



Brookfield Office (Milwaukee MSA) – Opened October 2017

Associated Banc-Corp

Investor Presentation

2019

FOURTH QUARTER



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," "target," "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. These forward-looking statements include: management plans relating to the proposed acquisition of First Staunton Bancshares, Inc. ("proposed transaction"); the expected timing of the completion of the proposed transaction; the ability to complete the proposed transaction; the ability to obtain any required regulatory approvals; any statements of the plans and objectives of management for future operations, products or services; any statements of expectation or belief; projections related to certain financial results or other benefits of the proposed transaction; and any statements of assumptions underlying any of the foregoing. 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, and such factors are incorporated herein by reference. Additional factors which may cause actual results of the proposed transaction to differ materially from those contained in forward-looking statements are the possibility that expected benefits of the proposed transaction may not materialize in the timeframe expected or at all, or may be more costly to achieve; the proposed transaction may not be timely completed, if at all; that required regulatory approvals are not obtained or other customary closing conditions are not satisfied in a timely manner or at all; reputational risks and the reaction of shareholders, customers, employees or other constituents to the proposed transaction; and diversion of management time on acquisition-related matters.

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Presentation:

Within the charts and tables presented, certain segments, columns and rows may not sum to totals shown due to rounding.

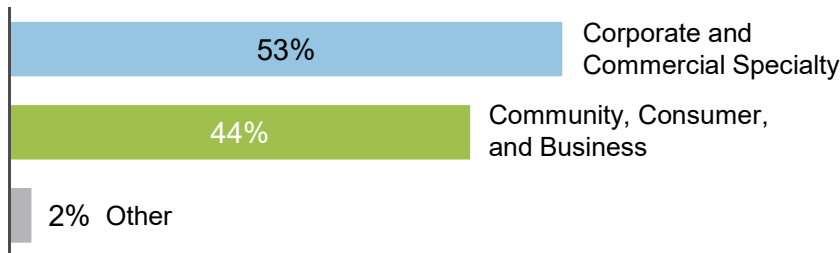


OUR FRANCHISE

Third Quarter 2019¹

\$33 billion of assets **\$23 billion** of loans
\$4 billion of equity **\$24 billion** of deposits

3Q 2019 Average Loans by Business Segment



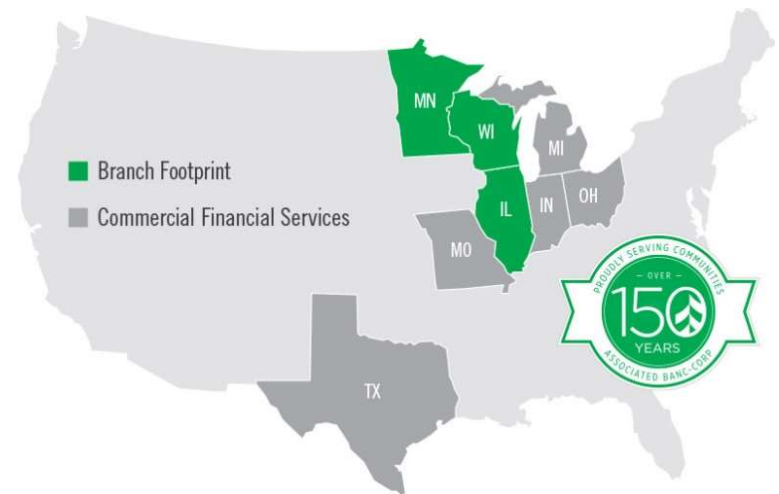
Affinity Programs

~40%
of checking
accounts are
affinity related⁵



Highlights and Accomplishments

- Largest bank headquartered in **Wisconsin**²
- Approximately **4,800** employees, servicing **1.3 million** customer accounts in **8** states and over **120** communities¹
- Wisconsin's **#1** Mortgage Lender³
- **Top 40** U.S. insurance brokerage firm⁴



¹As of September 30, 2019.

²Based on assets, as of September 30, 2019.

³The Wisconsin's #1 Mortgage Lender designation is based on originated, closed-end mortgage loan count, gathered from the Home Mortgage Disclosure Act data compiled annually by the Consumer Financial Protection Bureau. The results of the data were obtained through the Consumer Financial Protection Bureau Mortgage Database (HMDA), August 2019.

⁴Business Insurance magazine, July 2019. Rankings based on 2018 brokerage revenue gathered by U.S. based clients.

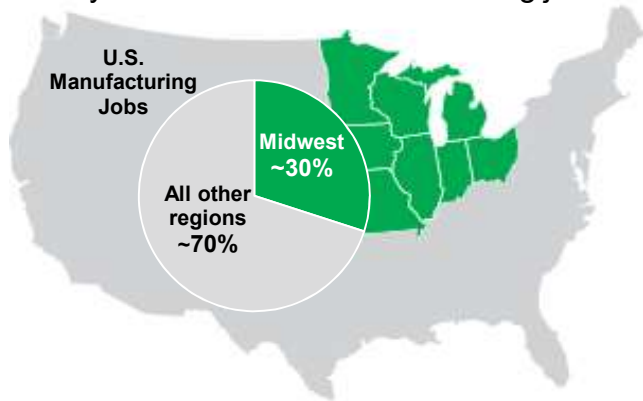
⁵Affinity checking accounts as a percentage of total checking accounts, as of September 30, 2019.



ATTRACTIVE MIDWEST MARKETS

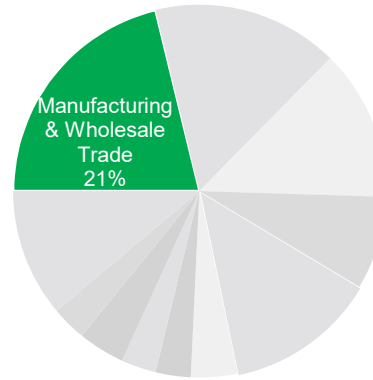
Large Population Base With a Manufacturing and Wholesale Trade-Centric Economy

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

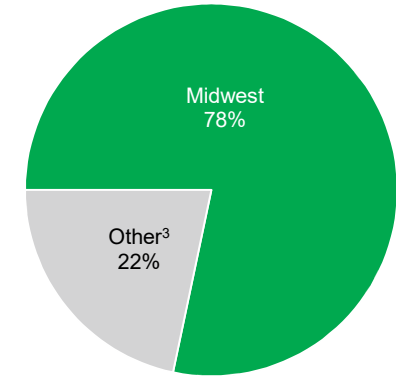


Manufacturing Focus Well-Suited for Our Midwest Location

ASB C&BL Loans by Industry

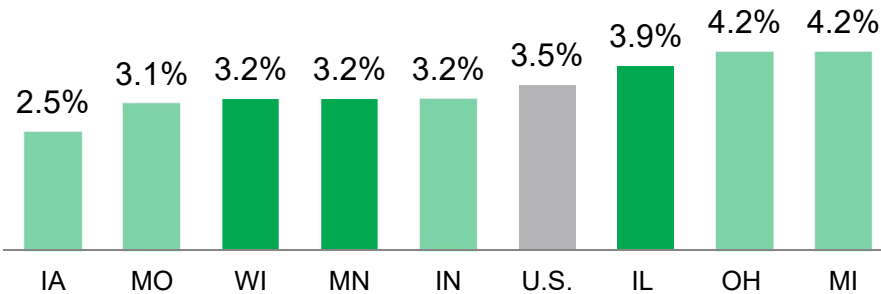


Total ASB Loans by Geography



Supporting Strong Employment Base and Healthy Consumer Credit

Several Midwestern states have unemployment rates⁴ well below the national average:



Dark green bars denote ASB branch states

Select ASB Metro Market Unemployment Rates⁵

Madison, WI.....	2.4%
Sheboygan, WI.....	2.5%
Appleton, WI.....	2.8%
Green Bay, WI.....	3.0%
Minneapolis – St. Paul, MN.....	3.0%

¹U.S. Census Bureau, Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2018.

