News Release

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Truist Reports First Quarter 2021 Results

Earnings of $1.3 billion, or $0.98 per diluted share

CHARLOTTE, N.C., (April 15, 2021) — Truist Financial Corporation (NYSE: TFC) today reported earnings for the first quarter of 2021.

Net income available to common shareholders was $1.3 billion, up 35.3 percent, compared to the first quarter last year. Earnings per diluted common share were $0.98, an increase of 34.2 percent compared with the same period last year. Results for the first quarter produced an annualized return on average assets (ROA) of 1.17 percent, an annualized return on average common shareholders' equity (ROCE) of 8.69 percent and an annualized return on tangible common shareholders' equity (ROTCE) of 16.40 percent.

Adjusted net income available to common shareholders was $1.6 billion, or $1.18 per diluted share, excluding merger-related and restructuring charges of $141 million ($108 million after-tax), incremental operating expenses related to the merger of $175 million ($134 million after-tax) and an acceleration of loss recognition related to certain terminated cash flow hedges of $36 million ($28 million after-tax). Adjusted results produced an annualized ROA of 1.39 percent, an annualized ROCE of 10.41 percent and an annualized ROTCE of 19.36 percent.

"Truist and our teammates have a lot to be proud of in the first quarter, including a strong financial performance and several significant milestones reflective of our purpose in action," said Chairman and Chief Executive Officer Kelly S. King. "We advanced our ESG strategy with the issuance of our first social bond—becoming the first U.S. regional bank to do so—and became the lead investor for Greenwood, an innovative digital banking platform designed for Black and Latinx consumers and business owners. In addition, we received an 'Outstanding' CRA rating for our community development efforts, and continued to make great progress towards our Community Benefits Plan, after ending 2020 at 114 percent of our annual target. These achievements reflect our continued commitment to support and invest in the diverse communities we're proud to serve.

"Adjusted net income was $1.6 billion, an increase of 42 percent compared with the first quarter last year. On a diluted per share basis, adjusted net income was $1.18 per share, also up 42 percent from last year. This growth resulted from a record performance in our insurance business, record results from investment banking and a significantly lower provision for credit losses. We also demonstrated strong expense discipline by reducing expenses. The adjusted efficiency ratio for the quarter was 56.9 percent and the adjusted return on average tangible common shareholders' equity was a strong 19.36 percent.

"We continue to make important progress on our integration efforts, including completing the wealth brokerage transition earlier this quarter. Through our unique Integrated Relationship Management approach, we continued to deepen client relationships across our investment banking and insurance businesses, significantly increasing referral volumes.

"We were also honored to be recognized for our commitment to stand for better by the Human Rights Campaign's Corporate Equality Index with a perfect 100 score, by 'FORTUNE' as one of the world's most admired companies and as a top 50 employer by both 'Equal Opportunity' and 'CAREERS & the disABLED' magazines."

First Quarter 2021 Performance Highlights

- Earnings per diluted common share were $0.98
    - Adjusted diluted earnings per share were $1.18, up $0.35 per share compared to first quarter 2020
    - ROA was 1.17 percent; adjusted ROA was 1.39 percent
    - ROCE was 8.69 percent; adjusted ROCE was 10.41 percent
    - ROTCE was 16.40 percent; adjusted ROTCE was 19.36 percent

- Taxable-equivalent revenue was $5.5 billion
    - Fee income ratio was 40.1 percent, compared to 40.4 percent for fourth quarter 2020
    - Record revenues from insurance and investment banking and trading
    - Net interest margin was 3.01 percent, down seven basis points from fourth quarter 2020
    - Core net interest margin was 2.69 percent, down three basis points from fourth quarter 2020

- Noninterest expense was $3.6 billion
    - Noninterest expense includes $141 million of merger-related and restructuring charges and $175 million of incremental operating expenses related to the merger
    - GAAP efficiency ratio was 65.8 percent, compared to 67.8 percent for fourth quarter 2020
    - Adjusted efficiency ratio was 56.9 percent, compared to 55.9 percent for fourth quarter 2020

- Asset quality ratios remain stable reflecting diversification benefits of the merger and effective problem asset resolution
    - Nonperforming assets were 0.25 percent of total assets, down two basis points from the fourth quarter of 2020
    - Loans 90 days or more past due and still accruing were 0.71 percent of loans held for investment, up from 0.67 percent for the fourth quarter of 2020; the increase was almost entirely in government guaranteed loans
    - Excluding government guaranteed loans, loans 90 days or more past due and still accruing were 0.04 percent of loans held for investment
    - Net charge-offs were 0.33 percent of average loans and leases, up six basis points compared to the fourth quarter of 2020
    - The allowance for loan and lease losses was 1.94 percent of loans and leases held for investment compared to 1.95 percent for fourth quarter 2020
    - Provision for credit losses was $48 million for the first quarter of 2021, which includes a release of $190 million primarily reflecting lower loan balances and improved economic outlook
    - The allowance for loan and lease loss coverage ratio was 4.84 times nonperforming loans and leases held for investment, versus 4.39 times in the fourth quarter of 2020

- Capital and liquidity levels remained strong
  - Common equity tier 1 to risk-weighted assets was 10.1 percent
  - Tier 1 risk-based capital was 12.0 percent
  - Total risk-based capital was 14.3 percent
  - Repurchased $506 million of common shares
  - Redeemed $950 million of preferred stock
  - Consolidated average LCR ratio was 111 percent

EARNINGS HIGHLIGHTS

(dollars in millions, except per share data)	1Q21	4Q20	1Q20	Change 1Q21 vs. 4Q20	Change 1Q21 vs. 1Q20
Net income available to common shareholders	$ 1,334	$ 1,228	$ 986	$ 106	$ 348
Diluted earnings per common share	0.98	0.90	0.73	0.08	0.25
Net interest income - taxable equivalent	$ 3,313	$ 3,394	$ 3,687	$ (81)	$ (374)
Noninterest income	2,197	2,285	1,961	(88)	236
Total taxable-equivalent revenue	$ 5,510	$ 5,679	$ 5,648	$ (169)	$ (138)
Less taxable-equivalent adjustment	28	28	37		
Total revenue	$ 5,482	$ 5,651	$ 5,611		
Return on average assets	1.17 %	1.05 %	0.90 %	0.12 %	0.27 %
Return on average risk-weighted assets (current quarter is preliminary)	1.58	1.40	1.12	0.18	0.46
Return on average common shareholders' equity	8.69	7.88	6.58	0.81	2.11
Return on average tangible common shareholders' equity (1)	16.40	14.99	13.23	1.41	3.17
Net interest margin - taxable equivalent	3.01	3.08	3.58	(0.07)	(0.57)

(1) Excludes certain items as detailed in the non-GAAP reconciliations in the Quarterly Performance Summary.

First Quarter 2021 compared to Fourth Quarter 2020

Total taxable-equivalent revenue was $5.5 billion for the first quarter of 2021, a decrease of $169 million compared to the prior quarter.

Net interest income for the first quarter of 2021 was down $81 million compared to the prior quarter due to fewer days, lower purchase accounting accretion and lower rates on earning assets. These decreases were partially offset by lower funding costs. Average earning assets increased $5.3 billion compared to the prior quarter. Average securities available for sale increased $20.2 billion, while average other earning assets decreased $6.5 billion and average total loans decreased $8.6 billion. The growth in average earnings assets is a result of an increase in investment securities driven by strong deposit growth resulting from fiscal stimulus. The investment in securities positively impacted net interest income compared to the yields available on excess balances at the Federal Reserve. Average interest-bearing deposits increased $6.4 billion primarily due to clients receiving government stimulus funds, while average long-term debt decreased $2.5 billion primarily due to maturities. In addition, average noninterest-bearing deposits increased $1.5 billion compared to the fourth quarter of 2020.

The net interest margin was 3.01 percent for the first quarter, down seven basis points compared to the prior quarter. The yield on the total loan portfolio for the first quarter was 4.09 percent, down three basis points compared to the prior quarter primarily due to lower accretion of the fair value mark on the merged loans. The yield on the average securities portfolio for the first quarter was 1.45 percent, down 15 basis points compared to the prior quarter primarily due to lower yields on new purchases.

The average cost of total deposits was 0.05 percent, down two basis points compared to the prior quarter, and the average cost of interest-bearing deposits was 0.07 percent, down four basis points compared to the prior quarter. The decrease in rates on deposits was primarily attributable to maturities of higher-cost time deposits. The average rate on long-term debt was 1.57 percent, down seven basis points compared to the prior quarter. The decrease in the rate on long-term debt was primarily due to interest expense associated with the completion of structured real estate transactions in the prior quarter and higher-cost debt that matured.

The provision for credit losses was $48 million and net charge-offs were $238 million for the first quarter, compared to $177 million and $205 million, respectively, for the prior quarter. The decrease in the provision for credit losses was primarily due to lower loan balances and improved economic outlook.

Noninterest income was $2.2 billion, a decrease of $88 million compared to the prior quarter. Insurance income increased $81 million primarily due to seasonality in employee benefits commissions and acquisitions. Investment banking and trading revenues increased $32 million primarily due to a recovery of previously recorded CVA losses, as well as higher investment banking revenues. Residential mortgage income decreased $93 million primarily due to a decrease in production-related revenues resulting from lower gain on sale margins and volumes. Commercial real-estate related income decreased $80 million as the prior record quarter included fees from the completion of structured real estate transactions and seasonality in the commercial mortgage banking business. Other income was down $18 million as partnership income was down $49 million due to a strong fourth quarter, partially offset by gains of $37 million from the divestiture of certain businesses.

Noninterest expense was $3.6 billion for the first quarter, down $223 million compared to the prior quarter. Merger-related and restructuring charges decreased $167 million primarily due to lower facilities impairments and severance charges. Incremental operating expenses related to the merger decreased $4 million. The current quarter also includes $36 million of expense associated with an acceleration of loss recognition related to certain terminated cash flow hedges. Excluding the items mentioned above and changes in amortization of intangibles and a small gain from debt extinguishment, adjusted noninterest expense was down $57 million. Personnel expense increased $34 million compared to the prior quarter primarily due to higher equity-based compensation due to new grants, payroll taxes due to resetting of limits at the beginning of the year and other employee benefits, partially offset by lower salaries and wages. Incentives expense was relatively flat compared to the prior quarter as increased expense from improved performance in the current period was mostly offset by a decrease resulting from the impact of the job regrading initiative in the prior quarter. Professional fees and outside processing expenses decreased $43 million due to lower spend for professional services for strategic technology projects. Other expense also includes a $42 million decrease due to non-service-related pension cost components.

The provision for income taxes was $351 million for the first quarter of 2021, compared to $311 million for the prior quarter. The effective tax rate for the first quarter of 2021 was 19.2 percent, compared to 19.0 percent for the prior quarter.

First Quarter 2021 compared to First Quarter 2020

Total taxable-equivalent revenues were $5.5 billion for the first quarter of 2021, a decrease of $138 million compared to the earlier quarter.

Net interest income for the first quarter of 2021 was down $374 million compared to the earlier quarter due to lower purchase accounting accretion and lower rates on earning assets. These decreases were partially offset by lower funding costs. Average earning assets increased $30.4 billion compared to the earlier quarter. The increase in average earning assets reflects a $46.5 billion increase in average securities, while average total loans and leases decreased $8.2 billion and average other earning assets decreased $6.3 billion. The growth in average earnings assets is a result of an increase in investment securities driven by strong deposit growth resulting from fiscal stimulus. Average interest-bearing liabilities decreased $7.8 billion compared to the earlier quarter. The decline in average interest-bearing liabilities was offset by significant growth in average noninterest-bearing deposits, which increased $35.4 billion compared to the earlier quarter. Average interest-bearing deposits increased $13.1 billion, while average long-term debt decreased $8.7 billion and average short-term borrowings decreased $12.2 billion.

Net interest margin was 3.01 percent, down 57 basis points compared to the earlier quarter. The yield on the total loan portfolio for the first quarter of 2021 was 4.09 percent, down 89 basis points compared to the earlier quarter, reflecting the impact of rate decreases and lower purchase accounting accretion from merged loans. The yield on the average securities portfolio was 1.45 percent, down 117 basis points compared to the earlier quarter primarily due to lower yields on new purchases.

The average cost of total deposits was 0.05 percent, down 46 basis points compared to the earlier quarter, and the average cost of interest-bearing deposits was 0.07 percent, down 63 basis points compared to the earlier quarter. The average rate on short-term borrowings was 0.82 percent, down 94 basis points compared to the earlier quarter. The average rate on long-term debt was 1.57 percent, down 77 basis points compared to the earlier quarter. The lower rates on interest-bearing liabilities reflect the lower rate environment.

