UNITED STATES
FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, DC 20429

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **July 21, 2022**

BANK OZK
(Exact name of registrant as specified in its charter)

Arkansas
(State or other jurisdiction of incorporation)

110	**71-0130170**
(FDIC Certificate Number)	(IRS Employer Identification No.)
18000 Cantrell Road, Little Rock, Arkansas	**72223**
(Address of principal executive offices)	(Zip Code)

(501) 978-2265
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

( ) Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

( ) Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

( ) Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

( ) Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	OZK	Nasdaq Global Select Market
4.625% Series A Non-Cumulative Perpetual Preferred Stock, $0.01 par value per share	OZKAP	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

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

Item 2.02 Results of Operations and Financial Condition.

On July 21, 2022, Bank OZK (the "Bank") issued a press release announcing its financial results for the second quarter ended June 30, 2022 and made available management's comments on the results for the second quarter of 2022. The materials contain forward-looking statements regarding the Bank and include cautionary language identifying important factors that could cause actual results to differ materially from those anticipated. The second quarter 2022 earnings press release and management's comments with respect thereto are furnished as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K and are available on the Bank's investor relations website.

As previously reported, on July 22, 2022, the Bank will hold an investor conference call and webcast to answer questions regarding the Bank's financial results for the second quarter of 2022.

The information furnished pursuant to this Item 2.02, including Exhibits 99.1 and 99.2, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that section, and shall not be deemed to be incorporated by reference into any filing of the Bank under the Securities Act of 1933, as amended, or the Exchange Act except as expressly set forth by specific reference in such filing. All information in the second quarter 2022 earnings press release and management's comments with respect thereto speaks as of the date thereof, and the Bank does not assume any obligation to update such information in the future.

Item 7.01 Regulation FD Disclosures.

See Item 2.02 Results of Operations and Financial Condition.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits: The following exhibits are being furnished to this Current Report on Form 8-K.

99.1	Press Release dated July 21, 2022: Bank OZK Announces Second Quarter 2022 Earnings
99.2	Management Comments for the Second Quarter of 2022 – dated July 21, 2022

SIGNATURES

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

BANK OZK

Date: July 21, 2022	By: /s/ Tim Hicks Name: Tim Hicks Title: Chief Financial Officer

Exhibit No.	Document Description
99.1	Press Release dated July 21, 2022: Bank OZK Announces Second Quarter 2022 Earnings
99.2	Management Comments for the Second Quarter of 2022 – dated July 21, 2022

Exhibit 99.1

NEWS RELEASE

Date:	July 21, 2022
Release Time:	3:01 p.m. (CT)
Investor Contact:	Jay Staley (501) 906-7842
Media Contact:	Michelle Rossow (501) 906-3922

Bank OZK Announces Second Quarter 2022 Earnings

LITTLE ROCK, ARKANSAS: Bank OZK (the "Bank") (Nasdaq: OZK) today announced that net income available to common stockholders for the second quarter of 2022 was $132.4 million, a 12.1% decrease from $150.5 million for the second quarter of 2021. Diluted earnings per common share for the second quarter of 2022 were $1.10, a 5.2% decrease from $1.16 for the second quarter of 2021.

For the six months ended June 30, 2022, net income available to common stockholders was $260.4 million, a 12.9% decrease from $299.0 million for the first six months of 2021. Diluted earnings per common share for the first six months of 2022 were $2.12, a 7.8% decrease from $2.30 for the first six months of 2021.

The Bank's provision for credit losses was $7.0 million for the second quarter and $11.2 million for the first six months of 2022 compared to negative provision for credit losses of $30.9 million for the second quarter and $62.5 million for the first six months of 2021. The Bank's total allowance for credit losses ("ACL") was $299.9 million at June 30, 2022. The calculations of the Bank's provision expense for the second quarter and first six months of 2022 and its total ACL at June 30, 2022 were based on a number of key estimates, assumptions and economic forecasts. The Bank's provision expense for the second quarter and first six months of 2022 and its ACL at June 30, 2022 included certain qualitative adjustments to capture items that management believed were not fully reflected in its modeled results.

Pre-tax pre-provision net revenue ("PPNR") was $182.8 million for the second quarter of 2022, a 10.9% increase from $164.8 million for the second quarter of 2021. For the six months ended June 30, 2022, PPNR was $355.9 million, a 9.4% increase from $325.5 million for the first six months of 2021. The calculation of PPNR and the reconciliation to generally accepted accounting principles ("GAAP") are included in the schedules accompanying this release.

The Bank's annualized returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the second quarter of 2022 were 2.02%, 12.40% and 14.69%, respectively, compared to 2.24%, 13.65% and 16.10%, respectively, for the second quarter of 2021. The Bank's annualized returns on average assets, average common stockholder's equity and average tangible common stockholders' equity for the first six months of 2022 were 2.00%, 12.03%, and 14.20%, respectively, compared to 2.23%, 13.81%, and 16.33%, respectively, for the first six months of 2021. The calculation of the Bank's returns on average common stockholders' equity and average tangible common stockholders' equity and the reconciliations to GAAP are included in the schedules accompanying this release.

George Gleason, Chairman and Chief Executive Officer stated, “We are pleased to report our excellent results for the second quarter of 2022. Our results were highlighted by our third consecutive quarter of record RESG loan originations and solid contributions from Community Banking and other lending teams, reflecting the importance of organic growth and increased portfolio diversification in our long-term strategy. Our strong capital and liquidity, disciplined credit culture and outstanding team have us well positioned for the future.”

KEY BALANCE SHEET METRICS

Total loans were $18.74 billion at June 30, 2022, a 2.6% increase from $18.27 billion at June 30, 2021. Non-purchased loans were $18.30 billion at June 30, 2022, a 3.9% increase from $17.61 billion at June 30, 2021. Purchased loans, which consist of loans acquired in previous acquisitions, were $0.45 billion at June 30, 2022, a 32.5% decrease from $0.66 billion at June 30, 2021.

Deposits were $19.98 billion at June 30, 2022, a 3.5% decrease from $20.71 billion at June 30, 2021. Total assets were $25.92 billion at June 30, 2022, a 2.6% decrease from $26.61 billion at June 30, 2021.

Common stockholders’ equity was $4.27 billion at June 30, 2022, a 5.2% decrease from $4.50 billion at June 30, 2021. Tangible common stockholders’ equity was $3.60 billion at June 30, 2022, a 5.9% decrease from $3.83 billion at June 30, 2021. Book value per common share was $35.87 at June 30, 2022, a 3.4% increase from $34.70 at June 30, 2021. Tangible book value per common share was $30.27 at June 30, 2022, a 2.5% increase from $29.52 at June 30, 2021. The calculations of the Bank’s common stockholders’ equity, tangible common stockholders’ equity and tangible book value per common share and the reconciliations to GAAP are included in the schedules accompanying this release.

The Bank’s ratio of total common stockholders’ equity to total assets was 16.47% at June 30, 2022, compared to 16.92% at June 30, 2021. Its ratio of total tangible common stockholders’ equity to total tangible assets was 14.26% at June 30, 2022, compared to 14.77% at June 30, 2021. The calculation of the Bank’s ratio of total tangible common stockholders’ equity to total tangible assets and the reconciliation to GAAP are included in the schedules accompanying this release.

STOCK REPURCHASES

During the quarter just ended, the Bank repurchased approximately 3.7 million shares of its common stock at a weighted average price of $39.93, for a total of $147.4 million. During the first six months of 2022, the Bank repurchased approximately 6.6 million shares of its common stock at a weighted average price of $42.42, for a total of $279.0 million. In evaluating its plans for future stock repurchases, the Bank considers a variety of factors including its capital position, alternative uses of capital, liquidity, financial performance, stock price, regulatory requirements and other factors. The Bank may suspend its stock repurchase program at any time.

MANAGEMENT'S COMMENTS, CONFERENCE CALL, TRANSCRIPT AND FILINGS

In connection with this release, the Bank released management's comments on its quarterly results, which are available at http://ir.ozk.com. This release should be read in conjunction with management's comments on the quarterly results.

Management will conduct a conference call to take questions on these quarterly results and management's comments at 10:00 a.m. CT (11:00 a.m. ET) on July 22, 2022. Interested parties may access the conference call live via webcast on the Bank's investor relations website at https://ir.ozk.com/news/event-calendar, or may participate via telephone by registering using this online form. Upon registration, all telephone participants will receive the dial-in number along with a unique PIN number that can be used to access the call. A replay of the conference call webcast will be archived on the Bank's website for at least 30 days.

The Bank files annual, quarterly and current reports, proxy materials, and other information required by the Securities Exchange Act of 1934 with the Federal Deposit Insurance Corporation ("FDIC"), copies of which are available electronically at the FDIC's website at https://efr.fdic.gov/fcxweb/efr/index.html and are also available on the Bank's investor relations website at ir.ozk.com. To receive automated email alerts for these materials please visit https://ir.ozk.com/other/email-alerts to sign up.

NON-GAAP FINANCIAL MEASURES

This release contains certain non-GAAP financial measures. The Bank uses these non-GAAP financial measures, specifically return on average common stockholders' equity, average tangible common stockholders' equity, tangible book value per common share, total common stockholders' equity, total tangible common stockholders' equity, the ratio of total tangible common stockholders' equity to total tangible assets, and PPNR, to assess the strength of its capital, its ability to generate earnings on tangible capital invested by its shareholders and trends in its net revenue. These measures typically adjust GAAP financial measures to exclude intangible assets or provision for credit losses. Management believes presentation of these non-GAAP financial measures provides useful supplemental information which contributes to a proper understanding of the financial results and capital levels of the Bank. These non-GAAP disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, and they are not necessarily comparable to non-GAAP performance measures that may be presented by other banks. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the tables at the end of this release under the caption "Reconciliation of Non-GAAP Financial Measures."

FORWARD-LOOKING STATEMENTS

This presentation and other communications by the Bank include certain "forward-looking statements" regarding the Bank's plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management's expectations as well as certain assumptions and estimates made by, and information available to, management at the time. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems in implementing the Bank's growth, expansion and acquisition strategies, including delays in identifying satisfactory sites, hiring or retaining qualified personnel, obtaining regulatory or other approvals, obtaining permits and designing, constructing and opening new offices or relocating, selling or closing existing offices; the ability to enter into and/or close additional acquisitions; the availability of and access to capital; possible downgrades in the Bank's credit ratings or outlook which could increase the costs of or decrease the availability of funding from capital markets; the ability to attract new or retain existing or acquired deposits or to retain or grow loans, including growth from unfunded closed loans; the ability to generate future revenue growth or to control future growth in non-interest expense; interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates or changes in the relative relationships of various interest rate indices; the potential impact of the transition from the London Interbank Offered Rate ("LIBOR") as a reference rate; competitive factors and pricing pressures, including their effect on the Bank's net interest margin or core spread; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; changes in legal, financial and/or regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses to comply with new and/or existing legislation and regulatory actions, including those actions in response to the coronavirus ("COVID-19") pandemic such as the Coronavirus Aid, Relief and Economic Security Act, the Consolidated Appropriations Act of 2021, the American Rescue Plan Act of 2021, and any similar or related laws, rules and regulations; changes in U.S. government monetary and fiscal policy; FDIC special assessments or changes to regular assessments; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; the impact of failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank or its customers; natural disasters or acts of war or terrorism; the adverse effects of the ongoing global COVID-19 pandemic, including the duration of the pandemic and actions taken to contain or treat COVID-19, on the Bank, the Bank's customers, the Bank's staff, the global economy and the financial markets; the potential impact of continuing inflationary pressures; the potential impact of supply chain disruptions; national, international or political instability or military conflict, including the ongoing war in Ukraine; the competition and costs of recruiting and retaining human talent; impairment of our goodwill or other intangible assets; adoption of new accounting standards, or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions or rulings as well as other factors identified in this communication or as detailed from time to time in our public filings, including those factors described in the disclosures under the headings “Forward-Looking Information” and “Item 1A. Risk Factors” in our most recent Annual Report on Form 10-K for the year ended December 31, 2021 and our quarterly reports on Form 10-Q. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

GENERAL INFORMATION

Bank OZK (Nasdaq: OZK) is a regional bank providing innovative financial solutions delivered by expert bankers with a relentless pursuit of excellence. Established in 1903, Bank OZK conducts banking operations with over 240 offices in eight states including Arkansas, Georgia, Florida, North Carolina, Texas, New York, California and Mississippi and had $25.92 billion in total assets as of June 30, 2022. Bank OZK can be found at www.ozk.com and on Facebook, Twitter and LinkedIn or contacted at (501) 978-2265 or P.O. Box 8811, Little Rock, Arkansas 72231-8811.

Bank OZK
Consolidated Balance Sheets
Unaudited

	June 30, 2022	December 31, 2021
	(Dollars in thousands, except per share amounts)	
ASSETS		
Cash and cash equivalents	$ 1,140,448	$ 2,053,829
Investment securities — available for sale ("AFS")	3,705,807	3,916,733
Investment securities — trading	4,080	14,957
Federal Home Loan Bank of Dallas and other bankers' bank stocks	36,654	40,788
Non-purchased loans	18,297,638	17,791,610
Purchased loans	445,080	516,215
Allowance for loan losses	(190,795)	(217,380)
Net loans	18,551,923	18,090,445
Premises and equipment, net	687,093	695,857
Foreclosed assets	2,593	5,744
Accrued interest receivable	82,756	83,025
Bank owned life insurance ("BOLI")	784,117	774,822
Goodwill and other intangible assets, net	666,029	669,063
Other, net	258,465	185,167
Total assets	$ 25,919,965	$ 26,530,430
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Demand non-interest bearing	$ 5,117,961	$ 4,983,788
Savings and interest bearing transaction	9,655,436	9,245,727
Time	5,210,790	5,979,619
Total deposits	19,984,187	20,209,134
Other borrowings	505,221	756,321
Subordinated notes	346,536	346,133
Subordinated debentures	121,310	121,033
Reserve for losses on unfunded loan commitments	109,143	71,609
Accrued interest payable and other liabilities	243,666	186,840
Total liabilities	21,310,063	21,691,070
Commitments and contingencies		
Stockholders' equity:		
Preferred stock; $0.01 par value; 100,000,000 shares authorized; 14,000,000 issued and outstanding at June 30, 2022 and December 31, 2021	338,980	338,980
Common stock; $0.01 par value; 300,000,000 shares authorized; 118,996,021 and 125,443,748 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	1,190	1,254
Additional paid-in capital	1,817,650	2,093,702
Retained earnings	2,563,130	2,378,466
Accumulated other comprehensive (loss) income	(114,168)	23,841
Total stockholders' equity before noncontrolling interest	4,606,782	4,836,243
Noncontrolling interest	3,120	3,117
Total stockholders' equity	4,609,902	4,839,360
Total liabilities and stockholders' equity	$ 25,919,965	$ 26,530,430

Bank OZK
Consolidated Statements of Income
Unaudited

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
	(Dollars in thousands, except per share amounts)			
Interest income:				
Non-purchased loans	$ 256,264	$ 238,554	$ 496,259	$ 478,381
Purchased loans	8,982	11,699	17,152	23,635
Investment securities:				
Taxable	10,367	9,467	20,978	17,550
Tax-exempt	4,020	3,883	7,006	7,563
Deposits with banks and federal funds sold	1,855	496	2,464	1,033
Total interest income	281,488	264,099	543,859	528,162
Interest expense:				
Deposits	10,855	18,231	19,347	42,582
Other borrowings	1,042	1,002	2,039	1,982
Subordinated notes	2,603	3,181	5,177	6,326
Subordinated debentures	1,195	939	2,159	1,881
Total interest expense	15,695	23,353	28,722	52,771
Net interest income	265,793	240,746	515,137	475,381
Provision for credit losses	7,025	(30,932)	11,215	(62,491)
Net interest income after provision for credit losses	258,768	271,678	503,922	537,872
Non-interest income:				
Service charges on deposit accounts:				
NSF/Overdraft fees	4,247	3,244	8,449	6,567
All other service charges	7,184	7,067	13,874	13,409
Trust income	1,911	1,911	4,005	4,118
BOLI income:				
Increase in cash surrender value	4,846	4,919	9,639	9,799
Death benefits	—	—	297	1,409
Loan service, maintenance and other fees	3,603	3,953	6,621	7,504
Gains on sales of other assets	784	2,341	7,776	8,169
Net (losses) gains on investment securities	531	—	441	—
Other	3,214	4,307	6,694	8,884
Total non-interest income	26,320	27,742	57,796	59,859
Non-interest expense:				
Salaries and employee benefits	54,412	52,119	109,060	105,764
Net occupancy and equipment	17,014	16,168	34,230	32,636
Other operating expenses	37,874	35,424	73,726	71,371
Total non-interest expense	109,300	103,711	217,016	209,771
Income before taxes	175,788	195,709	344,702	387,960
Provision for income taxes	39,375	45,161	75,786	88,978
Net income	136,413	150,548	268,916	298,982
Earnings attributable to noncontrolling interest	(8)	(13)	(3)	(32)
Preferred stock dividends	4,047	—	8,527	—
Net income available to common stockholders	$ 132,358	$ 150,535	$ 260,386	$ 298,950
Basic earnings per common share	$ 1.10	$ 1.16	$ 2.13	$ 2.31
Diluted earnings per common share	$ 1.10	$ 1.16	$ 2.12	$ 2.30

Bank OZK
Consolidated Statements of Stockholders' Equity
Unaudited

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Non-Controlling Interest	Total
	(Dollars in thousands, except per share amounts)						
Three months ended June 30, 2022:							
Balances – March 31, 2022	$338,980	$ 1,227	$1,962,126	$2,468,652	$ (80,928)	$ 3,112	$4,693,169
Net income	—	—	—	136,413	—	—	136,413
Earnings attributable to noncontrolling interest	—	—	—	(8)	—	8	—
Total other comprehensive loss	—	—	—	—	(33,240)	—	(33,240)
Preferred stock dividends, $0.28906 per share	—	—	—	(4,047)	—	—	(4,047)
Common stock dividends, $0.31 per share	—	—	—	(37,880)	—	—	(37,880)
Issuance of 20,087 shares of common stock for exercise of stock options	—	—	594	—	—	—	594
Issuance of 21,416 shares of unvested restricted common stock	—	—	—	—	—	—	—
Repurchase and cancellation of 3,689,819 shares of common stock under share repurchase program	—	(37)	(147,396)	—	—	—	(147,433)
Stock-based compensation expense	—	—	2,326	—	—	—	2,326
Forfeitures of 32,858 shares of unvested restricted common stock	—	—	—	—	—	—	—
Balances – June 30, 2022	$338,980	$ 1,190	$1,817,650	$2,563,130	$ (114,168)	$ 3,120	$4,609,902
Six months ended June 30, 2022:							
Balances – December 31, 2021	$338,980	$ 1,254	$2,093,702	$2,378,466	$ 23,841	$ 3,117	$4,839,360
Net income	—	—	—	268,916	—	—	268,916
Earnings attributable to noncontrolling interest	—	—	—	(3)	—	3	—
Total other comprehensive loss	—	—	—	—	(138,009)	—	(138,009)
Preferred stock dividends, $0.60906 per share	—	—	—	(8,527)	—	—	(8,527)
Common stock dividends, $0.61 per share	—	—	—	(75,722)	—	—	(75,722)
Issuance of 69,107 shares of common stock for exercise of stock options	—	1	2,079	—	—	—	2,080
Issuance of 220,822 shares of unvested restricted common stock	—	2	(2)	—	—	—	—
Repurchase and cancellation of 6,572,832 shares of common stock under share repurchase program	—	(65)	(278,932)	—	—	—	(278,997)
Repurchase and cancellation of 112,974 of shares of common stock withheld for tax pursuant to restricted stock vesting	—	(1)	(5,398)	—	—	—	(5,399)
Stock-based compensation expense	—	—	6,200	—	—	—	6,200
Forfeitures of 51,850 shares of unvested restricted common stock	—	(1)	1	—	—	—	—
Balances – June 30, 2022	$338,980	$ 1,190	$1,817,650	$2,563,130	$ (114,168)	$ 3,120	$4,609,902

