

**ONWARD** 

**1<sup>st</sup> Quarter 2024**

**FIRST FINANCIAL BANKSHARES, INC.™**

# Forward Looking Statement

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The numbers, as of and for the quarter ended March 31, 2024, 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 “believes”, “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.

# Who We Are

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- **\$13.2 billion financial holding company headquartered in Abilene, Texas**
- **Group of 12 separate bank regions**
- **Trust and Asset Management Company with 9 locations and manages approximately \$10.2 billion in assets**
- **134 year history**

# **#7 Bank** **in the Nation**

**FIRST**  
**FINANCIAL**  
**BANK**  
MEMBER FDIC

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**S&P Global**

# What Makes Us Different

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## One Bank, Twelve Regions Concept

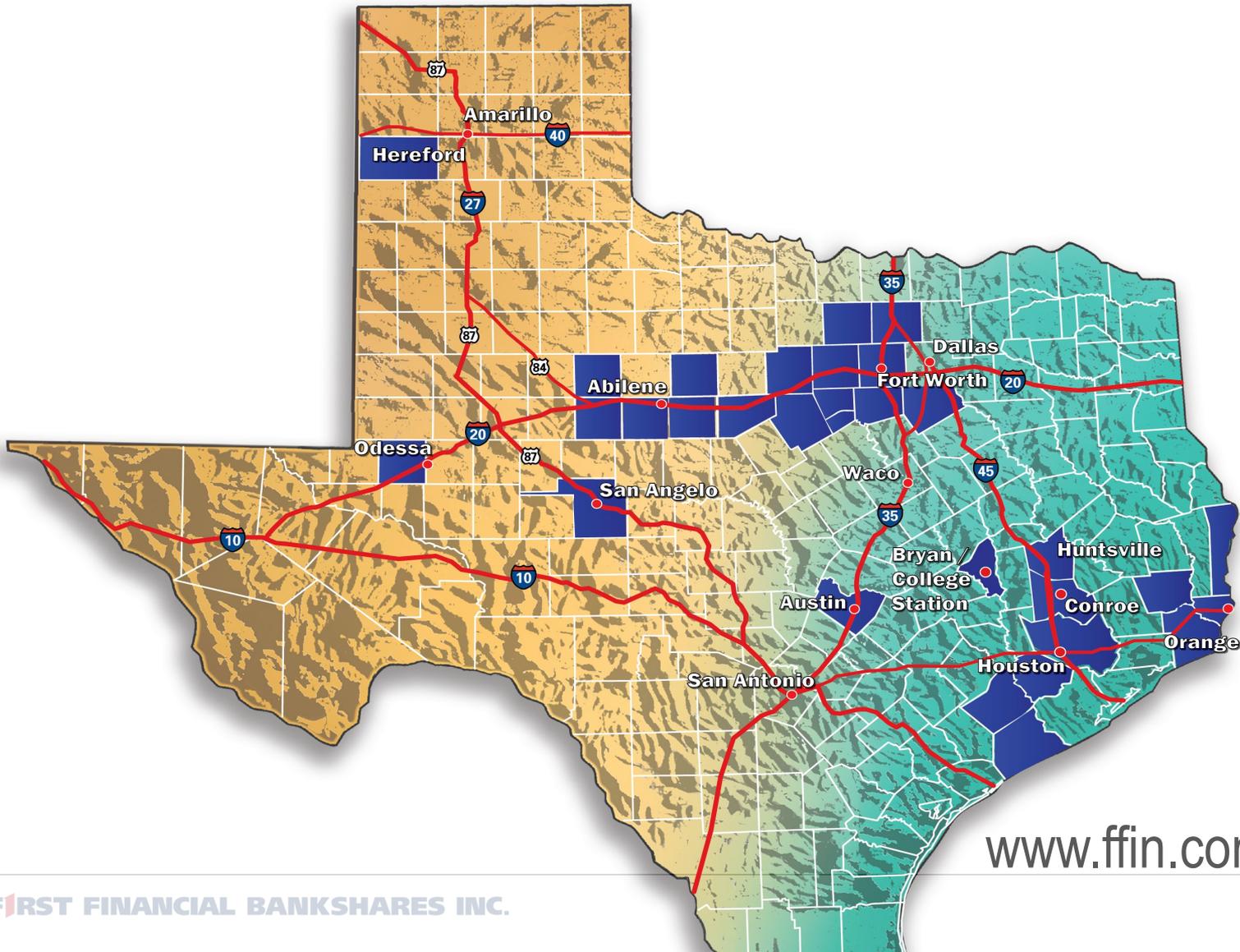
### ■ One Bank

- Consolidation of credit, call center, accounting, technology, human resources, risk management, training, and compliance (drives lower efficiency ratio)

### ■ Twelve Regions

- Regional Presidents run their regions
- Local Boards – Movers and shakers of the Community
  - ❖ Keep our regions locally focused
  - ❖ Make sure we meet the needs of the community
  - ❖ Help us make better loan decisions
  - ❖ Help us market the region

# Diverse Footprint Across Texas



[www.ffin.com/locations](http://www.ffin.com/locations)

# Texas: Large and Growing



Five most populous states:*		Growth (2012 – 2022)
California	39.0 million	2.7%
Texas	30.5 million	16.9%
Florida	22.6 million	17.2%
New York	19.6 million	-.01%
Illinois	12.6 million	-2.6%

\* U.S. Census Bureau

# Target Markets – Population Growth



Population growth (2012-2022) in FFIN expansion markets:\*

<b>Texas</b>	<b>16.9%</b>
<b>Bridgeport &amp; Wise County</b>	<b>24.0%</b>
<b>Fort Worth &amp; Tarrant County</b>	<b>14.5%</b>
<b>Cleburne &amp; Johnson County</b>	<b>27.5%</b>
<b>Weatherford, Willow Park, Aledo &amp; Parker County</b>	<b>38.9%</b>
<b>Granbury &amp; Hood County</b>	<b>27.3%</b>
<b>Stephenville &amp; Erath County</b>	<b>11.4%</b>
<b>Conroe &amp; Montgomery County</b>	<b>40.1%</b>
<b>Bryan / College Station &amp; Brazos County</b>	<b>20.8%</b>

# Core Markets: West Central Texas



- Markets served benefiting from well-established, long-time customers

REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
<b>First Financial Bank</b> <i>(Abilene, Clyde, Moran, Albany, Odessa, Eastland, Ranger, Rising Star, Cisco, Sweetwater, Roby, Trent, Merkel)</i>	<b>\$3,999M</b>	<b>22</b>	<b>59%</b>	<b>1</b>
<b>First Financial Bank</b> <i>(Hereford)</i>	<b>\$178M</b>	<b>1</b>	<b>28%</b>	<b>1</b>
<b>First Financial Bank</b> <i>(San Angelo)</i>	<b>\$1,134M</b>	<b>2</b>	<b>33%</b>	<b>1</b>
<b>TOTALS</b>	<b>\$5,311M</b>	<b>25</b>		

# Expansion Markets – Dallas / Fort Worth Area



REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
<b>First Financial Bank</b>	<b>\$851M</b>	<b>4</b>	<b>16%</b>	<b>3</b>
<i>(Cleburne, Burleson, Alvarado)</i>		<b>2</b>	<b>9%</b>	<b>4</b>
<i>(Midlothian, Waxahachie)</i>				
<b>First Financial Bank</b>	<b>\$1,023M</b>	<b>4</b>	<b>6%</b>	<b>5</b>
<i>(Southlake, Trophy Club, Keller, Grapevine)</i>		<b>3</b>	<b>25%</b>	<b>1</b>
<i>(Bridgeport, Decatur, Boyd)</i>				
<b>First Financial Bank</b>	<b>\$1,024M</b>	<b>6</b>	<b>28%</b>	<b>1</b>
<i>(Stephenville, Granbury, Glen Rose, Acton)</i>				
<b>First Financial Bank</b>	<b>\$1,354M</b>	<b>7</b>	<b>23%</b>	<b>1</b>
<i>(Weatherford, Aledo, Willow Park, Brock, Mineral Wells)</i>				
<b>First Financial Bank</b>	<b>\$521M</b>	<b>1</b>	<b>0.49%</b>	<b>26</b>
<i>(Fort Worth)</i>				
<b>TOTALS</b>	<b>\$4,773M</b>	<b>27</b>		

# Expansion Markets – Houston Area



REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
<b>First Financial Bank</b> <i>(Orange, Mauriceville, Vidor)</i> <i>(Newton, Port Arthur, Beaumont, Lumberton)</i>	\$1,074M	3 4	46% 5%	1 8
<b>First Financial Bank</b> <i>(Conroe, Magnolia, Cut and Shoot, Montgomery, Huntsville, Willis, Tomball, New Waverly, Spring)</i> <i>(Market Share for Huntsville, Conroe, Magnolia, Cut and Shoot, Montgomery and Willis Only)</i>	\$1,080M	10	11%	4
<b>First Financial Bank</b> <i>Kingwood – Montgomery County</i> <i>El Campo – Wharton County</i> <i>Fulshear – Fort Bend County</i> <i>Palacios – Matagorda County</i>	\$626M	4	5% 9% 0.16% 12%	6 4 32 2
<b>First Financial Bank</b> <i>(Bryan / College Station, Franklin)</i>	\$1,022M	6	10%	4
<b>TOTALS</b>	<b>\$3,802M</b>	<b>27</b>		

# Recent De Novo Growth

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- **Franklin: Branch of Bryan / College Station – August 2023**
- **Lumberton: Branch of Orange – December 2022**
- **Bryan / College Station: Office of Trust Company – September 2020**
- **Austin: Office of the Mortgage Company – January 2020**
- **San Antonio: Office of the Trust Company – December 2019**
- **Grand Parkway (Spring): Branch of Conroe – Opened January 2019**
- **Houston: Office of Trust Company – December 2018**
- **New Waverly: Branch of Huntsville – August 2014 (New Building – Opened December 2018)**
- **Beaumont: Branch of Orange – August 2014**

# FFIN's Unique Positioning in Texas



Bank	Key Markets
Stellar	Houston, Beaumont, Dallas
Comerica	DFW, Austin, Houston, California, Michigan, Florida, Mexico
Frost	San Antonio, Austin, Corpus Christi, DFW, Rio Grande, West Texas
Guaranty	Dallas, East Texas, Bryan
Independent	Dallas, Houston, Austin, Colorado
International Bancshares	Rio Grande, Houston, San Antonio, Oklahoma
Origin Bancorp	Dallas, Louisiana
Prosperity	Houston, DFW, Austin, West Texas, South Central Texas, Oklahoma
Southside	East Texas, Fort Worth
Texas Capital	DFW, Austin, San Antonio, Houston
Triumph	Dallas
Veritex	Dallas, Houston, Austin
South Plains Financial, Inc.	Lubbock, Dallas, Houston, West Texas
Hilltop Holdings	DFW, Lubbock, Austin, San Antonio, Houston, Corpus Christi

# Customer Service First (CS1st)



- Began CS1st initiative in 2005 with Dennis Snow (former Disney executive charged with Disney's customer experience).
- Implemented the Service Improvement Team with ten distinct teams with various strategic objectives.
- Key Successes
  - Established a robust employee recognition program
  - Developed a centralized team to address system and process obstacles
  - Designed and implemented a nationally recognized Financial Exploitation program
  - Day of Service (Completed 8<sup>th</sup> Annual on October 9, 2023)
  - Have transitioned what began as a service initiative into a culture of service excellence
- Since 2019, the Company has partnered with Horst Schulze (co-founder and former COO of the Ritz-Carlton Hotel Company) to further enhance the Company's culture by developing:
  - Defined Clear Vision and Mission Statements
  - 21 Service Non-negotiables
  - Daily Line-Ups
  - Train-the-trainer sessions for all branch managers (over 300 employees spent 2 days in training)
  - Incorporated into new employee orientation

# Executive Management Team at First Financial



	Years with Company	Years in Industry
<b>Scott Dueser</b> <i>Chairman of the Board, President &amp; Chief Executive Officer</i>	48	53
<b>Ron Butler</b> <i>Executive Vice President Chief Administrative Officer</i>	31	42
<b>Michelle Hickox</b> <i>Executive Vice President Chief Financial Officer</i>	1	34
<b>David Bailey</b> <i>Executive Vice President Chief Banking Officer</i>	21	21
<b>Luke Longhofer</b> <i>Executive Vice President Chief Credit Officer</i>	14	21
<b>Kirk Thaxton, CTFA</b> <i>Chairman of the Board, President &amp; Chief Executive Officer First Financial Trust &amp; Asset Management</i>	37	41

