

Service With Solutions™

Richard P. Smith, President & CEO

FIG Partners

2017 Annual West Coast Bank CEO Forum

February 1-2, 2017



SAFE HARBOR STATEMENT

Certain comments included in this presentation may involve forward-looking statements, for which TriCo claims the protection of the “safe harbor” provisions credited by Federal securities laws. Such forward-looking statements are subject to risks and uncertainties which may cause TriCo’s actual results to differ materially from those contemplated by such statements. Additional information concerning certain of these risks and uncertainties are described in TriCo’s Annual Report of Form 10-K for the fiscal year ended December 31, 2015 and TriCo’s Quarterly Reports on Form 10-Q as filed with the SEC in fiscal 2016.

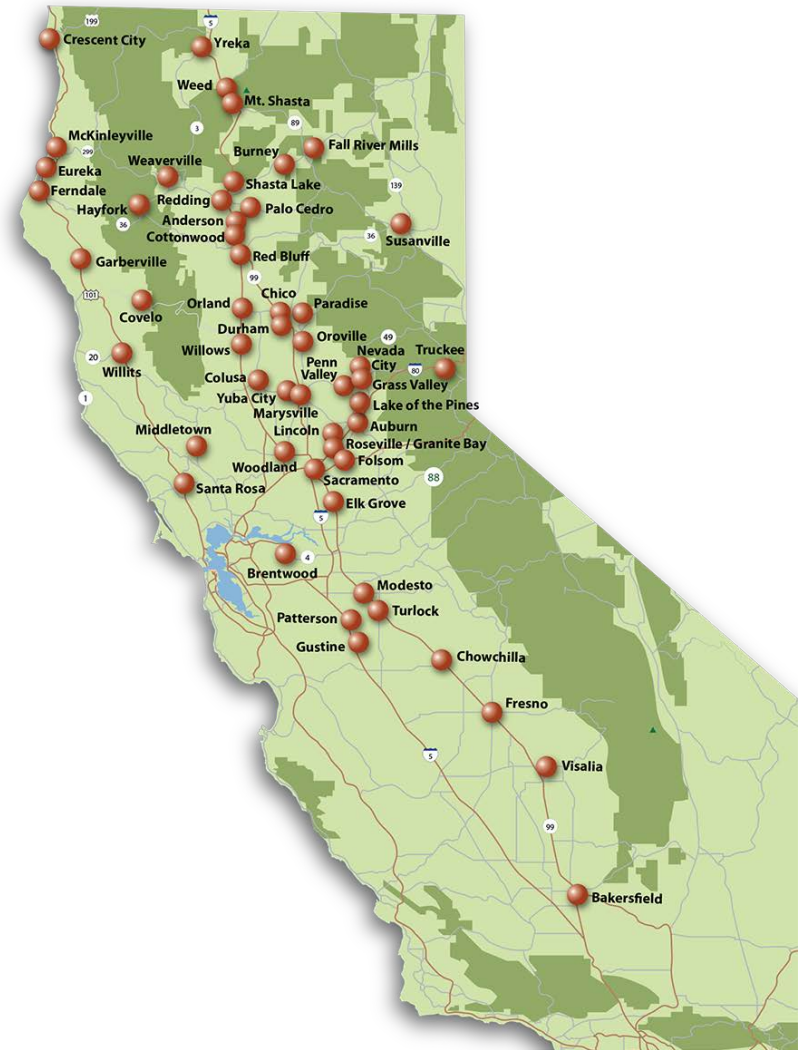
AGENDA

- Company Overview
- Recent Activities & Focus
- Key Revenue Drivers
- Challenges & Opportunities
- Financials
- Questions



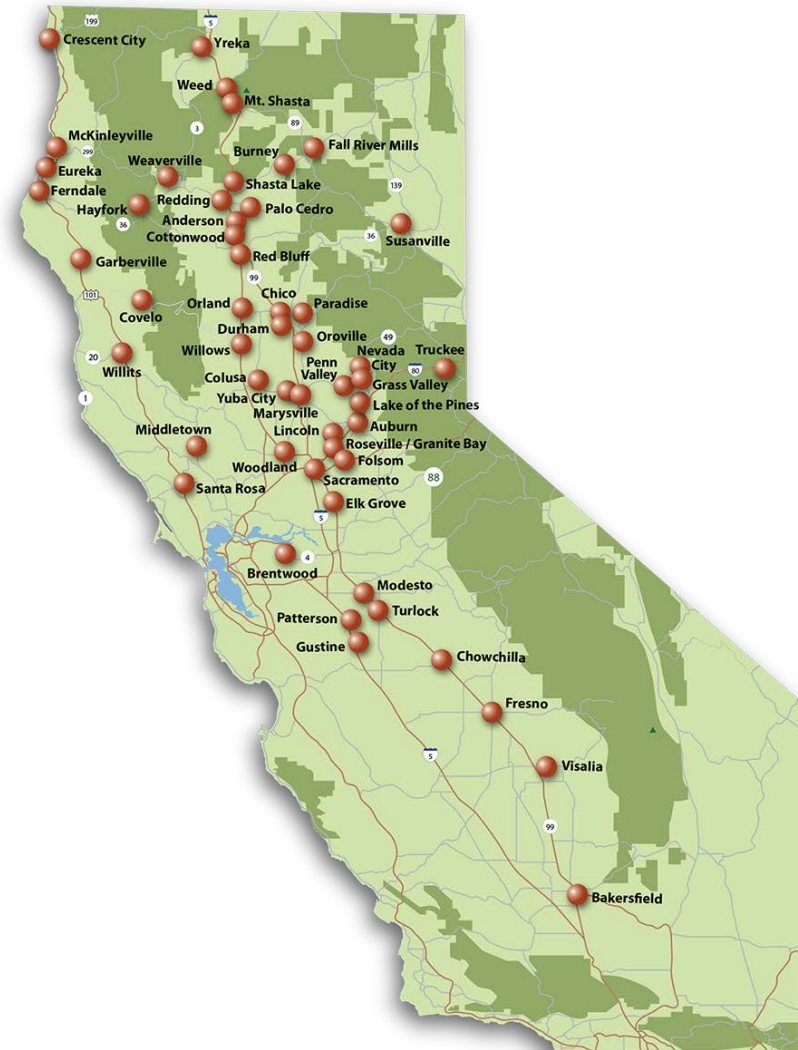
OVERVIEW

Asset Size:	\$4.5 Billion
Location:	Chico, CA
Founded:	1975
Deposits:	\$3.9 Billion
Loans (<i>net</i>):	\$2.7 Billion
Customers:	190,000
Bank Branches:	68
ATMs:	80



OVERVIEW

Nasdaq:	TCBK
*Stock Price:	\$35.29
Market Capitalization:	\$808 million
*Price to Book stated:	1.6x
*Price to TBVPS	1.9x
**Asset Size Rank of CA Publicly Traded Banks:	14



*Valuation Information as of Market Close 01/17/2017

**Ranking as of 01/25/2015 – Source: SNL Financial

EXECUTIVE TEAM



Rick Smith
President & CEO
TriCo since 1993



John Fleshood
EVP Chief Operating Officer
TriCo since 2016



Tom Reddish
EVP Chief Financial Officer
TriCo since 1994



Craig Carney
EVP Chief Credit Officer
TriCo since 1996



Richard O'Sullivan
EVP Commercial Banking
TriCo since 1984



Dan Bailey
EVP Retail Banking
TriCo since 2007

2016 ACCOMPLISHMENTS

- Purchase of 3 branches from Bank of America
 - Completed in March 2016
- Several new technology projects for 2016:
 - New Mobile Banking program
 - New Business On-Line Banking
 - Loan and Operational Imaging projects
 - Core Conversion
- Continued deposit market share expansion

POSITIONED FOR TODAY, PREPARED FOR THE FUTURE

- Strong and growing bank capital
- Competitive product set to compete with banks both large and small
- Superior reputation versus large bank competitors
- Continue to see strong organic growth in current environment
 - Loan growth of 9.4%
 - Deposit growth of 7.8% (includes BofA branch purchase)

POSITIONED FOR TODAY, PREPARED FOR THE FUTURE *continued*

- Strong focus on risk management and new regulatory realities
 - Enterprise Risk
 - Strong Focus on CRA
 - HMDA Reporting
 - Fair Lending
- Experienced project teams, well prepared for continued growth through acquisition

WHAT IS LONG TERM SUCCESS?

- Rewarding our shareholders
 - A winning culture with a motivated and talented work force (good people)
 - Significant and growing market share
 - Low cost core deposit base
 - Strong credit culture
 - Diversified revenue sources
 - Efficient operations
 - Strong risk management practices

KEY DRIVERS OF BANK REVENUES

- **Deposits & Margin**
 - Average Cost of Deposits of **.09%** as of 12/31/2016
 - Net Interest Margin in 2016 was **4.23%**
- **Commercial Loans**
 - Commercial Real Estate
 - Diverse portfolio of property types and geographies
 - Commercial & Industry Lines and Loans & Leases
 - Agricultural Loans/Ag Related Businesses
 - Asset-Based Loans
- **Non-Interest Income**
 - Service Charge & Fee Income
 - Mortgage Finance
 - Bank Wealth Management Program – AUM \$577 million

