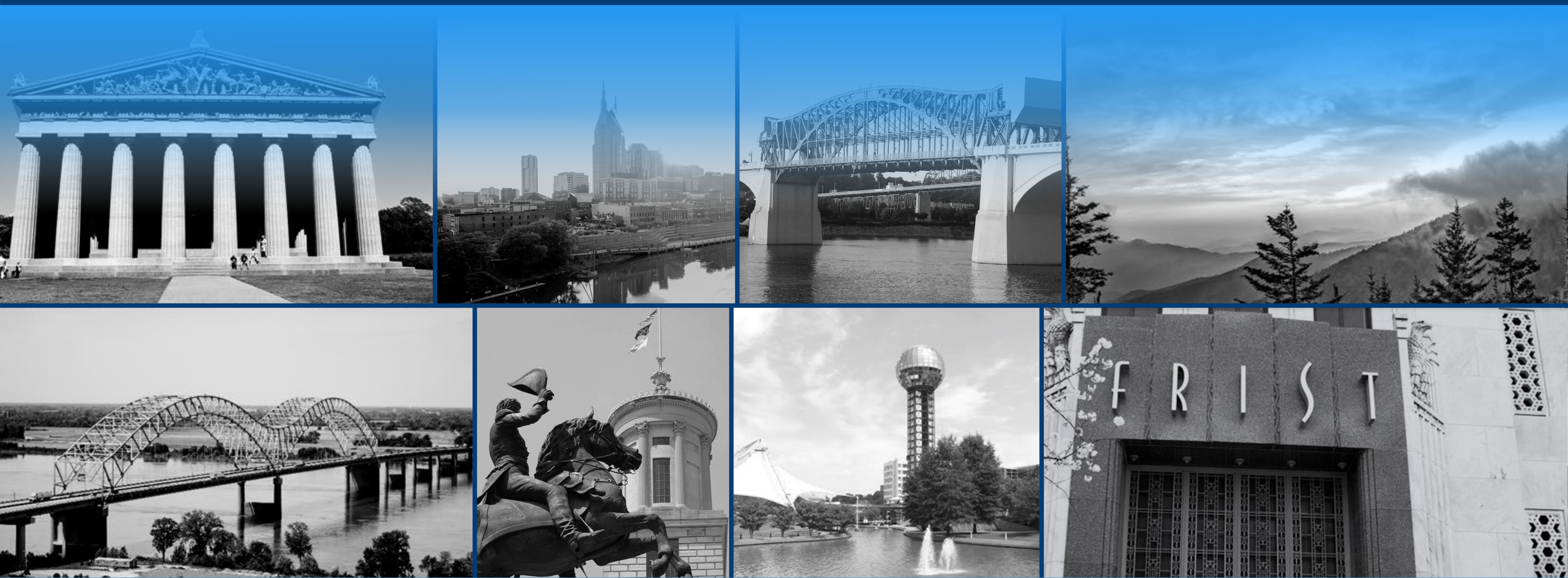
FB Financial Corporation



2022 First Quarter Earnings Presentation

April 19, 2022

Forward–Looking Statements

Certain statements contained in this presentation that are not historical in nature may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements regarding FB Financial Corporation's (the "Company") business operations and statements related to the Company's future plans, results, strategies, and expectations, including expectations around the Company's Innovations Group. 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," "project," and other variations of such words and phrases and similar expressions. These forward-looking statements are not historical facts, and are based upon management's current expectations, estimates, and projections, many of which, by their nature, are inherently uncertain and beyond the Company's control. The inclusion of these forward-looking statements should not be regarded as a representation by the Company or any other person that such expectations, estimates, and projections will be achieved. Accordingly, the Company cautions 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. 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 inflation, interest rate fluctuations, changes in the economy or global supply chain, supply-demand imbalances affecting local real estate prices, and high unemployment rates in the local or regional economies in which the Company operates and/or the US economy generally, (2) the ongoing effects of the COVID-19 pandemic, including the magnitude and duration of the pandemic and the emergence of new variants, and its impact on general economic and financial market conditions and on the Company's business and the Company's customers' business, results of operations, asset quality and financial condition, (3) ongoing public response to the vaccines that were developed against the virus as well as the decisions of governmental agencies with respect to vaccines, including recommendations related to booster shots and requirements that seek to mandate that individuals receive or employers require that their employees receive the vaccine, (4) those vaccines' efficacy against the virus, including new variants, (5) changes in government interest rate policies and its impact on the Company's business, net interest margin, and mortgage operations, (6) the Company's ability to effectively manage problem credits, (7) the Company's ability to identify potential candidates for, consummate, and achieve synergies from, potential future acquisitions, (8) difficulties and delays in integrating acquired businesses or fully realizing costs savings, revenue synergies and other benefits from future and prior acquisitions, (9) the Company's ability to successfully execute its various business strategies, (10) changes in state and federal legislation, regulations or policies applicable to banks and other financial service providers, including legislative developments, (11) the potential impact of the proposed phase-out of the London Interbank Offered Rate ("LIBOR") or other changes involving LIBOR, (12) the effectiveness of the Company's cybersecurity controls and procedures to prevent and mitigate attempted intrusions, (13) the Company's dependence on information technology systems of third party service providers and the risk of systems failures, interruptions, or breaches of security, and (14) general competitive, economic, political, and market conditions. Further information regarding the Company and factors which could affect the forward-looking statements contained herein can be found in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and in any of the Company's subsequent filings with the Securities and Exchange Commission. Many of these factors are beyond the Company's ability to control or predict. If one or more events related to these or other risks or uncertainties materialize, or if the 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 the Company 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 the Company to predict their occurrence or how they will affect the company.

The Company qualifies all forward-looking statements by these cautionary statements.

Use of non-GAAP financial measures

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 may include, without limitation, adjusted net income, adjusted diluted earnings per common share, adjusted and unadjusted pre-tax pre-provision earnings, core revenue, core noninterest expense and core noninterest income, core efficiency ratio (tax equivalent basis), adjusted Banking segment pre-tax, pre-provision earnings, Banking segment core noninterest income, Mortgage segment core noninterest income, Banking segment core noninterest expense, Banking segment core revenue, Mortgage segment core revenue, Banking segment core efficiency ratio (tax equivalent basis), Mortgage segment core efficiency ratio (tax equivalent basis), adjusted return on average assets and equity, and adjusted pre-tax pre-provision return on average assets and equity. Each of these non-GAAP metrics excludes certain income and expense items that the Company's management considers to be non-core/adjusted in nature. The Company also includes an adjusted allowance for credit losses, adjusted loans held for investment, and adjusted allowance for credit losses to loans held for investment, which all exclude the impact of PPP loans. The Company refers to these non-GAAP measures as adjusted (or core) measures. Also, the Company presents tangible assets, tangible common equity, adjusted tangible common equity, tangible book value per common share, adjusted tangible book value per common share, tangible common equity to tangible assets, return on average tangible common equity, adjusted return on average tangible common equity, and adjusted pre-tax pre-provision return on average tangible common equity. Each of these non-GAAP metrics excludes the impact of goodwill and other intangibles. Adjusted tangible common equity and adjusted tangible book value also exclude the impact of net accumulated other comprehensive (loss) income.

The Company's management uses these non-GAAP financial measures in their analysis of the Company's performance, financial condition and the efficiency of its operations 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 demonstrate the effects of significant non-core gains and charges in the current and prior periods. The Company's management also believes that investors find these non-GAAP financial measures useful as they assist investors in understanding the Company'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, the Company believes that the presentation of this information allows investors to more easily compare the Company'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. Moreover, the manner in which the Company calculates the non-GAAP financial measures discussed herein may differ from that of other companies reporting measures with similar names. Investors should understand how such other banking organizations calculate their financial measures similar or with names similar to the non-GAAP financial measures the Company has discussed herein when comparing such non-GAAP financial measures. The following tables in this presentation provide a reconciliation of these measures to the most directly comparable GAAP financial measures.

