

NYSE: FCF

First Commonwealth®

3Q 2020 Earnings Release Webcast Presentation
October 28, 2020

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements about First Commonwealth's future plans, strategies and financial performance. These statements can be identified by the fact that they do not relate strictly to historical or current facts and often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could" or "may." Such statements are based on assumptions and involve risks and uncertainties, including uncertainties regarding the impact of the COVID-19 pandemic, many of which are beyond our control. Factors that could cause actual results, performance or achievements to differ from those discussed in the forward-looking statements include, but are not limited to:

- *The length and extent of the economic contraction as a result of the COVID-19 pandemic and the impact of such contraction;*
- *volatility and disruption in national and international financial markets;*
- *the effects of and changes in trade and monetary and fiscal policies and laws, including the interest rate policies of the Federal Reserve Board;*
- *inflation, interest rate, commodity price, securities market and monetary fluctuations;*
- *the effect of changes in laws and regulations (including laws and regulations concerning taxes, banking, securities and insurance) with which First Commonwealth must comply;*
- *the soundness of other financial institutions;*
- *political instability;*
- *impairment of First Commonwealth's goodwill or other intangible assets;*
- *acts of God or of war or terrorism;*
- *the timely development and acceptance of new products and services and perceived overall value of these products and services by users;*
- *changes in consumer spending, borrowings and savings habits;*
- *changes in the financial performance and/or condition of First Commonwealth's borrowers;*
- *technological changes;*
- *acquisitions and integration of acquired businesses;*
- *First Commonwealth's ability to attract and retain qualified employees;*
- *changes in the competitive environment in First Commonwealth's markets and among banking organizations and other financial service providers;*
- *the ability to increase market share and control expenses;*
- *the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board and other accounting standard setters;*
- *the reliability of First Commonwealth's vendors, internal control systems or information systems;*
- *the costs and effects of legal and regulatory developments, the resolution of legal proceedings or regulatory or other governmental inquiries, the results of regulatory examinations or reviews and the ability to obtain required regulatory approvals; and*
- *other risks and uncertainties described in the reports that First Commonwealth files with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K.*

Further, statements about the potential effects of the COVID-19 pandemic on our business, financial condition, liquidity and results of operations may constitute forward-looking statements and are subject to the risk that the actual effects may differ, possibly materially, from what is reflected in those forward-looking statements due to factors and future developments that are uncertain, unpredictable and in many cases beyond our control, including the scope and duration of the pandemic, actions taken by governmental authorities in response to the pandemic, and the direct and indirect impact of the pandemic on our customers, clients, third parties and us.

Forward-looking statements speak only as of the date on which they are made. First Commonwealth undertakes no obligation to update any forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

THIRD QUARTER 2020 HIGHLIGHTS

Highlights

$41.1 million

Pre-tax pre-provision income(1)

1.74%

Core PTPP ROAA(1)

54.5%

Core efficiency ratio

$36.7 million

YTD reserve build(2)

$234.8 million

Excess capital

9.0%

TCE ratio (excl. PPP)

Positioning for offense as we weather uncertainty

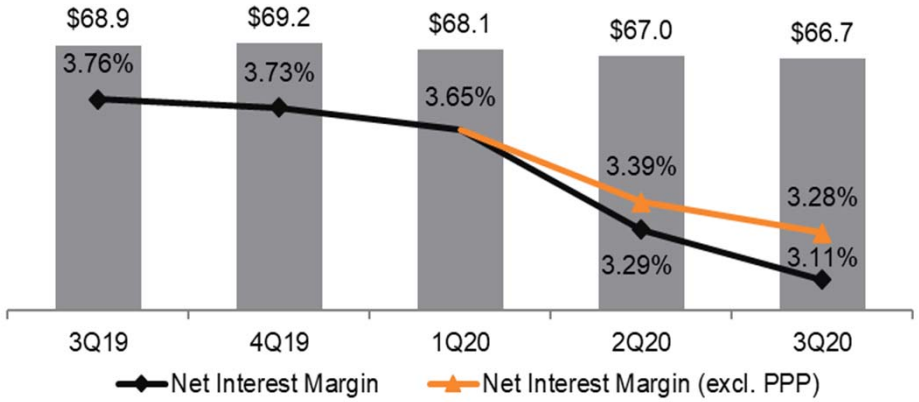
- Additional reserve build of $6.9 million resulting in a reserve coverage ratio (excl. PPP loans) of 1.38%
  - Pro forma CECL adoption reserve coverage ratio of 1.59% (excl. PPP)(3)
- Efforts to diversify the balance sheet and revenue streams resulting in a record fee income quarter
  - Record Mortgage originations of $240 million
  - Record debit card interchange income of $6.4 million
  - Total loans grew $33 million (excluding PPP loans), or 2.0% annualized, driven by consumer categories
- Efficiency improvement enabled by digital investments and disciplined expense management
  - Efficiency Ratio of 54.5%
  - Targeted 20% reduction in retail facilities by the end of the year
- Tangible book value per share increased 3.6% LQ (annualized)

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(1) Please refer to the appendix for a reconciliation of non-GAAP measures
(2) Reserve build represents the amount by which the provision for credit losses exceeds net charge-offs
(3) This figure represents the hypothetical reserve coverage ratio at 9/30/20 including the addition of the Day 1 CECL reserve of $12.9 million (the midpoint of management's estimated range of +20-30% of the bank's 4Q19 ALLL of $51.6 million)

