TRUIST

News Release

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Truist reports fourth quarter and full year 2022 results

Fourth quarter 2022 GAAP earnings of $1.6 billion, or $1.20 per diluted share
Fourth quarter 2022 Adjusted earnings of $1.7 billion, or $1.30 per diluted share
Results reflect strong PPNR performance as a result of strong loan growth and expanded NIM
Capital, liquidity, and credit quality remain strengths

CHARLOTTE, N.C., (January 19, 2023) — Truist Financial Corporation (NYSE: TFC) today reported earnings for the fourth quarter and full year of 2022.

Net income available to common shareholders of $1.6 billion was up 5.6% from the fourth quarter of 2021. Earnings per diluted common share were $1.20, an increase of 6.2% compared with the same period last year. Results for the fourth quarter produced an annualized return on average assets (ROA) of 1.21%, an annualized return on average common shareholders' equity (ROCE) of 11.7%, and an annualized return on tangible common shareholders' equity (ROTCE) of 27.6%.

Adjusted net income available to common shareholders was $1.7 billion, or $1.30 per diluted share, excluding merger-related and restructuring charges of $114 million ($87 million after-tax) and incremental operating expenses related to the merger of $56 million ($43 million after-tax). Adjusted results produced an annualized ROA of 1.30%, an annualized ROCE of 12.6%, and an annualized ROTCE of 29.6%.

For the full year 2022, net income available to common shareholders was $5.9 billion compared to $6.0 billion for 2021. Earnings per diluted share were $4.43 for 2022 compared to $4.47 for 2021. Results for 2022 produced an ROA of 1.15%, an ROCE of 10.4%, and an ROTCE of 22.9%.

Adjusted net income available to common shareholders for the full year 2022, which excludes merger-related charges, incremental operating expenses related to the merger, and certain other items as detailed in our non-GAAP reconciliations was $6.6 billion compared to $7.5 billion for 2021. Adjusted diluted earnings per share was $4.96, down 10.3%, compared to $5.53 for 2021. Adjusted results for 2022 produced an ROA of 1.28%, an ROCE of 11.6%, and an ROTCE of 25.1%.

"Fourth quarter results were strong, reflecting post-integration momentum and progress in many areas. Robust loan growth, significant margin expansion, and good cost discipline contributed to a 12% sequential increase in adjusted pre-provision net revenue. Credit quality remains strong reflecting our conservative credit culture and diverse business mix. We also delivered on our commitment to achieve positive operating leverage for the full-year 2022," said Chairman and CEO Bill Rogers.

“We fulfilled our purpose to inspire and build better lives and communities in many ways throughout the year. We showed care for our teammates with a bold increase in our minimum wage; created new ways to meet clients’ needs through initiatives like Truist One Banking and enhanced digital offerings like Truist Assist, Truist Invest Pro, and Truist Trade; and supported our communities, including introducing a $120 million commitment to small businesses. In addition, we exceeded our $60 billion Community Benefits Plan commitment that we established at the time of the merger.

“Last year was a strategic turning point for Truist as we began to shift our focus to executional excellence and purposeful growth. I look forward to further realizing our potential in 2023 as we fully leverage our increased capacity, expanded capabilities and talented teammates to actualize our purpose.”

Fourth Quarter 2022 Performance Highlights

- Earnings per diluted common share for the fourth quarter of 2022 were $1.20
    - Adjusted diluted earnings per share were $1.30, up 4.8%, compared to third quarter 2022 and down 5.8%, compared to fourth quarter 2021
    - ROA was 1.21%; adjusted ROA was 1.30%
    - ROCE was 11.7%; adjusted ROCE was 12.6%
    - ROTCE was 27.6%; adjusted ROTCE was 29.6%

- Pre-provision net revenue (PPNR) for the fourth quarter of 2022 was $2.5 billion, up 12% compared to third quarter 2022 and 34% compared to fourth quarter 2021
    - Adjusted PPNR was up 12% compared to third quarter 2022 and 17% compared to fourth quarter 2021
    - GAAP operating leverage was 10.9% compared to fourth quarter 2021
    - Adjusted operating leverage was 3.7% compared to fourth quarter 2021

- Taxable-equivalent revenue for the fourth quarter of 2022 was $6.3 billion, up 6.3% compared to third quarter 2022 and up 12% compared to fourth quarter 2021
    - Taxable-equivalent net interest income was up 6.6% compared to third quarter 2022 and up 23% compared to fourth quarter 2021
        - The increase compared to third quarter 2022 was primarily due to higher market interest rates coupled with strong loan growth and well controlled deposit costs
        - The increase compared to fourth quarter 2021 was primarily due to strong loan growth and higher market interest rates coupled with well controlled deposit costs, partially offset by lower purchase accounting accretion and lower PPP revenue
    - Noninterest income was up 5.9% compared to third quarter 2022 and down 4.1% compared to fourth quarter 2021
        - The increase compared to third quarter 2022 was primarily due to seasonally higher insurance revenues and higher investment banking revenues
        - The decrease compared to fourth quarter 2021 was primarily due to lower investment banking and mortgage banking income, partially offset by strong growth in insurance revenues
    - Net interest margin was 3.25%, up 13 basis points from third quarter 2022 and up 49 basis points from fourth quarter 2021
        - Core net interest margin was 3.17%, up 15 basis points from third quarter 2022, and 62 basis points from fourth quarter 2021, driven by higher market interest rates coupled with well controlled deposit costs

- Noninterest expense for the fourth quarter of 2022 was $3.7 billion, up 3.0% compared to third quarter 2022 and up 0.6% compared to fourth quarter 2021
  - Adjusted noninterest expense was $3.4 billion, up $68 million, or 2.0%, compared to third quarter 2022 due to higher personnel expenses, partially offset by lower marketing costs and lower operational losses
  - Adjusted noninterest expenses increased $258 million, or 8.2%, compared to fourth quarter 2021 primarily due to higher personnel expenses and professional fees
  - GAAP efficiency ratio was 60.0%, compared to 61.8% for third quarter 2022
  - Adjusted efficiency ratio was 54.2%, compared to 56.4% for third quarter 2022

- Average loans and leases held for investment for the fourth quarter of 2022 were $320.7 billion, up $11.3 billion, or 3.6%, compared to third quarter 2022
  - Average commercial loans were up $7.9 billion, or 4.4%, due to broad based growth within the commercial and industrial portfolio and as a result of the BankDirect Capital Finance ("BankDirect") acquisition on November 1, 2022
  - Average consumer loans were up $3.3 billion, or 2.7%, primarily due to growth in residential mortgage loans

- Asset quality remains strong, reflecting Truist's prudent risk culture and diverse portfolio
  - Net charge-offs were 0.34% of average loans and leases, up seven basis points compared to third quarter 2022 primarily due to seasonality
  - The ALLL ratio was 1.34%, unchanged compared to third quarter 2022
    - The ALLL coverage ratio was 4.05X annualized net charge-offs, versus 4.98X for the third quarter 2022
  - Provision for credit losses was $467 million for the fourth quarter of 2022 compared to $234 million for third quarter 2022 and a benefit of $103 million for fourth quarter 2021

- Capital and liquidity levels remained strong; deployed capital through organic loan growth, dividends, and acquisition
  - Common equity tier 1 to risk-weighted assets was 9.0%
  - Acquired BankDirect, a leading insurance premium finance lender, on November 1, 2022
  - Consolidated average LCR ratio was 112%

Full Year 2022 Performance Highlights

- Earnings per diluted common share were $4.43 compared to $4.47 for 2021; Adjusted earnings per diluted common share were $4.96 compared to $5.53 for 2021
  - Decline in earnings reflects reserve releases in 2021 partially offset by PPNR growth in 2022

- PPNR for 2022 was $8.6 billion, up 18% compared to 2021
  - Adjusted PPNR of $10.1 billion was up 4.4% compared to 2021
  - GAAP operating leverage was 6.8% compared to 2021
  - Adjusted operating leverage was 0.6% compared to 2021

- Taxable-equivalent revenue for 2022 was $23.2 billion, up 3.5% compared to 2021
  - Net interest income was up $1.3 billion, or 10%, primarily due to higher market interest rates coupled with strong loan growth and well controlled deposit costs, partially offset by lower purchase accounting accretion and lower PPP fees
  - Noninterest income was down $571 million, or 6.1%, driven by lower investment banking and mortgage banking income, partially offset by growth in insurance revenues

- Noninterest expense was down $527 million, or 3.5% due to declines in merger-related costs
    - Adjusted noninterest expense was up $380 million, or 3.0%, compared to 2021; driven by higher professional fees, operational losses, expenses related to acquired companies and marketing expenses, partially offset by lower occupancy and equipment expenses
    - GAAP efficiency ratio was 63.3%, compared to 67.8% for 2021
    - Adjusted efficiency ratio was 56.4%, compared to 56.7% for 2021

- Provision for credit losses was up $1.6 billion; the current year reflects strong loan growth and a moderate decline in the ALLL ratio, whereas the prior year included reserve releases due to the rapidly improving economic environment during that period

EARNINGS HIGHLIGHTS

(dollars in millions, except per share data)	4Q22	3Q22	4Q21	Change 4Q22 vs. 3Q22	Change 4Q22 vs. 4Q21
Net income available to common shareholders	$ 1,610	$ 1,536	$ 1,524	$ 74	$ 86
Diluted earnings per common share	1.20	1.15	1.13	0.05	0.07
Net interest income - taxable equivalent	$ 4,031	$ 3,783	$ 3,267	$ 248	$ 764
Noninterest income	2,227	2,102	2,323	125	(96)
Total taxable-equivalent revenue	$ 6,258	$ 5,885	$ 5,590	$ 373	$ 668
Less taxable-equivalent adjustment	50	38	24		
Total revenue	$ 6,208	$ 5,847	$ 5,566		
Return on average assets	1.21 %	1.19 %	1.19 %	0.02 %	0.02 %
Return on average risk-weighted assets (current quarter is preliminary)	1.56	1.56	1.64	—	(0.08)
Return on average common shareholders' equity	11.7	10.7	9.8	1.0	1.9
Return on average tangible common shareholders' equity (1)	27.6	23.5	18.9	4.1	8.7
Net interest margin - taxable equivalent	3.25	3.12	2.76	0.13	0.49

(1) Excludes certain items as detailed in the non-GAAP reconciliations in the Quarterly Performance Summary.

Fourth Quarter 2022 compared to Third Quarter 2022

Total taxable-equivalent revenue was $6.3 billion for the fourth quarter of 2022, an increase of $373 million, or 6.3%, compared to the prior quarter.

Taxable-equivalent net interest income for the fourth quarter of 2022 was up $248 million, or 6.6%, compared to the prior quarter due primarily to higher market interest rates coupled with strong loan growth and well controlled deposits costs. Average earning assets increased $10.5 billion, or 2.2%, primarily due to growth in average total loans of $10.9 billion, or 3.5%. Average deposits decreased $6.8 billion, or 1.6%, while average short-term borrowings increased $8.2 billion, or 47%, and average long-term debt increased $7.3 billion, or 23%.

The net interest margin was 3.25% for the fourth quarter, up 13 basis points compared to the prior quarter. The yield on the total loan portfolio for the fourth quarter was 5.26%, up 77 basis points compared to the prior quarter primarily due to higher market interest rates. The yield on the average securities portfolio for the fourth quarter was 2.08%, up 13 basis points compared to the prior quarter primarily due to the higher rate environment. Core net interest margin was 3.17% for the fourth quarter, up 15 basis points compared to the prior quarter driven primarily by higher market interest rates coupled with well controlled deposit costs.

The average cost of total deposits was 0.66%, up 35 basis points compared to the prior quarter. The average cost of short-term borrowings was 3.75%, up 141 basis points compared to the prior quarter. The average cost of long-term debt was 3.42%, up 99 basis points compared to the prior quarter. The increase in rates on deposits and other funding sources was largely attributable to the higher rate environment.

The provision for credit losses was $467 million for the fourth quarter, compared to $234 million for the prior quarter. The increase in the current quarter provision expense primarily reflects a moderately slower economic outlook. Net charge-offs for the fourth quarter of 2022 totaled $273 million compared to $213 million for the prior quarter. The net charge-off ratio for the current quarter of 0.34% was up seven basis points compared to third quarter 2022, primarily driven by seasonality within the consumer portfolio and lower recoveries in the commercial and industrial portfolio.

Noninterest income was $2.2 billion, an increase of $125 million, or 5.9%, compared to the prior quarter. Insurance income increased $41 million, or 5.7%, primarily due to seasonality and the BenefitMall acquisition. Investment banking and trading income increased $35 million, or 16%, primarily due to higher structured real estate fees, partially offset by lower trading income. Other income increased $33 million due to valuation changes from assets held for certain post-retirement benefits, which is almost entirely offset by higher personnel expense. Lending related fees increased $30 million, or 38%, primarily due to higher leasing-related gains and higher unused commitment fees.

Noninterest expense was $3.7 billion for the fourth quarter, up $109 million, or 3.0%, compared to the prior quarter. Merger-related and restructuring charges increased $52 million compared to third quarter 2022 due to higher restructuring charges related to the planned rationalization of corporate real estate and the branch network. In addition, incremental operating expenses related to the merger decreased $34 million compared to third quarter 2022, given diminishing integration-related activities. Excluding the aforementioned items and amortization expense, adjusted noninterest expense increased $68 million, or 2.0%, compared to the prior quarter. Personnel expense increased $82 million compared to third quarter 2022 due to higher other post-retirement benefit expense, which is almost entirely offset by higher other income, and an increase in minimum wages for teammates. Marketing and customer development expenses decreased $35 million, or 33%, due to reduced marketing compared to the earlier quarter. Other expense decreased $28 million primarily due to lower operational losses.

