• 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.

• 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.
## 1Q17 Accomplishments

<table>
<thead>
<tr>
<th>Diluted EPS</th>
<th>ROA(^1)</th>
<th>ROTCE(^1)</th>
<th>CET(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.23</td>
<td>0.82%</td>
<td>10.3%</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

### Moving Toward Bonefish Profitability Targets
- Net income available to common shareholders up 13%, diluted EPS up 15%
- ROTCE\(^1\) at 10.3%, up 89 bps
  - Regional Banking ROA\(^1\) at 1.46% and ROE\(^1\) of 23%
- Net interest income growth of 10%
- Average loans up 9% and average deposits up 14%
  - Regional Banking average loan growth of 13%
- Fixed income product average daily revenue of $689k

### Positive Operating Leverage
- Efficiency ratio improvement of 198 bps to 72.5%
  - Regional Banking efficiency ratio at 58.7% or 411 bps improvement
- Revenue stable, while expenses declined 2%
  - Regional Banking revenue up 9% vs expense increase of 2%

### Capital Deployment
- Coastal Securities acquisition closed on April 3, 2017
- Increased quarterly common dividend 29%

---

All comparisons are 1Q16 vs 1Q17 unless otherwise noted. ^1ROA and ROTCE are annualized numbers. ROTCE is Non-GAAP and is reconciled to ROE in the appendix. Segment revenue, expense, asset and equity levels reflect those which are specifically identifiable or which are allocated based on an internal allocation method. ^2Current quarter is an estimate.
FINANCIAL RESULTS
1Q17 Consolidated Financial Results

<table>
<thead>
<tr>
<th>Financial Results</th>
<th>1Q17</th>
<th>4Q16</th>
<th>1Q16</th>
<th>1Q17 vs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actuals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest Income</td>
<td>$190</td>
<td>$196</td>
<td>$172</td>
<td>-3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$196</td>
<td>$172</td>
<td>+10%</td>
</tr>
<tr>
<td>Fee Income</td>
<td>$117</td>
<td>$124</td>
<td>$134</td>
<td>-6%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$124</td>
<td>$134</td>
<td>-13%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$307</td>
<td>$320</td>
<td>$306</td>
<td>-4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$320</td>
<td>$306</td>
<td>*</td>
</tr>
<tr>
<td>Loan Loss Provision</td>
<td>$(1)</td>
<td>$0</td>
<td>$3</td>
<td>NM</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NM</td>
</tr>
<tr>
<td>Expense</td>
<td>$222</td>
<td>$238</td>
<td>$227</td>
<td>-7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$238</td>
<td>$227</td>
<td>-2%</td>
</tr>
<tr>
<td>Pretax Income</td>
<td>$85</td>
<td>$82</td>
<td>$76</td>
<td>+5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$82</td>
<td>$76</td>
<td>+12%</td>
</tr>
<tr>
<td>Net Income Available to Common Shareholders (NIAC)</td>
<td>$54</td>
<td>$53</td>
<td>$48</td>
<td>+1%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$53</td>
<td>$48</td>
<td>+13%</td>
</tr>
<tr>
<td>EPS</td>
<td>$0.23</td>
<td>$0.23</td>
<td>$0.20</td>
<td>*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$0.23</td>
<td>$0.20</td>
<td>+15%</td>
</tr>
<tr>
<td>Average Loans ($B)</td>
<td>$18.8</td>
<td>$19.4</td>
<td>$17.3</td>
<td>-3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$19.4</td>
<td>$17.3</td>
<td>+9%</td>
</tr>
<tr>
<td>Average Deposits ($B)</td>
<td>$22.8</td>
<td>$22.3</td>
<td>$19.9</td>
<td>+2%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$22.3</td>
<td>$19.9</td>
<td>+14%</td>
</tr>
</tbody>
</table>