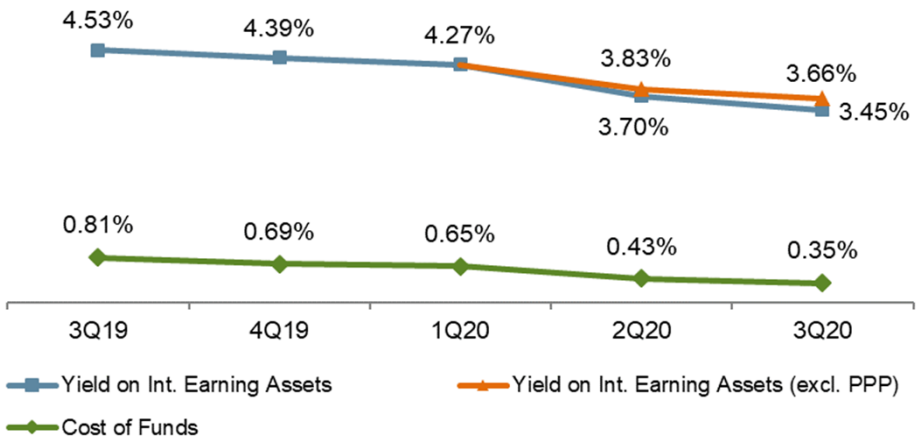
NET INTEREST INCOME AND NET INTEREST MARGIN

Net Interest Income(1)



- Net interest income decreased by $0.3 million from LQ as the result of an 18 basis point (bp) decrease in the net interest margin
  - Approximately 17bps of NIM compression can be attributed to PPP loans and excess liquidity, compared to 10bps of suppression LQ

Yield/Cost Trends(1)



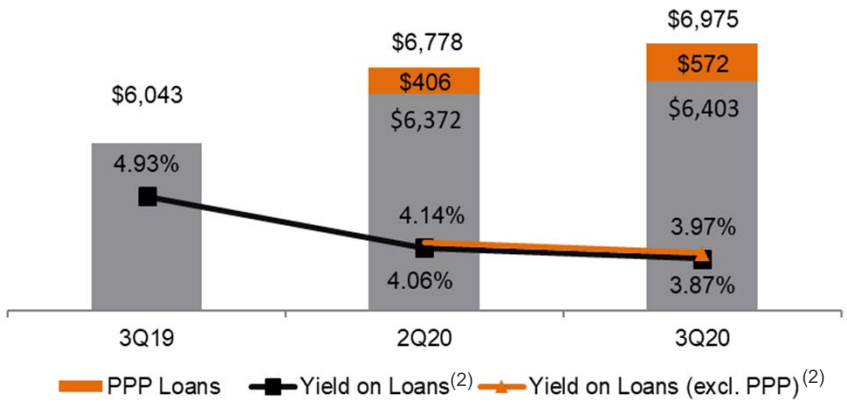
- Net interest margin of 3.11% decreased 18bps from LQ
  - A 25bps decrease in the yield on interest-earning assets was partially offset by a 10bps decrease in the cost of interest bearing liabilities

$ in millions

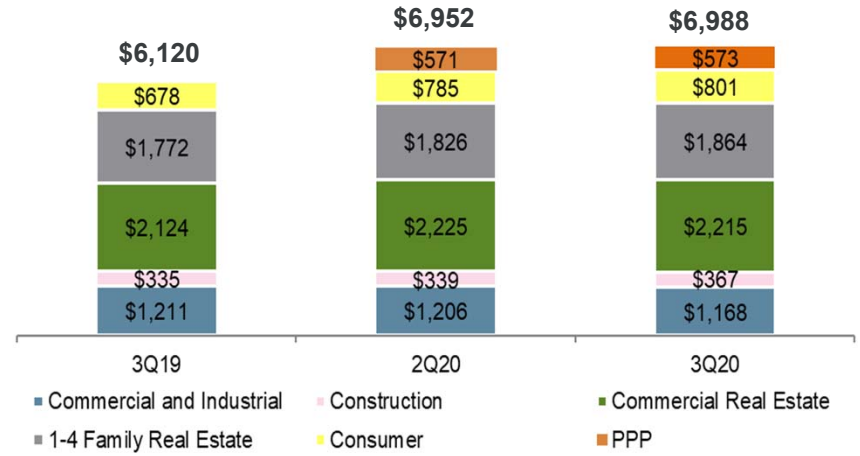
(1) Taxable equivalent

LOANS

Average Loans(1)



Period-end Loans(1)



Average

- Average loans increased $197 million from LQ
  - Includes $406 million and $572 million of PPP loans in Q2 and Q3, respectively
  - Excluding PPP loans, average loans grew $31 million, or 1.9% (annualized) from LQ
- The yield on loans decreased 19bps from LQ, with 10bps attributable to PPP loans

