

Different by Design.

UMB Financial

Third Quarter 2018

October 23, 2018

This presentation of UMB Financial Corporation (the “company,” “our,” “us,” or “we”) contains, and our other communications may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as “believe,” “expect,” “anticipate,” “intend,” “estimate,” “project,” “outlook,” “forecast,” “target,” “trend,” “plan,” “goal,” or other words of comparable meaning or future-tense or conditional verbs such as “may,” “will,” “should,” “would,” or “could.”

Forward-looking statements convey our expectations, intentions, or forecasts about future events, circumstances, results, or aspirations. All forward-looking statements are subject to assumptions, risks, and uncertainties, which may change over time and many of which are beyond our control. You should not rely on any forward-looking statement as a prediction or guarantee about the future. Our actual future objectives, strategies, plans, prospects, performance, condition, or results may differ materially from those set forth in any forward-looking statement. Some of the factors that may cause actual results or other future events, circumstances, or aspirations to differ from those in forward-looking statements are described in our Annual Report on Form 10-K for the year ended December 31, 2017, our subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, or other applicable documents that are filed or furnished with the U.S. Securities and Exchange Commission (SEC).

Any forward-looking statement made by us or on our behalf speaks only as of the date that it was made. We do not undertake to update any forward-looking statement to reflect the impact of events, circumstances, or results that arise after the date that the statement was made, except to the extent required by applicable securities laws. You, however, should consult disclosures (including disclosures of a forward-looking nature) that we may make in any subsequent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, Current Report on Form 8-K, or other applicable document that is filed or furnished with the SEC.

3Q 2018 Highlights

Earnings Summary – 3Q 2018



\$ in thousands, except share and per share data; unaudited

	3Q'18	2Q'18	3Q'17	% variance	
				vs. 2Q'18	vs. 3Q'17
Net interest income	\$ 150,490	\$ 150,226	\$ 140,858	0.2	6.8
Noninterest income	100,885	100,289	104,306	0.6	(3.3)
Total revenue	251,375	250,515	245,164	0.3	2.5
Noninterest expense	180,385	177,218	171,821	1.8	5.0
Pre-Provision net revenue	70,990	73,297	73,343	(3.1)	(3.2)
Provision for loan losses	5,750	7,000	11,500	(17.9)	(50.0)
Income before taxes	65,240	66,297	61,843	(1.6)	5.5
Income tax expense	7,391	10,873	12,971	(32.0)	(43.0)
Income from continuing operations	\$ 57,849	\$ 55,424	\$ 48,872	4.4	18.4
Loss from discontinued operations before income taxes	-	-	(1,030)	-	-
Income tax benefit	-	-	(300)	-	-
Loss from discontinued operations	-	-	(730)	-	-
Net Income	\$ 57,849	\$ 55,424	\$ 48,142	4.4	20.2
Earnings per share from continuing operations as reported - diluted	\$ 1.16	\$ 1.11	\$ 0.98	4.5	18.4
Adjustments ⁽¹⁾	-	0.01	-	(100.0)	-
Tax impact of adjustments ⁽¹⁾	-	-	-	-	-
Operating earnings per share - diluted ⁽¹⁾	\$ 1.16	\$ 1.12	\$ 0.98	3.6	18.4
Dividends per share	0.290	0.290	0.255	-	13.7
WASO (diluted)	49,912,084	50,007,022	49,833,141		

(1) Non-GAAP adjustments include acquisition and divestiture expense and income, severance expense and the cumulative tax impact of these adjustments. See the non-GAAP reconciliations and additional information on these items on slides 32 and 33.

Key Performance Metrics



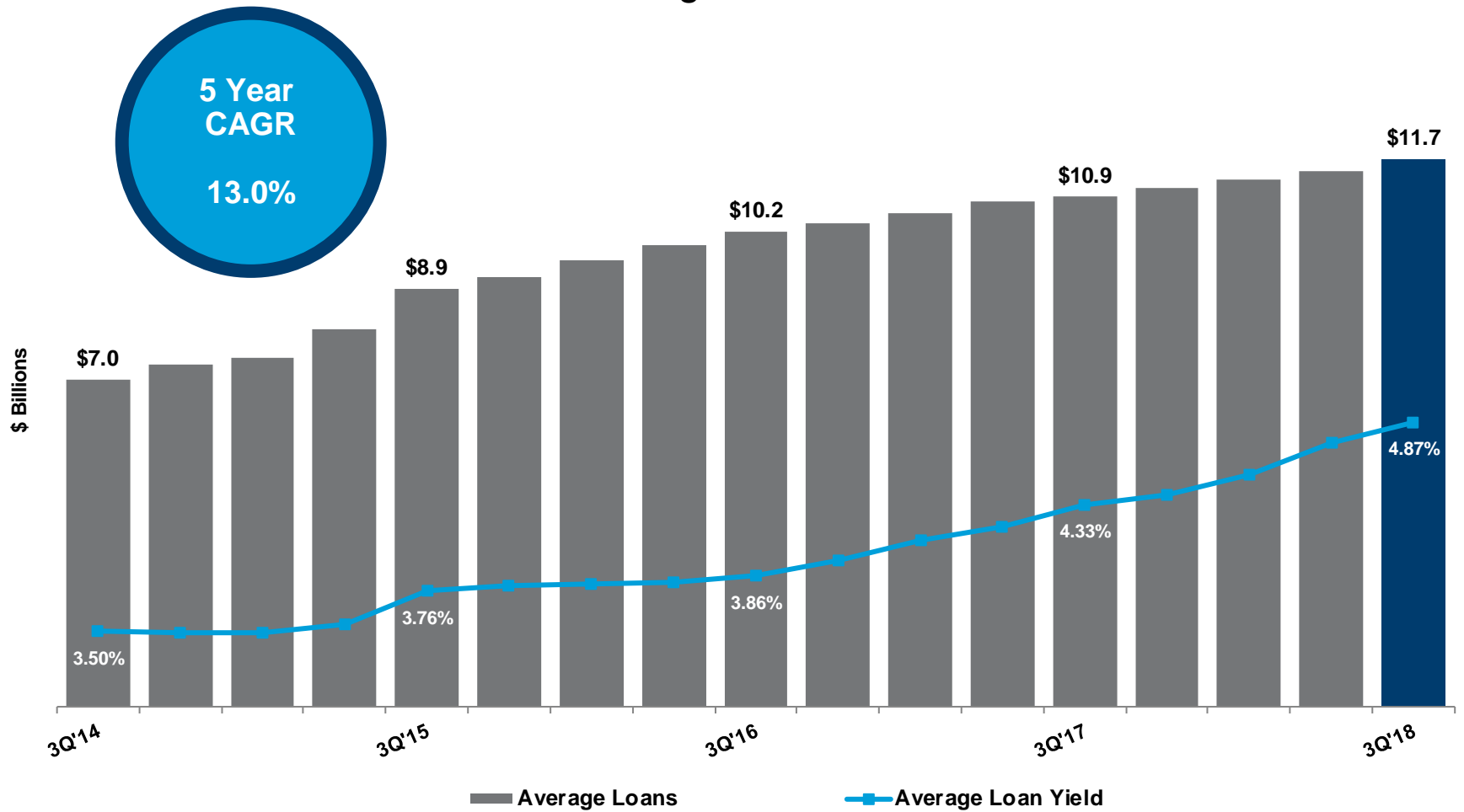
	3Q'18	2Q'18	1Q'18	4Q'17	3Q'17
ROE	10.32%	10.18%	10.80%	8.72%	9.17%
Operating ROE ⁽¹⁾	10.35%	10.30%	11.09%	8.75%	9.18%
ROA	1.11%	1.08%	1.12%	0.91%	0.95%
Operating ROA ⁽¹⁾	1.11%	1.09%	1.15%	0.91%	0.96%
Efficiency Ratio ⁽²⁾	71.27%	70.21%	68.82%	71.70%	70.07%
Operating Efficiency Ratio ^{(1) (2)}	71.18%	69.88%	68.04%	71.59%	70.03%
Net Interest Margin ⁽³⁾	3.18%	3.24%	3.19%	3.21%	3.16%
Noninterest Income % of Revenue	40.1%	40.0%	41.6%	42.0%	42.5%
Avg. Loan/Deposit Ratio	70.9%	69.5%	67.3%	65.8%	69.6%
Assets Under Mgmt. (billions)	\$ 13.5	\$ 13.4	\$ 14.2	\$ 14.8	\$ 15.5
Common Equity Tier 1 Capital Ratio	13.47%	13.56%	13.36%	12.95%	12.18%
Diluted EPS	\$ 1.16	\$ 1.11	\$ 1.15	\$ 0.95	\$ 0.98
Operating EPS-Diluted ⁽¹⁾	\$ 1.16	\$ 1.12	\$ 1.18	\$ 0.95	\$ 0.98

(1) See slides 32 and 33 for additional disclosures and reconciliations related to these non-GAAP financial measures.

(2) Beginning in Q1 2018, the Company revised the denominator of its Efficiency Ratio and Operating Efficiency Ratio calculations to use "Net Interest Income" in place of "Tax Equivalent Net Interest Income". All prior periods presented here were updated using this revised formula.

(3) For first, second and third quarter of 2018, net interest margin is computed using net interest income adjusted to a fully taxable equivalent ("FTE") basis assuming a federal income tax rate of 21 percent; while prior period net interest margins are computed using a federal income tax rate of 35 percent.