The provision for credit losses was $48 million, compared to $893 million for the earlier quarter. The earlier quarter included the significant uncertainty of the economic impacts resulting from the onset of the pandemic. Net charge-offs for the first quarter of 2021 totaled $238 million compared to $272 million in the earlier quarter. The net charge-off rate for the current quarter of 0.33 percent was down three basis points compared to the first quarter of 2020.

Noninterest income for the first quarter of 2021 increased $236 million compared to the earlier quarter. Investment banking and trading income increased $222 million due to the impact from CVA recoveries in the current period compared to losses in the earlier quarter and strong investment banking income from equity originations, loan syndications and asset securitization transactions. Insurance income increased $77 million due to new business and higher retention, as well as acquisitions. Other income increased $76 million primarily due to income from assets held for certain post-retirement benefits, which is primarily offset by higher personnel expense. Other income also includes a $37 million gain from the divestiture of certain businesses, which was mostly offset by gains from credit default swaps recorded in the earlier quarter. Lending related fees increased $33 million due to gains from the sale of finance leases. Residential mortgage banking income decreased $145 million primarily due to lower production related revenues as a result of lower gain on sale margins and volumes, as well as lower servicing income due to a reduction in the third-party servicing portfolio as a result of prepayments. Service charges on deposits decreased $47 million due to reduced overdraft incident rates.

Noninterest expense for the first quarter of 2021 was up $179 million compared to the earlier quarter. Merger-related and restructuring charges increased $34 million and other incremental operating expenses related to the merger increased $101 million, primarily reflected in professional fees and outside processing. The current quarter also includes $36 million of expense associated with an acceleration of loss recognition related to certain terminated cash flow hedges. Excluding the items mentioned above and changes in amortization of intangibles and a small gain from debt extinguishment, adjusted noninterest expense was up $32 million compared to the earlier quarter. Personnel expense increased $170 million primarily due to higher incentive expenses due to improved performance, higher equity-based compensation expense, higher other employee benefits, partially offset by lower salaries due to fewer FTEs. Other expense also includes decreases of $42 million for non-service-related pension cost components and $20 million for employee travel. There was also a decrease of $51 million from net occupancy expense, marketing and customer development and operating lease depreciation.

The provision for income taxes was $351 million for the first quarter of 2021, compared to $224 million for the earlier quarter. This produced an effective tax rate for the first quarter of 2021 of 19.2 percent, compared to 17.4 percent for the earlier quarter. The higher effective tax rate is primarily due to higher pre-tax income and discrete tax expenses due to the divestiture of certain businesses in the current year.

LOANS AND LEASES

(dollars in millions)

Average balances	1Q21	4Q20	Change	% Change (annualized)
Commercial:				
Commercial and industrial	$ 136,051	$ 139,223	$ (3,172)	(9.2)%
CRE	26,211	27,030	(819)	(12.3)
Commercial construction	6,557	6,616	(59)	(3.6)
Lease financing	4,975	5,401	(426)	(32.0)
Total commercial	173,794	178,270	(4,476)	(10.2)
Consumer:				
Residential mortgage	45,823	48,847	(3,024)	(25.1)
Residential home equity and direct	25,658	26,327	(669)	(10.3)
Indirect auto	26,363	25,788	575	9.0
Indirect other	10,848	11,291	(443)	(15.9)
Student	7,519	7,519	—	—
Total consumer	116,211	119,772	(3,561)	(12.1)
Credit card	4,645	4,818	(173)	(14.6)
Total loans and leases held for investment	$ 294,650	$ 302,860	$ (8,210)	(11.0)

Average loans and leases held for investment for the first quarter of 2021 were $294.7 billion, down $8.2 billion compared to the fourth quarter of 2020.

Average commercial loans decreased $4.5 billion primarily due to a $1.8 billion decrease in average Paycheck Protection Program loans, an $819 million decrease in average CRE loans and a $647 million decrease due to the transfer of $1.0 billion of certain loans and leases to held for sale late in the fourth quarter of 2020 and continued paydowns on revolving credit lines.

Average consumer loans decreased $3.6 billion primarily due to refinance activity resulting in a decline in residential mortgages and residential home equity and direct loans. This was partially offset by an increase in indirect auto loans.

DEPOSITS

(dollars in millions)

Average balances	1Q21	4Q20	Change	% Change (annualized)
Noninterest-bearing deposits	$ 128,579	$ 127,103	$ 1,476	4.7 %
Interest checking	104,744	99,866	4,878	19.8
Money market and savings	129,303	124,692	4,611	15.0
Time deposits	20,559	23,605	(3,046)	(52.3)
Total deposits	$ 383,185	$ 375,266	$ 7,919	8.6

Average deposits for the first quarter of 2021 were $383.2 billion, an increase of $7.9 billion compared to the prior quarter. Average interest checking and money market and savings deposit growth was strong for the first quarter of 2021 driven by growth resulting from additional government stimulus programs and pandemic-related client behavior. Average noninterest bearing deposits grew 4.7 percent compared to the prior quarter and represented 33.6 percent of total deposits for the first quarter of 2021, compared to 33.9 percent for the prior quarter.

Average time deposits decreased primarily due to the maturity of wholesale negotiable certificates of deposit and higher-cost personal accounts.

The cost of average total deposits was 0.05 percent for the first quarter, down two basis points compared to the prior quarter. The cost of average interest-bearing deposits was 0.07 percent for the first quarter, down four basis points compared to the prior quarter.

SEGMENT RESULTS

(dollars in millions)

				Change 1Q21 vs.	
Segment Net Income	1Q21	4Q20	1Q20	4Q20	1Q20
Consumer Banking and Wealth	$ 803	$ 854	$ 675	$ (51)	$ 128
Corporate and Commercial Banking	908	922	421	(14)	487
Insurance Holdings	131	99	105	32	26
Other, Treasury & Corporate	(369)	(545)	(138)	176	(231)
Total net income	$ 1,473	$ 1,330	$ 1,063	$ 143	$ 410

First Quarter 2021 compared to Fourth Quarter 2020

Consumer Banking and Wealth ("CB&W")

CB&W serves individuals and small business clients by offering a variety of loan and deposit products, payment services, bankcard products and other financial services by connecting clients to a wide range of financial products and services. CB&W includes Retail Community Bank, which provides banking, borrowing, investing, insurance solutions and advice through Premier Banking to individuals and small business clients through an extensive network of branches and ATMs, digital channels and contact centers. Financial products and services offered include deposits and payments, credit cards, loans, mortgages, brokerage and investment advisory services and insurance solutions. CB&W also includes Dealer Retail Services, which originates loans on an indirect basis to individuals for the purchase of automobiles, boats and recreational vehicles. Additionally, CB&W includes National Consumer Finance & Payments, which provides a comprehensive set of technology-enabled lending solutions to individuals and small businesses through several national channels, as well as merchant services and payment processing solutions to business clients. CB&W also includes Mortgage Banking, which offers residential mortgage products nationally through its retail and correspondent channels, the internet and by telephone. These products are either sold in the secondary market, primarily with servicing rights retained, or held in the Company’s loan portfolio. Mortgage Banking also services loans for other investors, in addition to loans held in the Company’s loan portfolio. Mortgage Banking also includes Mortgage Warehouse Lending, which provides short-term lending solutions to finance first-lien residential mortgage LHFS by independent mortgage companies. Wealth delivers investment management, financial planning, banking, fiduciary services and related solutions to institutions, affluent and high net worth individuals and families, with financial expertise and industry-specific insights in the medical, legal, sports and entertainment industries.

CB&W net income was $803 million for the first quarter of 2021, a decrease of $51 million compared to the prior quarter. Segment net interest income decreased $62 million primarily driven by fewer days, a decline in the funding credit on liabilities and lower purchase accounting accretion. Noninterest income decreased $73 million driven by lower residential mortgage income due to lower gain on sale margins and volumes, partially offset by gains from the divestiture of certain businesses. The allocated provision for credit losses decreased $16 million which reflects an allowance release that was driven by decreasing loan balances and improved economic outlook, partially offset by increased net charge-offs primarily in the auto portfolios. Noninterest expense decreased $50 million primarily due to lower occupancy expense, merger-related expenses, amortization of intangibles, equipment expenses and loan related expenses, partially offset by seasonally higher personnel benefits expenses.

Average loans held for investment decreased $4.4 billion compared to the prior quarter primarily due to lower residential mortgage, home equity lending, divestiture of small ticket loan and lease portfolio and other indirect lending, partially offset by increased indirect auto lending. Average total deposits increased $6.7 billion compared to the prior quarter primarily due to the impact of the government stimulus programs.

Corporate and Commercial Banking ("C&CB")

C&CB serves large, medium and small business clients by offering a variety of loan and deposit products and connecting clients to the combined organization's broad array of financial services. C&CB includes Corporate and Investment Banking ("CIB"), which delivers a comprehensive range of strategic advisory, capital raising, risk management, financing, liquidity and investment solutions to both public and private companies in the C&CB segment and Wealth. Additionally, C&CB includes Commercial Community Banking, which offers an array of traditional banking products, including lending, cash management and investment banking to commercial clients via CIB. C&CB also includes Commercial Real Estate, which provides a range of credit and deposit services as well as fee-based product offerings to privately held developers, operators and investors in commercial real estate properties. C&CB also includes Grandbridge Real Estate Capital, which is a fully integrated commercial mortgage banking company that originates commercial and multi-family real estate loans, services loan portfolios and provides asset and portfolio management as well as real estate brokerage services. Treasury Solutions, within C&CB, provides business clients across the organization with services required to manage their payments and receipts, combined with the ability to manage and optimize their deposits across all aspects of their business.

C&CB net income was $908 million for the first quarter of 2021, a decrease of $14 million compared to the prior quarter. Segment net interest income decreased $73 million primarily due to reduced funding credit on liabilities, fewer days and lower purchase accounting accretion. Noninterest income decreased $95 million primarily due to seasonally strong commercial real-estate related income in the prior quarter and lower partnership income, partially offset by higher investment banking and trading revenues. The allocated provision for credit losses decreased $95 million which reflects an allowance release primarily driven by a decline in loan balances and an improved economic outlook, partially offset by a modest decrease in recoveries. Noninterest expense decreased $49 million primarily due to lower incentives and merger-related expenses.

Average loans held for investment decreased $3.6 billion compared to the prior quarter due primarily to pay-downs on drawn revolvers and forgiveness of Paycheck Protection Program loans, partially offset by funding for the second round of Paycheck Protection Program loans. Average total deposits increased $1.2 billion compared to the prior quarter primarily due to seasonally higher balances from commercial clients.

Insurance Holdings ("IH")

Truist's IH segment is one of the largest insurance brokers in the world, providing property and casualty, employee benefits and life insurance to businesses and individuals. It also provides small business and corporate services, such as workers compensation and professional liability, as well as surety coverage and title insurance. In addition, IH provides premium financing for property and casualty insurance.

IH net income was $131 million for the first quarter of 2021, an increase of $32 million compared to the prior quarter. Noninterest income increased $71 million primarily due to seasonality in employee benefits insurance commissions as well as acquisitions. Noninterest expense increased $28 million primarily due to seasonally higher performance-based incentives and increased amortization of intangibles, partially offset by lower merger-related charges.

Other, Treasury & Corporate ("OT&C")

Net income in OT&C can vary due to the changing needs of the Corporation, including the size of the investment portfolio, the need for wholesale funding and variability associated with derivatives used to hedge the balance sheet.

OT&C generated a net loss of $369 million for the first quarter of 2021, compared to a net loss of $545 million for the prior quarter. Segment net interest income increased $56 million primarily due to higher earnings in the securities portfolio from purchases to utilize excess liquidity. Noninterest expense decreased $152 million primarily due to lower merger-related expenses, professional service fees and outside processing, as well as employee benefits, partially offset by higher incentives, marketing expenses and licensing fees. The benefit for income taxes decreased $58 million primarily due to a lower pre-tax loss in the current quarter.

First Quarter 2021 compared to First Quarter 2020

Consumer Banking and Wealth

CB&W net income was $803 million for the first quarter of 2021, an increase of $128 million compared to the earlier quarter. Segment net interest income decreased $119 million primarily due to a decline in the funding credit provided on liabilities and lower purchase accounting accretion. Noninterest income decreased $145 million driven by lower residential mortgage income due to lower gain on sale margins and volumes, partially offset by gains from the divestiture of certain businesses. The allocated provision for credit losses decreased $337 million reflecting an allowance build during the first quarter of 2020 resulting from the deteriorating economic outlook caused by the onset of the pandemic, as well as a benefit from lower charge offs in the auto portfolios compared to the prior year. Noninterest expense decreased $94 million primarily due to lower amortization of intangibles, merger related expenses and occupancy expenses in the current quarter.

