

**Exhibit 99.2**



**C A P S T A R** <sup>TM</sup>

**FINANCIAL HOLDINGS, INC.**

**Fourth Quarter 2017  
Earnings Call  
January 26, 2018**

# Disclaimer

## Terminology

The terms “we,” “our,” “us,” “the Company,” “CSTR” and “CapStar” that appear in this presentation refer to CapStar Financial Holdings, Inc. and its wholly-owned subsidiary, CapStar Bank. The terms “CapStar Bank,” “the bank” and “our bank” that appear in this presentation refer to CapStar Bank.

## Contents of Presentation

Except as is otherwise expressly stated in this presentation, the contents of this presentation are presented as of the date on the front cover of this presentation.

## Market Data

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Economic conditions (including interest rate environment, government economic and monetary policies, the strength of global financial markets and inflation and deflation) that impact the financial services industry as a whole and/or our business; the concentration of our business in the Nashville metropolitan statistical area (“MSA”) and the effect of changes in the economic, political and environmental conditions on this market; increased competition in the financial services industry, locally, regionally or nationally, which may adversely affect pricing and the other terms offered to our clients; our dependence on our management team and board of directors and changes in our management and board composition; our reputation in the community; our ability to execute our strategy and to achieve our loan ROAA and efficiency ratio goals, hire seasoned bankers, loan and deposit growth through organic growth and strategic acquisitions; credit risks related to the size of our borrowers and our ability to adequately identify, assess and limit our credit risk; our concentration of large loans to a small number of borrowers; the significant portion of our loan portfolio that originated during the past two years and therefore may less reliably predict future collectability than older loans; the adequacy of reserves (including our allowance for loan and lease losses) and the appropriateness of our methodology for calculating such reserve; non-performing loans and leases; non-performing assets; charge-offs, non-accruals, troubled debt restructurings, impairments and other credit-related issues; adverse trends in the healthcare service industry, which is an integral component of our market’s economy; our management of risks inherent in our commercial real estate loan portfolio, and the risk of a prolonged downturn in the real estate market, which could impair the value of our collateral and our ability to sell collateral upon any foreclosure; governmental legislation and regulation, including changes in the nature and timing of the adoption and effectiveness of new requirements under the Dodd-Frank Act of 2010, as amended, Basel guidelines, capital requirements, accounting regulation or standards and other applicable laws and regulations; the impact of the Tax Cuts and Job Act of 2017 on the Company and its operations; the loss of large depositor relationships, which could force us to fund our business through more expensive and less stable sources; operational and liquidity risks associated with our business, including liquidity risks inherent in correspondent banking; volatility in interest rates and our overall management of interest rate risk, including managing the sensitivity of our interest-earning assets and interest-bearing liabilities to interest rates, and the impact to our earnings from a change in interest rates; the potential for our bank’s regulatory lending limits and other factors related to our size to restrict our growth and prevent us from effectively implementing our business strategy; strategic acquisitions we may undertake to achieve our goals; the sufficiency of our capital, including sources of capital and the extent to which we may be required to raise additional capital to meet our goals; fluctuations in the fair value of our investment securities that are beyond our control; deterioration in the fiscal position of the U.S. government and downgrades in Treasury and federal agency securities; potential exposure to fraud, negligence, computer theft and cyber-crime; the adequacy of our risk management framework; our dependence on our information technology and telecommunications systems and the potential for any systems failures or interruptions; our dependence upon outside third parties for the processing and handling of our records and data; our ability to adapt to technological change; the financial soundness of other financial institutions; our exposure to environmental liability risk associated with our lending activities; our engagement in derivative transactions; our involvement from time to time in legal proceedings and examinations and remedial actions by regulators; the susceptibility of our market to natural disasters and acts of God; and the effectiveness of our internal controls over financial reporting and our ability to remediate any future material weakness in our internal controls over financial reporting.

The foregoing factors should not be construed as exhaustive and should be read in conjunction with those factors that are detailed from time to time in the Company’s periodic and current reports filed with the Securities and Exchange Commission, including those factors included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016 under the headings “Item 1A. Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” and in the Company’s Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from our forward-looking statements. Accordingly, you 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 we do not undertake any 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 us to predict their occurrence or how they will affect us.

# 4Q17 Financial Results

Our vision for CapStar is to be a high performing financial institution known for **sound, profitable, growth**. Fourth quarter results demonstrating execution of this strategy are highlighted below.

- **Soundness:**

- Allowance for Loan Losses at 1.45% of gross loans
- NPA's/Loans+ OREO down 4 basis points to 0.28% from the third quarter of 2017
- Net Charge-offs of \$372K for the quarter on a loan which was previously reserved

- **Profitability:**

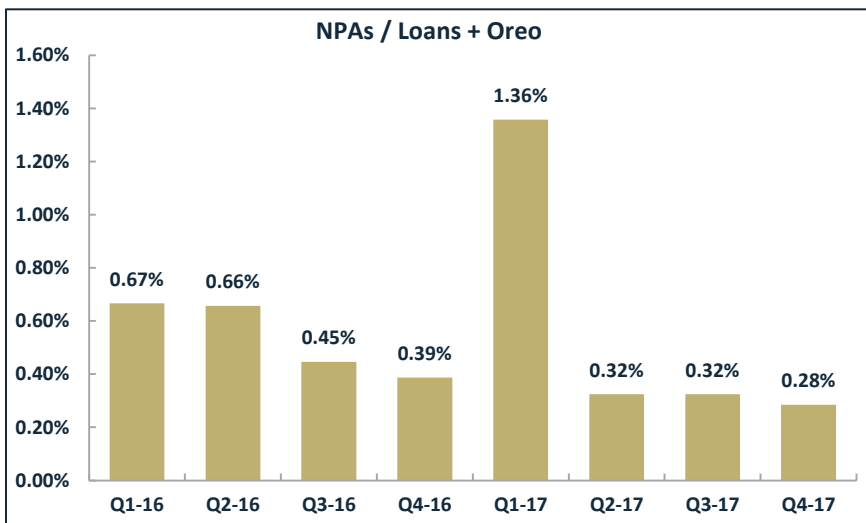
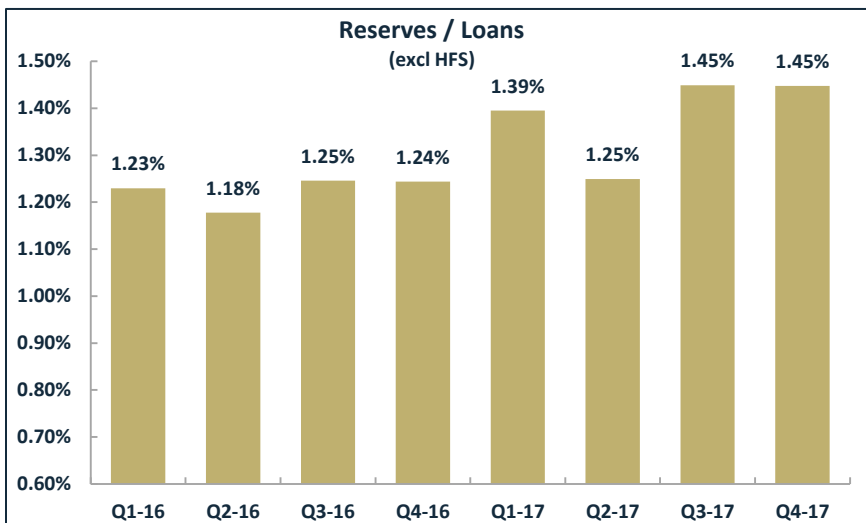
- Net Income was \$0.1MM and Fully Diluted EPS of \$0.01. ROAA was 0.03%
- Adjusting for the impact of Tax Reform, Adjusted Net Income was \$3.7 million, Adjusted Fully Diluted EPS was \$0.28 and Adjusted ROAA was 1.09%\*
- Net Interest Margin of 3.26%