1Q 2022 highlights

Key highlights

- Loans HFI grew 21.3% annualized in 1Q 2022, or $400 million. Year-over-year loan growth of 13.6%. Excluding PPP loans, year-over-year loan growth of 16.0%
- Excluding mortgage-escrow related deposits, noninterest bearing deposits grew 6.8% annualized in 1Q 2022, or $44.0 million. Excluding mortgage-escrow deposits, year-over-year noninterest-bearing deposit growth of 17.5%
- Net interest income and net income negatively impacted by $2.2 million accelerated amortization of purchase accounting premium on two purchased credit-deteriorated loans.
- Core banking segment noninterest income[1] of $12.6 million in 1Q 2022 compared to $11.7 million in 4Q 2021 and $11.7 million in 1Q 2021. Core banking segment noninterest expense[1] of $59.6 million in 1Q 2022 compared to $58.7 million in 4Q 2021 and $55.7 million in 1Q 2021
- Total mortgage loss of $0.3 million in 1Q 2022 compared to contribution of $0.7 million in 4Q 2021
- Cost of total deposits decreased by 2 basis points from 4Q 2021 to 0.20%, while contractual yield on loans HFI declined by 2 basis points
- Continued strong credit performance with net recoveries / avg. loans (HFI) of 3 basis points, NPAs / Assets declining by 6 basis points from 4Q 2021 to 0.44% and NPLs / Loans (HFI) declining by 11 basis points from 4Q 2021 to 0.51%

Financial results

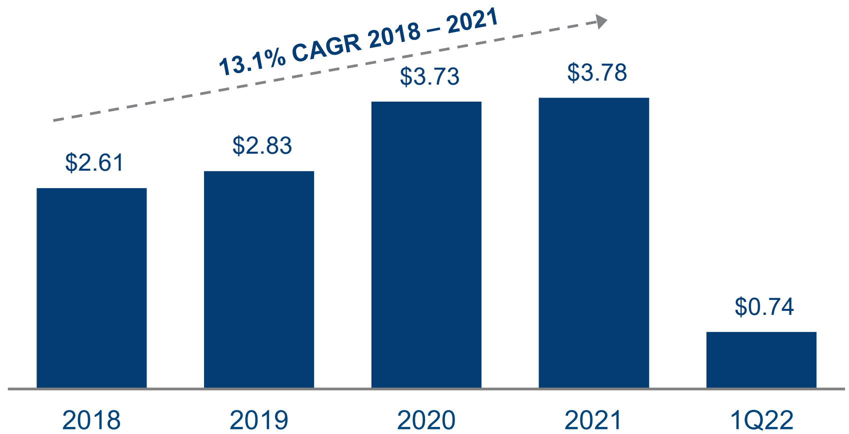
	1Q 2022
Diluted earnings per share	$0.74
Adjusted diluted earnings per share[1]	*$0.74*
Net income ($mm)	$35.2
Adjusted net income[1] ($mm)	*$35.4*
Return on average assets	1.13%
Adjusted return on average assets[1]	*1.13%*
Return on average equity	10.1%
Adjusted return on average equity[1]	*10.1%*
Return on average tangible common equity[1]	12.4%
Adjusted return on average tangible common equity[1]	*12.4%*
Adjusted pre-tax, pre-provision earnings[1] ($mm)	$40.5
Adjusted pre-tax, pre-provision return on average assets[1]	1.30%
Net interest margin	3.04%
Impact of accretion and nonaccrual interest (bps)	*(7)*
Impact of excess liquidity (bps)[2]	*(29)*
Tangible common equity / tangible assets[1]	9.0%

[1] Results are non-GAAP financial measures that adjust GAAP reported net income, total assets, equity and other metrics for certain intangibles, income and expense items as outlined in the non-GAAP reconciliation calculations, using a combined marginal income tax rate of 26.06% excluding one-time items. See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures.

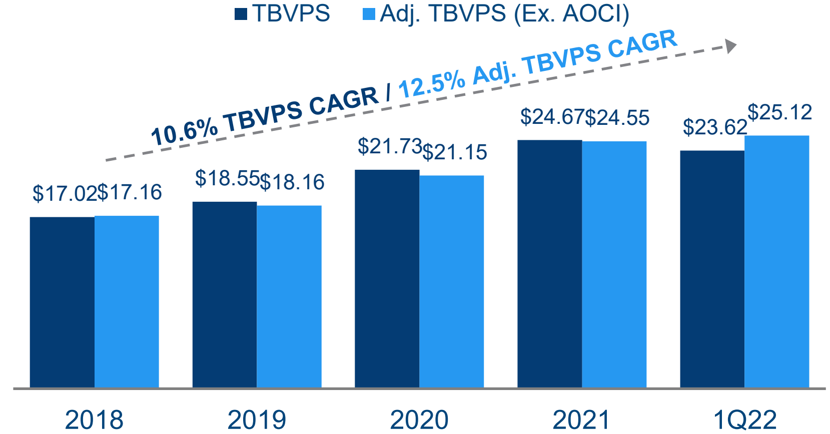
[2] Excess liquidity defined as interest-bearing deposits with other financial institutions in excess of 5% of average tangible assets. Assumes funded from all interest bearing liabilities.

Driving shareholder value

Adjusted Earnings per Share[1]

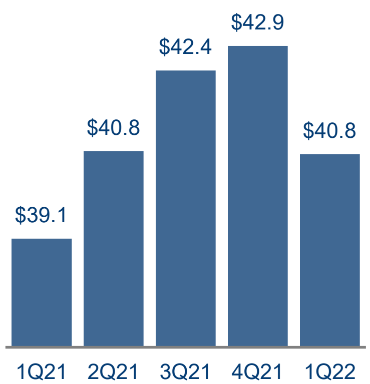


Tangible Book Value per Share[1]

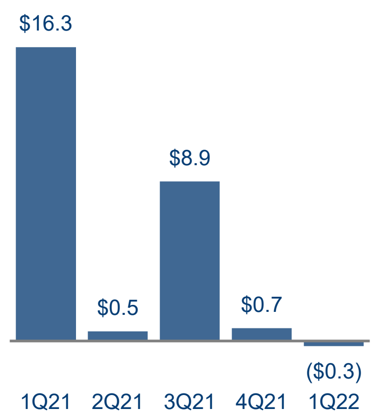


Short Term Performance Dashboard

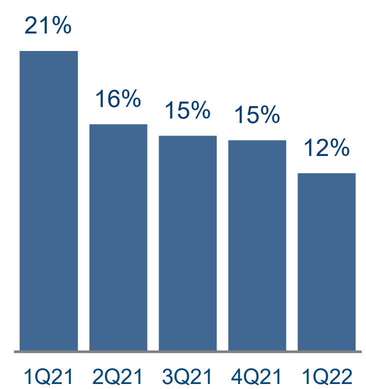
Adjusted Banking Segment PTPP[1,2]



Mortgage Contribution

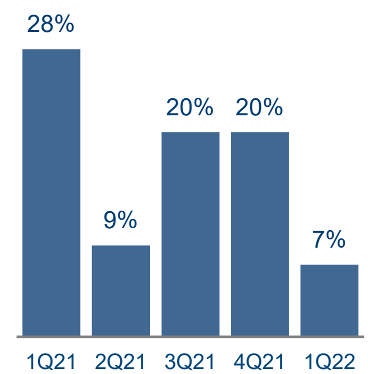


Adjusted ROATCE[1]



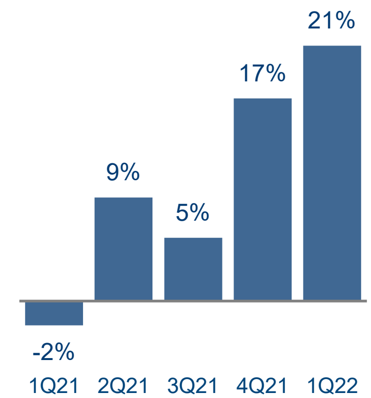
Annualized NIB Deposit Growth

14.7% year-over-year NIB Deposit growth



Annualized Loans (HFI) Growth

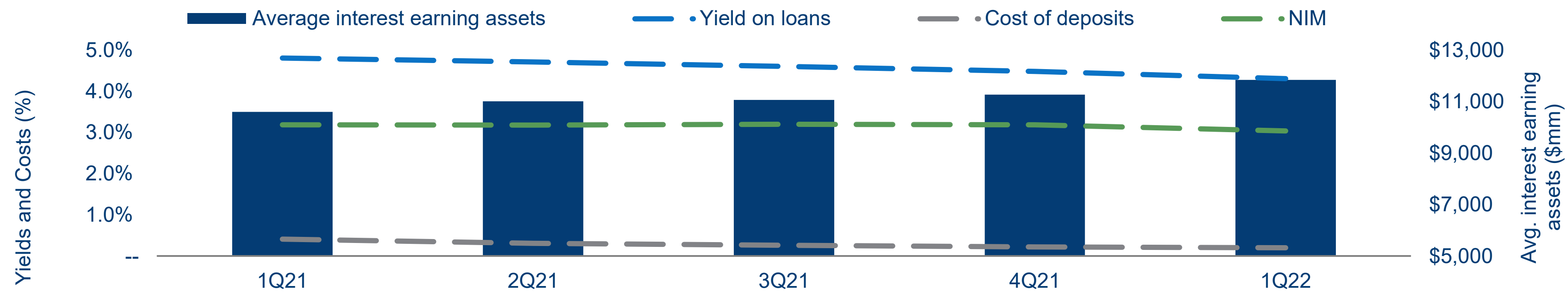
13.6% year-over-year Loans (HFI) growth



[1] See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures to the most directly comparable GAAP financial measures.
[2] 1Q22 Banking Segment PTPP impacted by $2.2 million in accelerated amortization of purchase accounting premium related to 2 PCD loans with $1.1 million in remaining premium each.

