

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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): August 11, 2020

TRISTATE CAPITAL HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Commission file number: 001-35913

Pennsylvania

(State or other jurisdiction of incorporation or organization)

20-4929029

(I.R.S. Employer Identification No.)

One Oxford Centre
301 Grant Street, Suite 2700
Pittsburgh, Pennsylvania

(Address of principal executive offices)

(412) 304-0304

(Registrant's telephone number, including area code)

15219

(Zip Code)

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. below):

- 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, no par value	TSC	Nasdaq Global Select Market
Depository Shares, Each Representing a 1/40th Interest in a Share of 6.75% Fixed-to-Floating Rate Series A Non-Cumulative Perpetual Preferred Stock	TSCAP	Nasdaq Global Select Market
Depository Shares, Each Representing a 1/40th Interest in a Share of 6.375% Fixed-to-Floating Rate Series B Non-Cumulative Perpetual Preferred Stock	TSCBP	Nasdaq Global Select Market

Indicate by check mark whether the registrant is emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Exchange Act of 1934 (§ 240.12b-2 of this chapter). 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 7.01. Regulation FD Disclosure.

The attached investor presentation contains information that members of management of TriState Capital Holdings, Inc. ("TriState Capital") will use during visits with, or presentations to, investors, analysts and other interested parties to assist in their understanding of TriState Capital. This investor presentation is available in the Investor Materials section of TriState Capital's Investor Relations website at <http://investors.tristatecapitalbank.com>. A copy of the investor presentation is attached as Exhibit 99.1 to this report and is incorporated herein by reference.

The information in this Current Report on Form 8-K, including the exhibit attached hereto, is furnished solely pursuant to Item 7.01 of this Form 8-K and shall not be deemed "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

Exhibit No. Description

99.1 [Investor Presentation](#)

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 thereunto duly authorized.

TRISTATE CAPITAL HOLDINGS, INC.

By /s/ James F. Getz
James F. Getz
Chairman, President and Chief Executive Officer

Date: 08/11/2020



INVESTOR PRESENTATION

TRISTATE CAPITAL HOLDINGS, INC.
(NASDAQ:TSC)

Second quarter ended June 30, 2020

A decorative graphic on the left side of the page, consisting of a large triangle divided into three smaller triangles of different colors: orange, grey, and dark grey.

IMPORTANT INFORMATION

About this presentation

Financial information and data: Unless noted otherwise herein, income statement data is for the trailing twelve-months ended June 30, 2020, compared to the same TTM period the year prior; and balance sheet data is as of June 30, 2020, compared to one year prior.

Forward looking statements: This presentation may contain "forward-looking" statements. Such forward-looking statements are subject to risks that could cause actual results or outcomes to differ materially from those currently anticipated. TriState Capital has no duty to, and does not intend to, update or revise forward-looking statements after the date on which they are made. For further information about the factors that could affect TriState Capital's future results, please see the company's most recent annual and quarterly reports filed on Form 10-K and Form 10-Q.

Non-GAAP measures: To the extent non-GAAP financial measures are presented herein, comparable GAAP measures and reconciliations can be found in TriState Capital's most recent quarterly financial results news release.

WHY TSC



Premier businesses that complement one another; low correlation yet symbiotic



Businesses that are highly scalable with efficient use of capital



Model provides diversity of revenue and high credit quality reduces risk profile



Demonstrated record of high growth

Business Line	Commercial Banking	Private Banking	Investment Management
Marketplace	Regional (primarily PA, OH, NJ, NY)	National	National
Sales	Regional loan officers	National and inside sales	National and inside sales
Distribution	Businesses with annual revenues of \$50M-\$300M	RIAs Regional broker/dealers Non-bank Trust Companies Family Offices	Institutional RIAs Wirehouses
Solutions	Commercial and CRE Lending Equipment Finance Treasury & Liquidity Management Financial Services & Fund Finance	Loans backed by marketable securities or prime issuer cash value life insurance Treasury & Liquidity Management	Fixed Income and Equity Management
Capital Requirements	Standard Risk-based and leverage	Primarily Non-Risk Weighted	Primarily for Acquisition Purposes
Size	\$3B in loans	\$4B in loans	\$9B in AUM
Key Features	Exceptional credit quality	Exceptional credit quality Dominant provider of securities-based lending	9 strategies beating their respective 3 and 5 year benchmarks

OVERVIEW

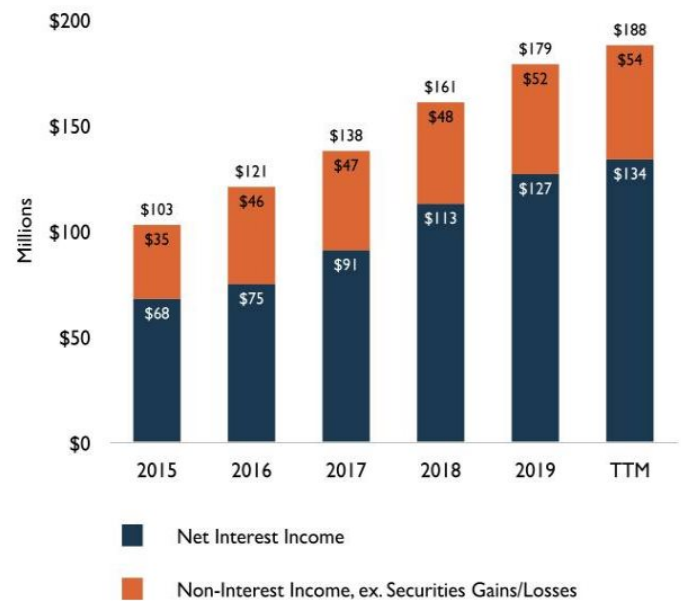
Highly Focused Team

Highly experienced team
 Inside ownership of ~8%
 Revenue/employee \$651,000 >2x peer median¹
 Bank efficiency ratio of 51.13%
 Among Fortune's 100 fastest-growing companies in 2019 for third consecutive year

Key Metrics

	TTM at 6/30/20	Annual Growth
Non-interest income	\$53,700	9%
Net-interest income	\$133,788	11%
Revenue²	\$187,488	11%
Deposits	\$7,831,471	35%
Loans	\$7,170,770	27%
Return on average common equity	7.51%	(34)

REVENUE GROWTH



¹ Peer data for bank holding companies with \$5B-\$10B in assets for MRQ. Analysis of net interest income plus non-interest income, annualized, divided by period-end FTE employees based on data from S&P Global Market Intelligence.

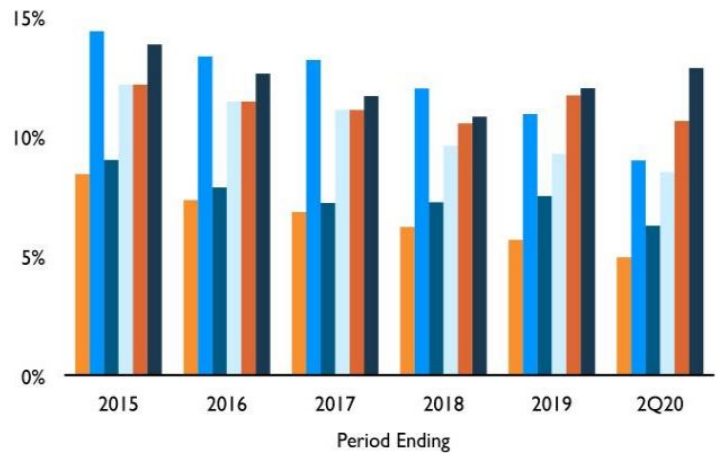
² Revenue, which is not calculated in accordance with GAAP, is a financial measure that TriState Capital has consistently utilized to provide a greater understanding of its significant fee-generating businesses.