- **Growth (Q417 vs Q416):**

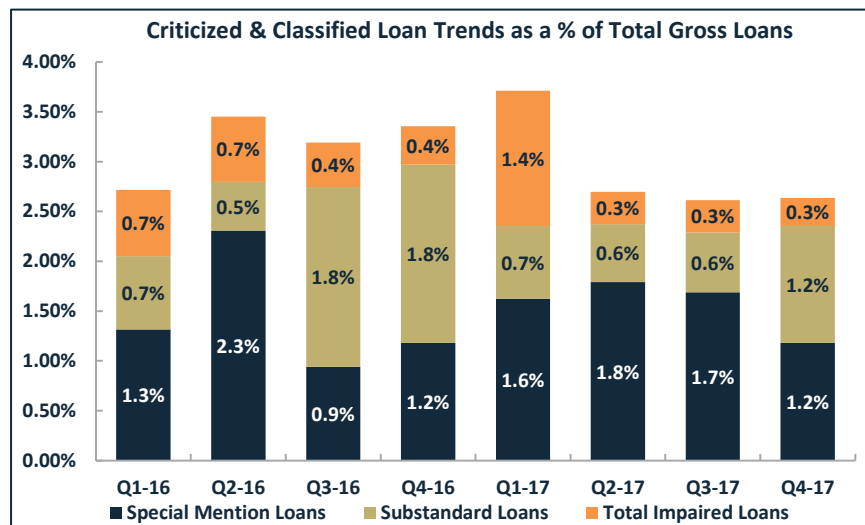
- Average DDA increased 30%
- Treasury Management and other Deposit service charges increased 38%
- Hired 3 new Mortgage Loan Originators (MLOs)
- Wealth Management Assets Under Management (AUM) increased to over \$100MM

\*Reconciliation provided in non-GAAP tables

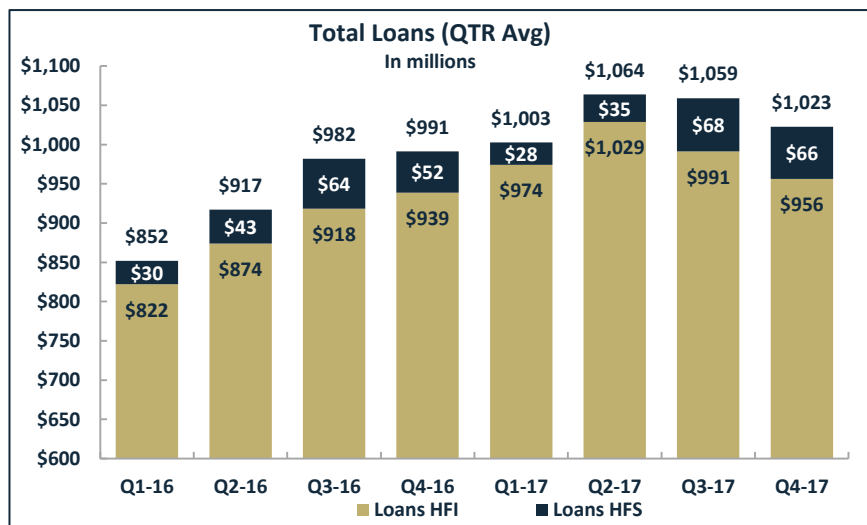
# Credit Quality



- Net Charge-offs of \$372K for the quarter on a loan which was previously reserved.
- NPAs/Loans + OREO down 4 bps vs. last quarter
- Non-performing loans consistent with last quarter

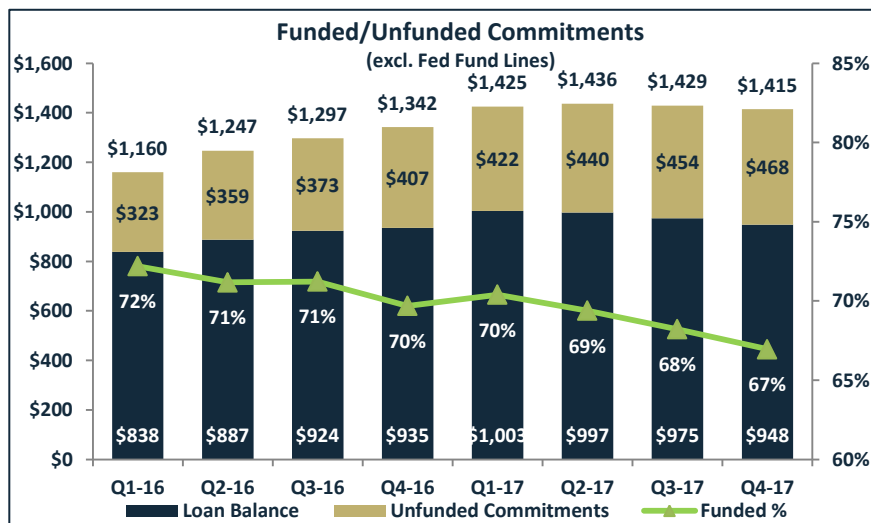


# Loan Growth



- Loan growth was 2% vs. 4Q16 averages. Our loan growth was impacted by several factors:

- Healthcare loans declined \$38MM on average vs. Q416. Excluding this decline, loans HFI increased 8%.
- During the quarter, there were several large CRE projects that reached completion and were paid off as anticipated.



\$ in millions	Q4-17	Change Vs. Q3-17*		Change Vs. Q4-16	
	\$	\$	%	\$	%
<b>Balance Sheet (Avg Balances)</b>					
Commercial and Industrial	\$ 380	\$ (26)	-25%	\$ (6)	-1%
Commercial Real Estate	353	(23)	-24%	62	21%
Consumer Real Estate	103	4	15%	4	4%
Construction & Land Development	81	11	62%	(14)	-15%
Consumer	7	1	89%	(1)	-12%
Other	34	(2)	-20%	(28)	-45%
<b>Total Loans HFI</b>	<b>\$ 956</b>	<b>\$ (35)</b>	<b>-14%</b>	<b>\$ 18</b>	<b>2%</b>
Loans - Healthcare	161	(27)	-57%	(38)	-19%
<b>Total Loans HFI - excl. Healthcare</b>	<b>\$ 795</b>	<b>\$ (8)</b>	<b>-4%</b>	<b>\$ 56</b>	<b>8%</b>

