Associated Banc-Corp Investor Presentation

2018

SECOND QUARTER

Associated Bank

ASB LISTED NYSE

FORWARD-LOOKING STATEMENTS

Important note regarding forward-looking statements:

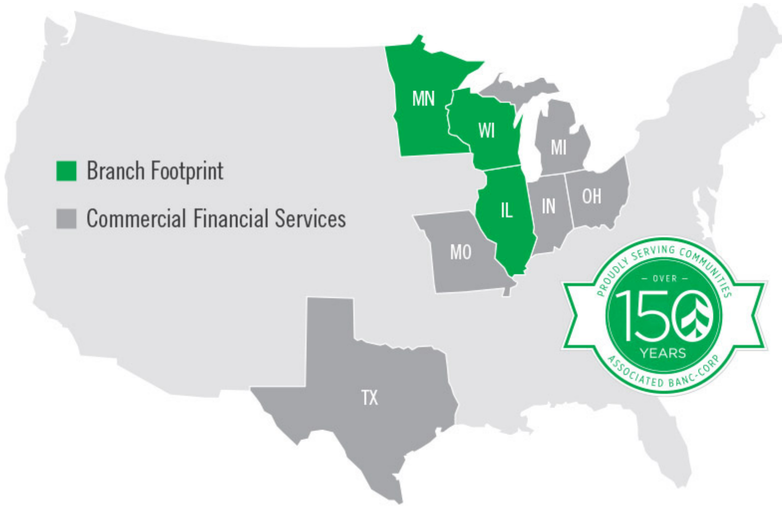
Statements made in this presentation which are not purely historical are forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. This includes any statements regarding management's plans, objectives, or goals for future operations, products or services, and forecasts of its revenues, earnings, or other measures of performance. 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.

Trademarks:

OUR FRANCHISE

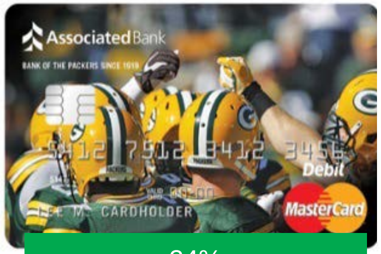
First Quarter 2018

$33 billion of assets[1]	**$23 billion** of loans[1]
Over **$1 billion** of revenue[2]	**$24 billion** of deposits[1]



- Largest bank headquartered in Wisconsin[3]
- Approximately 5,000 employees, servicing over 1 million customer accounts in 8 states and over 110 communities[1]
- 40%+ of active personal checking accounts are affinity related[4]

Affinity Programs[4]



24%

7%

9%

2%

Contact Center Recognition[5]

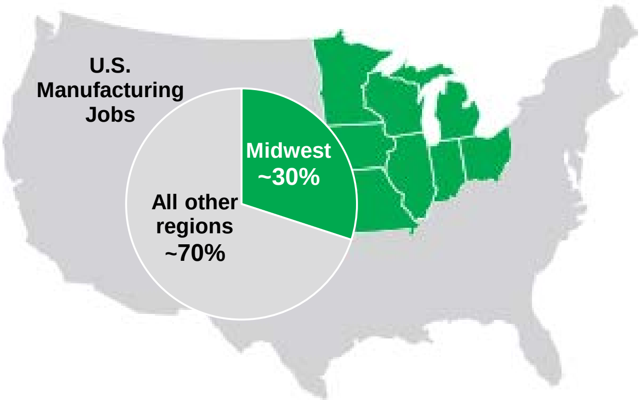
FOR THE THIRD YEAR IN A ROW, ASSOCIATED BANK'S CONTACT CENTERS HAVE BEEN RECOGNIZED BY J.D. POWER FOR PROVIDING **"AN OUTSTANDING CUSTOMER SERVICE EXPERIENCE"** FOR THE LIVE PHONE CHANNEL.

1 – As of March 31, 2018, unless otherwise noted
2 – Twelve months ended March 31, 2018
3 – Based on assets
4 – Affinity debit cards as a percentage of active personal checking accounts, as of March 31, 2018
5 – J.D. Power 2017 Certified Contact Center Program[SM] recognition is based on successful completion of an audit and exceeding a customer satisfaction benchmark through a survey of recent servicing interactions. For more information, visit www.jdpower.com/ccc

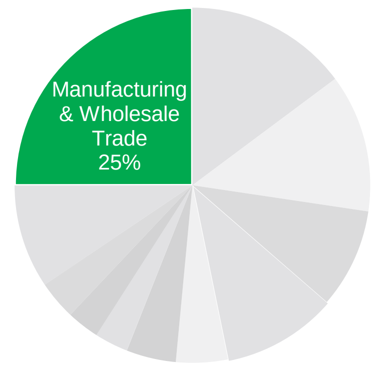
ATTRACTIVE MIDWEST MARKETS

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

Midwest holds ~20% of the U.S. population[1] and nearly 30% of all U.S. manufacturing jobs[2]

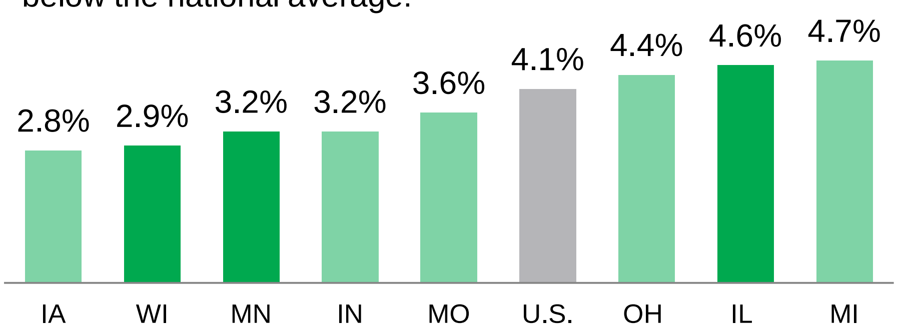


Commercial and Business Lending
ASB Loan Composition by Industry



Supporting Strong Employment Base and Healthy Consumer Credit

Several Midwestern states have unemployment rates[3] well below the national average:



Dark green bars denote ASB branch states

Select ASB Metro Market Unemployment Rates[4]

Madison, WI……………………	**2.2%**
Wausau, WI…………………….	**2.3%**
Green Bay, WI…………………	**2.3%**
Rochester, MN…………………..	**2.7%**
Minneapolis – St. Paul, MN…….	**2.9%**

[1] – U.S. Census Bureau, Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2017
[2] – U.S. Bureau of Labor Statistics, Manufacturing Industry Employees, seasonally adjusted, March 2018 (preliminary)
[3] – U.S. Bureau of Labor Statistics, State Employment and Unemployment, seasonally adjusted, March 2018 (preliminary)
[4] – U.S. Bureau of Labor Statistics, Civilian labor force and unemployment by metropolitan area, seasonally adjusted, March 2018 (preliminary)

2018 OUTLOOK

This outlook reflects a stable to improving economy and includes our expectation of two additional interest rate increases in 2018. We may adjust our outlook if, and when, we have more clarity on any one, or more, of these factors.

Balance Sheet Management

- 1%-2% quarterly loan growth for the remainder of 2018
- Maintain Loan to Deposit ratio under 100%
- Improving year over year NIM trend

Expense Management

- Approximately $825M noninterest expense (including Diversified Insurance expenses)[1]
- Lower effective tax rate (20%-22%)

Fee Businesses

- Improving year over year fee-based revenues
- Approximately $365M - $375M full year noninterest income

