



Fourth Quarter and Year End 2017 Earnings Presentation

January 23, 2018

Forward looking statements

This presentation contains “forward-looking statements” made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward-looking statements. You can identify these forward-looking statements through the Company’s use of words such as “believes,” “anticipates,” “expects,” “may,” “will,” “assumes,” “should,” “predicts,” “could,” “would,” “intends,” “targets,” “estimates,” “projects,” “plans,” “potential,” “confident,” “future” and other similar words and expressions of the future or otherwise regarding the outlook for the Company’s future business and financial performance, including, without limitation, the impact of the 2017 Tax Cuts and Jobs Act on the Company and its operations and financial results, the performance of the banking and mortgage industry and the economy in general and the benefits, cost, synergies and financial impact of the Company’s acquisition of the Clayton Banks. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties which may cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are based on the information known to, and current beliefs and expectations of, the Company’s management and are subject to significant risks and uncertainties. Actual results may differ materially from those contemplated by such forward-looking statements. A number of factors could cause actual results to differ materially from those contemplated by the forward-looking statements in this Earnings Release including, without limitation, the risks and other factors set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC on March 31, 2017 under the captions “Cautionary note regarding forward-looking statements” and “Risk factors.” Many of these factors are beyond the Company’s ability to control or predict. The Company believes the forward-looking statements contained herein are reasonable; however, undue reliance should not be placed on any forward-looking statements, which are based on current expectations and speak only as of the date that they are made. The Company does not assume any obligation to update any forward-looking statements as a result of new information, future developments or otherwise, except as otherwise may be required by law.

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, pro forma core net income, pro forma core income tax expense, pro forma core diluted earnings per share, 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), pro forma core return on average assets and equity and pro forma core total revenue. Each of these non-GAAP metrics excludes certain income and expense items that the Company’s management considers to be non-core in nature. The Company refers to these non-GAAP measures as core measures. This Earnings Release also presents tangible assets, tangible common equity, tangible book value per common share, tangible common equity to tangible assets, return on average tangible common equity, pro forma return on average tangible common equity and pro forma core 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.

4Q 2017 and full-year 2017 highlights

Key highlights

- Core EPS of \$0.60 and \$2.14, driven by core ROAA of 1.59% and 1.56% for 4Q 2017 and 2017, respectively
- Loans (HFI) grew to \$3.17 billion, a 71.3% increase from 4Q 2016; organic loans grew 13.9% from 4Q 2016 and 6.7% annualized from 3Q 2017
- Total deposits grew to \$3.66 billion, a 37.2% increase from 4Q 2016; organic customer deposits grew 2.0% from 4Q 2016 and declined 3.9% annualized from 3Q 2017
- Continued customer-focused balance sheet growth resulting in a net interest margin of 4.63% for 4Q 2017 and 4.46% for 2017
- Banking Segment core efficiency ratio¹ improved to 55.6% in 4Q 2017, down from 56.2% in 3Q 2017
- Mortgage banking revenue of \$30.3 million, a 15.7% increase from 4Q 2016, driven by interest rate lock commitment (IRLC) volume of \$1.8 billion for the quarter, up 24.0% from 4Q 2016
- Income tax benefit of \$5.9 million in 4Q 2017 due to revaluation of recorded deferred tax liability; 2018 expected effective tax rate of 24.5% - 25.5%

Financial results

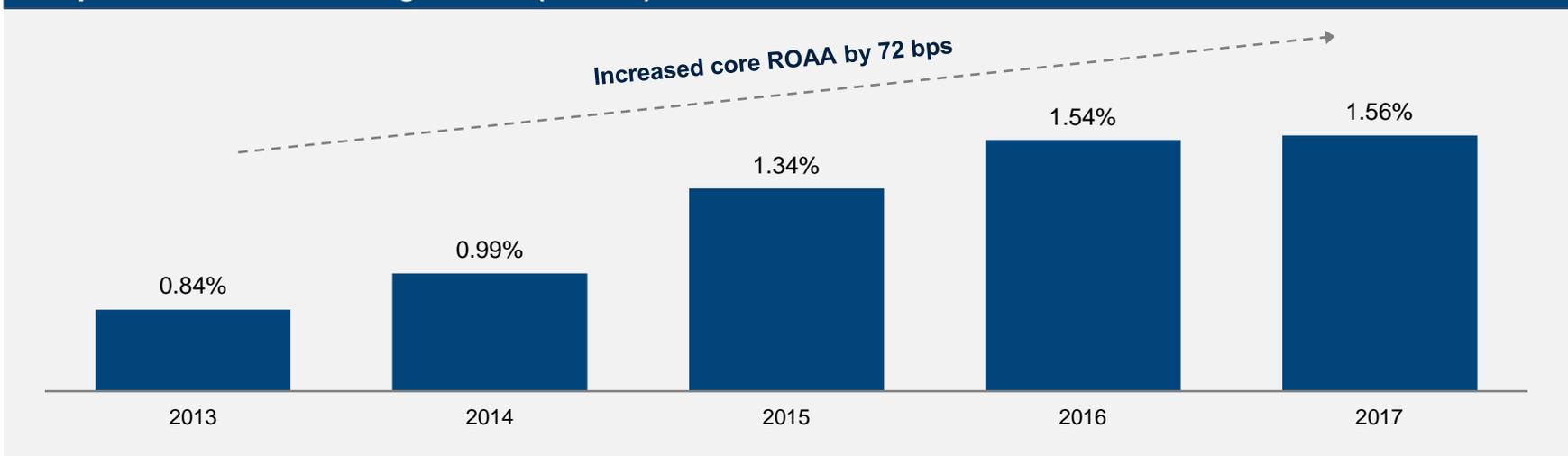
	Three months ended December 31, 2017	
	Non-GAAP Core results ¹	Reported GAAP results
Diluted earnings per share	\$0.60	\$0.74
Net income (\$million)	\$18.7	\$23.0
Net interest margin	4.35% ²	4.63%
Return on average assets	1.59%	1.96%
Return on average equity	12.8%	15.8%
Return on average tangible common equity	17.4%	21.4%
Efficiency ratio	63.6%	66.9%

¹ Core results are non-GAAP financial measures that adjust GAAP reported net income and other metrics for non-core income and expense items as outlined in the non-GAAP reconciliation calculations, using a combined marginal income tax rate of 39.225% excluding one-time items. See "Use of non-GAAP financial measures" and the Appendix hereto.

