

Stephens Bank Forum  
Capital Hotel  
Little Rock, AR

September 2019

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**Richard P. Smith – President & Chief Executive Officer**  
**John S. Fleshood – EVP & Chief Operating Officer**

# SAFE HARBOR STATEMENT

The statements contained herein that are not historical facts are forward-looking statements based on management's current expectations and beliefs concerning future developments and their potential effects on the Company. Such statements involve inherent risks and uncertainties, many of which are difficult to predict and are generally beyond our control. There can be no assurance that future developments affecting us will be the same as those anticipated by management. We caution readers that a number of important factors could cause actual results to differ materially from those expressed in, or implied or projected by, such forward-looking statements. These risks and uncertainties include, but are not limited to, the following: the strength of the United States economy in general and the strength of the local economies in which we conduct operations; the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System; inflation, interest rate, market and monetary fluctuations; the impact of changes in financial services policies, laws and regulations; technological changes; mergers and acquisitions; changes in the level of our nonperforming assets and charge-offs; any deterioration in values of California real estate, both residential and commercial; the effect of changes in accounting standards and practices; possible other-than-temporary impairment of securities held by us; changes in consumer spending, borrowing and savings habits; our ability to attract deposits and other sources of liquidity; changes in the financial performance and/or condition of our borrowers; the impact of competition from other financial service providers; the possibility that any of the anticipated benefits of our recent merger with FNBB will not be realized or will not be realized within the expected time period, or that integration of FNBB's operations will be more costly or difficult than expected; the challenges of integrating and retaining key employees; unanticipated regulatory or judicial proceedings; the costs and effects of litigation and of unexpected or adverse outcomes in such litigation; and our ability to manage the risks involved in the foregoing. Additional factors that could cause results to differ materially from those described above can be found in our Annual Report on Form 10-K for the year ended December 31, 2018, which is on file with the Securities and Exchange Commission (the "SEC") and available in the "Investor Relations" section of our website, <https://www.tcbk.com/investor-relations> and in other documents we file with the SEC. Annualized, pro forma, projections and estimates are not forecasts and may not reflect actual results.

# AGENDA

- Most Recent Quarter Recap
- Company Overview
- Lending Overview
- Deposit Overview
- Financials



# MOST RECENT QUARTER HIGHLIGHTS

<b>Earnings Consistency</b>	<ul style="list-style-type: none"> <li>• Q2 2019 return on average assets of 1.44% versus 1.25% in Q2 2018 and 1.41% in the linked quarter.</li> <li>• Average yield on earnings assets of 4.75% in Q2 2019 compared to 4.38% in Q2 2018 and 4.71% in the linked quarter.</li> </ul>
<b>Industry Leading Net Interest Margin</b>	<ul style="list-style-type: none"> <li>• Net interest margin of 4.48% for Q2 2019 versus 4.14% in Q2 2018 and 4.46% in the linked quarter.</li> <li>• Loan to deposit ratio increased to 77% at Q2 2019 compared to 74% in the linked quarter and consistent with 77% at Q2 2018. Annualized loan growth for Q2 2019 was 6.9%.</li> </ul>
<b>Superior Credit Quality</b>	<ul style="list-style-type: none"> <li>• Non-performing assets to total assets of 0.35% as of Q2 2019 which was generally consistent with the 0.34% in the trailing quarter and down from 0.47% at Q4 2018.</li> <li>• Third consecutive quarter of net recoveries on charged-off loans with net recoveries during the last four quarters totaling nearly \$950,000.</li> </ul>
<b>Focus on Expense Control</b>	<ul style="list-style-type: none"> <li>• Continued expense control has resulted in a stable or declining efficiency ratio which was 60.1% for each of the first two quarters of 2019 as compared to 65.2% in Q2 2018.</li> <li>• Increases in expenses were primarily attributable to production incentives.</li> </ul>
<b>Diverse Deposit Base</b>	<ul style="list-style-type: none"> <li>• Average cost of total deposits increased slightly to 0.22% versus the prior two quarters which were 0.20%.</li> <li>• Total deposits declined 1.2% on an annualized linked quarter basis due to seasonality, with non-interest bearing demand deposits comprising 33% of total deposits.</li> </ul>
<b>Strong Capital Levels</b>	<ul style="list-style-type: none"> <li>• Tangible capital consistent at 10.2%.</li> <li>• Consistent payment of quarterly cash dividend with a history of periodic increases.</li> </ul>

# COMPANY OVERVIEW

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**Asset Size:** \$6.4 Billion

**Founded:** 1975

**Deposits:** \$5.3 Billion

**Loans (*net*):** \$4.1 Billion

**Bank Branches:** 79

**ATMs:** 99

**Market Area:** TriCo currently serves 29 counties throughout Northern and Central California. These counties represent over 30% of California's population.



# COMPANY OVERVIEW

Nasdaq:	TCBK
Stock Price*:	\$37.08
Market Capitalization:	\$1.13 billion
Price to Book stated:	1.3x
Price to TBVPS	1.8x
Rank (Total Assets) among CA Publicly Traded Banks:	12

(Source: SNL Financial)



\*as of 9/16/2019 COB

# EXECUTIVE TEAM



**Rick Smith**  
President & CEO  
*TriCo since 1993*



**John Fleshood**  
EVP Chief Operating Officer  
*TriCo since 2016*



**Peter Wiese**  
EVP Chief Financial Officer  
*TriCo since 2018*



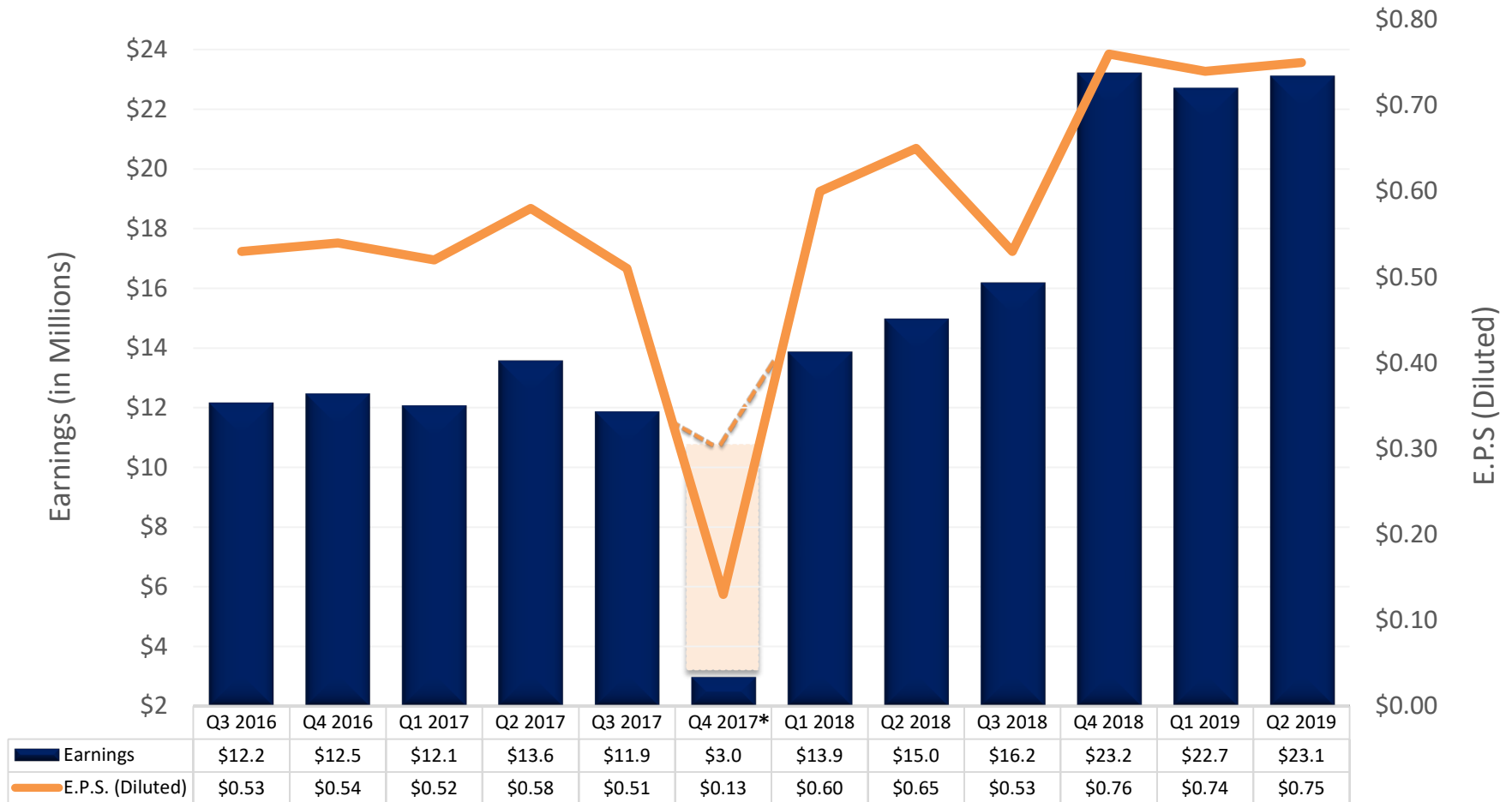
**Craig Carney**  
EVP Chief Credit Officer  
*TriCo since 1996*



