

The logo for BB&T, consisting of the letters 'BB&T' in a white, serif font, set against a dark red square background.

**BB&T**

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# **Barclays Global Financial Services Conference**

Kelly S. King, Chairman and CEO

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**September 13, 2018**

*To make the world a better place to live by:*

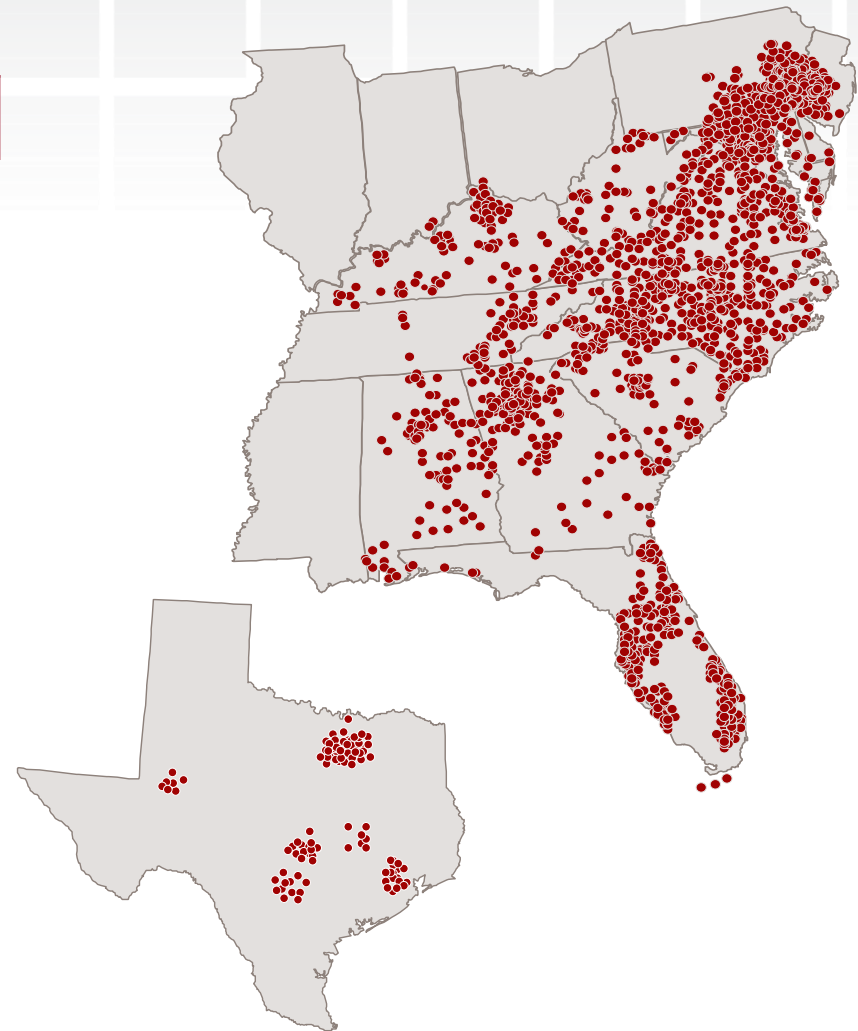
- *Helping our **CLIENTS** achieve economic success and financial security;*
- *Creating a place where our **ASSOCIATES** can learn, grow and be fulfilled in their work;*
- *Making the **COMMUNITIES** in which we work better places to be; and thereby:*
- *Optimizing the long-term return to our **SHAREHOLDERS**, while providing a safe and sound investment.*

- Diversification produces stable, consistent and growing earnings
- Differentiated businesses driving top-tier operating performance
- “Disrupt or Die” – investing in our company
- Achieving targeted cost savings / intense focus on expenses
- Client first mentality
- Strong, conservative credit culture
- Achieving positive operating leverage
- Committed to a strong and consistently growing dividend and a strong TSR
- Vision, Mission and Values

# BB&T Corporation: A Growing Franchise

## 8<sup>th</sup> Largest U.S. Financial Institution<sup>1</sup>

State	# of Branches <sup>3</sup>	Deposits <sup>1</sup> (\$bn)	Deposit Rank
North Carolina <sup>2</sup>	319	\$29.6	2
Virginia	303	23.2	4
Florida	288	18.0	7
Pennsylvania	232	13.7	6
Georgia	141	12.0	5
Maryland	152	10.0	6
South Carolina	99	8.1	3
Texas	115	6.3	14
Kentucky	93	5.7	4
West Virginia	63	5.3	1
Alabama	75	3.9	6
Tennessee	42	2.7	8
New Jersey	28	2.0	16
District of Columbia	12	1.3	9
Indiana	2	NM	NM
Ohio	3	NM	NM



