First Citizens BancShares, Inc.

Second Quarter 2023

Earnings Conference Call

August 3, 2023

Agenda

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Important Notices

Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the financial condition, results of operations, business plans, asset quality, and future performance and other strategic goals of First Citizens BancShares, Inc. ("BancShares“). Words such as “anticipates,” “believes,” “estimates,” “expects,” “predicts,” “forecasts,” “intends,” “plans,” “projects,” “targets,” “designed,” “could,” “may,” “should,” “will,” “potential,” “continue”, “aims” or other similar words and expressions are intended to identify these forward-looking statements. These forward-looking statements are based on BancShares’ current expectations and assumptions regarding BancShares’ business, the economy, and other future conditions.

Because forward-looking statements relate to future results and occurrences, they are subject to inherent risks, uncertainties, changes in circumstances and other risk factors that are difficult to predict. Many possible events or factors could affect BancShares’ future financial results and performance and could cause the actual results, performance or achievements of BancShares to differ materially from any anticipated results expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others, general competitive, economic, political, geopolitical events (including the military conflict between Russia and Ukraine) and market conditions, including changes in competitive pressures among financial institutions and the impacts related to or resulting from recent bank failures and other volatility, the financial success or changing conditions or strategies of BancShares’ vendors or clients, including changes in demand for deposits, loans and other financial services, fluctuations in interest rates, changes in the quality or composition of BancShares’ loan or investment portfolio, actions of government regulators, including the recent and projected interest rate hikes by the Board of Governors of the Federal Reserve Board (the “Federal Reserve”), changes to estimates of future costs and benefits of actions taken by BancShares, BancShares’ ability to maintain adequate sources of funding and liquidity, the potential impact of decisions by the Federal Reserve on BancShares’ capital plans, adverse developments with respect to U.S. or global economic conditions, including the significant turbulence in the capital or financial markets, the impact of the current inflationary environment, the impact of implementation and compliance with current or proposed laws, regulations and regulatory interpretations, including the interagency proposed rule on regulatory capital, along with the risk that such laws, regulations and regulatory interpretations may change, the availability of capital and personnel, and the failure to realize the anticipated benefits of BancShares’ previous acquisition transactions, including the recently completed FDIC-assisted transaction with Silicon Valley Bridge Bank, N.A. (“SVB”) and the previously completed transaction with CIT Group Inc. (“CIT”), which acquisition risks include (1) disruption from the transactions with client, supplier or employee relationships, (2) the possibility that the amount of the costs, fees, expenses and charges related to the transactions may be greater than anticipated, including as a result of unexpected or unknown factors, events or liabilities or increased regulatory compliance obligations or oversight, (3) reputational risk and the reaction of the parties’ clients to the transactions, (4) the risk that the cost savings and any revenue synergies from the transactions may not be realized or take longer than anticipated to be realized, (5) difficulties experienced in the integration of the businesses, (6) the ability to retain clients following the transactions and (7) adjustments to BancShares’ estimated purchase accounting impacts of the SVB acquisition (as defined below).

Except to the extent required by applicable laws or regulations, BancShares disclaims any obligation to update forward-looking statements or to publicly announce the results of any revisions to any of the forward-looking statements included herein to reflect future events or developments. Additional factors which could affect the forward-looking statements can be found in BancShares’ Annual Report on Form 10-K for the fiscal year ended December 31, 2022, its Quarterly Report on From 10-Q for the period ended March 31, 2023, and its other filings with the Securities and Exchange Commission (the “SEC”).

Non-GAAP Measures

Certain measures in this presentation are “Non-GAAP,” meaning they are not presented in accordance with generally accepted accounting principles in the U.S. and also are not codified in U.S. banking regulations currently applicable to BancShares. BancShares believes that Non-GAAP financial measures, when reviewed in conjunction with GAAP financial information, can provide transparency about or an alternative means of assessing its operating results and financial position to its investors, analysts and management.

Certain financial results referenced as “Adjusted” in this presentation exclude notable items. The Adjusted financial measures are Non-GAAP. Refer to Section V of this presentation for a reconciliation of Non-GAAP measures to the most directly comparable GAAP measure.

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Second Quarter Overview & SVB Business Update

Section I

Second Quarter 2023 Snapshot

First Citizens continued to deliver strong performance.

Key Accomplishments:

- Continued to **rebuild trust** with clients and provide support to the innovation economy, **leveraging SVB's deep bench of 1,000+ bankers.**
- Appointed **Marc Cadieux**, a SVB veteran, **President of SVB's commercial banking business.**
- **Achieved solid earnings.**
- **Expanded net interest margin** sequentially driven by benefits from the SVB acquisition.
- Delivered strong **deposit growth driven by our Direct Bank channel.**
- **Achieved strong loan growth** in the Commercial and General Bank segments.
- Maintained **strong capital and liquidity** positions.

Financial Highlights:

Adjusted EPS (1)

$52.60

Adjusted ROE / ROA (1)

16.46% / 1.49%

NIM

4.10%

Adjusted Efficiency Ratio (1)

49.65%

CET1 ratio

13.38%

Deposit growth (2)

3.2%

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(1) Non-GAAP metric. Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures. Adjustments for certain notable items are outlined on page 15.
(2) Deposit growth percentage is annualized.

Continued Progress on SVB Integration Initiatives

Integration Priorities

- **Maintain & grow market position as an important partner in the innovation economy**
- **Build trust with our client base & defend against competition**
- **Retain key talent and optimize the workforce to drive revenue growth**
- **Maintain sound risk management practices**

Key Activities

Stabilization	Strategic Assessment	Integration	Large Bank Program (Regulatory Readiness)
MATERIALLY COMPLETE	IN PROGRESS		
◦ Conducted robust client outreach program to stabilize deposits. ◦ Established leadership team at SVB and set initial strategic priorities. ◦ Stabilized key talent and began workforce optimization.	◦ Completed initial round of business unit strategic assessments. ◦ Assessing results and working to identify strategic initiatives and key integration activities.	◦ Developing detailed integration plans using results from the strategic assessments. ◦ Continuing focus on supporting the innovation economy.	◦ Refreshed capital plan and integrated liquidity monitoring to include SVB. ◦ Filed initial regulatory reporting as a combined organization. ◦ Identified areas of focus given increased size & complexity.

Strategic Priorities



Grow Core Lines of Business

- Allocate capital and investments to grow lines of business with the highest returns and opportunity.



Optimize Capital & Core Funding

- Continue to optimize core funding by growing lower cost deposits.
- Use innovation to facilitate growth, expand revenue opportunities and reduce cost of delivery while building a foundation for the future.



Scale Talent with an Eye Towards the Future

- Attract, retain and develop associates who align with our long-term direction and culture while scaling for continued growth.



Maintain Positive Operating Leverage

- Identify areas to enhance revenue and control costs beyond acquisition synergy goals.



Manage Risk Effectively

- Continue to manage risk within our defined risk appetite.
- Align risk management activities to support our move to the large financial institution framework.



Deliver value from SVB acquisition

- Maintain position as an important partner for the innovation economy.
- Continue to rebuild trust with legacy SVB client base.
- Focus on retaining legacy SVB talent and driving revenue growth.
- Leverage complementary capabilities and cultural attributes to differentiate our value proposition throughout customers' life cycle.

SVB Business Update

The focus since acquisition has been on stabilization to limit disruption to our clients and associates while continuing to serve as a partner of the innovation economy.



Delivering Products and Solutions to Support Clients

- Remain committed to SVB's unique business model and to providing purpose-built products and services to our clients.
- Had positive momentum in our business lines and continue to support lending needs in the innovation economy:
  - $145 million credit facility with Settle books (announced 7/25/23).
  - $7.5 million venture debt facility with Paytient (announced 7/13/23).
  - $50 million warehouse facility with Achieve (announced 6/28/23).
  - $100 million debt facility with 6sense (announced 6/22/23).
  - $200 million financing facility with Pivot Energy (announced 5/9/23).
  - $16 million debt facility with PocketFM (announced 5/2/23).



Engaging with Clients

- Communicated with over 30,000 innovation clients to demonstrate our commitment to SVB, our business model and our support of the innovation economy.
- Performed in-depth research to understand client sentiment regarding the acquisition and expectations for SVB going forward.
- Committed to rebuilding trust with our client base and providing the level of service, specialization and expertise that only SVB can.

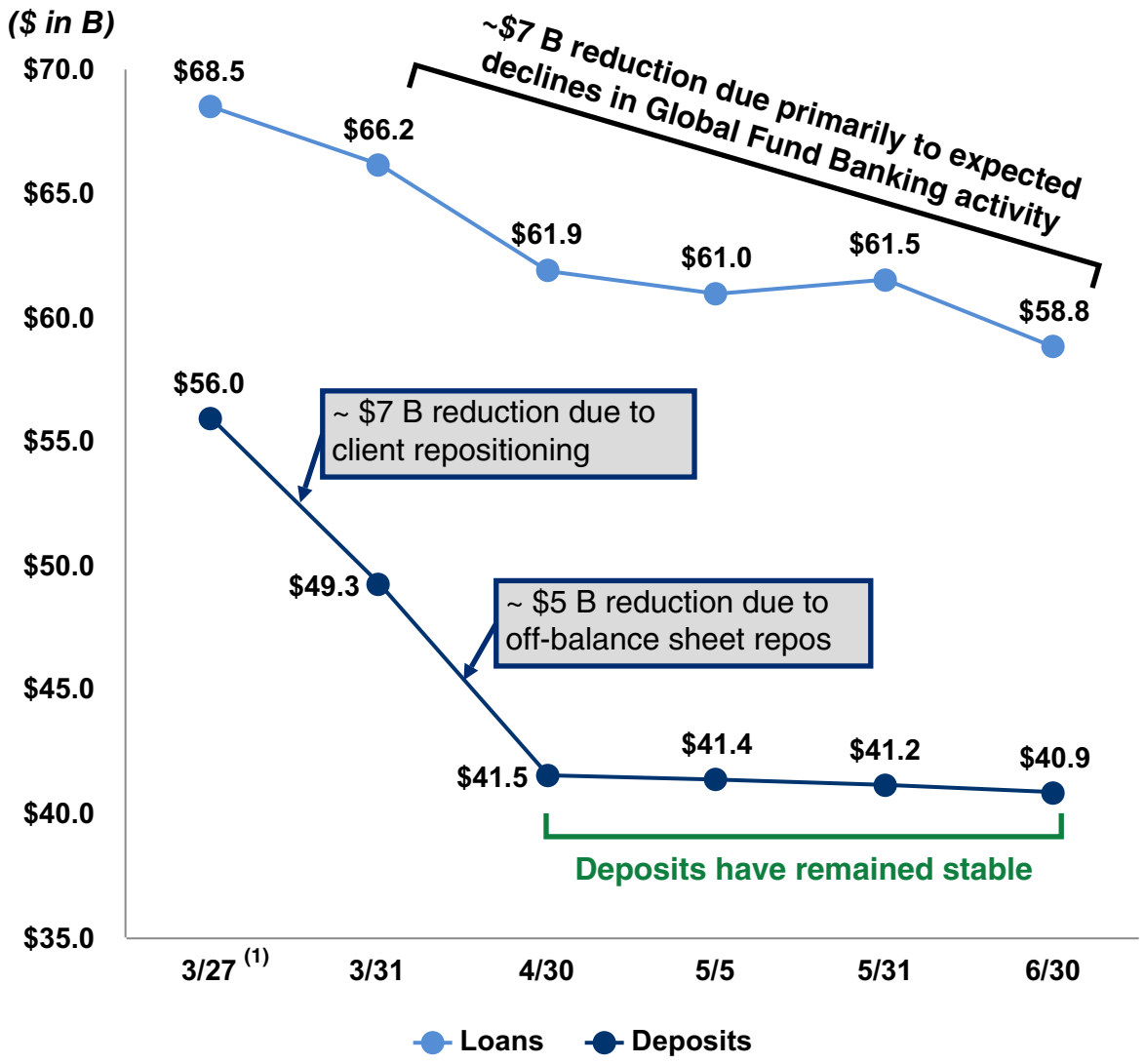


Supporting the Innovation Economy

- Organizing unique events to connect, support and educate the innovation economy.
- Upholding sponsorships of key organizations (Venture Forward, MedTech Innovator, etc.).
- Delivering critical innovation economy insights, surveys and reports.

SVB Loan & Deposit Trends

Deposits have remained stable and loans are in line with our forecast.



Highlights

Loans

- **Loans declined ~$7.4 B in 2Q23**
  Driven primarily by a $6.8 B decline in Global Fund Banking due in part to repayment of defensive draws from 1Q23 and lower levels of private market deal activity.

Deposits

- **3/27 to 3/31 deposits decreased ~$7 B**
  Clients repositioned deposits to other financial institutions, driven by outflows from Technology and Life Science/ Healthcare clients.
- **4/7 to 4/14 deposits decreased ~$5 B**
  Deposits moved to off balance sheet repurchase agreement.
- **Deposits remain normalized at ~$41 B**
  No material change in deposit balances since we last reported balances as of 5/5.

(1) SVB acquisition date.

SVB Client Funds Have Begun to Stabilize

Unaudited SVB Financial Profile:

	3/27/23	3/31/23	4/30/23	6/30/23
Total assets	$107 B	$99 B	$91 B	$92 B
Loans & leases	$69 B	$66 B	$62 B	$59 B
Deposits	$56 B	$49 B	$42 B	$41 B
Off balance sheet client funds	$88 B	$84 B	$79 B	$70 B
Private bank AUM	$15 B	$14 B	$12 B	$11 B



- Focused on **stabilization efforts.**



- Committed to **maintaining the strengths of SVB** by providing **consistent and high-touch service** to our clients.



- Remain focused on the **retention of key SVB talent.**

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Second Quarter 2023 Financial Results

Section II

2Q23 Financial Results - Takeaways

1. **Solid EPS, ROE and ROA performance.**
2. Strong **net interest income growth and NIM expansion** due to SVB acquisition.
3. **Significant improvement in efficiency ratio** due to SVB acquisition.
4. **Credit normalization continued** resulting in an **increase in net charge-offs and in CRE-related reserve build.**
5. **Office-related CRE exposure is limited**; overall **credit metrics remained strong**.
6. **Loan growth was strong** in the General and Commercial Bank segments.
7. **We achieved deposit growth** overall, primarily concentrated in the Direct Bank channel.
8. **SVB deposits remained stable** since our May investor call.
9. Continued **low levels of private equity/ venture capital activity remain a headwind for loan and deposit growth** in the SVB segment.
10. **Maintained a strong balance sheet position** in terms of **capital and liquidity.**

2Q23 Financial Highlights

	Quarter-to-date					
	Jun 23		Mar 23		Jun 22	
	Reported	Adjusted (Non-GAAP)	Reported	Adjusted (Non-GAAP)	Reported	Adjusted (Non-GAAP)
EPS	**$ 45.87**	**$ 52.60**	$ 653.64	$ 20.09	$ 14.86	$ 16.86
ROE	**14.35 %**	**16.46 %**	367.47 %	11.30 %	9.87 %	11.19 %
ROTCE	**14.91 %**	**17.10 %**	386.69 %	11.89 %	10.40 %	11.80 %
ROA	**1.31 %**	**1.49 %**	33.23 %	1.07 %	0.95 %	1.07 %
PPNR ROA	**2.00 %**	**2.34 %**	35.80 %	1.69 %	1.41 %	1.56 %
NIM	**4.10 %**	**4.10 %**	3.41 %	3.41 %	3.04 %	3.04 %
Net charge-off ratio	**0.47 %**	**0.47 %**	0.27 %	0.27 %	0.13 %	0.13 %
Efficiency ratio	**60.06 %**	**49.65 %**	7.70 %	58.39 %	66.34 %	57.55 %

Note – Adjusted ratios exclude notable items outlined on page 15. Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.