Stable net interest margin

Historical yield and costs



	1Q21	2Q21	3Q21	4Q21	1Q22
NIM[1]	**3.19%**	**3.18%**	**3.20%**	**3.19%**	**3.04%**
Impact of accretion and nonaccrual interest (bps)	3	1	2	0	(7)
Impact of excess liquidity[2] (bps)	(33)	(37)	(28)	(22)	(29)
Deposit Cost:					
Cost of MMDA	0.50%	0.38%	0.31%	0.27%	0.21%
Cost of customer time	0.90%	0.63%	0.61%	0.53%	0.50%
Cost of interest-bearing	0.53%	0.41%	0.34%	0.30%	0.27%
Total deposit cost	**0.41%**	**0.31%**	**0.26%**	**0.22%**	**0.20%**
Loans HFI Yield:					
Contractual interest	4.39%	4.31%	4.23%	4.17%	4.15%
Origination and other loan fee income	0.38%	0.39%	0.35%	0.33%	0.26%
Nonaccrual interest	0.04%	0.03%	0.02%	0.03%	0.02%
Accretion on purchased loans	0.00%	(0.01%)	0.01%	(0.04%)	(0.12%)
Total loan (HFI) yield	**4.81%**	**4.72%**	**4.61%**	**4.49%**	**4.31%**

[1] Includes tax-equivalent adjustment.

[2] Excess liquidity defined as interest-bearing deposits with other financial institutions in excess of 5% of average tangible assets. Assumes funded from all interest bearing liabilities.

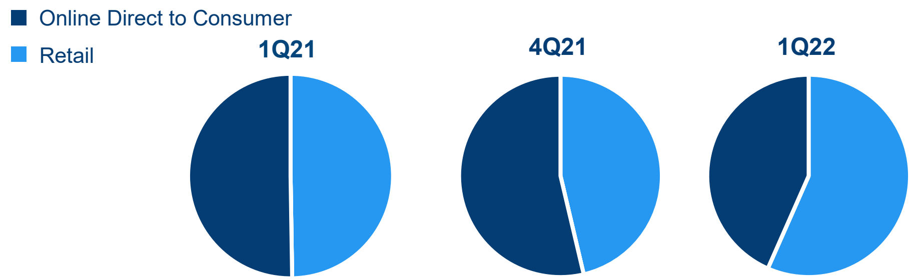
FirstBank

Mortgage performance in 1Q 2022

Highlights

- Total mortgage pre-tax loss of $0.3 million for the first quarter as refinance volumes declined and margins continued to be impacted by excess capacity in the industry
- Reducing our mortgage origination capacity and the size of the corresponding operational functions for current and forecasted lower mortgage origination volumes.
- Direct to consumer origination channel, which utilizes purchased leads and historically attracts majority refinance volume, has been more materially impacted by declining volumes and profitability
- Retail origination channel continues to perform as expected, with a slower growth rate, lower margins and lower profitability
- Servicing portfolio becoming more profitable with rising rates

Quarterly mortgage production

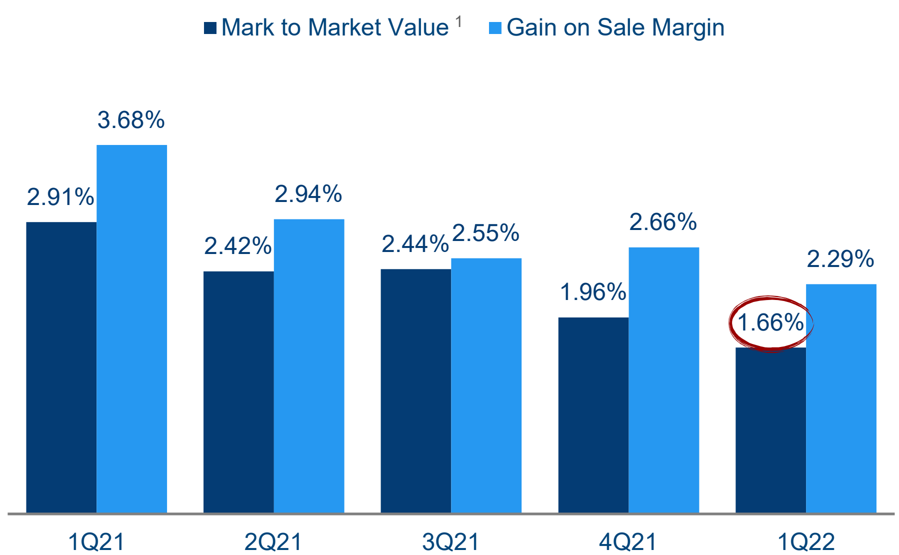


	1Q21	4Q21	1Q22
IRLC volume:	**$1,889mm**	**$1,485mm**	**$1,309mm**
IRLC pipeline[2]:	**$1,059mm**	**$487mm**	**$542mm**
Refinance %:	**66%**	**57%**	**43%**
Purchase %:	**34%**	**43%**	**57%**

Mortgage banking income ($mm)

	1Q21	4Q21	1Q22
Gain on Sale	$57.9	$37.5	$29.4
Fair value changes	($4.2)	($12.5)	($7.5)
Servicing Revenue	$6.9	$7.7	$7.4
Fair value MSR changes	($5.3)	($1.3)	$0.2
Total Income	**$55.3**	**$31.4**	**$29.5**

Mark to Market Value and Gain on Sale Margin



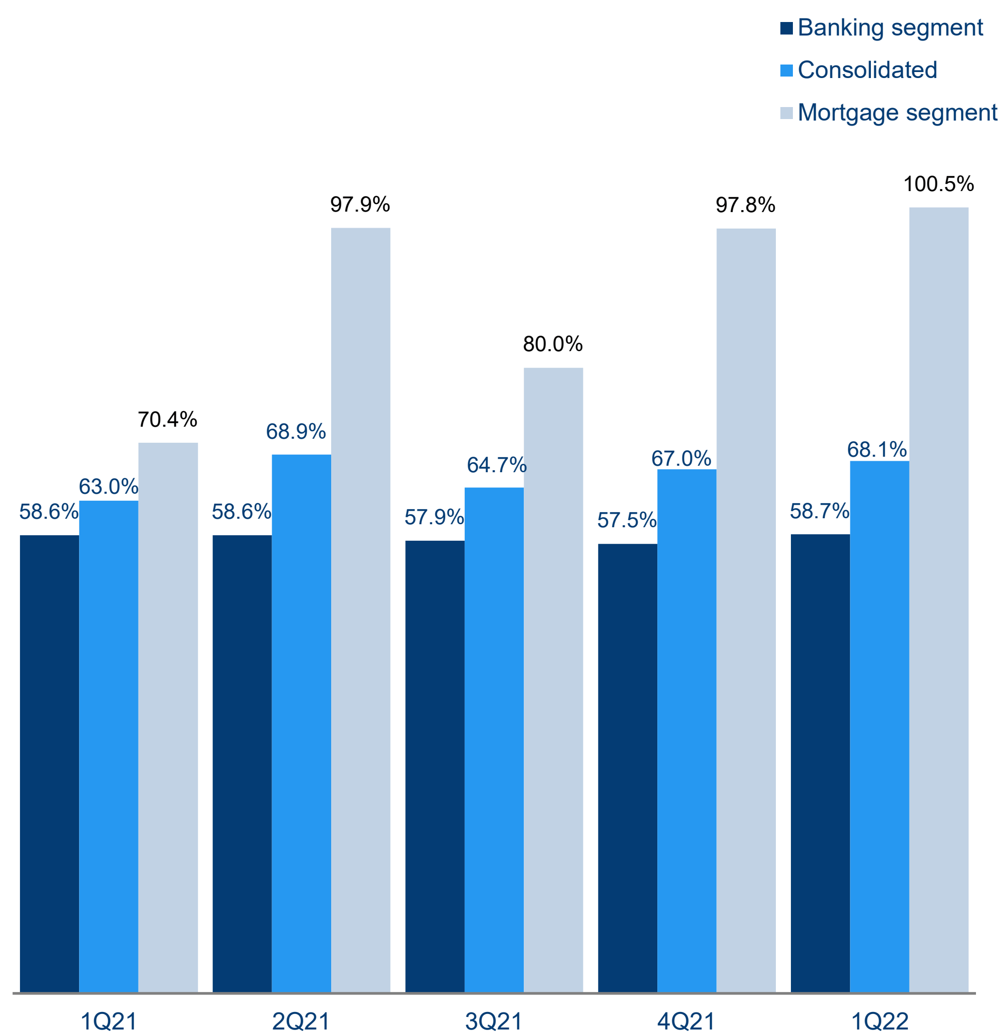
[1] Defined as the fair value plus related derivatives for mandatory and best efforts divided by their pull-through weighted volume.