Bank OZK
Consolidated Statements of Stockholders' Equity
Unaudited

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Non-Controlling Interest	Total
	(Dollars in thousands, except per share amounts)					
Three months ended June 30, 2021:						
Balances – March 31, 2021	$ 1,297	$2,272,046	$2,059,398	$ 50,464	$ 3,104	$4,386,309
Net income	—	—	150,548	—	—	150,548
Earnings attributable to noncontrolling interest	—	—	(13)	—	13	—
Total other comprehensive loss	—	—	—	(337)	—	(337)
Common stock dividends, $0.28 per share	—	—	(36,819)	—	—	(36,819)
Issuance of 14,300 shares of common stock for exercise of stock options	—	515	—	—	—	515
Issuance of 20,328 shares of unvested restricted common stock	—	—	—	—	—	—
Repurchase and cancellation of 153 shares of common stock	—	(6)	—	—	—	(6)
Stock-based compensation expense	—	4,583	—	—	—	4,583
Forfeitures of 33,241 shares of unvested restricted common stock	—	—	—	—	—	—
Balances – June 30, 2021	$ 1,297	$2,277,138	$2,173,114	$ 50,127	$ 3,117	$4,504,793
Six months ended June 30, 2021:						
Balances – December 31, 2020	$ 1,294	$2,265,850	$1,946,875	$ 58,252	$ 3,085	$4,275,356
Net income	—	—	298,982	—	—	298,982
Earnings attributable to noncontrolling interest	—	—	(32)	—	32	—
Total other comprehensive income	—	—	—	(8,125)	—	(8,125)
Common stock dividends, $0.5575 per share	—	—	(72,711)	—	—	(72,711)
Issuance of 142,400 shares of common stock for exercise of stock options	1	5,007	—	—	—	5,008
Issuance of 332,831 shares of unvested restricted common stock	3	(3)	—	—	—	—
Repurchase and cancellation of 55,893 shares of common stock	(1)	(1,976)	—	—	—	(1,977)
Stock-based compensation expense	—	8,260	—	—	—	8,260
Forfeitures of 49,646 shares of unvested restricted common stock	—	—	—	—	—	—
Balances – June 30, 2021	$ 1,297	$2,277,138	$2,173,114	$ 50,127	$ 3,117	$4,504,793

Bank OZK
Summary of Non-Interest Expense
Unaudited

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
	(Dollars in thousands)			
Salaries and employee benefits	$ 54,412	$ 52,119	$ 109,060	$ 105,764
Net occupancy and equipment	17,014	16,168	34,230	32,636
Other operating expenses:				
Professional and outside services	8,461	7,724	15,543	14,050
Software and data processing	6,223	6,006	12,144	11,798
Travel and meals	2,186	1,419	3,944	2,194
Deposit insurance and assessments	2,100	2,885	4,250	6,405
Telecommunication services	1,921	2,165	3,931	4,397
Postage and supplies	1,507	1,544	3,205	3,188
ATM expense	1,488	1,486	2,997	2,769
Advertising and public relations	1,103	593	2,362	902
Loan collection and repossession expense	353	540	678	1,050
Writedowns of foreclosed and other assets	—	123	258	1,486
Amortization of intangibles	1,516	1,602	3,033	3,332
Amortization of CRA and tax credit investments	4,628	3,227	9,730	7,352
Other	6,388	6,110	11,651	12,448
Total non-interest expense	$ 109,300	$ 103,711	$ 217,016	$ 209,771

Bank OZK
Summary of Total Loans Outstanding
Unaudited

	June 30, 2022		December 31, 2021	
	(Dollars in thousands)			
Real estate:				
Residential 1-4 family	$ 975,794	5.2%	$ 887,024	4.8%
Non-farm/non-residential	4,201,587	22.4	3,782,892	20.7
Construction/land development	7,810,223	41.7	8,246,674	45.0
Agricultural	238,610	1.3	247,727	1.4
Multifamily residential	1,123,955	6.0	934,845	5.1
Total real estate	14,350,169	76.6	14,099,162	77.0
Commercial and industrial	696,105	3.7	510,784	2.8
Consumer	2,332,202	12.4	2,185,429	11.9
Other	1,364,242	7.3	1,512,450	8.3
Total loans	18,742,718	100.0%	18,307,825	100.0%
Allowance for loan losses	(190,795)		(217,380)	
Net loans	$ 18,551,923		$ 18,090,445	

Bank OZK
Allowance for Credit Losses
Unaudited

	Allowance for Loan Losses	Reserve for Losses on Unfunded Loan Commitments	Total Allowance for Credit Losses
		(Dollars in thousands)	
Three months ended June 30, 2022:			
Balances – March 31, 2022	$ 204,213	$ 89,327	$ 293,540
Net charge-offs	(627)	—	(627)
Provision for credit losses	(12,791)	19,816	7,025
Balances – June 30, 2022	$ 190,795	$ 109,143	$ 299,938
Six months ended June 30, 2022:			
Balances – December 31, 2021	$ 217,380	$ 71,609	$ 288,989
Net charge-offs	(266)	—	(266)
Provision for credit losses	(26,319)	37,534	11,215
Balances – June 30, 2022	$ 190,795	$ 109,143	$ 299,938
Three months ended June 30, 2021:			
Balances – March 31, 2021	$ 268,077	$ 74,230	$ 342,307
Net charge-offs	(3,811)	—	(3,811)
Provision for credit losses	(15,513)	(15,419)	(30,932)
Balances – June 30, 2021	$ 248,753	$ 58,811	$ 307,564
Six months ended June 30, 2021:			
Balances – December 31, 2020	$ 295,824	$ 81,481	$ 377,305
Net charge-offs	(7,250)	—	(7,250)
Provision for credit losses	(39,821)	(22,670)	(62,491)
Balances – June 30, 2021	$ 248,753	$ 58,811	$ 307,564

Bank OZK
Summary of Deposits – By Account Type
Unaudited

	June 30, 2022		December 31, 2021	
	(Dollars in thousands)			
Non-interest bearing	$ 5,117,961	25.6%	$ 4,983,788	24.7%
Interest bearing:				
Transaction (NOW)	3,393,659	17.0	3,412,369	16.9
Savings and money market	6,261,777	31.3	5,833,358	28.9
Time deposits	5,210,790	26.1	5,979,619	29.5
Total deposits	$ 19,984,187	100.0%	$ 20,209,134	100.0%

Summary of Deposits – By Customer Type
Unaudited

	June 30, 2022		December 31, 2021	
	(Dollars in thousands)			
Non-Interest Bearing	$ 5,117,961	25.6%	$ 4,983,788	24.7%
Interest Bearing:				
Consumer and Commercial:				
Consumer – Non-Time	4,462,108	22.3	4,334,378	21.4
Consumer – Time	3,939,342	19.7	4,318,742	21.4
Commercial – Non-Time	2,788,061	14.0	2,634,817	13.0
Commercial – Time	641,777	3.2	905,347	4.5
Public Funds	1,828,026	9.1	2,094,800	10.4
Brokered	814,633	4.1	452,137	2.2
Reciprocal	392,279	2.0	485,125	2.4
Total deposits	$ 19,984,187	100.0%	$ 20,209,134	100.0%

Bank OZK
Selected Consolidated Financial Data
Unaudited

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	% Change	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021	% Change
	(Dollars in thousands, except per share amounts)					
Income statement data:						
Net interest income	$ 265,793	$ 240,746	10.4%	$ 515,137	$ 475,381	8.4%
Provision for credit losses	7,025	(30,932)	NM	11,215	(62,491)	NM
Non-interest income	26,320	27,742	(5.1)	57,796	59,859	(3.4)
Non-interest expense	109,300	103,711	5.4	217,016	209,771	3.5
Net income	136,413	150,548	(9.4)	268,916	298,982	(10.1)
Preferred stock dividends	4,047	—	NM	8,527	—	NM
Net income available to common stockholders	132,358	150,535	(12.1)	260,386	298,950	(12.9)
Pre-tax pre-provision net revenue [(1)]	182,813	164,777	10.9	355,917	325,469	9.4
Common share and per common share data:						
Diluted earnings per common share	$ 1.10	$ 1.16	(5.2)%	$ 2.12	$ 2.30	(7.8)%
Basic earnings per common share	1.10	1.16	(5.2)	2.13	2.31	(7.8)
Common stock dividends per share	0.31	0.28	10.7	0.61	0.5575	9.4
Book value per share	35.87	34.70	3.4	35.87	34.70	3.4
Tangible book value per common share [(1)]	30.27	29.52	2.5	30.27	29.52	2.5
Weighted-average diluted shares outstanding (thousands)	120,827	130,255	(7.2)	122,905	130,109	(5.5)
End of period shares outstanding (thousands)	118,996	129,720	(8.3)	118,996	129,720	(8.3)
Balance sheet data at period end:						
Total assets	$25,919,965	$26,605,938	(2.6)%	$25,919,965	$26,605,938	(2.6)%
Total loans	18,742,718	18,271,670	2.6	18,742,718	18,271,670	2.6
Non-purchased loans	18,297,638	17,611,848	3.9	18,297,638	17,611,848	3.9
Purchased loans	445,080	659,822	(32.5)	445,080	659,822	(32.5)
Allowance for loan losses	190,795	248,753	(23.3)	190,795	248,753	(23.3)
Foreclosed assets	2,593	7,542	(65.6)	2,593	7,542	(65.6)
Investment securities – AFS	3,705,807	4,693,396	(21.0)	3,705,807	4,693,396	(21.0)
Goodwill and other intangible assets, net	666,029	672,125	(0.9)	666,029	672,125	(0.9)
Deposits	19,984,187	20,706,777	(3.5)	19,984,187	20,706,777	(3.5)
Other borrowings	505,221	758,677	(33.4)	505,221	758,677	(33.4)
Subordinated notes	346,536	224,236	54.5	346,536	224,236	54.5
Subordinated debentures	121,310	120,752	0.5	121,310	120,752	0.5
Unfunded balance of closed loans	17,369,767	11,709,818	48.3	17,369,767	11,709,818	48.3
Reserve for losses on unfunded loan commitments	109,143	58,811	85.6	109,143	58,811	85.6
Preferred stock	338,980	—	NM	338,980	—	NM
Total common stockholders' equity [(1)]	4,267,802	4,501,676	(5.2)	4,267,802	4,501,676	(5.2)
Net unrealized (losses) gains on investment securities AFS included in stockholders' equity	(114,168)	50,127	NM	(114,168)	50,127	NM
Loan (including purchased loans) to deposit ratio	93.79%	88.24%	5.6	93.79%	88.24%	5.6
Selected ratios:						
Return on average assets [(2)]	2.02%	2.24%		2.00%	2.23%	
Return on average common stockholders' equity [(1)] [(2)]	12.40	13.65		12.03	13.81	
Return on average tangible common stockholders' equity [(1)] [(2)]	14.69	16.10		14.20	16.33	
Average common equity to total average assets	16.32	16.42		16.60	16.17	
Net interest margin – FTE [(2)]	4.52	3.95		4.38	3.91	
Efficiency ratio	37.25	38.43		37.73	39.00	
Net charge-offs to average non-purchased loans [(2)] [(3)]	0.03	0.09		0.05	0.08	
Net charge-offs to average total loans [(2)]	0.01	0.08		0.00	0.08	
Nonperforming loans to total loans [(4)]	0.16	0.22		0.16	0.22	
Nonperforming assets to total assets [(4)]	0.12	0.18		0.12	0.18	
Allowance for loan losses to total loans [(5)]	1.02	1.36		1.02	1.36	
Other information:						
Non-accrual loans [(4)]	$ 28,171	$ 38,195		$ 28,171	$ 38,195	
Accruing loans – 90 days past due [(4)]	—	—		—	—	
Troubled and restructured non-purchased loans – accruing [(4)]	1,033	1,365		1,033	1,365	

(1) Calculations of pre-tax pre-provision net revenue, total common stockholders' equity, tangible book value per common share and returns on average common stockholders' equity and average tangible common stockholders' equity and the reconciliations to GAAP are included in the schedules accompanying this release.
(2) Ratios for interim periods annualized based on actual days.
(3) Excludes purchased loans and net charge-offs related to such loans.
(4) Excludes purchased loans, except for their inclusion in total assets.
(5) Excludes reserve for losses on unfunded loan commitments.
NM – Not meaningful

Selected Consolidated Financial Data (continued)
Unaudited

	Three Months Ended		
	June 30, 2022	March 31, 2022	% Change
	(Dollars in thousands, except per share amounts)		
Income statement data:			
Net interest income	$ 265,793	$ 249,343	6.6%
Provision for credit losses	7,025	4,190	67.7
Non-interest income	26,320	31,475	(16.4)
Non-interest expense	109,300	107,715	1.5
Net income	136,413	132,503	3.0
Preferred stock dividends	4,047	4,480	(9.7)
Net income available to common stockholders	132,358	128,028	3.4
Pre-tax pre-provision net revenue (1)	182,813	173,103	5.6
Common share and per common share data:			
Diluted earnings per common share	$ 1.10	$ 1.02	7.8%
Basic earnings per common share	1.10	1.03	6.8
Common stock dividends per share	0.31	0.300	3.3
Book value per share	35.87	35.47	1.1
Tangible book value per common share (1)	30.27	30.03	0.8
Weighted-average diluted shares outstanding (thousands)	120,827	125,004	(3.3)
End of period shares outstanding (thousands)	118,996	122,677	(3.0)
Balance sheet data at period end:			
Total assets	$ 25,919,965	$ 26,562,353	(2.4)%
Total loans	18,742,718	18,931,022	(1.0)
Non-purchased loans	18,297,638	18,449,723	(0.8)
Purchased loans	445,080	481,299	(7.5)
Allowance for loan losses	190,795	204,213	(6.6)
Foreclosed assets	2,593	3,417	(24.1)
Investment securities – AFS	3,705,807	3,728,284	(0.6)
Goodwill and other intangible assets, net	666,029	667,546	(0.2)
Deposits	19,984,187	20,329,662	(1.7)
Other borrowings	505,221	756,347	(33.2)
Subordinated notes	346,536	346,333	0.1
Subordinated debentures	121,310	121,171	0.1
Unfunded balance of closed loans	17,369,767	14,954,367	16.2
Reserve for losses on unfunded loan commitments	109,143	89,327	22.2
Preferred stock	338,980	338,980	—
Total common stockholders' equity (1)	4,267,802	4,351,077	(1.9)
Net unrealized gains on investment securities AFS included in stockholders' equity	(114,168)	(80,928)	(41.1)
Loan (including purchased loans) to deposit ratio	93.79%	93.12%	0.7
Selected ratios:			
Return on average assets (2)	2.02%	1.97%	
Return on average common stockholders' equity (1) (2)	12.40	11.67	
Return on average tangible common stockholders' equity (1) (2)	14.69	13.73	
Average common equity to average assets	16.32	16.86	
Net interest margin – FTE (2)	4.52	4.24	
Efficiency ratio	37.25	38.22	
Net charge-offs to average non-purchased loans (2) (3)	0.03	0.08	
Net charge-offs to average total loans (2)	0.01	(0.01)	
Nonperforming loans to total loans (4)	0.16	0.21	
Nonperforming assets to total assets (4)	0.12	0.16	
Allowance for loan losses to total loans (5)	1.02	1.08	
Other information:			
Non-accrual loans (4)	$ 28,171	$ 37,363	
Accruing loans – 90 days past due (4)	—	—	
Troubled and restructured non-purchased loans – accruing (4)	1,033	1,263	

(1) Calculations of pre-tax pre-provision net revenue, total common stockholders' equity, tangible book value per common share and returns on average common stockholders' equity and average tangible common stockholders' equity and the reconciliations to GAAP are included in the schedules accompanying this release.
(2) Ratios for interim periods annualized based on actual days.
(3) Excludes purchased loans and net charge-offs related to such loans.
(4) Excludes purchased loans, except for their inclusion in total assets.
(5) Excludes reserve for losses on unfunded loan commitments.

Bank OZK
Supplemental Quarterly Financial Data
Unaudited

(Dollars in thousands, except per share amounts)

	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	03/31/22	06/30/22
Earnings Summary:								
Net interest income	$ 224,657	$ 237,600	$ 234,636	$ 240,746	$ 247,957	$ 266,381	$ 249,343	$ 265,793
Federal tax (FTE) adjustment	1,605	1,533	1,275	1,355	1,106	1,009	1,017	1,300
Net interest income (FTE)	226,262	239,133	235,911	242,101	249,063	267,390	250,360	267,093
Provision for credit losses	(7,200)	(6,750)	31,559	30,932	7,454	7,992	(4,190)	(7,025)
Non-interest income	26,676	28,661	32,117	27,742	25,984	29,695	31,475	26,320
Non-interest expense	(105,641)	(103,394)	(106,059)	(103,711)	(110,397)	(110,106)	(107,715)	(109,300)
Pretax income (FTE)	140,097	157,650	193,528	197,064	172,104	194,971	169,930	177,088
FTE adjustment	(1,605)	(1,533)	(1,275)	(1,355)	(1,106)	(1,009)	(1,017)	(1,300)
Provision for income taxes	(29,251)	(35,607)	(43,818)	(45,161)	(40,713)	(44,197)	(36,410)	(39,375)
Noncontrolling interest	12	3	(19)	(13)	5	(5)	5	(8)
Preferred stock dividend	—	—	—	—	—	—	(4,480)	(4,047)
Net income available to common stockholders	$ 109,253	$ 120,513	$ 148,416	$ 150,535	$ 130,290	$ 149,760	$ 128,028	$ 132,358
Earnings per common share – diluted	$ 0.84	$ 0.93	$ 1.14	$ 1.16	$ 1.00	$ 1.17	$ 1.02	$ 1.10
PPNR	$ 145,692	$ 162,867	$ 160,694	$ 164,777	$ 163,544	$ 185,970	$ 173,103	$ 182,813
Non-interest Income:								
Service charges on deposit accounts:								
NSF/Overdraft fees	$ 3,494	$ 4,024	$ 3,323	$ 3,244	$ 4,080	$ 4,315	$ 4,201	$ 4,247
All other service charges	5,933	5,959	6,342	7,067	7,097	7,149	6,690	7,184
Trust income	1,936	1,909	2,206	1,911	2,247	2,141	2,094	1,911
BOLI income:								
Increase in cash surrender value	5,081	5,034	4,881	4,919	4,940	4,901	4,793	4,846
Death benefits	—	—	1,409	—	—	618	297	—
Loan service, maintenance and other fees	3,351	3,797	3,551	3,953	3,307	3,148	3,018	3,603
Gains on sales of other assets	891	5,189	5,828	2,341	463	1,330	6,992	784
Net gains (losses) on investment securities	2,244	—	—	—	—	504	(90)	531
Other	3,746	2,749	4,577	4,307	3,850	5,589	3,480	3,214
Total non-interest income	$ 26,676	$ 28,661	$ 32,117	$ 27,742	$ 25,984	$ 29,695	$ 31,475	$ 26,320
Non-interest Expense:								
Salaries and employee benefits	$ 53,119	$ 53,832	$ 53,645	$ 52,119	$ 53,769	$ 55,034	$ 54,648	$ 54,412
Net occupancy and equipment	16,676	15,617	16,468	16,168	17,161	17,004	17,215	17,014
Other operating expenses	35,846	33,945	35,946	35,424	39,467	38,068	35,852	37,874
Total non-interest expense	$ 105,641	$ 103,394	$ 106,059	$ 103,711	$ 110,397	$ 110,106	$ 107,715	$ 109,300
Balance Sheet Data:								
Total assets	$ 26,888,308	$ 27,162,596	$ 27,276,892	$ 26,605,938	$ 26,143,367	$ 26,530,430	$ 26,562,353	$ 25,919,965
Non-purchased loans	18,419,958	18,401,495	17,979,435	17,611,848	17,707,452	17,791,610	18,449,723	18,297,638
Purchased loans	938,485	807,673	735,630	659,822	597,851	516,215	481,299	445,080
Investment securities – AFS	3,468,243	3,405,351	4,162,479	4,693,396	3,846,496	3,916,733	3,728,284	3,705,807
Deposits	21,287,405	21,450,356	21,296,442	20,706,777	20,102,440	20,209,134	20,329,662	19,984,187
Unfunded balance of closed loans	11,604,614	11,847,117	11,780,099	11,709,818	12,385,369	13,619,578	14,954,367	17,369,767
Preferred stock	—	—	—	—	—	338,980	338,980	338,980
Total stockholders' equity before noncontrolling interest	4,186,285	4,272,271	4,383,205	4,501,676	4,553,240	4,836,243	4,690,057	4,606,782

