THIRD QUARTER 2020 EARNINGS PRESENTATION

October 22, 2020

ASB
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NYSE

Associated Bank

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 pending branch sales described herein ("pending sales"); the expected timing of the completion of the pending sales; the ability to complete the pending sales; 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 pending sales; 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 Form 10-Qs and other SEC filings, and such factors are incorporated herein by reference. Additional factors which may cause actual results of the pending sales to differ materially from those contained in forward-looking statements are the possibility that expected benefits of the pending sales may not materialize in the timeframe expected or at all, or may be more costly to achieve; the pending sales 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 pending sales; and diversion of management time on acquisition-related matters.

Trademarks:

Presentation:

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

Non-GAAP Measures:

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

3Q 2020 ACTIONS

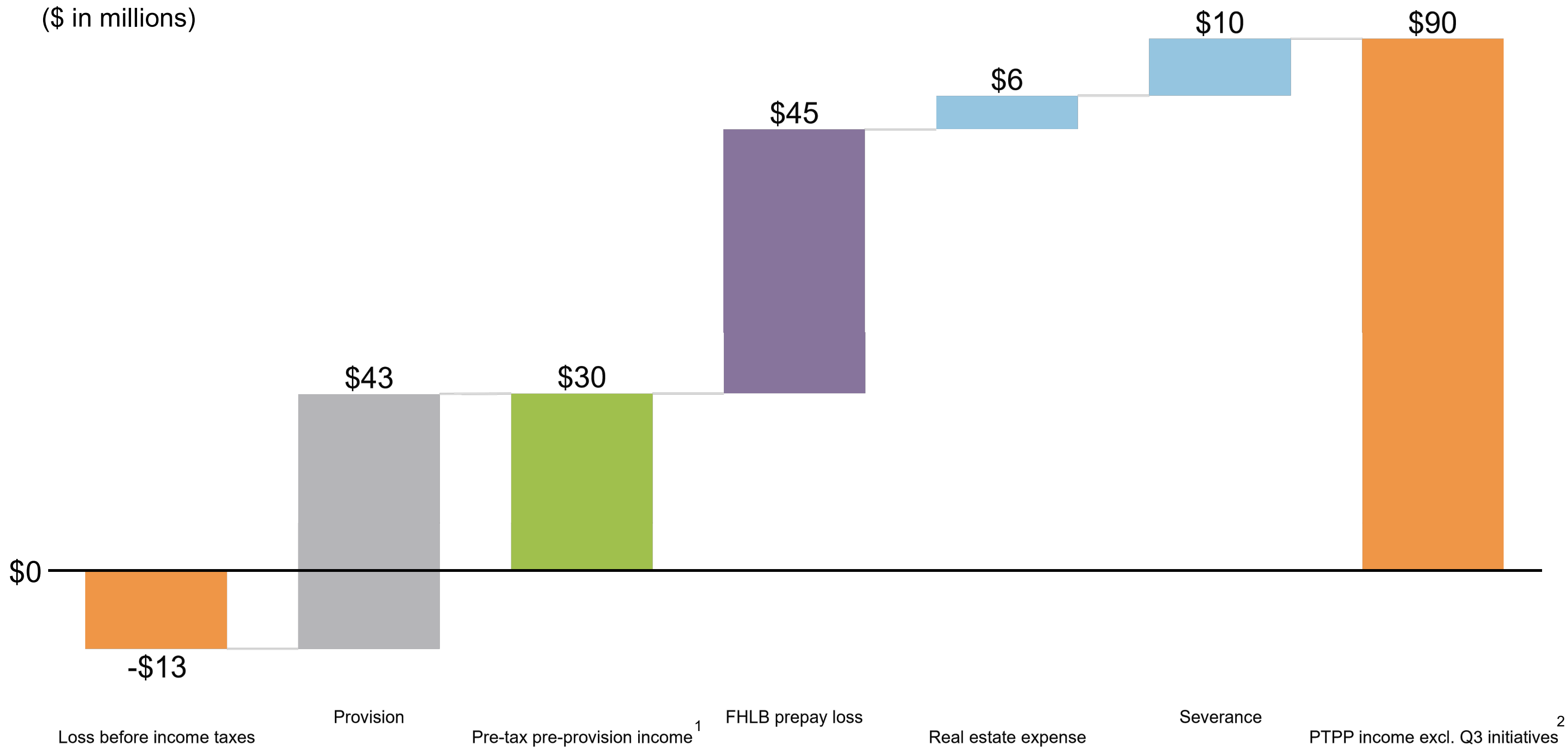
We executed several initiatives to drive efficiency and improve earnings in 2021

	Initiative Details	Q3 Impact	FY 2021 Expected Pretax Run Rate Impact
Branch optimization & Internal efficiency initiatives	Pending sales and/or consolidations of 22 branches (9% of network; ~100 FTEs) Corporate, managerial, and back office streamlining expected to reduce FTEs by ~200 by year end	$10 million of severance expense and $6 million of real estate related expense (all pretax)	**~ $40 million expense reduction**
FHLB liability restructuring & Reorganization of our securities and real estate lending subsidiaries	Prepaid $950 million of FHLB advances Reorganization of subsidiaries generated a net income tax benefit	$45 million loss on prepayment of FHLB advances (pretax) Net income tax benefit of $49 million (after tax)	**~ $20 million net interest income improvement**

3Q 2020 PTPP INCOME WALKFORWARD

$60 million of pre-tax restructuring charges were incurred as part of our 3Q 20 efficiency initiatives

Pre-tax pre-provision income of $90[1] million when adjusted for $60 million of restructuring costs.

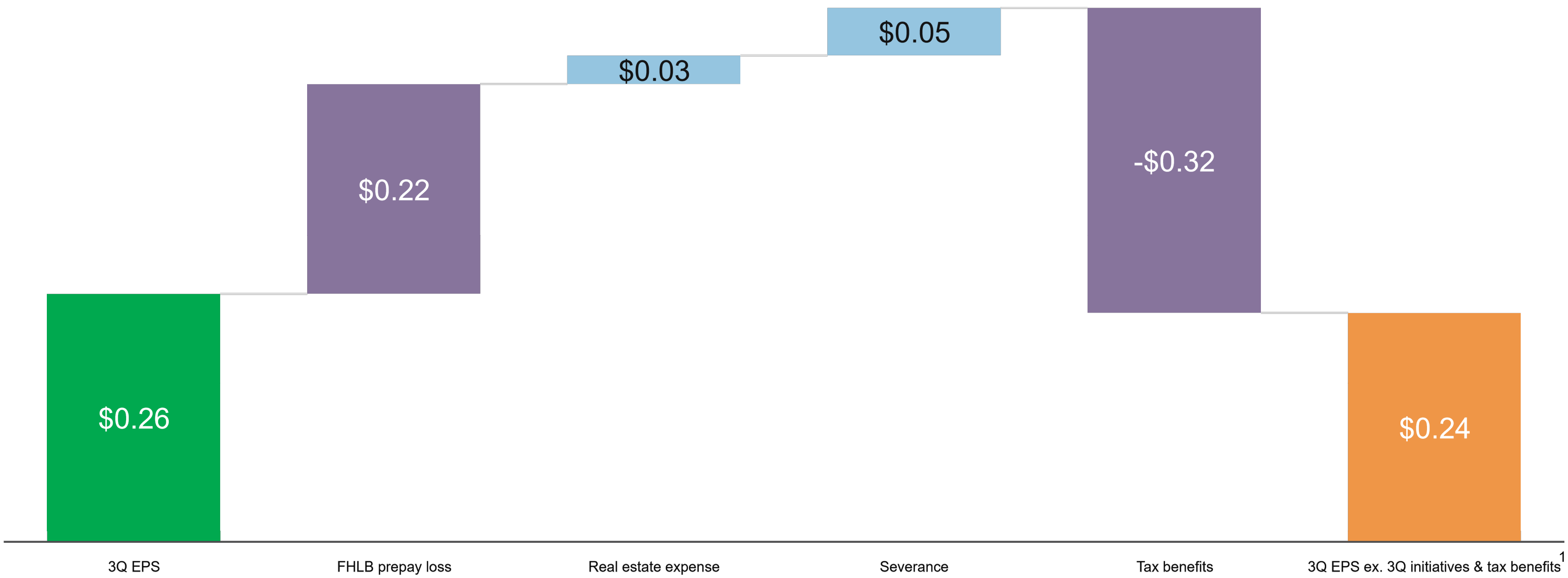


[1] A non-GAAP measure. Please refer to the appendix for a reconciliation of pre-tax pre-provision income to loss before income taxes.
[2] A non-GAAP measure. Please refer to the appendix for a reconciliation of pre-tax pre-provision income excluding Q3 initiatives to loss before income taxes.

