WINTRUST

NEWS RELEASE

Wintrust Financial Corporation Reports Record Earnings for the First Quarter; First Quarter Net Earnings Up 30%

2003-04-17

LAKE FOREST, Ill., April 17 /PRNewswire-FirstCall/ -- Wintrust Financial Corporation ("Wintrust") (Nasdaq: WTFC) announced record net income of $8.3 million for the quarter ended March 31, 2003, an increase of $1.9 million, or 30%, over the $6.4 million recorded in the first quarter of 2002. On a per share basis, net income for the first quarter of 2003 totaled $0.45 per diluted common share, a $0.05 per share, or 13%, increase as compared to the 2002 first quarter total of $0.40 per diluted common share. The results for the first quarter of 2002 included pretax income of $1.25 million, or $754,000 after-tax ($0.05 per common diluted share), for a partial settlement related to a non-recurring charge recorded in 2000. The lower growth rate in the earnings per share as compared to net income was primarily due to the issuance of 1,362,750 additional shares of common stock in June and July of 2002. The return on average equity for the first quarter of 2003 stood at 14.51%.

"We are pleased with the results and growth of the Company as we continue to address and meet the challenges of the current economic cycle," commented Edward J. Wehmer, President and Chief Executive Officer. "In the first quarter we continued to devote significant efforts to our wealth management businesses."

Mr. Wehmer added, "We successfully completed the acquisition of Lake Forest Capital Management Company in February, named James F. Duca, II as Director of Wealth Management, announced the addition of Thomas M. McDonald as President and CEO of Wayne Hummer Investments, LLC and added to our stable of experienced customer-oriented brokerage representatives, all aimed at growing this important business segment. We remain comfortable with the existing range of the analysts' earnings estimate for 2003 of $1.75 to $1.90 per share."

Key operating measures for Wintrust in 2003, as compared to the prior year, are shown in the table below:

(Dollars in thousands, except per share data)	Quarter Ended March 31, 2003	Quarter Ended March 31, 2002	% or basis point (bp) Change
Net income	$8,263	$6,362	30%
Net income per common share - Diluted	$0.45	$0.40	13%
Net revenue (A)	$44,347	$34,920	27%
Net interest income	$26,604	$22,168	20%
Net interest margin (D)	3.15%	3.48%	(33)bp
Core net interest margin (B) (D)	3.26%	3.68%	(42)bp
Net overhead ratio (C)	1.21%	1.43%	(22)bp
Return on average assets	0.89%	0.92%	(3)bp
Return on average equity	14.51%	17.12%	(261)bp
At end of period			
Total assets	$3,914,995	$2,955,153	32%
Total loans	$2,628,480	$2,167,550	21%
Total deposits	$3,270,295	$2,417,315	35%
Book value per common share	$13.75	$10.41	32%
Market price per common share	$28.60	$22.97	25%
Common shares outstanding	17,371,140	15,711,641	11%

(A) Net revenue includes net interest income and non-interest income.
(B) Core net interest margin excludes interest expense associated with Wintrust's Long-term Debt - Trust Preferred Securities.
(C) The net overhead ratio is calculated by netting total non-interest expense and total non-interest income, annualizing this amount, and dividing by that period's total average assets. A lower ratio indicates a higher degree of efficiency.
(D) See "Supplemental Financial Measures/Ratios" for additional information on this performance measure/ratio.

On February 20, 2002, Wintrust completed its acquisition of Wayne Hummer Investments, LLC (including its wholly owned subsidiary, Focused Investments LLC) and Wayne Hummer Asset Management Company (collectively, the "Wayne Hummer Companies"). Accounted for as a purchase, the Wayne Hummer Companies results of operations are included only since the effective date of acquisition (February 1, 2002) in Wintrust's results. As of March 31, 2003, we have migrated approximately $252 million of customers' funds from the money market mutual fund

managed by Wayne Hummer Asset Management Company into insured bank deposits of the Wintrust banks. The introduction of bank and trust products to customers of the Wayne Hummer Companies continues, as well as the referral of banking customers to Wayne Hummer's brokerage operation. We now are actively pursuing the placement of brokerage representatives into the markets served by Wintrust banks.

On February 4, 2003, Wintrust completed the acquisition of Lake Forest Capital Management Company based in Lake Forest, Illinois. Lake Forest Capital Management will retain its name and has been merged into and will operate as a separate division of Wayne Hummer Asset Management Company, Wintrust's existing asset management subsidiary. Accounted for as a purchase, Lake Forest Capital Management Company's results of operations are included only since the effective date of acquisition (February 1, 2003) in Wintrust's 2003 results. The acquisition of Lake Forest Capital Management Company will further expand our wealth management business in the Chicago metropolitan area.

The Company's first quarter 2003 results of operations include three months revenue and expenses attributable to the Wayne Hummer Companies and two months revenue and expenses attributable to Lake Forest Capital Management Company while the first quarter of 2002 includes only two months revenue and expenses from the Wayne Hummer Companies and no revenue and expenses from Lake Forest Capital Management Company.

Total assets rose to $3.9 billion at March 31, 2003, an increase of $960 million, or 32%, compared to $3.0 billion a year ago. Total deposits as of March 31, 2003 were $3.3 billion, an increase of $853 million, or 35%, as compared to $2.4 billion at March 31, 2002. Total loans grew to $2.6 billion as of March 31, 2003, a $461 million, or 21%, increase over the $2.2 billion of a year ago.

