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Through excellence  
in customer service and  
respect for the individual,

# EVERYONE PROFITS

2010 ANNUAL REPORT



**Heartland**  
FINANCIAL USA, INC.



# Corporate Profile

Founded in 1981, Heartland Financial USA, Inc. is a \$4.0-billion multibank holding company offering uniquely different banking solutions for business and personal clients. Heartland's independent community banks are chartered in the states of Iowa, Illinois, Wisconsin, New Mexico, Arizona, Montana, Colorado and Minnesota, with a total of 61 banking locations serving 42 communities. Other business lines include:

- Home mortgage loans – provided by Heartland Mortgage.
- Trust, investment management and retirement plan services – offered through the Wealth Management Group.
- Brokerage and investment services – provided through LPL Financial Institution Services.
- Consumer finance services – provided by Citizens Finance Co.

The Heartland vision is to differentiate itself by highlighting its uniqueness as a commercial banking organization supported by a strong retail delivery system. As one of the top 100 U.S.-based bank holding companies, Heartland delivers high-quality financial products and service to clients in the Midwest and Western United States.

Heartland's common stock is traded through the NASDAQ® Global Select Market System under the symbol "HTLF." Complete information about Heartland Financial USA, Inc. is available at [www.htlf.com](http://www.htlf.com).

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[www.htlf.com](http://www.htlf.com)



# Financial Highlights

For the years ended December 31, 2008, 2009 and 2010  
(Dollars in thousands, except per share data)

For the Year	2008	2009	2010
Net income	\$ 11,012	\$ 6,374	\$ 23,788
Net income, exclusive of goodwill impairment charge	11,012	19,033	22,149
Net income available to common stockholders	11,114	1,218	18,559
Cash dividends, common	6,461	6,484	6,521

Per Share Data			
Earnings per common share – diluted	\$ 0.68	\$ 0.07	\$ 1.13
Earnings per common share – diluted, exclusive of goodwill impairment charge	0.68	0.85	1.23
Cash dividends, common	0.40	0.40	0.40
Book value at December 31	14.13	14.38	15.26

At Year End			
Total assets	\$3,630,268	\$ 4,012,991	\$3,999,455
Total loans and leases, receivable	2,405,001	2,363,002	2,364,787
Total deposits	2,640,232	3,050,389	3,034,048
Total common stockholders' equity	230,025	235,057	250,608

Financial Ratios			
Return on average total assets	0.33 %	0.03 %	0.46 %
Return on average common equity	4.84	0.51	7.51
Net interest margin	3.89	3.99	4.12
Average common stockholders' equity to average total assets	6.80	6.32	6.13
Total capital to risk-adjusted assets	14.92	15.20	16.23
Tier 1 leverage ratio	10.68	13.53	14.06



**TOTAL ASSETS**  
(in thousands)



**EARNINGS PER COMMON SHARE**

\*Earnings Per Share exclusive of goodwill impairment charge



TO OUR STOCKHOLDERS:

# Everyone profits.

I welcome this opportunity to share with you the successes of 2010. Even with the economic downturn and new legislation affecting the financial industry, Heartland has been able to maintain its historic record of positive earnings. Through strategic planning, prudent management and hard work, our Company rebounded in 2010, which was our third most profitable year. Six of our 11 subsidiaries recorded their best years ever.

The focus of our Annual Report is "EVERYONE PROFITS." These final two words of our Heartland Mission Statement represent our primary business objective. When we think of profit in its various forms, we're proud to say that Heartland delivered on this objective in 2010 for all our constituents.

**Our Stockholders.** In terms of earnings, 2010 was a significant improvement over the previous year. Heartland earned net income of \$23.8 million compared to \$6.4 million for 2009. Net income available to common stockholders for 2010 was \$18.6 million or \$1.13 per diluted common share compared to \$1.2 million or \$0.07 per diluted common share for the previous year. Throughout the year, Heartland benefitted from a strong net interest margin exceeding four percent. Our positive results reflect the concerted efforts of our team in weathering the storm that has battered the economy and the banking industry worldwide.

Still, challenges remain as our earnings fell short of our expectations. However, we are optimistic that the economy is in the early stages of a recovery and that the green shoots we see in housing, employment, manufacturing and retail can be sustained.

**Our Customers.** Among our many priorities, customers rank at the very top! Indeed, customers are our reason for being. We compete in an industry where most financial products are very similar. Therefore, to differentiate ourselves from competitors, we are

striving to provide an enhanced customer experience at every touchpoint. One way we accomplished that in 2010 was with the introduction of Personal Finance-Works™, a complimentary service offered in conjunction with online banking that provides financial management tools such as budgeting, expense tracking and account aggregation. A small business version of this software is planned for rollout in 2011.

Our focus on providing quality service and attractive products is meeting with success. In 2010, an increasing number of customers chose Heartland banks for their checking accounts. The number of checking accounts increased by nine percent and the dollars outstanding increased by 26 percent over 2009. Services like our popular Cash Rewards Checking that pays a high interest rate and the development of sophisticated treasury management products further demonstrate how our customers profit.

