mark / 1.6% of 2Q17 total gross loans▪ \$2mm of other pre-tax purchase accounting fair value adjustments
Core Deposit Intangible	<ul style="list-style-type: none">▪ 1.5% core deposit intangible on non-time deposits amortized straight-line over ten years
Tax Rate	<ul style="list-style-type: none">▪ 33% effective tax rate applied to BKMU pre-tax earnings and transaction adjustments
Merger and Integration Costs	<ul style="list-style-type: none">▪ \$40mm of total pre-tax merger and integration costs▪ Fully accounted for in transaction and tangible book value impact at close

¹ – Based on ASB closing share price of \$24.60 on 19-Jul-17.

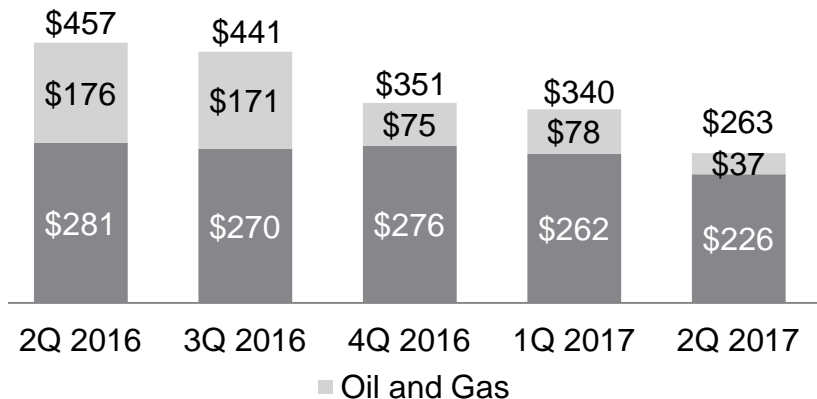
² – Based on BKMU IBES median 2017E EPS of \$0.38 plus 45% fully phased-in after-tax cost savings.



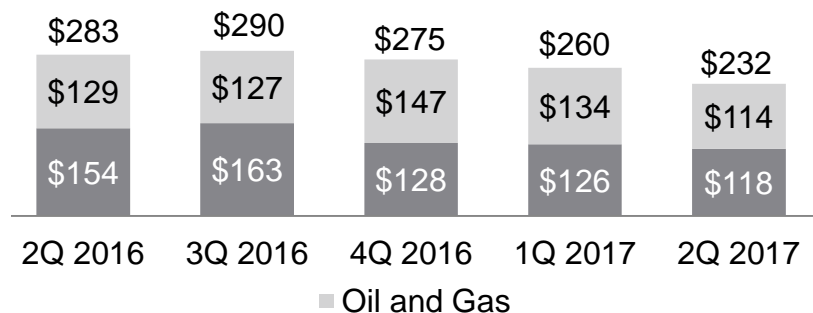
CREDIT QUALITY

(\$ IN MILLIONS)

