

2018

Annual
Shareholders
Meeting



First National Bank



***Vision:** to be one of the top performing banks for our customers, employees, communities and shareholders*

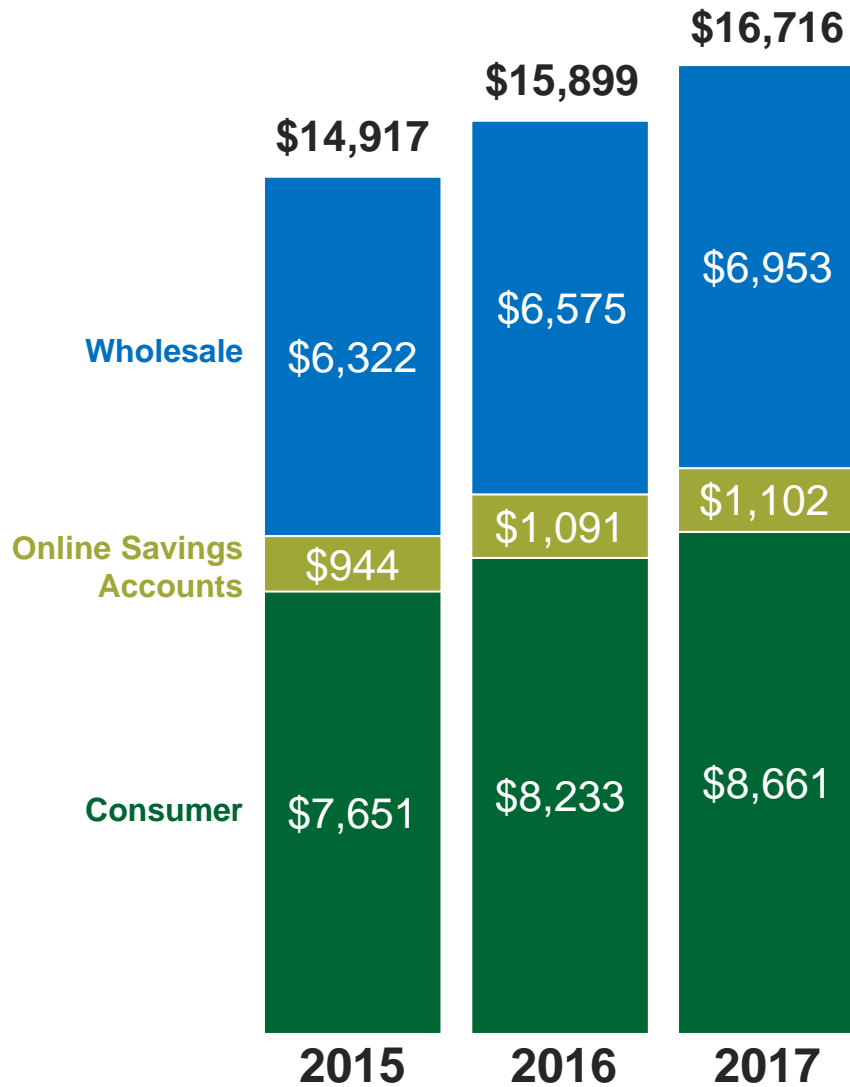
***Mission:** to build and maintain long-term relationships by delivering a superior customer experience through simplicity, efficiency and engaged employees while driving profitability and long-term growth*