Quarter-to-Date Earnings Highlights

($ in millions)

Reported	QTD			Increase (decrease)			
				1Q23		2Q22	
	2Q23	1Q23	2Q22	$	%	$	%
Net interest income	$ 1,961	$ 850	$ 700	$ 1,111	130.7 %	$ 1,261	179.8 %
Noninterest income	658	10,259	424	(9,601)	(93.6)	234	55.0
Net revenue	**2,619**	**11,109**	**1,124**	(8,490)	(76.4)	1,495	133.0
Noninterest expense	1,572	855	745	717	84.0	827	110.7
Pre-provision net revenue	**1,047**	**10,254**	**379**	(9,207)	(89.8)	668	176.3
Provision for credit losses	151	783	42	(632)	(80.7)	109	257.7
Income before income taxes	**896**	**9,471**	**337**	(8,575)	(90.6)	559	165.9
Income taxes	214	(47)	82	261	(557.9)	132	162.0
Net income	**682**	**9,518**	**255**	**(8,836)**	**(92.8)**	**427**	**167.1**
Preferred stock dividends	15	14	17	1	0.5	(2)	(13.3)
Net income available to common stockholders	**$ 667**	**$ 9,504**	**$ 238**	**$ (8,837)**	**(93.0)%**	**$ 429**	**179.9 %**

Adjustment for notable items	2Q23	1Q23	2Q22
Noninterest income	$ (196)	$ (9,950)	$ (141)
Noninterest expense	(370)	(178)	(179)
Provision for credit losses	1	(720)	—
Income taxes	75	160	6

Adjusted (Non-GAAP)	QTD			Increase (decrease)			
				1Q23		2Q22	
	2Q23	1Q23	2Q22	$	%	$	%
Net interest income	$ 1,961	$ 850	$ 700	$ 1,111	130.7 %	$ 1,261	179.8 %
Noninterest income	462	309	283	153	33.9	179	45.1
Net revenue	**2,423**	**1,159**	**983**	1,264	109.1	1,440	146.5
Noninterest expense	1,202	677	566	525	64.3	636	92.1
Pre-provision net revenue	**1,221**	**482**	**417**	739	153.3	804	192.8
Provision for credit losses	152	63	42	89	139.7	110	259.4
Income before income taxes	**1,069**	**419**	**375**	650	154.6	694	184.4
Income taxes	289	113	88	176	155.9	201	226.5
Net income	**780**	**306**	**287**	**474**	**154.1**	**493**	**171.4**
Preferred stock dividends	15	14	17	1	0.5	(2)	(13.3)
Net income available to common stockholders	**$ 765**	**$ 292**	**$ 270**	**$ 473**	**161.8 %**	**$ 495**	**182.9 %**

Note – Adjusted amounts exclude notable items detailed on page 15. Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.

Notable Items [1]

($ in millions, except per share data)

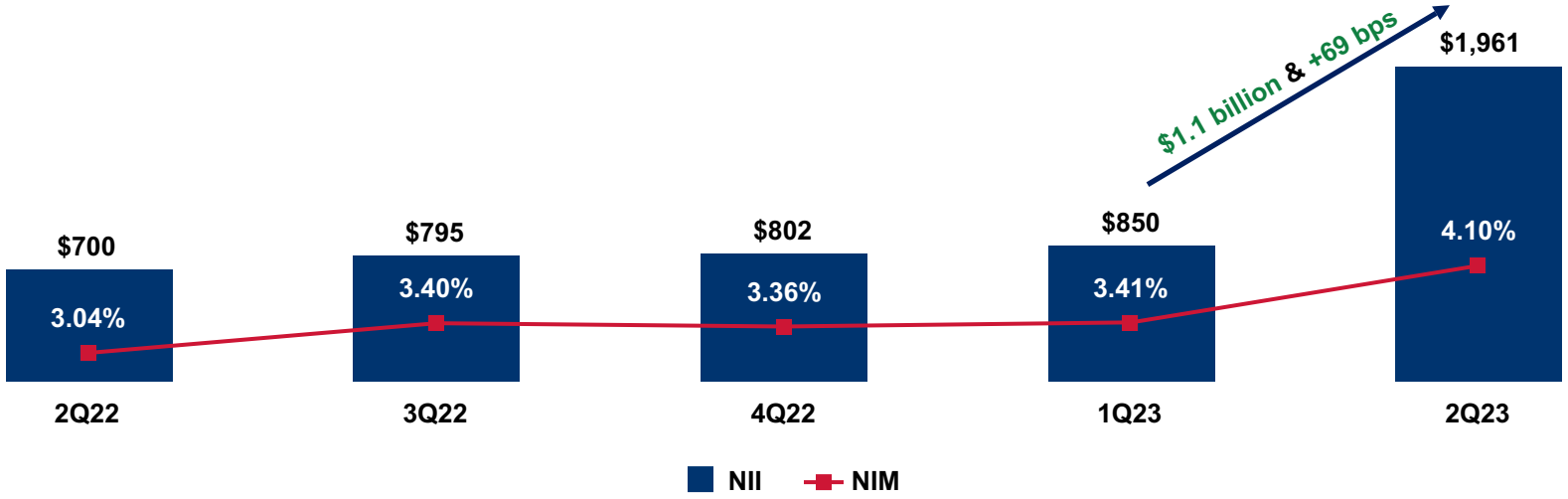
	2Q23	1Q23	2Q22
Rental income on operating lease equipment [2]	$ (147)	$ (145)	$ (136)
Realized gain on sale of investment securities available for sale, net	—	14	—
Fair value adjustment on marketable equity securities, net	10	9	6
Gain on sale of leasing equipment, net	(4)	(4)	(5)
Gain on acquisition, net of tax	(55)	(9,824)	—
Gain on extinguishment of debt	—	—	—
Other noninterest income [3]	—	—	(6)
Impact on adjusted noninterest income	**$ (196)**	**$ (9,950)**	**$ (141)**
Depreciation on operating lease equipment [2]	$ (91)	$ (89)	$ (89)
Maintenance and other operating lease expenses [2]	(56)	(56)	(47)
Acquisition-related expenses	(205)	(28)	(34)
Intangible asset amortization	(18)	(5)	(6)
Other noninterest expense [4]	—	—	(3)
Impact on adjusted noninterest expense	**$ (370)**	**$ (178)**	**$ (179)**
CECL Day 2 provision and reserve for unfunded commitments	$ —	$ (716)	$ —
Provision for credit losses- investment securities available for sale	1	(4)	—
Provision for credit losses - total adjustments	**$ 1**	**$ (720)**	**$ —**
Impact on adjusted pre-tax income	**$ 173**	**$ (9,052)**	**$ 38**
Income tax impact [5]	75	160	6
Impact on adjusted net income	**$ 98**	**$ (9,212)**	**$ 32**
Impact on adjusted diluted EPS	**$ 6.73**	**$ (633.55)**	**$ 2.00**

(1) Notable items include income and expense for infrequent transactions and certain recurring items (typically noncash) that Management believes should be excluded from adjusted measures (Non-GAAP) to enhance understanding of operations and comparability to historical periods. Management utilizes both GAAP and adjusted measures (Non-GAAP) to analyze the Company's performance. Refer to Section V of this presentation for a reconciliation of Non-GAAP measures to the most directly comparable GAAP measures.
(2) Depreciation and maintenance and other operating lease expenses are reclassified from noninterest expense to a reduction of rental income on operating lease equipment. There is no net impact to earnings for this notable item as adjusted noninterest income and expense are reduced by the same amount. Adjusted rental income on operating lease equipment (non-GAAP) is net of depreciation and maintenance expense for operating lease equipment. Management believes this measure enhances comparability to banking peers, primarily due to the extent of our rail and other equipment rental activities. Refer to Section V of this presentation for a reconciliation of Non-GAAP measures to the most directly comparable GAAP measure.
(3) Includes gain on sale of the corporate jet acquired from CIT.
(4) Includes specific litigation reserve for the HAMP litigation.
(5) For the periods presented the income tax impact may include tax discrete items and changes in the estimated annualized effective tax rate.

Note – Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.

Net interest income and margin (NIM)

($ in millions)



Highlights

2Q23 vs 1Q23

Net interest income increased by $1.1 billion due to a $1.7 billion increase in interest income, partially offset by a $631 million increase in interest expense. The change in net interest income was primarily due to the following:

- $1.3 billion increase in interest income on loans due to a higher average balance and increased loan accretion ($226 million) resulting from the full quarter impact of the SVB acquisition, a higher yield and loan growth in the General Bank and Commercial Bank,
- $393 million increase in interest income on overnight investments due to a higher yield and a higher average balance resulting from the full quarter impact of the SVB acquisition, partially offset by a
- $344 million increase in borrowing costs primarily due to the Purchase Money Note related to the SVB acquisition and a
- $287 million increase in interest expense on deposits due to a higher average balance resulting from the full quarter impact of the SVB acquisition, growth in the Direct Bank and a higher rate paid.

NIM expanded 69 basis points from 3.41% to 4.10%. See the following page for a rollforward of NIM between 1Q23 and 2Q23.

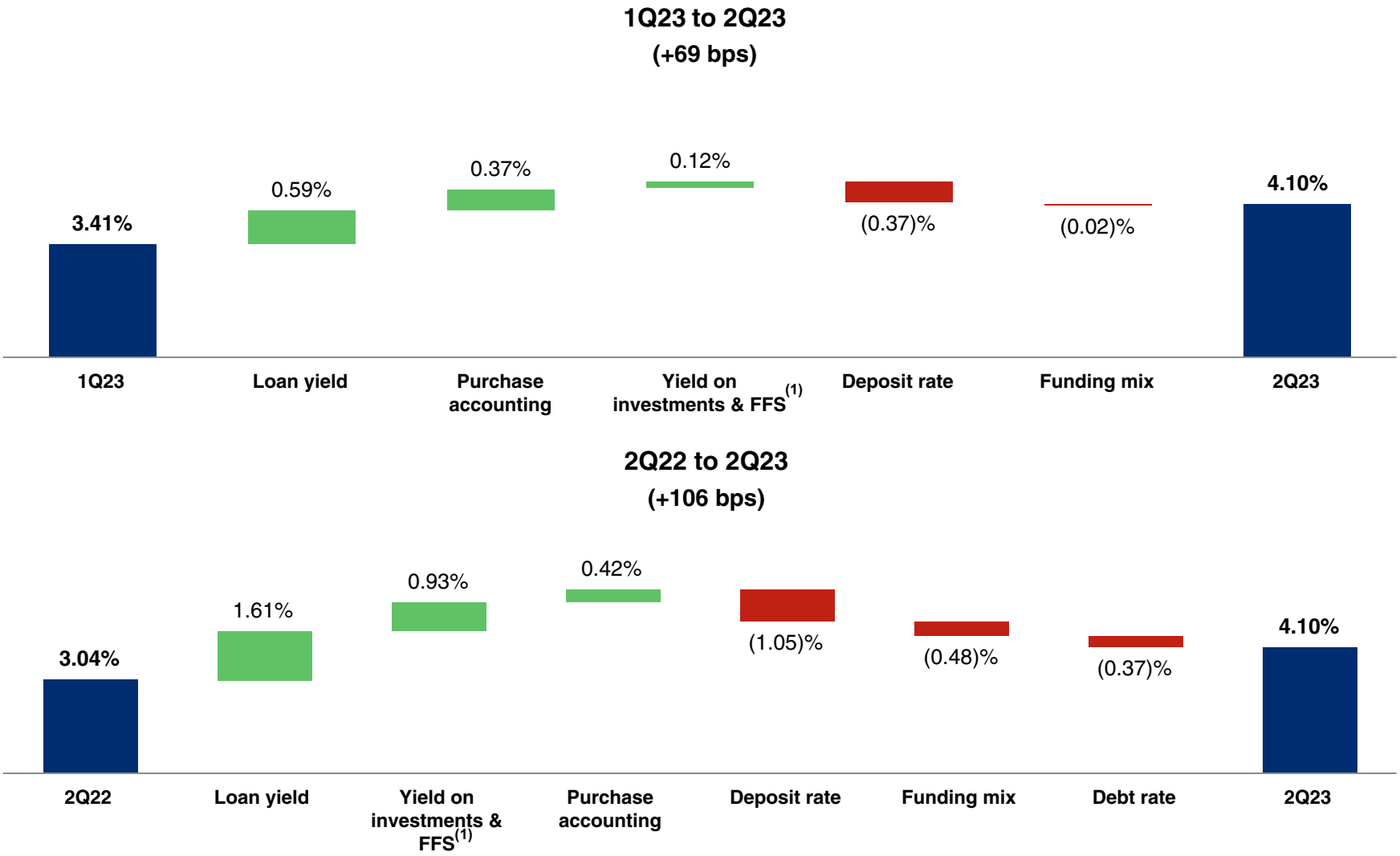
2Q23 vs 2Q22

Net interest income increased by $1.3 billion due to a $2.2 billion increase in interest income, partially offset by a $935 million increase in interest expense. The change in net interest income was primarily due to the following:

- $1.7 billion increase in interest income on loans due to a higher average balance and increased loan accretion ($244 million) both as a result of the SVB acquisition, an increase in loan yield, and loan growth in the General Bank and Commercial Bank,
- $467 million increase in interest on overnight investments due to a higher average balance resulting from the SVB acquisition and a higher yield, partially offset by a
- $533 million increase in interest expense on deposits due to a higher average balance resulting from the SVB acquisition and growth in the Direct Bank and a higher rate paid, and a
- $402 million increase in interest expense on borrowings primarily due to the Purchase Money Note related to the SVB acquisition and a higher rate paid.

NIM expanded 106 basis points from 3.04% to 4.10%. See the following page for a rollforward of NIM between 2Q22 and 2Q23.

NIM Rollforward



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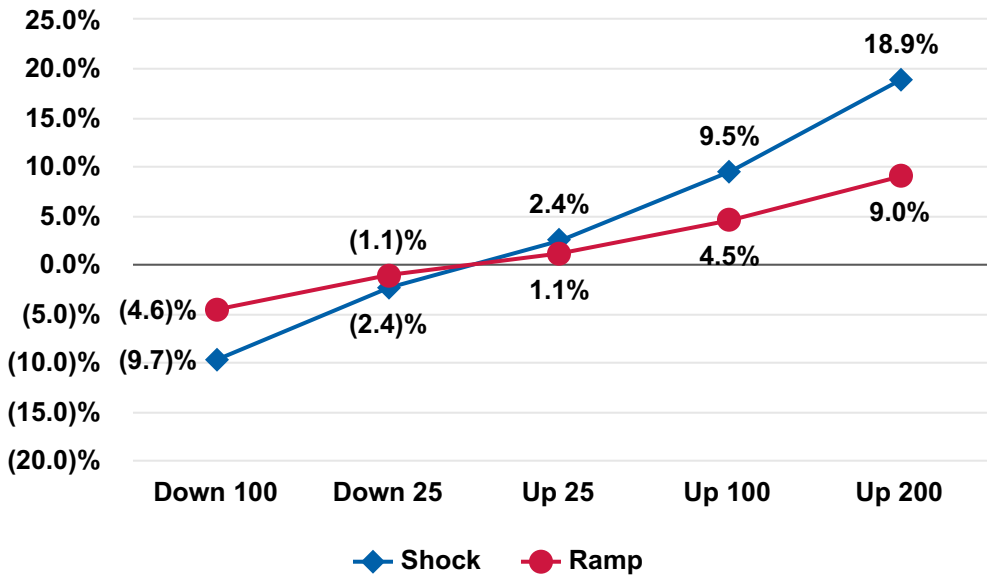
(1) FFS represents Fed Funds Sold.

Net interest income and margin rate sensitivity

2Q23 Interest Rate Sensitivity



Highlights

- BancShares continues to have an asset sensitive interest rate risk profile. The magnitude of asset sensitivity increased with the SVB acquisition primarily due to:
  - Higher cash balances to manage liquidity risk from acquired portfolios and businesses.
  - Addition of a fixed rate Purchase Money Note, increasing liability duration (~$36 billion at June 30, 2023).
  - Increase in loans that are primarily linked to floating rate indices (~$59 billion at June 30, 2023).
- Net interest income is projected to increase 9.5% over the next 12 months for an immediate +100 bps parallel shift (shock) in the yield curve and increase 4.5% for a gradual shift (ramp) of +100 bps.
- Net interest income is projected to decrease 9.7% over the next 12 months for an immediate -100 bps parallel shift (shock) in the yield curve and decrease 4.6% for a gradual shift (ramp) of -100 bps.
- Combined deposit betas are modeled at approximately 35% - 40%, inclusive of acquired deposits.
- Approximately 65 - 70% of our loans are floating indexed primarily to Prime, SOFR and LIBOR.
- The duration of our investment portfolio is ~3.7 years and helps to mitigate earnings risk in a down rate environment.

