# First Horizon National Corporation

## Debt Investor Presentation

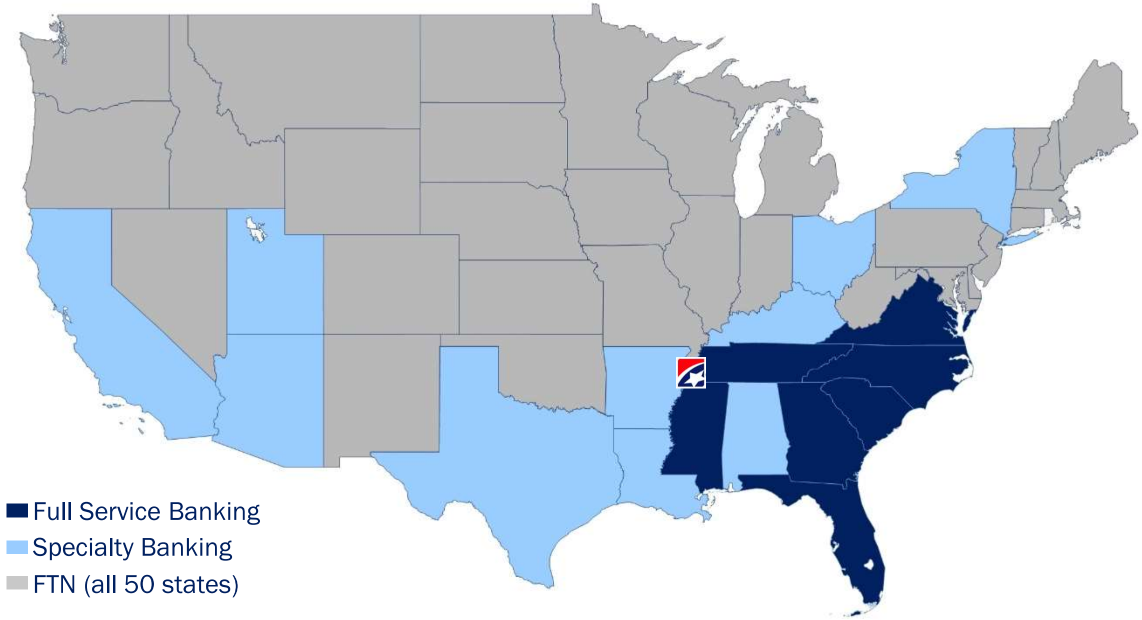
November 16, 2018

*Portions of this presentation use non-GAAP financial information. Each of those portions is so noted, and a reconciliation of that non-GAAP information to comparable GAAP information is provided in a footnote or in the appendix at the end of this presentation. Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results. This presentation also includes certain non-GAAP financial measures related to "tangible common equity" and certain financial measures excluding notable items, including merger-related charges. Notable items include certain revenue or expense items that may occur in a reporting period which management does not consider indicative of ongoing financial performance. Management believes it is useful for the investment community to consider financial metrics with and without notable items in order to enable a better understanding of company results, facilitate comparability of period-to-period financial results, and to evaluate and forecast those results. Although FHN has procedures in place to ensure that these measures are calculated using the appropriate GAAP or regulatory components, they have limitations as analytical tools and should not be considered in isolation, or as a substitute for analysis of results under GAAP. For more information on these calculations and to view the reconciliations to the most comparable GAAP measures, please refer to the appendix of this presentation.*

*This presentation contains forward-looking statements, which may include guidance, involving significant risks and uncertainties which will be identified by words such as "believe","expect","anticipate","intend","estimate", "should","is likely","will","going forward" and other expressions that indicate future events and trends and may be followed by or reference cautionary statements. A number of factors could cause actual results to differ materially from those in the forward-looking statements. These factors are outlined in our recent earnings and other press releases and in more detail in the most current 10-Q and 10-K. FHN disclaims any obligation to update any such forward-looking statements or to publicly announce the result of any revisions to any of the forward-looking statements to reflect future events or developments.*

# FHN: Strong, Diversified, and Differentiated

## Regional and National Footprint




## Key Highlights

| | |
|---|---|
| Market Cap | $6B |
| Assets | $41B |
| Deposits | $31B |
| Financial Centers | 292 |
| Employees | 5,554 |

### Full Service Banking

Retail Banking

Private Client-Wealth Advisory

Commercial Banking

Treasury Services

### Specialty Businesses

8 Commercially oriented businesses with deep specialty expertise

Fixed Income Sales and Trading

*Key Highlight figures are reported figures as of 9.30.18.*

# FHN Strategic Priorities

Dominate Tennessee

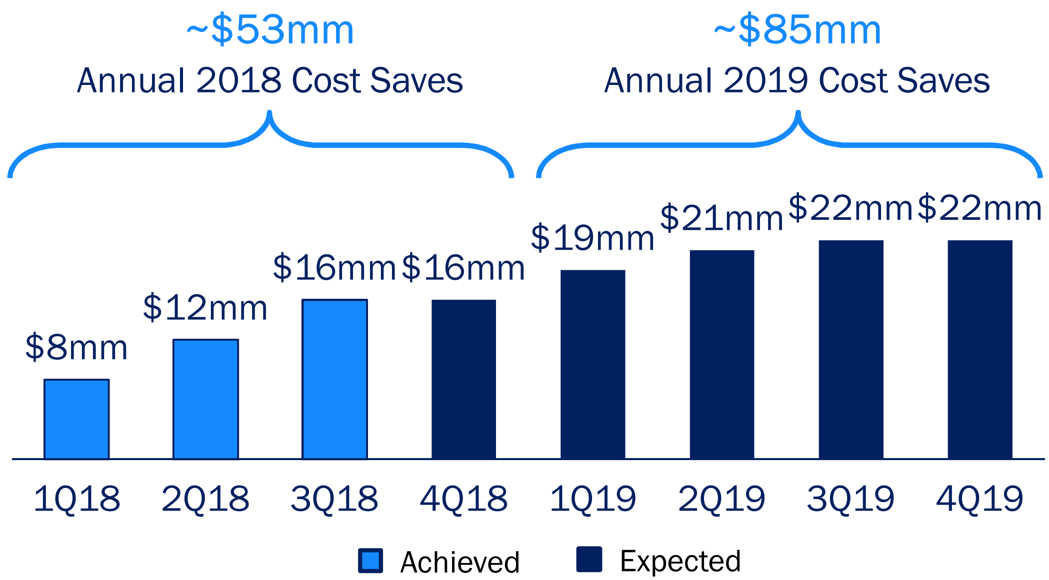
Profitably Grow Key Markets & Specialty Businesses

Transform the Customer Experience

Optimize the Expense Base

# We Are Delivering on Merger Efficiencies & Revenue Opportunities

Cost savings on track, 100% realization in 2019




Revenue synergies exceeding target and will continue to build

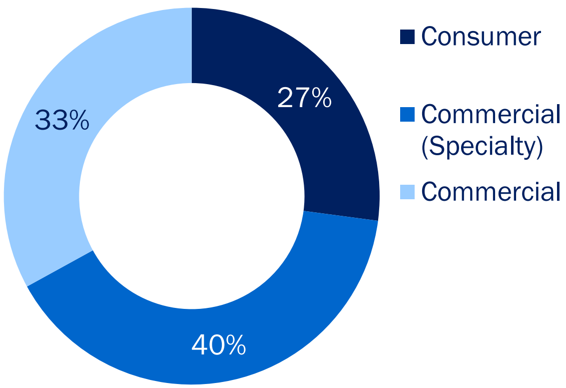
**$31mm**
Synergies Realized or In Process

- Additional Balance Sheet Capacity
- Specialty Lending
- Private Client/Mortgage Lending
- Treasury Services Penetration

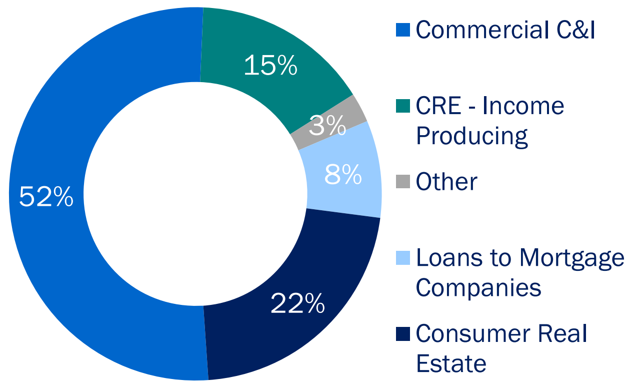
*Numbers may not add to total due to rounding.*
*Synergies are YTD annualized as of 3Q18.*

# Regional Banking

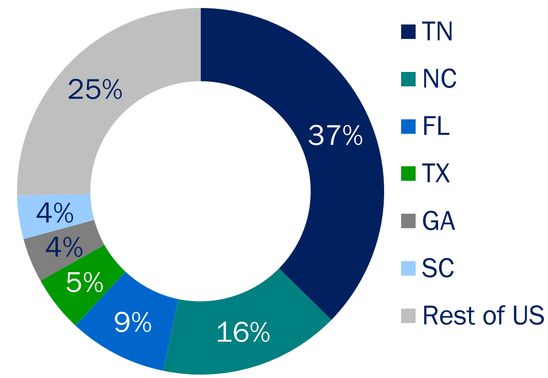
## Loans by LOB



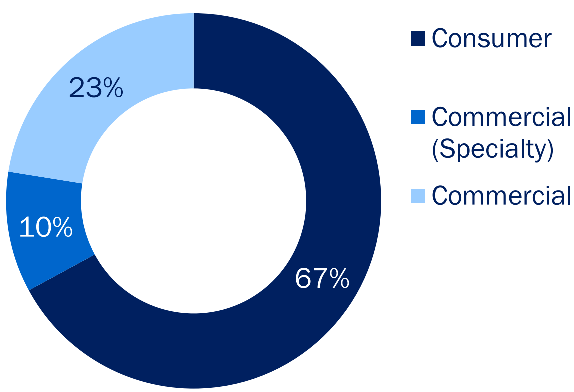

## Loans by Type



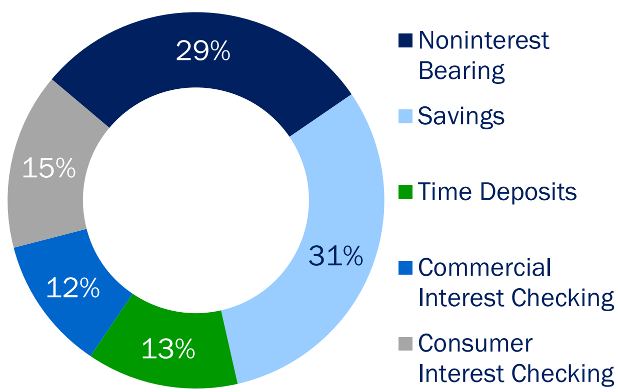

## Loans by Geography



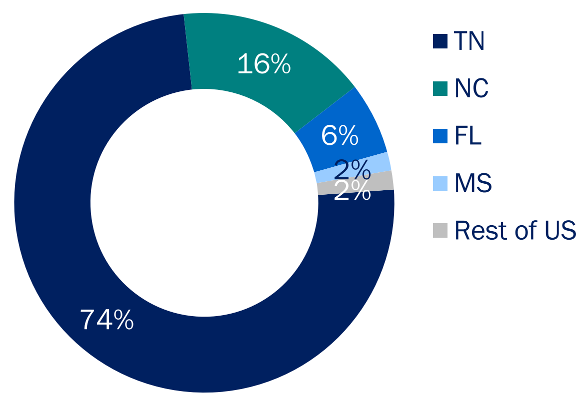

## Deposits by LOB




## Deposits by Type




## Deposits by Geography[1]




*Average 3Q18 balances unless otherwise noted.*
*[1]As of 6.30.18 FDIC data.*

# FTN Financial: Clear and Consistent for 90+ Years

## FTN Financial Value Proposition

We cultivate enduring relationships with our customers by providing a compelling combination of fixed income products and services to support their investment needs and overall balance sheet management activities.

