



**Third Quarter 2018 Investor Presentation**

July 31, 2018

## Forward looking statements

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Certain statements contained in this investor presentation are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, without limitation, statements relating to the Company's assets, business, cash flows, condition (financial or otherwise), credit quality, financial performance, liquidity, short and long-term performance goals, prospects, results of operations, the performance of the Company's Banking and Mortgage Segments, strategic initiatives, the benefits, cost and synergies of the Clayton Banks acquisition, the timing, benefits, costs and synergies of future acquisitions, disposition and other growth opportunities and the performance of the banking and mortgage industry and the condition of the economy in general. These statements, which are based upon certain assumptions and estimates and describe the Company's future plans, results, strategies and expectations, can generally be identified by the use of the words and phrases "may," "will," "should," "could," "would," "goal," "plan," "potential," "estimate," "project," "believe," "intend," "anticipate," "expect," "target," "aim," "predict," "continue," "seek," "projection" and other variations of such words and phrases and similar expressions. These forward-looking statements are not historical facts, and are based upon current expectations, estimates and projections about the Company's industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond the Company's control. The inclusion of these forward-looking statements should not be regarded as a representation by the Company or any other person that such expectations, estimates and projections will be achieved. Accordingly, the Company cautions investors that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict and that are beyond the Company's control. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this investor presentation, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. A number of factors could cause actual results to differ materially from those contemplated by the forward-looking statements in this investor presentation including, without limitation, the risks and other factors set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC on March 16, 2018, filed with the SEC on May 10, 2018, under the captions "Cautionary note regarding forward-looking statements" and "Risk factors." Many of these factors are beyond the Company's ability to control or predict. If one or more events related to these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may differ materially from the forward-looking statements. Accordingly, investors should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this investor presentation, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company.

### **Terminology**

In this investor presentation, references to "we," "our," "us," "FB Financial" or "the Company" refer to FB Financial Corporation, a Tennessee corporation, and our wholly owned bank subsidiary, FirstBank, a Tennessee state-chartered bank, unless otherwise indicated or the context otherwise requires. References to "Bank" or "FirstBank" refer to FirstBank, our wholly owned bank subsidiary.

### **Contents of Investor Presentation**

Except as is otherwise expressly stated, the contents of this investor presentation are presented as of the date on the front cover of this investor presentation.

### **Market Data**

Market data used in this investor presentation has been obtained from government and independent industry sources and publications available to the public, sometimes with a subscription fee, as well as from research reports prepared for other purposes. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. We did not commission the preparation of any of the sources or publications referred to in this presentation. We have not independently verified the data obtained from these sources, and, although we believe such data to be reliable as of the dates presented, it could prove to be inaccurate. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this investor presentation.

## Use of non-GAAP financial measures

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This investor presentation contains certain financial measures that are not measures recognized under U.S. generally accepted accounting principles (GAAP) and therefore are considered non-GAAP financial measures. The Company's management uses these non-GAAP financial measures in their analysis of the Company's performance, financial condition and the efficiency of its operations. Management believes that these non-GAAP financial measures provide a greater understanding of ongoing operations and enhance comparability of results with prior periods as well as demonstrate the effects of significant gains and charges in the periods presented. The Company's management also believes that investors find these non-GAAP financial measures useful as they assist investors in understanding our underlying operating performance and the analysis of ongoing operating trends. However, the non-GAAP financial measures discussed herein should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Moreover, the manner in which we calculate the non-GAAP financial measures discussed herein may differ from that of other companies reporting measures with similar names. You should understand how such other banking organizations calculate their financial measures similar or with names similar to the non-GAAP financial measures we have discussed herein when comparing such non-GAAP financial measures.

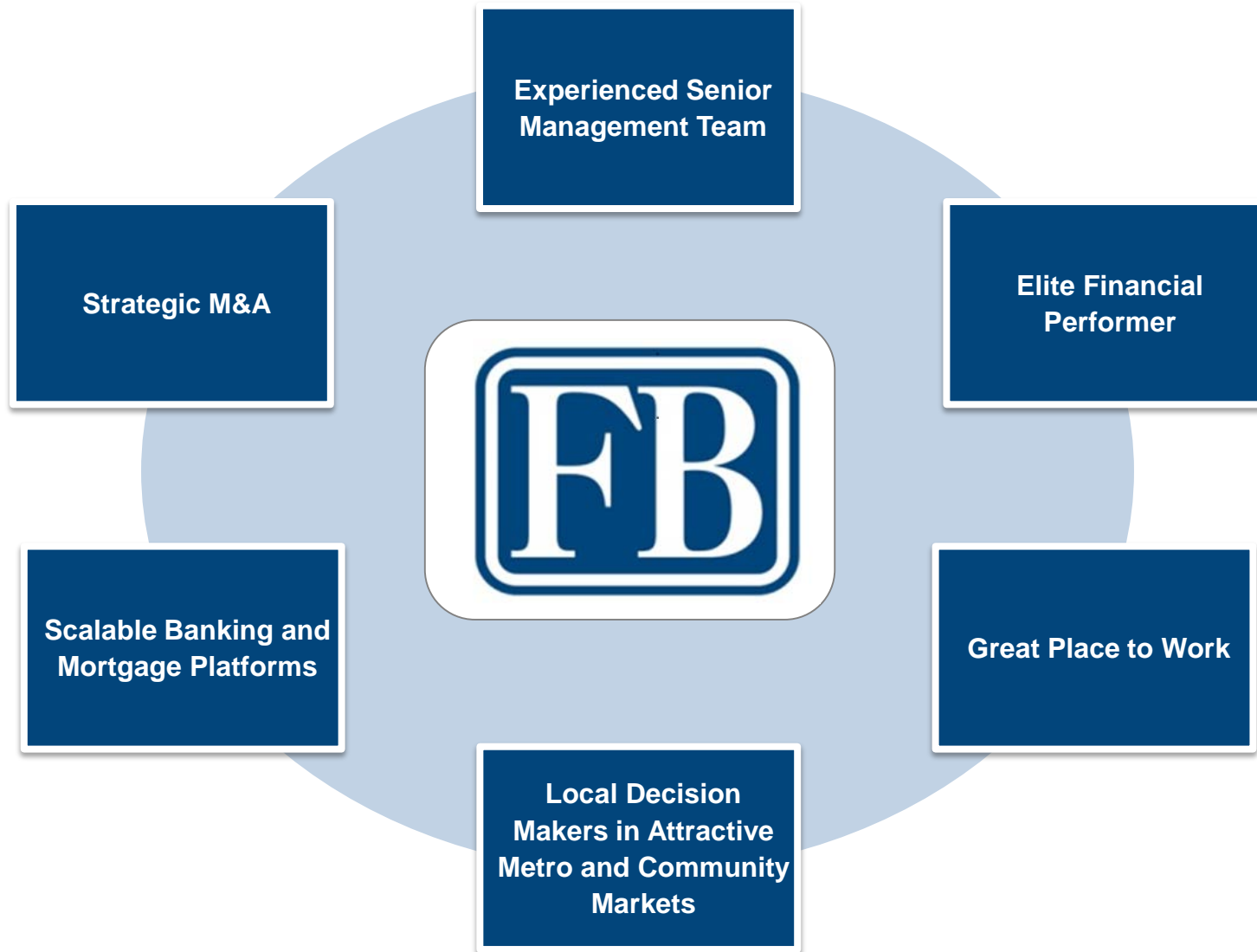
Below is a listing of the non-GAAP financial measures used in this investor presentation.

- Adjusted (pro forma) net income and earnings per share, the core efficiency ratio (tax equivalent basis), the Banking segment core efficiency ratio (tax-equivalent basis), the Mortgage segment core efficiency ratio (tax-equivalent basis), adjusted mortgage contribution, adjusted (pro forma) return on average assets, equity and tangible common equity and pro forma core total revenue are non-GAAP measures that exclude merger-related and conversion expenses, one time IPO equity grants, securities gains (losses), gain (loss) on sale of other real estate owned, and other selected items. The Company's management uses these measures in their analysis of the Company's performance. The Company's management believes these measures provide a greater understanding of ongoing operations and enhance comparability of results with prior periods, as well as demonstrate the effects of significant gains and charges.
- Tangible book value per common share, tangible common equity to tangible assets, return on average tangible common equity and adjusted return on average tangible common equity are non-GAAP measures that exclude the impact of goodwill and other intangibles and are used by the Company's management to evaluate capital adequacy. Because intangible assets such as goodwill and other intangibles vary extensively from company to company, we believe that the presentation of these non-GAAP financial measures allows investors to more easily compare the Company's capital position to other companies.

