“Chico Born and Bred”

The Chico Rotary Club

Presented by: Richard P. Smith

December 12, 2017
Overview

- Asset Size: $4.7 Billion
- Location: Chico, CA
- Founded: 1975
- Deposits: $3.9 Billion
- Loans (net): $2.9 Billion
- Customers: 190,000
- Bank Branches: 67*
- ATMs: 84

*includes our telephone banking center
Overview

Nasdaq: TCBK

*Stock Price: $42.21

Market Capitalization: $975 million

Cash Dividends: 100+ consecutive quarters

**Asset Size Rank of CA Publicly Traded Banks: 14
Premier Northern California Community Bank

TCBK has an extensive presence throughout Northern California and the Central Valley with 66 branches.

FNBG’s twelve branches across the SF Peninsula provide scale in a key Northern California market.

FNBG adds an established presence with a 50+ year history serving the SF Peninsula.

San Francisco is the economic hub of Northern California, located ~150 miles from TriCo headquarters in Chico, CA.

Significant business activity exists between San Francisco and other Northern California markets within TriCo’s footprint.
Bay Area Opportunity

Economy

The Bay Area’s $780 billion economy would rank 5th among all US states and 18th globally among all countries.

The Bay Area economy grew 5.2% in 2016, ~3x faster than the US rate.

At 3.3% unemployment the area is significantly below national averages.

The Bay Area is the #1 region in the U.S. for venture capital investment.

Tourism attracts ~25 million visitors annually accounting for ~$9.7B in spending.

More than 52% of the population holds a Bachelor’s degree or higher.

25 Colleges and Universities are present in San Francisco.

Although led by tech, the Bay Area economy is supported by a diverse set of industries.

Major Employers

- The Bay Area is home to 36 Fortune 500 companies, more than any other US region except New York.

- Major employers include:
  - Salesforce
  - Kaiser Permanente
  - University of California San Francisco
  - LinkedIn
  - PayPal
  - McKesson
  - Charles Schwab
  - Fibrogen
  - Airbnb
  - Uber
  - Visa

Demographics

- With a population of ~7.6 million in the nine county region, the Bay Area represents ~20% of California’s residents.

- Attractive demographic trends driven by strong population growth on a large, affluent population base.

Strong Demographics

<table>
<thead>
<tr>
<th>2017 Median HHI</th>
<th>FNBG</th>
<th>TCBK</th>
<th>CA</th>
<th>USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>$104,239</td>
<td>$54,630</td>
<td>$71,061</td>
<td>$61,045</td>
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</table>

<table>
<thead>
<tr>
<th>Projected 5-Year Population Growth</th>
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<tbody>
<tr>
<td>FNBG</td>
</tr>
<tr>
<td>5.0%</td>
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<table>
<thead>
<tr>
<th>Projected 5-Year Median HHI Growth</th>
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<tbody>
<tr>
<td>FNBG</td>
</tr>
<tr>
<td>13.6%</td>
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(1) Median for zip codes in FNBG’s and TCBK’s footprint.
Market position in Northern California

FNBG and TriCo will create the largest Northern California-based community bank at over $6bn in assets

TriCo currently has a dominant market share in several Northern California markets

- #1 ranked deposit market share in Chico and Redding MSAs (~25% of total market)
- Represent stable markets with long term core depositors
- Top 5 market share position in 42% of TCBK’s counties

FNBG’s San Francisco presence provides increased growth prospects with strong demographic trends

- Larger and thriving markets with affluent population base and significant business opportunities
- Ample scale with capacity to improve market penetration
- One of the largest, best-positioned community banks serving San Francisco

TriCo’s recent expansion into Sacramento, CA complements San Francisco as a metro growth opportunity

<table>
<thead>
<tr>
<th>Rank</th>
<th>Community Bank Rank</th>
<th>Institution</th>
<th>MRQ Total Assets ($mm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>Wells Fargo &amp; Company</td>
<td>1,934,939</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>First Republic Bank</td>
<td>843,200</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>SVB Financial Group</td>
<td>50,754</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>TriCo (Pro Forma)</td>
<td>6,119</td>
</tr>
<tr>
<td>5</td>
<td>2</td>
<td>Mechanics Bank</td>
<td>5,702</td>
</tr>
<tr>
<td>6</td>
<td>3</td>
<td>Westamerica Bancorporation</td>
<td>5,446</td>
</tr>
<tr>
<td>7</td>
<td>4</td>
<td>Luther Burbank Corporation</td>
<td>5,320</td>
</tr>
<tr>
<td>8</td>
<td>5</td>
<td>Fremont Bancorporation</td>
<td>3,870</td>
</tr>
<tr>
<td>9</td>
<td>6</td>
<td>Farmers &amp; Merchants Bancorp</td>
<td>3,072</td>
</tr>
<tr>
<td>10</td>
<td>7</td>
<td>1867 Western Financial Corporation</td>
<td>2,907</td>
</tr>
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TCBK 2017 Deposits by MSA (pro forma)