Average Total Loans



Net Charge-Off History



Annual							
<i>(\$ in thousands)</i>	2004	2005	2006	2007	2008	2009	2010
Commercial Loans ⁽¹⁾	\$ 893	\$ 1,818	\$ 2,367	\$ 1,569	\$ 2,943	\$ 4,113	\$ 6,007
Consumer Credit Card	4,412	4,917	3,449	4,577	6,839	12,291	14,279
Other ⁽²⁾	836	938	1,176	2,127	1,973	3,854	1,411
Total Net Charge-Offs	\$ 6,141	\$ 7,673	\$ 6,992	\$ 8,273	\$ 11,755	\$ 20,258	\$ 21,697
Average Total Loans <i>(\$ in millions)</i>	\$ 2,758.3	\$ 3,109.8	\$ 3,562.0	\$ 3,888.1	\$ 4,175.7	\$ 4,356.2	\$ 4,583.7
NCOs as % of Avg Loans	0.22%	0.25%	0.20%	0.21%	0.28%	0.47%	0.48%

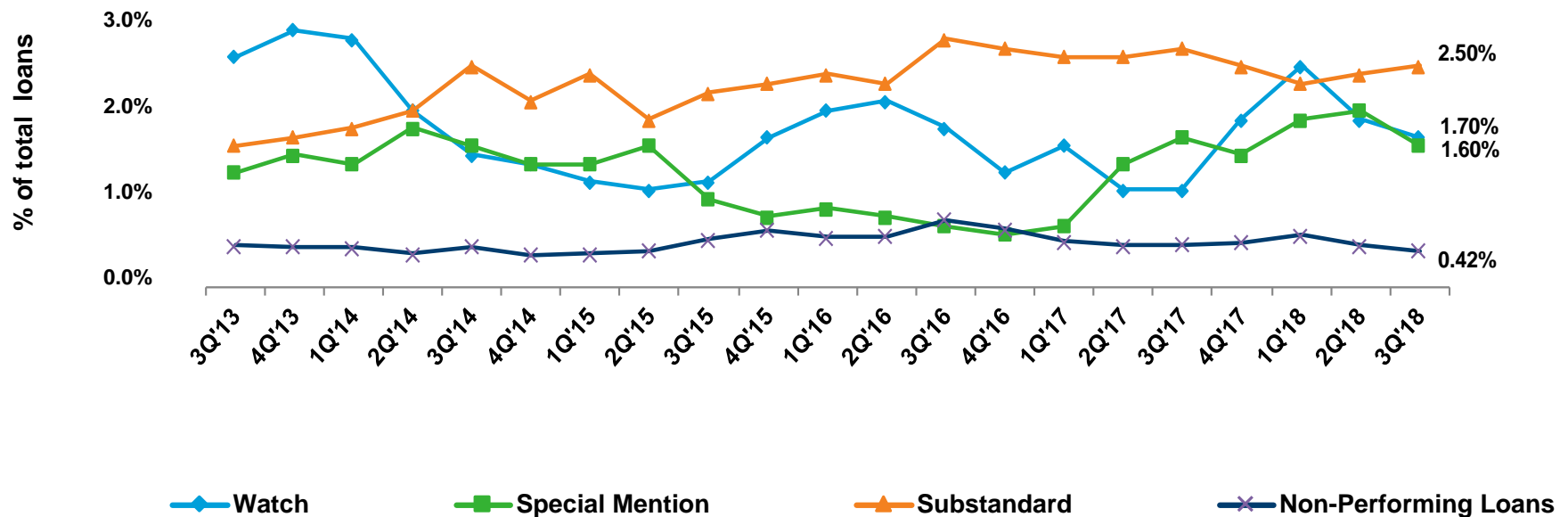
<i>(\$ in thousands)</i>	2011	2012	2013	2014	2015	2016	2017
Commercial Loans ⁽¹⁾	\$ 11,880	\$ 7,310	\$ 3,881	\$ 6,459	\$ 3,415	\$ 9,192	\$ 24,463
Consumer Credit Card	11,127	9,382	8,811	8,301	6,753	6,706	7,141
Other ⁽²⁾	1,128	1,399	1,483	851	329	6,096	441
Total Net Charge-Offs	\$ 24,135	\$ 18,091	\$ 14,175	\$ 15,611	\$ 10,497	\$ 21,994	\$ 32,045
Average Total Loans <i>(\$ in millions)</i>	\$ 4,748.9	\$ 5,243.3	\$ 6,217.2	\$ 6,974.2	\$ 8,424.0	\$ 9,986.2	\$10,841.5
NCOs as % of Avg Loans	0.51%	0.35%	0.23%	0.22%	0.12%	0.22%	0.30%

Quarterly							
<i>(\$ in thousands, unaudited)</i>	1Q'17	2Q'17	3Q'17	4Q'17	1Q'18	2Q'18	3Q'18
Commercial Loans ⁽¹⁾	\$ 5,283	\$ 7,971	\$ 8,961	\$ 2,248	\$ 6,847	\$ 6,137	\$ 624
Consumer Credit Card	1,815	2,079	1,635	1,612	1,849	1,786	1,632
Other ⁽²⁾	228	(24)	312	(75)	1,606	1,081	490
Total Net Charge-Offs	\$ 7,326	\$ 10,026	\$ 10,908	\$ 3,785	\$ 10,302	\$ 9,004	\$ 2,746
Average Total Loans <i>(\$ in millions)</i>	\$10,558.1	\$10,809.8	\$10,908.5	\$11,083.1	\$11,285.2	\$11,442.7	\$11,716.0
NCOs as % of Avg Loans	0.28%	0.37%	0.40%	0.14%	0.37%	0.32%	0.09%

(1) Commercial Loans includes commercial and industrial, commercial credit card, asset-based and factoring loans.

(2) Other includes all real-estate related loans (commercial, residential and HELOC) plus consumer loans and DDA charge-offs.

Loan Classification Trends



3Q 2018 Financials

Select Balance Sheet Items



\$ in thousands, average balances; unaudited

Three Months Ended

	September 30, 2018		June 30, 2018		September 30, 2017		% variance	
	Avg. Balance	Avg Yield / Rate %	Avg. Balance	Avg Yield / Rate %	Avg. Balance	Avg Yield / Rate %	vs. 2Q'18	vs. 3Q'17
Assets								
Loans, net of unearned interest	\$ 11,718,552	4.87	\$ 11,444,448	4.74	\$ 10,911,154	4.33	2.4	7.4
Total securities	7,237,014	2.40	7,400,563	2.41	7,590,010	2.46	(2.2)	(4.7)
Total earning assets	19,379,671	3.89	19,204,646	3.79	18,945,902	3.52	0.9	2.3
Allowance for loan losses	(99,289)		(101,801)		(99,954)		(2.5)	(0.7)
Total assets	\$ 20,749,665		\$ 20,619,646		\$ 20,313,221		0.6	2.1
Liabilities and Shareholders' Equity								
Interest-bearing deposits	\$ 10,984,419	0.93	\$ 10,800,015	0.68	\$ 9,951,600	0.41	1.7	10.4
Total interest-bearing liabilities	12,797,067	1.07	12,615,981	0.83	12,262,425	0.55	1.4	4.4
Noninterest-bearing demand deposits	5,547,880		5,666,364		5,728,145		(2.1)	(3.1)
Shareholders' equity	2,224,943		2,184,810		2,115,234		1.8	5.2
Total liabilities and shareholders' equity	\$ 20,749,665		\$ 20,619,646		\$ 20,313,221		0.6	2.1
Net interest spread		2.82		2.96		2.97		
Net interest margin		3.18		3.24		3.16		

For second and third quarter of 2018, securities yields, earning asset yields, net interest spread and net interest margin were computed using net interest income adjusted to a fully taxable equivalent ("FTE") basis assuming a federal income tax rate of 21 percent; in prior periods, these metrics were computed using a federal income tax rate of 35 percent.

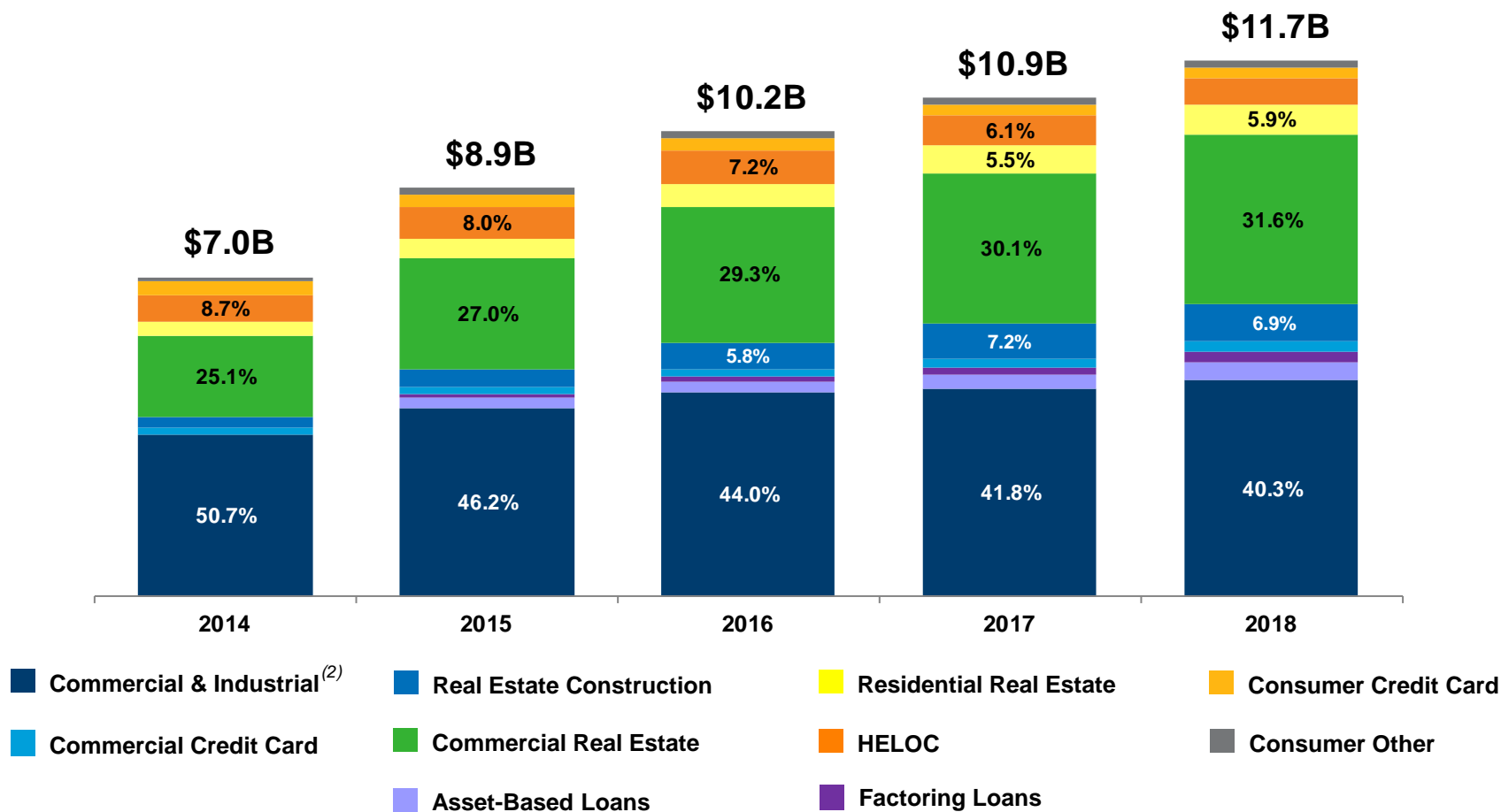
Loan Paydowns, Payoffs, and Line Changes



