

QCR HOLDINGS INC  
Form FWP  
May 04, 2015

Investor Presentation  
May 2015  
Filed Pursuant to Rule 433  
Registration Statement No. 333-197129  
Issuer Free Writing Prospectus Dated May 4, 2015

Relating to Preliminary Prospectus Supplement Dated May 4, 2015

2  
This  
presentation  
contains  
certain  
forward-looking  
statements  
within  
the  
meaning  
of  
Section

27A  
of  
the  
Securities  
Act  
of  
1933,  
and  
Section  
21E  
of  
the  
Securities  
Exchange  
Act  
of  
1934.  
These  
statements  
include,  
but  
are  
not  
limited  
to,  
descriptions  
of  
the  
financial  
condition,  
results  
of  
operations,  
asset  
and  
credit  
quality  
trends,  
profitability,  
projected  
earnings,  
future  
plans,  
strategies  
and  
expectations  
of  
QCR  
Holdings  
Inc.

(the  
Company ).  
The  
Company  
intends  
such  
forward-looking  
statements  
to  
be  
covered  
by  
the  
safe  
harbor  
provisions  
for  
forward-looking  
statements  
contained  
in  
the  
Private  
Securities  
Litigation  
Reform  
Act  
of  
1995  
and  
is  
including  
this  
statement  
for  
purposes  
of  
complying  
with  
those  
safe  
harbor  
provisions.  
Forward-looking  
statements,  
which  
are  
based  
on  
certain

assumptions  
of  
the  
Company,  
are  
generally  
identifiable  
by  
use  
of  
the  
words  
believe,  
expect,  
intend,  
anticipate,  
estimate,  
project,  
seek,  
target,  
potential,  
focus,  
may,  
could,  
should  
or  
similar  
expressions.  
These  
forward-looking  
statements  
express  
management's  
current  
expectations  
or  
forecasts  
of  
future  
events,  
and  
by  
their  
nature,  
are  
subject  
to  
risks  
and  
uncertainties.

Therefore,  
there  
are  
a  
number  
of  
factors  
that  
might  
cause  
actual  
results  
to  
differ  
materially  
from  
those  
in  
such  
statements.  
Factors  
that  
might  
cause  
such  
a  
difference  
include,  
but  
are  
not  
limited  
to:  
(i)  
the  
effects  
of  
future  
economic,  
business  
and  
market  
conditions  
and  
changes,  
domestic  
and  
foreign,  
including  
seasonality;

(ii)  
governmental  
monetary  
and  
fiscal  
policies;  
(iii)  
legislative  
and  
regulatory  
changes,  
including  
changes  
in  
banking,  
securities  
and  
tax  
laws  
and  
regulations  
such  
as  
the  
recently  
enacted  
Dodd-Frank  
Wall  
Street  
Reform  
and  
Consumer  
Protection  
Act  
and  
the  
recently  
adopted  
Basel  
III  
regulatory  
capital  
reforms  
and  
their  
application  
by  
the  
Company's  
regulators,



and  
changes  
in  
the  
scope  
and  
cost  
of  
Federal  
Deposit  
Insurance  
Corporation  
insurance  
and  
other  
coverages;  
(iv)  
changes  
in  
accounting  
policies,  
rules  
and  
practices;  
(v)  
the  
risks  
of  
changes  
in  
interest  
rates  
on  
the  
levels,  
composition  
and  
costs  
of  
deposits,  
loan  
demand,  
and  
the  
values  
and  
liquidity  
of  
loan  
collateral,

securities,  
and  
other  
interest  
sensitive  
assets  
and  
liabilities;  
(vi)  
the  
failure  
of  
assumptions  
and  
estimates  
underlying  
the  
establishment  
of  
reserves  
for  
possible  
loan  
losses  
and  
other  
estimates;  
(vii)  
changes  
in  
borrowers  
credit  
risks  
and  
payment  
behaviors;  
(viii)  
changes  
in  
the  
availability  
and  
cost  
of  
credit  
and  
capital  
in  
the  
financial

markets;

FORWARD-LOOKING STATEMENTS

3  
(ix)  
changes  
in  
the  
prices,  
values  
and  
sales  
volumes  
of  
residential

and  
commercial  
real  
estate;  
(x)  
the  
effects  
of  
competition  
from  
a  
wide  
variety  
of  
local,  
regional,  
national  
and  
other  
providers  
of  
financial,  
investment  
and  
insurance  
services;  
(xi)  
the  
risks  
of  
mergers,  
acquisitions  
and  
divestitures,  
including,  
without  
limitation,  
the  
related  
time  
and  
costs  
of  
implementing  
such  
transactions,  
integrating  
operations  
as  
part

of  
these  
transactions  
and  
possible  
failures  
to  
achieve  
expected  
gains,  
revenue  
growth  
and/or  
expense  
savings  
from  
such  
transactions;  
(xii)  
changes  
in  
technology  
or  
products  
that  
may  
be  
more  
difficult,  
costly,  
or  
less  
effective  
than  
anticipated;  
(xiii)  
the  
effects  
of  
war  
or  
other  
conflicts,  
acts  
of  
terrorism  
or  
other  
catastrophic  
events,

including  
hurricanes,  
storms,  
droughts,  
tornados  
and  
flooding,  
that  
may  
affect  
economic  
conditions  
generally  
and  
in  
the  
Company's  
markets;  
(xiv)  
the  
failure  
of  
assumptions  
and  
estimates  
used  
in  
the  
Company's  
reviews  
of  
its  
loan  
portfolio,  
the  
review  
of  
its  
credit  
grading  
methods  
by  
an  
independent  
firm  
and  
the  
Company's  
analysis  
of

its  
capital  
position;  
and  
(xv)  
such  
other  
matters  
as  
discussed  
in  
this  
presentation  
or  
identified  
in  
the  
Company's  
periodic  
filings  
with  
the  
Securities  
and  
Exchange  
Commission,  
particularly  
those  
matters  
described  
under  
the  
heading  
Risk  
Factors  
in  
its  
Annual  
Report  
on  
Form  
10-K  
for  
the  
year  
ended  
December  
31,  
2014.  
You