Corporate and Commercial Banking

C&CB net income was $908 million for the first quarter of 2021, an increase of $487 million compared to the earlier quarter. Segment net interest income decreased $114 million primarily due to reduced funding credit on liabilities and lower purchase accounting accretion. Noninterest income increased $237 million driven by investment banking, recovery of previously recorded CVA losses and lending related fees. The allocated provision for credit losses decreased $434 million primarily reflecting the impact of a significant allowance build in the first quarter of 2020 resulting from the deteriorating economic outlook caused by the onset of the pandemic. Noninterest expense decreased $87 million primarily due to lower personnel related expenses, merger related expenses and operating lease depreciation in the current quarter.

Insurance Holdings

IH net income was $131 million for the first quarter of 2021, an increase of $26 million compared to the earlier quarter. Noninterest income increased $76 million primarily due to higher property and casualty insurance production as well as acquisitions. Noninterest expense increased $39 million primarily due to higher performance-based incentives and amortization of intangibles related to the acquisitions.

Other, Treasury & Corporate

OT&C generated a net loss of $369 million in the first quarter of 2021, compared to a net loss of $138 million in the earlier quarter. Segment net interest income decreased $127 million primarily due to lower net funding charges to other segments due to lower market rates, partially offset by lower interest expense on borrowings. Noninterest income increased $68 million primarily due to income from assets held for certain post-retirement benefits. The allocated provision for credit losses decreased $74 million due to changes in the reserve for unfunded commitments and an allowance build in the earlier quarter resulting from the onset of the pandemic. Noninterest expense increased $321 million primarily due to higher incremental operating expenses related to the merger and higher merger-related charges in the current quarter. The benefit for income taxes increased $75 million primarily due to a higher pre-tax loss in the current quarter.

CAPITAL RATIOS	1Q21	4Q20	3Q20	2Q20	1Q20
Risk-based:	(preliminary)				
Common equity Tier 1	10.1 %	10.0 %	10.0 %	9.7 %	9.3 %
Tier 1	12.0	12.1	12.2	11.6	10.5
Total	14.3	14.5	14.6	14.0	12.7
Leverage	9.4	9.6	9.6	9.0	9.0
Supplementary leverage	8.3	8.7	8.9	8.5	7.8

Capital ratios remained strong compared to the regulatory levels for well capitalized banks. Truist declared common dividends of $0.450 per share during the first quarter of 2021 and completed $506 million of share repurchases. The dividend and total payout ratios for the first quarter of 2021 were 45.4 percent and 83.3 percent, respectively. Truist also redeemed $950 million of preferred stock during the quarter to optimize the Company's capital position. In connection with the redemptions of preferred stock, net income available to common shareholders was reduced by $26 million to recognize the difference between the redemption price and the carrying value.

Truist has approximately $1.5 billion authorization remaining under the share repurchase program approved by the Board of Directors in December 2020. Management’s intention is to maintain an approximate 10 percent Common Equity Tier 1 ratio after considering strategic actions such as non-bank acquisitions or stock repurchases, as well as changes in risk-weighted assets. For the second quarter of 2021, Truist intends to execute share repurchases consistent with the Federal Reserve's capital restrictions announced on March 25, 2021. In addition to these restrictions, any future stock repurchase activity will be informed by economic and regulatory considerations as well as Truist’s capital position, earnings outlook and capital deployment priorities.

Truist's average LCR was 111 percent for the three months ended March 31, 2021, compared to the regulatory minimum of 100 percent. Truist continues to maintain a strong liquidity position and is prepared to meet the funding needs of clients. In addition, the liquid asset buffer, which is defined as high quality unencumbered liquid assets as a percentage of total assets, was 23.2 percent at March 31, 2021.

ASSET QUALITY

(dollars in millions)	1Q21	4Q20	3Q20	2Q20	1Q20
Total nonperforming assets	$ 1,299	$ 1,387	$ 1,314	$ 1,252	$ 1,177
Total performing TDRs	1,539	1,361	1,217	1,107	1,079
Total loans 90 days past due and still accruing	2,072	2,008	1,197	1,072	1,748
Total loans 30-89 days past due	1,788	2,220	2,148	1,901	2,374
Nonperforming loans and leases as a percentage of loans and leases held for investment	0.40 %	0.44 %	0.37 %	0.35 %	0.32 %
Nonperforming loans and leases as a percentage of loans and leases, including loans held for sale	0.42	0.44	0.40	0.37	0.33
Nonperforming assets as a percentage of total assets	0.25	0.27	0.26	0.25	0.23
Loans 30-89 days past due and still accruing as a percentage of loans and leases	0.61	0.74	0.70	0.60	0.74
Loans 90 days or more past due and still accruing as a percentage of loans and leases	0.71	0.67	0.39	0.34	0.55
Loans 90 days or more past due and still accruing as a percentage of loans and leases, excluding PPP and other government guaranteed	0.04	0.04	0.03	0.04	0.04
Allowance for loan and lease losses as a percentage of loans and leases held for investment	1.94	1.95	1.91	1.81	1.63
Net charge-offs as a percentage of average loans and leases, annualized	0.33	0.27	0.42	0.39	0.36
Ratio of allowance for loan and lease losses to net charge-offs, annualized	5.87x	7.15x	4.52x	4.49x	4.76x
Ratio of allowance for loan and lease losses to nonperforming loans and leases held for investment	4.84x	4.39x	5.22x	5.24x	5.04x

Nonperforming assets totaled $1.3 billion at March 31, 2021, down $88 million compared to December 31, 2020. Nonperforming loans and leases represented 0.42 percent of total loans and leases, down two basis points compared to December 31, 2020. Nonperforming loans and leases held for investment decreased $159 million, primarily in the commercial and industrial portfolio, while nonperforming loans held for sale increased $67 million as a portfolio of residential mortgage loans was transferred to held for sale during the quarter.

Performing TDRs were up $178 million during the first quarter primarily in the residential mortgage and commercial and industrial portfolios. The increase in residential mortgage was driven by modifications of loans that were not eligible for relief in accordance with the provisions of the CARES Act. The increase in commercial and industrial loan modifications was driven by an increase in the volume of loans entering workout agreements.

Loans 90 days or more past due and still accruing totaled $2.1 billion at March 31, 2021, up $64 million compared to the prior quarter. The increase was primarily in residential mortgage loans due to the repurchase of delinquent government guaranteed loans. The ratio of loans 90 days or more past due and still accruing as a percentage of loans and leases was 0.71 percent at March 31, 2021, up four basis points from the prior quarter. Excluding government guaranteed loans, the ratio of loans 90 days or more past due and still accruing as a percentage of loans and leases was 0.04 percent at March 31, 2021, unchanged from December 31, 2020.

Loans 30-89 days past due and still accruing totaled $1.8 billion at March 31, 2021, down $432 million compared to the prior quarter. The decrease was primarily in consumer loans for residential mortgage and indirect automobile due to seasonality and consumers receiving stimulus funds. The ratio of loans 30-89 days past due and still accruing as a percentage of loans and leases was 0.61 percent at March 31, 2021 down 13 basis points from the prior quarter.

Net charge-offs during the first quarter totaled $238 million, up $33 million compared to the prior quarter. As a percentage of average loans and leases, annualized net charge-offs were 0.33 percent, up six basis points compared to the prior quarter. The increase in net charge-offs was primarily in the indirect auto portfolio due to seasonality.

The allowance for credit losses was $6.0 billion and includes $5.7 billion for loans and leases and $349 million for the reserve for unfunded commitments. The allowance for loan and lease losses represented 1.94 percent of loans and leases held for investment compared to 1.95 percent at December 31, 2020. The allowance for loan and lease losses covered nonperforming loans and leases held for investment 4.84 times compared to 4.39 times at December 31, 2020. At March 31, 2021, the allowance for loan and lease losses was 5.87 times annualized net charge-offs, compared to 7.15 times at December 31, 2020.

Earnings Presentation and Quarterly Performance Summary

To listen to Truist's live first quarter 2021 earnings conference call at 8 a.m. ET today, please call 866-519-2796 and enter the participant code 391805. A presentation will be used during the earnings conference call and is available on our website at https://ir.truist.com/events-and-presentation. Replays of the conference call will be available for 30 days by dialing 888-203-1112 (access code 391805).

The presentation, including an appendix reconciling non-GAAP disclosures, and Truist's First Quarter 2021 Quarterly Performance Summary, which contains detailed financial schedules, are available at https://ir.truist.com/earnings.

About Truist

Truist Financial Corporation is a purpose-driven financial services company committed to inspiring and building better lives and communities. Formed by the historic merger of equals of BB&T and SunTrust, Truist has leading market share in many high-growth markets in the country. The company offers a wide range of services including retail, small business and commercial banking; asset management; capital markets; commercial real estate; corporate and institutional banking; insurance; mortgage; payments; specialized lending; and wealth management. Headquartered in Charlotte, North Carolina, Truist is the sixth-largest commercial bank in the U.S. with total assets of $518 billion as of March 31, 2021. Truist Bank, Member FDIC. Learn more at Truist.com.

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Capital ratios and return on risk-weighted assets are preliminary.

This news release contains financial information and performance measures determined by methods other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Truist's management uses these "non-GAAP" measures in their analysis of the Corporation's performance and the efficiency of its operations. Management believes these non-GAAP measures provide a greater understanding of ongoing operations, enhance comparability of results with prior periods and demonstrate the effects of significant items in the current period. The Corporation believes a meaningful analysis of its financial performance requires an understanding of the factors underlying that performance. Truist's management believes investors may find these non-GAAP financial measures useful. These disclosures should not be viewed as a substitute for financial measures determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Below is a listing of the types of non-GAAP measures used in this news release:

- *Adjusted Efficiency Ratio - The adjusted efficiency ratio is non-GAAP in that it excludes securities gains (losses), amortization of intangible assets, merger-related and restructuring charges and other selected items. Truist's management uses this measure in their analysis of the Corporation's performance. Truist's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*

- *Tangible Common Equity and Related Measures - Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. Truist's management uses these measures to assess the quality of capital and returns relative to balance sheet risk.*
- *Core NIM - Core net interest margin is a non-GAAP measure that adjusts net interest margin to exclude the impact of purchase accounting. The purchase accounting marks and related amortization for a) securities acquired from the FDIC in the Colonial Bank acquisition and b) loans, deposits and long-term debt from SunTrust, Susquehanna, National Penn and Colonial Bank are excluded to approximate the yields paid by clients. Truist's management believes the adjustments to the calculation of net interest margin for certain assets and liabilities acquired provide investors with useful information related to the performance of Truist's earning assets.*
- *Adjusted Diluted EPS - The adjusted diluted earnings per share is non-GAAP in that it excludes merger-related and restructuring charges and other selected items, net of tax. Truist's management uses this measure in their analysis of the Corporation's performance. Truist's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*
- *Performance Ratios - The adjusted performance ratios, including adjusted return on average assets, adjusted return on average common shareholders' equity and adjusted return on average tangible common shareholders' equity, are non-GAAP in that they exclude merger-related and restructuring charges, selected items and, in the case of return on average tangible common shareholders' equity, amortization of intangible assets. Truist's management uses these measures in their analysis of the Corporation's performance. Truist's management believes these measures provide a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*
- *Insurance Holdings Adjusted EBITDA - EBITDA is a non-GAAP measurement of operating profitability that is calculated by adding back interest, taxes, depreciation and amortization to net income. Truist's management also adds back merger-related and restructuring charges, incremental operating expenses related to the merger and other selected items. Truist's management uses this measure in its analysis of the Corporation's Insurance Holdings segment. Truist's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.*
- *Allowance for Loan and Lease Losses and Unamortized Fair Value Mark as a Percentage of Gross Loans and Leases - Allowance for loan and lease losses and unamortized fair value mark as a percentage of gross loans and leases is a non-GAAP measurement of credit reserves that is calculated by adjusting the ALLL and loans and leases held for investment by the unamortized fair value mark. Truist's management uses these measures to assess loss absorption capacity.*

A reconciliation of these non-GAAP measures to the most directly comparable GAAP measure is included in the appendix to Truist's First Quarter 2021 Earnings Presentation, which is available at https://ir.truist.com/earnings.

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, regarding the financial condition, results of operations, business plans and the future performance of Truist. Words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "projects," "may," "will," "should," "would," "could" and other similar expressions are intended to identify these forward-looking statements.