Managing expenses and investing to support growth

Highlights

- Consolidated 1Q 2022 core efficiency ratio[1] of 68.1%
- Banking segment balance sheet growth has paid for significant investments over the past 12 months, with efficiency ratio remaining flat with 1Q 2021 despite 6.9% increase in core banking segment expenses year-over-year. Segment efficiency ratio impacted by $2.2 million in accelerated premium amortization related to 2 PCD loans
- Mortgage efficiency impacted by the environment for mortgage originations, resulting in lower revenues
- Anticipate further investments in people with the opportunity resulting from recent merger disruption and additional investments in technology as Innovations Group is presented with further opportunities

Core efficiency ratio (tax-equivalent basis)[1]



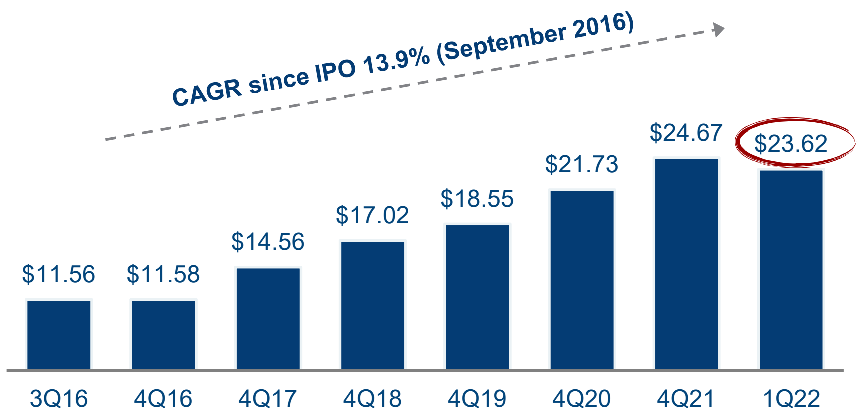
[1] See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures to the most directly comparable GAAP financial measures.

Well-capitalized for future opportunities

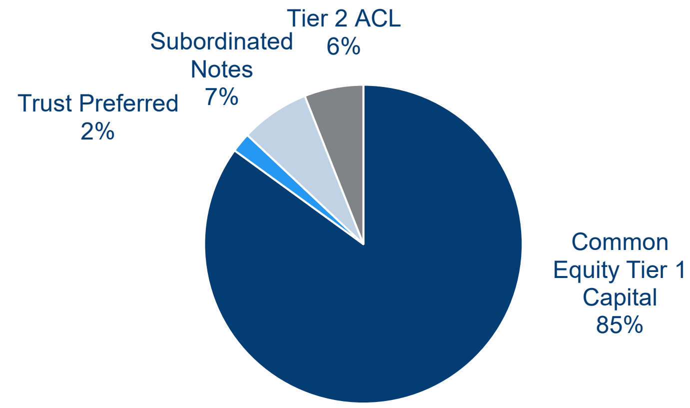
Capital position

	1Q21[1]	4Q21[1]	1Q22[1,2]
Shareholder's equity/Assets	11.1%	11.4%	10.9%
TCE/TA[3]	9.1%	9.5%	9.0%
Common equity tier 1/Risk-weighted assets	12.0%	12.3%	12.0%
Tier 1 capital/Risk-weighted assets	12.3%	12.6%	12.3%
Total capital/Risk-weighted assets	14.6%	14.5%	14.2%
Tier 1 capital /Average assets	10.1%	10.5%	10.2%
C&D loans subject to 100% tier 1 capital plus ACL[4]	92%	103%	112%
CRE loans subject to 300% tier 1 capital plus ACL[4]	250%	264%	275%

Tangible book value per share[3]



Simple capital structure

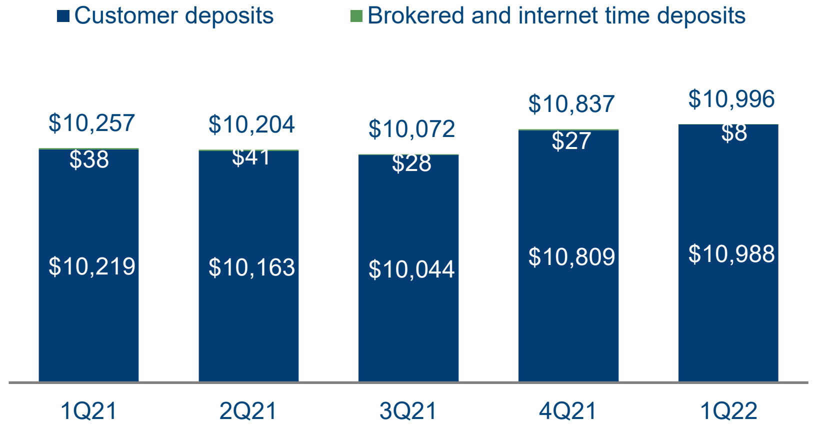


Total regulatory capital $1,458[2] mm

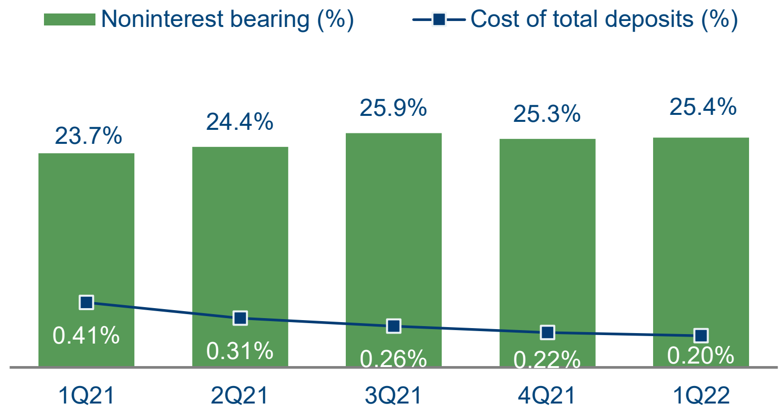
[1] For regulatory capital purposes, the CECL impact over 2021 and 2022 is gradually phased-in from Common Equity Tier 1 Capital to Tier 2 capital. As of 1Q21, 4Q21 and 1Q22, respectively, $49.0 million, $40.9 million and $30.7 million are being added back to CET 1 and Tier 1 Capital, and $54.9 million, $46.8 million and $35.1 million are being taken out of Tier 2 capital. [2] Total regulatory capital, FB Financial Corporation. 1Q22 calculation is preliminary and subject to change. [3] See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures. [4] Tier 1 capital at FirstBank as defined in Call Report. As of 1Q21, 4Q21 and 1Q22, respectively, $54.9 million, $46.8 million and $35.1 million are being disallowed from Tier 1 Capital for purposes of the calculation.

Valuable core deposit base

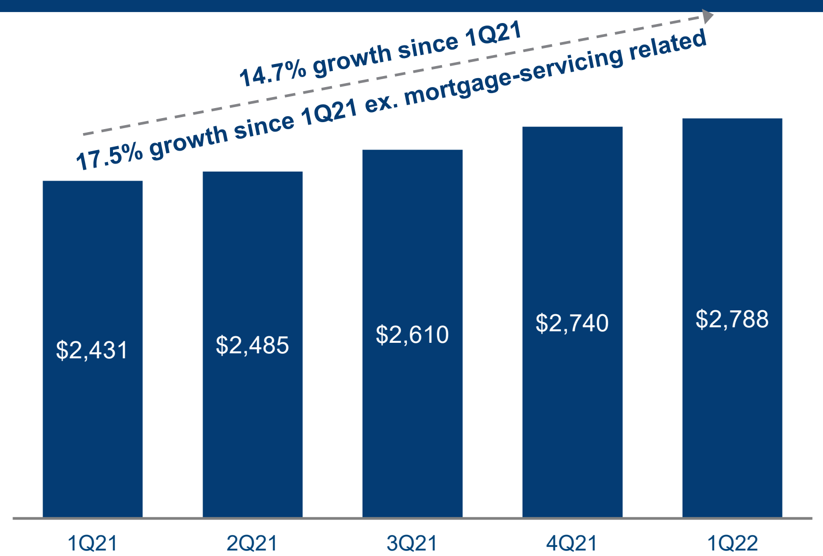
Total deposits ($mm)