²U.S. Bureau of Labor Statistics, Manufacturing Industry Employees, seasonally adjusted, July 2019 (preliminary).

³Other category includes 5% in TX; the majority of these loans were booked by our Loan Production Office located in Houston.

⁴U.S. Bureau of Labor Statistics, State Employment and Unemployment, seasonally adjusted, September 2019 (preliminary).

⁵U.S. Bureau of Labor Statistics, Civilian labor force and unemployment by metropolitan area, seasonally adjusted, August 2019.



ACTIVELY POSITIONING FOR LOWER RATES

With expectations of lower interest rates, we are reducing wholesale funding and liquidity positions to defend net interest margin

	<i>Second Quarter Actions¹</i>	<i>Third Quarter Actions¹</i>	<i>Fourth Quarter Actions¹</i>
Reducing Higher Cost Funding	<ul style="list-style-type: none"> Reduced network transaction deposits ~\$400 million Reduced CDs ~\$380 million Reduced wholesale borrowing ~\$250 million 	<ul style="list-style-type: none"> Reduced network transaction deposits ~\$270 million Reduced CDs ~\$450 million 	<ul style="list-style-type: none"> Reducing network transaction deposits ~\$200 million Redeemed 2.750% Senior Notes \$250 million
Reducing Prepayment Risk	<ul style="list-style-type: none"> Reduced mortgage securities ~\$570 million Reduced resi. mortgage portfolio ~\$50 million 	<ul style="list-style-type: none"> Reduced mortgage securities ~\$310 million Reduced resi. mortgage portfolio² ~\$320 million 	<ul style="list-style-type: none"> Reducing mortgage securities ~\$180 million
Adding Duration	<ul style="list-style-type: none"> Added longer duration municipal securities³ ~\$100 million 	<ul style="list-style-type: none"> Replaced short duration municipal securities with longer duration municipal securities ~\$150 million 	<ul style="list-style-type: none"> Adding longer duration municipal securities ~\$100 million

¹Except where noted, figures based on change from period beginning to period end.

²Including impact of the sale of ~\$240 million prepayment-sensitive residential mortgages.

³Average balance increase from 1Q19 to 2Q19.

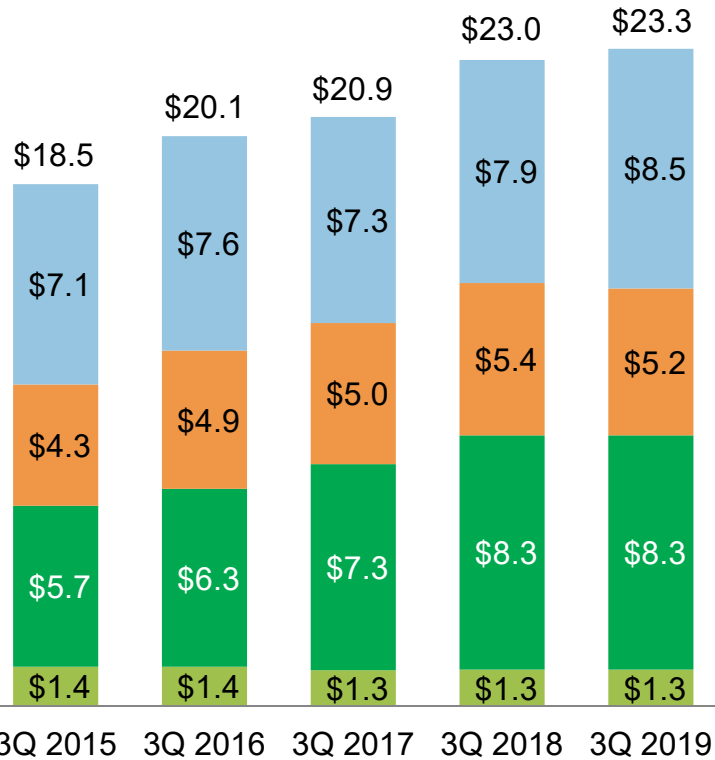


LOAN TRENDS

Approximately \$240 million of portfolio mortgages sold in 3Q 2019 for CECL and interest rate risk mitigation

Average Quarterly Loans

(\$ in billions)

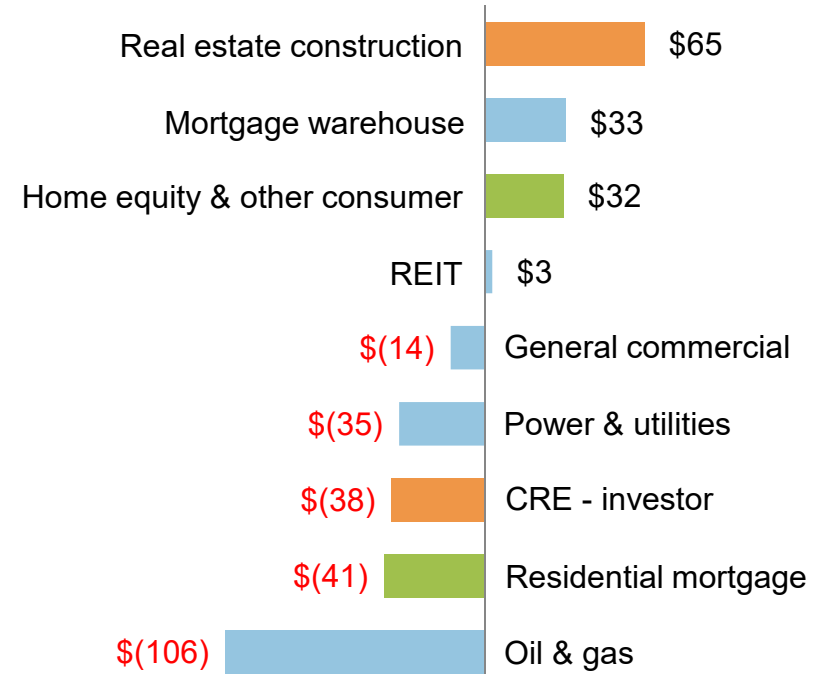
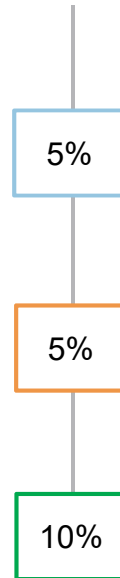


Commercial & business Commercial real estate Residential mortgage Home equity & other consumer

Average Loan Growth (2Q19 to 3Q19)

(\$ in millions)

