



Bank OZK Announces Fourth Quarter and Full Year 2022 Earnings

January 19, 2023

LITTLE ROCK, Ark., Jan. 19, 2023 (GLOBE NEWSWIRE) -- Bank OZK (the "Bank") (Nasdaq: OZK) today announced that net income available to common stockholders for the fourth quarter of 2022 was \$158.8 million, a 6.1% increase from \$149.8 million for the fourth quarter of 2021. Diluted earnings per common share for the fourth quarter of 2022 were \$1.34, a 14.5% increase from \$1.17 for the fourth quarter of 2021. These results were impacted by a \$32.5 million provision for credit losses in the fourth quarter of 2022 compared to a negative provision for credit losses of \$8.0 million in the fourth quarter of 2021.

For the full year of 2022, net income available to common stockholders was \$547.5 million, a 5.4% decrease from \$579.0 million for the full year of 2021. Diluted earnings per common share for the full year of 2022 were a record \$4.54, a 1.6% increase from \$4.47 for the full year of 2021. These results were impacted by a \$83.5 million provision for credit losses for 2022 compared to a negative provision for credit losses of \$77.9 million for 2021.

Growth in both funded and unfunded loan balances during the quarter and full year of 2022 contributed to the higher provision for credit losses. The Bank's total allowance for credit losses ("ACL") was \$365.3 million at December 31, 2022 compared to \$289.0 million at December 31, 2021. The calculations of the Bank's provision expense for the fourth quarter and full year of 2022 and its total ACL at December 31, 2022 were based on a number of key estimates, assumptions and economic forecasts and included certain qualitative adjustments to capture items not fully reflected in the modeled results.

Pre-tax pre-provision net revenue ("PPNR") was \$241.0 million for the fourth quarter of 2022, a 29.6% increase from \$186.0 million for the fourth quarter of 2021. PPNR was \$805.0 million for the full year of 2022, a 19.3% increase from \$675.0 million for the full year of 2021. The calculation of PPNR and the reconciliation to generally accepted accounting principles ("GAAP") are included in the schedules accompanying this release.

The Bank's annualized returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the fourth quarter of 2022 were 2.35%, 14.76% and 17.48%, respectively, compared to 2.25%, 13.08% and 15.34%, respectively, for the fourth quarter of 2021. The Bank's returns on average assets, average common stockholder's equity and average tangible common stockholders' equity for the full year of 2022 were 2.08%, 12.66%, and 14.97%, respectively, compared to 2.17%, 13.01%, and 15.32%, respectively, for the full year of 2021. The calculation of the Bank's returns on average common stockholders' equity and average tangible common stockholders' equity and the reconciliations to GAAP are included in the schedules accompanying this release.

George Gleason, Chairman and Chief Executive Officer, stated, "We are pleased to report our strong results for the fourth quarter and full year of 2022. Our high level of profitability, strong capital and liquidity, disciplined credit culture and outstanding team have us well positioned for the current environment and the longer term."

KEY BALANCE SHEET METRICS

Total loans were \$20.78 billion at December 31, 2022, a 13.5% increase from \$18.31 billion at December 31, 2021. Non-purchased loans were \$20.40 billion at December 31, 2022, a 14.7% increase from \$17.79 billion at December 31, 2021. Purchased loans, which consist of loans acquired in previous acquisitions, were \$0.38 billion at December 31, 2022, a 26.7% decrease from \$0.52 billion at December 31, 2021.

Deposits were \$21.50 billion at December 31, 2022, a 6.4% increase from \$20.21 billion at December 31, 2021. Total assets were \$27.66 billion at December 31, 2022, a 4.2% increase from \$26.53 billion at December 31, 2021.

Common stockholders' equity was \$4.35 billion at December 31, 2022, a 3.3% decrease from \$4.50 billion at December 31, 2021. Tangible common stockholders' equity was \$3.69 billion at December 31, 2022, a 3.7% decrease from \$3.83 billion at December 31, 2021. During 2022, the Bank repurchased approximately 8.37 million shares of its common stock at a weighted average cost of \$41.80, for a total of \$350.0 million.

Book value per common share was \$37.13 at December 31, 2022, a 3.6% increase from \$35.85 at December 31, 2021. Tangible book value per common share was \$31.47 at December 31, 2022, a 3.1% increase from \$30.52 at December 31, 2021.

The Bank's ratio of total common stockholders' equity to total assets was 15.73% at December 31, 2022, compared to 16.95% at December 31, 2021. Its ratio of total tangible common stockholders' equity to total tangible assets was 13.66% at December 31, 2022, compared to 14.80% at December 31, 2021.

The calculations of the Bank's common stockholders' equity, tangible common stockholders' equity, tangible book value per common share, and ratio of total tangible common stockholders' equity to total tangible assets and the reconciliations to GAAP are included in the schedules accompanying this release.

MANAGEMENT'S COMMENTS, CONFERENCE CALL, TRANSCRIPT AND FILINGS

In connection with this release, the Bank released management's comments on its quarterly results, which are available at <http://ir.ozk.com>. This release should be read in conjunction with management's comments on the quarterly results.

Management will conduct a conference call to take questions on these quarterly results and management's comments at 10:00 a.m. CT (11:00 a.m. ET) on January 20, 2023. Interested parties may access the conference call live via webcast on the Bank's investor relations website at <https://ir.ozk.com/news/event-calendar>, or may participate via telephone by registering using [this online form](#). Upon registration, all telephone participants will receive the dial-in number along with a unique PIN number that can be used to access the call. A replay of the conference call webcast will be archived on the Bank's website for at least 30 days.

The Bank files annual, quarterly and current reports, proxy materials, and other information required by the Securities Exchange Act of 1934 with the Federal Deposit Insurance Corporation ("FDIC"), copies of which are available electronically at the FDIC's website at <https://efr.fdic.gov/fcxweb/efr/index.html> and are also available on the Bank's investor relations website at ir.ozk.com. To receive automated email alerts for these materials please visit <https://ir.ozk.com/other/email-alerts> to sign up.

NON-GAAP FINANCIAL MEASURES

This release contains certain non-GAAP financial measures. The Bank uses these non-GAAP financial measures, specifically return on average common stockholders' equity, average tangible common stockholders' equity, tangible book value per common share, common stockholders' equity, tangible common stockholders' equity, the ratio of total tangible common stockholders' equity to total tangible assets, and PPNR, to assess the strength of its capital, its ability to generate earnings on tangible capital invested by its shareholders and trends in its net revenue. These measures typically adjust GAAP financial measures to exclude intangible assets or provision for credit losses. Management believes presentation of these non-GAAP financial measures provides useful supplemental information which contributes to a proper understanding of the financial results and capital levels of the Bank. These non-GAAP disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, and they are not necessarily comparable to non-GAAP performance measures that may be presented by other banks. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the tables at the end of this release under the caption "Reconciliation of Non-GAAP Financial Measures."

