FB Financial Corporation

2019 Fourth Quarter and Annual Earnings Presentation

January 21, 2020

IMPORTANT INFORMATION FOR SHAREHOLDERS AND INVESTORS

In connection with the proposed merger with Franklin, FB Financial will file a registration statement on Form S-4 with the SEC. The registration statement will contain the joint proxy statement of Franklin and FB Financial to be sent to the FB Financial and Franklin shareholders seeking their approvals in connection with the merger and the issuance of FB Financial common stock in the merger. The registration statement will also contain the prospectus of FB Financial to register the shares of FB Financial common stock to be issued in connection with the merger. A definitive joint proxy statement/prospectus will also be provided to FB Financial and Franklin shareholders as required by applicable law. Investors and shareholders are encouraged to read the registration statement, including the joint proxy statement/prospectus that will be part of the registration statement, as well as any other relevant documents filed by FB Financial and Franklin with the SEC, including any amendments or supplements to the registration statement and other documents filed with the SEC, because they will contain important information about the Franklin merger, Franklin, and FB Financial. The registration statement and other documents filed with the SEC may be obtained for free on the SEC's website (www.sec.gov). The definitive proxy statement/prospectus will also be made available for free by contacting FB Financial Corporation Investor Relations at (615) 564-1212 or investors@firstbankonline.com, or by contacting Franklin Investor Relations at (615) 236-8327 or investors@franklinsynergy.com. This press release does not constitute an offer to sell, the solicitation of an offer to sell or the solicitation of an offer to buy any securities, or the solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PARTICIPANTS IN THE SOLICITATION

FB Financial, Franklin, and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from FB Financial and Franklin shareholders in connection with the proposed Franklin merger under the rules of the SEC. Information about the directors and executive officers of FB Financial may be found in the definitive proxy statement for FB Financial's 2019 annual meeting of shareholders, filed with the SEC by FB Financial on April 16, 2019, and other documents subsequently filed by FB Financial with the SEC. Information about the directors and executive officers of Franklin may be found in the definitive proxy statement for Franklin's 2019 annual meeting of shareholders, filed with the SEC by Franklin on April 12, 2019, and other documents subsequently filed by Franklin with the SEC. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus when it becomes available. Free copies of these documents may be obtained as described in the paragraph above.

Forward–Looking Statements

Certain statements contained in this press release may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, without limitation, statements relating to the timing, benefits, costs, and synergies of the proposed merger with Franklin Financial Network, Inc. ("Franklin") (the "Franklin merger") and of the proposed merger with FNB Financial Corp. ("FNB") (together with the Franklin merger, the "mergers"), and FB Financial's future plans, results, strategies, and expectations. These statements can generally be identified by the use of the words and phrases "may," "will," "should," "could," "would," "goal," "plan," "potential," "estimate," "project," "believe," "intend," "anticipate," "expect," "target," "aim," "predict," "continue," "seek," "projection," and other variations of such words and phrases and similar expressions. These forward-looking statements are not historical facts, and are based upon current expectations, estimates, and projections, many of which, by their nature, are inherently uncertain and beyond FB Financial's control. The inclusion of these forward-looking statements should not be regarded as a representation by FB Financial or any other person that such expectations, estimates, and projections will be achieved. Accordingly, FB Financial cautions shareholders and investors that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, and uncertainties that are difficult to predict. 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) the risk that the cost savings and any revenue synergies from the mergers or another acquisition may not be realized or may take longer than anticipated to be realized, (2) disruption from the mergers with customer, supplier, or employee relationships, (3) the occurrence of any event, change, or other circumstances that could give rise to the termination of the merger agreement with Franklin, (4) the failure to obtain necessary regulatory approvals for the Franklin merger, (5) the failure to obtain the approval of FB Financial and Franklin's shareholders in connection with the Franklin merger, (6) the possibility that the costs, fees, expenses, and charges related to the mergers may be greater than anticipated, including as a result of unexpected or unknown factors, events, or liabilities, (7) the failure of the conditions to the Franklin merger to be satisfied, (8) the risks related to the integrations of the combined businesses following the mergers, including the risk that the integrations will be materially delayed or will be more costly or difficult than expected, (9) the diversion of management time on issues related to the mergers, (10) the ability of FB Financial to effectively manage the larger and more complex operations of the combined company following the mergers, (11) the risks associated with FB Financial's pursuit of future acquisitions, (12) the risk of expansion into new geographic or product markets, (13) reputational risk and the reaction of the parties' respective customers to the mergers, (14) FB Financial's ability to successful execute its various business strategies, including its ability to execute on potential acquisition opportunities, (15) the risk of potential litigation or regulatory action related to the Franklin merger, and (16) 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, 2018, its Quarterly Reports on Form 10-Q for the three-month periods ended March 31, 2019, June 30, 2019 and September 30, 2019, and its other 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 press release, 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 net income, adjusted diluted earnings per share, adjusted pro forma net income, adjusted pro forma diluted earnings per share, core noninterest expense, core revenue, core noninterest income, core efficiency ratio (tax-equivalent basis), banking segment core efficiency ratio (tax-equivalent basis), mortgage segment core efficiency ratio (tax-efficiency basis), adjusted mortgage contribution, adjusted return on average assets and equity, pro forma return on average assets and equity, and pro form adjusted 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 refers to these non-GAAP measures as adjusted or core measures. The corresponding Earnings Release also presents tangible assets, tangible common equity, tangible book value per common share, tangible common equity to tangible assets, return on tangible common equity, 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.

4Q 2019 and annual highlights

Key highlights

- Adjusted diluted EPS[1] of $0.70 and $2.83 for 4Q 2019 and 2019, respectively, resulting in
  - Adjusted ROAA[1] of 1.42% for 4Q 2019 and 1.55% for 2019
  - Adjusted ROATCE[1] of 15.2% for 4Q 2019 and 16.4% for 2019
- Loans (HFI) grew to $4.41 bn, a 20.2% increase from 4Q 2018
  - Year-over-year organic growth of 10.0%
  - 4Q 2019 annualized growth of 5.9%
- Customer deposits grew to $4.91 bn, a 20.8% increase from 4Q 2018
  - Year-over-year organic growth of 6.3%
  - 4Q 2019 annualized growth of 1.5%
- Continued customer-focused balance sheet growth resulting in a net interest margin of 4.12% for 4Q 2019
  - Contractual yield on loans of 5.27%, down 23 bps from 3Q 2019
  - Cost of total deposits of 1.02%, down 9 bps from 3Q 2019
- Total pre-tax mortgage contribution, adjusted[1] of $3.0 mm in 4Q 2019 and $11.7 mm for 2019; completed mortgage restructuring in 3Q 2019
- Completed acquisition of Atlantic Capital branches in April 2019; announced acquisition of FNB Financial Corporation in Scottsville, KY on September 17, 2019; announced acquisition of Franklin Financial Network, Inc. on January 21, 2020