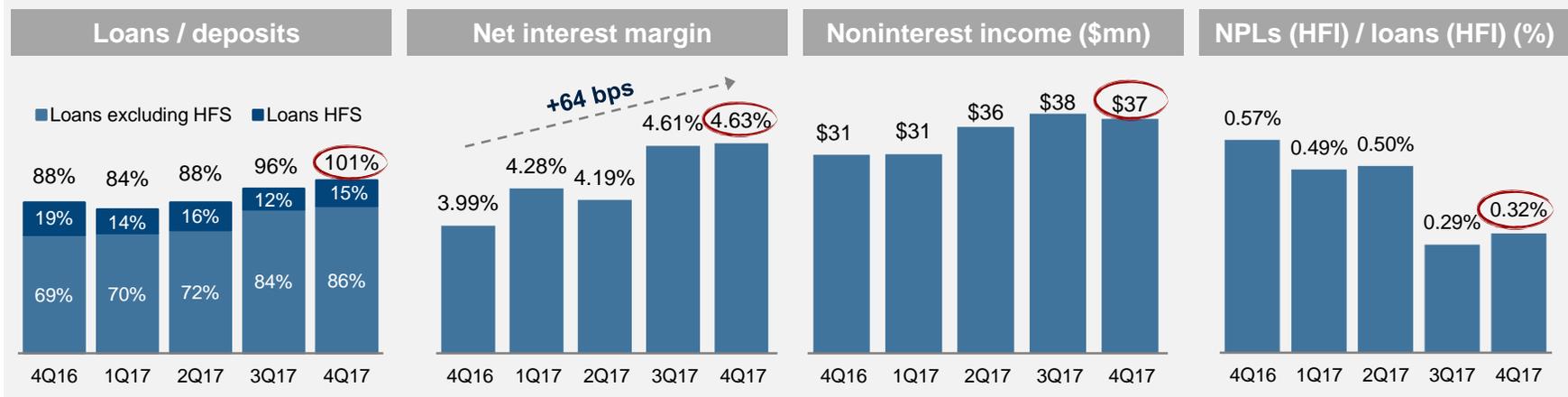
² Excludes accretion from acquired / purchased loans and collection of interest income on nonaccrual loans.

Consistently delivering balanced profitability and growth

Core pro forma return on average assets¹ (\$million)



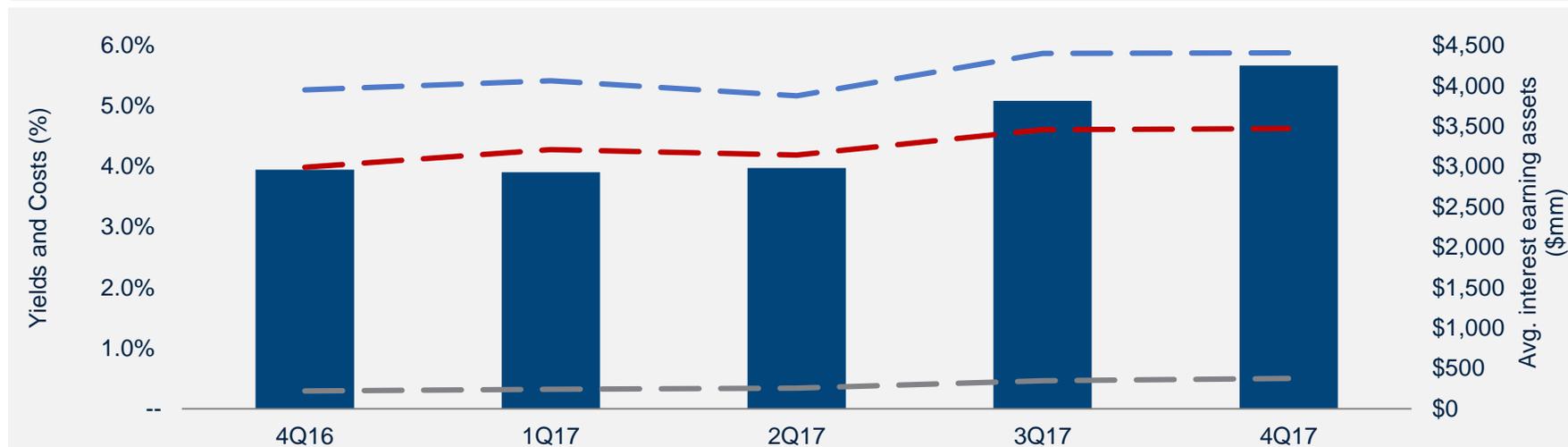
Drivers of profitability



¹ Our pro forma net income includes a pro forma provision for federal income taxes using a combined effective income tax rate of 35.63%, 35.08% and 36.75% for the years ended December 31, 2014, 2015 and 2016, respectively, and also includes the exclusion of a one-time tax charge in 3Q 2016. The years ended December 31 2014, 2015, 2016 and 2017 are annual percentages.

