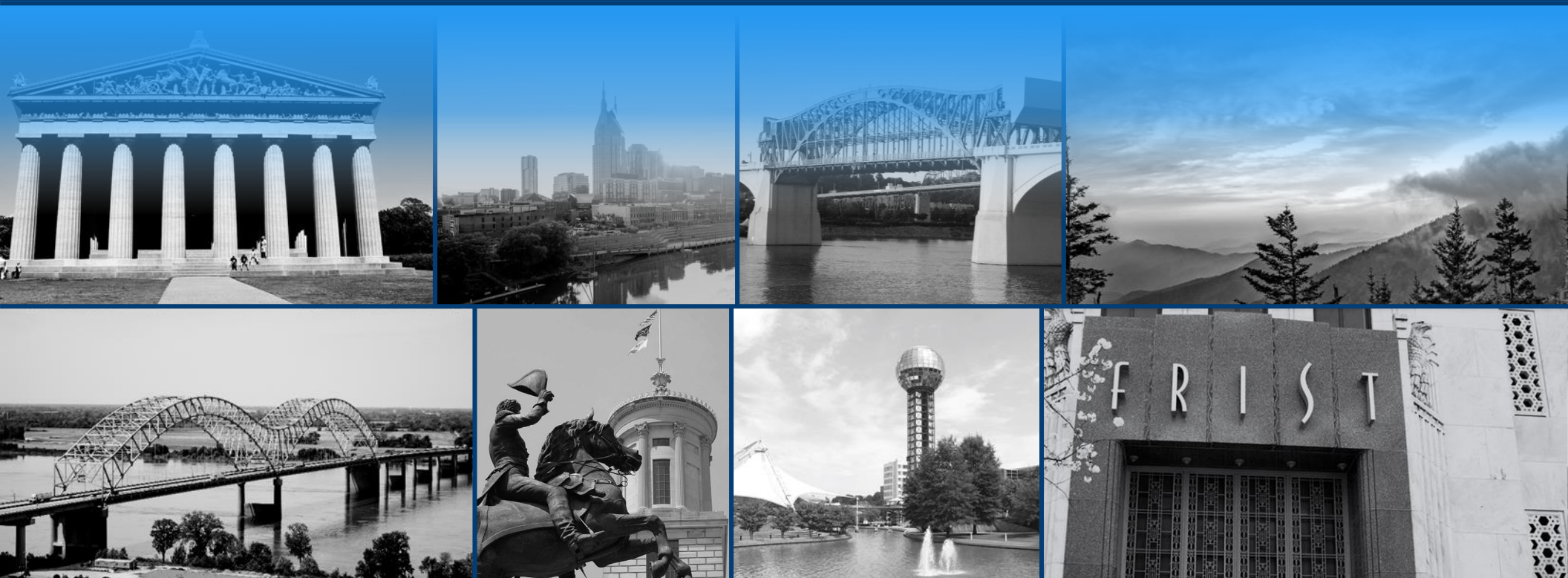


Financial Corporation



2021 Second Quarter Earnings Presentation

July 20, 2021

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 the projected impact of the COVID-19 global pandemic on our business operations, statements relating to the benefits, costs, and synergies of the merger with Franklin Financial Network, Inc. (“Franklin”) (the “merger”), 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 management’s 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. 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 supply demand imbalances affecting local real estate prices, and high unemployment rates in the local or regional economies in which we operate and/or the US 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 our business and our customers’ business, results of operations, asset quality and financial condition, as well as the efficacy, distribution, and public adoption of vaccines, (3) changes in government interest rate policies and its impact on our business, net interest margin, and mortgage operations, (4) our ability to effectively manage problem credits, (5) the risk that the cost savings and any revenue synergies from the merger or another acquisition may not be realized or may take longer than anticipated to be realized, (6) the ability of FB Financial to effectively integrate and manage the larger and more complex operations of the combined company following the merger, (7) FB Financial’s ability to successfully execute its various business strategies, (8) the impact of the recent change in the U.S. presidential administration and Congress and any resulting impact on economic policy, capital markets, federal regulation, and the response to the COVID-19 pandemic, (9) the potential impact of the proposed phase-out of the London Interbank Offered Rate (“LIBOR”) or other changes involving LIBOR, (10) the effectiveness of our cyber security controls and procedures to prevent and mitigate attempted intrusions, (11) 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 (12) general competitive, economic, political, and market conditions. Further information regarding FB Financial and factors which 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, 2020, and in any of FB Financial’s subsequent filings with the Securities and Exchange Commission (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.

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 include, without limitation, adjusted earnings, adjusted diluted earnings per share, adjusted and unadjusted pre-tax pre-provision earnings, core revenue, core noninterest expense and 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 tangible common equity, adjusted pretax pre-provision return on average tangible common equity, 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 measures. Also, the Company presents tangible assets, tangible common equity, tangible book value per common share, tangible common equity to tangible assets, return on average tangible common equity and adjusted return on average tangible common equity. Each of these non-GAAP metrics excludes the impact of goodwill and other intangibles.

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 demonstrating 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. You 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 provide a reconciliation of these measures to the most directly comparable GAAP financial measures.

Key highlights

- Excluding PPP loans, loans grew 13.9% annualized in 2Q 2021 as the economy reopened, spurring customer demand. High single digit percentage annual growth expected in 2021
- \$57.4 million of originally funded \$315 million in PPP loans remaining as of 2Q 2021, \$0.4 million in expected fee income from the program remaining
- Cost of total deposits decreased by 10 basis points from 1Q 2021, while yield on loans, excluding accretion and nonaccrual interest collections, declined by 7 basis points
- Improving economic conditions dictated reserve release of \$13.8 million in 2Q 2021; ACL to loans HFI remains at 2.01% as of 2Q 2021
- Deferrals declined to \$73.9 million from \$152 million in 1Q 2021. \$25.1 million in full deferral of principal and interest; \$48.8 million making interest only payments.
- Commercial Loans Held For Sale portfolio exposure down to \$124 million as of 2Q 2021 compared to \$430 million at announcement of Franklin Financial Network transaction and \$175 million as of 1Q 2021
- Total mortgage contribution of \$0.5 million, in line with guidance
- Redeemed \$20 million in subordinated notes on July 1, 2021

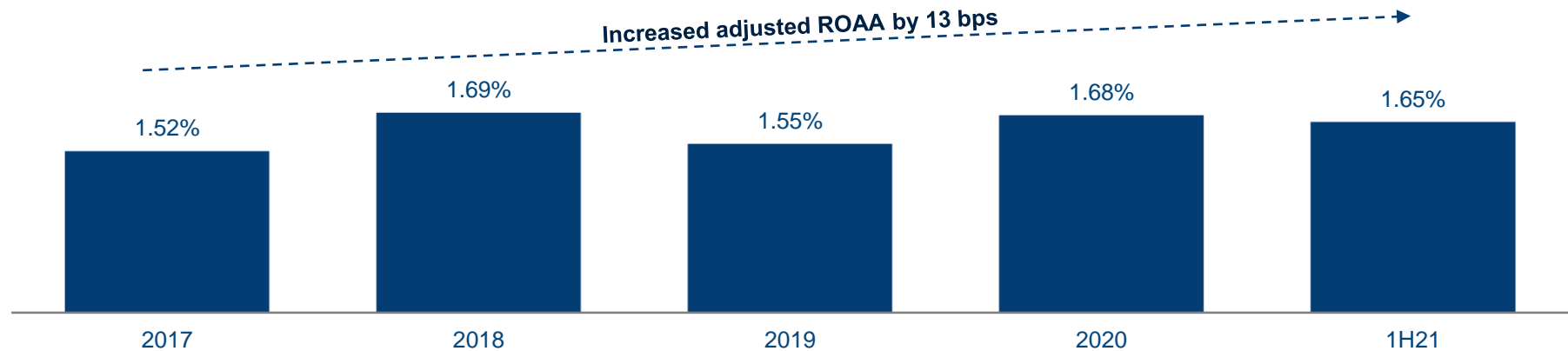
Financial results

	2Q 2021
Diluted earnings per share	\$0.90
<i>Adjusted diluted earnings per share¹</i>	<i>\$0.88</i>
Net income (\$mm)	\$43.3
<i>Adjusted net income¹ (\$mm)</i>	<i>\$42.3</i>
Return on average assets	1.46%
<i>Adjusted return on average assets¹</i>	<i>1.43%</i>
Return on average equity	13.0%
<i>Adjusted return on average equity¹</i>	<i>12.7%</i>
Return on average tangible common equity ¹	16.1%
<i>Adjusted return on average tangible common equity¹</i>	<i>15.8%</i>
Adjusted pre-tax, pre-provision earnings ¹ (\$mm)	\$41.4
Adjusted pre-tax, pre-provision return on average assets ¹	1.39%
Adjusted pre-tax, pre-provision return on average tangible common equity ¹	15.4%
Net interest margin	3.18%
<i>Impact of accretion and nonaccrual interest (bps)</i>	<i>1</i>
Efficiency ratio	68.4%
<i>Core efficiency ratio¹</i>	<i>68.9%</i>
Tangible common equity / tangible assets ¹	9.5%

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.