### Extensive Distribution Platform

Allows FTN to provide issuers and investors liquidity and on market execution

200 Sales Reps and 55 Traders

4,600 Customers in 38 Countries

Deep penetration of depository sector, built over decades

Difficult to organically replicate

Largely unrivaled

### Services & Support

Provides customers with valuable tools, information & analysis

Interest Rate Commentary & Analysis

Economic Commentary & Analysis

Product Strategies & Analysis

Investment Portfolio Strategies

Portfolio Performance Analysis

Credit Strategy, Analysis & Support

### Complementary Other Products

Suite of services to assist with our customers' balance sheet management activities

Asset/Liability Management Services

Loan Portfolio Consulting, Analysis & Trading

Investment Advisory Services

Investment Portfolio Accounting & Reporting

Derivative Products

# FTN Financial: Diversified Fixed Income Platform

Unique, low-risk fixed income business model focused on sales and distribution

Delivers strong risk-adjusted returns through the cycle and provides counter-cyclicality to Regional Banking segment

Ancillary businesses provide additional sources of revenues and complement fixed income business

Business model adaptable to shifting market conditions due to highly variable expense structure

## Industry Leader[1]

#3 issuer of SBA 7(a) Pools

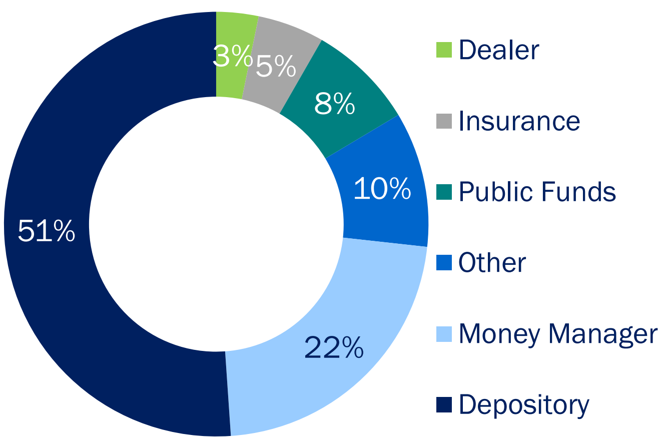
Top 10 underwriter of Agency Securities

#1 underwriter of Callable Agencies

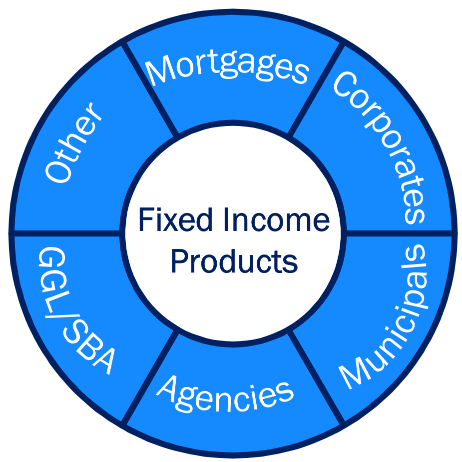
Top 10 underwriter of Bank Qualified Municipals

Top 15 underwriter of Competitive Municipals

## Diversified Revenue Sources[2]




## Diversified Product Mix

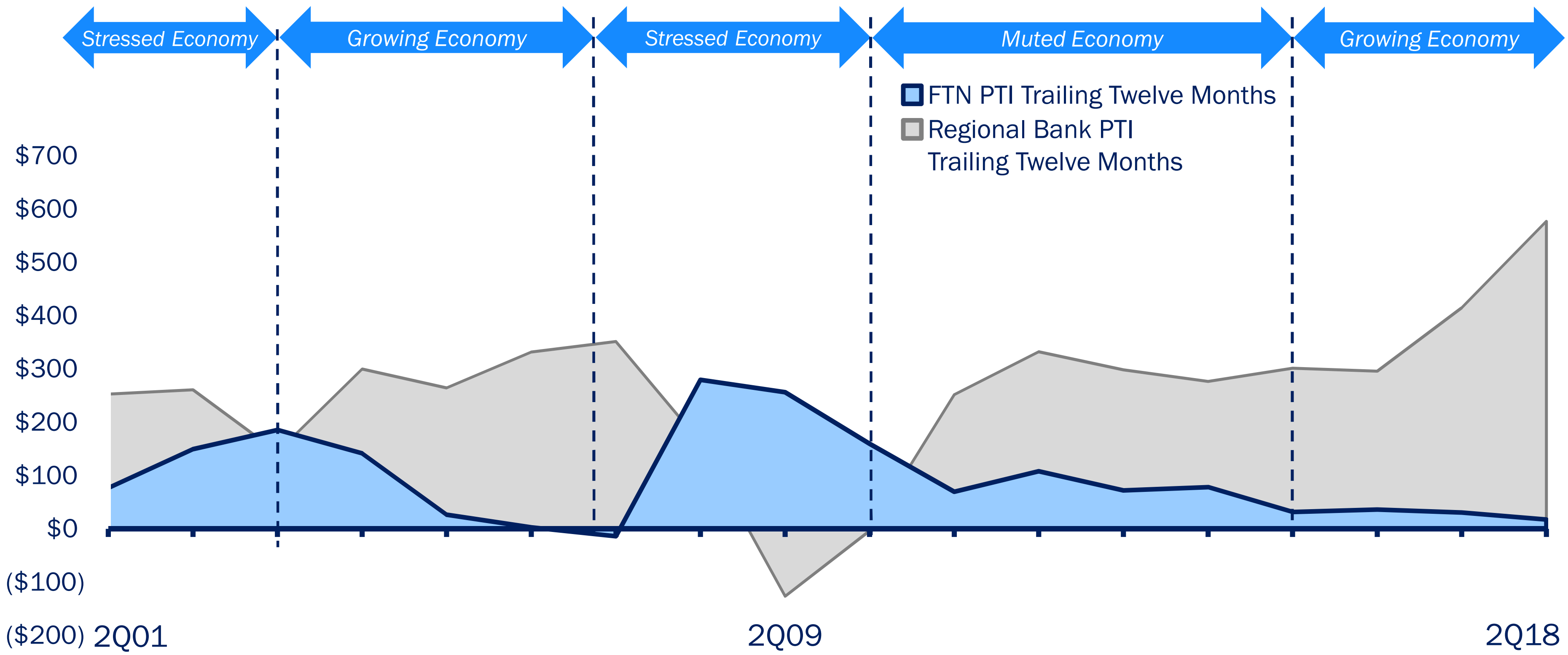



## Drivers of Avg Daily Revenue

| Lower Revenue | Factor | Higher Revenue |
|---|---|---|
| Up | Direction of rates | Down |
| Low | Market volatility | Moderate |
| Flat | Shape of yield curve | Steep |
| Positive | State of economy and outlook | Negative |

[1]Year to date as of 8.31.18 for Agency and Municipal rankings. Source: Bloomberg. Year to date as of 7.31.18 for SBA Pool rankings. Source: Colson Services Corp.
[2]TTM as of 09.30.18.

# Our Complementary Business Model Works in Various Economic Environments




Why is FTN Counter-Cyclical in a Stressed Economy?

Declining rates & steeper yield curve drive increased investment portfolio activity

Increased market volatility creates incentive to trade

Lower loan volumes lead to growth in investment securities portfolios

*All dollars in millions.*

# Deposit Composition Reflects Stable Funding Mix

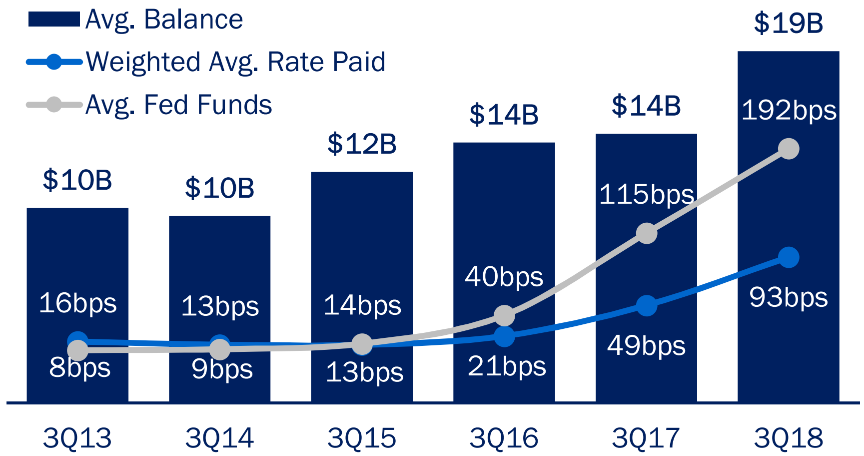
Total avg. deposits represent 87% of total funding

Stable and cost effective funding mix in Regional Banking with 56% DDA and interest checking deposits

Other wholesale funding sources support asset-oriented businesses such as specialty lending areas, FTN inventory and Non-Strategic loans

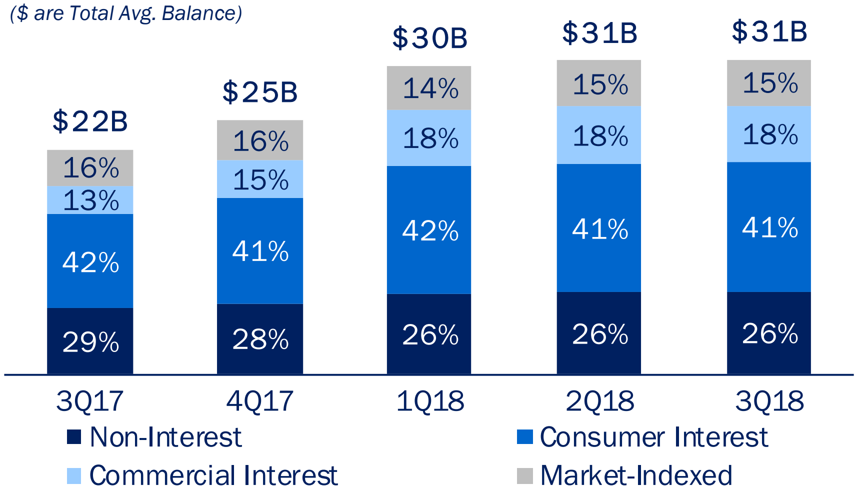
FHN maintains a contingency funding plan that may be executed should unexpected difficulties arise

## Non-Maturity Interest-Bearing Deposit Trends

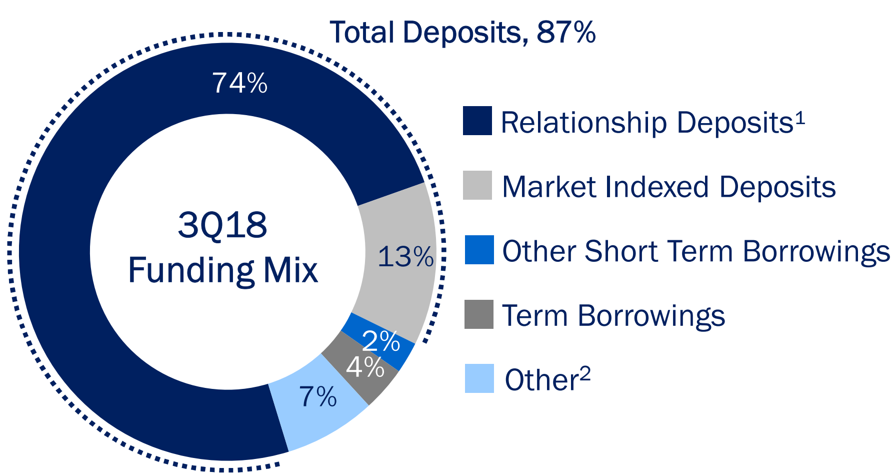



## Average Deposits by Product

($ are Total Avg. Balance)