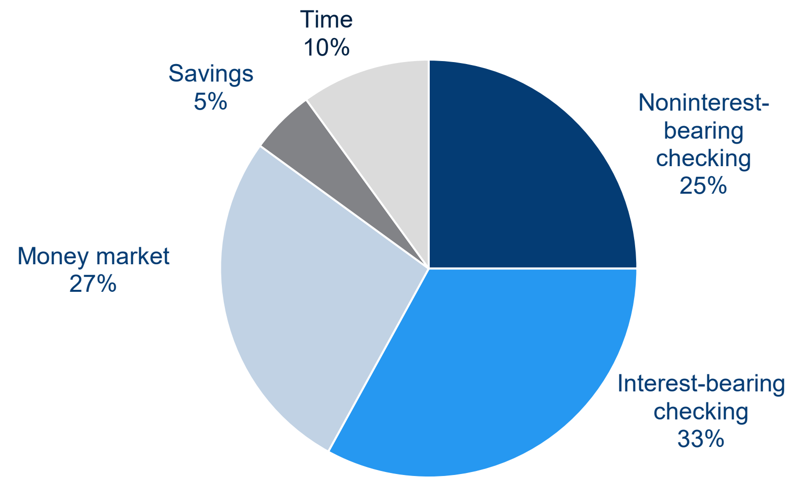
Cost of deposits



Noninterest bearing deposits[1] ($mm)



Deposit composition

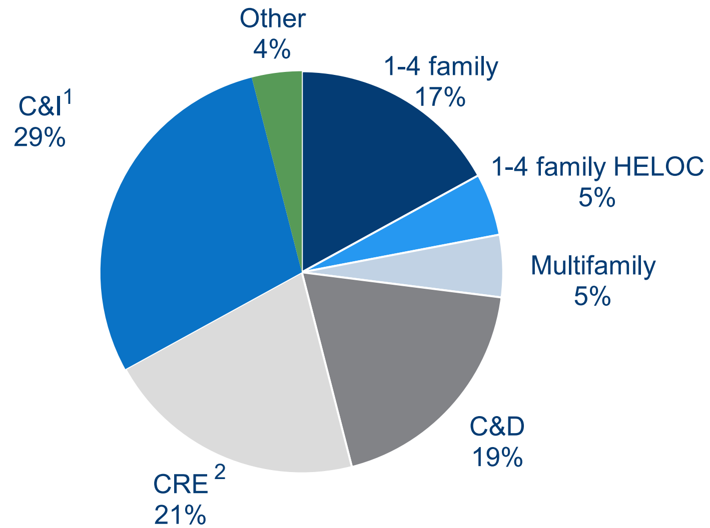


58% Checking accounts

[1] Includes mortgage servicing-related deposits of $170.9 million, $166.1 million, $190.6 million, $127.6 million and $131.1 million for the quarters ended March 31, 2021, June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022, respectively.

Balanced loan portfolio

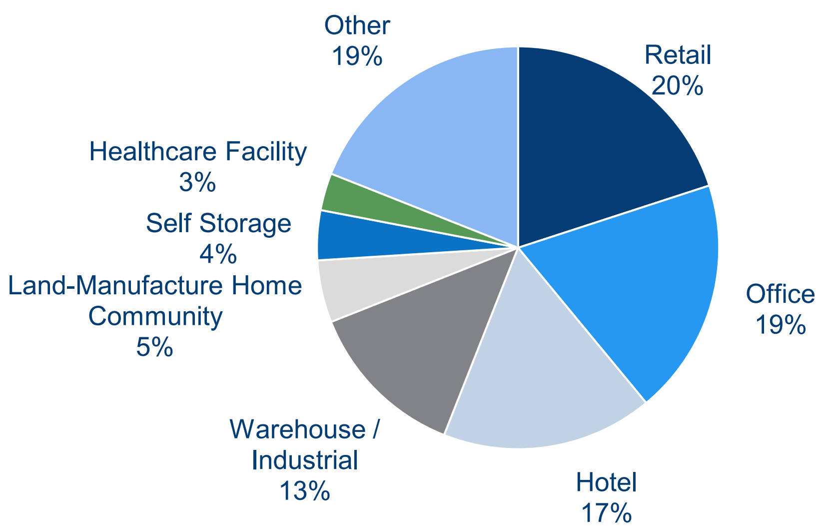
Portfolio mix



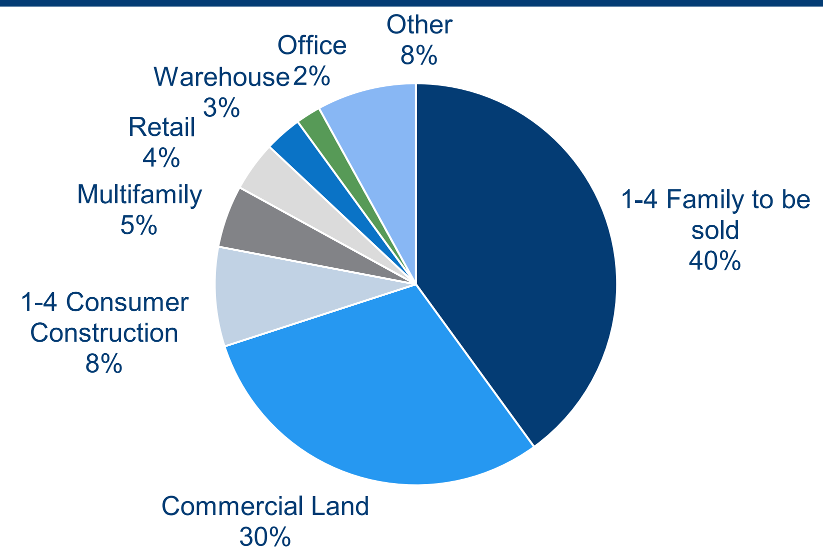
C&I[1] exposure by industry

	Balance Ex. PPP			
	C&I	CRE-OO	Total	% of Total
Real Estate Rental and Leasing	$ 284.2	$ 188.1	$ 472.3	20.0%
Finance and Insurance	243.4	11.4	254.8	10.8%
Retail Trade	118.4	126.1	244.5	10.4%
Manufacturing	154.5	56.8	211.3	9.0%
Health Care and Social Assistance	55.7	117.8	173.5	7.3%
Wholesale Trade	112.9	54.9	167.8	7.1%
Other Services (except Public Administration)	21.4	137.4	158.8	6.7%
Construction	82.4	48.5	130.9	5.6%
Transportation and Warehousing	103.6	15.8	119.4	5.1%
Accomodation and Food Services	20.7	93.7	114.4	4.9%
Arts, Entertainment and Recreation	35.4	33.8	69.2	2.9%
Professional, Scientific and Technical Services	35.9	24.9	60.8	2.6%
Information	19.1	14.5	33.6	1.4%
Other	90.9	54.7	145.6	6.2%
Total	**$ 1,378.5**	**$ 978.4**	**$ 2,356.9**	**100.0%**

CRE[2] exposure by type



C&D exposure by type

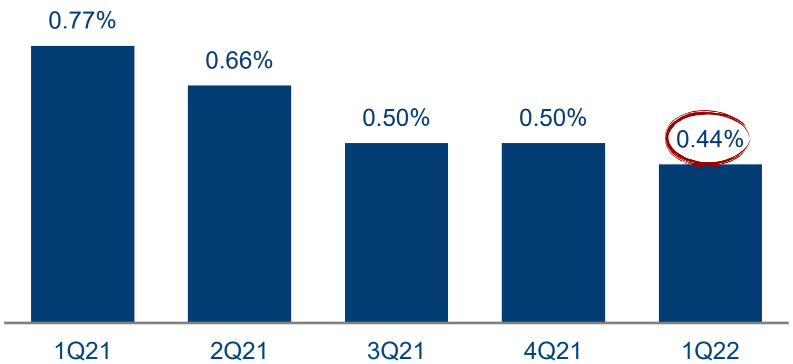


[1] C&I includes owner-occupied CRE. [2] Excludes owner-occupied CRE.