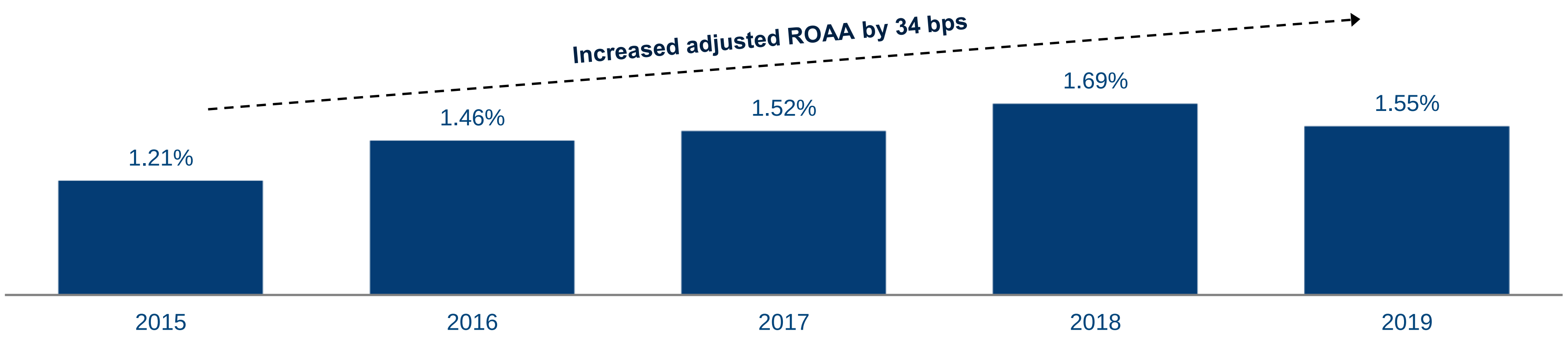
Financial results

	4Q19	FY 2019
Diluted earnings per share	$0.68	$2.65
Adjusted diluted earnings per share[1]	$0.70	$2.83
Net income ($mm)	$21.6	$83.8
Adjusted net income[1] ($mm)	$22.1	$89.3
Net interest margin	4.12%	4.34%
Impact of accretion and nonaccrual interest (bps)	21	18
Return on average assets	*1.39%*	1.45%
Adjusted return on average assets[1]	*1.42%*	1.55%
Return on average tangible common equity[1]	14.9%	15.4%
Adjusted return on average tangible common equity[1]	15.2%	16.4%
Efficiency ratio	67.5%	67.7%
Core efficiency ratio[1]	66.5%	65.4%
Tangible common equity / tangible assets[1]	9.7%	9.7%

[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

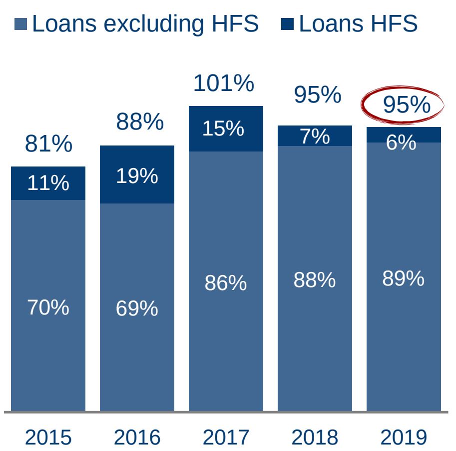
Delivering balanced profitability and growth

Pro forma return on average assets, adjusted[1]

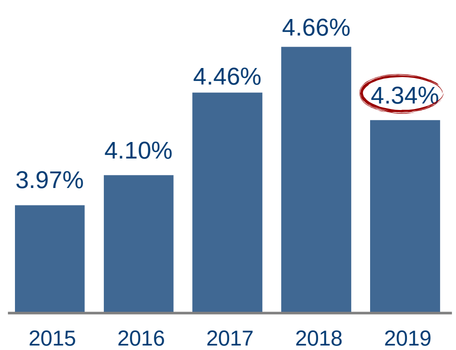


Drivers of profitability

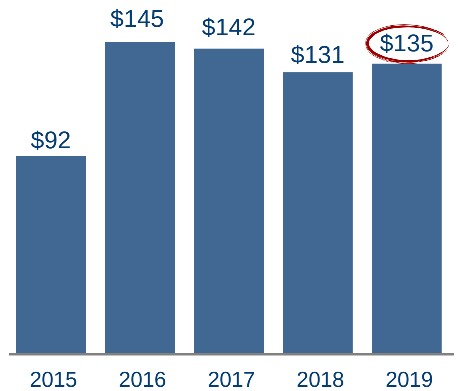
Loans/deposits



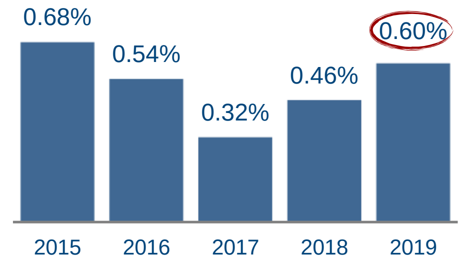
Net interest margin



Noninterest income ($mm)



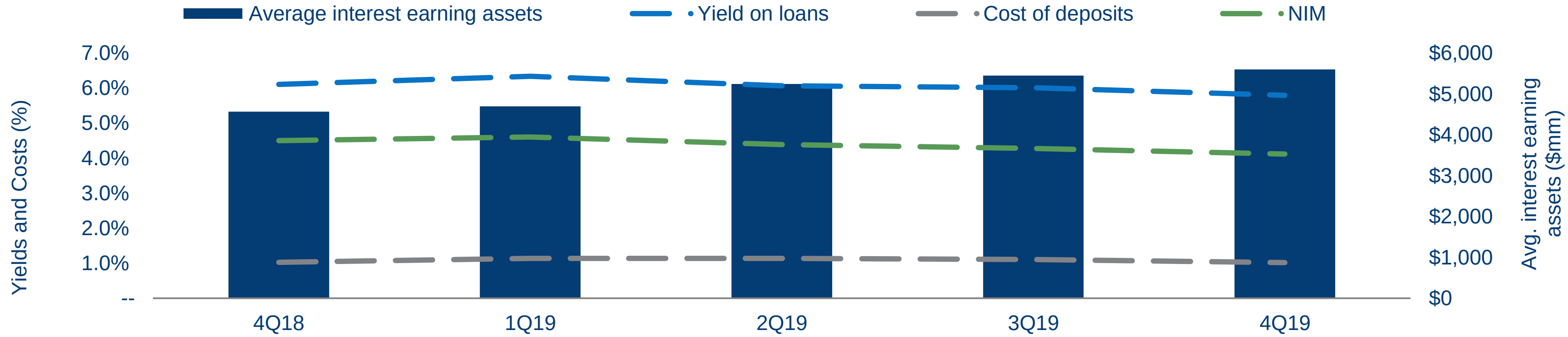
NPLs (HFI) / loans (HFI) (%)



