

Cadence Bank Announces Fourth Quarter 2024 and Annual Financial Results; Announces Increase in Quarterly Common Dividend

HOUSTON and TUPELO, Miss., Jan. 22, 2025 /PRNewswire/ -- Cadence Bank (NYSE: CADE) (the Company), today announced financial results for the quarter and year ended December 31, 2024.

Annual highlights for 2024 included:

- Achieved net income available to common shareholders of \$514.1 million, or \$2.77 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 \$507.9 million, or \$2.74 per diluted common share, an increase of 24.5% on a per share basis compared to 2023.
- Reported annual adjusted pre-tax pre-provision net revenue (PPNR) from continuing operations⁽¹⁾ of \$739.0 million, or 1.54% of average assets, an increase of \$126.7 million, or 20.7%, compared to 2023.
- Generated net organic loan growth of \$1.2 billion, or 3.8% for the year while core customer deposits, which exclude brokered deposits and public funds, increased \$2.2 billion, or 6.9%.
- Increased net interest margin for the year by 22 basis points to 3.30%.
- Achieved continued improvement in operating leverage reflected in a decline in the adjusted efficiency ratio⁽¹⁾ from 63.3% in 2023 to 58.4% in 2024.
- Realized stable net charge-offs as a percent of average loans in 2024 of 0.24%, and criticized loans improved 5.9% to \$794.5 million at December 31, 2024.
- Repurchased 1,237,021 shares of Company common stock at a weighted average price of \$26.74; tangible book value per common share⁽¹⁾ increased to \$21.54 per share at December 31, 2024, up \$2.22 per share, or 11.5%, compared to December 31, 2023 while tangible common shareholders' equity to tangible assets⁽¹⁾ increased from 7.44% to 8.67% over the same time period.

Highlights for the fourth quarter of 2024 included:

- Reported quarterly net income available to common shareholders of \$130.3 million, or \$0.70 per diluted common share, and adjusted net income from continuing operations available to common shareholders⁽¹⁾ of \$130.0 million, or \$0.70 per diluted common share.
- Achieved quarterly adjusted PPNR from continuing operations⁽¹⁾ of \$184.0 million, which is down \$5.9 million compared to the third quarter of 2024 and up \$46.1 million from the fourth quarter of 2023.
- Generated net organic loan growth of \$437.8 million for the fourth quarter of 2024, or 5.2% on an annualized basis.
- Grew core customer deposits by \$259.6 million in the fourth quarter, or 3.0% annualized, excluding the \$435.0 million in temporary overnight sweep activity included in the September 30, 2024 deposit totals.
- Continued to improve net interest margin, increasing 7 basis points compared to the third quarter of 2024 to 3.38%.
- Realized 0.17% in annualized net charge-offs as a percent of average loans, improved 9 basis points from the linked quarter, and a \$15.0 million provision for credit losses resulting in a 1.37% allowance for credit losses as a percent of loans. Additionally, criticized and classified loan levels as well as total nonperforming loans improved compared to the linked quarter.
- Maintained strong regulatory capital with Common Equity Tier 1 Capital of 12.4% and Total Capital of 14.0%.

Quarterly dividend increase and approval:

- At its regular quarterly meeting today, the Board of Directors of the Company declared quarterly cash dividends of \$0.275 per common share of stock and \$0.34375 per share of Series A Preferred Stock. The common stock dividend represents an increase of \$0.025, or 10.0%, per share compared to the previous quarterly dividend of \$0.25 per common share and is payable on April 1, 2025 to shareholders of record at the close of business on March 14, 2025. The preferred stock dividend is payable on February 20, 2025 to shareholders of record at the close of business on February 5, 2025.

"Our fourth quarter results reflect the culmination of a successful year of improved operating performance achieved through steady balance sheet growth, reduction of debt, stable credit quality, and improved net interest margin and operating efficiency," remarked Dan Rollins, Chairman and Chief Executive Officer of Cadence Bank. "This has been an exciting year for Cadence. We could feel the momentum in our business throughout the year, and the benefits of our footprint, business diversification and talented teammates shined through. This momentum was evidenced by strong capital generation, supporting both our future growth as well as a 10% increase in the quarterly dividend to common shareholders. Importantly, this momentum also fueled the 25% increase in our adjusted earnings from continuing operations per common share⁽¹⁾ for the year."

Earnings Summary

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

For the year ended December 31, 2024, the Company reported net income available to common shareholders of \$514.1 million, or \$2.77 per diluted common share, compared with \$532.8 million, or \$2.92 per diluted common share, for the year ended December 31, 2023. The Company reported adjusted net income from continuing operations available to common shareholders⁽¹⁾ of \$507.9 million, or \$2.74 per diluted common share, for the year ended December 31, 2024 compared with \$401.2 million, or \$2.20 per diluted common share, for the year ended December 31, 2023. Additionally, the Company reported adjusted PPNR from continuing operations⁽¹⁾ of \$739.0 million, or 1.54% of average assets, for the year ended December 31, 2024 compared with \$612.3 million, or 1.26% of average assets, for the year ended December 31, 2023.

For the fourth quarter of 2024, the Company reported net income available to common shareholders of \$130.3 million, or \$0.70 per diluted common share, compared to \$256.7 million, or \$1.41 per diluted common share, for the fourth quarter of 2023 and \$134.1 million, or \$0.72 per diluted common share, for the third quarter of 2024. Adjusted net income available to common shareholders from continuing operations⁽¹⁾ was \$130.0 million, or \$0.70 per diluted common share, for the fourth quarter of 2024, compared with \$72.7 million, or \$0.40 per diluted common share, for the fourth quarter of 2023 and \$135.6 million, or \$0.73 per diluted common share, for the third quarter of 2024. Additionally, the Company reported adjusted PPNR from continuing operations⁽¹⁾ of \$184.0 million, or 1.55% of average assets on an annualized basis, for the fourth quarter of 2024, which represents a decline of \$5.9 million or 3.1% compared to the third quarter of 2024, and an increase of \$46.1 million or 33.4% compared to the same quarter of 2023.

Net Interest Revenue

Net interest revenue increased to \$364.5 million for the fourth quarter of 2024, compared to \$334.6 million for the fourth quarter of 2023 and \$361.5 million for the third quarter of 2024. The net interest margin (fully taxable equivalent) improved to 3.38% for the fourth quarter of 2024, compared with 3.04% for the fourth quarter of 2023 and 3.31% for the third quarter of 2024.

Net interest revenue increased \$3.1 million, or 0.9%, compared to the third quarter of 2024 as the Company continues to benefit from an improved average earning asset mix, continued upward repricing of fixed rate and certain variable rate loans that soften the impact of declining interest rates on the portfolio, declining deposit costs and paydowns of borrowings. Purchase accounting accretion revenue was \$2.4 million for the fourth quarter of 2024 compared with \$3.0 million for the third quarter of 2024. Average earning assets declined slightly to \$42.9 billion, as growth in average loans of \$182.1 million was offset by lower excess cash and securities as the Company paid off the Bank Term Funding Program balances and called a sub-debt issuance in the fourth quarter.

Yield on net loans, loans held for sale and leases, excluding accretion, was 6.40% for the fourth quarter of 2024, down 21 basis points from 6.61% for the third quarter of 2024. Investment securities yielded 3.04% in the fourth quarter of 2024, which is flat compared to the third quarter of 2024. The yield on total interest earning assets was 5.76% for the fourth quarter of 2024 compared with 5.92% for the third quarter of 2024.

The average cost of total deposits declined to 2.44% for the fourth quarter of 2024, compared to 2.55% for the third quarter of 2024. The 18 basis point linked quarter decline in the cost of interest-bearing deposits was partially offset by product mix shift with quarterly growth in interest-bearing demand and time deposits and declines in noninterest bearing deposits. Total interest-bearing liabilities cost declined 30 basis points to 3.17% for the fourth quarter of 2024 compared to 3.47% for the third quarter of 2024.

Balance Sheet Activity

Loans and leases, net of unearned income, increased to \$33.7 billion at December 31, 2024 compared to \$33.3 billion at September 30, 2024. Net loan growth of \$437.8 million, or 5.2% annualized, for the fourth quarter was driven primarily by growth in residential mortgages, owner occupied C&I credits and income producing CRE.

Total deposits were \$40.5 billion as of December 31, 2024, an increase of \$1.7 billion from \$38.8 billion at the end of the third quarter of 2024. The fourth quarter's increase included a seasonal increase of \$360.0 million in public funds to \$4.1 billion, and a \$1.5 billion increase in brokered deposits to \$2.1 billion at December 31, 2024. Brokered deposits were added during the fourth quarter primarily to facilitate the pay off of the \$3.5 billion Bank Term Funding Program balance at rates the Company viewed as favorable compared to other alternative funding sources. Core customer deposits, which exclude brokered deposits and public funds, declined approximately \$175.4 million compared to September 30, 2024. However, excluding approximately \$435.0 million in temporary overnight customer sweep activity in core customer balances at the end of the third quarter, total core customer deposits increased \$259.6 million during the fourth quarter, or 3.0% on an annualized basis.

