

4th Quarter 2022

FIRST FINANCIAL BANKSHARES, INC.™

Forward Looking Statement

The numbers, as of and for the year ended December 31, 2022, contained within this presentation are unaudited. Certain statements contained herein may be considered "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based upon the belief of the Company's management, as well as assumptions made beyond information currently available to the Company's management and, may be, but not necessarily are identified by such words as "believes", "expect", "plan", "anticipate", "target", "forecast" and "goal". Because such "forward-looking statements" are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from the Company's expectations include competition from other financial institutions and financial holding companies; the effects of and changes in trade, monetary and fiscal policies and laws, including interest rate policies of the Federal Reserve Board; changes in the demand for loans; fluctuations in value of collateral and loan reserves; inflation, interest rate, market and monetary fluctuations; changes in consumer spending, borrowing and savings habits; and acquisitions and integration of acquired businesses, and similar variables. Other key risks are described in the Company's reports filed with the Securities and Exchange Commission, which may be obtained under "Investor Relations-Documents/Filings" on the Company's web site or by writing or calling the Company at 325.627.7155 or investorrelations@ffin.com. The Company does not undertake any obligation to update publicly or revise any forward-looking statements herein because of new information, future events or otherwise.

Who We Are

- $13.0 billion financial holding company headquartered in Abilene, Texas
- Group of 12 separate bank regions
- Trust and Asset Management Company with 10 locations and manages approximately $8.8 billion in assets
- 133 year history

What Makes Us Different

One Bank, Twelve Regions Concept

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

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

FIRST FINANCIAL BANKSHARES, INC.™

LOCATIONS AND PHONE NUMBERS

Abilene Region
325-627-7200
- ▲ ABILENE
- CLYDE
- MORAN
- ALBANY
- ▲ ODESSA

Bryan/College Station ▲ BRYAN
979-260-1457
- COLLEGE STATION

Cleburne Region
817-556-5000
- CLEBURNE
- BURLESON
- ALVARADO
- MIDLOTHIAN
- WAXAHACHIE

Conroe Region
963-760-1888
- CONROE
- MONTGOMERY
- CUT AND SHOOT
- WILLIS
- TOMBALL
- MAGNOLIA
- SPRING

Eastland
254-629-6100
- EASTLAND
- RANGER
- RISING STAR
- CISCO

Fort Worth Region ▲ FORT WORTH
817-410-4979

Hereford Region
806-363-8200
- HEREFORD

Huntsville
936-295-2224
- HUNTSVILLE
- NEW WAVERLY

Kingwood Region
281-318-4600
- KINGWOOD
- EL CAMPO
- FULSHEAR
- PALACIOS

San Angelo Region ▲ SAN ANGELO
325-659-5900

Southeast Region
800-300-8904
- ORANGE
- PORT ARTHUR
- VIDOR
- MAURICEVILLE
- NEWTON
- LUMBERTON
- ▲ BEAUMONT

Southlake Region
817-410-2915
940-683-8700
- SOUTHLAKE
- TROPHY CLUB
- KELLER
- BRIDGEPORT
- BOYD
- DECATUR
- GRAPEVINE

Stephenville Region ▲ STEPHENVILLE
254-965-5036
817-573-6900
- GRANBURY
- GLEN ROSE
- ACTON

Sweetwater ▲ SWEETWATER
254-629-6100
- ROBY
- TRENT
- MERKEL

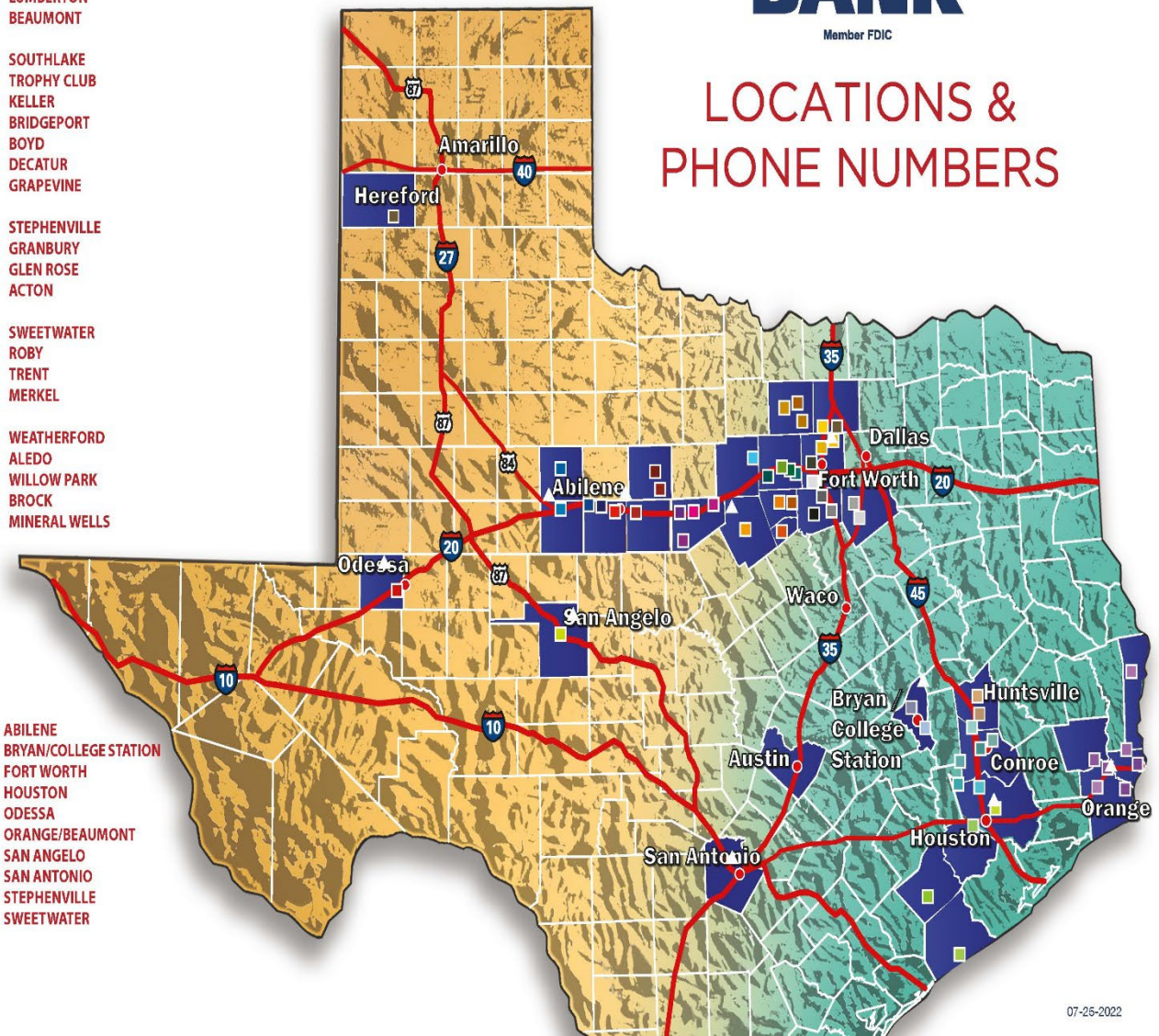
Weatherford Region
817-596-0307
- WEATHERFORD
- ALEDO
- WILLOW PARK
- BROCK
- MINERAL WELLS

First Financial Trust & Asset Management
325-627-7100
- ▲ ABILENE
- ▲ BRYAN/COLLEGE STATION
- ▲ FORT WORTH
- ▲ HOUSTON
- ▲ ODESSA
- ▲ ORANGE/BEAUMONT
- ▲ SAN ANGELO
- ▲ SAN ANTONIO
- ▲ STEPHENVILLE
- ▲ SWEETWATER

FIRST FINANCIAL BANK

Member FDIC

LOCATIONS & PHONE NUMBERS



07-26-2022

Texas: Large and Growing

Five most populous states:*		Growth (2011 – 2021)
California	39.0 million	3.7%
Texas	30.0 million	17.1%
Florida	22.2 million	16.7%
New York	19.7 million	.9%
Illinois	12.6 million	-2.2%

** U.S. Census Bureau*

Target Markets – Population Growth

Population growth (2011-2021) in FFIN expansion markets:*	
Texas	17.1%
Bridgeport & Wise County	19.6%
Fort Worth & Tarrant County	15.1%
Cleburne & Johnson County	23.2%
Weatherford, Willow Park, Aledo & Parker County	32.5%
Granbury & Hood County	24.6%
Stephenville & Erath County	11.4%
Conroe & Montgomery County	37.6%
Bryan / College Station & Brazos County	20.0%

** U.S. Census Bureau*

Core Markets: West Central Texas

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

REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
First Financial Bank *(Abilene, Clyde, Moran, Albany, Odessa, Eastland, Ranger, Rising Star, Cisco, Sweetwater, Roby, Trent, Merkel)*	$4,135M	23	54%	1
First Financial Bank *(Hereford)*	$220M	1	33%	1
First Financial Bank *(San Angelo)*	$1,116M	2	30%	1
TOTALS	$5,471M	26		

* Data as of 12-31-22

** Data as of 6-30-22

Expansion Markets – Dallas / Fort Worth Area

REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
First Financial Bank	$808M	4	18%	2
(Cleburne, Burleson, Alvarado)		2	6%	5
(Midlothian, Waxahachie)				
First Financial Bank	$1,029M	4	5%	5
(Southlake, Trophy Club, Keller, Grapevine)		3	24%	1
(Bridgeport, Decatur, Boyd)				
First Financial Bank	$992M	6	28%	1
(Stephenville, Granbury, Glen Rose, Acton)				
First Financial Bank	$1,351M	7	23%	1
(Weatherford, Aledo, Willow Park, Brock, Mineral Wells)				
First Financial Bank	$405M	1	0.43%	26
(Fort Worth)				
TOTALS	$4,585M	27		

* Data as of 12-31-22

** Data as of 6-30-22

Expansion Markets – Houston Area

REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
First Financial Bank	$946M	3	48%	1
(Orange, Mauriceville, Vidor)		4	5%	8
(Newton, Port Arthur, Beaumont, Lumberton)				
First Financial Bank *(Conroe, Magnolia, Cut and Shoot, Montgomery, Huntsville, Willis, Tomball, New Waverly, Spring)* *(Market Share for Huntsville, Conroe, Magnolia, Cut and Shoot, Montgomery and Willis Only)*	$1,054M	10	10%	4
First Financial Bank	$622M	4		
Kingwood – Montgomery County			5%	7
El Campo – Wharton County			9%	4
Fulshear – Fort Bend County			0.15%	33
Palacios – Matagorda County			12%	2
First Financial Bank *(Bryan / College Station)*	$989M	5	12%	4
TOTALS	**$3,611M**	**25**		

* Data as of 12-31-22
** Data as of 6-30-22

Recent De Novo Growth

- Lumberton: Branch of Orange – December 2022
- Bryan / College Station: Office of Trust Company – September 2020
- Austin: Office of the Mortgage Company – January 2020
- San Antonio: Office of the Trust Company – December 2019
- Grand Parkway (Spring): Branch of Conroe – Opened January 2019
- Houston: Office of Trust Company – December 2018
- New Waverly: Branch of Huntsville – August 2014 (New Building – Opened December 2018)
- Beaumont: Branch of Orange – August 2014
- Weatherford: I-20 Branch – June 2013
- Waxahachie: Branch of Cleburne – December 2012
- Abilene: Antilley Road Branch – September 2012
- Grapevine: Branch of Southlake – March 2012
- Cisco: Branch of Eastland – September 2011 (New Building – Opened August 2016)
- Lamesa: Office of Trust Company – April 2011
- Odessa: Branch of Abilene – February 2010 (New Building – Opened September 2016)

FFIN's Unique Positioning in Texas

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

Customer Service First (CS1st)

- Began CS1st initiative in 2005 with Dennis Snow (former Disney executive charged with Disney's customer experience).