STRONG BALANCE SHEET LEADS TO CAPITAL EFFICIENCY

60% of balance sheet is comprised of cash & equivalents, investments and private banking loans collateralized by liquid marketable securities or cash value life insurance policies

BALANCE SHEET
(\$ millions)

CAPITAL PROFILE



- Private Banking Channel Loans (net)
- Cash and cash equivalents
- Goodwill and other intangibles, net
- Total Commercial Banking Loans (net)
- Total investment securities
- Other assets
- Return on average common equity

- Tangible equity to tangible assets
- Tier I leverage ratio
- Tier I risk-based capital ratio
- TCE ratio ex. private banking (I)
- Common equity tier I risk-based capital ratio
- Total risk-based capital ratio

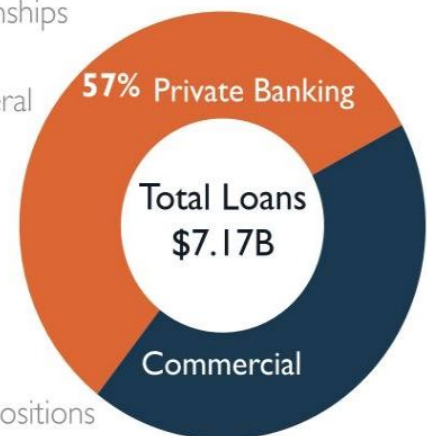
¹ TCE ratio ex. private banking is a non-GAAP financial metric is a measure that TriState Capital has utilized to provide a greater understanding of its capital adequacy while excluding PB channel loans because of its minimal capital requirements, is calculated as tangible common equity divided by tangible assets excluding private banking loans.

CREDIT RISK PROFILE

Product of differentiated model and investments in talent + tech

Private banking loans collateralized by marketable securities

- Fastest growing loan product
- Collateral monitored and priced daily through premier relationships by TSC experts and tech
- Primarily marketable equity and fixed-income securities collateral
- Minimal risk weighting - favorable regulatory capital treatment
- Minimal reserve levels required under either incurred loss method and CECL
- History of **zero losses** since inception



Responsible loan portfolio growth

- Highly experienced talent in lending and credit management positions
- Expert teams dedicated to managing credit risk of commercial and private banking loans - career portfolio managers
- Disciplined loan approval process
- Commercial focus on the highest-quality borrowers with proven track records

SUPERIOR CREDIT QUALITY

Designed to maintain low annual credit costs relative to peers

ALLOWANCE / TOTAL LOANS



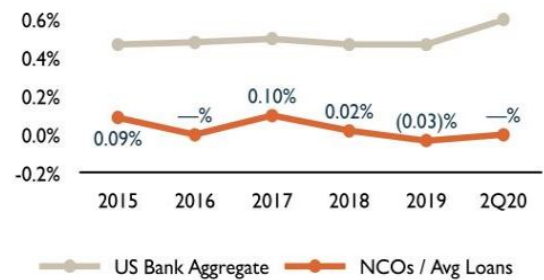
COMMERCIAL ALLOWANCE / COMMERCIAL LOANS



NPLs / TOTAL LOANS



NCOs / AVERAGE LOANS

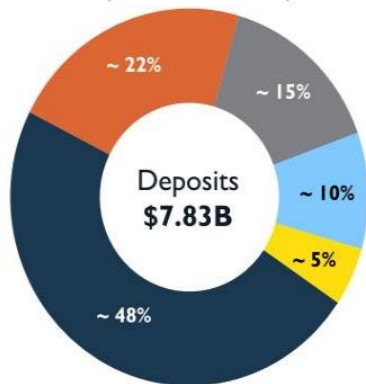


FLEXIBLE BALANCE SHEET

Enables active management of interest rate risk in changing markets

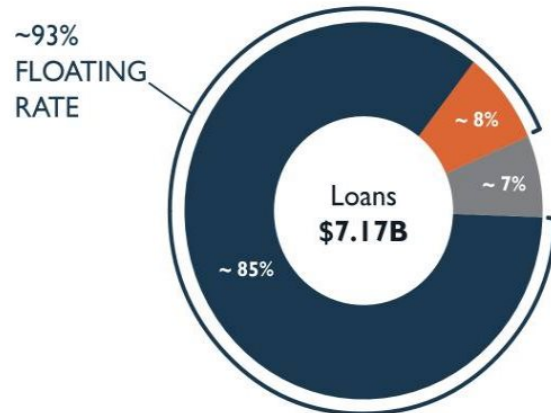
Agile liability pricing

Majority of funding through variable rate deposits repriced monthly



Disciplined loan repricing

Effective use of interest rate floors



- Linked to EFF* or other benchmark
- Rates set at bank discretion
- Fixed-rate CDs**
- Other fixed-rate term
- Non-interest bearing
- Indexed to 30-Day LIBOR
- Indexed to Prime or Other
- Fixed-rate

* Effective Funds Rate

** ~5-7 month duration

RESERVE EXPECTATIONS

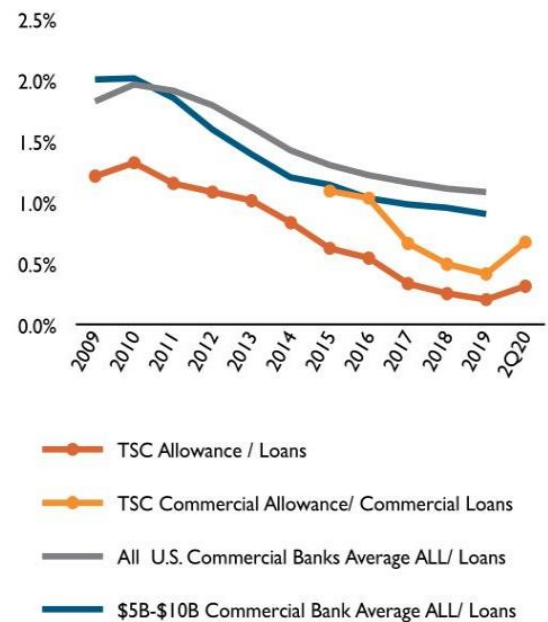
Low TSC allowance/loans ratio reflects attractive risk profile

Reflects TSC's focus on high-quality and seasoned commercial borrowers, proactive approach to managing credit risk, and majority of portfolio in private banking loans collateralized by marketable securities

Allowance/loans needs are **expected to remain well below** the average for all U.S. commercial banks and those with \$5-\$10B assets, under both the incurred loss method utilized today and future implementation of CECL

88-59 bps below the year-end average for all U.S. commercial banks, 2009-19

ALLOWANCE / TOTAL LOANS



OPERATING LEVERAGE

Driven by revenue growth, scalable non-branch model and prudent expense management enables continued investment in growth



Efficient branchless banking platform



1.46% non-interest expense / avg. assets LTM, compared to 2.58% for the median peer

