UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended June 30, 2025

OR

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from ________ to ________

COMMISSION FILE NUMBER 001-34653

FIRST INTERSTATE BANCSYSTEM, INC.
(Exact name of registrant as specified in its charter)

Delaware	**81-0331430**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
401 North 31st Street	
Billings, MT	**59101**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (406) 255-5311

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.00001 par value	FIBK	NASDAQ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.) Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

July 31, 2025 – Common stock	104,856,752

Quarterly Report on Form 10-Q

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
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June 30, 2025

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FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except share data)
(Unaudited)

	June 30, 2025	December 31, 2024
Assets		
Cash and due from banks	$ 436.6	$ 378.0
Interest bearing deposits in banks	653.5	518.5
Federal funds sold	0.1	0.1
Total cash and cash equivalents	1,090.2	896.6
Investment securities:		
Available-for-sale, at fair value	4,742.2	5,057.1
Held-to-maturity (estimated fair values of $2,317.0 at June 30, 2025 and $2,358.6 at December 31, 2024)	2,570.0	2,687.5
Total investment securities	7,312.2	7,744.6
FHLB and FRB stock, at cost	118.1	177.4
Loans held for sale ($4.2 and $0.9 of which is recorded at fair value at June 30, 2025 and December 31, 2024, respectively)	335.2	0.9
Loans held for investment, net of deferred fees and costs	16,353.4	17,844.9
Allowance for credit losses	(209.6)	(204.1)
Net loans held for investment	16,143.8	17,640.8
Goodwill	1,100.9	1,100.9
Company-owned life insurance	516.7	513.0
Premises and equipment, net of accumulated depreciation	413.0	427.2
Other intangibles, net of accumulated amortization	60.0	66.8
Accrued interest receivable	105.7	116.8
Mortgage servicing rights, net of accumulated amortization	24.4	25.7
Other real estate owned	3.4	4.3
Deferred tax asset, net	76.7	118.4
Other assets	266.1	304.0
Total assets	$ 27,566.4	$ 29,137.4
Liabilities and Stockholders' Equity		
Deposits:		
Noninterest bearing	$ 5,579.0	$ 5,797.6
Interest bearing	17,051.6	17,218.0
Total deposits	22,630.6	23,015.6
Securities sold under repurchase agreements	509.3	523.9
Accounts payable and accrued expenses	293.5	378.9
Accrued interest payable	41.3	47.0
Other borrowed funds	250.0	1,567.5
Long-term debt	252.0	132.2
Allowance for credit losses on off-balance sheet credit exposures	4.8	5.2
Subordinated debentures held by subsidiary trusts	163.1	163.1
Total liabilities	24,144.6	25,833.4
Stockholders' equity:		
Preferred stock, $0.00001 par value; 100,000 shares authorized at June 30, 2025 and December 31, 2024; zero issued and outstanding, respectively	—	—
Common stock and additional paid-in-capital, $0.00001 par value; 150,000,000 shares authorized at June 30, 2025 and December 31, 2024; 104,874,177 and 104,585,964 shares issued and outstanding, respectively	2,463.5	2,459.5
Retained earnings	1,191.2	1,166.4
Accumulated other comprehensive loss, net	(232.9)	(321.9)
Total stockholders' equity	3,421.8	3,304.0
Total liabilities and stockholders' equity	$ 27,566.4	$ 29,137.4

See accompanying notes to unaudited consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Interest income:				
Interest and fees on loans	$ 238.9	$ 252.8	$ 481.0	$ 504.9
Interest and dividends on investment securities:				
Taxable	49.6	62.3	100.9	126.8
Exempt from federal taxes	0.7	0.7	1.4	1.4
Interest and dividends on FHLB and FRB stock	2.1	3.3	5.0	6.6
Interest on deposits in banks	6.2	4.9	12.5	9.0
Total interest income	297.5	324.0	600.8	648.7
Interest expense:				
Interest on deposits	75.3	80.9	150.4	160.0
Interest on securities sold under repurchase agreements	1.1	1.9	2.3	4.2
Interest on other borrowed funds	8.3	31.8	25.8	67.4
Interest on long-term debt	2.7	4.4	4.4	8.7
Interest on subordinated debentures held by subsidiary trusts	2.9	3.3	5.7	6.6
Total interest expense	90.3	122.3	188.6	246.9
Net interest income	207.2	201.7	412.2	401.8
(Reduction of) provision for credit losses	(0.3)	9.0	19.7	14.3
Net interest income after (reduction of) provision for credit losses	207.5	192.7	392.5	387.5
Noninterest income:				
Payment services revenues	17.8	18.6	34.9	37.0
Mortgage banking revenues	1.8	1.7	3.2	3.4
Wealth management revenues	9.7	9.4	19.5	18.6
Service charges on deposit accounts	6.9	6.4	13.5	12.4
Other service charges, commissions, and fees	2.1	2.1	4.4	4.3
Other income	2.8	4.4	7.6	9.0
Total noninterest income	41.1	42.6	83.1	84.7
Noninterest expense:				
Salaries and wages	65.0	66.3	133.6	131.5
Employee benefits	17.9	16.9	37.9	36.2
Outsourced technology services	13.3	14.0	27.5	27.6
Occupancy, net	13.4	11.7	27.1	24.0
Furniture and equipment	5.2	5.2	10.2	10.2
OREO expense, net	—	2.0	0.5	4.0
Professional fees	5.7	5.1	11.2	11.9
FDIC insurance premiums	4.0	6.6	8.3	14.0
Other intangibles amortization	3.4	3.7	6.8	7.4
Other expenses	27.2	25.4	52.6	50.3
Total noninterest expense	155.1	156.9	315.7	317.1
Income before income tax	93.5	78.4	159.9	155.1
Provision for income tax	21.8	18.4	38.0	36.7
Net income	$ 71.7	$ 60.0	$ 121.9	$ 118.4
Earnings per common share (Basic)	$ 0.69	$ 0.58	$ 1.18	$ 1.15
Earnings per common share (Diluted)	$ 0.69	$ 0.58	$ 1.18	$ 1.15

See accompanying notes to unaudited consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	$ 71.7	$ 60.0	$ 121.9	$ 118.4
Other comprehensive income, before tax:				
Investment securities available for sale:				
Change in net unrealized gains (losses) during the period	44.7	2.5	115.4	(23.9)
Net change in unamortized losses on available-for-sale securities transferred into held-to-maturity	(0.1)	(0.1)	(0.1)	(0.3)
Cash flow hedges:				
Change in unrealized gains (losses) on derivatives	0.9	(5.1)	1.9	(22.5)
Reclassification adjustment for derivatives net losses included in net income	0.4	4.6	1.4	8.1
Other comprehensive income (loss), before tax	45.9	1.9	118.6	(38.6)
Deferred tax (expense) benefit related to other comprehensive (loss) income	(11.3)	(0.5)	(29.6)	9.6
Other comprehensive income (loss), net of tax	34.6	1.4	89.0	(29.0)
Comprehensive income, net of tax	$ 106.3	$ 61.4	$ 210.9	$ 89.4

See accompanying notes to unaudited consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In millions, except share and per share data)
(Unaudited)

	Three Months Ended June 30,			
	Common stock	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity
Balance at March 31, 2025	$ 2,460.2	$ 1,168.6	$ (267.5)	$ 3,361.3
Net income	—	71.7	—	71.7
Other comprehensive income, net of tax expense	—	—	34.6	34.6
Common stock transactions:				
1,018 common shares purchased and retired	—	—	—	—
35,352 common shares issued	—	—	—	—
69,918 non-vested common shares forfeited or canceled	—	—	—	—
Stock-based compensation expense	3.3	—	—	3.3
Common stock cash dividends declared ($0.47 per share)	—	(49.1)	—	(49.1)
Balance at June 30, 2025	$ 2,463.5	$ 1,191.2	$ (232.9)	$ 3,421.8

	Common stock	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity
Balance at March 31, 2024	$ 2,450.7	$ 1,145.9	$ (386.9)	$ 3,209.7
Net income	—	60.0	—	60.0
Other comprehensive loss, net of tax expense	—	—	1.4	1.4
Common stock transactions:				
1,758 common shares purchased and retired	—	—	—	—
52,735 non-vested common shares issued	—	—	—	—
61,982 non-vested common shares forfeited or canceled	—	—	—	—
Stock-based compensation expense	3.2	—	—	3.2
Common stock cash dividends declared ($0.47 per share)	—	(49.0)	—	(49.0)
Balance at June 30, 2024	$ 2,453.9	$ 1,156.9	$ (385.5)	$ 3,225.3

See accompanying notes to unaudited consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In millions, except share and per share data)
(Unaudited)

	Six Months Ended June 30,			
	Common stock	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity
Balance at December 31, 2024	$ 2,459.5	$ 1,166.4	$ (321.9)	$ 3,304.0
Net income	—	121.9	—	121.9
Other comprehensive income, net of tax expense	—	—	89.0	89.0
Common stock transactions:				
107,648 common shares purchased and retired	(3.2)	—	—	(3.2)
35,352 common shares issued	—	—	—	—
480,289 non-vested common shares issued	—	—	—	—
119,780 non-vested common shares forfeited or canceled	—	—	—	—
Stock-based compensation expense	7.2	—	—	7.2
Common stock cash dividends declared ($0.94 per share)	—	(97.1)	—	(97.1)
Balance at June 30, 2025	$ 2,463.5	$ 1,191.2	$ (232.9)	$ 3,421.8

	Common stock	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity
Balance at December 31, 2023	$ 2,448.9	$ 1,135.1	$ (356.5)	$ 3,227.5
Cumulative change related to the adoption of ASU 2023-02	—	1.2	—	1.2
Adjusted balance at January 1, 2024	2,448.9	1,136.3	(356.5)	3,228.7
Net income	—	118.4	—	118.4
Other comprehensive loss, net of tax expense	—	—	(29.0)	(29.0)
Common stock transactions:				
45,448 common shares purchased and retired	(1.1)	—	—	(1.1)
738,098 non-vested common shares issued	—	—	—	—
73,658 non-vested common shares forfeited or canceled	—	—	—	—
Stock-based compensation expense	6.1	—	—	6.1
Common stock cash dividends declared ($0.94 per share)	—	(97.8)	—	(97.8)
Balance at June 30, 2024	$ 2,453.9	$ 1,156.9	$ (385.5)	$ 3,225.3

See accompanying notes to unaudited consolidated financial statements.

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions) (Unaudited)	Six Months Ended June 30, 2025	2024
Cash flows from operating activities:		
Net income	$ 121.9	$ 118.4
Adjustments to reconcile net income from operations to net cash provided by operating activities:		
Provision for credit losses	19.7	14.3
Net loss on disposal of premises and equipment	2.5	1.1
Depreciation and amortization	20.0	26.0
Net premium amortization on investment securities	(0.2)	0.7
Realized and unrealized net gains on mortgage banking activities	(1.0)	(1.0)
Net losses and write-downs of OREO and other assets pending disposal	0.5	3.9
Valuation allowance for loans held-for-sale	7.3	—
Deferred taxes	12.0	6.4
Net increase in cash surrender value of company-owned life insurance	(4.0)	(7.3)
Stock-based compensation expense	7.2	6.1
Originations of mortgage loans held for sale	(43.8)	(107.3)
Proceeds from sales of mortgage loans held for sale	41.3	105.4
Gain on sale of consumer credit card loans	(4.3)	—
Changes in operating assets and liabilities:		
Decrease in accrued interest receivable	11.1	2.7
Decrease in other assets	57.4	(21.1)
(Decrease) increase in accrued interest payable	(5.7)	18.9
Decrease in accounts payable and accrued expenses	(95.3)	2.7
Net cash provided by operating activities	146.6	169.9
Cash flows from investing activities:		
Purchases of investment securities	(78.3)	(77.2)
Proceeds from sales, maturities, and pay-downs of investment securities:		
Held-to-maturity	119.7	411.8
Available-for-sale	506.7	288.5
Purchases and sales of FHLB and FRB stock	59.3	40.9
Purchases of company-owned life insurance	0.3	—
Proceeds from company-owned life insurance settlements	—	2.1
Proceeds from sales of consumer credit card loans	81.3	—
Net change in loans held for investment	1,064.6	46.5
Proceeds from sale of OREO	0.7	9.6
Capital expenditures, net of sales	(12.1)	(8.9)
Net cash provided by investing activities	1,742.2	713.3
Cash flows from financing activities:		
Net decrease in deposits	(385.0)	(452.4)
Net increase in securities sold under repurchase agreements	(14.6)	(40.9)
Net decrease in other borrowed funds	(1,317.5)	(173.0)
Repayments of long-term debt	(0.1)	(0.1)
Proceeds on long-term debt	125.0	262.6
Payment of debt issuance costs	(2.7)	—
Purchase and retirement of common stock	(3.2)	(1.1)
Dividends paid to common stockholders	(97.1)	(97.8)
Net cash used in financing activities	(1,695.2)	(502.7)
Net (decrease) increase in cash and cash equivalents	193.6	380.5
Cash and cash equivalents at beginning of period	896.6	578.0
Cash and cash equivalents at end of period	$ 1,090.2	$ 958.5

FIRST INTERSTATE BANCSYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

(In millions) (Unaudited)	Six Months Ended June 30, 2025	2024
Supplemental disclosures of cash flow information:		
Cash paid during the period for income taxes	$ 14.8	$ 12.1
Cash paid during the period for interest expense	194.3	228.0
Supplemental disclosures of noncash investing and financing activities:		
Right-of-use assets obtained in exchange for operating lease liabilities	$ —	$ 0.8
Transfer of held for investment loans to held-for-sale	338.6	—
Transfer of loans to other real estate owned	0.2	3.7
Transfer of premises and equipment to held-for-sale	12.6	—
Capitalization of internally originated mortgage servicing rights	0.3	0.3

See accompanying notes to unaudited consolidated financial statements.

(1) BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements of First Interstate BancSystem, Inc., and its consolidated subsidiaries, including its wholly-owned subsidiary, First Interstate Bank ("FIB") (collectively, the "Company") contain all adjustments (all of which are of a normal recurring nature) necessary to present fairly the financial position of the Company at June 30, 2025 and December 31, 2024, the results of operations, changes in stockholders' equity, and cash flows for each of the three and the six months ended June 30, 2025 and 2024, in conformity with U.S. generally accepted accounting principles ("GAAP"). The balance sheet information at December 31, 2024 is derived from audited consolidated financial statements. The unaudited consolidated financial statements have been prepared in conformity with the required interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X; and therefore, do not include all of the information and footnotes required by GAAP for a complete set of financial statements. Certain reclassifications, none of which were material, have been made to conform the Company's prior year financial statements to the financial statements as of June 30, 2025. These reclassifications did not change previously reported net income, financial condition, cash flows, or stockholders' equity.

The Company has identified one reporting unit and one operating segment, community banking, which encompasses commercial and consumer banking services to serve a similar base of clients utilizing company-wide offerings of similar products and services managed through similar processes and platforms offered to individuals, businesses, municipalities, and other entities, whose primary sources of revenue are interest income on loans, investment securities and other interest-earning assets and fee income earned on its products and services. Its expenses consist of interest expense on deposits and borrowed funds, provision for credit losses, other operating expenses and income taxes, as further described below. The Company manages its business activities on a consolidated basis.

The Company's chief operating decision maker ("CODM") is its Chief Executive Officer who is charged with management of the Company and is responsible for the evaluation of operating performance and decision making about the allocation of capital and resources.

The CODM regularly assesses performance of the single operating and reporting segment and decides how to allocate resources based on net income calculated on the same basis as is net income reported in the Company's consolidated statements of income. The CODM is also regularly provided with expense information at a level consistent with that disclosed in the Company's consolidated statements of income.

The Company's principal expenses include: (i) interest expense on deposit accounts and other borrowings; (ii) salaries and employee benefits; (iii) information technology and communication costs primarily associated with maintaining loan and deposit functions; (iv) furniture, equipment, and occupancy expenses for maintaining our facilities; (v) professional fees, including FDIC insurance assessments; (vi) income tax expense; (vii) provisions for credit losses; (viii) intangible amortization; (ix) other real estate owned expenses; and (x) other segment expenses including legal expenses, advertising and promotion, donations, credit card rewards expense, fees associated with originating and closing loans, insurance, and other expenses necessary to support our employees and service our clients. See the consolidated financial statements for other financial information regarding the Company's operating segment.

The accounting policies of the segment are the same as those described in "Note 1 - Summary of Significant Accounting Policies" of the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, which includes a description of significant accounting policies. Operating results for the three and the six months ended June 30, 2025 are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

(Dollars in millions, except share and per share data)

(2) INVESTMENT SECURITIES

The amortized cost and the approximate fair values of investment securities are summarized as follows:

June 30, 2025	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-Sale:				
U.S. Treasury notes	$ 245.7	$ —	$ (11.8)	$ 233.9
State, county, and municipal securities	249.2	—	(35.8)	213.4
Obligations of U.S. government agencies	213.2	—	(6.5)	206.7
U.S. agency commercial mortgage-backed securities	995.7	1.0	(49.6)	947.1
U.S. agency residential mortgage-backed securities	1,198.2	1.2	(88.0)	1,111.4
U.S. agency collateralized mortgage obligations	1,072.2	1.4	(80.0)	993.6
Private mortgage-backed securities	205.5	—	(23.2)	182.3
Collateralized loan obligation	625.8	1.0	—	626.8
Corporate securities	239.0	—	(12.0)	227.0
Total	$ 5,044.5	$ 4.6	$ (306.9)	$ 4,742.2

June 30, 2025	Amortized Cost[(1)]	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Held-to-Maturity:				
U.S. Treasury notes	$ 100.0	$ —	$ (0.1)	$ 99.9
State, county, and municipal securities	175.8	0.2	(23.5)	152.5
Obligations of U.S. government agencies	466.8	—	(45.2)	421.6
U.S. agency commercial mortgage-backed securities	369.7	—	(24.8)	344.9
U.S. agency residential mortgage-backed securities	1,013.4	0.2	(105.1)	908.5
U.S. agency collateralized mortgage obligations	405.0	0.5	(54.1)	351.4
Corporate securities	40.0	—	(1.8)	38.2
Total	$ 2,570.7	$ 0.9	$ (254.6)	$ 2,317.0

(1) Amortized cost presented above is net of an allowance for credit losses of $0.7 million and includes $6.9 million of unamortized gains and $14.8 million of unamortized losses related to the 2021 and 2022 transfer of securities from available-for-sale to held-to-maturity, respectively.

December 31, 2024	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-Sale:				
U.S. Treasury notes	$ 245.0	$ —	$ (18.1)	$ 226.9
State, county, and municipal securities	252.0	—	(40.0)	212.0
Obligations of U.S. government agencies	224.1	—	(10.8)	213.3
U.S. agency commercial mortgage-backed securities	1,057.2	0.1	(74.5)	982.8
U.S. agency residential mortgage-backed securities	1,301.2	0.4	(125.8)	1,175.8
U.S. agency collateralized mortgage obligations	1,156.9	0.6	(106.6)	1,050.9
Private mortgage-backed securities	218.1	—	(27.6)	190.5
Collateralized loan obligation	770.7	1.3	—	772.0
Corporate securities	249.6	—	(16.7)	232.9
Total	$ 5,474.8	$ 2.4	$ (420.1)	$ 5,057.1

(Dollars in millions, except share and per share data)

December 31, 2024	Amortized Cost[1]	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Held-to-Maturity:				
U.S. Treasury notes	$ 99.8	$ —	$ (0.4)	$ 99.4
State, county, and municipal securities	176.3	0.2	(26.7)	149.8
Obligations of U.S. government agencies	470.1	—	(59.9)	410.2
U.S. agency commercial mortgage-backed securities	374.9	—	(33.4)	341.5
U.S. agency residential mortgage-backed securities	1,082.5	—	(140.7)	941.8
U.S. agency collateralized mortgage obligations	427.8	—	(66.1)	361.7
Corporate securities	57.0	—	(2.8)	54.2
Total	$ 2,688.4	$ 0.2	$ (330.0)	$ 2,358.6

[1] Amortized cost presented above is net of an allowance for credit losses of $0.9 million and includes $8.0 million of unamortized gains and $15.9 million of unamortized losses related to the 2021 and 2022 transfer of securities from available-for-sale to held-to-maturity, respectively.

The following tables show the gross unrealized losses and fair values of available-for-sale investment securities and the length of time individual investment securities have been in an unrealized loss position as of June 30, 2025 and December 31, 2024.

	Less than 12 Months		12 Months or More		Total	
June 30, 2025	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Available-for-Sale:						
U.S. Treasury notes	$ —	$ —	$ 233.9	$ (11.8)	$ 233.9	$ (11.8)
State, county, and municipal securities	—	—	211.6	(35.8)	211.6	(35.8)
Obligations of U.S. government agencies	1.0	—	200.7	(6.5)	201.7	(6.5)
U.S. agency commercial mortgage-backed securities	—	—	898.0	(49.6)	898.0	(49.6)
U.S. agency residential mortgage-backed securities	32.9	(0.6)	1,022.3	(87.4)	1,055.2	(88.0)
U.S. agency collateralized mortgage obligations	6.8	—	936.5	(80.0)	943.3	(80.0)
Private mortgage-backed securities	—	—	182.2	(23.2)	182.2	(23.2)
Corporate securities	13.0	—	192.1	(12.0)	205.1	(12.0)
Total	$ 53.7	$ (0.6)	$ 3,877.3	$ (306.3)	$ 3,931.0	$ (306.9)

	Less than 12 Months		12 Months or More		Total	
December 31, 2024	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Available-for-Sale:						
U.S. Treasury notes	$ —	$ —	$ 226.8	$ (18.1)	$ 226.8	$ (18.1)
State, county, and municipal securities	—	—	210.1	(40.0)	210.1	(40.0)
Obligations of U.S. government agencies	3.6	—	206.2	(10.8)	209.8	(10.8)
U.S. agency commercial mortgage-backed securities	38.1	(0.4)	934.9	(74.1)	973.0	(74.5)
U.S. agency residential mortgage-backed securities	33.7	(1.5)	1,086.2	(124.3)	1,119.9	(125.8)
U.S. agency collateralized mortgage obligations	20.5	(0.3)	987.1	(106.3)	1,007.6	(106.6)
Private mortgage-backed securities	—	—	190.4	(27.6)	190.4	(27.6)
Collateralized loan obligation	10.0	—	—	—	10.0	—
Corporate securities	27.5	(0.5)	205.5	(16.2)	233.0	(16.7)
Total	$ 133.4	$ (2.7)	$ 4,047.2	$ (417.4)	$ 4,180.6	$ (420.1)

(Dollars in millions, except share and per share data)

The Company determines the allowance for credit losses on both available-for-sale and held-to-maturity investment securities by a discounted cash flow approach when needed, using each security's effective interest rate at the time of purchase or upon acquisition. The allowance for credit losses for available-for-sale investment securities is measured as the amount by which an investment security's amortized cost exceeds the net present value of expected future cash flows, however, the amount of credit losses is limited to the amount of a security's unrealized loss. The allowance for credit loss on held-to-maturity investment securities is representative of current expected credit losses that management expects to be incurred over the life of the investment and established through a charge to provision for credit losses in current period earnings. For held-to-maturity investment securities, the Company has the intent and ability to hold these investment securities to maturity.

The investment securities portfolio primarily contains securities that are guaranteed by a sovereign entity or are generally considered to have non-credit related risks, such as interest rate risk or liquidity factors. The Company considers whether the securities are issued by the federal government or its agencies and whether downgrades by bond rating agencies have occurred.

As of June 30, 2025 and December 31, 2024, the Company had 641 and 670 individual available-for-sale investment securities, respectively, that were in an unrealized loss position, which was related primarily to fluctuations in current interest rates. As of June 30, 2025, the Company does not intend to sell nor is it more likely than not the Company will be required to sell any available-for-sale securities with unrealized losses.