Bank OZK
Supplemental Quarterly Financial Data (Continued)
Unaudited

(Dollars in thousands)

	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	03/31/22	06/30/22
Allowance for Credit Losses:								
Balance at beginning of period	$ 374,494	$ 377,273	$ 377,305	$ 342,307	$ 307,564	$ 298,798	$ 288,989	$ 293,540
Net charge-offs	(4,421)	(6,718)	(3,439)	(3,811)	(1,312)	(1,817)	361	(627)
Provision for credit losses	7,200	6,750	(31,559)	(30,932)	(7,454)	(7,992)	4,190	7,025
Balance at end of period	$ 377,273	$ 377,305	$ 342,307	$ 307,564	$ 298,798	$ 288,989	$ 293,540	$ 299,938
Allowance for loan losses	$ 308,847	$ 295,824	$ 268,077	$ 248,753	$ 237,722	$ 217,380	$ 204,213	$ 190,795
Reserve for losses on unfunded loan commitments	68,426	81,481	74,230	58,811	61,076	71,609	89,327	109,143
Total allowance for credit losses	$ 377,273	$ 377,305	$ 342,307	$ 307,564	$ 298,798	$ 288,989	$ 293,540	$ 299,938
Selected Ratios:								
Net interest margin – FTE (1)	3.69%	3.88%	3.86%	3.95%	4.16%	4.41%	4.24%	4.52%
Efficiency ratio	41.77	38.61	39.57	38.43	40.14	37.06	38.22	37.25
Net charge-offs to average non-purchased loans (1) (2)	0.09	0.14	0.08	0.09	0.04	0.05	0.08	0.03
Net charge-offs to average total loans (1)	0.09	0.14	0.07	0.08	0.03	0.04	(0.01)	0.01
Nonperforming loans to total loans (3)	0.15	0.25	0.25	0.22	0.20	0.19	0.21	0.16
Nonperforming assets to total assets (3)	0.17	0.21	0.19	0.18	0.17	0.15	0.16	0.12
Allowance for loan losses to total loans (4)	1.60	1.54	1.43	1.36	1.30	1.19	1.08	1.02
Loans past due 30 days or more, including past due non-accrual loans, to total loans (3)	0.13	0.16	0.13	0.10	0.13	0.15	0.14	0.11

(1) Ratios for interim periods annualized based on actual days.
(2) Excludes purchased loans and net charge-offs related to such loans.
(3) Excludes purchased loans, except for their inclusion in total assets.
(4) Excludes reserve for losses on unfunded loan commitments.

Bank OZK
Average Consolidated Balance Sheets and Net Interest Analysis – FTE
Unaudited

(Dollars in thousands)

	Three Months Ended June 30,						Six Months Ended June 30,					
	2022			2021			2022			2021		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
ASSETS												
Interest earning assets:												
Interest earning deposits and federal funds sold	$ 1,019,374	$ 1,856	0.73%	$ 1,886,166	$ 496	0.11%	$ 1,188,502	$ 2,465	0.42%	$ 2,048,521	$ 1,033	0.10%
Investment securities:												
Taxable	3,060,097	10,367	1.36	3,508,655	9,467	1.08	3,218,475	20,978	1.31	2,968,393	17,550	1.19
Tax-exempt – FTE	637,235	5,088	3.20	963,522	4,915	2.05	604,295	8,868	2.96	1,065,110	9,574	1.81
Non-purchased loans – FTE	18,535,726	256,495	5.55	17,544,405	238,877	5.46	18,346,228	496,714	5.46	17,864,558	479,001	5.41
Purchased loans	464,655	8,982	7.75	697,136	11,699	6.73	481,941	17,152	7.18	736,399	23,635	6.47
Total earning assets – FTE	23,717,087	282,788	4.78	24,599,884	265,454	4.33	23,839,441	546,177	4.62	24,682,981	530,793	4.34
Non-interest earning assets	2,507,837			2,345,169			2,453,085			2,312,504		
Total assets	$ 26,224,924			$ 26,945,053			$ 26,292,526			$ 26,995,485		
LIABILITIES AND STOCKHOLDERS' EQUITY												
Interest bearing liabilities:												
Deposits:												
Savings and interest bearing transaction	$ 9,697,128	$ 5,379	0.22%	$ 8,735,178	$ 3,338	0.15%	$ 9,610,145	$ 8,162	0.17%	$ 8,537,681	$ 6,954	0.16%
Time deposits	5,404,880	5,476	0.41	8,000,214	14,893	0.75	5,581,955	11,185	0.40	8,495,453	35,628	0.85
Total interest bearing deposits	15,102,008	10,855	0.29	16,735,392	18,231	0.44	15,192,100	19,347	0.26	17,033,134	42,582	0.50
Other borrowings	670,599	1,042	0.62	757,435	1,002	0.53	713,121	2,040	0.58	756,813	1,992	0.53
Subordinated notes	346,426	2,603	3.01	224,188	3,181	5.69	346,327	5,177	3.01	224,140	6,326	5.69
Subordinated debentures	121,234	1,195	3.95	120,680	939	3.12	121,166	2,159	3.59	120,610	1,881	3.14
Total interest bearing liabilities	16,240,267	15,695	0.39	17,837,695	23,353	0.53	16,372,714	28,723	0.35	18,134,697	52,781	0.59
Non-interest bearing liabilities:												
Non-interest bearing deposits	4,970,380			4,366,380			4,872,646			4,170,685		
Other non-interest bearing liabilities	392,126			314,768			340,854			321,546		
Total liabilities	21,602,773			22,518,843			21,586,214			22,626,928		
Total stockholders' equity before noncontrolling interest	4,619,033			4,423,093			4,703,196			4,365,454		
Noncontrolling interest	3,118			3,117			3,116			3,103		
Total liabilities and stockholders' equity	$ 26,224,924			$ 26,945,053			$ 26,292,526			$ 26,995,485		
Net interest income – FTE		$ 267,093			$ 242,101			$ 517,454			$ 478,012	
Net interest margin – FTE			4.52%			3.95%			4.38%			3.91%
Core spread [1]			5.26%			5.02%			5.20%			4.91%

[1] Core spread is the difference between the yield on the Bank's non-purchased loans-FTE and the rate on its interest bearing deposits.

Bank OZK
Reconciliation of Non-GAAP Financial Measures

Calculation of Average Common Stockholders' Equity,
Average Tangible Common Stockholders' Equity
and the Annualized Returns on Average Common Stockholders' Equity and
Average Tangible Common Stockholders' Equity
Unaudited

	Three Months Ended			Six Months Ended	
	June 30, 2022	June 30, 2021	March 31, 2022	June 30, 2022	June 30, 2021
			(Dollars in thousands)		
Net income available to common stockholders	$ 132,358	$ 150,535	$ 128,028	$ 260,386	$ 298,950
Average stockholders' equity before noncontrolling interest	$ 4,619,033	$ 4,423,093	$ 4,788,294	$ 4,703,196	$ 4,365,454
Less average preferred stock	(338,980)	—	(338,980)	(338,980)	—
Total average common stockholders' equity	4,280,053	4,423,093	4,449,314	4,364,216	4,365,454
Less average intangible assets:					
Goodwill	(660,789)	(660,789)	(660,789)	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(6,084)	(12,175)	(7,572)	(6,824)	(12,997)
Total average intangibles	(666,873)	(672,964)	(668,361)	(667,613)	(673,786)
Average tangible common stockholders' equity	$ 3,613,180	$ 3,750,129	$ 3,780,953	$ 3,696,603	$ 3,691,668
Return on average common stockholders' equity [(1)]	12.40%	13.65%	11.67%	12.03%	13.81%
Return on average tangible common stockholders' equity [(1)]	14.69%	16.10%	13.73%	14.20%	16.33%

[(1)] Ratios for interim periods annualized based on actual days.

Calculation of Total Common Stockholders' Equity,
Total Tangible Common Stockholders' Equity
and Tangible Book Value per Common Share
Unaudited

	June 30,		March 31,
	2022	2021	2022
	(In thousands, except per share amounts)		
Total stockholders' equity before noncontrolling interest	$ 4,606,782	$ 4,501,676	$ 4,690,057
Less preferred stock	(338,980)	—	(338,980)
Total common stockholders' equity	4,267,802	4,501,676	4,351,077
Less intangible assets:			
Goodwill	(660,789)	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(5,240)	(11,336)	(6,757)
Total intangibles	(666,029)	(672,125)	(667,546)
Total tangible common stockholders' equity	$ 3,601,773	$ 3,829,551	$ 3,683,531
Shares of common stock outstanding	118,996	129,720	122,677
Book value per common share	$ 35.87	$ 34.70	$ 35.47
Tangible book value per common share	$ 30.27	$ 29.52	$ 30.03

Calculation of Total Common Stockholders’ Equity, Total Tangible Common Stockholders’ Equity and the Ratio of Total Tangible Common Stockholders’ Equity to Total Tangible Assets

Unaudited

	June 30, 2022	June 30, 2021
	(Dollars in thousands)	
Total stockholders′ equity before noncontrolling interest	$ 4,606,782	$ 4,501,676
Less preferred stock	(338,980)	—
Total common stockholders′ equity	4,267,802	4,501,676
Less intangible assets:		
Goodwill	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(5,240)	(11,336)
Total intangibles	(666,029)	(672,125)
Total tangible common stockholders′ equity	$ 3,601,773	$ 3,829,551
Total assets	$ 25,919,965	$ 26,605,938
Less intangible assets:		
Goodwill	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(5,240)	(11,336)
Total intangibles	(666,029)	(672,125)
Total tangible assets	$ 25,253,936	$ 25,933,813
Ratio of total common stockholders′ equity to total assets	16.47%	16.92%
Ratio of total tangible common stockholders′ equity to total tangible assets	14.26%	14.77%

Calculation of Pre-Tax Pre-Provision Net Revenue

Unaudited

	Three Months Ended			Six Months Ended	
	June 30, 2022	June 30, 2021	March 31, 2022	June 30, 2022	June 30, 2021
			(Dollars in thousands)		
Income before taxes	$ 175,788	$ 195,709	$ 168,913	$ 344,702	$ 387,960
Provision for credit losses	7,025	(30,932)	4,190	11,215	(62,491)
Pre-tax pre-provision net revenue	$ 182,813	$ 164,777	$ 173,103	$ 355,917	$ 325,469

Exhibit 99.2

Bank OZK

MANAGEMENT COMMENTS FOR THE SECOND QUARTER & FIRST SIX MONTHS OF 2022

JULY 21, 2022

Forward Looking Statements

This presentation and other communications by Bank OZK (the "Bank") include certain "forward-looking statements" regarding the Bank's plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management's expectations as well as certain assumptions and estimates made by, and information available to, management at the time. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems in implementing the Bank's growth, expansion and acquisition strategies, including delays in identifying satisfactory sites, hiring or retaining qualified personnel, obtaining regulatory or other approvals, obtaining permits and designing, constructing and opening new offices or relocating, selling or closing existing offices; the ability to enter into and/or close additional acquisitions; the availability of and access to capital; possible downgrades in the Bank's credit ratings or outlook which could increase the costs of or decrease the availability of funding from capital markets; the ability to attract new or retain existing or acquired deposits or to retain or grow loans, including growth from unfunded closed loans; the ability to generate future revenue growth or to control future growth in non-interest expense; interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates or changes in the relative relationships of various interest rate indices; the potential impact of the transition from the London Interbank Offered Rate ("LIBOR") as a reference rate; competitive factors and pricing pressures, including their effect on the Bank's net interest margin or core spread; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; changes in legal, financial and/or regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses to comply with new and/or existing legislation and regulatory actions, including those actions in response to the coronavirus ("COVID-19") pandemic such as the Coronavirus Aid, Relief and Economic Security Act, the Consolidated Appropriations Act of 2021, the American Rescue Plan Act of 2021, and any similar or related laws, rules and regulations; changes in U.S. government monetary and fiscal policy; FDIC special assessments or changes to regular assessments; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; the impact of failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank or its customers; natural disasters or acts of war or terrorism; the adverse effects of the ongoing global COVID-19 pandemic, including the duration of the pandemic and actions taken to contain or treat COVID-19, on the Bank, the Bank's customers, the Bank's staff, the global economy and the financial markets; the potential impact of continuing inflationary pressures; the potential impact of supply chain disruptions; national, international or political instability or military conflict, including the ongoing war in Ukraine; the competition and costs of recruiting and retaining human talent; impairment of our goodwill or other intangible assets; adoption of new accounting standards, or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions or rulings as well as other factors identified in this communication or as detailed from time to time in our public filings, including those factors described in the disclosures under the headings "Forward-Looking Information" and "Item 1A. Risk Factors" in our most recent Annual Report on Form 10-K for the year ended December 31, 2021 and our quarterly reports on Form 10-Q. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

Summary

We are pleased to report our results for the second quarter of 2022. Highlights include:

- ***Net Income.*** Our $132.4 million of net income available to common stockholders and $1.10 diluted earnings per common share improved on our strong results from the first quarter of 2022.
- ***Quarterly Origination Volume.*** Our Real Estate Specialties Group ("RESG") posted its third consecutive quarter of record originations with $3.53 billion of loans originated. This contributed to an increase in our unfunded loan commitments to a record $17.37 billion at June 30, 2022.
- ***Net Interest Income.*** Our net interest income increased to $265.8 million. Our core spread, which is how we describe the difference between our yield on non-purchased loans and our cost of interest bearing deposits ("COIBD"), increased to 5.26%, contributing to the increase in our net interest margin to 4.52%.
- ***Asset Quality.*** Our ongoing focus on asset quality resulted in annualized net charge-off ratios for the quarter just ended of 0.03% for non-purchased loans and 0.01% for total loans. Our June 30, 2022 ratios of nonperforming non-purchased loans to total non-purchased loans and nonperforming assets to total assets[1] were just 0.16% and 0.12%, respectively.
- ***Efficiency Ratio.*** Our efficiency ratio for the quarter was 37.3%, among the best in the industry.
- ***Stock Repurchases & Dividend Growth.*** During the quarter just ended, we repurchased approximately 3.7 million shares of our common stock for a total of $147.4 million. We recently increased the quarterly dividend on our common stock for the 48th consecutive quarter.

On July 17, 2022, we celebrated the 25th anniversary of our initial public offering ("IPO"). Shareholders who purchased common stock in our IPO and reinvested their dividends in OZK common stock have realized a 17.76% compounded annual return over that 25-year period. That compares favorably to compounded annual returns of 7.83% for the S&P 500 Index and 6.02% for the Nasdaq Bank Index over the same time. We believe our combination of strong earnings and robust capital gives us great optionality to continue to create shareholder value.

[1] Excludes purchased loans, except for their inclusion in total assets.
Source: Compounded annual returns data according to *Bloomberg.*

Profitability and Earnings Metrics

Net income available to common stockholders for the second quarter of 2022 was $132.4 million, a 12.1% decrease from $150.5 million for the second quarter of 2021. Diluted earnings per common share for the second quarter of 2022 were $1.10, a 5.2% decrease from $1.16 for the second quarter of 2021. For the six months ended June 30, 2022, net income available to common stockholders was $260.4 million, a 12.9% decrease from $299.0 million for the first six months of 2021. Diluted earnings per common share for the first six months of 2022 were $2.12, a 7.8% decrease from $2.30 for the first six months of 2021.

The decreases in our net income available to common stockholders and earnings per common share in the second quarter and first six months of 2022 relative to the comparable periods in 2021 are primarily attributable to provision expense for our allowance for credit losses ("ACL") in the first two quarters of 2022 versus negative provisions in the first two quarters of 2021. Our pre-tax pre-provision net revenue[2] ("PPNR") for the second quarter and first six months of 2022 increased to $182.8 million and $355.9 million, respectively, compared to $164.8 million and $325.5 million, respectively, for the second quarter and first six months of 2021.

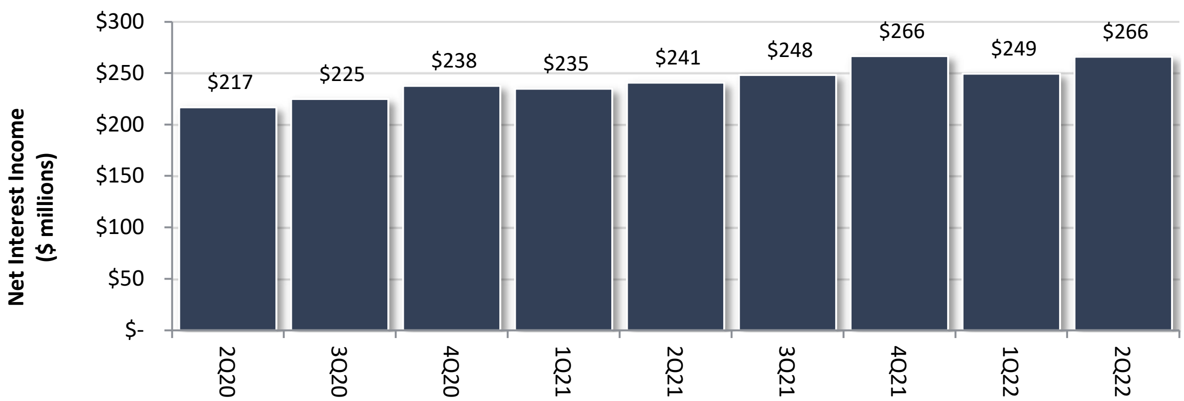
Our annualized return on average assets was 2.02% for the second quarter of 2022 compared to 2.24% for the second quarter of 2021. Our annualized returns on average common stockholders' equity and average tangible common stockholders' equity[3] for the second quarter of 2022 were 12.40% and 14.69%, respectively, compared to 13.65% and 16.10%, respectively, for the second quarter of 2021. Our annualized returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the first six months of 2022 were 2.00%, 12.03% and 14.20%, respectively, compared to 2.23%, 13.81% and 16.33%, respectively, for the first six months of 2021.