KEY DRIVERS OF BANK REVENUES *continued*

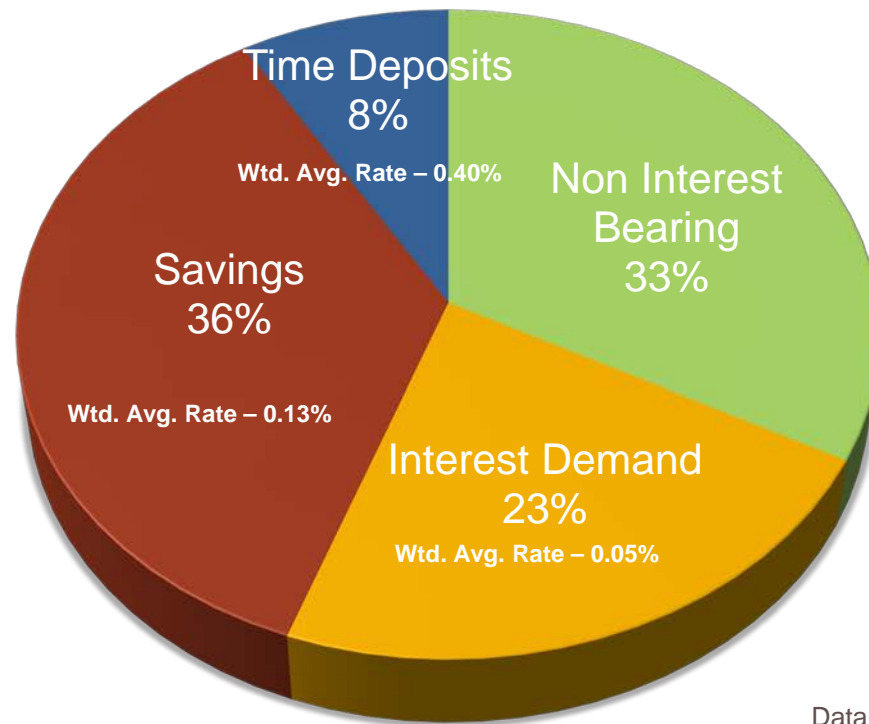
- **Consumer Loans**

- Home Equity Lines/Loans
 - Rising rates a positive for growth
- Small Business

- **Growth Opportunities**

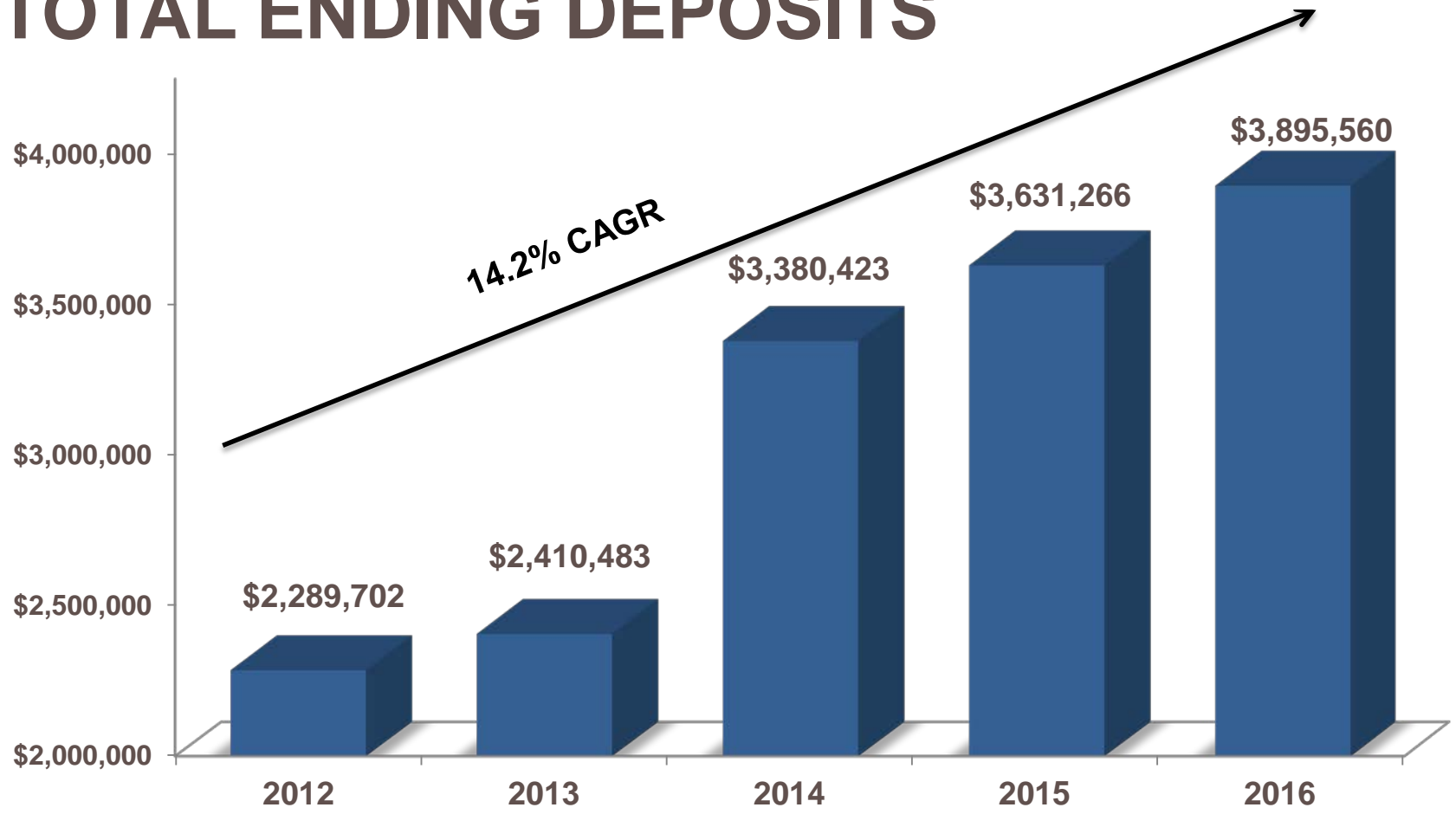
- Wealth Management – Bank Managed Program
 - Raymond James as Broker-Dealer
- Mortgage Banking
- Merchant Fee Opportunities
- Higher stock valuations a plus for M&A activity

DEPOSIT STRUCTURE



Data as of 12.31.2016

TOTAL ENDING DEPOSITS



Data as of 12.31.2016

MARKET SHARE OF ALL BRANCHES

Rank	Institution Name	State (Hdqtrd)	Charter	Deposit (\$000)	Market Share
1	Wells Fargo Bank, National Association	SD	Federal	8,700,167	24.56%
2	Bank of America, National Association	NC	Federal	4,135,930	11.68%
3	Rabobank, National Association	CA	Federal	3,785,681	10.69%
4	Tri Counties Bank	CA	State	3,376,219	9.53%
5	JP Morgan Chase Bank, National Association	OH	Federal	2,487,052	7.02%
6	U.S. Bank National Association	OH	Federal	1,610,128	4.55%
7	Umpqua Bank	OR	State	1,476,048	4.17%
8	Bank of the West	CA	State	1,100,271	3.11%

Source: FDIC Summary of Deposits, June 2016

NON-INTEREST INCOME

- Consistently Represents Approximately 25% of Total Bank Revenues
- Residential Home Mortgage Lending
 - Refinances remain consistent
 - Increasing numbers of purchase transactions and increasing overall activity for home loans
 - Higher rates will slow refinance market in 2017

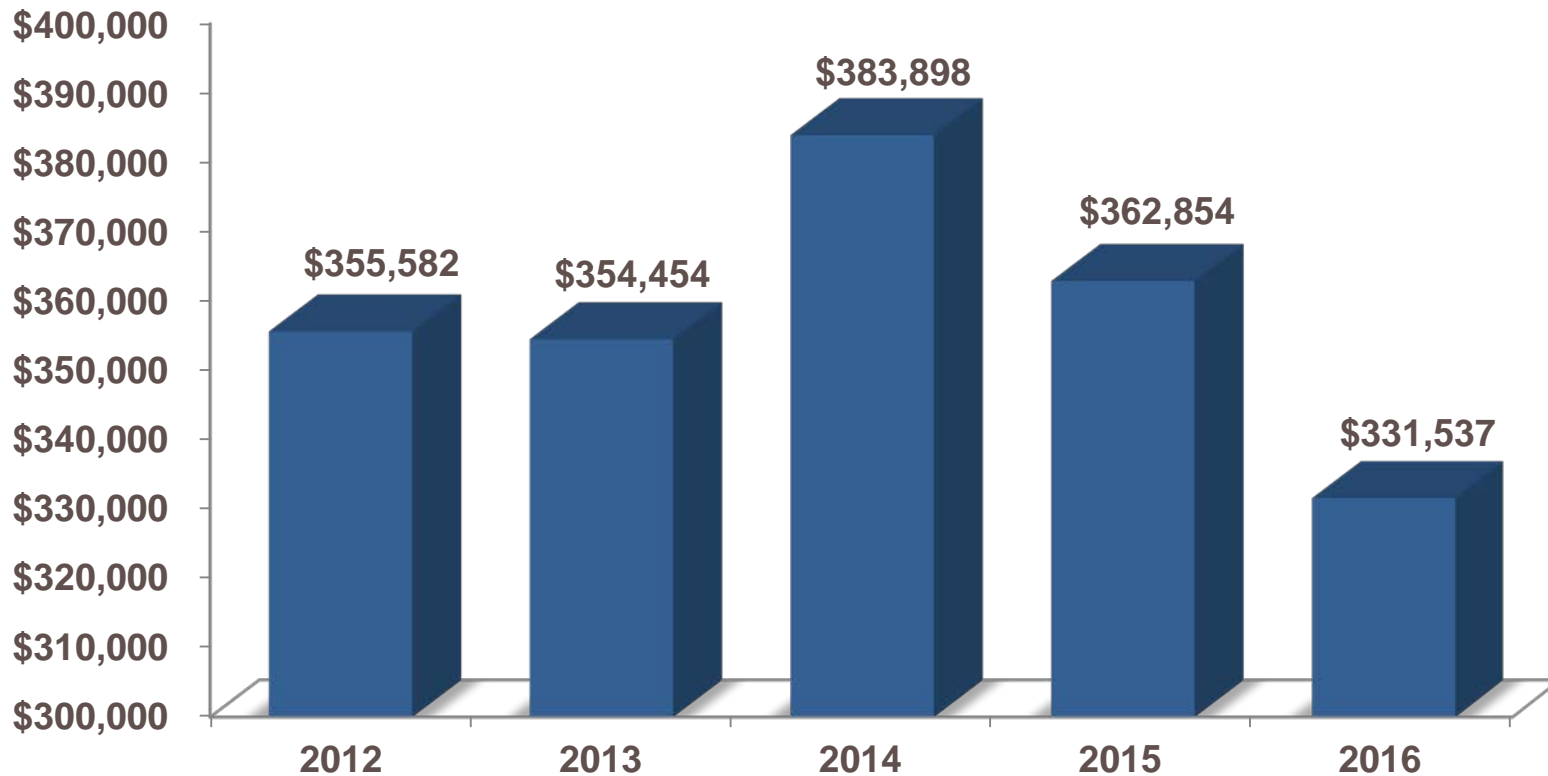
NON-INTEREST INCOME *continued*

- Wealth Management revenues
- Lower revenues from service charges but increased interchange income
- Cash Management fees continue to increase following merger integration
- Merchant Card Services – \$1.1 million in 2016