The December 31, 2024 loan to deposit ratio was 83.3%. Noninterest bearing deposits declined to 21.2% of total deposits at the end of the fourth quarter of 2024 from 23.8% at September 30, 2024.

Total investment securities declined \$0.5 billion during the fourth quarter of 2024 to \$7.3 billion at December 31, 2024, representing 15.5% of total assets. Cash, due from balances and deposits at the Federal Reserve declined \$2.3 billion to \$1.7 billion at December 31, 2024 as the Company utilized excess liquidity to reduce reliance on higher cost funding, including the pay off of the Bank Term Funding Program borrowings and call of subordinated debt.

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

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

Credit metrics for the fourth quarter of 2024 reflected overall stability in credit quality. Net charge-offs for the fourth quarter of 2024 were \$14.1 million, or 0.17% of average net loans and leases on an annualized basis, compared with net charge-offs of \$23.8 million, or 0.29% of average net loans and leases on an annualized basis, for the fourth quarter of 2023 and net charge-offs of \$22.2 million, or 0.26% of average net loans and leases on an annualized basis, for the third quarter of 2024. The provision for credit losses for the fourth quarter of 2024 was \$15.0 million, compared with \$38.0 million for the fourth quarter of 2023 and \$12.0 million for the third quarter of 2024. The allowance for credit losses of \$460.8 million at December 31, 2024 was stable at 1.37% of total loans and leases compared to 1.38% of total loans and leases at September 30, 2024 and down slightly from 1.44% of total loans and leases at December 31, 2023.

Total nonperforming assets as a percent of total assets were 0.58% at December 31, 2024 compared to 0.45% at December 31, 2023 and 0.57% at September 30, 2024. Total nonperforming loans and leases as a percent of loans and leases, net were 0.78% at December 31, 2024, compared to 0.67% at December 31, 2023 and 0.82% at September 30, 2024. Other real estate owned and other repossessed assets was \$5.8 million at December 31, 2024 compared to the December 31, 2023 balance of \$6.2 million and the September 30, 2024 balance of \$5.4 million. Criticized loans represented 2.35% of loans at December 31, 2024 compared to 2.60% at December 31, 2023 and 2.64% at September 30, 2024, while classified loans were 2.02% at December 31, 2024 compared to 2.09% at December 31, 2023 and 2.09% at September 30, 2024.

Noninterest Revenue

Noninterest revenue was \$86.2 million for the fourth quarter of 2024 compared with negative \$311.5 million for the fourth quarter of 2023 and \$85.9 million for the third quarter of 2024. Noninterest revenue for the fourth quarter of 2023 included a securities portfolio restructuring loss of \$384.5 million. Adjusted noninterest revenue⁽¹⁾ for the fourth quarter of 2024 was \$86.2 million, compared with \$73.1 million for the fourth quarter of 2023 and \$88.8 million for the third quarter of 2024. Adjusted noninterest revenue⁽¹⁾ for the fourth quarter of 2024 has no significant adjustments while adjusted noninterest revenue⁽¹⁾ for the fourth quarter of 2023 excludes \$384.5 million securities portfolio restructuring loss and adjusted noninterest revenue⁽¹⁾ for the third quarter of 2024 excludes \$2.9 million in securities losses.

Adjusted noninterest revenue was relatively consistent with the third quarter of 2024, with improvements in mortgage banking revenue offset by a decline in other noninterest revenue. Wealth management revenue was \$24.0 million for the fourth quarter of 2024, consistent with \$24.1 million for the third quarter of 2024. Credit card, debit card and merchant fee revenue was \$12.7 million for the fourth quarter of 2024, compared with \$12.6 million for the third quarter of 2024. Deposit service charge revenue was \$18.7 million for the fourth quarter of 2024, compared to \$18.8 million for the third quarter of 2024.

Mortgage banking revenue totaled \$3.6 million for the fourth quarter of 2024, compared to negative \$1.1 million for the fourth quarter of 2023 and \$1.1 million for the third quarter of 2024. The \$2.5 million improvement during the linked quarter was due to improvement in the MSR net valuation adjustment of \$4.3 million, partially offset by \$1.8 million in seasonally lower mortgage production and servicing revenue.

Other noninterest revenue was \$27.3 million for the fourth quarter of 2024, down from \$32.1 million for the third quarter of 2024, with the \$4.8 million decline impacted by lower quarterly fair valuations of limited partnerships and equity securities, as well as the impact of the prior quarter's gain on debt redemption. These declines were partially offset by increases in credit related fees, SBA income and BOLI proceeds.

Noninterest Expense

Noninterest expense for the fourth quarter of 2024 was \$266.2 million, compared with \$329.4 million for the fourth quarter of 2023 and \$259.4 million for the third quarter of 2024. Adjusted noninterest expense⁽¹⁾ for the fourth quarter of 2024 was \$266.7 million, compared with \$269.8 million for the fourth quarter of 2023 and \$260.4 million for the third quarter of 2024. Adjusted noninterest expense for the fourth quarter of 2024 excludes a benefit of \$0.5 million associated with an adjustment to the estimated FDIC special assessment. The adjusted efficiency ratio⁽¹⁾ was 59.1% for the fourth quarter of 2024, compared to 57.7% for the third quarter of 2024 and 66.0% for the fourth quarter of 2023.

The \$6.3 million, or 2.4%, linked quarter increase in adjusted noninterest expense⁽¹⁾ was driven primarily by increases in data processing and software expense as well as other noninterest expense. Data processing and software expense increased \$4.1 million compared to the third quarter of 2024, primarily as a result of the fourth quarter system upgrade of the Company's treasury management platform, with a majority of those expenses not ongoing in nature. Other noninterest expense increased \$3.4 million compared to the third quarter of 2024 driven by increases in various items including professional services, advertising and public relations, and operational losses.

Capital Management

Total shareholders' equity was \$5.6 billion at December 31, 2024 compared with \$5.2 billion at December 31, 2023 and \$5.6 billion at September 30, 2024. Estimated regulatory capital ratios at December 31, 2024 included Common Equity Tier 1 capital of 12.4%, Tier 1 capital of 12.8%, Total risk-based capital of 14.0%, and Tier 1 leverage capital of 10.4%. During the fourth quarter of 2024, the Company did not repurchase any shares of Company common stock. For the full year 2024, the Company repurchased 1,237,021 shares at a weighted average price of \$26.74. Outstanding common shares were 183.5 million as of December 31, 2024.

Summary

Rollins concluded, "As we enter 2025, our team is excited about the opportunity to build on our accomplishments and momentum from 2024. Our focus on growth in loans, deposits and fee revenues, combined with net interest margin expansion, stable credit quality and improved operating efficiency, has contributed to continued improvement in our profitability and financial performance. We look forward to building on this success in 2025 and beyond as we focus on our company's vision of helping people, companies and communities prosper."

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 fourth quarter and annual 2024 financial results on January 23, 2025, 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 on the Company's 5.5% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share; 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 (including those related to stock repurchases); 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 its primary federal regulator, 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-
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec 2023
Earnings Summary:						
Interest revenue	\$ 620,321	\$ 647,713	\$ 642,210	\$ 637,113	\$ 615,187	\$ 2,462,544
Interest expense	255,790	286,255	285,892	283,205	280,582	1,111,724
Net interest revenue	364,531	361,458	356,318	353,908	334,605	1,430,820
Provision for credit losses	15,000	12,000	22,000	22,000	38,000	71,000
Net interest revenue, after provision for credit losses	349,531	349,458	334,318	331,908	296,605	1,360,820
Noninterest revenue	86,165	85,901	100,658	83,786	(311,460)	356,090
Noninterest expense	266,186	259,438	256,697	263,207	329,367	1,045,385
Income (loss) from continuing operations before income taxes	169,510	175,921	178,279	152,487	(344,222)	676,090
Income tax expense (benefit)	36,795	39,482	40,807	35,509	(80,485)	152,090
Income (loss) from continuing operations	132,715	136,439	137,472	116,978	(263,737)	523,980
Income from discontinued operations, net of taxes	—	—	—	—	522,801	—
Net income	132,715	136,439	137,472	116,978	259,064	523,980
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	9,488
Net income available to common shareholders	\$ 130,343	\$ 134,067	\$ 135,100	\$ 114,606	\$ 256,692	\$ 514,492

