

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 30, 2019

TRISTATE CAPITAL HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction of incorporation or organization)

001-35913
(Commission File Number)

20-4929029
(I.R.S. Employer Identification No.)

One Oxford Centre
301 Grant Street, Suite 2700
Pittsburgh, Pennsylvania 15219
(Address of principal executive offices)
(Zip Code)

(412) 304-0304
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

The attached investor presentation contains information that members of management of TriState Capital Holdings, Inc. ("TriState Capital") will use during visits with, or presentations to, investors, analysts and other interested parties to assist in their understanding of TriState Capital. This investor presentation is available in the Investor Materials section of TriState Capital's Investor Relations website at <http://investors.tristatecapitalbank.com>. A copy of the investor presentation is attached as Exhibit 99.1 to this report and is incorporated herein by reference.

The information in this Current Report on Form 8-K, including the exhibit attached hereto, is furnished solely pursuant to Item 7.01 of this Form 8-K and shall not be deemed "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

Exhibit No. Description

99.1 [Investor Presentation](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRISTATE CAPITAL HOLDINGS, INC.

By /s/ James F. Getz
James F. Getz
Chairman, President and Chief Executive Officer

Date: April 30, 2019



INVESTOR PRESENTATION

TRISTATE CAPITAL HOLDINGS, INC.
(NASDAQ:TSC)

First quarter ended March 31, 2019

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IMPORTANT INFORMATION

About this presentation

Financial information and data: Unless noted otherwise herein, income statement data is for the trailing twelve-months ended March 31, 2019, compared to the same TTM period the year prior; and balance sheet data is as of March 31, 2019, compared to one year prior.

Forward looking statements: This presentation may contain "forward-looking" statements. Such forward-looking statements are subject to risks that could cause actual results or outcomes to differ materially from those currently anticipated. TriState Capital has no duty to, and does not intend to, update or revise forward-looking statements after the date on which they are made. For further information about the factors that could affect TriState Capital's future results, please see the company's most recent annual and quarterly reports filed on Form 10-K and Form 10-Q.

Non-GAAP measures: To the extent non-GAAP financial measures are presented herein, comparable GAAP measures and reconciliations can be found in TriState Capital's most recent quarterly financial results news release.

THREE BUSINESSES DRIVE DIFFERENTIATED GROWTH

Sophistication of a super regional financial firm with the high touch of a boutique firm

Private Banking



Organic growth



Low capital requirements
Self-funding liquidity management



Investment Management



Organic & acquisitive growth



Low capital requirements



Commercial Banking



Organic growth



Traditional capital requirements
Relationship-driven liquidity and treasury management funding



THREE BUSINESSES DRIVE DIFFERENTIATED GROWTH

For the trailing twelve-months and period ending March 31, 2019

36% Growth in net income available
to common stockholders

Asset quality Operating leverage Asset sensitive & LIBOR neutral balance sheet

17%

Total revenue growth

27%

Private banking
loan growth

23%

Investment management fee
contribution to total revenue

20%

Commercial
loan growth



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UNIQUE MODEL

Sophisticated, high-touch, client-focused approach to financial services positions us to do well while empowering our clients to do well

30% of revenue from non-interest income

22% organic NII growth YOY driven through lower credit risk and variable rate loans

24% organic loan growth YOY

30% organic deposit growth YOY

93% of loans and **17%** of debt securities variable rate

56.30% YTD Bank efficiency ratio

~\$680k quarterly revenue/FTE, annualized

~18% insider ownership

0 branches

STRONG FOUNDATION FOR FUTURE

Growth since 2013 IPO illustrates the strength and effectiveness of strategy

Among **Fortune's 100**
Fastest-Growing Companies

Ranked by Fortune¹ in 2018 for
2nd consecutive year based on:

- **30%** growth in EPS
- **19%** growth in revenue
- **26%** total return

on a three-year annualized basis

(Dollars in Thousands)	3/31/2019	3/31/2013	% Change since IPO
Assets	\$ 6,344,010	\$ 2,074,287	206%
Total revenue (TTM)	\$ 167,458	\$ 63,548	164%
Net interest income (TTM)	\$ 117,514	\$ 58,487	101%
Non-interest income (TTM)	\$ 49,944	\$ 5,061	887%
Income before tax (TTM)	\$ 64,209	\$ 17,629	264%
Share price ²	\$ 20.43	\$ 11.50	78%
Book value per common share ³	\$ 15.61	\$ 9.86	58%

¹ The September 2018 issue of Fortune reported that it ranks the 100 Fastest-Growing Companies listed on major U.S. stock exchanges by "revenue growth rate, EPS growth rate, and total return for the period ended June 29, 2018 on a three-year annualized. (To compute the revenue and EPS growth rates, Fortune uses a trailing-four-quarters log linear least square regression fit.)"

² Share data as of 3/29/2019 (close) & 5/9/2013 (IPO price).

³ Book value per share with preferred converted to common as of 3/31/2013.

