



NEWS RELEASE

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Associated Banc-Corp Reports Full Year 2017 Earnings of \$1.42 per common share, or \$1.52 per common share excluding expenses related to the Tax Act¹

Net deposits and customer funding up 12% year over year

GREEN BAY, Wis. -- January 25, 2018 -- Associated Banc-Corp (NYSE: ASB) today reported net income available to common equity ("earnings") of \$220 million, or \$1.42 per common share for the year ended December 31, 2017. Earnings per common share ("EPS") for the year ended December 31, 2017 included \$15 million of expenses related to the recently enacted Tax Cuts and Jobs Act of 2017 (the "Tax Act"). These amounts compare to net income available to common equity of \$191 million, or \$1.26 per common share for the year ended December 31, 2016. The Company reported earnings of \$0.31 per common share for the quarter ended December 31, 2017 (\$0.41 per common share excluding expenses related to the Tax Act), compared to \$0.34 per common share for the quarter ended December 31, 2016.

"During 2017, Associated continued to grow its customer deposit market share across its footprint. The pending acquisition of Bank Mutual will further enhance our Wisconsin and Minnesota network and we look forward to welcoming Bank Mutual's customers to Associated on February 1," said President and CEO Philip B. Flynn. "Our 2017 financial results reflect strong underlying credit quality, growing fee-based revenue, and the ongoing benefits of our technology and efficiency initiatives. For 2018, we expect to fund over \$1 billion in new loans, to improve our net interest margin modestly, and to further reduce our efficiency ratio, driving increasing returns on capital for our shareholders."

¹The following table reconciles non-GAAP financial measures which exclude expenses related to the Tax Act, to GAAP financial measures.

| (\$ in millions, except per share data) | 4Q 2017 | 4Q 2017 per share data | FY 2017 | FY 2017 per share data |
|---|---------|---------------------------|---------|---------------------------|
| GAAP earnings and EPS | \$ 48 | \$ 0.31 | \$ 220 | \$ 1.42 |
| Required partial write-off of deferred tax asset | 12 | 0.08 | 12 | 0.08 |
| Required acceleration of low income housing tax credit amortization | 1 | <0.01 | 1 | <0.01 |
| Previously disclosed compensation actions | 1 | <0.01 | 1 | <0.01 |
| Other accelerated write-offs | 1 | <0.01 | 1 | <0.01 |
| Total expenses related to the Tax Act | \$ 15 | \$ 0.10 | \$ 15 | \$ 0.10 |
| Earnings and EPS, excluding expenses related to the Tax Act | \$ 63 | \$ 0.41 | \$ 235 | \$ 1.52 |

For notes on non-GAAP measures see page 7.

2017 HIGHLIGHTS (all comparisons to the year ago)

- Average loans of \$20.6 billion were up 5%, or \$942 million
- Average deposits of \$21.9 billion were up 4%, or \$918 million
- Income before income taxes was up 18%, or \$51 million
- Total dividends paid per common share were \$0.50, up 11%

2017 FULL YEAR AND FOURTH QUARTER FINANCIAL RESULTS

Loans

Full year 2017 average loans of \$20.6 billion were up 5%, or \$942 million from 2016.

With respect to full year 2017 average balances by loan category as compared to 2016:

- Consumer lending increased \$854 million, or 11% to \$8.4 billion driven by the Company's on balance sheet mortgage retention strategy.
- Commercial real estate lending increased \$228 million, or 5% to \$5.0 billion.
- Commercial and business lending decreased \$141 million, or 2% to \$7.3 billion.

At year end 2017, loans of \$20.8 billion were up \$730 million, or 4% from 2016. The loan to deposit ratio was 91% at year end.

Fourth quarter 2017 average loans of \$20.9 billion were up \$887 million, or 4% from the year ago quarter and were down modestly from the third quarter.

With respect to fourth quarter 2017 average balances by loan category:

- Consumer lending increased \$1.2 billion from the year ago quarter driven by the Company's on balance sheet mortgage retention strategy and grew \$204 million from the third quarter to \$8.8 billion.
- Commercial real estate lending decreased \$41 million from the year ago quarter and decreased \$100 million from the third quarter to \$4.9 billion, consistent with the Company's plan to moderate commercial real estate growth in anticipation of the pending Bank Mutual transaction.
- Commercial and business lending decreased \$228 million from the year ago quarter and decreased \$140 million from the third quarter to \$7.2 billion on lower general commercial outstandings.

Deposits

Full year 2017 average deposits of \$21.9 billion were up 4%, or \$918 million from 2016.

With respect to full year 2017 average balances by deposit category as compared to 2016:

- Interest-bearing demand deposits increased \$544 million, or 14% to \$4.3 billion.
- Savings and time deposits increased \$526 million, or 18% to \$3.5 billion.
- Money market deposits decreased \$42 million to \$9.1 billion.
- Noninterest-bearing demand deposits decreased \$110 million to \$5.0 billion.

At year end 2017, deposits of \$22.8 billion were up \$898 million, or 4% from 2016. During the year, the Company reduced its reliance on network deposits by \$1.4 billion, or 35% while increasing net deposits and customer funding by \$2.2 billion, or 12%.

Fourth quarter 2017 average deposits of \$22.2 billion were up \$507 million, or 2% from the year ago quarter and were down \$192 million, or 1% from the third quarter.

With respect to fourth quarter 2017 average balances by deposit category:

- Savings and time deposits increased \$898 million from the year ago quarter and increased \$176 million from the third quarter to \$3.9 billion.
- Interest-bearing demand deposits increased \$323 million from the year ago quarter and increased \$115 million from the third quarter to \$4.5 billion.
- Noninterest-bearing demand deposits decreased \$160 million from the year ago quarter, but increased \$142 million from the third quarter to \$5.1 billion.
- Money market deposits decreased \$553 million from the year ago quarter and decreased \$624 million from the third quarter to \$8.7 billion.

Net Interest Income and Net Interest Margin

Full year 2017 net interest income of \$741 million was up 5%, or \$34 million from 2016. Net interest margin of 2.82% was up 2 basis points from the prior year.

- The average yield on total commercial loans increased 44 basis points to 3.76% from the prior year.
- The average cost of interest-bearing deposits increased 24 basis points to 0.56% from the prior year.
- The net free funds benefit, the benefit of holding noninterest-bearing demand deposits, increased 5 basis points from the prior year.

Fourth quarter 2017 net interest income of \$187 million was up 4%, or \$7 million from the year ago quarter, with net interest margin decreasing 1 basis point to 2.79%. Fourth quarter net interest income decreased 2%, or \$3 million from the third quarter, with net interest margin decreasing 5 basis points to 2.79%.

- The average yield on total commercial loans increased 53 basis points to 3.89% from the year ago quarter, but decreased 4 basis points from the prior quarter.
- The average cost of interest-bearing deposits increased 32 basis points to 0.65% from the year ago quarter and increased 2 basis points from the prior quarter.
- The net free funds benefit, the benefit of holding noninterest-bearing demand deposits, increased 8 basis points from the year ago quarter and increased 1 basis point from the prior quarter.

Noninterest Income

Full year 2017 total noninterest income of \$333 million was down \$20 million reflecting expected lower mortgage banking activity.

- Mortgage banking decreased \$19 million from the prior year primarily driven by the Company's on balance sheet mortgage retention strategy.
- Brokerage and asset management fees benefited from the strong equity market and were up \$7 million.

Fourth quarter 2017 total noninterest income of \$85 million decreased \$8 million from the year ago quarter and decreased \$1 million from the prior quarter.

With respect to fourth quarter 2017 noninterest income line items:

- Brokerage and asset management fees were up \$4 million from the year ago quarter and up \$3 million from the prior quarter based on the strong equity market and the acquisition of Whitnell & Co., which increased both assets under management and related run-rate revenues.
- Capital market fees increased \$2 million from the prior quarter primarily driven by increased loan syndication activity and higher customer hedging transactions, but decreased \$1 million from the year ago quarter.
- Mortgage banking decreased \$3 million from the prior quarter primarily driven by seasonal factors and decreased \$8 million from the year ago quarter primarily driven by overall mortgage market contraction.

Noninterest Expense

Full year 2017 noninterest expense of \$709 million was up 1%, or \$7 million from the prior year.

- Technology expense increased \$6 million from the prior year as the Company continues to invest in solutions that drive operational efficiency.
- All other noninterest expense line items, collectively, increased \$1 million from the prior year.

Fourth quarter 2017 total noninterest expense of \$182 million increased 2%, or \$3 million from the year ago quarter and increased \$4 million from the third quarter.

With respect to fourth quarter 2017 noninterest expense line items:

- Technology expense increased \$3 million from the prior and year ago quarters as the Company continues to invest in solutions that drive operational efficiency.
- Occupancy expense increased \$1 million from the prior quarter primarily driven by higher maintenance and snow plowing costs.
- As previously announced, in connection with the enactment of the Tax Act, the Company recorded \$1 million in the fourth quarter of 2017 for one-time bonus payments to hourly, non-commissioned employees.

Taxes

Full year 2017 income tax expense of \$110 million was up \$22 million from 2016 due to a partial write-down of the Company's deferred tax assets driven by a decrease in the corporate tax rate, an acceleration of low income housing tax credit amortization, and certain other charges related to the Tax Act. The Company's effective tax rate was 32% in 2017 compared to 30% in 2016.

Fourth quarter 2017 income tax expense was \$40 million, including the above referenced items.

For 2018, the Company expects its effective tax rate to be in the range of 20%-22%.

Credit

Full year 2017 provision for credit losses of \$26 million was down \$44 million from the prior year.

The fourth quarter 2017 provision for credit losses of \$0 was down \$15 million from the year ago quarter and down \$5 million from the prior quarter.