The Company had no allowance for credit losses on available-for-sale investment securities as of June 30, 2025 and December 31, 2024.

On a quarterly basis, the Company refreshes the credit quality indicator of each held-to-maturity security. As of June 30, 2025 and December 31, 2024, the held-to-maturity portfolio is primarily composed of investment grade or better securities. The Company had a $0.7 million and a $0.9 million allowance for credit losses for held-to-maturity corporate and state, county, and municipal investment securities as of June 30, 2025 and December 31, 2024, respectively.

As of June 30, 2025 and December 31, 2024, the Company had $26.5 million and $29.6 million, respectively, of accrued interest receivable from investment securities on the consolidated balance sheets. Accrued interest receivable is presented as a separate line item on the consolidated balance sheets and is not included in the carrying value of our securities.

During the three months ended June 30, 2025 and 2024, there were no gross realized gains or losses on the disposition of available-for-sale investment securities.

The following schedule represents the amortized cost of debt securities by contractual maturity except for maturities of mortgage-backed securities, which have been adjusted to reflect shorter maturities based upon estimated prepayments of principal.

	Available-for-Sale		Held-to-Maturity	
June 30, 2025	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
Within one year	$ 103.7	$ 102.4	$ 108.1	$ 108.0
After one year but within five years	1,296.0	1,244.0	446.6	427.8
After five years but within ten years	1,318.2	1,247.7	442.0	397.8
After ten years	2,326.6	2,148.1	1,574.0	1,383.4
Total	$ 5,044.5	$ 4,742.2	$ 2,570.7	$ 2,317.0

As of June 30, 2025, the Company held investment securities callable within one year having amortized costs and estimated fair values of $1,064.8 million and $1,031.2 million, respectively. These investment securities are primarily included in the "after five year" categories in the table above.

As of June 30, 2025 and December 31, 2024, the Company had securities with carrying values of $3,315.7 million and $3,460.2 million, respectively, for investment securities pledged to secure public deposits, derivatives, and securities sold under repurchase agreements that had estimated fair values as of June 30, 2025 and December 31, 2024, of $3,049.9 million and $3,092.6 million, respectively. All securities sold under repurchase agreements are with clients and mature on the next banking day. The Company retains possession of the underlying securities sold under repurchase agreements.

(Dollars in millions, except share and per share data)

As of June 30, 2025 and December 31, 2024, the Company held $118.1 million and $177.4 million, respectively, in equity securities primarily in a combination of Federal Reserve Bank and Federal Home Loan Bank ("FHLB") stocks, which are restricted nonmarketable securities acquired to meet regulatory requirements and related to outstanding borrowings. These securities are carried at cost.

(3) LOANS HELD FOR SALE

Residential mortgage loans that the Company originated with the intent to sell are recorded at fair value. The following table presents (i) residential mortgage loans recorded at fair value and (ii) other loans held for sale at lower of cost or market by class of receivable related to the pending sale of the Arizona and Kansas branches, net of a $7.3 million valuation allowance, in addition to the pending sale of approximately $705.0 million in deposits, for the dates indicated:

	June 30, 2025	December 31, 2024
Real estate:		
Commercial	$ 248.7	$ —
Construction	0.2	—
Residential	1.3	—
Residential mortgage, at fair value	4.2	0.9
Agricultural	4.7	—
Total real estate	259.1	0.9
Consumer:		
Direct and advance lines	0.6	—
Total consumer	0.6	—
Commercial	69.0	—
Agricultural	6.5	—
Total loans held for sale	$ 335.2	$ 0.9

(Dollars in millions, except share and per share data)

(4) LOANS HELD FOR INVESTMENT

The following table presents loans by class of receivable and portfolio segment as of the dates indicated:

	June 30, 2025	December 31, 2024
Real estate:		
Commercial	$ 8,750.9	$ 9,263.2
Construction	1,004.6	1,244.6
Residential	2,157.5	2,191.6
Agricultural	635.6	701.1
Total real estate	12,548.6	13,400.5
Consumer:		
Indirect	607.1	725.0
Direct and advance lines	134.4	134.0
Credit card	—	77.6
Total consumer	741.5	936.6
Commercial	2,529.9	2,829.4
Agricultural	541.4	687.9
Other, including overdrafts	2.0	1.6
Loans held for investment	16,363.4	17,856.0
Deferred loan fees and costs	(10.0)	(11.1)
Loans held for investment, net of deferred fees and costs	16,353.4	17,844.9
Allowance for credit losses	(209.6)	(204.1)
Net loans held for investment	$ 16,143.8	$ 17,640.8

(Dollars in millions, except share and per share data)

Allowance for Credit Losses

The following tables represent, by loan portfolio segments, the activity in the allowance for credit losses for loans held for investment:

Three Months Ended June 30, 2025	Beginning Balance	Provision for (reversal of) Credit Losses	Loans Charged-Off[2]	Recoveries Collected	Ending Balance
Allowance for credit losses [1]					
Real estate	$ 146.0	$ 0.7	$ (3.2)	$ 5.2	$ 148.7
Consumer	15.9	0.2	(5.6)	1.5	12.0
Commercial	46.3	(1.6)	(2.2)	0.4	42.9
Agricultural	7.1	0.8	(2.0)	0.1	6.0
Total allowance for credit losses	$ 215.3	$ 0.1	$ (13.0)	$ 7.2	$ 209.6

Six Months Ended June 30, 2025	Beginning Balance	Provision for Credit Loss	Loans Charged-Off[2]	Recoveries Collected	Ending Balance
Allowance for credit losses [1]					
Real estate	$ 139.4	$ 7.5	$ (3.5)	$ 5.3	$ 148.7
Consumer	16.8	2.8	(10.3)	2.7	12.0
Commercial	38.9	8.2	(5.1)	0.9	42.9
Agricultural	9.0	1.8	(4.9)	0.1	6.0
Total allowance for credit losses	$ 204.1	$ 20.3	$ (23.8)	$ 9.0	$ 209.6

Three Months Ended June 30, 2024	Beginning Balance	Provision for (reversal of) Credit Losses	Loans Charged-Off[2]	Recoveries Collected	Ending Balance
Allowance for credit losses [1]					
Real estate	$ 152.9	$ (3.3)	$ (10.1)	$ 0.2	$ 139.7
Consumer	12.6	8.6	(4.0)	1.3	18.5
Commercial	58.0	12.1	(2.2)	1.3	69.2
Agricultural	4.2	1.2	—	—	5.4
Total allowance for credit losses	$ 227.7	$ 18.6	$ (16.3)	$ 2.8	$ 232.8

Six Months Ended June 30, 2024	Beginning Balance	Provision for (reversal of) Credit Losses	Loans Charged-Off[2]	Recoveries Collected	Ending Balance
Allowance for credit losses [1]					
Real estate	$ 160.1	$ (8.0)	$ (13.3)	$ 0.9	$ 139.7
Consumer	13.0	11.0	(7.8)	2.3	18.5
Commercial	50.2	23.3	(6.2)	1.9	69.2
Agricultural	4.4	0.7	—	0.3	5.4
Total allowance for credit losses	$ 227.7	$ 27.0	$ (27.3)	$ 5.4	$ 232.8

[1] Amounts presented exclude the ACL related to unfunded commitments and investment securities. The allowance for credit losses related to unfunded commitments and investment securities are included in the "Financial Instruments with Off-Balance Sheet Risk" Note and "Investment Securities" Note, respectively.

[2] Loans, or portions thereof, are charged-off against the ACL when management believes the collectability of the principal is unlikely, or, with respect to consumer installment loans, according to an established delinquency schedule.

Collateral-Dependent Loans

A collateral-dependent loan relies substantially on the operation or sale of the collateral securing the loan for repayment. A loan may become collateral-dependent when foreclosure is probable or the borrower is experiencing financial difficulty and its sources of repayment become inadequate over time.

(Dollars in millions, except share and per share data)

The following tables present the principal balance of collateral-dependent loans by class of receivable as of the dates indicated:

	Collateral Type			
As of June 30, 2025	Business Assets	Real Property	Other	Total
Real estate:				
Commercial	$ —	$ 78.8	$ —	$ 78.8
Construction	—	4.0	—	4.0
Residential	—	2.7	—	2.7
Agricultural	—	17.0	—	17.0
Total real estate	—	102.5	—	102.5
Commercial	25.9	8.5	0.8	35.2
Agricultural	13.4	7.1	0.1	20.6
Total collateral-dependent loans	$ 39.3	$ 118.1	$ 0.9	$ 158.3

	Collateral Type			
As of December 31, 2024	Business Assets	Real Property	Other	Total
Real estate:				
Commercial	$ —	$ 47.3	$ —	$ 47.3
Construction	—	3.2	—	3.2
Residential	—	2.7	—	2.7
Agricultural	—	1.8	—	1.8
Total real estate	—	55.0	—	55.0
Commercial	20.3	1.1	0.8	22.2
Agricultural	—	20.3	0.1	20.4
Total collateral-dependent loans	$ 20.3	$ 76.4	$ 0.9	$ 97.6

Loans are considered past due if the required principal and interest payments have not been received 30 days or more past the contractual payment due date. Loans classified in the following table as 90 days or more past due continue to accrue interest. The following tables present the contractual aging of the Company's recorded principal balance of loans by class of receivable as of the dates indicated:

As of June 30, 2025	30 - 59 Days Past Due	60 - 89 Days Past Due	90 or more Days Past Due	Total Loans Past Due	Current Loans	Non-accrual Loans [(1)(2)(3)]	Total Loans
Real estate:							
Commercial	$ 0.9	$ 4.4	$ 0.1	$ 5.4	$ 8,664.5	$ 81.0	$ 8,750.9
Construction	9.3	0.3	—	9.6	991.0	4.0	1,004.6
Residential	1.8	1.5	—	3.3	2,138.1	16.1	2,157.5
Agricultural	5.1	1.2	0.1	6.4	608.4	20.8	635.6
Total real estate	17.1	7.4	0.2	24.7	12,402.0	121.9	12,548.6
Consumer:							
Indirect	7.0	2.1	0.6	9.7	593.5	3.9	607.1
Direct and advance lines	0.8	0.3	0.1	1.2	132.7	0.5	134.4
Credit card	—	—	—	—	—	—	—
Total consumer	7.8	2.4	0.7	10.9	726.2	4.4	741.5
Commercial	3.9	3.2	0.5	7.6	2,477.9	44.4	2,529.9
Agricultural	10.4	—	—	10.4	509.0	22.0	541.4
Other, including overdrafts	—	—	—	—	2.0	—	2.0
Loans held for investment	$ 39.2	$ 13.0	$ 1.4	$ 53.6	$ 16,117.1	$ 192.7	$ 16,363.4

(Dollars in millions, except share and per share data)

As of December 31, 2024	30 - 59 Days Past Due	60 - 89 Days Past Due	90 or more Days Past Due	Total Loans Past Due	Current Loans	Non-accrual Loans [(1)(2)(3)]	Total Loans
Real estate:							
Commercial	$ 4.9	$ 2.8	$ —	$ 7.7	$ 9,200.1	$ 55.4	$ 9,263.2
Construction	3.7	—	—	3.7	1,237.6	3.3	1,244.6
Residential	6.6	2.7	0.4	9.7	2,166.5	15.4	2,191.6
Agricultural	7.6	2.8	—	10.4	685.4	5.3	701.1
Total real estate	22.8	8.3	0.4	31.5	13,289.6	79.4	13,400.5
Consumer:							
Indirect	8.4	2.6	0.7	11.7	709.4	3.9	725.0
Direct and advance lines	0.6	0.2	0.3	1.1	132.3	0.6	134.0
Credit card	0.7	0.5	1.0	2.2	75.4	—	77.6
Total consumer	9.7	3.3	2.0	15.0	917.1	4.5	936.6
Commercial	11.2	3.0	0.6	14.8	2,781.1	33.5	2,829.4
Agricultural	2.4	2.8	—	5.2	661.8	20.9	687.9
Other, including overdrafts	—	—	—	—	1.6	—	1.6
Loans held for investment	$ 46.1	$ 17.4	$ 3.0	$ 66.5	$ 17,651.2	$ 138.3	$ 17,856.0

(1) As of June 30, 2025 and December 31, 2024, none of our non-accrual loans were earning interest income. Additionally, $1.1 million and $1.5 million interest income was recognized on non-accrual loans during the three and the six months ended June 30, 2025, respectively, and $0.5 million and $0.8 million interest income was recognized on non-accrual loans during the three and the six months ended June 30, 2024, respectively. There were $1.0 million and $2.5 million in reversals of accrued interest during the three and the six months ended June 30, 2025, respectively, and $0.2 million and $2.0 million in reversals of accrued interest during the three and the six months ended June 30, 2024, respectively.

(2) As of June 30, 2025 and December 31, 2024, there were approximately $130.3 million and $56.9 million, respectively, of non-accrual loans for which there was no related allowance for credit loss, as these loans had sufficient collateral securing the loan for repayment.

(3) As of June 30, 2025, there were approximately $29.5 million, $9.7 million, and $74.7 million of non-accrual loans that were 30-59 days past due, 60-89 days past due, and 90 days or more past due, respectively. As of December 31, 2024, there were approximately $13.5 million, $6.2 million, and $40.5 million of non-accrual loans that were 30-59 days past due, 60-89 days past due, and 90 days or more past due, respectively.

Modifications to Borrowers Experiencing Financial Difficulty

Modifications of loans are made in the ordinary course of business and are completed on a case-by-case basis through negotiation with the borrower in connection with the ongoing loan collection processes. Loan modifications are made to provide payment relief to borrowers experiencing financial difficulty.

From time to time, we may modify certain loans to borrowers who are experiencing financial difficulty. In some cases, these modifications may result in new loans. Loan modifications to borrowers experiencing financial difficulty may be in the form of principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay, a term extension, or a combination thereof, among other things.

(Dollars in millions, except share and per share data)

The following tables present the amortized cost basis of loans, by class and by type of modification, at June 30, 2025 and 2024 that were both experiencing financial difficulty and modified during the periods indicated. The percentage of the principal balance of loans that were modified to borrowers in financial distress as compared to the principal balance of each class of receivable is also presented below:

Three Months Ended June 30, 2025	Principal Forgiveness	Term Extension	Term Extension and Interest Rate Reduction	Total	% of Total Class of Loans Held for Investment [1]
Real estate:					
Commercial	$ —	$ 13.2	$ —	$ 13.2	0.15 %
Agricultural	—	5.1	—	5.1	0.80
Total real estate	—	18.3	—	18.3	0.15
Commercial	—	3.9	0.1	4.0	0.16
Agricultural	—	8.9	—	8.9	1.64
Loans held for investment [2]	$ —	$ 31.1	$ 0.1	$ 31.2	0.19
Six Months Ended June 30, 2025					
Real estate:					
Commercial	$ —	$ 14.2	$ 0.8	$ 15.0	0.17 %
Construction	—	11.5	—	11.5	1.14
Residential	—	0.3	0.2	0.5	0.02
Agricultural	—	5.2	—	5.2	0.82
Total real estate	—	31.2	1.0	32.2	0.26
Commercial	—	6.2	0.1	6.3	0.25
Agricultural	—	10.7	1.4	12.1	2.23
Loans held for investment [2]	$ —	$ 48.1	$ 2.5	$ 50.6	0.31

Three Months Ended June 30, 2024	Principal Forgiveness	Term Extension	Term Extension and Interest Rate Reduction	Total	% of Total Class of Loans Held for Investment [1]
Real estate:					
Commercial	$ —	$ 6.3	$ —	$ 6.3	0.07 %
Residential	—	—	0.3	0.3	0.01
Agricultural	—	5.7	—	5.7	0.79
Total real estate	—	12.0	0.3	12.3	0.09
Commercial	—	11.7	—	11.7	0.38
Agricultural	—	22.8	22.8	45.6	6.53
Loans held for investment [2]	$ —	$ 46.5	$ 23.1	$ 69.6	0.38
Six Months Ended June 30, 2024					
Real estate:					
Commercial	$ —	$ 17.5	$ —	$ 17.5	0.19 %
Residential	—	0.1	0.3	0.4	0.02
Agricultural	—	11.7	—	11.7	1.62
Total real estate	—	29.3	0.3	29.6	0.22
Consumer:					
Direct and advance lines	—	0.1	—	0.1	0.07
Total consumer	—	0.1	—	0.1	0.01
Commercial	—	16.0	5.9	21.9	0.72
Agricultural	—	23.5	22.8	46.3	6.63
Loans held for investment [2]	$ —	$ 68.9	$ 29.0	$ 97.9	0.54

[1] Based on the principal balance as of period end, divided by the period end principal balance of the corresponding class of receivables.

[2] As of June 30, 2025 and 2024, the Company excluded $0.3 million and $0.8 million, respectively, in accrued interest from the amortized cost of the identified loans.

(Dollars in millions, except share and per share data)

The following tables present the financial effect of the loan modifications presented above to borrowers experiencing financial difficulty during the periods indicated:

			Term Extension and Interest Rate Reduction	
Three Months Ended June 30, 2025	Principal Forgiveness	Weighted-Average Months of Term Extension	Weighted-Average Months of Term Extension	Weighted-Average Interest Rate Reduction
Real estate:				
Commercial	$ —	14.4	0.0	— %
Agricultural	—	6.0	0.0	—
Total real estate	—			
Commercial	—	8.1	23.6	0.2
Agricultural	—	5.9	0.0	—
Loans held for investment (1)	$ —			
Six Months Ended June 30, 2025				
Real estate:				
Commercial	$ —	13.5	13.3	0.9 %
Construction	—	6.4	0.0	—
Residential	—	22.3	84.8	2.2
Agricultural	—	6.0	0.0	—
Total real estate	—			
Commercial	—	9.7	22.4	0.5
Agricultural	—	6.5	7.3	1.0
Loans held for investment (1)	$ —			

(Dollars in millions, except share and per share data)

			Term Extension and Interest Rate Reduction	
Three Months Ended June 30, 2024	Principal Forgiveness	Weighted-Average Months of Term Extension	Weighted-Average Months of Term Extension	Weighted-Average Interest Rate Reduction
Real estate:				
Commercial	$ —	11.6	0.0	— %
Residential	—	0.0	31.2	3.4
Agricultural	—	7.1	0.0	—
Total real estate	—			
Consumer:				
Indirect	—	4.5	0.0	—
Direct and advance lines	—	5.0	0.0	—
Total consumer	—			
Commercial	—	7.8	0.0	—
Agricultural	—	4.1	55.2	1.2
Loans held for investment [(1)]	$ —			
Six Months Ended June 30, 2024				
Real estate:				
Commercial	$ —	7.2	0.0	— %
Residential	—	11.0	31.2	3.4
Agricultural	—	7.0	0.0	—
Total real estate	—			
Consumer:				
Indirect	—	4.9	0.0	—
Direct and advance lines	—	10.1	0.0	—
Total consumer	—			
Commercial	—	7.8	5.0	1.0
Agricultural	—	4.1	55.2	1.2
Loans held for investment [(1)]	$ —			

(1) Balances based on loan original contractual terms.

The Company monitors the performance of loan modifications to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. Of the loans that were modified during the twelve-months ended June 30, 2025 and 2024, there were zero and $1.2 million of loans classified as past due 30 days or more, respectively, with the remaining loans performing in accordance with the modified terms and classified as current at June 30, 2025 and 2024.

There were no commitments to lend additional funds related to the loan modifications to borrowers experiencing financial difficulty during the three months ended June 30, 2025 and 2024.

There were $2.1 million and $2.4 million of payment defaults on these loans subsequent to their modifications during the twelve-months ended June 30, 2025 and 2024. The Company considers a payment default to occur when the loan is 90 days or more past due or the loan is placed on non-accrual status after the modification. The Company monitors the performance of modified loans on an ongoing basis. In the event of subsequent default, the allowance for credit losses continues to be reassessed based on an individual evaluation of each loan. The modifications made during the periods presented did not significantly impact the Company's determination of the allowance for credit losses.

Credit Quality Indicators

As part of the on-going and continuous monitoring of the credit quality of the Company's loan portfolio, management tracks internally assigned risk classifications of loans based on relevant information about the ability of borrowers to service their debt. The factors considered by the Company include, among other factors, the borrower's current financial information, historical payment experience, credit documentation, public information, and current economic trends. The Company analyzes loans individually to classify the credit risk of the loans. This analysis generally includes loans with an outstanding balance greater than $1.0 million, which are generally considered non-homogeneous loans, such as commercial loans and commercial real estate loans. This analysis is performed no less than on an annual basis, depending upon the size of exposure and the contractual obligations governing the borrower's financial reporting frequency. Homogeneous loans, including small business loans, are typically monitored by payment performance. The Company internally risk rates its loans in accordance with a Uniform Classification System developed jointly by the various bank regulatory agencies. The Uniform Classification System defines three broad categories of criticized assets, which the Company uses as credit quality indicators in addition to the 6 Pass ratings in its 10-point rating scale:

Special Mention — includes loans that exhibit a potential weakness in financial condition, loan structure, or documentation that warrants management's close attention. If not promptly corrected, the potential weaknesses may result in deterioration of the repayment prospects for the loan or of the institution's credit position at some future date.

Substandard — includes loans that are inadequately protected by the current net worth and paying capacity of the borrower which have well-defined weaknesses that jeopardize the liquidation of the debt. Although the primary source of repayment for a substandard loan may not currently be sufficient, collateral or other sources of repayment are sufficient to satisfy the debt. Continuance of a substandard loan is not warranted unless positive steps are taken to improve the worthiness of the credit.

Doubtful — includes loans that exhibit pronounced weaknesses based on currently existing facts, conditions, and values to a point where collection or liquidation for full repayment is highly questionable and improbable. Doubtful loans are required to be placed on non-accrual status and are assigned specific loss exposure.

Loans not meeting the criteria above that are analyzed individually as part of the above-described process are considered pass-rated loans. A pass-rated loan can be assets where there is virtually no credit risk, such as cash secured loans with funds on deposit with the Bank. Pass-rated loans also include loans that are on our watch lists, where the borrower exhibits potential weaknesses, which may, if not checked or corrected, negatively affect the borrower's financial capacity and threaten their ability to fulfill debt obligations in the future.