3Q 2020 UPDATE

Associated took actions in 3Q 2020 to improve efficiency and optimize our branch network

Third Quarter 2020 Earnings of $0.26 Per Common Share Including Restructuring Charges and Tax Benefits



$60 million of restructuring charges ($45 million[2] after taxes), were more than offset by a $49 million tax benefit from reorganizing our securities and real estate lending subsidiaries.

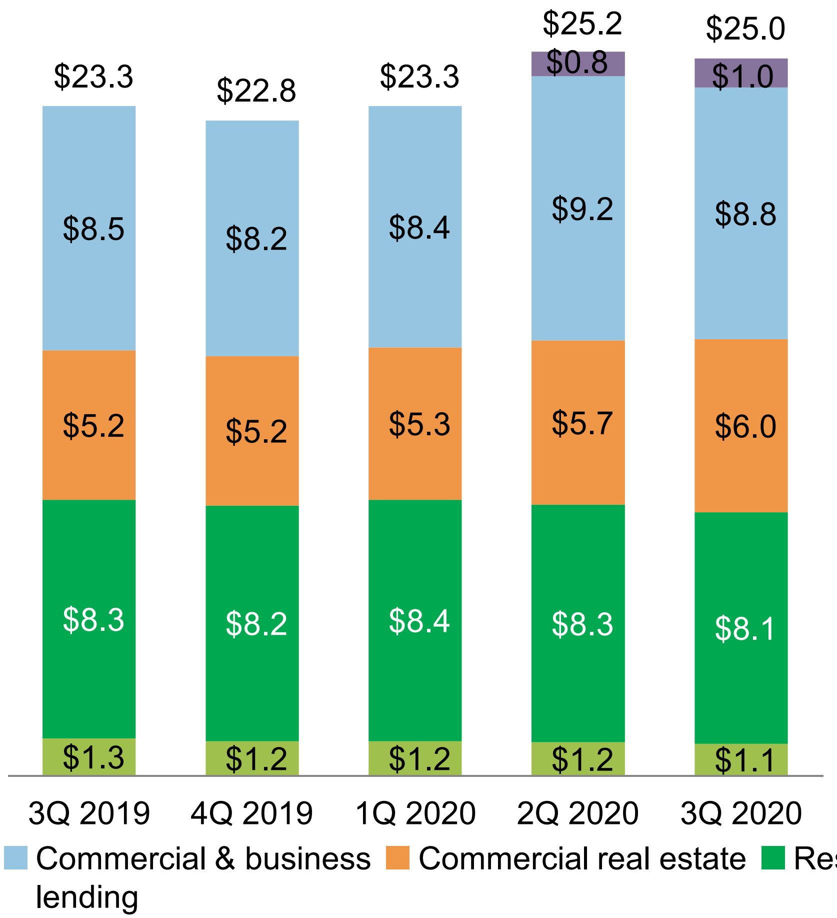
[1] A non-GAAP measure. Please refer to the appendix for a reconciliation of earning per share excluding 3Q initiatives and tax benefits to earnings per share.
[2] Assuming 25% marginal tax rate

LOAN TRENDS

CRE loans continue to grow while general commercial lines of credit pay down

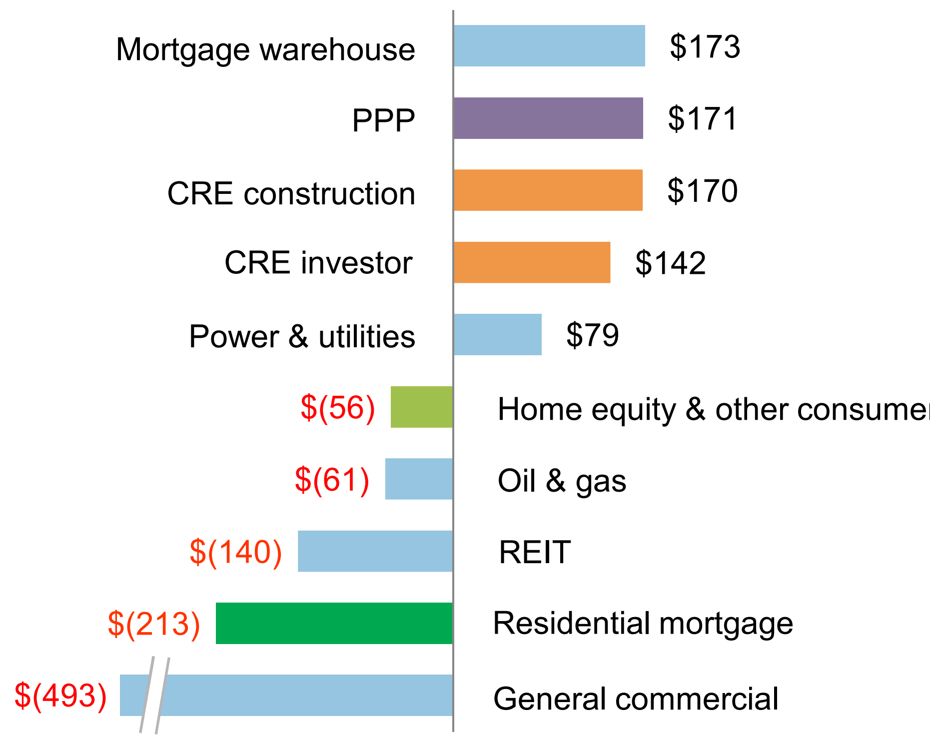
Average Quarterly Loans

($ in billions)



Average Loan Growth (2Q20 to 3Q20)

($ in millions)



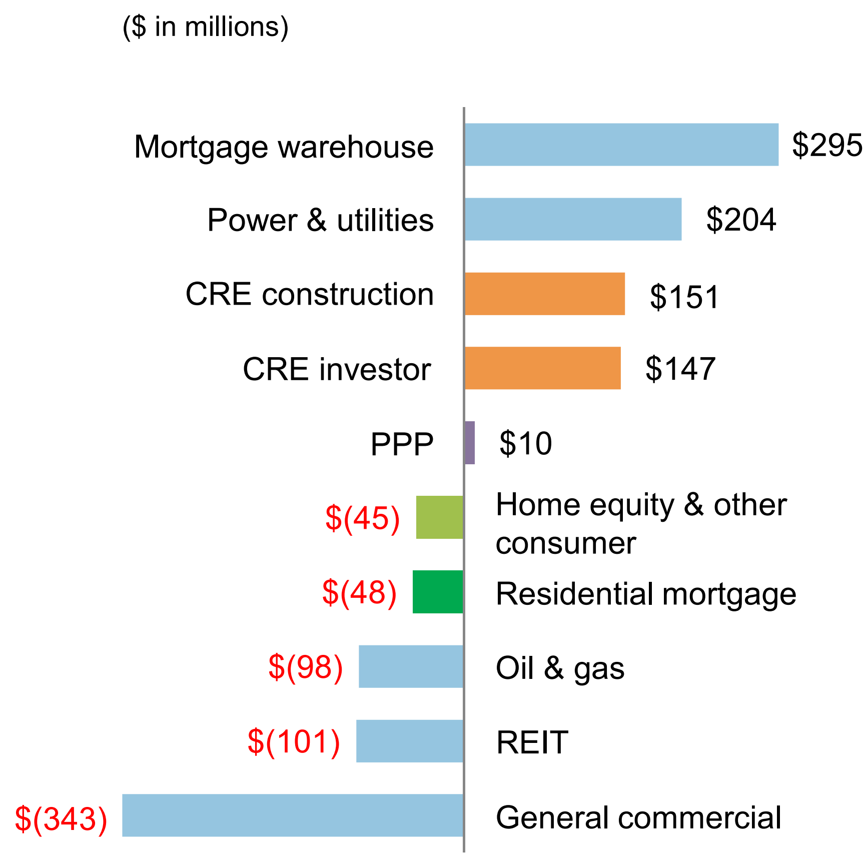
END OF PERIOD LOAN TRENDS

Growth was led by higher specialty commercial and CRE balances, partially offset by general commercial

EOP Loan Change[1] 2Q20 to 3Q20

Total loans +$171 million (+1%)

- Commercial and Business Lending -$35 million (0%)
  - General commercial balances declined as customers used their excess liquidity to pay down lines
- Commercial Real Estate Lending +$298 million (+5%)
  - Construction funding along with lower payoffs drove the increase
- Total Consumer -$93 million (-1%)
  - The decline in consumer lending was driven by continued refinancing and a $70 million portfolio sale



[1] Excluding loans held for sale.