[2] The calculation of the Bank's PPNR and the reconciliation to generally accepted accounting principles ("GAAP") are included in the schedule at the end of this presentation.
[3] The calculation of the Bank's annualized returns on average common stockholders' equity and average tangible common stockholders' equity and the reconciliation to GAAP are included in the schedule at the end of this presentation.

Net Interest Income

Net interest income is our largest category of revenue. As shown in Figure 1, our net interest income for the second quarter of 2022 was $265.8 million, a $25.0 million, or 10.4%, increase from the second quarter of 2021, and a $16.5 million, or 6.6% increase from the first quarter of 2022. Net interest income for the quarter just ended almost equaled our record net interest income from the fourth quarter of 2021, which was a quarter in which we benefitted from unusually high levels of minimum interest and other interest income from repayments and short-term extensions, among other factors.

Figure 1: Quarterly Net Interest Income



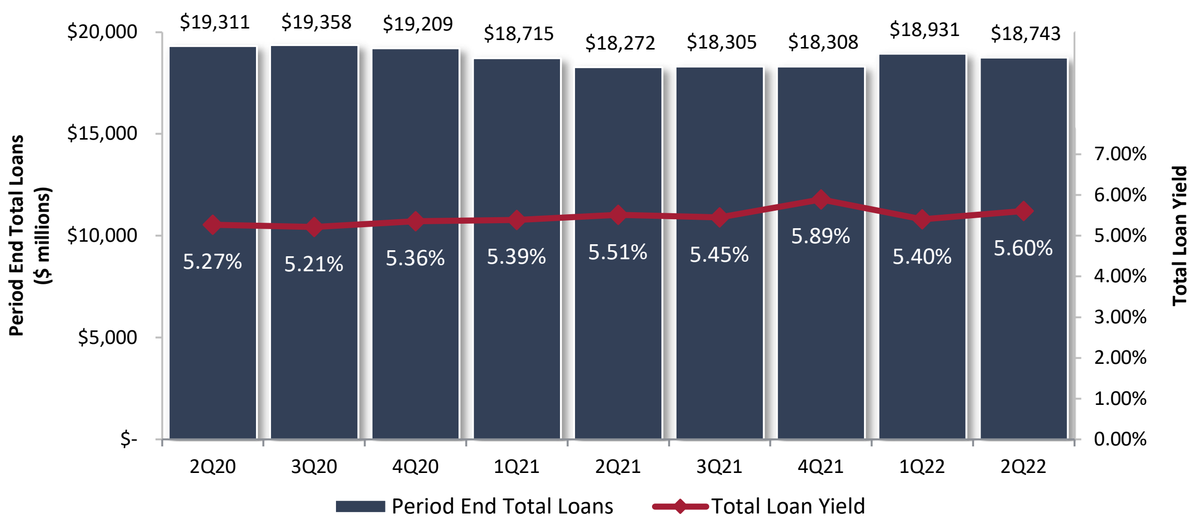
Earning Assets

Loans are the largest part of our earning assets. Our average balance of total loans for the quarter just ended was $19.0 billion, a 4.2% increase from $18.2 billion for the second quarter of 2021, and a 1.9% increase from $18.7 billion for the first quarter of 2022. For the first six months of 2022, our average balance of total loans was $18.8 billion, a 1.2% increase from $18.6 billion for the first six months of 2021.

Our average balance of total loans for the quarter just ended benefitted from many of our loan repayments occurring late in the quarter. As a result, our average balance of total loans for the quarter of $19.0 billion exceeded our period-end balance of total loans of $18.7 billion.

As illustrated in Figure 2, our period-end balance of total loans at June 30, 2022 increased $0.47 billion, or 2.6%, from June 30, 2021, but decreased $0.19 billion, or 1.0% from March 31, 2022. For the first six months of 2022, our period-end balance of total loans increased $0.43 billion, or 2.4%.

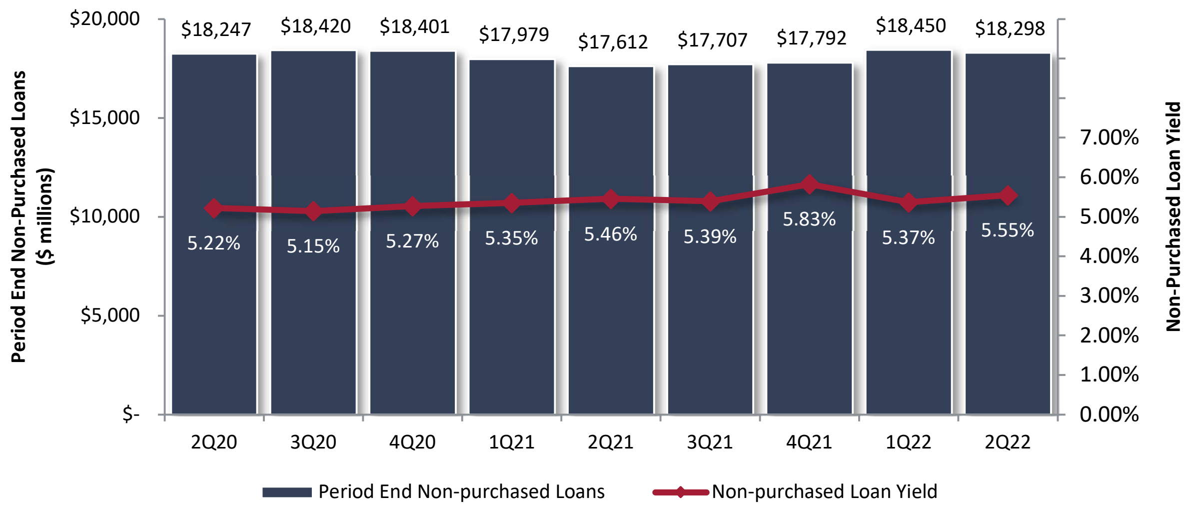
Figure 2: Total Loan Balances and Yields



Non-purchased Loans

Non-purchased loans, which are all loans excluding the remaining loans from acquisitions, accounted for 97.6% of our average total loans and 78.2% of our average earning assets in the quarter just ended. As illustrated in Figure 3, non-purchased loans were $18.30 billion at June 30, 2022, an increase of $0.69 billion, or 3.9%, as compared to June 30, 2021, but a decrease of $0.15 billion, or 0.8% compared to March 31, 2022. For the first six months of 2022, our outstanding balance of non-purchased loans increased $0.51 billion, or 2.8%.

Figure 3: Non-Purchased Loan Balances and Yields



In the second quarter of 2022, our yield on non-purchased loans was 5.55%, an increase of nine basis points ("bps") from the second quarter of 2021, and an increase of 18 bps from the first quarter of 2022. For the first six months of 2022, our yield on non-purchased loans was 5.46%, an increase of five bps from the first six months of 2021.

Due to record loan repayments in the quarter just ended, RESG accounted for 61% of the funded balance of non-purchased loans as of June 30, 2022, compared to 64% at both December 31, 2021 and March 31, 2022. RESG's funded balance of non-purchased loans decreased $0.65 billion and $0.29 billion, respectively, during the second quarter and first six months of 2022. Figures 4 and 5 reflect the changes in the funded balance of RESG loans for the second quarter of 2022 and first six months of 2022, respectively.

Figure 4: Activity in RESG Funded Balances – 2Q22 ($ billions)

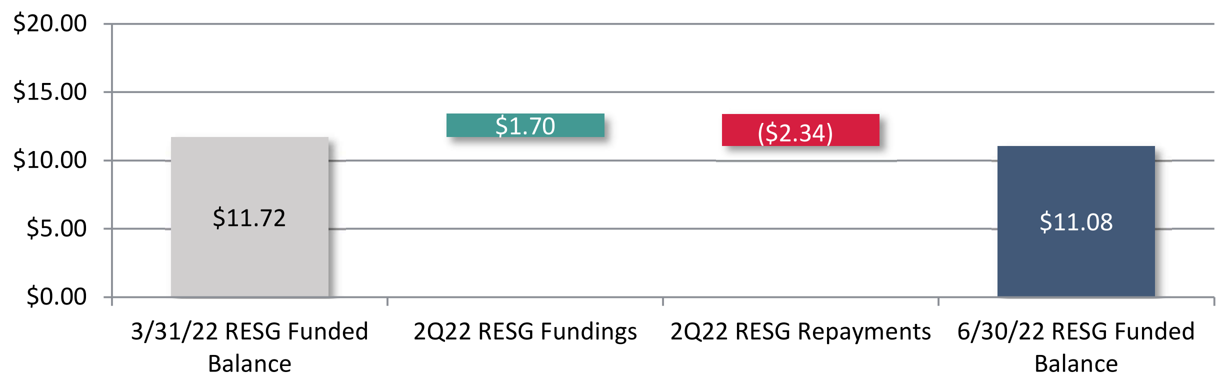


Figure 5: Activity in RESG Funded Balances – 6M22 ($ billions)

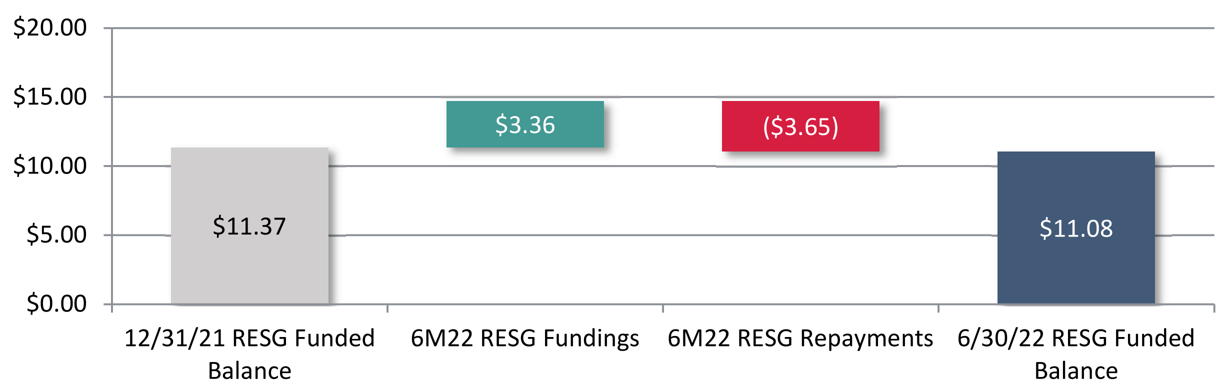


Figure 6 shows RESG's loan originations for each of the last 22 quarters. RESG loan originations for the second quarter of 2022 were a record of $3.53 billion, which was its third consecutive record quarter. RESG loan originations for the first six months of 2022 were $6.67 billion. Given the typical lag between RESG originations and the funding of such loans, the contributions to net growth in funded loan balances from the recent record origination volumes should mostly occur in 2023 and 2024.

Figure 6: RESG Quarterly Loan Originations
($ billions)

	Q1	Q2	Q3	Q4	Total*
FY2017	$2.30	$2.04	$2.21	$2.56	$9.11
FY2018	$1.00	$1.19	$1.47	$1.08	$4.74
FY2019	$1.86	$1.15	$2.03	$1.44	$6.48
FY2020	$1.76	$1.67	$1.40	$1.77	$6.59
FY2021	$1.28	$1.46	$2.21	$2.99	$7.94
FY2022	$3.14	$3.53			$6.67

**6M22 Not Annualized*

We currently have a strong pipeline, which, despite macroeconomic uncertainty, makes us cautiously optimistic about our potential loan origination volume for the remainder of 2022. RESG's origination volume may vary significantly from quarter to quarter and may be impacted by interest rates, economic conditions, competition or other factors.

Figure 7 shows RESG's loan repayments for each of the last 22 quarters. RESG had record loan repayments of $2.34 billion in the quarter just ended. RESG loan repayments for the first six months of 2022 were $3.65 billion. As we have previously stated, we expect RESG loan repayments for the full year of 2022 will exceed the record level of 2021. Accordingly, we expect substantial loan repayments in the remaining quarters of 2022. RESG loan repayments may vary substantially from quarter to quarter and may have an outsized impact in one or more quarters.

Figure 7: RESG Quarterly Loan Repayments
($ billions)

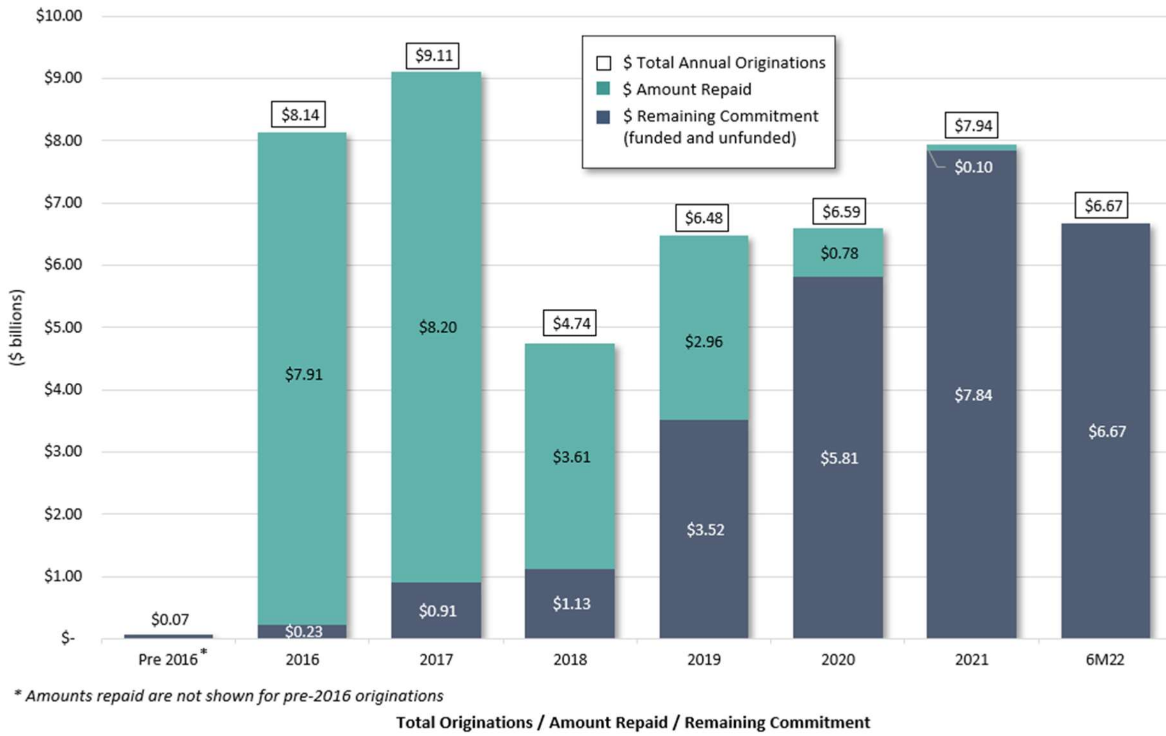
	Q1	Q2	Q3	Q4	Total*
FY2017	$0.57	$0.98	$0.87	$1.45	$3.86
FY2018	$0.79	$1.40	$1.52	$1.11	$4.82
FY2019	$1.13	$1.54	$1.34	$1.66	$5.67
FY2020	$1.00	$0.69	$0.65	$1.19	$3.54
FY2021	$1.48	$1.68	$1.34	$1.72	$6.22
FY2022	$1.31	$2.34			$3.65

**6M22 Not Annualized*

Notwithstanding the expected headwinds from RESG loan repayments, we expect to achieve positive loan growth for total loans during 2022.

Figure 8 illustrates the cadence of RESG loan originations and repayments. It shows the amount of each year's originations which have been repaid and which remain as outstanding commitments, both funded and unfunded, as of June 30, 2022.

Figure 8: RESG Origination and Repayment Trends by Year of Origination *(Total Commitment)*



At June 30, 2022, RESG accounted for 86% of our $17.37 billion of unfunded balance of loans already closed. Figures 9 and 10 reflect the changes in the unfunded balance of our loans already closed, both RESG and others, for the second quarter of 2022 and first six months of 2022, respectively. The total unfunded balance increased $2.42 billion during the second quarter of 2022 and $3.75 billion over the first six months of 2022. This increased unfunded balance should contribute meaningfully to growth in our funded loan balances in 2023 and 2024, even after expected loan repayments.

Figure 9: Activity in Unfunded Balances – 2Q22 ($ billions)

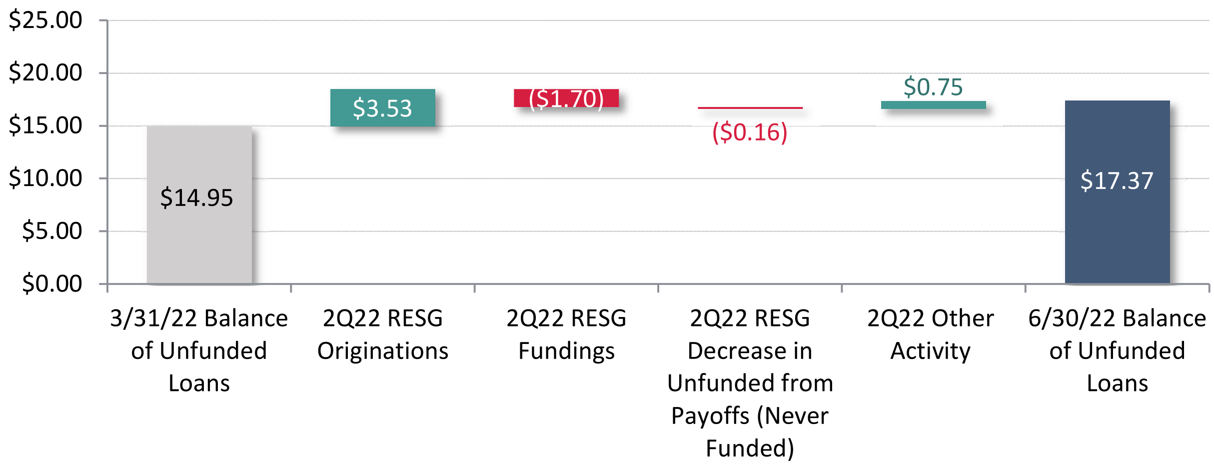
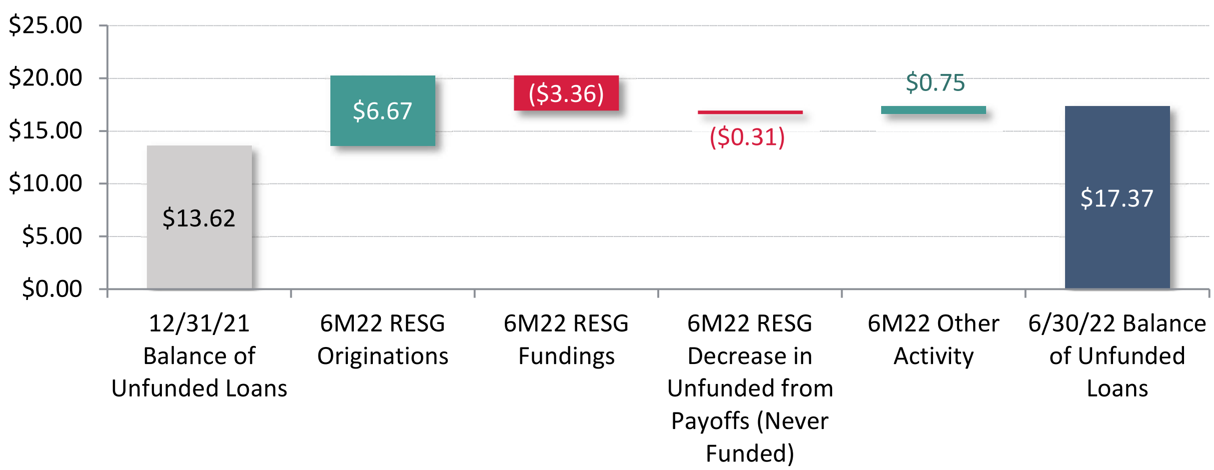


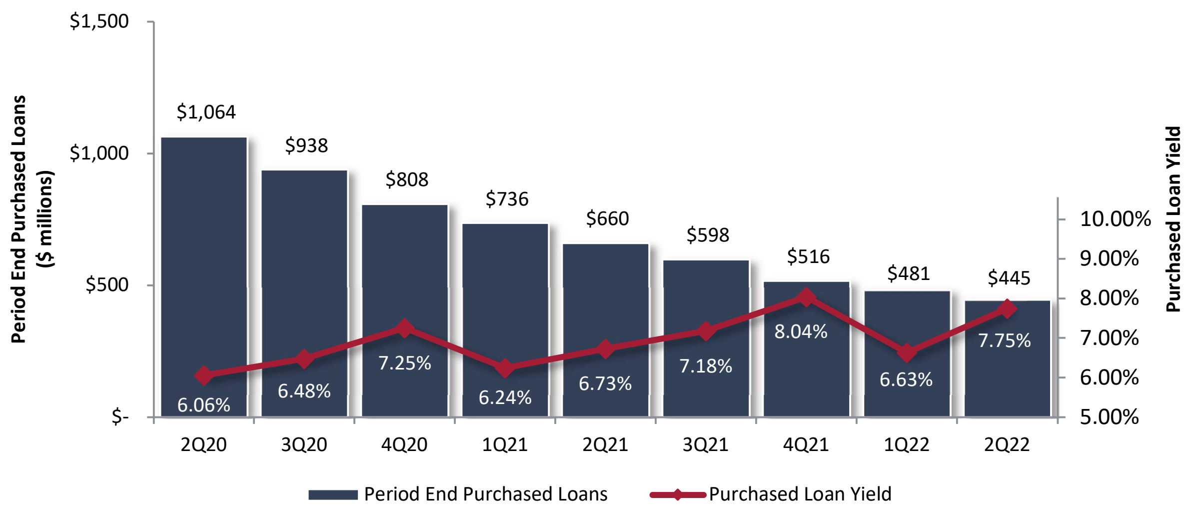
Figure 10: Activity in Unfunded Balances – 6M22 ($ billions)



Purchased Loans

Purchased loans, which are the remaining loans from acquisitions, accounted for 2.4% of average total loans and 2.0% of our average earning assets in the quarter just ended. During the quarter, our purchased loan portfolio decreased $0.04 billion, or 7.5%, to $0.45 billion at June 30, 2022. For the first six months, our purchased loan portfolio decreased by $0.07 billion, or 13.8%. Figure 11 shows recent purchased loan portfolio trends.