**Dan Bailey**  
EVP Chief Retail Banking Officer  
*TriCo since 2007*

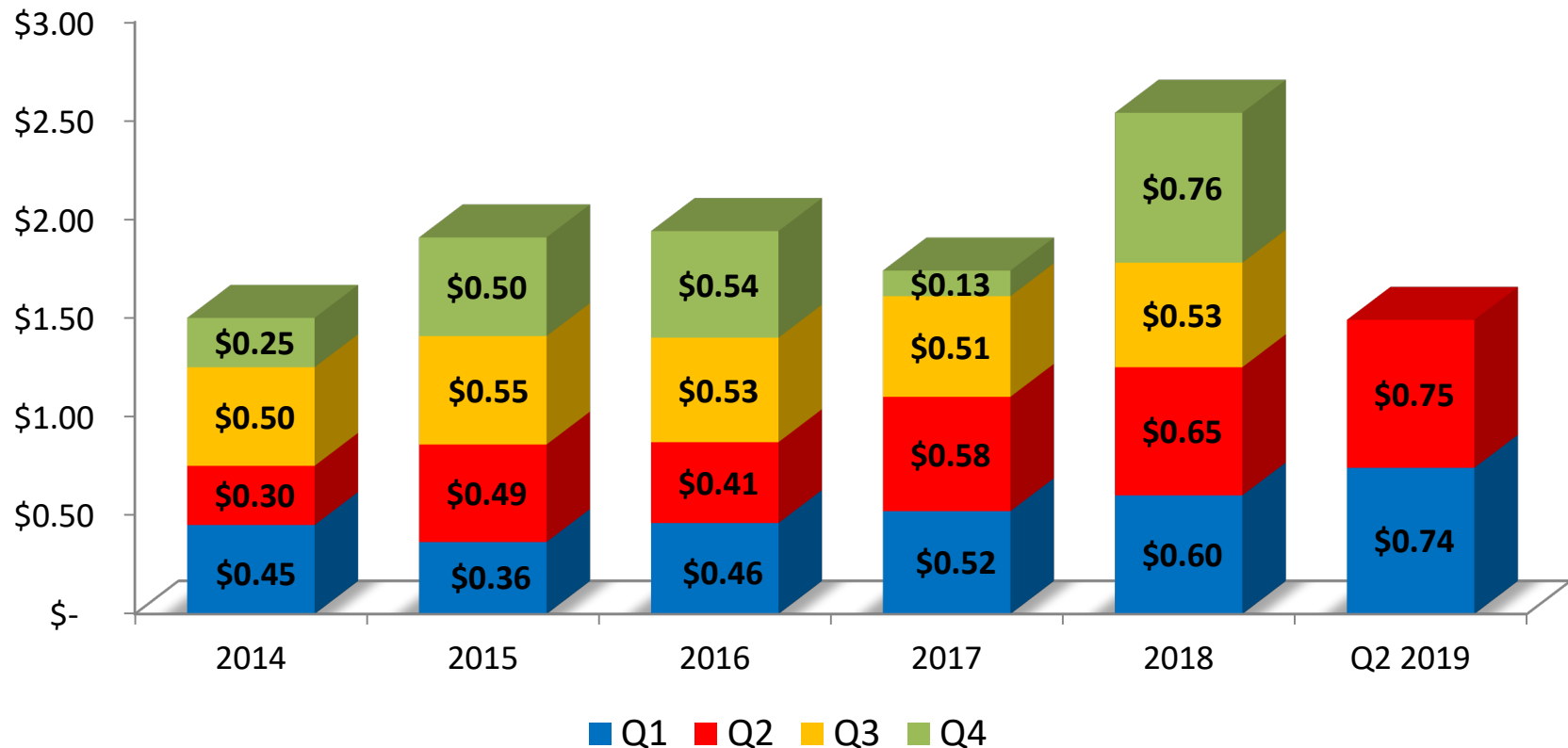


# CONSISTENT EARNINGS TRACK RECORD

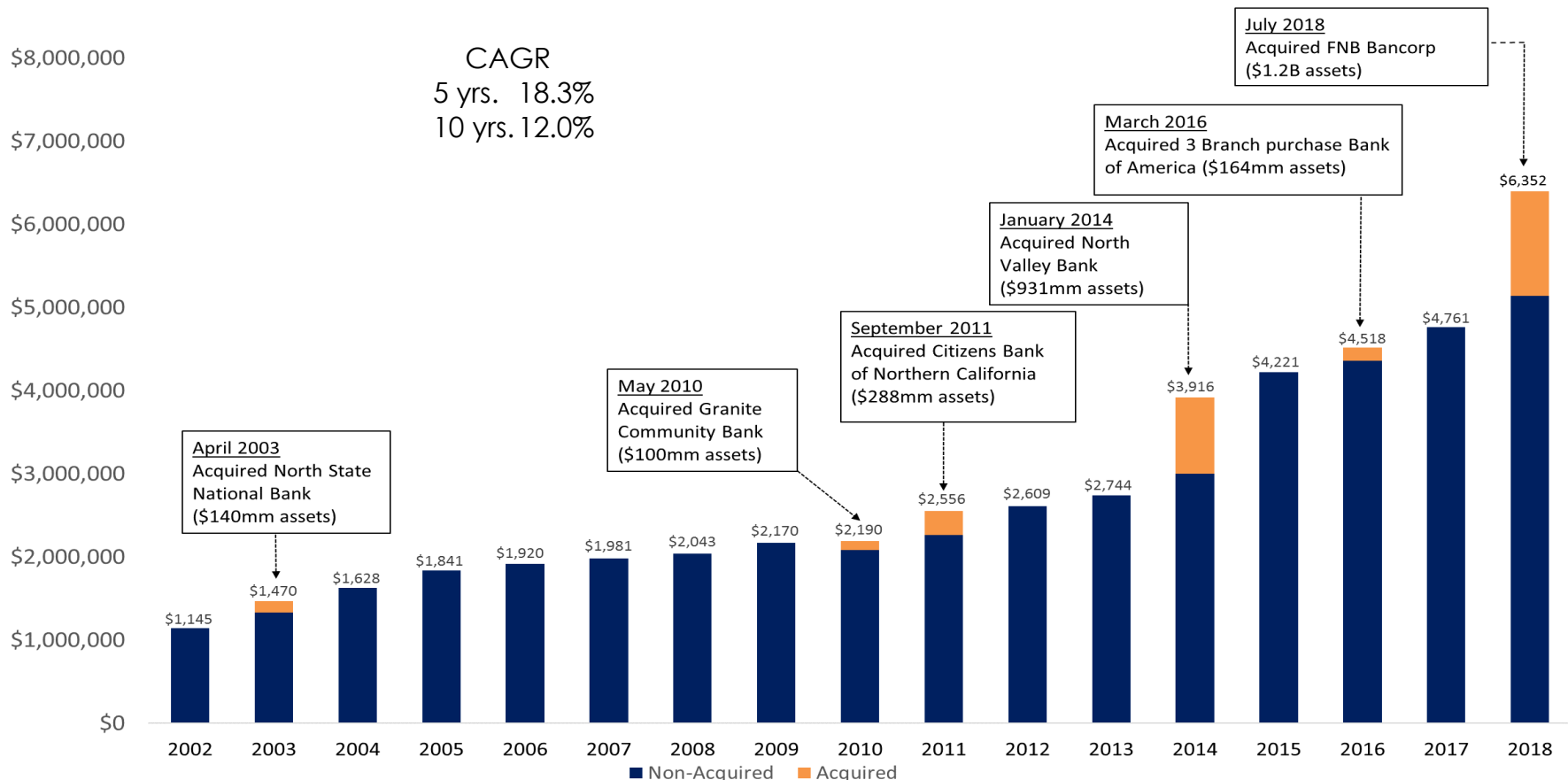


\* Impact of the Tax Cut and Jobs Act.

