UNITED STATES
FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, DC 20429

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **January 16, 2020**

BANK OZK

(Exact name of registrant as specified in its charter)

Arkansas
(State or other jurisdiction of incorporation)

110	**71-0130170**
(FDIC Certificate Number)	(IRS Employer Identification No.)
17901 Chenal Parkway, Little Rock, Arkansas	**72223**
(Address of principal executive offices)	(Zip Code)

(501) 978-2265
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

( ) Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

( ) Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

( ) Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

( ) Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $0.01 per value per share	OZK	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On January 16, 2020, Bank OZK (the "Bank") issued a press release announcing its financial results for the fourth quarter and full year ended December 31, 2019 and made available management's comments on the results for the fourth quarter and full year of 2019. The press release and management's comments are available on the Bank's investor relations website. A copy of the press release announcing the Bank's results for the fourth quarter and full year ended December 31, 2019 and management's comments on the fourth quarter and full year results are furnished as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K.

On January 17, 2020, the Bank will hold an investor conference call and webcast to answer questions regarding the Bank's financial results for the fourth quarter and full year ended December 31, 2019.

The information furnished pursuant to this Item 2.02, including Exhibits 99.1 and 99.2, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that section, and shall not be deemed to be incorporated by reference into any filing of the Bank under the Securities Act of 1933, as amended, or the Exchange Act except as expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD Disclosures.

See Item 2.02 Results of Operations and Financial Condition.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits: The following exhibits are being furnished to this Current Report on Form 8-K.

99.1	Press Release dated January 16, 2020: Bank OZK Announces Fourth Quarter and Record Full Year 2019 Earnings
99.2	Fourth Quarter and Full Year 2019 Management's Comments dated January 16, 2020

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BANK OZK

Date: January 16, 2020

By: /s/ Greg L. McKinney
Name: Greg L. McKinney
Title: Chief Financial Officer

Exhibit No.	Document Description
99.1	Press Release dated January 16, 2020: Bank OZK Announces Fourth Quarter and Record Full Year 2019 Earnings
99.2	Fourth Quarter and Full Year 2019 Management's Comments dated January 16, 2020

Exhibit 99.1

NEWS RELEASE

Date:	January 16, 2020
Release Time:	3:01 p.m. (CT)
Investor Contact:	Tim Hicks (501) 978-2336
Media Contact:	Susan Blair (501) 978-2217

Bank OZK Announces Fourth Quarter and Record Full Year 2019 Earnings

LITTLE ROCK, ARKANSAS: Bank OZK (the "Bank") (Nasdaq: OZK) today announced that net income for the fourth quarter of 2019 was $100.8 million, a 12.4% decrease from $115.0 million for the fourth quarter of 2018. Diluted earnings per common share for the fourth quarter of 2019 were $0.78, a 12.4% decrease from $0.89 for the fourth quarter of 2018.

For the full year of 2019, net income was $425.9 million, a 2.1% increase from $417.1 million for the full year of 2018. Diluted earnings per common share for the full year of 2019 were $3.30, a 1.9% increase from $3.24 for the full year of 2018.

The Bank's annualized returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the fourth quarter of 2019 were 1.74%, 9.73% and 11.68%, respectively, compared to 2.04%, 12.36% and 15.24%, respectively, for the fourth quarter of 2018. The Bank's returns on average assets, average common stockholders' equity and average tangible common stockholders' equity for the full year of 2019 were 1.87%, 10.72% and 12.98%, respectively, compared to 1.90%, 11.59% and 14.41%, respectively, for the full year of 2018. The calculation of the Bank's return on average tangible common stockholders' equity and the reconciliation to generally accepted accounting principles ("GAAP") are included in the schedules accompanying this release.

"We are very pleased to have achieved record net income of $425.9 million in 2019 and a 1.87% return on average assets," stated George Gleason, Chairman and Chief Executive Officer. "Our strong credit culture and consistent discipline have been important ingredients in our long term success, and we are not wavering from those principles in today's challenging competitive and interest rate environment. We believe our competitive advantages will allow us to capitalize on opportunities throughout 2020 and beyond."

KEY BALANCE SHEET METRICS

Total loans, including purchased loans, were $17.53 billion at December 31, 2019, a 2.4% increase from $17.12 billion at December 31, 2018. Non-purchased loans, which exclude loans acquired in previous acquisitions, were $16.22 billion at December 31, 2019, a 7.6% increase from $15.07 billion at December 31, 2018, but a 0.5% decrease from $16.31 billion at September 30, 2019. Purchased loans, which consist of loans acquired in previous acquisitions, were $1.31 billion at December 31, 2019, a 36.0% decrease from $2.04 billion at December 31, 2018. The unfunded balance of closed loans totaled $11.33 billion at December 31, 2019, a 0.3% decrease from $11.36 billion at December 31, 2018.

Deposits were $18.47 billion at December 31, 2019, a 3.0% increase from $17.94 billion at December 31, 2018. Total assets were $23.56 billion at December 31, 2019, a 5.2% increase from $22.39 billion at December 31, 2018.

Common stockholders' equity was $4.15 billion at December 31, 2019, a 10.1% increase from $3.77 billion at December 31, 2018. Tangible common stockholders' equity was $3.47 billion at December 31, 2019, a 12.8% increase from $3.07 billion at December 31, 2018. Book value per common share was $32.19 at December 31, 2019, a 9.8% increase from $29.32 at December 31, 2018. Tangible book value per common share was $26.88 at December 31, 2019, a 12.5% increase from $23.90 at December 31, 2018. The calculations of the Bank's tangible common stockholders' equity and tangible book value per common share and the reconciliations to GAAP are included in the schedules accompanying this release.

The Bank's ratio of total common stockholders' equity to total assets was 17.62% at December 31, 2019 compared to 16.84% at December 31, 2018. Its ratio of total tangible common stockholders' equity to total tangible assets was 15.15% at December 31, 2019 compared to 14.17% at December 31, 2018. The calculation of the Bank's ratio of total tangible common stockholders' equity to total tangible assets and the reconciliation to GAAP are included in the schedules accompanying this release.

MANAGEMENT'S COMMENTS, CONFERENCE CALL, TRANSCRIPT AND FILINGS

In connection with this release, the Bank released management's comments on its quarterly and year-end results, which are available at http://ir.ozk.com. This release should be read in conjunction with management's comments on the quarterly and year-end results.

Management will conduct a conference call to take questions on these quarterly and year-end results and management's comments at 10:00 a.m. CT (11:00 a.m. ET) on January 17, 2020. Interested parties may listen to this call by dialing 1-844-818-5110 (U.S. and Canada) or 210-229-8841 (internationally) and asking for the Bank OZK conference call. A recorded playback of the call will be available for one week following the call at 1-855-859-2056 (U.S. and Canada) or 404-537-3406 (internationally). The passcode for this playback is 2495839. The call will be available live or in a recorded version on the Bank's Investor Relations website at ir.ozk.com under "Company News/Webcasts." The Bank will also provide a transcript of the conference call on its Investor Relations website.

The Bank files annual, quarterly and current reports, proxy materials and other information required by the Securities Exchange Act of 1934 with the Federal Deposit Insurance Corporation ("FDIC"), copies of which are available electronically at the FDIC's website at https://efr.fdic.gov/fcxweb/efr/index.html and are also available on the Bank's Investor Relations website at http://ir.ozk.com. To receive automated email alerts for these materials, please visit http://ir.ozk.com/EmailNotification to sign up.

NON-GAAP FINANCIAL MEASURES

This release contains certain non-GAAP financial measures. The Bank uses these non-GAAP financial measures, specifically return on average tangible common stockholders' equity, tangible book value per common share, total tangible common stockholders' equity and the ratio of total tangible common stockholders' equity to total tangible assets, as important measures of the strength of its capital and its ability to generate earnings on its tangible capital invested by its shareholders. These measures typically adjust GAAP financial measures to exclude intangible assets. Management believes presentation of these non-GAAP financial measures provides useful supplemental information which contributes to a proper understanding of the financial results and capital levels of the Bank. These non-GAAP disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other banks. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the tables at the end of this release under the caption "Reconciliation of Non-GAAP Financial Measures."

FORWARD-LOOKING STATEMENTS

This release and other communications by the Bank include certain "forward-looking statements" regarding the Bank's plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management's expectations as well as certain assumptions and estimates made by, and information available to, management at the time. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems implementing the Bank's growth, expansion and acquisition strategies, including delays in identifying satisfactory sites, hiring or retaining qualified personnel, obtaining regulatory or other approvals, obtaining permits and designing, constructing and opening new offices or relocating or closing existing offices; the ability to enter into and/or close additional acquisitions; the availability of and access to capital; possible downgrades in the Bank's credit ratings or outlook which could increase the costs or availability of funding from capital markets; the ability to attract new or retain existing or acquired deposits or to retain or grow loans, including growth from unfunded closed loans; the ability to generate future revenue growth or to control future growth in non-interest expense;

interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates or changes in the relative relationships of various interest rate indices; the potential impact of the change in the method for determining LIBOR; competitive factors and pricing pressures, including their effect on the Bank's net interest margin or core spread; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; changes in legal, financial and/or regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses to comply with new and/or existing legislation and regulatory actions; changes in U.S. government monetary and fiscal policy; FDIC special assessments or changes to regular assessments; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; the impact of failure in, or breach of, the Bank's operational or security systems or infrastructure, or those of third parties with whom it does business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank or its customers; natural disasters or acts of war or terrorism; international or political instability; impairment of our goodwill or other intangible assets; adoption of new accounting standards, including the estimated effects from the adoption of the current expected credit loss ("CECL") model on January 1, 2020, or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions or rulings as well as other factors identified in this press release or as detailed from time to time in the other public reports the Bank files with the FDIC, including those factors described in the disclosures under the headings "Forward-Looking Information" and "Item 1A. Risk Factors" in the Bank's most recent Annual Report on Form 10-K for the year ended December 31, 2018 and its quarterly reports on Form 10-Q. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those projected in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

GENERAL INFORMATION

Bank OZK (Nasdaq: OZK) is a regional bank providing innovative financial solutions delivered by expert bankers with a relentless pursuit of excellence. Bank OZK has been recognized as the top performing bank in the nation in its asset size 13 times in the past eight years and in 2019 was named Best Bank in the South by *Money,* the personal finance news and advice brand. Headquartered in Little Rock, Arkansas, Bank OZK conducts operations through more than 250 offices in Arkansas, Georgia, Florida, North Carolina, Texas, Alabama, South Carolina, California, New York and Mississippi. Bank OZK can be found at www.ozk.com and on Facebook, Twitter and LinkedIn or contacted at (501) 978-2265 or P. O. Box 8811, Little Rock, Arkansas 72231-8811.

Bank OZK
Consolidated Balance Sheets
Unaudited

	December 31, 2019	December 31, 2018
	(Dollars in thousands, except per share amounts)	
ASSETS		
Cash and cash equivalents	$ 1,495,757	$ 290,672
Investment securities - available for sale ("AFS")	2,277,389	2,862,340
Federal Home Loan Bank of Dallas and other banker's bank stocks	21,855	25,941
Non-purchased loans	16,224,539	15,073,791
Purchased loans	1,307,504	2,044,032
Allowance for loan losses	(108,525)	(102,264)
Net loans	17,423,518	17,015,559
Premises and equipment, net	711,541	567,189
Foreclosed assets	19,096	16,171
Accrued interest receivable	75,208	81,968
Bank owned life insurance (“BOLI”)	738,860	721,238
Goodwill and intangible assets, net	684,542	696,461
Other, net	111,634	110,491
Total assets	$ 23,559,400	$ 22,388,030
LIABILITIES AND STOCKHOLDERS’ EQUITY		
Deposits:		
Demand non-interest bearing	$ 2,795,251	$ 2,748,273
Savings and interest bearing transaction	8,307,607	9,682,713
Time	7,371,401	5,507,429
Total deposits	18,474,259	17,938,415
Repurchase agreements with customers	11,249	20,564
Other borrowings	351,387	96,692
Subordinated notes	223,663	223,281
Subordinated debentures	119,916	119,358
Accrued interest payable and other liabilities	225,458	216,355
Total liabilities	19,405,932	18,614,665
Commitments and contingencies		
Stockholders’ equity:		
Preferred stock; $0.01 par value; 100,000,000 shares authorized; no shares issued or outstanding at December 31, 2019 or 2018	—	—
Common stock; $0.01 par value; 300,000,000 shares authorized; 128,951,024 and 128,611,049 shares issued and outstanding at December 31, 2019 and 2018, respectively	1,289	1,286
Additional paid-in capital	2,251,824	2,237,948
Retained earnings	1,869,983	1,565,201
Accumulated other comprehensive income (loss)	27,255	(34,105)
Total stockholders’ equity before noncontrolling interest	4,150,351	3,770,330
Noncontrolling interest	3,117	3,035
Total stockholders’ equity	4,153,468	3,773,365
Total liabilities and stockholders’ equity	$ 23,559,400	$ 22,388,030

Bank OZK
Consolidated Statements of Income
Unaudited

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
	(Dollars in thousands, except per share amounts)			
Interest income:				
Non-purchased loans	$ 240,912	$ 237,443	$ 981,811	$ 858,102
Purchased loans	22,152	35,453	106,908	173,465
Investment securities:				
Taxable	11,820	14,642	52,812	50,021
Tax-exempt	3,323	3,941	14,252	16,193
Deposits with banks and federal funds sold	2,756	590	6,758	3,039
Total interest income	280,963	292,069	1,162,541	1,100,820
Interest expense:				
Deposits	61,631	56,608	258,358	186,617
Repurchase agreements with customers	11	26	50	785
Other borrowings	34	2,193	1,531	3,017
Subordinated notes	3,216	3,216	12,757	12,757
Subordinated debentures	1,094	1,644	5,664	6,211
Total interest expense	65,986	63,687	278,360	209,387
Net interest income	214,977	228,382	884,181	891,433
Provision for loan losses	4,938	7,271	26,241	64,398
Net interest income after provision for loan losses	210,039	221,111	857,940	827,035
Non-interest income:				
Service charges on deposit accounts	10,933	10,585	41,774	39,544
Trust income	2,010	1,821	7,554	6,935
BOLI income:				
Increase in cash surrender value	5,167	5,269	20,715	20,700
Death benefits	2,989	482	3,194	3,211
Other income from purchased loans	759	2,370	3,684	7,784
Loan service, maintenance and other fees	4,282	5,245	17,917	20,354
Gains on sales of other assets	1,358	465	2,233	2,219
Net gains on investment securities	—	—	713	17
Other	2,908	1,323	9,743	7,011
Total non-interest income	30,406	27,560	107,527	107,775
Non-interest expense:				
Salaries and employee benefits	52,050	41,837	192,851	170,478
Net occupancy and equipment	14,855	14,027	59,018	56,362
Other operating expenses	37,501	39,029	149,261	153,912
Total non-interest expense	104,406	94,893	401,130	380,752
Income before taxes	136,039	153,778	564,337	554,058
Provision for income taxes	35,240	38,750	138,429	136,977
Net income	100,799	115,028	425,908	417,081
Earnings attributable to noncontrolling interest	7	3	(2)	25
Net income available to common stockholders	$ 100,806	$ 115,031	$ 425,906	$ 417,106
Basic earnings per common share	$ 0.78	$ 0.89	$ 3.30	$ 3.24
Diluted earnings per common share	$ 0.78	$ 0.89	$ 3.30	$ 3.24

Bank OZK
Consolidated Statements of Stockholders' Equity
Unaudited

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-Controlling Interest	Total
	(Dollars in thousands, except per share amounts)					
Three months ended December 31, 2019:						
Balances – September 30, 2019	$ 1,289	$2,247,973	$1,801,414	$ 27,648	$ 3,124	$4,081,448
Net income	—	—	100,799	—	—	100,799
Earnings attributable to noncontrolling interest	—	—	7	—	(7)	—
Total other comprehensive loss	—	—	—	(393)	—	(393)
Common stock dividends paid, $0.25 per share	—	—	(32,237)	—	—	(32,237)
Issuance of 16,150 shares of common stock for exercise of stock options	—	266	—	—	—	266
Stock-based compensation expense	—	3,585	—	—	—	3,585
Forfeitures of 11,485 shares of unvested restricted common stock	—	—	—	—	—	—
Balances – December 31, 2019	$ 1,289	$2,251,824	$1,869,983	$ 27,255	$ 3,117	$4,153,468
Twelve months ended December 31, 2019:						
Balances – December 31, 2018	$ 1,286	$2,237,948	$1,565,201	$ (34,105)	$ 3,035	$3,773,365
Net income	—	—	425,908	—	—	425,908
Earnings attributable to noncontrolling interest	—	—	(2)	—	2	—
Total other comprehensive income	—	—	—	61,360	—	61,360
Common stock dividends paid, $0.94 per share	—	—	(121,124)	—	—	(121,124)
Noncontrolling interest cash contribution	—	—	—	—	80	80
Issuance of 83,500 shares of common stock for exercise of stock options	1	1,384	—	—	—	1,385
Issuance of 406,074 shares of unvested restricted common stock	4	(4)	—	—	—	—
Repurchase and cancellation of 63,716 shares of common stock	(1)	(1,674)	—	—	—	(1,675)
Stock-based compensation expense	—	14,169	—	—	—	14,169
Forfeiture of 85,883 shares of unvested restricted common stock	(1)	1	—	—	—	—
Balances – December 31, 2019	$ 1,289	$2,251,824	$1,869,983	$ 27,255	$ 3,117	$4,153,468

Bank OZK

Consolidated Statements of Stockholders' Equity (continued)

Unaudited

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Non-Controlling Interest	Total
	(Dollars in thousands, except per share amounts)					
Three months ended December 31, 2018:						
Balances – September 30, 2018	$ 1,286	$2,234,383	$1,477,178	$ (59,251)	$ 3,038	$3,656,634
Net income	—	—	115,028	—	—	115,028
Earnings attributable to noncontrolling interest	—	—	3	—	(3)	—
Total other comprehensive income	—	—	—	25,146	—	25,146
Common stock dividends paid, $0.21 per share	—	—	(27,008)	—	—	(27,008)
Issuance of 6,850 shares of common stock for exercise of stock options	—	63	—	—	—	63
Issuance of 224 shares of unvested restricted common stock	—	—	—	—	—	—
Stock-based compensation expense	—	3,502	—	—	—	3,502
Forfeiture of 5,262 shares of unvested restricted common stock	—	—	—	—	—	—
Balances – December 31, 2018	$ 1,286	$2,237,948	$1,565,201	$ (34,105)	$ 3,035	$3,773,365
Twelve months ended December 31, 2018:						
Balances – December 31, 2017	$ 1,283	$2,221,844	$1,250,313	$ (12,712)	$ 3,060	$3,463,788
Net income	—	—	417,081	—	—	417,081
Earnings attributable to noncontrolling interest	—	—	25	—	(25)	—
Total other comprehensive loss	—	—	—	(21,393)	—	(21,393)
Common stock dividends paid, $0.795 per share	—	—	(102,218)	—	—	(102,218)
Issuance of 223,840 shares of common stock for exercise of stock options	2	5,740	—	—	—	5,742
Issuance of 220,326 shares of unvested restricted common stock	2	(2)	—	—	—	—
Repurchase and cancellation of 71,750 shares of common stock	(1)	(3,769)	—	—	—	(3,770)
Stock-based compensation expense	—	14,135	—	—	—	14,135
Forfeitures of 48,917 shares of unvested restricted common stock	—	—	—	—	—	—
Balances – December 31, 2018	$ 1,286	$2,237,948	$1,565,201	$ (34,105)	$ 3,035	$3,773,365

Bank OZK
Summary of Non-Interest Expense
Unaudited

	Three Months Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
	(Dollars in thousands)			
Salaries and employee benefits	$ 52,050	$ 41,837	$ 192,851	$ 170,478
Net occupancy and equipment	14,855	14,027	59,018	56,362
Other operating expenses:				
Professional and outside services	7,156	8,325	33,030	35,867
Software and data processing	4,974	3,943	19,535	13,729
Deposit insurance and assessments	3,780	3,672	13,425	14,740
Travel and meals	2,845	2,482	11,230	9,650
Telecommunication services	2,335	3,023	10,583	13,080
Postage and supplies	2,483	2,214	8,684	9,144
Advertising and public relations	1,822	1,472	7,242	11,557
ATM expense	1,263	544	4,626	4,227
Loan collection and repossession expense	600	1,077	2,818	3,302
Writedowns of foreclosed assets	910	1,841	2,419	2,996
Writedown of signage due to strategic rebranding	—	—	—	4,915
Amortization of intangibles	2,854	3,144	11,918	12,579
Other	6,479	7,292	23,751	18,126
Total non-interest expense	$ 104,406	$ 94,893	$ 401,130	$ 380,752