[1] Our pro forma net income includes a pro forma provision for federal income taxes using a combined effective income tax rate of 35.08% and 36.75% for the years ended December 31, 2015 and 2016, respectively, and also includes the exclusion of a one-time tax charge from C Corp conversion in 3Q 2016 and the 4Q 2017 benefit from the 2017 Tax Cuts and Jobs Act. The years ended December 31, 2015, 2016, 2017 and 2018 are annual percentages. See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures

Net interest margin remains strong

Historical yield and costs



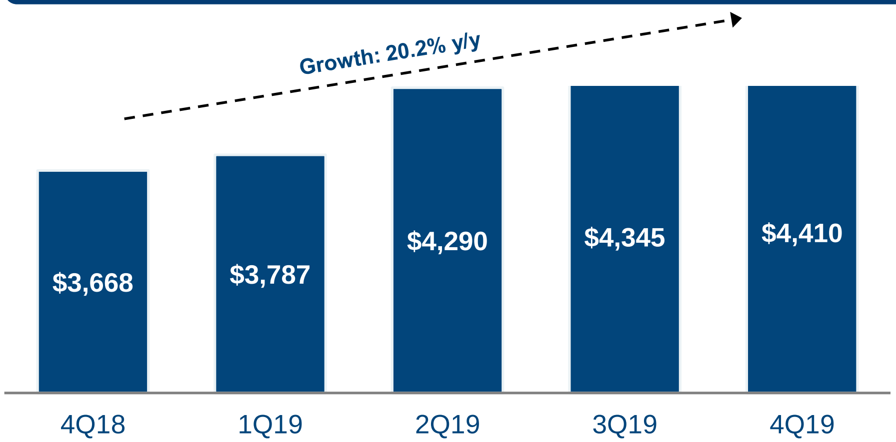
	4Q18	1Q19	2Q19	3Q19	4Q19
NIM (%)	**4.50%**	**4.61%**	**4.39%**	**4.28%**	**4.12%**
Impact of accretion and nonaccrual interest (bps)	17	17	17	16	21
Total deposit cost (%)	1.03%	1.14%	1.14%	1.11%	1.02%

	4Q18	**3Q19**	**4Q19**
Contractual interest rate on loans HFI[1]	5.56%	5.50%	5.27%
Origination and other loan fee income	0.33%	0.30%	0.26%
	5.89%	5.80%	5.53%
Nonaccrual interest	0.01%	0.02%	0.04%
Accretion on purchased loans	0.21%	0.19%	0.23%
Syndication fee income	0.00%	0.00%	0.00%
Total loan (HFI) yield	**6.11%**	**6.01%**	**5.80%**

[1] Includes tax-equivalent adjustment

Consistent loan growth and balanced portfolio

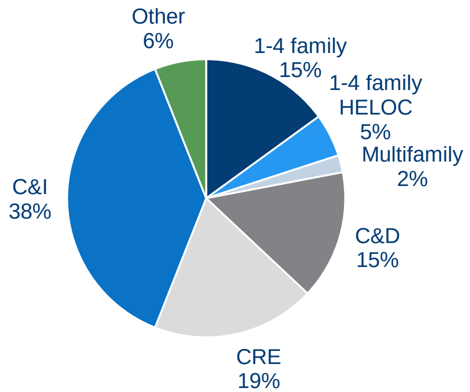
Total loan growth[1] ($million) and commercial real estate concentration



Commercial real estate (CRE) concentrations[2]	% of Risk-Based Capital 3Q19	4Q19 (preliminary)
C&D loans subject to 100% risk-based capital threshold	89%	88%
Total CRE loans subject to 300% risk-based capital threshold[3]	255%	247%

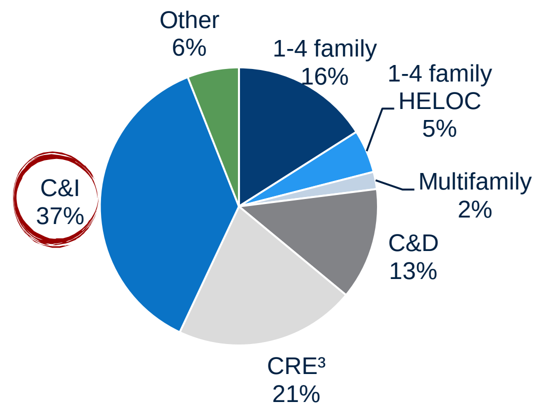
Loan portfolio breakdown[1]

4Q18



Total HFI loans: $3,668 million

4Q19

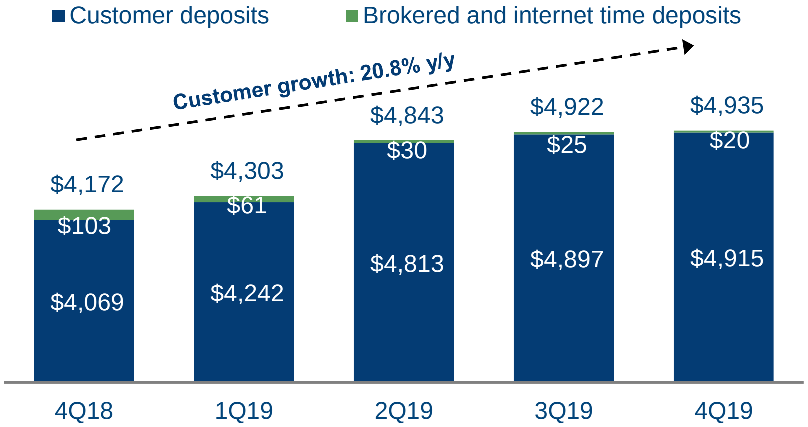


Total HFI loans: $4,410 million

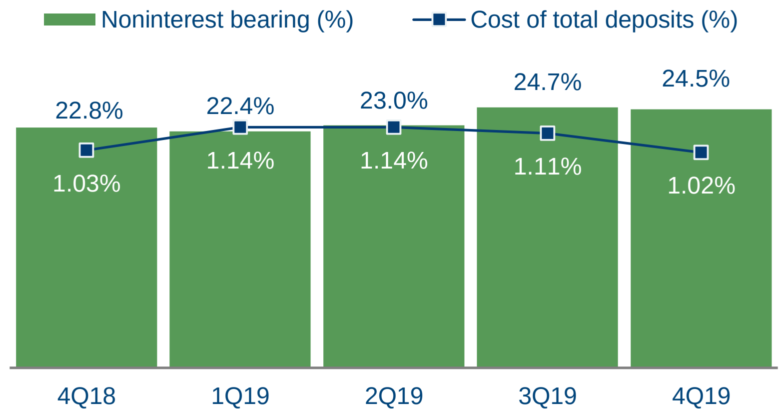
[1] Exclude HFS loans, C&I includes owner-occupied CRE. [2] Risk-based capital at FirstBank as defined in Call Report. 4Q 2019 calculation is preliminary and subject to change. [3] Excludes owner-occupied CRE.