Period-end

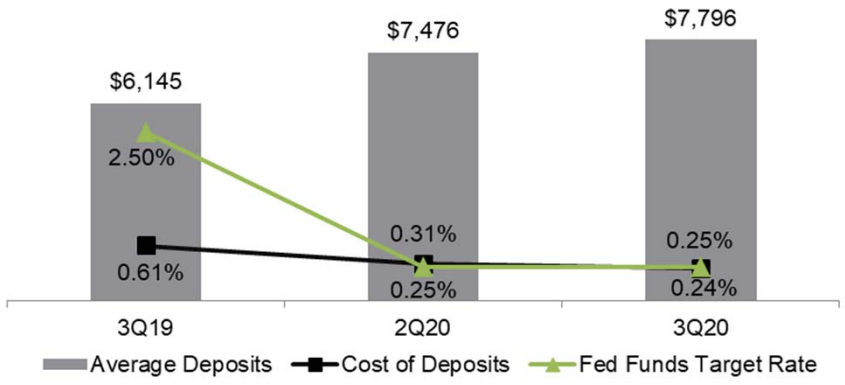
- Loans increased $36 million from LQ and $868 million from the prior year
  - Loan growth was driven by real estate secured consumer, indirect auto and commercial construction loans
  - Excluding PPP loans, total period-end loans grew $32.6 million, or 2.0% (annualized) from the previous quarter

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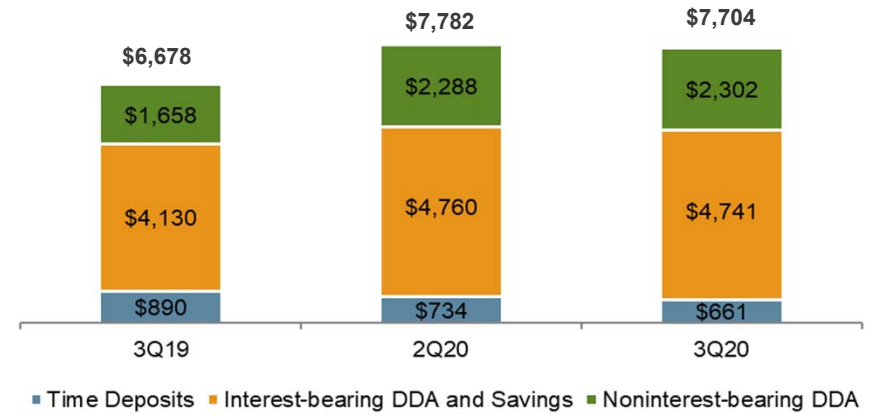
$ in millions
(1) Includes loans held for sale
(2) Taxable equivalent yield

DEPOSITS

Average Deposits



Period-end Deposits



Average

- Average deposits grew $320 million from LQ and $1.7 billion YoY ($1.2 billion YoY excluding acquired balances from Santander(1))
- The cost of total deposits of 0.24% decreased 7bps from LQ
  - The cost of interest-bearing demand and savings deposits decreased 4 bps from LQ

Period-end

- Total period-end deposits decreased $78 million from LQ and increased $1.0 billion YoY
- Noninterest-bearing deposits currently comprise 29.9% of total deposits

$ in millions
(1) Balances as of the close of the acquisition

NONINTEREST INCOME

	3Q20	2Q20	3Q19	Change from 2Q20	Change from 3Q19
Service charges	$4.0	$3.3	$5.0	*$0.7*	*($1.0)*
Interchange	6.4	5.9	5.6	*0.5*	*0.8*
Trust	2.6	2.1	2.3	*0.5*	*0.3*
Retail brokerage	1.2	0.8	0.9	*0.4*	*0.3*
Insurance	1.0	1.0	1.0	*0.0*	*0.0*
BOLI	1.5	1.8	1.5	*(0.3)*	*0.0*
SWAP fees	0.0	0.6	0.4	*(0.6)*	*(0.4)*
Gain on sale of mortgage loans	6.4	4.2	2.6	*2.2*	*3.8*
Gain on sale of other loans	1.9	0.6	1.0	*1.3*	*0.9*
Other fees	2.0	1.7	1.9	*0.3*	*0.1*
Total fee income	**$27.0**	**$22.0**	**$22.2**	***$5.0***	***$4.8***
Gain on sale of securities	0.0	0.0	0.0	*0.0*	*0.0*
Derivative mark-to-market	(0.2)	(0.2)	0.0	*0.0*	*(0.2)*
Total noninterest income	**$26.8**	**$21.8**	**$22.2**	***$5.0***	***$4.6***

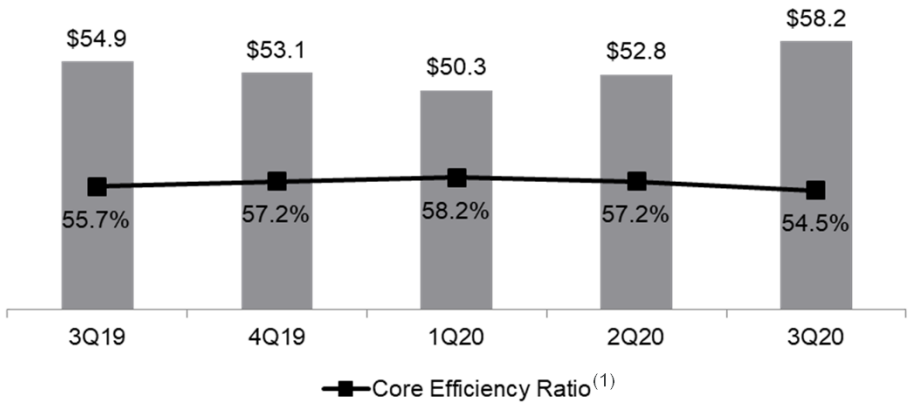


- Total fee income increased $5.0 million from LQ and increased $4.8 million YoY
  - Record quarterly fee income
  - Fee income represented 28.8% of total revenue
- Gain on sale of Mortgage loans increased $2.2 million from LQ and 3.8 million YoY due to higher originations
  - Record Mortgage originations of $240 million increased $37 million to LQ and increased $111 million YoY
- $0.9 million increase in gain on sale of SBA loans from LQ
- $0.6 million increase in card related interchange income from LQ
- Deposit service charges increased $0.7 million from LQ and decreased $1.0 million YoY due to lower NSF fees

