

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): November 9, 2020

FB FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

Tennessee
(State or other jurisdiction
of incorporation)

001-37875
(Commission File Number)

62-1216058
(IRS Employer
Identification Number)

211 Commerce Street, Suite 300
Nashville, Tennessee 37201
(Address of principal executive offices) (Zip Code)

(615) 564-1212
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$1.00 par value	FBK	New York Stock Exchange

Indicate by check mark whether the registrant is an 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 Securities 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.

On Tuesday, November 10, 2020, members of the management team of FB Financial Corporation (the “**Company**”) will be presenting at the Piper Sandler East Coast Financial Services Conference (the “**Piper Sandler Conference**”). A copy of the slide presentation to be used by the Company at the Piper Sandler Conference is furnished as Exhibit 99.1 to this Current Report on Form 8-K. The slide presentation is also available on the Company’s website at: <https://investors.firstbankonline.com/event>.

The information contained in this Item 7.01 and in Exhibit 99.1 furnished herewith shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), or otherwise subject to the liabilities under that section, nor shall it be deemed incorporated by reference into any filings made by the Company pursuant to the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Presentation by FB Financial Corporation

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 hereunto duly authorized.

FB FINANCIAL CORPORATION

By: /s/ Beth W. Sims
Beth W. Sims
General Counsel and Corporate Secretary

Date: November 9, 2020

Financial Corporation



Fourth Quarter 2020 Investor Presentation

November 10, 2020

Certain statements contained in this presentation may constitute 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 regarding the projected impact of the COVID-19 global pandemic on FB Financial business operations, statements relating to the timing, benefits, costs, and synergies of the recently completed merger with Franklin Financial Network, Inc. and Franklin Synergy Bank (collectively, "Franklin") (the "Franklin merger") and of the recently completed merger with FNB Financial Corp. ("FNB") (together with the Franklin merger, the "mergers"), and FB Financial's future plans, results, strategies, and expectations. These statements 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, many of which, by their nature, are inherently uncertain and beyond FB Financial's control. The inclusion of these forward-looking statements should not be regarded as a representation by FB Financial or any other person that such expectations, estimates, and projections will be achieved. Accordingly, FB Financial cautions shareholders and 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. Although FB Financial believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this 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 including, without limitation, (1) current and future economic conditions, including the effects of declines in housing and commercial real estate prices, high unemployment rates, and any slowdown in economic growth in the local or regional economies in which we operate and/or the U.S. economy generally, (2) the effects of the COVID-19 pandemic, including the magnitude and duration of the pandemic and its impact on general economic and financial market conditions and on FB Financial's business and FB Financial customers' businesses, results of operations, asset quality and financial condition, (3) changes in government interest rate policies, (4) our ability to effectively manage problem credits, (5) the risk that the cost savings and any revenue synergies from the mergers or another acquisition may not be realized or may take longer than anticipated to be realized, (6) disruption from the mergers with customer, supplier, or employee relationships, (7) the possibility that the costs, fees, expenses, and charges related to the mergers may be greater than anticipated, including as a result of unexpected or unknown factors, events, or liabilities, (8) the risks related to the integrations of the combined businesses following the mergers, including the risk that the integrations will be materially delayed or will be more costly or difficult than expected, (9) the diversion of management time on issues related to the mergers, (10) the ability of FB Financial to effectively manage the larger and more complex operations of the combined company following the Franklin merger, (11) the risks associated with FB Financial's pursuit of future acquisitions, (12) reputational risk and the reaction of the parties' respective customers to the mergers, (13) FB Financial's ability to successfully execute its various business strategies, including its ability to execute on potential acquisition opportunities, (14) the risk of potential litigation or regulatory action related to the Franklin merger, and (15) general competitive, economic, political, and market conditions. Further information regarding FB Financial and factors that could affect the forward-looking statements contained herein can be found in FB Financial's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020 and June 30, 2020, and its other filings with the SEC. Many of these factors are beyond FB Financial's ability to control or predict. If one or more events related to these or other risks or uncertainties materialize, or if the underlying assumptions prove to be incorrect, actual results may differ materially from the forward-looking statements. Accordingly, shareholders and investors should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this presentation, and FB Financial undertakes no 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 FB Financial to predict their occurrence or how they will affect the company. FB Financial qualifies all forward-looking statements by these cautionary statements.

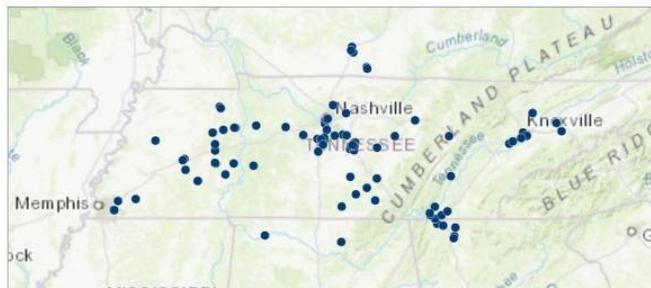
This presentation contains certain financial measures that are not measures recognized under U.S. generally accepted accounting principles ("GAAP") and therefore are considered non-GAAP financial measures. These non-GAAP financial measures include, without limitation, adjusted net income, adjusted diluted earnings per share, adjusted pro forma net income, adjusted pro forma diluted earnings per share, pre-tax, pre-provision earnings, adjusted pre-tax, pre-provision earnings, adjusted pre-tax, pre-provision earnings per share, core noninterest expense, core revenue, core noninterest income, core efficiency ratio (tax-equivalent basis), banking segment core efficiency ratio (tax-equivalent basis), mortgage segment core efficiency ratio (tax-equivalent basis), adjusted mortgage contribution, adjusted return on average assets and equity, pro forma return on average assets and equity, pro forma adjusted return on average assets, equity and tangible common equity and adjusted pre-tax, pre-provision return on average assets, equity and tangible common equity and adjusted allowance for credit losses to loans held for investment. Each of these non-GAAP metrics excludes certain income and expense items that FB Financial's management considers to be non-core/adjusted in nature. FB Financial refers to these non-GAAP measures as adjusted or core measures. This presentation also presents tangible assets, tangible common equity, tangible book value per common share and tangible common equity to tangible assets. Each of these non-GAAP metrics excludes the impact of goodwill and other intangibles.

FB Financial's management uses these non-GAAP financial measures in their analysis of FB Financial's performance, financial condition and the efficiency of its operations as management believes such measures facilitate period-to-period comparisons and provide meaningful indications of its operating performance as they eliminate both gains and charges that management views as non-recurring or not indicative of operating performance. 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 demonstrating the effects of significant non-core gains and charges in the current and prior periods. FB Financial's management also believes that investors find these non-GAAP financial measures useful as they assist investors in understanding FB Financial's underlying operating performance and in the analysis of ongoing operating trends. In addition, because intangible assets such as goodwill and other intangibles, and the other items excluded each vary extensively from company to company, FB Financial believes that the presentation of this information allows investors to more easily compare FB Financial's results to the results of other companies. 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. FB Financial strongly encourages interested parties to review the GAAP financial measures included in this presentation and not to place undue reliance upon any single financial measure. Moreover, the manner in which FB Financial calculates 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 FB Financial has discussed herein when comparing such non-GAAP financial measures. The tables in the Appendix of this presentation provide a reconciliation of these measures to the most directly comparable GAAP financial measures.

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 currently owns ~29% of FB Financial following the close of the Franklin Financial Network merger
- Attractive footprint in both high growth metropolitan markets and stable community markets
 - Located in eight attractive metropolitan markets in Tennessee, Alabama & Kentucky¹
 - Strong market position in sixteen community markets¹
 - Mortgage offices located throughout footprint and strategically across the southeast, with a national online platform
- Provides community banking, relationship-based, customer service 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
- Completed acquisition of FNB Financial Corporation in Scottsville, KY on February 14, 2020 (~\$258 million in assets)
- Completed acquisition of Franklin Financial Network, Inc. (NYSE: FSB) on August 15, 2020 (~\$3.6 billion in assets)
- Completed \$100 million, 4.50% bank-level subordinated note placement in 3Q 2020

Franchise map¹



Financial results

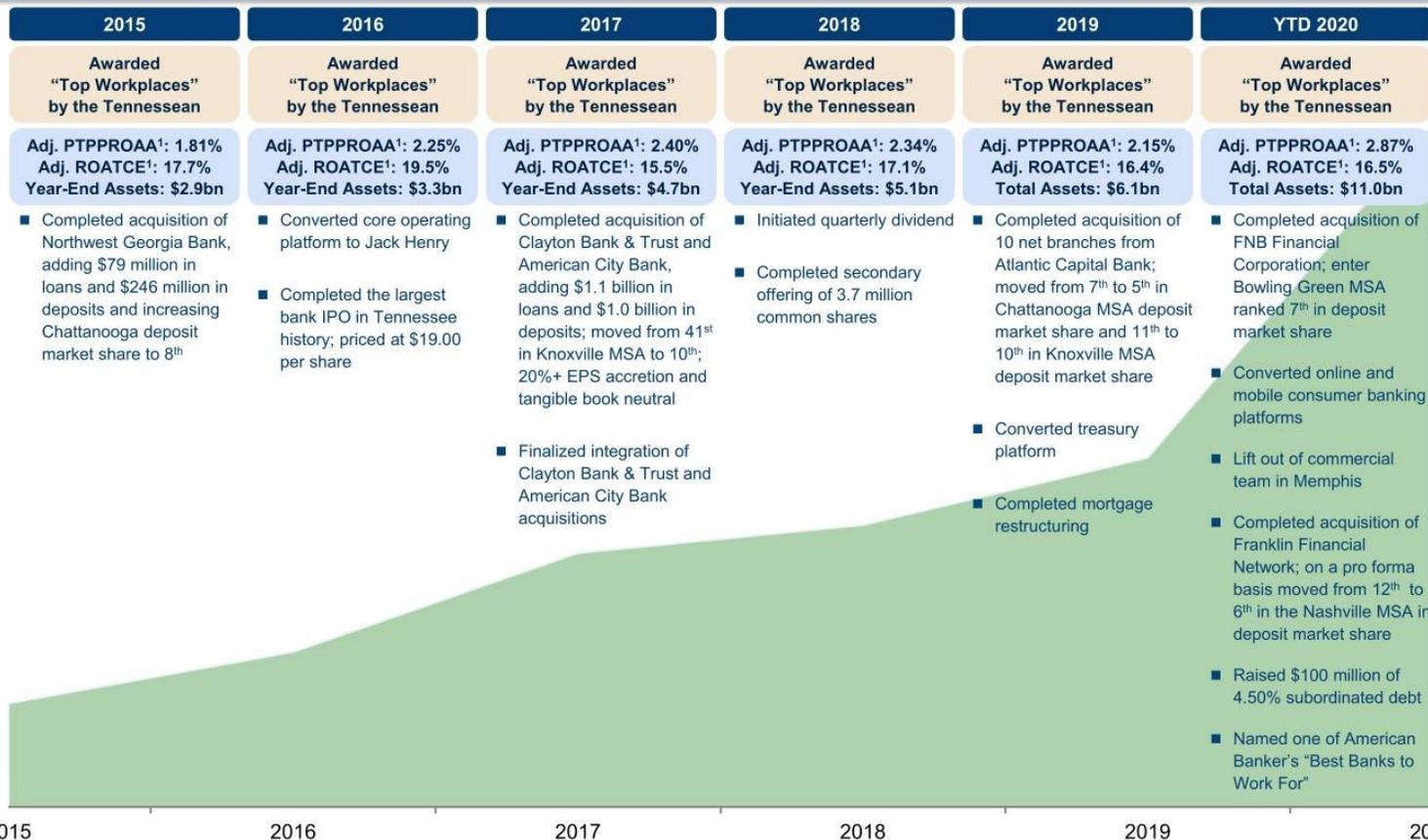
Balance sheet (\$mm)	3Q 2020
Total assets	\$11,010
Loans – HFI	\$7,214
Total deposits	\$9,094
Shareholder's equity	\$1,245

