



## CrossFirst Bankshares, Inc. Reports First Quarter 2023 Results

LEAWOOD, Kan., April 17, 2023 (GLOBE NEWSWIRE) -- CrossFirst Bankshares, Inc. (Nasdaq: CFB), the bank holding company for CrossFirst Bank, today reported first quarter net income of \$16.1 million, or \$0.33 per diluted common share and adjusted net income of \$17.3 million, or \$0.35 per diluted common share.

### First Quarter 2023 Key Financial Performance Metrics

| Net Income     | ROAA <sup>(1)</sup> | Net Interest Margin – Fully Tax Equivalent (“FTE”) <sup>(1)</sup> | Diluted EPS | ROE <sup>(1)</sup> |
|----------------|---------------------|---|-------------|--------------------|
| \$16.1 million | 0.97%               | 3.65%   | \$0.33      | 10.53%             |

### Adjusted First Quarter 2023 Key Financial Performance Metrics<sup>(2)</sup>

| Adjusted Net Income | Adjusted ROAA <sup>(1)</sup> | Net Interest Margin - FTE <sup>(1)</sup> | Adjusted Diluted EPS | Adjusted ROE <sup>(1)</sup> |
|---------------------|------------------------------|--|----------------------|-----------------------------|
| \$17.3 million      | 1.04%                        | 3.65%                                    | \$0.35               | 11.30%                      |

<sup>(1)</sup> Ratios are annualized.

<sup>(2)</sup> With the exception of Net Interest Margin - FTE, represents a non-GAAP financial measure. See “Table 5. Non-GAAP Financial Measures” for a reconciliation of these measures.

### CEO Commentary:

“We continued our momentum into the first quarter producing strong earnings, growth in our capital and improvement in our credit quality against a challenging backdrop,” said CrossFirst’s CEO and President, Mike Maddox. Mr. Maddox continued, “We maintain a diversified balance sheet with significant liquidity to withstand market volatility. We are fortunate to have an experienced team of bankers and leaders, and I am extremely proud of the way they have navigated the recent turmoil within our industry, with a focus on serving our clients and continuing to build franchise value.”

### 2023 First Quarter Highlights:

- Completed the Central bank core systems conversion
- Loans grew \$275 million for the quarter with our newer markets and verticals contributing meaningfully as we realize scale in those areas
- Credit quality improved with non-performing assets decreasing \$2.0 million and the non-performing assets to total assets ratio decreasing to 0.16% at quarter end
- Recorded \$4.4 million of provision expense during the quarter driven by loan growth and net charge-offs of \$1.6 million, or 0.12% of average loans
- Deposits increased \$186 million due to a \$405 million increase in wholesale deposits. Non-interest-bearing accounts were lower as elevated deposits at year-end were deployed early in the quarter in addition to clients migrating into savings and money market accounts
- Net interest margin – FTE of 3.65% widened four basis points for the quarter entirely due to the benefit of non-interest-bearing deposits
- Issued \$7.8 million of non-cumulative Series A Preferred Stock further bolstering our capital position



| <i>(Dollars in millions except per share data)</i> | Quarter-to-Date |                   |                |
|--|-----------------|-------------------|----------------|
|  | March 31, 2023  | December 31, 2022 | March 31, 2022 |
| <b>Operating revenue<sup>(1)</sup></b>             | \$ 62.6         | \$ 58.4           | \$ 48.1        |
| <b>Net income</b>                                  | \$ 16.1         | \$ 11.9           | \$ 16.8        |
| <b>Diluted earnings per common share</b>           | \$ 0.33         | \$ 0.24           | \$ 0.33        |
| Return on average assets                           | 0.97%           | 0.77%             | 1.23%          |
| Adjusted return on average assets <sup>(2)</sup>   | 1.04%           | 1.15%             | 1.23%          |
| Return on average equity                           | 10.53%          | 8.04%             | 10.44%         |
| Adjusted return on average equity <sup>(2)</sup>   | 11.30%          | 12.03%            | 10.44%         |
| Net interest margin                                | 3.60%           | 3.56%             | 3.24%          |
| Net interest margin – FTE <sup>(3)</sup>           | 3.65%           | 3.61%             | 3.29%          |
| Efficiency ratio                                   | 60.81%          | 62.40%            | 57.57%         |
| Adjusted efficiency ratio – FTE <sup>(2)(3)</sup>  | 56.42%          | 55.01%            | 56.66%         |

(1) Net interest income plus non-interest income.

(2) Represents a non-GAAP financial measure. See "Table 5. Non-GAAP Financial Measures" for a reconciliation of these measures.

(3) Tax exempt income is calculated on a tax-equivalent basis. Tax-free municipal securities are exempt from federal income taxes. The incremental federal income tax rate used is 21.0%.

### **Income from Operations**

Net income totaled \$16.1 million or \$0.33 per diluted share for the first quarter of 2023, compared to \$11.9 million or \$0.24 per diluted share during the fourth quarter of 2022 and \$16.8 million or \$0.33 per diluted share during the first quarter of 2022. On a linked quarter basis, net income was higher due to an increase in net interest income partially offset by higher non-interest expenses. The first quarter of 2023 included \$1.5 million of acquisition-related non-interest expense and the fourth quarter of 2022 included acquisition-related non-interest expense of \$3.6 million and a \$4.4 million acquisition-related Day 1 CECL provision expense. Compared to the same period in the prior year, the quarter's results were impacted by better net interest income that was more than offset by higher provision expense and non-interest expense.

Adjusted net income for the first quarter of 2023 totaled \$17.3 million or \$0.35 per diluted share compared to \$17.9 million or \$0.36 per diluted share for the fourth quarter of 2022. The linked quarter's adjusted net income was lower by \$0.6 million as increases in net interest income were more than offset by higher provision expense and higher non-interest expense.

### **Net Interest Income**

Fully tax equivalent ("FTE") net interest income totaled \$59.0 million for the quarter compared to \$54.8 million for the fourth quarter of 2022, increasing due to higher average earning assets and stronger loan yields, partially offset by higher cost of funds and two fewer days. Net interest margin – FTE widened 4 basis points to 3.65% compared to the prior quarter entirely due to the benefit of non-interest-bearing deposits.