Illustrative impacts to NII & NIM (1)

	3Q23		4Q23		1Q24		2Q24	
($ in millions)	NII	NIM	NII	NIM	NII	NIM	NII	NIM
+100 bps shock	$ 168	0.35 %	$ 192	0.39 %	$ 191	0.39 %	$ 185	0.38 %
+100 bps ramp	$ 13	0.03 %	$ 62	0.13 %	$ 113	0.23 %	$ 161	0.33 %
-100 bps ramp	$ (13)	(0.03)%	$ (62)	(0.13)%	$ (114)	(0.23)%	$ (163)	(0.33)%
-100 bps shock	$ (165)	(0.34)%	$ (195)	(0.40)%	$ (196)	(0.40)%	$ (192)	(0.39)%

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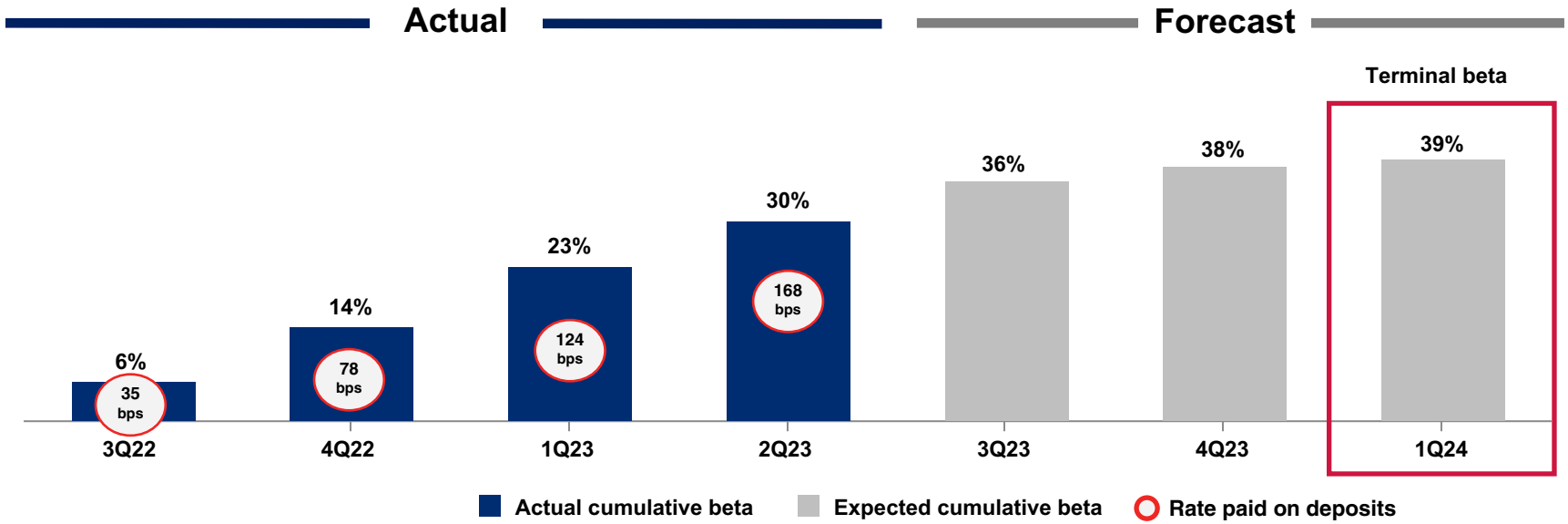
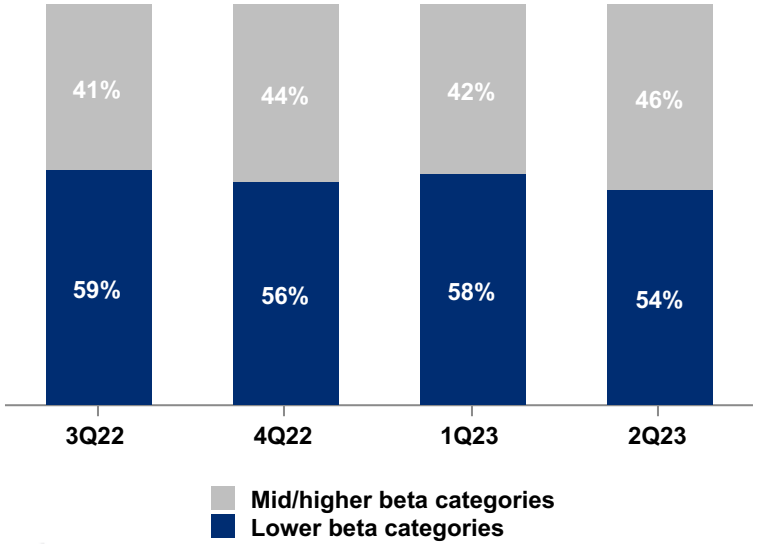
Note – The above information is an illustrative example of changes in net interest income and net interest margin using a static balance sheet and forward swap curves in place as of the end of June. Actual results may differ from above.
(1) Impacts to NII and NIM may change due to actual results being different than modeled expectations.

Historical and Forecasted Cumulative Deposit Beta





Highlights

- Expect cumulative deposit beta to increase in the second half of 2023 as we continue to increase deposits in the Direct Bank channel and interest rates remain higher for longer.
- We expect full cycle deposit beta to be approximately 39%, but betas will be dependent on liquidity needs, behavior of acquired deposits, and levels of overall deposit competition.
- **Mid/higher beta categories:**
  - > 30% beta on Direct Bank and SVB money market, savings and time deposit accounts.
  - 10 to 30% beta on branch network money market accounts and Community Association Banking checking with interest and money market accounts.
- **Lower beta categories:**
  - 0 to 10% beta on total noninterest bearing deposits and branch network checking with interest and savings accounts.

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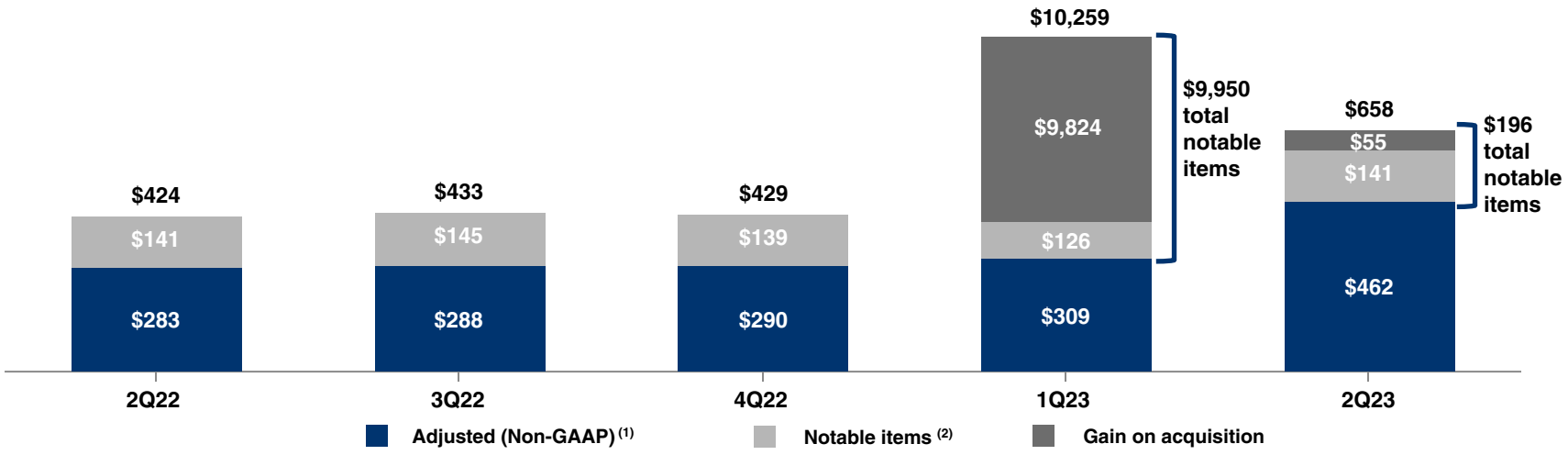
Noninterest income

($ in millions)



Highlights

2Q23 vs 1Q23

Noninterest income decreased $9.6 billion.

Adjusted noninterest income (1) increased by $153 million primarily due to the full quarter impact of the SVB acquisition. Significant components included:

- $50 million increase in client investment fees earned for managing off-balance sheet client funds primarily in the SVB segment,
- $28 million increase in international fees which are FX fees primarily in the SVB segment,
- $22 million increase in fee income and other service charges,
- $20 million increase in service charges on deposits,
- $20 million increase in cardholder services.

Notable items decreased by $9.8 billion. Significant components included:

- $9.8 billion preliminary gain on acquisition, net of tax, related to the 1Q23 SVB acquisition and a
- $14 million decrease in realized losses on the sale of investment securities.

2Q23 vs 2Q22

Noninterest income increased $234 million.

Adjusted noninterest income (1) increased by $179 million primarily due to the impact of the SVB acquisition. Significant components included:

- $52 million increase in client investment fees (see commentary for linked quarter),
- $32 million increase in fee income and other service charges,
- $30 million increase in international fees (see commentary for linked quarter),
- $16 million increase in service charges on deposits, and a
- $15 million increase in cardholder services.

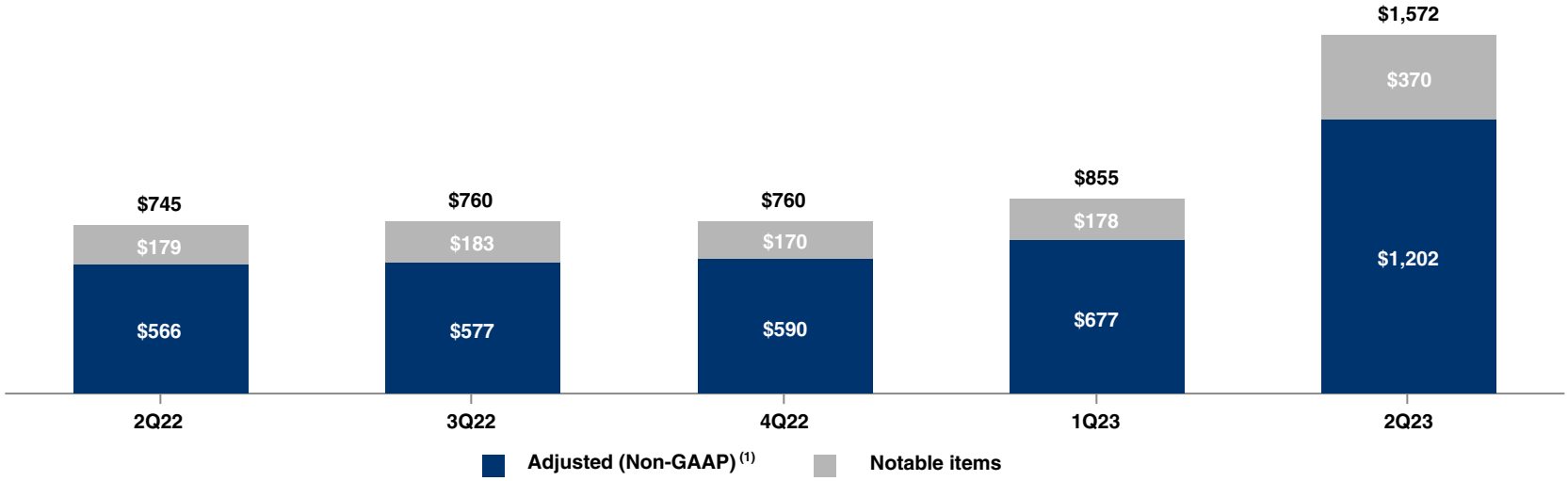
Notable items increased by $55 million. Significant components included:

- $55 million preliminary gain on acquisition, net of tax, related to the 1Q23 SVB acquisition; partially offset by a
- $6 million decrease in other noninterest income, and a
- $3 million increase in unfavorable fair value adjustments on marketable equity securities.

(1) Adjusted noninterest income is Non-GAAP and excludes notable items as detailed on page 15. Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.
(2) Excludes gain on acquisition as it is broken out separately.

Noninterest expense

($ in millions)



Highlights

2Q23 vs 1Q23

Noninterest expense increased $717 million.

Adjusted noninterest expense (1) increased by $525 million primarily due to the full quarter impact of the SVB acquisition. Significant components included:

- $355 million increase in salaries and benefits,
- $75 million increase in equipment expense,
- $26 million increase in marketing costs, $23 million of which is associated with increased deposit activity in the Direct Bank, and a
- $24 million increase in third-party processing fees.

Notable items increased by $192 million. Significant components included:

- $177 million increase in acquisition-related expenses primarily related to the acquisition of SVB, and a
- $13 million increase in intangible asset amortization primarily related to the acquisition of SVB.

Adjusted efficiency ratio improved from 58.39% to 49.65% (1).

2Q23 vs 2Q22

Noninterest expense increased $827 million.

Adjusted noninterest expense (1) increased by $636 million primarily due to the impact of the SVB acquisition. Significant components included:

- $430 million increase in salaries and benefits,
- $79 million increase in equipment expense,
- $32 million increase in marketing costs, $29 million of which is associated with increased deposit activity in the Direct Bank,
- $28 million increase in other noninterest expense spread among various accounts, and a
- $28 million increase in third-party processing fees.

Notable items increased by $191 million. Significant components included:

- $171 million increase in acquisition-related expenses primarily related to the acquisition of SVB, and a
- $12 million increase in intangible asset amortization primarily related to the acquisition of SVB.

Adjusted efficiency ratio improved from 57.55% to 49.65% (1).

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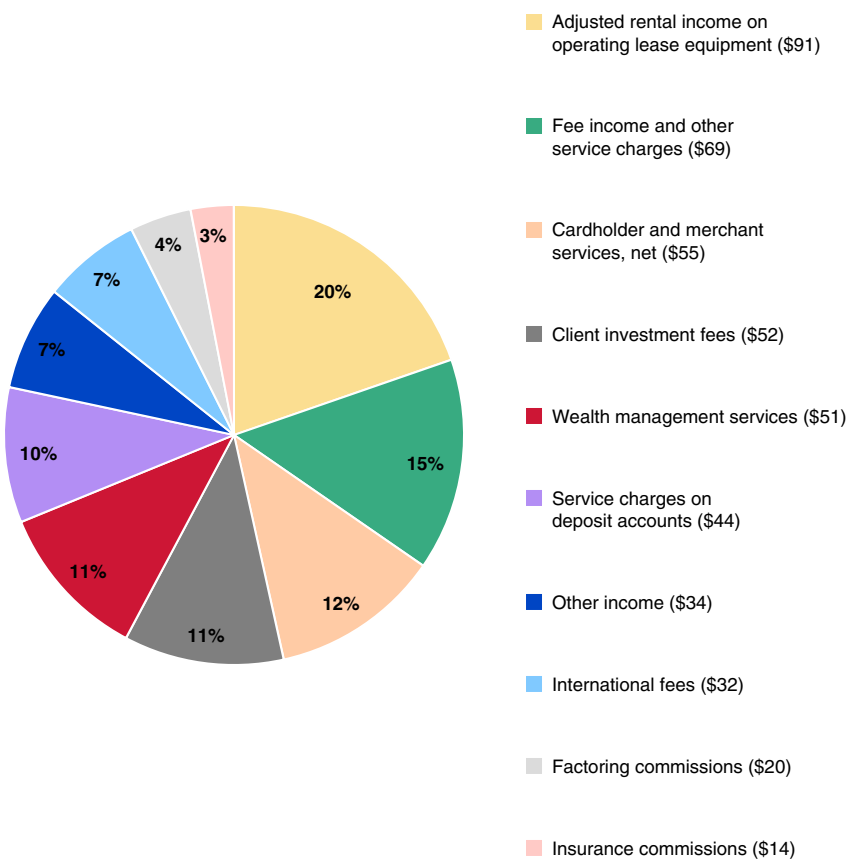
(1) Adjusted noninterest expense and adjusted efficiency ratio are Non-GAAP and exclude notable items as detailed on page 15. Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.

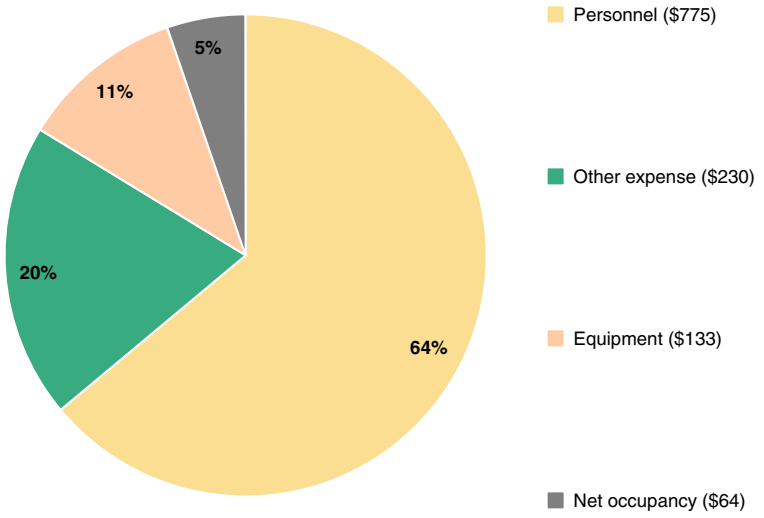
2Q23 Noninterest income and expense composition

($ in millions)

Adjusted noninterest income (Non-GAAP)



Adjusted noninterest expense (Non-GAAP)



Note - Adjusted noninterest income and adjusted noninterest expense are Non-GAAP and exclude notable items as detailed on page 15. Refer to Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.