- Implemented the Service Improvement Team with ten distinct teams with various strategic objectives.

- Key Successes
  - Established a robust employee recognition program
  - Developed a centralized team to address system and process obstacles
  - Designed and implemented a nationally recognized Financial Exploitation program
  - Day of Service (Completed 7th Annual on October 10, 2022)
  - Have transitioned what began as a service initiative into a culture of service excellence

- Since 2019, the Company has partnered with Horst Schulze (co-founder and former COO of the Ritz-Carlton Hotel Company) to further enhance the Company's culture by developing:
  - Defined Clear Vision and Mission Statements
  - 21 Service Non-negotiables
  - Daily Line-Ups
  - Train-the-trainer sessions for all branch managers (over 300 employees spent 2 days in training)
  - Incorporated into new employee orientation

Recognitions – Financial Exploitation Prevention Program

- Stopped fraud and saved customers from monetary losses totaling more than $22 million since 2014
- Philadelphia Federal Reserve Presentation – December 2017
- Texas Bankers Association Cornerstone Award for Day of Service – May 2017
- Texas Bankers Association 2016 Leaders in Financial Education Award – May 2016
- House Investments and Financial Services Committee – March 2016
- Texas Senate Committee on Business and Commerce – January 2016
- AARP Roundtable Discussion – November 2015
- ABA Foundation Community Commitment Award – November 2015
- White House Conference on Aging – July 2015

Executive Management Team at First Financial

	Years with Company	Years in Industry
Scott Dueser *Chairman of the Board, President & Chief Executive Officer*	46	51
John Ruzicka *Executive Vice President* *Chief Information Officer*	4	43
Ron Butler *Executive Vice President* *Chief Administrative Officer*	30	41
Kirk Thaxton, CTFA *Chairman of the Board, President & Chief Executive Officer* *First Financial Trust & Asset Management*	36	39
Michelle Hickox *Executive Vice President* *Chief Financial Officer*	-	33

Executive Management Team at First Financial

	Years with Company	Years in Industry
Randy Roewe *Executive Vice President* *Chief Risk Officer*	7	32
Luke Longhofer *Executive Vice President* *Chief Lending Officer*	12	20
David Bailey *Executive Vice President* *Commercial Banking*	19	19
Kyle McVey, CPA *Executive Vice President* *Chief Accounting Officer*	12	14

Senior Management at First Financial

	Years with Company	Years in Industry
Rett Everett *Executive Vice President* *Lending*	1	20
Brandon Harris *Senior Vice President* *Appraisal Services*	7	20
Michael Parker *Executive Vice President* *Chief Compliance Officer*	-	15
Marna Yerigan *Executive Vice President* *Lending*	12	40

Line of Business Executives

	Years with Company	Years in Industry
Chris Cook *Executive Vice President* *Marketing*	1	29
Troy Fore *President* *First Financial Mortgage*	7	37
Frank Gioia *Senior Vice President* *Customer Care Center*	7	35
Monica Houston *Executive Vice President* *Retail Banking & Training*	28	28

Line of Business Executives

	Years with Company	Years in Industry
Gary Milliorn *Vice President* *Property Management*	7	33
Andrea Smiddy-Schlagel *Executive Vice President* *Treasury Management*	4	34
Maggie Tuschinski *Executive Vice President* *Chief Digital Officer*	1	20
Michael Wolverton *Executive Vice President* *Consumer Lending*	11	37

Experienced Regional CEOs & Presidents

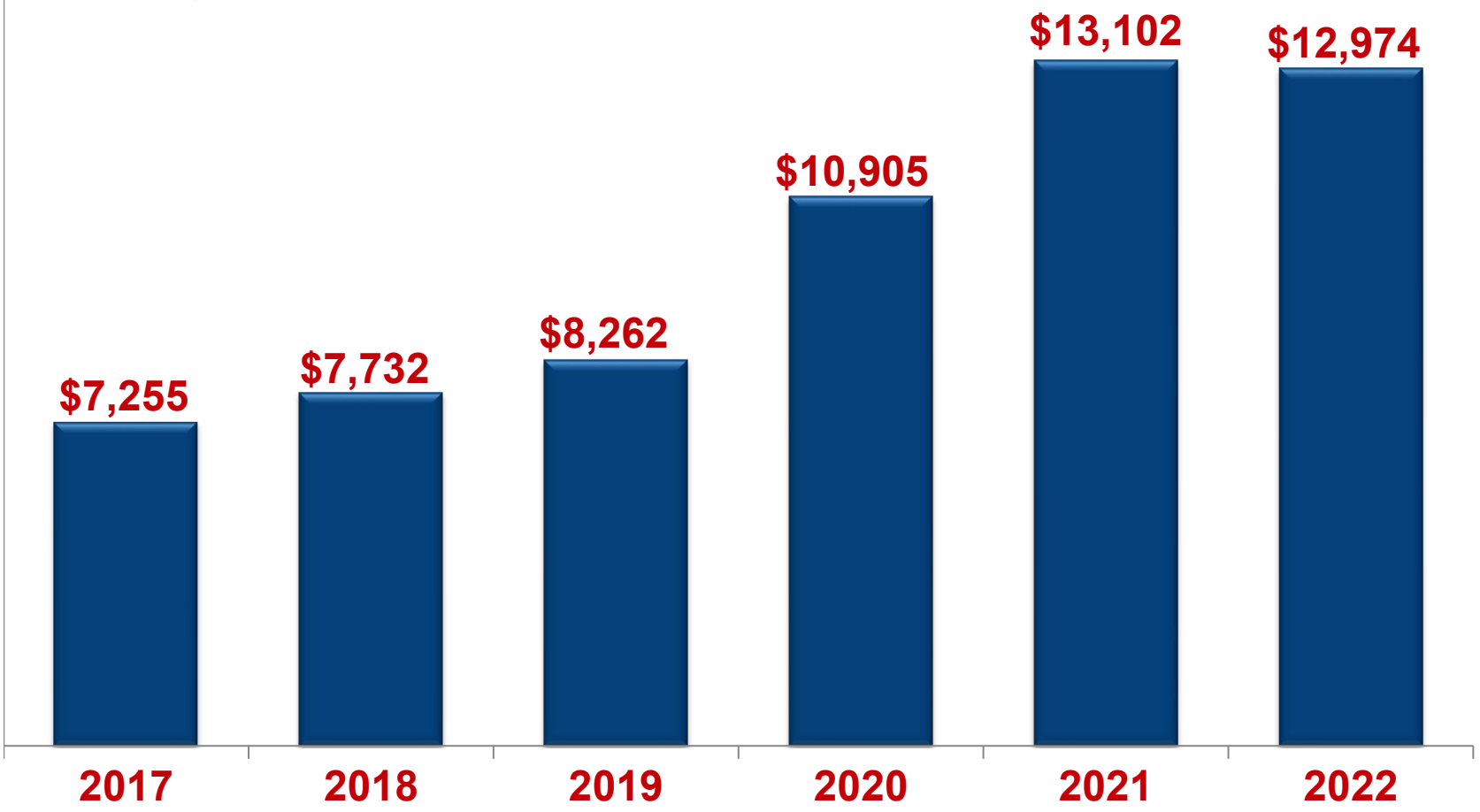
	Years with Company	Years in Industry
Marelyn Shedd, *Abilene*	32	39
Candice Kanady, *Eastland*	21	21
Joseph Crouch, *Sweetwater*	4	26
Jamie Esch, *Hereford*	1	25
Chris Evatt, *San Angelo*	22	22
Austin Elsner, *Cleburne*	5	22
Trent Swearengin, Stephenville	23	25
Justin Hooper, *Weatherford*	18	29
Shelby Bruhn, *Southlake*	1	22
Stephen Lee, *Southeast Texas*	10	34
Chris Baughman, *Conroe*	7	40
Marcus Morris, *Fort Worth*	12	14
Shelley Dacus, *Kingwood*	4	18
Nora Thompson, *Bryan/College Station*	3	31

Asset Performance

Total Asset Growth

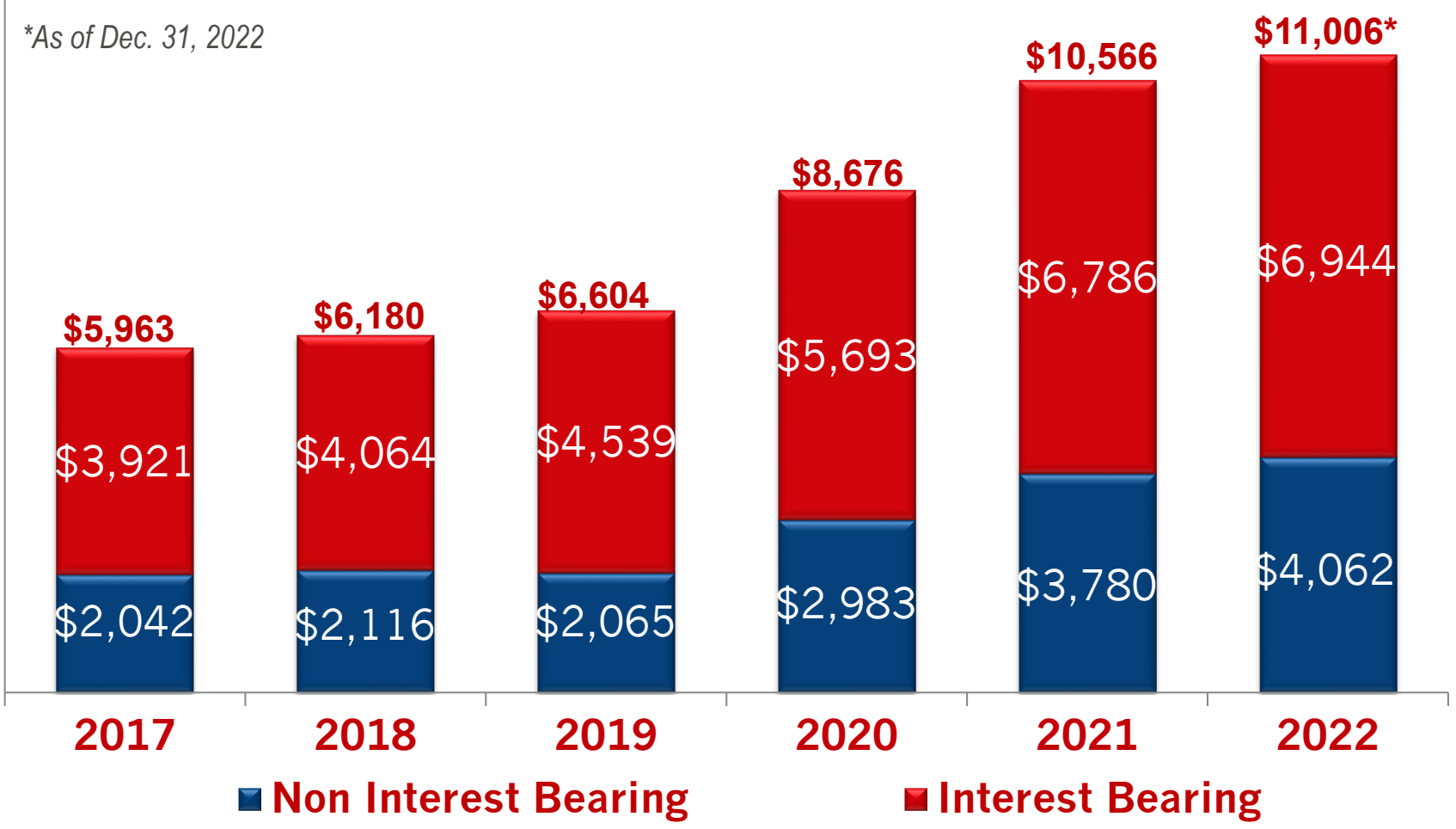
(in millions)