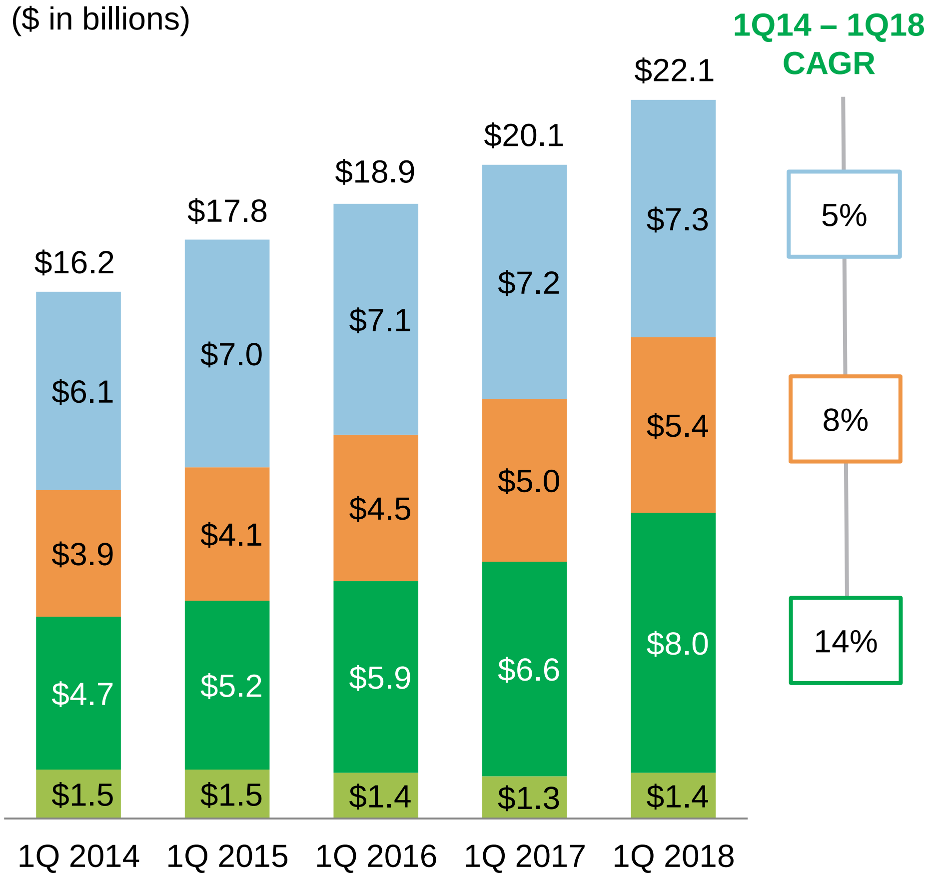
Capital & Credit Management

- 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

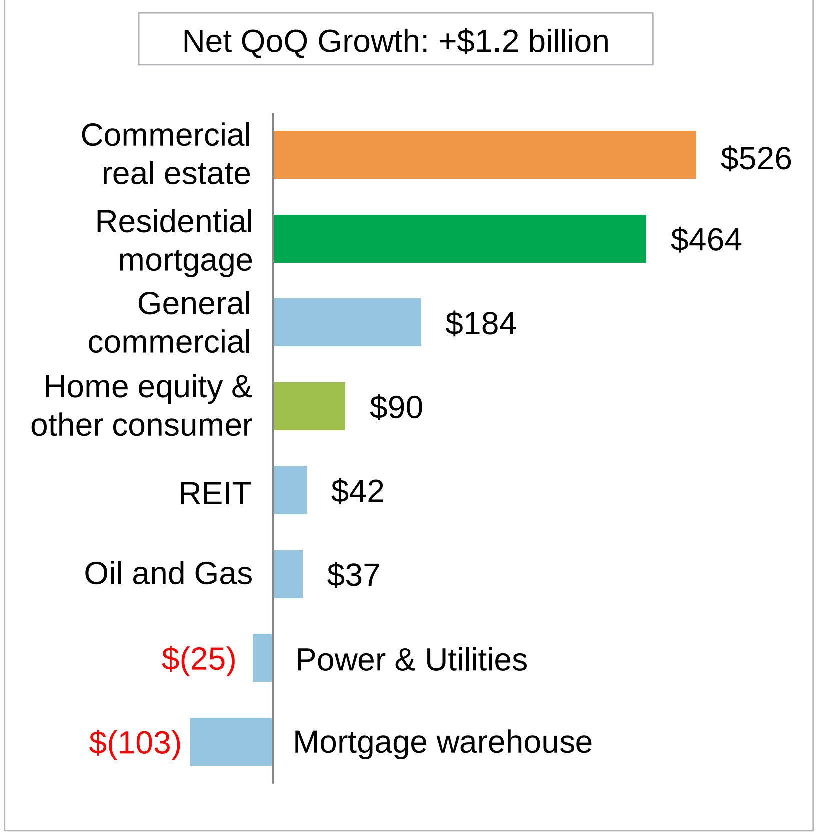
[1] – Includes $40 million of expected acquisition related costs.

LOAN GROWTH TRENDS[1]

Average Quarterly Loans



QoQ Average Loan Growth, $ in millions

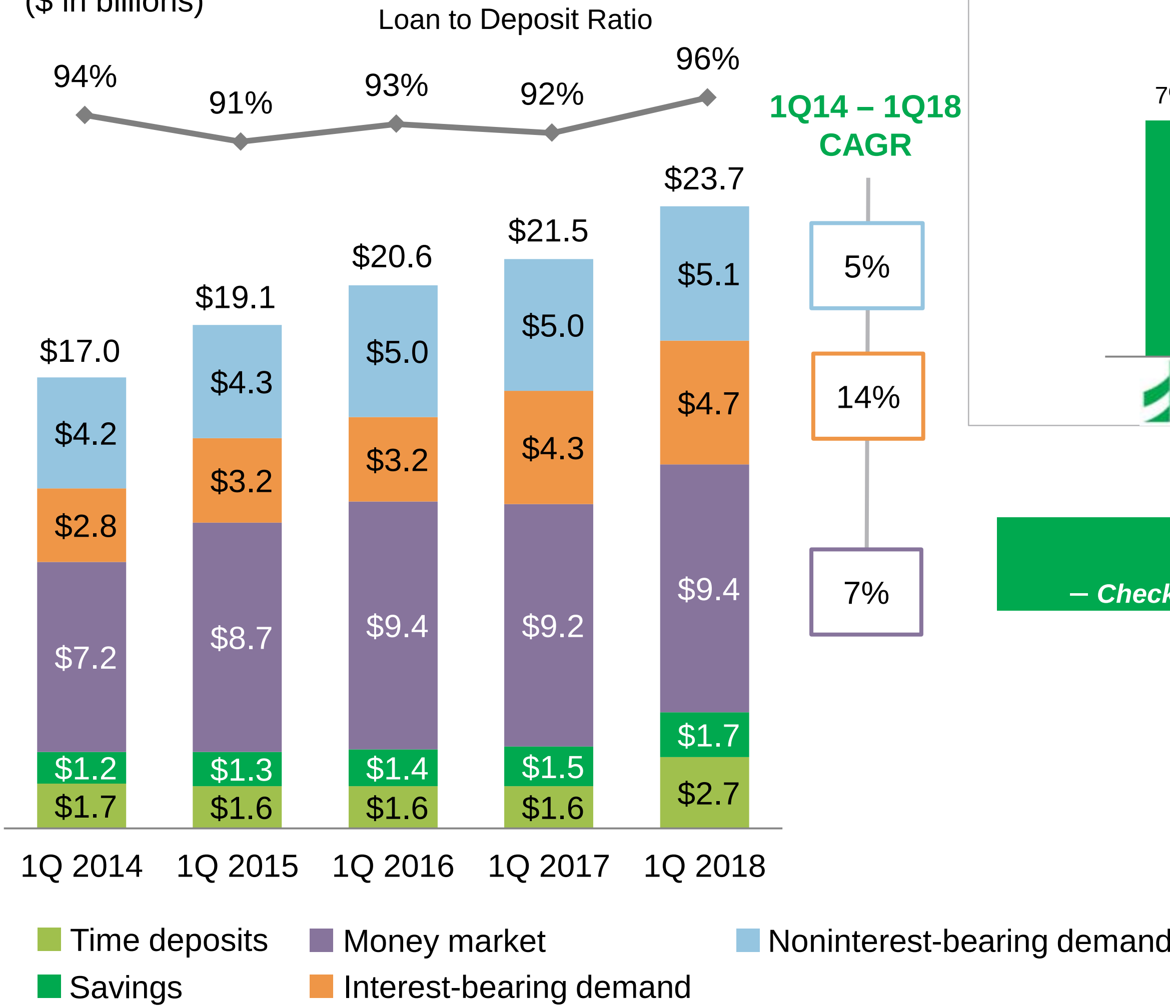


Commercial & business | Commercial real estate | Residential mortgage | Home equity & other consumer

[1]First quarter 2018 includes Bank Mutual loans for two months, from 2/1/2018 through 3/31/2018.