Balance Sheet Highlights

($ in millions, except per share data)

SELECT BALANCES	2Q23	1Q23	2Q22	Increase (decrease) 2Q23 vs 1Q23 [1] $	%	Increase (decrease) 2Q23 vs 2Q22 [1] $	%
Interest-earning deposits at banks	$ 37,846	$ 38,522	$ 6,476	$ (676)	(7.0)%	$ 31,370	484.4 %
Investment securities	22,171	19,527	19,136	2,644	54.1	3,035	15.9
Loans and leases	133,015	138,288	67,735	(5,273)	(15.3)	65,280	96.4
Operating lease equipment, net [2]	8,531	8,331	7,971	200	9.6	560	7.0
Deposits	141,164	140,050	89,329	1,114	3.2	51,835	58.0
Borrowings	40,139	46,094	4,459	(5,955)	(51.7)	35,680	800.3
Tangible common stockholders' equity (non-GAAP) [4]	18,197	17,625	9,265	572	3.2	8,932	96.4
Common stockholders' equity	18,890	18,335	9,761	555	3.0	9,129	93.5
Total stockholders' equity	19,771	19,216	10,642	555	11.5	9,129	85.8

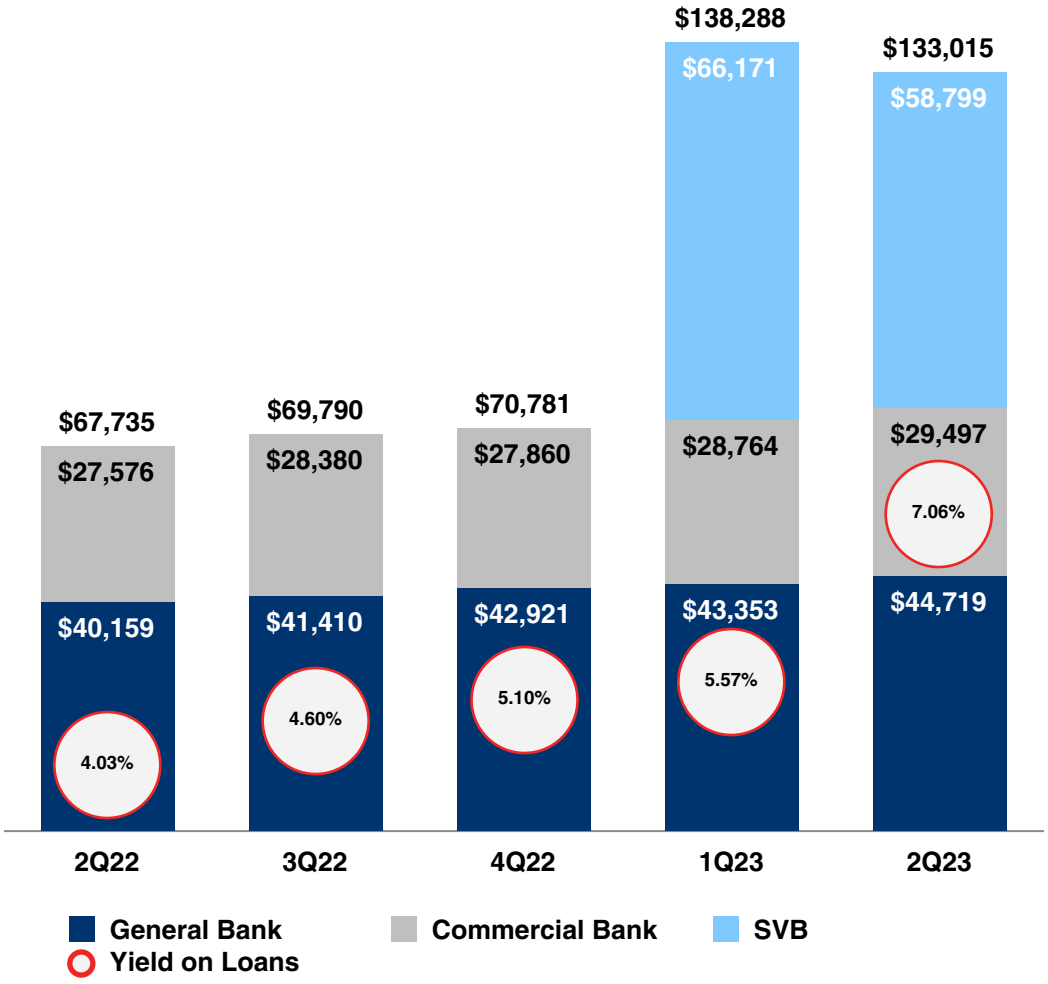
KEY METRICS	2Q23	1Q23	2Q22	Increase (decrease) 2Q23 vs 1Q23	2Q23 vs 2Q22
Common equity Tier 1 (CET1) capital ratio	13.38 %	12.53 %	11.35 %	0.85 %	2.03 %
Book value per common share	$ 1,300.93	$ 1,262.76	$ 609.95	$ 38.17	$ 690.98
Tangible book value per common share (non-GAAP) [4]	1,253.20	1,213.82	578.92	39.38	674.28
Tangible capital to tangible assets	8.71 %	8.24 %	8.64 %	0.47 %	0.07 %
Loan to deposit ratio	94.23	98.74	75.83	(4.51)	18.40
ACL to total loans and leases	1.23	1.16	1.26	0.07	(0.03)
Noninterest bearing deposits to total deposits	31.56	39.02	29.75	(7.46)	1.81
Total liquid assets (available cash + HQLS)	$ 53,421	$ 51,415	$ 18,884	$ 2,006	$ 34,537
Total liquidity (liquid assets & contingent sources)	139,447	130,903	34,711	8,544	104,736
Total liquidity / uninsured deposits [3]	263.65 %	198.43 %	149.45 %	65.22 %	114.20 %

First Citizens BancShares

(1) Percent change is annualized and is calculated using unrounded numbers.
(2) Operating lease equipment, net includes $7.8 billion of rail assets.
(3) Public funds total $4.0 billion, of which $3.7 billion are considered uninsured for regulatory reporting purposes. However, these deposits are collateralized and included as part of the total insured and collateralized calculation above.
(4) Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.

Loans and Leases

($ in millions)



Highlights

2Q23 vs 1Q23

- Total loans declined $5.3 billion driven primarily by a $7.4 billion decline in the SVB segment related to Global Fund Banking.
- The SVB decline was partially offset by $1.4 billion of growth (12.6% annualized) in the General Bank (driven by business and commercial loans) and $749 million of growth (10.5% annualized) in the Commercial Bank (driven by many of our industry verticals).

2Q23 vs 2Q22

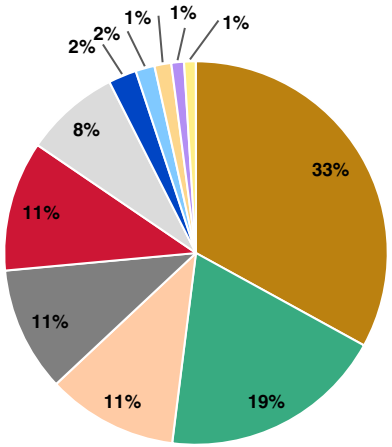
- Total loans increased $65.3 billion due primarily to the SVB acquisition which contributed $58.8 billion in loans as of June 30, 2023.
- General Bank loans grew by $4.6 billion (11.3%) primarily due to business and commercial loans and mortgage loans.
- Commercial Bank loans grew by $1.9 billion (7.0%) due to growth in Equipment Finance and in our industry verticals including healthcare, technology and energy.

Note – Commercial Bank includes a small amount of Rail loans (less than a billion dollars). Rail operating lease assets are not included in the loan totals.

2Q23 Loans and Leases Composition

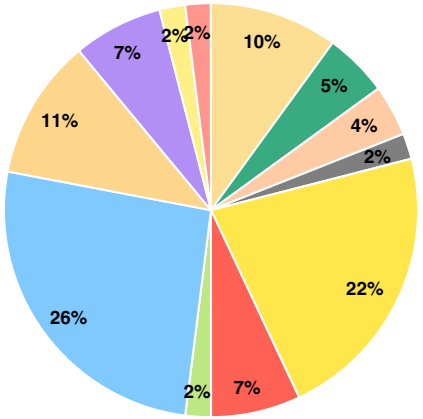
($ in millions)

Type



- SVB Commercial ($44.1)
- Commercial and industrial ($25.4)
- Owner occupied commercial mortgage ($14.7)
- Residential mortgage ($14.1)
- SVB Private ($14.7)
- Non-owner occupied commercial mortgage ($10.7)
- Commercial construction ($3.2)
- Leases ($2.1)
- Revolving mortgage ($1.9)
- Consumer auto ($1.4)
- Consumer other ($0.7)

Segment



Commercial Banking:
- Commercial Finance ($15.3)
- Real Estate Finance ($6.3)
- Equipment Finance ($5.5)
- Commercial Services - Factoring ($2.4)

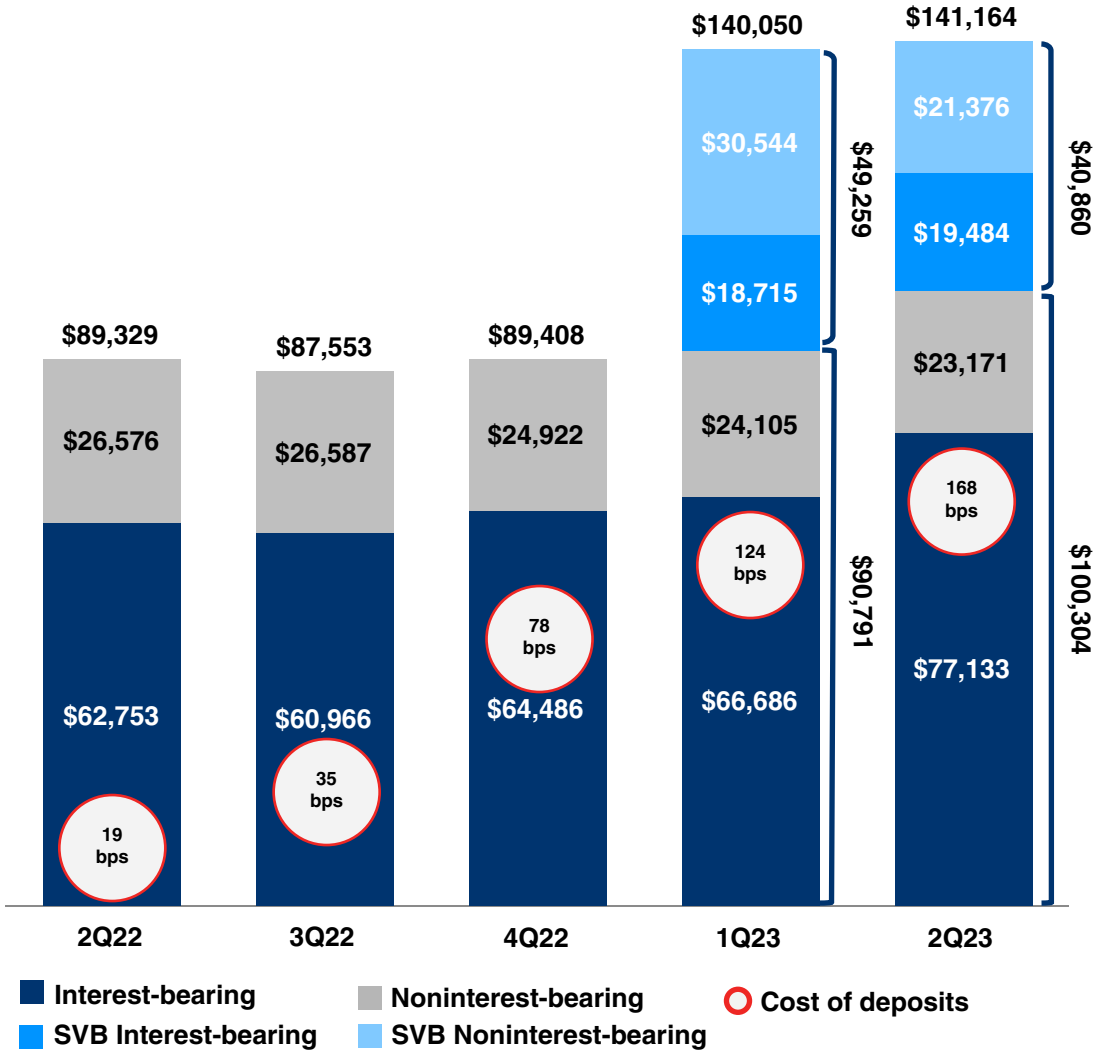
General Banking:
- Branch Network & Wealth ($31.1)
- Mortgage ($10.0)
- Other ($3.6)

SVB:
- Global Fund Banking ($29.3)
- Technology & Life Science / Healthcare ($14.9)
- Private Bank ($9.6)
- CRE ($2.4)
- Other ($2.6)

Note - Rail operating lease assets are not included in the loan totals. The Commercial Banking segment includes Commercial Finance, Real Estate Finance, Equipment Finance and Commercial Services (factoring). The General Banking segment includes Branch Network & Wealth, Mortgage, Consumer Indirect, Community Association Banking and Other General Banking. The SVB segment includes Global Fund Banking, Technology & Life Sciences/ Healthcare, Private Bank and CRE.

Deposits

($ in millions)



Highlights

2Q23 vs. 1Q23

- Total deposits grew $1.1 billion (3.2% annualized) primarily driven by an increase of $10.4 billion in the Direct Bank, partially offset by an $8.4 billion decline in deposits in the SVB segment.
- Deposits in the SVB segment totaled $40.9 billion at June 30, 2023 and remained relatively stable from the levels previously disclosed in 1Q23 ($41.4 billion as of May 5, 2023).
- Branch Network deposits declined $1.0 billion primarily due to seasonal tax payments.

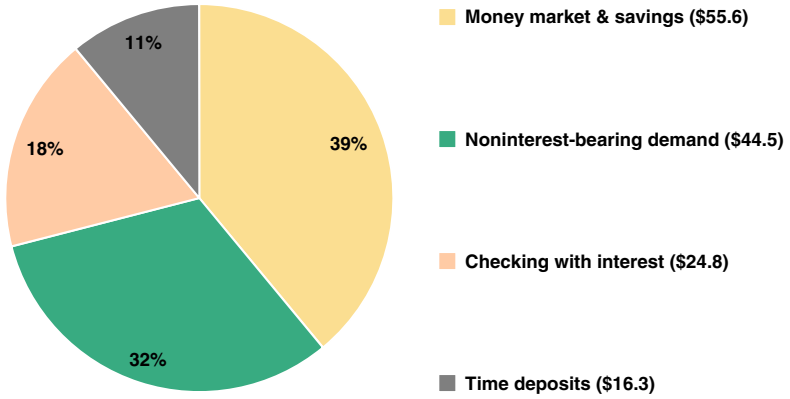
2Q23 vs. 2Q22

- Total deposits grew $51.8 billion (58.0%) primarily driven by the SVB acquisition which contributed $40.9 billion in deposits as of June 30, 2023 and a $15.9 billion increase in the Direct Bank.

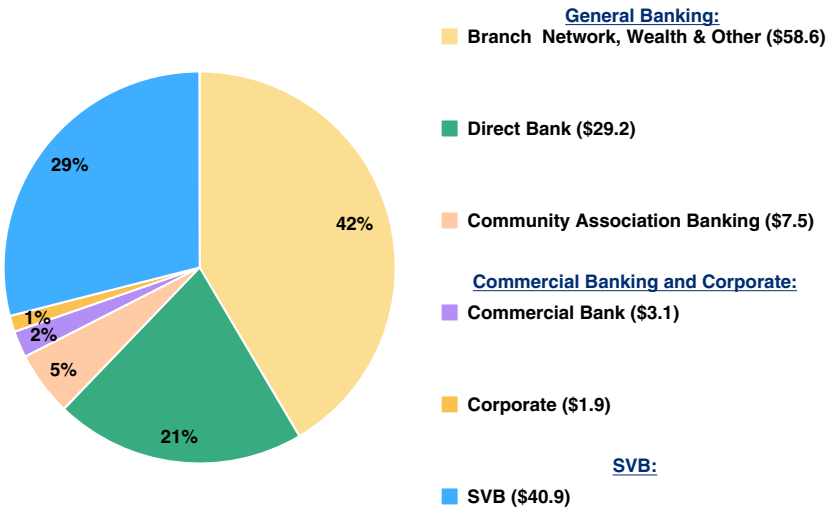
2Q23 Deposit Composition

($ in billions, except average account size)

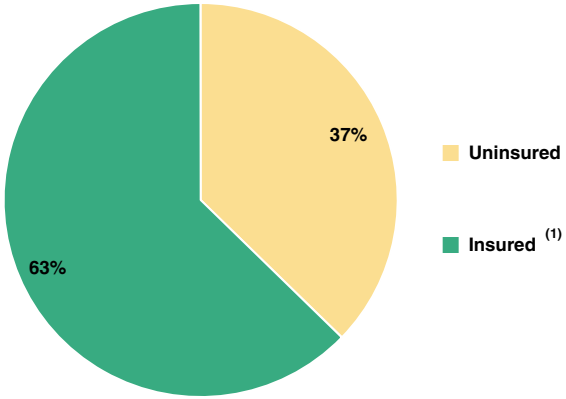
Type



Segment



Uninsured vs Insured [1]



Average Account Size by Segment

Average Account Size and Insured [1] vs. Uninsured by Segment

	Total deposits	Average size	Insured % [1]
General Bank	$ 95.3 B	$ 37,635	78%
Commercial Bank	3.1 B	254,655	13%
Corporate & Other [2]	1.9 B	6,872,263	97%
Sub-total	**$ 100.3 B**	**$ 39,410**	**77%**
SVB	40.9 B	314,350	28%
Sub-total	**$ 40.9 B**	**$ 314,350**	**28%**
Total	**$ 141.2 B**	**$ 52,770**	**63%**

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(1) Public funds total $4.0 billion, of which $3.7 billion are considered uninsured for regulatory reporting purposes. However, these deposits are collateralized and included as part of the total insured and collateralized calculation above.