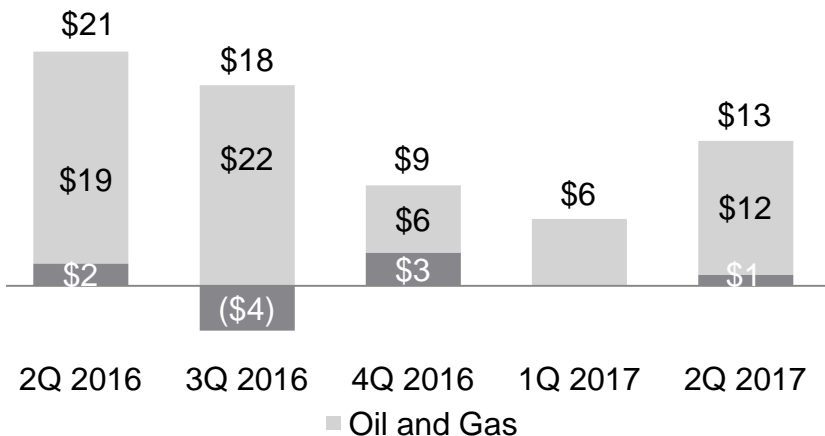
Potential Problem Loans



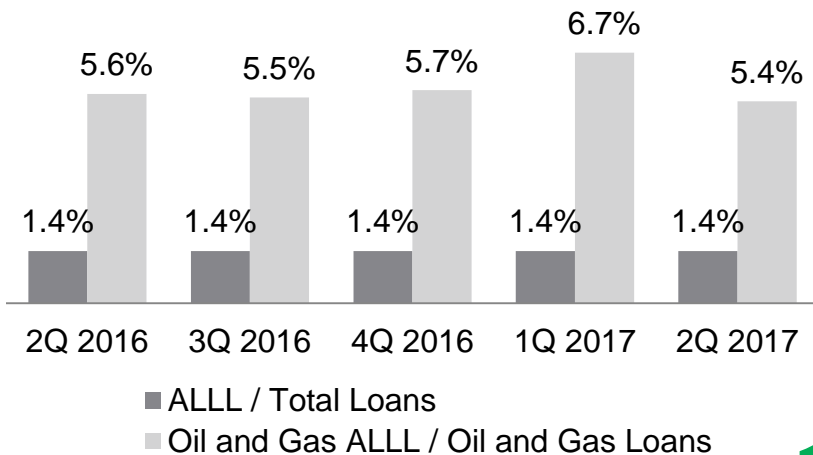
Nonaccrual Loans



Net Charge Offs (Recoveries)



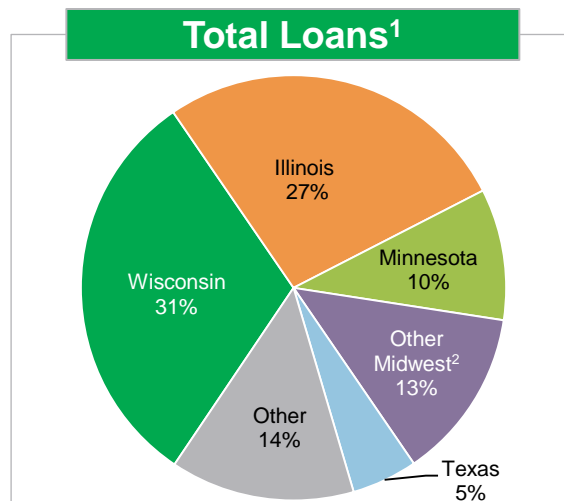
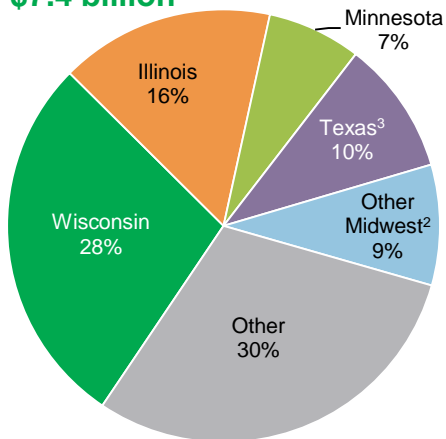
Allowance to Total Loans / Oil and Gas Loans