In the next several pages, you will see examples of how the Heartland banks have helped our customers succeed, and you will discover how our customer-centric philosophy creates positive outcomes (and profits) for our clients.

Our commitment to an enhanced customer experience was also demonstrated last year when Heartland announced a significant addition to our residential mortgage lending capabilities. Our new team of mortgage banking professionals and executives, headquartered in Phoenix, Arizona, is now fully operational, offering services at Arizona Bank & Trust, New Mexico Bank & Trust and Summit Bank & Trust with planned expansion into other Heartland markets, as well as non-Heartland markets.

We enter 2011 eager to attract new deposit relationships, making every good loan that comes with them. We are particularly focused on opportunities in the small business lending market, knowing that our country's



economic recovery will be driven by healthy small businesses. Small business lending is our bread and butter and is precisely where the Heartland banks flourish.

**Our Employees.** The quality of our customers' experiences is closely connected with the quality of our employees. In 2010 we continued our emphasis on employee development and increased the amount of resources dedicated to training. Continued development of our staff is paramount to achieving our mission statement of excellence in customer service where everyone profits. As a result of the company's improved performance, our employees benefited through increased 401(k) and retirement plan contributions.

**Our Communities.** Strong and vibrant communities are integral to Heartland's success, so naturally we invest both financial and human resources toward economic development and quality of life initiatives. In 2010, Heartland contributed nearly \$400,000 in cash contributions to local organizations. Equally important, our employees provided over 50,000 volunteer hours in support of local organizations.

**Our Future.** Looking ahead, we see an attractive position for Heartland by virtue of our size, strategically operating between the mega banks and the small community banks. Banking today is a business of scale. As a \$4-billion organization, we have the resources to afford highly qualified talent, state-of-the-art technology, continued investment in training, product development and compliance with new regulations. As a result, we are able to offer products and services which are competitive with the largest banks and still deliver the high-touch personalized banking experience our clients appreciate.

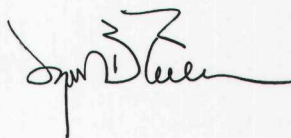
The environment for mergers and acquisitions is quickly becoming attractive again. With as many as 20 percent of the nation's banks in financial stress, we see excellent opportunity for expansion. More small banks

are realizing the need to spread growing fixed costs over a larger asset base. With capital limited, these banks are precluded from growth and as a result are looking for merger partners.

In closing, I am encouraged by recent economic developments that point toward recovery. With regulatory capital ratios well in excess of required levels, Heartland will be well-positioned to take advantage of opportunities for future growth and increased profitability.

I thank our corporate board and subsidiary bank boards for their vision and commitment to our success; I thank our corporate leaders, bank management teams and employees for ensuring that "Great Things Happen" for our customers; and I thank you for your continued support and investment in Heartland.

Sincerely,



Lynn B. Fuller  
Chairman of the Board,  
President and  
Chief Executive Officer





“I just don’t feel you can go into any other bank and get the same personalized service.”

When Tamus & Lisa Gannon of Swan River Gardens & Nursery wanted to grow their business, they immediately turned to Rocky Mountain Bank in Bigfork, Montana. “We feel like Rocky Mountain is a silent partner in our business,” says Tamus, who notes that the personalized service makes everything easy, and that the bank personnel even know his voice when they hear it on the telephone. “I just don’t feel you can go into any other bank and get the same personalized service,” he says. Lisa agrees and also appreciates the simplicity of getting things done. “People are always ready to help,” she says. “You can call up Rocky Mountain Bank anytime and get the help that you need.”







**Tamus & Lisa Gannon**  
Swan River Gardens & Nursery  
Bigfork, Montana

*"Our corporate mission focuses on excellence in customer service. Heartland strives to provide that through a solid infrastructure for our subsidiaries. Far beyond the corporate offices, though, this mission is lived out every day through the local decision making at each of our Heartland banks across the U.S."*

**John K. Schmidt**

*Heartland Executive Vice President, Chief Operating Officer and Chief Financial Officer*



“DB&T built a product to fit our needs, and they made it work for us.”

**Martin S. Burbridge**  
Crescent Electric Supply Company  
East Dubuque, Illinois



With 122 locations in 26 states and \$1 billion in sales, Crescent Electric Supply Company needed ways to streamline its checking deposit methods. Crescent chose Dubuque Bank and Trust to implement a customized eDeposit system. The remote deposit-capture service streamlined the process by three to five days, getting the cash into interest-bearing accounts faster, according to Martin S. Burbridge, president of Crescent, who said, “Those deposits are in and you are making money.” The outstanding part of the changeover, says Burbridge, was that “DB&T built a product to fit our needs, and they made it work for us. In addition to that,” he says, “programmers worked to implement the system to meet our time frame.”





Pictured left to right,  
Doug Stillings, DB&T SVP, Business Development, and  
Crescent Electric Team Teresa Folks, Karla Krapfl,  
Doug Hollenback and Patty Markus.