Key metrics (%)	YTD 2020
Tangible Common Equity / Tangible Assets (%)	9.2% ²
On-Balance Sheet Liquidity / Tangible Assets (%)	14.7%
Adjusted PTPP ROAA (%)	2.87% ²
Adjusted PTPP ROATCE (%)	30.4% ²
NIM (%)	3.53%
Core Efficiency (%)	59.8% ²

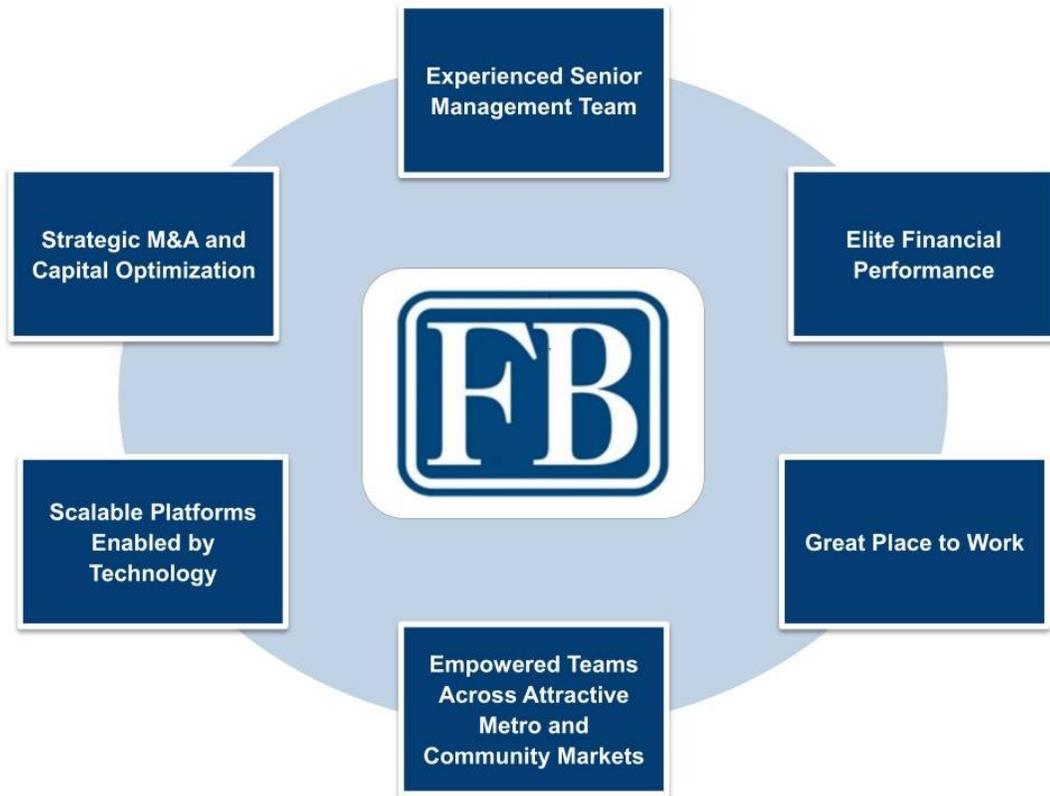
Note: Unaudited financial data as of September 30, 2020; presented on a consolidated basis.

² Non-GAAP financial measure. See "Use of non-GAAP financial measures" and "Reconciliation of non-GAAP financial measures" in the Appendix hereto.

Recent corporate history



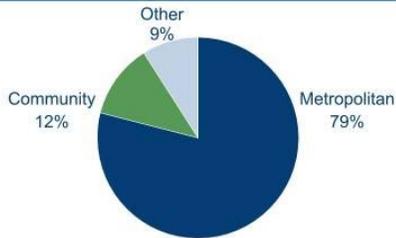
¹ Pro forma net income and tax-adjusted return on average assets and return on average tangible common equity include a pro forma provision for federal income taxes using a combined effective income tax rate of 35.08% and 36.75% for the years ended December 31, 2015 and 2016, respectively, and also excludes the impact of a one-time tax charge to C Corp conversion in 3Q 2016 and the 4Q 2017 benefit from the 2017 Tax Cuts and Jobs Act. A combined effective tax rate of 26.06% is being applied in subsequent periods. See "Use of non-GAAP financial measures," and "Reconciliation of non-GAAP financial measures" in the Appendix hereto. Note: Financial data presented on a consolidated basis.



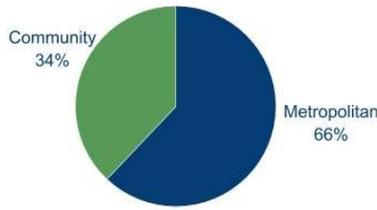
Our pro forma footprint¹



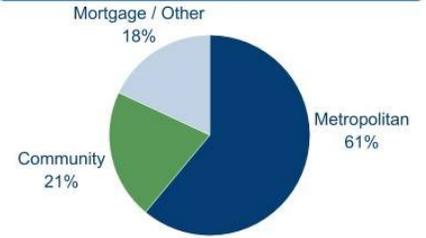
Total loans (HFI)²
- \$7.2bn



Total full service branches²
- 82 branches



Total deposits²
- \$9.1bn



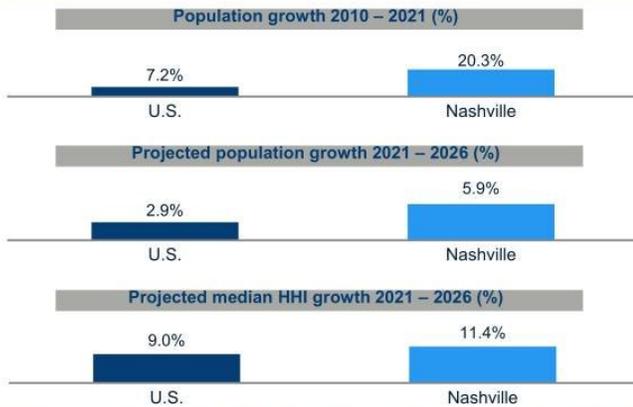
¹ Source: SNL Financial. Statistics are based upon deposit data by MSA. Market data is as of June 30, 2020 and is presented on a pro forma basis for announced acquisitions since June 30, 2020. Size of bubble represents size of company deposits in a given market. ² Financial data as of June 30, 2020. Branch data as of October 15, 2020.

Nashville rankings: "The new 'it' City" – The New York Times¹

#1	in Metropolitan Economic Strength Rankings ²	#2	Best Place for New Businesses ³
#3	Best City for Young Professionals ⁴	#4	Best City to Spend a Weekend ⁵

Select companies with major Nashville presence

Nashville growth



¹ January 9, 2013 "Nashville Takes its Turn in the Spotlight". ² Policom Corp., 2020. ³ SmartAdvisor, 2019. ⁴ SmartAsset, August 2019. ⁵ Thrillist, May 2019.
Source: S&P Market Intelligence; Chattanooga, Knoxville, Memphis, Huntsville, Bowling Green Chambers of Commerce, U.S. Department of Labor, Bureau of Labor Statistics, NAICS.

Chattanooga

- 4th largest MSA in TN
- Diverse economy with over 24,000 businesses
- Employs over 260,000 people

Knoxville

- 3rd 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

Jackson

- 8th largest MSA in TN
- 300,000 people make up Jackson's workforce. Existing companies include Kellogg Company, Gerdau, Stanley Black and Decker, Delta Faucet, & Ingram Publishing Group

Bowling Green

- Expands FirstBank into Kentucky
- No. 1 spot in Site Selection Magazine's national ranking for economic development performance
- In 2019, the MSA announced \$376.6MM in capital investment in expanded and new targeted businesses

Memphis

- 2nd largest MSA in TN
- Known for the busiest cargo airport in North America
- In 2018, Entrepreneur magazine ranked Memphis #15 on its "25 Cities Worth Moving to if You Want to Launch a Business"

Huntsville

- One of the strongest technology economies in the nation, with the highest concentration of engineers in the United States
- 6th largest county by military spending in the country

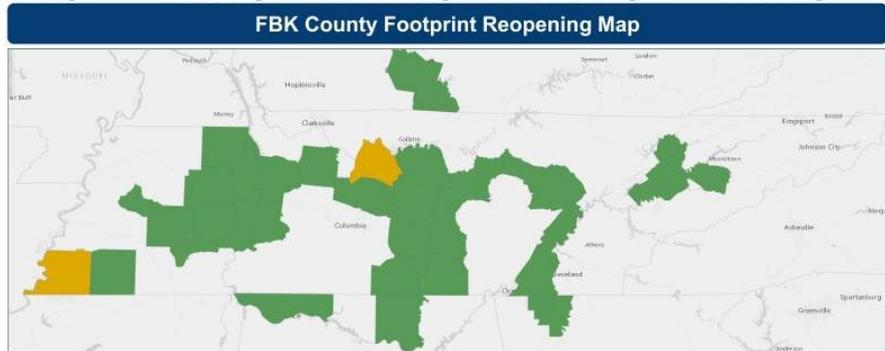
Florence

- University town home to the University of North Alabama and Northwest Shoals Community College
- Generally steady and diversified economy

Health and Safety	<ul style="list-style-type: none"> ▪ No pandemic related reductions in force, and remote work environment has been effective ▪ Branch lobby service reinstated across the footprint with sneeze guards and social distancing methods in place ▪ Back office personnel have begun transition back to the office with social distancing guidelines in place
Liquidity	<ul style="list-style-type: none"> ▪ Loans HFI / Deposits of 79.3% ▪ Monitoring movement of deposits as balances and organic growth remain elevated ▪ Approximately \$571 million in non-core funding expected to leave the balance sheet by December 31, 2020, consisting of \$51 million in non-core customer CDs, \$420 million in institutional money market accounts and \$100 million in FHLB Advances
Capital	<ul style="list-style-type: none"> ▪ Total Risk Based Capital ratio increased to 15.3% as of September 30, 2020 from 13.2% as of June 30, 2020 on the strength of strong core earnings and \$100 million subordinated notes raised in August ▪ Increased Allowance for Credit Losses to 2.55% of Loans HFI, or 2.66% adjusted to exclude PPP loans¹ ▪ C&D / Total RBC of 91%, under regulatory guidance of 100% a year earlier than expected
Profitability	<ul style="list-style-type: none"> ▪ Mortgage continues to capitalize on low rate environment, delivered \$39.5 million in adjusted total mortgage direct contribution¹ in the third quarter and has delivered \$81.1 million year-to-date ▪ Cost of total deposits declined 9 bps from 2Q 2020 to 0.56% ▪ \$257 million in time deposits with a weighted average cost of 1.77% mature in 4Q 2020
Growth	<ul style="list-style-type: none"> ▪ Risk-off related paydowns and limited economic activity hampered organic loan growth in 3Q 2020 ▪ Strong pipeline reported by the field; expect return to organic loan growth in 4Q 2020 and 2021 ▪ Lifted out a strong commercial team in Memphis that has been performing well in their first months as part of the FirstBank team

¹ See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP financial measures.