FORWARD-LOOKING STATEMENTS

This presentation and other communications by the Bank include certain “forward-looking statements” regarding the Bank’s plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management’s expectations as well as certain assumptions and estimates made by, and information available to, management at the time. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems in implementing the Bank’s growth, expansion and acquisition strategies, including hiring or retaining qualified personnel, obtaining regulatory or other approvals, delays in identifying satisfactory sites, obtaining permits and designing, constructing and opening new offices or relocating, selling or closing existing offices; the ability to enter into and/or close additional acquisitions; the availability of and access to capital; possible downgrades in the Bank’s credit ratings or outlook which could increase the costs of or decrease the availability of funding from capital markets; the ability to attract new or retain existing or acquired deposits or to retain or grow loans, including growth from unfunded closed loans; the ability to generate future revenue growth or to control future growth in non-interest expense; interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates or changes in the relative relationships of various interest rate indices; the potential impact of the transition from the London Interbank Offered Rate (“LIBOR”) as a reference rate; competitive factors and pricing pressures, including their effect on the Bank’s net interest margin or core spread; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; recently enacted and potential laws and regulatory requirements, or changes to existing laws and regulatory requirements, including changes affecting oversight of the financial services industry, changes intended to manage or mitigate climate and related environmental risks, or changes in the interpretation and enforcement of such laws and requirements, and the costs and expenses to comply with new and/or existing legislation and regulatory requirements; uncertainty regarding the U.S. government’s debt limit or changes in U.S. government monetary and fiscal policy; FDIC special assessments or changes to regular assessments; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; the impact of failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank or its customers; natural disasters or acts of war or terrorism; the adverse effects of the ongoing global coronavirus (“COVID-19”) pandemic, including the duration of the pandemic and actions taken to contain or treat COVID-19, on the Bank, the Bank’s customers, the Bank’s staff, the global economy and the financial markets; the potential impact of continuing inflationary pressures; the potential impact of supply chain disruptions; national, international or political instability or military conflict, including the ongoing war in Ukraine; the competition and costs of recruiting and retaining human talent; impairment of our goodwill or other intangible assets; adoption of new accounting standards, or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions or rulings as well as other factors identified in this communication or as detailed from time to time in our public filings, including those factors described in the disclosures under the headings “Forward-Looking Information” and “Item 1A. Risk Factors” in our most recent Annual Report on Form 10-K for the year ended December 31, 2021 and our quarterly reports on Form 10-Q. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

GENERAL INFORMATION

Bank OZK (Nasdaq: OZK) is a regional bank providing innovative financial solutions delivered by expert bankers with a relentless pursuit of excellence. Established in 1903, Bank OZK conducts banking operations with over 240 offices in eight states including Arkansas, Georgia, Florida, North Carolina, Texas, New York, California and Mississippi and had \$27.66 billion in total assets as of December 31, 2022. Bank OZK can be found at www.ozk.com and on [Facebook](https://www.facebook.com/ozk), [Twitter](https://twitter.com/ozk) and [LinkedIn](https://www.linkedin.com/company/ozk) or contacted at (501) 978-2265 or P.O. Box 8811, Little Rock, Arkansas 72231-8811.

Bank OZK Consolidated Balance Sheets Unaudited

	December 31,	
	2022	2021
	(Dollars in thousands, except per share amounts)	
ASSETS		
Cash and cash equivalents	\$ 1,033,454	\$ 2,053,829
Investment securities — available for sale (“AFS”)	3,491,613	3,916,733
Investment securities — trading	8,817	14,957
Federal Home Loan Bank of Dallas and other bankers’ bank stocks	42,406	40,788
Non-purchased loans	20,400,154	17,791,610
Purchased loans	378,637	516,215
Allowance for loan losses	(208,858)	(217,380)
Net loans	20,569,933	18,090,445
Premises and equipment, net	678,405	695,857
Foreclosed assets	6,616	5,744
Accrued interest receivable	125,130	83,025
Bank owned life insurance (“BOLI”)	789,805	774,822
Goodwill and other intangible assets, net	663,543	669,063
Other, net	246,846	185,167
Total assets	<u>\$ 27,656,568</u>	<u>\$ 26,530,430</u>
LIABILITIES AND STOCKHOLDERS’ EQUITY		
Deposits:		
Demand non-interest bearing	\$ 4,658,451	\$ 4,983,788
Savings and interest bearing transaction	9,905,717	9,245,727
Time	6,935,975	5,979,619
Total deposits	21,500,143	20,209,134
Other borrowings	606,666	756,321
Subordinated notes	346,947	346,133

Subordinated debentures	121,591	121,033
Reserve for losses on unfunded loan commitments	156,419	71,609
Accrued interest payable and other liabilities	233,864	186,840
Total liabilities	<u>22,965,630</u>	<u>21,691,070</u>

Commitments and contingencies

Stockholders' equity:

Preferred stock; \$0.01 par value; 100,000,000 shares authorized; 14,000,000 issued and outstanding at December 31, 2022 and 2021, respectively	338,980	338,980
Common stock; \$0.01 par value; 300,000,000 shares authorized; 117,176,928 and 125,443,748 shares issued and outstanding at December 31, 2022 and 2021, respectively	1,172	1,254
Additional paid-in capital	1,753,941	2,093,702
Retained earnings	2,773,135	2,378,466
Accumulated other comprehensive (loss) income	(177,649)	23,841
Total stockholders' equity before noncontrolling interest	4,689,579	4,836,243
Noncontrolling interest	1,359	3,117
Total stockholders' equity	<u>4,690,938</u>	<u>4,839,360</u>
Total liabilities and stockholders' equity	\$ 27,656,568	\$ 26,530,430

