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Earnings Call: Second Quarter 2024

July 25, 2024

(NASDAQ: IBCP)

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Cautionary note regarding forward-looking statements

This presentation contains forward-looking statements, which are any statements or information that are not historical facts. These forward-looking statements include statements about our anticipated future revenue and expenses and our future plans and prospects.

Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated. For example, deterioration in general business and economic conditions or turbulence in domestic or global financial markets could adversely affect our revenues and the values of our assets and liabilities, reduce the availability of funding to us, lead to a tightening of credit, and increase stock price volatility. Our results could also be adversely affected by changes in interest rates; increases in unemployment rates; deterioration in the credit quality of our loan portfolios or in the value of the collateral securing those loans; deterioration in the value of our investment securities; legal and regulatory developments; changes in customer behavior and preferences; breaches in data security; and management's ability to effectively manage the multitude of risks facing our business. Key risk factors that could affect our future results are described in more detail in our Annual Report on Form 10-K for the year ended December 31, 2023 and the other reports we file with the SEC, including under the heading "Risk Factors." Investors should not place undue reliance on forward-looking statements as a prediction of our future results.

Any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Agenda

- Formal Remarks
  - **William B. (Brad) Kessel**
    President and Chief Executive Officer
  - **Gavin A. Mohr**
    Executive Vice President and Chief Financial Officer
  - **Joel F. Rahn**
    Executive Vice President – Commercial Banking
- Question and Answer session
- Closing Remarks

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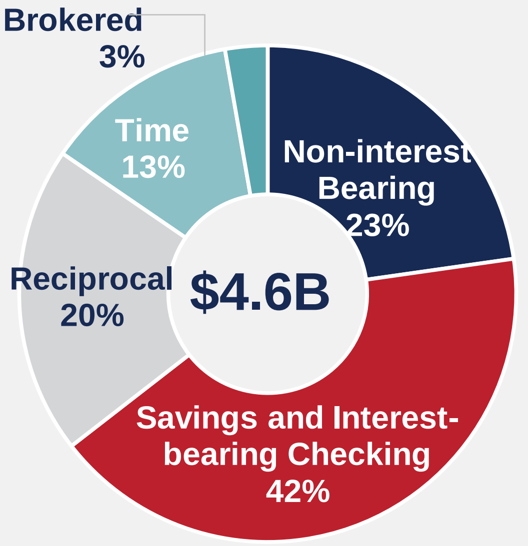
2Q’24 Overview

2Q'24 Earnings	• Net income of $18.5 million, or $0.88 per diluted share • Increases in net income and diluted earnings per share of 25.3% and 25.7% respectively over, prior year quarter • Strong profitability and prudent balance sheet management results in further growth in tangible book value per share
Solid Loan Growth and Strong Asset Quality	• Total loans increased 1.2% annualized while maintaining conservative approach to new loan production • New loan production continues to be largely focused on new commercial clients that bring deposits to the bank • Asset quality remained exceptional with NPAs/Total Assets at 0. 10% and NCO of 0.02% of average loans in the quarter
Positive Trends in Key Metrics	• Core deposit growth of $53.3 million (excluding brokered deposits) • Brokered deposit balances decreased $21.3 million • Continued rotation into higher yielding assets contributed to net interest margin increasing to 3.40% • Continued high level of profitability with ROAA of 1.44%
Healthy Capital & Liquidity Positions	• Achieved growth in all capital ratios for the quarter • Tangible book value per share increased 3.9% from end of prior quarter • Balance sheet liquidity remains strong with loan-to-deposit ratio of 83%

Low-Cost Deposit Franchise

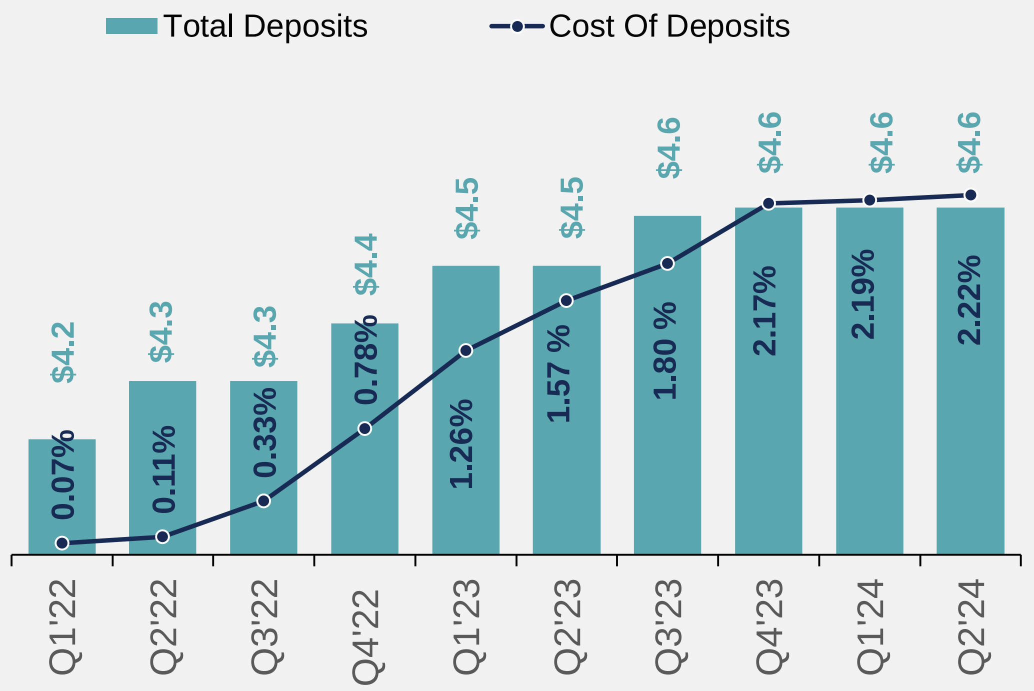
Focused on Core Deposit Growth

Deposit Composition 6/30/24



Core Deposits: 84.6%

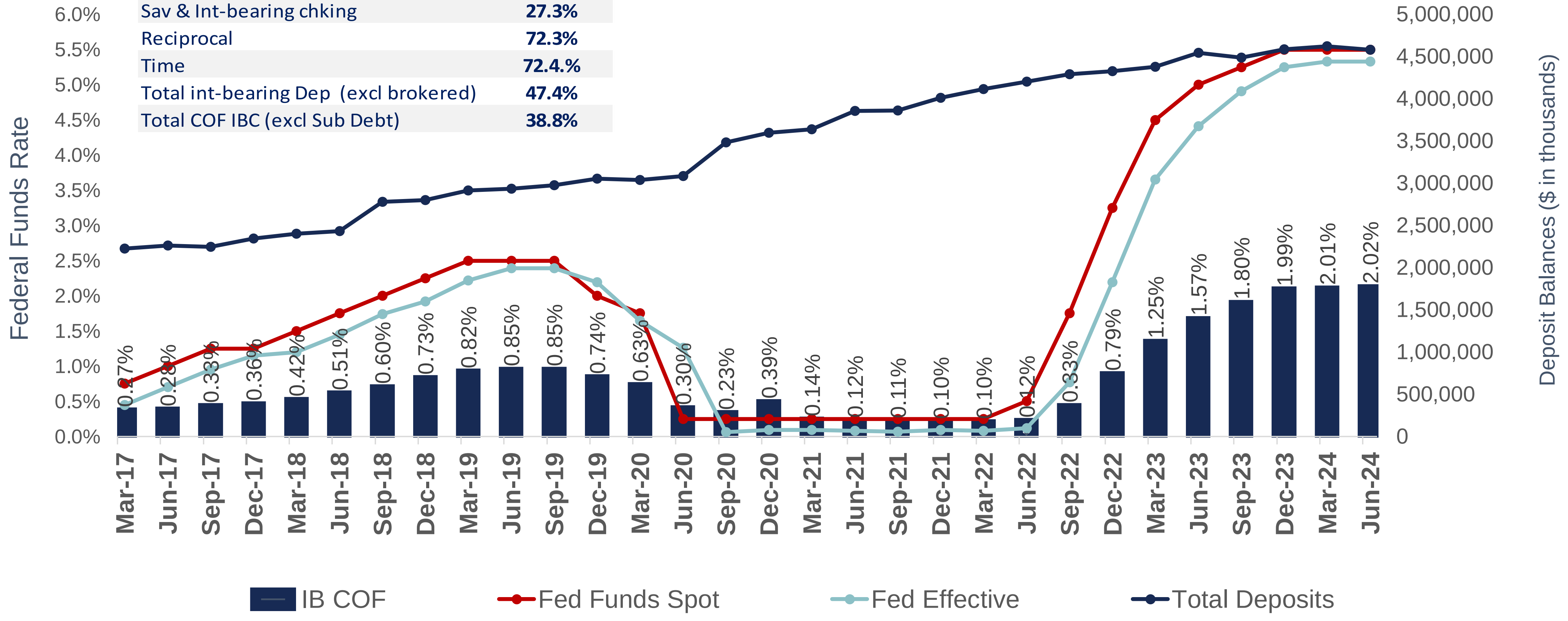
Cost of Deposits (%)/Total Deposits ($B)



- Substantial core funding – $3.90 billion of non-maturity deposit accounts (84.6% of total deposits).
- Core deposit increase of $53.3 million (4.8% annualized) in 2Q'24.
- Time deposit increase of $15.3 (10.9% annualized) million in 2Q'24.
- Total deposits decreased $8.6 million (-0.4%) since 12/31/23 with non-interest bearing down $26.5 million, savings and interest- bearing checking up $20.4 million, reciprocal up $93.8 million, time up $61.2 million and brokered time down $157.5 million.
- Deposits by Customer Type:
  - Retail – 47.3%
  - Commercial – 38.1%
  - Municipal – 14.7%