*"State-of-the-art technology is a hallmark of the Heartland organization. Delivering that technology to our subsidiaries and their customers is what we do. We believe the 'extra mile' is creating solutions which specifically fit the business needs of our customers."*

**M. Stephanie Ihbe**  
Heartland Senior Vice President, Treasury Management



“I feel like I’ve got good friends here. I always feel at home whenever I come in.”

After many years of banking with New Mexico Bank & Trust, Charlie Rogers says the bank has always been supportive of his cattle auction business. “We’ve gone through some hard times together, but they’ve always taken care of me.” No surprise then that Charlie does all of his banking at New Mexico Bank & Trust. He has numerous accounts – both personal and commercial. Like any businessperson, he appreciates good service but says there’s another dimension. “What I really like best about banking here are the friendly people and their attitude – they want to help you. I feel like I’ve got good friends here,” he says. “I always feel at home whenever I come in.”







**Charlie Rogers**  
Clovis Livestock Auction  
Clovis, New Mexico

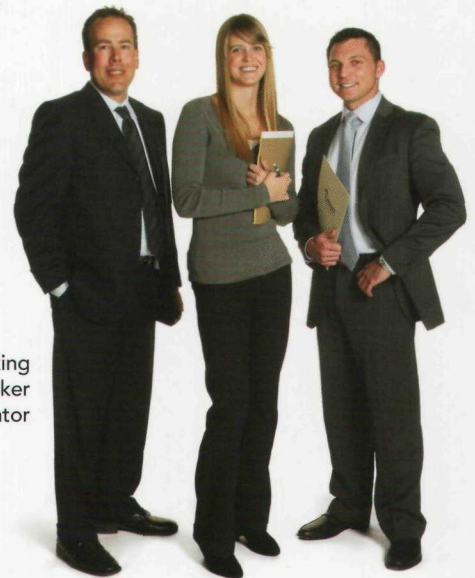
*"We're a network of people **and** products. While there is certainly strategic strength in our products, processes and services, the critical moments of truth occur when Heartland employees interact with customers every day in every Heartland location."*

**John Berg**  
Heartland Executive Vice President, Marketing/Sales



“He said, ‘Let’s have a meeting,’ and he brought this whole army of bankers who all had something to offer my little business.”

Kurt Sava, Vice President Retail Banking  
Sarah Robbins, Personal Banker  
Drew Sauer, Treasury Management Coordinator



When Shanna Massier launched her business, Legacy Property Management, she had a lot of questions and sought advice from a banker at Summit Bank & Trust. Expecting a one-on-one meeting, she was surprised when “he just sort of took me under his wing and he brought in this whole army of bankers who all had something to offer my little business.” Looking back, Shanna says it’s obvious why Summit was a natural fit. “Summit has the same philosophy I have. You’re going to be successful by putting your customers first. And they never really had to say that to me. They proved it from day one.”





**Shanna Massier**  
Legacy Property Management  
Thornton, Colorado

*"Actions really do speak louder than words within this organization. **Demonstrating** our level of commitment is what sets us apart. The distinction in the customer experience with a Heartland bank is unparalleled, and it comes from our people."*

**Lori Thielen**  
Heartland Senior Vice President,  
Organizational Effectiveness



“We were able to save over 60 jobs here in Lake City thanks to Minnesota Bank & Trust.”

Randy Eggenberger is the classic entrepreneur. Born in Lake City, Minnesota, teenage Randy's first job was with Wild Wings, a wildlife art and home décor business. When he had a chance to buy the business and keep it local, Randy jumped at the chance. Credit was hard to find at the time. "I needed a bank partner and wasn't sure who to turn to," says Randy. "Fortunately I found David Petersen at Minnesota Bank & Trust. The bank stepped up and gave me the financial support to do this deal. And they did it in a very short period of time." Randy likes the big bank services and small bank attention, and says, "The whole partnership is a great matchup."



"Indian Summer" by Terry Redlin. Artwork courtesy of C.A. Redlin; Redlin FLP and Wild Wings. 800-445-4388. [www.wildwings.com](http://www.wildwings.com)





**Randy Eggenberger**  
Wild Wings  
Lake City, Minnesota

*"Heartland and its banks provide customized services to fit our commercial clients by spending time understanding their needs and providing sophisticated and creative approaches to help them execute their business plans."*

