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December 1, 2017

Dear Stockholder:

I am pleased to report that the Board of Directors of Heartland Financial USA, Inc. declared a regular quarterly dividend of \$0.11 per common share, payable December 1 to stockholders of record on November 17, 2017. We are very pleased with our 36-year record of continuous dividend payments.

Heartland reported strong quarterly financial performance for the third quarter of 2017, with net income available to common shareholders of \$21.6 million, a 7 percent increase over earnings in the third quarter of 2016. On a per share basis, Heartland earned \$0.72 per diluted common share for the quarter. Year-to-date, net income available to common shareholders set a new record of \$61.6 million, or \$2.21 per diluted common share.

Key performance results include Heartland's best quarterly net interest margin in over 10 years, increasing to 4.26% for the quarter (on a fully tax-equivalent basis) and 4.19% year to date. With continuous emphasis on attracting new customers to the Heartland banks, we were very pleased to see net organic growth in both loans and deposits of 5% on an annualized basis during the third quarter. Other year-to-date results include return on average assets of .94%, return on average common equity of 9.88% and return on average tangible common equity of 12.90%. The Company has maintained its solid credit quality and improved its deposit mix with noninterest-bearing demand deposits growing to represent 37% of total deposits. Book value and tangible book value per common share continued to increase, ending the quarter at \$32.75 and \$23.61, respectively.

Expansion of our banking franchise through merger and acquisition (M&A) remains a high priority. In July, we announced the completion of our acquisition of Citywide Banks of Colorado, Inc. With \$1.4 billion in assets, Citywide represents the most significant acquisition in our company's history. Our Colorado bank is now our largest bank with assets of \$2.3 billion and serves clients in one of America's best growth markets.

In November, Heartland announced the pending acquisition of Signature Bancshares, Inc., parent company of Signature Bank in Minnetonka, MN. Signature is a profitable community bank serving the specialized financial needs of business, professionals and private clients. Subject to Signature shareholder and regulatory approval, the transaction is expected to close in early 2018. Simultaneous with closing, Signature Bank will be merged into Heartland's Minnesota Bank & Trust subsidiary. Following the close of the transaction, Minnesota will have assets in excess of \$600 million and Heartland assets will increase to over \$10 billion with 118 full-service banking locations across its 12-state footprint.

In closing, I encourage you to take advantage of the excellent personal, small business, commercial banking, wealth management and insurance products we offer. Our entire staff is firmly committed to the Heartland mission of delivering excellence in customer service. Please visit our corporate website, [www.htlf.com](http://www.htlf.com), and click on "Business Units" for a link to each Heartland bank subsidiary.

On behalf of the officers, directors and employees throughout the Heartland organization, we take this time to express our appreciation for your continued support and wish you peace and joy in this holiday season, along with prosperity in the New Year.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn B. Fuller", written over a light blue horizontal line.

Lynn B. Fuller  
Chairman and Chief Executive Officer