The provision for income taxes was $337 million for the fourth quarter of 2022, compared to $363 million for the prior quarter. The effective tax rate for the fourth quarter of 2022 was 16.7%, compared to 18.2% for the prior quarter. The decrease in the effective tax rate was primarily driven by discrete tax benefits recognized in the current quarter.

Fourth Quarter 2022 compared to Fourth Quarter 2021

Total taxable-equivalent revenues were $6.3 billion for the fourth quarter of 2022, an increase of $668 million, or 12%, compared to the earlier quarter.

Taxable equivalent net interest income for the fourth quarter of 2022 was up $764 million, or 23%, compared to the earlier quarter primarily due to strong loan growth and higher market interest rates coupled with well controlled deposit costs. These increases were partially offset by lower purchase accounting accretion and lower PPP revenue. Average earning assets increased $21.9 billion, or 4.7%, compared to the earlier quarter primarily due to growth in average total loans of $31.7 billion, or 10.9%, partially offset by a decrease in average securities of $11.0 billion, or 7.2%. Average deposits increased $2.3 billion, or 0.6%, average short-term borrowings increased $19.2 billion, and average long-term debt increased $1.1 billion, or 2.9%, compared to the earlier quarter.

Net interest margin was 3.25%, up 49 basis points compared to the earlier quarter. The yield on the total loan portfolio for the fourth quarter of 2022 was 5.26%, up 147 basis points compared to the earlier quarter, primarily reflecting higher market interest rates, partially offset by lower purchase accounting accretion and lower PPP revenue. The yield on the average securities portfolio was 2.08%, up 51 basis points compared to the earlier quarter primarily due to the higher rate environment. Core net interest margin was 3.17% for the fourth quarter, up 62 basis points compared to the earlier quarter driven by higher market interest rates coupled with well controlled deposit costs.

The average cost of total deposits was 0.66%, up 63 basis points compared to the earlier quarter. The average cost of short-term borrowings was 3.75%, up 320 basis points compared to the earlier quarter. The average cost of long-term debt was 3.42%, up 207 basis points compared to the earlier quarter. The increase in rates on deposits and other funding sources was largely attributable to the higher rate environment.

The provision for credit losses was $467 million, compared to a benefit of $103 million for the earlier quarter. The increase in the current quarter provision expense primarily reflects a moderately slower economic outlook, whereas the earlier quarter included a reserve release due to the improving credit environment during that period. Net charge-offs for the fourth quarter of 2022 totaled $273 million compared to $182 million in the earlier quarter. The net charge-off ratio for the current quarter of 0.34% was up nine basis points compared to the earlier quarter primarily driven by normalizing trends across certain consumer portfolios.

Noninterest income for the fourth quarter of 2022 decreased $96 million, or 4.1%, compared to the earlier quarter. Investment banking and trading income decreased $120 million, or 32%, due to lower capital markets activity and lower merger and acquisition fees, partially offset by higher structured real estate fees. Mortgage banking income decreased $87 million, or 43%, as lower production income (due to lower refinance activity) was partially offset by higher residential servicing income (due to lower prepayments and fees earned on servicing portfolio purchases). Wealth management income decreased $26 million, or 7.4%, primarily due to lower market valuations. These decreases were partially offset by an increase of $100 million, or 15%, in insurance income due to organic growth and acquisitions. Lending related fees increased $29 million, or 36%, primarily due to higher leasing-related gains and higher unused commitment fees.

Noninterest expense for the fourth quarter of 2022 was up $22 million, or 0.6%, compared to the earlier quarter. Merger-related and restructuring charges and incremental operating expenses related to the merger decreased $98 million and $159 million, respectively, due to diminishing integration-related activities. Excluding the aforementioned items and the amortization of intangibles, adjusted noninterest expense increased $258 million, or 8.2%, compared to the earlier quarter. Personnel expense increased $102 million ($161 million, or 7.9%, on an adjusted basis) due to annual merit and minimum wage increases, the impact from acquisitions, investments in revenue producing businesses and enterprise technology, and higher medical claims, partially offset by lower incentives. Professional fees and outside processing expenses decreased $32 million, but was up $61 million, or 26%, on an adjusted basis due to increased project spend for enterprise technology investments and increased call center staffing. Other expense increased $20 million primarily due to higher teammate travel and entertainment expenses.

The provision for income taxes was $337 million for the fourth quarter of 2022, compared to $367 million for the earlier quarter. The effective tax rate for the fourth quarter of 2022 was 16.7%, compared to 18.6% for the earlier quarter. The decrease in the effective tax rate was primarily driven by the impact of actual versus forecasted rate and an increase in discrete tax benefits.

LOANS AND LEASES

(dollars in millions) Average balances	4Q22	3Q22	Change	% Change
Commercial:				
Commercial and industrial	$ 159,308	$ 152,123	$ 7,185	4.7 %
CRE	22,497	22,245	252	1.1
Commercial construction	5,711	5,284	427	8.1
Total commercial	187,516	179,652	7,864	4.4
Consumer:				
Residential mortgage	56,292	53,271	3,021	5.7
Residential home equity and direct	25,518	25,394	124	0.5
Indirect auto	28,117	28,057	60	0.2
Indirect other	12,848	12,300	548	4.5
Student	5,533	5,958	(425)	(7.1)
Total consumer	128,308	124,980	3,328	2.7
Credit card	4,842	4,755	87	1.8
Total loans and leases held for investment	$ 320,666	$ 309,387	$ 11,279	3.6

Average loans and leases held for investment for the fourth quarter of 2022 were $320.7 billion, up $11.3 billion, or 3.6%, compared to the third quarter of 2022. The company added $3.1 billion of loans in conjunction with the acquisition of BankDirect on November 1, 2022, which contributed $2.1 billion of average loan growth for the fourth quarter of 2022. Excluding the acquisition, average loans and leases held for investment increased $9.2 billion, or 3.0% compared to the third quarter of 2022.

Average commercial loans increased $7.9 billion, or 4.4%, due to broad-based growth within the commercial and industrial portfolio and the BankDirect acquisition.

Average consumer loans increased $3.3 billion, or 2.7%, due to a $3.0 billion increase in residential mortgages due to correspondent channel production and lower prepayments. In addition, indirect other increased $548 million primarily due to growth from the Service Finance, recreational lending, and Sheffield portfolios, partially offset by runoff in other partnership lending programs. These increases were partially offset by $425 million runoff in student loans.

DEPOSITS

(dollars in millions) Average balances	4Q22	3Q22	Change	% Change
Noninterest-bearing deposits	$ 141,032	$ 146,041	$ (5,009)	(3.4)%
Interest checking	110,001	111,645	(1,644)	(1.5)
Money market and savings	144,730	147,659	(2,929)	(2.0)
Time deposits	17,513	14,751	2,762	18.7
Total deposits	$ 413,276	$ 420,096	$ (6,820)	(1.6)

Average deposits for the fourth quarter of 2022 were $413.3 billion, a decrease of $6.8 billion, or 1.6%, compared to the prior quarter. The decrease in deposits was primarily driven by the impacts of monetary tightening, inflation, and higher interest rate alternatives. Average noninterest-bearing deposits decreased 3.4% compared to the prior quarter and represented 34.1% of total deposits for the fourth quarter of 2022. Average money market and savings and interest checking declined 2.0% and 1.5%, respectively, compared to the prior quarter. Average time deposits increased 19% primarily due to an increase in wholesale time deposit products.

CAPITAL RATIOS	4Q22	3Q22	2Q22	1Q22	4Q21
Risk-based:	(preliminary)				
Common equity Tier 1	9.0 %	9.1 %	9.2 %	9.4 %	9.6 %
Tier 1	10.5	10.7	10.8	11.0	11.3
Total	12.5	12.6	12.6	13.0	13.2
Leverage	8.5	8.5	8.6	8.6	8.7
Supplementary leverage	7.3	7.3	7.3	7.3	7.4

Capital ratios remained strong compared to the regulatory requirements for well capitalized banks. Truist declared common dividends of $0.52 per share during the fourth quarter of 2022. The dividend payout ratio for the fourth quarter of 2022 was 43%. Truist did not repurchase any shares in the fourth quarter of 2022.

Truist CET1 ratio was 9.0% as of December 31, 2022. The decline compared to the September 30, 2022 CET1 ratio primarily reflects strong loan growth and the BankDirect acquisition.

Truist's average LCR was 112% for the three months ended December 31, 2022, compared to the regulatory minimum of 100%. Truist continues to maintain a strong liquidity position and is well prepared to meet the funding needs of its clients.

ASSET QUALITY

(dollars in millions)	4Q22	3Q22	2Q22	1Q22	4Q21
Total nonperforming assets	$ 1,250	$ 1,240	$ 1,173	$ 1,135	$ 1,163
Total performing TDRs	1,986	1,873	1,693	1,515	1,390
Total loans 90 days past due and still accruing	1,605	1,709	1,787	1,914	1,930
Total loans 30-89 days past due	2,267	1,957	2,091	2,101	2,044
Nonperforming loans and leases as a percentage of loans and leases held for investment	0.36 %	0.35 %	0.36 %	0.36 %	0.38 %
Loans 30-89 days past due and still accruing as a percentage of loans and leases	0.70	0.62	0.69	0.72	0.71
Loans 90 days or more past due and still accruing as a percentage of loans and leases	0.49	0.54	0.59	0.66	0.67
Loans 90 days or more past due and still accruing as a percentage of loans and leases, excluding PPP and other government guaranteed	0.04	0.04	0.04	0.04	0.03
Allowance for loan and lease losses as a percentage of loans and leases held for investment	1.34	1.34	1.38	1.44	1.53
Net charge-offs as a percentage of average loans and leases, annualized	0.34	0.27	0.22	0.25	0.25
Ratio of allowance for loan and lease losses to net charge-offs, annualized	4.05x	4.98x	6.54x	5.78x	6.14x
Ratio of allowance for loan and lease losses to nonperforming loans and leases held for investment	3.68x	3.80x	3.84x	3.99x	4.07x

Nonperforming assets totaled $1.3 billion at December 31, 2022, relatively flat compared to September 30, 2022. Nonperforming loans and leases held for investment were 0.36% of loans and leases held for investment at December 31, 2022, relatively stable compared to September 30, 2022.

Performing TDRs were up $113 million compared to the prior quarter primarily due to increases in the government guaranteed residential mortgage and the indirect auto portfolios.

Loans 90 days or more past due and still accruing totaled $1.6 billion at December 31, 2022, down $104 million, or five basis points as a percentage of loans and leases, compared with the prior quarter primarily due to declines in government guaranteed student loans and government guaranteed residential mortgages. Excluding government guaranteed loans, the ratio of loans 90 days or more past due and still accruing as a percentage of loans and leases was 0.04% at December 31, 2022, flat from September 30, 2022.

Loans 30-89 days past due and still accruing of $2.3 billion at December 31, 2022 were up $310 million, or eight basis points as a percentage of loans and leases, compared to the prior quarter primarily due to a seasonal increase in the consumer portfolios.

Net charge-offs during the fourth quarter totaled $273 million, or 0.34% as a percentage of average loans, and were up seven basis points compared to the prior quarter, primarily driven by seasonality within the consumer portfolio and lower recoveries in the commercial and industrial portfolio.

The allowance for credit losses was $4.6 billion and includes $4.4 billion for the allowance for loan and lease losses and $272 million for the reserve for unfunded commitments. The ALLL ratio was 1.34%, unchanged compared September 30, 2022 as an increase for a moderately slower economic outlook was offset by growth in high-quality loans, including organic growth and the acquisition of the BankDirect portfolio. The ALLL covered nonperforming loans and leases held for investment 3.68X compared to 3.80X at September 30, 2022. At December 31, 2022, the ALLL was 4.05X annualized net charge-offs, compared to 4.98X at September 30, 2022.

SEGMENT RESULTS

(dollars in millions)				Change 4Q22 vs.	
Segment Net Income	4Q22	3Q22	4Q21	3Q22	4Q21
Consumer Banking and Wealth	$ 1,194	$ 976	$ 972	$ 218	$ 222
Corporate and Commercial Banking	1,217	1,180	1,198	37	19
Insurance Holdings	121	94	127	27	(6)
Other, Treasury & Corporate	(850)	(613)	(695)	(237)	(155)
Total net income	$ 1,682	$ 1,637	$ 1,602	$ 45	$ 80

Truist operates and measures business activity across three segments: Consumer Banking and Wealth, Corporate and Commercial Banking, and Insurance Holdings, with functional activities included in Other, Treasury and Corporate. The Company's business segment structure is based on the manner in which financial information is evaluated by management as well as the products and services provided or the type of client served. For additional information, see "Note 21. Operating Segments" of the Annual Report on Form 10-K for the year ended December 31, 2021.

Fourth Quarter 2022 compared to Third Quarter 2022

Consumer Banking and Wealth ("CB&W")

CB&W net income was $1.2 billion for the fourth quarter of 2022, an increase of $218 million compared to the prior quarter. Segment net interest income increased $298 million primarily driven by favorable funding credits on deposits attributable to a higher rate environment and higher average loan balances, partially offset by a decrease in loan spreads and lower average deposit balances. The allocated provision for credit losses increased $28 million primarily due to a moderately slower economic outlook. Noninterest income was relatively stable with higher mortgage banking income offsetting lower wealth income, service charges on deposits, and card and payment related fees. Noninterest expense was essentially flat driven by lower operational losses and marketing and customer development expenses, partially offset by higher personnel expenses and restructuring expenses in the current quarter.

Average loans held for investment increased $3.0 billion, or 2.2%, compared to the prior quarter primarily due to an increase in residential mortgages and other consumer loans, partially offset by runoff in student loans and other partnership lending programs. Average total deposits decreased $6.6 billion, or 2.7%, compared to the prior quarter primarily due to declines in interest-bearing checking and money market and savings deposits as well noninterest-bearing deposits and time deposits.