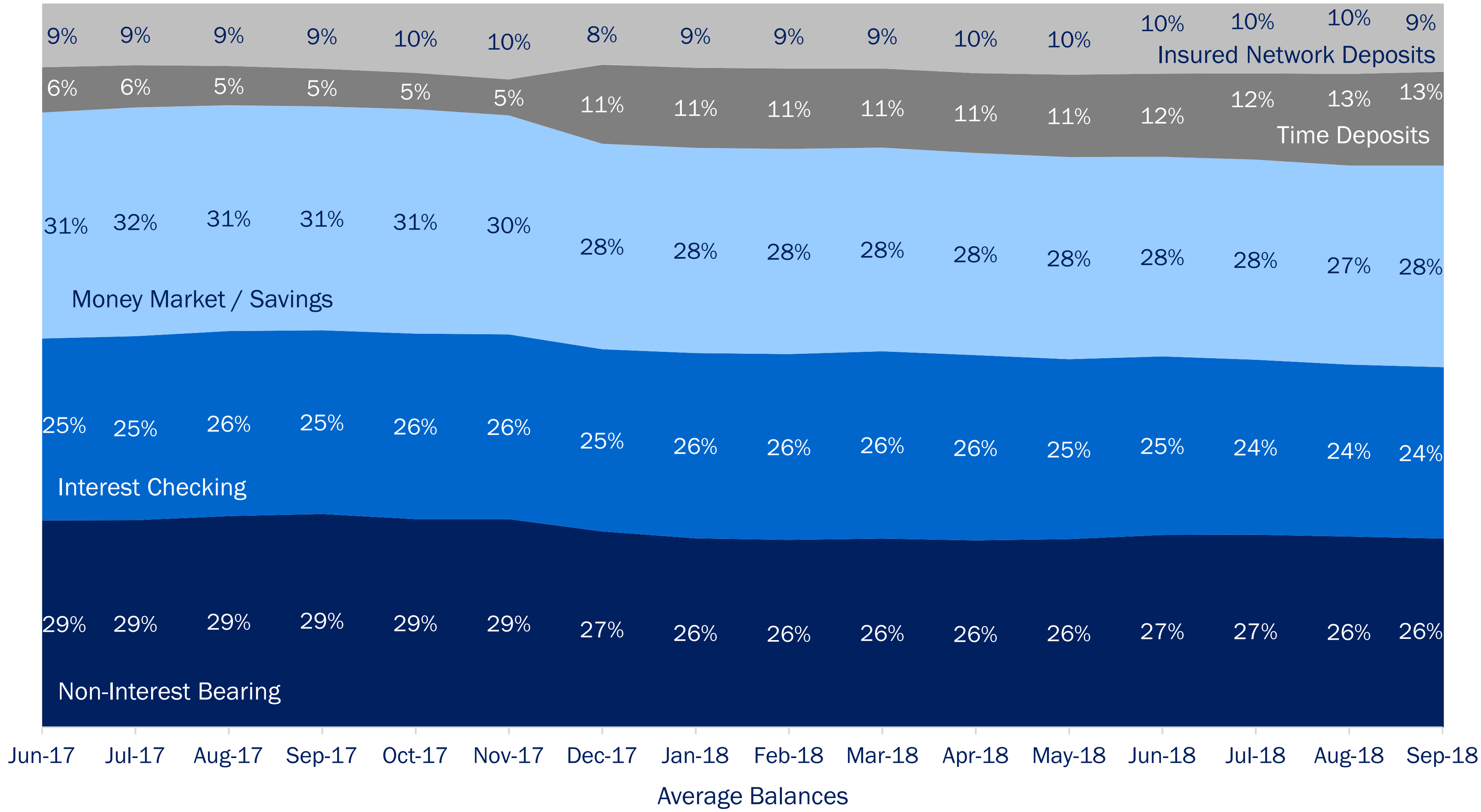



## Core Funded with Relationship Deposits

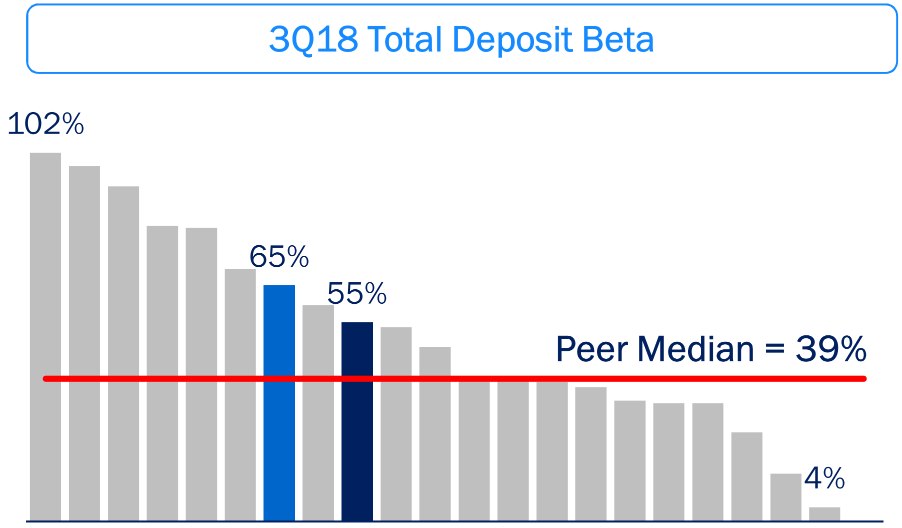


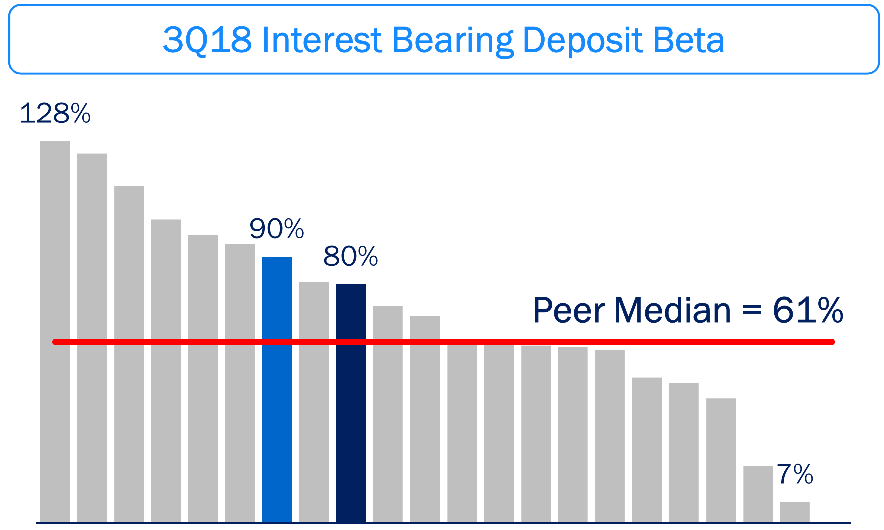

[1]Includes all deposits except Market Indexed.
[2]Primarily composed of trading liabilities and short term borrowings related to the Fixed Income segment.

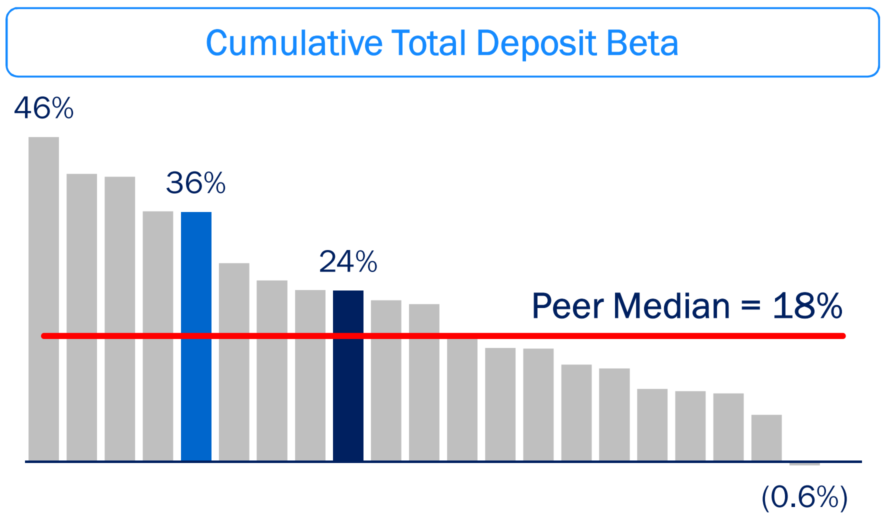
# Stability in Deposit Mix Trends

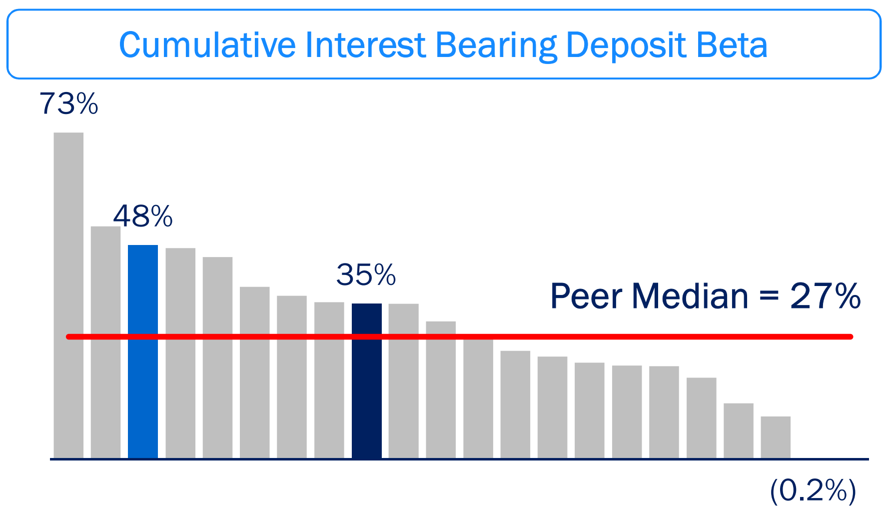


# Deposit Beta Comparison




FHN　FHN Excluding Market Indexed Deposits

*Cumulative Period: 3Q15 to 3Q18. Source of Peer Data: S&P Global Market Intelligence.*
*Peers: ASB, BOH, BOKF, BXS, CBSH, FCNCA, FULT, HWC, IBKC, ONB, PB, SNV, TCF, TCBI, TRMK, UBSI, UMBF, UMPQ, VLY, WBS, and WTFC.*

# Balance Sheet Evolution Yields High Quality Loan Profile

Loan portfolio underweight consumer and commercial real estate

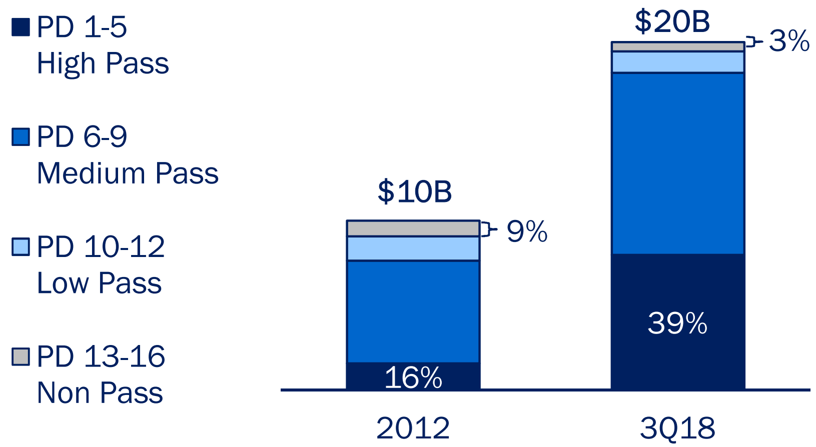
CRE/Total Capital Ratio of 112% significantly below peer average of 166%[2]

Non-real estate consumer loans represent only 2% of Regional Banking portfolio

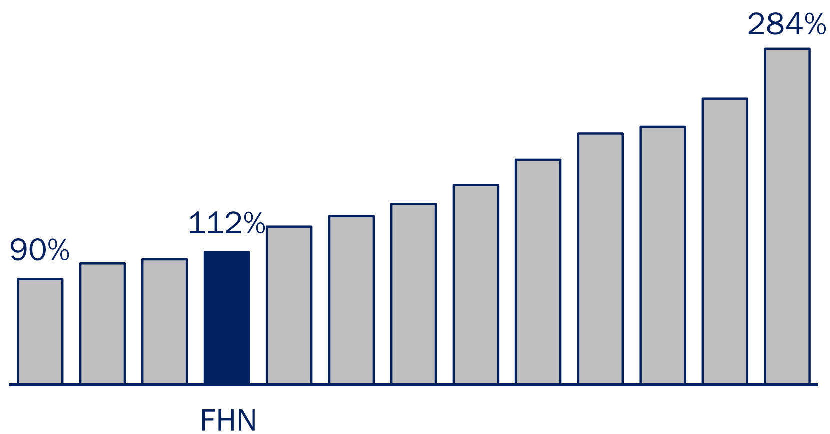
Commercial loan portfolio shifting to higher quality, with 39% of commercial loans qualifying as investment grade equivalent