Bank OZK
Summary of Total Loans Outstanding
Unaudited

	December 31, 2019		December 31, 2018	
	(Dollars in thousands)			
Real estate:				
Residential 1-4 family	$ 998,632	5.7%	$ 1,049,460	6.1%
Non-farm/non-residential	3,956,579	22.6	4,319,388	25.2
Construction/land development	6,391,429	36.4	6,562,185	38.4
Agricultural	230,076	1.3	165,088	1.0
Multifamily residential	1,194,192	6.8	1,116,026	6.5
Total real estate	12,770,908	72.8	13,212,147	77.2
Commercial and industrial	661,952	3.8	823,417	4.8
Consumer	2,934,534	16.8	2,345,863	13.7
Other	1,164,649	6.6	736,396	4.3
Total loans	17,532,043	100.0%	17,117,823	100.0%
Allowance for loan losses	(108,525)		(102,264)	
Net loans	$ 17,423,518		$ 17,015,559	

Summary of Deposits
Unaudited

	December 31, 2019		December 31, 2018	
	(Dollars in thousands)			
Non-interest bearing	$ 2,795,251	15.1%	$ 2,748,273	15.3%
Interest bearing:				
Transaction (NOW)	2,706,426	14.7	2,359,299	13.2
Savings and money market	5,601,181	30.3	7,323,414	40.8
Time deposits less than $100	3,321,446	18.0	2,297,101	12.8
Time deposits of $100 or more	4,049,955	21.9	3,210,328	17.9
Total deposits	$ 18,474,259	100.0%	$ 17,938,415	100.0%

Bank OZK
Selected Consolidated Financial Data
Unaudited

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	% Change	Year Ended December 31, 2019	Year Ended December 31, 2018	% Change
	(Dollars in thousands, except per share amounts)					
Income statement data:						
Net interest income	$ 214,977	$ 228,382	(5.9)%	$ 884,181	$ 891,433	(0.8)%
Provision for loan losses	4,938	7,271	(32.1)	26,241	64,398	(59.3)
Non-interest income	30,406	27,560	10.3	107,527	107,775	(0.2)
Non-interest expense	104,406	94,893	10.0	401,130	380,752	5.4
Net income available to common stockholders	100,806	115,031	(12.4)	425,906	417,106	2.1
Common stock data:						
Net income per share - diluted	$ 0.78	$ 0.89	(12.4)%	$ 3.30	$ 3.24	1.9%
Net income per share - basic	0.78	0.89	(12.4)	3.30	3.24	1.9
Cash dividends per share	0.25	0.21	19.0	0.94	0.795	18.2
Book value per share	32.19	29.32	9.8	32.19	29.32	9.8
Tangible book value per share(1)	26.88	23.90	12.5	26.88	23.90	12.5
Diluted shares outstanding (thousands)	129,036	128,666		129,006	128,740	
End of period shares outstanding (thousands)	128,951	128,611		128,951	128,611	
Balance sheet data at period end:						
Total assets	$23,559,400	$22,388,030	5.2%	$23,559,400	$22,388,030	5.2%
Total loans	17,532,043	17,117,823	2.4	17,532,043	17,117,823	2.4
Non-purchased loans	16,224,539	15,073,791	7.6	16,224,539	15,073,791	7.6
Purchased loans	1,307,504	2,044,032	(36.0)	1,307,504	2,044,032	(36.0)
Allowance for loan losses	108,525	102,264	6.1	108,525	102,264	6.1
Foreclosed assets	19,096	16,171	18.1	19,096	16,171	18.1
Investment securities - AFS	2,277,389	2,862,340	(20.4)	2,277,389	2,862,340	(20.4)
Goodwill and other intangible assets, net	684,542	696,461	(1.7)	684,542	696,461	(1.7)
Deposits	18,474,259	17,938,415	3.0	18,474,259	17,938,415	3.0
Repurchase agreements with customers	11,249	20,564	(45.3)	11,249	20,564	(45.3)
Other borrowings	351,387	96,692	263.4	351,387	96,692	263.4
Subordinated notes	223,663	223,281	0.2	223,663	223,281	0.2
Subordinated debentures	119,916	119,358	0.5	119,916	119,358	0.5
Unfunded balance of closed loans	11,325,598	11,364,975	(0.3)	11,325,598	11,364,975	(0.3)
Total common stockholders' equity	4,150,351	3,770,330	10.1	4,150,351	3,770,330	10.1
Net unrealized gains (losses) on investment securities AFS included in common stockholders' equity	27,255	(34,105)		27,255	(34,105)	
Loan (including purchased loans) to deposit ratio	94.90%	95.43%		94.90%	95.43%	
Selected ratios:						
Return on average assets(2)	1.74%	2.04%		1.87%	1.90%	
Return on average common stockholders' equity(2)	9.73	12.36		10.72	11.59	
Return on average tangible common stockholders' equity(1) (2)	11.68	15.24		12.98	14.41	
Average common equity to total average assets	17.86	16.54		17.45	16.42	
Net interest margin – FTE(2)	4.15	4.55		4.34	4.59	
Efficiency ratio	42.37	36.90		40.27	37.93	
Net charge-offs to average non-purchased loans(2) (3)	0.10	0.06		0.09	0.38	
Net charge-offs to average total loans(2)	0.12	0.07		0.11	0.34	
Nonperforming loans to total loans(4)	0.15	0.23		0.15	0.23	
Nonperforming assets to total assets(4)	0.18	0.23		0.18	0.23	
Allowance for loan losses to non-purchased loans(5)	0.66	0.67		0.66	0.67	
Other information:						
Non-accrual loans(4)	$ 23,221	$ 34,762		$ 23,221	$ 34,762	
Accruing loans - 90 days past due(4)	—	—		—	—	
Troubled and restructured non-purchased loans - accruing(4)	656	627		656	627	
Impaired purchased loans	10,910	7,801		10,910	7,801	

(1)Calculations of tangible book value per common share and return on average tangible common stockholders' equity and the reconciliations to GAAP are included in the schedules accompanying this release.
(2)Ratios for interim periods annualized based on actual days.
(3)Excludes purchased loans and net charge-offs related to such loans.
(4)Excludes purchased loans, except for their inclusion in total assets.
(5)Excludes purchased loans and any allowance for such loans.

Bank OZK
Selected Consolidated Financial Data (continued)
Unaudited

	Three Months Ended		
	December 31, 2019	September 30, 2019	% Change
	(Dollars in thousands, except per share amounts)		
Income statement data:			
Net interest income	$ 214,997	$ 218,780	(1.7)%
Provision for loan losses	4,938	7,854	(37.1)
Non-interest income	30,406	26,446	15.0
Non-interest expense	104,406	100,914	3.5
Net income available to common stockholders	100,806	103,891	(3.0)
Common stock data:			
Net income per share - diluted	$ 0.78	$ 0.81	(3.7)%
Net income per share - basic	0.78	0.81	(3.7)
Cash dividends per share	0.25	0.24	4.2
Book value per share	32.19	31.63	1.8
Tangible book value per share [(1)]	26.88	26.30	2.2
Diluted shares outstanding (thousands)	129,036	129,012	
End of period shares outstanding (thousands)	128,951	128,946	
Balance sheet data at period end:			
Total assets	$ 23,559,400	$ 23,402,679	0.7%
Total loans	17,532,043	17,734,851	(1.1)
Non-purchased loans	16,224,539	16,307,621	(0.5)
Purchased loans	1,307,504	1,427,230	(8.4)
Allowance for loan losses	108,525	109,001	(0.4)
Foreclosed assets	19,096	33,319	(42.7)
Investment securities - AFS	2,277,389	2,414,722	(5.7)
Goodwill and other intangible assets, net	684,542	687,397	(0.4)
Deposits	18,474,259	18,440,078	0.2
Repurchase agreements with customers	11,249	12,156	(7.5)
Other borrowings	351,387	301,421	16.6
Subordinated notes	223,663	223,567	0.1
Subordinated debentures	119,916	119,775	0.1
Unfunded balance of closed loans	11,325,598	11,429,918	(0.9)
Total common stockholders’ equity	4,150,351	4,078,324	1.8
Net unrealized gains on investment securities AFS included in common stockholders' equity	27,255	27,648	
Loan (including purchased loans) to deposit ratio	94.90%	96.18%	
Selected ratios:			
Return on average assets[(2)]	1.74%	1.81%	
Return on average common stockholders’ equity[(2)]	9.73	10.22	
Return on average tangible common stockholders’ equity[(1) (2)]	11.68	12.33	
Average common equity to total average assets	17.86	17.69	
Net interest margin – FTE[(2)]	4.15	4.26	
Efficiency ratio	42.37	40.98	
Net charge-offs to average non-purchased loans[(2) (3)]	0.10	0.07	
Net charge-offs to average total loans[(2)]	0.12	0.12	
Nonperforming loans to total loans[(4)]	0.15	0.17	
Nonperforming assets to total assets[(4)]	0.18	0.26	
Allowance for loan losses to non-purchased loans[(5)]	0.66	0.66	
Other information:			
Non-accrual loans[(4)]	$ 23,221	$ 25,552	
Accruing loans - 90 days past due[(4)]	—	—	
Troubled and restructured non-purchased loans - accruing[(4)]	656	1,510	
Impaired purchased loans	10,910	12,969	

(1) Calculations of tangible book value per common share and return on average tangible common stockholders’ equity and the reconciliations to GAAP are included in the schedules accompanying this release.
(2) Ratios for interim periods annualized based on actual days.
(3) Excludes purchased loans and net charge-offs related to such loans.
(4) Excludes purchased loans, except for their inclusion in total assets.
(5) Excludes purchased loans and any allowance for such loans.

Bank OZK
Supplemental Quarterly Financial Data
Unaudited

	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19
	(Dollars in thousands, except per share amounts)							
Earnings Summary:								
Net interest income	$ 217,776	$ 224,661	$ 220,614	$ 228,382	$ 225,888	$ 224,536	$ 218,780	$ 214,977
Federal tax (FTE) adjustment	1,166	1,151	1,132	1,219	1,207	1,136	1,038	1,028
Net interest income (FTE)	218,942	225,812	221,746	229,601	227,095	225,672	219,818	216,005
Provision for loan losses	(5,567)	(9,610)	(41,949)	(7,271)	(6,681)	(6,769)	(7,854)	(4,938)
Non-interest income	28,707	27,386	24,121	27,560	24,072	26,603	26,446	30,406
Non-interest expense	(93,810)	(89,107)	(102,942)	(94,893)	(96,678)	(99,131)	(100,914)	(104,406)
Pretax income (FTE)	148,272	154,481	100,976	154,997	147,808	146,375	137,496	137,067
FTE adjustment	(1,166)	(1,151)	(1,132)	(1,219)	(1,207)	(1,136)	(1,038)	(1,028)
Provision for income taxes	(33,973)	(38,589)	(25,665)	(38,750)	(35,889)	(34,726)	(32,574)	(35,240)
Noncontrolling interest	11	10	1	3	(6)	(10)	7	7
Net income available to common stockholders	$ 113,144	$ 114,751	$ 74,180	$ 115,031	$ 110,706	$ 110,503	$ 103,891	$ 100,806
Earnings per common share – diluted	$ 0.88	$ 0.89	$ 0.58	$ 0.89	$ 0.86	$ 0.86	$ 0.81	$ 0.78
Non-interest Income:								
Service charges on deposit accounts	$ 9,525	$ 9,704	$ 9,730	$ 10,585	$ 9,722	$ 10,291	$ 10,827	$ 10,933
Trust income	1,793	1,591	1,730	1,821	1,730	1,839	1,975	2,010
BOLI income:								
Increase in cash surrender value	4,852	5,259	5,321	5,269	5,162	5,178	5,208	5,167
Death benefits	2,728	—	—	482	—	—	206	2,989
Other income from purchased loans	1,251	2,744	1,418	2,370	795	1,455	674	759
Loan service, maintenance and other fees	4,743	5,641	4,724	5,245	4,874	4,565	4,197	4,282
Gains (losses) on sales of other assets	1,426	844	(518)	465	284	402	189	1,358
Net gains on investment securities	17	—	—	—	—	713	—	—
Other	2,372	1,603	1,716	1,323	1,505	2,160	3,170	2,908
Total non-interest income	$ 28,707	$ 27,386	$ 24,121	$ 27,560	$ 24,072	$ 26,603	$ 26,446	$ 30,406
Non-interest Expense:								
Salaries and employee benefits	$ 45,499	$ 41,665	$ 41,477	$ 41,837	$ 44,868	$ 47,558	$ 48,376	$ 52,050
Net occupancy expense	14,150	13,827	14,358	14,027	14,750	14,587	14,825	14,855
Other operating expenses	34,161	33,615	47,107	39,029	37,060	36,986	37,713	37,501
Total non-interest expense	$ 93,810	$ 89,107	$ 102,942	$ 94,893	$ 96,678	$ 99,131	$ 100,914	$ 104,406
Balance Sheet Data:								
Total assets	$22,039,439	$22,220,380	$22,086,539	$22,388,030	$23,005,652	$22,960,731	$23,402,679	$23,559,400
Non-purchased loans	13,674,561	14,183,533	14,440,623	15,073,791	15,610,681	15,786,809	16,307,621	16,224,539
Purchased loans	2,934,535	2,580,341	2,285,168	2,044,032	1,864,715	1,698,396	1,427,230	1,307,504
Investment securities - AFS	2,603,600	2,608,439	2,669,877	2,862,340	2,769,602	2,548,489	2,414,722	2,277,389
Deposits	17,833,672	17,897,085	17,822,915	17,938,415	18,476,868	18,186,215	18,440,078	18,474,259
Unfunded balance of closed loans	12,551,032	11,999,661	11,891,247	11,364,975	11,544,218	11,167,055	11,429,918	11,325,598
Common stockholders' equity	3,526,605	3,613,903	3,653,596	3,770,330	3,882,643	3,993,247	4,078,324	4,150,351
Allowance for Loan Losses:								
Balance at beginning of period	$ 94,120	$ 98,097	$ 104,638	$ 98,200	$ 102,264	$ 105,954	$ 106,642	$ 109,001
Net charge-offs	(1,590)	(3,069)	(48,387)	(3,207)	(2,991)	(6,081)	(5,495)	(5,414)
Provision for loan losses	5,567	9,610	41,949	7,271	6,681	6,769	7,854	4,938
Balance at end of period	$ 98,097	$ 104,638	$ 98,200	$ 102,264	$ 105,954	$ 106,642	$ 109,001	$ 108,525
Selected Ratios:								
Net interest margin – FTE[1]	4.69%	4.66%	4.47%	4.55%	4.53%	4.45%	4.26%	4.15%
Efficiency ratio	37.88	35.19	41.87	36.90	38.49	39.30	40.98	42.37
Net charge-offs to average non-purchased loans[1] [2]	0.04	0.05	1.32	0.06	0.05	0.12	0.07	0.10
Net charge-offs to average total loans[1]	0.04	0.07	1.14	0.07	0.07	0.14	0.12	0.12
Nonperforming loans to total loans[3]	0.09	0.10	0.23	0.23	0.22	0.15	0.17	0.15
Nonperforming assets to total assets[3]	0.16	0.15	0.23	0.23	0.21	0.25	0.26	0.18
Allowance for loan losses to total non-purchased loans[4]	0.71	0.73	0.67	0.67	0.67	0.67	0.66	0.66
Loans past due 30 days or more, including past due non-accrual loans, to total loans[3]	0.14	0.12	0.17	0.28	0.28	0.13	0.14	0.19

[1]Ratios for interim periods annualized based on actual days.
[2]Excludes purchased loans and net charge-offs related to such loans.
[3]Excludes purchased loans, except for their inclusion in total assets.
[4]Excludes purchased loans and any allowance for such loans.

Bank OZK
Average Consolidated Balance Sheets and Net Interest Analysis – FTE
Unaudited

(Dollars in thousands)

	Three Months Ended December 31, 2019 Average Balance	2019 Income/ Expense	2019 Yield/ Rate	2018 Average Balance	2018 Income/ Expense	2018 Yield/ Rate	Year Ended December 31, 2019 Average Balance	2019 Income/ Expense	2019 Yield/ Rate	2018 Average Balance	2018 Income/ Expense	2018 Yield/ Rate
ASSETS												
Earning assets:												
Interest earning deposits and federal funds sold	$ 668,403	$ 2,756	1.64%	$ 102,931	$ 590	2.27%	$ 353,528	$ 6,758	1.91%	$ 160,148	$ 3,039	1.90%
Investment securities:												
Taxable	1,892,693	11,820	2.48	2,335,512	14,642	2.49	2,099,522	52,812	2.52	2,143,455	50,021	2.33
Tax-exempt – FTE	457,026	4,207	3.65	516,512	4,988	3.83	485,946	18,041	3.71	537,616	20,497	3.81
Non-purchased loans – FTE	16,260,467	241,056	5.88	14,874,156	237,615	6.34	15,861,797	982,430	6.19	14,040,952	858,466	6.11
Purchased loans	1,365,846	22,152	6.43	2,170,489	35,453	6.48	1,661,205	106,908	6.44	2,633,271	173,465	6.59
Total earning assets – FTE	20,644,435	281,991	5.42	19,999,600	293,288	5.82	20,461,998	1,166,949	5.70	19,515,442	1,105,488	5.66
Non-interest earning assets	2,370,753			2,319,305			2,297,372			2,395,813		
Total assets	$ 23,015,188			$ 22,318,905			$ 22,759,370			$ 21,911,255		
LIABILITIES AND STOCKHOLDERS' EQUITY												
Interest bearing liabilities:												
Deposits:												
Savings and interest bearing transaction	$ 8,212,286	$ 22,964	1.11%	$ 9,594,919	$ 33,200	1.37%	$ 9,039,984	$ 126,685	1.40%	$ 9,983,075	$ 118,771	1.19%
Time deposits of $100 or more	3,914,548	21,281	2.16	3,204,627	14,595	1.81	3,449,197	73,336	2.13	3,183,108	47,691	1.50
Other time deposits	3,392,019	17,386	2.03	2,124,920	8,813	1.65	2,872,676	58,337	2.03	1,651,960	20,155	1.22
Total interest bearing deposits	15,518,853	61,631	1.58	14,924,466	56,608	1.50	15,361,857	258,358	1.68	14,818,143	186,617	1.26
Repurchase agreements with customers	11,840	11	0.37	36,680	26	0.29	13,502	50	0.37	101,682	785	0.77
Other borrowings [(1)]	11,742	34	1.16	400,874	2,193	2.17	94,399	1,531	1.62	166,937	3,017	1.81
Subordinated notes	223,615	3,216	5.71	223,230	3,216	5.71	223,469	12,757	5.71	223,089	12,757	5.72
Subordinated debentures [(1)]	119,842	1,094	3.62	119,284	1,644	5.47	119,629	5,664	4.73	119,076	6,211	5.22
Total interest bearing liabilities	15,885,892	65,986	1.65	15,704,534	63,687	1.61	15,812,856	278,360	1.76	15,428,927	209,387	1.36
Non-interest bearing liabilities:												
Non-interest bearing deposits	2,804,919			2,712,858			2,753,634			2,695,623		
Other non-interest bearing liabilities	210,936			206,434			217,809			185,035		
Total liabilities	18,901,747			18,623,826			18,784,299			18,309,585		
Common stockholders' equity	4,110,322			3,692,044			3,971,952			3,598,628		
Noncontrolling interest	3,119			3,035			3,119			3,042		
Total liabilities and stockholders' equity	$ 23,015,188			$ 22,318,905			$ 22,759,370			$ 21,911,255		
Net interest income – FTE		$ 216,005			$ 229,601			$ 888,589			$ 896,101	
Net interest margin – FTE			4.15%			4.55%			4.34%			4.59%

(1) The interest expense and the rates for "other borrowings" and for "subordinated debentures" were affected by capitalized interest. Capitalized interest included in other borrowings totaled $0.04 million for the fourth quarter and $0.90 million for the full year of 2019 and $0.25 million for the fourth quarter and $0.64 million for the full year of 2018. In the absence of this interest capitalization, the rates on other borrowings would have been 2.64% for the fourth quarter and 2.58% for the full year of 2019 and 2.42% for the fourth quarter and 2.19% for the full year of 2018. Capitalized interest included in subordinated debentures totaled $0.45 million for the fourth quarter and $0.89 million for the full year of 2019 (none in 2018). In the absence of this interest capitalization, the rates on subordinated debentures would have been 5.10% for the fourth quarter and 5.48% for the full year of 2019.

