

# 2015 Annual Shareholder Meeting

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# Senior Management at First Financial

	Years with Company	Years in Industry
<b>Scott Dueser</b> <i>Chairman of the Board, President &amp; Chief Executive Officer</i>	38	43
<b>Ron Butler</b> <i>Executive Vice President Chief Administrative Officer</i>	22	33
<b>Gary S. Gragg</b> <i>Executive Vice President Credit Administration</i>	24	36
<b>J. Bruce Hildebrand, CPA</b> <i>Executive Vice President Chief Financial Officer</i>	12	36
<b>Stan Limerick</b> <i>Executive Vice President Chief Information Officer</i>	-	35
<b>Kirk Thaxton, CTFA</b> <i>President, First Financial Trust &amp; Asset Management</i>	28	31
<b>Gary L. Webb</b> <i>Executive Vice President</i>	12	26
<b>Marna Yerigan</b> <i>Executive Vice President Credit Administration</i>	4	30

# Senior Management at First Financial

	Years with Company	Years in Industry
<b>Brandon Harris</b> <i>Senior Vice President Appraisal Services</i>	2	15
<b>Monica Houston</b> <i>Senior Vice President Training</i>	20	20
<b>Larry Kentz</b> <i>Senior Vice President &amp; Compliance Officer Compliance</i>	1	35
<b>Luke Longhofer</b> <i>Senior Vice President &amp; Loan Review Officer Credit Administration</i>	3	10
<b>Michele Stevens</b> <i>Senior Vice President Advertising and Marketing</i>	16	32





# Experienced Regional CEOs & Presidents

	Years with Company	Years in Industry
<b>Marelyn Shedd, Abilene</b>	<b>23</b>	<b>31</b>
<b>Mike Mauldin, Hereford</b>	<b>12</b>	<b>37</b>
<b>Kirby Andrews, Sweetwater</b>	<b>24</b>	<b>27</b>
<b>Trent Swearengin, Eastland</b>	<b>15</b>	<b>17</b>
<b>Mike Boyd, San Angelo</b>	<b>39</b>	<b>42</b>
<b>Tom O'Neil, Cleburne</b>	<b>16</b>	<b>34</b>
<b>Ron Mullins, Stephenville</b>	<b>8</b>	<b>36</b>
<b>Jay Gibbs, Weatherford</b>	<b>13</b>	<b>40</b>
<b>Mark Jones, Southlake</b>	<b>14</b>	<b>37</b>
<b>Ken Williamson, Mineral Wells</b>	<b>13</b>	<b>43</b>
<b>Robert Pate, Huntsville</b>	<b>17</b>	<b>33</b>
<b>Fred Wren, Huntsville</b>	<b>2</b>	<b>35</b>
<b>Stephen Lee, Southeast Region</b>	<b>7</b>	<b>25</b>





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# Independent Public Auditors





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# Board of Directors

	Years as Board Member	Committee Appointment
<b>April Anthony</b> <i>Chief Executive Officer                      Encompass Home Health and Hospice                      &amp; Homecare Homebase</i>	-	Nominated
<b>Steven L. Beal</b> <i>Director and Former President and COO of                      Concho Resources Inc.</i>	5	Executive Compensation Nominating / Corporate Governance
<b>Tucker S. Bridwell</b> <i>President, Mansefeldt Investment Corporation</i>	8	Lead Director / Executive Nominating / Corporate Governance
<b>David Copeland</b> <i>President, SIPCO, Inc. and                      Shelton Family Foundation</i>	17	Executive / Audit Nominating / Corporate Governance
<b>F. Scott Dueser</b> <i>Chairman of the Board, President and CEO</i>	24	Executive
<b>Murray Edwards</b> <i>Principal, The Edwards Group</i>	9	Executive / Audit Nominating / Corporate Governance



# Board of Directors

	Years as Board Member	Committee Appointment
<b>Ron Giddiens</b> <i>G&amp;G Investments</i>	6	Audit
<b>Tim Lancaster</b> <i>President and CEO Hedrick Health System</i>	2	Audit
<b>Kade L. Matthews</b> <i>Ranching and Investments</i>	17	Compensation
<b>Ross H. Smith, Jr.</b> <i>Chairman and President Akrotex, Inc.</i>	1	Compensation
<b>Johnny E. Trotter</b> <i>President and CEO Livestock Investors, Ltd.</i>	12	Executive Compensation Nominating/Corporate Governance



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Ms. April Anthony







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# Forward Looking Statement

The numbers, as of and for the three months ended March 31, 2015, contained within this presentation are unaudited. Certain statements contained herein may be considered "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based upon the belief of the Company's management, as well as assumptions made beyond information currently available to the Company's management and, may be, but not necessarily are identified by such words as "expect", "plan", "anticipate", "target", "forecast" and "goal". Because such "forward-looking statements" are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from the Company's expectations include competition from other financial institutions and financial holding companies; the effects of and changes in trade, monetary and fiscal policies and laws, including interest rate policies of the Federal Reserve Board; changes in the demand for loans; fluctuations in value of collateral and loan reserves; inflation, interest rate, market and monetary fluctuations; changes in consumer spending, borrowing and savings habits; and acquisitions and integration of acquired businesses, and similar variables. Other key risks are described in the Company's reports filed with the Securities and Exchange Commission, which may be obtained under "Investor Relations-Documents/Filings" on the Company's web site or by writing or calling the Company at 325.627.7155. The Company does not undertake any obligation to update publicly or revise any forward-looking statements herein because of new information, future events or otherwise.