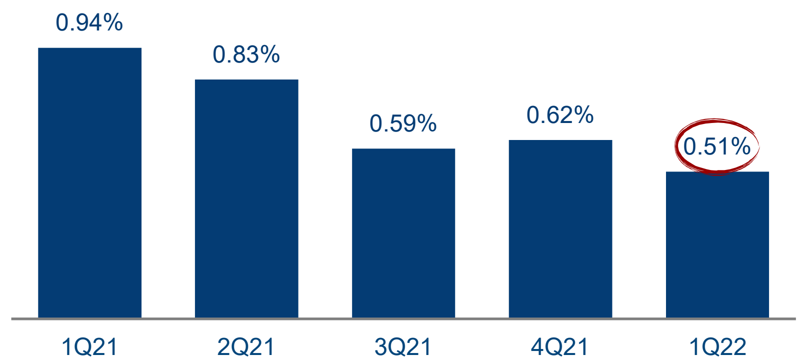
FirstBank

Asset quality remains solid

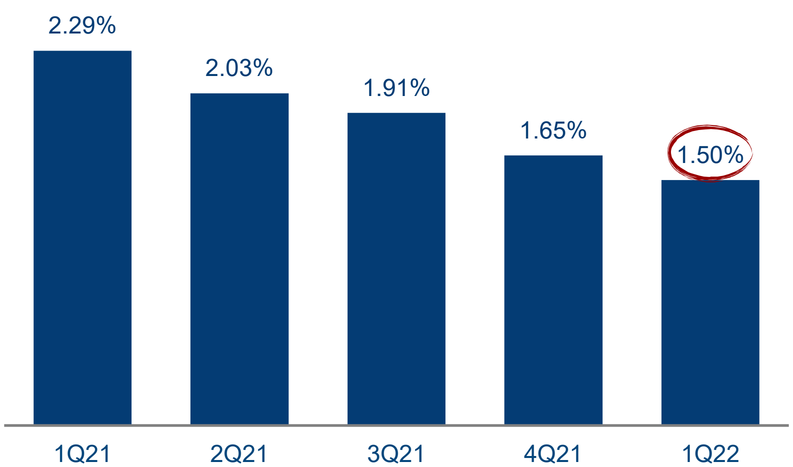
Nonperforming Assets[1] / Assets



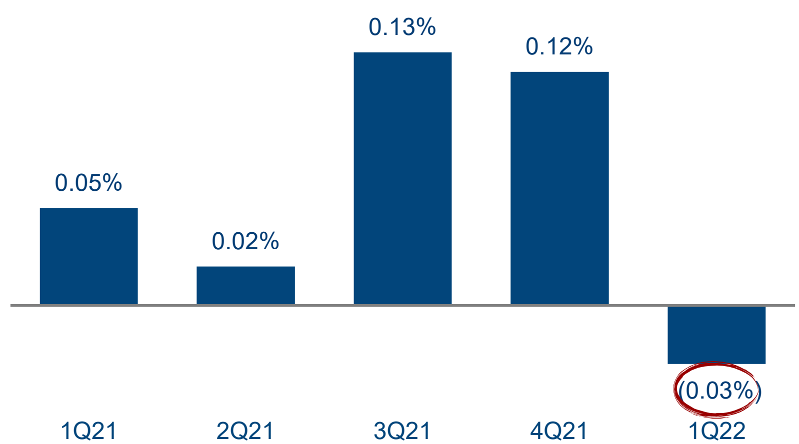
Nonperforming Loans (HFI) / Loans (HFI)



LLR/loans HFI (excluding PPP loans)[2]



Net charge-offs (recoveries) / average loans



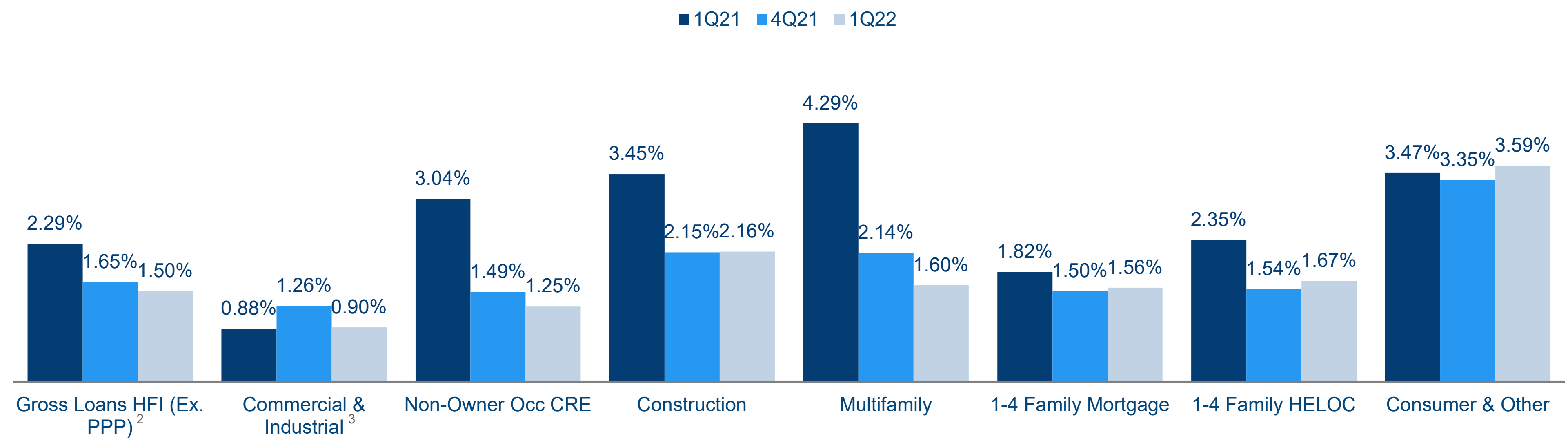
[1] Includes acquired excess land and facilities held for sale–see page 12 of the Quarterly Financial Supplement.
[2] See “Use of non-GAAP financial measures” and the Appendix hereto for a discussion and reconciliation of non-GAAP measures to the most directly comparable GAAP financial measures.

Allowance for credit losses overview

- Current Expected Credit Loss (CECL) Allowance for Credit Losses (ACL) model utilizes Moody's model with key economic data summarized below:

	FQE,		FYE 12/31,				
	2Q 2022	3Q 2022	2022	2023	2024	2025	2026
GDP (bcw$)	$ 19,875.2	$ 19,866.5	$ 19,869.0	$ 20,142.9	$ 20,742.0	$ 21,287.4	$ 21,866.8
Annualized % Change	0.6%	(0.2%)	2.3%	1.4%	3.0%	2.6%	2.7%
Total Employment (millions)	148.9	147.8	148.5	150.3	153.0	153.5	154.0
Unemployment Rate	4.7%	5.6%	5.0%	4.6%	3.6%	3.9%	4.1%
CRE Price Index	343.3	334.0	329.7	363.2	398.0	420.8	436.1
NCREIF Property Index: Rate of Return	2.3%	1.3%	2.3%	2.2%	3.2%	2.7%	2.2%

ACL / Loans HFI by Category



[1]Source: Moody's "November 2021 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 Owner-Occupied CRE; excludes $2.1 million, $4.0 million and $145.7 million in PPP loans for March 31, 2022, December 31, 2021 and March 31, 2021, respectively.

FirstBank

Appendix

GAAP reconciliation and use of non-GAAP financial measures

Adjusted net income and diluted earnings per share

	2022	2021			
(Dollars in thousands, except share data)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Income before income taxes	$ 44,549	$ 62,841	$ 55,006	$ 56,742	$ 68,462
Plus offering expenses	—	—	—	605	—
Less other non-operating items[1]	(174)	8,499	1,235	2,151	(853)
Adjusted pre-tax net income	44,723	54,342	53,771	55,196	69,315
Adjusted income tax expense [2]	9,358	11,791	11,072	12,879	15,810
Adjusted net income	$ 35,365	$ 42,551	$ 42,699	$ 42,317	$ 53,505
Weighted average common shares outstanding - fully diluted	47,723,902	47,896,715	48,007,147	47,993,773	47,969,106
Adjusted diluted earnings per common share					
Diluted earnings per common share	$ 0.74	$ 1.02	$ 0.94	$ 0.90	$ 1.10
Plus offering expenses	—	—	—	0.01	—
Less other non-operating items	—	0.18	0.02	0.04	(0.02)
Less tax effect	—	(0.05)	0.03	(0.01)	—
Adjusted diluted earnings per common share	$ 0.74	$ 0.89	$ 0.89	$ 0.88	$ 1.12

[1] 1Q22 includes a $174 loss from change in fair value of commercial loans held for sale acquired from Franklin; 4Q21 includes $9,921 gain from change in fair value of commercial loans held for sale acquired from Franklin and $1,422 related to certain nonrecurring charitable contributions; 3Q21 includes a $740 gain from change in fair value of commercial loans held for sale acquired from Franklin, a $1,510 loss on swap, and a gain of $2,005 from sales other real estate owned; 2Q21 includes a $1,364 gain from change in fair value of commercial loans held for sale acquired from Franklin and a $787 gain from lease terminations; 1Q21 includes a $853 loss from change in fair value of commercial loans held for sale acquired from Franklin;

[2] 3Q21 includes a $1,678 tax benefit related to a change in the value of a net operating loss tax asset related to Franklin.