RECORD OF GROWTH

Double-digit YOY EPS growth for
20 of 24 quarters

DOUBLE -DIGIT EPS GROWTH



2019 FINANCIAL PERFORMANCE GOALS

Aimed at sustaining record of double-digit earnings growth over long term



Grow pre-tax income at a double-digit pace of 15%–25%



Organically grow loans at a double-digit pace of 15%–25%



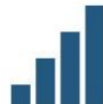
Grow treasury management deposit accounts by \$500 million



Surpass \$7B in bank assets



Deliver double-digit organic growth of Chartwell revenues
While continuing to evaluate investment management M&A



Surpass \$15B in AUM at Chartwell
Through a combination of organic and inorganic growth



Drive operating leverage through revenue growth and disciplined expense management
Maintaining bank efficiency ratio in the low 50s while limiting annual operating expense growth to a single-digit rate



Maintain strong credit quality metrics
Continuing to distinguish us by driving peer leading risk adjusted returns

PRIVATE BANKING

TriState Capital's fastest-growing channel for lending

Private banking loans are over-collateralized by marketable securities, cash value life insurance policies or cash, all monitored utilizing the bank's proprietary technology

- No loss history to date on these loans

Favorable regulatory capital treatment given reduced risk weighting enhances capital efficiency

Marketable securities collateral consist of liquid and primarily well-diversified portfolios



PRIVATE BANKING

TriState Capital's network of financial intermediary referral relationships is steadily expanding

National distribution of private banking loans and other services through financial intermediaries including broker-dealers, regional securities firms, registered investment advisors, wealth managers, family offices and trust companies

- **195** financial intermediaries provide access to **50,000+** individual financial advisors
- Encompasses those that do not offer banking services themselves

Private banking loans prove attractive to the fast-growing numbers of financial advisors moving from wire houses to independent platforms



High net worth
individuals, trusts and
businesses



Loans to HNW
individuals used for
any purpose (except to
purchase securities)

<35%

Median LTV
of these
outstanding loans

MIDDLE-MARKET COMMERCIAL BANKING

Four-state Mid-Atlantic footprint

20% commercial loan
growth YOY

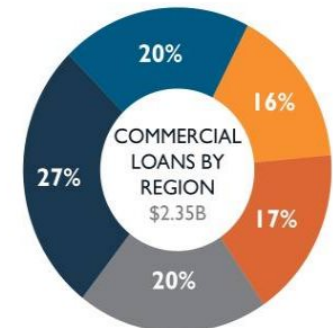
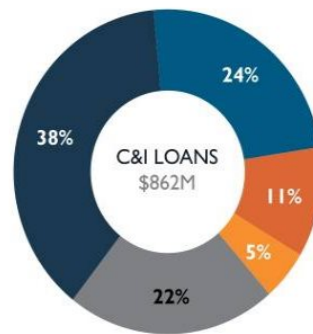
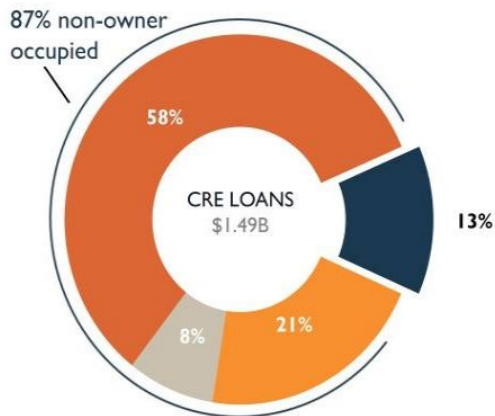
ORGANIC, IN-MARKET COMMERCIAL LOAN GROWTH



MIDDLE-MARKET COMMERCIAL BANKING

In-market relationships diversified across industries, property type and geographies

Highly experienced in-market regional presidents and relationship managers, with 25+ years average experience, source and serve local clients through our Mid-Atlantic representative offices



- Income-producing
- Owner-occupied
- Multifamily/apartment
- Construction/land

- Service
- Real estate
- Manufacturing
- Transportation
- All others

- Western PA
- Eastern PA
- Ohio
- New Jersey
- NYC

SUPERIOR CREDIT QUALITY

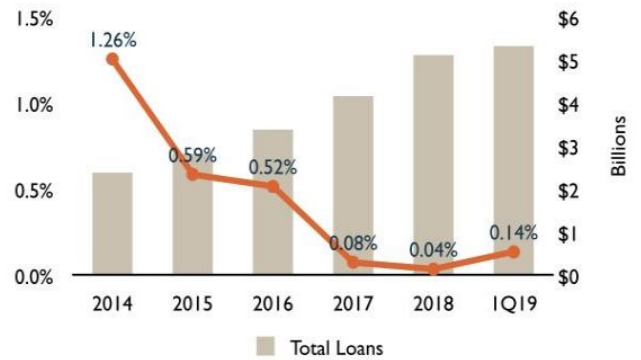
Drives consistently low annual credit costs

