

**PRESS RELEASE OF NORTHWEST BANCSHARES, INC.  
EARNINGS RELEASE**

**FOR IMMEDIATE RELEASE**

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**Northwest Bancshares, Inc. Announces Second Quarter 2018 Earnings and Quarterly Dividend**

Warren, Pennsylvania — July 23, 2018

Northwest Bancshares, Inc. (NasdaqGS: NWBI) announced net income for the quarter ended June 30, 2018 of \$26.3 million, or \$0.25 per diluted share. This represents a decrease of \$4.7 million, or 15.1%, compared to the same quarter last year when net income was \$31.0 million or \$0.30 per diluted share. The prior year's quarterly earnings were augmented by the sale of the Company's three Maryland offices for a profit of \$17.2 million, or approximately \$10.3 million after tax. The annualized returns on average shareholders' equity and average assets for the quarter ended June 30, 2018 were 8.67% and 1.11% compared to 10.48% and 1.30% for the same quarter last year.

The Company also announced that its Board of Directors declared a quarterly cash dividend of \$0.17 per share payable on August 16, 2018, to shareholders of record as of August 2, 2018. This is the 95<sup>th</sup> consecutive quarter in which the Company has paid a cash dividend. Based on the market value of the Company's stock as of June 30, 2018, this represents an annualized dividend yield of approximately 4.0%.

In making this announcement, Ronald J. Seiffert, President and CEO, noted, "We are very pleased with the positive momentum established in the first half of this year. We remained disciplined in our loan growth of approximately \$150 million, or nearly 2%, all funded with organic increases in checking and savings accounts. Expense reductions of almost \$8 million, or over 5% from the prior year, were realized from the efficiency initiatives implemented during the past two years. In addition, we were able to maintain a stable net interest rate spread and margin despite the continued flattening of the yield curve. Finally, with the June announcement of our merger with Donegal Financial Services Corporation and Union Community Bank, scheduled to close in the first quarter of 2019, we are looking forward to the meaningful impact that the employees and this franchise will have on Northwest going into next year."

Net interest income increased by \$1.5 million, or 1.8%, to \$84.2 million for the quarter ended June 30, 2018, from \$82.7 million for the quarter ended June 30, 2017 primarily due to a \$3.4 million, or 4.0%, increase in interest income on loans receivable. This increase was primarily the result of an increase in the average balance of loans receivable of \$196.8 million, or 2.6%, and an increase in the average yield on loans receivable of six basis points as a result of the recent increases in market interest rates. Partially offsetting this improvement was an increase in interest expense on deposits of \$1.5 million, or 25.5%, due to the aforementioned increases in market interest rates. The net impact of these changes caused the Company's net interest margin to increase to 3.72% for the quarter ended June 30, 2018 from 3.66% for the same quarter last year.

The provision for loan losses decreased by \$213,000, or 3.8%, to \$5.3 million for the quarter ended June 30, 2018, from \$5.6 million for the quarter ended June 30, 2017. This decrease is due primarily to the improvement in the historical loss rates for commercial loans when compared to the prior year. Also, reserves in the first half of 2017 were elevated in connection with the closure of the Company's consumer finance subsidiary. Additionally, total nonaccrual loans decreased to \$62.7 million, or 0.79% of total loans at June 30, 2018 from \$72.8 million, or 0.95% of total loans, at June 30, 2017.

Noninterest income decreased by \$17.4 million, or 41.9%, to \$24.1 million for the quarter ended June 30, 2018, from \$41.5 million for the quarter ended June 30, 2017. This decrease was due primarily to the previously referenced \$17.2 million gain on the sale of the Company's Maryland offices during the second quarter of 2017. The remaining items of noninterest income decreased by \$182,000, or 0.7%, from the prior year.

Noninterest expense decreased by \$3.5 million, or 4.7%, to \$69.8 million for the quarter ended June 30, 2018, from \$73.3 million for the quarter ended June 30, 2017. This decrease resulted primarily from a \$2.2 million, or 85.1%, decrease in restructuring/ acquisition expense due primarily to restructuring that occurred during 2017, including the closure of the Company's consumer finance subsidiary. Additionally, marketing expense decreased by \$832,000, or 29.2%, due primarily to the timing of checking account acquisition campaigns.

Income tax expense decreased by \$7.5 million, or 52.1%, to \$6.9 million for the quarter ended June 30, 2018 from \$14.4 million for the quarter ended June 30, 2017. This decrease resulted primarily from a decrease in income before tax of \$12.2 million, or 26.8%, to \$33.2 million for the quarter ended June 30, 2018 from \$45.4 million for the quarter ended June 30, 2017. In addition, primarily as a result of the enactment of the Tax Cuts and Jobs Act in December 2017, the Company's effective tax rate, which includes both federal and state income taxes, decreased to 20.8% for the quarter ended June 30, 2018 from 31.7% for last year's quarter.

Net income for the six month period ended June 30, 2018 was \$51.3 million, or \$0.50 per diluted share. This represents an increase of \$2.6 million, or 5.2%, compared to the six month period ended June 30, 2017, when net income was \$48.7 million, or \$0.48 per diluted share. The annualized returns on average shareholders' equity and average assets for the six month period ended June 30, 2018 were 8.54% and 1.09% compared to 8.34% and 1.03% for the same period last year. This increase in net income was the result of an increase in net interest income after provision of \$3.3 million, or 2.2%, a reduction in noninterest expense of \$7.7 million, or 5.3%, and a lower effective tax rate as prescribed by the Tax Cuts and Jobs Act.

Headquartered in Warren, Pennsylvania, Northwest Bancshares, Inc. is the holding company of Northwest Bank. Founded in 1896, Northwest Bank is a full-service financial institution offering a complete line of business and personal banking products, employee benefits and wealth management services, as well as the fulfillment of business and personal insurance needs. Northwest operates 162 full-service community banking offices and ten free standing drive-through facilities in Pennsylvania, New York and Ohio. Northwest Bancshares, Inc.'s common stock is listed on the NASDAQ Global Select Market ("NWBI"). Additional information regarding Northwest Bancshares, Inc. and Northwest Bank can be accessed on-line at [www.northwest.com](http://www.northwest.com).

# # #

Forward-Looking Statements - This release may contain forward-looking statements with respect to the financial condition and results of operations of Northwest Bancshares, Inc. including, without limitations, statements relating to the earnings outlook of the Company. These forward-looking statements involve certain risks and uncertainties. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements, include among others, the following possibilities: (1) changes in the interest rate environment; (2) competitive pressure among financial services companies; (3) general economic conditions including an increase in non-performing loans; (4) changes in legislation or regulatory requirements; (5) difficulties in continuing to improve operating efficiencies; (6) difficulties in the integration of acquired businesses or the ability to complete sales transactions; and (7) increased risk associated with commercial real-estate and business loans. Management has no obligation to revise or update these forward-looking statements to reflect events or circumstances that arise after the date of this release.

**Northwest Bancshares, Inc. and Subsidiaries**  
**Consolidated Statements of Financial Condition (Unaudited)**  
(Dollars in thousands, except per share amounts)