For the first quarter of 2003, net interest income totaled $26.6 million, increasing $4.4 million, or 20%, compared to the first quarter of 2002. Average earning assets grew $846 million over the first quarter of 2002, a 32% increase. Despite the first quarter's economic uncertainties and the current low interest rate environment, net interest income in the quarter increased by $476,000, or 2%, over the fourth quarter of 2002. Loan growth continued in the first quarter of 2003, despite higher levels of refinancing, with total loans outstanding at March 31, 2003 increasing from December 31, 2002 by $72 million, or 11% on an annualized basis. The net interest margin for the first quarter of 2003 increased to 3.15% compared with 3.13% in the fourth quarter of 2002, but down 33 basis points from the 3.48% recorded in the first quarter of 2002. Net interest margin pressure over the last 12 months was mitigated by increases in fees on mortgage loans sold and fees from covered call option transactions.

Non-interest income totaled $17.7 million for the first quarter of 2003, increasing $5.0 million, or 39%, over the same period in 2002. Fees on mortgage loans increased $2.6 million or 128%, wealth management fees increased $1.4 million or 30%, gain on sale of premium finance receivables increased $396,000 or 52%, administrative services

revenue associated with Tricom increased $269,000 or 33%, fees from covered call option transactions increased $576,000 or 37% and net securities gains increased $601,000. Partially offsetting the increased fees on mortgage loans sold were the commissions, included in salaries and employee benefits expense, paid to the mortgage originators, increasing $697,000 over the first quarter of 2002.

Non-interest expense totaled $28.9 million for the first quarter of 2003, increasing $6.2 million, or 27%, over the first quarter of 2002. The growth in non-interest expense is attributable to increases in salaries and benefits and operating costs as a result of continued growth and expansion of the banking franchise (including the commissions paid to mortgage originators described above and other costs related to increased mortgage loan activities), normal annual increases in salaries, increased costs of employee benefits and the growth of the wealth management business. The net overhead ratio for the first quarter of 2003 improved to 1.21% from 1.43% in the same period last year.

Non-performing assets totaled $13.4 million, minimally increasing over both the $11.6 million at March 31, 2002 and the $12.6 million at December 31, 2002. The increase in non-performing assets from year-end is attributable to a $908,000 increase in other real estate owned. Non-performing assets were 0.34% of total assets, at March 31, 2003. This ratio improved when compared to 0.39% at March 31, 2002 and remained level with the 0.34% at December 31, 2002. The level of non-performing assets remains low and manageable.

Wintrust is a financial holding company whose common stock is traded on the Nasdaq Stock Market(R). Its seven suburban Chicago community bank subsidiaries, each of which was founded as a de novo bank since December 1991, are located in high income retail markets -- Lake Forest Bank & Trust Company, Hinsdale Bank & Trust Company, North Shore Community Bank & Trust Company in Wilmette, Libertyville Bank & Trust Company, Barrington Bank & Trust Company, Crystal Lake Bank & Trust Company and Northbrook Bank & Trust Company. The banks also operate facilities in Lake Bluff, Highland Park, Hoffman Estates, Highwood, Glencoe, Winnetka, Clarendon Hills, Western Springs, Skokie, Wauconda, Cary, McHenry and Riverside, Illinois. Additionally, the Company operates various non-bank subsidiaries. First Insurance Funding Corporation, one of the largest commercial insurance premium finance companies operating in the United States, serves commercial loan customers throughout the country. Wayne Hummer Trust Company, a trust subsidiary, allows Wintrust to service customers' trust and investment needs at each banking location. Tricom, Inc. of Milwaukee provides short-term accounts receivable financing and value-added out-sourced administrative services, such as data processing of payrolls, billing and cash management services, to temporary staffing service clients located throughout the United States. Wayne Hummer Investments, LLC is a broker-dealer providing a full range of private client and brokerage services to clients located primarily in the Midwest. Focused Investments LLC is a broker-dealer that provides a full range of investment solutions to clients through a network of community-based financial institutions throughout the Midwest. Wayne Hummer Asset Management Company provides money management services and advisory

services to individual accounts as well as the Wayne Hummer Companies' four proprietary mutual funds. Wintrust Information Technology Services Company provides information technology support, item capture, and statement preparation and lockbox services to the Wintrust subsidiaries.

Currently, Wintrust operates a total of 32 banking offices and is in the process of constructing several additional branch facilities. All of the Company's banking subsidiaries are locally managed with large local boards of directors. Wintrust Financial Corporation has been one of the fastest growing de novo bank groups in Illinois.