Average earning assets increased \$521 million compared to the prior quarter due to higher average loan balances. The increase in average balances of loans outstanding more than offset lower average cash and federal funds sold balances. The yield on earning assets increased entirely due to stronger loan yields due to the repricing of variable loans as well as higher pricing on new loans. The cost of funds increased due to continued pricing pressure on deposits as well as the mix of deposits shifting into higher cost products. Despite the offsetting changes in the yield on earning assets and the cost of funds, net interest margin – FTE widened due to the benefit of non-interest bearing-deposits.

Compared to the first quarter of 2022, FTE net interest income increased \$15.1 million and net interest margin - FTE increased 36 basis points. The higher income and margin were primarily due to increases in average earning assets from strong loan growth and an increase in the loan yields, partially offset by a higher cost of funds due to the rising rate environment.

Average earning assets grew \$1.2 billion, or 21%, compared to the first quarter of 2022. The increase was entirely driven by higher average loan and investment portfolio balances, partially offset by lower average cash balances. The yield on earning assets increased 2.44% due to new loan production as well as repricing of variable rate loans. The cost of funds increased 2.27% over the same period due to pricing pressure on deposits as well as client migration into higher cost deposit products compared to the prior year.

## **Non-Interest Income**

Non-interest income increased \$0.1 million compared to the fourth quarter of 2022 and decreased by \$0.5 million compared to the same quarter in 2022. The increase in non-interest income compared to the previous quarter was due to increases in service charges and fees and credit card interchange income offset by decreases in other non-interest income. In addition, gains on sale of loans increased from the addition of Central. The decrease compared to the prior year was primarily the result of a decrease in credit card fees due to one large customer with pandemic-related activity that was not recurring. The lower credit card fees were partially offset by increases in service charges and fees, as well as gains on securities and gains on sales of loans.

## **Non-Interest Expense**

Non-interest expense increased \$1.7 million from the fourth quarter of 2022 and increased \$10.4 million from the first quarter of 2022. The first quarter of 2023 included \$1.5 million of acquisition-related expenses with \$1.1 million included in professional fees, \$0.2 million in salaries and employee benefits, \$0.1 million in advertising, and \$0.1 million in other non-interest expense. The fourth quarter of 2022 included \$3.6 million of acquisition-related expenses with \$1.2 million included in professional fees, \$1.0 million in salaries and employee benefits, \$1.1 million in data processing, and \$0.2 million in other non-interest expense. Excluding these acquisition-related expenses, non-interest expense increased \$3.8 million compared to the fourth quarter of 2022 and increased \$8.9 million compared to the first quarter of 2022. Compared to the fourth quarter of 2022, salaries and employee benefits costs were higher due to merit increases and the addition of employees as part of the Central acquisition. Additionally, deposit insurance premiums increased primarily due to an increase in the assessment rate and growth in assets. Other non-interest expense increased compared to the prior quarter primarily due to core deposit intangible amortization as a result of the Central acquisition and an increase in commercial credit card fees. Compared to the first quarter of 2022 salaries and employee benefits costs were higher due to merit increases, hiring in new markets, and the addition of employees as part of the Central acquisition. Professional fees increased primarily due to increases in consulting costs related to the digital banking conversion, increased recruiting costs, and timing of legal fees. Additionally, deposit insurance premiums increased due to an increase in the assessment rate and increases in assets. Other non-interest expense increased compared to the prior year primarily due to core deposit intangible amortization as a result of the Central acquisition and increased post-pandemic travel expenses.

The Company's effective tax rate for the first quarter of 2023 was 20.0%, as compared to 21.9% in the fourth quarter of 2022 and 19.9% for the first quarter of 2022. The fourth quarter of 2022 included a \$0.3 million charge related to certain non-deductible acquisition costs which caused a higher rate for that period.

## **Statement of Financial Condition Performance & Analysis**

During the first quarter of 2023, total assets increased by \$0.3 billion or 4% compared to the end of the prior quarter and increased \$1.4 billion or 25% compared to March 31, 2022. Total assets increased on a linked quarter basis primarily due to a \$0.3 billion increase in loans. The year-over-year increase was primarily due to an increase in loans of \$1.3 billion, including \$0.4 billion from the Central acquisition. Deposits increased \$0.2 billion compared to December 31, 2022, and increased \$1.2 billion from March 31, 2022, including \$0.6 billion from the Central acquisition.

## **Loan Results**

During the first quarter of 2023, loans increased \$275 million compared to December 31, 2022, and increased \$1.3 billion or 30% compared to March 31, 2022, including the impact of the Central acquisition. The linked quarter increase in loans was a result of growth across most of our loan categories. Our newer markets and verticals contributed meaningfully to the quarter's loan growth as we realize scale in those areas. The loan increase compared to March 31, 2022 was primarily due to growth in the commercial and industrial, commercial and industrial lines of credit and commercial real estate portfolios and included the impact of the Central acquisition.

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|   | 3/31/2023                    | 12/31/2022      | 9/30/2022       | 6/30/2022       | 3/31/2022       | % of Total   | QoQ Growth (\$) | QoQ Growth (%) <sup>(1)</sup> | YoY Growth (\$) | YoY Growth (%) <sup>(1)</sup> |
|---|------------------------------|-----------------|-----------------|-----------------|-----------------|--------------|-----------------|-------------------------------|-----------------|-------------------------------|
|   | <i>(Dollars in millions)</i> |                 |                 |                 |                 |              |                 |                               |                 |                               |
| <b>Loans, net of unearned fees</b>        |                              |                 |                 |                 |                 |              |                 |                               |                 |                               |
| Commercial and industrial                 | \$ 987                       | \$ 1,018        | \$ 858          | \$ 812          | \$ 803          | 17 %         | \$ (31)         | (3) %                         | \$ 184          | 23 %                          |
| Commercial and industrial lines of credit | 1,047                        | 957             | 831             | 788             | 678             | 19           | 90              | 9                             | 369             | 54                            |
| Energy                                    | 194                          | 173             | 179             | 233             | 271             | 3            | 21              | 12                            | (77)            | (28)                          |
| Commercial real estate                    | 1,809                        | 1,719           | 1,400           | 1,436           | 1,376           | 33           | 90              | 5                             | 433             | 31                            |
| Construction and land development         | 845                          | 795             | 674             | 584             | 564             | 15           | 50              | 6                             | 281             | 50                            |
| Residential real estate                   | 412                          | 409             | 394             | 371             | 366             | 7            | 3               | 1                             | 46              | 13                            |
| Multifamily real estate                   | 296                          | 238             | 276             | 250             | 243             | 5            | 58              | 24                            | 53              | 22                            |
| Consumer                                  | 58                           | 64              | 66              | 54              | 49              | 1            | (6)             | (9)                           | 9               | 18                            |
| <b>Total</b>                              | <b>\$ 5,648</b>              | <b>\$ 5,373</b> | <b>\$ 4,678</b> | <b>\$ 4,528</b> | <b>\$ 4,350</b> | <b>100 %</b> | <b>\$ 275</b>   | <b>5 %</b>                    | <b>\$ 1,298</b> | <b>30 %</b>                   |

<sup>(1)</sup> Actual unrounded values are used to calculate the reported percent disclosed. Accordingly, recalculations using the amounts in millions as disclosed in this release may not produce the same amounts.