**Frank Walter**  
Heartland Executive Vice President, Commercial Sales



<b>BALANCE SHEET DATA</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>ASSETS</b>				
Cash and due from banks	\$ 45,738	\$ 61,106	\$ 68,424	\$ 68,919
Federal funds sold and other short-term investments	47,812	39,886	3,445	4,830
Cash and cash equivalents	93,550	100,992	71,869	73,749
Time deposits in other financial institutions	564	1,677	1,132	1,178
Securities:	325,217	390,815	451,753	553,284
Loans held for sale	26,967	23,167	25,678	32,161
Loans and leases receivable:				
Held to maturity	1,078,238	1,152,069	1,322,549	1,772,954
Loans covered by loss share agreements				
Allowance for loan and lease losses	(14,660)	(16,091)	(18,490)	(24,973)
Loans and leases receivable, net	1,063,578	1,135,978	1,304,059	1,747,981
Assets under operating lease	35,427	30,367	31,636	35,188
Premises, furniture and equipment, net	31,482	35,591	49,842	79,353
Intangible assets	18,995	20,929	25,236	45,536
Other assets	48,284	46,463	57,161	60,625
<b>TOTAL ASSETS</b>	<b>\$ 1,644,064</b>	<b>\$ 1,785,979</b>	<b>\$ 2,018,366</b>	<b>\$ 2,629,055</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
<b>LIABILITIES:</b>				
Deposits:				
Demand	\$ 160,742	\$ 197,516	\$ 246,282	\$ 323,014
Savings	493,374	511,979	569,286	750,870
Time	551,043	628,490	676,920	909,962
Total deposits	1,205,159	1,337,985	1,492,488	1,983,846
Short-term borrowings	160,703	161,379	176,835	231,475
Other borrowings	143,789	126,299	173,958	196,193
Accrued expenses and other liabilities	27,323	36,275	34,162	41,759
<b>TOTAL LIABILITIES</b>	<b>1,536,974</b>	<b>1,661,938</b>	<b>1,877,443</b>	<b>2,453,273</b>
Preferred stock	—	—	—	—
Common stockholders' equity	107,090	124,041	140,923	175,782
<b>STOCKHOLDERS' EQUITY</b>	<b>107,090</b>	<b>124,041</b>	<b>140,923</b>	<b>175,782</b>
Noncontrolling interest	—	—	—	—
<b>TOTAL EQUITY</b>	<b>107,090</b>	<b>124,041</b>	<b>140,923</b>	<b>175,782</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 1,644,064</b>	<b>\$ 1,785,979</b>	<b>\$ 2,018,366</b>	<b>\$ 2,629,055</b>
<b>Common Share Data</b>				
Book value per common share	\$ 7.37	\$ 8.40	\$ 9.29	\$ 10.69
Common shares outstanding, net of treasury	14,519,628	14,769,621	15,163,503	16,441,058



#### **TOTAL ASSETS**

As of December 31 (dollars in thousands)



# Balance Sheet Highlights

For the years ended December 31, 2001 through 2010  
(Dollars in thousands, except share and per share data)

	2005		2006		2007		2008		2009		2010
\$	40,422	\$	47,753	\$	46,468	\$	48,977	\$	177,619	\$	58,960
	40,599		1,390		364		2,326		4,791		3,612
	81,021		49,143		46,832		51,303		182,410		62,572
	—		—		—		—		—		—
	527,767		617,040		689,949		903,705		1,175,217		1,264,564
	40,745		50,381		12,679		19,695		17,310		23,904
	1,953,066		2,147,845		2,280,167		2,405,001		2,331,142		2,343,987
	(27,791)		(29,981)		(32,993)		(35,651)		31,860		20,800
	1,925,275		2,117,864		2,247,174		2,369,350		2,321,154		2,322,094
	40,644		—		—		—		—		—
	92,769		108,567		120,285		120,500		118,835		121,012
	44,557		48,827		48,576		48,286		39,928		39,375
	65,554		66,420		98,631		117,429		158,137		165,934
\$	2,818,332	\$	3,058,242	\$	3,264,126	\$	3,630,268	\$	4,012,991	\$	3,999,455

\$	352,707	\$	371,465	\$	381,499	\$	383,061	\$	460,645	\$	580,589
	754,360		822,915		855,036		1,128,312		1,554,358		1,558,998
	1,011,111		1,117,277		1,139,764		1,128,859		1,035,386		894,461
	2,118,178		2,311,657		2,376,299		2,640,232		3,050,389		3,034,048
	255,623		275,694		354,146		210,184		162,349		235,864
	220,871		224,523		263,607		437,833		451,429		362,527
	35,848		36,657		39,474		33,396		33,767		35,232
	2,630,520		2,848,531		3,033,526		3,321,645		3,697,934		3,667,671
	—		—		—		75,578		77,224		78,483
	187,812		209,711		230,600		230,025		235,057		250,608
	187,812		209,711		230,600		305,603		312,281		329,091
	—		—		—		3,020		2,776		2,693
	187,812		209,711		230,600		308,623		315,057		331,784
\$	2,818,332	\$	3,058,242	\$	3,264,126	\$	3,630,268	\$	4,012,991	\$	3,999,455

\$	11.46	\$	12.65	\$	14.04	\$	14.13	\$	14.38	\$	15.26
	16,390,415		16,572,080		16,427,016		16,274,490		16,346,362		16,425,055



## TOTAL DEPOSITS

As of December 31 (dollars in thousands)