Peer-leading net interest margin remains strong

Historical yield and costs



	4Q16	1Q17	2Q17	3Q17	4Q17
NIM (%)	3.99%	4.28%	4.19%	4.61%	4.63%
NIM, ex-accretion and nonaccrual interest collections (%)	3.90%	4.04%	4.03%	4.33%	4.35%
Deposit cost (%)	0.29%	0.32%	0.34%	0.46%	0.50%

■ Average interest earning assets — Yield on loans
— Cost of deposits — NIM

¹ Includes tax-equivalent adjustment

Loan (HFI) yield

	4Q 2016	3Q 2017	4Q 2017
Contractual interest rate on loans HFI ¹	4.71%	5.08%	5.20%
Origination and other loan fee income	0.41%	0.38%	0.26%
	5.12%	5.46%	5.46%
Nonaccrual interest collections	0.07%	0.16%	0.15%
Accretion on purchased loans	0.08%	0.23%	0.24%
Syndication fee income	--	0.05%	0.03%
Total loan yield (HFI)	5.27%	5.90%	5.88%

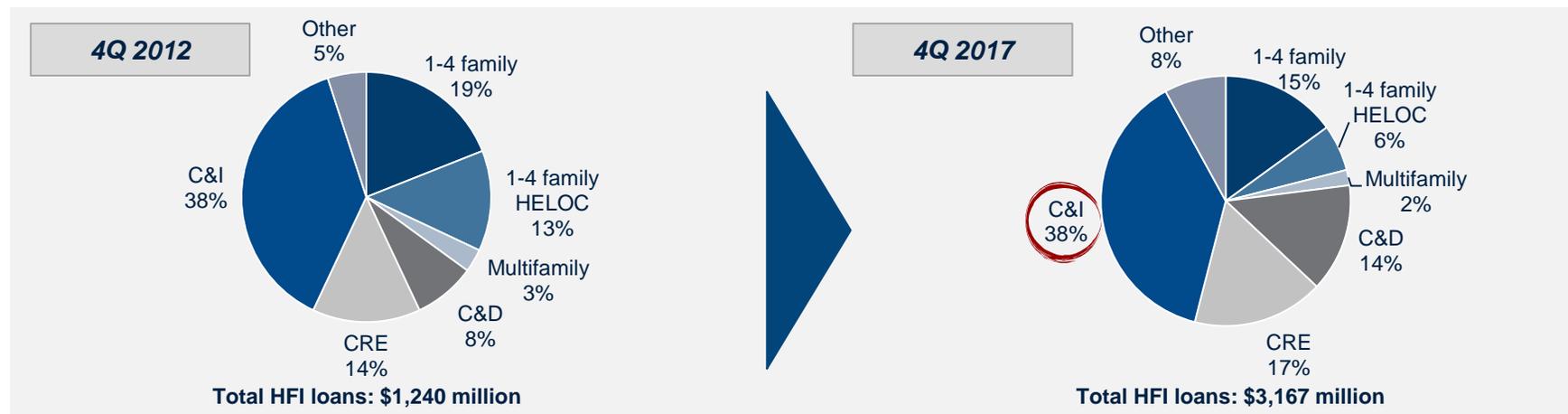
Consistent loan growth and balanced portfolio

Total loan growth¹ (\$million) and commercial real estate concentration



Commercial real estate (CRE) concentrations ²	% of Risk-Based Capital	
	4Q 2016	4Q 2017 (preliminary)
C&D loans subject to 100% risk-based capital threshold ³	81%	96%
Total CRE loans subject to 300% risk-based capital threshold ³	185%	228%

Loan portfolio breakdown¹



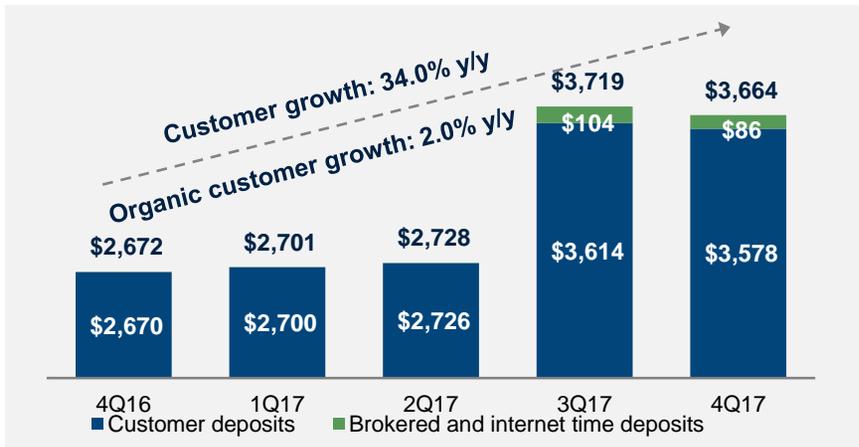
¹ Exclude HFS loans, C&I includes owner-occupied CRE

² Risk-based capital at FirstBank as defined in Call Report. 4Q 2017 calculation is preliminary and subject to change.

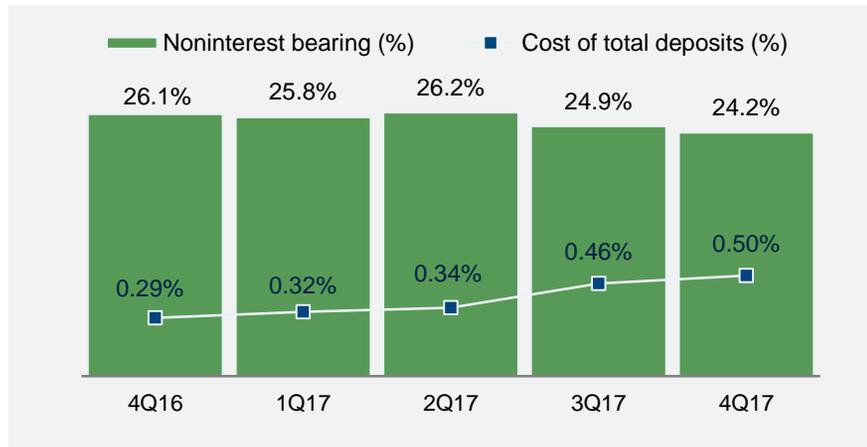
³ Excludes owner-occupied CRE

Stable, low cost core deposit franchise

Total deposits (\$million)



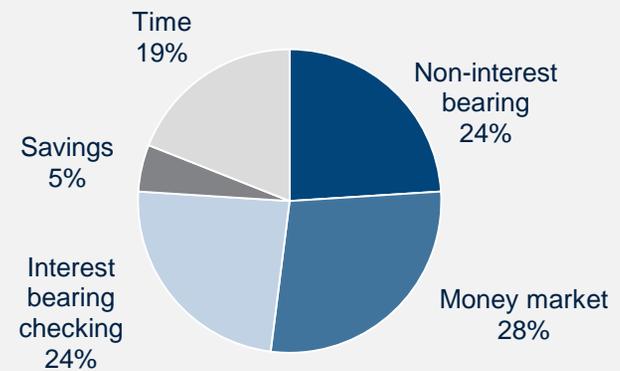
Cost of deposits



Noninterest bearing deposits (\$million)¹



Deposit composition



¹ Includes mortgage servicing-related escrow deposits of \$46.7 million, \$43.7 million, \$49.9 million, \$56.8 million and \$53.7 million for the quarters ended December 31, 2016, March 31, 2017, June 30, 2017, September 30, 2017 and December 31, 2017 respectively.