|   | <b>June 30,<br/>2018</b> | <b>December 31,<br/>2017</b> | <b>June 30,<br/>2017</b> |
|---|--------------------------|------------------------------|--------------------------|
| Assets  |                          |                              |                          |
| Cash and cash equivalents   | \$ 133,045               | 77,710                       | 156,767                  |
| Marketable securities available-for-sale (amortized cost of \$814,848, \$800,094 and \$949,161, respectively)   | 799,878                  | 792,535                      | 952,802                  |
| Marketable securities held-to-maturity (fair value of \$25,212, \$29,667 and \$36,560, respectively)  | 25,747                   | 29,678                       | 36,206                   |
|   | 958,670                  | 899,923                      | 1,145,775                |
|   |                          |                              |                          |
| Residential mortgage loans held for sale  | —                        | 3,128                        | 10,297                   |
| Residential mortgage loans  | 2,800,668                | 2,773,075                    | 2,740,174                |
| Home equity loans   | 1,276,181                | 1,310,355                    | 1,301,032                |
| Consumer loans  | 700,925                  | 671,389                      | 658,125                  |
| Commercial real estate loans  | 2,553,223                | 2,454,726                    | 2,396,663                |
| Commercial loans  | 611,373                  | 580,736                      | 580,446                  |
|   | 7,942,370                | 7,793,409                    | 7,686,737                |
| Allowance for loan losses   | (57,332)                 | (56,795)                     | (62,885)                 |
| Loans receivable, net   | 7,885,038                | 7,736,614                    | 7,623,852                |
|   |                          |                              |                          |
| Federal Home Loan Bank stock, at cost   | 7,887                    | 11,733                       | 8,142                    |
| Accrued interest receivable   | 24,959                   | 23,352                       | 21,667                   |
| Real estate owned, net  | 2,722                    | 5,666                        | 6,030                    |
| Premises and equipment, net   | 146,276                  | 151,944                      | 154,785                  |
| Bank owned life insurance   | 170,791                  | 171,547                      | 172,023                  |
| Goodwill  | 307,420                  | 307,420                      | 307,420                  |
| Other intangible assets   | 22,629                   | 25,669                       | 28,935                   |
| Other assets  | 35,917                   | 30,066                       | 30,381                   |
|   | \$ 9,562,309             | 9,363,934                    | 9,499,010                |
| Liabilities and shareholders' equity  |                          |                              |                          |
| Liabilities   |                          |                              |                          |
| Noninterest-bearing demand deposits   | \$ 1,732,664             | 1,610,409                    | 1,577,562                |
| Interest-bearing demand deposits  | 1,485,938                | 1,442,928                    | 1,440,196                |
| Money market deposit accounts   | 1,686,052                | 1,707,450                    | 1,800,261                |
| Savings deposits  | 1,697,396                | 1,653,579                    | 1,685,282                |
| Time deposits   | 1,405,328                | 1,412,623                    | 1,467,946                |
|   | 8,007,378                | 7,826,989                    | 7,971,247                |
|   |                          |                              |                          |
| Borrowed funds  | 99,889                   | 108,238                      | 110,441                  |
| Advances by borrowers for taxes and insurance   | 51,640                   | 40,825                       | 48,446                   |
| Accrued interest payable  | 568                      | 460                          | 530                      |
| Other liabilities   | 62,741                   | 68,485                       | 60,203                   |
| Junior subordinated debentures  | 111,213                  | 111,213                      | 111,213                  |
|   | 8,333,429                | 8,156,210                    | 8,302,080                |
|   |                          |                              |                          |
| Shareholders' equity  |                          |                              |                          |
| Preferred stock, \$0.01 par value, 50,000,000 shares authorized, no shares issued   | —                        | —                            | —                        |
| Common stock, \$0.01 par value, 500,000,000 shares authorized, 103,122,890 shares, 102,394,828 shares and 102,478,146 shares issued and outstanding, respectively | 1,031                    | 1,027                        | 1,025                    |
| Paid-in-capital   | 739,673                  | 730,719                      | 726,036                  |
| Retained earnings   | 531,269                  | 508,058                      | 495,017                  |
| Accumulated other comprehensive loss  | (43,093)                 | (32,080)                     | (25,148)                 |
|   | 1,228,880                | 1,207,724                    | 1,196,930                |
| Total shareholders' equity  | 1,228,880                | 1,207,724                    | 1,196,930                |
| Total liabilities and shareholders' equity  | \$ 9,562,309             | 9,363,934                    | 9,499,010                |
|   |                          |                              |                          |
| Equity to assets  | 12.85%                   | 12.90%                       | 12.60%                   |
| Tangible common equity to assets  | 9.74%                    | 9.68%                        | 9.39%                    |
| Book value per share  | \$ 11.92                 | 11.79                        | 11.68                    |
| Tangible book value per share   | \$ 8.72                  | 8.54                         | 8.40                     |
| Closing market price per share  | \$ 17.39                 | 16.73                        | 15.61                    |
| Full time equivalent employees  | 2,118                    | 2,106                        | 2,273                    |
| Number of banking offices   | 172                      | 172                          | 173                      |

**Northwest Bancshares, Inc. and Subsidiaries**  
**Consolidated Statements of Income (Unaudited)**  
(Dollars in thousands, except per share amounts)

|  | Quarter ended    |                   |                      |                       |                  |
|--|------------------|-------------------|----------------------|-----------------------|------------------|
|  | June 30,<br>2018 | March 31,<br>2018 | December 31,<br>2017 | September 30,<br>2017 | June 30,<br>2017 |
| <b>Interest income:</b>                              |                  |                   |                      |                       |                  |
| Loans receivable                                     | \$ 88,106        | 85,220            | 87,154               | 85,373                | 84,714           |
| Mortgage-backed securities                           | 3,254            | 3,013             | 3,016                | 3,118                 | 2,987            |
| Taxable investment securities                        | 648              | 678               | 805                  | 957                   | 981              |
| Tax-free investment securities                       | 313              | 390               | 449                  | 476                   | 529              |
| FHLB dividends                                       | 85               | 97                | 78                   | 63                    | 50               |
| Interest-earning deposits                            | 469              | 135               | 59                   | 244                   | 536              |
| Total interest income                                | <u>92,875</u>    | <u>89,533</u>     | <u>91,561</u>        | <u>90,231</u>         | <u>89,797</u>    |
| <b>Interest expense:</b>                             |                  |                   |                      |                       |                  |
| Deposits   | 7,309            | 6,458             | 5,971                | 5,795                 | 5,826            |
| Borrowed funds                                       | 1,340            | 1,308             | 1,350                | 1,199                 | 1,240            |
| Total interest expense                               | <u>8,649</u>     | <u>7,766</u>      | <u>7,321</u>         | <u>6,994</u>          | <u>7,066</u>     |
| Net interest income                                  | 84,226           | 81,767            | 84,240               | 83,237                | 82,731           |
| Provision for loan losses                            | 5,349            | 4,209             | 6,525                | 3,027                 | 5,562            |
| Net interest income after provision for loan losses  | <u>78,877</u>    | <u>77,558</u>     | <u>77,715</u>        | <u>80,210</u>         | <u>77,169</u>    |
| <b>Noninterest income:</b>                           |                  |                   |                      |                       |                  |
| Gain/ (loss) on sale of investments                  | —                | 153               | (369)                | 1,497                 | 3                |
| Service charges and fees                             | 12,908           | 11,899            | 12,527               | 12,724                | 12,749           |
| Trust and other financial services income            | 4,050            | 4,031             | 4,290                | 4,793                 | 4,600            |
| Insurance commission income                          | 2,090            | 2,749             | 1,874                | 1,992                 | 2,353            |
| Gain/ (loss) on real estate owned, net               | 176              | (546)             | (307)                | (193)                 | (230)            |
| Income from bank owned life insurance                | 2,333            | 990               | 2,295                | 1,078                 | 1,652            |
| Mortgage banking income                              | 77               | 224               | 225                  | 519                   | 434              |
| Gain on sale of offices                              | —                | —                 | —                    | —                     | 17,186           |
| Other operating income                               | 2,475            | 2,288             | 2,370                | 2,184                 | 2,730            |
| Total noninterest income                             | <u>24,109</u>    | <u>21,788</u>     | <u>22,905</u>        | <u>24,594</u>         | <u>41,477</u>    |
| <b>Noninterest expense:</b>                          |                  |                   |                      |                       |                  |
| Compensation and employee benefits                   | 39,031           | 36,510            | 39,293               | 36,556                | 38,175           |
| Premises and occupancy costs                         | 6,824            | 7,307             | 7,293                | 6,951                 | 7,103            |
| Office operations                                    | 3,768            | 3,408             | 4,011                | 3,939                 | 4,170            |
| Collections expense                                  | 434              | 512               | 1,179                | 568                   | 553              |
| Processing expenses                                  | 9,560            | 9,706             | 9,888                | 9,650                 | 9,639            |
| Marketing expenses                                   | 2,014            | 2,140             | 2,125                | 2,488                 | 2,846            |
| Federal deposit insurance premiums                   | 671              | 717               | 724                  | 771                   | 856              |
| Professional services                                | 2,819            | 2,277             | 2,945                | 2,321                 | 2,452            |
| Amortization of intangible assets                    | 1,520            | 1,520             | 1,575                | 1,691                 | 1,749            |
| Real estate owned expense                            | 133              | 292               | 195                  | 310                   | 217              |
| Restructuring/ acquisition expense                   | 393              | —                 | 164                  | 1,398                 | 2,634            |
| Other expense  | 2,620            | 3,032             | 2,504                | 2,156                 | 2,868            |
| Total noninterest expense                            | <u>69,787</u>    | <u>67,421</u>     | <u>71,896</u>        | <u>68,799</u>         | <u>73,262</u>    |
| Income before income taxes                           | <u>33,199</u>    | <u>31,925</u>     | <u>28,724</u>        | <u>36,005</u>         | <u>45,384</u>    |
| Income tax expense                                   | 6,900            | 6,940             | 6,576                | 12,414                | 14,402           |
| Net income   | <u>\$ 26,299</u> | <u>24,985</u>     | <u>22,148</u>        | <u>23,591</u>         | <u>30,982</u>    |
| Basic earnings per share                             | \$ 0.26          | 0.25              | 0.22                 | 0.23                  | 0.31             |
| Diluted earnings per share                           | \$ 0.25          | 0.24              | 0.22                 | 0.23                  | 0.30             |
| Weighted average common shares outstanding - basic   | 101,870,043      | 101,598,928       | 101,293,307          | 101,163,534           | 100,950,772      |
| Weighted average common shares outstanding - diluted | 103,424,154      | 103,136,497       | 102,643,726          | 102,564,476           | 102,449,693      |
| Annualized return on average equity                  | 8.67 %           | 8.40 %            | 7.31 %               | 7.81 %                | 10.48 %          |
| Annualized return on average assets                  | 1.11 %           | 1.08 %            | 0.94 %               | 0.99 %                | 1.30 %           |
| Annualized return on tangible common equity          | 11.74 %          | 11.47 %           | 10.05 %              | 10.74 %               | 14.44 %          |
| Efficiency ratio *                                   | 62.65 %          | 63.64 %           | 65.48 %              | 60.94 %               | 64.36 %          |
| Annualized noninterest expense to average assets *   | 2.87 %           | 2.84 %            | 2.97 %               | 2.76 %                | 2.89 %           |