(Dollars in millions, except share and per share data)

The Company evaluates the credit quality and loan performance for the allowance for credit losses of the following class of receivables by origination year using the origination date or the loan's subsequent renewal or modification date based on the aforementioned risk scale as of and for the periods ended:

	June 30, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Commercial real estate:									
Pass	$ 483.3	$ 1,097.8	$ 1,162.6	$ 1,562.9	$ 1,174.0	$ 2,322.1	$ 69.6	$ 97.1	$ 7,969.4
Special mention	116.1	137.4	45.5	39.7	96.8	111.5	0.1	—	547.1
Substandard	21.2	41.4	27.0	36.3	46.3	53.7	—	0.4	226.3
Doubtful	1.9	0.5	5.7	—	—	—	—	—	8.1
Total	622.5	1,277.1	1,240.8	1,638.9	1,317.1	2,487.3	69.7	97.5	8,750.9
Construction real estate:									
Pass	143.4	349.5	108.5	228.0	33.4	28.3	73.4	3.5	968.0
Special mention	10.4	1.1	0.2	0.1	—	—	—	—	11.8
Substandard	9.5	1.9	0.1	10.1	1.7	—	0.2	—	23.5
Doubtful	—	1.3	—	—	—	—	—	—	1.3
Total	163.3	353.8	108.8	238.2	35.1	28.3	73.6	3.5	1,004.6
Agricultural real estate:									
Pass	37.0	93.8	46.1	111.5	92.9	149.7	22.2	0.3	553.5
Special mention	4.1	10.6	1.7	4.2	8.1	15.3	1.1	—	45.1
Substandard	6.7	2.9	6.8	3.3	6.3	11.0	—	—	37.0
Total	47.8	107.3	54.6	119.0	107.3	176.0	23.3	0.3	635.6
Commercial:									
Pass	166.9	340.4	287.2	317.6	251.9	312.2	660.9	7.1	2,344.2
Special mention	6.7	11.0	8.7	4.9	4.4	0.8	43.1	—	79.6
Substandard	7.3	26.2	8.3	8.7	5.2	2.6	23.9	13.7	95.9
Doubtful	0.5	2.5	0.5	6.3	0.4	—	—	—	10.2
Total	181.4	380.1	304.7	337.5	261.9	315.6	727.9	20.8	2,529.9
Agricultural:									
Pass	52.6	50.0	23.0	31.0	11.7	8.3	269.9	0.9	447.4
Special mention	13.9	2.7	1.0	3.9	0.8	—	37.1	1.5	60.9
Substandard	11.1	5.4	0.7	0.1	—	0.5	4.6	0.1	22.5
Doubtful	5.9	0.1	2.6	—	—	—	2.0	—	10.6
Total	$ 83.5	$ 58.2	$ 27.3	$ 35.0	$ 12.5	$ 8.8	$ 313.6	$ 2.5	$ 541.4

(Dollars in millions, except share and per share data)

	December 31, 2024								
	Term Loans Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Commercial real estate:									
Pass	$ 1,208.5	$ 1,340.2	$ 1,909.1	$ 1,344.1	$ 1,069.7	$ 1,778.3	$ 74.1	$ 109.8	$ 8,833.8
Special mention	78.4	17.5	15.8	16.1	4.9	79.2	0.6	9.8	222.3
Substandard	81.5	12.1	22.0	37.3	10.2	43.5	0.5	—	207.1
Total	1,368.4	1,369.8	1,946.9	1,397.5	1,084.8	1,901.0	75.2	119.6	9,263.2
Construction:									
Pass	438.0	233.0	320.2	76.5	17.3	20.9	124.8	1.8	1,232.5
Special mention	2.1	—	6.4	—	—	—	—	—	8.5
Doubtful	3.6	—	—	—	—	—	—	—	3.6
Total	443.7	233.0	326.6	76.5	17.3	20.9	124.8	1.8	1,244.6
Agricultural real estate:									
Pass	118.6	53.0	104.7	107.9	66.0	144.1	33.4	0.5	628.2
Special mention	1.1	0.2	6.8	6.1	8.5	0.7	—	—	23.4
Substandard	12.9	8.2	19.7	3.4	4.4	0.9	—	—	49.5
Total	132.6	61.4	131.2	117.4	78.9	145.7	33.4	0.5	701.1
Commercial:									
Pass	438.8	353.0	375.9	316.0	165.9	255.2	767.3	8.9	2,681.0
Special mention	3.9	13.9	3.1	2.2	6.2	0.6	19.1	—	49.0
Substandard	30.8	5.4	12.8	5.5	1.6	3.4	35.2	1.5	96.2
Doubtful	—	1.6	1.1	0.5	—	—	—	—	3.2
Total	473.5	373.9	392.9	324.2	173.7	259.2	821.6	10.4	2,829.4
Agricultural:									
Pass	109.6	34.1	39.4	16.6	13.5	5.8	379.4	1.1	599.5
Special mention	4.1	1.4	0.9	0.2	0.9	0.1	5.1	—	12.7
Substandard	4.1	25.9	0.1	—	0.5	—	25.9	0.3	56.8
Doubtful	18.9	—	—	—	—	—	—	—	18.9
Total	$ 136.7	$ 61.4	$ 40.4	$ 16.8	$ 14.9	$ 5.9	$ 410.4	$ 1.4	$ 687.9

(Dollars in millions, except share and per share data)

The Company evaluates the credit quality, loan performance, and the allowance for credit losses of its residential and consumer loan portfolios based primarily on the aging status of the loan and borrower payment activity. Accordingly, loans on non-accrual status and loans past due 90 days or more and still accruing interest are considered nonperforming for purposes of credit quality evaluation. The following tables present the recorded investment of these loan portfolios based on the credit risk profile of loans that are performing and loans that are nonperforming as of the periods indicated:

	June 30, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Residential:									
Performing	$ 18.2	$ 29.8	$ 75.8	$ 407.0	$ 469.6	$ 639.1	$ 496.1	$ 5.8	$ 2,141.4
Nonperforming	0.5	1.2	1.3	5.0	2.3	5.7	—	0.1	16.1
Total	18.7	31.0	77.1	412.0	471.9	644.8	496.1	5.9	2,157.5
Consumer indirect:									
Performing	31.3	216.3	98.8	132.6	53.3	70.3	—	—	602.6
Nonperforming	0.2	0.9	0.8	1.2	0.7	0.7	—	—	4.5
Total	31.5	217.2	99.6	133.8	54.0	71.0	—	—	607.1
Consumer direct and advance lines:									
Performing	28.9	35.2	18.8	13.8	7.3	7.0	22.8	—	133.8
Nonperforming	—	0.2	0.1	0.1	0.1	0.1	—	—	0.6
Total	$ 28.9	$ 35.4	$ 18.9	$ 13.9	$ 7.4	$ 7.1	$ 22.8	$ —	$ 134.4

	December 31, 2024								
	Term Loans Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Residential:									
Performing	$ 22.6	$ 73.8	$ 409.1	$ 487.3	$ 440.2	$ 252.5	$ 477.8	$ 12.5	$ 2,175.8
Nonperforming	1.3	1.5	4.9	2.1	1.1	4.9	—	—	15.8
Total	23.9	75.3	414.0	489.4	441.3	257.4	477.8	12.5	2,191.6
Consumer indirect:									
Performing	266.8	127.2	167.5	68.9	44.4	45.6	—	—	720.4
Nonperforming	0.9	1.1	1.1	0.6	0.4	0.5	—	—	4.6
Total	267.7	128.3	168.6	69.5	44.8	46.1	—	—	725.0
Consumer direct and advance lines:									
Performing	46.5	25.4	18.5	10.0	4.2	5.2	23.2	0.1	133.1
Nonperforming	0.4	0.1	0.2	0.1	—	0.1	—	—	0.9
Total	46.9	25.5	18.7	10.1	4.2	5.3	23.2	0.1	134.0
Consumer credit card:									
Performing	—	—	—	—	—	—	76.6	—	76.6
Nonperforming	—	—	—	—	—	—	1.0	—	1.0
Total	$ —	$ —	$ —	$ —	$ —	$ —	$ 77.6	$ —	$ 77.6

(Dollars in millions, except share and per share data)

The following table summarizes the current-period gross charge-offs by class of receivable and portfolio segment as of the dates indicated:

	June 30, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Real estate:									
Commercial	$ —	$ —	$ —	$ 0.2	$ 2.5	$ 0.1	$ —	$ —	$ 2.8
Residential	—	0.2	0.1	0.3	0.1	—	—	—	0.7
Total real estate	—	0.2	0.1	0.5	2.6	0.1	—	—	3.5
Consumer:									
Indirect	—	1.2	1.5	1.2	0.4	0.5	—	—	4.8
Direct and advance lines	0.1	0.5	0.3	0.1	—	1.0	—	—	2.0
Credit card	—	—	—	—	—	—	3.5	—	3.5
Total consumer	0.1	1.7	1.8	1.3	0.4	1.5	3.5	—	10.3
Commercial	—	0.5	1.9	0.4	0.3	0.8	1.2	—	5.1
Agricultural	2.0	2.9	—	—	—	—	—	—	4.9
Total current-period gross charge-offs	$ 2.1	$ 5.3	$ 3.8	$ 2.2	$ 3.3	$ 2.4	$ 4.7	$ —	$ 23.8

	December 31, 2024								
	Term Loans Amortized Cost Basis by Origination Year								
	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted To Term	Total
Real estate:									
Commercial	$ 0.2	$ 5.7	$ —	$ 19.4	$ —	$ 0.1	$ —	$ —	$ 25.4
Construction	—	—	13.1	—	0.1	—	—	—	13.2
Residential	—	0.2	0.2	0.1	0.3	0.2	—	—	1.0
Total real estate	0.2	5.9	13.3	19.5	0.4	0.3	—	—	39.6
Consumer:									
Indirect	0.5	2.0	3.4	1.1	0.4	1.1	—	—	8.5
Direct and advance lines	0.2	0.6	0.9	0.2	—	1.8	0.1	0.1	3.9
Credit card	—	—	—	—	—	—	3.0	—	3.0
Total consumer	0.7	2.6	4.3	1.3	0.4	2.9	3.1	0.1	15.4
Commercial	21.6	2.2	1.1	0.3	0.1	0.1	31.1	2.9	59.4
Agricultural	—	—	—	0.3	—	—	—	—	0.3
Total current-period gross charge-offs	$ 22.5	$ 10.7	$ 18.7	$ 21.4	$ 0.9	$ 3.3	$ 34.2	$ 3.0	$ 114.7

In the normal course of business, there were no material purchases of portfolio loans and no material sales of loans held for investment during the three and the six months ended June 30, 2025 or 2024.

(5) DERIVATIVES AND HEDGING ACTIVITIES

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through the management of its business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its assets and liabilities and derivative financial instruments. The Company enters into derivative financial instruments, such as interest rate swap contracts to manage or hedge exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates and interest rate exposures. The Company does not enter into interest rate swap agreements for trading or speculative purposes.

The Company sells residential mortgage loans on either a best efforts or mandatory delivery basis. The Company mitigates the effect of the interest rate risk inherent in providing interest rate lock commitments by entering into forward loan sales contracts. The forward loan sales contracts are recorded at fair value with changes in fair value recorded through earnings and are not designated as accounting hedges. Exclusive of the fair value component associated with the projected cash flows from the loan delivery to the investor, the changes in fair value related to movements in market rates of the interest rate lock commitments and the forward loan sales contracts generally move in opposite directions, and the net impact of changes in these valuations on net income during the loan commitment period is generally inconsequential. When the loan is funded to the borrower, the interest rate lock commitment expires, and the Company records a loan held for sale. The forward loan sales contract acts as a hedge against movements in the market interest rates from the time the Company enters into the interest rate lock commitment. The changes in measurement of the estimated fair values of the interest rate lock commitments and forward loan sales contracts are included in mortgage banking revenues in the accompanying consolidated statements of income. The Company charges a fee for these transactions, which is included in mortgage banking revenues on the consolidated statements of income which were not material for the periods ended June 30, 2025 and 2024.

The Company also enters into derivative contracts related to transactions in which the Company enters into an interest rate swap with a client while at the same time entering into an offsetting interest rate swap with a third-party financial institution. Because the Company acts as an intermediary for the client, changes in the fair value of the underlying derivative contracts primarily offset each other and do not significantly impact the Company's results of operations. The Company charges a fee for these transactions, which is included in other service charges, commissions, and fees on the consolidated statements of income which were not material for the periods ended June 30, 2025 and 2024.

Cash Flow Hedges of Interest Rate Risk

The Company's objectives in using interest rate derivatives are to add stability to interest income (expense) and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps and collars as part of its interest rate risk management strategy.

As part of the Company's overall asset and liability management strategy, the Company has two active interest rate collars related to variable-rate loans that were designated as cash flow hedges with a total notional amount of $300.0 million with maturities of August 15, 2025. The collars designated as cash flow hedges synthetically fix the interest income received by the Company when the interest index falls below a floor rate on a reset and when the interest index exceeds the cap rate on a rate reset.

Fair Value Hedges of Interest Rate Risk

The Company is exposed to changes in the fair value of fixed-rate assets due to changes in benchmark interest rates. The Company uses interest rate swaps to manage its exposure to changes in fair value on these instruments attributable to changes in the designated benchmark interest rate. Interest rate swaps designated as fair value hedges involve the payment of fixed-rate amounts to a counterparty in exchange for the Company receiving variable-rate payments over the life of the agreements.

For derivatives designated and that qualify as fair value hedges, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in interest income.

(Dollars in millions, except share and per share data)

Derivatives Not Designated as Accounting Hedges

Derivative instruments not designated as accounting hedges are not speculative and result from a service the Company provides to certain customers. The Company executes interest rate swaps with commercial banking customers to facilitate their respective risk management strategies. Those interest rate swaps are simultaneously economically hedged by offsetting derivatives that the Company executes with a third party, such that the Company minimizes its net risk exposure resulting from such transactions. As the interest rate derivatives associated with this program do not meet the strict hedge accounting requirements, changes in the fair value of both the customer derivatives and the offsetting derivatives are recognized in other income.

Risk Participation Agreements

The Company acquired, from Great Western Bank, risk participation agreements under which it assumed credit risk associated with a borrower's performance related to derivative contracts. The Company only entered into these credit risk participation agreements in instances in which the Company was also a party to the related loan participation agreements for such borrowers. The Company manages its credit risk under risk participation agreements by monitoring the creditworthiness of the borrower, based on its normal credit review process.

The following table summarizes the fair values of our derivative instruments on a gross and net basis for the periods indicated. The derivative asset and liability balances are presented on a gross basis, prior to the application of bilateral collateral and master netting agreements, but after the variation margin payments with central clearing organizations have been applied as settlement, as applicable. Total derivative assets and liabilities are adjusted to account for the impact of legally enforceable master netting agreements that allow us to settle all derivative contracts with a single counterparty on a net basis and to offset the net derivative position with the related cash collateral. Securities collateral related to legally enforceable master netting agreements is not offset on the consolidated balance sheets.

	June 30, 2025			December 31, 2024		
	Notional Amount	Consolidated Balance Sheet Location	Estimated Fair Value	Notional Amount	Consolidated Balance Sheet Location	Estimated Fair Value
Derivatives designated as accounting hedges:						
Interest rate swap contracts	$ —		$ —	$ —		$ —
Derivatives not designated as accounting hedges:						
Interest rate swap contracts	1,330.7		29.1	1,415.4		44.9
Interest rate lock commitments	4.2		—	2.7		—
Forward loan sales contracts	5.6		—	2.4		—
Derivative assets	$ 1,340.5	Other assets	$ 29.1	$ 1,420.5	Other assets	$ 44.9
Derivatives designated as accounting hedges:						
Interest rate collars	$ 300.0		$ 0.3	$ 300.0		$ 1.0
Interest rate swap contracts	—		—	300.0		2.8
Derivatives not designated as accounting hedges:						
Interest rate swap contracts	1,330.7		88.6	1,415.4		130.0
Risk participation agreements	87.9		—	91.6		—
Derivative liabilities	$ 1,718.6	Accounts payable and accrued expenses	$ 88.9	$ 2,107.0	Accounts payable and accrued expenses	$ 133.8

There was an unrealized fair value loss on cash flow hedging derivative instruments recognized in other comprehensive income of $0.9 million and $1.9 million for the three and the six months ended June 30, 2025 and an unrealized fair value gain of $5.1 million and $22.5 million for the three and the six months ended June 30, 2024. All derivatives are carried at fair value in either other assets or other liabilities and all related cash flows are reported in the operating section of the consolidated statements of cash flows.

(Dollars in millions, except share and per share data)

The tables below present the gross presentation, the effects of offsetting, and a net presentation of the Company's derivatives as of the dates indicated:

	June 30, 2025					
	Gross Assets Recognized	Gross Assets Offset in the Balance Sheet	Net Assets in the Balance Sheet	Financial Instruments	Cash Collateral Received [(1)]	Net Amount
Interest rate swap and collar contracts	$ 29.1	$ —	$ 29.1	$ —	$ 29.1	$ —
Total derivatives	29.1	—	29.1	—	29.1	—
Total assets	$ 29.1	$ —	$ 29.1	$ —	$ 29.1	$ —

[(1)] Netting adjustments represent the amounts recorded to convert derivatives assets and liabilities from a gross basis to a net basis in accordance with the applicable accounting guidance. The application of the collateral cannot reduce the net derivative position below zero. Therefore, excess collateral, if any, is not reflected above.

	Gross Liabilities Recognized	Gross Liabilities Offset in the Balance Sheet	Net Liabilities in the Balance Sheet	Financial Instruments	Cash Collateral Posted	Net Amount
Interest rate swap and collar contracts	$ 88.9	$ —	$ 88.9	$ —	$ —	$ 88.9
Total derivatives	88.9	—	88.9	—	—	88.9
Repurchase agreements[(2)]	509.3	—	509.3	—	—	509.3
Total liabilities	$ 598.2	$ —	$ 598.2	$ —	$ —	$ 598.2

[(2)] Repurchase agreements are fully collateralized by investment securities.

	December 31, 2024					
	Gross Assets Recognized	Gross Assets Offset in the Balance Sheet	Net Assets in the Balance Sheet	Financial Instruments	Cash Collateral Received[(1)]	Net Amount
Interest rate swap and collar contracts	$ 44.9	$ —	$ 44.9	$ —	$ 42.4	$ 2.5
Total derivatives	44.9	—	44.9	—	42.4	2.5
Total assets	$ 44.9	$ —	$ 44.9	$ —	$ 42.4	$ 2.5

[(1)] Netting adjustments represent the amounts recorded to convert derivatives assets and liabilities from a gross basis to a net basis in accordance with the applicable accounting guidance. The application of the collateral cannot reduce the net derivative position below zero. Therefore, excess collateral, if any, is not reflected above.

	Gross Liabilities Recognized	Gross Liabilities Offset in the Balance Sheet	Net Liabilities in the Balance Sheet	Financial Instruments	Cash Collateral Posted	Net Amount
Interest rate swap and collar contracts	$ 133.8	$ —	$ 133.8	$ —	$ —	$ 133.8
Total derivatives	133.8	—	133.8	—	—	133.8
Repurchase agreements[(2)]	523.9	—	523.9	—	—	523.9
Total liabilities	$ 657.7	$ —	$ 657.7	$ —	$ —	$ 657.7

[(2)] Repurchase agreements are fully collateralized by investment securities.

Credit-risk-related Contingent Feature

The Company has agreements with certain of its derivative counterparties that contain a provision where if the Company defaults on any of its indebtedness, including default where repayment of the indebtedness has not been accelerated by the lender, then the Company could also be declared in default on its derivative obligations. In addition, the Company could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to the Company's default on the indebtedness.

(Dollars in millions, except share and per share data)

The Company has agreements with certain of its derivative counterparties that contain a provision where if the Company fails to maintain its status as a well / adequately capitalized institution, then the counterparty could terminate the derivative positions and the Bank would be required to settle its obligations. Similarly, the Bank could be required to settle its obligations under certain of its agreements if specific regulatory events occur, such as a publicly issued prompt corrective action directive, cease and desist order, or a capital maintenance agreement that required the Bank to maintain a specific capital level. If the Bank had breached any of these provisions at June 30, 2025 or December 31, 2024 it could have been required to settle its obligations under the agreements at the termination value.

As of June 30, 2025, the fair value of derivatives in a net liability position that have contingent features described above was zero. As of June 30, 2025, the Company has minimum collateral posting thresholds with certain of its derivative counterparties and has not posted excess collateral. At June 30, 2025, the Company had not breached any of the settlement acceleration provisions.

(6) LONG-TERM DEBT AND OTHER BORROWED FUNDS

A summary of long-term debt follows:

	June 30, 2025	December 31, 2024
Parent Company:		
Fixed to floating subordinated notes, 5.25% fixed rate effective May 2020 through May 14, 2025. Effective May 15, 2025, floating Three-Month Term Secured Overnight Financing Rate plus 518.0 basis points.	$ 99.3	$ 99.1
Fixed to floating subordinated notes, 7.625% fixed rate effective June 2025 through June 2030	122.3	—
Subsidiaries:		
0.00% FHLB borrowings maturing in August 2029	3.9	3.9
8.00% finance lease obligation with term ending October 31, 2029	0.7	0.8
Note payable maturing March 31, 2038, interest only payable at 1.30% monthly until March 31, 2025 and then principal and interest at 3.25% until maturity	—	2.0
1.30% note payable maturing June 1, 2034, interest only payable monthly until March 31, 2025 and then principal and interest until maturity	—	0.6
1.12% note payable maturing December 31, 2045, interest only payable annually until December 31, 2028 and then principal and interest until maturity	6.8	6.8
1.35% note payable maturing December 31, 2046 interest only payable annually until December 31, 2025 and then principal and interest until maturity	6.4	6.4
1.26% note payable maturing December 31, 2051 interest only payable annually until December 31, 2031 and then principal and interest until maturity	12.6	12.6
Total long-term debt	$ 252.0	$ 132.2

The Company’s outstanding $100.0 million of aggregate principal amount of 5.25% fixed-to-floating rate subordinated notes due 2030 (the “2020 Subordinated Notes”) set forth in the table above have been called for redemption on August 15, 2025, as further described in Note 15 – Subsequent Events herein.

On June 10, 2025, the Company completed a public offering of $125.0 million fixed-to-floating rate subordinated notes due June 15, 2035 (the “Notes”). The Company may elect to redeem the Notes, in whole or in part, on any early redemption date which is any interest payment date on or after June 15, 2030 at a redemption price equal to 100% of the principal amount plus any accrued and unpaid interest. The Company may also redeem the Notes, in whole but not in part, upon certain conditions as defined in the indenture governing the Notes. Any early redemption of the Notes will be subject to regulatory approval to the extent then required under applicable laws or regulations, including capital regulations.

(Dollars in millions, except share and per share data)

From and including the date of issuance to, but excluding, June 15, 2030, or earlier redemption date, the Notes will bear interest at an initial fixed rate of 7.625% per annum, payable semi-annually in arrears on June 15 and December 15 of each year, commencing on December 15, 2025. From and including June 15, 2030 to, but excluding, June 15, 2035, or earlier redemption date, the Notes will bear interest at a floating rate per annum equal to a benchmark rate, which is expected to be Three-Month Term Secured Overnight Financing Rate ("SOFR") (as defined in the indenture governing the Notes), plus 398.0 basis points, payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing on September 15, 2030. Notwithstanding the foregoing, if the benchmark rate is less than zero, then the benchmark rate shall be deemed to be zero.

At June 30, 2025, the Company had $250.0 million in outstanding FHLB borrowings with remaining tenors of up to twelve-months at an average rate of 4.72%, as compared to $1,567.5 million of outstanding FHLB fixed rate borrowings with tenors of up to three-months at an average rate of 4.77% at December 31, 2024. As of June 30, 2025 and December 31, 2024, the Company had no other material outstanding borrowings classified as other borrowed funds.

At June 30, 2025, the Company has remaining available lines of credit with the FHLB of approximately $4,940.0 million, subject to collateral availability. The available line of credit and outstanding borrowings with the FHLB are collateralized by certain loans and securities with an advance equivalent collateral value of $5,193.9 million.

The following table presents outstanding FHLB borrowings by original maturity classification for the dates indicated:

As of June 30, 2025	Average Rate	Outstanding Balance
Fixed rate borrowings with tenors over twelve-months	4.72 %	$ 250.0
Total outstanding FHLB borrowings		$ 250.0

As of December 31, 2024	Average Rate	Outstanding Balance
Fixed rate borrowings with tenors of up to twelve-months	4.78 %	$ 1,317.5
Fixed rate borrowings with tenors over twelve-months	4.72	250.0
Total outstanding FHLB borrowings		$ 1,567.5

(7) CAPITAL STOCK

The Company's common stock is traded on the NASDAQ stock market under the symbol "FIBK."

As of June 30, 2025, the Company is authorized to issue an aggregate of 150,100,000 shares of capital stock, of which 150,000,000 shares are designated as common stock, and 100,000 are designated as preferred stock. Our common stock is uncertificated and has one vote per share.

The Company had 104,874,177 shares and 104,585,964 shares of common stock outstanding as of June 30, 2025 and December 31, 2024, respectively, and no shares of preferred stock outstanding as of June 30, 2025 and December 31, 2024.

