



CAPITAL BANK
FINANCIAL CORP

2015 Morgan Stanley
Financials Conference

June 10, 2015



Safe Harbor Statement

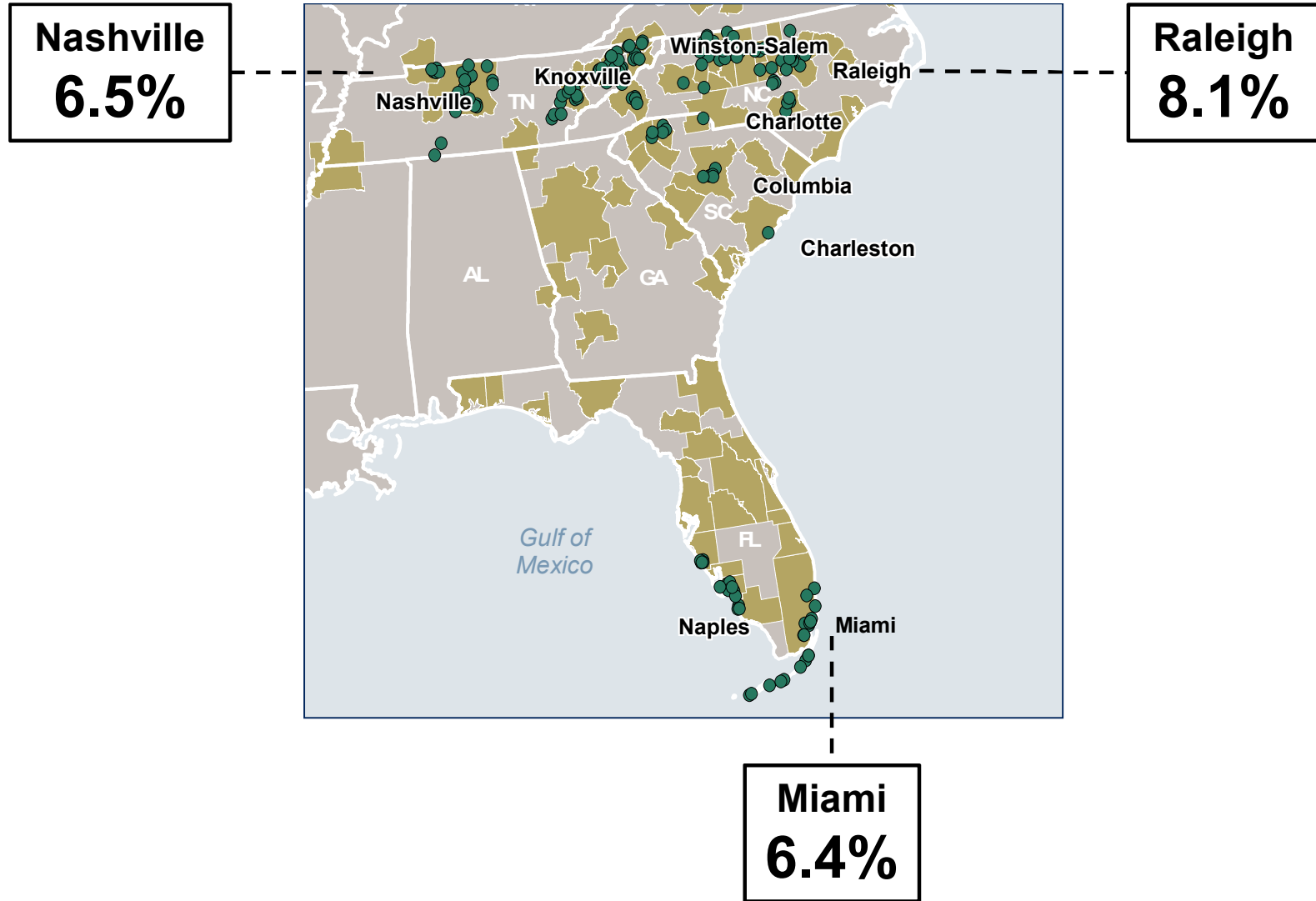
Forward-Looking Statements

Information in this presentation contains forward-looking statements. Any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as %anticipate,+%believes,+ %can,+%could,+%may,+%predicts,+%potential,+%should,+%will,+%estimate,+%plans,+%projects,+%continuing,+%ongoing,+%expects,+ %intends+and similar words or phrases. Accordingly, these statements are only predictions and involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of several factors more fully described under the caption %Risk Factors+in the annual report on Form 10-K and other periodic reports filed by us with the Securities and Exchange Commission. Any or all of our forward-looking statements in this presentation may turn out to be inaccurate. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward looking statements including, but not limited to: (1) changes in general economic and financial market conditions; (2) changes in the regulatory environment; (3) economic conditions generally and in the financial services industry; (4) changes in the economy affecting real estate values; (5) our ability