\*Annualized % change from 3Q17 to 4Q17

# Summary Financials 4Q17

CapStar experienced adjusted Net Income of \$3.7MM for the quarter

\$ in millions	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	2016	% Change	2017	2016	% Change
<b>Balance Sheet (Period Averages)</b>						
Loans (Excl HFS)	\$ 956	\$ 939	2%	\$ 988	\$ 889	11%
Deposits	1,081	1,139	-5%	1,108	1,098	1%
Total Transaction Deposits (DDA + Now)	536	482	11%	534	458	17%
Total Assets	1,330	1,325	0%	1,358	1,263	8%
<b>Income Statement</b>						
Net Interest Income	\$ 10.5	\$ 10.2	3%	\$ 41.9	\$ 38.5	9%
Non Interest Income	2.7	3.0	-7%	10.9	11.1	-2%
<b>Total Revenue</b>	<b>13.3</b>	<b>13.1</b>	<b>1%</b>	<b>52.8</b>	<b>49.5</b>	<b>7%</b>
Provision for Loan Losses	(0.0)	0.1	-142%	12.9	2.8	355%
Non Interest Expense	8.7	8.6	1%	33.8	33.1	2%
<b>Income before Income Taxes</b>	<b>4.6</b>	<b>4.4</b>	<b>4%</b>	<b>6.1</b>	<b>13.6</b>	<b>-55%</b>
Income Tax Expense	4.5	1.5	200%	4.6	4.5	3%
<b>Net Income</b>	<b>0.1</b>	<b>2.9</b>	<b>-97%</b>	<b>1.5</b>	<b>9.1</b>	<b>-84%</b>
<b>Adjusted Net Income*</b>	<b>3.7</b>	<b>2.9</b>	<b>25%</b>	<b>5.1</b>	<b>9.1</b>	<b>-44%</b>
Pre-tax Pre-Provision Income*	4.6	4.5	1%	19.0	16.4	16%
Adjusted Diluted Net Earnings per Share*	\$0.28	\$0.23	22%	\$0.40	\$0.81	-51%
Tangible Book Value per Share, Reported*	\$11.37	\$11.06	3%	\$11.37	\$11.06	3%
Adjusted ROAA*	1.09%	0.88%	0.21%	0.37%	0.72%	-0.35%
Net Interest Margin	3.26%	3.17%	0.08%	3.20%	3.17%	0.03%

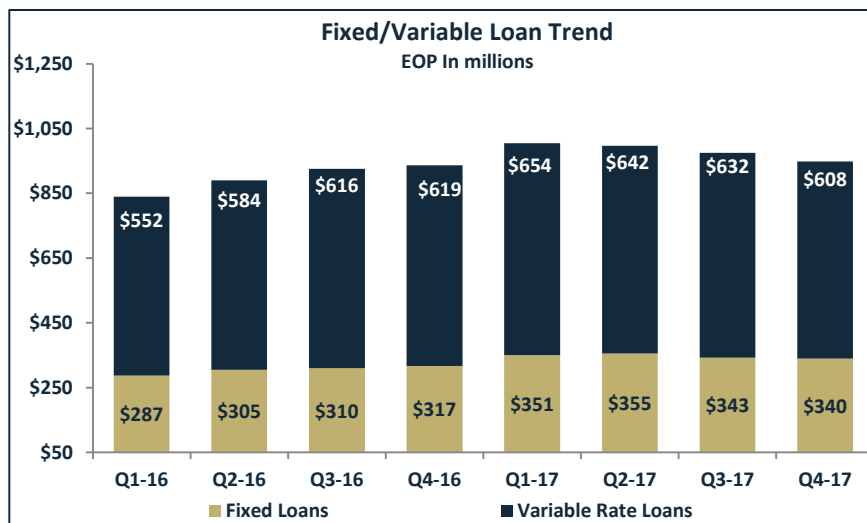
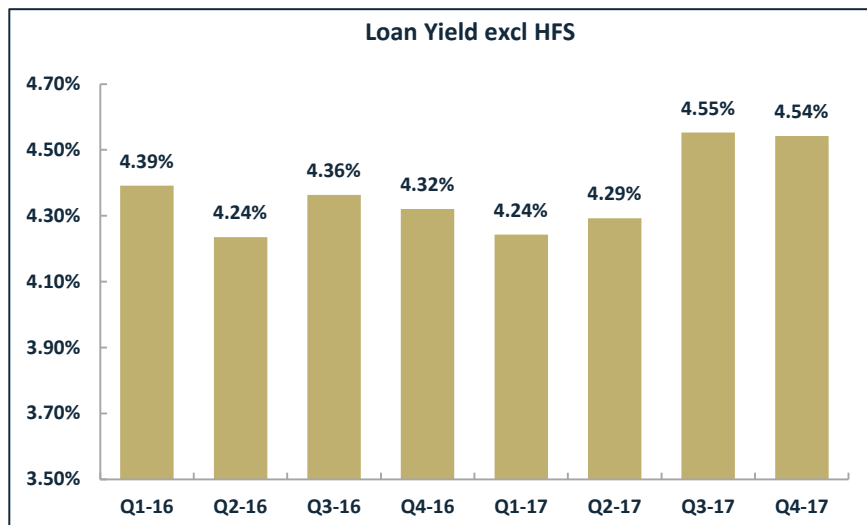
← Relationship driven products

← Operating Leverage of 3.4x

← Positive earnings growth

\*Reconciliation provided in non-GAAP tables

# Loan Yields



- The average loan yield was down slightly primarily due to one-time fees in the third quarter.
- Variable rate loans are repricing as expected and improved the loan yield 3 bps.
- Unfunded commitments continue to increase which will provide opportunities for loan growth.

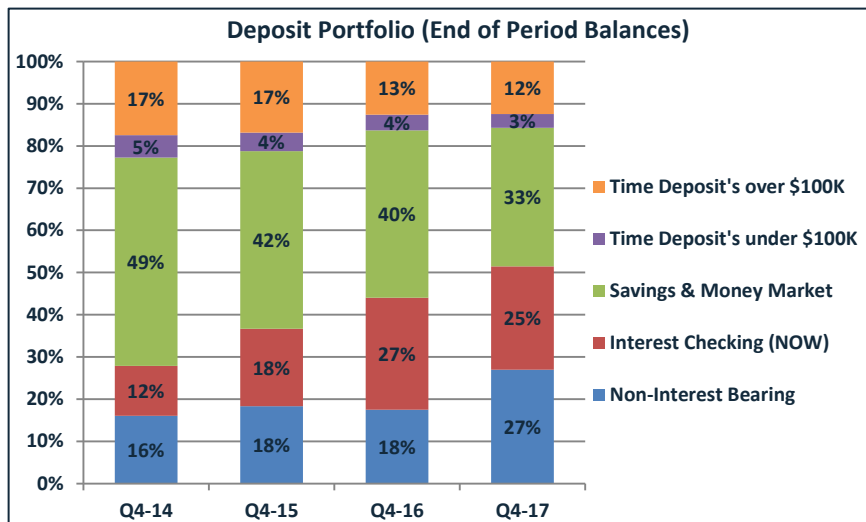
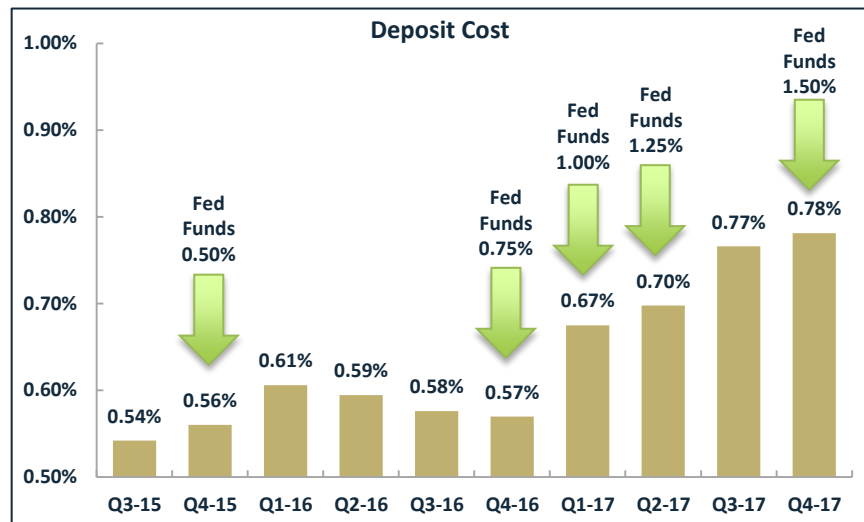
## Loan Yield Rollforward