<i>\$ in millions</i>	3Q'18	2Q'18	1Q'18	4Q'17	3Q'17
End-of-Period Total Loans	\$11,964.7	\$11,631.6	\$11,458.8	\$11,280.5	\$10,997.0
Gross Loan Production	730.2	635.1	519.6	685.9	604.4
Revolving Balance Changes	(18.8)	(43.7)	114.7	69.2	20.0
Payoffs	(156.0)	(177.7)	(236.5)	(261.6)	(245.4)
Paydowns	(222.3)	(240.9)	(219.5)	(210.0)	(230.6)
Paydowns/Payoffs as a % of Loans	3.2%	3.6%	4.0%	4.2%	4.3%

Diverse Loan Book ⁽¹⁾

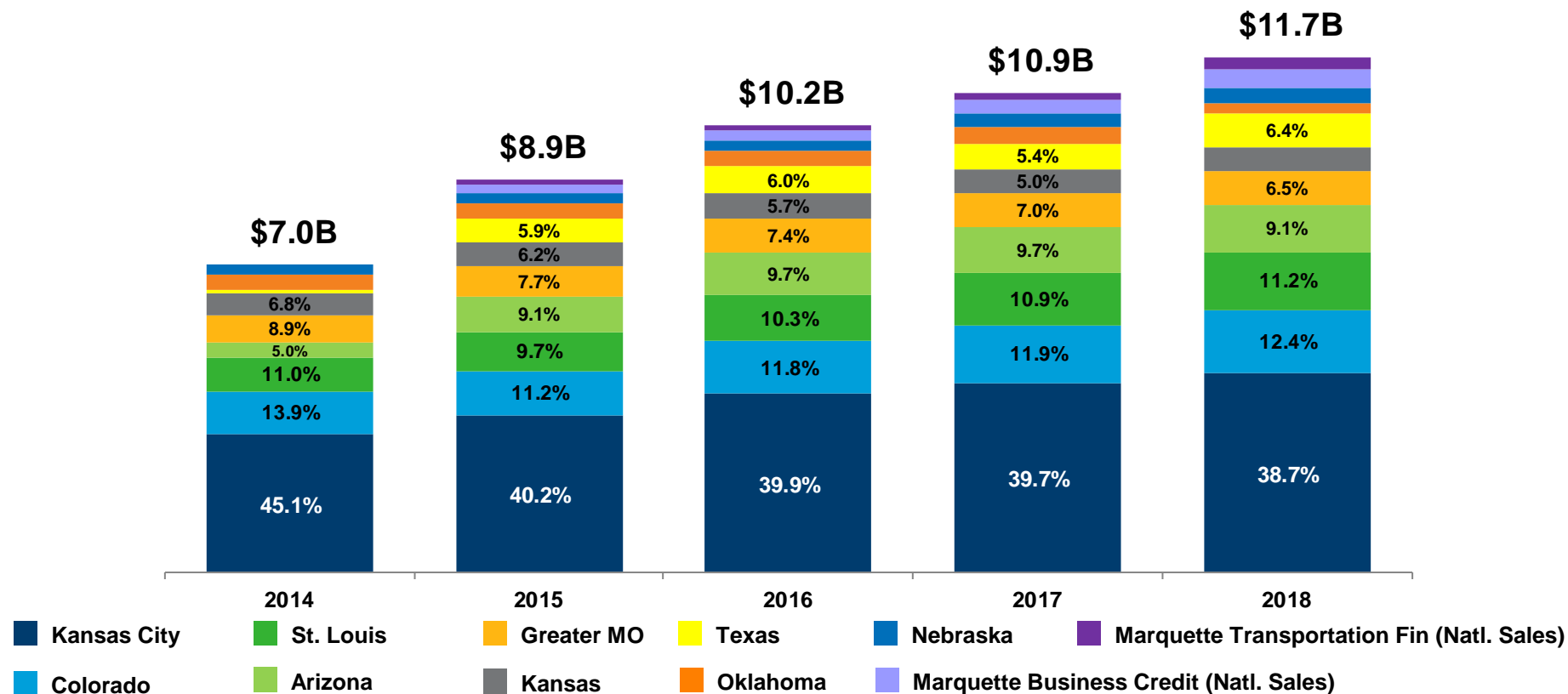
(Average Loan Balances for the three months ended September 30 of the indicated year)



(1) Percentages less than 5% have been omitted.
 (2) Includes leases.

Loans by Region⁽¹⁾

(Average Loan Balances for the three months ended September 30 of the indicated year)



High Growth Regions
3Q'18 vs. 3Q'17

Factoring (national platform)
+52.1%

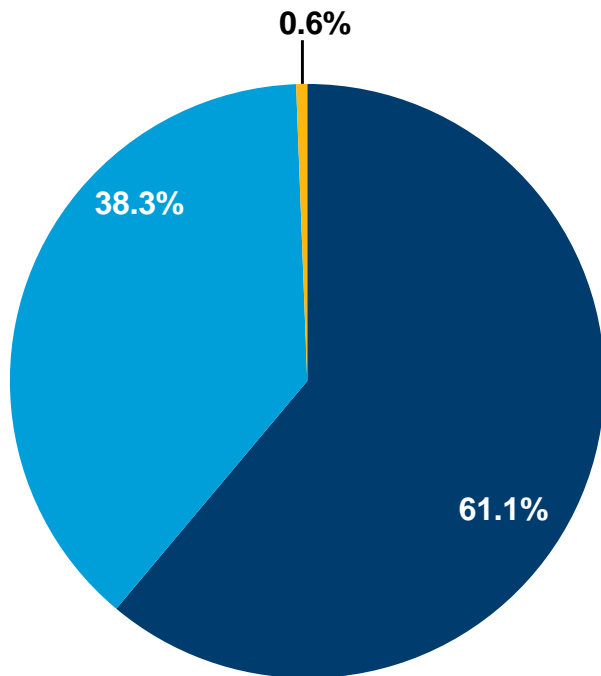
Asset Based (national platform)
+45.1%

Texas
+27.0%

(1) Percentages less than 5% have been omitted.

Securities Available for Sale

\$5.9 billion at September 30, 2018

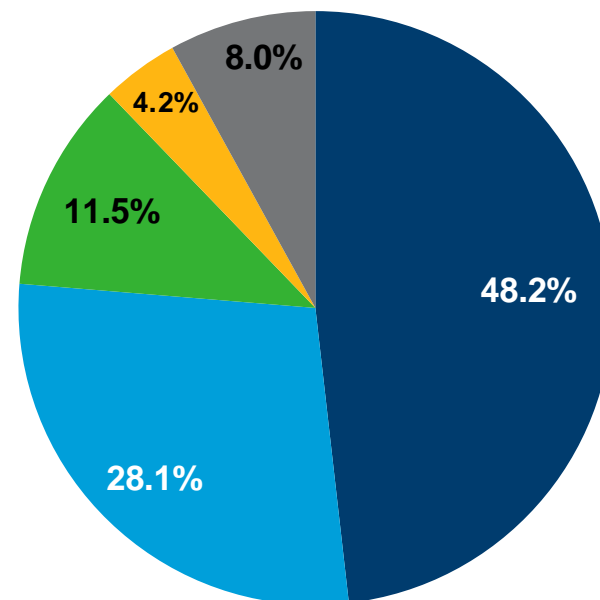


- Mortgage-Backed Securities
- Municipals
- Treasuries
- Agencies (0.0%)
- Corporates (0.0%)

Average Balance: \$5.9 billion
Average Yield: 2.16%
Duration: 47 months

Securities Held to Maturity

\$1.2 billion at September 30, 2018



- Healthcare
- Higher Education
- Governmental
- Utility
- Other
 - Social Service
 - Industrial
 - Cultural
 - Civic
 - K-12 Education
 - NFP - Other

Average Balance: \$1.2 billion
Average Yield: 3.29%
Duration: 72 months



For third quarter 2018, securities yields are computed using net interest income adjusted to a fully taxable equivalent ("FTE") basis assuming a federal income tax rate of 21 percent; in prior periods, these metrics are computed using a federal income tax rate of 35 percent.

AFS Portfolio Activity

<i>\$ in millions</i>	3Q'18	2Q'18	1Q'18	4Q'17	3Q'17
Roll off / Cash Flow ⁽¹⁾	\$ 229	\$ 247	\$ 277	\$ 195	\$ 270
Roll off yield	1.96%	1.91%	1.91%	2.02%	1.75%
Purchased ⁽²⁾	\$ 198	\$ 146	\$ 225	\$ 202	\$ 178
Purchase yield	3.66%	3.12%	2.88%	2.70%	2.77%
Forward-looking expectations					
	4Q'18	Next 12 months			
Roll off / Cash Flow	\$ 184	\$ 879			
Roll off yield	2.00%	2.01%			

Loan Portfolio Statistics

at September 30, 2018

Variable Rate Loans: \$7.4 billion or 63% of loan book

- ~39% of variable loans are tied to Prime for the next quarter
- ~60% of variable loans are tied to LIBOR for the next quarter