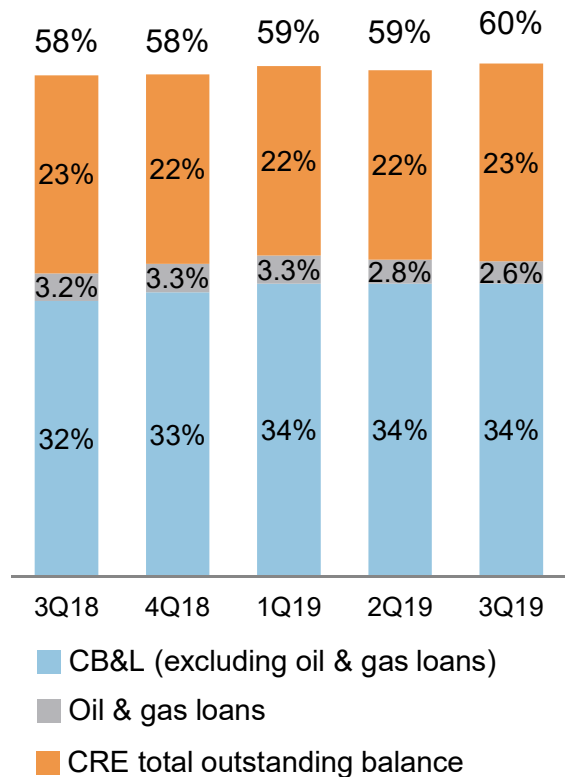
3Q15 – 3Q19
CAGR



COMMERCIAL LOAN MANAGEMENT¹

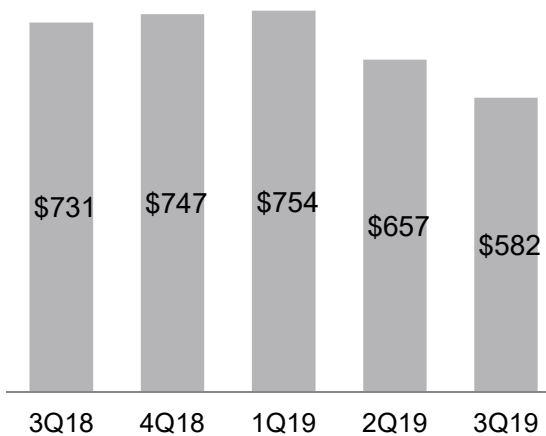
De-risking of the oil & gas portfolio is nearly complete; CRE has rebounded

Commercial Loans as a Percentage of Total Loans



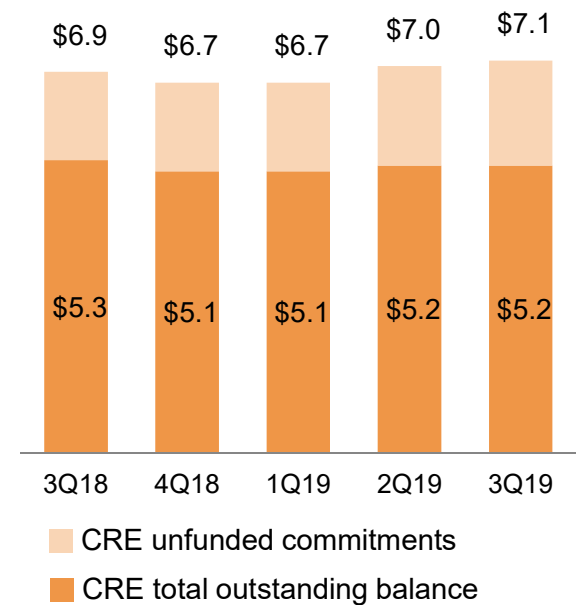
Oil & Gas Loans

(\$ in millions)



Commercial Real Estate

(\$ in billions)



¹All values as of period end.

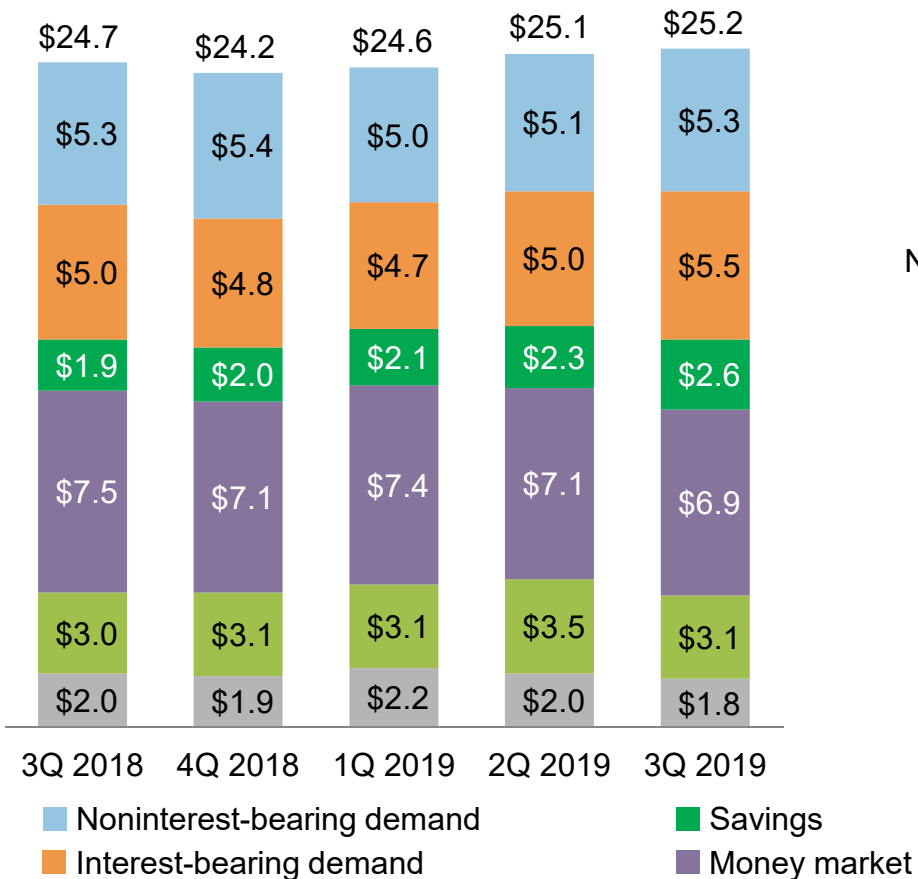


DEPOSIT PORTFOLIO TRENDS

Loan to deposit ratio is 93%, within its historical range, giving deposit pricing flexibility

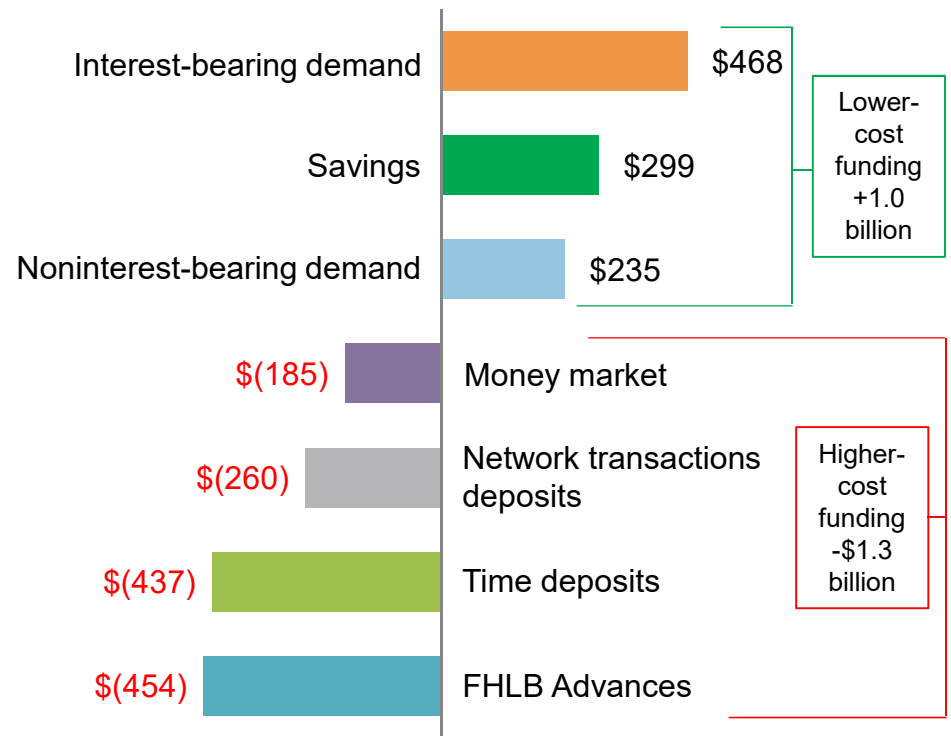
Average Quarterly Deposits

(\$ in billions)



Average Funding Change (from 2Q 2019)

(\$ in millions)