Government Guidance on Economic Activity							
Market	Retail	Restaurant	Close Contact Providers	Entertainment Venues	Gyms	Mask Orders	Map Key
Tennessee ¹	Open w/ Distancing	Open w/ Distancing	Open w/ Distancing	Open w/ Distancing	Open w/ Distancing	Strongly Encouraged	Green
Georgia ²	50% Capacity	Open w/ Distancing	Open w/ Distancing	Open w/ Distancing	Open w/ Distancing	Strongly Encouraged	Green
Kentucky ³	50% Capacity	50% Capacity	50% Capacity	50% Capacity	50% Capacity	Requirement, as of September 15	Green
Alabama ⁴	50% Capacity	Open w/ Distancing	Open w/ Distancing	50% Capacity	Open w/ Distancing	Requirement, as of October 2	Green
Davidson County ⁵	75% Capacity	Open w/ Distancing	75% Capacity	50% Capacity	50% Capacity	Requirement, as of October 1	Yellow
Shelby County ⁶	Open w/ Distancing	Open w/ Distancing	Open w/ Distancing	Open w/ Distancing	Open w/ Distancing	Requirement, as of August 24	Yellow

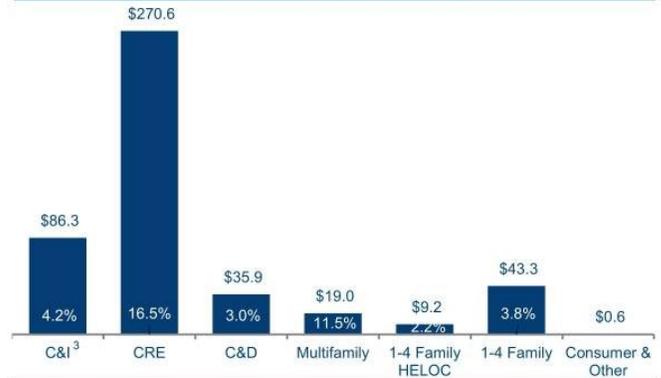


¹ Source: tn.gov/governor/covid-19, Tennessee Pledge ² Source: georgia.org/covid19bizguide#other, Georgia's Statewide Executive Order: Guidelines for Businesses. ³ Source: govstatus.egov.com/ky-healthy-at-work, Healthy at Work - Reopening Kentucky. ⁴ Source: alabamapublichealth.gov, Coronavirus Disease 2019. ⁵ Source: asafenashville.org, Roadmap for Reopening Nashville: Phase 2 Guidance and Resources ⁶ Source: <https://insight.livestories.com/s/v2/covid-19-frequently-asked-questions-directives-shelby-county-tn>, Health Directive from The Shelby County Public Health Department.

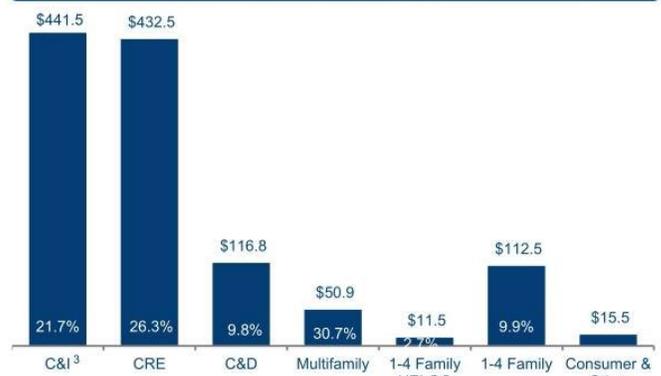
Deferral programs

- First deferral held no requirements; granting of second deferrals are being decided on a case-by-case basis
- Standard consumer loan received 2-payment relief; standard commercial loan received 90 day principal and interest forbearance; relationship managers had authority to offer plans that varied from the standard
- Working with customers in industries disproportionately affected by social distancing restrictions, including hospitality and restaurants
- Of the \$1.6 billion in loans given a deferral, \$465 million, or 6.4% of total loans HFI, remain in some sort of deferral as of September 30, 2020
 - \$116 million are still in the first deferral period
 - \$349 million have been granted additional deferrals
- Approximately 6.1% of loans held in our mortgage servicing portfolio were in forbearance as of September 30, 2020

Remaining deferrals by type (\$465 million¹)



Returned to normal / other by type (\$1.2 billion²)



¹ Balances based on deferral participants' loan balances outstanding as of September 30, 2020. %'s are deferrals as a percentage of total outstanding balances in each reporting category as of September 30, 2020.
² Balances based on deferral participants' as of September 30, 2020 and loan balances outstanding as of September 30, 2020. %'s are deferrals as a percentage of each reporting category as of September 30, 2020.
³ Includes owner-occupied CRE, excludes PPP loans.

Transaction Highlights

- Closed acquisition on August 15, 2020
- Successful systems conversion on October 12, 2020
- Deposit market share increased to 6th in the Nashville MSA
 - 1st in Williamson County
 - 2nd in Rutherford County
 - 10th in Davidson County
- Added 9 net branches in the Nashville MSA
- Added over 30 relationship managers in the Nashville MSA

Recent Nashville News

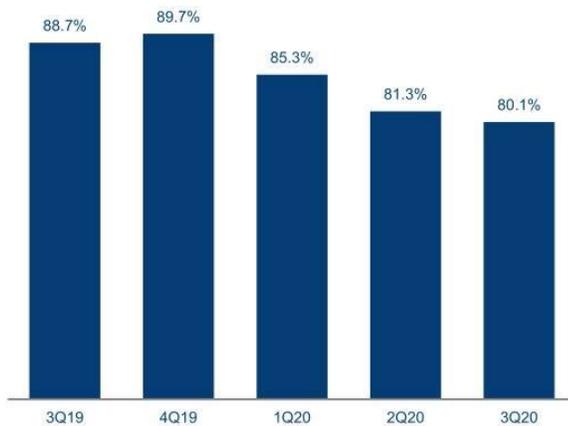
- Facebook plans \$800 million Gallatin data center
– *Nashville Post, August 12, 2020*
- Amazon announces 2,500 new jobs in Nashville
– *Nashville Business Journal, September 14, 2020*
- Starwood REIT pays record rate for industrial park by Nashville International Airport
– *Nashville Business Journal, September 17, 2020*
- GM reveals \$2B transformation for Spring Hill plant, billed as the biggest expansion in state history
– *Nashville Business Journal, October 20, 2020*

Transaction Assumptions

	Announcement	Close	Notes
Loan Marks	\$110 million	\$101 million	Rate and liquidity mark moved significantly between announcement and close
Total ACL and Unfunded Commitment	\$41 million	\$88 million	Impacted by CECL model's ACL requirements on CRE & C&D
Non-Strategic Loan Mark	\$34 million	\$24 million	\$22 million remaining at September 30, 2020 on \$263 million in principal balances
Other Fair Value Loans Marks	\$35 million	\$(11) million	Heavily impacted by rate cuts between announcement and close
Non-Strategic Loans Principal Balances	\$430 million	\$342 million	\$263 million in remaining principal balances as of September 30, 2020. Decline related to organic run-off; exploring bulk sale
Core Deposit Intangible	\$26 million	\$8 million	Heavily impacted by rate cuts between announcement and close
Tangible Book Dilution	Neutral	~0.5% Accretive	Based on actuals to date and estimated remaining merger charges

- Customer deposit base has seen consistent growth in balances over the past 12 months and remains a stable base of funding and liquidity
- Finalizing plan for the remaining non-core funding acquired in FSB merger
- Monitoring movement of recent influx of deposits

Loans HFI / Customer Deposits



On Balance Sheet Liquidity



Sources of Liquidity

3Q 2020	
Current On-Balance Sheet:	
Cash and Equivalents	\$1,062.4
Unpledged Securities	518.2
Equity Securities	4.4
Total On-Balance Sheet	\$1,585.0
Available Sources of Liquidity:	
Brokered CDs and Unsecured Lines	\$2,961.1
FHLB	1,569.7
Discount Window	1,605.2
Total Available Sources	\$6,136.0

Core deposit franchise provides stable liquidity

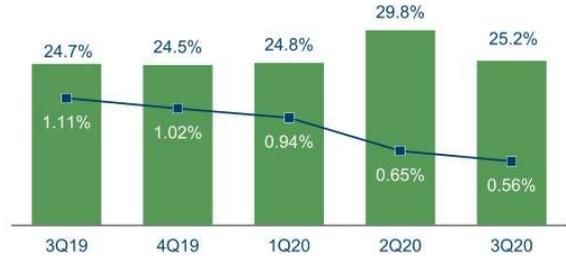
Total deposits (\$mm)

■ Customer deposits ■ Brokered and internet time deposits

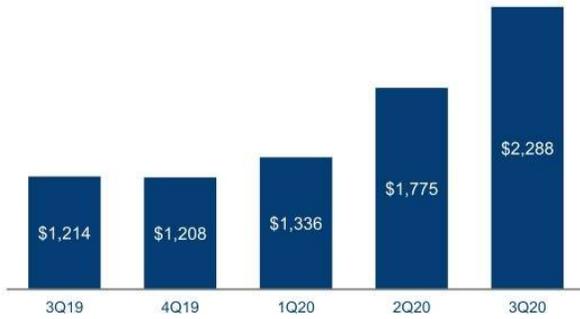


Cost of deposits

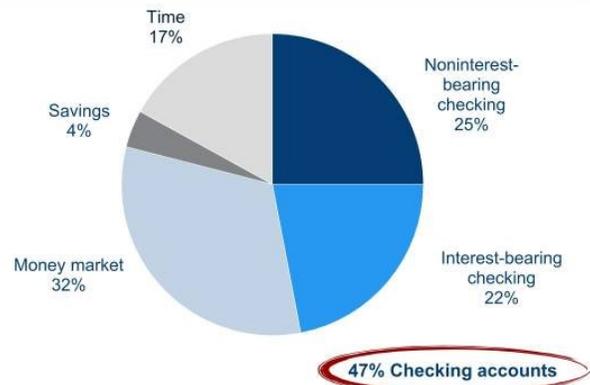
■ Noninterest bearing (%) ■ Cost of total deposits (%)



Noninterest bearing deposits¹ (\$mm)



Deposit composition



¹ Includes mortgage servicing-related deposits of \$194.3mm, \$92.6mm, \$110.1mm, \$149.1mm and \$177.6mm for the quarters ended September 30, 2019, December 31, 2019, March 31, 2020, June 30, 2020, and September 30, 2020 respectively.