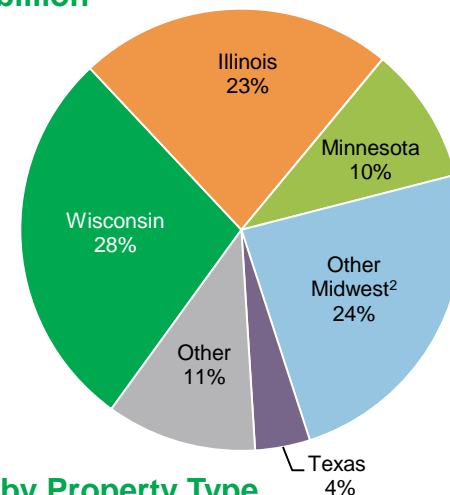
LOANS STRATIFICATION

OUTSTANDINGS AS OF JUNE 30, 2017

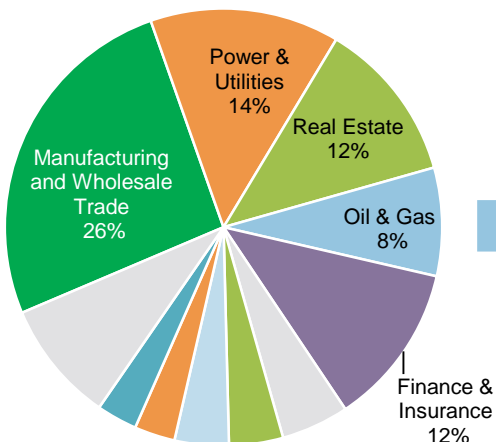
C&BL by Geography
\$7.4 billion



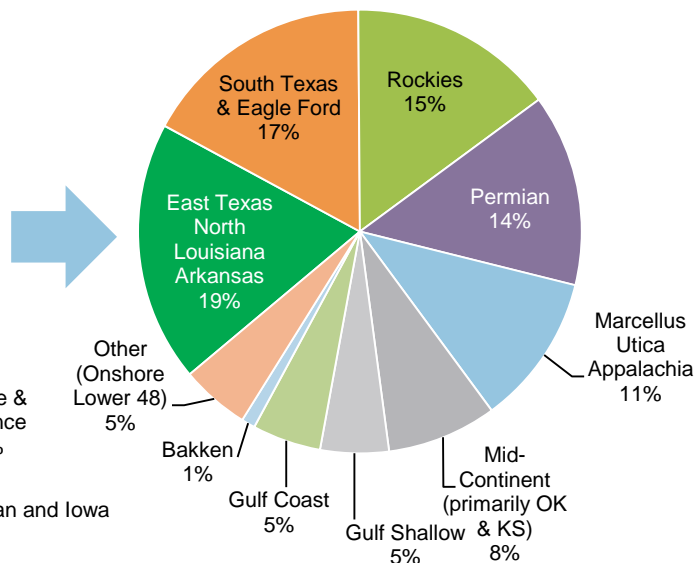
CRE by Geography
\$5.0 billion



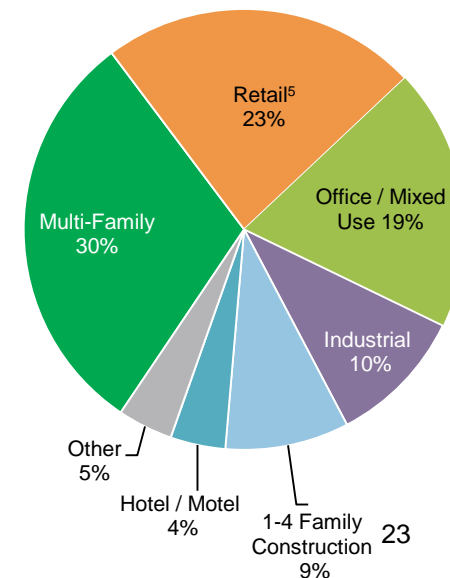
C&BL by Industry
\$7.4 billion



Oil and Gas Lending⁴
\$601 million



CRE by Property Type
\$5.0 billion



¹ - Excludes \$0.4 billion Other consumer portfolio

² - Other Midwest includes Missouri, Indiana, Ohio, Michigan and Iowa

³ - Principally reflects the oil and gas portfolio

⁴ - Based on outstanding commitments of \$940 million

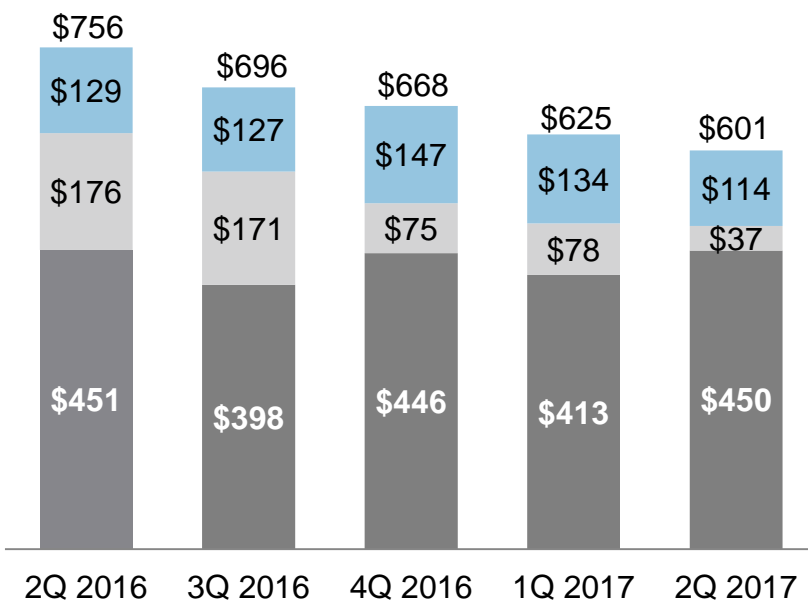
⁵ - Our largest tenant exposure is less than 5%, spread over five loans, to a national investment grade grocer