GAAP reconciliation and use of non-GAAP financial measures

Adjusted pre-tax, pre-provision earnings

	2022	2021			
(Dollars in thousands, except share data)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Income before income taxes	$ 44,549	$ 62,841	$ 55,006	$ 56,742	$ 68,462
Plus provisions for credit losses	(4,247)	(10,769)	(2,531)	(13,839)	(13,854)
Pre-tax pre-provision earnings	40,302	52,072	52,475	42,903	54,608
Plus offering expenses	—	—	—	605	—
Less other non-operating items	(174)	8,499	1,235	2,151	(853)
Adjusted pre-tax pre-provision earnings	$ 40,476	$ 43,573	$ 51,240	$ 41,357	$ 55,461

GAAP reconciliation and use of non-GAAP financial measures

Adjusted earnings and diluted earnings per share

(Dollars in thousands, except share data)	YTD 2022	2021	2020	2019	2018
Income before income taxes	$ 44,549	$ 243,051	$ 82,461	$ 109,539	$ 105,854
Plus merger, conversion, offering, and mortgage restructuring expenses	—	605	34,879	7,380	2,265
Plus initial provision for credit losses on acquired loans and unfunded commitments	—	—	66,136	—	—
Less other non-operating items[1]	(174)	11,032	(4,400)	—	—
Adjusted pre-tax net income	44,723	232,624	187,876	116,919	108,119
Adjusted income tax expense[2]	9,358	51,553	45,944	27,648	26,034
Adjusted net income	$ 35,365	$ 181,071	$ 141,932	$ 89,271	$ 82,085
Weighted average common shares outstanding - fully diluted	47,723,902	47,955,880	38,099,744	31,402,897	31,314,981
Adjusted diluted earnings per common share					
Diluted earnings per common share	$ 0.74	$ 3.97	$ 1.67	$ 2.65	$ 2.55
Plus merger, conversion, offering, and mortgage restructuring expenses	—	0.01	0.92	0.24	0.07
Plus initial provision for credit losses on acquired loans and unfunded commitments	—	—	1.74	—	—
Less other non-operating items	—	0.22	(0.11)	—	—
Less tax effect	—	(0.02)	0.71	0.06	0.01
Adjusted diluted earnings per common share	$ 0.74	$ 3.78	$ 3.73	$ 2.83	$ 2.61

[1] YTD2022 includes a $174 loss from change in fair value of commercial loans held for sale acquired from Franklin; 2021 includes a $11,172 gain from change in fair value on commercial loans held for sale acquired from Franklin, a loss on swap cancellation of $1,510, a $2,005 gain on other real estate owned, a $787 gain from lease terminations and $1,422 related to certain charitable contributions; 2020 includes $6,838 FHLB prepayment penalties, $1,505 losses on other real estate owned offset by $715 cash life insurance benefit and $3,228 gain from change in fair value on commercial loans held for sale acquired from Franklin.

[2] 2021 includes a $1,678 tax benefit related to a change in the value of a net operating loss tax asset related to Franklin.

GAAP reconciliation and use of non-GAAP financial measures

Adjusted pre-tax, pre-provision earnings

(Dollars in thousands, except share data)	YTD 2022	2021	2020	2019	2018
Income before income taxes	$ 44,549	$ 243,051	$ 82,461	$ 109,539	$ 105,854
Plus provisions for credit losses	(4,247)	(40,993)	107,967	7,053	5,398
Pre-tax pre-provision earnings	40,302	202,058	190,428	116,592	111,252
Plus merger, conversion, offering, and mortgage restructuring expenses	—	605	34,879	7,380	2,265
Less other non-operating items	(174)	11,032	(4,400)	—	—
Adjusted pre-tax pre-provision earnings	$ 40,476	$ 191,631	$ 229,707	$ 123,972	$ 113,517

GAAP reconciliation and use of non-GAAP financial measures

Core efficiency ratio (tax-equivalent basis)

	2022	2021			
(Dollars in thousands)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Total noninterest expense	$ 89,272	$ 90,902	$ 95,007	$ 92,960	$ 94,698
Less offering expenses	—	—	—	605	—
Less gain on lease terminations	—	—	—	(787)	—
Less certain charitable contributions	—	1,422	—	—	—
Core noninterest expense	$ 89,272	$ 89,480	$ 95,007	$ 93,142	$ 94,698
Net interest income (tax-equivalent basis)	$ 88,932	$ 90,537	$ 89,230	$ 87,321	$ 83,368
Total noninterest income	41,392	53,219	59,006	49,300	66,730
Less (loss) gain on change in fair value on commercial loans held for sale	(174)	9,921	740	1,364	(853)
Less loss on swap cancellation	—	—	(1,510)	—	—
Less (loss) gain on sales or write-downs of other real estate owned and other assets	(434)	187	2,182	(27)	485
Less (loss) gain from securities, net	(152)	46	51	144	83
Core noninterest income	42,152	43,065	57,543	47,819	67,015
Core revenue	$ 131,084	$ 133,602	$ 146,773	$ 135,140	$ 150,383
Efficiency ratio (GAAP)[a]	68.9%	63.6%	64.4 %	68.4%	63.4%
Core efficiency ratio (tax-equivalent basis)	68.1%	67.0%	64.7 %	68.9%	63.0%

(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)

	2022	2021			
(Dollars in thousands)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Banking segment core efficiency ratio (tax-equivalent basis)					
Core noninterest expense	$ 89,272	$ 89,480	$ 95,007	$ 93,142	$ 94,698
Less Mortgage segment core noninterest expense	29,688	30,798	36,230	34,766	38,963
Core Banking segment noninterest expense	$ 59,584	$ 58,682	$ 58,777	$ 58,376	$ 55,735
Banking segment net interest income (tax-equivalent basis)	$ 88,934	$ 90,398	$ 89,330	$ 87,311	$ 83,389
Core noninterest income	42,152	43,065	57,543	47,819	67,015
Less Core Mortgage segment noninterest income	29,531	31,350	45,384	35,499	55,332
Core Banking segment noninterest income	12,621	11,715	12,159	12,320	11,683
Core revenue	131,084	133,602	146,773	135,140	150,383
Less Core Mortgage segment core total revenue	29,529	31,489	45,284	35,509	55,311
Core Banking segment total revenue	$ 101,555	$ 102,113	$ 101,489	$ 99,631	$ 95,072
Banking segment core efficiency ratio (tax-equivalent basis)	58.7%	57.5%	57.9%	58.6%	58.6%
Mortgage segment core efficiency ratio (tax-equivalent basis)					
Mortgage segment noninterest expense	$ 29,688	$ 30,798	$ 36,230	$ 34,766	$ 38,963
Mortgage segment net interest income	(2)	139	(100)	10	(21)
Mortgage segment noninterest income	29,409	31,369	45,183	35,298	55,332
Less (loss) gain on sales or write-downs of other real estate owned	(122)	19	(201)	(201)	—
Core Mortgage segment noninterest income	29,531	31,350	45,384	35,499	55,332
Core Mortgage segment total revenue	$ 29,529	$ 31,489	$ 45,284	$ 35,509	$ 55,311
Mortgage segment core efficiency ratio (tax-equivalent basis)	100.5%	97.8%	80.0%	97.9%	70.4%

GAAP reconciliation and use of non-GAAP financial measures

Adjusted Banking segment pre-tax pre-provision earnings

	2022	2021			
(Dollars in thousands, except share data)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Total banking pre-tax net contribution	$ 44,830	$ 62,131	$ 46,153	$ 56,200	$ 52,114
Plus provisions for credit losses	(4,247)	(10,769)	(2,531)	(13,839)	(13,854)
Banking segment pre-tax pre-provision earnings	40,583	51,362	43,622	42,361	38,260
Plus offering expenses	—	—	—	605	—
Less other non-operating items	(174)	8,499	1,235	2,151	(853)
Adjusted banking segment pre-tax pre-provision earnings	$ 40,757	$ 42,863	$ 42,387	$ 40,815	$ 39,113

GAAP reconciliation and use of non-GAAP financial measures

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

(Dollars in thousands, except share data)	2022 First Quarter	2021 Fourth Quarter	2021 Third Quarter	2021 Second Quarter	2021 First Quarter
Tangible assets					
Total assets	$ 12,674,191	$ 12,597,686	$ 11,810,290	$ 11,918,367	$ 11,935,826
Less goodwill	242,561	242,561	242,561	242,561	242,561
Less intangibles, net	15,709	16,953	18,248	19,592	20,986
Tangible assets	$ 12,415,921	$ 12,338,172	$ 11,549,481	$ 11,656,214	$ 11,672,279
Tangible common equity					
Total common shareholders' equity	$ 1,379,776	$ 1,432,602	$ 1,400,913	$ 1,371,721	$ 1,329,103
Less goodwill	242,561	242,561	242,561	242,561	242,561
Less intangibles, net	15,709	16,953	18,248	19,592	20,986
Tangible common equity	$ 1,121,506	$ 1,173,088	$ 1,140,104	$ 1,109,568	$ 1,065,556
Less accumulated other comprehensive (loss) income, net	(71,544)	5,858	12,637	18,405	16,058
Adjusted tangible common equity	$ 1,193,050	$ 1,167,230	$ 1,127,467	$ 1,091,163	$ 1,049,498
Common shares outstanding	47,487,874	47,549,241	47,707,634	47,360,950	47,331,680
Book value per common share	$ 29.06	$ 30.13	$ 29.36	$ 28.96	$ 28.08
Tangible book value per common share	$ 23.62	$ 24.67	$ 23.90	$ 23.43	$ 22.51
Adjusted tangible book value per common share	$ 25.12	$ 24.55	$ 23.63	$ 23.04	$ 22.17
Total common shareholders' equity to total assets	10.9%	11.4%	11.9%	11.5%	11.1%
Tangible common equity to tangible assets	9.03%	9.51%	9.87%	9.52%	9.13%

