Associated Banc-Corp (ASB)

Updated April 23rd, 2026, by Kody Kester

Key Metrics

Current Price:	$28	**5 Year CAGR Estimate:**	11.4%	**Market Cap:**	$4.6B
Fair Value Price:	$32	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	06/01/26[1]
% Fair Value:	88%	**5 Year Valuation Multiple Estimate:**	2.5%	**Dividend Payment Date:**	06/15/26[1]
Dividend Yield:	3.4%	**5 Year Price Target**	$42	**Years Of Dividend Growth:**	14
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

Associated Banc-Corp (ASB) is a diversified bank holding company with corporate roots dating back to 1861. Through its subsidiaries, it provides banking and nonbanking products and services to individuals and businesses in Wisconsin, Illinois, Minnesota, and Missouri. It is Wisconsin's largest bank, with $45.6 billion in assets and nearly 200 branches as of March 31st, 2026.

The regional bank offers both savings and loan products. Savings products include money market deposit accounts, certificates of deposit, savings accounts, and checking accounts. Loan products include residential mortgages, construction loans, commercial real estate financing, auto loans, and home equity loans.

As of March 31st, 2026, the company had $31.8 billion in loans on its balance sheet. Approximately 42.6% of these loans were commercial and business loans. Another 34.2% were consumer loans (of which 87% were super prime with FICO scores of 720 or higher and 7% were prime with FICO scores between 660 and 719). The remaining 23.2% of loans were in the commercial real estate category.

On April 23rd, ASB shared its financial results for the first quarter ended March 31st, 2026. The company's net interest income after provision for credit losses surged 8.5% over the year-ago period to $296.2 million during the quarter. That was fueled by a 5.3% uptick in total earning assets, a reduction in provision for credit losses (-15.4% to $11 million), and a six basis point expansion in the net interest margin to 3.03% in the quarter. ASB's non-interest income soared 29.1% year-over-year to $78.9 million for the quarter. This was due to a loss on mortgage portfolio sale in Q1 2025, providing an easier bar to clear, as well as growth in capital markets and mortgage banking income during the quarter. ASB's diluted EPS rose by 18.6% over the year-ago period to $0.70 in the quarter. That surpassed the analyst consensus for the quarter by $0.03.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$1.26	$1.52	$2.07	$1.97	$1.19	$2.19	$2.39	$2.27	$2.18	$2.77	***$2.88***	***$3.85***
DPS	$0.45	$0.50	$0.62	$0.69	$0.72	$0.76	$0.81	$0.85	$0.89	$0.93	***$0.96***	***$1.23***
Shares[2]	152.1	152.8	164.4	157.2	153.5	149.3	150.4	151.0	166.2	166.0	***165.4***	***175.0***

Since 2016, ASB has compounded its diluted EPS by 9% annually. Looking ahead, we believe the company's diluted EPS can rise by 6% each year off an anticipated 2026 base of $2.88. Last March, the company completed Phase 2 of its commercial expansion by adding three experienced bankers to its commercial banking team in Kansas City. Last April, ASB expanded into Missouri with the opening of its first branch in St. Louis. These moves give the company a longer growth runway. Earlier this month, ASB completed the acquisition of American National Corporation. This adds approximately $5 billion in assets to the company's balance sheet. It also provided it with immediate entry into the fast-growing Omaha, Nebraska market, as well as boosting its presence in the Twin Cities.

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[1] Estimated based on past dividend dates.

[2] Share count is in millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	19.6	16.7	9.6	11.2	14.3	10.3	9.7	9.4	11.0	9.5	***9.7***	***11.0***
Avg. Yld.	1.8%	2.0%	3.1%	3.1%	4.2%	3.4%	3.5%	4.0%	3.7%	3.6%	***3.4%***	***2.9%***

Over the past decade, shares of ASB have been valued at a P/E ratio as low as the high single digits to as much as the high teens. During that time, the average P/E ratio was just above 12. Over the past five years, the average P/E ratio was approximately 10. Moving forward, we believe that splitting the difference between these two averages to come up with a fair value P/E ratio of 11 is realistic. Compared to the current P/E ratio of 9.7, the bank's shares appear to be moderately discounted.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	36%	33%	30%	35%	61%	35%	34%	37%	41%	34%	***33%***	***32%***

ASB's reputation as a leading Midwestern regional bank serves as a competitive advantage for the company. Tracing its operations back to the American Civil War, it consistently wins over new customers. ASB also has the product offerings and customer service to retain these customers.