Mortgage banking continues to execute across channels

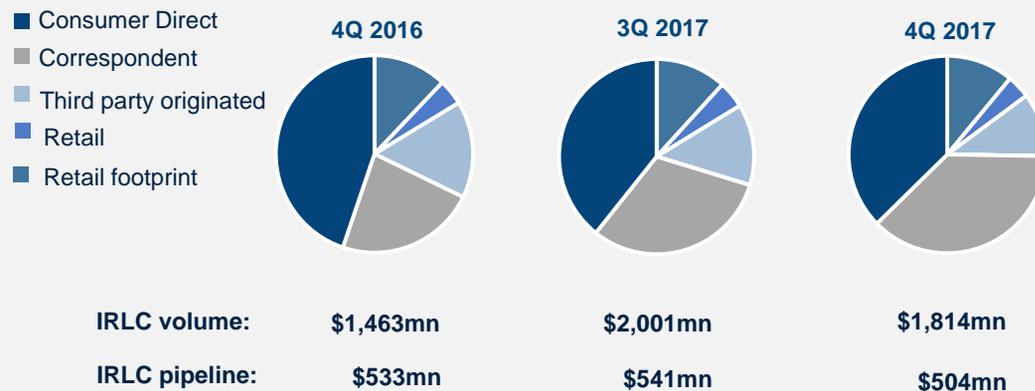
Highlights

- 2017 Mortgage Segment pre-tax core contribution of \$16.8 million
- Typical seasonal weakness offset by higher than expected Consumer Direct volumes and strength in retail and reverse channels
- Mortgage banking income \$30.3 million, up 15.7% from 4Q 2016
- IRLC volume of \$1.8 billion during 4Q 2017 from \$1.5 billion during 4Q 2016
- Continuing to create operational leverage and refine efficiencies as business model develops, focusing on overall direct contribution

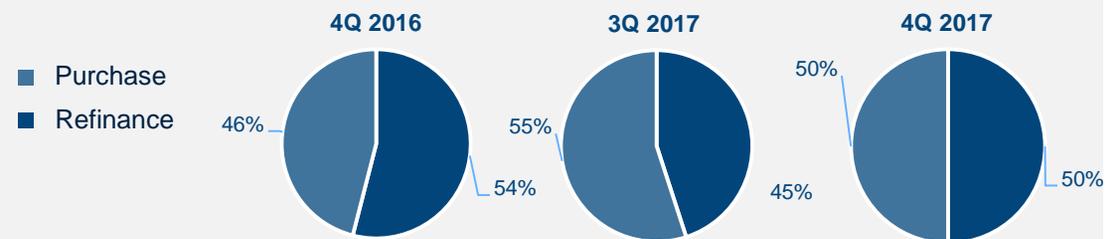
Mortgage banking income (\$million)

	4Q 2016	3Q 2017	4Q 2017
Gain on Sale	\$29.5	\$29.6	\$29.6
Fair value changes	(\$7.1)	(\$0.8)	(\$3.3)
Servicing Revenue	\$3.8	\$3.5	\$4.2
Fair value MSR change	\$ --	(\$0.9)	(\$0.2)
Total	\$26.2	\$31.3	\$30.3

IRLC volume by line of business (%)



IRLC volume mix by purpose (%)



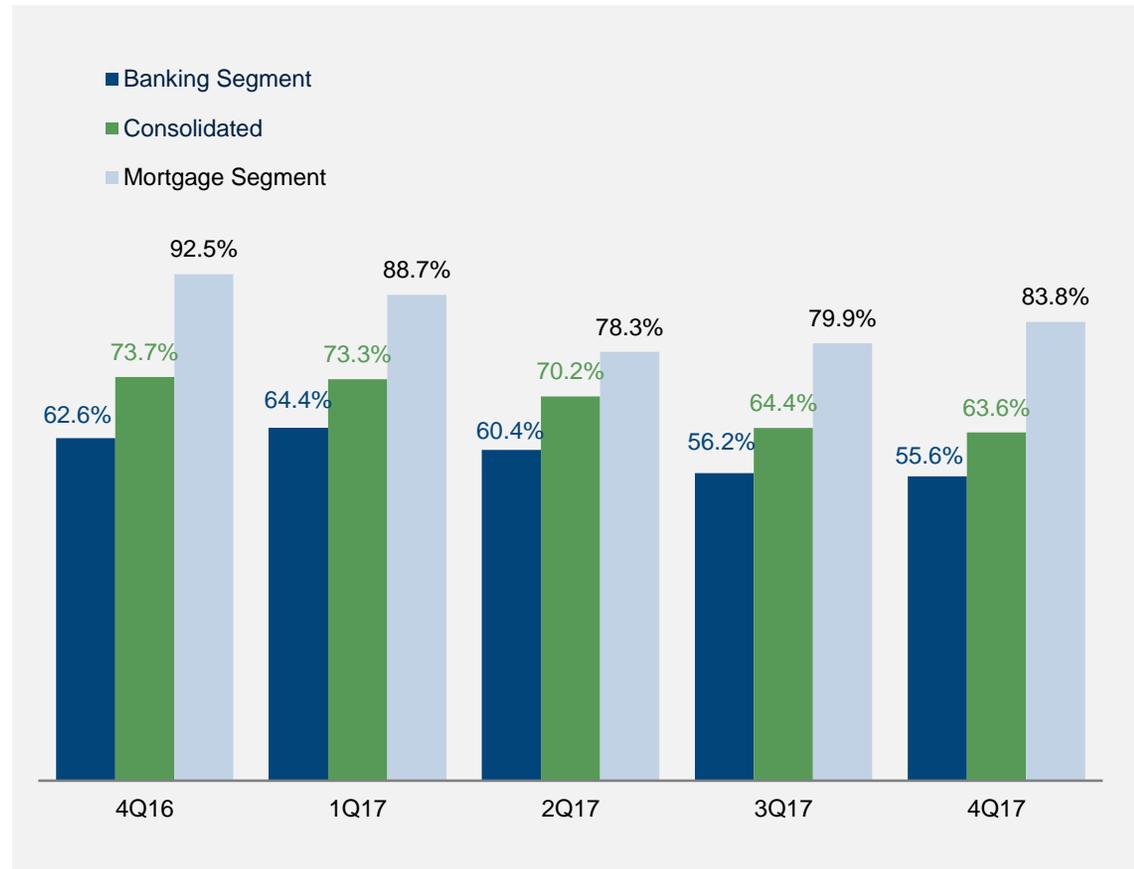
Note: Values by channel in dollars are included on page 8 of the Quarterly Financial Supplement for IRLC volume, IRLC pipeline and Mortgage sales.