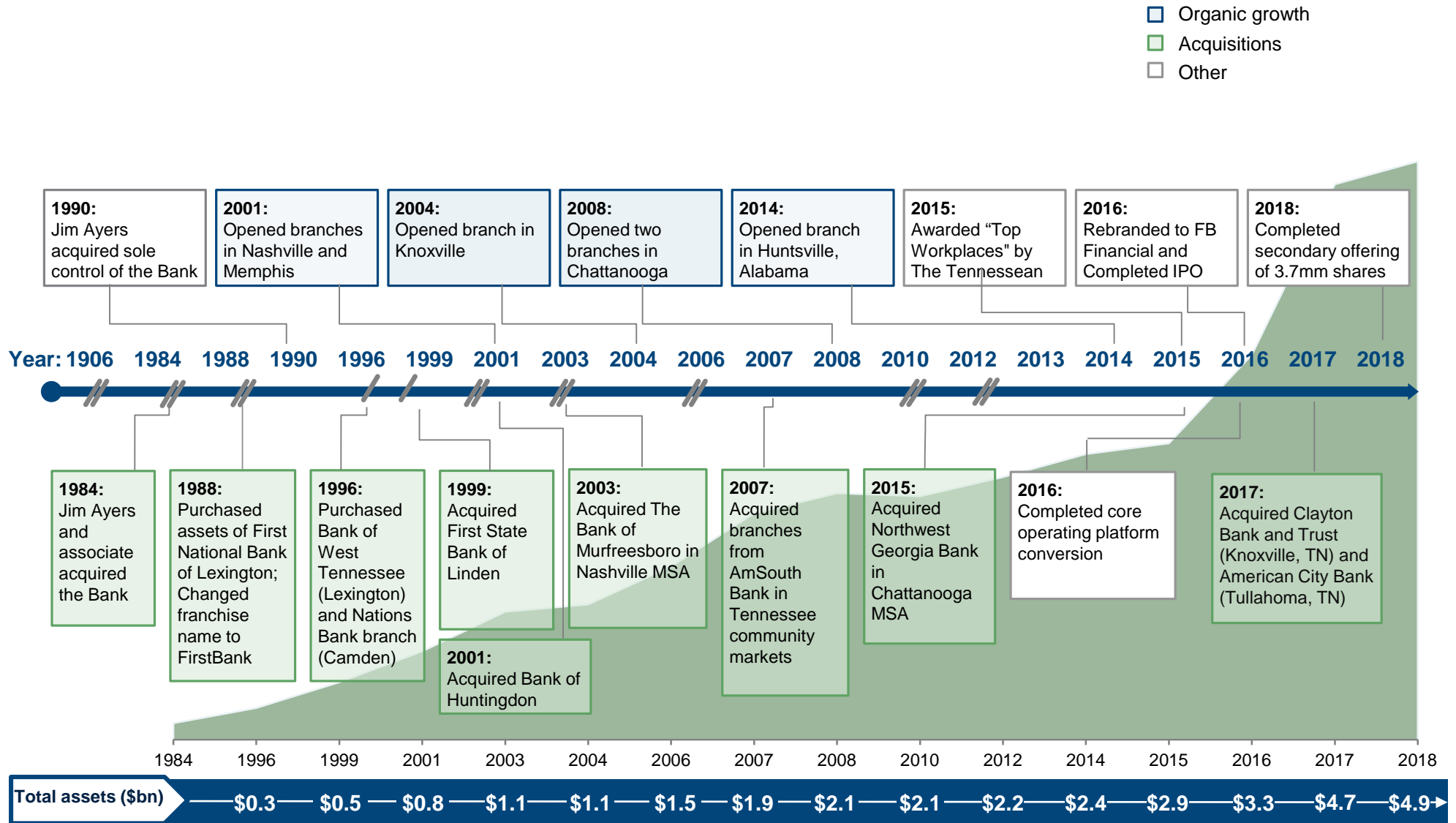
A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures is provided in the Appendix to this investor presentation.

## Strategic drivers

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# Over 110 years of history in Tennessee

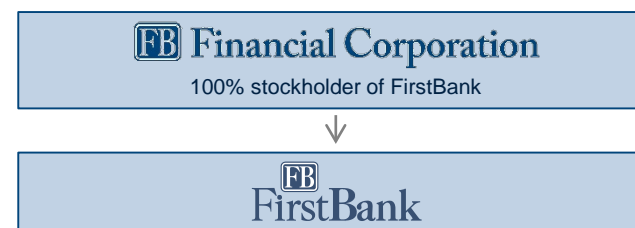


# Snapshot of FB Financial today

## Company overview

- Second largest Nashville-headquartered bank and third largest Tennessee-based bank
- Originally chartered in 1906, one of the longest continually operated banks in Tennessee
- Completed the largest bank IPO in Tennessee history in September 2016
- Mr. James W. Ayers is a current ~44% owner of FB Financial following recent secondary offering
- Attractive footprint in both high growth metropolitan markets and stable community markets
  - Located in six attractive metropolitan markets in Tennessee & Alabama
  - Strong market position in twelve community markets
  - Mortgage offices located throughout footprint and strategically across the southeast
- Provides the personalized, relationship-based service of a community bank with the products and capabilities of a larger bank
  - Local people, local knowledge and local authority
  - Personal banking, commercial banking, investment services, trust and mortgage banking

## Current organizational structure



## Financial highlights

Balance sheet data (\$mm)	6/30/2018
Total assets	\$4,923
Loans - HFI	3,416
Total deposits	3,910
Shareholder's equity	631

Key metrics – (%)	1H 2018
Pro forma adjusted ROAA (%)	1.85% <sup>1</sup>
Adjusted ROATCE (%)	19.1% <sup>1</sup>
NIM (%)	4.73%
Core Efficiency (%)	63.7% <sup>1</sup>
Tangible Common Equity/ Tangible Assets (%)	10.1% <sup>1</sup>

Note: Unaudited financial data as of June 30, 2018

<sup>1</sup> Non-GAAP financial measure. See "Use of non-GAAP financial measures" and "Reconciliation of non-GAAP financial measures" in the Appendix hereto.

## A leading community bank headquartered in Tennessee

### Top 10 banks in Tennessee<sup>1</sup>

Rank	Name	Headquarters	Branches (#)	TN deposits (\$bn)	Deposit market share (%)	Percent of company deposits (%)
1	First Horizon	Memphis, TN	202	\$22.9	15.5%	74.5%
2	Regions	Birmingham, AL	221	18.7	12.6%	18.8%
3	SunTrust	Atlanta, GA	127	13.7	9.3%	8.4%
4	Bank of America	Charlotte, NC	58	11.5	7.8%	0.9%
5	Pinnacle	Nashville, TN	46	9.7	6.6%	61.1%
<b>6</b>	<b>FB Financial</b>	<b>Nashville, TN</b>	<b>56</b>	<b>3.6</b>	<b>2.4%</b>	<b>93.8%</b>
7	U.S. Bancorp	Minneapolis, MN	103	3.2	2.2%	1.0%
8	Franklin Financial	Franklin, TN	14	2.9	2.0%	100.0%
9	BB&T	Winston-Salem, NC	47	2.7	1.8%	1.7%
10	Wilson	Lebanon, TN	27	2.0	1.4%	100.0%

### Top 10 banks under \$25bn assets in Tennessee<sup>1</sup>

Rank	Name	Headquarters	Branches (#)	TN deposits (\$bn)	Deposit market share (%)	Percent of company deposits (%)
1	Pinnacle	Nashville, TN	46	9.7	6.6%	61.1%
<b>2</b>	<b>FB Financial</b>	<b>Nashville, TN</b>	<b>56</b>	<b>3.6</b>	<b>2.4%</b>	<b>93.8%</b>
3	Franklin Financial	Franklin, TN	14	2.9	2.0%	100.0%
4	Wilson	Lebanon, TN	27	2.0	1.4%	100.0%
5	Simmons First	Pine Bluff, AR	45	2.0	1.4%	18.0%
6	Home Federal	Knoxville, TN	23	1.7	1.2%	100.0%
7	CapStar Financial	Nashville, TN	15	1.5	1.0%	100.0%
8	Renasant	Tupelo, MS	18	1.5	1.0%	15.0%
9	First Citizens	Dyersburg, TN	24	1.3	0.9%	100.0%
10	SmartFinancial	Knoxville, TN	17	1.3	0.9%	70.1%

### #2 community bank in Tennessee<sup>2</sup>

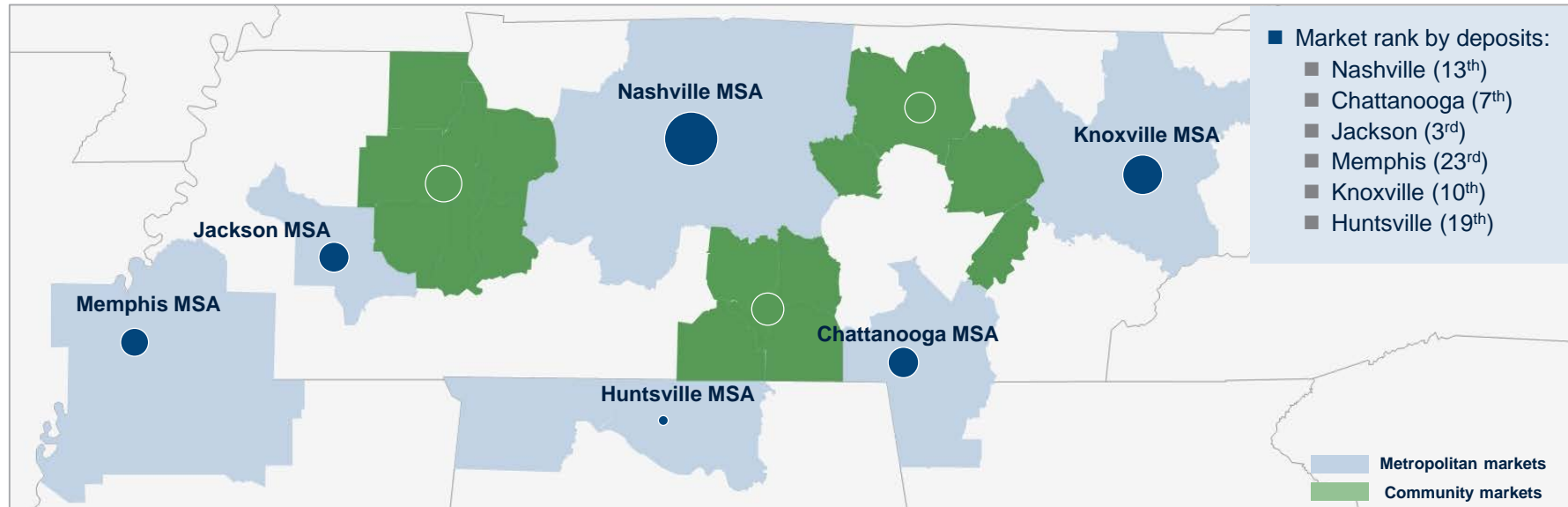
Source: SNL Financial; Note: Deposit data as of June 30, 2017; Pro forma for completed acquisitions since June 30, 2017 and pending acquisitions announced as of July 18, 2018.

<sup>1</sup> Sorted by deposit market share, deposits are limited to Tennessee.

<sup>2</sup> Community bank defined as banks with less than \$25bn in assets.