\* Excludes gain on sale of offices, restructuring/ acquisition expenses, and amortization of intangible assets (non-GAAP).

**Northwest Bancshares, Inc. and Subsidiaries**  
**Consolidated Statements of Income (Unaudited)**  
(Dollars in thousands, except per share amounts)

|  | <b>Six months ended June 30,</b> |                |
|--|----------------------------------|----------------|
|  | <b>2018</b>                      | <b>2017</b>    |
| Interest income:                                     |                                  |                |
| Loans receivable                                     | \$ 173,326                       | 167,465        |
| Mortgage-backed securities                           | 6,267                            | 5,209          |
| Taxable investment securities                        | 1,326                            | 1,987          |
| Tax-free investment securities                       | 703                              | 1,098          |
| FHLB dividends                                       | 182                              | 109            |
| Interest-earning deposits                            | 604                              | 1,196          |
| Total interest income                                | <u>182,408</u>                   | <u>177,064</u> |
| Interest expense:                                    |                                  |                |
| Deposits   | 13,767                           | 11,291         |
| Borrowed funds                                       | 2,648                            | 2,465          |
| Total interest expense                               | <u>16,415</u>                    | <u>13,756</u>  |
| Net interest income                                  | 165,993                          | 163,308        |
| Provision for loan losses                            | 9,558                            | 10,199         |
| Net interest income after provision for loan losses  | <u>156,435</u>                   | <u>153,109</u> |
| Noninterest income:                                  |                                  |                |
| Gain on sale of investments                          | 153                              | 20             |
| Service charges and fees                             | 24,807                           | 24,466         |
| Trust and other financial services income            | 8,081                            | 8,904          |
| Insurance commission income                          | 4,839                            | 5,147          |
| Loss on real estate owned, net                       | (370)                            | (297)          |
| Income from bank owned life insurance                | 3,323                            | 2,720          |
| Mortgage banking income                              | 301                              | 674            |
| Gain on sale of offices                              | —                                | 17,186         |
| Other operating income                               | 4,763                            | 4,161          |
| Total noninterest income                             | <u>45,897</u>                    | <u>62,981</u>  |
| Noninterest expense:                                 |                                  |                |
| Compensation and employee benefits                   | 75,541                           | 76,447         |
| Premises and occupancy costs                         | 14,131                           | 14,619         |
| Office operations                                    | 7,176                            | 8,392          |
| Collections expense                                  | 946                              | 1,102          |
| Processing expenses                                  | 19,266                           | 19,548         |
| Marketing expenses                                   | 4,154                            | 4,994          |
| Federal deposit insurance premiums                   | 1,388                            | 2,023          |
| Professional services                                | 5,096                            | 5,027          |
| Amortization of intangible assets                    | 3,040                            | 3,498          |
| Real estate owned expense                            | 425                              | 499            |
| Restructuring/ acquisition expense                   | 393                              | 2,857          |
| Other expense  | 5,652                            | 5,902          |
| Total noninterest expense                            | <u>137,208</u>                   | <u>144,908</u> |
| Income before income taxes                           | <u>65,124</u>                    | <u>71,182</u>  |
| Income tax expense                                   | 13,840                           | 22,454         |
| Net income   | <u>51,284</u>                    | <u>48,728</u>  |
| Basic earnings per share                             | \$ 0.50                          | 0.48           |
| Diluted earnings per share                           | \$ 0.50                          | 0.48           |
| Weighted average common shares outstanding - basic   | 101,735,235                      | 100,798,209    |
| Weighted average common shares outstanding - diluted | 103,281,120                      | 102,525,058    |
| Annualized return on average equity                  | 8.54%                            | 8.34%          |
| Annualized return on average assets                  | 1.09%                            | 1.03%          |
| Annualized return on tangible common equity          | 11.51%                           | 11.42%         |
| Efficiency ratio *                                   | 63.13%                           | 66.26%         |
| Annualized noninterest expense to average assets *   | 2.85%                            | 2.92%          |

\* Excludes gain on sale of offices, restructuring/ acquisition expenses, and amortization of intangible assets (non-GAAP).