Improving operating leverage remains a key objective

Improving operating efficiency

- Consolidated 4Q 2017 core efficiency ratio of 63.6% driven by Banking Segment core efficiency ratio of 55.6%, approaching our target level of sub-55%
- Conversion of Clayton Banks core systems on December 1; expect 1Q 2018 to be the first quarter with cost savings fully phased-in
- Bank's investment in IT systems, including a new core system, created a scalable platform designed to drive and support growth across markets
- Continuing to refine mortgage banking with operational efficiency improvements while maintaining contribution

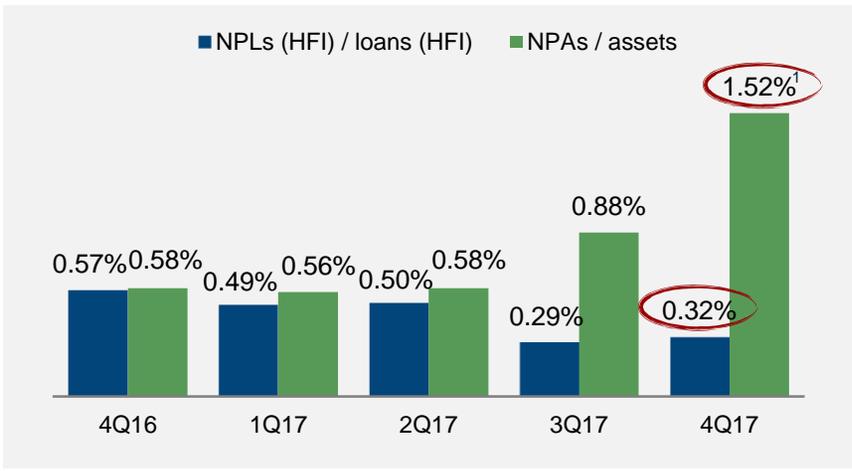
Core efficiency ratio (tax-equivalent basis)¹



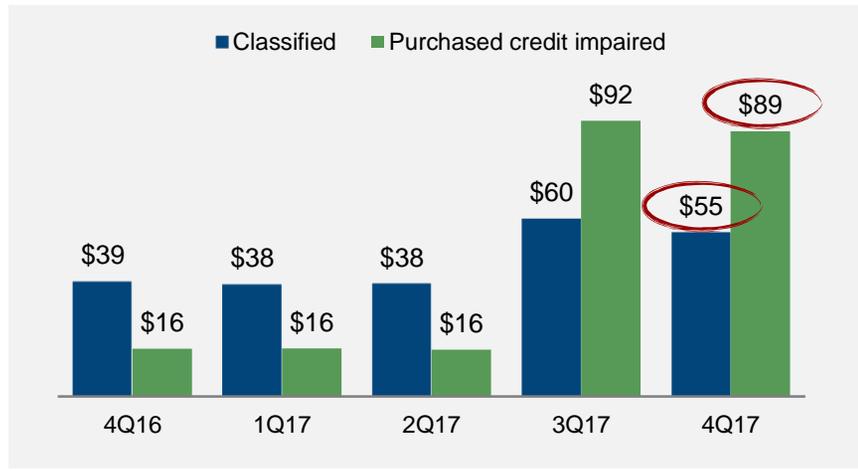
¹ See "Use of non-GAAP financial measures" and the Appendix hereto.

