

Third quarter ended September 30, 2021

Selected Financial Data

(\$000's, except per share amounts)

	9/30/21	12/31/20	% Change
Total Assets	\$ 14,389,235	\$ 13,806,268	4.2%
Total Loans (Net)	10,089,201	10,446,422	(3.4%)
Total Deposits	12,222,213	11,599,233	5.4%
Shareholders' Equity	1,561,768	1,538,703	1.5%
Book Value Per Share	12.34	12.11	1.9%
Common Stock Closing Price	13.28	12.74	4.2%

Quarter ended	9/30/21	9/30/20	% Change
Net Interest Income	\$ 98,419	\$ 103,534	(4.9%)
Provision for Credit Losses	(4,354)	6,818	(163.9%)
Noninterest Income	29,186	36,670	(20.4%)
Noninterest Expense	86,102	86,869	(0.9%)
Income Before Taxes	45,857	46,517	(1.4%)
Income Tax Expense	10,794	8,467	27.5%
Net Income	35,063	38,050	(7.9%)
Diluted Earnings Per Share	0.27	0.30	(10.0%)
Return on Average Equity	8.86%	9.82%	-96 bp
Return on Average Assets	0.97%	1.09%	-12 bp

Nine months ended	9/30/21	9/30/20	% Change
Net Interest Income	\$ 294,606	\$ 288,840	2.0%
Provision for Credit Losses	(9,974)	86,205	(111.6%)
Noninterest Income	115,847	100,142	15.7%
Noninterest Expense	258,625	254,643	1.6%
Income Before Taxes	161,802	48,134	236.1%
Income Tax Expense	37,535	8,345	349.8%
Net Income	124,267	39,789	212.3%
Diluted Earnings Per Share	0.97	0.34	185.3%
Return on Average Equity	10.67%	3.33%	734 bp
Return on Average Assets	1.17%	0.42%	75 bp

Corporate Profile

Northwest Bancshares, Inc. (the "Company") is a bank holding company regulated by the Board of Governors of the Federal Reserve System. The Company operates Northwest Bank (the "Bank"), a full-service financial institution headquartered in Warren, Pennsylvania. Through this subsidiary, the Company operates 162 full-service community banking locations, eight free standing drive-through facilities, and 226 automated teller machines (ATMs) in Pennsylvania, Ohio, Indiana and western New York.

The Bank has operated as a community-oriented financial institution since 1896 and has demonstrated a pattern of sustained expansion resulting from strong internal growth combined with a series of mergers, acquisitions, and new office openings.

The Company's business emphasis is to:

- Solicit personal and business deposits as a primary source of funding.
- Provide high quality personal and business banking loans in its markets.
- Offer trust, investment management, treasury management, and financial planning services with a personal touch to individuals, businesses, and charitable institutions.

Earnings Reported and Dividend Declared

The Company reported net income for the quarter ended September 30, 2021 of \$35.1 million, or \$0.27 per diluted share. This represents a decrease of \$3.0 million, or 7.9%, compared to the same quarter last year, when net income was \$38.1 million, or \$0.30 per diluted share. The annualized returns on average shareholders' equity and average assets for the quarter ended September 30, 2021 were 8.86% and 0.97% compared to 9.82% and 1.09% for the same quarter last year.

The Company also announced that its Board of Directors declared a quarterly cash dividend of \$0.20 per share payable on November 15, 2021 to shareholders of record as of November 5, 2021. This is the 108th consecutive quarter in which the Company has paid a cash dividend. Based on the market value of the Company's common stock as of September 30, 2021, this represents an annualized dividend yield of approximately 6.0%.

In making this announcement, Ronald J. Seiffert, Chairman, President and CEO, noted, "We were pleased to see that, absent the approximately \$125.0 million of PPP loan forgiveness/payoffs this quarter, loans outstanding grew approximately \$14.0 million, or 0.14%. In addition, \$17.2 million of classified loans refinanced out of the bank which contributed to the \$30.3 million decrease in nonperforming assets while our delinquencies continue to remain very low. As a result of these credit improvements, we continued to release credit loss reserves that were built up last year during COVID-19."

Mr. Seiffert continued "Although challenges continue with net interest income due to the low interest rate environment and falling yields, interest income during the current quarter was augmented by \$4.0 million of PPP fee accretion. In addition, noninterest income stabilized during the most recent quarter having absorbed approximately \$1.0 million less per month in interchange revenue since August of last year as a result of the negative impact of the Durbin amendment for all institutions with over \$10.0 billion in assets. Finally, core noninterest expense has remained flat over the last five quarters as the result of our continued efforts focused on expense control."