Bank OZK
Reconciliation of Non-GAAP Financial Measures

Calculation of Average Tangible Common Stockholders' Equity and the Annualized Return on Average Tangible Common Stockholders' Equity
Unaudited

	Three Months Ended			Year Ended	
	December 31,		September 30,	December 31,	
	2019	2018	2019	2019	2018
	(Dollars in thousands)				
Net income available to common stockholders	$ 100,806	$ 115,031	$ 103,891	$ 425,906	$ 417,106
Average common stockholders' equity before noncontrolling interest	$4,110,322	$3,692,044	$4,032,066	$3,971,952	$3,598,628
Less average intangible assets:					
Goodwill	(660,789)	(660,789)	(660,789)	(660,789)	(660,789)
Core deposit and other intangibles, net of accumulated amortization	(25,315)	(37,654)	(28,275)	(29,784)	(42,315)
Total average intangibles	(686,104)	(698,443)	(689,064)	(690,573)	(703,104)
Average tangible common stockholders' equity	$3,424,218	$2,993,601	$3,343,002	$3,281,379	$2,895,524
Return on average common stockholders' equity[1]	9.73%	12.36%	10.22%	10.72%	11.59%
Return on average tangible common stockholders' equity[1]	11.68%	15.24%	12.33%	12.98%	14.41%

[1] Ratios for interim periods annualized based on actual days.

Calculation of Total Tangible Common Stockholders' Equity and Tangible Book Value per Common Share
Unaudited

	December 31,		September 30,
	2019	2018	2019
	(In thousands, except per share amounts)		
Total common stockholders' equity before noncontrolling interest	$ 4,150,351	$ 3,770,330	$ 4,078,324
Less intangible assets:			
Goodwill	(660,789)	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(23,753)	(35,672)	(26,608)
Total intangibles	(684,542)	(696,461)	(687,397)
Total tangible common stockholders' equity	$ 3,465,809	$ 3,073,869	$ 3,390,927
Shares of common stock outstanding	128,951	128,611	128,946
Book value per common share	$ 32.19	$ 29.32	$ 31.63
Tangible book value per common share	$ 26.88	$ 23.90	$ 26.30

Calculation of Total Tangible Common Stockholders' Equity and the Ratio of Total Tangible Common Stockholders' Equity to Total Tangible Assets
Unaudited

	December 31, 2019	December 31, 2018
	(Dollars in thousands)	
Total common stockholders' equity before noncontrolling interest	$ 4,150,351	$ 3,770,330
Less intangible assets:		
Goodwill	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(23,753)	(35,672)
Total intangibles	(684,542)	(696,461)
Total tangible common stockholders' equity	$ 3,465,809	$ 3,073,869
Total assets	$ 23,559,400	$ 22,388,030
Less intangible assets:		
Goodwill	(660,789)	(660,789)
Core deposit and other intangible assets, net of accumulated amortization	(23,753)	(35,672)
Total intangibles	(684,542)	(696,461)
Total tangible assets	$ 22,874,858	$ 21,691,569
Ratio of total common stockholders' equity to total assets	17.62%	16.84%
Ratio of total tangible common stockholders' equity to total tangible assets	15.15%	14.17%

Exhibit 99.2

Bank OZK

MANAGEMENT COMMENTS FOR THE FOURTH QUARTER & FULL YEAR 2019

JANUARY 16, 2020

FORWARD LOOKING STATEMENTS

This presentation and other communications by Bank OZK (the "Bank") include certain "forward-looking statements" regarding the Bank's plans, expectations, thoughts, beliefs, estimates, goals and outlook for the future that are intended to be covered by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management's expectations as well as certain assumptions and estimates made by, and information available to, management at the time. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems implementing the Bank's growth, expansion and acquisition strategies, including delays in identifying satisfactory sites, hiring or retaining qualified personnel, obtaining regulatory or other approvals, obtaining permits and designing, constructing and opening new offices or relocating or closing existing offices; the ability to enter into and/or close additional acquisitions; the availability of and access to capital; possible downgrades in the Bank's credit ratings or outlook which could increase the costs or availability of funding from capital markets; the ability to attract new or retain existing or acquired deposits or to retain or grow loans, including growth from unfunded closed loans; the ability to generate future revenue growth or to control future growth in non-interest expense; interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates or changes in the relative relationships of various interest rate indices; the potential impact of the change in the method for determining LIBOR; competitive factors and pricing pressures, including their effect on the Bank's net interest margin or core spread; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; changes in legal, financial and/or regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses to comply with new and/or existing legislation and regulatory actions; changes in U.S. government monetary and fiscal policy; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; FDIC special assessments or changes to regular assessments; the impact of failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank or its customers; natural disasters or acts of war or terrorism; international or political instability; impairment of our goodwill or other intangible assets; adoption of new accounting standards, including the estimated effects from the adoption of the current expected credit loss ("CECL") model on January 1, 2020, or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions or rulings as well as other factors identified in this communication or as detailed from time to time in our public filings, including those factors described in the disclosures under the headings "Forward-Looking Information" and "Item 1A. Risk Factors" in our most recent Annual Report on Form 10-K for the year ended December 31, 2018 and our quarterly reports on Form 10-Q. Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those projected in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

Summary

We are pleased to report our record net income of $425.9 million for 2019. Throughout the year, we maintained our balanced, disciplined approach to credit quality, returns and growth. We achieved a 1.87% return on average assets ("ROAA") in 2019, while staying disciplined and making significant investments in our diverse and talented team, our technology and our infrastructure. These investments allow us to continue our quest for excellence in every aspect of serving our customers and other stakeholders.

For the fourth quarter of 2019, our net income was $100.8 million, resulting in a 1.74% annualized return on average assets, a 42.4% efficiency ratio and a 4.15% net interest margin. For the full year of 2019, our net income was $425.9 million, resulting in a 1.87% return on average assets, a 40.3% efficiency ratio and a 4.34% net interest margin.

Our asset quality was excellent throughout 2019. For the fourth quarter and full year of 2019, our annualized net charge-off ratios for non-purchased loans were 0.10% and 0.09%, respectively, and our annualized net charge-off ratios for total loans, both non-purchased and purchased, were 0.12% and 0.11%, respectively, all better than the recent industry average. At December 31, 2019, excluding purchased loans, our ratio of nonperforming loans to total loans was 0.15%, down from 0.23% at December 31, 2018, and our ratio of nonperforming assets to total assets was 0.18%, also down from 0.23% at year-end 2018.

We remain focused on delivering long-term value to our shareholders. At December 31, 2019, our book value per common share and our tangible book value per common share[1] were $32.19 and $26.88, respectively, reflecting increases of 9.8% and 12.5%, respectively, from December 31, 2018. Over the last 10 years, we have increased tangible book value per common share by a cumulative 590%, resulting in a compound annual growth rate of 21.3%.

On January 2, 2020, our Board of Directors approved a regular quarterly cash dividend of $0.26 payable on January 24, 2020, representing a 4.0% increase over the dividend paid in October 2019 and an 18.2% increase over the dividend paid in January 2019. Over the last 10 years, we have increased our dividend (split-adjusted) by a cumulative 623%, resulting in a compound annual growth rate of 21.9%. In addition, we have increased our dividend for 38 consecutive quarters and every year since going public in 1997.

[1] See the schedule at the end of this presentation for the calculation of the Bank's tangible book value per common share and the reconciliation to the most directly comparable generally accepted accounting principles ("GAAP") measure.

Profitability and Earnings Metrics

Our results in recent quarters have been impacted by various factors, including our large volume of loan repayments, the competitive environment for loans and deposits, and decreases in LIBOR and other interest rate indexes. We will describe these factors in more detail in these management comments.

Net income for the fourth quarter of 2019 was $100.8 million, a 12.4% decrease from $115.0 million for the fourth quarter of 2018, and a 3.0% decrease from $103.9 million in the third quarter of 2019. Diluted earnings per common share for the fourth quarter of 2019 were $0.78, a 12.4% decrease from $0.89 for the fourth quarter of 2018, and a 3.7% decrease from $0.81 for the third quarter of 2019.

Our annualized return on average assets was 1.74% for the fourth quarter of 2019 compared to 2.04% in the fourth quarter of 2018. Our annualized returns on average common stockholders' equity and average tangible common stockholders' equity[2] for the fourth quarter of 2019 were 9.73% and 11.68%, respectively, compared to 12.36% and 15.24%, respectively, for the fourth quarter of 2018.

For the year ended December 31, 2019, net income was $425.9 million, a 2.1% increase from $417.1 million for the full year of 2018. Diluted earnings per common share for the full year of 2019 were $3.30, a 1.9% increase from $3.24 for the full year of 2018.

Our return on average assets for the full year of 2019 was 1.87%, compared to 1.90% for the full year of 2018. Our returns on average common stockholders' equity and average tangible common stockholders' equity[2] for the full year of 2019 were 10.72% and 12.98%, respectively, compared to 11.59% and 14.41%, respectively, for the full year of 2018.

[2] The calculation of the Bank's return on average tangible common stockholders' equity and the reconciliation to GAAP are included in the schedule at the end of this presentation.

Figures 1 and 2 reflect our long history of net income growth and favorable earnings metrics.

Figure 1: Profitability and Earnings Growth

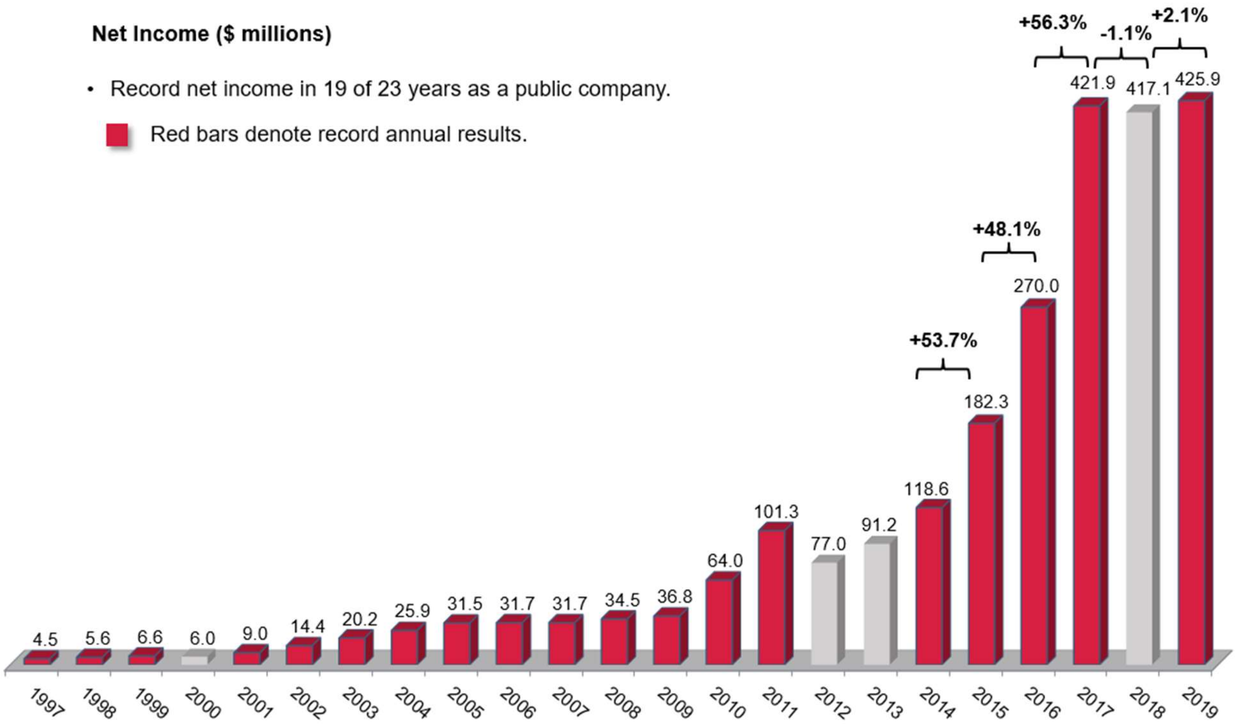
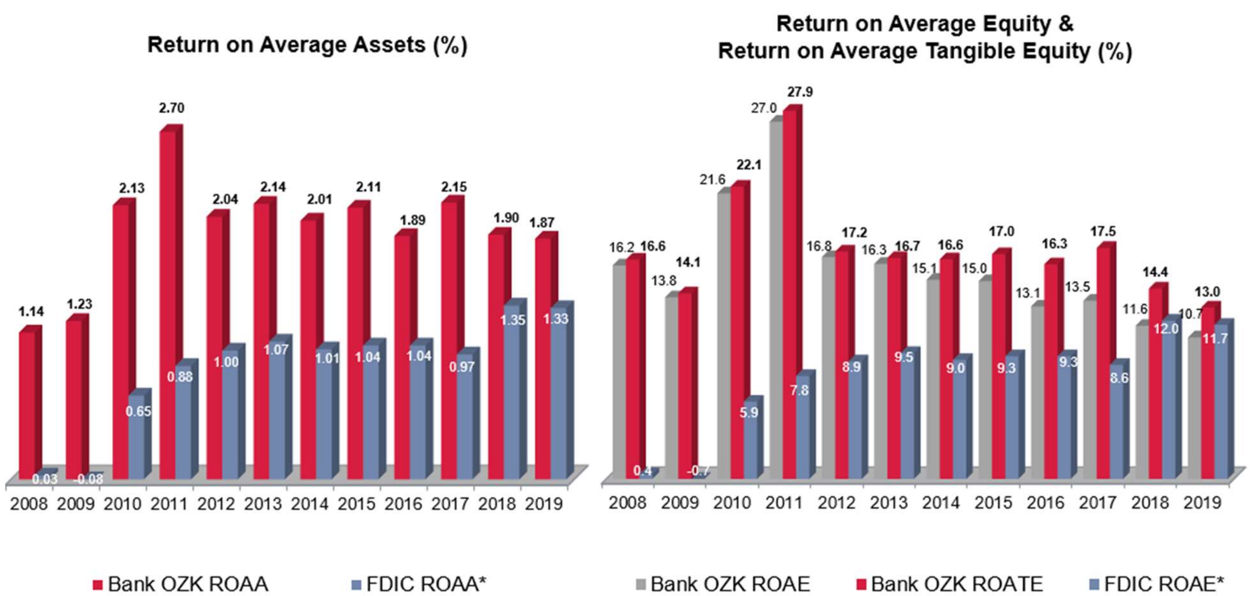


Figure 2: Earnings Metrics



**Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last update third quarter 2019. Annualized when appropriate.*

Calculations of return on average tangible common stockholders' equity and the reconciliations to GAAP are included in the schedule at the end of this presentation.

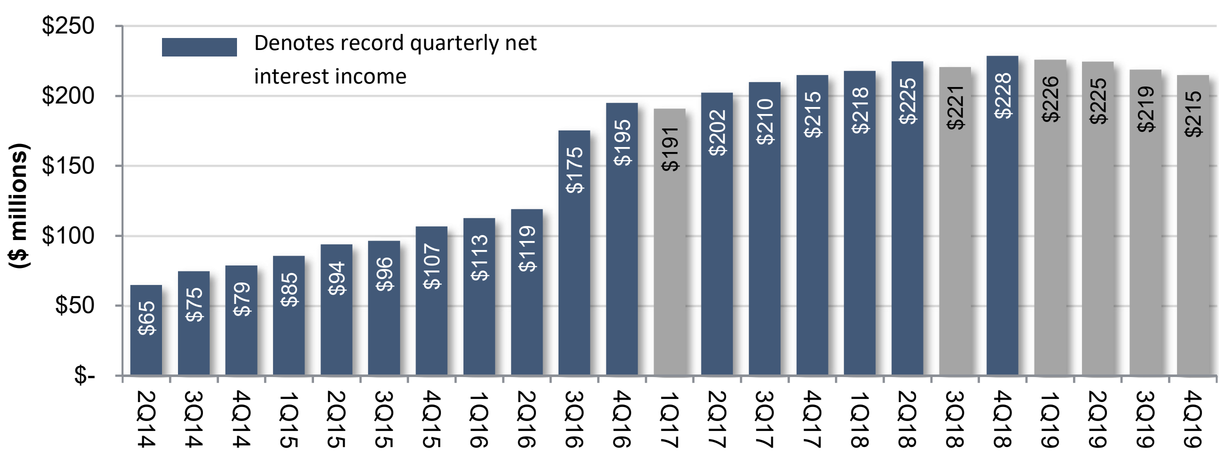
Net Interest Income

Net interest income is our largest category of revenue. It is affected by many factors, including our volume and mix of earning assets; our volume and mix of deposits and other liabilities; our net interest margin; our core spread, which is how we describe the difference between our yield on non-purchased loans and our cost of interest-bearing deposits ("COIBD"); and other factors.

Net interest income in the fourth quarter of 2019 was $215.0 million, a decrease of 5.9% from $228.4 million in the fourth quarter of 2018. Net interest income in the full year of 2019 was $884.2 million, a decrease of 0.8% from $891.4 million in the full year of 2018.

As reflected in Figure 3, our growth in net interest income has been inhibited in recent quarters by, among other factors, the large volume of loan repayments of non-purchased loans, the pay-downs in our purchased loan portfolio, the impact on our net interest margin from the competitive environment for loans and deposits, and recent decreases in LIBOR and other interest rate indexes. As we have previously discussed, our approach to returning to positive quarterly growth in net interest income includes growing loans through our various lending channels and further reducing our COIBD through enhanced focus on managing our deposit pricing and deposit products. We will continue to pursue this approach, but we will not dilute our focus on credit quality or minimum return standards in order to achieve growth.

Figure 3: Quarterly Net Interest Income Since 2Q14



Average Earning Assets – Volume and Mix

Our average earning assets for the quarter just ended totaled $20.6 billion, a 3.2% increase from $20.0 billion for the fourth quarter of 2018. Average earning assets were $20.5 billion for the full year of 2019, a 4.9% increase from $19.5 billion for the full year of 2018. Our growth in average earning assets in recent quarters has been limited by (i) a high level of repayments of non-purchased loans and (ii) the ongoing pay-downs of purchased loans.

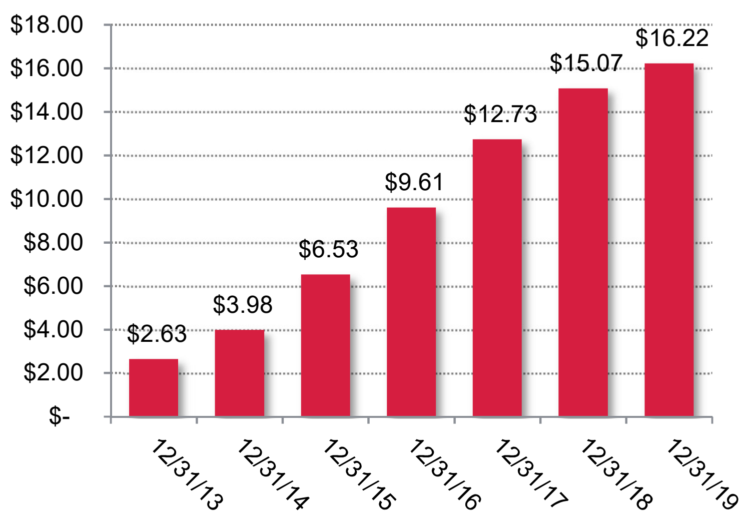
Total Loans

During the quarter just ended, our outstanding balance of total loans decreased $203 million from September 30, 2019, or 1.1% not annualized. For the full year of 2019, our outstanding balance of total loans increased $414 million, or 2.4%, compared to year-end 2018.

Non-purchased Loans

Non-purchased loans, which are all loans excluding the remaining loans acquired in our 15 acquisitions, accounted for 78.8% of our average earning assets and 92.3% of our average total loans in the quarter just ended. During the quarter, our outstanding balance of non-purchased loans decreased $83 million, or 0.5% not annualized. For the full year of 2019, our outstanding balance of non-purchased loans increased $1.15 billion, or 7.6%. For 2020, we expect our growth rate for non-purchased loans will most likely be below the growth rate achieved in 2019. Loan growth may vary widely quarter-to-quarter, and our actual results for the full-year of 2020 could vary significantly from current expectations due to economic conditions, competition or other factors.

Figure 4: Funded Balance of Non-purchased Loans ($ billions)



Non-purchased loan growth		
	$ Billions	%
2013	$0.52	24%
2014	$1.35	51%
2015	$2.55	64%
2016	$3.08	47%
2017	$3.13	33%
2018	$2.34	18%
2019	$1.15	8%

Real Estate Specialties Group ("RESG") accounted for 58% of the funded balance of non-purchased loans as of December 31, 2019. RESG's funded balance of non-purchased loans decreased $0.16 billion in the fourth quarter of 2019 due to a record level of RESG loan repayments. RESG's funded balance of non-purchased loans grew $0.31 billion for the full year of 2019. Figures 5 and 6 reflect the changes in the funded balance of RESG loans for the fourth quarter and full year of 2019.