28 bps allowance to loans ratio

ALLOWANCE / NPLs



NPLs / TOTAL LOANS



ORGANIC DEPOSIT GROWTH

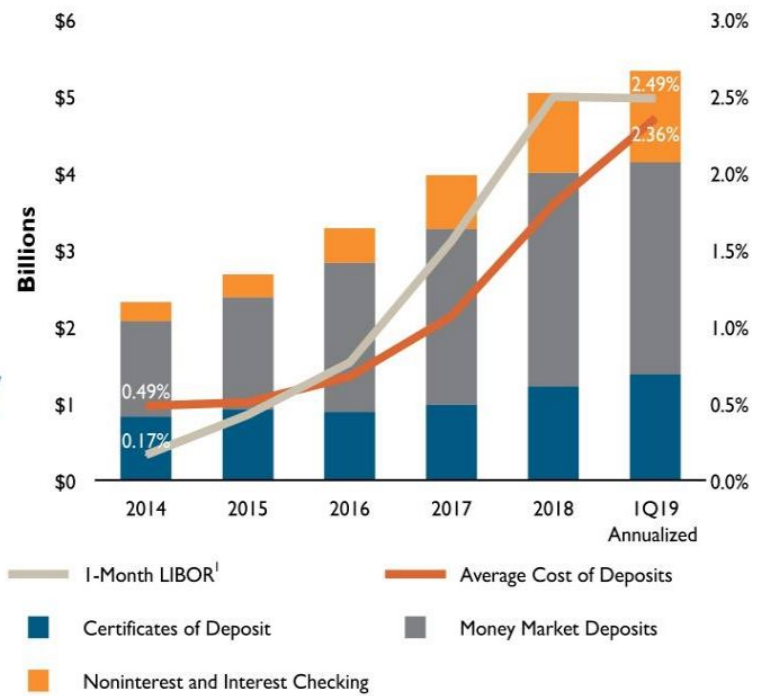
World class financial institutions and national deposit team

Treasury management capabilities and team enhanced in 2016

Enhanced capabilities to serve family offices and ultra high net worth clients in 2018

26% of deposits are fixed-rate CDs

DIVERSE AND HIGH-QUALITY DEPOSIT FRANCHISE



¹ I-Month London Interbank Offered Rate (LIBOR), based on U.S. Dollar, Percent, Daily, Not Seasonally Adjusted

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TREASURY MANAGEMENT A STRATEGIC PRIORITY

Investments in best-in-class technology and talent beginning in 2016 are paying off for our clients and our business

- Doubled treasury management deposits over last 18 months
- **12** dedicated professionals across regional footprint
- Sophisticated and high touch service combined with transparent fee structures driving growth with existing clients and rapid expansion of new clients
- **~500** clients and growing, including deposit-only clients with essential need for treasury management services

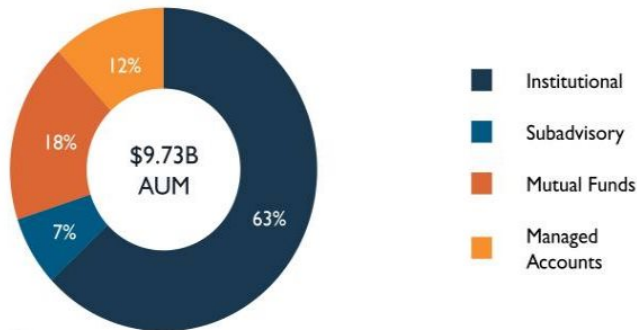
CHARTWELL

Investment management fees provide significant income diversification

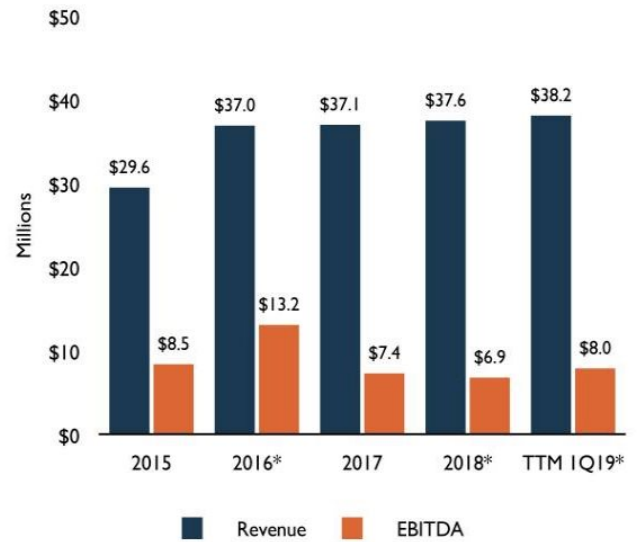
Leveraging TSC's distribution network and expertise to grow Chartwell Investment Partners' AUM