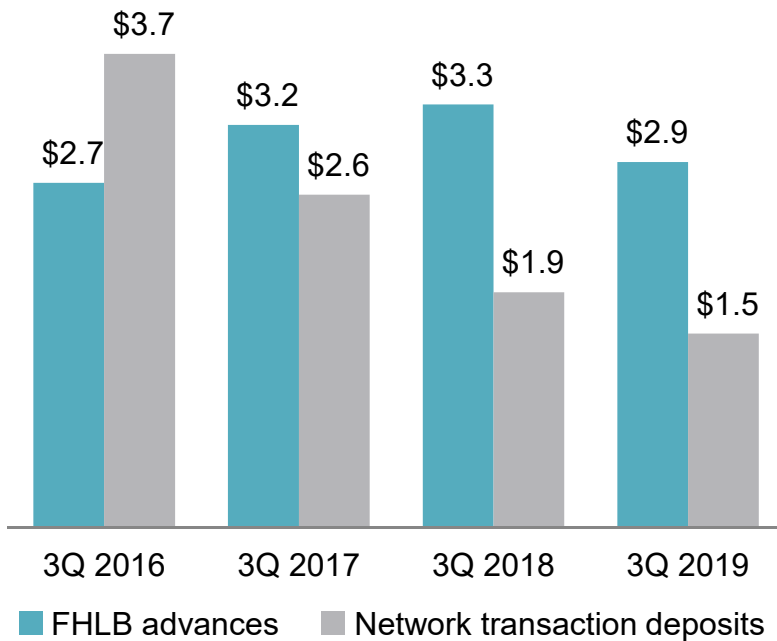


REPOSITIONING FUNDING¹

Reduction of network deposits continues; \$250 million of 2.750% Senior Notes called in October 2019

FHLB Advances and Network Transaction Deposits

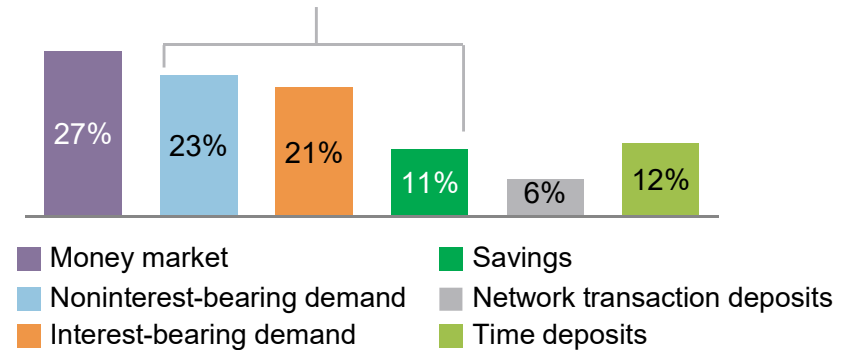
(\$ in billions)



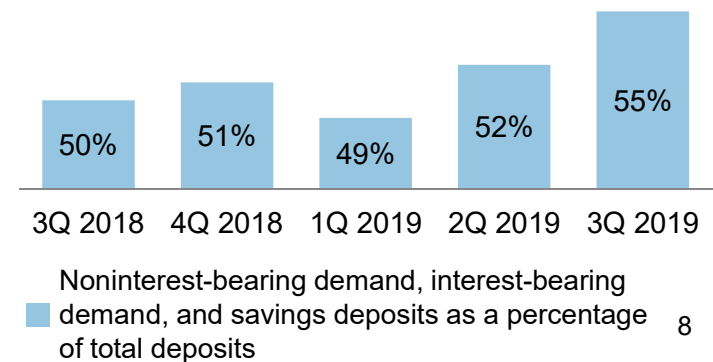
¹Period-end values.

Quarter-end Low-cost Deposit Mix

Checking and Savings represent 55%



Quarter-end Low Cost Deposit Mix Trend

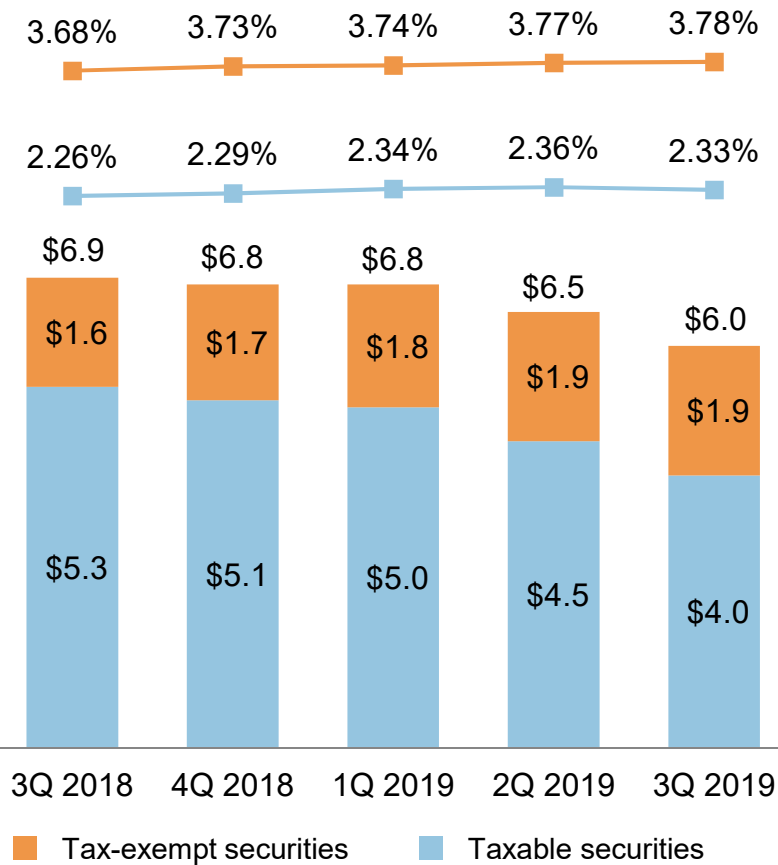


INVESTMENT SECURITIES PORTFOLIO TRENDS

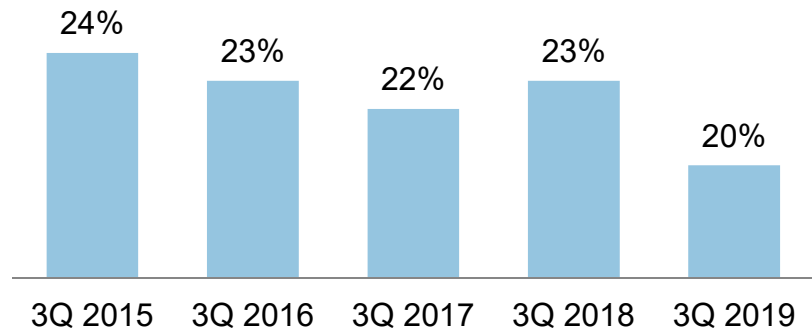
Taxable securities portfolio is a source of funds and is expected to continue to shrink through 1Q 2020

Portfolio¹ and Yield Trends (Quarterly)

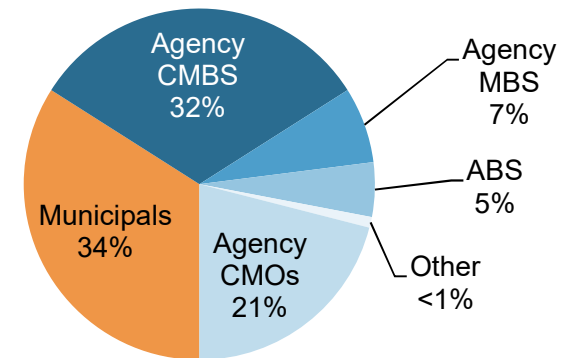
(\$ in billions)



Investments / Average Earning Assets



Portfolio Fair Value Composition



¹Average balances.

