

NEWS RELEASE

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Associated Reports First Quarter Earnings of \$0.30 per share Earnings per share up 11% from prior year

GREEN BAY, Wis. — April 16, 2015 — Associated Banc-Corp (NYSE: ASB) today reported net income to common shareholders of \$45 million, or \$0.30 per common share, for the quarter ended March 31, 2015. This compares to net income to common shareholders of \$44 million, or \$0.27 per common share, for the quarter ended March 31, 2014.

“We are pleased to report another quarter of solid results. Continued loan growth, a strong boost in insurance revenues, and a benign credit environment all helped drive this quarter’s performance,” said President and CEO Philip B. Flynn. “We remain focused on our strategies to enhance efficiency and on opportunities for disciplined capital deployment.”

HIGHLIGHTS

- Average loans grew \$428 million or 2% from the fourth quarter
 - Average total commercial loan balances grew \$309 million, or 3% from the fourth quarter, and accounted for the majority of this quarter’s average loan growth
- Average deposits grew \$523 million or 3% from the fourth quarter
- Net interest income of \$168 million increased \$3 million or 2% from the comparable year ago period
- Noninterest income of \$80 million increased \$10 million or 15% from the fourth quarter
 - Insurance commissions increased \$9 million from the fourth quarter
- Noninterest expenses of \$174 million increased \$2 million or 1% from the fourth quarter
- Pretax income of \$69 million increased \$2 million or 2% from the fourth quarter
- During the first quarter, the Company repurchased \$30 million, or approximately 1.7 million shares, of common stock at an average cost of \$17.27 per share
- Return on average Tier 1 common equity was 10.22% for the first quarter
- Capital ratios remain strong with a Tier 1 common equity ratio of 9.39% at March 31, 2015

FIRST QUARTER 2015 FINANCIAL RESULTS

Loans

Average loans of \$17.8 billion increased \$428 million, or 2% from the fourth quarter, and have increased \$1.7 billion, or 10% from the year ago quarter. Total commercial loans grew \$309 million on average from the fourth quarter and are up \$1.1 billion from the prior year. Commercial and business lending average balances grew \$272 million, or 4% on a linked-quarter basis. Commercial real estate lending average balances grew \$37 million, or 1% from the fourth quarter. Total average consumer loans were up \$119 million compared to the prior quarter as the growth in residential mortgage average balances of \$174 million was partially offset by continued, but slower, run off in home equity and installment loans.

Deposits

Average deposits of \$19.1 billion for the first quarter were up \$523 million, or 3% compared to the fourth quarter and have increased \$2.1 billion, or 12%, from the year ago quarter. Money market average balances increased \$444 million, or 5% from the fourth quarter, and were up \$1.5 billion, or 21% from the year ago quarter. Average checking balances have increased four consecutive quarters and were up slightly from the fourth quarter. Average time deposits increased \$45 million during the quarter marking a reversal of recent trends.

Net Interest Income and Net Interest Margin

First quarter net interest income of \$168 million was up \$3 million, or 2% from the year ago quarter, but down \$7 million from the fourth quarter. First quarter interest recoveries and prepayments were down \$2 million relative to the fourth quarter. In addition, long-term funding costs increased \$2 million from the fourth quarter. Lastly, the day count difference between the first and fourth quarters resulted in expected lower net interest income of approximately \$2 million.

First quarter net interest margin was 2.89%, a decrease of 15 basis points from the 3.04% reported in the fourth quarter. The first quarter yield on earning assets declined 12 basis points from the prior quarter. The majority of this decline is attributed to continued loan yield compression. In addition, lower interest recoveries and prepayments accounted for 3 basis points of the decline in earning asset yields. The majority of the 4 basis point, quarter over quarter increase in total funding costs is related to the full effect of the carrying cost of the Company's \$500 million debt issued in November 2014.

Noninterest Income and Expense

Noninterest income for the first quarter was \$80 million, up \$10 million or 15% from the fourth quarter, and up \$7 million or 9% from the year ago quarter. The Ahmann & Martin Co. acquisition closed during the first quarter and largely contributed to a \$9 million increase in insurance commissions from the fourth quarter. Mortgage banking income increased \$4 million from the prior quarter. First quarter net asset gains of \$1 million were down \$3 million from the prior quarter.

Total noninterest expense for the quarter ended March 31, 2015 was \$174 million, up \$2 million or 1% from the fourth quarter. Personnel expense increased \$3 million from the fourth quarter, largely attributed to the Ahmann & Martin Co. acquisition which added approximately 120 colleagues. Occupancy expenses increased by \$3 million from the previous quarter, primarily related to a lease termination charge, as we further consolidated office space in Chicago. Business development and advertising expenses declined \$3 million from the previous quarter, predominantly related to seasonal advertising during the fourth quarter.

Taxes

First quarter income taxes were \$22 million with an effective tax rate of 32%, compared to \$21 million with an effective tax rate of 31% in the year ago period.

Credit

Net charge offs of \$6 million for the first quarter were up \$1 million from the fourth quarter, and were up slightly from the year ago quarter. Potential problem loans of \$219 million increased \$28 million from the prior quarter. The first quarter provision for credit losses was essentially flat from the prior quarter at \$5 million.

The Company's allowance for loan losses was \$265 million, equal to 1.48% of loans and reflects a coverage ratio of 152% of nonaccrual loans at March 31, 2015.

Nonaccrual loans of \$174 million were down 2% compared to both the fourth quarter and the year ago quarter. The ratio of nonaccrual loans to total loans was down from the previous quarter and stands at 0.97%.

Capital Ratios

During the first quarter, the Company repurchased \$30 million of common stock in several open market transactions.

The Company's capital position remains strong, with a Tier 1 common equity ratio of 9.39% at March 31, 2015. The Company's capital ratios continue to be in excess of the Basel III "well-capitalized" regulatory benchmarks on a fully phased in basis.

FIRST QUARTER 2015 EARNINGS RELEASE CONFERENCE CALL

The Company will host a conference call for investors and analysts at 4:00 p.m. Central Time (CT) today, April 16, 2015. Interested parties can listen to the call live on the internet through the investor relations section of the company's website, <https://www.associatedbank.com/investor> or by dialing 877-407-8037. The slide presentation for the call will be available on the company's website just prior to the call. The number for international callers is 201-689-8037. Participants should ask the operator for the Associated Banc-Corp first quarter 2015 earnings call.

An audio archive of the webcast will be available on the company's website at <https://www.associatedbank.com/investor> approximately fifteen minutes after the call is over.

ABOUT ASSOCIATED BANC-CORP

Associated Banc-Corp (NYSE: ASB) has total assets of \$27 billion and is one of the top 50, publicly traded, U.S. bank holding companies. Headquartered in Green Bay, Wis., Associated is a leading Midwest banking franchise, offering a full range of financial products and services in over 200 banking locations serving more than 100 communities throughout Wisconsin, Illinois and Minnesota, and commercial financial services in Indiana, Michigan, Missouri, Ohio and Texas. Associated Bank, N.A. is an Equal Housing Lender, Equal Opportunity Lender and Member FDIC. More information about Associated Banc-Corp is available at www.associatedbank.com.

FORWARD LOOKING STATEMENTS

Statements made in this document which are not purely historical are forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. This includes any statements regarding management's plans, objectives, or goals for future operations, products or services, and forecasts of its revenues, earnings, or other measures of performance. Such forward-looking statements may be identified by the use of words such as "believe", "expect", "anticipate", "plan", "estimate", "should", "will", "intend", "outlook", or similar expressions. Forward-looking statements are based on current management expectations and, by their nature, are subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements. Factors which may cause actual results to differ materially from those contained in such forward-looking statements include those identified in the Company's most recent Form 10-K and subsequent SEC filings. Such factors are incorporated herein by reference.

NON-GAAP FINANCIAL MEASURES

This press release contains references to measures which are not defined in generally accepted accounting principles ("GAAP"), including "efficiency ratio," "Tier 1 common equity", and "core fee-based revenue." Information concerning these non-GAAP financial measures can be found in the attached tables.