Loan Repricing/Maturity Schedule

- 59% in 4th quarter 2018
- 68% in the next 12 months

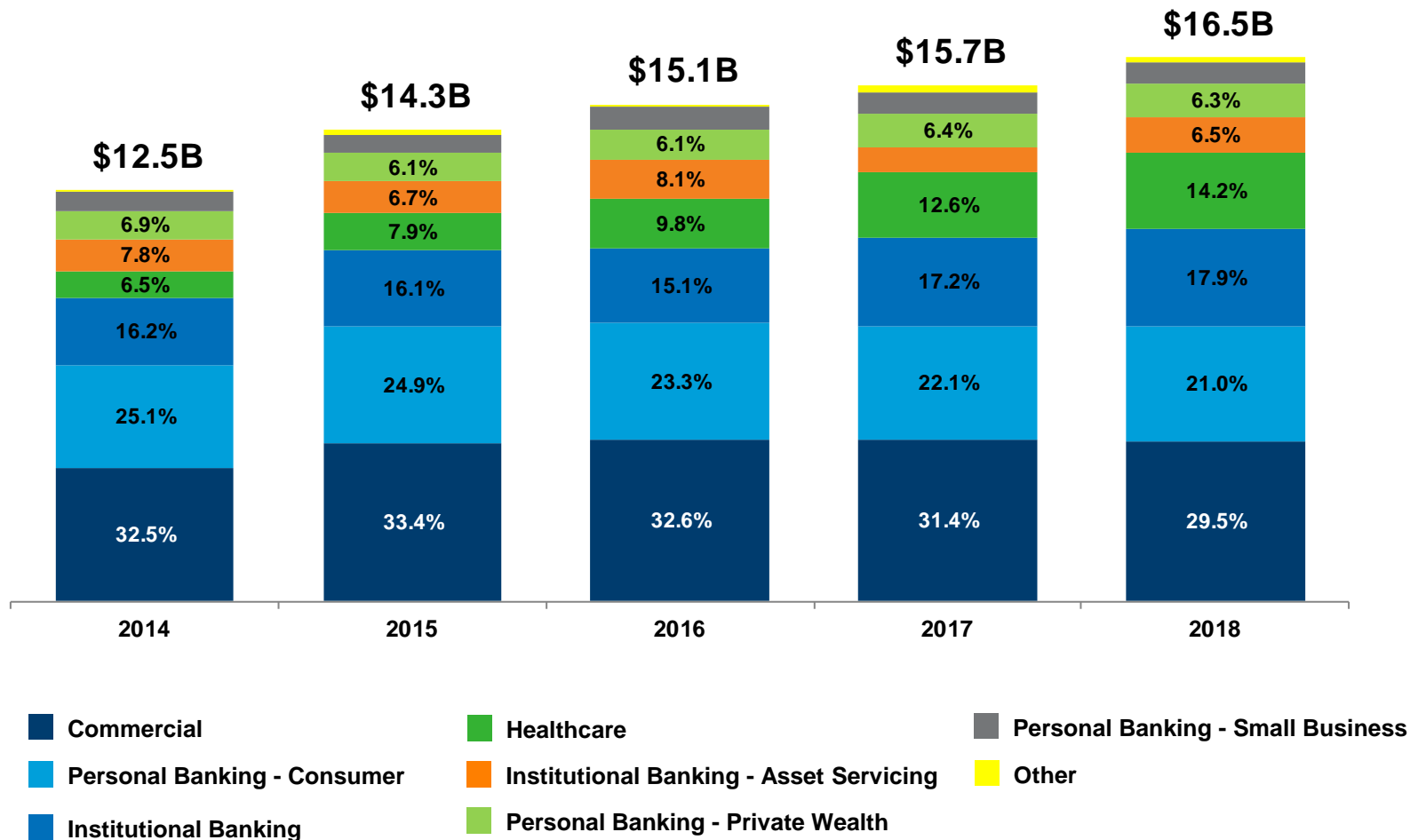
⁽¹⁾ Roll off includes cash flow from maturities, calls or amortizations of securities and is presented net of sales.

⁽²⁾ Purchased amount is presented net of purchases made related to sales.

For first, second and third quarter of 2018, securities yields were computed using net interest income adjusted to a fully taxable equivalent ("FTE") basis assuming a federal income tax rate of 21 percent; in prior periods, these metrics were computed using a federal income tax rate of 35 percent.

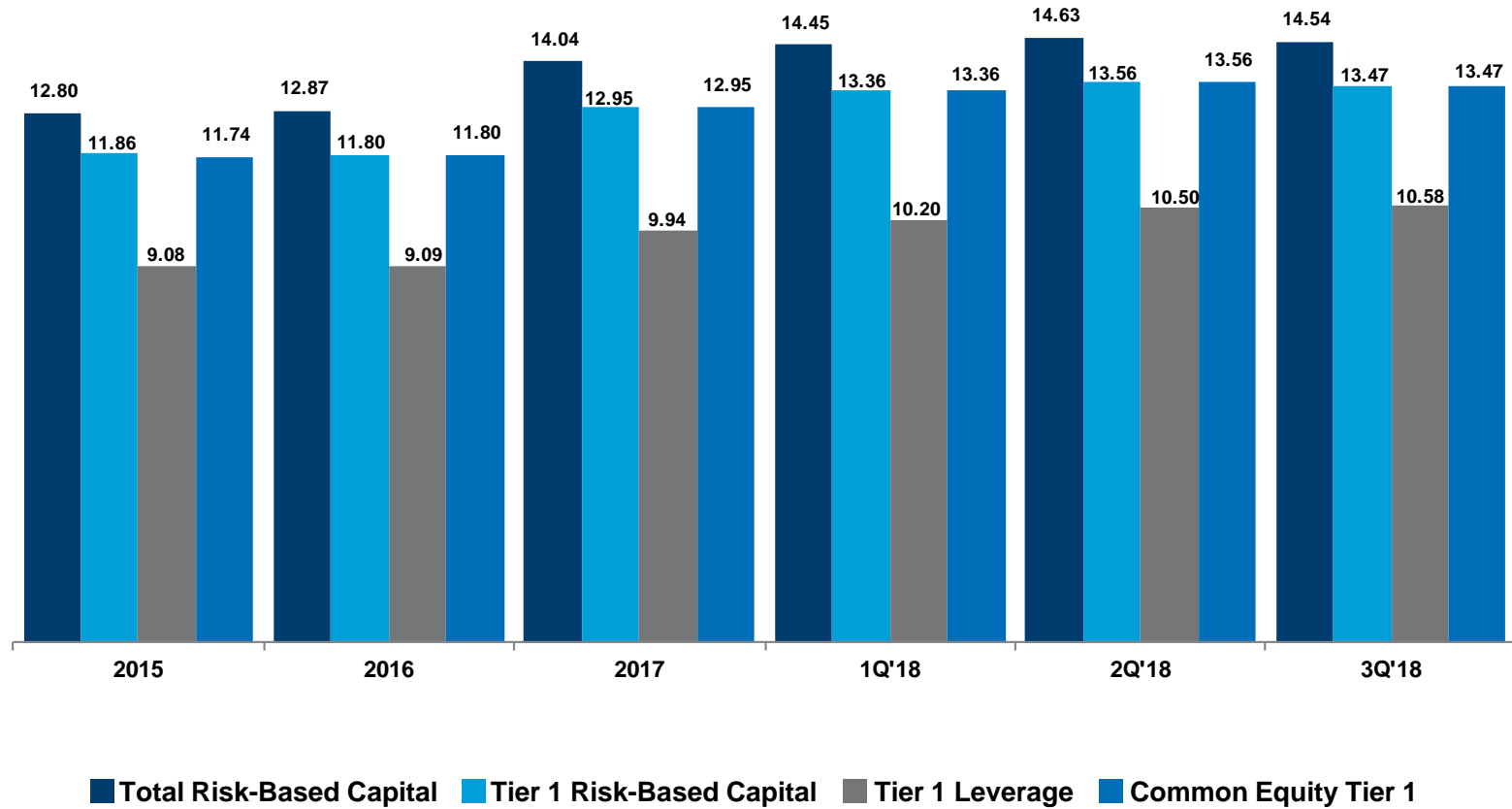
Diverse Sources of Deposits⁽¹⁾

(Average Deposits for the three months ended September 30 of the indicated year)



(1) Percentages less than 5% have been omitted.

Capital Ratio Trends (%)



<i>\$ in thousands (unaudited)</i>	3Q'18	2Q'18	1Q'18	4Q'17	3Q'17
Trust and securities processing	\$ 43,425	\$ 42,845	\$ 44,002	\$ 44,234	\$ 45,060
Trading and investment banking	3,711	4,653	4,101	5,015	4,453
Service charges on deposit accounts	20,927	20,722	21,905	21,364	21,510
Insurance fees and commissions	339	340	301	388	425
Brokerage fees	6,402	6,291	6,353	6,127	5,815
Bankcard fees	16,838	17,184	18,123	17,617	17,427
Gains on sales of securities	211	228	139	54	2,390
Other⁽¹⁾	9,032	8,026	10,601	11,234	7,226
Total noninterest income	\$100,885	\$100,289	\$105,525	\$106,033	\$104,306

3rd Quarter '18 Drivers

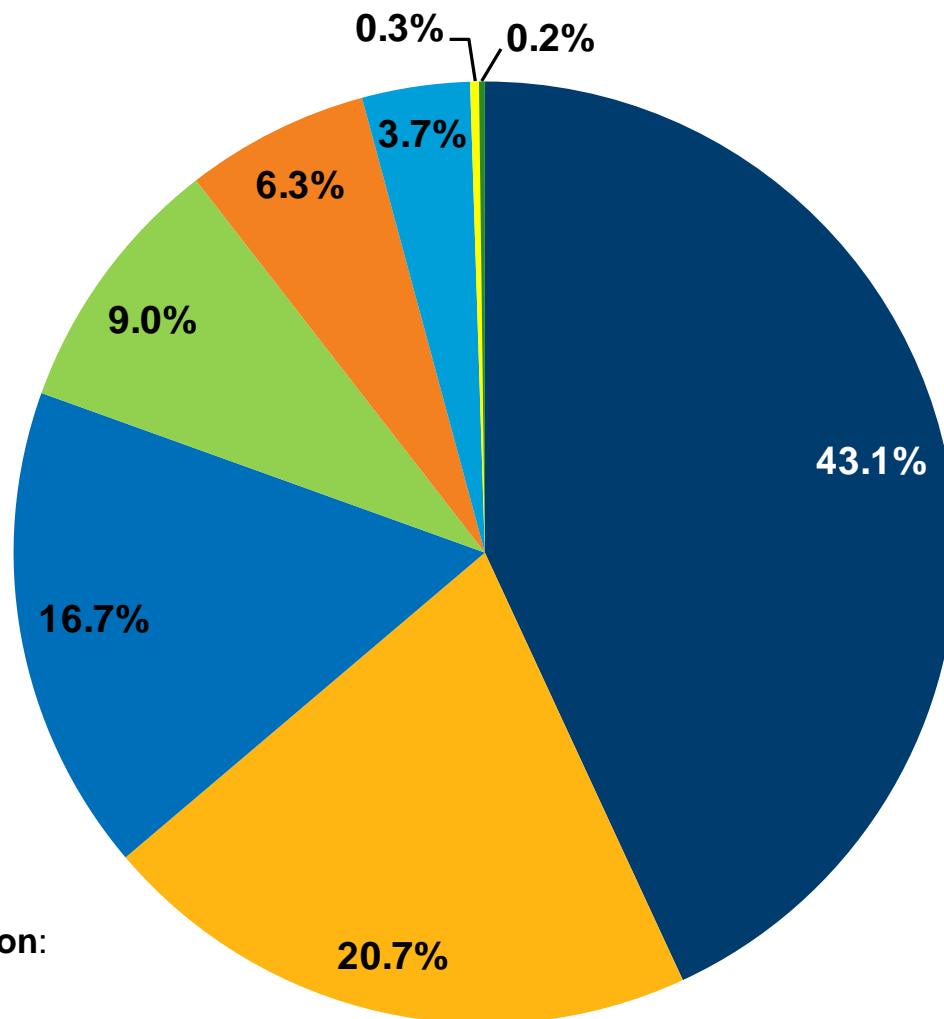
- Noninterest income increased \$596 thousand, or 0.6%, compared to 2Q'18, primarily driven by:
 - ❑ A \$1.0MM increase in derivative income recorded in other income;
 - ❑ A \$416k increase in wealth management revenue and a \$153k increase in corporate trust revenue impacting trust and securities processing; and, partially offset by
 - ❑ A decrease of \$942k in trading and investment banking due to decreased bond trading volume.