## Positive Commercial Credit Grade Migration[1]

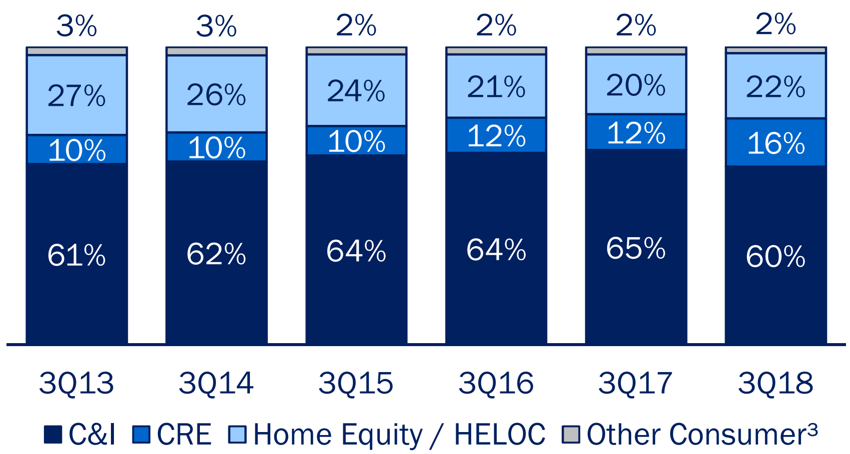
*($ are Total Ending Balance)*




## CRE to Total Capital: FHN vs Peers[2]




## Regional Banking Average Loans




[1]Excludes $35mm in commercial loans individually evaluated for impairment and $83mm in purchase credit-impaired loans. [2]CRE is comprised of Non-owner-occupied Nonfarm/Nonresidential property loans, Multifamily loans, Construction & Land Development loans, and Unsecured CRE loans. Data as of 2Q18. Source: S&P Global Market Intelligence. Peers include: CBSH, FCNCA, UMBF, CFR, HWC, BOKF, PB, TCBI, IBKC, SNV, BKU, and PNFP. [3]Other Consumer includes Other Consumer loans, Credit Card, and Permanent Mortgage loans.

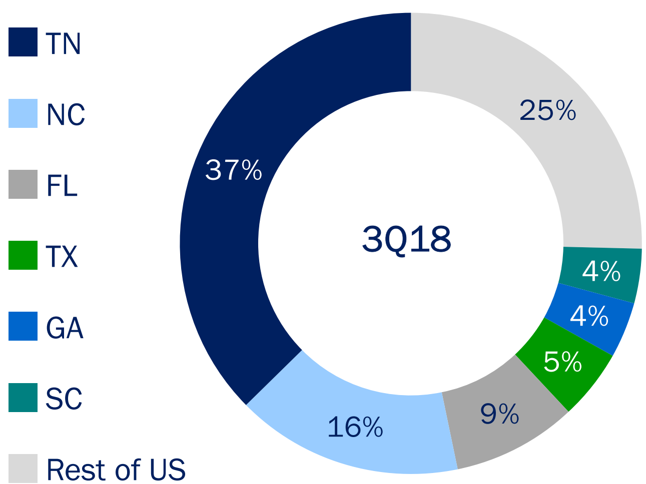
# Diversified Regional Banking Loan Portfolio

Robust growth in average loans driven by focus on high quality commercial and specialty lending areas

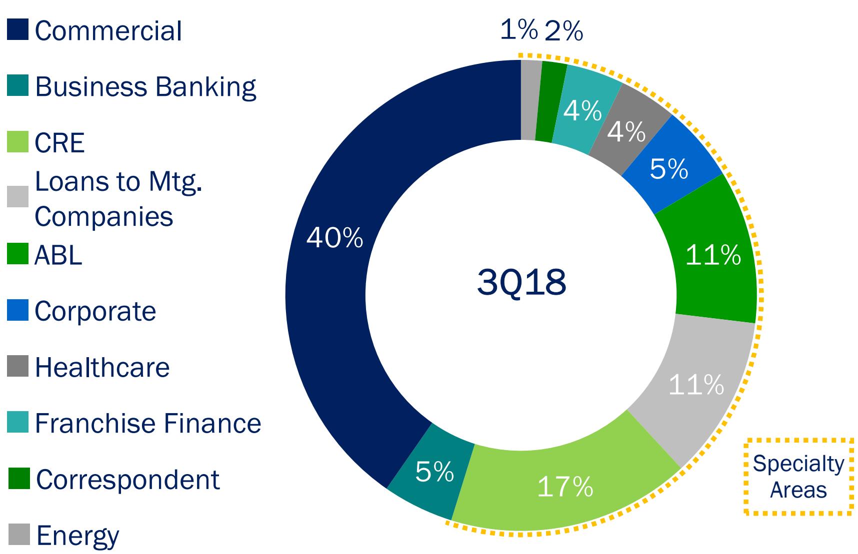
Broad product offerings with focus on specialty lending, which provides economically profitable growth opportunities

Loan portfolio well diversified by geography, with footprint spanning across key markets within the Southeast

## Regional Bank Average Loans by Geography




## Regional Bank Average Commercial Loans




*Numbers may not total due to rounding.*

# Asset Sensitivity Overview

*Benefiting From Sustained Loan Growth and Higher Short-Term Rates*

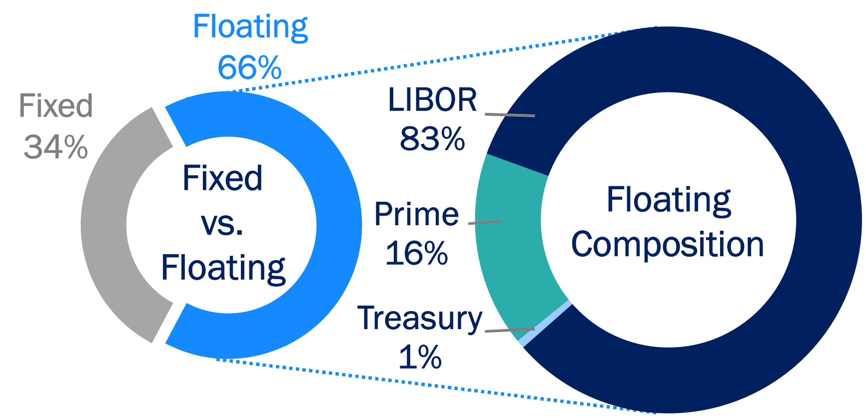
Floating rate assets re-price at 100% beta. Loan portfolio comprised of 66% floating adjustable rate loans[1]

- ~83% are tied to LIBOR
- ~16% are tied to Prime
- ~1% are tied to US Treasuries

Securities portfolio comprises 11% of total assets with an estimated effective duration of 4.8 years

Liabilities re-price at a slower pace; strong DDA mix with emphasis on core deposit gathering

## 3Q18 Loan Composition: Fixed vs Floating

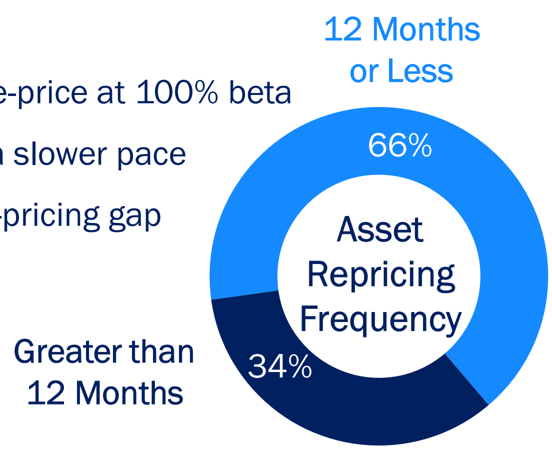



## Asset Repricing Profile

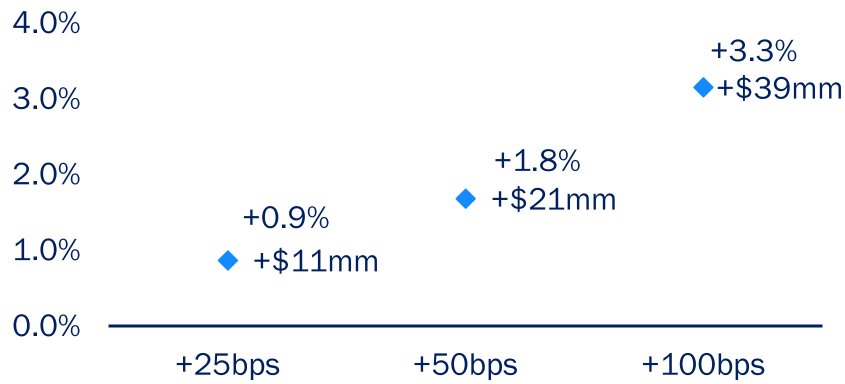
Floating rate assets re-price at 100% beta

Liabilities re-price at a slower pace

+$5.0B short-term re-pricing gap




## Net Interest Income Sensitivity Impact[2]

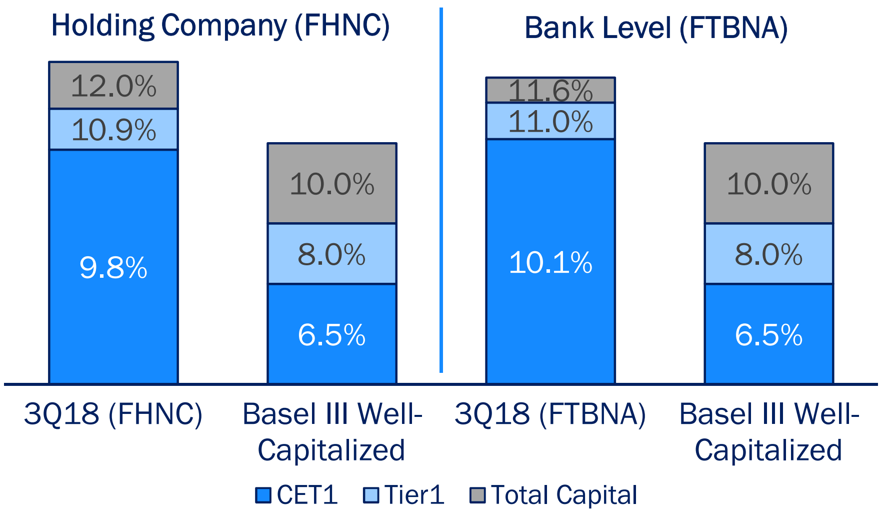



*Numbers may not total due to rounding. [1]Includes $250mm of 3 month LIBOR loans and $650mm of 1 month LIBOR loans swapped to fixed for varying maturities. [2]NII sensitivity analysis uses FHN's balance sheet as of 9.30.2018. Bps impact assumes increase in Fed Funds rate.*

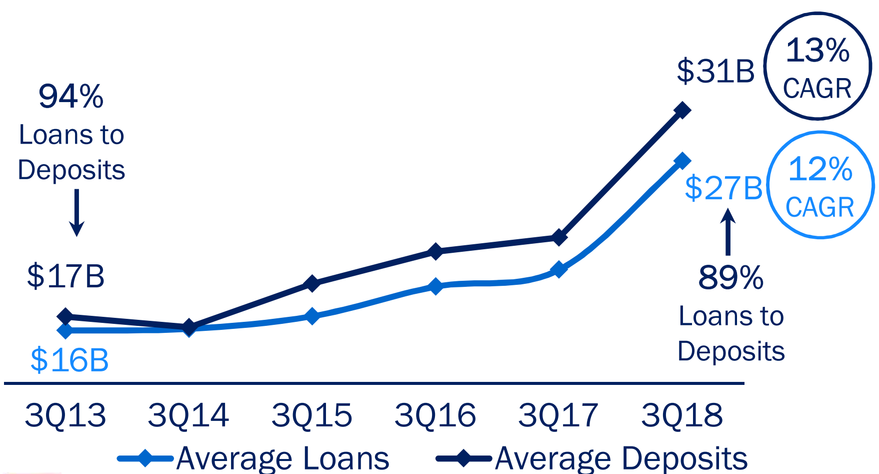
# Improved Performance Since 2012

- Significant improvement in several key metrics since last ratings upgrade from Fitch in 4Q12[1]
- Strengthening asset quality reflected in materially lower annualized net charge-offs
- Decreasing loan to deposit ratio driven by strong deposit growth outpacing solid loan growth
  - Average deposit CAGR: 13% since 3Q13
  - Average loans CAGR: 12% since 3Q13
- Reduced lower-quality Non-Strategic Assets by 66%
- Non-Strategic average loans decreased 8% LQ

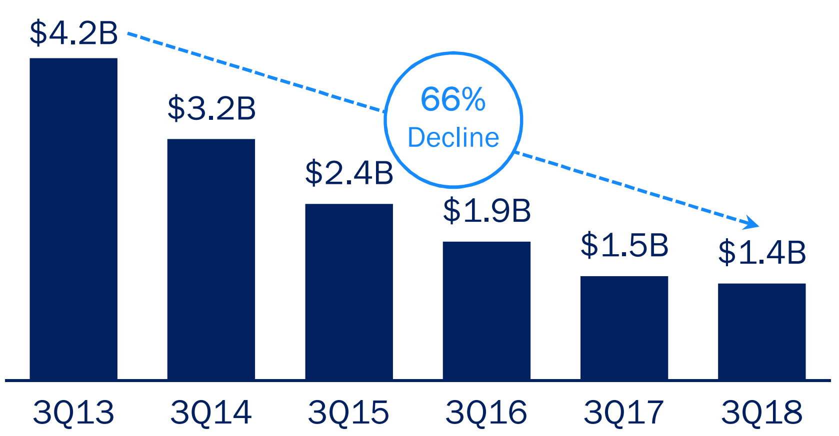
## Capital Levels Exceed Basel III Standards




## Prudent Balance Sheet Management




## Non-Strategic Asset Run Off




[1]A rating is not a recommendation to buy, sell, or hold securities and is subject to revision or withdrawal at any time and should be evaluated independently of any other rating.