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Associated Banc-Corp
Consolidated Balance Sheets (Unaudited)

| (in thousands) | March 31, 2015 | December 31, 2014 | Seql Qtr \$ Change | September 30, 2014 | June 30, 2014 | March 31, 2014 | Comp Qtr \$ Change |
|--|----------------------|----------------------|-----------------------|-----------------------|----------------------|----------------------|-----------------------|
| Assets | | | | | | | |
| Cash and due from banks | \$ 355,541 | \$ 444,113 | \$ (88,572) | \$ 381,287 | \$ 549,883 | \$ 526,951 | \$ (171,410) |
| Interest-bearing deposits in other financial institutions | 488,426 | 571,924 | (83,498) | 74,945 | 78,233 | 92,071 | 396,355 |
| Federal funds sold and securities purchased under agreements to resell | 3,380 | 16,030 | (12,650) | 18,320 | 18,135 | 4,400 | (1,020) |
| Securities held to maturity, at amortized cost | 438,047 | 404,455 | 33,592 | 301,941 | 246,050 | 193,759 | 244,288 |
| Securities available for sale, at fair value | 5,358,310 | 5,396,812 | (38,502) | 5,345,422 | 5,506,379 | 5,277,908 | 80,402 |
| Federal Home Loan Bank and Federal Reserve Bank stocks, at cost | 189,222 | 189,107 | 115 | 188,875 | 186,247 | 181,360 | 7,862 |
| Loans held for sale | 159,963 | 154,935 | 5,028 | 141,672 | 78,657 | 46,529 | 113,434 |
| Loans | 17,979,032 | 17,593,846 | 385,186 | 17,159,090 | 17,045,052 | 16,441,444 | 1,537,588 |
| Allowance for loan losses | (265,268) | (266,302) | 1,034 | (266,262) | (271,851) | (267,916) | 2,648 |
| Loans, net | 17,713,764 | 17,327,544 | 386,220 | 16,892,828 | 16,773,201 | 16,173,528 | 1,540,236 |
| Premises and equipment, net | 274,591 | 274,688 | (97) | 272,283 | 264,735 | 269,257 | 5,334 |
| Goodwill | 968,774 | 929,168 | 39,606 | 929,168 | 929,168 | 929,168 | 39,606 |
| Other intangible assets, net | 77,984 | 67,582 | 10,402 | 69,201 | 70,538 | 72,629 | 5,355 |
| Trading assets | 42,336 | 35,163 | 7,173 | 34,005 | 40,630 | 40,822 | 1,514 |
| Other assets | 998,402 | 1,010,253 | (11,851) | 1,003,875 | 985,930 | 997,815 | 587 |
| Total assets | \$ 27,068,740 | \$ 26,821,774 | \$ 246,966 | \$ 25,653,822 | \$ 25,727,786 | \$ 24,806,197 | \$ 2,262,543 |
| Liabilities and Stockholders' Equity | | | | | | | |
| Noninterest-bearing demand deposits | \$ 4,570,872 | \$ 4,505,272 | \$ 65,600 | \$ 4,302,454 | \$ 4,211,057 | \$ 4,478,981 | \$ 91,891 |
| Interest-bearing deposits | 15,280,720 | 14,258,232 | 1,022,488 | 13,898,804 | 13,105,202 | 13,030,946 | 2,249,774 |
| Total deposits | 19,851,592 | 18,763,504 | 1,088,088 | 18,201,258 | 17,316,259 | 17,509,927 | 2,341,665 |
| Federal funds purchased and securities sold under agreements to repurchase | 587,272 | 493,991 | 93,281 | 765,641 | 959,051 | 939,254 | (351,982) |
| Other short-term funding | 75,265 | 574,297 | (499,032) | 664,539 | 1,378,120 | 308,652 | (233,387) |
| Long-term funding | 3,429,925 | 3,930,117 | (500,192) | 2,931,547 | 2,931,809 | 2,932,040 | 497,885 |
| Trading liabilities | 44,730 | 37,329 | 7,401 | 36,003 | 43,311 | 43,450 | 1,280 |
| Accrued expenses and other liabilities | 197,818 | 222,285 | (24,467) | 185,256 | 169,290 | 171,850 | 25,968 |
| Total liabilities | 24,186,602 | 24,021,523 | 165,079 | 22,784,244 | 22,797,840 | 21,905,173 | 2,281,429 |
| Stockholders' Equity | | | | | | | |
| Preferred equity | 59,727 | 59,727 | — | 61,024 | 61,024 | 61,158 | (1,431) |
| Common stock | 1,674 | 1,665 | 9 | 1,719 | 1,750 | 1,750 | (76) |
| Surplus | 1,505,170 | 1,484,933 | 20,237 | 1,583,032 | 1,628,356 | 1,623,323 | (118,153) |
| Retained earnings | 1,509,967 | 1,497,818 | 12,149 | 1,466,525 | 1,432,518 | 1,402,549 | 107,418 |
| Accumulated other comprehensive income (loss) | 24,800 | (4,850) | 29,650 | (1,725) | 10,494 | (11,577) | 36,377 |
| Treasury stock | (219,200) | (239,042) | 19,842 | (240,997) | (204,196) | (176,179) | (43,021) |
| Total stockholders' equity | 2,882,138 | 2,800,251 | 81,887 | 2,869,578 | 2,929,946 | 2,901,024 | (18,886) |
| Total liabilities and stockholders' equity | \$ 27,068,740 | \$ 26,821,774 | \$ 246,966 | \$ 25,653,822 | \$ 25,727,786 | \$ 24,806,197 | \$ 2,262,543 |

Associated Banc-Corp
Consolidated Statements of Income (Unaudited)—Quarterly Trend