3Q17 (Avg)	4.55%
New Loan Production	0.00%
Repricing of Variable Rate Loans	0.03%
Loan Volume/Mix	-0.01%
Decrease in Loan Fees	-0.03%
<b>4Q17 (Avg)</b>	<b>4.54%</b>



# Deposit Growth and Costs

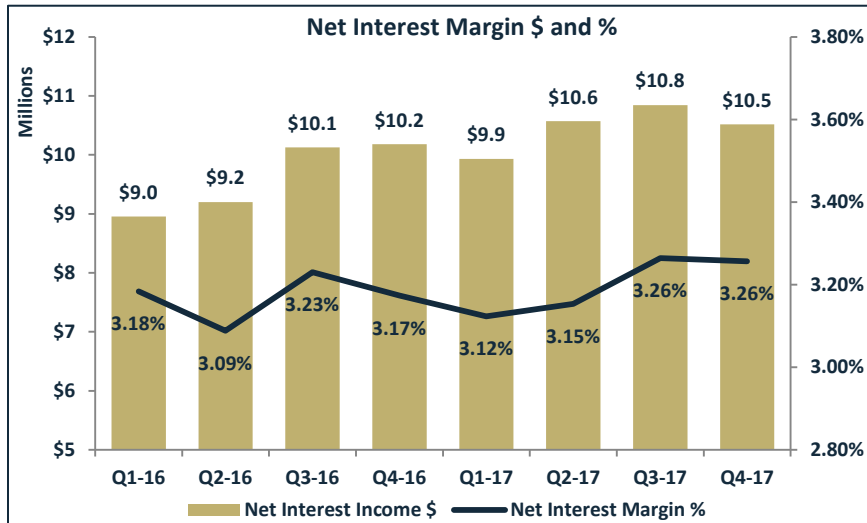
- With the last five rate increases (+125 bps), we have held our deposit costs to a 19% beta (0.54%-0.78% with a 125 bps increase in Fed Funds)
- 52% of our deposit book is in some form of checking account (DDA & NOW).
- We are growing the right type of deposits → DDA growth of 28% over 3Q17 averages and 30% over 4Q16.



	Q4-17		Change Vs. Q3-17*		Change Vs. Q4-16	
	\$	%	\$	%	\$	%
<b>Balance Sheet (Avg Balances)</b>						
Non-Interest Bearing	\$ 254	28%	\$ 16	28%	\$ 58	30%
Interest Checking (NOW)	282	-	(9)	-13%	(5)	-2%
Savings & Money Market	347	-	(8)	-9%	(109)	-24%
Time Deposit's under \$100K	37	-	(2)	-21%	(5)	-12%
Time Deposit's over \$100K	162	-	(10)	-23%	3	2%
<b>Deposits</b>	<b>\$ 1,081</b>		<b>\$ (13)</b>	<b>-5%</b>	<b>\$ (57)</b>	<b>-5%</b>

\* Annualized % Change from 3Q17 to 4Q17

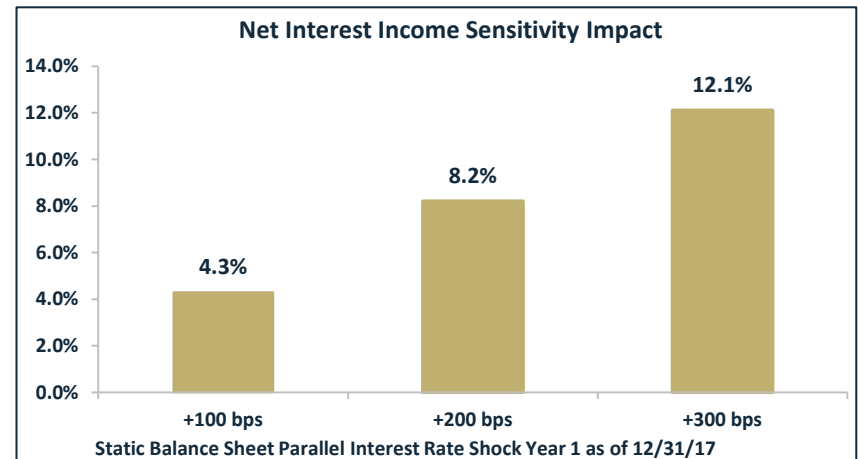
# Net Interest Margin



- Our Net Interest Margin was flat for the quarter.
- Investment yields increased 13 bps for the quarter.
- Asset sensitive balance sheet.

## Net Interest Margin

<b>3Q17 (Avg)</b>	<b>3.26%</b>
<b>Loan Volumes</b>	<b>0.00%</b>
<b>Loan Repricing</b>	<b>0.01%</b>
<b>Decrease in Loan Fees</b>	<b>-0.03%</b>
<b>Investment Yields</b>	<b>0.02%</b>
<b>4Q17 (Avg)</b>	<b>3.26%</b>



# Non-Interest Income

(Dollars in thousands)	Three Months Ended				
	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016
<b>Non Interest Income</b>					
Treasury Management and Other Deposit Service Charges	\$ 419	\$ 427	\$ 342	\$ 329	\$ 303
Loan Commitment Fees	124	223	187	236	217
Net Gain (Loss) on Sale of Securities	(108)	9	40	(6)	-
Tri-Net Fees	254	367	297	84	125
Mortgage Banking Income	1,621	2,030	1,370	1,216	2,033
Other	426	316	430	274	276
<b>Total Non Interest Income</b>	<b>\$ 2,736</b>	<b>\$ 3,372</b>	<b>\$ 2,666</b>	<b>\$ 2,134</b>	<b>\$ 2,954</b>
<i>Average Assets</i>	<i>\$ 1,329,621</i>	<i>\$ 1,367,993</i>	<i>\$ 1,393,331</i>	<i>\$ 1,340,237</i>	<i>\$ 1,324,620</i>
<i>Non Interest Income / Average Assets</i>	<i>0.82%</i>	<i>0.98%</i>	<i>0.77%</i>	<i>0.65%</i>	<i>0.89%</i>

- Treasury Management and Other Deposit Service charges have steadily increased 38% over prior year as we gain share of wallet with our client base.
- Loan Fees down with lower production levels.
- Slight repositioning of investment portfolio.
- Mortgage fees declined due to seasonality.
- Other income increased primarily due to Wealth Management fees.