- Potential problem loans of \$177 million were down \$174 million from the year ago quarter and down \$82 million from the prior quarter.
- Nonaccrual loans of \$209 million were down \$67 million from the year ago quarter and down \$2 million from the prior quarter. The nonaccrual loans to total loans ratio was 1.00% in the fourth quarter, compared to 1.37% in the year ago quarter, and 1.01% in the prior quarter.
- Fourth quarter net charge offs of \$11 million were up \$1 million from the year ago quarter and relatively unchanged from the prior quarter.
- The allowance for loan losses of \$266 million was down \$12 million from the year ago quarter and was down \$11 million from the prior quarter. The allowance for loan losses to total loans ratio was 1.28% in the fourth quarter, compared to 1.39% in the year ago quarter, and 1.32% in the prior quarter.
- The allowance related to the oil and gas portfolio was \$27 million at December 31, 2017 and represented 4.5% of total oil and gas loans compared to 5.7% in the year ago quarter, and 5.2% in the prior quarter.

Capital

The Company's capital position remains strong, with a CET1 capital ratio of 10.1% at December 31, 2017. The Company's capital ratios continue to be in excess of the Basel III "well-capitalized" regulatory benchmarks on a fully phased in basis.

FOURTH QUARTER 2017 EARNINGS RELEASE CONFERENCE CALL

The Company will host a conference call for investors and analysts at 4:00 p.m. Central Time (CT) today, January 25, 2018. Interested parties can access the live webcast of the call through the Investor Relations section of the Company's website, <http://investor.associatedbank.com>. Parties may also dial into the call at 877-407-8037 (domestic) or 201-689-8037 (international) and request the Associated Banc-Corp fourth quarter 2017 earnings call. The fourth quarter 2017 financial tables with an accompanying slide presentation will be available on the Company's website just prior to the call. An audio archive of the webcast will be available on the Company's website approximately fifteen minutes after the call is over.

ABOUT ASSOCIATED BANC-CORP

Associated Banc-Corp (NYSE: ASB) has total assets of \$30 billion and is one of the top 50 publicly traded U.S. bank holding companies. Headquartered in Green Bay, Wisconsin, Associated is a leading Midwest banking franchise, offering a full range of financial products and services from over 200 banking locations serving more than 100 communities throughout Wisconsin, Illinois and Minnesota, and commercial financial services in Indiana, Michigan, Missouri, Ohio, and Texas. Associated Bank, N.A. is an Equal Housing Lender, Equal Opportunity Lender and Member FDIC. More information about Associated Banc-Corp is available at www.associatedbank.com.

FORWARD-LOOKING STATEMENTS

Statements made in this document 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. Such forward-looking statements may be identified by the use of words such as "believe," "expect," "anticipate," "plan," "estimate," "should," "will," "intend," "outlook," or similar expressions. Forward-looking statements are based on current management expectations and, by their nature, are subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements. Factors which may cause actual results to differ materially from those contained in such forward-looking statements include those identified in the Company's most recent Form 10-K and subsequent SEC filings. Such factors are incorporated herein by reference.

NON-GAAP FINANCIAL MEASURES

This press release and related materials may contain references to measures which are not defined in generally accepted accounting principles ("GAAP"). Information concerning these non-GAAP financial measures can be found in the financial tables.

On December 22, 2017, the Tax Act was signed into law. The fourth quarter of 2017 and full year 2017 results reflect the estimated impact of the enactment of the Tax Act, which resulted in a \$15 million decrease in net income. Net income and earnings per share excluding these related expenses are non-GAAP financial measures. Management believes these measures are meaningful because it reflects adjustments commonly made by management, investors, regulators, and analysts to evaluate the adequacy of earnings per common share and provides a greater understanding of ongoing operations and enhances comparability of results with prior periods. All items are tax effected.

Associated Banc-Corp
Consolidated Balance Sheets (Unaudited)

| (In thousands) | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr \$ Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr \$ Change |
|--|--------------|--------------|-----------------------|---------------|---------------|---------------|-----------------------|
| Assets | | | | | | | |
| Cash and due from banks | \$ 483,666 | \$ 354,331 | \$ 129,335 | \$ 396,677 | \$ 332,601 | \$ 446,558 | \$ 37,108 |
| Interest-bearing deposits in other financial institutions | 199,702 | 109,596 | 90,106 | 126,232 | 337,167 | 149,175 | 50,527 |
| Federal funds sold and securities purchased under agreements to resell | 32,650 | 27,700 | 4,950 | 43,000 | 19,700 | 46,500 | (13,850) |
| Investment securities held to maturity, at amortized cost | 2,282,853 | 2,233,579 | 49,274 | 2,255,395 | 1,554,843 | 1,273,536 | 1,009,317 |
| Investment securities available for sale, at fair value | 4,043,446 | 3,801,699 | 241,747 | 3,687,470 | 4,300,490 | 4,680,226 | (636,780) |
| Federal Home Loan Bank and Federal Reserve Bank stocks, at cost | 165,331 | 172,446 | (7,115) | 181,180 | 139,273 | 140,001 | 25,330 |
| Residential loans held for sale ⁽¹⁾ | 85,544 | 113,064 | (27,520) | 41,620 | 34,051 | 108,010 | (22,466) |
| Commercial loans held for sale | — | 9,718 | (9,718) | 4,772 | 2,901 | 12,474 | (12,474) |
| Loans | 20,784,991 | 20,931,460 | (146,469) | 20,783,069 | 20,147,683 | 20,054,716 | 730,275 |
| Allowance for loan losses | (265,880) | (276,551) | 10,671 | (281,101) | (282,672) | (278,335) | 12,455 |
| Loans, net | 20,519,111 | 20,654,909 | (135,798) | 20,501,968 | 19,865,011 | 19,776,381 | 742,730 |
| Bank and corporate owned life insurance | 591,057 | 589,093 | 1,964 | 588,440 | 587,600 | 585,290 | 5,767 |
| Tax credit investments | 147,099 | 120,927 | 26,172 | 95,710 | 92,675 | 67,860 | 79,239 |
| Trading assets | 69,675 | 48,429 | 21,246 | 48,576 | 49,306 | 52,398 | 17,277 |
| Premises and equipment | 330,963 | 330,065 | 898 | 328,404 | 332,884 | 330,315 | 648 |
| Goodwill | 976,239 | 972,006 | 4,233 | 972,006 | 972,006 | 971,951 | 4,288 |
| Mortgage servicing rights, net | 58,384 | 58,377 | 7 | 59,395 | 60,702 | 61,476 | (3,092) |
| Other intangible assets, net | 15,580 | 14,080 | 1,500 | 14,530 | 15,026 | 15,377 | 203 |
| Other assets | 482,294 | 454,528 | 27,766 | 423,650 | 413,621 | 421,787 | 60,507 |
| Total assets | \$30,483,594 | \$30,064,547 | \$ 419,047 | \$ 29,769,025 | \$ 29,109,857 | \$ 29,139,315 | \$ 1,344,279 |
| Liabilities and stockholders' equity | | | | | | | |
| Noninterest-bearing demand deposits | \$ 5,478,416 | \$ 5,177,734 | \$ 300,682 | \$ 5,038,162 | \$ 5,338,212 | \$ 5,392,208 | \$ 86,208 |
| Interest-bearing deposits | 17,307,546 | 17,155,717 | 151,829 | 16,580,018 | 16,489,823 | 16,496,240 | 811,306 |
| Total deposits | 22,785,962 | 22,333,451 | 452,511 | 21,618,180 | 21,828,035 | 21,888,448 | 897,514 |
| Federal funds purchased and securities sold under agreements to repurchase | 324,815 | 476,550 | (151,735) | 607,669 | 650,188 | 508,347 | (183,532) |
| Other short-term funding | 351,467 | 588,067 | (236,600) | 794,813 | 430,679 | 583,688 | (232,221) |
| Long-term funding | 3,397,450 | 3,147,285 | 250,165 | 3,262,120 | 2,761,955 | 2,761,795 | 635,655 |
| Trading liabilities | 67,660 | 46,812 | 20,848 | 47,143 | 47,561 | 51,103 | 16,557 |
| Accrued expenses and other liabilities | 318,797 | 268,781 | 50,016 | 247,598 | 246,645 | 254,622 | 64,175 |
| Total liabilities | 27,246,151 | 26,860,946 | 385,205 | 26,577,523 | 25,965,063 | 26,048,003 | 1,198,148 |
| Stockholders' equity | | | | | | | |
| Preferred equity | 159,929 | 159,929 | — | 159,929 | 159,929 | 159,929 | — |
| Common equity | | | | | | | |
| Common stock | 1,618 | 1,615 | 3 | 1,630 | 1,630 | 1,630 | (12) |
| Surplus | 1,454,188 | 1,442,328 | 11,860 | 1,474,301 | 1,469,744 | 1,459,498 | (5,310) |
| Retained earnings | 1,819,230 | 1,792,184 | 27,046 | 1,747,632 | 1,709,514 | 1,695,764 | 123,466 |
| Accumulated other comprehensive income (loss) | (62,758) | (54,288) | (8,470) | (53,470) | (56,344) | (54,679) | (8,079) |
| Treasury stock, at cost | (134,764) | (138,167) | 3,403 | (138,520) | (139,679) | (170,830) | 36,066 |
| Total common equity | 3,077,514 | 3,043,672 | 33,842 | 3,031,573 | 2,984,865 | 2,931,383 | 146,131 |
| Total stockholders' equity | 3,237,443 | 3,203,601 | 33,842 | 3,191,502 | 3,144,794 | 3,091,312 | 146,131 |
| Total liabilities and stockholders' equity | \$30,483,594 | \$30,064,547 | \$ 419,047 | \$ 29,769,025 | \$ 29,109,857 | \$ 29,139,315 | \$ 1,344,279 |

(1) Effective January 1, 2017, residential loans originated for sale are accounted for under the fair value option. Prior periods have not been restated.