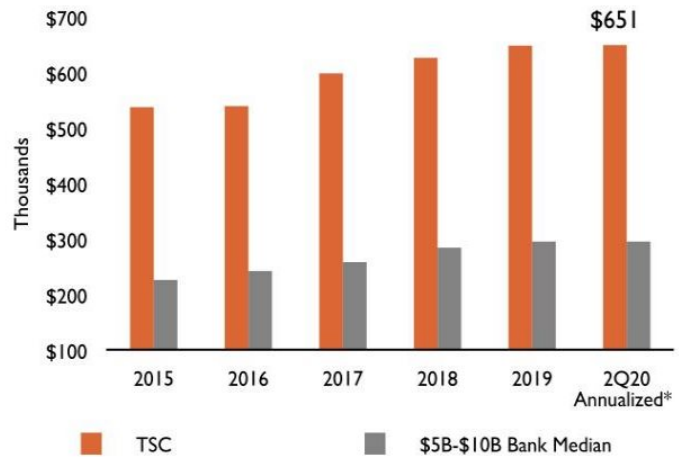


51.13% bank efficiency ratio YTD, compared to 55.72% in prior year period



Highly scalable investment manager
Chartwell's current business capable of doubling AUM

SUPERIOR REVENUE / EMPLOYEE



* Peer data for bank holding companies with \$5B-\$10B in assets for MRQ. Analysis of net interest income plus non-interest income, annualized, divided by period-end FTE employees based on data from S&P Global Market Intelligence.

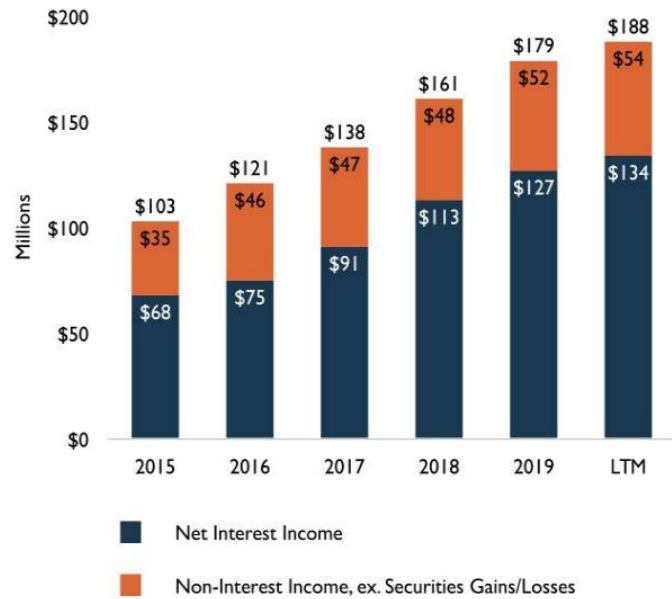
REVENUE GROWTH

Organic loan growth drives net interest income at rates outpacing margin compression

Uncorrelated, but complementary, revenue streams enable robust organic growth complemented by strategic investment management acquisitions

11% annual revenue growth over LTM

REVENUE GROWTH



Revenue, a non-GAAP financial metric is a measure that TriState Capital has consistently utilized to provide a greater understanding of its significant fee-generating businesses, is the sum of net interest income and non-interest income, excluding net gains on the sale of debt securities.

NON-INTEREST INCOME ENGINE

Chartwell contributes significant investment management fee income

Back-to-back, loan-level interest rate swap offerings for clients provide non-interest fees

No regulatory capital required to generate fees making meaningful top-line contribution

29% of LTM revenue from non-interest income

NON-INTEREST INCOME



Revenue, a non-GAAP financial metric is a measure that TriState Capital has consistently utilized to provide a greater understanding of its significant fee-generating businesses, is the sum of net interest income and non-interest income, excluding net gains on the sale of debt securities.

PRIVATE BANKING

TSC's fastest growing category of lending aimed at assisting financial advisors of all types provide enhanced value to their clients

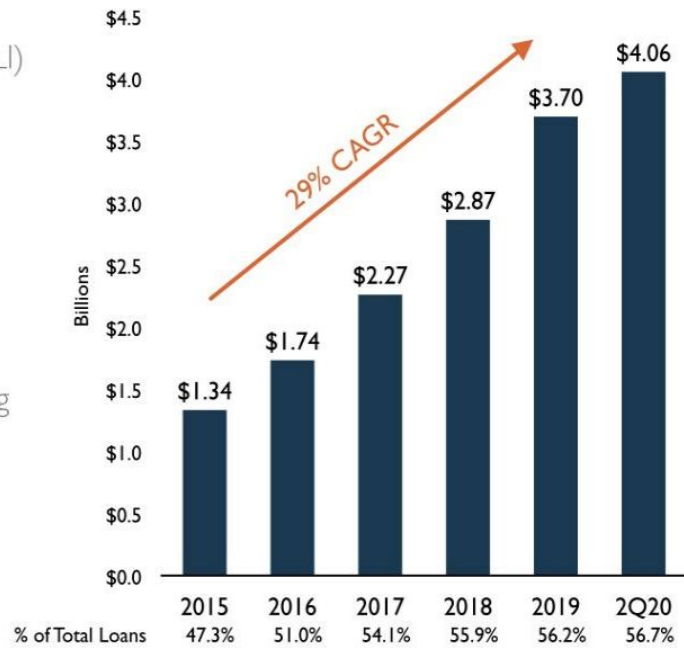
Loans over-collateralized by marketable securities or cash value life insurance (CVLI) policies from select, top-rated issuers

- No loss history

Marketable securities collateral consist of liquid and primarily well-diversified portfolios

Median LTV of outstanding private banking loans is **<40%**

PRIVATE BANKING LOANS



INDEPENDENT PROVIDER OF ADVISOR SOLUTIONS

Serving those who serve high net worth individuals and families

Through our referral network of 225 firms, TSC provides holistic solutions for 60,000+ advisors and, in turn, their HNW clients, by:

- **Complementing** advisors' capabilities with unique and essential products and services which can be integrated into their environments
- **Customizing** technology, including digital lending platform, and in-person delivery to meet their needs and clients' expectations
- **Optimizing** risk management and monitoring through smart and scalable proprietary collateral monitoring system
- **Respecting** their relationships by supporting, and not competing with, them



FINANCIAL SERVICES DISTRIBUTION CAPABILITY

Dominant independent provider of securities-based lending

TSC Network Advisors

Unrivaled network of independent financial advisors, trust officers and family office executives seeking to add value for their clients.



TSC Network Firms

Strong executive- and board-level relationships with broker-dealers, regional securities firms, RIAs, family offices and trust companies that do not offer banking services themselves.