*As of Dec. 31, 2022



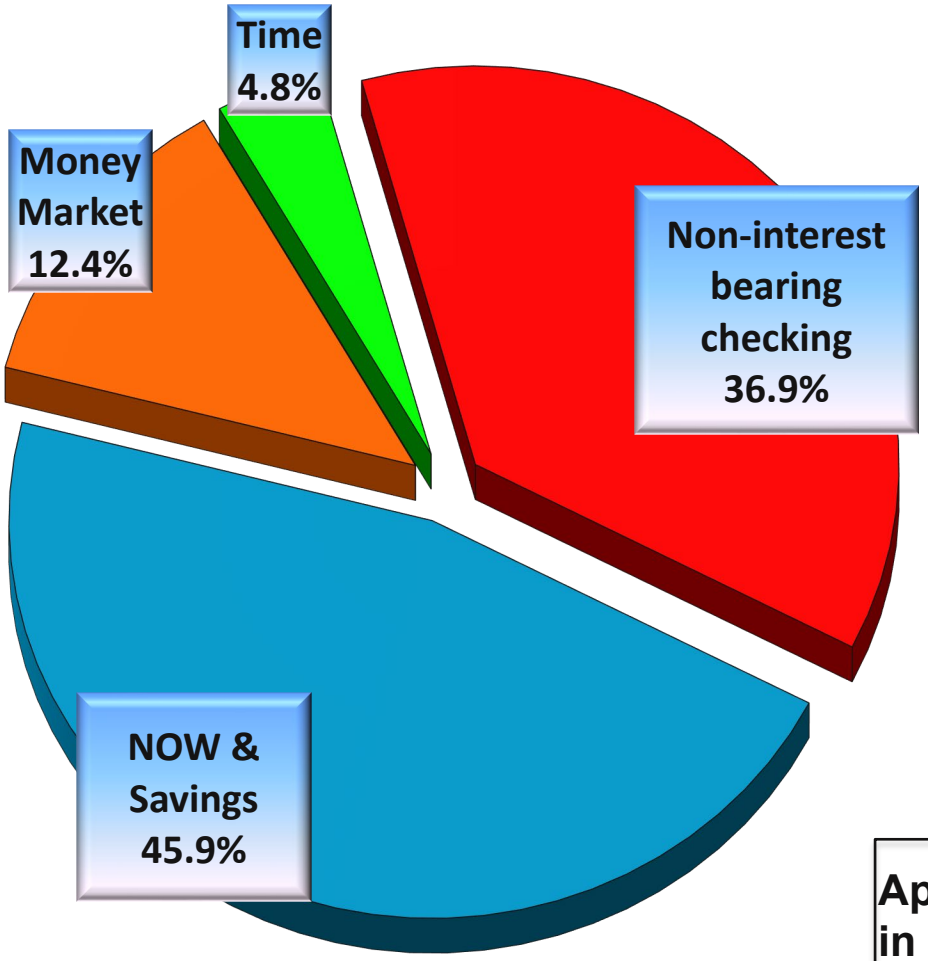
Total Deposit Growth

Growth in FFIN Total Deposits *(in millions)*



Deposit Products - $11.0 Billion*

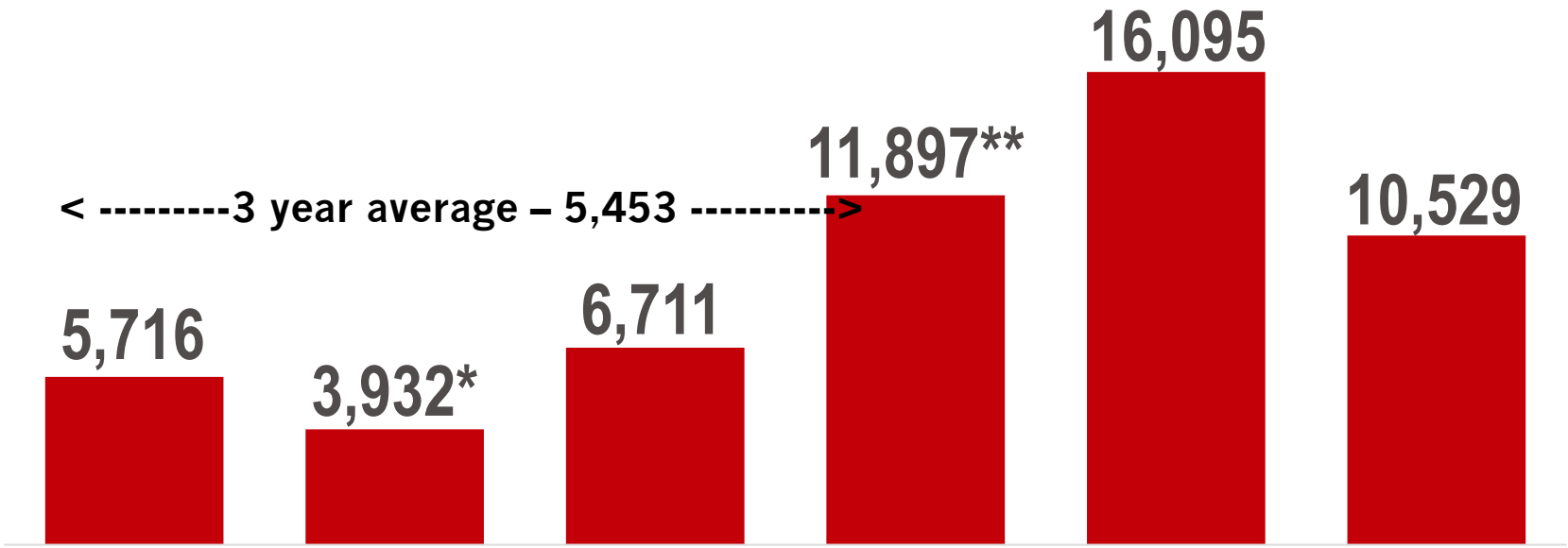
*As of Dec. 31, 2022



Approximately $1.38 Billion in public funds.

Deposit Account Growth

*As of Dec. 31, 2022

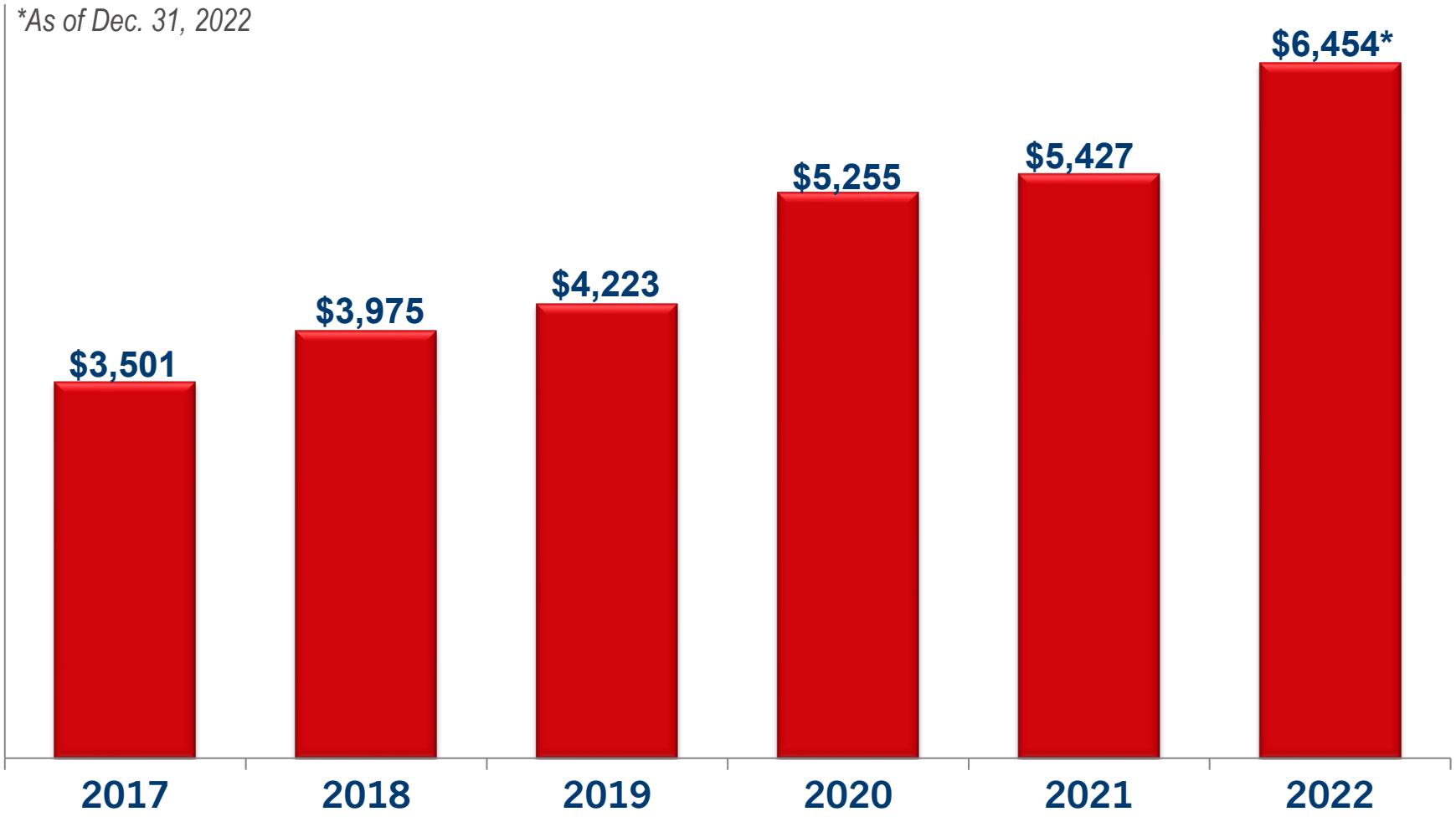


	2017	2018	2019	2020	2021	2022*
Total Number of Accounts	260,430	270,976	277,687	303,169	319,264	329,793