Balance Sheet - Period End Balances

Total assets	\$ 47,019,190	\$ 49,204,933	\$ 47,984,078	\$ 48,313,863	\$ 48,934,510	\$ 47,984,078
Total earning assets	42,386,627	44,834,897	43,525,688	43,968,692	44,192,887	42,386,627
Available for sale securities	7,293,988	7,841,685	7,921,422	8,306,589	8,075,476	7,293,988
Loans and leases, net of unearned income	33,741,755	33,303,972	33,312,773	32,882,616	32,497,022	33,741,755
Allowance for credit losses (ACL)	460,793	460,859	470,022	472,575	468,034	460,793
Net book value of acquired loans	4,783,206	5,521,000	5,543,419	6,011,007	6,353,344	4,783,206
Unamortized net discount on acquired loans	15,611	17,988	20,874	23,715	26,928	15,611

Total deposits	40,496,201	38,844,360	37,858,659	38,120,226	38,497,137	40,496,201
Total deposits and repurchase agreements	40,519,817	38,861,324	37,913,693	38,214,616	38,948,653	40,519,817
Other short-term borrowings	—	3,500,000	3,500,000	3,500,000	3,500,000	—
Subordinated and long-term debt	10,706	225,823	269,353	430,123	438,460	10,706
Total shareholders' equity	5,569,683	5,572,863	5,287,758	5,189,932	5,167,843	5,569,683
Total shareholders' equity, excluding AOCI ⁽¹⁾	6,264,178	6,163,205	6,070,220	5,981,265	5,929,672	6,264,178
Common shareholders' equity	5,402,690	5,405,870	5,120,765	5,022,939	5,000,850	5,402,690
Common shareholders' equity, excluding AOCI ⁽¹⁾	\$ 6,097,185	\$ 5,996,212	\$ 5,903,227	\$ 5,814,272	\$ 5,762,679	\$ 6,097,185

Balance Sheet - Average Balances

Total assets	\$ 47,263,538	\$ 47,803,977	\$ 48,192,719	\$ 48,642,540	\$ 48,444,176	\$ 47,263,538
Total earning assets	42,920,125	43,540,045	43,851,822	44,226,077	43,754,664	42,920,125
Available for sale securities	7,636,683	7,915,636	8,033,552	8,269,708	9,300,714	7,636,683
Loans and leases, net of unearned income	33,461,931	33,279,819	32,945,526	32,737,574	32,529,030	33,461,931
Total deposits	39,743,224	37,634,453	38,100,087	38,421,272	38,215,379	39,743,224
Total deposits and repurchase agreements	39,761,277	37,666,828	38,165,908	38,630,620	38,968,397	39,761,277
Other short-term borrowings	905,815	3,512,218	3,500,000	3,500,000	3,503,320	905,815
Subordinated and long-term debt	123,442	265,790	404,231	434,579	443,251	123,442
Total shareholders' equity	5,589,361	5,420,826	5,207,254	5,194,048	4,507,343	5,589,361
Common shareholders' equity	\$ 5,422,368	\$ 5,253,833	\$ 5,040,261	\$ 5,027,055	\$ 4,340,350	\$ 5,422,368

Nonperforming Assets:

Nonperforming loans and leases (NPL) ⁽²⁾ ⁽³⁾	264,692	272,954	216,746	241,007	216,141	264,692
Other real estate owned and other assets	5,754	5,354	4,793	5,280	6,246	5,754
Nonperforming assets (NPA)	\$ 270,446	\$ 278,308	\$ 221,539	\$ 246,287	\$ 222,387	\$ 270,446

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

(2) At December 31, 2024, \$89.9 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				
	Dec	Sep	Jun	Mar	Dec
	2024	2024	2024	2024	2023
Financial Ratios and Other Data:					
Return on average assets from continuing operations ⁽²⁾	1.12 %	1.14 %	1.15 %	0.97 %	(2.16) %
Return on average assets ⁽²⁾	1.12	1.14	1.15	0.97	2.12
Adjusted return on average assets from continuing operations ⁽¹⁾⁽²⁾	1.11	1.15	1.09	0.97	0.62
Return on average common shareholders' equity from continuing operations ⁽²⁾	9.56	10.15	10.78	9.17	(24.32)
Return on average common shareholders' equity ⁽²⁾	9.56	10.15	10.78	9.17	23.46
Adjusted return on average common shareholders' equity from continuing operations ⁽¹⁾⁽²⁾	9.53	10.27	10.21	9.15	6.65

Return on average tangible common equity from continuing operations ⁽¹⁾⁽²⁾	13.06	14.04	15.18	12.94	(36.79)
Return on average tangible common equity ⁽¹⁾⁽²⁾	13.06	14.04	15.18	12.94	35.49
Adjusted return on average tangible common equity from continuing operations ⁽¹⁾⁽²⁾	13.02	14.21	14.37	12.92	10.06
Pre-tax pre-provision net revenue from continuing operation to total average assets ⁽¹⁾⁽²⁾	1.55	1.56	1.67	1.44	(2.51)
Adjusted pre-tax pre-provision net revenue from continuing operations to total average assets ⁽¹⁾⁽²⁾	1.55	1.58	1.59	1.44	1.13
Net interest margin-fully taxable equivalent	3.38	3.31	3.27	3.22	3.04
Net interest rate spread-fully taxable equivalent	2.59	2.45	2.45	2.40	2.25
Efficiency ratio fully tax equivalent ⁽¹⁾	58.98	57.90	56.09	60.05	NM
Adjusted efficiency ratio fully tax equivalent ⁽¹⁾	59.09	57.73	56.73	60.12	66.01
Loan/deposit ratio	83.32 %	85.74 %	87.99 %	86.26 %	84.41 %
Full time equivalent employees	5,335	5,327	5,290	5,322	5,333

Credit Quality Ratios:

Net charge-offs to average loans and leases ⁽²⁾	0.17 %	0.26 %	0.28 %	0.24 %	0.29 %
Provision for credit losses to average loans and leases ⁽²⁾	0.18	0.14	0.27	0.27	0.46
ACL to loans and leases, net	1.37	1.38	1.41	1.44	1.44
ACL to NPL	174.09	168.84	216.85	196.08	216.54
NPL to loans and leases, net	0.78	0.82	0.65	0.73	0.67
NPA to total assets	0.58	0.57	0.46	0.51	0.45

Equity Ratios:

Total shareholders' equity to total assets	11.85 %	11.33 %	11.02 %	10.74 %	10.56 %
Total common shareholders' equity to total assets	11.49	10.99	10.67	10.40	10.22
Tangible common shareholders' equity to tangible assets ⁽¹⁾	8.67	8.28	7.87	7.60	7.44
Tangible common shareholders' equity, excluding AOCI, to tangible assets, excluding AOCI ⁽¹⁾	10.04	9.40	9.40	9.13	8.90

Capital Adequacy ⁽³⁾:

Common Equity Tier 1 capital	12.4 %	12.3 %	11.9 %	11.7 %	11.6 %
Tier 1 capital	12.8	12.7	12.3	12.2	12.1
Total capital	14.0	14.5	14.2	14.5	14.3
Tier 1 leverage capital	10.4	10.1	9.7	9.5	9.3

(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

Yea

	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec
Common Share Data:						
Diluted earnings (losses) per share from continuing operations	\$ 0.70	\$ 0.72	\$ 0.73	\$ 0.62	\$ (1.46)	\$
Adjusted earnings per share from continuing operations ⁽¹⁾	0.70	0.73	0.69	0.62	0.40	2.74
Diluted earnings per share	0.70	0.72	0.73	0.62	1.41	2.77
Cash dividends per share	0.250	0.250	0.250	0.250	0.235	1.00
Book value per share	29.44	29.65	28.07	27.50	27.35	29.4
Tangible book value per share ⁽¹⁾	21.54	21.68	20.08	19.48	19.32	21.5
Market value per share (last)	34.45	31.85	28.28	29.00	29.59	34.4
Market value per share (high)	40.20	34.13	29.95	30.03	31.45	40.2
Market value per share (low)	30.21	27.46	26.16	24.99	19.67	24.5
Market value per share (average)	35.17	30.96	28.14	27.80	24.40	30.5
Dividend payout ratio from continuing operations	35.71 %	34.72 %	34.25 %	40.48 %	(16.13) %	36.1
Adjusted dividend payout ratio from continuing operations ⁽¹⁾	35.71 %	34.25 %	36.23 %	40.32 %	58.75 %	36.5
Total shares outstanding	183,527,575	182,315,142	182,430,427	182,681,325	182,871,775	183
Average shares outstanding - diluted	186,038,243	185,496,110	185,260,963	185,574,130	182,688,190	185
Yield/Rate:						
(Taxable equivalent basis)						
Loans, loans held for sale, and leases	6.42 %	6.64 %	6.59 %	6.50 %	6.48 %	6.54
Loans, loans held for sale, and leases excluding net accretion on acquired loans and leases	6.40	6.61	6.56	6.46	6.43	6.50
Available for sale securities:						
Taxable	3.03	3.03	3.18	3.11	2.45	3.05
Tax-exempt	3.93	3.97	4.12	4.25	3.78	4.07
Other investments	4.77	5.37	5.45	5.48	5.41	5.33
Total interest earning assets and revenue	5.76	5.92	5.90	5.80	5.59	5.84
Deposits	2.44	2.55	2.53	2.45	2.32	2.45
Interest bearing demand and money market	2.87	3.13	3.13	3.11	3.02	3.06
Savings	0.57	0.57	0.57	0.57	0.56	0.57
Time	4.28	4.50	4.53	4.42	4.22	4.42
Total interest bearing deposits	3.12	3.30	3.28	3.21	3.10	3.22
Fed funds purchased, securities sold under agreement to repurchase and other	4.58	5.10	4.47	4.86	4.33	4.75
Short-term FHLB borrowings	—	—	—	—	—	—
Short-term BTFP borrowings	4.77	4.77	4.77	4.84	5.04	4.75
Total interest bearing deposits and short-term borrowings	3.16	3.46	3.44	3.39	3.33	3.36
Subordinated and long-term borrowings	4.14	4.30	4.41	4.35	4.18	4.34
Total interest bearing liabilities	3.17	3.47	3.45	3.40	3.34	3.37
Interest bearing liabilities to interest earning assets	74.82 %	75.40 %	75.97 %	75.73 %	76.08 %	75.4
Net interest income tax equivalent adjustment (in thousands)	\$ 648	\$ 694	\$ 644	\$ 636	\$ 987	\$