Bank OZK
Consolidated Statements of Income
Unaudited

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
	(Dollars in thousands, except per share amounts)			
Interest income:				
Non-purchased loans	\$ 367,019	\$ 256,021	\$ 1,158,332	\$ 972,660
Purchased loans	7,141	11,190	31,441	46,174
Investment securities:				
Taxable	10,280	9,448	41,526	36,234
Tax-exempt	8,521	2,869	22,653	13,729
Deposits with banks and federal funds sold	5,961	953	12,116	2,510
Total interest income	<u>398,922</u>	<u>280,481</u>	<u>1,266,068</u>	<u>1,071,307</u>
Interest expense:				
Deposits	53,230	9,514	94,574	64,422
Other borrowings	8,534	1,020	13,033	4,029
Subordinated notes	2,631	2,631	10,439	9,386
Subordinated debentures	2,039	935	5,780	3,750
Total interest expense	<u>66,434</u>	<u>14,100</u>	<u>123,826</u>	<u>81,587</u>
Net interest income	332,488	266,381	1,142,242	989,720
Provision for credit losses	32,508	(7,992)	83,494	(77,938)
Net interest income after provision for credit losses	<u>299,980</u>	<u>274,373</u>	<u>1,058,748</u>	<u>1,067,658</u>
Non-interest income:				
Service charges on deposit accounts:				
NSF/Overdraft fees	4,467	4,315	17,724	14,962
All other service charges	7,138	7,149	28,102	27,656
Trust income	1,977	2,141	7,990	8,506
BOLI income:				
Increase in cash surrender value	4,953	4,901	19,532	19,640
Death benefits	—	618	807	2,028
Loan service, maintenance and other fees	3,780	3,148	13,819	13,959
Gains on sales of other assets	510	1,330	11,467	9,962
Net gains on investment securities	1,256	504	2,019	504
Other	3,463	5,589	13,043	18,321
Total non-interest income	<u>27,544</u>	<u>29,695</u>	<u>114,503</u>	<u>115,538</u>
Non-interest expense:				
Salaries and employee benefits	59,946	55,034	226,373	214,567
Net occupancy and equipment	17,584	17,004	70,058	66,801
Other operating expenses	41,483	38,068	155,290	148,907
Total non-interest expense	<u>119,013</u>	<u>110,106</u>	<u>451,721</u>	<u>430,275</u>

Income before taxes	208,511	193,962	721,530	752,921
Provision for income taxes	45,686	44,197	157,440	173,888
Net income	162,825	149,765	564,090	579,033
Earnings attributable to noncontrolling interest	54	(5)	51	(32)
Preferred stock dividends	4,047	—	16,621	—
Net income available to common stockholders	<u>\$ 158,832</u>	<u>\$ 149,760</u>	<u>\$ 547,520</u>	<u>\$ 579,001</u>
Basic earnings per common share	<u>\$ 1.35</u>	<u>\$ 1.17</u>	<u>\$ 4.55</u>	<u>\$ 4.49</u>
Diluted earnings per common share	\$ 1.34	\$ 1.17	\$ 4.54	\$ 4.47

Bank OZK
Consolidated Statements of Stockholders' Equity
Unaudited

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Non- Controlling Interest	Total
(Dollars in thousands, except per share amounts)							
Three months ended December 31, 2022:							
Balances – September 30, 2022	\$ 338,980	\$ 1,178	\$ 1,773,562	\$ 2,653,377	\$ (227,673)	\$ 3,120	\$ 4,542,544
Net income	—	—	—	162,825	—	—	162,825
Earnings attributable to noncontrolling interest	—	—	—	54	—	(54)	—
Total other comprehensive loss	—	—	—	—	50,024	—	50,024
Preferred stock dividends, \$0.28906 per share	—	—	—	(4,047)	—	—	(4,047)
Common stock dividends, \$0.33 per share	—	—	—	(39,074)	—	—	(39,074)
Return of capital to non-controlling interest	—	—	—	—	—	(1,707)	(1,707)
Issuance of 7,039 shares of common stock for exercise of stock options	—	—	241	—	—	—	241
Issuance of 3,457 shares of unvested restricted common stock	—	—	—	—	—	—	—
Repurchase and cancellation of 574,878 shares of common stock under share repurchase program	—	(6)	(23,219)	—	—	—	(23,225)
Repurchase and cancellation of 3,890 shares of common stock withheld for tax pursuant to restricted stock vesting	—	—	(174)	—	—	—	(174)
Stock-based compensation expense	—	—	3,531	—	—	—	3,531
Forfeitures of 16,405 shares of unvested restricted common stock	—	—	—	—	—	—	—
Balances – December 31, 2022	<u>\$ 338,980</u>	<u>\$ 1,172</u>	<u>\$ 1,753,941</u>	<u>\$ 2,773,135</u>	<u>\$ (177,649)</u>	<u>\$ 1,359</u>	<u>\$ 4,690,938</u>
Year ended December 31, 2022:							
Balances – December 31, 2021	\$ 338,980	\$ 1,254	\$ 2,093,702	\$ 2,378,466	\$ 23,841	\$ 3,117	\$ 4,839,360
Net income	—	—	—	564,090	—	—	564,090
Earnings attributable to noncontrolling interest	—	—	—	51	—	(51)	—
Total other comprehensive loss	—	—	—	—	(201,490)	—	(201,490)
Preferred stock dividends, \$1.187 per share	—	—	—	(16,621)	—	—	(16,621)
Common stock dividends, \$1.26 per share	—	—	—	(152,851)	—	—	(152,851)
Return of capital to non-controlling interest	—	—	—	—	—	(1,707)	(1,707)
Issuance of 81,560 shares of common stock for exercise of stock options	—	1	2,492	—	—	—	2,493
Issuance of 224,279 shares of unvested restricted common stock	—	2	(2)	—	—	—	—
Repurchase and cancellation of 8,373,398 shares of common stock under share repurchase program	—	(83)	(349,886)	—	—	—	(349,969)
Repurchase and cancellation of 116,864 shares of common stock withheld for tax pursuant to restricted stock vesting	—	(1)	(5,572)	—	—	—	(5,573)
Stock-based compensation expense	—	—	13,206	—	—	—	13,206
Forfeitures of 82,397 shares of unvested restricted common stock	—	(1)	1	—	—	—	—
Balances – December 31, 2022	<u>\$ 338,980</u>	<u>\$ 1,172</u>	<u>\$ 1,753,941</u>	<u>\$ 2,773,135</u>	<u>\$ (177,649)</u>	<u>\$ 1,359</u>	<u>\$ 4,690,938</u>