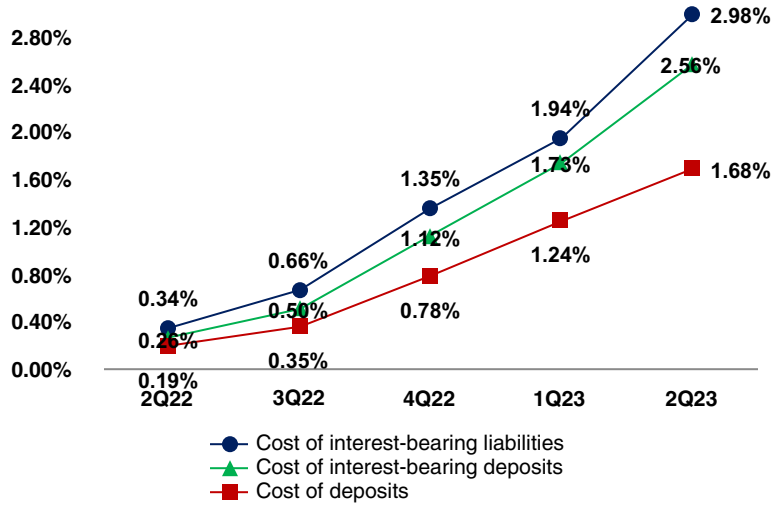
(2) Corporate consists primarily of brokered deposits which are pooled into one account then associated with multiple customers who have balances under FDIC insurance limits.

Funding Mix

($ in millions)

	QTD										Change	
	2Q23		1Q23		4Q22		3Q22		2Q22		Linked Quarter	Prior Year Quarter
Total deposits	$ 141,164	77.9 %	$ 140,050	75.2 %	$ 89,408	93.1 %	$ 87,553	91.3 %	$ 89,329	95.2 %	$ 1,114	$ 51,835
Securities sold under customer repurchase agreements	454	0.3	509	0.3	436	0.5	578	0.6	646	0.7	(55)	(192)
Purchase money note	35,817	19.8	35,151	18.9	—	—	—	—	—	—	666	35,817
Federal Home Loan Bank borrowings	2,425	1.3	8,500	4.6	4,250	4.4	5,800	6.0	1,785	1.9	(6,075)	640
Subordinated debt	1,043	0.6	1,046	0.6	1,049	1.1	1,052	1.1	1,055	1.1	(3)	(12)
Senior unsecured borrowings	393	0.2	881	0.5	885	0.9	888	0.9	892	1.0	(488)	(499)
Other borrowings	7	—	7	—	25	—	25	—	81	0.1	—	(74)
Total deposits and borrowed funds	$ 181,303	100 %	$ 186,144	100 %	$ 96,053	100 %	$ 95,896	100 %	$ 93,788	100 %	(4,841)	$ 87,515

Cost of funds



Highlights

2Q23 vs 1Q23

- Deposits increased from 75.2% to 77.9% of total funding.
- FHLB debt was paid down by $6.1 billion funded by growth in core deposits in the Direct Bank.
- Total cost of deposits increased by 44 basis points.

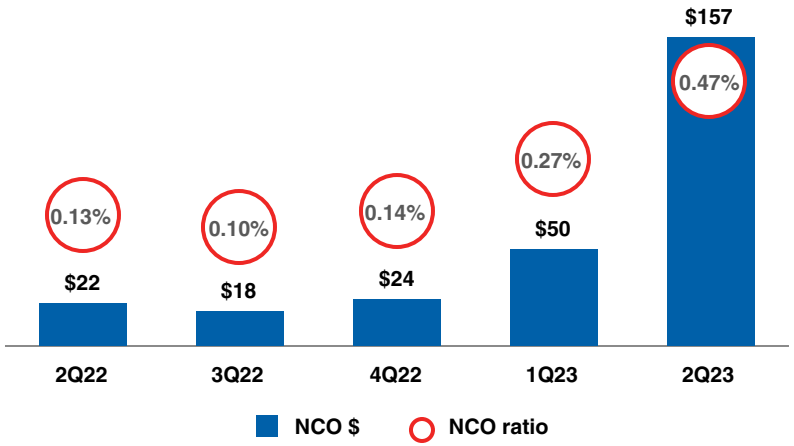
FirstCitizens BancShares

Note – Funding mix percentages may not foot due to rounding.

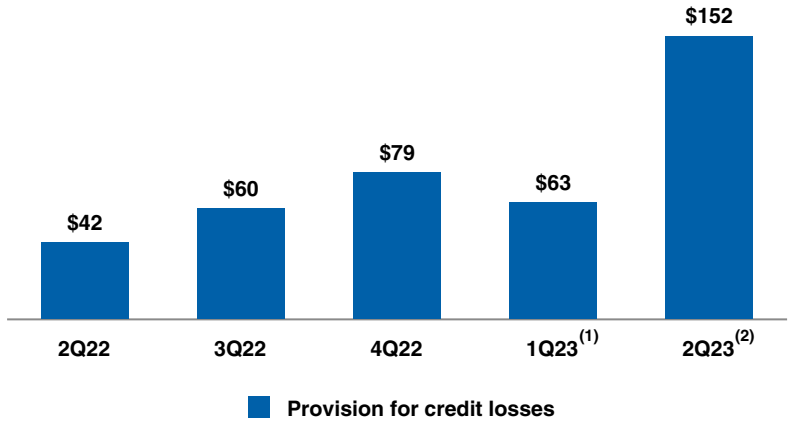
ACL and Credit Quality Trends

($ in millions)

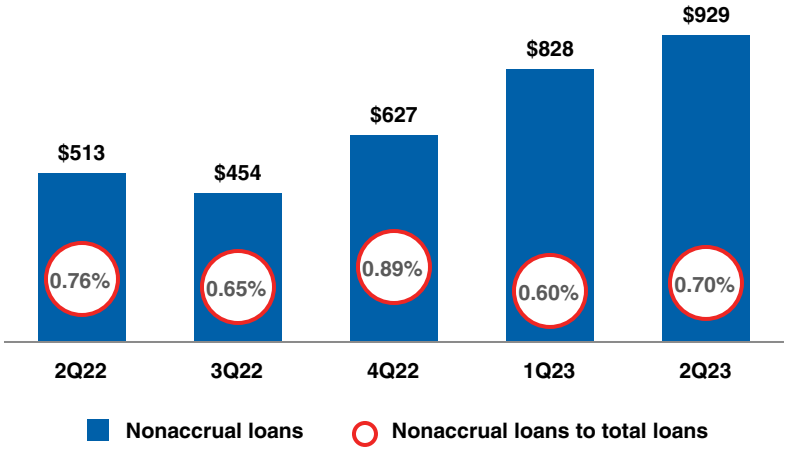
Net charge-offs (NCO) & NCO ratio



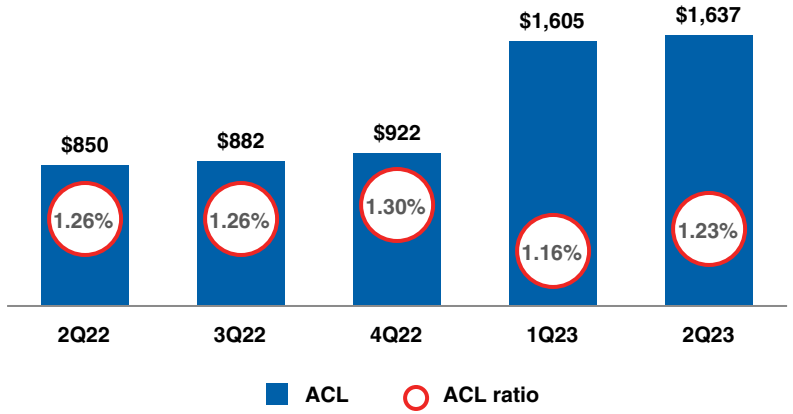
Provision for credit losses



Nonaccrual loans / total loans & leases



ACL & ACL ratio



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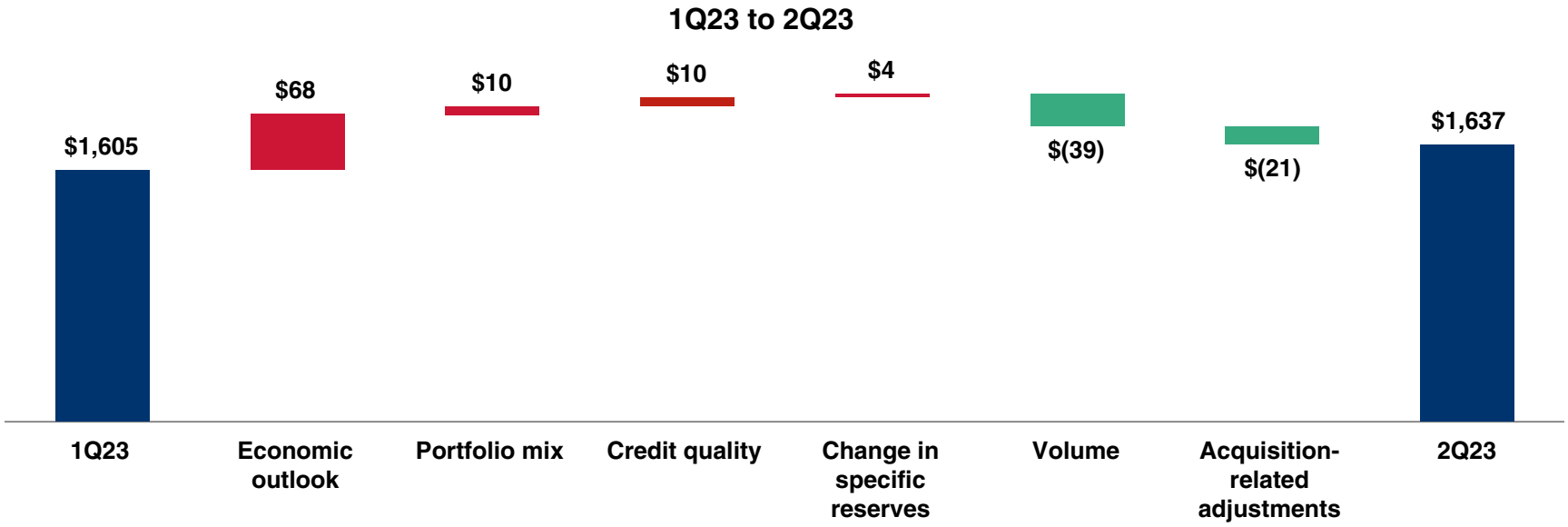
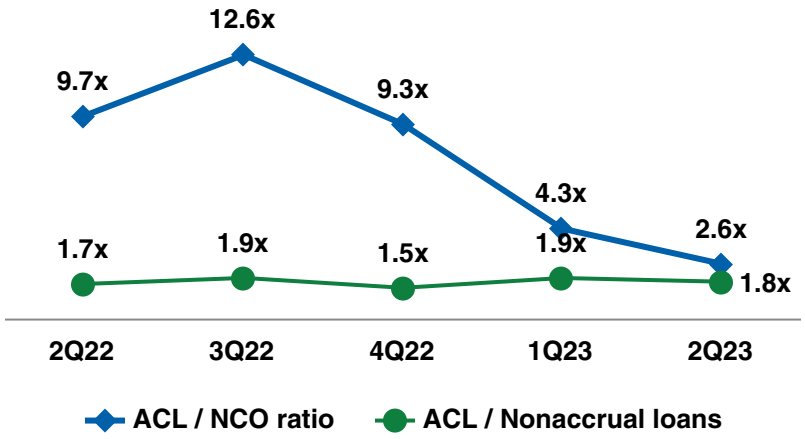
(1) Provision for credit losses excludes $716 million of CECL Day 2 and $4 million of provision expense for credit losses on available for sale securities.
(2) Provision for credit losses excludes $1 million of provision benefit for credit losses on available for sale securities.

Allowance for credit losses (ACL)

($ in millions)



ACL Coverage



Highlights

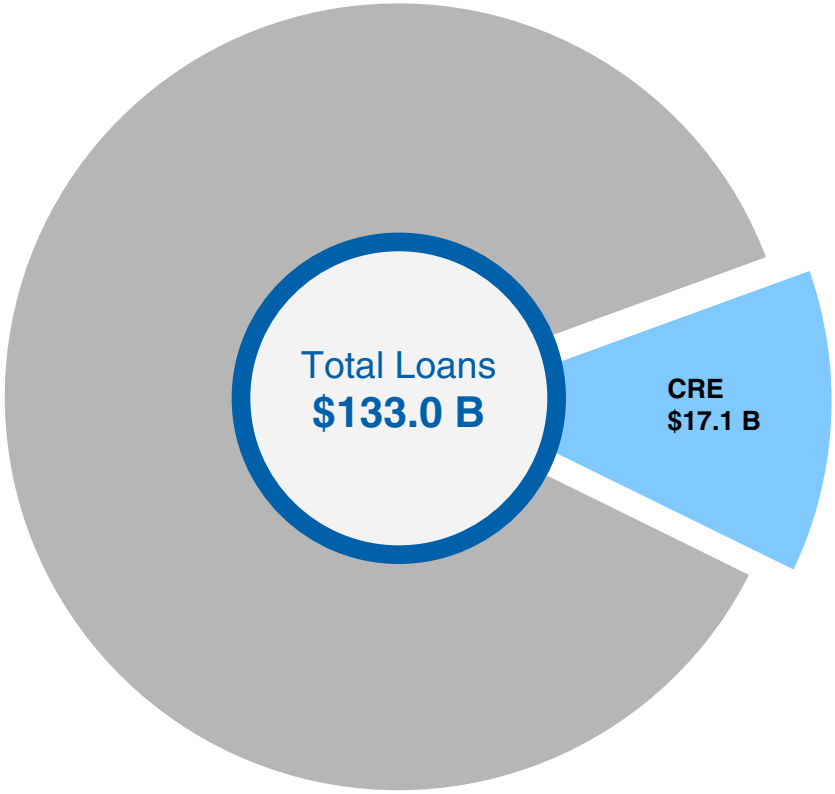
2Q23 vs 1Q23

- Total ACL increased $32 million compared to the linked quarter.
- Factors contributing to the increase include deterioration in the CECL macroeconomic forecast, portfolio mix shift and slight changes in credit quality ratings and specific reserves.
- These were partially offset by lower loan balances and unfunded commitments in the SVB segment and adjustments to the fair value discounts on loan balances acquired from SVB.
- The ACL covered nonaccrual loans 1.8 times and provided 2.6 times coverage of annualized quarterly net charge-offs. The coverage of net charge-offs declined from the prior quarter due primarily to $97 million of net charge offs in the SVB segment ($85 million of which was reserved for as part of the acquisition).

Commercial Real Estate (CRE) Portfolio

($ in billions, as of June 30, 2023)

Total Loans



CRE Portfolio Composition		Balance	% of Total Loans
Multi-Family	$	4.2	3.1 %
General Office	**$**	**2.8**	**2.1 %**
Medical Office	$	2.8	2.1 %
Industrial / Warehouse	$	2.3	1.7 %
Retail	$	1.5	1.2 %
Hotel / Motel	$	0.8	0.6 %
Other	$	2.7	2.0 %
Total	**$**	**17.1**	**12.8 %**

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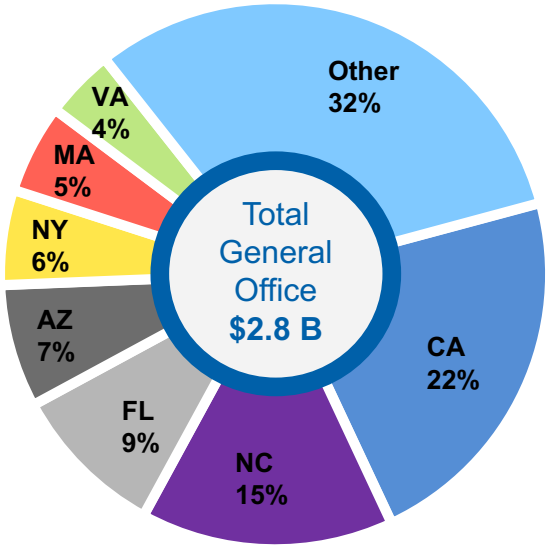
Note - This slide includes total non-owner occupied commercial real estate funded balances as of June 30, 2023.

