

Cadence Bank Announces Third Quarter 2024 Financial Results

HOUSTON and TUPELO, Miss., Oct. 21, 2024 /PRNewswire/ -- Cadence Bank (NYSE: CADE) (the Company), today announced financial results for the quarter ended September 30, 2024.

Highlights for the third quarter of 2024 included:

- Reported quarterly net income available to common shareholders of \$134.1 million, or \$0.72 per diluted common share, and adjusted net income from continuing operations available to common shareholders,⁽¹⁾ which excludes non-routine income and expenses,⁽²⁾ of \$135.6 million, or \$0.73 per diluted common share, which represents an increase of \$0.04 per share, or 5.8%, compared to the second quarter of 2024 adjusted net income from continuing operations available to common shareholders.⁽¹⁾
- Achieved quarterly adjusted pre-tax pre-provision net revenue from continuing operations (PPNR)⁽¹⁾ of \$189.9 million, which is flat compared to the second quarter of 2024 and up \$44.7 million from the third quarter of 2023. Year-to-date, adjusted PPNR⁽¹⁾ is \$555.0 million, up \$80.6 million or 17.0%, from the same period in 2023.
- Period-end loans were flat for the quarter at \$33.3 billion as higher levels of payoffs and paydowns offset new origination activity. Year-to-date, net loan growth is \$807.0 million or 3.3% annualized.
- Grew period-end total deposits by \$985.7 million, or 10.4% on an annualized basis. Customer deposits, which exclude brokered deposits and public funds, increased \$1.4 billion including approximately \$435.0 million in customer overnight sweep activity. Excluding the sweep activity, customer deposits increased approximately \$945.0 million in the quarter, or 11.4% annualized.
- Continued improvement in net interest margin by 4 basis points to 3.31%, benefiting from improvement in average earning asset mix, stabilized deposit costs and higher loan yields.
- Credit metrics reflected 0.26% in annualized net charge-offs, slightly improved from the linked quarter, and a \$12.0 million provision for credit losses resulting in a 1.38% allowance for credit losses as a percent of loans.
- Repurchased 323,395 shares of Company common stock during the third quarter at a weighted average price of \$28.79 per share; regulatory capital remained strong with Common Equity Tier 1 Capital of 12.3% and Total Capital of 14.5%.
- Tangible book value per common share⁽¹⁾ increased to \$21.68 per share at September 30, 2024, up \$1.60 per share compared to the second quarter of 2024, while tangible common shareholders' equity to tangible assets⁽¹⁾ increased to 8.28% at September 30, 2024.

"Our third quarter results reflect another good quarter with strong operating performance, highlighted by favorable deposit trends, improvement in our net interest margin, and continued disciplined expense management," remarked Dan Rollins, Chairman and Chief Executive Officer of Cadence Bank. "From a balance sheet standpoint, we were very pleased with our team's continued success in growing deposits across the franchise, while keeping the increase in total cost of deposits to just two basis points. Our loan pipelines continue to be robust, reflecting the strong economies in our footprint; however, elevated payoffs and paydowns resulted in total loans being flat linked quarter. Importantly, our net interest income and net interest margin continued to exhibit growth, and our expenses and credit quality results remained in line with expectations."

Earnings Summary

All adjusted financial results discussed herein are adjusted results from continuing operations.⁽³⁾

For the third quarter of 2024, the Company reported net income available to common shareholders of \$134.1 million, or \$0.72 per diluted common share, compared to \$90.2 million, or \$0.49 per diluted common share, for the third quarter of 2023 and \$135.1 million, or \$0.73 per diluted common share, for the second quarter of 2024. Adjusted net income available to common shareholders from continuing operations⁽¹⁾ increased to \$135.6 million, or \$0.73 per diluted common share, for the third quarter of 2024, compared with \$97.6 million, or \$0.53 per diluted common share, for the third quarter of 2023 and \$127.9 million, or \$0.69 per diluted common share, for the second quarter of 2024.

Additionally, the Company reported adjusted PPNR from continuing operations⁽¹⁾ of \$189.9 million, or 1.58% of average assets on an annualized basis, for the third quarter of 2024, which is consistent with the second quarter of 2024, and an increase of \$44.7 million or 30.7% compared to the same quarter of 2023. These notable increases in financial performance were driven by net interest margin expansion, fee revenue growth, and continued disciplined expense management.

Net Interest Revenue

Net interest revenue increased to \$361.5 million for the third quarter of 2024, compared to \$329.0 million for the third quarter of 2023 and \$356.3 million for the second quarter of 2024. The net interest margin (fully taxable equivalent) improved to 3.31% for the third quarter of 2024, compared with 2.98% for the third quarter of 2023 and 3.27% for the second quarter of 2024.

Net interest revenue increased \$5.1 million, or 1.4%, compared to the second quarter of 2024 as the Company continues to benefit from improved average earning asset mix, upward repricing in the loan portfolio and slowed pressure on deposit costs. Purchase accounting accretion revenue was \$3.0 million for both the third quarter of 2024 and the second quarter of 2024, respectively. Average earning assets declined slightly to \$43.5 billion, as growth in average loans of \$334.3 million was offset by lower excess cash.

Yield on net loans, loans held for sale and leases, excluding accretion, was 6.61% for the third quarter of 2024, up 5 basis points from 6.56% for the second quarter of 2024. Investment securities yielded 3.04% in the third quarter of 2024, down 15 basis points from 3.19% in the second quarter of 2024 due to both increased fair values of the portfolio as well as maturing higher yielding securities in the quarter. The yield on total interest earning assets increased to 5.92% for the third quarter of 2024, up 2 basis points from 5.90% for the second quarter of 2024.

The average cost of total deposits was relatively stable at 2.55% for the third quarter of 2024, compared to 2.53% for the second quarter of 2024. While there was some mix shift between deposit product types, interest bearing demand and money market as well as savings costs were flat linked quarter and time deposit costs declined slightly. Total interest-bearing liabilities cost was 3.47% for the third quarter of 2024 compared to 3.45% for the second quarter of 2024.

Balance Sheet Activity

Loans and leases, net of unearned income, were flat at \$33.3 billion compared to the second quarter of 2024. A decline in non-real estate C&I loans was offset by growth in owner occupied C&I, income producing CRE and residential mortgage loans.

Total deposits were \$38.8 billion as of September 30, 2024, an increase of \$985.7 million from the prior quarter. The third quarter's increase included a decline of \$568.0 million in public funds to \$3.7 billion, and a \$174.0 million increase in brokered deposits to \$626.0 million at September 30, 2024. Core customer deposits, which excludes brokered deposits and public funds, reflected organic growth of approximately \$1.4 billion compared to June 30, 2024. However, approximately \$435 million of this increase in non-interest bearing deposits was temporary in nature at quarter end driven by timing of overnight customer sweep activity.

The September 30, 2024 loan to deposit ratio was 85.7% and securities to total assets was 15.9%, reflecting continued strong liquidity. Noninterest bearing deposits increased to 23.8% of total deposits at the end of the third quarter of 2024 from 22.7% at June 30, 2024. Excluding the aforementioned approximately \$435 million in overnight customer sweep activity, noninterest bearing deposits to total deposits were flat compared to the prior quarter. Stabilization in this mix has positively impacted both the net interest margin and cost of deposits trends.

Total investment securities declined \$0.1 billion during the third quarter of 2024 to \$7.8 billion at September 30, 2024. Cash, due from balances and deposits at the Federal Reserve increased \$1.4 billion to \$4.0 billion at September 30, 2024. However, from an average balance perspective, cash, due from balances and deposits at the Federal Reserve declined \$0.6 billion linked quarter as the Company continues to use excess liquidity to fund loan growth and reduce reliance on higher cost funding.

In June 2024, the Company called \$138.9 million in fixed-to-floating subordinated debt at par. This debt was yielding 5.65%; however, was set to reprice to a weighted-average rate of SOFR+3.76% after the June call date. In November 2024, the Company anticipates calling \$215.2 million in fixed-to-floating subordinated debt at par. This debt is currently yielding 4.125% and is set to reprice at SOFR+2.73% after the November call date.

Credit Results, Provision for Credit Losses and Allowance for Credit Losses

Net charge-offs for the third quarter of 2024 were \$22.2 million, or 0.26% of average net loans and leases on an annualized basis, compared with net charge-offs of \$34.2 million, or 0.42% of average net loans and leases on an annualized basis, for the third quarter of 2023 and net charge-offs of \$22.6 million, or 0.28% of average net loans and leases on an annualized basis, for the second quarter of 2024. Net charge-offs for the third quarter of 2024 were primarily in the C&I portfolio and a significant portion of the credits were specifically reserved for in prior quarters. The provision for credit losses for the third quarter of 2024 was \$12.0 million, compared with \$17.0 million for the third quarter of 2023 and \$22.0 million for the second quarter of 2024. The allowance for credit losses of \$460.9 million at September 30, 2024 declined slightly to 1.38% of total loans and leases compared to 1.41% of total loans and leases at June 30, 2024.

Total nonperforming assets as a percent of total assets were 0.57% at September 30, 2024 compared to 0.32% at September 30, 2023 and 0.46% at June 30, 2024. Total nonperforming loans and leases as a percent of loans and leases, net were 0.82% at September 30, 2024, compared to 0.46% at September 30, 2023 and 0.65% at June 30, 2024. The linked quarter increase in nonperforming loans represents migration of a limited number of credits that were previously identified as criticized. Other real estate owned and other repossessed assets was \$5.4 million at September 30, 2024 compared to the September 30, 2023 balance of \$2.9 million and the June 30, 2024 balance of \$4.8 million. Criticized loans represented 2.64% of loans at September 30, 2024 compared to 2.71% at September 30, 2023 and 2.51% at June 30, 2024, while classified loans were 2.09% at September 30, 2024 compared to 2.10% at September 30, 2023 and 2.09% at June 30, 2024. Criticized and classified loan totals continue to remain below the most recent peak levels at March 31, 2023.

Noninterest Revenue

Noninterest revenue was \$85.9 million for the third quarter of 2024 compared with \$74.0 million for the third quarter of 2023 and \$100.7 million for the second quarter of 2024. Adjusted noninterest revenue⁽¹⁾ for the third quarter of 2024 was \$88.8 million, compared with \$80.6 million for the third quarter of 2023 and \$85.7 million for the second quarter of 2024. Adjusted noninterest revenue⁽¹⁾ for the third quarter of 2024 excludes \$2.9 million in securities losses while adjusted noninterest revenue⁽¹⁾ for the third quarter of 2023 excludes \$6.7 million of facility and signage write-downs associated with branch closures and adjusted noninterest revenue⁽¹⁾ for the second quarter of 2024 excludes a gain of \$15.0 million associated with the sale of businesses, primarily related to the sale of Cadence Business Solutions, LLC during the second quarter of 2024 (see Key Transactions below).