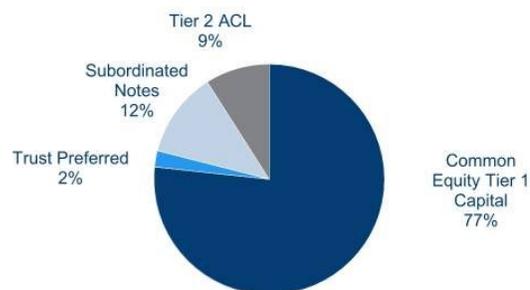
Capital position

	3Q19	2Q20 ²	3Q20 ^{1,2}
Shareholder's equity/Assets	12.2%	11.1%	11.3%
TCE/TA²	9.4%	8.7%	9.2%
Common equity tier 1/Risk-weighted assets	10.8%	11.4%	11.8%
Tier 1 capital/Risk-weighted assets	11.3%	11.9%	12.1%
Total capital/Risk-weighted assets	12.0%	13.2%	15.3%
Tier 1 capital /Average assets	10.1%	9.7%	11.8%
C&D loans subject to 100% risk-based capital threshold ⁴	89%	75%	91%
CRE loans subject to 100% risk-based capital threshold ⁴	255%	215%	228%

Tangible book value per share³



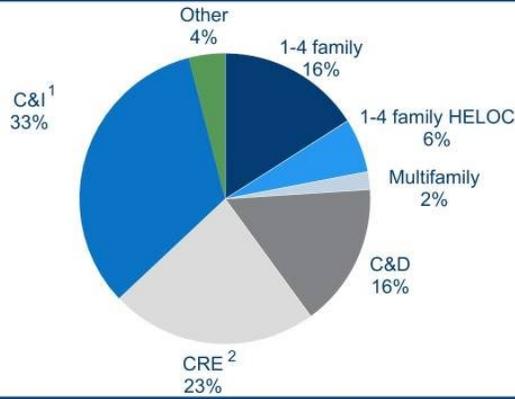
Simple capital structure



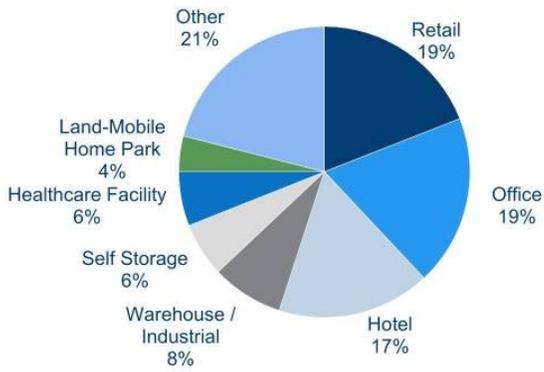
Total regulatory capital **\$1,334¹ mm**

¹ Total regulatory capital, FB Financial Corporation. 3Q 2020 calculation is preliminary and subject to change. ² For regulatory capital purposes, the CECL impact over 2020 and 2021 is gradually phased-in from Common Equity Tier 1 Capital to Tier 2 capital. As of June 30, 2020 and September 30, 2020, respectively, \$37.8 million and \$55.5 million are being added back to CET 1 and Tier 1 Capital, and \$43.7 million and \$61.4 million are being taken out of Tier 2 capital. ³ See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures. ⁴ Risk-based capital at FirstBank as defined in Call Report.

Portfolio mix



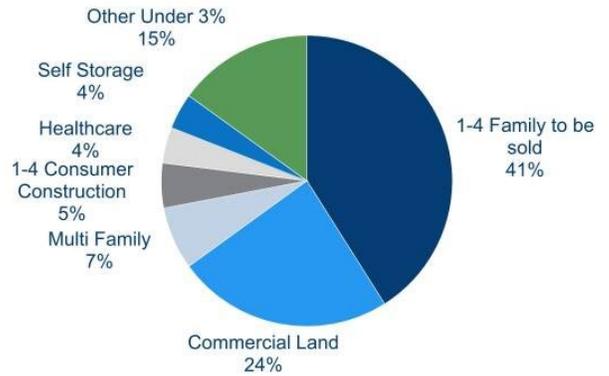
CRE² exposure by type



C&I¹ exposure by industry

	Balance Ex. PPP				PPP Loans
	C&I	CRE-OO	Total	% of Total	
Real Estate Rental and Leasing	\$ 326.7	\$ 157.6	\$ 484.3	23.9%	\$ 11.5
Retail Trade	59.3	134.2	193.5	9.6%	23.5
Wholesale Trade	109.9	52.5	162.3	8.0%	24.6
Health Care and Social Assistance	70.5	87.7	158.2	7.8%	41.6
Finance and Insurance	140.7	11.5	152.2	7.5%	7.0
Manufacturing	88.7	61.8	150.5	7.4%	40.0
Other Services (except Public Administration)	21.4	102.5	123.9	6.1%	16.9
Accommodation and Food Services	25.1	86.1	111.2	5.5%	15.3
Construction	46.1	42.6	88.7	4.4%	39.2
Arts, Entertainment and Recreation	21.6	40.6	62.2	3.1%	7.4
Transportation and Warehousing	40.0	17.5	57.5	2.8%	11.8
Professional, Scientific and Technical Services	28.2	24.9	53.2	2.6%	29.9
Information	17.7	18.7	36.4	1.8%	3.9
Other	103.8	86.8	190.6	9.4%	38.2
Total	\$ 1,099.6	\$ 925.0	\$ 2,024.6	100.0%	\$ 310.7

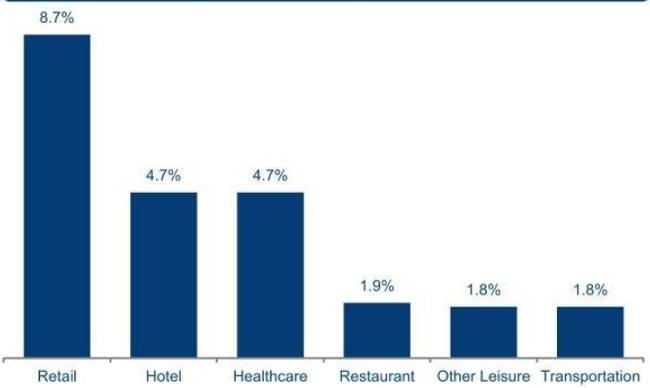
C&D exposure by type



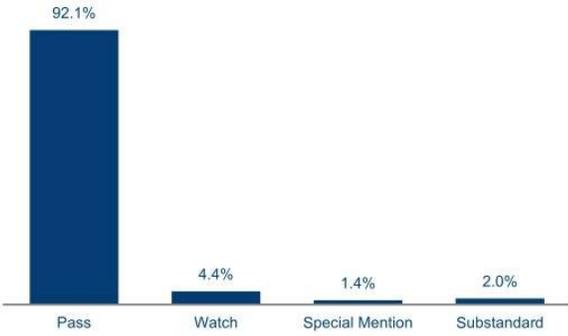
¹ C&I includes owner-occupied CRE. PPP Loans comprise 13.3% of C&I loans, or 4.3% of gross loans (HFI). ² Excludes owner-occupied CRE.

- Industries initially considered to be the most susceptible to issues associated with the pandemic
- Credit quality remains satisfactory overall
- Optimistic regarding the group's resiliency and ability to manage through this economy
- Significant level of initial deferrals but steady improvement and return to pre-COVID payment plans
- Hotel business continues to face biggest challenges

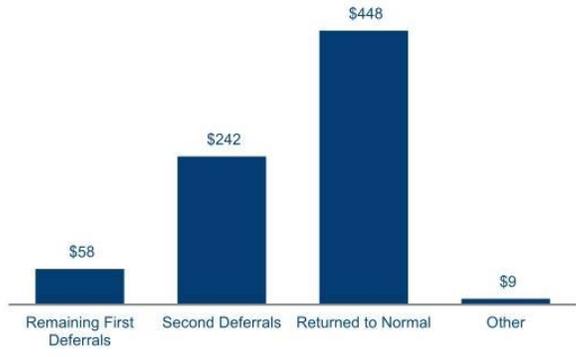
Industry exposures / gross loans (HFI)



Industries of concern credit quality



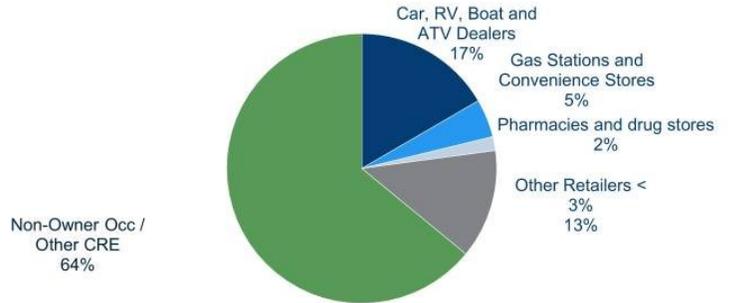
Industries of concern deferral participants



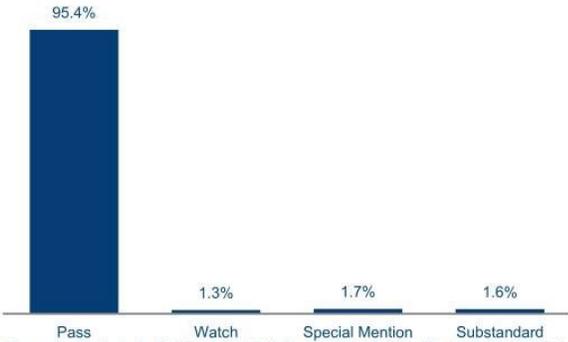
Note: Exposures included will differ from "C&I Exposure by Industry" table on slide 15 due to inclusion of non-owner occupied and other balances as well as additional tangential exposures.

- 64% CRE Non-OO and Other and 36% C&I / CRE-OO
- CRE Non-owner occupied and Other
 - Diverse portfolio across the footprint, primarily local properties, largely smaller strip centers
 - Concentration increased with FSB merger, but generally similar portfolio characteristics
 - Merger did add a ~\$35 million mall property, performing as agreed, no deferral, low loan to value
- C&I / CRE-OO portfolio
 - Largest segment related to Car, RV and Boat Dealers, which has experienced satisfactory post-COVID results
 - Limited deferrals

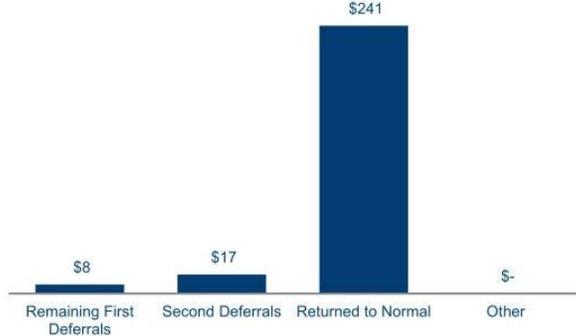
Portfolio overview



Credit quality



Deferral participants

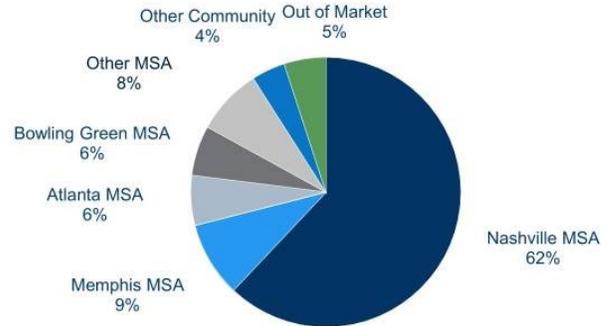


Note: Exposures included will differ from "C&I Exposure by Industry" table on slide 15 due to inclusion of non-owner occupied and other balances as well as additional tangential exposures.