# Stress Testing Results Confirm Capital Strength

On May 24th the Economic Growth, Regulatory Relief, and Consumer Protection Act was signed into law and eliminated Dodd-Frank Act ("DFA") stress testing requirements for FHN. Stress test was conducted using DFA scenarios and requirements previously in effect[1]

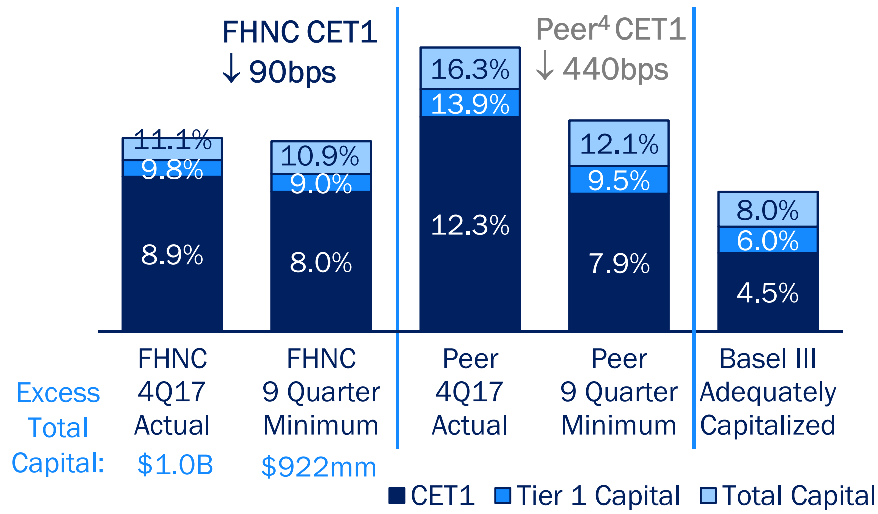
Ability to manage capital at FHNC & FTBNA through severely adverse conditions, maintain min 8.0% CET1

Binding constraint is $803mm FTBNA excess Total Cap

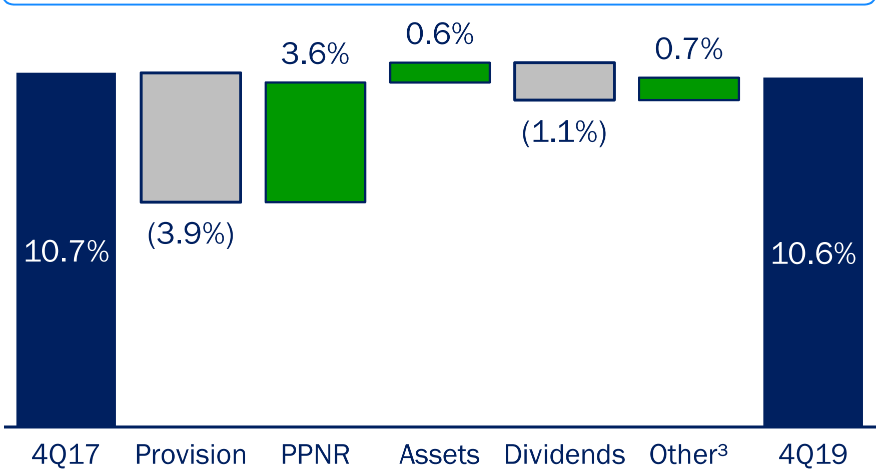
Assumes maintenance of $0.12/share common dividend to FHNC shareholders[2]

Business model results in minimal trading losses and no counterparty losses vs. peers at 23% of PPNR

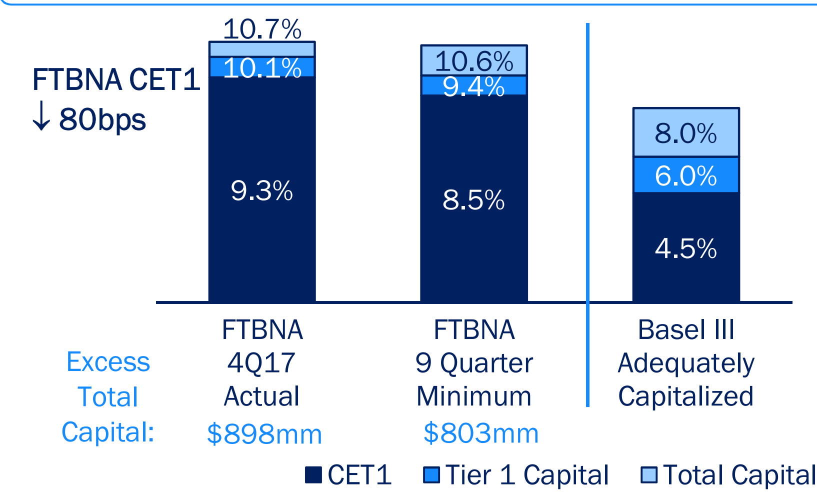
## Holding Company Capital Results




## Drivers of Stressed Change: FTBNA Total Capital




## Bank Level Capital Results




*[1]The Company is developing a framework to continue stress testing activities outside of the DFAST requirements. [2]Assumes flat share count and maintenance of dividend payments on preferred stock. [3]Includes regulatory disallowances and taxes. [4]Results represent DFA Severely Adverse scenario. All references to peer stress testing data indicates aggregate HoldCo level 2018 supervisory Dodd-Frank Act Stress Testing ("DFAST") results of 35 participating firms. Source: Federal Reserve.*

# Stress Testing

## 2018 Severely Adverse Scenario

Severe global recession accompanied by a global aversion to long-term fixed-income assets

- Real GDP down 7.5%
- Unemployment up to 10.0%
- 3-month Treasury near zero

Asset prices drop sharply

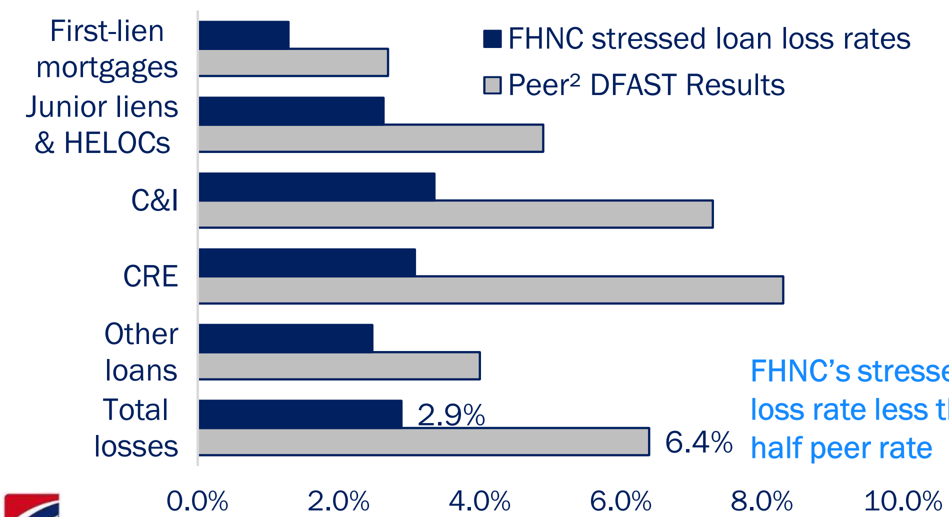
- House prices down 30%
- CRE prices down 40%
- Equity prices fall 65%, surge in market volatility

## Holding Company Capital Results

| *($ in millions)* | 9 Quarter Cumulative | % Average Assets 4Q17 - 1Q20 | Peer[2] DFAST Results |
|---|---|---|---|
| Pre-provision net revenue | $1,225 | 3.1% | 3.0% |
| Provision for loan and lease losses | (1,410) | (3.6%) | |
| Realized gains/(losses) on securities | - | - | |
| All other gains/(losses)[1] | (26) | (0.1%) | |
| Net income before tax | (210) | (0.5%) | |
| Taxes | 57 | 0.1% | |
| Net income to controlling interest | ($153) | (0.4%) | (0.8%) |

FTN's fixed income trading business benefits from surge in market volatility

## FHNC Stressed Loan Loss Rates Less than Peers for Most Portfolios and in Aggregate




FHNC's stressed loss rate less than half peer rate

FHNC 9 quarter cumulative losses of $755mm, excess capital to cover additional 9 quarters of losses

From 4Q07 to 4Q09 FHNC's loss rate was 6.5%

Significant changes since 2009:

- Balance sheet mix shift, including exit of national mortgage lending business
- Revised underwriting standards
- Enhanced loss mitigation strategies

[1]Payment of dividends on FTBNA preferred and REIT preferred stock.
[2]Results represent DFA Severely Adverse scenario. All references to peer stress testing data indicates aggregate HoldCo level 2018 supervisory Dodd-Frank Act Stress Testing ("DFAST") results of 35 participating firms. Source: Federal Reserve

# Optimizing Capital Deployment

| | Invest Internally | Repatriate to Shareholders | Invest Externally |
|---|---|---|---|
| Capital Deployment Alternatives | **Strong organic loan growth since 2012**<br>Established new specialty LOBs<br>Energy – 2014<br>Franchise Finance – 2016<br>Specialty Healthcare – 2016<br>Music – 2016<br>**Technology infrastructure**<br>Platform built for 2x scale | **Cash dividends**<br>Increased 4 times since 2013[1]<br>**Share buybacks**<br>24mm shares since the beginning of 2013 at volume weighted average price of $12.78[2] | **Bank M&A**<br>Mountain National Bank — 2013<br>Branch Acquisitions — 2014<br>TrustAtlantic Financial — 2015<br>Capital Bank Financial – 2017<br>**Product/business enhancements**<br>Franchise Finance loan portfolio — 2016<br>Coastal Securities — 2017<br>PMC Inc – 2017 |
| Criteria | Risk adjusted return on capital (RAROC)<br>Economic profit opportunity<br>Prioritization based on need to support core businesses | Return capital to shareholders while maintaining an adequate capital buffer in stress scenarios<br>IRR analysis, taking into account factors such as cost of capital, intrinsic value, P/TBV, and other deployment alternatives | Strategic fit<br>Financially attractive<br>Culturally aligned |

**Disciplined capital planning process will remain dynamic and take into account both macroeconomic environment and capital deployment opportunities**

[1]Common dividend of $0.05 per share in 1Q13. Common dividend of $0.12 per share in 3Q18.
[2]Share repurchases through 11.15.2018.

# Material Positive Impact from Visa B Shares Monetization

## Impact to Tangible Book Value (TBV)[1]

**2Q18**

$7.94

TBV per Share

**$0.64 Increase in TBV per Share**

| | |
|---|---|
| +$0.36 | NIAC (Ex-Visa B Monetization) |
| +$0.49 | Visa B Monetization |
| -$0.12 | Common Dividends |
| -$0.09 | AOCI & Other |

**3Q18**

$8.58

TBV per Share

## Impact to TCE/TA[1]

**2Q18**

6.54%

TCE/TA

**58bps Increase in TCE/TA**

| | |
|---|---|
| +29bps | NIAC (Ex-Visa B Monetization) |
| +41bps | Visa B Monetization |
| -9bps | Common Dividends |
| -3bps | AOCI & Other |

**3Q18**

7.12%

TCE/TA

[1]Tangible Book Value per Share and TCE/TA are non-GAAP measures, which are reconciled in the Appendix.