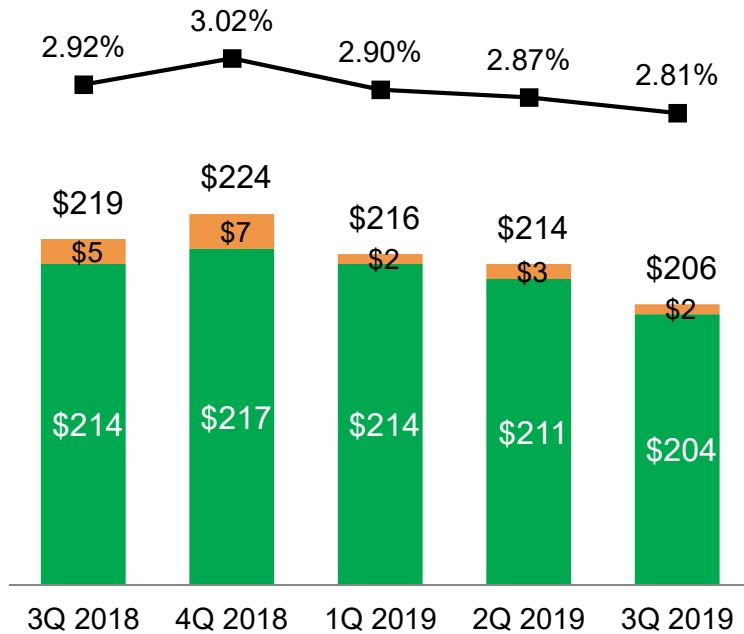


NET INTEREST INCOME AND YIELDS — QUARTERLY TRENDS

Deposit costs have peaked, but we expect near-term margins will continue to compress

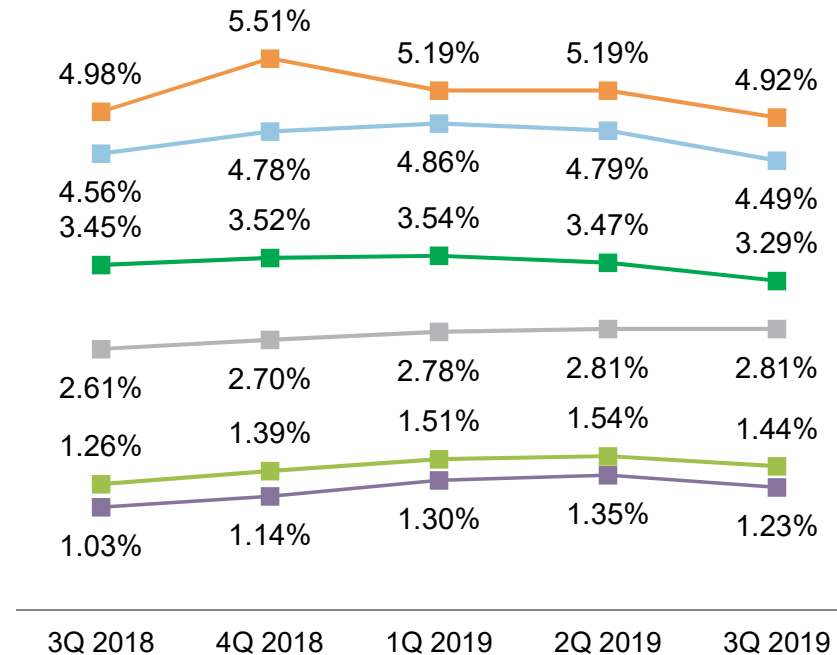
Net Interest Income and Net Interest Margin

(\$ in millions)



- Acquisition related prepayments and purchased loan accretion, net
- Net interest income, net of acquisition related prepayments and purchased loan accretion
- Net interest margin

Average Yields



- Commercial real estate loans
- Commercial and business lending loans
- Total residential mortgage loans
- Investments and other
- Total interest-bearing liabilities
- Total interest-bearing deposits

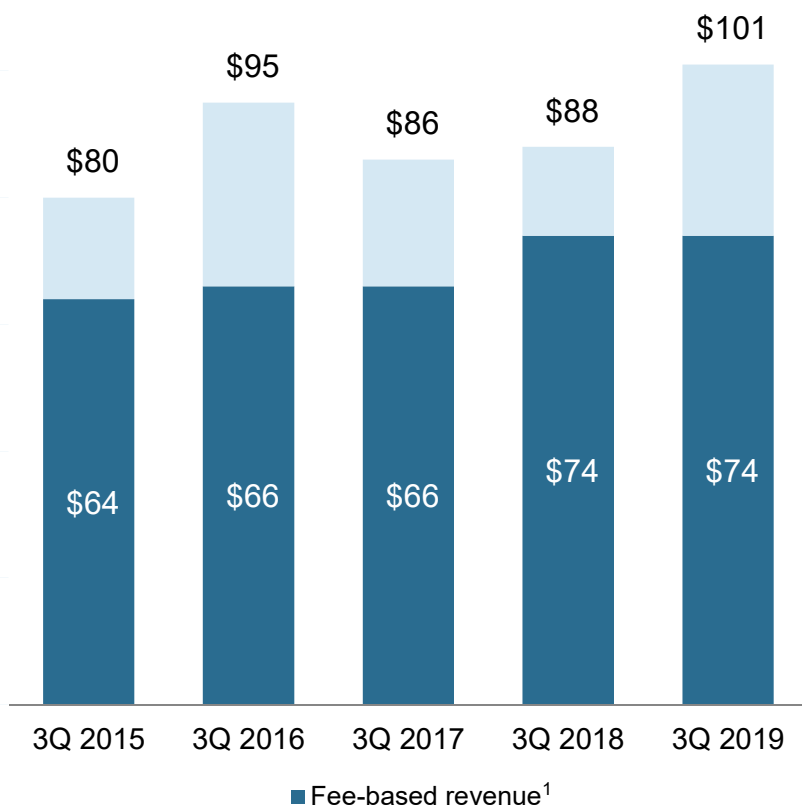


GROWING AND DIVERSIFIED BUSINESS MODEL

Mortgage banking and wealth management benefitting from current environment

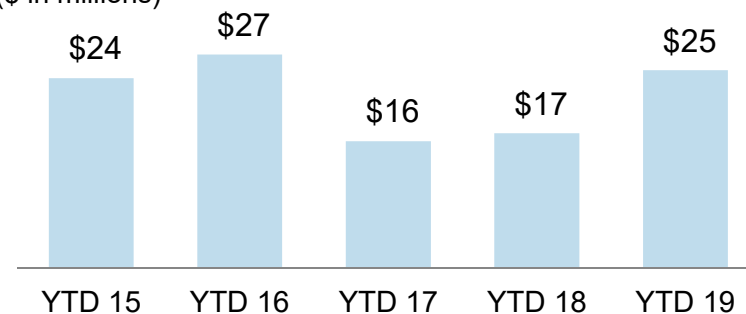
Noninterest Income

(\$ in millions)



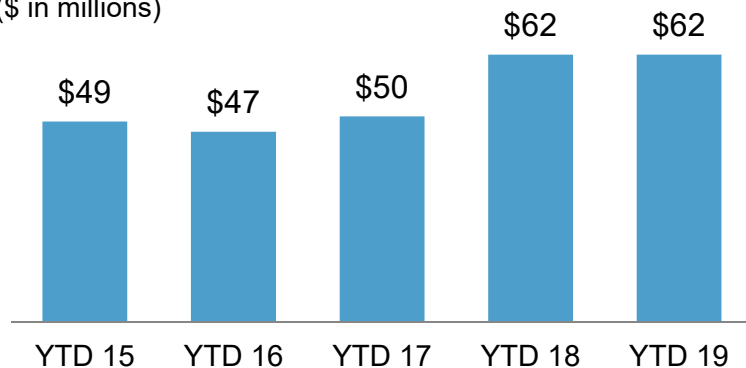
Mortgage Banking, Net²

(\$ in millions)



Wealth Management Fees^{2,3}

(\$ in millions)



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

²Figures are for the first nine months of the years indicated.