Associated Banc-Corp
Consolidated Statements of Income (Unaudited)

| (In thousands, except per share data) | | | Comp Qtr | | YTD | YTD | Comp YTD | |
|--|------------|------------|------------|----------|------------|------------|-----------|----------|
| | 4Q17 | 4Q16 | \$ Change | % Change | Dec 2017 | Dec 2016 | \$ Change | % Change |
| Interest income | | | | | | | | |
| Interest and fees on loans | \$ 194,133 | \$ 169,473 | \$ 24,660 | 15 % | \$ 749,000 | \$ 659,538 | \$ 89,462 | 14 % |
| Interest and dividends on investment securities | | | | | | | | |
| Taxable | 25,614 | 22,418 | 3,196 | 14 % | 96,909 | 95,152 | 1,757 | 2 % |
| Tax-exempt | 8,437 | 8,184 | 253 | 3 % | 32,977 | 32,049 | 928 | 3 % |
| Other interest | 2,138 | 1,380 | 758 | 55 % | 7,719 | 4,829 | 2,890 | 60 % |
| Total interest income | 230,322 | 201,455 | 28,867 | 14 % | 886,605 | 791,568 | 95,037 | 12 % |
| Interest expense | | | | | | | | |
| Interest on deposits | 28,143 | 13,773 | 14,370 | 104 % | 94,025 | 50,335 | 43,690 | 87 % |
| Interest on Federal funds purchased and securities sold under agreements to repurchase | 420 | 314 | 106 | 34 % | 2,527 | 1,314 | 1,213 | 92 % |
| Interest on other short-term funding | 1,731 | 458 | 1,273 | N/M | 5,677 | 2,114 | 3,563 | 169 % |
| Interest on long-term funding | 13,023 | 6,875 | 6,148 | 89 % | 43,156 | 30,532 | 12,624 | 41 % |
| Total interest expense | 43,317 | 21,420 | 21,897 | 102 % | 145,385 | 84,295 | 61,090 | 72 % |
| Net interest income | 187,005 | 180,035 | 6,970 | 4 % | 741,220 | 707,273 | 33,947 | 5 % |
| Provision for credit losses | — | 15,000 | (15,000) | (100)% | 26,000 | 70,000 | (44,000) | (63)% |
| Net interest income after provision for credit losses | 187,005 | 165,035 | 21,970 | 13 % | 715,220 | 637,273 | 77,947 | 12 % |
| Noninterest income | | | | | | | | |
| Insurance commissions and fees | 19,186 | 17,977 | 1,209 | 7 % | 81,474 | 80,795 | 679 | 1 % |
| Service charges and deposit account fees | 15,773 | 16,447 | (674) | (4)% | 64,427 | 66,609 | (2,182) | (3)% |
| Card-based and loan fees | 13,840 | 12,592 | 1,248 | 10 % | 52,688 | 50,077 | 2,611 | 5 % |
| Trust and asset management fees | 13,125 | 12,211 | 914 | 7 % | 50,191 | 46,867 | 3,324 | 7 % |
| Brokerage commissions and fees | 6,864 | 4,188 | 2,676 | 64 % | 19,935 | 16,235 | 3,700 | 23 % |
| Mortgage banking, net | 3,169 | 11,559 | (8,390) | (73)% | 19,360 | 38,121 | (18,761) | (49)% |
| Capital markets, net | 7,107 | 7,716 | (609) | (8)% | 19,642 | 22,059 | (2,417) | (11)% |
| Bank and corporate owned life insurance | 3,156 | 3,338 | (182) | (5)% | 16,250 | 14,371 | 1,879 | 13 % |
| Asset gains (losses), net | (528) | 767 | (1,295) | (169)% | (1,244) | (86) | (1,158) | N/M |
| Investment securities gains (losses), net | 75 | 3,115 | (3,040) | (98)% | 434 | 9,316 | (8,882) | (95)% |
| Other | 2,777 | 2,379 | 398 | 17 % | 9,523 | 8,519 | 1,004 | 12 % |
| Total noninterest income | 84,544 | 92,289 | (7,745) | (8)% | 332,680 | 352,883 | (20,203) | (6)% |
| Noninterest expense | | | | | | | | |
| Personnel | 104,824 | 107,491 | (2,667) | (2)% | 419,778 | 414,837 | 4,941 | 1 % |
| Occupancy | 13,497 | 13,690 | (193) | (1)% | 53,842 | 56,069 | (2,227) | (4)% |
| Technology | 17,878 | 14,413 | 3,465 | 24 % | 63,004 | 57,300 | 5,704 | 10 % |
| Equipment | 5,250 | 5,328 | (78) | (1)% | 21,201 | 21,489 | (288) | (1)% |
| Business development and advertising | 8,195 | 6,298 | 1,897 | 30 % | 28,946 | 26,351 | 2,595 | 10 % |
| Legal and professional | 6,384 | 5,184 | 1,200 | 23 % | 22,509 | 19,869 | 2,640 | 13 % |
| Card issuance and loan costs | 2,836 | 3,443 | (607) | (18)% | 11,760 | 13,641 | (1,881) | (14)% |
| Foreclosure / OREO expense, net | 1,285 | 677 | 608 | 90 % | 4,878 | 4,844 | 34 | 1 % |
| FDIC assessment | 7,500 | 9,250 | (1,750) | (19)% | 31,300 | 34,750 | (3,450) | (10)% |
| Other intangible amortization | 500 | 525 | (25) | (5)% | 1,959 | 2,093 | (134) | (6)% |
| Other | 13,550 | 12,616 | 934 | 7 % | 49,956 | 51,317 | (1,361) | (3)% |
| Total noninterest expense | 181,699 | 178,915 | 2,784 | 2 % | 709,133 | 702,560 | 6,573 | 1 % |
| Income before income taxes | 89,850 | 78,409 | 11,441 | 15 % | 338,767 | 287,596 | 51,171 | 18 % |
| Income tax expense | 39,840 | 23,576 | 16,264 | 69 % | 109,503 | 87,322 | 22,181 | 25 % |
| Net income | 50,010 | 54,833 | (4,823) | (9)% | 229,264 | 200,274 | 28,990 | 14 % |
| Preferred stock dividends | 2,339 | 2,348 | (9) | — % | 9,347 | 8,903 | 444 | 5 % |
| Net income available to common equity | \$ 47,671 | \$ 52,485 | \$ (4,814) | (9)% | \$ 219,917 | \$ 191,371 | \$ 28,546 | 15 % |
| Earnings per common share | | | | | | | | |
| Basic | \$ 0.31 | \$ 0.35 | \$ (0.04) | (11)% | \$ 1.45 | \$ 1.27 | \$ 0.18 | 14 % |
| Diluted | \$ 0.31 | \$ 0.34 | \$ (0.03) | (9)% | \$ 1.42 | \$ 1.26 | \$ 0.16 | 13 % |
| Average common shares outstanding | | | | | | | | |
| Basic | 150,563 | 149,253 | 1,310 | 1 % | 150,877 | 148,769 | 2,108 | 1 % |
| Diluted | 153,449 | 151,563 | 1,886 | 1 % | 153,647 | 149,961 | 3,686 | 2 % |

N/M = Not meaningful

Associated Banc-Corp
Consolidated Statements of Income (Unaudited) - Quarterly Trend