# Executive Management Team at First Financial



	Years with Company	Years in Industry
<b>Randy Roewe</b> <i>Executive Vice President</i> <i>Chief Risk Officer</i>	9	34
<b>John Ruzicka</b> <i>Executive Vice President</i> <i>Chief Information Officer</i>	5	45
<b>Kyle McVey, CPA</b> <i>Executive Vice President</i> <i>Chief Accounting Officer &amp;</i> <i>Investor Relations Director</i>	13	15

# Senior Leadership



	Years with Company	Years in Industry
<b>Rett Everett</b> <i>Executive Vice President</i> <i>Credit Administration - DFW</i>	2	21
<b>Keith Morton</b> <i>Executive Vice President</i> <i>Credit Administration – Southeast Texas</i>	-	20
<b>Brandon Harris</b> <i>Senior Vice President</i> <i>Appraisal Services</i>	8	21
<b>Michael Parker</b> <i>Executive Vice President</i> <i>Chief Compliance Officer</i>	1	16
<b>Javier Jurado</b> <i>Executive Vice President</i> <i>Chief Audit Executive</i>	-	19
<b>Eric Bonnell</b> <i>Senior Vice President</i> <i>Enterprise Risk Management</i>	-	20

# Line of Businesses Executives



	Years with Company	Years in Industry
<b>Troy Fore</b> <i>President</i> <i>First Financial Mortgage</i>	8	38
<b>Megan Dobbs</b> <i>Executive Vice President</i> <i>Marketing</i>	-	10
<b>Monica Houston</b> <i>Executive Vice President</i> <i>Training</i>	29	29
<b>Lori Hill</b> <i>Executive Vice President</i> <i>Retail</i>	26	33
<b>Andrea Smiddy-Schlagel</b> <i>Executive Vice President</i> <i>Treasury Management</i>	5	35
<b>Maggie Tuschinski</b> <i>Executive Vice President</i> <i>Chief Digital Officer</i>	2	21

# Line of Businesses Executives



	Years with Company	Years in Industry
<b>Michael Wolverton</b> <i>Executive Vice President</i> <i>Consumer Lending</i>	12	38
<b>Frank Gioia</b> <i>Senior Vice President</i> <i>Customer Care Center</i>	8	36
<b>Josh Brown</b> <i>Senior Vice President</i> <i>Human Resources</i>	9	15
<b>Gary Milliorn</b> <i>Vice President</i> <i>Property Management</i>	9	35

# Experienced Regional CEOs & Presidents



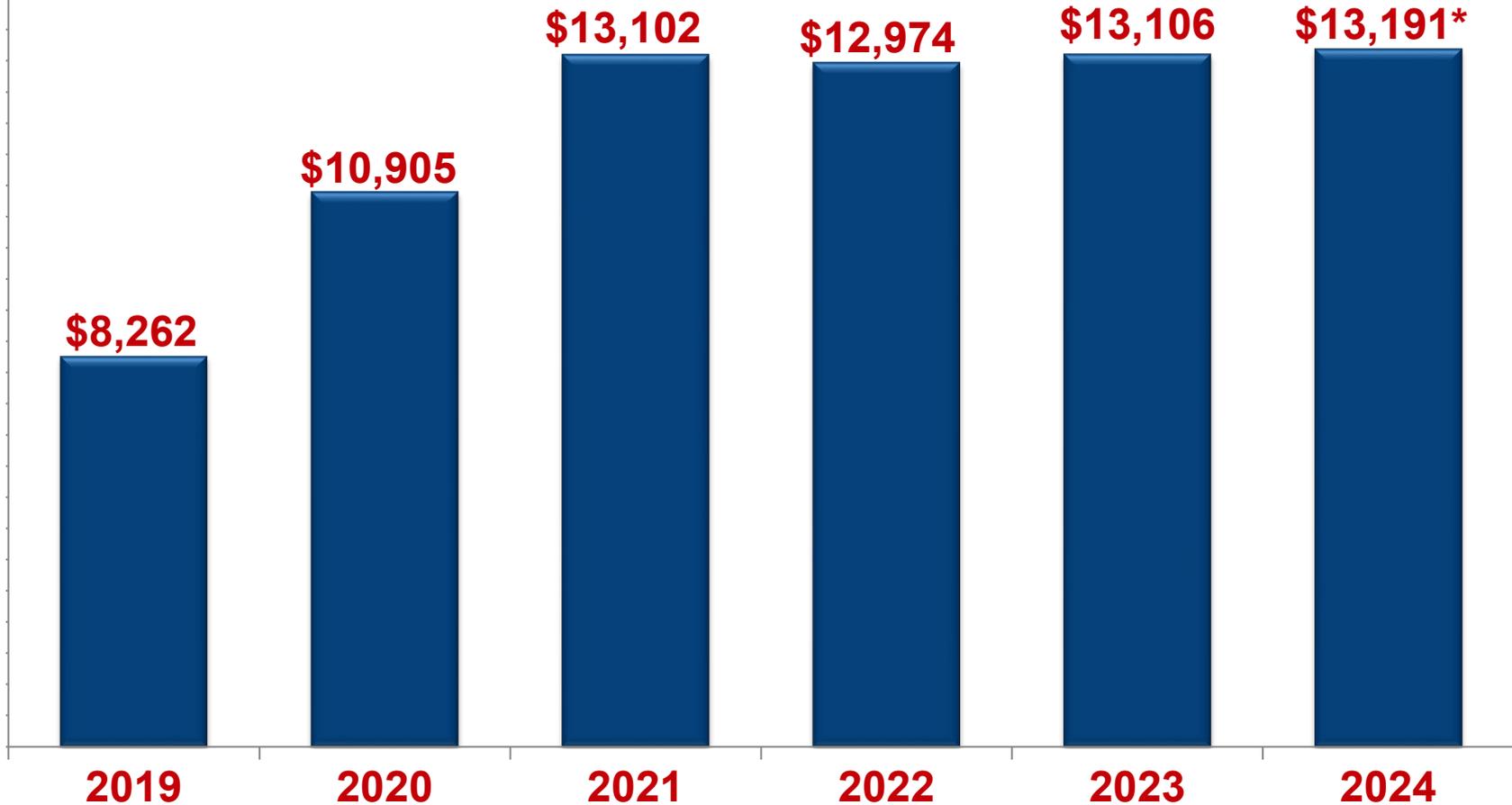
	Years with Company	Years in Industry
<b>Marelyn Shedd, Abilene</b>	33	41
<b>Candice Kanady, Eastland</b>	23	23
<b>Joseph Crouch, Sweetwater</b>	6	28
<b>Chris Evatt, San Angelo</b>	23	23
<b>Austin Elsner, Cleburne</b>	6	23
<b>Trent Swearingin, Stephenville</b>	24	26
<b>Justin Hooper, Weatherford</b>	20	31
<b>Shelby Bruhn, Southlake</b>	2	23
<b>Blain Caillier, Southeast Texas</b>	13	13
<b>Chris Baughman, Conroe</b>	8	41
<b>Marcus Morris, Fort Worth</b>	14	16
<b>Shelley Dacus, Kingwood</b>	6	21
<b>Nora Thompson, Bryan/College Station</b>	4	33

# Asset Performance

## Total Asset Growth

(in millions)

\*As of Mar. 31, 2024

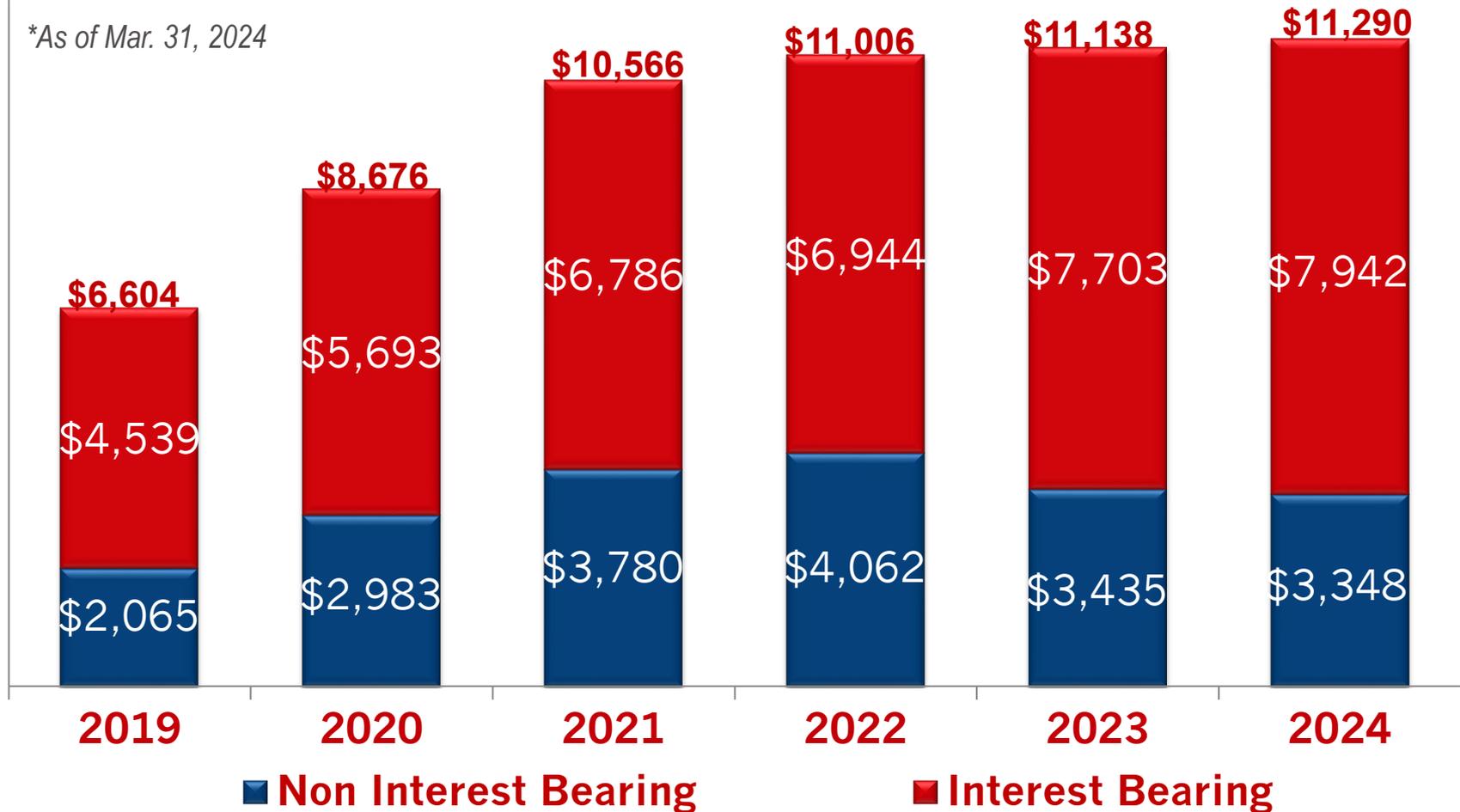


# Total Deposit Growth

## Growth in FFIN Total Deposits

(in millions)