# Non-Interest Expense

(Dollars in thousands)	Three Months Ended				
	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016
<b>Non Interest Expense</b>					
Salaries and Employee Benefits	\$ 5,411	\$ 5,119	\$ 4,784	\$ 5,086	\$ 5,185
Data Processing & Software	746	709	711	621	542
Professional Fees	473	336	350	365	406
Occupancy	507	531	539	449	366
Equipment	467	564	544	496	443
Regulatory Fees	234	270	301	307	348
Other	861	947	990	1,052	1,352
<b>Total Non Interest Expense</b>	<b>\$ 8,699</b>	<b>\$ 8,474</b>	<b>\$ 8,217</b>	<b>\$ 8,375</b>	<b>\$ 8,642</b>
<i>Efficiency Ratio</i>	<i>65.6%</i>	<i>59.6%</i>	<i>62.1%</i>	<i>69.4%</i>	<i>65.8%</i>
<i>Average Assets</i>	<i>\$ 1,329,621</i>	<i>\$ 1,367,993</i>	<i>\$ 1,393,331</i>	<i>\$ 1,340,237</i>	<i>\$ 1,324,620</i>
<i>Non Interest Expense / Average Assets</i>	<i>2.60%</i>	<i>2.46%</i>	<i>2.37%</i>	<i>2.53%</i>	<i>2.60%</i>

- Overall expense base of \$8.7MM and flat to prior year.
- Salary and Employee Benefits increased due to new hires, associated acquisition cost and increase in sales incentives accrual.
- Data Processing and Software increased due to increased volumes and implementation of Mortgage banking software.

# Effective Tax Rate with Stock Compensation Benefits

- We have 571K stock options and organizer warrants expiring in 2018.
- Our normalized tax rate will be impacted by the exercise of these grants depending on the stock price at the date of exercise.

	4Q17	
	Effective Tax Rate	\$ in thousands
Normalized 2017 income tax expense	34.0%	\$ 1,559
Reduction in effective tax rate related to lower taxable income due to 2Q17 charge-off	(4.9%)	(225)
Income Tax Expense, prior to tax benefit from stock compensation transactions and DTA revaluation	29.1%	1,334
Income tax benefit from stock compensation transactions	(8.8%)	(402)
Income Tax Expense, prior to DTA revaluation	20.3%	\$ 932
Impact of tax reform - DTA revaluation	77.7%	3,562
Income Tax Expense	98.0%	\$ 4,494

Assumed Stock Price -->

2018 Estimated Income tax benefit from stock compensation transactions\* (in thousands)

Stock Price Sensitivity					
\$17.00	\$18.00	\$19.00	\$20.00	\$21.00	
\$ 694	\$ 843	\$ 992	\$ 1,142	\$ 1,291	

\*Assumes all 2018 expiring stock options and organizer warrants are exercised in 2018

\*Assumes current statutory tax rates (Federal corporate tax rate of 21%)

# Capital

- Capital ratios are above regulatory guidelines.

<u>Capital Ratios</u>	Q4-17	Q3-17	Q2-17	Q1-17	"Well Capitalized" Guidelines
Tangible Equity / Tangible Assets*	10.51%	10.35%	9.65%	9.74%	NA
Tangible Common Equity / Tangible Assets*	9.84%	9.68%	8.99%	9.08%	NA
Tier 1 Leverage Ratio	10.75%	10.36%	9.77%	10.37%	≥ 5.00%
Tier 1 Risk Based Capital Ratio	11.39%	11.28%	10.54%	11.01%	≥ 8.00%
Total Risk Based Capital Ratio	12.50%	12.42%	11.51%	12.13%	≥ 10.00%

\*Reconciliation provided in non-GAAP tables

# 2018 Guidance\*

- High single to low double digit loan growth.
- Net charge-offs of 15-30 bps.
- Continued expansion of Net Interest Margin with Fed interest rate increases.
- Continued expansion of Non-Interest Income on fee related businesses.
- Efficiency ratio trending to low 60%'s by 4Q18 but elevated in 1Q18 due to new hires.
- Effective Tax Rate of 13-16% due to tax reform and stock compensation tax benefits.
- Tax benefit will allow us to continue to make investments in new business lines while still achieving our goal of a 1.00% ROAA by 4Q18.

# Key Takeaways\*

- CapStar's strategy remains one of sound, profitable growth.
- Gaining primary bank status with more clients.
- Organic growth opportunities through market share takeaway and creation of new business lines.
- Remain committed to delivering sustainable ROAA of 1.00% by the end of 2018.
- Exploration of M&A opportunities.



# Appendix: Historical Financials

# Historical Financials

	Three Months Ended December 31,		Twelve Months Ended December 31,						
(Dollars in thousands, except per share information)	2017	2016	2017	2016	2015	2014	2013	2012	2011
<b>STATEMENT OF INCOME DATA</b>									
Interest Income	\$ 13,124	\$ 12,007	\$ 51,515	\$ 45,395	\$ 40,504	\$ 38,287	\$ 41,157	\$ 33,966	\$ 23,454
Interest Expense	2,606	1,827	9,651	6,932	5,731	5,871	6,576	6,682	7,146
Net Interest Income	10,518	10,180	41,863	38,463	34,773	32,416	34,581	27,284	16,308
Provision for Loan and Lease Losses	(30)	70	12,870	2,829	1,651	3,869	938	3,968	1,897
Non-Interest Income	2,736	2,954	10,908	11,084	8,884	7,419	1,946	1,935	874
Non-Interest Expense	8,699	8,642	33,765	33,129	30,977	28,562	25,432	19,021	13,211
Income before Income Taxes	4,585	4,423	6,136	13,590	11,029	7,404	10,157	6,230	2,073
Income Tax Expense	4,494	1,495	4,635	4,493	3,470	2,412	3,749	(3,168)	-
Net Income	91	2,927	1,501	9,097	7,559	4,992	6,408	9,398	2,073
Pre-Tax Pre-Provision Net Income *	4,556	4,493	19,006	16,419	12,680	11,273	11,095	10,197	3,970