Corporate and Commercial Banking ("C&CB")

C&CB net income was $1.2 billion for the fourth quarter of 2022, an increase of $37 million compared to the prior quarter. Segment net interest income increased $211 million due to higher funding credit on deposits, higher average loan balances, partially offset by lower deposit balances. The allocated provision for credit losses increased $184 million which reflects a reserve release in the prior quarter as well as loan growth and a moderately slower economic outlook in the current quarter. Noninterest income increased $31 million primarily due to higher investment banking income and lending related fees, partially offset by lower mark-to-market valuations and lower commercial mortgage income. Noninterest expense increased $17 million driven by increased personnel expenses due to strategic hiring.

Average loans held for investment increased $5.7 billion, or 3.4%, compared to the prior quarter primarily due to increases in commercial and industrial loans and commercial construction loans. Average total deposits decreased $570 million, or 0.4%, compared to the prior quarter primarily due to declines in noninterest-bearing deposits, partially offset by increases in money market and savings deposits and interest-bearing checking.

Insurance Holdings ("IH")

IH net income was $121 million for the fourth quarter of 2022, an increase of $27 million compared to the prior quarter. Noninterest income increased $67 million primarily due to seasonality and the BenefitMall acquisition. Noninterest expense increased $41 million primarily due to the BenefitMall acquisition.

Other, Treasury & Corporate ("OT&C")

OT&C generated a net loss of $850 million for the fourth quarter of 2022, compared to a net loss of $613 million for the prior quarter. Net interest income decreased $286 million primarily due to higher funding credit on deposits to other segments largely due to the higher rate environment. The allocated provision for credit losses increased $17 million which reflects a build in the reserve for unfunded commitments in the current quarter. Noninterest income increased $17 million primarily due to valuation changes from assets held for certain post-retirement benefits, which is primarily offset by higher personnel expense. Noninterest expense increased $56 million compared to the prior quarter primarily due to higher merger-related and restructuring charges, personnel expense, and other operating expenses.

Fourth Quarter 2022 compared to Fourth Quarter 2021

Consumer Banking and Wealth

CB&W net income was $1.2 billion for the fourth quarter of 2022, an increase of $222 million compared to the earlier quarter. Segment net interest income increased $674 million primarily driven by favorable funding credit on deposits attributable to the higher rate environment and higher average loan balances, partially offset by decreased loan spreads, lower average deposit balances, and lower purchase accounting accretion. The allocated provision for credit losses increased $252 million reflecting a reserve release in the earlier quarter, and higher loan growth as well as a moderately slower economic outlook in the current quarter. Noninterest income decreased $109 million compared to earlier quarter primarily due to lower mortgage banking income as well as a decline in wealth income. Noninterest expense decreased $26 million compared to the earlier quarter primarily due to lower net occupancy and merger-related and restructuring charges, partially offset by increased personnel expense.

Corporate and Commercial Banking

C&CB net income was $1.2 billion for the fourth quarter of 2022, an increase of $19 million compared to the earlier quarter. Segment net interest income increased $523 million primarily due to higher funding credit on deposits and higher average loan balances, partially offset by lower purchase accounting accretion and lower PPP revenue. The allocated provision for credit losses increased $317 million primarily reflecting an allowance release in the earlier quarter and higher loan growth in the current quarter. Noninterest income decreased $147 million compared to the earlier quarter primarily due to lower investment banking revenue. Noninterest expense increased $13 million compared to the earlier quarter primarily due to higher salaries and equity-based compensation due to strategic hiring, partially offset by decrease in incremental operating expenses related to the merger and lower incentive expense.

Insurance Holdings

IH net income was $121 million for the fourth quarter of 2022, relatively stable compared to the earlier quarter. Noninterest income increased $120 million primarily due to continued organic growth and acquisitions. Noninterest expense increased $135 million primarily due to the impact of acquisitions, investments in new hires and teammates, performance-driven incentive expense, higher merger-related charges related to acquisitions, and an increase in travel and entertainment expense.

Other, Treasury & Corporate

OT&C generated a net loss of $850 million in the fourth quarter of 2022, compared to a net loss of $695 million in the earlier quarter. Net interest income decreased $482 million primarily due to higher funding credit on deposits to other segments, partially offset by higher earnings in the securities portfolio from the higher rate environment. Noninterest income increased $40 million primarily due to valuation changes from assets held for certain post-retirement benefits, which is almost entirely offset in other benefits expense. Noninterest expense decreased $100 million compared to the earlier quarter primarily due to a decrease in incremental operating expenses related to the merger.

Earnings Presentation and Quarterly Performance Summary

Investors can access a live audio webcast of the fourth quarter 2022 earnings conference call at 8 a.m. ET today and view the news release and presentation materials at ir.truist.com under “Events & Presentations.” The conference call can also be accessed by dialing 855-303-0072 and using passcode 100038. A replay of the call will be available on the website for 30 days.

The presentation, including an appendix reconciling non-GAAP disclosures, and Truist’s Fourth Quarter 2022 Quarterly Performance Summary, which contains detailed financial schedules, are available at https://ir.truist.com/earnings.

About Truist

Truist Financial Corporation is a purpose-driven financial services company committed to inspiring and building better lives and communities. Truist has leading market share in many high-growth markets in the country, and offers a wide range of products and services through our retail and small business banking, commercial banking, corporate and investment banking, insurance, wealth management, and specialized lending businesses. Headquartered in Charlotte, North Carolina, Truist is a top 10 U.S. commercial bank with total assets of $555 billion as of December 31, 2022. Truist Bank, Member FDIC. Learn more at Truist.com.

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Capital ratios and return on risk-weighted assets are preliminary.

This news release contains financial information and performance measures determined by methods other than in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Truist’s management uses these “non-GAAP” measures in their analysis of the Corporation’s performance and the efficiency of its operations. Management believes these non-GAAP measures provide a greater understanding of ongoing operations, enhance comparability of results with prior periods and demonstrate the effects of significant items in the current period. The Corporation believes a meaningful analysis of its financial performance requires an understanding of the factors underlying that performance. Truist’s management believes investors may find these non-GAAP financial measures useful. These disclosures should not be viewed as a substitute for financial measures determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Below is a listing of the types of non-GAAP measures used in this news release:

- *Adjusted Performance Measures -The adjusted performance measures, including adjusted diluted EPS, adjusted return on average assets, adjusted return on average common shareholders’ equity, adjusted return on average tangible common shareholders’ equity, adjusted efficiency, adjusted operating leverage, adjusted revenue, and adjusted noninterest expense, are non-GAAP in that they exclude merger-related and restructuring charges, other selected items, and amortization of intangible assets, as applicable to tangible measures. Truist’s management uses these measures in their analysis of the Corporation’s performance. Truist’s management believes these measures provide a greater understanding of ongoing operations and enhance comparability of results with prior periods, as well as demonstrate the effects of significant gains and charges.*
- *Pre-Provision Net Revenue (PPNR) - Pre-provision net revenue is a non-GAAP measure that adjusts net income determined in accordance with GAAP to exclude the impact of the provision for credit losses and provision for income taxes. Adjusted pre-provision net revenue is a non-GAAP measure that additionally excludes securities gains (losses), merger-related and restructuring charges, amortization of intangible assets, and other selected items. Truist’s management believes these measures provide a greater understanding of ongoing operations and enhances comparability of results with prior periods.*
- *Tangible Common Equity and Related Measures - Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. Truist’s management uses these measures to assess profitability, returns relative to balance sheet risk, and shareholder value.*
- *Core NIM - Core net interest margin is a non-GAAP measure that adjusts net interest margin to exclude the impact of purchase accounting. The purchase accounting marks and related amortization for loans, deposits, and long-term debt from SunTrust and other acquisitions are excluded to approximate the yields paid by clients. Truist’s management believes the adjustments to the calculation of net interest margin for certain assets and liabilities acquired provide investors with useful information related to the performance of Truist’s earning assets.*

- *Insurance Holdings Adjusted EBITDA - EBITDA is a non-GAAP measurement of operating profitability that is calculated by adding back interest, taxes, depreciation, and amortization to net income. Truist's management also adds back merger-related and restructuring charges, incremental operating expenses related to the merger, and other selected items. Truist's management uses this measure in its analysis of the Corporation's Insurance Holdings segment. Truist's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*

A reconciliation of each of these non-GAAP measures to the most directly comparable GAAP measure is included in the appendix to Truist's Fourth Quarter 2022 Earnings Presentation, which is available at https://ir.truist.com/earnings.

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, regarding the financial condition, results of operations, business plans and the future performance of Truist. Words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "projects," "may," "will," "should," "would," "could" and other similar expressions are intended to identify these forward-looking statements.

Forward-looking statements are not based on historical facts but instead represent management's expectations and assumptions regarding Truist's business, the economy, and other future conditions. Such statements involve inherent uncertainties, risks, and changes in circumstances that are difficult to predict. As such, Truist's actual results may differ materially from those contemplated by forward-looking statements. While there can be no assurance that any list of risks and uncertainties or risk factors is complete, important factors that could cause actual results to differ materially from those contemplated by forward-looking statements include the following, without limitation, as well as the risks and uncertainties more fully discussed under Part I, Item 1A-Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2021 and in Truist's subsequent filings with the Securities and Exchange Commission:

- *changes in the interest rate environment, including the replacement of LIBOR as an interest rate benchmark, could adversely affect Truist's revenue and expenses, the value of assets and obligations, and the availability and cost of capital, cash flows, and liquidity;*
- *Truist is subject to credit risk by lending or committing to lend money, may have more credit risk and higher credit losses to the extent that loans are concentrated by loan type, industry segment, borrower type or location of the borrower or collateral, and may suffer losses if the value of collateral declines in stressed market conditions;*
- *inability to access short-term funding or liquidity, loss of client deposits or changes in Truist's credit ratings could increase the cost of funding or limit access to capital markets;*
- *general economic or business conditions, either globally, nationally or regionally, may be less favorable than expected, including as a result of supply chain disruptions, inflationary pressures and labor shortages, and instability in global geopolitical matters, including due to an outbreak or escalation of hostilities, or volatility in financial markets could result in, among other things, slower deposit or asset growth, a deterioration in credit quality, or a reduced demand for credit, insurance, or other services;*
- *the monetary and fiscal policies of the federal government and its agencies, including in response to rising inflation, could have a material adverse effect on the economy and Truist's profitability;*
- *the effects of COVID-19 have adversely impacted the Company's operations and financial performance and could have similar adverse impacts in future periods;*
- *risk management oversight functions may not identify or address risks adequately, and management may not be able to effectively manage credit risk;*
- *there are risks resulting from the extensive use of models in Truist's business, which may impact decisions made by management and regulators;*
- *deposit attrition, client loss or revenue loss following completed mergers or acquisitions may be greater than anticipated;*
- *Truist could fail to execute on strategic or operational plans, including the ability to successfully complete or integrate mergers and acquisitions;*
- *increased competition, including from (i) new or existing competitors that could have greater financial resources or be subject to different regulatory standards or compliance costs, and (ii) products and services offered by non-bank financial technology companies, may reduce Truist's client base, cause Truist to lower prices for its products and services in order to maintain market share or otherwise adversely impact Truist's businesses or results of operations;*
- *failure to maintain or enhance Truist's competitive position with respect to new products, services, and technology, whether it fails to anticipate client expectations or because its technological developments fail to perform as desired or do not achieve market acceptance or regulatory approval or for other reasons, may cause Truist to lose market share or incur additional expense;*
- *negative public opinion could damage Truist's reputation and adversely impact business and revenues;*
- *regulatory matters, litigation or other legal actions may result in, among other things, costs, fines, penalties, restrictions on Truist's business activities, reputational harm, negative publicity, or other adverse consequences;*
- *Truist faces substantial legal and operational risks in safeguarding personal information;*
- *evolving legislative, accounting and regulatory standards, including with respect to climate, capital, and liquidity requirements, and results of regulatory examinations may adversely affect Truist's financial condition and results of operations;*
- *increased scrutiny regarding Truist's consumer sales practices, training practices, incentive compensation design, and governance could damage its reputation and adversely impact business and revenues;*

- *accounting policies and processes require management to make estimates about matters that are uncertain, including the potential write down to goodwill if there is an elongated period of decline in market value for Truist's stock and adverse economic conditions are sustained over a period of time;*
- *Truist faces risks related to originating and selling mortgages, including repurchase and indemnity demands from purchasers related to representations and warranties on loans sold, which could result in an increase in the amount of losses for loan repurchases;*
- *there are risks relating to Truist's role as a loan servicer, including an increase in the scope or costs of the services Truist is required to perform without any corresponding increase in servicing fees or a breach of Truist's obligations as servicer;*
- *Truist's success depends on hiring and retaining key teammates, and if these individuals leave or change roles without effective replacements, Truist's operations could be adversely impacted, which could be exacerbated in the increased work-from-home environment as job markets may be less constrained by physical geography;*
- *Truist's operations rely on its ability, and the ability of key external parties, to maintain appropriate-staffed workforces, and on the competence, trustworthiness, health and safety of teammates;*
- *Truist faces the risk of fraud or misconduct by internal or external parties, which Truist may not be able to prevent, detect, or mitigate;*
- *security risks, including denial of service attacks, hacking, social engineering attacks targeting Truist's teammates and clients, malware intrusion, data corruption attempts, system breaches, cyber-attacks, which have increased in frequency with current geopolitical tensions, identity theft, ransomware attacks, and physical security risks, such as natural disasters, environmental conditions, and intentional acts of destruction, could result in the disclosure of confidential information, adversely affect Truist's business or reputation or create significant legal or financial exposure; and*
- *widespread outages of operational, communication, or other systems, whether internal or provided by third parties, natural or other disasters (including acts of terrorism and pandemics), and the effects of climate change, including physical risks, such as more frequent and intense weather events, and risks related to the transition to a lower carbon economy, such as regulatory or technological changes or shifts in market dynamics or consumer preferences, could have an adverse effect on Truist's financial condition and results of operations, lead to material disruption of Truist's operations or the ability or willingness of clients to access Truist's products and services.*

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Except to the extent required by applicable law or regulation, Truist undertakes no obligation to revise or update any forward-looking statements.

