

HEARTLAND FINANCIAL USA, INC.

	CPP Disbursement Date 12/19/2008	RSSD (Holding Company) 1206546	Number of Insured Depository Institutions 10	
Selected balance and off-balance sheet items				
	2008 \$ millions	2009 \$ millions	%chg from prev	
Assets	\$3,632	\$4,136	13.9%	
Loans	\$2,403	\$2,368	-1.5%	
Construction & development	\$305	\$289	-5.2%	
Closed-end 1-4 family residential	\$289	\$322	11.7%	
Home equity	\$110	\$105	-5.1%	
Credit card	\$0	\$0		
Other consumer	\$41	\$37	-10.3%	
Commercial & Industrial	\$404	\$428	5.8%	
Commercial real estate	\$949	\$850	-10.5%	
Unused commitments	\$459	\$603	31.4%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$497	\$620	24.8%	
Asset-backed securities	\$0	\$0		
Other securities	\$345	\$523	51.5%	
Cash & balances due	\$84	\$219	161.7%	
Residential mortgage originations				
Closed-end mortgage originated for sale (quarter)	\$50	\$114	128.5%	
Open-end HELOC originated for sale (quarter)	\$0	\$0		
Closed-end mortgage originations sold (quarter)	\$46	\$113	143.9%	
Open-end HELOC originations sold (quarter)	\$0	\$0		
Liabilities	\$3,289	\$3,767	14.5%	
Deposits	\$2,677	\$3,097	15.7%	
Total other borrowings	\$581	\$639	10.0%	
FHLB advances	\$200	\$199	-0.2%	
Equity				
Equity capital at quarter end	\$343	\$369	7.7%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$23	\$18	NA	
Performance Ratios				
Tier 1 leverage ratio	8.5%	8.3%	--	
Tier 1 risk based capital ratio	10.8%	11.9%	--	
Total risk based capital ratio	12.0%	13.1%	--	
Return on equity ¹	-0.8%	-6.0%	--	
Return on assets ¹	-0.1%	-0.6%	--	
Net interest margin ¹	3.6%	3.7%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	43.8%	48.8%	--	
Loss provision to net charge-offs (qtr)	106.4%	95.5%	--	
Net charge-offs to average loans and leases ¹	2.3%	1.8%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2008	2009	2008	2009
Construction & development	7.2%	7.8%	0.9%	1.5%
Closed-end 1-4 family residential	2.6%	3.5%	0.3%	0.2%
Home equity	0.5%	2.8%	0.2%	0.3%
Credit card	0.0%	0.0%	0.0%	0.0%
Other consumer	1.0%	1.9%	0.3%	0.6%
Commercial & Industrial	2.3%	0.7%	0.6%	1.0%
Commercial real estate	3.8%	3.7%	0.7%	0.1%
Total loans	3.2%	3.4%	0.6%	0.5%