$ in millions

NONINTEREST EXPENSE

	3Q20	2Q20	3Q19	Change from 2Q20	Change from 3Q19
Salaries and benefits	$28.8	$28.8	$28.7	*$0.0*	*$0.1*
Occupancy	4.4	4.4	4.5	*0.0*	*(0.1)*
Furniture and equipment	4.0	3.7	3.9	*0.3*	*0.1*
PA shares tax	1.3	1.3	1.2	*0.0*	*0.1*
Data processing	2.7	2.6	2.8	*0.1*	*(0.1)*
Collection and repo	0.3	0.3	0.6	*0.0*	*(0.3)*
Professional fees	0.9	0.9	1.0	*0.0*	*(0.1)*
FDIC insurance	0.9	0.7	0.0	*0.2*	*0.9*
Operational losses	0.3	0.3	0.3	*0.0*	*0.0*
Loss on sale or write-down of assets	0.1	0.1	0.2	*0.0*	*(0.1)*
Other operating expenses	7.3	7.9	7.6	*(0.6)*	*(0.3)*
Total operating expense	**$51.0**	**$51.0**	**$50.8**	***$0.0***	***$0.2***
Unfunded commitments	0.5	0.9	(0.5)	*(0.4)*	*1.0*
Intangible amortization	0.9	0.9	0.9	*0.0*	*0.0*
Early Retirement	3.3	0.0	0.0	*3.3*	*3.3*
Branch Consolidation	2.5	0.0	0.0	*2.5*	*2.5*
Acquisition expenses	0.0	0.0	3.7	*0.0*	*(3.7)*
Total noninterest expense	**$58.2**	**$52.8**	**$54.9**	***$5.4***	***$3.3***