# STATEMENT OF INCOME DATA

	2001	2002	2003
Interest income	\$ 107,609	\$ 100,012	\$ 99,517
Interest expense	56,823	41,029	37,312
Net interest income	50,786	58,983	62,205
Provision for loan and lease losses	4,258	3,553	4,183
Net interest income after provision for loan and lease losses	46,528	55,430	58,022
Noninterest income	12,908	15,575	22,167
Noninterest expense <sup>(1)</sup>	43,224	47,557	54,704
Income taxes	5,385	7,279	7,990
Income from continuing operations	10,827	16,169	17,495
Discontinued operations:			
Income (loss) from discontinued operations (including gain on sale of \$2,443 in 2007, \$20 in 2006 and \$2,602 in 2002)	916	4,416	371
Income taxes	329	1,718	147
Income from discontinued operations	587	2,698	224
Net income	11,414	18,867	17,719
Net income attributable to noncontrolling interest, net of tax	—	—	—
Net income attributable to Heartland	11,414	18,867	17,719
Preferred dividends and discount	—	—	—
<b>Net income available to common stockholders</b>	<b>\$ 11,414</b>	<b>\$ 18,867</b>	<b>\$ 17,719</b>

# PER COMMON SHARE DATA

Net income – diluted	\$ 0.78	\$ 1.28	\$ 1.16
Income from continuing operations – diluted <sup>(2)</sup>	0.74	1.09	1.15
Cash dividends	0.25	0.27	0.27
Dividend payout ratio	31.19%	20.81%	23.09%
Diluted weighted average shares outstanding	14,558,231	14,783,554	15,258,440

# EARNINGS PERFORMANCE DATA

Return on average total assets	0.72%	1.13%	0.95%
Return on average stockholders' equity	11.32	16.44	13.46
Net interest margin <sup>(2), (3)</sup>	3.80	4.13	3.86

<sup>(1)</sup> Noninterest expense includes goodwill impairment charge of \$1,639 in 2010 and \$12,659 in 2009.

<sup>(2)</sup> Excludes the discontinued operations of our Broadus branch and the related gain on sale in 2007, Ultea and the related gain on sale in 2006 and operations of our Eau Claire branch and the related gain on sale in 2002.

<sup>(3)</sup> Tax equivalent using a 35% tax rate.



# NET INCOME

As of December 31 (dollars in thousands)



# Income Statement Financial Highlights

For the years ended December 31, 2001 through 2010  
(Dollars in thousands, except share and per share data)

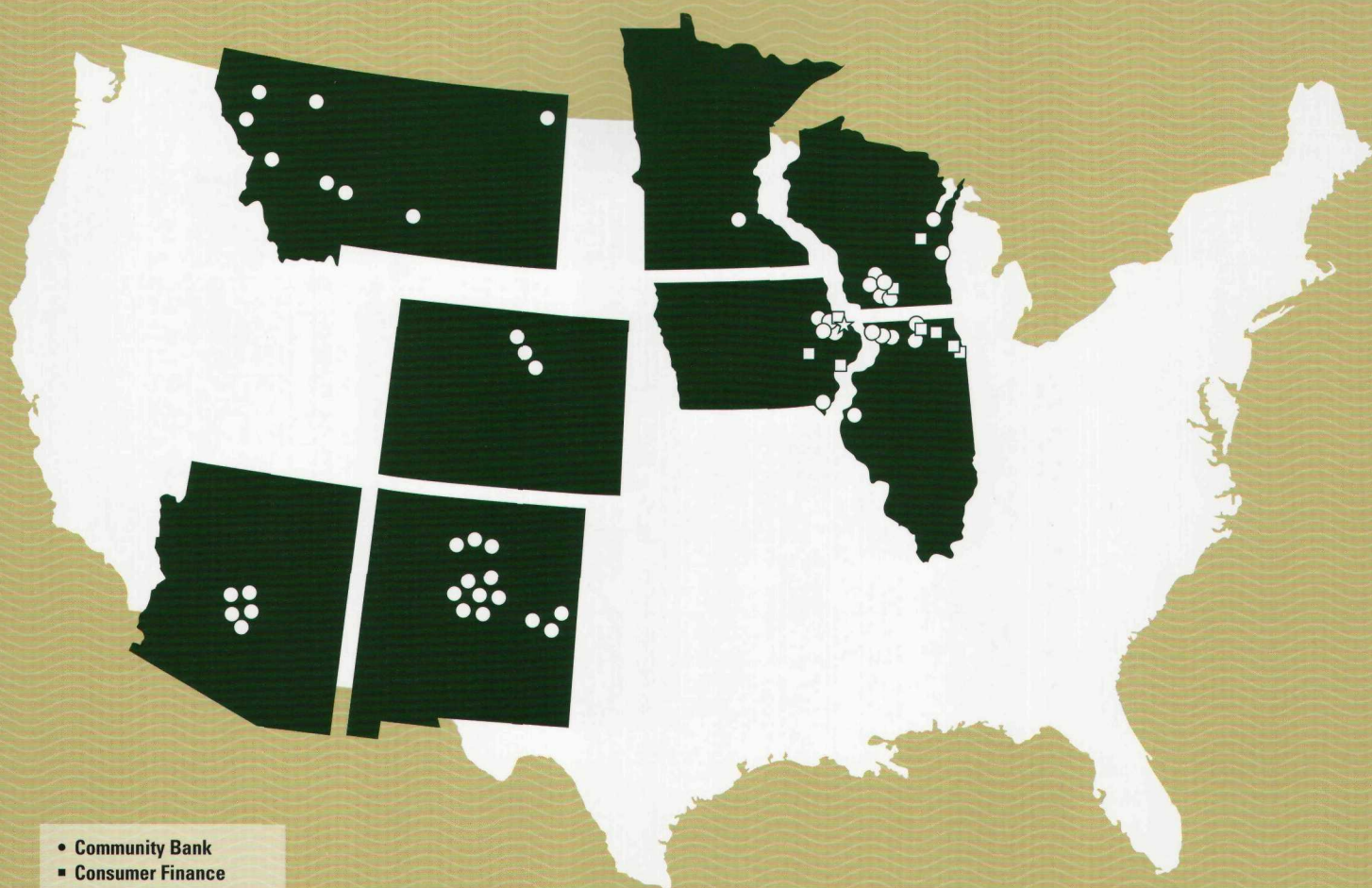
	2004	2005	2006	2007	2008	2009	2010
\$	120,374	\$ 151,489	\$ 190,150	\$ 215,231	\$ 202,585	\$ 203,293	\$ 198,932
	43,073	58,916	85,409	105,891	86,899	70,530	55,880
	77,301	92,573	104,741	109,340	115,686	132,763	143,052
	4,846	6,533	3,883	10,073	29,319	39,377	32,508
	72,455	86,040	100,858	99,267	86,367	93,386	110,544
	23,135	25,457	29,938	31,710	30,196	52,704	52,329
	68,425	80,285	94,943	97,606	102,239	132,520	129,239
	7,556	9,561	11,578	9,409	3,312	7,196	9,846
	19,609	21,651	24,275	23,962	11,012	6,374	23,788
	1,024	1,664	1,758	2,756	—	—	—
	381	589	931	1,085	—	—	—
	643	1,075	827	1,671	—	—	—
	20,252	22,726	25,102	25,633	11,012	6,374	23,788
	—	—	—	—	280	188	115
	20,252	22,726	25,102	25,633	11,292	6,562	23,903
	—	—	—	—	178	5,344	5,344
\$	20,252	\$ 22,726	\$ 25,102	\$ 25,633	\$ 11,114	\$ 1,218	\$ 18,559
\$	1.26	\$ 1.36	\$ 1.50	\$ 1.54	\$ 0.68	\$ 0.07	\$ 1.13
	1.22	1.30	1.45	1.44	0.68	0.07	1.13
	0.32	0.33	0.36	0.37	0.40	0.40	0.40
	24.87%	23.82%	23.53%	23.60%	58.13%	532.35%	35.14%
	16,084,557	16,702,146	16,734,989	16,596,806	16,365,815	16,325,320	16,461,679
	0.87%	0.84%	0.86%	0.81%	0.33%	0.03%	0.46%
	12.82	12.55	12.86	11.88	4.84	0.51	7.51
	3.9	4.03	4.17	3.95	3.89	3.99	4.12