### Deposit & Other Borrowing Results

During the first quarter of 2023, deposits increased 3% compared to December 31, 2022, and increased 26% compared to March 31, 2022. The deposit increase compared to December 31, 2022 was due to increases in transaction deposits, savings and money market deposits, and time deposits offset by decreases in non-interest-bearing deposits. The deposit increase compared to March 31, 2022 was due to increases in transaction deposits, savings and money market deposits, and time deposits, including amounts related to the Central acquisition, partially offset by decreases in non-interest-bearing deposits.

|                                   | 3/31/2023                    | 12/31/2022      | 9/30/2022       | 6/30/2022       | 3/31/2022       | QoQ Growth (\$) | QoQ Growth (%) <sup>(1)</sup> | YoY Growth (\$) | YoY Growth (%) <sup>(1)</sup> |  |
|-----------------------------------|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------------------|-----------------|-------------------------------|--|
|                                   | <i>(Dollars in millions)</i> |                 |                 |                 |                 |                 |                               |                 |                               |  |
| <b>Period-end deposits</b>        |                              |                 |                 |                 |                 |                 |                               |                 |                               |  |
| Non-interest-bearing deposits     | \$ 970                       | \$ 1,400        | \$ 1,114        | \$ 1,163        | \$ 1,110        | \$ (430)        | (31) %                        | \$ (140)        | (13) %                        |  |
| Transaction deposits              | 665                          | 544             | 519             | 497             | 565             | 121             | 22                            | 100             | 18                            |  |
| Savings and money market deposits | 2,826                        | 2,761           | 2,605           | 2,351           | 2,435           | 65              | 2                             | 391             | 16                            |  |
| Time deposits                     | 1,376                        | 946             | 750             | 733             | 512             | 430             | 45                            | 864             | 169                           |  |
| <b>Total</b>                      | <b>\$ 5,837</b>              | <b>\$ 5,651</b> | <b>\$ 4,988</b> | <b>\$ 4,744</b> | <b>\$ 4,622</b> | <b>\$ 186</b>   | <b>3 %</b>                    | <b>\$ 1,215</b> | <b>26 %</b>                   |  |

<sup>(1)</sup> Actual unrounded values are used to calculate the reported percent disclosed. Accordingly, recalculations using the amounts in millions as disclosed in this release may not produce the same amounts.

At March 31, 2023, other borrowings totaled \$332 million, as compared to \$254 million at December 31, 2022, and \$228 million at March 31, 2022, and increased due to short-term liquidity needs.

### Asset Quality and Provision for Credit Losses

The Company recorded \$4.4 million of provision expense, compared to \$6.7 million in the linked quarter and a (\$0.6) million release of provision in the prior year first quarter. The prior quarter's provision included \$4.4 million of acquisition-related Day 1 CECL provision expense for the Central loan portfolio. The current quarter's provision expense was driven by loan growth and net charge-offs of \$1.6 million.

Non-performing assets decreased to \$11.2 million at March 31, 2023 primarily due to a \$1.8 million decrease from the charge-off of one commercial and industrial loan, as well as paydowns. The non-performing assets to total assets ratio decreased from 0.64% at March 31, 2022 to 0.16% at March 31, 2023. In addition, classified loans decreased \$0.7 million during the first quarter. Net charge-offs were \$1.6 million for the first quarter of 2023 compared to net recoveries of (\$0.3) million in the prior quarter and net charge-offs of \$1.1 million in the prior year first quarter.

The allowance for credit losses was \$65.1 million or 1.15% of outstanding loans at March 31, 2023. The combined allowance for credit losses and accrual for off-balance sheet credit risk from unfunded commitments ("RUC") was \$73.2 million or 1.30% of outstanding loans which was consistent with the linked quarter and lower than the prior year first quarter, owing primarily to the reduction in specific reserves on non-performing loans.

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The following table provides information regarding asset quality.

| <b>Asset quality</b> ( <i>Dollars in millions</i> )             | <b>3/31/2023</b> | <b>12/31/2022</b> | <b>9/30/2022</b> | <b>6/30/2022</b> | <b>3/31/2022</b> |
|---|------------------|-------------------|------------------|------------------|------------------|
| Non-accrual loans   | \$ 9.5           | \$ 11.3           | \$ 16.9          | \$ 27.7          | \$ 33.1          |
| Other real estate owned   | 0.9              | 1.1               | 1.0              | 1.0              | 1.0              |
| Loans 90+ days past due and still accruing                      | 0.8              | 0.8               | 0.3              | 2.2              | 1.5              |
| Non-performing assets   | <u>\$ 11.2</u>   | <u>\$ 13.2</u>    | <u>\$ 18.2</u>   | <u>\$ 30.8</u>   | <u>\$ 35.6</u>   |
| Loans 30 - 89 days past due                                     | 5.1              | 19.6              | 21.4             | 16.6             | 15.9             |
| Net charge-offs (recoveries)                                    | 1.6              | (0.3)             | 1.9              | 1.1              | 1.1              |
| <b>Asset quality metrics (%)</b>                                | <b>3/31/2023</b> | <b>12/31/2022</b> | <b>9/30/2022</b> | <b>6/30/2022</b> | <b>3/31/2022</b> |
| Non-performing assets to total assets                           | 0.16 %           | 0.20 %            | 0.31 %           | 0.54 %           | 0.64 %           |
| Allowance for credit losses to total loans                      | 1.15             | 1.15              | 1.19             | 1.23             | 1.27             |
| Allowance for credit losses + RUC to total loans <sup>(2)</sup> | 1.30             | 1.31              | 1.34             | 1.35             | 1.38             |
| Allowance for credit losses to non-performing loans             | 629              | 514               | 324              | 187              | 160              |
| Net charge-offs (recoveries) to average loans <sup>(1)</sup>    | 0.12             | (0.02)            | 0.16             | 0.10             | 0.10             |
| Provision to average loans <sup>(1)</sup>                       | 0.32             | 0.53              | 0.29             | 0.19             | (0.06)           |
| Classified Loans / (Total Capital + ACL)                        | 9.4              | 10.1              | 11.3             | 12.1             | 10.8             |
| Classified Loans / (Total Capital + ACL + RUC) <sup>(2)</sup>   | 9.3              | 10.0              | 11.2             | 12.0             | 10.7             |

<sup>(1)</sup> Interim periods annualized.