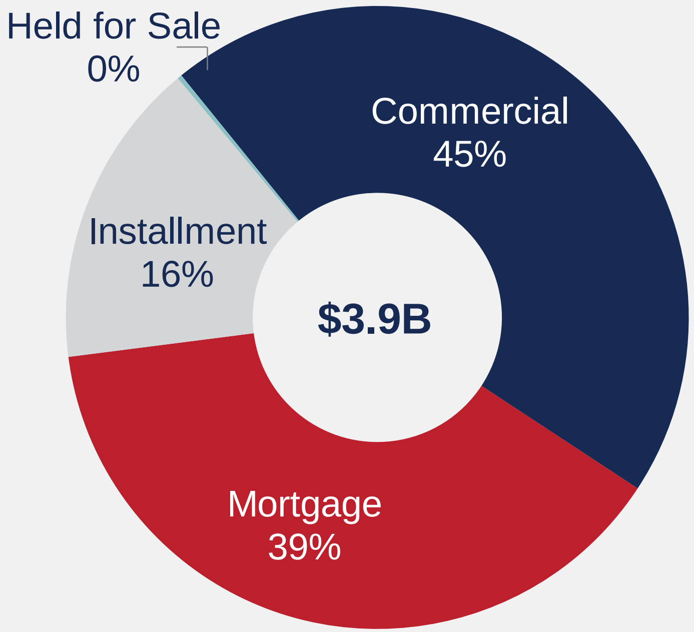
Historic IBC Cost of Funds (excluding sub debt) vs. the Federal Funds Rate (with Deposit Balances)

Account Type	Cycle Beta
Sav & Int-bearing chking	27.3%
Reciprocal	72.3%
Time	72.4.%
Total int-bearing Dep (excl brokered)	47.4%
Total COF IBC (excl Sub Debt)	38.8%

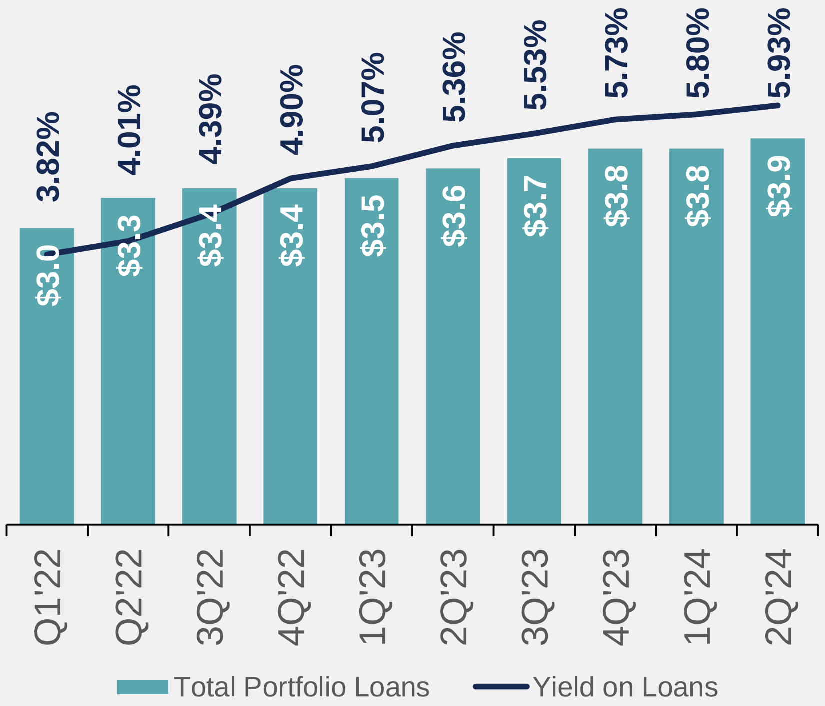


Diversified Loan Portfolio Focused on High Quality Growth

Loan Composition 06/30/24



Yield on Loans (%)/ Total Portfolio Loans ($B)

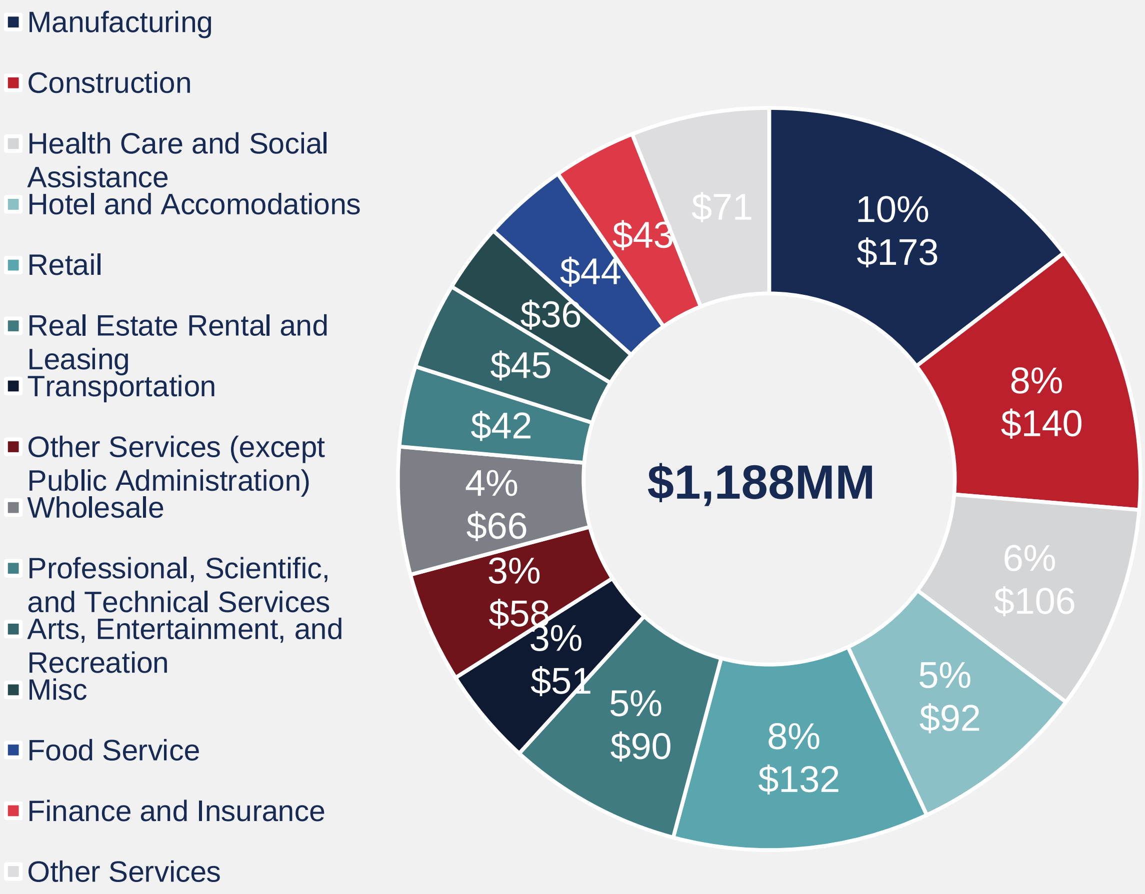


Note: Portfolio loans exclude loans HFS.

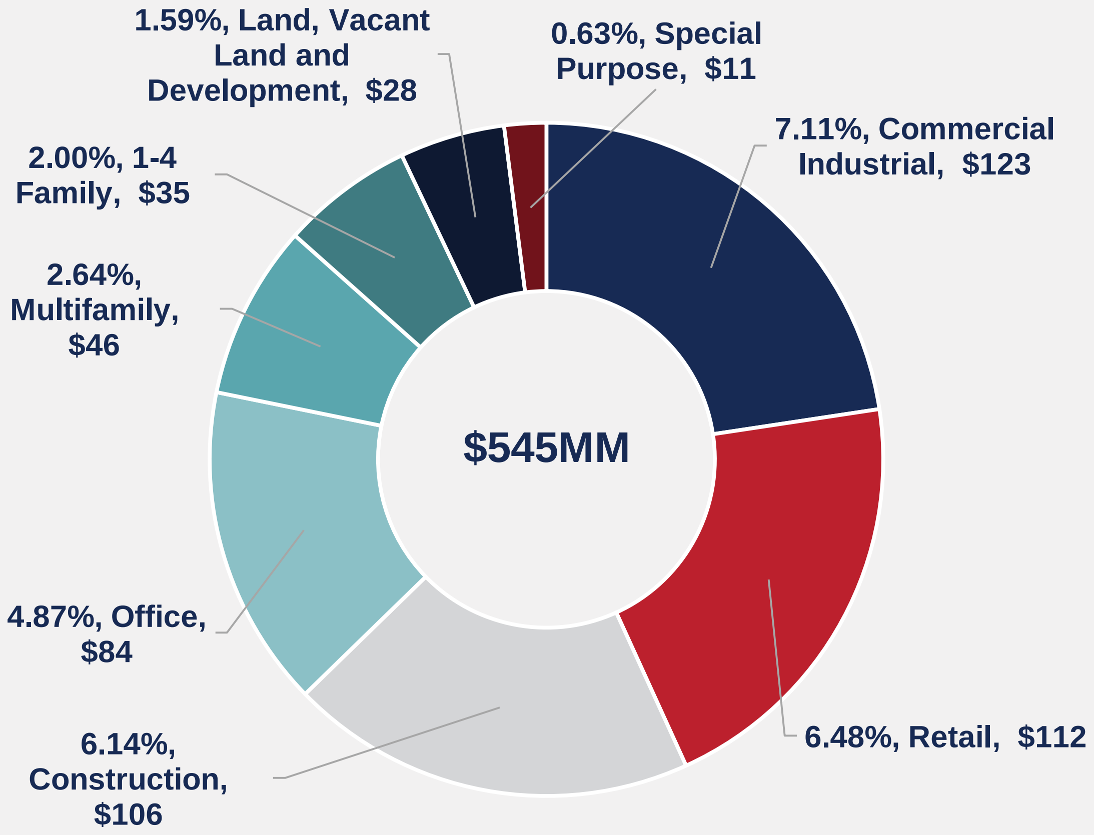
- Portfolio loan changes in 2Q'24:
  - Commercial – decreased $2.9 million.
    …Average new origination yield of 8.08% vs a 6.91% portfolio yield.
  - Mortgage – increased $10.9 million.
    …Average new origination yield of 7.24% vs a 4.83% portfolio yield.
  - Installment – increased $3.9 million.
    …Average new origination yield of 7.87% vs a 5.02% portfolio yield.
- Mortgage loan portfolio weighted average FICO of 749 and average balance of $185,195.
- Installment weighted average FICO of 755 and average balance of $26,065.
- Commercial loan rate mix:
  - 47% fixed / 53% variable.
  - Indices – 51% tied to Prime, 1% tied to a US Treasury rate and 48% tied to SOFR.
- Mortgage loan (including HELOC) rate mix:
  - 65% fixed / 35% adjustable or variable.
  - 0% tied to Prime, 10% tied to a US Treasury rate and 90% tied to SOFR.