## EARNINGS PER COMMON SHARE



# Heartland Locations



- Community Bank
- Consumer Finance
- ★ Corporate Headquarters
- ( ) Number of Locations



- Chandler, AZ (2)
- Gilbert, AZ
- Mesa, AZ
- Phoenix, AZ
- Tempe, AZ



- Dubuque, IA (5)
- Epworth, IA
- Farley, IA
- Holy Cross, IA



- Carthage, IL
- Keokuk, IA (2)



- Galena, IL (2)
- Stockton, IL
- Elizabeth, IL



- Edina, MN



- Albuquerque, NM (6)
- Clovis, NM (3)
- Los Lunas, NM
- Melrose, NM
- Portales, NM
- Rio Rancho, NM (2)
- Santa Fe, NM (2)



Because we are geographically diverse, our growth potential is greater than the limits of any individual market or location.



- Machesney Park, IL
- Rockford, IL (3)



- Bigfork, MT
- Billings, MT (2)
- Bozeman, MT
- Kalispell, MT
- Plains, MT
- Plentywood, MT
- Stevensville, MT
- Whitehall, MT



- Broomfield, CO
- Erie, CO
- Thornton, CO



- Cottage Grove, WI
- DePere, WI
- Fitchburg, WI
- Madison, WI
- Middleton, WI
- Monroe, WI
- Sheboygan, WI



- Appleton, WI
- Aurora, IL
- Cedar Rapids, IA
- Crystal Lake, IL
- Davenport, IA
- Dubuque, IA
- Loves Park, IL
- Madison, WI
- Tinley Park, IL



- ★ Corporate Headquarters  
Dubuque, IA



# Heartland Financial USA, Inc. Directors and Executives

## DIRECTORS

### Lynn B. Fuller \* •

Chairman of the Board, President and Chief Executive Officer, Heartland Financial USA, Inc.

