

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name FIRST FINANCIAL BANKSHARES INC AND SUBS		2 Issuer's employer identification number (EIN) 75-0944023	
3 Name of contact for additional information BRUCE HILDEBRAND	4 Telephone No. of contact 325-627-7167	5 Email address of contact BHILDEBRAND@FFIN.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact P.O. BOX 701		7 City, town, or post office, state, and ZIP code of contact ABILENE, TX 79604	
8 Date of action JUNE 3, 2019		9 Classification and description TWO-FOR-ONE COMMON STOCK SPLIT	
10 CUSIP number 32020R109	11 Serial number(s)	12 Ticker symbol FFIN	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On April 23, 2019 the Board of Directors of First Financial Bankshares Inc approved a two-for-one stock split of the Corporation's outstanding common stock in the form of a 100% stock dividend. Each shareholder as of the record date received one additional share of common stock for each share held. The record date for the stock split was May 15, 2019 and the distribution date of the new shares was June 3, 2019.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The two-for-one stock split resulted in shareholders receiving one additional share for each share owned as of May 15, 2019. In accordance with Internal Revenue Code Section 307(a), immediately after the stock dividend, the shareholder's tax basis of the original share was divided equally between the original share and the new share. This resulted in each shareholder's number of shares doubling, but the total basis and proportionate interest in the Corporation remained the same.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ To determine the basis in both the original and the new shares, each shareholder would multiply the basis in the original shares held as of the distribution date by 50%. After the stock split, that is the basis in both the original share and the new share issued.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC Section 305(a) & 307(a)

18 Can any resulting loss be recognized? ▶ No loss can be recognized in connecton with the two-for-one stock split completed in the form of a stock dividend.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is the calendar year ending December 31, 2019.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶ [Signature] Date ▶ 6-3-19

Print your name ▶ BRUCE HILDEBRAND Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>RUSSELL GUTHRIE CPA</u>	<u>[Signature]</u>	<u>6/3/19</u>		<u>P00053437</u>
	Firm's name ▶ <u>EIDE BAILLY LLP</u>			Firm's EIN ▶	<u>45-0250958</u>
	Firm's address ▶ <u>400 PINE ST, STE 600 ABILENE, TX 79601-5190</u>			Phone no.	<u>325-672-4000</u>