Enhancing institutional inflows while maintaining strong retail momentum

- Retail up to **30%** in MRQ from **8%** when Chartwell was acquired in 2014



CHARTWELL REVENUE AND EBITDA



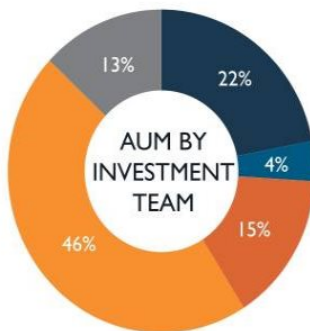
* EBITDA reflects change in the fair value of acquisition earnout in the period

CHARTWELL

Offers strategies not easily replicated by passive products

AUM of **\$9.73B** up **22%** since TSC acquired Chartwell in 2014

Growth driven by superior investment performance



- Value Equity
- Growth Equity
- Balanced
- Fixed Income
- Large Cap

8 strategies **outperforming** respective benchmarks for 3 and 5 years

Mid Cap Value
Smid Cap Value
Dividend Value
Covered Call
Short Duration BB-Rated High Yield Fixed Income
Intermediate High Grade Fixed Income
Core High Grade Fixed Income
Core Plus Fixed Income

Small Cap Value
Large Cap Growth
Small Cap Growth
Berwyn Income Fund
High Yield Fixed Income

OPERATING LEVERAGE

Driven by revenue growth, exceptional client focus, scalable model and prudent management



Unique branchless model



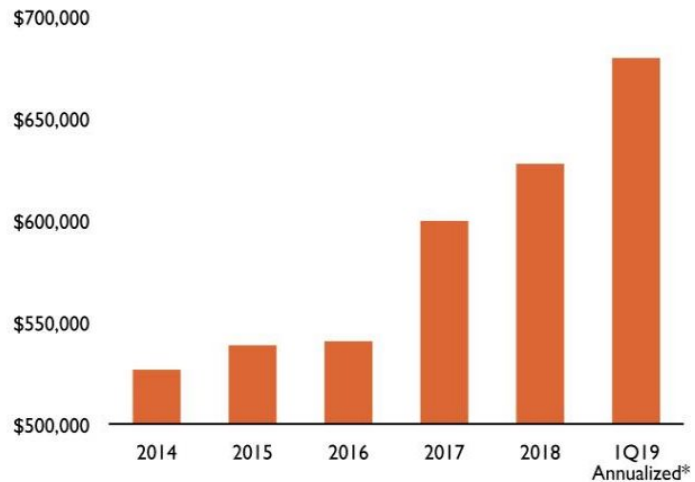
259 FTEs

Highly experienced and high-performing team



56.30% YTD bank efficiency ratio
compared to 54.48% in prior year period

SUPERIOR REVENUE / EMPLOYEE



*Revenue per employee was ~\$680,000 in IQ19, more than **twice** that of our peer group¹

¹ Peer data for bank holding companies with \$5B-\$10B in MRQ assets. Analysis of net interest income plus non-interest income, annualized, divided by period-end FTE employees based on data from S&P Global Market Intelligence.

CAPITAL AND INVESTMENT PROFILE

History of deploying capital in accretive acquisitions while organically growing balance sheet

Deployed \$66M raised in 2013 IPO (last common equity raise) in three accretive investment management acquisitions¹ while organically growing bank's balance sheet by more than \$4B

Raised net capital of **\$38M** in March 2018 offering of non-cumulative perpetual preferred stock, providing additional Tier 1 capital for the holding company

Repurchased 2.0M shares since 4Q14 for \$30.9M (~\$15.21 per share)

Investment Profile ²	
Closing Price	\$ 23.22
52-Week High	\$ 30.10
52-Week Low	\$ 18.20
Common Shares Outstanding	29.4M
Float	24.2M
Average Daily Volume (3 mos.)	~135,000
Insider Ownership	~18%

¹ Chartwell acquisition closed 3/5/2014, TKG acquisition closed 4/29/2016, and Columbia acquisition closed 4/6/2018.

² Market data as of April 25, 2019.



APPENDIX

KEY PERFORMANCE RATIOS

(Dollars in thousands)