| (In thousands, except per share data) | Seq'l Qtr | | | | Comp Qtr | | | | |
|--|-----------|-----------|-------------|----------|-----------|-----------|-----------|------------|----------|
| | 4Q17 | 3Q17 | \$ Change | % Change | 2Q17 | 1Q17 | 4Q16 | \$ Change | % Change |
| Interest income | | | | | | | | | |
| Interest and fees on loans | \$194,133 | \$196,972 | \$ (2,839) | (1)% | \$184,246 | \$173,649 | \$169,473 | \$ 24,660 | 15 % |
| Interest and dividends on investment securities | | | | | | | | | |
| Taxable | 25,614 | 24,162 | 1,452 | 6 % | 23,658 | 23,475 | 22,418 | 3,196 | 14 % |
| Tax-exempt | 8,437 | 8,268 | 169 | 2 % | 8,143 | 8,129 | 8,184 | 253 | 3 % |
| Other interest | 2,138 | 2,492 | (354) | (14)% | 1,553 | 1,536 | 1,380 | 758 | 55 % |
| Total interest income | 230,322 | 231,894 | (1,572) | (1)% | 217,600 | 206,789 | 201,455 | 28,867 | 14 % |
| Interest expense | | | | | | | | | |
| Interest on deposits | 28,143 | 27,778 | 365 | 1 % | 21,180 | 16,924 | 13,773 | 14,370 | 104 % |
| Interest on Federal funds purchased and securities sold under agreements to repurchase | 420 | 768 | (348) | (45)% | 824 | 515 | 314 | 106 | 34 % |
| Interest on other short-term funding | 1,731 | 1,039 | 692 | 67 % | 1,827 | 1,080 | 458 | 1,273 | 278 % |
| Interest on long-term funding | 13,023 | 12,187 | 836 | 7 % | 9,950 | 7,996 | 6,875 | 6,148 | 89 % |
| Total interest expense | 43,317 | 41,772 | 1,545 | 4 % | 33,781 | 26,515 | 21,420 | 21,897 | 102 % |
| Net interest income | 187,005 | 190,122 | (3,117) | (2)% | 183,819 | 180,274 | 180,035 | 6,970 | 4 % |
| Provision for credit losses | — | 5,000 | (5,000) | (100)% | 12,000 | 9,000 | 15,000 | (15,000) | (100)% |
| Net interest income after provision for credit losses | 187,005 | 185,122 | 1,883 | 1 % | 171,819 | 171,274 | 165,035 | 21,970 | 13 % |
| Noninterest income | | | | | | | | | |
| Insurance commissions and fees | 19,186 | 19,815 | (629) | (3)% | 20,853 | 21,620 | 17,977 | 1,209 | 7 % |
| Service charges and deposit account fees | 15,773 | 16,268 | (495) | (3)% | 16,030 | 16,356 | 16,447 | (674) | (4)% |
| Card-based and loan fees | 13,840 | 12,619 | 1,221 | 10 % | 13,764 | 12,465 | 12,592 | 1,248 | 10 % |
| Trust and asset management fees | 13,125 | 12,785 | 340 | 3 % | 12,346 | 11,935 | 12,211 | 914 | 7 % |
| Brokerage commissions and fees | 6,864 | 4,392 | 2,472 | 56 % | 4,346 | 4,333 | 4,188 | 2,676 | 64 % |
| Mortgage banking, net | 3,169 | 6,585 | (3,416) | (52)% | 5,027 | 4,579 | 11,559 | (8,390) | (73)% |
| Capital markets, net | 7,107 | 4,610 | 2,497 | 54 % | 4,042 | 3,883 | 7,716 | (609) | (8)% |
| Bank and corporate owned life insurance | 3,156 | 6,580 | (3,424) | (52)% | 3,899 | 2,615 | 3,338 | (182) | (5)% |
| Asset gains (losses), net | (528) | (16) | (512) | N/M | (466) | (234) | 767 | (1,295) | (169)% |
| Investment securities gains (losses), net | 75 | 3 | 72 | N/M | 356 | — | 3,115 | (3,040) | (98)% |
| Other | 2,777 | 2,254 | 523 | 23 % | 2,213 | 2,279 | 2,379 | 398 | 17 % |
| Total noninterest income | 84,544 | 85,895 | (1,351) | (2)% | 82,410 | 79,831 | 92,289 | (7,745) | (8)% |
| Noninterest expense | | | | | | | | | |
| Personnel | 104,824 | 105,852 | (1,028) | (1)% | 104,683 | 104,419 | 107,491 | (2,667) | (2)% |
| Occupancy | 13,497 | 12,294 | 1,203 | 10 % | 12,832 | 15,219 | 13,690 | (193) | (1)% |
| Technology | 17,878 | 15,233 | 2,645 | 17 % | 15,473 | 14,420 | 14,413 | 3,465 | 24 % |
| Equipment | 5,250 | 5,232 | 18 | — % | 5,234 | 5,485 | 5,328 | (78) | (1)% |
| Business development and advertising | 8,195 | 7,764 | 431 | 6 % | 7,152 | 5,835 | 6,298 | 1,897 | 30 % |
| Legal and professional | 6,384 | 6,248 | 136 | 2 % | 5,711 | 4,166 | 5,184 | 1,200 | 23 % |
| Card issuance and loan costs | 2,836 | 3,330 | (494) | (15)% | 2,974 | 2,620 | 3,443 | (607) | (18)% |
| Foreclosure / OREO expense, net | 1,285 | 906 | 379 | 42 % | 1,182 | 1,505 | 677 | 608 | 90 % |
| FDIC assessment | 7,500 | 7,800 | (300) | (4)% | 8,000 | 8,000 | 9,250 | (1,750) | (19)% |
| Other intangible amortization | 500 | 450 | 50 | 11 % | 496 | 513 | 525 | (25) | (5)% |
| Other | 13,550 | 12,318 | 1,232 | 10 % | 12,579 | 11,509 | 12,616 | 934 | 7 % |
| Total noninterest expense | 181,699 | 177,427 | 4,272 | 2 % | 176,316 | 173,691 | 178,915 | 2,784 | 2 % |
| Income before income taxes | 89,850 | 93,590 | (3,740) | (4)% | 77,913 | 77,414 | 78,409 | 11,441 | 15 % |
| Income tax expense | 39,840 | 28,589 | 11,251 | 39 % | 19,930 | 21,144 | 23,576 | 16,264 | 69 % |
| Net income | 50,010 | 65,001 | (14,991) | (23)% | 57,983 | 56,270 | 54,833 | (4,823) | (9)% |
| Preferred stock dividends | 2,339 | 2,339 | — | — % | 2,339 | 2,330 | 2,348 | (9) | — % |
| Net income available to common equity | \$ 47,671 | \$ 62,662 | \$ (14,991) | (24)% | \$ 55,644 | \$ 53,940 | \$ 52,485 | \$ (4,814) | (9)% |
| Earnings per common share | | | | | | | | | |
| Basic | \$ 0.31 | \$ 0.41 | \$ (0.10) | (24)% | \$ 0.36 | \$ 0.36 | \$ 0.35 | \$ (0.04) | (11)% |
| Diluted | \$ 0.31 | \$ 0.41 | \$ (0.10) | (24)% | \$ 0.36 | \$ 0.35 | \$ 0.34 | \$ (0.03) | (9)% |
| Average common shares outstanding | | | | | | | | | |
| Basic | 150,563 | 150,565 | (2) | — % | 151,573 | 150,815 | 149,253 | 1,310 | 1 % |
| Diluted | 153,449 | 152,968 | 481 | — % | 154,302 | 153,869 | 151,563 | 1,886 | 1 % |

N/M = Not meaningful

| Associated Banc-Corp Selected Quarterly Information | | | | | | | | |
|---|-----------------|-----------------|-----------|-----------|-----------|-----------|-----------|---------|
| (In millions, except share and per share, full time equivalent employee and branch count data) | YTD Dec 2017 | YTD Dec 2016 | 4Q17 | 3Q17 | 2Q17 | 1Q17 | 4Q16 | |
| Per common share data | | | | | | | | |
| Dividends | \$ 0.50 | \$ 0.45 | \$ 0.14 | \$ 0.12 | \$ 0.12 | \$ 0.12 | \$ 0.12 | \$ 0.12 |
| Market value: | | | | | | | | |
| High | 26.50 | 25.15 | 26.10 | 25.70 | 25.50 | 26.50 | 25.15 | |
| Low | 21.25 | 15.48 | 24.00 | 21.25 | 23.25 | 23.40 | 19.05 | |
| Close | 25.40 | 24.70 | 25.40 | 24.25 | 25.20 | 24.40 | 24.70 | |
| Book value | 20.13 | 19.27 | 20.13 | 19.98 | 19.70 | 19.42 | 19.27 | |
| Tangible book value / share | \$ 13.65 | \$ 12.78 | \$ 13.65 | \$ 13.51 | \$ 13.29 | \$ 13.00 | \$ 12.78 | |
| Performance ratios (annualized) | | | | | | | | |
| Return on average assets | 0.78% | 0.70% | 0.66% | 0.86% | 0.80% | 0.79% | 0.75% | |
| Effective tax rate | 32.32% | 30.36% | 44.34% | 30.55% | 25.58% | 27.31% | 30.07% | |
| Dividend payout ratio ⁽¹⁾ | 34.48% | 35.43% | 45.16% | 29.27% | 33.33% | 33.33% | 34.29% | |
| Net interest margin | 2.82% | 2.80% | 2.79% | 2.84% | 2.83% | 2.84% | 2.80% | |
| Selected trend information | | | | | | | | |
| Average full time equivalent employees | 4,368 | 4,426 | 4,367 | 4,384 | 4,352 | 4,370 | 4,439 | |
| Branch count | | | 213 | 214 | 214 | 215 | 217 | |
| Assets under management, at market value ⁽²⁾ | | | \$ 10,555 | \$ 9,243 | \$ 8,997 | \$ 8,716 | \$ 8,302 | |
| Mortgage loans originated for sale during period | \$ 715 | \$ 1,271 | \$ 249 | \$ 246 | \$ 119 | \$ 101 | \$ 287 | |
| Mortgage loan settlements during period | \$ 820 | \$ 1,543 | \$ 268 | \$ 188 | \$ 167 | \$ 197 | \$ 396 | |
| Mortgage portfolio serviced for others | | | \$ 7,647 | \$ 7,653 | \$ 7,768 | \$ 7,909 | \$ 7,975 | |
| Mortgage servicing rights, net / mortgage portfolio serviced for others | | | 0.76% | 0.76% | 0.76% | 0.77% | 0.77% | |
| Shares outstanding, end of period | | | 152,846 | 152,316 | 153,848 | 153,734 | 152,121 | |
| Selected quarterly ratios | | | | | | | | |
| Loans / deposits | | | 91.22% | 93.72% | 96.14% | 92.30% | 91.62% | |
| Stockholders' equity / assets | | | 10.62% | 10.66% | 10.72% | 10.80% | 10.61% | |
| Risk-based capital ^{(3) (4)} | | | | | | | | |
| Total risk-weighted assets | | | \$ 21,544 | \$ 21,657 | \$ 21,590 | \$ 21,129 | \$ 21,341 | |
| Common equity Tier 1 | | | \$ 2,172 | \$ 2,144 | \$ 2,130 | \$ 2,085 | \$ 2,033 | |
| Common equity Tier 1 capital ratio | | | 10.08% | 9.90% | 9.87% | 9.87% | 9.52% | |
| Tier 1 capital ratio | | | 10.82% | 10.64% | 10.61% | 10.62% | 10.27% | |
| Total capital ratio | | | 13.22% | 13.04% | 13.01% | 13.05% | 12.68% | |
| Tier 1 leverage ratio | | | 8.02% | 7.93% | 8.09% | 8.05% | 7.83% | |

(1) Ratio is based upon basic earnings per common share.

(2) Excludes assets held in brokerage accounts.