Core earnings power

Adjusted return on average assets¹



Drivers of profitability

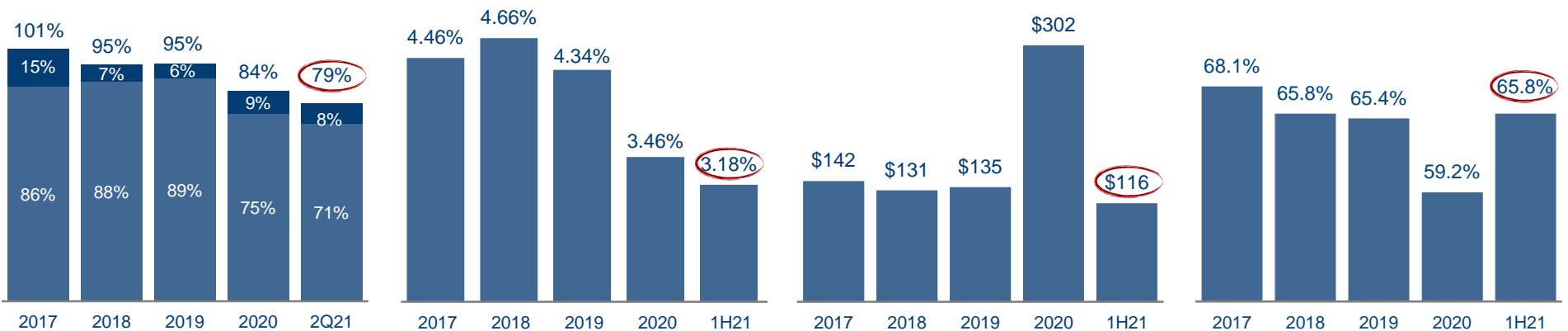
Loans/deposits

Net interest margin

Noninterest income (\$mm)

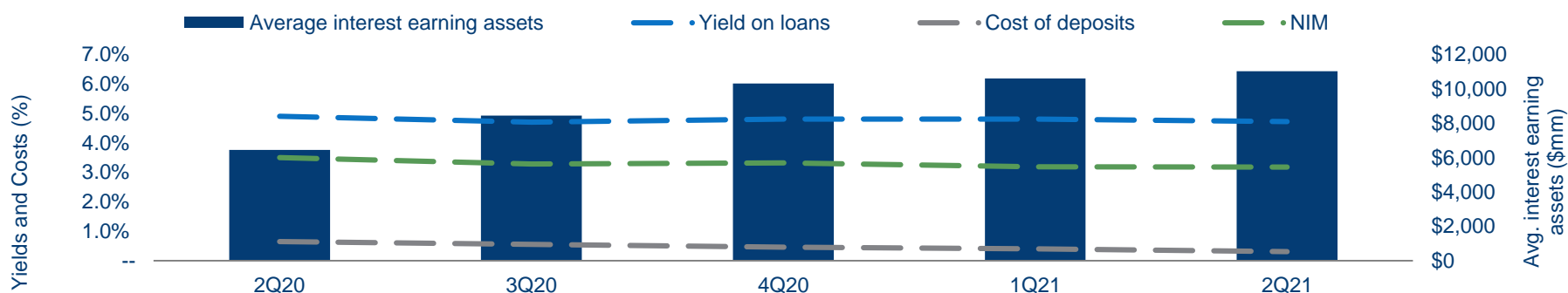
Core efficiency ratio¹

■ Loans excluding HFS ■ Loans HFS



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.

Historical yield and costs



NIM¹	3.50%	3.28%	3.32%	3.19%	3.18%
Impact of accretion and nonaccrual interest (bps)	7	5	4	3	1
Impact of excess liquidity ² (bps)	(7)	(15)	(22)	(33)	(37)
Deposit Cost:					
Cost of MMDA	0.62%	0.66%	0.57%	0.50%	0.38%
Cost of customer time	1.78%	1.44%	1.04%	0.90%	0.63%
Cost of interest-bearing	0.92%	0.76%	0.63%	0.53%	0.41%
Total deposit cost	0.65%	0.56%	0.46%	0.41%	0.31%
Loans HFI Yield:					
Contractual interest	4.57%	4.36%	4.39%	4.39%	4.31%
Origination and other loan fee income	0.24%	0.26%	0.36%	0.38%	0.39%
Nonaccrual interest	0.01%	0.04%	0.05%	0.04%	0.03%
Accretion on purchased loans	0.08%	0.04%	0.02%	0.00%	(0.01%)
Total loan (HFI) yield	4.90%	4.70%	4.81%	4.81%	4.72%

¹ Includes tax-equivalent adjustment

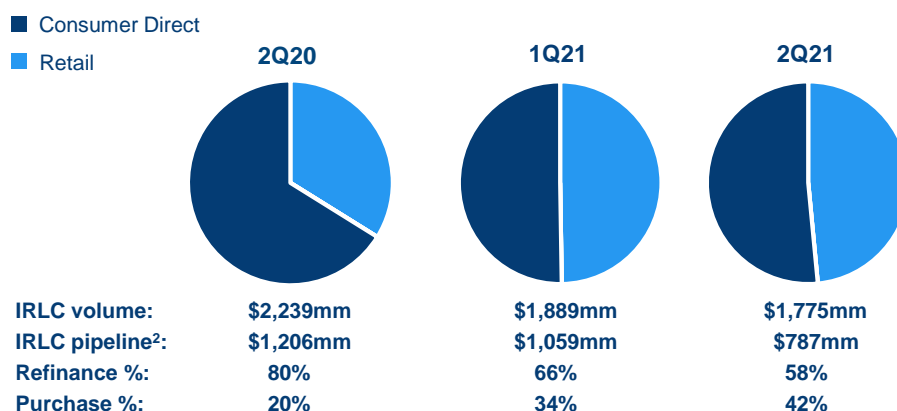
² Excess liquidity defined as interest-bearing deposits with other financial institutions in excess of 5% of average tangible assets. Assumes funded from all interest bearing liabilities.

Mortgage faces industry headwinds

Highlights

- Total mortgage pre-tax contribution of \$0.5 million
- Slower pace of refinance activity and housing supply shortages resulting in weaker IRLC volume
- Margins continue to compress due to weaker volumes and excess industry capacity
- Pipeline at the end of 2Q 2021 of \$0.8 billion, as compared to \$1.1 billion at the end of 1Q 2021
- Mortgage banking income of \$35.5 million in 2Q 2021 compared to \$55.3 million in 1Q 2021

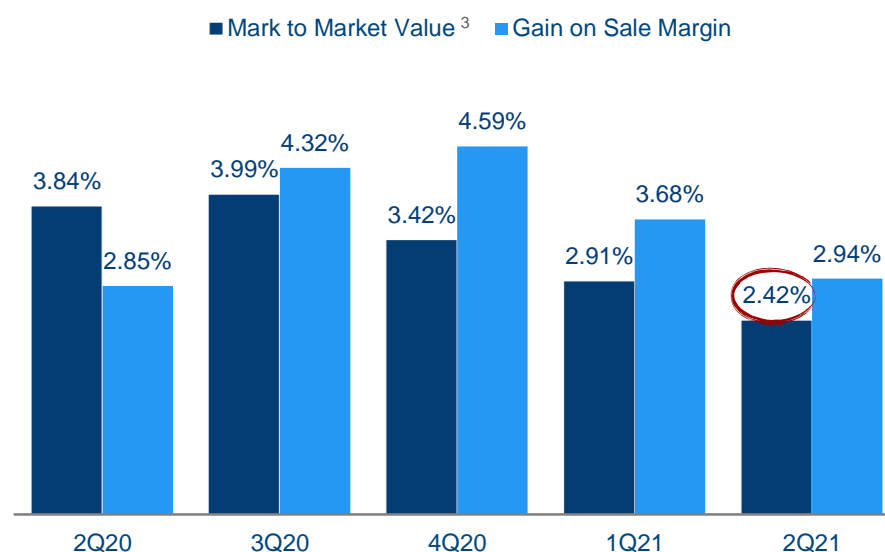
Quarterly mortgage production



Mortgage banking income (\$mm)