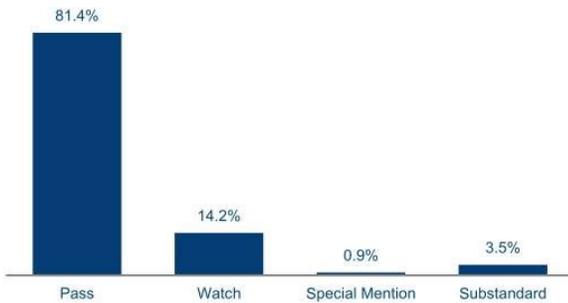
Hotel portfolio – 4.7% of gross loans HFI

- Portfolio representative of seasoned operators, good flags and good locations
- Underlying economics trending up as compared to April and May, but remain depressed
- Portfolio is largely limited and full service properties, which are better models to sustain operations at lower occupancy rates as opposed to luxury properties
- Continues to represent the largest segment of deferrals, but seeing a trend towards moving back to payments, albeit interest only
- 31 notes with \$189 million in balances remain in some form of deferral, while \$21 million have returned to normal payments
- Summary: Overall credit quality remains satisfactory, but will continue to heavily monitor

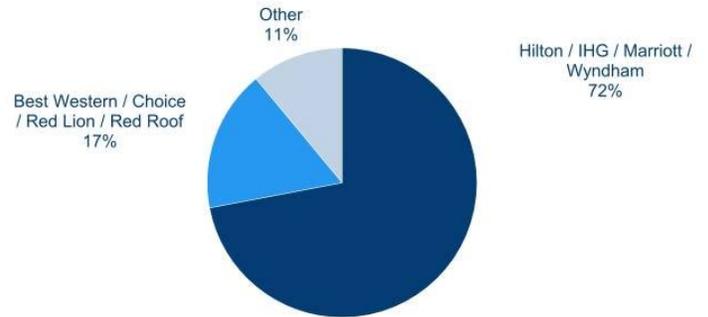
Outstanding by location



Credit quality



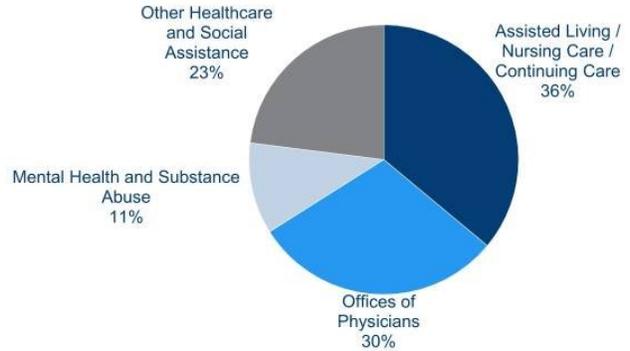
Outstanding by flag



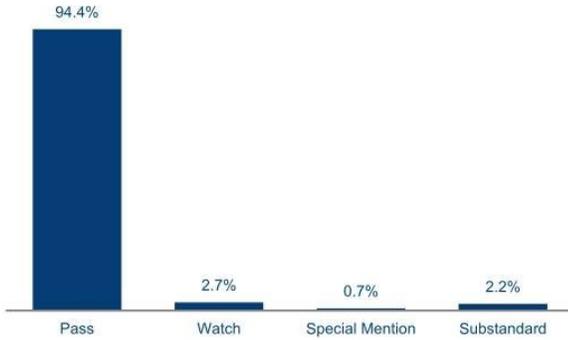
Note: Exposures included will differ from "C&I Exposure by Industry" table on slide 15 due to inclusion of non-owner occupied and other balances as well as additional tangential exposures.

- Continue to report satisfactory results
- Operators continue to manage through COVID related protocols
- Physician's offices appear to be generally back to normal after reopening
- Assisted living and skilled nursing operators report operating challenges, but appear to be managing through
- Concerns related to potential resurgence of the virus

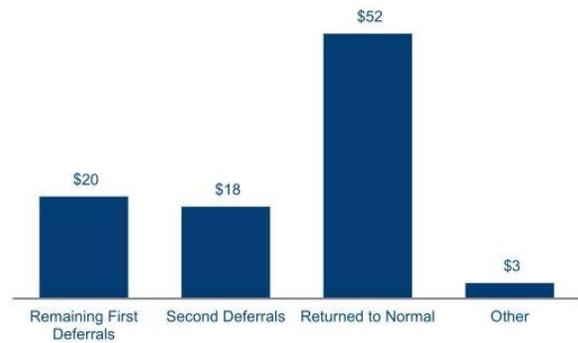
Portfolio overview



Credit quality



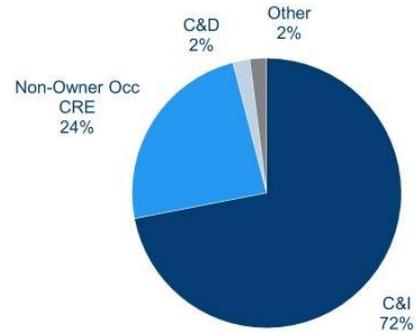
Deferral participants



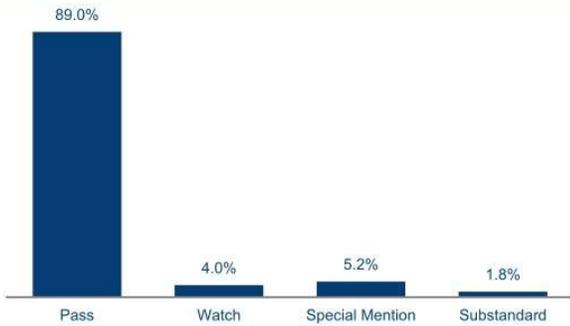
Note: Exposures included will differ from "C&I Exposure by Industry" table on slide 15 due to inclusion of non-owner occupied and other balances as well as additional tangential exposures.

- Majority are owner operators
- Portfolio split roughly evenly between limited service and full service outlets
- Limited service has seen an ability to change their model, leading to improvement
- Full service continues to be challenged with limits imposed on capacity
- Overall good trend regarding moving out of deferral status
- Continue to monitor
- Not included in this exposure disclosure is a diversified food company which also has certain retail outlets, exposure ~\$25M; recently moved to substandard, but positive developments

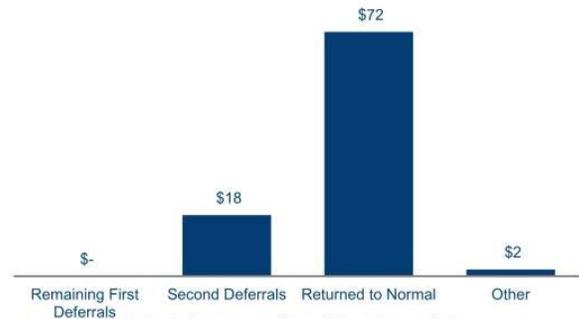
Portfolio overview



Credit quality



Deferral participants

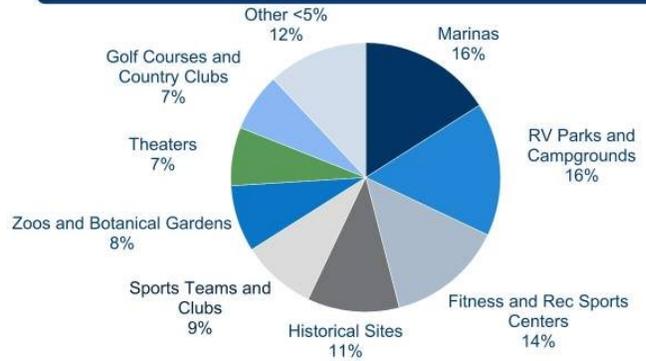


Note: Exposures included will differ from "C&I Exposure by Industry" table on slide 15 due to inclusion of non-owner occupied and other balances as well as additional tangential exposures.

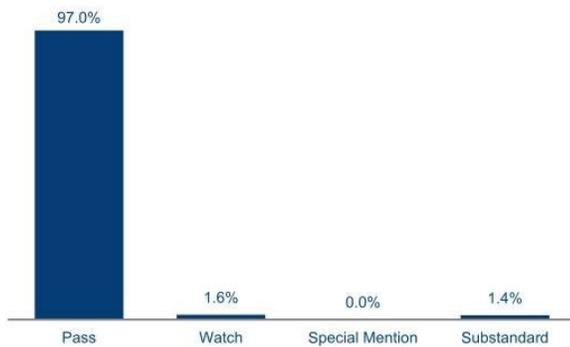
Other Leisure – 1.8% of gross loans HFI

- Mix of industries represented with no concentration
- Outcomes related to the virus have varied
 - Marinas and campgrounds have improved
 - Theaters and entertainment venues continue to struggle
- Modest improvement within certain categories but expect continued challenging environments until full reopening

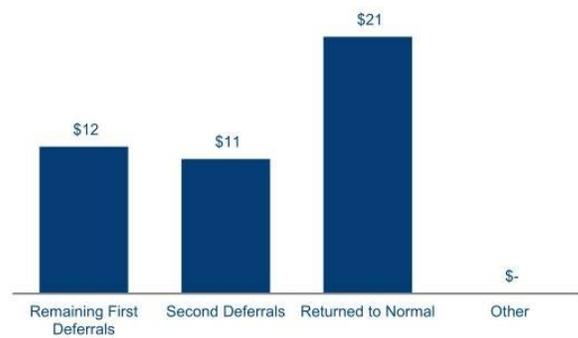
Portfolio overview



Credit quality



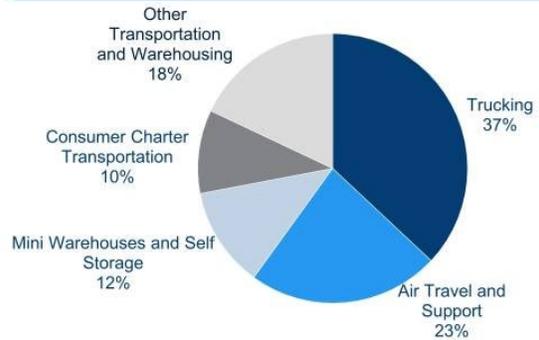
Deferral participants



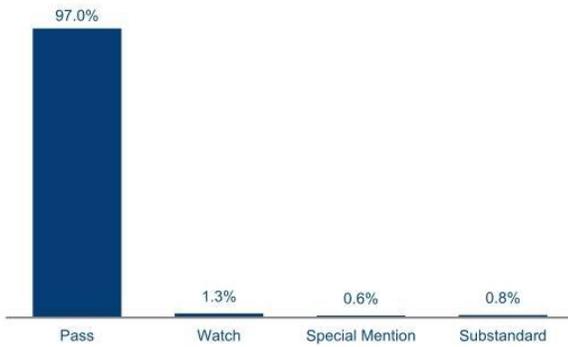
Note: Exposures included will differ from "C&I Exposure by Industry" table on slide 15 due to inclusion of non-owner occupied and other balances as well as additional tangential exposures.

- Portfolio continues to fare well
- Trucking overall shows strength
- Warehousing has benefitted from storage and distribution related to online shopping
- Air travel and support segment related to engine leasing and not direct commercial passenger related

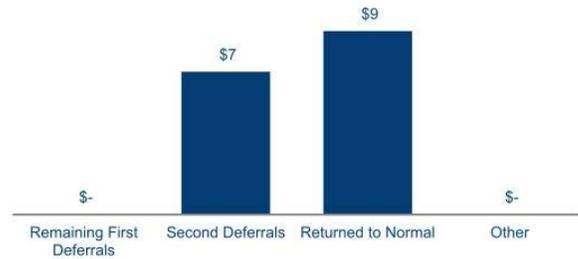
Portfolio overview



Credit quality



Deferral participants



Note: Exposures included will differ from "C&I Exposure by Industry" table on slide 15 due to inclusion of non-owner occupied and other balances as well as additional tangential exposures.