\* Reconciliation provided in non-GAAP tables

# Historical Financials

	As of December 31,						
(Dollars in thousands, except per share information)	2017	2016	2015	2014	2013	2012	2011
<b>BALANCE SHEET (AT PERIOD END)</b>							
Cash & Due From Banks	\$ 82,797	\$ 80,111	\$ 100,185	\$ 73,934	\$ 44,793	\$ 113,282	\$ 44,043
Investment Securities	205,186	235,250	221,890	285,514	305,291	280,115	236,837
Loans Held for Sale	74,093	42,111	35,729	15,386	-	-	-
Gross Loans and Leases (Net of Unearned Income)	947,537	935,251	808,396	713,077	626,382	624,328	430,329
Total Intangibles	6,242	6,290	6,344	6,398	284	317	-
<b>Total Assets</b>	<b>1,344,429</b>	<b>1,333,675</b>	<b>1,206,800</b>	<b>1,128,395</b>	<b>1,008,709</b>	<b>1,031,755</b>	<b>711,183</b>
Deposits	1,119,866	1,128,722	1,038,460	981,057	879,165	919,782	621,212
Borrowings and Repurchase Agreements	70,000	55,000	48,755	34,837	29,494	7,452	12,622
<b>Total Liabilities</b>	<b>1,197,483</b>	<b>1,194,468</b>	<b>1,098,214</b>	<b>1,025,744</b>	<b>913,294</b>	<b>931,277</b>	<b>636,613</b>
Common Equity	137,946	130,207	92,086	86,151	79,691	83,977	58,070
Preferred Equity	9,000	9,000	16,500	16,500	16,500	16,500	16,500
<b>Total Shareholders' Equity</b>	<b>146,946</b>	<b>139,207</b>	<b>108,586</b>	<b>102,651</b>	<b>96,191</b>	<b>100,478</b>	<b>74,570</b>
<b>Tangible Equity *</b>	<b>140,704</b>	<b>132,918</b>	<b>102,242</b>	<b>96,253</b>	<b>95,907</b>	<b>100,160</b>	<b>74,570</b>

\* Reconciliation provided in non-GAAP tables

# Historical Financials

	Three Months Ended December 31,		Twelve Months Ended December 31,						
(Dollars in thousands, except per share information)	2017	2016	2017	2016	2015	2014	2013	2012	2011
<b>SELECTED PERFORMANCE RATIOS</b>									
Return on Average Assets (ROAA)	0.03%	0.88%	0.11%	0.72%	0.66%	0.47%	0.62%	1.11%	0.34%
Pre-Tax Pre-Provision Return on Average Assets (PTPP ROAA) *	1.36%	1.35%	1.40%	1.30%	1.11%	1.06%	1.08%	1.20%	0.65%
Return on Average Equity (ROAE)	0.25%	8.35%	1.05%	7.57%	7.08%	4.94%	6.46%	10.56%	2.94%
Return on Average Tangible Equity (ROATE) *	0.26%	8.74%	1.09%	7.99%	7.53%	5.30%	6.48%	10.70%	2.94%
Return on Average Tangible Common Equity (ROATCE) *	0.27%	9.37%	1.17%	9.16%	9.01%	6.43%	7.78%	13.17%	3.83%
Net Interest Margin	3.26%	3.17%	3.20%	3.17%	3.19%	3.20%	3.45%	3.30%	2.73%
Efficiency Ratio **	65.63%	65.79%	63.98%	66.86%	70.96%	71.70%	69.62%	65.10%	76.89%
Non-Interest Income / Average Assets	0.82%	0.89%	0.80%	0.88%	0.78%	0.70%	0.19%	0.23%	0.14%
Non-Interest Expense / Average Assets	2.60%	2.60%	2.49%	2.62%	2.72%	2.68%	2.47%	2.25%	2.16%
Loan and Lease Yield	4.54%	4.32%	4.41%	4.33%	4.53%	4.74%	5.48%	5.50%	5.02%
Deposit Cost	0.78%	0.57%	0.73%	0.59%	0.56%	0.62%	0.71%	0.89%	1.34%

\* Reconciliation provided in non-GAAP tables

\*\* Efficiency ratio is non-interest expense divided by the sum of net interest income and non-interest income.

# Historical Financials

	Three Months Ended December 31,		Twelve Months Ended December 31,						
(Dollars in thousands, except per share information)	2017	2016	2017	2016	2015	2014	2013	2012	2011
<b>PER SHARE OUTSTANDING DATA</b>									
Basic Net Earnings per Share	\$0.01	\$0.26	\$0.13	\$0.98	\$0.89	\$0.59	\$0.75	\$1.20	\$0.29
Diluted Net Earnings per Share	\$0.01	\$0.23	\$0.12	\$0.81	\$0.73	\$0.49	\$0.62	\$1.00	\$0.24
Book Value Per Share, Reported	\$11.91	\$11.62	\$11.91	\$11.62	\$10.74	\$10.17	\$9.54	\$9.65	\$8.13
Tangible Book Value Per Share, Reported*	\$11.37	\$11.06	\$11.37	\$11.06	\$10.00	\$9.41	\$9.51	\$9.61	\$8.13
Book Value Per Share, Adjusted *	\$11.79	\$11.52	\$11.79	\$11.52	\$10.66	\$10.18	\$9.65	\$9.74	\$8.52
Tangible Book Value Per Share, Adjusted *	\$11.29	\$11.00	\$11.29	\$11.00	\$10.04	\$9.55	\$9.63	\$9.71	\$8.52
Shares of Common Stock Outstanding at End of Period	11,582,026	11,204,515	11,582,026	11,204,515	8,577,051	8,471,516	8,353,087	8,705,283	7,142,783
<b>CAPITAL RATIOS (AT PERIOD END)</b>									
Tier 1 Leverage Ratio	10.75%	10.46%	10.75%	10.46%	9.33%	8.56%	8.96%	9.22%	10.31%
Common Equity Tier 1 Capital (Cet1)	10.68%	10.90%	10.68%	10.90%	8.89%	-	-	-	-
Tier 1 Risk-Based Capital	11.39%	11.61%	11.39%	11.61%	10.41%	10.32%	11.14%	11.77%	13.47%
Total Risk-Based Capital Ratio	12.50%	12.60%	12.50%	12.60%	11.42%	11.54%	12.19%	12.86%	14.68%
Total Shareholders' Equity to Total Assets Ratio	10.93%	10.44%	10.93%	10.44%	9.00%	9.10%	9.54%	9.74%	10.49%
Tangible Equity to Tangible Assets *	10.51%	10.01%	10.51%	10.01%	8.52%	8.58%	9.51%	9.71%	10.49%

\* Reconciliation provided in non-GAAP tables

# Historical Financials

	Three Months Ended December 31,		Twelve Months Ended December 31,						
(Dollars in thousands, except per share information)	2017	2016	2017	2016	2015	2014	2013	2012	2011
<b>NON-PERFORMING ASSETS (NPA)</b>									
Non-Performing Loans	\$ 2,695	\$ 3,619	\$ 2,695	\$ 3,619	\$ 2,689	\$ 7,738	\$ 6,552	\$ 8,784	\$ 141
Troubled Debt Restructurings	1,206	1,272	1,206	1,272	125	2,618	-	-	141
Other Real Estate and Repossessed Assets	-	-	-	-	216	575	1,451	1,822	-
Non-Performing Assets	2,695	3,619	2,695	3,619	2,905	8,313	8,003	10,606	141
<b>ASSET QUALITY RATIOS</b>									
Non-Performing Assets / Assets	0.20%	0.27%	0.20%	0.27%	0.24%	0.74%	0.79%	1.03%	0.02%
Non-Performing Loans / Loans	0.28%	0.39%	0.28%	0.39%	0.33%	1.09%	1.05%	1.41%	0.03%
Non-Performing Assets / Loans + OREO	0.28%	0.39%	0.28%	0.39%	0.36%	1.16%	1.27%	1.69%	0.03%
Net Charge-Offs to Average Loans (Periods Annualized)	0.15%	-0.02%	1.09%	0.15%	0.38%	0.15%	0.11%	0.40%	0.14%
Allowance for Loan Losses to Total Loans and Leases	1.45%	1.24%	1.45%	1.24%	1.25%	1.58%	1.35%	1.32%	1.45%
Allowance for Loan to Non-Performing Loans	509.1%	321.4%	509.1%	321.4%	376.8%	145.8%	129.1%	93.5%	4415.6%