Figure 5: Activity in RESG Funded Balances – 4Q19 ($ billions)

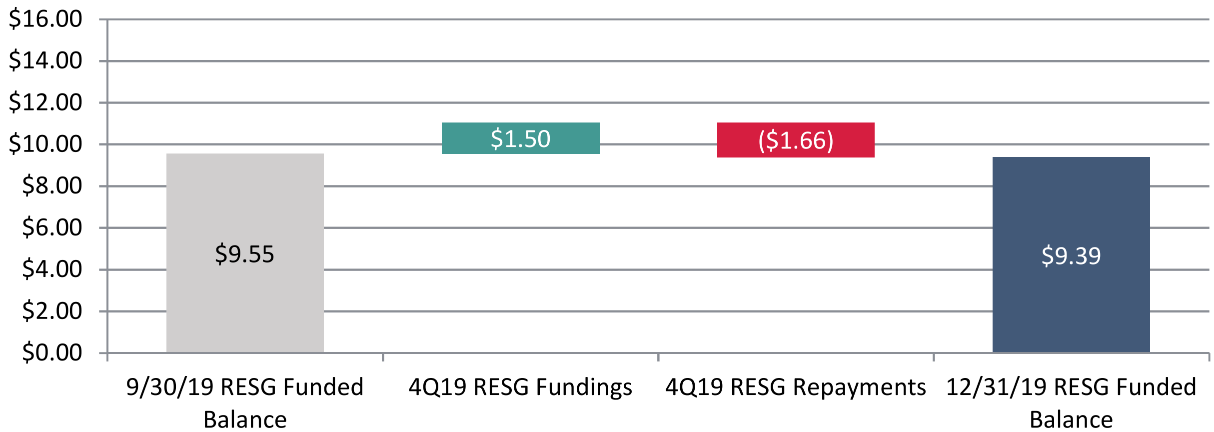


Figure 6: Activity in RESG Funded Balances – 2019 ($ billions)

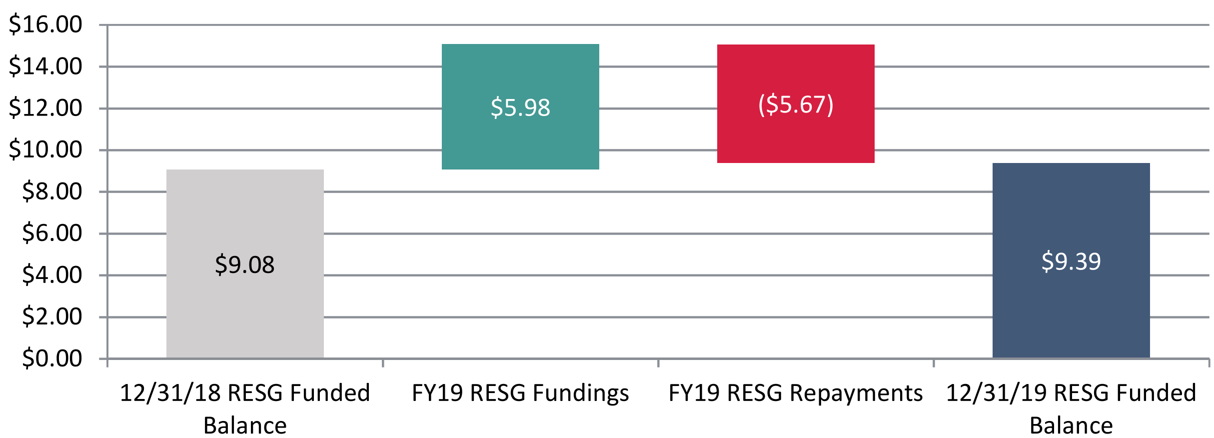


Figure 7 shows RESG's quarterly loan repayments for each of the last 16 quarters. In recent quarters, our growth in non-purchased loans has been limited by, among other factors, the high level of RESG loan repayments.

Figure 7: RESG Quarterly Loan Repayments

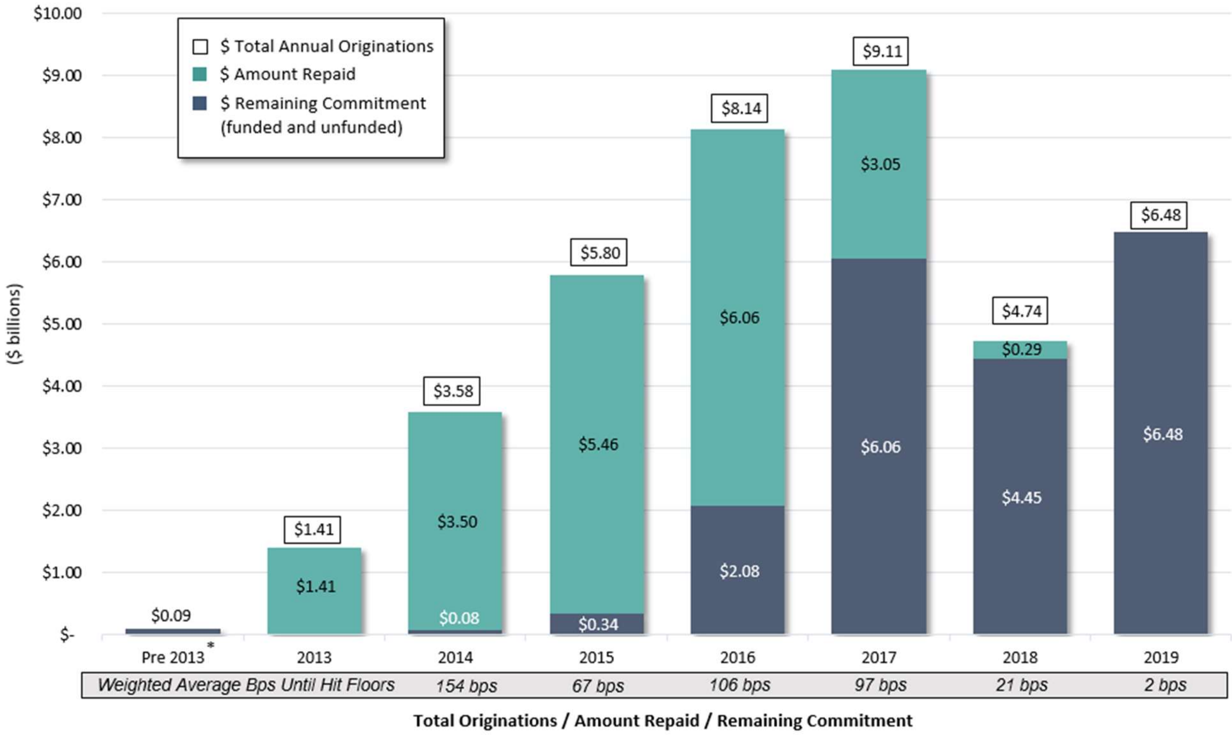
($ billions)

	Q1	**Q2**	**Q3**	**Q4**	**Total**
FY2016	$0.21	$0.41	$0.69	$0.48	$1.79
FY2017	$0.57	$0.98	$0.87	$1.45	$3.86
FY2018	$0.79	$1.40	$1.52	$1.11	$4.82
FY2019	$1.13	$1.54	$1.34	$1.66	$5.67

RESG loan repayments were at a record annual level in 2019 and a record quarterly level in the quarter just ended. RESG loan repayments are expected to continue to be significant in 2020 due to high levels of property sales, leasing and refinancing activity. Most RESG loans are construction and development loans, which typically pay off within two to four years of origination depending on the size and complexity of the project. Accordingly, the high level of RESG loan originations in 2016 and 2017 have resulted in high levels of loan repayments in most of the last nine quarters and are expected to result in a continued high level of repayments. RESG loan repayments in 2020 are likely to exceed the record level of loan repayments in 2019. The level of repayments may vary substantially from quarter-to-quarter and may have an outsized impact in one or more quarters.

Figure 8 illustrates the typical cadence of RESG loan originations and repayments. It shows the amount of each year's originations which have been repaid and which remain as outstanding commitments, both funded and unfunded. In addition, the data at the bottom of Figure 8 shows that more recently originated loans are typically closer to their contractual floor interest rates than older vintage loans.

Figure 8: RESG Origination and Repayment Trends by Year of Origination *(Total Commitment)*



** Amounts paid down are not shown for pre-2013 originations*

Figure 9 shows RESG's quarterly loan originations for each of the last 16 quarters. RESG loan originations for the fourth quarter of 2019 were $1.44 billion and for the full year of 2019 were $6.48 billion, both increases, respectively, from the level of originations RESG achieved in the fourth quarter and full year of 2018. Our focus has been, and will continue to be, on maintaining our credit quality and return standards, even if maintaining those standards adversely affects our origination volume and non-purchased loan growth. We currently expect RESG's loan origination volume in 2020 to be slightly above the level achieved in 2019. RESG's origination volume in 2020 may vary significantly from quarter-to-quarter and may be impacted by economic conditions, competition or other factors.

Figure 9: RESG Quarterly Loan Originations ($ billions)

	Q1	Q2	Q3	Q4	Total
FY2016	$1.81	$1.98	$1.79	$2.56	$8.14
FY2017	$2.30	$2.04	$2.21	$2.56	$9.11
FY2018	$1.00	$1.19	$1.47	$1.08	$4.74
FY2019	$1.86	$1.15	$2.03	$1.44	$6.48

At December 31, 2019, RESG accounted for 89% of our $11.3 billion of unfunded balance of loans already closed. Figures 10 and 11 reflect the changes in the unfunded balance of our loans already closed, both RESG and others, for the fourth quarter and full year of 2019. The total unfunded balance decreased $0.10 billion during the quarter just ended and decreased $0.03 billion during the full year of 2019. Future quarterly increases or decreases in this unfunded balance will vary based on a variety of factors.

Figure 10: Activity in Unfunded Balances – 4Q19 ($ billions)

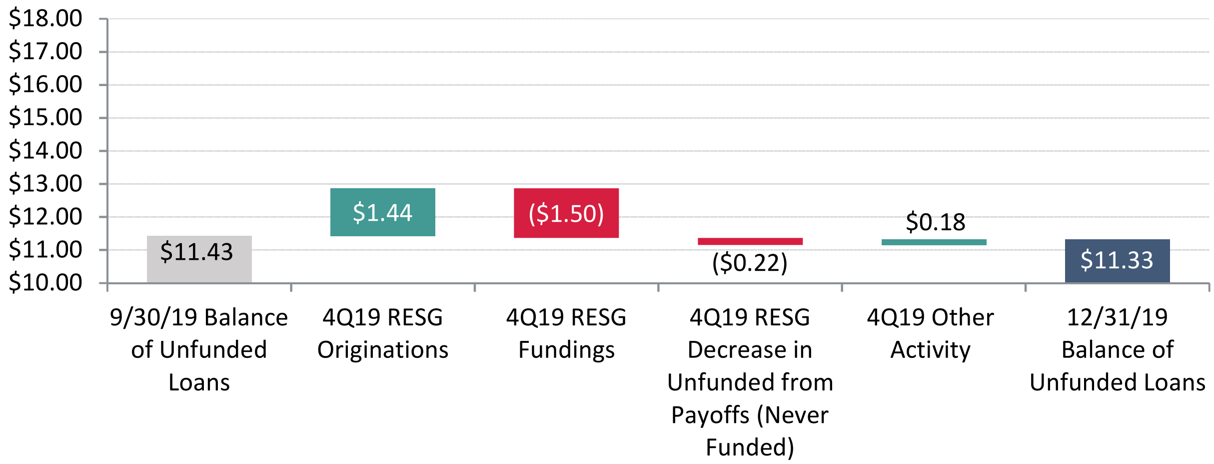
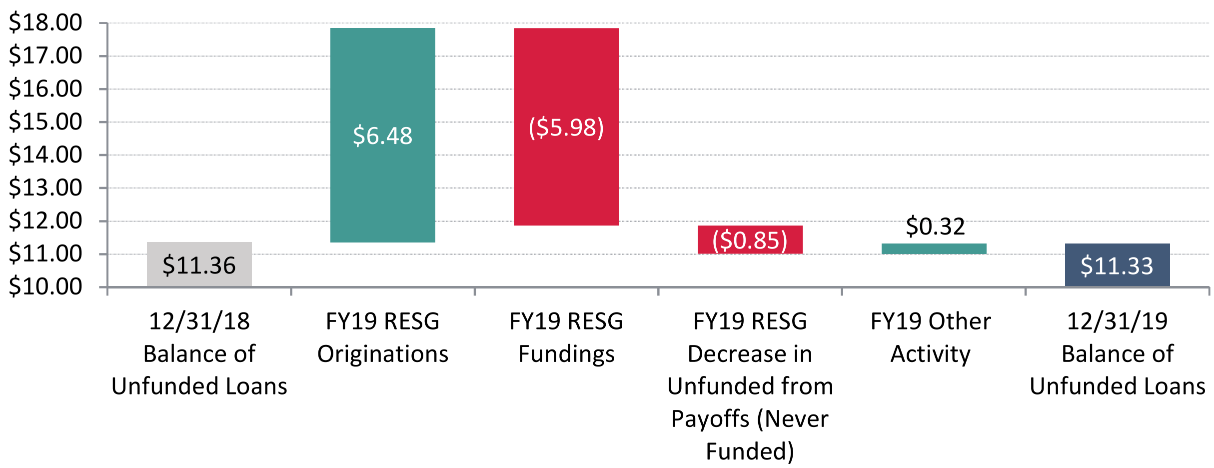


Figure 11: Activity in Unfunded Balances – 2019 ($ billions)



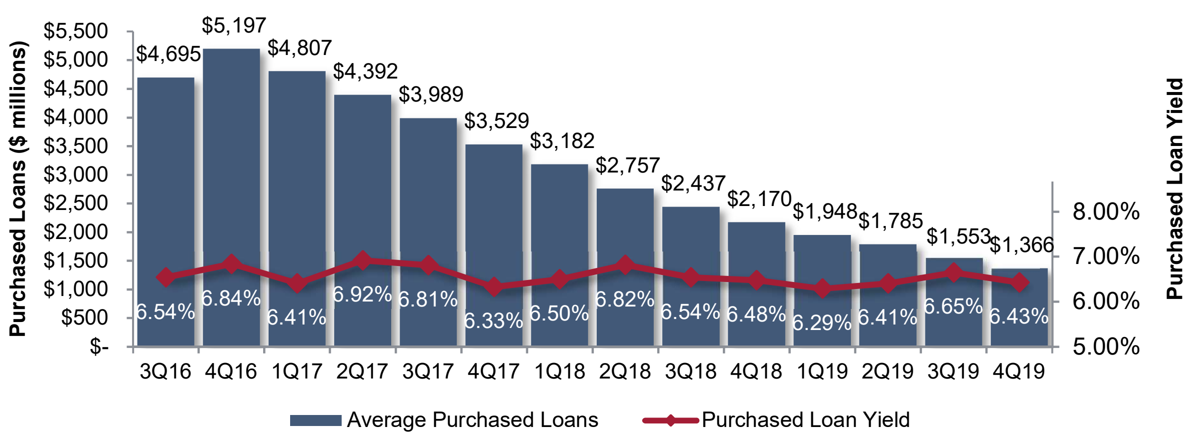
Investment Securities

Our investment securities portfolio is our second largest component of earning assets. During 2019, the volume of our investment securities decreased because we could not find sufficient securities meeting our requirements to replace securities repayments. We may increase or decrease our investment securities portfolio in future quarters, based on prevailing market conditions, including our ability to make additional purchases or sales at what we believe to be favorable prices, and other factors.

Purchased Loans

Purchased loans, which are the remaining loans from our 15 acquisitions, are our third largest component of earning assets. Purchased loans accounted for 6.6% of our average earning assets and 7.7% of average total loans in the quarter just ended. During the quarter, our purchased loan portfolio decreased $0.12 billion, or 8.4% not annualized, to $1.31 billion at December 31, 2019. For the full year of 2019, our purchased loan portfolio decreased by $0.74 billion, or 36.0%. Purchased loan runoff will continue to be a headwind to overall earning asset growth in 2020. Figure 12 shows our purchased loan portfolio trends.

Figure 12: Quarterly Purchased Loan Average Balances and Yields Since Closing Two Latest Acquisitions in July 2016



Net Interest Margin

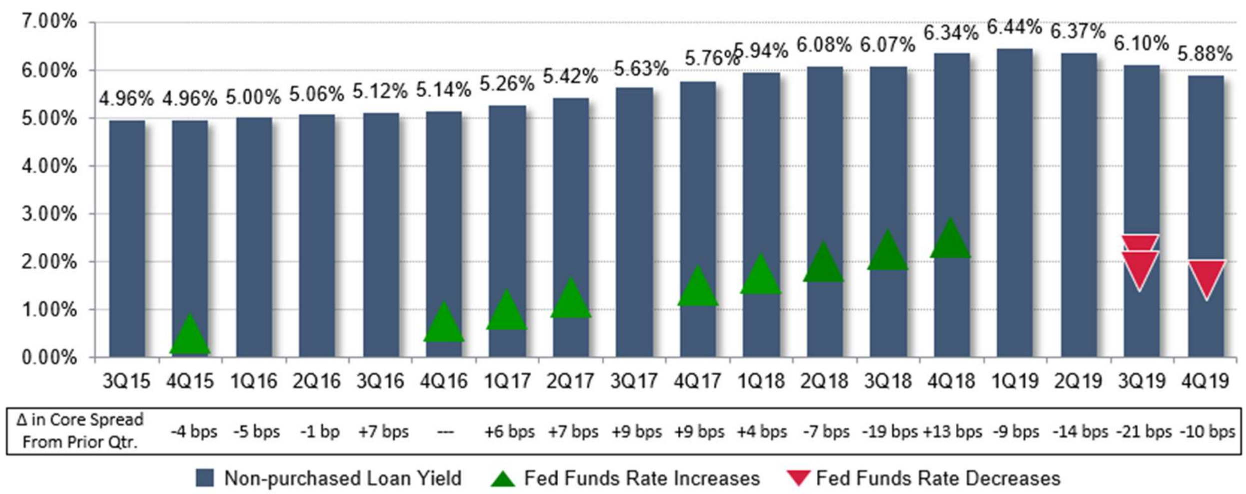
Our net interest margin was 4.15% for the quarter just ended, down 40 basis points ("bps") from the fourth quarter of 2018 and down 11 bps from the third quarter of 2019. Our net interest margin for the full year of 2019 was 4.34%, down 25 bps from the full year of 2018. In 2019, the decline in LIBOR rates, the relatively flat yield curve, and intense competition for loans and deposits, among other factors, created a challenging interest rate environment. Yet, our net interest margins of 4.15% for the fourth quarter and 4.34% for the full year of 2019 are still well above the recent industry average.

Non-purchased Loan Yield

Our yield on non-purchased loans was 5.88% for the quarter just ended, decreases of 46 bps from the fourth quarter of 2018 and 22 bps from the third quarter of 2019. Our yield on non-purchased loans for the full year of 2019 increased eight bps to 6.19% compared to 6.11% for the full year of 2018.

As shown in Figure 13, our yield on non-purchased loans generally tended to increase as the Federal Reserve increased the Fed funds target rate. More recently, decreases in the Fed funds target rate have resulted in lower LIBOR and other rates, which was a significant factor in decreasing our non-purchased loan yields.

Figure 13: Non-purchased Loan Yield Trends



Variable Rate Loans

At December 31, 2019, 74% of our funded balance of non-purchased loans and 42% of our funded balance of purchased loans had variable rates. If the Federal Reserve decreases the Fed funds target rate in the future, we would expect our yield on loans to decrease, even though we have endeavored to reduce the potential impact of any decreases in the Fed funds target rate by placing floor rates in many of our variable rate loans. Conversely, if the Federal Reserve increases the Fed funds target rate in the future, we would expect our yield on loans to increase.

At December 31, 2019, 99% of our funded variable rate non-purchased loans and 47% of our funded variable rate purchased loans had floor rates. The levels of floor rates in our variable rate loan portfolio are shown in Figure 14.