# 2014 Financial Review



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# Earnings



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# 28th Consecutive Year of Increased Earnings

## FFIN Earnings

(in millions)



# Strong Shareholder Earnings

## Basic Earnings Per Share



\*Per share amounts reflect the 2 for 1 stock split that was effective June 2, 2014.



# Working Harder and Smarter

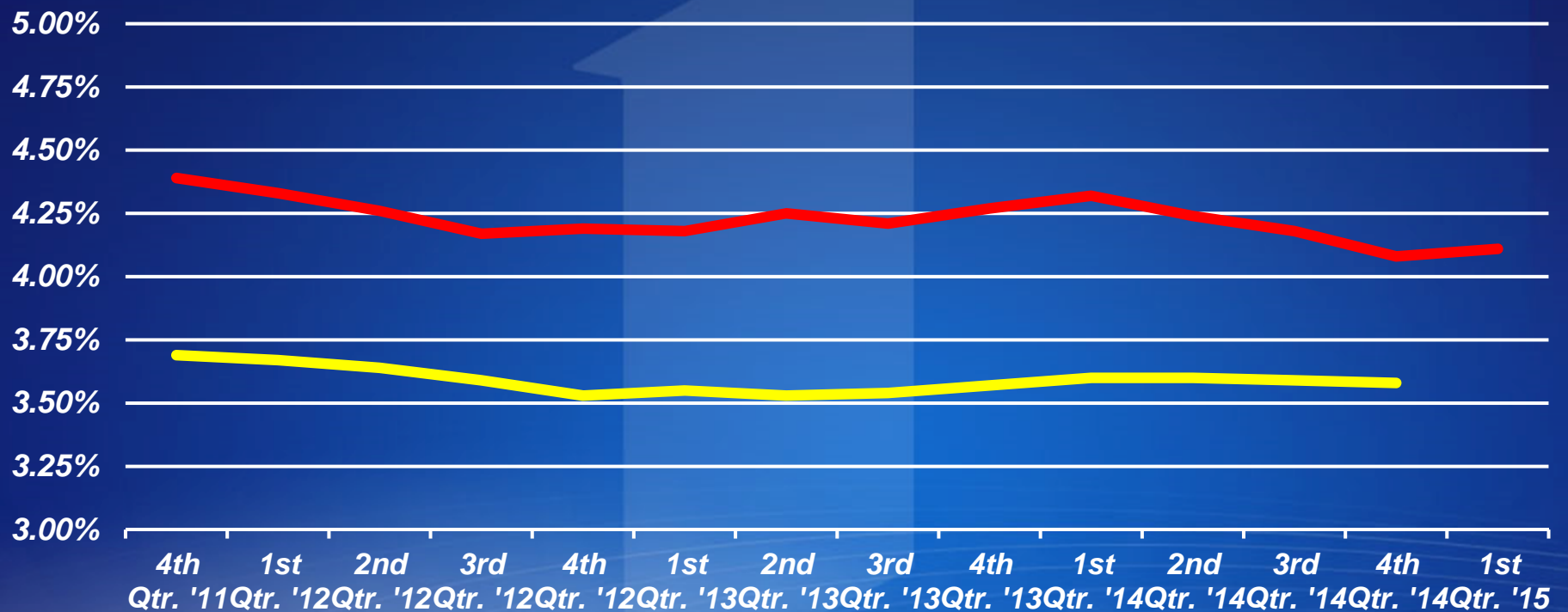
## Efficiency Ratio

(FFIN vs. Peers)

	2009	2010	2011	2012	2013	2014
<b>First Financial</b>	<b>50.11%</b>	<b>49.49%</b>	<b>48.37%</b>	<b>48.14%</b>	<b>50.20%</b>	<b>49.24%</b>
<b>Peer Group</b>	<b>69.53%</b>	<b>67.33%</b>	<b>65.57%</b>	<b>65.77%</b>	<b>67.79%</b>	<b>66.77%</b>