# Capital Bank Acquisition Strengthens FHN Franchise

## 82% of Deposits Are in Markets Where We Have Top 5 Share[1]

**Tennessee**

Total Deposits: $24.0B

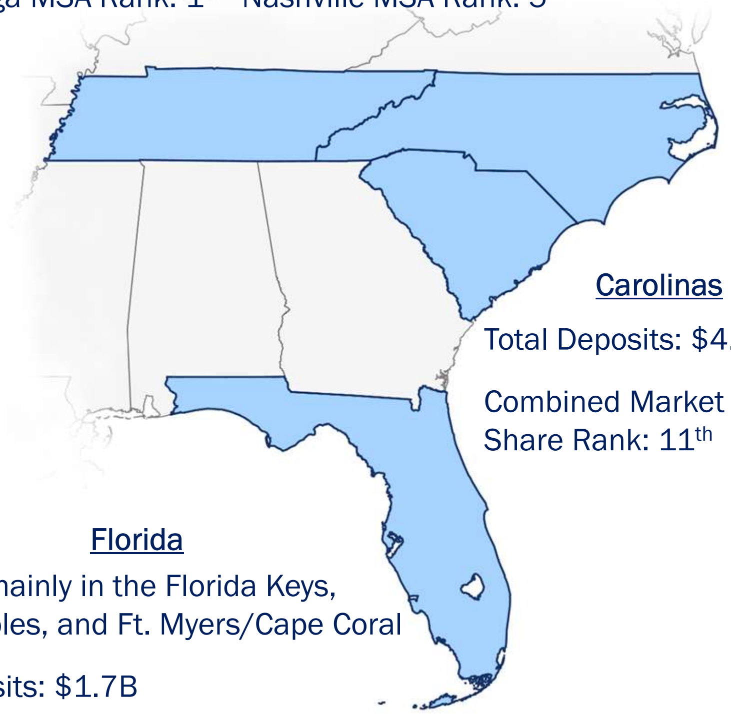
Major MSA Rankings:

Memphis MSA Rank: 1st

Chattanooga MSA Rank: 1st

Knoxville MSA Rank: 1st

Nashville MSA Rank: 5th



**Carolinas**

Total Deposits: $4.9B

Combined Market Share Rank: 11th

**Florida**

Branches mainly in the Florida Keys, Miami, Naples, and Ft. Myers/Cape Coral

Total Deposits: $1.7B

Market Share Rank: 36th

### Strong platform for deposit growth in the Carolinas

North Carolina (NC) and South Carolina (SC) populations are expected to have future growth at 5.2% and 5.9%, respectively, vs. 3.6% nationally[2]

Future household income growth is forecasted at 10.2% for NC and 11.3% for SC vs. 8.8% nationally[2]

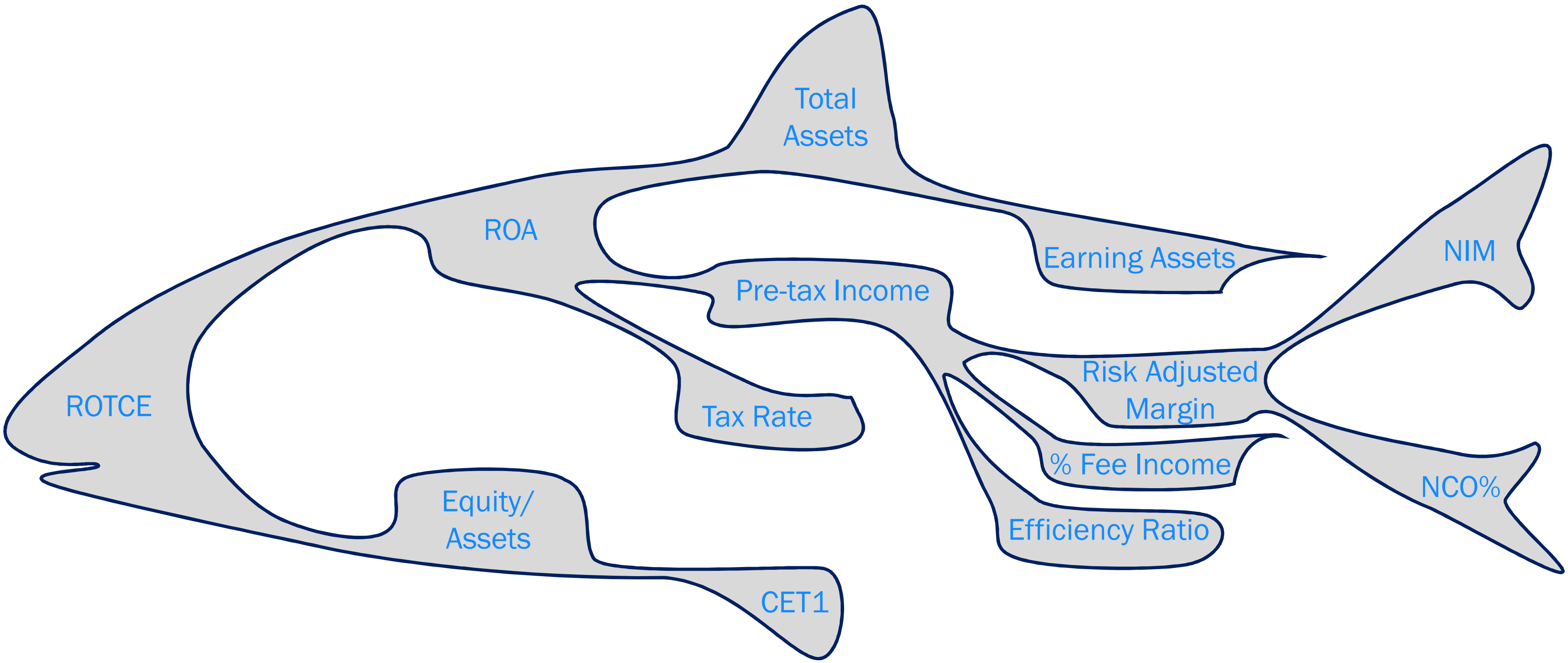
### South Florida deposit base provides meaningful funding opportunities

Florida is the #1 economy in the Southeast; #4 in the U.S.[3]

South Florida has maintained steady population growth that is projected to continue

Strong deposit growth across South Florida MSAs

*Consolidated Data as of 6.30.18, unless otherwise noted. [1]Market Rank and Share. Source: Proforma FDIC and S&P Global Market Intelligence data as of 6.30.18. [2]Expected forecasted growth from 2019 to 2024. Source: S&P Global Market Intelligence. [3]Rank based on Gross State Product for 2017. Southeast states include: AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, VA and WV. Source: US Bureau of Economic Analysis.*


Total
Assets
ROA
Earning Assets
NIM
Pre-tax Income
Risk Adjusted
Margin
ROTCE
Tax Rate
% Fee Income
NCO%
Equity/
Assets
Efficiency Ratio
CET1

# 2019 Outlook: Building from a Position of Strength

| | ROTCE | ROA | NIM | Efficiency Ratio | NCOs | CET1 |
|---|---|---|---|---|---|---|
| 3Q18 | 17.9%[1] | 1.21%[1] | 3.44% | 64%[1] | 6bps | 9.8% |
| 2019 | 17% - 18% | 1.20% - 1.30% | 3.40% - 3.50% | 60% - 62% | <10bps | 9.5% - 10% |
| Key Assumptions | | 3% - 6% Loan & Deposit Growth | Dec 18 & Jun 19 Fed Funds Rate Increases | Fully Phased In Merger Cost Savings | | 35% - 70% Total Payout Ratio |

[1]3Q18 Adjusted ROTCE, Adjusted ROA, and Adjusted Efficiency Ratio are Non-GAAP numbers, which are reconciled in the Appendix.

# ASSET QUALITY

# Asset Quality

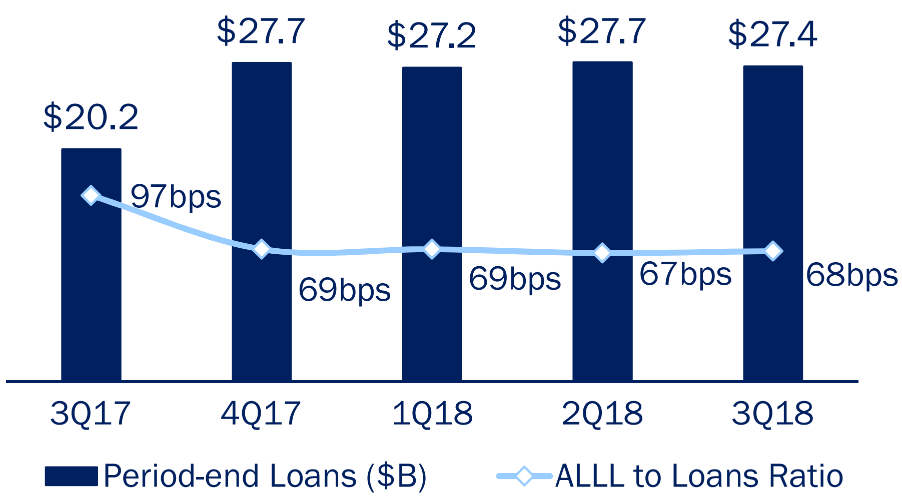
*Stable Credit Trends Reflect Strong Underwriting Discipline*

- Credit environment remains stable and benign
- Net charge-off ratio 0.02% in 3Q18
- Non-strategic average loans decreased 8% LQ
- CBF credit performance as expected
- Allowance to loans ratio remains steady at 68bps
  - Decline in 4Q17 primarily due to acquired Capital Bank loans that were booked net of loan mark with no associated allowance

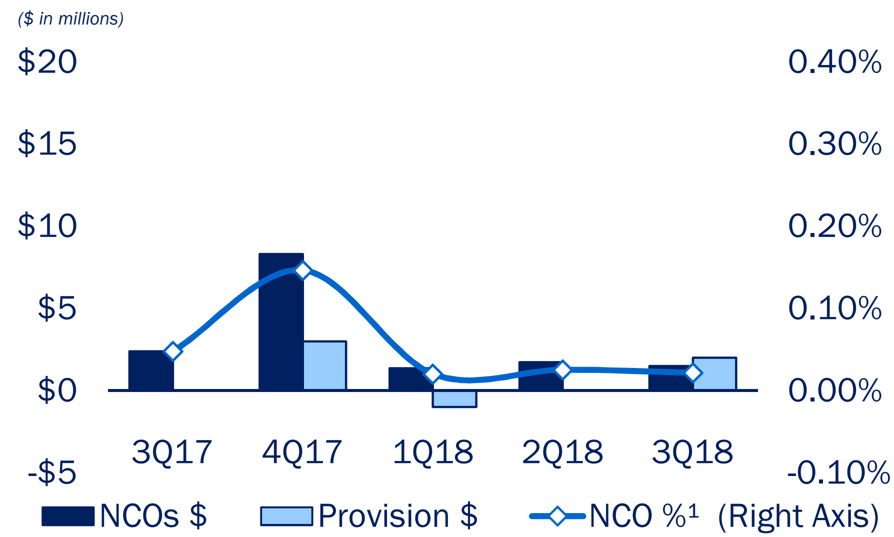
## Asset Quality Highlights

| ($ in millions) | 3Q17 | 4Q17 | 1Q18 | 2Q18 | 3Q18 |
|---|---|---|---|---|---|
| Charge-offs | ($11) | ($17) | ($8) | ($10) | ($9) |
| Recoveries | $8 | $9 | $7 | $8 | $8 |
| Net Charge-offs | $2 | $8 | $1 | $2 | $2 |
| Provision/(Credit) | $0 | $3 | ($1) | $0 | $2 |

## Allowance for Loan Losses




## Net Charge-Offs (NCOs)




Numbers may not add to total due to rounding.
[1]Net charge-off % is annualized and as % of average loans.