<sup>(2)</sup> Includes the accrual for off-balance sheet credit risk from unfunded commitments

### Capital Position

At March 31, 2023, stockholders' equity totaled \$645 million, or \$13.28 per common share, compared to \$609 million, or \$12.56 per common share, at December 31, 2022. The increase was primarily due to net income, the issuance of preferred stock and an increase in accumulated other comprehensive income driven by a decrease in the unrealized loss on available-for-sale securities, net of tax.

Tangible book value per common share<sup>(1)</sup> was \$12.54 at March 31, 2023 and increased \$0.58 compared to December 31, 2022. The ratio of common equity Tier 1 capital to risk-weighted assets was approximately 9.4%, and the ratio of total capital to risk-weighted assets was approximately 10.5% at March 31, 2023.

<sup>(1)</sup> Represents a non-GAAP financial measure. See "Table 5. Non-GAAP Financial Measures" for a reconciliation of this measure.

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## Conference Call and Webcast

Management will host a conference call to review first quarter financial results on Tuesday, April 18, 2023, at 10 a.m. CT / 11 a.m. ET. The conference call and webcast may also include discussion of Company developments, forward-looking statements and other material information about business and financial matters. To access the event by telephone, please dial (844) 481-2831 at least fifteen minutes prior to the start of the call and request access to the CrossFirst Bankshares call. International callers should dial +1 (412) 317-1851 and request access as directed above. The call will also be broadcast live over the internet and can be accessed via the following link: <https://edge.media-server.com/mmc/p/77e58i2m>. Please visit the site at least 15 minutes prior to the call to allow time for registration. For those unable to join the presentation, a replay of the call will be available two hours after the conclusion of the live call. To access the replay, dial (877) 344-7529 and enter the replay access code 2572639. International callers should dial +1 (412) 317-0088 and enter the same access code. A replay of the webcast will also be available for 90 days on the Company's website <https://investors.crossfirstbankshares.com/>.

## Cautionary Notice about Forward-Looking Statements

The financial results in this press release reflect preliminary, unaudited results, which are not final until the Company's Quarterly Report on Form 10-Q is filed. This earnings release contains forward-looking statements regarding, among other things, our business plans, expansion targets and opportunities, and future financial performance. Any statements about management's expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "positioning," "growth," "approximately," "believe," "plan," "future," "opportunity," "anticipate," "target," "expectations," "expect," "will," "strategy," "goal," "focused," "foresee" and similar words or phrases. The inclusion of forward-looking information in this earnings release should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs. Our actual results could differ materially from those anticipated in such forward-looking statements.

Accordingly, the Company cautions you that any such forward-looking statements are not a guarantee of future performance and that actual results may prove to be materially different from the results expressed or implied by the forward-looking statements due to a number of factors. Such factors include, without limitation, a decline in general business and economic conditions and any regulatory responses thereto, including uncertainty and volatility in the financial markets; interest rate fluctuations; our ability to effectively execute our growth strategy and manage our growth, including identifying and consummating suitable mergers and acquisitions, entering new lines of business or offering new or enhanced services or products; the transition away from the London Interbank Offered Rate (LIBOR); fluctuations in fair value of our investments due to factors outside of our control; our ability to successfully manage credit risk and the sufficiency of our allowance; geographic concentration of our markets; economic impact on our commercial real estate and commercial-based loan portfolios, including declines in commercial and residential real estate values; an increase in non-performing assets; our ability to attract, hire and retain key personnel; maintaining and increasing customer deposits, funding availability, liquidity and our ability to raise and maintain sufficient capital; competition from banks, credit unions and other financial services providers; the effectiveness of our risk management framework; accounting estimates; our ability to maintain effective internal control over financial reporting; our ability to keep pace with technological changes; cyber incidents or other failures, disruptions or security breaches; employee error, fraud committed against the Company or our clients, or incomplete or inaccurate information about clients and counterparties; mortgage markets; our ability to maintain our reputation; costs and effects of litigation; environmental liability; risk exposure from transactions with financial counterparties; severe weather, natural disasters, acts of war or terrorism or other external events; and changes in laws, rules, regulations, interpretations or policies relating to financial institutions. These and other factors that could cause results to differ materially from those described in the forward-looking statements, as well as a discussion of the risks and uncertainties that may affect our business, can be found in our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and in other filings we make with the Securities and Exchange Commission. These forward-looking statements are made as of the date of this communication, and we disclaim any obligation to update any forward-looking statement or to publicly announce the results of any revisions to any of the forward-looking statements included herein, except as required by law.

## About CrossFirst Bankshares, Inc.

CrossFirst Bankshares, Inc. (Nasdaq: CFB) is a Kansas corporation and a registered bank holding company for its wholly owned subsidiary CrossFirst Bank, a full-service financial institution that offers products and services to businesses, professionals, individuals, and families. CrossFirst Bank, headquartered in Leawood, Kansas, has locations in Kansas, Missouri, Oklahoma, Texas, Arizona, Colorado, and New Mexico.