**Total # of Branches 1,967**

1 Based on FDIC deposit market share data as of 06/30/2017

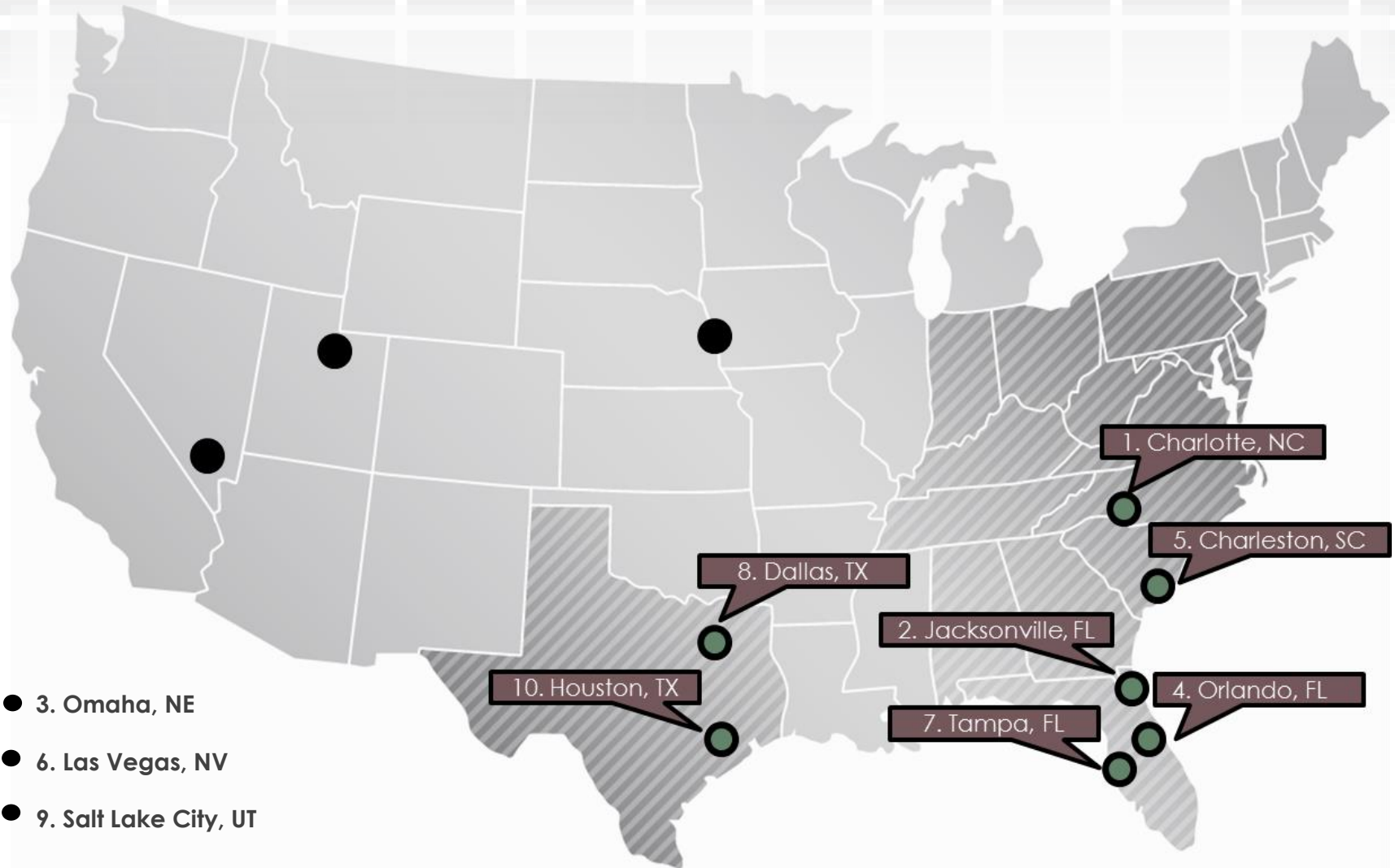
2 Excludes home office deposits

3 Branch totals as of 06/30/2018

Source: FactSet, FDIC, S&P Global

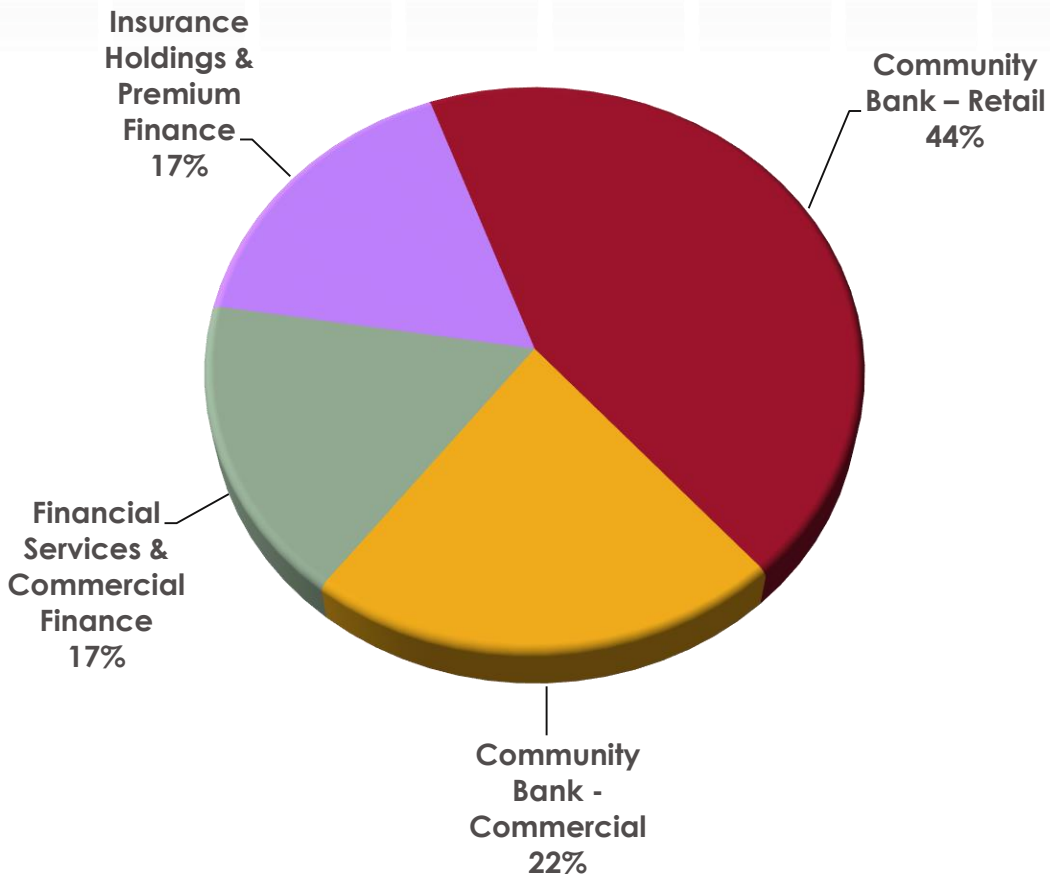
# BB&T is Well-Positioned in Fast Growing Markets

7 out of 10 of the “Top 10 Cities for Economic Opportunity” are in BB&T’s Community Banking Footprint



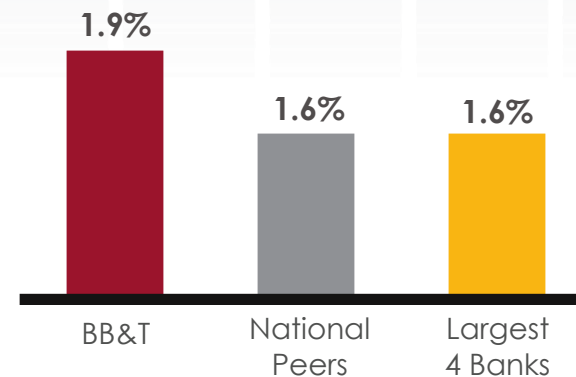
# Diversification Drives Revenue and Productivity

## Revenue Diversification by Segment\*



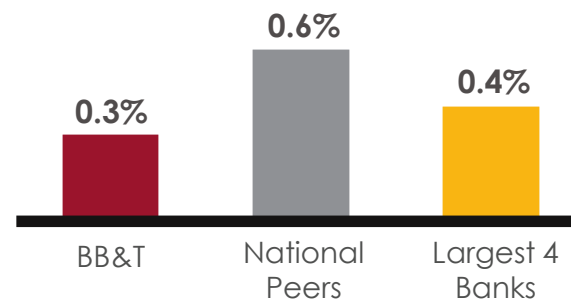
## Superior Performance...