are cautioned not to place undue reliance on forward-looking statements, which reflect the Company's outlook only and speak only as of the date of this presentation or the dates indicated in the statements. The Company assumes no obligation to update or supplement forward-looking statements. For further information on these and

other factors that could impact the Company and the statements contained herein, reference should be made to the Company's filings with the Securities and Exchange Commission. This presentation is a summary only. The Company is not making any implied or express representation or warranty as to the accuracy or completeness of

the  
information  
contained  
herein.  
This  
presentation  
is  
neither  
an  
offer  
to  
sell  
nor  
a  
solicitation  
of  
an  
offer  
to  
purchase  
any  
securities  
of  
the  
Company.  
Any  
offer  
to  
sell  
or  
solicitation  
of  
an  
offer  
to  
purchase  
securities  
of  
the  
Company  
will  
be  
made  
only  
pursuant  
to  
the  
preliminary  
prospectus  
supplement

and  
accompanying  
prospectus  
filed  
with  
the  
Securities  
and  
Exchange  
Commission.

**FORWARD-LOOKING  
STATEMENTS**

-  
Continued

4  
These  
slides  
contain  
non-GAAP  
financial  
measures.  
For  
purposes  
of  
Regulation  
G,

a  
non-GAAP  
financial  
measure  
is  
a  
numerical  
measure  
of  
the  
registrant's  
historical  
or  
future  
financial  
performance,  
financial  
position  
or  
cash  
flows  
that  
excludes  
amounts,  
or  
is  
subject  
to  
adjustments  
that  
have  
the  
effect  
of  
excluding  
amounts,  
that  
are  
included  
in  
the  
most  
directly  
comparable  
measure  
calculated  
and  
presented  
in  
accordance

with  
GAAP  
in  
the  
statement  
of  
income,  
balance  
sheet  
or  
statement  
of  
cash  
flows  
(or  
equivalent  
statements)  
of  
the  
issuer;  
or  
includes  
amounts,  
or  
is  
subject  
to  
adjustments  
that  
have  
the  
effect  
of  
including  
amounts,  
that  
are  
excluded  
from  
the  
most  
directly  
comparable  
measure  
so  
calculated  
and  
presented.  
In  
this

regard,  
GAAP  
refers  
to  
generally  
accepted  
accounting  
principles  
in  
the  
United  
States.  
Pursuant  
to  
the  
requirement  
of  
Regulation  
G,  
QCR  
Holdings,  
Inc.  
has  
provided  
reconciliations  
within  
the  
slides,  
as  
necessary,  
of  
the  
non-GAAP  
financial  
measure  
to  
the  
most  
directly  
comparable  
GAAP  
financial  
measure.

NON-GAAP FINANCIAL MEASURES



5  
Offering Overview  
Offering Summary  
Issuer  
QCR Holdings, Inc.  
Listing: Ticker  
NASDAQ: QCRH  
Closing Price  
(1)  
\$18.77  
Offering Type  
Follow-on offering of common stock

Shares Offered

2,800,000

Overallotment

15%

Use of Proceeds

Repay senior debt and redeem subordinated debt at the parent

General corporate purposes, including, supporting the restructure of certain long-term, high cost wholesale funding, supporting organic growth, possible acquisitions of other financial institutions and other long-term strategic opportunities

Directed Share Program

Yes

Joint Book Running Managers

Keefe, Bruyette & Woods / Raymond James

Co-Managers

FIG Partners / D.A. Davidson

(1)

Market data as of 5/1/15.

6

Director, President and Chief Executive Officer

Co-founded the company in 1993

Began  
career  
with  
KPMG  
Peat  
Marwick

rising  
to  
Partner  
and  
served  
as  
a  
Tax  
Partner  
of  
McGladrey  
& Pullen in the Quad Cities from 1991 to 1993

Specialized in bank taxation, taxation of closely held businesses, and mergers and acquisitions  
Todd A. Gipple, CPA

Director, EVP, Chief Financial Officer and Chief Operating Officer

Joined QCR Holdings in January 2000

Began career with KPMG Peat Marwick and served as a Tax Partner of McGladrey & Pullen in the  
Quad Cities from 1994 to 2000

Served as McGladrey's Tax Partner in Charge of the Mississippi Valley Region and specialized in  
bank taxation, taxation of closely held businesses, and mergers and acquisitions

Board  
Member  
(2009

present)  
Douglas M. Hultquist, CPA  
Today's Speakers

7

Corporate Overview

NASDAQ

QCRH

\$2.5 Billion in Assets

\$1.7 Billion in Loans

\$1.7 Billion in Deposits

13 Facilities

Quad City Bank & Trust (5)

Cedar Rapids Bank & Trust (2)

Rockford Bank & Trust (2)

m2 Lease Funds LLC (1)

Community Bank & Trust (3)

Shares Outstanding:

8.0 Million

Ownership:

Insiders & Benefit Plans 23.0%

Institutional & Mutual Funds 21.7%

QCR

Holdings,

Inc.

-

Founded

in

1993

Headquartered

in

Moline,

IL

Source: Company documents and SNL Financial. Financial data as 3/31/15. Ownership data as of the most recently reported p

8

Equity Offering Strategic Highlights

Bolsters capital ratios and brings TCE ratio more in-line with industry peers

Funding restructure significantly improves net interest margin

Shortens the time period to achieve our targeted 1.0% ROAA

Better positions us to continue to identify and cultivate accretive M&A opportunities

Attracts additional institutional investors

Improves liquidity in the stock and may enhance trading performance



9

#### Investment Rationale

\$2.5B asset bank holding company with critical mass in attractive and target rich markets in Iowa and Illinois

-

Top 2 bank with 11% market share in the Quad Cities, Iowa/Illinois and Top 4 in Cedar Rapids, Iowa with 8% share

-

Quad Cities is the International Headquarters for John Deere, major hub for Alcoa and houses Rock Island Arsenal, the largest government-owned weapons manufacturing arsenal in the U.S.