COMMERCIAL COVID-19 RELIEF UPDATE

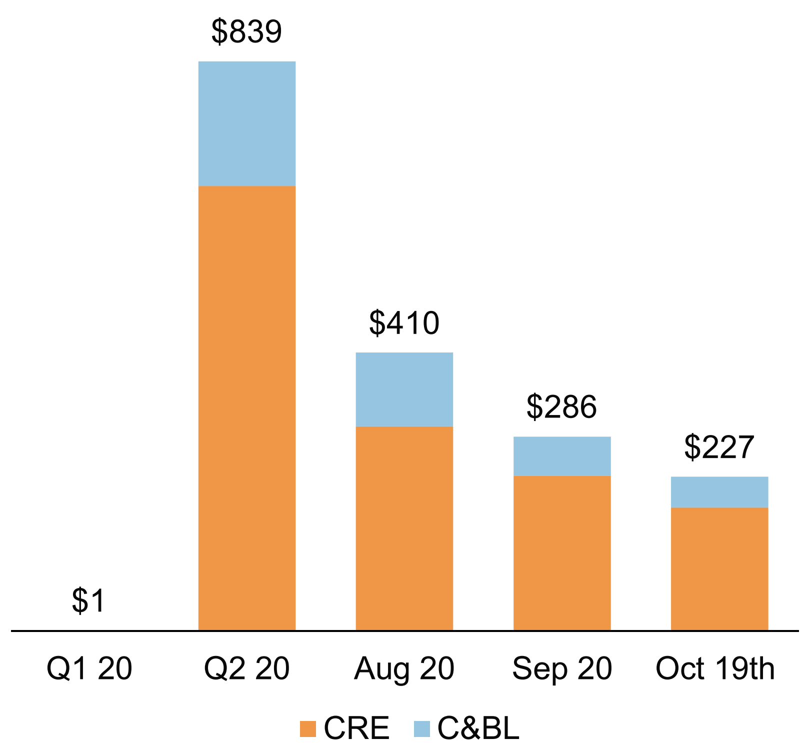
Commercial deferrals have declined by 73% since Q2 2020

Loan Deferrals & Modifications[1]

- We generally granted 90 day deferrals for our commercial customers
- Total commercial deferrals have declined approximately 73% since the end of 2Q 2020
- The $839 million of deferrals at Q2 have largely rolled off their initial 90 day term; the remaining deferrals are primarily related to COVID impacted portfolios
- Currently, commercial deferrals ($227 million) represent approximately 1.4% of our commercial loan balances[2]

Active Deferred and Modified Loans Trend

($ in millions)



[1] Includes completed modifications as of October 19, 2020.
[2] Loan balances as of 9/30/2020.

CONSUMER COVID-19 RELIEF UPDATE

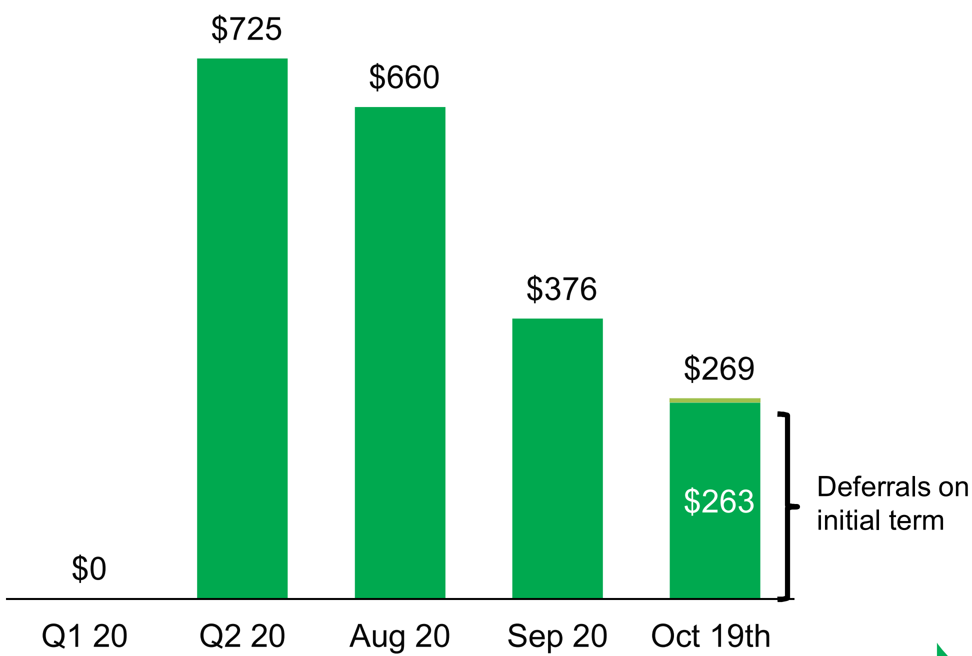
Consumer deferrals have declined by 63% from Q2 and most borrowers have not asked for additional help

Loan Deferrals & Modifications[1]

- We generally granted six month deferrals to consumers who requested assistance
- Total consumer deferrals have declined by approximately 63% since the end of Q2 2020
- As of 10/19/20, 97% of consumer loans previously on deferral are current or less than 30 days past due
- $263 million of the active deferrals, as of 10/19/20, are still in their initial deferral period
- As of 10/19/20, active consumer deferrals represent approximately 3% of consumer loan balances[2]

Active Deferred and Modified Loans Trend

($ in millions)



[1] Includes completed modifications as of October 19, 2020.
[2] Loan balances as of 9/30/2020.

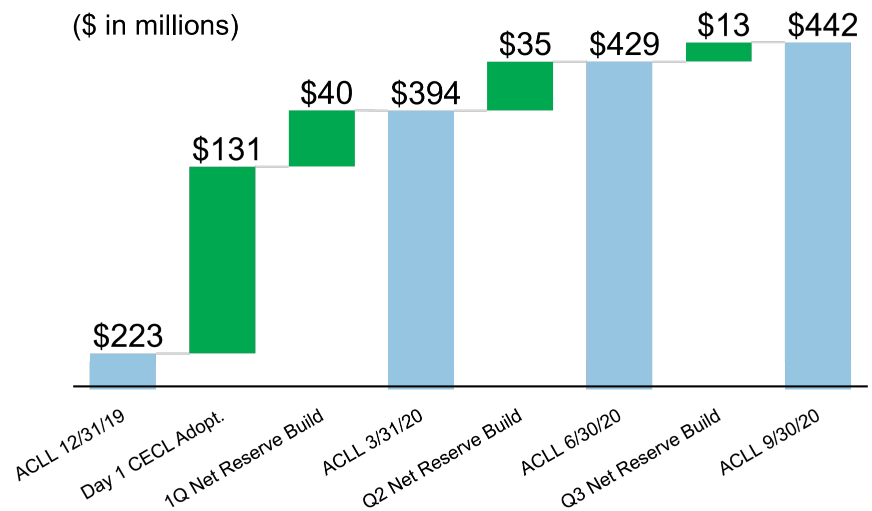
ALLOWANCE UPDATE

ACLL[2] increased $13 million and covered 1.77% of loan balances at the end of 3Q 2020

Third Quarter ACLL

- Allowance for credit losses on loans (ACLL) increased $13 million, or 3%, at the end of 3Q 2020 from 2Q 2020
- ACLL to loans was 1.77%, or 1.84% excluding PPP loans
- 3Q 2020 provision of $43 million, down $18 million from 2Q 2020
- CECL forward looking assumptions based on Moody's September 2020 Baseline forecast