PPNR/average assets 10-year average (3Q08 - 2Q18)



## ...With Less Volatility

PPNR/average assets 10-year standard deviation (3Q08 - 2Q18)



\* Based on segment revenues, excluding other, treasury and corporate for the year-to-date period ended 06/30/2018  
 National peer group: CFG, CMA, FITB, HBAN, KEY, MTB, PNC, RF, STI, USB, WFC and ZION  
 Largest 4 BHCs: BAC, C, JPM, WFC

# Our Differentiating Businesses

BB&T



BB&T Capital Markets

BB&T Commercial Equipment Capital

BB&T Equipment Finance



BB&T Insurance Holdings

BB&T Merchant Services



BB&T Retirement and Institutional Services

BB&T Securities



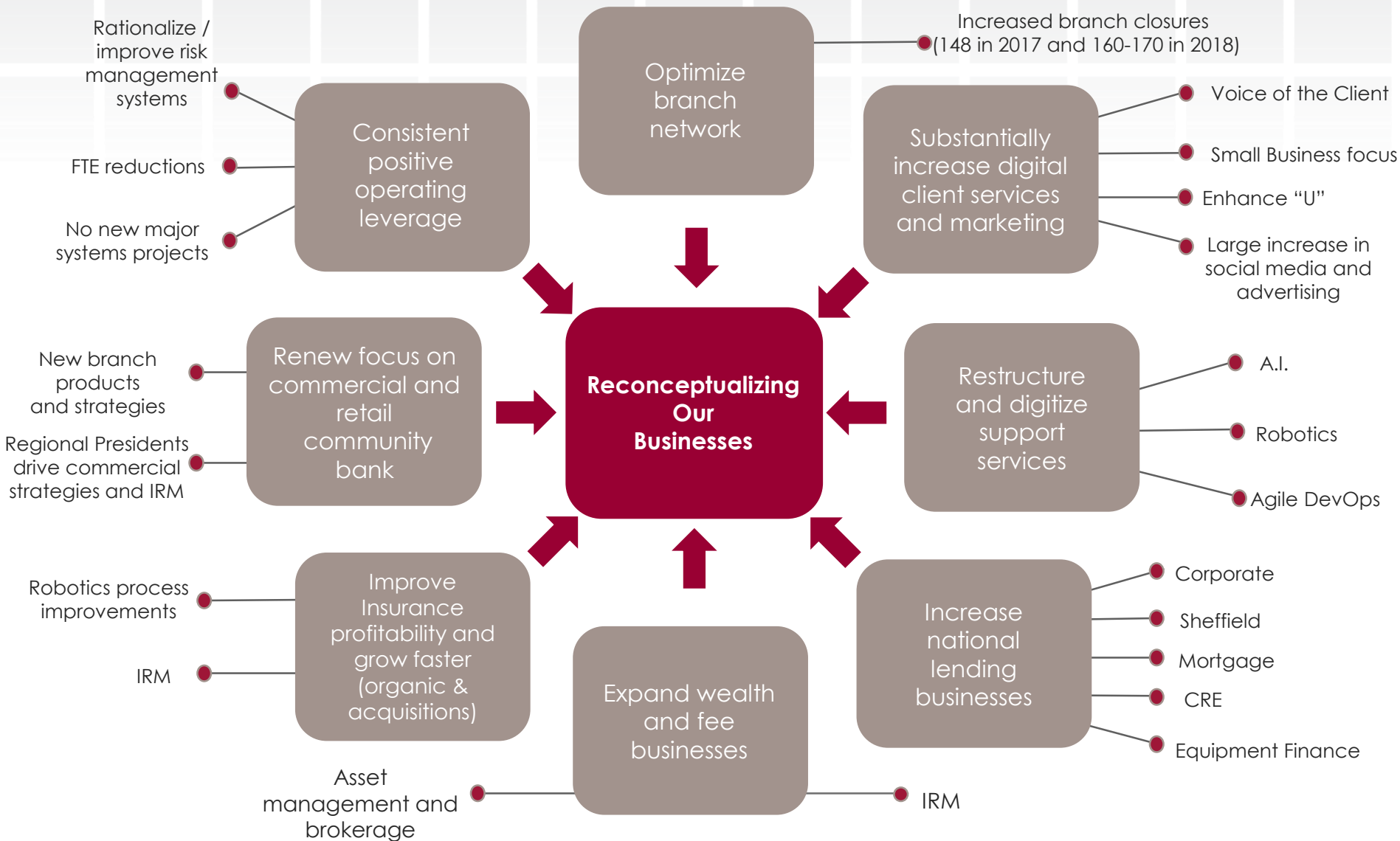
## Diversification and Execution



## 2018 Represents an Inflection Point



# Investing in Our Businesses: Disrupt or Die



*Designed to unlock significant value in Insurance*

## Corporate partnership

- ✓ Ensure continued ability to be nimble and flexible
- ✓ Leverage scale and shared services with BB&T

## Wholesale

- ✓ Invest in Data and Analytics to drive value for Insureds, brokers and carriers
- ✓ Develop an integrated go to market approach by focusing on client needs and clear communication with our clients
- ✓ Continue to build depth and breadth of products and services to provide a one stop shop solution for our clients
- ✓ Execute on a hiring/talent management strategy to fuel organic growth

## Retail

- ✓ Pursue integrated retail operating model with the Regions Insurance Group acquisition
- ✓ Increase value added services for customers
- ✓ Align talent strategy with goal of providing most efficient and high quality service
- ✓ Continue to build our EB business
- ✓ Execute on a hiring/talent management strategy to fuel organic growth