CONSUMER LOANS

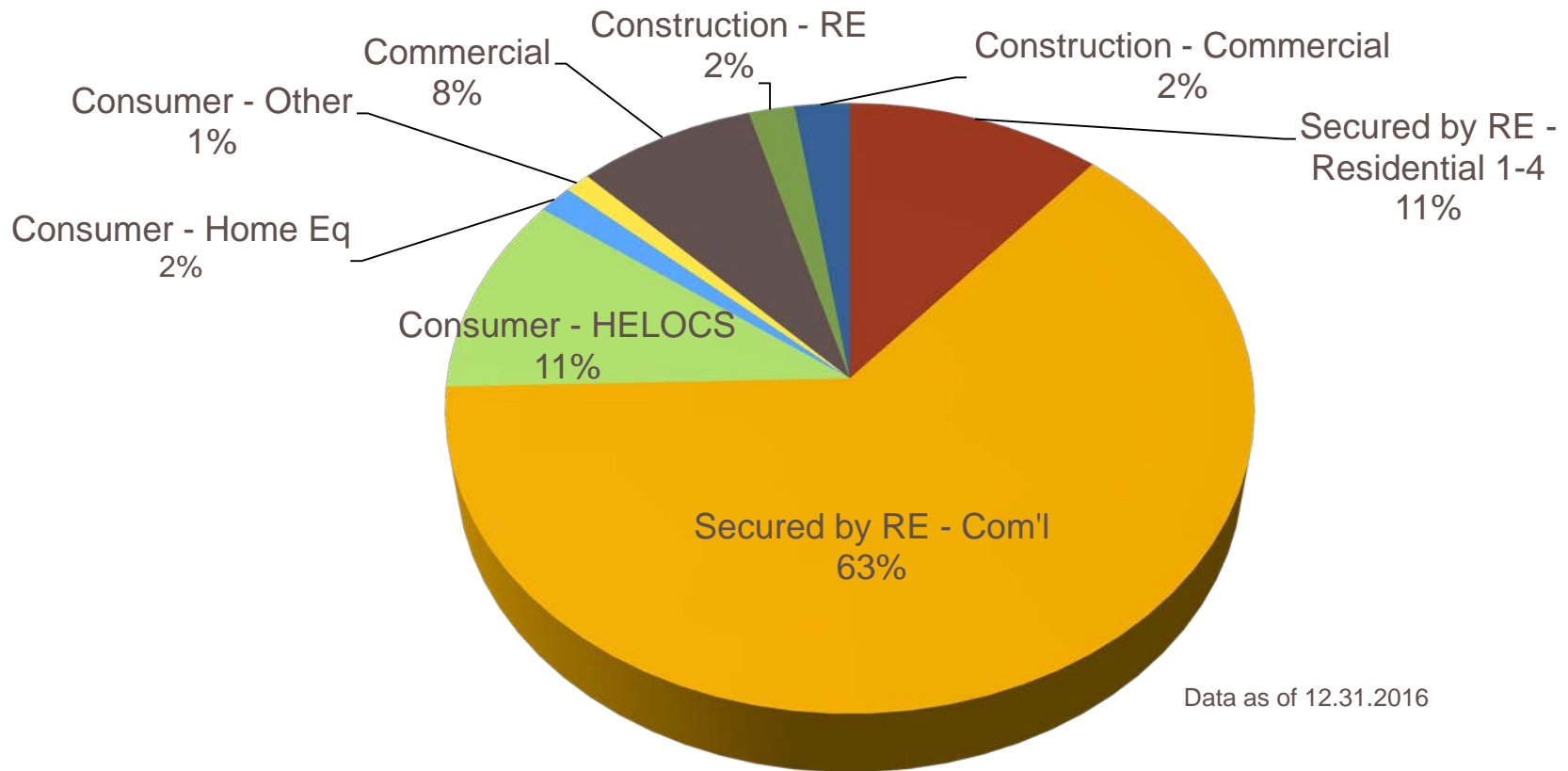
- Increased demand for consumer loans
 - Home equity values have increased
 - Borrowers in 2016 used refinance of 1st mortgage to pay down debt
- Low rate environment led to historically high refi activity
 - \$33MM in Q4 2016 HELOC volume resulted in \$14MM reduction in outstandings
 - Home equity lines/loans increasing in demand but cannot outpace 1st lien refi volume
- Auto loan demand constant

HOME EQUITY LOANS OUTSTANDING

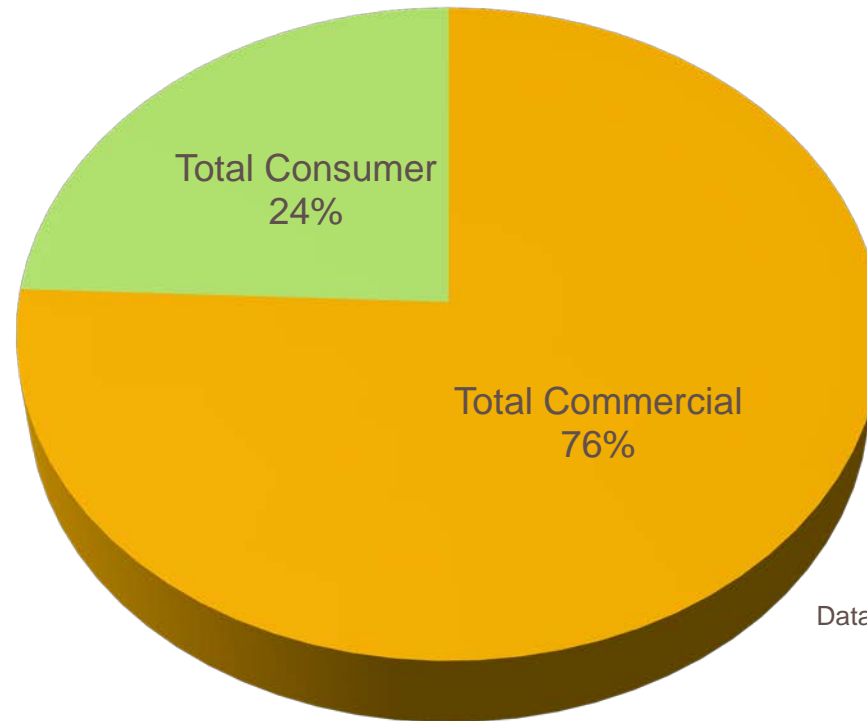


Data as of 12.31.2016

LOAN PORTFOLIO BY TYPE



COMMERCIAL LOANS



Data as of 12.31.2016

COMMERCIAL BANKING

- Target loans of \$2,000,000 to \$15,000,000
- Personalized banking
 - Assigned Relationship Managers
 - Assigned Cash Management Officers
- In-market lending
- Competition is as fierce and diverse as it has ever been
 - \$177 million in CRE & C&I production in Q4 resulted in \$62 million in net growth, excluding loan purchases

COMMERCIAL BANKING *continued*

- Agricultural lending
 - Improving drought conditions
 - Ag prices declining may well be a positive
- Loans <\$1,000,000 served through alternate channel
 - Business Relationship Managers
 - Credit scoring combined with traditional underwriting
- SBA 7A program now offered

COMMERCIAL REAL ESTATE PORTFOLIO

AS OF 12.31.2016

Real Estate Loan Type	# of Loans	Outstandings*	% to Total Loans	Avg. Commitment Amount
Office	584	356,778,000	13%	623,000
Retail	422	316,792,000	11%	789,000
Multi-Family	360	291,643,000	11%	840,000
Special Purpose Gas Station, Mini Storage, Hotel/Motel, Restaurant	220	233,001,000	8%	1,110,000
Other Warehouse, Manufacturing, Bare Land, Agricultural Land + Structures	1,205	553,000,000	20%	500,000
Totals	2,791	1,750,999,000	63%	-
Averages	-	-	-	661,000

* RE Loan Type segment totals do not include all purchase discount adjustments

AG PORTFOLIO AS OF 12.31.2016

- Agricultural Loans (excluding RE secured) total \$65 million in total commitments with \$40 million outstanding
- The highest crop concentrations by commitments are:

Rice	\$19.7 million	62 loans	\$318,000 Avg. Commitment
Multiple Crop	\$18.8million	19 loans	\$989,000 Avg. Commitment
Almonds	\$5.1 million	10 loans	\$511,000 Avg. Commitment
Dairy	\$1.2 million	6 loans	\$204,000 Avg. Commitment
Beef	\$1.2 million	11 loans	\$108,000 Avg. Commitment
Walnuts	\$1.2 million	4 loans	\$289,000 Avg. Commitment

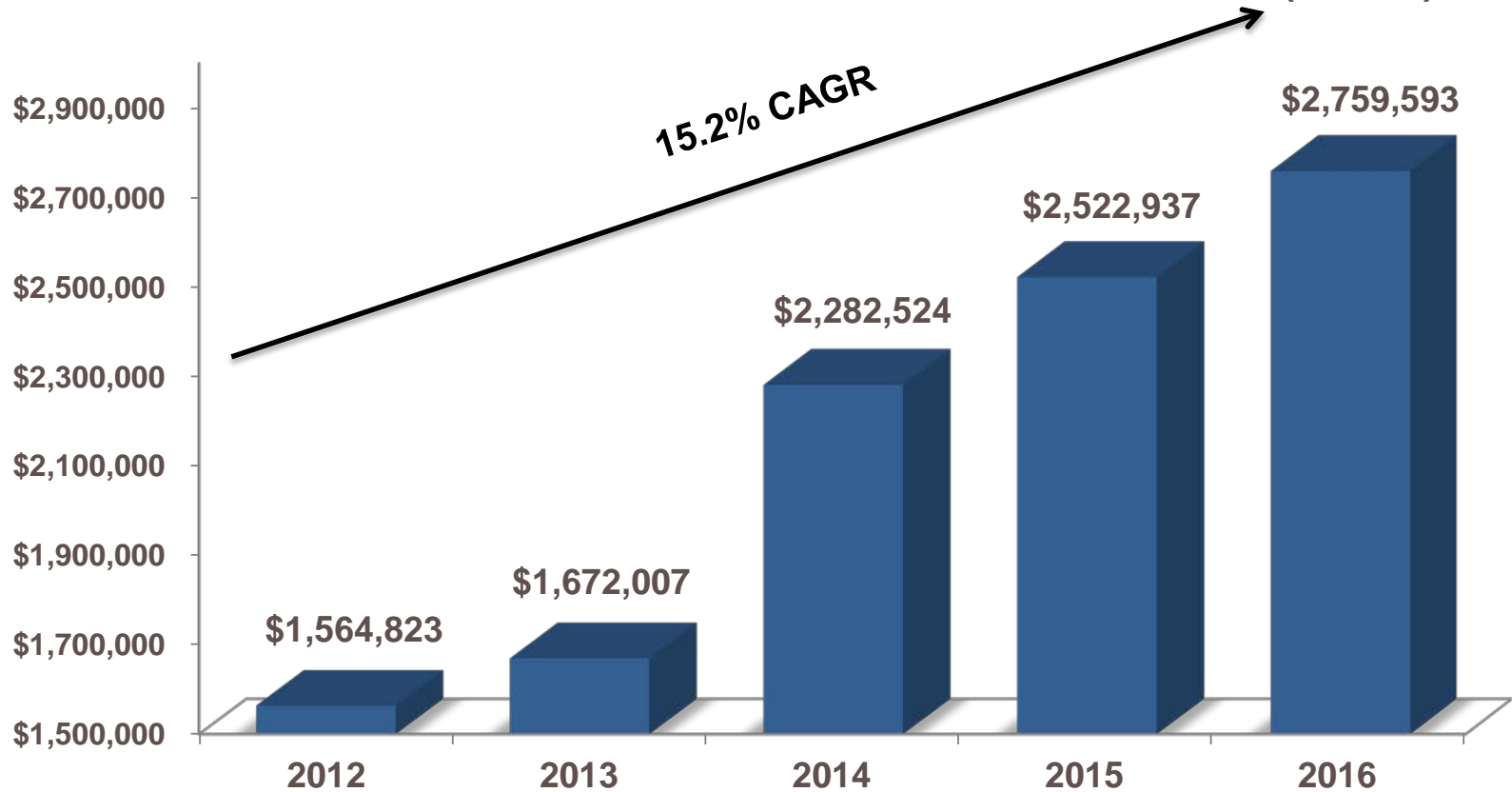
CONSTRUCTION AND A&D

- Construction lending totals approx. \$122,419,000 outstanding with \$221,301,000 in commitments
- Residential construction approx. \$55,429,000
- Commercial construction approx. \$66,990,000
- Total construction, land development and land acquisition loans represent 4.4% of total loans outstanding

Data as of 12.31.2016

TOTAL LOANS

NET OF UNAMORTIZED DEFERRED LOAN FEES AND DISCOUNTS (\$000'S)



Data as of 12.31.2016

GROWTH OPPORTUNITIES

- Mergers and Acquisitions

- 3 Branch purchase from Bank of America 2016
- North Valley Bancorp 2014
- Citizens Bank of Northern California 2011
- Granite Community Bank 2010
- North State National Bank 2003
- 9 Branch purchase Wells Fargo 1997
- Sutter Butte Savings 1996
- Country National Bank 1993
- Branch purchase from Wells Fargo 1987
- Shasta County Bank 1981

WHAT KEEPS US UP AT NIGHT?

