



STEPHENS NON-DEAL ROADSHOW PREP PACKET

TCF Financial Corp. (TCF) – Atlanta

March 4th, 2020

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Questions/Topics of Discussion

Misc.

- Talk about the CFO transition that was announced last December.
- From a technology perspective what did both banks bring to the table? Provide an update on the transition of legacy Chemical customers over to the digital banking platform at TCF.

Loans / Deposits:

- How could the disruption in the global supply chains from Coronavirus impact TCF's specialty commercial business (inventory & equipment finance) and traditional Midwest borrowers?
- How is loan / deposit growth tracking for the first quarter / FY 2020? Is mid-single-digit growth still achievable?

Net Interest Margin: 4Q19 net interest margin – 3.89%. The cost of deposits fell 6bps Q/Q to 0.88% in part due to the strategic run-off of CDs.

- How has the recent decline in rates impacted deposit costs in your markets and what is TCF's ability to reduce funding costs in 1H20?
- What percentage of your loan portfolio is variable / tied to 1M LIBOR / PRIME?

Credit:

- Are you seeing any particular signs of stress across your region or specific industries and if so where?

Expenses:

- Does the ongoing build-out of the commercial banking business present any risk to the 4Q20 expense target (\$321 mil. or less)?
- Any major investments expected in 2020? Do you have an efficiency ratio target for 2020?

Fees:

- In 4Q19 TCF completed the consolidation onto a single mortgage lending platform. How has this allowed the company to increase share following the drop in rates?

Capital: 2019 ended at 11% (CET1) with the company's NT target ~10%. \$658K shares (\$27.5 mil.) repurchased in 4Q19- \$122.5 mil. remaining.

- Has the company been in the markets in 1Q20 given the decline in bank stock multiples?

M&A: CHFC Merger - \$180 mi. of total cost savings (achieved 1/3 in 4Q19).

- Can you please provide an update on the merger integration from both a systems and cultural prospective?
- Can you comment on the Bremer acquisition and if there would be any interest if litigations prolonged past fully digesting CHFC?

CECL: 4Q19 Comments – “I do want to point out that again that credit mark does get carried forward in addition to the 90-100bps.”

- Can you confirm your comments on the call for the CECL reserve – are you anticipating an additional credit mark to be included in the ACL guide of 90-100bps – in total an ACL of ~130bps for 1Q20?

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Stephens TCF Reports:

[Strategic & Financial Upside From MOE Beginning to Materialize](#)
[Auto Portfolio Sale Expected; Supports Buyback Capability](#)
[Confidence Around TCF/CHFC MOE Growing; Updated Model](#)

Stephens TCF Model:

[Click Here to View the Model](#)

Stephens Inc. working model and published research report attached.
For current disclosures on this company, please access the attached research report.

OTHER DISCLOSURES

Note: The purpose of this document is to suggest questions investors might like to ask company management and to help investors develop their own questions. This document is not intended to express any opinion or investment recommendation.

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