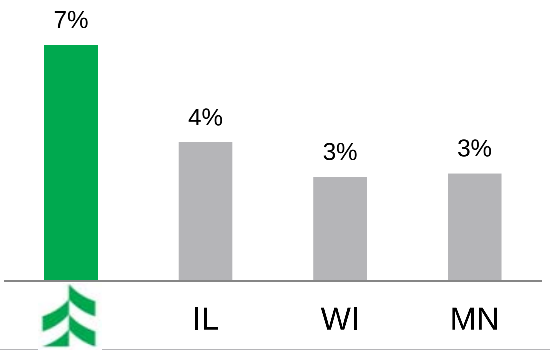
DEPOSIT GROWTH TRENDS[1]

Average Quarterly Deposits



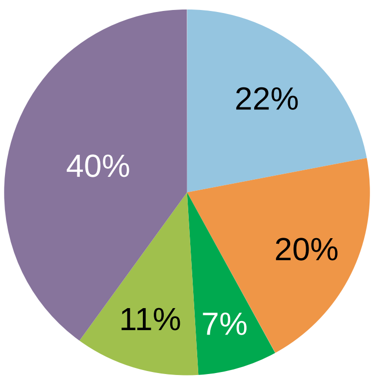
Strong Deposit Growth

2012 – 2017 CAGR[2]



Low Cost Deposit Mix[3]

– Checking and Savings represent nearly 50% –

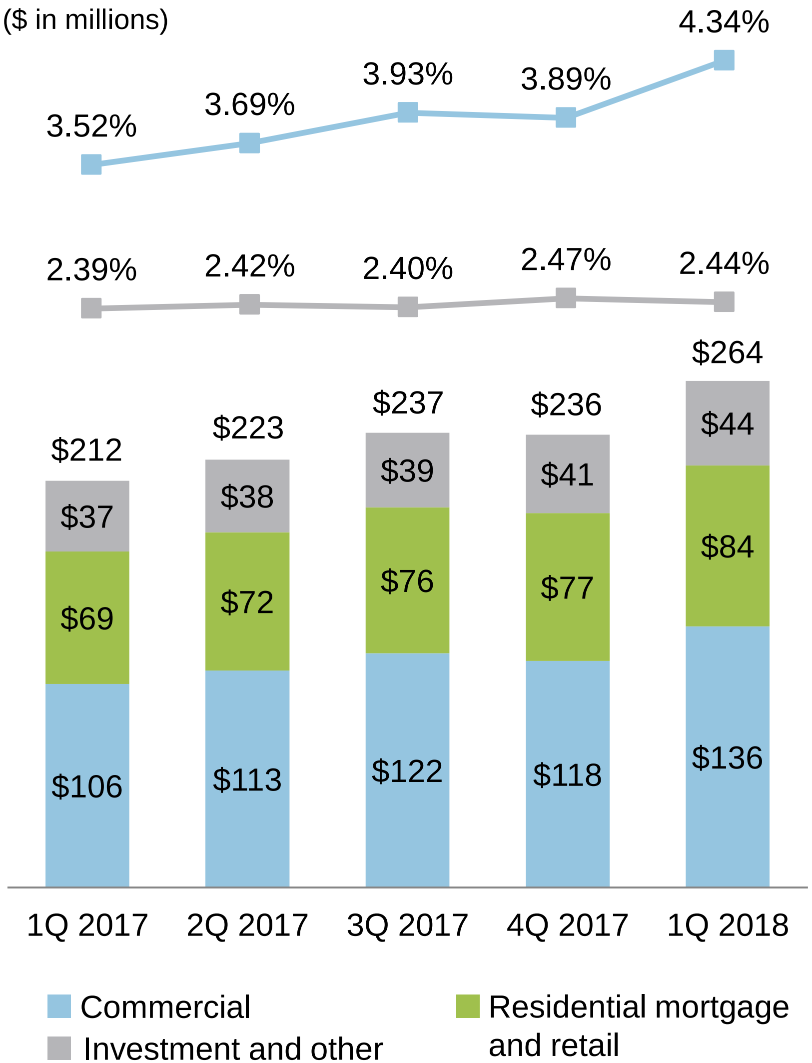


[1] – First quarter 2018 includes Bank Mutual deposits for two months, from 2/1/2018 through 3/31/2018
[2] – SNL U.S. Deposit Market Share Report. State figures portray deposit growth for all bank branches in that state
[3] – Percentages based on first quarter 2018 average balances

EXPANDING MARGINS

Interest Income & Average Yield

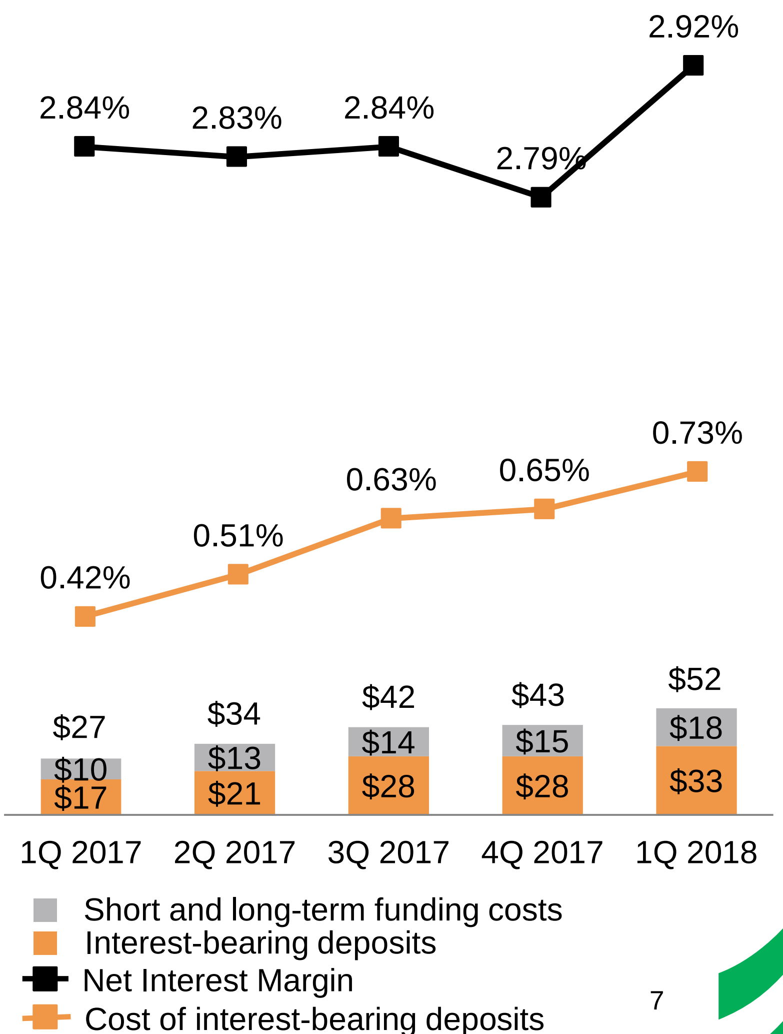
($ in millions)



Repricing[1] in next 12 months

90%

Interest Expense and NIM



[1] – Repricing, resetting, or maturing balances as a percentage of March 31, 2018 balances

NET INTEREST INCOME WALKFORWARD AND MARGIN OUTLOOK

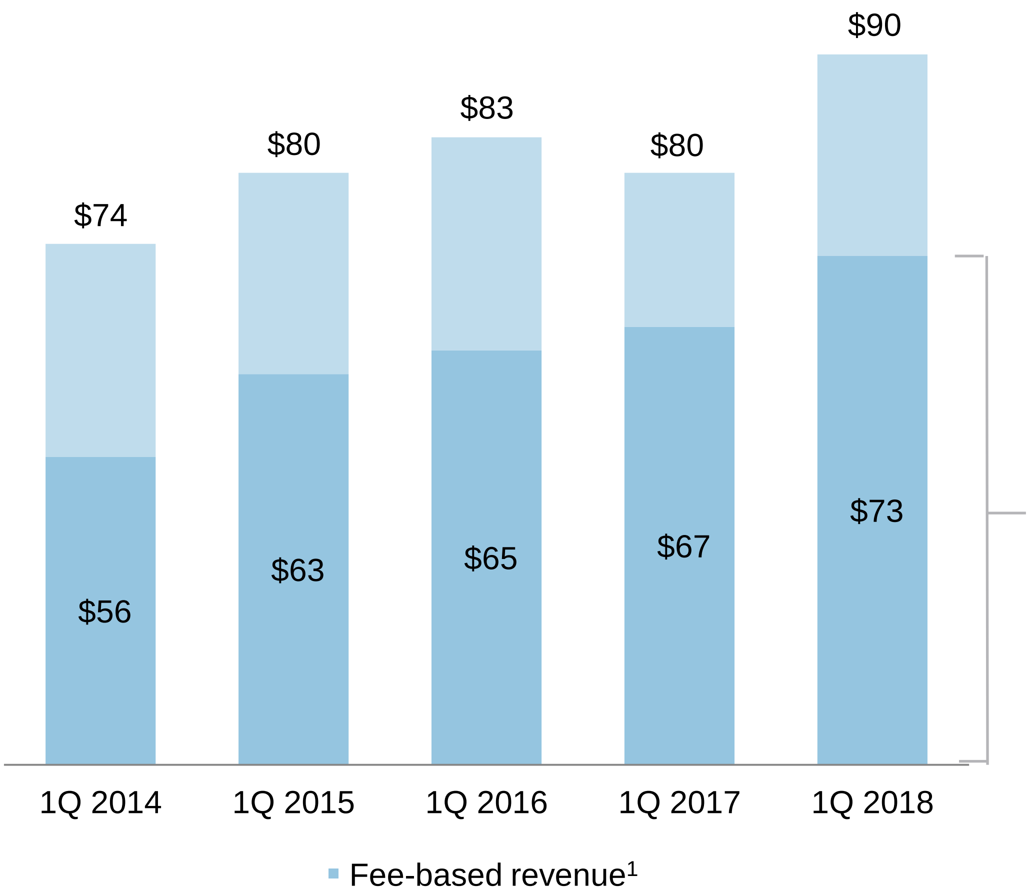
Net Interest Income Walkforward		
4Q 2017 Reported Net Interest Income and Margin		$187 million 2.79%
+ Net loan and deposit growth (including Bank Mutual)	+	$10 million
+ Bank Mutual purchase loan related items	+	$6 million
Purchased loan accretion		$4 million
Prepayments and other adjustments		$2 million
+ Net changes in securities portfolio	+	$3 million
+ LIBOR - Fed Funds spread widening	+	$2 million
+ Other prepayments and net changes to other earning assets and liabilities	+	$2 million
1Q 2018 Net Interest Income and Margin		**$210 million**