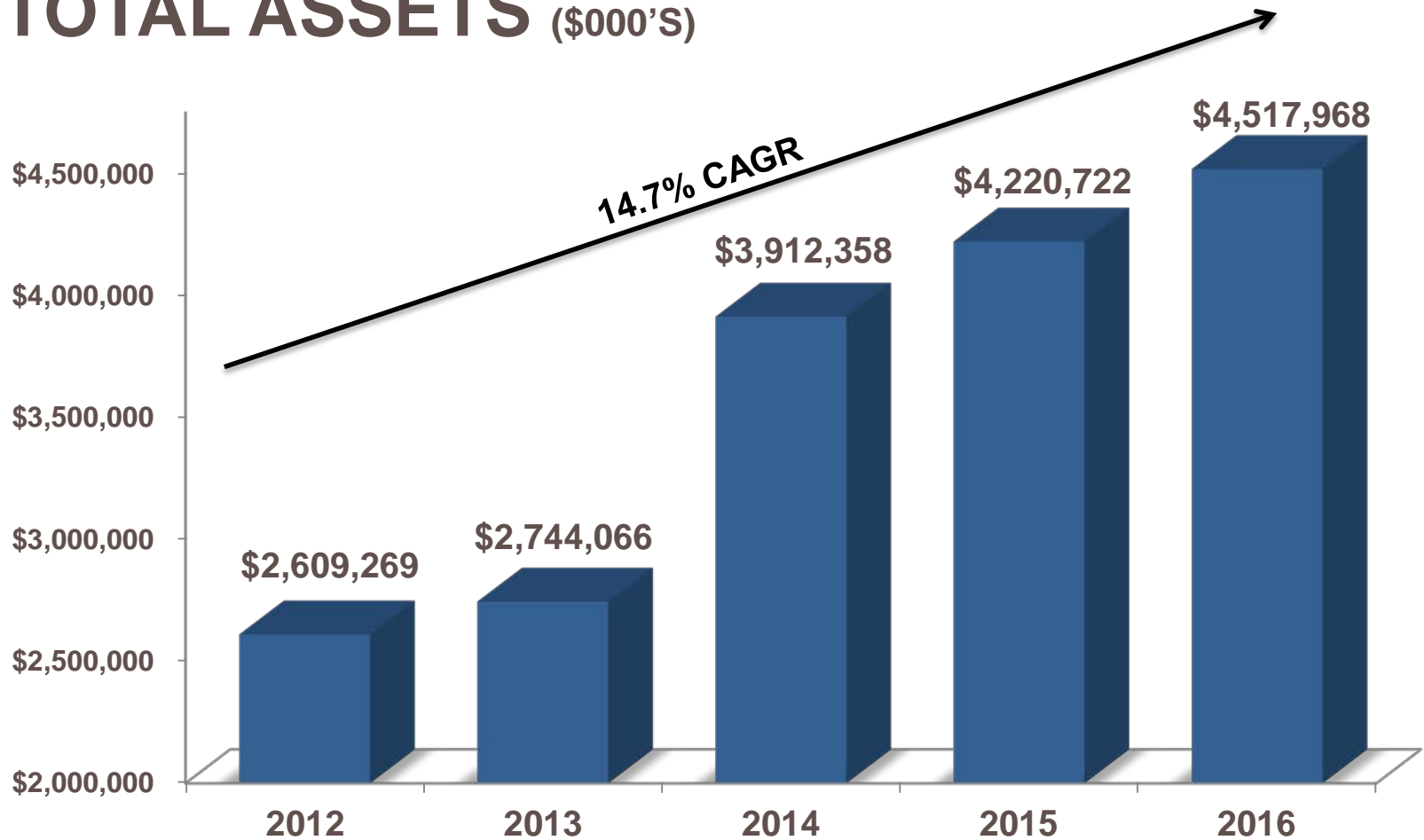
- Rising Rate Pricing Adjustments
- Interest Rate Risk
- Aggressive Competitors
- Compliance Regulations
- The Cost of Compliance with New Regulations

CHALLENGES WITHIN BANK STRATEGIES

- **Big Banks**
 - Aggressive banking in community bank space
 - Bad reputations
 - Large banks cost saving a new opportunity in rural markets
- **Technology and Banking**
 - New technology is expensive
 - New technology will streamline banking ultimately lowering costs
- **Bank Operations and Efficiency**
 - Managing multiple delivery channels
- **Enterprise Risk Management**
 - Many threats, so little time

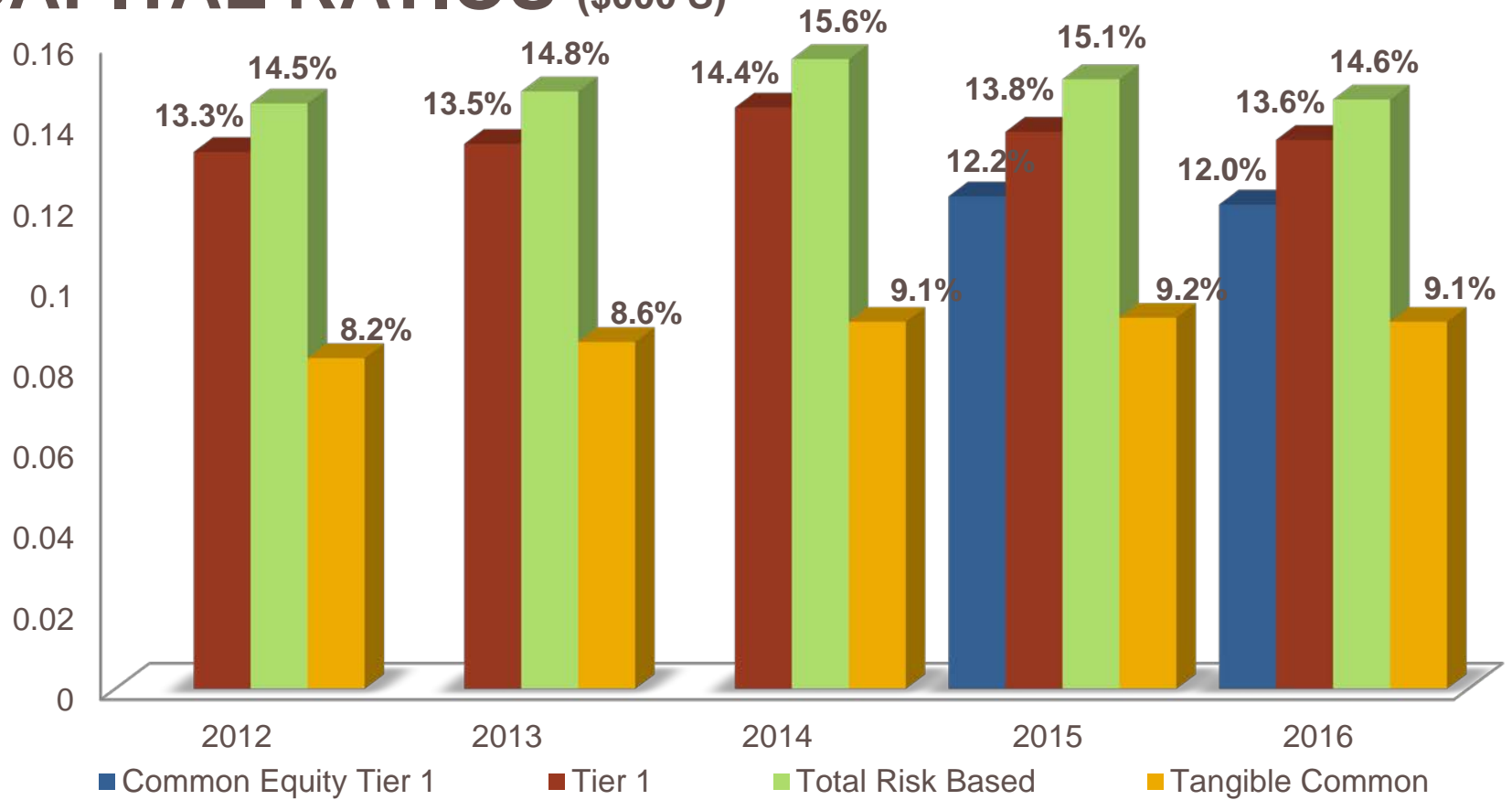
FINANCIALS

TOTAL ASSETS (\$000'S)