### James F. Conlan

Partner; Member of Executive Committee of Sidley Austin LLP; Co-Chairman of the Firm-Wide Corporate Reorganization Practice of Sidley Austin LLP, Chicago, Illinois

### John W. Cox, Jr.

Attorney at Law, Cox Law Offices; Vice President of External Affairs and General Counsel, Jo-Carroll Energy, Inc. (NFP), Elizabeth, Illinois

### Mark C. Falb

Chairman of the Board and Chief Executive Officer of Westmark Enterprises, Inc. and Kendall/Hunt Publishing Company, Dubuque, Iowa; Chairman of the Board, Dubuque Bank and Trust Company

### Thomas L. Flynn

President, Chief Executive Officer and Chief Financial Officer of Flynn Ready-Mix Concrete Co., Dubuque, Iowa

### James R. Hill

President of Hill Companies, LLC, Englewood, Colorado; Chairman of the Board, Summit Bank & Trust

### John K. Schmidt

Executive Vice President, Chief Operating Officer and Chief Financial Officer, Heartland Financial USA, Inc.

## SUBSIDIARY DIRECTORS AND PRESIDENTS

### Dubuque Bank and Trust Company

Mark C. Falb \*  
Douglas J. Horstmann \*  
Richard C. Cody  
James F. Conlan  
Patrick M. Crahan  
Paul E. DeLong, DMD  
James R. Etheredge  
Thomas L. Flynn  
Donnelle M. Fuerste  
Lynn B. Fuller  
James P. Gantz  
Charles D. Glab  
R. Michael McCoy  
Robert D. McDonald II  
John K. Schmidt

### Galena State Bank & Trust Co.

Jerry L. Murdock \*  
Andrew E. Townsend \*  
Todd B. Colin  
John W. Cox, Jr.  
Melvin L. Gratton  
Terrance S. Heim  
David F. Jansen  
Martin H. Johnson  
Dan G. Loescher  
John K. Schmidt  
James B. Vincent  
Pamela K. Wheelwright  
Laurel S. Wurster

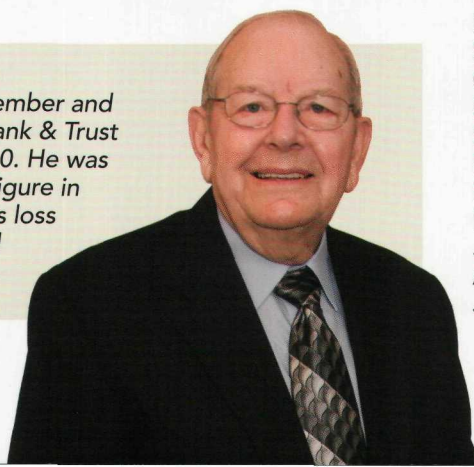
### First Community Bank

John H. Smith \*  
James E. Hanks \*  
Robert C. Carson  
Douglas J. Horstmann  
Joseph W. Kamps  
Dr. Michael A. Klauser  
Richard D. Logsdon  
Paul D. Long  
Mary Ellen Pfeifer

### Riverside Community Bank

Dan G. Loescher \*  
Steven E. Ward \*  
Thomas E. Belmont  
Willard C. Brenner  
Michael K. Broski  
Steven J. Elsberg  
Craig A. Erdmier  
Burkhard Geissler  
Scott A. Hendee  
Pamela R. Maher  
Peter T. Roche  
Michael J. Rogers  
John K. Schmidt  
Andrew E. Townsend  
Jean E. Vitale

*Leo Oldenburg, founding board member and former chairman of Galena State Bank & Trust Co., passed away in December 2010. He was a local leader and an instrumental figure in numerous Galena organizations. His loss was mourned by family, friends and the Heartland Financial community.*





## EXECUTIVES

**Lynn B. Fuller**  
President and Chief  
Executive Officer

**John K. Schmidt**  
Executive Vice President,  
Chief Operating Officer,  
Chief Financial Officer

**Kenneth J. Erickson**  
Executive Vice President,  
Chief Credit Officer

**John J. Berg**  
Executive Vice President,  
Marketing/Sales

**Brian J. Fox**  
Executive Vice President,  
Operations

**Mel E. Miller**  
Executive Vice President,  
Chief Investment Officer

**Bruce C. Rehmke**  
Executive Vice President,  
Wealth Management Group  
Transfer Agent

**Frank E. Walter**  
Executive Vice President,  
Commercial Sales

**Michael J. Coyle**  
Senior Vice President,  
Senior General Counsel

**David L. Horstmann**  
Senior Vice President,  
Finance

**Douglas J. Horstmann**  
Senior Vice President,  
Lending

**M. Stephanie Ihbe**  
Senior Vice President,  
Treasury Management

**Jacquie M. Manternach**  
Senior Vice President,  
Finance

**Janet M. Quick**  
Senior Vice President,  
Chief Accounting Officer

**Lois K. Pearce**  
Senior Vice President,  
Corporate Secretary

**Lori L. Thielen**  
Senior Vice President,  
Organizational Effectiveness

**Nancy M. Wilson**  
Senior Vice President,  
Human Resources

### Wisconsin Community Bank

Thomas J. Wilkinson \*  
Kevin S. Tenpas •  
John K. Faust  
James L. Finley  
Lynn B. Fuller  
Vernon J. Jesse  
J. Cory Recknor  
Robert A. Reffue  
Susan M. Schmitz  
Steven F. Streff  
Larry A. Swalheim  
Marshall D. (Bub) Zwygart