Bank OZK
Consolidated Statements of Stockholders' Equity
Unaudited

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Non- Controlling Interest	Total
(Dollars in thousands, except per share amounts)							
Three months ended December 31, 2021:							
Balances – September 30, 2021	\$ —	\$ 1,288	\$ 2,245,012	\$ 2,266,234	\$ 40,706	\$ 3,112	\$ 4,556,352
Net income	—	—	—	149,765	—	—	149,765
Earnings attributable to noncontrolling interest	—	—	—	(5)	—	5	—
Total other comprehensive loss	—	—	—	—	(16,865)	—	(16,865)
Common stock dividends, \$0.29 per share	—	—	—	(37,528)	—	—	(37,528)
Issuance of 14,000,000 shares of preferred stock, net of offering costs	338,980	—	—	—	—	—	338,980
Issuance of 31,400 shares of common stock for exercise of stock options	—	—	1,131	—	—	—	1,131
Repurchase and cancellation of 3,387,421 shares of common stock under share repurchase program	—	(34)	(156,410)	—	—	—	(156,444)
Stock-based compensation expense	—	—	3,969	—	—	—	3,969
Forfeitures of 18,050 shares of unvested restricted common stock	—	—	—	—	—	—	—
Balances – December 31, 2021	<u>\$ 338,980</u>	<u>\$ 1,254</u>	<u>\$ 2,093,702</u>	<u>\$ 2,378,466</u>	<u>\$ 23,841</u>	<u>\$ 3,117</u>	<u>\$ 4,839,360</u>
Year ended December 31, 2021:							
Balances – December 31, 2020	\$ —	\$ 1,294	\$ 2,265,850	\$ 1,946,875	\$ 58,252	\$ 3,085	\$ 4,275,356
Net income	—	—	—	579,033	—	—	579,033
Earnings attributable to noncontrolling interest	—	—	—	(32)	—	32	—
Total other comprehensive loss	—	—	—	—	(34,411)	—	(34,411)
Common stock dividends, \$1.1325 per share	—	—	—	(147,410)	—	—	(147,410)
Issuance of 14,000,000 shares of preferred stock, net of offering costs	338,980	—	—	—	—	—	338,980
Issuance of 207,650 shares of common stock for exercise of stock options	—	2	7,224	—	—	—	7,226
Issuance of 332,831 shares of unvested restricted common stock	—	3	(3)	—	—	—	—
Repurchase and cancellation of 4,275,988 shares of common stock under share repurchase program	—	(43)	(193,401)	—	—	—	(193,444)
Repurchase and cancellation of 55,893 shares of common stock withheld for taxes pursuant to restricted stock vesting	—	(1)	(1,976)	—	—	—	(1,977)
Stock-based compensation expense	—	—	16,007	—	—	—	16,007
Forfeitures of 115,300 shares of unvested restricted common stock	—	(1)	1	—	—	—	—
Balances – December 31, 2021	<u>\$ 338,980</u>	<u>\$ 1,254</u>	<u>\$ 2,093,702</u>	<u>\$ 2,378,466</u>	<u>\$ 23,841</u>	<u>\$ 3,117</u>	<u>\$ 4,839,360</u>

Bank OZK
Summary of Non-Interest Expense
Unaudited

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
(Dollars in thousands)				
Salaries and employee benefits	\$ 59,946	\$ 55,034	\$ 226,373	\$ 214,567
Net occupancy and equipment	17,584	17,004	70,058	66,801
Other operating expenses:				
Professional and outside services	8,303	7,880	31,905	29,013
Software and data processing	6,861	6,165	25,049	23,860
Deposit insurance and assessments	2,710	2,125	9,610	11,185
Advertising and public relations	2,987	1,151	8,797	2,772
Telecommunication services	2,134	2,064	7,986	8,427
Travel and meals	1,755	1,883	7,661	5,694
Postage and supplies	1,906	1,909	7,146	6,627
ATM expense	1,834	1,639	6,331	6,255

Amortization of intangibles	1,189	1,517	5,520	6,394
Loan collection and repossession expense	306	587	1,387	2,044
Writedowns of foreclosed and other assets	710	985	1,055	3,461
Amortization of CRA and tax credit investments	5,408	2,755	20,293	15,078
Other	5,380	7,408	22,550	28,097
Total non-interest expense	\$ 119,013	\$ 110,106	\$ 451,721	\$ 430,275

Bank OZK
Summary of Total Loans Outstanding
Unaudited

	December 31,			
	2022		2021	
	(Dollars in thousands)			
Real estate:				
Residential 1-4 family	\$ 981,567	4.7 %	\$ 887,024	4.8 %
Non-farm/non-residential	4,665,268	22.5	3,782,892	20.7
Construction/land development	8,287,936	39.9	8,246,674	45.0
Agricultural	239,689	1.2	247,727	1.4
Multifamily residential	1,503,398	7.2	934,845	5.1
Total real estate	15,677,858	75.5	14,099,162	77.0
Commercial and industrial	902,321	4.3	510,784	2.8
Consumer	2,445,851	11.8	2,185,429	11.9
Other	1,752,761	8.4	1,512,450	8.3
Total loans	20,778,791	100.0 %	18,307,825	100.0 %
Allowance for loan losses	(208,858)		(217,380)	
Net loans	\$ 20,569,933		\$ 18,090,445	

Bank OZK
Allowance for Credit Losses
Unaudited

	Allowance for Loan Losses	Reserve for Losses on Unfunded Loan Commitments	Total Allowance for Credit Losses
	(Dollars in thousands)		
Three months ended December 31, 2022:			
Balances – September 30, 2022	\$ 200,098	\$ 135,537	\$ 335,635
Net charge-offs	(2,866)	—	(2,866)
Provision for credit losses	11,626	20,882	32,508
Balances – December 31, 2022	\$ 208,858	\$ 156,419	\$ 365,277
Year ended December 31, 2022:			
Balances – December 31, 2021	\$ 217,380	\$ 71,609	\$ 288,989
Net charge-offs	(7,206)	—	(7,206)
Provision for credit losses	(1,316)	84,810	83,494
Balances – December 31, 2022	\$ 208,858	\$ 156,419	\$ 365,277
Three months ended December 31, 2021:			
Balances – September 30, 2021	\$ 237,722	\$ 61,076	\$ 298,798
Net charge-offs	(1,817)	—	(1,817)
Provision for credit losses	(18,525)	10,533	(7,992)
Balances – December 31, 2021	\$ 217,380	\$ 71,609	\$ 288,989
Year ended December 31, 2021:			
Balances – December 31, 2020	\$ 295,824	\$ 81,481	\$ 377,305
Net charge-offs	(10,378)	—	(10,378)
Provision for credit losses	(68,066)	(9,872)	(77,938)
Balances – December 31, 2021	\$ 217,380	\$ 71,609	\$ 288,989

Bank OZK
Summary of Deposits – By Account Type
Unaudited

	December 31,		December 31,	
	2022		2021	
	(Dollars in thousands)			
Non-interest bearing	\$ 4,658,451	21.7 %	\$ 4,983,788	24.7 %
Interest bearing:				
Transaction (NOW)	4,097,532	19.1	3,412,369	16.9
Savings and money market	5,808,185	27.0	5,833,358	28.9
Time deposits	6,935,975	32.2	5,979,619	29.5
Total deposits	\$ 21,500,143	100.0 %	\$ 20,209,134	100.0 %