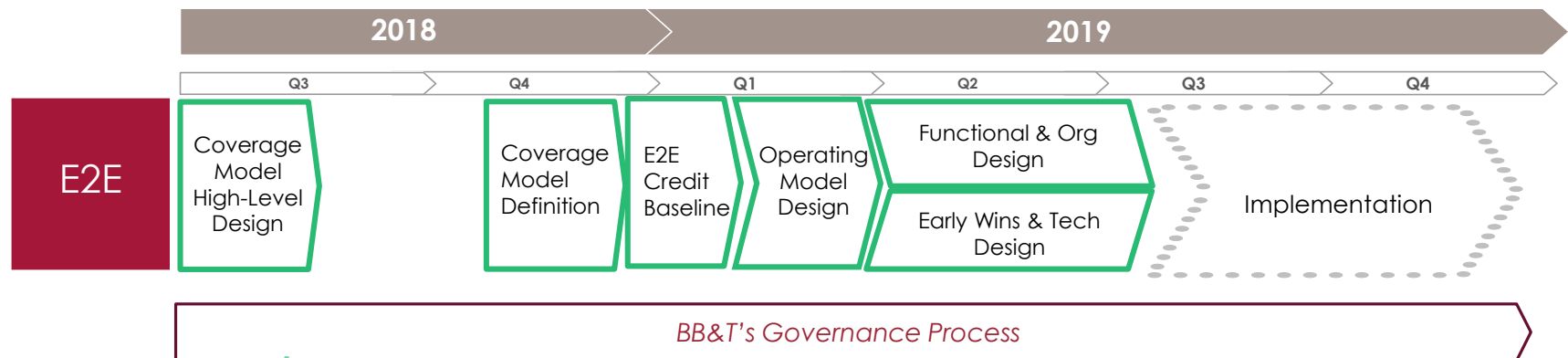
# End-to-End Commercial Credit Redesign

*Produce a redesign of the commercial lending process to simplify and improve client and associate experiences*

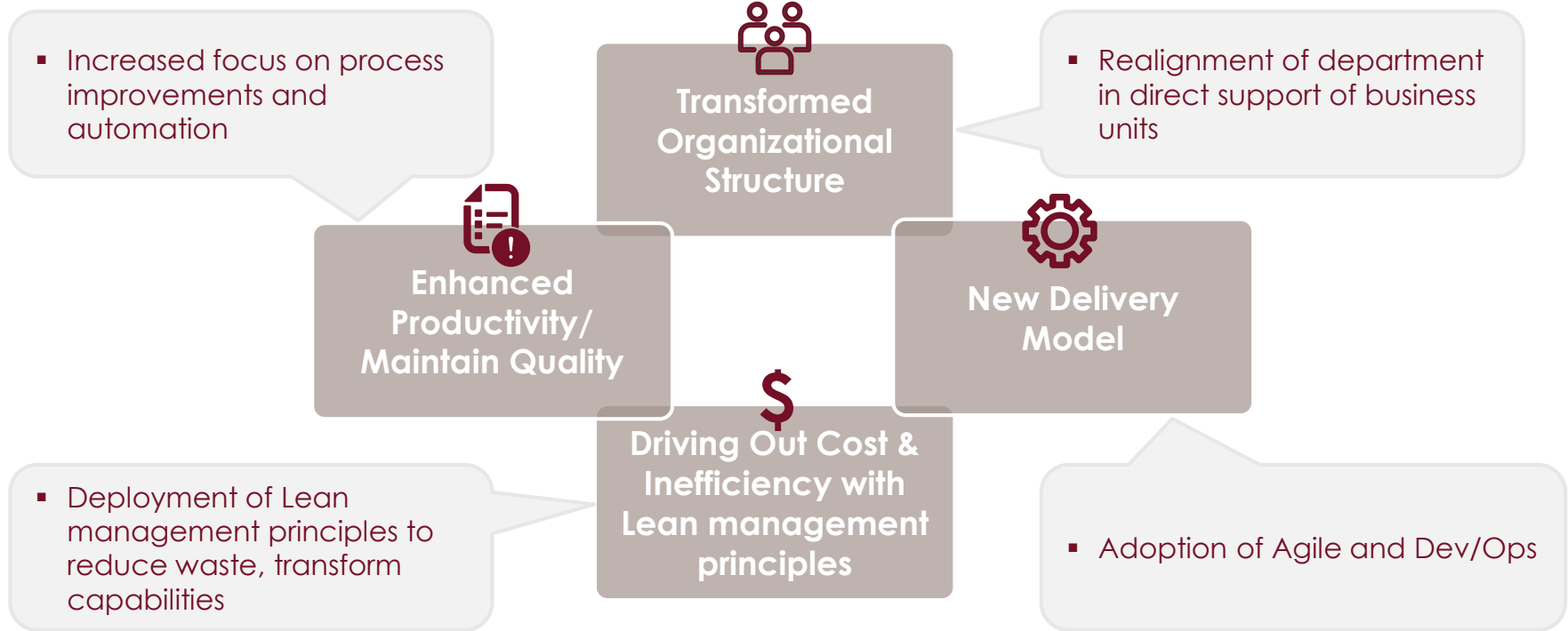
Scope:

- Front, middle and back office operations
- Origination, portfolio management and servicing processes

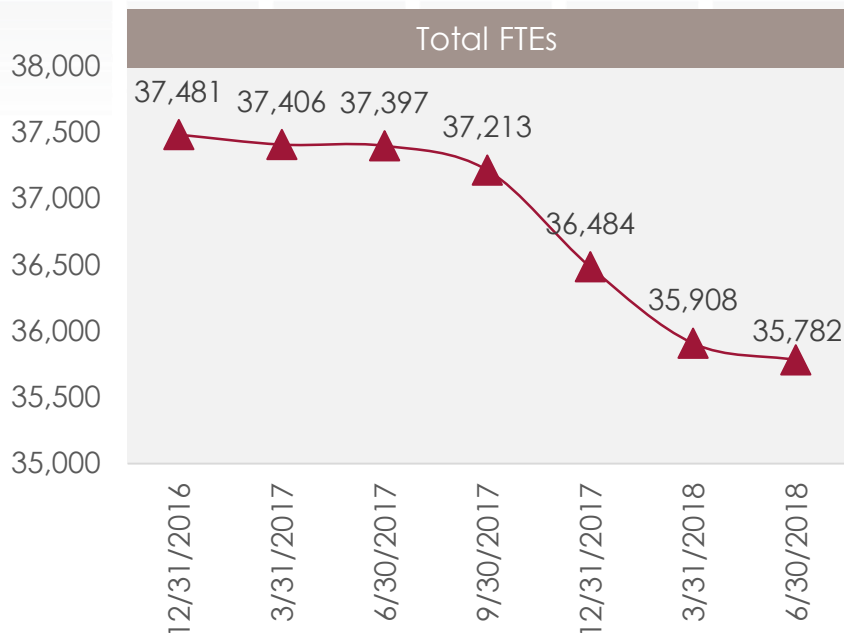
Project Timeline:



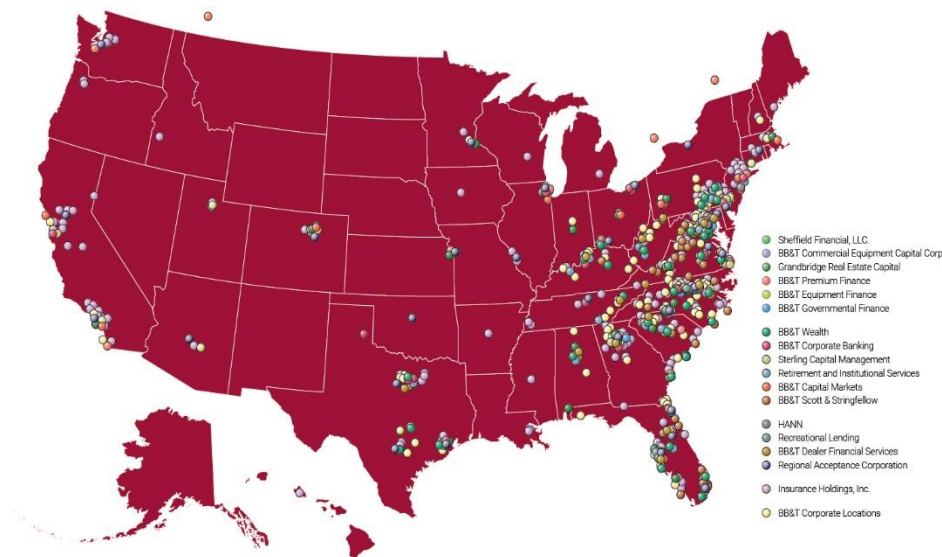
- BB&T's Data & Technology Services (D&TS) is becoming **more business line focused**, and transforming to support a more **technology-enabled business**.



# FTE Reduction and Facility/Branch Optimization



## Corporate and Non-Bank Business Locations

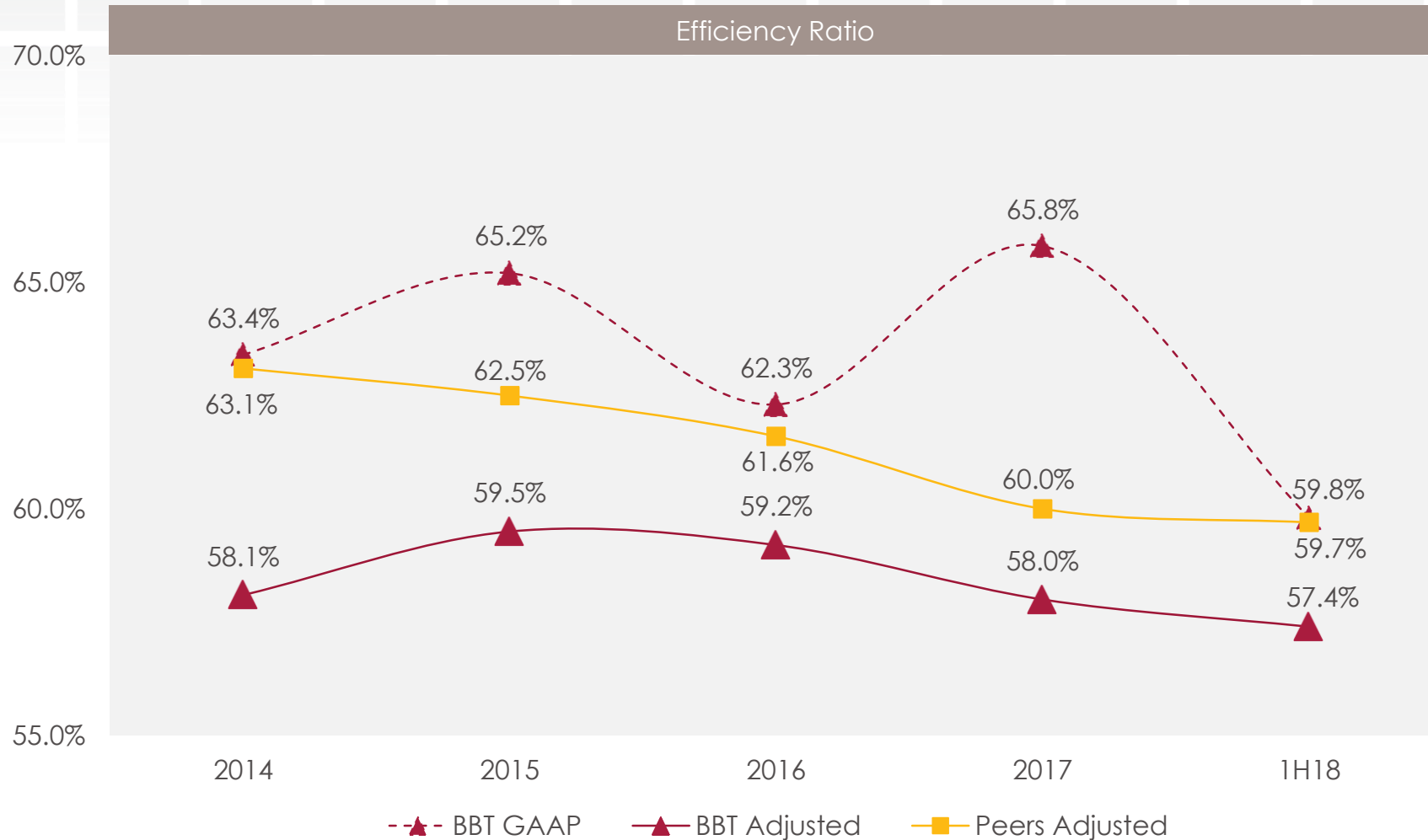


	12/31/2016	06/30/2018	Total Changes
FTEs	37,481	35,782	↓ 1,699

	12/31/2016	06/30/2018	Total Changes
Corporate locations	198	178	↓ 20
Financial centers	2,197	1,967	↓ 230
Non-bank businesses	557	560 <sup>1</sup>	↑ +3
Total	2,952	2,705	↓ 247

<sup>1</sup> Includes the acquisition of Regions Insurance Group

# Long-term Performance Advantage





## Strategic Advantages

# Enterprise “Voice of the Client” Program

Launched enterprise-wide VOC program in 2018 that provides near real-time aggregate and granular client feedback on a digital platform across multiple lines and multiple channels. VOC program enables dynamic data analytics that is leveraged to support the ongoing delivery of the “Perfect Client Experience”.