***Values:** integrity, respect, passion*

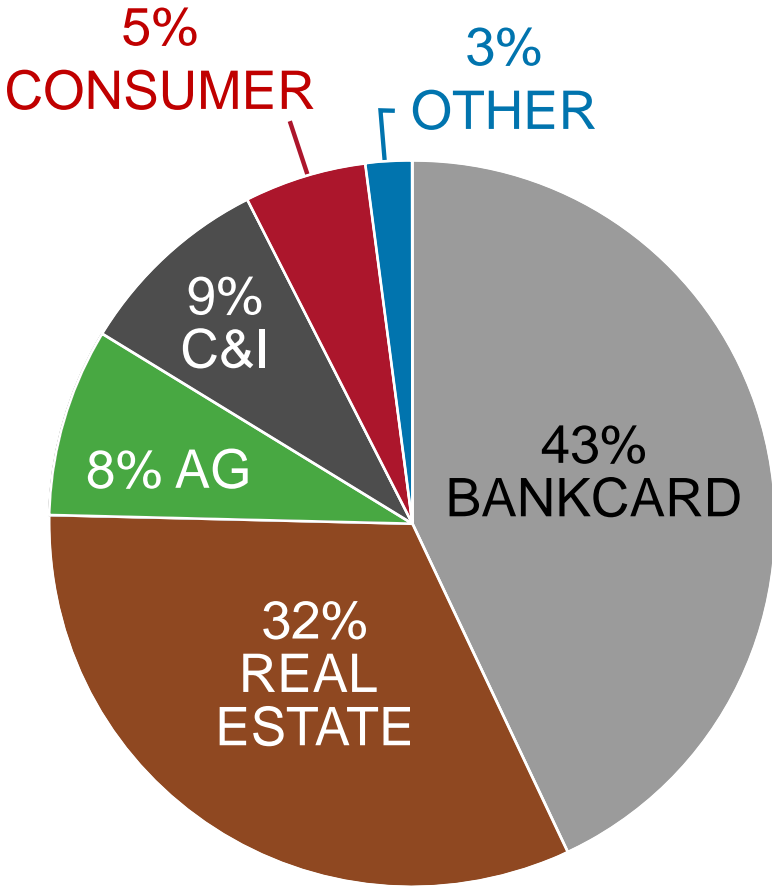
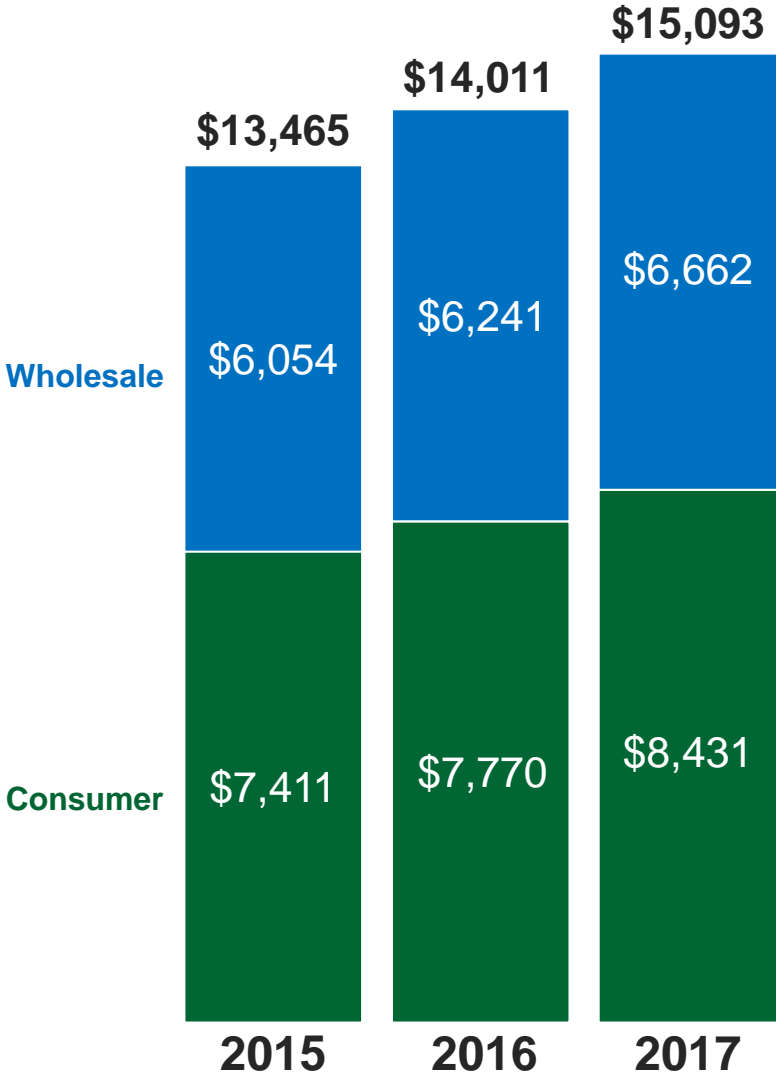
Strategic priorities:** we will **invest in...