**Northwest Bancshares, Inc. and Subsidiaries**

**Asset quality (Unaudited)**

**(Dollars in thousands)**

|  | <u>June 30,<br/>2018</u> | <u>March 31,<br/>2018</u> | <u>December 31,<br/>2017</u> | <u>September 30,<br/>2017</u> | <u>June 30,<br/>2017</u> |
|--|--------------------------|---------------------------|------------------------------|-------------------------------|--------------------------|
| Nonaccrual loans current:                            |                          |                           |                              |                               |                          |
| Residential mortgage loans                           | \$ 669                   | 123                       | 70                           | 318                           | 841                      |
| Home equity loans                                    | 237                      | 269                       | 615                          | 439                           | 158                      |
| Consumer loans                                       | 218                      | 178                       | 317                          | 260                           | 379                      |
| Commercial real estate loans                         | 14,814                   | 11,355                    | 10,080                       | 10,646                        | 16,189                   |
| Commercial loans                                     | <u>2,559</u>             | <u>2,381</u>              | <u>4,178</u>                 | <u>4,098</u>                  | <u>5,262</u>             |
| Total nonaccrual loans current                       | <u>\$ 18,497</u>         | <u>14,306</u>             | <u>15,260</u>                | <u>15,761</u>                 | <u>22,829</u>            |
| Nonaccrual loans delinquent 30 days to 59 days:      |                          |                           |                              |                               |                          |
| Residential mortgage loans                           | \$ 89                    | 1,290                     | 509                          | 200                           | 181                      |
| Home equity loans                                    | 221                      | 232                       | 167                          | 466                           | 164                      |
| Consumer loans                                       | 192                      | 224                       | 239                          | 200                           | 169                      |
| Commercial real estate loans                         | 522                      | 975                       | 1,928                        | 597                           | 474                      |
| Commercial loans                                     | <u>51</u>                | <u>140</u>                | <u>25</u>                    | <u>—</u>                      | <u>32</u>                |
| Total nonaccrual loans delinquent 30 days to 59 days | <u>\$ 1,075</u>          | <u>2,861</u>              | <u>2,868</u>                 | <u>1,463</u>                  | <u>1,020</u>             |
| Nonaccrual loans delinquent 60 days to 89 days:      |                          |                           |                              |                               |                          |
| Residential mortgage loans                           | \$ 668                   | 755                       | 703                          | 892                           | 896                      |
| Home equity loans                                    | 483                      | 465                       | 874                          | 499                           | 326                      |
| Consumer loans                                       | 194                      | 224                       | 500                          | 405                           | 342                      |
| Commercial real estate loans                         | 1,682                    | 399                       | 1,104                        | 5,895                         | 2,233                    |
| Commercial loans                                     | <u>380</u>               | <u>80</u>                 | <u>69</u>                    | <u>3</u>                      | <u>—</u>                 |
| Total nonaccrual loans delinquent 60 days to 89 days | <u>\$ 3,407</u>          | <u>1,923</u>              | <u>3,250</u>                 | <u>7,694</u>                  | <u>3,797</u>             |
| Nonaccrual loans delinquent 90 days or more:         |                          |                           |                              |                               |                          |
| Residential mortgage loans                           | \$ 11,822                | 10,660                    | 13,509                       | 11,785                        | 11,637                   |
| Home equity loans                                    | 6,729                    | 6,707                     | 7,251                        | 6,295                         | 5,744                    |
| Consumer finance loans                               | 15                       | 3                         | 199                          | 332                           | 536                      |
| Consumer loans                                       | 2,626                    | 2,931                     | 3,617                        | 3,244                         | 2,273                    |
| Commercial real estate loans                         | 15,617                   | 16,145                    | 15,361                       | 22,583                        | 21,295                   |
| Commercial loans                                     | <u>2,925</u>             | <u>3,144</u>              | <u>3,140</u>                 | <u>4,177</u>                  | <u>3,642</u>             |
| Total nonaccrual loans delinquent 90 days or more    | <u>\$ 39,734</u>         | <u>39,590</u>             | <u>43,077</u>                | <u>48,416</u>                 | <u>45,127</u>            |
| Total nonaccrual loans                               | <u>\$ 62,713</u>         | <u>58,680</u>             | <u>64,455</u>                | <u>73,334</u>                 | <u>72,773</u>            |
| Total nonaccrual loans                               | \$ 62,713                | 58,680                    | 64,455                       | 73,334                        | 72,773                   |
| Loans 90 days past maturity and still accruing       | <u>94</u>                | <u>210</u>                | <u>502</u>                   | <u>398</u>                    | <u>182</u>               |
| Nonperforming loans                                  | 62,807                   | 58,890                    | 64,957                       | 73,732                        | 72,955                   |
| Real estate owned, net                               | <u>2,722</u>             | <u>4,041</u>              | <u>5,666</u>                 | <u>5,462</u>                  | <u>6,030</u>             |
| Nonperforming assets                                 | <u>\$ 65,529</u>         | <u>62,931</u>             | <u>70,623</u>                | <u>79,194</u>                 | <u>78,985</u>            |
| Nonaccrual troubled debt restructuring *             | \$ 10,860                | 11,217                    | 12,285                       | 17,809                        | 17,873                   |
| Accruing troubled debt restructuring                 | <u>19,802</u>            | <u>19,749</u>             | <u>19,819</u>                | <u>20,660</u>                 | <u>23,987</u>            |
| Total troubled debt restructuring                    | <u>\$ 30,662</u>         | <u>30,966</u>             | <u>32,104</u>                | <u>38,469</u>                 | <u>41,860</u>            |
| Nonperforming loans to total loans                   | 0.79%                    | 0.75%                     | 0.83%                        | 0.95%                         | 0.95%                    |
| Nonperforming assets to total assets                 | 0.69%                    | 0.66%                     | 0.75%                        | 0.84%                         | 0.83%                    |
| Allowance for loan losses to total loans             | 0.72%                    | 0.70%                     | 0.73%                        | 0.74%                         | 0.82%                    |
| Allowance for loan losses to nonperforming loans     | 91.28%                   | 93.75%                    | 87.43%                       | 77.16%                        | 86.20%                   |

\* Amounts included in nonperforming loans above.

**Northwest Bancshares, Inc. and Subsidiaries**  
**Loans by credit quality indicators (Unaudited)**  
**(Dollars in thousands)**

| <b>At June 30, 2018</b>         | <b>Pass</b>         | <b>Special mention<br/>*</b> | <b>Substandard<br/>**</b> | <b>Doubtful</b> | <b>Loss</b> | <b>Loans<br/>receivable</b> |
|---------------------------------|---------------------|------------------------------|---------------------------|-----------------|-------------|-----------------------------|
| <b>Personal Banking:</b>        |                     |                              |                           |                 |             |                             |
| Residential mortgage loans      | \$ 2,790,906        | —                            | 9,762                     | —               | —           | 2,800,668                   |
| Home equity loans               | 1,268,884           | —                            | 7,297                     | —               | —           | 1,276,181                   |
| Consumer loans                  | 697,561             | —                            | 3,364                     | —               | —           | 700,925                     |
| <b>Total Personal Banking</b>   | <b>4,757,351</b>    | <b>—</b>                     | <b>20,423</b>             | <b>—</b>        | <b>—</b>    | <b>4,777,774</b>            |
| <b>Commercial Banking:</b>      |                     |                              |                           |                 |             |                             |
| Commercial real estate loans    | 2,294,327           | 65,698                       | 193,198                   | —               | —           | 2,553,223                   |
| Commercial loans                | 554,495             | 18,140                       | 38,738                    | —               | —           | 611,373                     |
| <b>Total Commercial Banking</b> | <b>2,848,822</b>    | <b>83,838</b>                | <b>231,936</b>            | <b>—</b>        | <b>—</b>    | <b>3,164,596</b>            |
| <b>Total loans</b>              | <b>\$ 7,606,173</b> | <b>83,838</b>                | <b>252,359</b>            | <b>—</b>        | <b>—</b>    | <b>7,942,370</b>            |
| <b>At March 31, 2018</b>        |                     |                              |                           |                 |             |                             |
| <b>Personal Banking:</b>        |                     |                              |                           |                 |             |                             |
| Residential mortgage loans      | \$ 2,755,078        | —                            | 17,070                    | —               | —           | 2,772,148                   |
| Home equity loans               | 1,279,137           | —                            | 9,224                     | —               | —           | 1,288,361                   |
| Consumer loans                  | 682,433             | —                            | 3,605                     | —               | —           | 686,038                     |
| <b>Total Personal Banking</b>   | <b>4,716,648</b>    | <b>—</b>                     | <b>29,899</b>             | <b>—</b>        | <b>—</b>    | <b>4,746,547</b>            |
| <b>Commercial Banking:</b>      |                     |                              |                           |                 |             |                             |
| Commercial real estate loans    | 2,256,054           | 57,690                       | 198,513                   | —               | —           | 2,512,257                   |
| Commercial loans                | 557,613             | 19,147                       | 46,703                    | —               | —           | 623,463                     |
| <b>Total Commercial Banking</b> | <b>2,813,667</b>    | <b>76,837</b>                | <b>245,216</b>            | <b>—</b>        | <b>—</b>    | <b>3,135,720</b>            |
| <b>Total loans</b>              | <b>\$ 7,530,315</b> | <b>76,837</b>                | <b>275,115</b>            | <b>—</b>        | <b>—</b>    | <b>7,882,267</b>            |
| <b>At December 31, 2017</b>     |                     |                              |                           |                 |             |                             |
| <b>Personal Banking:</b>        |                     |                              |                           |                 |             |                             |
| Residential mortgage loans      | \$ 2,758,465        | —                            | 17,738                    | —               | —           | 2,776,203                   |
| Home equity loans               | 1,300,277           | —                            | 10,078                    | —               | —           | 1,310,355                   |
| Consumer loans                  | 666,629             | —                            | 4,760                     | —               | —           | 671,389                     |
| <b>Total Personal Banking</b>   | <b>4,725,371</b>    | <b>—</b>                     | <b>32,576</b>             | <b>—</b>        | <b>—</b>    | <b>4,757,947</b>            |
| <b>Commercial Banking:</b>      |                     |                              |                           |                 |             |                             |
| Commercial real estate loans    | 2,216,326           | 83,537                       | 154,863                   | —               | —           | 2,454,726                   |
| Commercial loans                | 511,035             | 19,297                       | 50,404                    | —               | —           | 580,736                     |
| <b>Total Commercial Banking</b> | <b>2,727,361</b>    | <b>102,834</b>               | <b>205,267</b>            | <b>—</b>        | <b>—</b>    | <b>3,035,462</b>            |
| <b>Total loans</b>              | <b>\$ 7,452,732</b> | <b>102,834</b>               | <b>237,843</b>            | <b>—</b>        | <b>—</b>    | <b>7,793,409</b>            |
| <b>At September 30, 2017</b>    |                     |                              |                           |                 |             |                             |
| <b>Personal Banking:</b>        |                     |                              |                           |                 |             |                             |
| Residential mortgage loans      | \$ 2,725,060        | —                            | 18,166                    | —               | —           | 2,743,226                   |
| Home equity loans               | 1,302,036           | —                            | 11,399                    | —               | —           | 1,313,435                   |
| Consumer loans                  | 669,532             | —                            | 4,388                     | —               | —           | 673,920                     |
| <b>Total Personal Banking</b>   | <b>4,696,628</b>    | <b>—</b>                     | <b>33,953</b>             | <b>—</b>        | <b>—</b>    | <b>4,730,581</b>            |
| <b>Commercial Banking:</b>      |                     |                              |                           |                 |             |                             |
| Commercial real estate loans    | 2,196,510           | 56,118                       | 146,258                   | —               | —           | 2,398,886                   |
| Commercial loans                | 526,824             | 18,924                       | 50,923                    | —               | —           | 596,671                     |
| <b>Total Commercial Banking</b> | <b>2,723,334</b>    | <b>75,042</b>                | <b>197,181</b>            | <b>—</b>        | <b>—</b>    | <b>2,995,557</b>            |
| <b>Total loans</b>              | <b>\$ 7,419,962</b> | <b>75,042</b>                | <b>231,134</b>            | <b>—</b>        | <b>—</b>    | <b>7,726,138</b>            |
| <b>At June 30, 2017</b>         |                     |                              |                           |                 |             |                             |
| <b>Personal Banking:</b>        |                     |                              |                           |                 |             |                             |
| Residential mortgage loans      | \$ 2,718,866        | —                            | 16,916                    | —               | —           | 2,735,782                   |
| Home equity loans               | 1,307,022           | —                            | 8,699                     | —               | —           | 1,315,721                   |
| Consumer loans                  | 655,149             | —                            | 2,976                     | —               | —           | 658,125                     |
| <b>Total Personal Banking</b>   | <b>4,681,037</b>    | <b>—</b>                     | <b>28,591</b>             | <b>—</b>        | <b>—</b>    | <b>4,709,628</b>            |
| <b>Commercial Banking:</b>      |                     |                              |                           |                 |             |                             |
| Commercial real estate loans    | 2,178,996           | 67,826                       | 149,841                   | —               | —           | 2,396,663                   |
| Commercial loans                | 521,520             | 10,269                       | 48,657                    | —               | —           | 580,446                     |
| <b>Total Commercial Banking</b> | <b>2,700,516</b>    | <b>78,095</b>                | <b>198,498</b>            | <b>—</b>        | <b>—</b>    | <b>2,977,109</b>            |
| <b>Total loans</b>              | <b>\$ 7,381,553</b> | <b>78,095</b>                | <b>227,089</b>            | <b>—</b>        | <b>—</b>    | <b>7,686,737</b>            |