MIDDLE-MARKET COMMERCIAL LENDING

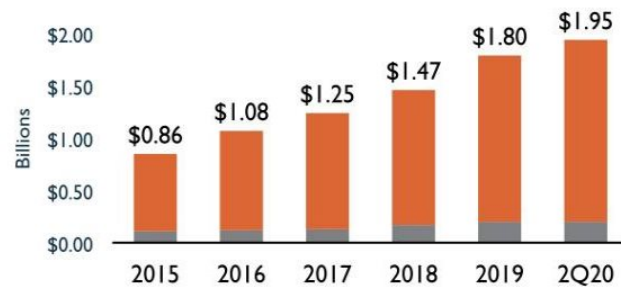
Regional, in-market lender

25% organic commercial
loan growth YOY

COMMERCIAL & INDUSTRIAL



COMMERCIAL REAL ESTATE

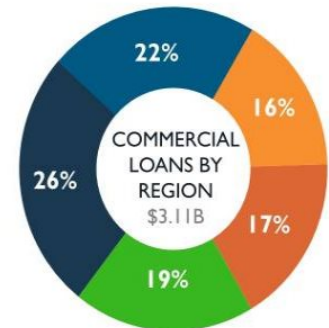
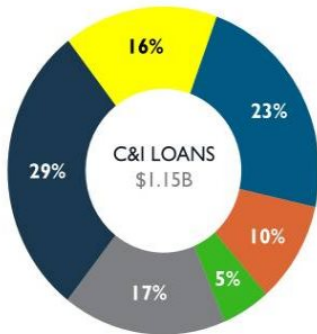


■ CRE: owner-occupied ■ CRE: non-owner occupied

MIDDLE-MARKET COMMERCIAL BANKING

In-market relationships and diversified across industries, property type and geographies

Highly experienced in-market regional presidents and relationship managers, with 20+ years average experience, source and serve local clients through our Mid-Atlantic representative offices



- Finance & Insurance
 Service
 Non-owner-occupied
 Owner-occupied
 Western PA
 Eastern PA
- Real Estate¹
 Manufacturing
 Multifamily/apartment
 Land Development
 Ohio
 New Jersey
- Transportation
 All others
 Construction
 New York

¹ Includes Rental and Leasing; represents the industry of the borrower for commercial and industrial loans not secured by real estate.

COMMERCIAL REAL ESTATE

CRE balances with deferral agreements totaled ~\$389M, or <6.0% of total loans at June 30, 2020

\$ in millions	CRE Loans		CRE Deferrals		
	at 6/30/20	as % of Total Loans	at 6/30/20	as % of Total Deferrals	as % of Total Loans
Multifamily	\$573.4	29.3%	\$44.9	10.1%	0.6%
Office	\$419.9	21.5%	\$100.9	22.8%	1.4%
Retail ⁽¹⁾	\$312.8	16.0%	\$109.1	24.5%	1.5%
Industrial	\$274.1	14.0%	\$35.9	8.1%	0.5%
Educational/Other Centers	\$86.1	4.4%	\$18.4	4.1%	0.3%
Sr Housing/Healthcare	\$62.1	3.2%	\$17.0	3.8%	0.2%
Developed Land	\$49.9	2.6%	\$4.3	1.0%	0.1%
Raw Land	\$58.9	3.0%	\$8.1	1.8%	0.1%
Hotel	\$45.1	2.3%	\$42.6	9.6%	0.6%
Self Storage	\$38.0	1.9%	\$7.9	1.8%	0.1%
Construction	\$34.6	1.8%	\$—	—%	—%

CRE LOANS WITH DEFERRAL AGREEMENTS/
TOTAL LOANS



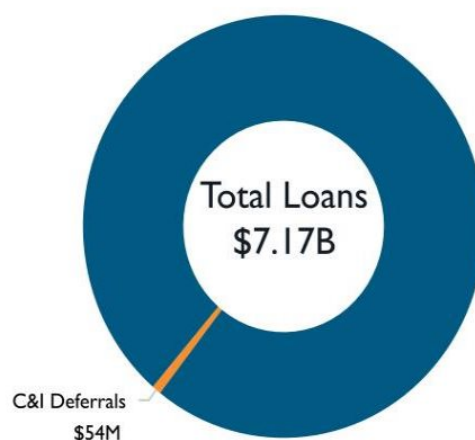
¹ Includes approximately \$9.4M of CRE loans to restaurant operations, approximately \$6.4M of which has been deferred, as of June 30, 2020.

COMMERCIAL & INDUSTRIAL

C&I balances with deferral agreements at June 30, 2020 totaled \$54M, or 75 bps of total loans

\$ in millions	C&I Loans		C&I Deferrals		
	at 6/30/20	as % of Total Loans	at 6/30/20	as % of Total Deferrals	as % of Total Loans
Finance and Insurance	\$335.4	29.1%	\$1.9	0.4%	—%
Real Estate, Rental and Leasing ⁽¹⁾	\$264.6	23.0%	\$20.4	4.6%	0.3%
Service ⁽²⁾	\$185.3	16.1%	\$0.2	0.1%	—%
Manufacturing	\$112.0	9.7%	\$4.8	1.1%	0.1%
Transportation & Warehousing	\$53.1	4.6%	\$7.7	1.7%	0.1%
Information	\$47.5	4.1%	\$10.4	2.3%	0.1%
Wholesale Trade	\$13.3	1.2%	\$—	—%	—%
Mining	\$23.3	2.0%	\$5.4	1.2%	0.1%
Construction	\$25.7	2.2%	\$2.7	0.6%	—%
Retail Trade	\$1.4	0.1%	\$—	—%	—%
Private Household	\$2.2	0.2%	\$—	—%	—%
All other	\$89.1	7.7%	\$—	—%	—%

C&I LOANS WITH DEFERRAL AGREEMENTS/ TOTAL LOANS



¹ Represents the industry of the borrower for commercial and industrial loans not secured by real estate.

² Includes approximately \$8.2M of C&I loans to restaurant operations, approximately \$128,000 of which has been deferred, as of June 30, 2020.

TREASURY MANAGEMENT A STRATEGIC PRIORITY

Investments in best-in-class talent and technology beginning in 2016 are paying off for our clients and our business

Treasury management deposits are up approximately **15%**, contributing to 7% total deposit growth, year-over-year

13 dedicated professionals across regional footprint

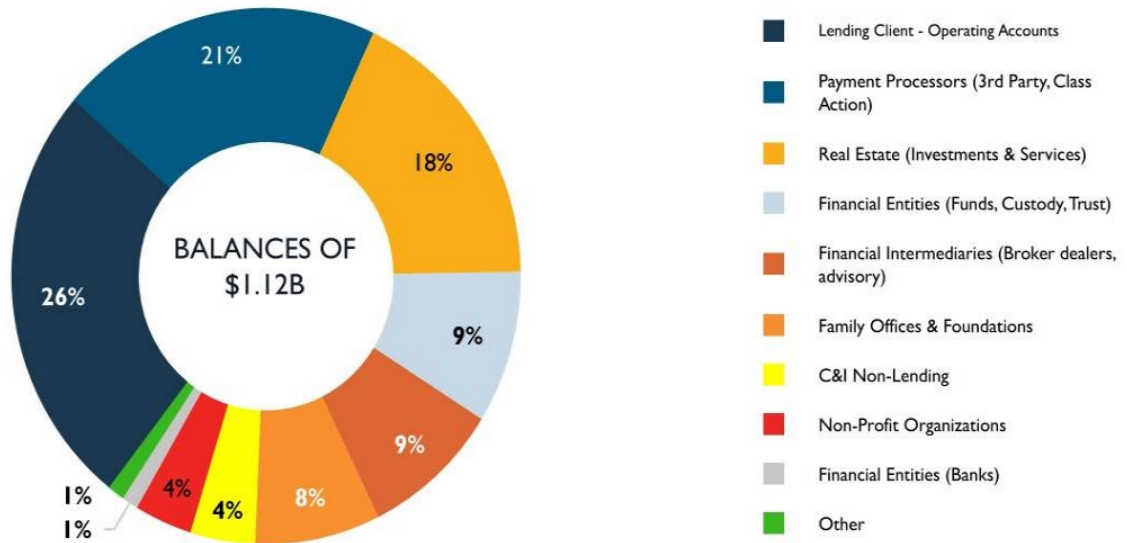
More than 400 clients and growing, including deposit-only clients with essential need for treasury management services