- Diluted EPS of $0.23 in 1Q17, steady LQ and up 15% YOY
  - Continued strong balance sheet growth and meaningful positive operating leverage in the Regional Bank
  - Fixed Income revenue muted, but remains a substantial source of fee income
  - Continued excellent credit quality
- Pretax income up 5% LQ and up 12% YOY
- Revenue down 4% LQ, flat YOY
  - NII YOY increase due to higher short-term rates and loan growth, LQ decrease from lower balances of loans to mortgage companies and fewer days in 1Q17
- Expense down LQ and YOY from continued expense discipline
- Loan loss provision credit reflects overall stability in loan portfolio and continued run-off of non-strategic loans

Numbers may not add to total due to rounding. NM - Not Meaningful. * - less than 1%. LQ – Linked Quarter. YOY – Year over Year.
Consolidated Net Interest Income and Net Interest Margin

Positive Year-over-Year Balance Sheet Trends

- NII up $18mm or 10% YOY, down 3% LQ
- NIM at 2.92%, up 4 bps YOY, down 8 bps LQ
  - NIM decrease LQ largely related to deposit growth and excess cash held to fund Coastal Securities acquisition
- Average loans up 9% YOY and down 3% LQ
- Floating rate loans comprise 67% of loan portfolio
- Further moderated asset sensitivity via additional receive-fixed portfolio loan swaps

### NII and NIM Linked-Quarter Change Drivers

<table>
<thead>
<tr>
<th></th>
<th>NII</th>
<th>NIM</th>
</tr>
</thead>
<tbody>
<tr>
<td>($ in millions)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4Q16</strong></td>
<td>$195.6</td>
<td>3.00%</td>
</tr>
<tr>
<td>Rates/ Asset Sensitivity</td>
<td>+$5.7</td>
<td>+9bps</td>
</tr>
<tr>
<td>Higher Cash Balances</td>
<td>+$0.1</td>
<td>-16bps</td>
</tr>
<tr>
<td>Lower Loans to Mortgage Companies</td>
<td>-$8.9</td>
<td>-3bps</td>
</tr>
<tr>
<td>Higher Commercial Loan Volume</td>
<td>+$2.3</td>
<td>-1bp</td>
</tr>
<tr>
<td>Fewer Days in 1Q</td>
<td>-$3.2</td>
<td>-</td>
</tr>
<tr>
<td>Other¹</td>
<td>-$1.8</td>
<td>+3bps</td>
</tr>
<tr>
<td><strong>1Q17</strong></td>
<td>$189.7</td>
<td>2.92%</td>
</tr>
</tbody>
</table>

### Net Interest Income Sensitivity Impact²

- +4.6% +$36mm
- +2.3% +$18mm
- +1.1% +$9mm

Numbers may not add to total due to rounding.
LQ – Linked Quarter.
YOY - Year over Year.
¹Other includes the impact of lower Fixed Income inventories.
²NII sensitivity analysis uses FHN's balance sheet as of 1Q17. Bps impact assumes increase in Fed Funds rate.
## Regional Banking Financial Results

**Strong Year-over-Year Balance Sheet, NII and PPNR Growth**

<table>
<thead>
<tr>
<th>$ in millions</th>
<th>Actuals</th>
<th>1Q17</th>
<th>4Q16</th>
<th>1Q16</th>
<th>4Q16</th>
<th>1Q16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Results</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Interest Income</td>
<td></td>
<td>$193</td>
<td>$201</td>
<td>$172</td>
<td>-4%</td>
<td>+12%</td>
</tr>
<tr>
<td>Fee Income</td>
<td></td>
<td>$59</td>
<td>$63</td>
<td>$59</td>
<td>-7%</td>
<td>*</td>
</tr>
<tr>
<td>Total Revenue</td>
<td></td>
<td>$252</td>
<td>$264</td>
<td>$232</td>
<td>-4%</td>
<td>+9%</td>
</tr>
<tr>
<td>Expense</td>
<td></td>
<td>$148</td>
<td>$161</td>
<td>$145</td>
<td>-8%</td>
<td>+2%</td>
</tr>
<tr>
<td>PPNR&lt;sup&gt;1&lt;/sup&gt;</td>
<td></td>
<td>$104</td>
<td>$103</td>
<td>$86</td>
<td>+1%</td>
<td>+21%</td>
</tr>
<tr>
<td>Loan Loss Provision</td>
<td></td>
<td>$3</td>
<td>$5</td>
<td>$15</td>
<td>-34%</td>
<td>-79%</td>
</tr>
<tr>
<td>Pre-Tax Income</td>
<td></td>
<td>$101</td>
<td>$98</td>
<td>$71</td>
<td>+3%</td>
<td>+42%</td>
</tr>
<tr>
<td>Net Income</td>
<td></td>
<td>$65</td>
<td>$63</td>
<td>$46</td>
<td>+2%</td>
<td>+40%</td>
</tr>
<tr>
<td>Average Loans ($B)</td>
<td></td>
<td>$17.2</td>
<td>$17.7</td>
<td>$15.2</td>
<td>-3%</td>
<td>+13%</td>
</tr>
<tr>
<td>Average Deposits ($B)</td>
<td></td>
<td>$19.7</td>
<td>$19.0</td>
<td>$18.1</td>
<td>+3%</td>
<td>+9%</td>
</tr>
</tbody>
</table>