-

Cedar Rapids is the International Headquarters for Rockwell Collins and U.S. Headquarters for Aegon N.V.

Differentiated  
business  
model  
with  
three  
charters  
allowing  
banks  
to  
customize  
solutions  
by  
market

-  
Lending  
teams  
and  
portfolios  
differentiated  
by  
market  
based  
upon  
areas  
of  
underwriting  
and  
credit  
expertise

-  
Supported by a QCRH Group Operations team that delivers operational services in a centralized and efficient manner

Additional products and services in correspondent banking, wealth management, and leasing

-  
Correspondent  
banking

veteran  
correspondent  
banking  
team  
with  
depth  
of  
product  
offerings

-  
Wealth management division with \$1.66B in trust accounts and \$670MM in brokerage accounts

-  
Commercial

leasing  
business  
with  
\$182.4MM  
of  
loans  
/  
leases  
and  
ROA  
of  
1.45%  
(1)

Strong asset quality

Significant opportunity for market share gains and consolidation

Trading  
at  
a  
discount  
to  
peers  
on  
both  
a  
tangible  
book  
value  
and  
earnings  
basis  
with  
peers  
trading  
at  
approximately  
1.5x  
TBV  
and  
13.0x  
2015E  
earnings  
(2)

Source: FDIC deposit market share data as provided by SNL Financial. Deposit data is as of 6/30/14 as adjusted for acquisition

(1)

2015Q1 m2 net income of \$1.0MM as adjusted for 35% tax rate expressed on an annualized basis.

(2)

Earnings estimates per FactSet consensus estimates and peer group based on Proxy filed 4/1/15 and excludes merger targets.

10  
Correspondent Banking  
Full Service Institution

Competitively positioned with veteran staff software,  
systems and processes

More than 160 relationships to date with total non-  
interest bearing deposits of \$291 million at 3/31/15

Approximately a \$64 million portfolio of  
correspondent bank loans

Provides strong source of non-interest bearing deposits, fee income and high-quality loan participations

Wealth Management

SBA -

USDA Lending

m2 Lease Funds, LLC

\$1.66B in Trust (and related) accounts and \$670M in Brokerage (and related) accounts

Full range of product offerings including Trust Services, Brokerage and RIA, Asset Management, Estate Planning and Financial Planning

Hired 4

new business development officers in 2014 and 2015 to continue to grow AUM

One of the leading SBA loan originators in two of the Company's primary markets ramping up in the third

USDA loan origination focus is on the Business & Industry Program providing guarantees to loans originated to communities with populations < 50,000

-

Cedar

Rapids

Bank

&

Trust

ranks

1

st

in

the

state of Iowa for dollar volume of USDA

lending and 2

nd

in the nation by dollar volume

Quad City Bank & Trust acquired 80% ownership August of 2005 and in September 2012 acquired the remaining 20% ownership

Income has grown at a 20% CAGR since 2006

Historically strong asset quality

Key niches with lease specialists located in IA, IL,  
WI, MN, SC, NC, GA, FL and PA:

-

Marine Equipment, Machinery/Machine  
Tools, Office Technology, Printing, Telecom,  
Bakery and Health Care

11  
QCRH Market Overview  
Source:  
SNL  
Financial.  
Deposit  
data  
as  
of  
June  
30,  
2014.

Dollars  
in  
millions.  
(1)  
Weighted  
average  
by  
deposits.  
Growth  
rates  
are  
estimated  
for  
the  
period  
2015-  
2020.

Meaningful market share position in each  
MSA served, with room for continued  
growth

Each MSA falls within the top 15 largest  
MSAs in IL and IA by total deposits

All 4 MSAs are projected to have  
household income growth above the  
national average

Deposit Market Share Overview (\$M)

Market

Rank

2

4

9

10

Weighted

Average

Income

Growth

(1)



12  
Distribution  
of  
Institutions  
in  
Targeted  
Markets

(1)  
Capitalizing  
on Opportunities in Our Market  
Source: SNL Financial.  
(1)

Target area includes top 25 MSAs listed in the Appendix to this presentation excluding Chicago, St. Louis and Omaha MSAs. south). Excludes mutual institutions.

Leverage renewed capital strength and relationship driven approach to capture greater organic market and relationship share

Selectively pursue accretive acquisition opportunities

Operating markets are highly fragmented:

- 945 community banks are headquartered in Illinois, Iowa and Wisconsin (58% are between \$100 million and \$1.0 billion in assets)

- 340 community banks are headquartered in top selected MSAs

- (1) in Illinois, Iowa and Southern Wisconsin (61% are between \$100 million and \$1.0 billion in assets)

- Heavy fragmentation provides a wealth of opportunities from which to selectively pursue targets

Targets will meet rigorous evaluation standards:

- Cultural and strategic fit

- Enhances competitive position

- Drives market share

- Enhances shareholder value

QCRH operating structure attractive to targets

Total

13  
Top 25 MSAs / Iowa and Illinois  
Source:  
SNL  
Financial.  
Deposit  
data  
as  
of

June  
 30,  
 2014.  
 CAGR  
 for  
 the  
 period  
 2015-  
 2020.  
 Projected  
 Median  
 Projected  
 Deposits  
 Number of  
 Number of  
 Total  
 Population  
 Household  
 Median HHI  
 (\$ M )  
 Institutions  
 Branches  
 Population  
 Growth  
 Income  
 CAGR  
 Chicago-Naperville-Elgin, IL-IN-WI  
 \$354,011  
 212  
 2,994  
 9,570,110  
 0.23 %  
 \$61,244  
 1.11 %  
 Saint Louis, MO-IL  
 93,445  
 134  
 920  
 2,806,626  
 0.18  
 54,888  
 1.17  
 Omaha-Council Bluffs, NE-IA  
 28,147  
 73  
 331  
 908,951  
 0.91  
 58,352  
 1.62