### New Mexico Bank & Trust

Nadyne C. Bicknell \*  
R. Greg Leyendecker •  
Lynn B. Fuller  
Dan Hardisty  
Sherman McCorkle  
Michael Mechenbier  
Ben F. Spencer  
Randy Ware

### Arizona Bank & Trust

Paul F. Muscenti \*  
Jerry L. Schwallier •  
Lynn B. Fuller  
David B. Jones  
Thomas P. Keig  
Ronald A. Larson  
R. Greg Leyendecker  
Richard K. Ostrom  
Frank E. Walter

### Rocky Mountain Bank

Wallace E. Anderson \*  
Danny T. Skarda •  
Lynn B. Fuller  
Greg C. McDonald

### Summit Bank & Trust

James R. Hill \*  
Frank E. Walter •  
David J. A. Flowers  
Lynn B. Fuller  
Randall S. Hall, DDS  
Neil A. Littmann  
Leonard P. Ponte  
W. Scott Reichenberg  
Danny T. Skarda

### Minnesota Bank & Trust

Steven M. Thul \*  
Catherine T. Kelly •  
Lynn B. Fuller  
Bruce E. Humphrey  
Blake R. Nelson  
John C. Scholz  
Duane E. White

### Citizens Finance Co.

Lynn B. Fuller \*  
Al H. Green •  
James F. Conlan  
Kenneth J. Erickson  
Mark C. Falb  
Thomas L. Flynn  
John K. Schmidt

\* Board Chair

• President



# Corporate and Investor Information

## Corporate Profile

Mailing Address:  
Heartland Financial USA, Inc.  
1398 Central Avenue  
P.O. Box 778  
Dubuque, Iowa 52004-0778  
Telephone: (563) 589-2100

## Independent Auditors

KPMG LLP  
Des Moines, Iowa

## Corporate Counsel

Dorsey & Whitney LLP  
Minneapolis, Minnesota

## Annual Meeting

The Board of Directors of Heartland Financial USA, Inc. has established Wednesday, May 18, 2011, at 6:00 p.m. as the date of the Annual Meeting of Stockholders. We invite all stockholders to attend the meeting, which will be held at the Grand River Center, 500 Bell Street, Dubuque, Iowa.

## Transfer Agent/Stockholder Services

Inquiries related to stockholder records, stock transfers, changes of ownership, change of address and dividend payments should be sent to the transfer agent at the following address:

Heartland Financial USA, Inc.  
c/o Bruce Rehmke, Executive Vice President and Transfer Agent  
Wealth Management Group  
1398 Central Avenue  
P.O. Box 778  
Dubuque, Iowa 52004-0778

## Stock Listing

Heartland's common stock is traded on the NASDAQ® Global Select Market System under the symbol "HTLF."

## Form 10-K and Other Information

The company submits an annual report to the Securities and Exchange Commission on Form 10-K. Stockholders may obtain copies of our Form 10-K without charge by writing to Lois K. Pearce, Senior Vice President and Corporate Secretary, Heartland Financial USA, Inc., 1398 Central Avenue, P.O. Box 778, Dubuque, Iowa 52004-0778. The Form 10-K is also available on the Heartland website under the heading Investor Relations. Securities analysts and other investors seeking additional information about Heartland should contact John K. Schmidt, Executive Vice President, Chief Operating Officer, Chief Financial Officer, at the above address or call him at (563) 589-1994. Additional information is also available at [www.htlf.com](http://www.htlf.com).

## Dividend Reinvestment and Stock Purchase Plan

Heartland Financial USA, Inc. offers stockholders of record a simple and convenient method of increasing holdings in our company by participating in Heartland's Dividend Reinvestment and Stock Purchase Plan. Participants can directly reinvest dividends and make optional cash purchases to acquire additional shares. They may elect to reinvest dividends on either all or a portion of the shares they hold. Participants may also elect to purchase shares of common stock by making optional cash payments of not less than \$150 or more than \$25,000 per quarter. For additional information regarding the Plan, or to request a copy of the Plan's prospectus, please call (888) 739-2100, ext. 2517 or (563) 584-2517.



## OUR MISSION

Through excellence  
in customer service and  
respect for the individual,

# EVERYONE PROFITS

The company commits itself to:

- Exceeding customers' expectations by delivering a full range of quality financial products and services through a highly personal and professional sales staff.
- Differentiating ourselves as a growing consortium of strong community banks through community involvement, active boards of directors, local presidents and local decision making at point of sale and service.
- Integrating customer-transparent support functions to gain economies of scale and remain price competitive.
- Expanding economic activity in the markets we serve, consistent with prudent business judgment and being a good corporate citizen.
- Providing satisfying employment in a positive work culture with compensation packages that compare favorably with other high-performance banks in our regions.
- Managing member bank resources strategically toward the achievement of high performance within the industry and increasing shareholder value.





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Dubuque, Iowa 52004-0778  
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FAX: (563) 589-2011  
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*Great Things Happen!™*