Wealth management revenue was \$24.1 million for the third quarter of 2024, compared with \$24.0 million for the second quarter of 2024 as seasonal declines in trust revenue were offset by growth in advisory and brokerage fees. Credit card, debit card and merchant fee revenue was \$12.6 million for the third quarter of 2024, relatively consistent with \$12.8 million for the second quarter of 2024. Deposit service charge revenue was \$18.8 million for the third quarter of 2024, which represents an increase compared to \$17.7 million for the second quarter of 2024 including an increase in account analysis revenue.

Mortgage production and servicing revenue totaled \$8.2 million for the third quarter of 2024, compared with \$9.9 million for the second quarter of 2024 due to slower originations. Mortgage origination volume for the third quarter of 2024 was \$732.3 million, compared with \$758.4 million for the second quarter of 2024. The net MSR valuation adjustment, net of the related hedge, was a negative \$7.0 million for the third quarter of 2024, compared with a negative \$3.7 million for the second quarter of 2024.

Other noninterest revenue was \$32.1 million for the third quarter of 2024, compared to \$40.1 million for the second quarter of 2024. Other noninterest revenue for the second quarter of 2024 included the \$15.0 million gain on sale of businesses. Excluding this gain, other noninterest revenue increased \$7.1 million linked quarter including increases in credit related fees, SBA income and other miscellaneous revenue.

Noninterest Expense

Noninterest expense for the third quarter of 2024 was \$259.4 million, compared with \$274.4 million for the third quarter of 2023 and \$256.7 million for the second quarter of 2024. Adjusted noninterest expense⁽¹⁾ for the third quarter of 2024 was \$260.4 million, compared with \$264.2 million for the third quarter of 2023 and \$251.1 million for the second quarter of 2024. Adjusted noninterest expense for the third quarter of 2024 excludes a benefit of \$1.2 million associated with an adjustment to the estimated FDIC deposit insurance special assessment. The adjusted efficiency ratio⁽¹⁾ was 57.7% for the third quarter of 2024, compared to 56.7% for the second quarter of 2024 and 64.4% for the third quarter of 2023.

The \$9.2 million, or 3.7%, linked quarter increases in adjusted noninterest expense⁽¹⁾ was driven by increases in salaries and employee benefits expense as well as other noninterest expense. Salaries and employee benefits expense increased \$4.2 million compared to the second quarter of 2024 primarily as a result of the Company's annual merit increases being effective on July 1, 2024. Other noninterest expense increased \$7.6 million compared to the second quarter of 2024. This increase was driven partially by an increase of \$2.9 million in legal expense as second quarter of 2024 included higher recoveries of legal costs. The remainder of the increase was the result of small increases in various miscellaneous expenses combined with second quarter 2024 results including benefits associated with certain items including operational loss recoveries.

Capital Management

Total shareholders' equity was \$5.6 billion at September 30, 2024 compared with \$4.4 billion at September 30, 2023 and \$5.3 billion at June 30, 2024. Estimated regulatory capital ratios at September 30, 2024 included Common Equity Tier 1 capital of 12.3%, Tier 1 capital of 12.7%, Total risk-based capital of 14.5%, and Tier 1 leverage capital of 10.1%. During the third quarter of 2024, the Company repurchased 323,395 shares of Company common stock at an average price of \$28.79 per share. The company has 8.8 million shares remaining on its current share repurchase authorization, which expires on December 31, 2024. Outstanding common shares were 182.3 million as of September 30, 2024.

Summary

Rollins concluded, "Our results for the third quarter as well as year-to-date 2024 reflect steady improvement in our financial performance through disciplined balance sheet growth and strong core deposit retention, expansion in our net interest margin, stable credit quality, and enhanced operating efficiency. As always, it is rewarding to see all of our teammates' hard work and focus on serving our customers and communities continue to produce positive results."

Key Transactions

Effective May 17, 2024, the Company completed the sale of Cadence Business Solutions, its payroll processing business unit, resulting in a net gain on sale of approximately \$12 million. The impact on both revenues and expenses is not material. The payroll processing unit had previously been part of Cadence Insurance, Inc., prior to its sale in November 2023.

Effective November 30, 2023, the Company completed the sale of its insurance subsidiary, Cadence Insurance, to Arthur J. Gallagher & Co. for approximately \$904 million. The Transaction resulted in net capital creation of approximately \$625 million, including a net gain on sale of approximately \$525 million. The gain along with Cadence Insurance's historical financial results for periods prior to the divestiture have been reflected in the consolidated financial statements as discontinued operations. Additionally, current and prior period adjusted earnings exclude the impact of discontinued operations.

Conference Call and Webcast

The Company will conduct a conference call to discuss its third quarter 2024 financial results on October 22, 2024, at 10:00 a.m. (Central Time). This conference call will be an interactive session between management and analysts. Interested parties may listen to this live conference call via Internet webcast by accessing <http://ir.cadencebank.com/events>. The webcast will also be available in archived format at the same address.

About Cadence Bank

Cadence Bank (NYSE: CADE) is a leading regional banking franchise with approximately \$50 billion in assets and more than 350 branch locations across the South and Texas. Cadence provides consumers, businesses and corporations with a full range of innovative banking and financial solutions. Services and products include consumer banking, consumer loans, mortgages, home equity lines and loans, credit cards, commercial and business banking, treasury management, specialized lending, asset-based lending, commercial real estate, equipment financing, correspondent banking, SBA lending, foreign exchange, wealth management, investment and trust services, financial planning, and retirement plan management. Cadence is committed to a culture of respect, diversity and inclusion in both its workplace and communities. Cadence Bank, Member FDIC. Equal Housing Lender.

(1) Considered a non-GAAP financial measure. A discussion regarding these non-GAAP measures and ratios, including reconciliations of non-GAAP measures to the most directly comparable GAAP measures and definitions for non-GAAP ratios, appears in Table 14 "Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions" beginning on page 22 of this news release.

(2) See Table 14 for detail on non-routine income and expenses.

(3) Given the sale of Cadence Insurance, Inc. ("Cadence Insurance") in the fourth quarter of 2023, the financial results presented consist of both continuing operations and discontinued operations. The discontinued operations include the financial results of Cadence Insurance prior to the sale, as well as the associated gain on sale in the fourth quarter of 2023. The discontinued operations are presented as a single line item below income from continuing operations and as separate lines in the balance sheet in the accompanying tables for all periods presented.

Forward-Looking Statements

Certain statements made in this news release constitute "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor under the Private Securities Litigation Reform Act of 1995 as well as the "bespeaks caution" doctrine. These statements are often, but not exclusively, made through the use of words or phrases like "assume," "believe," "budget," "contemplate," "continue," "could," "foresee," "indicate," "may," "might," "outlook," "prospect," "potential," "roadmap," "should," "target," "will," "would," the negative versions of such words, or comparable words of a future or forward-looking nature. These forward-looking statements may include, without limitation, discussions regarding general economic, interest rate, real estate market, competitive, employment, and credit market conditions, or any of the Company's comments related to topics in its risk disclosures or results of operations as well as the impact of the

Cadence Insurance sale on the Company's financial condition and future net income and earnings per share, and the Company's ability to deploy capital into strategic and growth initiatives. Forward-looking statements are based upon management's expectations as well as certain assumptions and estimates made by, and information available to, the Company's management at the time such statements were made. Forward-looking statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that are beyond the Company's control and that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements.

Risks, uncertainties and other factors the Company may face include, without limitation: general economic, unemployment, credit market and real estate market conditions, including inflation, and the effect of such conditions on customers, potential customers, assets, investments and liquidity; risks arising from market and consumer reactions to the general banking environment, or to conditions or situations at specific banks; risks arising from media coverage of the banking industry; risks arising from perceived instability in the banking sector; the risks of changes in interest rates and their effects on the level, cost, and composition of, and competition for, deposits, loan demand and timing of payments, the values of loan collateral, securities, and interest sensitive assets and liabilities; the ability to attract new or retain existing deposits, to retain or grow loans or additional interest and fee income, or to control noninterest expense; the effect of pricing pressures on the Company's net interest margin; the failure of assumptions underlying the establishment of reserves for possible credit losses, fair value for loans and other real estate owned; changes in real estate values; a deterioration of the credit rating for U.S. long-term sovereign debt, actions that the U.S. government may take to avoid exceeding the debt ceiling, or uncertainties surrounding the debt ceiling and the federal budget; uncertainties surrounding the functionality of the federal government; potential delays or other problems in implementing and executing the Company's growth, expansion, acquisition, or divestment strategies, including delays in obtaining regulatory or other necessary approvals, or the failure to realize any anticipated benefits or synergies from any acquisitions, growth, or divestment strategies; the ability to pay dividends or coupons on the Company's 5.5% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, or the 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029; possible downgrades in the Company's credit ratings or outlook which could increase the costs or availability of funding from capital markets; changes in legal, financial, accounting, and/or regulatory requirements; the costs and expenses to comply with such changes; the enforcement efforts of federal and state bank regulators; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity and the impact of generative artificial intelligence; increased competition in the financial services industry, particularly from regional and national institutions; the impact of a failure in, or breach of, the Company's operational or security systems or infrastructure, or those of third parties with whom the Company does business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Company or the Company's customers. The Company also faces risks from natural disasters or acts of war or terrorism; international or political instability, including the impacts related to or resulting from Russia's military action in Ukraine, the escalating conflicts in the Middle East, and additional sanctions and export controls, as well as the broader impacts to financial markets and the global macroeconomic and geopolitical environments.

The Company also faces risks from: possible adverse rulings, judgments, settlements or other outcomes of pending, ongoing and future litigation, as well as governmental, administrative and investigatory matters; the impairment of the Company's goodwill or other intangible assets; losses of key employees and personnel; the diversion of management's attention from ongoing business operations and opportunities; and the company's success in executing its business plans and strategies, and managing the risks involved in all of the foregoing.

The foregoing factors should not be construed as exhaustive and should be read in conjunction with those factors that are set forth from time to time in the Company's periodic and current reports filed with the FDIC, including those factors included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, particularly those under the heading "Item 1A. Risk Factors," in the Company's Quarterly Reports on Form 10-Q under the heading "Part II-Item 1A. Risk Factors," and in the Company's Current Reports on Form 8-K.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this news release, if one or more events related to these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Accordingly, undue reliance should not be placed on any forward-looking statements. The forward-looking statements speak only as of the date of this news release, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, except as required by applicable law. All written or oral forward-looking statements attributable to the Company are expressly qualified in their entirety by this section.