TREASURY MANAGEMENT DEPOSIT ACCOUNTS



TREASURY MANAGEMENT DEPOSITS

Sophisticated capability, expertise within industry verticals, high touch service, combined with transparent fee structures driving growth in product, balance and revenue



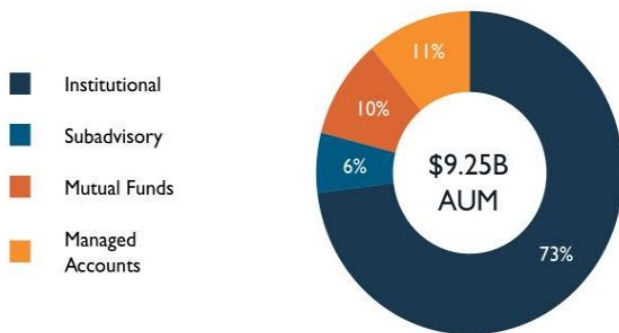
CHARTWELL INVESTMENT PARTNERS

50+ person boutique asset manager located outside of Philadelphia offering equity and fixed income strategies

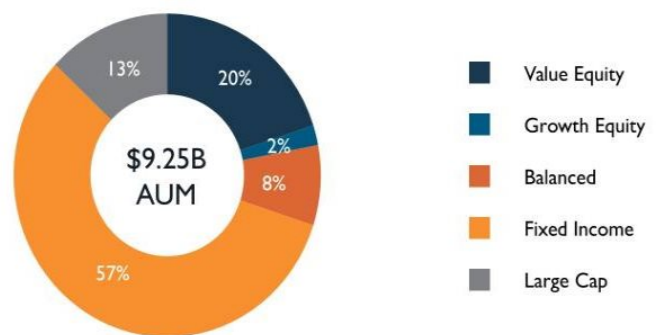
Augmenting institutional inflows while building strong retail momentum

- Retail up to **21%** in MRQ from **8%** when Chartwell was acquired in 2014

DISTRIBUTION CHANNELS



INVESTMENT STRATEGIES



INVESTMENT PERFORMANCE

Chartwell's strategies provide strong risk-adjusted returns through active management

Investment management fees provide significant income diversification, generating over **16%** of total revenue and over **58%** of noninterest income¹

Strong investment performance contributed to positive net inflows of \$75.0M in 2Q20 and new-business pipeline commitments of **>\$150M** from institutional investors

Leveraging distribution synergies to expand Advisor Solutions capabilities

9 strategies **outperforming** respective benchmarks for 3 and 5 years

EQUITY ORIENTED STRATEGIES	FIXED INCOME ORIENTED STRATEGIES
<ul style="list-style-type: none"> Small Cap Value Mid Value Mid Cap Value Small Cap Growth Large Cap Growth Dividend Value Covered Call 	<ul style="list-style-type: none"> Intermediate High Grade Core High Grade Core Plus High Yield Short Duration BB-Rated High Yield Short Duration High Grade Corporate
Chartwell Income Fund	

¹ TTM data. Revenue, which is not calculated in accordance with GAAP, is a financial measure that TriState Capital has consistently utilized to provide a greater understanding of its significant fee-generating businesses.

CAPITAL AND INVESTMENT PROFILE

History of deploying capital in accretive investment management acquisitions while organically growing balance sheet

Deployed \$66M raised in 2013 IPO (last common equity raise) in three accretive investment management acquisitions¹ while organically growing bank's balance sheet by more than \$6B

Raised \$97.5M in new capital in 2Q20 through registered offering of subordinated notes

Non-cumulative perpetual preferred stock offerings in 2018-19 raised **\$116M**, providing additional Tier I capital for holding company

Investment Profile²

Closing Price	\$ 13.79
52-Week High	\$ 26.43
52-Week Low	\$ 7.59
Common Shares Outstanding	50.4M
Float	27.3M
Average Daily Volume (3 mos.)	~346,000
Insider Ownership	~8%

¹ Chartwell acquisition closed 3/5/2014, TKG acquisition closed 4/29/2016, and Columbia acquisition closed 4/6/2018.

² Market data as of July 23, 2020.



APPENDIX

KEY PERFORMANCE RATIOS

(Dollars in thousands)

	As of and For the Three Months Ended					As of and For the Years Ended	
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	December 31, 2019	December 31, 2018
Performance ratios:							
Return on average assets ⁽¹⁾	0.45%	0.65 %	0.78%	0.94%	0.91%	0.89 %	1.04%
Return on average common equity ⁽²⁾	6.62%	8.59 %	10.07%	11.82%	11.63%	11.47 %	12.57%
Net interest margin	1.52%	1.84 %	1.84%	1.94%	2.03%	1.97 %	2.26%
Total revenue	\$ 46,467	\$ 48,181	\$ 46,487	\$ 46,353	\$ 43,170	\$ 179,423	\$ 161,391
Pre-tax, pre-provision net revenue	\$ 18,371	\$ 19,037	\$ 16,368	\$ 18,580	\$ 15,585	\$ 67,274	\$ 60,234
Bank efficiency ratio	50.39%	51.86 %	56.03%	50.70%	55.16%	54.49 %	53.09%
Non-interest expense to average assets	1.22%	1.47 %	1.60%	1.59%	1.71%	1.66 %	1.93%
Asset quality:							
Non-performing loans	\$ 6,780	\$ 184	\$ 184	\$ 184	\$ 2,189	\$ 184	\$ 2,237
Non-performing assets	\$ 9,504	\$ 4,434	\$ 4,434	\$ 4,434	\$ 5,213	\$ 4,434	\$ 5,661
Other real estate owned	\$ 2,724	\$ 4,250	\$ 4,250	\$ 4,250	\$ 3,024	\$ 4,250	\$ 3,424
Non-performing assets to total assets	0.10%	0.05 %	0.06%	0.06%	0.08%	0.06 %	0.09%
Non-performing loans to total loan	0.09%	— %	—%	—%	0.04%	— %	0.04%
Allowance for loan and lease losses to loans	0.32%	0.25 %	0.21%	0.22%	0.25%	0.21 %	0.26%
Allowance for loan and lease losses to non-performing loans	343.30%	9,404.35 %	7,667.39%	7,268.48%	640.29%	7,667.39 %	590.43%
Net charge-offs (recoveries)	\$ 33	\$ (203)	\$ (6)	\$ 35	\$ (16)	\$ (1,868)	\$ 1,004
Net charge-offs (recoveries) to average total loans	—%	(0.01)%	—%	—%	—%	(0.03)%	0.02%
Investment management segment:							
Assets under management	\$ 9,254,000	\$ 8,323,000	\$ 9,701,000	\$ 9,615,000	\$ 9,485,000	\$ 9,701,000	\$ 9,189,000
EBITDA	\$ 1,031	\$ 1,217	\$ 714	\$ 932	\$ 1,557	\$ 5,824	\$ 6,900

⁽¹⁾ Net income divided by total average assets.