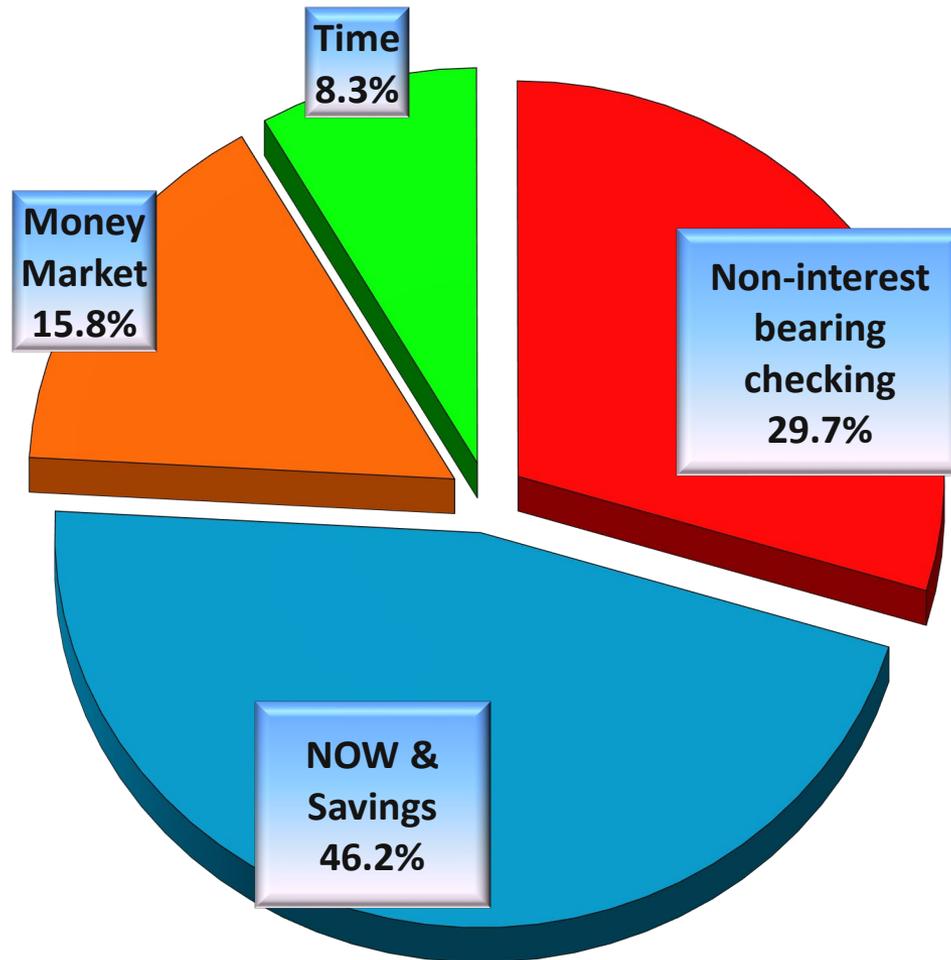
\*As of Mar. 31, 2024



# Deposit Products - \$11.3 Billion\*



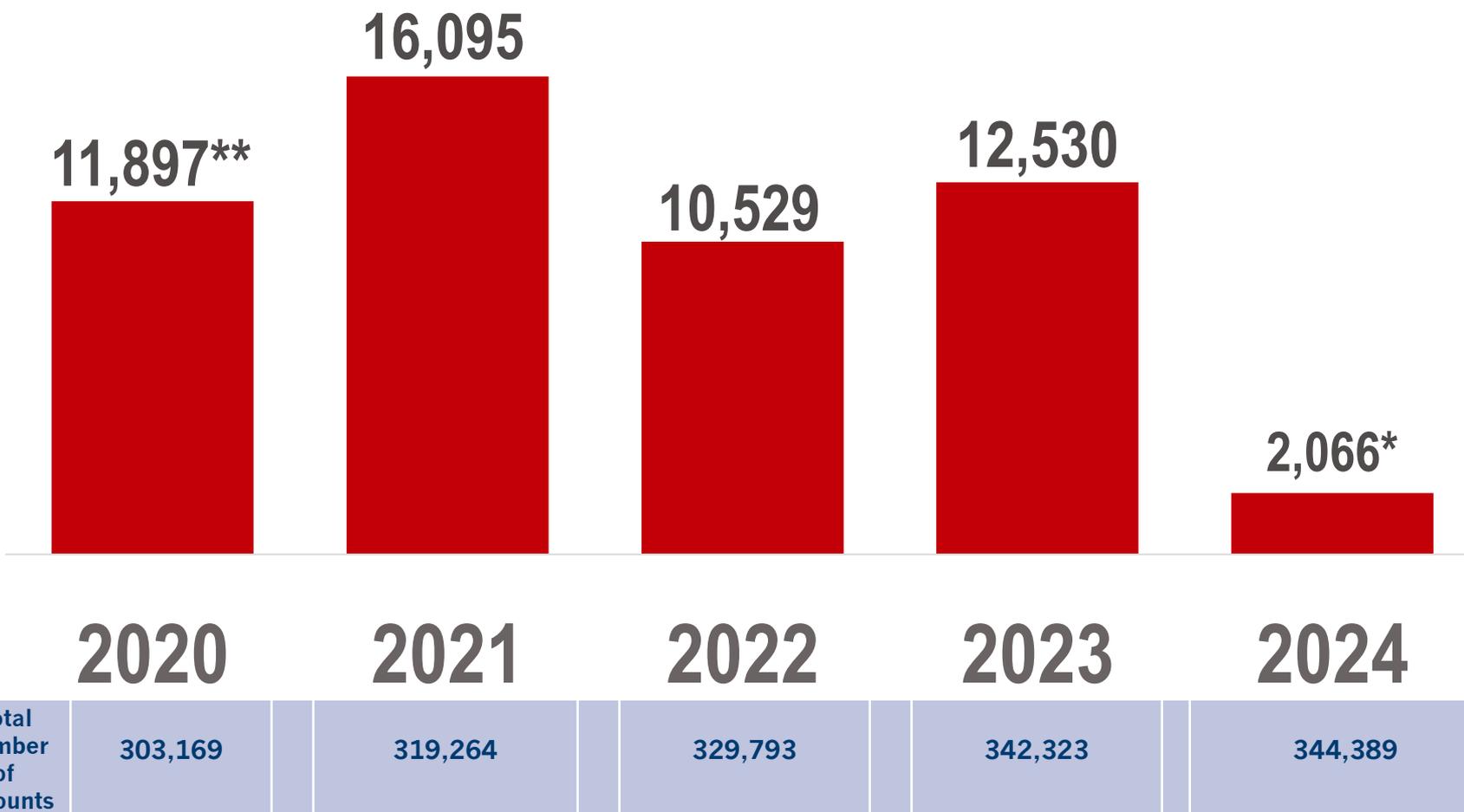
\*As of Mar. 31, 2024



# Deposit Account Growth



\*As of Mar. 31, 2024



\*\*(Excluding Bryan/College Station Acquisition)

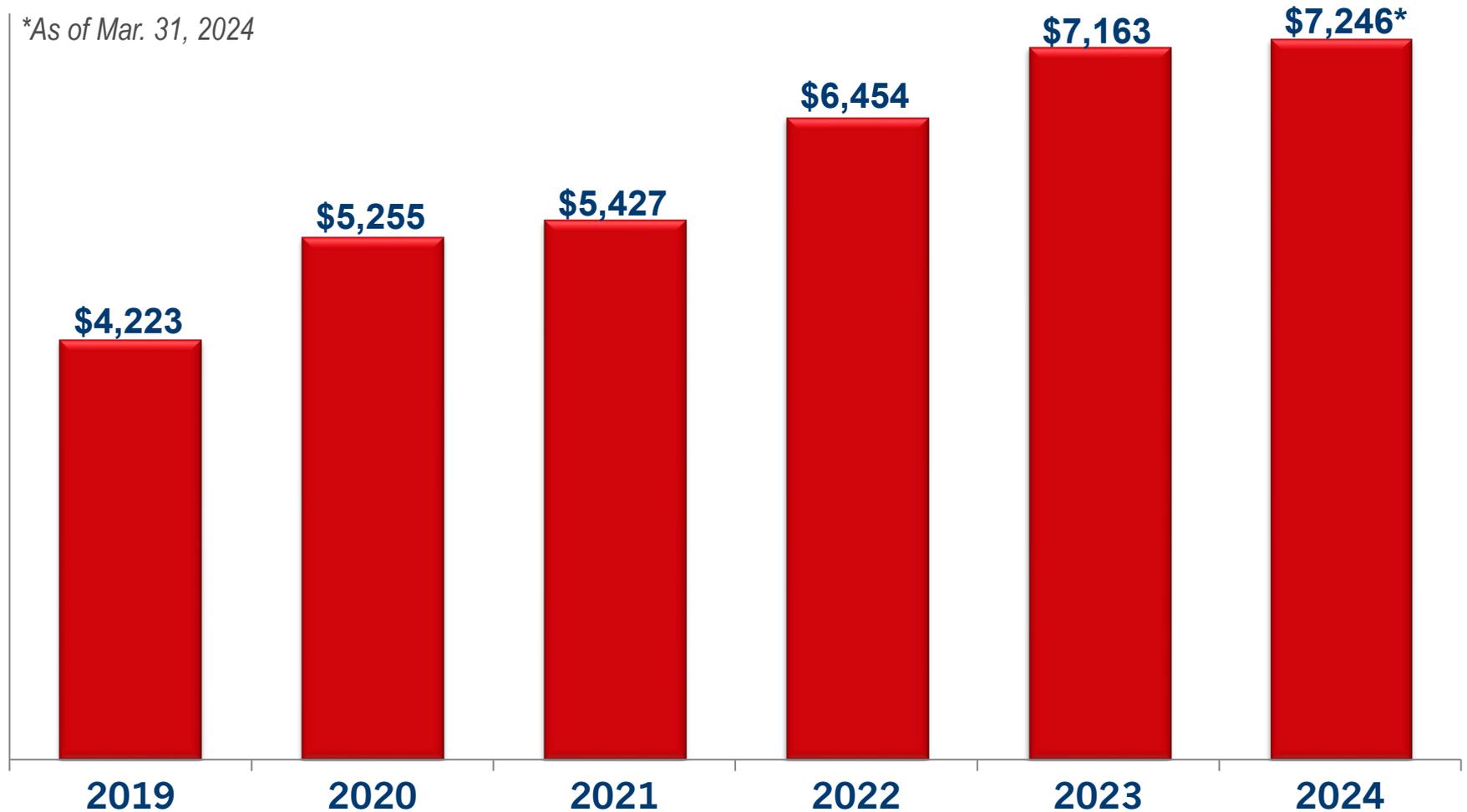
# Loan Performance



## Growth in FFIN Total Loans

(in millions)

\*As of Mar. 31, 2024



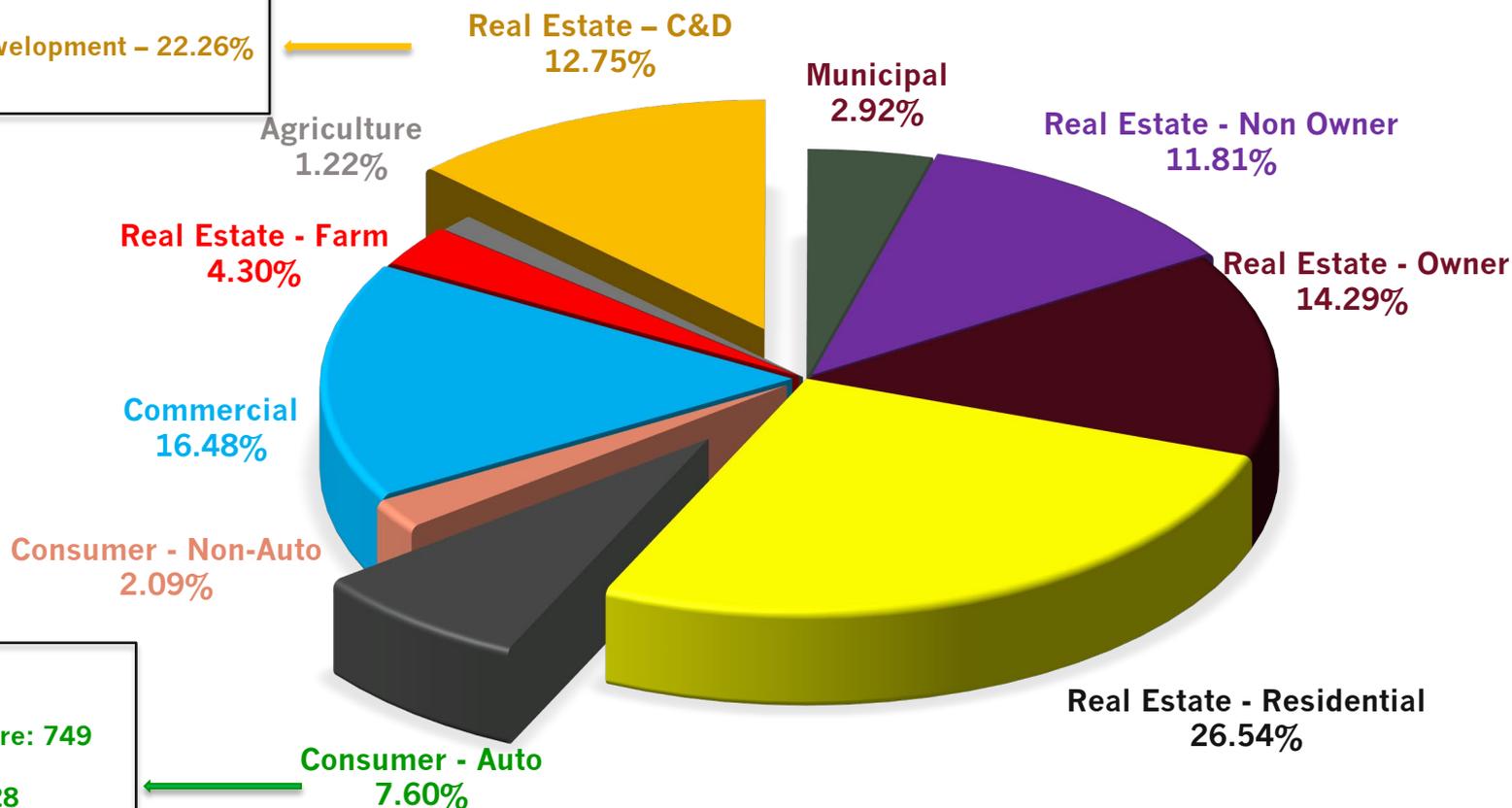
# Overview of Loan Portfolio – \$7.2 Billion