Table 1
Selected Financial Data
(Unaudited)

(In thousands)	Quarter Ended					Year-to-date	
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
Earnings Summary:							
Interest revenue	\$ 647,713	\$ 642,210	\$ 637,113	\$ 615,187	\$ 595,459	\$ 1,927,036	\$ 1,694,98
Interest expense	286,255	285,892	283,205	280,582	266,499	855,352	678,229
Net interest revenue	361,458	356,318	353,908	334,605	328,960	1,071,684	1,016,751
Provision for credit losses	12,000	22,000	22,000	38,000	17,000	56,000	42,000
Net interest revenue, after provision for credit losses	349,458	334,318	331,908	296,605	311,960	1,015,684	974,751
Noninterest revenue	85,901	100,658	83,786	(311,460)	73,989	270,345	195,116
Noninterest expense	259,438	256,697	263,207	329,367	274,442	779,343	826,555
Income (loss) from continuing operations before income taxes	175,921	178,279	152,487	(344,222)	111,507	506,686	343,312

Income tax expense (benefit)	39,482	40,807	35,509	(80,485)	24,355	115,797	75,891
Income (loss) from continuing operations	136,439	137,472	116,978	(263,737)	87,152	390,889	267,421
Income from discontinued operations, net of taxes	—	—	—	522,801	5,431	—	15,819
Net income	136,439	137,472	116,978	259,064	92,583	390,889	283,240
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	7,116	7,116
Net income available to common shareholders	\$ 134,067	\$ 135,100	\$ 114,606	\$ 256,692	\$ 90,211	\$ 383,773	\$ 276,124

Balance Sheet - Period End Balances

Total assets	\$ 49,204,933	\$ 47,984,078	\$ 48,313,863	\$ 48,934,510	\$ 48,523,010	\$ 49,204,933	\$ 48,523,010
Total earning assets	44,834,897	43,525,688	43,968,692	44,192,887	43,727,058	44,834,897	43,727,058
Available for sale securities	7,841,685	7,921,422	8,306,589	8,075,476	9,643,231	7,841,685	9,643,231
Loans and leases, net of unearned income	33,303,972	33,312,773	32,882,616	32,497,022	32,520,593	33,303,972	32,520,593
Allowance for credit losses (ACL)	460,859	470,022	472,575	468,034	446,859	460,859	446,859
Net book value of acquired loans	5,521,000	5,543,419	6,011,007	6,353,344	6,895,487	5,521,000	6,895,487
Unamortized net discount on acquired loans	17,988	20,874	23,715	26,928	30,761	17,988	30,761
Total deposits	38,844,360	37,858,659	38,120,226	38,497,137	38,344,885	38,844,360	38,344,885
Total deposits and repurchase agreements	38,861,324	37,913,693	38,214,616	38,948,653	39,207,474	38,861,324	39,207,474
Other short-term borrowings	3,500,000	3,500,000	3,500,000	3,500,000	3,500,223	3,500,000	3,500,223
Subordinated and long-term debt	225,823	269,353	430,123	438,460	449,323	225,823	449,323
Total shareholders' equity	5,572,863	5,287,758	5,189,932	5,167,843	4,395,257	5,572,863	4,395,257
Total shareholders' equity, excluding AOCI ⁽¹⁾	6,163,205	6,070,220	5,981,265	5,929,672	5,705,178	6,163,205	5,705,178
Common shareholders' equity	5,405,870	5,120,765	5,022,939	5,000,850	4,228,264	5,405,870	4,228,264
Common shareholders' equity, excluding AOCI ⁽¹⁾	\$ 5,996,212	\$ 5,903,227	\$ 5,814,272	\$ 5,762,679	\$ 5,538,185	\$ 5,996,212	\$ 5,538,185

Balance Sheet - Average Balances

Total assets	\$ 47,803,977	\$ 48,192,719	\$ 48,642,540	\$ 48,444,176	\$ 48,655,138	\$ 48,211,586	\$ 48,791,500
Total earning assets	43,540,045	43,851,822	44,226,077	43,754,664	44,003,639	43,871,434	44,017,500
Available for sale securities	7,915,636	8,033,552	8,269,708	9,300,714	10,004,441	8,072,391	10,666,610
Loans and leases, net of unearned income	33,279,819	32,945,526	32,737,574	32,529,030	32,311,572	32,988,706	31,706,637
Total deposits	37,634,453	38,100,087	38,421,272	38,215,379	38,468,912	38,050,413	38,767,657
Total deposits and repurchase agreements	37,666,828	38,165,908	38,630,620	38,968,397	39,295,967	38,152,672	39,544,410
Other short-term borrowings	3,512,218	3,500,000	3,500,000	3,503,320	3,510,942	3,504,102	3,460,386
Subordinated and long-term debt	265,790	404,231	434,579	443,251	449,568	367,826	455,810
Total shareholders' equity	5,420,826	5,207,254	5,194,048	4,507,343	4,505,162	5,274,579	4,480,723
Common shareholders' equity	\$ 5,253,833	\$ 5,040,261	\$ 5,027,055	\$ 4,340,350	\$ 4,338,169	\$ 5,107,586	\$ 4,313,730

Nonperforming Assets:

Nonperforming loans and leases (NPL) ⁽²⁾ ⁽³⁾	272,954	216,746	241,007	216,141	150,038	272,954	150,038
Other real estate owned and other assets	5,354	4,793	5,280	6,246	2,927	5,354	2,927
Nonperforming assets (NPA)	\$ 278,308	\$ 221,539	\$ 246,287	\$ 222,387	\$ 152,965	\$ 278,308	\$ 152,965

(1) Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 23 - 27.

(2) At September 30, 2024, \$81.6 million of NPL is covered by government guarantees from the SBA, FHA, VA or USDA. Refer to Table 7 on page 13 for related information.

(3) At June 30, 2024, NPL does not include nonperforming loans held for sale of \$2.7 million.

Table 2
Selected Financial Ratios

	Quarter Ended					Year-to-date	
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Se
Financial Ratios and Other Data:							
Return on average assets from continuing operations ⁽²⁾	1.14 %	1.15 %	0.97 %	(2.16) %	0.71 %	1.08 %	0.
Return on average assets ⁽²⁾	1.14	1.15	0.97	2.12	0.75	1.08	0.
Adjusted return on average assets from continuing operations ⁽¹⁾⁽²⁾	1.15	1.09	0.97	0.62	0.82	1.07	0.
Return on average common shareholders' equity from continuing operations ⁽²⁾	10.15	10.78	9.17	(24.32)	7.75	10.04	8.
Return on average common shareholders' equity ⁽²⁾	10.15	10.78	9.17	23.46	8.25	10.04	8.
Adjusted return on average common shareholders' equity from continuing operations ⁽¹⁾⁽²⁾	10.27	10.21	9.15	6.65	8.93	9.88	10.

Return on average tangible common equity from continuing operations ⁽¹⁾⁽²⁾	14.04	15.18	12.94	(36.79)	11.75	14.06	12
Return on average tangible common equity ⁽¹⁾⁽²⁾	14.04	15.18	12.94	35.49	12.50	14.06	13
Adjusted return on average tangible common equity from continuing operations ⁽¹⁾⁽²⁾	14.21	14.37	12.92	10.06	13.53	13.84	15
Pre-tax pre-provision net revenue from continuing operation to total average assets ⁽¹⁾⁽²⁾	1.56	1.67	1.44	(2.51)	1.05	1.56	1.
Adjusted pre-tax pre-provision net revenue from continuing operations to total average assets ⁽¹⁾⁽²⁾	1.58	1.59	1.44	1.13	1.18	1.54	1.
Net interest margin-fully taxable equivalent	3.31	3.27	3.22	3.04	2.98	3.27	3.
Net interest rate spread-fully taxable equivalent	2.45	2.45	2.40	2.25	2.21	2.43	2.
Efficiency ratio fully tax equivalent ⁽¹⁾	57.90	56.09	60.05	NM	67.93	57.99	68
Adjusted efficiency ratio fully tax equivalent ⁽¹⁾	57.73	56.73	60.12	66.01	64.35	58.18	62
Loan/deposit ratio	85.74 %	87.99 %	86.26 %	84.41 %	84.81 %	85.74 %	84
Full time equivalent employees	5,327	5,290	5,322	5,333	6,160	5,327	6,
Credit Quality Ratios:							
Net charge-offs to average loans and leases ⁽²⁾	0.26 %	0.28 %	0.24 %	0.29 %	0.42 %	0.26 %	0.
Provision for credit losses to average loans and leases ⁽²⁾	0.14	0.27	0.27	0.46	0.21	0.23	0.
ACL to loans and leases, net	1.38	1.41	1.44	1.44	1.37	1.38	1.
ACL to NPL	168.84	216.85	196.08	216.54	297.83	168.84	29
NPL to loans and leases, net	0.82	0.65	0.73	0.67	0.46	0.82	0.
NPA to total assets	0.57	0.46	0.51	0.45	0.32	0.57	0.
Equity Ratios:							
Total shareholders' equity to total assets	11.33 %	11.02 %	10.74 %	10.56 %	9.06 %	11.33 %	9.
Total common shareholders' equity to total assets	10.99	10.67	10.40	10.22	8.71	10.99	8.
Tangible common shareholders' equity to tangible assets ⁽¹⁾	8.28	7.87	7.60	7.44	5.86	8.28	5.
Tangible common shareholders' equity, excluding AOCI, to tangible assets, excluding AOCI ⁽¹⁾	9.40	9.40	9.13	8.90	8.41	9.40	8.
Capital Adequacy⁽³⁾:							
Common Equity Tier 1 capital	12.3 %	11.9 %	11.7 %	11.6 %	10.3 %	12.3 %	10
Tier 1 capital	12.7	12.3	12.2	12.1	10.8	12.7	10
Total capital	14.5	14.2	14.5	14.3	12.9	14.5	12
Tier 1 leverage capital	10.1	9.7	9.5	9.3	8.6	10.1	8.

(1) Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 23 - 27.

(2) Annualized.

(3) Current quarter regulatory capital ratios are estimated.