- PPNR up 1% LQ and up 21% YOY
- Efficiency ratio of 58.7% in 1Q17; improvement of 225 bps LQ and 411 bps YOY
- Total revenue up 9% YOY, down 4% LQ
  - YOY NII growth driven by increase in short-term rates and higher commercial loans, LQ decrease due to lower loans to mortgage companies
- Average loans up 13% YOY from higher commercial loans, down 3% LQ
- Average deposits up 9% YOY and up 3% LQ
- Loan loss provision reflects overall strength and stability in asset quality
  - Net charge-offs of $1mm in 1Q17 vs $9mm in 1Q16 and $2mm in 4Q16

---

*Numbers may not add to total due to rounding. LQ – Linked Quarter. YOY - Year over Year. * - less than 1%.

<sup>1</sup>Pre-provision net revenue is not a GAAP number but is used in regulatory stress test reporting. The presentation of PPNR follows the regulatory definition.
Profitable Growth Opportunities: Regional Banking

- Regional Banking average loan growth of 13% YOY and decline of 3% LQ
  - Excluding Loans to Mortgage Companies, average loans up 14% YOY and 3% LQ
  - Loans to Mortgage Companies average balance at $1.3B in 1Q17 vs $2.2B in 4Q16 and $1.2B in 1Q16
- Continued strong loan growth in specialty banking areas and growth markets
  - CRE up 7% and ABL up 2% LQ
  - Middle TN up 4% and Houston up 10% LQ

Regional Banking Average Loan Growth by Lending Area

1Q17 Average Regional Bank Commercial Loans

- Commercial 35%
- Finance 6%
- CPE 16%
- ABL 12%
- Corporate 7%
- Loans to Mortgage Companies 10%
- Asset Based Lending 12%
- Healthcare 3%
- Energy 1%

Specialty Banking Areas

Regional Banking 1Q17 Average Regional Bank Commercial Loans

- Loans to Mortgage Companies average balance at $1.3B in 1Q17 vs $2.2B in 4Q16 and $1.2B in 1Q16
- Continued strong loan growth in specialty banking areas and growth markets
  - CRE up 7% and ABL up 2% LQ
  - Middle TN up 4% and Houston up 10% LQ

Note: Numbers may not add to total due to rounding. LQ – Linked Quarter. YOY – Year over Year.

1 Other includes Retail, Business Banking and the following specialty banking areas: Corporate, Correspondent, Energy, Franchise Finance and Healthcare.
Fixed Income - FTN Financial

Solid Fee Income Contribution

- Fixed income product average daily revenue (ADR) at $689k in 1Q17 vs $718k in 4Q16
- Fixed income ADR performance reflects lower activity due to rate increases and relatively low levels of volatility
- Focused on investing in extensive fixed income distribution platform:
  - Acquisition of Coastal Securities in 2Q17 substantially expands government guaranteed loan (“GGL”) products (SBA and USDA loans and securities) and contributes to municipal products growth strategy
  - Strategic hires to increase market share