	2Q20	1Q21	2Q21
Gain on Sale	\$45.5	\$57.9	\$49.4
Fair value changes	\$34.8	(\$4.2)	(\$17.6)
Servicing Revenue	\$5.1	\$6.9	\$6.8
Fair value MSR changes	(\$13.2)	(\$5.3)	(\$3.1)
Total Income	\$72.2	\$55.3	\$35.5

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 to the most directly comparable GAAP financial measures

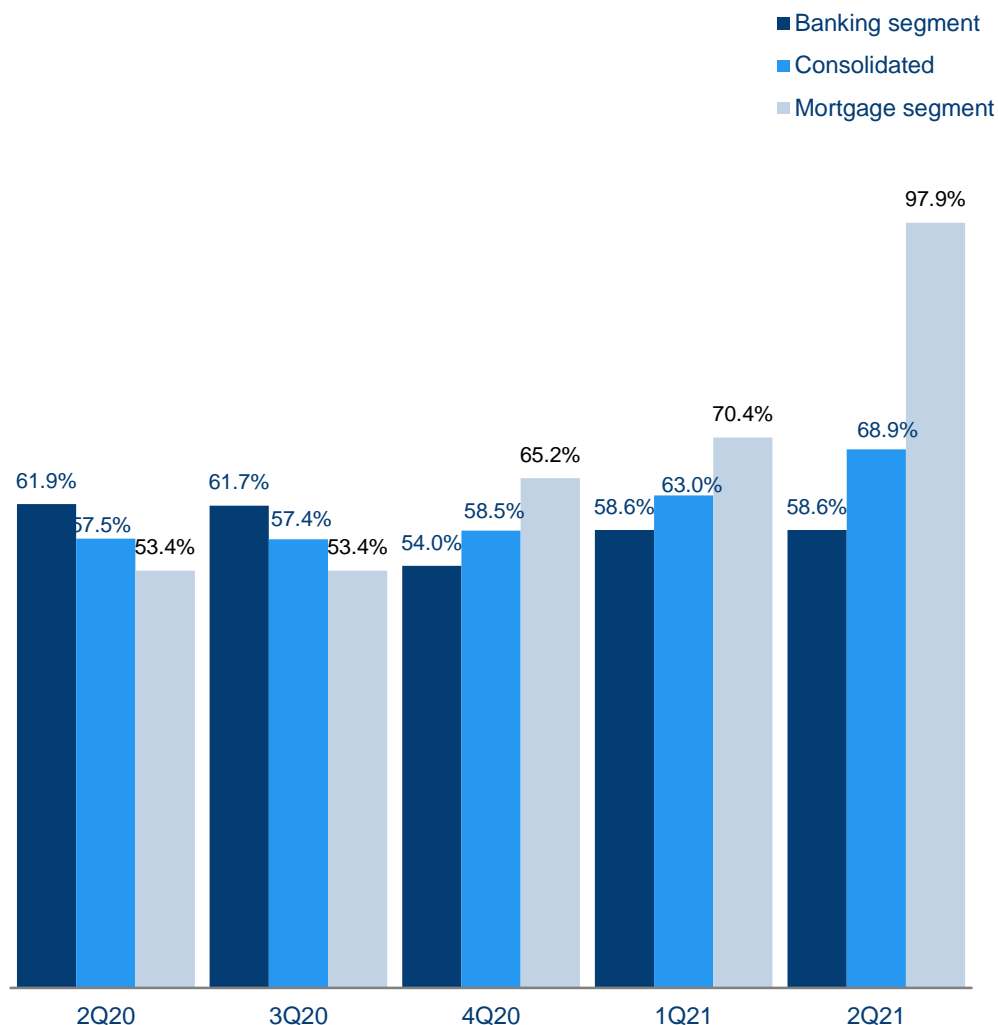
² As of the respective period-end

³ Defined as the fair value plus related derivatives for mandatory and best efforts divided by their pull-through weighted volume.

Highlights

- Consolidated 2Q 2021 core efficiency ratio¹ of 68.9%
- Change in segment definitions 1Q 2021 as mortgage retail footprint no longer included in the banking segment
- Banking segment reflects ongoing investment in people, processes and systems to support growth expectations
- Mortgage efficiency will remain above targeted 85% threshold for remainder of 2021

Core efficiency ratio (tax-equivalent basis)¹



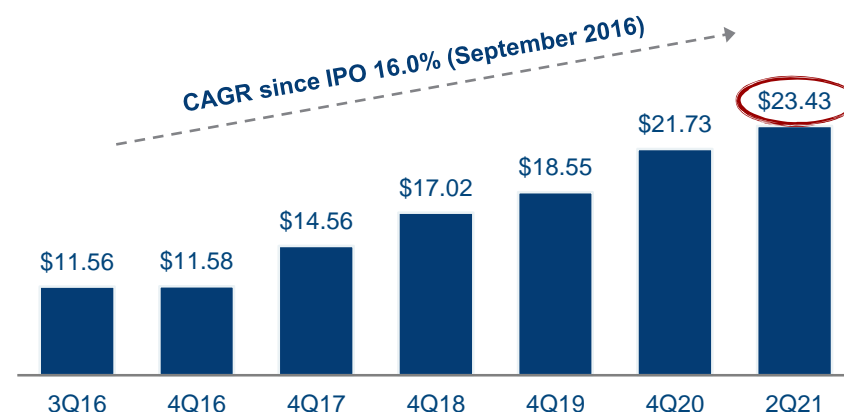
¹ See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures to the most directly comparable GAAP financial measures. During the first quarter of 2021, the Company re-evaluated its reportable business segments to align all retail mortgage activities with the Mortgage segment. Previously, the Company chose to assign retail mortgage activities within the Banking geographical footprint to the Banking Segment. The results of mortgage retail footprint have been assigned to the Mortgage segment for all periods presented. As such, historical segment efficiency ratios have been recast for consistency with these changes.

Well-capitalized for future opportunities

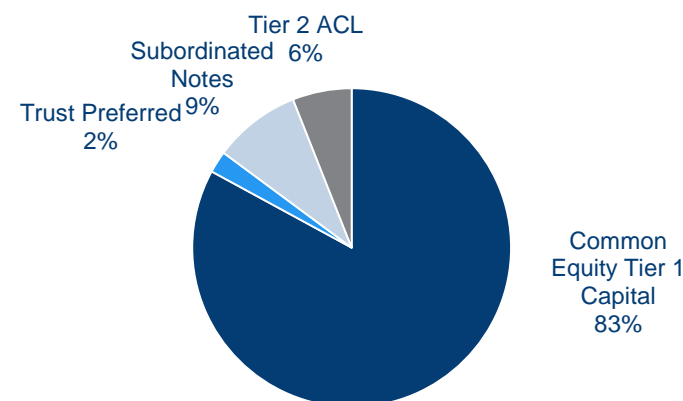
Capital position

	2Q20 ¹	1Q21 ¹	2Q21 ^{1,2}
Shareholder's equity/Assets	11.1%	11.1%	11.5%
TCE/TA³	8.7%	9.1%	9.5%
Common equity tier 1/Risk-weighted assets	11.4%	12.0%	12.4%
Tier 1 capital/Risk-weighted assets	11.9%	12.3%	12.7%
Total capital/Risk-weighted assets	13.2%	14.6%	14.9%
Tier 1 capital /Average assets	9.7%	10.1%	10.1%
C&D loans subject to 100% tier 1 capital plus ACL ⁴	70%	88%	90%
CRE loans subject to 300% tier 1 capital plus ACL ⁴	203%	239%	251%

