



Bank OZK Announces Record Fourth Quarter and Full Year 2024 Earnings

January 16, 2025

LITTLE ROCK, Ark., Jan. 16, 2025 (GLOBE NEWSWIRE) -- Bank OZK (the "Bank") (Nasdaq: OZK) today announced that net income available to common stockholders for the fourth quarter of 2024 was \$178.1 million, its ninth consecutive quarterly record and a 4.1% increase from \$171.1 million for the fourth quarter of 2023. For the full year of 2024, net income available to common stockholders was a record \$700.3 million, a 3.8% increase from \$674.6 million for the full year of 2023.

Diluted earnings per common share for the fourth quarter of 2024 were \$1.56, its ninth consecutive quarterly record and a 4.0% increase from \$1.50 for the fourth quarter of 2023. For the full year of 2024, diluted earnings per common share were a record \$6.14, a 4.6% increase from \$5.87 for the full year of 2023.

Pre-tax pre-provision net revenue ("PPNR") was \$272.2 million for the fourth quarter of 2024, a 3.7% increase from \$262.6 million for the fourth quarter of 2023, but a 3.7% decrease from the third quarter of 2024. For the full year of 2024, PPNR was a record \$1.11 billion, a 7.2% increase from \$1.03 billion for the full year of 2023. The calculation of PPNR and the reconciliation to generally accepted accounting principles ("GAAP") are included in the schedules accompanying this release.

Provision for credit losses was \$37.2 million for the fourth quarter of 2024 compared to \$43.8 million for the fourth quarter of 2023, while our net charge-offs were only \$12.4 million and \$4.1 million, respectively. For the full year of 2024, provision for credit losses was \$175.6 million compared to \$165.5 million for the full year of 2023, while our net charge-offs were only \$57.4 million and \$29.5 million, respectively. The Bank's allowance for credit losses ("ACL") was \$619.4 million at December 31, 2024, an increase of \$118.1 million or 23.6% compared to \$501.2 million at December 31, 2023.

The Bank's annualized returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the fourth quarter of 2024 were 1.87%, 13.33% and 15.22%, respectively, compared to 2.04%, 14.58% and 16.99%, respectively, for the fourth quarter of 2023. The Bank's returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the full year of 2024 were 1.91%, 13.77% and 15.82%, respectively, compared to 2.20%, 14.93% and 17.50%, respectively, for the full year of 2023. 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 very pleased to have achieved record net income and earnings per share in each quarter of 2024 and for the full year. Our results for the quarter just ended were our ninth consecutive quarter of record net income and record earnings per share. Our consistent achievement of record earnings, while maintaining sound asset quality, has allowed us to accumulate capital, increase dividends and significantly expand and grow our business."

KEY BALANCE SHEET METRICS

Loans were \$29.97 billion at December 31, 2024, a 13.3% increase from \$26.46 billion at December 31, 2023. Deposits were \$31.04 billion at December 31, 2024, a 13.3% increase from \$27.41 billion at December 31, 2023. Total assets were \$38.26 billion at December 31, 2024, an 11.7% increase from \$34.24 billion at December 31, 2023.

Common stockholders' equity was \$5.37 billion at December 31, 2024, an 11.8% increase from \$4.80 billion at December 31, 2023. Tangible common stockholders' equity was \$4.71 billion at December 31, 2024, a 13.7% increase from \$4.14 billion at December 31, 2023.

Book value per common share was \$47.30 at December 31, 2024, an 11.5% increase from \$42.42 at December 31, 2023. Tangible book value per common share was \$41.48 at December 31, 2024, a 13.4% increase from \$36.58 at December 31, 2023.

The Bank's strong earnings and earnings retention rate, among other factors, have contributed to its robust capital ratios. The Bank's ratio of total common stockholders' equity to total assets was 14.03% at December 31, 2024, compared to 14.02% at December 31, 2023. Its ratio of total tangible common stockholders' equity to total tangible assets was 12.52% at December 31, 2024, compared to 12.33% at December 31, 2023. The calculations of the Bank's total 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.

ASSET QUALITY

The Bank's ratio of nonperforming loans to loans was 0.44% at December 31, 2024, compared to 0.23% as of December 31, 2023. The Bank's ratio of nonperforming assets to total assets was 0.53% at December 31, 2024, compared to 0.38% as of December 31, 2023. The Bank's annualized ratio of net charge-offs of loans to average loans was 0.16% for the fourth quarter and 0.20% for the year ended December 31, 2024, compared to 0.06% for the fourth quarter and 0.13% for the year ended December 31, 2023.

MANAGEMENT COMMENTS, CONFERENCE CALL, TRANSCRIPT AND FILINGS

In connection with this release, the Bank released management comments on its quarterly results, which are available at <https://ir.ozk.com>. This release should be read in conjunction with management comments on the fourth quarter and full year 2024 results.