to achieve loan and deposit growth; (6) the completion of future acquisitions or business combinations and our ability to integrate any acquired businesses into our business model; (7) projected population and income growth in our targeted market areas; (8) competitive pressures in our markets and industry; (9) our ability to attract and retain key personnel; (10) changes in accounting policies or judgments; and (11) volatility and direction of market interest rates and a weakening of the economy which could materially impact credit quality trends and the ability to generate loans. All forward-looking statements are necessarily only estimates of future results and actual results may differ materially from expectations. You are, therefore, cautioned not to place undue reliance on such statements which should be read in conjunction with the other cautionary statements that are included elsewhere in this presentation. Further, any forward-looking statement speaks only as of the date on which it is made and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events.



Positioned in Southeastern Growth Markets

MSA-level projected population growth rates 2015-2020



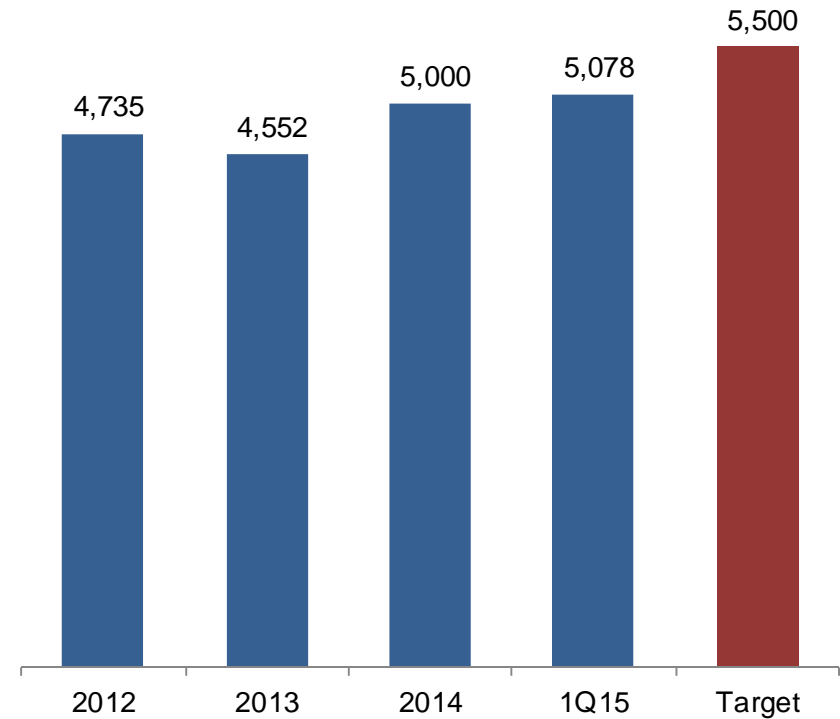
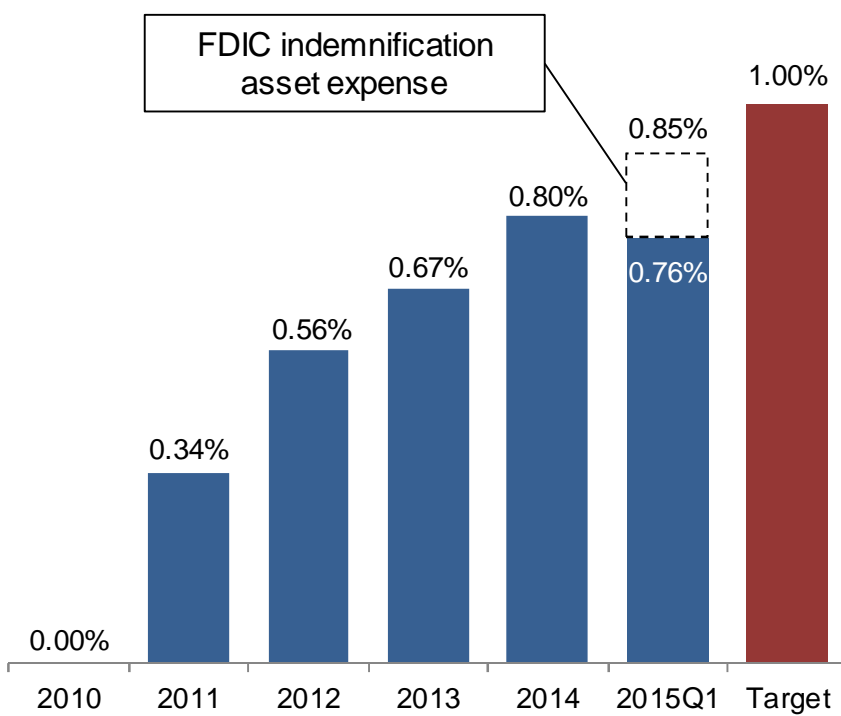