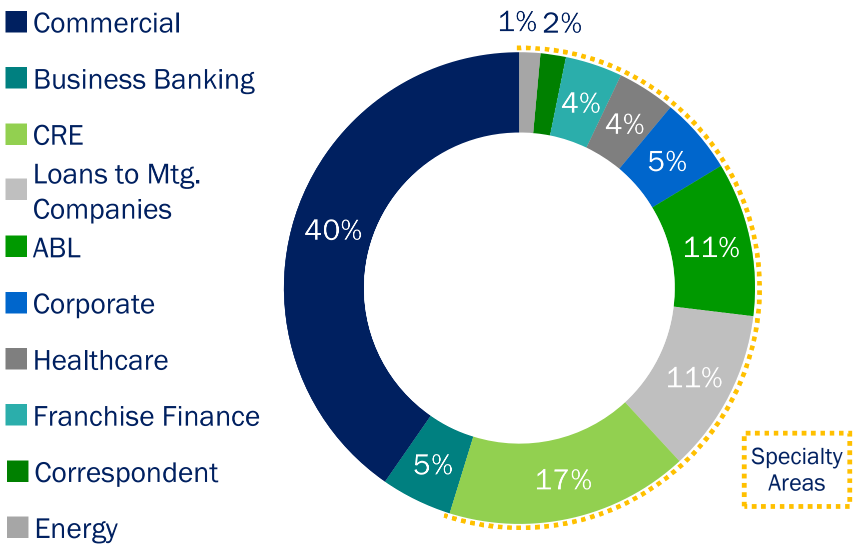
# 3Q18 Credit Quality Summary by Portfolio

| ($ in millions) | Regional Banking | | | | | Corporate[5] | Non-Strategic | | | | FHNC |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Commercial (C&I & Other) | CRE | HE & HELOC | Other[1] | Subtotal | Permanent Mortgage | Commercial (C&I & Other) | HE & HELOC | Permanent Mortgage | Other[2] | Total |
| Period End Loans | $15,675 | $4,237 | $5,749 | $542 | $26,203 | $42 | $369 | $442 | $191 | $103 | $27,350 |
| 30+ Delinquency % | 0.15% | 0.20% | 0.56% | 0.74% | 0.26% | 4.21% | 0.00% | 3.06% | 3.31% | 5.47% | 0.35% |
| Dollars | $23 | $9 | $32 | $4 | $68 | $2 | $0 | $14 | $6 | $6 | $95 |
| NPL[3] % | 0.25% | 0.02% | 0.62% | 0.07% | 0.29% | 4.12% | 0.80% | 10.09% | 10.60% | 0.66% | 0.54% |
| Dollars | $39 | $1 | $36 | $0 | $76 | $2 | $3 | $45 | $20 | $1 | $146 |
| Net Charge-offs[4] % | 0.01% | NM | 0.03% | 2.39% | 0.06% | NM | NM | NM | NM | 4.47% | 0.02% |
| Dollars | $0 | $0 | $0 | $3 | $4 | NM | $0 | ($3) | ($1) | $1 | $2 |
| Allowance | $99 | $34 | $14 | $14 | $161 | NM | $1 | $12 | $11 | $0 | $186 |
| Allowance / Loans % | 0.63% | 0.80% | 0.25% | 2.55% | 0.61% | NM | 0.35% | 2.81% | 5.76% | 0.37% | 0.68% |
| Allowance / Net Charge-offs | 71.90x | NM | 9.09x | 1.09x | 10.98x | NM | NM | NM | NM | 0.08x | 31.20x |

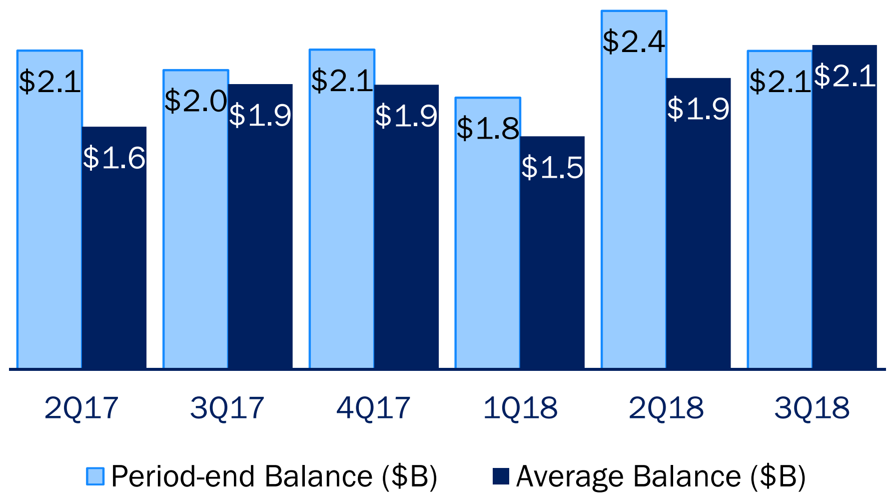
[1]Includes Credit card, Permanent Mortgage, and Other. [2]Includes Credit card, OTC, and Other Consumer. [3]Non-performing loan excludes held-for-sale loans. [4]Net charge-offs are annualized.
[5]Exercised clean-up calls on jumbo securitizations in 1Q13, 3Q12, 2Q11, and 4Q10, which are now on the balance sheet in the Corporate segment.

# Select C&I and CRE Portfolio Metrics

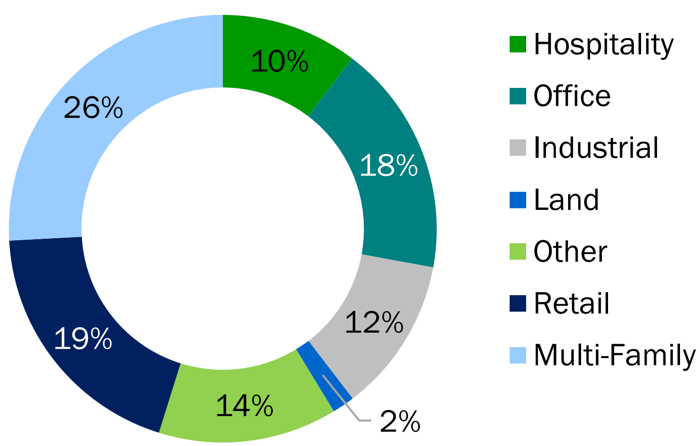
## Regional Bank Average Commercial Loans



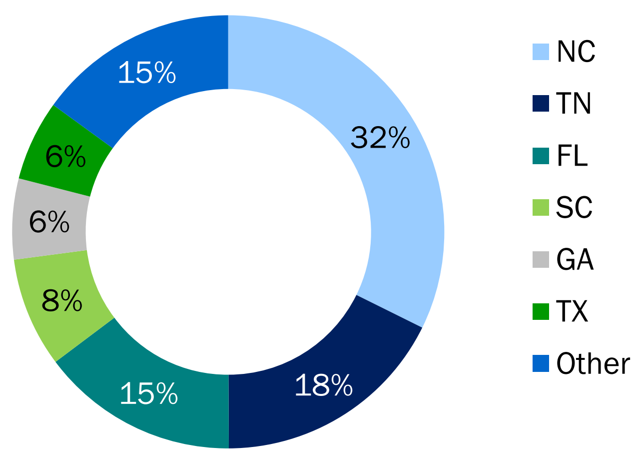

## C&I: Loans to Mortgage Companies




## CRE: Collateral Type



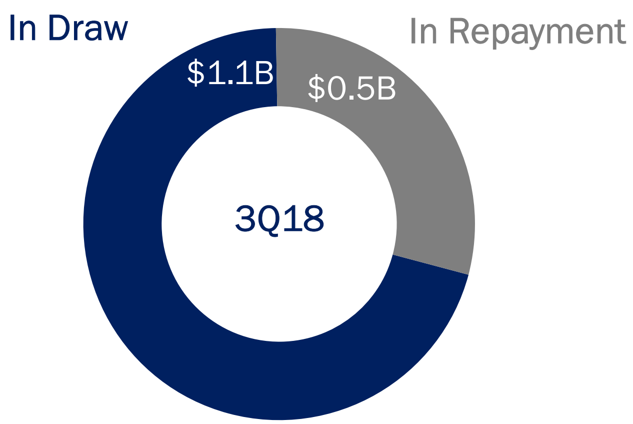

## CRE: Geographic Distribution



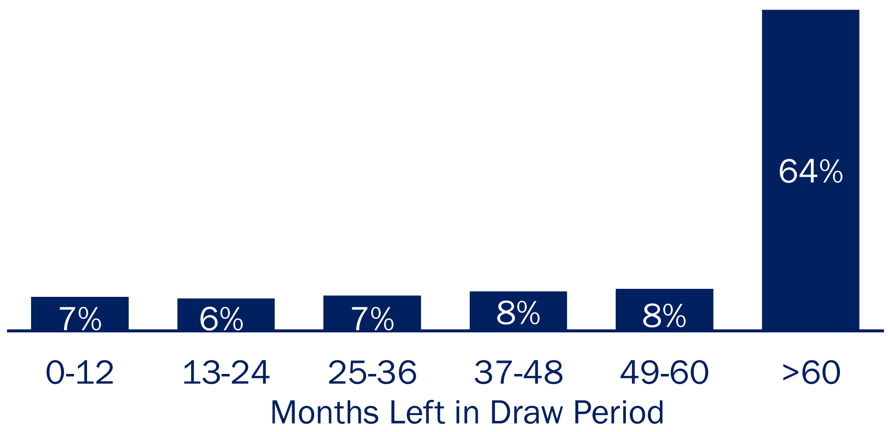

*Data as of 3Q18. Numbers may not add to total due to rounding.*

# Consumer Portfolio & Non-Strategic Overview

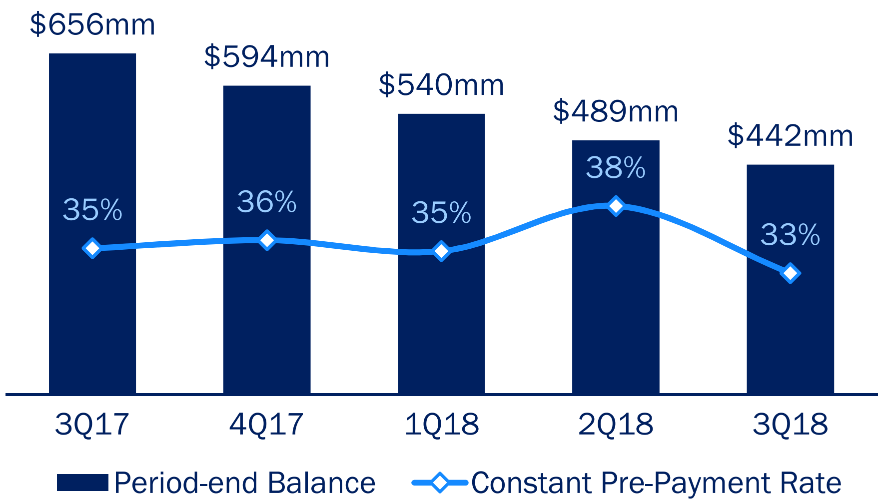
## HELOC Draw vs Repayment Balances




## Home Equity Portfolio




## Non-Strategic Consumer Real Estate




## Mortgage Repurchase Reserve

| *($ in millions)* | 3Q17 | 4Q17 | 1Q18 | 2Q18 | 3Q18 |
|---|---|---|---|---|---|
| Beginning Balance | $35 | $34 | $34 | $33 | $32 |
| Net Realized Losses | ($0) | ($0) | $0 | ($1) | $0 |
| Provision Credit | ($1) | $0 | ($0) | ($0) | ($1) |
| Ending Balance | $34 | $34 | $33 | $32 | $32 |

*Data as of 3Q18 unless noted otherwise. Numbers may not add to total due to rounding.*

# APPENDIX

# Outstanding Long-Term Debt and Preferred Stock

| | Issuance | Coupon Rate | Callable Date | Maturity | Principal Outstanding | Credit Ratings[1] Moody's | Fitch |
|---|---|---|---|---|---|---|---|
| FTBNA | | | | | | | |
| Senior Debt[2] | 11/21/14 | 2.95% | 11/1/19 | 12/1/19 | $400mm | Baa3 | BBB- |
| Preferred Stock | 3/23/05 | 3 Month LIBOR + 85bps[3] | 4/10/10 | Perpetual | $300mm | Ba2 | B |
| REIT Preferred | 10/11/00 | 9.50% | NA | 3/31/31 | $47mm | Ba1 | NA |
| Total FTBNA | | | | | $747mm | | |
| FHNC | | | | | | | |
| Senior Debt[2] | 10/30/15 | 3.50% | 11/15/20 | 12/15/20 | $500mm | Baa3 | BBB- |
| Preferred Stock | 1/31/13 | 6.20% | 4/10/18 | Perpetual | $100mm | Ba2 | B |
| Trust Preferreds[4] | 2002-2007 | 3 Month LIBOR + 156bps | 2007-2012 | 2032-2037 | $167mm | NA | NA |
| Total FHNC | | | | | $767mm | | |