FNBG enables TCBK to enter the attractive Bay Area market with scale
Merger Summary

Deal Terms
100% stock consideration to common shareholders; option holders to be cashed out
Fixed exchange ratio, 0.980x shares of TCBK common stock for each share of FNBG stock
Aggregate transaction value of $315mm or $40.81 per share \(^{(1)}\)

Price Collars
Fixed exchange ratio of 0.980x when TCBK’s stock price is between $49.78 and $33.18
- Outside the range, price adjusts if TCBK outperforms (above the range) / underperforms (below the range) the KBW Regional Bank Index by 20% or more
- TCBK and FNBG each have termination rights if the double-trigger collar is met

Ownership
76.0% TCBK / 24.0% FNBG
Two FNBG directors to join the TriCo board of directors

Process and Other Information
Extensive due diligence process completed; including loan review
Termination fee of $12.0mm
Requires customary regulatory and shareholder approvals
Expected close in the first half of 2018

\(^{(1)}\) Assumes TCBK stock price of $41.64 closing price on December 8, 2017
## Key Statistics

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>1975</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Employees</td>
<td>1,025</td>
<td>21</td>
</tr>
<tr>
<td>Local employees</td>
<td>450</td>
<td>21</td>
</tr>
<tr>
<td>Bank Directors</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Payroll</td>
<td>$84 million</td>
<td>$137,000</td>
</tr>
<tr>
<td>Average Salary</td>
<td>$76,364</td>
<td>$6,524</td>
</tr>
<tr>
<td>Branches</td>
<td>67</td>
<td>1</td>
</tr>
<tr>
<td>Offices</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Cities</td>
<td>53</td>
<td>1</td>
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<tr>
<td>Counties</td>
<td>26</td>
<td>1</td>
</tr>
<tr>
<td>Number of Customers</td>
<td>180,000</td>
<td>3,200</td>
</tr>
<tr>
<td>Number of Accounts</td>
<td>400,000</td>
<td>4,400</td>
</tr>
</tbody>
</table>
Our Story

Tri Counties Bank opened for business in June of 1975. We opened in a portable trailer on where our Pillsbury branch is located today.

The bank was formed by local area businesspeople and area farmers to provide the community with a strong local community focused bank. The name provided for the strategic vision of someday serving the businesses and citizens of Butte, Glenn and Tehama counties.
Our Story

The bank was started with only $1,000,000 of capital. The shareholders were widely distributed and the original board felt strongly that the stock should remain widely held. Again, there was a strong need for a local bank to help customers during difficult economic times during the mid 1970’s. Tri Counties reason to exist was driven by it’s strong belief of meeting the financial needs of our community.

Our founding principles remain today as they were in 1975. Tri Counties Bank exists for just one purpose: to improve the financial well-being for our shareholders, customers, communities and employees.
TRICO Bancshares (TCBK)

• Stock Price from 1994-2017
TRICO Bancshares (TCBK)

- Stock Price 2016-2017
Largest Shareholders

- 74% Institutional Shareholders
  - Blackrock
  - Dimension Funds
  - Fidelity
  - Manulife (John Hancock)
  - Goldman Sachs
  - JP Morgan Chase
  - Vanguard
Largest Shareholders

• Management & Board - 12%
• Employees through our ESOP program are the second largest shareholder in the company at approximately 5%.
• In addition, we have thousands of individuals who own shares in TCBK.
Shareholders by Geography

- United States 82.09%
- Luxembourg
- Britain
- Switzerland
- Japan
- Canada
- Germany
- Ireland
Bank Mergers & Acquisitions

- 3 Branch purchase Bank of America 2016
- North Valley Bancorp 2014
- Citizens Bank of Northern California 2011
- Granite Community Bank 2010
- North State National Bank 2003
- 9 Branch purchase Wells Fargo 1997
- Sutter Butte Savings 1996
- Country National Bank 1993
- Branch purchase from Wells Fargo 1987
- Shasta County Bank 1981
Total Loans
Net of unamortized deferred loan fees and discounts ($000’s)

2013 2014 2015 2016 Q3 2017

$1,672,007 $2,282,524 $2,522,937 $2,759,593 $2,931,613

16.2% CAGR

Data as of 09.30.2017
Total Ending Deposits

Data as of 09.30.2017
Economic Impacts

- Over 3,000 hours of volunteer community service per year
- Team members volunteers in leadership positions in many community programs that provided needed services to low in moderate income families and communities
- By being headquartered in Chico, we receive numerous grants that bring needed monies for affordable housing programs, senior living support and economic assistance (i.e. Fire funds for those most in need).
- We currently have invested over $40 million in community development programs. Programs designed to create jobs, provide affordable housing and/or drive economic development.
- We donate over $1 million a year into non profit organizations.
- Help raise community funds in several communities designated as Federal Disaster areas due to the wild fires over the past few years.
- This year we have made $100,000,000 in loans to small businesses throughout our market area.