Concentrations within $1.7B Commercial Loan Portfolio

C&I or Owner Occupied Loans by Industry as a % of Total Commercial Loans ($ in millions)



Investor RE by Collateral Type as a % of Total Commercial Loans ($ in millions)



Note: $1.188 billion, or 68.6% of the commercial loan portfolio is C&I or owner occupied, while $545 million, or 31.4% is investment real estate. The percentage concentrations are based on the entire commercial portfolio of $1.73 billion as of June 30, 2024

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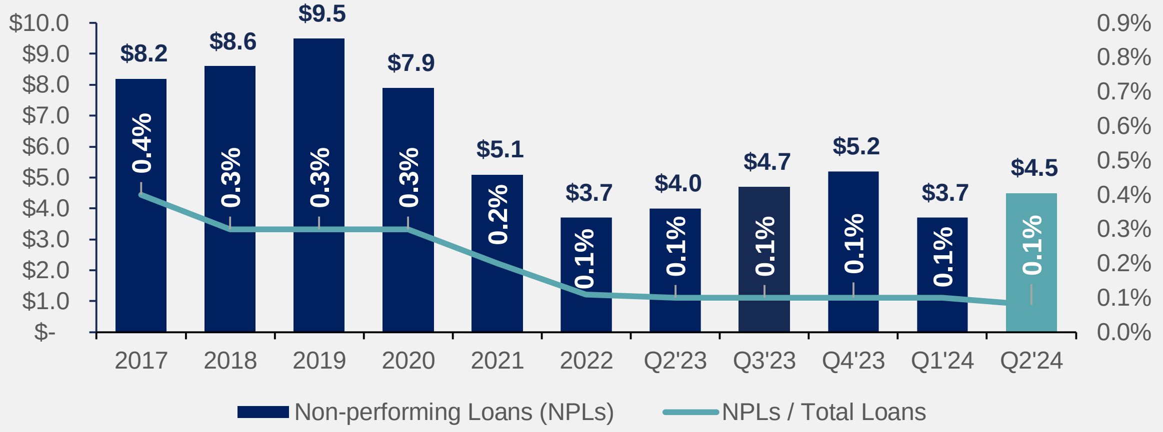
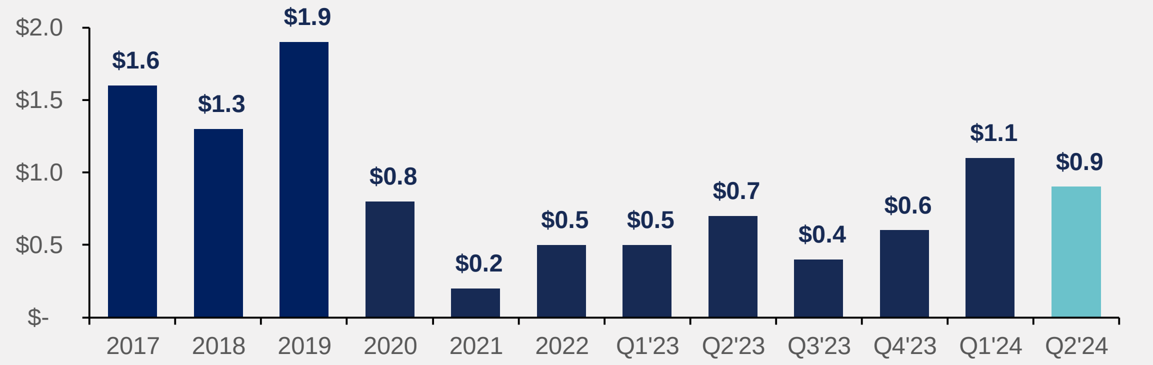
Credit Quality Summary

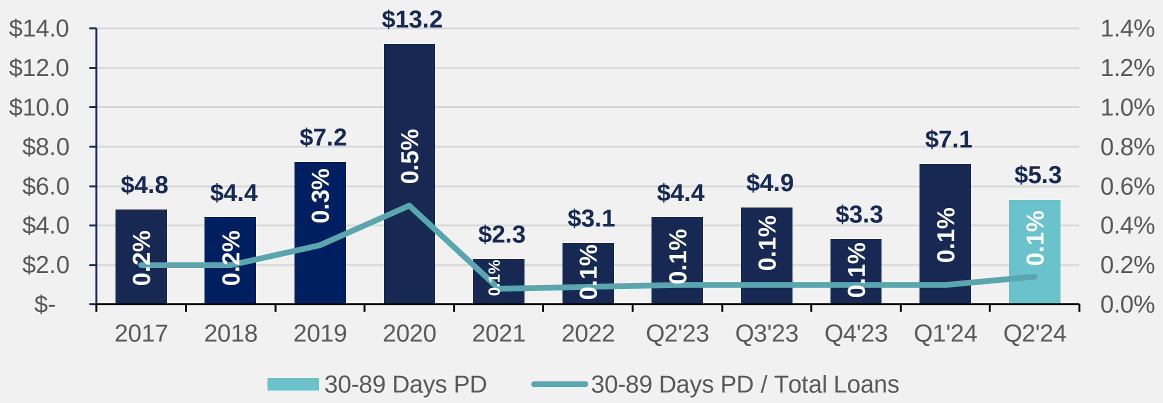
Non-performing Loans ($ in Millions)



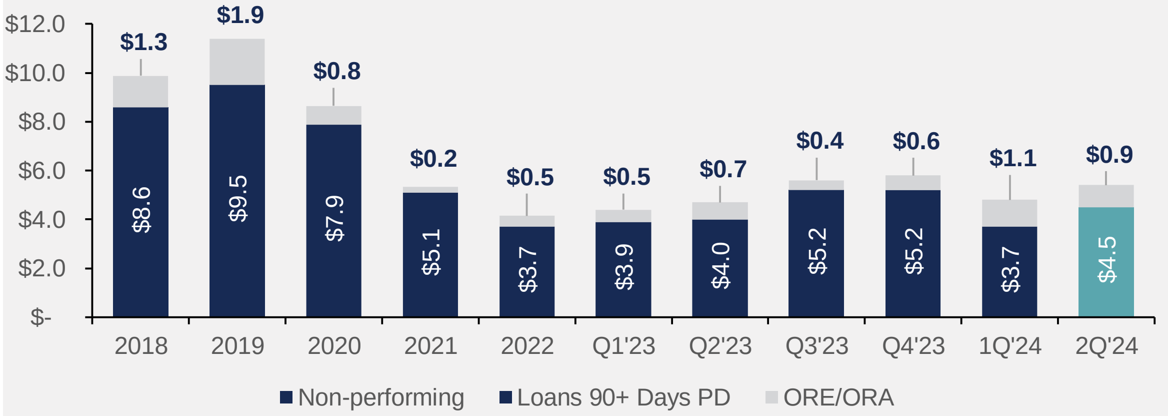
ORE/ORA ($ in Millions)



30 to 89 Days Delinquent ($ in Millions)

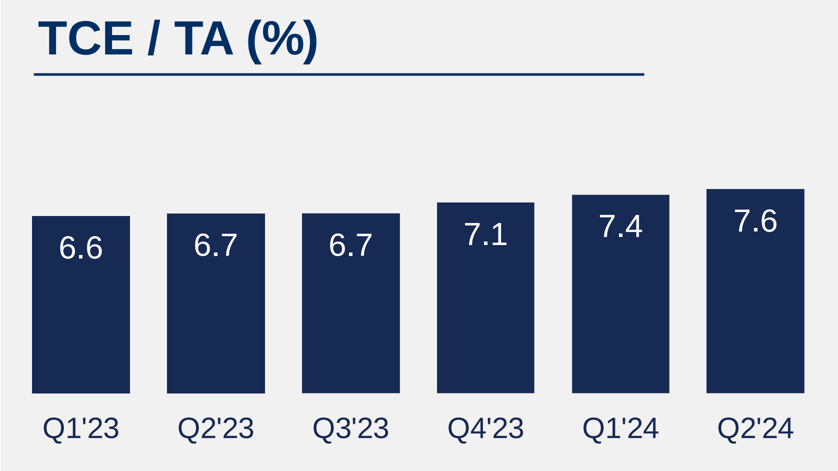


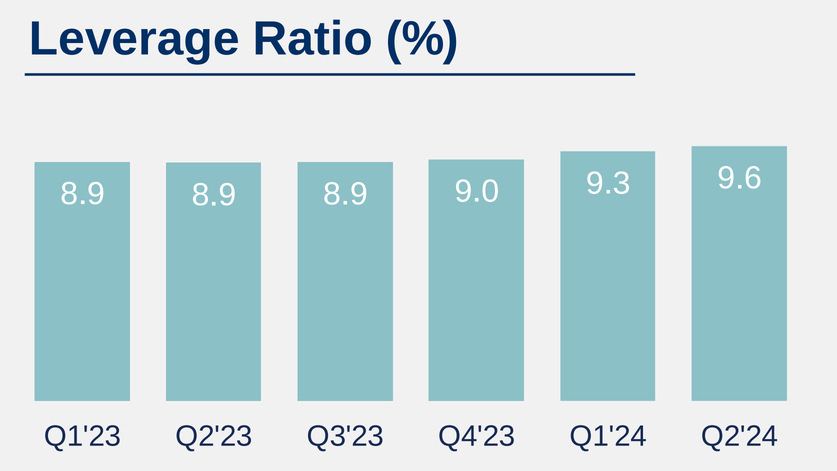
Non-performing Assets ($ in Millions)