Figure 14: Variable Rate Floor Analysis

Change in Current Rate	% of Variable Rate Loans At Their Floor (as of December 31, 2019)						Total Commitment (Funded & Unfunded)	
	Funded Balance			Total Commitment (Funded and Unfunded)				
	Non-purchased	Purchased	Total	Non-purchased	Purchased	Total	as of 9/30/19	as of 6/30/19
Currently at Floor	34%	22%	33%	48%	20%	47%	27%	15%
Down 25 bps	41%	26%	40%	56%	24%	55%	38%	21%
Down 50 bps	48%	27%	47%	61%	25%	60%	47%	30%
Down 75 bps	59%	30%	58%	69%	28%	68%	51%	37%
Down 100 bps	67%	31%	66%	76%	30%	75%	56%	41%
Down 125 bps	80%	37%	78%	86%	36%	85%	66%	45%
Down 150 bps	93%	42%	90%	94%	40%	93%	80%	56%
Down 175 bps	97%	44%	95%	97%	43%	96%	92%	68%
Down 200 bps	99%	45%	96%	99%	45%	98%	95%	86%
Down 225 bps	99%	46%	97%	99%	47%	98%	98%	94%
Down 250 bps	99%	47%	97%	99%	48%	98%	98%	97%

As shown in the last three columns of Figure 14, the percentage of variable rate loans, as measured by total funded and unfunded commitment amounts, at their floor rates increased significantly during the last two quarters. As older variable rate loans, with floors that were set prior to or during the nine Fed funds target rate increases, are paid off and replaced with newer variable rate loans with more current floors, the percentage of variable rate loans with floor rates at or near current rates should continue to increase.

Changes in Loan Portfolio Mix Affect Net Interest Margin

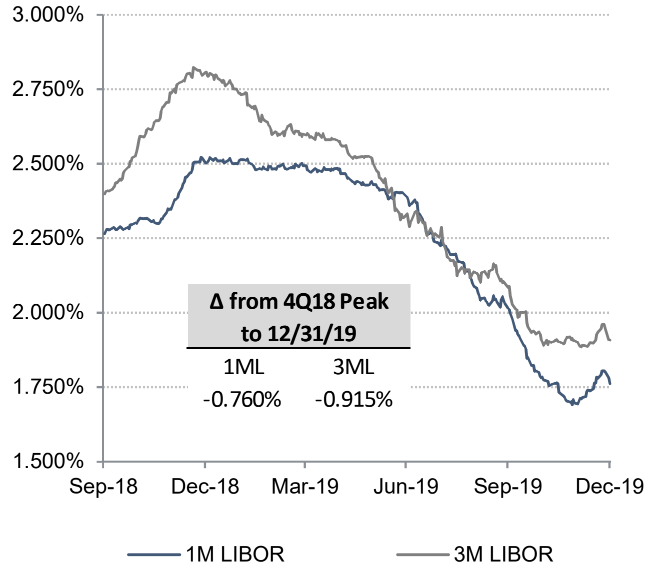
Changes in the mix of our loan portfolio also affect our net interest margin. For example, the differential in the yield between our purchased loan portfolio and our non-purchased loan portfolio has changed over time. Our more rate sensitive non-purchased loan portfolio benefited from interest rate increases, but was adversely affected by interest rate decreases. Our less rate sensitive purchased loan portfolio has been impacted to a lesser degree from changes in the direction of interest rates.

More recently, the decrease in the percentage of our higher yielding RESG non-purchased loans and the corresponding increase in the percentage of our lower yielding other categories of non-purchased loans has contributed to the pressure on our net interest margin. The mix of our non-purchased loan portfolio was not a significant factor in our net interest margin until after the Federal Reserve increased the Fed funds target rate over the last few years. Since all of our RESG loans are variable rate loans and many of our other non-purchased loans have fixed rates, the yield on our RESG non-purchased loan portfolio outperformed the yield on our other non-purchased loans as the Fed funds target rate increased. This outperformance may tend to reverse if the Fed funds target rate decreases in the future.

Additionally, our loan yields include various items such as accretion of deferred loan fees and discounts, amortization of deferred loan costs and premiums, minimum interest, prepayment penalties, and other such items that vary from quarter to quarter.

A variety of factors provided challenges to our net interest margin in 2019. These factors include, among others, the decreases in LIBOR rates, as shown in Figure 15, and other interest rate indexes; the flattening of the yield curve during 2019; competitive pricing of loans; competitive pricing of deposits; and changes in our mix of non-purchased loans. If interest rates remain relatively unchanged in 2020, that should eliminate some of those challenges and potentially help reduce the magnitude of any further declines in our net interest margin in 2020 as compared to our net interest margin in the fourth quarter of 2019.

Figure 15: LIBOR Rates
Source: Bloomberg



As shown in Figure 16, at December 31, 2019, 75.0% of our total funded balance of variable rate loans were tied to 1-month LIBOR, 4.1% were tied to 3-month LIBOR and 18.7% were tied to WSJ Prime.

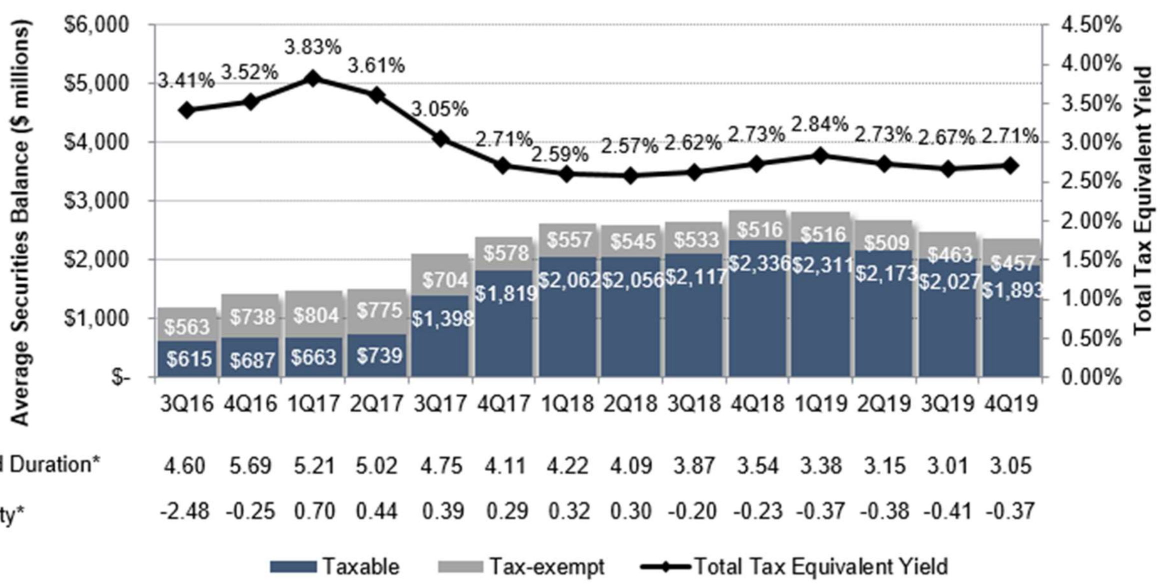
Figure 16: Summary of Funded Balance of Variable Rate Loan Indexes

% of Variable Rate Non-Purchased Loan Portfolio Tied to Index		% of Variable Rate Purchased Loan Portfolio Tied to Index		% of Variable Rate Total Loan Portfolio Tied to Index	
1-Month LIBOR	77.2%	1-Month LIBOR	27.4%	1-Month LIBOR	75.0%
3-Month LIBOR	4.3%	3-Month LIBOR	0.0%	3-Month LIBOR	4.1%
WSJ PRIME	17.3%	WSJ PRIME	50.1%	WSJ PRIME	18.7%
Other	1.2%	Other	22.5%	Other	2.2%

Investment Portfolio Yield

As shown in Figure 17, the yield on our investment portfolio was 2.71%, on a fully taxable equivalent ("FTE") basis, in the fourth quarter of 2019, a two bps decrease from 2.73% FTE in the fourth quarter of 2018, but a four bps increase from the third quarter of 2019. The yield on our investment portfolio was 2.74% FTE for the full year of 2019, an 11 bps increase from 2.63% FTE for the full year of 2018.

Figure 17: Securities Portfolio Average Balance and FTE Yield ($ millions)



	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19
Modified Duration*	4.60	5.69	5.21	5.02	4.75	4.11	4.22	4.09	3.87	3.54	3.38	3.15	3.01	3.05
Convexity*	-2.48	-0.25	0.70	0.44	0.39	0.29	0.32	0.30	-0.20	-0.23	-0.37	-0.38	-0.41	-0.37

** Modified duration and convexity data as of the end of each respective quarter.*

Core Spread

From the fourth quarter of 2015 through the second quarter of 2019, the Federal Reserve increased the Fed funds target rate nine times. This resulted in increases in our yield on variable rate loans and newly originated loans as well as increases in our costs of interest bearing deposits and borrowings. During that 15-quarter period, we had quarters in which our core spread increased and quarters in which it decreased. During that period, our yield on non-purchased loans increased 141 bps, substantially offsetting the 145 basis point increase in our COIBD.

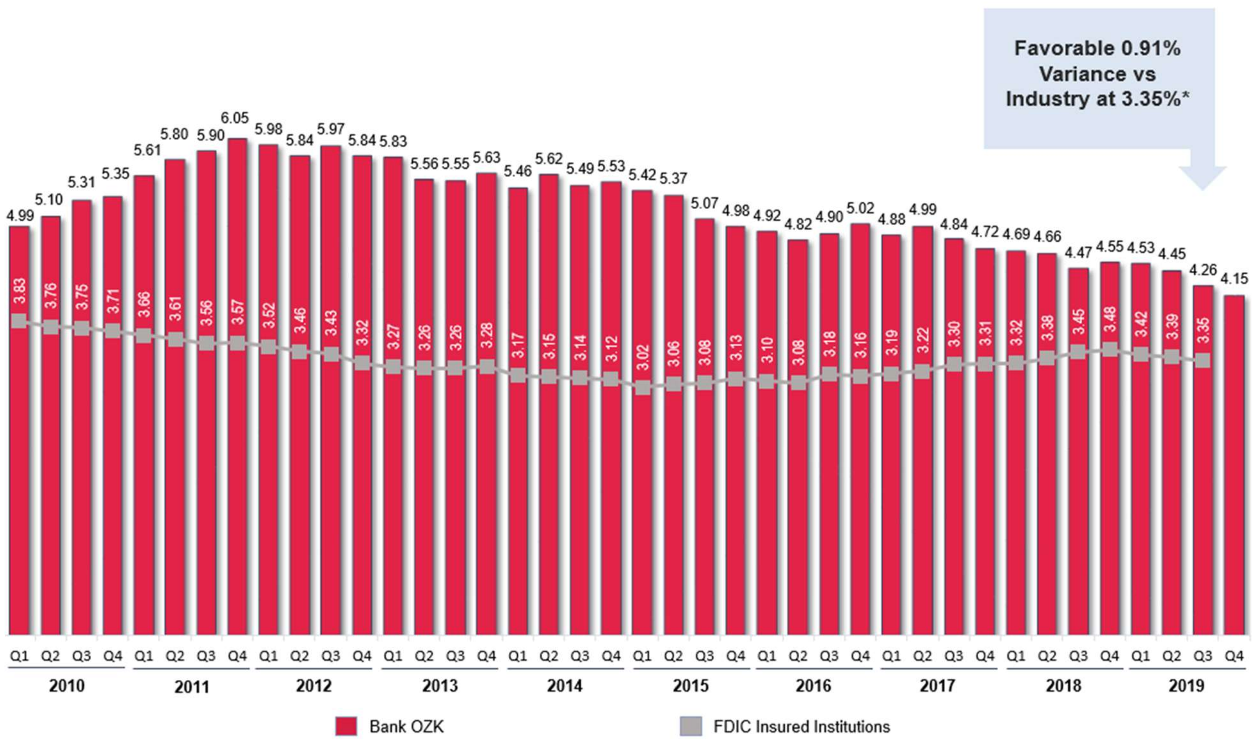
During the quarter just ended, the Federal Reserve decreased the Fed funds target rate once, contributing to the 10 basis point decrease to our core spread as compared to the third quarter of 2019. If the Federal Reserve decreases the Fed funds target rate in the future, we would expect our yield on non-purchased loans to continue decreasing; however, we would also expect our COIBD to continue decreasing.

In recent quarters, decreases in our COIBD have lagged decreases in our yield on non-purchased loans. During the quarter just ended, our COIBD decreased 12 bps after decreasing six bps in the third quarter of 2019. Even if the Federal Reserve makes no further changes to the Fed funds target rate, we believe our COIBD will continue to decrease over the next few quarters, albeit at a slower rate of decrease than achieved in the quarter just ended.

Net Interest Margin

We continue to perform well versus the industry on net interest margin, as shown in Figure 18.

Figure 18: Net Interest Margin (%)



*Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last update third quarter 2019.

Non-interest Income

Non-interest income for the fourth quarter of 2019 was $30.4 million, a 10.3% increase from $27.6 million for the fourth quarter of 2018. During the fourth quarter of 2019, we recognized $3.0 million of tax-exempt BOLI death benefit income as compared to $0.5 million in the fourth quarter of 2018. For the full year of 2019, non-interest income was $107.5 million, a 0.2% decrease from $107.8 million for the full year of 2018. As shown in Figures 19 and 20, over the past two years non-interest income has been relatively stable, although results have varied from quarter-to-quarter with significant variation within categories of non-interest income.

Figure 19: Quarterly Trends in Non-interest Income *($ thousands)*

	For the Three Months Ended								
	12/31/2017	3/31/2018	6/30/2018	9/30/2018	12/31/2018	3/31/2019	6/30/2019	9/30/2019	12/31/2019
Service charges on deposit accounts	$ 10,058	$ 9,525	$ 9,704	$ 9,730	$ 10,585	$ 9,722	$ 10,291	$ 10,827	$ 10,933
Mortgage lending income	1,294	492	1	24	20	-	-	-	-
Trust income	1,729	1,793	1,591	1,730	1,821	1,730	1,839	1,975	2,010
BOLI income									
Increase in cash surrender value	4,865	4,851	5,259	5,321	5,269	5,162	5,178	5,208	5,167
Death benefit	301	2,729	-	-	482	-	-	206	2,989
Other income from purchased loans	2,009	1,251	2,744	1,418	2,370	795	1,455	674	759
Loan service, maintenance and other fees	4,289	4,743	5,641	4,724	5,245	4,874	4,565	4,197	4,282
Net gains on investment securities	1,201	17	-	-	-	-	713	-	-
Gains (losses) on sales of other assets	1,899	1,426	844	(518)	465	284	402	189	1,358
Other	2,568	1,880	1,602	1,692	1,303	1,505	2,160	3,170	2,908
Total non-interest income	$ 30,213	$ 28,707	$ 27,386	$ 24,121	$ 27,560	$ 24,072	$ 26,603	$ 26,446	$ 30,406

Figure 20: Annual Trends in Non-interest Income – 2019 vs. 2018 *($ thousands)*

	For the Year Ended		
	12/31/2018	12/31/2019	% Change
Service charges on deposit accounts	$ 39,544	$ 41,774	5.6%
Mortgage lending income	538 *	-	NM
Trust income	6,935	7,554	8.9%
BOLI income			
Increase in cash surrender value	20,700	20,715	0.1%
Death benefit	3,211	3,194	-0.5%
Other income from purchased loans	7,784	3,684	-52.7%
Loan service, maintenance and other fees	20,354	17,917	-12.0%
Net gains on investment securities	17	713	NM
Gains (losses) on sales of other assets	2,219	2,233	0.6%
Other	6,473	9,743	50.5%
Total non-interest income	$ 107,775	$ 107,527	-0.2%

** Decision made to exit secondary market mortgage lending business in December 2017.*

Non-interest Expense

Non-interest expense for the fourth quarter of 2019 was $104.4 million, a 10.0% increase from $94.9 million in the fourth quarter of 2018. For the full year of 2019, non-interest expense was $401.1 million, a 5.4% increase from $380.8 million for the full year of 2018. We expect a high single digit percentage increase in non-interest expense in 2020 as compared to 2019. Figure 21 summarizes non-interest expense for the most recent nine quarters.

Figure 21: Quarterly Trends in Non-interest Expense *($ thousands)*

	For the Three Months Ended								
	12/31/2017	3/31/2018	6/30/2018	9/30/2018	12/31/2018	3/31/2019	6/30/2019	9/30/2019	12/31/2019
Salaries & employee benefits	$ 38,417	$ 45,499	$ 41,665	$ 41,477	$ 41,837	$ 44,868	$ 47,558	$ 48,376	$ 52,050
Net occupancy and equipment	13,474	14,150	13,827	14,358	14,027	14,750	14,587	14,825	14,855
Professional and outside services	10,269	8,705	9,112	9,725	8,325	8,564	8,105	9,204	7,156
Advertising and public relations	1,634	1,331	1,777	6,977	1,472	1,683	1,671	2,067	1,822
Telecommunication services	3,537	3,197	3,487	3,373	3,023	3,344	2,810	2,094	2,335
Software and data processing	2,382	3,340	3,110	3,336	3,943	4,709	4,757	5,095	4,974
Travel and meals	2,338	2,153	2,498	2,517	2,482	2,669	2,939	2,777	2,845
FDIC insurance and state assessments	3,583	3,562	3,558	3,948	3,672	3,652	3,488	2,505	3,780
Amortization of intangibles	3,145	3,145	3,145	3,145	3,144	3,145	3,012	2,907	2,854
Postage and supplies	2,063	2,195	2,218	2,517	2,214	2,103	2,058	2,040	2,483
ATM expense	1,644	1,363	1,118	1,202	544	987	1,099	1,277	1,263
Loan collection and repossession expense	949	790	503	932	1,077	984	918	317	600
Writedowns of foreclosed assets	994	151	460	544	1,841	562	594	354	910
Writedown of signage due to strategic rebranding	-	-	-	4,915	-	-	-	-	-
Other expenses	1,748	4,229	2,629	3,976	7,292	4,658	5,535	7,076	6,479
Total non-interest expense	$ 86,177	$ 93,810	$ 89,107	$ 102,942	$ 94,893	$ 96,678	$ 99,131	$ 100,914	$ 104,406
Total expenses related to strategic rebranding *	-	-	621	10,772	271	-	-	-	-
Total non-interest expenses excluding expenses related to strategic rebranding	$ 86,177	$ 93,810	$ 88,486	$ 92,170	$ 94,622	$ 96,678	$ 99,131	$ 100,914	$ 104,406

** During 2018, the Bank incurred pre-tax expenses of $11.7 million related to its name change to Bank OZK and related strategic rebranding.*

Figure 22: Annual Trends in Non-interest Expense – 2019 vs. 2018 *($ thousands)*

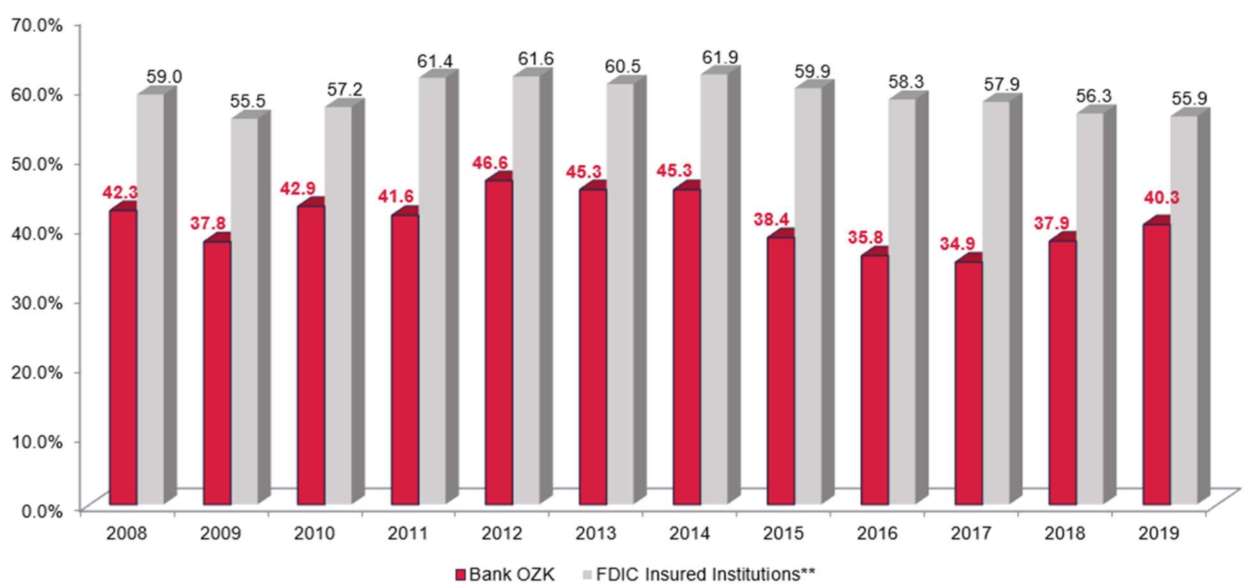
	For the Year Ended		
	12/31/2018	12/31/2019	% Change
Salaries & employee benefits	$ 170,478	$ 192,851	13.1%
Net occupancy and equipment	56,362	59,018	4.7%
Professional and outside services	35,867	33,030	-7.9%
Advertising and public relations	11,557	7,242	-37.3%
Telecommunication services	13,080	10,583	-19.1%
Software and data processing	13,729	19,535	42.3%
Travel and meals	9,650	11,230	16.4%
FDIC insurance and state assessments	14,740	13,425	-8.9%
Amortization of intangibles	12,579	11,918	-5.3%
Postage and supplies	9,144	8,684	-5.0%
ATM expense	4,227	4,626	9.4%
Loan collection and repossession expense	3,302	2,818	-14.7%
Writedowns of foreclosed assets	2,996	2,419	-19.3%
Writedown of signage due to strategic rebranding	4,915	-	---
Other expenses	18,126	23,751	31.0%
Total non-interest expense	$ 380,752	$ 401,130	5.4%
Total expenses related to strategic rebranding	11,664	-	---
Total non-interest expenses excluding expenses related to strategic rebranding	$ 369,088	$ 401,130	8.7%

In recent years, a significant factor in our increased non-interest expense was our focus on enhancing our infrastructure for information technology, information systems, cybersecurity, business resilience, enterprise risk management, internal audit, credit risk management, compliance, BSA/AML monitoring, training and other important areas, as well as expanding our human and physical infrastructure to serve low-to-moderate income and majority-minority markets and customer segments. We consider all these initiatives to be important in promoting positive change and preparing us for future growth. We will continue to enhance our capabilities in these important areas.