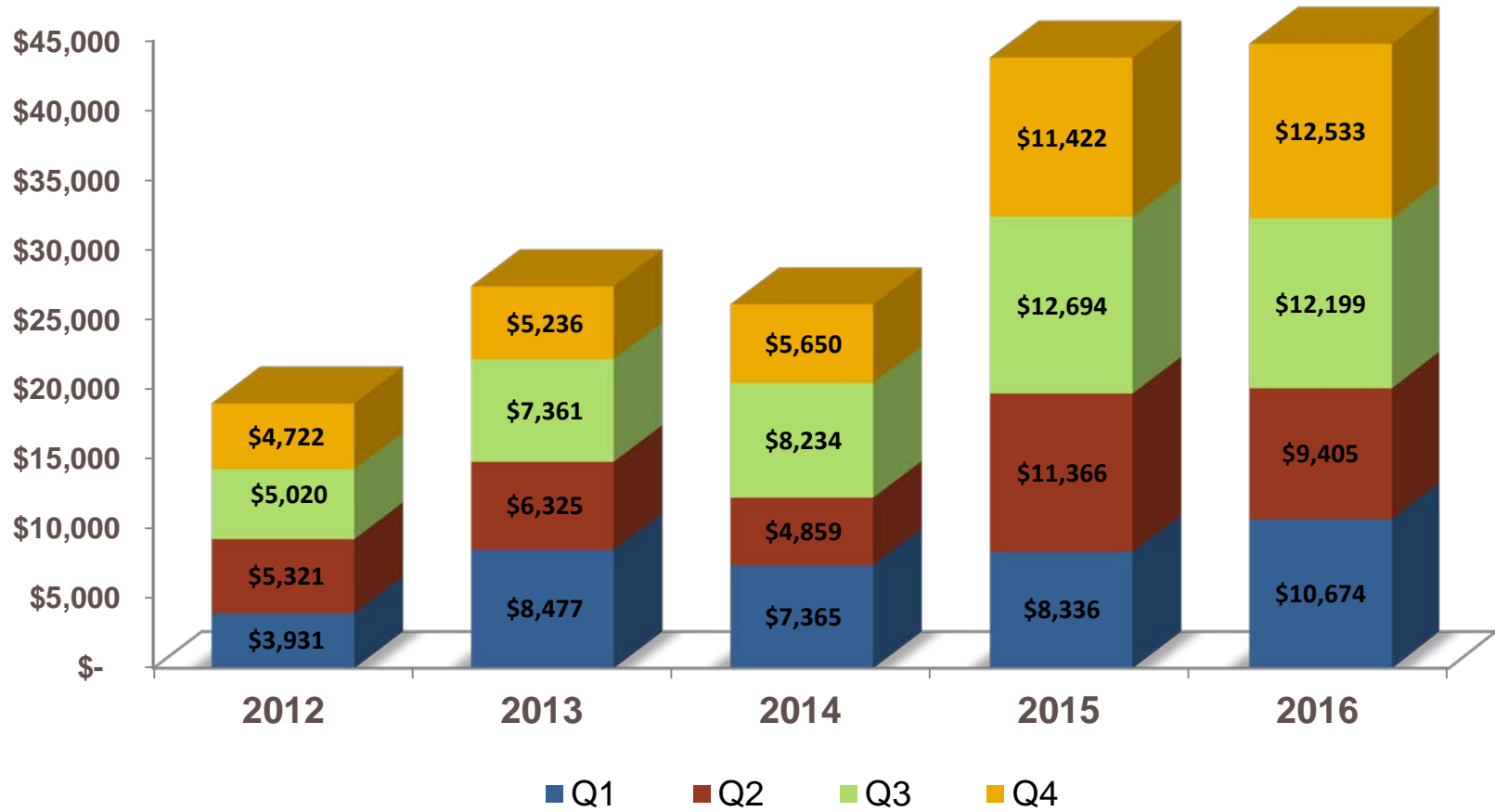
Data as of 12.31.2016

CAPITAL RATIOS (\$'000'S)



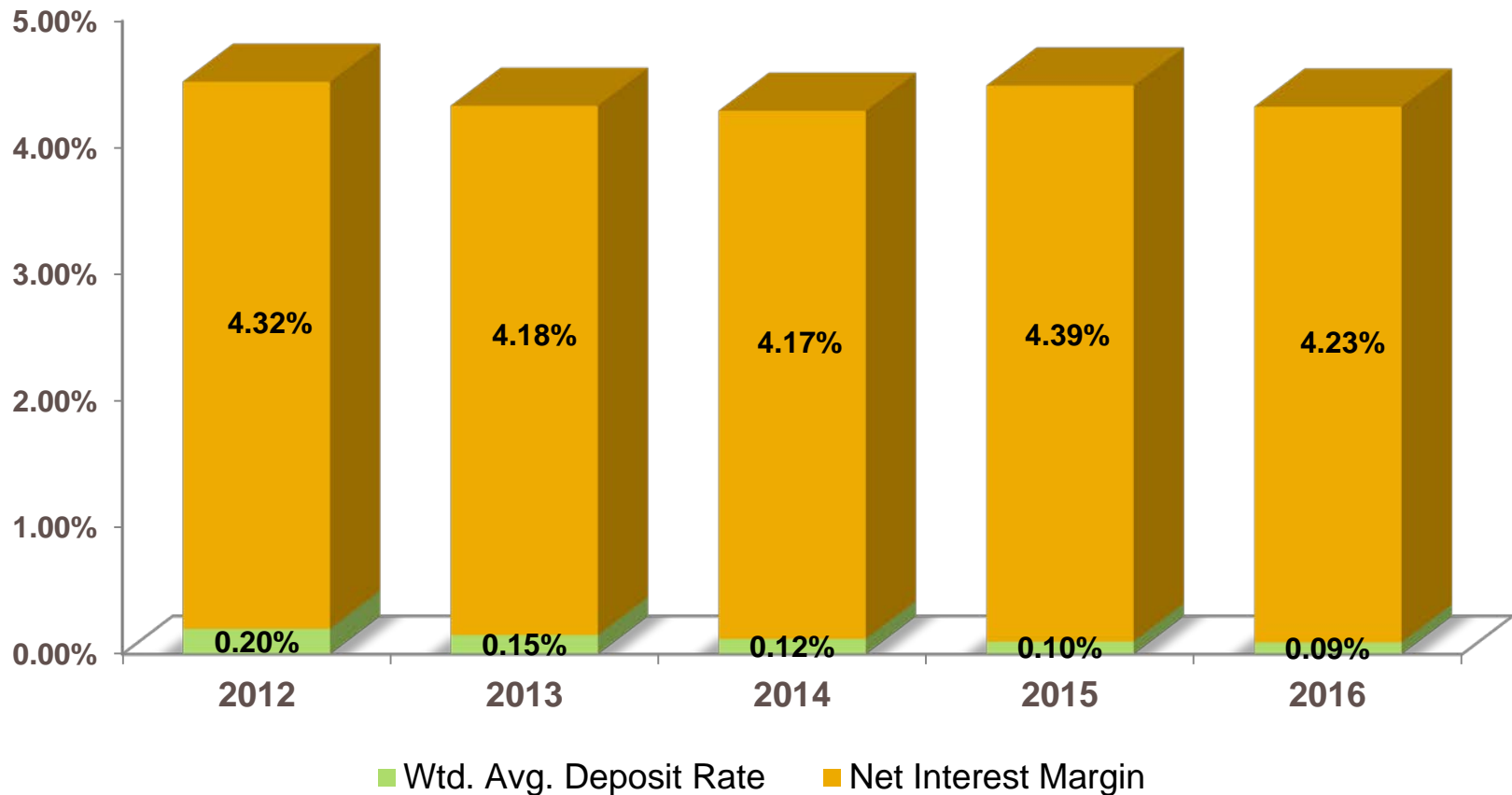
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NET INCOME (\$000'S)



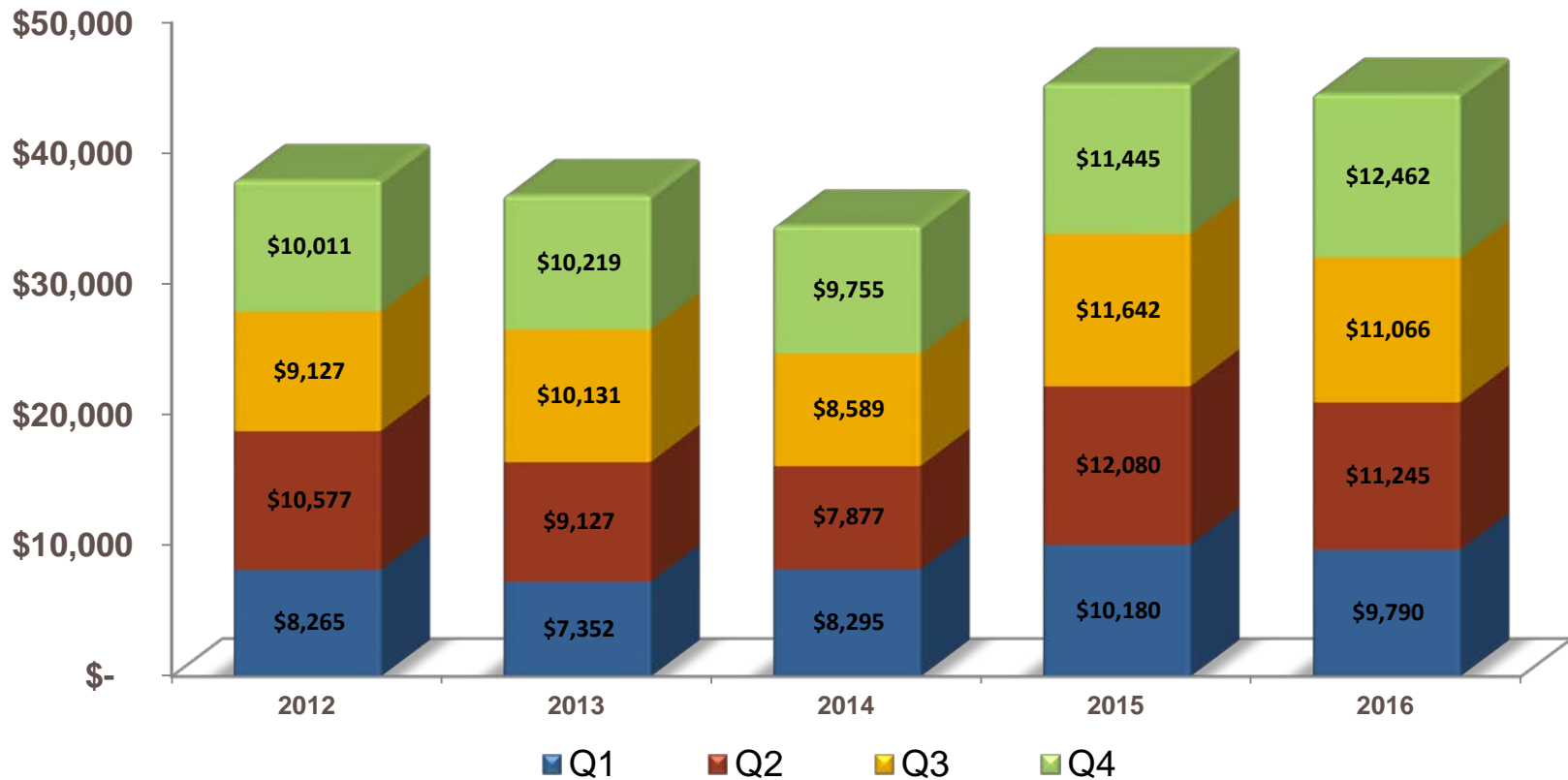
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NET INTEREST MARGIN