## Real Estate – C&D:

Residential Development – 77.74%

Commercial Development – 22.26%



## Consumer – Auto:

Average FICO Score: 749

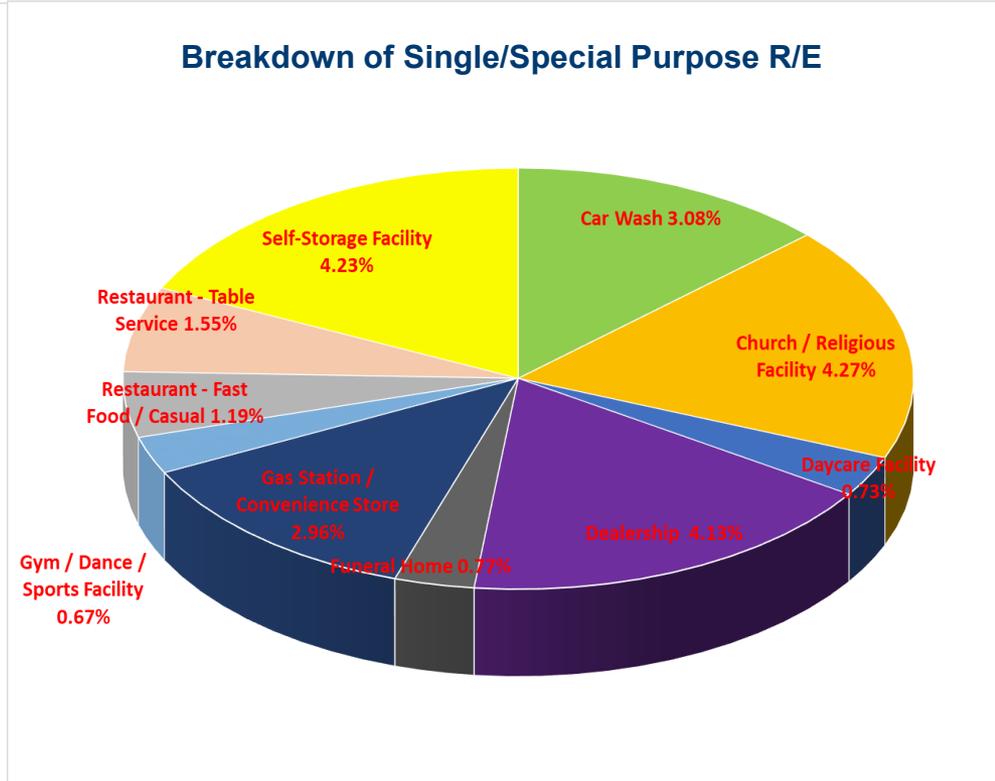
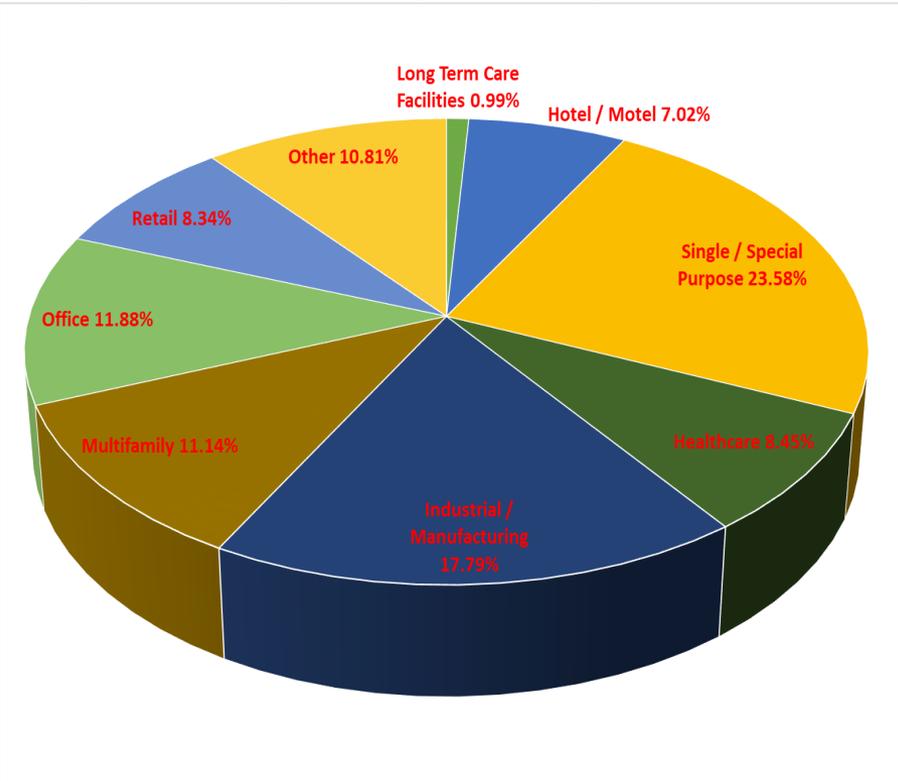
Average DTI: 28.28

Average LTV: 80.51

# Commercial R/E Overview



- ❖ Diversified mix of CRE by Property type
- ❖ Balanced portfolio across all of Texas, less than 2% of loans are located outside of the State
- ❖ Excellent credit quality, 2.48% of CRE loans are classified and less than 0.5% are non-performing (as a percentage of total CRE loans)



# Loan to Deposit Ratio



*\*As of Mar. 31, 2024*

	2019	2020	2021	2022	2023	2024*
End of Period	64.0	60.6	51.4	58.6	64.3	64.2
Peer Group	90.9	79.4	72.8	80.9	83.9	-

# Sound Lending Practices



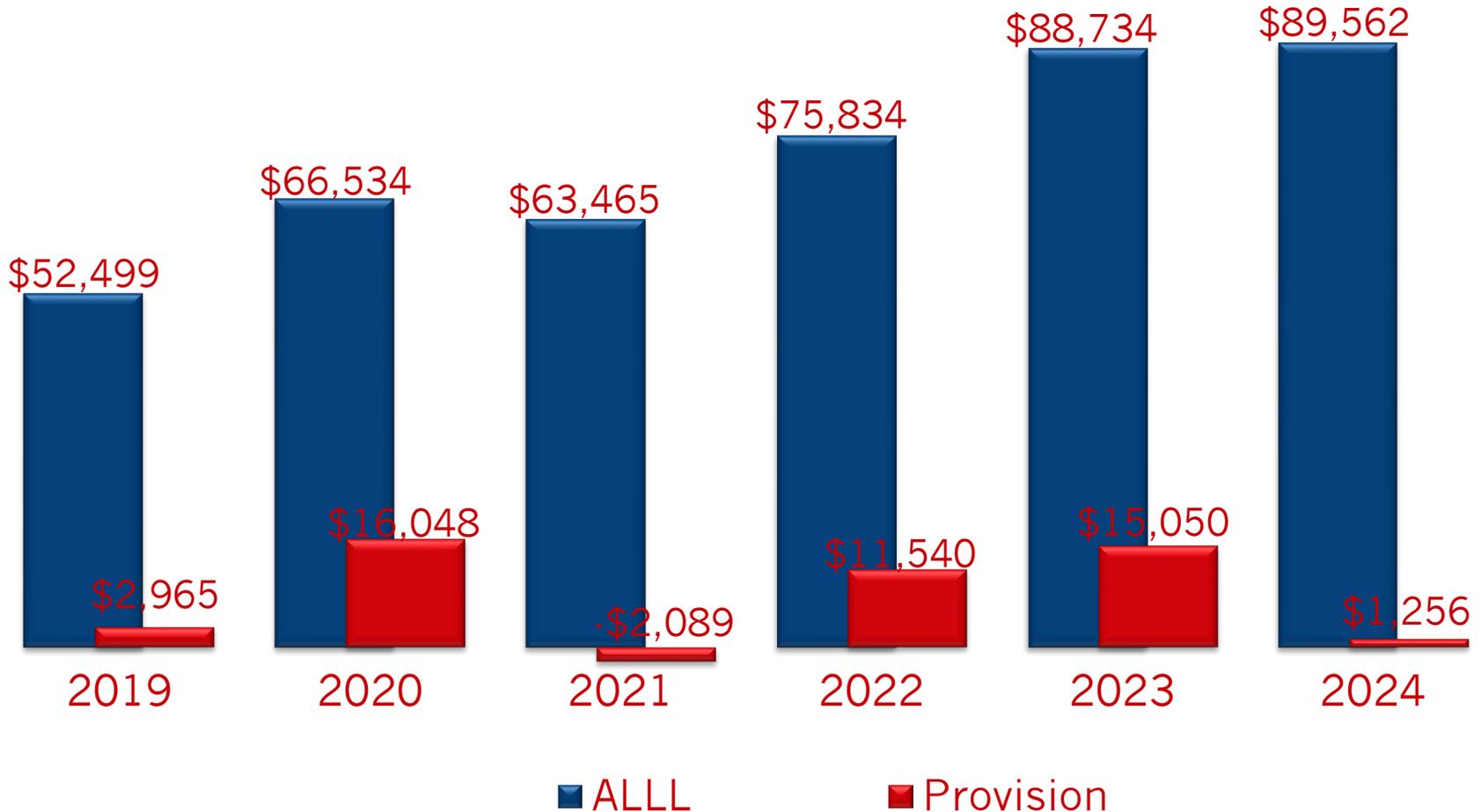
\*As of Mar. 31, 2024

\*\*As of Dec. 31, 2023

Nonperforming assets as a percentage of loans + foreclosed assets					<i>(FFIN vs. Peers)</i>	
	2019	2020	2021	2022	2023	2024
First Financial	0.61%	0.83%	0.63%	0.38%	0.49%	0.51%*
Peer Group	0.78%	0.97%	0.71%	0.59%	0.75%**	

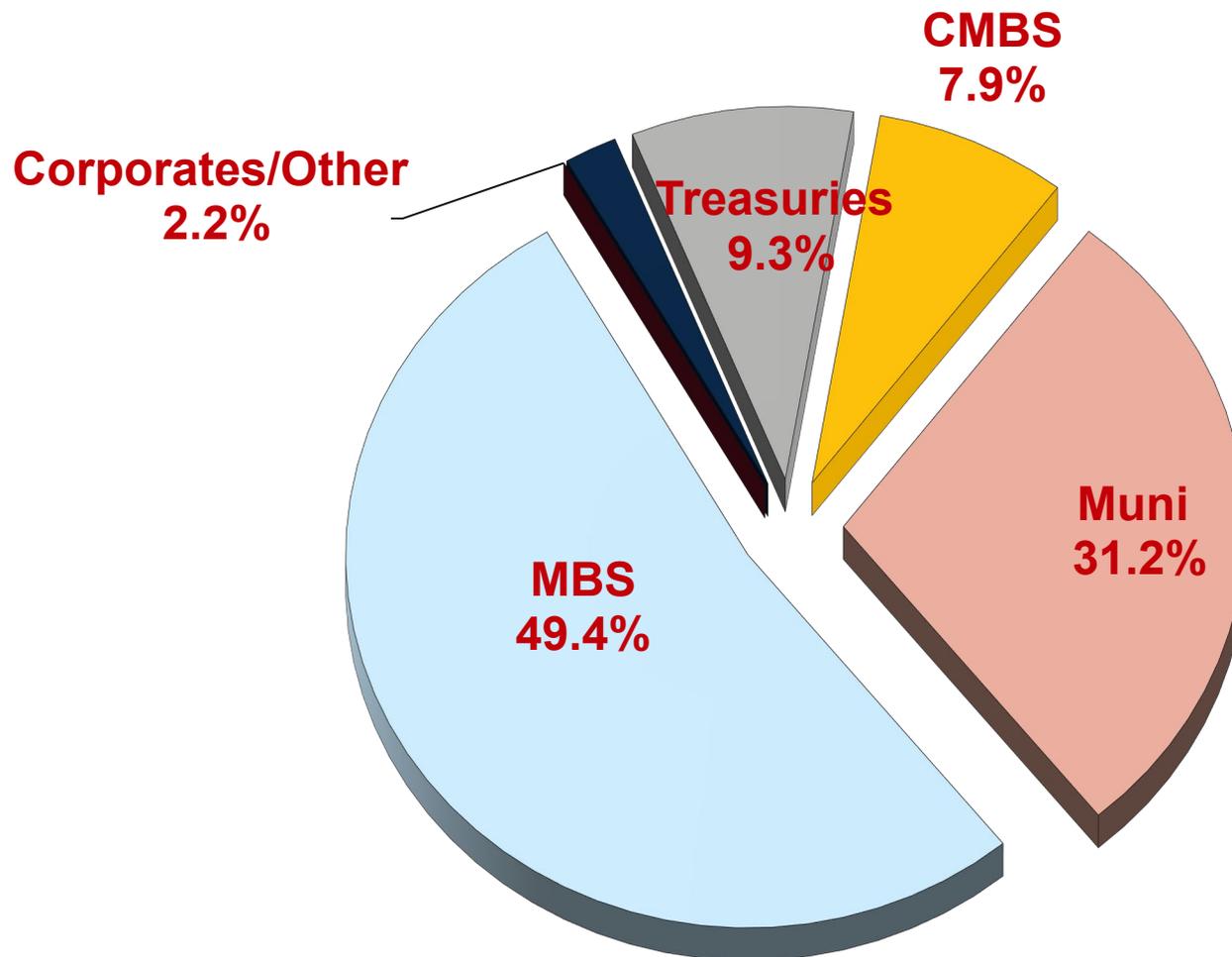
# Allowance for Credit Losses and Provision for Loan Losses\*

(in thousands)



\*Excludes reserve and provision for unfunded commitments.