Forward-looking statements are not based on historical facts but instead represent management's expectations and assumptions regarding Truist's business, the economy and other future conditions. Such statements involve inherent uncertainties, risks and changes in circumstances that are difficult to predict. As such, Truist's actual results may differ materially from those contemplated by forward-looking statements. While there can be no assurance that any list of risks and uncertainties or risk factors is complete, important factors that could cause actual results to differ materially from those contemplated by forward-looking statements include the following, without limitation, as well as the risks and uncertainties more fully discussed under Item 1A-Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2020 and in Truist's subsequent filings with the Securities and Exchange Commission:

- *risks and uncertainties relating to the Merger of heritage BB&T and heritage SunTrust, including the ability to successfully integrate the companies or to realize the anticipated benefits of the Merger;*
- *expenses relating to the Merger and integration of heritage BB&T and heritage SunTrust;*
- *deposit attrition, client loss or revenue loss following completed mergers or acquisitions may be greater than anticipated;*
- *the COVID-19 pandemic has disrupted the global economy, adversely impacted Truist's financial condition and results of operations, including through increased expenses, reduced fee income and net interest margin and increases in the allowance for credit losses, and continuation of current conditions could worsen these impacts and also adversely affect Truist's capital and liquidity position or cost of capital, impair the ability of borrowers to repay outstanding loans, cause an outflow of deposits, and impair goodwill or other assets;*
- *Truist is subject to credit risk by lending or committing to lend money and may have more credit risk and higher credit losses to the extent that loans are concentrated by loan type, industry segment, borrower type or location of the borrower or collateral;*
- *changes in the interest rate environment, including the replacement of LIBOR as an interest rate benchmark and potentially negative interest rates, which could adversely affect Truist's revenue and expenses, the value of assets and obligations, and the availability and cost of capital, cash flows, and liquidity;*

- *inability to access short-term funding or liquidity, loss of client deposits or changes in Truist's credit ratings, which could increase the cost of funding or limit access to capital markets;*
- *risk management oversight functions may not identify or address risks adequately, and management may not be able to effectively manage credit risk;*
- *risks resulting from the extensive use of models in Truist's business, which may impact decisions made by management and regulators;*
- *failure to execute on strategic or operational plans, including the ability to successfully complete or integrate mergers and acquisitions;*
- *increased competition, including from new or existing competitors that could have greater financial resources or be subject to different regulatory standards, for products and services offered by non-bank financial technology companies may reduce Truist's client base, cause Truist to lower prices for its products and services in order to maintain market share or otherwise adversely impact Truist's businesses or results of operations;*
- *failure to maintain or enhance Truist's competitive position with respect to new products, services and technology, whether it fails to anticipate client expectations or because its technological developments fail to perform as desired or do not achieve market acceptance or regulatory approval or for other reasons, may cause Truist to lose market share or incur additional expense;*
- *negative public opinion, which could damage Truist's reputation;*
- *increased scrutiny regarding Truist's consumer sales practices, training practices, incentive compensation design and governance;*
- *regulatory matters, litigation or other legal actions, which may result in, among other things, costs, fines, penalties, restrictions on Truist's business activities, reputational harm, negative publicity or other adverse consequences;*
- *evolving legislative, accounting and regulatory standards, including with respect to capital and liquidity requirements, and results of regulatory examinations, may adversely affect Truist's financial condition and results of operations;*
- *the monetary and fiscal policies of the federal government and its agencies could have a material adverse effect on profitability;*
- *accounting policies and processes require management to make estimates about matters that are uncertain, including the potential write down to goodwill if there is an elongated period of decline in market value for Truist's stock and adverse economic conditions are sustained over a period of time;*
- *general economic or business conditions, either globally, nationally or regionally, may be less favorable than expected, and instability in global geopolitical matters or volatility in financial markets could result in, among other things, slower deposit or asset growth, a deterioration in credit quality or a reduced demand for credit, insurance or other services;*
- *risks related to originating and selling mortgages, including repurchase and indemnity demands from purchasers related to representations and warranties on loans sold, which could result in an increase in the amount of losses for loan repurchases;*
- *risks relating to Truist's role as a loan servicer, including an increase in the scope or costs of the services Truist is required to perform without any corresponding increase in servicing fees, or a breach of Truist's obligations as servicer;*
- *Truist's success depends on hiring and retaining key personnel, and if these individuals leave or change roles without effective replacements, Truist's operations and integration activities could be adversely impacted, which could be exacerbated as Truist continues to integrate the management teams of heritage BB&T and heritage SunTrust;*
- *fraud or misconduct by internal or external parties, which Truist may not be able to prevent, detect or mitigate;*
- *security risks, including denial of service attacks, hacking, social engineering attacks targeting Truist's teammates and clients, malware intrusion, data corruption attempts, system breaches, cyber attacks and identity theft, could result in the disclosure of confidential information, adversely affect Truist's business or reputation or create significant legal or financial exposure; and*
- *widespread outages of operational, communication or other systems, whether internal or provided by third parties, natural or other disasters (including acts of terrorism and pandemics), and the effects of climate change could have an adverse effect on Truist's financial condition and results of operations, or lead to material disruption of Truist's operations or the ability or willingness of clients to access Truist's products and services.*

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Except to the extent required by applicable law or regulation, Truist undertakes no obligation to revise or update any forward-looking statements.

Quarterly Performance Summary

Truist Financial Corporation

First Quarter 2021

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Quarterly Performance Summary

Truist Financial Corporation

Financial Highlights

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended March 31 2021	2020	% Change
Summary Income Statement			
Interest income - taxable equivalent (1)	$ 3,522	$ 4,463	(21.1)%
Interest expense	209	776	(73.1)
Net interest income - taxable equivalent	3,313	3,687	(10.1)
Less: Taxable-equivalent adjustment	28	37	(24.3)
Net interest income	3,285	3,650	(10.0)
Provision for credit losses	48	893	(94.6)
Net interest income after provision for credit losses	3,237	2,757	17.4
Noninterest income	2,197	1,961	12.0
Noninterest expense	3,610	3,431	5.2
Income before income taxes	1,824	1,287	41.7
Provision for income taxes	351	224	56.7
Net income	1,473	1,063	38.6
Noncontrolling interests	(4)	3	NM
Net income available to the bank holding company	1,477	1,060	39.3
Preferred stock dividends and other	143	74	93.2
Net income available to common shareholders	1,334	986	35.3
Per Common Share Data			
Earnings per share-basic	$ 0.99	$ 0.73	35.6 %
Earnings per share-diluted	0.98	0.73	34.2
Earnings per share-adjusted diluted (2)	1.18	0.83	42.2
Cash dividends declared	0.450	0.450	—
Common shareholders' equity	45.17	45.49	(0.7)
Tangible common shareholders' equity (2)	25.53	26.00	(1.8)
End of period shares outstanding	1,344,845	1,347,461	(0.2)
Weighted average shares outstanding-basic	1,345,666	1,344,372	0.1
Weighted average shares outstanding-diluted	1,358,932	1,357,545	0.1
Performance Ratios			
Return on average assets	1.17 %	0.90 %	
Return on average risk-weighted assets (current period is preliminary)	1.58	1.12	
Return on average common shareholders' equity	8.69	6.58	
Return on average tangible common shareholders' equity (2)	16.40	13.23	
Net interest margin - taxable equivalent	3.01	3.58	
Fee income ratio	40.1	34.9	
Efficiency ratio-GAAP	65.8	61.1	
Efficiency ratio-adjusted (2)	56.9	54.6	
Credit Quality			
Nonperforming assets as a percentage of:			
Assets	0.25 %	0.23 %	
Loans and leases plus foreclosed property	0.42	0.36	
Net charge-offs as a percentage of average loans and leases	0.33	0.36	
Allowance for loan and lease losses as a percentage of LHFI	1.94	1.63	
Ratio of allowance for loan and lease losses to nonperforming LHFI	4.84x	5.04x	
Average Balances			
Assets	$ 508,833	$ 477,550	6.6 %
Securities available for sale (3)	122,246	75,701	61.5
Loans and leases	299,541	307,748	(2.7)
Deposits	383,185	334,649	14.5
Common shareholders' equity	62,252	60,224	3.4
Total shareholders' equity	70,047	65,412	7.1
Period-End Balances			
Assets	$ 517,537	$ 506,229	2.2 %
Securities available for sale (3)	123,807	78,398	57.9
Loans and leases	297,179	324,039	(8.3)
Deposits	395,562	350,179	13.0
Common shareholders' equity	60,752	61,295	(0.9)
Total shareholders' equity	67,876	66,061	2.7
Capital Ratios (current quarter is preliminary)			
Common equity Tier 1	10.1 %	9.3 %	
Tier 1	12.0	10.5	
Total	14.3	12.7	
Leverage	9.4	9.0	
Supplementary leverage	8.3	7.8	

Applicable ratios are annualized.

NM - not meaningful

(1) Interest income includes certain fees, deferred costs, fair value mark accretion, and dividends.

(2) Represents a non-GAAP measure. See the calculations and management's reasons for using these measures in the Non-GAAP Reconciliations and Preliminary Capital Information - Five Quarter Trend sections of this supplement.

(3) Average balances reflect AFS securities at amortized cost. Period-end balances reflect AFS securities at fair value.

Financial Highlights - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Summary Income Statement					
Interest income - taxable equivalent (1)	$ 3,522	$ 3,639	$ 3,652	$ 3,919	$ 4,463
Interest expense	209	245	261	440	776
Net interest income - taxable equivalent	3,313	3,394	3,391	3,479	3,687
Less: Taxable-equivalent adjustment	28	28	29	31	37
Net interest income	3,285	3,366	3,362	3,448	3,650
Provision for credit losses	48	177	421	844	893
Net interest income after provision for credit losses	3,237	3,189	2,941	2,604	2,757
Noninterest income	2,197	2,285	2,210	2,423	1,961
Noninterest expense	3,610	3,833	3,755	3,878	3,431
Income before income taxes	1,824	1,641	1,396	1,149	1,287
Provision for income taxes	351	311	255	191	224
Net income	1,473	1,330	1,141	958	1,063
Noncontrolling interests	(4)	1	3	3	3
Net income available to the bank holding company	1,477	1,329	1,138	955	1,060
Preferred stock dividends and other	143	101	70	53	74
Net income available to common shareholders	1,334	1,228	1,068	902	986
Per Common Share Data					
Earnings per share-basic	$ 0.99	$ 0.91	$ 0.79	$ 0.67	$ 0.73
Earnings per share-diluted	0.98	0.90	0.79	0.67	0.73
Earnings per share-adjusted diluted (2)	1.18	1.18	0.97	0.82	0.83
Cash dividends declared	0.450	0.450	0.450	0.450	0.450
Common shareholders' equity	45.17	46.52	45.86	45.74	45.49
Tangible common shareholders' equity (2)	25.53	26.78	26.63	26.38	26.00
End of period shares outstanding	1,344,845	1,348,961	1,348,118	1,347,609	1,347,461
Weighted average shares outstanding-basic	1,345,666	1,348,493	1,347,916	1,347,512	1,344,372
Weighted average shares outstanding-diluted	1,358,932	1,361,763	1,358,122	1,355,834	1,357,545
Performance Ratios					
Return on average assets	1.17 %	1.05 %	0.91 %	0.75 %	0.90 %
Return on average risk-weighted assets (current quarter is preliminary)	1.58	1.40	1.19	1.00	1.12
Return on average common shareholders' equity	8.69	7.88	6.87	5.90	6.58
Return on average tangible common shareholders' equity (2)	16.40	14.99	13.31	11.83	13.23
Net interest margin - taxable equivalent	3.01	3.08	3.10	3.13	3.58
Fee income ratio	40.1	40.4	39.7	41.3	34.9
Efficiency ratio-GAAP	65.8	67.8	67.4	66.1	61.1
Efficiency ratio-adjusted (2)	56.9	55.9	57.3	55.8	54.6
Credit Quality					
Nonperforming assets as a percentage of:					
Assets	0.25 %	0.27 %	0.26 %	0.25 %	0.23 %
Loans and leases plus foreclosed property	0.42	0.46	0.39	0.37	0.36
Net charge-offs as a percentage of average loans and leases	0.33	0.27	0.42	0.39	0.36
Allowance for loan and lease losses as a percentage of LHFI	1.94	1.95	1.91	1.81	1.63
Ratio of allowance for loan and lease losses to nonperforming LHFI	4.84x	4.39x	5.22x	5.24x	5.04x
Average Balances					
Assets	$ 508,833	$ 503,181	$ 500,826	$ 514,720	$ 477,550
Securities available for sale (3)	122,246	102,053	79,828	75,159	75,701
Loans and leases	299,541	308,188	315,691	326,435	307,748
Deposits	383,185	375,266	372,211	370,818	334,649
Common shareholders' equity	62,252	61,991	61,804	61,484	60,224
Total shareholders' equity	70,047	70,145	69,634	66,863	65,412
Period-End Balances					
Assets	$ 517,537	$ 509,228	$ 499,183	$ 504,336	$ 506,229
Securities available for sale (3)	123,807	120,788	86,132	77,805	78,398
Loans and leases	297,179	305,793	312,149	321,148	324,039
Deposits	395,562	381,077	370,747	376,235	350,179
Common shareholders' equity	60,752	62,759	61,819	61,634	61,295
Total shareholders' equity	67,876	70,912	69,973	68,883	66,061
Capital Ratios (current quarter is preliminary)					
Common equity Tier 1	10.1 %	10.0 %	10.0 %	9.7 %	9.3 %
Tier 1	12.0	12.1	12.2	11.6	10.5
Total	14.3	14.5	14.6	14.0	12.7
Leverage	9.4	9.6	9.6	9.0	9.0
Supplementary leverage	8.3	8.7	8.9	8.5	7.8

Applicable ratios are annualized.