# Attractive footprint with balance between stable community markets and high growth metropolitan markets

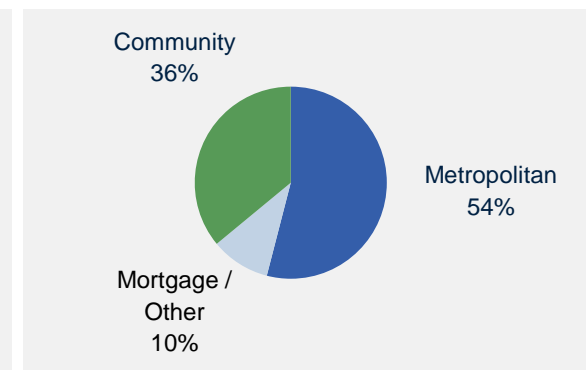
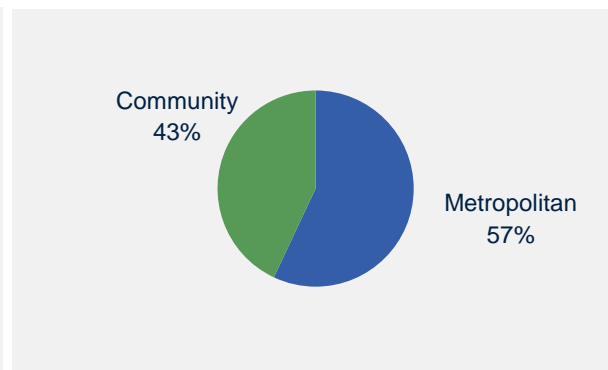
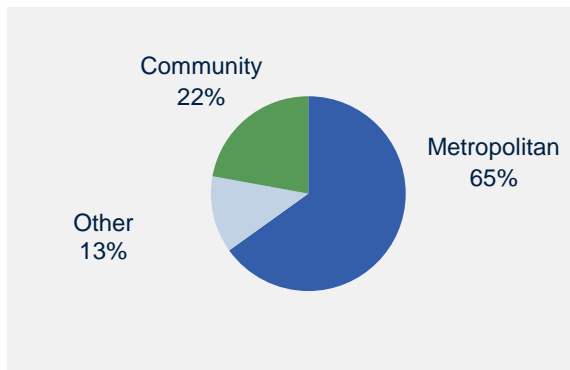
## Our current footprint<sup>1</sup>



Total loans (excluding HFS)<sup>2</sup> - \$3.4bn

Total full service branches<sup>2</sup> - 56 branches

Total deposits<sup>2</sup> - \$3.9bn



<sup>1</sup> Source: SNL Financial. Statistics are based upon county data. Market data is as of June 30, 2017 and is presented on a pro forma basis for completed acquisitions since June 30, 2017 and pending acquisitions as of July 18, 2018. Size of bubble represents size of company deposits in a given market.

<sup>2</sup> Financial and operational data as of June 30, 2018.



# Well positioned in attractive metropolitan markets

## Nashville rankings: “The new ‘it’ City” – *The New York Times*<sup>1</sup>

<b># 1</b>	Metro for professional and business service jobs <sup>2</sup>	<b># 2</b>	Most attractive mid-sized cities for business <sup>3</sup>
<b># 3</b>	Fastest growing large metro economy <sup>4</sup>	<b># 4</b>	Healthiest economy in top 100 metro areas <sup>5</sup>

Home to leading companies...with more on the way



**HCA**  
Hospital Corporation of America®  
North America HQ

**NISSAN**

**DOLLAR GENERAL**

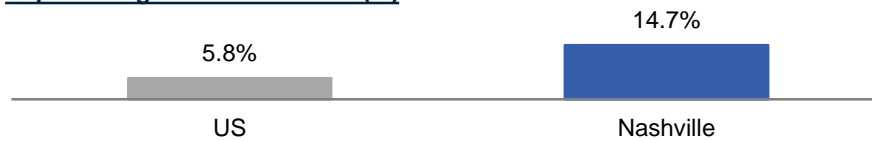
**BRIDGESTONE**  
Bridgestone Americas, Inc.

**[A]**  
**[B]**

*“AllianceBernstein LP to establish global headquarters in Nashville...to base 1,050 jobs in Davidson county”*

## Nashville growth

### Population growth 2010 – 2018 (%)



### Projected population growth 2018 – 2023 (%)



### Projected median HHI growth 2018 – 2023 (%)



## Chattanooga

- 4<sup>th</sup> largest MSA in TN
- Diverse economy with over 24,000 businesses
- Employs over 260,000 people
- Focused on attracting tech companies and start-ups; first municipality to debut a gigabit network

## Memphis

- 2<sup>nd</sup> largest MSA in TN
- Diversified business base and has the busiest cargo airport in North America
- 11.5 million tourists visit annually, generating more than \$3.3 billion for the local economy in 2016

## Knoxville

- 3<sup>rd</sup> largest MSA in TN
- Approximately 14,000 warehousing and distribution jobs are in the area and account for an annual payroll of \$3.8 billion
- Well situated to attract the key suppliers and assembly operations in the Southeast

## Huntsville

- Located in northern Alabama
- One of the strongest technology economies in the nation, with the highest concentration of engineers in the United States
- 6<sup>th</sup> largest county by military spending in the country

## Jackson

- 8<sup>th</sup> largest MSA in TN
- Complements and solidifies our West Tennessee franchise
- FirstBank is an established leader with #3 market share

Source: S&P Market Intelligence; Chattanooga, Knoxville, Memphis, Huntsville Chambers of Commerce, U.S. Department of Labor, Bureau of Labor Statistics, NAICS;  
<sup>1</sup> January 8, 2013 “Nashville Takes its Turn in the Spotlight”; <sup>2</sup> Forbes, June 2017;  
<sup>3</sup> KPMG, April 2014; <sup>4</sup> Headlight Data, July 2017; <sup>5</sup> ACBJ, October 2017.

# 1H 2018 highlights

## Key highlights

- Adjusted diluted EPS<sup>1</sup> of \$1.38, resulting in adjusted ROAA<sup>1</sup> of 1.85%
- Loans (HFI) grew to \$3.4 billion, a 73.3% increase from 2Q 2017; grew 15.8% annualized from 4Q 2017
- Customer deposits grew to \$3.8 billion, a 41.0% increase from 2Q 2017; grew 15.0% annualized from 4Q 2017, while controlling deposit costs of 0.59%
- Continued customer-focused balance sheet growth resulting in a net interest margin of 4.73% for 1H 2018
- Banking Segment core efficiency ratio<sup>1</sup> improved to 53.4% in 1H 2018, down 520 basis points from FY 2017
- Mortgage banking income of \$55.0 million, a 0.5% decrease from 1H 2017, with interest rate lock commitment (IRLC) volume of \$4.1 billion for the six months, up 9.3% from 1H 2017
- Paid initial quarterly dividend of \$0.06 per common share to shareholders of record as of April 30, 2018, driven by robust capital generation; declared dividend payable on August 15, 2018
- Completed \$151.8 million Secondary Offering on May 31, 2018

## Financial results

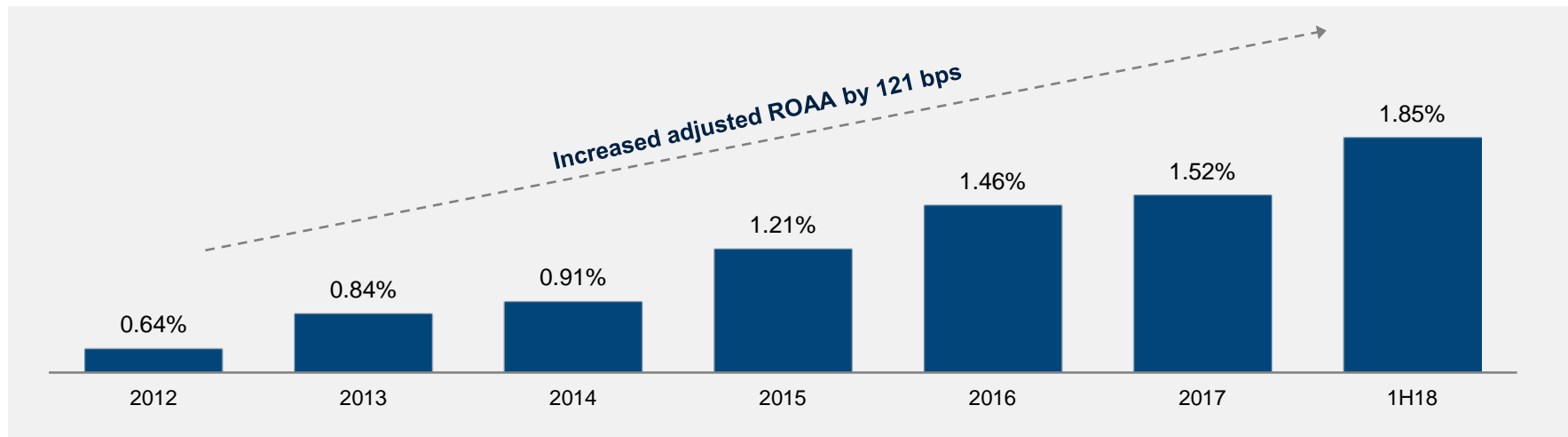
	Six months ended June 30, 2018	
	Non-GAAP adjusted results <sup>1</sup>	Reported GAAP results
Diluted earnings per share	\$1.38	\$1.33
Net income (\$mm)	\$43.4	\$41.9
Net interest margin	4.73% <sup>2</sup>	4.73%
Return on average assets	1.85%	1.79%
Return on average equity	14.4%	13.9%
Return on average tangible common equity	19.1%	18.5%
Efficiency ratio	63.7%	66.6%

<sup>1</sup> Adjusted results are non-GAAP financial measures that adjust GAAP reported net income and other metrics for certain income and expense items as outlined in the non-GAAP reconciliation calculations, using a combined marginal income tax rate of 26.06% excluding one-time items. See "Use of non-GAAP financial measures" and "Reconciliation of non-GAAP financial measures" in the Appendix hereto.