# Net Interest Margin

## Quarterly Interest Margin

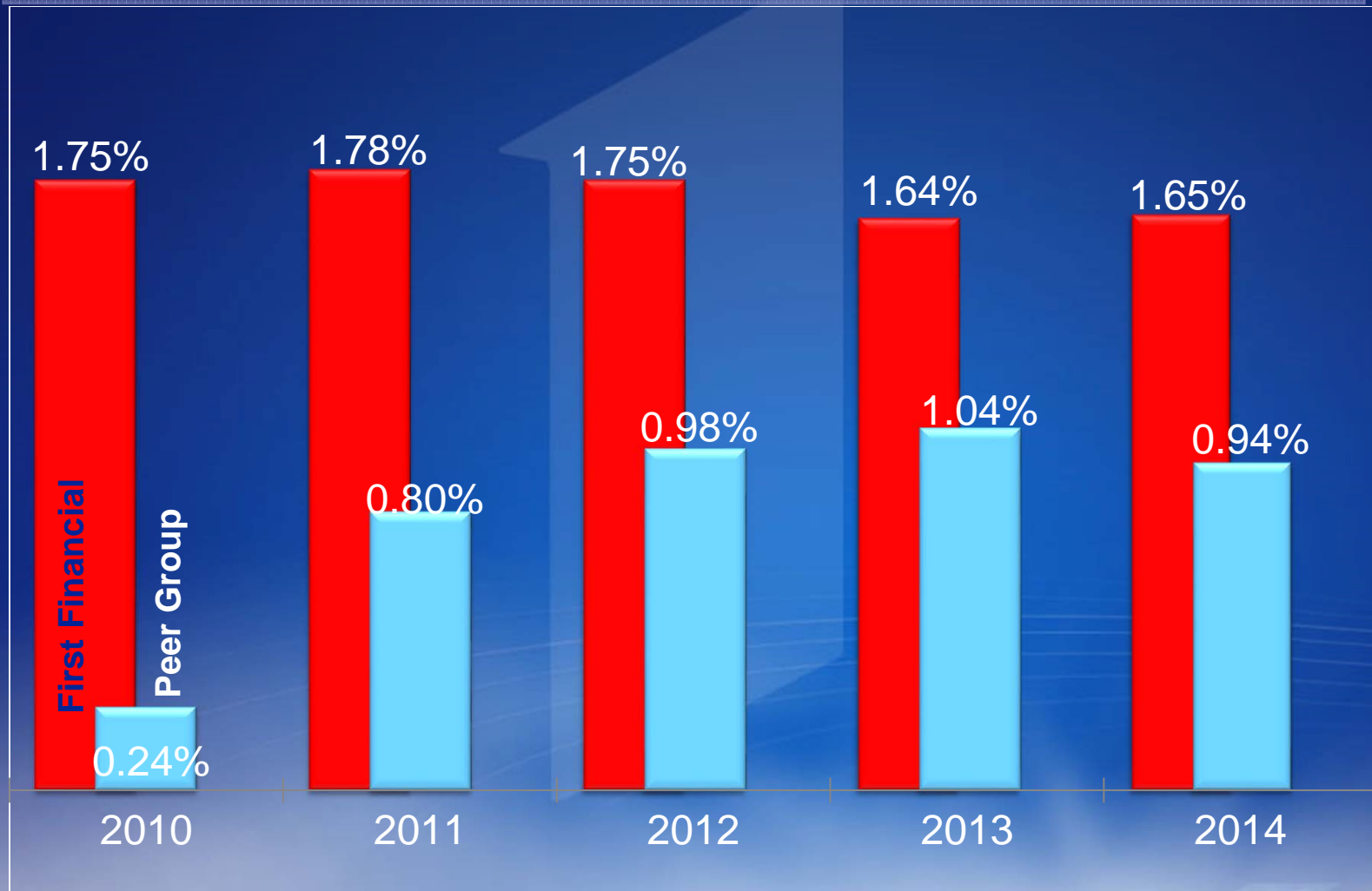


— First Financial

— Peer Group

# FFIN Outperforms Peers

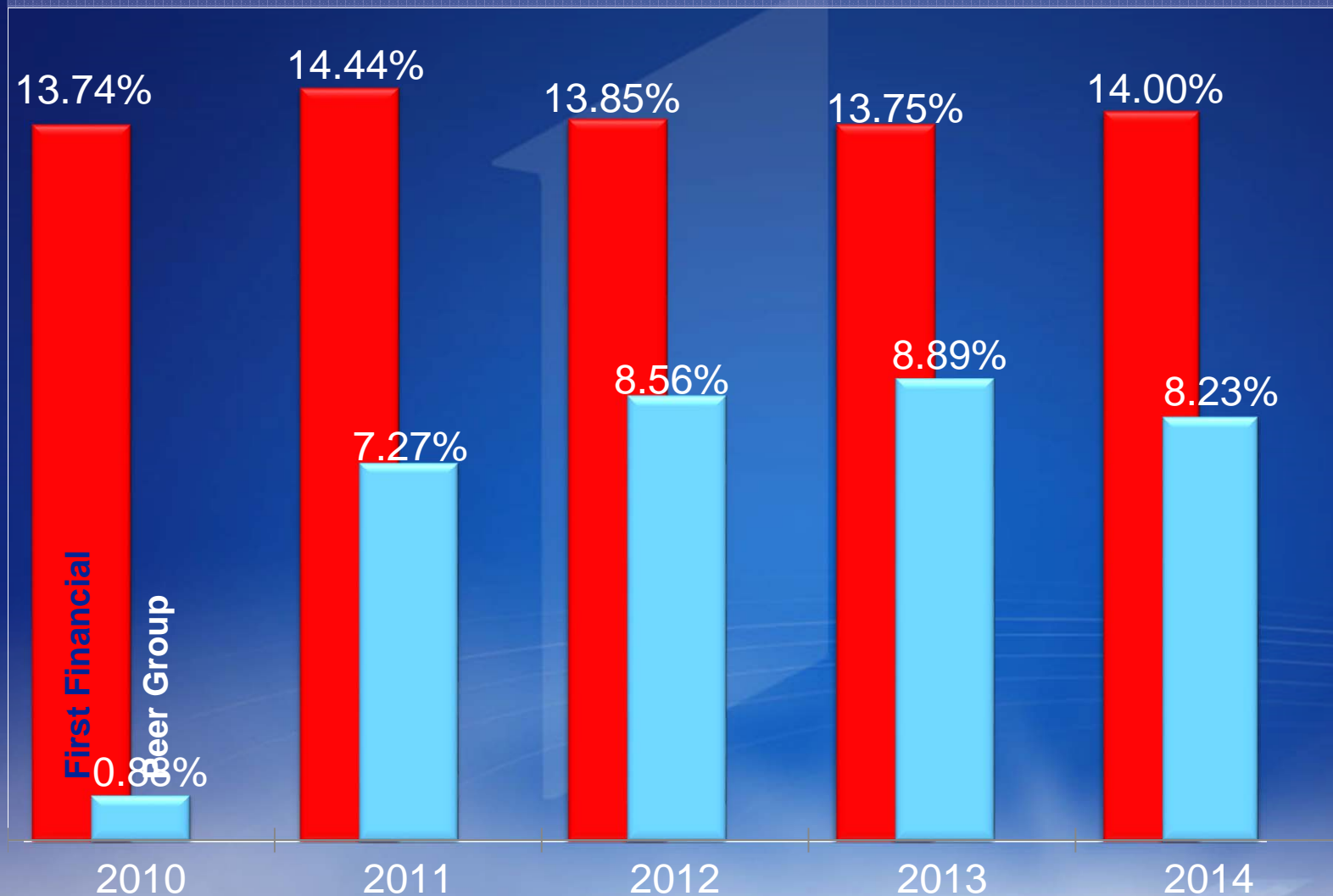
## Percentage Return on Average Assets





# Strong Return on Capital

## Percentage Return on Average Equity



# Capital Ratios

	12-31-14	03-31-15	To be considered well Capitalized
Tier 1 Leverage Ratio	9.89	9.85	> 5.00
Tier 1 Risk Based Capital Ratio	16.05	16.23	> 6.00
Risk Based Capital Ratio	17.16	17.35	> 10.00

# Asset Performance

## Growth in Total Assets

(in millions)





# Loan Performance

## Growth in FFIN Total Loans

(in millions)