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

Loan Performance

Growth in FFIN Total Loans *(in millions)*



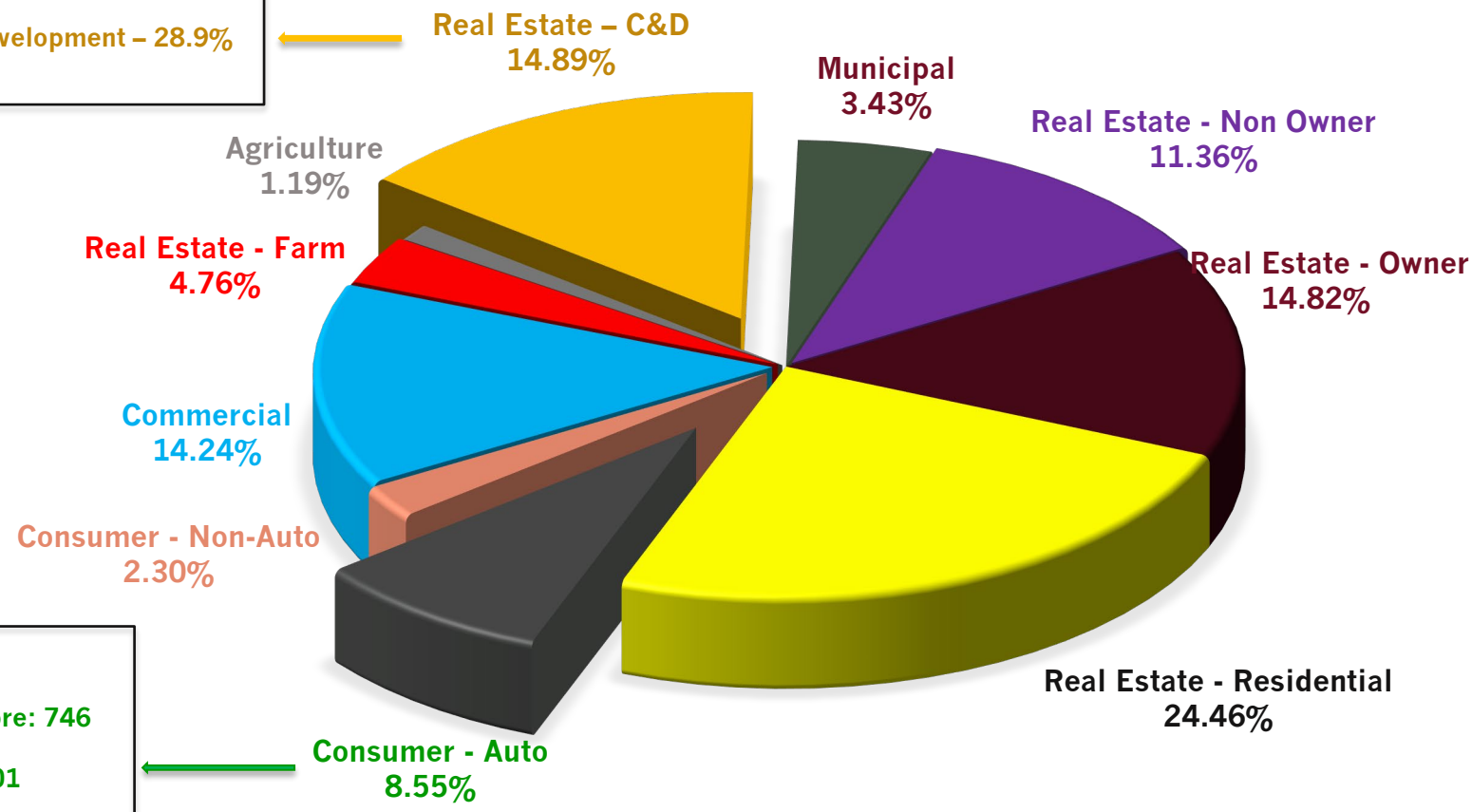
**Includes $169M in PPP loans

Overview of Loan Portfolio – $6.45 Billion*

*As of Dec. 31, 2022

Real Estate – C&D:

- Residential Development – 71.1%
- Commercial Development – 28.9%



Consumer– Auto:

- Average FICO Score: 746
- Average DTI: 29.01
- Average LTV: 82.77

*Includes $169M in PPP loans

Loan to Deposit Ratio

*As of Dec. 31, 2022

	2017	2018	2019	2020	2021	2022*
End of Period	58.7	64.3	64.0	60.6	51.4	58.6
Average Balances	61.0	62.0	64.2	64.6	55.2	53.8

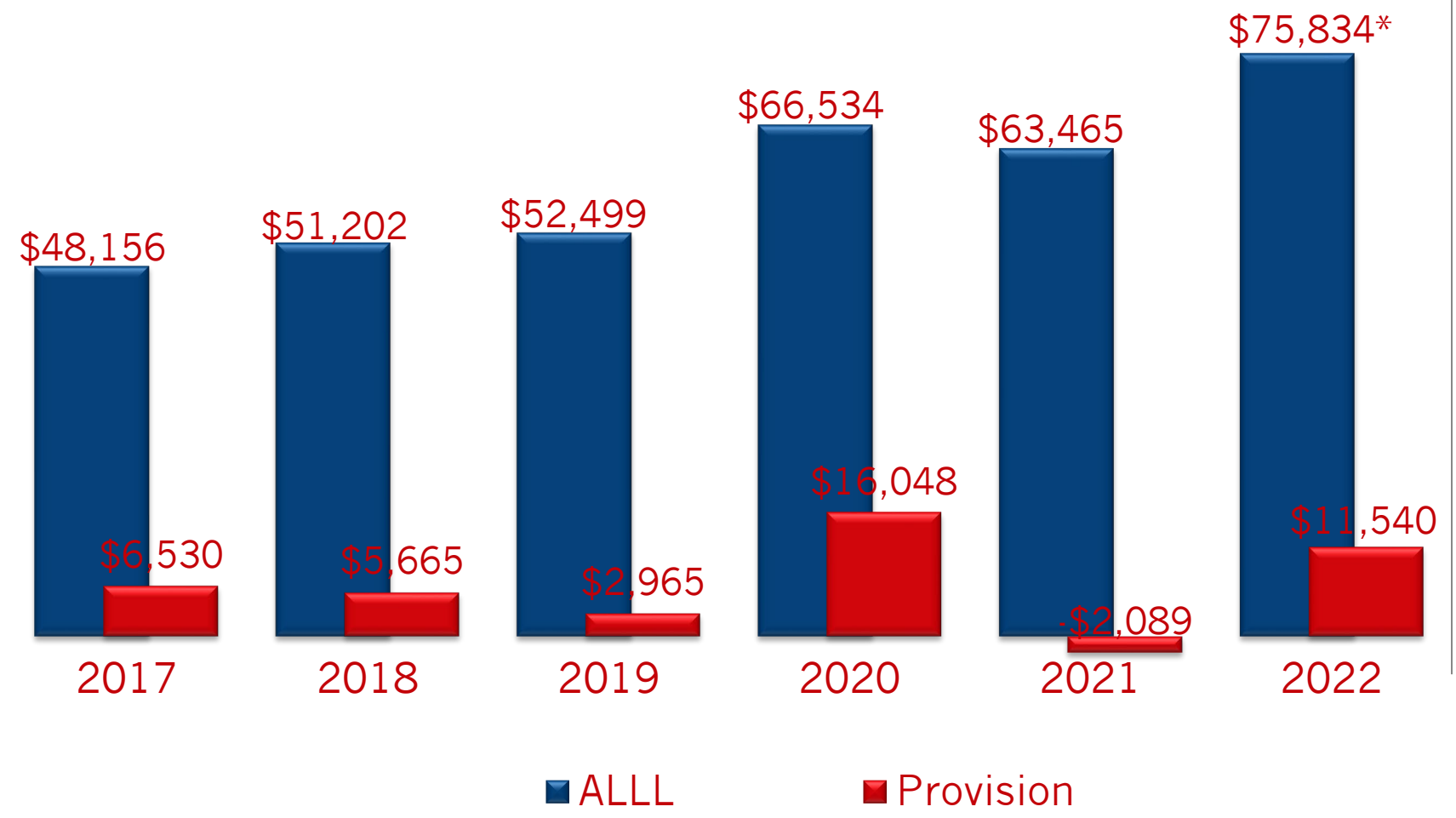
Sound Lending Practices

*As of Dec. 31, 2022
**As of Sept. 30, 2022

Nonperforming assets as a percentage of loans + foreclosed assets						*(FFIN vs. Peers)*
	2017	2018	2019	2020	2021	2022
First Financial	0.57%	0.75%	0.61%	0.83%	0.63%	0.38%*
Peer Group	0.86%	0.82%	0.78%	0.97%	0.71%	0.61%**