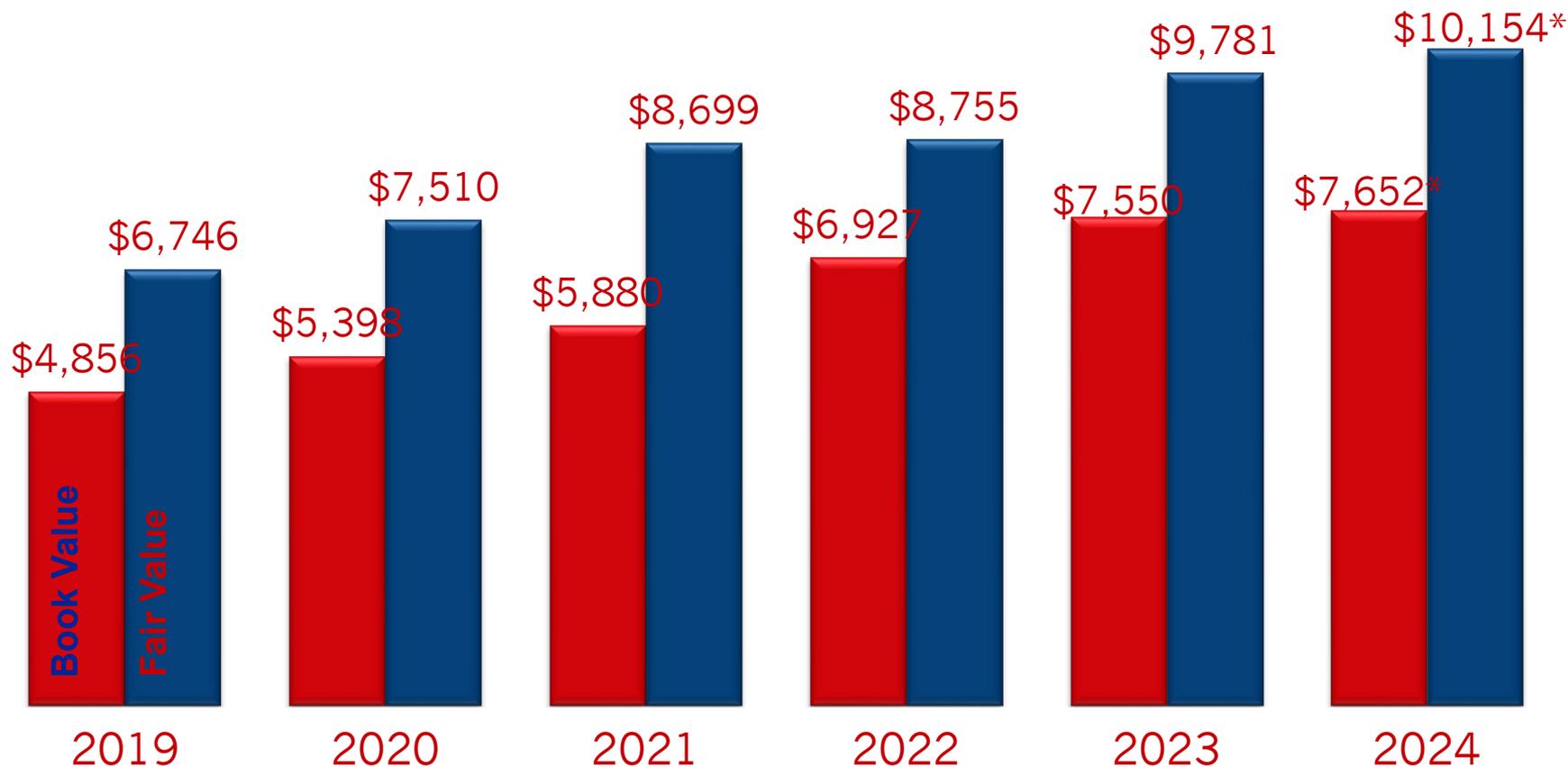
# Summary of Bond Portfolio - \$4.66 Billion\*