Management will conduct a conference call to take questions at 10:00 a.m. CT (11:00 a.m. ET) on Friday, January 17, 2025. 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, return on average tangible common stockholders' equity, tangible book value per common share, total common stockholders' equity, total 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 adjust GAAP financial measures to exclude certain financial measures, such as, preferred stock, goodwill, provision for income taxes, provision for credit losses, and other measures. 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 press release 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 obtaining regulatory or other approvals, delays in acquiring satisfactory sites, obtaining permits and designing, constructing and opening new offices, relocating, selling or closing existing offices, or integrating any 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 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; 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; conditions within the banking industry; recently enacted and potential new 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; changes as a result of the recent U.S. presidential and congressional elections; impacts of potential changes in U.S. tax, tariff and immigration laws, regulations and policies; the costs and expenses to comply with new and/or existing legislation and regulatory requirements; uncertainty regarding changes in U.S. government monetary and fiscal policy; the impact of any U.S. federal government shutdown or budgetary crisis; FDIC special assessments or changes to regular assessments; the ability to keep pace with technological changes, including changes regarding artificial intelligence and maintaining cybersecurity; the impact of any failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business or others, including as a result of cyberattacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank, its customers or others; natural disasters; acts of war or terrorism; the potential impact of continuing inflationary pressures; the potential impact of supply chain disruptions; national or international political instability or military conflict, including the conflict in the Middle East and the ongoing war in Ukraine; competition for and costs of recruiting and retaining qualified personnel; impairment of our goodwill; 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, 2023 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 in more than 240 offices in nine states including Arkansas, Georgia, Florida, North Carolina, Texas, Tennessee, New York, California and Mississippi and had \$38.26 billion in total assets as of December 31, 2024. For more information, visit www.ozk.com.

Bank OZK Consolidated Balance Sheets Unaudited

	December 31,	
	2024	2023
	(Dollars in thousands)	
ASSETS		
Cash and cash equivalents	\$ 2,781,101	\$ 2,149,529
Investment securities – available for sale ("AFS")	2,836,150	3,244,371
Federal Home Loan Bank of Dallas ("FHLB") and other bankers' bank stocks	39,930	50,400
Loans	29,968,867	26,459,075
Allowance for loan losses	(465,547)	(339,394)
Net Loans	29,503,320	26,119,681
Premises and equipment, net	739,111	676,821
Foreclosed assets	69,381	61,720
Accrued interest receivable	174,025	170,110
Bank owned life insurance ("BOLI")	829,405	808,490
Goodwill	660,789	660,789
Other, net	625,640	295,546
Total assets	<u>\$ 38,258,852</u>	<u>\$ 34,237,457</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Demand non-interest bearing	\$ 3,769,543	\$ 4,095,874
Savings and interest bearing transaction	9,954,723	9,074,296
Time	17,318,806	14,234,973
Total deposits	31,043,072	27,405,143
Other borrowings	420,813	805,318
Subordinated notes	348,575	347,761
Subordinated debentures	113,652	121,652
Reserve for losses on unfunded loan commitments	153,813	161,834
Accrued interest payable and other liabilities	472,733	255,773
Total liabilities	<u>32,552,658</u>	<u>29,097,481</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, 2024 and December 31, 2023	338,980	338,980

Common Stock: \$0.01 par value; 300,000,000 shares authorized;
113,457,726 and 113,148,672 shares issued and outstanding at
December 31, 2024 and December 31, 2023, respectively

	1,135	1,131
Additional paid-in capital	1,625,506	1,612,446
Retained earnings	3,816,138	3,283,818
Accumulated other comprehensive loss	(76,136)	(97,374)
Total stockholders' equity before noncontrolling interest	5,705,623	5,139,001
Noncontrolling interest	571	975
Total stockholders' equity	5,706,194	5,139,976
Total liabilities and stockholders' equity	<u>\$ 38,258,852</u>	<u>\$ 34,237,457</u>

Bank OZK
Consolidated Statements of Income
Unaudited

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(Dollars in thousands, except per share amounts)			
Interest income:				
Loans	\$ 615,384	\$ 563,256	\$ 2,458,551	\$ 1,991,546
Investment securities:				
Taxable	8,736	9,667	34,736	39,429
Tax-exempt	12,192	10,670	46,067	38,957
Deposits with banks	26,324	21,901	110,223	58,241
Total interest income	<u>662,636</u>	<u>605,494</u>	<u>2,649,577</u>	<u>2,128,173</u>
Interest expense:				
Deposits	273,119	218,474	1,084,855	627,050
Other borrowings	5,153	11,329	10,819	41,669
Subordinated notes	2,631	2,631	10,439	10,439
Subordinated debentures	2,335	2,512	9,740	9,530
Total interest expense	<u>283,238</u>	<u>234,946</u>	<u>1,115,853</u>	<u>688,688</u>
Net interest income	379,398	370,548	1,533,724	1,439,485
Provision for credit losses	37,174	43,832	175,552	165,470
Net interest income after provision for credit losses	<u>342,224</u>	<u>326,716</u>	<u>1,358,172</u>	<u>1,274,015</u>
Non-interest income:				
Deposit-related fees:				
NSF fees	—	1,129	—	4,228
Overdraft fees	3,488	3,571	13,842	13,831
All other service charges	7,537	7,333	29,495	27,995
Loan-related fees	8,786	6,755	28,144	18,920
BOLI income:				
Increase in cash surrender value	5,807	5,401	22,677	20,696
Death benefits	—	2,966	1,344	2,966
Trust income	2,632	2,165	9,567	8,524
Gains on sales of other assets	582	3,288	3,417	9,029
Net gains on investment securities	—	1,177	560	3,243
Other	4,110	3,242	15,367	13,117
Total non-interest income	<u>32,942</u>	<u>37,027</u>	<u>124,413</u>	<u>122,549</u>
Non-interest expense:				
Salaries and employee benefits	77,719	66,270	296,016	258,846
Net occupancy and equipment	17,901	17,234	71,676	72,591
Other operating expenses	44,507	61,507	183,601	198,124
Total non-interest expense	<u>140,127</u>	<u>145,011</u>	<u>551,293</u>	<u>529,561</u>
Income before taxes	235,039	218,732	931,292	867,003
Provision for income taxes	52,831	43,600	214,789	176,164
Net income	182,208	175,132	716,503	690,839
Earnings attributable to noncontrolling interest	(26)	(6)	(47)	(56)
Preferred stock dividends	4,047	4,047	16,187	16,187
Net income available to common stockholders	<u>\$ 178,135</u>	<u>\$ 171,079</u>	<u>\$ 700,269</u>	<u>\$ 674,596</u>
Basic earnings per common share	<u>\$ 1.57</u>	<u>\$ 1.51</u>	<u>\$ 6.16</u>	<u>\$ 5.89</u>
Diluted earnings per common share	<u>\$ 1.56</u>	<u>\$ 1.50</u>	<u>\$ 6.14</u>	<u>\$ 5.87</u>