General Office CRE Portfolio

(as of June 30, 2023)

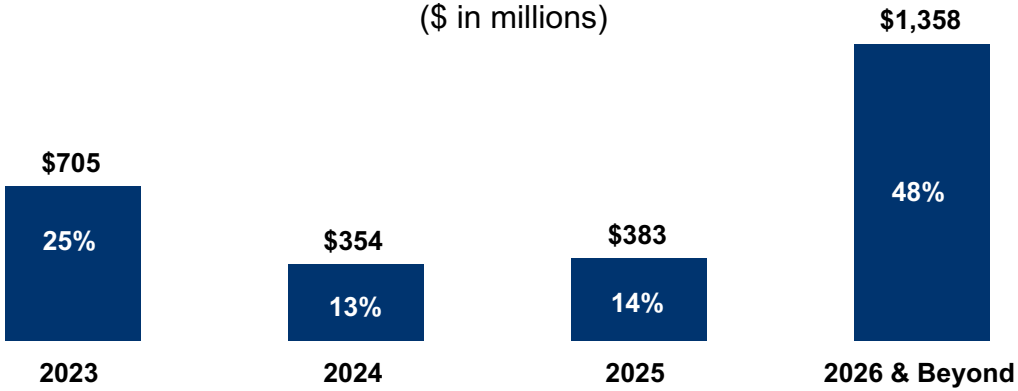
Geographic Diversification



Top 5 MSAs ($ in millions)	
Los Angeles	$ 330
Phoenix	$ 204
San Francisco	$ 200
New York City	$ 158
Boston	$ 148
Percent of Total Loans	0.8 %

Loan Maturity Schedule

($ in millions)



General Office Portfolio Metrics	
% of total loans	2.1 %
% of CRE loans	16.4 %
Avg. loan amount	$2 MM
NCO ratio (2Q23)	0.61 %
Delinquencies/Loans	7.38 %
NPL/Loans	8.96 %
Criticized loans/Loans	22.62 %
ACL ratio [1]	4.44 %

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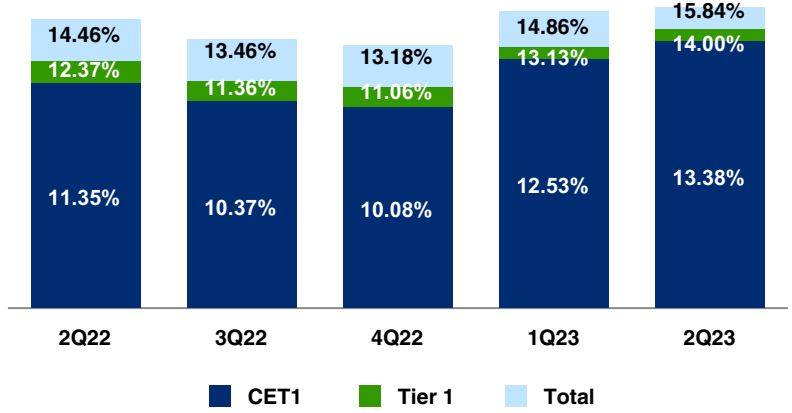
(1) There are approximately $1.1 billion of general office loans in the Commercial Bank with an ACL ratio of 9.02%.

Capital

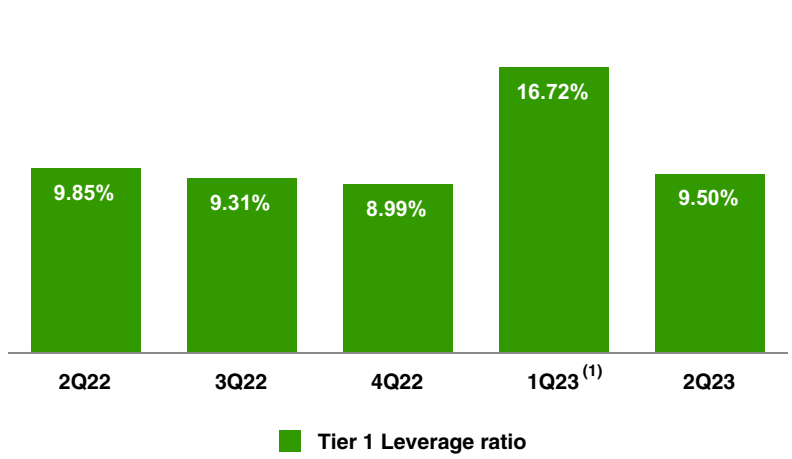
Risk-based capital ratios



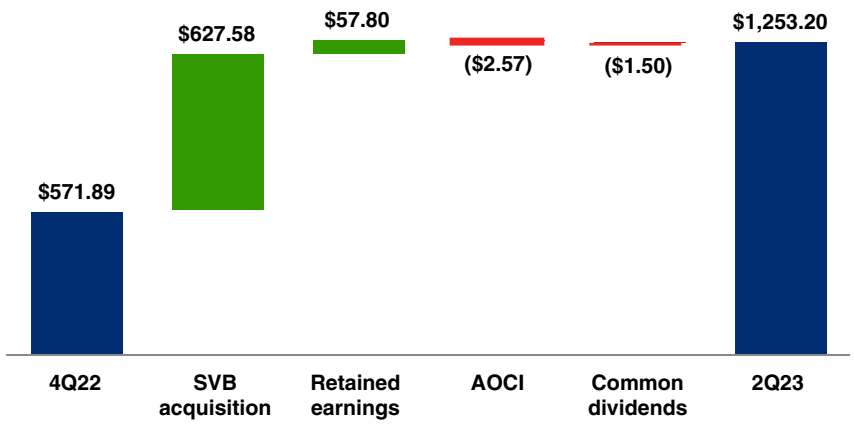
Capital ratio rollforward

	Risk-Based Capital			Tier 1
	Total	Tier 1	CET1	Leverage
December 31, 2022	**13.18%**	**11.06%**	**10.08%**	**8.99%**
SVB acquisition - net	1.63%	1.91%	2.28%	-0.14%
Net income	0.74%	0.74%	0.74%	0.55%
Change in risk-weighted/average assets	0.32%	0.29%	0.28%	0.14%
Sub debt phase-out	-0.10%	0.00%	0.00%	0.00%
Common dividends	-0.02%	-0.02%	-0.02%	-0.01%
Preferred dividends	-0.03%	-0.03%	-0.03%	-0.02%
Other	0.12%	0.05%	0.05%	-0.01%
June 30, 2023	**15.84%**	**14.00%**	**13.38%**	**9.50%**
Change since December 31, 2022	**2.66%**	**2.94%**	**3.30%**	**0.51%**

Tier 1 Leverage ratio



Tangible book value per share (Non-GAAP)



Note – The above capital ratios represent BancShares ratios and are preliminary pending completion of quarterly regulatory filings. Refer to Section V of this presentation for a reconciliation of Non-GAAP measures to the most directly comparable GAAP measure.
(1) The Tier 1 Leverage ratio for 1Q23 only includes the impact of SVB for five days.

Maintained a Strong Balance Sheet Position

Strong Capital Position

Ratio	Target Range	2Q23
CET1 RBC	9% - 10%	13.38%
Tier 1 RBC	10.5% - 11.5%	14.00%
Total RBC	12.5% - 13.5%	15.84%
Tier 1 Leverage	8% - 10%	9.50%
TCE / TA (1)	NA	8.71%

Strong Liquidity Position

Liquid assets	2Q23
Available cash	$ 37,152
High quality liquid securities (HQLS)	16,269
Total on-balance sheet liquidity	**$ 53,421**

Contingent liquidity sources	
FDIC LOC (maximum)	$ 70,000
FHLB	11,124
FRB	4,817
Other	85
Total off-balance sheet liquidity	**$ 86,026**

$139 B
Total liquidity

Covers:

Uninsured deposits (2): 264%

Total deposits: 99%

Conservative Investment Portfolio Management

- Focus on **short-term HQLS**.
- As of June 30, 2023, **portfolio totaled $22.2 billion, 11% of earning assets**.
- At June 30, 2023 **AFS securities (54% of portfolio)** had a **duration of 2.7 years** and **HTM securities (46% of portfolio)** had a **duration of 4.9 years**.
- **CET 1 RBC ratio:**
  - **Including AOCI:** 12.8%
  - **Including AOCI & HTM unrealized losses:** 12.0%

Strong Credit Quality Performance & Well-reserved (3)

	2Q22	3Q22	4Q22	1Q23	2Q23
Nonaccrual / total loans	0.76%	0.65%	0.89%	0.60%	0.70%
Delinquencies / total loans	0.77%	0.72%	1.22%	0.88%	0.84%
NCO ratio	0.13%	0.10%	0.14%	0.27%	0.47%
ACL ratio	1.26%	1.26%	1.30%	1.16%	1.23%
ACL / Nonaccruals	1.7x	1.9x	1.5x	1.9x	1.8x

FirstCitizens BancShares

(1) Denotes a Non-GAAP metric. Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.
(2) Public funds total $4.0 billion, of which $3.7 billion are considered uninsured for regulatory reporting purposes. However, these deposits are collateralized and not included in the uninsured totals above.
(3) 2Q22 through 4Q22 are legacy FCB ratios / multiples.

First Citizens BancShares®

Financial Outlook

Section III

Key Earnings Estimate Assumptions

Metric	2Q23	3Q23 - Projected	FY23 - Projected
Loans and leases - EOP	**$133.0 billion**	$131 billion - $134 billion	$131 billion - $134 billion
Deposits - EOP	**$141.2 billion**	$137 billion - $141 billion	$137 billion - $141 billion
Interest rates		1 hike, peaking at 5.50%	No target FFR changes in 4Q; ending FF effective rate of 5.50%
Net interest income	**$2.0 billion**	$1.8 billion - $1.9 billion	$6.4 billion - $6.6 billion
Net charge-off ratio (annualized/annual)	**47 bps**	35 - 45 bps	35 - 45 bps
Adjusted noninterest income [(1)]	**$462 million**	$420 million - $450 million	$1.63 billion - $1.69 billion
Adjusted noninterest expense [(2)]	**$1.20 billion**	$1.15 billion - $1.20 billion	$4.15 billion - $4.25 billion
Effective tax rate	**23.9%**	26.5% - 27.5%	26.5% - 27.5%

(1) Adjusted noninterest income includes net rental income on operating lease assets (net of depreciation and maintenance) and excludes fair value adjustments on marketable equity securities, realized gains/losses on sales of AFS securities, realized gains/losses on sales of leasing equipment and legacy consumer loans, realized gains/losses on extinguishment of debt and acquisition accounting gains.
(2) Adjusted noninterest expense excludes depreciation and maintenance on operating lease assets, acquisition-related expenses and amortization of intangibles.

Note - Management does not provide a reconciliation for forward-looking non-GAAP financial measures where it is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the occurrence and the financial impact of various items that have not yet occurred, are out of BancShares' control, or cannot be reasonably predicted. For the same reasons, management is unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

First Citizens BancShares®

Appendix

Section IV

BancShares Balance Sheets (unaudited)

($ in millions)

	2Q23	1Q23	4Q22	3Q22	2Q22
ASSETS					
Cash and due from banks	$ 917	$ 1,598	$ 518	$ 481	$ 583
Interest-earning deposits at banks	37,846	38,522	5,025	6,172	6,476
Securities purchased under agreements to resell	298	—	—	—	—
Investment in marketable equity securities	76	85	95	92	94
Investment securities available for sale	11,894	9,061	8,995	9,088	9,210
Investment securities held to maturity	10,201	10,381	10,279	9,661	9,832
Assets held for sale	117	94	60	21	38
Loans and leases	133,015	138,288	70,781	69,790	67,735
Allowance for credit losses	(1,637)	(1,605)	(922)	(882)	(850)
Loans and leases, net of allowance for credit losses	**131,378**	**136,683**	**69,859**	**68,908**	**66,885**
Operating lease equipment, net	8,531	8,331	8,156	7,984	7,971
Premises and equipment, net	1,782	1,743	1,456	1,410	1,415
Goodwill	346	346	346	346	346
Other intangible assets	347	364	140	145	150
Other assets	5,769	7,450	4,369	5,002	4,673
Total assets	**$ 209,502**	**$ 214,658**	**$ 109,298**	**$ 109,310**	**$ 107,673**
LIABILITIES					
Deposits:					
Noninterest-bearing	$ 44,547	$ 54,649	$ 24,922	$ 26,587	$ 26,576
Interest-bearing	96,617	85,401	64,486	60,966	62,753
Total deposits	**141,164**	**140,050**	**89,408**	**87,553**	**89,329**
Credit balances of factoring clients	1,067	1,126	995	1,147	1,070
Short-term borrowings	454	1,009	2,186	3,128	646
Long-term borrowings	39,685	45,085	4,459	5,215	3,813
Total borrowings	40,139	46,094	6,645	8,343	4,459
Other liabilities	7,361	8,172	2,588	2,434	2,173
Total liabilities	**189,731**	**195,442**	**99,636**	**99,477**	**97,031**
STOCKHOLDERS' EQUITY					
Preferred stock	881	881	881	881	881
Common stock	15	15	15	15	16
Additional paid in capital	4,106	4,104	4,109	4,506	5,345
Retained earnings	15,541	14,885	5,392	5,160	4,865
Accumulated other comprehensive (loss) income	(772)	(669)	(735)	(729)	(465)
Total stockholders' equity	**19,771**	**19,216**	**9,662**	**9,833**	**10,642**
Total liabilities and stockholders' equity	**$ 209,502**	**$ 214,658**	**$ 109,298**	**$ 109,310**	**$ 107,673**

BancShares Income Statements (unaudited)

($ in millions)

	2Q23	1Q23	4Q22	3Q22	2Q22
INTEREST INCOME					
Interest and fees on loans	$ 2,353	$ 1,017	$ 892	$ 785	$ 655
Interest on investment securities	120	107	92	90	89
Interest on deposits at banks	480	87	56	31	13
Total interest income	**2,953**	**1,211**	**1,040**	**906**	**757**
INTEREST EXPENSE					
Deposits	575	288	176	78	42
Borrowings	417	73	62	33	15
Total interest expense	992	361	238	111	57
Net interest income	**1,961**	**850**	**802**	**795**	**700**
Provision for credit losses	151	783	79	60	42
Net interest income after provision for credit losses	**1,810**	**67**	**723**	**735**	**658**
NONINTEREST INCOME					
Rental income on operating lease equipment	238	233	224	219	213
Fee income and other service charges	69	47	43	41	37
Client investment fees	52	2	—	—	—
Wealth management services	51	40	35	35	37
International fees	32	4	3	3	2
Service charges on deposit accounts	44	24	22	21	28
Factoring commissions	20	19	26	24	27
Cardholder services, net	41	21	26	25	26
Merchant services, net	14	10	8	8	9
Insurance commissions	14	13	13	11	11
Realized loss on sale of investment securities available for sale, net	—	(14)	—	—	—
Fair value adjustment on marketable equity securities, net	(10)	(9)	2	(2)	(6)
Bank-owned life insurance	2	5	7	8	9
Gain on sale of leasing equipment, net	4	4	2	2	5
Gain on acquisition	55	9,824	—	—	—
Gain on extinguishment of debt	—	—	—	1	—
Other noninterest income	32	36	18	37	26
Total noninterest income	**658**	**10,259**	**429**	**433**	**424**
NONINTEREST EXPENSE					
Depreciation on operating lease equipment	91	89	88	87	89
Maintenance and other operating lease expenses	56	56	47	52	47
Salaries and benefits	775	420	354	353	345
Net occupancy expense	64	50	48	47	48
Equipment expense	133	58	55	55	54
Professional fees	21	11	11	11	11
Third-party processing fees	54	30	26	27	26
FDIC insurance expense	22	18	5	5	9
Marketing expense	41	15	21	15	9
Acquisition-related expenses	205	28	29	33	34
Intangible asset amortization	18	5	6	5	6
Other noninterest expense	92	75	70	70	67
Total noninterest expense	**1,572**	**855**	**760**	**760**	**745**
Income before income taxes	**896**	**9,471**	**392**	**408**	**337**
Income tax (benefit) expense	214	(47)	135	93	82
Net income	**$ 682**	**$ 9,518**	**$ 257**	**$ 315**	**$ 255**
Preferred stock dividends	$ 15	$ 14	$ 14	$ 12	$ 17
Net income available to common stockholders	**$ 667**	**$ 9,504**	**$ 243**	**$ 303**	**$ 238**

FirstCitizens BancShares®

Noninterest income

($ in millions)