Des Moines-West Des Moines, IA

15,023

49

225

614,231

1.18

61,901

1.24

Bloomington, IL

13,715

34

66

193,887

0.69

62,503

1.76

Davenport-Moline-Rock Island, IA-IL

7,935

39

151

385,404

0.31

53,297

1.93

Peoria, IL

6,874

39

159

383,828

0.25

56,481

1.72

Cedar Rapids, IA

5,635

39

105

263,845

0.46

60,871

1.71

Springfield, IL

5,260

29

93

211,874

0.13

57,373

1.77

Rockford, IL

5,244

25  
97  
342,466  
(0.27)  
51,750  
1.58  
Champaign-Urbana, IL  
5,034  
35  
105  
236,754  
0.37  
49,194  
1.71  
Sioux City, IA-NE-SD  
3,970  
35  
92  
168,659  
0.18  
49,950  
1.78  
Ottawa-Peru, IL  
3,639  
33  
85  
150,509  
(0.43)  
51,044  
1.64  
Iowa City, IA  
3,479  
21  
58  
165,322  
1.26  
56,700  
2.01  
Waterloo-Cedar Falls, IA  
2,974  
23  
70  
170,496  
0.42  
53,367  
2.33  
Dubuque, IA  
2,385  
10  
42

96,622  
0.62  
53,699  
2.32  
Ames, IA  
2,090  
19  
40  
93,608  
0.79  
51,321  
1.47  
Carbondale-Marion, IL  
2,008  
20  
67  
126,617  
0.03  
39,955  
1.76  
Kankakee, IL  
1,900  
18  
41  
111,203  
(0.31)  
52,213  
1.79  
Decatur, IL  
1,893  
14  
40  
108,351  
(0.33)  
46,487  
1.77  
Quincy, IL-MO  
1,870  
19  
45  
77,160  
-  
47,824  
1.69  
Paducah, KY-IL  
1,844  
15  
45  
97,591  
(0.12)

44,754  
1.71  
Cape Girardeau, MO-IL  
1,826  
16  
48  
97,891  
0.34  
43,529  
1.20  
Effingham, IL  
1,596  
11  
21  
34,311  
0.06  
56,214  
2.35  
Fort Madison-Keokuk, IA-IL-MO  
1,522  
19  
46  
60,768  
(0.22)  
44,689  
1.25  
High  
\$354,011  
212  
2,994  
9,570,110  
1.26  
%  
\$62,503  
2.35  
%  
Low  
1,522  
10  
21  
34,311  
(0.43)  
39,955  
1.11  
Median  
3,559  
24  
68.5  
166,991  
0.25



52,755  
1.72  
MSA

Financial Highlights  
XXXXXXXXXXXX

15

Financial Highlights

Source: Company documents. Dollars in millions. Total loans/leases includes deferred loan/lease origination costs, net of fees.

(1)

2013 profitability metrics include the bargain purchase gain on CNB acquisition of \$1.8 million, gains on CNB branch sales of conversion costs related to CNB acquisition.

(2)

Tangible  
common  
equity  
is  
defined

as  
total  
common  
stockholders  
equity  
excluding  
goodwill  
and  
other  
intangibles.

(3)

Measures not recognized under GAAP and are therefore considered to be non-GAAP financial measures. Please see the Appen

(4)

Calculated prior to the impact of preferred dividends.

(5)

Represents non-interest expenses divided by the sum of net interest income before provision for loan/lease losses and total non

Year over year net interest margin expansion of 14bps to 3.25%

Year over year loans and leases growth of \$161 million or ~10.8%

EPS improved ~30% year over year, driven by an increase in income and the redemption of the remaining SBLF

Nonperforming assets ratios remain strong

2009

2010

2011

2012

2013

(1)

2014

2014Q1

2015Q1

(\$ millions except per share)

12/31/09

12/31/10

12/31/11

12/31/12

12/31/13

12/31/14

3/31/14

3/31/15

Balance Sheet

Total Assets

\$1,780

\$1,837

\$1,967

\$2,094

\$2,395

\$2,525

\$2,426  
 \$2,492  
 Total Loans/Leases  
 1,244  
 1,173  
 1,201  
 1,287  
 1,460  
 1,630  
 1,493  
 1,654  
 Total Deposits  
 1,089  
 1,115  
 1,205  
 1,374  
 1,647  
 1,680  
 1,672  
 1,734  
 Tangible Common Equity  
 (2)(3)  
 62  
 65  
 76  
 84  
 113  
 139  
 121  
 146  
 Consolidated Capital  
 TCE / TA (%)  
 (2)(3)  
 3.49  
 %  
 3.57  
 %  
 3.86  
 %  
 4.02  
 %  
 4.71  
 %  
 5.52  
 %  
 5.02  
 %  
 5.88  
 %  
 Tier 1 Risk Based Ratio (%)

11.14  
12.12  
12.24  
11.27  
11.45  
9.52  
10.61  
9.11  
Total Risk-Based Capital Ratio (%)  
12.52  
13.70  
13.84  
12.71  
12.87  
10.91  
12.03  
10.41  
TBV Per Share  
(2)(3)  
\$13.62  
\$14.19  
\$15.92  
\$17.08  
\$14.29  
\$17.50  
\$15.34  
\$18.29  
Asset Quality  
NPAs / Assets (%)  
2.27  
%  
2.73  
%  
2.06  
%  
1.41  
%  
1.28  
%  
1.31  
%  
1.18  
%  
1.21  
%  
NCOs / Avg. Loans (%)  
1.00  
0.79  
0.70  
0.27