³Wealth management includes trust and asset management fees, and brokerage commissions and fees.



OVERALL EXPENSE EFFICIENCY

Automation and consolidations are driving better efficiency over time

Efficiency Drivers

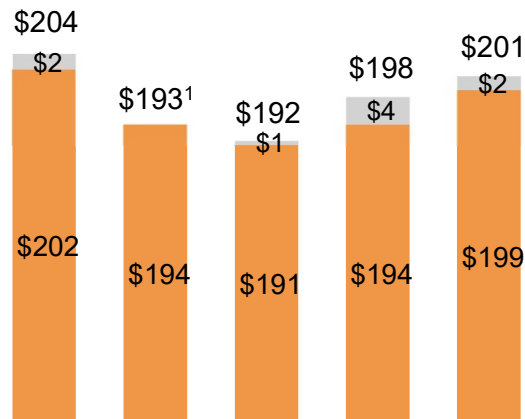
Enhanced Automation

Branch Consolidations

Operational Efficiencies

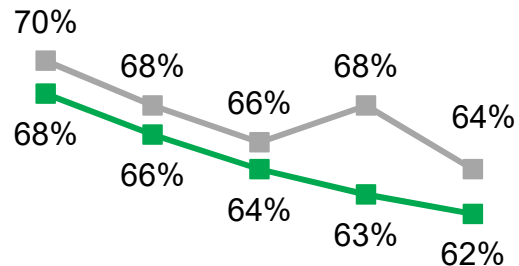
Noninterest Expense

(\$ in millions)



■ Acquisition related costs
■ All other noninterest expenses

Efficiency Ratio^{2,3}



YTD 15 YTD 16 YTD 17 YTD 18 YTD 19

■ Federal Reserve efficiency ratio
■ Adjusted efficiency ratio

Restructuring Plan

- Expect 4Q 2019 restructuring charges of ~\$3 million
- Anticipate restructuring will result in flat to modestly lower noninterest expense in 2020, including First Staunton costs

¹Includes \$1 million of acquisition related cost recovery.

²The 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 adjusted efficiency ratio, which is a non-GAAP financial measure, is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization and acquisition related costs, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains / losses, net and acquisition related costs. Refer to the appendix for a reconciliation of the Federal Reserve efficiency ratio to the adjusted efficiency ratio.

³Figures are for the first nine months of the years indicated.



INVESTING IN CUSTOMER TECHNOLOGY

Digital first strategies remain our highest priority investments

Retail Customer Focused Enhancements

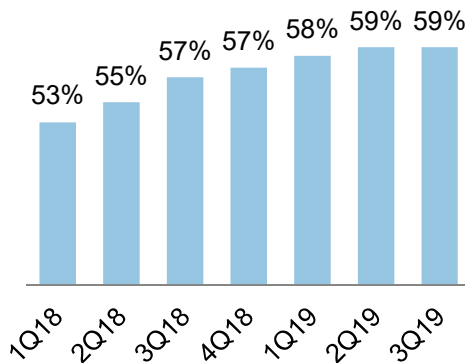
- New mobile app received 4.7-star rating with ~10,000 reviews¹
- Zelle P2P implemented March 2019
 - Provides intuitive, real-time payment capability via Associated’s mobile app and online banking platforms
- Mobile mortgage application and digital appointment scheduling capability implemented June 2019

Commercial Client Focused Upgrades

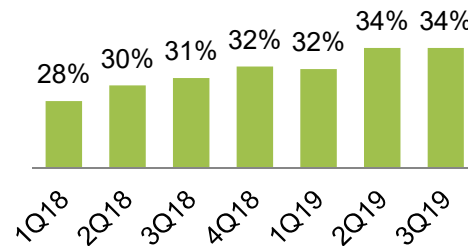
- Cash management (ACI) upgrade completed with full customer base migration in August 2019
 - New core online and mobile banking platform provides refreshed portal experience
 - Desktop, mobile and tablet device support

Digital Adoption and Digital Deposits

Digital Adoption²



Digital Deposits³



¹Mobile application reviews on a leading platform as of October 30, 2019.

²Online and mobile customers as a percentage of all retail customers with a primary checking account at period end.

³SnapDeposits and ATM deposits as a percentage of all consumer deposits at period end.



CAPITAL PRIORITIES

Committed to a consistent capital management philosophy with rigorous capital discipline



¹Expected to close in February 2020.

²The ratio tangible common equity to tangible assets excludes goodwill and other intangible assets, net. The TCE ratio is a non-GAAP financial measure and has been included as it is considered to be a critical metric used to analyze and evaluate financial condition and capital strength.

³Through 10/24/19. Includes \$60 million of shares repurchased in 3Q 2019.



CURRENT EXPECTED CREDIT LOSSES (CECL)

Our current capital levels and expected earnings should allow us to readily absorb the anticipated CECL impact

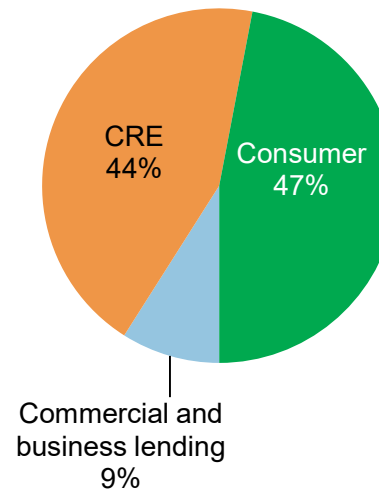
CECL Adoption in 1Q 2020

- **Life-of-loan CECL reserves** will be driven by our portfolio characteristics, risk-grading, economic outlook, and methodology
- **Key Methodology Assumptions**
 - Leverages existing probability of default / loss given default framework and DFAST systems
 - Forecast components include
 - 1-year reasonable and supportable forecast period
 - 1-year straight-line reversion to historical losses
 - Single-path economic forecast
- **Most significant impacts:**
 - Economic uncertainty
 - Longer-maturity portfolio (CRE & Consumer) impacts
 - Unfunded commitment exposure

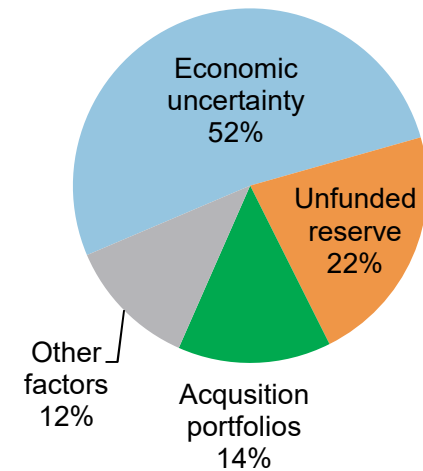
Expected Impact to ACL¹ in 1Q 2020

- **30%-40% increase to ACL from year-end 2019 levels**
- **Net, after-tax, reduction in expected Tangible Common Equity ratio of ~25 bps**

By Portfolio²



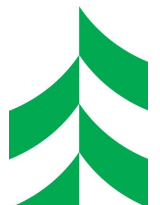
By Factor³



¹Allowance for Credit Losses.

²By lending portfolio, excluding acquired portfolios.

³Includes acquired portfolios.