# DILUTED EARNINGS PER SHARE



# CONSISTENT ORGANIC GROWTH AND DISCIPLINED ACQUIRER



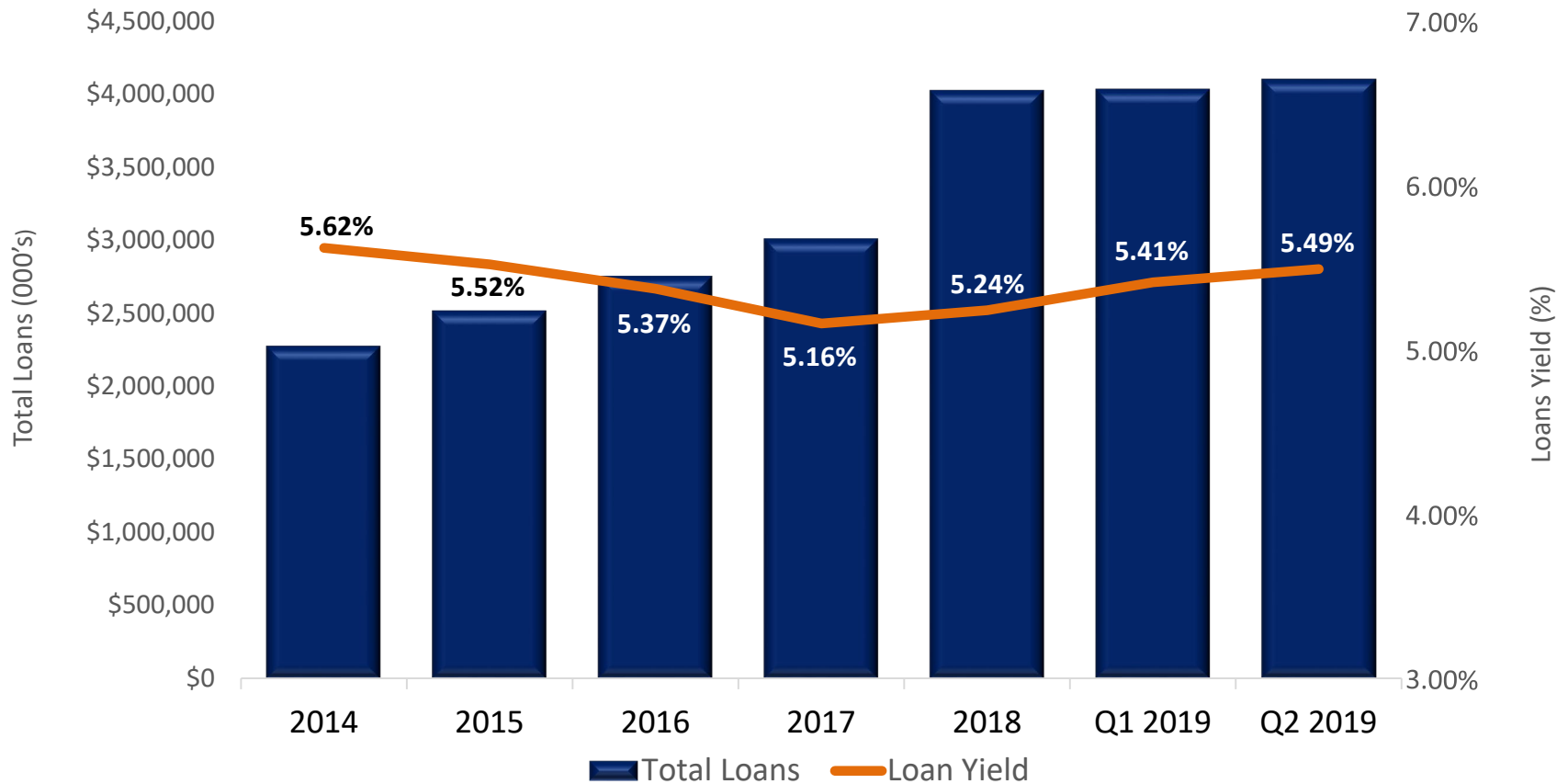
\*Total Assets for years ending 2000-2018.

## WHAT KEEPS US UP AT NIGHT?

- Aggressive and Irrational Competitors
- Duration of Flat and Inverted Yield Curves
- The Cost of Regulatory Compliance
- Technology Costs and Limited Vendor Competition
- Domestic Policy and International Relationships

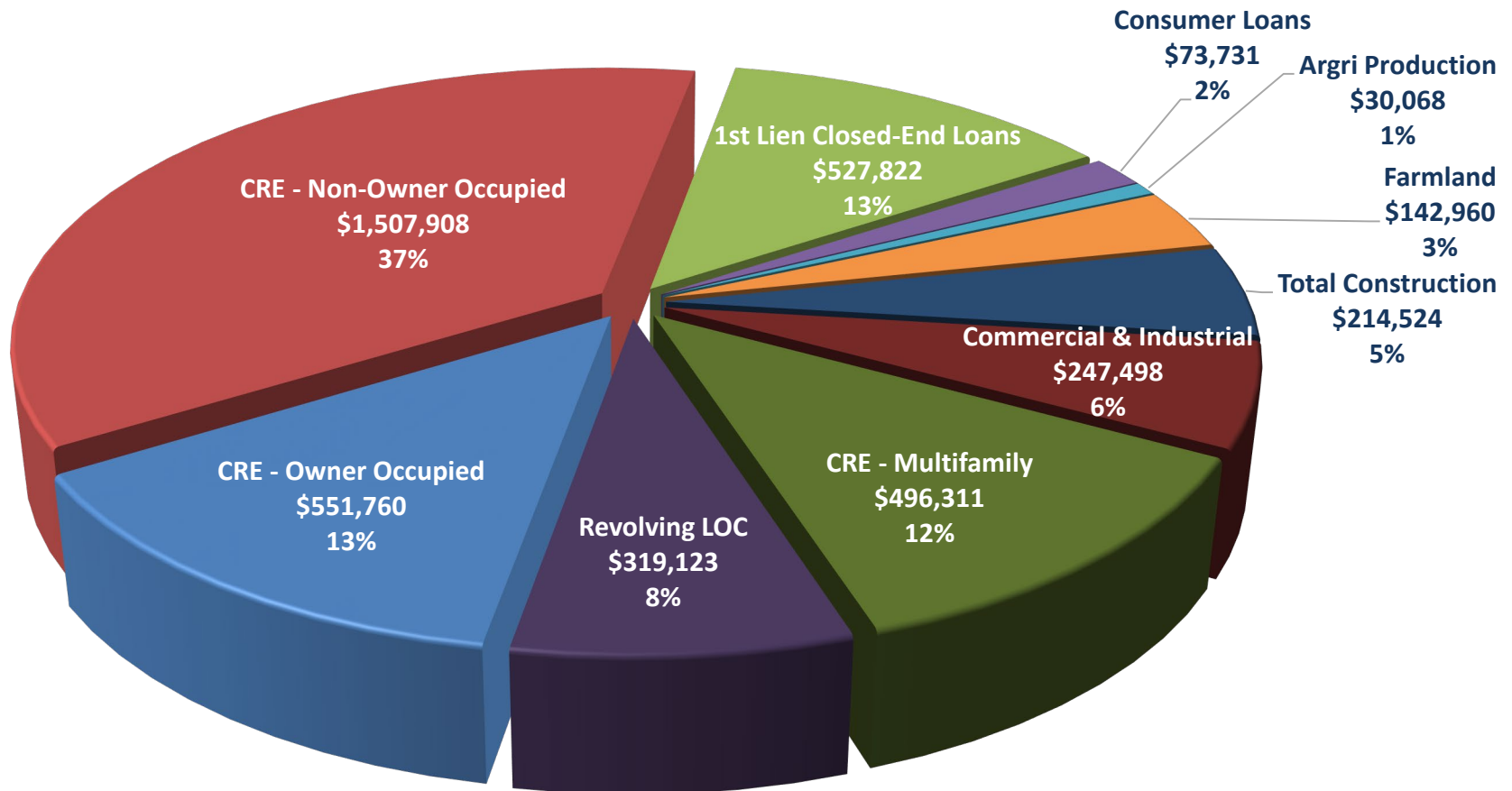
# LOANS

# CONSISTENT LOAN GROWTH



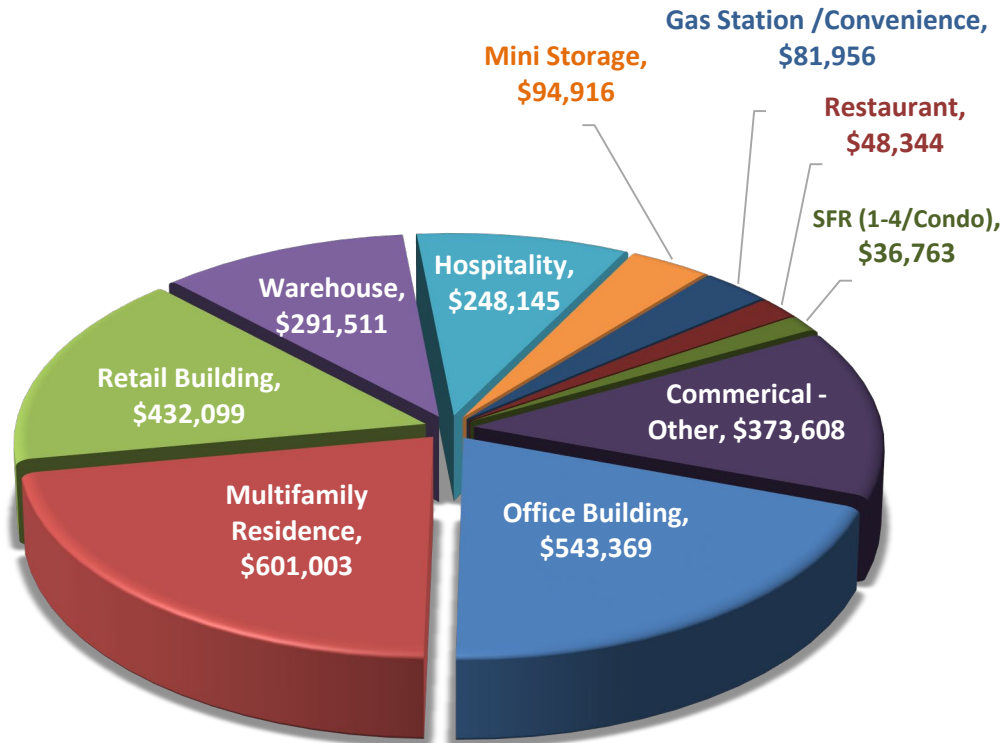
\*Note: Q3 2018 includes acquisition of FNB Bancorp (Loan Yield was 5.04%)