Continued on back

Earnings Reported and Dividend Declared (continued)

Net interest income decreased by \$5.1 million, or 4.9%, to \$98.4 million for the quarter ended September 30, 2021, from \$103.5 million for the quarter ended September 30, 2020, largely due to a \$9.8 million, or 9.1%, decrease in interest income on loans receivable. This decrease in interest income on loans was due to a decrease of \$551.4 million, or 5.1%, in the average balance of loans. Contributing to this decrease in average balances were \$580.0 million of PPP loan forgiveness/payoffs since September 30 of last year. Also contributing to lower interest income was a decrease in the average loan yield to 3.80% for the quarter ended September 30, 2021 from 3.98% for the quarter ended September 30, 2020. Partially offsetting this decrease in interest income was a decrease of \$3.9 million, or 46.2%, in interest expense on deposits due to a decline in market interest rates when compared to the prior year, resulting in a decrease in the cost of our interest-bearing liabilities to 0.27% for the quarter ended September 30, 2021 from 0.42% for the quarter ended September 30, 2020. The net effect of the changes in interest rates and average balances was a decrease in net interest margin to 2.97% for the quarter ended September 30, 2021 from 3.26% for the same quarter last year.

The provision for credit losses decreased by \$11.2 million to a current period credit of \$4.4 million for the quarter ended September 30, 2021 compared to a provision expense of \$6.8 million for the quarter ended September 30, 2020 due to a release in the allowance for credit losses as economic forecasts continue to improve and classified assets declined. Total classified loans decreased by \$73.4 million, or 16.0%, to \$384.4 million, or 3.77% of total loans, at September 30, 2021 from \$457.8 million, or 4.25% of total loans, at September 30, 2020.

Noninterest income decreased by \$7.5 million, or 20.4%, to \$29.2 million for the quarter ended September 30, 2021, from \$36.7 million for the quarter ended September 30, 2020. This decrease was primarily due to a decrease in mortgage banking income of \$7.1 million, or 64.4%, to \$3.9 million for the quarter ended September 30, 2021 from \$11.1 million for the quarter ended September 30, 2020. This decrease reflects the impact of less favorable pricing in the secondary market. In addition, there was a decrease in insurance commission income of \$2.3 million, or 98.1%, to \$44,000 for the quarter ended September 30, 2021 from \$2.3 million for the quarter ended September 30, 2020 due to the sale of the insurance business during the second quarter of 2021. Lastly, service charges and fees decreased \$1.2 million, or 8.0%, to \$13.2 million for the quarter ended September 30, 2021 from \$14.4 million for the quarter ended September 30, 2020 due primarily to the impact of being subject to the Durbin amendment on interchange revenue. Partially offsetting this decrease was an increase in trust and other financial services income of \$1.8 million, or 33.6%, to \$7.2 million for the quarter ended September 30, 2021 from \$5.4 million for the quarter ended September 30, 2020, as a result of increases in both trust and brokerage advisory services. In addition, there was an increase in other operating income of \$1.3 million, or 62.6%, to \$3.3 million for the quarter ended September 30, 2021 from \$2.0 million for the quarter ended September 30, 2020 primarily as a result of fees earned from debit/credit card volume-based incentives.

Noninterest expense decreased by \$767,000, or 0.9%, to \$86.1 million for the quarter ended September 30, 2021 from \$86.9 million for the quarter ended September 30, 2020. This decrease was due to a decline in a majority of the noninterest expense categories. Processing expenses decreased \$1.5 million, or 10.1%,

to \$13.5 million for the quarter ended September 30, 2021 from \$15.0 million for the quarter ended September 30, 2020. Merger related expenses decreased \$1.4 million, or 100.0%, due to expenses incurred in the prior year as a result of the acquisition of MutualFirst Financial, Inc. Partially offsetting these decreases was an increase of \$1.7 million, or 3.6%, in compensation and employee benefits due primarily to increases in health insurance and other benefit costs, regular merit expense increases and the addition of strategic personnel. In addition, there was an increase in other expenses of \$2.2 million for the quarter ended September 30, 2021 due primarily due to an increase in the unfunded reserve as a result of an increase in undrawn commitments in the commercial real estate and construction portfolios.

The provision for income taxes increased by \$2.3 million, or 27.5%, to \$10.8 million for the quarter ended September 30, 2021 from \$8.5 million for the quarter ended September 30, 2020. This increase in income taxes was due to an increase in the annual effective tax rate for 2021 as the prior year had a greater percentage of net income generated by tax free or tax efficient earning assets.

Stock Listing

Northwest Bancshares, Inc. common stock trades on the NASDAQ Global Select Market under the symbol "NWBI." The CUSIP number is 667340103.

Dividend Reinvestment and Direct Stock Purchase and Sale Plan

The plan provides direct shareholders and interested new investors with a convenient method to purchase shares of NWBI. You can access the plan materials and enroll online at astfinancial.com. You may also request a copy of the plan prospectus and enrollment application by calling the plan administrator, American Stock Transfer & Trust Company toll free at (877) 715-0499 or Northwest at (800) 859-1000 or (814) 728-7263.

Direct Deposit of Dividends (ACH)

Enroll by accessing your shareholder account online at astfinancial.com or to obtain an enrollment card by mail, contact American Stock Transfer & Trust Co. at (877) 715-0499 or Northwest at (800) 859-1000 or (814) 728-7263.

Online Shareholder Account Access

Direct shareholders can access their account online at astfinancial.com by clicking "Shareholders", "Manage My Account" and "Manage My Shareholder Account" to retrieve account details, update their shareholder profile, print a duplicate Form 1099 DIV, issue, sell or purchase shares online and much more.

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