- Provides near real-time reporting tools for up-to-the minute insights
- Constantly gather client feedback and allows client care specialist to immediately respond to unresolved client opportunities
- Delivers persistent and dynamic feedback for coaching associates
- Aggregates and analyzes collected feedback
- Delivers transformative client insights to quickly and effectively identify emerging trends
- Ensures our relentless pursuit of client experience distinction







- 1** Established Client First Council with the Chief Client Experience Officer as the Executive Sponsor
- 2** Six Sigma like team dedicated daily to discover, uncover and dissolve multi-channel client and associate challenges related to the client experience
- 3** Driven to eliminate client friction and effort by incorporating immediate needed changes or enhancements with policy, process, and/or product
- 4** Extreme enterprise level focus across all business lines
- 5** Continuous improvements driving towards client experience distinction

# Virtual Banking Center (VBC)

**VBC Objective:** Enhance and deepen client relationships to improve client retention, expand household product penetration, ultimately resulting in increased revenue generation.

## Service to Sales Model



The Virtual Banking Center (VBC) proactively reaches out by phone or digitally to engage clients who prefer to interact with us through our virtual channels

Servicing clients who are a longer distance from the branch (i.e. West Texas)

Interacting with digital centric clients and educating non-digital centric clients on how to interact with digital products (i.e. OLB client not using BillPay)

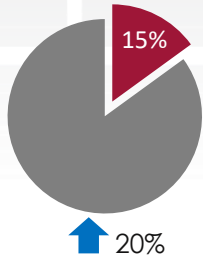
Financial Checkups are used to inquire, discover and solve client's financial needs by providing the right financial solutions to ultimately improve the client's financial well-being



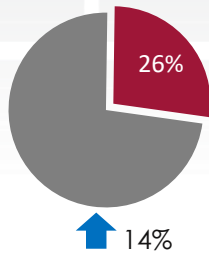
# Mobile App Ratings Among Industry's Leaders

## Online Account Opening Percentage of Total Bank Production\*

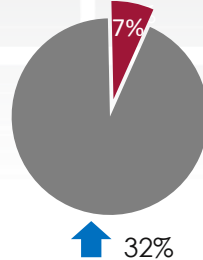
Retail Checking



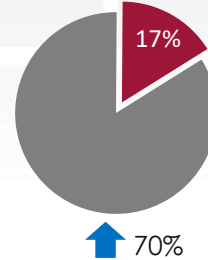
Retail Savings



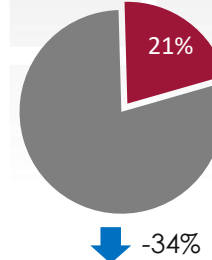
Business Checking



Bankcard

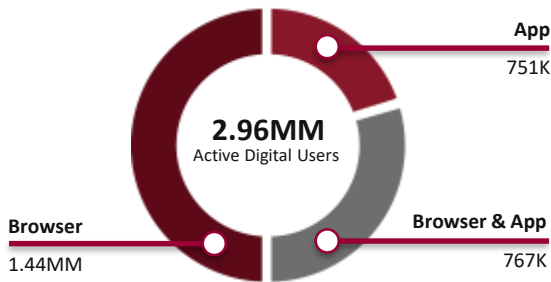


Mortgage



\*YTD 2018, Unit Sales Growth

## Digital Users†



†June 2018 U Web, U Mobile, Small Business, OLB

## Digital Users YOY Growth



**BB&T**

## Accolades



### iOS Mobile App Rating

4.8



### Android Mobile App Rating

4.3



### 2018 Dynatrace Q1 Mobile Banker Scorecard

Top 3 Mobile App  
Top 5 Mobile Browser

### 2017 S&P Global Market Intelligence

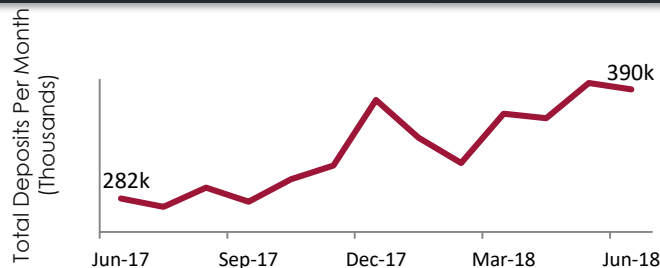
Top 5 Mobile App

### 2017 Javelin

Online Banking Contender

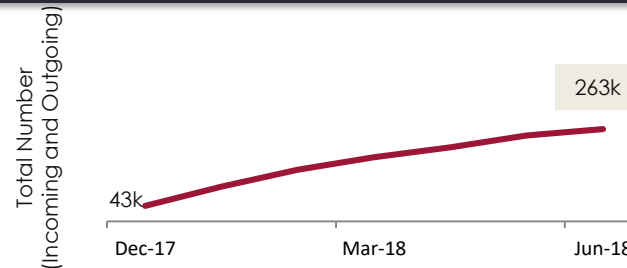
††June 2018

## Mobile Check Deposit Activity



11% of app clients use MCD††

## Zelle Activity



4.3% of digital clients use Zelle††

# The BB&T Leadership Institute

## *A Unique Home for a Unique Program*

- 60,000 square foot facility
- 11 acres adjacent to the BB&T Triad Corporate Center in Greensboro
- 48 rooms for overnight guests
- 8 training and development rooms



# The Leadership Institute Offers Solutions

- **Leadership Development**

- *Mastering Leadership Dynamics™*
- *Leadership Dynamics in Practice™*
- *Mastering Organizational Dynamics™*
- *High Performance Leadership*
- *Leadership Excellence Program*
- *Personal Executive Development*

- **Engagement**

- Engagement Surveys and Consulting
- Engagement Programs
- Enhancing Employee Well-Being

- **Talent Consulting**

- Succession Planning
- Performance Measurement and Calibration
- Optimizing Behaviors for High Performance