Quarterly Performance Summary

Truist Financial Corporation

Fourth Quarter 2022

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Quarterly Performance Summary

Truist Financial Corporation

Financial Highlights

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended December 31 2022	Quarter Ended December 31 2021	% Change	Year-to-Date December 31 2022	Year-to-Date December 31 2021	% Change
Summary Income Statement						
Interest income - taxable equivalent (1)	$ 5,288	$ 3,435	53.9 %	$ 16,779	$ 13,882	20.9 %
Interest expense	1,257	168	NM	2,321	768	NM
Net interest income - taxable equivalent	4,031	3,267	23.4	14,458	13,114	10.2
Less: Taxable-equivalent adjustment	50	24	108.3	142	108	31.5
Net interest income	3,981	3,243	22.8	14,316	13,006	10.1
Provision for credit losses	467	(103)	NM	777	(813)	(195.6)
Net interest income after provision for credit losses	3,514	3,346	5.0	13,539	13,819	(2.0)
Noninterest income	2,227	2,323	(4.1)	8,719	9,290	(6.1)
Noninterest expense	3,722	3,700	0.6	14,589	15,116	(3.5)
Income before income taxes	2,019	1,969	2.5	7,669	7,993	(4.1)
Provision for income taxes	337	367	(8.2)	1,402	1,556	(9.9)
Net income	1,682	1,602	5.0	6,267	6,437	(2.6)
Noncontrolling interests	1	—	NM	7	(3)	NM
Net income available to the bank holding company	1,681	1,602	4.9	6,260	6,440	(2.8)
Preferred stock dividends and other	71	78	(9.0)	333	407	(18.2)
Net income available to common shareholders	1,610	1,524	5.6	5,927	6,033	(1.8)
Per Common Share Data						
Earnings per share-basic	$ 1.21	$ 1.15	5.2 %	$ 4.46	$ 4.51	(1.1)%
Earnings per share-diluted	1.20	1.13	6.2	4.43	4.47	(0.9)
Earnings per share-adjusted diluted (2)	1.30	1.38	(5.8)	4.96	5.53	(10.3)
Cash dividends declared	0.52	0.48	8.3	2.00	1.86	7.5
Common shareholders' equity	40.58	47.14	(13.9)	40.58	47.14	(13.9)
Tangible common shareholders' equity (2)	18.04	25.47	(29.2)	18.04	25.47	(29.2)
End of period shares outstanding	1,326,829	1,327,818	(0.1)	1,326,829	1,327,818	(0.1)
Weighted average shares outstanding-basic	1,326,787	1,329,979	(0.2)	1,328,120	1,337,144	(0.7)
Weighted average shares outstanding-diluted	1,337,338	1,343,029	(0.4)	1,338,462	1,349,378	(0.8)
Performance Ratios						
Return on average assets	1.21 %	1.19 %		1.15 %	1.23 %	
Return on average risk-weighted assets (current period is preliminary)	1.56	1.64		1.52	1.69	
Return on average common shareholders' equity	11.7	9.8		10.4	9.7	
Return on average tangible common shareholders' equity (2)	27.6	18.9		22.9	18.4	
Net interest margin - taxable equivalent	3.25	2.76		3.01	2.86	
Fee income ratio	35.9	41.7		37.9	41.7	
Efficiency ratio-GAAP	60.0	66.5		63.3	67.8	
Efficiency ratio-adjusted (2)	54.2	56.0		56.4	56.7	
Credit Quality						
Nonperforming assets as a percentage of:						
Assets, including LHFS	0.23 %	0.21 %		0.23 %	0.21 %	
Loans and leases plus foreclosed property	0.38	0.39		0.38	0.39	
Net charge-offs as a percentage of average loans and leases	0.34	0.25		0.27	0.24	
Allowance for loan and lease losses as a percentage of LHFI	1.34	1.53		1.34	1.53	
Ratio of allowance for loan and lease losses to nonperforming LHFI	3.68x	4.07x		3.68x	4.07x	
Average Balances						
Assets	$ 552,959	$ 534,911	3.4 %	$ 543,830	$ 522,385	4.1 %
Securities (3)	142,433	153,405	(7.2)	147,266	139,497	5.6
Loans and leases	322,733	291,074	10.9	306,835	293,448	4.6
Deposits	413,276	410,966	0.6	418,090	398,372	4.9
Common shareholders' equity	54,823	61,807	(11.3)	57,124	62,112	(8.0)
Total shareholders' equity	61,519	68,480	(10.2)	63,817	69,133	(7.7)
Period-End Balances						
Assets	$ 555,255	$ 541,241	2.6 %			
Securities (3)	129,514	154,617	(16.2)			
Loans and leases	327,435	294,325	11.2			
Deposits	413,495	416,488	(0.7)			
Common shareholders' equity	53,841	62,598	(14.0)			
Total shareholders' equity	60,537	69,271	(12.6)			
Capital Ratios (current quarter is preliminary)						
Common equity Tier 1	9.0 %	9.6 %				
Tier 1	10.5	11.3				
Total	12.5	13.2				
Leverage	8.5	8.7				
Supplementary leverage	7.3	7.4				

Applicable ratios are annualized.

NM - not meaningful

(1) Interest income includes certain fees, deferred costs, fair value mark accretion, and dividends.

(2) Represents a non-GAAP measure. See the calculations and management's reasons for using these measures in the Non-GAAP Reconciliations and Preliminary Capital Information - Five Quarter Trend sections of this supplement.

(3) Includes AFS and HTM securities. Average balances reflect both AFS and HTM securities at amortized cost. Period-end balances reflect AFS securities at fair value and HTM securities at amortized cost.

Financial Highlights - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Summary Income Statement					
Interest income - taxable equivalent (1)	$ 5,288	$ 4,407	$ 3,701	$ 3,383	$ 3,435
Interest expense	1,257	624	266	174	168
Net interest income - taxable equivalent	4,031	3,783	3,435	3,209	3,267
Less: Taxable-equivalent adjustment	50	38	28	26	24
Net interest income	3,981	3,745	3,407	3,183	3,243
Provision for credit losses	467	234	171	(95)	(103)
Net interest income after provision for credit losses	3,514	3,511	3,236	3,278	3,346
Noninterest income	2,227	2,102	2,248	2,142	2,323
Noninterest expense	3,722	3,613	3,580	3,674	3,700
Income before income taxes	2,019	2,000	1,904	1,746	1,969
Provision for income taxes	337	363	372	330	367
Net income	1,682	1,637	1,532	1,416	1,602
Noncontrolling interests	1	4	1	1	—
Net income available to the bank holding company	1,681	1,633	1,531	1,415	1,602
Preferred stock dividends and other	71	97	77	88	78
Net income available to common shareholders	1,610	1,536	1,454	1,327	1,524
Per Common Share Data					
Earnings per share-basic	$ 1.21	$ 1.16	$ 1.09	$ 1.00	$ 1.15
Earnings per share-diluted	1.20	1.15	1.09	0.99	1.13
Earnings per share-adjusted diluted (2)	1.30	1.24	1.20	1.23	1.38
Cash dividends declared	0.52	0.52	0.48	0.48	0.48
Common shareholders' equity	40.58	40.79	42.45	43.82	47.14
Tangible common shareholders' equity (2)	18.04	18.36	20.51	21.87	25.47
End of period shares outstanding	1,326,829	1,326,766	1,326,393	1,331,414	1,327,818
Weighted average shares outstanding-basic	1,326,787	1,326,539	1,330,160	1,329,037	1,329,979
Weighted average shares outstanding-diluted	1,337,338	1,336,659	1,338,864	1,341,563	1,343,029
Performance Ratios					
Return on average assets	1.21 %	1.19 %	1.14 %	1.07 %	1.19 %
Return on average risk-weighted assets (current quarter is preliminary)	1.56	1.56	1.52	1.46	1.64
Return on average common shareholders' equity	11.7	10.7	10.3	9.0	9.8
Return on average tangible common shareholders' equity (2)	27.6	23.5	22.7	18.6	18.9
Net interest margin - taxable equivalent	3.25	3.12	2.89	2.76	2.76
Fee income ratio	35.9	36.0	39.7	40.2	41.7
Efficiency ratio-GAAP	60.0	61.8	63.3	69.0	66.5
Efficiency ratio-adjusted (2)	54.2	56.4	57.0	58.3	56.0
Credit Quality					
Nonperforming assets as a percentage of:					
Assets, including LHFS	0.23 %	0.23 %	0.22 %	0.21 %	0.21 %
Loans and leases plus foreclosed property	0.38	0.37	0.38	0.38	0.39
Net charge-offs as a percentage of average loans and leases	0.34	0.27	0.22	0.25	0.25
Allowance for loan and lease losses as a percentage of LHFI	1.34	1.34	1.38	1.44	1.53
Ratio of allowance for loan and lease losses to nonperforming LHFI	3.68x	3.80x	3.84x	3.99x	4.07x
Average Balances					
Assets	$ 552,959	$ 545,606	$ 540,568	$ 535,981	$ 534,911
Securities (3)	142,433	145,396	148,681	152,687	153,405
Loans and leases	322,733	311,876	299,861	292,484	291,074
Deposits	413,276	420,096	423,750	415,238	410,966
Common shareholders' equity	54,823	56,813	56,803	60,117	61,807
Total shareholders' equity	61,519	63,510	63,500	66,798	68,480
Period-End Balances					
Assets	$ 555,255	$ 548,438	$ 545,123	$ 543,979	$ 541,241
Securities (3)	129,514	131,732	139,359	146,415	154,617
Loans and leases	327,435	316,639	307,300	294,248	294,325
Deposits	413,495	415,992	424,759	428,328	416,488
Common shareholders' equity	53,841	54,115	56,302	58,348	62,598
Total shareholders' equity	60,537	60,811	62,999	65,044	69,271
Capital Ratios (current quarter is preliminary)					
Common equity Tier 1	9.0 %	9.1 %	9.2 %	9.4 %	9.6 %
Tier 1	10.5	10.7	10.8	11.0	11.3
Total	12.5	12.6	12.6	13.0	13.2
Leverage	8.5	8.5	8.6	8.6	8.7
Supplementary leverage	7.3	7.3	7.3	7.3	7.4

Applicable ratios are annualized.

(1) Interest income includes certain fees, deferred costs, fair value mark accretion, and dividends.

(2) Represents a non-GAAP measure. See the calculations and management's reasons for using these measures in the Non-GAAP Reconciliations and Preliminary Capital Information - Five Quarter Trend sections of this supplement.

(3) Includes AFS and HTM securities. Average balances reflect both AFS and HTM securities at amortized cost. Period-end balances reflect AFS securities at fair value and HTM securities at amortized cost.

Consolidated Statements of Income

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended Dec. 31 2022	Quarter Ended Dec. 31 2021	Change $	Change %	Year-to-Date Dec. 31 2022	Year-to-Date Dec. 31 2021	Change $	Change %
Interest Income								
Interest and fees on loans and leases	$ 4,220	$ 2,753	$ 1,467	53.3 %	$ 13,252	$ 11,481	$ 1,771	15.4 %
Interest on securities	739	602	137	22.8	2,763	2,090	673	32.2
Interest on other earning assets	279	56	223	NM	622	203	419	NM
Total interest income	5,238	3,411	1,827	53.6	16,637	13,774	2,863	20.8
Interest Expense								
Interest on deposits	683	32	651	NM	1,145	148	997	NM
Interest on long-term debt	332	127	205	161.4	791	573	218	38.0
Interest on other borrowings	242	9	233	NM	385	47	338	NM
Total interest expense	1,257	168	1,089	NM	2,321	768	1,553	NM
Net Interest Income	3,981	3,243	738	22.8	14,316	13,006	1,310	10.1
Provision for credit losses	467	(103)	570	NM	777	(813)	1,590	(195.6)
Net Interest Income After Provision for Credit Losses	3,514	3,346	168	5.0	13,539	13,819	(280)	(2.0)
Noninterest Income								
Insurance income	766	666	100	15.0	3,043	2,627	416	15.8
Wealth management income	324	350	(26)	(7.4)	1,338	1,392	(54)	(3.9)
Investment banking and trading income	257	377	(120)	(31.8)	995	1,441	(446)	(31.0)
Service charges on deposits	257	273	(16)	(5.9)	1,026	1,060	(34)	(3.2)
Card and payment related fees	245	224	21	9.4	944	874	70	8.0
Mortgage banking income	117	204	(87)	(42.6)	460	734	(274)	(37.3)
Lending related fees	110	81	29	35.8	375	349	26	7.4
Operating lease income	68	71	(3)	(4.2)	258	262	(4)	(1.5)
Securities gains (losses)	—	—	—	—	(71)	—	(71)	NM
Other income	83	77	6	7.8	351	551	(200)	(36.3)
Total noninterest income	2,227	2,323	(96)	(4.1)	8,719	9,290	(571)	(6.1)
Noninterest Expense								
Personnel expense	2,198	2,096	102	4.9	8,467	8,632	(165)	(1.9)
Professional fees and outside processing	347	379	(32)	(8.4)	1,411	1,442	(31)	(2.1)
Software expense	241	238	3	1.3	932	945	(13)	(1.4)
Net occupancy expense	179	186	(7)	(3.8)	744	764	(20)	(2.6)
Amortization of intangibles	163	143	20	14.0	583	574	9	1.6
Equipment expense	124	124	—	—	478	513	(35)	(6.8)
Marketing and customer development	70	68	2	2.9	352	294	58	19.7
Operating lease depreciation	44	46	(2)	(4.3)	184	190	(6)	(3.2)
Regulatory costs	52	38	14	36.8	183	137	46	33.6
Merger-related and restructuring charges	114	212	(98)	(46.2)	513	822	(309)	(37.6)
Other expense	190	170	20	11.8	742	803	(61)	(7.6)
Total noninterest expense	3,722	3,700	22	0.6	14,589	15,116	(527)	(3.5)
Earnings								
Income before income taxes	2,019	1,969	50	2.5	7,669	7,993	(324)	(4.1)
Provision for income taxes	337	367	(30)	(8.2)	1,402	1,556	(154)	(9.9)
Net income	1,682	1,602	80	5.0	6,267	6,437	(170)	(2.6)
Noncontrolling interests	1	—	1	NM	7	(3)	10	NM
Net income available to the bank holding company	1,681	1,602	79	4.9	6,260	6,440	(180)	(2.8)
Preferred stock dividends and other	71	78	(7)	(9.0)	333	407	(74)	(18.2)
Net income available to common shareholders	$ 1,610	$ 1,524	$ 86	5.6 %	$ 5,927	$ 6,033	$ (106)	(1.8)%
Earnings Per Common Share								
Basic	$ 1.21	$ 1.15	$ 0.06	5.2 %	$ 4.46	$ 4.51	$ (0.05)	(1.1)%
Diluted	1.20	1.13	0.07	6.2	4.43	4.47	(0.04)	(0.9)
Weighted Average Shares Outstanding								
Basic	1,326,787	1,329,979	(3,192)	(0.2)	1,328,120	1,337,144	(9,024)	(0.7)
Diluted	1,337,338	1,343,029	(5,691)	(0.4)	1,338,462	1,349,378	(10,916)	(0.8)

NM - not meaningful

In 4Q22, the Company combined residential mortgage income and commercial mortgage income. Further, the Company collapsed income from bank-owned life insurances into other income and loan-related expense and loss (gain) on early extinguishment of debt into other expense. Prior periods were restated to conform to the current presentation.