\* Includes \$9.5 million, \$7.9 million, \$8.6 million, \$8.9 million, and \$9.7 million of acquired loans at June 30, 2018, March 31, 2018, December 31, 2017, September 30, 2017, and June 30, 2017, respectively.

\*\* Includes \$44.5 million, \$45.2 million, \$46.7 million, \$48.2 million, and \$44.8 million of acquired loans at June 30, 2018, March 31, 2018, December 31, 2017, September 30, 2017, and June 30, 2017, respectively.

**Northwest Bancshares, Inc. and Subsidiaries**  
**Loan delinquency (Unaudited)**  
**(Dollars in thousands)**

|  | <u>June 30,</u><br><u>2018</u> |                  | *    | <u>March 31,</u><br><u>2018</u> |                   | *     | <u>December 31,</u><br><u>2017</u> |                   | *     | <u>September 30,</u><br><u>2017</u> |                   | *     | <u>June 30,</u><br><u>2017</u> |                  | *    |
|--|--------------------------------|------------------|------|---------------------------------|-------------------|-------|------------------------------------|-------------------|-------|-------------------------------------|-------------------|-------|--------------------------------|------------------|------|
| (Number of loans and dollar amount of loans) |                                |                  |      |                                 |                   |       |                                    |                   |       |                                     |                   |       |                                |                  |      |
| Loans delinquent 30 days to 59 days:         |                                |                  |      |                                 |                   |       |                                    |                   |       |                                     |                   |       |                                |                  |      |
| Residential mortgage loans                   | 30                             | \$ 1,561         | 0.1% | 319                             | \$ 27,403         | 1.0%  | 317                                | \$ 25,784         | 0.9%  | 44                                  | \$ 2,771          | 0.1%  | 64                             | \$ 2,893         | 0.1% |
| Home equity loans                            | 184                            | 6,383            | 0.5% | 200                             | 7,406             | 0.6%  | 218                                | 7,461             | 0.6%  | 191                                 | 7,330             | 0.6%  | 111                            | 4,058            | 0.3% |
| Consumer finance loans                       | 306                            | 711              | 8.1% | 477                             | 1,288             | 10.3% | 849                                | 2,128             | 11.4% | 1,045                               | 3,065             | 11.4% | 581                            | 1,785            | 4.1% |
| Consumer loans                               | 901                            | 8,855            | 1.3% | 871                             | 8,252             | 1.2%  | 1,295                              | 10,912            | 1.7%  | 1,119                               | 9,510             | 1.5%  | 818                            | 6,793            | 1.1% |
| Commercial real estate loans                 | 40                             | 5,898            | 0.2% | 58                              | 20,303            | 0.8%  | 53                                 | 8,315             | 0.3%  | 27                                  | 5,753             | 0.2%  | 38                             | 4,629            | 0.2% |
| Commercial loans                             | 24                             | 1,000            | 0.2% | 35                              | 2,912             | 0.5%  | 26                                 | 1,865             | 0.3%  | 16                                  | 746               | 0.1%  | 20                             | 1,378            | 0.2% |
| Total loans delinquent 30 days to 59 days    | <u>1,485</u>                   | <u>\$ 24,408</u> | 0.3% | <u>1,960</u>                    | <u>\$ 67,564</u>  | 0.9%  | <u>2,758</u>                       | <u>\$ 56,465</u>  | 0.7%  | <u>2,442</u>                        | <u>\$ 29,175</u>  | 0.4%  | <u>1,632</u>                   | <u>\$ 21,536</u> | 0.3% |
| Loans delinquent 60 days to 89 days:         |                                |                  |      |                                 |                   |       |                                    |                   |       |                                     |                   |       |                                |                  |      |
| Residential mortgage loans                   | 62                             | \$ 5,847         | 0.2% | 21                              | \$ 1,943          | 0.1%  | 75                                 | \$ 6,235          | 0.2%  | 84                                  | \$ 7,196          | 0.3%  | 72                             | \$ 6,320         | 0.2% |
| Home equity loans                            | 73                             | 2,495            | 0.2% | 52                              | 2,040             | 0.2%  | 72                                 | 2,871             | 0.2%  | 73                                  | 2,390             | 0.2%  | 44                             | 1,522            | 0.1% |
| Consumer finance loans                       | 127                            | 277              | 3.2% | 109                             | 233               | 1.9%  | 412                                | 1,113             | 6.0%  | 831                                 | 2,190             | 8.1%  | 276                            | 759              | 1.7% |
| Consumer loans                               | 350                            | 2,654            | 0.4% | 296                             | 2,259             | 0.3%  | 463                                | 3,351             | 0.5%  | 473                                 | 3,283             | 0.5%  | 347                            | 2,475            | 0.4% |
| Commercial real estate loans                 | 28                             | 3,689            | 0.1% | 23                              | 1,809             | 0.1%  | 25                                 | 2,539             | 0.1%  | 22                                  | 7,666             | 0.3%  | 14                             | 3,368            | 0.1% |
| Commercial loans                             | 15                             | 926              | 0.2% | 7                               | 196               | —%    | 10                                 | 441               | 0.1%  | 9                                   | 196               | —%    | 9                              | 199              | —%   |
| Total loans delinquent 60 days to 89 days    | <u>655</u>                     | <u>\$ 15,888</u> | 0.2% | <u>508</u>                      | <u>\$ 8,480</u>   | 0.1%  | <u>1,057</u>                       | <u>\$ 16,550</u>  | 0.2%  | <u>1,492</u>                        | <u>\$ 22,921</u>  | 0.3%  | <u>762</u>                     | <u>\$ 14,643</u> | 0.2% |
| Loans delinquent 90 days or more: **         |                                |                  |      |                                 |                   |       |                                    |                   |       |                                     |                   |       |                                |                  |      |
| Residential mortgage loans                   | 140                            | \$ 12,293        | 0.4% | 127                             | \$ 10,791         | 0.4%  | 158                                | \$ 13,890         | 0.5%  | 143                                 | \$ 12,190         | 0.4%  | 145                            | \$ 12,053        | 0.4% |
| Home equity loans                            | 154                            | 6,768            | 0.5% | 148                             | 6,750             | 0.5%  | 177                                | 7,349             | 0.6%  | 150                                 | 6,397             | 0.5%  | 126                            | 5,800            | 0.4% |
| Consumer finance loans                       | 8                              | 15               | 0.2% | 7                               | 3                 | —%    | 74                                 | 199               | 1.1%  | 124                                 | 332               | 1.2%  | 188                            | 536              | 1.2% |
| Consumer loans                               | 302                            | 2,633            | 0.4% | 659                             | 2,939             | 0.4%  | 719                                | 3,627             | 0.6%  | 428                                 | 3,254             | 0.5%  | 299                            | 2,285            | 0.4% |
| Commercial real estate loans                 | 113                            | 15,772           | 0.6% | 106                             | 16,723            | 0.7%  | 109                                | 16,284            | 0.7%  | 113                                 | 23,310            | 1.0%  | 108                            | 22,044           | 0.9% |
| Commercial loans                             | 31                             | 2,925            | 0.5% | 35                              | 3,144             | 0.5%  | 37                                 | 3,140             | 0.5%  | 45                                  | 4,177             | 0.7%  | 39                             | 3,642            | 0.6% |
| Total loans delinquent 90 days or more       | <u>748</u>                     | <u>\$ 40,406</u> | 0.5% | <u>1,082</u>                    | <u>\$ 40,350</u>  | 0.5%  | <u>1,274</u>                       | <u>\$ 44,489</u>  | 0.6%  | <u>1,003</u>                        | <u>\$ 49,660</u>  | 0.6%  | <u>905</u>                     | <u>\$ 46,360</u> | 0.6% |
| Total loans delinquent                       | <u>2,888</u>                   | <u>\$ 80,702</u> | 1.0% | <u>3,550</u>                    | <u>\$ 116,394</u> | 1.5%  | <u>5,089</u>                       | <u>\$ 117,504</u> | 1.5%  | <u>4,937</u>                        | <u>\$ 101,756</u> | 1.3%  | <u>3,299</u>                   | <u>\$ 82,539</u> | 1.1% |

