



2015 First Quarter Earnings

April 23, 2015



Safe Harbor Statement

Forward-Looking Statements

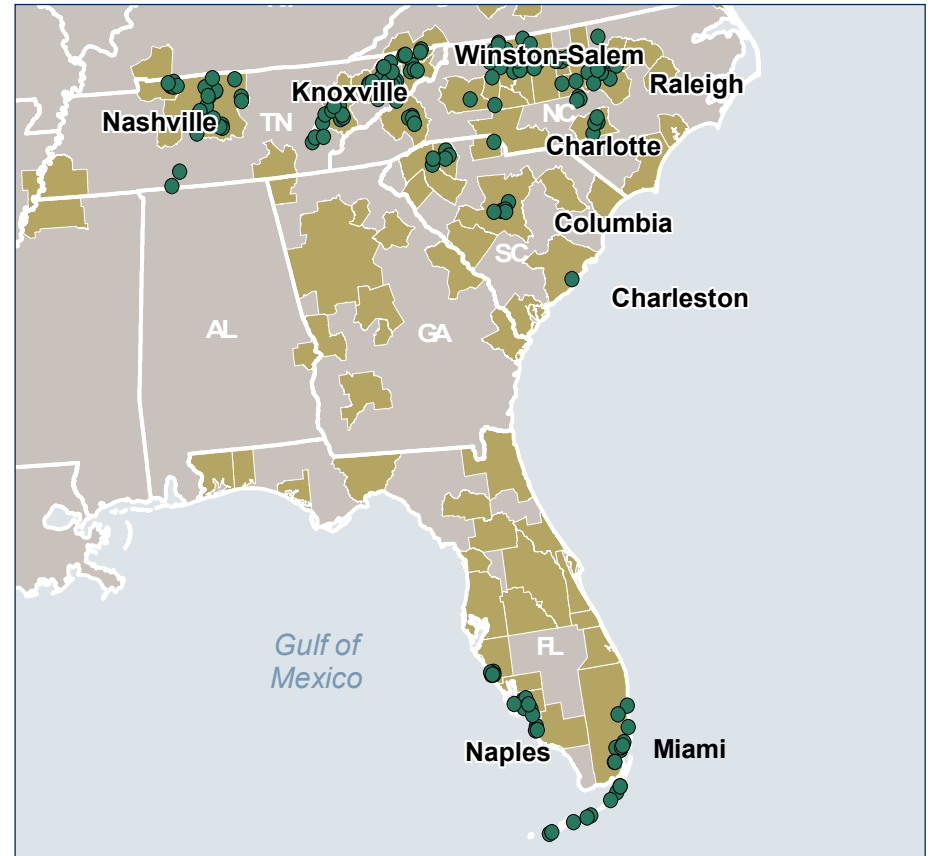
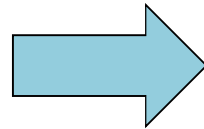
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We've Built One Bank out of Seven Acquisitions



GreenBankshares, Inc.





First Quarter Accomplishments

Net income per share up 9% y/y, core net income per share up 13% y/y

New loans of \$316 million, +25% y/y

Loan portfolio grew 6.2% annualized q/q and 11.7% y/y, with strong credit metrics

Deposits grew 8.3% annualized q/q, paced by double-digit growth in non-interest checking

Special assets and legacy credit expense each down 37% y/y

Noninterest expense down 4.7% and 7.3% GAAP and core, respectively, y/y



First Quarter Financial Summary

(\$ mm's except per share data, growth rates, and metrics)

	1Q15	% change	
		4Q14	1Q14
Net interest income	59.7	-3%	-4%
Provision (reversal)	(0.8)	33%	NM
Core non-interest income	9.8	-3%	-12%
Core non-interest expense	50.0	-1%	-7%
Core pretax income	20.4	-6%	3%
Core net income	13.0	-7%	5%
Per share	\$0.27	-7%	13%
Non-core adjustments	(1.6)	NM	60%
Net income	11.4	-17%	0%
Per share	\$0.24	-17%	9%

Key Metrics	1Q15	4Q14	1Q14
Net interest margin	3.96%	4.05%	4.41%
Core fee ratio	14.1%	14.1%	15.2%
Core efficiency ratio	71.9%	70.5%	73.2%
Core ROA	0.76%	0.83%	0.76%
Core ROTCE	5.8%	6.2%	5.2%

Pre-tax non-core adjustment detail	
\$ 000s	
Security gains	(90)
Founder stock grant expense	95
Contingent value right expense	116
Restructuring and severance charges	2,452