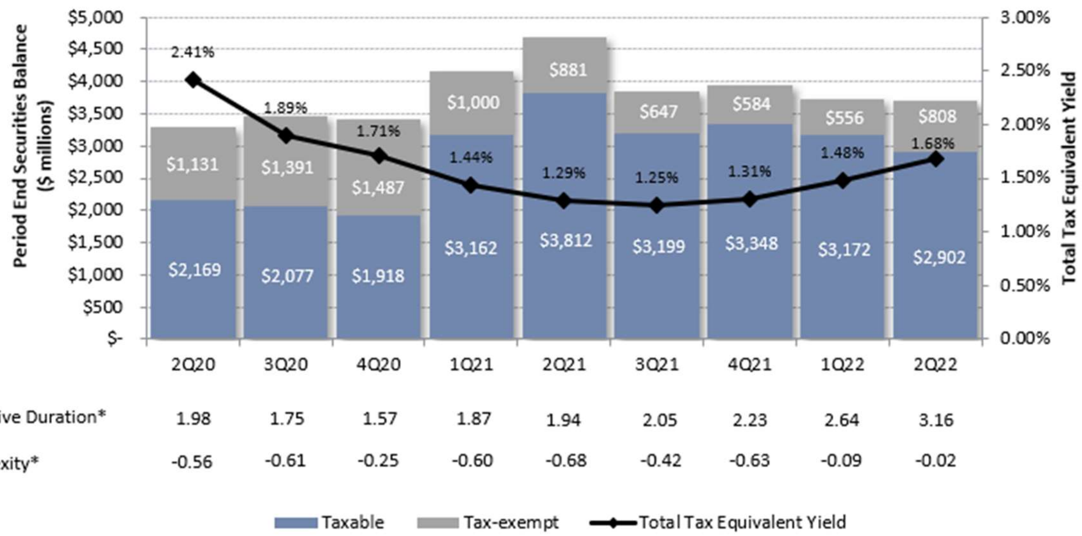
Figure 11: Purchased Loan Balances and Yields



Investment Securities

As illustrated in Figure 12, at June 30, 2022, our investment securities portfolio was $3.71 billion, a decrease of $0.02 billion, or 0.6% as compared to March 31, 2022, and $0.99 billion, or 21.0%, as compared to June 30, 2021. In the second quarter of 2022, the yield on our investment portfolio, on a fully taxable equivalent basis, was 1.68%, an increase of 39 bps from the second quarter of 2021 and 20 bps from the first quarter of 2022.

Figure 12: Investment Portfolio Balances and Yields



** Effective duration and convexity data as of the end of each respective quarter.*

In recent years, we have purchased mostly short-term securities. Our intent was to have substantial cash flow from the portfolio to reinvest as interest rates increased or to otherwise deploy as needed. As a result, principal cash flow from maturities and other principal repayments in the third quarter of 2022 is expected to be approximately $0.28 billion, or about 7.6% of our total investment securities portfolio. Cumulative principal cash flow for the next four quarters through June 30, 2023 is expected to be approximately $0.73 billion, or about 19.6% of our total investment securities portfolio. In the quarter just ended, we purchased bonds with attractive yields and moderately longer duration, which contributed to both the increase in our portfolio yield for the quarter and the increase in the effective duration of the portfolio as of June 30, 2022.

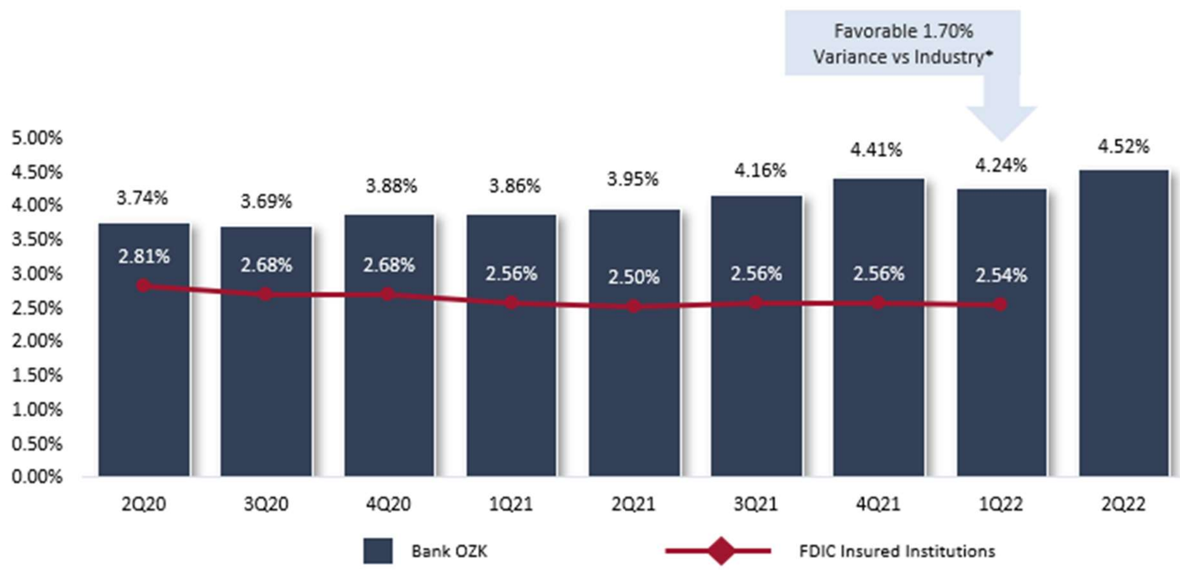
We may increase or decrease our investment securities portfolio in future quarters based on changes in our liquidity position, prevailing market conditions and other factors.

Net Interest Margin and Core Spread

During the quarter just ended, our yield on average earning assets increased more than our cost of interest bearing liabilities. As a result, our net interest margin improved to 4.52%, an increase of 28 bps from the first quarter of 2022.

As shown in Figure 13, in the first quarter of 2022, the latest quarter for which comparative data is available, our net interest margin outperformed the industry by 170 bps.

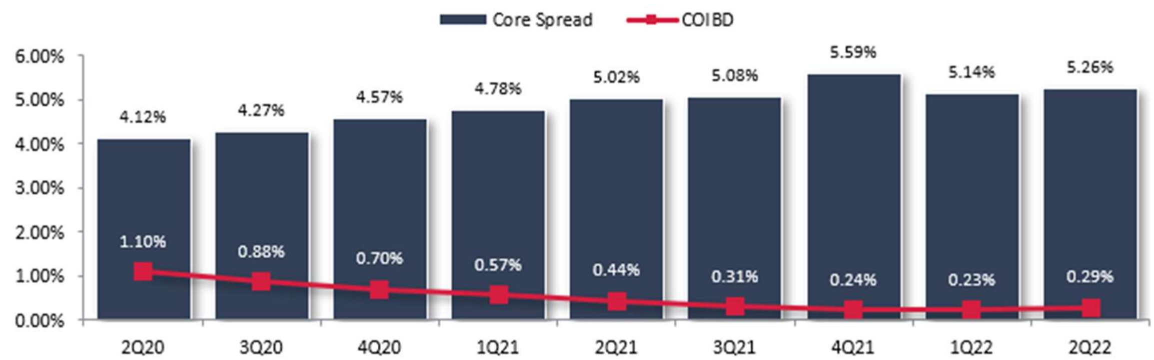
Figure 13: Quarterly Net Interest Margin (%)



*Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated first quarter 2022.

Similarly, as reflected in Figure 14, our core spread in the quarter just ended improved to 5.26%, an increase of 12 bps from the first quarter of 2022. This resulted from our yield on non-purchased loans increasing 18 bps, while our COIBD increased just six bps.

Figure 14: Core Spread and COIBD



	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Yield on Non-purchased loans	*5.22%*	*5.15%*	*5.27%*	*5.35%*	*5.46%*	*5.39%*	*5.83%*	*5.37%*	*5.55%*
COIBD	*1.10%*	*0.88%*	*0.70%*	*0.57%*	*0.44%*	*0.31%*	*0.24%*	*0.23%*	*0.29%*
Core Spread	*4.12%*	*4.27%*	*4.57%*	*4.78%*	*5.02%*	*5.08%*	*5.59%*	*5.14%*	*5.26%*

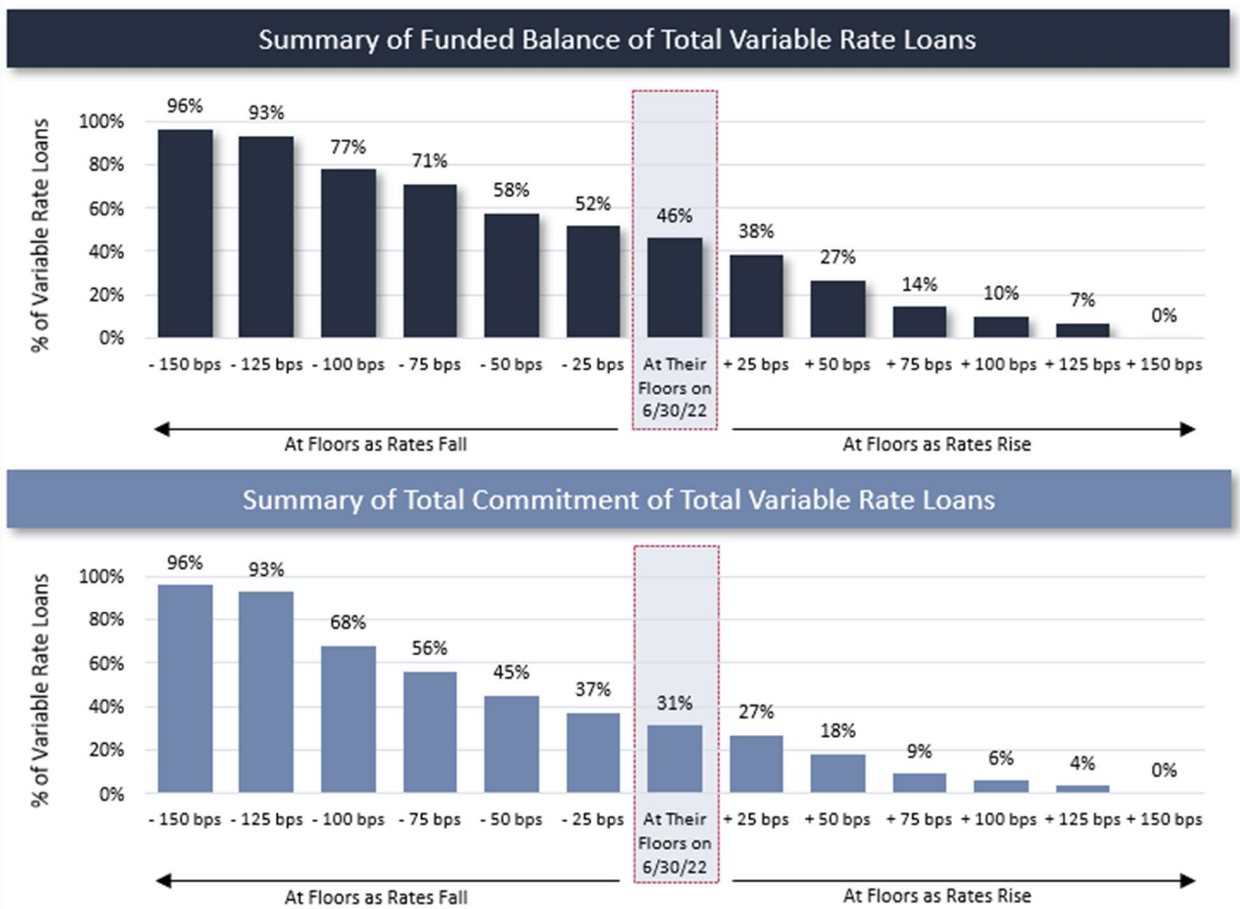
Maintaining or improving our core spread in future quarters will depend on our ability to continue to increase our yield on non-purchased loans at a rate equal to or exceeding the increase in our COIBD. Given the high percentage of variable rate loans within our portfolio and considering that most of those loans are either already above or will likely move above their floor rates this quarter, we expect our yield on non-purchased loans to continue to increase in the current quarter and throughout the Fed tightening cycle. We also expect our COIBD to increase throughout the Fed tightening cycle. In the quarter just ended, our non-purchased loan yields increased more than our COIBD, since deposit rates naturally tend to lag early in the Fed tightening cycle. Our COIBD may increase in tandem with or more than our non-purchased loan yields later in the Fed tightening cycle when we also expect to be growing deposits to fund increasing loan growth.

Variable Rate Loans

At June 30, 2022, 76% of our funded balance of total loans had variable rates, of which 67% were tied to 1-month LIBOR, 17% to WSJ Prime, 15% to 1-month term SOFR and 1% to other indexes.

At June 30, 2022, 98% of our variable rate total loans (non-purchased and purchased) had floor rates. As of June 30, 2022, 46% of the funded balance of total loans in our variable rate loan portfolio were at their floors, and 31% of the total commitment of variable rate loans were at their floors. Figure 15 illustrates the volume of our funded balance and our total commitments of total variable rate loans at June 30, 2022 that would be expected to be at their floors with future moves, either up or down, in interest rates.

Figure 15: Impact of Variable Rate Loan Floors (Funded Balance and Total Commitment) at June 30, 2022



Non-interest Income

Non-interest income for the second quarter of 2022 was $26.3 million, a decrease of 5.1% from the second quarter of 2021 and 16.4% from the first quarter of 2022. For the first six months of 2022, non-interest income was $57.8 million, a decrease of 3.4% from $59.9 million for the first six months of 2021. Figures 16 and 17, respectively, summarize non-interest income for the most recent nine quarters and year-over-year trends for the second quarter of 2022 and first six months of 2022.

Figure 16: Quarterly Trends in Non-interest Income *($ thousands)*

	For the Three Months Ended								
	6/30/2020	9/30/2020	12/31/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022
Service charges on deposit accounts:									
NSF fees	$ 652	$ 819	$ 998	$ 862	$ 848	$ 1,045	$ 1,092	$ 1,080	$ 1,079
Overdraft fees	2,050	2,675	3,026	2,461	2,396	3,035	3,223	3,121	3,168
All other service charges	5,579	5,933	5,959	6,342	7,067	7,097	7,149	6,690	7,184
Trust income	1,759	1,936	1,909	2,206	1,911	2,247	2,141	2,094	1,911
BOLI income:									
Increase in cash surrender value	5,057	5,081	5,034	4,881	4,919	4,940	4,901	4,793	4,846
Death benefit	-	-	-	1,409	-	-	618	297	-
Loan service, maintenance and other fees	3,394	3,351	3,797	3,551	3,953	3,307	3,148	3,018	3,603
Net gains on investment securities - AFS	-	2,244	-	-	-	-	-	-	-
Net gains (losses) on investment securities - Trading	-	-	-	-	-	-	504	(90)	531
Gains (losses) on sales of other assets	621	891	5,189	5,828	2,341	463	1,330	6,992	784
Other	2,479	3,746	2,749	4,577	4,307	3,850	5,589	3,480	3,214
Total non-interest income	$ 21,591	$ 26,676	$ 28,661	$ 32,117	$ 27,742	$ 25,984	$ 29,695	$ 31,475	$ 26,320

Figure 17: Trends in Non-interest Income – 2021 vs. 2022 *($ thousands)*

	For the Six Months Ended			For the Three Months Ended		
	6/30/2021	6/30/2022	% Change	6/30/2021	6/30/2022	% Change
Service charges on deposit accounts:						
NSF fees	$ 1,710	$ 2,159	26.3%	$ 848	$ 1,079	27.3%
Overdraft fees	4,857	6,290	29.5%	2,396	3,168	32.2%
All other service charges	13,410	13,874	3.5%	7,067	7,184	1.6%
Trust income	4,118	4,005	-2.7%	1,911	1,911	0.0%
BOLI income:						
Increase in cash surrender value	9,799	9,639	-1.6%	4,919	4,846	-1.5%
Death benefit	1,409	297	-78.9%	-	-	NM
Loan service, maintenance and other fees	7,504	6,621	-11.8%	3,953	3,603	-8.9%
Net gains on investment securities - AFS	-	-	NM	-	-	NM
Net gains (losses) on investment securities - Trading	-	441	NM	-	531	NM
Gains (losses) on sales of other assets	8,169	7,776	-4.8%	2,341	784	-66.5%
Other	8,884	6,694	-24.6%	4,307	3,214	-25.4%
Total non-interest income	$ 59,859	$ 57,796	-3.4%	$ 27,742	$ 26,320	-5.1%

Non-interest Expense

Non-interest expense for the second quarter of 2022 was $109.3 million, an increase of 5.4 % from the second quarter of 2021 and 1.5% from the first quarter of 2022. For the first six months of 2022, non-interest expense was $217.0 million, an increase of 3.5% from $209.8 million for the first six months of 2021. A slower than expected pace of filling open job positions contributed to our better than expected non-interest expense in the quarter just ended. We expect upward pressure on salaries and benefit costs as we continue to respond to the ongoing competitive conditions in the labor market, fill currently unfilled positions, and add team members to support future growth. We have recently seen an acceleration in our filling of open job positions, which, among other factors, should result in increases in our non-interest expense over the next several quarters. Figures 18 and 19, respectively, summarize non-interest expense for the most recent nine quarters and year-over-year trends for the second quarter of 2022 and first six months of 2022.