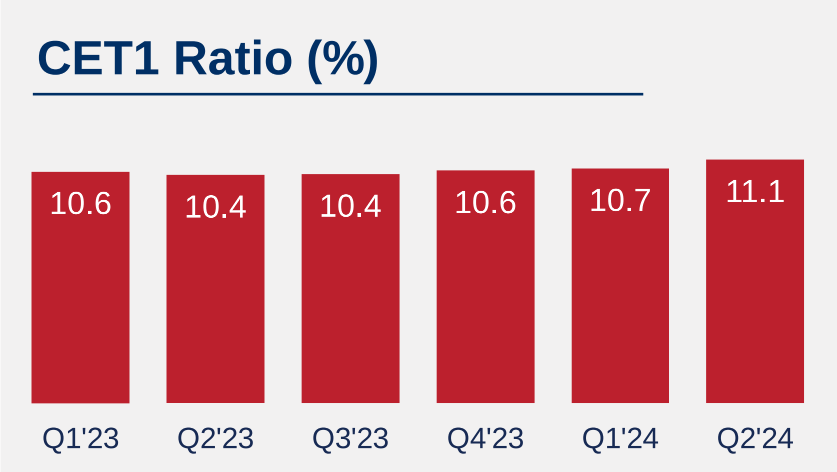


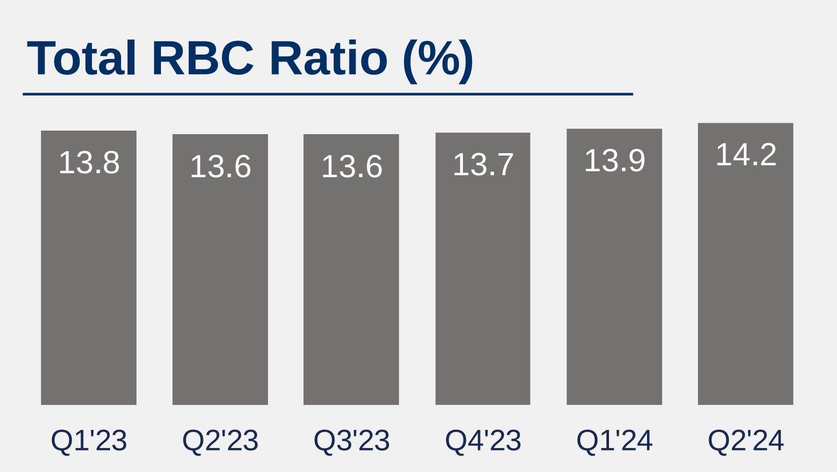
Note 1: Non-performing loans and non-performing assets exclude troubled debt restructurings that are performing.

Strong Capital Position



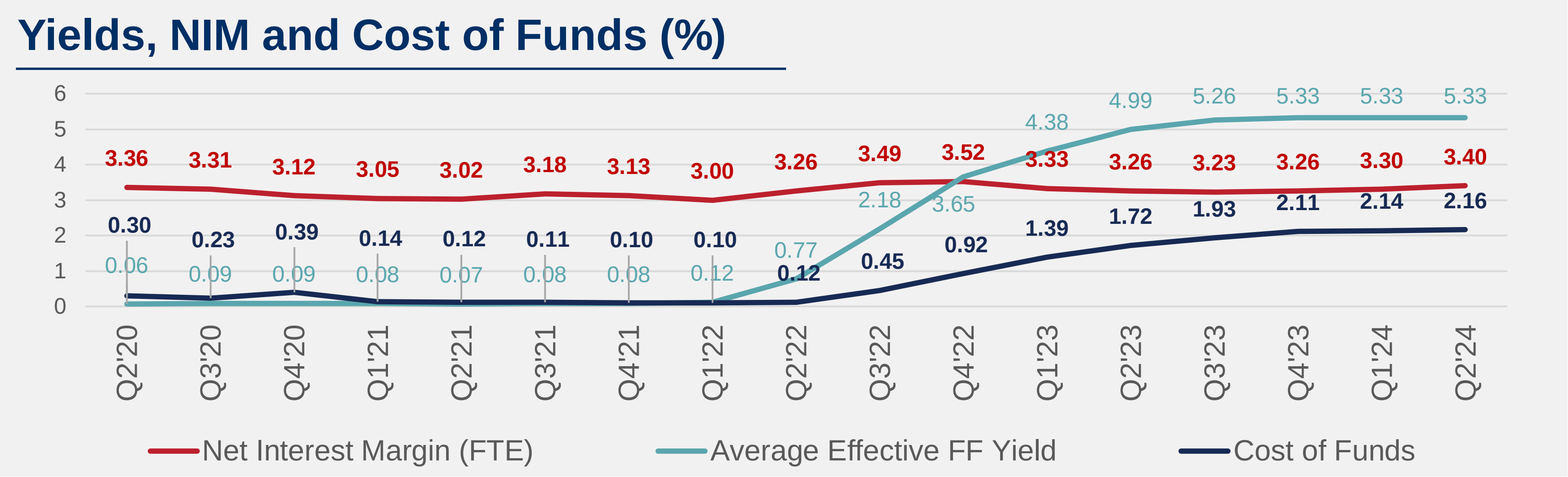


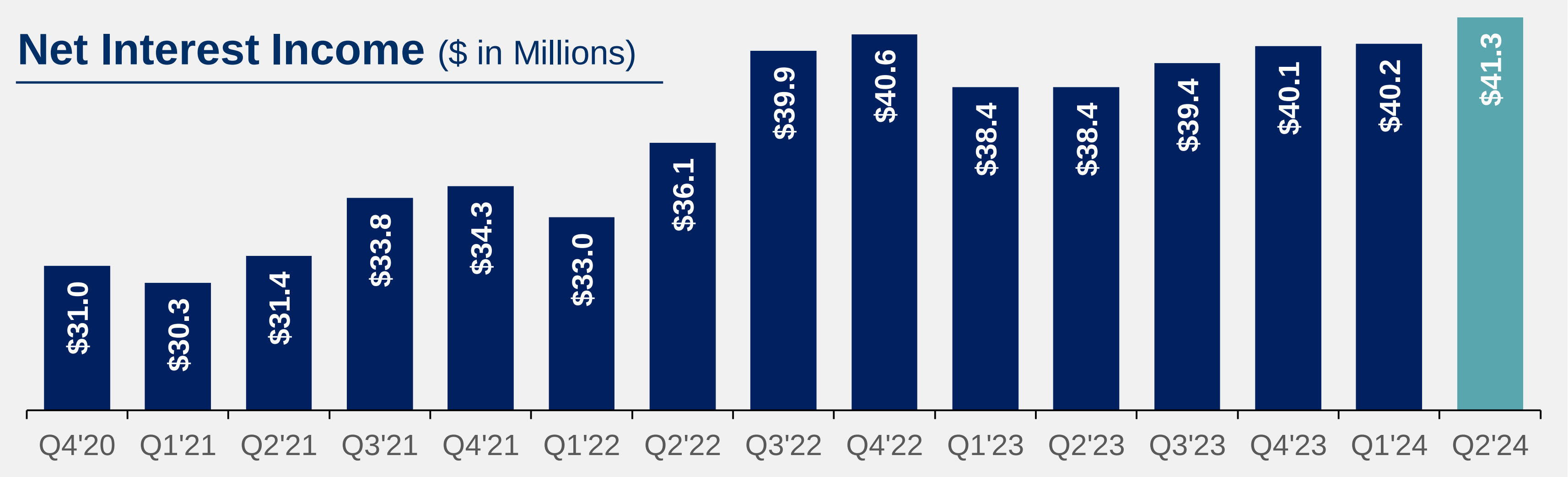




- Long-term capital Priorities: Capital retention to support organic growth, acquisitions and return of capital through strong and consistent dividends and share repurchases.
- Well capitalized in all regulatory capital measurements.
- Tangible common equity ratio excluding the impact of unrealized losses on securities AFS and HTM is 8.8%

Interest Margin/Income





- Net interest income was $41.3 million in 2Q'24 compared to $38.4 million in the prior year quarter. An increase in average earning assets and the net interest margin compared to the year-ago quarter.
- Net interest margin was 3.40% during the second quarter of 2024, compared to 3.24% in the year-ago quarter and 3.30% in the first quarter of 2024.