Net Interest Margin Outlook	
1Q 2018 Reported Net Interest Margin	2.92%
Expected future margin impacts for 2018:	
Full quarter effect of Bank Mutual purchase accretion	0 to +1 bp
Prepayments, interest recoveries and other adjustments (including Bank Mutual)	(-1) to +1 bp
LIBOR - Fed Funds spread normalization	(-1) to 0 bps
Expected benefit of two additional Fed rate increases	+2 to +4 bps
Net 2018 projected net interest margin range	**2.92%-2.98%**

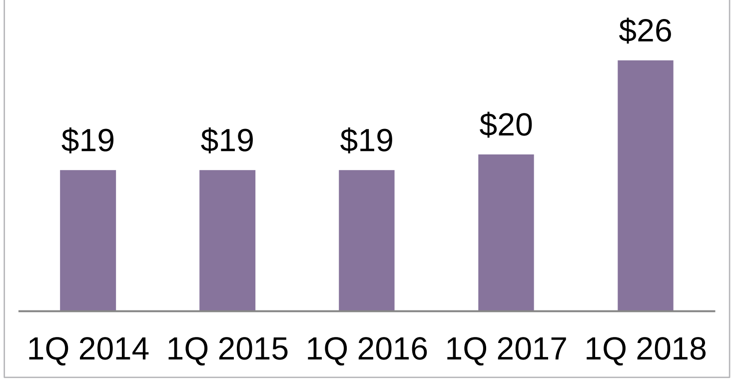
GROWING AND DIVERSIFIED BUSINESS MODEL

Noninterest Income

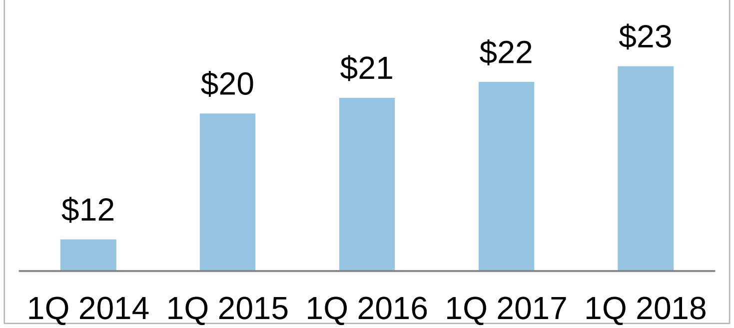
($ in millions)



Robust Capital Markets, Trust and Investments Solutions[2]



Strong Insurance Commissions Growth Driven by Acquisitions



[1] – A non-GAAP financial measure, fee-based revenue is the sum of insurance commissions and fees, service charges and deposit account fees, card-based and loan fees, trust and asset management fees, and brokerage commissions and fees. Please refer to the appendix for a reconciliation of fee-based revenue to total noninterest income.

[2] – Capital markets, trust and asset management fees, and brokerage commissions and fees

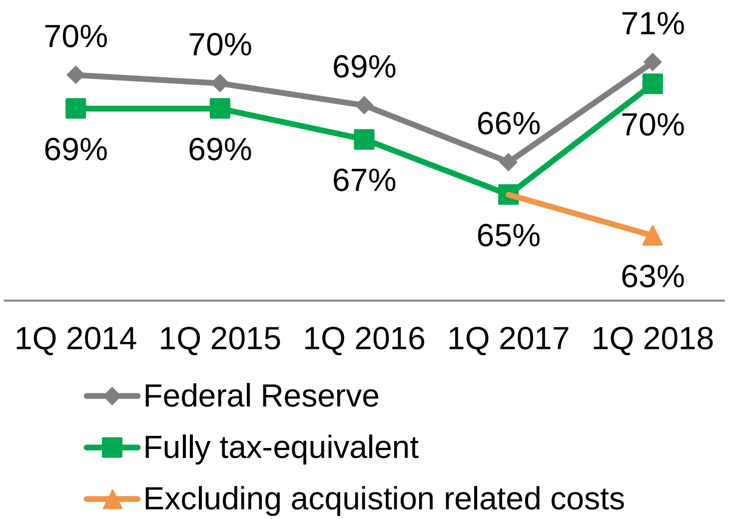
OVERALL EXPENSE EFFICIENCY

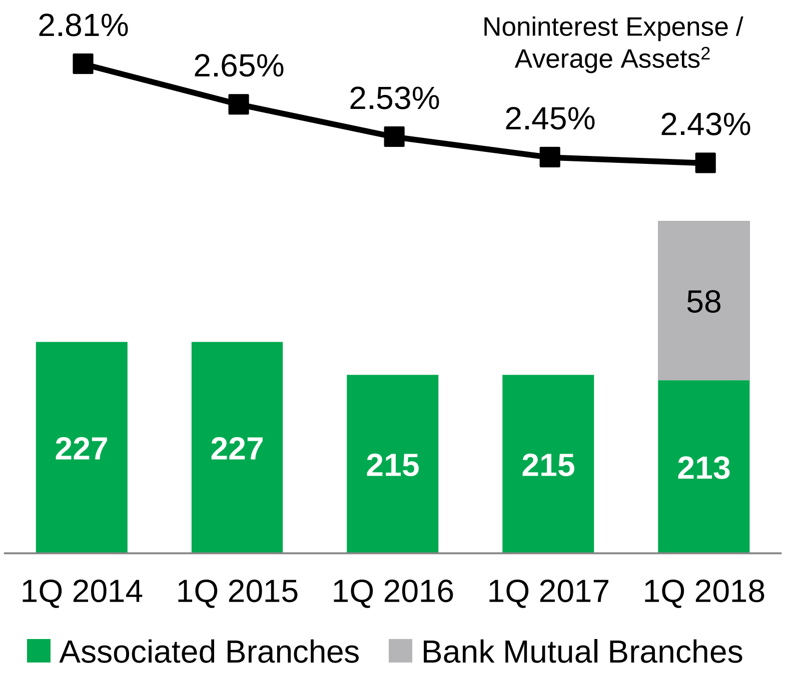
AUTOMATION AND INVESTMENTS ARE DRIVING BETTER EFFICIENCY OVER TIME

Efficiency Drivers

Enhanced Automation	Operational Efficiencies	Branch Consolidations	Branch Staffing Initiatives

Efficiency Ratio[1]





[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 and to the efficiency ratio excluding acquisition related costs.

[2] – Annualized data. Noninterest expense for 1Q 2018 excludes $21M of acquisition related costs.