Net interest income decreased by \$1.6 mm sequentially, of which approximately \$1.3 mm reflected shorter day count in 1Q

\$800k reversal of provision includes \$1.9 million reversal of impairment in legacy portfolio and \$1.1 million provision for new loans

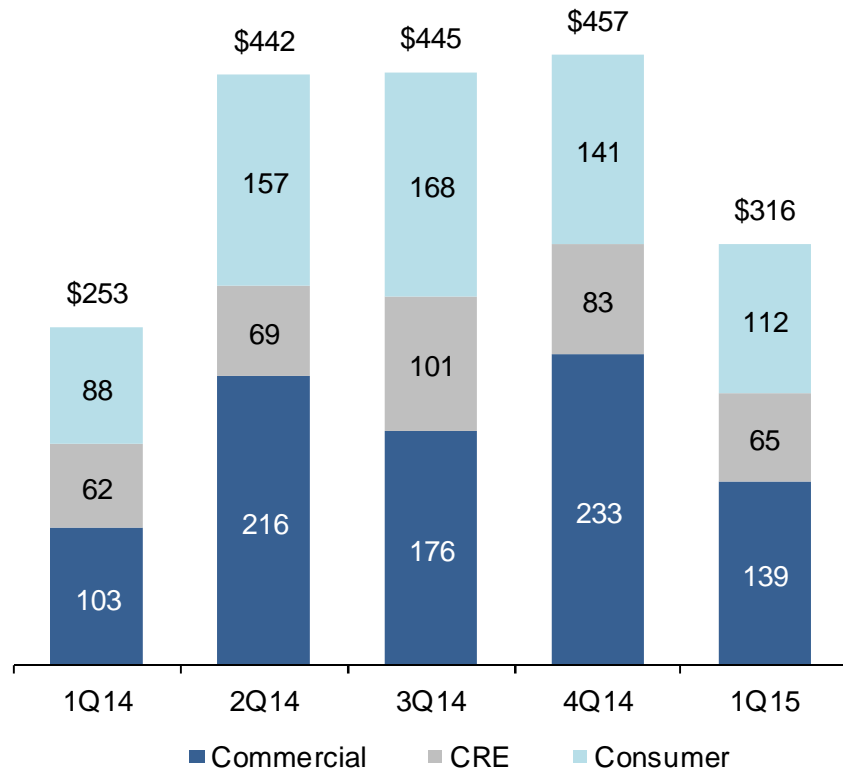
Tangible book value per share increased \$0.21 to \$19.49