OIL AND GAS UPDATE

	# of Credits	\$ of commitments	\$ of outstandings	% of total loans
Total O&G Portfolio Quarter end June 30, 2017	60	\$940 million	\$601 million	3%
New business since January 1, 2016	17	\$353 million	\$173 million	1%
	28%	38%	29%	

Period End Loans by Credit Quality

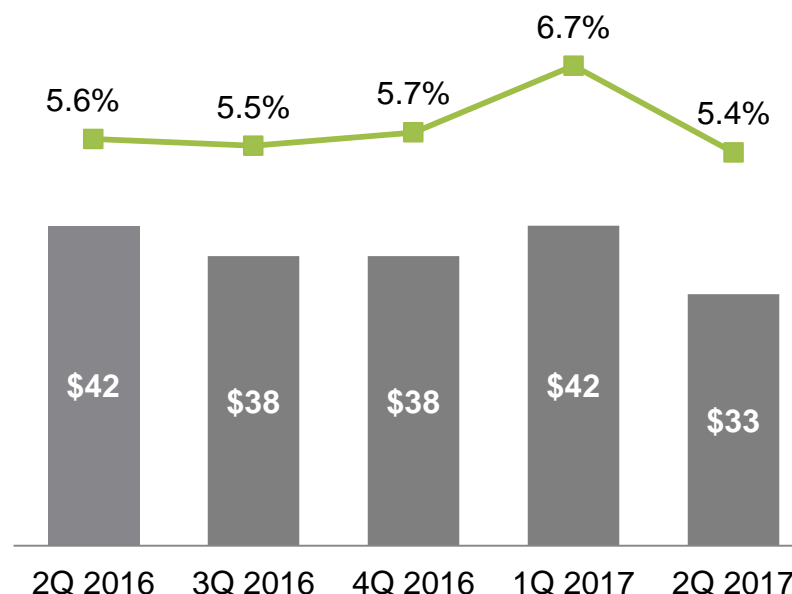
(\$ in millions)



■ Pass ■ Potential Problem Loans ■ Nonaccrual

Oil and Gas Allowance

(\$ in millions)