Consolidated Statements of Income - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Interest Income					
Interest and fees on loans and leases	$ 4,220	$ 3,490	$ 2,898	$ 2,644	$ 2,753
Interest on securities	739	709	675	640	602
Interest on other earning assets	279	170	100	73	56
Total interest income	5,238	4,369	3,673	3,357	3,411
Interest Expense					
Interest on deposits	683	331	99	32	32
Interest on long-term debt	332	190	137	132	127
Interest on other borrowings	242	103	30	10	9
Total interest expense	1,257	624	266	174	168
Net Interest Income	3,981	3,745	3,407	3,183	3,243
Provision for credit losses	467	234	171	(95)	(103)
Net Interest Income After Provision for Credit Losses	3,514	3,511	3,236	3,278	3,346
Noninterest Income					
Insurance income	766	725	825	727	666
Wealth management income	324	334	337	343	350
Investment banking and trading income	257	222	255	261	377
Service charges on deposits	257	263	254	252	273
Card and payment related fees	245	241	246	212	224
Mortgage banking income	117	122	100	121	204
Lending related fees	110	80	100	85	81
Operating lease income	68	66	66	58	71
Securities gains (losses)	—	(1)	(1)	(69)	—
Other income	83	50	66	152	77
Total noninterest income	2,227	2,102	2,248	2,142	2,323
Noninterest Expense					
Personnel expense	2,198	2,116	2,102	2,051	2,096
Professional fees and outside processing	347	352	349	363	379
Software expense	241	225	234	232	238
Net occupancy expense	179	176	181	208	186
Amortization of intangibles	163	140	143	137	143
Equipment expense	124	122	114	118	124
Marketing and customer development	70	105	93	84	68
Operating lease depreciation	44	45	47	48	46
Regulatory costs	52	52	44	35	38
Merger-related and restructuring charges	114	62	121	216	212
Other expense	190	218	152	182	170
Total noninterest expense	3,722	3,613	3,580	3,674	3,700
Earnings					
Income before income taxes	2,019	2,000	1,904	1,746	1,969
Provision for income taxes	337	363	372	330	367
Net income	1,682	1,637	1,532	1,416	1,602
Noncontrolling interests	1	4	1	1	—
Net income available to the bank holding company	1,681	1,633	1,531	1,415	1,602
Preferred stock dividends and other	71	97	77	88	78
Net income available to common shareholders	$ 1,610	$ 1,536	$ 1,454	$ 1,327	$ 1,524
Earnings Per Common Share					
Basic	$ 1.21	$ 1.16	$ 1.09	$ 1.00	$ 1.15
Diluted	1.20	1.15	1.09	0.99	1.13
Weighted Average Shares Outstanding					
Basic	1,326,787	1,326,539	1,330,160	1,329,037	1,329,979
Diluted	1,337,338	1,336,659	1,338,864	1,341,563	1,343,029

In 4Q22, the Company combined residential mortgage income and commercial mortgage income. Further, the Company collapsed income from bank-owned life insurances into other income and loan-related expense and loss (gain) on early extinguishment of debt into other expense. Prior periods were restated to conform to the current presentation.

Consolidated Ending Balance Sheets - Five Quarter Trend

(Dollars in millions)	Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Assets					
Cash and due from banks	$ 5,379	$ 5,031	$ 5,511	$ 5,516	$ 5,085
Interest-bearing deposits with banks	16,042	17,194	17,602	23,606	15,210
Securities borrowed or purchased under resale agreements	3,181	2,568	2,650	2,322	4,028
Trading assets at fair value	4,905	5,864	5,230	5,920	4,423
Securities available for sale at fair value	71,801	72,978	79,278	84,753	153,123
Securities held to maturity at amortized cost	57,713	58,754	60,081	61,662	1,494
Loans and leases:					
Commercial:					
Commercial and industrial	164,307	153,615	149,840	141,060	138,762
CRE	22,676	22,493	22,149	22,774	23,951
Commercial construction	5,849	5,568	5,157	5,220	4,971
Consumer:					
Residential mortgage	56,645	55,529	50,903	48,171	47,852
Residential home equity and direct	25,432	25,657	25,345	24,853	25,066
Indirect auto	27,951	28,239	27,419	25,756	26,441
Indirect other	12,977	12,683	11,961	11,043	10,883
Student	5,287	5,780	6,144	6,514	6,780
Credit card	4,867	4,771	4,744	4,690	4,807
Total loans and leases held for investment	325,991	314,335	303,662	290,081	289,513
Loans held for sale	1,444	2,304	3,638	4,167	4,812
Total loans and leases	327,435	316,639	307,300	294,248	294,325
Allowance for loan and lease losses	(4,377)	(4,205)	(4,187)	(4,170)	(4,435)
Premises and equipment	3,605	3,585	3,682	3,662	3,700
Goodwill	27,013	26,810	26,299	26,284	26,098
Core deposit and other intangible assets	3,672	3,726	3,535	3,693	3,408
Loan servicing rights at fair value	3,758	3,797	3,466	3,013	2,633
Other assets	35,128	35,697	34,676	33,470	32,149
Total assets	$ 555,255	$ 548,438	$ 545,123	$ 543,979	$ 541,241
Liabilities					
Deposits:					
Noninterest-bearing deposits	$ 135,742	$ 144,826	$ 147,752	$ 150,446	$ 145,892
Interest checking	110,464	110,397	114,143	119,572	115,754
Money market and savings	143,815	146,315	149,302	143,834	138,956
Time deposits	23,474	14,454	13,562	14,476	15,886
Total deposits	413,495	415,992	424,759	428,328	416,488
Short-term borrowings	23,422	25,687	13,736	5,147	5,292
Long-term debt	43,203	31,172	30,319	33,773	35,913
Other liabilities	14,598	14,776	13,310	11,687	14,277
Total liabilities	494,718	487,627	482,124	478,935	471,970
Shareholders' Equity:					
Preferred stock	6,673	6,673	6,673	6,673	6,673
Common stock	6,634	6,634	6,632	6,657	6,639
Additional paid-in capital	34,544	34,487	34,410	34,539	34,565
Retained earnings	26,264	25,344	24,500	23,687	22,998
Accumulated other comprehensive loss	(13,601)	(12,350)	(9,240)	(6,535)	(1,604)
Noncontrolling interests	23	23	24	23	—
Total shareholders' equity	60,537	60,811	62,999	65,044	69,271
Total liabilities and shareholders' equity	$ 555,255	$ 548,438	$ 545,123	$ 543,979	$ 541,241

Average Balance Sheets

(Dollars in millions)	Quarter Ended December 31 2022	Quarter Ended December 31 2021	Change $	Change %	Year-to-Date December 31 2022	Year-to-Date December 31 2021	Change $	Change %
Assets								
Securities at amortized cost (1):								
U.S. Treasury	$ 10,989	$ 9,891	$ 1,098	11.1 %	$ 10,591	$ 7,633	$ 2,958	38.8 %
U.S. government-sponsored entities (GSE)	325	1,686	(1,361)	(80.7)	498	1,799	(1,301)	(72.3)
Mortgage-backed securities issued by GSE	126,718	137,651	(10,933)	(7.9)	131,669	128,306	3,363	2.6
States and political subdivisions	426	410	16	3.9	392	429	(37)	(8.6)
Non-agency mortgage-backed	3,953	3,738	215	5.8	4,072	1,299	2,773	NM
Other	22	29	(7)	(24.1)	44	31	13	41.9
Total securities	142,433	153,405	(10,972)	(7.2)	147,266	139,497	7,769	5.6
Loans and leases:								
Commercial:								
Commercial and industrial	159,308	134,804	24,504	18.2	149,030	137,304	11,726	8.5
CRE	22,497	24,396	(1,899)	(7.8)	22,697	25,269	(2,572)	(10.2)
Commercial construction	5,711	5,341	370	6.9	5,326	6,053	(727)	(12.0)
Consumer:								
Residential mortgage	56,292	47,185	9,107	19.3	51,721	45,500	6,221	13.7
Residential home equity and direct	25,518	25,146	372	1.5	25,232	25,319	(87)	(0.3)
Indirect auto	28,117	26,841	1,276	4.8	27,197	26,621	576	2.2
Indirect other	12,848	10,978	1,870	17.0	11,876	10,935	941	8.6
Student	5,533	6,884	(1,351)	(19.6)	6,114	7,251	(1,137)	(15.7)
Credit card	4,842	4,769	73	1.5	4,753	4,650	103	2.2
Total loans and leases held for investment	320,666	286,344	34,322	12.0	303,946	288,902	15,044	5.2
Loans held for sale	2,067	4,730	(2,663)	(56.3)	2,889	4,546	(1,657)	(36.4)
Total loans and leases	322,733	291,074	31,659	10.9	306,835	293,448	13,387	4.6
Interest earning trading assets	5,717	6,772	(1,055)	(15.6)	5,767	5,602	165	2.9
Other earning assets	21,922	19,634	2,288	11.7	20,429	19,498	931	4.8
Total earning assets	492,805	470,885	21,920	4.7	480,297	458,045	22,252	4.9
Nonearning assets	60,154	64,026	(3,872)	(6.0)	63,533	64,340	(807)	(1.3)
Total assets	$ 552,959	$ 534,911	$ 18,048	3.4 %	$ 543,830	$ 522,385	$ 21,445	4.1 %
Liabilities and Shareholders' Equity								
Deposits:								
Noninterest-bearing deposits	$ 141,032	$ 146,492	$ (5,460)	(3.7)%	$ 145,392	$ 138,733	$ 6,659	4.8 %
Interest checking	110,001	110,506	(505)	(0.5)	111,539	107,311	4,228	3.9
Money market and savings	144,730	137,676	7,054	5.1	145,645	134,303	11,342	8.4
Time deposits	17,513	16,292	1,221	7.5	15,514	18,025	(2,511)	(13.9)
Total deposits	413,276	410,966	2,310	0.6	418,090	398,372	19,718	4.9
Short-term borrowings	25,640	6,433	19,207	NM	14,957	6,170	8,787	142.4
Long-term debt	38,700	37,623	1,077	2.9	34,172	37,410	(3,238)	(8.7)
Other liabilities	13,824	11,409	2,415	21.2	12,794	11,300	1,494	13.2
Total liabilities	491,440	466,431	25,009	5.4	480,013	453,252	26,761	5.9
Shareholders' equity	61,519	68,480	(6,961)	(10.2)	63,817	69,133	(5,316)	(7.7)
Total liabilities and shareholders' equity	$ 552,959	$ 534,911	$ 18,048	3.4 %	$ 543,830	$ 522,385	$ 21,445	4.1 %

Average balances exclude basis adjustments for fair value hedges.

(1) Includes AFS and HTM securities.