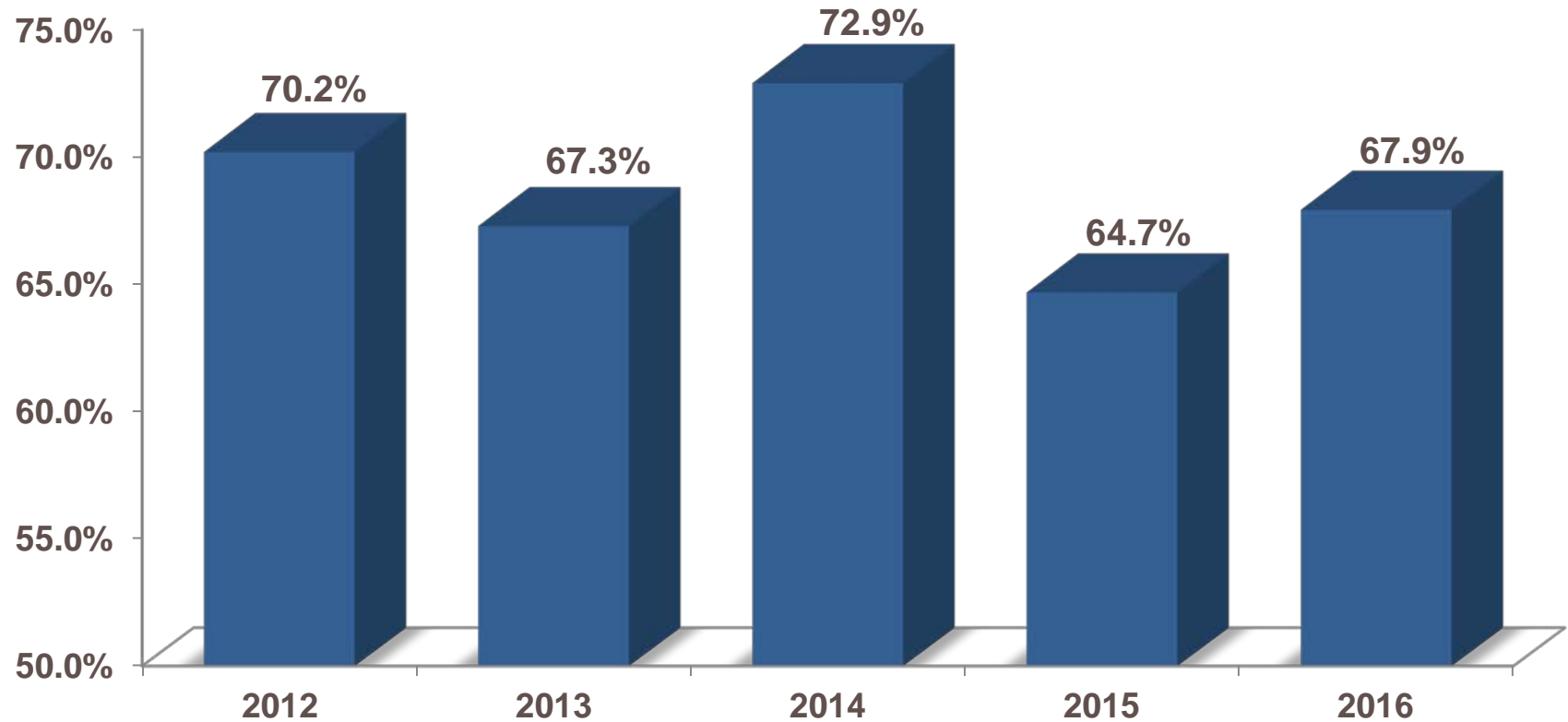
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NON-INTEREST INCOME (\$000'S)



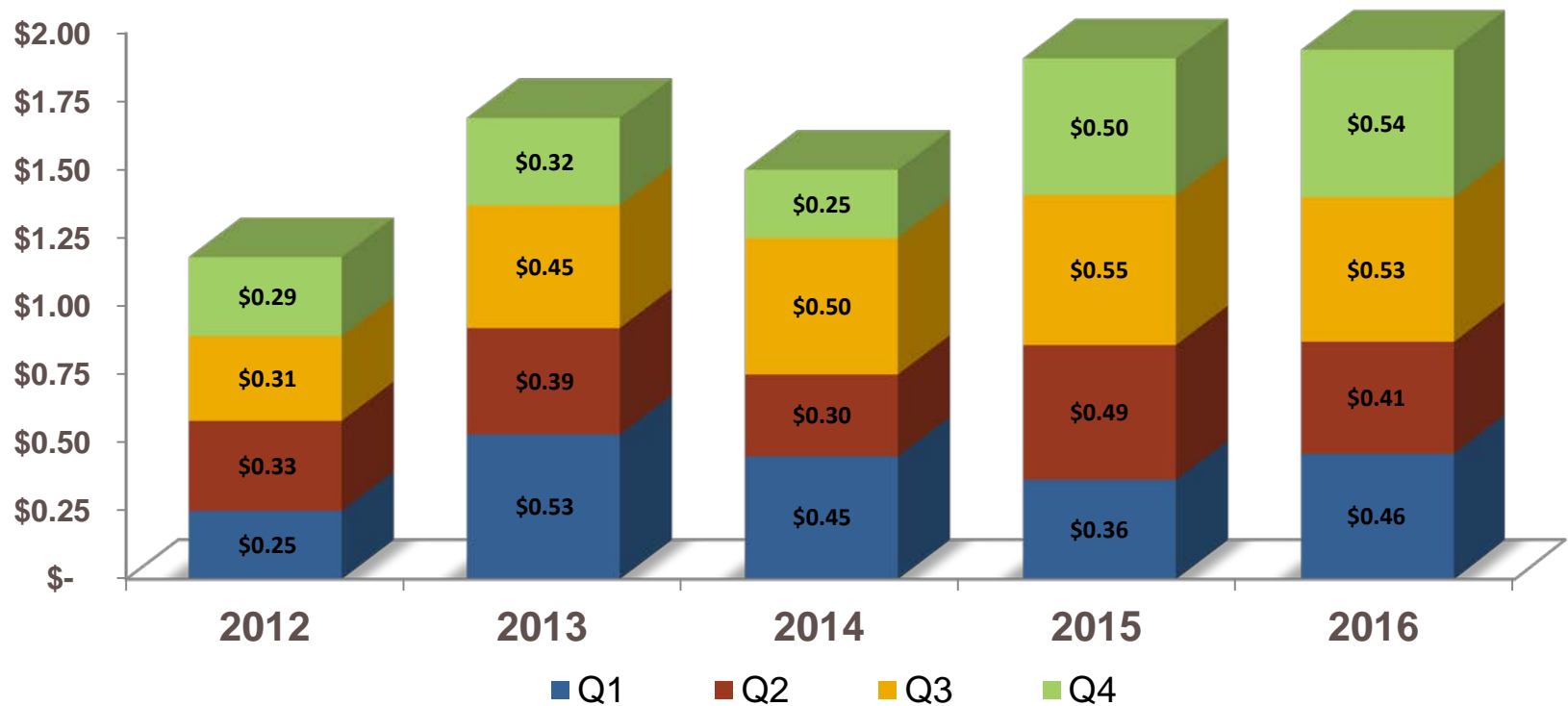
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EFFICIENCY RATIO (FULLY TAXABLE EQUIVALENT)



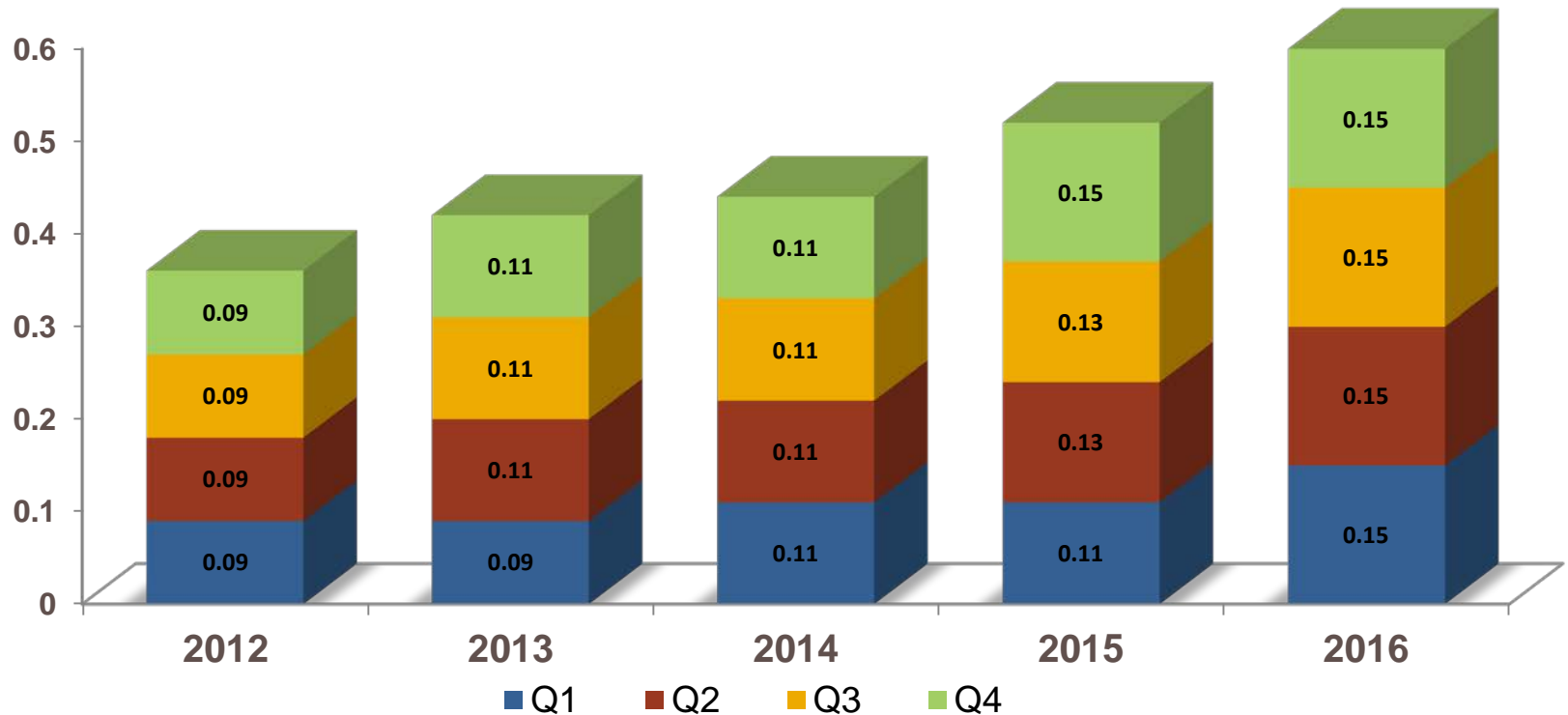
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DILUTED EARNINGS PER SHARE