Loan Allowance Walkforward



Loan Category	ACLL[1] 12/31/19	Day 1 CECL Adoption[2]	Net 1Q Reserve Build[2]	ACLL[2] 3/31/20	Net 2Q Reserve Build[2]	ACLL[2] 06/30/20	Net 3Q Reserve Build[2]	ACLL[2] 09/30/20	9/30/20 ACLL[2] / Loans
C&BL - excl. Oil & Gas	$100,594	$ (8,390)	$ 29,571	$121,775	$ 326	$122,101	$ 27,699	$149,799	1.76%
C&BL Oil & Gas	13,226	55,460	8,880	77,567	6,025	83,592	(32,654)	50,938	15.29%
PPP Loans	-	-	-	-	808	808	160	968	0.09%
CRE - Investor	41,044	2,287	(785)	42,546	16,524	59,070	31,850	90,921	2.10%
CRE - Construction	32,447	25,814	7,428	65,688	10,585	76,273	(10,528)	65,745	3.54%
Residential Mortgage	16,960	33,215	(6,227)	43,947	(121)	43,826	(183)	43,643	0.55%
Other Consumer	19,008	22,760	777	42,546	363	42,909	(2,937)	39,972	3.71%
Total	**$223,278**	**$131,147**	**$ 39,643**	**$394,069**	**$ 34,510**	**$428,579**	**$ 13,408**	**$441,988**	**1.77%**
Total (excl. PPP Loans)	$223,278	$131,147	$ 39,643	$394,069	$ 33,702	$427,770	$ 13,248	$441,019	1.84%

($ in thousands)

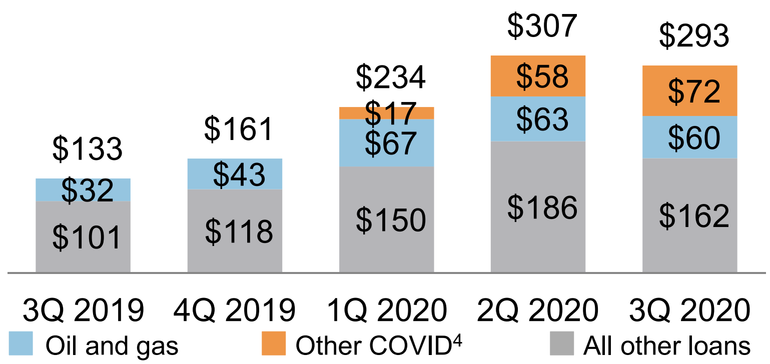
[1] Includes ALLL and the allowance for unfunded commitments.
[2] Includes funded and unfunded reserve for loans, excludes reserve for HTM securities.

CREDIT QUALITY – QUARTERLY TRENDS

Nonaccrual loans increased in 3Q 2020 driven by CRE retail loans

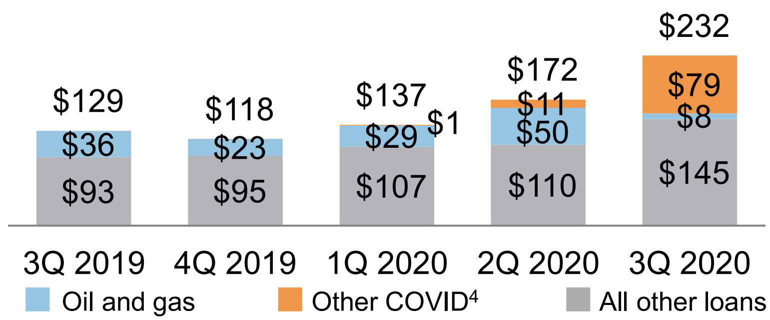
Potential Problem Loans[1]

($ in millions)



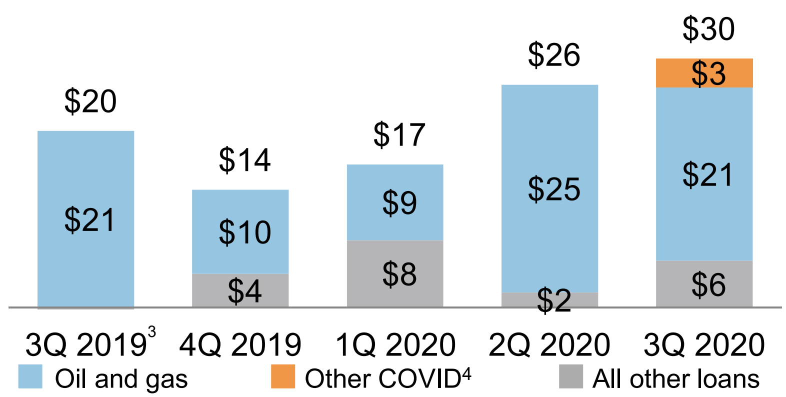
Nonaccrual Loans[1]

($ in millions)

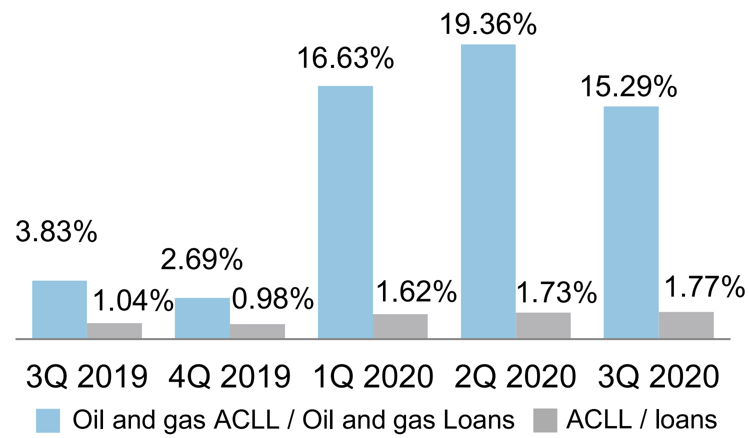


Net Charge Offs[1]

($ in millions)



ACLL[2] to Total Loans / Oil and Gas Loans[1]



[1] At period end.
[2] ACLL figure does not include ~$70,000 for HTM securities in 3Q20.
[3] 3Q 2019 included a net recovery of $1 million for all other loans.

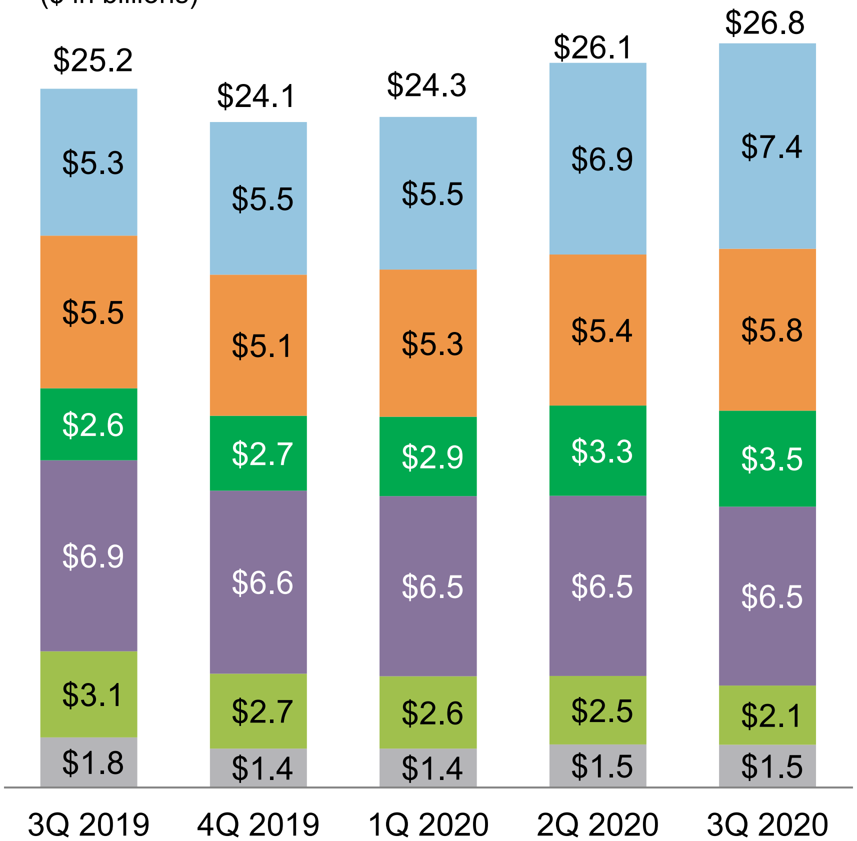
[4] Please see slide 19 for more detail on our Key COVID Commercial Loan Exposures.