	Quarter-to-date					2Q23 Change vs 1Q23	
	2Q23	1Q23	4Q22	3Q22	2Q22	$	%
Rental income on operating lease equipment	$ 238	$ 233	$ 224	$ 219	$ 213	$ 5	2.2 %
Fee income and other service charges	69	47	43	41	37	22	48.3
Client investment fees	52	2	—	—	—	50	2921.0
Wealth management services	51	40	35	35	37	11	26.3
International fees	32	4	3	3	2	28	637.4
Service charges on deposit accounts	44	24	22	21	28	20	77.0
Factoring commissions	20	19	26	24	27	1	2.7
Cardholder services, net	41	21	26	25	26	20	90.8
Merchant services, net	14	10	8	8	9	4	41.3
Insurance commissions	14	13	13	11	11	1	0.4
Realized loss on sale of investment securities available for sale, net	—	(14)	—	—	—	14	(100.0)
Fair value adjustment on marketable equity securities, net	(10)	(9)	2	(2)	(6)	(1)	1.5
Bank-owned life insurance	2	5	7	8	9	(3)	(43.1)
Gain on sale of leasing equipment, net	4	4	2	2	5	—	(22.4)
Gain on acquisition	55	9,824	—	—	—	(9,769)	(99.4)
Gain on extinguishment of debt	—	—	—	1	—	—	(34.8)
Other noninterest income	32	36	18	37	26	(4)	(10.4)
Total noninterest income - GAAP	**$ 658**	**$ 10,259**	**$ 429**	**$ 433**	**$ 424**	**$ (9,601)**	**(93.6)%**
Depreciation on operating lease equipment	$ (91)	$ (89)	$ (88)	$ (87)	$ (89)	$ (2)	2.2 %
Maintenance and other operating lease expenses	(56)	(56)	(47)	(52)	(47)	—	—
Realized loss on sale of investment securities available for sale, net	—	14	—	—	—	(14)	100.0
Fair value adjustment on marketable equity securities, net	10	9	(2)	2	6	1	(1.5)
Gain on sale of leasing equipment, net	(4)	(4)	(2)	(2)	(5)	—	22.4
Gain on acquisition	(55)	(9,824)	—	—	—	9,769	99.4
Gain on extinguishment of debt	—	—	—	(1)	—	—	34.8
Other noninterest income	—	—	—	(5)	(6)	—	— %
Total notable items	**$ (196)**	**$ (9,950)**	**$ (139)**	**$ (145)**	**$ (141)**	**$ 9,754**	**(98.0)%**
Rental income on operating lease equipment	$ 91	$ 88	$ 89	$ 80	$ 77	$ 3	2.2 %
Fee income and other service charges	69	47	43	41	37	22	48.3
Client investment fees	52	2	—	—	—	50	2921.0
Wealth management services	51	40	35	35	37	11	26.3
International fees	32	4	3	3	2	28	637.4
Service charges on deposit accounts	44	24	22	21	28	20	77.0
Factoring commissions	20	19	26	24	27	1	2.7
Cardholder services, net	41	21	26	25	26	20	90.8
Merchant services, net	14	10	8	8	9	4	41.3
Insurance commissions	14	13	13	11	11	1	0.4
Bank-owned life insurance	2	5	7	8	9	(3)	(43.1)
Other noninterest income	32	36	18	32	20	(4)	(10.4)%
Total noninterest income - adjusted	**$ 462**	**$ 309**	**$ 290**	**$ 288**	**$ 283**	**$ 153**	**33.9 %**



Note – Adjusted noninterest income is Non-GAAP and excludes notable items as detailed on page 15.

Noninterest expense

($ in millions)

	Quarter-to-date					2Q23 Change vs 1Q23	
	2Q23	1Q23	4Q22	3Q22	2Q22	$	%
Depreciation on operating lease equipment	$ 91	$ 89	$ 88	$ 87	$ 89	$ 2	2.0 %
Maintenance and other operating lease expenses	56	56	47	52	47	—	1.6
Salaries and benefits	775	420	354	353	345	355	84.3
Net occupancy expense	64	50	48	47	48	14	29.6
Equipment expense	133	58	55	55	54	75	132.0
Professional fees	21	11	11	11	11	10	94.0
Third-party processing fees	54	30	26	27	26	24	76.4
FDIC insurance expense	22	18	5	5	9	4	23.3
Marketing expense	41	15	21	15	9	26	176.9
Acquisition-related expenses	205	28	29	33	34	177	639.9
Intangible asset amortization	18	5	6	5	6	13	244.4
Other noninterest expense	92	75	70	70	67	17	21.6
Total noninterest expense - GAAP	**$ 1,572**	**$ 855**	**$ 760**	**$ 760**	**$ 745**	**$ 717**	**84.0 %**
Depreciation on operating lease equipment	$ (91)	$ (89)	$ (88)	$ (87)	$ (89)	$ (2)	(2.0)%
Maintenance and other operating lease expenses	(56)	(56)	(47)	(52)	(47)	—	(1.6)
Acquisition-related expenses	(205)	(28)	(29)	(33)	(34)	(177)	(639.9)
Intangible asset amortization	(18)	(5)	(6)	(5)	(6)	(13)	(244.4)
Other noninterest expense	—	—	—	(6)	(3)	—	—
Total notable items	**$ (370)**	**$ (178)**	**$ (170)**	**$ (183)**	**$ (179)**	**$ (192)**	**107.9 %**
Salaries and benefits	$ 775	$ 420	$ 354	$ 353	$ 345	$ 355	84.3 %
Net occupancy expense	64	50	48	47	48	14	29.6
Equipment expense	133	58	55	55	54	75	132.0
Professional fees	21	11	11	11	11	10	94.0
Third-party processing fees	54	30	26	27	26	24	76.4
FDIC insurance expense	22	18	5	5	9	4	23.3
Marketing expense	41	15	21	15	9	26	176.9
Other noninterest expense	92	75	70	64	64	17	21.6
Total nontinterest expense - adjusted	**$ 1,202**	**$ 677**	**$ 590**	**$ 577**	**$ 566**	**$ 525**	**64.3 %**

Note – Adjusted noninterest expense is Non-GAAP and excludes notable items as detailed on page 15.

Balanced Deposit Portfolio

Total deposits as of June 30, 2023

Legacy FCB

General Bank

Branch Network & Wealth, CAB and Other

Total deposits	$	66.1 B
NIB %		33 %
# of accounts		1,977,607
Average balance	$	33,423
% insured		76 %

Direct Bank

Total deposits	$	29.2 B
NIB %		— %
# of accounts		567,510
Average balance	$	51,499
% insured		91 %

Commercial Bank

Total deposits	$	3.1 B
NIB %		42 %
# of accounts		12,032
Average balance	$	254,655
% insured		13 %

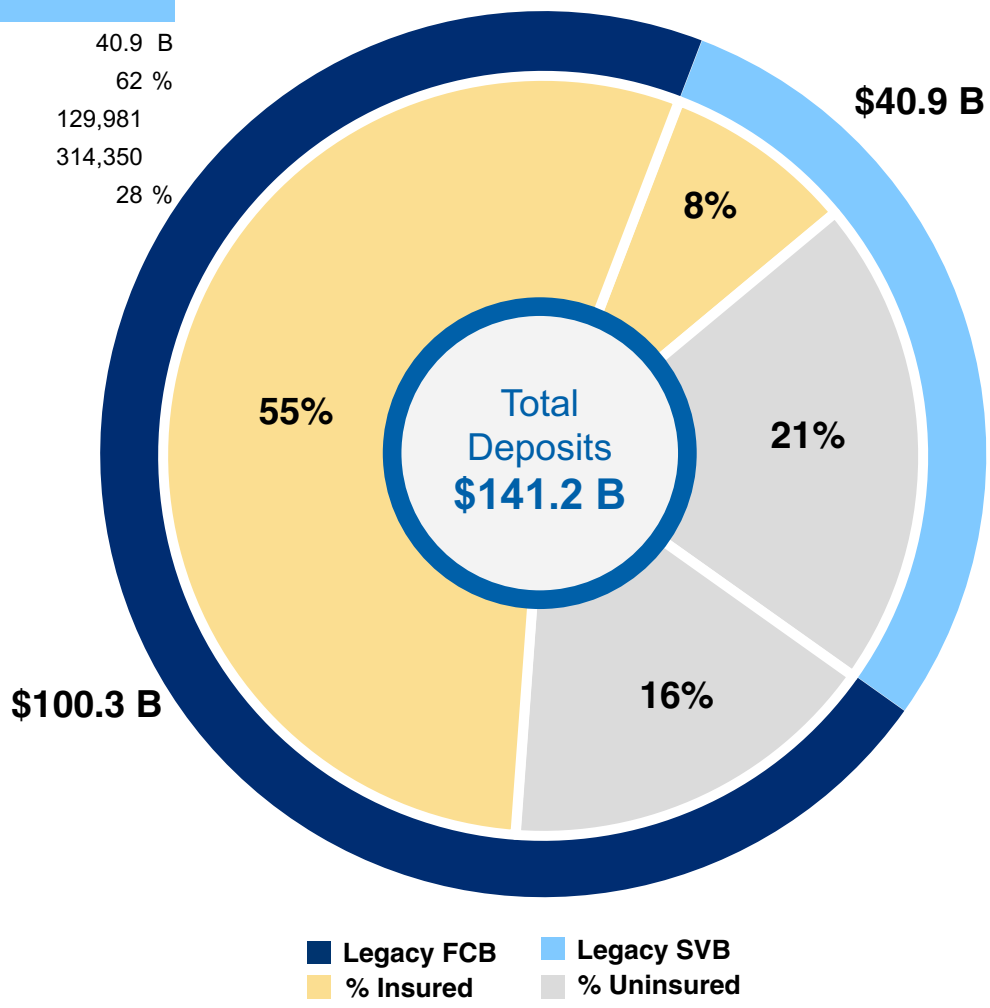
Corporate & Other

Total deposits	$	1.9 B
NIB %		3 %
# of accounts		279
Average balance	$	6,872,263
% insured		97 %

Legacy SVB

SVB

Total deposits	$	40.9 B
NIB %		62 %
# of accounts		129,981
Average balance	$	314,350
% insured		28 %



Note - Public funds total $4.0 billion, of which $3.7 billion are considered uninsured for regulatory reporting purposes. However, these deposits are collateralized and included as part of the total insured and collateralized calculation above.

Estimated Liquidity Available for Uninsured Deposits

($ in millions)

	June 30, 2023	March 31, 2023
Total deposits	**$ 141,164**	**$ 140,050**
Less: insured and/or collaterized deposits	88,274	74,081
Total deposits - uninsured	**$ 52,890**	**$ 65,969**
Estimated liquidity available for uninsured deposits:		
Available cash	37,152	37,670
Unpledged high-quality liquid securities	16,269	13,745
FDIC LOC (maximum)	70,000	70,000
FHLB	11,124	4,712
FRB Discount Window	4,817	4,676
Other	85	100
Estimated liquidity available for uninsured deposits	**$ 139,447**	**$ 130,903**
Coverage ratio of liquidity available to uninsured deposits	**264 %**	**198 %**

FirstCitizens BancShares®

Note - Public funds total $4.0 billion, of which $3.7 billion are considered uninsured for regulatory reporting purposes. However, these deposits are collateralized and included as part of the total insured and collateralized calculation above.

Debt Securities Overview

($ in millions)	2Q23 (1) Carrying Value (2)	% of Portfolio	Yield (3)	Duration (Years)
AFS Portfolio				
U.S. Treasury	$ 4,634	21 %	1.84 %	1.0
Government agency	141	1	6.02	0.4
Commercial mortgage-backed securities	1,577	7	3.56	2.3
Residential mortgage-backed securities	4,810	22	2.21	4.6
Corporate bonds	476	2	6.00	1.7
Municipal bonds	257	1	3.11	4.0
Total AFS portfolio	**$ 11,895**	**54 %**	**2.46 %**	**2.7**
HTM portfolio				
U.S. Treasury	$ 476	2 %	1.39 %	3.8
Government agency	1,502	7	1.50	4.0
Commercial mortgage-backed securities	3,518	16	2.79	3.3
Residential mortgage-backed securities	4,406	20	1.91	6.6
Other investments	298	1	1.56	5.4
Total HTM portfolio	**$ 10,200**	**46 %**	**2.12 %**	**4.9**
Grand total	**$ 22,095**	**100 %**	**2.36 %**	**3.7**

(1) Includes the debt securities portfolio; excludes marketable equity securities.
(2) Carrying value represents fair value for AFS and amortized cost for HTM portfolios.
(3) Yield represents actual accounting yield recognized during the quarter.

Average Balances and Yields

($ in millions)

	2Q23			1Q23			2Q22			Change vs. 1Q23			Change vs. 2Q22		
	Avg. Balance	Income / Expense	Yield / Rate	Avg. Balance	Income / Expense	Yield / Rate	Avg. Balance	Income / Expense	Yield / Rate	Avg. Balance	Income / Expense	Yield / Rate	Avg. Balance	Income / Expense	Yield / Rate
Loans and leases [1]	$133,528	$ 2,353	7.06%	$ 73,900	$ 1,017	5.57%	$ 65,298	$ 655	4.03%	$ 59,628	$ 1,336	1.49 %	$ 68,230	$ 1,698	3.03 %
Investment securities	19,806	117	2.36	19,416	107	2.21	19,185	89	1.85	390	10	0.15	621	28	0.51
Securities purchased under agreements to resell	191	3	4.92	—	—	—	—	—	—	191	3	4.92	191	3	4.92
Interest-earning deposits at banks	38,014	480	5.07	7,585	87	4.61	7,629	13	0.72	30,429	393	0.46	30,385	467	4.35
Total interest-earning assets [1]	**$191,539**	**$ 2,953**	**6.18%**	**$100,901**	**$ 1,211**	**4.85%**	**$ 92,112**	**$ 757**	**3.28%**	**$ 90,638**	**$ 1,742**	**1.33 %**	**$ 99,427**	**$ 2,196**	**2.90 %**
Interest-bearing deposits	$ 90,167	$ 575	2.56%	$ 67,357	$ 288	1.73%	$ 64,070	$ 42	0.26%	$ 22,810	$ 287	0.83 %	$ 26,097	$ 533	2.30 %
Securities sold under customer repurchase agreements	456	1	0.31	455	—	0.30	627	—	0.16	1	1	0.01	(171)	1	0.15
Other short-term borrowings	110	1	5.17	328	4	4.67	—	—	—	(218)	(3)	0.50	110	1	5.17
Long-term borrowings	42,569	415	3.91	7,193	69	3.84	2,420	15	2.43	35,376	346	0.07	40,149	400	1.48
Total borrowings	$ 43,135	$ 417	3.88%	$ 7,976	$ 73	3.68%	$ 3,047	$ 15	1.96%	$ 35,159	$ 344	0.20 %	$ 40,088	$ 402	1.92 %
Total interest-bearing liabilities	**$133,302**	**$ 992**	**2.98%**	**$ 75,333**	**$ 361**	**1.94%**	**$ 67,117**	**$ 57**	**0.34%**	**$ 57,969**	**$ 631**	**1.04 %**	**$ 66,185**	**$ 935**	**2.64 %**
Net interest income		**$ 1,961**			**$ 850**			**$ 700**			**$ 1,111**			**$ 1,261**	
Net interest spread [1]			**3.20%**			**2.91%**			**2.94%**			**0.29 %**			**0.26 %**
Net interest margin [1]			**4.10%**			**3.41%**			**3.04%**			**0.69 %**			**1.06 %**

(1) The balance and rate presented is calculated net of average credit balances of factoring clients.

Commercial Banking Segment

(Actual balances; $ in millions)	2Q23	1Q23	2Q22
Income Statement			
Net interest income	$ 258	$ 240	$ 204
Noninterest income	139	143	130
Net revenue	**397**	**383**	**334**
Noninterest expense	188	211	180
Pre-provision net revenue	**209**	**172**	**154**
Provision (benefit) for credit losses	170	49	35
Segment income before taxes	39	123	119
Income taxes	11	29	24
Segment net income	**$ 28**	**$ 94**	**$ 95**
Balance Sheet			
Loans and leases	$ 29,433	$ 28,684	$ 27,505
Deposits	3,064	3,045	4,466
Factoring volume	5,491	5,671	6,387

Highlights

- The Commercial Banking segment achieved strong loan growth, 10.5% annualized over the linked quarter, largely driven by strong origination volume in Commercial Finance. Commercial Services (factoring) balances declined $300 million due to 2Q seasonality and lower factoring volumes.
- Commercial Services (factoring) volume totaled $5.5 billion and declined over the linked and prior year quarter as clients continue to work down excess inventory.
- Provision for credit losses increased by $121 million from the linked quarter driven by reserve build and higher net charge-offs. Reserve build was driven by Real Estate Finance, concentrated in the general office portfolio, and asset growth in Commercial Finance. Net charge-offs increased in Real Estate Finance and Equipment Finance.

Note – The Commercial Banking segment includes Commercial Finance, Commercial Services (factoring), Real Estate Finance and Equipment Finance.