# Growth in Trust Assets

## Total Trust Assets – Book Value / Fair Value (in millions)

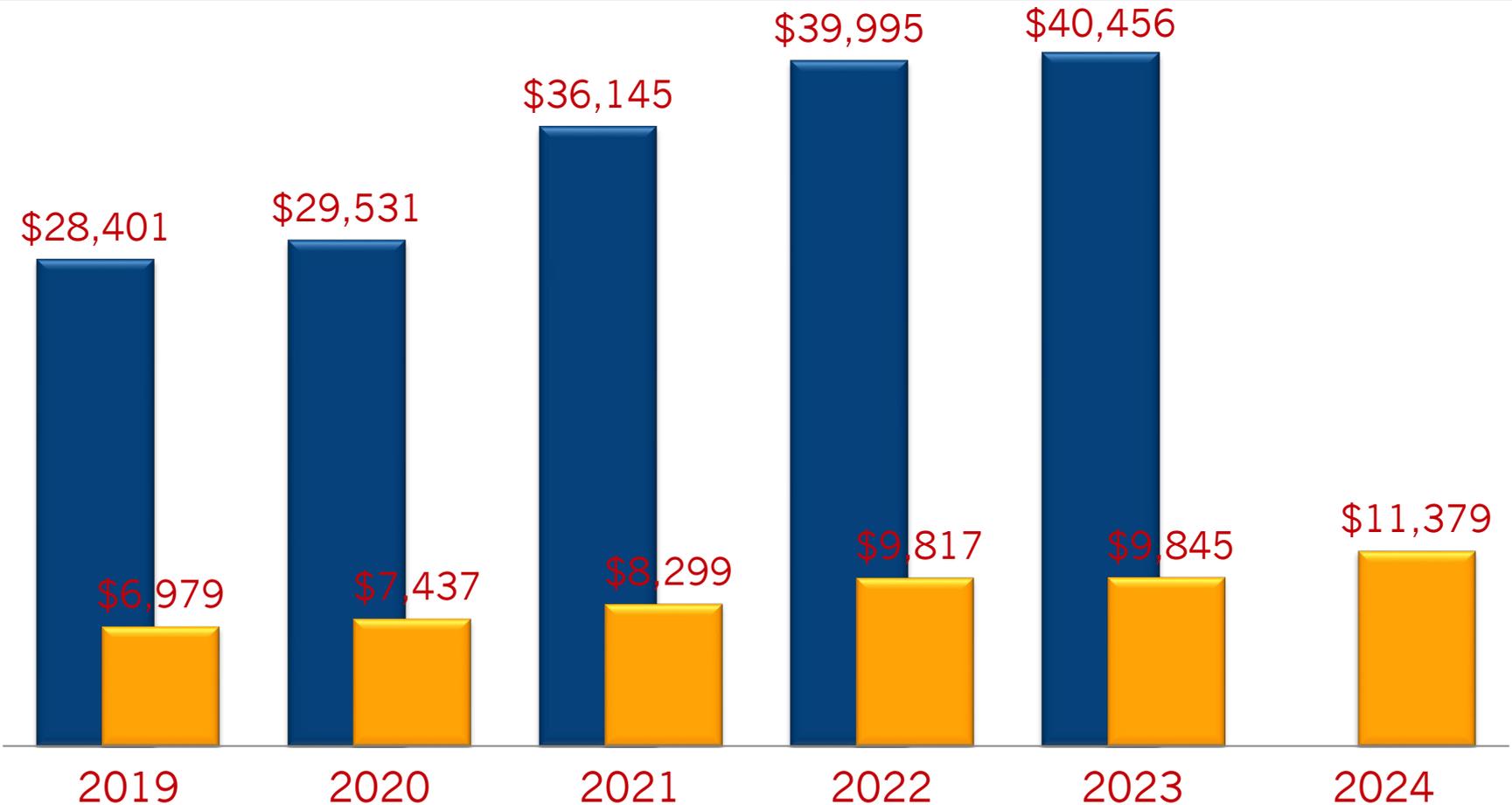
\*As of Mar. 31, 2024



# Total Trust Fees



**Growth in FFTAM Fees** *(Full year and 1st 3 months)* *(in thousands)*

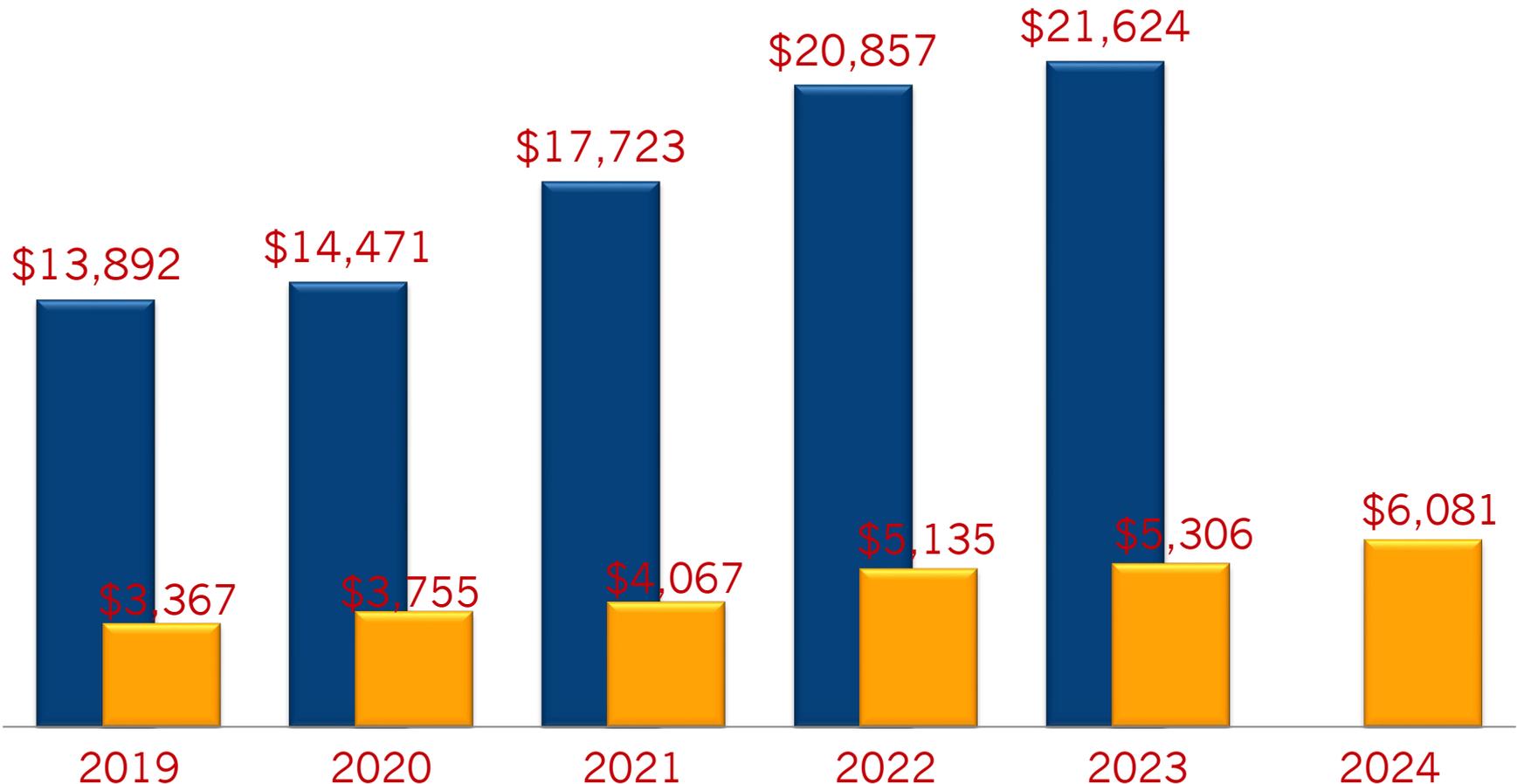


# Total Trust Net Income



## Growth in FFTAM Net Income

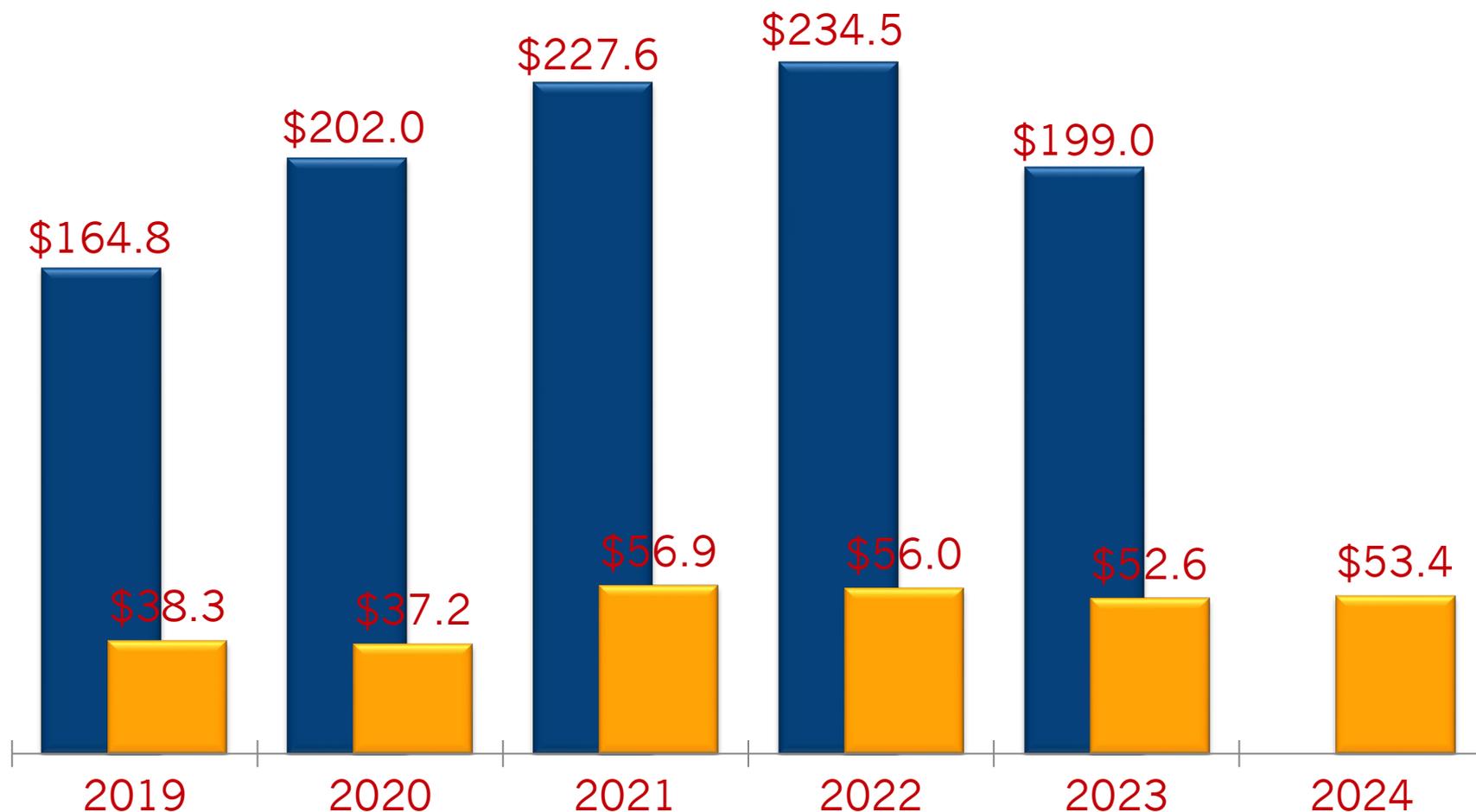
(in thousands)



# Strong Historical Earnings

## FFIN Earnings

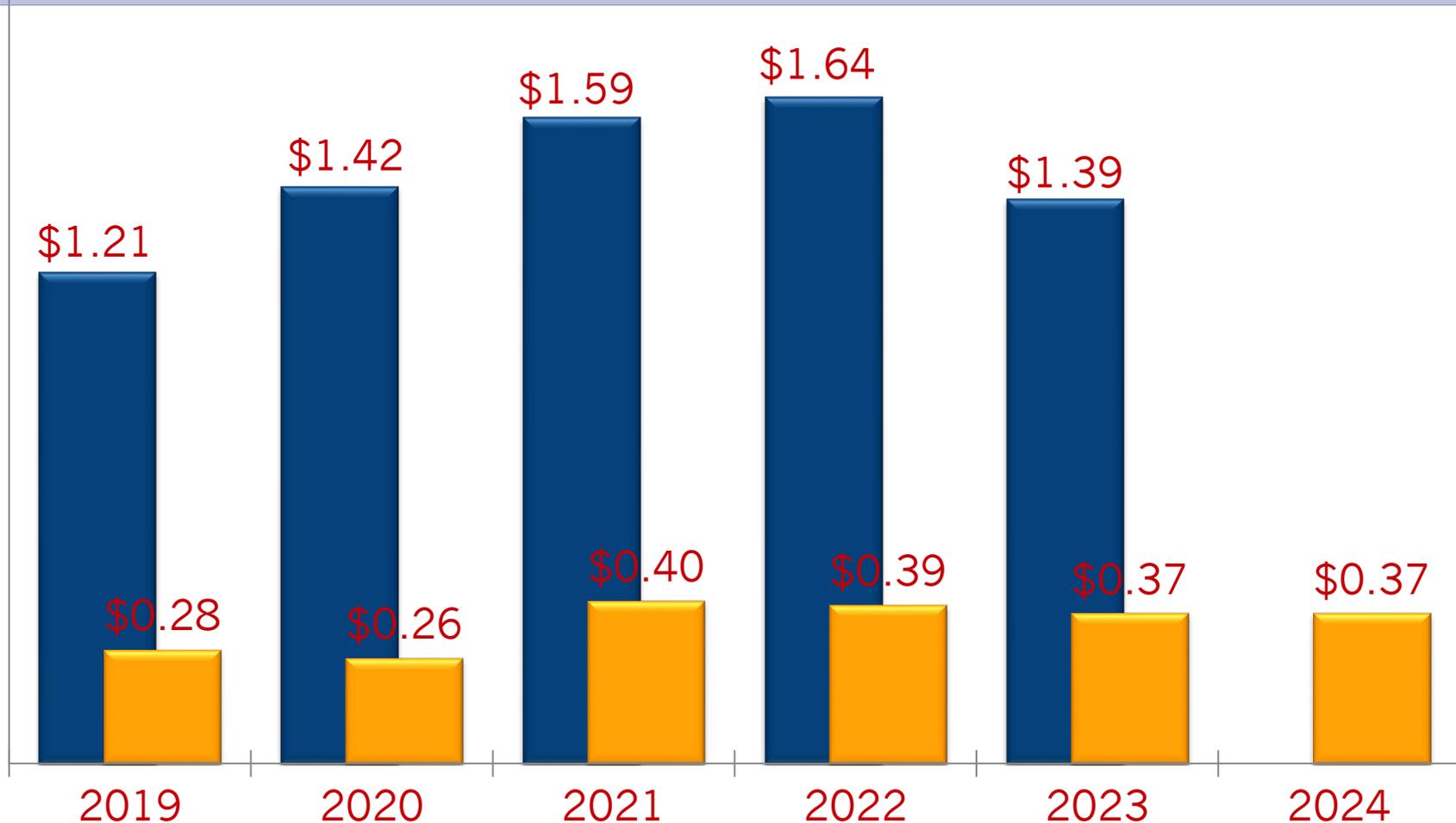
(in millions)