(3) The Federal Reserve establishes regulatory capital requirements, including well-capitalized standards for the Corporation. The regulatory capital requirements effective for the Corporation follow Basel III, subject to certain transition provisions.

(4) December 31, 2017 data is estimated.

Associated Banc-Corp
Selected Asset Quality Information

| (In thousands) | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---|--------------|--------------|----------------------|--------------|--------------|--------------|----------------------|
| Allowance for loan losses | | | | | | | |
| Balance at beginning of period | \$ 276,551 | \$ 281,101 | (2)% | \$ 282,672 | \$ 278,335 | \$ 269,540 | 3 % |
| Provision for loan losses | — | 6,000 | (100)% | 11,000 | 10,000 | 18,000 | (100)% |
| Charge offs | (14,289) | (14,727) | (3)% | (15,376) | (11,854) | (11,609) | 23 % |
| Recoveries | 3,618 | 4,177 | (13)% | 2,805 | 6,191 | 2,404 | 50 % |
| Net charge offs | (10,671) | (10,550) | 1 % | (12,571) | (5,663) | (9,205) | 16 % |
| Balance at end of period | \$ 265,880 | \$ 276,551 | (4)% | \$ 281,101 | \$ 282,672 | \$ 278,335 | (4)% |
| Allowance for unfunded commitments | | | | | | | |
| Balance at beginning of period | \$ 24,400 | \$ 25,400 | (4)% | \$ 24,400 | \$ 25,400 | \$ 28,400 | (14)% |
| Provision for unfunded commitments | — | (1,000) | (100)% | 1,000 | (1,000) | (3,000) | (100)% |
| Balance at end of period | \$ 24,400 | \$ 24,400 | — % | \$ 25,400 | \$ 24,400 | \$ 25,400 | (4)% |
| Allowance for credit losses | \$ 290,280 | \$ 300,951 | (4)% | \$ 306,501 | \$ 307,072 | \$ 303,735 | (4)% |
| Provision for credit losses | \$ — | \$ 5,000 | (100)% | \$ 12,000 | \$ 9,000 | \$ 15,000 | (100)% |

| (In thousands) | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---------------------------------------|--------------|--------------|----------------------|--------------|--------------|--------------|----------------------|
| Net charge offs | | | | | | | |
| Commercial and industrial | \$ (8,212) | \$ (9,442) | (13)% | \$ (11,046) | \$ (4,368) | \$ (6,566) | 25 % |
| Commercial real estate—owner occupied | (246) | 13 | N/M | 43 | 19 | (221) | 11 % |
| Commercial and business lending | (8,458) | (9,429) | (10)% | (11,003) | (4,349) | (6,787) | 25 % |
| Commercial real estate—investor | (164) | 55 | (398)% | (126) | (514) | 5 | N/M |
| Real estate construction | (365) | (150) | 143 % | (26) | 11 | (86) | 324 % |
| Commercial real estate lending | (529) | (95) | 457 % | (152) | (503) | (81) | 553 % |
| Total commercial | (8,987) | (9,524) | (6)% | (11,155) | (4,852) | (6,868) | 31 % |
| Residential mortgage | (966) | (26) | N/M | (564) | (128) | (1,048) | (8)% |
| Home equity | 330 | (87) | (479)% | 54 | 173 | (491) | (167)% |
| Other consumer | (1,048) | (913) | 15 % | (906) | (856) | (798) | 31 % |
| Total consumer | (1,684) | (1,026) | 64 % | (1,416) | (811) | (2,337) | (28)% |
| Total net charge offs | \$ (10,671) | \$ (10,550) | 1 % | \$ (12,571) | \$ (5,663) | \$ (9,205) | 16 % |

| (In basis points) | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|--|--------------|--------------|----------------------|--------------|--------------|--------------|----------------------|
| Net charge offs to average loans (annualized) | | | | | | | |
| Commercial and industrial | (51) | (58) | (13)% | (69) | (28) | (40) | 25 % |
| Commercial real estate—owner occupied | (12) | 1 | N/M | 2 | 1 | (10) | 11 % |
| Commercial and business lending | (47) | (51) | (10)% | (60) | (24) | (36) | 25 % |
| Commercial real estate—investor | (2) | 1 | (398)% | (2) | (6) | N/M | N/M |
| Real estate construction | (10) | (4) | 143 % | (1) | N/M | (3) | 324 % |
| Commercial real estate lending | (4) | (1) | 457 % | (1) | (4) | (1) | 553 % |
| Total commercial | (30) | (31) | (6)% | (36) | (16) | (22) | 31 % |
| Residential mortgage | (5) | N/M | N/M | (3) | (1) | (7) | (8)% |
| Home equity | 15 | (4) | (479)% | 2 | 8 | (21) | (167)% |
| Other consumer | (109) | (97) | 15 % | (98) | (90) | (80) | 31 % |
| Total consumer | (8) | (5) | 64 % | (7) | (4) | (12) | (28)% |
| Total net charge offs | (20) | (20) | 1 % | (25) | (11) | (18) | 16 % |

| (In thousands) | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|--|--------------|--------------|----------------------|--------------|--------------|--------------|----------------------|
| Credit Quality | | | | | | | |
| Nonaccrual loans | \$ 208,546 | \$ 210,517 | (1)% | \$ 231,888 | \$ 259,991 | \$ 275,303 | (24)% |
| Other real estate owned (OREO) | 12,608 | 8,483 | 49 % | 7,782 | 7,540 | 10,274 | 23 % |
| Other nonperforming assets | 7,418 | 7,418 | — % | 7,418 | 7,418 | 7,418 | — % |
| Total nonperforming assets | \$ 228,572 | \$ 226,418 | 1 % | \$ 247,088 | \$ 274,949 | \$ 292,995 | (22)% |
| Loans 90 or more days past due and still accruing | \$ 1,867 | \$ 1,611 | 16 % | \$ 1,535 | \$ 1,720 | \$ 1,613 | 16 % |
| Allowance for loan losses to loans | 1.28% | 1.32% | (3)% | 1.35% | 1.40% | 1.39% | (3)% |
| Allowance for loan losses to nonaccrual loans | 127.49% | 131.37% | (3)% | 121.22% | 108.72% | 101.10% | 16 % |
| Nonaccrual loans to total loans | 1.00% | 1.01% | (1)% | 1.12% | 1.29% | 1.37% | (3)% |
| Nonperforming assets to total loans plus OREO | 1.10% | 1.08% | 2 % | 1.19% | 1.36% | 1.46% | (3)% |
| Nonperforming assets to total assets | 0.75% | 0.75% | 0 % | 0.83% | 0.94% | 1.01% | (3)% |
| Year-to-date net charge offs to average loans (annualized) | 0.19% | 0.19% | 0 % | 0.18% | 0.11% | 0.33% | (43)% |

N/M = Not meaningful

Associated Banc-Corp
Selected Asset Quality Information (continued)

| (In thousands) | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---------------------------------------|--------------|--------------|----------------------|--------------|--------------|--------------|----------------------|
| Nonaccrual loans | | | | | | | |
| Commercial and industrial | \$ 112,786 | \$ 122,284 | (8)% | \$ 141,475 | \$ 164,891 | \$ 183,371 | (38)% |
| Commercial real estate—owner occupied | 22,740 | 15,598 | 46 % | 15,800 | 17,925 | 9,544 | 138 % |
| Commercial and business lending | 135,526 | 137,882 | (2)% | 157,275 | 182,816 | 192,915 | (30)% |
| Commercial real estate—investor | 4,729 | 3,543 | 33 % | 7,206 | 8,273 | 18,051 | (74)% |
| Real estate construction | 974 | 1,540 | (37)% | 1,717 | 1,247 | 844 | 15 % |
| Commercial real estate lending | 5,703 | 5,083 | 12 % | 8,923 | 9,520 | 18,895 | (70)% |
| Total commercial | 141,229 | 142,965 | (1)% | 166,198 | 192,336 | 211,810 | (33)% |
| Residential mortgage | 53,632 | 54,654 | (2)% | 51,975 | 54,183 | 50,236 | 7 % |
| Home equity | 13,514 | 12,639 | 7 % | 13,482 | 13,212 | 13,001 | 4 % |
| Other consumer | 171 | 259 | (34)% | 233 | 260 | 256 | (33)% |
| Total consumer | 67,317 | 67,552 | — % | 65,690 | 67,655 | 63,493 | 6 % |
| Total nonaccrual loans | \$ 208,546 | \$ 210,517 | (1)% | \$ 231,888 | \$ 259,991 | \$ 275,303 | (24)% |

| | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---|--------------|--------------|----------------------|--------------|--------------|--------------|----------------------|
| Restructured loans (accruing) | | | | | | | |
| Commercial and industrial | \$ 30,047 | \$ 32,572 | (8)% | \$ 31,540 | \$ 30,852 | \$ 31,884 | (6)% |
| Commercial real estate—owner occupied | 3,989 | 4,077 | (2)% | 4,145 | 5,532 | 5,490 | (27)% |
| Commercial and business lending | 34,036 | 36,649 | (7)% | 35,685 | 36,384 | 37,374 | (9)% |
| Commercial real estate—investor | 14,389 | 14,294 | 1 % | 14,628 | 14,563 | 15,289 | (6)% |
| Real estate construction | 310 | 316 | (2)% | 321 | 327 | 359 | (14)% |
| Commercial real estate lending | 14,699 | 14,610 | 1 % | 14,949 | 14,890 | 15,648 | (6)% |
| Total commercial | 48,735 | 51,259 | (5)% | 50,634 | 51,274 | 53,022 | (8)% |
| Residential mortgage | 17,068 | 16,859 | 1 % | 17,624 | 18,535 | 18,100 | (6)% |
| Home equity | 7,705 | 7,987 | (4)% | 7,985 | 8,209 | 7,756 | (1)% |
| Other consumer | 1,110 | 1,073 | 3 % | 1,082 | 1,041 | 979 | 13 % |
| Total consumer | 25,883 | 25,919 | — % | 26,691 | 27,785 | 26,835 | (4)% |
| Total restructured loans (accruing) | \$ 74,618 | \$ 77,178 | (3)% | \$ 77,325 | \$ 79,059 | \$ 79,857 | (7)% |
| Restructured loans included in nonaccrual loans (not included with restructured loans (accruing)) | \$ 23,486 | \$ 33,520 | (30)% | \$ 51,715 | \$ 78,902 | \$ 29,385 | (20)% |

| | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---|--------------|--------------|----------------------|--------------|--------------|--------------|----------------------|
| Accruing Loans 30-89 Days Past Due | | | | | | | |
| Commercial and industrial | \$ 271 | \$ 1,378 | (80)% | \$ 1,255 | \$ 1,675 | \$ 1,413 | (81)% |
| Commercial real estate—owner occupied | 48 | 1,522 | (97)% | 1,284 | 970 | 1,384 | (97)% |
| Commercial and business lending | 319 | 2,900 | (89)% | 2,539 | 2,645 | 2,797 | (89)% |
| Commercial real estate—investor | 374 | 1,109 | (66)% | 899 | 1,122 | 931 | (60)% |
| Real estate construction | 251 | 700 | (64)% | 135 | 431 | 369 | (32)% |
| Commercial real estate lending | 625 | 1,809 | (65)% | 1,034 | 1,553 | 1,300 | (52)% |
| Total commercial | 944 | 4,709 | (80)% | 3,573 | 4,198 | 4,097 | (77)% |
| Residential mortgage | 9,552 | 8,870 | 8 % | 9,165 | 7,243 | 8,142 | 17 % |
| Home equity | 6,825 | 7,191 | (5)% | 5,924 | 4,512 | 5,849 | 17 % |
| Other consumer | 2,007 | 1,686 | 19 % | 1,746 | 1,658 | 3,189 | (37)% |
| Total consumer | 18,384 | 17,747 | 4 % | 16,835 | 13,413 | 17,180 | 7 % |
| Total accruing loans 30-89 days past due | \$ 19,328 | \$ 22,456 | (14)% | \$ 20,408 | \$ 17,611 | \$ 21,277 | (9)% |

| | Dec 31, 2017 | Sep 30, 2017 | Seql Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---------------------------------------|--------------|--------------|----------------------|--------------|--------------|--------------|----------------------|
| Potential Problem Loans | | | | | | | |
| Commercial and industrial | \$ 113,778 | \$ 153,779 | (26)% | \$ 142,607 | \$ 218,930 | \$ 227,196 | (50)% |
| Commercial real estate—owner occupied | 41,997 | 57,468 | (27)% | 60,724 | 58,994 | 64,524 | (35)% |
| Commercial and business lending | 155,775 | 211,247 | (26)% | 203,331 | 277,924 | 291,720 | (47)% |
| Commercial real estate—investor | 19,291 | 46,770 | (59)% | 48,569 | 49,217 | 51,228 | (62)% |
| Real estate construction | — | 118 | (100)% | 8,901 | 10,141 | 2,465 | (100)% |
| Commercial real estate lending | 19,291 | 46,888 | (59)% | 57,470 | 59,358 | 53,693 | (64)% |
| Total commercial | 175,066 | 258,135 | (32)% | 260,801 | 337,282 | 345,413 | (49)% |
| Residential mortgage | 1,616 | 650 | 149 % | 1,576 | 2,155 | 5,615 | (71)% |
| Home equity | 195 | 124 | 57 % | 208 | 220 | 114 | 71 % |
| Total consumer | 1,811 | 774 | 134 % | 1,784 | 2,375 | 5,729 | (68)% |
| Total potential problem loans | \$ 176,877 | \$ 258,909 | (32)% | \$ 262,585 | \$ 339,657 | \$ 351,142 | (50)% |

N/M = Not meaningful

Associated Banc-Corp
Net Interest Income Analysis - Fully Tax-Equivalent Basis - Sequential and Comparable Quarter

| (In thousands) | Three Months Ended | | | | | | | | |
|--|----------------------|---------------------------|----------------------|----------------------|---------------------------|----------------------|----------------------|---------------------------|----------------------|
| | December 31, 2017 | | | September 30, 2017 | | | December 31, 2016 | | |
| | Average Balance | Interest Income / Expense | Average Yield / Rate | Average Balance | Interest Income / Expense | Average Yield / Rate | Average Balance | Interest Income / Expense | Average Yield / Rate |
| Assets | | | | | | | | | |
| Earning assets | | | | | | | | | |
| Loans ^{(1) (2) (3)} | | | | | | | | | |
| Commercial and business lending | \$ 7,178,384 | \$ 68,440 | 3.79% | \$ 7,318,594 | \$ 71,169 | 3.86% | \$ 7,406,810 | \$ 61,501 | 3.30% |
| Commercial real estate lending | 4,873,889 | 49,744 | 4.05% | 4,973,436 | 50,396 | 4.02% | 4,914,643 | 42,663 | 3.45% |
| Total commercial | 12,052,273 | 118,184 | 3.89% | 12,292,030 | 121,565 | 3.93% | 12,321,453 | 104,164 | 3.36% |
| Residential mortgage | 7,546,288 | 59,979 | 3.18% | 7,339,827 | 59,828 | 3.26% | 6,317,769 | 49,557 | 3.14% |
| Retail | 1,265,055 | 16,853 | 5.31% | 1,267,280 | 16,541 | 5.21% | 1,337,848 | 16,679 | 4.98% |
| Total loans | 20,863,616 | 195,016 | 3.72% | 20,899,137 | 197,934 | 3.77% | 19,977,070 | 170,400 | 3.40% |
| Investment securities | | | | | | | | | |
| Taxable | 4,986,279 | 25,614 | 2.05% | 4,846,653 | 24,162 | 1.99% | 4,963,633 | 22,418 | 1.81% |
| Tax-exempt ⁽¹⁾ | 1,206,078 | 12,909 | 4.28% | 1,177,962 | 12,650 | 4.30% | 1,140,175 | 12,523 | 4.39% |
| Other short-term investments | 382,762 | 2,138 | 2.22% | 536,043 | 2,492 | 1.85% | 342,344 | 1,380 | 1.61% |
| Investments and other | 6,575,119 | 40,661 | 2.47% | 6,560,658 | 39,304 | 2.40% | 6,446,152 | 36,321 | 2.25% |
| Total earning assets | 27,438,735 | \$ 235,677 | 3.42% | 27,459,795 | \$ 237,238 | 3.44% | 26,423,222 | \$ 206,721 | 3.12% |
| Other assets, net | 2,542,484 | | | 2,504,232 | | | 2,482,062 | | |
| Total assets | <u>\$ 29,981,219</u> | | | <u>\$ 29,964,027</u> | | | <u>\$ 28,905,284</u> | | |
| Liabilities and stockholders' equity | | | | | | | | | |
| Interest-bearing liabilities | | | | | | | | | |
| Interest-bearing deposits | | | | | | | | | |
| Savings | \$ 1,554,639 | \$ 209 | 0.05% | \$ 1,545,884 | \$ 218 | 0.06% | \$ 1,451,803 | \$ 198 | 0.05% |
| Interest-bearing demand | 4,462,725 | 7,462 | 0.66% | 4,347,550 | 6,831 | 0.62% | 4,140,072 | 3,248 | 0.31% |
| Money market | 8,743,614 | 14,274 | 0.65% | 9,367,907 | 15,357 | 0.65% | 9,296,364 | 7,269 | 0.31% |
| Time deposits | 2,354,828 | 6,198 | 1.04% | 2,187,986 | 5,372 | 0.97% | 1,560,145 | 3,058 | 0.78% |
| Total interest-bearing deposits | 17,115,806 | 28,143 | 0.65% | 17,449,327 | 27,778 | 0.63% | 16,448,384 | 13,773 | 0.33% |
| Federal funds purchased and securities sold under agreements to repurchase | 279,817 | 420 | 0.60% | 398,200 | 768 | 0.76% | 549,738 | 314 | 0.23% |
| Other short-term funding | 600,492 | 1,731 | 1.14% | 416,124 | 1,039 | 0.99% | 491,800 | 458 | 0.37% |
| Total short-term funding | 880,309 | 2,151 | 0.97% | 814,324 | 1,807 | 0.88% | 1,041,538 | 772 | 0.29% |
| Long-term funding | 3,332,140 | 13,023 | 1.55% | 3,239,687 | 12,187 | 1.50% | 2,761,695 | 6,875 | 0.99% |
| Total short and long-term funding | 4,212,449 | 15,174 | 1.43% | 4,054,011 | 13,994 | 1.37% | 3,803,233 | 7,647 | 0.80% |
| Total interest-bearing liabilities | 21,328,255 | \$ 43,317 | 0.81% | 21,503,338 | \$ 41,772 | 0.77% | 20,251,617 | \$ 21,420 | 0.42% |
| Noninterest-bearing demand deposits | 5,133,977 | | | 4,992,118 | | | 5,294,078 | | |
| Other liabilities | 302,981 | | | 283,724 | | | 274,829 | | |
| Stockholders' equity | 3,216,006 | | | 3,184,847 | | | 3,084,760 | | |
| Total liabilities and stockholders' equity | <u>\$ 29,981,219</u> | | | <u>\$ 29,964,027</u> | | | <u>\$ 28,905,284</u> | | |
| Interest rate spread | | | 2.61% | | | 2.67% | | | 2.70% |
| Net free funds | | | 0.18% | | | 0.17% | | | 0.10% |
| Fully tax-equivalent net interest income and net interest margin | | \$ 192,360 | 2.79% | | \$ 195,466 | 2.84% | | \$ 185,301 | 2.80% |
| Fully tax-equivalent adjustment | | 5,355 | | | 5,344 | | | 5,266 | |
| Net interest income | | <u>\$ 187,005</u> | | | <u>\$ 190,122</u> | | | <u>\$ 180,035</u> | |

(1) The yield on tax-exempt loans and securities is computed on a fully tax-equivalent basis using a tax rate of 35% for all periods presented and is net of the effects of certain disallowed interest deductions.