MULTI-CHANNEL STRATEGY

Transactions are moving out of branches[1]…

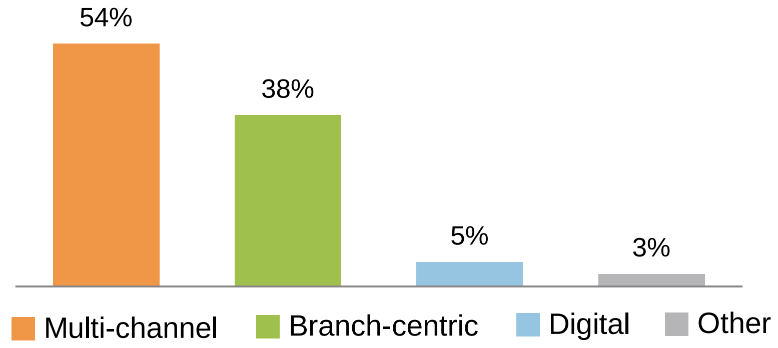
Since 2015…

Branch transactions ***down 15%***

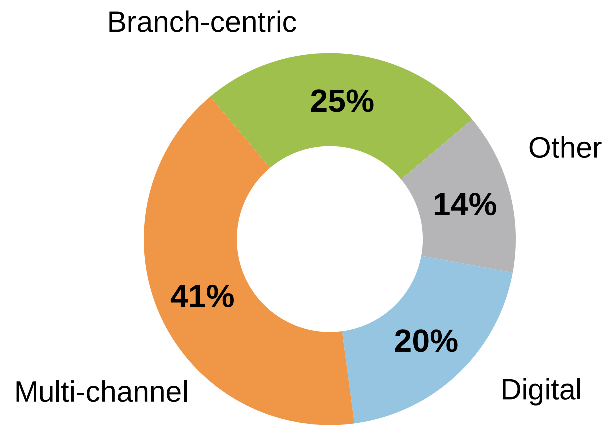
Snap deposits ***up 75%***

…but branches remain important for certain Community, Consumer and Business segments deposit growth[2]

Last 12 Months Deposit Growth[3]



Solution is Multi-channel Strategy[2]



Physical Presence[2]…

- 66% of households are multi-channel or branch-centric
- Over 30,000 customers per day in our branches

…and Digital Engagement[2]

- 61% of households are digitally engaged

[1] – 2015 compared to twelve months ended March 31, 2018, excluding Bank Mutual transactions
[2] – See Appendix for definition of Multi-channel, Branch-centric, Digital and Other categories. Figures exclude Bank Mutual transactions
[3] – February 2017 to February 2018, excluding Bank Mutual

BRANCH NETWORK OPTIMIZATION

UPGRADING AND REDUCING PHYSICAL FOOTPRINT[1]

Upgrading

Since 2012…

- Associated has invested over **$150MM** in its physical branch network
- **100%** of branches have been upgraded
- **75%** of branches have received a major remodel

Reducing Physical Footprint

Since 2012…

- Eliminated **~60 branches**
- **~10% reduction** in average branch size (as measured in square feet)

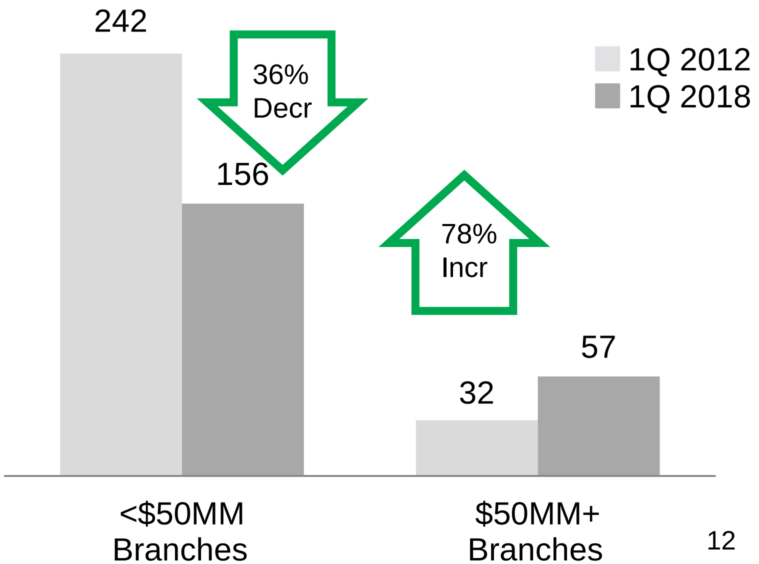
Innovation

Digital Ambassadors

Modern Branches

Consolidating Deposits

Branches By Consumer Deposits[2]



[1] – Excludes Bank Mutual branches

[2] – Excludes commercial, corporate, trust, and network transaction deposits

CAPITAL PRIORITIES

1 Funding Organic Growth

Quarterly Average Loans; ($ in billions)

2 Paying a Competitive Dividend

Quarterly Dividends

3 Non-Organic Growth Opportunities

Anderson INSURANCE & INVESTMENT AGENCY, INC.

Expected June 2018

BankMutual

Completed Feb. 2018

Diversified Insurance Solutions

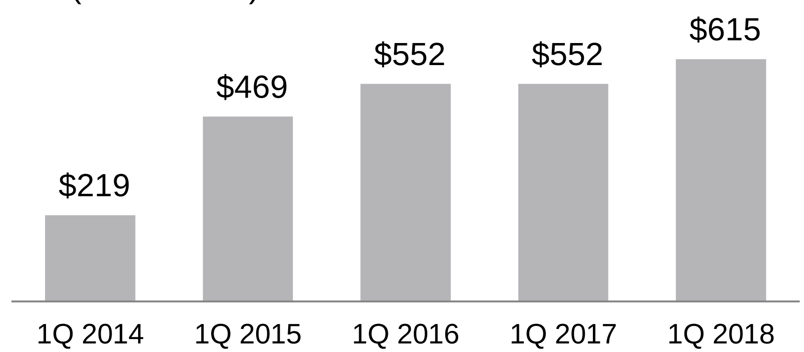
Completed March 2018

Whitnell

Completed Oct. 2017

4 Share Repurchases

Cumulative Common Share Repurchases[1]
($ in millions)



[1] — Since March 31, 2012

BANK MUTUAL UPDATE

Legal Closing and Expected Conversion Date

- Closed February 1, 2018; issued approximately 19.5 million common shares at 0.422 fixed exchange ratio
- Expected system conversion and branch consolidation: June 23, 2018

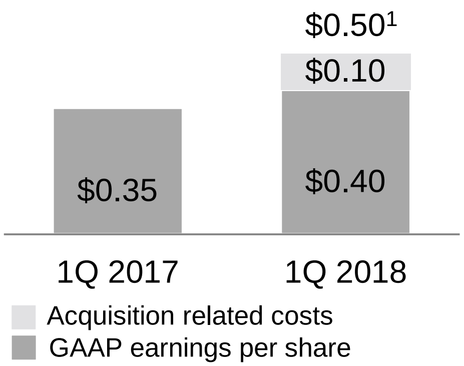
Expected Total Acquisition Related Costs **($ in millions)**	Announced Costs	Recorded 1Q 2018	Expected 2Q 2018	Expected 3Q 2018	Expected Total
Change of control and severance	$10	$7	$10 - $15	$1 - $5	$35 - $40
Merger advisors and consultants	$10	$4			
Facilities and other	$10	$5			
Contract terminations	$10	$5			
Total	**$40**	**$21**			

4Q 2018 Expected Combined Expenses Run-Rate

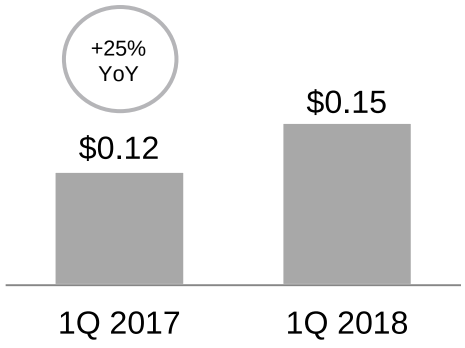
Associated Bank (including Bank Mutual)	$190 million - $195 million
Diversified Insurance Solutions	$1 million - $2 million
Pro forma	**$191 million - $197 million**