Linked Quarter Analysis

2Q'24 NIM Changes

1Q'24	**3.30%**
Change in earning asset mix & increase in loan yield	**0.06%**
Loan Fee Accretion	**0.05%**
Change in funding mix	**0.05%**
Increase in funding costs	**-0.06%**
2Q'24	**3.40%**

Linked Quarter Average Balances and FTE Rates ($ in thousands)

	2Q24			1Q24			Change		
	Avg Bal	Inc/Exp	Yield	Avg Bal	Inc/Exp	Yield	Avg Bal	Inc/Exp	Yield
Cash	$83,293	$1,134	5.48%	$84,182	$1,143	5.46%	($889)	($9)	0.01%
Investments	960,875	8,569	3.57%	1,015,961	9,097	3.58%	(55,086)	(528)	-0.01%
Commercial loans	1,728,157	30,627	7.13%	1,694,938	29,358	6.97%	33,219	1,269	0.17%
Mortgage loans	1,505,128	18,404	4.89%	1,498,042	17,949	4.79%	7,086	455	0.11%
Consumer loans	615,914	7,779	5.08%	617,546	7,759	5.05%	(1,632)	20	0.03%
Earning assets	$4,893,367	$66,513	5.45%	$4,910,669	$65,306	5.34%	($17,302)	$1,207	0.12%
Nonmaturity deposits	$2,674,731	$14,190	2.13%	$2,633,519	$13,367	2.04%	$41,212	823	0.10%
CDARS deposits	119,547	1,312	4.41%	112,723	1,235	4.41%	6,824	77	0.01%
Retail Time deposits	575,237	5,886	4.12%	549,419	5,451	3.99%	25,818	435	0.13%
Brokered deposits	112,249	1,488	5.33%	202,530	2,757	5.48%	(90,281)	(1,269)	-0.14%
Bank borrowings	50,916	655	5.17%	50,001	649	5.22%	915	6	-0.05%
IBC debt	79,292	1,461	7.41%	79,254	1,470	7.46%	38	(9)	-0.05%
Cost of funds	$3,611,972	$24,992	2.78%	$3,627,446	$24,929	2.76%	($15,474)	$63	0.02%
Free funds	$1,281,395			$1,283,223			($1,828)		
Net interest income		$41,521			$40,377			$1,144	
Net interest margin			3.40%			3.30%			0.10%

Interest Rate Risk Management

Changes in Net Interest Income (Dollars in 000's)

June 30, 2024

	-200	-100	Base-rate	100	200
Net Interest Income	$172,352	$172,324	$173,917	$174,255	$173,319
Change from Base	-0.90%	-0.92%		0.19%	-0.34%

March 31, 2024

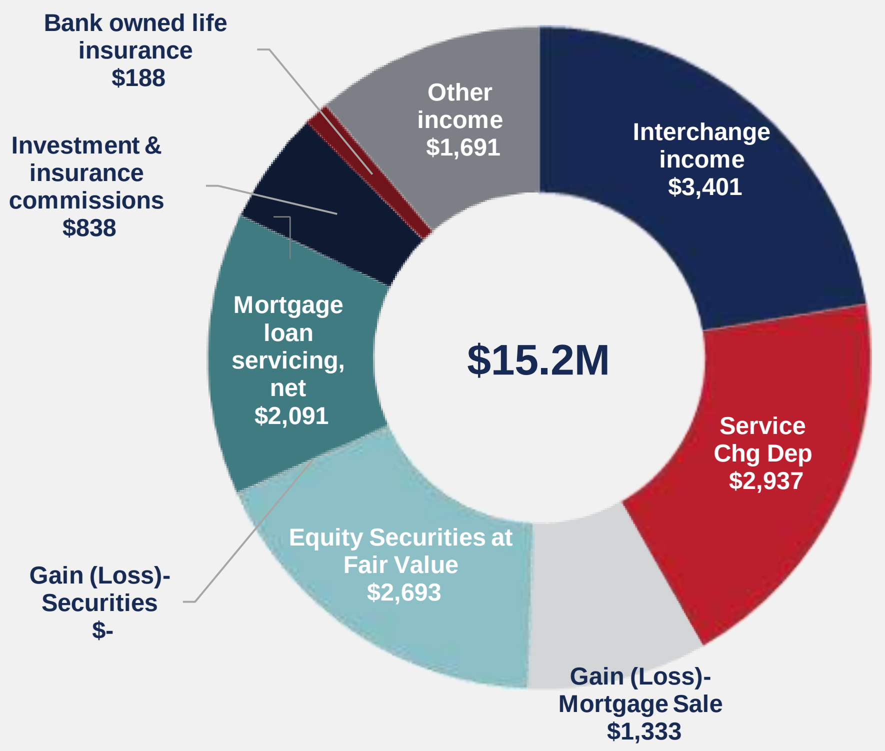
	-200	-100	Base-rate	100	200
Net Interest Income	$172,500	$172,700	$174,000	$173,300	$171,500
Change from Base	-0.86%	-0.75%		-0.40%	-1.44%

Simulation analyses calculate the change in net interest income over the next twelve months, under immediate parallel shifts in interest rates, based upon a static statement of financial condition, which includes derivative instruments, and does not consider loan fees.

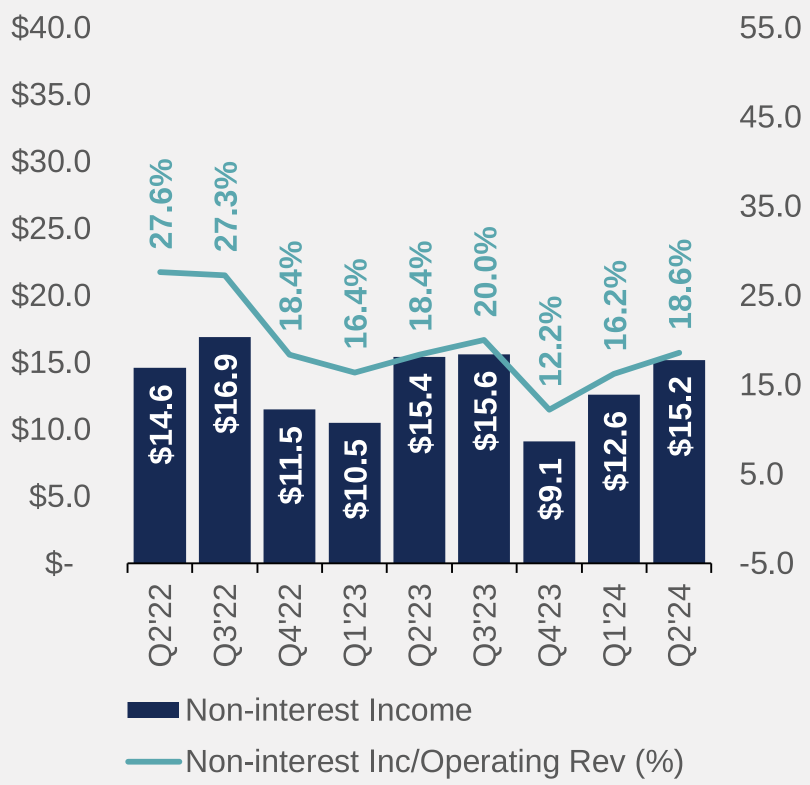
- The base case modeled NII is largely unchanged during the quarter as asset yield benefits from a shift in asset mix, a shift in loan mix and continued asset repricing was offset by liability repricing.
- The NII sensitivity profile is largely unchanged during the quarter for smaller rate changes of +/- 100 basis points. The exposure to larger rising rate scenarios decreased modestly. Asset sensitivity increased slightly while liability sensitivity declined. Additionally, NII exposure to larger rate declines is largely unchanged.
- Base-rate is a static balance sheet applying the spot yield curve from the valuation date.
- Stable core funding base. Transaction accounts fund 37.4% of assets and other non-maturity deposits fund another 18.9% of assets. Moderate wholesale funding of just 4.9% of assets.
- 34.3% of assets reprice in 1 month and 44.9% reprice in the next 12 months.
- Continually evaluating strategies to manage NII through hedging as well as product pricing and structure.

Strong Non-interest Income

2Q'24 Non-interest Income
(thousands)



Non-interest Income Trends
($M)

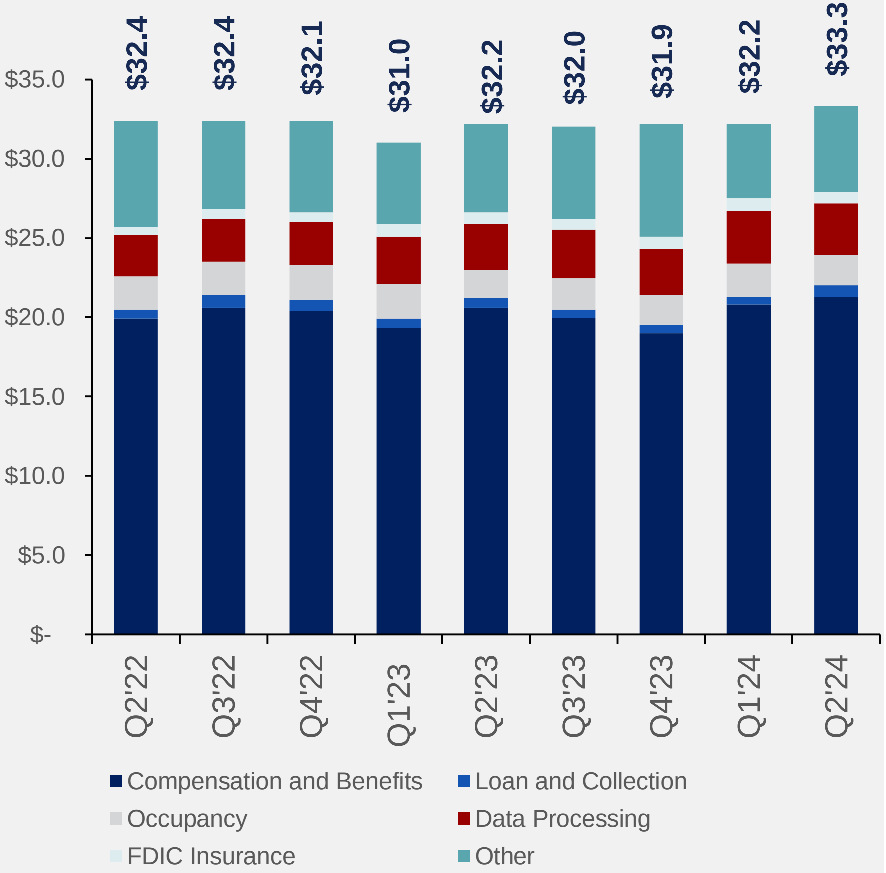


- The $1.6 million comparative quarterly decrease in mortgage loan servicing, net is primarily attributed to changes in the fair value of capitalized mortgage loan servicing rights associated with changes in mortgage loan interest rates and expected future prepayment levels.
- Mortgage banking:
  - $1.3 million in net gains on mortgage loans in 2Q'24 vs. $2.1 million in the year ago quarter. The decrease is primarily due to lower profit margins on mortgage loan sales and lower loan sales volume.
  - $142.6 million in mortgage loan originations in 2Q'24 vs. $160.5 million in 2Q'23 and $94.0 million in 1Q'24.
  - 2Q'24 mortgage loan servicing includes a $0.9 million ($0.03 per diluted share, after tax) increase in fair value adjustment due to price compared to a increase of $2.4 million ($0.09 per diluted share, after tax) in the year ago quarter.