(2) Nonaccrual loans and loans held for sale have been included in the average balances.

(3) Interest income includes net loan fees.

Associated Banc-Corp
Net Interest Income Analysis - Fully Tax-Equivalent Basis - Year Over Year

| (In thousands) | Years Ended December 31, | | | | | |
|--|--------------------------|---------------------------|----------------------|-----------------|---------------------------|----------------------|
| | 2017 | | | 2016 | | |
| | Average Balance | Interest Income / Expense | Average Yield / Rate | Average Balance | Interest Income / Expense | Average Yield / Rate |
| Assets | | | | | | |
| Earning assets | | | | | | |
| Loans ^{(1) (2) (3)} | | | | | | |
| Commercial and business lending | \$ 7,254,613 | \$ 265,796 | 3.66% | \$ 7,395,524 | \$ 239,064 | 3.23% |
| Commercial real estate lending | 4,952,605 | 192,838 | 3.89% | 4,724,412 | 163,421 | 3.46% |
| Total commercial | 12,207,218 | 458,634 | 3.76% | 12,119,936 | 402,485 | 3.32% |
| Residential mortgage | 7,105,486 | 229,210 | 3.23% | 6,156,524 | 194,941 | 3.17% |
| Retail | 1,279,679 | 64,892 | 5.07% | 1,374,207 | 65,910 | 4.80% |
| Total loans | 20,592,383 | 752,736 | 3.66% | 19,650,667 | 663,336 | 3.38% |
| Investment securities | | | | | | |
| Taxable | 4,861,597 | 96,909 | 1.99% | 4,955,980 | 95,152 | 1.92% |
| Tax-exempt ⁽¹⁾ | 1,166,665 | 50,455 | 4.32% | 1,092,583 | 49,036 | 4.49% |
| Other short-term investments | 379,239 | 7,719 | 2.04% | 327,431 | 4,829 | 1.48% |
| Investments and other | 6,407,501 | 155,083 | 2.42% | 6,375,994 | 149,017 | 2.34% |
| Total earning assets | 26,999,884 | \$ 907,819 | 3.36% | 26,026,661 | \$ 812,353 | 3.12% |
| Other assets, net | 2,485,849 | | | 2,479,451 | | |
| Total assets | \$ 29,485,733 | | | \$ 28,506,112 | | |
| Liabilities and stockholders' equity | | | | | | |
| Interest-bearing liabilities | | | | | | |
| Interest-bearing deposits | | | | | | |
| Savings | \$ 1,527,161 | \$ 816 | 0.05% | \$ 1,428,292 | \$ 860 | 0.06% |
| Interest-bearing demand | 4,334,181 | 24,009 | 0.55% | 3,790,185 | 10,361 | 0.27% |
| Money market | 9,085,990 | 50,781 | 0.56% | 9,127,940 | 26,978 | 0.30% |
| Time deposits | 1,979,709 | 18,419 | 0.93% | 1,553,069 | 12,136 | 0.78% |
| Total interest-bearing deposits | 16,927,041 | 94,025 | 0.56% | 15,899,486 | 50,335 | 0.32% |
| Federal funds purchased and securities sold under agreements to repurchase | 415,086 | 2,527 | 0.61% | 609,807 | 1,314 | 0.22% |
| Other short-term funding | 634,729 | 5,677 | 0.89% | 699,358 | 2,114 | 0.30% |
| Total short-term funding | 1,049,815 | 8,204 | 0.78% | 1,309,165 | 3,428 | 0.26% |
| Long-term funding | 3,068,543 | 43,156 | 1.41% | 2,913,751 | 30,532 | 1.05% |
| Total short and long-term funding | 4,118,358 | 51,360 | 1.25% | 4,222,916 | 33,960 | 0.80% |
| Total interest-bearing liabilities | 21,045,399 | \$ 145,385 | 0.69% | 20,122,402 | \$ 84,295 | 0.42% |
| Noninterest-bearing demand deposits | 4,996,561 | | | 5,106,286 | | |
| Other liabilities | 271,139 | | | 254,462 | | |
| Stockholders' equity | 3,172,634 | | | 3,022,962 | | |
| Total liabilities and stockholders' equity | \$ 29,485,733 | | | \$ 28,506,112 | | |
| Interest rate spread | | | 2.67% | | | 2.70% |
| Net free funds | | | 0.15% | | | 0.10% |
| Fully tax-equivalent net interest income and net interest margin | | \$ 762,434 | 2.82% | | \$ 728,058 | 2.80% |
| Fully tax-equivalent adjustment | | 21,214 | | | 20,785 | |
| Net interest income | | \$ 741,220 | | | \$ 707,273 | |

(1) The yield on tax exempt loans and securities is computed on a fully tax-equivalent basis using a tax rate of 35% for all periods presented and is net of the effects of certain disallowed interest deductions.

(2) Nonaccrual loans and loans held for sale have been included in the average balances.

(3) Interest income includes net loan fees.

Associated Banc-Corp
Loan and Deposit Composition

| (In thousands) | Dec 31, 2017 | Sep 30, 2017 | Seq'l Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---------------------------------------|---------------|---------------|-----------------------|---------------|---------------|---------------|----------------------|
| Period end loan composition | | | | | | | |
| Commercial and industrial | \$ 6,399,693 | \$ 6,534,660 | (2)% | \$ 6,571,000 | \$ 6,300,646 | \$ 6,489,014 | (1)% |
| Commercial real estate—owner occupied | 802,209 | 827,064 | (3)% | 845,336 | 878,391 | 897,724 | (11)% |
| Commercial and business lending | 7,201,902 | 7,361,724 | (2)% | 7,416,336 | 7,179,037 | 7,386,738 | (3)% |
| Commercial real estate—investor | 3,315,254 | 3,345,536 | (1)% | 3,329,585 | 3,415,355 | 3,574,732 | (7)% |
| Real estate construction | 1,451,684 | 1,552,135 | (6)% | 1,651,805 | 1,553,205 | 1,432,497 | 1 % |
| Commercial real estate lending | 4,766,938 | 4,897,671 | (3)% | 4,981,390 | 4,968,560 | 5,007,229 | (5)% |
| Total commercial | 11,968,840 | 12,259,395 | (2)% | 12,397,726 | 12,147,597 | 12,393,967 | (3)% |
| Residential mortgage | 7,546,534 | 7,408,471 | 2 % | 7,115,457 | 6,715,282 | 6,332,327 | 19 % |
| Home equity | 883,804 | 890,130 | (1)% | 897,111 | 911,969 | 934,443 | (5)% |
| Other consumer | 385,813 | 373,464 | 3 % | 372,775 | 372,835 | 393,979 | (2)% |
| Total consumer | 8,816,151 | 8,672,065 | 2 % | 8,385,343 | 8,000,086 | 7,660,749 | 15 % |
| Total loans | \$ 20,784,991 | \$ 20,931,460 | (1)% | \$ 20,783,069 | \$ 20,147,683 | \$ 20,054,716 | 4 % |

| | Dec 31, 2017 | Sep 30, 2017 | Seq'l Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---|---------------|---------------|-----------------------|---------------|---------------|---------------|----------------------|
| Period end deposit and customer sweeps composition | | | | | | | |
| Noninterest-bearing demand | \$ 5,478,416 | \$ 5,177,734 | 6 % | \$ 5,038,162 | \$ 5,338,212 | \$ 5,392,208 | 2 % |
| Savings | 1,524,992 | 1,544,037 | (1)% | 1,552,820 | 1,530,155 | 1,431,494 | 7 % |
| Interest-bearing demand | 4,603,157 | 4,990,891 | (8)% | 3,858,739 | 4,736,236 | 4,687,656 | (2)% |
| Money market | 8,830,328 | 8,299,512 | 6 % | 9,228,129 | 8,608,523 | 8,770,963 | 1 % |
| Brokered CDs | 18,609 | 3,554 | N/M | 131,184 | 54,993 | 52,725 | (65)% |
| Other time | 2,330,460 | 2,317,723 | 1 % | 1,809,146 | 1,559,916 | 1,553,402 | 50 % |
| Total deposits | 22,785,962 | 22,333,451 | 2 % | 21,618,180 | 21,828,035 | 21,888,448 | 4 % |
| Customer funding ⁽¹⁾ | 250,332 | 324,042 | (23)% | 360,131 | 448,502 | 401,885 | (38)% |
| Total deposits and customer funding | \$ 23,036,294 | \$ 22,657,493 | 2 % | \$ 21,978,311 | \$ 22,276,537 | \$ 22,290,333 | 3 % |
| Network transaction deposits ⁽²⁾ | \$ 2,520,968 | \$ 2,622,787 | (4)% | \$ 3,220,956 | \$ 3,417,380 | \$ 3,895,467 | (35)% |
| Net deposits and customer funding (Total deposits and customer sweeps, excluding Brokered CDs and network transaction deposits) | \$ 20,496,717 | \$ 20,031,152 | 2 % | \$ 18,626,171 | \$ 18,804,164 | \$ 18,342,141 | 12 % |