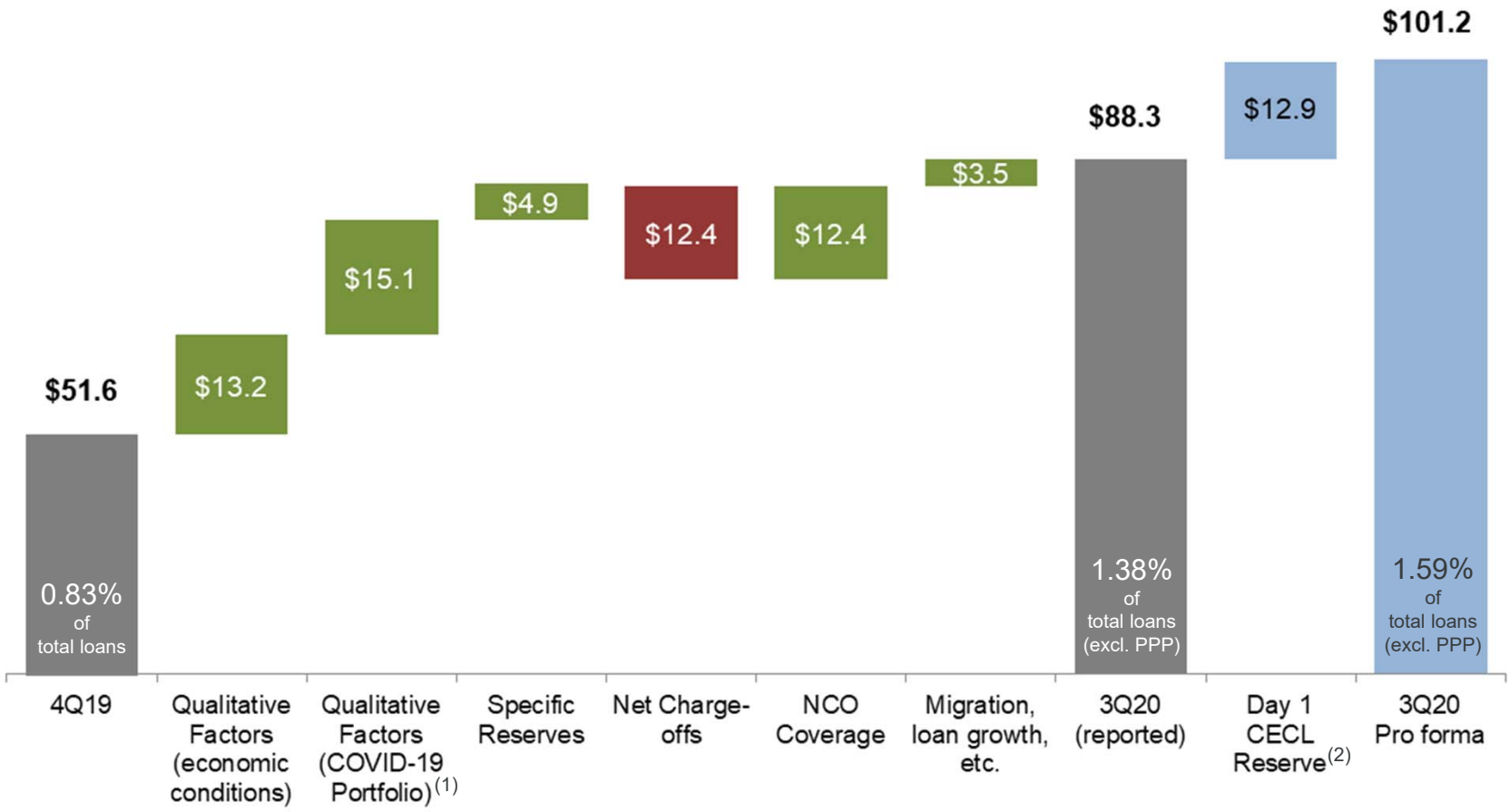


- Total noninterest expenses, unadjusted for expense related to branch consolidation and voluntary early retirement programs, increased $5.4 million to the previous quarter and increased $3.3 million YoY
  - Charges associated with branch consolidation and voluntary early retirement totaled $5.8 million in the quarter
- Total operating expenses were flat to the previous quarter and increased $0.2 million YoY
- FTEs decreased 65 from LQ and increased 111 YoY
  - The decrease from LQ is due to a company wide hiring freeze implemented at the end of 1Q20

(1) Please refer to the appendix for disclosures regarding non-GAAP measures

COVID-19: RESERVE BUILD YEAR-TO-DATE

Allowance for Loan Losses ($ in millions)



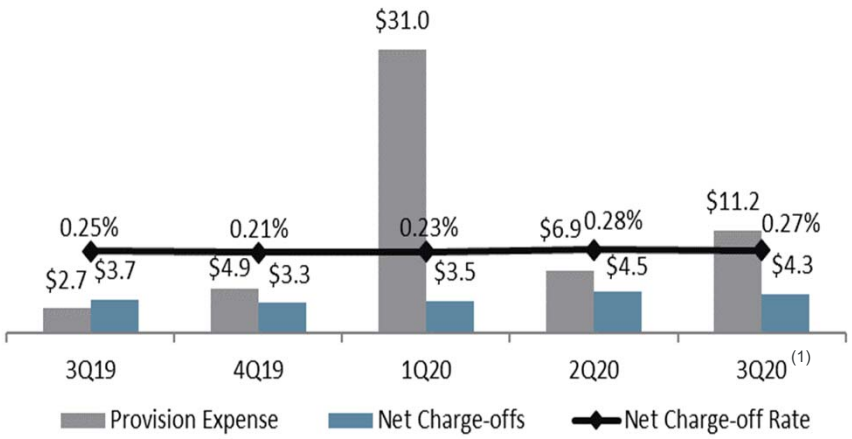
(1) Please refer to slide 12 for additional details on portfolios impacted by COVID-19

(2) Day 1 CECL reserve of $12.9 million (the midpoint of management's estimated range of +20-30% of the bank's 4Q19 ALLL of $51.6 million)

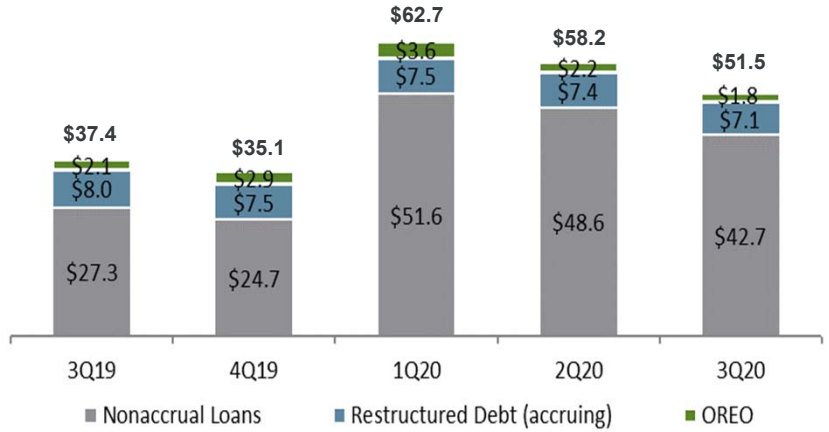
Balances as of September 30, 2020

CREDIT QUALITY

Provision Expense and Net Charge-offs



Nonperforming Assets



- Provision expense of $11.2 million increased $4.3 million from LQ:
  - $4.7 million increase in qualitative reserves (due to increased risk in the bank's hospitality and retail portfolio)
  - $0.9 million increase in normal qualitative reserves due to internal credit metrics
  - $4.3 million of total net charge-offs
  - $0.5 million increase in specific reserves
  - $0.5 million increase in quantitative reserve due to $60 million increase in OAEM loans
- Nonperforming assets of $51.5 million decreased $6.7 million from LQ:
  - Partial resolution of a $5.5 million commercial credit in 3Q20