<table>
<thead>
<tr>
<th>Financial Results</th>
<th>1Q17</th>
<th>4Q16</th>
<th>1Q16</th>
<th>1Q17 vs 4Q16</th>
<th>1Q17 vs 1Q16</th>
</tr>
</thead>
<tbody>
<tr>
<td>NII</td>
<td>$1</td>
<td>$3</td>
<td>$3</td>
<td>-55%</td>
<td>-57%</td>
</tr>
<tr>
<td>Fee Income</td>
<td>$51</td>
<td>$52</td>
<td>$67</td>
<td>-2%</td>
<td>-24%</td>
</tr>
<tr>
<td>Expense</td>
<td>$49</td>
<td>$49</td>
<td>$59</td>
<td>*</td>
<td>-17%</td>
</tr>
<tr>
<td>Pretax Income</td>
<td>$3</td>
<td>$6</td>
<td>$11</td>
<td>-44%</td>
<td>-71%</td>
</tr>
<tr>
<td>Net Income</td>
<td>$2</td>
<td>$4</td>
<td>$7</td>
<td>-43%</td>
<td>-69%</td>
</tr>
<tr>
<td>ADR</td>
<td>$689k</td>
<td>$718k</td>
<td>$944k</td>
<td>-4%</td>
<td>-27%</td>
</tr>
</tbody>
</table>

1Q17 Daily Fixed Income Product Revenue

- ADR $689k in 1Q17 vs $718k in 4Q16
- ADR performance reflects lower activity due to rate increases and relatively low levels of volatility
- Focused on investing in extensive fixed income distribution platform:
  - Acquisition of Coastal Securities in 2Q17 substantially expands government guaranteed loan (“GGL”) products (SBA and USDA loans and securities) and contributes to municipal products growth strategy
  - Strategic hires to increase market share

Fixed Income Revenue and Expense

- ADR $689k in 1Q17 vs $718k in 4Q16
- ADR performance reflects lower activity due to rate increases and relatively low levels of volatility
- Focused on investing in extensive fixed income distribution platform:
  - Acquisition of Coastal Securities in 2Q17 substantially expands government guaranteed loan (“GGL”) products (SBA and USDA loans and securities) and contributes to municipal products growth strategy
  - Strategic hires to increase market share

* - Less than 1%
Improving Productivity & Efficiency

- Focused on positive operating leverage
- Continued expense discipline across the organization
- Expense down LQ due to decrease in legal accruals, lower compensation and other expense items
- Ongoing investments in strategic hires in specialty banking areas, growth markets and technology
- Financial center count down 7% YOY with added emphasis on digital banking

4Q16 – 1Q17 Consolidated Noninterest Expense by Segment

4Q16 – 1Q17 Consolidated Noninterest Expense by Item

1Other includes declines in depreciation, travel & entertainment, supplies and other. Refer to the 1Q17 financial supplement for additional detail.
Asset Quality

Stable Credit Trends Reflect Strong Underwriting Discipline

- Net recoveries of ~$1mm in 1Q17 vs net recoveries of ~$1mm in 4Q16 and net charge-offs of $9mm in 1Q16
- Non-performing assets down 27% YOY and down 2% LQ
- 30+ delinquencies as a percentage of total loans at 0.39% on a consolidated basis and 0.24% in the Regional Bank
- Allowance to loan ratio up 3 bps LQ
- Non-Strategic loans comprise 8% of total average loans at 1Q17, down from 11% a year ago

<table>
<thead>
<tr>
<th>Asset Quality Highlights</th>
<th>1Q16</th>
<th>2Q16</th>
<th>3Q16</th>
<th>4Q16</th>
<th>1Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision/(Credit)</td>
<td>$3</td>
<td>$4</td>
<td>$4</td>
<td>-</td>
<td>$(1)</td>
</tr>
<tr>
<td>Charge-offs</td>
<td>$18</td>
<td>$18</td>
<td>$10</td>
<td>$11</td>
<td>$8</td>
</tr>
<tr>
<td>Recoveries</td>
<td>$(8)</td>
<td>$(10)</td>
<td>$(8)</td>
<td>$(12)</td>
<td>$(9)</td>
</tr>
<tr>
<td>Net Charge-Offs/(Recoveries)</td>
<td>$9</td>
<td>$8</td>
<td>$2</td>
<td>$(1)</td>
<td>$(1)</td>
</tr>
</tbody>
</table>

Numbers may not add to total due to rounding. LQ - Linked Quarter. YOY - Year over Year.