Figure 18: Quarterly Trends in Non-interest Expense *($ thousands)*

	For the Three Months Ended								
	6/30/2020	9/30/2020	12/31/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022
Salaries & employee benefits	$ 48,410	$ 53,119	$ 53,832	$ 53,645	$ 52,119	$ 53,769	$ 55,034	$ 54,648	$ 54,412
Net occupancy and equipment	15,756	16,676	15,617	16,468	16,168	17,161	17,004	17,215	17,014
Professional and outside services	7,629	8,320	7,026	6,326	7,724	7,084	7,880	7,082	8,461
Advertising and public relations	1,704	1,557	1,086	308	593	719	1,151	1,259	1,103
Telecommunication services	2,334	2,352	2,296	2,232	2,165	1,966	2,064	2,010	1,921
Software and data processing	5,145	5,431	5,729	5,792	6,006	5,897	6,165	5,921	6,223
Travel and meals	710	689	835	774	1,419	1,617	1,883	1,758	2,186
FDIC insurance and state assessments	4,585	3,595	3,647	3,520	2,885	2,655	2,125	2,150	2,100
Amortization of intangibles	2,582	1,914	1,794	1,730	1,602	1,545	1,517	1,517	1,516
Postage and supplies	1,892	1,808	1,709	1,645	1,544	1,530	1,909	1,698	1,507
ATM expense	1,002	1,604	1,490	1,283	1,486	1,846	1,639	1,509	1,488
Loan collection and repossession expense	857	1,030	481	509	540	407	587	325	353
Writedowns of foreclosed assets	720	488	1,582	1,363	123	990	985	258	-
Amortization of CRA and tax credit investments	3,107	1,611	823	4,125	3,227	4,972	2,755	5,102	4,628
Other expenses	4,520	5,447	5,447	6,339	6,110	8,239	7,408	5,263	6,388
Total non-interest expense	$ 100,953	$ 105,641	$ 103,394	$ 106,059	$ 103,711	$ 110,397	$ 110,106	$ 107,715	$ 109,300

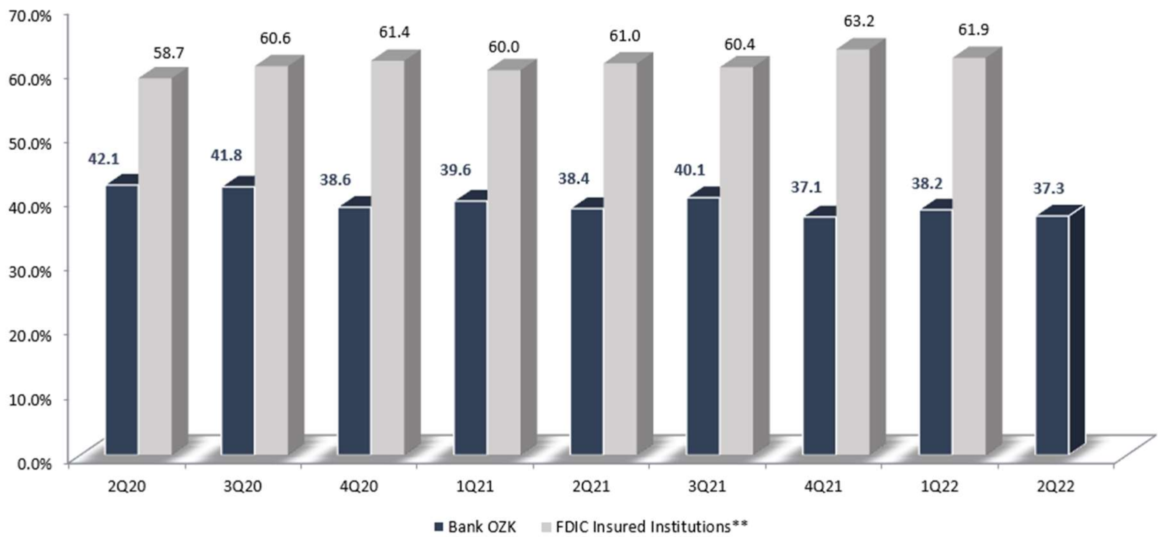
Figure 19: Trends in Non-interest Expense – 2021 vs. 2022 *($ thousands)*

	For the Six Months Ended			For the Three Months Ended		
	6/30/2021	6/30/2022	% Change	6/30/2021	6/30/2022	% Change
Salaries & employee benefits	$ 105,764	$ 109,060	3.1%	$ 52,119	$ 54,412	4.4%
Net occupancy and equipment	32,636	34,230	4.9%	16,168	17,014	5.2%
Professional and outside services	14,050	15,543	10.6%	7,724	8,461	9.5%
Advertising and public relations	902	2,362	161.9%	593	1,103	86.0%
Telecommunication services	4,397	3,931	-10.6%	2,165	1,921	-11.3%
Software and data processing	11,798	12,144	2.9%	6,006	6,223	3.6%
Travel and meals	2,193	3,944	79.8%	1,419	2,186	54.1%
FDIC insurance and state assessments	6,405	4,250	-33.6%	2,885	2,100	-27.2%
Amortization of intangibles	3,332	3,033	-9.0%	1,602	1,516	-5.4%
Postage and supplies	3,189	3,205	0.5%	1,544	1,507	-2.4%
ATM expense	2,769	2,997	8.2%	1,486	1,488	0.1%
Loan collection and repossession expense	1,049	678	-35.4%	540	353	-34.6%
Writedowns of foreclosed assets	1,486	258	-82.6%	123	-	NM
Amortization of CRA and tax credit investments	7,352	9,730	32.3%	3,227	4,628	43.4%
Other expenses	12,449	11,651	-6.4%	6,110	6,388	4.5%
Total non-interest expense	$ 209,771	$ 217,016	3.5%	$ 103,711	$ 109,300	5.4%

Efficiency Ratio

As shown in Figure 20, in the quarter just ended, our efficiency ratio was 37.3%. Our efficiency ratio remains among the best in the industry, having now been among the top decile of the industry for 20 consecutive years.*

Figure 20: Quarterly Efficiency Ratio (%)



** Data from S&P Capital IQ.*
*** Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated first quarter 2022.*

Provision and Allowance for Credit Losses

Our provision for credit losses was $7.0 million for the second quarter and $11.2 million for the first six months of 2022 compared to negative provision for credit losses of $30.9 million for the second quarter and $62.5 million for the first six months of 2021.

As of June 30, 2022, our allowance for loan losses (“ALL”) for outstanding loans was $190.8 million, or 1.02% of total outstanding loans, and our reserve for losses on unfunded loan commitments was $109.1 million, or 0.63% of unfunded loan commitments, bringing our total ACL, which includes the ALL and the reserve for losses on our unfunded loans commitments, to $299.9 million.

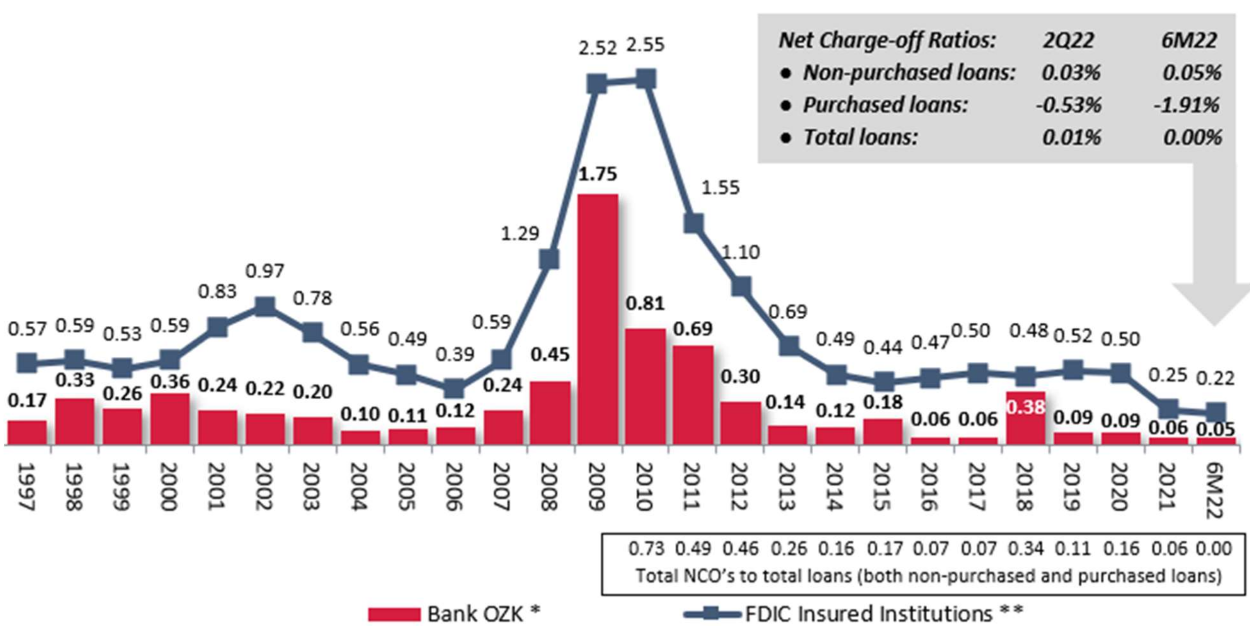
The calculations of our provision expense for the second quarter of 2022 and our total ACL at June 30, 2022 were based on a number of key estimates, assumptions and economic forecasts. We utilized recent economic forecasts provided by Moody’s, including their updates released in June 2022. In our selection of macroeconomic scenarios, we assigned our largest weighting to the Moody’s S4 (Alternative Adverse Downside) scenario and smaller weightings to the Moody’s S6 (Stagflation) and Baseline scenarios. Our selection and weightings of these scenarios reflected our assessment of conditions in the U.S. economy, and acknowledged the uncertainty regarding future U.S. economic conditions, including the risk of a recession in the near-term, elevated inflationary pressures, the impacts of the ongoing war in Ukraine, the impacts of U.S. fiscal policy actions, increases in the Fed funds target rate, prospects for a shrinking of the Federal Reserve balance sheet, supply chain disruptions, global trade and geopolitical matters, uncertainties about the COVID-19 pandemic, and various other factors. Our ACL at June 30, 2022 included certain qualitative adjustments to capture items that we thought were not fully reflected in our modeled results.

Asset Quality

We have continued our long-standing track record of having net charge-off ratios well below industry averages, as shown in Figure 21. In the quarter just ended, our annualized net charge-off ratio for non-purchased loans was 0.03%, for purchased loans was -0.53%, and for total loans was 0.01%. For the first six months of 2022, our annualized net charge-off ratio for non-purchased loans was 0.05%, for purchased loans was -1.91%, and for total loans was 0.00%. In our 25 years as a public company, our net charge-off ratio for non-purchased loans has outperformed the industry's net charge-off ratio every year and has averaged only about one-third of the industry's net charge-off ratio.

Our loan portfolio has performed very well in recent years, as our net charge-off ratio for total loans has continued to be in the lower end of our long-term historical range. We have built our portfolio with the goal that it will perform well in adverse economic conditions, and that discipline has been evident in our recent results.

Figure 21: Annualized Net Charge-off Ratio vs. the Industry



**Unless otherwise indicated, Bank OZK data excludes purchased loans and net charge-offs related to such loans.*
***Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated first quarter 2022.*
Annualized when appropriate.

As shown in Figure 22, in RESG's 19-year history, we have incurred losses on only a small number of credits. As of June 30, 2022, the weighted average annual net charge-off ratio (including OREO write-downs) for the RESG portfolio over its 19-year history was nine bps.

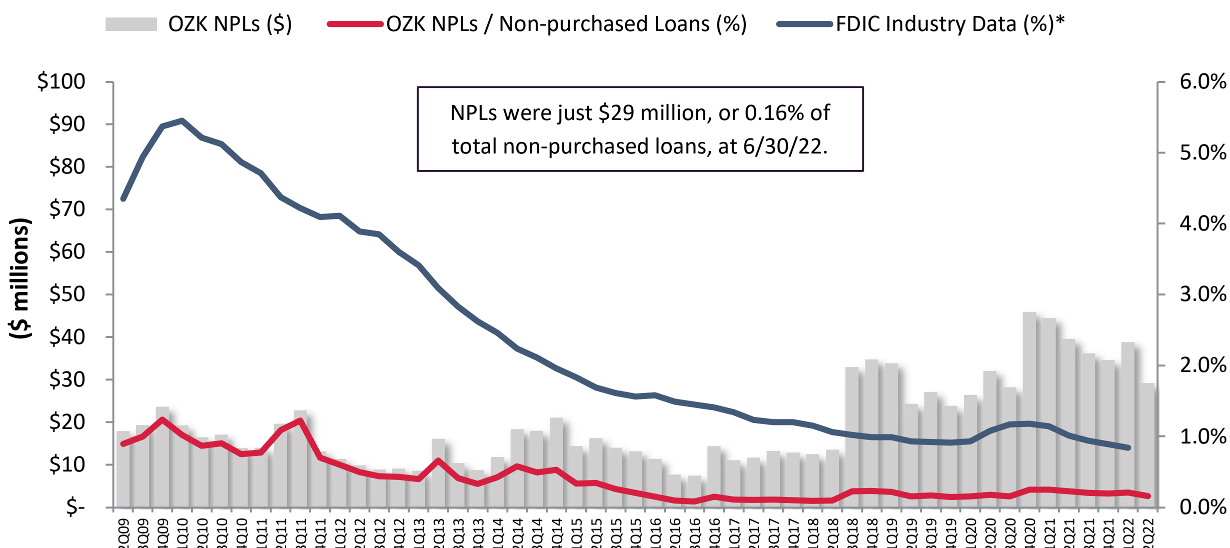
Figure 22 - RESG Historical Net charge-offs *($ Thousands)*

Year-end	Ending Loan Balance	YTD Average Loan Balance	Net charge-offs ("NCO")*	NCO Ratio**
2003	$ 5,106	$ 780	$ -	0.00%
2004	52,658	34,929	-	0.00%
2005	51,056	56,404	-	0.00%
2006	61,323	58,969	-	0.00%
2007	209,524	135,639	-	0.00%
2008	470,485	367,279	-	0.00%
2009	516,045	504,576	7,531	1.49%
2010	567,716	537,597	-	0.00%
2011	649,806	592,782	2,905	0.49%
2012	848,441	737,136	-	0.00%
2013	1,270,768	1,085,799	-	0.00%
2014	2,308,573	1,680,919	-	0.00%
2015	4,263,800	2,953,934	-	0.00%
2016	6,741,249	5,569,287	-	0.00%
2017	8,169,581	7,408,367	842	0.01%
2018	9,077,616	8,685,191	45,490	0.52%
2019	9,391,096	9,427,266	-	0.00%
2020	11,591,147	10,651,549	-	0.00%
2021	11,367,505	11,149,098	1,891	0.02%
6/30/2022	11,076,149	11,573,493	-	0.00%
Total			**$ 58,659**	
		Weighted Average		**0.09%**

** Net charge-offs shown in this column reflect both net charge-offs and OREO write-downs.*
*** Annualized.*

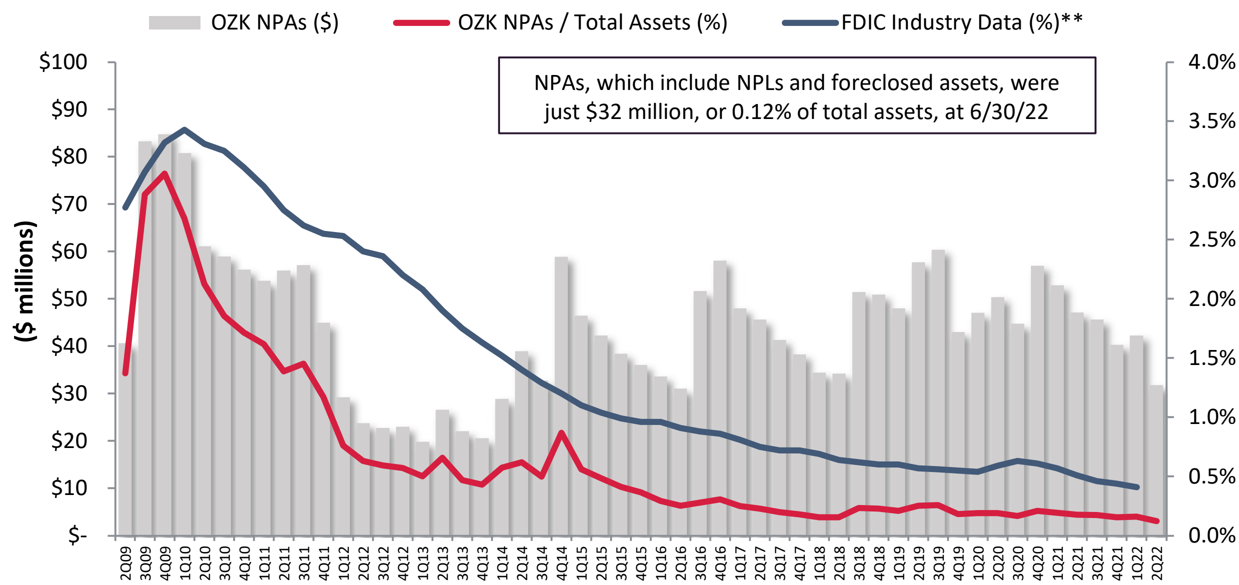
As shown in Figures 23, 24 and 25, the dollar volumes of our nonperforming non-purchased loans, nonperforming assets and past due non-purchased loans continued our longstanding track record of outperforming industry averages. We expect our asset quality to continue our long tradition of outperforming industry averages.