Growing the Business | Technology | Operational Excellence | Talent

Strong Deposit Franchise



Robust Loan Growth



Year End Earnings

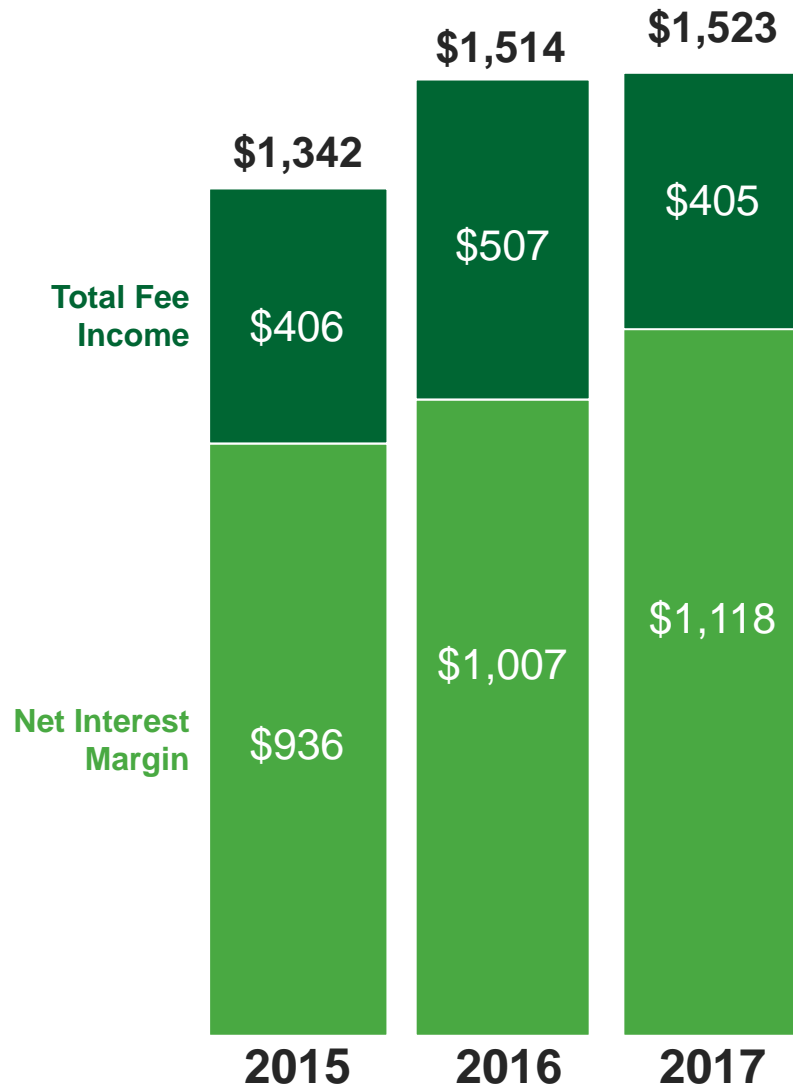
	2016	2017	%Change
Net Interest Margin	\$1,007	\$1,118	11%
Fee Income	507	405	-20%
Total Revenue	1,514	1,523	1%
Non-Interest Expense	899	883	-2%
Pre-Provision Net Revenue	615	640	4%
Bankcard Provision	250	313	25%
Community Provision	22	32	45%
Total Provision	272	345	27%
Net Income Before Taxes	343	295	-14%
Taxes	125	159	27%
Net Income After Taxes	\$218	\$136	-38%