¹Net charge-off % is annualized.
Building Long-Term Earnings Power: Bonefish Targets
Focused on Growing Our Company Selectively and Profitably While Positioning Our Balance Sheet for Sustainable, Higher Returns in the Long Term

<table>
<thead>
<tr>
<th>1Q17</th>
<th>Consolidated</th>
<th>Long-Term Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROTCE(^1)</td>
<td>10.3%</td>
<td>15.0%+</td>
</tr>
<tr>
<td>ROA(^1)</td>
<td>0.82%</td>
<td>1.10 - 1.30%</td>
</tr>
<tr>
<td>CET1(^2)</td>
<td>10.2%</td>
<td>8.0 - 9.0%</td>
</tr>
<tr>
<td>NIM(^1)</td>
<td>2.92%</td>
<td>3.25 - 3.50%</td>
</tr>
<tr>
<td>NCO / Average Loans(^1)</td>
<td>NM</td>
<td>0.20 - 0.60%</td>
</tr>
<tr>
<td>Fee Income / Revenue</td>
<td>38%</td>
<td>40 - 50%</td>
</tr>
<tr>
<td>Efficiency Ratio</td>
<td>72%</td>
<td>60 - 65%</td>
</tr>
</tbody>
</table>

\(^1\)ROTCE, ROA, NIM, and NCO / Average Loans are annualized. ROTCE is a Non-GAAP number and reconciled in the appendix.

\(^2\)Current quarter is an estimate.
Building Blocks Provide Path to Bonefish Targets
Building a Foundation for Long-Term Earnings Power

Increased Potential Drivers
- Corporate Tax Reform
- Economic Growth
- Regulatory Reform

Other Potential Drivers
- Fixed Income Platform Capacity
- Acquisition of Coastal Securities
- ADR at $1.0-$1.5mm

Capture Interest Rate Opportunities
- Latent Income Embedded in Asset-Sensitive Balance Sheet
- Strong Deposit Franchise
- Fed Funds Rate Increases

Optimize/Redeploy Capital
- Dividends
- Share Buybacks
- M&A

Economic Profit Improvement
- Utilize EP Tools to Enhance Customer/Product Profitability
- Sales Productivity and Process Improvements
- Continued Strong Underwriting and Pricing Discipline

Current Return/Earnings Power
- Leverage Specialty Areas
- Franchise Finance
- Specialty Healthcare
- Music
- Mid-Atlantic
- Middle TN
- Houston
- Maintain Positive Operating Leverage
- Non-Strategic Wind-Down
- Infrastructure Reductions
- Branch Network Rationalization

Continued Efficiencies
- More Controllable
- Less Controllable

Target Bonefish Return/Earnings Power

Chart illustrates a quantified path to long-term goals; it contains no forecasts.
Successfully Executing on Key Priorities

**FHN is Well Positioned for Attractive Long-Term Earnings Power**

- Proven execution capabilities

- Unique size, scope and strengths

- Focused on efficiency, productivity, economic profitability and growth opportunities

- Organizational alignment on the path to achieving long-term bonefish profitability

- Breadth and depth of talent to profitably run and grow the company
## Notable Items

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>Pre-Tax Amount</th>
<th>2017</th>
<th>Pre-Tax Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>Branch Impairment</td>
<td>$(3.7)mm</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>2Q</td>
<td>Litigation Accrual(^1)</td>
<td>$(26.0)mm</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Valuation Adjustment for Derivatives Related to Prior Sales of Visa Class B Shares</td>
<td>$(2.5)mm</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mortgage Repurchase Reserve Release</td>
<td>$31.4mm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3Q</td>
<td>Gain Primarily Related to Recoveries Associated with Prior Mortgage Servicing Sales</td>
<td>$4.4mm</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Litigation Accrual(^2)</td>
<td>$(4.5)mm</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Litigation Accrual Reversal(^3)</td>
<td>$4.3mm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4Q</td>
<td>Litigation Accrual(^1)</td>
<td>$(4.7)mm</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Pre-tax loss associated with legal matters in the Regional Banking segment ($22.0mm in 2Q16 and $2.7mm in 4Q16) and Non-Strategic segment ($4.0mm in 2Q16 and $2.0mm in 4Q16).