Allowance for Credit Losses and Provision for Credit Losses

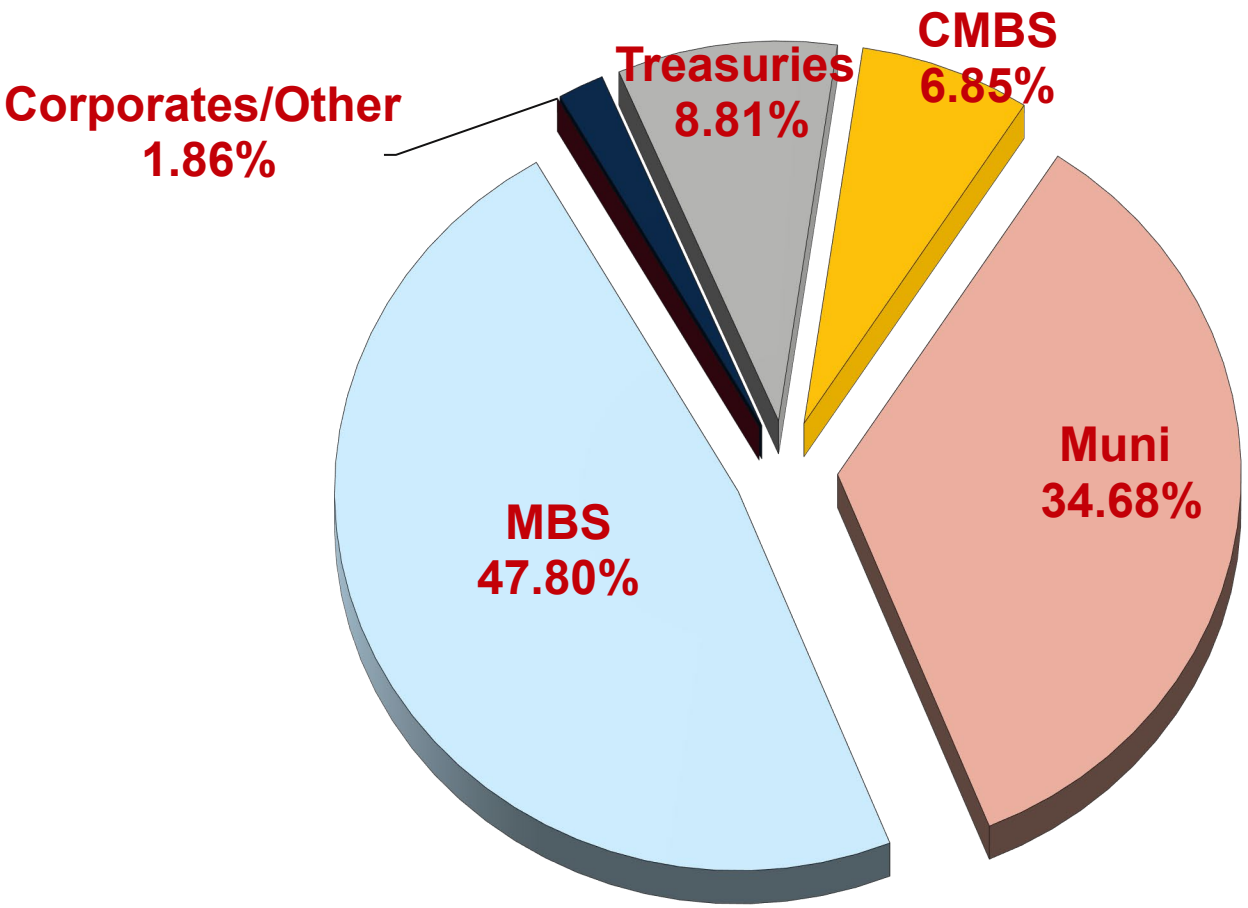
(in thousands)



*For the period ended Dec. 31, 2022 and excludes $12.3 million in reserve for unfunded commitments

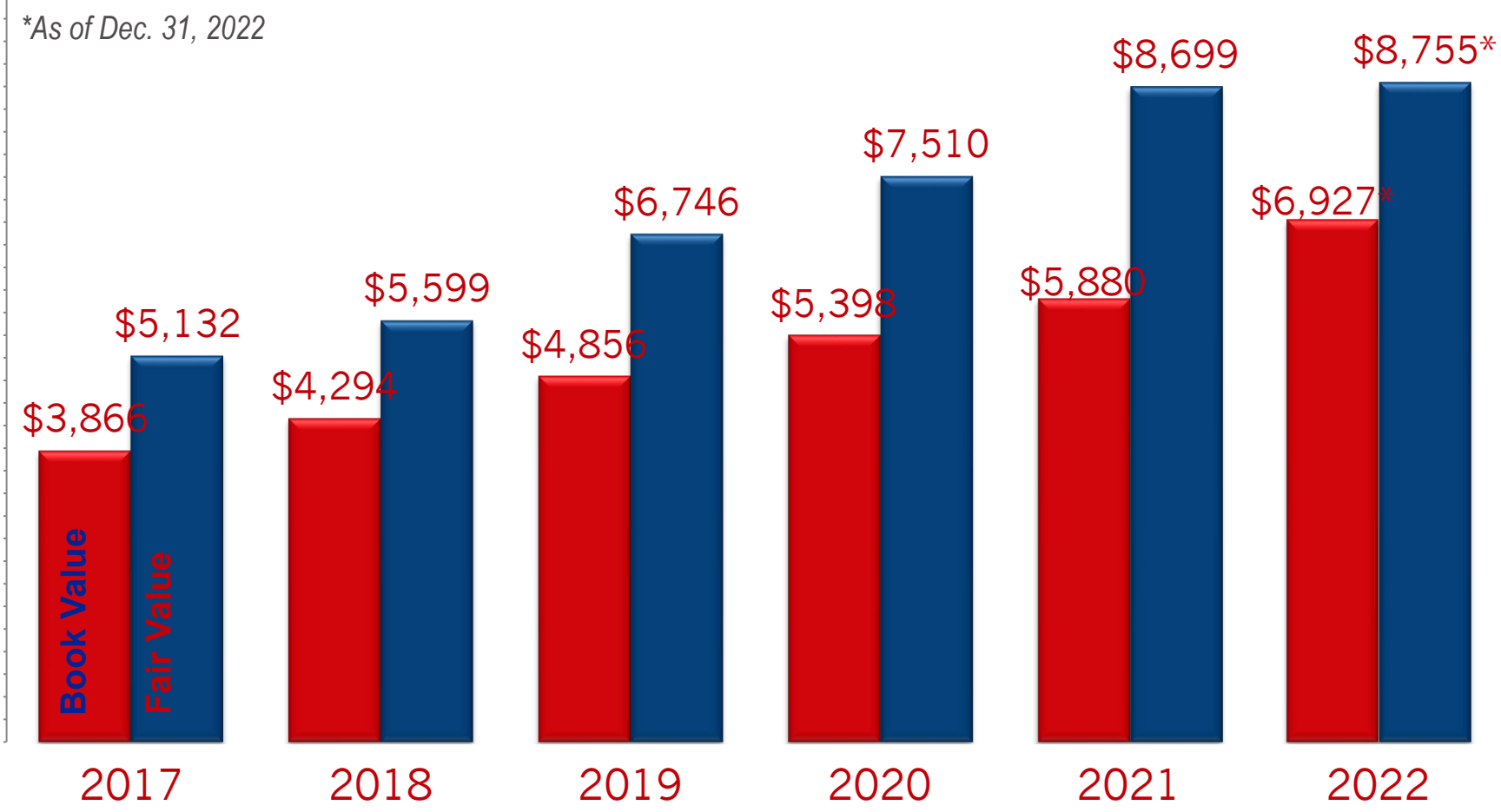
Summary of Bond Portfolio - $5.47 Billion*

*As of Dec. 31, 2022



Growth in Trust Assets

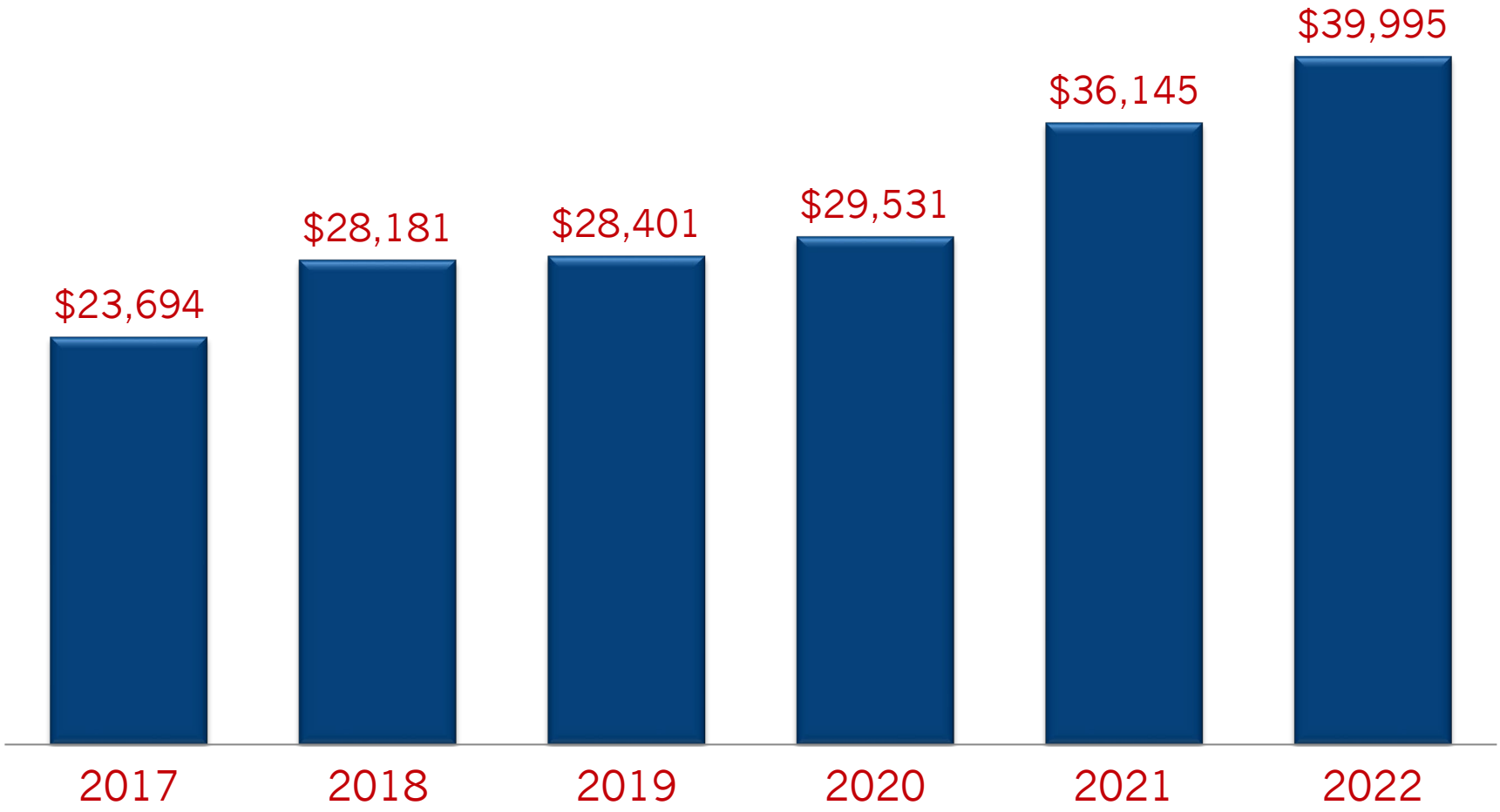
Total Trust Assets – Book Value / Fair Value *(in millions)*



