



# MEDIA STATEMENT

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## Media Statement from Associated Banc-Corp

*\*Editor's note: the following prepared remarks are from Paul Beideman, Chairman and CEO of Associated Banc-Corp*

**GREEN BAY, Wis.** – February 12, 2009 – Associated Banc-Corp participated in the Capital Purchase Program (CPP) with the commitment that taxpayers would receive a positive return. We understand the need for transparency and believe it is right for taxpayers to expect accountability. No funds from the CPP were used for compensation or incentive programs.

The purpose of the Capital Purchase Program was to help healthy banks make more credit available to consumers and businesses. That is precisely what we have done. For example:

- We increased our mortgage origination activity. Our volume of new mortgage loans increased in December by 20%. Our volume of new mortgage applications increased by 200% compared to November 2008 and the vast majority of these loans will close during the first quarter of 2009.
- Throughout 2008, our loans to consumers and businesses increased by \$800 million or 5%. New loan production, since receipt of the capital, has been more than \$2.3 billion.
- In 2008, Associated was named the number one Small Business Lender (SBA) in Wisconsin for the 4th consecutive year. In fact, our production approximated that of the next three banks combined.
- We continue to focus on our foreclosure mitigation efforts to assist our mortgage customers who are experiencing difficulties in making their mortgage payments. Throughout 2008, we have assisted more than 1,000 customers representing more than \$55 million in loans.

Associated Banc-Corp has been and continues to be profitable, reporting positive net income for all four quarters in 2008 despite the economic challenges. In addition, Associated paid its full cash dividend to shareholders throughout 2008.

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We continue to believe that the best way for companies to provide sustained economic value to their shareholders, customers and communities is to provide an environment where employees are motivated to perform to an exceptional level of service and results. Incentive and reward programs are an important part of that effort. More than 95% of the employees selected for our 2008 recognition trip are personal bankers, branch managers, customer service representatives, small business relationship managers, mortgage originators and support members of our teams.

However, based on feedback that we have received today, I have made the decision to cancel the recognition trip. In the challenging times in which we are operating, we recognize the need to be especially attuned to the heightened sensitivities around our decisions. I would like to again recognize our colleagues who have earned the distinction of being the best of the best and thank all of our 5,200 colleagues for their outstanding work on behalf of Associated Banc-Corp.

Associated Banc-Corp, headquartered in Green Bay, Wis., is a diversified bank holding company with total assets of \$24 billion. Associated has approximately 300 banking offices serving about 180 communities in Wisconsin, Illinois, and Minnesota. The company offers a full range of traditional banking services and a variety of other financial products and services. More information about Associated Banc-Corp is available at [www.associatedbank.com](http://www.associatedbank.com).