

M&A Transaction Announcement

Clayton Banks Acquired by FirstBank for \$330.1 million



Transaction Profile

Advised Seller



Have been acquired by



Olsen Palmer LLC served as Exclusive Financial Advisor to
*Clayton HC, Inc., parent company of
Clayton Bank & Trust and American City Bank*



July 31, 2017

Olsen Palmer is pleased to announce that Clayton Bank and American City Bank (collectively “the Clayton Banks”) have been acquired by FirstBank, wholly-owned subsidiary of FB Financial Corporation (NYSE: FBK) for consideration valued at approximately \$330.1 million.

Olsen Palmer LLC served as exclusive financial advisor to Clayton HC, Inc., parent company of the Clayton Banks.

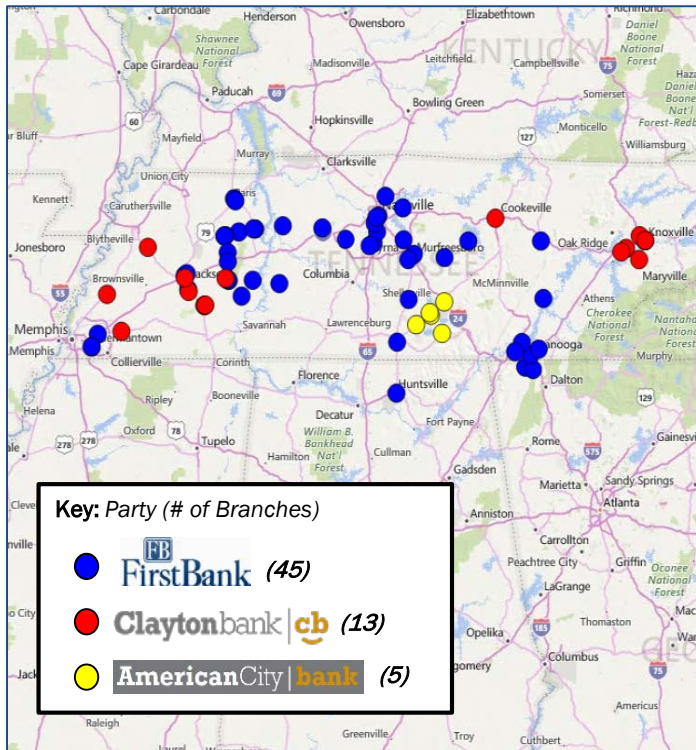
Pursuant to terms originally agreed to on February 8, 2017 and subsequently adjusted on May 26, 2017, FirstBank acquired the Clayton Banks for consideration comprised of 1,521,200 shares of FB Financial common stock, \$184.2 million in cash, a pre-closing special dividend of \$79.5 million, a distribution of certain assets of \$4.8 million, and a cash distribution of \$9.3 million related to the seller’s S-corporation tax liabilities for the period through closing.

The Clayton Banks – 18 branches, total assets of \$1.2 billion – were wholly-owned by Clayton HC, Inc. which is 98% owned by Jim Clayton, Chairman and Chief Executive Officer. FirstBank had \$3.2 billion in assets and 45 branches across 3 states.

This deal ranks as the #1 largest bank M&A transaction in Tennessee in approximately 15 years and one of the 20 largest transactions across the U.S. in 2017, according to *SNL Financial*.

Olsen Palmer has now advised on over \$600 million in total completed bank M&A transaction value over the past 36 months.

Branch Footprint



Transaction Summary

Transaction Date	February 8, 2017
Closing Date	July 31, 2017
Aggregate Consideration Value	\$330.1 million
Form of Consideration:	
Stock	1,521,200 shares
Cash	\$184.2 million
Pre-Closing Dividend	\$79.5 million
Distribution of Assets and Tax Obligations	\$14.1 million

Financial and Operating Summary

	Claytonbank cb	AmericanCity bank
Location	Knoxville, Tennessee	Tullahoma, TN
Year Established	1889	1974
CEO	Travis K. Edmondson	Troy D. Martin
Branches	13	5
FTE	187	55
Assets (\$mm)	\$880.0	\$308.0
ROAA (LTM)	3.8%	2.5%
Efficiency Ratio (LTM)	31.7%	42.0%
NPAs / Assets	3.2%	1.0%

Note: Information as of Q2 2017. ROAA reflects both banks’ sub-chapter S tax election.