# LOAN PORTFOLIO MIX:



\*Excluding loans held-for-sale

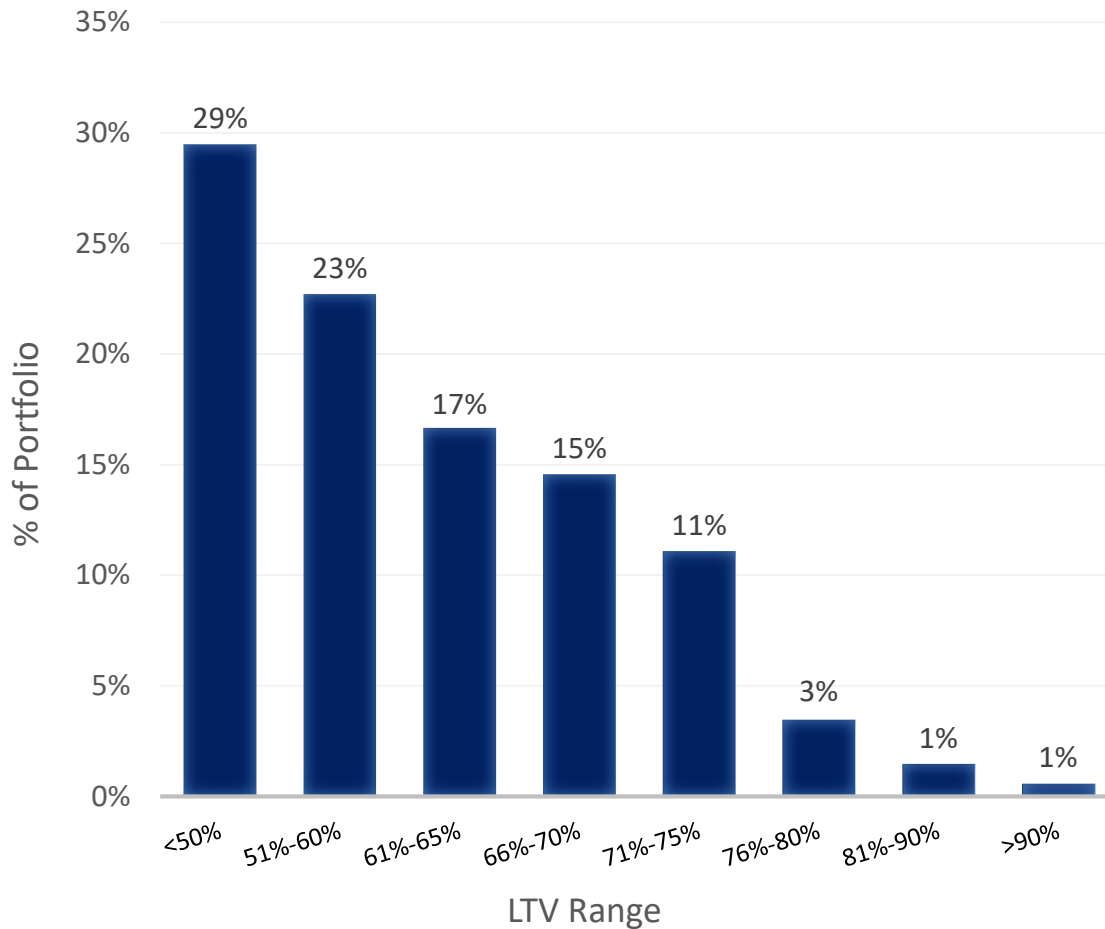
# DIVERSIFIED CRE & CONSTRUCTION PORTFOLIO



Property Type	Loan Size Avg. Loan Amount
Office Building	\$769,000
Multifamily Residence	\$1,195,000
Retail Building	\$849,000
Warehouse	\$706,000
Hospitality	\$2,697,000
Mini Storage	\$1,695,000
Gas Station/Convenience	\$964,000
Restaurant	\$483,000
SFR (1-4/Condo)	\$379,000
Commercial - Other	\$559,000



# CONSERVATIVE CONSTRUCTION AND CRE UNDERWRITING CULTURE – LTV DISTRIBUTION

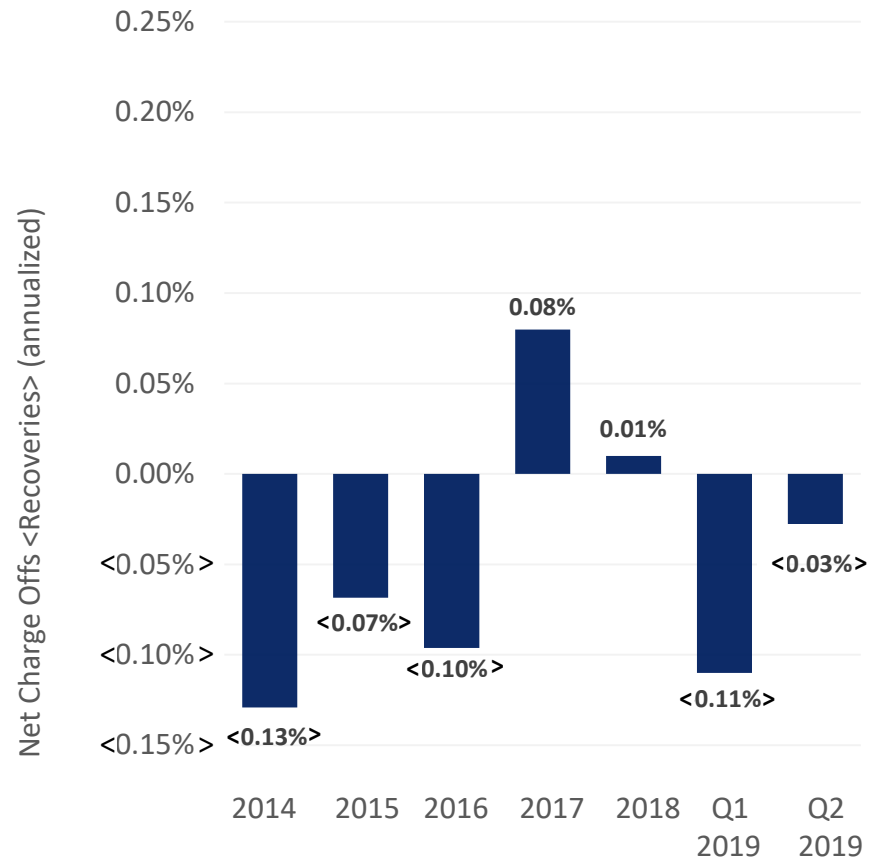
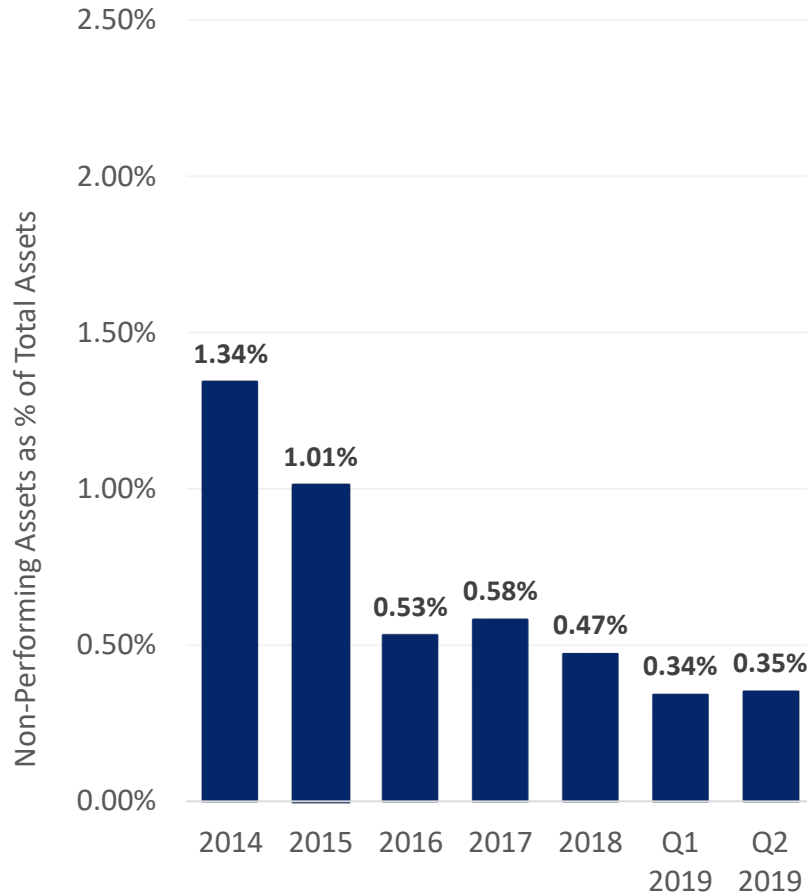


Loan to Value	Avg. Loan Amount
<50%	\$645,000
51%-60%	\$991,000
61%-65%	\$1,252,000
66%-70%	\$896,000
71%-75%	\$919,000
76%-80%	\$827,000
81%-90%	\$644,000
>90%	\$753,000