\(^2\) Pre-tax loss associated with legal matters in the Non-Strategic segment.

\(^3\) Pre-tax expense reversal associated with legal matters in the Regional Banking segment.

Refer to the financial supplement for further variance trend analysis.
## 1Q17 Segment Highlights

<table>
<thead>
<tr>
<th>$ in millions, except EPS</th>
<th>Net Income¹</th>
<th>1Q17 Per Share Impact²</th>
<th>Drivers and Impacts</th>
</tr>
</thead>
</table>
| **Regional Banking**      |             |                        | ▪ NII up 12% YOY and down 4% LQ  
▪ Average loans up 13% YOY and down 3% LQ  
▪ Expenses up 2% YOY and down 8% LQ  
▪ 1Q16 includes $3.7mm branch impairment expense  
▪ 4Q16 includes $2.7mm legal accrual expense  
▪ Loan loss provision of $3mm in 1Q17 vs $5mm in 4Q16                                                                                       |
| 1Q17                      | $65         | $0.27                  |                                                                                                                                                   |
| 4Q16                      | $63         |                        |                                                                                                                                                   |
| 1Q16                      | $46         |                        |                                                                                                                                                   |
| **Fixed Income**          |             | $0.01                  | ▪ Fixed income product ADR of $689k in 1Q17 vs $718k in 4Q16  
▪ Expense flat linked quarter due to lower variable compensation offset by FICA reset and increased legal fees                                                   |
| 1Q17                      | $2          |                        |                                                                                                                                                   |
| 4Q16                      | $4          |                        |                                                                                                                                                   |
| 1Q16                      | $7          |                        |                                                                                                                                                   |
| **Corporate¹**            |             | $(0.07)                | ▪ Loan loss provision credit of $4mm in 1Q17 vs $5mm credit in 4Q16  
▪ 4Q16 includes $2.0mm legal accrual expense                                                                                                        |
| $(17)                     |             |                        |                                                                                                                                                   |
| $(17)                     |             |                        |                                                                                                                                                   |
| $(15)                     |             |                        |                                                                                                                                                   |
| **Non-Strategic**         |             |                        | ▪ Loan loss provision credit of $4mm in 1Q17 vs $5mm credit in 4Q16  
▪ 4Q16 includes $2.0mm legal accrual expense                                                                                                        |
| $4                        |             | $0.02                  |                                                                                                                                                   |
| $3                        |             |                        |                                                                                                                                                   |
| $10                       |             |                        |                                                                                                                                                   |
| **Total¹**                | $54         | $0.23                  | Numbers may not add to total due to rounding. LQ – Linked Quarter, YOY – Year over Year.  
¹Corporate and total show net income available to common, which reflects $3mm of noncontrolling interest and $1.6mm of preferred stock dividends in each quarter.  
²Segment EPS impacts are Non-GAAP numbers, reconciled to total EPS in the table.  
EPS impacts are calculated using 1Q17 segment net income divided by the 237 million average diluted shares outstanding.
# 1Q17 Credit Quality Summary by Portfolio