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, 2024:							
Balances – September 30, 2024	\$ 338,980	\$ 1,135	\$ 1,619,832	\$ 3,684,869	\$ (51,957)	\$ 696	\$ 5,593,555
Net income	—	—	—	182,208	—	—	182,208
Earnings attributable to noncontrolling interest	—	—	—	(26)	—	26	—
Total other comprehensive income	—	—	—	—	(24,179)	—	(24,179)
Preferred stock dividends, \$0.28906 per share	—	—	—	(4,047)	—	—	(4,047)
Common stock dividends, \$0.41 per share	—	—	—	(46,866)	—	—	(46,866)
Return of capital paid to non-controlling interest	—	—	—	—	—	(151)	(151)
Issuance of 11,290 shares of common stock pursuant to stock-based compensation plans	—	—	417	—	—	—	417
Stock-based compensation expense	—	—	5,257	—	—	—	5,257
Forfeitures of 3,450 shares of unvested restricted common stock	—	—	—	—	—	—	—
Balances – December 31, 2024	<u>\$ 338,980</u>	<u>\$ 1,135</u>	<u>\$ 1,625,506</u>	<u>\$ 3,816,138</u>	<u>\$ (76,136)</u>	<u>\$ 571</u>	<u>\$ 5,706,194</u>

Year ended December 31, 2024:							
Balances – December 31, 2023	\$ 338,980	\$ 1,131	\$ 1,612,446	\$ 3,283,818	\$ (97,374)	\$ 975	\$ 5,139,976
Cumulative effect of change in accounting principle	—	—	—	12,690	—	—	12,690
Balances – January 1, 2024	\$ 338,980	\$ 1,131	\$ 1,612,446	\$ 3,296,508	\$ (97,374)	\$ 975	\$ 5,152,666
Net income	—	—	—	716,503	—	—	716,503
Earnings attributable to noncontrolling interest	—	—	—	(47)	—	47	—
Total other comprehensive income	—	—	—	—	21,238	—	21,238
Preferred stock dividends, \$1.15624 per share	—	—	—	(16,187)	—	—	(16,187)
Common stock dividends, \$1.58 per share	—	—	—	(180,639)	—	—	(180,639)
Return of capital to non-controlling interest	—	—	—	—	—	(451)	(451)
Issuance of 532,941 shares of common stock pursuant to stock-based compensation plans	—	6	856	—	—	—	862
Repurchase and cancellation of 11,903 shares of common stock under share repurchase program, including excise taxes	—	—	(462)	—	—	—	(462)
Repurchase and cancellation of 184,415 shares of common stock withheld for tax pursuant to stock-based compensation plans	—	(2)	(8,008)	—	—	—	(8,010)
Stock-based compensation expense	—	—	20,674	—	—	—	20,674
Forfeitures of 27,569 shares of unvested restricted common stock	—	—	—	—	—	—	—
Balances – December 31, 2024	<u>\$ 338,980</u>	<u>\$ 1,135</u>	<u>\$ 1,625,506</u>	<u>\$ 3,816,138</u>	<u>\$ (76,136)</u>	<u>\$ 571</u>	<u>\$ 5,706,194</u>

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, 2023:

Balances – September 30, 2023	\$ 338,980	\$ 1,131	\$ 1,607,510	\$ 3,154,869	\$ (198,986)	\$ 1,409	\$ 4,904,913
Net income	—	—	—	175,132	—	—	175,132
Earnings attributable to noncontrolling interest	—	—	—	(6)	—	6	—
Total other comprehensive income	—	—	—	—	101,612	—	101,612
Preferred stock dividends, \$0.28906 per share	—	—	—	(4,047)	—	—	(4,047)
Common stock dividends, \$0.37 per share	—	—	—	(42,130)	—	—	(42,130)
Return of capital to non-controlling interest	—	—	—	—	—	(440)	(440)
Issuance of 17,018 shares of common stock pursuant to stock-based compensation plans	—	—	547	—	—	—	547
Stock-based compensation expense	—	—	4,389	—	—	—	4,389
Forfeitures of 4,578 shares of unvested restricted common stock	—	—	—	—	—	—	—
Balances – December 31, 2023	<u>\$ 338,980</u>	<u>\$ 1,131</u>	<u>\$ 1,612,446</u>	<u>\$ 3,283,818</u>	<u>\$ (97,374)</u>	<u>\$ 975</u>	<u>\$ 5,139,976</u>