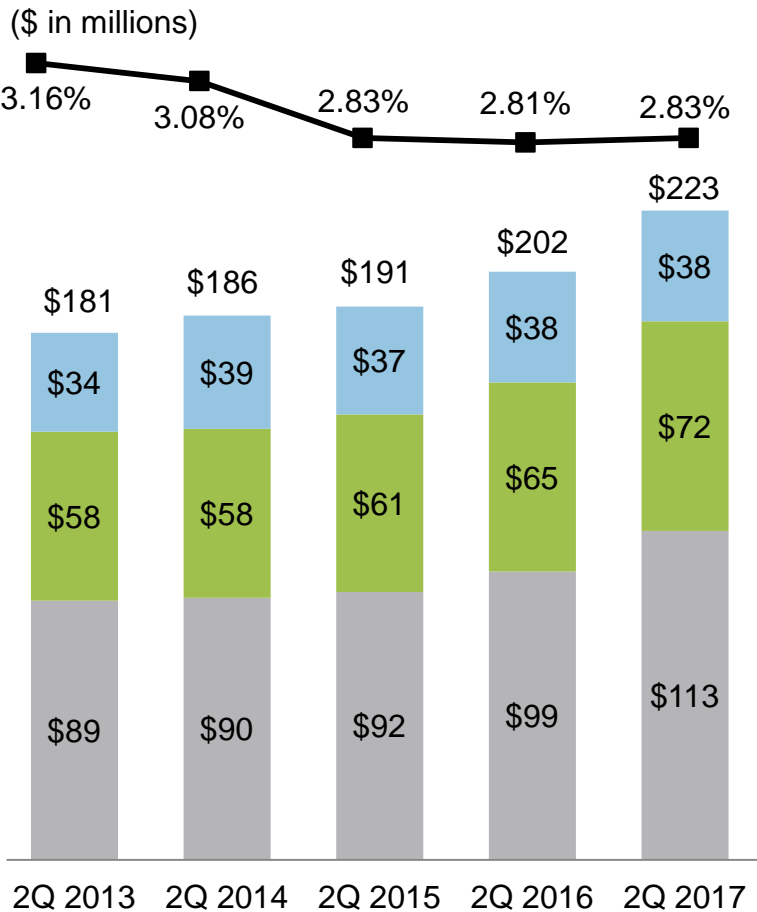


■ Oil and Gas Allowance
—■ Oil and Gas Allowance / Oil and Gas Loans

POSITIONED FOR HIGHER INTEREST RATES

ASSET SENSITIVE PROFILE

Interest Income & Net Interest Margin



■ Commercial³ ■ Retail ■ Investment and other
 ■ Net interest margin

2Q13 vs 2Q17
 Interest
 Expense
 Change
 -\$18 million

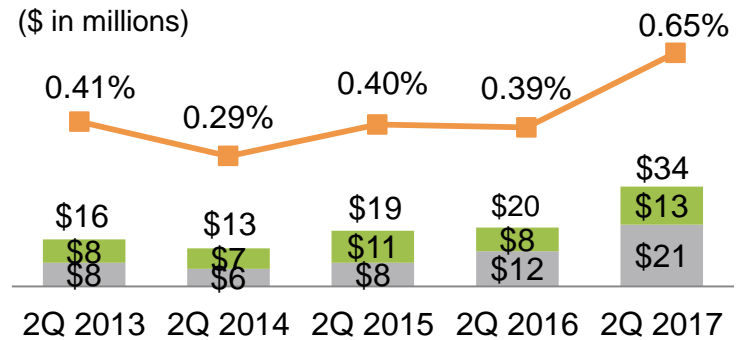


2Q13 vs 2Q17
 NII Change
 +\$24 million



2Q13 vs 2Q17
 Interest
 Income
 Change
 +\$42 million

Interest Expense

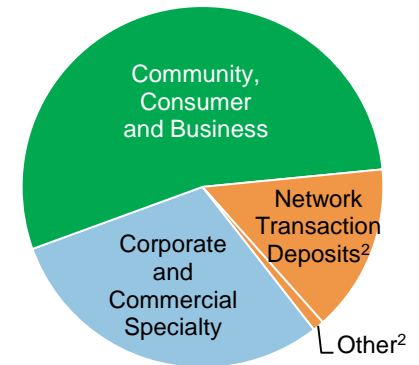


■ Short and long-term funding costs
 ■ Interest-bearing deposits
 ■ Cost of interest-bearing liabilities

Deposit Mix and Beta Overview¹

Deposit Betas:

- Less than .2
- >.2 <.5
- ~ 1



¹ – Deposit mix based on second quarter 2017 average balances. Deposit beta overview from 4Q15 to 2Q17.

² – Risk Management and Shared Services segment balances

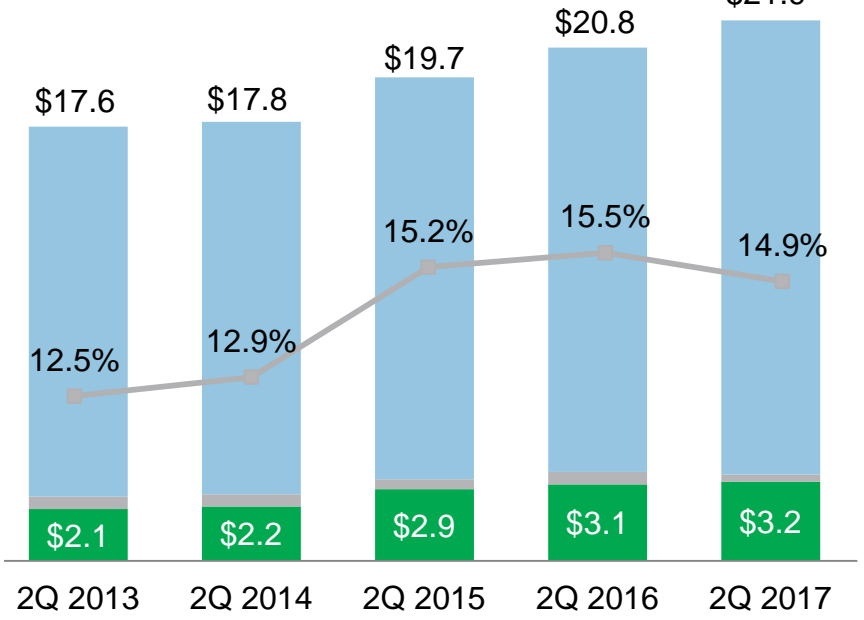
³ – Our LIBOR-based loans typically reprice the first of the month in arrears. Since the Fed tends to raise rates mid-month, we tend to see a 6+ week lag in repricing.