- **Change**

- Organizational Change Consulting

- **Teams**

- Team Optimization Process



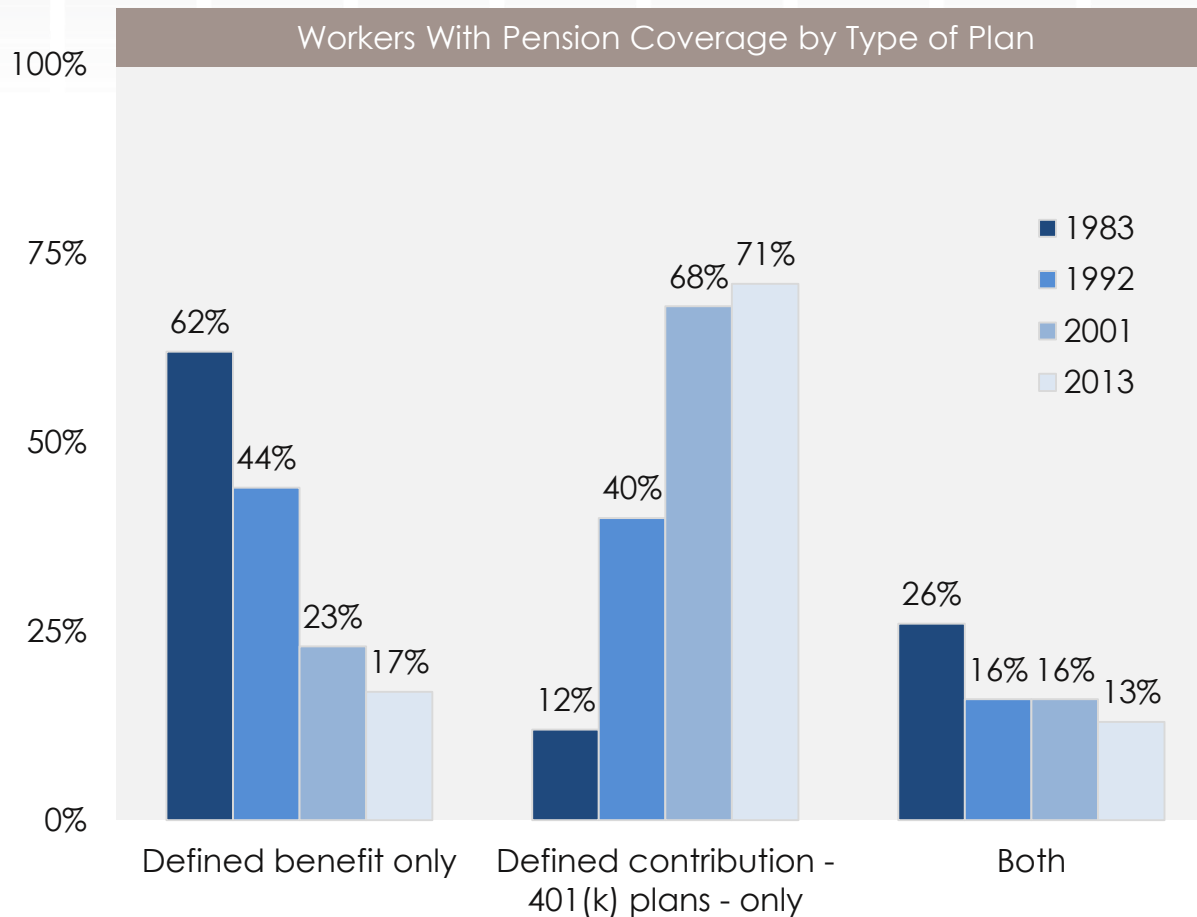
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## Our Commitments

# Committed to Our Associates

## A Strong Total Compensation Package

**BB&T consistently has the lowest turnover in our peer group**



*"Fewer than one in 10 corporate retirement plans match 5% of employees' contributions dollar-for-dollar, according to the Plan Sponsor Council of America"*  
 – WALL STREET JOURNAL

**BB&T's 6 on 6 plan is better than what >90% of US company 401(k) participants receive**

# Committed to Our Communities

## Lighthouse Project

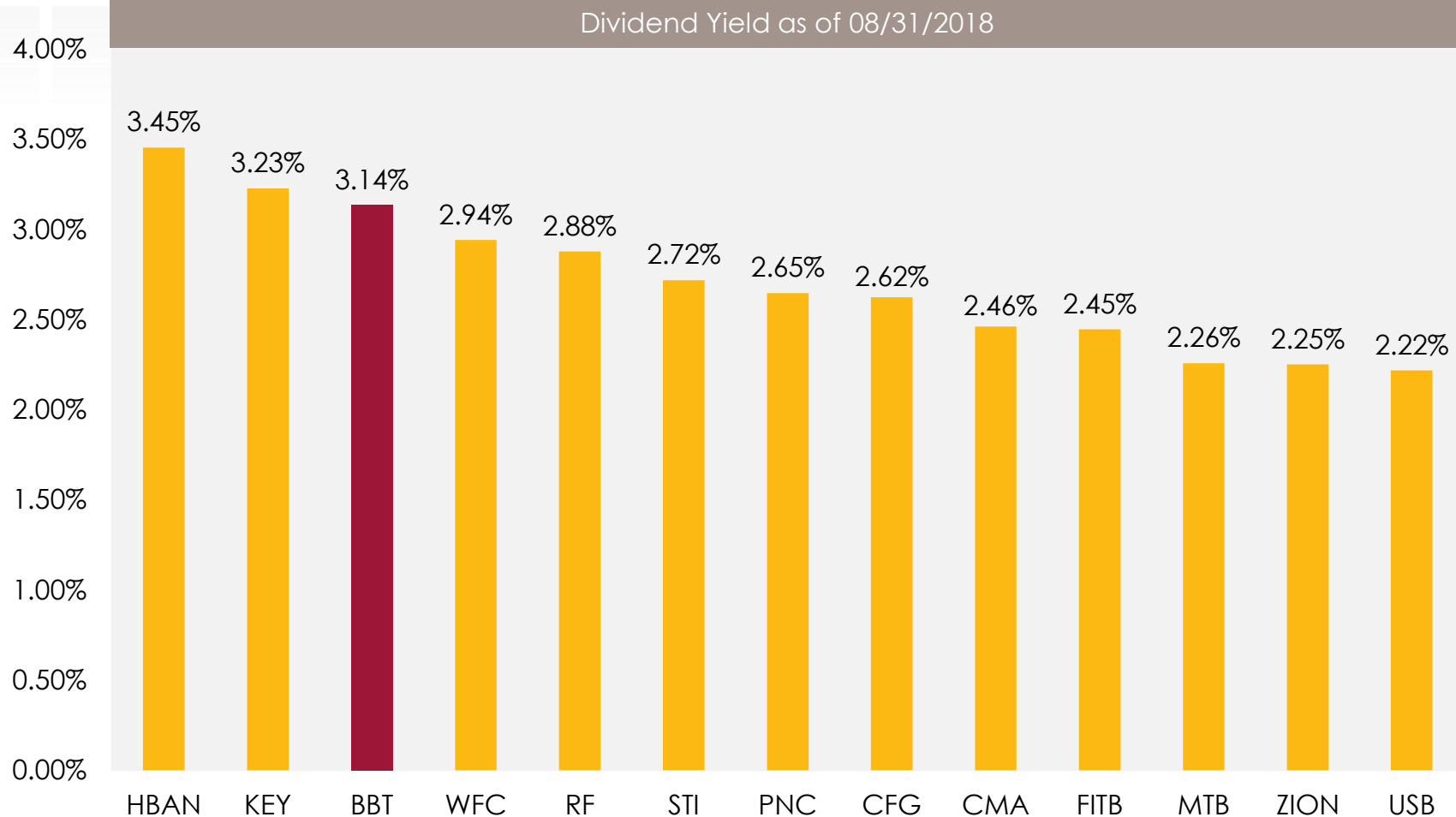
- Since 2009 we have completed more than **10,000** community service projects, provided more than **500,000** volunteer hours, and helped change the lives of more than **15 million** people