	As of and For the Three Months Ended				As of and For the Years Ended		
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2018	December 31, 2017
Performance ratios:							
Return on average assets	0.92 %	0.99 %	1.01%	1.09 %	0.89 %	1.00%	0.89%
Return on average common equity	12.50 %	13.16 %	12.78%	13.57 %	10.65 %	12.57%	10.30%
Net interest margin	2.10 %	2.12 %	2.22%	2.38 %	2.35 %	2.26%	2.25%
Total revenue	\$ 43,413	\$ 41,183	\$ 41,570	\$ 41,292	\$ 37,346	\$ 161,391	\$ 138,009
Bank efficiency ratio	56.30 %	54.60 %	52.86%	50.49 %	54.48 %	53.09%	57.39%
Non-interest expense to average assets	1.77 %	1.81 %	1.90%	2.00 %	2.03 %	1.93%	2.15%
Asset quality:							
Non-performing loans	\$ 7,329	\$ 2,237	\$ 2,269	\$ 2,437	\$ 2,477	\$ 2,237	\$ 3,183
Non-performing assets	\$ 10,453	\$ 5,661	\$ 5,845	\$ 6,013	\$ 6,053	\$ 5,661	\$ 6,759
Other real estate owned	\$ 3,124	\$ 3,424	\$ 3,576	\$ 3,576	\$ 3,576	\$ 3,424	\$ 3,576
Non-performing assets to total assets	0.16 %	0.09 %	0.10%	0.11 %	0.12 %	0.09%	0.14%
Non-performing loans to total loan	0.14 %	0.04 %	0.05%	0.05 %	0.06 %	0.04%	0.08%
Allowance for loan and lease losses to loans	0.28 %	0.26 %	0.29%	0.34 %	0.34 %	0.26%	0.34%
Allowance for loan and lease losses to non-performing loans	200.74 %	590.43 %	598.63%	628.68 %	598.22 %	590.43%	452.94%
Net charge-offs (recoveries)	\$ (1,881)	\$ (206)	\$ 1,504	\$ (88)	\$ (206)	\$ 1,004	\$ 3,722
Net charge-offs (recoveries) to average total loans	(0.15)%	(0.02)%	0.13%	(0.01)%	(0.02)%	0.02%	0.10%
Investment management segment:							
Assets under management	\$ 9,732,000	\$ 9,189,000	\$ 9,865,000	\$ 9,554,000	\$ 8,344,000	\$ 9,189,000	\$ 8,309,000
EBITDA	\$ 2,621	\$ 1,890	\$ 1,867	\$ 1,627	\$ 1,515	\$ 6,900	\$ 7,421

INCOME STATEMENT

(Dollars in thousands, except per share data)

	For the Three Months Ended					For the Years Ended	
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2018	December 31, 2017
Income statement data:							
Interest income	\$ 62,902	\$ 58,162	\$ 52,424	\$ 47,784	\$ 41,416	\$ 199,786	\$ 134,295
Interest expense	32,530	28,630	23,605	18,993	15,154	86,382	42,942
Net interest income	30,372	29,532	28,819	28,791	26,262	113,404	91,353
Provision (credit) for loan and lease losses	(377)	(581)	(234)	415	195	(205)	(623)
Net interest income after provision for loan and lease losses	30,749	30,113	29,053	28,376	26,067	113,609	91,976
Non-interest income:							
Investment management fees	9,424	9,225	9,828	9,686	8,908	37,647	37,100
Net gain (loss) on the sale and call of debt securities	28	(76)	—	1	5	(70)	310
Other non-interest income	3,617	2,426	2,923	2,815	2,176	10,340	9,556
Total non-interest income	13,069	11,575	12,751	12,502	11,089	47,917	46,966
Non-interest expense:							
Intangible amortization expense	502	503	502	502	461	1,968	1,851
Change in fair value of acquisition earn out	—	(218)	—	—	—	(218)	—
Other non-interest expense	26,170	26,018	25,184	24,816	23,389	99,407	89,621
Total non-interest expense	26,672	26,303	25,686	25,318	23,850	101,157	91,472
Income before tax	17,146	15,385	16,118	15,560	13,306	60,369	47,470
Income tax expense	2,582	265	1,807	968	2,905	5,945	9,482
Net income	\$ 14,564	\$ 15,120	\$ 14,311	\$ 14,592	\$ 10,401	\$ 54,424	\$ 37,988
Preferred stock dividends on Series A	679	679	679	762	—	2,120	—
Net income available to common shareholders	\$ 13,885	\$ 14,441	\$ 13,632	\$ 13,830	\$ 10,401	\$ 52,304	\$ 37,988
Earnings per common share:							
Basic	\$ 0.50	\$ 0.52	\$ 0.49	\$ 0.50	\$ 0.38	\$ 1.90	\$ 1.38
Diluted	\$ 0.48	\$ 0.50	\$ 0.47	\$ 0.48	\$ 0.36	\$ 1.81	\$ 1.32

PERIOD-END BALANCE SHEET

(Dollars in thousands)

	As of				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Period-end balance sheet data:					
Cash and cash equivalents	\$ 243,911	\$ 189,985	\$ 186,535	\$ 164,367	\$ 145,033
Total investment securities	487,087	466,759	393,139	288,674	245,350
Loans and leases held-for-investment	5,336,725	5,132,873	4,758,356	4,552,928	4,302,766
Allowance for loan and lease losses	(14,712)	(13,208)	(13,583)	(15,321)	(14,818)
Loans and leases held-for-investment, net	5,322,013	5,119,665	4,744,773	4,537,607	4,287,948
Goodwill and other intangibles, net	67,361	67,863	68,365	68,867	64,897
Other assets	223,638	191,383	180,476	174,421	163,525
Total assets	\$ 6,344,010	\$ 6,035,655	\$ 5,573,288	\$ 5,233,936	\$ 4,906,753
Deposits	\$ 5,337,704	\$ 5,050,461	\$ 4,754,588	\$ 4,441,202	\$ 4,098,955
Borrowings, net	398,216	404,166	262,365	264,814	304,764
Other liabilities	111,533	101,674	88,715	74,026	62,805
Total liabilities	5,847,453	5,556,301	5,105,668	4,780,042	4,466,524
Preferred stock	38,468	38,468	38,468	38,432	38,440
Common shareholders' equity	458,089	440,886	429,152	415,462	401,789
Total shareholders' equity	496,557	479,354	467,620	453,894	440,229
Total liabilities and shareholders' equity	\$ 6,344,010	\$ 6,035,655	\$ 5,573,288	\$ 5,233,936	\$ 4,906,753