Allowance for credit losses overview

- Current Expected Credit Loss (CECL) Allowance for Credit Losses (ACL) model utilizes a blend of Moody's economic scenarios from the third quarter, with resulting key economic data summarized below:

	FQE,			FYE 12/31,			
	4Q 2020	1Q 2021	2020	2021	2022	2023	2024
GDP (bcw\$)	\$ 18,342.9	\$ 18,552.9	\$ 18,135.6	\$ 18,889.5	\$ 19,932.7	\$ 20,714.1	\$ 21,257.5
Annualized % Change	5.7%	4.7%	(4.9%)	4.2%	5.5%	4.0%	2.7%
Total Employment (millions)	142.7	143.7	142.5	145.0	149.2	153.4	155.4
Unemployment Rate	8.8%	8.6%	8.7%	8.0%	6.1%	4.5%	4.3%
CRE Price Index	249	248.8	249	273.775	312.35	344.275	359.25
NCREIF Property Index: Rate of Return	7.8%	2.2%	(4.1%)	3.3%	4.2%	3.2%	2.2%

- Components of provision expense this quarter include

- \$7.0 million in standard quarterly CECL related ACL release
- \$0.9 million in legacy FBK related release in reserve for unfunded commitments
- \$52.8 million in initial provision expense related to FSB non-PCD loans (excluded from adjusted earnings)
- \$10.4 million in initial FSB related reserve on unfunded commitments (excluded from adjusted earnings)

ACL / Loans HFI by Category

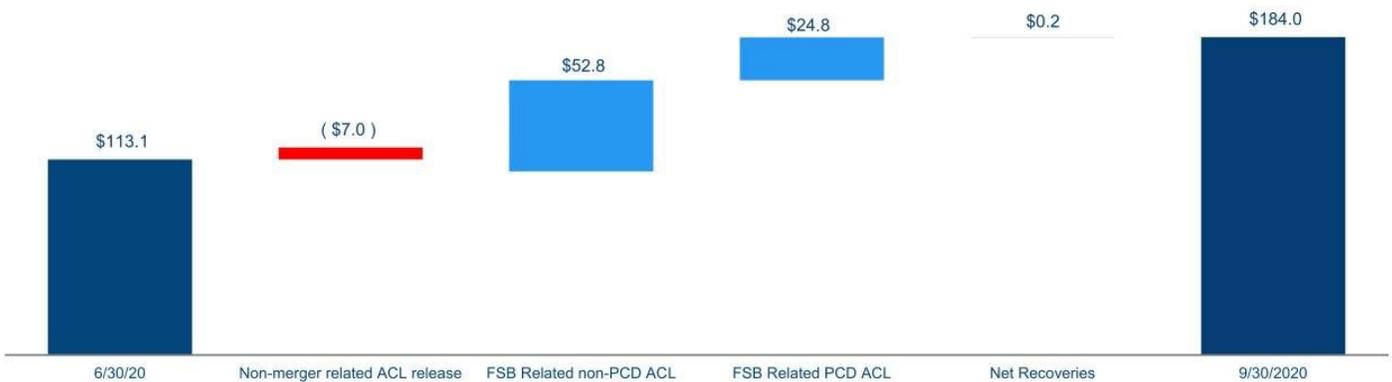


¹Source: Moody's "July 2020 U.S. Macroeconomic Outlook Baseline and Alternative Scenarios". ² See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures. ³ Commercial and Industrial includes \$310.7 million in PPP loans, which has a 10 bps impact on September 30, 2020 ACL / Loans HFI.

3Q 2020 Adjusted Pre-Tax Earnings Components¹

	Adjusted	Merger Related	Other Non-Core	GAAP
Net Interest Income	\$ 68,828	\$ -	\$ -	\$ 68,828
Provision for credit losses	(6,988)	52,822	-	45,834
Provision for credit losses on unfunded commitments	(862)	10,429	-	9,567
Total Provision Expense	(7,850)	63,251	-	55,401
Noninterest Income	100,836	-	(3,810)	97,026
Noninterest Expense	97,362	20,730	-	118,092
Pre-Tax Income	\$ 80,152	\$ (83,981)	\$ (3,810)	\$ (7,639)

2Q 2020 to 3Q 2020 ACL Bridge

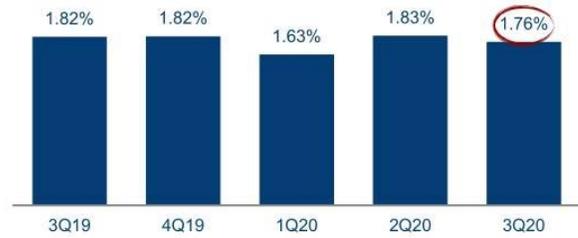


¹ See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures.

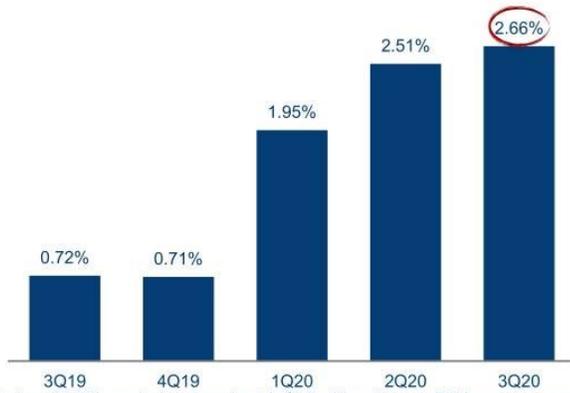
Nonperforming ratios



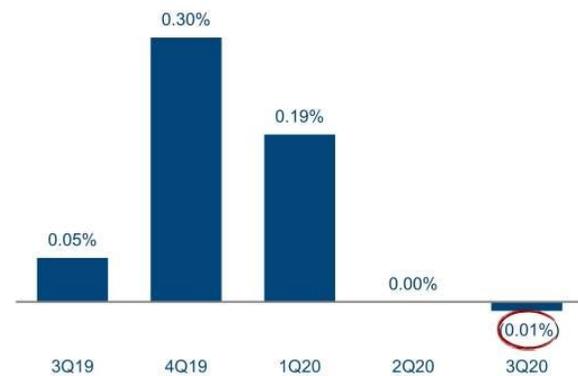
Classified loans / loans HFI



LLR/loans HFI (excluding PPP loans)³



Net charge-offs (recoveries) / average loans



¹ Adoption of CECL resulted in approximately \$5.5 million of former PCI loans being reportable as nonperforming loans in 1Q 2020.
² Includes acquired excess land and facilities held for sale—see page 14 of the Quarterly Financial Supplement.
³ See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures.

Core earnings power remains intact

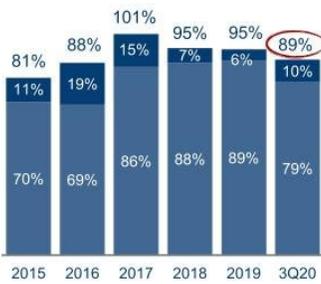
Adjusted pre-tax, pre-provision return on average assets¹



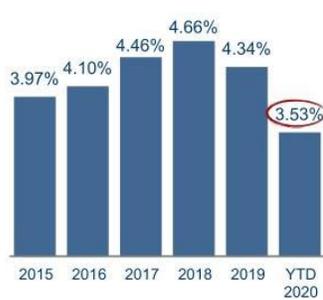
Drivers of profitability

Loans/deposits

Loans excluding HFS Loans HFS



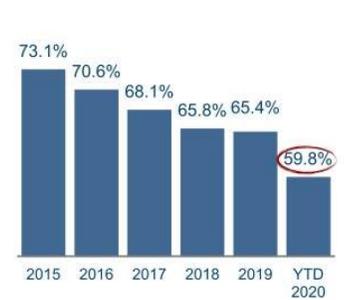
Net interest margin



Noninterest income (\$mm)

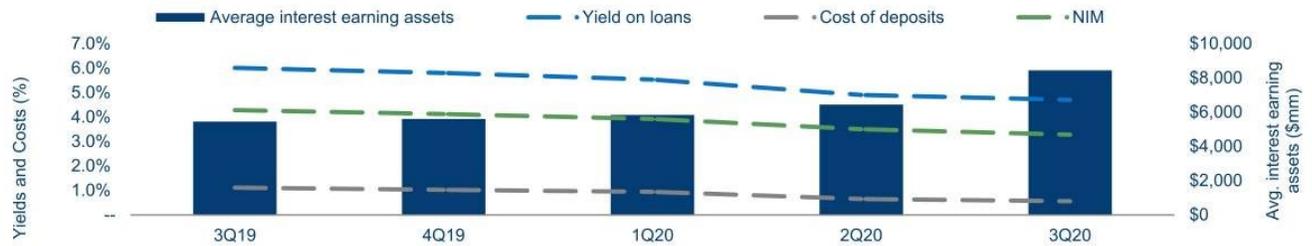


Core efficiency ratio¹



¹ See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures.

Historical yield and costs



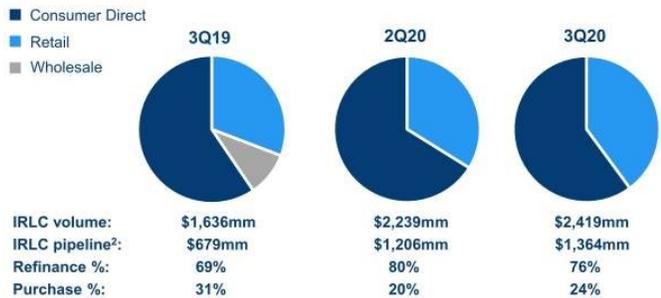
NIM	4.28%	4.12%	3.92%	3.50%	3.28%
Impact of accretion and nonaccrual interest (bps)	16	21	13	7	5
<i>Deposit Cost:</i>					
Cost of MMDA	1.45%	1.29%	1.15%	0.62%	0.66%
Cost of customer time	2.13%	2.07%	1.95%	1.78%	1.44%
Cost of interest-bearing	1.47%	1.36%	1.25%	0.92%	0.76%
Total deposit cost	1.11%	1.02%	0.94%	0.65%	0.56%
<i>Loans HFI Yield:</i>					
Contractual interest	5.50%	5.27%	5.14%	4.57%	4.36%
Origination and other loan fee income	0.30%	0.26%	0.23%	0.24%	0.26%
Nonaccrual interest	0.02%	0.04%	0.02%	0.01%	0.04%
Accretion on purchased loans	0.19%	0.23%	0.14%	0.08%	0.04%
Total loan (HFI) yield	6.01%	5.80%	5.53%	4.90%	4.70%

¹ Includes tax-equivalent adjustment

Highlights

- Record adjusted total mortgage pre-tax contribution¹ of \$39.5 million for 3Q 2020
- Mortgage sale margins continue to be elevated due to industry capacity constraints and low interest rates
- Mortgage pipeline at the end of 3Q 2020 remains robust at \$1.4 billion, as compared to \$0.7 billion at the end of 3Q 2019
- Mortgage banking income \$84.7 million, up 17.3% from 2Q 2020 and 190.1% from 3Q 2019
- Mortgage structure allows team to capitalize on attractive rate environments while weathering downturns

Quarterly mortgage production



Mortgage banking income (\$mm)

	3Q19	2Q20	3Q20
Gain on Sale	\$28.0	\$45.5	\$76.5
Fair value changes	\$2.3	\$34.8	\$10.1
Servicing Revenue	\$4.0	\$5.1	\$5.5
Fair value MSR changes	\$(5.1)	\$(13.2)	\$(7.4)
Total Income	\$29.2	\$72.2	\$84.7

Mark to Market Value and Gain on Sale Margin



¹ See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP financial measures

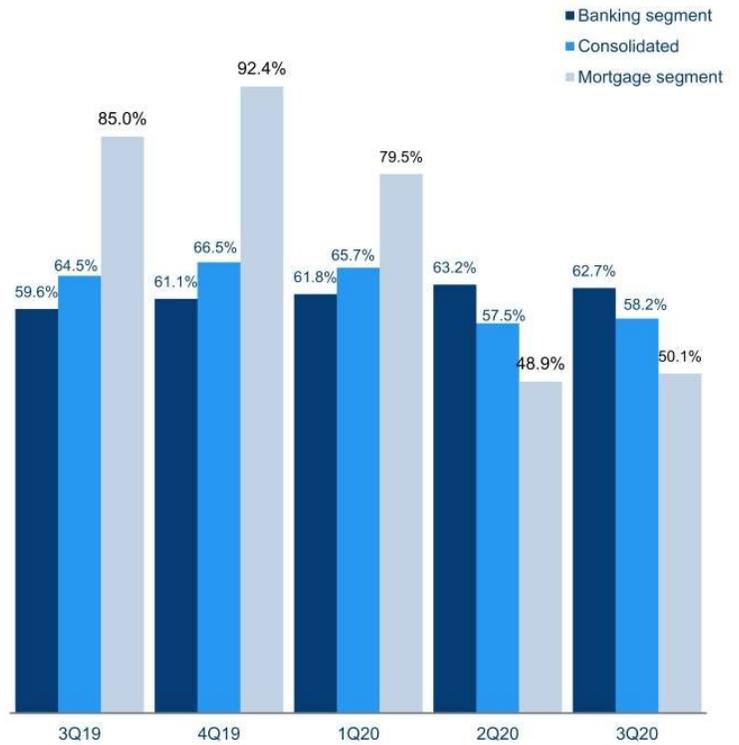
² As of the respective period-end

³ Defined as pipeline net of hedge plus best efforts divided by hedge weighted volume.