⁽²⁾ Net income available to common shareholders divided by average common equity.

INCOME STATEMENT

(Dollars in thousands, except per share data)

	For the Three Months Ended					For the Years Ended	
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	December 31, 2019	December 31, 2018
Income statement data:							
Interest income	\$ 51,661	\$ 64,202	\$ 65,474	\$ 67,732	\$ 66,339	\$ 262,447	\$ 199,786
Interest expense	18,177	29,280	32,408	35,416	35,036	135,390	86,382
Net interest income	33,484	34,922	33,066	32,316	31,303	127,057	113,404
Provision (credit) for loan and lease losses	6,005	2,993	728	(607)	(712)	(968)	(205)
Net interest income after provision for loan and lease losses	27,479	31,929	32,338	32,923	32,015	128,025	113,609
Non-interest income:							
Investment management fees	7,738	7,638	8,862	8,902	9,254	36,442	37,647
Net gain (loss) on the sale and call of debt securities	14	57	70	206	112	416	(70)
Other non-interest income	5,245	5,621	4,559	5,135	2,613	15,924	10,340
Total non-interest income	12,997	13,316	13,491	14,243	11,979	52,782	47,917
Non-interest expense:							
Intangible amortization expense	486	502	503	502	502	2,009	1,968
Change in fair value of acquisition earn out	—	—	—	—	—	—	(218)
Other non-interest expense	27,610	28,642	29,616	27,271	27,083	110,140	99,407
Total non-interest expense	28,096	29,144	30,119	27,773	27,585	112,149	101,157
Income before tax	12,380	16,101	15,710	19,393	16,409	68,658	60,369
Income tax expense	1,979	3,206	1,106	3,059	1,718	8,465	5,945
Net income	\$ 10,401	\$ 12,895	\$ 14,604	\$ 16,334	\$ 14,691	\$ 60,193	\$ 54,424
Preferred stock dividends	1,962	1,962	1,962	1,962	1,150	5,753	2,120
Net income available to common shareholders	\$ 8,439	\$ 10,933	\$ 12,642	\$ 14,372	\$ 13,541	\$ 54,440	\$ 52,304
Earnings per common share:							
Basic	\$ 0.30	\$ 0.39	\$ 0.45	\$ 0.52	\$ 0.49	\$ 1.95	\$ 1.90
Diluted	\$ 0.30	\$ 0.38	\$ 0.44	\$ 0.50	\$ 0.47	\$ 1.89	\$ 1.81

PERIOD-END BALANCE SHEET

(Dollars in thousands)	As of				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Period-end balance sheet data:					
Cash and cash equivalents	\$ 724,942	\$ 1,010,128	\$ 403,855	\$ 383,948	\$ 458,269
Total investment securities	812,140	606,736	469,150	468,721	431,426
Loans and leases held-for-investment	7,170,770	6,958,149	6,577,559	6,016,680	5,664,934
Allowance for loan and lease losses	(23,276)	(17,304)	(14,108)	(13,374)	(14,016)
Loans and leases held-for-investment, net	7,147,494	6,940,845	6,563,451	6,003,306	5,650,918
Goodwill and other intangibles, net	64,867	65,352	65,854	66,357	66,859
Other assets	380,398	367,000	263,500	276,117	238,531
Total assets	\$ 9,129,841	\$ 8,990,061	\$ 7,765,810	\$ 7,198,449	\$ 6,846,003
Deposits	\$ 7,831,471	\$ 7,782,759	\$ 6,634,613	\$ 6,094,605	\$ 5,786,983
Borrowings, net	395,552	330,000	355,000	330,000	335,000
Other liabilities	269,987	262,922	154,916	169,337	135,039
Total liabilities	8,497,010	8,375,681	7,144,529	6,593,942	6,257,022
Preferred stock	116,079	116,079	116,079	116,064	116,142
Common shareholders' equity	516,752	498,301	505,202	488,443	472,839
Total shareholders' equity	632,831	614,380	621,281	604,507	588,981
Total liabilities and shareholders' equity	\$ 9,129,841	\$ 8,990,061	\$ 7,765,810	\$ 7,198,449	\$ 6,846,003

CAPITAL RATIOS

	As of				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
TSCH capital ratios:					
Tier I leverage ratio	6.30%	7.19%	7.54%	7.91%	8.21%
Common equity tier I risk-based capital ratio	8.54%	8.81%	9.32%	9.58%	9.83%
Tier I risk-based capital ratio	10.68%	11.07%	11.75%	12.15%	12.56%
Total risk-based capital ratio	12.89%	11.42%	12.05%	12.40%	12.82%
TSCB capital ratios:					
Tier I leverage ratio	7.11%	7.36%	7.22%	7.20%	7.43%
Common equity tier I risk-based capital ratio	12.07%	11.34%	11.26%	11.07%	11.38%
Tier I risk-based capital ratio	12.07%	11.34%	11.26%	11.07%	11.38%
Total risk-based capital ratio	12.52%	11.69%	11.57%	11.38%	11.73%

LOAN COMPOSITION

(Dollars in thousands)

Loan and Lease Composition	As of				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Private banking	\$ 4,063,116	\$ 3,915,555	\$ 3,695,402	\$ 3,368,142	\$ 3,188,668
C&I	1,152,880	1,191,104	1,085,709	992,508	908,054
CRE	1,954,774	1,851,490	1,796,448	1,656,030	1,568,212
Loans and leases held-for-investment	\$ 7,170,770	\$ 6,958,149	\$ 6,577,559	\$ 6,016,680	\$ 5,664,934
Private banking	56.6%	56.3%	56.2%	56.0%	56.3%
C&I	16.1%	17.1%	16.5%	16.5%	16.0%
CRE	27.3%	26.6%	27.3%	27.5%	27.7%
Loans and leases held-for-investment	100.0%	100.0%	100.0%	100.0%	100.0%

DEPOSIT COMPOSITION

(Dollars in thousands)

Deposit Composition	As of				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Noninterest-bearing checking accounts	\$ 422,341	\$ 362,075	\$ 356,102	\$ 312,285	\$ 270,435
Interest-bearing checking accounts	2,664,864	2,195,824	1,398,264	1,333,189	971,081
Money market deposit accounts	3,547,518	3,783,842	3,426,745	3,149,346	3,021,610
Certificates of deposit	1,196,748	1,441,018	1,453,502	1,299,785	1,523,857
Total deposits	\$ 7,831,471	\$ 7,782,759	\$ 6,634,613	\$ 6,094,605	\$ 5,786,983

Noninterest-bearing checking accounts	5.4%	4.7%	5.4%	5.1%	4.7%
Interest-bearing checking accounts	34.0%	28.2%	21.1%	21.9%	16.8%
Money market deposit accounts	45.3%	48.6%	51.6%	51.7%	52.2%
Certificates of deposit	15.3%	18.5%	21.9%	21.3%	26.3%
Total deposits	100.0%	100.0%	100.0%	100.0%	100.0%