## INVESTOR CONTACT

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TABLE 1. CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED)

|  | March 31, 2023                | December 31, 2022   |
|--|-------------------------------|---------------------|
|  | <i>(Dollars in thousands)</i> |                     |
| <b>Assets</b>  |                               |                     |
| Cash and cash equivalents  | \$ 262,971                    | \$ 300,138          |
| Available-for-sale securities - taxable  | 280,408                       | 198,808             |
| Available-for-sale securities - tax-exempt   | 470,843                       | 488,093             |
| Loans, net of unearned fees  | 5,647,639                     | 5,372,729           |
| Allowance for credit losses on loans   | 65,130                        | 61,775              |
| Loans, net of the allowance for credit losses on loans   | 5,582,509                     | 5,310,954           |
| Premises and equipment, net  | 67,311                        | 65,984              |
| Restricted equity securities   | 16,700                        | 12,536              |
| Interest receivable  | 30,385                        | 29,507              |
| Foreclosed assets held for sale  | 855                           | 1,130               |
| Goodwill and other intangible assets, net  | 28,259                        | 29,081              |
| Bank-owned life insurance  | 69,511                        | 69,101              |
| Other  | 84,978                        | 95,754              |
| Total assets   | <u>\$ 6,894,730</u>           | <u>\$ 6,601,086</u> |
| <b>Liabilities and stockholders' equity</b>  |                               |                     |
| Deposits   |                               |                     |
| Non-interest-bearing   | \$ 969,701                    | \$ 1,400,260        |
| Savings, NOW and money market  | 3,491,586                     | 3,305,481           |
| Time   | 1,376,027                     | 945,567             |
| Total deposits   | 5,837,314                     | 5,651,308           |
| Federal Home Loan Bank advances  | 314,031                       | 218,111             |
| Other borrowings   | 17,970                        | 35,457              |
| Interest payable and other liabilities   | 79,924                        | 87,611              |
| Total liabilities  | 6,249,239                     | 5,992,487           |
| <b>Stockholders' equity</b>  |                               |                     |
| Preferred Stock, \$0.01 par value: Authorized - 15,000 shares, issued - 7,750 and no shares at March 31, 2023 and December 31, 2022, respectively                | -                             | -                   |
| Common Stock, \$0.01 par value: Authorized - 200,000,000 shares, issued - 53,189,016 and 53,036,613 shares at March 31, 2023 and December 31, 2022, respectively | 532                           | 530                 |
| Treasury stock, at cost: 4,588,398 shares held at March 31, 2023 and December 31, 2022   | (64,127)                      | (64,127)            |
| Additional paid-in capital   | 539,023                       | 530,658             |
| Retained earnings  | 222,203                       | 206,095             |
| Accumulated other comprehensive loss   | (52,140)                      | (64,557)            |
| Total stockholders' equity   | 645,491                       | 608,599             |
| Total liabilities and stockholders' equity   | <u>\$ 6,894,730</u>           | <u>\$ 6,601,086</u> |

TABLE 2. CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

|  | Three Months Ended                                  |                   |                |
|--|---|-------------------|----------------|
|  | March 31, 2023                                      | December 31, 2022 | March 31, 2022 |
|  | <i>(Dollars in thousands except per share data)</i> |                   |                |
| <b>Interest Income</b>                                       |   |                   |                |
| Loans, including fees  | \$ 89,618   | \$ 74,872         | \$ 42,728      |
| Available-for-sale securities - taxable                      | 1,849   | 1,327             | 1,044          |
| Available-for-sale securities - tax-exempt                   | 3,794   | 3,896             | 3,692          |
| Deposits with financial institutions                         | 2,014   | 2,037             | 152            |
| Dividends on bank stocks                                     | 262   | 231               | 144            |
| Total interest income  | 97,537  | 82,363            | 47,760         |
| <b>Interest Expense</b>                                      |   |                   |                |
| Deposits   | 36,725  | 26,830            | 3,511          |
| Fed funds purchased and repurchase agreements                | 46  | 13                | -              |
| Federal Home Loan Bank Advances                              | 2,391   | 1,457             | 1,109          |
| Other borrowings   | 154   | 48                | 25             |
| Total interest expense                                       | 39,316  | 28,348            | 4,645          |
| <b>Net Interest Income</b>                                   | 58,221  | 54,015            | 43,115         |
| <b>Provision for Credit Losses</b>                           | 4,421   | 6,657             | (625)          |
| <b>Net Interest Income after Provision for Credit Losses</b> | 53,800  | 47,358            | 43,740         |
| <b>Non-Interest Income</b>                                   |   |                   |                |
| Service charges and fees on customer accounts                | 1,829   | 1,708             | 1,408          |
| Realized gains (losses) on available-for-sale securities     | 63  | 139               | (26)           |
| Gain on sale of loans  | 187   | 47                | -              |
| Gains (losses) on equity securities, net                     | 10  | 80                | (103)          |
| Income from bank-owned life insurance                        | 411   | 402               | 388            |
| Swap fees and credit valuation adjustments, net              | 90  | 65                | 118            |
| ATM and credit card interchange income                       | 1,264   | 1,010             | 2,664          |
| Other non-interest income                                    | 567   | 908               | 493            |
| Total non-interest income                                    | 4,421   | 4,359             | 4,942          |
| <b>Non-Interest Expense</b>                                  |   |                   |                |
| Salaries and employee benefits                               | 22,622  | 22,000            | 17,941         |
| Occupancy  | 2,974   | 2,812             | 2,493          |
| Professional fees  | 2,618   | 2,822             | 805            |
| Deposit insurance premiums                                   | 1,531   | 999               | 737            |
| Data processing  | 1,242   | 1,901             | 812            |
| Advertising  | 752   | 954               | 692            |
| Software and communication                                   | 1,651   | 1,404             | 1,270          |
| Foreclosed assets, net                                       | 149   | 13                | (53)           |
| Other non-interest expense                                   | 4,553   | 3,518             | 2,969          |
| Total non-interest expense                                   | 38,092  | 36,423            | 27,666         |
| <b>Net Income Before Taxes</b>                               | 20,129  | 15,294            | 21,016         |
| Income tax expense   | 4,021   | 3,348             | 4,188          |
| <b>Net Income</b>  | \$ 16,108   | \$ 11,946         | \$ 16,828      |
| <b>Basic Earnings Per Common Share</b>                       | \$ 0.33   | \$ 0.25           | \$ 0.33        |
| <b>Diluted Earnings Per Common Share</b>                     | \$ 0.33   | \$ 0.24           | \$ 0.33        |