YTD 2018 FHN has redeemed $39mm of higher coupon Trust Preferreds at par

In addition, FHN has provided notice of its election to redeem an additional Trust Preferred with a principal balance of $5mm at the end of December 2018

The weighted average coupon of the Trust Preferreds being called in 2018 is 3ML+311bps

*[1]A rating is not a recommendation to buy, sell, or hold securities and is subject to revision or withdrawal at anytime and should be evaluated independently of any other rating. Moody's ratings affirmed 5.3.18. Fitch ratings affirmed 5.22.18. [2]Principal Outstanding may not align with book value due to effects of hedging interest rate risk. [3]Floor of 3.75%. [4]Includes 9 trust preferred securities acquired from Capital Bank. Coupon is a weighted average. The principal outstanding represents the Junior Subordinated Debt less FHN's investment in the trusts.*

# Securities Portfolio Overview

Period end balances of $4.6B

Primarily government-guaranteed, liquid CMOs, and MBSs

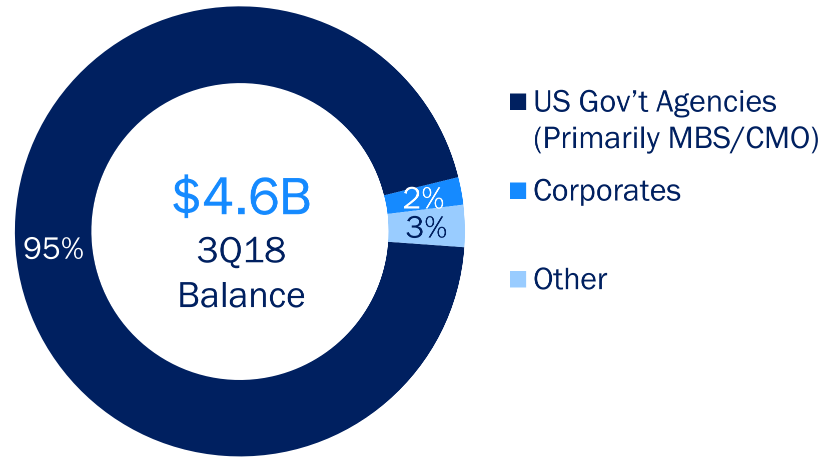
Effective duration of 4.8 years[1]

+99% of the securities portfolio is classified as available-for-sale

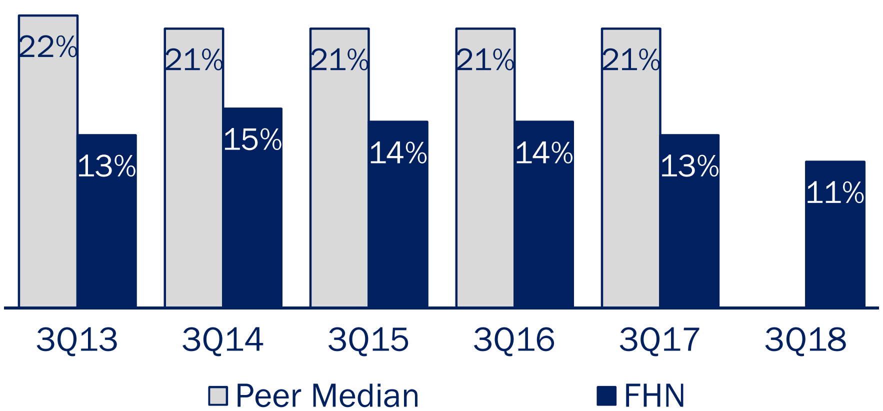
Total net unrealized losses of $177mm to book value

Total investment securities yield of 2.78%

## Portfolio Composition




## Securities to Assets[2]




## AFS Bond Composition

| | Book Value | % of Total AFS | Unrealized Gain or (Loss) | Projected Book Yield | Projected Reprice Term |
|---|---|---|---|---|---|
| Agency (Fixed) | $114.0 | 2.4% | ($1.0) | 2.70% | 3.3 |
| CMO (Fixed) | $2,077.0 | 43.5% | ($86.0) | 2.51% | 4.8 |
| Corporate (Fixed) | $30.0 | 0.6% | $0.0 | 4.54% | 1.7 |
| Corporate (Float) | $26.0 | 0.5% | ($1.0) | 3.82% | 1.9 |
| MBS (Fixed) | $2,491.0 | 52.2% | ($90.0) | 2.78% | 6.5 |
| MBS (Float) | $13.0 | 0.3% | $1.0 | 4.61% | 0.5 |
| Municipal - Tax-Exempt | $24.0 | 0.5% | $0.0 | 3.90% | 11.2 |
| Treasury | $0.1 | 0.0% | NM | 1.51% | 1.8 |
| Total | $4,775.1 | 100.0% | ($177.0) | 2.69% | 5.6 |

*Numbers may not add to total due to rounding. NM – Not meaningful. Data as of 9.30.18, unless otherwise noted. [1]Duration is estimated as of 9.30.18. [2]Effective 1/1/18 FHN adopted ASU 2016-01, "Recognition and Measurement of Financial Assets and Financial Liabilities" which resulted in the reclassification of all equity investments from investment securities to other assets. Source of Peer Data: S&P Global Market Intelligence. Peers include: ASB, BOH, BOKF, BXS, CBSH, CFR, FCNCA, FULT, HWC, IBKC, ONB, PB, SNV, TCF, TCBI, TRMK, UBSI, UMBF, UMPQ, VLY, WBS and WTFC.*

# Notable Items

| | 2017 | Pre-Tax Amount[1] | 2018 | Pre-Tax Amount[1] |
|---|---|---|---|---|
| 1Q | None | | Acquisition Expense | ($31.4mm) |
| | | | Gain on property sale | $3.3mm |
| 2Q | Mortgage Repurchase Reserve Release | $20.0mm | Acquisition Expense | ($43.2mm) |
| | Acquisition Expense | ($6.4mm) | | |
| | Effective tax rate adjustment associated with reversal of a capital loss deferred tax valuation allowance[1] | $19.5mm | Other Expense (Visa Shares) | ($4.1mm) |
| 3Q | Loss on equity securities repurchase | ($14.3mm) | Acquisition Expense | ($11.4mm) |
| | Acquisition Expense | ($8.2mm) | | |
| | Legal Matters | ($8.2mm) | | |
| | Tax rate adjustments primarily associated with the reversal of a capital loss deferred tax valuation allowance and certain discrete period items[1] | $13.7mm | Visa B Share Monetization | $212.9mm |
| 4Q | Tax Reform-Related Adjustments[1] | ($82.0mm) | | |
| | Other Tax Adjustments[1] | $10.7mm | | |
| | Acquisition Expense | ($46.7mm) | | |
| | Legal Matters | ($32.1mm) | | |
| | Employee Bonuses | ($9.9mm) | | |

[1]All notable item amounts are calculated on a pre-tax basis with the exception of the tax adjustments in 2Q17, 3Q17, and 4Q17.

# Reconciliation to GAAP Financials

*Slides in this presentation use non-GAAP information of adjusted return on tangible common equity, adjusted return on average assets, and adjusted efficiency ratio. That information is not presented according to generally accepted accounting principles (GAAP) and is reconciled to GAAP information below.*

| Return on Average Tangible Common Equity (ROTCE) & Adjusted ROTCE | 3Q18 QTD |
|---|---|
| Average Total Equity (GAAP) | $4,611 |
| Less: Average Noncontrolling Interest (GAAP) | ($295) |
| Less: Average Preferred Stock (GAAP) | ($96) |
| Average Common Equity (GAAP) *(a)* | $4,220 |
| Less: Average Intangible Assets (GAAP) | ($1,573) |
| Average Tangible Common Equity (Non-GAAP) *(b)* | $2,647 |
| | |
| Annualized Net Income Available to Common (GAAP) *(c)* | $1,072 |
| Return on Average Common Equity (ROE) (GAAP) *(c/a)* | 25.4% |
| ROTCE (Non-GAAP) *(c/b)* | 40.5% |
| | |
| Annualized Net Income Available to Common (GAAP) *(c)* | $1,072 |
| Plus: Annualized Tax-affected Notable Items (GAAP) | ($605) |
| Annualized Adjusted Net Income Available to Common (Non-GAAP) *(d)* | $467 |
| | |
| Average Tangible Common Equity (Non-GAAP) *(b)* | $2,647 |
| Less: Equity impact for notable items | ($33) |
| Adjusted Average Tangible Common Equity (Non-GAAP) *(e)* | $2,614 |
| | |
| Adjusted ROTCE (Non-GAAP) *(d/e)* | 17.9% |
| | |
| Average Effective Tax Rate for Tax-affected Notable Items | ~24% |

| Adjusted Return on Average Assets (ROA) | 3Q18 QTD |
|---|---|
| Annualized Net Income (GAAP) *(a)* | $1,090 |
| Plus: Annualized Tax-affected Notable Items (GAAP) | ($605) |
| Annualized Adjusted Net Income (Non-GAAP) *(b)* | $485 |
| | |
| Average Total Assets (Non-GAAP) *(c)* | $40,077 |
| | |
| Return on Average Assets (GAAP) *(a/b)* | 2.72% |
| Adjusted Return on Average Assets (GAAP) *(b/c)* | 1.21% |
| | |
| Average Effective Tax Rate for Tax-affected Notable Items | ~24% |

| Adjusted Efficiency Ratio | 3Q18 QTD |
|---|---|
| Noninterest Expense (GAAP) *(a)* | $294 |
| Revenue Excluding Securities Gains (GAAP) *(b)* | $442 |
| Efficiency Ratio (GAAP) *(a/b)* | 67% |
| | |
| Noninterest Expense (GAAP) | $294 |
| Plus: Notable Items (GAAP) | ($11) |
| Adjusted Noninterest Expense (Non-GAAP) *(c)* | $283 |
| | |
| Revenue Excluding Securities Gains (GAAP) | $442 |
| Plus: Notable Items (GAAP) | N/A |
| Adjusted Revenue Excluding Securities Gains (Non-GAAP) *(d)* | $442 |
| | |
| Adjusted Noninterest Expense (Non-GAAP) *(c)* | $283 |
| Adjusted Revenue Excluding Securities Gains (Non-GAAP) *(d)* | $442 |
| Adjusted Efficiency Ratio (Non-GAAP) *(c/d)* | 64% |

*N/A – Non-applicable. Numbers may not add to total due to rounding. All dollars in millions.*

# Reconciliation to GAAP Financials

*Slides in this presentation use non-GAAP information of the ratio of tangible common equity to tangible assets and tangible book value per share. That information is not presented according to generally accepted accounting principles (GAAP) and is reconciled to GAAP information below.*

| Tangible Common Equity (TCE)/Tangible Assets (TA) & Tangible Book Value Per Share (TBV per Share) | 3Q18 |
|---|---|
| Total Equity (GAAP) *(a)* | $4,742 |
| Less: Noncontrolling Interest | -$295 |
| Less: Preferred Stock | -$96 |
| Total Common Equity *(b)* | $4,351 |
| Less: Intangible Assets (GAAP) | -$1,571 |
| Tangible Common Equity (Non-GAAP) *(c)* | $2,780 |
| | |
| Total Assets (GAAP) *(d)* | $40,636 |
| Less: Intangible Assets (GAAP) | -$1,571 |
| Tangible Assets (Non-GAAP) *(e)* | $39,065 |
| | |
| Total Equity to Total Assets (GAAP) *(a/d)* | 11.67% |
| TCE to TA (Non-GAAP) *(c/e)* | 7.12% |
| | |
| Period-end Common Shares Outstanding *(f)* | 324 |
| | |
| Book Value per Share (GAAP) *(b/f)* | $13.43 |
| TBV per Share (Non-GAAP) *(c/f)* | $8.58 |

*Numbers may not add to total due to rounding. All dollars and shares in millions, except per share values.*