(1) Interest income includes certain fees, deferred costs, fair value mark accretion, and dividends.

(2) Represents a non-GAAP measure. See the calculations and management's reasons for using these measures in the Non-GAAP Reconciliations and Preliminary Capital Information - Five Quarter Trend sections of this supplement.

(3) Average balances reflect AFS securities at amortized cost. Period-end balances reflect AFS securities at fair value.

Consolidated Statements of Income

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended March 31 2021	Quarter Ended March 31 2020	Change $	Change %
Interest Income				
Interest and fees on loans and leases	$ 3,002	$ 3,776	$ (774)	(20.5)%
Interest on securities	443	494	(51)	(10.3)
Interest on other earning assets	49	156	(107)	(68.6)
Total interest income	3,494	4,426	(932)	(21.1)
Interest Expense				
Interest on deposits	47	421	(374)	(88.8)
Interest on long-term debt	148	272	(124)	(45.6)
Interest on other borrowings	14	83	(69)	(83.1)
Total interest expense	209	776	(567)	(73.1)
Net Interest Income	3,285	3,650	(365)	(10.0)
Provision for credit losses	48	893	(845)	(94.6)
Net Interest Income After Provision for Credit Losses	3,237	2,757	480	17.4
Noninterest Income				
Insurance income	626	549	77	14.0
Wealth management income	341	332	9	2.7
Service charges on deposits	258	305	(47)	(15.4)
Residential mortgage income	100	245	(145)	(59.2)
Investment banking and trading income	340	118	222	188.1
Card and payment related fees	200	187	13	7.0
Lending related fees	100	67	33	49.3
Operating lease income	68	77	(9)	(11.7)
Commercial real estate related income	43	44	(1)	(2.3)
Income from bank-owned life insurance	50	44	6	13.6
Securities gains (losses)	—	(2)	2	NM
Other income (loss)	71	(5)	76	NM
Total noninterest income	2,197	1,961	236	12.0
Noninterest Expense				
Personnel expense	2,142	1,972	170	8.6
Professional fees and outside processing	350	247	103	41.7
Net occupancy expense	209	221	(12)	(5.4)
Software expense	210	210	—	—
Amortization of intangibles	144	165	(21)	(12.7)
Equipment expense	113	116	(3)	(2.6)
Marketing and customer development	66	84	(18)	(21.4)
Operating lease depreciation	50	71	(21)	(29.6)
Loan-related expense	54	62	(8)	(12.9)
Regulatory costs	25	29	(4)	(13.8)
Merger-related and restructuring charges	141	107	34	31.8
Loss (gain) on early extinguishment of debt	(3)	—	(3)	NM
Other expense	109	147	(38)	(25.9)
Total noninterest expense	3,610	3,431	179	5.2
Earnings				
Income before income taxes	1,824	1,287	537	41.7
Provision for income taxes	351	224	127	56.7
Net income	1,473	1,063	410	38.6
Noncontrolling interests	(4)	3	(7)	NM
Net income available to the bank holding company	1,477	1,060	417	39.3
Preferred stock dividends and other	143	74	69	93.2
Net income available to common shareholders	$ 1,334	$ 986	$ 348	35.3 %
Earnings Per Common Share				
Basic	$ 0.99	$ 0.73	$ 0.26	35.6 %
Diluted	0.98	0.73	0.25	34.2
Weighted Average Shares Outstanding				
Basic	1,345,666	1,344,372	1,294	0.1
Diluted	1,358,932	1,357,545	1,387	0.1

NM - not meaningful

Consolidated Statements of Income - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Interest Income					
Interest and fees on loans and leases	$ 3,002	$ 3,158	$ 3,174	$ 3,377	$ 3,776
Interest on securities	443	408	393	444	494
Interest on other earning assets	49	45	56	67	156
Total interest income	3,494	3,611	3,623	3,888	4,426
Interest Expense					
Interest on deposits	47	67	96	201	421
Interest on long-term debt	148	165	152	211	272
Interest on other borrowings	14	13	13	28	83
Total interest expense	209	245	261	440	776
Net Interest Income	3,285	3,366	3,362	3,448	3,650
Provision for credit losses	48	177	421	844	893
Net Interest Income After Provision for Credit Losses	3,237	3,189	2,941	2,604	2,757
Noninterest Income					
Insurance income	626	545	518	581	549
Wealth management income	341	332	324	289	332
Service charges on deposits	258	266	247	202	305
Residential mortgage income	100	193	221	341	245
Investment banking and trading income	340	308	244	274	118
Card and payment related fees	200	203	200	171	187
Lending related fees	100	105	77	66	67
Operating lease income	68	77	72	83	77
Commercial real estate related income	43	123	55	49	44
Income from bank-owned life insurance	50	44	46	45	44
Securities gains (losses)	—	—	104	300	(2)
Other income (loss)	71	89	102	22	(5)
Total noninterest income	2,197	2,285	2,210	2,423	1,961
Noninterest Expense					
Personnel expense	2,142	2,108	2,058	2,008	1,972
Professional fees and outside processing	350	393	323	289	247
Net occupancy expense	209	207	233	243	221
Software expense	210	215	221	216	210
Amortization of intangibles	144	172	170	178	165
Equipment expense	113	121	127	120	116
Marketing and customer development	66	58	75	56	84
Operating lease depreciation	50	54	56	77	71
Loan-related expense	54	65	59	56	62
Regulatory costs	25	32	34	30	29
Merger-related and restructuring charges	141	308	236	209	107
Loss (gain) on early extinguishment of debt	(3)	—	—	235	—
Other expense	109	100	163	161	147
Total noninterest expense	3,610	3,833	3,755	3,878	3,431
Earnings					
Income before income taxes	1,824	1,641	1,396	1,149	1,287
Provision for income taxes	351	311	255	191	224
Net income	1,473	1,330	1,141	958	1,063
Noncontrolling interests	(4)	1	3	3	3
Net income available to the bank holding company	1,477	1,329	1,138	955	1,060
Preferred stock dividends and other	143	101	70	53	74
Net income available to common shareholders	$ 1,334	$ 1,228	$ 1,068	$ 902	$ 986
Earnings Per Common Share					
Basic	$ 0.99	$ 0.91	$ 0.79	$ 0.67	$ 0.73
Diluted	0.98	0.90	0.79	0.67	0.73
Weighted Average Shares Outstanding					
Basic	1,345,666	1,348,493	1,347,916	1,347,512	1,344,372
Diluted	1,358,932	1,361,763	1,358,122	1,355,834	1,357,545

Segment Financial Performance - Preliminary

(Dollars in millions)	Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Consumer Banking and Wealth					
Net interest income (expense)	$ 1,752	$ 1,818	$ 1,856	$ 1,843	$ 1,860
Net intersegment interest income (expense)	386	382	344	322	397
Segment net interest income	2,138	2,200	2,200	2,165	2,257
Allocated provision for credit losses	100	116	181	270	437
Noninterest income	921	994	990	1,006	1,066
Noninterest expense	1,910	1,960	1,939	1,988	2,004
Income (loss) before income taxes	1,049	1,118	1,070	913	882
Provision (benefit) for income taxes	246	264	253	216	207
Segment net income (loss)	$ 803	$ 854	$ 817	$ 697	$ 675
Corporate and Commercial Banking					
Net interest income (expense)	$ 1,208	$ 1,271	$ 1,235	$ 1,351	$ 1,534
Net intersegment interest income (expense)	1	11	36	(63)	(211)
Segment net interest income	1,209	1,282	1,271	1,288	1,323
Allocated provision for credit losses	(35)	60	311	534	399
Noninterest income	694	789	609	621	457
Noninterest expense	782	831	843	867	869
Income (loss) before income taxes	1,156	1,180	726	508	512
Provision (benefit) for income taxes	248	258	146	94	91
Segment net income (loss)	$ 908	$ 922	$ 580	$ 414	$ 421
Insurance Holdings					
Net interest income (expense)	$ 24	$ 26	$ 31	$ 33	$ 36
Net intersegment interest income (expense)	(4)	(4)	(7)	(10)	(11)
Segment net interest income	20	22	24	23	25
Allocated provision for credit losses	1	2	—	6	1
Noninterest income	633	562	524	598	557
Noninterest expense	479	451	446	448	440
Income (loss) before income taxes	173	131	102	167	141
Provision (benefit) for income taxes	42	32	25	41	36
Segment net income (loss)	$ 131	$ 99	$ 77	$ 126	$ 105
Other, Treasury & Corporate (1)					
Net interest income (expense)	$ 301	$ 251	$ 240	$ 221	$ 220
Net intersegment interest income (expense)	(383)	(389)	(373)	(249)	(175)
Segment net interest income	(82)	(138)	(133)	(28)	45
Allocated provision for credit losses	(18)	(1)	(71)	34	56
Noninterest income	(51)	(60)	87	198	(119)
Noninterest expense	439	591	527	575	118
Income (loss) before income taxes	(554)	(788)	(502)	(439)	(248)
Provision (benefit) for income taxes	(185)	(243)	(169)	(160)	(110)
Segment net income (loss)	$ (369)	$ (545)	$ (333)	$ (279)	$ (138)
Total Truist Financial Corporation					
Net interest income (expense)	$ 3,285	$ 3,366	$ 3,362	$ 3,448	$ 3,650
Net intersegment interest income (expense)	—	—	—	—	—
Segment net interest income	3,285	3,366	3,362	3,448	3,650
Allocated provision for credit losses	48	177	421	844	893
Noninterest income	2,197	2,285	2,210	2,423	1,961
Noninterest expense	3,610	3,833	3,755	3,878	3,431
Income (loss) before income taxes	1,824	1,641	1,396	1,149	1,287
Provision (benefit) for income taxes	351	311	255	191	224
Net income	$ 1,473	$ 1,330	$ 1,141	$ 958	$ 1,063

(1) Includes financial data from subsidiaries below the quantitative and qualitative thresholds requiring disclosure.