Year ended December 31, 2023:

Balances – December 31, 2022	\$ 338,980	\$ 1,172	\$ 1,753,941	\$ 2,773,135	\$ (177,649)	\$ 1,359	\$ 4,690,938
Net income	—	—	—	690,839	—	—	690,839
Earnings attributable to noncontrolling interest	—	—	—	(56)	—	56	—
Total other comprehensive income	—	—	—	—	80,275	—	80,275
Preferred stock dividends, \$1.15624 per share	—	—	—	(16,187)	—	—	(16,187)
Common stock dividends, \$1.42 per share	—	—	—	(163,913)	—	—	(163,913)
Return of capital to non-controlling interest	—	—	—	—	—	(440)	(440)
Issuance of 522,651 shares of common stock pursuant to stock-based compensation plans	—	5	1,166	—	—	—	1,171
Repurchase and cancellation of 4,304,239 shares of common stock under share repurchase program, including excise taxes	—	(44)	(151,421)	—	—	—	(151,465)
Repurchase and cancellation of 215,362 shares of common stock withheld for tax pursuant to stock-based compensation plans.	—	(2)	(8,672)	—	—	—	(8,674)
Stock-based compensation expense	—	—	17,432	—	—	—	17,432
Forfeitures of 31,306 shares of unvested restricted common stock	—	—	—	—	—	—	—
Balances – December 31, 2023	<u>\$ 338,980</u>	<u>\$ 1,131</u>	<u>\$ 1,612,446</u>	<u>\$ 3,283,818</u>	<u>\$ (97,374)</u>	<u>\$ 975</u>	<u>\$ 5,139,976</u>

**Bank OZK
Summary of Non-Interest Expense
Unaudited**

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(Dollars in thousands)			
Salaries and employee benefits	\$ 77,719	\$ 66,270	\$ 296,016	\$ 258,846
Net occupancy and equipment	17,901	17,234	71,676	72,591
Other operating expenses:				
Software and data processing	10,964	10,577	46,980	39,212
Professional and outside services	6,600	6,233	24,872	21,423
Deposit insurance and assessments	5,975	15,803	25,584	30,351
Advertising and public relations	3,702	5,153	20,576	16,150
Amortization of CRA and tax credit investments ⁽¹⁾	—	7,618	—	27,768
Other	17,266	16,123	65,589	63,220
Total non-interest expense	<u>\$ 140,127</u>	<u>\$ 145,011</u>	<u>\$ 551,293</u>	<u>\$ 529,561</u>

(1) Effective January 1, 2024, the Bank adopted ASU 2023-02, *Investments-Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*, which resulted in the amortization of the Bank's CRA and tax credit investments being included in income tax expense instead of non-interest expense.

Bank OZK
Summary of Total Loans Outstanding
Unaudited

	December 31,			
	2024		2023	
	(Dollars in thousands)			
Real estate:				
Residential 1-4 family	\$ 1,323,435	4.4%	\$ 961,338	3.6%
Non-farm/non-residential	7,842,692	26.2	5,309,239	20.1
Construction/land development	9,522,676	31.8	11,653,487	44.0
Agricultural	296,898	1.0	256,423	1.0
Multifamily residential	3,272,635	10.9	2,064,106	7.8
Total real estate	22,258,336	74.3	20,244,593	76.5
Commercial and industrial	1,728,801	5.8	1,269,610	4.8
Consumer	3,659,713	12.2	2,965,042	11.2
Other	2,322,017	7.7	1,979,830	7.5
Total loans	29,968,867	100.0%	26,459,075	100.0%
Allowance for loan losses	(465,547)		(339,394)	
Net loans	\$ 29,503,320		\$ 26,119,681	

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, 2024:			
Balances – September 30, 2024	\$ 420,058	\$ 174,479	\$ 594,537
Net charge-offs	(12,351)	—	(12,351)
Provision for credit losses	57,840	(20,666)	37,174
Balances – December 31, 2024	\$ 465,547	\$ 153,813	\$ 619,360
Year ended December 31, 2024:			
Balances – December 31, 2023	\$ 339,394	\$ 161,834	\$ 501,228
Net charge-offs	(57,420)	—	(57,420)
Provision for credit losses	183,573	(8,021)	175,552
Balances – December 31, 2024	\$ 465,547	\$ 153,813	\$ 619,360
Three months ended December 31, 2023:			
Balances – September 30, 2023	\$ 303,358	\$ 158,128	\$ 461,486
Net charge-offs	(4,090)	—	(4,090)
Provision for credit losses	40,126	3,706	43,832
Balances – December 31, 2023	\$ 339,394	\$ 161,834	\$ 501,228
Year ended December 31, 2023:			
Balances – December 31, 2022	\$ 208,858	\$ 156,419	\$ 365,277
Net charge-offs	(29,519)	—	(29,519)
Provision for credit losses	160,055	5,415	165,470
Balances – December 31, 2023	\$ 339,394	\$ 161,834	\$ 501,228