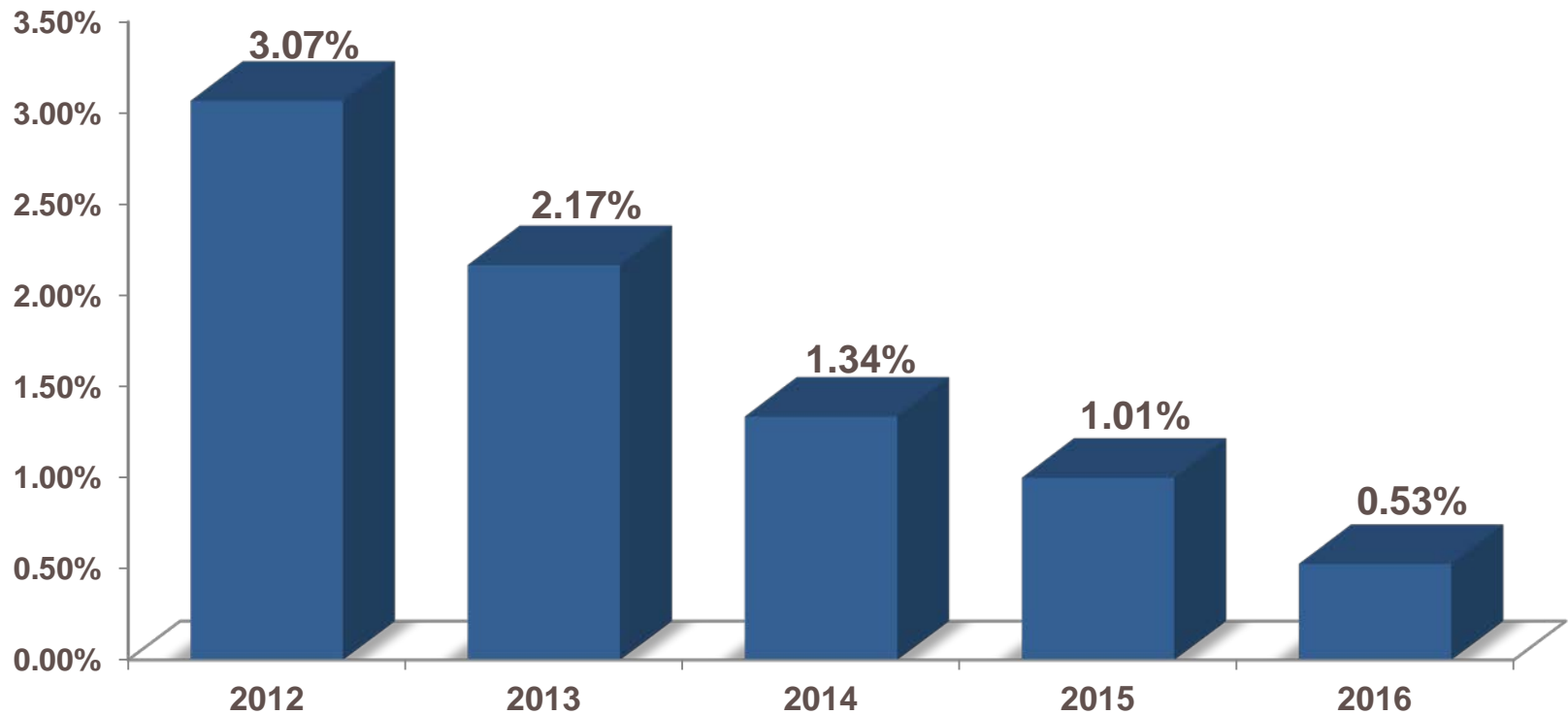
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DIVIDENDS PER SHARE



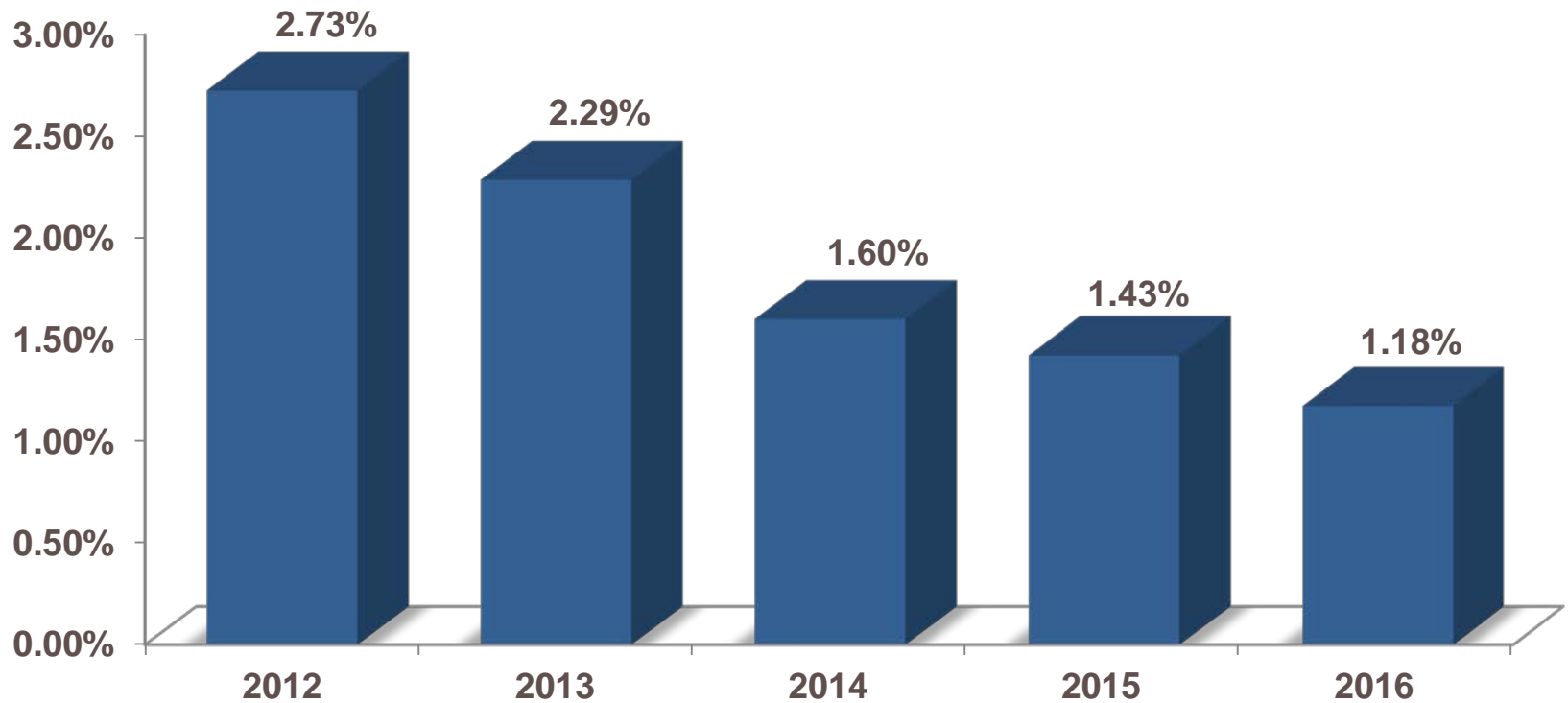
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NON-PERFORMING ASSETS TO TOTAL ASSETS



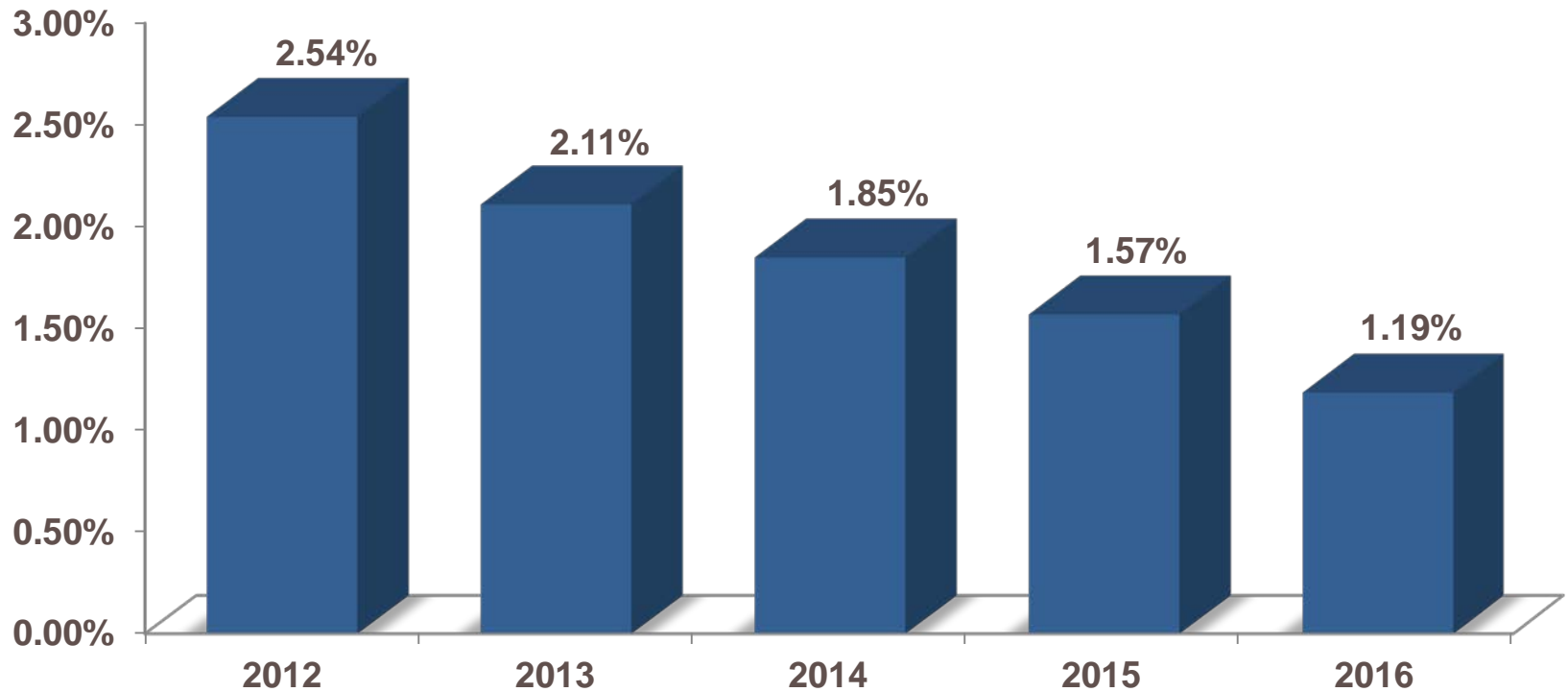
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ALLOWANCE FOR LOAN LOSSES TO TOTAL LOANS