Stable core deposit franchise

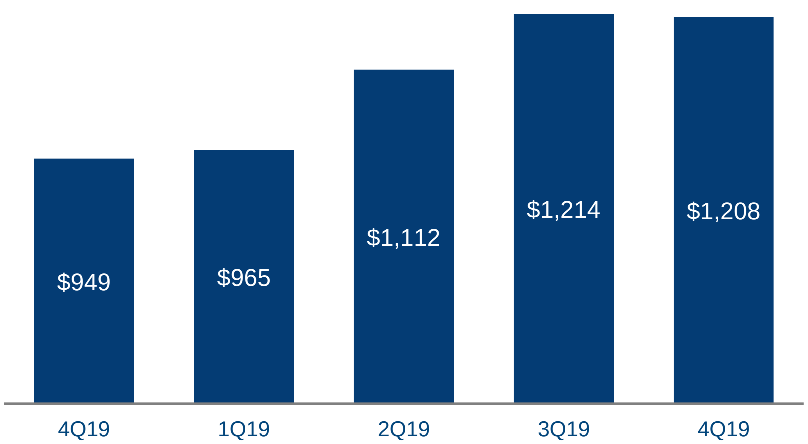
Total deposits ($mm)



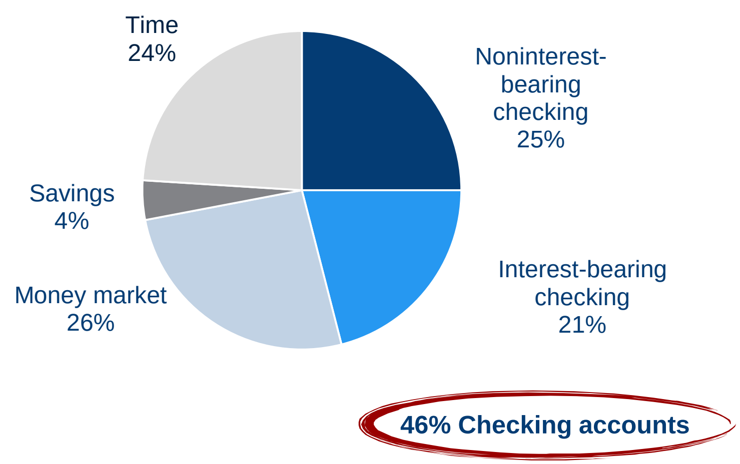
Cost of deposits



Noninterest bearing deposits ($mm



Deposit composition



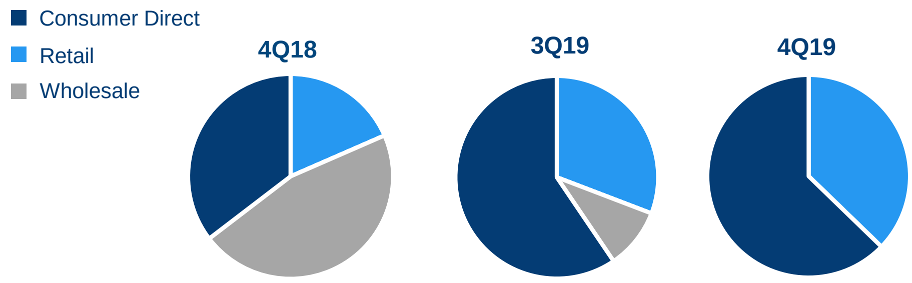
[1] Includes mortgage servicing-related escrow deposits of $53.5mm, $70.1mm, $70.4mm, $121.4mm and $92.6mm for the quarters ended December 31, 2018, March 31, 2019, June 30, 2019, September 30, 2019 and December 31, 2019, respectively.

Mortgage operations overview

Highlights

- Total Mortgage pre-tax contribution of $3.0mm for 4Q 2019; adjusted contribution of $11.7mm for 2019; adjusted for $2.0mm of restructuring related expenses
- Mortgage banking income $26.2 mm, up 37.8% from 4Q 2018 and down 10.3% from 3Q 2019
- Deployed new Consumer Direct digital platform which should assist in decreasing cost per loan
- Exit of wholesale origination channels allows additional focus on enhancing retail channels and improving operating efficiency moving forward

Quarterly mortgage production

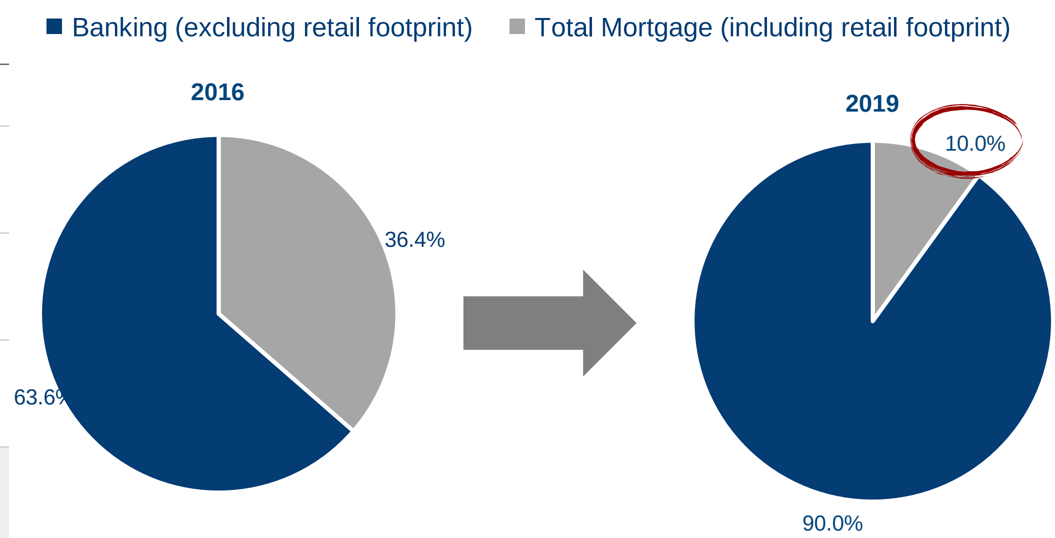


	4Q18	3Q19	4Q19
IRLC volume:	**$1,311mm**	**$1,636mm**	**$1,082mm**
IRLC pipeline[2]:	**$319mm**	**$679mm**	**$453mm**
Refinance %:	**34%**	**69%**	**67%**
Purchase %:	**66%**	**31%**	**33%**

Mortgage banking income ($mm)

	4Q18	3Q19	4Q19
Gain on Sale	$21.5	$28.0	$31.8
Fair value changes	($4.6)	$2.3	($4.3)
Servicing Revenue	$4.6	$4.0	$4.9
Fair value MSR changes	($2.5)	$(5.1)	($6.2)
Total Income	**$19.0**	**$29.2**	**$26.2**