NM - Not meaningful

Table 3
Selected Financial Information

	Quarter Ended					Year-to-date	
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep
Common Share Data:							
Diluted earnings (losses) per share from continuing operations	\$ 0.72	\$ 0.73	\$ 0.62	\$ (1.46)	\$ 0.46	\$ 2.07	\$
Adjusted earnings per share from continuing operations ⁽¹⁾	0.73	0.69	0.62	0.40	0.53	2.04	1.78
Diluted earnings per share	0.72	0.73	0.62	1.41	0.49	2.07	1.50
Cash dividends per share	0.250	0.250	0.250	0.235	0.235	0.750	0.70
Book value per share	29.65	28.07	27.50	27.35	23.15	29.65	23.1
Tangible book value per share ⁽¹⁾	21.68	20.08	19.48	19.32	15.09	21.68	15.0
Market value per share (last)	31.28	28.28	29.00	29.59	21.22	31.28	21.2
Market value per share (high)	34.13	29.95	30.03	31.45	25.87	34.13	28.1
Market value per share (low)	27.46	26.16	24.99	19.67	19.00	24.99	16.9
Market value per share (average)	30.96	28.14	27.80	24.40	22.56	28.98	22.4
Dividend payout ratio from continuing operations	34.72 %	34.25 %	40.48 %	(16.13) %	51.09 %	36.23 %	50.0

Adjusted dividend payout ratio from continuing operations ⁽¹⁾	34.25 %	36.23 %	40.32 %	58.75 %	44.34 %	36.76 %	39.6
Total shares outstanding	182,315,142	182,430,427	182,681,325	182,871,775	182,611,075	182,315,142	182
Average shares outstanding - diluted	185,496,110	185,260,963	185,574,130	182,688,190	184,645,004	185,443,201	184
Yield/Rate:							
(Taxable equivalent basis)							
Loans, loans held for sale, and leases	6.64 %	6.59 %	6.50 %	6.48 %	6.39 %	6.58 %	6.2
Loans, loans held for sale, and leases excluding net accretion on acquired loans and leases	6.61	6.56	6.46	6.43	6.31	6.54	6.1
Available for sale securities:							
Taxable	3.03	3.18	3.11	2.45	2.07	3.11	1.9
Tax-exempt	3.97	4.12	4.25	3.78	3.23	4.11	3.2
Other investments	5.37	5.45	5.48	5.41	5.36	5.44	5.0
Total interest earning assets and revenue	5.92	5.90	5.80	5.59	5.38	5.87	5.1
Deposits	2.55	2.53	2.45	2.32	2.14	2.51	1.7
Interest bearing demand and money market	3.13	3.13	3.11	3.02	2.79	3.13	2.4
Savings	0.57	0.57	0.57	0.56	0.56	0.57	0.4
Time	4.50	4.53	4.42	4.22	3.98	4.48	3.4
Total interest bearing deposits	3.30	3.28	3.21	3.10	2.88	3.26	2.4
Fed funds purchased, securities sold under agreement to repurchase and other	5.10	4.47	4.86	4.33	4.27	4.81	3.9
Short-term FHLB borrowings	—	—	—	—	3.54	—	4.9
Short-term BTFP borrowings	4.77	4.77	4.84	5.04	5.15	4.79	5.1
Total interest bearing deposits and short-term borrowings	3.46	3.44	3.39	3.33	3.16	3.43	2.7
Subordinated and long-term borrowings	4.30	4.41	4.35	4.18	4.22	4.36	4.2
Total interest bearing liabilities	3.47	3.45	3.40	3.34	3.17	3.44	2.7
Interest bearing liabilities to interest earning assets	75.40 %	75.97 %	75.73 %	76.08 %	75.74 %	75.70 %	73.8
Net interest income tax equivalent adjustment (in thousands)	\$ 694	\$ 644	\$ 636	\$ 987	\$ 1,081	\$ 1,974	\$

(1) Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 23 - 27.

Table 4
Consolidated Balance Sheets
(Unaudited)

(In thousands)	As of				
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023
ASSETS					
Cash and due from banks	\$ 504,827	\$ 516,715	\$ 427,543	\$ 798,177	\$ 594,787
Interest bearing deposits with other banks and Federal funds sold	3,483,299	2,093,820	2,609,931	3,434,088	1,400,858
Available for sale securities, at fair value	7,841,685	7,921,422	8,306,589	8,075,476	9,643,231
Loans and leases, net of unearned income	33,303,972	33,312,773	32,882,616	32,497,022	32,520,593
Allowance for credit losses	460,859	470,022	472,575	468,034	446,859
Net loans and leases	32,843,113	32,842,751	32,410,041	32,028,988	32,073,734
Loans held for sale, at fair value	205,941	197,673	169,556	186,301	162,376
Premises and equipment, net	797,556	808,705	822,666	802,133	789,698
Goodwill	1,366,923	1,366,923	1,367,785	1,367,785	1,367,785
Other intangible assets, net	87,094	91,027	96,126	100,191	104,596
Bank-owned life insurance	652,057	648,970	645,167	642,840	639,073
Other assets	1,422,438	1,496,072	1,458,459	1,498,531	1,590,769
Assets of discontinued operations	—	—	—	—	156,103
Total Assets	\$ 49,204,933	\$ 47,984,078	\$ 48,313,863	\$ 48,934,510	\$ 48,523,010
LIABILITIES					
Deposits:					
Demand: Noninterest bearing	\$ 9,242,693	\$ 8,586,265	\$ 8,820,468	\$ 9,232,068	\$ 9,657,198
Interest bearing	18,125,553	18,514,015	18,945,982	19,276,596	18,334,551

Savings	2,560,803	2,613,950	2,694,777	2,720,913	2,837,348
Time deposits	8,915,311	8,144,429	7,658,999	7,267,560	7,515,788
Total deposits	38,844,360	37,858,659	38,120,226	38,497,137	38,344,885
Securities sold under agreement to repurchase	16,964	55,034	94,390	451,516	862,589
Other short-term borrowings	3,500,000	3,500,000	3,500,000	3,500,000	3,500,223
Subordinated and long-term debt	225,823	269,353	430,123	438,460	449,323
Other liabilities	1,044,923	1,013,274	979,192	879,554	876,195
Liabilities of discontinued operations	—	—	—	—	94,538
Total Liabilities	43,632,070	42,696,320	43,123,931	43,766,667	44,127,753
SHAREHOLDERS' EQUITY					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	455,788	456,076	456,703	457,179	456,528
Capital surplus	2,729,440	2,724,656	2,724,587	2,743,066	2,733,003
Accumulated other comprehensive loss	(590,342)	(782,462)	(791,333)	(761,829)	(1,309,921)
Retained earnings	2,810,984	2,722,495	2,632,982	2,562,434	2,348,654
Total Shareholders' Equity	5,572,863	5,287,758	5,189,932	5,167,843	4,395,257
Total Liabilities & Shareholders' Equity	\$ 49,204,933	\$ 47,984,078	\$ 48,313,863	\$ 48,934,510	\$ 48,523,010

Table 5
Consolidated Quarterly Average Balance Sheets
(Unaudited)

(In thousands)	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023
ASSETS					
Cash and due from banks	\$ 435,569	\$ 456,938	\$ 557,009	\$ 443,504	\$ 362,479
Interest bearing deposits with other banks and Federal funds sold	2,210,277	2,758,385	3,146,439	1,811,686	1,571,973
Available for sale securities, at fair value	7,915,636	8,033,552	8,269,708	9,300,714	10,004,441
Loans and leases, net of unearned income	33,279,819	32,945,526	32,737,574	32,529,030	32,311,572
Allowance for credit losses	469,919	475,181	473,849	447,879	459,698
Net loans and leases	32,809,900	32,470,345	32,263,725	32,081,151	31,851,874
Loans held for sale, at fair value	134,313	114,359	72,356	113,234	115,653
Premises and equipment, net	807,353	815,920	808,473	795,164	811,095
Goodwill	1,366,923	1,367,358	1,367,785	1,367,916	1,367,785
Other intangible assets, net	89,262	93,743	98,350	102,765	107,032
Bank-owned life insurance	650,307	646,124	643,189	640,439	636,335
Other assets	1,384,437	1,435,995	1,415,506	1,787,603	1,826,471
Total Assets	\$ 47,803,977	\$ 48,192,719	\$ 48,642,540	\$ 48,444,176	\$ 48,655,138
LIABILITIES					
Deposits:					
Demand: Noninterest bearing	\$ 8,616,534	\$ 8,757,029	\$ 9,072,619	\$ 9,625,912	\$ 9,924,554
Interest bearing	18,043,686	18,770,093	19,303,845	18,292,826	17,970,463
Savings	2,584,761	2,652,019	2,696,452	2,758,977	2,913,027
Time deposits	8,389,472	7,920,946	7,348,356	7,537,664	7,660,868
Total deposits	37,634,453	38,100,087	38,421,272	38,215,379	38,468,912
Securities sold under agreement to repurchase	32,375	65,821	209,348	753,018	827,055
Other short-term borrowings	3,512,218	3,500,000	3,500,000	3,503,320	3,510,942
Subordinated and long-term debt	265,790	404,231	434,579	443,251	449,568
Other liabilities	938,315	915,326	883,293	1,021,865	893,499
Total Liabilities	42,383,151	42,985,465	43,448,492	43,936,833	44,149,976
SHAREHOLDERS' EQUITY					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	455,954	456,618	456,437	456,636	456,557
Capital surplus	2,725,581	2,724,838	2,733,902	2,733,985	2,726,686
Accumulated other comprehensive loss	(703,619)	(838,710)	(777,940)	(1,279,235)	(1,175,077)
Retained earnings	2,775,917	2,697,515	2,614,656	2,428,964	2,330,003
Total Shareholders' Equity	5,420,826	5,207,254	5,194,048	4,507,343	4,505,162

Total Liabilities & Shareholders' Equity

\$ 47,803,977 \$ 48,192,719 \$ 48,642,540 \$ 48,444,176 \$ 48,655,138

Table 6
Consolidated Statements of Income
(Unaudited)