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

(1) 27.

Table 4**Consolidated Balance Sheets****(Unaudited)**

(In thousands)	As of				
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023
ASSETS					
Cash and due from banks	\$ 624,884	\$ 504,827	\$ 516,715	\$ 427,543	\$ 798,177
Interest bearing deposits with other banks and Federal funds sold	1,106,692	3,483,299	2,093,820	2,609,931	3,434,088
Available for sale securities, at fair value	7,293,988	7,841,685	7,921,422	8,306,589	8,075,476
Loans and leases, net of unearned income	33,741,755	33,303,972	33,312,773	32,882,616	32,497,022
Allowance for credit losses	460,793	460,859	470,022	472,575	468,034
Net loans and leases	33,280,962	32,843,113	32,842,751	32,410,041	32,028,988
Loans held for sale, at fair value	244,192	205,941	197,673	169,556	186,301
Premises and equipment, net	783,456	797,556	808,705	822,666	802,133
Goodwill	1,366,923	1,366,923	1,366,923	1,367,785	1,367,785
Other intangible assets, net	83,190	87,094	91,027	96,126	100,191
Bank-owned life insurance	651,838	652,057	648,970	645,167	642,840
Other assets	1,583,065	1,422,438	1,496,072	1,458,459	1,498,531
Total Assets	\$ 47,019,190	\$ 49,204,933	\$ 47,984,078	\$ 48,313,863	\$ 48,934,510
LIABILITIES					
Deposits:					
Demand: Noninterest bearing	\$ 8,591,805	\$ 9,242,693	\$ 8,586,265	\$ 8,820,468	\$ 9,232,068
Interest bearing	19,345,114	18,125,553	18,514,015	18,945,982	19,276,596
Savings	2,588,406	2,560,803	2,613,950	2,694,777	2,720,913
Time deposits	9,970,876	8,915,311	8,144,429	7,658,999	7,267,560
Total deposits	40,496,201	38,844,360	37,858,659	38,120,226	38,497,137
Securities sold under agreement to repurchase	23,616	16,964	55,034	94,390	451,516
Other short-term borrowings	—	3,500,000	3,500,000	3,500,000	3,500,000
Subordinated and long-term debt	10,706	225,823	269,353	430,123	438,460
Other liabilities	918,984	1,044,923	1,013,274	979,192	879,554
Total Liabilities	41,449,507	43,632,070	42,696,320	43,123,931	43,766,667
SHAREHOLDERS' EQUITY					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	458,819	455,788	456,076	456,703	457,179
Capital surplus	2,742,913	2,729,440	2,724,656	2,724,587	2,743,066
Accumulated other comprehensive loss	(694,495)	(590,342)	(782,462)	(791,333)	(761,829)
Retained earnings	2,895,453	2,810,984	2,722,495	2,632,982	2,562,434
Total Shareholders' Equity	5,569,683	5,572,863	5,287,758	5,189,932	5,167,843
Total Liabilities & Shareholders' Equity	\$ 47,019,190	\$ 49,204,933	\$ 47,984,078	\$ 48,313,863	\$ 48,934,510

Table 5**Consolidated Quarterly Average Balance Sheets**

(Unaudited)

(In thousands)	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023
ASSETS					
Cash and due from banks	\$ 490,161	\$ 435,569	\$ 456,938	\$ 557,009	\$ 443,504
Interest bearing deposits with other banks and Federal funds sold	1,698,300	2,210,277	2,758,385	3,146,439	1,811,686
Available for sale securities, at fair value	7,636,683	7,915,636	8,033,552	8,269,708	9,300,714
Loans and leases, net of unearned income	33,461,931	33,279,819	32,945,526	32,737,574	32,529,030
Allowance for credit losses	465,971	469,919	475,181	473,849	447,879
Net loans and leases	32,995,960	32,809,900	32,470,345	32,263,725	32,081,151
Loans held for sale, at fair value	123,211	134,313	114,359	72,356	113,234
Premises and equipment, net	796,394	807,353	815,920	808,473	795,164
Goodwill	1,366,923	1,366,923	1,367,358	1,367,785	1,367,916
Other intangible assets, net	85,323	89,262	93,743	98,350	102,765
Bank-owned life insurance	651,166	650,307	646,124	643,189	640,439
Other assets	1,419,417	1,384,437	1,435,995	1,415,506	1,787,603
Total Assets	\$ 47,263,538	\$ 47,803,977	\$ 48,192,719	\$ 48,642,540	\$ 48,444,176
LIABILITIES					
Deposits:					
Demand: Noninterest bearing	\$ 8,676,765	\$ 8,616,534	\$ 8,757,029	\$ 9,072,619	\$ 9,625,912
Interest bearing	18,845,689	18,043,686	18,770,093	19,303,845	18,292,826
Savings	2,573,961	2,584,761	2,652,019	2,696,452	2,758,977
Time deposits	9,646,809	8,389,472	7,920,946	7,348,356	7,537,664
Total deposits	39,743,224	37,634,453	38,100,087	38,421,272	38,215,379
Securities sold under agreement to repurchase	18,053	32,375	65,821	209,348	753,018
Other short-term borrowings	905,815	3,512,218	3,500,000	3,500,000	3,503,320
Subordinated and long-term debt	123,442	265,790	404,231	434,579	443,251
Other liabilities	883,643	938,315	915,326	883,293	1,021,865
Total Liabilities	41,674,177	42,383,151	42,985,465	43,448,492	43,936,833
SHAREHOLDERS' EQUITY					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	457,798	455,954	456,618	456,437	456,636
Capital surplus	2,735,323	2,725,581	2,724,838	2,733,902	2,733,985
Accumulated other comprehensive loss	(634,307)	(703,619)	(838,710)	(777,940)	(1,279,235)
Retained earnings	2,863,554	2,775,917	2,697,515	2,614,656	2,428,964
Total Shareholders' Equity	5,589,361	5,420,826	5,207,254	5,194,048	4,507,343
Total Liabilities & Shareholders' Equity	\$ 47,263,538	\$ 47,803,977	\$ 48,192,719	\$ 48,642,540	\$ 48,444,176

Table 6**Consolidated Statements of Income****(Unaudited)**

Quarter Ended

(Dollars in thousands, except per share data)
INTEREST REVENUE:

	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023
Loans and leases	\$ 540,147	\$ 555,862	\$ 539,685	\$ 528,940	\$ 531,340
Available for sale securities:					
Taxable	57,476	59,732	62,852	63,405	55,801
Tax-exempt	635	638	638	687	1,927
Loans held for sale	1,694	1,630	1,652	1,184	1,418
Short-term investments	20,369	29,851	37,383	42,897	24,701
Total interest revenue	620,321	647,713	642,210	637,113	615,187

INTEREST EXPENSE:

Interest bearing demand deposits and money market accounts	135,965	142,179	146,279	149,403	139,144
Savings	3,684	3,695	3,743	3,801	3,918
Time deposits	103,785	94,944	89,173	80,670	80,143
Federal funds purchased and securities sold under agreement to repurchase	293	561	724	2,523	8,254
Short-term debt	10,779	42,003	41,544	42,109	44,451
Subordinated and long-term debt	1,284	2,873	4,429	4,699	4,672
Total interest expense	255,790	286,255	285,892	283,205	280,582
Net interest revenue	364,531	361,458	356,318	353,908	334,605
Provision for credit losses	15,000	12,000	22,000	22,000	38,000
Net interest revenue, after provision for credit losses	349,531	349,458	334,318	331,908	296,605