Efficiency Ratio

In the quarter just ended, our efficiency ratio was 42.4%. For the full year of 2019, our efficiency ratio was 40.3%, as shown in Figure 23. Although our efficiency ratio increased during 2019, it remains among the best in the industry. In fact, our efficiency ratio has been among the top decile of the industry for 18 consecutive years.

Figure 23: Top Decile Efficiency (%) for 18 Consecutive Years*

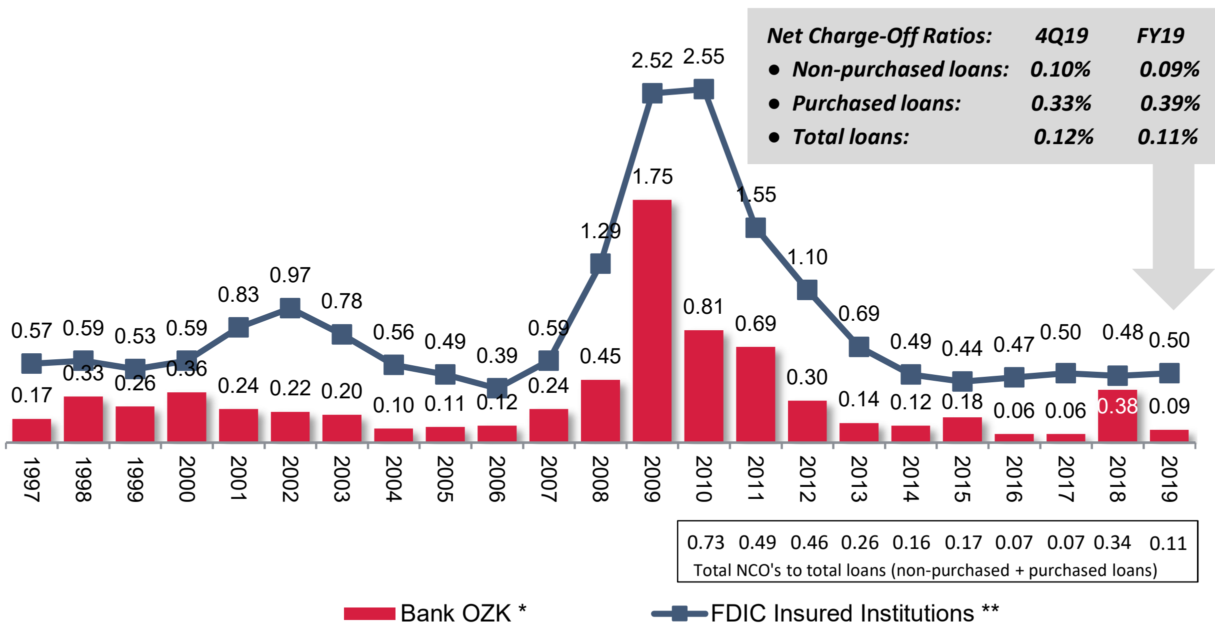


** Data from S&P Global Market Intelligence.*
*** Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last update third quarter 2019.*

Asset Quality

We continue to have net charge-off ratios well below industry averages, as shown in Figure 24. In our 23 years as a public company, our net charge-off ratio for non-purchased loans has beaten the industry's net charge-off ratio every year and has averaged about 35% of the industry's net charge-off ratio.

Figure 24: Annualized Net Charge-off Ratio vs. the Industry



*Unless otherwise indicated, Bank OZK data excludes purchased loans and net charge-offs related to such loans.
**Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated third quarter 2019. Annualized when appropriate.

As shown in Figure 25, in RESG's 17 year history, we have incurred losses on only a small number of credits, resulting in a weighted average annual net charge-off ratio (including OREO write-downs) for the RESG portfolio of 14 bps.

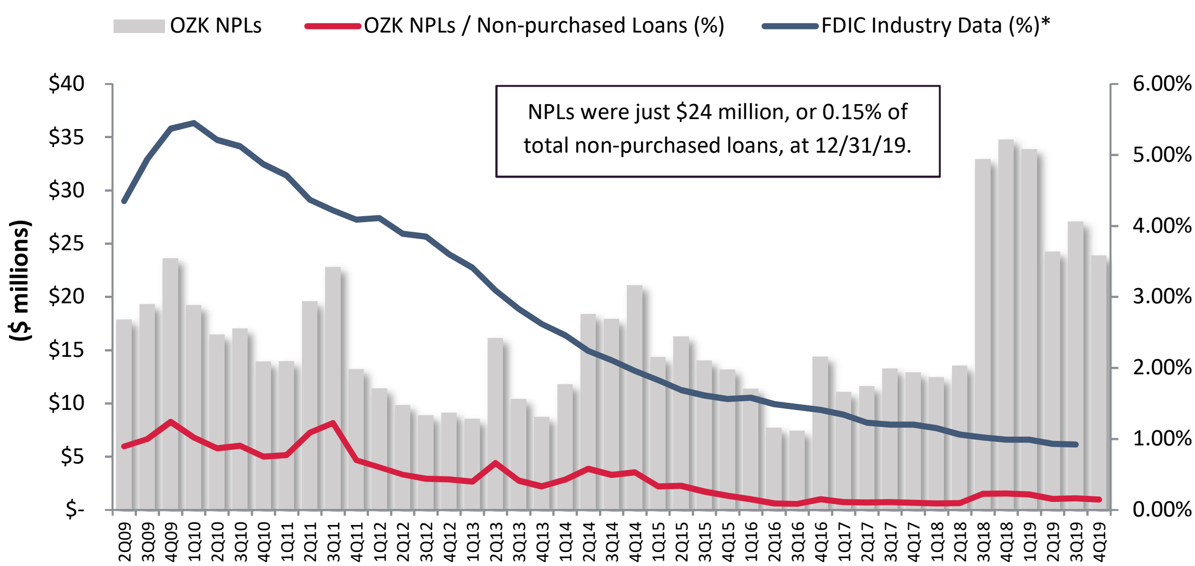
As shown in Figures 26, 27 and 28, the dollar volumes of our nonperforming non-purchased loans, nonperforming assets and past due non-purchased loans have been relatively stable, even as our total non-purchased loans and total assets have grown many-fold. Our ratios for nonperforming non-purchased loans, nonperforming assets and past due non-purchased loans have generally improved and have been consistently better than the industry's ratios.

Figure 25 - RESG Historical Net charge-offs *($ Thousands)*

Year-end	Ending Loan Balance	YTD Average Loan Balance	Net charge-offs ("NCO")*	NCO Ratio
2003	$ 5,106	$ 780	$ -	0.00%
2004	52,658	34,929	-	0.00%
2005	51,056	56,404	-	0.00%
2006	61,323	58,969	-	0.00%
2007	209,524	135,639	-	0.00%
2008	470,485	367,279	-	0.00%
2009	516,045	504,576	7,531	1.49%
2010	567,716	537,597	-	0.00%
2011	649,806	592,782	2,905	0.49%
2012	848,441	737,136	-	0.00%
2013	1,270,768	1,085,799	-	0.00%
2014	2,308,573	1,680,919	-	0.00%
2015	4,263,800	2,953,934	-	0.00%
2016	6,741,249	5,569,287	-	0.00%
2017	8,169,581	7,408,367	842	0.01%
2018	9,077,616	8,685,191	45,490	0.52%
2019	9,391,096	9,427,266	-	0.00%
Total			**$ 56,768**	
		Weighted Average		**0.14%**

** Net charge-offs shown in this column reflect both net charge-offs and OREO write-downs.*

Figure 26: Nonperforming Non-purchased Loans ("NPLs") ($ millions)

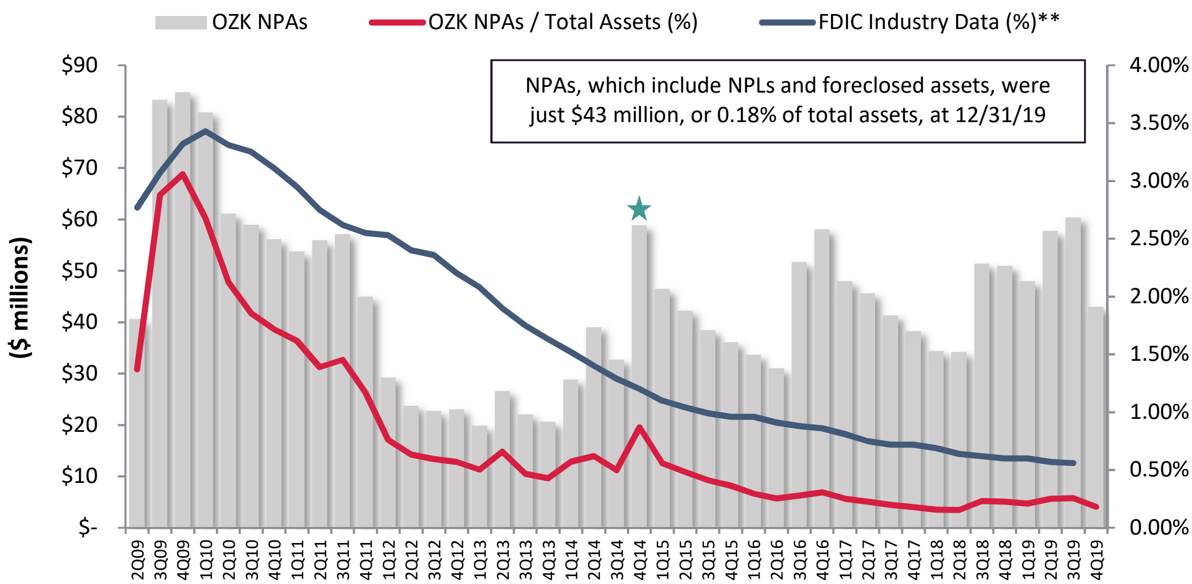


** Note: Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated third quarter 2019. Percent of Loans Noncurrent is the percentage of loans that are past due 90 days or more or that are in nonaccrual status.*

As shown in Figure 27, during the quarter just ended, our foreclosed assets decreased $14.2 million from $33.3 million at September 30, 2019 to $19.1 million at December 31, 2019. The most significant factor in this decrease was the Bank's sale of a shopping center in South Carolina with a book value of $9.8 million. We recognized a $1.1

million gain on that sale. In addition, the Bank continued to achieve sales in a residential lot and home development project in North Carolina, as well as sales of other foreclosed assets.

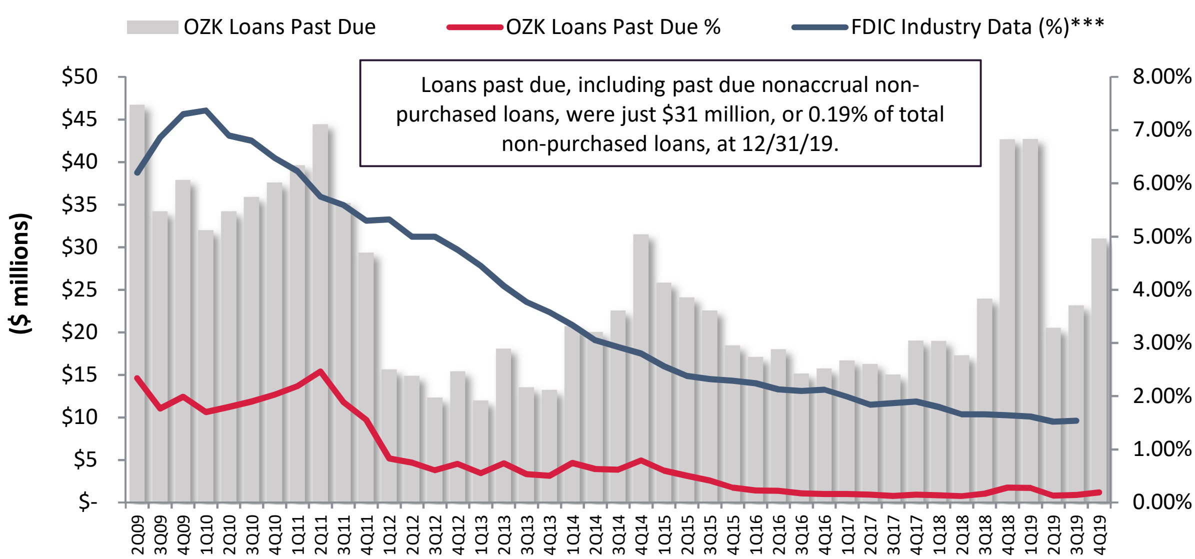
Figure 27: Nonperforming Assets ("NPAs") ($ millions)



*** Note: Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated third quarter 2019. Noncurrent assets plus other real estate owned to assets (%).*

★ In 2014, we terminated our loss share agreement with the FDIC and reclassified foreclosed assets previously reported as covered by FDIC loss share to foreclosed assets.

Figure 28: Non-purchased Loans Past Due 30+ Days, Including Past Due Nonaccrual Non-purchased Loans ("Loans Past Due") ($ millions)



**** Note: Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated third quarter 2019. Percent of Loans Noncurrent + Percent of Loans 30-89 Days Past Due.*

As shown in Figure 29, our dollar volume of non-purchased loans designated as being in the "Substandard" category of our credit quality indicators increased during the quarter just ended. RESG's sole watch rated credit was downgraded to a substandard-accrual rating based on our regular quarterly review of this credit. Even with this, our ratio of substandard non-purchased loans as a percentage of our total risk-based capital ("TRBC") at December 31, 2019 remains at a very low level.

Figure 29: Substandard Non-purchased Loan Trends ($ millions)

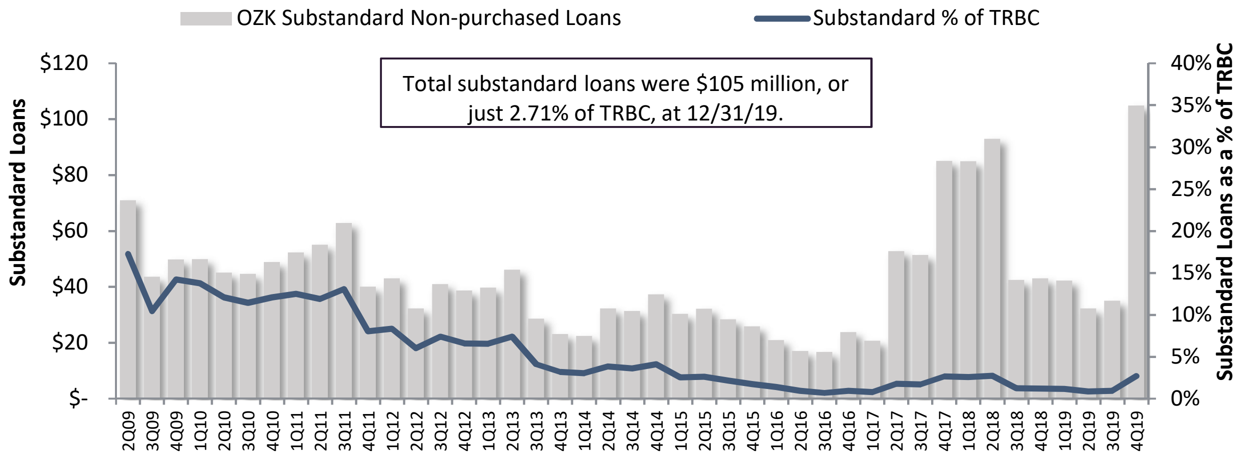
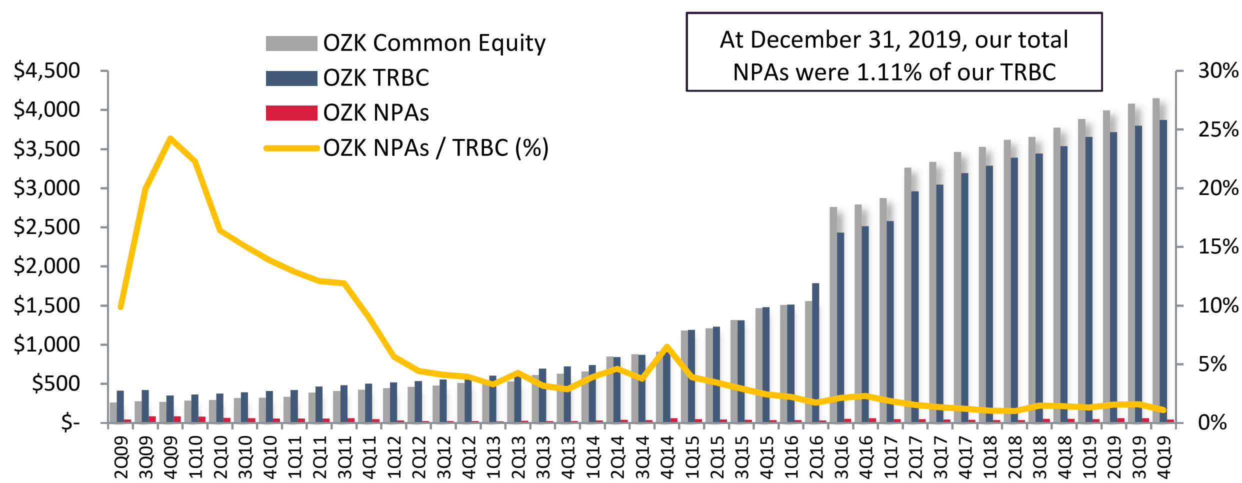


Figure 30 shows the tremendous growth in our common equity and TRBC over the last 10 years, while our volume of total nonperforming assets has generally declined to relatively nominal levels.

Figure 30: Capital vs. NPAs – ($ millions)



We expect our asset quality to continue our long tradition of being better than industry averages.

Loan Portfolio Diversification & Leverage

In recent years, we have discussed the importance of achieving greater contributions to growth from our loan teams other than RESG. Figures 31 and 32 reflect the mix in our loan growth in the quarter just ended and the full year of 2019. We are pleased with the increasing trend of contributions from our other loan teams. Specifically, these other loan teams contributed 54%, 61%, and 73%, respectively, of our non-purchased loan growth in 2017, 2018 and 2019.