Asset quality remains strong

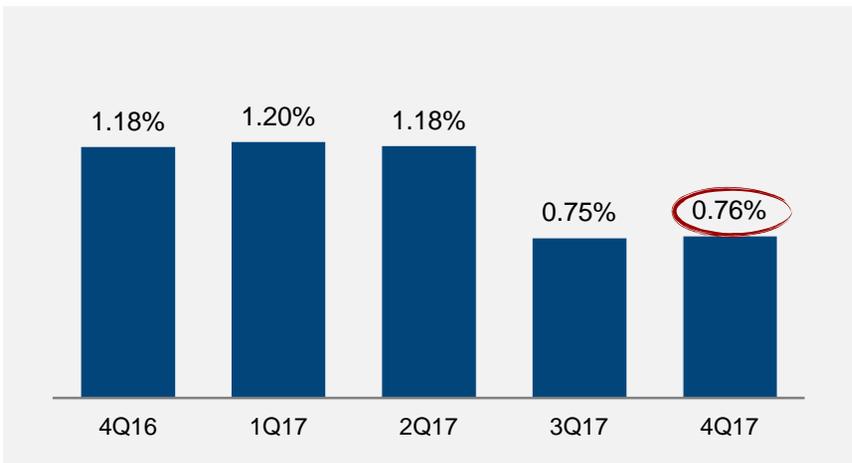
Nonperforming ratios



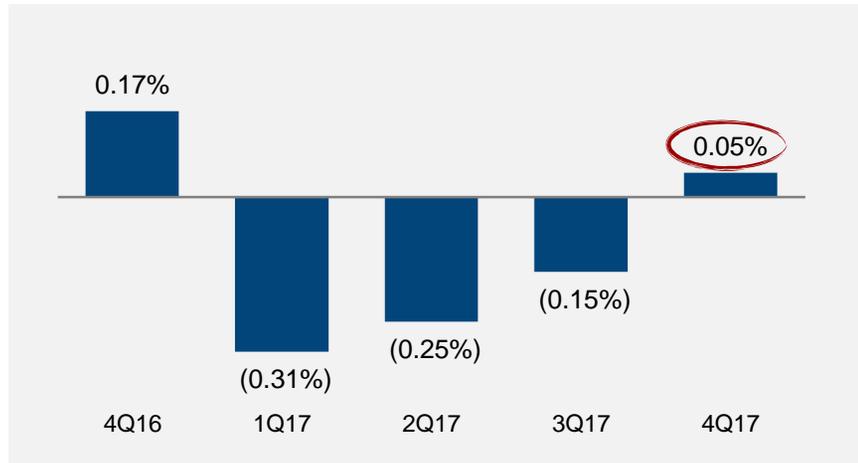
Classified & PCI loans (\$million)



LLR / loans



Net charge-offs / average loans



¹ Includes \$5.9 million of acquired excess land and facilities at December 31, 2017 and \$43.0 million of GNMA rebooked loans – see page 11 of the Quarterly Financial Supplement.

Strong capital position for future growth

Capital position

	4Q 2016	3Q 2017	4Q 2017 ¹
Shareholder's equity / Assets	10.1%	12.5%	12.6%
TCE / TA²	8.7%	9.5%	9.7%
Common equity tier 1 / Risk-weighted assets	11.0%	10.8%	10.7%
Tier 1 capital / Risk-weighted assets	12.2%	11.6%	11.4%
Total capital / Risk-weighted assets	13.0%	12.2%	12.0%
Tier 1 capital / Average assets	10.1%	11.4%	10.5%

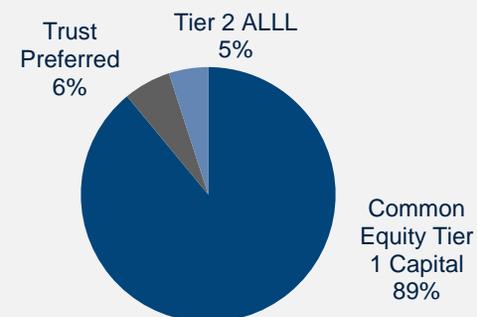
¹ Total regulatory capital, FB Financial Corporation. 4Q 2017 calculation is preliminary and subject to change.

² See "Use of non-GAAP financial measures" and the Appendix hereto.

Tangible book value per share



Simple capital structure



Total capital¹: \$496mn

Appendix

GAAP reconciliation and use of non-GAAP financial measures

Core net income

<i>(Dollars in thousands)</i>	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Core net income					
Pre-tax net income	\$ 27,504	\$ 12,990	\$ 17,813	\$ 15,178	\$ 13,797
Non-core items:					
Noninterest income					
Less change in fair value on mortgage servicing rights, net	(190)	(893)	(1,840)	(501)	-
Less gain from securities, net	1	254	29	1	-
Less (loss) gain on sales or write-downs of other real estate owned and other assets	(386)	(314)	62	748	(349)
Noninterest expenses					
Plus variable compensation charge related to cash settled equity awards	-	-	-	635	1,041
Plus merger and conversion	2,069	15,711	767	487	-
Plus (recovery of) impairment of mortgage servicing rights	-	-	-	-	(3,411)
Plus loss on sale of mortgage servicing rights	-	-	249	-	4,447
Pre tax core net income	\$ 30,148	\$ 29,654	\$ 20,578	\$ 16,052	\$ 16,223
Core income tax expense	11,471	11,138	7,659	5,768	5,739
Core net income	\$ 18,677	\$ 18,516	\$ 12,919	\$ 10,284	\$ 10,484
Weighted average common shares outstanding fully diluted	31,166,080	30,604,537	26,301,458	24,610,991	24,500,943
Core diluted earnings per share					
Diluted earning per share	\$ 0.74	\$ 0.27	\$ 0.43	\$ 0.40	\$ 0.37
Non-core items:					
Noninterest income					
Less change in fair value on mortgage servicing rights	(0.01)	(0.03)	(0.07)	(0.02)	-
Less gain from securities, net	0.00	0.01	0.00	0.00	0.00
Less (loss) gain on sales or write-downs of other real estate owned and other assets	(0.01)	(0.01)	0.00	0.03	(0.01)
Noninterest expenses					
Plus variable compensation charge related to cash settled equity awards	-	-	-	0.03	0.04
Plus merger and conversion	0.07	0.51	0.03	0.02	-
Plus (recovery of) impairment of mortgage servicing rights	-	-	-	-	(0.14)
Plus loss on sale of mortgage servicing rights	-	-	0.01	-	0.18
Tax effect	(0.2)	(0.2)	(0.0)	(0.01)	(0.04)
Core diluted earnings per share	\$ 0.60	\$ 0.60	\$ 0.49	\$ 0.42	\$ 0.43

GAAP reconciliation and use of non-GAAP financial measures

Pro forma core net income

(Dollars in thousands)