WINTRUST FINANCIAL CORPORATION
SELECTED FINANCIAL HIGHLIGHTS

(Dollars in thousands, except per share data)	Three Months Ended March 31, 2003	2002
Selected Financial Condition Data (at end of period):		
Total assets	$3,914,995	$2,955,153
Total loans	2,628,480	2,167,550
Total deposits	3,270,295	2,417,315
Long-term debt - trust preferred securities	51,004	51,050
Total shareholders' equity	238,905	163,521
Selected Statements of Income Data:		
Net interest income	$26,604	$22,168
Net revenue (A)	44,347	34,920
Income before taxes	12,795	9,893
Net income	8,263	6,362
Net income per common share - Basic	0.48	0.42
Net income per common share - Diluted	0.45	0.40
Selected Financial Ratios and Other Data:		
Performance Ratios:		
Net interest margin (E)	3.15%	3.48%
Core net interest margin (B) (E)	3.26	3.68
Non-interest income to average assets	1.92	1.84
Non-interest expense to average assets	3.12	3.28
Net overhead ratio (C)	1.21	1.43
Efficiency ratio (D) (E)	65.46	64.17
Return on average assets	0.89	0.92
Return on average equity	14.51	17.12
Average total assets	$3,757,564	$2,805,594
Average total shareholders' equity	230,928	150,743

Average loans to average deposits ratio	85.5%	89.8%
Common Share Data at end of period:		
Market price per common share	$28.60	$22.97
Book value per common share	$13.75	$10.41
Common shares outstanding	17,371,140	15,711,641
Other Data at end of period:		
Allowance for loan losses	$19,773	$14,697
Non-performing assets	$13,405	$11,576
Allowance for loan losses to total loans	0.75%	0.68%
Non-performing assets to total assets	0.34%	0.39%
Number of:		
Bank subsidiaries	7	7
Non-bank subsidiaries	7	7
Banking offices	32	30

(A) Net revenue includes net interest income and non-interest income.
(B) The core net interest margin excludes interest expense associated with Wintrust's Long-term Debt - Trust Preferred Securities.
(C) The net overhead ratio is calculated by netting total non-interest expense and total non-interest income, annualizing this amount, and dividing by that period's total average assets. A lower ratio indicates a higher degree of efficiency
(D) The efficiency ratio is calculated by dividing total non-interest expense by tax-equivalent net revenues (less securities gains or losses). A lower ratio indicates more efficient revenue generation.
(E) See "Supplemental Financial Measures/Ratios" for additional information on this performance measure/ratio.

WINTRUST FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CONDITION

	(Unaudited)		(Unaudited)
	March 31,	December 31,	March 31,
(In thousands)	2003	2002	2002
Assets			
Cash and due from banks	$78,858	$105,671	$55,793
Federal funds sold and securities purchased under resale agreements	331,640	151,251	97,287
Interest bearing deposits with banks	4,870	4,418	1,028
Available-for-sale securities, at fair value	504,190	547,679	365,540
Trading account securities	5,777	5,558	5,298
Brokerage customer receivables	35,405	37,592	64,765

Mortgage loans held-for-sale	96,350	90,446	31,723
Loans, net of unearned income	2,628,480	2,556,086	2,167,550
Less: Allowance for loan losses	19,773	18,390	14,697
Net loans	2,608,707	2,537,696	2,152,853
Premises and equipment, net	121,068	118,961	104,780
Accrued interest receivable and other assets	95,939	95,852	50,059
Goodwill	29,515	25,266	25,935
Other intangible assets	2,676	1,165	92
Total assets	$3,914,995	$3,721,555	$2,955,153
Liabilities and Shareholders' Equity			
Deposits:			
Non-interest bearing	$313,207	$305,540	$242,966
Interest bearing	2,957,088	2,783,584	2,174,349
Total deposits	3,270,295	3,089,124	2,417,315
Notes payable	46,975	44,025	66,125
Federal Home Loan Bank advances	140,000	140,000	90,000
Subordinated note	25,000	25,000	-
Other borrowings	41,668	46,708	113,624
Long-term debt - trust preferred securities	51,004	50,894	51,050
Accrued interest payable and other liabilities	101,148	98,802	53,518
Total liabilities	3,676,090	3,494,553	2,791,632
Shareholders' equity:			
Preferred stock	-	-	-
Common stock	17,371	17,216	15,712
Surplus	157,499	153,614	116,201
Common stock warrants	1,031	81	98
Retained earnings	63,842	56,967	36,482
Accumulated other comprehensive loss	(838)	(876)	(4,972)
Total shareholders' equity	238,905	227,002	163,521
Total liabilities and shareholders' equity	$3,914,995	$3,721,555	$2,955,153

WINTRUST FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended March 31,	
	(Unaudited)	(Unaudited)
(In thousands, except per share data)	2003	2002
Interest income		
Interest and fees on loans	$40,591	$36,661

Interest bearing deposits with banks	29	3
Federal funds sold and securities purchased under resale agreements	389	293
Securities	5,835	4,500
Trading account securities	38	24
Brokerage customer receivables	357	490
Total interest income	47,239	41,971
Interest expense		
Interest on deposits	17,102	16,675
Interest on Federal Home Loan Bank advances	1,457	897
Interest on subordinated note	444	-
Interest on notes payable and other borrowings	704	943
Interest on long-term debt - trust preferred securities	928	1,288
Total interest expense	20,635	19,803
Net interest income	26,604	22,168
Provision for loan losses	2,641	2,348
Net interest income after provision for loan losses	23,963	19,820
Non-interest income		
Wealth management fees	5,951	4,570
Fees on mortgage loans sold	4,598	2,017
Service charges on deposit accounts	855	738
Gain on sale of premium finance receivables	1,162	766
Administrative services revenue	1,091	822
Net available-for-sale securities gains (losses)	386	(215)
Other	3,700	4,054
Total non-interest income	17,743	12,752
Non-interest expense		
Salaries and employee benefits	17,450	13,362
Equipment expense	1,842	1,730
Occupancy, net	1,898	1,544
Data processing	1,053	1,014
Advertising and marketing	539	524
Professional fees	782	611
Amortization of other intangible assets	139	17
Other	5,208	3,877
Total non-interest expense	28,911	22,679
Income before taxes	12,795	9,893
Income tax expense	4,532	3,531
Net income	$8,263	$6,362
Net income per common share - Basic	$0.48	$0.42
Net income per common share - Diluted	$0.45	$0.40
Cash dividends declared per common share	$0.08	$0.06