Total Trust Fees

Growth in FFTAM Fees

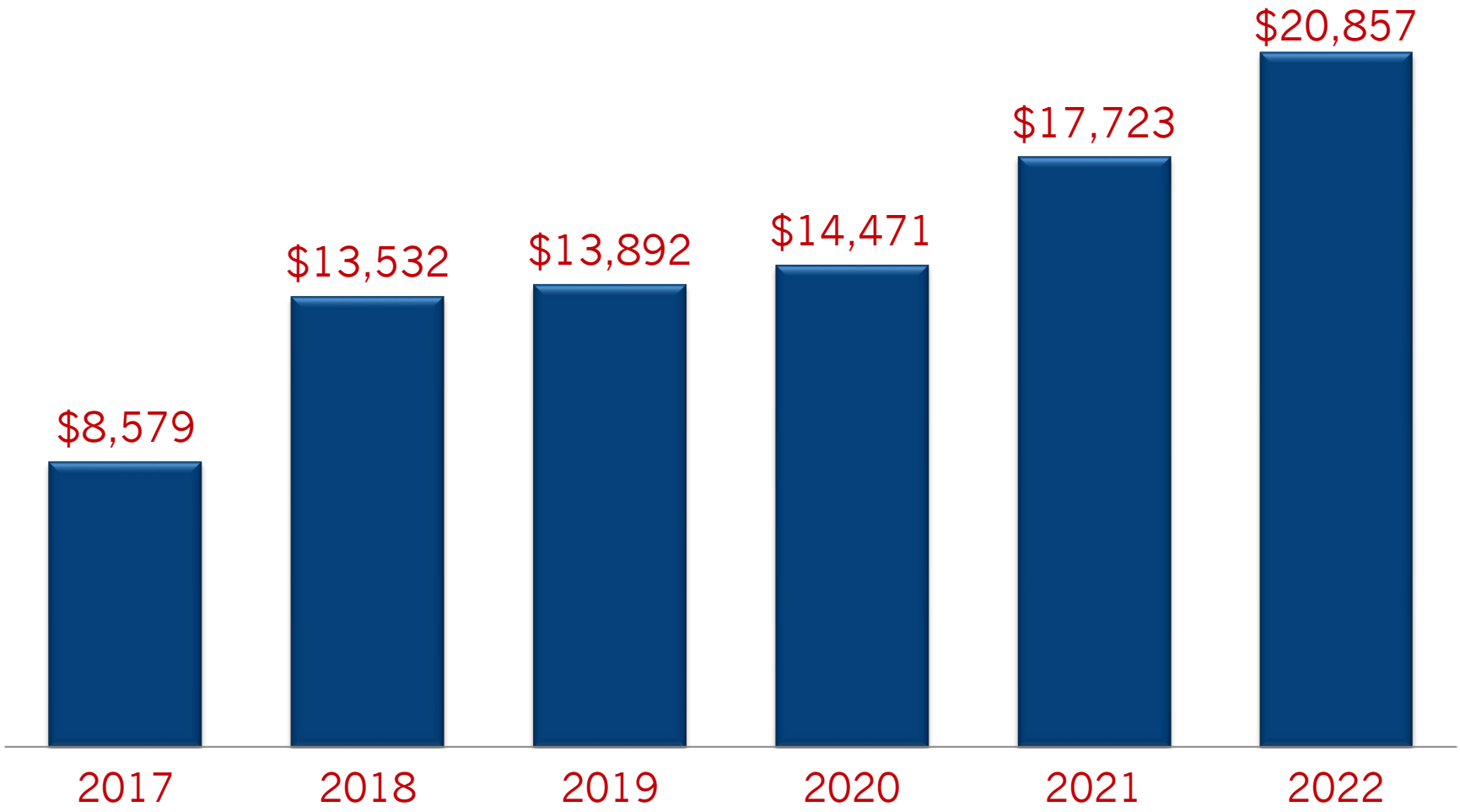
(in thousands)



Total Trust Net Income

Growth in FFTAM Net Income

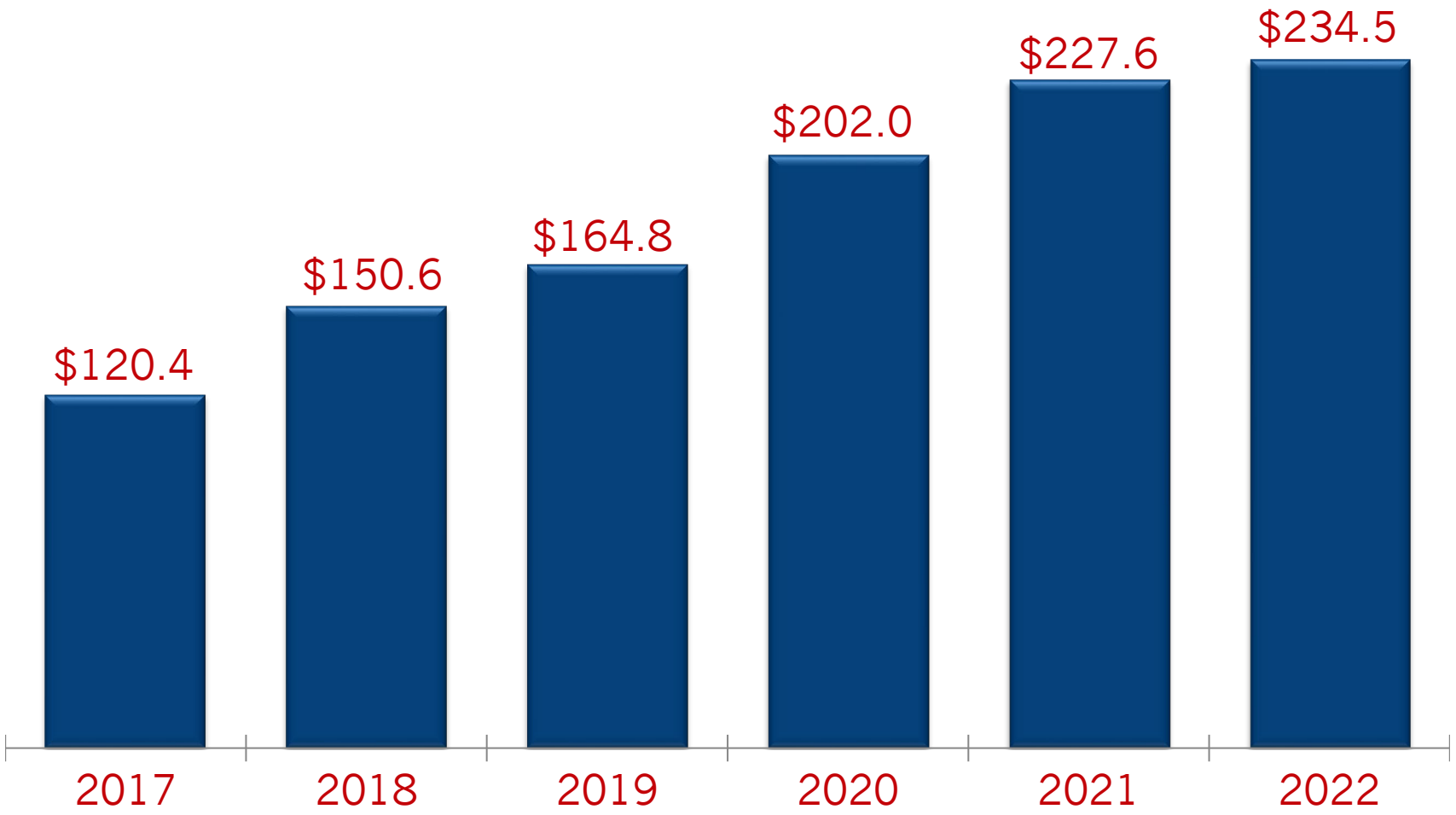
(in thousands)



36th Consecutive Year of Increased Earnings

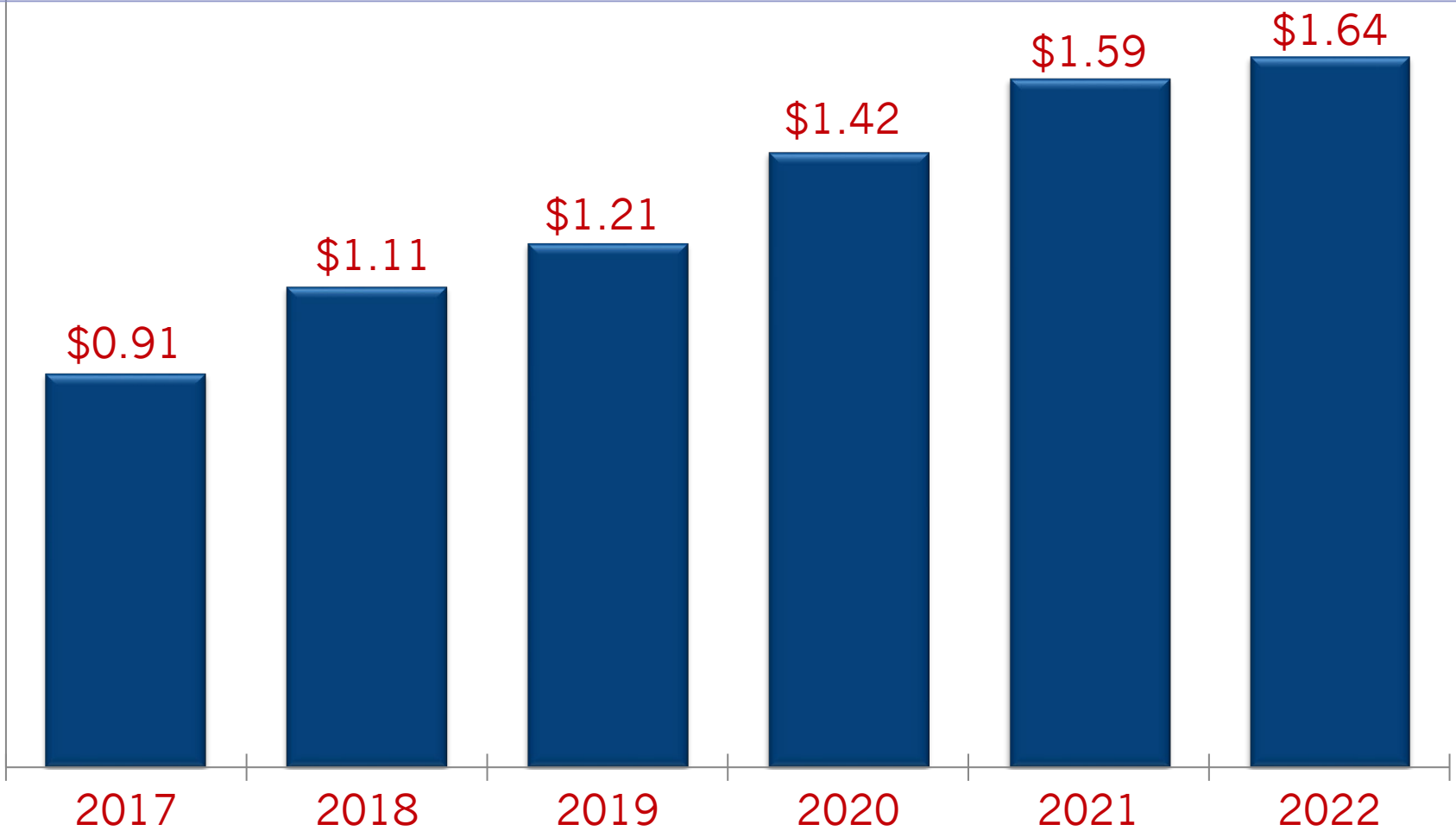
FFIN Earnings

(in millions)