CAPITAL RATIOS

	As of				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
TSCH capital ratios:					
Tier I leverage ratio	7.13%	7.28%	7.53%	7.68%	7.96%
Common equity tier I risk-based capital ratio	9.98%	9.64%	10.52%	10.94%	11.09%
Tier I risk-based capital ratio	10.92%	10.58%	11.57%	12.06%	12.25%
Total risk-based capital ratio	11.26%	10.86%	11.89%	12.66%	12.84%
TSCB capital ratios:					
Tier I leverage ratio	7.29%	7.49%	7.71%	7.87%	8.03%
Common equity tier I risk-based capital ratio	11.18%	10.90%	11.92%	12.38%	12.41%
Tier I risk-based capital ratio	11.18%	10.90%	11.92%	12.38%	12.41%
Total risk-based capital ratio	11.57%	11.25%	12.30%	12.82%	12.83%

LOAN AND LEASE COMPOSITION

(Dollars in thousands)

Loan and Lease Composition	As of				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Private banking	\$ 2,981,973	\$ 2,869,543	\$ 2,627,749	\$ 2,488,162	\$ 2,342,024
C&I	862,405	785,320	771,546	741,901	683,417
CRE	1,492,347	1,478,010	1,359,061	1,322,865	1,277,325
Loans and lease held-for-investment	\$ 5,336,725	\$ 5,132,873	\$ 4,758,356	\$ 4,552,928	\$ 4,302,766
Private banking	55.9%	55.9%	55.2%	54.6%	54.4%
C&I	16.1%	15.3%	16.2%	16.3%	15.9%
CRE	28.0%	28.8%	28.6%	29.1%	29.7%
Loans and lease held-for-investment	100.0%	100.0%	100.0%	100.0%	100.0%

DEPOSIT COMPOSITION

(Dollars in thousands)

Deposit Composition	As of				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Noninterest-bearing checking accounts	\$ 292,188	\$ 258,268	\$ 236,422	\$ 247,705	\$ 260,952
Interest-bearing checking accounts	895,948	778,131	713,833	612,501	554,743
Money market deposit accounts	2,760,147	2,781,870	2,565,561	2,494,927	2,346,793
Certificates of deposit	1,389,421	1,232,192	1,238,772	1,086,069	936,467
Total deposits	\$ 5,337,704	\$ 5,050,461	\$ 4,754,588	\$ 4,441,202	\$ 4,098,955

Noninterest-bearing checking accounts	5.5%	5.1%	5.0%	5.5%	6.4%
Interest-bearing checking accounts	16.8%	15.4%	15.0%	13.8%	13.5%
Money market deposit accounts	51.7%	55.1%	53.9%	56.2%	57.3%
Certificates of deposit	26.0%	24.4%	26.1%	24.5%	22.8%
Total deposits	100.0%	100.0%	100.0%	100.0%	100.0%