**TABLE 3. 2022 – 2023 QUARTERLY ANALYSIS OF CHANGES IN NET INTEREST INCOME - FTE  
(UNAUDITED)**

|   | Three Months Ended<br>March 31, |                                 |   |                     |                                 |   |
|---|---------------------------------|---------------------------------|---|---------------------|---------------------------------|---|
|   | 2023                            |                                 |   | 2022                |                                 |   |
|   | Average<br>Balance              | Interest<br>Income /<br>Expense | Average<br>Yield /<br>Rate <sup>(3)</sup> | Average<br>Balance  | Interest<br>Income /<br>Expense | Average<br>Yield /<br>Rate <sup>(3)</sup> |
|   | <i>(Dollars in thousands)</i>   |                                 |   |                     |                                 |   |
| <b>Interest-earning assets:</b>                           |                                 |                                 |   |                     |                                 |   |
| Securities - taxable                                      | \$ 268,705                      | \$ 2,111                        | 3.14%                                     | \$ 220,802          | \$ 1,188                        | 2.15%                                     |
| Securities - tax-exempt - FTE <sup>(1)</sup>              | 542,268                         | 4,591                           | 3.39                                      | 533,674             | 4,467                           | 3.35                                      |
| Federal funds sold  | 1,757                           | 5                               | 1.15                                      | -                   | -                               | -   |
| Interest-bearing deposits in other banks                  | 195,289                         | 2,009                           | 4.17                                      | 309,948             | 152                             | 0.20                                      |
| Gross loans, net of unearned income <sup>(2)</sup>        | 5,539,954                       | 89,618                          | 6.56                                      | 4,332,831           | 42,728                          | 4.00                                      |
| Total interest-earning assets - FTE <sup>(1)</sup>        | 6,547,973                       | \$ 98,334                       | 6.08%                                     | 5,397,255           | \$ 48,535                       | 3.64%                                     |
| Allowance for loan losses                                 | (63,235)                        |                                 |   | (57,922)            |                                 |   |
| Other non-interest-earning assets                         | 228,063                         |                                 |   | 224,405             |                                 |   |
| Total assets  | <u>\$ 6,712,801</u>             |                                 |   | <u>\$ 5,563,738</u> |                                 |   |
| <b>Interest-bearing liabilities</b>                       |                                 |                                 |   |                     |                                 |   |
| Transaction deposits                                      | \$ 542,366                      | \$ 3,500                        | 2.62%                                     | \$ 585,990          | \$ 222                          | 0.15%                                     |
| Savings and money market deposits                         | 2,881,726                       | 23,569                          | 3.32                                      | 2,302,552           | 1,847                           | 0.33                                      |
| Time deposits   | 1,100,444                       | 9,656                           | 3.56                                      | 587,452             | 1,442                           | 1.00                                      |
| Total interest-bearing deposits                           | 4,524,536                       | 36,725                          | 3.29                                      | 3,475,994           | 3,511                           | 0.41                                      |
| FHLB and short-term borrowings                            | 272,754                         | 2,535                           | 3.77                                      | 231,156             | 1,109                           | 1.95                                      |
| Trust preferred securities, net of fair value adjustments | 1,062                           | 56                              | 21.39                                     | 1,012               | 25                              | 10.25                                     |
| Non-interest-bearing deposits                             | 1,194,788                       | -                               | -   | 1,157,387           | -                               | -   |
| Cost of funds   | 5,993,140                       | \$ 39,316                       | 2.66%                                     | 4,865,549           | \$ 4,645                        | 0.39%                                     |
| Other liabilities   | 99,451                          |                                 |   | 44,442              |                                 |   |
| Stockholders' equity                                      | 620,210                         |                                 |   | 653,747             |                                 |   |
| Total liabilities and stockholders' equity                | <u>\$ 6,712,801</u>             |                                 |   | <u>\$ 5,563,738</u> |                                 |   |
| Net interest income - FTE <sup>(1)</sup>                  |                                 | <u>\$ 59,018</u>                |   |                     | <u>\$ 43,890</u>                |   |
| Net interest spread - FTE <sup>(1)</sup>                  |                                 |                                 | 3.42%                                     |                     |                                 | 3.25%                                     |
| Net interest margin - FTE <sup>(1)</sup>                  |                                 |                                 | 3.65%                                     |                     |                                 | 3.29%                                     |

<sup>(1)</sup> Tax exempt income is calculated on a tax-equivalent basis. Tax-free municipal securities are exempt from federal income taxes. The incremental income tax rate used is 21.0%.

<sup>(2)</sup> Average gross loan balances include non-accrual loans.

<sup>(3)</sup> Actual unrounded values are used to calculate the reported yield or rate disclosed. Accordingly, recalculations using the amounts in thousands as disclosed in this release may not produce the same amounts.