(1) Net charge-offs as a percentage of period-to-date average loans, annualized

COVID-19: HIGHEST IMPACTED COMMERCIAL PORTFOLIOS

	Balance Outstanding			Non-pass (% port)			Nonperforming (% port)			Deferrals[2]			
$ in millions	# loans	$ bal	% tot lns	1Q20	2Q20	3Q20	1Q20	2Q20	3Q20	@ 7/24	% port	@ 10/23	% port
Commercial Portfolio[1]													
Retail	541	$531.5	7.6%	0.7%	0.7%	1.8%	0.4%	0.4%	0.1%	$12.1	2.21%	$1.3	0.24%
Hospitality	38	262.6	3.8%	7.0%	7.0%	27.8%	7.0%	7.0%	6.9%	29.4	11.22%	0.0	0.00%
Senior Living	66	160.2	2.3%	6.0%	5.8%	5.6%	5.5%	5.3%	5.1%	0.0	0.00%	0.0	0.00%
Dealer Floorplan	21	67.8	1.0%	1.9%	0.0%	0.0%	1.9%	0.0%	0.0%	0.0	0.00%	0.0	0.00%
Student Housing	23	100.9	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0	0.00%	0.0	0.00%
Healthcare	347	66.1	0.9%	1.2%	1.2%	1.4%	0.9%	0.9%	0.8%	0.9	1.44%	0.0	0.00%
Energy	50	32.3	0.5%	28.5%	23.7%	23.9%	15.5%	5.2%	5.2%	0.0	0.00%	0.0	0.00%
Restaurants/Bars	271	26.4	0.4%	7.0%	7.1%	11.3%	6.3%	6.3%	6.4%	0.0	0.00%	0.4	1.52%
Total	**1,357**	**$1,247.8**	**17.9%**	**3.6%**	**3.3%**	**8.3%**	**3.0%**	**2.6%**	**2.5%**	**$42.4**	3.37%	**$1.7**	0.14%

- 91.7% of loans in our highest impacted portfolios are pass-rated and 97.5% are performing
- The increase in non-pass rated loans was largely driven by the hospitality and retail portfolios

(1) Includes essential and non-essential businesses
(2) Deferrals include loans with modified terms classified under Section 4013 of the CARES Act
Balances as of September 30, 2020, unless noted

COVID-19: DEFERRALS(1)

Initial deferrals were offered to all customers regardless of circumstances; additional 90 day deferrals are being assessed based on credit determination

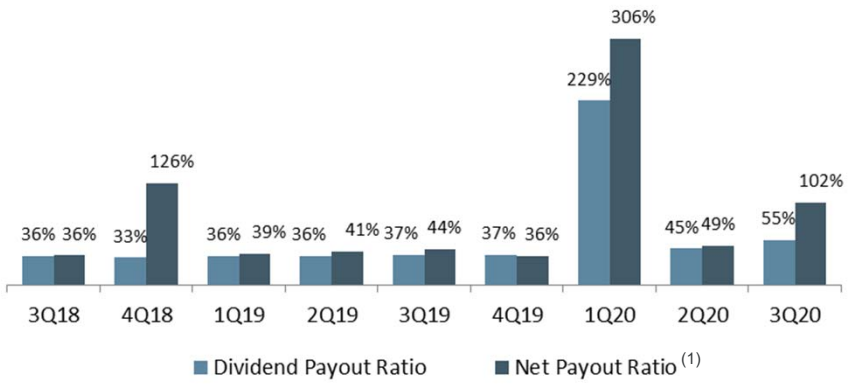
	Total Loans		Deferrals (@ 7/24)			Deferrals (@ 10/23)		
$ in millions	$ bal	% tot lns	# loans	$ bal	% port	# loans	$ bal	% port
Commercial Portfolio								
Commercial & Industrial	$1,167.3	16.7%	55	$43.6	3.63%	13	$3.8	0.33%
Commercial Real Estate	2,215.3	31.7%	40	119.2	5.36%	7	7.7	0.35%
Commercial Construction	366.9	5.3%	5	11.5	3.39%	0	0.0	0.00%
Paycheck Protection Loans	573.5	8.2%	0	0.0	0.00%	0	0.0	0.00%
Total Commercial	**$4,323.0**	**61.9%**	**100**	**$174.3**	**4.02%**	**20**	**$11.5**	**0.27%**
Consumer Portfolio								
Mortgage	$1,188.2	17.0%	48	$7.7	0.66%	2	$0.1	0.01%
Home Equity	589.7	8.4%	14	1.5	0.26%	2	0.2	0.03%
RE Construction	86.1	1.2%	1	0.5	0.65%	0	0.0	0.00%
Auto	692.5	9.9%	79	2.0	0.30%	6	0.2	0.03%
Other Consumer	108.2	1.5%	44	0.3	0.26%	2	0.0	0.00%
Total Consumer	**$2,664.7**	**38.1%**	**186**	**$12.0**	**0.46%**	**12**	**$0.5**	**0.02%**
Total Loans (excl. PPP)	**$6,414.2**	**91.8%**	**286**	**$186.3**	**2.92%**	**32**	**$12.0**	**0.19%**
Total Loans	**$6,987.7**	**100.0%**	**286**	**$186.3**	**2.68%**	**32**	**$12.0**	**0.17%**

- The majority of loan modifications consist of 90 day forbearances
- Approximately 6,600 deferral requests were granted throughout the year, with deferrals peaking at approximately $1.4 billion

(1) Deferrals include loans with modified terms classified under Section 4013 of the CARES Act
Balances as of September 30, 2020, unless noted

CAPITAL RETURN

Payout Ratios



- Strong capital levels allow us to continue to return capital to shareholders
- Announced a $25 million share repurchase program in 1Q19
  - Completed the remaining $15.6 million of the previously authorized share repurchase program on October 9, 2020, repurchasing 2.0 million shares at a weighted average price of $7.84
- Increased the quarterly dividend by 10% from $0.10 to $0.11 per share in 1Q20 (January)
  - Trailing four-quarter average EPS of $0.20
  - Management currently believes the dividend is sustainable based upon the expectation of stable economic conditions through 2021

(1) Net payout ratio represents common stock dividends and share repurchases less share issuances and stock compensation-related items, excluding acquisition-related items, divided by net income attributable to common stock.