Summary of Deposits – By Customer Type

Unaudited

	December 31,		December 31,	
	2022		2021	
	(Dollars in thousands)			
Non-interest bearing	\$ 4,658,451	21.7 %	\$ 4,983,788	24.7 %
Interest bearing:				
Consumer and commercial:				
Consumer – non-time	3,916,078	18.2	4,334,378	21.4
Consumer – time	4,936,061	23.0	4,318,742	21.4
Commercial – non-time	2,741,007	12.7	2,634,817	13.0
Commercial – time	516,477	2.4	905,347	4.5
Public funds	2,103,392	9.8	2,094,800	10.4
Brokered	2,050,294	9.5	452,137	2.2
Reciprocal	578,383	2.7	485,125	2.4
Total deposits	\$ 21,500,143	100.0 %	\$ 20,209,134	100.0 %

Bank OZK

Selected Consolidated Financial Data

Unaudited

	Three Months Ended			Year Ended		
	December 31,			December 31,		
	2022	2021	% Change	2022	2021	% Change
	(Dollars in thousands, except per share amounts)					
Income statement data:						
Net interest income	\$ 332,488	\$ 266,381	24.8 %	\$ 1,142,242	\$ 989,720	15.4 %
Provision for credit losses	32,508	(7,992)	NM	83,494	(77,938)	NM
Non-interest income	27,544	29,695	(7.2)	114,503	115,538	(0.9)
Non-interest expense	119,013	110,106	8.1	451,721	430,275	5.0
Net income	162,825	149,765	8.7	564,090	579,033	(2.6)
Preferred stock dividends	4,047	—	NM	16,621	—	NM
Net income available to common stockholders	158,832	149,760	6.1	547,520	579,001	(5.4)
Pre-tax pre-provision net revenue ⁽¹⁾	241,019	185,970	29.6	805,024	674,983	19.3
Common share and per common share data:						
Diluted earnings per common share	\$ 1.34	\$ 1.17	14.5 %	\$ 4.54	\$ 4.47	1.6 %
Basic earnings per common share	1.35	1.17	15.4	4.55	4.49	1.3
Common stock dividends per share	0.33	0.29	13.8	1.26	1.1325	11.3
Book value per share	37.13	35.85	3.6	37.13	35.85	3.6
Tangible book value per common share ⁽¹⁾	31.47	30.52	3.1	31.47	30.52	3.1
Weighted-average diluted shares outstanding (thousands)	118,201	128,246	(7.8)	120,700	129,618	(6.9)
End of period shares outstanding (thousands)	117,177	125,444	(6.6)	117,177	125,444	(6.6)
Balance sheet data at period end:						
Total assets	\$ 27,656,568	\$ 26,530,430	4.2 %	\$ 27,656,568	\$ 26,530,430	4.2 %
Total loans	20,778,791	18,307,825	13.5	20,778,791	18,307,825	13.5
Non-purchased loans	20,400,154	17,791,610	14.7	20,400,154	17,791,610	14.7
Purchased loans	378,637	516,215	(26.7)	378,637	516,215	(26.7)
Allowance for loan losses	208,858	217,380	(3.9)	208,858	217,380	(3.9)
Foreclosed assets	6,616	5,744	15.2	6,616	5,744	15.2
Investment securities – AFS	3,491,613	3,916,733	(10.9)	3,491,613	3,916,733	(10.9)
Goodwill and other intangible assets, net	663,543	669,063	(0.8)	663,543	669,063	(0.8)
Deposits	21,500,143	20,209,134	6.4	21,500,143	20,209,134	6.4
Other borrowings	606,666	756,321	(19.8)	606,666	756,321	(19.8)

Subordinated notes	346,947	346,133	0.2	346,947	346,133	0.2
Subordinated debentures	121,591	121,033	0.5	121,591	121,033	0.5
Unfunded balance of closed loans	21,062,733	13,619,578	54.7	21,062,733	13,619,578	54.7
Reserve for losses on unfunded loan commitments	156,419	71,609	118.4	156,419	71,609	118.4
Preferred stock	338,980	338,980	—	338,980	338,980	—
Total common stockholders' equity ⁽¹⁾	4,350,599	4,497,263	(3.3)	4,350,599	4,497,263	(3.3)
Net unrealized (losses) gains on investment securities AFS included in stockholders' equity	(177,649)	23,841	NM	(177,649)	23,841	NM
Loan (including purchased loans) to deposit ratio	96.64 %	90.59 %		96.64 %	90.59 %	
Selected ratios:						
Return on average assets ⁽²⁾	2.35 %	2.25 %		2.08 %	2.17 %	
Return on average common stockholders' equity ^{(1) (2)}	14.76	13.08		12.66	13.01	
Return on average tangible common stockholders' equity ^{(1) (2)}	17.48	15.34		14.97	15.32	
Average common equity to total average assets	15.90	17.17		16.42	16.72	
Net interest margin – FTE ⁽²⁾	5.46	4.41		4.82	4.09	
Efficiency ratio	32.84	37.06		35.75	38.76	
Net charge-offs to average non-purchased loans ^{(2) (3)}	0.09	0.05		0.07	0.06	
Net charge-offs to average total loans ⁽²⁾	0.06	0.04		0.04	0.06	
Nonperforming loans to total loans ⁽⁴⁾	0.22	0.19		0.22	0.19	
Nonperforming assets to total assets ⁽⁴⁾	0.19	0.15		0.19	0.15	
Allowance for loan losses to total loans ⁽⁵⁾	1.01	1.19		1.01	1.19	
Allowance for credit losses to total loans and unfunded loan commitments	0.87	0.91		0.87	0.91	
Other information:						
Non-accrual loans ⁽⁴⁾	\$ 43,411	\$ 33,274		\$ 43,411	\$ 33,274	
Accruing loans – 90 days past due ⁽⁴⁾	—	—		—	—	
Troubled and restructured non-purchased loans – accruing ⁽⁴⁾	1,680	1,285		1,680	1,285	

(1) Calculations of pre-tax pre-provision net revenue, total common stockholders' equity, tangible book value per common share and returns on average common stockholders' equity and average tangible common stockholders' equity and the reconciliations to GAAP are included in the schedules accompanying this release.

(2) Ratios for interim periods annualized based on actual days.

(3) Excludes purchased loans and net charge-offs related to such loans.

(4) Excludes purchased loans, except for their inclusion in total assets.

(5) Excludes reserve for losses on unfunded loan commitments.