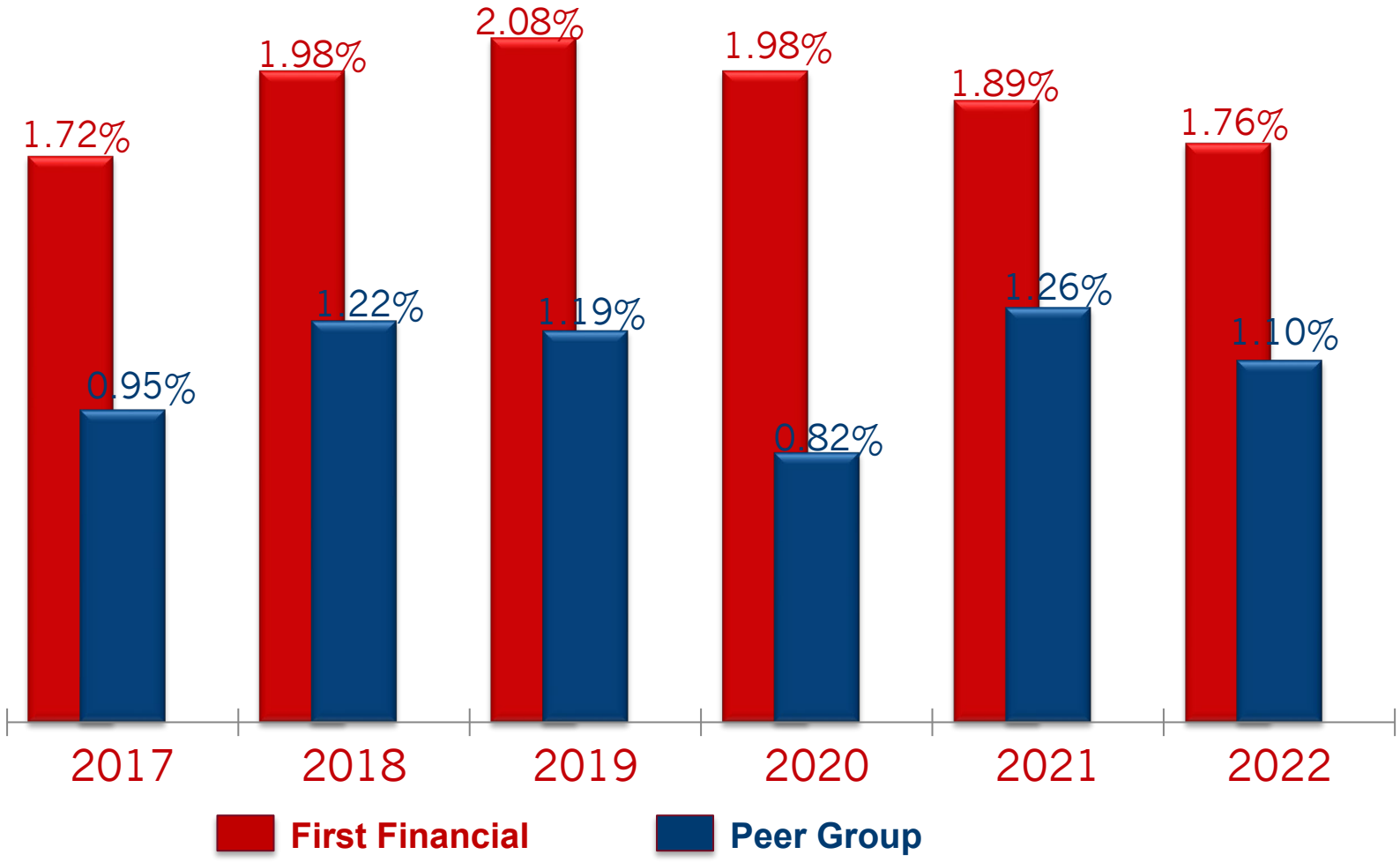
Strong Shareholder Earnings

Diluted Earnings Per Share



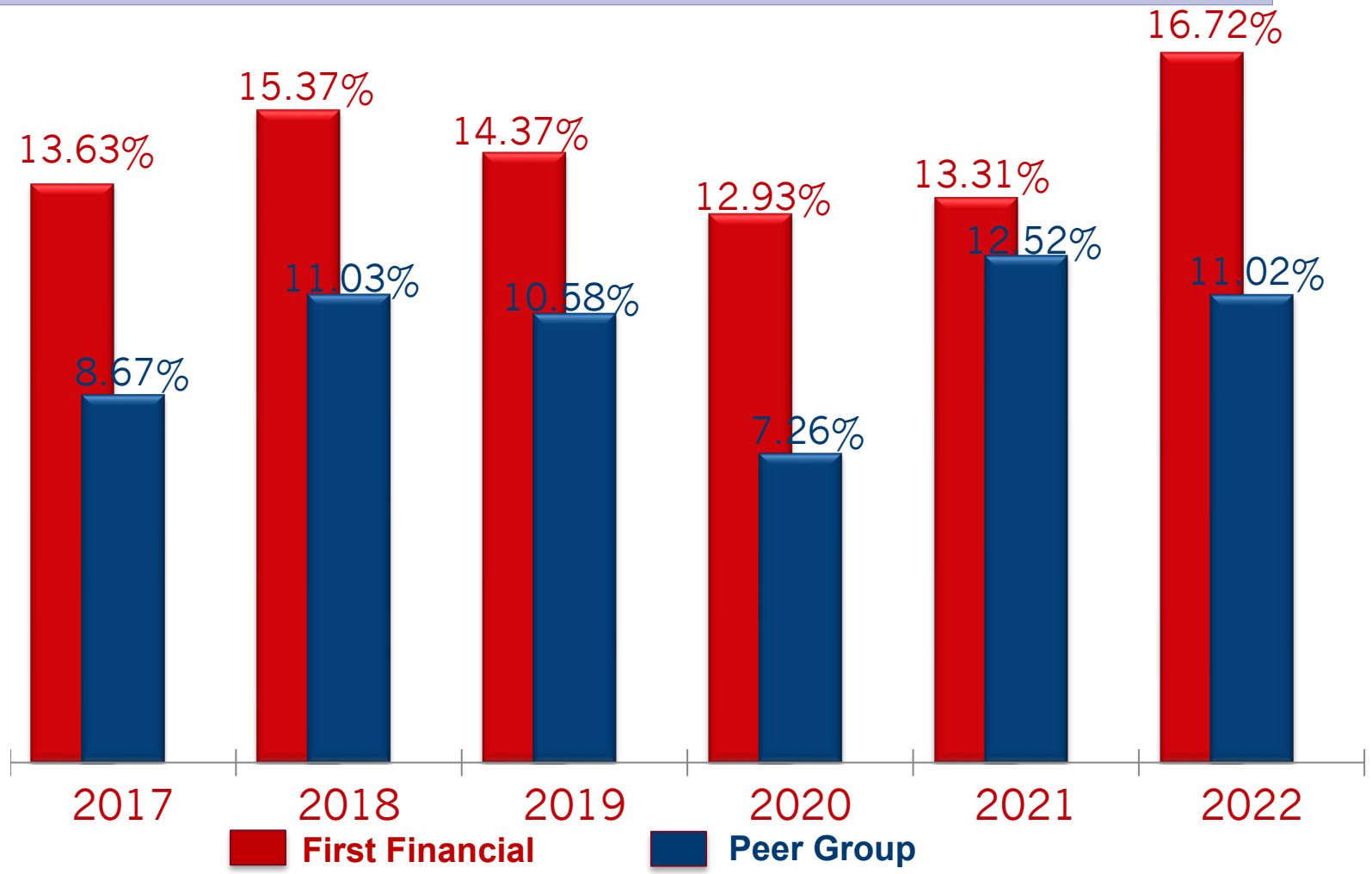
FFIN Outperforms Peers

Return on Average Assets



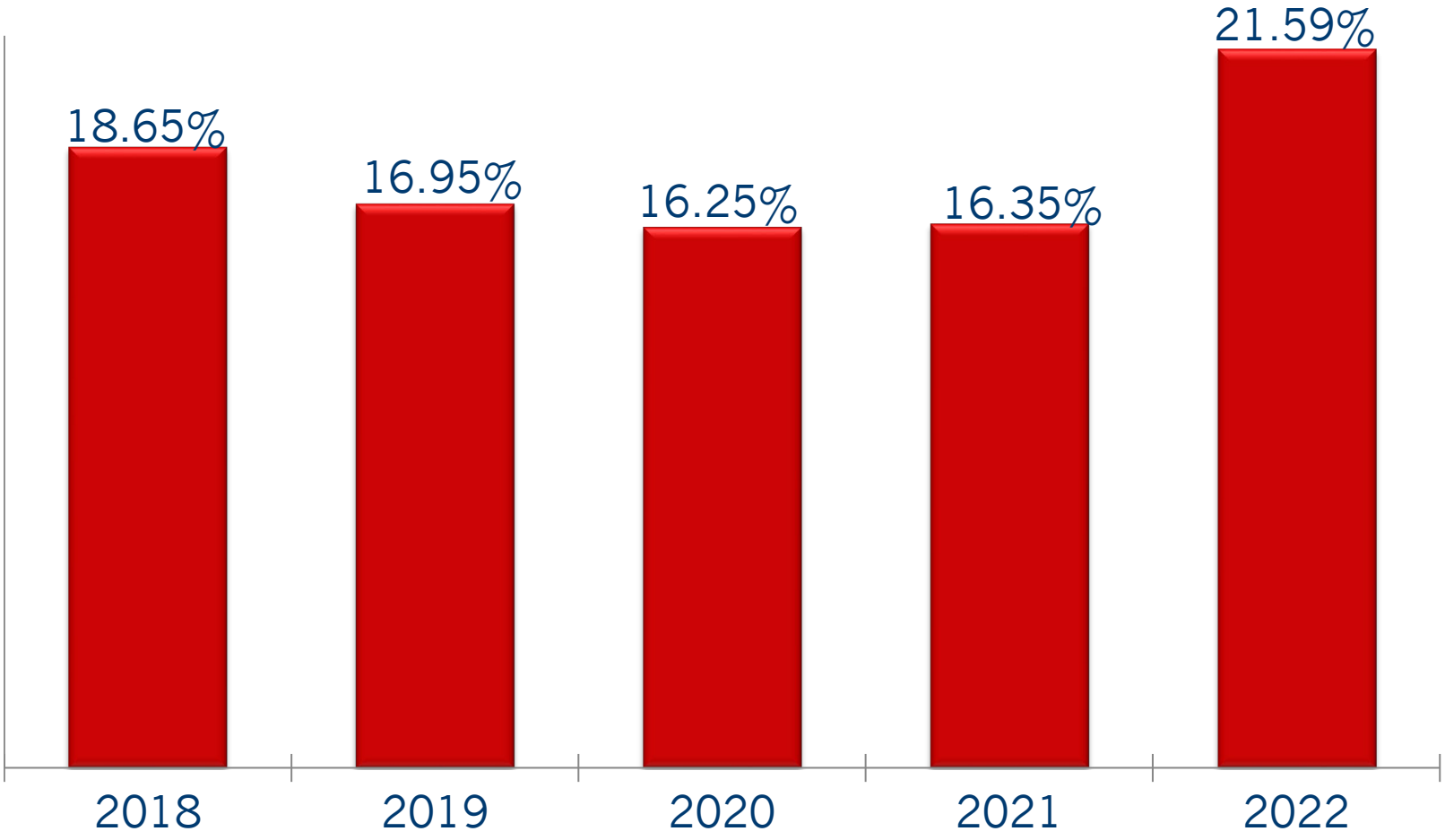
Strong Return on Capital

Return on Average Equity



Strong Return on Capital

Return on Average Tangible Equity



Capital & Capital Ratios

*As of Sept 30, 2022

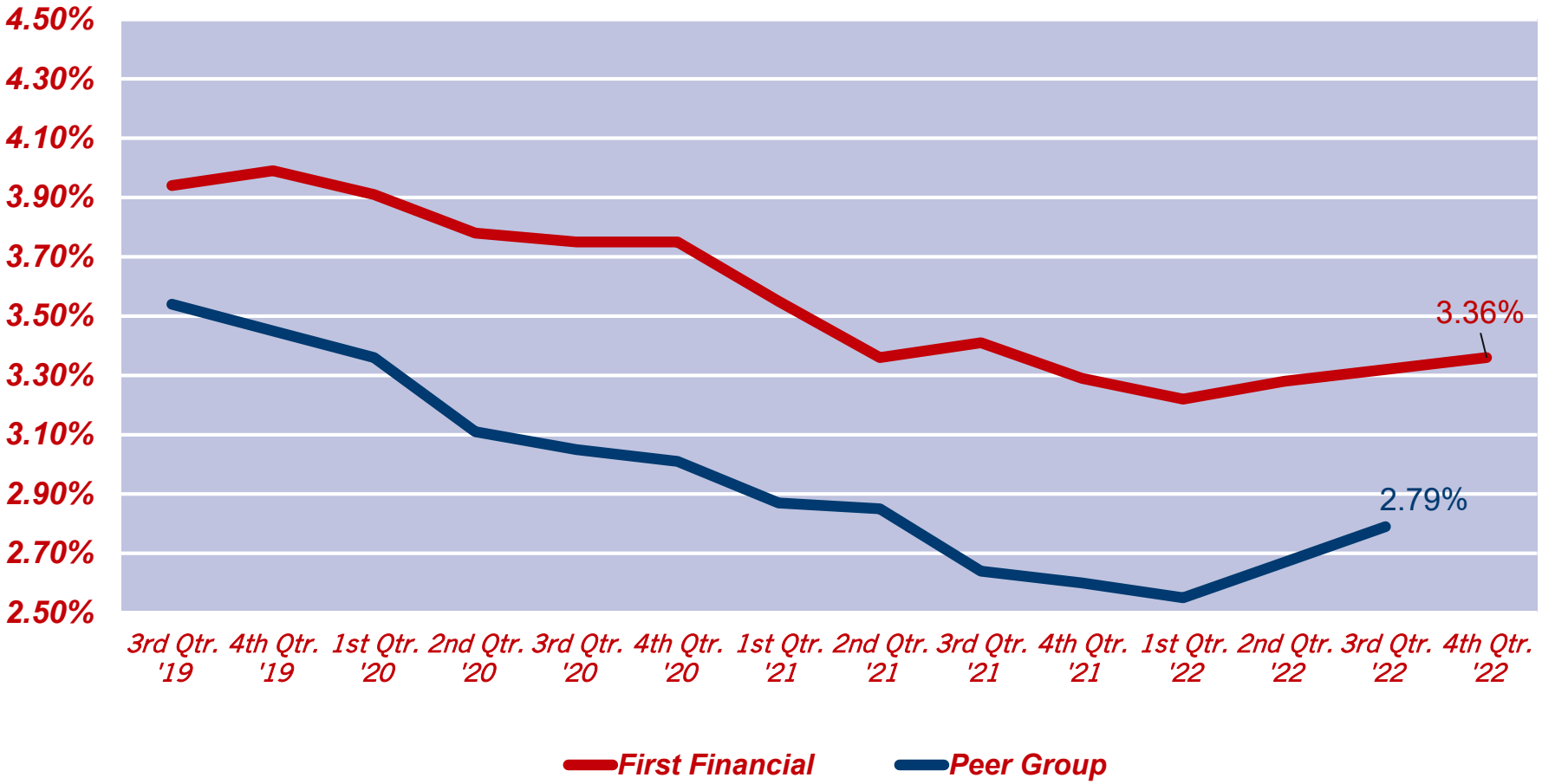
(dollars in thousands)

	2018	2019	2020	2021	2022*
Shareholders' Equity ($)	1,053,295	1,227,197	1,678,190	1,759,224	1,265,737
As a Percent of Total Assets (%)	13.62	14.85	15.39	13.43	9.76
Tangible Equity ($)	878,612	1,053,530	1,359,798	1,442,445	950,203**
Tier 1 Leverage Ratio (%)	11.85	12.60	11.86	11.13	10.96
Common Equity Tier 1 Capital Ratio (%)	19.47	20.06	20.79	19.35	18.22
Tier 1 Capital Ratio (%)	19.47	20.06	20.79	19.35	18.22
Total Capital Ratio (%)	20.61	21.13	22.03	20.44	19.29

**Includes ($632MM) in AOCI, net of taxes

Net Interest Margin

Quarterly Interest Margin



Working Smarter

Efficiency Ratio *(FFIN vs. Peers)*

	2017	2018	2019	2020	2021	2022*
First Financial	49.26%	49.72%	48.61%	45.49%	45.84%	43.30%*