DEPOSIT PORTFOLIO TRENDS

We continue to improve the mix of low-cost, core customer deposit funding

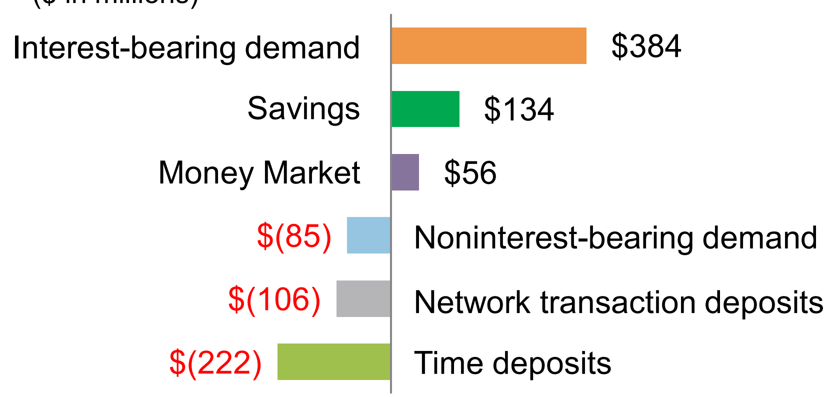
Average Quarterly Deposits

($ in billions)

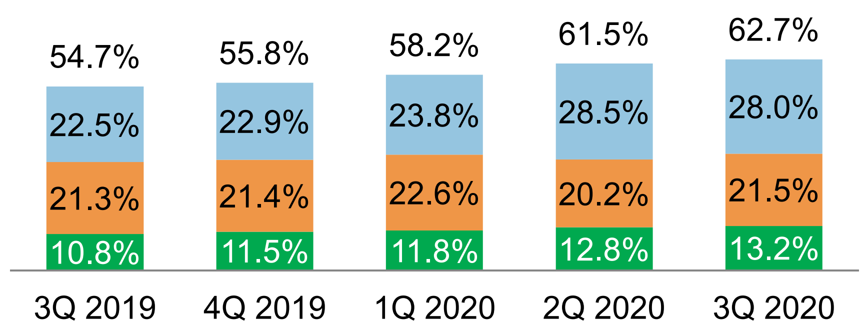


EOP Funding Change 2Q20 to 3Q20

($ in millions)



EOP Low-cost Deposit Mix Trend



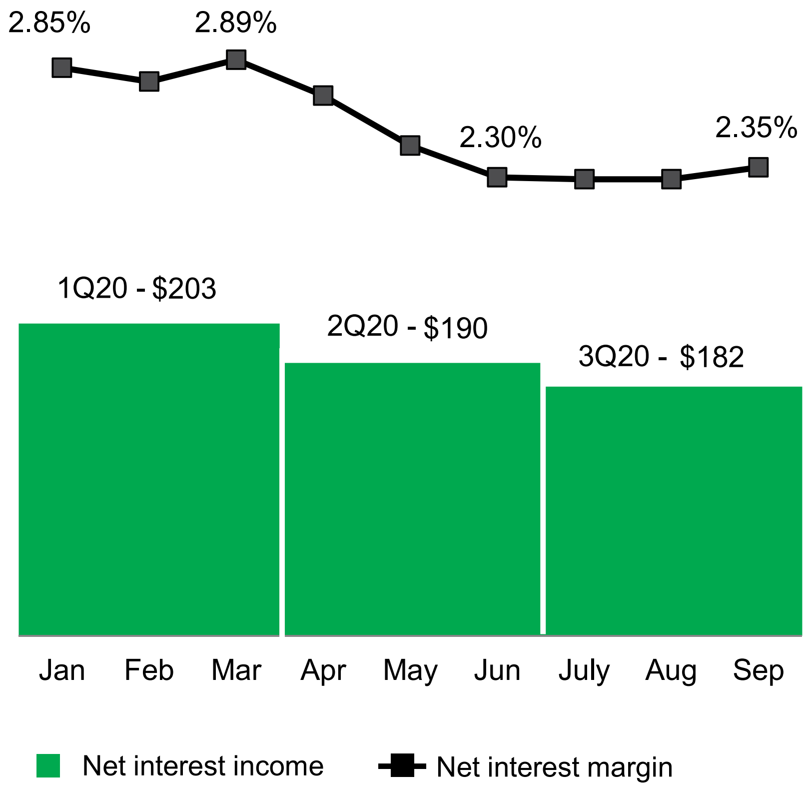
Noninterest-bearing demand
Interest-bearing demand
Savings
Money market
Time deposits
Network transaction deposits

NET INTEREST INCOME AND YIELD TRENDS

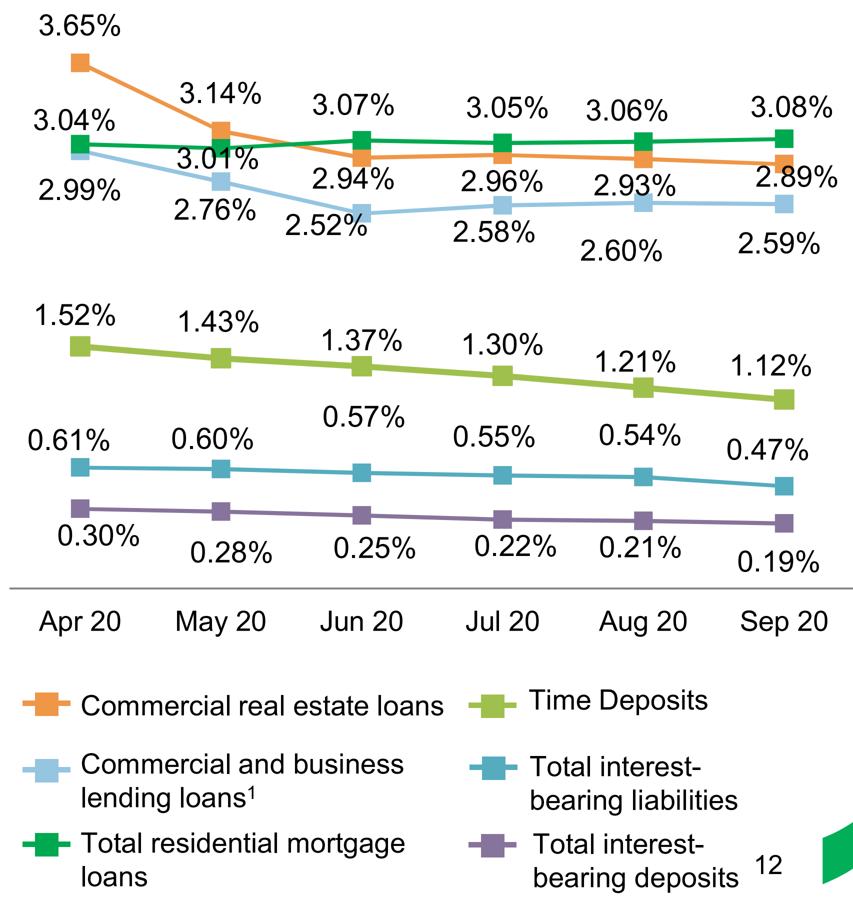
Net interest margin bottomed out during Q3 and has started to move back up in September

Net Interest Income and Net Interest Margin

($ in millions)



Average Yields



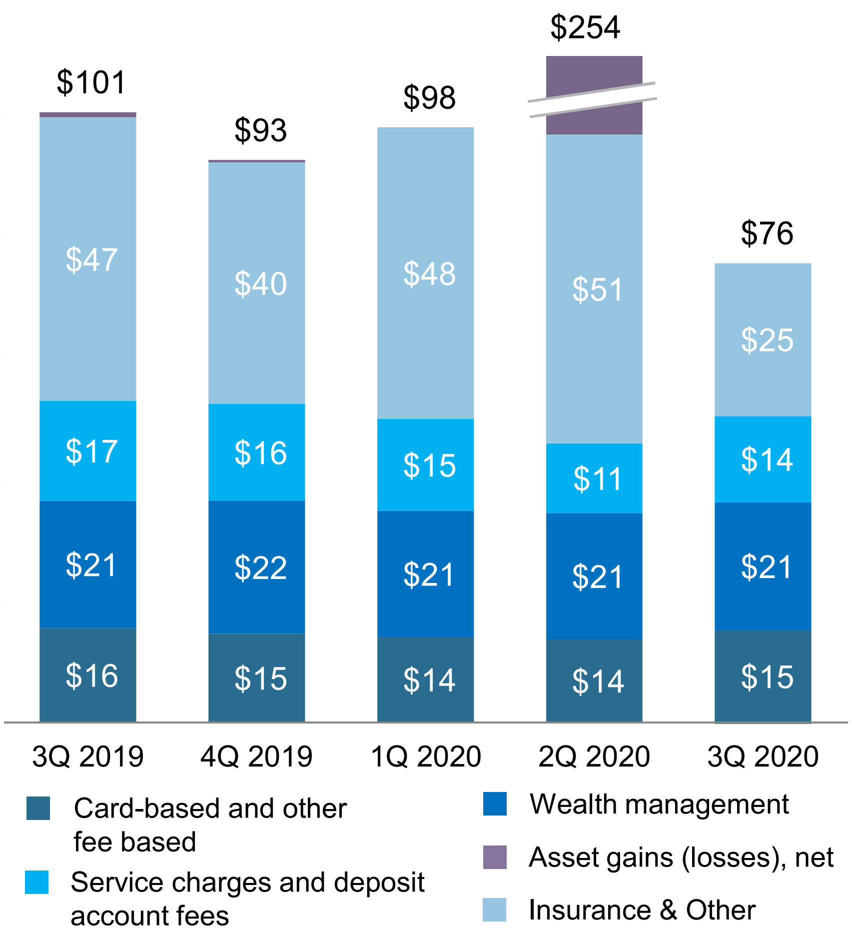
[1] Excludes PPP loans.