\* Reconciliation provided in non-GAAP tables

# Historical Financials

	As of December 31,						
(Dollars in thousands, except per share information)	2017	2016	2015	2014	2013	2012	2011
<b>COMPOSITION OF LOANS HELD FOR INVESTMENT</b>							
Commercial Real Estate	\$ 350,622	\$ 302,322	\$ 251,196	\$ 219,793	\$ 182,392	\$ 177,584	\$ 135,855
Consumer Real Estate	102,581	97,015	93,785	82,167	63,893	77,787	51,256
Construction and Land Development	82,586	94,491	52,522	46,193	30,217	35,674	24,676
Commercial and Industrial	373,248	379,620	353,442	332,914	312,527	279,755	175,518
Consumer	6,862	5,974	8,668	7,910	7,939	10,749	12,687
Other Loans	31,638	55,829	48,782	28,578	32,132	46,929	30,337
<b>DEPOSIT COMPOSITION</b>							
Non-Interest Bearing	301,742	197,788	190,580	157,355	135,448	102,786	66,641
Interest Checking	274,681	299,621	189,983	115,915	84,028	60,663	12,655
Savings & Money Market	367,245	447,686	437,214	484,600	427,312	544,762	404,775
Time Deposits Less Than \$100,000	36,587	41,128	45,902	51,813	46,819	52,844	21,563
Time Deposits Greater Than or Equal to \$100,000	139,610	142,500	174,781	171,373	185,482	158,778	115,578

\* Reconciliation provided in non-GAAP tables

# Historical Financials

	Three Months Ended December 31,		Twelve Months Ended December 31,						
(Dollars in thousands, except per share information)	2017	2016	2017	2016	2015	2014	2013	2012	2011
<b>REAL ESTATE - COMMERCIAL AND CONSTRUCTION CONCENTRATIONS</b>									
Construction and Development	\$ 82,586	\$ 94,491	\$ 82,586	\$ 94,491	\$ 52,522	\$ 46,193	\$ 30,217	\$ 35,674	\$ 24,676
Commercial Real Estate and Construction	382,300	282,513	382,300	282,513	198,285	172,803	146,258	150,253	109,988
Construction and Development to Total Risk Based Capital (Reg. 100%)	52.9%	63.2%	52.9%	63.2%	45.3%	42.8%	30.1%	36.7%	32.3%
Coml. Real Estate and Const. to Total Risk Based Capital (Reg. 300%)	244.8%	188.8%	244.8%	188.8%	170.9%	160.0%	145.8%	154.6%	144.0%
<b>MORTGAGE METRICS</b>									
Total Origination Volume	\$ 116,592	\$ 128,659	\$ 440,132	\$ 522,037	\$ 422,323	\$ 253,099	-	-	-
Total Mortgage Loans Sold	113,277	152,656	462,506	523,031	407,941	245,891	-	-	-
Purchase Volume as a % of Originations	70%	64%	77%	67%	72%	76%	-	-	-
Mortgage Fees/Gain on Sale of Loans	1,621	2,033	6,238	7,375	5,962	4,067	-	-	-
Mortgage Fees/Gain on Sale as a % of Loans Sold	1.43%	1.33%	1.35%	1.41%	1.46%	1.65%	-	-	-
Mortgage Fees/Gain on Sale as a % of Total Revenue	12.2%	15.5%	11.8%	14.9%	13.7%	10.2%	-	-	-



# Non-GAAP Financial Measures

	Three Months Ended December 31,		Twelve Months Ended December 31,						
(Dollars in thousands, except per share information)	2017	2016	2017	2016	2015	2014	2013	2012	2011
<b>PRE-TAX PRE-PROVISION INCOME</b>									
Pre-Tax Income	\$ 4,585	\$ 4,423	\$ 6,136	\$ 13,590	\$ 11,029	\$ 7,404	\$ 10,157	\$ 6,230	\$ 2,073
Add: Provision for Loan Losses	(30)	70	12,870	2,829	1,651	3,869	938	3,968	1,897
Pre-Tax Pre-Provision Income	4,556	4,493	19,006	16,419	12,680	11,273	11,095	10,197	3,970
<b>PRE-TAX PRE-PROVISION RETURN ON AVERAGE ASSETS</b>									
Total Average Assets	\$1,329,621	\$1,324,620	\$1,357,794	\$1,262,763	\$1,140,760	\$1,064,705	\$1,028,709	\$ 846,901	\$ 612,775
Pre-Tax Pre-Provision Income	4,556	4,493	19,006	16,419	12,680	11,273	11,095	10,197	3,970
Pre-Tax Pre-Provision Return on Average Assets	1.36%	1.35%	1.40%	1.30%	1.11%	1.06%	1.08%	1.20%	0.65%

# Non-GAAP Financial Measures

	As of December 31,						
(Dollars in thousands, except per share information)	2017	2016	2015	2014	2013	2012	2011
<b>TANGIBLE EQUITY</b>							
Total Shareholders' Equity	\$ 146,946	\$ 139,207	\$ 108,586	\$ 102,651	\$ 96,191	\$ 100,477	\$ 74,570
Less: Intangible Assets	6,242	6,290	6,344	6,398	284	317	-
Tangible Equity	140,704	132,918	102,242	96,253	95,907	100,160	74,570
<b>TANGIBLE COMMON EQUITY</b>							
Tangible Equity	\$ 140,704	\$ 132,918	\$ 102,242	\$ 96,253	\$ 95,907	\$ 100,160	\$ 74,570
Less: Preferred Equity	9,000	9,000	16,500	16,500	16,500	16,500	16,500
Tangible Common Equity	131,704	123,918	85,742	79,753	79,407	83,660	58,070
<b>TANGIBLE EQUITY TO TANGIBLE ASSETS</b>							
Tangible Equity	\$ 140,704	\$ 132,918	\$ 102,242	\$ 96,253	\$ 95,907	\$ 100,160	\$ 74,570
Total Assets	1,344,429	1,333,675	1,206,800	1,128,395	1,009,485	1,031,755	711,183
Less: Intangible Assets	6,242	6,290	6,344	6,398	284	317	-
Tangible Assets	1,338,188	1,327,385	1,200,456	1,121,997	1,008,425	1,031,437	711,183
Tangible Equity to Tangible Assets	10.51%	10.01%	8.52%	8.58%	9.51%	9.71%	10.49%
<b>TANGIBLE COMMON EQUITY TO TANGIBLE ASSETS</b>							
Tangible Common Equity	\$ 131,704	\$ 123,918	\$ 85,742	\$ 79,753	\$ 79,407	\$ 83,660	\$ 58,070
Tangible Assets	1,338,188	1,327,385	1,200,456	1,121,997	1,008,425	1,031,437	711,183
Tangible Common Equity to Tangible Assets	9.84%	9.34%	7.14%	7.11%	7.87%	8.11%	8.17%