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M&A Advisory Expertise

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Recent M&A Advisory Assignments

<p>OLSEN PALMER</p> <p><i>Library of Recent Bank M&A Transactions</i></p>	<p><i>Advised Seller</i></p> <p>Claytonbank cb</p> <p>Has agreed to be acquired by</p> <p>FB FirstBank</p> <p>July 31, 2017</p>	<p><i>Advised Seller</i></p> <p>AmericanCity bank</p> <p>Has agreed to be acquired by</p> <p>FB FirstBank</p> <p>July 31, 2017</p>	<p><i>Advised Seller</i></p> <p>FIRST SOUTH BANK</p> <p>Has been acquired by</p> <p>S Simmons Bank</p> <p>May 15, 2017</p>	<p><i>Advised Seller</i></p> <p>DOOLIN SECURITY SAVINGS BANK F.S.B.</p> <p>Has agreed to merge with</p> <p>FM HC First Mutual Holding Co.</p> <p>May 11, 2017</p>
<p><i>Advised Seller</i></p> <p>AMERICAN TRUST BANK OF EAST TENNESSEE</p> <p>Has been acquired by</p> <p>CB Citizens BANK</p> <p>December 2, 2016</p>	<p><i>Advised Acquirer</i></p> <p>FIRST FREEDOM Bank</p> <p>Has acquired 3 branches from</p> <p>Atlantic Capital</p> <p>May 13, 2016</p>	<p><i>Advised Acquirer</i></p> <p>Athens Federal COMMUNITY BANK, N.A.</p> <p>Has acquired 4 branches from</p> <p>Atlantic Capital</p> <p>April 1, 2016</p>	<p><i>Advised Seller</i></p> <p>FM BANK</p> <p>Has been acquired by</p> <p>F&M Bancorp, Inc.</p> <p>November 6, 2015</p>	<p><i>Advised Seller</i></p> <p>FNBB FIRST NATIONAL BANKERS BANK</p> <p>Has acquired</p> <p>IB Independent Bankers Bank</p> <p>September 25, 2015</p>
<p><i>Advised Seller</i></p> <p>FAIRMOUNT BANCORP, INC.</p> <p>Has been acquired by</p> <p>Hamilton Bank</p> <p>September 11, 2015</p>	<p><i>Advised Acquirer</i></p> <p>BANKFIRST</p> <p>Has acquired</p> <p>NCB Newton County Bank</p> <p>August 31, 2015</p>	<p><i>Advised Acquirer</i></p> <p>FIRST COMMERCIAL BANK <i>Where Business Is Personal.™</i></p> <p>Has acquired</p> <p>DeSoto Bank</p> <p>April 30, 2015</p>	<p><i>Advised Seller</i></p> <p>Traders Bank SINCE 1889</p> <p>Has been acquired by</p> <p>CITIZENS BANK</p> <p>March 6, 2015</p>	<p><i>Advised Acquirer</i></p> <p>FIRST CITIZENS NATIONAL BANK</p> <p>Has acquired</p> <p>SOUTHERN HERITAGE BANK</p> <p>October 1, 2014</p>

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Olsen Palmer LLC is an independent investment banking firm that exclusively advises banking institutions across the full spectrum of Mergers & Acquisitions.

By design, advising clients is our only business, allowing an innovative, truly client-centric approach: nimble, high-touch, and conflict-free.

Specializing in buy-side advisory, sell-side advisory, valuations, fairness opinions, branch acquisitions and divestitures, and Board-level assessments of strategic options.

For more information, please visit our website: www.OlsenPalmer.com