During the six months ended June 30, 2025, the Company issued 35,352 restricted stock units to directors for their annual service on the Company's board of directors. The aggregate value of the restricted stock units issued to directors of $1.0 million is amortized into stock-based compensation expense in the accompanying consolidated statements of changes in stockholders' equity over a one-year service-based period.

As of June 30, 2025, the Company does not have a stock repurchase program in place. Stock repurchases during the six months ended June 30, 2025 and 2024, were redemptions of vested restricted shares tendered in lieu of cash for payment of income tax withholding amounts by participants in the Company's equity compensation plans.

(Dollars in millions, except share and per share data)

(8) EARNINGS PER COMMON SHARE

Basic earnings per common share is calculated by dividing net income by the weighted average number of common shares outstanding during the period presented, excluding unvested restricted stock. Diluted earnings per share is calculated by dividing net income by the weighted average number of common shares determined for the basic earnings per share computation plus the dilutive effects of stock-based compensation using the treasury stock method.

The following table sets forth the computation of basic and diluted earnings per share for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	$ 71.7	$ 60.0	$ 121.9	$ 118.4
Weighted average common shares outstanding for basic earnings per share computation	103,260,996	102,936,996	103,177,077	102,890,697
Dilutive effects of stock-based compensation	102,696	156,139	226,986	184,746
Weighted average common shares outstanding for diluted earnings per common share computation	103,363,692	103,093,135	103,404,063	103,075,443
Basic earnings per common share	$ 0.69	$ 0.58	$ 1.18	$ 1.15
Diluted earnings per common share	0.69	0.58	1.18	1.15
Anti-dilutive unvested time restricted stock	428,989	55,785	915	55,953

The Company had 798,491 and 786,790 shares of unvested restricted stock as of June 30, 2025 and 2024, respectively, that were not included in the computation of diluted earnings per common share because performance conditions for vesting had not been met.

(9) REGULATORY CAPITAL

As of June 30, 2025 and December 31, 2024, the Company exceeded all capital adequacy requirements to which it is subject. Actual capital amounts and ratios for the Company and its subsidiary Bank, as of June 30, 2025 and December 31, 2024 are presented in the following tables:

	Actual		Minimum Required for Capital Adequacy Purposes		For Capital Adequacy Purposes Plus Capital Conservation Buffer[1]		Minimum to Be Well Capitalized Under Prompt Corrective Action Requirements[2]	
June 30, 2025	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total risk-based capital:								
Consolidated	$ 3,109.7	16.49 %	$ 1,508.4	8.00 %	$ 1,979.8	10.50 %	$ 1,885.5	10.00 %
FIB	2,725.4	14.49	1,504.4	8.00	1,974.5	10.50	1,880.5	10.00
Tier 1 risk-based capital:								
Consolidated	2,532.0	13.43	1,131.3	6.00	1,602.7	8.50	1,508.4	8.00
FIB	2,510.3	13.35	1,128.3	6.00	1,598.4	8.50	1,504.4	8.00
Common equity tier 1 risk-based capital:								
Consolidated	2,532.0	13.43	848.5	4.50	1,319.8	7.00	1,225.6	6.50
FIB	2,510.3	13.35	846.2	4.50	1,316.3	7.00	1,222.3	6.50
Leverage capital ratio:								
Consolidated	2,532.0	9.37	1,080.9	4.00	1,080.9	4.00	1,351.1	5.00
FIB	2,510.3	9.31	1,079.0	4.00	1,079.0	4.00	1,348.7	5.00

(Dollars in millions, except share and per share data)

	Actual		Minimum Required for Capital Adequacy Purposes		For Capital Adequacy Purposes Plus Capital Conservation Buffer[1]		Minimum to Be Well Capitalized Under Prompt Corrective Action Requirements[2]	
December 31, 2024	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total risk-based capital:								
Consolidated	$ 2,962.8	14.38 %	$ 1,647.8	8.00 %	$ 2,162.8	10.50 %	$ 2,059.8	10.00 %
FIB	2,691.5	13.10	1,644.1	8.00	2,157.9	10.50	2,055.2	10.00
Tier 1 risk-based capital:								
Consolidated	2,504.0	12.16	1,235.9	6.00	1,750.8	8.50	1,647.8	8.00
FIB	2,490.3	12.12	1,233.1	6.00	1,746.9	8.50	1,644.1	8.00
Common equity tier 1 risk-based capital:								
Consolidated	2,504.0	12.16	926.9	4.50	1,441.8	7.00	1,338.8	6.50
FIB	2,490.3	12.12	924.8	4.50	1,438.6	7.00	1,335.8	6.50
Leverage capital ratio:								
Consolidated	2,504.0	8.71	1,149.4	4.00	1,149.4	4.00	1,436.8	5.00
FIB	2,490.3	8.68	1,147.5	4.00	1,147.5	4.00	1,434.4	5.00

(1) The capital conservation buffer is an additional 2.5% of the amount necessary to meet the minimum risk-based capital requirements for total, tier 1, and common equity tier 1 risk-based capital.

(2) The ratios to meet the requirements to be deemed "well-capitalized" are only applicable to FIB. However, the Company manages its capital position as if the requirements apply to the consolidated company and has presented the ratios as if they also applied on a consolidated basis.

(10) COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Company is involved in various claims and litigation. The Company establishes accruals for legal matters when potential losses associated with the actions become probable and the amount of loss can be reasonably estimated. There is no assurance that the ultimate resolution of these matters will not significantly exceed the amounts that the Company has accrued. Accruals for legal matters are based on management's best judgment after consultation with counsel and others. In the opinion of management, following consultation with legal counsel, the ultimate liability or disposition of all such claims and litigation is not expected to have a material adverse effect on the consolidated financial condition, results of operations, or liquidity of the Company.

As of June 30, 2025, the Company had commitments under construction contracts of $12.0 million.

Based on the specific terms stated in the agreements, the Company did not have a significant amount of sold residential mortgage loans with recourse provisions still in effect as of June 30, 2025. The Company did not repurchase a significant amount of loans from secondary market investors under the terms of loan sales agreements during the period ended June 30, 2025. In the opinion of management, the risk of recourse and the subsequent requirement of loan repurchase to the Company is not significant, and accordingly no liabilities have been established related to such. In addition, the Company made various representations and warranties associated with the sale of loans. The Company has not incurred significant losses resulting from these provisions during the period ended June 30, 2025.

(Dollars in millions, except share and per share data)

(11) FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK

In the normal course of business, the Company is a party to financial instruments with off-balance sheet risk to meet the financing needs of its clients. These financial instruments include commitments to extend credit and standby letters of credit. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of amounts recorded in the consolidated balance sheets. Commitments to extend credit are agreements to lend to a client so long as there is no violation of any condition established in the commitment contract. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a client to a third party. The credit risk involved in issuing letters of credit is essentially the same as the credit risk involved in extending loan facilities to clients. The Company's policy for obtaining collateral, and determining the nature of such collateral, is essentially the same as in the Company's policies for making commitments to extend credit. The estimated fair value of the obligation undertaken by the Company in issuing standby letters of credit is included in accounts payable and accrued expenses in the Company's consolidated balance sheets.

The following table presents our financial instruments with off-balance sheet risk, as well as the activity in the allowance for off-balance sheet credit losses related to those financial instruments:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Beginning balance	$ 5.1	$ 15.4	$ 5.2	$ 18.4
Reduction of provision for credit loss expense	(0.3)	(9.6)	(0.4)	(12.6)
Ending balance	$ 4.8	$ 5.8	$ 4.8	$ 5.8

	June 30, 2025	December 31, 2024
Commitments to extend credit	$ 2,896.2	$ 3,076.5
Standby letters of credit	64.4	73.5

(12) OTHER COMPREHENSIVE LOSS

The gross amounts of each component of other comprehensive loss and the related tax effects for the periods indicated are as follows:

	Pre-tax		Tax (Expense) Benefit		Net of Tax	
Three Months Ended June 30,	2025	2024	2025	2024	2025	2024
Investment securities available-for sale:						
Change in net unrealized gains during the period	$ 44.7	$ 2.5	$ (11.1)	$ (0.7)	$ 33.6	$ 1.8
Net change in unamortized losses on available-for-sale securities transferred into held-to-maturity	(0.1)	(0.1)	—	—	(0.1)	(0.1)
Cash flow hedge:						
Change in unrealized gains (losses) on derivatives	0.9	(5.1)	(0.1)	1.4	0.8	(3.7)
Reclassification adjustment for derivatives net losses included in net income	0.4	4.6	(0.1)	(1.2)	0.3	3.4
Total other comprehensive income	$ 45.9	$ 1.9	$ (11.3)	$ (0.5)	$ 34.6	$ 1.4

(Dollars in millions, except share and per share data)

	Pre-tax		Tax (Expense) Benefit		Net of Tax	
Six Months Ended June 30,	2025	2024	2025	2024	2025	2024
Investment securities available-for sale:						
Change in net unrealized gains (losses) during the period	$ 115.4	$ (23.9)	$ (28.8)	$ 5.9	$ 86.6	$ (18.0)
Net change in unamortized losses on available-for-sale securities transferred into held-to-maturity	(0.1)	(0.3)	—	—	(0.1)	(0.3)
Cash flow hedge:						
Change in unrealized gains (losses) on derivatives	1.9	(22.5)	(0.4)	5.8	1.5	(16.7)
Reclassification adjustment for derivatives net losses included in net income	1.4	8.1	(0.4)	(2.1)	1.0	6.0
Total other comprehensive income (loss)	$ 118.6	$ (38.6)	$ (29.6)	$ 9.6	$ 89.0	$ (29.0)

The components of accumulated other comprehensive loss, net of related tax effects, are as follows:

	June 30, 2025	December 31, 2024
Net unrealized loss on investment securities available-for-sale	$ (227.0)	$ (313.6)
Net unrealized loss on investment securities transferred to held-to-maturity	(6.0)	(5.9)
Net unrealized loss on derivatives	0.1	(2.4)
Net accumulated other comprehensive loss	$ (232.9)	$ (321.9)

(13) FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date. There is a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The three levels of inputs to measure fair value are as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities
- Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of assets or liabilities

The methodologies used by the Company in determining the fair values of each class of financial instruments are based primarily on independent, market-based data to reflect a value that would be reasonably expected in an orderly transaction between market participants at the measurement date, and therefore, are classified within Level 2 of the valuation hierarchy. There have been no significant changes in the valuation techniques during the three and the six months ended June 30, 2025 and 2024.

The Company’s policy is to recognize transfers between levels as of the end of the reporting period. Transfers in and out of Level 1, Level 2, and Level 3 are recognized on the actual transfer date. There were no significant transfers between fair value hierarchy levels during the three and the six months ended June 30, 2025 and 2024.

Further details on the methods used to estimate the fair value of each class of financial instruments above are discussed below:

Investment Debt Securities Available-for-Sale. The Company obtains fair value measurements for investment securities from an independent pricing service, and these securities are classified as level 2. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information, and the investment's terms and conditions, among others. Vendors chosen by the Company are widely recognized vendors whose evaluations support the pricing functions of financial institutions, investment and mutual funds, and portfolio managers. If needed, a broker may be utilized to determine the reported fair value of investment securities. The Company also compares the reasonableness of the pricing quarterly through a validation process involving additional independent third parties.

Loans Held for Sale. Fair value measurements for residential mortgage loans held for sale are obtained from an independent pricing service and are classified as level 2. The fair value measurements consider observable data that may include binding contracts or quotes or bids from third party investors as well as loan level pricing adjustments. Commercial and agricultural loans held for sale are derived from quotes or bids from third party investors.

Interest Rate Collars: The fair values of interest rate collars are obtained from an independent third party and are classified as level 2. The values are determined using the market standard methodology of discounting the future expected cash receipts that would occur if variable interest rates fell below (rise above) the strike rate of the floors (caps). The variable interest rates used in the calculation of projected receipts on the collars are based on an expectation of future interest rates derived from observable market interest rate curves and volatilities. The Company also compares the reasonableness of the pricing quarterly through a validation process involving additional independent third parties.

Interest Rate Swap Contracts. Fair values for derivative interest rate swap contracts are obtained from an independent third party and are classified as level 2. The values are based upon the estimated amounts to settle the contracts considering current interest rates and are calculated using discounted cash flows that are observable, or that can be corroborated by observable market data. The inputs used to determine fair value include the United States Dollar – Secured Overnight Financing Rate ("SOFR") and Prime forward curves to estimate variable rate cash inflows and SOFR to estimate the discount rate. The estimated variable rate cash inflows are compared to the fixed rate outflows and such difference is discounted to a present value to estimate the fair value of the interest rate swaps. The Company also compares the reasonableness of the pricing quarterly through a validation process involving additional independent third parties.

For purposes of potential valuation adjustments to our derivative positions, we evaluate both our credit risk and the credit risk of our counterparties. Accordingly, we have considered factors such as the likelihood of our default and the default of our counterparties, our net exposures and remaining contractual life, among other things, in determining if any fair value adjustments related to credit risk are required. The change in value of derivative assets and derivative liabilities attributable to credit risk was not significant during the reported periods.

Interest Rate Lock Commitments. Fair value measurements for interest rate lock commitments are obtained from an independent pricing service and are classified as level 2. The fair value measurements consider observable data that may include prices available from secondary market investors taking into consideration various characteristics of the loan, including the loan amount, interest rate, value of the servicing, and loan to value ratio, among other things. Observable data is then adjusted to reflect changes in interest rates, the Company's estimated pull-through rate, and estimated direct costs necessary to complete the commitment into a closed loan net of origination, and processing fees collected from the borrower.

Forward Loan Sales Contracts. The fair value measurements for forward loan sales contracts are obtained from an independent pricing service and are classified as level 2. The fair value measurements consider observable data that includes sales of similar loans.

(Dollars in millions, except share and per share data)

Deferred Compensation Plan Assets and Liabilities. The fair values of deferred compensation plan assets and liabilities are based primarily on quoted market prices for identical instruments traded in active markets at the measurement date and are classified as level 1. These investments are in the same funds and purchased in the same amounts as the participants' selected investments, which represent the underlying liabilities to plan participants. Deferred compensation plan liabilities are recorded at amounts due to participants, based on the fair value of participants' selected investments.

Financial assets and financial liabilities measured at fair value on a recurring basis are as follows:

		Fair Value Measurements at Reporting Date Using		
As of June 30, 2025	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment debt securities available-for-sale:				
U.S. Treasury notes	$ 233.9	$ —	$ 233.9	$ —
State, county, and municipal securities	213.4	—	213.4	—
Obligations of U.S. government agencies	206.7	—	206.7	—
U.S. agency commercial mortgage-backed securities	947.1	—	947.1	—
U.S. agency residential mortgage-backed securities	1,111.4	—	1,111.4	—
U.S. agency collateralized mortgage obligations	993.6	—	993.6	—
Private mortgage-backed securities	182.3	—	182.3	—
Collateralized loan obligations	626.8	—	626.8	—
Corporate securities	227.0	—	227.0	—
Loans held for sale	4.2	—	4.2	—
Derivative assets:				
Interest rate swap contracts	29.1	—	29.1	—
Derivative liabilities:				
Interest rate collars	0.3	—	0.3	—
Interest rate swap contracts	88.6	—	88.6	—
Deferred compensation plan assets	21.5	21.5	—	—

(Dollars in millions, except share and per share data)

		Fair Value Measurements at Reporting Date Using		
As of December 31, 2024	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment debt securities available-for-sale:				
U.S. Treasury notes	$ 226.9	$ —	$ 226.9	$ —
State, county and municipal securities	212.0	—	212.0	—
Obligations of U.S. government agencies	213.3	—	213.3	—
U.S. agency commercial mortgage-backed securities	982.8	—	982.8	—
U.S. agency residential mortgage-backed securities	1,175.8	—	1,175.8	—
U.S. agency collateralized mortgage obligations	1,050.9	—	1,050.9	—
Private mortgage-backed securities	190.5	—	190.5	—
Collateralized loan obligations	772.0	—	772.0	—
Corporate securities	232.9	—	232.9	—
Loans held for sale	0.9	—	0.9	—
Derivative assets:				
Interest rate swap contracts	44.9	—	44.9	—
Derivative liabilities				
Interest rate collars	1.0	—	1.0	—
Interest rate swap contracts	132.8	—	132.8	—
Deferred compensation plan assets	22.7	22.7	—	—

Additionally, from time to time, certain assets are measured at fair value on a non-recurring basis. Adjustments to fair value generally result from the application of lower-of-cost-or-market accounting or write-downs of individual assets due to credit deterioration. The following table presents information about the Company’s assets and liabilities measured at fair value on a non-recurring basis with an adjustment during the period presented. The fair values may not be current as of the reporting date but represent fair values as of the most recent fair value change that occurred with the reporting period. Accordingly, carrying values may not equal the current fair value:

As of June 30, 2025	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Collateral-dependent loans	$ 32.8	$ —	$ —	$ 32.8
Loans held for sale	331.0	—	—	331.0
Long-lived assets to be disposed of by sale	1.9	—	—	1.9
As of December 31, 2024				
Collateral-dependent loans	$ 97.6	$ —	$ —	$ 97.6

Collateral-dependent Loans. Collateral-dependent loans are reported at the fair value of the underlying collateral if repayment is expected solely from collateral. The collateral-dependent loans are reported at fair value through specific valuation allowance allocations. When it is determined that the fair value of a collateral-dependent loan is less than the recorded investment in the loan, an allowance for credit losses is recognized on the loan for the difference between the recorded investment and the fair value of the collateral less costs to sell. Collateral values are estimated using independent appraisals and management estimates of current market conditions. As of June 30, 2025 and December 31, 2024, the Company had collateral-dependent loans with a carrying value of $158.3 million and $97.6 million, respectively.

(Dollars in millions, except share and per share data)

Long-lived Assets to be Disposed of by Sale. Long-lived assets to be disposed of by sale are carried at the lower of carrying value or fair value less estimated costs to sell. The fair values of long-lived assets to be disposed of by sale are based upon observable market data and management estimates of current market conditions. As of June 30, 2025, the Company had long-lived assets to be disposed of by sale with carrying and fair values aggregating $11.6 million. As of December 31, 2024, the Company had long-lived assets to be disposed of by sale with carrying and fair values aggregating $0.8 million.

The following table presents additional quantitative information about assets measured at fair value on a non-recurring basis and for which the Company has utilized Level 3 inputs to determine fair values:

As of June 30, 2025	Fair Value	Valuation Technique	Unobservable Inputs	Range (Weighted Average)			
Collateral-dependent loans	$ 32.8	Appraisal	Appraisal adjustment	2%	-	100%	(32%)
Loans held for sale	331.0	Fair value of collateral	Discount for type of property, age of appraisal, and current status	—%	-	7%	(2)%
Long-lived assets to be disposed of by sale	1.9	Appraisal	Appraisal adjustment	—%	-	—%	—%
As of December 31, 2024							
Collateral-dependent loans	$ 97.6	Appraisal	Appraisal adjustment	—%	-	87%	(40%)

The Company is required to disclose the fair value of financial instruments for which it is practical to estimate fair value. The methodologies for estimating the fair value of financial instruments that are measured at fair value on a recurring or non-recurring basis are discussed above. The methodologies for estimating the fair value of other financial instruments are discussed below. For financial instruments bearing a variable interest rate where no credit risk exists, it is presumed that recorded book values are reasonable estimates of fair value.

Financial Assets. Carrying values of cash, cash equivalents, and accrued interest receivable approximate fair values due to the liquid and/or short-term nature of these instruments. Fair values for investment securities held-to-maturity are obtained from an independent pricing service, which considers observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, trading levels, trade execution data, market consensus prepayment speeds, credit information, and the investment's terms and conditions, among other things. Fair values of fixed rate loans and variable rate loans that reprice on an infrequent basis are estimated by discounting future cash flows using current interest rates at which similar loans with similar terms would be made to borrowers of similar credit quality using an exit price notion. Carrying values of variable rate loans that reprice frequently, and with no change in credit risk, approximate the fair values of these instruments. The estimated fair values for all loans are then reduced by the estimated life-of-the-loan aggregate credit losses in the loan portfolio.

Financial Liabilities. The fair values of demand deposits, savings accounts, securities sold under repurchase agreements, and accrued interest payable are the amounts that are payable on demand at the reporting date. The fair values of fixed-maturity certificates of deposit are estimated using external market rates that are currently offered for deposits that have similar remaining maturities. The fixed and floating rate subordinated debentures, floating rate subordinated term loan, other borrowed funds, fixed rate subordinated term debt, and capital lease obligation are estimated by discounting future cash flows using current rates for advances that have similar characteristics.

Commitments to Extend Credit and Standby Letters of Credit. The fair value of commitments to extend credit and standby letters of credit, based on fees currently charged to enter into similar agreements, is not significant.

(Dollars in millions, except share and per share data)

The estimated fair values of financial instruments that are reported in the Company's consolidated balance sheets, and are segregated by the level of the valuation inputs within the fair value hierarchy that are utilized to measure fair value, are as follows:

			Fair Value Measurements at Reporting Date Using		
As of June 30, 2025	Carrying Amount	Estimated Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial assets:					
Cash and cash equivalents	$ 1,090.2	$ 1,090.2	$ 1,090.2	$ —	$ —
Investment debt securities held-to-maturity	2,570.0	2,317.0	—	2,317.0	—
Accrued interest receivable	105.7	105.7	—	105.7	—
Mortgage servicing rights, net	24.4	35.7	—	35.7	—
Net loans held for investment	16,143.8	15,750.4	—	—	15,750.4
Total financial assets	$ 19,934.1	$ 19,299.0	$ 1,090.2	$ 2,458.4	$ 15,750.4
Financial liabilities:					
Total deposits, excluding time deposits	$ 19,834.0	$ 19,834.0	$ 19,834.0	$ —	$ —
Time deposits	2,796.6	2,782.0	—	2,782.0	—
Securities sold under repurchase agreements	509.3	509.3	—	509.3	—
Other borrowed funds	250.0	250.0	—	250.0	—
Accrued interest payable	41.3	41.3	—	41.3	—
Long-term debt	252.0	256.7	—	256.7	—
Subordinated debentures held by subsidiary trusts	163.1	149.5	—	149.5	—
Total financial liabilities	$ 23,846.3	$ 23,822.8	$ 19,834.0	$ 3,988.8	$ —

			Fair Value Measurements at Reporting Date Using		
As of December 31, 2024	Carrying Amount	Estimated Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial assets:					
Cash and cash equivalents	$ 896.6	$ 896.6	$ 896.6	$ —	$ —
Investment debt securities held-to-maturity	2,687.5	2,358.6	—	2,358.6	—
Accrued interest receivable	116.8	116.8	—	116.8	—
Mortgage servicing rights, net	25.7	35.4	—	35.4	—
Net loans held for investment	17,640.8	17,154.7	—	—	17,154.7
Total financial assets	$ 21,367.4	$ 20,562.1	$ 896.6	$ 2,510.8	$ 17,154.7
Financial liabilities:					
Total deposits, excluding time deposits	$ 20,125.1	$ 20,125.1	$ 20,125.1	$ —	$ —
Time deposits	2,890.5	2,875.5	—	2,875.5	—
Securities sold under repurchase agreements	523.9	523.9	—	523.9	—
Other borrowed funds	1,567.5	1,567.5	—	1,567.5	—
Accrued interest payable	47.0	47.0	—	47.0	—
Long-term debt	132.2	131.9	—	131.9	—
Subordinated debentures held by subsidiary trusts	163.1	152.3	—	152.3	—
Total financial liabilities	$ 25,449.3	$ 25,423.2	$ 20,125.1	$ 5,298.1	$ —

(14) RECENT AUTHORITATIVE ACCOUNTING GUIDANCE

ASU 2023-06, "*Disclosure Improvements—Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*" In October 2023, the FASB issued ASU 2023-06, *Disclosure Improvements—Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative* that amends the ASC to incorporate certain disclosure requirements from SEC Release No. 33-10532 - Disclosure Update and Simplification that was issued in 2018. The effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. The Company does not anticipate the adoption of ASU 2023-06 will have a significant impact on the Company's financial position, results of operations, or liquidity.