Highlights

- Consolidated 3Q 2020 core efficiency ratio¹ of 58.2% driven by record mortgage contribution
- Converted Franklin Financial Network in October 2020
- Record quarterly mortgage contribution in low rate environment
- Expense control remains a focus for 2020 with margin headwinds

Core efficiency ratio (tax-equivalent basis)¹



¹ See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures.

Appendix

GAAP reconciliation and use of non-GAAP financial measures

Adjusted net income and diluted earnings per share

<i>(Dollars in thousands, except share data)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Pre-tax net (loss) income	\$ (7,639)	\$ 30,328	\$ 825	\$ 27,290	\$ 31,684
Plus merger and mortgage restructuring expenses	20,730	1,586	3,050	686	407
Plus initial provision for credit losses on acquired loans and unfunded commitments	63,251	—	2,885	—	—
Less significant losses on securities, other real estate owned and other items ⁽¹⁾	(3,810)	—	—	—	—
Adjusted pre-tax earnings	80,152	\$ 31,914	6,760	27,976	32,091
Income tax expense, adjusted	20,682	7,828	1,464	5,897	7,824
Adjusted earnings	\$ 59,470	\$ 24,086	\$ 5,296	\$ 22,079	\$ 24,267
Weighted average common shares outstanding - fully diluted	40,637,745	32,506,417	31,734,112	31,470,565	31,425,573
Adjusted diluted earnings per share					
Diluted (loss) earnings per common share	\$ (0.14)	\$ 0.70	\$ 0.02	\$ 0.68	\$ 0.76
Plus merger and mortgage restructuring expenses	0.51	0.05	0.10	0.02	0.01
Plus initial provision for credit losses on acquired loans and unfunded commitments	1.56	—	0.09	—	—
Less significant losses on securities, other real estate owned and other items	(0.09)	—	—	—	—
Less tax effect	0.56	0.01	0.04	—	—
Adjusted diluted earnings per share	\$ 1.46	\$ 0.74	\$ 0.17	\$ 0.70	\$ 0.77

⁽¹⁾ Includes charges of \$2,305 related to a one time FHLB prepayment penalty and \$1,505 related to losses on other real estate owned

GAAP reconciliation and use of non-GAAP financial measures

Pre-tax, pre-provision earnings and diluted earnings per share

<i>(Dollars in thousands, except share data)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Pre-tax net (loss) income	\$ (7,639)	\$ 30,328	\$ 825	\$ 27,290	\$ 31,684
Plus provisions for credit losses	55,401	25,921	29,565	2,950	1,831
Pre-tax pre-provision earnings	47,762	56,249	30,390	30,240	33,515
Plus merger and mortgage restructuring expenses	20,730	1,586	3,050	686	407
Less significant losses on securities, other real estate owned and other items ⁽¹⁾	(3,810)	—	—	—	—
Adjusted pre-tax pre-provision earnings	\$ 72,302	\$ 57,835	\$ 33,440	\$ 30,926	\$ 33,922
Weighted average common shares outstanding - fully diluted	40,637,745	32,506,417	31,734,112	31,470,565	31,425,573
Adjusted pre-tax pre-provision diluted earnings per share					
Diluted (loss) earnings per common share	\$ (0.14)	\$ 0.70	\$ 0.02	\$ 0.68	\$ 0.76
Plus income tax expense	(0.05)	0.23	—	0.18	0.25
Plus provision for credit losses	1.36	0.80	0.93	0.10	0.06
Pre-tax pre-provision earnings per share	\$ 1.17	\$ 1.73	\$ 0.95	\$ 0.96	\$ 1.07
Plus merger and mortgage restructuring expenses	0.51	0.05	0.10	0.02	0.01
Less significant losses on securities, other real estate owned and other items	(0.09)	—	—	—	—
Adjusted pre-tax pre-provision earnings per share	\$ 1.77	\$ 1.78	\$ 1.05	\$ 0.98	\$ 1.08

⁽¹⁾ Includes charges of \$2,305 related to a one time FHLB prepayment penalty and \$1,505 related to losses on other real estate owned

GAAP reconciliation and use of non-GAAP financial measures

Adjusted pro forma net income and diluted earnings per share*

<i>(Dollars in thousands, except share data)</i>	YTD 2020	2019	2018	2017	2016
Pre-tax net income	\$ 23,514	\$ 109,539	\$ 105,854	\$ 73,485	\$ 62,324
Plus merger, conversion, offering, and mortgage restructuring expenses	25,366	7,380	2,265	19,034	3,268
Plus initial provision for credit losses on acquired loans and unfunded commitments	66,136	—	—	—	—
Less significant losses on securities, other real estate owned and other items ⁽¹⁾	(3,810)	—	—	—	(3,539)
Adjusted pre-tax earnings	118,826	116,919	108,119	92,519	69,131
Adjusted pro forma income tax expense	29,974	27,648	26,034	34,749	25,404
Adjusted pro forma earnings	\$ 88,852	\$ 89,271	\$ 82,085	\$ 57,770	\$ 43,727
Weighted average common shares outstanding - fully diluted	34,840,292	31,402,897	31,314,981	28,207,602	19,312,174
Adjusted pro forma diluted earnings per share*					
Diluted earnings per common share	\$ 0.52	\$ 2.65	\$ 2.55	\$ 1.86	\$ 2.10
Plus merger, conversion, offering, and mortgage restructuring expenses	0.73	0.24	0.07	0.67	0.17
Plus initial provision for credit losses on acquired loans and unfunded commitments	1.90	—	—	—	—
Less significant losses on securities, other real estate owned and other items	(0.11)	—	—	—	(0.18)
Less tax effect and benefit of enacted tax laws	0.70	0.06	0.01	0.48	0.19
Adjusted pro forma diluted earnings per share	\$ 2.56	\$ 2.83	\$ 2.61	\$ 2.05	\$ 2.26

*Prior to the IPO in the third quarter of 2016, the Company was an S corporation and did not incur federal income taxes. In conjunction with the IPO, the Company converted to a C corporation. These results are on a pro forma basis to reflect the results of the Company on a C corporation basis and combined effective tax rate of 36.75% for the year ended December 31, 2016.

⁽¹⁾Includes charges of \$2,305 related to a one time FHLB prepayment penalty and \$1,505 related to losses on other real estate owned

GAAP reconciliation and use of non-GAAP financial measures

Adjusted pre-tax, pre-provision earnings and diluted earnings per share

<i>(Dollars in thousands, except share data)</i>	YTD 2020	2019	2018	2017	2016
Pre-tax net income	\$ 23,514	\$ 109,539	\$ 105,854	\$ 73,485	\$ 62,324
Plus provisions for credit losses	110,887	7,053	5,398	(950)	(1,479)
Pre-tax pre-provision earnings	134,401	116,592	111,252	72,535	60,845
Plus merger, conversion, offering, and mortgage restructuring expenses	25,366	7,380	2,265	19,034	3,268
Less significant losses on securities, other real estate owned and other items ⁽¹⁾	(3,810)	—	—	—	(3,539)
Adjusted pre-tax pre-provision earnings	\$ 163,577	\$ 123,972	\$ 113,517	\$ 91,569	\$ 67,652
Weighted average common shares outstanding - fully diluted	34,840,292	31,402,897	31,314,981	28,207,602	19,312,174
Adjusted pre-tax pre-provision diluted earnings per share					
Diluted earnings per common share	\$ 0.52	\$ 2.65	\$ 2.55	\$ 1.86	\$ 2.10
Plus income tax expense	0.16	0.82	0.83	0.75	1.13
Plus provision for credit losses	3.18	0.23	0.17	(0.03)	(0.08)
Pre-tax pre-provision earnings per share	\$ 3.86	\$ 3.70	\$ 3.55	\$ 2.58	\$ 3.15
Plus merger, conversion, offering, and mortgage restructuring expenses	0.73	0.24	0.07	0.67	0.17
Less significant losses on securities, other real estate owned and other items	(0.11)	—	—	—	(0.18)
Adjusted pre-tax pre-provision diluted earnings per share	\$ 4.70	\$ 3.94	\$ 3.62	\$ 3.25	\$ 3.50

⁽¹⁾Includes charges of \$2,305 related to a one time FHLB prepayment penalty and \$1,505 related to losses on other real estate owned

GAAP reconciliation and use of non-GAAP financial measures

Core efficiency ratio (tax-equivalent basis)

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Total noninterest expense	\$ 118,092	\$ 80,579	\$ 68,559	\$ 62,686	\$ 62,935
Less merger and mortgage restructuring expenses	20,730	1,586	3,050	686	407
Core noninterest expense	\$ 97,362	\$ 78,993	\$ 65,509	\$ 62,000	\$ 62,528
Net interest income (tax-equivalent basis)	\$ 69,625	\$ 55,977	\$ 56,784	\$ 58,212	\$ 58,769
Total noninterest income	97,026	81,491	42,700	35,234	38,145
Less (loss) gain on sales or write-downs of other real estate owned and other assets	(1,279)	32	(277)	277	(82)
Less gain (loss) from securities, net	583	(28)	63	(18)	(20)
Core noninterest income	97,722	81,487	42,914	34,975	38,247
Core revenue	\$ 167,347	\$ 137,464	\$ 99,698	\$ 93,187	\$ 97,016
Efficiency ratio (GAAP) ^(a)	71.2%	58.9%	69.3%	67.5%	65.3%
Core efficiency ratio (tax-equivalent basis)	58.2%	57.5%	65.7%	66.5%	64.5%

(a) Efficiency ratio (GAAP) is calculated by dividing noninterest expense by total revenue

GAAP reconciliation and use of non-GAAP financial measures

Core efficiency ratio (tax-equivalent basis)