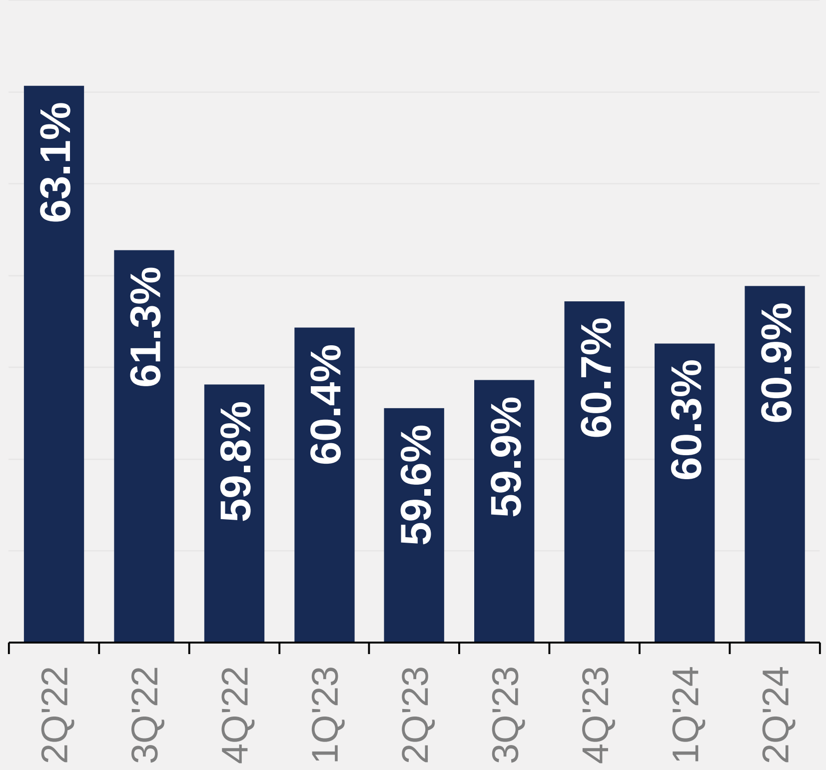
Source: Company documents.

Focus on Improved Efficiency

Non-interest Expense ($M)



Efficiency Ratio (4 quarter rolling average)



- 2Q'24 efficiency ratio of 61.5%.
- Compensation and employee benefits expense of $21.3 million, an increase of $0.6 million from the prior year quarter.
- $0.7 million increase in performance-based compensation expense due to a higher expected payout level in 2024.
- Payroll taxes and employee benefits increased $0.1 million primarily due to a higher healthcare related costs.
- Data processing costs increased by $0.4 million primarily due to core data processor annual asset growth and CPI related cost increases as well as the purchase of a new lending solution software.
- Opportunities exist to gain additional efficiencies as we continue to optimize our delivery channels.

Source: Company documents.

Outlook for 2024

	LENDING Continued growth	**NET INTEREST INCOME** Growth driven primarily by higher average earning assets	**PROVISION FOR CREDIT LOSSES** Steady asset quality metrics
Outlook for 2024 *as of January, 2024	• IBCP forecast of mid-single digit (approximately 6%-8%) overall loan growth is based on increases in commercial loans and mortgage loans with installment loans remaining flat. Expect much of this growth to occur in the first three quarters of 2024. • This growth forecast also assumes a stable Michigan economy.	• The forecast assumes 0.25% Fed rate cuts in May, June, August and October in the federal funds rate while long-term interest rates decline slightly over year-end 2023 levels. • IBCP forecast of mid-single digit (6%-8%) growth is primarily supported by an increase in earning assets and a favorable shift in the earning asset base. Expect the net interest margin (NIM) to increase (0.10% - 0.15%) in 2024 compared to full-year 2023. Primary driver is an increase in earning asset yield that is partially offset by an increase in yield on interest bearing liabilities.	• Very difficult area to forecast. Future provision levels under CECL will be particularly sensitive to loan growth and mix, projected economic conditions, watch credit levels and loan default volumes. • The allowance as a percentage of total loans was at 1.44% at 12/31/23 • A full year 2024 provision (expense) for credit losses of approximately 0.15%-0.25% of average total portfolio loans would not be unreasonable.
2Q'24 Update	• Total portfolio loans increased $11.9 million (1.2% annualized) in 2Q'24 which is below our forecasted range. • Installment loans and mortgage loans increased $3.9 million (2.6% annualized) and $10.9 million (3.0% annualized), respectively. Commercial loans decreased $2.9 million (-0.7% annualized) in the second quarter.	• 2Q'24 net interest income was $3.0 million (7.8%) higher than the prior year quarter. The net interest margin was 3.40% for the current quarter and 3.24% for the prior year quarter and up 0.10% from the linked quarter. • The $3.0 million increase in net interest income is due to a $130.1 million increase in average earning assets and a 0.16% increase in the net interest margin.	• The provision for credit losses was an expense of $0.02 million (0.00% of average loans annualized).

Outlook for 2024

	NON-INTEREST INCOME	NON-INTEREST EXPENSES	INCOME TAXES	SHARE REPURCHASES
Outlook for 2024 *as of January, 2024	• IBCP forecasts 2024 quarterly range of \$11.5M to \$13.0M with the total for the year down 0.5% to 1.0% from 2023 actual of \$50.7M • Expect mortgage loan origination volumes in 2024 to increase by approximately 7%, a decline in mortgage loan servicing net of approximately 19%, interchange income in 2024 to increase approximately 1.5% to 2.5% as compared to 2023, service charges on deposits to be collectively comparable to 2023 and other income to decline approximately 5% comparable to 2023 actuals.	• IBCP forecasts 2024 quarterly range of \$32.5M to \$33.5M with the total for the year up 3.5% to 4.25% from the 2023 actual of \$127.1M. • The primary driver is an increase in compensation and employee benefits, data processing, loan and collection and advertising.	• Approximately a 20% effective income tax rate in 2024 This assumes a 21% statutory federal corporate income tax rate during 2024.	• 2024 share repurchase authorization at approximately 5% (1.1 million) of outstanding shares. • Share repurchases will be dependent on capital levels, capital allocation options and share price trends. We are not modeling any share repurchases in 2024.
2Q'24 Update	• Non-interest income totaled \$15.2 million in 2Q'24, which is higher than the forecasted range. Gain on equity securities at fair value was \$2.7 million due to the exchange of Visa Class B-1 common stock. • Mortgage loan servicing net, generated a gain of \$2.1 million in 2Q'24.	• Total non-interest expense was \$33.3 million in the 2Q'24, which was within our forecasted range.	• Actual effective income tax rate of 20.0% for the 2Q'24.	• No shares were repurchased in the 2Q'24.

Strategic Initiatives

GROWTH

- **Outside Sales** - Relationship banking focus thru consistent calling on prospects and COI's.
- Inside Service/Sales – **high retention + high cross sales**, collaboration of strategic partners.
- **Digital Marketing** - Leverage data insights, target strategically, elevate brand image, personalize the customer experience.
- **Leverage Referral Network** – Fintech (ReferLive);
- **New Products** – SMB deposit product, Business digital pmts.
- **Market Expansion** – Through existing indirect dealer network.
- **Selective and opportunistic** bank and branch acquisitions.

PROCESS IMPROVEMENT & COST CONTROLS

- **Process Automation –** leverage core investments + Fintech partnerships: (Blend) mortgage; (Numerated) Commercial;
- **Branch Optimization** - including assessing existing locations, new locations, service hours, staffing, & workflow and leveraging technology.
- **Promotion of Self-Serve Channels** - (One Wallet, Treasury One, etc.)
- **Leverage Banker Capacity** – including on-line appointment setting.
- **Leverage Middleware + API's** – expediate new technology implementation.
- **Optimize Office Space Utilization**

TALENT MANAGEMENT

- **Invest in our Team** – competitive C&B offering, skill training, leadership development, etc.
- **High Employee Engagement** – thru fostering a culture of purpose, opportunity, continuous learning, diversity, reward + recognition.
- **Promote Teamwork + Alignment** across all business units.
- **Invest in technology** - to enhance the employee experience + customer experience.
- **Client Service Model** – well defined and applied.

RISK MANAGEMENT

- **Utilize three layers of defense** (business unit, risk management and internal audit). Independent & collaborative approach.
- **Consistent earnings** + maintain strong capital levels.
- **Proactive credit quality monitoring** and problem resolution.
- **Manage Liquidity and IRR**.
- **Manage Operational risk,** emphasizing cyber security, fraud prevention, and regulatory compliance.
- **Effective relationships with regulators** & other outside oversight parties. Proactive, transparent and good communication.