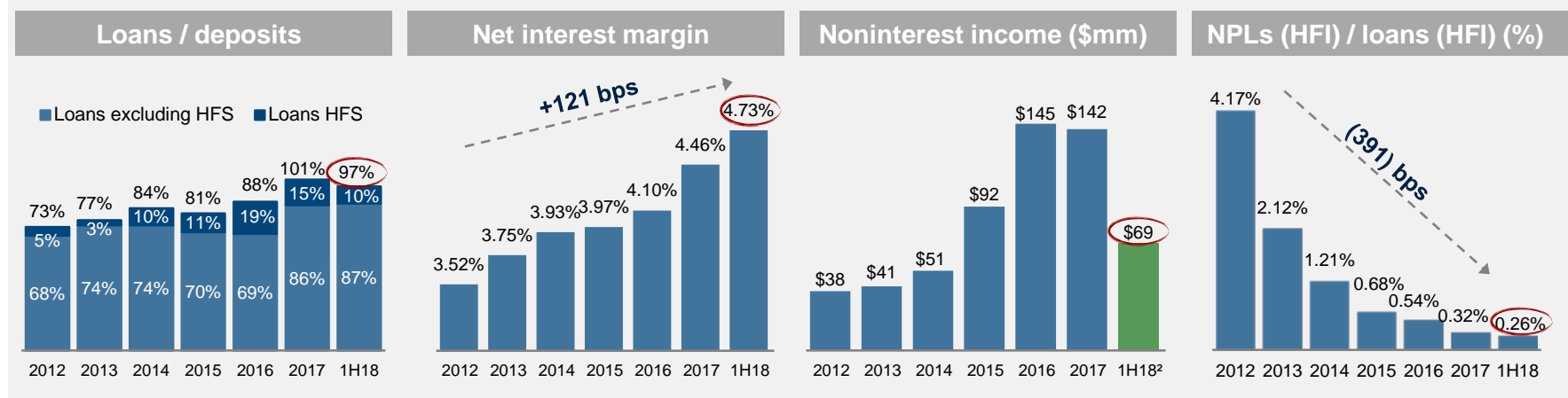
<sup>2</sup> Includes accretion from acquired / purchased loans and collection of interest income on nonaccrual loans, which resulted in 20 basis points of net interest margin during 1H 2018.

# Consistently delivering balanced profitability and growth

## Pro forma return on average assets, adjusted<sup>1</sup>



## Drivers of profitability

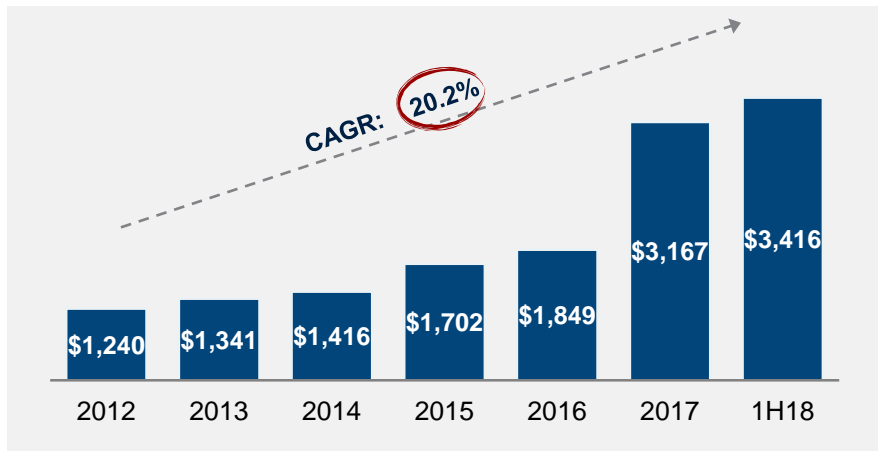


<sup>1</sup> Pro forma net income and tax-adjusted return on average assets include a pro forma provision for federal income taxes using a combined effective income tax rate of 33.76%, 35.37%, 35.63%, 35.08%, and 36.75% for the years ended December 31, 2012, 2013, 2014, 2015, and 2016, respectively, and also includes the exclusion of a one-time tax charge from C Corp conversion in 3Q 2016 and the 4Q 2017 benefit from the 2017 Tax Cuts and Jobs Act. Non-GAAP financial measures. See "Use of non-GAAP financial measures," and "Reconciliation of non-GAAP financial measures" in the Appendix hereto.

<sup>2</sup> 1H18 reflects six months ended June 30, 2018, non-annualized data.

# Consistent loan growth and balanced portfolio

## Total loan growth<sup>1</sup> (\$mm) and commercial real estate concentration



Commercial real estate (CRE) concentration <sup>2</sup>	% of risk-based Capital		
	12/31/17	6/30/18	Pro Forma 6/30/18 <sup>3</sup>
C&D loans subject to 100% risk-based capital limit	96%	105%	100%
Total CRE loans subject to 300% risk-based capital limit	228%	239%	228%

## Loan portfolio breakdown<sup>1</sup>



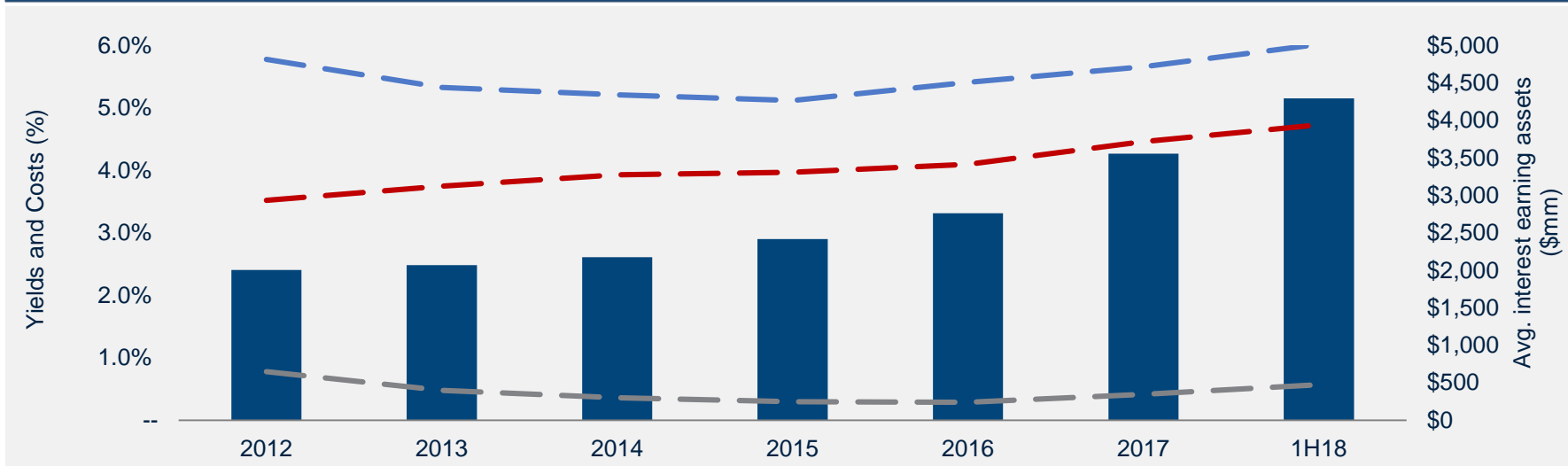
<sup>1</sup> Exclude HFS loans; C&I includes owner-occupied CRE; CRE excludes owner-occupied CRE.

<sup>2</sup> Risk-based capital at FirstBank as defined in Call Report. 2Q 2018 calculation is preliminary and subject to change.

<sup>3</sup> Estimated to reflect planned sale of \$3.3 billion in servicing rights, reducing disallowed MSR by \$24 million and increasing total risk based capital on a pro forma basis.

# Peer-leading net interest margin remains strong

## Historical yield and costs



NIM (%)	3.52%	3.75%	3.93%	3.97%	4.10%	4.46%	4.73%
Impact of accretion and nonaccrual interest collections (%) <sup>2</sup>	NM	NM	NM	0.01%	0.17%	0.24%	0.20%
Deposit cost (%)	0.78%	0.48%	0.36%	0.30%	0.29%	0.42%	0.59%

■ Average interest earning assets    — Yield on loans  
— Cost of deposits                      — NIM

■ 1H 2018 cost of total deposits up 9 bps (or 18% beta) from 4Q 2017

■ 1H 2018 contractual yield on loans up 13 bps (or 26% beta) from 4Q 2017

<sup>1</sup> Includes tax-equivalent adjustment.

<sup>2</sup> Data for nonaccrual interest collections not available prior to 2016.

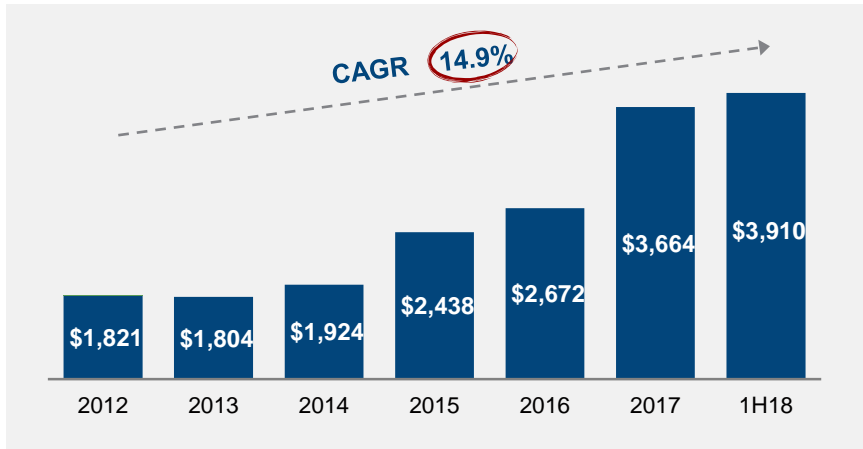
NM = not meaningful

## Loan (HFI) yield

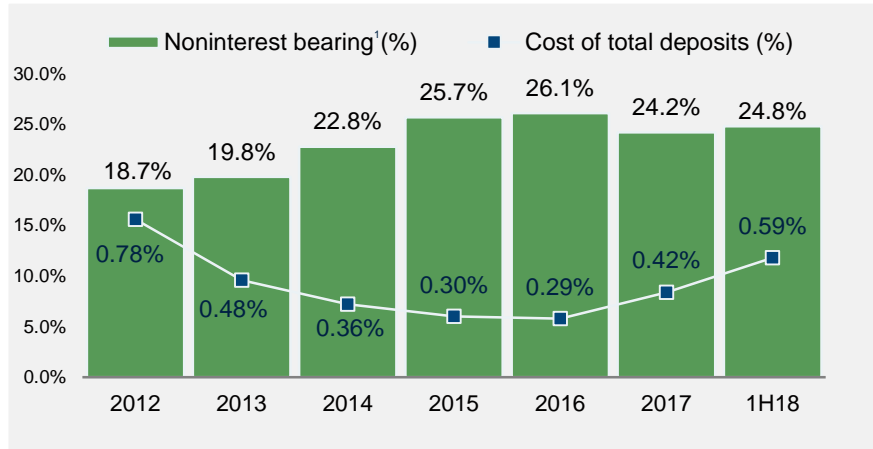
	2016	2017	1H18
Contractual interest rate on loans HFI <sup>1</sup>	4.69%	4.95%	5.33%
Origination and other loan fee income	0.41%	0.32%	0.41%
	5.10%	5.27%	5.74%
Nonaccrual interest collections <sup>2</sup>	0.06%	0.14%	0.04%
Accretion on purchased loans	0.20%	0.22%	0.22%
Loan syndication fees	0.05%	0.03%	0.02%
<b>Total loan yield (HFI)</b>	<b>5.41%</b>	<b>5.66%</b>	<b>6.02%</b>