NM - not meaningful

Average Balance Sheets - Five Quarter Trend

	Quarter Ended				
(Dollars in millions)	Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Assets					
Securities at amortized cost (1):					
U.S. Treasury	$ 10,989	$ 10,925	$ 10,544	$ 9,890	$ 9,891
U.S. government-sponsored entities (GSE)	325	305	255	1,120	1,686
Mortgage-backed securities issued by GSE	126,718	129,703	133,339	137,052	137,651
States and political subdivisions	426	395	371	374	410
Non-agency mortgage-backed	3,953	4,016	4,097	4,224	3,738
Other	22	52	75	27	29
Total securities	142,433	145,396	148,681	152,687	153,405
Loans and leases:					
Commercial:					
Commercial and industrial	159,308	152,123	145,558	138,872	134,804
CRE	22,497	22,245	22,508	23,555	24,396
Commercial construction	5,711	5,284	5,256	5,046	5,341
Consumer:					
Residential mortgage	56,292	53,271	49,237	47,976	47,185
Residential home equity and direct	25,518	25,394	25,124	24,883	25,146
Indirect auto	28,117	28,057	26,496	26,088	26,841
Indirect other	12,848	12,300	11,471	10,860	10,978
Student	5,533	5,958	6,331	6,648	6,884
Credit card	4,842	4,755	4,728	4,682	4,769
Total loans and leases held for investment	320,666	309,387	296,709	288,610	286,344
Loans held for sale	2,067	2,489	3,152	3,874	4,730
Total loans and leases	322,733	311,876	299,861	292,484	291,074
Interest earning trading assets	5,717	5,446	6,073	5,837	6,772
Other earning assets	21,922	19,631	21,203	18,932	19,634
Total earning assets	492,805	482,349	475,818	469,940	470,885
Nonearning assets	60,154	63,257	64,750	66,041	64,026
Total assets	$ 552,959	$ 545,606	$ 540,568	$ 535,981	$ 534,911
Liabilities and Shareholders' Equity					
Deposits:					
Noninterest-bearing deposits	$ 141,032	$ 146,041	$ 148,610	$ 145,933	$ 146,492
Interest checking	110,001	111,645	112,375	112,159	110,506
Money market and savings	144,730	147,659	148,632	141,500	137,676
Time deposits	17,513	14,751	14,133	15,646	16,292
Total deposits	413,276	420,096	423,750	415,238	410,966
Short-term borrowings	25,640	17,392	9,618	6,944	6,433
Long-term debt	38,700	31,381	31,263	35,337	37,623
Other liabilities	13,824	13,227	12,437	11,664	11,409
Total liabilities	491,440	482,096	477,068	469,183	466,431
Shareholders' equity	61,519	63,510	63,500	66,798	68,480
Total liabilities and shareholders' equity	$ 552,959	$ 545,606	$ 540,568	$ 535,981	$ 534,911

Average balances exclude basis adjustments for fair value hedges.

(1) Includes AFS and HTM securities.

Average Balances and Rates - Quarters

(Dollars in millions)	Quarter Ended					
	December 31, 2022			September 30, 2022		
	(1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates	(1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates
Assets						
Securities at amortized cost (3):						
U.S. Treasury	$ 10,989	$ 27	0.98 %	$ 10,925	$ 26	0.93 %
U.S. government-sponsored entities (GSE)	325	3	2.47	305	1	2.56
Mortgage-backed securities issued by GSE	126,718	682	2.16	129,703	655	2.02
States and political subdivisions	426	4	4.03	395	4	3.92
Non-agency mortgage-backed	3,953	23	2.33	4,016	24	2.32
Other	22	1	4.44	52	—	3.94
Total securities	142,433	740	2.08	145,396	710	1.95
Loans and leases:						
Commercial:						
Commercial and industrial	159,308	2,098	5.23	152,123	1,564	4.08
CRE	22,497	314	5.51	22,245	245	4.32
Commercial construction	5,711	88	6.25	5,284	62	4.83
Consumer:						
Residential mortgage	56,292	514	3.65	53,271	478	3.59
Residential home equity and direct	25,518	402	6.25	25,394	361	5.64
Indirect auto	28,117	396	5.59	28,057	382	5.40
Indirect other	12,848	209	6.46	12,300	200	6.46
Student	5,533	90	6.42	5,958	85	5.64
Credit card	4,842	127	10.38	4,755	119	9.97
Total loans and leases held for investment	320,666	4,238	5.25	309,387	3,496	4.49
Loans held for sale	2,067	31	6.08	2,489	30	4.81
Total loans and leases	322,733	4,269	5.26	311,876	3,526	4.49
Interest earning trading assets	5,717	79	5.60	5,446	62	4.49
Other earning assets	21,922	200	3.60	19,631	109	2.24
Total earning assets	492,805	5,288	4.27	482,349	4,407	3.63
Nonearning assets	60,154			63,257		
Total assets	$ 552,959			$ 545,606		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
Interest checking	$ 110,001	304	1.10	$ 111,645	158	0.56
Money market and savings	144,730	316	0.87	147,659	159	0.43
Time deposits	17,513	63	1.42	14,751	14	0.40
Total interest-bearing deposits (4)	272,244	683	1.00	274,055	331	0.48
Short-term borrowings	25,640	242	3.75	17,392	103	2.34
Long-term debt	38,700	332	3.42	31,381	190	2.43
Total interest-bearing liabilities	336,584	1,257	1.48	322,828	624	0.77
Noninterest-bearing deposits (4)	141,032			146,041		
Other liabilities	13,824			13,227		
Shareholders' equity	61,519			63,510		
Total liabilities and shareholders' equity	$ 552,959			$ 545,606		
Average interest-rate spread			2.79			2.86
Net interest income/ net interest margin - taxable equivalent		$ 4,031	3.25 %		$ 3,783	3.12 %
Taxable-equivalent adjustment		$ 50			$ 38	

Applicable ratios are annualized.

(1) Excludes basis adjustments for fair value hedges.

(2) Amounts are on a taxable-equivalent basis utilizing the federal income tax rate of 21% for the periods presented. Interest income includes certain fees, deferred costs, and dividends.

(3) Includes AFS and HTM securities.

(4) Total deposit costs were 0.66% and 0.31% for the three months ended December 31, 2022 and September 30, 2022, respectively.

Average Balances and Rates - Quarters

(Dollars in millions)	June 30, 2022 (1) Average Balances	June 30, 2022 (2) Interest Income/ Expense	June 30, 2022 (2) Yields/ Rates	March 31, 2022 (1) Average Balances	March 31, 2022 (2) Interest Income/ Expense	March 31, 2022 (2) Yields/ Rates	December 31, 2021 (1) Average Balances	December 31, 2021 (2) Interest Income/ Expense	December 31, 2021 (2) Yields/ Rates
Assets									
Securities at amortized cost (3):									
U.S. Treasury	$ 10,544	$ 22	0.86 %	$ 9,890	$ 18	0.72 %	$ 9,891	$ 18	0.72 %
U.S. government-sponsored entities (GSE)	255	1	1.96	1,120	6	2.13	1,686	9	2.20
Mortgage-backed securities issued by GSE	133,339	625	1.88	137,052	590	1.72	137,651	552	1.60
States and political subdivisions	371	4	3.83	374	3	3.72	410	3	3.60
Non-agency mortgage-backed	4,097	23	2.30	4,224	24	2.25	3,738	20	2.23
Other	75	1	3.66	27	—	2.04	29	1	1.90
Total securities	148,681	676	1.82	152,687	641	1.68	153,405	603	1.57
Loans and leases:									
Commercial:									
Commercial and industrial	145,558	1,174	3.24	138,872	987	2.88	134,804	986	2.90
CRE	22,508	193	3.41	23,555	168	2.84	24,396	175	2.81
Commercial construction	5,256	43	3.46	5,046	35	3.05	5,341	38	2.96
Consumer:									
Residential mortgage	49,237	440	3.58	47,976	428	3.57	47,185	453	3.84
Residential home equity and direct	25,124	329	5.25	24,883	330	5.38	25,146	352	5.55
Indirect auto	26,496	362	5.47	26,088	357	5.56	26,841	389	5.75
Indirect other	11,471	180	6.27	10,860	169	6.32	10,978	176	6.42
Student	6,331	66	4.20	6,648	63	3.86	6,884	70	4.07
Credit card	4,728	105	8.91	4,682	104	8.97	4,769	105	8.69
Total loans and leases held for investment	296,709	2,892	3.91	288,610	2,641	3.70	286,344	2,744	3.81
Loans held for sale	3,152	33	4.20	3,874	28	2.87	4,730	32	2.66
Total loans and leases	299,861	2,925	3.91	292,484	2,669	3.69	291,074	2,776	3.79
Interest earning trading assets	6,073	55	3.55	5,837	43	3.04	6,772	46	2.72
Other earning assets	21,203	45	0.85	18,932	30	0.63	19,634	10	0.20
Total earning assets	475,818	3,701	3.12	469,940	3,383	2.90	470,885	3,435	2.90
Nonearning assets	64,750			66,041			64,026		
Total assets	$ 540,568			$ 535,981			$ 534,911		
Liabilities and Shareholders' Equity									
Interest-bearing deposits:									
Interest checking	$ 112,375	43	0.15	$ 112,159	14	0.05	$ 110,506	15	0.05
Money market and savings	148,632	50	0.13	141,500	11	0.03	137,676	8	0.03
Time deposits	14,133	6	0.17	15,646	7	0.18	16,292	9	0.21
Total interest-bearing deposits (4)	275,140	99	0.14	269,305	32	0.05	264,474	32	0.05
Short-term borrowings	9,618	30	1.26	6,944	10	0.60	6,433	9	0.55
Long-term debt	31,263	137	1.75	35,337	132	1.50	37,623	127	1.35
Total interest-bearing liabilities	316,021	266	0.34	311,586	174	0.22	308,530	168	0.22
Noninterest-bearing deposits (4)	148,610			145,933			146,492		
Other liabilities	12,437			11,664			11,409		
Shareholders' equity	63,500			66,798			68,480		
Total liabilities and shareholders' equity	$ 540,568			$ 535,981			$ 534,911		
Average interest-rate spread			2.78			2.68			2.68
Net interest income/ net interest margin - taxable equivalent		$ 3,435	2.89 %		$ 3,209	2.76 %		$ 3,267	2.76 %
Taxable-equivalent adjustment		$ 28			$ 26			$ 24	

Applicable ratios are annualized.

(1) Excludes basis adjustments for fair value hedges.

(2) Amounts are on a taxable-equivalent basis utilizing the federal income tax rate of 21% for the periods presented. Interest income includes certain fees, deferred costs, and dividends.

(3) Includes AFS and HTM securities.

(4) Total deposit costs were 0.09%, 0.03%, and 0.03% for the three months ended June 30, 2022, March 31, 2022, and December 31, 2021, respectively.

Average Balances and Rates - Year-To-Date

(Dollars in millions)	Year-to-Date December 31, 2022 (1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates	December 31, 2021 (1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates
Assets						
Securities at amortized cost (3):						
U.S. Treasury	$ 10,591	$ 93	0.88 %	$ 7,633	$ 56	0.73 %
U.S. government-sponsored entities (GSE)	498	11	2.24	1,799	41	2.29
Mortgage-backed securities issued by GSE	131,669	2,552	1.94	128,306	1,953	1.52
States and political subdivisions	392	15	3.88	429	15	3.55
Non-agency mortgage-backed	4,072	94	2.30	1,299	28	2.20
Other	44	2	3.60	31	1	1.90
Total securities	147,266	2,767	1.88	139,497	2,094	1.50
Loans and leases:						
Commercial:						
Commercial and industrial	149,030	5,823	3.91	137,304	4,174	3.04
CRE	22,697	920	4.01	25,269	728	2.85
Commercial construction	5,326	228	4.46	6,053	173	2.98
Consumer:						
Residential mortgage	51,721	1,860	3.60	45,500	1,884	4.14
Residential home equity and direct	25,232	1,422	5.64	25,319	1,441	5.69
Indirect auto	27,197	1,497	5.50	26,621	1,629	6.12
Indirect other	11,876	758	6.39	10,935	731	6.70
Student	6,114	304	4.97	7,251	289	3.99
Credit card	4,753	455	9.57	4,650	415	8.92
Total loans and leases held for investment	303,946	13,267	4.36	288,902	11,464	3.97
Loans held for sale	2,889	122	4.23	4,546	120	2.63
Total loans and leases	306,835	13,389	4.36	293,448	11,584	3.95
Interest earning trading assets	5,767	239	4.15	5,602	156	2.78
Other earning assets	20,429	384	1.88	19,498	48	0.24
Total earning assets	480,297	16,779	3.49	458,045	13,882	3.03
Nonearning assets	63,533			64,340		
Total assets	$ 543,830			$ 522,385		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
Interest checking	$ 111,539	519	0.47	$ 107,311	59	0.05
Money market and savings	145,645	536	0.37	134,303	35	0.03
Time deposits	15,514	90	0.58	18,025	54	0.30
Total interest-bearing deposits (4)	272,698	1,145	0.42	259,639	148	0.06
Short-term borrowings	14,957	385	2.58	6,170	47	0.76
Long-term debt	34,172	791	2.31	37,410	573	1.53
Total interest-bearing liabilities	321,827	2,321	0.72	303,219	768	0.25
Noninterest-bearing deposits (4)	145,392			138,733		
Other liabilities	12,794			11,300		
Shareholders' equity	63,817			69,133		
Total liabilities and shareholders' equity	$ 543,830			$ 522,385		
Average interest-rate spread			2.77			2.78
Net interest income/ net interest margin - taxable equivalent		$ 14,458	3.01 %		$ 13,114	2.86 %
Taxable-equivalent adjustment		$ 142			$ 108	

Applicable ratios are annualized.

(1) Excludes basis adjustments for fair value hedges.

(2) Amounts are on a taxable-equivalent basis utilizing the federal income tax rate of 21% for the periods presented. Interest income includes certain fees, deferred costs, and dividends.

(3) Includes AFS and HTM securities.

(4) Total deposit costs were 0.27% and 0.04% for the year ended December 31, 2022 and 2021, respectively.