0.31  
0.34  
(0.03)  
0.22  
Reserves / NPLs (%)  
74.94  
49.49  
58.70  
78.47  
104.7  
114.78  
121.58  
144.35  
Profitability  
Net Income to Common  
(\$2.1)  
\$2.5  
\$4.4  
\$9.1  
\$11.8  
\$13.9  
\$3.2  
\$4.2  
ROAA (%)  
(4)  
0.10  
%  
0.36  
%  
0.51  
%  
0.62  
%  
0.64  
%  
0.61  
%  
0.64  
%  
0.67  
%  
ROAE (%)  
(4)  
1.43  
5.03  
7.09  
8.90  
10.24  
10.48  
10.37

11.28

NIM (%)

3.14

2.92

3.08

3.14

3.03

3.15

3.11

3.25

Efficiency Ratio (%)

(5)

70.89

74.38

71.21

70.36

71.66

72.47

74.74

71.71

Diluted EPS

(\$0.46)

\$0.53

\$0.92

\$1.85

\$2.08

\$1.72

\$0.40

\$0.52



16

Total Consolidated Assets

CAGR From 1994-2014: 21.26%

Source: Company documents. Dollars in millions.

17

Loan Growth Trend

(1)

Strong Commercial Loan Growth

Source: Company documents. Dollars in millions.

(1)

Loan

composition

excludes

deferred

loan/lease

origination

costs,  
net  
of  
fees.

(2)

Includes Commercial & Industrial, Commercial RE and Direct Financing Leases.

C&I and Direct Financing Lease

balances grew approximately 24% and  
30%, respectively from 2013 to 2015Q1

13% overall loan growth from 2013 to  
2015Q1 represented all organic growth

Commercial lending

(2)

represents more  
than 85% of the portfolio

2013 loan growth supplemented by  
acquisition of Community National  
Bancorporation

18

Lease Asset Generation

m2 Lease Funds LLC Overview

Source: Company documents. Dollars in millions.

National equipment leasing platform

Focus includes commercial equipment  
and assets, medical equipment, and  
vehicles classified as heavy equipment

High yield portfolio; average gross yield for

Q1 2015 was approximately 8.4%

Historically strong asset quality

Target of 10% of consolidated assets  
(~7.4% as of 3/31/15)

19

Classified Loans (\$M) & NPAs / Assets

Asset Quality Overview

Source: Company documents. Dollars in millions.

Nonperforming

Assets

Composition

2015Q1

Management continues to focus on maintaining excellent asset quality and resolving problem assets

Potential problem assets in the form of classified loans continued their steady decline in 2015Q1; down more than 51% from 2011

20  
Average  
Funding  
Base

-  
2010  
Evolution of Funding Base  
Source: Company documents. Dollars in millions.

Average  
Funding  
Base



2015Q1

2010 Cost of Funds: 1.79%

2010 Cost of Deposits: 1.13%

2015Q1 Cost of Funds: 0.72%

2015Q1 Cost of Deposits: 0.25%

Borrowings

33.4%

Noninterest

Bearing

Deposits

13.7%

\$1,684M

Interest

Bearing

Demand

Deposits

25.3%

Time Deposits

27.6%

Borrowings

24.8%

Noninterest

Bearing

Deposits

25.2%

Interest

Bearing

Demand

Deposits

33.9%

Time Deposits

16.1%

\$2,324M

21

**Funding Restructure Impact**

Source: Management and company filings. Dollars in millions.

(1)

Calculated as 3/31/15 amount outstanding multiplied by the Q1 2015 weighted average rate.

(2)

Net of funding costs required to remain net-neutral on duration. The estimated weighted average cost of the replacement funding benefit of 3.21%.

(3)

Represents estimated margin improvement on an annualized basis.

(4)

Estimated on a standalone basis, excluding the impact of potential earnings on the net proceeds of the capital raise.

Funding restructuring  
can provide an  
estimated 13 basis  
points  
(3)  
improvement  
in net interest margin

Estimated after-tax  
earnings impact of  
approximately \$2.2  
million  
(4)  
represents  
an estimated 9 basis  
points of ROAA based  
on Q1 2015 average  
balances  
(\$ millions)  
3/31/15

Amount  
Outstanding  
Q1 2015  
Weighted  
Average  
Rate  
Estimated  
Pre-Tax  
Interest  
Expense  
Savings

(1)  
Subordinated Debt  
(Series A)

\$2.7  
6.00%  
\$0.2

Senior Term Debt  
\$16.5

3ML +  
300bps  
(3.27%)

\$0.5  
Estimated Borrowings  
Restructure

\$85.5  
4.24%  
\$2.7

(2)

Estimated Total

\$104.7

4.13%

\$3.4

22

Continued Strong Top Line Revenue Growth Trends (\$M)

Attractive Revenue Mix & Growth Trend

Source: Company documents. Dollars in millions.

(1)

Excludes securities gains, bargain purchase gains, gains on sales of branches and loss on sale of OREO.

Strong fee income streams  
provide stability and complement  
to spread revenue

Key Differentiators:

- Wealth Management  
(\$2.3B in AUM)
- Correspondent banking  
(160+ relationships)
- SBA / USDA guaranteed  
loans  
10.2% Y-o-Y  
Growth

23

Net Income to Common Shareholders (\$M)

Improving Returns for Common Shareholders

Source: Company documents. Dollars in millions.

Approximately ~54% Net Income to Common CAGR From 2010

2014; 31% Growth From 2014Q1

2015Q1

24

Strategies To Achieve A 1.0% ROAA

Source: Management.

(1)

Includes borrowings and brokered deposits.