(1) Beginning in Q1 2018, "Other" includes "Equity Earnings on Alternative Investments" which was previously separately disclosed.

Noninterest Income Composition – 3Q 2018



- Trust & Securities Processing
- Service Charges on Deposit Accounts
- Bankcard Fees
- Trading & Investment Banking
- Other
- Brokerage Fees
- Insurance Fees & Commissions
- Gains on Sales of Securities



Trust & Securities Processing Composition:

(\$ in millions)

Source of Income:	3Q'18	2Q'18	3Q'17
Personal Banking – Private Wealth & Prairie Capital	\$ 16.4	\$ 16.2	\$ 16.8
Institutional Banking – Fund Services	21.2	21.2	23.5
Institutional Banking – Corp. Trust & other	<u>5.8</u>	<u>5.4</u>	<u>4.8</u>
	\$ 43.4	\$ 42.8	\$ 45.1

Noninterest Expense – 3Q 2018



<i>\$ in thousands (unaudited)</i>	3Q'18	2Q'18	1Q'18	4Q'17	3Q'17
Salaries and employee benefits	\$ 102,956	\$104,175	\$107,968	\$107,656	\$ 99,749
Occupancy, net	11,628	10,813	10,953	11,148	11,285
Equipment	18,533	18,842	18,826	18,690	17,880
Supplies and services	4,528	4,146	3,760	4,211	4,076
Marketing and business dev	6,671	6,184	5,034	6,540	5,056
Processing fees	12,331	11,537	11,161	11,238	11,151
Legal and consulting	8,470	6,460	3,844	6,045	5,844
Bankcard	4,407	4,165	4,626	4,405	5,130
Amortization of other intangibles	1,385	1,485	1,562	1,641	1,715
Regulatory fees	3,337	3,772	2,905	3,825	3,798
Other	6,139	5,639	5,237	7,160	6,137
Total noninterest expense	\$ 180,385	\$177,218	\$175,876	\$182,559	\$171,821
Operating noninterest expense⁽¹⁾	\$ 180,161	\$176,375	\$173,911	\$182,283	\$171,736

3rd Quarter '18 Drivers

- Noninterest expense increased \$3.2 million, or 1.8%, compared to 2Q'18, driven by:
 - ❑ A \$1.9MM increase in consulting expense related to ongoing investments in digital channels and integrated platforms support growth;
 - ❑ Increased processing fees expense of \$794k related to higher data processing costs; and
 - ❑ Partially offset by a \$1.2MM decline in salaries and employee benefits, largely due to lower medical insurance expense.

(1) Operating noninterest expense, which excludes the impact of acquisition and divestiture expense and severance expense, was \$180.2 million for the third quarter of 2018, an increase of \$3.8 million, or 2.1 percent, compared to the linked quarter, and an increase of \$8.4 million, or 4.9 percent, compared to the third quarter of 2017. See slides 32 and 33 for a reconciliation of this non-GAAP financial measure.

Business Segment Updates

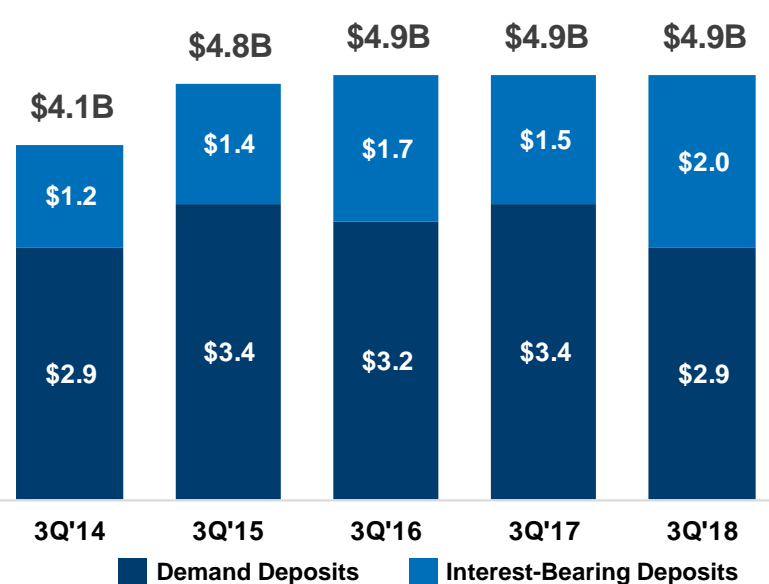
Commercial Banking Segment Results

(\$ in thousands, unaudited)

	3Q'18	2Q'18	3Q'17	% Variance	
				vs. 2Q'18	vs. 3Q'17
Net interest income	\$ 94,633	\$ 93,011	\$ 89,386	1.7	5.9
Provision for loan losses	4,062	5,139	9,565	(21.0)	(57.5)
Noninterest income	20,831	19,178	21,094	8.6	(1.2)
Noninterest expense	64,083	62,859	60,620	1.9	5.7
Income before taxes	47,319	44,191	40,295	7.1	17.4
Income tax provision	5,381	7,246	8,454	(25.7)	(36.3)
Income from continuing operations	\$ 41,938	\$ 36,945	\$ 31,841	13.5	31.7

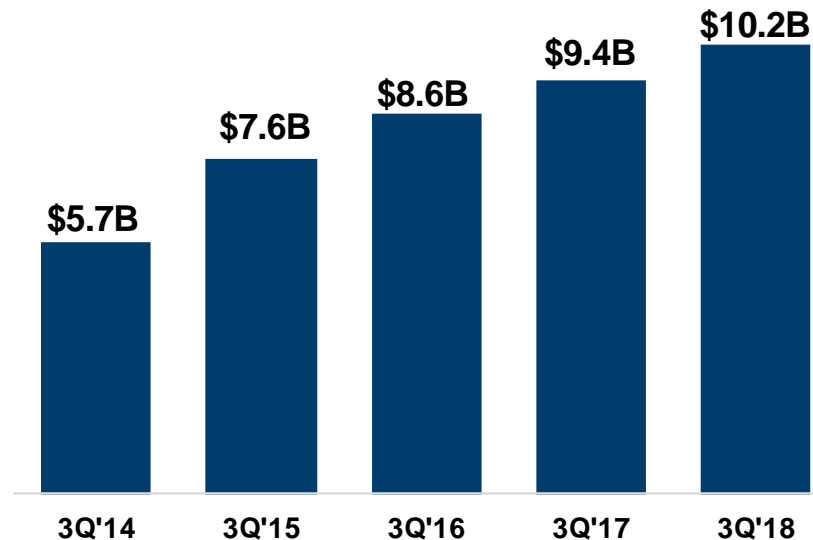
Commercial Banking Deposits

\$ in billions



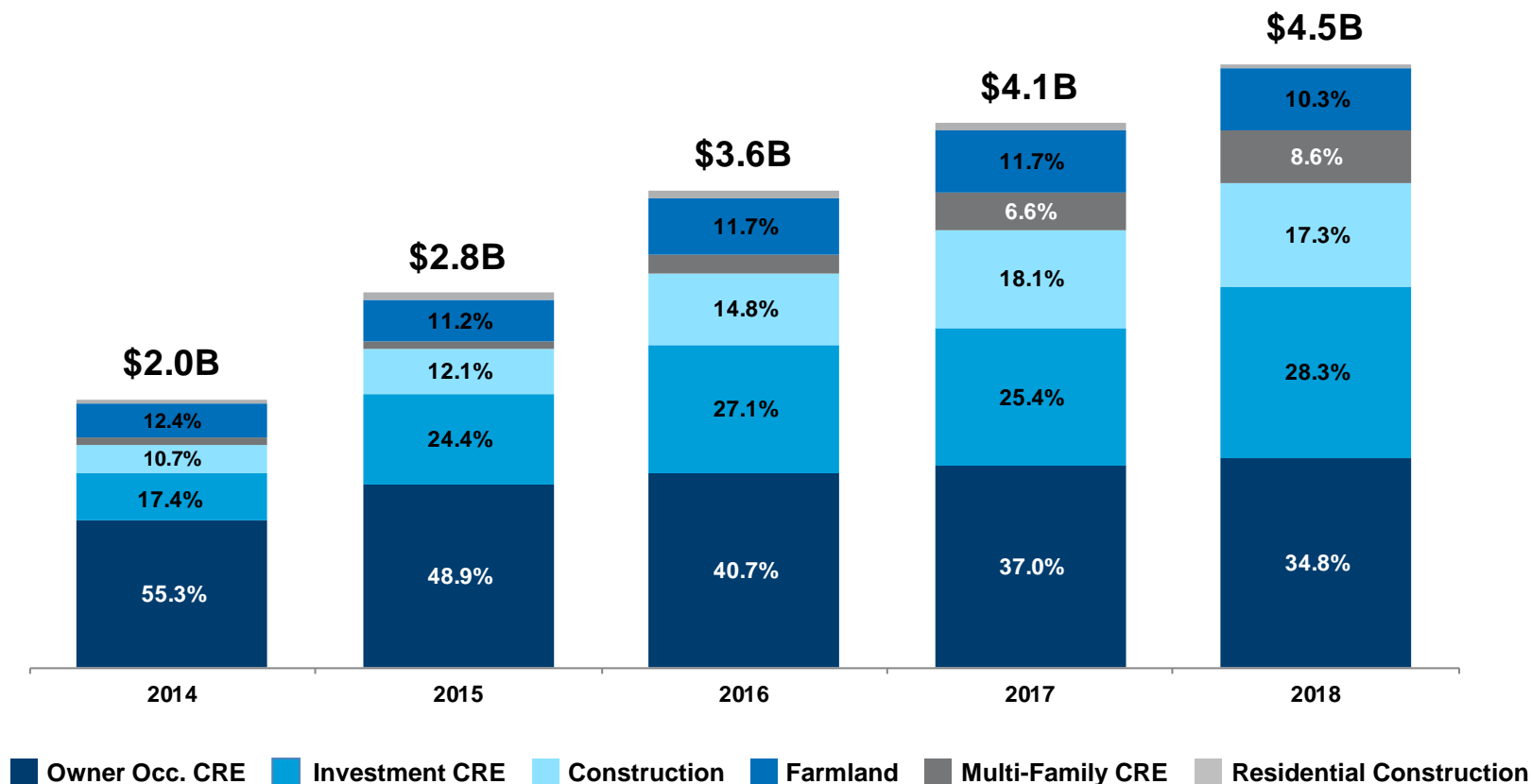
Commercial Banking Loans

\$ in billions



CRE & Construction Lending ⁽¹⁾

(Average Loan Balances for the three months ended September 30 of the indicated year)



(1) Percentages less than 5% have been omitted.