NM – Not meaningful

Selected Consolidated Financial Data (continued)

Unaudited

	Three Months Ended		
	December 31, 2022	September 30, 2022	% Change
(Dollars in thousands, except per share amounts)			
Income statement data:			
Net interest income	\$ 332,488	\$ 294,617	12.9 %
Provision for credit losses	32,508	39,771	(18.3)
Non-interest income	27,544	29,163	(5.6)
Non-interest expense	119,013	115,691	2.9
Net income	162,825	132,349	23.0
Preferred stock dividends	4,047	4,047	—
Net income available to common stockholders	158,832	128,302	23.8
Pre-tax pre-provision net revenue ⁽¹⁾	241,019	208,089	15.8
Common share and per common share data:			
Diluted earnings per common share	\$ 1.34	\$ 1.08	24.1 %
Basic earnings per common share	1.35	1.08	25.0
Common stock dividends per share	0.33	0.32	3.1
Book value per share	37.13	35.67	4.1
Tangible book value per common share ⁽¹⁾	31.47	30.02	4.8
Weighted-average diluted shares outstanding (thousands)	118,201	118,856	(0.6)
End of period shares outstanding (thousands)	117,177	117,762	(0.5)
Balance sheet data at period end:			
Total assets	\$ 27,656,568	\$ 26,232,119	5.4 %
Total loans	20,778,791	19,513,712	6.5
Non-purchased loans	20,400,154	19,103,546	6.8

Purchased loans	378,637	410,166	(7.7)
Allowance for loan losses	208,858	200,098	4.4
Foreclosed assets	6,616	6,559	0.9
Investment securities – AFS	3,491,613	3,528,077	(1.0)
Goodwill and other intangible assets, net	663,543	664,732	(0.2)
Deposits	21,500,143	20,401,876	5.4
Other borrowings	606,666	456,466	32.9
Subordinated notes	346,947	346,741	0.1
Subordinated debentures	121,591	121,450	0.1
Unfunded balance of closed loans	21,062,733	20,091,101	4.8
Reserve for losses on unfunded loan commitments	156,419	135,537	15.4
Preferred stock	338,980	338,980	—
Total common stockholders' equity ⁽¹⁾	4,350,599	4,200,444	3.6
Net unrealized losses on investment securities AFS included in stockholders' equity	(177,649)	(227,673)	(22.0)
Loan (including purchased loans) to deposit ratio	96.64 %	95.65 %	

Selected ratios:

Return on average assets ⁽²⁾	2.35 %	1.97 %
Return on average common stockholders' equity ^{(1) (2)}	14.76	11.85
Return on average tangible common stockholders' equity ^{(1) (2)}	17.48	14.02
Average common equity to average assets	15.90	16.61
Net interest margin – FTE ⁽²⁾	5.46	5.03
Efficiency ratio	32.84	35.50
Net charge-offs to average non-purchased loans ^{(2) (3)}	0.09	0.09
Net charge-offs to average total loans ⁽²⁾	0.06	0.09
Nonperforming loans to total loans ⁽⁴⁾	0.22	0.14
Nonperforming assets to total assets ⁽⁴⁾	0.19	0.13
Allowance for loan losses to total loans ⁽⁵⁾	1.01	1.03
Allowance for credit losses to total loans and unfunded loan commitments	0.87	0.85

Other information:

Non-accrual loans ⁽⁴⁾	\$	43,411	\$	24,633
Accruing loans – 90 days past due ⁽⁴⁾		—		—
Troubled and restructured non-purchased loans – accruing ⁽⁴⁾		1,680		1,610

(1) Calculations of pre-tax pre-provision net revenue, total common stockholders' equity, tangible book value per common share and returns on average common stockholders' equity and average tangible common stockholders' equity and the reconciliations to GAAP are included in the schedules accompanying this release.

(2) Ratios for interim periods annualized based on actual days.

(3) Excludes purchased loans and net charge-offs related to such loans.

(4) Excludes purchased loans, except for their inclusion in total assets.

(5) Excludes reserve for losses on unfunded loan commitments.

Bank OZK
Supplemental Quarterly Financial Data
Unaudited

	<u>3/31/21</u>	<u>6/30/21</u>	<u>9/30/21</u>	<u>12/31/21</u>	<u>03/31/22</u>	<u>06/30/22</u>	<u>09/30/22</u>	<u>12/31/22</u>
(Dollars in thousands, except per share amounts)								
Earnings summary:								
Net interest income	\$ 234,636	\$ 240,746	\$ 247,957	\$ 266,381	\$ 249,343	\$ 265,793	\$ 294,617	\$ 332,488
Federal tax (FTE) adjustment	1,275	1,355	1,106	1,009	1,017	1,300	2,151	2,383
Net interest income (FTE)	235,911	242,101	249,063	267,390	250,360	267,093	296,768	334,871
Provision for credit losses	31,559	30,932	7,454	7,992	(4,190)	(7,025)	(39,771)	(32,508)
Non-interest income	32,117	27,742	25,984	29,695	31,475	26,320	29,163	27,544
Non-interest expense	(106,059)	(103,711)	(110,397)	(110,106)	(107,715)	(109,300)	(115,691)	(119,013)
Pre-tax income (FTE)	193,528	197,064	172,104	194,971	169,930	177,088	170,469	210,894
FTE adjustment	(1,275)	(1,355)	(1,106)	(1,009)	(1,017)	(1,300)	(2,151)	(2,383)
Provision for income taxes	(43,818)	(45,161)	(40,713)	(44,197)	(36,410)	(39,375)	(35,969)	(45,686)
Noncontrolling interest	(19)	(13)	5	(5)	5	(8)	—	54
Preferred stock dividend	—	—	—	—	(4,480)	(4,047)	(4,047)	(4,047)
Net income available to common stockholders	\$ 148,416	\$ 150,535	\$ 130,290	\$ 149,760	\$ 128,028	\$ 132,358	\$ 128,302	\$ 158,832