<i>(Dollars in thousands, except share data)</i>	YTD 2020	2019	2018	2017	2016
Core efficiency ratio (tax-equivalent basis)					
Total noninterest expense	\$ 267,230	\$ 244,841	\$ 223,458	\$ 222,317	\$ 194,790
Less merger, offering, and mortgage restructuring-related expenses	25,366	7,380	2,265	19,034	3,268
Less one-time equity grants	—	—	—	—	2,960
Less variable compensation charge related to cash settled equity awards	—	—	—	635	1,254
Less impairment and loss on sale of mortgage servicing rights	—	—	—	249	9,125
Core noninterest expense	\$ 241,864	\$ 237,461	\$ 221,193	\$ 202,399	\$ 178,183
Net interest income (tax-equivalent basis)	182,386	227,930	205,668	156,094	113,311
Total noninterest income	221,217	135,397	130,642	141,581	144,685
Less (loss) gain on sales or write-downs of other real estate owned and other assets	(1,524)	441	229	110	1,179
Less gain from securities, net	618	57	(116)	285	4,407
Core noninterest income	222,123	134,899	130,529	141,186	139,099
Core revenue	\$ 404,509	\$ 362,829	\$ 336,197	\$ 297,280	\$ 252,410
Efficiency ratio (GAAP) ^(a)	66.5 %	67.7 %	66.8 %	75.4 %	76.2 %
Core efficiency ratio (tax-equivalent basis)	59.8 %	65.4 %	65.8 %	68.1 %	70.6 %

(a) Efficiency ratio (GAAP) is calculated by dividing noninterest expense by total revenue

GAAP reconciliation and use of non-GAAP financial measures

Segment core efficiency ratios (tax-equivalent basis)

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Banking segment core efficiency ratio (tax-equivalent basis)					
Core consolidated noninterest expense	\$ 97,362	\$ 78,993	\$ 65,509	\$ 62,000	\$ 62,528
Less Mortgage segment core noninterest expense	30,052	26,997	17,567	14,956	15,686
Core Banking segment noninterest expense	\$ 67,310	\$ 51,996	\$ 47,942	\$ 47,044	\$ 46,842
Core revenue	\$ 167,347	\$ 137,464	\$ 99,698	\$ 93,187	\$ 97,016
Less Mortgage segment total revenue	60,040	55,215	22,110	16,193	18,455
Core Banking segment total revenue	\$ 107,307	\$ 82,249	\$ 77,588	\$ 76,994	\$ 78,561
Banking segment core efficiency ratio (tax-equivalent basis)	62.7%	63.2%	61.8%	61.1%	59.6%
Mortgage segment core efficiency ratio (tax-equivalent basis)					
Mortgage segment noninterest expense	\$ 30,382	\$ 26,997	\$ 17,567	\$ 14,956	\$ 15,798
Less mortgage merger expense	330	—	—	—	—
Less Mortgage restructuring expense	—	—	—	—	112
Core Mortgage segment noninterest expense	\$ 30,052	\$ 26,997	\$ 17,567	\$ 14,956	\$ 15,686
Mortgage segment total revenue	\$ 60,040	\$ 55,215	\$ 22,110	\$ 16,193	\$ 18,455
Mortgage segment core efficiency ratio (tax-equivalent basis)	50.1%	48.9%	79.5%	92.4%	85.0%

GAAP reconciliation and use of non-GAAP financial measures

Adjusted mortgage contribution

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Mortgage segment pre-tax net contribution	\$ 29,658	\$ 28,218	\$ 4,543	\$ 1,237	\$ 2,657
Retail footprint:					
Mortgage banking income	24,683	16,940	10,651	9,899	10,693
Mortgage banking expenses	15,175	11,542	7,175	8,126	8,087
Retail footprint pre-tax net contribution	9,508	5,398	3,476	1,773	2,606
Total adjusted mortgage banking pre-tax net contribution	\$ 39,166	\$ 33,616	\$ 8,019	\$ 3,010	\$ 5,263
Plus mortgage merger expenses	330	—	—	—	—
Plus mortgage restructuring expense	—	—	—	—	112
Total adjusted mortgage banking pre-tax net contribution	\$ 39,496	\$ 33,616	\$ 8,019	\$ 3,010	\$ 5,375
Pre-tax pre-provision earnings	47,762	56,249	30,390	30,240	33,515
% total mortgage banking pre-tax pre-provision net contribution	82.0%	59.8%	26.4%	10.0%	15.7%
Adjusted pre-tax pre-provision earnings	72,302	57,835	33,440	30,926	33,922
% total adjusted mortgage banking pre-tax pre-provision net contribution	54.6%	58.1%	24.0%	9.73%	15.8%

GAAP reconciliation and use of non-GAAP financial measures

Tangible assets and equity

<i>(Dollars in thousands, except share data)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Tangible assets					
Total assets	\$ 11,010,438	\$ 7,255,536	\$ 6,655,687	\$ 6,124,921	\$ 6,088,895
Less goodwill	236,086	175,441	174,859	169,051	168,486
Less intangibles, net	23,924	17,671	18,876	17,589	18,748
Tangible assets	\$ 10,750,428	\$ 7,062,424	\$ 6,461,952	\$ 5,938,281	\$ 5,901,661
Tangible common equity					
Total common shareholders' equity	\$ 1,244,998	\$ 805,216	\$ 782,330	\$ 762,329	\$ 744,835
Less goodwill	236,086	175,441	174,859	169,051	168,486
Less intangibles, net	23,924	17,671	18,876	17,589	18,748
Tangible common equity	\$ 984,988	\$ 612,104	\$ 588,595	\$ 575,689	\$ 557,601
Common shares outstanding	47,191,677	32,101,108	32,067,356	31,034,315	30,927,664
Book value per common share	\$ 26.38	\$ 25.08	\$ 24.40	\$ 24.56	\$ 24.08
Tangible book value per common share	\$ 20.87	\$ 19.07	\$ 18.35	\$ 18.55	\$ 18.03
Total common shareholders' equity to total assets	11.3%	11.1%	11.8%	12.4%	12.2%
Tangible common equity to tangible assets	9.16%	8.67%	9.11%	9.69%	9.45%

GAAP reconciliation and use of non-GAAP financial measures

Return on average tangible common equity

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Total average shareholders' equity	\$ 1,045,006	\$ 795,705	\$ 768,929	\$ 761,949	\$ 731,701
Less average goodwill	205,473	175,150	171,532	168,492	168,486
Less average intangible, net	20,973	18,209	18,152	18,242	19,523
Average tangible common equity	\$ 818,561	\$ 602,346	\$ 579,245	\$ 575,215	\$ 543,692
Net (loss) income	\$ (5,599)	\$ 22,873	\$ 745	\$ 21,572	\$ 23,966
Return on average tangible common equity	(2.72%)	15.3%	0.52%	14.9%	17.5%

GAAP reconciliation and use of non-GAAP financial measures

Adjusted return on average tangible common equity

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Average tangible common equity	\$ 818,561	\$ 602,346	\$ 579,245	\$ 575,215	\$ 543,692
Adjusted net income	59,470	24,086	5,296	22,079	24,267
Adjusted return on average tangible common equity	28.9%	16.1%	3.68%	15.2%	17.7%

Adjusted return on average assets and equity

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Net (loss) income	\$ (5,599)	\$ 22,873	\$ 745	\$ 21,572	\$ 23,966
Average assets	9,179,288	7,074,612	6,409,417	6,157,931	5,988,572
Average equity	1,045,006	795,705	768,929	761,949	731,701
Return on average assets	(0.24%)	1.30%	0.05%	1.39%	1.59%
Return on average equity	(2.13%)	11.6%	0.39%	11.2%	13.0%
Adjusted net income	\$ 59,470	\$ 24,086	\$ 5,296	\$ 22,079	\$ 24,267
Adjusted return on average assets	2.58%	1.37%	0.33%	1.42%	1.61%
Adjusted return on average equity	22.6%	12.2%	2.77%	11.5%	13.2%

GAAP reconciliation and use of non-GAAP financial measures

Adjusted pre-tax, pre-provision return on average tangible common equity

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Average tangible common equity	\$ 818,561	\$ 602,346	\$ 579,245	\$ 575,215	\$ 543,692
Adjusted pre-tax pre-provision earnings	72,302	57,835	33,440	30,926	33,922
Adjusted pre-tax pre-provision return on average tangible common equity	35.1%	38.6%	23.2%	21.3%	24.8%

Adjusted pre-tax, pre-provision return on average assets and equity

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Net (loss) income	\$ (5,599)	\$ 22,873	\$ 745	\$ 21,572	\$ 23,966
Average assets	9,179,288	7,074,612	6,409,417	6,157,931	5,988,572
Average equity	1,045,006	797,705	768,929	761,949	731,701
Return on average assets	(0.24%)	1.30%	0.05%	1.39%	1.59%
Return on average equity	(2.13%)	11.6%	0.39%	11.2%	13.0%
Adjusted pre-tax pre-provision earnings	\$ 72,302	\$ 57,835	\$ 33,440	\$ 30,926	\$ 33,922
Adjusted pre-tax pre-provision return on average assets	3.13%	3.29%	2.10%	1.99%	2.25%
Adjusted pre-tax pre-provision return on average equity	27.5%	29.2%	17.5%	16.1%	18.4%

GAAP reconciliation and use of non-GAAP financial measures

Adjusted pro forma return on average assets and equity

<i>(Dollars in thousands)</i>	YTD 2020	2019	2018	2017	2016
Pro forma net income	\$ 18,019	\$ 83,814	\$ 80,236	\$ 52,398	\$ 39,422
Average assets	7,607,767	5,777,672	4,844,865	3,811,158	3,001,275
Average equity	923,456	723,494	629,922	466,219	276,587
Pro forma return on average assets	0.32%	1.45%	1.66%	1.37%	1.31%
Pro forma return on average equity	2.61%	11.6%	12.7%	11.2%	14.3%
Adjusted pro forma net income	\$ 88,852	\$ 89,271	\$ 82,085	\$ 57,770	\$ 43,727
Adjusted pro forma return on average assets	1.56%	1.55%	1.69%	1.52%	1.46%
Adjusted pro forma return on average equity	12.85%	12.3%	13.0%	12.4%	15.8%

Adjusted pre-tax, pre-provision return on average assets and equity

<i>(Dollars in thousands)</i>	YTD 2020	2019	2018	2017	2016
Pro forma net income	\$ 18,019	\$ 83,814	\$ 80,236	\$ 52,398	\$ 39,422
Average assets	7,607,767	5,777,672	4,844,865	3,811,158	3,001,275
Average equity	923,456	723,494	629,922	466,219	276,587
Pro forma return on average assets	0.32%	1.45%	1.66%	1.37%	1.31%
Pro forma return on average equity	2.61%	11.6%	12.7%	11.2%	14.3%
Adjusted pre-tax pre-provision earnings	\$ 163,577	\$ 123,972	\$ 113,517	\$ 91,569	\$ 67,652
Adjusted pre-tax pre-provision return on average assets	2.87%	2.15%	2.34%	2.40%	2.25%
Adjusted pre-tax pre-provision return on average equity	23.7%	17.1%	18.0%	19.6%	24.5%

GAAP reconciliation and use of non-GAAP financial measures

Adjusted Allowance for Credit Losses to Loans Held for Investment

<i>(Dollars in thousands)</i>	2020			2019	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
Allowance for credit losses	\$ 183,973	\$ 113,129	\$ 89,141	\$ 31,139	\$ 31,464
Less allowance for credit losses attributed to PPP loans	49	51	—	—	—
Adjusted allowance for credit losses	\$ 183,924	\$ 113,078	\$ 89,141	\$ 31,139	\$ 31,464
Loans held for investment	\$ 7,213,538	\$ 4,827,023	\$ 4,568,038	\$ 4,409,642	\$ 4,345,344
Less PPP loans	310,719	314,678	—	—	—
Adjusted loans held for investment	\$ 6,902,819	\$ 4,512,345	\$ 4,568,038	\$ 4,409,642	\$ 4,345,344
Allowance for credit losses to loans held for investment	2.55%	2.34%	1.95%	0.71%	0.72%
Adjusted allowance for credit losses to loans held for investment	2.66%	2.51%	1.95%	0.71%	0.72%