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>Regional Banking</th>
<th>Corporate&lt;sup&gt;5&lt;/sup&gt;</th>
<th>Non-Strategic</th>
<th>FHNC Consol</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Commercial (C&amp;I &amp; Other)</td>
<td>CRE</td>
<td>HE &amp; HELOC</td>
<td>Other&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td>Period End Loans</td>
<td>$11,284</td>
<td>$2,173</td>
<td>$3,655</td>
<td>$425</td>
</tr>
<tr>
<td>30+ Delinquency</td>
<td>0.18%</td>
<td>0.03%</td>
<td>0.48%</td>
<td>0.90%</td>
</tr>
<tr>
<td>Dollars</td>
<td>$20</td>
<td>$1</td>
<td>$18</td>
<td>$4</td>
</tr>
<tr>
<td>NPL&lt;sup&gt;3&lt;/sup&gt;%</td>
<td>0.24%</td>
<td>0.11%</td>
<td>0.55%</td>
<td>0.09%</td>
</tr>
<tr>
<td>Dollars</td>
<td>$27</td>
<td>$2</td>
<td>$20</td>
<td>$0</td>
</tr>
<tr>
<td>Net Charge-offs&lt;sup&gt;4&lt;/sup&gt;%</td>
<td>NM</td>
<td>NM</td>
<td>NM</td>
<td>2.55%</td>
</tr>
<tr>
<td>Dollars</td>
<td>($1)</td>
<td>($0)</td>
<td>($0)</td>
<td>$3</td>
</tr>
<tr>
<td>Allowance</td>
<td>$92</td>
<td>$31</td>
<td>$19</td>
<td>$14</td>
</tr>
<tr>
<td>Allowance / Loans %</td>
<td>0.81%</td>
<td>1.42%</td>
<td>0.53%</td>
<td>3.36%</td>
</tr>
<tr>
<td>Allowance / Charge-offs</td>
<td>NM</td>
<td>NM</td>
<td>NM</td>
<td>1.33x</td>
</tr>
</tbody>
</table>

Numbers may not add to total due to rounding. NM - Not meaningful.

<sup>1</sup>Credit card, Permanent Mortgage, and Other.
<sup>2</sup>Credit card, OTC, and Other Consumer.
<sup>3</sup>Non-performing loan % excludes held-for-sale loans.
<sup>4</sup>Net charge-offs are annualized.

<sup>5</sup>Exercised clean-up calls on jumbo securitizations in 1Q13, 3Q12, 2Q11, and 4Q10, which are now on balance sheet in the Corporate segment.
Select C&I and CRE Portfolio Metrics

- $11.7B C&I portfolio, diversified by industry
- $2.2B CRE portfolio, diversified by geography and product type, comprising 11% of period-end consolidated loans
- Commercial (C&I and CRE) had net recoveries of $1.3mm for the quarter
  - Gross charge-offs were $0.6mm with recoveries of $1.9mm

C&I: Loans to Mortgage Companies

<table>
<thead>
<tr>
<th>Period</th>
<th>Average</th>
<th>Period End</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q16</td>
<td>$1.2</td>
<td>$1.5</td>
</tr>
<tr>
<td>2Q16</td>
<td>$1.6</td>
<td>$2.2</td>
</tr>
<tr>
<td>3Q16</td>
<td>$2.5</td>
<td>$2.5</td>
</tr>
<tr>
<td>4Q16</td>
<td>$2.0</td>
<td>$2.0</td>
</tr>
<tr>
<td>1Q17</td>
<td>$1.5</td>
<td>$1.3</td>
</tr>
</tbody>
</table>

CRE: Loan Type

- Construction 24%
- Mini-Perm/Non-Construction 75%
- Land 1%

CRE: Collateral Type

- Multi-Family 32%
- Office 16%
- Retail 23%
- Hospitality 13%
- Industrial 11%
- Other 4%
- Land 1%