COVID-19 OPERATIONAL UPDATE

The Company took early action by executing its business continuity plan to protect the health and welfare of its associates and mitigate customer disruption

Employees

- Approximately 40% of employees **working from home**
- Up to $2,000 special **no-interest loan** offered to all employees
- Up to 40 **additional hours of paid time off** for eligible personnel
- **Monitoring the health** of our employees on a daily basis
- Offering no-cost **COVID-19 related treatment** under U.S. Medical Plan
- 2020 Forbes **World's Best Banks**

Consumers

- **All community office drive-ups are open** and our lobbies are available by appointment
- Allowed **90-day grace period** for credit card, mortgage and auto loan payments; second requests require additional approvals
- Approved approximately 5,000 **forbearance agreements**(1) for consumer customers
- Not reporting payment deferrals to **credit bureaus**
- Waiving or refunding certain **fees**
- Continue to prudently **lend to qualified consumers**

Businesses

- **Extending credit** to businesses of all sizes for working capital and general corporate purposes
- Approved over 1,600 **forbearance agreements**(1) for commercial customers
- SBA Paycheck Protection Program (PPP): received SBA approvals for **4,920 loans** representing $606 million approved and $588 million funded to **support approximately 80,000 local jobs**
  - PPP balances totaled $573 million as of September 30, 2020

Communities

- Launched "Be a Part" program to **support** local food banks, EMS and other organizations providing meaningful access to services and supplies
  - Up to **$75,000 direct match** for employee and customer donations
- Consumer Federation of America Designation of **Savings Excellence**
- FDIC **Impactful Money Smart** for Adults Partnership

(1) As of September 30, 2020

APPENDIX

NON-GAAP MEASURES

Operating Revenue	3Q20	2Q20	1Q20	4Q19	3Q19
Net Interest Income	$66.3	$66.7	$67.7	$68.8	$68.5
Tax equivalent adjustment	0.4	0.4	0.4	0.4	0.4
Net Interest Income (FTE)	66.7	67.1	68.1	69.2	68.9
Noninterest Income (Reported)	26.8	21.8	19.3	22.5	22.2
Less: Realized gains / (losses) on securities	0.0	0.0	0.0	0.0	0.0
Less: Derivative mark-to-market	(0.2)	(0.2)	(1.7)	(0.2)	0.0
Total Noninterest Income (Operating)	$27.0	$22.0	$21.0	$22.7	$22.2
Total Operating Revenue	$93.7	$89.1	$89.1	$91.9	$91.1
Average Assets	9,390	9,044	8,337	8,201	8,050
Operating Revenue / Average Assets (%)	**3.99%**	**3.94%**	**4.27%**	**4.48%**	**4.53%**

Operating Expense	3Q20	2Q20	1Q20	4Q19	3Q19
Noninterest Expense	$58.2	$52.8	$50.3	$53.1	$54.9
Less: Unfunded commitment reserve	0.5	0.9	(2.5)	(0.3)	(0.5)
Less: Intangible amortization	0.9	0.9	0.9	1.0	0.9
Less: Early Retirement	3.3	0.0	0.0	0.0	0.0
Less: Branch Consolidation	2.5	0.0	0.0	0.0	0.0
Less: Merger and acquisition related	0.0	0.0	0.0	(0.2)	3.7
Total Operating Expense	$51.0	$51.0	$51.9	$52.6	$50.8
Average Assets	9,390	9,044	8,337	8,201	8,050
Operating Expense / Average Assets (%)	**2.17%**	**2.26%**	**2.49%**	**2.57%**	**2.52%**
Core Efficiency Ratio[(1)]	**54.5%**	**57.2%**	**58.2%**	**57.2%**	**55.7%**
Pre-tax Pre-Provision Net Income (Reported)	**$35.3**	**$36.1**	**$37.1**	**$38.6**	**$36.2**
Average Diluted Shares Outstanding	98.2	98.1	98.4	98.5	98.5
Pre-tax Pre-Provision Net Income per share	$0.36	$0.37	$0.38	$0.39	$0.37
Average Assets	$9,390	$9,044	$8,337	$8,201	$8,050
Pre-tax Pre-Provision Income / Average Assets (%)	1.50%	1.61%	1.79%	1.88%	1.80%

$ in millions

(1) Core Efficiency Ratio is calculated as Operating Expense as a percentage of Operating Revenue

Note: Management believes that it is standard practice in the banking industry to present these non-GAAP measures. These measures provide useful information to management and investors by allowing them to make peer comparisons.