| (in thousands, except per share amounts) | Sequential Qtr | | | | | Comparable Qtr | | | |
|--|------------------|-----------|------------|----------|-----------|----------------|-----------|-----------|----------|
| | 1Q15 | 4Q14 | \$ Change | % Change | 3Q14 | 2Q14 | 1Q14 | \$ Change | % Change |
| Interest Income | | | | | | | | | |
| Interest and fees on loans | \$151,945 | \$156,536 | \$ (4,591) | (2.9)% | \$152,030 | \$146,629 | \$143,387 | \$ 8,558 | 6.0 % |
| Interest and dividends on investment securities: | | | | | | | | | |
| Taxable | 25,092 | 25,061 | 31 | 0.1 % | 25,037 | 26,109 | 26,257 | (1,165) | (4.4)% |
| Tax-exempt | 7,887 | 7,580 | 307 | 4.1 % | 7,483 | 7,030 | 6,971 | 916 | 13.1 % |
| Other interest | 1,692 | 1,821 | (129) | (7.1)% | 1,503 | 1,862 | 1,449 | 243 | 16.8 % |
| Total interest income | 186,616 | 190,998 | (4,382) | (2.3)% | 186,053 | 181,630 | 178,064 | 8,552 | 4.8 % |
| Interest Expense | | | | | | | | | |
| Interest on deposits | 7,619 | 7,319 | 300 | 4.1 % | 6,621 | 6,195 | 6,159 | 1,460 | 23.7 % |
| Interest on Federal funds purchased and securities sold under agreements to repurchase | 231 | 218 | 13 | 6.0 % | 390 | 306 | 305 | (74) | (24.3)% |
| Interest on other short-term funding | 81 | 156 | (75) | (48.1)% | 233 | 280 | 116 | (35) | (30.2)% |
| Interest on long-term funding | 10,872 | 8,644 | 2,228 | 25.8 % | 6,179 | 6,146 | 6,511 | 4,361 | 67.0 % |
| Total interest expense | 18,803 | 16,337 | 2,466 | 15.1 % | 13,423 | 12,927 | 13,091 | 5,712 | 43.6 % |
| Net Interest Income | | | | | | | | | |
| Net interest income after provision for credit losses | 167,813 | 174,661 | (6,848) | (3.9)% | 172,630 | 168,703 | 164,973 | 2,840 | 1.7 % |
| Provision for credit losses | 4,500 | 5,000 | (500) | (10.0)% | 1,000 | 5,000 | 5,000 | (500) | (10.0)% |
| Net interest income after provision for credit losses | 163,313 | 169,661 | (6,348) | (3.7)% | 171,630 | 163,703 | 159,973 | 3,340 | 2.1 % |
| Noninterest Income | | | | | | | | | |
| Trust service fees | 12,087 | 12,457 | (370) | (3.0)% | 12,218 | 12,017 | 11,711 | 376 | 3.2 % |
| Service charges on deposit accounts | 15,806 | 17,006 | (1,200) | (7.1)% | 17,961 | 17,412 | 16,400 | (594) | (3.6)% |
| Card-based and other nondeposit fees | 12,416 | 12,019 | 397 | 3.3 % | 12,407 | 12,577 | 12,509 | (93) | (0.7)% |
| Insurance commissions | 19,728 | 10,593 | 9,135 | 86.2 % | 7,860 | 13,651 | 12,317 | 7,411 | 60.2 % |
| Brokerage and annuity commissions | 3,683 | 3,496 | 187 | 5.3 % | 4,040 | 4,520 | 4,033 | (350) | (8.7)% |
| Total core fee-based revenue | 63,720 | 55,571 | 8,149 | 14.7 % | 54,486 | 60,177 | 56,970 | 6,750 | 11.8 % |
| Mortgage banking, net | 7,408 | 2,928 | 4,480 | 153.0 % | 6,669 | 5,362 | 6,361 | 1,047 | 16.5 % |
| Capital market fees, net | 2,467 | 2,613 | (146) | (5.6)% | 2,939 | 2,099 | 2,322 | 145 | 6.2 % |
| Bank owned life insurance income | 2,875 | 2,739 | 136 | 5.0 % | 3,506 | 3,011 | 4,320 | (1,445) | (33.4)% |
| Asset gains, net | 1,096 | 3,727 | (2,631) | (70.6)% | 4,934 | 899 | 728 | 368 | 50.5 % |
| Investment securities gains, net | — | 25 | (25) | (100.0)% | 57 | 34 | 378 | (378) | (100.0)% |
| Other | 2,510 | 2,040 | 470 | 23.0 % | 2,317 | 665 | 2,442 | 68 | 2.8 % |
| Total noninterest income | 80,076 | 69,643 | 10,433 | 15.0 % | 74,908 | 72,247 | 73,521 | 6,555 | 8.9 % |
| Noninterest Expense | | | | | | | | | |
| Personnel expense | 100,152 | 97,258 | 2,894 | 3.0 % | 97,650 | 97,793 | 97,698 | 2,454 | 2.5 % |
| Occupancy | 17,683 | 14,589 | 3,094 | 21.2 % | 13,743 | 13,785 | 15,560 | 2,123 | 13.6 % |
| Equipment | 5,772 | 6,148 | (376) | (6.1)% | 6,133 | 6,227 | 6,276 | (504) | (8.0)% |
| Technology | 15,558 | 14,581 | 977 | 6.7 % | 13,573 | 14,594 | 12,724 | 2,834 | 22.3 % |
| Business development and advertising | 5,327 | 8,538 | (3,211) | (37.6)% | 7,467 | 5,077 | 5,062 | 265 | 5.2 % |
| Other intangible amortization | 801 | 775 | 26 | 3.4 % | 990 | 991 | 991 | (190) | (19.2)% |
| Loan expense | 2,996 | 3,646 | (650) | (17.8)% | 3,813 | 3,620 | 2,787 | 209 | 7.5 % |
| Legal and professional fees | 4,538 | 4,257 | 281 | 6.6 % | 4,604 | 4,436 | 4,188 | 350 | 8.4 % |
| Foreclosure / OREO expense | 1,425 | 1,168 | 257 | 22.0 % | 2,083 | 1,575 | 1,896 | (471) | (24.8)% |
| FDIC expense | 6,500 | 6,956 | (456) | (6.6)% | 6,859 | 4,945 | 5,001 | 1,499 | 30.0 % |
| Other | 13,503 | 13,889 | (386) | (2.8)% | 14,938 | 14,882 | 15,475 | (1,972) | (12.7)% |
| Total noninterest expense | 174,255 | 171,805 | 2,450 | 1.4 % | 171,853 | 167,925 | 167,658 | 6,597 | 3.9 % |
| Income before income taxes | | | | | | | | | |
| Income tax expense | 69,134 | 67,499 | 1,635 | 2.4 % | 74,685 | 68,025 | 65,836 | 3,298 | 5.0 % |
| Net income | 22,462 | 18,761 | 3,701 | 19.7 % | 24,478 | 21,660 | 20,637 | 1,825 | 8.8 % |
| Preferred stock dividends | 46,672 | 48,738 | (2,066) | (4.2)% | 50,207 | 46,365 | 45,199 | 1,473 | 3.3 % |
| Net income available to common equity | \$ 45,444 | \$ 47,513 | \$ (2,069) | (4.4)% | \$ 48,952 | \$ 45,087 | \$ 43,955 | \$ 1,489 | 3.4 % |
| Earnings Per Common Share: | | | | | | | | | |
| Basic | \$ 0.30 | \$ 0.31 | \$ (0.01) | (3.2)% | \$ 0.31 | \$ 0.28 | \$ 0.27 | \$ 0.03 | 11.1 % |
| Diluted | \$ 0.30 | \$ 0.31 | \$ (0.01) | (3.2)% | \$ 0.31 | \$ 0.28 | \$ 0.27 | \$ 0.03 | 11.1 % |
| Average Common Shares Outstanding: | | | | | | | | | |
| Basic | 150,070 | 151,931 | (1,861) | (1.2)% | 155,925 | 159,940 | 161,467 | (11,397) | (7.1)% |
| Diluted | 151,164 | 153,083 | (1,919) | (1.3)% | 156,991 | 160,838 | 162,188 | (11,024) | (6.8)% |

Associated Banc-Corp
Selected Quarterly Information

(\$ in millions, except per share and full time
equivalent employee data)