# Non-GAAP Financial Measures

	Three Months Ended December 31,		Twelve Months Ended December 31,						
	2017	2016	2017	2016	2015	2014	2013	2012	2011
(Dollars in thousands, except per share information)									
<b>RETURN ON AVERAGE TANGIBLE EQUITY (ROATE)</b>									
Total Average Shareholder's Equity	\$ 147,667	\$ 139,529	\$ 143,402	\$ 120,123	\$ 106,727	\$ 101,030	\$ 99,153	\$ 88,990	\$ 70,625
Less: Average Intangible Assets	6,248	6,298	6,265	6,318	6,371	6,855	301	1,151	-
Average Tangible Equity	141,419	133,231	137,137	113,805	100,356	94,175	98,852	87,838	70,625
Net Income to Shareholders	91	2,927	1,501	9,097	7,559	4,992	6,408	9,398	2,073
Return on Average Tangible Equity (ROATE)	0.26%	8.74%	1.09%	7.99%	7.53%	5.30%	6.48%	10.70%	2.94%
<b>RETURN ON AVERAGE TANGIBLE COMMON EQUITY (ROATCE)</b>									
Average Tangible Equity	\$ 141,419	\$ 133,231	\$ 137,137	\$ 113,805	\$ 100,356	\$ 94,175	\$ 98,852	\$ 87,838	\$ 70,625
Less: Preferred Equity	9,000	9,000	9,000	14,533	16,500	16,500	16,500	16,500	16,500
Average Tangible Common Equity	132,419	124,231	128,137	99,273	83,856	77,675	82,352	71,338	54,125
Net Income to Shareholders	91	2,927	1,501	9,097	7,559	4,992	6,408	9,398	2,073
Return on Average Tangible Common Equity (ROATCE)	0.27%	9.37%	1.17%	9.16%	9.01%	6.43%	7.78%	13.17%	3.83%
<b>ADJUSTED SHARES OUTSTANDING AT END OF PERIOD</b>									
Shares of Common Stock Outstanding	11,582,026	11,204,515	11,582,026	11,204,515	8,577,051	8,471,516	8,353,087	8,705,283	7,142,783
Shares of Preferred Stock Outstanding	878,049	878,049	878,049	878,049	1,609,756	1,609,756	1,609,756	1,609,756	1,609,756
Adjusted Shares Outstanding at End of Period	12,460,075	12,082,564	12,460,075	12,082,564	10,186,807	10,081,272	9,962,843	10,315,039	8,752,539

# Non-GAAP Financial Measures

(Dollars in thousands, except per share information)	Three Months Ended December 31,		Twelve Months Ended December 31,						
	2017	2016	2017	2016	2015	2014	2013	2012	2011
<b>ADJUSTED NET INCOME*</b>									
Net Income	\$ 91	\$ 2,927	\$ 1,501	\$ 9,097	\$ 7,559	\$ 4,992	\$ 6,408	\$ 9,398	\$ 2,073
Less: Impact of Tax Reform	(3,562)	-	(3,562)	-	-	-	-	-	-
Adjusted Net Income	\$ 3,653	\$ 2,927	\$ 5,063	\$ 9,097	\$ 7,559	\$ 4,992	\$ 6,408	\$ 9,398	\$ 2,073
<b>ADJUSTED DILUTED NET INCOME PER SHARE*</b>									
Adjusted Net Income	\$ 3,653	\$ 2,927	\$ 5,063	\$ 9,097	\$ 7,559	\$ 4,992	\$ 6,408	\$ 9,398	\$ 2,073
Average Diluted Shares Outstanding	12,938,288	12,787,677	12,803,511	11,212,026	10,425,039	10,281,044	10,409,750	9,425,547	8,776,098
Adjusted Diluted Net Income per Share	\$0.28	\$0.23	\$0.40	\$ 0.81	\$0.73	\$0.49	\$0.62	\$1.00	\$0.24
<b>ADJUSTED RETURN ON AVERAGE ASSETS (ROAA)*</b>									
Total Average Assets	\$1,329,621	\$1,324,620	\$1,357,794	\$1,262,763	\$1,140,760	\$1,064,705	\$1,028,709	\$ 846,901	\$ 612,775
Less: Impact of Tax Reform	(39)	-	(10)	-	-	-	-	-	-
Adjusted Average Assets	1,329,660	1,324,620	1,357,804	1,262,763	1,140,760	1,064,705	1,028,709	846,901	611,165
Adjusted Net Income	3,653	2,927	5,063	9,097	7,559	4,992	6,408	9,398	2,073
Adjusted Return on Average Assets (ROAA)	1.09%	0.88%	0.37%	0.72%	0.66%	0.47%	0.62%	1.11%	0.34%

\* As a result of the Tax Cuts and Jobs Act of 2017, which included a Federal corporate tax rate change from 35% to 21%, we revalued our deferred tax assets, which resulted in a \$3.6 million increase in income tax expense for 2017. The adjusted non-GAAP amounts and ratios above have excluded the impact of this transaction.

# Non-GAAP Financial Measures

	As of December 31,						
(Dollars in thousands, except per share information)	2017	2016	2015	2014	2013	2012	2011
<b>BOOK VALUE PER SHARE, ADJUSTED</b>							
Total Shareholders Equity	\$ 146,946	\$ 139,207	\$ 108,586	\$ 102,651	\$ 96,191	\$ 100,477	\$ 74,570
Adjusted Shares Outstanding at End of Period	12,460,075	12,082,564	10,186,807	10,081,272	9,962,843	10,315,039	8,752,539
Book Value Per Share, Adjusted	\$11.79	\$11.52	\$10.66	\$10.18	\$9.65	\$9.74	\$8.52
<b>TANGIBLE BOOK VALUE PER SHARE, REPORTED</b>							
Tangible Common Equity	\$ 131,704	\$ 123,918	\$ 85,742	\$ 79,753	\$ 79,407	\$ 83,660	\$ 58,070
Shares of Common Stock Outstanding	11,582,026	11,204,515	8,577,051	8,471,516	8,353,087	8,705,283	7,142,783
Tangible Book Value Per Share, Reported	\$11.37	\$11.06	\$10.00	\$9.41	\$9.51	\$9.61	\$8.13
<b>TANGIBLE BOOK VALUE PER SHARE, ADJUSTED</b>							
Tangible Equity	\$ 140,704	\$ 132,918	\$ 102,242	\$ 96,253	\$ 95,907	\$ 100,160	\$ 74,570
Adjusted Shares Outstanding at End of Period	12,460,075	12,082,564	10,186,807	10,081,272	9,962,843	10,315,039	8,752,539
Tangible Book Value Per Share, Adjusted	\$11.29	\$11.00	\$10.04	\$9.55	\$9.63	\$9.71	\$8.52

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