Increase loans and leases to more than 70% of total assets (66% as of 3/31/15)

Continued reductions in wholesale funding to less than 15% of assets (26% as of 3/31/15

(1)

)



Increase gain on sale of USDA and SBA loans to a more significant and consistent component of core revenue

Grow wealth management fee income by 15% annually (14.8% CAGR from 2010-2014)

Eliminate identified noninterest expenses and manage annual expense growth

Return asset quality metrics to better than peer levels

Participate as an acquirer in the consolidation taking place in our markets to further boost ROAA and improve efficiency ratio

Strategic Initiatives to Achieve 1.0% ROAA

Concluding Remarks  
XXXXXXXXXXXX

26

Concluding Remarks

Critical mass in attractive and target rich markets in Iowa and Illinois

3 charter model allows subsidiary banks to customize solutions by market

Differentiated product offering includes correspondent banking, wealth management, leasing and SBA/USDA lending

Strong asset quality

Significant opportunity for market share gains and consolidation

Attractively valued relative to peer institutions

3551 7  
th  
Street  
Moline, Illinois 61265  
[www.qcrh.com](http://www.qcrh.com)

Appendix  
XXXXXXXXXXXX

29  
History of QCR Holdings, Inc.  
1993  
Founded  
by  
Mike  
Bauer  
and  
Doug  
Hultquist  
-  
\$14

Million  
IPO  
1994  
Quad  
City  
Bank  
&  
Trust  
(De  
Novo)

Currently  
\$1.3  
Billion  
in  
Assets  
1995  
Quad  
City  
Bancard  
Formed  
2001  
Cedar  
Rapids  
Bank  
&  
Trust  
(De  
Novo)

Currently  
\$855  
Million  
in  
Assets  
(includes  
Community  
Bank  
&  
Trust  
branches)  
2005  
Rockford  
Bank  
&  
Trust  
(De  
Novo)

Currently



\$355  
Million  
in  
Assets  
2005  
Quad  
City  
Bank  
&  
Trust  
acquires  
80%  
ownership  
of  
m2  
Lease  
Funds,  
LLC  
2007  
First  
Wisconsin  
Bank  
&  
Trust  
(De  
Novo)

Milwaukee,  
WI  
2008  
Quad  
City  
Bancard  
sells  
Merchant  
Acquiring  
Business  
2008  
Sale  
of  
First  
Wisconsin  
Bank  
&  
Trust

Milwaukee,  
WI  
2012  
Quad

City  
Bank  
&  
Trust  
acquires  
remaining  
20%  
ownership  
of  
m2  
Lease  
Funds,  
LLC

Currently  
\$183  
Million  
in  
Assets  
2013  
Quad  
City  
Bank  
&  
Trust  
Sells  
its  
credit  
card  
portfolio  
&  
servicing  
to  
Fifth  
Third  
Bank

January  
31,  
2013  
2013  
QCR  
Holdings  
acquires  
Community  
National  
Bancorporation  
and  
Community  
National

Bank  
(CNB)  
on  
May  
13,  
2013  
2013  
Community  
National  
Bank  
merges  
with  
Cedar  
Rapids  
Bank  
&  
Trust  
on  
October  
26,  
2013  
and  
begins  
operating  
as

a  
division of Cedar Rapids Bank & Trust under the name Community Bank & Trust. (QCR Holdings sells Mason City, IA  
branches of CNB to Clear Lake Bank & Trust on October 4, 2013 and Austin, MN branches of CNB to  
Eastwood

Bank  
on  
October  
11,  
2013.)  
(Assets  
included  
with  
Cedar  
Rapids  
Bank  
&  
Trust

above)

Source: Company documents. Subsidiary assets as of 3/31/15.

30

Executive Management Team

DOUGLAS M. HULTQUIST, CPA

President and Chief Executive Officer

37 Years in Banking / Financial Services

TODD A. GIPPLE, CPA

Executive Vice President,

Chief Operating Officer and Chief Financial Officer

29 Years in Banking / Financial Services

JOHN H. ANDERSON

President and Chief Executive Officer,

Quad City Bank and Trust Company

Chief Deposit Officer, QCR Holdings, Inc.

28 Years in Banking / Financial Services

PETER J. BENSON

Executive Vice President, Chief Legal Counsel

32 years in Corporate and Personal Legal Services

STACEY J. BENTLEY

President and Chief Executive Officer,

Community Bank & Trust

34 Years in Banking / Financial Services

THOMAS D. BUDD

President and Chief Executive Officer,

Rockford Bank and Trust Company

28 Years in Banking / Financial Services

CHARLES S. BULLOCK

Executive Vice President,

Rockford Bank and Trust Company

43 Years in Banking / Financial Services

RICH W. COUCH

President and Chief Executive Officer,

m2 Lease Funds, LLC

27 Years in Banking / Financial Services

JILL A. DEKEYSER

Senior Vice President, Director of Human Resources

11 Years in Banking / Financial Services

JOHN R. ENGELBRECHT, MBA

President and Chief Executive Officer,

m2 Lease Funds, LLC

40 Years in Banking / Financial Services

SHAWNA M. GRAHAM,

CBA, CIA, CISA, CRP, MBA, CCBCO

Senior Vice President, Director of Risk Management

26 Years in Banking / Financial Services

LARRY J. HELLING

President and Chief Executive Officer,

Cedar Rapids Bank and Trust Company

Executive Vice President and Chief Lending Officer,

QCR Holdings, Inc.

35 Years in Banking / Financial Services

JOHN R. MCEVOY, JR.