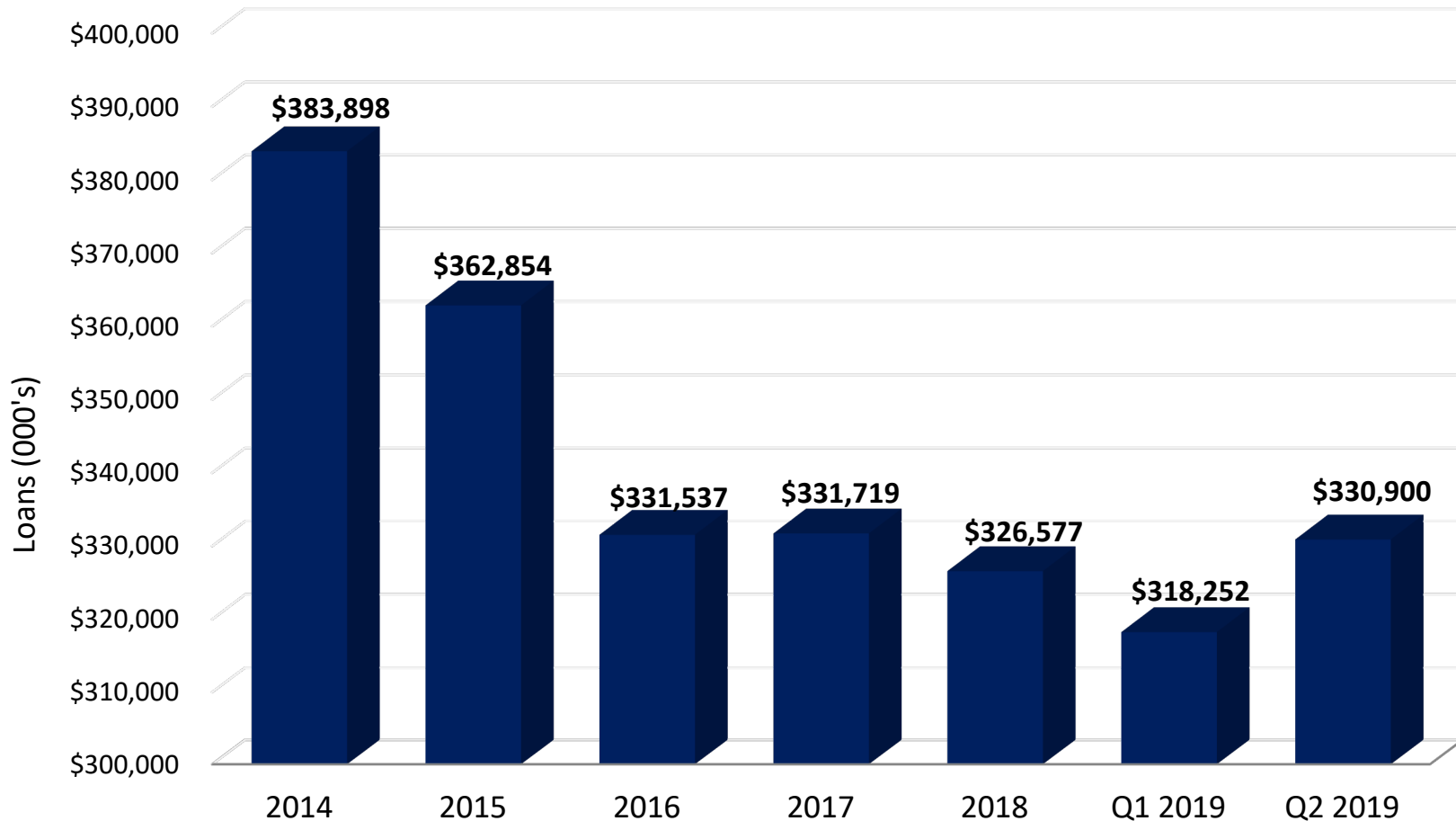
## DIVERSIFIED GEOGRAPHY – CRE & CONSTRUCTION

County	Principal City	Outstanding Balance	Commitments	% of CRE-Related	Average Loan Outstanding
SACRAMENTO	Sacramento	\$266,100,704	\$296,351,853	10%	\$1,162,012
SAN FRANCISCO	San Francisco	\$240,596,090	\$274,939,555	9%	\$1,108,738
KERN	Bakersfield	\$212,123,364	\$271,436,708	8%	\$1,483,380
SAN MATEO	Daly City	\$196,727,281	\$232,644,174	7%	\$993,572
BUTTE	Chico	\$167,080,922	\$184,284,729	6%	\$537,238
FRESNO	Fresno	\$109,177,513	\$169,399,423	4%	\$852,949
PLACER	Roseville	\$157,817,423	\$162,845,607	6%	\$1,066,334
SHASTA	Redding	\$151,091,346	\$154,328,509	5%	\$551,428
STANISLAUS	Modesto	\$144,104,814	\$147,586,690	5%	\$941,862
NEVADA	Grass Valley	\$93,872,284	\$106,374,176	3%	\$586,702
ALL OTHER COUNTIES	N/A	\$1,009,899,527	\$1,116,643,432	37%	\$798,971
TOTAL		\$2,748,591,270	\$3,116,834,855		\$852,276