Year End Earnings - Adjusted

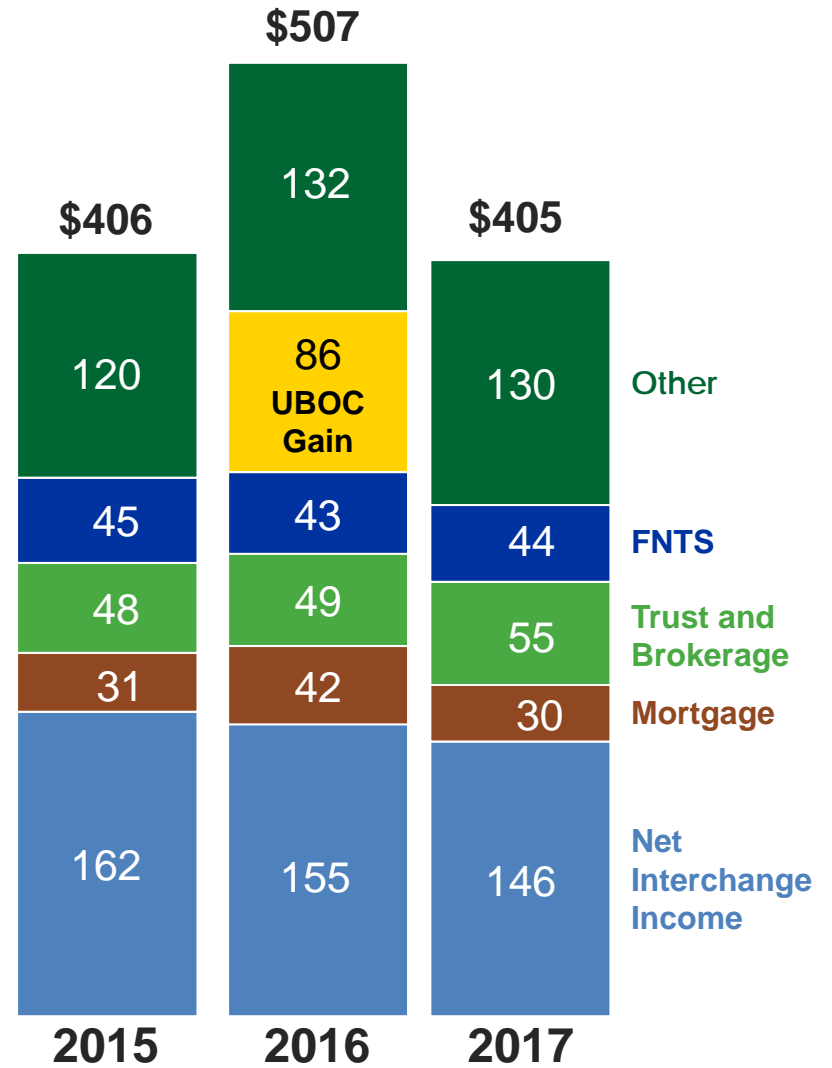
	2016	2017	%Change
Net Interest Margin	\$1,007	\$1,118	11%
Fee Income	422	405	-4%
Total Revenue	1,429	1,523	7%
Non-Interest Expense	899	883	-2%
Pre-Provision Net Revenue	530	640	21%
Bankcard Provision	250	313	25%
Community Provision	22	32	45%
Total Provision	272	345	27%
Net Income Before Taxes	258	295	14%
Taxes	94	107	13%
Net Income After Taxes	\$164	\$188	15%

* 2016 is adjusted to remove a gain on sale of a credit card portfolio. 2017 is adjusted to remove the impact of Tax Reform.