# Sound Lending Practices

Nonperforming assets as a percentage of loans + foreclosed assets

(FFIN vs. Peers)

	2009	2010	2011	2012	2013	2014
<b>First Financial</b>	<b>1.46%</b>	<b>1.53%</b>	<b>1.64%</b>	<b>1.22%</b>	<b>1.16%</b>	<b>0.74%</b>
<b>Peer Group</b>	<b>5.41%</b>	<b>5.37%</b>	<b>4.59%</b>	<b>3.67%</b>	<b>2.71%</b>	<b>1.94%</b>

# Deposit Growth

## Growth in FFIN Total Deposits

(in millions)



■ Non Interest Bearing ■ Interest Bearing

# 1<sup>st</sup> Quarter 2015 Summary



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# 1<sup>st</sup> Quarter Earnings

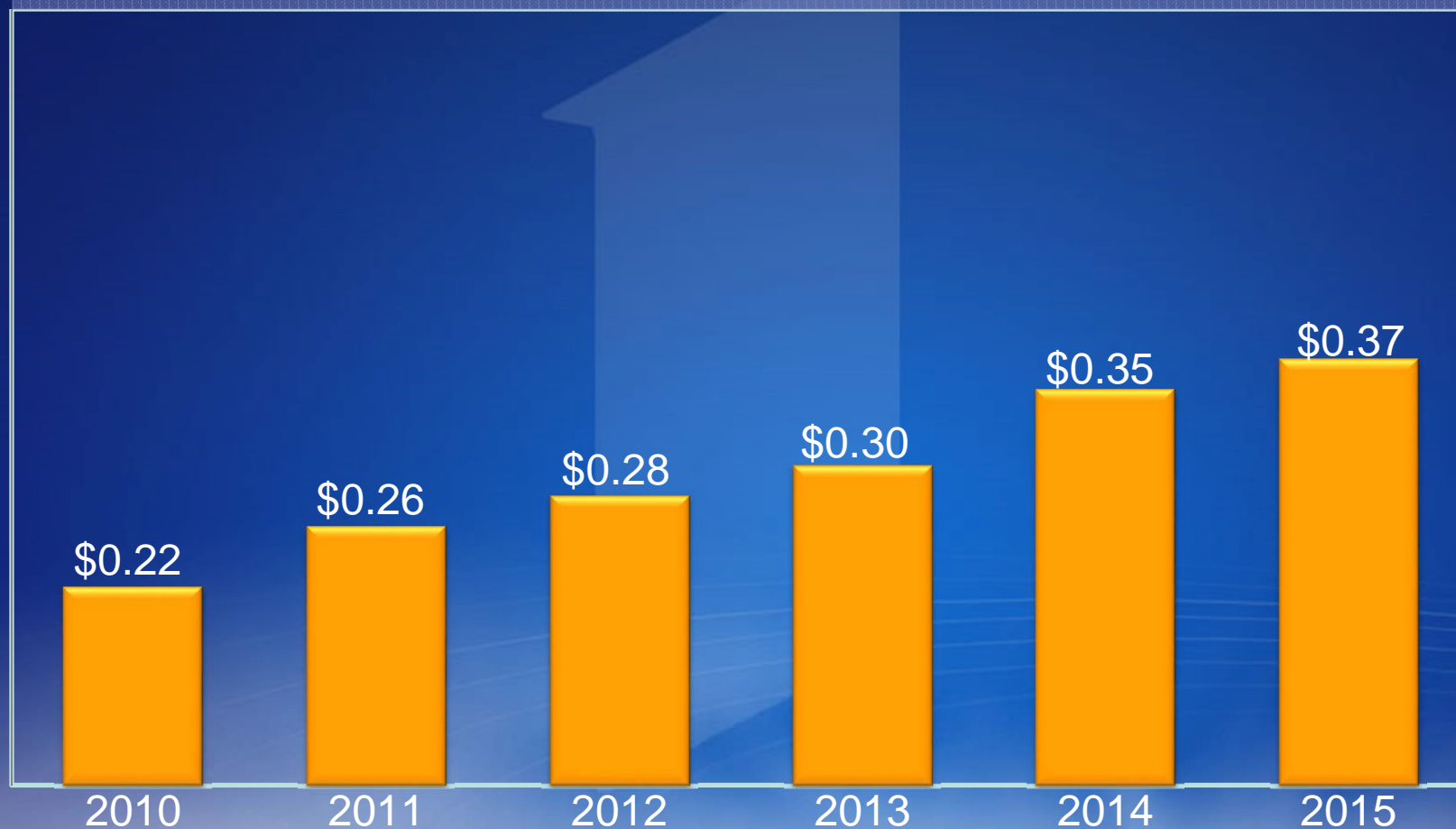
## FFIN Earnings

(in millions)