CRE: Geographic Distribution

- TN 28%
- NC 20%
- FL 6%
- SC 6%
- GA 13%
- TX 9%
- Other 18%

Numbers may not add to total due to rounding.
## Consumer Portfolio Overview

### Home Equity Portfolio Characteristics

<table>
<thead>
<tr>
<th></th>
<th>First</th>
<th>Second</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance ($B)</td>
<td>$3.2</td>
<td>$1.3</td>
<td>$4.5</td>
</tr>
<tr>
<td>Original FICO</td>
<td>756</td>
<td>737</td>
<td>750</td>
</tr>
<tr>
<td>Refreshed FICO</td>
<td>756</td>
<td>726</td>
<td>748</td>
</tr>
<tr>
<td>Original CLTV</td>
<td>78%</td>
<td>81%</td>
<td>79%</td>
</tr>
<tr>
<td>Full Doc</td>
<td>96%</td>
<td>78%</td>
<td>91%</td>
</tr>
<tr>
<td>Owner Occupied</td>
<td>96%</td>
<td>94%</td>
<td>96%</td>
</tr>
<tr>
<td>HELOCs ($B)</td>
<td>$0.6</td>
<td>$1.1</td>
<td>$1.6</td>
</tr>
<tr>
<td>Weighted Average HELOC Utilization</td>
<td>43%</td>
<td>50%</td>
<td>48%</td>
</tr>
</tbody>
</table>

### HELOC Draw vs Repayment Balances

- **In Draw**
  - First: $1.0B
  - Second: $0.6
- **In Repayment**
  - First: $0.5
  - Second: $0.0

### Percent of Home Equity Portfolio: Months Left in Draw Period

- 0-12: 20%
- 13-24: 10%
- 25-36: 6%
- 37-48: 6%
- 49-60: 7%
- >60: 50%

### Non-Strategic Consumer Real Estate Run-Off

- 1Q16: $1.2B
- 2Q16: $1.2B
- 3Q16: $1.2B
- 4Q16: $1.2B
- 1Q17: $1.2B

- Weighted Average HELOC Utilization: 43%, 50%, 48%

### Mortgage Repurchase Reserve

<table>
<thead>
<tr>
<th></th>
<th>1Q16</th>
<th>2Q16</th>
<th>3Q16</th>
<th>4Q16</th>
<th>1Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>$115</td>
<td>$114</td>
<td>$67</td>
<td>$67</td>
<td>$65</td>
</tr>
<tr>
<td>Net Realized Losses</td>
<td>$(1)</td>
<td>$(16)</td>
<td>$(0)</td>
<td>$(1)</td>
<td>$(0)</td>
</tr>
<tr>
<td>Provision</td>
<td>$0</td>
<td>$(31)</td>
<td>$(0)</td>
<td>$(1)</td>
<td>$(0)</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>$114</td>
<td>$67</td>
<td>$67</td>
<td>$65</td>
<td>$65</td>
</tr>
</tbody>
</table>

Numbers may not add to total due to rounding.
Reconciliation to GAAP Financials

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

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>1Q17</th>
<th>1Q16</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Return on Tangible Common Equity (ROTCE)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Total Equity (GAAP)</td>
<td>$2,723</td>
<td>$2,644</td>
<td></td>
</tr>
<tr>
<td>Less: Average Noncontrolling Interest (GAAP)</td>
<td>$295</td>
<td>$295</td>
<td></td>
</tr>
<tr>
<td>Less: Preferred Stock (GAAP)</td>
<td>$96</td>
<td>$96</td>
<td></td>
</tr>
<tr>
<td>Average Common Equity (GAAP) (a)</td>
<td>$2,332</td>
<td>$2,253</td>
<td></td>
</tr>
<tr>
<td>Less: Average Intangible Assets (GAAP)</td>
<td>$212</td>
<td>$217</td>
<td></td>
</tr>
<tr>
<td>Average Tangible Common Equity (Non-GAAP) (b)</td>
<td>$2,120</td>
<td>$2,036</td>
<td></td>
</tr>
<tr>
<td>Annualized Net Income Available to Common (GAAP) (c)</td>
<td>$219</td>
<td>$192</td>
<td></td>
</tr>
<tr>
<td>Return on Average Common Equity (ROE) (GAAP) (c/a)</td>
<td>9.4%</td>
<td>8.5%</td>
<td>0.86%</td>
</tr>
<tr>
<td>Return on Average Tangible Common Equity (ROTCE) (Non-GAAP) (c/b)</td>
<td>10.3%</td>
<td>9.4%</td>
<td>0.89%</td>
</tr>
</tbody>
</table>

Numbers may not add to total due to rounding.