NONINTEREST INCOME TRENDS

Mortgage banking income remains strong and service charges have rebounded during Q3

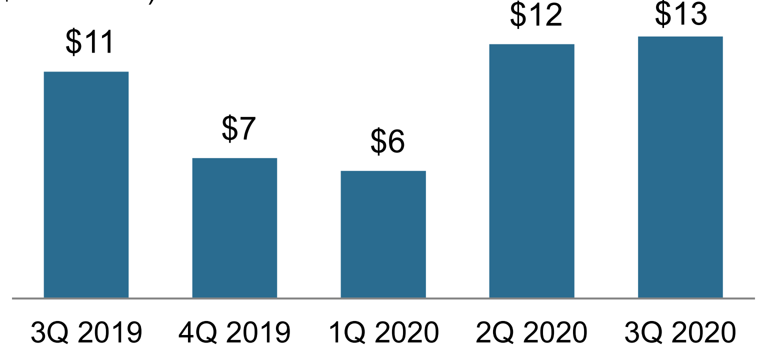
Noninterest Income Trend

($ in millions)



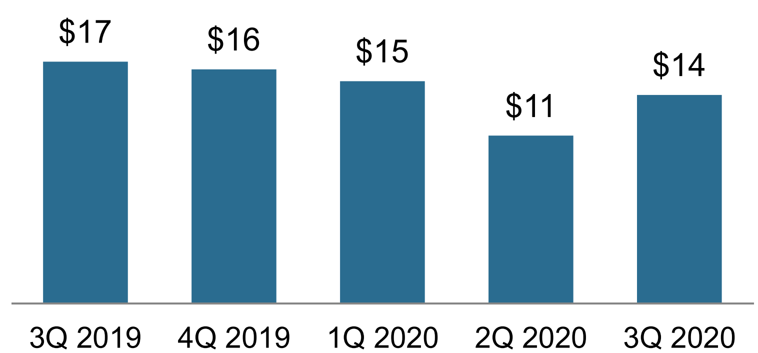
Net Mortgage Banking Income

($ in millions)



Service Charges & Deposit Account Fees

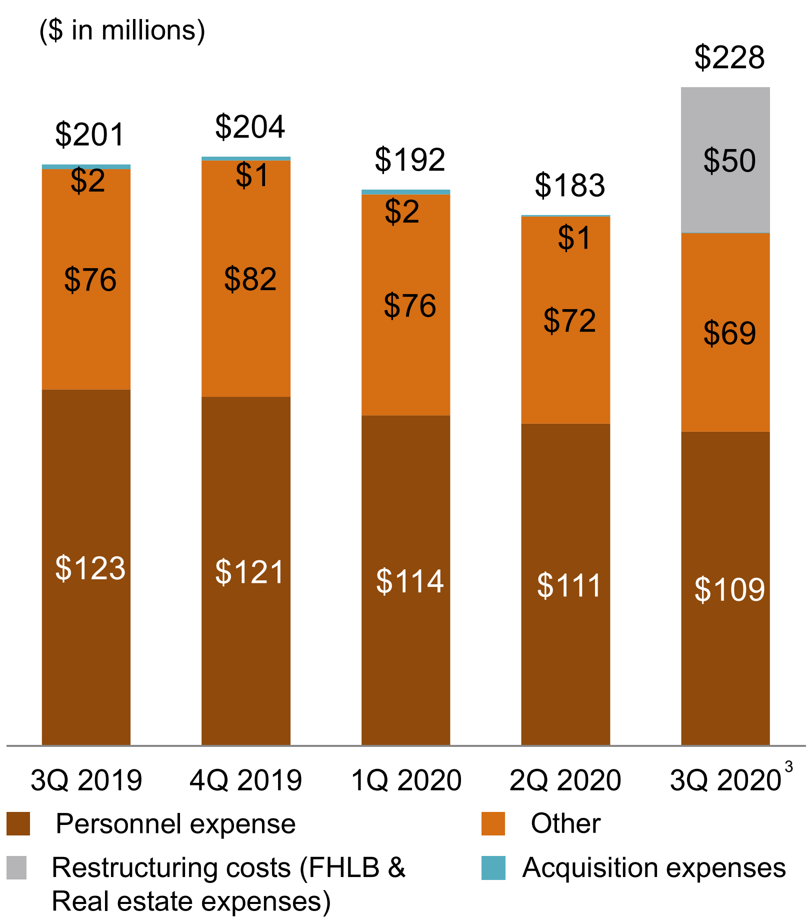
($ in millions)



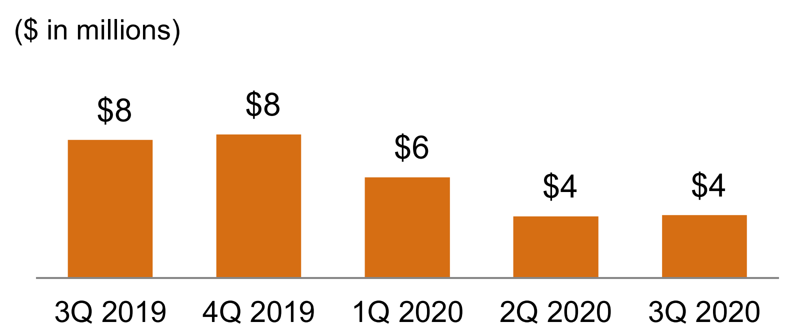
EXPENSE TRENDS

3Q 2020 included $60 million of restructuring costs[3] which will improve the expense run rate going into 2021