\* Represents delinquency, in dollars, divided by the respective total amount of that type of loan outstanding.

\*\* Includes purchased credit impaired loans of \$672,000, \$760,000, \$1.4 million, \$1.2 million, and \$1.2 million at June 30, 2018, March 31, 2018, December 31, 2017, September 30, 2017 and June 30, 2017, respectively.



**Northwest Bancshares, Inc. and Subsidiaries**  
**Allowance for loan losses (Unaudited)**  
**(Dollars in thousands)**

|  | Quarter ended    |                   |                      |                       |                  |
|--|------------------|-------------------|----------------------|-----------------------|------------------|
|  | June 30,<br>2018 | March 31,<br>2018 | December 31,<br>2017 | September 30,<br>2017 | June 30,<br>2017 |
| Beginning balance                            | \$ 55,211        | 56,795            | 56,927               | 62,885                | 61,104           |
| Provision                                    | 5,349            | 4,209             | 6,525                | 3,027                 | 5,562            |
| Charge-offs residential mortgage             | (389)            | (201)             | (162)                | (215)                 | (372)            |
| Charge-offs home equity                      | (406)            | (611)             | (393)                | (528)                 | (689)            |
| Charge-offs consumer finance                 | (486)            | (1,553)           | (2,900)              | (3,891)               | (782)            |
| Charge-offs consumer                         | (2,682)          | (3,249)           | (3,322)              | (3,002)               | (2,735)          |
| Charge-offs commercial real estate           | (439)            | (551)             | (1,470)              | (1,901)               | (329)            |
| Charge-offs commercial                       | (491)            | (1,025)           | (785)                | (509)                 | (929)            |
| Recoveries                                   | 1,665            | 1,397             | 2,375                | 1,061                 | 2,055            |
| Ending balance                               | <u>\$ 57,332</u> | <u>55,211</u>     | <u>56,795</u>        | <u>56,927</u>         | <u>62,885</u>    |
| Net charge-offs to average loans, annualized | 0.16%            | 0.30%             | 0.34%                | 0.47%                 | 0.20%            |

|  | Six months ended June 30, |               |
|--|---------------------------|---------------|
|  | 2018                      | 2017          |
| Beginning balance                            | \$ 56,795                 | 60,939        |
| Provision                                    | 9,558                     | 10,199        |
| Charge-offs residential mortgage             | (590)                     | (662)         |
| Charge-offs home equity                      | (1,017)                   | (1,338)       |
| Charge-offs consumer finance                 | (2,039)                   | (1,578)       |
| Charge-offs consumer                         | (5,931)                   | (5,599)       |
| Charge-offs commercial real estate           | (990)                     | (803)         |
| Charge-offs commercial                       | (1,516)                   | (2,196)       |
| Recoveries                                   | 3,062                     | 3,923         |
| Ending balance                               | <u>\$ 57,332</u>          | <u>62,885</u> |
| Net charge-offs to average loans, annualized | 0.23%                     | 0.22%         |

|                               | June 30, 2018       |               |                |              |                  |               |
|-------------------------------|---------------------|---------------|----------------|--------------|------------------|---------------|
|                               | Originated loans    |               | Acquired loans |              | Total loans      |               |
|                               | Balance             | Reserve       | Balance        | Reserve      | Balance          | Reserve       |
| Residential mortgage loans    | \$ 2,696,660        | 3,657         | 104,008        | 170          | 2,800,668        | 3,827         |
| Home equity loans             | 1,040,988           | 3,839         | 235,193        | 662          | 1,276,181        | 4,501         |
| Legacy consumer finance loans | 8,724               | 2,354         | —              | —            | 8,724            | 2,354         |
| Consumer loans                | 617,074             | 9,760         | 75,127         | 915          | 692,201          | 10,675        |
| Personal Banking Loans        | <u>4,363,446</u>    | <u>19,610</u> | <u>414,328</u> | <u>1,747</u> | <u>4,777,774</u> | <u>21,357</u> |
| Commercial real estate loans  | 2,291,027           | 21,019        | 262,196        | 3,422        | 2,553,223        | 24,441        |
| Commercial loans              | 555,627             | 10,509        | 55,746         | 1,025        | 611,373          | 11,534        |
| Commercial Banking Loans      | <u>2,846,654</u>    | <u>31,528</u> | <u>317,942</u> | <u>4,447</u> | <u>3,164,596</u> | <u>35,975</u> |
| Total Loans                   | <u>\$ 7,210,100</u> | <u>51,138</u> | <u>732,270</u> | <u>6,194</u> | <u>7,942,370</u> | <u>57,332</u> |