Bank OZK
Summary of Deposits – By Customer Type
Unaudited

	December 31,			
	2024		2023	
	(Dollars in thousands)			
Non-interest bearing	\$ 3,769,543	12.1%	\$ 4,095,874	14.9%
Interest bearing:				
Consumer and commercial:				
Consumer – Non-Time	2,983,401	9.6	2,792,199	10.2
Consumer – Time	13,446,545	43.3	10,216,217	37.3
Commercial – Non-Time	2,728,307	8.8	2,439,175	8.9
Commercial – Time	970,320	3.1	767,566	2.8

Public funds	3,964,350	12.8	3,725,766	13.6
Brokered	2,611,464	8.4	2,655,317	9.7
Reciprocal	569,142	1.9	713,029	2.6
Total deposits	<u>\$ 31,043,072</u>	<u>100.0%</u>	<u>\$ 27,405,143</u>	<u>100.0%</u>

Bank OZK
Selected Consolidated Financial Data
Unaudited

	Three Months Ended December 31,			Year Ended December 31,		
	2024	2023	% Change	2024	2023	% Change
	(Dollars in thousands, except per share amounts)					
Income statement data:						
Net interest income	\$ 379,398	\$ 370,548	2.4%	\$ 1,533,724	\$ 1,439,485	6.5%
Provision for credit losses	37,174	43,832	(15.2)	175,552	165,470	6.1
Non-interest income	32,942	37,027	(11.0)	124,413	122,549	1.5
Non-interest expense	140,127	145,011	(3.4)	551,293	529,561	4.1
Net income	182,208	175,132	4.0	716,503	690,839	3.7
Preferred stock dividends	4,047	4,047	—	16,187	16,187	—
Net income available to common stockholders	178,135	171,079	4.1	700,269	674,596	3.8
Pre-tax pre-provision net revenue ⁽¹⁾	272,213	262,564	3.7	1,106,844	1,032,473	7.2
Common share and per common share data:						
Diluted earnings per common share	\$ 1.56	\$ 1.50	4.0%	\$ 6.14	\$ 5.87	4.6%
Basic earnings per common share	1.57	1.51	4.0	6.16	5.89	4.6
Common stock dividends per share	0.41	0.37	10.8	1.58	1.42	11.3
Book value per common share	47.30	42.42	11.5	47.30	42.42	11.5
Tangible book value per common share ⁽¹⁾	41.48	36.58	13.4	41.48	36.58	13.4
Weighted-average diluted shares outstanding (thousands)	114,101	113,756	0.3	114,015	114,833	(0.7)
End of period shares outstanding (thousands)	113,458	113,149	0.3	113,458	113,149	0.3
Balance sheet data at period end:						
Total assets	\$ 38,258,852	\$ 34,237,457	11.7%	\$ 38,258,852	\$ 34,237,457	11.7%
Loans	29,968,867	26,459,075	13.3	29,968,867	26,459,075	13.3
Allowance for loan losses	465,547	339,394	37.2	465,547	339,394	37.2
Foreclosed assets	69,381	61,720	12.4	69,381	61,720	12.4
Investment securities – AFS	2,836,150	3,244,371	(12.6)	2,836,150	3,244,371	(12.6)
Deposits	31,043,072	27,405,143	13.3	31,043,072	27,405,143	13.3
Other borrowings	420,813	805,318	(47.7)	420,813	805,318	(47.7)
Unfunded loan commitments	19,078,633	20,561,029	(7.2)	19,078,633	20,561,029	(7.2)
Reserve for losses on unfunded loan commitments	153,813	161,834	(5.0)	153,813	161,834	(5.0)
Total common stockholders' equity ⁽¹⁾	5,366,643	4,800,021	11.8	5,366,643	4,800,021	11.8
Total tangible common stockholders' equity ⁽¹⁾	4,705,854	4,139,232	13.7	4,705,854	4,139,232	13.7
Accumulated other comprehensive loss	(76,136)	(97,374)		(76,136)	(97,374)	
Loan to deposit ratio	96.54%	96.55%		96.54%	96.55%	
Selected ratios:						
Return on average assets ⁽²⁾	1.87%	2.04%		1.91%	2.20%	
Return on average common stockholders' equity ^{(1) (2)}	13.33	14.58		13.77	14.93	
Return on average tangible common stockholders' equity ^{(1) (2)}	15.22	16.99		15.82	17.50	
Total tangible common stockholders' equity to total tangible assets ⁽¹⁾	12.52	12.33		12.52	12.33	
Net interest margin – FTE ⁽²⁾	4.33	4.82		4.56	5.16	
Efficiency ratio	33.71	35.33		33.00	33.67	
Net charge-offs to average loans ⁽²⁾	0.16	0.06		0.20	0.13	
Nonperforming loans to loans	0.44	0.25		0.44	0.25	
Nonperforming assets to total assets	0.53	0.38		0.53	0.38	
Allowance for loan losses to loans	1.55	1.28		1.55	1.28	
Allowance for credit losses to loans and unfunded loan commitments	1.26	1.07		1.26	1.07	
Other information:						
Non-accrual loans	\$ 131,494	\$ 66,677		\$ 131,494	\$ 66,677	

⁽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, total tangible common stockholders' equity to total tangible assets and the reconciliations to GAAP are included in the schedules accompanying this release.