Tangible book value per share³



Simple capital structure

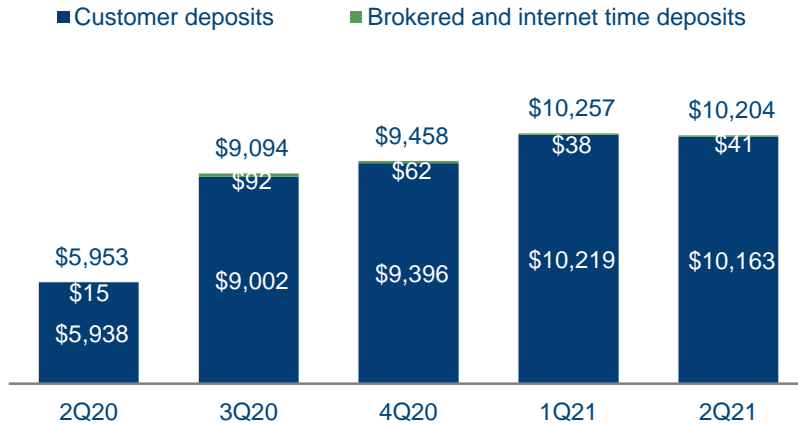


Total regulatory capital **\$1,383¹ mm**

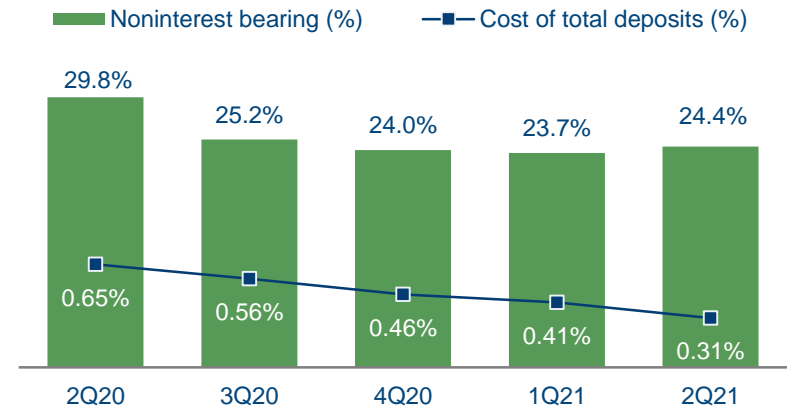
¹ For regulatory capital purposes, the CECL impact over 2020 and 2021 is gradually phased-in from Common Equity Tier 1 Capital to Tier 2 capital. As of 2Q20, 1Q21 and 2Q21, respectively, \$37.8 million, \$49.0 million and \$45.7 million are being added back to CET 1 and Tier 1 Capital, and \$43.7 million, \$54.9 million and \$51.5 million are being taken out of Tier 2 capital. ² Total regulatory capital, FB Financial Corporation. 1Q21 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.

Valuable core deposit base

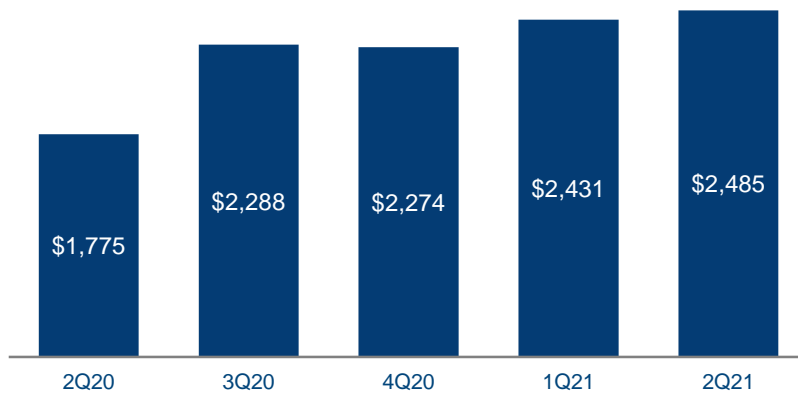
Total deposits (\$mm)



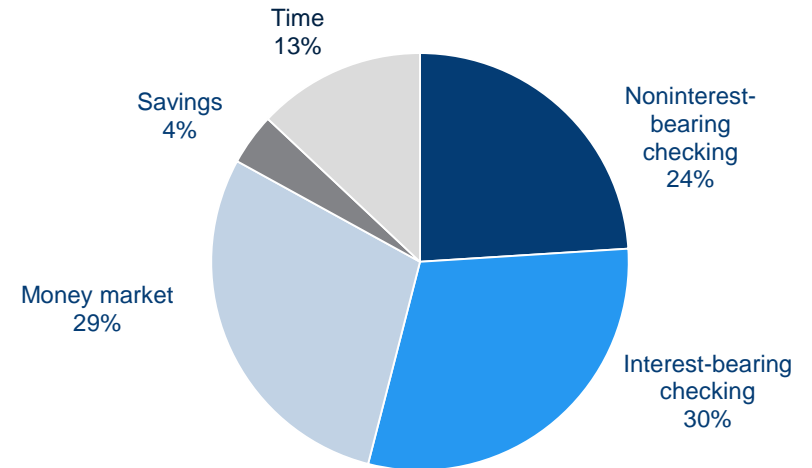
Cost of deposits



Noninterest bearing deposits¹ (\$mm)



Deposit composition

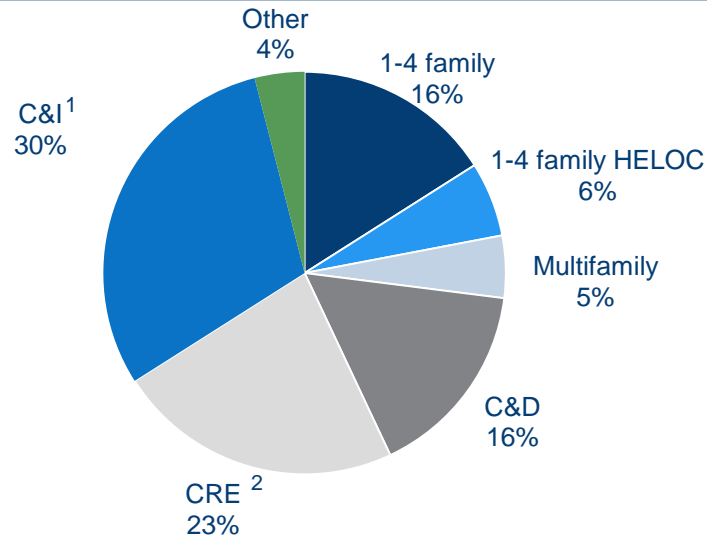


54% Checking accounts

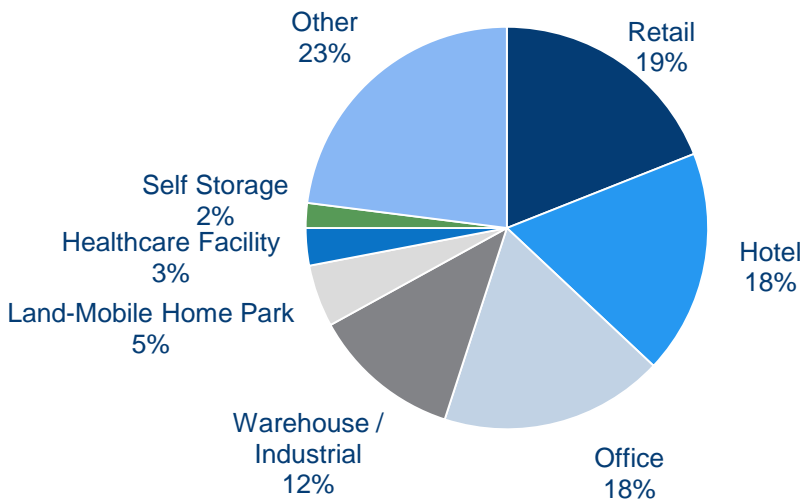
¹ Includes mortgage servicing-related deposits of \$149.1 million, \$194.3 million, \$147.9 million, \$170.9 million and \$166.1 million for the quarters ended June 30, 2020, September 30, 2020, December 31, 2020, March 31, 2021 and June 30, 2021 respectively.