ASU 2023-09, "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*" In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* that require public business entities to annually disclose (1) specific categories in their rate reconciliation; (2) additional information for reconciling items that meet a quantitative threshold; (3) the amount of income taxes paid (net of refunds received) disaggregated by federal, state, and foreign taxes; (4) the amount of income taxes paid (net of refunds received) disaggregated by individual jurisdictions in which the income taxes paid that meet a quantitative threshold; (5) income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign; and (6) income tax expense (or benefit) from continuing operations disaggregated by federal, state, and foreign. The ASU eliminates the requirement to disclose the nature and estimate of the range of the reasonably possible change in the unrecognized tax benefits balance in the next 12 months and to disclose the cumulative amount of each type of temporary difference when a deferred tax liability is not recognized because of the exceptions to comprehensive recognition of deferred taxes related to subsidiaries and corporate joint ventures. For public business entities, the amendments are effective for annual periods beginning after December 15, 2024. The amendments should be applied on a prospective basis, but retrospective application is permitted. The adoption of ASU 2023-09 did not have a material impact on the Company's financial position, results of operations, or liquidity.

ASU 2024-03, "*Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of income statement expenses*" In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of income statement expenses* that require public business entities to disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The amendments in this Update do not change or remove current expense disclosure requirements. The amendments in this Update are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments in this Update should be applied either (1) prospectively to financial statements issued for reporting periods after the effective date of this Update or (2) retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of the standard and does not anticipate it will have a significant impact on the Company's financial position, results of operations, or liquidity.

(15) SUBSEQUENT EVENTS

Subsequent events have been evaluated for potential recognition and disclosure through the date the Company's financial statements were filed with the SEC. On July 28, 2025, the Company declared a quarterly dividend to common shareholders of $0.47 per share, to be paid on August 21, 2025 to shareholders of record as of August 11, 2025.

As previously announced, on July 3, 2025, the Company delivered a redemption notice, through the Depository Trust Company, to each holder of the Company's outstanding $100.0 million aggregate principal amount of 2020 Subordinated Notes in connection with the contemplated redemption on August 15, 2025. The Company intends to early redeem, without any prepayment penalty, the 2020 Subordinated Notes in full on August 15, 2025, at a redemption price of 100% of the principal amount plus accrued and unpaid interest to, but excluding, August 15, 2025.

No other undisclosed events requiring recognition or disclosure were identified.

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

When we refer to "we," "our," "us," "First Interstate," or the "Company" in this report, we mean First Interstate BancSystem, Inc. and our consolidated subsidiaries, including our wholly owned subsidiary, First Interstate Bank, unless the context indicates that we refer only to the parent company, First Interstate BancSystem, Inc. When we refer to the "Bank" or "FIB" in this report, we mean only First Interstate Bank.

The following discussion of our consolidated financial data reflects our historical results of operations and financial condition and should be read in conjunction with our financial statements and accompanying notes presented elsewhere in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2024, including the audited financial statements and related notes contained therein, as previously filed with the Securities and Exchange Commission, or SEC.

Cautionary Note Regarding Forward-Looking Statements and Factors that Could Affect Future Results

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Rule 175 promulgated thereunder, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and Rule 3b-6 promulgated thereunder, that involve inherent risks and uncertainties. Any statements about our plans, objectives, expectations, strategies, beliefs, or future performance, financial condition, results of operations, investment portfolio, market position, or events constitute forward-looking statements. Such statements are identified by words or phrases such as "believes," "expects," "anticipates," "plans," "trends," "objectives," "views," "continues," "projected," as well as the negative forms of those words or similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "seek," "might," "may," as well as the negative forms of those words or similar expressions. Forward-looking statements involve known and unknown risks, uncertainties, assumptions, estimates and other important factors that could cause actual results to differ materially from any results, performance or events expressed or implied by such forward-looking statements. A detailed discussion of risks that may cause actual results to differ materially from current expectations in the forward-looking statements is included below in this report under the caption "Risk Factors" and in our Annual Report on Form 10-K for the year ended December 31, 2024, under the captions "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors". These factors and the other risk factors described in our periodic and current reports filed with the SEC from time to time, however, are not necessarily all of the important factors that could cause our actual results, performance, or achievements to differ materially from those expressed in or implied by any of our forward-looking statements. Other unknown or unpredictable factors also could harm our results.

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. Interested parties are urged to read in their entirety the referenced risk factors prior to making any investment decision with respect to the Company. Forward-looking statements speak only as of the date they are made, and we do not undertake or assume any obligation to update publicly any of these statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable laws. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

Non-GAAP Financial Measures

In addition to financial measures presented in accordance with generally accepted accounting principles ("GAAP") in the United States, this document contains non-GAAP financial measures where management believes it would be helpful to understand our results of operations or financial position. The Company's management believes that the non-GAAP financial measures provide additional intelligence about ongoing operations and enhance comparability of results of operations with prior periods by presenting financial results without the impact of items or events that may obscure trends in the Company's underlying performance. This information should be considered as supplemental in nature and should not be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found herein.

Fully-Taxable Equivalent Basis. The Company adjusts its net interest income to include its interest income on a fully-taxable equivalent (FTE) basis and further adjusts to exclude purchase accounting interest accretion on acquired loans. Interest income, yields, and ratios on an FTE basis are considered non-GAAP financial measures. Net interest margin (FTE) is calculated as annualized net interest income on an FTE basis divided by average earning assets. Management believes net interest income on an FTE basis provides an insightful picture of the interest margin for comparison purposes. The FTE basis also allows management to assess the comparability of revenue arising from both taxable and tax-exempt sources. The FTE basis assumes a federal statutory tax rate of 21 percent. These measures are considered standard measures of comparison within the banking industry. We encourage readers to consider the Unaudited Consolidated Financial Statements and other financial information contained in this Form 10-Q in their entirety, and not to rely on any single financial measure. See Non-GAAP Financial Measures included herein for a reconciliation to the most directly comparable GAAP financial measures.

Limitations associated with non-GAAP financial measures include the risks that persons might disagree as to the appropriateness of items included in these measures and that other companies might calculate these measures differently. These non-GAAP disclosures should not be considered an alternative to the Company's GAAP results.

Executive Overview

We are a financial and bank holding company focused on community banking. Since our incorporation in Montana in 1971, we have grown both organically and through strategic acquisitions. As of June 30, 2025, we operate 301 banking offices, including branches and detached drive-up facilities, in communities across fourteen states—Arizona, Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington, and Wyoming. Through our bank subsidiary, First Interstate Bank, we deliver a comprehensive range of banking products and services—including online and mobile banking—to individuals, businesses, government entities, and others throughout our market areas. We are proud to provide lending opportunities to clients that participate in a wide variety of industries, including:

- Agriculture
- Construction
- Education
- Governmental services
- Healthcare
- Hospitality
- Housing
- Professional services
- Real Estate Development
- Retail
- Technology
- Tourism
- Wholesale trade

As of June 30, 2025, we had consolidated assets of $27.6 billion, deposits of $22.6 billion, net loans held for investment of $16.1 billion, and total stockholders' equity of $3.4 billion.

Our principal business activity is lending to, accepting deposits from, and conducting financial transactions for individuals, businesses, governmental entities, and other entities located in the communities we serve. We derive our income principally from interest charged on loans and, to a lesser extent, from interest and dividends earned on fixed income investments. We also derive income from noninterest sources such as: (i) fees received in connection with various lending and deposit services; (ii) wealth management services, such as trust, employee benefit, investment, and insurance services; (iii) mortgage loan originations, sales, and servicing; (iv) merchant and electronic banking services; and (v) from time-to-time, gains on sales of assets and securities.

Our principal expenses include: (i) interest expense on deposit accounts and other borrowings; (ii) salaries and employee benefits; (iii) information technology and communication costs primarily associated with maintaining loan and deposit functions; (iv) furniture, equipment, and occupancy expenses for maintaining our facilities; (v) professional fees, including FDIC insurance assessments; (vi) income tax expense; (vii) provisions for credit losses; (viii) intangible amortization; (ix) other real estate owned expenses; and (x) other segment expenses including legal expenses, advertising and promotion, donations, credit card rewards expense, fees associated with originating and closing loans, insurance, and other expenses necessary to support our employees and service our clients. From time to time, we have incurred, and may incur in the future, costs related to our strategic acquisitions, divestitures and other transactions.

Our loan portfolio consists of a mix of real estate, consumer, commercial, agricultural, and other loans, including fixed, adjustable, and variable rate loans. Our real estate loans comprise commercial real estate, construction (including residential, commercial, and land development construction loans), residential, agricultural, and other real estate loans. Fluctuations in the loan portfolio are directly related to the economies of the communities we serve. While each loan we originate must meet minimum underwriting standards we establish through our credit policies, our bankers are granted limited discretion to approve and price loans within pre-approved limits which assures that we are responsive to community needs in each market area and remain competitive. We fund our loan portfolio primarily with the core deposits from our clients. Historically, we have not relied on brokered deposits as a source of funding. We have also utilized wholesale funding sources to a limited extent.

Recent Trends and Developments

Our community banking footprint spans across the Rocky Mountain, Pacific Northwest, Midwest, and Southwest regions.

Indirect Loans

In January 2025, we announced our plans to stop originating indirect loans as of February 28, 2025. Under our indirect lending program, indirect loans were created when we purchased consumer loan contracts advanced for the purchase of automobiles, boats, recreational vehicles, and other consumer goods from the consumer product dealer network within the market areas we serve. At June 30, 2025, indirect loans represented approximately 3.7% of loan balances and 81.9% of our consumer loan portfolio.

Pending Sale of Arizona and Kansas Branches

As previously disclosed, on April 28, 2025, the Bank entered into a Purchase and Assumption Agreement with Enterprise Bank & Trust ("Enterprise Bank"), a wholly-owned subsidiary of Enterprise Financial Services Corp, pursuant to which Enterprise Bank will acquire twelve branches from the Bank, including approximately $705 million in deposits and certain commercially-oriented loans with outstanding balances of $331 million as of June 30, 2025, and the owned real estate and fixed and other assets associated with the branches. The branches include all of the Bank's Kansas and Arizona locations, with ten branches in Arizona and two branches in Kansas. Consummation of the transaction is subject to regulatory approvals and other customary conditions to closing. It is currently anticipated that the closing of the transaction will take place by early fourth quarter of 2025. In the second quarter of 2025, $338.3 million of loans held for investment related to the pending sale of the Arizona and Kansas branches were transferred to loans held-for-sale. For more information, see "Note 3 - Loans Held For Sale" in the accompanying "Notes to Unaudited Consolidated Financial Statements" included in this report.

Consumer Credit Card Outsourcing

In June 2025, we completed the outsourcing of our consumer credit card portfolio resulting in the sale of $74.2 million of consumer credit card loans and recognition of a $4.3 million gain, net of the related consumer credit card rewards liability.

Economic Conditions

The Company has ample liquidity, and its capital ratios exceed all regulatory requirements to be deemed "well-capitalized" as of June 30, 2025. Our deposit base is diversified, including by depositor, which includes individuals, businesses across multiple industries, governmental units, and other entities, as well as geographically, across the communities we serve.

As of June 30, 2025, our FDIC insured deposits were 64.6% of total deposits, including accounts eligible for pass-through insurance. As of July 31, 2025, the Bank had available borrowing capacity of $5.2 billion with the Federal Home Loan Bank ("FHLB") and $2.4 billion with the Federal Reserve Bank ("FRB") based on pledged investment securities and loan collateral.

The Federal Reserve increased short-term interest rates 525 basis points between March 16, 2022 and July 29, 2023. With general inflationary pressures easing since July 2023, the Federal Reserve had paused any further changes to short-term interest rates and decreased them by 100 basis points between September 2024 and June 2025.

The Company's quarterly yield on interest earning assets increased to 4.76% as of June 30, 2025 from 4.75% as of March 31, 2025, and decreased from 4.80% as of June 30, 2024.

The recent declines in short-term interest rates have benefited the Company's cost of funds, primarily resulting in reduced rates on variable rate debt. The Company's cost of funds decreased to 1.50% during the three months ended June 30, 2025 from 1.59% during the three months ended March 31, 2025, and decreased from 1.86% during the three months ended June 30, 2024. During the second quarter of 2025, the changes in the mix and cost of funds was partially offset by the change in the mix and yield on earning assets, resulting in an increase of the Company's net interest margin during the three months ended June 30, 2025 to 3.30% from 3.19% during the three months ended March 31, 2025 and from 2.97% for the three months ended June 30, 2024. The Company's FTE net interest margin, a non-GAAP financial measure, increased to 3.32% during the three months ended June 30, 2025, from 3.22% during the three months ended March 31, 2025, and increased from 3.00% during the three months ended June 30, 2024.

The Company expects to see continued volatility in the economic markets, which may include recessionary signs in the economy resulting from, among other things, uncertain conditions due to changes in U.S. policies like the implementation of new tariffs, retaliatory tariffs, and other trade policies. These uncertain conditions could have adverse impacts on the balance sheet and income statement of the Company for the remainder of the year.

A slowdown, downturn, or recession in the U.S. economy or changes in U.S. trade policies could impact the Company by impacting the level of deposits held by our clients, whether through a higher volume of withdrawals or through a lower volume of deposits. Client deposits are one of the Company's primary lending sources. The credit quality of the Company's loans may also be impacted if clients must weather adverse economic conditions which could result in an increase in credit losses or other related expenses. For example, we believe macroeconomic conditions have contributed to slower lease-up in our multifamily portfolio, which resulted in an increase in criticized assets during the second quarter of 2025. For additional information regarding criticized assets, see "Note – Loans Held for Investment – Credit Quality Indicators" in the accompanying "Notes to Unaudited Consolidated Financial Statements" included in this report.

Primary Factors Used in Evaluating Our Business

As a banking institution, we manage and evaluate our financial condition and our results of operations. We monitor and evaluate the levels and trends of the line items included in our balance sheet and statements of income, as well as the various financial ratios that are commonly used in our industry. We analyze these ratios and financial trends against both our own historical levels as well as the financial condition and performance of comparable banking institutions in our region and nationally.

As discussed in our Annual Report on Form 10-K for the year ended December 31, 2024, our financial performance is impacted by a number of external factors outside our control, as well as our ability to execute on the key components of our strategy for continued success and future growth. See Part II – Other Information, "Item 1A – Risk Factors" herein for additional information regarding risk factors that may negatively impact our expected results, performance, or achievements.

Critical Accounting Estimates and Significant Accounting Policies

Our consolidated financial statements are prepared in accordance with GAAP and follow general practices within the banking industry. Application of these principles requires management to make estimates, assumptions, and judgments that affect the amounts reported in the consolidated financial statements and accompanying notes. The most significant accounting policies we follow are summarized in Note 1 of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2024, and are also referenced in "Note 1 – Basis of Presentation" in the accompanying "Notes to Unaudited Consolidated Financial Statements" included in this report. There have been no material changes during the second quarter of 2025 in our critical accounting estimates and policies from the critical accounting estimates and policies as described in our Annual Report on Form 10-K for the year ended December 31, 2024.

The preparation of financial statements in conformity with GAAP requires management to measure the Company's financial position and operating results primarily in terms of historic dollars. Changes in the relative value of money due to inflation or recession are generally not considered. We manage our interest rate risk in several ways. Refer to "Note – Derivatives and Hedging Activities" in the accompanying "Notes to Unaudited Consolidated Financial Statements" included in this report for further discussion on how we manage interest rate risk. There can be no assurance that we will not be materially adversely affected by future changes in interest rates, as interest rates are highly sensitive to many factors that are beyond our control.

Results of Operations

The following discussion and analysis is intended to provide detail about the results of our operations and financial condition. More information regarding the results as of December 31, 2024 can be found in our Annual Report on Form 10-K for the year ended December 31, 2024.

Net Income

Net income increased $11.7 million to $71.7 million, or $0.69 per diluted share, during the three months ended June 30, 2025, as compared to net income of $60.0 million, or $0.58 per diluted share, for the same period in 2024, which is primarily attributable to a $9.3 million lower provision for credit losses and higher net interest income, partially offset by higher income tax expense. The net interest income increase was the result of lower interest expense on interest bearing liabilities during the 2025 period.

Net income increased $3.5 million to $121.9 million, or $1.18 per diluted share, during the six months ended June 30, 2025, as compared to net income of $118.4 million, or $1.15 per diluted share, for the same period in 2024, which is primarily attributable to higher net interest income, partially offset by higher provision for credit losses during the 2025 period.

Net Interest Income

Net interest income, the largest source of our operating income, is derived from interest, dividends, and fees received on interest earning assets, less interest expense incurred on interest bearing liabilities. Interest earning assets primarily include loans and investment securities. Interest bearing liabilities include deposits, short-term borrowings, and various other forms of indebtedness. Net interest income is affected by the level of interest rates, changes in interest rates, the speed of changes to interest rates, and changes in the volume and composition of interest earning assets and interest-bearing liabilities. Changes in interest rate spread, which is the difference between interest earned on assets and interest paid on liabilities, has the most significant impact on net interest income. Other factors like volume of loans, investment securities, and other interest earning assets compared to the volume of interest-bearing deposits, short-term borrowings, and other indebtedness also cause changes in our net interest income between periods. Noninterest-bearing sources of funds, such as demand deposits and stockholders' equity, help to support earning assets.

For the periods indicated, the following table presents average balance sheet information, together with interest income and yields earned on average interest earning assets and interest expense and rates paid on average interest bearing liabilities.

Average Balance Sheets, Yields and Rates

(Dollars in millions)

	Three Months Ended					
	June 30, 2025			June 30, 2024		
	Average Balance	Interest (2)(5)	Average Rate	Average Balance	Interest (2)(5)	Average Rate
Interest earning assets:						
Loans (1)	$ 17,053.8	$ 240.2	5.65 %	$ 18,253.9	$ 254.4	5.61 %
Investment securities:						
Taxable	7,254.3	49.6	2.74	8,311.6	62.3	3.01
Tax-exempt	181.7	0.8	1.77	187.8	0.8	1.71
Investment in FHLB and FRB stock	139.3	2.1	6.05	185.5	3.3	7.16
Interest bearing deposits in banks	550.9	6.2	4.51	348.0	4.9	5.66
Federal funds sold	0.1	—	—	0.1	—	—
Total interest earning assets	$ 25,180.1	$ 298.9	4.76 %	$ 27,286.9	$ 325.7	4.80 %
Noninterest earning assets	2,718.3			2,853.7		
Total assets	$ 27,898.4			$ 30,140.6		
Interest bearing liabilities:						
Demand deposits	$ 6,402.9	$ 15.0	0.94 %	$ 6,142.9	$ 13.9	0.91 %
Savings deposits	7,801.3	36.6	1.88	7,760.3	40.8	2.11
Time deposits	2,806.2	23.7	3.39	2,863.4	26.2	3.68
Repurchase agreements	517.4	1.1	0.85	775.5	1.9	0.99
Other borrowed funds	720.4	8.3	4.62	2,501.9	31.8	5.11
Long-term debt	158.4	2.7	6.84	377.2	4.4	4.69
Subordinated debentures held by subsidiary trusts	163.1	2.9	7.13	163.1	3.3	8.14
Total interest bearing liabilities	$ 18,569.7	$ 90.3	1.95 %	$ 20,584.3	$ 122.3	2.39 %
Noninterest bearing deposits	5,561.3			5,868.7		
Other noninterest bearing liabilities	366.3			492.3		
Stockholders' equity	3,401.1			3,195.3		
Total liabilities and stockholders' equity	$ 27,898.4			$ 30,140.6		
Net FTE interest income (non-GAAP)(3)		$ 208.6			$ 203.4	
Less FTE adjustments(2)		(1.4)			(1.7)	
Net interest income from consolidated statements of income		$ 207.2			$ 201.7	
Interest rate spread			2.81 %			2.41 %
Net interest margin			3.30			2.97
Net FTE interest margin (non-GAAP)(3)			3.32			3.00
Cost of funds, including noninterest bearing demand deposits (4)			1.50			1.86

(1) Average loan balances include loans held for sale and loans held for investment, net of deferred fees and costs, which include non-accrual loans. Interest income includes amortization of deferred loan fees net of deferred loan costs, which is not material.

(2) The Company adjusts interest income and average rates for tax exempt loans and securities to an FTE basis utilizing a 21% tax rate.

(3) Management believes fully taxable equivalent, or FTE, interest income is useful to investors in evaluating the Company's performance as a comparison of the returns between a tax-free investment and a taxable alternative. Net FTE interest income and net FTE interest margin are non-GAAP financial measures. See "Non-GAAP Reconciliations" included herein for a reconciliation to the most directly comparable GAAP financial measures.

(4) Calculated by *dividing* total annualized interest on interest bearing liabilities *by* the sum of total interest bearing liabilities plus noninterest bearing deposits.

(5) Dividends on FHLB and FRB stock.

Net interest income increased $5.5 million during the three months ended June 30, 2025, as compared to the same period in 2024, primarily due to a decrease in interest expense resulting from decreased rates on other borrowed funds along with a decrease in average other borrowed funds balances, partially offset by lower interest income on investment securities as a result of a decrease in average rates and average investment security balances and as a result of a decrease in average loan balances.

Net interest income included interest accretion related to the fair value of acquired loans of $4.2 million during the three months ended June 30, 2025, compared to interest accretion of $5.1 million during the three months ended June 30, 2024.

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Our net interest margin ratio increased 33 basis points to 3.30% for the three months ended June 30, 2025, as compared to 2.97% for the same period in 2024 and our net FTE interest margin ratio, a non-GAAP financial measure, increased 32 basis points for the three months ended June 30, 2025, as compared to the same period in 2024. Exclusive of the impact of interest accretion on acquired loans, the net FTE interest margin ratio increased 34 basis points to 3.26% during the three months ended June 30, 2025, as compared to 2.92% for the same period in 2024. The increases in net interest margin ratio were primarily as a result of lower interest expense resulting from decreased rates on borrowings and decreased other borrowed funds balances.