Peer Group	61.01%	60.51%	59.91%	61.85%	58.80%	57.55%**

*For the year-ended Dec. 31, 2022

**For the nine-months ended Sept. 30, 2022

Total Return on Investment

Assume you owned 1,000 shares of FFIN stock on January 1, 2018…

2022 return on investment	(32.30)%
2021 return on investment	40.60%
2020 return on investment	3.00%
2019 return on investment	21.70%
2018 return on investment	28.10%
5-year average annual return (excludes dividends)	8.84%

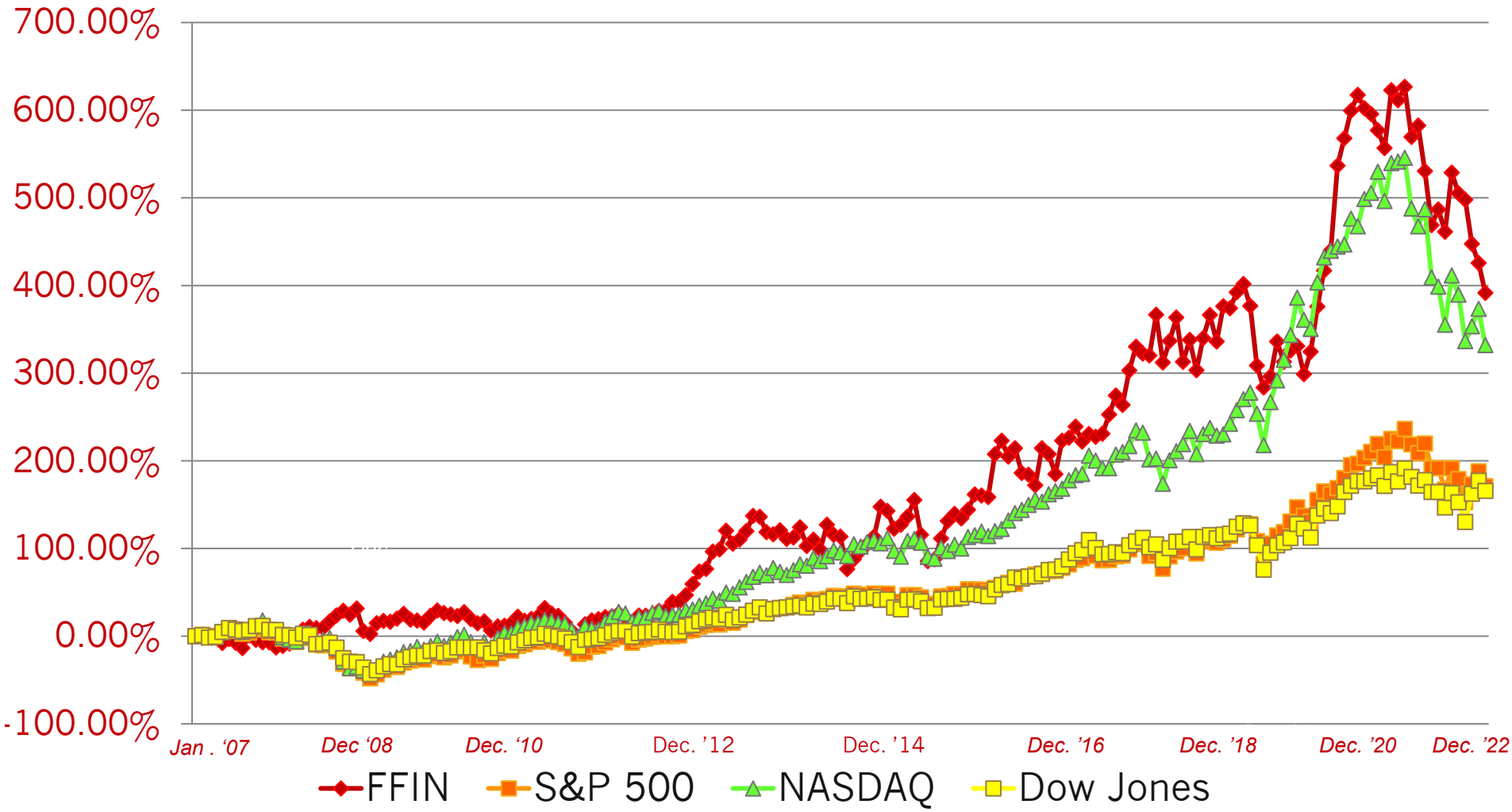
Dividends Per Share

Annual Dividends Declared Per Share



*Note: Increased quarterly dividend to $0.17 per quarter payable on July 1, 2022.

Strong Stock Performance



Focus for 2023

- Grow loans across all regions and products
- Grow net new deposit accounts and treasury management services
- Grow trust assets and fee income
- Become the mortgage lender of choice and to increase market share
- Deepen overall level of human capital, including focus on diversity
- Control expenses and continue technology investments
- Manage credit quality
- Continue to transition into a greater than $10 billion bank holding company

FIRST FINANCIAL BANKSHARES, INC.™