Consolidated Ending Balance Sheets - Five Quarter Trend

(Dollars in millions)	March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Assets					
Cash and due from banks	$ 5,097	$ 5,029	$ 4,194	$ 5,116	$ 5,312
Interest-bearing deposits with banks	27,035	13,839	32,914	36,081	31,036
Securities borrowed or purchased under resale agreements	1,349	1,745	1,300	1,345	1,796
Trading assets at fair value	5,094	3,872	4,670	3,824	3,863
Securities available for sale at fair value	123,807	120,788	86,132	77,805	78,398
Loans and leases:					
Commercial:					
Commercial and industrial	135,432	138,354	140,874	147,141	149,161
CRE	25,899	26,595	27,474	27,963	27,532
Commercial construction	6,559	6,491	6,772	6,891	6,630
Lease financing	4,883	5,240	5,493	5,783	5,984
Consumer:					
Residential mortgage	44,298	47,272	50,379	51,671	53,096
Residential home equity and direct	25,333	26,064	26,558	26,935	27,629
Indirect auto	26,438	26,150	25,269	24,509	25,146
Indirect other	10,631	11,177	11,527	11,592	10,980
Student	7,478	7,552	7,480	7,484	7,771
Credit card	4,560	4,839	4,801	4,856	5,300
Total loans and leases held for investment	291,511	299,734	306,627	314,825	319,229
Loans held for sale	5,668	6,059	5,522	6,323	4,810
Total loans and leases	297,179	305,793	312,149	321,148	324,039
Allowance for loan and lease losses	(5,662)	(5,835)	(5,863)	(5,702)	(5,211)
Premises and equipment	3,787	3,870	3,968	4,002	3,999
Goodwill	24,356	24,447	23,869	23,882	23,927
Core deposit and other intangible assets	2,825	2,984	2,840	3,016	3,168
Mortgage servicing rights	2,365	2,023	1,991	2,077	2,150
Other assets	30,305	30,673	31,019	31,742	33,752
Total assets	$ 517,537	$ 509,228	$ 499,183	$ 504,336	$ 506,229
Liabilities					
Deposits:					
Noninterest-bearing deposits	$ 136,555	$ 127,629	$ 124,297	$ 122,694	$ 97,618
Interest checking	107,082	105,269	98,694	99,005	92,950
Money market and savings	132,733	126,238	121,856	123,974	124,072
Time deposits	19,192	21,941	25,900	30,562	35,539
Foreign office deposits - interest-bearing	—	—	—	—	—
Total deposits	395,562	381,077	370,747	376,235	350,179
Short-term borrowings	5,889	6,092	6,244	5,700	12,696
Long-term debt	37,753	39,597	41,008	42,133	65,662
Other liabilities	10,457	11,550	11,211	11,385	11,631
Total liabilities	449,661	438,316	429,210	435,453	440,168
Shareholders' Equity:					
Preferred stock	7,124	8,048	8,048	7,143	4,599
Common stock	6,724	6,745	6,741	6,738	6,737
Additional paid-in capital	35,360	35,843	35,774	35,676	35,584
Retained earnings	20,184	19,455	18,834	18,373	18,076
Accumulated other comprehensive loss	(1,516)	716	470	847	898
Noncontrolling interests	—	105	106	106	167
Total shareholders' equity	67,876	70,912	69,973	68,883	66,061
Total liabilities and shareholders' equity	$ 517,537	$ 509,228	$ 499,183	$ 504,336	$ 506,229

Average Balance Sheets

(Dollars in millions)	Quarter Ended March 31 2021	Quarter Ended March 31 2020	Change $	Change %
Assets				
Securities available for sale at amortized cost:				
U.S. Treasury	$ 1,759	$ 2,274	$ (515)	(22.6)%
U.S. government-sponsored entities (GSE)	1,839	1,856	(17)	(0.9)
Mortgage-backed securities issued by GSE	118,171	70,816	47,355	66.9
States and political subdivisions	444	530	(86)	(16.2)
Non-agency mortgage-backed	—	185	(185)	(100.0)
Other	33	40	(7)	(17.5)
Total securities	122,246	75,701	46,545	61.5
Loans and leases:				
Commercial:				
Commercial and industrial	136,051	131,743	4,308	3.3
CRE	26,211	27,046	(835)	(3.1)
Commercial construction	6,557	6,409	148	2.3
Lease financing	4,975	6,070	(1,095)	(18.0)
Consumer:				
Residential mortgage	45,823	52,993	(7,170)	(13.5)
Residential home equity and direct	25,658	27,564	(1,906)	(6.9)
Indirect auto	26,363	24,975	1,388	5.6
Indirect other	10,848	10,950	(102)	(0.9)
Student	7,519	7,787	(268)	(3.4)
Credit card	4,645	5,534	(889)	(16.1)
Total loans and leases held for investment	294,650	301,071	(6,421)	(2.1)
Loans held for sale	4,891	6,677	(1,786)	(26.7)
Total loans and leases	299,541	307,748	(8,207)	(2.7)
Interest earning trading assets	4,742	6,334	(1,592)	(25.1)
Other earning assets	17,417	23,750	(6,333)	(26.7)
Total earning assets	443,946	413,533	30,413	7.4
Nonearning assets	64,887	64,017	870	1.4
Total assets	$ 508,833	$ 477,550	$ 31,283	6.6 %
Liabilities and Shareholders' Equity				
Deposits:				
Noninterest-bearing deposits	$ 128,579	$ 93,135	$ 35,444	38.1 %
Interest checking	104,744	85,008	19,736	23.2
Money market and savings	129,303	120,936	8,367	6.9
Time deposits	20,559	35,570	(15,011)	(42.2)
Total deposits	383,185	334,649	48,536	14.5
Short-term borrowings	6,731	18,900	(12,169)	(64.4)
Long-term debt	37,820	46,547	(8,727)	(18.7)
Other liabilities	11,050	12,042	(992)	(8.2)
Total liabilities	438,786	412,138	26,648	6.5
Shareholders' equity	70,047	65,412	4,635	7.1
Total liabilities and shareholders' equity	$ 508,833	$ 477,550	$ 31,283	6.6 %

Average balances exclude basis adjustments for fair value hedges.

NM - not meaningful

Average Balance Sheets - Five Quarter Trend

(Dollars in millions)	Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Assets					
Securities available for sale at amortized cost:					
U.S. Treasury	$ 1,759	$ 2,049	$ 2,218	$ 2,237	$ 2,274
U.S. government-sponsored entities (GSE)	1,839	1,841	1,842	1,844	1,856
Mortgage-backed securities issued by GSE	118,171	97,660	75,232	70,374	70,816
States and political subdivisions	444	469	499	505	530
Non-agency mortgage-backed	—	—	—	162	185
Other	33	34	37	37	40
Total securities	122,246	102,053	79,828	75,159	75,701
Loans and leases:					
Commercial:					
Commercial and industrial	136,051	139,223	143,452	152,991	131,743
CRE	26,211	27,030	27,761	27,804	27,046
Commercial construction	6,557	6,616	6,861	6,748	6,409
Lease financing	4,975	5,401	5,626	5,922	6,070
Consumer:					
Residential mortgage	45,823	48,847	51,500	52,380	52,993
Residential home equity and direct	25,658	26,327	26,726	27,199	27,564
Indirect auto	26,363	25,788	24,732	24,721	24,975
Indirect other	10,848	11,291	11,530	11,282	10,950
Student	7,519	7,519	7,446	7,633	7,787
Credit card	4,645	4,818	4,810	4,949	5,534
Total loans and leases held for investment	294,650	302,860	310,444	321,629	301,071
Loans held for sale	4,891	5,328	5,247	4,806	6,677
Total loans and leases	299,541	308,188	315,691	326,435	307,748
Interest earning trading assets	4,742	4,538	4,056	3,700	6,334
Other earning assets	17,417	23,887	35,819	41,531	23,750
Total earning assets	443,946	438,666	435,394	446,825	413,533
Nonearning assets	64,887	64,515	65,432	67,895	64,017
Total assets	$ 508,833	$ 503,181	$ 500,826	$ 514,720	$ 477,550
Liabilities and Shareholders' Equity					
Deposits:					
Noninterest-bearing deposits	$ 128,579	$ 127,103	$ 123,966	$ 113,875	$ 93,135
Interest checking	104,744	99,866	96,707	97,863	85,008
Money market and savings	129,303	124,692	123,598	126,071	120,936
Time deposits	20,559	23,605	27,940	33,009	35,570
Total deposits	383,185	375,266	372,211	370,818	334,649
Short-term borrowings	6,731	6,493	6,209	8,998	18,900
Long-term debt	37,820	40,284	40,919	55,537	46,547
Other liabilities	11,050	10,993	11,853	12,504	12,042
Total liabilities	438,786	433,036	431,192	447,857	412,138
Shareholders' equity	70,047	70,145	69,634	66,863	65,412
Total liabilities and shareholders' equity	$ 508,833	$ 503,181	$ 500,826	$ 514,720	$ 477,550

Average balances exclude basis adjustments for fair value hedges.

Average Balances and Rates - Quarters

	Quarter Ended					
	March 31, 2021			December 31, 2020		
(Dollars in millions)	(1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates	(1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates
Assets						
Securities available for sale at amortized cost:						
U.S. Treasury	$ 1,759	$ 4	0.89 %	$ 2,049	$ 9	1.62 %
U.S. government-sponsored entities (GSE)	1,839	11	2.33	1,841	11	2.33
Mortgage-backed securities issued by GSE	118,171	426	1.44	97,660	385	1.58
States and political subdivisions	444	4	3.52	469	3	3.52
Other	33	—	1.92	34	—	1.98
Total securities	122,246	445	1.45	102,053	408	1.60
Loans and leases:						
Commercial:						
Commercial and industrial	136,051	1,040	3.10	139,223	1,091	3.12
CRE	26,211	189	2.90	27,030	197	2.88
Commercial construction	6,557	48	3.04	6,616	51	3.13
Lease financing	4,975	53	4.28	5,401	65	4.82
Consumer:						
Residential mortgage	45,823	507	4.42	48,847	542	4.44
Residential home equity and direct	25,658	368	5.81	26,327	388	5.86
Indirect auto	26,363	426	6.56	25,788	416	6.41
Indirect other	10,848	187	6.98	11,291	195	6.87
Student	7,519	73	3.96	7,519	80	4.23
Credit card	4,645	106	9.24	4,818	114	9.35
Total loans and leases held for investment	294,650	2,997	4.11	302,860	3,139	4.13
Loans held for sale	4,891	32	2.59	5,328	47	3.54
Total loans and leases	299,541	3,029	4.09	308,188	3,186	4.12
Interest earning trading assets	4,742	32	2.79	4,538	33	2.89
Other earning assets	17,417	16	0.37	23,887	12	0.20
Total earning assets	443,946	3,522	3.20	438,666	3,639	3.31
Nonearning assets	64,887			64,515		
Total assets	$ 508,833			$ 503,181		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
Interest checking	$ 104,744	15	0.06	$ 99,866	17	0.07
Money market and savings	129,303	10	0.03	124,692	10	0.03
Time deposits	20,559	22	0.44	23,605	40	0.66
Total interest-bearing deposits (3)	254,606	47	0.07	248,163	67	0.11
Short-term borrowings	6,731	14	0.82	6,493	13	0.77
Long-term debt	37,820	148	1.57	40,284	165	1.64
Total interest-bearing liabilities	299,157	209	0.28	294,940	245	0.33
Noninterest-bearing deposits (3)	128,579			127,103		
Other liabilities	11,050			10,993		
Shareholders' equity	70,047			70,145		
Total liabilities and shareholders' equity	$ 508,833			$ 503,181		
Average interest-rate spread			2.92			2.98
Net interest income/ net interest margin		$ 3,313	3.01 %		$ 3,394	3.08 %
Taxable-equivalent adjustment		$ 28			$ 28	

Applicable ratios are annualized.

(1) Excludes basis adjustments for fair value hedges.

(2) Amounts are on a taxable-equivalent basis utilizing the federal income tax rate of 21% for the periods presented. Interest income includes certain fees, deferred costs and dividends.

(3) Total deposit costs were 0.05% and 0.07% for the three months ended March 31, 2021 and December 31, 2020, respectively.