Pro forma core net income	YTD 2017	2016	2015	2014
Pre-tax net income	\$ 73,485	\$ 62,324	\$ 50,824	\$ 34,731
Non-core items:				
Noninterest income				
Less change in fair value on mortgage servicing rights, net	(3,424)	-	-	-
Less gain from securities, net	285	4,407	1,844	2,000
Less (loss) gain on sales or write-downs of other real estate owned and other assets	110	1,179	(710)	151
Noninterest expenses				
Plus one-time equity grants	-	2,960	-	3,000
Plus variable compensation charge related to cash settled equity awards	635	1,254	-	-
Plus merger and conversion	19,034	3,268	3,543	-
Plus (recovery of) impairment of mortgage servicing rights	-	4,678	194	-
Plus loss on sale of mortgage servicing rights	249	4,447	-	-
Pre tax core net income	\$ 96,432	\$ 73,345	\$ 53,427	\$ 35,580
Pro forma core income tax expense	36,036	27,225	18,850	12,708
Pro forma core net income	\$ 60,396	\$ 46,120	\$ 34,577	\$ 22,872
Weighted average common shares outstanding fully diluted	28,207,602	19,312,174	17,180,000	17,180,000
Pro forma core diluted earnings per share				
Diluted earning per share	\$ 1.86	\$ 2.04	\$ 2.79	\$ 1.89
Non-core items:				
Noninterest income				
Less change in fair value on mortgage servicing rights	(0.13)	-	-	-
Less gain from securities, net	0.01	0.23	0.11	0.12
Less (loss) gain on sales or write-downs of other real estate owned and other assets	0.01	0.06	(0.04)	0.01
Noninterest expenses				
Plus one-time equity grants	-	0.15	-	0.17
Plus variable compensation charge related to cash settled equity awards	0.03	0.06	-	-
Plus merger and conversion	0.63	0.17	0.21	-
Plus (recovery of) impairment of mortgage servicing rights	-	0.24	0.01	-
Plus loss on sale of mortgage servicing rights	0.01	0.23	-	-
Tax effect	(0.5)	(0.2)	(0.9)	2.07
Pro forma core diluted earnings per share	\$ 2.14	\$ 2.39	\$ 2.01	\$ 1.33

GAAP reconciliation and use of non-GAAP financial measures

Tax-equivalent efficiency ratio

<i>(Dollars in thousands)</i>	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Core efficiency ratio (tax-equivalent basis)					
Total noninterest expense	\$ 57,540	\$ 69,224	\$ 49,136	\$ 46,417	\$ 47,319
Less variable compensation charge related to cash settled equity awards	-	-	-	635	1,041
Less merger and conversion expenses	2,069	15,711	767	487	-
Less (recovery of) impairment of mortgage servicing rights	-	-	-	-	(3,411)
Less loss on sale of mortgage servicing rights	-	-	249	-	4,447
Core noninterest expense	\$ 55,471	\$ 53,513	\$ 48,120	\$ 45,295	\$ 45,242
Net interest income (tax-equivalent basis)	49,692	44,281	31,158	30,963	29,686
Total noninterest income	37,017	37,820	35,657	31,087	31,332
Less change in fair value on mortgage servicing rights	(190)	(893)	(1,840)	(501)	-
Less gain on sales or write-downs of other real estate owned and other assets	(386)	(314)	62	748	(349)
Less gain on sales of securities, net	1	254	29	1	-
Core noninterest income	37,592	38,773	37,406	30,839	31,681
Core revenue	\$ 87,284	\$ 83,054	\$ 68,564	\$ 61,802	\$ 61,367
Efficiency ratio (GAAP) ⁽¹⁾	66.91%	85.01%	74.35%	75.67%	78.39%
Core efficiency ratio (tax-equivalent basis)	63.55%	64.43%	70.18%	73.29%	73.72%

(1) Efficiency ratio (GAAP) is calculated by dividing non-interest expense by total revenue

GAAP reconciliation and use of non-GAAP financial measures

Segment tax-equivalent efficiency ratio

<i>(Dollars in thousands)</i>	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Banking segment core efficiency ratio (tax equivalent)					
Core consolidated noninterest expense	\$ 55,471	\$ 53,513	\$ 48,120	\$ 45,295	\$ 45,242
Less Mortgage segment noninterest expense	20,117	19,510	19,802	17,670	22,256
Add (recovery of) impairment of mortgage servicing rights	-	-	-	-	(3,411)
Add loss on sale of mortgage servicing rights	-	-	249	-	4,447
Adjusted Banking segment noninterest expense	35,354	34,003	28,567	27,625	24,022
Adjusted core revenue	87,284	83,054	68,564	61,802	61,367
Less Mortgage segment noninterest income	23,825	23,588	23,121	19,414	22,975
Less change in fair value on mortgage servicing rights	(190)	(893)	(1,840)	(501)	-
Adjusted Banking segment total revenue	\$ 63,649	\$ 60,359	\$ 47,283	\$ 42,889	\$ 38,392
Banking segment core efficiency ratio (tax-equivalent basis)	55.55%	56.33%	60.42%	64.41%	62.57%
Mortgage segment core efficiency ratio (tax equivalent)					
Consolidated noninterest expense	\$ 57,540	\$ 69,224	\$ 49,136	\$ 46,417	\$ 47,319
Less (recovery of) impairment of mortgage servicing rights	-	-	-	-	(3,411)
Less loss on sale of mortgage servicing rights	-	-	249	-	4,447
Less Banking segment noninterest expense	37,423	49,714	29,334	28,747	25,030
Adjusted Mortgage segment noninterest expense	\$ 20,117	\$ 19,510	\$ 19,553	\$ 17,670	\$ 21,253
Total noninterest income	37,017	37,820	35,657	31,087	31,332
Less Banking segment noninterest income	13,192	14,232	12,536	11,673	8,357
Less change in fair value on mortgage servicing rights	(190)	(893)	(1,840)	(501)	-
Adjusted Mortgage segment total revenue	\$ 24,015	\$ 24,481	\$ 24,961	\$ 19,915	\$ 22,975
Mortgage segment core efficiency ratio (tax-equivalent basis)	83.77%	79.69%	78.33%	88.73%	92.50%