Balanced loan portfolio

Portfolio mix



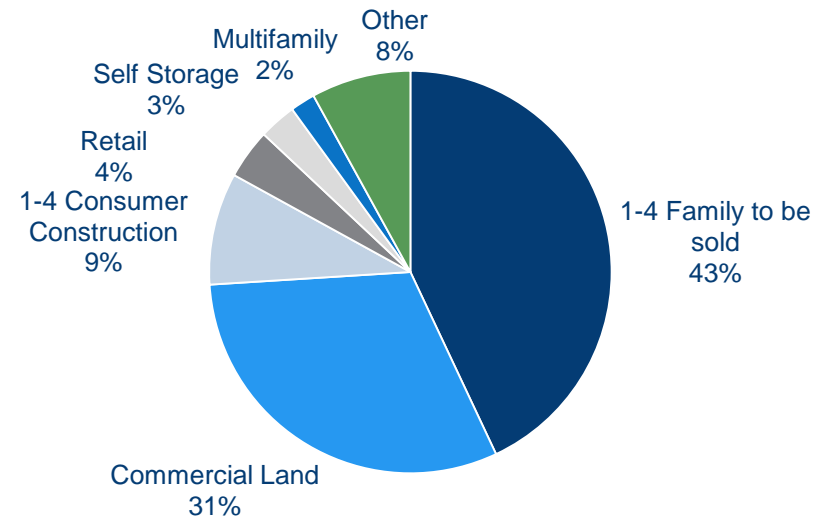
CRE² exposure by type



C&I¹ exposure by industry

	Balance Ex. PPP				PPP Loans
	C&I	CRE-OO	Total	% of Total	
Real Estate Rental and Leasing	\$ 375.3	\$ 162.7	\$ 538.0	25.6%	\$ 2.2
Retail Trade	68.5	123.1	191.6	9.1%	4.2
Wholesale Trade	116.9	53.6	170.5	8.1%	3.9
Manufacturing	94.3	62.2	156.5	7.4%	2.7
Health Care and Social Assistance	52.9	96.8	149.7	7.1%	5.1
Finance and Insurance	138.8	10.6	149.4	7.1%	1.0
Other Services (except Public Administration)	20.8	108.8	129.6	6.2%	3.0
Construction	66.0	48.6	114.6	5.4%	10.8
Accommodation and Food Services	21.1	85.2	106.2	5.0%	4.4
Transportation and Warehousing	53.1	18.7	71.8	3.4%	5.9
Professional, Scientific and Technical Services	33.4	28.0	61.5	2.9%	2.0
Arts, Entertainment and Recreation	18.7	35.0	53.7	2.6%	2.3
Information	21.1	18.5	39.6	1.9%	0.6
Other	100.7	71.7	172.4	8.2%	9.4
Total	\$ 1,181.5	\$ 923.6	\$ 2,105.1	100.0%	\$ 57.4

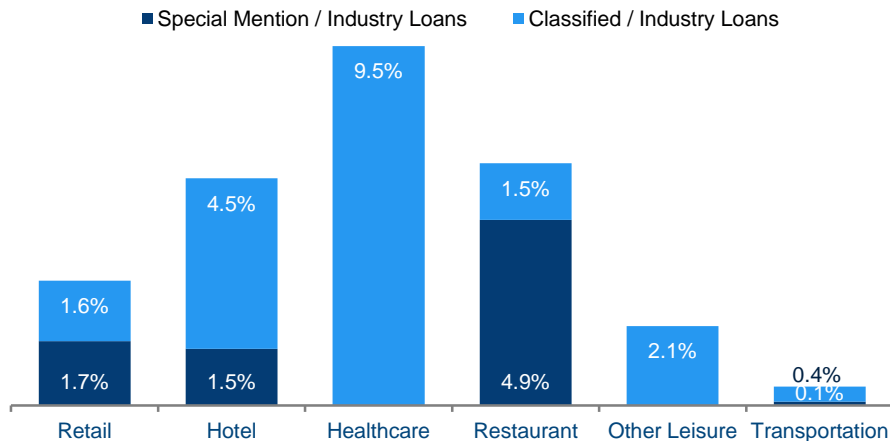
C&D exposure by type



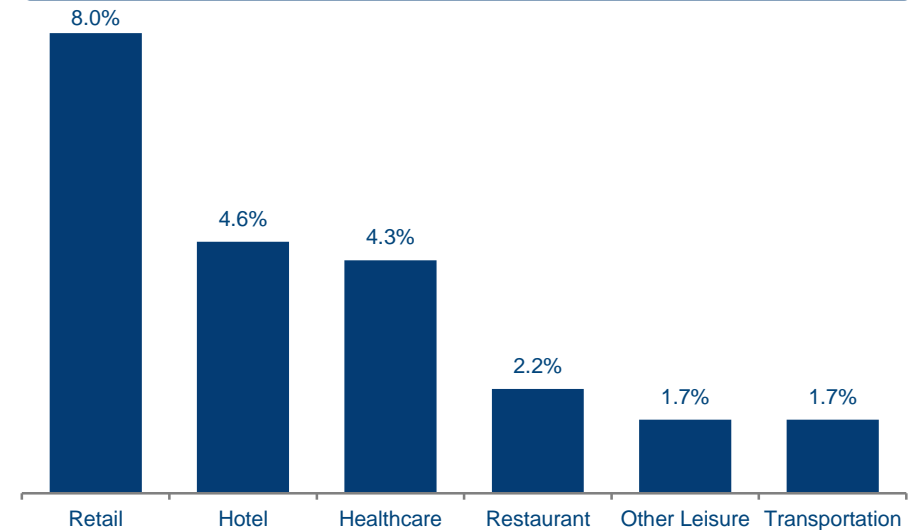
¹ C&I includes owner-occupied CRE. PPP Loans comprise 2.7% of C&I loans, or 0.8% of gross loans (HFI). ² Excludes owner-occupied CRE.

- Total deferrals across the entire loan portfolio are down to \$73.9 million. \$48.8 million are paying interest, while \$25.1 million are full deferrals of principal and interest.
- Credit quality remains satisfactory overall
- Credit quality for the industries of concern has been better than initial expectations
- Re-openings across the footprint have created positive trends for each industry of concern; hotel and restaurant exposures in particular have benefitted
- Healthcare's elevated Classified Loan percentage is primarily related to two assisted living facilities referenced on the 1Q 2021 earnings call. Operations have improved, and we are cautiously optimistic about the resolution of the credits

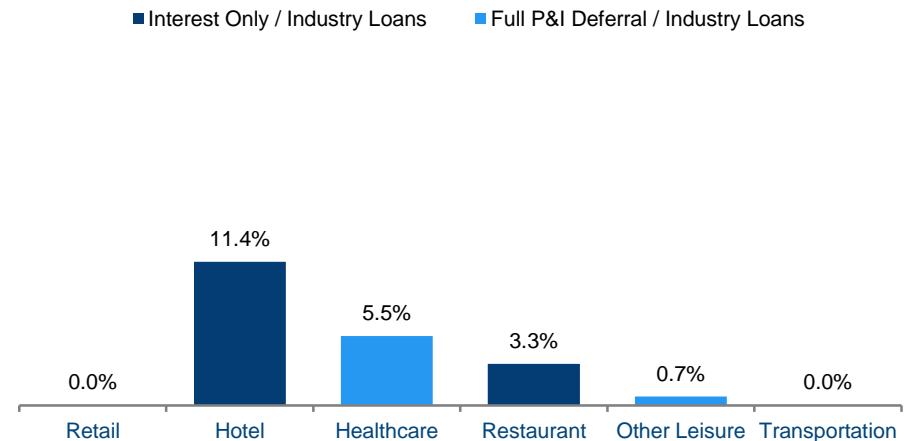
Industries of concern credit quality



Industry exposures / gross loans (HFI)