	Quarter Ended					Year-to-date	
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep
(Dollars in thousands, except per share data)							
INTEREST REVENUE:							
Loans and leases	\$ 555,862	\$ 539,685	\$ 528,940	\$ 531,340	\$ 520,126	\$ 1,624,487	\$ 1,
Available for sale securities:							
Taxable	59,732	62,852	63,405	55,801	50,277	185,989	152,
Tax-exempt	638	638	687	1,927	2,375	1,963	7,27
Loans held for sale	1,630	1,652	1,184	1,418	1,468	4,467	3,03
Short-term investments	29,851	37,383	42,897	24,701	21,213	110,130	58,8
Total interest revenue	647,713	642,210	637,113	615,187	595,459	1,927,036	1,69
INTEREST EXPENSE:							
Interest bearing demand deposits and money market accounts	142,179	146,279	149,403	139,144	126,296	437,861	333,
Savings	3,695	3,743	3,801	3,918	4,108	11,238	11,0
Time deposits	94,944	89,173	80,670	80,143	76,867	264,786	166,
Federal funds purchased and securities sold under agreement to repurchase	561	724	2,523	8,254	9,004	3,808	24,3
Short-term debt	42,003	41,544	42,109	44,451	45,438	125,656	128,
Subordinated and long-term debt	2,873	4,429	4,699	4,672	4,786	12,003	14,4
Total interest expense	286,255	285,892	283,205	280,582	266,499	855,352	678,
Net interest revenue	361,458	356,318	353,908	334,605	328,960	1,071,684	1,01
Provision for credit losses	12,000	22,000	22,000	38,000	17,000	56,000	42,0
Net interest revenue, after provision for credit losses	349,458	334,318	331,908	296,605	311,960	1,015,684	974,
NONINTEREST REVENUE:							
Mortgage banking	1,133	6,173	6,443	(1,137)	5,684	13,749	20,1
Credit card, debit card and merchant fees	12,649	12,770	12,162	12,902	12,413	37,581	36,8
Deposit service charges	18,814	17,652	18,338	11,161	16,867	54,803	50,5
Security (losses) gains, net	(2,947)	(4)	(9)	(384,524)	64	(2,960)	(51,.
Wealth management	24,110	24,006	22,833	22,576	21,079	70,949	64,3
Other noninterest income	32,142	40,061	24,019	27,562	17,882	96,223	74,3
Total noninterest revenue	85,901	100,658	83,786	(311,460)	73,989	270,345	195,
NONINTEREST EXPENSE:							
Salaries and employee benefits	152,237	148,038	156,650	148,081	161,627	456,926	486,
Occupancy and equipment	28,894	29,367	28,640	28,009	27,069	86,901	82,9
Data processing and software	29,164	29,467	30,028	32,922	29,127	88,658	87,5
Merger expense	—	—	—	—	—	—	5,19
Amortization of intangibles	3,933	3,999	4,066	4,405	4,436	11,998	14,9
Deposit insurance assessments	7,481	15,741	8,414	45,733	10,425	31,637	26,4
Pension settlement expense	—	—	—	11,226	600	—	600
Other noninterest expense	37,729	30,085	35,409	58,991	41,158	103,223	122,
Total noninterest expense	259,438	256,697	263,207	329,367	274,442	779,343	826,
Income (loss) from continuing operations before taxes	175,921	178,279	152,487	(344,222)	111,507	506,686	343,
Income tax expense (benefit)	39,482	40,807	35,509	(80,485)	24,355	115,797	75,8
Income (loss) from continuing operations	\$ 136,439	\$ 137,472	\$ 116,978	\$ (263,737)	\$ 87,152	\$ 390,889	\$ 267,
Income from discontinued operations	—	—	—	706,129	7,242	—	21,4
Income tax expense from discontinued operations	—	—	—	183,328	1,811	—	5,64
Income from discontinued operations, net of taxes	—	—	—	522,801	5,431	—	15,8
Net income	136,439	137,472	116,978	259,064	92,583	390,889	283,
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	7,116	7,11
Net income available to common shareholders	\$ 134,067	\$ 135,100	\$ 114,606	\$ 256,692	\$ 90,211	\$ 383,773	\$
Diluted earnings (losses) per common share from continuing operations	\$ 0.72	\$ 0.73	\$ 0.62	\$ (1.46)	\$ 0.46	\$ 2.07	\$

Diluted earnings per common share \$ 0.72 \$ 0.73 \$ 0.62 \$ 1.41 \$ 0.49 \$ 2.07 \$

Table 7
Selected Loan Portfolio Data
(Unaudited)

(In thousands)	Quarter Ended				
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023
LOAN AND LEASE PORTFOLIO:					
Commercial and industrial					
Non-real estate	\$ 8,692,639	\$ 9,136,929	\$ 9,121,457	\$ 8,935,598	\$ 9,311,457
Owner occupied	4,557,723	4,475,647	4,442,357	4,349,060	4,361,457
Total commercial and industrial	13,250,362	13,612,576	13,563,814	13,284,658	13,566,914
Commercial real estate					
Construction, acquisition and development	3,931,821	3,892,527	3,864,351	3,910,962	3,819,457
Income producing	5,978,695	5,851,340	5,783,943	5,736,871	5,720,457
Total commercial real estate	9,910,516	9,743,867	9,648,294	9,647,833	9,539,914
Consumer					
Residential mortgages	9,933,222	9,740,713	9,447,675	9,329,692	9,186,457
Other consumer	209,872	215,617	222,833	234,839	233,914
Total consumer	10,143,094	9,956,330	9,670,508	9,564,531	9,420,371
Total loans and leases, net of unearned income	\$ 33,303,972	\$ 33,312,773	\$ 32,882,616	\$ 32,497,022	\$ 32,417,659
NONPERFORMING ASSETS					
Nonperforming Loans and Leases					
Commercial and industrial					
Non-real estate	\$ 148,267	\$ 121,171	\$ 149,683	\$ 131,559	\$ 131,559
Owner occupied	15,127	13,700	5,962	7,097	6,486
Total commercial and industrial	163,394	134,871	155,645	138,656	138,045
Commercial real estate					
Construction, acquisition and development	2,034	4,923	3,787	1,859	4,608
Income producing	25,112	15,002	19,428	17,485	12,250
Total commercial real estate	27,146	19,925	23,215	19,344	16,858
Consumer					
Residential mortgages	82,191	61,677	61,886	57,881	58,480
Other consumer	223	273	261	260	243
Total consumer	82,414	61,950	62,147	58,141	58,723
Total nonperforming loans and leases ⁽¹⁾	\$ 272,954	\$ 216,746	\$ 241,007	\$ 216,141	\$ 203,626
Other real estate owned and repossessed assets	5,354	4,793	5,280	6,246	2,927
Total nonperforming assets	\$ 278,308	\$ 221,539	\$ 246,287	\$ 222,387	\$ 206,553
Government guaranteed portion of nonaccrual loans and leases covered by the SBA, FHA, VA or USDA	\$ 81,632	\$ 71,418	\$ 59,897	\$ 49,551	\$ 49,551
Loans and leases 90+ days past due, still accruing	\$ 11,757	\$ 6,150	\$ 30,048	\$ 22,466	\$ 22,466

(1) At June 30, 2024, NPL does not include nonperforming loans held for sale of \$2.7 million.

Table 8
Allowance for Credit Losses
(Unaudited)

(Dollars in thousands)	Quarter Ended				
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023
ALLOWANCE FOR CREDIT LOSSES:					

Balance, beginning of period	\$ 470,022	\$ 472,575	\$ 468,034	\$ 446,859	\$ 466,013
Charge-offs:					
Commercial and industrial	(21,620)	(23,340)	(16,997)	(21,385)	(34,959)
Commercial real estate	(222)	(649)	(2,244)	(2,290)	(931)
Consumer	(2,681)	(2,294)	(2,395)	(3,229)	(1,608)
Total loans charged-off	(24,523)	(26,283)	(21,636)	(26,904)	(37,498)
Recoveries:					
Commercial and industrial	1,647	2,943	1,312	2,117	2,240
Commercial real estate	65	101	150	95	201
Consumer	648	686	715	867	903
Total recoveries	2,360	3,730	2,177	3,079	3,344
Net charge-offs	(22,163)	(22,553)	(19,459)	(23,825)	(34,154)
Provision for credit losses related to loans and leases	13,000	20,000	24,000	45,000	15,000
Balance, end of period	\$ 460,859	\$ 470,022	\$ 472,575	\$ 468,034	\$ 446,859
Average loans and leases, net of unearned income, for period	\$ 33,279,819	\$ 32,945,526	\$ 32,737,574	\$ 32,529,030	\$ 32,311,572
Ratio: Net charge-offs to average loans and leases ⁽²⁾	0.26 %	0.28 %	0.24 %	0.29 %	0.42 %

RESERVE FOR UNFUNDED COMMITMENTS ⁽¹⁾

Balance, beginning of period	\$ 8,551	\$ 6,551	\$ 8,551	\$ 15,551	\$ 13,551
Provision (reversal) for credit losses for unfunded commitments	(1,000)	2,000	(2,000)	(7,000)	2,000
Balance, end of period	\$ 7,551	\$ 8,551	\$ 6,551	\$ 8,551	\$ 15,551

(1) The Reserve for Unfunded Commitments is classified in other liabilities on the consolidated balance sheets.

(2) Annualized.

Table 9
Loan Portfolio by Grades
(Unaudited)

(In thousands)	September 30, 2024						
	Pass	Special Mention	Substandard	Doubtful	Impaired	Purchased Credit Deteriorated (Loss)	Total
LOAN AND LEASE PORTFOLIO:							
Commercial and industrial							
Non-real estate	\$ 8,190,551	\$ 171,866	\$ 258,496	\$ 13,325	\$ 54,795	\$ 3,606	\$ 8,692,639
Owner occupied	4,506,806	1,530	39,101	—	9,187	1,099	4,557,723
Total commercial and industrial	12,697,357	173,396	297,597	13,325	63,982	4,705	13,250,362
Commercial real estate							
Construction, acquisition and development	3,918,273	—	13,548	—	—	—	3,931,821
Income producing	5,767,252	8,611	180,414	—	22,418	—	5,978,695
Total commercial real estate	9,685,525	8,611	193,962	—	22,418	—	9,910,516
Consumer							
Residential mortgages	9,831,527	795	91,863	—	7,579	1,458	9,933,222
Other consumer	209,460	—	412	—	—	—	209,872
Total consumer	10,040,987	795	92,275	—	7,579	1,458	10,143,094
Total loans and leases, net of unearned income	\$ 32,423,869	\$ 182,802	\$ 583,834	\$ 13,325	\$ 93,979	\$ 6,163	\$ 33,303,972

(In thousands)	June 30, 2024					
	Pass	Special Mention	Substandard	Impaired	Purchased Credit Deteriorated (Loss)	Total
LOAN AND LEASE PORTFOLIO:						
Commercial and industrial						
Non-real estate	\$ 8,657,327	\$ 116,208	\$ 309,809	\$ 49,914	\$ 3,671	\$ 9,136,929
Owner occupied	4,413,813	9,872	42,860	7,998	1,104	4,475,647

Total commercial and industrial	13,071,140	126,080	352,669	57,912	4,775	13,612,576
Commercial real estate						
Construction, acquisition and development	3,875,914	926	14,273	1,414	—	3,892,527
Income producing	5,655,410	12,007	170,305	13,618	—	5,851,340
Total commercial real estate	9,531,324	12,933	184,578	15,032	—	9,743,867
Consumer						
Residential mortgages	9,658,697	799	79,759	—	1,458	9,740,713
Other consumer	215,104	—	513	—	—	215,617
Total consumer	9,873,801	799	80,272	—	1,458	9,956,330
Total loans and leases, net of unearned income	\$ 32,476,265	\$ 139,812	\$ 617,519	\$ 72,944	\$ 6,233	\$ 33,312,773

Table 10
Geographical Loan Information
(Unaudited)