Weighted average common shares outstanding	17,308	15,078
Dilutive potential common shares	1,124	913
Average common shares and dilutive common shares	18,432	15,991

SUPPLEMENTAL FINANCIAL MEASURES/RATIOS

In accordance with new SEC rules required by the Sarbanes-Oxley Act of 2002 regarding the use of financial measures and ratios not calculated in accordance with generally accepted accounting principles ("GAAP"), a reconciliation must be provided that shows these measures and ratios calculated according to GAAP and a statement why management believes these measures and ratios provide a more accurate view of performance.

Certain non-GAAP performance measures and ratios are used by management to evaluate and measure the Company's performance. These include taxable- equivalent net interest income (including its individual components), net interest margin (including its individual components), core net interest margin and the efficiency ratio. Management believes that these measures and ratios provide users of the Company's financial information a more accurate view of the performance of the interest-earning assets and interest-bearing liabilities and of the Company's operating efficiency for comparative purposes. Other financial holding companies may define or calculate these measures and ratios differently. See the table below for supplemental data and the corresponding reconciliation to GAAP financial measures for the three months ended March 31, 2003 and 2002.

Management reviews yields on certain asset categories and the net interest margin of the Company, and its banking subsidiaries, on a fully taxable- equivalent basis ("FTE"). In this non-GAAP presentation, net interest income is adjusted to reflect tax-exempt interest income on an equivalent before-tax basis. This measure ensures comparability of net interest income arising from both taxable and tax-exempt sources. Net interest income on a taxable- equivalent basis is also used in the calculation of the Company's efficiency ratio. The efficiency ratio, which is calculated by dividing non-interest expense by total taxable-equivalent net revenue (less securities gains or losses), measures how much it costs to produce one dollar of revenue.

Management also evaluates the net interest margin excluding the interest expense associated with the Company's Long-term Debt - Trust Preferred Securities ("Core Net Interest Margin"). Because these instruments are utilized by the Company primarily as capital instruments, management finds it useful to view the net interest margin excluding this expense and deems it to be a more accurate view of the operational net interest margin of the Company.

	Quarter Ended

	March 31,	
(Dollars in thousands)	2003	2002
(A) Interest income (GAAP)	$47,239	$41,971
Taxable-equivalent adjustment - Loans	141	188
Taxable-equivalent adjustment - Liquidity management assets	61	20
Interest income - FTE	$47,441	$42,179
(B) Interest expense (GAAP)	20,635	19,803
Net interest income - FTE	$26,806	$22,376
(C) Net interest income (GAAP) (A minus B)	$26,604	$22,168
Net interest income - FTE	$26,806	$22,376
Add: Interest expense on long-term debt - trust preferred securities	928	1,288
Core net interest income - FTE (a)	$27,734	$23,664
(D) Net interest margin (GAAP)	3.13%	3.45%
Net interest margin - FTE	3.15%	3.48%
Core net interest margin - FTE (a)	3.26%	3.68%
(E) Efficiency ratio (GAAP)	65.76%	64.55%
Efficiency ratio - FTE	65.46%	64.17%

(a) Core net interest income and core net interest margin are by definition a non-GAAP measure/ratio. The GAAP equivalents are the net interest income and net interest margin determined in accordance with GAAP (lines C and D in the table).

LOANS, NET OF UNEARNED INCOME

(Dollars in thousands)	March 31, 2003	December 31, 2002	March 31, 2002	% Growth From December 31, 2002 (A)	% Growth From March 31, 2002
Balance:					
Commercial and commercial real estate	$1,314,493	$1,320,598	$1,066,326	(1.9)%	23.3%
Home equity	395,056	365,521	287,186	32.8	37.6
Residential real estate	135,940	156,213	142,554	(52.6)	(4.6)
Premium finance					

receivables	532,162	461,614	414,330	62.0	28.4
Indirect auto loans	169,311	178,234	184,385	(20.3)	(8.2)
Tricom finance receivables	24,416	21,048	17,558	64.9	39.1
Consumer and other loans	57,102	52,858	55,211	32.6	3.4
Total loans, net of unearned income	$2,628,480	$2,556,086	$2,167,550	11.5%	21.3%
Mix:					
Commercial and commercial real estate	50%	52%	49%		
Home equity	15	14	13		
Residential real estate	5	6	7		
Premium finance receivables	20	18	19		
Indirect auto loans	7	7	9		
Tricom finance receivables	1	1	1		
Consumer and other loans	2	2	2		
Total loans, net of unearned income	100%	100%	100%		

(A) Annualized based on the number of days in the period.