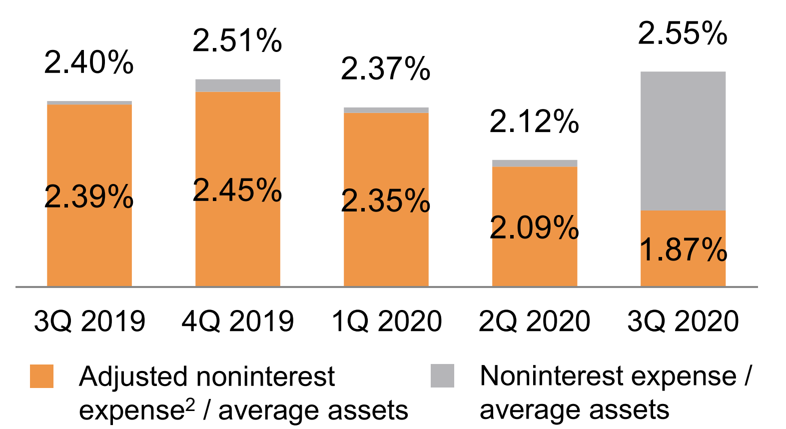
Noninterest Expense



Business Development and Advertising



Noninterest Expense[1] / Average Assets

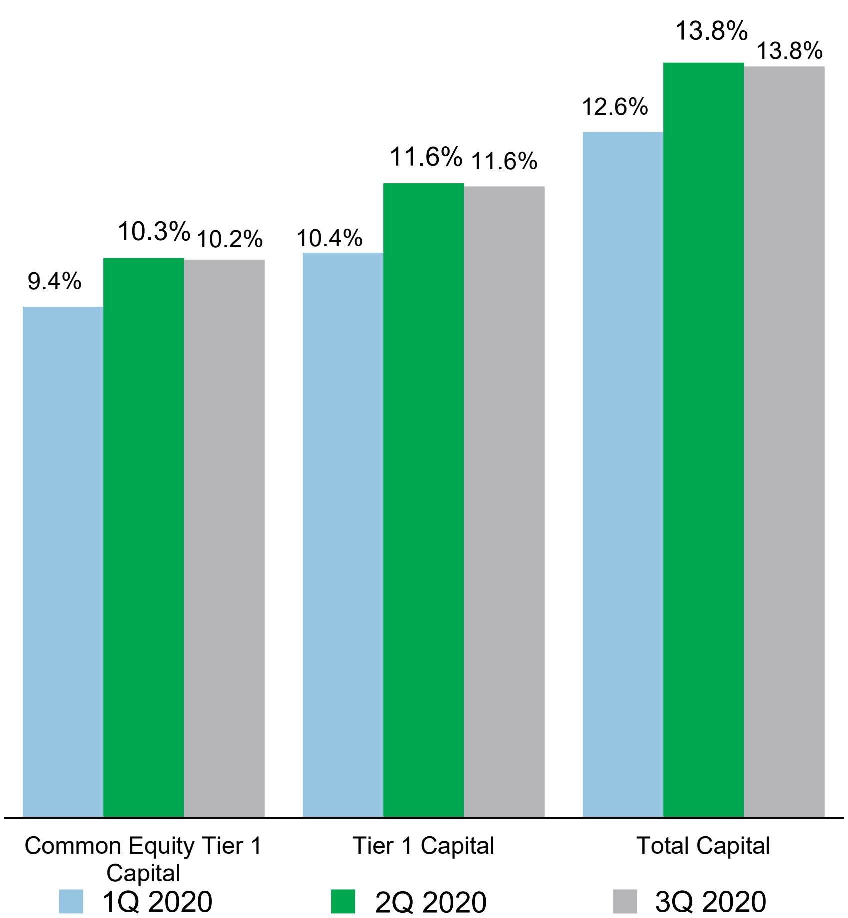


[1] Annualized
[2] A non-GAAP financial measure, adjusted noninterest expense excludes acquisition and restructuring related costs. Please refer to the appendix for a reconciliation of adjusted noninterest expense to noninterest expense.
[3] Personnel expense includes $10 million of severance which is included in the $60 million of total restructuring expenses.

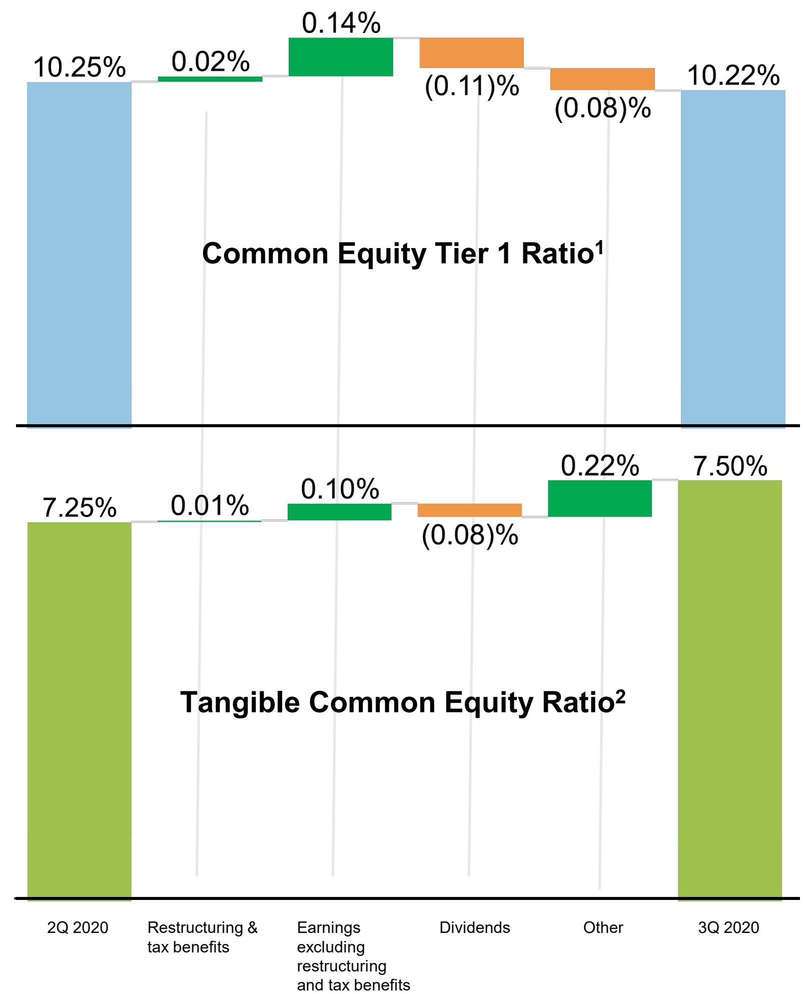
STRONG CAPITAL POSITION

Tangible Common Equity ratio increased 25 bps to 7.50% during 3Q 2020

Regulatory Capital Ratios



Capital Ratio Walkdowns



[1] CET1 CECL adoption impact includes modified transition amount.

[2] Tangible common equity / tangible assets. This is a non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

2020 UPDATED OUTLOOK

We are updating guidance for select items in Q4 and reiterating our expense guidance for Q4 and 2021

Net Interest Margin:

4Q 2020 ~ 2.50%

Fee Revenue:

Continue positive trend through end of 2020

2020 / 2021 Guidance

Expenses:

4Q 2020 - $175 million[1]

FY 2021 - $685 million

Effective Tax Rate:

FY 2020 - low to mid single digit

[1] Includes $3 million of restructuring costs.

APPENDIX

TOTAL LOANS OUTSTANDING BALANCES AS OF SEPTEMBER 30, 2020

Well diversified $25 billion loan portfolio

($ in millions)

		09/30/2020[1]	% of Total Loans
C&BL (by NAICS[2])			
Utilities	$	1,802	7.2%
Wholesale/Manufacturing		1,717	6.9%
Finance and Insurance		1,688	6.7%
Real Estate (includes REITs)		1,173	4.7%
Construction		418	1.7%
Mining[3]		390	1.6%
Health Care and Social Assistance		387	1.5%
Retail Trade		361	1.4%
Professional, Scientific, and Tech. Serv.		323	1.3%
Rental and Leasing Services		272	1.1%
Transportation and Warehousing		196	0.8%
Waste Management		188	0.8%
Accommodation and Food Services		172	0.7%
Information		125	0.5%
Arts, Entertainment, and Recreation		104	0.4%
Management of Companies & Enterprises		86	0.3%
Financial Investments & Related Activities		79	0.3%
Educational Services		60	0.2%
Public Administration		28	0.1%
Agriculture, Forestry, Fishing and Hunting		9	0.0%
Other		282	1.1%
Total C&BL	$	9,861	39.4%

		09/30/2020[1]	% of Total Loans
CRE (by property type)			
Multi-Family	$	1,997	8.0%
Office/Mixed		1,268	5.1%
Industrial		1,049	4.2%
Retail		990	4.0%
Single Family Construction		384	1.5%
Hotel/Motel		247	1.0%
Parking Lots and Garages		102	0.4%
Land		99	0.4%
Mobile Home Parks		16	0.1%
Other		29	0.1%
Total CRE	$	6,181	24.7%
Consumer			
Residential Mortgage	$	7,886	31.5%
Home Equity		762	3.0%
Student Loans		121	0.5%
Credit Cards		105	0.4%
Other Consumer		90	0.4%
Total Consumer	$	8,963	35.8%
Total Loans	$	25,004	100.0%

[1] All values as of period end.
[2] North American Industry Classification System.
[3] Includes $333 million of oil and gas loans and one $21 million fracking sand mining company loan.