| | 1Q15 | 4Q14 | 3Q14 | 2Q14 | 1Q14 |
|--|-----------|-----------|-----------|-----------|-----------|
| Per Common Share Data | | | | | |
| Dividends | \$ 0.10 | \$ 0.10 | \$ 0.09 | \$ 0.09 | \$ 0.09 |
| Market Value: | | | | | |
| High | 19.07 | 19.37 | 18.90 | 18.39 | 18.35 |
| Low | 16.62 | 16.75 | 17.42 | 16.82 | 15.58 |
| Close | 18.60 | 18.63 | 17.42 | 18.08 | 18.06 |
| Book value | 18.38 | 18.32 | 18.15 | 17.99 | 17.64 |
| Tier 1 common equity / share (1) (6) | 11.97 | 12.09 | 12.10 | 12.04 | 11.88 |
| Tangible book value / share | \$ 11.95 | \$ 12.06 | \$ 12.09 | \$ 12.11 | \$ 11.80 |
| Performance Ratios (annualized) | | | | | |
| Return on average assets | 0.71 % | 0.75 % | 0.78 % | 0.75 % | 0.76 % |
| Return on average tangible common equity | 10.16 | 10.27 | 10.35 | 9.56 | 9.45 |
| Return on average Tier 1 common equity (1) (6) | 10.22 | 10.35 | 10.38 | 9.56 | 9.38 |
| Effective tax rate | 32.49 | 27.79 | 32.77 | 31.84 | 31.35 |
| Dividend payout ratio (2) | 33.33 | 32.26 | 29.03 | 32.14 | 33.33 |
| Average Balances | | | | | |
| Common stockholders' equity | \$ 2,785 | \$ 2,772 | \$ 2,815 | \$ 2,830 | \$ 2,827 |
| Average Tier 1 common equity (1) (6) | \$ 1,804 | \$ 1,821 | \$ 1,871 | \$ 1,892 | \$ 1,900 |
| Selected Trend Information | | | | | |
| Average full time equivalent employees | 4,422 | 4,320 | 4,359 | 4,431 | 4,517 |
| Trust assets under management, at market value | \$ 8,138 | \$ 7,993 | \$ 7,700 | \$ 7,720 | \$ 7,535 |
| Total revenue (3) | \$ 253 | \$ 249 | \$ 252 | \$ 246 | \$ 243 |
| Core fee-based revenue (4) | \$ 64 | \$ 56 | \$ 54 | \$ 60 | \$ 57 |
| Mortgage loans originated for sale during period | \$ 268 | \$ 292 | \$ 298 | \$ 276 | \$ 204 |
| Mortgage portfolio serviced for others | \$ 7,920 | \$ 7,999 | \$ 8,012 | \$ 8,052 | \$ 8,084 |
| Mortgage servicing rights, net / Portfolio serviced for others | 0.75 % | 0.75 % | 0.76 % | 0.76 % | 0.77 % |
| At Period End | | | | | |
| Loans / deposits | 90.57 % | 93.77 % | 94.27 % | 98.43 % | 93.90 % |
| Stockholders' equity / assets | 10.65 % | 10.44 % | 11.19 % | 11.39 % | 11.69 % |
| Tangible common equity / tangible assets (5) | 7.04 % | 6.97 % | 7.57 % | 7.79 % | 7.96 % |
| Tangible equity / tangible assets (5) | 7.27 % | 7.20 % | 7.82 % | 8.03 % | 8.22 % |
| Shares outstanding, end of period | 153,567 | 149,560 | 154,743 | 159,480 | 161,012 |
| Capital (6) | | | | | |
| Risk weighted assets (7) (8) | \$ 19,565 | \$ 18,568 | \$ 18,031 | \$ 17,911 | \$ 17,075 |
| Tier 1 common equity (1) | \$ 1,838 | \$ 1,808 | \$ 1,873 | \$ 1,920 | \$ 1,912 |
| Tier 1 common equity / risk-weighted assets (7) (8) | 9.39 % | 9.74 % | 10.39 % | 10.72 % | 11.20 % |
| Tier 1 leverage ratio (7) (8) | 7.39 % | 7.48 % | 7.87 % | 8.26 % | 8.46 % |
| Tier 1 risk-based capital ratio (7) (8) | 9.70 % | 10.06 % | 10.73 % | 11.06 % | 11.56 % |
| Total risk-based capital ratio (7) (8) | 12.21 % | 12.66 % | 11.98 % | 12.31 % | 12.81 % |
| Non-GAAP Financial Measures Reconciliation | | | | | |
| Efficiency ratio (9) | 70.30 % | 70.33 % | 69.44 % | 69.70 % | 70.41 % |
| Taxable equivalent adjustment | (1.42)% | (1.40)% | (1.36)% | (1.32)% | (1.35)% |
| Asset gains, net | 0.30 % | 1.05 % | 1.36 % | 0.26 % | 0.22 % |
| Other intangible amortization | (0.32)% | (0.32)% | (0.40)% | (0.41)% | (0.42)% |
| Efficiency ratio, fully taxable equivalent (9) | 68.86 % | 69.66 % | 69.04 % | 68.23 % | 68.86 % |

- (1) Tier 1 common equity, a non-GAAP financial measure, is used by banking regulators, investors and analysts to assess and compare the quality and composition of our capital with the capital of other financial services companies. Management uses Tier 1 common equity, along with other capital measures, to assess and monitor our capital position. Tier 1 common equity (period end and average) is Tier 1 capital excluding qualifying perpetual preferred stock and qualifying trust preferred securities.
- (2) Ratio is based upon basic earnings per common share.
- (3) Total revenue, a non-GAAP financial measure, is the sum of taxable equivalent net interest income, core fee-based revenues, and other noninterest income categories, as presented on Page 2 in the Consolidated Statements of Income and Page 6 in the Net Interest Income Analysis.
- (4) Core fee-based revenue, a non-GAAP financial measure, is the sum of trust service fees, service charges on deposit accounts, card-based and other nondeposit fees, insurance commissions, and brokerage and annuity commissions, as presented on Page 2 in the Consolidated Statements of Income.
- (5) Tangible equity, tangible common equity and tangible assets exclude goodwill and other intangible assets, which is a non-GAAP financial measure. These financial measures have been included as they are considered to be critical metrics with which to analyze and evaluate financial condition and capital strength.
- (6) Prior to 2015, the regulatory capital requirements effective for the Corporation followed the Capital Accord of the Basel Committee on Banking Supervision ("Basel I"). Beginning January 1, 2015, the regulatory capital requirements effective for the Corporation follow Basel III, subject to certain transition provisions from Basel I over the next three years to full implementation by January 1, 2018.
- (7) March 31, 2015 data is estimated.
- (8) The Federal Reserve establishes capital adequacy requirements, including well-capitalized standards for the Corporation. The OCC establishes similar capital adequacy requirements and standards for the Bank. Regulatory capital primarily consists of Tier 1 risk-based capital and Tier 2 risk-based capital. The sum of Tier 1 risk-based capital and Tier 2 risk-based capital equals our total risk-based capital. Risk-based capital guidelines require a minimum level of capital as a percentage of risk-weighted assets. Risk-weighted assets consist of total assets plus certain off-balance sheet and market items, subject to adjustment for predefined credit risk factors.
- (9) Efficiency ratio is defined by the Federal Reserve guidance as noninterest expense divided by the sum of net interest income plus noninterest income, excluding investment securities gains / losses, net. Efficiency ratio, fully taxable equivalent, is noninterest expense, excluding other intangible amortization, divided by the sum of taxable equivalent net interest income plus noninterest income, excluding investment securities gains / losses, net and asset gains / losses, net. This efficiency ratio is presented on a taxable equivalent basis, which adjusts net interest income for the tax-favored status of certain loans and investment securities. Management believes this measure to be the preferred industry measurement of net interest income as it enhances the comparability of net interest income arising from taxable and tax-exempt sources and it excludes certain specific revenue items (such as investment securities gains / losses, net and asset gains / losses, net).