DEPOSITS

(Dollars in thousands)	March 31, 2003	December 31, 2002	March 31, 2002	% Growth From December 31, 2002 (A)	% Growth From March 31, 2002
Balance:					
Non-interest bearing	$313,207	$305,540	$242,966	10.2%	28.9%
NOW	347,938	354,499	290,120	(7.5)	19.9
NOW-Brokerage customer deposits	252,223	231,700	-	35.9	N/M
Money market	416,698	399,441	368,240	17.5	13.2
Savings	155,228	147,669	133,963	20.8	15.9
Time certificate					

of deposits	1,785,001	1,650,275	1,382,026	33.1	29.2
Total deposits	$3,270,295	$3,089,124	$2,417,315	23.8%	35.3%
Mix:					
Non-interest bearing	9%	10%	10%		
NOW	11	11	12		
NOW-Brokerage customer deposits	8	8	-		
Money market	13	13	15		
Savings	5	5	6		
Time certificate of deposits	54	53	57		
Total deposits	100%	100%	100%		

(A) Annualized based on the number of days in the period.
N/M = Not Meaningful

Previously, Wintrust indicated its strategy to attract funds from the money market mutual fund balances managed by Wayne Hummer Asset Management Company into deposit accounts of the Wintrust affiliate banks. Consistent with reasonable interest rate risk parameters, the funds will generally be invested in loan production of the affiliate banks as well as other investments suitable for banks. As of March 31, 2003, approximately $252 million had migrated into insured bank deposits at the affiliate banks. The migration of additional funds to the affiliate banks is subject to the desire of the customers to make the transition of their funds into FDIC insured bank accounts, capital capacity of the Company and the availability of suitable investments in which to deploy the funds.

NET INTEREST INCOME

The following table presents a summary of Wintrust's net interest income and related net interest margins, calculated on a fully tax-equivalent basis, for the three-month periods ended March 31, 2003 and 2002:

	For the Quarter Ended March 31, 2003			For the Quarter Ended March 31, 2002		
(Dollars in thousands)	Average	Interest	Rate	Average	Interest	Rate
Liquidity management assets (A) (B) (H)	$715,338	$6,314	3.58%	$458,922	$4,816	4.26%
Other earning assets (C)	41,221	395	3.89	44,920	514	4.64
Loans, net of						

unearned income							
(B) (D) (H)	2,695,146	40,732	6.13	2,101,802	36,849	7.11
Total earning assets (H)	$3,451,705	$47,441	5.57%	$2,605,644	$42,179	6.56%
Interest-bearing deposits	$2,851,643	$17,102	2.43%	$2,097,388	$16,675	3.22%
Federal Home Loan Bank advances	140,000	1,457	4.22	90,000	897	4.04
Notes payable and other borrowings	92,018	704	3.10	119,698	943	3.20
Subordinated note	25,000	444	7.10	-	-	-
Long-term debt - trust preferred securities	50,894	928	7.29	51,050	1,288	10.09
Total interest-bearing liabilities	$3,159,555	$20,635	2.65%	$2,358,136	$19,803	3.41%
Interest rate spread (E) (H)			2.92%			3.15%
Net free funds/ contribution (F)	$292,150		0.23	$247,508		0.33
Net interest income/Net interest margin (H)		$26,806	3.15%		$22,376	3.48%
Core net interest margin (G) (H)			3.26%			3.68%

(A) Liquidity management assets include available-for-sale securities, interest earning deposits with banks and federal funds sold.

(B) Interest income on tax-advantaged loans and securities reflects a tax-equivalent adjustment based on a marginal federal corporate tax rate of 35%. The total adjustments for the quarters ended March 31, 2003 and 2002 were $202,000 and $208,000, respectively.

(C) Other earning assets include brokerage customer receivables and trading account securities.

(D) Loans, net of unearned income includes mortgages held for sale and non-accrual loans.

(E) Interest rate spread is the difference between the yield earned on earning assets and the rate paid on interest-bearing liabilities.

(F) Net free funds are the difference between total average earning assets and total average interest-bearing liabilities. The contribution is based on the rate paid for total interest-bearing liabilities.

(G) The core net interest margin excludes interest expense associated

with Wintrust's Long-term Debt - Trust Preferred Securities.
(H) See "Supplemental Financial Measures/Ratios" for additional information on this performance measure/ratio.

Net interest income, which is the difference between interest income and fees on earning assets and interest expense on deposits and borrowings, is the major source of earnings for Wintrust. Tax-equivalent net interest income for the quarter ended March 31, 2003 totaled $26.8 million, an increase of $4.4 million, or 20%, as compared to the $22.4 million recorded in the same quarter of 2002. Average loans in the first quarter of 2003 increased $593 million, or 28%, over the first quarter of 2002.

Net interest margin represents tax-equivalent net interest income as a percentage of the average earning assets during the period. For the first quarter of 2003 the net interest margin was 3.15%, a decrease of 33 basis points when compared to the net interest margin of 3.48% in the prior year first quarter. The core net interest margin, which excludes the interest expense related to Wintrust's Long-term Debt - Trust Preferred Securities, was 3.26% for the first quarter of 2003, and decreased 42 basis points when compared to the prior year first quarter's core margin of 3.68%. Wintrust's net interest margin increased slightly when compared to the fourth quarter of 2002.