AVERAGE BALANCE SHEET

	Three Months Ended								
	March 31, 2019			December 31, 2018			March 31, 2018		
(Dollars in thousands)	Average Balance	Interest Income ⁽¹⁾ / Expense	Average Yield/ Rate	Average Balance	Interest Income ⁽¹⁾ / Expense	Average Yield/ Rate	Average Balance	Interest Income ⁽¹⁾ / Expense	Average Yield/ Rate
Assets									
Interest-earning deposits	\$ 202,474	\$ 1,256	2.52%	\$ 211,333	\$ 1,162	2.18%	\$ 150,121	\$ 579	1.56%
Federal funds sold	8,595	31	1.46%	9,959	57	2.27%	7,042	26	1.50%
Debt securities available-for-sale	236,235	1,986	3.41%	260,877	2,045	3.11%	142,323	958	2.73%
Debt securities held-to-maturity	211,833	2,018	3.86%	155,220	1,426	3.64%	58,953	595	4.09%
Equity securities	12,755	72	2.29%	13,543	77	2.26%	8,627	66	3.10%
FHLB stock	20,498	305	6.03%	15,970	186	4.62%	14,195	194	5.54%
Total loans and leases	5,177,844	57,262	4.49%	4,853,414	53,237	4.35%	4,165,180	39,027	3.80%
Total interest-earning assets	5,870,234	62,930	4.35%	5,520,316	58,190	4.18%	4,546,441	41,445	3.70%
Other assets	242,553			239,506			208,679		
Total assets	\$ 6,112,787			\$ 5,759,822			\$ 4,755,120		
Liabilities and Shareholders' Equity									
Interest-bearing deposits:									
Interest-bearing checking accounts	\$ 792,690	4,542	2.32%	\$ 722,386	\$ 3,976	2.18%	\$ 464,247	\$ 1,621	1.42%
Money market deposit accounts	2,682,390	16,540	2.50%	2,605,148	14,844	2.26%	2,281,606	8,113	1.44%
Certificates of deposit	1,300,296	8,251	2.57%	1,220,839	7,394	2.40%	977,689	3,667	1.52%
Borrowings:									
FHLB borrowings	459,333	2,585	2.28%	352,337	1,811	2.04%	310,000	1,147	1.50%
Line of credit borrowings	4,139	58	5.68%	3,652	51	5.54%	5,373	52	3.92%
Subordinated notes payable, net	34,933	554	6.43%	34,883	554	6.30%	34,731	554	6.47%
Total interest-bearing liabilities	5,273,781	32,530	2.50%	4,939,245	28,630	2.30%	4,073,646	15,154	1.51%
Noninterest-bearing deposits	261,682			249,330			228,257		
Other liabilities	88,485			97,458			56,655		
Shareholders' equity	488,839			473,789			396,562		
Total liabilities and shareholders' equity	\$ 6,112,787			\$ 5,759,822			\$ 4,755,120		
Net interest income ⁽¹⁾		\$ 30,400			\$ 29,560			\$ 26,291	
Net interest spread			1.85%			1.88%			2.19%
Net interest margin ⁽¹⁾			2.10%			2.12%			2.35%

⁽¹⁾ Interest income and net interest margin are calculated on a fully taxable equivalent basis.

AVERAGE BALANCE SHEET



Years Ended December 31,

	2018			2017		
	Average Balance	Interest Income ⁽¹⁾ / Expense	Average Yield/ Rate	Average Balance	Interest Income ⁽¹⁾ / Expense	Average Yield/ Rate
<i>(Dollars in thousands)</i>						
Assets						
Interest-earning deposits	\$ 188,921	\$ 3,598	1.90%	\$ 126,888	\$ 1,466	1.16%
Federal funds sold	8,315	156	1.88%	6,923	68	0.98%
Debt securities available-for-sale	205,652	6,195	3.01%	144,735	3,122	2.16%
Debt securities held-to-maturity	90,895	3,399	3.74%	58,635	2,463	4.20%
Debt securities trading	—	—	—%	188	4	2.13%
Equity securities	10,517	277	2.63%	8,539	266	3.12%
FHLB stock	15,136	924	6.10%	13,286	603	4.54%
Total loans and leases	4,500,117	185,349	4.12%	3,711,701	126,544	3.41%
Total interest-earning assets	5,019,553	199,898	3.98%	4,070,895	134,536	3.30%
Other assets	221,467			193,532		
Total assets	\$ 5,241,020			\$ 4,264,427		
Liabilities and Shareholders' Equity						
Interest-bearing deposits:						
Interest-bearing checking accounts	\$ 612,921	\$ 11,440	1.87%	\$ 336,337	\$ 3,706	1.10%
Money market deposit accounts	2,429,203	45,106	1.86%	1,999,399	22,350	1.12%
Certificates of deposit	1,071,556	21,947	2.05%	967,503	11,429	1.18%
Borrowings:						
FHLB borrowings	325,356	5,555	1.71%	295,315	3,152	1.07%
Line of credit borrowings	2,568	119	4.63%	2,214	90	4.07%
Subordinated notes payable, net	34,807	2,215	6.36%	34,605	2,215	6.40%
Total interest-bearing liabilities	4,476,411	86,382	1.93%	3,635,373	42,942	1.18%
Noninterest-bearing deposits	244,090			210,860		
Other liabilities	75,473			49,279		
Shareholders' equity	445,046			368,915		
Total liabilities and shareholders' equity	\$ 5,241,020			\$ 4,264,427		
Net interest income ⁽¹⁾		\$ 113,516			\$ 91,594	
Net interest spread			2.05%			2.12%
Net interest margin ⁽¹⁾			2.26%			2.25%

⁽¹⁾ Interest income and net interest margin are calculated on a fully taxable equivalent basis.