	September 30, 2024								
(Dollars in thousands)	Alabama	Arkansas	Florida	Georgia	Louisiana	Mississippi	Missouri	Tennessee	Texas
LOAN AND LEASE PORTFOLIO:									
Commercial and industrial									
Non-real estate	\$ 373,496	\$ 174,110	\$ 503,478	\$ 451,079	\$ 347,397	\$ 493,209	\$ 67,512	\$ 366,114	\$ 1,740,115
Owner occupied	342,037	248,109	302,228	323,643	296,937	625,425	101,509	162,176	1,740,115
Total commercial and industrial	715,533	422,219	805,706	774,722	644,334	1,118,634	169,021	528,290	5,190,230
Commercial real estate									
Construction, acquisition and development	214,627	72,186	467,852	553,316	42,963	183,412	40,413	166,889	1,600,000
Income producing	425,613	248,133	408,683	574,925	232,605	428,569	204,351	323,786	2,300,000
Total commercial real estate	640,240	320,319	876,535	1,128,241	275,568	611,981	244,764	490,675	3,900,000
Consumer									
Residential mortgages	1,284,111	406,108	691,794	436,840	473,271	1,193,982	208,750	759,480	4,200,000
Other consumer	27,230	17,386	5,223	7,425	10,771	83,311	1,542	15,909	350,000
Total consumer	1,311,341	423,494	697,017	444,265	484,042	1,277,293	210,292	775,389	4,550,000
									\$
Total	\$2,667,114	\$ 1,166,032	\$ 2,379,258	\$ 2,347,228	\$ 1,403,944	\$ 3,007,908	\$ 624,077	\$ 1,794,354	13,380,000
Loan growth (decline), excluding loans acquired during the quarter (\$)	\$ 30,840	\$ 17,674	\$ 73,538	\$ 21,012	\$ 20,825	\$ (35,294)	\$ 724	\$ 72,424	\$ (1,000,000)
Loan growth (decline), excluding loans acquired during the quarter (%) (annualized)	4.65 %	6.12 %	12.69 %	3.59 %	5.99 %	(4.61) %	0.46 %	16.73 %	(2.90) %
	June 30, 2024								
(Dollars in thousands)	Alabama	Arkansas	Florida	Georgia	Louisiana	Mississippi	Missouri	Tennessee	Texas
LOAN AND LEASE PORTFOLIO:									
Commercial and industrial									
Non-real estate	\$ 385,251	\$ 166,222	\$ 516,717	\$ 491,184	\$ 351,731	\$ 535,447	\$ 74,535	\$ 331,710	\$ 1,740,115
Owner occupied	346,525	241,106	311,070	311,358	294,390	602,399	97,739	161,289	1,740,115
Total commercial and industrial	731,776	407,328	827,787	802,542	646,121	1,137,846	172,274	492,999	5,480,230
Commercial real estate									
Construction, acquisition and development	195,318	68,561	420,107	529,531	48,133	210,904	43,146	168,474	1,600,000
Income producing	426,133	261,575	373,876	560,683	213,649	430,971	203,927	297,257	2,200,000
Total commercial real estate	621,451	330,136	793,983	1,090,214	261,782	641,875	247,073	465,731	3,800,000
Consumer									
Residential mortgages	1,257,791	393,730	679,028	426,349	464,187	1,177,933	202,196	747,121	4,100,000
Other consumer	25,256	17,164	4,922	7,111	11,029	85,548	1,810	16,079	410,000

Total consumer	1,283,047	410,894	683,950	433,460	475,216	1,263,481	204,006	763,200	4,11
Total loans and leases, net of unearned income	\$ 2,636,274	\$ 1,148,358	\$ 2,305,720	\$ 2,326,216	\$ 1,383,119	\$ 3,043,202	\$ 623,353	\$ 1,721,930	\$ 1:

Table 11
Noninterest Revenue and Expense
(Unaudited)

(In thousands)	Quarter Ended					Year-to-date	
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
NONINTEREST REVENUE:							
Mortgage banking excl. MSR and MSR hedge market value adjustment	\$ 8,171	\$ 9,875	\$ 9,116	\$ 6,966	\$ 7,946	\$ 27,161	\$ 26,797
MSR and MSR hedge market value adjustment	(7,038)	(3,702)	(2,673)	(8,103)	(2,262)	(13,412)	(6,682)
Credit card, debit card and merchant fees	12,649	12,770	12,162	12,902	12,413	37,581	36,882
Deposit service charges	18,814	17,652	18,338	11,161	16,867	54,803	50,557
Security (losses) gains, net	(2,947)	(4)	(9)	(384,524)	64	(2,960)	(51,127)
Trust and asset management income	12,055	12,645	11,322	11,301	10,574	36,023	31,211
Investment advisory fees	8,641	8,180	8,336	8,084	8,428	25,157	23,320
Brokerage and annuity fees	3,414	3,181	3,175	3,191	2,077	9,769	9,820
Bank-owned life insurance	4,353	4,370	3,946	4,728	4,108	12,670	11,566
Other miscellaneous income	27,789	35,691	20,073	22,834	13,774	83,553	62,772
Total noninterest revenue	\$ 85,901	\$ 100,658	\$ 83,786	\$ (311,460)	\$ 73,989	\$ 270,345	\$ 195,116
NONINTEREST EXPENSE:							
Salaries and employee benefits	\$ 152,237	\$ 148,038	\$ 156,650	\$ 148,081	\$ 161,627	\$ 456,926	\$ 486,641
Occupancy and equipment	28,894	29,367	28,640	28,009	27,069	86,901	82,962
Deposit insurance assessments	7,481	15,741	8,414	45,733	10,425	31,637	26,491
Pension settlement expense	—	—	—	11,226	600	—	600
Advertising and public relations	5,481	6,537	4,224	12,632	5,671	16,241	15,530
Foreclosed property expense	486	515	268	915	270	1,269	1,573
Telecommunications	1,513	1,441	1,545	1,356	1,520	4,498	4,419
Travel and entertainment	2,612	2,549	2,236	3,146	2,442	7,397	7,857
Data processing and software	29,164	29,467	30,028	32,922	29,127	88,658	87,521
Professional, consulting and outsourcing	4,115	3,534	3,935	5,194	5,017	11,584	14,698
Amortization of intangibles	3,933	3,999	4,066	4,405	4,436	11,998	14,983
Legal	3,664	758	3,682	13,724	3,316	8,104	6,369
Merger expense	—	—	—	—	—	—	5,192
Postage and shipping	1,677	1,622	2,205	1,907	2,292	5,504	6,536
Other miscellaneous expense	18,181	13,129	17,314	20,117	20,630	48,626	65,183
Total noninterest expense	\$ 259,438	\$ 256,697	\$ 263,207	\$ 329,367	\$ 274,442	\$ 779,343	\$ 826,555

Table 12
Average Balance and Yields
(Unaudited)

(Dollars in thousands)	Quarter Ended						September 30, 2023	
	September 30, 2024			June 30, 2024			Average Balance	Income/Expense
	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate		
ASSETS								
Interest-earning assets:								
Loans and leases, excluding accretion	\$ 33,279,819	\$ 553,394	6.62 %	\$ 32,945,526	\$ 537,179	6.56 %	\$ 32,311,572	\$ 513,981
Accretion income on acquired loans		2,992	0.04		2,981	0.03		6,587
Loans held for sale	134,313	1,630	4.83	114,359	1,652	5.81	115,653	1,468
Investment securities								
Taxable	7,834,596	59,732	3.03	7,954,865	62,852	3.18	9,635,084	50,277

Tax-exempt	81,040	808	3.97	78,687	807	4.12	369,357	3,006
Total investment securities	7,915,636	60,540	3.04	8,033,552	63,659	3.19	10,004,441	53,283
Other investments	2,210,277	29,851	5.37	2,758,385	37,383	5.45	1,571,973	21,213
Total interest-earning assets	43,540,045	648,407	5.92 %	43,851,822	642,854	5.90 %	44,003,639	596,540
Other assets	4,733,851			4,816,078			5,111,197	
Allowance for credit losses	469,919			475,181			459,698	
Total assets	<u>\$ 47,803,977</u>			<u>\$ 48,192,719</u>			<u>\$ 48,655,138</u>	

LIABILITIES AND SHAREHOLDERS' EQUITY

Interest-bearing liabilities:

Interest bearing demand and money market	\$ 18,043,686	\$ 142,179	3.13 %	\$ 18,770,093	\$ 146,279	3.13 %	\$ 17,970,463	126,296
Savings deposits	2,584,761	3,695	0.57	2,652,019	3,743	0.57	2,913,027	4,108
Time deposits	8,389,472	94,944	4.50	7,920,946	89,173	4.53	7,660,868	76,867
Total interest-bearing deposits	29,017,919	240,818	3.30	29,343,058	239,195	3.28	28,544,358	207,271
Fed funds purchased, securities sold under agreement to repurchase and other	44,582	572	5.10	65,821	732	4.47	837,773	9,007
Short-term FHLB borrowings	11	—	—	—	—	—	224	2
Short-term BTFP borrowings	3,500,000	41,992	4.77	3,500,000	41,536	4.77	3,500,000	45,433
Subordinated and long-term borrowings	265,790	2,873	4.30	404,231	4,429	4.41	449,568	4,786
Total interest-bearing liabilities	32,828,302	286,255	3.47 %	33,313,110	285,892	3.45 %	33,331,923	266,499

Noninterest-bearing liabilities:

Demand deposits	8,616,534			8,757,029			9,924,554	
Other liabilities	938,315			915,326			893,499	
Total liabilities	42,383,151			42,985,465			44,149,976	
Shareholders' equity	5,420,826			5,207,254			4,505,162	
Total liabilities and shareholders' equity	<u>\$ 47,803,977</u>			<u>\$ 48,192,719</u>			<u>\$ 48,655,138</u>	

Net interest income/net interest spread		362,152	2.45 %		356,962	2.45 %		330,041
Net yield on earning assets/net interest margin			3.31 %			3.27 %		

Taxable equivalent adjustment:

Loans and investment securities		(694)			(644)			(1,081)
Net interest revenue		<u>\$ 361,458</u>			<u>\$ 356,318</u>			<u>\$ 328,960</u>

Table 12
Average Balance and Yields Continued

(Dollars in thousands)	Year-To-Date					
	September 30, 2024			September 30, 2023		
	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate
ASSETS						
Interest-earning assets:						
Loans and leases, excluding accretion	\$ 32,988,706	\$ 1,616,450	6.54 %	\$ 31,706,637	\$ 1,452,912	6.13 %
Accretion income on acquired loans		9,489	0.04		21,822	0.09
Loans held for sale	107,109	4,467	5.57	76,770	3,033	5.28
Investment securities						
Taxable	7,991,692	185,989	3.11	10,283,587	152,320	1.98
Tax-exempt	80,699	2,485	4.11	383,031	9,214	3.22
Total investment securities	8,072,391	188,474	3.12	10,666,618	161,534	2.02
Other investments	2,703,228	110,130	5.44	1,567,483	58,876	5.02
Total interest-earning assets	43,871,434	1,929,010	5.87 %	44,017,508	1,698,177	5.16 %
Other assets	4,813,124			5,227,122		
Allowance for credit losses	472,972			453,133		
Total assets	<u>\$ 48,211,586</u>			<u>\$ 48,791,497</u>		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-bearing liabilities:						
Interest bearing demand and money market	\$ 18,703,458	437,861	3.13 %	\$ 18,322,003	\$ 333,578	2.43 %