# Stable, low cost core deposit franchise

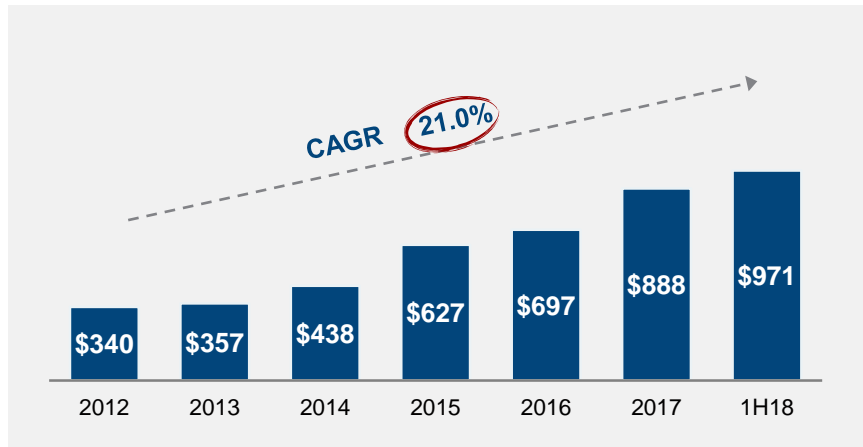
## Total deposits (\$mm)



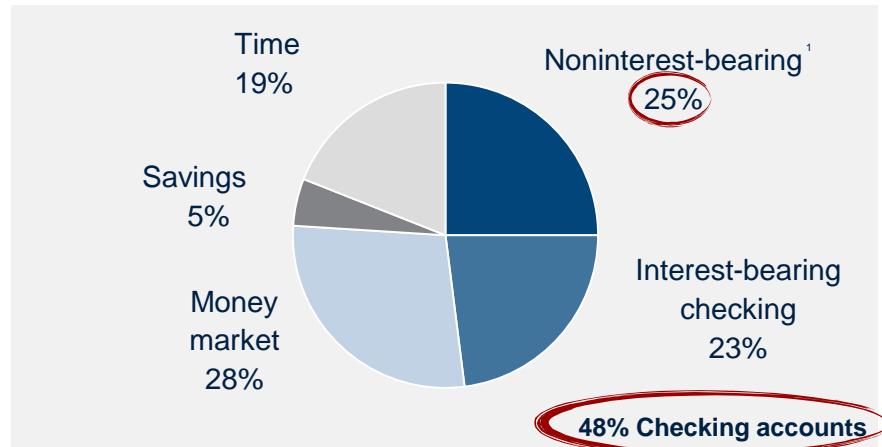
## Cost of deposits



## Noninterest bearing deposits (\$mm)<sup>1</sup>



## Deposit composition as of June 30, 2018



<sup>1</sup> Includes mortgage servicing-related escrow deposits of \$45.4 million and \$53.7 million for the years ended December 31, 2016 and 2017, respectively, and \$88.4 million for the quarter ended June 30, 2018. There were no mortgage servicing-related escrow deposits prior to those periods.

# Mortgage operations overview

## Highlights

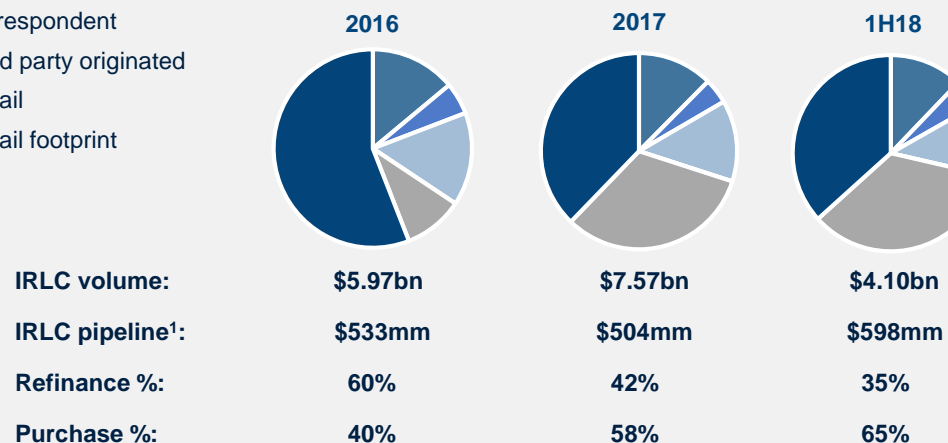
- Total mortgage pre-tax contribution (including retail footprint) of \$5.3 million in 1H 2018, compared to \$8.5 million in 1H 2017, 9.3% of 1H 2018 adjusted consolidated pre-tax income, down from 25.3% in 1H 2017
- Mortgage banking income of \$55.0 million in 1H 2018, down 0.5% from 1H 2017
- Expect to sell \$3.3 billion of loans serviced during the 3<sup>rd</sup> quarter with no material impact
- Including the impact of MSR sales, expect total mortgage pre-tax contribution (including retail footprint) to total \$5 - \$7 million in 2H 2018 compared to the total pre-tax contribution in 2H 2017 of \$9.7 million (guidance further revised from May 2018 guidance)

## Mortgage banking income (\$mm)

	2016	2017	1H18
Gain on Sale	\$ 94.5	\$ 103.7	\$ 50.5
Fair value changes	\$ 11.2	\$ 3.5	\$ (2.4)
Servicing Revenue	\$ 12.1	\$ 13.2	\$ 10.4
Fair value MSR change	\$ --	\$ (3.5)	\$ (3.5)
<b>Total Income</b>	<b>\$117.8</b>	<b>\$116.9</b>	<b>\$55.0</b>

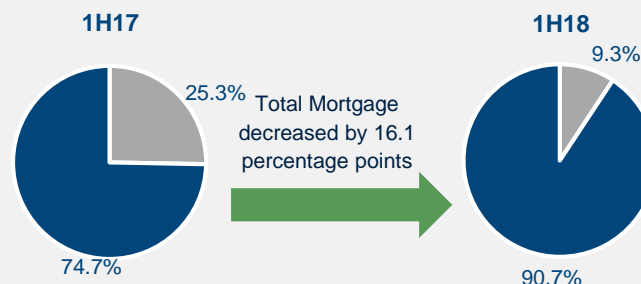
## Mortgage production

- Consumer Direct
- Correspondent
- Third party originated
- Retail
- Retail footprint



## Total adjusted pre-tax contribution<sup>2</sup> (%)

- Banking (excluding retail footprint)
- Total Mortgage (including retail footprint)



<sup>1</sup> As of the respective period end.

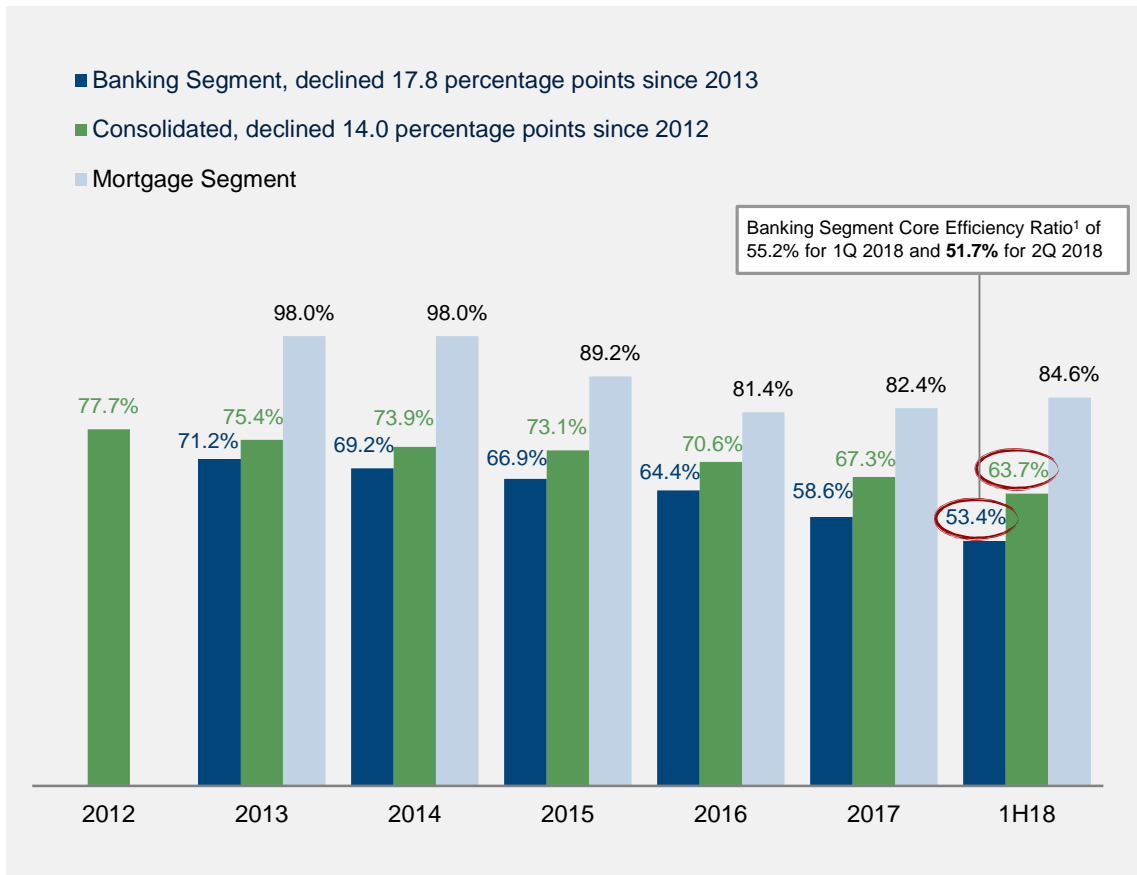
<sup>2</sup> Non-GAAP financial measure. See "Use of non-GAAP financial measures," and "Reconciliation of non-GAAP financial measures" in the Appendix hereto.