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

Bank OZK
Selected Consolidated Financial Data (continued)
Unaudited

	Three Months Ended			%
	December 31, 2024	September 30, 2024	Change	
(Dollars in thousands, except per share amounts)				
Income statement data:				
Net interest income	\$ 379,398	\$ 389,398		(2.6%)
Provision for credit losses	37,174	46,443		(20.0)
Non-interest income	32,942	33,605		(2.0)
Non-interest expense	140,127	140,401		(0.2)
Net income	182,208	181,206		0.6
Preferred stock dividends	4,047	4,047		—
Net income available to common stockholders	178,135	177,147		0.6
Pre-tax pre-provision net revenue ⁽¹⁾	272,213	282,602		(3.7)
Common share and per common share data:				
Diluted earnings per common share	\$ 1.56	\$ 1.55		0.6%
Basic earnings per common share	1.57	1.56		0.6
Common stock dividends per share	0.41	0.40		2.5
Book value per common share	47.30	46.31		2.1
Tangible book value per common share ⁽¹⁾	41.48	40.49		2.4
Weighted-average diluted shares outstanding (thousands)	114,101	114,031		0.1
End of period shares outstanding (thousands)	113,458	113,450		—
Balance sheet data at period end:				
Total assets	\$ 38,258,852	\$ 37,441,804		2.2%
Loans	29,968,867	29,218,144		2.6
Allowance for loan losses	465,547	420,058		10.8
Foreclosed assets	69,381	77,949		(11.0)
Investment securities – AFS	2,836,150	2,952,022		(3.9)
Deposits	31,043,072	30,571,613		1.5
Other borrowings	420,813	151,035		178.6
Unfunded loan commitments	19,078,633	19,307,972		(1.2)
Reserve for losses on unfunded loan commitments	153,813	174,479		(11.8)
Total common stockholders' equity ⁽¹⁾	5,366,643	5,253,879		2.1
Total tangible common stockholders' equity ⁽¹⁾	4,705,854	4,593,090		2.5
Accumulated other comprehensive loss	(76,136)	(51,957)		
Loan to deposit ratio	96.54%	95.57%		
Selected ratios:				
Return on average assets ⁽²⁾	1.87%	1.90%		
Return on average common stockholders' equity ^{(1) (2)}	13.33	13.65		
Return on average tangible common stockholders' equity ^{(1) (2)}	15.22	15.65		
Total tangible common stockholders' equity to total tangible assets ⁽¹⁾	12.52	12.49		
Net interest margin – FTE ⁽²⁾	4.33	4.55		
Efficiency ratio	33.71	32.95		
Net charge-offs to average loans ⁽²⁾	0.16	0.36		
Nonperforming loans to loans	0.44	0.60		
Nonperforming assets to total assets	0.53	0.68		
Allowance for loan losses to loans	1.55	1.44		
Allowance for credit losses to loans and unfunded loan commitments	1.26	1.23		
Other information:				
Non-accrual loans	\$ 131,494	\$ 175,665		

⁽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, total tangible common stockholders' equity to total tangible assets and the reconciliations to GAAP are included in the schedules accompanying this release.

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

Bank OZK
Supplemental Quarterly Financial Data
Unaudited

	12/31/24	9/30/24	6/30/24	3/31/24	12/31/23
(Dollars in thousands, except per share amounts)					
Earnings summary:					
Net interest income	\$ 379,398	\$ 389,398	\$ 387,994	\$ 376,934	\$ 370,548
Federal tax (FTE) adjustment	3,324	3,151	3,037	3,030	2,925
Net interest income (FTE)	382,722	392,549	391,031	379,964	373,473
Provision for credit losses	(37,174)	(46,443)	(49,012)	(42,923)	(43,832)
Non-interest income	32,942	33,605	28,782	29,084	37,027