# Shareholder Earnings – 1<sup>st</sup> Quarter

## Basic Earnings Per Share





# **FIRST FINANCIAL TRUST & ASSET MANAGEMENT COMPANY<sup>NA</sup>**

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# Growth in Trust Assets

## Total Trust Assets



# Total Trust Fees

## Growth in FFTAM Fees

(in thousands)



# Revenue from Mineral Management

## Growth in Mineral Management

(in thousands)





# Total Trust Net Income

## Growth in FFTAM Net Income

(in thousands)



# Managed Equity Styles

- ⇒ **Equity Income**
- ⇒ **Core Domestic**
- ⇒ **Core Diversified**
- ⇒ **Core World**
- ⇒ **Strategic Growth**

# Trust Office - Lubbock





# First Financial Trust & Asset Management Locations





# **FIRST FINANCIAL TRUST & ASSET MANAGEMENT COMPANY<sup>NA</sup>**

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# Total Trust Fees

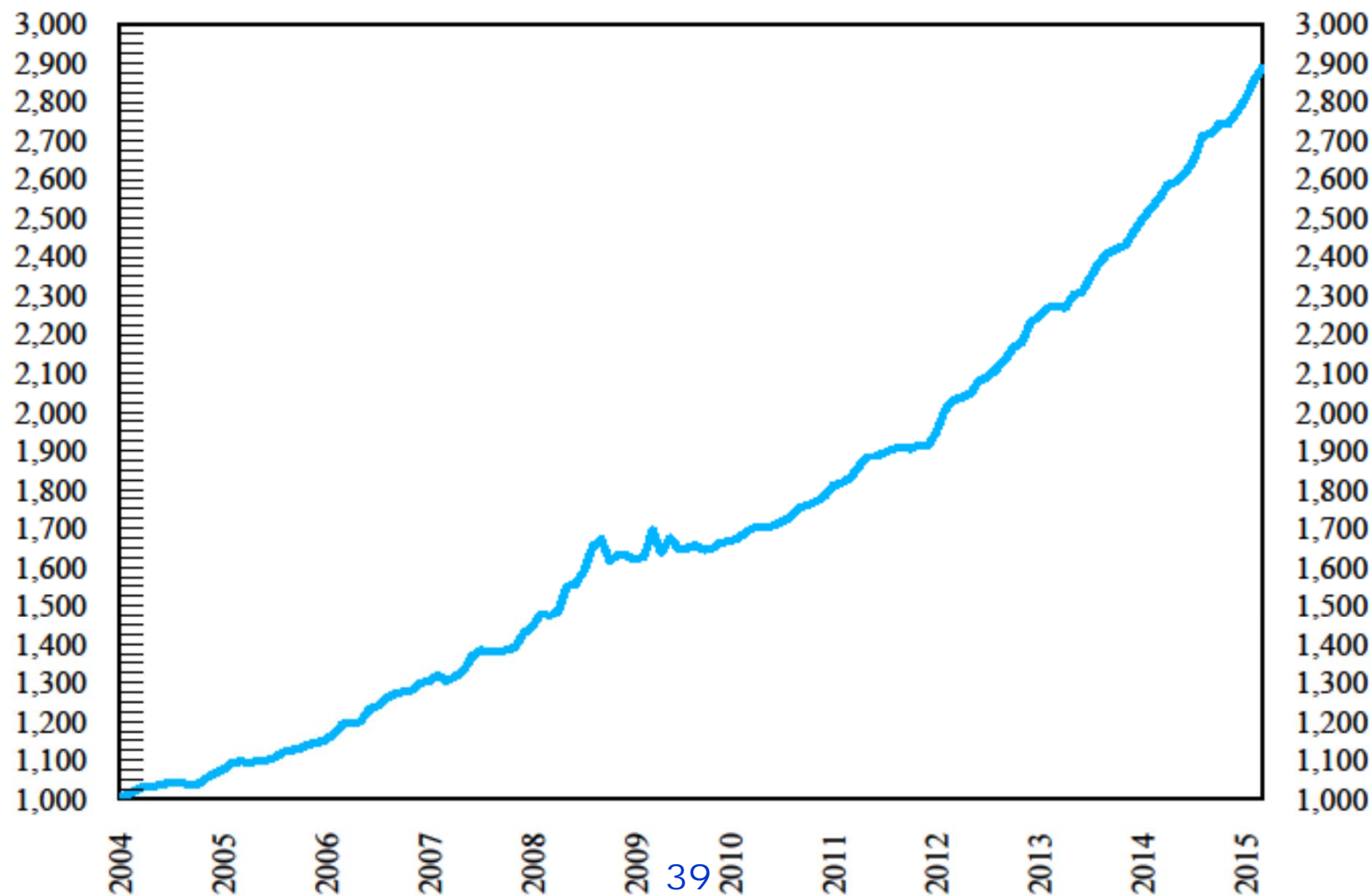
## Growth in FFTAM Fees

(in thousands)