The yield on total earning assets for the first quarter of 2003 was 5.57% as compared to 6.56% in 2002, a decrease of 99 basis points resulting primarily from the effect of decreases in general market rates on liquidity management assets and loans. The yield on earning assets is heavily dependent on the yield on loans since average loans comprised approximately 78% of total average earning assets. The first quarter 2003 yield on loans was 6.13%, a 98 basis point decrease when compared to the prior year first quarter yield of 7.11%.

The rate paid on interest-bearing liabilities for the first quarter of 2003 was 2.65%, compared to 3.41% in the first quarter of 2002, a decline of 76 basis points. Interest-bearing deposits accounted for 90% of total interest-bearing funding in the first quarter of 2003, compared to 89% in the same period of 2002. The rate paid on interest-bearing deposits averaged 2.43% for the first quarter of 2003 versus 3.22% for the same quarter of 2002, a decrease of 79 basis points.

The rate paid on wholesale funding, consisting of Federal Home Loan Bank of Chicago advances, notes payable, subordinated note and other borrowings, rose to 4.11% in the first quarter of 2003 compared to 3.56% in the first quarter of 2002. The increase in the rate paid on total wholesale funding is primarily attributable to a $25 million subordinated debt agreement with an unaffiliated bank that qualifies as Tier II regulatory capital that was completed in the fourth quarter of 2002. The Company utilizes these borrowing sources to fund the additional capital requirements of the subsidiary banks, manage its capital, manage its interest rate risk position, funding at the Wayne Hummer Companies and for general corporate purposes.

NON-INTEREST INCOME

For the first quarter of 2003, non-interest income totaled $17.7 million and increased $5.0 million over the prior year first quarter. All categories of non-interest income increased over the first quarter of 2002. Most notable were increases in fees on mortgage loans sold and wealth management fees. The first quarter of 2002 includes a $1.25 million partial settlement related to a non-recurring charge recorded in 2000. Non-interest income as a percentage of net revenue increased to 40% in the first quarter of 2003, up from 37% in the first quarter of 2002.

Wealth management fees is comprised of the trust and asset management revenue of Wayne Hummer Trust Company (name changed from Wintrust Asset Management Company in May 2002) and the asset management fees, brokerage commissions, trading commissions and insurance product commissions at the Wayne Hummer Companies (including the recently acquired Lake Forest Capital Management Company). The increase in this category, up $1.4 million over the first quarter of 2002, is primarily attributable to the additional month of revenues from the Wayne Hummer Companies included in the 2003 results and the two months of revenue from Lake Forest Capital Management Company. The acquisition of Lake Forest Capital Management Company demonstrates Wintrust's commitment to growing the trust and investment business in order to better service its customers and create a more diversified revenue stream.

Fees on mortgage loans sold include income from originating and selling residential real estate loans into the secondary market. For the quarter ended March 31, 2003, these fees totaled $4.6 million, an increase of $2.6 million, or 128%, from the prior year first quarter and up from the $4.5 million recorded in the fourth quarter of 2002. Although these fees are a continuous source of revenue, these fees continue to benefit from high levels of mortgage origination volumes, particularly refinancing activity caused by the low level of mortgage interest rates. Management anticipates that the levels of refinancing activity may taper off in 2003, barring any further reductions in mortgage interest rates.

Service charges on deposit accounts totaled $855,000 for the first quarter of 2003, an increase of $117,000, or 16%, when compared to the same quarter of 2002. This increase was mainly due to a higher deposit base and a larger number of accounts at the banking subsidiaries. The majority of deposit service charges relates to customary fees on overdrawn accounts and returned items. The level of service charges received is substantially below peer group levels, as management believes in the philosophy of providing high quality service without encumbering that service with numerous activity charges.

As a result of continued strong loan originations of premium finance receivables, Wintrust sold excess premium finance receivables volume to an unrelated third party financial institution in the first quarter of 2003 and recognized gains of $1.2 million related to this activity, compared with $766,000 of recognized gains in the first

quarter of 2002. Wintrust has a philosophy of maintaining its average loan-to-deposit ratio in the range of 85-90%. During the first quarter of 2003, the ratio was approximately 86%. Consistent with Wintrust's strategy to be asset-driven and the desire to maintain our loan-to-deposit ratio in the aforementioned range, it is probable that similar sales of premium finance receivables will occur in the future.

The administrative services revenue contributed by Tricom added $1.1 million to total non-interest income in the first quarter of 2003, an increase of $269,000 from the first quarter of 2002 and an increase of $284,000 from the fourth quarter of 2002. This revenue comprises income from administrative services, such as data processing of payrolls, billing and cash management services, to temporary staffing service clients located throughout the United States. The revenue increase in the first quarter of 2003 is attributable to the acquisition of a competitor's customer base in early January 2003. Tricom also earns interest and fee income from providing short- term accounts receivable financing to this same client base, which is included in the net interest income category.