Earnings per common share – diluted	\$ 1.14	\$ 1.16	\$ 1.00	\$ 1.17	\$ 1.02	\$ 1.10	\$ 1.08	\$ 1.34
Pre-tax pre-provision net revenue	\$ 160,694	\$ 164,777	\$ 163,544	\$ 185,970	\$ 173,103	\$ 182,813	\$ 208,089	\$ 241,019
Selected balance sheet data at period end:								
Total assets	\$ 27,276,892	\$ 26,605,938	\$ 26,143,367	\$ 26,530,430	\$ 26,562,353	\$ 25,919,965	\$ 26,232,119	\$ 27,656,568
Non-purchased loans	17,979,435	17,611,848	17,707,452	17,791,610	18,449,723	18,297,638	19,103,546	20,400,154
Purchased loans	735,630	659,822	597,851	516,215	481,299	445,080	410,166	378,637
Investment securities – AFS	4,162,479	4,693,396	3,846,496	3,916,733	3,728,284	3,705,807	3,528,077	3,491,613
Deposits	21,296,442	20,706,777	20,102,440	20,209,134	20,329,662	19,984,187	20,401,876	21,500,143
Unfunded balance of closed loans	11,780,099	11,709,818	12,385,369	13,619,578	14,954,367	17,369,767	20,091,101	21,062,733
Allowance for credit losses:								
Balance at beginning of period	\$ 377,305	\$ 342,307	\$ 307,564	\$ 298,798	\$ 288,989	\$ 293,540	\$ 299,938	\$ 335,635
Net charge-offs	(3,439)	(3,811)	(1,312)	(1,817)	361	(627)	(4,074)	(2,866)
Provision for credit losses	(31,559)	(30,932)	(7,454)	(7,992)	4,190	7,025	39,771	32,508
Balance at end of period	<u>\$ 342,307</u>	<u>\$ 307,564</u>	<u>\$ 298,798</u>	<u>\$ 288,989</u>	<u>\$ 293,540</u>	<u>\$ 299,938</u>	<u>\$ 335,635</u>	<u>\$ 365,277</u>
Allowance for loan losses	\$ 268,077	\$ 248,753	\$ 237,722	\$ 217,380	\$ 204,213	\$ 190,795	\$ 200,098	\$ 208,858
Reserve for losses on unfunded loan commitments	<u>74,230</u>	<u>58,811</u>	<u>61,076</u>	<u>71,609</u>	<u>89,327</u>	<u>109,143</u>	<u>135,537</u>	<u>156,419</u>
Total allowance for credit losses	<u>\$ 342,307</u>	<u>\$ 307,564</u>	<u>\$ 298,798</u>	<u>\$ 288,989</u>	<u>\$ 293,540</u>	<u>\$ 299,938</u>	<u>\$ 335,635</u>	<u>\$ 365,277</u>
Selected ratios:								
Net interest margin – FTE ⁽¹⁾	3.86 %	3.95 %	4.16 %	4.41 %	4.24 %	4.52 %	5.03 %	5.46 %
Efficiency ratio	39.57	38.43	40.14	37.06	38.22	37.25	35.50	32.84
Net charge-offs to average non-purchased loans ^{(1) (2)}	0.08	0.09	0.04	0.05	0.08	0.03	0.09	0.09
Net charge-offs to average total loans ⁽¹⁾	0.07	0.08	0.03	0.04	(0.01)	0.01	0.09	0.06
Nonperforming loans to total loans ⁽³⁾	0.25	0.22	0.20	0.19	0.21	0.16	0.14	0.22
Nonperforming assets to total assets ⁽³⁾	0.19	0.18	0.17	0.15	0.16	0.12	0.13	0.19
Allowance for loan losses to total loans ⁽⁴⁾	1.43	1.36	1.30	1.19	1.08	1.02	1.03	1.01
Allowance for credit losses to total loans and unfunded commitments	1.12	1.03	0.97	0.91	0.87	0.83	0.85	0.87
Loans past due 30 days or more, including past due non-accrual loans, to total loans ⁽³⁾	0.13	0.10	0.13	0.15	0.14	0.11	0.11	0.13

(1) Ratios for interim periods annualized based on actual days.

(2) Excludes purchased loans and net charge-offs related to such loans.

(3) Excludes purchased loans, except for their inclusion in total assets.

(4) Excludes reserve for losses on unfunded loan commitments.

Bank OZK
Average Consolidated Balance Sheets and Net Interest Analysis – FTE
Unaudited

Three Months Ended December 31,				Year Ended December 31,			
2022		2021		2022		2021	
Average Balance	Income/ Yield/ Expense Rate	Average Balance	Income/ Yield/ Expense Rate	Average Balance	Income/ Yield/ Expense Rate	Average Balance	Income/ Yield/ Expense Rate

(Dollars in thousands)

ASSETS

Interest earning assets:

Interest earning deposits and federal funds sold	\$ 692,066	\$ 5,961	3.42 %	\$ 2,106,395	\$ 953	0.18 %	\$ 940,116	\$ 12,116	1.29 %	\$ 1,871,388	\$ 2,510	0.13 %
Investment securities:												
Taxable	2,566,011	10,280	1.59	3,375,895	9,448	1.11	2,950,929	41,526	1.41	3,207,485	36,234	1.13
Tax-exempt – FTE	974,070	10,786	4.39	593,242	3,632	2.43	774,038	28,675	3.70	864,432	17,378	2.01
Non-purchased loans – FTE	19,728,477	367,136	7.38	17,449,281	256,267	5.83	18,744,652	1,159,161	6.18	17,683,033	973,755	5.51
Purchased loans	391,801	7,141	7.23	551,917	11,190	8.04	445,955	31,441	7.05	662,434	46,174	6.97
Total earning assets – FTE	24,352,425	401,304	6.54	24,076,730	281,490	4.64	23,855,690	1,272,919	5.34	24,288,772	1,076,051	4.43
Non-interest earning assets	2,508,505			2,370,349			2,472,672			2,335,412		
Total assets	<u>\$ 26,860,930</u>			<u>\$ 26,447,079</u>			<u>\$ 26,328,362</u>			<u>\$ 26,624,184</u>		
LIABILITIES AND STOCKHOLDERS' EQUITY												
Interest bearing liabilities:												
Deposits:												
Savings and interest bearing transaction	\$ 9,519,104	\$ 26,543	1.11 %	\$ 9,178,225	\$ 2,641	0.11 %	\$ 9,588,372	\$ 48,344	0.50	\$ 8,788,200	\$ 12,481	0.14 %
Time deposits	6,321,731	26,687	1.67	6,256,904	6,873	0.44	5,680,395	46,229	0.81	7,534,244	51,941	0.69
Total interest bearing deposits	15,840,835	53,230	1.33	15,435,129	9,514	0.24	15,268,767	94,573	0.62	16,322,444	64,422	0.39
Other borrowings	753,605	8,533	4.49	757,784	1,020	0.53	673,932	13,034	1.93	757,303	4,029	0.53
Subordinated notes	346,847	2,631	3.01	346,025	2,631	3.02	346,538	10,439	3.01	212,600	9,386	4.42
Subordinated debentures	121,523	2,039	6.66	120,956	935	3.07	121,310	5,780	4.76	120,751	3,750	3.11
Total interest bearing liabilities	17,062,810	66,433	1.54	16,659,894	14,100	0.34	16,410,547	123,826	0.75	17,413,098	81,587	0.47
Non-interest bearing liabilities:												
Non-interest bearing deposits	4,751,644			4,651,656			4,873,842			4,380,850		
Other non-interest bearing liabilities	435,108			376,706			378,471			321,583		
Total liabilities	22,249,562			21,688,256			21,662,860			22,115,531		
Total stockholders' equity before noncontrolling interest	4,608,570			4,755,706			4,662,467			4,505,544		
Noncontrolling interest	2,798			3,117			3,035			3,109		
Total liabilities and stockholders' equity	<u>\$ 26,860,930</u>			<u>\$ 26,447,079</u>			<u>\$ 26,328,362</u>			<u>\$ 26,624,184</u>		
Net interest income – FTE		<u>\$ 334,871</u>		<u>\$ 267,390</u>			<u>\$ 1,149,093</u>			<u>\$ 994,464</u>		
Net interest margin – FTE			<u>5.46 %</u>				<u>4.41 %</u>			<u>4.82 %</u>		<u>4.09 %</u>
Core spread ⁽¹⁾			6.05 %				5.59 %			5.56 %		5.12 %

(1) Core spread is the difference between the yield on the Bank's non-purchased loans-FTE and the rate on its interest bearing deposits.