Credit Quality

(Dollars in millions)	Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Nonperforming Assets					
Nonaccrual loans and leases:					
Commercial:					
Commercial and industrial	$ 398	$ 443	$ 393	$ 330	$ 394
CRE	82	5	19	27	29
Commercial construction	—	—	—	—	7
Consumer:					
Residential mortgage	240	227	269	315	296
Residential home equity and direct	173	166	159	141	141
Indirect auto	289	260	244	227	218
Indirect other	6	5	6	4	5
Total nonaccrual loans and leases held for investment	1,188	1,106	1,090	1,044	1,090
Loans held for sale	—	72	33	39	22
Total nonaccrual loans and leases	1,188	1,178	1,123	1,083	1,112
Foreclosed real estate	4	4	3	3	8
Other foreclosed property	58	58	47	49	43
Total nonperforming assets	$ 1,250	$ 1,240	$ 1,173	$ 1,135	$ 1,163
Troubled Debt Restructurings (TDRs)					
Performing TDRs:					
Commercial:					
Commercial and industrial	$ 136	$ 165	$ 105	$ 104	$ 147
CRE	5	5	5	5	5
Commercial construction	1	1	1	1	—
Consumer:					
Residential mortgage - government guaranteed	917	839	761	622	480
Residential mortgage - nonguaranteed	335	305	281	244	212
Residential home equity and direct	76	78	84	91	98
Indirect auto	462	425	401	392	389
Indirect other	6	7	6	6	7
Student - nonguaranteed	30	29	27	25	25
Credit card	18	19	22	25	27
Total performing TDRs	1,986	1,873	1,693	1,515	1,390
Nonperforming TDRs	214	187	204	189	152
Total TDRs	$ 2,200	$ 2,060	$ 1,897	$ 1,704	$ 1,542
Loans 90 Days or More Past Due and Still Accruing					
Commercial:					
Commercial and industrial	$ 49	$ 44	$ 27	$ 22	$ 13
CRE	1	1	3	—	—
Commercial construction	—	—	3	—	—
Consumer:					
Residential mortgage - government guaranteed	759	808	884	996	978
Residential mortgage - nonguaranteed	27	26	27	31	31
Residential home equity and direct	15	12	10	12	9
Indirect auto	1	1	1	1	1
Indirect other	10	6	3	2	3
Student - government guaranteed	702	770	796	818	864
Student - nonguaranteed	4	5	5	4	4
Credit card	37	36	28	28	27
Total loans 90 days past due and still accruing	$ 1,605	$ 1,709	$ 1,787	$ 1,914	$ 1,930
Loans 30-89 Days Past Due					
Commercial:					
Commercial and industrial	$ 256	$ 162	$ 223	$ 280	$ 130
CRE	25	15	10	13	20
Commercial construction	5	3	4	1	2
Consumer:					
Residential mortgage - government guaranteed	268	234	233	216	256
Residential mortgage - nonguaranteed	346	300	302	326	258
Residential home equity and direct	127	122	156	142	107
Indirect auto	646	591	584	529	607
Indirect other	128	97	78	65	64
Student - government guaranteed	396	375	447	476	549
Student - nonguaranteed	6	6	6	6	6
Credit card	64	52	48	47	45
Total loans 30-89 days past due	$ 2,267	$ 1,957	$ 2,091	$ 2,101	$ 2,044

(Dollars in millions)	As of/For the Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Allowance for Credit Losses					
Beginning balance	$ 4,455	$ 4,434	$ 4,423	$ 4,695	$ 4,978
Provision for credit losses	467	234	171	(95)	(103)
Charge-offs:					
Commercial:					
Commercial and industrial	(44)	(51)	(17)	(31)	(54)
CRE	(11)	—	(1)	(1)	(5)
Commercial construction	—	—	—	(1)	—
Consumer:					
Residential mortgage	(1)	(4)	(2)	(2)	(1)
Residential home equity and direct	(65)	(86)	(85)	(58)	(51)
Indirect auto	(129)	(103)	(77)	(102)	(89)
Indirect other	(37)	(26)	(18)	(19)	(16)
Student	(5)	(7)	(4)	(6)	(12)
Credit card	(53)	(42)	(40)	(41)	(37)
Total charge-offs	(345)	(319)	(244)	(261)	(265)
Recoveries:					
Commercial:					
Commercial and industrial	14	43	13	17	23
CRE	1	—	6	1	—
Commercial construction	1	2	1	1	1
Consumer:					
Residential mortgage	3	3	4	6	2
Residential home equity and direct	18	23	20	20	21
Indirect auto	21	21	26	23	21
Indirect other	5	6	6	6	6
Student	1	—	—	—	—
Credit card	8	8	9	9	9
Total recoveries	72	106	85	83	83
Net charge-offs	(273)	(213)	(159)	(178)	(182)
Other	—	—	(1)	1	2
Ending balance	$ 4,649	$ 4,455	$ 4,434	$ 4,423	$ 4,695
Allowance for Credit Losses:					
Allowance for loan and lease losses	$ 4,377	$ 4,205	$ 4,187	$ 4,170	$ 4,435
Reserve for unfunded lending commitments (RUFC)	272	250	247	253	260
Allowance for credit losses	$ 4,649	$ 4,455	$ 4,434	$ 4,423	$ 4,695

(Dollars in millions)	As of/For the Year-to-Date Period Ended Dec. 31 2022	2021
Allowance for Credit Losses		
Beginning balance	$ 4,695	$ 6,199
Provision for credit losses	777	(813)
Charge-offs:		
Commercial:		
Commercial and industrial	(143)	(243)
CRE	(13)	(10)
Commercial construction	(1)	(2)
Consumer:		
Residential mortgage	(9)	(23)
Residential home equity and direct	(294)	(214)
Indirect auto	(411)	(336)
Indirect other	(100)	(57)
Student	(22)	(24)
Credit card	(176)	(150)
Total charge-offs	(1,169)	(1,059)
Recoveries:		
Commercial:		
Commercial and industrial	87	107
CRE	8	6
Commercial construction	5	4
Consumer:		
Residential mortgage	16	12
Residential home equity and direct	81	79
Indirect auto	91	92
Indirect other	23	24
Student	1	1
Credit card	34	37
Total recoveries	346	362
Net charge-offs	(823)	(697)
Other	—	6
Ending balance	$ 4,649	$ 4,695

	As of/For the Quarter Ended				
	Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Asset Quality Ratios					
Loans 30-89 days past due and still accruing as a percentage of loans and leases	0.70 %	0.62 %	0.69 %	0.72 %	0.71 %
Loans 90 days or more past due and still accruing as a percentage of loans and leases	0.49	0.54	0.59	0.66	0.67
Nonperforming loans and leases as a percentage of loans and leases held for investment	0.36	0.35	0.36	0.36	0.38
Nonperforming loans and leases as a percentage of loans and leases (1)	0.36	0.37	0.37	0.37	0.38
Nonperforming assets as a percentage of:					
Total assets (1)	0.23	0.23	0.22	0.21	0.21
Loans and leases plus foreclosed property	0.38	0.37	0.38	0.38	0.39
Net charge-offs as a percentage of average loans and leases	0.34	0.27	0.22	0.25	0.25
Allowance for loan and lease losses as a percentage of loans and leases	1.34	1.34	1.38	1.44	1.53
Ratio of allowance for loan and lease losses to:					
Net charge-offs	4.05X	4.98X	6.54X	5.78X	6.14X
Nonperforming loans and leases	3.68X	3.80X	3.84X	3.99X	4.07X
Asset Quality Ratios (Excluding PPP and other Government Guaranteed)					
Loans 90 days or more past due and still accruing as a percentage of loans and leases	0.04 %	0.04 %	0.04 %	0.04 %	0.03 %

Applicable ratios are annualized.

(1) Includes loans held for sale.

	As of/For the Year-to-Date Period Ended Dec. 31 2022	2021
Asset Quality Ratios		
Net charge-offs as a percentage of average loans and leases	0.27 %	0.24 %
Ratio of allowance for loan and lease losses to net charge-offs	5.32X	6.36X

Applicable ratios are annualized.

(Dollars in millions)	Current Status		Past Due 30-89 Days		Past Due 90+ Days		Total
	December 31, 2022						
Troubled Debt Restructurings							
Performing TDRs: (1)							
Commercial:							
Commercial and industrial	$ 135	99.3 %	$ 1	0.7 %	$ —	— %	$ 136
CRE	5	100.0	—	—	—	—	5
Commercial construction	1	100.0	—	—	—	—	1
Consumer:							
Residential mortgage - government guaranteed	496	54.1	111	12.1	310	33.8	917
Residential mortgage - nonguaranteed	294	87.7	31	9.3	10	3.0	335
Residential home equity and direct	71	93.4	5	6.6	—	—	76
Indirect auto	389	84.2	73	15.8	—	—	462
Indirect other	5	83.3	1	16.7	—	—	6
Student - nonguaranteed	27	90.0	2	6.7	1	3.3	30
Credit card	15	83.3	2	11.1	1	5.6	18
Total performing TDRs (1)	1,438	72.4	226	11.4	322	16.2	1,986
Nonperforming TDRs (2)	90	42.0	32	15.0	92	43.0	214
Total TDRs (1)(2)	$ 1,528	69.5 %	$ 258	11.7 %	$ 414	18.8 %	$ 2,200

(1) Past due performing TDRs are included in past due disclosures.
(2) Nonperforming TDRs are included in nonaccrual loan disclosures.

	Quarter Ended				
	Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Net Charge-offs as a Percentage of Average Loans and Leases:					
Commercial:					
Commercial and industrial	0.08 %	0.02 %	0.01 %	0.04 %	0.09 %
CRE	0.19	(0.01)	(0.10)	0.01	0.07
Commercial construction	(0.06)	(0.10)	(0.08)	(0.02)	(0.10)
Consumer:					
Residential mortgage	(0.02)	0.01	(0.02)	(0.03)	(0.02)
Residential home equity and direct	0.71	1.01	1.04	0.61	0.49
Indirect auto	1.52	1.15	0.77	1.23	1.01
Indirect other	0.95	0.66	0.43	0.48	0.39
Student	0.34	0.40	0.30	0.33	0.65
Credit card	3.68	2.80	2.63	2.77	2.31
Total loans and leases	0.34	0.27	0.22	0.25	0.25

Applicable ratios are annualized.

Rollforward of Intangible Assets and Selected Fair Value Marks (1)

(Dollars in millions)	As of/For the Quarter Ended				
	Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Loans and Leases (2)					
Beginning balance unamortized fair value mark	$ (826)	$ (924)	$ (1,119)	$ (1,323)	$ (1,540)
Accretion	80	96	189	191	217
Purchase accounting adjustments and other activity	5	2	6	13	—
Ending balance	$ (741)	$ (826)	$ (924)	$ (1,119)	$ (1,323)
Core deposit and other intangible assets					
Beginning balance	$ 3,726	$ 3,535	$ 3,693	$ 3,408	$ 2,930
Additions - acquisitions	111	336	—	430	647
Amortization of intangibles (3)	(163)	(140)	(143)	(137)	(143)
Amortization in net occupancy expense	(3)	(5)	(5)	(8)	(3)
Purchase accounting adjustments and other activity	1	—	(10)	—	(23)
Ending balance	$ 3,672	$ 3,726	$ 3,535	$ 3,693	$ 3,408
Deposits (4)					
Beginning balance unamortized fair value mark	$ (1)	$ (3)	$ (5)	$ (7)	$ (9)
Amortization	1	2	2	2	2
Ending balance	$ —	$ (1)	$ (3)	$ (5)	$ (7)
Long-Term Debt (4)					
Beginning balance unamortized fair value mark	$ (94)	$ (109)	$ (122)	$ (139)	$ (157)
Amortization	13	15	13	17	18
Ending balance	$ (81)	$ (94)	$ (109)	$ (122)	$ (139)

(1) Includes only selected information and does not represent all purchase accounting adjustments.
(2) Purchase accounting marks on loans and leases includes credit, interest and liquidity components, and are generally recognized using the level-yield or straight-line method over the remaining life of the individual loans or recognized in full in the event of prepayment.
(3) Includes $16 million partial write-down of an investment advisory intangible asset from a prior acquisition in 4Q22.
(4) Purchase accounting marks on liabilities represents interest rate marks on time deposits and long-term debt and are recognized using the level-yield method over the term of the liability.

Segment Financial Performance - Preliminary

(Dollars in millions)	Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Consumer Banking and Wealth					
Net interest income (expense)	$ 1,728	$ 1,686	$ 1,567	$ 1,528	$ 1,629
Net intersegment interest income (expense)	1,226	970	718	657	651
Segment net interest income	2,954	2,656	2,285	2,185	2,280
Allocated provision for credit losses	311	283	199	74	59
Noninterest income	846	836	831	910	955
Noninterest expense	1,925	1,930	1,928	1,886	1,951
Income (loss) before income taxes	1,564	1,279	989	1,135	1,225
Provision (benefit) for income taxes	370	303	235	274	253
Segment net income (loss)	$ 1,194	$ 976	$ 754	$ 861	$ 972
Corporate and Commercial Banking					
Net interest income (expense)	$ 2,008	$ 1,601	$ 1,277	$ 1,094	$ 1,106
Net intersegment interest income (expense)	(172)	24	68	173	207
Segment net interest income	1,836	1,625	1,345	1,267	1,313
Allocated provision for credit losses	134	(50)	(28)	(151)	(183)
Noninterest income	675	644	687	655	822
Noninterest expense	834	817	804	778	821
Income (loss) before income taxes	1,543	1,502	1,256	1,295	1,497
Provision (benefit) for income taxes	326	322	272	281	299
Segment net income (loss)	$ 1,217	$ 1,180	$ 984	$ 1,014	$ 1,198
Insurance Holdings					
Net interest income (expense)	$ 82	$ 40	$ 30	$ 24	$ 23
Net intersegment interest income (expense)	(36)	(7)	(2)	—	—
Segment net interest income	46	33	28	24	23
Allocated provision for credit losses	5	1	1	—	(1)
Noninterest income	801	734	833	737	681
Noninterest expense	681	640	623	560	546
Income (loss) before income taxes	161	126	237	201	159
Provision (benefit) for income taxes	40	32	58	49	32
Segment net income (loss)	$ 121	$ 94	$ 179	$ 152	$ 127
Other, Treasury & Corporate (1)					
Net interest income (expense)	$ 163	$ 418	$ 533	$ 537	$ 485
Net intersegment interest income (expense)	(1,018)	(987)	(784)	(830)	(858)
Segment net interest income	(855)	(569)	(251)	(293)	(373)
Allocated provision for credit losses	17	—	(1)	(18)	22
Noninterest income	(95)	(112)	(103)	(160)	(135)
Noninterest expense	282	226	225	450	382
Income (loss) before income taxes	(1,249)	(907)	(578)	(885)	(912)
Provision (benefit) for income taxes	(399)	(294)	(193)	(274)	(217)
Segment net income (loss)	$ (850)	$ (613)	$ (385)	$ (611)	$ (695)
Total Truist Financial Corporation					
Net interest income (expense)	$ 3,981	$ 3,745	$ 3,407	$ 3,183	$ 3,243
Net intersegment interest income (expense)	—	—	—	—	—
Segment net interest income	3,981	3,745	3,407	3,183	3,243
Allocated provision for credit losses	467	234	171	(95)	(103)
Noninterest income	2,227	2,102	2,248	2,142	2,323
Noninterest expense	3,722	3,613	3,580	3,674	3,700
Income (loss) before income taxes	2,019	2,000	1,904	1,746	1,969
Provision (benefit) for income taxes	337	363	372	330	367
Net income	$ 1,682	$ 1,637	$ 1,532	$ 1,416	$ 1,602

(1) Includes financial data from subsidiaries below the quantitative and qualitative thresholds requiring disclosure.