# NON-PERFORMING ASSETS & NET CHARGE OFFS

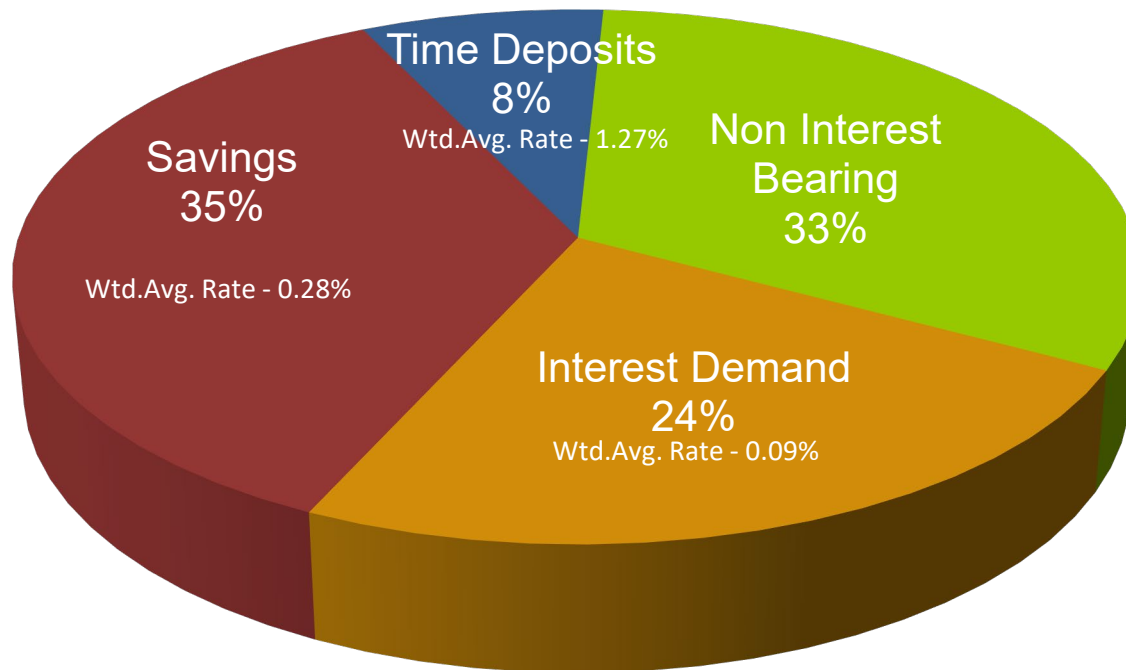


# HOME EQUITY LOANS OUTSTANDING



# DEPOSITS

# CONSISTENT AND BALANCED CORE DEPOSIT FUNDING\*



\*Weighted average costs of deposits for the quarter ended 6/30/2019

# MARKET SHARE OF ALL BRANCHES

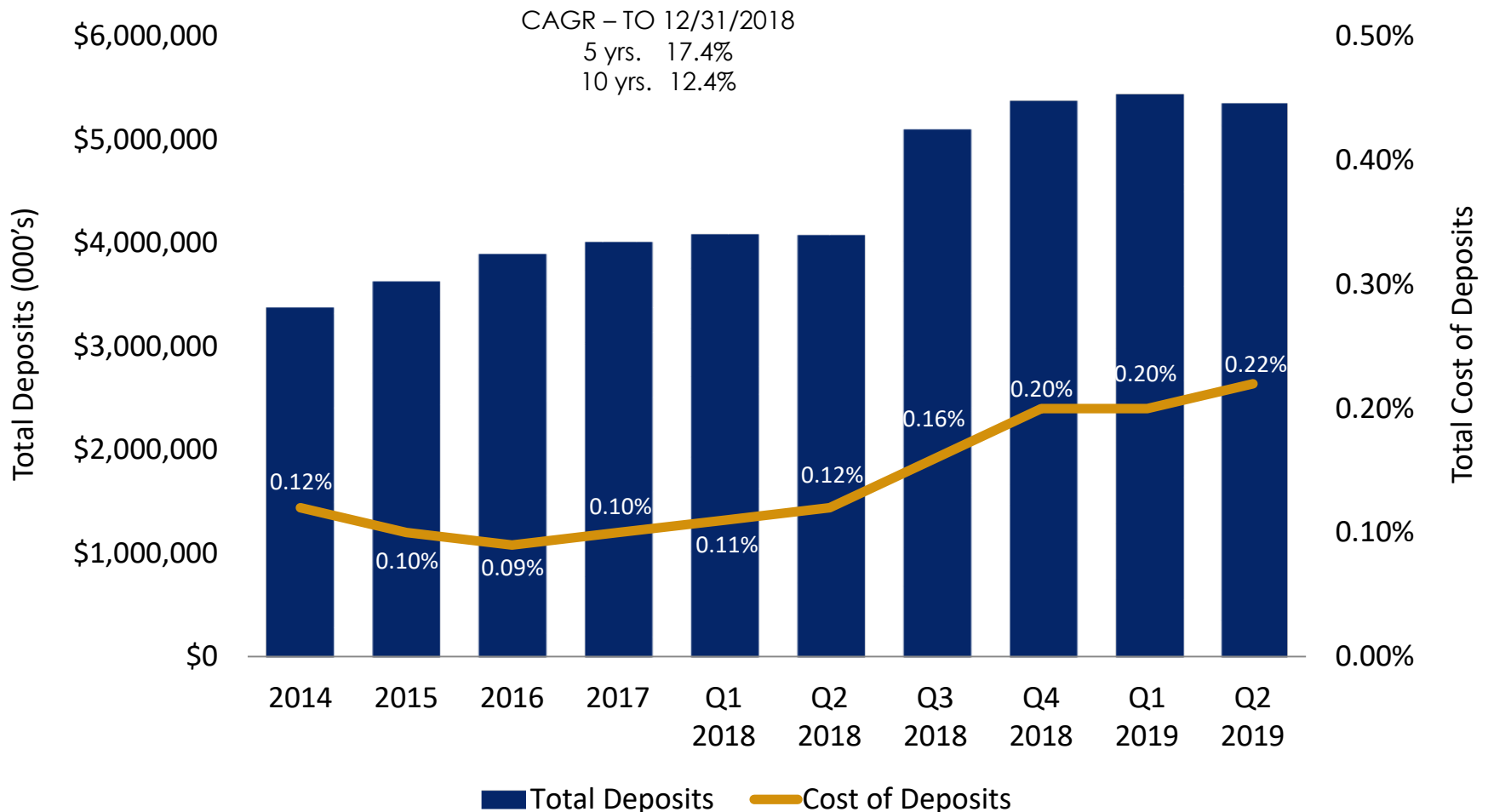
## SORTED BY ZIP CODE

Rank	Institution Name	State (Hdqtrd)	Charter	Deposits (\$000)	Market Share
1	Wells Fargo Bank, N.A.	SD	Federal	\$ 35,520,322	27.7%
2	Bank of America	NC	Federal	\$ 11,585,002	9.0%
3	U.S. Bank, N.A.	OH	Federal	\$ 10,947,425	8.6%
4	JP Morgan Chase Bank, N.A.	OH	Federal	\$ 6,062,088	4.7%
5	Tri Counties Bank	CA	State	\$ 5,347,670	4.2%
6	MUFG Union Bank, N.A.	CA	Federal	\$ 3,539,533	2.8%
7	Bank of the West	CA	State	\$ 3,213,296	2.5%
8	HSBC Bank USA, N.A.	VA	Federal	\$ 3,042,096	2.4%
9	Umpqua Bank	OR	State	\$ 2,531,953	2.0%
10	Citibank, N.A.	SD	Federal	\$ 2,317,000	1.8%

Source: FDIC Summary of Deposits, June 2019

23 September 2019

# CONSISTENT DEPOSIT GROWTH – ATTRACTIVE COST

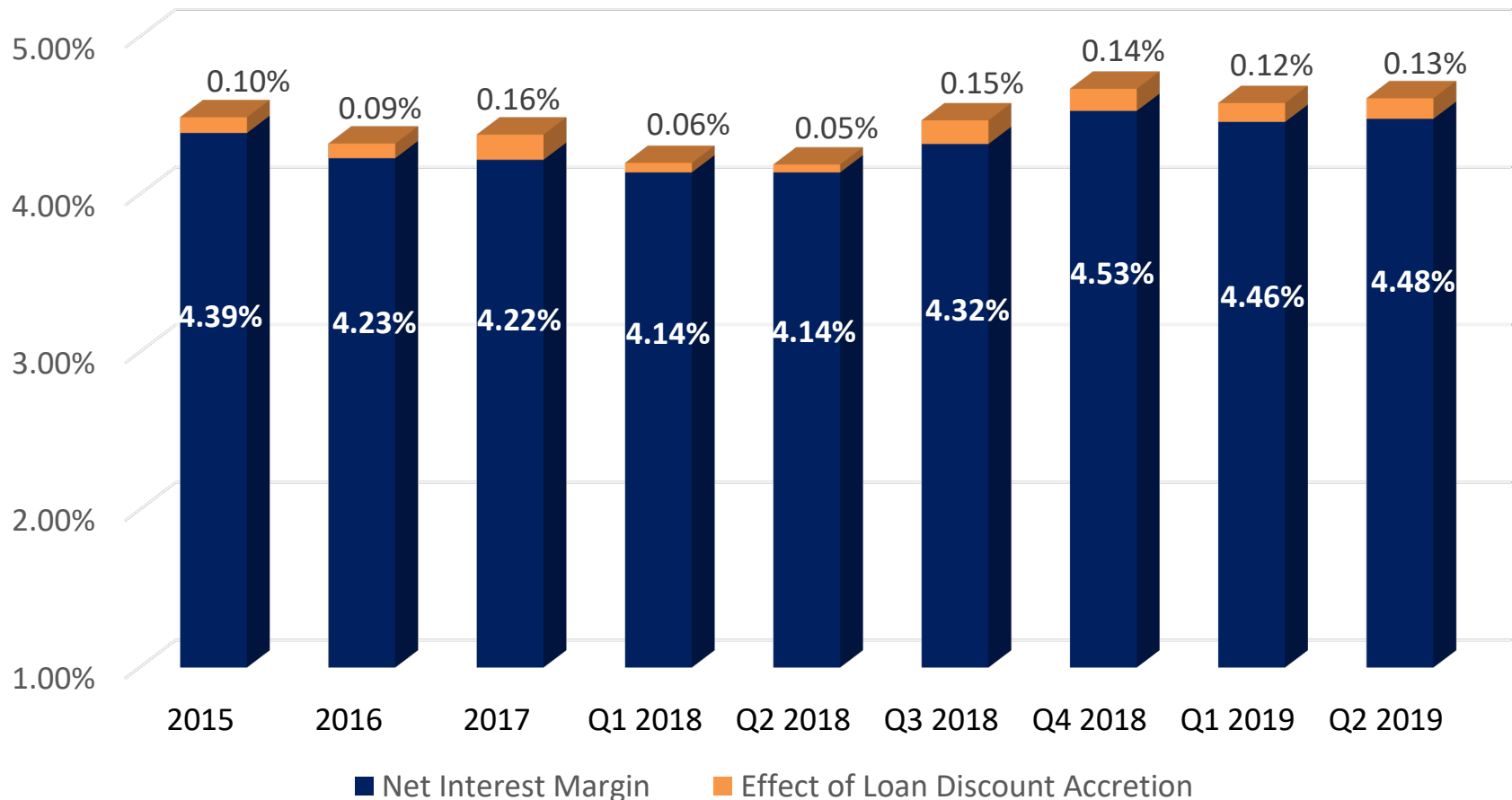


\*Note: Q3 2018 includes acquisition of FNB Bancorp (Deposit cost of 0.28%)