# Improving operating leverage remains a key objective

## Improving operating efficiency

- Consolidated 1H 2018 core efficiency ratio of 63.7% driven by Banking Segment core efficiency ratio of 53.4%, approaching our target level of sub-50%
- 1H 2018 illustrates continued operating leverage achieved through organic growth, merger and ongoing cost efficiencies
- Total revenue at the consolidated level increased by over 80% the rate of total noninterest expense in 1H 2018 as compared to 1H 2017
- Continued investments in revenue producers, IT systems and back office personnel to build upon scalable platform
- Continue to refine mortgage banking with operational efficiency improvements

## Core efficiency ratio (tax-equivalent basis)<sup>1</sup>

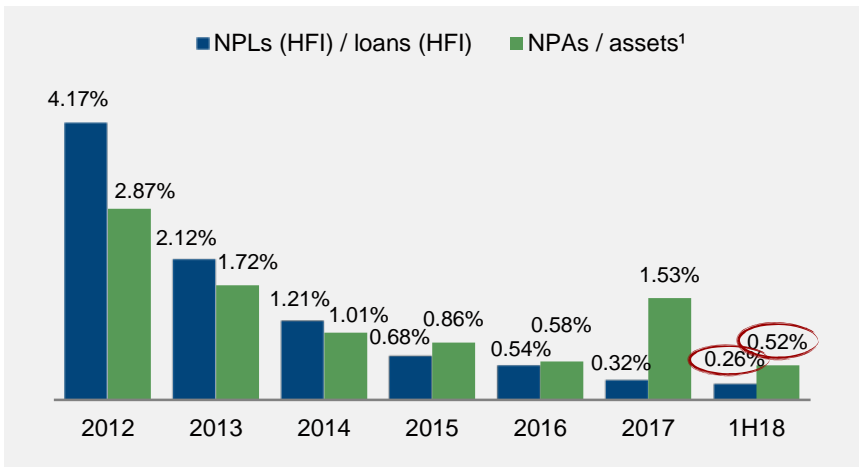


<sup>1</sup> Non-GAAP financial measure. See "Use of non-GAAP financial measures," and "Reconciliation of non-GAAP financial measures" in the Appendix hereto.

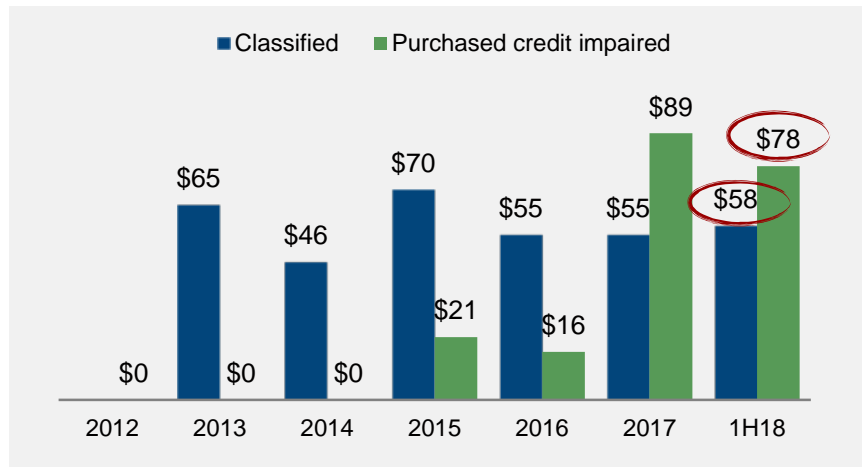


# Asset quality continues to improve

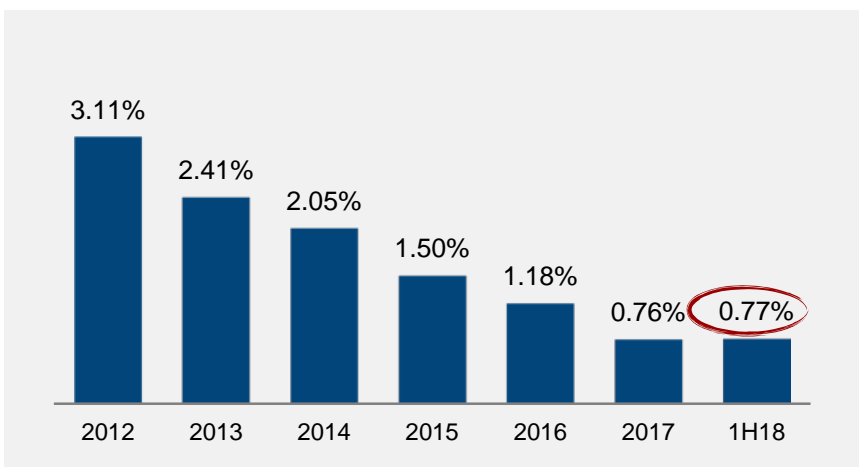
## Nonperforming ratios



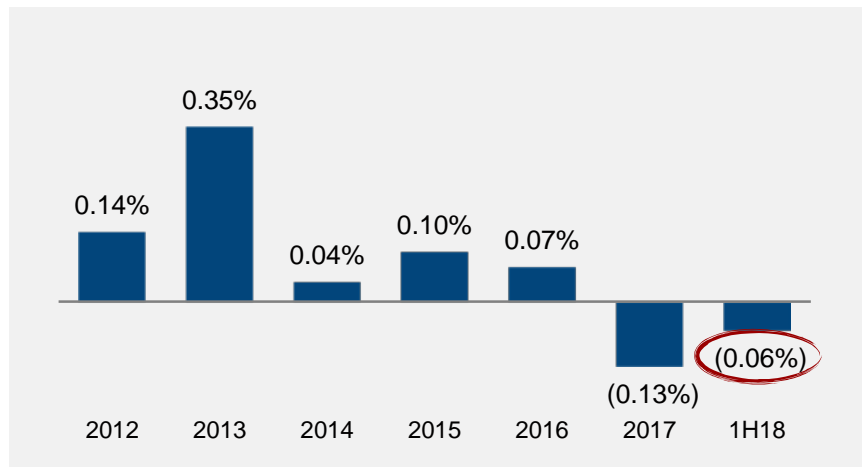
## Classified & PCI loans (\$mm)<sup>2</sup>



## LLR / loans



## Net charge-offs (recoveries) / average loans



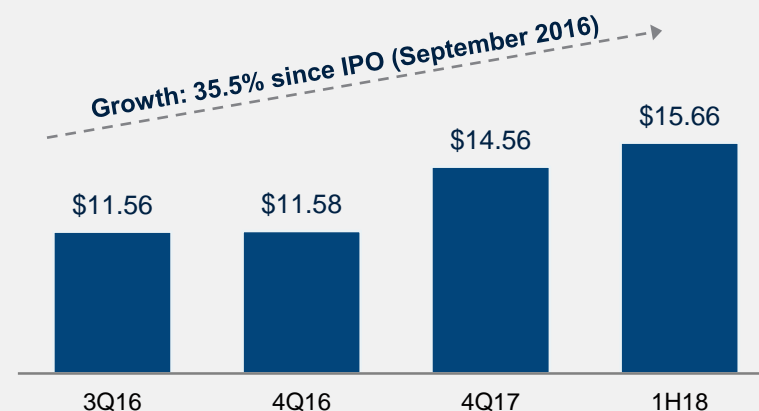
<sup>1</sup> Includes acquired excess land and facilities for all periods subsequent to the acquisition of the Clayton Banks and GNMA rebooked loans for the fourth quarter of 2017.

<sup>2</sup> Classified loan data not available for 2012.

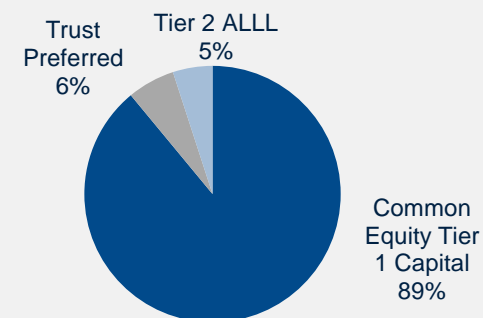
## Strong capital position for future growth

Capital position			
	12/31/16	12/31/17	6/30/18 <sup>3</sup>
Shareholder's equity / Assets	10.1%	12.6%	12.8%
TCE / TA <sup>2</sup>	8.7%	9.7%	10.1%
Common equity tier 1 / Risk-weighted assets	11.0%	10.7%	10.7%
Tier 1 capital / Risk-weighted assets	12.2%	11.4%	11.4%
Total capital / Risk-weighted assets	13.0%	12.0%	12.0%
Tier 1 capital / Average assets (Leverage Ratio)	10.1%	10.5%	10.9%

### Tangible book value per share



### Simple capital structure



Total risk based capital<sup>1</sup>: \$524.1 million

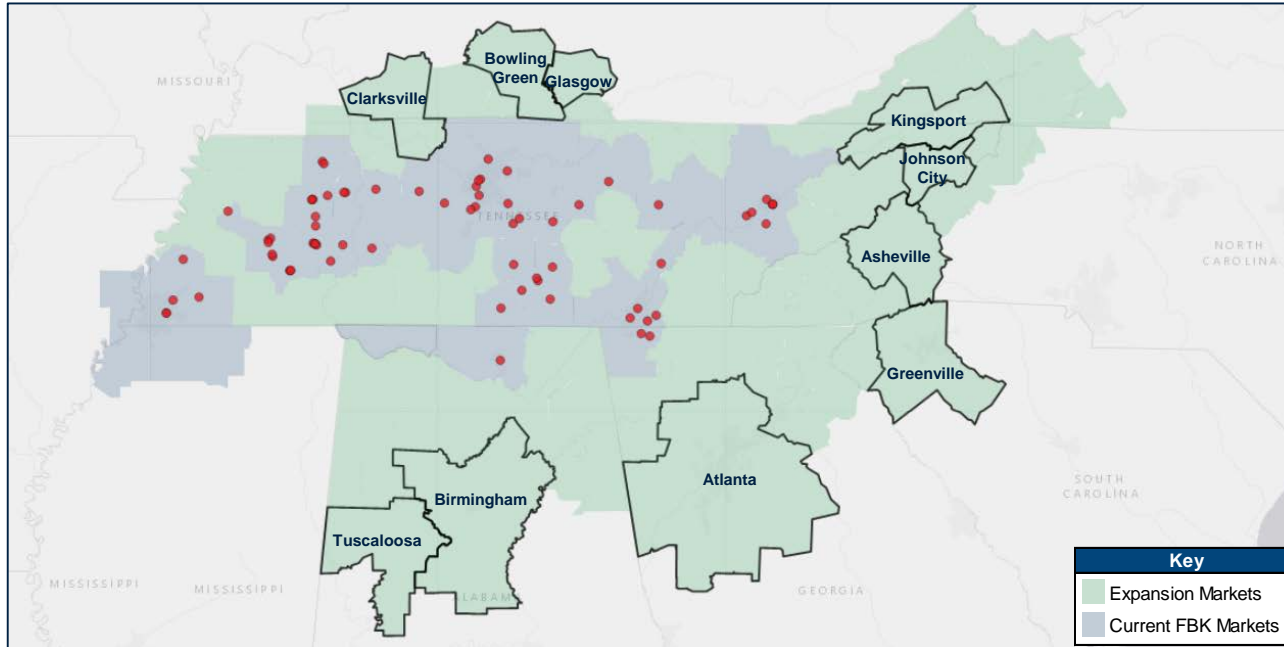
Declared quarterly dividend of \$0.06 payable August 15, 2018

<sup>1</sup> Total regulatory risk based capital, FB Financial Corporation.