NONINTEREST REVENUE:

Wealth management	23,973	24,110	24,006	22,833	22,576
Deposit service charges	18,694	18,814	17,652	18,338	11,161
Credit card, debit card and merchant fees	12,664	12,649	12,770	12,162	12,902
Mortgage banking	3,554	1,133	6,173	6,443	(1,137)
Security losses	(3)	(2,947)	(4)	(9)	(384,524)
Other noninterest income	27,283	32,142	40,061	24,019	27,562
Total noninterest revenue	86,165	85,901	100,658	83,786	(311,460)

NONINTEREST EXPENSE:

Salaries and employee benefits	152,381	152,237	148,038	156,650	148,081
Occupancy and equipment	27,275	28,894	29,367	28,640	28,009
Data processing and software	33,226	29,164	29,467	30,028	32,922
Deposit insurance assessments	8,284	7,481	15,741	8,414	45,733
Amortization of intangibles	3,904	3,933	3,999	4,066	4,405
Pension settlement expense	—	—	—	—	11,226
Merger expense	—	—	—	—	—
Other noninterest expense	41,116	37,729	30,085	35,409	58,991
Total noninterest expense	266,186	259,438	256,697	263,207	329,367
Income (loss) from continuing operations before taxes	169,510	175,921	178,279	152,487	(344,222)
Income tax expense (benefit)	36,795	39,482	40,807	35,509	(80,485)
Income (loss) from continuing operations	\$ 132,715	\$ 136,439	\$ 137,472	\$ 116,978	\$ (263,737)
Income from discontinued operations	—	—	—	—	706,129
Income tax expense from discontinued operations	—	—	—	—	183,328
Income from discontinued operations, net of taxes	—	—	—	—	522,801

Net income	132,715	136,439	137,472	116,978	259,064
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372
Net income available to common shareholders	\$ 130,343	\$ 134,067	\$ 135,100	\$ 114,606	\$ 256,692
Diluted earnings (losses) per common share from continuing operations	\$ 0.70	\$ 0.72	\$ 0.73	\$ 0.62	\$ (1.46)
Diluted earnings per common share	\$ 0.70	\$ 0.72	\$ 0.73	\$ 0.62	\$ 1.41

Table 7

Selected Loan Portfolio Data

(Unaudited)

(In thousands)	Quarter Ended				
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023
LOAN AND LEASE PORTFOLIO:					
Commercial and industrial					
Non-real estate	\$ 8,670,529	\$ 8,692,639	\$ 9,136,929	\$ 9,121,457	\$ 8,935,598
Owner occupied	4,665,015	4,557,723	4,475,647	4,442,357	4,349,060
Total commercial and industrial	13,335,544	13,250,362	13,612,576	13,563,814	13,284,658
Commercial real estate					
Construction, acquisition and development	3,909,184	3,931,821	3,892,527	3,864,351	3,910,962
Income producing	6,015,773	5,978,695	5,851,340	5,783,943	5,736,871
Total commercial real estate	9,924,957	9,910,516	9,743,867	9,648,294	9,647,833
Consumer					
Residential mortgages	10,267,883	9,933,222	9,740,713	9,447,675	9,329,692
Other consumer	213,371	209,872	215,617	222,833	234,839
Total consumer	10,481,254	10,143,094	9,956,330	9,670,508	9,564,531
Total loans and leases, net of unearned income	\$ 33,741,755	\$ 33,303,972	\$ 33,312,773	\$ 32,882,616	\$ 32,497,022

NONPERFORMING ASSETS

Nonperforming Loans and Leases

Commercial and industrial					
Non-real estate	\$ 145,115	\$ 148,267	\$ 121,171	\$ 149,683	\$ 131,559
Owner occupied	16,904	15,127	13,700	5,962	7,097
Total commercial and industrial	162,019	163,394	134,871	155,645	138,656
Commercial real estate					
Construction, acquisition and development	8,600	2,034	4,923	3,787	1,859
Income producing	18,542	25,112	15,002	19,428	17,485
Total commercial real estate	27,142	27,146	19,925	23,215	19,344
Consumer					
Residential mortgages	75,287	82,191	61,677	61,886	57,881
Other consumer	244	223	273	261	260
Total consumer	75,531	82,414	61,950	62,147	58,141
Total nonperforming loans and leases ⁽¹⁾	\$ 264,692	\$ 272,954	\$ 216,746	\$ 241,007	\$ 216,141
Other real estate owned and repossessed assets	5,754	5,354	4,793	5,280	6,246
Total nonperforming assets	\$ 270,446	\$ 278,308	\$ 221,539	\$ 246,287	\$ 222,387

Government guaranteed portion of nonaccrual loans and leases covered by the SBA, FHA, VA or USDA	\$	89,906	\$	81,632	\$	71,418	\$	59,897	\$	49,551
Loans and leases 90+ days past due, still accruing	\$	13,126	\$	11,757	\$	6,150	\$	30,048	\$	22,466

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

Table 8
Allowance for Credit Losses
(Unaudited)

(Dollars in thousands)	Quarter Ended				
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023
ALLOWANCE FOR CREDIT LOSSES:					
Balance, beginning of period	\$ 460,859	\$ 470,022	\$ 472,575	\$ 468,034	\$ 446,859
Charge-offs:					
Commercial and industrial	(15,116)	(21,620)	(23,340)	(16,997)	(21,385)
Commercial real estate	(167)	(222)	(649)	(2,244)	(2,290)
Consumer	(2,679)	(2,681)	(2,294)	(2,395)	(3,229)
Total loans charged-off	(17,962)	(24,523)	(26,283)	(21,636)	(26,904)
Recoveries:					
Commercial and industrial	2,613	1,647	2,943	1,312	2,117
Commercial real estate	549	65	101	150	95
Consumer	734	648	686	715	867
Total recoveries	3,896	2,360	3,730	2,177	3,079
Net charge-offs	(14,066)	(22,163)	(22,553)	(19,459)	(23,825)
Provision for credit losses related to loans and leases	14,000	13,000	20,000	24,000	45,000
Balance, end of period	\$ 460,793	\$ 460,859	\$ 470,022	\$ 472,575	\$ 468,034
Average loans and leases, net of unearned income, for period	\$ 33,461,931	\$ 33,279,819	\$ 32,945,526	\$ 32,737,574	\$ 32,529,030
Ratio: Net charge-offs to average loans and leases ⁽²⁾	0.17 %	0.26 %	0.28 %	0.24 %	0.29 %
RESERVE FOR UNFUNDED COMMITMENTS ⁽¹⁾					
Balance, beginning of period	\$ 7,551	\$ 8,551	\$ 6,551	\$ 8,551	\$ 15,551
Provision (reversal) for credit losses for unfunded commitments	1,000	(1,000)	2,000	(2,000)	(7,000)
Balance, end of period	\$ 8,551	\$ 7,551	\$ 8,551	\$ 6,551	\$ 8,551

(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)

December 31, 2024

	<div>Purchased Credit Deteriorated</div>						
(In thousands)	Pass	Special Mention	Substandard	Doubtful	Impaired	(Loss)	Total
LOAN AND LEASE PORTFOLIO:							
Commercial and industrial							
Non-real estate	\$ 8,208,176	\$ 106,996	\$ 311,096	\$ 8,743	\$ 31,996	\$ 3,522	\$ 8,670,529
Owner occupied	4,610,775	815	41,363	—	10,968	1,094	4,665,015
Total commercial and industrial	12,818,951	107,811	352,459	8,743	42,964	4,616	13,335,544
Commercial real estate							
Construction, acquisition and development	3,896,856	—	12,262	—	66	—	3,909,184
Income producing	5,850,702	5,094	144,084	—	15,893	—	6,015,773
Total commercial real estate	9,747,558	5,094	156,346	—	15,959	—	9,924,957
Consumer							
Residential mortgages	10,167,830	891	89,597	—	8,154	1,411	10,267,883
Other consumer	212,865	—	506	—	—	—	213,371
Total consumer	10,380,695	891	90,103	—	8,154	1,411	10,481,254
Total loans and leases, net of unearned income	\$ 32,947,204	\$ 113,796	\$ 598,908	\$ 8,743	\$ 67,077	\$ 6,027	\$ 33,741,755

September 30, 2024

	Purchased						
	Credit						
	Deteriorated						
(In thousands)	Pass	Special Mention	Substandard	Doubtful	Impaired	(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	\$ 33,303,97

Table 10

Geographical Loan Information
(Unaudited)