| | Dec 31, 2017 | Sep 30, 2017 | Seq'l Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|---|---------------|---------------|-----------------------|---------------|---------------|---------------|----------------------|
| Quarter average loan composition | | | | | | | |
| Commercial and industrial | \$ 6,366,626 | \$ 6,487,378 | (2)% | \$ 6,449,250 | \$ 6,313,389 | \$ 6,514,974 | (2)% |
| Commercial real estate—owner occupied | 811,758 | 831,216 | (2)% | 872,273 | 886,092 | 891,836 | (9)% |
| Commercial and business lending | 7,178,384 | 7,318,594 | (2)% | 7,321,523 | 7,199,481 | 7,406,810 | (3)% |
| Commercial real estate—investor | 3,369,785 | 3,346,669 | 1 % | 3,359,817 | 3,502,769 | 3,546,559 | (5)% |
| Real estate construction | 1,504,104 | 1,626,767 | (8)% | 1,604,440 | 1,497,225 | 1,368,084 | 10 % |
| Commercial real estate lending | 4,873,889 | 4,973,436 | (2)% | 4,964,257 | 4,999,994 | 4,914,643 | (1)% |
| Total commercial | 12,052,273 | 12,292,030 | (2)% | 12,285,780 | 12,199,475 | 12,321,453 | (2)% |
| Residential mortgage | 7,546,288 | 7,339,827 | 3 % | 6,957,865 | 6,564,600 | 6,317,769 | 19 % |
| Home equity | 885,235 | 894,596 | (1)% | 906,208 | 923,896 | 942,620 | (6)% |
| Other consumer | 379,820 | 372,684 | 2 % | 372,137 | 384,754 | 395,228 | (4)% |
| Total consumer | 8,811,343 | 8,607,107 | 2 % | 8,236,210 | 7,873,250 | 7,655,617 | 15 % |
| Total loans | \$ 20,863,616 | \$ 20,899,137 | — % | \$ 20,521,990 | \$ 20,072,725 | \$ 19,977,070 | 4 % |

| | Dec 31, 2017 | Sep 30, 2017 | Seq'l Qtr % Change | Jun 30, 2017 | Mar 31, 2017 | Dec 31, 2016 | Comp Qtr % Change |
|--|---------------|---------------|-----------------------|---------------|---------------|---------------|----------------------|
| Quarter average deposit composition | | | | | | | |
| Noninterest-bearing demand | \$ 5,133,977 | \$ 4,992,118 | 3 % | \$ 4,892,271 | \$ 4,966,082 | \$ 5,294,078 | (3)% |
| Savings | 1,554,639 | 1,545,884 | 1 % | 1,541,129 | 1,465,811 | 1,451,803 | 7 % |
| Interest-bearing demand | 4,462,725 | 4,347,550 | 3 % | 4,272,620 | 4,251,357 | 4,140,072 | 8 % |
| Money market | 8,743,614 | 9,367,907 | (7)% | 9,064,874 | 9,169,141 | 9,296,364 | (6)% |
| Time deposits | 2,354,828 | 2,187,986 | 8 % | 1,752,255 | 1,613,331 | 1,560,145 | 51 % |
| Total deposits | \$ 22,249,783 | \$ 22,441,445 | (1)% | \$ 21,523,149 | \$ 21,465,722 | \$ 21,742,462 | 2 % |

N/M = Not meaningful

(1) Includes repurchase agreements and commercial paper.

(2) Included above in interest-bearing demand and money market.

Associated Banc-Corp
Non-GAAP Financial Measures Reconciliation

| (In millions, except per share data) | YTD Dec 2017 | YTD Dec 2016 | 4Q17 | 3Q17 | 2Q17 | 1Q17 | 4Q16 |
|--|-----------------|-----------------|-----------|-----------|-----------|-----------|-----------|
| Tangible common equity reconciliation ⁽¹⁾ | | | | | | | |
| Common equity | | | \$ 3,078 | \$ 3,044 | \$ 3,032 | \$ 2,985 | \$ 2,931 |
| Goodwill and other intangible assets, net | | | (992) | (986) | (987) | (987) | (987) |
| Tangible common equity | | | \$ 2,086 | \$ 2,058 | \$ 2,045 | \$ 1,998 | \$ 1,944 |
| Tangible assets reconciliation ⁽¹⁾ | | | | | | | |
| Total assets | | | \$ 30,484 | \$ 30,065 | \$ 29,769 | \$ 29,110 | \$ 29,139 |
| Goodwill and other intangible assets, net | | | (992) | (986) | (987) | (987) | (987) |
| Tangible assets | | | \$ 29,492 | \$ 29,079 | \$ 28,782 | \$ 28,123 | \$ 28,152 |
| Average tangible common equity and average common equity tier 1 reconciliation ⁽¹⁾ | | | | | | | |
| Common equity | \$ 3,013 | \$ 2,888 | \$ 3,056 | \$ 3,025 | \$ 3,005 | \$ 2,963 | \$ 2,925 |
| Goodwill and other intangible assets, net | (988) | (988) | (992) | (986) | (987) | (987) | (988) |
| Tangible common equity | 2,025 | 1,900 | 2,064 | 2,039 | 2,018 | 1,976 | 1,937 |
| Less: Accumulated other comprehensive income / loss | 54 | 8 | 62 | 49 | 50 | 54 | 28 |
| Less: Deferred tax assets / deferred tax liabilities, net | 30 | 32 | 29 | 32 | 32 | 32 | 33 |
| Average common equity Tier 1 | \$ 2,109 | \$ 1,940 | \$ 2,155 | \$ 2,120 | \$ 2,100 | \$ 2,062 | \$ 1,998 |
| Selected Trend Information ⁽²⁾ | | | | | | | |
| Insurance commissions and fees | | | \$ 19 | \$ 20 | \$ 21 | \$ 22 | \$ 18 |
| Service charges and deposit account fees | | | 16 | 16 | 16 | 16 | 16 |
| Card-based and loan fees | | | 14 | 13 | 14 | 13 | 13 |
| Trust and asset management fees | | | 13 | 13 | 12 | 12 | 12 |
| Brokerage commissions and fees | | | 7 | 4 | 4 | 4 | 4 |
| Fee-based revenue | | | 69 | 66 | 67 | 67 | 63 |
| Other | | | 16 | 20 | 15 | 13 | 29 |
| Total noninterest income | | | \$ 85 | \$ 86 | \$ 82 | \$ 80 | \$ 92 |
| Selected equity and performance ratios ⁽¹⁾⁽³⁾ | | | | | | | |
| Tangible common equity / tangible assets | | | 7.07 % | 7.08 % | 7.11 % | 7.10 % | 6.91 % |
| Return on average equity | 7.23 % | 6.63 % | 6.17 % | 8.10 % | 7.35 % | 7.31 % | 7.07 % |
| Return on average tangible common equity | 10.86 % | 10.07 % | 9.16 % | 12.20 % | 11.06 % | 11.07 % | 10.78 % |
| Return on average common equity Tier 1 | 10.43 % | 9.86 % | 8.77 % | 11.73 % | 10.63 % | 10.61 % | 10.45 % |
| Efficiency ratio reconciliation ⁽⁴⁾ | | | | | | | |
| Federal Reserve efficiency ratio | 65.97 % | 66.95 % | 66.93 % | 63.92 % | 66.69 % | 66.39 % | 65.35 % |
| Fully tax-equivalent adjustment | (1.28)% | (1.29)% | (1.30)% | (1.21)% | (1.30)% | (1.30)% | (1.25)% |
| Other intangible amortization | (0.18)% | (0.20)% | (0.18)% | (0.16)% | (0.18)% | (0.20)% | (0.20)% |
| Fully tax-equivalent efficiency ratio | 64.51 % | 65.46 % | 65.45 % | 62.55 % | 65.21 % | 64.89 % | 63.90 % |

| Tax Cuts and Jobs Act related expenses ⁽⁵⁾ | 4Q 2017 | 4Q 2017 per share data | FY 2017 | FY 2017 per share data |
|---|---------|------------------------------|---------|------------------------------|
| GAAP earnings and EPS | \$ 48 | \$ 0.31 | \$ 220 | \$ 1.42 |
| Required partial write-off of deferred tax asset | 12 | 0.08 | 12 | 0.08 |
| Required acceleration of low income housing tax credit amortization | 1 | <0.01 | 1 | <0.01 |
| Previously disclosed compensation actions | 1 | <0.01 | 1 | <0.01 |
| Other accelerated write-offs | 1 | <0.01 | 1 | <0.01 |
| Total expenses related to the Tax Act | \$ 15 | \$ 0.10 | \$ 15 | \$ 0.10 |
| Earnings and EPS, excluding expenses related to the Tax Act | \$ 63 | \$ 0.41 | \$ 235 | \$ 1.52 |

(1) The ratio tangible common equity to tangible assets excludes goodwill and other intangible assets, net. This financial measure has been included as it is considered to be a critical metric with which to analyze and evaluate financial condition and capital strength.

(2) These financial measures have been included as they provide meaningful supplemental information to assess trends in the Corporation's results of operations. May not match the income statement due to rounding.

(3) These capital measurements are used by management, regulators, investors, and analysts to assess, monitor and compare the quality and composition of our capital with the capital of other financial services companies.

(4) 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 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.

(5) Given the passage of the Tax Cuts and Jobs Act of 2017, the Company believes the above required and reported impacts of the Tax Cuts and Jobs Act of 2017 are generally of a non-recurring nature and notably impacted the fourth quarter 2017 results. Management believes this measure is meaningful because it reflects adjustments commonly made by management, investors, regulators, and analysts to evaluate the adequacy of earnings per common share. Associated believes net income available to common equity, excluding expenses related to the Tax Act and earnings per common share, excluding expenses related to the Tax Act provide a greater understanding of ongoing operations and enhances comparability of results with prior periods. All items are tax effected.