<sup>2</sup> Non-GAAP financial measure. See "Use of non-GAAP financial measures," and "Reconciliation of non-GAAP financial measures" in the Appendix hereto.

<sup>3</sup> June 30, 2018 calculation is preliminary and subject to change.

# M&A Strategy<sup>1</sup>



## Drive Times

- Tuscaloosa:
  - Nashville ~3.5 hours
  - Huntsville ~2 hours
- Birmingham:
  - Nashville >3 hours
  - Huntsville ~1.5 hours
- Atlanta:
  - Nashville ~3.5 hours
  - Chattanooga <2 hours
- Greenville:
  - Nashville ~5 hours
  - Knoxville <3 hours
- Asheville:
  - Nashville ~4 hours
  - Knoxville ~2 hours

## Consolidation strategy across existing and contiguous markets

- Actively evaluate desirable opportunities in current and expansion markets, highlighted above
  - Financially attractive (EPS accretion, minimal TBV dilution)
  - Cultural and strategic fit
- Consolidate across Tennessee as attractive opportunities arise
- Potential Targets in Current Footprint:
  - 19 banks headquartered in TN between \$400 million and \$750 million in assets
  - 10 banks between \$750 million and \$1 billion
  - 10 banks \$1 billion to \$3 billion in assets
- Maintain positive, ongoing dialogue with targets to position ourselves as an option when they are ready to create a partnership
- Potential Targets in Highlighted Markets:
  - 30 banks headquartered in highlighted MSAs \$400 million - \$3 billion in assets, 8 of which are greater than \$1 billion
  - 15 additional banks in Community markets \$400 million - \$3 billion, 4 of which are greater than \$1 billion
- Existing FirstBank Mortgage offices in Tuscaloosa, Birmingham, Atlanta and Greenville MSAs

<sup>1</sup> See Forward-Looking statements on slide 1.

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**Appendix**

## Reconciliation of non-GAAP financial measures

### Pro forma net income, adjusted

<i>(Dollars in thousands)</i>	1H 2018	2017	2016	2015	2014	2013	2012
<b>Pre-tax net income</b>	\$ 55,095	\$ 73,485	\$ 62,324	\$ 50,824	\$ 34,731	\$ 28,797	\$ 21,974
Plus merger and offering-related costs	1,864	19,034	3,268	3,543	-	-	-
Less significant gains (losses) on securities, other real estate owned and other items <sup>(1)</sup>	-	-	(3,539)	4,638	2,000	-	1,331
<b>Pre tax net income, adjusted</b>	\$ 56,959	\$ 92,519	\$ 69,131	\$ 49,729	\$ 32,731	\$ 28,797	\$ 20,643
Pro forma income tax expense, adjusted <sup>(2)</sup>	13,587	34,749	25,404	18,425	11,662	10,185	6,897
<b>Pro forma net income, adjusted</b>	\$ 43,372	\$ 57,770	\$ 43,727	\$ 31,304	\$ 21,069	\$ 18,612	\$ 13,746
Weighted average common shares outstanding fully diluted	31,275,846	28,207,602	19,312,174	17,180,000	17,180,000	17,180,000	17,180,000

### Pro forma diluted earnings per share, adjusted

<i>(Dollars in thousands)</i>	1H 2018	2017	2016	2015	2014	2013	2012
<b>Pro forma diluted earnings per share, adjusted</b>							
<b>Diluted earning per share</b>	\$ 1.33	\$ 1.86	\$ 2.10	\$ 2.79	\$ 1.89	\$ 1.57	\$ 1.19
Plus merger and conversion costs	0.06	0.67	0.17	0.21	-	-	-
Less significant gains (losses) on securities, other real estate owned and other items	-	-	(0.18)	0.27	0.12	-	0.08
Tax effect	(0.01)	(0.48)	(0.19)	(0.91)	(0.54)	(0.49)	(0.31)
<b>Pro forma diluted earnings per share, adjusted</b>	\$ 1.38	\$ 2.05	\$ 2.26	\$ 1.82	\$ 1.23	\$ 1.08	\$ 0.80

<sup>1</sup> 2016 includes loss on sale of mortgage servicing rights, impairment of mortgage servicing rights, gain on sales or write-downs of other real estate owned and other assets and gain on sale of securities; 2015 includes bargain purchase gain and gain from securities; 2014 includes gain from securities; 2012 includes gain on sale of securities and loss on sale or write-downs of other real estate.

<sup>2</sup> The Company terminated its S-Corporation status and became a taxable corporate entity ("C Corporation") on September 16, 2016 in connection with its initial public offering. Pro forma amounts for income tax expense, adjusted, and diluted earnings per share, adjusted, have been presented assuming the Company's pro forma effective tax rate of 36.75%, 35.08%, 35.63%, 35.37%, and 33.76% for the years ended December 31, 2016, 2015, 2014, 2013 and 2012, respectively, and also includes the exclusion of a one-time tax change from C Corp conversion in 3Q 2016 and the 4Q 2017 benefit from the 2017 Tax Cuts and Jobs Act. 1H 2018 uses a marginal tax rate on adjustments of 26.06%; 2017 uses a marginal tax rate on adjustments of 39.23%.

## Reconciliation of non-GAAP financial measures (cont'd)

### Tax-equivalent core efficiency ratio

(Dollars in thousands)

	1H 2018	2017	2016	2015	2014	2013	2012
<b>Core efficiency ratio (tax-equivalent basis)</b>							
Total noninterest expense	\$ 112,454	\$ 222,317	\$ 194,790	\$ 138,492	\$ 102,163	\$ 89,584	\$ 83,874
Less one-time equity grants	-	-	2,960	-	3,000	-	-
Less variable compensation charge related to cash settled equity awards	-	635	1,254	-	-	-	-
Less merger and offering-related expenses	1,864	19,034	3,268	3,543	-	-	-
Less loss on sales or write-downs of other real estate	-	-	-	-	-	-	2,339
Less impairment of mortgage servicing rights	-	-	4,678	194	-	-	-
Less loss on sale of mortgage servicing rights	-	249	4,447	-	-	-	-
<b>Core noninterest expense</b>	<b>\$ 110,590</b>	<b>\$ 202,399</b>	<b>\$ 178,183</b>	<b>\$ 134,755</b>	<b>\$ 99,163</b>	<b>\$ 89,584</b>	<b>\$ 81,535</b>
Net interest income (tax-equivalent basis)	100,708	156,094	113,311	95,887	85,487	77,640	70,602
Total noninterest income	68,983	141,581	144,685	92,380	50,802	41,386	38,047
Less bargain purchase gain	-	-	-	2,794	-	-	-
Less change in fair value on mortgage servicing rights	(3,491)	(3,424)	-	-	-	-	-
Less gain on sales or write-downs of other real estate owned and other assets	(250)	110	1,179	(710)	151	158	-
Less gain from securities, net	(144)	285	4,407	1,844	2,000	34	3,670
<b>Core noninterest income</b>	<b>72,868</b>	<b>144,610</b>	<b>139,099</b>	<b>88,452</b>	<b>48,651</b>	<b>41,194</b>	<b>34,377</b>
Core revenue	\$ 173,576	\$ 300,704	\$ 252,410	\$ 184,339	\$ 134,138	\$ 118,834	\$ 104,979
Efficiency ratio (GAAP) <sup>(1)</sup>	66.6%	75.4%	76.2%	74.4%	76.1%	76.7%	78.9%
<b>Core efficiency ratio (tax-equivalent basis)</b>	<b>63.7%</b>	<b>67.3%</b>	<b>70.6%</b>	<b>73.1%</b>	<b>73.9%</b>	<b>75.4%</b>	<b>77.7%</b>

(1) Efficiency ratio (GAAP) is calculated by dividing non-interest expense by total revenue.