Associated Banc-Corp
Selected Asset Quality Information

| (in thousands) | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | Mar15 vs Mar14 % Change |
|--|-------------------|-------------------|-------------------------|-------------------|-------------------|-------------------|-------------------------|
| Allowance for Loan Losses | | | | | | | |
| Beginning balance | \$ 266,302 | \$ 266,262 | — % | \$ 271,851 | \$ 267,916 | \$ 268,315 | (0.8)% |
| Provision for loan losses | 4,500 | 4,500 | — % | (3,000) | 6,500 | 5,000 | (10.0)% |
| Charge offs | (13,270) | (8,778) | 51.2 % | (14,850) | (9,107) | (11,361) | 16.8 % |
| Recoveries | 7,736 | 4,318 | 79.2 % | 12,261 | 6,542 | 5,962 | 29.8 % |
| Net charge offs | (5,534) | (4,460) | 24.1 % | (2,589) | (2,565) | (5,399) | 2.5 % |
| Ending balance | <u>\$ 265,268</u> | <u>\$ 266,302</u> | <u>(0.4)%</u> | <u>\$ 266,262</u> | <u>\$ 271,851</u> | <u>\$ 267,916</u> | <u>(1.0)%</u> |
| Allowance for Unfunded Commitments | | | | | | | |
| Beginning balance | \$ 24,900 | \$ 24,400 | 2.0 % | \$ 20,400 | \$ 21,900 | \$ 21,900 | 13.7 % |
| Provision for unfunded commitments | — | 500 | (100.0)% | 4,000 | (1,500) | — | N/M |
| Ending balance | <u>\$ 24,900</u> | <u>\$ 24,900</u> | <u>— %</u> | <u>\$ 24,400</u> | <u>\$ 20,400</u> | <u>\$ 21,900</u> | <u>13.7 %</u> |
| Allowance for credit losses | <u>\$ 290,168</u> | <u>\$ 291,202</u> | <u>(0.4)%</u> | <u>\$ 290,662</u> | <u>\$ 292,251</u> | <u>\$ 289,816</u> | <u>0.1 %</u> |
| Net Charge Offs | | | | | | | |
| | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | Mar15 vs Mar14 % Change |
| Commercial and industrial | \$ 4,650 | \$ 1,323 | 251.5 % | \$ 572 | \$ (1,377) | \$ 2,725 | 70.6 % |
| Commercial real estate—owner occupied | 739 | 134 | N/M | 2,210 | (550) | (124) | N/M |
| Lease financing | — | 9 | (100.0)% | (6) | 29 | — | N/M |
| Commercial and business lending | 5,389 | 1,466 | 267.6 % | 2,776 | (1,898) | 2,601 | 107.2 % |
| Commercial real estate—investor | (2,529) | (132) | N/M | (4,065) | (239) | (1,031) | 145.3 % |
| Real estate construction | (743) | (116) | N/M | 350 | 795 | 113 | N/M |
| Commercial real estate lending | (3,272) | (248) | N/M | (3,715) | 556 | (918) | 256.4 % |
| Total commercial | 2,117 | 1,218 | 73.8 % | (939) | (1,342) | 1,683 | 25.8 % |
| Home equity revolving lines of credit | 1,220 | 1,094 | 11.5 % | 1,098 | 1,380 | 1,182 | 3.2 % |
| Home equity loans 1st liens | 362 | 206 | 75.7 % | 118 | 448 | 406 | (10.8)% |
| Home equity loans junior liens | 423 | 457 | (7.4)% | 728 | 948 | 859 | (50.8)% |
| Home equity | 2,005 | 1,757 | 14.1 % | 1,944 | 2,776 | 2,447 | (18.1)% |
| Installment and credit cards | 769 | 990 | (22.3)% | 910 | 247 | 113 | N/M |
| Residential mortgage | 643 | 495 | 29.9 % | 674 | 884 | 1,156 | (44.4)% |
| Total consumer | <u>\$ 3,417</u> | <u>\$ 3,242</u> | <u>5.4 %</u> | <u>\$ 3,528</u> | <u>\$ 3,907</u> | <u>\$ 3,716</u> | <u>(8.0)%</u> |
| Total net charge offs | <u>\$ 5,534</u> | <u>\$ 4,460</u> | <u>24.1 %</u> | <u>\$ 2,589</u> | <u>\$ 2,565</u> | <u>\$ 5,399</u> | <u>2.5 %</u> |
| Net Charge Offs to Average Loans (in basis points)* | | | | | | | |
| | Mar 31, 2015 | Dec 31, 2014 | | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | |
| Commercial and industrial | 32 | 9 | | 4 | (10) | 22 | |
| Commercial real estate—owner occupied | 30 | 5 | | 84 | (20) | (5) | |
| Lease financing | — | 7 | | (5) | 22 | — | |
| Commercial and business lending | 31 | 9 | | 17 | (12) | 17 | |
| Commercial real estate—investor | (33) | (2) | | (54) | (3) | (14) | |
| Real estate construction | (30) | (5) | | 14 | 33 | 5 | |
| Commercial real estate lending | (32) | (2) | | (37) | 6 | (10) | |
| Total commercial | 8 | 4 | | (3) | (5) | 7 | |
| Home equity revolving lines of credit | 56 | 49 | | 50 | 64 | 55 | |
| Home equity loans 1st liens | 26 | 14 | | 7 | 26 | 23 | |
| Home equity loans junior liens | 108 | 107 | | 159 | 196 | 171 | |
| Home equity | 51 | 42 | | 45 | 64 | 55 | |
| Installment and credit cards | 70 | 86 | | 78 | 25 | 11 | |
| Residential mortgage | 6 | 4 | | 6 | 9 | 12 | |
| Total consumer | <u>21</u> | <u>19</u> | | <u>22</u> | <u>25</u> | <u>25</u> | |
| Total net charge offs | <u>13</u> | <u>10</u> | | <u>6</u> | <u>6</u> | <u>14</u> | |
| Credit Quality | | | | | | | |
| | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | Mar15 vs Mar14 % Change |
| Nonaccrual loans | \$ 174,346 | \$ 177,413 | (1.7)% | \$ 184,138 | \$ 179,226 | \$ 177,978 | (2.0)% |
| Other real estate owned (OREO) | 14,926 | 16,732 | (10.8)% | 16,840 | 17,729 | 19,173 | (22.2)% |
| Total nonperforming assets | <u>\$ 189,272</u> | <u>\$ 194,145</u> | <u>(2.5)%</u> | <u>\$ 200,978</u> | <u>\$ 196,955</u> | <u>\$ 197,151</u> | <u>(4.0)%</u> |
| Loans 90 or more days past due and still accruing | \$ 1,715 | \$ 1,623 | 5.7 % | \$ 1,690 | \$ 1,776 | \$ 723 | 137.2 % |
| Allowance for loan losses / loans | 1.48% | 1.51% | | 1.55% | 1.59% | 1.63% | |
| Allowance for loan losses / nonaccrual loans | 152.15 | 150.10 | | 144.60 | 151.68 | 150.53 | |
| Nonaccrual loans / total loans | 0.97 | 1.01 | | 1.07 | 1.05 | 1.08 | |
| Nonperforming assets / total loans plus OREO | 1.05 | 1.10 | | 1.17 | 1.15 | 1.20 | |
| Nonperforming assets / total assets | 0.70 | 0.72 | | 0.78 | 0.77 | 0.79 | |
| Net charge offs / average loans (annualized) | 0.13 | 0.10 | | 0.06 | 0.06 | 0.14 | |
| Year-to-date net charge offs / average loans | 0.13 | 0.09 | | 0.08 | 0.10 | 0.14 | |
| Nonaccrual loans by type: | | | | | | | |
| Commercial and industrial | \$ 61,620 | \$ 49,663 | 24.1 % | \$ 51,143 | \$ 40,846 | \$ 38,488 | 60.1 % |
| Commercial real estate—owner occupied | 21,861 | 25,825 | (15.3)% | 24,340 | 31,725 | 26,735 | (18.2)% |
| Lease financing | 1,720 | 1,801 | (4.5)% | 1,947 | 1,541 | 172 | N/M |
| Commercial and business lending | 85,201 | 77,289 | 10.2 % | 77,430 | 74,112 | 65,395 | 30.3 % |
| Commercial real estate—investor | 13,742 | 22,685 | (39.4)% | 25,106 | 28,135 | 33,611 | (59.1)% |
| Real estate construction | 5,423 | 5,399 | 0.4 % | 8,187 | 6,988 | 6,667 | (18.7)% |
| Commercial real estate lending | 19,165 | 28,084 | (31.8)% | 33,293 | 35,123 | 40,278 | (52.4)% |
| Total commercial | 104,366 | 105,373 | (1.0)% | 110,723 | 109,235 | 105,673 | (1.2)% |
| Home equity revolving lines of credit | 9,171 | 9,853 | (6.9)% | 10,154 | 10,056 | 10,356 | (11.4)% |
| Home equity loans 1st liens | 5,111 | 5,290 | (3.4)% | 4,664 | 4,634 | 5,341 | (4.3)% |
| Home equity loans junior liens | 6,145 | 6,598 | (6.9)% | 6,443 | 6,183 | 6,788 | (9.5)% |
| Home equity | 20,427 | 21,741 | (6.0)% | 21,261 | 20,873 | 22,485 | (9.2)% |
| Installment and credit cards | 515 | 613 | (16.0)% | 653 | 771 | 915 | (43.7)% |
| Residential mortgage | 49,038 | 49,686 | (1.3)% | 51,501 | 48,347 | 48,905 | 0.3 % |
| Total consumer | 69,980 | 72,040 | (2.9)% | 73,415 | 69,991 | 72,305 | (3.2)% |
| Total nonaccrual loans | <u>\$ 174,346</u> | <u>\$ 177,413</u> | <u>(1.7)%</u> | <u>\$ 184,138</u> | <u>\$ 179,226</u> | <u>\$ 177,978</u> | <u>(2.0)%</u> |

* Annualized

N/M = Not meaningful.

