

CONSOLIDATED STATEMENTS OF CASH FLOWS

| Year Ended December 31 (Dollars in thousands) | 2020 | 2019 | 2018 |
|--|------------------|------------------|------------------|
| Operating activities: | | | |
| Net income | \$ 81,461 | \$ 92,015 | \$ 82,414 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Provision for credit losses | 36,001 | 15,833 | 19,462 |
| Depreciation of premises and equipment | 5,673 | 5,786 | 5,620 |
| Depreciation of equipment owned and leased to others | 20,203 | 25,128 | 26,248 |
| Stock-based compensation | 3,293 | 2,765 | 3,553 |
| Amortization of investment securities premiums and accretion of discounts, net | 6,057 | 4,014 | 3,477 |
| Amortization of mortgage servicing rights | 2,361 | 1,312 | 956 |
| Mortgage servicing rights impairments | 812 | — | — |
| Amortization of right of use assets | 2,842 | 3,046 | — |
| Deferred income taxes | (24,160) | (5,730) | (550) |
| (Gains) losses on investment securities available-for-sale | (279) | — | 345 |
| Originations of loans held for sale, net of principal collected | (330,990) | (145,097) | (78,450) |
| Proceeds from the sales of loans held for sale | 351,337 | 139,050 | 82,127 |
| Net gains on sale of loans held for sale | (12,955) | (2,940) | (1,844) |
| Net gains on sale of other real estate and repossessions | (138) | (487) | (561) |
| Net gain on sale of premises and equipment | — | (1,251) | (128) |
| Change in interest receivable | (1,117) | (245) | (1,747) |
| Change in interest payable | (9,923) | 4,968 | 2,997 |
| Change in other assets | 12,782 | 11,213 | (7,048) |
| Change in other liabilities | 10,293 | 13,492 | 21,884 |
| Other | 940 | 1,734 | 940 |
| Net change in operating activities | 154,493 | 164,606 | 159,695 |
| Investing activities: | | | |
| Proceeds from sales of investment securities available-for-sale | 8,403 | — | 11,392 |
| Proceeds from maturities and paydowns of investment securities available-for-sale | 443,617 | 317,295 | 145,167 |
| Purchases of investment securities available-for-sale | (597,296) | (351,189) | (255,205) |
| Net change in partnership investments | (54,981) | (33,840) | (13,669) |
| Net change in other investments | 985 | (10) | (2,451) |
| Loans sold or participated to others | 17,462 | 53,369 | 22,835 |
| Proceeds from principal payments on direct finance leases | 54,771 | 69,188 | 50,457 |
| Net change in loans and leases | (489,477) | (392,475) | (405,961) |
| Net change in equipment owned under operating leases | 26,414 | (2,495) | (21,107) |
| Purchases of premises and equipment | (2,850) | (8,033) | (3,058) |
| Proceeds from disposal of premises and equipment | 23 | 3,418 | 216 |
| Proceeds from sales of other real estate and repossessions | 10,271 | 10,855 | 13,433 |
| Net change in investing activities | (582,658) | (333,917) | (457,951) |
| Financing activities: | | | |
| Net change in demand deposits and savings accounts | 1,069,843 | 54,272 | 171,799 |
| Net change in time deposits | (481,141) | 180,732 | 197,793 |
| Net change in short-term borrowings | 4,748 | (53,451) | (15,251) |
| Proceeds from issuance of long-term debt | 10,000 | — | — |
| Payments on long-term debt | (2,905) | (2,695) | (1,735) |
| Stock issued under stock purchase plans | 39 | 49 | 145 |
| Acquisition of treasury stock | (6,415) | (15,085) | (9,271) |
| Net change in noncontrolling interests | 23,442 | 18,796 | 1,508 |
| Cash dividends paid on common stock | (29,764) | (29,021) | (25,686) |
| Net change in financing activities | 587,847 | 153,597 | 319,302 |
| Net change in cash and cash equivalents | 159,682 | (15,714) | 21,046 |
| Cash and cash equivalents, beginning of year | 83,365 | 99,079 | 78,033 |
| Cash and cash equivalents, end of year | \$ 243,047 | \$ 83,365 | \$ 99,079 |
| Supplemental Information: | | | |
| Non-cash transactions: | | | |
| Loans transferred to other real estate and repossessions | \$ 4,317 | \$ 14,807 | \$ 11,007 |
| Common stock matching contribution to Employee Stock Ownership and Profit Sharing Plan | 622 | 300 | 583 |
| Right of use assets obtained in exchange for lease obligation | 2,612 | 17,064 | — |
| Cash paid for: | | | |
| Interest | \$ 47,134 | \$ 54,043 | \$ 40,413 |
| Income taxes | 13,461 | 5,585 | 8,272 |

The accompanying notes are a part of the consolidated financial statements.