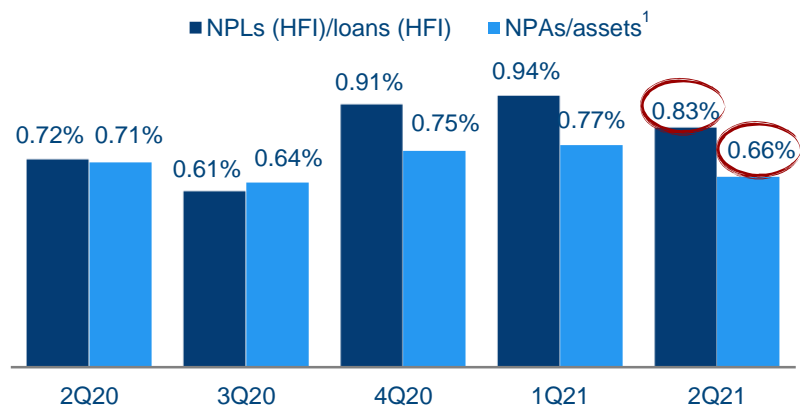


Industries of concern deferral overview

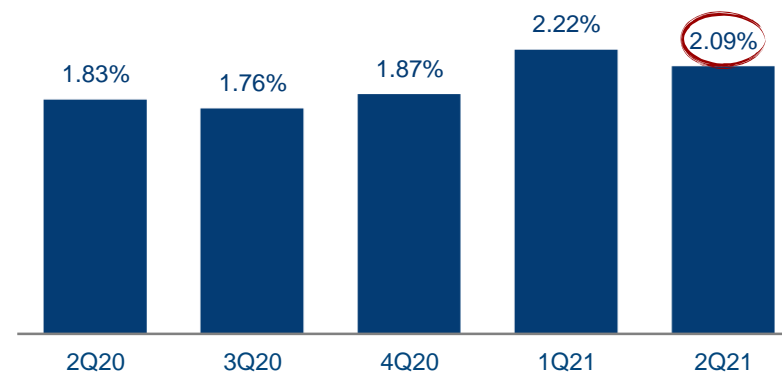


Asset quality remains solid

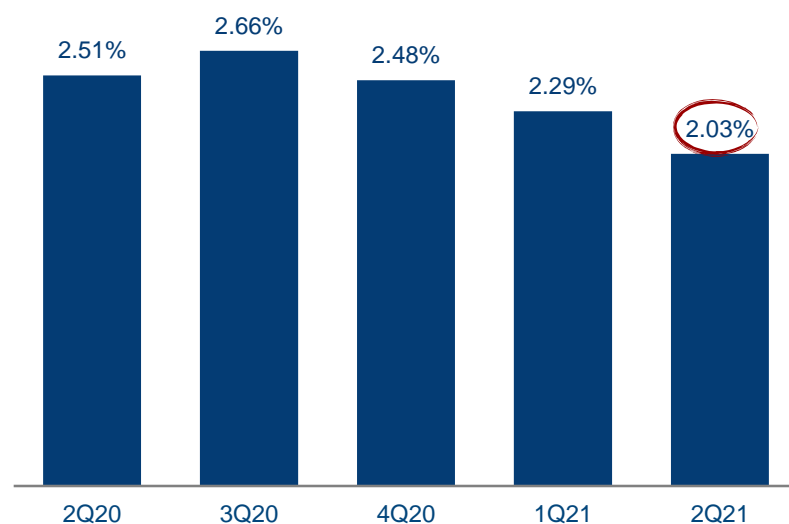
Nonperforming ratios



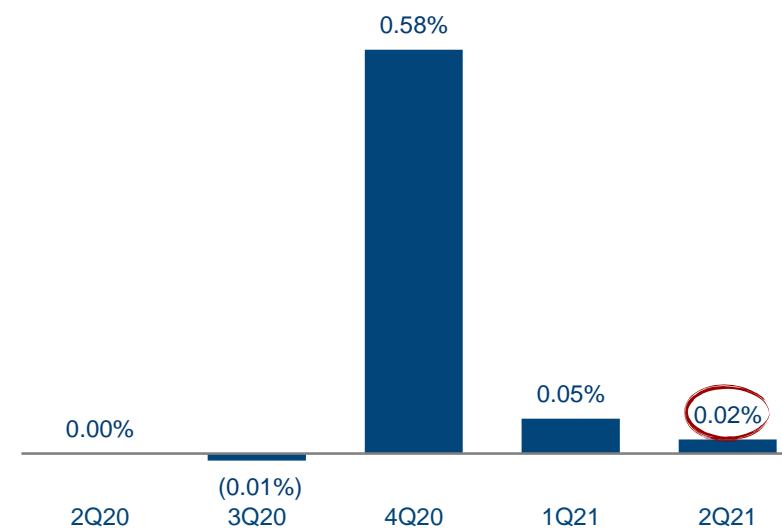
Classified loans / loans HFI



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 14 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.

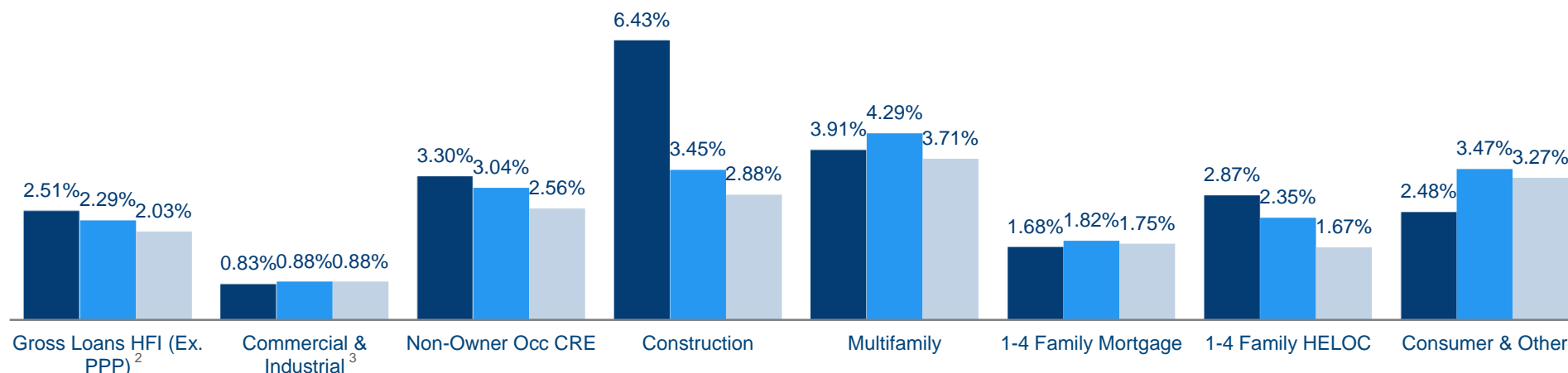
Allowance for credit losses overview

- 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,				
	3Q 2021	4Q 2021	2021	2022	2023	2024	2025
GDP (bcw\$)	\$ 19,727.6	\$ 19,866.4	\$ 19,564.1	\$ 20,136.8	\$ 20,610.8	\$ 21,254.9	\$ 21,831.4
Annualized % Change	3.2%	2.8%	6.2%	2.9%	2.4%	3.1%	2.7%
Total Employment (millions)	144.7	144.5	144.4	147.3	149.7	151.4	152.7
Unemployment Rate	6.3%	6.6%	6.3%	5.1%	4.5%	4.4%	4.0%
CRE Price Index	288.1	279.5	279.5	278.0	310.5	335.5	357.6
NCREIF Property Index: Rate of Return	3.2%	0.5%	1.7%	1.5%	2.2%	3.1%	2.8%

ACL / Loans HFI by Category

■ 2Q 2020 ■ 1Q 2021 ■ 2Q 2021



¹Source: Moody's "May 2021 U.S. Macroeconomic Outlook Baseline and Alternative Scenarios". ²See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures. ³Commercial and Industrial excludes \$54.7 million, \$145.7 million, and \$314.7 in PPP loans for June 30, 2020, March 31, 2021 and June 30, 2021, respectively.

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>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Income (loss) before income taxes	\$ 56,742	\$ 68,462	\$ 58,947	\$ (7,639)	\$ 30,328
Plus merger, conversion and offering expenses	605	—	9,513	20,730	1,586
Plus initial provision for credit losses on acquired loans and unfunded commitments	—	—	—	63,251	—
Less other non-operating items ⁽¹⁾	2,151	(853)	(2,448)	(1,952)	—
Adjusted pre-tax earnings	55,196	69,315	70,908	78,294	31,914
Income tax expense, adjusted	12,879	15,810	16,454	20,198	7,828
Adjusted earnings	\$ 42,317	\$ 53,505	\$ 54,454	\$ 58,096	\$ 24,086
Weighted average common shares outstanding - fully diluted	47,993,773	47,969,106	47,791,659	40,637,745	32,506,417
Adjusted diluted earnings per share					
Diluted earnings (loss) per common share	\$ 0.90	\$ 1.10	\$ 0.95	\$ (0.14)	\$ 0.70
Plus merger, conversion and offering expenses	0.01	—	0.20	0.51	0.05
Plus initial provision for credit losses on acquired loans and unfunded commitments	—	—	—	1.56	—
Less other non-operating items	0.04	(0.02)	(0.05)	(0.05)	—
Less tax effect	(0.01)	—	0.06	0.55	0.01
Adjusted diluted earnings per share	\$ 0.88	\$ 1.12	\$ 1.14	\$ 1.43	\$ 0.74

⁽¹⁾ 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; 4Q20 includes \$4,533 FHLB prepayment penalty offset by \$715 cash life insurance benefit and \$1,370 gain from change in fair value of commercial loans held for sale acquired from Franklin; 3Q20 includes \$2,305 FHLB prepayment penalty, \$1,505 losses on other real estate owned, and \$1,858 gain from change in fair value of commercial loans held for sale acquired from Franklin.

GAAP reconciliation and use of non-GAAP financial measures

Adjusted pre-tax, pre-provision earnings

<i>(Dollars in thousands, except share data)</i>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Income (loss) before income taxes	\$ 56,742	\$ 68,462	\$ 58,947	\$ (7,639)	\$ 30,328
Plus provisions for credit losses	(13,839)	(13,854)	(2,920)	55,401	25,921
Pre-tax pre-provision earnings	42,903	54,608	56,027	47,762	56,249
Plus merger, conversion and offering expenses	605	—	9,513	20,730	1,586
Less other non-operating items ⁽¹⁾	2,151	(853)	(2,448)	(1,952)	—
Adjusted pre-tax pre-provision earnings	\$ 41,357	\$ 55,461	\$ 67,988	\$ 70,444	\$ 57,835

⁽¹⁾ 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; 4Q20 includes \$4,533 FHLB prepayment penalty offset by \$715 cash life insurance benefit and \$1,370 gain from change in fair value of commercial loans held for sale acquired from Franklin; 3Q20 includes \$2,305 FHLB prepayment penalty, \$1,505 losses on other real estate owned, and \$1,858 gain from change in fair value of commercial loans held for sale acquired from Franklin.