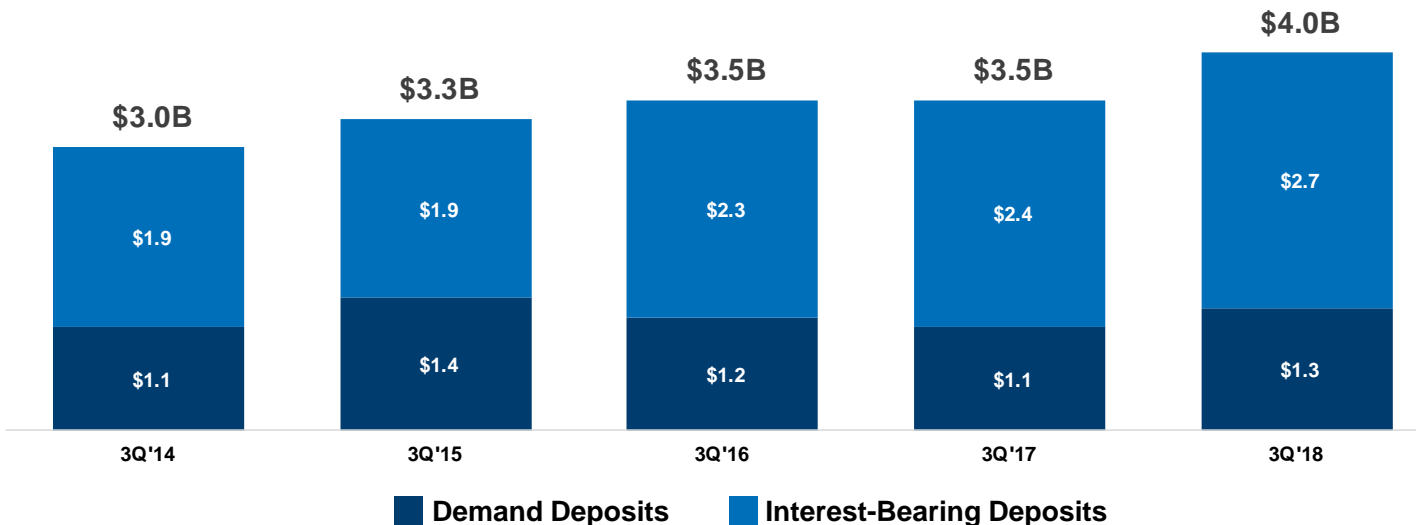
Institutional Banking Segment Results

(\$ in thousands, unaudited)

	3Q'18	2Q'18	3Q'17	% Variance	
				vs. 2Q'18	vs. 3Q'17
Net interest income	\$ 15,293	\$ 16,279	\$ 12,763	(6.1)	19.8
Provision for loan losses	355	322	313	10.2	13.4
Noninterest income	43,169	43,411	46,405	(0.6)	(7.0)
Noninterest expense	47,081	47,551	44,727	(1.0)	5.3
Income before taxes	11,026	11,817	14,128	(6.7)	(22.0)
Income tax provision	1,241	1,939	2,965	(36.0)	(58.1)
Income from continuing operations	\$ 9,785	\$ 9,878	\$ 11,163	(0.9)	(12.3)

Institutional Banking Deposits

\$ in billions



Investor Solutions

- Banking services for broker-dealers
- FDIC sweep solutions; liquidity alternative to overnight funds

Corporate Trust

- Bond trustee and agency services to municipal and corporate issuers
- Escrow-related and custodial services

Investment Banking

- Fixed income services for banks, institutional & corporate clients

Public Finance

- Underwriting for healthcare, municipalities, educational institutions & corporate clients

Distressed Debt

- Workout defaulted bond deals on behalf of holders

Asset Servicing

- Fund accounting & administration
- Alternative Investments

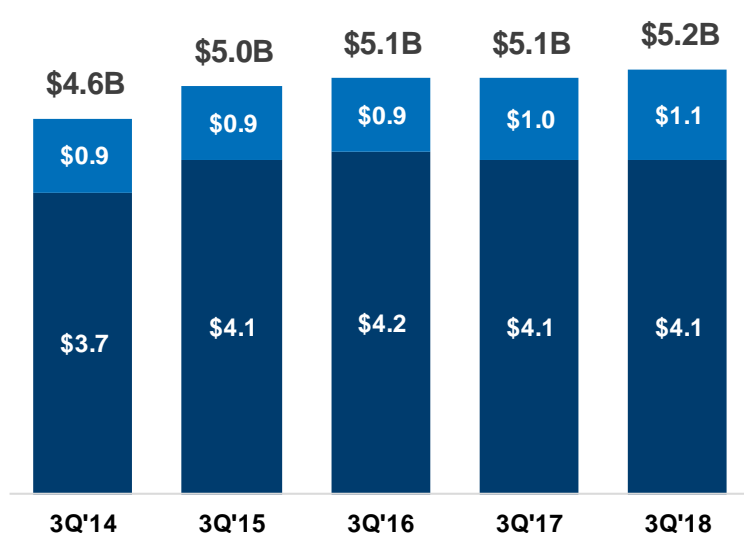
Personal Banking Segment Results

(\$ in thousands, unaudited)

	3Q'18	2Q'18	3Q'17	% Variance	
				vs. 2Q'18	vs. 3Q'17
Net interest income	\$ 31,145	\$ 31,111	\$ 30,675	0.1	1.5
Provision for loan losses	1,333	1,539	1,622	(13.4)	(17.8)
Noninterest income	28,266	28,720	28,261	(1.6)	-
Noninterest expense	56,648	54,259	56,127	4.4	0.9
Income before taxes	1,430	4,033	1,187	(64.5)	20.5
Income tax provision	160	662	244	(75.8)	(34.4)
Income from continuing operations	\$ 1,270	\$ 3,371	\$ 943	(62.3)	34.7