AVERAGE BALANCE SHEET



Three Months Ended

	June 30, 2020			March 31, 2020			June 30, 2019		
	Average Balance	Interest Income ⁽¹⁾ / Expense	Average Yield/ Rate	Average Balance	Interest Income ⁽¹⁾ / Expense	Average Yield/ Rate	Average Balance	Interest Income ⁽¹⁾ / Expense	Average Yield/ Rate
<i>(Dollars in thousands)</i>									
Assets									
Interest-earning deposits	\$ 1,098,510	\$ 342	0.13%	\$ 464,302	\$ 1,363	1.18%	\$ 255,697	\$ 1,542	2.42%
Federal funds sold	7,883	1	0.05%	7,099	20	1.13%	11,218	67	2.40%
Debt securities available-for-sale	329,015	2,026	2.48%	281,870	2,044	2.92%	249,281	2,053	3.30%
Debt securities held-to-maturity	292,898	1,616	2.22%	201,754	1,488	2.97%	181,495	1,712	3.78%
Debt securities trading	—	—	—%	230	1	1.75%	—	—	—%
Equity securities	—	—	—%	—	—	—%	7,701	28	1.46%
FHLB stock	13,269	305	9.24%	20,179	398	7.93%	20,235	385	7.63%
Total loans and leases	7,094,744	47,377	2.69%	6,672,692	58,918	3.55%	5,462,489	60,579	4.45%
Total interest-earning assets	8,836,319	51,667	2.35%	7,648,126	64,232	3.38%	6,188,116	66,366	4.30%
Other assets	408,950			312,447			266,905		
Total assets	\$ 9,245,269			\$ 7,960,573			\$ 6,455,021		
Liabilities and Shareholders' Equity									
Interest-bearing deposits:									
Interest-bearing checking accounts	\$ 2,327,513	2,719	0.47%	\$ 1,473,614	\$ 5,214	1.42%	\$ 868,721	\$ 4,965	2.29%
Money market deposit accounts	3,862,068	7,377	0.77%	3,548,965	14,655	1.66%	2,855,795	18,200	2.56%
Certificates of deposit	1,389,984	5,857	1.69%	1,383,036	7,375	2.14%	1,361,372	8,990	2.65%
Borrowings:									
FHLB borrowings	300,000	1,284	1.72%	421,923	2,035	1.94%	430,770	2,334	2.17%
Line of credit borrowings	22,747	260	4.60%	1,484	1	0.27%	857	10	4.68%
Subordinated notes payable, net	44,417	680	6.16%	—	—	—%	34,984	537	6.16%
Total interest-bearing liabilities	7,946,729	18,177	0.92%	6,829,022	29,280	1.72%	5,552,499	35,036	2.53%
Noninterest-bearing deposits	417,732			350,086			256,404		
Other liabilities	252,303			153,207			113,031		
Shareholders' equity	628,505			628,258			533,087		
Total liabilities and shareholders' equity	\$ 9,245,269			\$ 7,960,573			\$ 6,455,021		
Net interest income ⁽¹⁾		\$ 33,490			\$ 34,952			\$ 31,330	
Net interest spread ⁽¹⁾			1.43%			1.66%			1.77%
Net interest margin ⁽¹⁾			1.52%			1.84%			2.03%

⁽¹⁾ Calculated on a fully taxable equivalent basis.

AVERAGE BALANCE SHEET



Years Ended December 31,

	2019			2018		
	Average Balance	Interest Income (1)/ Expense	Average Yield/ Rate	Average Balance	Interest Income (1)/ Expense	Average Yield/ Rate
<i>(Dollars in thousands)</i>						
Assets						
Interest-earning deposits	\$ 313,413	\$ 6,628	2.11%	\$ 188,921	\$ 3,598	1.90%
Federal funds sold	8,803	167	1.90%	8,315	156	1.88%
Debt securities available-for-sale	250,064	8,119	3.25%	205,652	6,195	3.01%
Debt securities held-to-maturity	193,443	6,921	3.58%	90,895	3,399	3.74%
Equity securities	6,733	115	1.71%	10,517	277	2.63%
FHLB stock	18,043	1,270	7.04%	15,136	924	6.10%
Total loans and leases	5,669,507	239,328	4.22%	4,500,117	185,349	4.12%
Total interest-earning assets	6,460,006	262,548	4.06%	5,019,553	199,898	3.98%
Other assets	281,171			221,467		
Total assets	\$ 6,741,177			\$ 5,241,020		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
Interest-bearing checking accounts	\$ 1,058,064	\$ 21,480	2.03%	\$ 612,921	\$ 11,440	1.87%
Money market deposit accounts	2,943,541	69,336	2.36%	2,429,203	45,106	1.86%
Certificates of deposit	1,371,038	34,776	2.54%	1,071,556	21,947	2.05%
Borrowings:						
FHLB borrowings	394,480	8,639	2.19%	325,356	5,555	1.71%
Line of credit borrowings	1,234	68	5.51%	2,568	119	4.63%
Subordinated notes payable, net	17,335	1,091	6.29%	34,807	2,215	6.36%
Total interest-bearing liabilities	5,785,692	135,390	2.34%	4,476,411	86,382	1.93%
Noninterest-bearing deposits	267,846			244,090		
Other liabilities	128,618			75,473		
Shareholders' equity	559,021			445,046		
Total liabilities and shareholders' equity	\$ 6,741,177			\$ 5,241,020		
Net interest income ⁽¹⁾		\$ 127,158			\$ 113,516	
Net interest spread ⁽¹⁾			1.72%			2.05%
Net interest margin ⁽¹⁾			1.97%			2.26%

⁽¹⁾ Calculated on a fully taxable equivalent basis.

SEGMENTS

(Dollars in thousands)	Three Months Ended June 30, 2020				Three Months Ended June 30, 2019			
	Bank	Investment Management	Parent and Other	Consolidated	Bank	Investment Management	Parent and Other	Consolidated
Income statement data:								
Interest income	\$ 51,661	\$ —	\$ —	\$ 51,661	\$ 66,311	\$ —	\$ 28	\$ 66,339
Interest expense	17,251	—	926	18,177	34,517	—	519	35,036
Net interest income (loss)	34,410	—	(926)	33,484	31,794	—	(491)	31,303
Provision (credit) for loan and lease losses	6,005	—	—	6,005	(712)	—	—	(712)
Net interest income (loss) after provision for loan and lease losses	28,405	—	(926)	27,479	32,506	—	(491)	32,015
Non-interest income:								
Investment management fees	—	7,897	(159)	7,738	—	9,364	(110)	9,254
Net gain on the sale and call of debt securities	14	—	—	14	112	—	—	112
Other non-interest income	5,215	30	—	5,245	2,478	4	131	2,613
Total non-interest income (loss)	5,229	7,927	(159)	12,997	2,590	9,368	21	11,979
Non-interest expense:								
Intangible amortization expense	—	486	—	486	—	502	—	502
Other non-interest expense	19,967	7,003	640	27,610	18,903	7,930	250	27,083
Total non-interest expense	19,967	7,489	640	28,096	18,903	8,432	250	27,585
Income (loss) before tax	13,667	438	(1,725)	12,380	16,193	936	(720)	16,409
Income tax expense (benefit)	2,173	102	(296)	1,979	1,658	264	(204)	1,718
Net income (loss)	\$ 11,494	\$ 336	\$ (1,429)	\$ 10,401	\$ 14,535	\$ 672	\$ (516)	\$ 14,691