GAAP reconciliation and use of non-GAAP financial measures

Adjusted earnings and diluted earnings per share*

<i>(Dollars in thousands, except share data)</i>	YTD 2021	2020	2019	2018	2017
Income before income taxes	\$ 125,204	\$ 82,461	\$ 109,539	\$ 105,854	\$ 73,485
Plus merger, conversion, offering, and mortgage restructuring expenses	605	34,879	7,380	2,265	19,034
Plus initial provision for credit losses on acquired loans and unfunded commitments	—	66,136	—	—	—
Less other non-operating items ⁽¹⁾	1,298	(4,400)	—	—	—
Adjusted pre-tax earnings	124,511	187,876	116,919	108,119	92,519
Adjusted income tax expense	28,690	45,944	27,648	26,034	34,749
Adjusted earnings	\$ 95,821	\$ 141,932	\$ 89,271	\$ 82,085	\$ 57,770
Weighted average common shares outstanding - fully diluted	47,976,533	38,099,744	31,402,897	31,314,981	28,207,602
Adjusted diluted earnings per share*					
Diluted earnings per common share	\$ 2.00	\$ 1.67	\$ 2.65	\$ 2.55	\$ 1.86
Plus merger, conversion, offering, and mortgage restructuring expenses	0.01	0.92	0.24	0.07	0.67
Plus initial provision for credit losses on acquired loans and unfunded commitments	—	1.74	—	—	—
Less other non-operating items	0.02	(0.11)	—	—	—
Less tax effect and benefit of enacted tax laws	(0.01)	0.71	0.06	0.01	0.48
Adjusted diluted earnings per share	\$ 2.00	\$ 3.73	\$ 2.83	\$ 2.61	\$ 2.05

⁽¹⁾ 2021 includes a \$511 gain from change in fair value on commercial loans held for sale acquired from Franklin and a \$787 gain from lease terminations; 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.

GAAP reconciliation and use of non-GAAP financial measures

Adjusted pre-tax, pre-provision earnings

<i>(Dollars in thousands, except share data)</i>	YTD 2021	2020	2019	2018	2017
Income before income taxes	\$ 125,204	\$ 82,461	\$ 109,539	\$ 105,854	\$ 73,485
Plus provisions for credit losses	(27,693)	107,967	7,053	5,398	(950)
Pre-tax pre-provision earnings	97,511	190,428	116,592	111,252	72,535
Plus merger, conversion, offering, and mortgage restructuring expenses	605	34,879	7,380	2,265	19,034
Less other non-operating items ⁽¹⁾	1,298	(4,400)	—	—	—
Adjusted pre-tax pre-provision earnings	\$ 96,818	\$ 229,707	\$ 123,972	\$ 113,517	\$ 91,569

⁽¹⁾ 2021 includes a \$511 gain from change in fair value on commercial loans held for sale acquired from Franklin and a \$787 gain from lease terminations; 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.

GAAP reconciliation and use of non-GAAP financial measures

Core efficiency ratio (tax-equivalent basis)

<i>(Dollars in thousands)</i>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Total noninterest expense	\$ 92,960	\$ 94,698	\$ 109,855	\$ 118,092	\$ 80,579
Less merger, conversion and offering expenses	605	—	9,513	20,730	1,586
Less gain on lease terminations	(787)	—	—	—	—
Less FHLB prepayment penalties	—	—	4,533	2,305	—
Core noninterest expense	\$ 93,142	\$ 94,698	\$ 95,809	\$ 95,057	\$ 78,993
Net interest income (tax-equivalent basis)	\$ 87,321	\$ 83,368	\$ 86,111	\$ 69,625	\$ 55,977
Total noninterest income	49,300	66,730	80,638	97,026	81,491
Less gain (loss) on change in fair value on commercial loans held for sale	1,364	(853)	1,370	1,858	—
Less cash life insurance benefit	—	—	715	—	—
Less (loss) gain on sales or write-downs of other real estate owned and other assets	(27)	485	(57)	(1,279)	32
Less gain (loss) from securities, net	144	83	1,013	583	(28)
Core noninterest income	47,819	67,015	77,597	95,864	81,487
Core revenue	\$ 135,140	\$ 150,383	\$ 163,708	\$ 165,489	\$ 137,464
Efficiency ratio (GAAP) ^(a)	68.4%	63.4 %	66.2%	71.2%	58.9%
Core efficiency ratio (tax-equivalent basis)	68.9%	63.0 %	58.5%	57.4%	57.5%

(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)

(Dollars in thousands, except share data)

	YTD 2021	2020	2019	2018	2017
Core efficiency ratio (tax-equivalent basis)					
Total noninterest expense	\$ 187,658	\$ 377,085	\$ 244,841	\$ 223,458	\$ 222,317
Less merger, offering, and mortgage restructuring-related expenses	605	34,879	7,380	2,265	19,034
Less gain on lease terminations	(787)	—	—	—	—
Less FHLB prepayment penalties	—	6,838	—	—	—
Less variable compensation charge related to cash settled equity awards	—	—	—	—	635
Less impairment and loss on sale of mortgage servicing rights	—	—	—	—	249
Core noninterest expense	\$ 187,840	\$ 335,368	\$ 237,461	\$ 221,193	\$ 202,399
Net interest income (tax-equivalent basis)	170,689	268,497	227,930	205,668	156,094
Total noninterest income	116,030	301,855	135,397	130,642	141,581
Less gain on change in fair value on commercial - loans held for sale	511	3,228	—	—	—
Less cash life insurance benefit	—	715	—	—	—
Less gain (loss) on sales or write-downs of other real estate owned and other assets	458	(1,581)	441	229	110
Less gain (loss) from securities, net	227	1,631	57	(116)	285
Core noninterest income	114,834	297,862	134,899	130,529	141,186
Core revenue	\$ 285,523	\$ 566,359	\$ 362,829	\$ 336,197	\$ 297,280
Efficiency ratio (GAAP) ^(a)	65.8 %	66.4 %	67.7 %	66.8 %	75.4 %
Core efficiency ratio (tax-equivalent basis)	65.8 %	59.2 %	65.4 %	65.8 %	68.1 %

(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>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Banking segment core efficiency ratio (tax-equivalent basis)					
Core noninterest expense	\$ 93,142	\$ 94,698	\$ 95,809	\$ 95,057	\$ 78,993
Less Mortgage segment core noninterest expense	34,766	38,963	42,884	45,227	38,539
Core Banking segment noninterest expense	\$ 58,376	\$ 55,735	\$ 52,925	\$ 49,830	\$ 40,454
Core revenue	\$ 135,140	\$ 150,383	\$ 163,708	\$ 165,489	\$ 137,464
Less Mortgage segment total revenue	35,509	55,311	65,766	84,723	72,155
Core Banking segment total revenue	\$ 99,631	\$ 95,072	\$ 97,942	\$ 80,766	\$ 65,309
Banking segment core efficiency ratio (tax-equivalent basis)	58.6%	58.6%	54.0%	61.7%	61.9%
Mortgage segment core efficiency ratio (tax-equivalent basis)					
Mortgage segment noninterest expense	\$ 34,766	\$ 38,963	\$ 43,609	\$ 45,557	\$ 38,539
Less mortgage segment merger expense	—	—	725	330	—
Core Mortgage segment noninterest expense	\$ 34,766	\$ 38,963	\$ 42,884	\$ 45,227	\$ 38,539
Mortgage segment total revenue	\$ 35,308	\$ 55,311	\$ 65,766	\$ 84,723	\$ 72,155
Less loss on sales or write-downs of other real estate owned	(201)	—	—	—	—
Mortgage segment total revenue	\$ 35,509	\$ 55,311	\$ 65,766	\$ 84,723	\$ 72,155
Mortgage segment core efficiency ratio (tax-equivalent basis)	97.9%	70.4%	65.2%	53.4%	53.4%

During the first quarter of 2021, the Company re-evaluated its reportable business segments to align all retail mortgage activities with the Mortgage segment. Previously, the Company chose to assign retail mortgage activities within the Banking geographical footprint to the Banking Segment. The results of mortgage retail footprint have been assigned to the Mortgage segment for all periods presented. As such, historical segment efficiency ratios have been recast for consistency with these changes.