Total Revenue



FEE INCOME



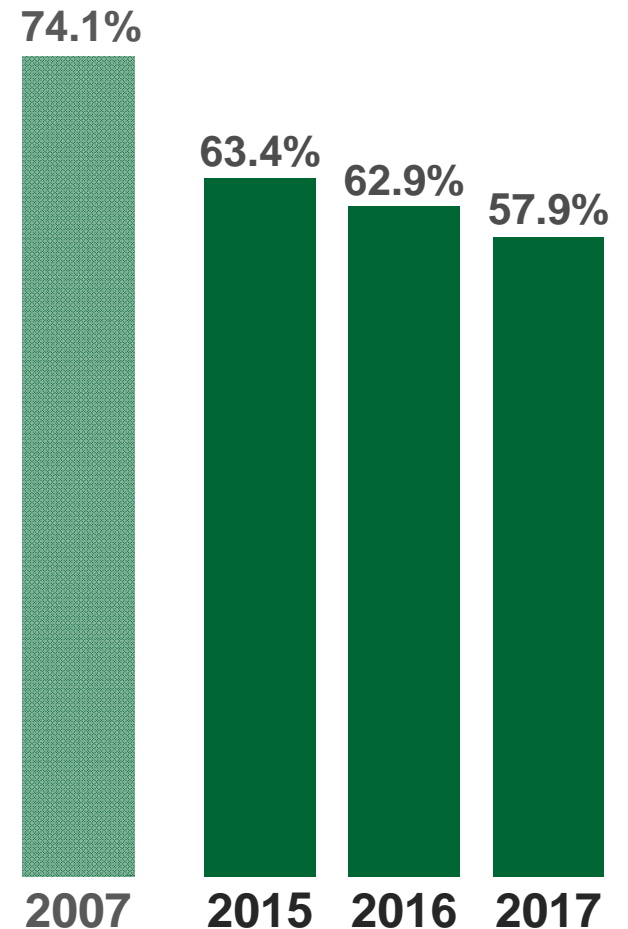
Credit Quality

	2015	2016	2017
Provision for loan losses	\$178	\$272	\$345
Classified loans / capital	9.4%	11.6%	10.5%
Bankcard losses	3.1%	3.4%	4.2%
Wholesale losses	-0.03%	0.07%	0.11%

Expense & Efficiency

	2015	2016*	2017
Total Revenue	\$1,342	\$1,429	\$1,523
Non Interest Expense			
Compensation & Benefits	400	432	436
Business Development	75	77	74
Professional Services	23	32	33
Processing Expense	42	44	45
Other Expense	313	313	296
Total Non-Interest Expense	\$852	\$899	\$883

Efficiency Ratio



* 2016 Total Revenue is adjusted to remove a gain on sale of a credit card portfolio.

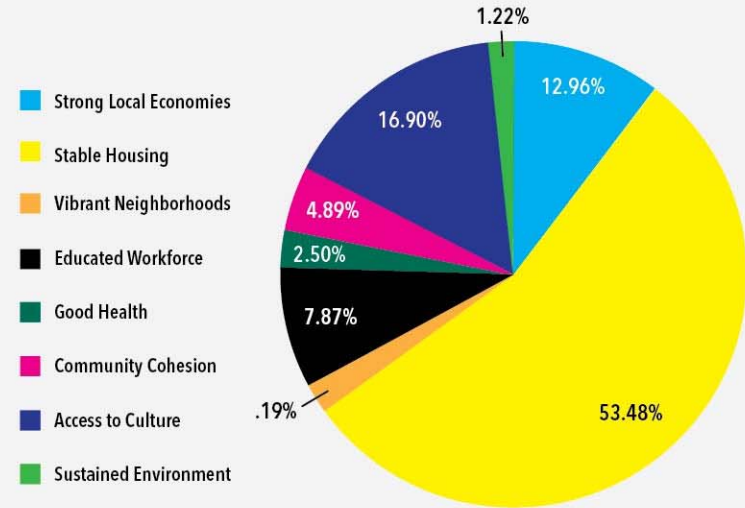
Holding Company & Shareholder Data

	2015	2016	2017	Q1 2018
Holding Co Cash	\$218	\$258	\$158	\$324
Stockholder's Equity	\$1,891	\$2,028	\$1,963	\$1,997
Shares Outstanding	303,513	299,646	278,432	278,560
Book Value per Share	\$6,231	\$6,769	\$7,051	\$7,170
Dividend per Share	\$164	\$147	\$100	\$25



- **\$15.9 million** in community development investments
- **\$6.2 million** in community development grants and donations
- **\$3.9 million** in sponsorships
- **40,000** employee volunteer hours
- **656** employee-led financial education sessions

2017 COMMUNITY GIVING BY FOCUS AREA



2017 COMMUNITY GIVING BY MARKET