SEGMENTS

<i>(Dollars in thousands)</i>	Six Months Ended June 30, 2020				Six Months Ended June 30, 2019			
	Bank	Investment Management	Parent and Other	Consolidated	Bank	Investment Management	Parent and Other	Consolidated
Income statement data:								
Interest income	\$ 115,863	\$ —	\$ —	\$ 115,863	\$ 129,142	\$ —	\$ 99	\$ 129,241
Interest expense	46,547	—	910	47,457	66,436	—	1,130	67,566
Net interest income (loss)	69,316	—	(910)	68,406	62,706	—	(1,031)	61,675
Provision (credit) for loan and lease losses	8,998	—	—	8,998	(1,089)	—	—	(1,089)
Net interest income (loss) after provision for loan and lease losses	60,318	—	(910)	59,408	63,795	—	(1,031)	62,764
Non-interest income:								
Investment management fees	—	15,662	(286)	15,376	—	18,896	(218)	18,678
Net gain on the sale and call of debt securities	71	—	—	71	140	—	—	140
Other non-interest income	10,866	—	—	10,866	5,355	25	850	6,230
Total non-interest income (loss)	10,937	15,662	(286)	26,313	5,495	18,921	632	25,048
Non-interest expense:								
Intangible amortization expense	—	988	—	988	—	1,004	—	1,004
Other non-interest expense	41,000	13,630	1,622	56,252	37,923	14,987	343	53,253
Total non-interest expense	41,000	14,618	1,622	57,240	37,923	15,991	343	54,257
Income (loss) before tax	30,255	1,044	(2,818)	28,481	31,367	2,930	(742)	33,555
Income tax expense (benefit)	5,521	130	(466)	5,185	3,683	827	(210)	4,300
Net income (loss)	\$ 24,734	\$ 914	\$ (2,352)	\$ 23,296	\$ 27,684	\$ 2,103	\$ (532)	\$ 29,255

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP INCOME STATEMENT ITEMS

	For the Three Months Ended					For the Years Ended	
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	December 31, 2019	December 31, 2018
<i>(Dollars in thousands)</i>							
Total revenue:							
Net interest income	\$ 33,484	\$ 34,922	\$ 33,066	\$ 32,316	\$ 31,303	\$ 127,057	\$ 113,404
Total non-interest income	12,997	13,316	13,491	14,243	11,979	52,782	47,917
Less: net gain (loss) on the sale and call of debt securities	14	57	70	206	112	416	(70)
Total revenue	\$ 46,467	\$ 48,181	\$ 46,487	\$ 46,353	\$ 43,170	\$ 179,423	\$ 161,391
Less: total non-interest expense	28,096	29,144	30,119	27,773	27,585	112,149	101,157
Pre-tax, pre-provision net revenue	\$ 18,371	\$ 19,037	\$ 16,368	\$ 18,580	\$ 15,585	\$ 67,274	\$ 60,234

	For the Three Months Ended					For the Years Ended	
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	December 31, 2019	December 31, 2018
<i>(Dollars in thousands)</i>							
Bank total revenue:							
Net interest income	\$ 34,410	\$ 34,906	\$ 33,025	\$ 32,265	\$ 31,794	\$ 127,996	\$ 115,455
Total non-interest income	5,229	5,709	4,655	5,319	2,590	15,467	11,042
Less: net gain (loss) on the sale and call of debt securities	14	57	70	206	112	416	(70)
Bank total revenue	\$ 39,625	\$ 40,558	\$ 37,610	\$ 37,378	\$ 34,272	\$ 143,047	\$ 126,567
Bank efficiency ratio:							
Total non-interest expense (numerator)	\$ 19,967	\$ 21,034	\$ 21,073	\$ 18,949	\$ 18,903	\$ 77,945	\$ 67,190
Total revenue (denominator)	\$ 39,625	\$ 40,558	\$ 37,610	\$ 37,378	\$ 34,272	\$ 143,047	\$ 126,567
Bank efficiency ratio	50.39%	51.86%	56.03%	50.70%	55.16%	54.49%	53.09%

For a comprehensive discussion on the use of non-GAAP data, please refer to the Company's most recent quarterly financial results news release filed with the Securities and Exchange Commission and available at www.tscbank.com

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP INCOME STATEMENT ITEMS

(Dollars in thousands)	For the Three Months Ended					For the Years Ended	
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	December 31, 2019	December 31, 2018
Investment Management EBITDA:							
Net income	\$ 336	\$ 578	\$ 13	\$ 316	\$ 672	\$ 2,433	\$ 3,851
Interest expense	—	—	—	—	—	—	—
Income taxes expense (benefit)	102	28	88	3	264	918	579
Depreciation expense	107	109	110	111	119	464	502
Intangible amortization expense	486	502	503	502	502	2,009	1,968
EBITDA	\$ 1,031	\$ 1,217	\$ 714	\$ 932	\$ 1,557	\$ 5,824	\$ 6,900

For a comprehensive discussion on the use of non-GAAP data, please refer to the Company's most recent quarterly financial results news release filed with the Securities and Exchange Commission and available at www.tscbank.com

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP BALANCE SHEET ITEMS

	As of				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(Dollars in thousands, except per share data)</i>					
Tangible book value per common share:					
Common shareholders' equity	\$ 516,752	\$ 498,301	\$ 505,202	\$ 488,443	\$ 472,839
Less: goodwill and intangible assets	64,867	65,352	65,854	66,357	66,859
Tangible common equity	\$ 451,885	\$ 432,949	\$ 439,348	\$ 422,086	\$ 405,980
Common shares outstanding	29,851,550	29,762,578	29,355,986	29,296,970	29,339,152
Tangible book value per common share	\$ 15.14	\$ 14.55	\$ 14.97	\$ 14.41	\$ 13.84

For a comprehensive discussion on the use of non-GAAP data, please refer to the Company's most recent quarterly financial results news release filed with the Securities and Exchange Commission and available at www.tscbank.com

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP BALANCE SHEET ITEMS

	As of					
<i>(Dollars in thousands, except per share data)</i>	June 30, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Tangible common equity ratio excluding private banking loans:						
Common shareholders' equity	\$ 516,752	\$ 505,202	\$ 440,886	\$ 389,071	\$ 351,807	\$ 325,977
Less: goodwill and intangible assets	64,867	65,854	67,863	65,358	67,209	50,816
Tangible common equity	\$ 451,885	\$ 439,348	\$ 373,023	\$ 323,713	\$ 284,598	\$ 275,161
Total assets	9,129,841	7,765,810	6,035,655	4,777,897	3,930,457	3,302,171
Less: goodwill and intangible assets	64,867	65,854	67,863	65,358	67,209	50,816
Tangible assets	\$ 9,064,974	\$ 7,699,956	\$ 5,967,792	\$ 4,712,539	\$ 3,863,248	\$ 3,251,355
Tangible common equity ratio	4.98%	5.71%	6.25%	6.87%	7.37%	8.46%
Tangible assets	9,064,974	7,699,956	5,967,792	4,712,539	3,863,248	3,251,355
Less: private banking loans	4,063,116	3,695,402	2,869,543	2,265,737	1,735,928	1,344,864
Tangible assets excluding private banking loans	\$ 5,001,858	\$ 4,004,554	\$ 3,098,249	\$ 2,446,802	\$ 2,127,320	\$ 1,906,491
Tangible common equity ratio excluding private banking loans	9.03%	10.97%	12.04%	13.23%	13.38%	14.43%

For a comprehensive discussion on the use of non-GAAP data, please refer to the Company's most recent quarterly financial results news release filed with the Securities and Exchange Commission and available at www.tscbank.com