GAAP reconciliation and use of non-GAAP financial measures

Tangible assets and equity

(Dollars in thousands)	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Tangible assets and equity					
Tangible Assets					
Total assets	\$ 4,727,713	\$ 4,581,943	\$ 3,346,570	\$ 3,166,459	\$ 3,276,881
Less goodwill	137,190	138,910	46,867	46,867	46,867
Less intangibles, net	14,902	12,550	4,048	4,171	4,563
Tangible assets	\$ 4,575,621	\$ 4,430,483	\$ 3,295,655	\$ 3,115,421	\$ 3,255,451
Tangible Common Equity					
Total shareholders' equity	\$ 596,729	\$ 572,528	\$ 509,517	\$ 342,142	\$ 330,498
Less goodwill	137,190	138,910	46,867	46,867	46,867
Less intangibles, net	14,902	12,550	4,048	4,171	4,563
Tangible common equity	\$ 444,637	\$ 421,068	\$ 458,602	\$ 291,104	\$ 279,068
Common shares outstanding	30,535,517	30,526,592	28,968,160	24,154,323	24,107,660
Book value per common share	\$ 19.54	\$ 18.75	\$ 17.59	\$ 14.16	\$ 13.71
Tangible book value per common share	\$ 14.56	\$ 13.79	\$ 15.83	\$ 12.05	\$ 11.58
Total shareholders' equity to total assets	12.62%	12.50%	15.23%	10.81%	10.09%
Tangible common equity to tangible assets	9.72%	9.50%	13.92%	9.34%	8.65%
Net income	\$ 23,018	\$ 8,388	\$ 11,239	\$ 9,753	\$ 9,010
Return on tangible common equity	20.54%	7.90%	9.83%	13.59%	12.84%

Return on average tangible equity

(Dollars in thousands)	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Return on average tangible common equity					
Total average shareholders' equity	\$ 578,856	\$ 550,409	\$ 398,805	\$ 333,178	\$ 318,986
Less average goodwill	138,093	108,220	46,839	46,839	46,839
Less intangibles, net	13,726	9,983	4,124	4,353	4,694
Average tangible common equity	\$ 427,037	\$ 432,206	\$ 347,842	\$ 281,986	\$ 267,453
Net income	\$ 23,018	\$ 8,388	\$ 11,239	\$ 9,753	\$ 9,010
Return on average tangible common equity	21.38%	7.70%	12.96%	14.03%	13.40%

GAAP reconciliation and use of non-GAAP financial measures

Core return on average tangible equity

<i>(Dollars in thousands)</i>	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Core return on average tangible equity					
Pre-tax net income	\$ 27,504	\$ 12,990	\$ 17,813	\$ 15,178	\$ 13,797
Adjustments:					
Add non-core items	2,644	16,664	2,765	874	2,426
Less core income tax expense	11,471	11,138	7,659	5,768	5,739
Core net income	\$ 18,677	\$ 18,516	\$ 12,919	\$ 10,284	\$ 10,484
Core return on average tangible common equity	17.35%	17.00%	14.90%	14.79%	15.60%

Core return on average assets and equity

<i>(Dollars in thousands)</i>	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Core return on average assets and equity					
Net income	\$ 23,018	\$ 8,388	\$ 11,239	\$ 9,753	\$ 9,010
Average assets	4,664,669	4,162,478	3,224,783	3,172,149	3,206,398
Average equity	578,856	550,409	398,805	333,178	318,986
Return on average assets	1.96%	80.00%	1.40%	1.25%	1.12%
Return on average equity	15.78%	6.05%	11.30%	11.87%	11.24%
Core net income	18,677	18,516	12,919	10,284	10,484
Core return on average assets	1.59%	1.76%	1.61%	1.31%	1.30%
Core return on average equity	12.80%	13.35%	12.99%	12.52%	13.08%

GAAP reconciliation and use of non-GAAP financial measures

Pro forma core return on average assets and equity

(Dollars in thousands)

Pro forma core return on average assets and equity	2017	2016	2015	2014
Pro forma Net income	\$ 52,398	\$ 39,422	\$ 32,995	\$ 22,356
Average assets	3,866,550	3,001,275	2,577,895	2,311,297
Average equity	466,219	276,587	228,844	203,615
Return on average assets	1.36%	1.31%	1.28%	0.97%
Return on average equity	11.24%	14.25%	14.42%	10.98%
Pro forma core net income	\$ 60,396	\$ 46,120	\$ 34,577	\$ 22,872
Pro forma core return on average assets	1.56%	1.54%	1.34%	0.99%
Pro forma core return on average equity	12.95%	16.67%	15.11%	11.23%

Core total revenue

(Dollars in thousands)

Core total revenue	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Net interest income	\$ 48,983	\$ 43,610	\$ 30,427	\$ 30,251	\$ 29,032
Noninterest income	37,017	37,820	35,657	31,087	31,332
Less adjustments:					
Change in fair value of mortgage servicing rights	(190)	(893)	(1,840)	(501)	-
Gain from securities, net	1	254	29	1	-
(Loss) gain on sales or write-downs of other real estate owned and other assets	(386)	(314)	62	748	(349)
Core total revenue	\$ 86,575	\$ 82,383	\$ 67,833	\$ 61,090	\$ 60,713

GAAP reconciliation and use of non-GAAP financial measures

Business mix by core, pre-tax contribution

(Dollars in thousands)

Business mix by core, pre-tax contribution	2017				2016
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Pre-tax net income	\$ 27,504	\$ 12,990	\$ 17,813	\$ 15,178	\$ 13,797
Pre-tax Mortgage segment contribution	3,269	3,948	3,747	2,139	759
Less change in fair value on mortgage servicing rights	(190)	(893)	(1,840)	(501)	-
Plus (recovery of) impairment of mortgage servicing rights	-	-	-	-	(3,411)
Plus loss on sale of mortgage servicing rights	-	-	249	-	4,447
Pre-tax core Mortgage segment contribution	3,459	4,841	5,836	2,640	1,795
Pre-tax Mortgage segment mix	11.89%	30.39%	21.04%	14.09%	5.50%
Pre-tax core net income	\$ 30,148	\$ 29,654	\$ 20,578	\$ 16,052	\$ 16,223
Pre-tax core Mortgage segment mix	11.47%	16.32%	28.36%	16.45%	11.06%
Pre-tax Banking segment mix	88.11%	69.61%	78.96%	85.91%	94.50%
Pre-tax core Banking segment mix	88.53%	83.68%	71.64%	83.55%	88.94%