## Reconciliation of non-GAAP financial measures (cont'd)

### Segment tax-equivalent core efficiency ratio

(Dollars in thousands)

	1H 2018	2017	2016	2015	2014	2013
<b>Banking segment core efficiency ratio (tax equivalent)</b>						
Core consolidated noninterest expense	\$ 110,590	\$ 202,399	\$ 178,183	\$ 134,755	\$ 99,163	\$ 89,584
Less Mortgage segment noninterest expense <sup>(1)</sup>	38,492	77,346	84,191	46,094	21,730	18,326
Add impairment of mortgage servicing rights	-	-	4,678	194	-	-
Add loss on sale of mortgage servicing rights	-	249	4,447	-	-	-
Adjusted Banking segment noninterest expense	72,098	125,302	103,117	88,855	77,433	71,258
Adjusted core revenue	173,576	300,704	252,410	184,339	134,138	118,834
Less Mortgage segment noninterest income	42,013	90,196	92,209	51,472	22,177	18,698
Less change in fair value on mortgage servicing rights	(3,491)	(3,424)	-	-	-	-
Adjusted Banking segment total revenue	\$ 135,054	\$ 213,932	\$ 160,201	\$ 132,867	\$ 111,961	\$ 100,136
<b>Banking segment core efficiency ratio (tax-equivalent basis)</b>	53.4%	58.6%	64.4%	66.9%	69.2%	71.2%
<b>Mortgage segment core efficiency ratio (tax equivalent)</b>						
Consolidated noninterest expense	\$ 112,454	\$ 222,317	\$ 194,790	\$ 138,492	\$ 102,163	\$ 89,584
Less impairment on mortgage servicing rights	-	-	4,678	194	-	-
Less loss on sale of mortgage servicing rights	-	249	4,447	-	-	-
Less Banking segment noninterest expense <sup>(2)</sup>	73,962	144,971	110,599	92,398	80,433	71,258
Adjusted Mortgage segment noninterest expense	\$ 38,492	\$ 77,097	\$ 75,066	\$ 45,900	\$ 21,730	\$ 18,326
Total noninterest income	68,983	141,581	144,685	92,380	50,802	41,386
Less Banking segment noninterest income	26,970	51,385	52,476	40,908	28,625	22,688
Less change in fair value on mortgage servicing rights	(3,491)	(3,424)	-	-	-	-
Adjusted Mortgage segment total revenue	\$ 45,504	\$ 93,620	\$ 92,209	\$ 51,472	\$ 22,177	\$ 18,698
<b>Mortgage segment core efficiency ratio (tax-equivalent basis)</b>	84.6%	82.4%	81.4%	89.2%	98.0%	98.0%

<sup>1</sup> Includes mortgage segment Other noninterest mortgage banking expense, depreciation, loss on sale of mortgage servicing rights and amortization and impairment of mortgage servicing rights.

<sup>2</sup> Includes banking segment Other noninterest expense, other noninterest mortgage banking expense, amortization of intangibles and depreciation and amortization.

## Reconciliation of non-GAAP financial measures (cont'd)

### Tax-equivalent core efficiency ratio

	2018	
	Second Quarter	First Quarter
<i>(Dollars in Thousands)</i>		
Total noninterest expense	\$ 56,303	\$ 56,151
Less variable compensation charge related to cash settled equity awards	-	-
Less merger and offering-related expenses	671	1,193
Less loss on sale of mortgage servicing rights	-	-
<b>Core noninterest expense</b>	<b>\$ 55,632</b>	<b>\$ 54,958</b>
Net interest income (tax-equivalent basis)	51,909	48,799
Total noninterest income	35,708	33,275
Less change in fair value on mortgage servicing rights	(1,778)	(1,713)
Less gain on sales or write-downs of other real estate owned and other assets	(132)	(118)
Less gain from securities, net	(97)	(47)
<b>Core noninterest income</b>	<b>37,715</b>	<b>35,153</b>
Core revenue	\$ 89,624	\$ 83,952
Efficiency ratio (GAAP) <sup>(1)</sup>	64.5%	68.7%
<b>Core efficiency ratio (tax-equivalent basis)</b>	<b>62.1%</b>	<b>65.5%</b>

(1) Efficiency ratio (GAAP) is calculated by dividing non-interest expense by total revenue.



## Reconciliation of non-GAAP financial measures (cont'd)

### Segment tax-equivalent core efficiency ratio

	2018	
	Second Quarter	First Quarter
<i>(Dollars in Thousands)</i>		
<b>Banking segment core efficiency ratio (tax equivalent)</b>		
Core consolidated noninterest expense	\$ 55,632	\$ 54,958
Less Mortgage segment noninterest expense	19,582	18,910
Add loss on sale of mortgage servicing rights	-	-
Adjusted Banking segment noninterest expense	36,050	36,048
Adjusted core revenue	89,624	83,952
Less Mortgage segment noninterest income	21,650	20,363
Less change in fair value on mortgage servicing rights	(1,778)	(1,713)
Adjusted Banking segment total revenue	\$ 69,752	\$ 65,302
<b>Banking segment core efficiency ratio (tax-equivalent basis)</b>	51.7%	55.2%
<b>Mortgage segment core efficiency ratio (tax equivalent)</b>		
Consolidated noninterest expense	\$ 56,303	\$ 56,151
Less loss on sale of mortgage servicing rights	-	-
Less Banking segment noninterest expense	36,721	37,241
Adjusted Mortgage segment noninterest expense	\$ 19,582	\$ 18,910
Total noninterest income	35,708	33,275
Less Banking segment noninterest income	14,058	12,912
Less change in fair value on mortgage servicing rights	(1,778)	(1,713)
Adjusted Mortgage segment total revenue	\$ 23,428	\$ 22,076
<b>Mortgage segment core efficiency ratio (tax-equivalent basis)</b>	83.6%	85.7%

<sup>1</sup> Includes mortgage segment Other noninterest mortgage banking expense, depreciation, loss on sale of mortgage servicing rights and amortization and impairment of mortgage servicing rights.

<sup>2</sup> Includes banking segment Other noninterest expense, other noninterest mortgage banking expense, amortization of intangibles and depreciation and amortization.

## Reconciliation of non-GAAP financial measures (cont'd)

### Tangible book value per common share and tangible common equity to tangible assets

	2018		2017				2016	
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
<i>(Dollars in thousands)</i>								
<b>Tangible Assets</b>								
Total assets	\$ 4,923,249	\$ 4,725,416	\$ 4,727,713	\$ 4,581,943	\$ 3,346,570	\$ 3,166,459	\$ 3,276,881	\$ 3,187,180
Less goodwill	137,190	137,190	137,190	138,910	46,867	46,867	46,867	46,867
Less intangibles, net	13,203	14,027	14,902	12,550	4,048	4,171	4,563	5,090
<b>Tangible assets</b>	<b>\$ 5,073,642</b>	<b>\$ 4,574,199</b>	<b>\$ 4,575,621</b>	<b>\$ 4,430,483</b>	<b>\$ 3,295,655</b>	<b>\$ 3,115,421</b>	<b>\$ 3,225,451</b>	<b>\$ 3,135,223</b>
<b>Tangible Common Equity</b>								
Total shareholders' equity	\$ 630,959	\$ 611,075	\$ 596,729	\$ 572,528	\$ 509,517	\$ 342,142	\$ 330,498	\$ 329,108
Less goodwill	137,190	137,190	137,190	138,910	46,867	46,867	46,867	46,867
Less intangibles, net	13,203	14,027	14,902	12,550	4,048	4,171	4,563	5,090
<b>Tangible common equity</b>	<b>\$ 781,352</b>	<b>\$ 459,858</b>	<b>\$ 444,637</b>	<b>\$ 421,068</b>	<b>\$ 458,602</b>	<b>\$ 291,104</b>	<b>\$ 279,068</b>	<b>\$ 277,151</b>
Common shares outstanding	30,683,353	30,671,763	30,535,517	30,526,592	28,968,160	24,154,323	24,107,660	23,975,122
Book value per common share	\$ 20.56	\$ 19.92	\$ 19.54	\$ 18.76	\$ 17.59	\$ 14.16	\$ 13.71	\$ 13.73
<b>Tangible book value per common share</b>	<b>\$ 15.66</b>	<b>\$ 14.99</b>	<b>\$ 14.56</b>	<b>\$ 13.79</b>	<b>\$ 15.83</b>	<b>\$ 12.05</b>	<b>\$ 11.58</b>	<b>\$ 11.56</b>
Total shareholders' equity to total assets	12.8%	12.9%	12.6%	12.5%	15.2%	10.8%	10.1%	10.3%
<b>Tangible common equity to tangible assets</b>	<b>10.1%</b>	<b>10.2%</b>	<b>9.7%</b>	<b>9.5%</b>	<b>13.9%</b>	<b>9.3%</b>	<b>8.7%</b>	<b>8.8%</b>

## Reconciliation of non-GAAP financial measures (cont'd)

### Return on average tangible common equity

<i>(Dollars in thousands)</i>	<b>1H18</b>
Total average shareholders' equity	\$ 607,708
Less average goodwill	137,190
Less intangibles, net	<u>13,671</u>
<b>Average tangible common equity</b>	<b>\$ 456,848</b>
Net income	\$ 41,819
<b>Return on average tangible common equity</b>	<b>18.5%</b>

### Return on average tangible common equity, adjusted

<i>(Dollars in thousands)</i>	<b>1H18</b>
Average tangible common equity	\$ 456,848
Net income, adjusted	43,372
<b>Return on average tangible common equity, adjusted</b>	<b>19.1%</b>

## Reconciliation of non-GAAP financial measures (cont'd)

### Pro forma return on average assets and equity, adjusted

<i>(Dollars in thousands)</i>	1H 2018	2017	2016	2015	2014	2013	2012
Pro forma Net income	41,819	\$ 52,398	\$ 39,422	\$ 32,995	\$ 22,356	\$ 18,612	\$ 14,555
Average assets	4,719,932	3,811,158	3,001,275	2,577,895	2,311,297	2,205,264	2,143,957
Average equity	607,708	466,219	276,587	228,844	203,615	192,460	189,043
<b>Pro forma return on average assets</b>	1.79%	1.37%	1.31%	1.28%	0.97%	0.84%	0.68%
<b>Pro forma return on average equity</b>	13.9%	11.2%	14.3%	14.4%	11.0%	9.7%	7.7%
Pro forma net income, adjusted	43,372	57,770	43,727	31,304	21,069	18,612	13,746
<b>Pro forma return on average assets, adjusted</b>	1.85%	1.52%	1.46%	1.21%	0.91%	0.84%	0.64%
<b>Pro forma return on average equity, adjusted</b>	14.4%	12.4%	15.8%	13.7%	10.3%	9.7%	7.3%

## Reconciliation of non-GAAP financial measures (cont'd)

### Total mortgage contribution, adjusted

<i>(Dollars in thousands)</i>	<b>1H18</b>	<b>1H17</b>
Mortgage segment pre-tax net contribution	\$ 3,027	\$ 5,886
Retail footprint:		
Mortgage banking income	13,002	12,784
Mortgage banking expenses	10,746	10,204
Retail footprint pre-tax net contribution	2,256	2,580
Total mortgage banking pre-tax net contribution	<u>\$ 5,283</u>	<u>\$ 8,466</u>
Pre-tax net income	55,095	32,991
% total mortgage banking pre-tax net contribution	9.6%	25.7%
Pre-tax net income, adjusted	56,959	33,497
% total mortgage banking pre-tax net contribution, adjusted	9.3%	25.3%