Savings deposits	2,644,193	11,238	0.57	3,119,830	11,037	0.47
Time deposits	7,888,094	264,786	4.48	6,383,257	166,333	3.48
Total interest-bearing deposits	29,235,745	713,885	3.26	27,825,090	510,948	2.46
Fed funds purchased, securities sold under agreement to repurchase and other	106,357	3,832	4.81	814,943	24,334	3.99
Short-term FHLB borrowings	4	—	—	1,858,102	68,235	4.91
Short-term BTFP borrowings	3,500,000	125,632	4.79	1,564,103	60,248	5.15
Subordinated and long-term borrowings	367,826	12,003	4.36	455,810	14,464	4.24
Total interest-bearing liabilities	33,209,932	855,352	3.44 %	32,518,048	678,229	2.79 %
Noninterest-bearing liabilities:						
Demand deposits	8,814,668			10,942,567		
Other liabilities	912,407			850,159		
Total liabilities	42,937,007			44,310,774		
Shareholders' equity						
Total liabilities and shareholders' equity	\$ 48,211,586			\$ 48,791,497		
Net interest income/net interest spread		1,073,658	2.43 %		1,019,948	2.37 %
Net yield on earning assets/net interest margin			3.27 %			3.10 %
Taxable equivalent adjustment:						
Loans and investment securities		(1,974)			(3,197)	
Net interest revenue		\$ 1,071,684			\$ 1,016,751	

Table 13
Selected Additional Data
(Unaudited)

(Dollars in thousands)	Quarter Ended				
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023
MORTGAGE SERVICING RIGHTS ("MSR"):					
Fair value, beginning of period	\$ 113,595	\$ 111,685	\$ 106,824	\$ 116,266	\$ 111,417
Originations of servicing assets	3,361	3,687	2,736	2,636	4,065
Changes in fair value:					
Due to changes in valuation inputs or assumptions ⁽¹⁾	(8,232)	927	4,781	(9,043)	2,888
Other changes in fair value ⁽²⁾	(3,833)	(2,704)	(2,656)	(3,035)	(2,104)
Fair value, end of period	\$ 104,891	\$ 113,595	\$ 111,685	\$ 106,824	\$ 116,266
MORTGAGE BANKING REVENUE:					
Origination	\$ 2,145	\$ 3,976	\$ 3,165	\$ 1,040	\$ 2,031
Servicing	6,026	5,899	5,951	5,926	5,915
Total mortgage banking revenue excluding MSR	8,171	9,875	9,116	6,966	7,946
Due to changes in valuation inputs or assumptions ⁽¹⁾	(8,232)	927	4,781	(9,043)	2,888
Other changes in fair value ⁽²⁾	(3,833)	(2,704)	(2,656)	(3,035)	(2,104)
Market value adjustment on MSR Hedge	5,027	(1,925)	(4,798)	3,975	(3,046)
Total mortgage banking revenue	\$ 1,133	\$ 6,173	\$ 6,443	\$ (1,137)	\$ 5,684
Mortgage loans serviced	\$ 7,927,028	\$ 7,824,895	\$ 7,764,936	\$ 7,702,592	\$ 7,643,885
MSR/mortgage loans serviced	1.32 %	1.45 %	1.44 %	1.39 %	1.52 %

(1) Primarily reflects changes in prepayment speeds and discount rate assumptions which are updated based on market interest rates.

(2) Primarily reflects changes due to realized cash flows.

(In thousands)	Quarter Ended				
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023
AVAILABLE FOR SALE SECURITIES, at fair value					
U.S. Treasury securities	\$ —	\$ —	\$ 239,402	\$ 465,018	\$ 1,996
Obligations of U.S. government agencies	300,730	305,200	318,233	332,011	1,004,374
Mortgage-backed securities issued or guaranteed by U.S. agencies ("MBS"):					
Residential pass-through:					

Guaranteed by GNMA	71,001	69,788	72,034	75,662	73,649
Issued by FNMA and FHLMC	4,163,760	4,125,416	4,254,227	4,387,101	5,541,895
Other residential mortgage-back securities	1,135,004	1,233,868	1,210,617	727,434	146,063
Commercial mortgage-backed securities	1,664,288	1,673,823	1,694,967	1,742,837	2,271,680
Total MBS	7,034,053	7,102,895	7,231,845	6,933,034	8,033,287
Obligations of states and political subdivisions	137,996	133,155	134,643	137,624	392,252
Other domestic debt securities	51,599	64,288	67,421	67,197	71,741
Foreign debt securities	317,307	315,884	315,045	140,592	139,581
Total available for sale securities	\$ 7,841,685	\$ 7,921,422	\$ 8,306,589	\$ 8,075,476	\$ 9,643,231

Table 14

**Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions
(Unaudited)**

Management evaluates the Company's capital position and adjusted performance by utilizing certain financial measures not calculated in accordance with GAAP, including adjusted income from continuing operations, adjusted income from continuing operations available to common shareholders, pre-tax pre-provision net revenue from continuing operations, adjusted pre-tax pre-provision net revenue from continuing operations, total adjusted noninterest revenue, total adjusted noninterest expense, tangible common shareholders' equity to tangible assets, total shareholders' equity (excluding AOCI), common shareholders' equity (excluding AOCI), tangible common shareholders' equity to tangible assets (excluding AOCI), return on average tangible common equity from continuing operations, return on average tangible common equity, adjusted return on average tangible common equity from continuing operations, adjusted return on average tangible common equity, adjusted return on average assets from continuing operations, adjusted return on average assets, adjusted return on average common shareholders' equity from continuing operations, adjusted return on average common shareholders' equity, pre-tax pre-provision net revenue to total average assets, adjusted pre-tax pre-provision net revenue to total average assets, adjusted earnings per common share, tangible book value per common share, tangible book value per common share, excluding AOCI, efficiency ratio (tax equivalent), adjusted efficiency ratio (tax equivalent), dividend payout ratio from continuing operations, and adjusted dividend payout ratio from continuing operations. The Company has included these non-GAAP financial measures in this release for the applicable periods presented. Management believes that the presentation of these non-GAAP financial measures: (i) provides important supplemental information that contributes to a proper understanding of the Company's capital position and adjusted performance, (ii) enables a more complete understanding of factors and trends affecting the Company's business and (iii) allows investors to evaluate the Company's performance in a manner similar to management, the financial services industry, bank stock analysts and bank regulators. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented in the tables below. These non-GAAP financial measures should not be considered as substitutes for GAAP financial measures, and the Company strongly encourages investors to review the GAAP financial measures included in this news release and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this news release with other companies' non-GAAP financial measures having the same or similar names.

(In thousands)	Quarter Ended					Year-to-date	
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
Adjusted Income from Continuing Operations Available to Common Shareholders							
Income (loss) from continuing operations	\$ 136,439	\$ 137,472	\$ 116,978	\$ (263,737)	\$ 87,152	\$ 390,889	\$ 1,111,111
Plus: Merger expense	—	—	—	—	—	—	5,111
Incremental merger related expense	—	—	—	7,500	—	—	10,111
Gain on extinguishment of debt	—	(1,098)	(576)	(652)	—	(1,674)	(1,111)
Restructuring and other nonroutine expenses	(920)	6,675	251	41,522	9,596	6,006	16,111
Pension settlement expense	—	—	—	11,226	600	—	600
Less: Security (losses) gains, net	(2,947)	(4)	(9)	(384,524)	64	(2,960)	(51,111)
Gain on sale of businesses	—	14,980	—	—	—	14,980	—
Nonroutine (losses) gains, net	—	—	—	—	(6,653)	—	(6,653)
Tax adjustment	476	(2,209)	(74)	105,275	3,944	(1,807)	20,111
Adjusted income from continuing operations	137,990	130,282	116,736	75,108	99,992	385,008	335,111
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	7,116	7,116
Adjusted income from continuing operations available to common shareholders	\$ 135,618	\$ 127,910	\$ 114,364	\$ 72,736	\$ 97,620	\$ 377,892	\$ 328,000

(In thousands)	Quarter Ended					Year-to-date	
	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
Pre-Tax Pre-Provision Net Revenue from Continuing Operations							
Income (loss) from continuing operations	\$ 136,439	\$ 137,472	\$ 116,978	\$ (263,737)	\$ 87,152	\$ 390,889	\$ 1,111,111

Plus: Provision for credit losses	12,000	22,000	22,000	38,000	17,000	56,000	42,000
Income tax expense (benefit)	39,482	40,807	35,509	(80,485)	24,355	115,797	75,100
Pre-tax pre-provision net revenue from continuing operations	\$ 187,921	\$ 200,279	\$ 174,487	\$ (306,222)	\$ 128,507	\$ 562,686	\$ 420,000
	Quarter Ended					Year-to-date	
(In thousands)	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
Adjusted Pre-Tax Pre-Provision Net Revenue from Continuing Operations							
Income (loss) from continuing operations	\$ 136,439	\$ 137,472	\$ 116,978	\$ (263,737)	\$ 87,152	\$ 390,889	\$ 390,889
Plus: Provision for credit losses	12,000	22,000	22,000	38,000	17,000	56,000	42,000
Merger expense	—	—	—	—	—	—	5,100
Incremental merger related expense	—	—	—	7,500	—	—	10,000
Gain on extinguishment of debt	—	(1,098)	(576)	(652)	—	(1,674)	(1,100)
Restructuring and other nonroutine expenses	(920)	6,675	251	41,522	9,596	6,006	16,000
Pension settlement expense	—	—	—	11,226	600	—	600
Income tax expense (benefit)	39,482	40,807	35,509	(80,485)	24,355	115,797	75,100
Less: Security (losses) gains, net	(2,947)	(4)	(9)	(384,524)	64	(2,960)	(51,000)
Gain on sale of businesses	—	14,980	—	—	—	14,980	—
Nonroutine (losses) gains, net	—	—	—	—	(6,653)	—	(6,600)
Adjusted pre-tax pre-provision net revenue from continuing operations	\$ 189,948	\$ 190,880	\$ 174,171	\$ 137,898	\$ 145,292	\$ 554,998	\$ 420,000
	Quarter Ended					Year-to-date	
(In thousands)	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
Total Adjusted Revenue							
Net interest revenue	\$ 361,458	\$ 356,318	\$ 353,908	\$ 334,605	\$ 328,960	\$ 1,071,684	\$ 1,071,684
Total Adjusted Noninterest Revenue							
Total noninterest revenue	\$ 85,901	\$ 100,658	\$ 83,786	\$ (311,460)	\$ 73,989	\$ 270,345	\$ 270,345
Less: Security (losses) gains, net	(2,947)	(4)	(9)	(384,524)	64	(2,960)	(51,000)
Gain on sale of businesses	—	14,980	—	—	—	14,980	—
Nonroutine gains (losses), net	—	—	—	—	(6,653)	—	(6,600)
Total adjusted noninterest revenue	\$ 88,848	\$ 85,682	\$ 83,795	\$ 73,064	\$ 80,578	\$ 258,325	\$ 258,325
Total adjusted revenue	\$ 450,306	\$ 442,000	\$ 437,703	\$ 407,669	\$ 409,538	\$ 1,330,009	\$ 1,330,009
	Quarter Ended					Year-to-date	
(In thousands)	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
Total Adjusted Noninterest Expense							
Total noninterest expense	\$ 259,438	\$ 256,697	\$ 263,207	\$ 329,367	\$ 274,442	\$ 779,343	\$ 779,343
Less: Merger expense	—	—	—	—	—	—	5,100
Incremental merger related expense	—	—	—	7,500	—	—	10,000
Gain on extinguishment of debt	—	(1,098)	(576)	(652)	—	(1,674)	(1,100)
Restructuring and other nonroutine expenses	(920)	6,675	251	41,522	9,596	6,006	16,000
Pension settlement expense	—	—	—	11,226	600	—	600
Total adjusted noninterest expense	\$ 260,358	\$ 251,120	\$ 263,532	\$ 269,771	\$ 264,246	\$ 775,011	\$ 775,011
	Quarter Ended					Year-to-date	
(In thousands)	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
Total Tangible Assets, Excluding AOCI							
Total assets	\$ 49,204,933	\$ 47,984,078	\$ 48,313,863	\$ 48,934,510	\$ 48,523,010	\$ 49,204,933	\$ 49,204,933
Less: Goodwill	1,366,923	1,366,923	1,367,785	1,367,785	1,367,785	1,366,923	1,366,923
Other intangible assets, net	87,094	91,027	96,126	100,191	104,596	87,094	104,596
Total tangible assets	47,750,916	46,526,128	46,849,952	47,466,534	47,050,629	47,750,916	47,750,916
Less: AOCI	(590,342)	(782,462)	(791,333)	(761,829)	(1,309,921)	(590,342)	(1,309,921)
Total tangible assets, excluding AOCI	\$ 48,341,258	\$ 47,308,590	\$ 47,641,285	\$ 48,228,363	\$ 48,360,550	\$ 48,341,258	\$ 48,360,550
	Quarter Ended					Year-to-date	
(Dollars in thousands, except per share data)	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023	Sep 2024	Sep 2023
PERIOD END BALANCES:							
Total Shareholders' Equity, Excluding AOCI							