	December 31, 2024						
(Dollars in thousands)	Alabama	Arkansas	Florida	Georgia	Louisiana	Mississippi	Missouri
LOAN AND LEASE PORTFOLIO:							
Commercial and industrial							
Non-real estate	\$ 413,359	\$ 169,534	\$ 532,224	\$ 446,812	\$ 371,543	\$ 536,651	\$ 64,84
Owner occupied	337,580	253,538	308,545	400,342	298,787	624,950	107,443
Total commercial and industrial	750,939	423,072	840,769	847,154	670,330	1,161,601	172,289
Commercial real estate							
Construction, acquisition and development	230,810	65,358	438,173	543,249	36,194	169,336	45,690
Income producing	437,146	259,767	477,493	613,337	226,849	424,078	204,119
Total commercial real estate	667,956	325,125	915,666	1,156,586	263,043	593,414	249,809
Consumer							
Residential mortgages	1,300,485	425,602	709,335	449,117	478,947	1,214,542	210,712
Other consumer	27,186	17,653	5,002	7,817	10,653	86,059	1,322
Total consumer	1,327,671	443,255	714,337	456,934	489,600	1,300,601	212,034
Total	\$2,746,566	\$ 1,191,452	\$ 2,470,772	\$ 2,460,674	\$ 1,422,973	\$ 3,055,616	\$ 634,13
Loan growth (decline), excluding loans							
acquired during the quarter (\$)	\$ 79,452	\$ 25,420	\$ 91,514	\$ 113,446	\$ 19,029	\$ 47,708	\$ 10,05
Loan growth (decline), excluding loans							
acquired during the quarter (%) (annualized)	11.85 %	8.67 %	15.30 %	19.23 %	5.39 %	6.31 %	6.41 %

	September 30, 2024						
(Dollars in thousands)	Alabama	Arkansas	Florida	Georgia	Louisiana	Mississippi	Missouri
LOAN AND LEASE PORTFOLIO:							
Commercial and industrial							
Non-real estate	\$ 373,496	\$ 174,110	\$ 503,478	\$ 451,079	\$ 347,397	\$ 493,209	\$
Owner occupied	342,037	248,109	302,228	323,643	296,937	625,425	101,50
Total commercial and industrial	715,533	422,219	805,706	774,722	644,334	1,118,634	169,02
Commercial real estate							
Construction, acquisition and development	214,627	72,186	467,852	553,316	42,963	183,412	40,413
Income producing	425,613	248,133	408,683	574,925	232,605	428,569	204,35
Total commercial real estate	640,240	320,319	876,535	1,128,241	275,568	611,981	244,76
Consumer							
Residential mortgages	1,284,111	406,108	691,794	436,840	473,271	1,193,982	208,75
Other consumer	27,230	17,386	5,223	7,425	10,771	83,311	1,542
Total consumer	1,311,341	423,494	697,017	444,265	484,042	1,277,293	210,29
Total loans and leases, net of unearned income	\$ 2,667,114	\$ 1,166,032	\$ 2,379,258	\$ 2,347,228	\$ 1,403,944	\$ 3,007,908	\$ 6

Table 11

Noninterest Revenue and Expense

(Unaudited)

(In thousands)	Quarter Ended					Year-
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec 2023
NONINTEREST REVENUE:						
Trust and asset management income	\$ 12,485	\$ 12,055	\$ 12,645	\$ 11,322	\$ 11,301	\$ 48,813
Investment advisory fees	8,502	8,641	8,180	8,336	8,084	33,663
Brokerage and annuity fees	2,986	3,414	3,181	3,175	3,191	12,757
Deposit service charges	18,694	18,814	17,652	18,338	11,161	73,499
Credit card, debit card and merchant fees	12,664	12,649	12,770	12,162	12,902	50,247
Mortgage banking excl. MSR and MSR hedge market value adjustment	6,293	8,171	9,875	9,116	6,966	33,451
MSR and MSR hedge market value adjustment	(2,739)	(7,038)	(3,702)	(2,673)	(8,103)	(16,115)
Security losses, net	(3)	(2,947)	(4)	(9)	(384,524)	(2,967)
Bank-owned life insurance	5,046	4,353	4,370	3,946	4,728	17,713
Other miscellaneous income	22,237	27,789	35,691	20,073	22,834	105,724
Total noninterest revenue	\$ 86,165	\$ 85,901	\$ 100,658	\$ 83,786	\$ (311,460)	\$ 395,113
NONINTEREST EXPENSE:						
Salaries and employee benefits	\$ 152,381	\$ 152,237	\$ 148,038	\$ 156,650	\$ 148,081	\$ 607,387
Occupancy and equipment	27,275	28,894	29,367	28,640	28,009	114,185
Data processing and software	33,226	29,164	29,467	30,028	32,922	121,816
Deposit insurance assessments	8,284	7,481	15,741	8,414	45,733	39,923
Amortization of intangibles	3,904	3,933	3,999	4,066	4,405	15,907
Pension settlement expense	—	—	—	—	11,226	—
Merger expense	—	—	—	—	—	—
Advertising and public relations	5,870	5,481	6,537	4,224	12,632	22,114
Foreclosed property expense	621	486	515	268	915	1,891
Telecommunications	1,359	1,513	1,441	1,545	1,356	5,857
Travel and entertainment	2,618	2,612	2,549	2,236	3,146	10,011
Professional, consulting and outsourcing	4,540	4,115	3,534	3,935	5,194	16,128
Legal	4,176	3,664	758	3,682	13,724	12,270
Postage and shipping	1,624	1,677	1,622	2,205	1,907	7,128
Other miscellaneous expense	20,308	18,181	13,129	17,314	20,117	68,939
Total noninterest expense	\$ 266,186	\$ 259,438	\$ 256,697	\$ 263,207	\$ 329,367	\$ 1,006,929

Table 12

Average Balance and Yields

(Unaudited)

(Dollars in thousands)	Quarter Ended					
	December 31, 2024			September 30, 2024		
	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate

ASSETS**Interest-earning assets:**

Loans and leases, excluding accretion	\$ 33,461,931	\$ 538,204	6.40 %	\$ 33,279,819	\$ 553,394	6.62 %	\$ 32,529,030
Accretion income on acquired loans		2,422	0.03		2,992	0.04	
Loans held for sale	123,211	1,694	5.47	134,313	1,630	4.83	113,234
Investment securities							
Taxable	7,555,265	57,476	3.03	7,834,596	59,732	3.03	9,044,724
Tax-exempt	81,418	804	3.93	81,040	808	3.97	255,990
Total investment securities	7,636,683	58,280	3.04	7,915,636	60,540	3.04	9,300,714
Other investments	1,698,300	20,369	4.77	2,210,277	29,851	5.37	1,811,686
Total interest-earning assets	42,920,125	620,969	5.76 %	43,540,045	648,407	5.92 %	43,754,664
Other assets	4,809,384			4,733,851			5,137,391
Allowance for credit losses	465,971			469,919			447,879
Total assets	<u>\$ 47,263,538</u>			<u>\$ 47,803,977</u>			<u>\$ 48,444,176</u>

LIABILITIES AND SHAREHOLDERS' EQUITY**Interest-bearing liabilities:**

Interest bearing demand and money market	\$ 18,845,689	\$ 135,965	2.87 %	\$ 18,043,686	\$ 142,179	3.13 %	\$ 18,292,826
Savings deposits	2,573,961	3,684	0.57	2,584,761	3,695	0.57	2,758,977
Time deposits	9,646,809	103,785	4.28	8,389,472	94,944	4.50	7,537,664
Total interest-bearing deposits	31,066,459	243,434	3.12	29,017,919	240,818	3.30	28,589,467
Fed funds purchased, securities sold under agreement to repurchase and other	26,042	300	4.58	44,593	572	5.10	756,338
Short-term BTFP borrowings	897,826	10,772	4.77	3,500,000	41,992	4.77	3,500,000
Subordinated and long-term borrowings	123,442	1,284	4.14	265,790	2,873	4.30	443,251
Total interest-bearing liabilities	32,113,769	255,790	3.17 %	32,828,302	286,255	3.47 %	33,289,056

Noninterest-bearing liabilities:

Demand deposits	8,676,765			8,616,534			9,625,912
Other liabilities	883,643			938,315			1,021,865
Total liabilities	41,674,177			42,383,151			43,936,833

Shareholders' equity

Shareholders' equity	5,589,361			5,420,826			4,507,343
Total liabilities and shareholders' equity	<u>\$ 47,263,538</u>			<u>\$ 47,803,977</u>			<u>\$ 48,444,176</u>
Net interest income/net interest spread		365,179	2.59 %		362,152	2.45 %	
Net yield on earning assets/net interest margin			3.38 %			3.31 %	

Taxable equivalent adjustment:

Loans and investment securities	(648)	(694)
Net interest revenue	<u>\$ 364,531</u>	<u>\$ 361,458</u>