EXPANDING BOTTOM LINE

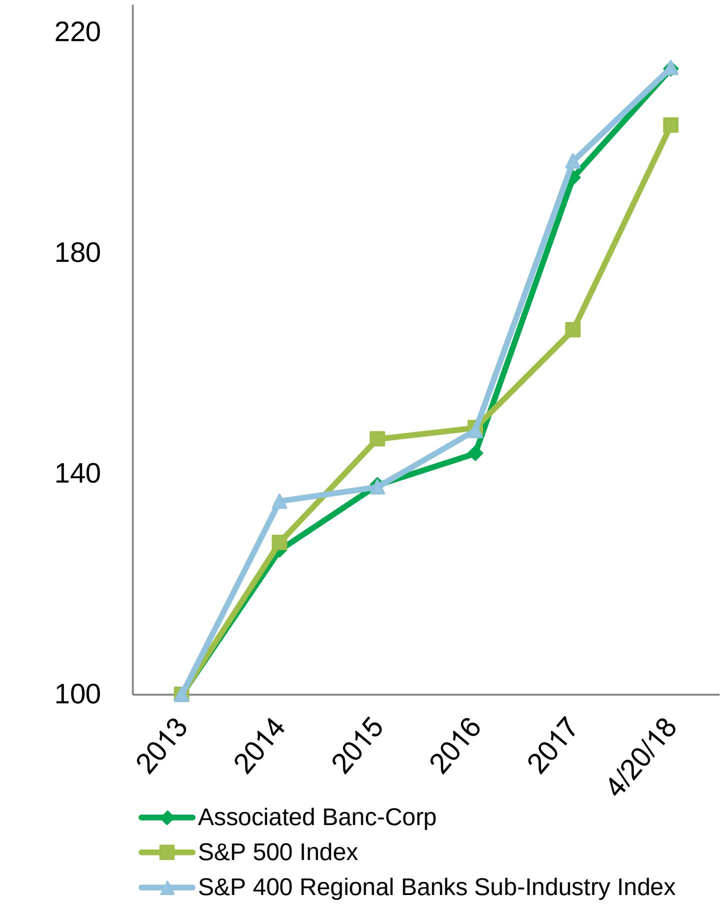
Per Share Data



Dividends

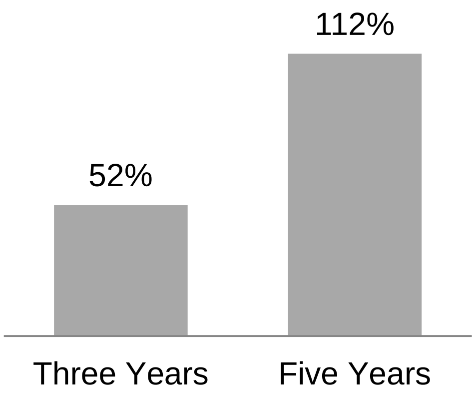


Total Shareholder Return

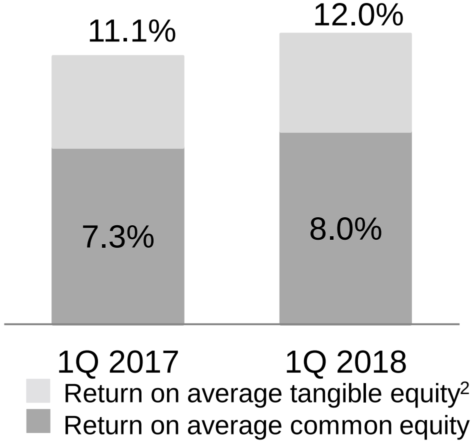


Total Shareholder Return

As of April 20, 2018



Return on Average Common Equity



[1] – Earnings per share, excluding acquisition related costs is a non-GAAP financial measure. Refer to the appendix for a reconciliation of non-GAAP measures

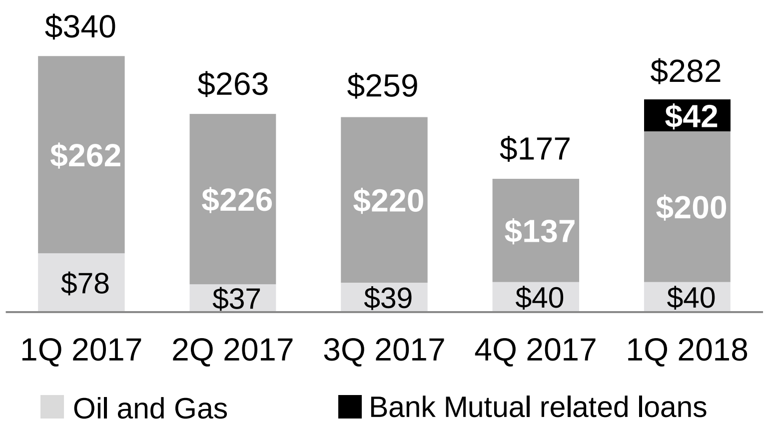
[2] – Return on average tangible equity is a non-GAAP financial measure. Refer to the appendix for a reconciliation of non-GAAP measures

APPENDIX

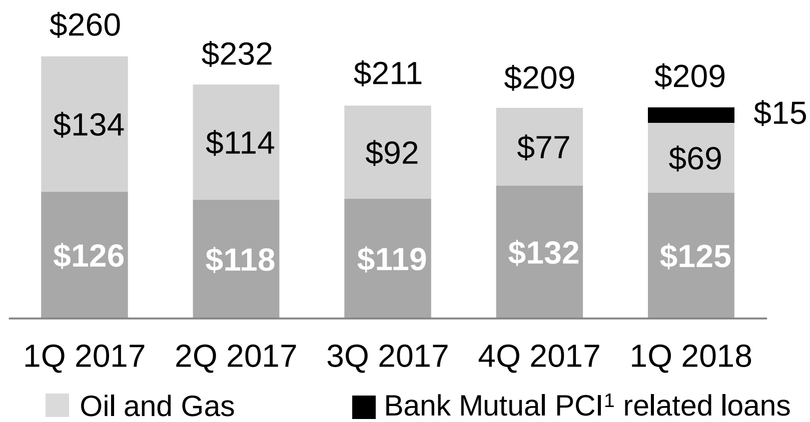
CREDIT QUALITY – QUARTERLY TRENDS

($ IN MILLIONS)

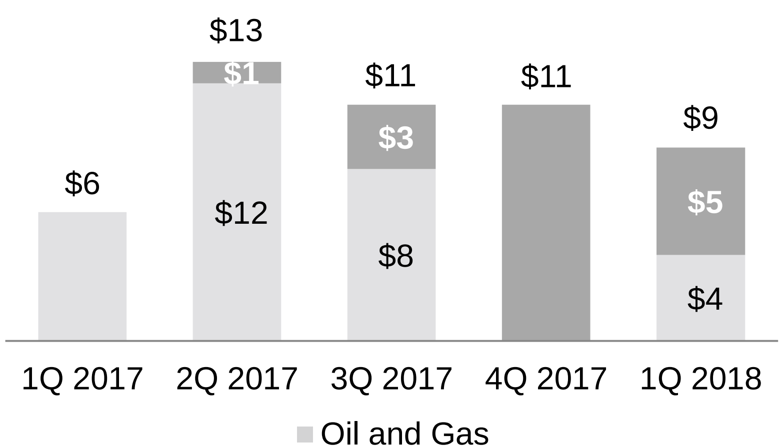
Potential Problem Loans



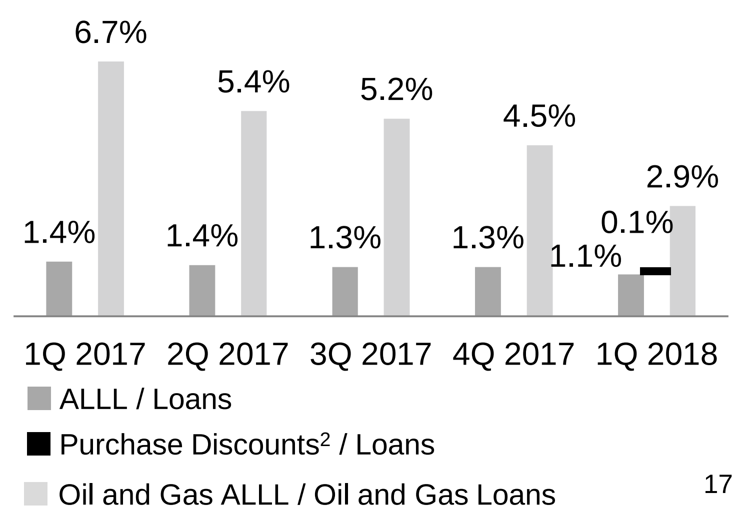
Nonaccrual Loans



Net Charge Offs (Recoveries)



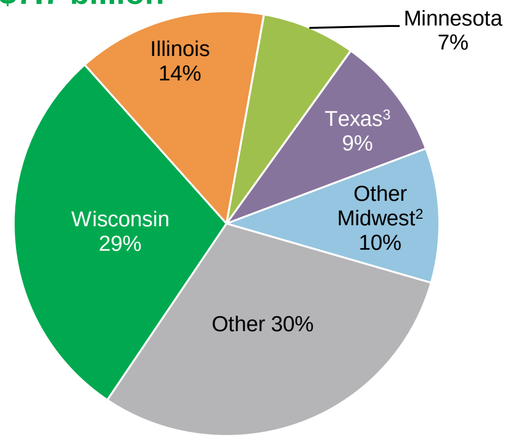
Allowance to Total Loans / Oil and Gas Loans