NETWORK TRANSACTION DEPOSITS

Wealth Managers Quarter end June 30, 2017	21 relationships	~\$3.2 billion	~15% of total deposits
Relationships established before June 30, 2012	11 relationships	~\$2.1 billion	~65% of network transaction deposits

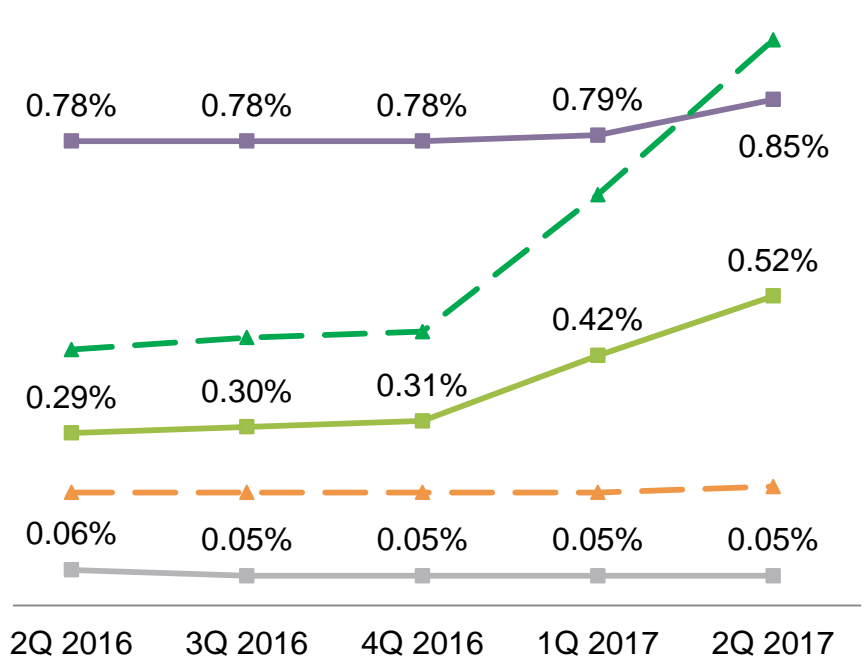
Deposits and Customer Funding

(\$ in billions)



- Network Transaction Deposits (NTD)
- Customer Funding
- Customer Deposits¹
- Network Transaction Deposits as % of Total Deposits

Average Rates



- Savings
- Time Deposits
- ▲- Network Transaction Deposits
- ▲- Money Market without NTD
- Money Market with NTD (As Reported)

¹ – Total deposits excluding network transaction deposits

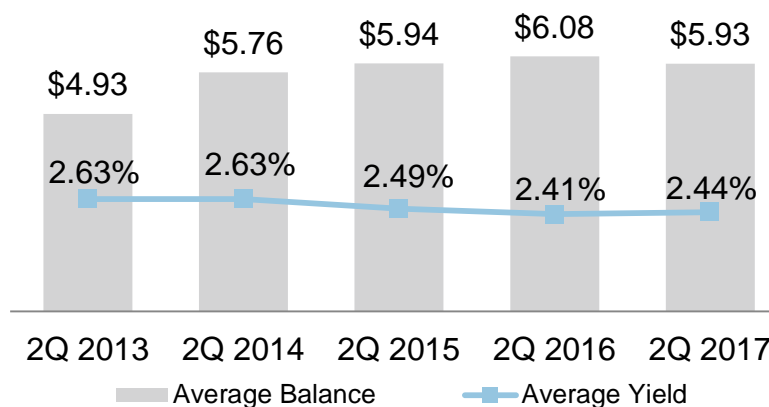
HIGH QUALITY SECURITIES

(\$ IN BILLIONS)