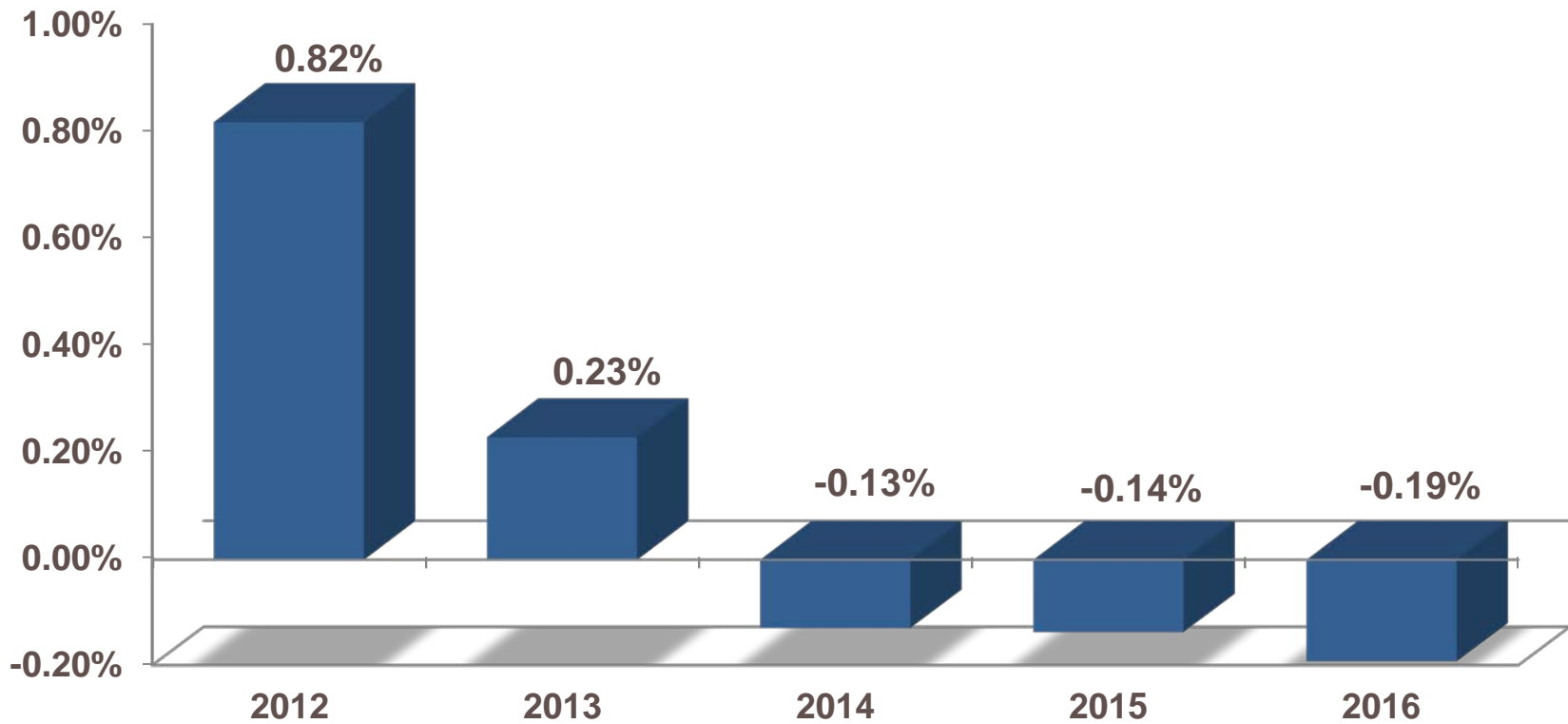
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ORIGINATED ALL TO TOTAL ORIGINATED LOANS



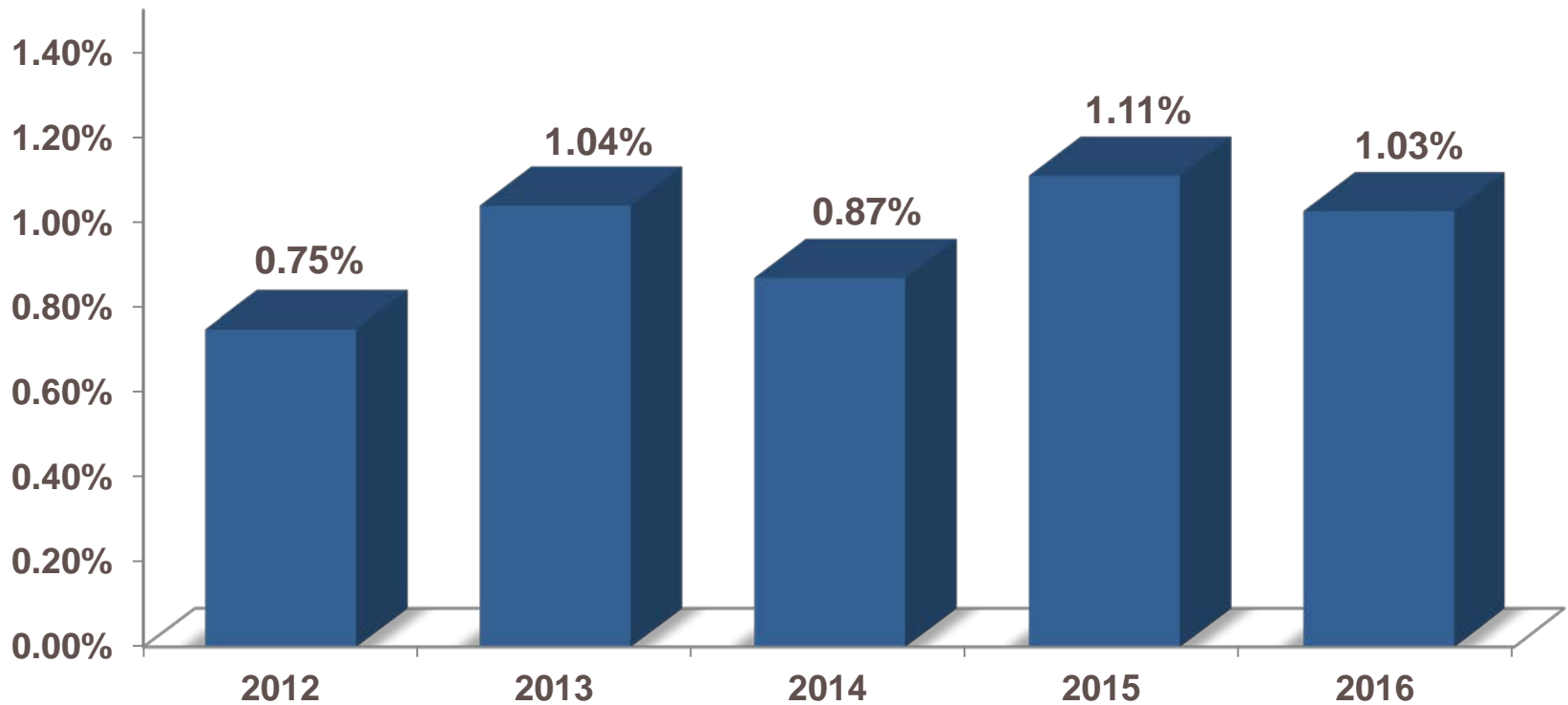
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ANNUALIZED NET CHARGE-OFFS TO AVERAGE LOANS



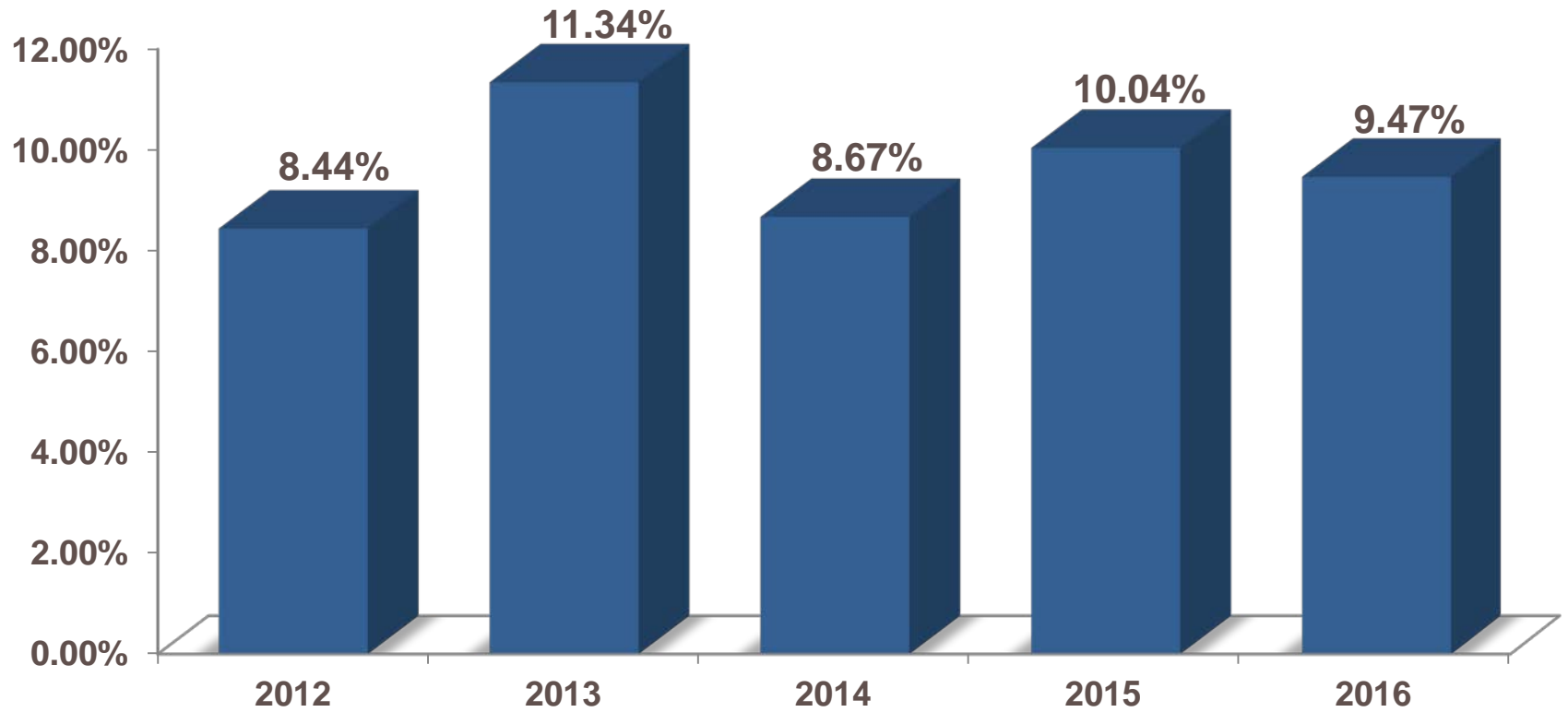
Data as of 12.31.2016

RETURN ON AVERAGE ASSETS



Data as of 12.31.2016

RETURN ON AVERAGE SHAREHOLDER'S EQUITY



Data as of 12.31.2016



TRICO BANCSHARES IS COMMITTED TO:

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