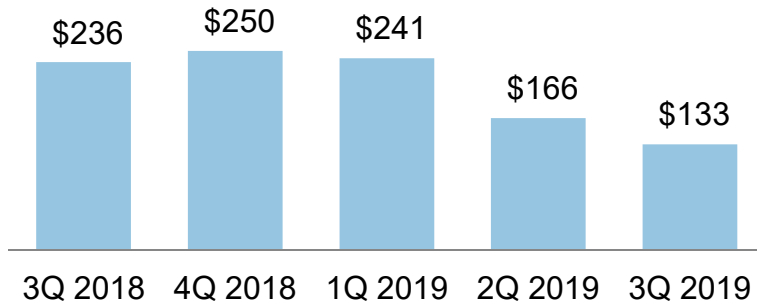


CREDIT QUALITY – QUARTERLY TRENDS

Continued benign credit environment with stable provision outlook in 4Q 2019

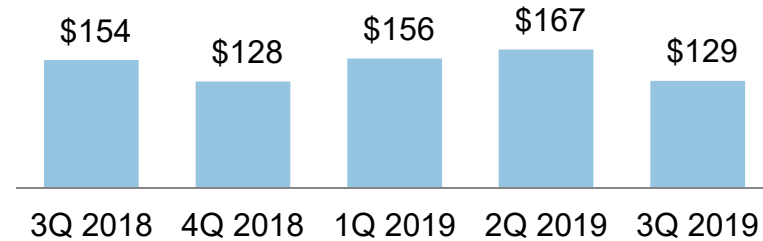
Potential Problem Loans¹

(\$ in millions)



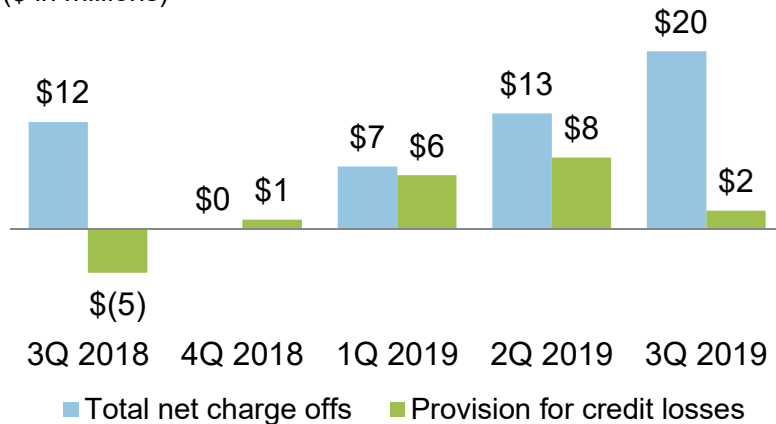
Nonaccrual Loans¹

(\$ in millions)

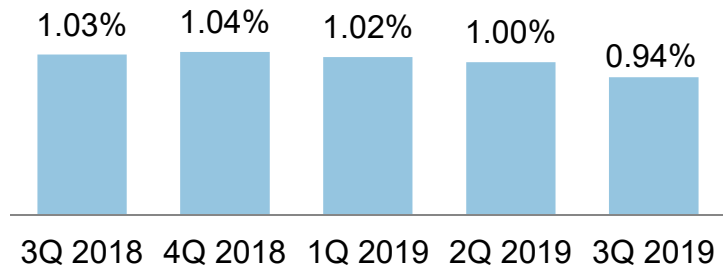


Net Charge Offs and Provision

(\$ in millions)



Allowance for Loan Losses to Loans¹



¹At period end.



APPENDIX



FNB STAUNTON TRANSACTION SUMMARY

Seller: First Staunton Bancshares

Transaction Value:

- ~\$76 million for franchise
- ~1.30x 1Q 2019 reported tangible book value
- ~4% deposit premium

Consideration: 100% cash

Assets Purchased:

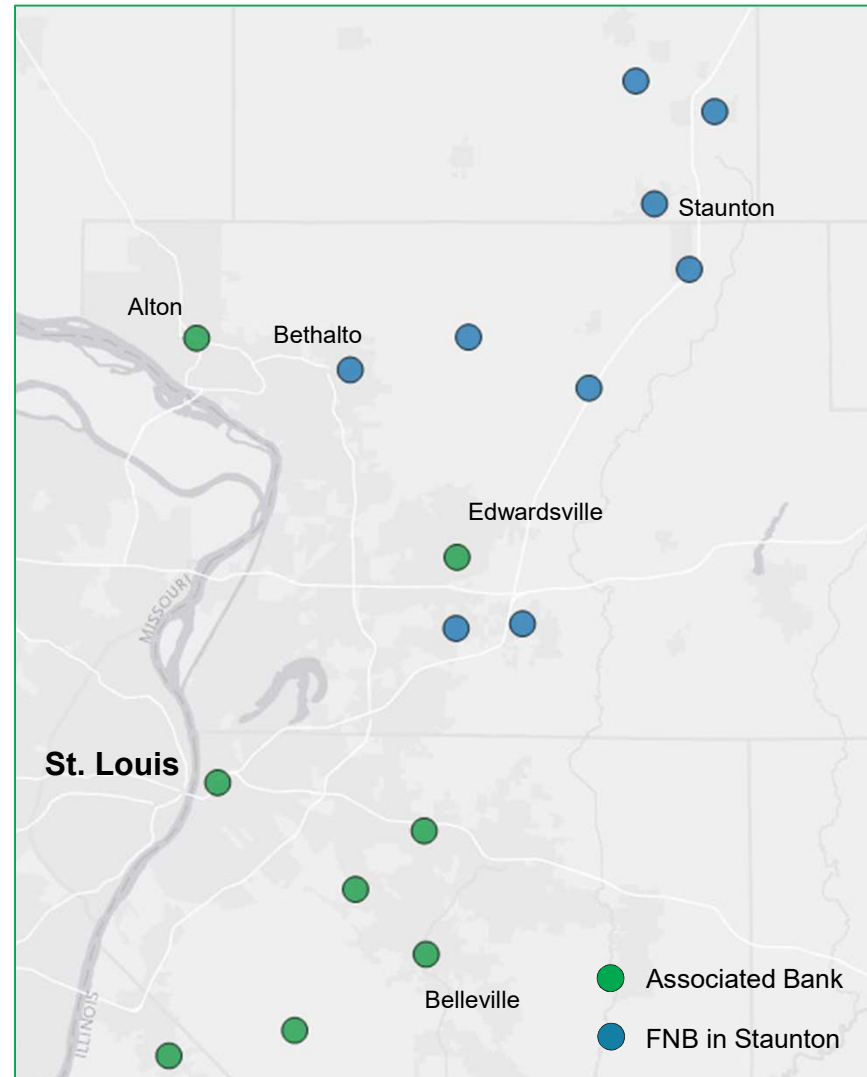
- Nine branches
- ~\$350 million of loans

Deposits Assumed:

- ~\$440 million
- ~30,000 customer accounts

Closing and Conversion:

- Closing and conversion anticipated in February 2020



Source: S&P Global Market Intelligence



ACQUISITIONS

Delivering on Our Strategy

Huntington completed...