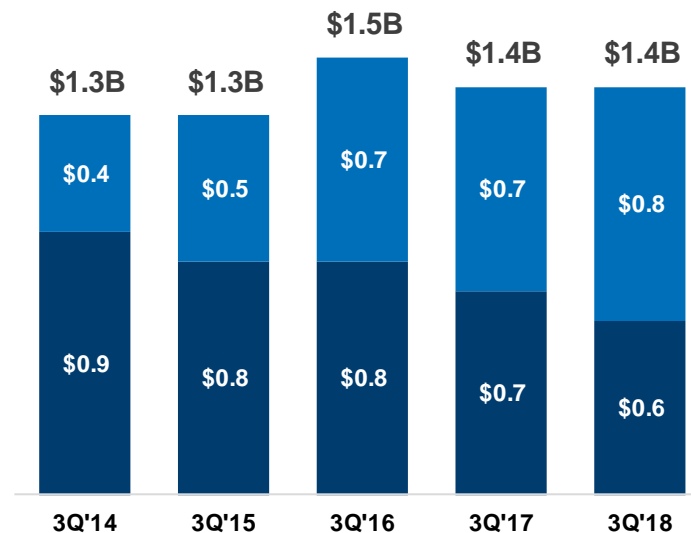
Personal Banking Deposits

\$ in billions



Personal Banking Loans

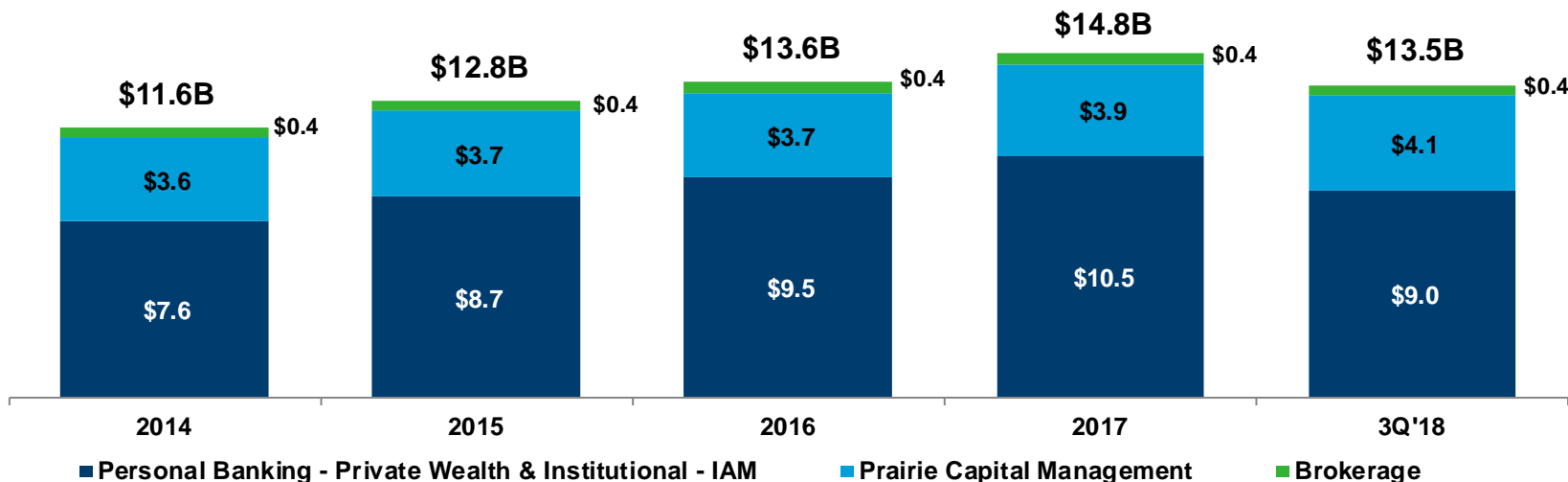
\$ in billions



■ Consumer & Small Business ■ Private Banking

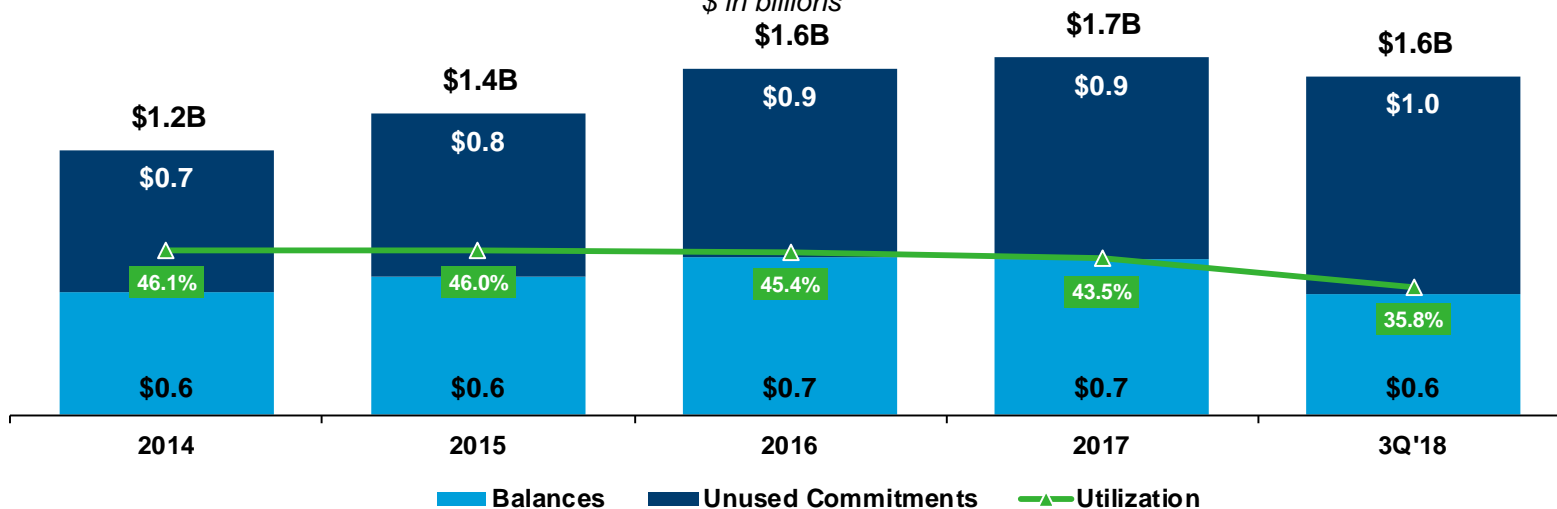
Assets Under Management

\$ in billions



Home Equity Lines of Credit

\$ in billions



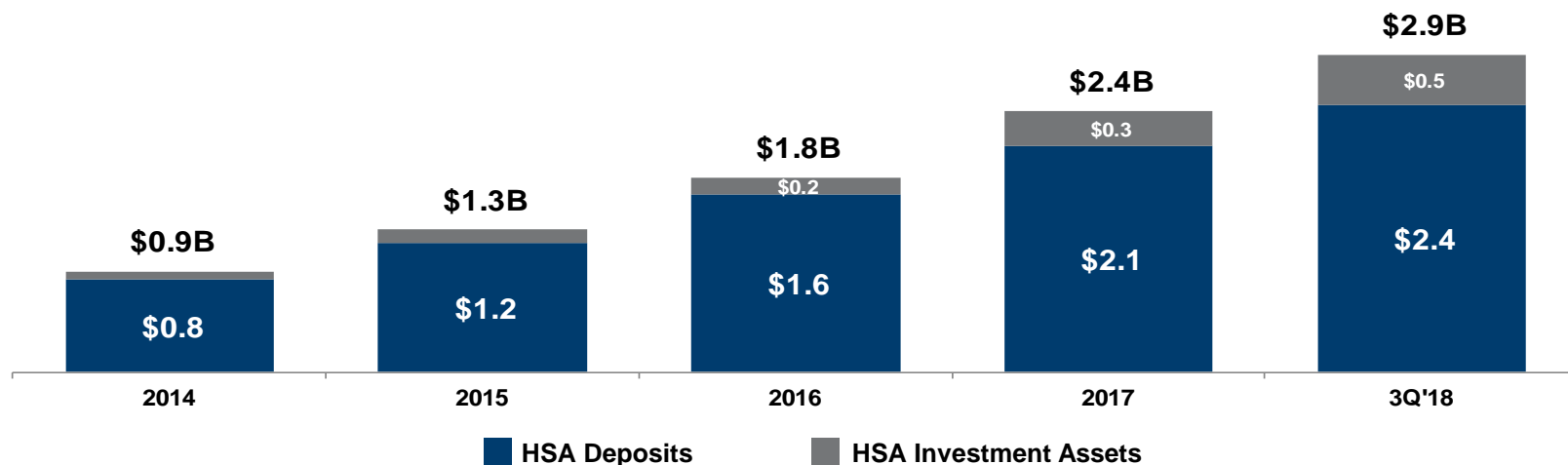
Healthcare Services Segment Results

(\$ in thousands, unaudited)

	3Q'18	2Q'18	3Q'17	% Variance	
				vs. 2Q'18	vs. 3Q'17
Net interest income	\$ 9,419	\$ 9,825	\$ 8,034	(4.1)	17.2
Noninterest income	8,619	8,980	8,546	(4.0)	0.9
Noninterest expense	12,573	12,549	10,347	0.2	21.5
Income before taxes	5,465	6,256	6,233	(12.6)	(12.3)
Income tax provision	609	1,026	1,308	(40.6)	(53.4)
Income from continuing operations	\$ 4,856	\$ 5,230	\$ 4,925	(7.2)	(1.4)

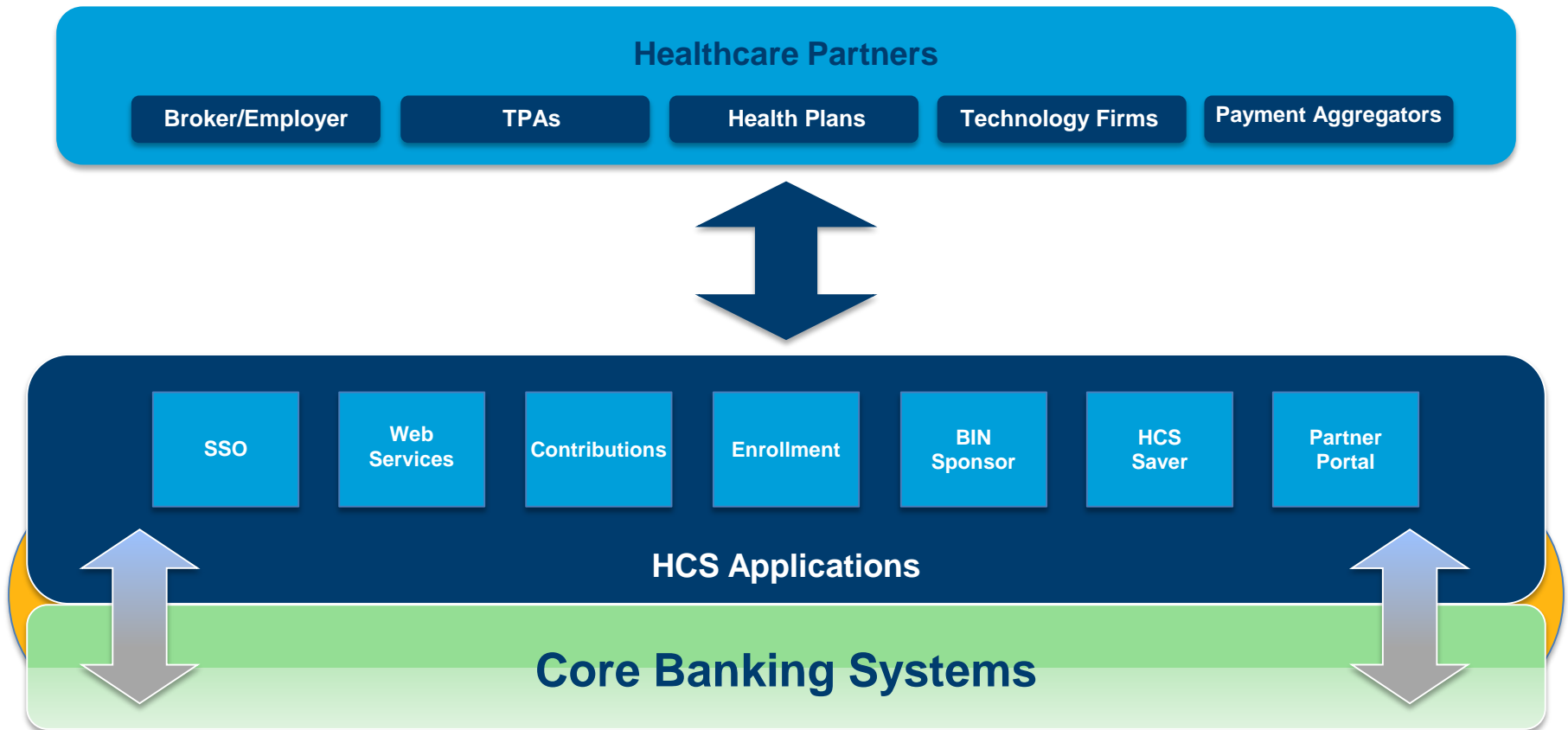
Healthcare Deposits & Assets

End-of-period balances; \$ in billions



	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>3Q'18</u>
HSA deposits as % of total UMB deposits	6.2%	7.8%	9.7%	11.4%	13.7%

UMB offers a *modular and configurable* platform of applications and services that deliver the underlying *core banking* functionality to our healthcare partners



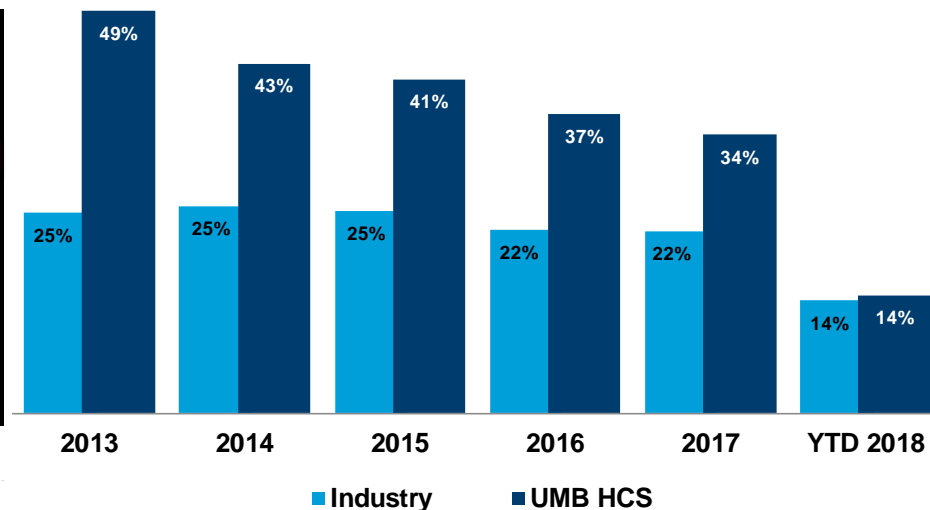
✓ HCS represents a unique asset as one of the top 5 leaders in a high growth, niche market.