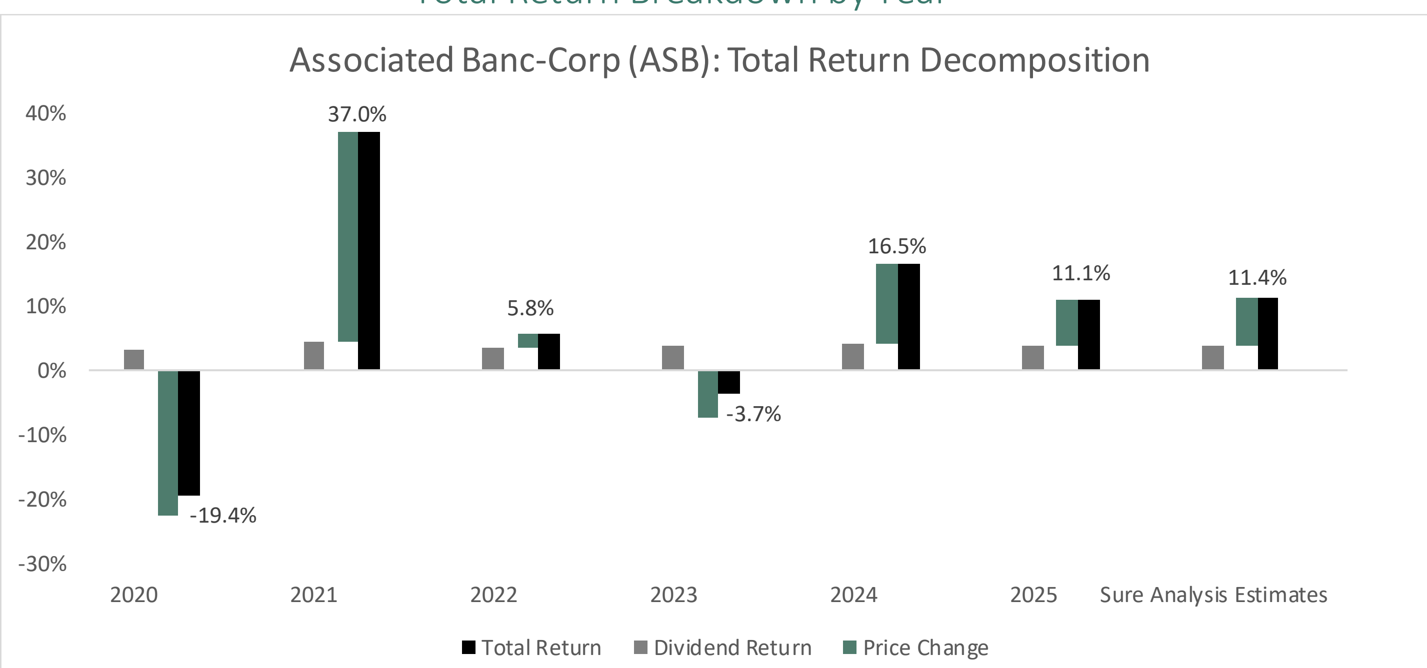
Financially, the company is reasonably healthy. ASB's CET1 ratio as of Q1 2026 was 10.47% (up 36 basis points over Q1 2025). That's more than double the regulatory minimum set forth by the Federal Reserve Board of 4.5%. ASB also enjoys an investment-grade, BBB- credit rating from S&P.

The regional bank's dividend is also sustainable, with the payout ratio expected to be in the low-30% range for 2026. That should give ASB the flexibility to build on its existing 14-year dividend growth streak.

Final Thoughts & Recommendation

ASB's 3.4% dividend yield, 6.0% annual diluted EPS growth prospects, and 2.5% annual valuation multiple upside potential could deliver 11.4% annual total returns through 2031. That's a respectable prospective total return profile. Still, other options offer superior return potential in our coverage spectrum. That's why we're maintaining our Hold rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	1,087	1,187	1,480	1,508	1,181	1,061	1,441	2,020	2,121	2,459
D&A Exp.	60	59	66	81	83	75	54	56	58	59
Net Profit	198	228	332	325	305	349	364	182	122	473
Net Margin	18.2%	19.2%	22.4%	21.5%	25.8%	32.9%	25.3%	9.0%	5.8%	19.2%
Free Cash Flow	242	306	350	383	262	332	399	445	476	585
Income Tax	87	110	80	80	20	85	94	23	11	103

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	29,139	30,587	33,791	32,505	33,420	35,104	39,406	41,016	43,023	45,203
Cash & Equivalents	447	484	507	373	416	344	437	484	544	575
Goodwill & Int.	987	992	1,245	1,265	1,178	1,163	1,154	1,145	1,137	1,128
Total Liabilities	26,048	27,350	30,010	28,583	29,329	31,079	35,390	36,842	38,888	40,227
Long-Term Debt	3,244	3,681	3,470	3,249	2,209	1,897	4,593	2,503	2,720	3,895
Total Equity	2,931	3,078	3,524	3,665	3,737	3,832	3,821	3,980	4,411	4,781
LTD/E Ratio	1.25	1.26	1.20	1.08	0.60	0.56	1.30	0.68	0.69	0.85

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.7%	0.8%	1.0%	1.0%	0.9%	1.0%	1.0%	0.5%	0.3%	1.1%
Return on Equity	6.6%	7.2%	9.5%	8.4%	7.6%	8.6%	9.1%	4.4%	2.8%	9.9%
ROIC	3.0%	3.2%	4.3%	3.9%	4.1%	5.4%	4.7%	2.2%	1.7%	5.6%
Shares Out.	152.1	152.8	164.4	157.2	153.5	149.3	150.4	151.0	166.2	166.0
Revenue/Share	7.25	7.73	8.72	9.31	7.69	6.98	9.57	13.39	13.83	14.76
FCF/Share	1.62	1.99	2.06	2.37	1.71	2.18	2.65	2.95	3.10	3.51

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.