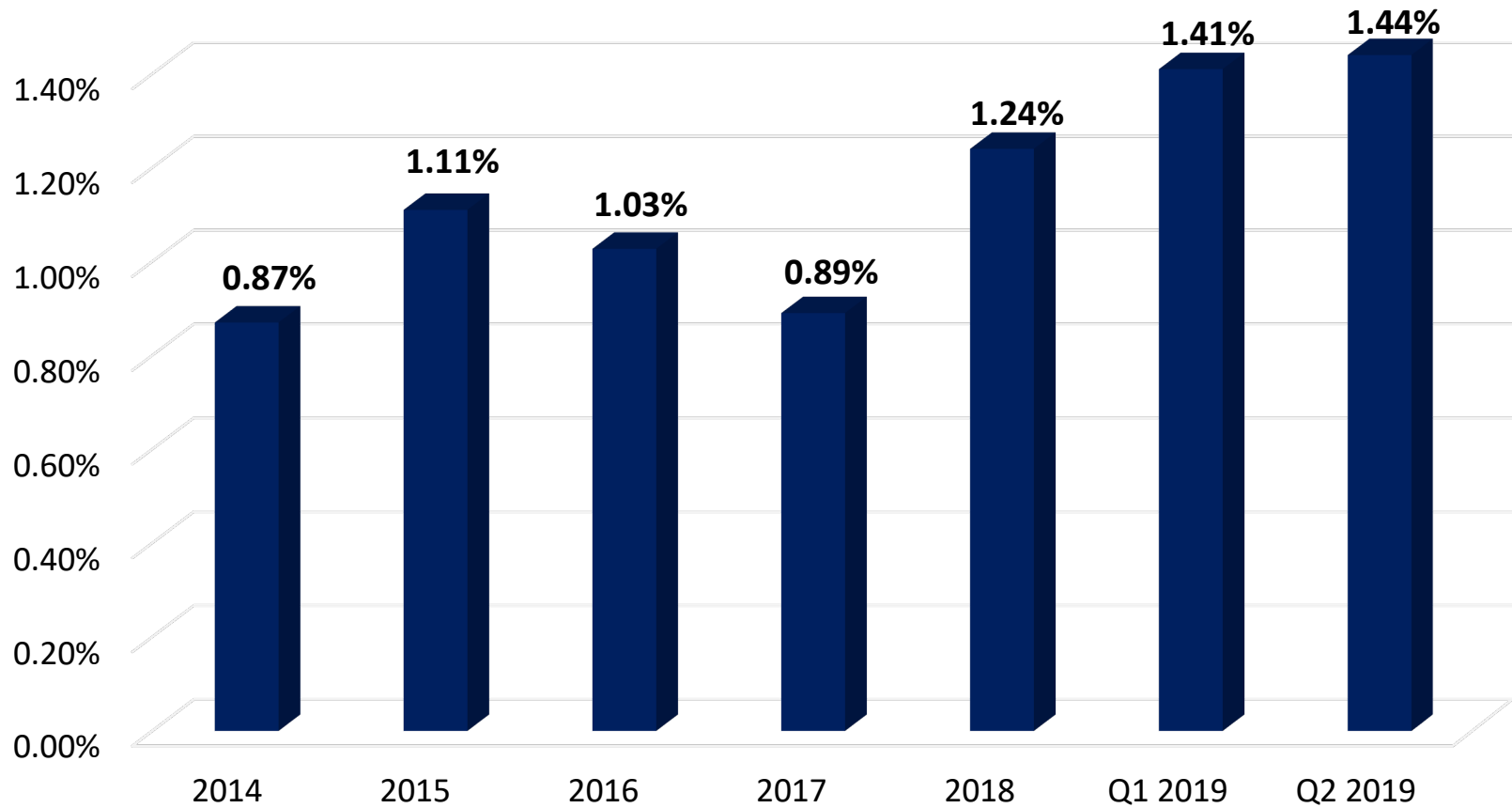


# FINANCIALS

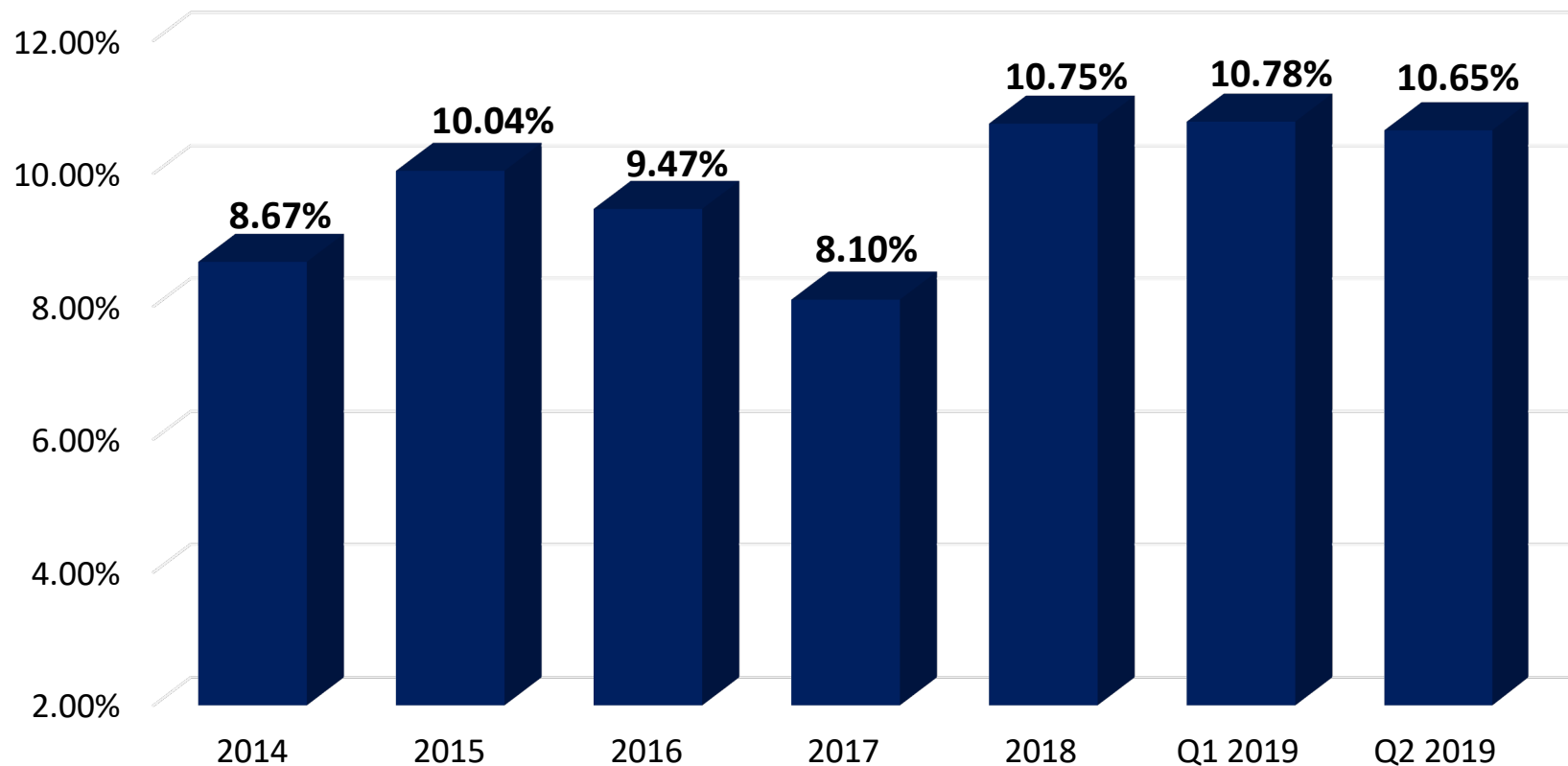
# NET INTEREST MARGIN – CONTRIBUTION FROM DISCOUNT ACCRETION



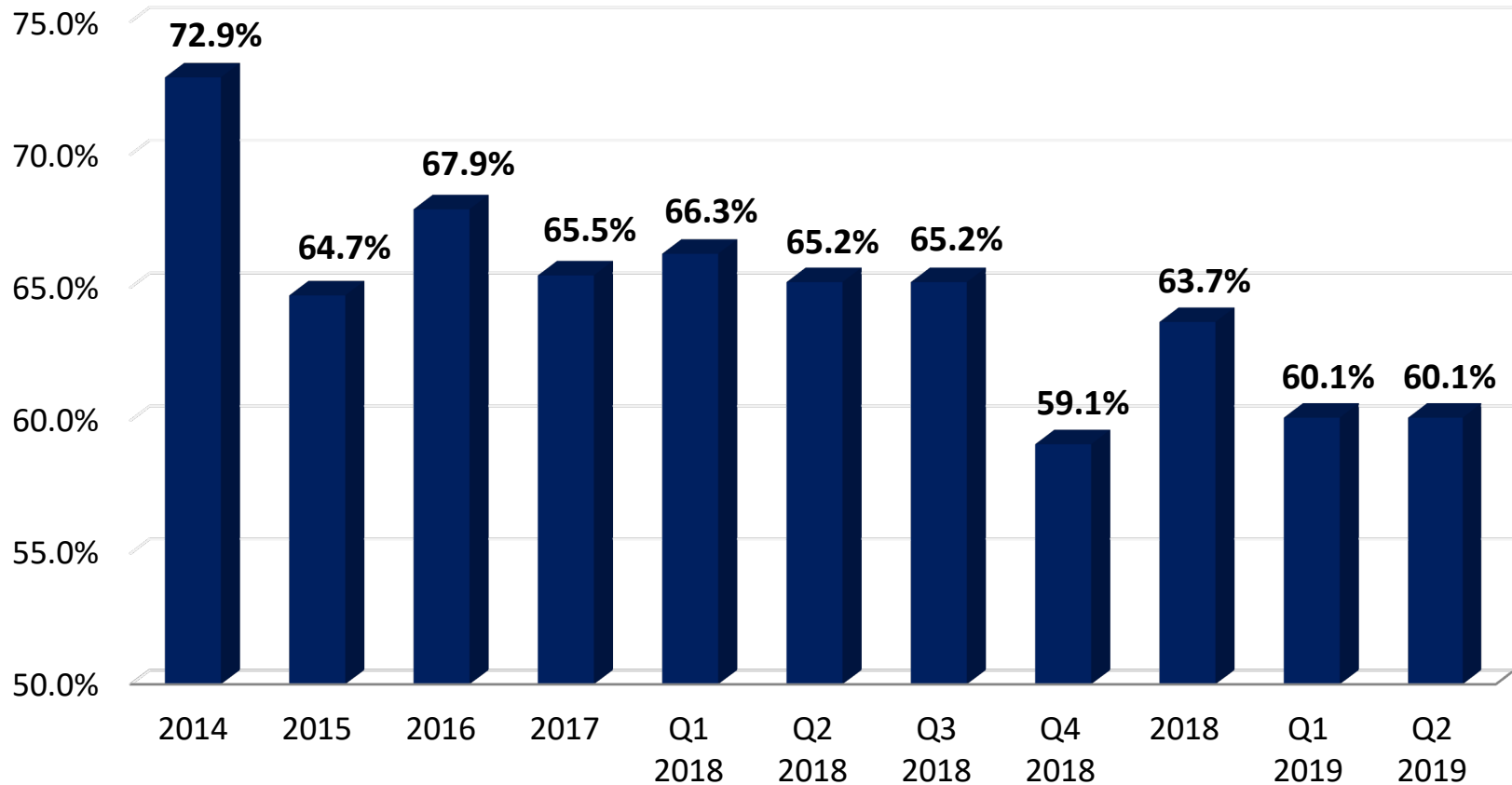
# RETURN ON AVERAGE ASSETS



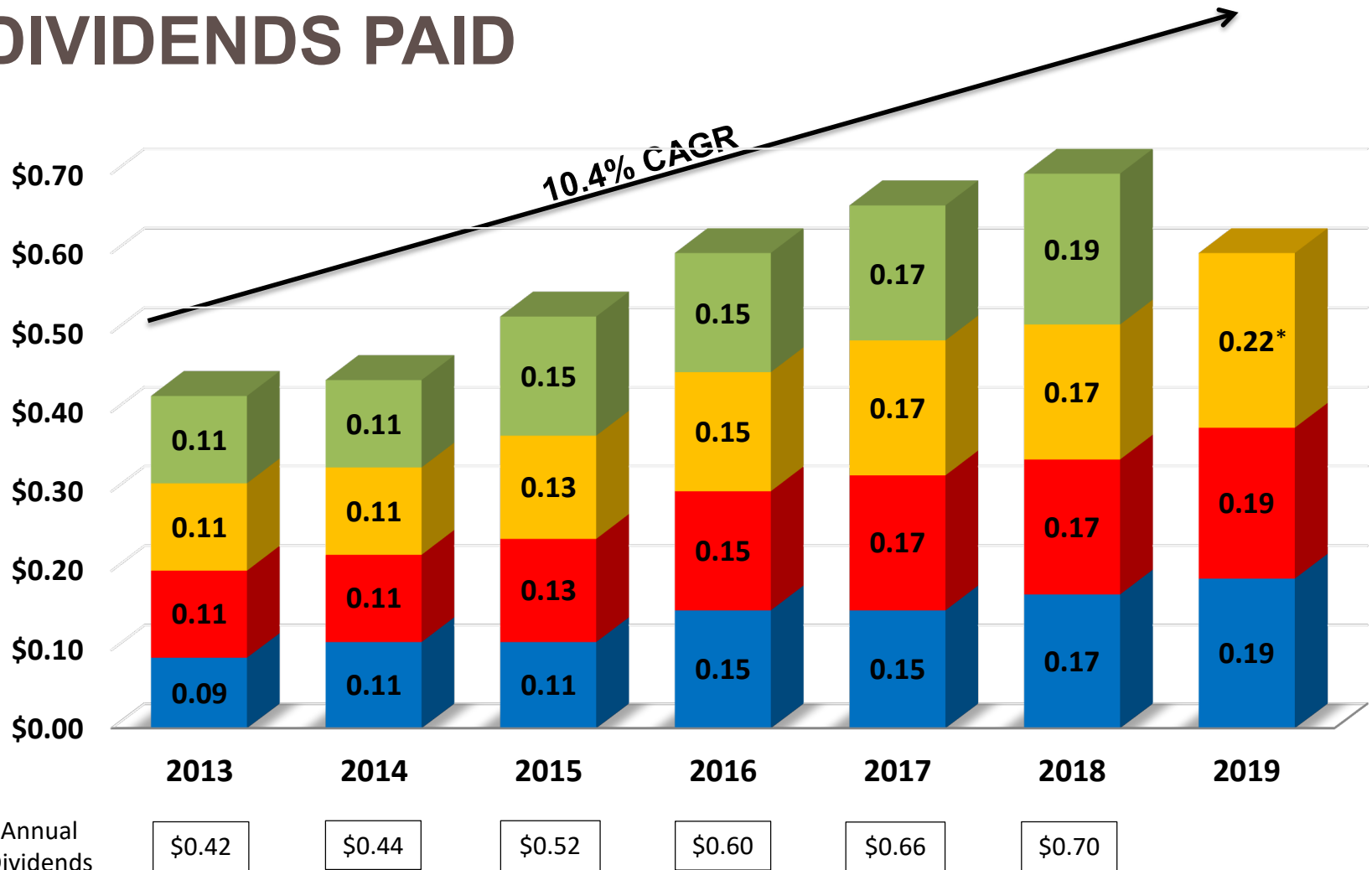
# RETURN ON AVERAGE SHAREHOLDER'S EQUITY



# EFFICIENCY