# Strong Shareholder Earnings

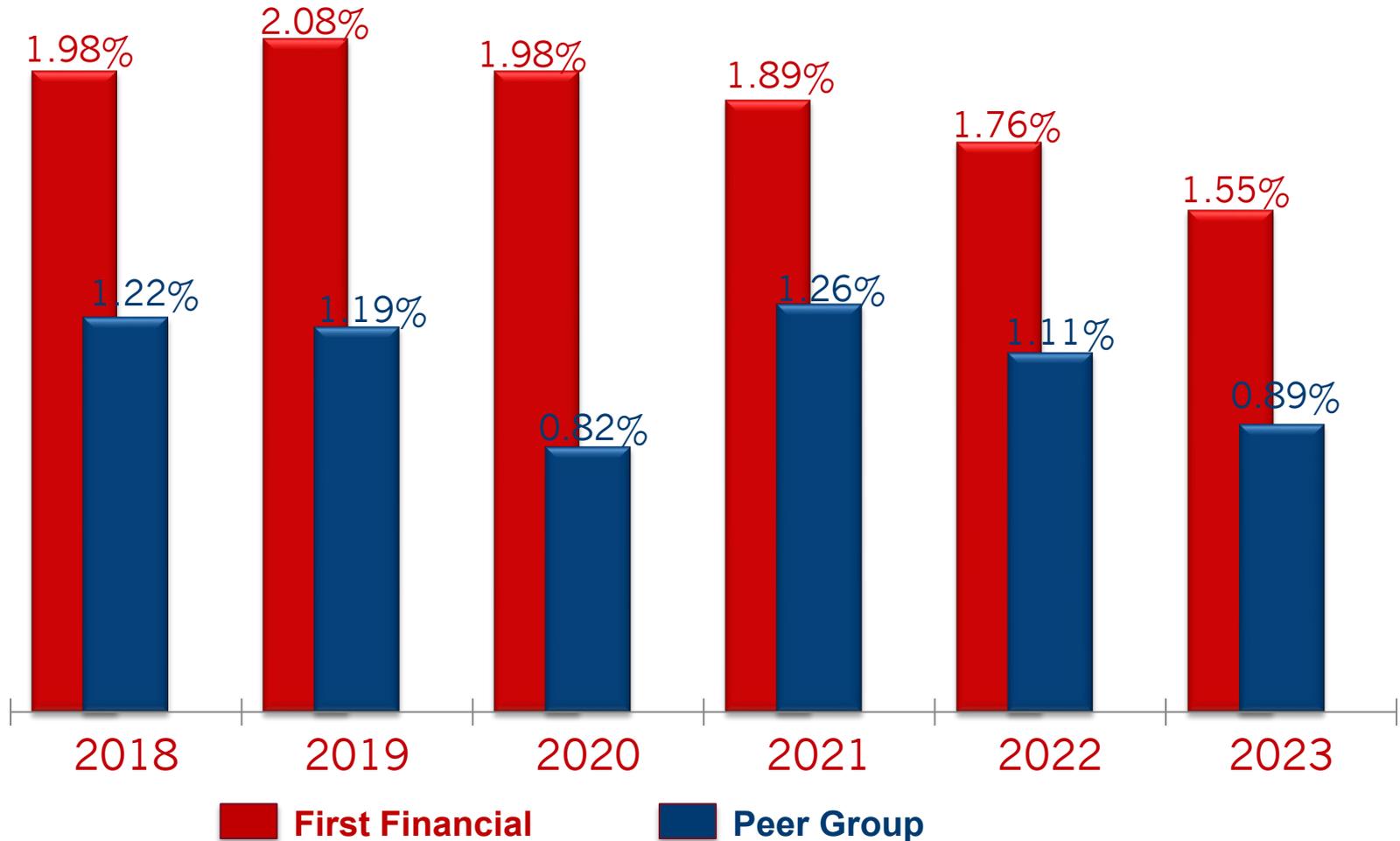


## Diluted Earnings Per Share



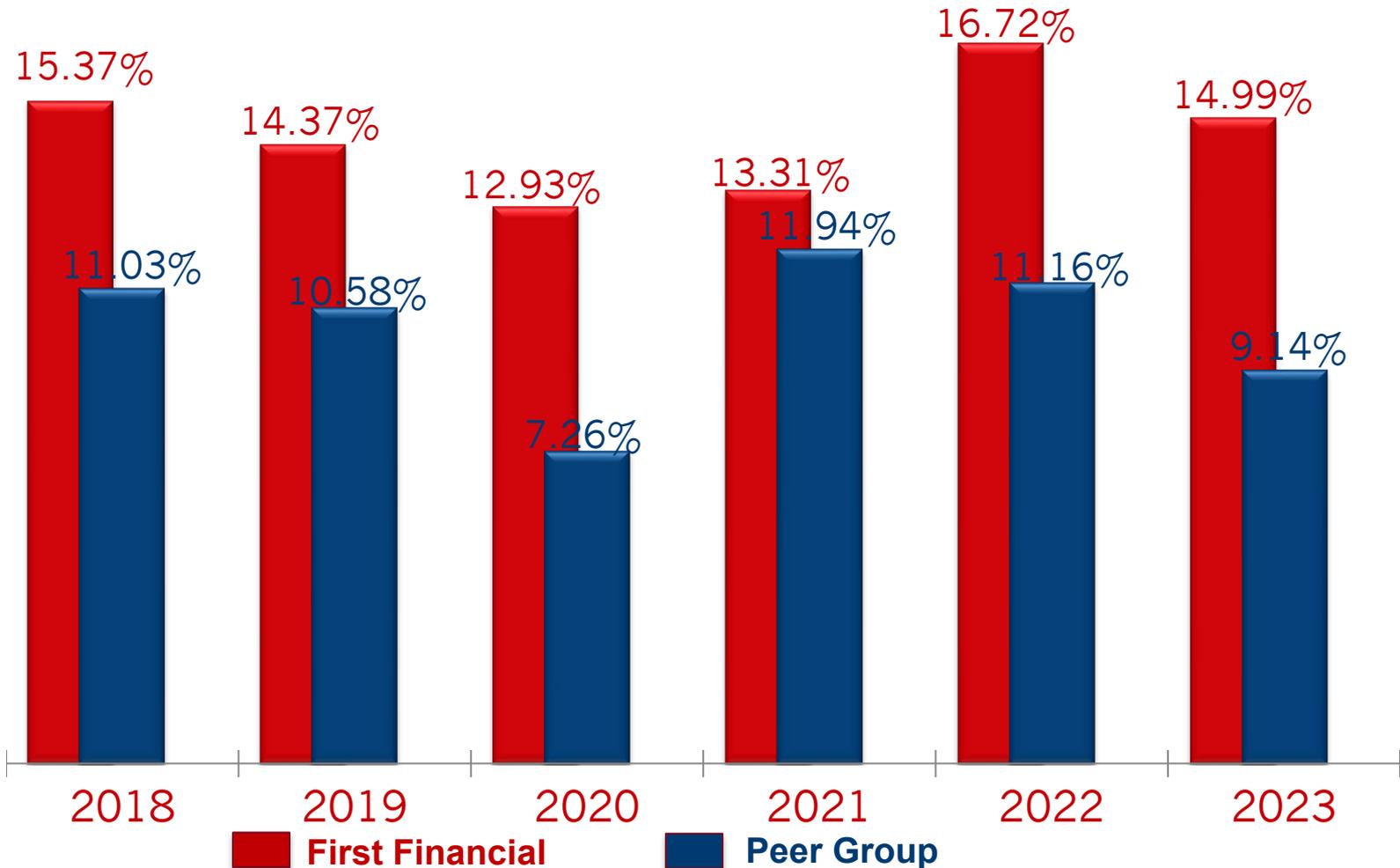
# FFIN Outperforms Peers

## Return on Average Assets



# Strong Return on Capital

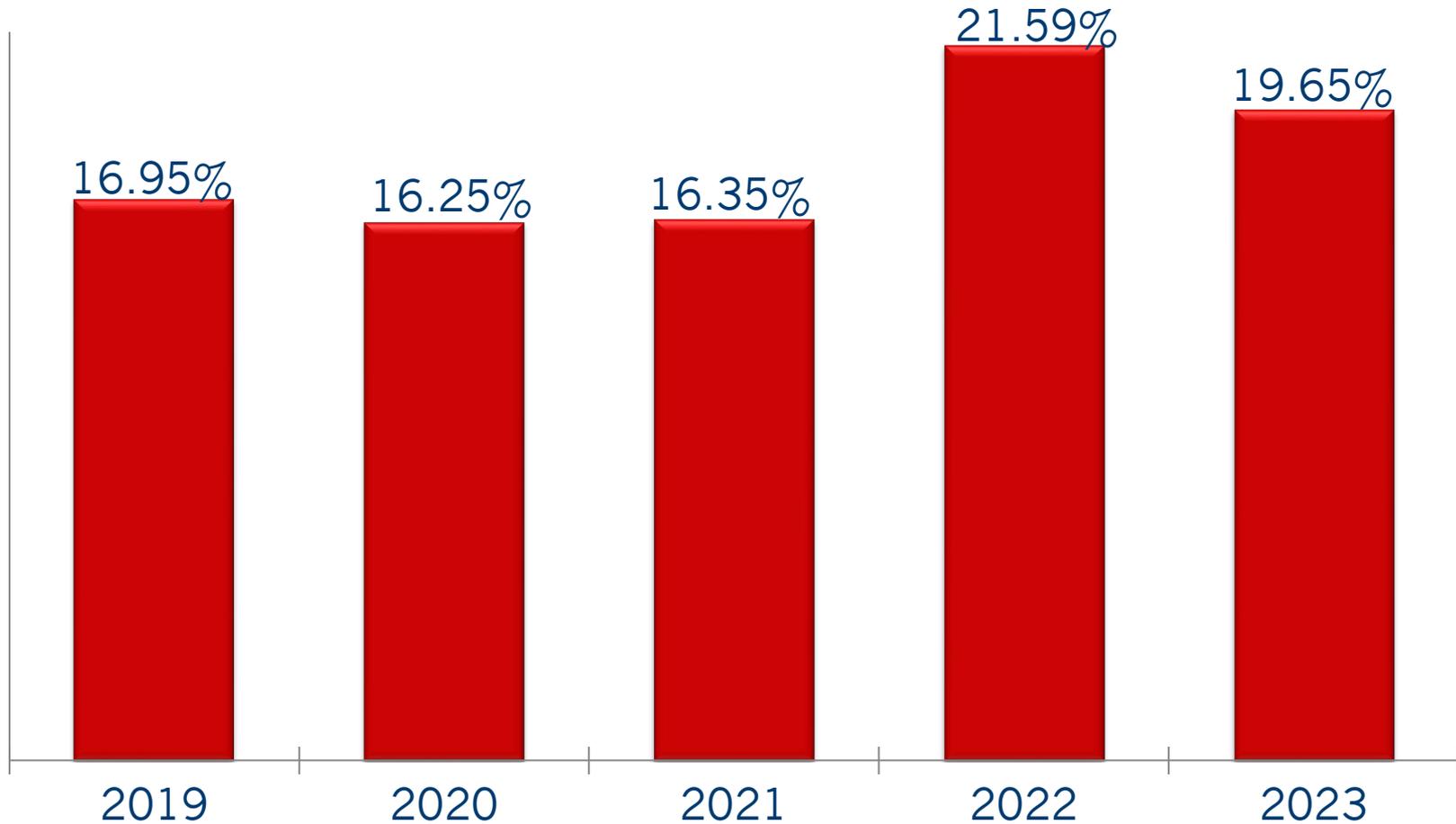
## Return on Average Equity



# Strong Return on Capital



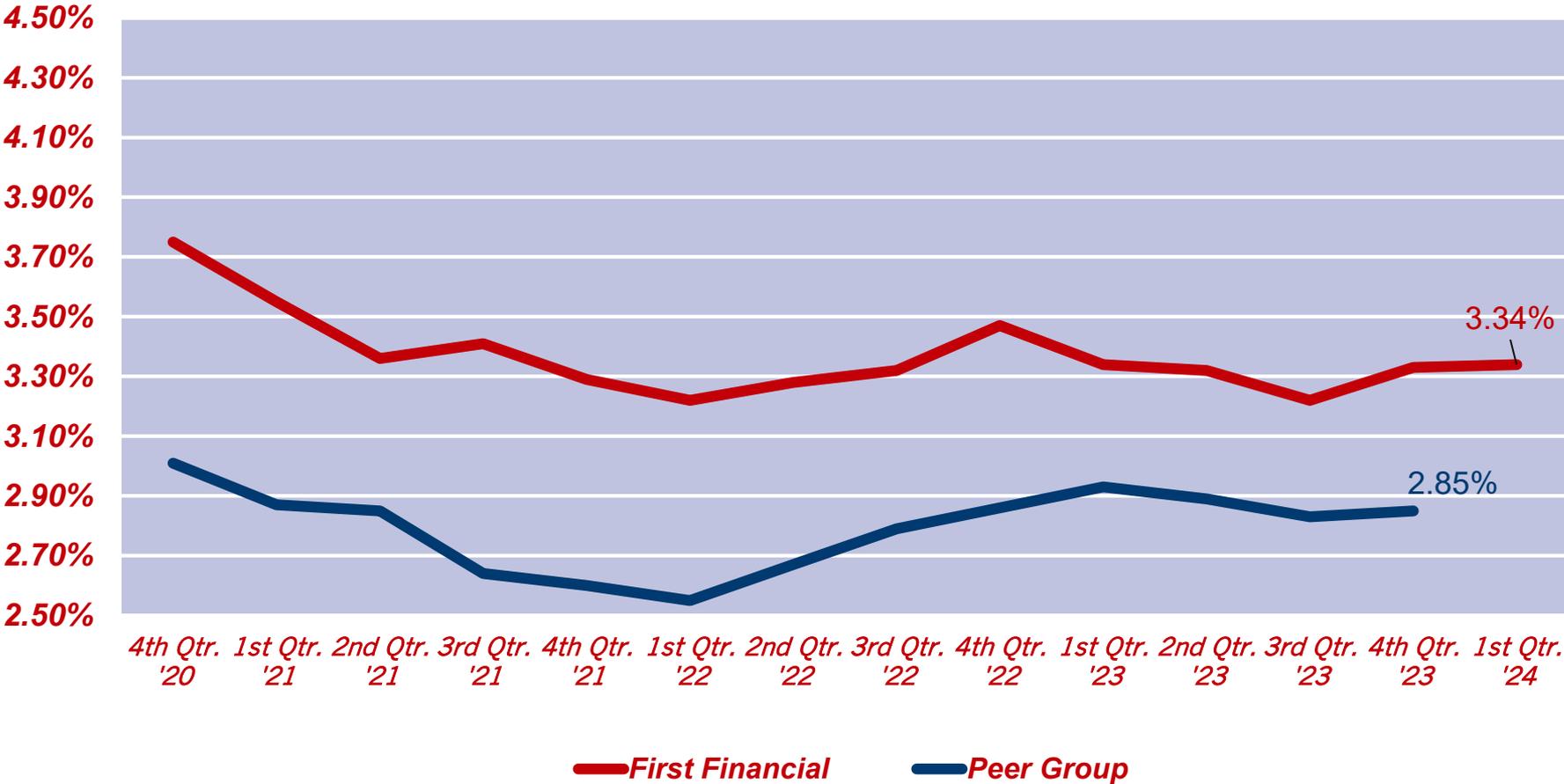
## Return on Average Tangible Equity



# Net Interest Margin



## Quarterly Interest Margin



# Uninsured/Uncollateralized Deposits



*Total Deposits - \$11.3 Billion*

## Uninsured / Uncollateralized Percentage

# 30.50%

Deposits as of March 31, 2024

## First Financial Average Account Balance: \$33 Thousand

## Coverage Ratio of Uninsured and Uncollateralized Deposits

Total Deposits	11,289,808
Less: Insured and/or Collateralized Deposits	<u>7,845,956</u>
Total Deposits – Uninsured / Uncollateralized	3,443,852
Estimated Liquidity Available for Uninsured Deposits:	
Cash & Cash Equivalents	600,161
FHLB and Fed Discount Window Availability	2,352,775
Fed Funds Lines and other lines of credit	155,000
Bonds available for pledging	2,094,218
Estimated Liquidity Available for Uninsured Deposits	5,202,154
Coverage Ratio of Uninsured and Uncollateralized Deposits	1.51%