Non-interest expense	(140,127)	(140,401)	(137,451)	(133,314)	(145,011)
Pre-tax income (FTE)	238,363	239,310	233,350	232,811	221,657
FTE adjustment	(3,324)	(3,151)	(3,037)	(3,030)	(2,925)
Provision for income taxes	(52,831)	(54,953)	(52,778)	(54,226)	(43,600)
Noncontrolling interest	(26)	(12)	8	(18)	(6)
Preferred stock dividend	(4,047)	(4,047)	(4,047)	(4,047)	(4,047)
Net income available to common stockholders	<u>\$ 178,135</u>	<u>\$ 177,147</u>	<u>\$ 173,496</u>	<u>\$ 171,490</u>	<u>\$ 171,079</u>
Earnings per common share – diluted	\$ 1.56	\$ 1.55	\$ 1.52	\$ 1.51	\$ 1.50
Pre-tax pre-provision net revenue ⁽¹⁾	\$ 272,213	\$ 282,602	\$ 279,325	\$ 272,704	\$ 262,564
Selected balance sheet data at period end:					
Total assets	\$ 38,258,852	\$ 37,441,804	\$ 36,836,173	\$ 36,029,904	\$ 34,237,457
Loans	29,968,867	29,218,144	28,673,685	28,031,348	26,459,075
Investment securities – AFS	2,836,150	2,952,022	2,981,929	3,072,391	3,244,371
Deposits	31,043,072	30,571,613	29,943,663	29,406,070	27,405,143
Unfunded loan commitments	19,078,633	19,307,972	19,737,557	20,458,796	20,561,029
Allowance for credit losses:					
Balance at beginning of period	\$ 594,537	\$ 574,101	\$ 536,887	\$ 501,228	\$ 461,486
Net charge-offs	(12,351)	(26,007)	(11,798)	(7,264)	(4,090)
Provision for credit losses	37,174	46,443	49,012	42,923	43,832
Balance at end of period	<u>\$ 619,360</u>	<u>\$ 594,537</u>	<u>\$ 574,101</u>	<u>\$ 536,887</u>	<u>\$ 501,228</u>
Allowance for loan losses	\$ 465,547	\$ 420,058	\$ 407,079	\$ 365,935	\$ 339,394
Reserve for losses on unfunded loan commitments	153,813	174,479	167,022	170,952	161,834
Total allowance for credit losses	<u>\$ 619,360</u>	<u>\$ 594,537</u>	<u>\$ 574,101</u>	<u>\$ 536,887</u>	<u>\$ 501,228</u>
Selected ratios:					
Net interest margin – FTE ⁽²⁾	4.33%	4.55%	4.68%	4.71%	4.82%
Efficiency ratio	33.71	32.95	32.74	32.59	35.33
Net charge-offs to average loans ⁽²⁾	0.16	0.36	0.17	0.11	0.06
Nonperforming loans to loans	0.44	0.60	0.30	0.22	0.25
Nonperforming assets to total assets	0.53	0.68	0.42	0.34	0.38
Allowance for loan losses to loans	1.55	1.44	1.42	1.31	1.28
Allowance for credit losses to loans and unfunded loan commitments	1.26	1.23	1.19	1.11	1.07
Loans past due 30 days or more, including past due non-accrual loans, to total loans	0.17	0.14	0.17	0.18	0.21

(1) Calculations of pre-tax pre-provision net revenue and the reconciliation to GAAP are included in the schedules accompanying this release.

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

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

	Three Months Ended December 31,						Year Ended December 31,					
	2024			2023			2024			2023		
	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate
(Dollars in thousands)												
ASSETS												
Interest earning assets:												
Interest earning deposits	\$ 2,263,875	\$ 26,324	4.63%	\$ 1,637,395	\$ 21,902	5.31%	\$ 2,138,560	\$ 110,223	5.15%	\$ 1,164,595	\$ 58,241	5.00%
Investment securities:												
Taxable	1,679,300	8,736	2.07	2,143,606	9,667	1.79	1,846,639	34,736	1.88	2,299,254	39,429	1.71
Tax-exempt – FTE	1,262,676	15,432	4.86	1,097,750	13,506	4.88	1,195,851	58,312	4.88	1,049,642	49,313	4.70
Total loans – FTE	<u>29,952,752</u>	<u>615,468</u>	<u>8.17</u>	<u>25,861,611</u>	<u>563,344</u>	<u>8.64</u>	<u>28,711,132</u>	<u>2,458,847</u>	<u>8.56</u>	<u>23,580,165</u>	<u>1,991,953</u>	<u>8.45</u>
Total earning assets – FTE	35,158,603	665,960	7.54	30,740,362	608,419	7.85	33,892,182	2,662,118	7.85	28,093,656	2,138,936	7.61
Non-interest earning assets	<u>2,679,566</u>			<u>2,538,592</u>			<u>2,723,606</u>			<u>2,550,276</u>		
Total assets	<u>\$37,838,169</u>			<u>\$33,278,954</u>			<u>\$36,615,788</u>			<u>\$30,643,932</u>		
LIABILITIES AND STOCKHOLDERS' EQUITY												
Interest bearing liabilities:												
Deposits:												
Savings and interest bearing transaction	\$ 9,371,509	\$ 64,674	2.75%	\$ 9,004,724	\$ 64,165	2.83%	\$ 9,247,175	\$ 269,072	2.91%	\$ 9,152,060	\$ 211,498	2.31%
Time deposits	<u>17,326,058</u>	<u>208,445</u>	<u>4.79</u>	<u>13,280,889</u>	<u>154,309</u>	<u>4.61</u>	<u>16,622,440</u>	<u>815,783</u>	<u>4.91</u>	<u>10,543,800</u>	<u>415,552</u>	<u>3.94</u>