## First Financial Trust & Asset Management Company NA Book Value of Assets





# **FIRST FINANCIAL TRUST & ASSET MANAGEMENT COMPANY<sup>NA</sup>**

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**#2 in  
2012**

**#3 in  
2013**

**#1 in the  
Nation**  
by Bank Director Magazine  
**2014**

**#2 in  
2009**

**#1 in  
2010**

**#2 in  
2011**

# First Bank, N.A. - Conroe Proposed Acquisition

- **Definitive Agreement Signed - April 2015**
- **Montgomery, Walker, & Harris Counties (On I-45 North of Houston)**
  - Exxon Mobil Headquarters in the Woodlands
  - Montgomery County – Approximately 500,000 residents, 55% growth from 2000 to 2010, 24<sup>th</sup> fastest growing county in the United States
  - #4 Market Share in Conroe – 10.6%
- **8 Branches in Conroe, Magnolia, Tomball, Cut and Shoot, Montgomery, and Huntsville; additional site on Grand Parkway in Spring, Texas to expand**
- **\$378.1 million in Assets\***
  - \$342.4 million in deposits
  - \$259.5 million in loans
- **1.06% Return on Assets in 2014**
- **\$59 million purchase price of our stock which represents 16x last twelve months earnings**
- **Conroe acquisition is consistent with our acquisition model of high growth areas, strong management and excellent earnings opportunity**
- **Provides diversification and fits well into our footprint**
- **Management and Board share same values to outstanding customer service**

As of Dec 31, 2014

# Conroe – Main Facility





# Conroe - Westview Branch





# Cut and Shoot Branch



# Huntsville Branch





# Willis Branch





# Montgomery Branch



# Magnolia Branch



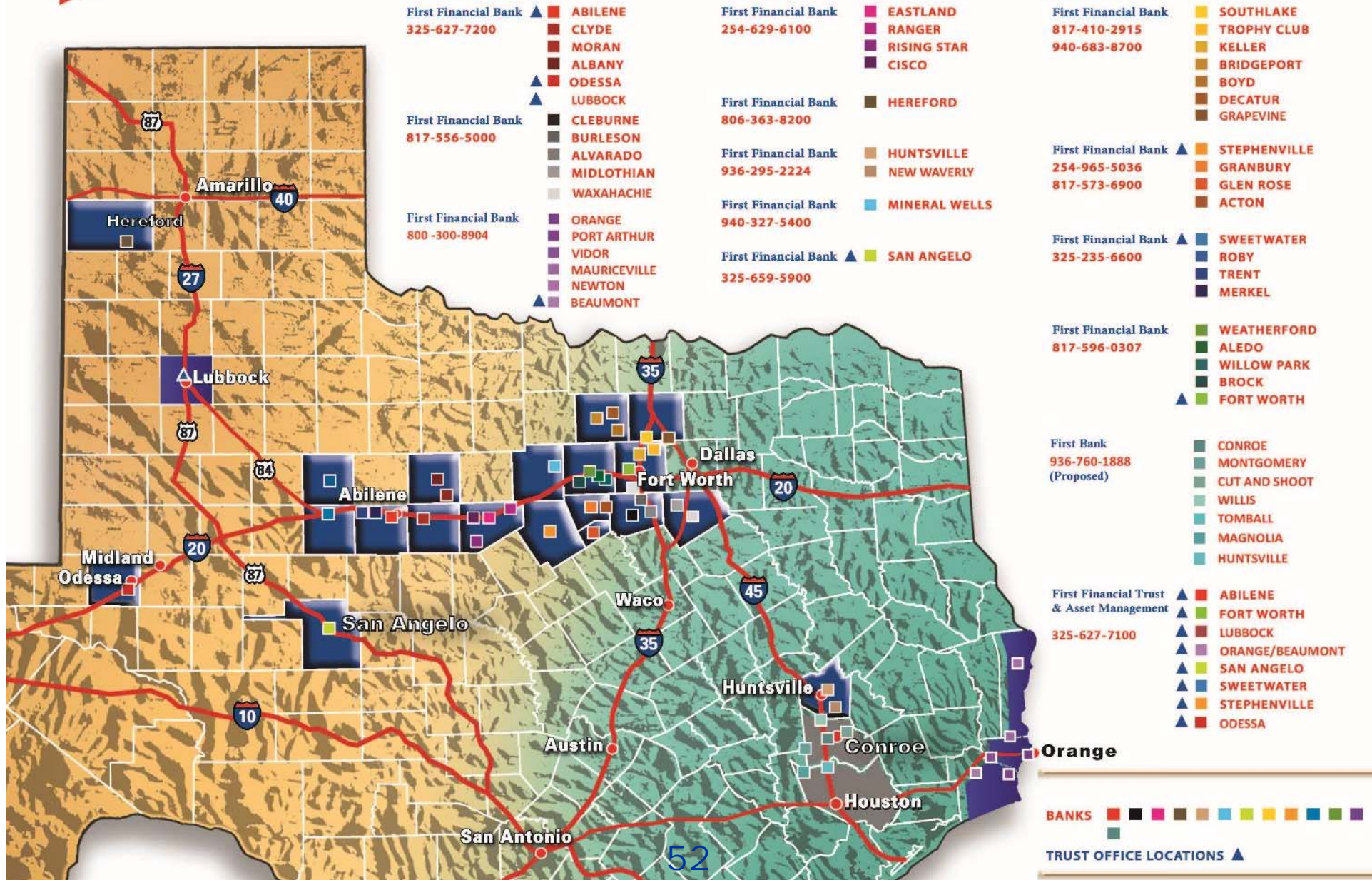
# Creekside Branch - Tomball





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# Sam Baker, President & CEO – First Bank Conroe