RATIO (FULLY TAXABLE EQUIVALENT)

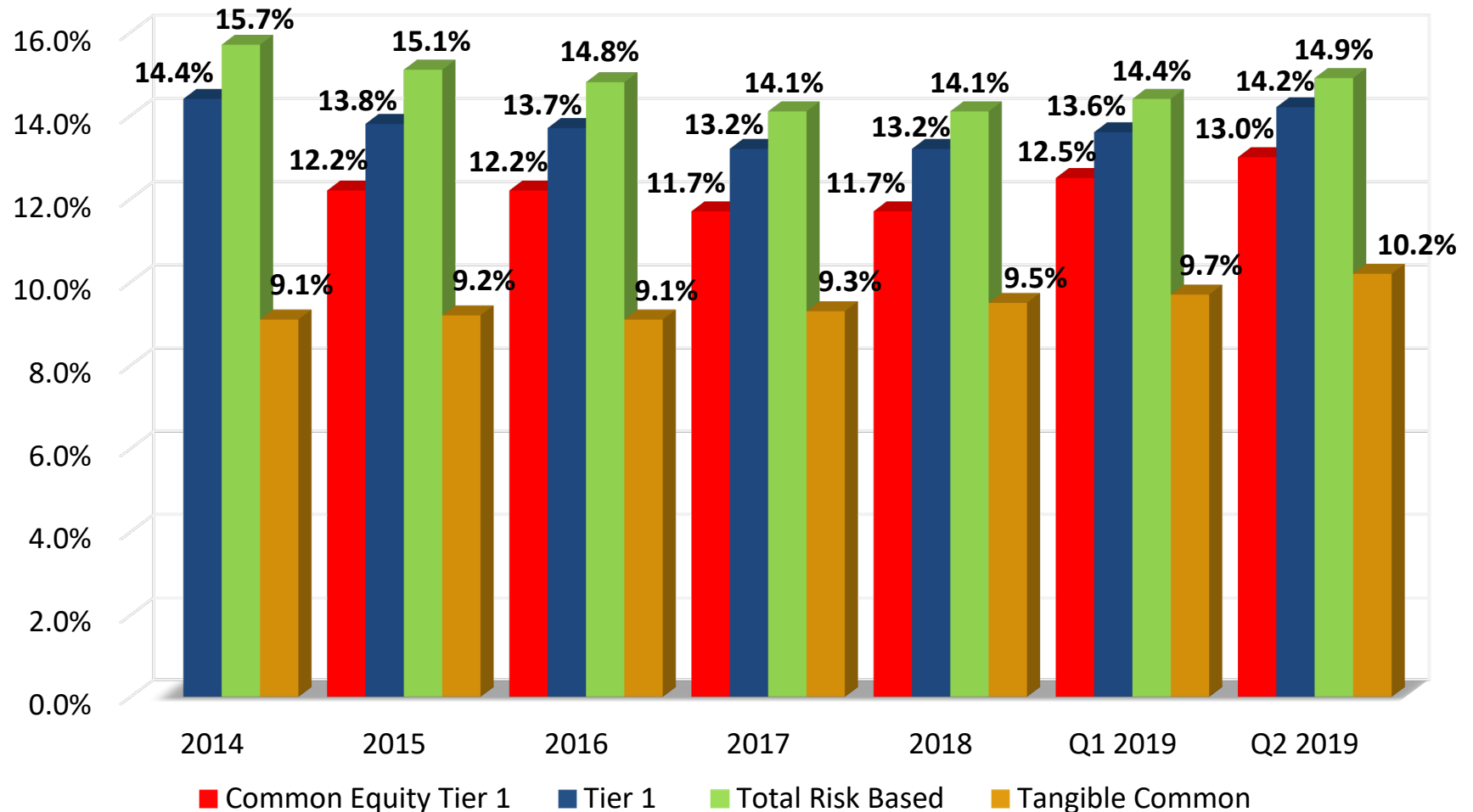


# DIVIDENDS PAID



\*Declared and payable on September 27, 2019

# CAPITAL RATIOS (\$'000'S)





**TRICO BANCSHARES IS COMMITTED TO:**

Improving the financial success and well-being of our shareholders, customers, communities and employees.