General Banking Segment

(Actual balances; $ in millions)	2Q23	1Q23	2Q22
Income Statement			
Net interest income	$ 603	$ 560	$ 467
Noninterest income	119	116	125
Net revenue	**722**	**676**	**592**
Noninterest expense	393	395	390
Pre-provision net revenue	**329**	**281**	**202**
Provision for credit losses	29	14	7
Segment income before taxes	300	267	195
Income taxes	73	65	40
Segment net income	**$ 227**	**$ 202**	**$ 155**
Balance Sheet			
Loans and leases	$ 44,719	$ 43,353	$ 40,159
Deposits	95,323	85,982	83,518
Other Key Metrics			
Number of branches [(1)]	560	567	585
Wealth management assets under management ($B)	39.6	36.8	31.7
Card volume	4,256	3,943	3,988
Merchant volume	1,780	1,720	1,757

Highlights

- The General Banking segment achieved 12.6% annualized loan growth over the linked quarter, with the primary driver being business/commercial loan production.
- Deposits increased by $9.3 billion in 2Q23 compared to the first quarter, primarily driven by growth in the Direct Bank, more than offsetting declines in the branch network.
- Net interest income in 2Q23 increased by $43 million (8%) compared to the first quarter primarily due to positive loan growth at steady margins.
- Wealth assets under management increased by $2.8 billion from the linked quarter, with $1.8 billion of the increase attributable to net new client acquisition, and $1.0 billion of the increase attributable to market appreciation.
- Credit quality remains strong, with no apparent stresses on the portfolio, despite economic headwinds.

Note – The General Banking segment includes Branch Network & Wealth, Mortgage, Consumer Indirect, Direct Bank, Community Association Banking and Other General Banking.
(1) In connection with the acquisition, First Citizens has the option, but not the obligation, to purchase or lease Silicon Valley Bridge Bank's 17 branches and offices, as applicable.

Silicon Valley Banking Segment

(Actual balances; $ in millions)	2Q23	1Q23
Income Statement		
Net interest income	$ 635	$ 65
Noninterest income	169	14
Net revenue	**804**	**79**
Noninterest expense	592	33
Pre-provision net revenue	**212**	**46**
Provision (benefit) for credit losses	(47)	—
Segment income before taxes	259	46
Income taxes	70	11
Segment net income	**$ 189**	**$ 35**
Balance Sheet		
Loans and leases	$ 58,799	$ 66,171
Deposits	40,860	49,259
Other Key Metrics		
Private Bank assets under management	$ 10,805	$ 14,060
Off balance sheet client funds	70,438	84,215

Highlights

- Silicon Valley Banking Segment results reflect a full quarter for the 2Q23 reporting period, and only 5 days of financial results for the 1Q23 reporting period, following the 3/27/23 acquisition date.
- Silicon Valley Banking Segment results do not include the accretion impact of SVB loans or the impact of interest bearing cash and debt that was added at the acquisition date (the aforementioned items are contained within the Corporate segment).
- Deposit balances declined by $8.4 billion on the linked quarter, but held relatively flat from April 30th to June 30th, reflecting the positive benefits of client outreach efforts.
- The impact of cost saves realized in 2Q23 favorably impacted the expense run rate of the Silicon Valley banking segment, and expectations are for continued expense reductions throughout the remainder of 2023 and 2024.

Note – Silicon Valley Banking Segment results reflect a full quarter for the 2Q23 reporting period, and only 5 days of financial results for the 1Q23 reporting period, following the 3/27/23 acquisition date. Additionally, there is no provision expense in 1Q23 as this was recorded as part of purchase accounting.

Rail Segment

(Actual balances ; $ in millions)	2Q23	1Q23	2Q22
Income Statement			
Rental income on operating lease equipment	$ 180	$ 176	$ 160
Depreciation on operating lease equipment	47	46	47
Maintenance and other operating lease expenses	56	56	47
Adjusted rental income on operating lease equipment [1]	**77**	**74**	**66**
Interest expense, net	33	28	18
Noninterest income	(2)	1	—
Noninterest expense	18	18	17
Segment income before income taxes	24	29	31
Income taxes	6	7	7
Segment net income	**$ 18**	**$ 22**	**$ 24**
Balance Sheet			
Operating lease equipment, net	$ 7,790	$ 7,612	$ 7,247
Other Key Metrics			
Railcars and locomotives [2]	121,000	119,700	119,500
Utilization	98.3 %	97.9 %	96.2 %
Average age of cars in years	15	15	14
Renewal rate to previous rate	124 %	137 %	114 %

Highlights

- Fleet utilization increased to 98.3% in the second quarter from 97.9% in the linked quarter.
- Favorable renewal repricing trends continued for the 7th consecutive quarter, up 24% over the expiring rate for the quarter with gains in both freight cars (+22%) and tank cars (+39%).
- Adjusted rental income on operating lease equipment increased $3 million and $11 million compared to the linked quarter and prior year quarter respectively, from top-line revenue growth, partially offset by higher maintenance expenses compared to the prior year quarter.
- Short-term outlook continues to be positive for maintaining strong utilization and re-pricing. Further improvement in conditions will be limited though as velocity improves and/or economic softness seeps into the carload markets.
- The Rail portfolio is driven by the industrial sector business cycle, and financial performance generally lags the economic cycle.

(1) Adjusted rental income on operating lease equipment is Non-GAAP. Refer to the Non-GAAP Section V of this presentation for a reconciliation of the Non-GAAP to GAAP measures.
(2) Railcars and locomotives number is rounded.

Purchase accounting marks

($ in millions)

	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Loans and leases [1]					
Beginning balance - unamortized fair value mark	$ (2,674)	$ (117)	$ (131)	$ (146)	$ (145)
Additions - Acquisition of SVB	(61)	(2,773)	—	—	—
PCD "gross up"	21	200	—	—	—
Accretion	236	16	14	15	—
Ending balance	**$ (2,478)**	**$ (2,674)**	**$ (117)**	**$ (131)**	**$ (145)**
Core deposits and other intangibles					
Beginning balance	$ 365	$ 140	$ 145	$ 150	$ 156
Additions - Acquisition of SVB	—	230	—	—	—
Amortization	(18)	(5)	(5)	(5)	(6)
Ending balance	**$ 347**	**$ 365**	**$ 140**	**$ 145**	**$ 150**
Deposits [2]					
Beginning balance - unamortized fair value mark	$ (28)	$ (35)	$ (41)	$ (49)	$ (57)
Additions - Merger with CIT Group Inc.	—	—	—	—	—
Amortization	6	7	7	7	9
Ending balance	**$ (22)**	**$ (28)**	**$ (34)**	**$ (42)**	**$ (48)**
Borrowings [2]					
Beginning balance - unamortized fair value mark	$ 139	$ (86)	$ (93)	$ (100)	$ (107)
Additions - Acquisition of SVB	44	219	—	—	—
Amortization	(2)	6	7	7	7
Ending balance	**$ 181**	**$ 139**	**$ (86)**	**$ (93)**	**$ (100)**

Note – The balances above include the impact of the SVB acquisition as well as other acquisitions prior to December 31, 2022. The summary only includes select information and is not intended to represent all purchase accounting adjustments.
(1) Purchase accounting marks on loans and leases is comprised of credit, interest and liquidity components, and are generally recognized using the level-yield or straight-line method over the remaining life of the receivable or in full in the event of prepayment.
(2) Purchase accounting marks on deposits and borrowings represent interest rate marks and are recognized using the level-yield method over the remaining term of the liability.

Credit Ratings

First Citizens BancShares, Inc.

	S&P	Moody's
Outlook	Negative	Negative
Issuer	BBB	Baa2
Senior unsecured	No rating	Baa2
Subordinated	No rating	Baa2
Preferred stock	BB	Ba1 (hyb)

First-Citizens Bank & Trust Company

	S&P	Moody's
Outlook	Negative	Negative
Issuer	BBB +	Baa2
Senior unsecured	BBB +	Baa2
Subordinated	BBB	No rating
Deposits	No rating	A2 / P-1

Note – Credit rating information was last updated on the following dates: S&P - 4/20/2023, and Moody's - 3/29/2023.

First Citizens BancShares®

Non-GAAP Reconciliations

Section V

Notable Items [1]

($ in millions, except per share data)

	2Q23	1Q23	2Q22
Rental income on operating lease equipment [2]	$ (147)	$ (145)	$ (136)
Realized gain on sale of investment securities available for sale, net	—	14	—
Fair value adjustment on marketable equity securities, net	10	9	6
Gain on sale of leasing equipment, net	(4)	(4)	(5)
Gain on acquisition, net of tax	(55)	(9,824)	—
Gain on extinguishment of debt	—	—	—
Other noninterest income [3]	—	—	(6)
Impact on adjusted noninterest income	**$ (196)**	**$ (9,950)**	**$ (141)**
Depreciation on operating lease equipment [2]	$ (91)	$ (89)	$ (89)
Maintenance and other operating lease expenses [2]	(56)	(56)	(47)
Acquisition-related expenses	(205)	(28)	(34)
Intangible asset amortization	(18)	(5)	(6)
Other noninterest expense [4]	—	—	(3)
Impact on adjusted noninterest expense	**$ (370)**	**$ (178)**	**$ (179)**
CECL Day 2 provision and reserve for unfunded commitments	$ —	$ (716)	$ —
Provision for credit losses- investment securities available for sale	1	(4)	—
Provision for credit losses - total adjustments	**$ 1**	**$ (720)**	**$ —**
Impact on adjusted pre-tax income	**$ 173**	**$ (9,052)**	**$ 38**
Income tax impact [5]	75	160	6
Impact on adjusted net income	**$ 98**	**$ (9,212)**	**$ 32**
Impact on adjusted diluted EPS	**$ 6.73**	**$ (633.55)**	**$ 2.00**

(1) Notable items include income and expense for infrequent transactions and certain recurring items (typically noncash) that Management believes should be excluded from adjusted measures (Non-GAAP) to enhance understanding of operations and comparability to historical periods. Management utilizes both GAAP and adjusted measures (Non-GAAP) to analyze the Company's performance. Refer to Section V of this presentation for a reconciliation of Non-GAAP measures to the most directly comparable GAAP measures.
(2) Depreciation and maintenance and other operating lease expenses are reclassified from noninterest expense to a reduction of rental income on operating lease equipment. There is no net impact to earnings for this notable item as adjusted noninterest income and expense are reduced by the same amount. Adjusted rental income on operating lease equipment (non-GAAP) is net of depreciation and maintenance expense for operating lease equipment. Management believes this measure enhances comparability to banking peers, primarily due to the extent of our rail and other equipment rental activities. Refer to Section V of this presentation for a reconciliation of Non-GAAP measures to the most directly comparable GAAP measure.
(3) Includes gain on sale of the corporate jet acquired from CIT.
(4) Includes specific litigation reserve for the HAMP litigation.
(5) For the periods presented the income tax impact may include tax discrete items and changes in the estimated annualized effective tax rate.

Non-GAAP Reconciliations

($ in millions, except share and per share data)

Non-GAAP Reconciliations			QTD 6/30/2023	QTD 3/31/2023	QTD 6/30/2022
Net income and EPS					
Net income (GAAP)	a	$	682	9,518	255
Preferred stock dividends			15	14	17
Net income available to common stockholders (GAAP)	b		667	9,504	238
Total notable items, after income tax	c		98	(9,212)	32
Adjusted net income (non-GAAP)	d = (a+c)		780	306	287
Adjusted net income available to common stockholders (non-GAAP)	e = (b+c)	$	765	292	270
Weighted average common shares outstanding					
Basic	f		14,528,134	14,526,693	16,023,613
Diluted	g		14,537,938	14,539,709	16,035,090
EPS (GAAP)					
Basic	b/f	$	45.90	654.22	14.87
Diluted	b/g		45.87	653.64	14.86
Adjusted EPS (non-GAAP)					
Basic	e/f	$	52.64	20.11	16.87
Diluted	e/g		52.60	20.09	16.86
Noninterest income and expense					
Noninterest income	h	$	658	10,259	424
Impact of notable items, before income tax			(196)	(9,950)	(141)
Adjusted noninterest income	i	$	462	309	283
Noninterest expense	j	$	1,572	855	745
Impact of notable items, before income tax			(370)	(178)	(179)
Adjusted noninterest expense	k	$	1,202	677	566
Provision (benefit) for credit losses		$	151	783	42
Plus: Day 2 provision for credit losses			—	(716)	—
Plus: Specific reserve for AFS securities			1	(4)	—
Adjusted provision (benefit) for credit losses		$	152	63	42

Non-GAAP Reconciliations

($ in millions, except share and per share data)

Non-GAAP Reconciliations			QTD 6/30/2023	QTD 3/31/2023	QTD 6/30/2022
PPNR					
Net income (GAAP)	a	$	682	9,518	255
Plus:					
Provision (benefit) for credit losses			151	783	42
Income tax expense (benefit)			214	(47)	82
PPNR (non-GAAP)	l	$	1,047	10,254	379
Plus: total notable items, before income tax			174	(9,772)	38
Adjusted PPNR (non-GAAP)	m	$	1,220	482	417
ROA					
Net income (GAAP)	a	$	682	9,518	255
Annualized net income	n = a annualized		2,734	38,602	1,023
Adjusted net income (non-GAAP)	d		780	306	287
Annualized adjusted net income	p = d annualized		3,126	1,244	1,151
Average assets	o		209,309	116,164	107,575
ROA	n/o		1.31 %	33.23 %	0.95 %
Adjusted ROA	p/o		1.49 %	1.07 %	1.07 %
PPNR ROA					
PPNR (non-GAAP)	l	$	1,047	10,254	379
Annualized PPNR	q = l annualized		4,200	41,586	1,519
Adjusted PPNR (non-GAAP)	m		1,220	482	417
Annualized PPNR	r = m annualized		4,893	1,954	1,672
PPNR ROA	q/o		2.00 %	35.80 %	1.41 %
Adjusted PPNR ROA	r/o		2.34 %	1.69 %	1.56 %

Non-GAAP Reconciliations

($ in millions, except share and per share data)

Non-GAAP Reconciliations			QTD 6/30/2023	QTD 3/31/2023	QTD 6/30/2022
ROE and ROTCE					
Annualized net income available to common stockholders	s = b annualized	$	2,675	38,543	955
Annualized adjusted net income available to common stockholders	t = e annualized	$	3,067	1,185	1,083
Average stockholders' equity (GAAP)		$	19,521	11,369	10,567
Less: average preferred stock			881	881	881
Average common stockholders' equity (non-GAAP)	u	$	18,640	10,488	9,686
Less: average goodwill			346	346	346
Less: average other intangible assets			357	175	153
Average tangible common equity (non-GAAP)	v	$	17,937	9,967	9,186
ROE	s/u		14.35 %	367.47 %	9.87 %
Adjusted ROE	t/u		16.46 %	11.30 %	11.19 %
ROTCE	s/v		14.91 %	386.69 %	10.40 %
Adjusted ROTCE	t/v		17.10 %	11.89 %	11.80 %
Tangible common equity to tangible assets					
Stockholders' equity (GAAP)	w	$	19,771	19,216	10,642
Less: preferred stock			881	881	881
Common equity (non-GAAP)	x	$	18,890	18,335	9,761
Less: goodwill			346	346	346
Less: other intangible assets			347	364	150
Tangible common equity (non-GAAP)	y	$	18,197	17,625	9,265
Total assets (GAAP)	z		209,502	214,658	107,673
Tangible assets (non-GAAP)	aa		208,809	213,948	107,177
Total equity to total assets	w/z		9.44 %	8.95 %	9.88 %
Tangible common equity to tangible assets (non-GAAP)	y/aa		8.71 %	8.24 %	8.64 %

Non-GAAP Reconciliations

($ in millions, except share and per share data)

Non-GAAP Reconciliations			QTD 6/30/2023	QTD 3/31/2023	QTD 6/30/2022
Book value and tangible book value per common share					
Common shares outstanding at period end	bb		14,520,034	14,519,993	16,002,385
Book value per share	x/bb	$	1,300.93	1,262.76	609.95
Tangible book value per share	y/bb	$	1,253.20	1,213.82	578.92
Efficiency ratio					
Net interest income	cc	$	1,961	850	700
Efficiency ratio (GAAP)	j / (h + cc)		60.06 %	7.70 %	66.34 %
Adjusted efficiency ratio (non-GAAP)	k / (i + cc)		49.65 %	58.39 %	57.55 %
Rental income on operating lease equipment					
Rental income on operating lease equipment		$	238	233	213
Less:					
Depreciation on operating lease equipment			91	89	89
Maintenance and other operating lease expenses			56	56	47
Adjusted rental income on operating lease equipment			91	88	77
Rental income on operating lease equipment: Rail segment					
Rental income on operating lease equipment		$	180	176	160
Less:					
Depreciation on operating lease equipment			47	46	47
Maintenance and other operating lease expenses			56	56	47
Adjusted rental income on operating lease equipment			77	74	66
Income tax expense					
Income tax expense (benefit)		$	214	(47)	82
Impact of notable items			75	160	6
Adjusted income tax expense			289	113	88