# Working Smarter



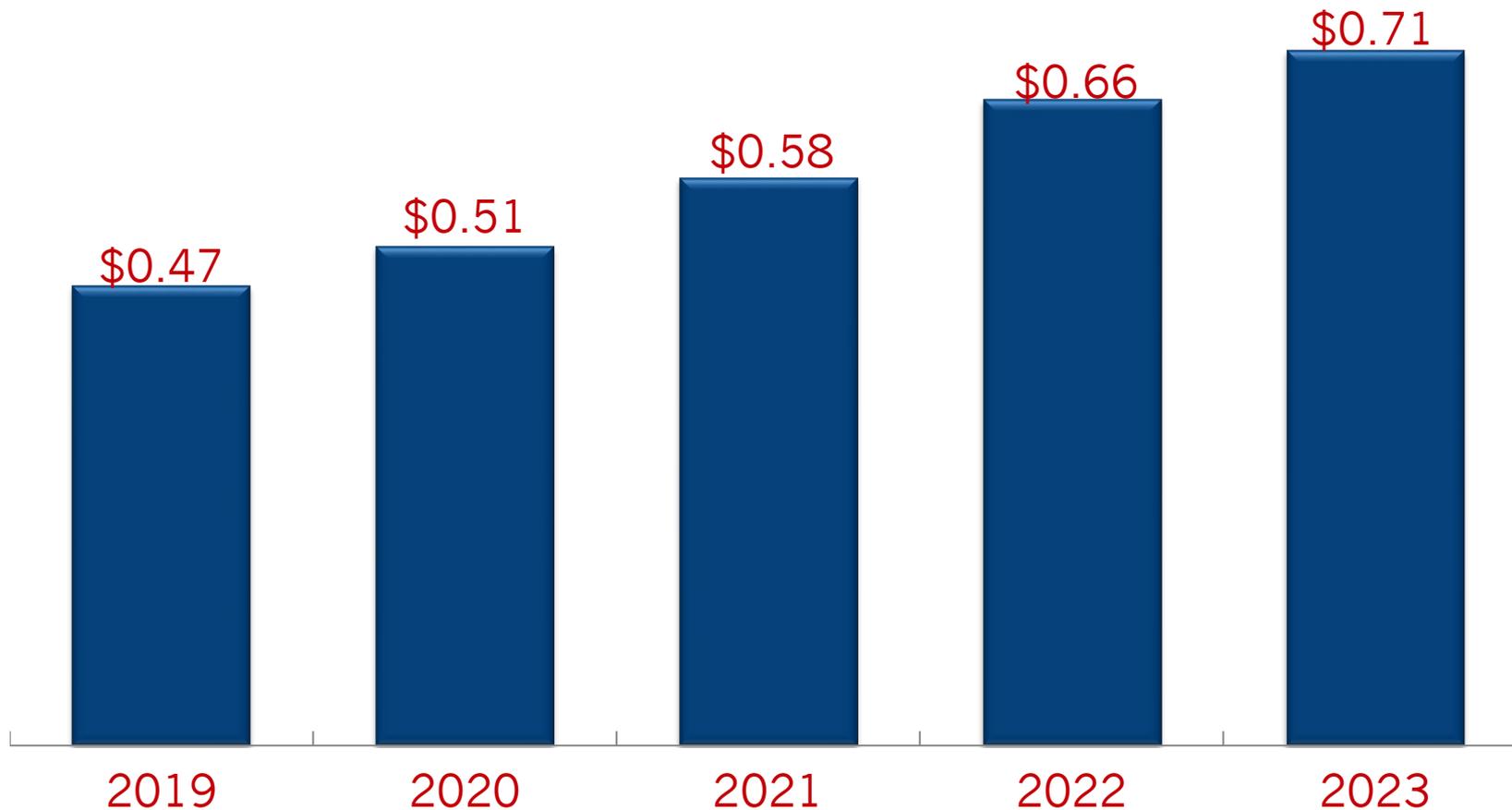
Efficiency Ratio		<i>(FFIN vs. Peers)</i>				
	2019	2020	2021	2022	2023	2024
<b>First Financial</b>	<b>48.61%</b>	<b>45.49%</b>	<b>45.84%</b>	<b>42.77%</b>	<b>47.26%</b>	<b>48.37%*</b>
<b>Peer Group</b>	<b>59.91%</b>	<b>61.85%</b>	<b>58.80%</b>	<b>57.36%</b>	<b>62.76%**</b>	

\*For the three-months ended  
Mar. 31, 2024

\*\*For the twelve-months ended  
Dec. 31, 2023

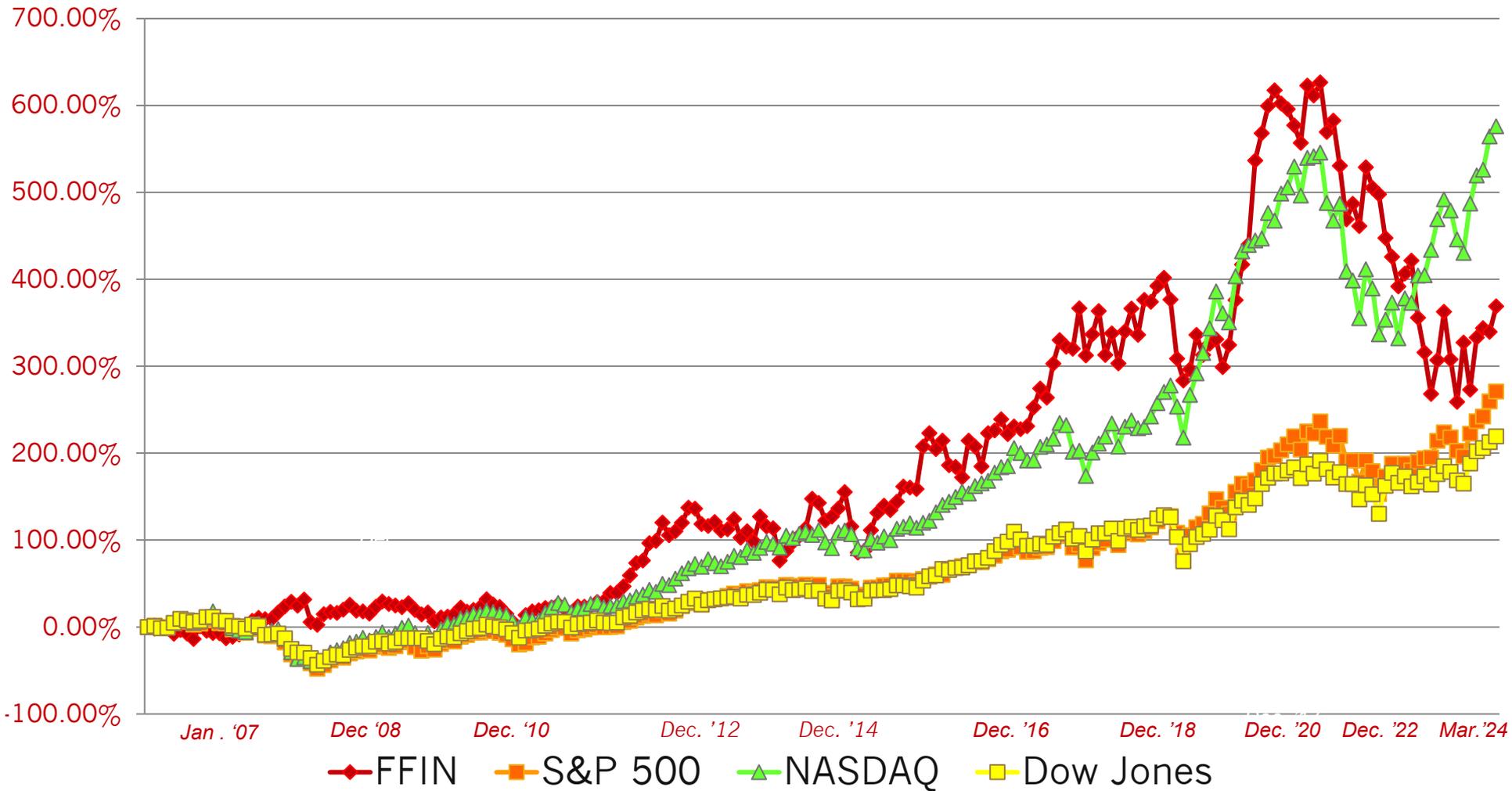
# Dividends Per Share

## Annual Dividends Declared Per Share



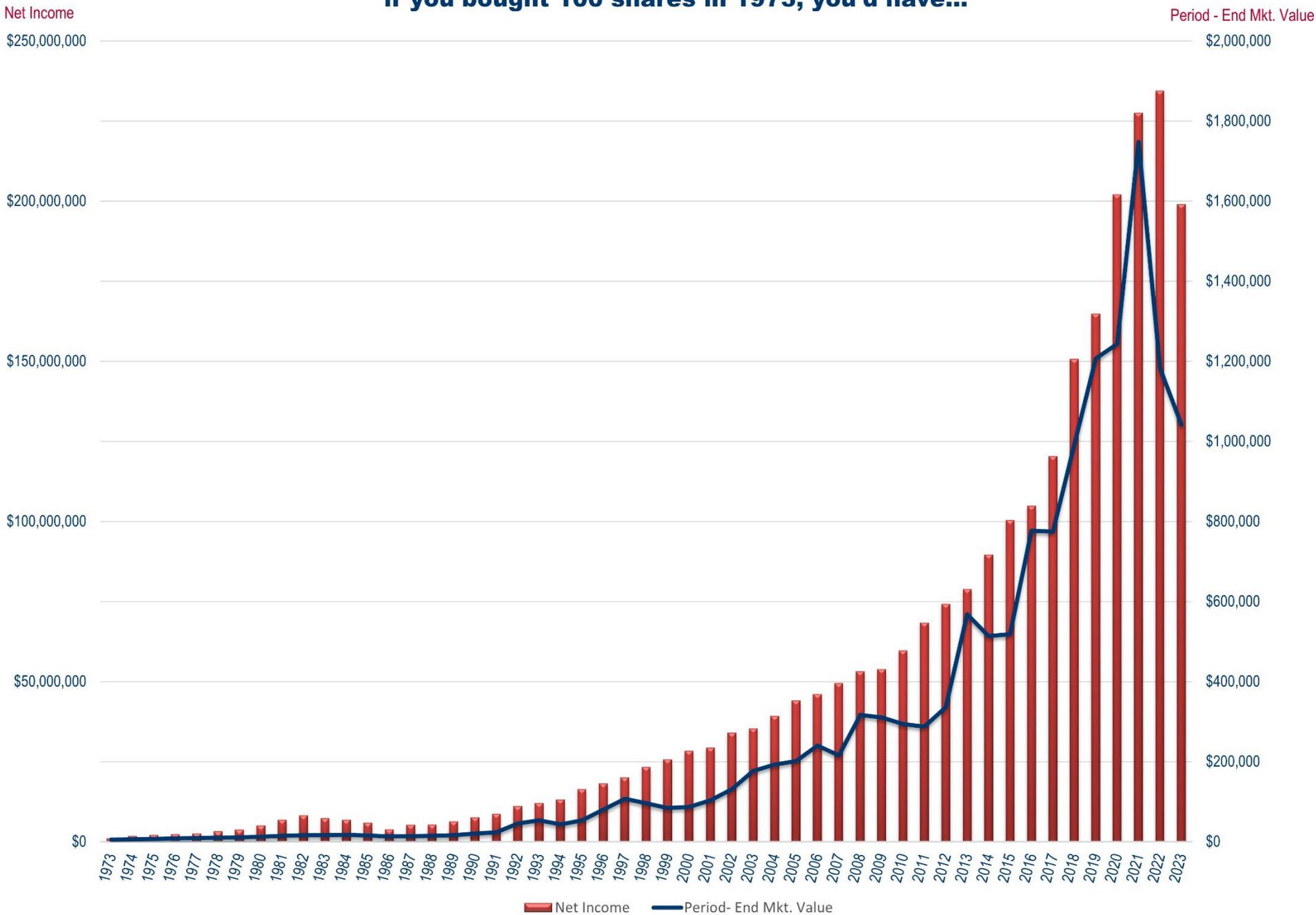
\*Note: Increased quarterly dividend to \$0.18 per quarter payable on July 3, 2023.

# Strong Stock Performance



# Stock Performance

## if you bought 100 shares in 1973, you'd have...



**FIRST FINANCIAL BANKSHARES, INC.™**