Executive Vice President,

Chief Operations Officer & Cashier

Quad City Bank and Trust Company

38 Years in Banking / Financial Services

DANA L. NICHOLS

Executive Vice President, Chief Credit Officer,

26 Years in Banking / Financial Services

JOHN A. RODRIGUEZ, CCM

Executive Vice President,

Deposit Operations / Information Services

32 Years in Banking / Financial Services

M. RANDOLPH WESTLUND, CFA

Executive Vice President,

Chief Investment Officer

27 Years in Banking / Financial Services

CATHIE S. WHITESIDE, MBA

Executive Vice President,

Corporate Strategy, Human Resources and Branding

7 Years in Banking / Financial Services

MICHAEL J. WYFFELS

Senior Vice President,

Chief Information Officer

25 Years in Banking / Financial Services

31

3  
distinct  
(yet  
similar)  
operating  
charters

able  
to  
customize

solutions  
by  
market

Managed by local veteran bankers, governed by local Board of Directors, local decisions,  
local solutions, enhanced market specific knowledge

3  
charters  
supported  
by  
QCRH  
Group  
Operations  
team  
that  
delivers  
operational  
services  
in  
a centralized and efficient manner

Credit quality historically better than peers

Historic deposit growth better than peers

Historic loan growth better than peers

Top 5 Deposit market share in Quad Cities and Cedar Rapids

Top 10 Deposit market share in Rockford and Waterloo/Cedar Falls

High touch service delivered locally by knowledgeable advisors

Opportunities in Correspondent Banking, Wealth Management, SBA/USDA lending, and m2  
Leasing

The Strategic Value of our Separate Charters



32  
Quad City Bank & Trust  
John H. Anderson, President & CEO  
Assets:  
\$1.3  
Billion  
(as  
of  
3/31/15)  
Population:  
385,404  
Market

Deposits:

\$7.9

Billion

Ranked

2

with

10.8%

market

share

and

over

\$850

Million

in

deposits

in

Davenport-Moline-Rock

Island

MSA

Finalist

2013

and

2014

Quad

Cities

Best

Place

to

Work.

Major Employers

Rock Island Arsenal

Deere & Company

Genesis Health Systems

HNI Corporation / The Hon Company / Allsteel

Trinity Regional Health Systems

Tyson Fresh Meats

Alcoa

Kraft

3M

Excelon

Highlights

Quad Cities

The Rock Island Arsenal is the largest government-owned military weapons manufacturing arsenal in the United States

Alcoa

(Quad

Cities)

is  
the  
world's  
premier  
aerospace  
supply  
plant

the  
hub  
of  
Alcoa's  
\$3B  
aerospace  
business

\$300MM  
expansion  
completed  
January 2014 creating 150 new jobs

International Headquarters for Deere & Company

Genesis Systems Group, one of North America's largest robotic integrators,  
completed a \$4.6MM expansion in 2014

Material Control Systems (MATCON) completed a new \$10MM logistics  
facility and added 150 new jobs

Ranked  
16  
in  
the  
nation  
for  
high-tech  
job  
growth

Ranked as a Top 50 Military Friendly Community

Top 5 Defense & Aerospace Community

Ranked  
15  
in  
the  
nation  
for  
manufacturing

job  
growth

What They're Saying About the Quad Cities

Quad City Chamber: June 2014

The Quad Cities offers unparalleled access to major Midwestern and global markets, making it a prime location for logistics, distribution and warehousing companies. With over 37 million people living within a 300 mile radius, businesses have easy and efficient access to a strong network of suppliers and customers.

Source: FDIC deposit market share data as provided by SNL Financial. Deposit data is as of 6/30/14 as adjusted for acquisition

nd  
th  
th

33

Cedar Rapids Bank & Trust

Major Employers

Rockwell Collins

Aegon USA

St. Luke's Hospital

Mercy Medical Center

Whirlpool Corporation

Kirkwood Community College

Quaker Food and Snacks

Cedar Rapids Community Schools

Amana Refrigeration

MCI  
General Mills  
Archer Daniels Midland

International Headquarters for Rockwell Collins

U.S. Headquarters for Aegon USA

Downtown Revitalization  
Double Tree by Hilton Cedar Rapids  
Convention Complex \$144MM, 2 year project resulted in 100,000 sq/ft  
convention center and 267 room Double Tree Hotel

CRST International constructing 11-story, 113,000 sq/ft, \$37MM world  
headquarters building in downtown, expected to be completed in Q1 2016

Other downtown projects: PCI Medical Mall, Mercy Cancer Center,  
Kingston Commons Condominiums, Public Library, City Hall, Fire Station

Top  
city  
in  
Iowa  
for  
Liveability  
and  
29  
th  
in  
the  
country

Top 10 Healthiest Small Cities (Daily Finance, Feb. 2014)

Top 10 National Civic League's All American Cities 2014

The largest corn-processing city in the world.

The second largest producer of wind energy in the United States

Top 10 (#6) Best Cities to Move to (MSN Real-estate, January 2014)

Cedar Rapids Metro Economic Alliance: June 2014

Cedar Rapids is the second largest city in Iowa and is considered an  
economic hub of the state, located in the core of the Interstate

380

Technology Corridor. Relatively low cost of living expenses and high income  
levels give residents 10% more purchasing power than other Iowans and 13%  
more than the average U.S. resident.

Highlights -

Cedar Rapids

What They're Saying About Cedar Rapids

\* Includes the assets of Community Bank & Trust

Source: FDIC deposit market share data as provided by SNL Financial. Deposit data is as of 6/30/14 as adjusted for acquisition

Larry J. Helling, President & CEO

Assets:

\$855

Million\*

(as

of

3/31/15)

Population:

263,845

Market

Deposits:

\$5.6

Billion

Top 4 bank with 8.2% market share and over \$464 Million

in deposits in Cedar Rapids MSA

2014

Finalist

Coollest

Place

to

Work

in

Cedar

Rapids

34  
Rockford Bank & Trust  
Thomas D. Budd, President & CEO  
Assets:  
\$355  
Million  
(as  
of  
3/31/15)  
Population:  
342,466  
Market



Deposits:

\$5.2

Billion

Ranked

9

th

with

4.5%

market

share

and

over

\$236

Million

in

deposits in Rockford MSA

Major Employers

Rockford Public School District

Swedish American Health Systems

Chrysler (Belvidere Assembly Plant)

Rockford Health System

Hamilton Sundstrand

Wal-Mart Stores

OSF St. Anthony Medical Center

Winnebago County

Woodward, Inc.