Figure 31: Non-purchased Loan Growth – 4Q19 ($ millions)

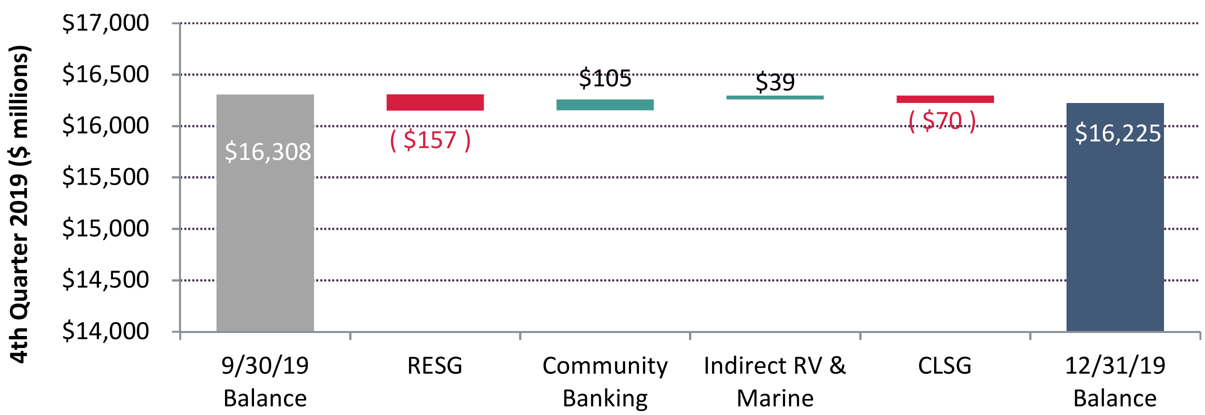
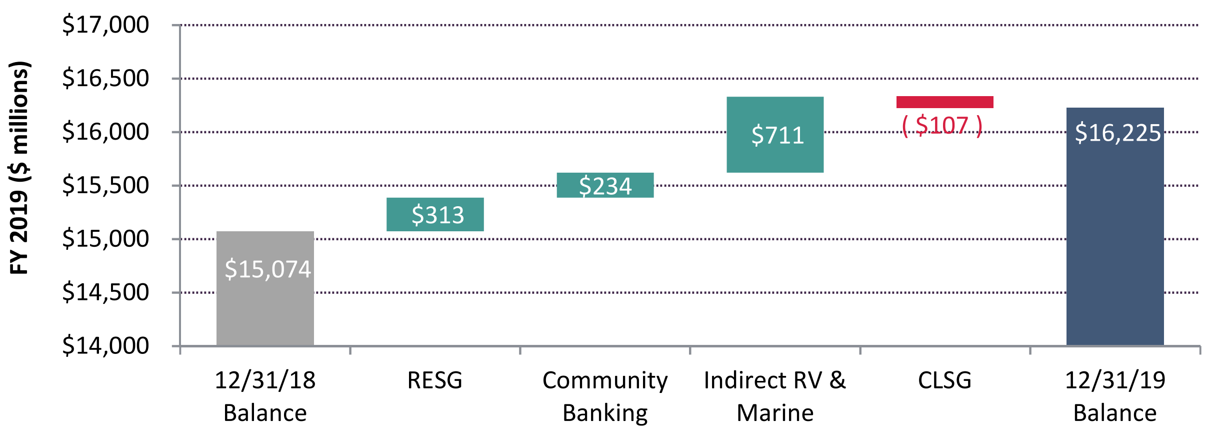
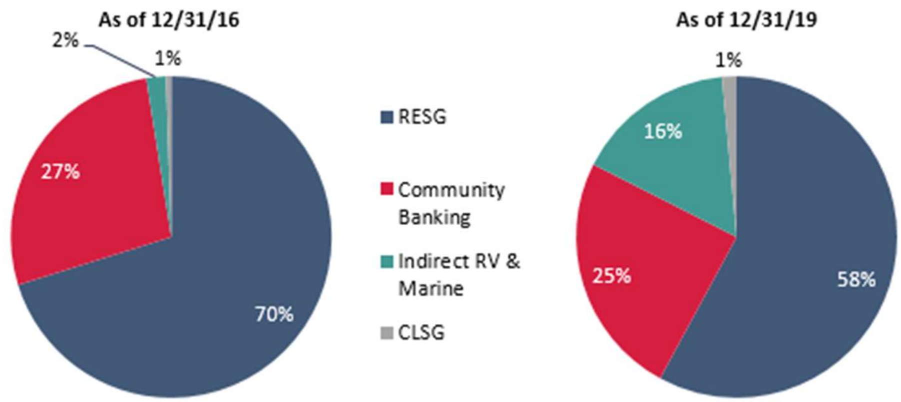


Figure 32: Non-purchased Loan Growth – 2019 ($ millions)



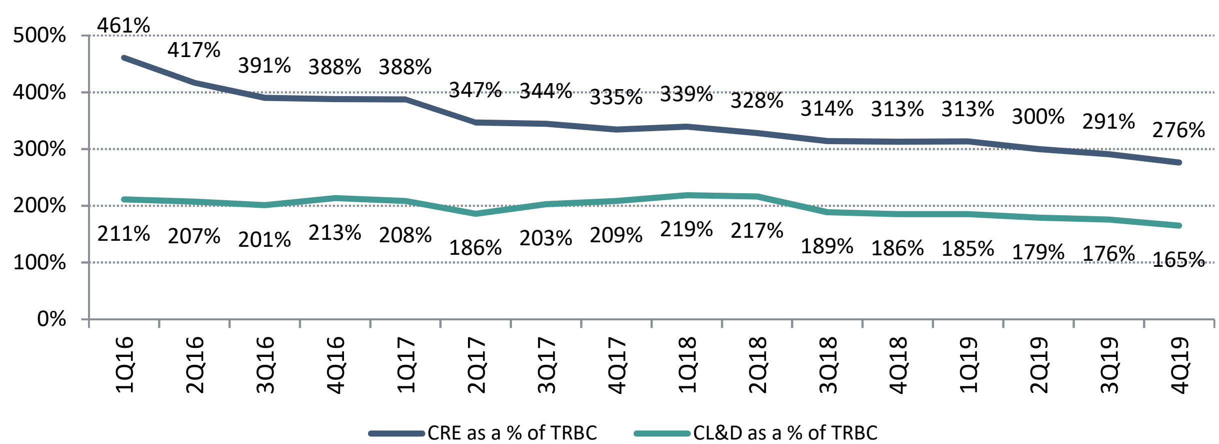
As shown in Figure 33, our more diversified growth in recent years has resulted in our RESG portfolio accounting for 58% of the funded balance of our non-purchased loans at December 31, 2019 compared to 70% at December 31, 2016.

Figure 33: Non-purchased Loan Portfolio Mix Shift



This more diversified growth, along with our significant growth in our TRBC, has contributed to a generally declining trend in our total commercial real estate ("CRE") and construction, land development and other land ("CL&D") concentrations, as shown in Figure 34. Further growth in our non-CRE lending, along with growth in our TRBC, may continue to reduce our CRE and CL&D concentration ratios in most quarters. We are not reducing our focus on CRE and CL&D lending. To be clear, CRE and CL&D lending are areas in which we have substantial expertise and enjoy competitive advantages, and we expect the dollar volume of these categories of loans to continue to grow over time, even if, as expected, they decline as a percentage of our total non-purchased loans and as a percentage of TRBC.

Figure 34: Declining Regulatory CRE and CL&D Concentration Ratios



Even within the RESG portfolio, we benefit from the substantial diversification by both product type and geography, as well as low loan-to-cost ("LTC") and loan-to-value ("LTV") ratios, all as shown in Figures 35 and 36.

Figure 35: RESG Portfolio Diversity by Product Type (As of December 31, 2019) ($ millions)
(LTC and LTV ratios assume all loans are fully funded)

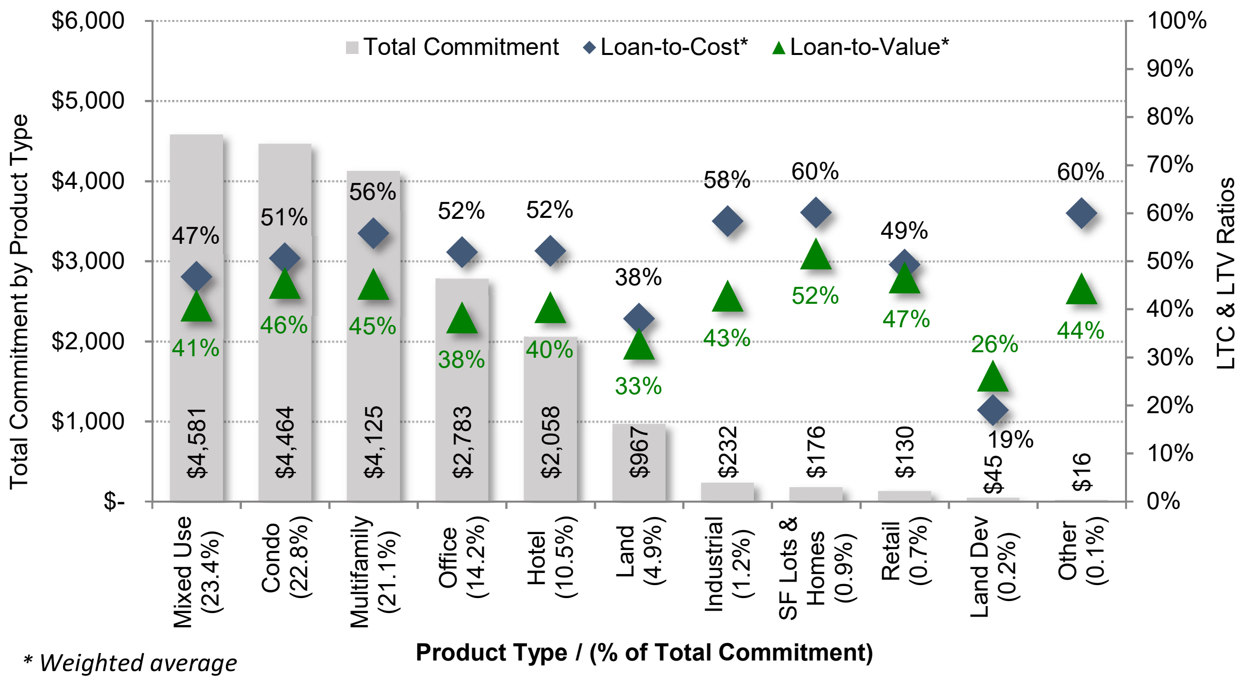
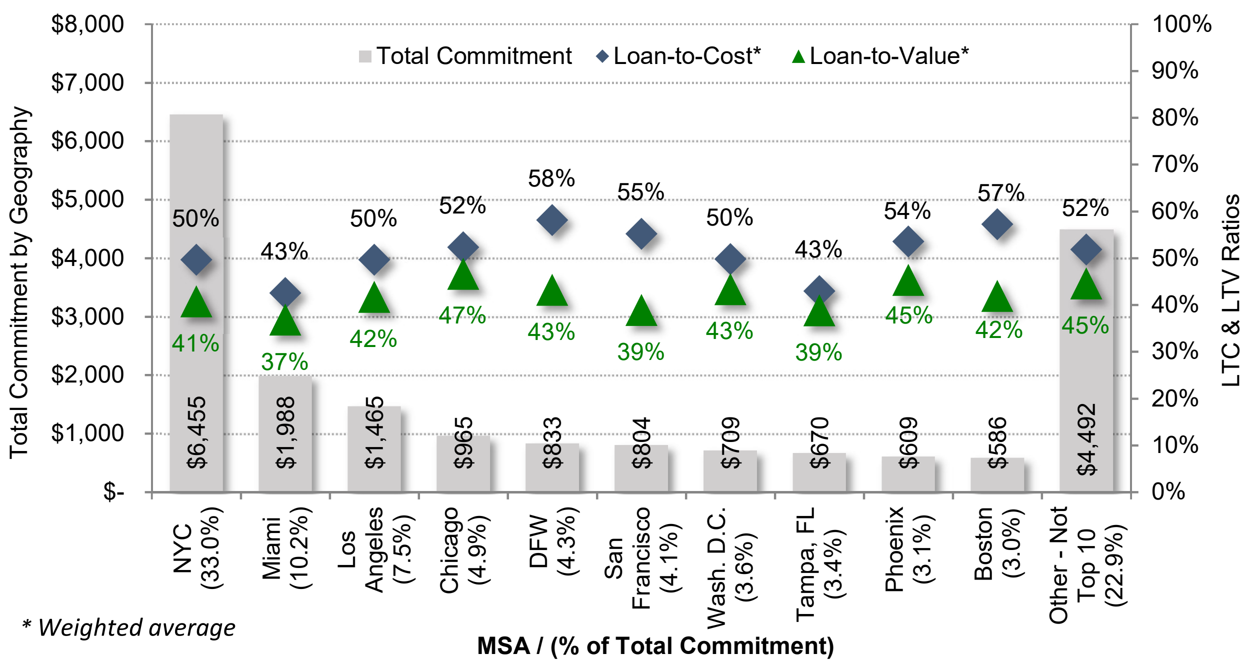


Figure 36: RESG Portfolio Diversity by Geography (As of December 31, 2019) ($ millions)
(LTC and LTV ratios assume all loans are fully funded)

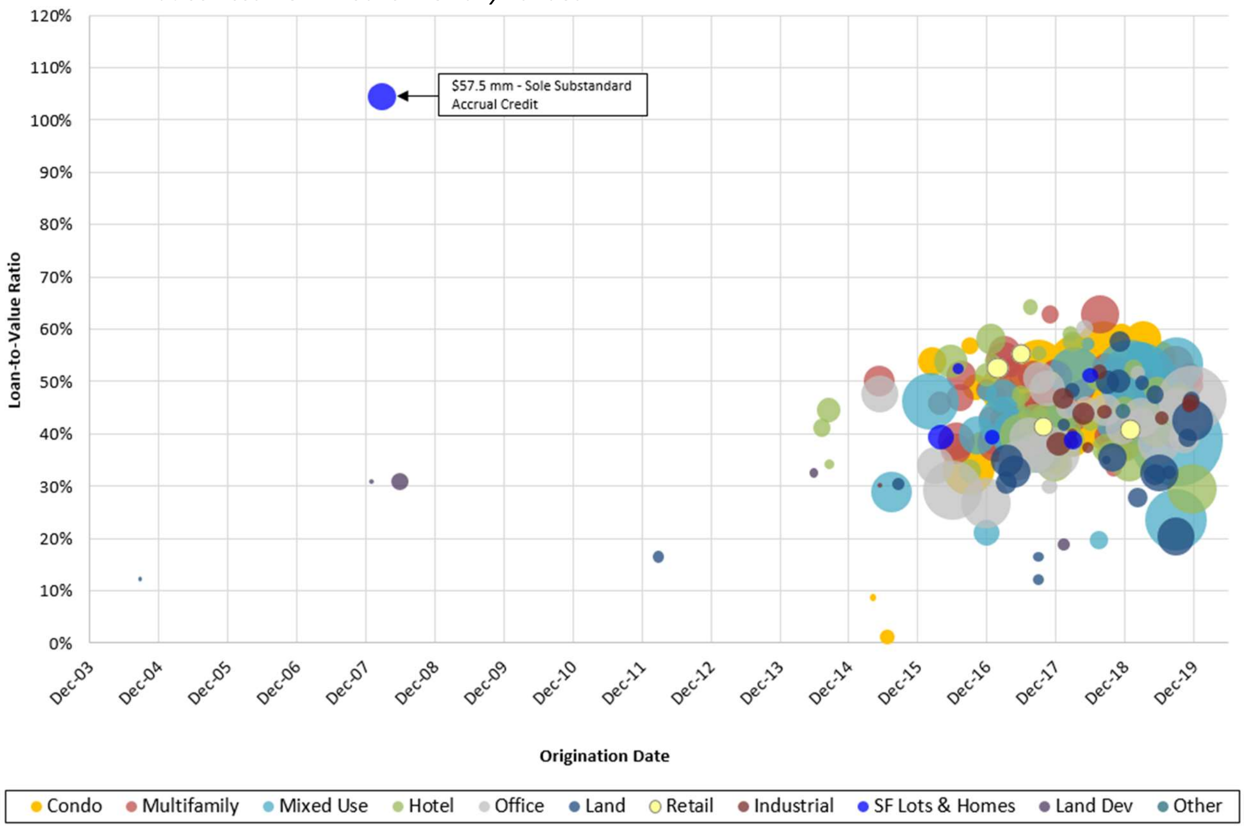


Assuming full funding of every RESG loan, as of December 31, 2019, the weighted average LTC for the RESG portfolio was a conservative 50.1%, and the weighted average LTV was even lower at just 41.8%. Other than the one substandard-accruing credit specifically referenced below in Figure 37, all other credits in the RESG portfolio have LTV ratios less than 65%. The LTV metrics on individual loans within the RESG portfolio are illustrated in Figure 37.

Figure 37: RESG Portfolio by LTV & Origination Date (As of December 31, 2019)

Bubble Size Reflects Total Funded and Unfunded Commitment Amount

LTV Ratios Assume All Loans Are Fully Funded

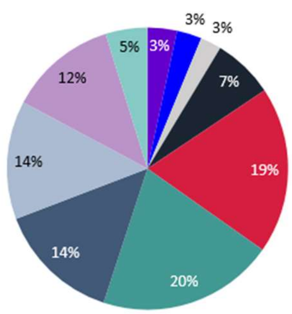


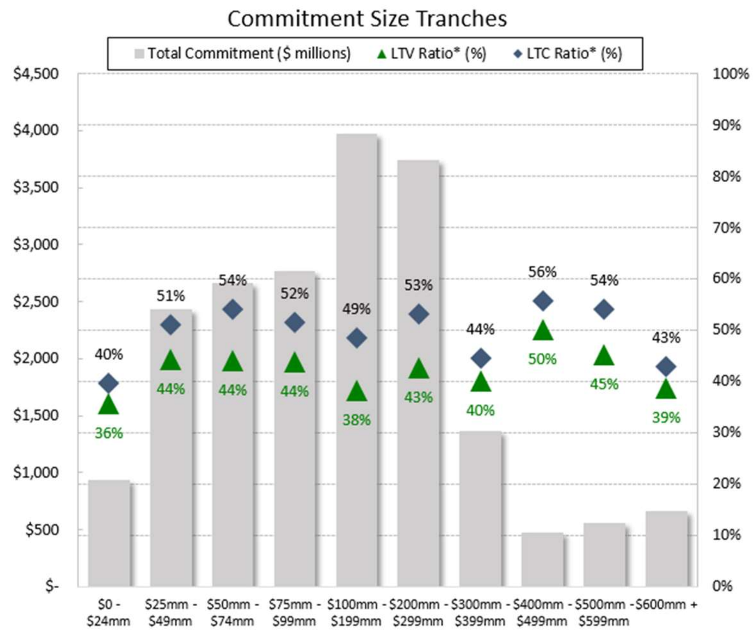
As previously mentioned, RESG's sole watch-rated credit was downgraded during the quarter to a substandard-accrual rating based on our regular quarterly review of this credit. During 2019, the borrower sold 17 lots in this project for gross proceeds of $8.8 million, including two lot sales in the quarter just ended, and sold six townhomes for gross proceeds of $8.9 million, including two townhome sales in the quarter just ended. As of December 31, 2019, the borrower had one lot and nine townhomes under contracts with expected closings in 2020 and expected gross proceeds of $0.4 million and $13.7 million, respectively. This downgrade was primarily due to several sales which had been expected to close in late 2019 being cancelled or delayed, as well as a lower than expected volume of pending lot sales going into 2020. So far in January, the borrower has realized additional sales activity, having executed one additional lot contract and two additional townhome contracts with associated gross proceeds of $0.4 million and $3.3 million, respectively.

The RESG portfolio includes loans of many different sizes, and historically approximately 85%, on average, of our total commitments are actually funded before the loan is repaid. The stratification of the RESG portfolio by commitment size is reflected in Figure 38.

Figure 38: RESG Portfolio Stratification by Loan Size - Total Commitment (As of December 31, 2019) ($ millions)

Tranche	No. of Loans	Total Commitment
$600mm +	1	$ 664
$500mm - $599mm	1	558
$400mm - $499mm	1	475
$300mm - $399mm	4	1,366
$200mm - $299mm	16	3,740
$100mm - $199mm	32	3,974
$75mm - $99mm	32	2,770
$50mm - $74mm	44	2,659
$25mm - $49mm	66	2,430
$0 - $24mm	65	940
Total	**262**	**$ 19,576**



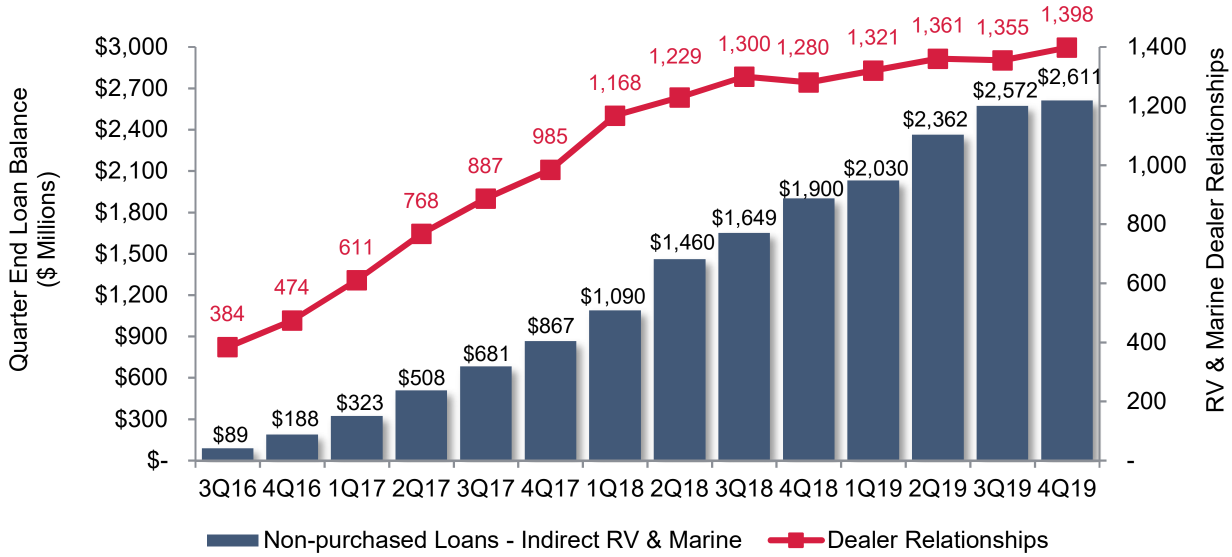


** Assumes all loans are fully funded; calculation based on total commitment by tranche as a % of total cost and total appraised value of loans within each tranche.*

Our Community Banking loans include consumer and small business loans, loans originated by our commercial (generalist) lenders, and loans originated through our specialty lending channels in Community Banking, which include our government guaranteed, agricultural (including poultry), business aviation, subscription finance, affordable housing, charter schools, middle market CRE and home builder finance loan teams. We have been building a foundation for and refining many of these specialty-lending channels for years. We believe that we are in a good position to achieve more growth through these channels. Our portfolio diversification is enhanced by the wide variety of products and geographic diversity within our Community Banking businesses.