# First Bank, Conroe

- ➔ Jay Shands, Chairman of the Board
- ➔ Trey Denman, Director
- ➔ Sam Baker, President & CEO
- ➔ Bart Griffith, EVP & Chief Lending Officer
- ➔ Jed Crow, EVP Lending
- ➔ Lee Warren, SVP & Chief Operations Officer

# 4Trust Mortgage Proposed Acquisition Announced

- ➔ **Asset Purchase Agreement Signed - April 2015**
- ➔ **Anticipated effective date – May 31, 2015**
- ➔ **Originated \$175 million in mortgage loans in 2014 – Compared to \$225 million that First Financial Bank originated in 2014**
- ➔ **15 year old Company with offices in Fort Worth, Dallas and North Richland Hills**
- ➔ **\$1.9 million purchase price**
- ➔ **Considered one of the top mortgage companies in Fort Worth**
- ➔ **Will be able to offer expanded mortgage products and services to their customers**
- ➔ **Troy Fore will be President of Mortgage Division of First Financial Bank; other owners joining First Financial as EVP's – Tammie Harding, Kami Graves, and Ryan Craig**



## 4Trust Management – Kami, Ryan, Troy & Tammie



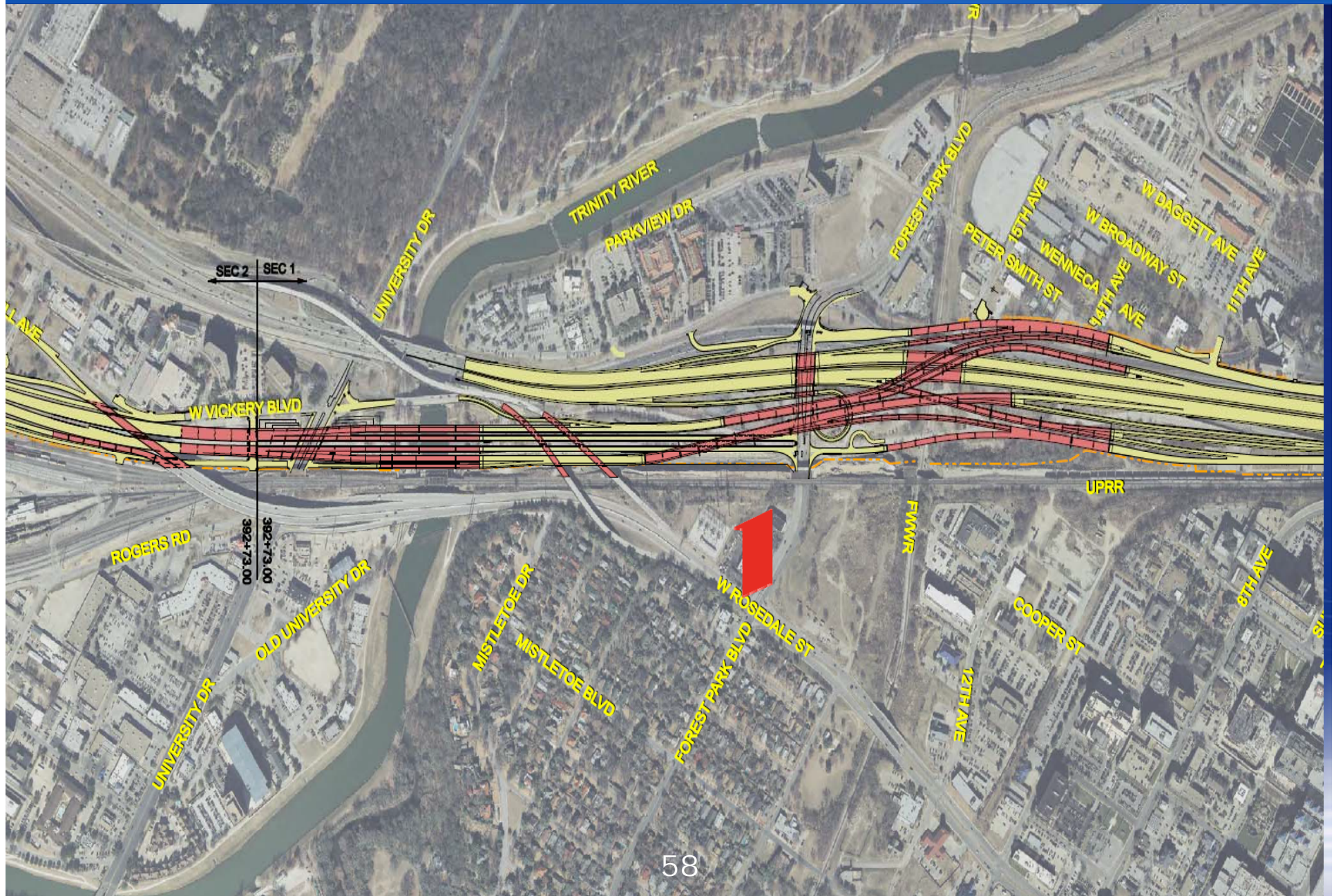


# Fort Worth – Forest Park Blvd. and Rosedale





# Fort Worth – Forest Park Blvd. and Rosedale





# Keller – 1491 Keller Parkway – February 2014





# Beaumont – 61<sup>st</sup> Branch – 3515 Dowlen Rd. – Aug. 2014





# New Waverly – 62<sup>nd</sup> Branch – 125 SH 75 North – Aug. 2014



Trust Office – Lubbock – 4903 82<sup>nd</sup> St. Suite 30 – Oct. 2014