Table 12**Average Balance and Yields Continued**

Year-To-Date	
December 31, 2024	December 31, 2023

(Dollars in thousands)	Average	Income/	Yield/	Average	Income/	Yield/
	Balance	Expense	Rate	Balance	Expense	Rate
ASSETS						
Interest-earning assets:						
Loans and leases, excluding accretion	\$ 33,107,659	\$ 2,154,654	6.50 %	\$ 31,913,925	\$ 1,980,600	6.21 %
Accretion income on acquired loans		11,911	0.04		25,949	0.08
Loans held for sale	111,156	6,161	5.54	85,961	4,450	5.18
Investment securities						
Taxable	7,881,989	243,466	3.09	9,971,325	208,122	2.09
Tax-exempt	80,880	3,289	4.07	351,010	11,653	3.32
Total investment securities	7,962,869	246,755	3.10	10,322,335	219,775	2.13
Other investments	2,450,623	130,499	5.33	1,629,036	83,577	5.13
Total interest-earning assets	43,632,307	2,549,980	5.84 %	43,951,257	2,314,351	5.27 %
Other assets	4,812,184			5,204,505		
Allowance for credit losses	471,212			451,809		
Total assets	<u>\$ 47,973,279</u>			<u>\$ 48,703,953</u>		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Interest-bearing liabilities:						
Interest bearing demand and money market	\$ 18,739,210	573,826	3.06 %	\$ 18,314,649	\$ 472,723	2.58 %
Savings deposits	2,626,539	14,922	0.57	3,028,875	14,955	0.49
Time deposits	8,330,176	368,572	4.42	6,674,231	246,476	3.69
Total interest-bearing deposits	29,695,925	957,320	3.22	28,017,755	734,154	2.62
Fed funds purchased, securities sold under agreement to repurchase and other	86,171	4,131	4.79	800,170	32,590	4.07
Short-term FHLB borrowings	—	—	—	1,389,759	68,235	4.91
Short-term BTFP borrowings	2,845,902	136,404	4.79	2,052,055	104,696	5.10
Subordinated and long-term borrowings	306,396	13,287	4.34	452,645	19,136	4.23
Total interest-bearing liabilities	32,934,394	1,111,142	3.37 %	32,712,384	958,811	2.93 %
Noninterest-bearing liabilities:						
Demand deposits	8,780,004			10,610,698		
Other liabilities	905,176			893,438		
Total liabilities	42,619,574			44,216,520		
Shareholders' equity	5,353,705			4,487,433		
Total liabilities and shareholders' equity	<u>\$ 47,973,279</u>			<u>\$ 48,703,953</u>		
Net interest income/net interest spread		1,438,838	2.47 %		1,355,540	2.33 %
Net yield on earning assets/net interest margin			3.30 %			3.08 %
Taxable equivalent adjustment:						
Loans and investment securities		(2,623)			(4,184)	
Net interest revenue		<u>\$ 1,436,215</u>			<u>\$ 1,351,356</u>	

Table 13

Selected Additional Data

(Unaudited)

(Dollars in thousands)	Quarter Ended				
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023
MORTGAGE SERVICING RIGHTS ("MSR"):					
Fair value, beginning of period	\$ 104,891	\$ 113,595	\$ 111,685	\$ 106,824	\$ 116,266
Originations of servicing assets	4,227	3,361	3,687	2,736	2,636
Changes in fair value:					
Due to changes in valuation inputs or assumptions ⁽¹⁾	9,193	(8,232)	927	4,781	(9,043)
Other changes in fair value ⁽²⁾	(3,717)	(3,833)	(2,704)	(2,656)	(3,035)
Fair value, end of period	\$ 114,594	\$ 104,891	\$ 113,595	\$ 111,685	\$ 106,824

MORTGAGE BANKING REVENUE:

Origination	\$ 332	\$ 2,145	\$ 3,976	\$ 3,165	\$ 1,040
Servicing	5,961	6,026	5,899	5,951	5,926
Total mortgage banking revenue excluding MSR	6,293	8,171	9,875	9,116	6,966
Due to changes in valuation inputs or assumptions ⁽¹⁾	9,193	(8,232)	927	4,781	(9,043)
Other changes in fair value ⁽²⁾	(3,717)	(3,833)	(2,704)	(2,656)	(3,035)
Market value adjustment on MSR Hedge	(8,215)	5,027	(1,925)	(4,798)	3,975
Total mortgage banking revenue	\$ 3,554	\$ 1,133	\$ 6,173	\$ 6,443	\$ (1,137)

Mortgage loans serviced	\$ 8,043,306	\$ 7,927,028	\$ 7,824,895	\$ 7,764,936	\$ 7,702,592
-------------------------	--------------	--------------	--------------	--------------	--------------

MSR/mortgage loans serviced	1.42 %	1.32 %	1.45 %	1.44 %	1.39 %
-----------------------------	--------	--------	--------	--------	--------

(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				
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023
AVAILABLE FOR SALE SECURITIES, at fair value					
U.S. Treasury securities	\$ —	\$ —	\$ —	\$ 239,402	\$ 465,018
Obligations of U.S. government agencies	281,231	300,730	305,200	318,233	332,011
Mortgage-backed securities issued or guaranteed by					
U.S. agencies ("MBS"):					
Residential pass-through:					
Guaranteed by GNMA	66,581	71,001	69,788	72,034	75,662
Issued by FNMA and FHLMC	3,965,556	4,163,760	4,125,416	4,254,227	4,387,101
Other residential mortgage-back securities	934,721	1,135,004	1,233,868	1,210,617	727,434
Commercial mortgage-backed securities	1,549,641	1,664,288	1,673,823	1,694,967	1,742,837
Total MBS	6,516,499	7,034,053	7,102,895	7,231,845	6,933,034
Obligations of states and political subdivisions	132,069	137,996	133,155	134,643	137,624
Other domestic debt securities	47,402	51,599	64,288	67,421	67,197
Foreign debt securities	316,787	317,307	315,884	315,045	140,592
Total available for sale securities	\$ 7,293,988	\$ 7,841,685	\$ 7,921,422	\$ 8,306,589	\$ 8,075,476

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	
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec 2024	Dec 2023
Adjusted Income from Continuing Operations							
Available to Common Shareholders							
Income (loss) from continuing operations	\$ 132,715	\$ 136,439	\$ 137,472	\$ 116,978	\$ (263,737)	\$ 523,604	\$ 5,192
Plus: Merger expense	—	—	—	—	—	—	5,192
Incremental merger related expense	—	—	—	—	7,500	—	18,131
Gain on extinguishment of debt	—	—	(1,098)	(576)	(652)	(1,674)	(1,792)
Restructuring and other nonroutine expenses	(505)	(920)	6,675	251	41,522	5,501	57,548
Pension settlement expense	—	—	—	—	11,226	—	11,826
Less: Security losses, net	(3)	(2,947)	(4)	(9)	(384,524)	(2,962)	(435,600)
Gain on sale of businesses	—	—	14,980	—	—	14,980	—
Nonroutine losses, net	—	—	—	—	—	—	(6,653)
Tax adjustment	(118)	476	(2,209)	(74)	105,275	(1,925)	126,210
Adjusted income from continuing operations	132,331	137,990	130,282	116,736	75,108	517,338	410,660
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	9,488	9,488
Adjusted income from continuing operations available to common shareholders	\$ 129,959	\$ 135,618	\$ 127,910	\$ 114,364	\$ 72,736	\$ 507,850	\$ 401,172

(In thousands)	Quarter Ended					Year-to-date	
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec 2024	Dec 2023
Pre-Tax Pre-Provision Net Revenue							
from Continuing Operations							
Income (loss) from continuing operations	\$ 132,715	\$ 136,439	\$ 137,472	\$ 116,978	\$ (263,737)	\$ 523,604	\$ 3,684
Plus: Provision for credit losses	15,000	12,000	22,000	22,000	38,000	71,000	80,000
Income tax expense (benefit)	36,795	39,482	40,807	35,509	(80,485)	152,593	(4,594)
Pre-tax pre-provision net revenue from							
continuing operations	\$ 184,510	\$ 187,921	\$ 200,279	\$ 174,487	\$ (306,222)	\$ 747,197	\$ 79,090

(In thousands)	Quarter Ended					Year-to-date	
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec 2024	Dec 2023
Adjusted Pre-Tax Pre-Provision Net Revenue							
from Continuing Operations							
Income (loss) from continuing operations	\$ 132,715	\$ 136,439	\$ 137,472	\$ 116,978	\$ (263,737)	\$ 523,604	\$ 3,684
Plus: Provision for credit losses	15,000	12,000	22,000	22,000	38,000	71,000	80,000
Merger expense	—	—	—	—	—	—	5,190
Incremental merger related expense	—	—	—	—	7,500	—	18,100
Gain on extinguishment of debt	—	—	(1,098)	(576)	(652)	(1,674)	(1,700)
Restructuring and other nonroutine expenses	(505)	(920)	6,675	251	41,522	5,501	57,500
Pension settlement expense	—	—	—	—	11,226	—	11,800
Income tax expense (benefit)	36,795	39,482	40,807	35,509	(80,485)	152,593	(4,594)
Less: Security losses, net	(3)	(2,947)	(4)	(9)	(384,524)	(2,962)	(435,652)
Gain on sale of businesses	—	—	14,980	—	—	14,980	—
Nonroutine losses, net	—	—	—	—	—	—	(6,653)
Adjusted pre-tax pre-provision net revenue							
from continuing operations	\$ 184,008	\$ 189,948	\$ 190,880	\$ 174,171	\$ 137,898	\$ 739,006	\$ 79,090