Average Balance Sheets, Yields and Rates	Six Months Ended					
(Dollars in millions)	June 30, 2025			June 30, 2024		
	Average Balance	Interest [2] [5]	Average Rate	Average Balance	Interest [2] [5]	Average Rate
Interest earning assets:						
Loans [1]	$ 17,359.4	$ 483.7	5.62 %	$ 18,271.5	$ 508.0	5.59 %
Investment securities						
Taxable	7,358.7	100.9	2.77	8,518.9	126.8	2.99
Tax-exempt	182.2	1.7	1.88	188.4	1.7	1.81
Investment in FHLB and FRB stock	157.5	5.0	6.40	191.9	6.6	6.92
Interest bearing deposits in banks	559.2	12.5	4.51	322.3	9.0	5.62
Federal funds sold	0.1	—	—	0.1	—	—
Total interest earning assets	$ 25,617.1	$ 603.8	4.75 %	$ 27,493.1	$ 652.1	4.77 %
Noninterest earning assets	2,739.0			2,839.8		
Total assets	$ 28,356.1			$ 30,332.9		
Interest bearing liabilities:						
Demand deposits	$ 6,407.8	$ 29.4	0.93 %	$ 6,146.6	$ 26.8	0.88 %
Savings deposits	7,800.8	72.3	1.87	7,771.1	79.9	2.07
Time deposits	2,834.4	48.7	3.46	2,917.9	53.3	3.67
Repurchase agreements	525.2	2.3	0.88	788.8	4.2	1.07
Other borrowed funds	1,124.7	25.8	4.63	2,636.9	67.4	5.14
Long-term debt	145.3	4.4	6.11	367.0	8.7	4.77
Subordinated debentures held by subsidiary trusts	163.1	5.7	7.05	163.1	6.6	8.14
Total interest bearing liabilities	$ 19,001.3	$ 188.6	2.00 %	$ 20,791.4	$ 246.9	2.39 %
Noninterest bearing deposits	5,584.6			5,850.5		
Other noninterest bearing liabilities	392.0			479.1		
Stockholders’ equity	3,378.2			3,211.9		
Total liabilities and stockholders’ equity	$ 28,356.1			$ 30,332.9		
Net FTE interest income (non-GAAP)[3]		$ 415.2			$ 405.2	
Less FTE adjustments’[2]		(3.0)			(3.4)	
Net interest income from consolidated statements of income		$ 412.2			$ 401.8	
Interest rate spread			2.75 %			2.38 %
Net interest margin			3.24			2.94
Net FTE interest margin (non-GAAP)[3]			3.27			2.96
Cost of funds, including non-interest-bearing demand deposits [4]			1.55			1.86

[1] Average loan balances include loans held for sale and loans held for investment, net of deferred fees and costs, which include non-accrual loans. Interest income includes amortization of deferred loan fees net of deferred loan costs, which is not material.

[2] The Company adjusts interest income and average rates for tax exempt loans and securities to an FTE basis utilizing a 21% tax rate.

[3] Management believes fully taxable equivalent, or FTE, interest income is useful to investors in evaluating the Company’s performance as a comparison of the returns between a tax-free investment and a taxable alternative. Net FTE interest income and net FTE interest margin are non-GAAP financial measures. See “Non-GAAP Reconciliations” included herein for a reconciliation to the most directly comparable GAAP financial measures.

[4] Calculated by *dividing* total annualized interest on interest-bearing liabilities *by* the sum of total interest-bearing liabilities plus non-interest-bearing deposits.

[5] Dividends on FHLB and FRB stock.

Net interest income increased $10.4 million during the six months ended June 30, 2025, as compared to the same period in 2024, primarily due to a decrease in interest expense resulting from decreased rates on other borrowed funds along with a decrease in average other borrowed funds balances, partially offset by lower interest income on investment securities as a result of a decrease in average rates and average investment security balances and as a result of a decrease in average loan balances.

Net interest income included interest accretion related to the fair value of acquired loans of $8.9 million during the six months ended June 30, 2025, compared to interest accretion of $11.6 million during the six months ended June 30, 2024.

Our net interest margin ratio increased 30 basis points to 3.24% for the six months ended June 30, 2025, as compared to 2.94% for the same period in 2024 and our net FTE interest margin ratio, a non-GAAP financial measure, increased 31 basis points for the six months ended June 30, 2025, as compared to the same period in 2024. Exclusive of the impact of interest accretion on acquired loans, the net FTE interest margin ratio increased 32 basis points to 3.20% during the six months ended June 30, 2025, as compared to 2.88% for the same period in 2024. The increases in net interest margin ratio were primarily as a result of lower interest expense resulting from decreased rates on borrowings and decreased other borrowed funds balances.

The table below sets forth a summary of the changes in interest income and interest expense resulting from estimated changes in average asset and liability balances (volume) and estimated changes in average interest rates (referred to as “rate”) for the three and the six months ended June 30, 2025 and 2024. Changes which are not due solely to volume or rate have been allocated to these categories based on the respective percent changes in average volume and average rate as they compare to each other.

Analysis of Interest Changes Due to Volume and Rates

	Three Months Ended June 30, 2025 compared with Three Months Ended June 30, 2024			Six Months Ended June 30, 2025 compared with Six Months Ended June 30, 2024		
(Dollars in millions)	Volume	Rate[2]	Net	Volume	Rate	Net
Interest earning assets:						
Loans [1]	$ (16.8)	$ 2.6	$ (14.2)	$ (25.3)	$ 1.0	$ (24.3)
Investment securities [1]	(7.9)	(4.8)	(12.7)	(17.2)	(8.7)	(25.9)
Investment in FHLB and FRB stock	(0.8)	(0.4)	(1.2)	(1.2)	(0.4)	(1.6)
Interest bearing deposits in banks	2.9	(1.6)	1.3	6.6	(3.1)	3.5
Total change	(22.6)	(4.2)	(26.8)	(37.1)	(11.2)	(48.3)
Interest bearing liabilities:						
Demand deposits	0.6	0.5	1.1	1.1	1.5	2.6
Savings deposits	0.2	(4.4)	(4.2)	0.3	(7.9)	(7.6)
Time deposits	(0.5)	(2.0)	(2.5)	(1.5)	(3.1)	(4.6)
Repurchase agreements	(0.6)	(0.2)	(0.8)	(1.4)	(0.5)	(1.9)
Other borrowed funds	(22.7)	(0.8)	(23.5)	(38.5)	(3.1)	(41.6)
Long-term debt	(2.6)	0.9	(1.7)	(5.2)	0.9	(4.3)
Subordinated debentures held by subsidiary trusts	—	(0.4)	(0.4)	—	(0.9)	(0.9)
Total change	(25.6)	(6.4)	(32.0)	(45.2)	(13.1)	(58.3)
Increase in FTE net interest income [1]	$ 3.0	$ 2.2	$ 5.2	$ 8.1	$ 1.9	$ 10.0

(1) Interest income and average rates for tax exempt loans and securities are presented on a FTE basis.
(2) Dividends on FHLB and FRB stock is used to determine the rate.

Non-GAAP Reconciliations

The table below provides a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measure.

(In millions, except % and per share data)		Three Months Ended Jun 30, 2025	Three Months Ended Jun 30, 2024	Six Months Ended Jun 30, 2025	Six Months Ended Jun 30, 2024
Net interest income	(A)	$ 207.2	$ 201.7	$ 412.2	$ 401.8
FTE interest income		1.4	1.7	3.0	3.4
Net FTE interest income (Non-GAAP)	(B)	208.6	203.4	415.2	405.2
Less purchase accounting accretion		4.2	5.1	8.9	11.6
Adjusted net FTE interest income (Non-GAAP)	(C)	$ 204.4	$ 198.3	$ 406.3	$ 393.6
Average interest earning assets	(D)	$ 25,180.1	$ 27,286.9	$ 25,617.1	$ 27,493.1
Net interest margin (GAAP)	(A*) / (D)	3.30 %	2.97 %	3.24 %	2.94 %
Net FTE interest margin (Non-GAAP)	(B*) / (D)	3.32	3.00	3.27	2.96
Adjusted net FTE interest margin ratio (Non-GAAP)	(C*) / (D)	3.26	2.92	3.20	2.88

*Annualized

Provision for Credit Losses

Fluctuations in the provision for credit losses reflect charge-offs and recoveries as well as management's estimate of possible credit losses based upon the composition of our loan portfolio, evaluation of the borrowers' ability to repay, collateral value of underlying loans, loan loss trends, and estimated effects of current and forecasted economic conditions on our loans held for investment and investment securities portfolios.

The Company recorded a $0.3 million reduction of credit losses, which included a provision for credit losses of $0.1 million on loans held for investment, a reduction of credit losses for unfunded commitments of $0.3 million, and a reduction of credit losses for investment securities of $0.1 million during the three months ended June 30, 2025, as compared to a $9.0 million provision for credit losses during same period in 2024. Net charge-offs were $5.8 million or an annualized 0.14% of average loans outstanding during the three months ended June 30, 2025, as compared to net charge-offs of $13.5 million, or an annualized 0.30% of average loans outstanding during the same period in 2024. Net loan charge-offs in the second quarter of 2025 were composed of charge-offs of $13.0 million, which were partially offset by recoveries of $7.2 million.

The provision for credit losses during the six months ended June 30, 2025 of $19.7 million included a provision for credit losses on loans held for investment of $20.3 million, a reduction of credit losses on unfunded commitments of $0.4 million, and a reduction of credit losses on investment securities of $0.2 million. This compares to a provision for credit losses of $14.3 million during the same period in 2024. Net charge-offs were $14.8 million or an annualized 0.17% of average loans outstanding during the six months ended June 30, 2025, as compared to net charge-offs of $21.9 million, or an annualized 0.24% of average loans outstanding during the same period in 2024. Net loan charge-offs during the six months ended June 30, 2025 were composed of charge-offs of $23.8 million, which were partially offset by recoveries of $9.0 million.

For information regarding our non-performing loans, see "Financial Condition – Non-Performing Assets" included herein. For more information on our allowance for credit losses, see "Financial Condition – Allowance for Credit Losses" included herein.

Noninterest Income

Noninterest income also contributes to our operating results with fee-based revenues such as payment services, mortgage banking and wealth management revenues, service charges on deposit accounts, and other service charges, commissions and fees. The following table presents the composition of our noninterest income for the periods indicated:

Noninterest Income	Three Months Ended June 30,				Six Months Ended June 30,			
(Dollars in millions)	2025	2024	$ Change	% Change	2025	2024	$ Change	% Change
Payment services revenues	$ 17.8	$ 18.6	$ (0.8)	(4.3)%	$ 34.9	$ 37.0	$ (2.1)	(5.7)%
Mortgage banking revenues	1.8	1.7	0.1	5.9	3.2	3.4	(0.2)	(5.9)
Wealth management revenues	9.7	9.4	0.3	3.2	19.5	18.6	0.9	4.8
Service charges on deposit accounts	6.9	6.4	0.5	7.8	13.5	12.4	1.1	8.9
Other service charges, commissions and fees	2.1	2.1	—	—	4.4	4.3	0.1	2.3
Other income	2.8	4.4	(1.6)	(36.4)	7.6	9.0	(1.4)	(15.6)
Total noninterest income	$ 41.1	$ 42.6	$ (1.5)	(3.5)	$ 83.1	$ 84.7	$ (1.6)	(1.9)

Payment services revenues consist of interchange fees that merchants pay for processing electronic payment transactions and ATM service fees. Payment services revenues decreased $0.8 million during the three months ended June 30, 2025, as compared to the same period in 2024. For the six months ended June 30, 2025, payment services revenues decreased $2.1 million, as compared to the same period in 2024, primarily due to a decrease in credit card interchange revenue and a decrease in debit card revenues.

Service charges on deposit accounts are primarily driven by service fees and overdraft charges on deposit accounts. Service charges on deposit accounts increased $0.5 million during the three months ended June 30, 2025 compared to the same period in 2024. For the six months ended June 30, 2025, service charges on deposit accounts increased $1.1 million, as compared to the same period in 2024, primarily driven by an increase in ACH and wire services.

Other income primarily includes company-owned life insurance revenues, check printing income, agency stock dividends, and gains on sales of miscellaneous assets. Other income decreased $1.6 million during the three months ended June 30, 2025 and decreased $1.4 million during the six months ended June 30, 2025, as compared to the same periods in 2024, primarily due to a $7.3 million valuation allowance for loans transferred from loans held for investment to held for sale related to the pending sale of the Arizona and Kansas branches, partially offset by a $4.3 million gain received net of the related credit card rewards liability for the sale of the consumer credit card portfolio and an increase in life insurance proceeds.

Noninterest Expense

The following table presents the composition of our noninterest expense for the periods indicated:

Noninterest Expense	Three Months Ended June 30,				Six Months Ended June 30,			
(Dollars in millions)	2025	2024	$ Change	% Change	2025	2024	$ Change	% Change
Salaries and wages	$ 65.0	$ 66.3	$ (1.3)	(2.0)%	$ 133.6	$ 131.5	$ 2.1	1.6 %
Employee benefits	17.9	16.9	1.0	5.9	37.9	36.2	1.7	4.7
Outsourced technology services	13.3	14.0	(0.7)	(5.0)	27.5	27.6	(0.1)	(0.4)
Occupancy, net	13.4	11.7	1.7	14.5	27.1	24.0	3.1	12.9
Furniture and equipment	5.2	5.2	—	—	10.2	10.2	—	—
OREO expense, net of income	—	2.0	(2.0)	(100.0)	0.5	4.0	(3.5)	(87.5)
Professional fees	5.7	5.1	0.6	11.8	11.2	11.9	(0.7)	(5.9)
FDIC insurance premiums	4.0	6.6	(2.6)	(39.4)	8.3	14.0	(5.7)	(40.7)
Other intangibles amortization	3.4	3.7	(0.3)	(8.1)	6.8	7.4	(0.6)	(8.1)
Other expenses	27.2	25.4	1.8	7.1	52.6	50.3	2.3	4.6
Total noninterest expense	$ 155.1	$ 156.9	$ (1.8)	(1.1)	$ 315.7	$ 317.1	$ (1.4)	(0.4)

Noninterest expense decreased $1.8 million during the three months ended June 30, 2025 compared to the same period in 2024 and decreased $1.4 million during the six months ended June 30, 2025 as compared to the same period in 2024.

Salaries and wages expense decreased $1.3 million during the three months ended June 30, 2025 as compared to the same period in 2024, primarily due to lower short-term incentive accruals, which were partially offset by higher salaries and deferred loan costs. Salaries and wages expense increased $2.1 million during the six months ended June 30, 2025 as compared to the same period in 2024, primarily due to higher severance expense, deferred loan costs, and salaries, which were partially offset by lower short-term incentive accruals.

Employee benefits expense increased $1.0 million during the three months ended June 30, 2025 as compared to the same period in 2024, primarily due to higher medical costs. Employee benefits expense increased $1.7 million during the six months ended June 30, 2025 as compared to the same period in 2024, primarily due to higher long-term incentives and payroll taxes, which were partially offset by lower medical costs.

Occupancy, net expense increased $1.7 million during the three months ended June 30, 2025 and increased $3.1 million during the six months ended June 30, 2025, as compared to the same periods in 2024, primarily due to increases in janitorial, maintenance, repairs, and snow removal costs.

Other Real Estate Owned ("OREO") expense, net of income decreased $2.0 million during the three months ended June 30, 2025 and decreased $3.5 million during the six months ended June 30, 2025, as compared to the same periods in 2024, primarily due to a decrease in OREO valuation write-downs.

FDIC insurance premiums decreased $2.6 million during the three months ended June 30, 2025 and decreased $5.7 million during the six months ended June 30, 2025, primarily resulting from lower assessment fees as a result of lower average assets compared to the same periods in 2024, which included a $1.5 million special assessment accrual recorded during the first quarter of 2024.

Other expenses primarily include advertising and public relations costs; office supply, postage, freight, telephone, and travel expenses; donations expense; debit and credit card expenses; board of director fees; legal expenses; and other losses. Other expenses increased $1.8 million during the three months ended June 30, 2025 and increased $2.3 million during the six months ended June 30, 2025, primarily resulting from increases in donation expense compared to the same periods in 2024.

Income Tax Expense

On July 4, 2025, the One Big Beautiful Bill Act (“OBBBA”) was signed into law and contains numerous tax provisions. Since the bill was signed after the close of the quarter, no financial statement impact was reflected in the second quarter of 2025. The Company is currently evaluating the impact of the OBBBA on the consolidated financial statements.

Our effective federal tax rate was 18.4% for the three months ended June 30, 2025 and 2024, and was 18.6% for the six months ended June 30, 2025 compared to 18.4% for the six months ended June 30, 2024. Fluctuations in effective federal income tax rates are primarily driven by changes in actual and forecasted pre-tax income.

State income tax applies primarily to pretax earnings generated within Arizona, Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oregon, and South Dakota. Our effective state tax rate was 4.9% for the three months ended June 30, 2025 compared to 5.1% for the three months ended June 30, 2024 and was 5.2% for the six months ended June 30, 2025 and 2024.

Financial Condition

Total Assets

Total assets decreased $1,571.0 million, or 5.4%, to $27,566.4 million as of June 30, 2025, from $29,137.4 million as of December 31, 2024, primarily due to decreases in investment securities and loans. Significant fluctuations in balance sheet accounts are discussed below. More information regarding the results as of December 31, 2024 can be found in our Annual Report on Form 10-K for the year ended December 31, 2024.

Investment Securities

We manage our investment portfolio to obtain the highest yield possible while meeting our risk tolerance and liquidity guidelines and satisfying the pledging requirements for deposits of state and political subdivisions and securities sold under repurchase agreements. Our portfolio principally comprises U.S. treasury notes, U.S. government agency, U.S. government agency commercial mortgage-backed securities, U.S. government residential mortgage-backed securities, U.S. government agency collateralized mortgage obligations, collateralized loan obligation, corporate securities, and tax-exempt municipal securities.

Debt securities rated in the highest category by nationally recognized rating agencies and debt securities backed by the U.S. Government and government sponsored agencies, both on a direct and indirect basis, represented approximately 93.0% and 94.2% of the investment portfolio’s available-for-sale and held-to maturity segments, respectively, at June 30, 2025. All other held-to-maturity debt securities rated below AAA, not backed by the U.S. Government or government sponsored agencies, or which are not rated represented approximately 5.8% of total held-to maturity debt securities at June 30, 2025.

Investment securities decreased $432.4 million, or 5.6%, to $7,312.2 million, or 26.5% of total assets, as of June 30, 2025, from $7,744.6 million, or 26.6% of total assets, as of December 31, 2024. The decrease was primarily resulting from called securities and normal pay-downs and maturities, partially offset by a $115.4 million increase in fair market values and $78.3 million in purchases of investment securities during the period.

As of June 30, 2025 and December 31, 2024, the estimated duration of our investment portfolio was 3.6 and 3.7 years, respectively.

As of June 30, 2025 and December 31, 2024, we had $6,087.1 million and $6,296.7 million, respectively, of investment securities that had been in a continuous loss position for more than twelve months. Gross unrealized losses on these securities totaled $560.9 million as of June 30, 2025, and were attributable to changes in interest rates. At June 30, 2025 and December 31, 2024, the Company had no allowance for credit losses on available-for-sale securities and an allowance for credit losses on held-to maturity securities classified as corporate and municipal securities of $0.7 million and $0.9 million, respectively.

Loans Held for Investment, Net of Deferred Fees and Costs

Loans held for investment, net of deferred fees and costs, decreased $1,491.5 million to $16,353.4 million as of June 30, 2025 as compared to $17,844.9 million as of December 31, 2024.

The following table presents the composition and comparison of loans held for investment for the periods indicated:

	June 30, 2025	December 31, 2024	$ Change	% Change
Real estate:				
Commercial	$ 8,750.9	$ 9,263.2	$ (512.3)	(5.5)%
Construction	1,004.6	1,244.6	(240.0)	(19.3)
Residential	2,157.5	2,191.6	(34.1)	(1.6)
Agricultural	635.6	701.1	(65.5)	(9.3)
Total real estate	12,548.6	13,400.5	(851.9)	(6.4)
Consumer:				
Indirect	607.1	725.0	(117.9)	(16.3)
Direct and advance lines	134.4	134.0	0.4	0.3
Credit card	—	77.6	(77.6)	(100.0)
Total consumer	741.5	936.6	(195.1)	(20.8)
Commercial	2,529.9	2,829.4	(299.5)	(10.6)
Agricultural	541.4	687.9	(146.5)	(21.3)
Other, including overdrafts	2.0	1.6	0.4	25.0
Deferred loan fees and costs	(10.0)	(11.1)	1.1	(9.9)
Loans held for investment, net of deferred loan fees and costs	$ 16,353.4	$ 17,844.9	$ (1,491.5)	(8.4)

The Company discontinued accepting applications to originate indirect loans during the first quarter of 2025, which resulted in $73.1 million of continued amortization for the indirect portfolio in the second quarter of 2025. See "—Indirect Loans" above for additional information. The Company sold $74.2 million of consumer credit card loans in the second quarter of 2025. See "—Consumer Credit Card Outsourcing" above for additional information. Additionally, the Company transferred during the second quarter of 2025 $338.3 million of loans held for investment to loans held for sale related to the pending sale of the Arizona and Kansas branches. See "—Pending Sale of Arizona and Kansas Branches" above for additional information regarding the pending transaction.

Non-Performing Assets

Non-performing assets include non-performing loans and OREO.

Non-Performing Loans. Non-performing loans include non-accrual loans and loans contractually past due 90 days or more and still accruing interest.

Non-accrual loans. We generally place loans on non-accrual status when they become 90 days past due unless they are well secured and in the process of collection or if the collection of principal and interest is in doubt. When a loan is placed on non-accrual status, any interest previously accrued but not collected is reversed from income. Non-accrual loans increased approximately $54.4 million, or 39.3%, to $192.7 million as of June 30, 2025, from $138.3 million as of December 31, 2024, primarily due to an increase in non-accrual commercial real estate of $25.6 million, agricultural real estate of $15.5 million, and commercial loans of $10.9 million during 2025. As of June 30, 2025 there were approximately $130.3 million of non-accrual loans for which there was no related allowance for credit losses, as these loans had sufficient collateral securing the loan for repayment.

Loans contractually past due 90 days or more and still accruing interest. Loans past due 90 days or more accruing interest were $1.4 million as of June 30, 2025 compared to $3.0 million as of December 31, 2024.

Other Real Estate Owned (OREO). OREO consists of real property acquired through foreclosure on the collateral underlying defaulted loans. We record OREO at fair value less estimated selling costs. Any excess of loan carrying value over the fair value of the real estate at the time it is acquired, is recorded as a charge against the allowance for credit losses. Estimated losses that result from the ongoing periodic valuation of these properties are charged to earnings in the period in which they are identified. OREO decreased $0.9 million, or 20.9%, to $3.4 million as of June 30, 2025, from $4.3 million as of December 31, 2024.

The following table sets forth information regarding non-performing assets as of the dates indicated:

Non-Performing Assets

(Dollars in millions)	June 30, 2025	December 31, 2024	June 30, 2024
Non-performing loans:			
Non-accrual loans	$ 192.7	$ 138.3	$ 165.6
Accruing loans past due 90 days or more	1.4	3.0	2.6
Total non-performing loans	194.1	141.3	168.2
OREO	3.4	4.3	6.7
Total non-performing assets	$ 197.5	$ 145.6	$ 174.9
Non-accrual loans to loans held for investment	1.18 %	0.78 %	0.91 %
Non-performing assets to loans held for investment and OREO	1.21	0.82	0.96
Non-performing assets to total assets	0.72	0.50	0.58
Allowance for credit losses to non-performing loans	107.99	144.44	138.41

The following table sets forth the allocation of our non-performing loans among our various loan categories as of the dates indicated.

Non-Performing Loans by Loan Type

(Dollars in millions)	June 30, 2025	Percent of Total	December 31, 2024	Percent of Total
Real estate:				
Commercial	$ 81.1	41.8 %	$ 55.4	39.2 %
Construction	4.0	2.1	3.3	2.3
Residential	16.1	8.3	15.8	11.2
Agricultural	20.9	10.8	5.3	3.8
Total real estate	122.1	63.0	79.8	56.5
Consumer				
Indirect	4.5	2.3	4.6	3.3
Direct	0.6	0.3	0.9	0.6
Credit Card	—	—	1.0	0.7
Total consumer	5.1	2.6	6.5	4.6
Commercial	44.9	23.1	34.1	24.1
Agricultural	22.0	11.3	20.9	14.8
Total non-performing loans	$ 194.1	100.0 %	$ 141.3	100.0 %

Allowance for Credit Losses

The Company performs a quarterly assessment of the appropriateness of its allowance for credit losses in accordance with GAAP. The allowance for credit losses is established through a provision for credit losses based on our evaluation of quantitative and qualitative risk factors in our loan portfolio at each balance sheet date. In determining the allowance for credit losses, we estimate losses on specific loans, or groups of loans, where the expected loss can be identified and reasonably determined over the life of the loans. The balance of the allowance for credit losses is based on internally assigned risk classifications of loans, historical loan loss rates, changes in the nature or tenure of the loan portfolio, overall portfolio quality, industry concentrations, delinquency trends, current environmental and economic factors, and the estimated impact of forecasted economic conditions on historical loan loss rates.