Associated Banc-Corp
Selected Asset Quality Information (continued)

| (in thousands) | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | Mar15 vs Mar14 % Change |
|---|--------------|--------------|----------------------------|--------------|--------------|--------------|----------------------------|
| Restructured loans (accruing) | | | | | | | |
| Commercial and industrial | \$ 26,466 | \$ 33,892 | (21.9)% | \$ 36,955 | \$ 28,849 | \$ 27,776 | (4.7)% |
| Commercial real estate—owner occupied | 9,780 | 10,454 | (6.4)% | 11,574 | 12,168 | 11,579 | (15.5)% |
| Commercial and business lending | 36,246 | 44,346 | (18.3)% | 48,529 | 41,017 | 39,355 | (7.9)% |
| Commercial real estate—investor | 22,775 | 23,127 | (1.5)% | 24,440 | 41,758 | 46,020 | (50.5)% |
| Real estate construction | 717 | 727 | (1.4)% | 805 | 1,224 | 2,954 | (75.7)% |
| Commercial real estate lending | 23,492 | 23,854 | (1.5)% | 25,245 | 42,982 | 48,974 | (52.0)% |
| Total commercial | 59,738 | 68,200 | (12.4)% | 73,774 | 83,999 | 88,329 | (32.4)% |
| Home equity revolving lines of credit | 1,251 | 1,508 | (17.0)% | 1,531 | 1,527 | 1,178 | 6.2 % |
| Home equity loans 1st liens | 1,846 | 1,857 | (0.6)% | 1,867 | 1,674 | 1,656 | 11.5 % |
| Home equity loans junior liens | 6,642 | 6,701 | (0.9)% | 7,184 | 7,243 | 6,738 | (1.4)% |
| Home equity | 9,739 | 10,066 | (3.2)% | 10,582 | 10,444 | 9,572 | 1.7 % |
| Installment and credit cards | 891 | 974 | (8.5)% | 1,106 | 1,185 | 225 | 296.0 % |
| Residential mortgage | 18,449 | 18,976 | (2.8)% | 19,141 | 18,753 | 18,798 | (1.9)% |
| Total consumer | 29,079 | 30,016 | (3.1)% | 30,829 | 30,382 | 28,595 | 1.7 % |
| Total restructured loans (accruing) | \$ 88,817 | \$ 98,216 | (9.6)% | \$ 104,603 | \$ 114,381 | \$ 116,924 | (24.0)% |
| Restructured loans in nonaccrual loans (not included above) | \$ 53,553 | \$ 57,656 | (7.1)% | \$ 63,314 | \$ 72,388 | \$ 74,231 | (27.9)% |
| Loans Past Due 30-89 Days | | | | | | | |
| | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | Mar15 vs Mar14 % Change |
| Commercial and industrial | \$ 1,717 | \$ 14,747 | (88.4)% | \$ 3,947 | \$ 2,519 | \$ 4,126 | (58.4)% |
| Commercial real estate—owner occupied | 1,849 | 10,628 | (82.6)% | 2,675 | 6,323 | 5,342 | (65.4)% |
| Lease financing | — | — | N/M | — | 556 | 567 | (100.0)% |
| Commercial and business lending | 3,566 | 25,375 | (85.9)% | 6,622 | 9,398 | 10,035 | (64.5)% |
| Commercial real estate—investor | 2,215 | 1,208 | 83.4 % | 15,869 | 2,994 | 7,188 | (69.2)% |
| Real estate construction | 317 | 984 | (67.8)% | 399 | 258 | 679 | (53.3)% |
| Commercial real estate lending | 2,532 | 2,192 | 15.5 % | 16,268 | 3,252 | 7,867 | (67.8)% |
| Total commercial | 6,098 | 27,567 | (77.9)% | 22,890 | 12,650 | 17,902 | (65.9)% |
| Home equity revolving lines of credit | 7,150 | 6,725 | 6.3 % | 6,739 | 6,986 | 5,344 | 33.8 % |
| Home equity loans 1st liens | 953 | 1,800 | (47.1)% | 1,503 | 1,685 | 1,469 | (35.1)% |
| Home equity loans junior liens | 1,905 | 2,058 | (7.4)% | 2,496 | 2,138 | 3,006 | (36.6)% |
| Home equity | 10,008 | 10,583 | (5.4)% | 10,738 | 10,809 | 9,819 | 1.9 % |
| Installment and credit cards | 1,818 | 1,932 | (5.9)% | 1,818 | 1,734 | 1,269 | 43.3 % |
| Residential mortgage | 3,403 | 3,046 | 11.7 % | 3,231 | 7,070 | 4,498 | (24.3)% |
| Total consumer | 15,229 | 15,561 | (2.1)% | 15,787 | 19,613 | 15,586 | (2.3)% |
| Total loans past due 30-89 days | \$ 21,327 | \$ 43,128 | (50.5)% | \$ 38,677 | \$ 32,263 | \$ 33,488 | (36.3)% |
| Potential Problem Loans | | | | | | | |
| | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | Mar15 vs Mar14 % Change |
| Commercial and industrial | \$ 138,403 | \$ 108,522 | 27.5 % | \$ 133,416 | \$ 187,251 | \$ 109,027 | 26.9 % |
| Commercial real estate—owner occupied | 43,114 | 48,695 | (11.5)% | 49,008 | 57,757 | 64,785 | (33.5)% |
| Lease financing | 2,009 | 2,709 | (25.8)% | 3,787 | 2,280 | 3,065 | (34.5)% |
| Commercial and business lending | 183,526 | 159,926 | 14.8 % | 186,211 | 247,288 | 176,877 | 3.8 % |
| Commercial real estate—investor | 26,026 | 24,043 | 8.2 % | 28,474 | 31,903 | 34,790 | (25.2)% |
| Real estate construction | 1,487 | 1,776 | (16.3)% | 2,227 | 4,473 | 4,870 | (69.5)% |
| Commercial real estate lending | 27,513 | 25,819 | 6.6 % | 30,701 | 36,376 | 39,660 | (30.6)% |
| Total commercial | 211,039 | 185,745 | 13.6 % | 216,912 | 283,664 | 216,537 | (2.5)% |
| Home equity revolving lines of credit | 247 | 204 | 21.1 % | 224 | 277 | 310 | (20.3)% |
| Home equity loans junior liens | 711 | 676 | 5.2 % | 687 | 822 | 741 | (4.0)% |
| Home equity | 958 | 880 | 8.9 % | 911 | 1,099 | 1,051 | (8.8)% |
| Installment and credit cards | — | 2 | (100.0)% | 4 | 844 | — | N/M |
| Residential mortgage | 6,621 | 3,781 | 75.1 % | 2,166 | 2,445 | 2,091 | 216.6 % |
| Total consumer | 7,579 | 4,663 | 62.5 % | 3,081 | 4,388 | 3,142 | 141.2 % |
| Total potential problem loans | \$ 218,618 | \$ 190,408 | 14.8 % | \$ 219,993 | \$ 288,052 | \$ 219,679 | (0.5)% |

N/M = Not meaningful.

Associated Banc-Corp
Net Interest Income Analysis—Taxable Equivalent Basis
Sequential Quarter