**Northwest Bancshares, Inc. and Subsidiaries**

**Average balance sheet (Unaudited)**

**(Dollars in thousands)**

The following table sets forth certain information relating to the Company's average balance sheet and reflects the average yield on assets and average cost of liabilities for the periods indicated. Such yields and costs are derived by dividing income or expense by the average balance of assets or liabilities, respectively, for the periods presented. Average balances are calculated using daily averages.

|  | Quarter ended   |          |                     |                 |          |                     |                   |          |                     |                    |          |                     |                 |          |                     |
|--|-----------------|----------|---------------------|-----------------|----------|---------------------|-------------------|----------|---------------------|--------------------|----------|---------------------|-----------------|----------|---------------------|
|  | June 30, 2018   |          |                     | March 31, 2018  |          |                     | December 31, 2017 |          |                     | September 30, 2017 |          |                     | June 30, 2017   |          |                     |
|  | Average balance | Interest | Avg. yield/cost (h) | Average balance | Interest | Avg. yield/cost (h) | Average balance   | Interest | Avg. yield/cost (h) | Average balance    | Interest | Avg. yield/cost (h) | Average balance | Interest | Avg. yield/cost (h) |
| <b>Assets:</b>   |                 |          |                     |                 |          |                     |                   |          |                     |                    |          |                     |                 |          |                     |
| Interest-earning assets:   |                 |          |                     |                 |          |                     |                   |          |                     |                    |          |                     |                 |          |                     |
| Residential mortgage loans                                       | \$ 2,761,528    | 27,893   | 4.04%               | \$ 2,756,142    | 27,973   | 4.12%               | \$ 2,746,992      | 28,373   | 4.13%               | \$ 2,732,546       | 28,279   | 4.14%               | \$ 2,721,445    | 28,245   | 4.15%               |
| Home equity loans  | 1,281,001       | 15,384   | 4.82%               | 1,298,780       | 14,786   | 4.62%               | 1,312,146         | 15,187   | 4.59%               | 1,299,473          | 14,694   | 4.49%               | 1,311,274       | 14,344   | 4.39%               |
| Consumer loans   | 655,541         | 7,949    | 4.86%               | 637,691         | 7,450    | 4.74%               | 633,023           | 8,004    | 5.02%               | 617,754            | 7,627    | 4.90%               | 595,170         | 7,405    | 4.99%               |
| Consumer finance loans   | 10,428          | 516      | 19.79%              | 15,254          | 768      | 20.14%              | 22,469            | 1,151    | 20.32%              | 33,469             | 1,433    | 17.13%              | 40,945          | 2,110    | 20.61%              |
| Commercial real estate loans                                     | 2,518,170       | 29,034   | 4.56%               | 2,471,422       | 27,384   | 4.43%               | 2,442,528         | 28,251   | 4.53%               | 2,389,969          | 27,234   | 4.46%               | 2,430,594       | 27,071   | 4.41%               |
| Commercial loans   | 624,087         | 7,703    | 4.88%               | 595,276         | 7,160    | 4.81%               | 588,420           | 6,739    | 4.48%               | 593,143            | 6,659    | 4.39%               | 554,506         | 6,087    | 4.34%               |
| Total loans receivable (a) (b) (d)                               | 7,850,755       | 88,479   | 4.52%               | 7,774,565       | 85,521   | 4.46%               | 7,745,578         | 87,705   | 4.49%               | 7,666,354          | 85,926   | 4.45%               | 7,653,934       | 85,262   | 4.47%               |
| Mortgage-backed securities (c)                                   | 569,893         | 3,255    | 2.28%               | 558,055         | 3,013    | 2.16%               | 581,055           | 3,016    | 2.08%               | 607,454            | 3,118    | 2.05%               | 592,917         | 2,987    | 2.02%               |
| Investment securities (c) (d)                                    | 235,784         | 1,044    | 1.77%               | 256,287         | 1,172    | 1.83%               | 301,268           | 1,495    | 1.98%               | 352,813            | 1,690    | 1.92%               | 372,398         | 1,796    | 1.93%               |
| FHLB stock   | 7,819           | 85       | 4.36%               | 9,354           | 97       | 4.21%               | 10,066            | 78       | 3.07%               | 7,748              | 63       | 3.23%               | 7,602           | 50       | 2.64%               |
| Other interest-earning deposits                                  | 103,739         | 469      | 1.79%               | 34,200          | 135      | 1.58%               | 13,515            | 59       | 1.71%               | 71,482             | 243      | 1.33%               | 208,141         | 536      | 1.02%               |
| Total interest-earning assets                                    | 8,767,990       | 93,332   | 4.27%               | 8,632,461       | 89,938   | 4.23%               | 8,651,482         | 92,353   | 4.24%               | 8,705,851          | 91,040   | 4.15%               | 8,834,992       | 90,631   | 4.11%               |
| Noninterest earning assets (e)                                   | 732,065         |          |                     | 779,812         |          |                     | 709,753           |          |                     | 755,026            |          |                     | 716,913         |          |                     |
| Total assets   | \$ 9,500,055    |          |                     | \$ 9,412,273    |          |                     | \$ 9,361,235      |          |                     | \$ 9,460,877       |          |                     | \$ 9,551,905    |          |                     |
| <b>Liabilities and shareholders' equity:</b>                     |                 |          |                     |                 |          |                     |                   |          |                     |                    |          |                     |                 |          |                     |
| Interest-bearing liabilities:                                    |                 |          |                     |                 |          |                     |                   |          |                     |                    |          |                     |                 |          |                     |
| Savings deposits   | \$ 1,699,168    | 773      | 0.18%               | \$ 1,670,491    | 749      | 0.18%               | \$ 1,655,798      | 763      | 0.18%               | \$ 1,681,777       | 776      | 0.18%               | \$ 1,714,290    | 768      | 0.18%               |
| Interest-bearing demand deposits                                 | 1,468,228       | 875      | 0.24%               | 1,419,459       | 603      | 0.17%               | 1,419,352         | 331      | 0.09%               | 1,435,143          | 297      | 0.08%               | 1,451,787       | 283      | 0.08%               |
| Money market deposit accounts                                    | 1,691,652       | 1,211    | 0.29%               | 1,706,800       | 1,053    | 0.25%               | 1,734,444         | 1,017    | 0.23%               | 1,789,082          | 1,048    | 0.23%               | 1,839,693       | 1,064    | 0.23%               |
| Time deposits  | 1,440,457       | 4,450    | 1.24%               | 1,415,247       | 4,053    | 1.16%               | 1,421,569         | 3,860    | 1.08%               | 1,449,830          | 3,674    | 1.01%               | 1,518,650       | 3,711    | 0.98%               |
| Borrowed funds (f)   | 104,415         | 50       | 0.19%               | 133,231         | 124      | 0.38%               | 159,599           | 187      | 0.46%               | 106,282            | 49       | 0.18%               | 126,685         | 55       | 0.17%               |
| Junior subordinated debentures                                   | 111,213         | 1,290    | 4.59%               | 111,213         | 1,184    | 4.26%               | 111,213           | 1,163    | 4.09%               | 111,213            | 1,150    | 4.05%               | 111,213         | 1,185    | 4.22%               |
| Total interest-bearing liabilities                               | 6,515,133       | 8,649    | 0.53%               | 6,456,441       | 7,766    | 0.49%               | 6,501,975         | 7,321    | 0.45%               | 6,573,327          | 6,994    | 0.42%               | 6,762,318       | 7,066    | 0.42%               |
| Noninterest-bearing demand deposits (g)                          | 1,676,344       |          |                     | 1,606,247       |          |                     | 1,599,834         |          |                     | 1,573,112          |          |                     | 1,544,953       |          |                     |
| Noninterest bearing liabilities                                  | 92,252          |          |                     | 143,608         |          |                     | 57,956            |          |                     | 116,021            |          |                     | 59,277          |          |                     |
| Total liabilities  | 8,283,729       |          |                     | 8,206,296       |          |                     | 8,159,765         |          |                     | 8,262,460          |          |                     | 8,366,548       |          |                     |
| Shareholders' equity   | 1,216,326       |          |                     | 1,205,977       |          |                     | 1,201,470         |          |                     | 1,198,417          |          |                     | 1,185,357       |          |                     |
| Total liabilities and shareholders' equity                       | \$ 9,500,055    |          |                     | \$ 9,412,273    |          |                     | \$ 9,361,235      |          |                     | \$ 9,460,877       |          |                     | \$ 9,551,905    |          |                     |
| Net interest income/ Interest rate spread                        |                 | 84,683   | 3.74%               |                 | 82,172   | 3.74%               |                   | 85,032   | 3.79%               |                    | 84,046   | 3.73%               |                 | 83,565   | 3.69%               |
| Net interest-earning assets/ Net interest margin                 | \$ 2,252,857    |          | 3.86%               | \$ 2,176,020    |          | 3.86%               | \$ 2,149,507      |          | 3.93%               | \$ 2,132,524       |          | 3.86%               | \$ 2,072,674    |          | 3.78%               |
| Ratio of interest-earning assets to interest-bearing liabilities | 1.35X           |          |                     | 1.34X           |          |                     | 1.33X             |          |                     | 1.32X              |          |                     | 1.31X           |          |                     |

(a) Average gross loans receivable includes loans held as available-for-sale and loans placed on nonaccrual status.