GAAP reconciliation and use of non-GAAP financial measures

Adjusted mortgage contribution

<i>(Dollars in thousands)</i>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Mortgage banking pre-tax net contribution	\$ 542	\$ 16,348	\$ 22,157	\$ 39,166	\$ 33,616
Plus mortgage merger expense	—	—	725	330	—
Total adjusted mortgage banking pre-tax net contribution	\$ 542	\$ 16,348	\$ 22,882	\$ 39,496	\$ 33,616
Pre-tax pre-provision earnings	42,903	54,608	56,027	47,762	56,249
% total mortgage banking pre-tax pre-provision net contribution	1.26%	29.9%	39.5%	82.0%	59.8%
Adjusted pre-tax pre-provision earnings	41,357	55,461	67,988	70,444	57,835
% total adjusted mortgage banking pre-tax pre-provision net contribution	1.31%	29.5%	33.7%	56.1%	58.1%

GAAP reconciliation and use of non-GAAP financial measures

Tangible assets and equity and tangible book value per share

<i>(Dollars in thousands, except share data)</i>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Tangible assets					
Total assets	\$ 11,918,367	\$ 11,935,826	\$ 11,207,330	\$ 11,010,438	\$ 7,255,536
Less goodwill	242,561	242,561	242,561	236,086	175,441
Less intangibles, net	19,592	20,986	22,426	23,924	17,671
Tangible assets	\$ 11,656,214	\$ 11,672,279	\$ 10,942,343	\$ 10,750,428	\$ 7,062,424
Tangible common equity					
Total common shareholders' equity	\$ 1,371,721	\$ 1,329,103	\$ 1,291,289	\$ 1,244,998	\$ 805,216
Less goodwill	242,561	242,561	242,561	236,086	175,441
Less intangibles, net	19,592	20,986	22,426	23,924	17,671
Tangible common equity	\$ 1,109,568	\$ 1,065,556	\$ 1,026,302	\$ 984,988	\$ 612,104
Common shares outstanding	47,360,950	47,331,680	47,220,743	47,191,677	32,101,108
Book value per common share	\$ 28.96	\$ 28.08	\$ 27.35	\$ 26.38	\$ 25.08
Tangible book value per common share	\$ 23.43	\$ 22.51	\$ 21.73	\$ 20.87	\$ 19.07
Total common shareholders' equity to total assets	11.5%	11.1%	11.5%	11.3%	11.1%
Tangible common equity to tangible assets	9.52%	9.13%	9.38%	9.16%	8.67%

GAAP reconciliation and use of non-GAAP financial measures

Return on average tangible common equity and adjusted pre-tax pre-provision return on average tangible common equity

<i>(Dollars in thousands)</i>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Average common shareholders' equity	\$ 1,339,938	\$ 1,303,493	\$ 1,261,101	\$ 1,044,913	\$ 795,705
Less average goodwill	242,561	242,561	242,983	205,473	175,150
Less average intangibles, net	20,253	21,695	23,178	20,973	18,209
Average tangible common equity	\$ 1,077,124	\$ 1,039,237	\$ 994,940	\$ 818,467	\$ 602,346
Net income (loss)	\$ 43,294	\$ 52,874	\$ 45,602	\$ (5,599)	\$ 22,873
Return on average common equity	13.0%	16.5%	14.4%	(2.13%)	11.6%
Return on average tangible common equity	16.1%	20.6%	18.2%	(2.72%)	15.3%
Adjusted net income	42,317	53,505	54,454	58,096	24,086
Adjusted return on average tangible common equity	15.8%	20.9%	21.8%	28.2%	16.1%
Adjusted pre-tax pre-provision earnings	41,357	55,461	67,988	70,444	57,835
Adjusted pre-tax pre-provision return on average tangible common equity	15.4%	21.6%	27.2%	34.2%	38.6%

GAAP reconciliation and use of non-GAAP financial measures

Return on average tangible common equity and adjusted pre-tax pre-provision return on average tangible common equity

<i>(Dollars in thousands)</i>	YTD 2021	2020	2019	2018	2017
Average shareholders' equity	\$ 1,321,947	\$ 966,336	\$ 723,494	\$ 629,922	\$ 466,219
Less average goodwill	242,561	199,104	160,587	137,190	84,997
Less average intangibles, net	20,970	22,659	17,236	12,815	8,047
Average tangible common equity	\$ 1,058,416	\$ 744,573	\$ 545,671	\$ 479,917	\$ 373,175
Net income	\$ 96,168	\$ 63,621	\$ 83,814	\$ 80,236	\$ 52,398
Return on average common equity	14.7 %	6.58 %	11.6 %	12.7 %	11.2 %
Return on average tangible common equity	18.3 %	8.54 %	15.4 %	16.7 %	14.0 %
Adjusted net income	\$ 95,821	\$ 141,932	\$ 89,271	\$ 82,085	\$ 57,770
Adjusted return on average tangible common equity	18.3 %	18.3 %	16.4 %	17.1 %	15.5 %
Adjusted pre-tax pre-provision earnings	\$ 96,818	\$ 229,707	\$ 123,972	\$ 113,517	\$ 91,569
Adjusted pre-tax pre-provision return on average tangible common equity	18.4 %	30.9 %	22.7 %	23.7 %	24.5 %

GAAP reconciliation and use of non-GAAP financial measures

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

<i>(Dollars in thousands)</i>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Net income (loss)	\$ 43,294	\$ 52,874	\$ 45,602	\$ (5,599)	\$ 22,873
Average assets	11,900,450	11,508,783	11,111,163	9,179,288	7,074,612
Average common equity	1,339,938	1,303,493	1,261,101	1,044,913	795,705
Return on average assets	1.46%	1.86%	1.63%	(0.24%)	1.30%
Return on average common equity	13.0%	16.5%	14.4%	(2.13%)	11.6%
Adjusted net income	\$ 42,317	\$ 53,505	\$ 54,454	\$ 58,096	\$ 24,086
Adjusted return on average assets	1.43%	1.89%	1.95%	2.52%	1.37%
Adjusted return on average common equity	12.7%	16.6%	17.2%	22.1%	12.2%
Adjusted pre-tax pre-provision earnings	\$ 41,357	\$ 55,461	\$ 67,988	\$ 70,444	\$ 57,835
Adjusted pre-tax pre-provision return on average assets	1.39%	1.95%	2.43%	3.05%	3.29%
Adjusted pre-tax pre-provision return on average common equity	12.4%	17.3%	21.4%	26.8%	29.2%

GAAP reconciliation and use of non-GAAP financial measures

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

<i>(Dollars in thousands)</i>	YTD 2021	2020	2019	2018	2017
Net income	\$ 96,168	\$ 63,621	\$ 83,814	\$ 80,236	\$ 52,398
Average assets	11,700,951	8,438,100	5,777,672	4,844,865	3,811,158
Average common equity	1,321,947	966,336	723,494	629,922	466,219
Return on average assets	1.66%	0.75%	1.45%	1.66%	1.37%
Return on average common equity	14.7%	6.58%	11.6%	12.7%	11.2%
Adjusted net income	\$ 95,821	\$ 141,932	\$ 89,271	\$ 82,085	\$ 57,770
Adjusted return on average assets	1.65%	1.68%	1.55%	1.69%	1.52%
Adjusted return on average common equity	14.6%	14.7%	12.3%	13.0%	12.4%
Adjusted pre-tax pre-provision earnings	\$ 96,818	\$ 229,707	\$ 123,972	\$ 113,517	\$ 91,569
Adjusted pre-tax pre-provision return on average assets	1.67%	2.72%	2.15%	2.34%	2.40%
Adjusted pre-tax pre-provision return on average common equity	14.8%	23.8%	17.1%	18.0%	19.6%

GAAP reconciliation and use of non-GAAP financial measures

Adjusted Allowance for Credit Losses to Loans Held for Investment

<i>(Dollars in thousands)</i>	2021		2020		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
Allowance for credit losses	\$ 144,663	\$ 157,954	\$ 170,389	\$ 183,973	\$ 113,129
Less allowance for credit losses attributed to PPP loans	9	23	34	49	51
Adjusted allowance for credit losses	\$ 144,654	\$ 157,931	\$ 170,355	\$ 183,924	\$ 113,078
Loans held for investment	7,198,954	7,047,342	7,082,959	7,213,538	4,827,023
Less PPP loans	57,406	145,697	212,645	310,719	314,678
Adjusted loans held for investment	\$ 7,141,548	\$ 6,901,645	\$ 6,870,314	\$ 6,902,819	\$ 4,512,345
Allowance for credit losses to loans held for investment	2.01%	2.24%	2.41%	2.55%	2.34%
Adjusted allowance for credit losses to loans held for investment	2.03%	2.29%	2.48%	2.66%	2.51%