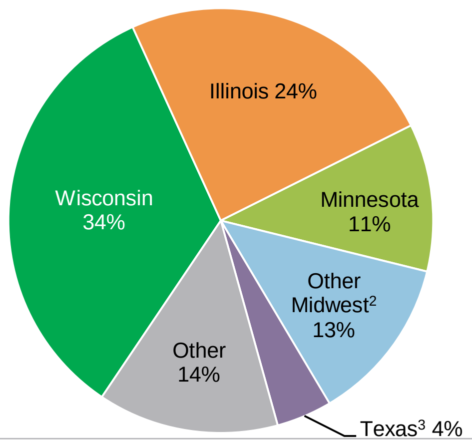
[1] — Purchased credit-impaired loans
[2] — Reflects net unaccreted purchase discount to loans

LOANS STRATIFICATION OUTSTANDINGS AS OF MARCH 31, 2018

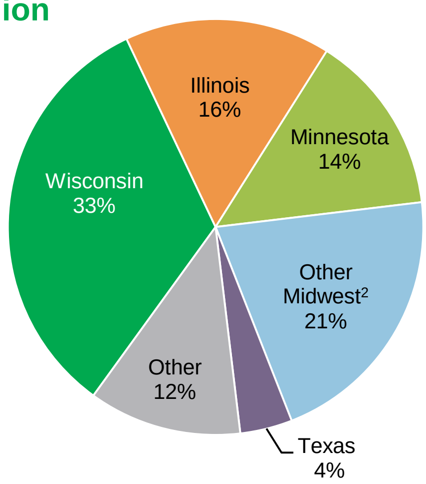
C&BL by Geography
$7.7 billion



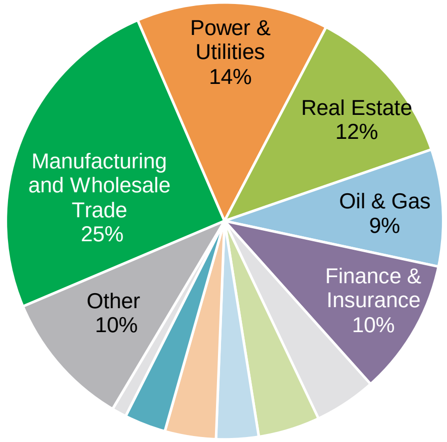
Total Loans[1]



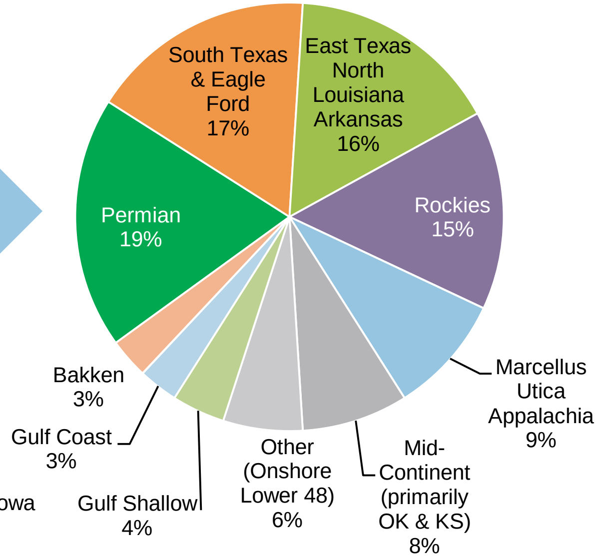
CRE by Geography
$5.7 billion



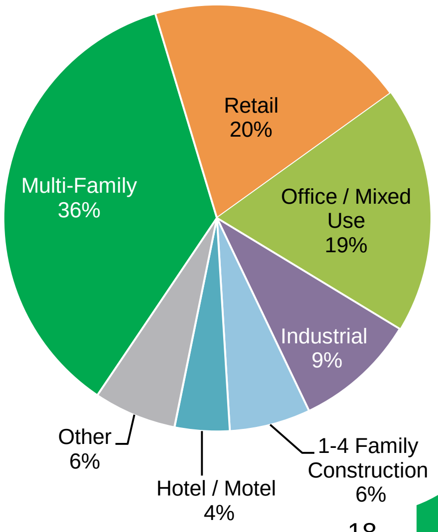
C&BL by Industry
$7.7 billion



Oil and Gas Lending[4]
$657 million



CRE by Property Type
$5.7 billion



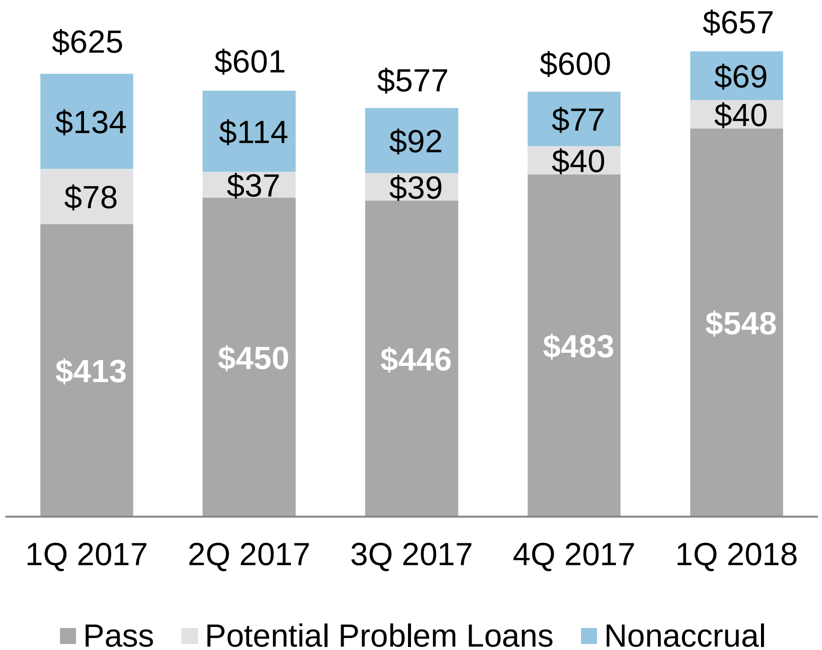
[1] – Excludes $0.4 billion Other consumer portfolio
[2] – Other Midwest includes Missouri, Indiana, Ohio, Michigan and Iowa
[3] – Principally reflects the oil and gas portfolio
[4] – Chart based on outstanding commitments of ~$1.0 billion

OIL AND GAS UPDATE

Total O&G Portfolio Quarter end March 31, 2018	56 credits	~$1.0 billion commitments	$657 million outstandings	3% of total loans
New business since January 1, 2016	*23 credits*	*$494 million commitments*	*$294 million outstandings*	*1% of total loans*

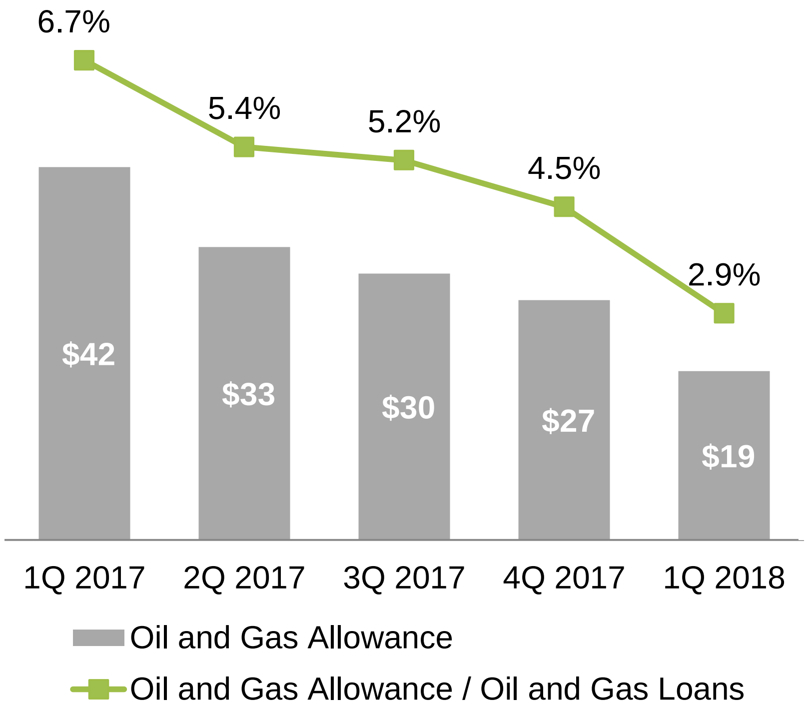
Period End Loans by Credit Quality

($ in millions)



Oil and Gas Allowance

($ in millions)