(b) Interest income includes accretion/ amortization of deferred loan fees/ expenses, which was not material.

(c) Average balances do not include the effect of unrealized gains or losses on securities held as available-for-sale.

(d) Interest income on tax-free investment securities and tax-free loans are presented on a fully taxable equivalent basis.

(e) Average balances include the effect of unrealized gains or losses on securities held as available-for-sale.

(f) Average balances include FHLB borrowings and collateralized borrowings.

(g) Average cost of deposits were 0.37%, 0.33%, 0.30%, 0.29% and 0.29%, respectively.

(h) Shown on a FTE basis. GAAP basis yields for the periods indicated were: Loans - 4.50%, 4.45%, 4.46%, 4.42%, and 4.44%, respectively, Investment securities - 1.63%, 1.67%, 1.66%, 1.62%, and 1.62%, respectively, Interest-earning assets - 4.25%, 4.21%, 4.20%, 4.11%, and 4.08%, respectively. GAAP basis net interest rate spreads were 3.72%, 3.72%, 3.75%, 3.69%, and 3.66%, respectively, and GAAP basis net interest margins were 3.84%, 3.84%, 3.89%, 3.82%, and 3.75%, respectively.

**Northwest Bancshares, Inc. and Subsidiaries**  
**Average balance sheet (Unaudited)**  
**(Dollars in thousands)**

The following table sets forth certain information relating to the Company's average balance sheet and reflects the average yield on assets and average cost of liabilities for the periods indicated. Such yields and costs are derived by dividing income or expense by the average balance of assets or liabilities, respectively, for the periods presented. Average balances are calculated using daily averages.

|  | Six months ended June 30, |          |                            |                    |          |                            |
|--|---------------------------|----------|----------------------------|--------------------|----------|----------------------------|
|  | 2018                      |          |                            | 2017               |          |                            |
|  | Average<br>balance        | Interest | Avg.<br>yield/<br>cost (h) | Average<br>balance | Interest | Avg.<br>yield/<br>cost (h) |
| <u>Assets:</u>   |                           |          |                            |                    |          |                            |
| Interest-earning assets:   |                           |          |                            |                    |          |                            |
| Residential mortgage loans                                       | \$ 2,758,849              | 55,612   | 4.03%                      | \$ 2,720,180       | 55,554   | 4.08%                      |
| Home equity loans  | 1,289,842                 | 30,369   | 4.75%                      | 1,321,902          | 28,545   | 4.35%                      |
| Consumer loans   | 646,666                   | 15,451   | 4.82%                      | 588,043            | 14,623   | 5.01%                      |
| Consumer finance loans   | 12,828                    | 1,284    | 20.02%                     | 43,683             | 4,593    | 21.03%                     |
| Commercial real estate loans                                     | 2,494,925                 | 56,214   | 4.48%                      | 2,443,262          | 53,633   | 4.37%                      |
| Commercial loans   | 609,752                   | 15,070   | 4.92%                      | 538,760            | 11,602   | 4.28%                      |
| Loans receivable (a) (b) (d)                                     | 7,812,862                 | 174,000  | 4.49%                      | 7,655,830          | 168,550  | 4.44%                      |
| Mortgage-backed securities (c)                                   | 564,007                   | 6,268    | 2.22%                      | 532,631            | 5,209    | 1.96%                      |
| Investment securities (c) (d)                                    | 245,979                   | 2,216    | 1.80%                      | 375,093            | 3,677    | 1.96%                      |
| FHLB stock   | 8,582                     | 182      | 4.28%                      | 7,454              | 109      | 2.95%                      |
| Other interest-earning deposits                                  | 68,970                    | 604      | 1.74%                      | 257,427            | 1,196    | 0.92%                      |
| Total interest-earning assets                                    | 8,700,400                 | 183,270  | 4.25%                      | 8,828,435          | 178,741  | 4.08%                      |
| Noninterest earning assets (e)                                   | 755,764                   |          |                            | 751,774            |          |                            |
| Total assets   | \$ 9,456,164              |          |                            | \$ 9,580,209       |          |                            |
| <u>Liabilities and shareholders' equity:</u>                     |                           |          |                            |                    |          |                            |
| Interest-bearing liabilities:                                    |                           |          |                            |                    |          |                            |
| Savings deposits   | \$ 1,684,909              | 1,522    | 0.18%                      | \$ 1,708,441       | 1,524    | 0.18%                      |
| Interest-bearing demand deposits                                 | 1,443,981                 | 1,477    | 0.21%                      | 1,437,112          | 399      | 0.06%                      |
| Money market deposit accounts                                    | 1,699,222                 | 2,264    | 0.27%                      | 1,859,383          | 2,138    | 0.23%                      |
| Time deposits  | 1,427,921                 | 8,504    | 1.20%                      | 1,545,959          | 7,230    | 0.94%                      |
| Borrowed funds (f)   | 118,743                   | 173      | 0.29%                      | 131,750            | 112      | 0.17%                      |
| Junior subordinated debentures                                   | 111,213                   | 2,475    | 4.43%                      | 111,213            | 2,353    | 4.21%                      |
| Total interest-bearing liabilities                               | 6,485,989                 | 16,415   | 0.51%                      | 6,793,858          | 13,756   | 0.41%                      |
| Noninterest-bearing demand deposits (g)                          | 1,641,493                 |          |                            | 1,525,723          |          |                            |
| Noninterest bearing liabilities                                  | 117,530                   |          |                            | 82,997             |          |                            |
| Total liabilities  | 8,245,012                 |          |                            | 8,402,578          |          |                            |
| Shareholders' equity   | 1,211,152                 |          |                            | 1,177,631          |          |                            |
| Total liabilities and shareholders' equity                       | \$ 9,456,164              |          |                            | \$ 9,580,209       |          |                            |
| Net interest income/ Interest rate spread                        |                           | 166,855  | 3.74%                      |                    | 164,985  | 3.67%                      |
| Net interest-earning assets/ Net interest margin \$              | 2,214,411                 |          | 3.84%                      | \$ 2,034,577       |          | 3.74%                      |
| Ratio of interest-earning assets to interest-bearing liabilities | 1.34X                     |          |                            | 1.30X              |          |                            |

(a) Average gross loans receivable includes loans held as available-for-sale and loans placed on nonaccrual status.

(b) Interest income includes accretion/ amortization of deferred loan fees/ expenses, which was not material.

(c) Average balances do not include the effect of unrealized gains or losses on securities held as available-for-sale.

(d) Interest income on tax-free investment securities and tax-free loans are presented on a fully taxable equivalent basis.

(e) Average balances include the effect of unrealized gains or losses on securities held as available-for-sale.

(f) Average balances include FHLB borrowings and collateralized borrowings.

(g) Average cost of deposits were 0.35% and 0.28%, respectively.

(h) Shown on a FTE basis. GAAP basis yields for the periods indicated were: Loans - 4.47% and 4.41%, respectively, Investment securities - 1.65% and 1.64%, respectively, Interest-earning assets - 4.23% and 4.04%, respectively. GAAP basis net interest rate spreads were 3.72% and 3.64%, respectively, and GAAP basis net interest margins were 3.82% and 3.70%, respectively.