| (in thousands) | Three months ended March 31, 2015 | | | Three months ended December 31, 2014 | | |
|--|-----------------------------------|--------------------------|---------------------|--------------------------------------|--------------------------|---------------------|
| | Average Balance | Interest Income /Expense | Average Yield /Rate | Average Balance | Interest Income /Expense | Average Yield /Rate |
| Earning assets: | | | | | | |
| Loans: (1) (2) (3) | | | | | | |
| Commercial and business lending | \$ 6,993,169 | \$ 55,915 | 3.24% | \$ 6,720,893 | \$ 59,197 | 3.50% |
| Commercial real estate lending | <u>4,102,733</u> | <u>36,403</u> | 3.60 | <u>4,066,143</u> | <u>37,122</u> | 3.62 |
| Total commercial | 11,095,902 | 92,318 | 3.37 | 10,787,036 | 96,319 | 3.54 |
| Residential mortgage | 4,663,849 | 36,885 | 3.17 | 4,490,075 | 36,228 | 3.23 |
| Retail | <u>2,055,364</u> | <u>23,668</u> | 4.64 | <u>2,110,144</u> | <u>24,942</u> | 4.71 |
| Total loans | 17,815,115 | 152,871 | 3.46 | 17,387,255 | 157,489 | 3.60 |
| Investment securities (1) | 5,754,747 | 37,159 | 2.58 | 5,697,598 | 36,658 | 2.57 |
| Other short-term investments | <u>578,164</u> | <u>1,692</u> | 1.18 | <u>407,644</u> | <u>1,821</u> | 1.78 |
| Investments and other | 6,332,911 | 38,851 | 2.45 | 6,105,242 | 38,479 | 2.52 |
| Total earning assets | 24,148,026 | \$ 191,722 | 3.20 | 23,492,497 | \$ 195,968 | 3.32 |
| Other assets, net | <u>2,458,899</u> | | | <u>2,388,268</u> | | |
| Total assets | <u>\$ 26,606,925</u> | | | <u>\$ 25,880,765</u> | | |
| Interest-bearing liabilities: | | | | | | |
| Savings deposits | \$ 1,277,469 | \$ 238 | 0.08% | \$ 1,264,195 | \$ 253 | 0.08% |
| Interest-bearing demand deposits | 3,203,727 | 1,050 | 0.13 | 3,142,537 | 1,220 | 0.15 |
| Money market deposits | 8,653,260 | 3,785 | 0.18 | 8,209,091 | 3,547 | 0.17 |
| Time deposits | <u>1,594,183</u> | <u>2,546</u> | 0.65 | <u>1,549,565</u> | <u>2,299</u> | 0.59 |
| Total interest-bearing deposits | 14,728,639 | 7,619 | 0.21 | 14,165,388 | 7,319 | 0.20 |
| Federal funds purchased and securities sold under agreements to repurchase | 585,498 | 231 | 0.16 | 600,969 | 218 | 0.14 |
| Other short-term funding | 119,240 | 81 | 0.27 | 464,866 | 156 | 0.13 |
| Long-term funding | <u>3,735,602</u> | <u>10,872</u> | 1.17 | <u>3,221,574</u> | <u>8,644</u> | 1.07 |
| Total short and long-term funding | 4,440,340 | 11,184 | 1.01 | 4,287,409 | 9,018 | 0.84 |
| Total interest-bearing liabilities | 19,168,979 | \$ 18,803 | 0.39 | 18,452,797 | \$ 16,337 | 0.35 |
| Noninterest-bearing demand deposits | 4,326,557 | | | 4,367,031 | | |
| Other liabilities | 266,660 | | | 228,600 | | |
| Stockholders' equity | <u>2,844,729</u> | | | <u>2,832,337</u> | | |
| Total liabilities and stockholders' equity | <u>\$ 26,606,925</u> | | | <u>\$ 25,880,765</u> | | |
| Net interest income and rate spread | <u>\$ 172,919</u> | 2.81% | | <u>\$ 179,631</u> | 2.97% | |
| Net interest margin | | | 2.89% | | | 3.04% |
| Taxable equivalent adjustment | <u>\$ 5,106</u> | | | <u>\$ 4,970</u> | | |

Net Interest Income Analysis—Taxable Equivalent Basis
Comparable Quarter

| (in thousands) | Three months ended March 31, 2015 | | | Three months ended March 31, 2014 | | |
|--|-----------------------------------|--------------------------|---------------------|-----------------------------------|--------------------------|---------------------|
| | Average Balance | Interest Income /Expense | Average Yield /Rate | Average Balance | Interest Income /Expense | Average Yield /Rate |
| Earning assets: | | | | | | |
| Loans: (1) (2) (3) | | | | | | |
| Commercial and business lending | \$ 6,993,169 | \$ 55,915 | 3.24% | \$ 6,131,185 | \$ 51,681 | 3.42% |
| Commercial real estate lending | <u>4,102,733</u> | <u>36,403</u> | 3.60 | <u>3,907,363</u> | <u>35,591</u> | 3.69 |
| Total commercial | 11,095,902 | 92,318 | 3.37 | 10,038,548 | 87,272 | 3.52 |
| Residential mortgage | 4,663,849 | 36,885 | 3.17 | 3,926,734 | 32,664 | 3.33 |
| Retail | <u>2,055,364</u> | <u>23,668</u> | 4.64 | <u>2,199,335</u> | <u>24,413</u> | 4.48 |
| Total loans | 17,815,115 | 152,871 | 3.46 | 16,164,617 | 144,349 | 3.61 |
| Investment securities (1) | 5,754,747 | 37,159 | 2.58 | 5,450,066 | 36,922 | 2.71 |
| Other short-term investments | <u>578,164</u> | <u>1,692</u> | 1.18 | <u>277,820</u> | <u>1,449</u> | 2.09 |
| Investments and other | 6,332,911 | 38,851 | 2.45 | 5,727,886 | 38,371 | 2.68 |
| Total earning assets | 24,148,026 | \$ 191,722 | 3.20 | 21,892,503 | \$ 182,720 | 3.36 |
| Other assets, net | <u>2,458,899</u> | | | <u>2,320,710</u> | | |
| Total assets | <u>\$ 26,606,925</u> | | | <u>\$ 24,213,213</u> | | |
| Interest-bearing liabilities: | | | | | | |
| Savings deposits | \$ 1,277,469 | \$ 238 | 0.08% | \$ 1,195,337 | \$ 220 | 0.07% |
| Interest-bearing demand deposits | 3,203,727 | 1,050 | 0.13 | 2,796,247 | 823 | 0.12 |
| Money market deposits | 8,653,260 | 3,785 | 0.18 | 7,173,106 | 2,825 | 0.16 |
| Time deposits | <u>1,594,183</u> | <u>2,546</u> | 0.65 | <u>1,659,277</u> | <u>2,291</u> | 0.56 |
| Total interest-bearing deposits | 14,728,639 | 7,619 | 0.21 | 12,823,967 | 6,159 | 0.19 |
| Federal funds purchased and securities sold under agreements to repurchase | 585,498 | 231 | 0.16 | 805,187 | 305 | 0.15 |
| Other short-term funding | 119,240 | 81 | 0.27 | 328,516 | 116 | 0.14 |
| Long-term funding | <u>3,735,602</u> | <u>10,872</u> | 1.17 | <u>3,004,520</u> | <u>6,511</u> | 0.87 |
| Total short and long-term funding | 4,440,340 | 11,184 | 1.01 | 4,138,223 | 6,932 | 0.67 |
| Total interest-bearing liabilities | 19,168,979 | \$ 18,803 | 0.39 | 16,962,190 | \$ 13,091 | 0.31 |
| Noninterest-bearing demand deposits | 4,326,557 | | | 4,166,305 | | |
| Other liabilities | 266,660 | | | 195,950 | | |
| Stockholders' equity | <u>2,844,729</u> | | | <u>2,888,768</u> | | |
| Total liabilities and stockholders' equity | <u>\$ 26,606,925</u> | | | <u>\$ 24,213,213</u> | | |
| Net interest income and rate spread | <u>\$ 172,919</u> | 2.81% | | <u>\$ 169,629</u> | 3.05% | |
| Net interest margin | | | 2.89% | | | 3.12% |
| Taxable equivalent adjustment | <u>\$ 5,106</u> | | | <u>\$ 4,656</u> | | |

(1) The yield on tax exempt loans and securities is computed on a taxable equivalent basis using a tax rate of 35% for all periods presented and is net of the effects of certain disallowed interest deductions.

(2) Nonaccrual loans and loans held for sale have been included in the average balances.

(3) Interest income includes net loan fees.