Bank OZK
Reconciliation of Non-GAAP Financial Measures

Calculation of Average Common Stockholders' Equity, Average Tangible Common Stockholders' Equity and the Annualized Returns on Average Common Stockholders' Equity and Average Tangible Common Stockholders' Equity

Unaudited

	Three Months Ended					
	December 31,		September 30,		Year Ended December 31,	
	2022	2021	2022	2022	2021	2021
	(Dollars in thousands)					
Net income available to common stockholders	\$ 158,832	\$ 149,760	\$ 128,302	\$ 547,520	\$ 579,001	
Average stockholders' equity before noncontrolling interest	\$ 4,608,570	\$ 4,755,706	\$ 4,635,887	\$ 4,662,467	\$ 4,505,544	
Less average preferred stock	(338,980)	(213,693)	(338,980)	(338,980)	(53,862)	

Total average common stockholders' equity	4,269,590	4,542,013	4,296,907	4,323,487	4,451,682
Less average intangible assets:					
Goodwill	(660,789)	(660,789)	(660,789)	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(3,421)	(9,032)	(4,747)	(5,443)	(11,398)
Total average intangibles	<u>(664,210)</u>	<u>(669,821)</u>	<u>(665,536)</u>	<u>(666,232)</u>	<u>(672,187)</u>
Average tangible common stockholders' equity	<u>\$ 3,605,380</u>	<u>\$ 3,872,192</u>	<u>\$ 3,631,371</u>	<u>\$ 3,657,255</u>	<u>\$ 3,779,495</u>
Return on average common stockholders' equity ⁽¹⁾	<u>14.76%</u>	<u>13.08%</u>	<u>11.85%</u>	<u>12.66%</u>	<u>13.01%</u>
Return on average tangible common stockholders' equity ⁽¹⁾	<u>17.48%</u>	<u>15.34%</u>	<u>14.02%</u>	<u>14.97%</u>	<u>15.32%</u>

(1) Ratios for interim periods annualized based on actual days.

Calculation of Total Common Stockholders' Equity, Total Tangible Common Stockholders' Equity and Tangible Book Value per Common Share
Unaudited

	December 31,		September 30,
	2022	2021	2022
	(In thousands, except per share amounts)		
Total stockholders' equity before noncontrolling interest	\$ 4,689,579	\$ 4,836,243	\$ 4,539,424
Less preferred stock	(338,980)	(338,980)	(338,980)
Total common stockholders' equity	4,350,599	4,497,263	4,200,444
Less intangible assets:			
Goodwill	(660,789)	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(2,754)	(8,274)	(3,943)
Total intangibles	<u>(663,543)</u>	<u>(669,063)</u>	<u>(664,732)</u>
Total tangible common stockholders' equity	<u>\$ 3,687,056</u>	<u>\$ 3,828,200</u>	<u>\$ 3,535,712</u>
Shares of common stock outstanding	117,177	125,444	117,762
Book value per common share	<u>\$ 37.13</u>	<u>\$ 35.85</u>	<u>\$ 35.67</u>
Tangible book value per common share	<u>\$ 31.47</u>	<u>\$ 30.52</u>	<u>\$ 30.02</u>

Calculation of Total Common Stockholders' Equity, Total Tangible Common Stockholders' Equity and the Ratio of Total Tangible Common Stockholders' Equity to Total Tangible Assets
Unaudited

	December 31,	
	2022	2021
	(Dollars in thousands)	
Total stockholders' equity before noncontrolling interest	\$ 4,689,579	\$ 4,836,243
Less preferred stock	(338,980)	(338,980)
Total common stockholders' equity	4,350,599	4,497,263
Less intangible assets:		
Goodwill	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(2,754)	(8,274)
Total intangibles	<u>(663,543)</u>	<u>(669,063)</u>
Total tangible common stockholders' equity	<u>\$ 3,687,056</u>	<u>\$ 3,828,200</u>
Total assets	\$ 27,656,568	\$ 26,530,430
Less intangible assets:		
Goodwill	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(2,754)	(8,274)
Total intangibles	<u>(663,543)</u>	<u>(669,063)</u>
Total tangible assets	<u>\$ 26,993,025</u>	<u>\$ 25,861,367</u>
Ratio of total common stockholders' equity to total assets	<u>15.73%</u>	<u>16.95%</u>
Ratio of total tangible common stockholders' equity to total tangible assets	<u>13.66%</u>	<u>14.80%</u>

Calculation of Pre-Tax Pre-Provision Net Revenue
Unaudited

	Three Months Ended				
	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
	(Dollars in thousands)				
Net income available to common stockholders	\$ 158,832	\$ 128,302	\$ 132,358	\$ 128,028	\$ 149,760
Preferred stock dividends	4,047	4,047	4,047	4,480	—

Earnings attributable to noncontrolling interest	(54)	—	8	(5)	5
Provision for income taxes	45,686	35,969	39,375	36,410	44,197
Provision for credit losses	32,508	39,771	7,025	4,190	(7,992)
Pre-tax pre-provision net revenue	<u>\$ 241,019</u>	<u>\$ 208,089</u>	<u>\$ 182,813</u>	<u>\$ 173,103</u>	<u>\$ 185,970</u>

	Three Months Ended			Year Ended December 31,	
	September 30, 2021	June 30, 2021	March 31, 2021	2022	2021
			(Dollars in thousands)		
Net income available to common stockholders	\$ 130,290	\$ 150,535	\$ 148,416	\$ 547,520	\$ 579,001
Preferred stock dividends	—	—	—	16,621	—
Earnings attributable to noncontrolling interest	(5)	13	19	(51)	32
Provision for income taxes	40,713	45,161	43,818	157,440	173,888
Provision for credit losses	(7,454)	(30,932)	(31,559)	83,494	(77,938)
Pre-tax pre-provision net revenue	<u>\$ 163,544</u>	<u>\$ 164,777</u>	<u>\$ 160,694</u>	<u>\$ 805,024</u>	<u>\$ 674,983</u>

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Source: Bank OZK