Total shareholders' equity	\$5,572,863	\$5,287,758	\$5,189,932	\$5,167,843	\$4,395,257	\$5,572,863	\$4,395,257
Less: AOCI	(590,342)	(782,462)	(791,333)	(761,829)	(1,309,921)	(590,342)	(1,309,921)
Total shareholders' equity, excluding AOCI	\$6,163,205	\$6,070,220	\$5,981,265	\$5,929,672	\$5,705,178	\$6,163,205	\$5,705,178
Common Shareholders' Equity, Excluding AOCI							
Total shareholders' equity	\$5,572,863	\$5,287,758	\$5,189,932	\$5,167,843	\$4,395,257	\$5,572,863	\$4,395,257
Less: preferred stock	166,993	166,993	166,993	166,993	166,993	166,993	166,993
Common shareholders' equity	5,405,870	5,120,765	5,022,939	5,000,850	4,228,264	5,405,870	4,228,264
Less: AOCI	(590,342)	(782,462)	(791,333)	(761,829)	(1,309,921)	(590,342)	(1,309,921)
Common shareholders' equity, excluding AOCI	\$5,996,212	\$5,903,227	\$5,814,272	\$5,762,679	\$5,538,185	\$5,996,212	\$5,538,185
Total Tangible Common Shareholders' Equity, Excluding AOCI							
Total shareholders' equity	\$5,572,863	\$5,287,758	\$5,189,932	\$5,167,843	\$4,395,257	\$5,572,863	\$4,395,257
Less: Goodwill	1,366,923	1,366,923	1,367,785	1,367,785	1,367,785	1,366,923	1,367,785
Other intangible assets, net	87,094	91,027	96,126	100,191	104,596	87,094	104,596
Preferred stock	166,993	166,993	166,993	166,993	166,993	166,993	166,993
Total tangible common shareholders' equity	3,951,853	3,662,815	3,559,028	3,532,874	2,755,883	3,951,853	2,755,883
Less: AOCI	(590,342)	(782,462)	(791,333)	(761,829)	(1,309,921)	(590,342)	(1,309,921)
Total tangible common shareholders' equity, excluding AOCI	\$4,542,195	\$4,445,277	\$4,350,361	\$4,294,703	\$4,065,804	\$4,542,195	\$4,065,804
AVERAGE BALANCES:							
Total Tangible Common Shareholders' Equity							
Total shareholders' equity	\$5,420,826	\$5,207,254	\$5,194,048	\$4,507,343	\$4,505,162	\$5,274,579	\$4,505,162
Less: Goodwill	1,366,923	1,367,358	1,367,785	1,367,916	1,367,785	1,367,354	1,367,916
Other intangible assets, net	89,262	93,743	98,350	102,765	107,032	93,769	112,765
Preferred stock	166,993	166,993	166,993	166,993	166,993	166,993	166,993
Total tangible common shareholders' equity	\$3,797,648	\$3,579,160	\$3,560,920	\$2,869,669	\$2,863,352	\$3,646,463	\$2,863,352
Total average assets	\$47,803,977	\$48,192,719	\$48,642,540	\$48,444,176	\$48,655,138	\$48,211,586	\$48,655,138
Total shares of common stock outstanding	182,315,142	182,430,427	182,681,325	182,871,775	182,611,075	182,315,142	182,871,775
Average shares outstanding-diluted	185,496,110	185,260,963	185,574,130	182,688,190	184,645,004	185,443,201	184,645,004
Tangible common shareholders' equity to tangible assets ⁽¹⁾	8.28 %	7.87 %	7.60 %	7.44 %	5.86 %	8.28 %	5.86 %
Tangible common shareholders' equity, excluding AOCI, to tangible assets, excluding AOCI ⁽²⁾	9.40	9.40	9.13	8.90	8.41	9.40	8.41
Return on average tangible common equity from continuing operations ⁽³⁾	14.04	15.18	12.94	(36.79)	11.75	14.06	12.94
Return on average tangible common equity ⁽⁴⁾	14.04	15.18	12.94	35.49	12.50	14.06	13.00
Adjusted return on average tangible common equity from continuing operations ⁽⁵⁾	14.21	14.37	12.92	10.06	13.53	13.84	15.18
Adjusted return on average assets from continuing operations ⁽⁶⁾	1.15	1.09	0.97	0.62	0.82	1.07	0.97
Adjusted return on average common shareholders' equity from continuing operations ⁽⁷⁾	10.27	10.21	9.15	6.65	8.93	9.88	10.21
Pre-tax pre-provision net revenue from continuing operations to total average assets ⁽⁸⁾	1.56	1.67	1.44	(2.51)	1.05	1.56	1.05
Adjusted pre-tax pre-provision net revenue from continuing operations to total average assets ⁽⁹⁾	1.58	1.59	1.44	1.13	1.18	1.54	1.30
Tangible book value per common share ⁽¹⁰⁾	\$ 21.68	\$ 20.08	\$ 19.48	\$ 19.32	\$ 15.09	\$ 21.68	\$ 15.09
Tangible book value per common share, excluding AOCI ⁽¹¹⁾	24.91	24.37	23.81	23.48	22.26	24.91	22.26
Adjusted earnings from continuing operations per common share ⁽¹²⁾	\$ 0.73	\$ 0.69	\$ 0.62	\$ 0.40	\$ 0.53	\$ 2.04	\$ 0.53
Adjusted dividend payout ratio from continuing operations ⁽¹³⁾	34.25 %	36.23 %	40.32 %	58.75 %	44.34 %	36.76 %	39.60 %

Definitions of Non-GAAP Measures:

(1) Tangible common shareholders' equity to tangible assets is defined by the Company as total shareholders' equity less preferred stock, goodwill and other intangible assets, net, divided by the difference of total assets less goodwill and other intangible assets, net.

- (2) Tangible common shareholders' equity, excluding AOCI, to tangible assets, excluding AOCI, is defined by the Company as total shareholders' equity less preferred stock, goodwill, other intangible assets, net and accumulated other comprehensive loss, divided by the difference of total assets less goodwill, accumulated other comprehensive loss, and other intangible assets, net.
- (3) Return on average tangible common equity from continuing operations is defined by the Company as annualized income available to common shareholders from continuing operation divided by average tangible common shareholders equity.
- (4) Return on average tangible common equity is defined by the Company as annualized income available to common shareholders divided by average tangible common shareholders equity.
- (5) Adjusted return on average tangible common equity from continuing operations is defined by the Company as annualized adjusted income available to common shareholders from continuing operations divided by average tangible common shareholders' equity.
- (6) Adjusted return on average assets from continuing operations is defined by the Company as annualized adjusted income from continuing operations divided by total average assets.
- (7) Adjusted return on average common shareholders' equity from continuing operations is defined by the Company as annualized adjusted income available to common shareholders from continuing operations divided by average common shareholders' equity.
- (8) Pre-tax pre-provision net revenue from continuing operations to total average assets is defined by the Company as annualized pre-tax pre-provision net revenue from continuing operations divided by total average assets.
- (9) Adjusted pre-tax pre-provision net revenue from continuing operations to total average assets is defined by the Company as annualized adjusted pre-tax pre-provision net revenue from continuing operations divided by total average assets adjusted for items included in the definition and calculation of adjusted income.
- (10) Tangible book value per common share is defined by the Company as tangible common shareholders' equity divided by total shares of common stock outstanding.
- (11) Tangible book value per common share, excluding AOCI is defined by the Company as tangible common shareholders' equity less accumulated other comprehensive loss divided by total shares of common stock outstanding.
- (12) Adjusted earnings from continuing operations per common share is defined by the Company as adjusted income available to common shareholders from continuing operations divided by average common shares outstanding-diluted.
- (13) Adjusted dividend payout ratio from continuing operations is defined by the Company as common share dividends divided by adjusted income available to common shareholders from continuing operations.

Efficiency Ratio-Fully Taxable Equivalent and Adjusted Efficiency Ratio-Fully Taxable Equivalent Definitions

The efficiency ratio and the adjusted efficiency ratio are supplemental financial measures utilized in management's internal evaluation of the Company's use of resources and are not defined under GAAP. The efficiency ratio is calculated by dividing total noninterest expense by total revenue, which includes net interest income plus noninterest income plus the tax equivalent adjustment from continuing operations. The adjusted efficiency ratio excludes income and expense items otherwise disclosed as non-routine from total noninterest expense from continuing operations.

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