Other non-interest income for the first quarter of 2003 totaled $3.7 million and decreased $354,000, or 9%, from the prior year quarterly total of $4.1 million. The first quarter of 2002 included pretax income of $1.25 million for a partial settlement related to a non-recurring charge recorded in 2000. This was partially offset by a $576,000 increase in premium income from certain covered call option transactions and $410,000 from Bank Owned Life Insurance ("BOLI"). The premium income from the covered call option transactions totaled $2.1 million in the first quarter of 2003 and $1.6 million in the same period of 2002. Management is able to effectively use the proceeds from selling covered call options to offset net interest margin compression and administers such sales in a coordinated process with the Company's overall asset/liability management. During the third quarter of 2002, the Company purchased $41.1 million of BOLI. The BOLI policies were purchased to consolidate existing term life insurance contracts of executive officers and to mitigate the mortality risk associated with death benefits provided for in the executives' employment contracts. Adjustments to the cash surrender value of the BOLI policies are recorded as non-interest income.

NON-INTEREST EXPENSE

Non-interest expense for the first quarter of 2003 totaled $28.9 million and increased $6.2 million, or 27%, from the first quarter 2002 total of $22.7 million. All categories of non-interest expense increased over the first quarter of 2002, reflecting the continued growth and expansion of the banks with additional branches, the growth in the premium finance business, the addition of Lake Forest Capital Management in the first quarter of 2003 and a full quarter's operating expenses attributable to the Wayne Hummer Companies.

Salaries and employee benefits totaled $17.4 million for the first quarter of 2003, an increase of $4.0 million, or 31%, as compared to the prior year's first quarter total of $13.4 million. This increase was primarily due to an additional month in the first quarter of 2003 of employee costs associated with the Wayne Hummer Companies,

the salary and benefit costs of Lake Forest Capital Management Company, increases in salaries and employee benefit costs as a result of continued growth and expansion of the banking franchise, commissions associated with increased mortgage loan origination activity and normal annual increases in salaries and the employee benefit costs.

The remaining categories of non-interest expense, such as occupancy costs, equipment expense, data processing, advertising and marketing, professional fees and other increased by $2.1 million over the prior year first quarter due to the acquisition of the Wayne Hummer Companies, the acquisition of Lake Forest Capital Management Company and the general growth and expansion of the banks.

ASSET QUALITY

Allowance for Loan Losses

A reconciliation of the activity in the balance of the allowance for loan losses for the three months ended March 31, 2003 and 2002 is shown as follows:

	Three Months Ended March 31,	
(Dollars in thousands)	2003	2002
Balance at beginning of period	$18,390	$13,686
Provision for loan losses	2,641	2,348
Charge-offs:		
Commercial and commercial real estate loans	445	225
Home equity loans	-	-
Residential real estate loans	-	-
Consumer and other loans	103	76
Premium finance receivables	673	867
Indirect automobile loans	216	287
Tricom finance receivables	-	-
Total charge-offs	1,437	1,455
Recoveries:		
Commercial and commercial real estate loans	43	20
Home equity loans	-	-
Residential real estate loans	-	-
Consumer and other loans	23	-
Premium finance receivables	67	63

Indirect automobile loans	42	30
Tricom finance receivables	4	5
Total recoveries	179	118
Net charge-offs	(1,258)	(1,337)
Balance at March 31	$19,773	$14,697
Annualized net charge-offs (recoveries) as a percentage of average:		
Commercial and commercial real estate loans	0.13%	0.08%
Home equity loans	-	-
Residential real estate loans	-	-
Consumer and other loans	0.57	0.48
Premium finance receivables	0.45	0.80
Indirect automobile loans	0.40	0.56
Tricom finance receivables	(0.07)	(0.11)
Total loans, net of unearned income	0.19%	0.26%
Net charge-offs as a percentage of the provision for loan losses	47.67%	56.94%
Loans at March 31	$2,628,480	$2,167,550
Allowance as a percentage of loans at period-end	0.75%	0.68%

Past Due Loans and Non-performing Assets

The following table sets forth Wintrust's non-performing assets at the dates indicated. The information in the table should be read in conjunction with the detailed discussion following the table.

(Dollars in thousands)	March 31, 2003	December 31, 2002	March 31, 2002
Past Due greater than 90 days and still accruing:			
Residential real estate and home equity	$13	$32	$136
Commercial, consumer and other	2,053	3,047	208
Premium finance receivables	1,574	2,198	1,582
Indirect automobile loans	399	423	249
Tricom finance receivables	-	-	-
Total past due greater than 90 days and still accruing	4,039	5,700	2,175
Non-accrual loans:			
Residential real estate and home equity	375	711	1,912

Commercial, consumer and other	2,053	1,132	742
Premium finance receivables	5,694	4,725	6,277
Indirect automobile loans	246	254	266
Tricom finance receivables	14	20	104
Total non-accrual	8,382	6,842	9,301
Total non-performing loans:			
Residential real estate and home equity	388	743	2,048
Commercial, consumer and other	4,106	4,179	950
Premium finance receivables	7,268	6,923	7,859
Indirect automobile loans	645	677	515
Tricom finance receivables	14	20	104
Total non-performing loans	12,421	12,542	11,476
Other real estate owned	984	76	100
Total non-performing assets	$13,405	$12,618	$11,576
Total non-performing loans by category as a percent of its own respective category:			
Residential real estate and home equity	0.07%	0.14%	0.48%
Commercial, consumer and other	0.30	0.30	0.08
Premium finance receivables	1.37	1.50	1.90
Indirect automobile loans	0.38	0.38	0.28
Tricom finance receivables	0.06	0.10	0.59
Total non-performing loans	0.47%	0.49%	0.53%
Total non-performing assets as a percentage of total assets	0.34%	0.34%	0.39%
Allowance for loan losses as a percentage of non-performing loans	159.19%	146.63%	128.07%

The provision for loan losses totaled $2.6 million for the first quarter of 2003, an increase of $293,000 from a year earlier. For the quarter ended March 31, 2003 net charge-offs totaled $1.3 million, down $78,000 from the $1.3 million of net charge-offs recorded in the same period of 2002. On a ratio basis annualized net charge-offs as a percentage of average loans decreased to 0.19% in the first quarter of 2003 from 0.26% in the same period in 2002.