**TABLE 4. LINKED QUARTERLY ANALYSIS OF CHANGES IN NET INTEREST INCOME – FTE  
(UNAUDITED)**

|   | Three Months Ended  |                                 |   |                     |                                 |   |
|---|---------------------|---------------------------------|---|---------------------|---------------------------------|---|
|   | March 31, 2023      |                                 |   | December 31, 2022   |                                 |   |
|   | Average<br>Balance  | Interest<br>Income /<br>Expense | Average<br>Yield /<br>Rate <sup>(3)</sup> | Average<br>Balance  | Interest<br>Income /<br>Expense | Average<br>Yield /<br>Rate <sup>(3)</sup> |
| <i>(Dollars in thousands)</i>                             |                     |                                 |   |                     |                                 |   |
| <b>Interest-earning assets:</b>                           |                     |                                 |   |                     |                                 |   |
| Securities - taxable                                      | \$ 268,705          | \$ 2,111                        | 3.14%                                     | \$ 227,701          | \$ 1,558                        | 2.74%                                     |
| Securities - tax-exempt - FTE <sup>(1)</sup>              | 542,268             | 4,591                           | 3.39                                      | 558,393             | 4,714                           | 3.38                                      |
| Federal funds sold  | 1,757               | 5                               | 1.15                                      | 12,453              | 50                              | 1.59                                      |
| Interest-bearing deposits in other banks                  | 195,289             | 2,009                           | 4.17                                      | 218,549             | 1,987                           | 3.61                                      |
| Gross loans, net of unearned income <sup>(2)</sup>        | 5,539,954           | 89,618                          | 6.56                                      | 5,009,667           | 74,872                          | 5.93                                      |
| Total interest-earning assets - FTE <sup>(1)</sup>        | 6,547,973           | \$ 98,334                       | 6.08%                                     | 6,026,763           | \$ 83,181                       | 5.48%                                     |
| Allowance for loan losses                                 | (63,235)            |                                 |   | (57,909)            |                                 |   |
| Other non-interest-earning assets                         | 228,063             |                                 |   | 190,929             |                                 |   |
| Total assets  | <u>\$ 6,712,801</u> |                                 |   | <u>\$ 6,159,783</u> |                                 |   |
| <b>Interest-bearing liabilities</b>                       |                     |                                 |   |                     |                                 |   |
| Transaction deposits                                      | \$ 542,366          | \$ 3,500                        | 2.62%                                     | \$ 528,725          | \$ 2,772                        | 2.08%                                     |
| Savings and money market deposits                         | 2,881,726           | 23,569                          | 3.32                                      | 2,742,026           | 18,359                          | 2.66                                      |
| Time deposits   | 1,100,444           | 9,656                           | 3.56                                      | 868,029             | 5,699                           | 2.60                                      |
| Total interest-bearing deposits                           | 4,524,536           | 36,725                          | 3.29                                      | 4,138,780           | 26,830                          | 2.57                                      |
| FHLB and short-term borrowings                            | 272,754             | 2,535                           | 3.77                                      | 202,705             | 1,470                           | 2.88                                      |
| Trust preferred securities, net of fair value adjustments | 1,062               | 56                              | 21.39                                     | 1,213               | 48                              | 15.70                                     |
| Non-interest-bearing deposits                             | 1,194,788           | -                               | -   | 1,141,977           | -                               | -   |
| Cost of funds   | 5,993,140           | \$ 39,316                       | 2.66%                                     | 5,484,675           | \$ 28,348                       | 2.05%                                     |
| Other liabilities   | 99,451              |                                 |   | 85,521              |                                 |   |
| Stockholders' equity                                      | 620,210             |                                 |   | 589,587             |                                 |   |
| Total liabilities and stockholders' equity                | <u>\$ 6,712,801</u> |                                 |   | <u>\$ 6,159,783</u> |                                 |   |
| Net interest income - FTE <sup>(1)</sup>                  |                     | <u>\$ 59,018</u>                |   |                     | <u>\$ 54,833</u>                |   |
| Net interest spread - FTE <sup>(1)</sup>                  |                     |                                 | 3.42%                                     |                     |                                 | 3.43%                                     |
| Net interest margin - FTE <sup>(1)</sup>                  |                     |                                 | 3.65%                                     |                     |                                 | 3.61%                                     |

<sup>(1)</sup> Tax exempt income is calculated on a tax-equivalent basis. Tax-free municipal securities are exempt from federal income taxes. The incremental income tax rate used is 21.0%.

<sup>(2)</sup> Average loan balances include non-accrual loans.

<sup>(3)</sup> Actual unrounded values are used to calculate the reported yield or rate disclosed. Accordingly, recalculations using the amounts in thousands as disclosed in this release may not produce the same amounts.

**TABLE 5. NON-GAAP FINANCIAL MEASURES**

**Non-GAAP Financial Measures**

In addition to disclosing financial measures determined in accordance with U.S. generally accepted accounting principles (GAAP), the Company discloses non-GAAP financial measures in this release including “tangible common stockholders’ equity,” “tangible book value per common share,” “adjusted efficiency ratio – fully tax equivalent (FTE),” “adjusted net income,” “adjusted diluted earnings per common share,” “adjusted return on average assets (ROAA),” and “adjusted return on equity (ROE).” We consider the use of select non-GAAP financial measures and ratios to be useful for financial and operational decision making and useful in evaluating period-to-period comparisons. We believe that these non-GAAP financial measures provide meaningful supplemental information regarding our performance by excluding certain expenditures or gains that we believe are not indicative of our primary business operating results. We believe that management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when planning, forecasting, analyzing and comparing past, present and future periods.

These non-GAAP financial measures should not be considered a substitute for financial information presented in accordance with GAAP and you should not rely on non-GAAP financial measures alone as measures of our performance. The non-GAAP financial measures we present may differ from non-GAAP financial measures used by our peers or other companies. We compensate for these limitations by providing the equivalent GAAP measures whenever we present the non-GAAP financial measures and by including a reconciliation of the impact of the components adjusted for in the non-GAAP financial measure so that both measures and the individual components may be considered when analyzing our performance.

A reconciliation of non-GAAP financial measures to the comparable GAAP financial measures follows.

**CROSSFIRST BANKSHARES, INC.**

|   | Quarter Ended  |                   |                   |                   |                   |
|---|--|-------------------|-------------------|-------------------|-------------------|
|   | 3/31/2023  | 12/31/2022        | 9/30/2022         | 6/30/2022         | 3/31/2022         |
|   | <i>(Dollars in thousands, except per share data)</i> |                   |                   |                   |                   |
| <b>Adjusted net income:</b>                               |  |                   |                   |                   |                   |
| Net income  | \$ 16,108  | \$ 11,946         | \$ 17,280         | \$ 15,545         | \$ 16,828         |
| Add: Acquisition costs                                    | 1,477  | 3,570             | 81                | 239               | -                 |
| Add: Acquisition - Day 1 CECL provision                   | -  | 4,400             | -                 | -                 | -                 |
| Add: Employee separation                                  | -  | -                 | -                 | 1,063             | -                 |
| Less: Tax effect <sup>(1)</sup>                           | (310)  | (2,045)           | (17)              | (273)             | -                 |
| <b>Adjusted net income</b>                                | <b>\$ 17,275</b>                                     | <b>\$ 17,871</b>  | <b>\$ 17,344</b>  | <b>\$ 16,574</b>  | <b>\$ 16,828</b>  |
| <b>Diluted weighted average common shares outstanding</b> | <b>49,043,621</b>                                    | <b>49,165,578</b> | <b>49,725,207</b> | <b>50,203,725</b> | <b>50,910,490</b> |
| <b>Diluted earnings per common share</b>                  | <b>\$ 0.33</b>                                       | <b>\$ 0.24</b>    | <b>\$ 0.35</b>    | <b>\$ 0.31</b>    | <b>\$ 0.33</b>    |
| <b>Adjusted diluted earnings per common share</b>         | <b>\$ 0.35</b>                                       | <b>\$ 0.36</b>    | <b>\$ 0.35</b>    | <b>\$ 0.33</b>    | <b>\$ 0.33</b>    |