SEGMENTS

<i>(Dollars in thousands)</i>	Three Months Ended March 31, 2019				Three Months Ended March 31, 2018			
	Bank	Investment Management	Parent and Other	Consolidated	Bank	Investment Management	Parent and Other	Consolidated
Income statement data:								
Interest income	\$ 62,830	\$ —	\$ 72	\$ 62,902	\$ 41,350	\$ —	\$ 66	\$ 41,416
Interest expense	31,919	—	611	32,530	14,549	—	605	15,154
Net interest income (loss)	30,911	—	(539)	30,372	26,801	—	(539)	26,262
Provision (credit) for loan and lease losses	(377)	—	—	(377)	195	—	—	195
Net interest income (loss) after provision for loan and lease losses	31,288	—	(539)	30,749	26,606	—	(539)	26,067
Non-interest income:								
Investment management fees	—	9,533	(109)	9,424	—	8,963	(55)	8,908
Net gain on the sale and call of debt securities	28	—	—	28	5	—	—	5
Other non-interest income	2,877	21	719	3,617	2,176	—	—	2,176
Total non-interest income	2,905	9,554	610	13,069	2,181	8,963	(55)	11,089
Non-interest expense:								
Intangible amortization expense	—	502	—	502	—	461	—	461
Other non-interest expense	19,021	7,058	91	26,170	15,786	7,573	30	23,389
Total non-interest expense	19,021	7,560	91	26,672	15,786	8,034	30	23,850
Income (loss) before tax	15,172	1,994	(20)	17,146	13,001	929	(624)	13,306
Income tax expense (benefit)	2,024	563	(5)	2,582	2,854	227	(176)	2,905
Net income (loss)	\$ 13,148	\$ 1,431	\$ (15)	\$ 14,564	\$ 10,147	\$ 702	\$ (448)	\$ 10,401

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP INCOME STATEMENT ITEMS

	For the Three Months Ended				For the Years Ended		
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2018	December 31, 2017
<i>(Dollars in thousands)</i>							
Total revenue:							
Net interest income	\$ 30,372	\$ 29,532	\$ 28,819	\$ 28,791	\$ 26,262	\$ 113,404	\$ 91,353
Total non-interest income	13,069	11,575	12,751	12,502	11,089	47,917	46,966
Less: net gain (loss) on the sale and call of debt securities	28	(76)	—	1	5	(70)	310
Total revenue	\$ 43,413	\$ 41,183	\$ 41,570	\$ 41,292	\$ 37,346	\$ 161,391	\$ 138,009

	For the Three Months Ended				For the Years Ended		
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2018	December 31, 2017
<i>(Dollars in thousands)</i>							
Bank total revenue:							
Net interest income	\$ 30,911	\$ 30,058	\$ 29,316	\$ 29,280	\$ 26,801	\$ 115,455	\$ 93,380
Total non-interest income	2,905	3,161	2,850	2,850	2,181	11,042	9,864
Less: net gain (loss) on the sale and call of debt securities	28	(76)	—	1	5	(70)	310
Bank total revenue	\$ 33,788	\$ 33,295	\$ 32,166	\$ 32,129	\$ 28,977	\$ 126,567	\$ 102,934
Bank efficiency ratio:							
Total non-interest expense (numerator)	\$ 19,021	\$ 18,179	\$ 17,002	\$ 16,223	\$ 15,786	\$ 67,190	\$ 59,073
Total revenue (denominator)	\$ 33,788	\$ 33,295	\$ 32,166	\$ 32,129	\$ 28,977	\$ 126,567	\$ 102,934
Bank efficiency ratio	56.30%	54.60%	52.86%	50.49%	54.48%	53.09%	57.39%

For a comprehensive discussion on the use of non-GAAP data, please refer to the Company's most recent quarterly financial results news release filed with the Securities and Exchange Commission and available at www.tscbank.com

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP INCOME STATEMENT ITEMS

	For the Three Months Ended					For the Years Ended	
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2018	December 31, 2017
<i>(Dollars in thousands)</i>							
Investment Management EBITDA:							
Net income	\$ 1,431	\$ 1,468	\$ 957	\$ 723	\$ 702	\$ 3,851	\$ 4,551
Interest expense	—	—	—	—	—	—	—
Income taxes expense (benefit)	563	(207)	282	277	227	579	522
Depreciation expense	125	126	126	125	125	502	497
Intangible amortization expense	502	503	502	502	461	1,968	1,851
EBITDA	\$ 2,621	\$ 1,890	\$ 1,867	\$ 1,627	\$ 1,515	\$ 6,900	\$ 7,421

For a comprehensive discussion on the use of non-GAAP data, please refer to the Company's most recent quarterly financial results news release filed with the Securities and Exchange Commission and available at www.tscbank.com

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP BALANCE SHEET ITEMS

	As of				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
<i>(Dollars in thousands, except per share data)</i>					
Tangible book value per common share:					
Common shareholders' equity	\$ 458,089	\$ 440,886	\$ 429,152	\$ 415,462	\$ 401,789
Less: goodwill and intangible assets	67,361	67,863	68,365	68,867	64,897
Tangible common equity	\$ 390,728	\$ 373,023	\$ 360,787	\$ 346,595	\$ 336,892
Common shares outstanding	29,351,833	28,878,674	28,920,978	28,947,883	28,976,214
Tangible book value per common share	\$ 13.31	\$ 12.92	\$ 12.47	\$ 11.97	\$ 11.63

For a comprehensive discussion on the use of non-GAAP data, please refer to the Company's most recent quarterly financial results news release filed with the Securities and Exchange Commission and available at www.tscbank.com