Average Balances and Rates - Quarters

	Quarter Ended								
	September 30, 2020			June 30, 2020			March 31, 2020		
(Dollars in millions)	(1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates	(1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates	(1) Average Balances	(2) Interest Income/ Expense	(2) Yields/ Rates
Assets									
Securities available for sale at amortized cost:									
U.S. Treasury	$ 2,218	$ 10	1.78 %	$ 2,237	$ 10	1.88 %	$ 2,274	$ 11	1.93 %
U.S. government-sponsored entities (GSE)	1,842	10	2.33	1,844	12	2.33	1,856	10	2.33
Mortgage-backed securities issued by GSE	75,232	366	1.95	70,374	413	2.35	70,816	461	2.60
States and political subdivisions	499	7	5.03	505	4	3.57	530	5	3.56
Non-agency mortgage-backed	—	—	—	162	7	16.71	185	8	16.72
Other	37	1	1.99	37	—	2.27	40	—	3.01
Total securities	79,828	394	1.97	75,159	446	2.37	75,701	495	2.62
Loans and leases:									
Commercial:									
Commercial and industrial	143,452	1,087	3.02	152,991	1,204	3.16	131,743	1,419	4.33
CRE	27,761	203	2.88	27,804	227	3.26	27,046	287	4.25
Commercial construction	6,861	55	3.26	6,748	61	3.70	6,409	76	4.87
Lease financing	5,626	52	3.71	5,922	70	4.71	6,070	65	4.27
Consumer:									
Residential mortgage	51,500	576	4.47	52,380	608	4.65	52,993	594	4.48
Residential home equity and direct	26,726	394	5.86	27,199	391	5.78	27,564	452	6.60
Indirect auto	24,732	405	6.51	24,721	407	6.63	24,975	428	6.89
Indirect other	11,530	204	7.05	11,282	201	7.18	10,950	201	7.37
Student	7,446	80	4.30	7,633	87	4.55	7,787	104	5.38
Credit card	4,810	109	9.03	4,949	114	9.27	5,534	133	9.68
Total loans and leases held for investment	310,444	3,165	4.06	321,629	3,370	4.21	301,071	3,759	5.02
Loans held for sale	5,247	37	2.78	4,806	36	3.04	6,677	53	3.14
Total loans and leases	315,691	3,202	4.04	326,435	3,406	4.19	307,748	3,812	4.98
Interest earning trading assets	4,056	32	3.23	3,700	39	4.19	6,334	64	4.04
Other earning assets	35,819	24	0.26	41,531	28	0.28	23,750	92	1.55
Total earning assets	435,394	3,652	3.34	446,825	3,919	3.52	413,533	4,463	4.33
Nonearning assets	65,432			67,895			64,017		
Total assets	$ 500,826			$ 514,720			$ 477,550		
Liabilities and Shareholders' Equity									
Interest-bearing deposits:									
Interest checking	$ 96,707	15	0.06	$ 97,863	55	0.23	$ 85,008	129	0.61
Money market and savings	123,598	19	0.06	126,071	57	0.18	120,936	178	0.59
Time deposits	27,940	62	0.89	33,009	89	1.09	35,570	114	1.29
Total interest-bearing deposits (3)	248,245	96	0.15	256,943	201	0.32	241,514	421	0.70
Short-term borrowings	6,209	13	0.85	8,998	28	1.24	18,900	83	1.76
Long-term debt	40,919	152	1.48	55,537	211	1.52	46,547	272	2.34
Total interest-bearing liabilities	295,373	261	0.35	321,478	440	0.55	306,961	776	1.02
Noninterest-bearing deposits (3)	123,966			113,875			93,135		
Other liabilities	11,853			12,504			12,042		
Shareholders' equity	69,634			66,863			65,412		
Total liabilities and shareholders' equity	$ 500,826			$ 514,720			$ 477,550		
Average interest-rate spread			2.99			2.97			3.31
Net interest income/ net interest margin		$ 3,391	3.10 %		$ 3,479	3.13 %		$ 3,687	3.58 %
Taxable-equivalent adjustment		$ 29			$ 31			$ 37	

Applicable ratios are annualized.

(1) Excludes basis adjustments for fair value hedges.

(2) Amounts are on a taxable-equivalent basis utilizing the federal income tax rate of 21% for the periods presented. Interest income includes certain fees, deferred costs and dividends.

(3) Total deposit costs were 0.10%, 0.22% and 0.51% for the three months ended September 30, 2020, June 30, 2020 and March 31, 2020, respectively.

Credit Quality

(Dollars in millions)	March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Nonperforming Assets					
Nonaccrual loans and leases:					
Commercial:					
Commercial and industrial	$ 451	$ 532	$ 507	$ 428	$ 443
CRE	58	75	52	42	18
Commercial construction	13	14	7	13	2
Lease financing	23	28	32	56	27
Consumer:					
Residential mortgage	290	316	205	198	248
Residential home equity and direct	172	205	180	192	170
Indirect auto	158	155	137	155	125
Indirect other	6	5	4	3	1
Total nonaccrual loans and leases held for investment	1,171	1,330	1,124	1,087	1,034
Loans held for sale	72	5	130	102	41
Total nonaccrual loans and leases	1,243	1,335	1,254	1,189	1,075
Foreclosed real estate	18	20	30	43	63
Other foreclosed property	38	32	30	20	39
Total nonperforming assets	$ 1,299	$ 1,387	$ 1,314	$ 1,252	$ 1,177
Troubled Debt Restructurings (TDRs)					
Performing TDRs:					
Commercial:					
Commercial and industrial	$ 142	$ 78	$ 84	$ 57	$ 65
CRE	47	47	36	22	7
Commercial construction	—	—	1	36	36
Lease financing	59	60	1	1	1
Consumer:					
Residential mortgage	733	648	640	533	513
Residential home equity and direct	109	88	71	71	66
Indirect auto	399	392	336	342	350
Indirect other	7	6	5	4	5
Student	8	5	5	4	1
Credit card	35	37	38	37	35
Total performing TDRs	1,539	1,361	1,217	1,107	1,079
Nonperforming TDRs	207	164	140	111	121
Total TDRs	$ 1,746	$ 1,525	$ 1,357	$ 1,218	$ 1,200
Loans 90 Days or More Past Due and Still Accruing					
Commercial:					
Commercial and industrial	$ 14	$ 13	$ 6	$ 9	$ 5
CRE	—	—	8	3	1
Lease financing	—	—	—	1	—
Consumer:					
Residential mortgage	975	841	573	521	610
Residential home equity and direct	11	10	5	9	10
Indirect auto	2	2	8	10	11
Indirect other	1	2	3	3	2
Student	1,037	1,111	570	478	1,068
Credit card	32	29	24	38	41
Total loans 90 days past due and still accruing	$ 2,072	$ 2,008	$ 1,197	$ 1,072	$ 1,748
Loans 30-89 Days Past Due					
Commercial:					
Commercial and industrial	$ 117	$ 83	$ 155	$ 282	$ 262
CRE	9	14	7	6	8
Commercial construction	4	5	—	1	16
Lease financing	35	6	9	10	8
Consumer:					
Residential mortgage	577	782	796	703	679
Residential home equity and direct	82	98	103	108	156
Indirect auto	328	495	321	265	521
Indirect other	45	68	52	50	74
Student	556	618	666	442	593
Credit card	35	51	39	34	57
Total loans 30-89 days past due	$ 1,788	$ 2,220	$ 2,148	$ 1,901	$ 2,374

(Dollars in millions)	As of/For the Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Allowance for Credit Losses					
Beginning balance	$ 6,199	$ 6,229	$ 6,133	$ 5,611	$ 1,889
CECL adoption - impact to retained earnings before tax	—	—	—	—	2,762
CECL adoption - reserves on PCD assets	—	—	—	—	378
Provision for credit losses	48	177	421	844	893
Charge-offs:					
Commercial:					
Commercial and industrial	(73)	(84)	(112)	(123)	(39)
CRE	(4)	(19)	(44)	(14)	(1)
Commercial construction	(2)	(8)	(19)	—	(3)
Lease financing	(6)	(4)	(44)	(4)	(2)
Consumer:					
Residential mortgage	(11)	(6)	(4)	(35)	(11)
Residential home equity and direct	(55)	(46)	(52)	(65)	(68)
Indirect auto	(105)	(84)	(72)	(80)	(142)
Indirect other	(17)	(14)	(8)	(20)	(18)
Student	(3)	(3)	(6)	(6)	(8)
Credit card	(40)	(35)	(44)	(50)	(53)
Total charge-offs	(316)	(303)	(405)	(397)	(345)
Recoveries:					
Commercial:					
Commercial and industrial	19	34	20	21	17
CRE	1	1	—	4	—
Commercial construction	1	1	2	7	1
Lease financing	—	—	4	—	—
Consumer:					
Residential mortgage	2	3	3	2	2
Residential home equity and direct	18	20	16	15	15
Indirect auto	22	24	22	18	23
Indirect other	6	5	4	7	7
Student	—	—	—	1	—
Credit card	9	10	8	6	8
Total recoveries	78	98	79	81	73
Net charge-offs	(238)	(205)	(326)	(316)	(272)
Other	2	(2)	1	(6)	(39)
Ending balance	$ 6,011	$ 6,199	$ 6,229	$ 6,133	$ 5,611
Allowance for Credit Losses:					
Allowance for loan and lease losses (excluding PCD loans)	$ 5,506	$ 5,668	$ 5,675	$ 5,408	$ 4,880
Allowance for PCD loans	156	167	188	294	331
Reserve for unfunded lending commitments (RUFC)	349	364	366	431	400
Total	$ 6,011	$ 6,199	$ 6,229	$ 6,133	$ 5,611

	As of/For the Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Asset Quality Ratios					
Loans 30-89 days past due and still accruing as a percentage of loans and leases	0.61 %	0.74 %	0.70 %	0.60 %	0.74 %
Loans 90 days or more past due and still accruing as a percentage of loans and leases	0.71	0.67	0.39	0.34	0.55
Nonperforming loans and leases as a percentage of loans and leases held for investment	0.40	0.44	0.37	0.35	0.32
Nonperforming loans and leases as a percentage of loans and leases (1)	0.42	0.44	0.40	0.37	0.33
Nonperforming assets as a percentage of:					
Total assets (1)	0.25	0.27	0.26	0.25	0.23
Loans and leases plus foreclosed property	0.42	0.46	0.39	0.37	0.36
Net charge-offs as a percentage of average loans and leases (2)	0.33	0.27	0.42	0.39	0.36
Allowance for loan and lease losses as a percentage of loans and leases	1.94	1.95	1.91	1.81	1.63
Ratio of allowance for loan and lease losses to:					
Net charge-offs	5.87X	7.15X	4.52X	4.49X	4.76X
Nonperforming loans and leases	4.84X	4.39X	5.22X	5.24X	5.04X
Asset Quality Ratios (Excluding PPP and other Government Guaranteed)					
Loans 90 days or more past due and still accruing as a percentage of loans and leases	0.04 %	0.04 %	0.03 %	0.04 %	0.04 %

Applicable ratios are annualized.

(1) Includes loans held for sale.

(2) The third quarter of 2020 includes $97 million of charge-offs on PCD assets directly related to the implementation of CECL.

(Dollars in millions)	March 31, 2021 Current Status		Past Due 30-89 Days		Past Due 90+ Days		Total
Troubled Debt Restructurings							
Performing TDRs: (1)							
Commercial:							
Commercial and industrial	$ 142	100.0 %	$ —	— %	$ —	— %	$ 142
CRE	47	100.0	—	—	—	—	47
Lease financing	59	100.0	—	—	—	—	59
Consumer:							
Residential mortgage	480	65.5	91	12.4	162	22.1	733
Residential home equity and direct	104	95.4	5	4.6	—	—	109
Indirect auto	357	89.5	42	10.5	—	—	399
Indirect other	7	100.0	—	—	—	—	7
Student	8	100.0	—	—	—	—	8
Credit card	32	91.4	2	5.7	1	2.9	35
Total performing TDRs (1)	1,236	80.3	140	9.1	163	10.6	1,539
Nonperforming TDRs (2)	105	50.7	24	11.6	78	37.7	207
Total TDRs (1)(2)	$ 1,341	76.8 %	$ 164	9.4 %	$ 241	13.8 %	$ 1,746

(1) Past due performing TDRs are included in past due disclosures.
(2) Nonperforming TDRs are included in nonaccrual loan disclosures.

	Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Net Charge-offs as a Percentage of Average Loans and Leases:					
Commercial:					
Commercial and industrial	0.16 %	0.15 %	0.25 %	0.27 %	0.07 %
CRE	0.04	0.27	0.63	0.15	0.01
Commercial construction	0.08	0.39	1.02	(0.43)	0.13
Lease financing	0.44	0.20	2.92	0.33	0.08
Consumer:					
Residential mortgage	0.08	0.03	0.01	0.25	0.07
Residential home equity and direct	0.58	0.39	0.53	0.73	0.78
Indirect auto	1.28	0.92	0.76	1.03	1.89
Indirect other	0.39	0.31	0.21	0.41	0.47
Student	0.16	0.17	0.28	0.31	0.38
Credit card	2.74	2.11	3.00	3.50	3.30
Total loans and leases	0.33	0.27	0.42	0.39	0.36

Applicable ratios are annualized.

Credit Quality - Allowance with Fair Value Marks

(Dollars in millions)	As of/For the Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
ALLL	$ 5,662	$ 5,835	$ 5,863	$ 5,702	$ 5,211
Unamortized fair value mark (1)	2,067	2,395	2,676	3,077	3,539
Allowance plus unamortized fair value mark	$ 7,729	$ 8,230	$ 8,539	$ 8,779	$ 8,750
Loans and leases held for investment	$ 291,511	$ 299,734	$ 306,627	$ 314,825	$ 319,229
Unamortized fair value mark (1)	2,067	2,395	2,676	3,077	3,539
Gross loans and leases	$ 293,578	$ 302,129	$ 309,303	$ 317,902	$ 322,768
Allowance for loan and lease losses as a percentage of loans and leases - GAAP	1.94 %	1.95 %	1.91 %	1.81 %	1.63 %
Allowance for loan and lease losses and unamortized fair value mark as a percentage of gross loans and leases - Adjusted (1) (2)	2.63	2.72	2.76	2.76	2.71

(1) Unamortized fair value mark includes credit, interest rate and liquidity components.
(2) Allowance for loan and lease losses and unamortized fair value mark as a percentage of gross loans and leases is a non-GAAP measurement of credit reserves that is calculated by adjusting the ALLL and loans and leases held for investment by the unamortized fair value mark. Truist's management uses these measures to assess loss absorption capacity.