GAAP reconciliation and use of non-GAAP financial measures

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

(Dollars in thousands)	YTD 2022	2021	2020	2019	2018
Tangible assets					
Total assets	$ 12,674,191	$ 12,597,686	$ 11,207,330	$ 6,124,921	$ 5,136,764
Less goodwill	242,561	242,561	242,561	169,051	137,190
Less intangibles, net	15,709	16,953	22,426	17,589	11,628
Tangible assets	$ 12,415,921	$ 12,338,172	$ 10,942,343	$ 5,938,281	$ 4,987,946
Tangible common equity					
Total common shareholders' equity	$ 1,379,776	$ 1,432,602	$ 1,291,289	$ 762,329	$ 671,857
Less goodwill	242,561	242,561	242,561	169,051	137,190
Less intangibles, net	15,709	16,953	22,426	17,589	11,628
Tangible common equity	$ 1,121,506	$ 1,173,088	$ 1,026,302	$ 575,689	$ 523,039
Less accumulated other comprehensive (loss) income, net	(71,544)	5,858	27,595	12,138	(4,227)
Adjusted tangible common equity	$ 1,193,050	$ 1,167,230	$ 998,707	$ 563,551	$ 527,266
Common shares outstanding	47,487,874	47,549,241	47,220,743	31,034,315	30,724,532
Book value per common share	$ 29.06	$ 30.13	$ 27.35	$ 24.56	$ 21.87
Tangible book value per common share	$ 23.62	$ 24.67	$ 21.73	$ 18.55	$ 17.02
Adjusted tangible book value per common share	$ 25.12	$ 24.55	$ 21.15	$ 18.16	$ 17.16
Total common shareholders' equity to total assets	10.9%	11.4%	11.5%	12.4%	13.1%
Tangible common equity to tangible assets	9.03%	9.51%	9.38%	9.69%	10.5%

GAAP reconciliation and use of non-GAAP financial measures

Return on average tangible common equity

(Dollars in thousands)	2022 First Quarter	2021 Fourth Quarter	2021 Third Quarter	2021 Second Quarter	2021 First Quarter
Average common shareholders' equity	$ 1,415,985	$ 1,411,987	$ 1,389,201	$ 1,339,938	$ 1,303,493
Less average goodwill	242,561	242,561	242,561	242,561	242,561
Less average intangibles, net	16,376	17,580	18,950	20,253	21,695
Average tangible common equity	$ 1,157,048	$ 1,151,846	$ 1,127,690	$ 1,077,124	$ 1,039,237
Net income	$ 35,236	$ 48,827	$ 45,290	$ 43,294	$ 52,874
Return on average common equity	10.1%	13.7%	12.9%	13.0%	16.5%
Return on average tangible common equity	12.4%	16.8%	15.9%	16.1%	20.6%
Adjusted net income	$ 35,365	$ 42,551	$ 42,699	$ 42,317	$ 53,505
Adjusted return on average tangible common equity	12.4%	14.7%	15.0%	15.8%	20.9%
Adjusted pre-tax pre-provision earnings	$ 40,476	$ 43,573	$ 51,240	$ 41,357	$ 55,461
Adjusted pre-tax pre-provision return on average tangible common equity	14.2%	15.0%	18.0%	15.4%	21.6%

GAAP reconciliation and use of non-GAAP financial measures

Return on average tangible common equity

(Dollars in thousands)	YTD 2022	2021	2020	2019	2018
Average common shareholders' equity	$ 1,415,985	$ 1,361,637	$ 966,336	$ 723,494	$ 629,922
Less average goodwill	242,561	242,561	199,104	160,587	137,190
Less average intangibles, net	16,376	19,606	22,659	17,236	12,815
Average tangible common equity	$ 1,157,048	$ 1,099,470	$ 744,573	$ 545,671	$ 479,917
Net income	$ 35,236	$ 190,285	$ 63,621	$ 83,814	$ 80,236
Return on average common equity	10.1 %	14.0 %	6.58 %	11.6 %	12.7 %
Return on average tangible common equity	12.4 %	17.3 %	8.54 %	15.4 %	16.7 %
Adjusted net income	$ 35,365	$ 181,071	$ 141,932	$ 89,271	$ 82,085
Adjusted return on average tangible common equity	12.4 %	16.5 %	19.1 %	16.4 %	17.1 %
Adjusted pre-tax pre-provision earnings	$ 40,476	$ 191,631	$ 229,707	$ 123,972	$ 113,517
Adjusted pre-tax pre-provision return on average tangible common equity	14.2 %	17.4 %	30.9 %	22.7 %	23.7 %

GAAP reconciliation and use of non-GAAP financial measures

Adjusted return on average assets and common equity

	2022	2021			
(Dollars in thousands)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Net income	$ 35,236	$ 48,827	$ 45,290	$ 43,294	$ 52,874
Average assets	12,641,489	12,085,817	11,915,062	11,900,450	11,508,783
Average common equity	1,415,985	1,411,987	1,389,201	1,339,938	1,303,493
Return on average assets	1.13%	1.60%	1.51%	1.46%	1.86%
Return on average common equity	10.1%	13.7%	12.9%	13.0%	16.5%
Adjusted net income	$ 35,365	$ 42,551	$ 42,699	$ 42,317	$ 53,505
Adjusted return on average assets	1.13%	1.40%	1.42%	1.43%	1.89%
Adjusted return on average common equity	10.1%	12.0%	12.2%	12.7%	16.6%
Adjusted pre-tax pre-provision earnings	$ 40,476	$ 43,573	$ 51,240	$ 41,357	$ 55,461
Adjusted pre-tax pre-provision return on average assets	1.30%	1.43%	1.71%	1.39%	1.95%
Adjusted pre-tax pre-provision return on average common equity	11.6%	12.2%	14.6%	12.4%	17.3%

GAAP reconciliation and use of non-GAAP financial measures

Adjusted return on average assets and common equity

(Dollars in thousands)	YTD 2022	2021	2020	2019	2018
Net income	$ 35,236	$ 190,285	$ 63,621	$ 83,814	$ 80,236
Average assets	12,641,489	11,848,460	8,438,100	5,777,672	4,844,865
Average common equity	1,415,985	1,361,637	966,336	723,494	629,922
Return on average assets	1.13%	1.61%	0.75%	1.45%	1.66%
Return on average common equity	10.1%	14.0%	6.58%	11.6%	12.7%
Adjusted net income	$ 35,365	$ 181,071	$ 141,932	$ 89,271	$ 82,085
Adjusted return on average assets	1.13%	1.53%	1.68%	1.55%	1.69%
Adjusted return on average common equity	10.1%	13.3%	14.7%	12.3%	13.0%
Adjusted pre-tax pre-provision earnings	$ 40,476	$ 191,631	$ 229,707	$ 123,972	$ 113,517
Adjusted pre-tax pre-provision return on average assets	1.30%	1.62%	2.72%	2.15%	2.34%
Adjusted pre-tax pre-provision return on average common equity	11.6%	14.1%	23.8%	17.1%	18.0%

FirstBank

GAAP reconciliation and use of non-GAAP financial measures

Adjusted Allowance for Credit Losses to Loans Held for Investment

	2022	2021			
(Dollars in thousands)	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Allowance for credit losses	$ 120,049	$ 125,559	$ 139,446	$ 144,663	$ 157,954
Less allowance for credit losses attributed to PPP loans	—	—	2	9	23
Adjusted allowance for credit losses	$ 120,049	$ 125,559	$ 139,444	$ 144,654	$ 157,931
Loans held for investment	$ 8,004,976	$ 7,604,662	$ 7,294,674	$ 7,198,954	$ 7,047,342
Less PPP loans	2,062	3,990	9,415	57,406	145,697
Adjusted loans held for investment	$ 8,002,914	$ 7,600,672	$ 7,285,259	$ 7,141,548	$ 6,901,645
Allowance for credit losses to loans held for investment	1.50%	1.65%	1.91 %	2.01 %	2.24 %
Adjusted allowance for credit losses to loans held for investment	1.50%	1.65%	1.91 %	2.03 %	2.29 %