# Committed to Our Shareholders

## Top Tier Dividend Yield

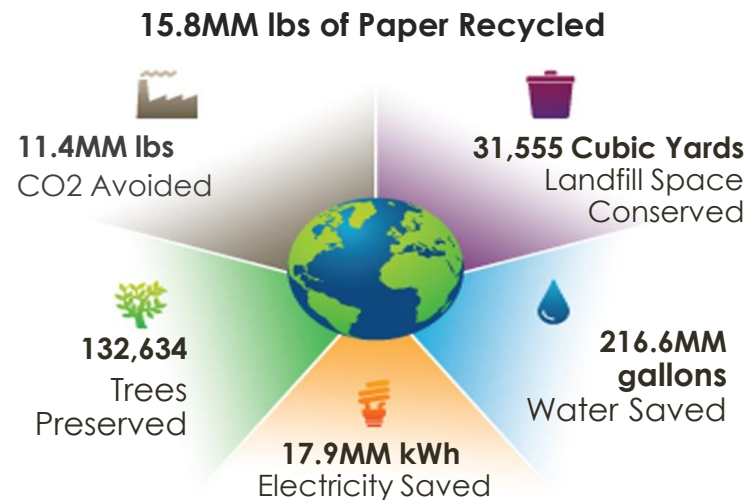


# Committed to Corporate Social Responsibility

## Environmental Sustainability



- Bank-wide facilities initiatives
  - Corporate paper recycling
  - Many departments working towards paperless goals
  - Purchase of copy paper recycled using sustainable forestry practices
  - Environmentally-friendly janitorial cleaning products
  - Targeting a 25% reduction in energy usage within 5 years
  - Targeting a 10% reduction in water usage within 5 years



# 3Q18 and Full-year 2018 Outlook

Category	3Q18
Average total loans held for investment	Up 4% - 6% annualized vs. 2Q18
Credit quality	NCOs expected to be 35 - 45 bps
Net interest margin	GAAP and core margins up slightly vs. 2Q18
Noninterest income <sup>3</sup>	Up 3% - 5% vs. 3Q17
Expenses <sup>1,3</sup>	Up 1% - 3% vs. 3Q17
Effective tax rate	20%
Category	Full-year 2018
Average total loans held for investment	Up 1% - 3% vs. 2017
Revenue <sup>2,3</sup>	Up 1% - 3% vs. 2017
Expenses <sup>1,3</sup>	Flat vs. 2017
Effective tax rate	20% - 21%

<sup>1</sup> Excludes merger-related and restructuring charges and selected items listed on page 16 of the Quarterly Performance Summary

<sup>2</sup> Taxable-equivalent

<sup>3</sup> Includes Regions Insurance Group



## *“An Evening at the Institute”*

NOVEMBER 13, 2018

Events include a special presentation by Kelly King, a reception and tours of the newly constructed BB&T Leadership Institute

~and~

## *Investor Day*

GREENSBORO, N.C.

NOVEMBER 14, 2018



All we see is you.™

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# Appendix

## Non-GAAP reconciliations

### Efficiency ratio

(Dollars in millions)

	1H18	FY17	FY16	FY15	FY14
<b>Efficiency ratio numerator - noninterest expense – GAAP</b>	<b>3,406</b>	<b>7,444</b>	<b>6,721</b>	<b>6,266</b>	<b>5,852</b>
Amortization of intangibles	(64)	(142)	(150)	(105)	(91)
Merger-related and restructuring charges, net	(52)	(115)	(171)	(165)	(46)
Gain (loss) on early extinguishment of debt	-	(392)	1	(172)	(122)
FHA-insured loan matters and related recovery	-	-	73	-	(85)
One-time bonus	-	(36)	-	-	-
Mortgage reserve adjustments	-	-	31	-	-
Charitable contribution	-	(100)	(50)	-	-
Franchise tax adjustment	-	-	-	-	15
Mortgage repurchase expense adjustment	-	-	-	-	(27)
Mortgage loan indemnification reserves	-	-	-	-	(33)
<b>Efficiency ratio numerator - adjusted</b>	<b>\$ 3,290</b>	<b>\$ 6,659</b>	<b>\$ 6,455</b>	<b>\$ 5,824</b>	<b>\$ 5,463</b>
<b>Efficiency ratio denominator - revenue<sup>1</sup> – GAAP</b>	<b>5,692</b>	<b>11,317</b>	<b>10,793</b>	<b>9,611</b>	<b>9,230</b>
Taxable equivalent adjustment	45	159	160	146	143
Securities (gains) losses, net	(1)	1	(46)	3	3
Loss on sale of American Coastal	-	-	-	26	-
FDIC loss share accounting	-	-	-	-	25
<b>Efficiency ratio denominator - adjusted</b>	<b>\$ 5,736</b>	<b>\$ 11,477</b>	<b>\$ 10,907</b>	<b>\$ 9,786</b>	<b>\$ 9,401</b>
<b>Efficiency ratio – GAAP</b>	<b>59.8%</b>	<b>65.8%</b>	<b>62.3%</b>	<b>65.2%</b>	<b>63.4%</b>
<b>Efficiency ratio – adjusted<sup>2</sup></b>	<b>57.4%</b>	<b>58.0%</b>	<b>59.2%</b>	<b>59.5%</b>	<b>58.1%</b>

<sup>1</sup> Revenue is defined as net interest income plus noninterest income.

<sup>2</sup> The adjusted efficiency ratio is non-GAAP in that it excludes securities gains (losses), amortization of intangible assets, merger-related and restructuring charges and other selected items. BB&T's management uses this measure in their analysis of the Corporation's performance. BB&T's management believes this measure provides a greater understanding of ongoing operations and enhances comparability of results with prior periods, as well as demonstrates the effects of significant gains and charges.