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Question and Answer Session
Closing Remarks

Thank you for attending

NASDAQ: IBCP

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Appendix

Additional Financial Data
and Non-GAAP Reconciliations

Historical Financial Data

	Year Ended December 31,				Quarter Ended,				
($M except per share data)	2020	2021	2022	2023	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
Balance Sheet:									
Total Assets	$4,204	$4,705	$5,000	$5,264	$5,136	$5,200	$5,264	$5,231	$5,278
Portfolio Loans	$2,734	$2,905	$3,465	$3,791	$3,631	$3,741	$3,791	$3,840	$3,852
Deposits	$3,637	$4,117	$4,379	$4,622	$4,488	$4,586	$4,622	$4,582	$4,614
Tangible Common Equity	$357	$367	$317	$374	$345	$345	$374	$385	$400
Profitability:									
Pre-Tax, Pre-Provision Income	$81.9	$75.4	$83.7	$79.9	$21.5	$23.0	$17.3	$20.6	$23.2
Pre-Tax, Pre-Prov / Avg. Assets	2.08%	1.69%	1.72%	1.56%	1.71%	1.76%	1.31%	1.59%	1.80%
Net Income(1)	$56.2	$62.9	$63.8	$59.1	$14.8	$17.5	$13.7	$16.0	$18.5
Diluted EPS	$2.53	$2.88	$2.97	$2.79	$0.70	$0.83	$0.65	$0.76	$0.88
Return on Average Assets(1)	1.43%	1.41%	1.32%	1.15%	1.18%	1.34%	1.04%	1.24%	1.44%
Return on Average Equity(1)	15.7%	16.1%	18.5%	16.0%	16.3%	18.7%	14.4%	16.0%	18.0%
Net Interest Margin (FTE)	3.34%	3.10%	3.32%	3.26%	3.26%	3.25%	3.26%	3.30%	3.40%
Efficiency Ratio	59.2%	62.9%	59.4%	60.8%	59.3%	57.5%	64.3%	60.3%	61.5%
Asset Quality:									
NPAs / Assets	0.21%	0.11%	0.08%	0.11%	0.09%	0.10%	0.11%	0.09%	0.10%
NPAs / Loans + OREO	0.32%	0.18%	0.12%	0.15%	0.13%	0.14%	0.15%	0.12%	0.14%
ACL / Total Portfolio Loans	1.30%	1.63%	1.51%	1.44%	1.49%	1.48%	1.44%	1.47%	1.46%
NCOs / Avg. Loans	0.11%	(0.07%)	0.00%	0.01%	0.00%	0.00%	0.01%	0.02%	0.02%
Capital Ratios:									
TCE Ratio	8.6%	7.9%	6.4%	7.2%	6.7%	6.7%	7.2%	7.4%	7.6%
Leverage Ratio	9.2%	8.8%	8.8%	9.0%	9.0%	8.9%	9.0%	9.3%	9.6%
Tier 1 Capital Ratio	13.3%	12.1%	11.4%	11.5%	11.4%	11.4%	11.5%	11.7%	12.0%
Total Capital Ratio	16.0%	14.5%	13.7%	13.7%	13.7%	13.6%	13.7%	13.9%	14.2%

Historic Financial Performance

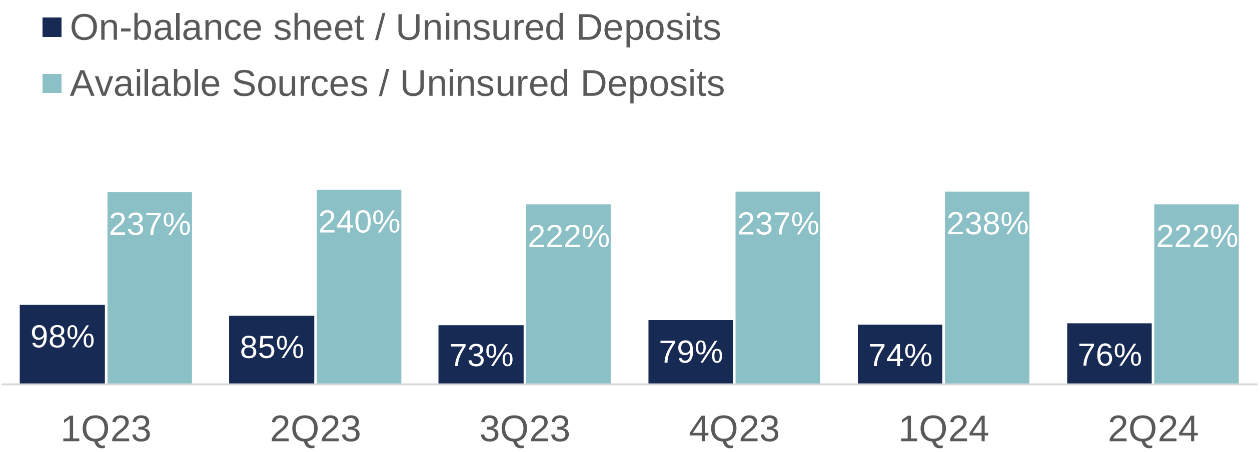
($M except per share data)	2018	2019	2020	2021	2022	2023	5 Year CAGR
	Year Ended December 31,						
Balance Sheet:							
Total Assets	$3,353	$3,565	$4,204	$4,705	$5,000	$5,264	9.4%
Portfolio Loans	$2,583	$2,725	$2,734	$2,905	$3,465	$3,791	8.0%
Deposits	$2,913	$3,037	$3,637	$4,117	$4,379	$4,623	9.7%
Tangible Common Equity	$304	$317	$357	$367	$317	$374	4.2%
Profitability:							
Pre-Tax, Pre-Provision Income	$50.6	$58.6	$81.9	$75.4	$83.1	$79.9	9.6%
Pre-Tax, Pre-Prov / Avg. Assets	1.62%	1.70%	2.08%	1.69%	1.72%	1.56%	-
Net Income	$39.8	$46.4	$56.2	$62.9	$63.4	$59.1	8.2%
Diluted EPS	$1.68	$2.00	$2.53	$2.88	$2.97	$2.79	10.7%
Return on Average Assets	1.27%	1.35%	1.43%	1.41%	1.31%	1.15%	-
Return on Average Equity	12.38%	13.63%	15.68%	16.13%	18.41%	16.04%	-
Net Interest Margin (FTE)	3.88%	3.80%	3.34%	3.10%	3.32%	3.26%	-
Efficiency Ratio	67.20%	64.90%	59.24%	62.87%	59.71%	60.76%	-
Asset Quality:							
NPAs / Assets	0.29%	0.32%	0.21%	0.11%	0.08%	0.11%	-
NPAs / Loans + OREO	0.38%	0.42%	0.32%	0.18%	0.12%	0.15%	-
Reserves / Total Loans	0.96%	0.96%	1.30%	1.63%	1.51%	1.44%	-
NCOs / Avg. Loans	(0.03%)	(0.02%)	0.11%	(0.07%)	0.00%	0.01%	-
Capital Ratios:							
TCE Ratio	9.2%	9.0%	8.6%	7.9%	6.4%	7.2%	-
Leverage Ratio	10.5%	10.1%	9.2%	8.8%	8.8%	9.1%	-
Tier 1 Capital Ratio	13.3%	12.7%	13.3%	12.2%	11.4%	11.6%	-
Total Capital Ratio	14.3%	13.7%	16.0%	14.7%	13.7%	13.8%	-
Shareholder Value:							
TBV/Share	$ 12.90	$ 14.08	$ 16.33	$ 17.33	$ 15.04	$ 17.96	6.8%
Dividends Paid per Share	$ 0.60	$ 0.72	$ 0.80	$ 0.84	$ 0.88	$ 0.92	8.9%
Value of Shares Repurchased	$ 12.68	$ 26.3	$ 14.2	$ 17.3	$ 4.0	$ 5.2	-

Strong Liquidity Position

Sources of Liquidity

Sources of Liquidity		
	2Q 2024	
Current On-balance sheet		
Excess reserves at the Fed	$ 159.4	
Unpledged AFS Securities	$ 579.5	
Total On-balance sheet	$ 738.9	
On balance sheet liquidity to total deposits		16%
Available Sources of Liquidity		
Unused FHLB & FRB (including BTFP)	$ 1,439.1	
Borrow capacity on unpledged bonds	$ 732.5	
Total Available Sources	$ 2,171.6	
Sources of Liquidity to total deposits		47%

Liquidity / Uninsured Deposits

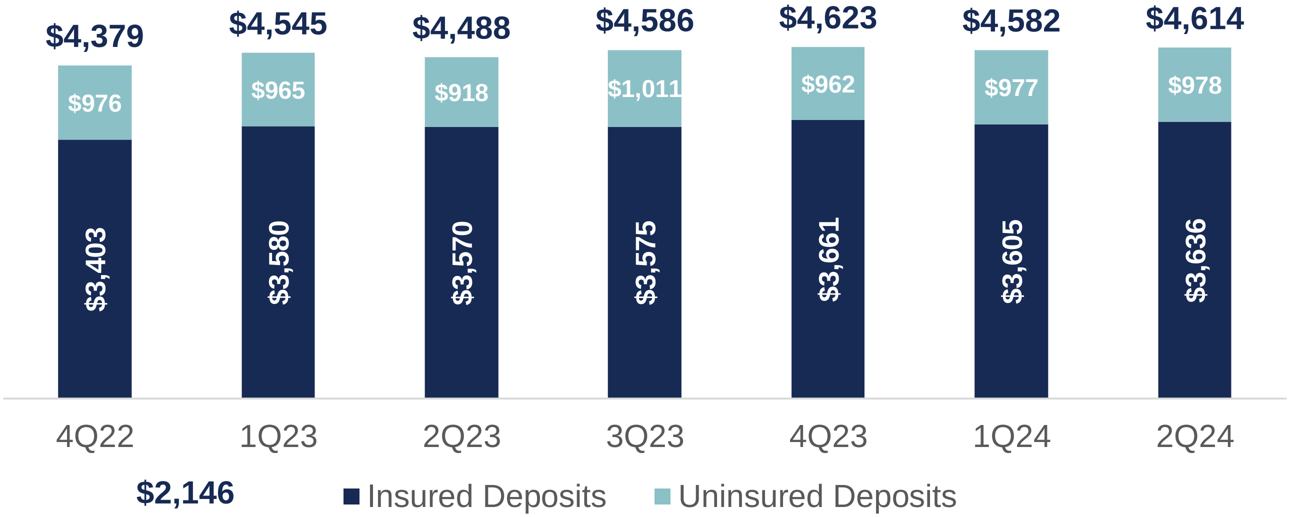


- Significant liquidity position to manage the current environment.
- Total available liquidity significantly exceeds (222%) estimated uninsured deposit balances.
- Attractive loan to deposit ratio of 83.5%.
- Uninsured deposit to total deposits of approximately 21.2%, excluding brokered time deposits.