Significantly Improved Returns

Core Return on Assets

Loan Portfolio¹

\$s in millions



Annualized Loan Growth: -3.9% +9.9% +6.2% +10%

(1) Loan portfolio before allowance.

FDIC indemnification asset expense of \$2.439 million, tax effected at 37%.
See reconciliation of non-GAAP measures in appendix.



Appendix



Reconciliation of Annual Core Net Income

\$ mm's

	2014	2013	2012	2011	YTD 2010
Net income	\$50.9	\$38.8	\$55.0	\$7.5	\$12.0
Adjustments	After-Tax	After-Tax	After-Tax	After-Tax	After-Tax
Conversion expenses	-	0.1	4.5	4.6	1.2
Legal/Merger fees	-	-	1.6	1.5	0.8
Stock-based comp	0.9	3.1	11.4	6.0	-
Legal settlement	-	-	0.5	-	-
Insurance Settlement Gain	-	-	1.1	-	-
Insurance Settlement Expense	-	-	(1.1)	-	-
Securities gains	(0.6)	(0.1)	(5.2)	(2.9)	-
CVR Valuation	1.7	2.8	0.3	-	-
Extinguishment of debt	-	(0.1)	2.0	(0.3)	-
Professional	-	-	-	-	1.2
Bargain Purchase Gain	-	-	-	-	(15.2)
Tax Gain	-	1.6	(34.0)	-	-
Intangible Impairment Charge	-	-	0.1	1.8	-
Severance	-	-	1.1	-	0.1
Core Net Income	\$52.9	\$46.1	\$37.3	\$18.2	\$0.1
Average Assets	\$6,617	\$6,855	\$6,619	\$5,361	\$1,581
Tangible Common Equity	\$910	\$957	\$995	\$848	\$830
**Core ROA	0.80%	0.67%	0.56%	0.34%	0.0%
***Core ROTCE	5.8%	4.8%	3.7%	2.1%	0.0%

*Tax effected at an income tax rate of 39%

**Core ROA: Annualized core net income / average assets

***Core ROTCE: Annualized core net income / tangible common equity



Reconciliation of Core Net Income

\$ 000's

	Quarter Ended 1Q15	Quarter Ended 1Q15	Quarter Ended 4Q14	Quarter Ended 4Q14	Quarter Ended 1Q14	Quarter Ended 1Q14
Net income	\$11,389	\$11,389	\$13,836	\$13,836	\$11,414	\$11,414
Adjustments	Pre-Tax	After-tax	Pre-Tax	After-tax	Pre-Tax	After-tax
Non-Interest Income						
Security gains*	(90)	(55)	(513)	(313)	(174)	(106)
Non-Interest Expense						
Stock-based compensation expense*	95	58	239	146	533	328
Contingent Value Right expense	116	72	334	334	767	767
Severance expense *	111	68	-	-	-	-
Restructuring charges*	2,341	1,444	-	-	-	-
Tax effect of adjustments*	(986)	NA	107	NA	(137)	NA
Core Net Income	12,976	12,976	14,003	14,003	\$12,403	\$12,403
Average Assets	\$6,854,322		\$6,749,124		\$6,554,068	
Tangible Common Equity	\$901,884		\$910,155		\$947,123	
** ROA	0.66%		0.82%		0.70%	
*** Core ROA	0.76%		0.83%		0.76%	
**** Core ROTCE	5.8%		6.2%		5.2%	

* Tax effected at an income tax rate of 38%

** ROA: Annualized net income / average assets

*** Core ROA: Annualized core net income / average assets

**** Core ROTCE: Annualized core net income / tangible common equity