Capital Information - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	As of/For the Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Selected Capital Information	(preliminary)				
Risk-based capital:					
Common equity tier 1	$ 39,099	$ 38,277	$ 38,016	$ 37,225	$ 37,524
Tier 1	45,769	44,947	44,686	43,895	44,194
Total	54,073	53,223	52,186	51,599	51,518
Risk-weighted assets	433,857	421,489	413,384	397,855	390,886
Average quarterly assets for leverage ratio	539,689	526,454	521,113	512,694	510,404
Average quarterly assets for supplementary leverage ratio	629,910	616,368	608,770	599,415	595,075
Risk-based capital ratios:					
Common equity tier 1	9.0 %	9.1 %	9.2 %	9.4 %	9.6 %
Tier 1	10.5	10.7	10.8	11.0	11.3
Total	12.5	12.6	12.6	13.0	13.2
Leverage capital ratio	8.5	8.5	8.6	8.6	8.7
Supplementary leverage	7.3	7.3	7.3	7.3	7.4
Equity as a percentage of total assets	10.9	11.1	11.6	12.0	12.8
Common equity per common share	$ 40.58	$ 40.79	$ 42.45	$ 43.82	$ 47.14

(Dollars in millions, except per share data, shares in thousands)	Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Calculations of Tangible Common Equity and Related Measures: (1)					
Total shareholders' equity	$ 60,537	$ 60,811	$ 62,999	$ 65,044	$ 69,271
Less:					
Preferred stock	6,673	6,673	6,673	6,673	6,673
Noncontrolling interests	23	23	24	23	—
Intangible assets, net of deferred taxes	29,908	29,752	29,095	29,229	28,772
Tangible common equity	$ 23,933	$ 24,363	$ 27,207	$ 29,119	$ 33,826
Outstanding shares at end of period (in thousands)	1,326,829	1,326,766	1,326,393	1,331,414	1,327,818
Tangible Common Equity Per Common Share	$ 18.04	$ 18.36	$ 20.51	$ 21.87	$ 25.47

(1) Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. Truist's management uses these measures to assess profitability, returns relative to balance sheet risk, and shareholder value. These measures are not necessarily comparable to similar measures that may be presented by other companies.

Selected Mortgage Banking Information & Additional Information

(Dollars in millions, except per share data)	As of/For the Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021
Mortgage Banking Income					
Residential mortgage income:					
Residential mortgage production revenue	$ 7	$ 1	$ 36	$ 52	$ 115
Residential mortgage servicing income:					
Residential mortgage servicing revenue	168	165	152	145	155
Realization of expected residential MSR cash flows	(80)	(85)	(103)	(109)	(143)
Income statement impact of mortgage servicing rights valuation:					
MSRs fair value increase (decrease)	(7)	166	254	350	(25)
MSRs hedge gains (losses)	(3)	(175)	(265)	(349)	57
Net MSRs valuation	(10)	(9)	(11)	1	32
Total residential mortgage servicing income	78	71	38	37	44
Total residential mortgage income	85	72	74	89	159
Commercial mortgage income:					
Commercial mortgage production revenue	28	30	21	32	40
Commercial mortgage servicing income:					
Commercial mortgage servicing revenue	18	17	17	17	18
Realization of expected commercial MSR cash flows	(14)	(12)	(15)	(17)	(12)
Income statement impact of mortgage servicing rights valuation:					
MSRs fair value increase (decrease)	(1)	24	8	9	(1)
MSRs hedge gains (losses)	1	(9)	(5)	(9)	—
Net MSRs valuation	—	15	3	—	(1)
Total commercial mortgage servicing income	4	20	5	—	5
Commercial mortgage income	32	50	26	32	45
Total mortgage banking income	$ 117	$ 122	$ 100	$ 121	$ 204
Other Mortgage Banking Information					
Residential mortgage loan originations	$ 4,868	$ 11,746	$ 11,330	$ 11,408	$ 14,458
Residential mortgage servicing portfolio (1):					
Loans serviced for others	217,046	218,740	209,504	195,737	196,011
Bank-owned loans serviced	56,982	56,786	53,341	50,927	50,716
Total servicing portfolio	274,028	275,526	262,845	246,664	246,727
Weighted-average coupon rate on mortgage loans serviced for others	3.48 %	3.45 %	3.42 %	3.41 %	3.44 %
Weighted-average servicing fee on mortgage loans serviced for others	0.31	0.30	0.30	0.31	0.31
Additional Information					
Brokered deposits (2)	$ 22,353	$ 20,239	$ 22,926	$ 19,092	$ 9,627
NQDCP income (expense):					
Interest income	$ 2	$ 2	$ 2	$ 19	$ 1
Other income	20	(28)	(30)	(44)	(7)
Personnel expense	(22)	26	28	25	6
Total NQDCP income (expense)	$ —	$ —	$ —	$ —	$ —
Common stock prices:					
High	$ 47.47	$ 52.22	$ 57.50	$ 68.95	$ 65.42
Low	40.01	42.56	44.75	56.19	54.73
End of period	43.03	43.54	47.43	56.70	58.55
Banking offices	2,123	2,119	2,117	2,112	2,517
ATMs	3,227	3,185	3,194	3,214	3,670
FTEs (3)	53,999	52,648	51,349	51,169	51,348

(1) Amounts reported are unpaid principal balance.
(2) Amounts primarily represent interest checking and money market and savings deposits.
(3) FTEs represents an average for the quarter.

Selected Items (1)

(Dollars in millions) Description	Favorable (Unfavorable) Pre-Tax		After-Tax at Marginal Rate	
Selected Items				
Fourth Quarter 2022				
Incremental operating expenses related to the merger ($51 million professional fees and outside processing and $5 million other line items)	$	(56)	$	(43)
Third Quarter 2022				
Incremental operating expenses related to the merger ($72 million professional fees and outside processing and $18 million other line items)	$	(90)	$	(69)
Second Quarter 2022				
Incremental operating expenses related to the merger ($103 million professional fees and outside processing, $11 million personnel expense, and $3 million other line items)	$	(117)	$	(89)
Gain (loss) on early extinguishment of debt (other expense)		39		30
First Quarter 2022				
Incremental operating expenses related to the merger ($133 million professional fees and outside processing, $24 million personnel expense, $20 million net occupancy expense, and $25 million other line items)	$	(202)	$	(155)
Gain on redemption of noncontrolling equity interest related to the acquisition of certain merchant services relationships (other income)		74		57
Fourth Quarter 2021				
Incremental operating expenses related to the merger ($144 million professional fees and outside processing, $59 million personnel expense, and $12 million other line items)	$	(215)	$	(165)
Third Quarter 2021				
Incremental operating expenses related to the merger ($132 million professional fees and outside processing, $41 million personnel expense, and $18 million other line items)	$	(191)	$	(147)
Professional fee accrual (professional fees and outside processing)		(30)		(23)
Second Quarter 2021				
Charitable contribution (other expense)	$	(200)	$	(153)
Incremental operating expenses related to the merger ($137 million professional fees and outside processing, $42 million personnel expense, and $11 million other line items)		(190)		(146)
First Quarter 2021				
Incremental operating expenses related to the merger ($120 million professional fees and outside processing, $42 million personnel expense, and $13 million other line items)	$	(175)	$	(134)
Acceleration for cash flow hedge unwind (other expense)		(36)		(28)

(1) Includes selected items representing a part of line items within the consolidated statements of income. Excludes line items adjusted in their entirety, such as securities gains and losses and costs classified as merger-related and restructuring charges as well as immaterial adjustments made for gains and losses on the early extinguishment of debt.

Non-GAAP Reconciliations

(Dollars in millions)	Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021	Year-to-Date Dec. 31 2022	Dec. 31 2021
Efficiency Ratio (1)							
Efficiency Ratio Numerator - Noninterest Expense - GAAP	$ 3,722	$ 3,613	$ 3,580	$ 3,674	$ 3,700	$ 14,589	$ 15,116
Merger-related and restructuring charges, net	(114)	(62)	(121)	(216)	(212)	(513)	(822)
Gain (loss) on early extinguishment of debt	—	—	39	—	1	39	4
Incremental operating expense related to the merger	(56)	(90)	(117)	(202)	(215)	(465)	(771)
Amortization of intangibles	(163)	(140)	(143)	(137)	(143)	(583)	(574)
Charitable contribution	—	—	—	—	—	—	(200)
Professional fee accrual	—	—	—	—	—	—	(30)
Acceleration for cash flow hedge unwind	—	—	—	—	—	—	(36)
Efficiency Ratio Numerator - Adjusted	$ 3,389	$ 3,321	$ 3,238	$ 3,119	$ 3,131	$ 13,067	$ 12,687
Efficiency Ratio Denominator - Revenue (2) - GAAP	$ 6,208	$ 5,847	$ 5,655	$ 5,325	$ 5,566	$ 23,035	$ 22,296
Taxable equivalent adjustment	50	38	28	26	24	142	108
Securities (gains) losses	—	1	1	69	—	71	—
Gain on redemption of noncontrolling equity interest	—	—	—	(74)	—	(74)	—
Gains on divestiture of certain businesses	—	—	—	—	—	—	(37)
Efficiency Ratio Denominator - Adjusted	$ 6,258	$ 5,886	$ 5,684	$ 5,346	$ 5,590	$ 23,174	$ 22,367
Efficiency Ratio - GAAP	60.0 %	61.8 %	63.3 %	69.0 %	66.5 %	63.3 %	67.8 %
Efficiency Ratio - Adjusted	54.2	56.4	57.0	58.3	56.0	56.4	56.7

(1) The adjusted efficiency ratio is non-GAAP in that it excludes securities gains (losses), amortization of intangible assets, merger-related and restructuring charges, and other selected items. Truist's management uses this measure in their analysis of the Corporation's performance. Truist's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges. These measures are not necessarily comparable to similar measures that may be presented by other companies.
(2) Revenue is defined as net interest income plus noninterest income.

(Dollars in millions)	Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021	Year-to-Date Dec. 31 2022	Dec. 31 2021
Return on Average Tangible Common Shareholders' Equity (1)							
Net income available to common shareholders	$ 1,610	$ 1,536	$ 1,454	$ 1,327	$ 1,524	$ 5,927	$ 6,033
Plus: Amortization of intangibles, net of tax	125	107	109	105	110	446	441
Tangible net income available to common shareholders	$ 1,735	$ 1,643	$ 1,563	$ 1,432	$ 1,634	$ 6,373	$ 6,474
Average common shareholders' equity	$ 54,823	$ 56,813	$ 56,803	$ 60,117	$ 61,807	$ 57,124	$ 62,112
Less: Average intangible assets, net of deferred taxes	29,891	29,035	29,173	28,905	27,523	29,253	26,897
Average tangible common shareholders' equity	$ 24,932	$ 27,778	$ 27,630	$ 31,212	$ 34,284	$ 27,871	$ 35,215
Return on average common shareholders' equity	11.7 %	10.7 %	10.3 %	9.0 %	9.8 %	10.4 %	9.7 %
Return on average tangible common shareholders' equity	27.6	23.5	22.7	18.6	18.9	22.9	18.4

(1) Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. Truist's management uses these measures to assess profitability, returns relative to balance sheet risk, and shareholder value. These measures are not necessarily comparable to similar measures that may be presented by other companies.

(Dollars in millions, except per share data)	Quarter Ended Dec. 31 2022	Sept. 30 2022	June 30 2022	March 31 2022	Dec. 31 2021	Year-to-Date Dec. 31 2022	Dec. 31 2021
Diluted EPS (1)							
Net income available to common shareholders - GAAP	$ 1,610	$ 1,536	$ 1,454	$ 1,327	$ 1,524	$ 5,927	$ 6,033
Merger-related and restructuring charges	87	48	92	166	163	393	631
Securities (gains) losses	—	1	—	53	—	54	—
Loss (gain) on early extinguishment of debt	—	—	(30)	—	—	(30)	(3)
Incremental operating expenses related to the merger	43	69	89	155	165	356	592
Charitable contribution	—	—	—	—	—	—	153
Professional fee accrual	—	—	—	—	—	—	23
Acceleration for cash flow hedge unwind	—	—	—	—	—	—	28
Gain on redemption of noncontrolling equity interest	—	—	—	(57)	—	(57)	—
Net income available to common shareholders - Adjusted	$ 1,740	$ 1,654	$ 1,605	$ 1,644	$ 1,852	$ 6,643	$ 7,457
Weighted average shares outstanding - diluted	1,337,338	1,336,659	1,338,864	1,341,563	1,343,029	1,338,462	1,349,378
Diluted EPS - GAAP	$ 1.20	$ 1.15	$ 1.09	$ 0.99	$ 1.13	$ 4.43	$ 4.47
Diluted EPS - Adjusted	1.30	1.24	1.20	1.23	1.38	4.96	5.53

(1) The adjusted diluted earnings per share is non-GAAP in that it excludes merger-related and restructuring charges and other selected items, net of tax. Truist's management uses this measure in their analysis of the Corporation's performance. Truist's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.