UPS

AAR (largest aircraft maintenance company in North America, and third largest in the world) will open a new facility at Chicago Rockford Airport generating jobs for 500 people

Rock Valley College building \$5.1MM aviation maintenance training center to better serve the region's aerospace industry and attract business and jobs to Rockford

Logistical

Operations

Hub

Current

home

to

large-scale

UPS

and

Con-way

Freight,

recent

ground breaking for FedEx facility generating 150 new jobs

Downtown revitalization

150 room, \$54MM hotel and convention center developed by  
Gorman & Co.

Riverfront  
sports  
complex,  
\$18MM,  
115,000  
sq/ft  
to  
be  
one  
of  
the  
largest  
in  
the  
Midwest

Top 10 in the Most Affordable MSAs in America

Considered Illinois  
second largest city

6  
th  
highest  
concentration  
of  
Aerospace  
production  
employment  
in  
the  
U.S.

Named lead bank in approved loans to Veteran-owned businesses in Illinois

Top 20 Best Cities for Manufacturing Jobs  
Rockford Chamber of Commerce: June 2014

Rockford,  
as  
part  
of  
the  
greater  
Chicago  
region,  
is  
part

of  
the  
third  
largest  
multi-modal

system in the world and largest in the United States. From the Rockford area, businesses can reach 80% of U.S. households within a 24-hour truck drive. The Rockford Region is within a one hour drive of O'Hare International Airport, one of three truly global airports in the U.S. .

Highlights -

Rockford

What They're Saying About Rockford

Source: FDIC deposit market share data as provided by SNL Financial. Deposit data is as of 6/30/14 as adjusted for acquisition

35  
Community Bank & Trust  
Stacey  
J.  
Bentley,  
President  
&  
CEO  
Assets:  
\$120  
Million\*  
(as

of  
3/31/15)  
Population:  
170,496  
Market  
Deposits:  
\$3.0  
Billion  
Top  
10  
bank  
with  
4.3%  
market  
share  
and  
over  
\$127  
Million  
in  
deposits  
in  
Waterloo  
/  
Cedar  
Falls  
MSA  
Major Employers  
John Deere  
Wheaton Franciscan Healthcare  
Tyson Fresh Meats  
Allen Memorial Hospital  
University of Northern Iowa  
Target Regional Distribution Center  
Area Education Agency 267  
Omega Cabinetry Ltd.  
CBE Companies, Inc.  
Bertch Cabinets  
Highlights  
Waterloo/Cedar Falls  
Greater Cedar Valley Chamber of Commerce: June 2014  
The Cedar Valley location is perfect if your business needs access to some of the  
great  
metropolitan  
hubs  
of  
the  
Midwest.  
Within  
five

hours  
of  
the  
Cedar  
Valley,  
you  
can  
reach ten metro areas including Chicago, St. Louis, Milwaukee, Minneapolis, and  
Omaha.

John Deere investing \$40MM in its tractor testing labs, adding 62,000 sq/ft  
of additional space

John  
Deere  
recently  
completed  
\$150MM  
modernization  
of  
John  
Deere  
Foundry

total  
investment by Deere in Waterloo in the last decade equals \$1B

The  
city  
of  
Waterloo  
provisionally  
approved  
for  
\$12MM  
in  
funding  
for  
the Techworks  
Campus Reinvestment District (June 2014). The District projects a capital investment  
of \$74.1MM to include a John Deere training center and hotel.

First Gigabit city in Iowa and one of eight in the U.S.

Cost of living is 11% below the national average

Waterloo-Cedar Falls is a Blue Zones Demonstration Community

Community  
Bank

&  
Trust  
became  
the  
1  
st  
Iowa  
bank  
designated  
as a Blue Zone Worksite

The  
University  
of  
Northern  
Iowa  
is  
ranked  
2  
nd  
in  
the  
Best  
Regional  
Universities  
Midwest  
category for public universities (*US News & World Reports, 2013*)

What They're Saying About Waterloo-Cedar Falls

\* Assets also included in the total for Cedar Rapids Bank & Trust

Source: FDIC deposit market share data as provided by SNL Financial. Deposit data is as of 6/30/14 as adjusted for acquisition

36

Tangible Common Equity to Tangible Assets and Tangible Book Value Per Share  
Non-GAAP Reconciliations

Source: Company documents. Dollars in thousands.

As of and for the

As of and for the

Year Ended

Quarter Ended

December 31,

March 31,

(\$ in thousands, except per share data)

2009



2010	
2011	
2012	
2013	
2014	
2014	
2015	
Tangible common equity	
Total equity	
125,595	
\$	
132,571	
\$	
144,433	
\$	
140,434	
\$	
147,577	
\$	
144,079	
\$	
141,357	
\$	
150,996	
\$	
Less: Preferred Equity	
58,578	
62,214	
63,386	
53,163	
29,824	
-	
14,824	
-	
Less: Noncontrolling interests	
1,700	
1,648	
2,052	
-	

-  
-  
-  
-  
Less: Goodwill and intangible assets  
3,294

3,280

3,262

3,252

5,107

4,894

5,055

4,844

Tangible common equity

62,024

\$

65,429

\$

75,733

\$

84,019

\$

112,646

\$

139,185

\$

121,478

\$

146,152

\$

Tangible book value per share

13.62

\$

14.19

\$

15.92

\$

17.08

\$

14.29

\$

17.50

\$

15.34

\$

18.29

\$

Tangible Assets

Total assets

1,779,646

\$

1,836,635

\$

1,966,610

\$

2,093,730

\$

2,394,953

\$

2,524,958

\$

2,426,319

\$

2,491,659

\$

Less: Goodwill and intangible assets

3,294

3,280

3,262

3,252

5,107

4,894

5,055

4,844

Tangible assets

1,776,352

\$

1,833,355

\$

1,963,348

\$

2,090,478

\$

2,389,846

\$

2,520,064

\$

2,421,264

\$

2,486,815

\$

Tangible common equity to tangible assets

3.49%

3.57%

3.86%

4.02%

4.71%

5.52%

5.02%

5.88%