NON-GAAP MEASURES

Core Earnings per Share	3Q20	2Q20	1Q20	4Q19	3Q19
Net Income (GAAP)	$19.2	$23.9	$4.7	$26.8	$26.6
Less: Merger and acquisition related *(after tax)*	0.0	0.0	0.0	(0.2)	3.0
Less: Early Retirement *(after tax)*	2.6	0.0	0.0	0.0	0.0
Less: Branch Consolidation *(after tax)*	2.0	0.0	0.0	0.0	0.0
Core Net Income (Non-GAAP)	**$23.8**	**$23.9**	**$4.7**	**$26.6**	**$29.6**
Average Diluted Shares Outstanding	98.2	98.1	98.4	98.5	98.5
Core Earnings per Share (Non-GAAP)	**$0.24**	**$0.24**	**$0.05**	**$0.27**	**$0.30**

Core Return on Average Assets (%)	3Q20	2Q20	1Q20	4Q19	3Q19
Net Income (GAAP)	$19.2	$23.9	$4.7	$26.8	$26.6
Less: Merger and acquisition related *(after tax)*	0.0	0.0	0.0	(0.2)	3.0
Less: Early Retirement *(after tax)*	2.6	0.0	0.0	0.0	0.0
Less: Branch Consolidation *(after tax)*	2.0	0.0	0.0	0.0	0.0
Core Net Income (Non-GAAP)	**$23.8**	**$23.9**	**$4.7**	**$26.6**	**$29.6**
Average Assets	9,390	9,044	8,337	8,201	8,050
Core Return on Average Assets (Non-GAAP)	**1.01%**	**1.06%**	**0.23%**	**1.29%**	**1.46%**
Core Pre-tax Pre-Provision Net Income	**$41.1**	**$36.1**	**$37.1**	**$38.4**	**$39.9**
Core Pre-tax Pre-Provision Income / Average Assets (%)	1.74%	1.61%	1.79%	1.86%	1.97%

$ in millions, except per share data

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NON-GAAP MEASURES

Return on Average Tangible Common Equity (%)	3Q20	2Q20	1Q20	4Q19	3Q19
Average Equity	$1,088	$1,072	$1,071	$1,051	$1,034
Less: Average intangible assets	318	319	319	320	293
Less: Average preferred stock	0	0	0	0	0
Average Tangible Common Equity	$770	$753	$752	$731	$741
Net Income (GAAP)	$19.2	$23.9	$4.7	$26.8	$26.6
Less: Intangible amortization *(after tax)*	0.7	0.7	0.7	0.8	0.7
Net Income Adjusted for Intangible Amortization (Non-GAAP)	$19.9	$24.6	$5.4	$27.6	$27.3
Return on Average Tangible Common Equity	**10.3%**	**13.1%**	**2.9%**	**15.0%**	**14.6%**

Core Return on Average Tangible Common Equity (%)	3Q20	2Q20	1Q20	4Q19	3Q19
Average Equity	$1,088	$1,072	$1,071	$1,051	$1,034
Less: Average intangible assets	318	319	319	320	293
Less: Average preferred stock	0	0	0	0	0
Average Tangible Common Equity	$770	$753	$752	$731	$741
Net Income (GAAP)	$19.2	$23.9	$4.7	$26.8	$26.6
Less: Merger and acquisition related *(after tax)*	0.0	0.0	0.0	(0.2)	3.0
Less: Early Retirement *(after tax)*	2.6	0.0	0.0	0.0	0.0
Less: Branch Consolidation *(after tax)*	2.0	0.0	0.0	0.0	0.0
Core Net Income (Non-GAAP)	$23.8	$23.9	$4.7	$26.6	$29.6
Less: Intangible amortization *(after tax)*	0.7	0.7	0.7	0.8	0.7
Core Net Income Adjusted for Intangible Amortization (Non-GAAP)	$24.5	$24.6	$5.4	$27.4	$30.3
Core Return on Average Tangible Common Equity	**12.7%**	**13.1%**	**2.9%**	**14.9%**	**16.2%**

$ in millions

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NON-GAAP MEASURES

Tangible Common Equity / Tangible Assets
(Tangible Common Equity Ratio)

	3Q20	2Q20	1Q20	4Q19	3Q19
Total Equity	$1,073	$1,076	$1,058	$1,056	$1,039
Less: Intangible assets	317	318	319	320	320
Less: Preferred stock	0	0	0	0	0
Tangible Common Equity	$756	$758	$739	$736	$719
Total Assets	$9,289	$9,365	$8,515	$8,309	$8,152
Less: Intangible assets	317	318	319	320	320
Tangible Assets	$8,972	$9,047	$8,196	$7,989	$7,832
Tangible Common Equity / Tangible Assets	**8.4%**	**8.4%**	**9.0%**	**9.2%**	**9.2%**
Tangible Assets	$8,972	$9,047	$8,196	$7,989	$7,832
Paycheck Protection Loans	573	571	0	0	0
Tangible Assets (excl. PPP)	$8,399	$8,476	$8,196	$7,989	$7,832
Tangible Common Equity / Tangible Assets (excl. PPP)	**9.0%**	**8.9%**	**9.0%**	**9.2%**	**9.2%**

$ in millions

Note: Management believes that it is standard practice in the banking industry to present these non-GAAP measures. These measures provide useful information to management and investors by allowing them to make peer comparisons.