(In thousands)	Quarter Ended					Year-to-date	
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec 2024	Dec 2023
Total Adjusted Revenue							
Net interest revenue	\$ 364,531	\$ 361,458	\$ 356,318	\$ 353,908	\$ 334,605	\$ 1,436,215	\$ 1,351,356
Total Adjusted Noninterest Revenue							
Total noninterest revenue	\$ 86,165	\$ 85,901	\$ 100,658	\$ 83,786	\$ (311,460)	\$ 356,510	\$ (116,343)
Less: Security losses, net	(3)	(2,947)	(4)	(9)	(384,524)	(2,962)	(435,652)
Gain on sale of businesses	—	—	14,980	—	—	14,980	—
Nonroutine losses, net	—	—	—	—	—	—	(6,653)
Total adjusted noninterest revenue	\$ 86,168	\$ 88,848	\$ 85,682	\$ 83,795	\$ 73,064	\$ 344,492	\$ 325,962
Total adjusted revenue	\$ 450,699	\$ 450,306	\$ 442,000	\$ 437,703	\$ 407,669	\$ 1,780,707	\$ 1,677,318

(In thousands)	Quarter Ended					Year-to-date	
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec 2024	Dec 2023

Total Adjusted Noninterest Expense

Total noninterest expense	\$ 266,186	\$ 259,438	\$ 256,697	\$ 263,207	\$ 329,367	\$ 1,045,528	\$ 1
Less: Merger expense	—	—	—	—	—	—	5,19
Incremental merger related expense	—	—	—	—	7,500	—	18,1
Gain on extinguishment of debt	—	—	(1,098)	(576)	(652)	(1,674)	(1,7)
Restructuring and other nonroutine expenses	(505)	(920)	6,675	251	41,522	5,501	57,5
Pension settlement expense	—	—	—	—	11,226	—	11,8
Total adjusted noninterest expense	\$ 266,691	\$ 260,358	\$ 251,120	\$ 263,532	\$ 269,771	\$ 1,041,701	\$ 1

(In thousands)	Quarter Ended					Year-to-date	
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023	Dec 2024	Dec 2023
Total Tangible Assets, Excluding AOCI							
Total assets	\$ 47,019,190	\$ 49,204,933	\$ 47,984,078	\$ 48,313,863	\$ 48,934,510	\$ 47,019,190	\$ 48,934,51
Less: Goodwill	1,366,923	1,366,923	1,366,923	1,367,785	1,367,785	1,366,923	1,367,785
Other intangible assets, net	83,190	87,094	91,027	96,126	100,191	83,190	100,191
Total tangible assets	45,569,077	47,750,916	46,526,128	46,849,952	47,466,534	45,569,077	47,466,534
Less: AOCI	(694,495)	(590,342)	(782,462)	(791,333)	(761,829)	(694,495)	(761,829)
Total tangible assets, excluding AOCI	\$ 46,263,572	\$ 48,341,258	\$ 47,308,590	\$ 47,641,285	\$ 48,228,363	\$ 46,263,572	\$ 48,228,36

(Dollars in thousands, except per share data)	Quarter Ended				
	Dec 2024	Sep 2024	Jun 2024	Mar 2024	Dec 2023
PERIOD END BALANCES:					
Total Shareholders' Equity, Excluding AOCI					
Total shareholders' equity	\$5,569,683	\$5,572,863	\$5,287,758	\$5,189,932	\$5,167,843
Less: AOCI	(694,495)	(590,342)	(782,462)	(791,333)	(761,829)
Total shareholders' equity, excluding AOCI	\$6,264,178	\$6,163,205	\$6,070,220	\$5,981,265	\$5,929,672

Common Shareholders' Equity, Excluding AOCI					
Total shareholders' equity	\$5,569,683	\$5,572,863	\$5,287,758	\$5,189,932	\$5,167,843
Less: preferred stock	166,993	166,993	166,993	166,993	166,993
Common shareholders' equity	5,402,690	5,405,870	5,120,765	5,022,939	5,000,850
Less: AOCI	(694,495)	(590,342)	(782,462)	(791,333)	(761,829)
Common shareholders' equity, excluding AOCI	\$6,097,185	\$5,996,212	\$5,903,227	\$5,814,272	\$5,762,679

Total Tangible Common Shareholders' Equity, Excluding AOCI					
Total shareholders' equity	\$5,569,683	\$5,572,863	\$5,287,758	\$5,189,932	\$5,167,843
Less: Goodwill	1,366,923	1,366,923	1,366,923	1,367,785	1,367,785
Other intangible assets, net	83,190	87,094	91,027	96,126	100,191
Preferred stock	166,993	166,993	166,993	166,993	166,993
Total tangible common shareholders' equity	3,952,577	3,951,853	3,662,815	3,559,028	3,532,874
Less: AOCI	(694,495)	(590,342)	(782,462)	(791,333)	(761,829)
Total tangible common shareholders' equity, excluding AOCI	\$4,647,072	\$4,542,195	\$4,445,277	\$4,350,361	\$4,294,703

AVERAGE BALANCES:

Total Tangible Common Shareholders' Equity					
Total shareholders' equity	\$5,589,361	\$5,420,826	\$5,207,254	\$5,194,048	\$4,507,343
Less: Goodwill	1,366,923	1,366,923	1,367,358	1,367,785	1,367,916
Other intangible assets, net	85,323	89,262	93,743	98,350	102,765
Preferred stock	166,993	166,993	166,993	166,993	166,993
Total tangible common shareholders' equity	\$3,970,122	\$3,797,648	\$3,579,160	\$3,560,920	\$2,869,669
Total average assets	\$47,263,538	\$47,803,977	\$48,192,719	\$48,642,540	\$48,444,176
Total shares of common stock outstanding	183,527,575	182,315,142	182,430,427	182,681,325	182,871,775
Average shares outstanding-diluted	186,038,243	185,496,110	185,260,963	185,574,130	182,688,190
Tangible common shareholders' equity to tangible assets ⁽¹⁾	8.67 %	8.28 %	7.87 %	7.60 %	7.44 %
Tangible common shareholders' equity, excluding AOCI, to tangible assets, excluding AOCI ⁽²⁾	10.04	9.40	9.40	9.13	8.90
Return on average tangible common equity from continuing operations ⁽³⁾	13.06	14.04	15.18	12.94	(36.79)
Return on average tangible common equity ⁽⁴⁾	13.06	14.04	15.18	12.94	35.49
Adjusted return on average tangible common equity from continuing operations ⁽⁵⁾	13.02	14.21	14.37	12.92	10.06
Adjusted return on average assets from continuing operations ⁽⁶⁾	1.11	1.15	1.09	0.97	0.62
Adjusted return on average common shareholders' equity from continuing operations ⁽⁷⁾	9.53	10.27	10.21	9.15	6.65
Pre-tax pre-provision net revenue from continuing operations to total average assets ⁽⁸⁾	1.55	1.56	1.67	1.44	(2.51)
Adjusted pre-tax pre-provision net revenue from continuing operations to total average assets ⁽⁹⁾	1.55	1.58	1.59	1.44	1.13
Tangible book value per common share ⁽¹⁰⁾	\$ 21.54	\$ 21.68	\$ 20.08	\$ 19.48	\$ 19.32
Tangible book value per common share, excluding AOCI ⁽¹¹⁾	25.32	24.91	24.37	23.81	23.48
Adjusted earnings from continuing operations per common share ⁽¹²⁾	\$ 0.70	\$ 0.73	\$ 0.69	\$ 0.62	\$ 0.40
Adjusted dividend payout ratio from continuing operations ⁽¹³⁾	35.71 %	34.25 %	36.23 %	40.32 %	58.75 %

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.

SOURCE Cadence Bank

For further information: Valerie C. Toalson, Senior Executive Vice President and Chief Financial Officer and President of Banking Services, 713/871-3903, or Will Fisackerly, Executive Vice President and Director of Corporate Finance, 662/680-2475

Additional assets available online: [Documents \(1\)](#)

Cadence Bank

201 S. Spring St., Tupelo, MS 38804 | (662) 680-2000

<https://ir.cadencebank.com/2025-01-22-Cadence-Bank-Announces-Fourth-Quarter-2024-and-Annual-Financial-Results-Announces-Increase-in-Quarterly-Common-Dividend>