Total pre-tax contribution, adjusted[1] (%)



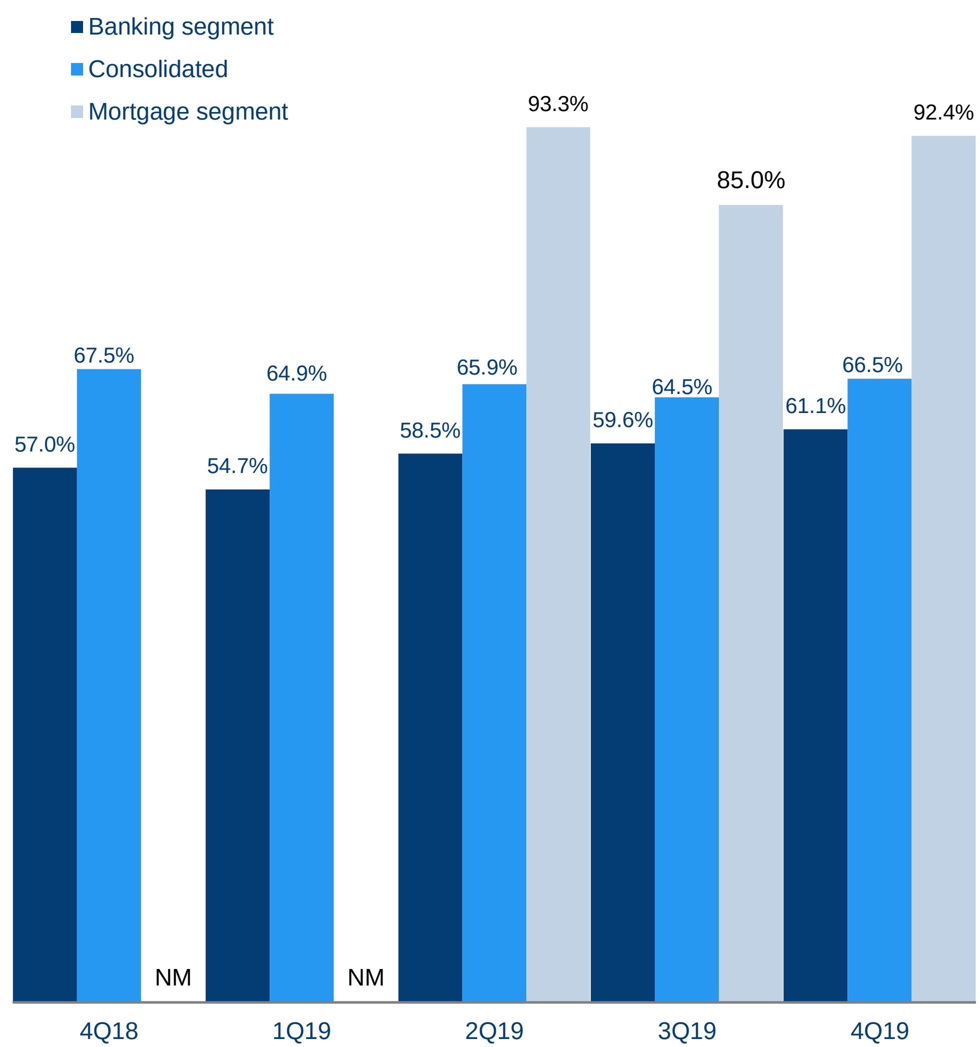
[1] See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP financial measures
[2] As of the respective period-end

Managing operating leverage

Highlights

- Consolidated 4Q 2019 core efficiency ratio[1] of 66.5%
- Integration of Atlantic Capital branch acquisition completed and in line with expectations
- Mortgage contribution remains strong with lower rate environment
- Core bank operating expense growth in mid-single digits as company builds the foundation to cross $10 billion in asset size
- Continued investment in revenue producers, technology and operational capabilities to improve on current platforms and provide scalability

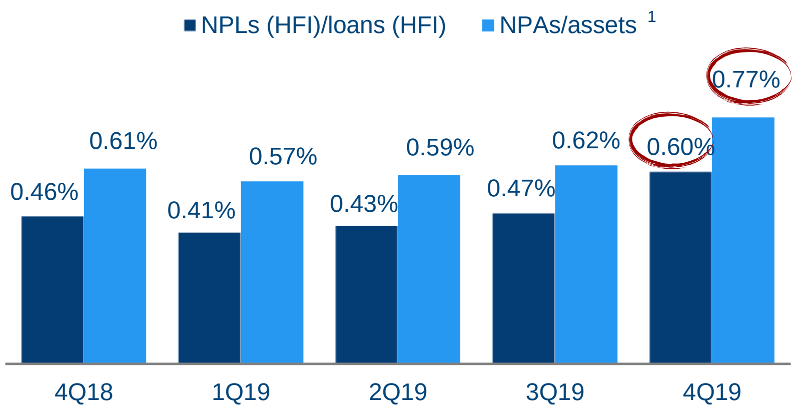
Core efficiency ratio (tax-equivalent basis)[1]



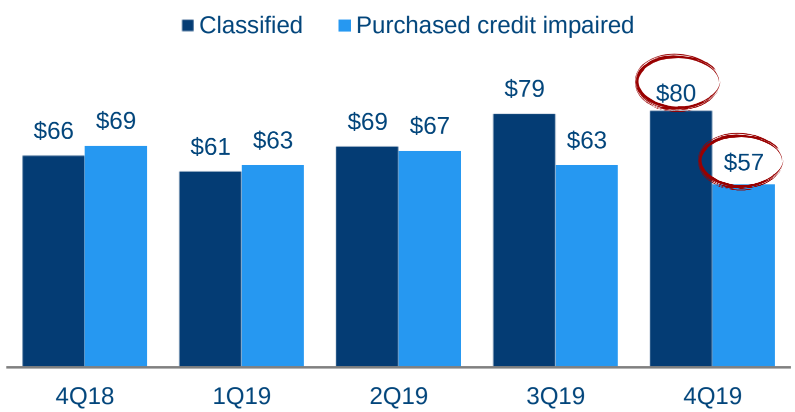
[1] See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures.