Management has actively monitored and pursued methods to reduce the level of delinquencies in the indirect auto and premium finance portfolios. Management believes the allowance for loan losses is adequate to provide for inherent losses in the portfolio. There can be no assurances, however, that future losses will not exceed the amounts provided for, thereby affecting future results of operations. The amount of future additions to the allowance for loan losses will be dependent upon the economy, changes in real estate values, interest rates, the regulatory environment, the level of past-due and non-performing loans, and other factors.

The $908,000 increase in other real estate owned is attributable to possession taken from two customers on several properties that are in the process of being sold. Management does not anticipate any material losses in future periods from the disposition of these properties.

Non-performing Residential Real Estate, Commercial, Consumer and Other Loans

Total non-performing loans for Wintrust's residential real estate, commercial, consumer and other loans were $4.5 million, up from the $3.0 million reported at March 31, 2002, and down from the $4.9 million reported at December 31, 2002. These loans consist primarily of a small number of commercial, residential real estate and home equity loans, which management believes are well secured and in the process of collection. The small number of such non-performing loans allows management to monitor the status of these credits and work with the borrowers to resolve these problems effectively.

Non-performing Premium Finance Receivables

The table below presents the level of non-performing premium finance receivables as of March 31, 2003 and 2002, and the amount of net charge-offs for the quarters then ended.

(Dollars in thousands)	March 31, 2003	March 31, 2002
Non-performing premium finance receivables	$7,268	$7,859
- as a percent of premium finance receivables	1.37%	1.90%
Net charge-offs of premium finance receivables	$606	$804
- as a percent of premium finance receivables	0.45%	0.80%

Management continues to see progress in this portfolio and continues to expect the level of non-performing loans related to this portfolio to remain at relatively low levels.

The ratio of non-performing premium finance receivables fluctuates throughout the year due to the nature and timing of canceled account collections from insurance carriers. Due to the nature of collateral for premium finance receivables it customarily takes 60-150 days to convert the collateral into cash collections. Accordingly, the level of non-performing premium finance receivables is not necessarily indicative of the loss inherent in the portfolio. In the event of default, Wintrust has the power to cancel the insurance policy and collect the unearned portion of the premium from the insurance carrier. In the event of cancellation, the cash returned in payment of the unearned premium by the insurer should generally be sufficient to cover the receivable balance, the interest and other

charges due. Due to notification requirements and processing time by most insurance carriers, many receivables will become delinquent beyond 90 days while the insurer is processing the return of the unearned premium. Management continues to accrue interest until maturity as the unearned premium is ordinarily sufficient to pay-off the outstanding balance and contractual interest due.

Non-performing Indirect Automobile Loans

Total non-performing indirect automobile loans were $645,000 at March 31, 2003, increasing from $515,000 at March 31, 2002 and decreasing from $677,000 at December 31, 2002. The ratio of these non-performing loans to total indirect automobile loans stood at 0.38% of total indirect automobile loans at March 31, 2003, 0.28% at March 31, 2002 and 0.38% at December 31, 2002. As noted in the Allowance for Loan Losses table, net charge-offs as a percent of total indirect automobile loans has decreased from 0.56% in the first quarter of 2002 to 0.40% in the first quarter of 2003. The level of non-performing and net charge-offs of indirect automobile loans continues to be below standard industry ratios for this type of lending. Due to the impact of the current economic and competitive environment surrounding this type of lending, management continues to de-emphasize, in relation to other loan categories, growth in the indirect automobile loan portfolio. Indirect automobile loans at March 31, 2003 were $169.3 million, down from $178.2 million at December 31, 2002 and $184.4 million at March 31, 2002.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements related to Wintrust's financial performance that are based on estimates. Wintrust intends such forward-looking statements to be covered by the safe harbor provision for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and is including this statement for purposes of invoking these safe harbor provisions. Actual results could differ materially from those addressed in the forward-looking statements due to factors such as changes in economic conditions, competition, or other factors that may influence the anticipated growth rate of loans and deposits, the quality of the loan portfolio and loan and deposit pricing, unanticipated changes in interest rates that negatively impact net interest income, future events that may cause unforeseen loan or lease losses, slower than anticipated development and growth of the trust and investment business, unanticipated changes in the temporary staffing industry, the ability to adapt successfully to technological changes to compete effectively in the marketplace, competition and the related pricing of brokerage and asset management products, unforeseen difficulties in integrating the acquisition of the Wayne Hummer Companies, unforeseen difficulties in integrating the acquisition of Lake Forest Capital Management with Wintrust, the ability to pursue acquisition and expansion strategies and the ability to attract and retain experienced senior management. Therefore, there can be no assurances that future actual results will correspond to these forward-looking statements.

SOURCE Wintrust Financial Corporation
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