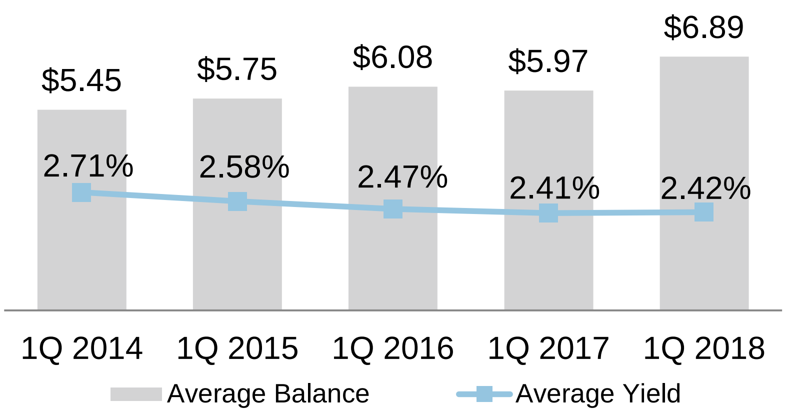
HIGH QUALITY SECURITIES

($ IN BILLIONS)

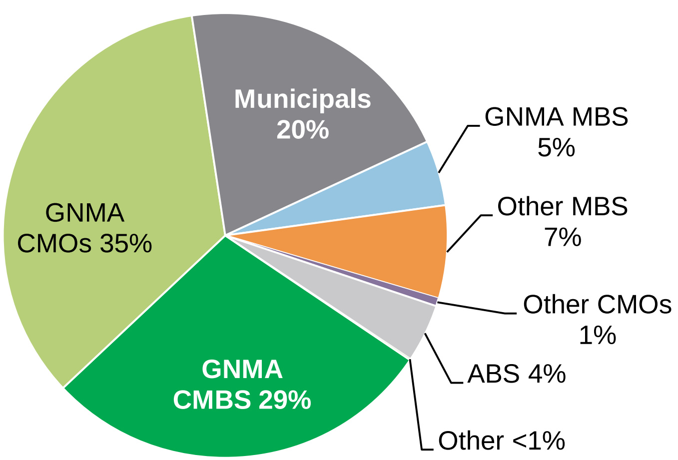
Portfolio Detail *as of March 31, 2018*

Investment Type	Amortized Cost	Fair Value	Duration (Yrs)
GNMA CMBS	$2.03	$1.97	3.04
GNMA MBS & CMOs	2.77	2.71	4.45
Agency & Other MBS & CMOs	0.50	0.51	2.83
Municipals	1.42	1.41	6.17
FFELP ABS	0.29	0.29	0.18
Other[1]	0.01	0.01	1.88
Strategic Portfolio	$7.03	$6.89	4.10
Membership Stock	0.23	0.23	
Total Portfolio	$7.26	$7.12	

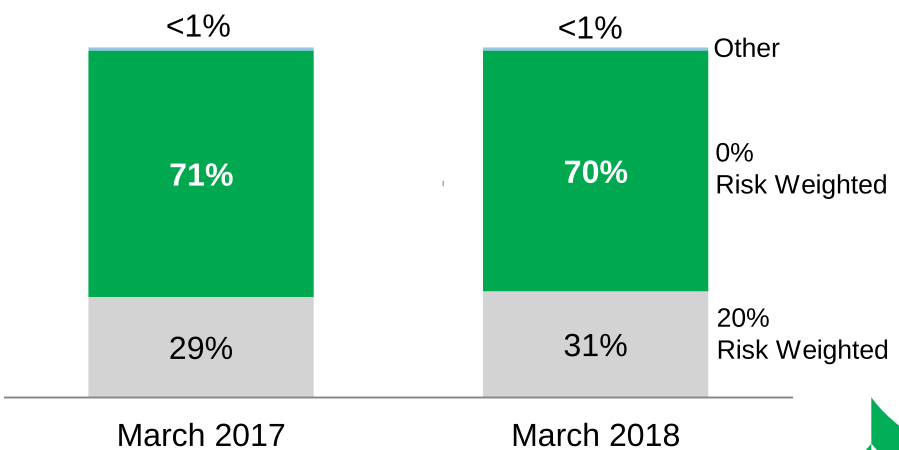
Strategic Portfolio and Yield Trends



Strategic Portfolio Fair Value Composition



Strategic Portfolio Risk Weighting Profile



[1] – Includes Corporate, Treasury, and all other

RECONCILIATION AND DEFINITIONS OF NON-GAAP ITEMS

Average Tangible Common Equity and Average Common Equity Tier 1 ($ in millions)	1Q 2014	1Q 2015	1Q 2016	1Q 2017	1Q 2018
Average common equity	$2,827	$2,785	$2,849	$2,963	$3,377
Average goodwill and other intangible assets, net	(940)	(971)	(989)	(987)	(1,108)
Average tangible common equity	1,887	1,814	1,860	1,976	2,269
Less: Accumulated other comprehensive income / loss	13	(18)	3	54	89
Less: Deferred tax assets / deferred tax liabilities, net	—	8	33	32	32
Average common equity Tier 1	$1,900	$1,804	$1,896	$2,062	$2,390

Tangible Common Equity and Common Equity Tier 1 ($ in millions)	1Q 2014	1Q 2015	1Q 2016	1Q 2017	1Q 2018
Common equity	$2,840	$2,823	$2,862	$2,985	$3,553
Goodwill and other intangible assets, net	(939)	(987)	(989)	(987)	(1,233)
Tangible common equity	1,901	1,836	1,873	1,998	2,320
Less: Accumulated other comprehensive income / loss	11	(25)	(2)	56	108
Less: Deferred tax assets / deferred tax liabilities, net	—	27	32	31	46
Common equity Tier 1	$1,912	$1,838	$1,903	$2,085	$2,474

Acquisition Related Costs ($ in millions, except per share data)	1Q 2018	1Q 2018 per share data[2]
GAAP earnings	$67	$0.40
Change of control and severance	7	
Merger advisors and consultants	4	
Facilities and other	5	
Contract terminations	5	
Total acquisition related costs	$21	
Less: Additional tax expense	$5	
Earnings, excluding acquisition related costs[1]	$83	$0.50

[1] -- This is a non-GAAP financial measure. Management believes these measures are meaningful because they reflect adjustments commonly made by management, investors, regulators, and analysts to evaluate the adequacy of earnings per common share, provide greater understanding of ongoing operations and enhance comparability of results with prior periods

[2] -- Earnings and per share data presented after tax

RECONCILIATION AND DEFINITIONS OF NON-GAAP ITEMS

Efficiency Ratio	1Q 2014	1Q 2015	1Q 2016	1Q 2017	1Q 2018
Federal Reserve efficiency ratio	70.46%	70.27%	69.01%	66.39%	70.76%
Fully tax-equivalent adjustment	(1.35)	(1.42)	(1.37)	(1.30)	(0.66)
Other intangible amortization	(0.42)	(0.32)	(0.20)	(0.20)	(0.51)
Fully tax-equivalent efficiency ratio	68.69%	68.53%	67.44%	64.89%	69.60%
Acquisition related costs adjustment					(6.60)%
Fully tax-equivalent efficiency ratio, excluding acquisition related costs	68.69%	68.53%	67.44%	64.89%	63.00%

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.

Fee-based Revenue ($ millions)	1Q 2014	1Q 2015	1Q 2016	1Q 2017	1Q 2018
Insurance commissions and fees	$12	$20	$21	$22	$23
Service charges and deposit account fees	16	16	16	16	16
Card-based and loan fees	12	11	12	13	13
Trust and asset management fees	12	12	12	12	13
Brokerage commissions and fees	4	4	4	4	7
Fee-based revenue	$56	$63	$65	$67	$73
Other	18	17	18	13	17
Total noninterest income	$74	$80	$83	$80	$90

DEFINITION OF CHANNEL CATEGORIES

Includes households with checking accounts and at least one year of tenure.

Branch-centric:
- Used branch channel (via teller transactions) 6 or more months in the prior year
- AND Used online channel (via login) fewer than 3 months in the prior year
- AND Used mobile channel (via login) fewer than 3 months in the prior year

Multi-channel:
- Used branch channel (via teller transactions) 6 or more months in the prior year
- AND (Used online channel (via login) 6 or more months in the prior year
- OR Used mobile channel (via login) 6 or more months in the prior year)

Digital-centric:
- Used branch channel (via teller transactions) fewer than 6 months in the prior year
- AND (Used online channel (via login) 6 or more months in the prior year
- OR Used mobile channel (via login) 6 or more months in the prior year)

Other (every other use combination):
- Used branch channel (via teller transactions) fewer than 6 months in the prior year
- AND Used online channel (via login) fewer than 6 months in the prior year
- AND Used mobile channel (via login) fewer than 6 months in the prior year