The allowance for credit losses is increased by provisions charged against earnings and net recoveries of charged-off loans and is reduced by negative provisions credited to earnings and net loan charge-offs. The allowance for credit losses consists of three elements:

(1) A specific valuation allowance associated with collateral-dependent and other individually evaluated loans. Specific valuation allowances are determined based on assessment of the fair value of the collateral underlying the loans as determined through independent appraisals, the present value of future cash flows, observable market prices, and any relevant qualitative or environmental factors impacting loans.

(2) A collective valuation allowance based on loan loss experience and future expectations for similar loans with similar characteristics and trends. The Company applies open pool methodologies for all portfolio segments. The open pool methodology averages quarterly loss rates by modeling segment, calculated as quarter-to-date net charge off balance divided by the end of period balance. Loss rates are recalculated quarterly with recoveries captured in the quarter a loan was charged off, are averaged across a look back period from 2009 to the current period, and are annualized. Macroeconomic-conditioned historical loss rates are applied to loan-level cash flows. Expected future principal and interest cash flows are calculated using contractual repayment terms and prepayment, utilization, interest rate, and probability of default assumptions. Macroeconomic sensitivity models calculate segment-specific multipliers using third party forecast data. The multipliers condition the annual loss rates over the 2-year forecast period, followed by a 1-year straight-line reversion to the unadjusted historical average loss rates. The unadjusted loss rates then apply for the remaining life of the loan. Estimated losses are totaled and aggregated to the segment level.

(3) A qualitative valuation allowance determined based on asset quality trends, industry concentrations, environmental risks, changes in portfolio composition, and other qualitative risk factors, both internal and external to the Company. Other qualitative factors, including changes in loan and lending policies, collateral quality, underwriting standards and personnel, credit review quality, and model imprecision, are also considered.

Based on the assessment of the appropriateness of the allowance for credit losses, the Company records provisions for credit losses to maintain the allowance for credit losses at appropriate levels.

Loans acquired in business combinations are initially recorded at fair value as adjusted for credit risk. For loans with no significant evidence of credit deterioration since origination, the difference between the fair value and the unpaid principal balance of the loan at the acquisition date is amortized into interest income using the effective interest method over the remaining period to contractual maturity. An allowance for credit losses is recorded for the expected credit losses over the life of the loan. Subsequent changes to the allowance for credit losses are recorded through provision expense using the same methodology as other loans held for investment.

For loans acquired in business combinations with evidence of deterioration in credit quality since origination, the Company determines the fair value of the loans by estimating the amount and timing of principal and interest cash flows initially expected to be collected on the loans and discounting those cash flows at an appropriate market rate of interest. An allowance for credit losses is recognized by estimating the expected credit losses of the purchased asset and recording an adjustment to the acquisition date fair value to establish the initial amortized cost basis of the asset. Differences between the established amortized cost basis, and the unpaid principal balance of the asset, is considered to be a non-credit discount/premium and is accreted/amortized into interest income using the level yield interest method. Subsequent changes to the allowance for credit losses are recorded through provision expense using the same methodology as other loans held for investment.

Loans, or portions thereof, are charged-off against the allowance for credit losses when management believes the collectability of the principal is unlikely, or, with respect to consumer installment loans, according to an established delinquency schedule. Generally, loans are charged-off when (1) there has been no material principal reduction within the previous 90 days and there is no pending sale of collateral or other assets, (2) there is no significant or pending event which will result in principal reduction within the upcoming 90 days, (3) it is clear that we will not be able to collect all or a portion of the loan, or (4) foreclosure or repossession actions are pending. Loan charge-offs do not directly correspond with the receipt of independent appraisals or the use of observable market data if the collateral value is determined to be sufficient to repay the principal balance of the loan.

If a collateral-dependent loan is adequately collateralized, a specific valuation allowance for credit losses is not recorded. As such, significant changes in collateral-dependent and non-performing loans do not necessarily correspond proportionally with changes in the specific valuation component of the allowance for credit losses. Additionally, the Company expects the timing of charge-offs will vary between quarters and will not necessarily correspond proportionally to changes in the allowance for credit losses or changes in non-performing or collateral-dependent loans due to timing differences among the initial identification of a collateral-dependent loan, recording of a specific valuation allowance for collateral-dependent loans, and any resulting charge-off of uncollectible principal.

Our allowance for credit losses was $209.6 million, or 1.28% of loans held for investment as of June 30, 2025 compared to $204.1 million, or 1.14% of loans held for investment, as of December 31, 2024. The increase reflected changes in the mix of loan balances, the attributes of the current portfolio, and changes in the general economic outlook. The Company’s allowance for off-balance sheet credit losses was $4.8 million as of June 30, 2025, compared to $5.2 million as of December 31, 2024, due to a decline in off-balance sheet commitments.

Although we have established our allowance for credit losses in accordance with GAAP in the United States and we believe that the allowance for credit losses is appropriate to provide for known and expected losses in the portfolio, future provisions will be subject to on-going evaluations of the risks in the loan portfolio. If the economy declines or asset quality deteriorates, material additional provisions could be required.

The following table sets forth information regarding our allowance for credit losses as of the dates and for the periods indicated:

Allowance for Credit Losses	Three Months Ended			Six Months Ended	
(Dollars in millions)	Jun 30, 2025	Dec 31, 2024	Jun 30, 2024	Jun 30, 2025	Jun 30, 2024
Allowance for credit losses on loans:					
Beginning balance	$ 215.3	$ 225.4	$ 227.7	$ 204.1	$ 227.7
(Reduction of) provision for credit losses	0.1	33.9	18.6	20.3	27.0
Charge offs:					
Real estate					
Commercial	2.8	3.8	2.8	2.8	5.7
Construction	—	—	6.9	—	7.0
Residential	0.4	0.3	0.4	0.7	0.6
Consumer	5.6	3.5	4.0	10.3	7.8
Commercial	2.2	50.7	2.2	5.1	6.2
Agricultural	2.0	—	—	4.9	—
Total charge-offs	13.0	58.3	16.3	23.8	27.3
Recoveries:					
Real estate					
Commercial	4.8	—	0.1	4.8	0.7
Residential	0.2	0.1	0.1	0.3	0.1
Agricultural	0.2	—	—	0.2	0.1
Consumer	1.5	1.3	1.3	2.7	2.3
Commercial	0.4	1.7	1.3	0.9	1.9
Agricultural	0.1	—	—	0.1	0.3
Total recoveries	7.2	3.1	2.8	9.0	5.4
Net charge-offs	5.8	55.2	13.5	14.8	21.9
Ending balance	$ 209.6	$ 204.1	$ 232.8	$ 209.6	$ 232.8
Allowance for off-balance sheet credit losses:					
Beginning balance	$ 5.1	$ 5.6	$ 15.4	$ 5.2	$ 18.4
Reduction of credit losses	(0.3)	(0.4)	(9.6)	(0.4)	(12.6)
Ending balance	$ 4.8	$ 5.2	$ 5.8	$ 4.8	$ 5.8
Allowance for credit losses on investment securities:					
Beginning balance	$ 0.8	$ 0.7	$ 0.7	$ 0.9	$ 0.8
(Reduction of) provision for investment securities	(0.1)	0.2	—	(0.2)	(0.1)
Ending balance	$ 0.7	$ 0.9	$ 0.7	$ 0.7	$ 0.7
Total allowance for credit losses	$ 215.1	$ 210.2	$ 239.3	$ 215.1	$ 239.3
Total (reduction of) provision for credit losses	(0.3)	33.7	9.0	19.7	14.3
Loans held for investment, net of deferred fees and costs	16,353.4	17,844.9	18,235.0	16,353.4	18,235.0
Average loans	17,053.8	17,977.7	18,253.9	17,359.4	18,271.5
Net loans charged-off to average loans, annualized	0.14 %	1.22 %	0.30 %	0.17 %	0.24 %
Allowance to non-accrual loans	108.77	147.58	140.58	108.77	140.58
Allowance to loans held for investment	1.28	1.14	1.28	1.28	1.28

Total Liabilities

Total liabilities decreased $1,688.8 million, or 6.5%, to $24,144.6 million as of June 30, 2025, from $25,833.4 million as of December 31, 2024, primarily due to decreases in deposits and other borrowed funds which was partially offset by an increase in long-term debt. Significant fluctuations in liability accounts are discussed below.

Deposits

Our deposits consist of noninterest bearing and interest bearing demand, savings, individual retirement, and time deposit accounts. Total deposits decreased $385.0 million, or 1.7%, to $22,630.6 million as of June 30, 2025, from $23,015.6 million as of December 31, 2024, with decreases in all types of deposits except interest bearing time, $250 and over deposits.

The following table summarizes our deposits as of the dates indicated:

Deposits

(Dollars in millions)	June 30, 2025	Percent of Total	December 31, 2024	Percent of Total
Noninterest bearing demand	$ 5,579.0	24.7 %	$ 5,797.6	25.2 %
Interest bearing:				
Demand	6,465.4	28.5	6,495.2	28.2
Savings	7,789.6	34.4	7,832.3	34.0
Time, $250k or more	837.3	3.7	825.0	3.6
Time, other [(1)]	1,959.3	8.7	2,065.5	9.0
Total interest bearing	17,051.6	75.3	17,218.0	74.8
Total deposits	$ 22,630.6	100.0 %	$ 23,015.6	100.0 %

(1) Included in “Time, other” are IntraFi Network Deposits, or Intrafi, deposits of $13.4 million and $12.5 million as of June 30, 2025 and December 31, 2024, respectively.

Deposit Insurance

The deposits of the Bank are insured up to the applicable limits by the Deposit Insurance Fund (“DIF”) of the FDIC, generally up to $250,000 per insured depositor. The Bank pays deposit insurance premiums based on assessment rates established by the FDIC. The estimated amount of deposits in excess of the FDIC insurance limit at June 30, 2025 was $8.0 billion, or 35.4% of total deposits. Estimates of uninsured deposits are based on the methodologies and assumptions used in the Bank’s call reports and do not necessarily reflect an evaluation of all scenarios that potentially would determine the availability of deposit insurance to customer accounts based on FDIC regulations.

Other Borrowed Funds

Other borrowed funds is comprised of variable-rate, overnight and fixed-rate borrowings with remaining contractual tenors of up to one year through the Federal Home Loan Bank, to address short-term funding needs. Other borrowed funds decreased $1,317.5 million, or 84.1%, to $250.0 million as of June 30, 2025 from $1,567.5 million as of December 31, 2024. The decrease was funded by cash flows from paydowns and maturities of investment securities and loans.

Long-Term Debt

Long-term debt increased $119.8 million, or 90.6%, to $252.0 million as of June 30, 2025 from $132.2 million as of December 31, 2024, primarily as a result of the Company’s issuance of $125.0 million aggregate principal amount of 7.625% fixed-to-floating rate subordinated notes due 2035 (the “2025 Subordinated Notes”) in the second quarter of 2025, which was partially offset by a reduction in debt related to the New Market Tax Credits that the Company consolidated through its controlling interest in variable interest entity investments. For additional information regarding the 2025 Subordinated Notes, see “Note – Long-Term Debt” in the accompanying “Notes to Unaudited Consolidated Financial Statements” included in this report.

Capital Resources and Liquidity Management

Capital Resources. Stockholders' equity is influenced primarily by earnings, dividends, sales and redemptions of common stock, and changes in the unrealized holding gains or losses, net of taxes, on available-for-sale investment securities. Stockholders' equity increased $117.8 million, or 3.6%, to $3,421.8 million as of June 30, 2025, from $3,304.0 million as of December 31, 2024, due to a decrease to the unrealized losses on available-for-sale securities through other comprehensive income and the retention of retained earnings, partially offset by cash dividends paid and stock repurchases of vested restricted shares tendered in lieu of cash for payment of income tax withholding amounts by participants.

On July 28, 2025, the Company's board of directors declared a dividend of $0.47 per common share, payable on August 21, 2025, to common stockholders of record as of August 11, 2025. The dividend equates to a 7.0% annual yield based on the $26.95 average closing price of the Company's common stock as reported on NASDAQ during the second quarter of 2025.

As a bank holding company, the Company must comply with the capital requirements established by the Federal Reserve, and our subsidiary Bank must comply with the capital requirements established by the FDIC. The current risk-based guidelines applicable to us and our Bank are based on the Basel III framework, as implemented by the federal bank regulators. As of June 30, 2025 and December 31, 2024, the Company had capital levels that, in all cases, exceeded the guidelines to be deemed "well-capitalized." For additional information regarding our capital levels, see "Note – Regulatory Capital" in the accompanying "Notes to Unaudited Consolidated Financial Statements" included in this report.

Liquidity. Liquidity measures our ability to meet current and future cash flow needs on a timely basis and at a reasonable cost. We manage our liquidity position to meet the daily cash flow needs of clients, while maintaining an appropriate balance between assets and liabilities to meet the return-on-investment objectives of our shareholders. Our liquidity position is supported by management of liquid assets and liabilities and access to alternative sources of funds. Liquid assets include cash, interest bearing deposits in banks, federal funds sold, available-for-sale investment securities, and maturing or prepaying balances in our held-to-maturity investment and loan portfolios. Liquid liabilities include core deposits, federal funds purchased, securities sold under repurchase agreements, and borrowings. Other sources of liquidity include the sale of loans, the ability to acquire additional national market funds through non-core deposits, the issuance of additional collateralized borrowings such as FHLB advances, the issuance of debt securities, additional borrowings through the Federal Reserve's discount window, and the issuance of preferred or common securities. Our short-term and long-term liquidity requirements are primarily to fund on-going operations, including payment of interest on deposits and debt, extensions of credit to borrowers, capital expenditures, and shareholder dividends. These liquidity requirements are met primarily through cash flow from operations, redeployment of prepaying and maturing balances in our loan and investment portfolios, the issuance of securities, borrowings and other debt financing, and increases in client deposits.

For the six months ended June 30, 2025, net cash provided by operating activities was $146.6 million, net cash provided by investing activities was $1,742.2 million and net cash used in financing activities was $1,695.2 million. Major uses of cash were $385.0 million in outflows of deposits, and $1,317.5 million in repayment of other borrowed funds. Major sources of cash included $1,064.6 million in net loan activity and $626.4 million in investment security maturities and paydowns. Total cash and cash equivalents were $1,090.2 million as of June 30, 2025, compared to $896.6 million as of December 31, 2024. For additional information regarding our operating, investing, and financing cash flows, see the unaudited "Consolidated Statements of Cash Flows," included in Part I – Financial Information, "Item 1 – Financial Statements." For additional information regarding our deposits, see "–Financial Condition – Deposits," above.

As of June 30, 2025, the Company had $250.0 million of FHLB borrowings due in less than one year, $100.0 million of aggregate principal amount of 5.25% fixed-to-floating rate subordinated notes due 2030 (the "2020 Subordinated Notes"), $125.0 million of aggregate principal amount of 2025 Subordinated Notes, and available borrowing capacity of $4,940.0 million with the FHLB. The Company has unused federal fund lines of credit with third parties amounting to $235.0 million, subject to funds availability. These lines are subject to cancellation without notice. The Company also has an unused line of credit with the FRB for borrowings up to $2,498.1 million secured by government and agency backed securities and a blanket pledge of agricultural and commercial loans and has an unused $50.0 million revolving line of credit with another third party.

The 2020 Subordinated Notes are scheduled to mature on May 15, 2030 and currently bear interest equal to a benchmark rate, which is currently Three-Month Term SOFR (as defined in the indenture governing the 2020 Subordinated Notes) plus a spread of 518.0 basis points, payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, commencing on August 15, 2025. We may elect to early redeem the 2020 Subordinated Notes on any future interest payment date (February 15, May 15, August 15 and November 15 of each year). We intend to use the net proceeds from the offering of the 2025 Subordinated Notes to early redeem, without any prepayment penalty, the outstanding 2020 Subordinated Notes in full on August 15, 2025 at a redemption price of 100% of the principal amount plus accrued and unpaid interest to, but excluding, August 15, 2025. On July 3, 2025, we delivered a redemption notice, through the Depository Trust Company, to each holder of the 2020 Subordinated Notes in connection with the contemplated redemption on August 15, 2025.

As a holding company, we are a corporation separate and apart from our subsidiary Bank and, therefore, we provide for our own liquidity. Our primary sources of funding include management fees and dividends declared and paid by the Bank and access to capital markets. There are statutory, regulatory, and debt covenant limitations that affect the ability of our Bank to pay dividends to us. Management believes that such limitations will not impact our ability to meet our ongoing short-term cash obligations.

The Company continuously monitors our liquidity position and adjustments are made to the balance between sources and uses of funds as deemed appropriate. We are not aware of any events that are reasonably likely to have a material adverse effect on our liquidity, capital resources, or operations. In addition, we are not aware of any regulatory recommendations regarding liquidity, which if implemented, would have a material adverse effect on us. The Bank satisfies incremental liquidity needs with either liquid assets or external funding sources. Available liquidity includes cash, FHLB advances and FRB borrowings through the discount window. The Bank has pledged its investment securities portfolio to access wholesale funding as needed and does not intend to sell or restructure securities at this time.

	June 30, 2025			December 31, 2024		
(Dollars in billions)	FHLB	FRB	Total	FHLB	FRB	Total
Total borrowing capacity	$ 5.2	$ 2.5	$ 7.7	$ 5.9	$ 1.8	$ 7.7
Borrowings outstanding	0.3	—	0.3	1.5	—	1.5
Remaining Capacity, at period end	$ 4.9	$ 2.5	$ 7.4	$ 4.4	$ 1.8	$ 6.2
Cash and due from banks			0.4			0.4
Interest bearing deposits			0.7			0.5
Total available liquidity			$ 8.5			$ 7.1

Through the Bank's relationship with the FHLB, the Bank owns $21.9 million of FHLB stock and has access to additional liquidity and funding sources through FHLB advances. The Bank's borrowing capacity is dependent upon the amount of collateral the Bank places at the FHLB.

Recent Accounting Pronouncements

See "Note – Recent Authoritative Accounting Guidance" in the accompanying "Notes to Unaudited Consolidated Financial Statements" included in this report for details of recently issued accounting pronouncements and their expected impact on our financial statements.

Item 3.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

This analysis should be read in conjunction with text under the caption "Quantitative and Qualitative Disclosures About Market Risk" in our Form 10-K, which text is incorporated herein by reference. Our analysis of market risk and market-sensitive financial information contains forward-looking statements and is subject to the disclosure at the beginning of "Item 2 – Management's Discussion and Analysis of Financial Condition and Results of Operations" regarding such forward-looking information.

Asset Liability Management

The goal of asset liability management is the prudent control of market risk, liquidity, and capital. Asset liability management is governed by policies, goals, and objectives adopted and reviewed by the Bank's board of directors.

Development of asset liability management strategies and monitoring of interest rate risk are the responsibility of the Asset Liability Committee, or ALCO, which is composed of members of senior management.

Interest Rate Risk

Interest rate risk is the risk of loss of future earnings or long-term value due to changes in interest rates. Our primary source of earnings is net interest income, which is affected by the level of interest rates, changes in interest rates, the speed of changes in interest rates, the relationship between rates on interest bearing assets and liabilities, the impact of interest rate fluctuations on asset prepayments, and the mix of interest bearing assets and liabilities.

The ability to optimize net interest income is largely dependent upon the achievement of an interest rate spread that can be managed during periods of fluctuating interest rates. Interest sensitivity is a measure of the extent to which net interest income will be affected by market interest rates over a period.

Net Interest Income Sensitivity

We believe net interest income sensitivity provides the best perspective of how day-to-day decisions affect our interest rate risk profile. We monitor net interest income sensitivity by utilizing an income simulation model to subject 12- and 24- month net interest income to various rate movements. Simulations modeled quarterly include scenarios where market rates change instantaneously up or down in a parallel or non-parallel manner. Estimates produced by our income simulation model are based on numerous assumptions including, but not limited to: (1) the timing of changes in interest rates, (2) shifts or rotations in the yield curve, (3) repricing characteristics for market rate sensitive instruments, (4) differing sensitivities of financial instruments due to differing underlying rate indices, (5) varying loan prepayment speeds for different interest rate scenarios, (6) the effect of interest rate limitations in our assets, such as caps and floors, and (7) overall growth and repayment rates and product mix of assets and liabilities. Because of limitations inherent in any approach used to measure interest rate risk, simulation results are not intended as a forecast of the actual effect of a change in market interest rates on our results, but rather to provide insight into our current interest rate exposure and execute appropriate asset/liability management strategies accordingly.

The following table presents the net interest income simulation model's projected change in net interest income over a one-year horizon due to a change in interest rates. The net interest income simulation assumes parallel shifts in the yield curve and a static balance sheet. The net interest income simulation also uses a "deposit beta" modeling assumption which is an estimate of the change in interest bearing deposit pricing for a given change in market interest rates. In up-rate scenarios, the deposit beta assumption is 31% with the pricing change occurring in the first month of the net interest income simulation horizon. In down-rate scenarios, the deposit beta assumption is 31% with the pricing change occurring in the first month of the net interest income simulation horizon. Actual changes to deposit pricing may vary significantly from this assumption due to management actions, customer behavior, and market forces, which may have significant impacts to our net interest income. The net interest income simulations at June 30, 2025 indicate a balanced repricing dynamic between interest earning assets and interest-bearing liabilities.

Change in Interest Rate	**Percent Change in Net Interest Income**
(basis points)	June 30, 2025
+200	(0.70)%
+100	(0.25)
-100	—
-200	(0.15)

The preceding interest rate sensitivity analysis does not represent a forecast and should not be relied upon as being indicative of expected operating results.

The Company enters into derivative financial instruments, such as interest rate swap contracts to manage or hedge exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates and interest rate exposures. The Company does not enter into interest rate swap agreements for trading or speculative purposes.

As part of the Company's overall asset and liability management strategy, the Company has two active interest rate collars related to variable-rate loans that were designated as cash flow hedges with a total notional amount of $300.0 million with maturities of August 15, 2025. The collars designated as cash flow hedges synthetically fix the interest income received by the Company when the interest index falls below a floor rate on a rate reset and when the interest index exceeds the cap rate on a rate reset.

In April 2025, the Company voluntarily terminated the sole remaining swap designated as a cash flow hedge with a total notional amount of $300.0 million and no material impact to earnings.

Refer to “Note – Derivatives and Hedging Activities” in the accompanying “Notes to Unaudited Consolidated Financial Statements” included in this report for further discussion on how we manage interest rate risk.

Item 4.
CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, under the supervision and with the participation of the Chief Executive Officer (who is our principal executive officer) and Chief Financial Officer (who is our principal financial officer), evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of June 30, 2025. The term “disclosure controls and procedures” means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of June 30, 2025, our disclosure controls and procedures were effective in ensuring that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods required by the SEC’s rules and forms and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting for the quarter ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, such control.

Limitations on the Effectiveness of Controls and Procedures

The effectiveness of our disclosure controls and procedures and our internal control over financial reporting is subject to various inherent limitations, including cost limitations, judgments used in decision making, assumptions about the likelihood of future events, the soundness of our systems, the possibility of human error, and the risk of fraud. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions and the risk that the degree of compliance with policies or procedures may deteriorate over time. Because of these limitations, any system of disclosure controls and procedures or internal control over financial reporting may not be successful in preventing all errors or fraud or in making all material information known in a timely manner to the appropriate levels of management.

PART II.