Asset quality remains solid

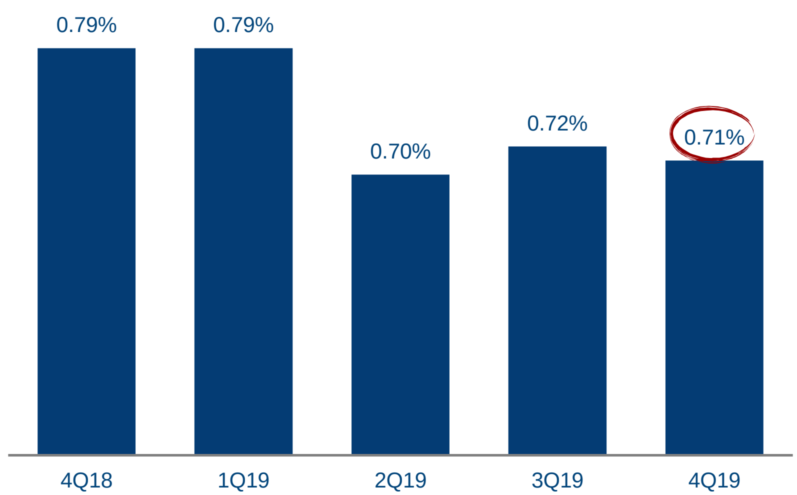
Nonperforming ratios



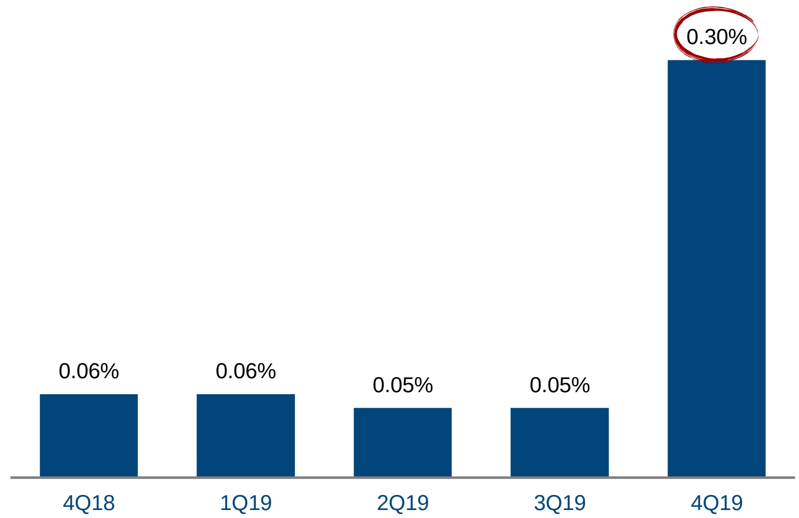
Classified & PCI loans ($mm)



LLR/loans



Net charge-offs/average loans



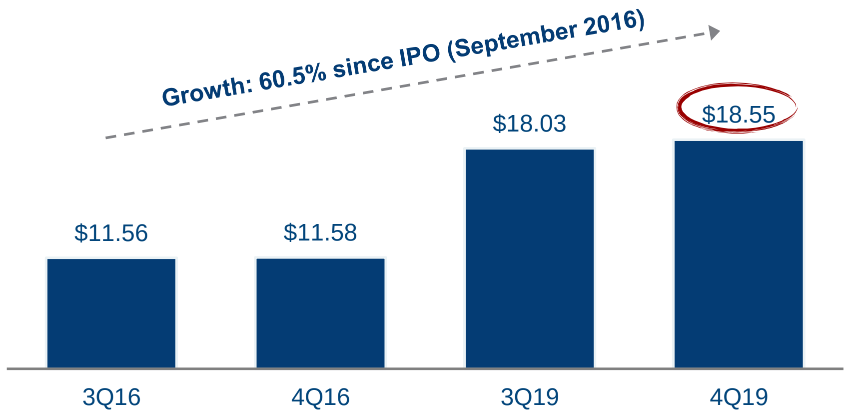
[1] Includes acquired excess land and facilities held for sale–see page 14 of the Quarterly Financial Supplement.

Strong capital position for future growth

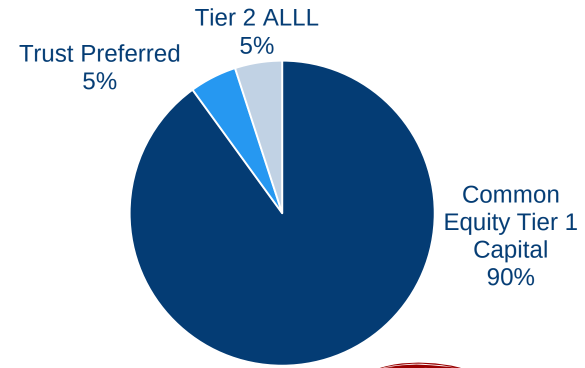
Capital position

	4Q18	3Q19	4Q19[1]
Shareholder's equity/Assets	13.1%	12.2%	12.4%
TCE/TA[2]	10.5%	9.4%	9.7%
Common equity tier 1/Risk-weighted assets	11.7%	10.8%	11.1%
Tier 1 capital/Risk-weighted assets	12.4%	11.3%	11.6%
Total capital/Risk-weighted assets	13.0%	12.0%	12.2%
Tier 1 capital /Average assets	11.4%	10.1%	10.1%

Tangible book value per share[2]



Simple capital structure



Total regulatory capital: $633.5[1] mm

[1] Total regulatory capital, FB Financial Corporation. 4Q 2019 calculation is preliminary and subject to change.
[2] See "Use of non-GAAP financial measures" and the Appendix hereto for a discussion and reconciliation of non-GAAP measures.

FirstBank

Appendix

GAAP reconciliation and use of non-GAAP financial measures

Net income and diluted earnings per share, adjusted

	2019								2018	
(Dollars in thousands, except share data)	Fourth Quarter		Third Quarter		Second Quarter		First Quarter		Fourth Quarter	
Pre-tax net income	$	**27,290**	$	**31,684**	$	**25,002**	$	**25,563**	$	**22,680**
Plus merger and mortgage restructuring expenses		686		407		4,612		1,675		401
Pre-tax net income, adjusted		**27,976**		**32,091**		**29,614**		**27,238**		**23,081**
Income tax expense, adjusted		5,897		7,824		7,516		6,412		5,745
Net income, adjusted	$	**22,079**	$	**24,267**	$	**22,098**	$	**20,826**	$	**17,336**
Weighted average common shares outstanding- fully diluted		31,470,565		31,425,573		31,378,018		31,349,198		31,344,949
Diluted earnings per share, adjusted										
Diluted earning per common share	$	**0.68**	$	**0.76**	$	**0.59**	$	**0.62**	$	**0.54**
Plus merger and mortgage restructuring expenses		0.02		0.01		0.15		0.05		0.01
Less tax effect		—		—		0.04		0.01		—
Diluted earnings per share, adjusted	$	**0.70**	$	**0.77**	$	**0.70**	$	**0.66**	$	**0.55**