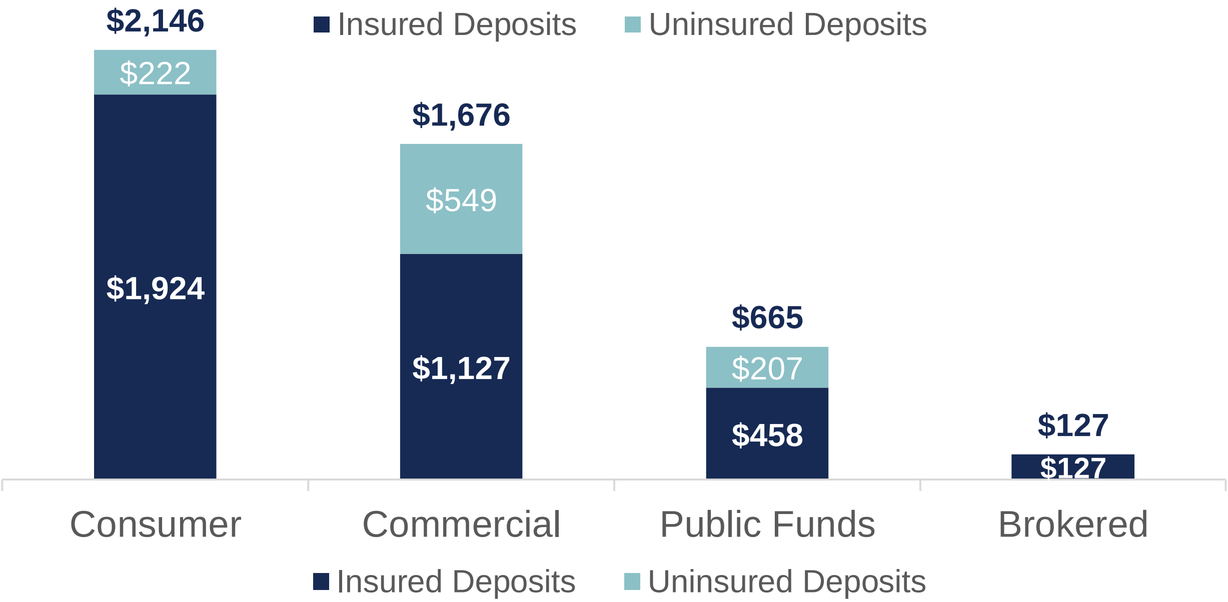
Note: Portfolio loans exclude loans HFS.

Granular Deposit Base

Uninsured Deposit Trend ($MM)



Uninsured Deposit by Segment (6/30/24)



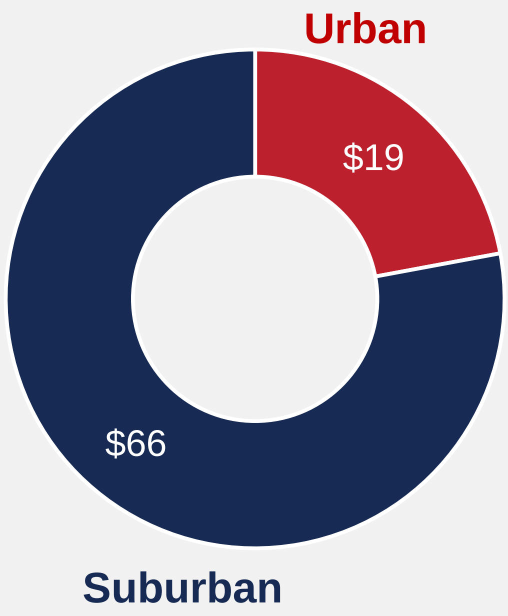
- Average deposit account balance of approximately $20,976.
- Average deposit balance excluding reciprocal deposit of $16,724.
- Average Commercial deposit balance of $94,005.
- Average retail deposit balance of $11,085.
- 10 largest deposit accounts total $400.3 million or 8.68% of total deposits.
  - $366.4 million in ICS with FDIC coverage.
- 100 largest deposit accounts total $1.02 billion or 22.17% of total deposits.
  - $681.3 million in ICS with FDIC coverage.

Note: Uninsured deposit calculation is an approximation.

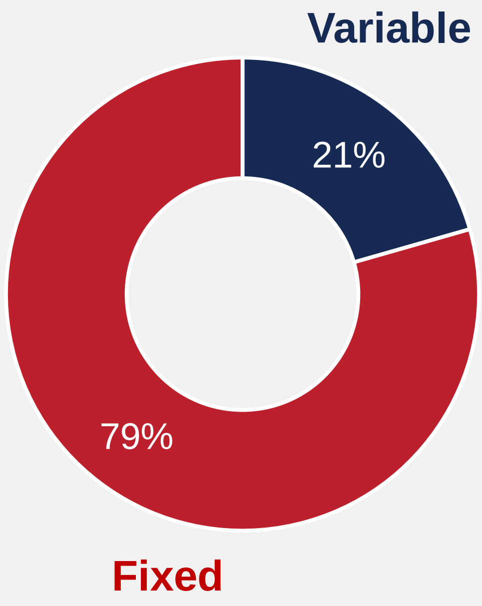
Be Independent

CRE – Office Metrics

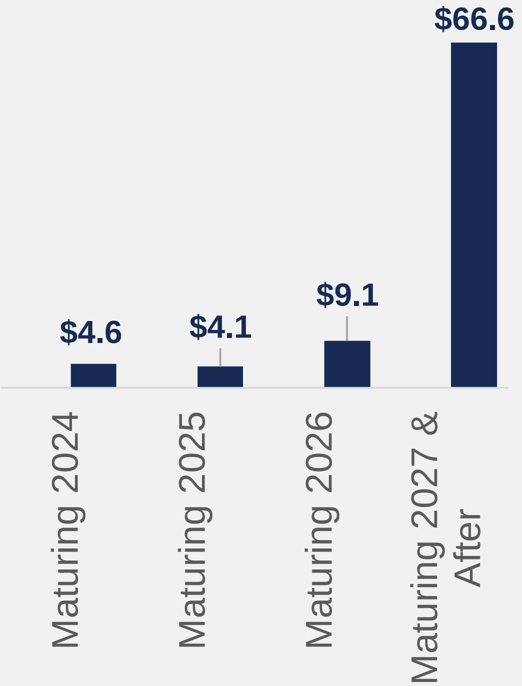
Geographic Location (millions)



CRE - Office Fixed vs. Variable



Maturing Exposure (millions)



- 17.0% of portfolio is medical office buildings.
- 78% of portfolio is in suburban geographies.
- 78.9% of CRE – Office mature after 2026.
- Average loan size of $1.3 million.

Non-GAAP to GAAP Reconciliation

	Year Ended December 31,				Quarter Ended				
	2023	2022	2021	2020	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
	(Dollars in thousands)								
Net interest income	$156,329	$149,561	$129,765	$123,612	$41,346	$40,197	$40,111	$39,427	$38,350
Non-interest income	50,676	61,909	76,643	80,745	15,172	12,561	9,097	15,611	15,417
Non-interest expense	127,119	128,341	131,023	122,413	33,333	32,193	31,878	32,036	32,248
Pre-Tax, Pre-Provision Income	79,886	83,129	75,385	81,944	$23,185	20,565	17,330	23,002	21,519
Provision for credit losses	6,210	5,341	(1,928)	12,463	19	744	(617)	1,350	3,317
Income tax expense	14,609	14,437	14,418	13,329	4,638	3,830	4,204	4,109	3,412
Net income	$59,067	$63,351	$62,895	$56,152	$18,528	$15,991	$13,743	$17,543	$14,790
Average total assets	$5,115,624	$4,825,723	$4,465,577	$3,933,655	$5,181,317	$5,201,452	$5,233,666	$5,192,114	$5,044,746
Performance Ratios									
Return on average assets	1.15%	1.31%	1.41%	1.43%	1.44%	1.24%	1.04%	1.34%	1.18%
Pre-tax, Provision return on average assets	1.56%	1.72%	1.69%	2.08%	1.80%	1.59%	1.31%	1.76%	1.71%

Reconciliation of Non-GAAP Financial Measures

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(Dollars in thousands)			
Net Interest Margin, Fully Taxable Equivalent ("FTE")				
Net interest income	$ 41,346	$ 38,350	$ 81,543	$ 76,791
Add: taxable equivalent adjustment	175	232	355	520
Net interest income - taxable equivalent	$ 41,521	$ 38,582	$ 81,898	$ 77,311
Net interest margin (GAAP) (1)	3.39%	3.23%	3.33%	3.26%
Net interest margin (FTE) (1)	3.40%	3.24%	3.35%	3.28%

(1) Quarter to date are annualized.

Reconciliation of Non-GAAP Financial Measures (continued)

Tangible Common Equity Ratio

	Year Ended December 31,				Quarter Ended				
	2023	2022	2021	2020	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
	(Dollars in thousands)								
Common shareholders' equity	$ 404,449	$ 347,596	$ 398,484	$ 389,522	$ 430,459	$ 415,570	$ 404,449	$ 374,998	$ 375,162
Less:									
Goodwill	28,300	28,300	28,300	28,300	28,300	28,300	28,300	28,300	28,300
Other intangibles	2,004	2,551	3,336	4,306	1,746	1,875	2,004	2,141	2,278
Tangible common equity	$ 374,145	$ 316,745	$ 366,848	$ 356,916	$ 400,413	$ 385,395	$ 374,145	$ 344,557	$ 344,584
Total assets	$5,263,726	$4,999,787	$4,704,740	$4,204,013	$ 5,277,500	$5,231,255	$ 5,263,726	$ 5,200,018	$ 5,135,564
Less:									
Goodwill	28,300	28,300	28,300	28,300	28,300	28,300	28,300	28,300	28,300
Other intangibles	2,004	2,551	3,336	4,306	1,746	1,875	2,004	2,141	2,278
Tangible assets	$5,233,422	$4,968,936	$4,673,104	$4,171,407	$ 5,247,454	$5,201,080	$ 5,233,422	$ 5,169,577	$ 5,104,986
Common equity ratio	7.68%	6.95%	8.47%	9.27%	8.16%	7.94%	7.68%	7.21%	7.31%
Tangible common equity ratio	7.15%	6.37%	7.85%	8.56%	7.63%	7.41%	7.15%	6.67%	6.75%