OTHER INFORMATION

Item 1. Legal Proceedings

In the normal course of business, we may be named or threatened to be named as a party in various lawsuits. We record accruals for outstanding legal matters when it is believed to be probable that a loss will be incurred and the amount can be reasonably estimated. Management, following consultation with legal counsel, does not expect the ultimate disposition of any or a combination of any such ongoing or anticipated matters to have a material, adverse effect on our business, financial condition, or operating results.

Item 1A. Risk Factors

There have been no material changes in risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2024 during the period covered by this quarterly report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) There were no unregistered sales of equity securities during the three months ended June 30, 2025.

(b) Not applicable.

(c) The following table provides information with respect to purchases made of our common stock by or on behalf of us or any “affiliated purchasers” (as defined in Rule 10b-18(a)(3) under the Exchange Act), during the three months ended June 30, 2025.

Period	Total Number of Shares Purchased [1]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
April 1, 2025 to April 30, 2025	—	$ —	—	—
May 1, 2025 to May 31, 2025	258	26.79	—	—
June 1, 2025 to June 30, 2025	—	—	—	—
Total	258	$ 26.79	—	—

[1] Stock repurchases were redemptions of vested restricted shares tendered in lieu of cash for payment of income tax withholding amounts by participants of the Company’s 2015 Equity Compensation Plan.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Plans

During the quarter ended June 30, 2025, none of the Company’s directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.”

Item 6. Exhibits

Exhibit Number	Description
3.1	Certificate of Incorporation of First Interstate BancSystem, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on May 25, 2023).
3.2	Amended and Restated Bylaws of First Interstate BancSystem, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on May 23, 2025)
4.1	Indenture, dated May 15, 2020, between First Interstate BancSystem, Inc. and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on May 18, 2020).
4.2	Second Supplemental Indenture, dated June 10, 2025, between First Interstate BancSystem, Inc. and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on June 10, 2025).
4.3	Form of 7.625% Fixed-to-Floating Rate Subordinated Notes due 2035 (incorporated herein by reference to Exhibit A of Exhibit 4.2 to the Company's Current Report on Form 8-K, filed on June 10, 2025).
10.1†	Employment Agreement by and between David P. Della Camera, First Interstate BancSystem, Inc. and First Interstate Bank, effective June 1, 2025 (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, File No. 001-34653, filed on June 2, 2025).
10.2†	Form of 2023 Equity and Incentive Plan Restricted Stock Unit Grant Agreement (2025 Non-Employee Directors).
31.1	Certification by Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended.
31.2	Certification by Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended.
32**	18 U.S.C. Section 1350 Certifications.
101.INS	Interactive Data File - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File - The cover page XBRL tags are embedded within the inline XBRL document (included in Exhibit 101)

† Management contract or compensatory plan or arrangement.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FIRST INTERSTATE BANCSYSTEM, INC.

Date:	August 6, 2025	By:	/s/ JAMES A. REUTER
			James A. Reuter President and Chief Executive Officer
Date:	August 6, 2025	By:	/s/ DAVID P. DELLA CAMERA
			David P. Della Camera Executive Vice President and Chief Financial Officer

Exhibit 10.2

FIRST INTERSTATE BANCSYSTEM, INC. 2023 EQUITY AND INCENTIVE PLAN RESTRICTED STOCK UNIT GRANT AGREEMENT

This Restricted Stock Unit Grant Agreement ("Agreement") is made and entered into as of the date specified in Exhibit A (referred to as "Grant Date") between First Interstate BancSystem, Inc. (the "Company"), and the below named Participant, a Director of the Company.

The Company and Participant agree as follows:

1. Precedence of Plan. This Agreement is subject to and will be construed in accordance with the terms and conditions of the First Interstate BancSystem, Inc. 2023 Equity and Incentive Plan ("the Plan"), as now or hereinafter in effect. Any capitalized terms used in this Agreement without being defined and that are defined in the Plan will have the meaning specified in the Plan. In the event of a conflict or inconsistency between the terms and conditions of this Agreement and the Plan, the terms and conditions of the Plan shall govern.

2. Grant of Restricted Stock Unit Award. Participant is hereby granted a Restricted Stock Unit Award for the number of Restricted Stock Units as listed in the Notice of Restricted Stock Unit Award, attached hereto as Exhibit A. The Restricted Stock Units relate on a one-for-one basis to shares of the Company's Common Stock (or, if determined in the discretion of the Committee, the right to receive a cash amount equal to the Fair Market Value of one share of Common Stock). The Restricted Stock Units shall be credited to a separate account maintained for Participant on the books and records of the Company (the "Account"). All amounts credited to the Account shall continue for all purposes to be part of the general assets of the Company.

3. Vesting.

   a. *Time Vesting.* The Restricted Stock Units shall vest (meaning Participant's right to the Restricted Stock Units becomes nonforfeitable), on June 1, 2026 ("Time-Based Vesting Date"), provided that Participant's Continuous Service has not terminated as of the earlier of June 1, 2026 and the date of the Company's annual shareholder meeting in calendar year 2026. The period during which a Restricted Stock Unit is unvested is the "Restricted Period."

   b. *Death or Disability of Participant.* Notwithstanding the vesting schedule included in Participant's Notice of Restricted Stock Unit Award, if Participant's Continuous Service is terminated due to death or Disability, all the Restricted Stock Units granted pursuant to this Agreement shall become one hundred percent vested and the Restricted Period shall lapse as of the date of such termination of Continuous Service due to Participant's death or Disability.

   c. *Termination of Continuous Service in Connection with Change in Control.* In the event of a Participant's termination of Continuous Service as a result of the Participant's termination of Continuous Service without Cause during the 12-month period following the closing date of a Change in Control ("Involuntary Termination"), 100% of the Restricted Stock Units will become 100% vested and the Restricted Period will lapse as of the date of such termination of Continuous Service.

4. Forfeiture.

   a. *Forfeiture.* Except as provided in paragraphs 3.a., 3.b. and 3.c. above, in the event that Participant has a termination of Continuous Service during the Restricted Period, all Restricted Stock Units which are not vested as of the date of such termination of Continuous Service will be forfeited to the Company as of the date of Participant's termination of Continuous Service and Participant shall have no further rights with respect to such unvested Restricted Stock Units. Notwithstanding the foregoing, in the event that Participant's termination of Continuous Service is as a result of termination by the Company for Cause at any time, Participant will forfeit all Restricted Stock Units granted under this Agreement, regardless if vested or unvested as of the date of such termination of Continuous Service.

   b. *Clawback.* Pursuant to Section 15.2 of the Plan, every Award issued pursuant to the Plan is subject to potential forfeiture or "clawback" to the fullest extent called for by applicable federal or state law or any policy of the Company, including the First Interstate BancSystem, Inc. Clawback Policy. By accepting this Restricted Stock Unit Award, Participant agrees to be bound by, and comply with, the terms of any such forfeiture or "clawback" provision imposed by applicable federal or state law or prescribed by any policy of the Company.

5. Restrictions. Subject to any exceptions set forth in this Agreement or the Plan, during the Restricted Period and until such time as the Restricted Stock Units are settled or paid out in accordance with Section 7 or any deferral election made in accordance with Section 10 hereto, the Restricted Stock Units and the rights relating thereto

may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by Participant. Any attempt to assign, alienate, pledge, attach, sell or otherwise transfer or encumber the Restricted Stock Units or the rights relating thereto shall be wholly ineffective and, if any such attempt is made, the Restricted Stock Units will be forfeited by Participant and all of Participant's rights to such Restricted Stock Units shall immediately terminate without any payment or consideration by the Company.

6. Rights as a Shareholder.

   a. *Voting and Other Rights*. Except as set forth in Section 6(b) below with respect to certain Dividend Equivalent rights, Participant shall have no rights of a shareholder, and will not be treated as an owner of any shares of Common Stock issuable in settlement of the Restricted Stock Unit Award, except with respect to shares of Common Stock that have actually been issued in settlement of any Restricted Stock Units.

   b. *Dividend Equivalent Rights*. If, prior to the applicable Distribution Date (as defined below) of the applicable Restricted Stock Units settled on such Distribution Date (or, with respect to a Restricted Stock Unit as to which a further deferral election has been made under Section 10 below, also during the period prior to the date the applicable Restricted Stock Units are to be settled under the terms of such deferral election), the Company declares a cash or stock dividend on the shares of Common Stock, then, on the payment date of the dividend, Participant's Account shall be credited with Dividend Equivalents in an amount equal to the dividends that would have been paid to Participant if one share of Common Stock had been issued on the Grant Date for each Restricted Stock Unit granted to Participant as set forth in this Agreement. Dividend Equivalents shall be subject to the same vesting terms and Restricted Period as the Restricted Stock Units to which they are attributable and shall be paid on the same Distribution Date, subject to any deferral election made pursuant to Section 10 below, that the Restricted Stock Units to which they are attributable are settled or paid in accordance with Section 7 hereof (subject to any deferral election made pursuant to Section 10 below). Dividend Equivalents credited to a Participant's Account shall be distributed in cash or, at the discretion of the Committee, in shares of Common Stock having a Fair Market Value equal to the amount of the Dividend Equivalents, if any.

7. Settlement of Restricted Stock Units. Subject to Section 9 and subject to any deferral election made pursuant to Section 10 below, in the event that one or more Restricted Stock Unit vests and the Restricted Period applicable to such Restricted Stock Unit lapses, the Company will issue (A) a number of shares of Common Stock (or, in the Committee's discretion, a lump sum cash payment equal to the Fair Market Value of such shares of Common Stock) to Participant in settlement and payment of the applicable portion of the Restricted Stock Unit Award equal to the number of then-vested Restricted Stock Units and (B) a lump sum of cash equal to any Dividend Equivalents credited with respect to such vested Restricted Stock Units or, at the discretion of the Committee, shares of Common Stock having a Fair Market Value equal to such Dividend Equivalents, on the earliest of:

   a. the 30-day period following the Time-Based Vesting Date on which the Restricted Stock Units vests under Section 3.a.; or

   b. the 30-day period following the date of Participant's termination of Continuous Service (i) as a result of Participant's death, (ii) following Participant's Disability or (iii) as a result of a Participant's Involuntary Termination during the 12-month period following the closing date of a Change in Control. Upon such date (but subject to any deferral election made pursuant to Section 10), the applicable "Distribution Date," Participant shall have no further rights with respect to any Restricted Stock Units that are settled under this Section 7 or that terminate pursuant to Section 3 as of the applicable Distribution Date.

8. Stock Register. Subject to any deferral election made pursuant to Section 10 below, on the applicable Distribution Date, to the extent payment is made in shares of Common Stock, the Company will deliver to Participant (or in the case of Participant's death, to Participant's beneficiary) the shares of Common Stock (rounded down to the nearest full share) by entering such shares in book-entry form.

9. Withholding. Participant shall be required to pay to the Company, and the Company shall have the right to deduct from any compensation paid to Participant pursuant to this Agreement and the Plan, the amount of any required withholding taxes in respect of the Restricted Stock Units and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding taxes. The Committee may permit Participant to satisfy any federal, state, local, FICA or similar tax withholding obligation by any of the following means, or by a combination of such means: (i) tendering a cash payment, including through withholding from other compensation payable by the Company to Participant or (ii) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable or deliverable to Participant on a Distribution Date or such later date pursuant to a deferral election made under Section 10 below;

provided, however, that no shares of Common Stock shall be withheld with a value exceeding the maximum amount of tax required to be withheld by law. Notwithstanding any action the Company takes with respect to any or all income tax, social insurance, or other tax-related withholding ("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains Participant's responsibility and the Company (a) makes no representation or undertakings regarding the treatment of any Tax-Related Items in connection with the grant, vesting, deferral, settlement or payment of the Restricted Stock Units or the subsequent sale of any shares; and (b) does not commit to structure the Restricted Stock Units to reduce or eliminate Participant's liability for Tax-Related Items.

10. Deferral Election. Subject to any conditions deemed appropriate from time to time by the Committee (including suspension of the right to elect deferrals), Participant may elect to defer the Distribution Date set forth in Section 7 above provided by the Company and incorporated by reference to this Agreement as Exhibit B.

11. General Provisions.

    a. *Tax Advisor Consultation.* Participant represents Participant has reviewed with Participant's own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. Participant understands that Participant (and not the Company) shall be responsible for any tax liability that may arise as a result of the transactions contemplated by this Agreement.

    b. *Data Privacy.* In order to administer the Plan, the Company may process personal data about Participant. Such data includes, but is not limited to, the information provided in this Agreement and any changes thereto, other appropriate personal and financial data about Participant such as home address and business addresses and other contact information, payroll information and any other information that might be deemed appropriate by the Company to facilitate the administration of the Plan. By accepting this grant, Participant gives explicit consent to the Company to process any such personal data.

    c. *Consent to Electronic Delivery.* The Company may choose to deliver certain statutory materials relating to the Plan in electronic form. By accepting this grant, Participant agrees that the Company may deliver or cause to be delivered the Plan prospectus and the Company's annual report to Participant in an electronic format. The Company's prospectus is available electronically within the Participant's Fidelity account at https://nb.fidelity.com and the Company's annual report is located electronically at www.fibk.com. If at any time Participant would prefer to receive paper copies of these documents, as Participant is entitled to, please contact Fidelity Stock Plan Services at (800) 544-9354 to request paper copies of these documents.

    d. *Fractions.* To the extent that the Company is obligated to issue a fractional number of Restricted Stock Units, such number will be rounded down to the nearest whole share number.

    e. *Receipt of Plan*. By entering into this Agreement, Participant acknowledges (i) that they have received and read a copy of the Plan and (ii) that this Agreement is subject to and will be construed in accordance with the terms and conditions of the Plan, as now or hereinafter in effect.

    f. *Not a Service Contract.* This Agreement is not a service contract and it does not provide any right to Participant to continue to serve as a Director and nothing in this Agreement may be deemed to create in any way whatsoever any obligation on the part of Participant to remain in the service of the Company as a Director or otherwise or for the Company to continue Participant in the service of the Company as a Director or otherwise.

    g. *Further Action.* The parties agree to execute such further instruments and to take such further action as reasonably may be necessary to carry out the intent of this Agreement.

    h. *Interpretation.* The interpretations and constructions of any provision of and determinations of any question arising under the Plan or this Agreement will be made by the Company, and all such interpretations, constructions and determinations will be final and conclusive as to all parties. This Agreement, as issued pursuant to the Plan, constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, representations and understandings. The invalidity or unenforceability of any provision hereof will in no way affect the validity or enforceability of any other provision hereof. This Agreement may be executed in counterparts, all of which will be deemed to be one and the same instrument, and it is sufficient for each party to have executed at least one, but not necessarily the same, counterpart. The headings contained in this Agreement are for reference purposes only and do not affect the meaning or interpretation of this Agreement in any way.

i. *Governing Law; Venue.* This Agreement and the rights and obligations of the parties hereto will be governed by and construed in accordance with the laws of the State of Delaware. The parties agree that any action brought by either party to interpret or enforce any provision of the Plan or this Agreement must be brought in the state or federal court located in Wilmington, Delaware, and the parties irrevocably submit to the exclusive jurisdiction of that court for any action, suit or proceeding, and hereby waive any right to contest such jurisdiction or change such venue on any grounds.

j. *Successors.* This Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in this Agreement, this Agreement shall be binding upon Participant and Participant's heirs, executors, administrators, successors and assigns.

k. *Further Documents.* Upon request of the Company, Participant shall execute any further documents or instruments which the Company deems necessary or reasonably desirable to carry out the purposes or intent of this Agreement.

l. *Adjustment for Stock Split.* All references to the number of Restricted Stock Units and shares of Common Stock in this Agreement shall be adjusted to reflect any stock split, stock dividend or other change in the shares of Common Stock which may be made after the date of this Agreement.

m. *Compliance with Law*. The issuance and transfer of shares of Common Stock shall be subject to compliance by the Company and Participant with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company's shares of Common Stock may be listed. No shares of Common Stock shall be issued or transferred unless and until any then applicable requirements of state and federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel.

n. *Amendment*. The Committee has the right to amend, alter, suspend, discontinue or cancel the Restricted Stock Units, prospectively or retroactively; provided, that, no such amendment shall adversely affect Participant's material rights under this Agreement without Participant's consent.

o. *Section 409A*. This Agreement, and the deferral election attached hereto as Exhibit B, are intended to comply with Section 409A or an exemption thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement or any deferral election comply with Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Participant on account of non-compliance with Section 409A. Notwithstanding anything in this Agreement or any deferral election to the contrary, this Agreement or a deferral election made under Section 10 above may be amended, as reasonably requested by the Company, and as may be necessary to fully comply with Section 409A and all related rules and regulations in order to preserve the payments and benefits provided hereunder. A termination of Continuous Service shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute nonqualified deferred compensation upon or following a termination of Continuous Service unless such termination is also a "separation from service" within the meaning of Section 409A and, for purposes of any such provision of this Agreement, references to a "termination of Continuous Service," or like terms shall mean "separation from service." Notwithstanding anything to the contrary in the Agreement, if Participant is deemed a "specified employee" within the meaning of Section 409A, as determined by the Committee, at a time when Participant becomes eligible for settlement or payment of the Restricted Stock Units as a result of their termination of Continuous Service, then to the extent necessary to prevent any accelerated or additional tax under Section 409A, such settlement or payment will be delayed until the earlier of: (a) the business day following the date that is six months following Participant's termination of Continuous Service and (b) Participant's death.

IN WITNESS WHEREOF, the Company, by a duly authorized officer of the Company, and Participant have executed this Agreement effective as of the Grant Date as stated in Exhibit A.

FIRST INTERSTATE BANCSYSTEM, INC.

By: James A. Reuter	**Signed Electronically**
Title: President and CEO	Participant Signature
Address: 401 North 31st Street Billings, MT	

<u>EXHIBIT A</u>

NOTICE OF RESTRICTED STOCK UNIT AWARD
FIRST INTERSTATE BANCSYSTEM, INC.

Participant Name	Participant Name
Participant ID	Participant ID
Plan Name	First Interstate BancSystem, Inc. 2023 Equity & Incentive Plan
Number of Restricted Stock Units Awarded	Number of RSUs Granted
Grant Date	Grant Date
Time-Based Vesting Date*:	Vest Date

*The lapse of the Restricted Period and the vesting of any Restricted Stock Units granted under this Restricted Stock Unit Award require that Participant has remained in Continuous Service from the Grant Date through the earlier of the applicable vesting date or the date of the Company's 2026 annual shareholder meeting unless otherwise specified in sections 3.b. or 3.c.

EXHIBIT B

FIRST INTERSTATE BANCSYSTEM, INC.

RESTRICTED STOCK UNIT

DEFERRAL ELECTION

The following election constitutes an election by the undersigned Participant ("you") to defer payment of vested benefits and recognition of income pursuant to the Restricted Stock Unit ("RSU") Grant Agreement ("RSU Agreement") between you and First Interstate BancSystem, Inc. ("Company") under the Company's 2023 Equity and Incentive Plan. Capitalized terms used but not defined have the meanings set forth in the Company's Plan or standard form RSU grant agreement.

Restricted Stock Unit Deferral Election

Section 1

You understand you are not obligated to make a deferral election with respect to your RSU in the manner offered on this election form. If you do not make a deferral election on this form related to your RSU, the date on which the RSUs are settled and you receive payment with respect to the vested RSU (the "Distribution Date") will be the ***earlier*** of:

(a) the Time-Based Vesting Date of June 1, 2026, or

(b) the date of your termination of Continuous Service as a result of your death or Disability, or

(c) the date of your termination of Continuous Service as a result of your involuntary termination of employment without Cause within the 12-month period following the closing date of a Change in Control,

or as soon as practicable thereafter, but in no later event later than the date that is thirty (30) days after the Distribution Date.

Even if you make a deferral election on this form with respect to your RSU (including any Dividend Equivalents credited with respect to your RSU), the Shares underlying your vested RSU will be distributed to you (or your heirs or estate) earlier than the date you elect in Section 2 below in the event of (1) your termination of Continuous Service as a result of your Disability or death or (2) your termination of Continuous Service as a result of your involuntary termination of employment without Cause within the 12-month period following the closing date of a Change in Control.

Section 2

To defer the Distribution Date of the RSU beyond the date specified in your RSU Agreement, the following rules will apply to your deferral election with respect to your RSU under this Deferral Election and, to the extent your election under this Section 2 does not conform with these rules, your election will be void and the original Distribution Date will continue to apply:

- Your Deferral Election under this Section 2 related to your RSU will become irrevocable as of the day after it is delivered to the Company, subject to the Company's review of this Deferral Election to ensure that it complies with all the requirements set forth herein, in the RSU Agreement and in the Plan.
- Your Deferral Election with respect to your RSU under this Section 2 will not be given effect until twelve (12) months and one day after the date on which it becomes irrevocable.
- The date specified in your Deferral Election with respect to the deferral of your RSU under Section 2 must be after the date that is five (5) years after the particular payment event date that would have applied in the absence of your election under this Section 2.

You agree to defer the Distribution Date applicable to your RSU so that the Shares underlying your vested RSU will be issued to you:

In one Installment on June 1, 2031.

General Provisions and Acknowledgments

1. **Award is Unfunded.** You understand that the Company has not formally funded your award of RSUs and that you are considered a general unsecured creditor of the Company with respect to your rights under the award of RSUs.

2. **Taxes**. You understand and acknowledge that current tax law provides that amounts deferred will be taxable as ordinary income in the year paid. You, however, agree and acknowledge that you may be subject to employment taxes on the original vesting date(s). If the Committee (as defined in the Plan) determines that the Company is required to withhold for any taxes, including, but not limited to, income or employment taxes, prior to the date of deferred payout, you agree that, if you do not make other arrangements that are satisfactory to the Committee, in its sole discretion, the Company may withhold from other compensation due to you.

3. **Section 409A.** It is the intent of this Deferral Election to comply with the requirements of Section 409A so that none of the deferred RSUs or Shares issuable thereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities herein will be interpreted to so comply. Notwithstanding the foregoing, in no event will the Company, any Affiliate or the Committee have any liability to you for such tax or penalty or any other tax consequences relating to your RSU, under the Plan, the RSU Agreement or the Deferral Election.

4. **Subject to Plan**. This Deferral Election is in all respects subject to the terms and conditions of the Plan. Should any inconsistency exist between this Deferral Election, the Plan, the RSU Agreement and/or any applicable law, then the provisions of either the applicable law or the Plan will control, with the Plan subordinated to the applicable law and the RSU Agreement subordinated to this Deferral Election.

The Company shall have sole discretion to revise the terms of this election form, or the procedures with respect to making this election or any election change, to the extent the Company deems it helpful or appropriate to comply with applicable law.

____
Participant Signature

____
Participant Name

____
Date

Exhibit 31.1

CERTIFICATION BY CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, James A. Reuter, certify that :

1. I have reviewed this quarterly report on Form 10-Q of First Interstate BancSystem, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with generally accepted accounting principles;
    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions);
    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

DATE: August 6, 2025

/s/ JAMES A. REUTER
James A. Reuter
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION BY CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, David P. Della Camera, certify that :

1. I have reviewed this quarterly report on Form 10-Q of First Interstate BancSystem, Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with generally accepted accounting principles;
    c. evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions);
    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

DATE: August 6, 2025

/s/ DAVID P. DELLA CAMERA
David P. Della Camera
Executive Vice President and Chief Financial Officer

Exhibit 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

The undersigned are the Chief Executive Officer and the Chief Financial Officer of First Interstate BancSystem, Inc. (the "Registrant"). This Certification is made pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. This Certification accompanies the Quarterly Report on Form 10-Q of the Registrant for the quarter ended June 30, 2025.

We certify that, based on our knowledge, such Quarterly Report on Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

This Certification is executed as of August 6, 2025.

/s/ JAMES A. REUTER
James A. Reuter
President and Chief Executive Officer

/s/ DAVID P. DELLA CAMERA
David P. Della Camera
Executive Vice President and Chief Financial Officer