Figure 23: Nonperforming Non-purchased Loans ("NPLs")



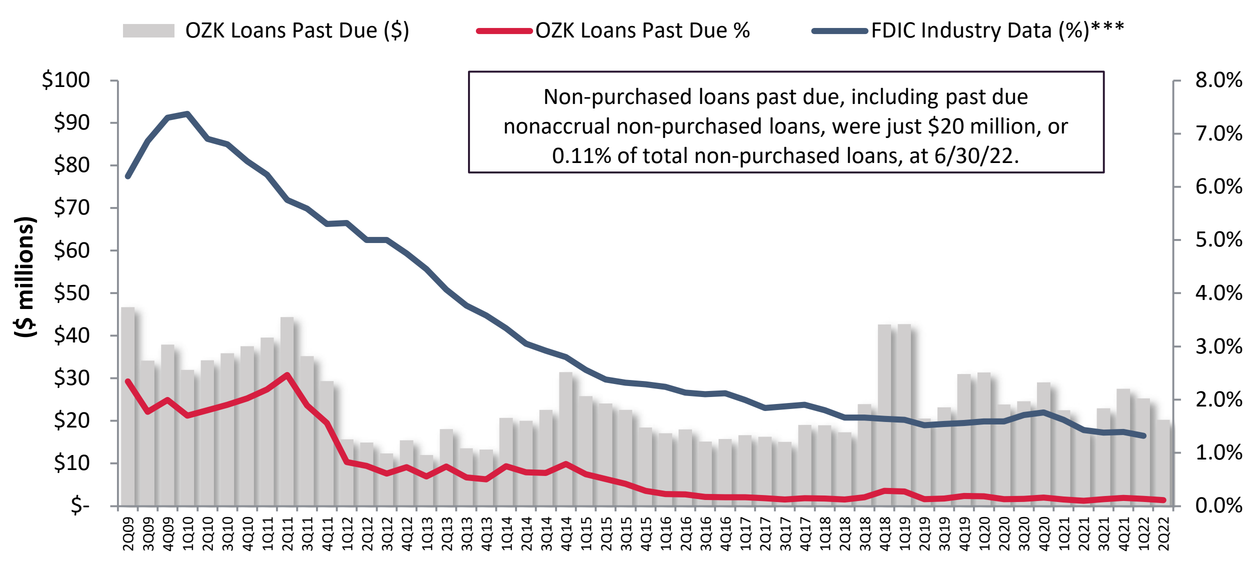
** Note: Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated first quarter 2022. Percent of Loans Noncurrent is the percentage of loans that are past due 90 days or more or that are in nonaccrual status.*

Figure 24: Nonperforming Assets ("NPAs")



*** Note: Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated first quarter 2022. Noncurrent assets plus other real estate owned to assets (%).*

Figure 25: Non-purchased Loans Past Due 30+ Days, Including Past Due Nonaccrual Non-purchased Loans ("Loans Past Due")



**** Note: Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated first quarter 2022. Percent of Loans Noncurrent + Percent of Loans 30-89 Days Past Due.*

Loan Portfolio Diversification & Leverage

Figures 26 and 27 reflect the mix in our non-purchased loan growth in the second quarter of 2022 and for the first six months of 2022. We are pleased to see the growth year-to-date in Community Banking, Indirect RV & Marine and our Asset Based Lending Group ("ABLG") and their contribution to greater portfolio diversification. We are cautiously optimistic regarding continued growth from these teams.

Figure 26: Non-purchased Loan Growth – 2Q22 ($ millions)

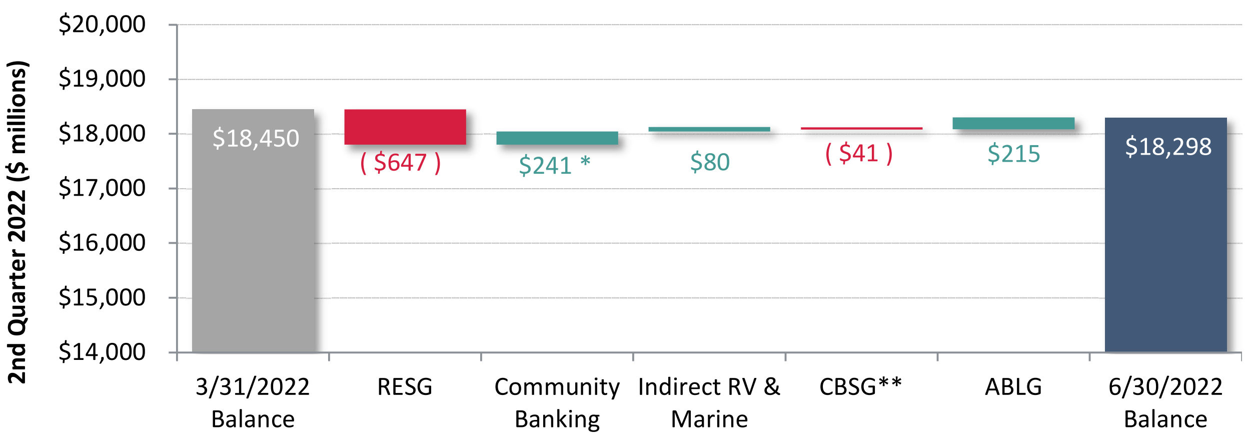
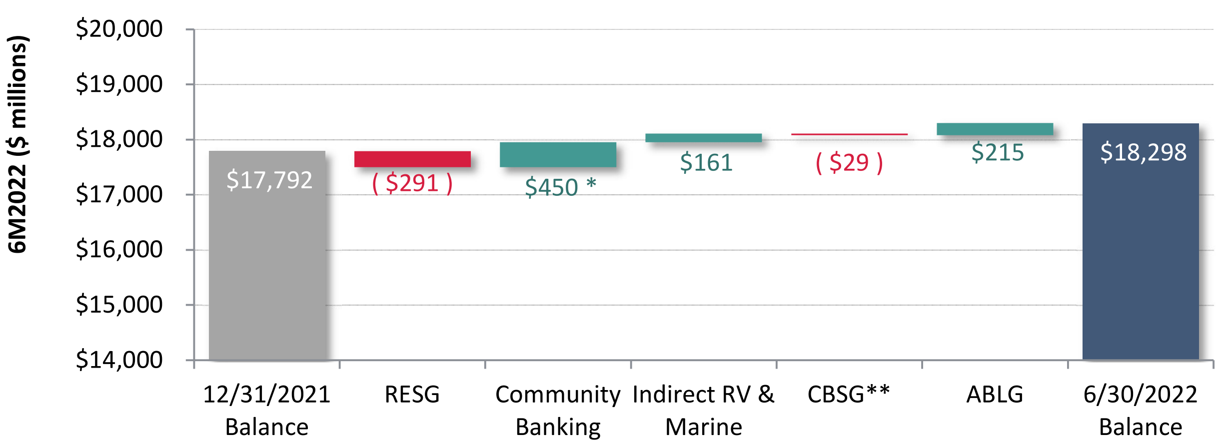


Figure 27: Non-purchased Loan Growth – 6M22 ($ millions)

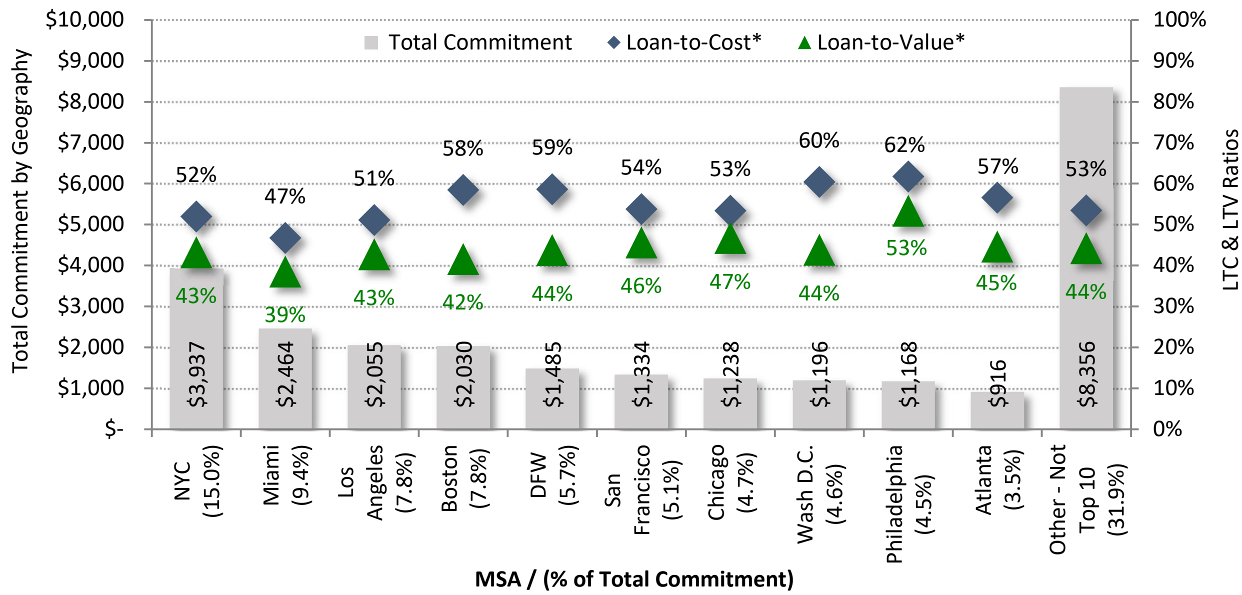


** Includes the net balance of loans originated through the SBA's PPP. For the second quarter and first six months of 2022, that includes net payoffs of SBA PPP loans of $24 million and $57 million, respectively.*

*** Corporate & Business Specialties Group ("CBSG") is a team focused on subscription finance, other secured non-real estate lending opportunities, and our small shared national credit portfolio.*

Within the RESG portfolio, we benefit from substantial geographic diversification, as well as low loan-to-cost ("LTC") and loan-to-value ("LTV") ratios, as shown in Figures 28 and 29.

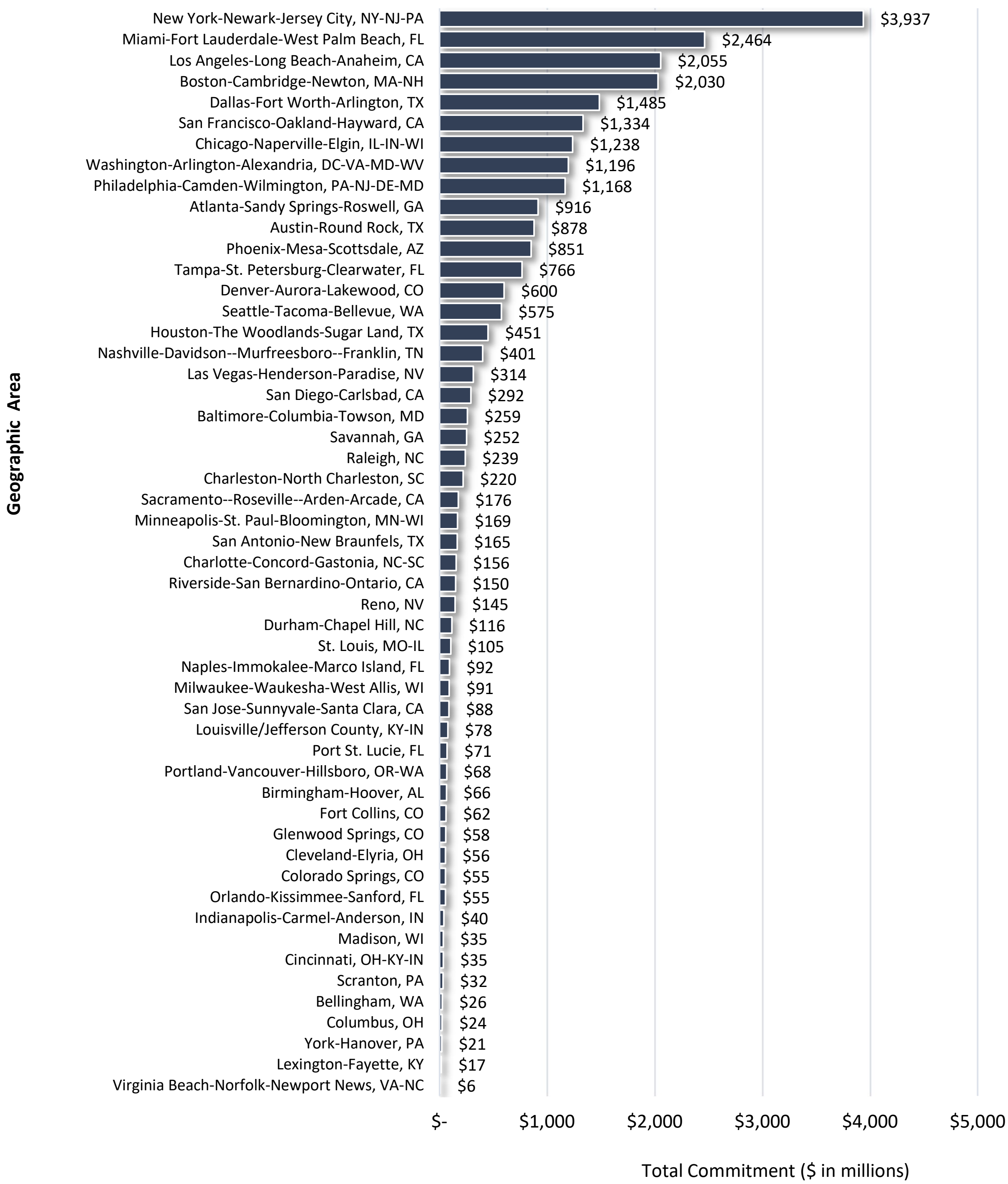
Figure 28: RESG Portfolio Diversity – Top 10 Geographies (As of June 30, 2022) ($ millions)



** LTC and LTV ratios are weighted averages and assume all loans are fully funded. LTV data based on most recent appraisals and utilizing, in most cases, "as stabilized" values for income producing properties.*

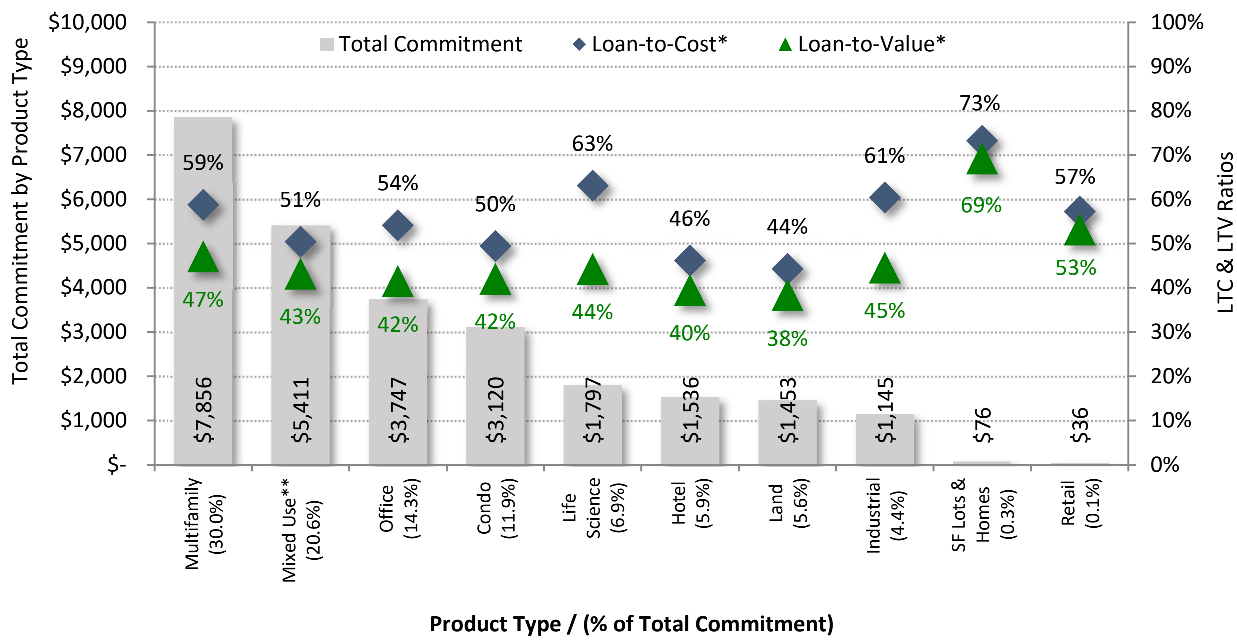
Figure 29 shows RESG's total commitments in each MSA in which it currently has loans, reflecting the national scope and diversity achieved in RESG's business throughout its 19-year history.

Figure 29: RESG's Portfolio Diversity - All Geographies (As of June 30, 2022) ($ millions)



Within the RESG portfolio, we also benefit from substantial diversification by product type as shown in Figure 30.

Figure 30: RESG Portfolio Diversity by Product Type (As of June 30, 2022) ($ millions)



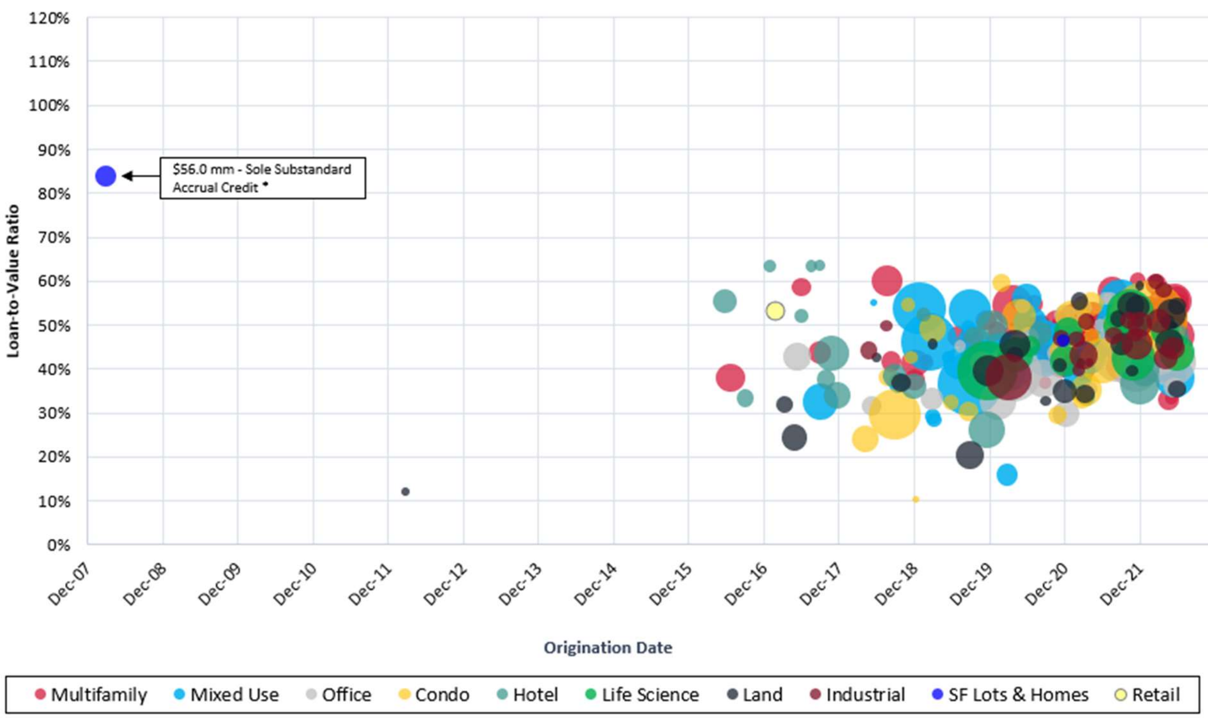
** LTC and LTV ratios are weighted averages and assume all loans are fully funded. LTV data based on most recent appraisals and utilizing, in most cases, "as stabilized" values for income producing properties.*
*** Mixed use projects contain multiple property types, none of which individually contribute 75% or more of the project value.*

The COVID-19 pandemic has impacted many properties in the U.S. in the office and hospitality sectors. Our portfolio has performed very well in this environment, and we have benefited from the fact that most of our loans are on newly constructed, state-of-the-art properties. We expect most of our sponsors will continue to support their office, hotel and other properties, if needed, until business conditions normalize. During the quarter just ended, in the RESG portfolio, four office loans paid off and five new office loans were originated, and four hotel loans paid off and one new hotel loan was originated.

Assuming full funding of every RESG loan, as of June 30, 2022, the weighted average LTC for the RESG portfolio was a conservative 54%, and the weighted average LTV was even lower at just 44%. The LTV metrics on individual loans within the RESG portfolio are illustrated in Figure 31. Other than the one substandard-accruing credit specifically referenced in Figure 31, all other credits in the RESG portfolio have LTV ratios less than 64%.