# Weatherford – 745 Adams Dr. – April 2015





# Odessa – Billy Hext Road & Eastridge



# Cisco – Conrad Hilton & West 20<sup>th</sup> St.





# Total Return on Investment

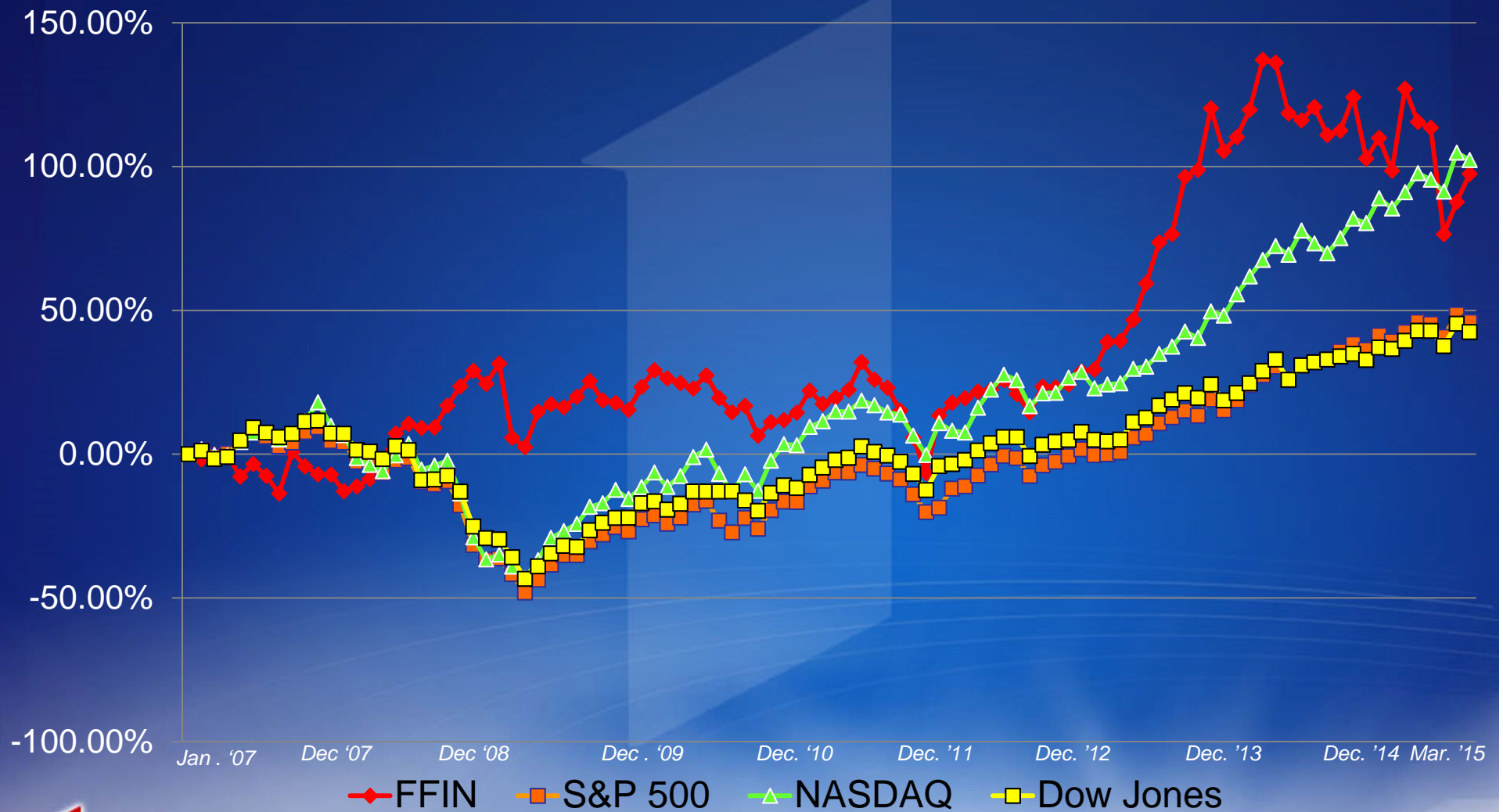
***Assume you owned 1,000 shares of FFIN stock on January 1, 2014...***

Stock cost in January 2014	\$33,060
Dividend declared (\$0.55 x 1,000 shares)	\$ 550
Decrease in stock price during 2014 (\$33.06 to \$29.88 X 1,000 shares)	(\$2,630)
2014 return on investment	-7.96%
2013 return on investment	72.11%
2012 return on investment	19.65%
2011 return on investment	0.61%
2010 return on investment	-2.99%
5 year compound average return	12.36%

\*Adjusted for 2 for 1 stock split effective June 2, 2014.



# Strong Stock Performance



# Dividends Per Share

## Annual Dividends Declared Per Share\*



\*Per share amounts reflect the 2 for 1 stock split that was effective June 2, 2014.

# Increased Cash Dividend

- ⇒ Increase cash Dividend by \$0.02 to \$0.16 per quarter – 14.3% increase
- ⇒ 2015 Dividend will be \$0.62
- ⇒ Annualized Dividend will be \$0.64
- ⇒ Shareholders of record as of June 16, 2015
- ⇒ Dividend payable July 1, 2015





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