Associated Banc-Corp
Financial Summary and Comparison

| Period End Loan Composition | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | | | Mar 31, 2014 | Mar15 vs Mar14 % Change | |
|---|----------------------|----------------------|--------------------------------|--------------------------------|----------------------|----------------------|--------------------------------|--------------------------------|
| | | | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | | | |
| Commercial and industrial | \$ 6,140,420 | \$ 5,905,902 | 4.0 % | \$ 5,603,899 | \$ 5,616,205 | \$ 5,222,141 | 17.6 % | |
| Commercial real estate—owner occupied | 1,003,885 | 1,007,937 | (0.4)% | 1,014,335 | 1,070,463 | 1,098,089 | (8.6)% | |
| Lease financing | 49,496 | 51,529 | (3.9)% | 52,600 | 51,873 | 52,500 | (5.7)% | |
| Commercial and business lending | 7,193,801 | 6,965,368 | 3.3 % | 6,670,834 | 6,738,541 | 6,372,730 | 12.9 % | |
| Commercial real estate—investor | 3,086,980 | 3,056,485 | 1.0 % | 3,043,361 | 2,990,732 | 3,001,219 | 2.9 % | |
| Real estate construction | 1,019,571 | 1,008,956 | 1.1 % | 982,426 | 1,000,421 | 969,617 | 5.2 % | |
| Commercial real estate lending | 4,106,551 | 4,065,441 | 1.0 % | 4,025,787 | 3,991,153 | 3,970,836 | 3.4 % | |
| Total commercial | 11,300,352 | 11,030,809 | 2.4 % | 10,696,621 | 10,729,694 | 10,343,566 | 9.3 % | |
| Home equity revolving lines of credit | 879,827 | 887,779 | (0.9)% | 880,435 | 866,042 | 856,679 | 2.7 % | |
| Home equity loans 1st liens | 549,667 | 584,131 | (5.9)% | 619,774 | 659,598 | 705,835 | (22.1)% | |
| Home equity loans junior liens | 154,120 | 164,148 | (6.1)% | 176,316 | 187,732 | 199,488 | (22.7)% | |
| Home equity | 1,583,614 | 1,636,058 | (3.2)% | 1,676,525 | 1,713,372 | 1,762,002 | (10.1)% | |
| Installment and credit cards | 436,492 | 454,219 | (3.9)% | 459,682 | 469,203 | 393,321 | 11.0 % | |
| Residential mortgage | 4,658,574 | 4,472,760 | 4.2 % | 4,326,262 | 4,132,783 | 3,942,555 | 18.2 % | |
| Total consumer | 6,678,680 | 6,563,037 | 1.8 % | 6,462,469 | 6,315,358 | 6,097,878 | 9.5 % | |
| Total loans | <u>\$ 17,979,032</u> | <u>\$ 17,593,846</u> | 2.2 % | <u>\$ 17,159,090</u> | <u>\$ 17,045,052</u> | <u>\$ 16,441,444</u> | 9.4 % | |
| Period End Deposit and Customer Funding Composition | | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | Mar15 vs Mar14 % Change |
| Noninterest-bearing demand | \$ 4,570,872 | \$ 4,505,272 | 1.5 % | \$ 4,302,454 | \$ 4,211,057 | \$ 4,478,981 | 2.1 % | |
| Savings | 1,337,643 | 1,235,277 | 8.3 % | 1,256,567 | 1,275,493 | 1,252,669 | 6.8 % | |
| Interest-bearing demand | 3,525,870 | 3,126,854 | 12.8 % | 3,637,411 | 2,918,900 | 3,084,457 | 14.3 % | |
| Money market | 8,781,206 | 8,324,646 | 5.5 % | 7,491,460 | 7,348,650 | 7,069,173 | 24.2 % | |
| Brokered CDs | 40,699 | 42,556 | (4.4)% | 9,242 | 44,809 | 51,235 | (20.6)% | |
| Other time | 1,595,302 | 1,528,899 | 4.3 % | 1,504,124 | 1,517,350 | 1,573,412 | 1.4 % | |
| Total deposits | 19,851,592 | 18,763,504 | 5.8 % | 18,201,258 | 17,316,259 | 17,509,927 | 13.4 % | |
| Customer repo sweeps | 528,572 | 384,221 | 37.6 % | 493,451 | 489,886 | 548,179 | (3.6)% | |
| Total deposits and customer funding | <u>\$ 20,380,164</u> | <u>\$ 19,147,725</u> | 6.4 % | <u>\$ 18,694,709</u> | <u>\$ 17,806,145</u> | <u>\$ 18,058,106</u> | 12.9 % | |
| Network transaction deposits included above in interest-bearing demand & money market | \$ 2,900,325 | \$ 2,852,943 | 1.7 % | \$ 2,207,055 | \$ 2,238,923 | \$ 2,141,976 | 35.4 % | |
| Brokered CDs | 40,699 | 42,556 | (4.4)% | 9,242 | 44,809 | 51,235 | (20.6)% | |
| Total network and brokered funding | 2,941,024 | 2,895,499 | 1.6 % | 2,216,297 | 2,283,732 | 2,193,211 | 34.1 % | |
| Net customer deposits and funding (1) | <u>\$ 17,439,140</u> | <u>\$ 16,252,226</u> | 7.3 % | <u>\$ 16,478,412</u> | <u>\$ 15,522,413</u> | <u>\$ 15,864,895</u> | 9.9 % | |

(1) Total deposits and customer funding excluding total network and brokered funding.

| Quarter Average Loan Composition | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | | | Mar 31, 2014 | Mar15 vs Mar14 % Change | |
|--|----------------------|----------------------|--------------------------------|--------------------------------|----------------------|----------------------|--------------------------------|--------------------------------|
| | | | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | | | |
| Commercial and industrial | \$ 5,944,152 | \$ 5,665,396 | 4.9 % | \$ 5,558,135 | \$ 5,335,488 | \$ 4,983,943 | 19.3 % | |
| Commercial real estate—owner occupied | 998,293 | 1,003,179 | (0.5)% | 1,043,001 | 1,081,552 | 1,093,114 | (8.7)% | |
| Lease financing | 50,724 | 52,318 | (3.0)% | 51,091 | 51,804 | 54,128 | (6.3)% | |
| Commercial and business lending | 6,993,169 | 6,720,893 | 4.1 % | 6,652,227 | 6,468,844 | 6,131,185 | 14.1 % | |
| Commercial real estate—investor | 3,106,965 | 3,062,427 | 1.5 % | 3,013,210 | 3,014,827 | 2,993,046 | 3.8 % | |
| Real estate construction | 995,768 | 1,003,716 | (0.8)% | 1,006,076 | 953,021 | 914,317 | 8.9 % | |
| Commercial real estate lending | 4,102,733 | 4,066,143 | 0.9 % | 4,019,286 | 3,967,848 | 3,907,363 | 5.0 % | |
| Total commercial | 11,095,902 | 10,787,036 | 2.9 % | 10,671,513 | 10,436,692 | 10,038,548 | 10.5 % | |
| Home equity revolving lines of credit | 882,869 | 883,580 | (0.1)% | 875,388 | 866,952 | 868,614 | 1.6 % | |
| Home equity loans 1st liens | 567,849 | 601,719 | (5.6)% | 638,592 | 681,607 | 724,995 | (21.7)% | |
| Home equity loans junior liens | 159,378 | 169,845 | (6.2)% | 181,880 | 193,727 | 203,984 | (21.9)% | |
| Home equity | 1,610,096 | 1,655,144 | (2.7)% | 1,695,860 | 1,742,286 | 1,797,593 | (10.4)% | |
| Installment and credit cards | 445,268 | 455,000 | (2.1)% | 464,467 | 389,794 | 401,742 | 10.8 % | |
| Residential mortgage | 4,663,849 | 4,490,075 | 3.9 % | 4,309,121 | 4,077,617 | 3,926,734 | 18.8 % | |
| Total consumer | <u>6,719,213</u> | <u>6,600,219</u> | 1.8 % | <u>6,469,448</u> | <u>6,209,697</u> | <u>6,126,069</u> | 9.7 % | |
| Total loans | <u>\$ 17,815,115</u> | <u>\$ 17,387,255</u> | 2.5 % | <u>\$ 17,140,961</u> | <u>\$ 16,646,389</u> | <u>\$ 16,164,617</u> | 10.2 % | |
| Quarter Average Deposit Composition | | Mar 31, 2015 | Dec 31, 2014 | Mar15 vs Dec14 % Change | Sep 30, 2014 | Jun 30, 2014 | Mar 31, 2014 | Mar15 vs Mar14 % Change |
| Noninterest-bearing demand | \$ 4,326,557 | \$ 4,367,031 | (0.9)% | \$ 4,239,654 | \$ 4,073,310 | \$ 4,166,305 | 3.8 % | |
| Savings | 1,277,469 | 1,264,195 | 1.0 % | 1,269,994 | 1,267,297 | 1,195,337 | 6.9 % | |
| Interest-bearing demand | 3,203,727 | 3,142,537 | 1.9 % | 3,096,712 | 2,894,446 | 2,796,247 | 14.6 % | |
| Money market | 8,653,260 | 8,209,091 | 5.4 % | 7,721,167 | 7,340,244 | 7,173,106 | 20.6 % | |
| Time deposits | 1,594,183 | 1,549,565 | 2.9 % | 1,545,851 | 1,597,535 | 1,659,277 | (3.9)% | |
| Total deposits | <u>\$ 19,055,196</u> | <u>\$ 18,532,419</u> | 2.8 % | <u>\$ 17,873,378</u> | <u>\$ 17,172,832</u> | <u>\$ 16,990,272</u> | 12.2 % | |