Rollforward of Intangible Assets and Selected Fair Value Marks (1)

(Dollars in millions)	As of/For the Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Loans and Leases (2)					
Beginning balance unamortized fair value mark	$ (2,395)	$ (2,676)	$ (3,077)	$ (3,539)	$ (4,564)
Accretion	316	356	367	440	454
CECL adoption - reserves on PCD assets	—	—	—	—	378
Purchase accounting adjustments and other activity	12	(75)	34	22	193
Ending balance	$ (2,067)	$ (2,395)	$ (2,676)	$ (3,077)	$ (3,539)
Core deposit and other intangible assets					
Beginning balance	$ 2,984	$ 2,840	$ 3,016	$ 3,168	$ 3,142
Additions - acquisitions	14	320	—	—	31
Amortization of intangibles	(144)	(172)	(170)	(178)	(165)
Amortization in net occupancy expense	(3)	(4)	(6)	(6)	(5)
Purchase accounting adjustments and other activity	(26)	—	—	32	165
Ending balance	$ 2,825	$ 2,984	$ 2,840	$ 3,016	$ 3,168
Deposits (3)					
Beginning balance unamortized fair value mark	$ (19)	$ (26)	$ (37)	$ (54)	$ (76)
Amortization	4	7	11	17	22
Ending balance	$ (15)	$ (19)	$ (26)	$ (37)	$ (54)
Long-Term Debt (3)					
Beginning balance unamortized fair value mark	$ (216)	$ (238)	$ (262)	$ (285)	$ (312)
Amortization	20	22	24	23	27
Ending balance	$ (196)	$ (216)	$ (238)	$ (262)	$ (285)

(1) Includes the merger with SunTrust. This summary includes only selected information and does not represent all purchase accounting adjustments.
(2) Purchase accounting marks on loans and leases includes credit, interest and liquidity components, and are generally recognized using the level-yield or straight-line method over the remaining life of the individual loans or recognized in full in the event of prepayment.
(3) Purchase accounting marks on liabilities represents interest rate marks on time deposits and long-term debt and are recognized using the level-yield method over the term of the liability.

Capital Information - Five Quarter Trend

(Dollars in millions, except per share data, shares in thousands)	As of/For the Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Selected Capital Information	(preliminary)				
Risk-based capital:					
Common equity tier 1	$ 38,267	$ 37,869	$ 37,879	$ 37,107	$ 36,396
Tier 1	45,388	45,915	45,925	44,248	40,993
Total	54,246	55,011	55,030	53,436	49,395
Risk-weighted assets	378,522	379,153	377,420	382,826	390,348
Average quarterly assets for leverage ratio	484,961	478,608	476,868	490,203	454,381
Average quarterly assets for supplementary leverage ratio	546,517	530,716	513,230	518,010	525,703
Risk-based capital ratios:					
Common equity tier 1	10.1 %	10.0 %	10.0 %	9.7 %	9.3 %
Tier 1	12.0	12.1	12.2	11.6	10.5
Total	14.3	14.5	14.6	14.0	12.7
Leverage capital ratio	9.4	9.6	9.6	9.0	9.0
Supplementary leverage	8.3	8.7	8.9	8.5	7.8
Equity as a percentage of total assets	13.1	13.9	14.0	13.7	13.0
Common equity per common share	$ 45.17	$ 46.52	$ 45.86	$ 45.74	$ 45.49

(Dollars in millions, except per share data, shares in thousands)	March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Calculations of Tangible Common Equity and Related Measures: (1)					
Total shareholders' equity	$ 67,876	$ 70,912	$ 69,973	$ 68,883	$ 66,061
Less:					
Preferred stock	7,124	8,048	8,048	7,143	4,599
Noncontrolling interests	—	105	106	106	167
Intangible assets, net of deferred taxes	26,413	26,629	25,923	26,083	26,263
Tangible common equity	$ 34,339	$ 36,130	$ 35,896	$ 35,551	$ 35,032
Outstanding shares at end of period (in thousands)	1,344,845	1,348,961	1,348,118	1,347,609	1,347,461
Tangible Common Equity Per Common Share	$ 25.53	$ 26.78	$ 26.63	$ 26.38	$ 26.00

(1) Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. Truist's management uses these measures to assess the quality of capital and returns relative to balance sheet risk. These measures are not necessarily comparable to similar measures that may be presented by other companies.

Selected Mortgage Banking Information & Additional Information

(Dollars in millions, except per share data)	As of/For the Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Residential Mortgage Income					
Residential mortgage production revenue	$ 140	$ 229	$ 339	$ 344	$ 206
Residential mortgage servicing revenue	141	150	152	159	169
Realization of expected residential MSR cash flows	(208)	(209)	(212)	(176)	(122)
Residential mortgage income before MSR valuation	73	170	279	327	253
Income statement impact of mortgage servicing rights valuation:					
MSRs fair value increase (decrease)	360	62	(54)	(28)	(503)
MSRs hedge gains (losses)	(333)	(39)	(4)	42	495
Net MSRs valuation	27	23	(58)	14	(8)
Total residential mortgage income	$ 100	$ 193	$ 221	$ 341	$ 245
Commercial Real Estate Related Income					
Commercial mortgage production revenue	$ 40	$ 117	$ 49	$ 42	$ 36
Commercial mortgage servicing revenue	17	16	16	18	19
Realization of expected commercial MSR cash flows	(15)	(11)	(10)	(8)	(11)
Commercial real estate related income before MSR valuation	42	122	55	52	44
Income statement impact of mortgage servicing rights valuation:					
MSRs fair value increase (decrease)	13	3	1	(6)	(20)
MSRs hedge gains (losses)	(12)	(2)	(1)	3	20
Net MSRs valuation	1	1	—	(3)	—
Commercial real estate related income	$ 43	$ 123	$ 55	$ 49	$ 44
Other Mortgage Banking Information					
Residential mortgage loan originations	$ 13,075	$ 13,235	$ 15,346	$ 14,631	$ 11,708
Residential mortgage servicing portfolio (1):					
Loans serviced for others	179,836	188,341	198,881	209,070	219,979
Bank-owned loans serviced	48,800	50,693	54,587	56,365	56,325
Total servicing portfolio	228,636	239,034	253,468	265,435	276,304
Weighted-average coupon rate on mortgage loans serviced for others	3.76 %	3.84 %	3.92 %	3.98 %	4.02 %
Weighted-average servicing fee on mortgage loans serviced for others	0.314	0.317	0.317	0.315	0.313
Additional Information					
Fair value of derivatives, net	2,222	3,282	3,646	3,766	3,276
Common stock prices:					
High	61.26	49.72	42.04	46.53	56.68
Low	46.71	37.86	33.47	26.41	24.01
End of period	58.32	47.93	38.05	37.55	30.84
Banking offices	2,556	2,781	2,884	2,916	2,957
ATMs	3,807	4,082	4,237	4,354	4,408
FTEs (2)	53,207	53,693	55,000	55,769	56,504

(1) Amounts reported are unpaid principal balance.
(2) FTEs represents an average for the quarter.

Selected Items (1)

(Dollars in millions) Description	Favorable (Unfavorable) Pre-Tax	After-Tax at Marginal Rate
Selected Items		
First Quarter 2021		
Incremental operating expenses related to the merger ($120 professional fees and outside processing, $42 personnel expense, and $13 other)	$ (175)	$ (134)
Acceleration for cash flow hedge unwind	(36)	(28)
Fourth Quarter 2020		
Incremental operating expenses related to the merger ($124 million in professional fees and outside processing, $47 million in personnel expense, and $8 million in other expense)	$ (179)	$ (138)
Third Quarter 2020		
Incremental operating expenses related to the merger ($99 million in professional fees and outside processing, $48 million in personnel expense, and $5 million in other expense)	$ (152)	$ (115)
Charitable contribution	(50)	(38)
Second Quarter 2020		
Incremental operating expenses related to the merger ($64 million in professional fees and outside processing, $49 million in personnel expense, and $16 million in other expense)	$ (129)	$ (99)
First Quarter 2020		
Incremental operating expenses related to the merger ($44 million in personnel expense, $20 million in professional fees and outside processing, and $10 million in other expense)	$ (74)	$ (57)

(1) Includes costs not classified as merger-related and restructuring charges that are excluded from adjusted disclosures.

Non-GAAP Reconciliations

	Quarter Ended				
(Dollars in millions)	March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Efficiency Ratio (1)					
Efficiency Ratio Numerator - Noninterest Expense - GAAP	$ 3,610	$ 3,833	$ 3,755	$ 3,878	$ 3,431
Merger-related and restructuring charges, net	(141)	(308)	(236)	(209)	(107)
Gain (loss) on early extinguishment of debt	3	—	—	(235)	—
Incremental operating expense related to the merger	(175)	(179)	(152)	(129)	(74)
Amortization of intangibles	(144)	(172)	(170)	(178)	(165)
Charitable contribution	—	—	(50)	—	—
Acceleration for cash flow hedge unwind	(36)	—	—	—	—
Efficiency Ratio Numerator - Adjusted	$ 3,117	$ 3,174	$ 3,147	$ 3,127	$ 3,085
Efficiency Ratio Denominator - Revenue (2) - GAAP	$ 5,482	$ 5,651	$ 5,572	$ 5,871	$ 5,611
Taxable equivalent adjustment	28	28	29	31	37
Securities (gains) losses	—	—	(104)	(300)	2
Gains on divestiture of certain businesses	(37)	—	—	—	—
Efficiency Ratio Denominator - Adjusted	$ 5,473	$ 5,679	$ 5,497	$ 5,602	$ 5,650
Efficiency Ratio - GAAP	65.8 %	67.8 %	67.4 %	66.1 %	61.1 %
Efficiency Ratio - Adjusted	56.9	55.9	57.3	55.8	54.6

(1) The adjusted efficiency ratio is non-GAAP in that it excludes securities gains (losses), amortization of intangible assets, merger-related and restructuring charges and other selected items. Truist's management uses this measure in their analysis of the Corporation's performance. Truist's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges. These measures are not necessarily comparable to similar measures that may be presented by other companies.

(2) Revenue is defined as net interest income plus noninterest income.

(Dollars in millions)	Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Return on Average Tangible Common Shareholders' Equity (1)					
Net income available to common shareholders	$ 1,334	$ 1,228	$ 1,068	$ 902	$ 986
Plus: Amortization of intangibles, net of tax	111	131	130	137	126
Tangible net income available to common shareholders	$ 1,445	$ 1,359	$ 1,198	$ 1,039	$ 1,112
Average common shareholders' equity	$ 62,252	$ 61,991	$ 61,804	$ 61,484	$ 60,224
Less: Average intangible assets, net of deferred taxes	26,535	25,930	25,971	26,161	26,429
Average tangible common shareholders' equity	$ 35,717	$ 36,061	$ 35,833	$ 35,323	$ 33,795
Return on average common shareholders' equity	8.69 %	7.88 %	6.87 %	5.90 %	6.58 %
Return on average tangible common shareholders' equity	16.40	14.99	13.31	11.83	13.23

(1) Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. Truist's management uses these measures to assess the quality of capital and returns relative to balance sheet risk. These measures are not necessarily comparable to similar measures that may be presented by other companies.

(Dollars in millions, except per share data)	Quarter Ended March 31 2021	Dec. 31 2020	Sept. 30 2020	June 30 2020	March 31 2020
Diluted EPS (1)					
Net income available to common shareholders - GAAP	$ 1,334	$ 1,228	$ 1,068	$ 902	$ 986
Merger-related and restructuring charges	108	237	181	160	82
Securities (gains) losses	—	—	(80)	(230)	2
Loss (gain) on early extinguishment of debt	(2)	—	—	180	—
Incremental operating expenses related to the merger	134	138	115	99	57
Charitable contribution	—	—	38	—	—
Acceleration for cash flow hedge unwind	28	—	—	—	—
Net income available to common shareholders - adjusted	$ 1,602	$ 1,603	$ 1,322	$ 1,111	$ 1,127
Weighted average shares outstanding - diluted	1,358,932	1,361,763	1,358,122	1,355,834	1,357,545
Diluted EPS - GAAP	$ 0.98	$ 0.90	$ 0.79	$ 0.67	$ 0.73
Diluted EPS - adjusted	1.18	1.18	0.97	0.82	0.83

(1) The adjusted diluted earnings per share is non-GAAP in that it excludes merger-related and restructuring charges and other selected items, net of tax. Truist's management uses this measure in their analysis of the Corporation's performance. Truist's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.