KEY COVID COMMERCIAL LOAN EXPOSURES[1]

Key COVID commercial loan exposures are spread across multiple industries without large concentrations

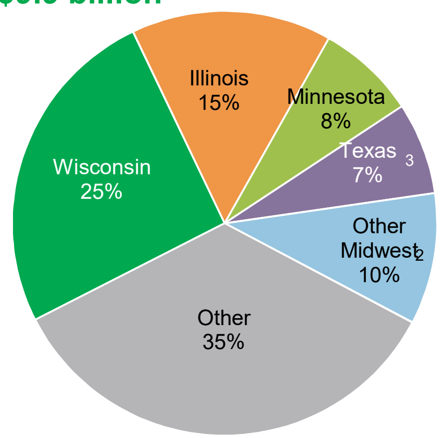
($ in millions)

	C&BL	Utilization	CRE	Utilization	Total	% of total loans
Retailers/Shopping Centers[2]						
Retailers	$ 88.5	43%	$ 681.0	90%	$ 769.4	3.08%
Retail REITs	224.5	51%	142.4	100%	366.9	1.86%
Subtotal	313.0	48%	823.3	92%	1,136.3	4.64%
Oil & Gas						
Oil & Gas	333.2	67%	-	0%	333.2	1.33%
Subtotal	333.2	67%	-	0%	333.2	1.33%
Hotels, Amusement & Related						
Hotels	0.1	21%	247.3	85%	247.4	0.99%
Parking Lots and Garages	22.3	61%	101.8	90%	124.0	0.50%
Casinos	28.0	100%	-	0%	28.0	0.11%
Recreation & Entertainment	25.1	41%	6.9	99%	32.1	0.13%
Movie Theaters	10.3	31%	-	0%	10.3	0.04%
Subtotal	85.8	54%	356.0	86%	441.8	1.77%
Restaurants						
Full-Service	69.8	80%	13.2	99%	82.9	0.33%
Limited-Service & Other	21.7	93%	11.4	100%	33.0	0.13%
Subtotal	91.5	83%	24.5	99%	116.0	0.46%
Transportation & Other						
Transportation Services	50.9	80%	-	0%	50.9	0.20%
Fracking Sand Mining	20.6	72%	-	0%	20.6	0.08%
Subtotal	71.5	77%	-	0%	71.5	0.29%
Total	$ 895.0	59%	$ 1,203.8	90%	$ 2,098.8	8.39%

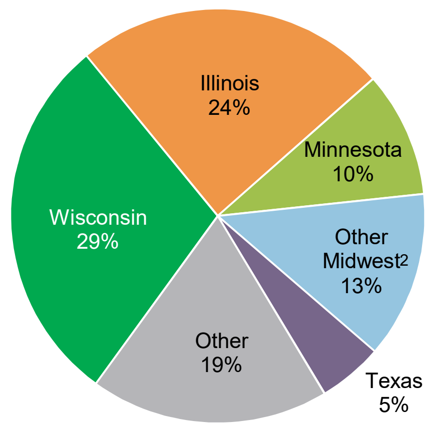
[1] As of 9/30/2020.
[2] C&BL excludes grocers, convenience stores, vehicle dealers, auto parts and tire dealers, direct and mail order retailers, and building material dealers; CRE excludes properties primarily anchored by grocers, self-storage facilities, and vehicle dealers.

LOAN STRATIFICATION OUTSTANDINGS AS OF SEPTEMBER 30, 2020

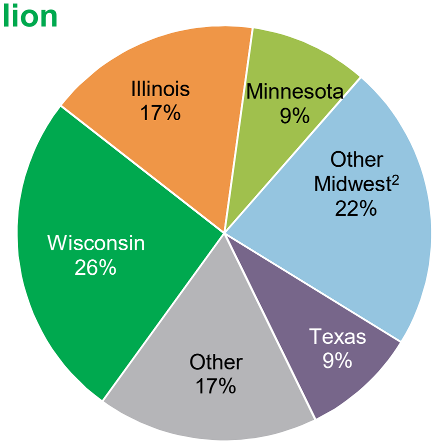
C&BL by Geography
$9.9 billion



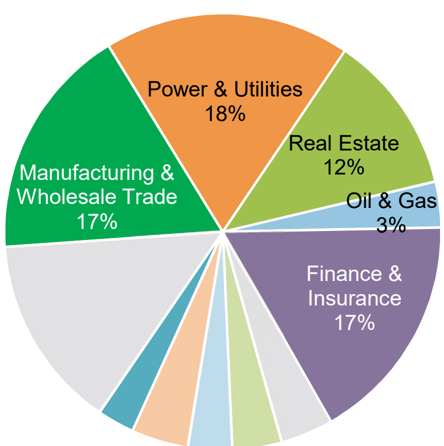
Total Loans[1]



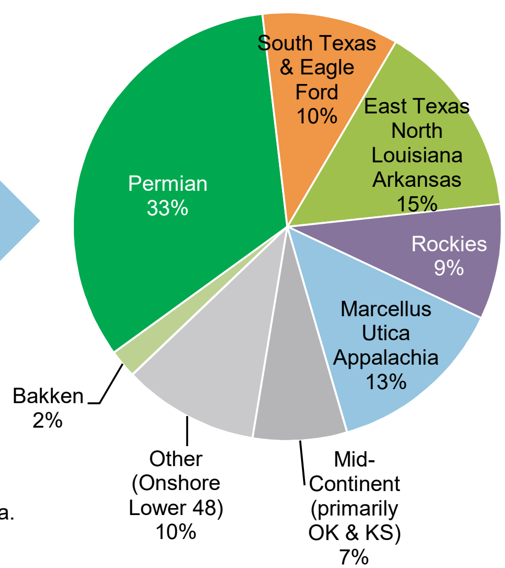
CRE by Geography
$6.2 billion



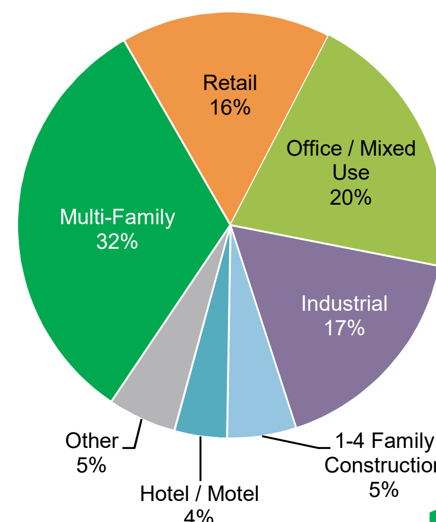
C&BL by Industry
$9.9 billion



Oil and Gas Lending[4]
$333 million



CRE by Property Type
$6.2 billion



[1]Excludes $315 million 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 commitments of $498 million.

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

Adjusted Noninterest Expense Reconcilation[1]	3Q19	4Q19	1Q20	2Q20	3Q20
Noninterest expense	$201	$204	$192	$183	$228
Restructuring costs	0	0	0	0	50
Acquisition related costs	2	1	2	1	0
Severance / frontline pay	0	4	0	2	10
Adjusted noninterest expense	$199	$199	$190	$181	$167

Tangible Common Equity and Tangible Assets Reconciliation[2]	2Q20	3Q20
Common equity	$3,671	$3,692
Goodwill and other intangible assets, net	(1,181)	(1,178)
Tangible common equity	$2,490	$2,513
Total assets	$35,501	$34,699
Goodwill and other intangible assets, net	(1,181)	(1,178)
Tangible assets	$34,321	$33,520

3Q20 Pre-Tax Pre-Provision Income, Excluding 3Q20 Initiatives Reconciliation[1]	3Q20
Pre-tax pre-provision income	
Loss before income taxes	$(13)
Provision before income taxes	43
Pre-tax pre-provision income	$30
3Q20 announced initiatives	
Loss on prepayments of FHLB Advances	$45
Severance	10
Branch sales & consolidations	6
3Q20 announced initiatives	$60
Pre-tax pre-provision income, excluding 3Q20 initiatives	$90

[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] 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.

RECONCILIATION AND DEFINITIONS OF NON-GAAP ITEMS ($ IN MILLIONS, EXCEPT PER SHARE DATA)

Acquisition Related Costs, Gain on Sale of ABRC, & 3Q20 Initiatives Reconciliation[1]	YTD 2020	YTD 2020 per share data	3Q 2020	3Q20 per share data
GAAP earnings	$227	$1.46	$40	$0.26
Net of Tax				
Acquisition related costs (noninterest expense)	2	0.01	0	0.00
Gain on sale of ABRC (asset gains, net)	(104)	(0.68)	0	0.00
Q3 Initiatives				
Severance related to optimization plans (personnel)	7	0.05	7	0.05
Branch consolidations costs (occupancy and other)	4	0.03	4	0.03
Loss on prepayment of FHLB advances (expense)	33	0.22	33	0.22
Re-organization (income tax benefit)	(63)	(0.41)	(49)	(0.32)
Earnings, excluding items above	$106	$0.68	$35	$0.24

[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.