- Was an in-market, cost takeout driven depository acquisition
- Filled in network gaps and boosted our network in key locations
- Further improved branch density and scale across Wisconsin

...and Staunton up next

- Is an in-market, cost takeout driven depository acquisition
- Fills in network gaps and boosts our network in key locations
- Further improves branch density and scale in St. Louis market

Enhancing ASB Franchise Value

- Expanded into 13 new communities
- Added over 60,000 deposit accounts and 33,000 households
- Acquired ~\$730 million of granular branch deposits with <1% cost of funds

- Expanding into 7 new communities
- Expected to add over 30,000 deposit accounts and 16,000 loans
- ~\$440 million of granular branch deposits with <1% cost of funds

Financially Attractive

- Accretive to efficiency metrics and EPS outlook
- Expected 45% cost savings run rate
- Minimal TBV dilution (~1.5%); \$34 million net premium

- Accretive to efficiency metrics and EPS outlook
- Approximately 35% cost savings expected on conversion
- Minimal TBV dilution (<1%); less than 3.5 year TBV earnback expected



COMMUNITY, DIVERSITY & SUSTAINABILITY¹

We remain committed to initiatives to improve our communities, promote diversity and enhance sustainability



Over **\$900 million** in credit commitments to support wind, hydroelectric and solar projects since 2012



\$3.6 million in grants to support CRA programing at various nonprofit organizations



Provided **Diversity & Inclusion training** for all colleagues and specialized unconscious bias and management training to more than 240 leaders in 2018



73,920 volunteer hours logged, with a value of \$1.7 million



We expect our LED lighting and HVAC testing programs will yield **\$500,000 in annual savings** versus 2015 baseline



\$797 million in loans helping low-to moderate-income (LMI) and minority families attain home ownership



43% of employees participate in **6 Colleague Resource Groups** acting to address the unique needs of Associated's diverse workforce



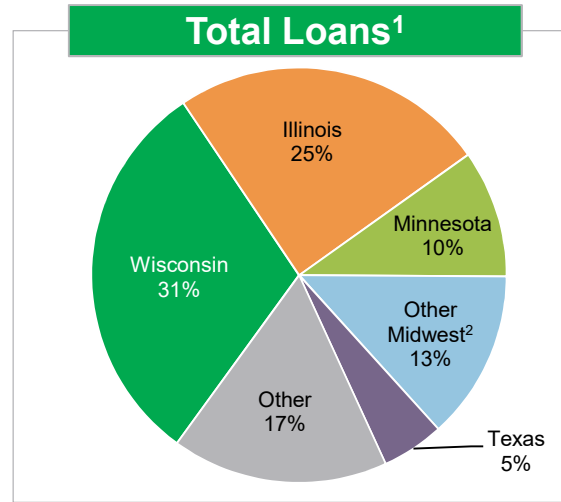
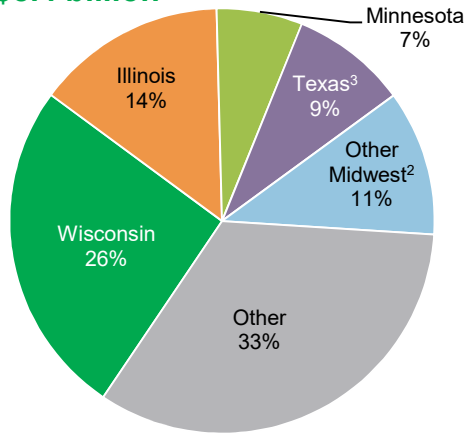
2020 Women on Boards
2014-2018 | Winning "W" Company

¹Figures are as of and for the year ended December 31, 2018.

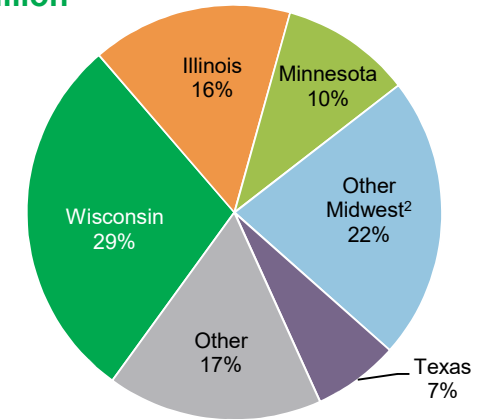


LOAN STRATIFICATION OUTSTANDINGS AS OF SEPTEMBER 30, 2019

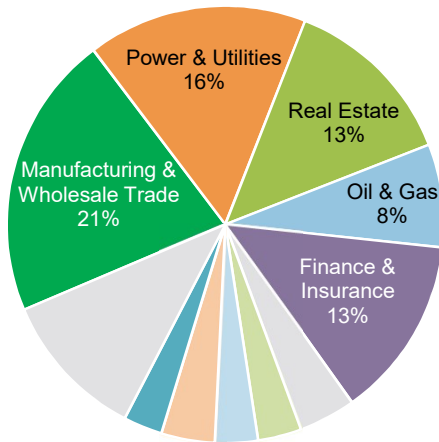
C&BL by Geography
\$8.4 billion



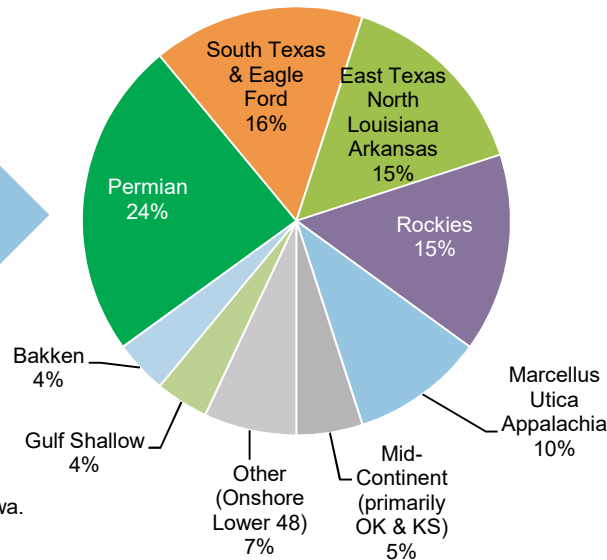
CRE by Geography
\$5.2 billion



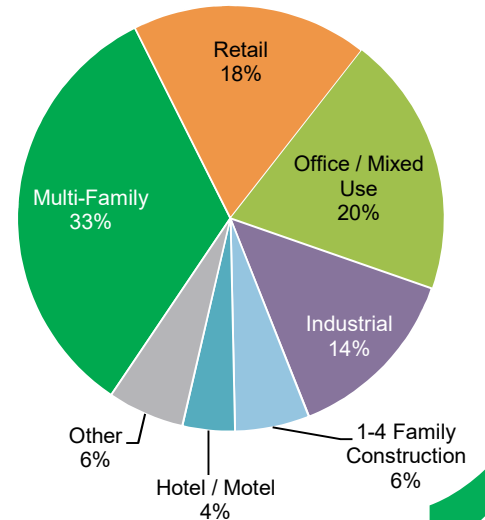
C&BL by Industry
\$8.4 billion



Oil and Gas Lending⁴
\$582 million



CRE by Property Type
\$5.2 billion



¹Excludes \$349 million Other consumer portfolio.

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

³Principally reflects the oil and gas portfolio.

⁴Chart based on commitments of \$867 million.



RECONCILIATION AND DEFINITIONS OF NON-GAAP ITEMS (\$ IN MILLIONS)

Efficiency Ratio	YTD SEP 15	YTD SEP 16	YTD SEP 17	YTD SEP 18	YTD SEP 19
Federal Reserve efficiency ratio	69.78%	67.51%	65.64%	67.50%	64.18%
Fully tax-equivalent adjustment	(1.38)%	(1.32)%	(1.27)%	(0.69)%	(0.83)%
Other intangible amortization	(0.34)%	(0.20)%	(0.18)%	(0.64)%	(0.79)%
Fully tax-equivalent efficiency ratio ¹	68.06%	65.99%	64.19%	66.18%	62.58%
Acquisition related costs adjustment	—%	—%	—%	(3.33)%	(0.65)%
Fully tax-equivalent efficiency ratio, excluding acquisition related costs (adjusted efficiency ratio) ¹	68.06%	65.99%	64.19%	62.85%	61.92%

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. The adjusted efficiency ratio is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization and acquisition related costs, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains / losses, net and acquisition related costs.

Fee-based Revenue ¹	3Q15	3Q16	3Q17	3Q18	3Q19
Insurance commissions and fees	\$18	\$19	\$20	\$22	\$21
Wealth management fees	16	16	17	21	21
Service charges and deposit account fees	17	17	16	17	17
Card-based fees and other fee-based revenue	13	13	13	14	16
Fee-based revenue	\$64	\$66	\$66	\$74	\$74
Other	16	30	20	14	27
Total noninterest income	\$80	\$95	\$86	\$88	\$101

¹This 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.