GAAP reconciliation and use of non-GAAP financial measures

Pro forma net income and diluted earnings per share, adjusted*

(Dollars in thousands, except share data)		2019		2018		2017		2016		2015
Pre-tax net income	$	109,539	$	105,854	$	73,485	$	62,324	$	50,824
Plus merger, conversion, offering, and mortgage restructuring expenses		7,380		2,265		19,034		3,268		3,543
Less significant (losses) gains on securities, other real estate owned and other items		—		—		—		(3,539)		4,638
Pre tax net income, adjusted		116,919		108,119		92,519		69,131		49,729
Pro forma income tax expense, adjusted		27,648		26,034		34,749		25,404		18,425
Pro forma net income, adjusted	$	89,271	$	82,085	$	57,770	$	43,727	$	31,304
Weighted average common shares outstanding-fully diluted		31,402,897		31,314,981		28,207,602		19,312,174		17,180,000
Pro forma diluted earnings per share, adjusted*										
Diluted earning per share	$	2.65	$	2.55	$	1.86	$	2.10	$	2.79
Plus merger, conversion, offering, and mortgage restructuring expenses		0.24		0.07		0.67		0.17		0.21
Less significant (losses) gains on securities, other real estate owned and other items		—		—		—		(0.18)		0.27
Less tax effect and benefit of enacted tax laws		0.06		0.01		0.48		0.19		0.91
Pro forma diluted earnings per share, adjusted	$	2.83	$	2.61	$	2.05	$	2.26	$	1.82

**Prior to the IPO in the third quarter of 2016, the Company was an S corporation and did not incur federal income taxes. In conjunction with the IPO, the Company converted to a C corporation. These results are on a pro forma basis to reflect the results of the Company on a C corporation basis and combined effective tax rates of 35.08% and 36.75% for the years ended December 31, 2015 and 2016, respectively.*

GAAP reconciliation and use of non-GAAP financial measures

Core efficiency ratio (tax-equivalent basis)

	2019				2018
(Dollars in thousands)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Total noninterest expense	$ 62,686	$ 62,935	$ 64,119	$ 55,101	$ 53,736
Less merger and mortgage restructuring expenses	686	407	4,612	1,675	401
Core noninterest expense	$ 62,000	$ 62,528	$ 59,507	$ 53,426	$ 53,335
Net interest income (tax-equivalent basis)	$ 58,212	$ 58,769	$ 57,488	$ 53,461	$ 51,799
Total noninterest income	35,234	38,145	32,979	29,039	27,249
Less (loss) gain on sales or write-downs of other real estate owned and other assets	277	(82)	94	152	33
Less (loss) gain from securities, net	(18)	(20)	52	43	—
Core noninterest income	34,975	38,247	32,833	28,844	27,216
Core revenue	$ 93,187	$ 97,016	$ 90,321	$ 82,305	$ 79,015
Efficiency ratio (GAAP)[a]	67.5 %	65.3 %	71.2 %	67.2 %	68.4 %
Core efficiency ratio (tax-equivalent basis)	66.5 %	64.5 %	65.9 %	64.9 %	67.5 %

(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)	2019	2018	2017	2016	2015
Core efficiency ratio (tax-equivalent basis)					
Total noninterest expense	$ 244,841	$ 223,458	$ 222,317	$ 194,790	$ 138,492
Less one-time equity grants	—	—	—	2,960	—
Less variable compensation charge related to cash settled equity awards	—	—	635	1,254	—
Less merger, offering, and mortgage restructuring expenses	7,380	2,265	19,034	3,268	3,543
Less loss on other real estate and other assets	—	—	—	—	—
Less impairment of mortgage servicing rights	—	—	—	4,678	194
Less loss on sale of mortgage servicing rights	—	—	249	4,447	—
Core noninterest expense	$ 237,461	$ 221,193	$ 202,399	$ 178,183	$ 134,755
Net interest income (tax-equivalent basis)	227,930	205,668	156,094	113,311	95,887
Total noninterest income	135,397	130,642	141,581	144,685	92,380
Less bargain purchase gain	—	—	—	—	2,794
Less change in fair value on mortgage servicing rights	—	—	—	—	—
Less gain (loss) on sales or write-downs of other real estate owned and other assets	441	229	110	1,179	(710)
Less gain (loss) from securities, net	57	(116)	285	4,407	1,844
Core noninterest income	134,899	130,529	141,186	139,099	88,452
Core revenue	$ 362,829	$ 336,197	$ 297,280	$ 252,410	$ 184,339
Efficiency ratio (GAAP)[a]	67.7 %	66.8 %	75.4 %	76.2 %	74.4 %
Core efficiency ratio (tax-equivalent basis)	65.4 %	65.8 %	68.1 %	70.6 %	73.1 %

(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)

	2019				2018
(Dollars in thousands)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Banking segment core efficiency ratio (tax-equivalent basis)					
Core consolidated noninterest expense	$ 62,000	$ 62,528	$ 59,507	$ 53,426	$ 53,335
Less Mortgage segment core noninterest expense	14,956	15,686	17,835	17,486	16,262
Core Banking segment noninterest expense	$ 47,044	$ 46,842	$ 41,672	$ 35,940	$ 37,073
Core revenue	$ 93,187	$ 97,016	$ 90,321	$ 82,305	$ 79,015
Less Mortgage segment total revenue	16,193	18,455	19,119	16,658	13,979
Core Banking segment total revenue	$ 76,994	$ 78,561	$ 71,202	$ 65,647	$ 65,036
Banking segment core efficiency ratio (tax-equivalent basis)	61.1 %	59.6 %	58.5 %	54.7 %	57.0 %
Mortgage segment core efficiency ratio (tax-equivalent basis)					
Mortgage segment noninterest expense	$ 14,956	$ 15,798	$ 18,664	$ 18,540	$ 16,262
Less mortgage restructuring expense	—	112	829	1,054	—
Core Mortgage segment noninterest expense	$ 14,956	$ 15,686	$ 17,835	$ 17,486	$ 16,262
Mortgage segment total revenue	$ 16,193	$ 18,455	$ 19,119	$ 16,658	$ 13,979
Mortgage segment core efficiency ratio (tax-equivalent basis)	92.4 %	85.0 %	93.3 %	N/A	N/A

GAAP reconciliation and use of non-GAAP financial measures

Mortgage contribution, adjusted

(Dollars in thousands)	2019 Fourth Quarter	2019 Third Quarter	2019 Second Quarter	2019 First Quarter	2018 Fourth Quarter
Mortgage segment pre-tax net contribution (loss)	$ 1,237	$ 2,657	$ 455	$ (1,882)	$ (2,283)
Retail footprint:					
Mortgage banking income	9,899	10,693	5,451	4,386	5,041
Mortgage banking expenses	8,126	8,087	4,172	2,831	4,542
Retail footprint pre-tax net contribution	1,773	2,606	1,279	1,555	499
Total mortgage banking pre-tax net contribution (loss)	$ 3,010	$ 5,263	$ 1,734	$ (327)	$ (1,784)
Plus mortgage restructuring expense	—	112	829	1,054	—
Total mortgage banking pre-tax net contribution (loss), adjusted	$ 3,010	$ 5,375	$ 2,563	$ 727	$ (1,784)
Pre-tax net income	$ 27,290	$ 31,684	$ 25,002	$ 25,563	$ 22,680
% total mortgage banking pre-tax net contribution	11.0 %	16.6 %	6.94 %	NM	NM
Pre-tax net income, adjusted	$ 27,976	$ 32,091	$ 29,614	$ 27,238	$ 23,081
% total mortgage banking pre-tax net contribution, adjusted	10.8 %	16.7 %	8.65 %	2.67 %	NM