Total interest bearing deposits	26,697,567	273,119	4.07	22,285,613	218,474	3.89	25,869,615	1,084,855	4.19	19,695,860	627,050	3.18
Other borrowings (1)	500,286	5,153	4.10	863,828	11,329	5.20	257,055	10,819	4.21	803,797	41,669	5.18
Subordinated notes	348,475	2,631	3.00	347,661	2,631	3.00	348,170	10,439	3.00	347,356	10,439	3.01
Subordinated debentures	121,565	2,335	7.64	121,652	2,512	8.19	121,630	9,740	8.01	121,648	9,530	7.83
Total interest bearing liabilities	27,667,893	283,238	4.07	23,618,754	234,946	3.95	26,596,470	1,115,853	4.20	20,968,661	688,688	3.28
Non-interest bearing liabilities:												
Non-interest bearing deposits	3,812,596			4,150,323			3,917,887			4,315,200		
Other non-interest bearing liabilities	701,650			513,326			674,873			502,732		
Total liabilities	32,182,139			28,282,403			31,189,230			25,786,593		
Total stockholders' equity before noncontrolling interest	5,655,337			4,995,217			5,425,658			4,855,976		
Noncontrolling interest	693			1,334			900			1,363		
Total liabilities and stockholders' equity	\$37,838,169			\$33,278,954			\$36,615,788			\$30,643,932		
Net interest income – FTE		\$382,722		\$373,473			\$1,546,265			\$1,450,248		
Net interest margin – FTE			4.33%			4.82%			4.56%			5.16%
Core spread (2)			4.10%			4.75%			4.37%			5.27%

(1) The interest expense and the rates paid related to "other borrowings" include capitalized interest which totaled \$0.8 million and \$2.3 million for the fourth quarter and full year of 2024. Capitalized interest was not material for the fourth quarter and full year of 2023. Excluding capitalized interest from the "other borrowings" expense calculation would result in a rate of 4.76% and 5.12% for the fourth quarter and full year of 2024.

(2) Core spread is the difference between the yield on the Bank's 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,	
	2024	2023	2024	2024	2023
	(Dollars in thousands)				
Net income available to common stockholders	\$ 178,135	\$ 171,079	\$ 177,147	\$ 700,269	\$ 674,596
Average stockholders' equity before noncontrolling interest	\$ 5,655,337	\$ 4,995,217	\$ 5,502,526	\$ 5,425,658	\$ 4,855,976
Less average preferred stock	(338,980)	(338,980)	(338,980)	(338,980)	(338,980)
Total average common stockholders' equity	5,316,357	4,656,237	5,163,546	5,086,678	4,516,996
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	—	—	—	—	(821)
Total average intangibles	(660,789)	(660,789)	(660,789)	(660,789)	(661,610)
Average tangible common stockholders' equity	\$ 4,655,568	\$ 3,995,448	\$ 4,502,757	\$ 4,425,889	\$ 3,855,386
Return on average common stockholders' equity (1)	13.33%	14.58%	13.65%	13.77%	14.93%
Return on average tangible common stockholders' equity (1)	15.22%	16.99%	15.65%	15.82%	17.50%

(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,
	2024	2023	2024
	(In thousands, except per share amounts)		
Total stockholders' equity before noncontrolling interest	\$ 5,705,623	\$ 5,139,001	\$ 5,592,859

Less preferred stock	(338,980)	(338,980)	(338,980)
Total common stockholders' equity	\$ 5,366,643	\$ 4,800,021	\$ 5,253,879
Less goodwill	(660,789)	(660,789)	(660,789)
Total tangible common stockholders' equity	\$ 4,705,854	\$ 4,139,232	\$ 4,593,090
Shares of common stock outstanding	113,458	113,149	113,450
Book value per common share	\$ 47.30	\$ 42.42	\$ 46.31
Tangible book value per common share	\$ 41.48	\$ 36.58	\$ 40.49

**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,		September 30,
	2024	2023	2024
	(Dollars in thousands)		
Total stockholders' equity before noncontrolling interest	\$ 5,705,623	\$ 5,139,001	\$ 5,592,859
Less preferred stock	(338,980)	(338,980)	(338,980)
Total common stockholders' equity	\$ 5,366,643	\$ 4,800,021	\$ 5,253,879
Less goodwill	(660,789)	(660,789)	(660,789)
Total tangible common stockholders' equity	4,705,854	4,139,232	4,593,090
Total assets	\$ 38,258,852	\$ 34,237,457	\$ 37,441,804
Less goodwill	(660,789)	(660,789)	(660,789)
Total tangible assets	\$ 37,598,063	\$ 33,576,668	\$ 36,781,015
Ratio of total common stockholders' equity to total assets	14.03%	14.02%	14.03%
Ratio of total tangible common stockholders' equity to total tangible assets	12.52%	12.33%	12.49%

Calculation of Pre-Tax Pre-Provision Net Revenue
Unaudited

	Three Months Ended					Year Ended	
	Dec 31, 2024	Sept 30, 2024	June 30, 2024	March 31, 2024	Dec 31, 2023	December 31, 2024	2023
	(Dollars in thousands)						
Net income available to common stockholders	\$ 178,135	\$ 177,147	\$ 173,496	\$ 171,490	\$ 171,079	\$ 700,269	\$ 674,596
Preferred stock dividends	4,047	4,047	4,047	4,047	4,047	16,187	16,187
Earnings attributable to noncontrolling interest	26	12	(8)	18	6	47	56
Provision for income taxes	52,831	54,953	52,778	54,226	43,600	214,789	176,164
Provision for credit losses	37,174	46,443	49,012	42,923	43,832	175,552	165,470
Pre-tax pre-provision net revenue	\$ 272,213	\$ 282,602	\$ 279,325	\$ 272,704	\$ 262,564	\$ 1,106,844	\$ 1,032,473

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Source: Bank OZK