Figure 31: RESG Portfolio by LTV & Origination Date (As of June 30, 2022)

Bubble Size Reflects Total Funded and Unfunded Commitment Amount



LTV ratios assume all loans are fully funded. LTV data based on most recent appraisals and utilizing, in most cases, "as stabilized" values for income producing properties.

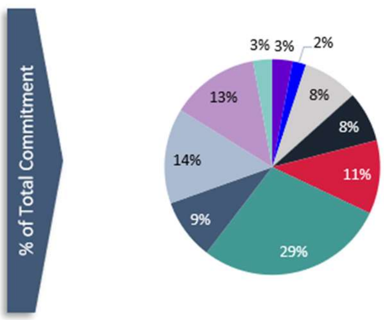
**During the second quarter of 2022, the borrower closed 8 townhomes with gross proceeds of $17.9 million. At June 30, 2022, the borrower had 8 townhomes under contract for $17.8 million. At June 30, 2022, the Bank had a total ACL of $11.5 million, or approximately 20% of the total commitment, related to this credit.*

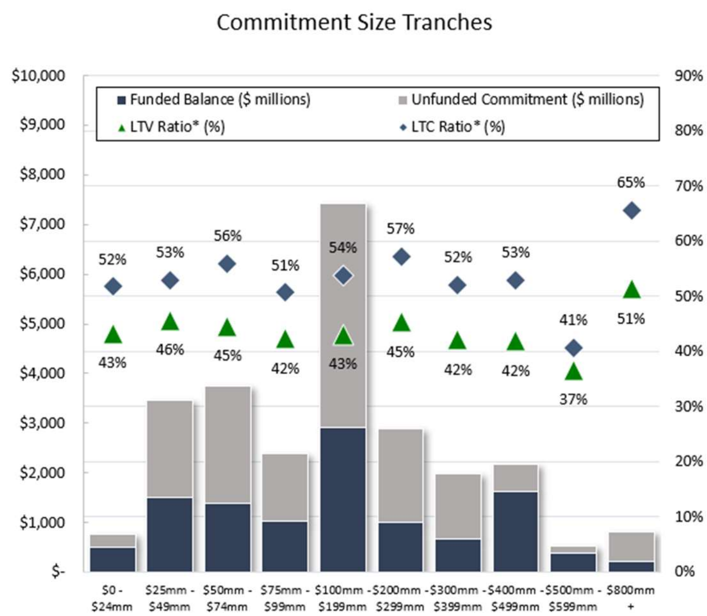
The RESG portfolio includes loans of many different sizes. The stratification of the RESG portfolio by commitment size is reflected in Figure 32.

Figure 32: RESG Portfolio Stratification by Loan Size - Total Commitment (As of June 30, 2022)

($ millions)

Tranche	No. of Loans	Funded Balance	Total Commitment
$800mm +	1	$ 204	$ 800
$500mm - $599mm	1	381	526
$400mm - $499mm	5	1,615	2,178
$300mm - $399mm	6	666	1,993
$200mm - $299mm	12	982	2,887
$100mm - $199mm	55	2,881	7,428
$75mm - $99mm	28	1,006	2,393
$50mm - $74mm	60	1,356	3,745
$25mm - $49mm	94	1,487	3,473
$0 - $24mm	43	497	754
Total	**305**	**$ 11,076**	**$ 26,177**





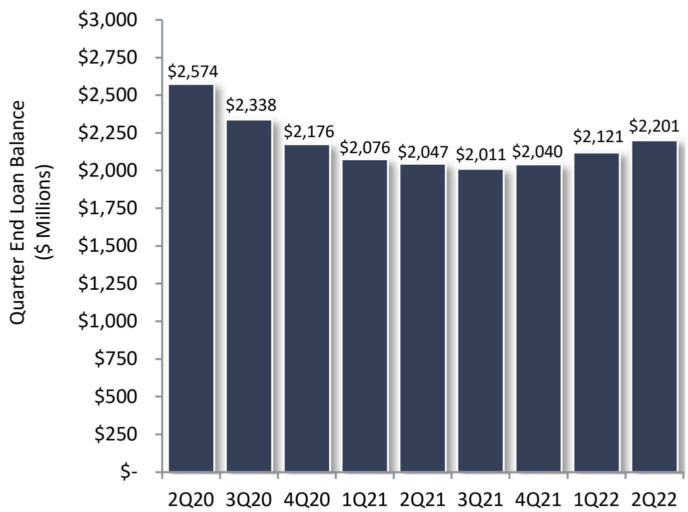
** Assumes all loans are fully funded; calculation based on total commitment by tranche as a % of total cost and total appraised value of loans within each tranche. LTV data based on most recent appraisals and utilizing, in most cases, "as stabilized" values for income producing properties.*

Our Community Banking loans include consumer and small business loans, loans originated by our commercial (generalist) lenders, and loans originated by our specialty lending teams in Community Banking, which include our government guaranteed, agricultural (including poultry), business aviation, affordable housing, middle market CRE, home builder finance and equipment finance/capital solutions lending teams. Growth in these units is an important part of our broader strategy for portfolio diversification, both in terms of product types and geography.

Indirect RV & Marine lending is a nationwide business that has allowed us to originate consumer loans while maintaining our conservative credit-quality standards. Our objective is to maintain this portfolio within a range of at or near 10% of our total loans up to 15% of our total loans.

As of June 30, 2022, the non-purchased indirect portfolio had a 30+ day delinquency ratio of eight bps. For the second quarter and first six months of 2022, our annualized net charge-off ratio for the non-purchased indirect portfolio was 14 bps and 12 bps, respectively. Figure 33 provides additional details regarding this portfolio.

Figure 33: Indirect RV & Marine Outstanding Non-purchased Loan Balances



RV Portfolio

Loan Size	Total #	$ thousands
$1 million +	-	$ -
$750k - $999k	-	-
$250k - $749k	431	135,184
$50k - $249k	9,166	1,000,163
< $50k	5,926	149,702
Total	**15,523**	**$ 1,285,049**

Marine Portfolio

Loan Size	Total #	$ thousands
$1 million +	36	$ 72,650
$750k - $999k	39	33,925
$250k - $749k	476	180,015
$50k - $249k	4,857	547,060
< $50k	2,726	82,417
Total	**8,134**	**$ 916,067**

Deposits and Liquidity

We have worked to improve the mix and quality of our deposit base by focusing significant efforts on growing our consumer and commercial noninterest bearing and other non-time deposits. As shown in Figure 34, over the last four quarters and year to date in 2022, we have achieved growth in non-interest bearing, consumer – non-time and commercial – non-time deposits. During the same periods, we have allowed more expensive time deposit balances to decline moderately, but we expect to be able to replace these deposits when needed. We believe that we have significant capacity for future deposit growth, including core deposit growth, in our existing network of 229 branches.

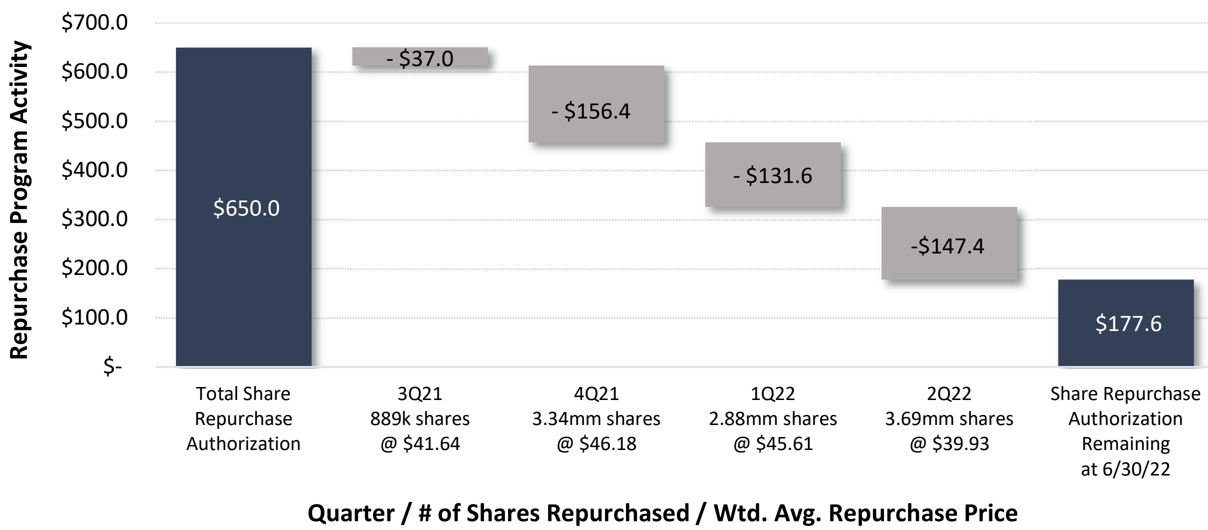
Figure 34: Deposit Composition ($ millions)

	Period Ended					
	6/30/2021		12/31/2021		6/30/2022	
Noninterest Bearing	$ 4,511	21.8%	$ 4,984	24.7%	$ 5,118	25.6%
Consumer and Commercial Interest Bearing:						
Consumer - Non-time	3,982	19.2%	4,334	21.4%	4,462	22.3%
Consumer - Time	5,405	26.1%	4,319	21.4%	3,939	19.7%
Commercial - Non-time	2,363	11.4%	2,635	13.0%	2,788	14.0%
Commercial - Time	1,091	5.3%	905	4.5%	642	3.2%
Public Funds	1,977	9.5%	2,095	10.4%	1,828	9.1%
Brokered	915	4.4%	452	2.2%	815	4.1%
Reciprocal	463	2.2%	485	2.4%	392	2.0%
Total	$ 20,707	100.0%	$ 20,209	100.0%	$ 19,984	100.0%

Stock Repurchase Program

In July 2021, we authorized a stock repurchase program of up to $300 million of our common stock, which authorization was increased to $650 million in October 2021 with an expiration date of November 4, 2022. As shown in Figure 35, since the adoption of our stock repurchase program, we have repurchased $472 million of common stock through June 30, 2022. Given market conditions during the quarter just ended, we repurchased more shares than we originally expected. In the first 20 calendar days of July, we have purchased an additional $20 million of common stock, and we expect our total purchases for the third quarter of 2022 will not exceed $100 million. In evaluating its plans for future stock repurchases, management considers a variety of factors including our capital position, alternative uses of capital, liquidity, financial performance, stock price, regulatory requirements and other factors. We may suspend our stock repurchase program at any time.

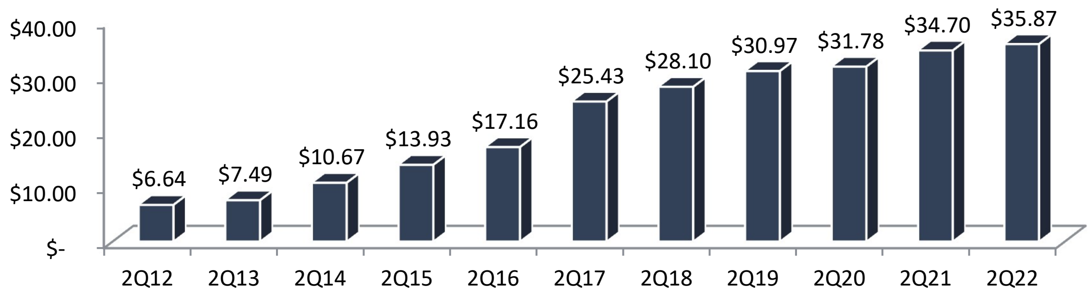
Figure 35: Stock Repurchase Program Activity ($ millions)



Capital and Dividends

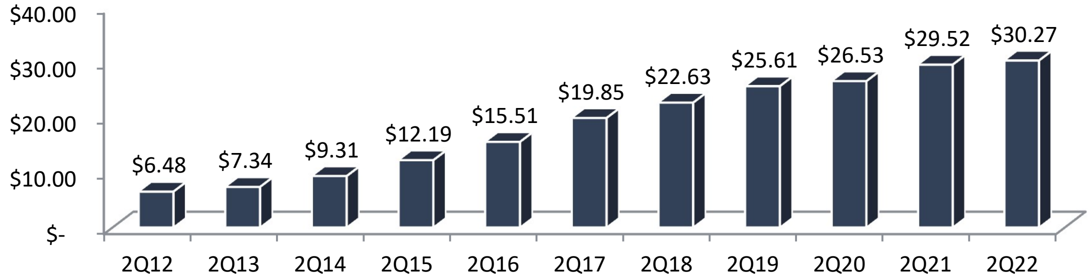
During the quarter just ended, our book value per common share increased to $35.87 compared to $35.47 as of March 31, 2022 and $34.70 as of June 30, 2021. Over the last 10 years, we have increased book value per common share by a cumulative 440%, resulting in a compound annual growth rate of 18.4%, as shown in Figure 36.

Figure 36: Book Value per Share (Period End)



During the quarter just ended, our tangible book value per common share increased to $30.27 compared to $30.03 as of March 31, 2022 and $29.52 as of June 30, 2021. Over the last 10 years, we have increased tangible book value per common share by a cumulative 367%, resulting in a compound annual growth rate of 16.7%, as shown in Figure 37.

Figure 37: Tangible Book Value per Share (Period End) [4]



[4] See the schedule at the end of this presentation for the reconciliation of tangible book value per common share to the most directly comparable GAAP measure.

Our historically strong earnings and earnings retention rate, among other factors, have contributed to our building robust capital ratios, as shown in Figure 38, which are among the strongest in the industry. We are focused on strategies to utilize our excess capital that are in the best long-term interest of our shareholders. Options for deploying our excess capital include organic loan growth, adding new business lines, continuing to increase our cash dividend, financially attractive acquisitions for cash or some combination of cash and stock, and continued stock repurchases. Because of our strong capital position, we can implement multiple capital deployment opportunities simultaneously. Organic loan growth will continue to be our top growth priority, and we are optimistic about our growth prospects in 2023 and 2024.

Figure 38: Capital Ratios

	Estimated 6/30/2022 [5]	Regulatory Minimum Required To Be Considered Well Capitalized	Excess Capital
CET 1 Ratio	12.50%	6.50%	6.00%
Tier 1 Ratio	13.70%	8.00%	5.70%
Total RBC Ratio	16.20%	10.00%	6.20%
Tier 1 Leverage	15.80%	5.00%	10.80%

We have increased our cash dividend in each of the last 48 quarters and every year since going public in 1997. We expect that we will likely continue to increase our cash dividend in future quarters.

Effective Tax Rate

Our effective tax rate for the quarter just ended was 22.4%, and for the first six months was 22.0%. We expect our effective tax rate for the remainder of 2022 to be between 22.0% and 23.0%, assuming no changes in applicable state or federal income tax rates.

Final Thoughts

We are pleased to report our excellent results for the second quarter of 2022. Our results were highlighted by our third consecutive quarter of record RESG loan originations and solid contributions from Community Banking and other lending teams, reflecting the importance of organic growth and increased portfolio diversification in our long-term strategy. Our strong capital and liquidity, disciplined credit culture and outstanding team have us well positioned for the future.

Non-GAAP Reconciliations

Calculation of Average Common Stockholders' Equity, Average Tangible Common Stockholders' Equity and the Annualized Returns on Average Common Stockholders' Equity and Average Tangible Common Stockholders' Equity

Unaudited (Dollars in Thousands)

	Three Months Ended *		Six Months Ended*	
	6/30/2021	6/30/2022	6/30/2021	6/30/2022
Net Income Available To Common Stockholders	$ 150,535	$ 132,358	$ 298,950	$ 260,386
Average Stockholders' Equity Before Noncontrolling Interest	4,423,093	4,619,033	4,365,454	4,703,196
Less Average Preferred Stock	-	(338,980)	-	(338,980)
Total Average common stockholders' equity	4,423,093	4,280,053	4,365,454	4,364,216
Less Average Intangible Assets:				
Goodwill	(660,789)	(660,789)	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(12,175)	(6,084)	(12,997)	(6,824)
Total Average Intangibles	(672,964)	(666,873)	(673,786)	(667,613)
Average Tangible Common Stockholders' Equity	$ 3,750,129	$ 3,613,180	$ 3,691,668	$ 3,696,603
Return On Average Common Stockholders' Equity	13.65%	12.40%	13.81%	12.03%
Return On Average Tangible Common Stockholders' Equity	16.10%	14.69%	16.33%	14.20%

* Ratios for interim periods annualized based on actual days

Calculation of Pre-Tax Pre-Provision Net Revenue

Unaudited (Dollars in Thousands)

	Three Months Ended		Six Months Ended	
	6/30/2021	6/30/2022	6/30/2021	6/30/2022
Income before taxes	$ 195,709	$ 175,788	$ 387,960	$ 344,702
Provision for credit losses	(30,932)	7,025	(62,491)	11,215
Pre-tax pre-provision net revenue	$ 164,777	$ 182,813	$ 325,469	$ 355,917

Calculation of Total Common Stockholders' Equity, Total Tangible Common Stockholders' Equity and Tangible Book Value per Share

Unaudited (Dollars in Thousands, Except per Share)

	As of June 30, 2012	2013	2014	2015	2016	2017
Total stockholders' equity before noncontrolling interest	$ 459,590	$ 531,125	$ 850,204	$ 1,209,254	$ 1,556,921	$ 3,260,123
Less preferred stock	-	-	-	-	-	-
Total common stockholders' equity	459,590	531,125	850,204	1,209,254	1,556,921	3,260,123
Less intangible assets:						
Goodwill	(5,243)	(5,243)	(78,669)	(122,884)	(126,289)	(660,789)
Core deposit and other intangibles, net of accumulated amortization	(5,946)	(5,447)	(29,971)	(28,266)	(23,615)	(54,541)
Total intangibles	(11,189)	(10,690)	(108,640)	(151,150)	(149,904)	(715,330)
Total tangible common stockholders' equity	$ 448,401	$ 520,435	$ 741,564	$ 1,058,104	$ 1,407,017	$ 2,544,793
Common shares outstanding (thousands)	69,188	70,876	79,662	86,811	90,745	128,190
Book value per common share	$ 6.64	$ 7.49	$ 10.67	$ 13.93	$ 17.16	$ 25.43
Tangible book value per common share	$ 6.48	$ 7.34	$ 9.31	$ 12.19	$ 15.51	$ 19.85

	As of June 30, 2018	2019	2020	2021	2022	As of Mar. 31, 2022
Total stockholders' equity before noncontrolling interest	$ 3,613,903	$ 3,993,247	$ 4,110,666	$ 4,501,676	$ 4,606,782	$ 4,690,057
Less preferred stock	-	-	-	-	(338,980)	(338,980)
Total common stockholders' equity	3,613,903	3,993,247	4,110,666	4,501,676	4,267,802	4,351,077
Less intangible assets:						
Goodwill	(660,789)	(660,789)	(660,789)	(660,789)	(660,789)	(660,789)
Core deposit and other intangibles, net of accumulated amortization	(41,962)	(29,515)	(18,377)	(11,336)	(5,240)	(6,757)
Total intangibles	(702,751)	(690,304)	(679,166)	(672,125)	(666,029)	(667,546)
Total tangible common stockholders' equity	$ 2,911,152	$ 3,302,943	$ 3,431,500	$ 3,829,551	$ 3,601,773	$ 3,683,531
Common shares outstanding (thousands)	128,616	128,947	129,350	129,720	118,996	122,677
Book value per common share	$ 28.10	$ 30.97	$ 31.78	$ 34.70	$ 35.87	$ 35.47
Tangible book value per common share	$ 22.63	$ 25.61	$ 26.53	$ 29.52	$ 30.27	$ 30.03

Note: All share and per share data adjusted to reflect impact of 2-for-1 stock split on June 23, 2014.