(Dollars in thousands)	2019	2018	2017	2016
Mortgage segment pre-tax net contribution	$ 2,467	1,177	13,103	6,603
Retail footprint:				
Mortgage banking income	30,429	25,460	26,737	25,542
Mortgage banking expenses	23,216	21,671	21,714	16,095
Retail footprint pre-tax net contribution	7,213	3,789	5,023	9,447
Total mortgage banking pre-tax net (loss) contribution	$ 9,680	$ 4,966	$ 18,126	$ 16,050
Plus mortgage restructuring expense, impairment, and loss on sale of MSR	1,995	—	—	9,125
Total mortgage banking pre-tax net contribution, adjusted	$ 11,675	$ 4,966	$ 18,126	$ 25,175
Pre-tax net income	$ 109,539	$ 105,854	$ 73,485	$ 62,324
% total mortgage banking pre-tax net contribution	8.84 %	4.69 %	24.7 %	25.8 %
Pre-tax net income, adjusted	$ 116,919	$ 108,119	$ 92,519	$ 69,131
% total mortgage banking pre-tax net contribution, adjusted	10.0 %	4.59 %	19.6 %	36.4 %

GAAP reconciliation and use of non-GAAP financial measures

Tangible assets and equity

	2019				2018
(Dollars in thousands, except share data)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Tangible Assets					
Total assets	$ 6,124,921	$ 6,088,895	$ 5,940,402	$ 5,335,156	$ 5,136,764
Less goodwill	169,051	168,486	168,486	137,190	137,190
Less intangibles, net	17,589	18,748	19,945	10,439	11,628
Tangible assets	$ 5,938,281	$ 5,901,661	$ 5,751,971	$ 5,187,527	$ 4,987,946
Tangible Common Equity					
Total shareholders' equity	$ 762,329	$ 744,835	$ 718,759	$ 694,577	$ 671,857
Less goodwill	169,051	168,486	168,486	137,190	137,190
Less intangibles, net	17,589	18,748	19,945	10,439	11,628
Tangible common equity	$ 575,689	$ 557,601	$ 530,328	$ 546,948	$ 523,039
Common shares outstanding	31,034,315	30,927,664	30,865,636	30,852,665	30,724,532
Book value per common share	$ 24.56	$ 24.08	$ 23.29	$ 22.51	$ 21.87
Tangible book value per common share	$ 18.55	$ 18.03	$ 17.18	$ 17.73	$ 17.02
Total shareholders' equity to total assets	12.4 %	12.2 %	12.1 %	13.0 %	13.1 %
Tangible common equity to tangible assets	9.69 %	9.45 %	9.22 %	10.5 %	10.5 %

GAAP reconciliation and use of non-GAAP financial measures

Return on average tangible common equity

(Dollars in thousands)	2019 Fourth Quarter		2019 Third Quarter		2019 Second Quarter		2019 First Quarter		2018 Fourth Quarter	
Total average shareholders' equity	$	761,949	$	731,701	$	708,557	$	684,545	$	659,050
Less average goodwill		168,492		168,486		167,781		137,190		137,190
Less average intangibles, net		18,242		19,523		20,214		10,856		12,016
Average tangible common equity	$	575,215	$	543,692	$	520,562	$	536,499	$	509,845
Net income	$	21,572	$	23,966	$	18,688	$	19,588	$	17,040
Return on average tangible common equity		14.9 %		17.5 %		14.4 %		14.8 %		13.3 %

(Dollars in thousands)	2019		2018		2017		2016		2015	
Total average shareholders' equity	$	723,494	$	629,922	$	466,219	$	276,587	$	228,844
Less average goodwill		160,587		137,190		84,997		46,867		46,904
Less average intangible, net		17,236		12,815		8,047		5,353		5,095
Average tangible common equity	$	545,671	$	479,917	$	373,175	$	224,367	$	176,845
Pro forma net income		83,814		80,236		52,398		39,422		32,995
Pro forma return on average tangible common equity		15.4 %		16.7 %		14.0 %		17.6 %		18.7 %

GAAP reconciliation and use of non-GAAP financial measures

Return on average tangible common equity, adjusted

	2019				2018
(Dollars in thousands)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Average tangible common equity	$ 575,215	$ 543,692	$ 520,562	$ 536,499	$ 509,845
Net income, adjusted	22,079	24,267	22,098	20,826	17,336
Return on average tangible common equity, adjusted	15.2 %	17.7 %	17.0 %	15.7 %	13.5 %

(Dollars in thousands)	2019	2018	2017	2016	2015
Average tangible common equity	$ 545,671	$ 479,917	$ 373,175	$ 224,367	$ 176,845
Pro forma net income, adjusted	89,271	82,085	57,770	43,727	31,304
Pro forma return on average tangible common equity, adjusted	16.4 %	17.1 %	15.5 %	19.5 %	17.7 %

Return on average assets and equity, adjusted

	2019				2018
(Dollars in thousands)	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Net income	$ 21,572	$ 23,966	$ 18,688	$ 19,588	$ 17,040
Average assets	6,157,931	5,988,572	5,771,371	5,174,918	5,005,158
Average equity	761,949	731,701	708,557	684,545	659,050
Return on average assets	1.39 %	1.59 %	1.30 %	1.54 %	1.35 %
Return on average equity	11.2 %	13.0 %	10.6 %	11.6 %	10.3 %
Net income, adjusted	$ 22,079	$ 24,267	$ 22,098	$ 20,826	$ 17,336
Return on average assets, adjusted	1.42 %	1.61 %	1.54 %	1.63 %	1.37 %
Return on average equity, adjusted	11.5 %	13.2 %	12.5 %	12.3 %	10.4 %

GAAP reconciliation and use of non-GAAP financial measures

Pro forma return on average assets and equity, adjusted

(Dollars in thousands)	2019	2018	2017	2016	2015
Pro forma net income	$ 83,814	$ 80,236	$ 52,398	$ 39,422	$ 32,995
Average assets	5,777,672	4,844,865	3,811,158	3,001,275	2,577,895
Average equity	723,494	629,922	466,219	276,587	228,844
Pro forma return on average assets	1.45 %	1.66 %	1.37 %	1.31 %	1.28 %
Pro forma return on average equity	11.6 %	12.7 %	11.2 %	14.3 %	14.4 %
Pro forma net income, adjusted	$ 89,271	$ 82,085	$ 57,770	$ 43,727	$ 31,304
Pro forma return on average assets, adjusted	1.55 %	1.69 %	1.52 %	1.46 %	1.21 %
Pro forma return on average equity, adjusted	12.3 %	13.0 %	12.4 %	15.8 %	13.7 %