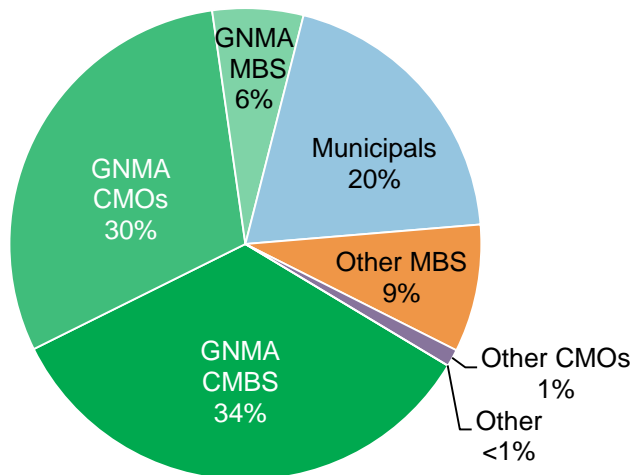
Portfolio Detail as of June 30, 2017

Investment Type	Amortized Cost	Fair Value	Duration (Yrs)
GNMA CMBS	\$2.02	\$1.99	3.31
GNMA MBS & CMOs	2.20	2.19	4.55
Agency & Other MBS & CMOs	0.58	0.59	2.63
Municipals	1.16	1.17	5.60
Other ¹	0.01	0.01	
Strategic Portfolio	\$5.97	\$5.95	4.15
Membership Stock	0.18	0.18	
Total Portfolio	\$6.15	\$6.13	

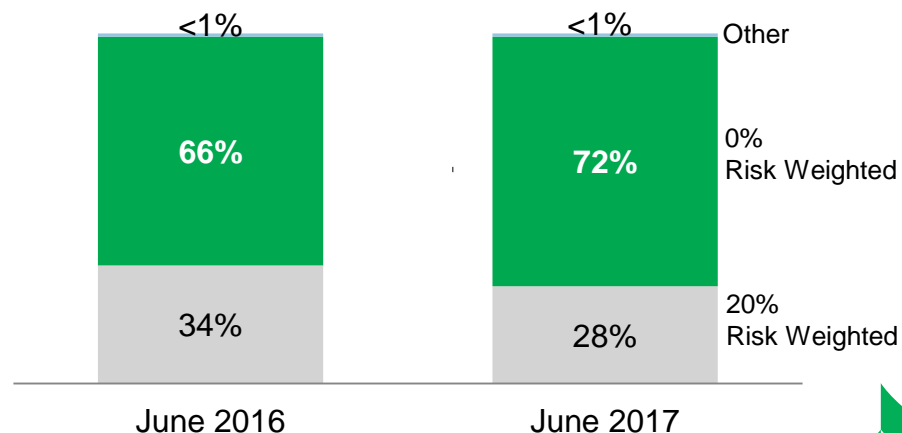
Portfolio and Yield Trends



Fair Value Composition



Risk Weighting Profile



¹ – Includes Corporate, Treasury, and all other

RECONCILIATION AND DEFINITIONS OF NON-GAAP ITEMS

Efficiency Ratio	YTD 2Q13	YTD 2Q14	YTD 2Q15	YTD 2Q16	YTD 2Q17
Federal Reserve efficiency ratio	69.74%	69.75%	70.24%	69.18%	66.54%
Fully tax-equivalent adjustment	(1.41)%	(1.32)%	(1.37)%	(1.36)%	(1.30)%
Other intangible amortization	(0.42)%	(0.41)%	(0.34)%	(0.21)%	(0.19)%
Fully tax-equivalent efficiency ratio	67.91%	68.02%	68.53%	67.61%	65.05%

The efficiency ratio as defined by the Federal Reserve guidance is noninterest expense (which includes the provision for unfunded commitments) divided by the sum of net interest income plus noninterest income, excluding investment securities gains / losses, net. The fully tax-equivalent efficiency ratio, which is a non-GAAP financial measure, is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains / losses, net. Management believes the fully tax-equivalent efficiency ratio, which adjusts net interest income for the tax-favored status of certain loans and investment securities, to be the preferred industry measurement as it enhances the comparability of net interest income arising from taxable and tax-exempt sources.

Average Tangible Common Equity and Average Common Equity Tier 1 (\$ in millions)	2Q 2016	2Q 2017
Average common equity	\$2,869	\$3,005
Average goodwill and other intangible assets, net	(989)	(987)
Average tangible common equity	1,880	2,018
Less: Accumulated other comprehensive income / loss	1	50
Less: Deferred tax assets / deferred tax liabilities, net	32	32
Average common equity Tier 1	\$1,913	\$2,100