<sup>(1)</sup> Represents the tax impact of the adjustments at a tax rate of 21.0%, plus permanent tax expense associated with merger related transactions

|   | Quarter Ended                 |               |               |               |               |
|---|-------------------------------|---------------|---------------|---------------|---------------|
|   | 3/31/2023                     | 12/31/2022    | 9/30/2022     | 6/30/2022     | 3/31/2022     |
|   | <i>(Dollars in thousands)</i> |               |               |               |               |
| <b>Adjusted return on average assets:</b> |                               |               |               |               |               |
| Net income                                | \$ 16,108                     | \$ 11,946     | \$ 17,280     | \$ 15,545     | \$ 16,828     |
| Adjusted net income                       | 17,275                        | 17,871        | 17,344        | 16,574        | 16,828        |
| Average assets                            | \$ 6,712,801                  | \$ 6,159,783  | \$ 5,764,347  | \$ 5,545,657  | \$ 5,563,738  |
| <b>Return on average assets</b>           | <b>0.97 %</b>                 | <b>0.77 %</b> | <b>1.19 %</b> | <b>1.12 %</b> | <b>1.23 %</b> |
| <b>Adjusted return on average assets</b>  | <b>1.04 %</b>                 | <b>1.15 %</b> | <b>1.19 %</b> | <b>1.20 %</b> | <b>1.23 %</b> |

|   | Quarter Ended                 |                |                |                |                |
|---|-------------------------------|----------------|----------------|----------------|----------------|
|   | 3/31/2023                     | 12/31/2022     | 9/30/2022      | 6/30/2022      | 3/31/2022      |
|   | <i>(Dollars in thousands)</i> |                |                |                |                |
| <b>Adjusted return on average equity:</b> |                               |                |                |                |                |
| Net income                                | \$ 16,108                     | \$ 11,946      | \$ 17,280      | \$ 15,545      | \$ 16,828      |
| Adjusted net income                       | 17,275                        | 17,871         | 17,344         | 16,574         | 16,828         |
| Average equity                            | \$ 620,210                    | \$ 589,587     | \$ 613,206     | \$ 614,541     | \$ 653,747     |
| <b>Return on average equity</b>           | <b>10.53 %</b>                | <b>8.04 %</b>  | <b>11.18 %</b> | <b>10.15 %</b> | <b>10.44 %</b> |
| <b>Adjusted return on average equity</b>  | <b>11.30 %</b>                | <b>12.03 %</b> | <b>11.22 %</b> | <b>10.82 %</b> | <b>10.44 %</b> |

**CROSSFIRST BANKSHARES, INC.**

|  | Quarter Ended  |                   |                   |                   |                   |
|--|--|-------------------|-------------------|-------------------|-------------------|
|  | 3/31/2023  | 12/31/2022        | 9/30/2022         | 6/30/2022         | 3/31/2022         |
|  | <i>(Dollars in thousands, except per share data)</i> |                   |                   |                   |                   |
| <b>Tangible common stockholders' equity:</b> |  |                   |                   |                   |                   |
| Total stockholders' equity                   | \$ 645,491   | \$ 608,599        | \$ 580,547        | \$ 608,016        | \$ 623,199        |
| Less: goodwill and other intangible assets   | 28,259   | 29,081            | 71                | 91                | 110               |
| Less: preferred stock                        | 7,750  | -                 | -                 | -                 | -                 |
| <b>Tangible common stockholders' equity</b>  | <b>\$ 609,482</b>                                    | <b>\$ 579,518</b> | <b>\$ 580,476</b> | <b>\$ 607,925</b> | <b>\$ 623,089</b> |
| <b>Tangible book value per common share:</b> |  |                   |                   |                   |                   |
| Tangible common stockholders' equity         | \$ 609,482   | \$ 579,518        | \$ 580,476        | \$ 607,925        | \$ 623,089        |
| Common shares outstanding at end of period   | 48,600,618   | 48,448,215        | 48,787,696        | 49,535,949        | 49,728,253        |
| <b>Book value per common share</b>           | <b>\$ 13.28</b>                                      | <b>\$ 12.56</b>   | <b>\$ 11.90</b>   | <b>\$ 12.27</b>   | <b>\$ 12.53</b>   |
| <b>Tangible book value per common share</b>  | <b>\$ 12.54</b>                                      | <b>\$ 11.96</b>   | <b>\$ 11.90</b>   | <b>\$ 12.27</b>   | <b>\$ 12.53</b>   |

|   | Quarter Ended                 |                |                |                |                |
|---|-------------------------------|----------------|----------------|----------------|----------------|
|   | 3/31/2023                     | 12/31/2022     | 9/30/2022      | 6/30/2022      | 3/31/2022      |
|   | <i>(Dollars in thousands)</i> |                |                |                |                |
| <b>Adjusted Efficiency Ratio - Fully Tax Equivalent (FTE)<sup>(1)</sup></b> |                               |                |                |                |                |
| Non-interest expense  | \$ 38,092                     | \$ 36,423      | \$ 28,451      | \$ 29,203      | \$ 27,666      |
| Less: Acquisition costs   | (1,477)                       | (3,570)        | (81)           | (239)          | -              |
| Less: Core deposit intangible amortization                                  | (822)                         | (291)          | -              | -              | -              |
| Less: Employee separation   | -                             | -              | -              | (1,063)        | -              |
| Adjusted Non-interest expense (numerator)                                   | \$ 35,793                     | \$ 32,562      | \$ 28,370      | \$ 27,901      | \$ 27,666      |
| Net interest income   | 58,221                        | 54,015         | 49,695         | 46,709         | 43,115         |
| Tax equivalent interest income <sup>(1)</sup>                               | 797                           | 818            | 820            | 808            | 775            |
| Non-interest income   | 4,421                         | 4,359          | 3,780          | 4,201          | 4,942          |
| Total tax-equivalent income (denominator)                                   | \$ 63,439                     | \$ 59,192      | \$ 54,295      | \$ 51,718      | \$ 48,832      |
| <b>Efficiency Ratio</b>   | <b>60.81 %</b>                | <b>62.40 %</b> | <b>53.20 %</b> | <b>57.36 %</b> | <b>57.57 %</b> |
| <b>Adjusted Efficiency Ratio - Fully Tax Equivalent (FTE)<sup>(1)</sup></b> | <b>56.42 %</b>                | <b>55.01 %</b> | <b>52.25 %</b> | <b>53.95 %</b> | <b>56.66 %</b> |

<sup>(1)</sup> Tax exempt income (tax-free municipal securities) is calculated on a tax equivalent basis. The incremental tax rate used is 21.0%.