	Total Accounts	Total Assets	Account Market Share (%)
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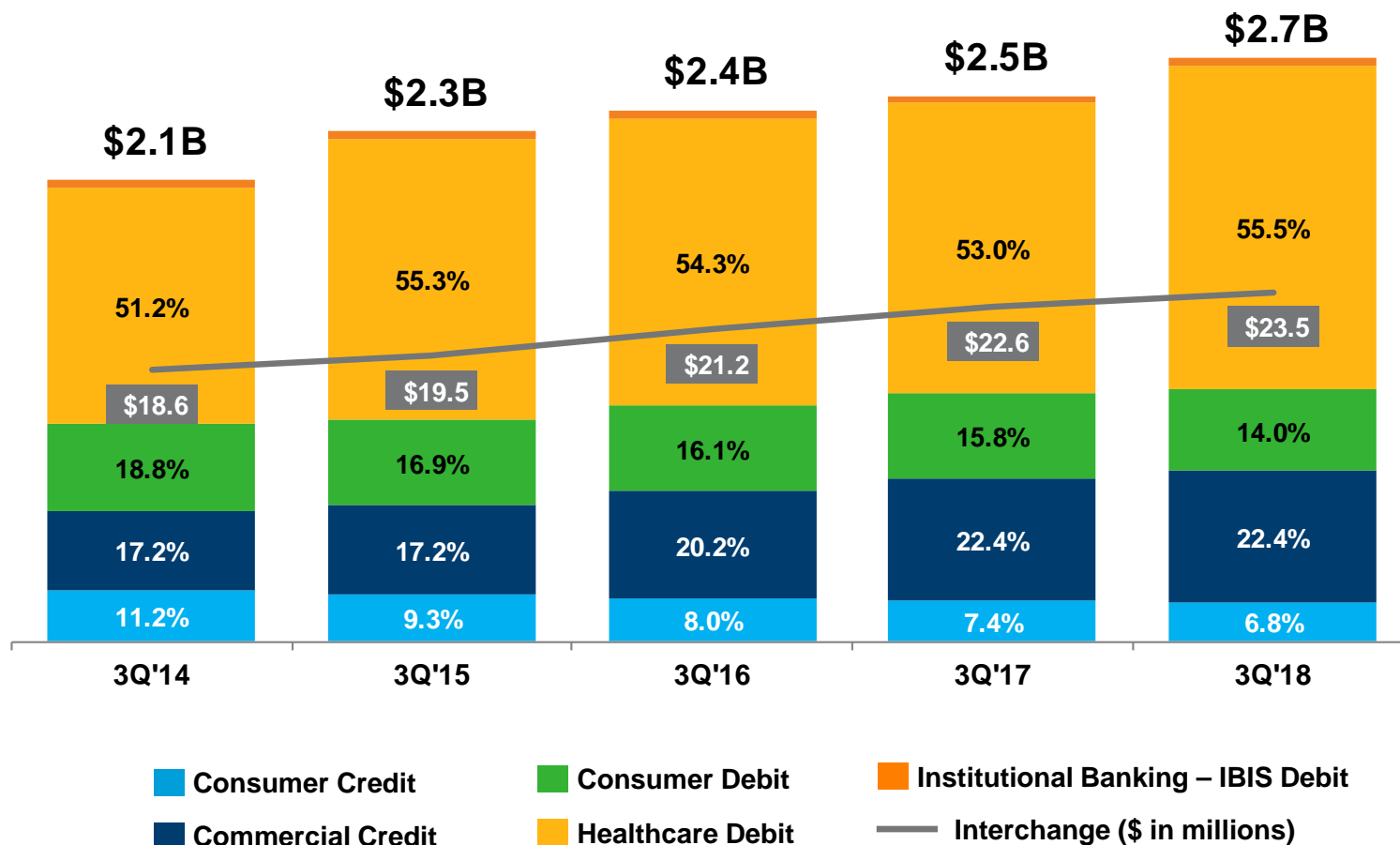
Optum Bank	3,591	\$9,532	15%
Health Equity	3,496	\$6,900	15%
HSA Bank	2,674	\$6,994	11%
UMB Bank	1,277	\$2,708	5%
Fidelity	1,134	\$3,357	5%
BenefitWallet	1,070	\$2,310	5%
Payflex	1,008	\$1,860	4%
Bank of America	796	\$2,239	3%
BNY Mellon	636	\$1,543	3%
Discovery Benefits	538	\$771	2%

Total Accounts in thousands and Total Assets in millions.

Growth Rates – Deposits and Assets



Purchase Volume & Interchange Revenue⁽¹⁾



(1) Percentages less than 5% have been omitted.

Net Operating Income Non-GAAP Reconciliation



	Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2018	2018	2017	2018	2017
(unaudited, \$ in thousands except per share data)					
Income from continuing operations (GAAP)	\$ 57,849	\$ 55,424	\$ 48,872	\$ 170,806	\$ 135,619
Adjustments:					
Acquisition and divestiture expense (income)	3	(24)	5	(3)	22
Severance expense	221	867	80	3,035	815
Tax impact of adjustments (i)	(49)	(188)	(30)	(673)	(301)
Total Non-GAAP adjustments	175	655	55	2,359	536
Net operating income from continuing operations (Non-GAAP)	\$ 58,024	\$ 56,079	\$ 48,927	\$ 173,165	\$ 136,155
Earnings per share from continuing operations as reported - diluted	\$ 1.16	1.11	\$ 0.98	\$ 3.41	\$ 2.72
Acquisition and divestitures expense (income)	-	-	-	-	-
Severance expense	-	0.01	-	0.07	0.02
Tax impact of adjustments (i)	-	-	-	(0.01)	(0.01)
Operating earnings per share from continuing operations - diluted	\$ 1.16	\$ 1.12	\$ 0.98	\$ 3.47	\$ 2.73
GAAP					
Return on average assets	1.11%	1.08%	0.95%	1.10%	0.89%
Return on average equity	10.32%	10.18%	9.17%	10.43%	8.82%
Non-GAAP					
Operating return on average assets	1.11%	1.09%	0.96%	1.12%	0.90%
Operating return on average equity	10.35%	10.30%	9.18%	10.57%	8.85%

In this presentation, we provide information about net operating income from continuing operations, operating earnings per share from continuing operations-diluted (operating EPS-diluted), operating return on average equity (operating ROE), operating return on average assets (operating ROA), operating noninterest expense and operating efficiency ratio, all of which are non-GAAP financial measures. This information supplements the results that are reported according to generally accepted accounting principles in the United States (GAAP) and should not be viewed in isolation from, or as a substitute for, GAAP results. The differences between the non-GAAP financial measures and the nearest comparable GAAP financial measures are reconciled in the table above and on the next slide. The Company believes that these non-GAAP financial measures and the reconciliations may be useful to investors because they adjust for acquisition- and severance-related items and divestiture costs and income that management does not believe reflect the Company's fundamental operating performance. Net operating income for the relevant period is defined as GAAP net income, adjusted to reflect the impact of excluding expenses and income related to acquisitions and divestitures, severance expense, and the cumulative tax impact of these adjustments.

(continued on next page)

Operating Noninterest Expense & Efficiency Ratio

Non-GAAP Reconciliation



(unaudited, \$ in thousands)

	Three Months Ended			Nine Months Ended	
	September 30,	June 30,	September 30,	September 30,	September 30,
	2018	2018	2017	2018	2017
Noninterest expense (GAAP)	\$ 180,385	\$ 177,218	\$ 171,821	\$ 533,479	\$ 522,570
Adjustments (pre-tax):					
Acquisition and divestiture expense (income)	3	(24)	5	(3)	22
Severance expense	221	867	80	3,035	815
Total Non-GAAP adjustments (pre-tax)	224	843	85	3,032	837
Operating noninterest expense	180,161	176,375	171,736	530,447	521,733
Noninterest expense	180,385	177,218	171,821	533,479	522,570
Less: Amortization of other intangibles	1,385	1,485	1,715	4,432	5,685
Noninterest expense, net of amortization of other intangibles (numerator A)	179,000	175,733	170,106	529,047	516,885
Operating noninterest expense (Non-GAAP)	180,161	176,375	171,736	530,447	521,733
Less: Amortization of other intangibles	1,385	1,485	1,715	4,432	5,685
Operating expense, net of amortization of other intangibles (numerator B)	178,776	174,890	170,021	526,015	516,048
Net interest income	150,490	150,226	140,858	448,638	412,567
Noninterest income	100,885	100,289	104,306	306,699	317,529
Less: Gains on sales of securities available for sale, net	211	228	2,390	578	4,138
Total revenue (denominator A)	\$ 251,164	\$ 250,287	\$ 242,774	\$ 754,759	\$ 725,958
Efficiency ratio (numerator A/denominator A)	71.27%	70.21%	70.07%	70.09%	71.20%
Operating efficiency ratio (numerator B/denominator A)	71.18%	69.88%	70.03%	69.69%	71.09%

Operating EPS-diluted is calculated as diluted earnings per share as reported, adjusted to reflect, on a per share basis, the impact of excluding the non-GAAP adjustments described above for the relevant period. Operating ROE is calculated as net operating income from continuing operations, divided by the Company's average total shareholders' equity for the relevant period. Operating ROA is calculated as net operating income from continuing operations, divided by the Company's average assets for the relevant period. Operating noninterest expense for the relevant period is defined as GAAP noninterest expense, adjusted to reflect the pre-tax impact of non-GAAP adjustments described above. Operating efficiency ratio is calculated as the Company's operating noninterest expense, net of amortization of other intangibles, divided by the Company's total non-GAAP revenue (which is calculated as net interest income plus noninterest income, less gains on sales of securities available for sale, net).

(i) Calculated using the Company's marginal tax rate of 22.2% for periods beginning after December 31, 2017, as a result of the Tax Cuts and Jobs Act. All prior periods were calculated using the Company's previous marginal tax rate of 36.0%.