Our Indirect RV & Marine lending is another nationwide business that has become an important contributor to our non-real estate loan growth. It also allows us to increase our consumer loan portfolio, while maintaining our conservative credit-quality standards. It was the largest contributor to our loan growth in 2018 and 2019; however, given the current competitive environment in this industry, we expect its loan growth in 2020 may be below the level achieved in 2019. As of December 31, 2019, the non-purchased indirect portfolio had an average loan size of approximately $95,000 and a 30+ day delinquency ratio of 11 bps. For the fourth quarter and full year of 2019, the annualized net charge-off ratios for the non-purchased indirect portfolio were 17 bps and 14 bps, respectively. Figure 39 provides details regarding this portfolio.

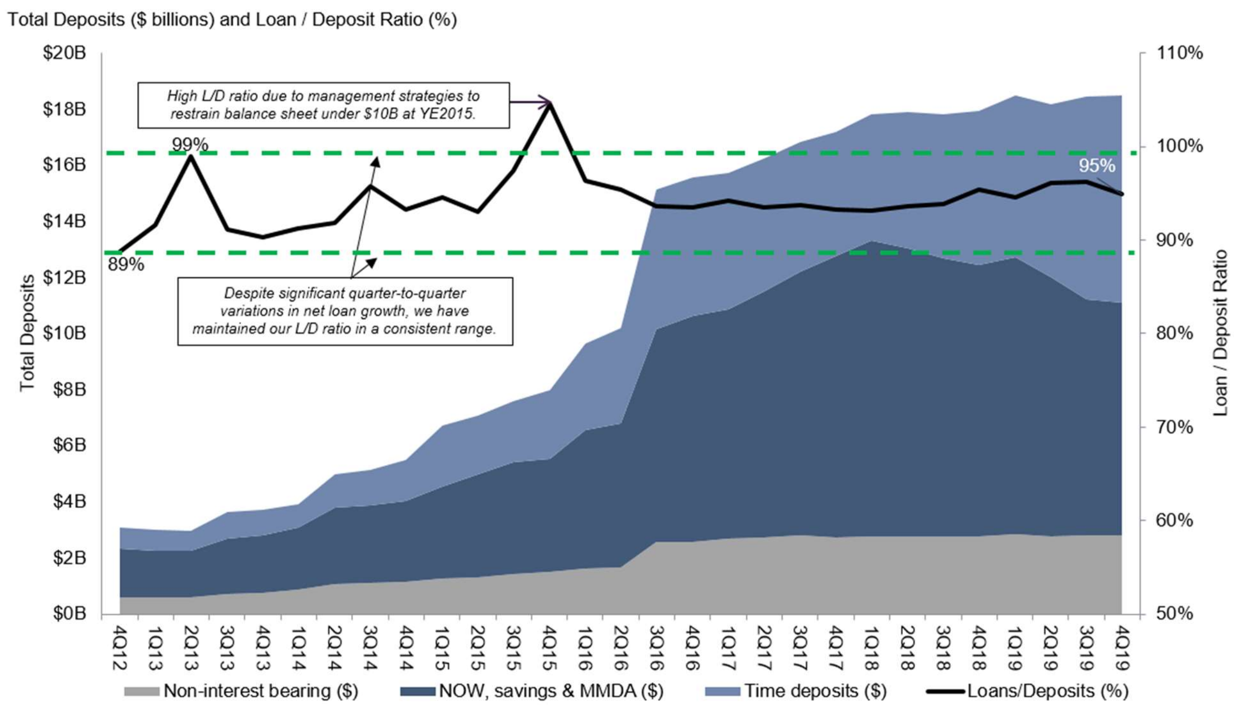
Figure 39: Growth in RV & Marine Dealers and Outstanding Non-purchased Loan Balances ($ millions)



Liquidity

We believe that we have significant capacity for future deposit growth in our existing network of over 240 branches in eight states. We have successfully increased our overall deposits as needed to fund our earning asset growth. Our loan-to-deposit ratio was 95% at December 31, 2019, near the mid-point of our historical range of 89% to 99%. As Figure 40 shows, we have consistently maintained our loan-to-deposit ratio within that range over the last seven years, even as our total assets grew 490% from $4.0 billion at December 31, 2012 to $23.6 billion at December 31, 2019.

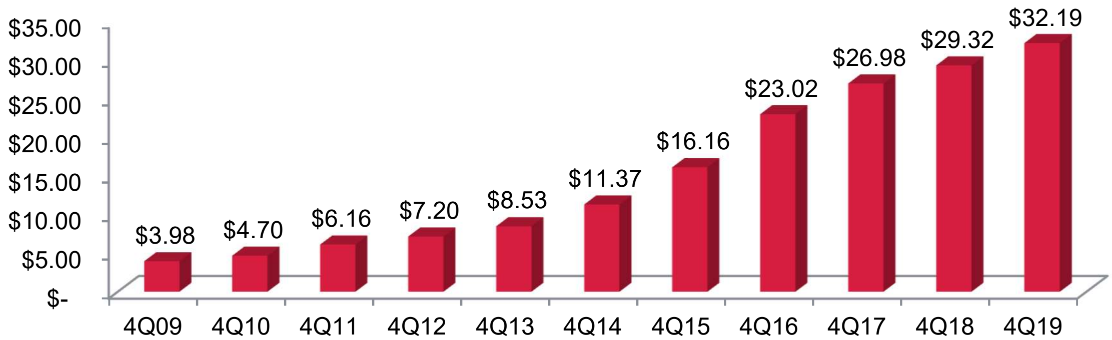
Figure 40: Maintaining a Consistent Loan / Deposit Ratio While Achieving Substantial Growth



Capital and Dividends

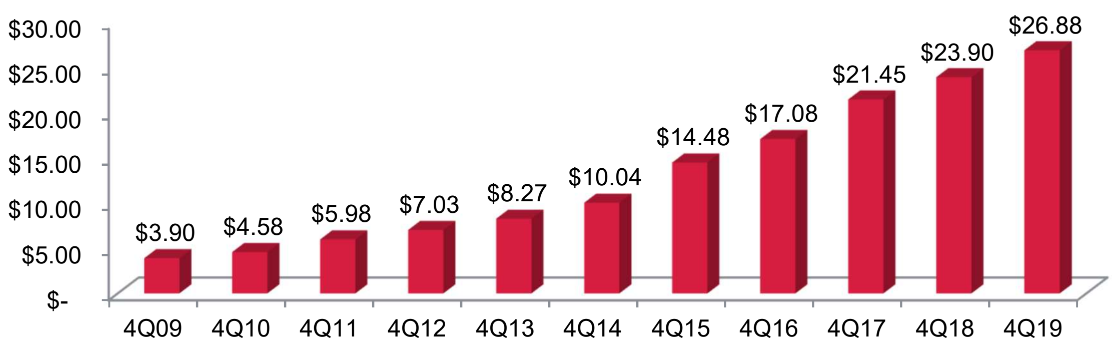
During the quarter just ended, our book value per common share increased to $32.19, as shown in Figure 41. Over the last 10 years, we have increased book value per common share by a cumulative 709%, resulting in a compound annual growth rate of 23.2%.

Figure 41: Book Value per Share (Period End)



During the quarter just ended, our tangible book value per common share increased to $26.88, as shown in Figure 42. Over the last 10 years, we have increased tangible book value per common share by a cumulative 590%, resulting in a compound annual growth rate of 21.3%.

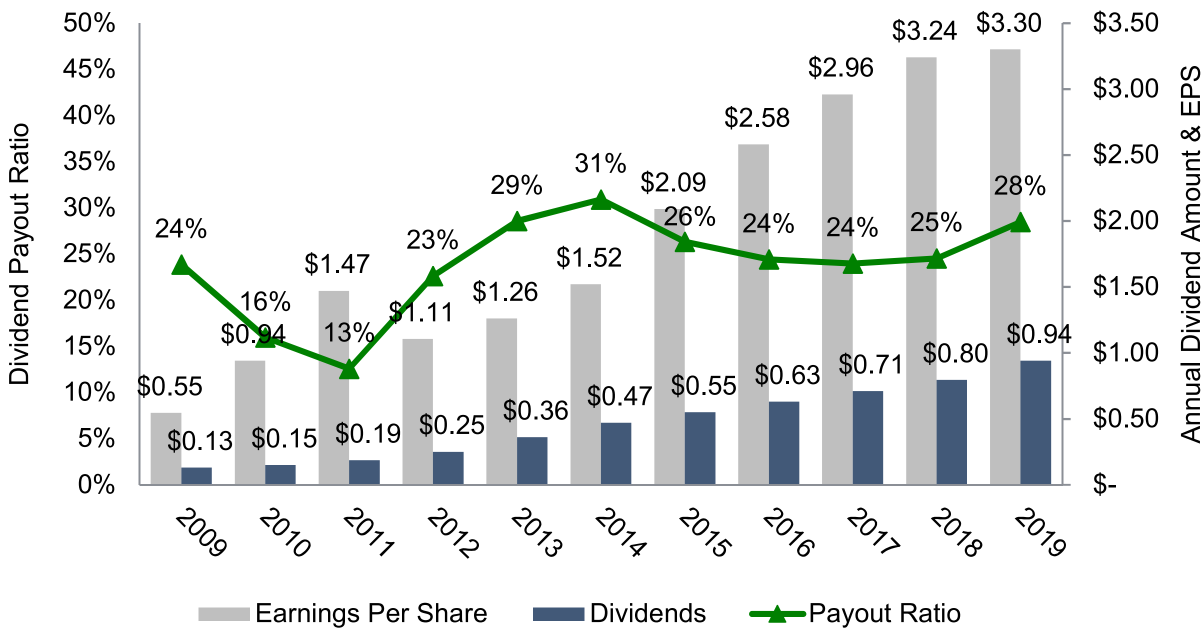
Figure 42: Tangible Book Value per Share (Period End) [3]



[3] See the schedule at the end of this presentation for the reconciliation of tangible book value per common share to the most directly comparable GAAP measure.

We have increased our cash dividend in each of the most recent 38 quarters and every year since going public in 1997. Figure 43 provides details on our diluted earnings per share, annual dividends per share, and dividend payout ratio history.

Figure 43: Historic Dividend Payout Ratio[4] (Split-adjusted)



As shown in Figure 44, our strong earnings and earnings retention rate, among other factors, have collectively contributed to meaningful increases in our already strong capital ratios.

Figure 44: Recent Trends in Regulatory Capital

	12/31/2017	12/31/2018	Estimated 12/31/2019 [5]
CET 1 Ratio	11.06%	12.56%	13.70%
Tier 1 Ratio	11.06%	12.56%	13.70%
Total RBC Ratio	12.81%	14.37%	15.50%
Tier 1 Leverage	13.83%	14.25%	15.30%

[4] 2017 Diluted EPS and payout ratio exclude the one-time $0.39 positive impact to EPS as a result of the Tax Cuts and Jobs Act ("2017 Tax Benefit"). See the schedule at the end of this presentation for the calculation of diluted EPS, as adjusted, for the 2017 Tax Benefit.

[5] Ratios as of December 31, 2019 are preliminary estimates and are subject to revision upon filing of our FFIEC 041 Call Report.

Capital Stress Testing Results

During the third quarter of 2019, we completed our annual capital stress tests utilizing seven different economic scenarios, including the three stress testing scenarios released by the Federal Reserve earlier this year, three adverse Moody's scenarios, and an adverse idiosyncratic scenario unique to our Bank. Despite the very diverse and adverse assumptions used in these scenarios, the results of each stress test reflected that we would maintain well-capitalized status for all capital ratios, maintain profitability and continue the payment of our quarterly dividend over the nine-quarter stress test time horizon.

Share Repurchase Authorization

Over the past year, our management team and our Board of Directors have given significant consideration to the authorization of a share repurchase program. We believe strongly in our business model and the long-term growth potential of our Bank. To date, we have concluded that the potential long-term benefits from continuing to grow our capital base outweigh the short-term benefits of a share repurchase program. Our management and our Board of Directors will continue to monitor our capital position with a keen focus on maximizing long-term shareholder value.

Current Expected Credit Loss ("CECL")

We are continuing to finalize the impact of the adoption of CECL on our financial statements. Based on our most recent calculations, we expect our allowance for loan losses ("ALL") to increase in the range of 25% to 40% as a result of the adoption of CECL. In addition, under CECL we are required to establish a reserve for potential losses on our unfunded commitments, which reserve will be reported as a liability on our balance sheet separate from our ALL. This liability for potential losses on unfunded commitments will be in addition to the increase in our ALL mentioned above, and is currently estimated to initially be in the range of $50 million to $65 million.

These ranges are provided to enhance investors' understanding of the potential impacts of the adoption of CECL on our financial statements, and are based on our ongoing analyses, current expectations and forecasted economic conditions. These estimates are contingent upon continued refinement of assumptions, methodologies and judgments. We expect to give updated CECL guidance with the filing of our Form 10-K at the end of February.

As a result of the adoption of CECL, we expect we may have increased volatility in our quarterly provision for loan losses based on potential volatility in our quarterly loan growth, changes in our unfunded loan balances, and changes in economic forecasts and other assumptions, among other factors.

Effective Tax Rate

Our effective tax rate during the quarter just ended was 25.9% and for the full year of 2019 was 24.5%. We expect that our effective tax rate for the full year of 2020 will be between 24.5% and 25.5%.

First Quarter 2020 Earnings Release and Conference Call

Preliminarily, we expect to report first quarter 2020 earnings and issue management's comments the week of April 20, 2020, which is a few days later than our most recent schedule. This is intended to provide adequate time to ensure the proper implementation and reporting of financial results following the adoption of CECL.

Final Thoughts

Our strong credit culture and consistent discipline have been important ingredients in our long-term success, and we are not wavering from those principles in today's challenging competitive and interest rate environment. We are very pleased that we achieved record net income in 2019 and we will remain disciplined and focused on delivering long-term value for our shareholders. Our team of industry and technology professionals is well-positioned to lead the Bank into the future, and we continue to strive to make positive changes and enhancements to our capabilities. We believe our competitive advantages will allow us to capitalize on opportunities throughout 2020 and beyond.

Non-GAAP Reconciliations

Calculation of Average Tangible Common Stockholders’ Equity and the Return on Average Tangible Common Stockholders’ Equity

Unaudited (Dollars in Thousands)

	For the Year Ended December 31,							
	2008	2009	2010	2011	2012	2013	2014	2015
Net Income Available To Common Stockholders	$ 34,474	$ 36,826	$ 64,001	$ 101,321	$ 77,044	$ 91,237	$ 118,606	$ 182,253
Average Common Stockholders' Equity Before Noncontrolling Interest	$ 213,271	$ 267,768	$ 296,035	$ 374,664	$ 458,595	$ 560,351	$ 786,430	$ 1,217,475
Less Average Intangible Assets:								
Goodwill	(5,231)	(5,243)	(5,243)	(5,243)	(5,243)	(5,243)	(51,793)	(118,013)
Core deposit and other intangibles, net of accumulated amortization	(515)	(368)	(1,621)	(5,932)	(5,989)	(9,661)	(21,651)	(28,660)
Total Average Intangibles	(5,746)	(5,611)	(6,864)	(11,175)	(11,232)	(14,904)	(73,444)	(146,673)
Average Tangible Common Stockholders' Equity	$ 207,525	$ 262,157	$ 289,171	$ 363,489	$ 447,363	$ 545,447	$ 712,986	$ 1,070,802
Return On Average Common Stockholders' Equity	16.16%	13.75%	21.62%	27.04%	16.80%	16.28%	15.08%	14.97%
Return On Average Tangible Common Stockholders' Equity	16.61%	14.05%	22.13%	27.87%	17.22%	16.73%	16.63%	17.02%

	For the Year Ended December 31,				Three Months Ended *	
	2016	2017	2018	2019	12/31/2018	12/31/2019
Net Income Available To Common Stockholders	$ 269,979	$ 421,891	$ 417,106	$ 425,906	$ 115,031	$ 100,806
Average Common Stockholders' Equity Before Noncontrolling Interest	$ 2,068,328	$ 3,127,576	$ 3,598,628	$ 3,971,952	$ 3,692,044	$ 4,110,322
Less Average Intangible Assets:						
Goodwill	(363,324)	(660,632)	(660,789)	(660,789)	(660,789)	(660,789)
Core deposit and other intangibles, net of accumulated amortization	(43,623)	(54,702)	(42,315)	(29,784)	(37,654)	(25,315)
Total Average Intangibles	(406,947)	(715,334)	(703,104)	(690,573)	(698,443)	(686,104)
Average Tangible Common Stockholders' Equity	$ 1,661,381	$ 2,412,242	$ 2,895,524	$ 3,281,379	$ 2,993,601	$ 3,424,218
Return On Average Common Stockholders' Equity	13.05%	13.49%	11.59%	10.72%	12.36%	9.73%
Return On Average Tangible Common Stockholders' Equity	16.25%	17.49%	14.41%	12.98%	15.24%	11.68%

* Ratios for interim periods annualized based on actual days

Calculation of Tangible Book Value per Share

Unaudited (Dollars in Thousands, Except per Share)

	For the period ended December 31,					
	2009	2010	2011	2012	2013	2014
Total common stockholders' equity before noncontrolling interest	$ 269,028	$ 320,355	$ 424,551	$ 507,664	$ 629,060	$ 908,390
Less intangible assets:						
Goodwill	(5,243)	(5,243)	(5,243)	(5,243)	(5,243)	(78,669)
Core deposit and other intangibles, net of accumulated amortization	(311)	(2,682)	(6,964)	(6,584)	(13,915)	(26,907)
Total intangibles	(5,554)	(7,925)	(12,207)	(11,827)	(19,158)	(105,576)
Total tangible common stockholders' equity	$ 263,474	$ 312,430	$ 412,344	$ 495,837	$ 609,902	$ 802,814
Common shares outstanding (thousands)	67,618	68,214	68,928	70,544	73,712	79,924
Book value per common share	$ 3.98	$ 4.70	$ 6.16	$ 7.20	$ 8.53	$ 11.37
Tangible book value per common share	$ 3.90	$ 4.58	$ 5.98	$ 7.03	$ 8.27	$ 10.04

	For the period ended December 31,				
	2015	2016	2017	2018	2019
Total common stockholders' equity before noncontrolling interest	$ 1,464,631	$ 2,791,607	$ 3,460,728	$ 3,770,330	$ 4,150,351
Less intangible assets:					
Goodwill	(125,442)	(660,119)	(660,789)	(660,789)	(660,789)
Core deposit and other intangibles, net of accumulated amortization	(26,898)	(60,831)	(48,251)	(35,672)	(23,753)
Total intangibles	(152,340)	(720,950)	(709,040)	(696,461)	(684,542)
Total tangible common stockholders' equity	$ 1,312,291	$ 2,070,657	$ 2,751,688	$ 3,073,869	$ 3,465,809
Common shares outstanding (thousands)	90,612	121,268	128,288	128,611	128,951
Book value per common share	$ 16.16	$ 23.02	$ 26.98	$ 29.32	$ 32.19
Tangible book value per common share	$ 14.48	$ 17.08	$ 21.45	$ 23.90	$ 26.88

Calculation of Diluted Earnings per Share

Unaudited (Dollars in Thousands, Except per Share)

Diluted Earnings Per Share, as Adjusted

For the Year Ended December 31, 2017

Net Income Available to Common Stockholders	$ 421,891
Less: 2017 Tax Benefit	(49,812)
Adjusted Net Income	$ 372,079
Weighted-average diluted shares outstanding (in thousands)	125,809
Diluted Earnings Per Share	$ 3.35
Diluted Earnings Per Share, As Adjusted	$ 2.96