New Loan Production Up 25% Y/Y

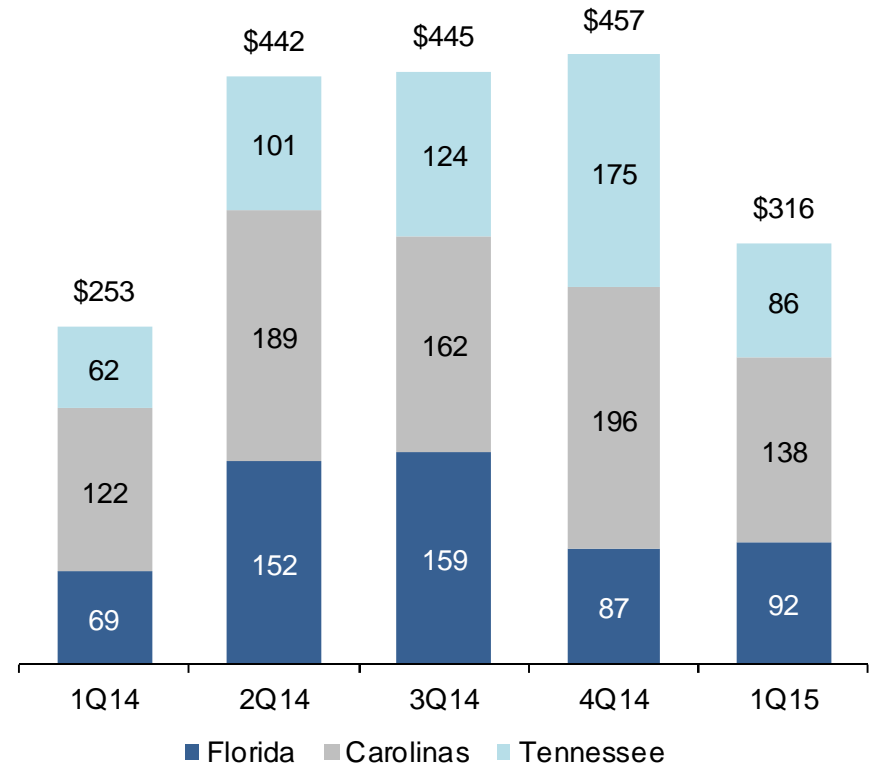
New Loans by Product

\$ mm's



New Loans by Geography

\$ mm's

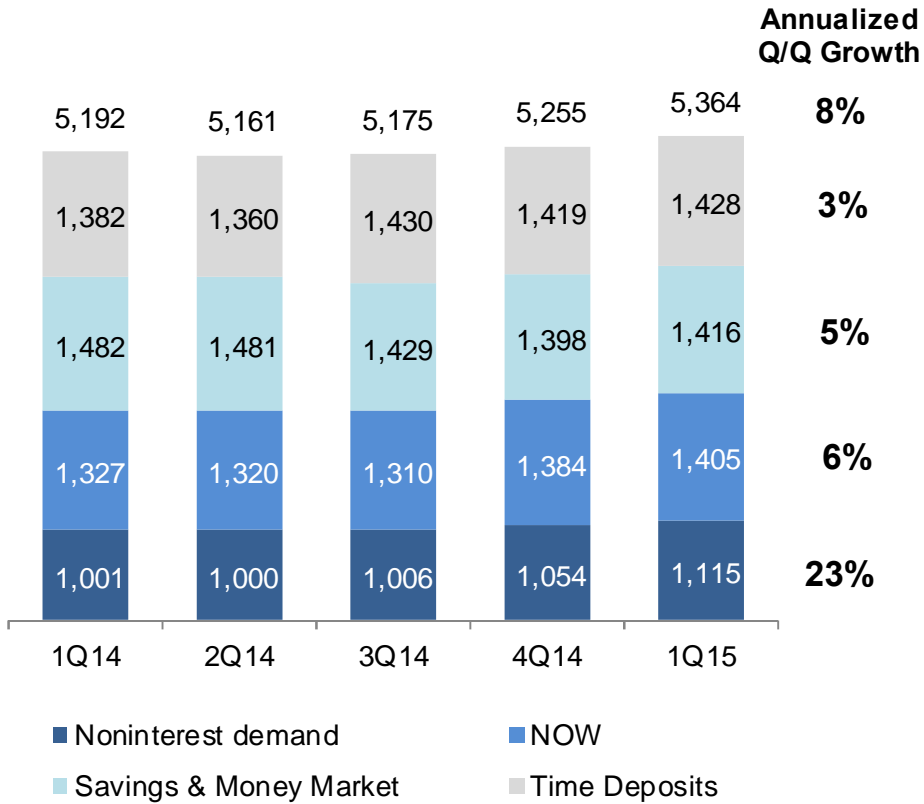




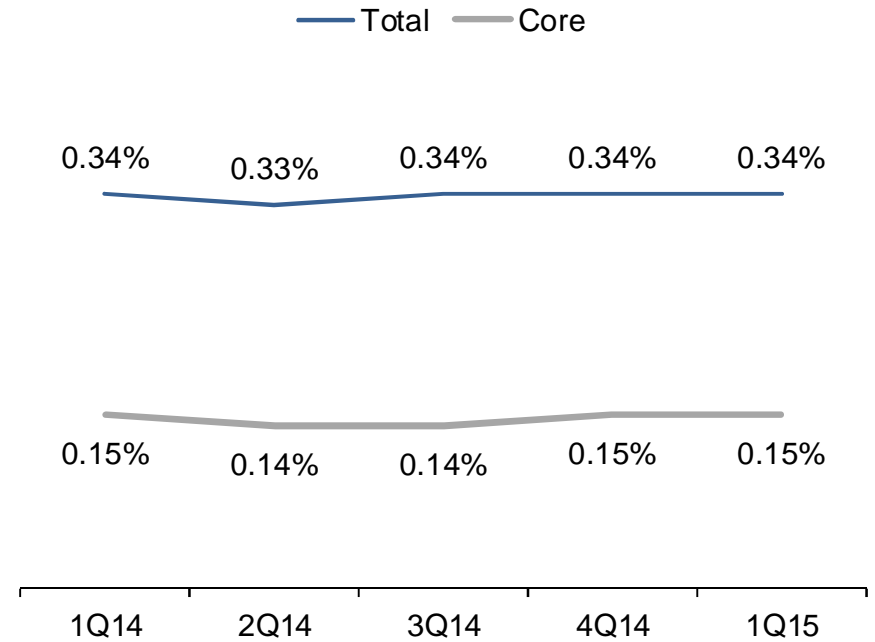
Checking Balances Pacing Deposit Growth

Deposit Balances

\$ mm's



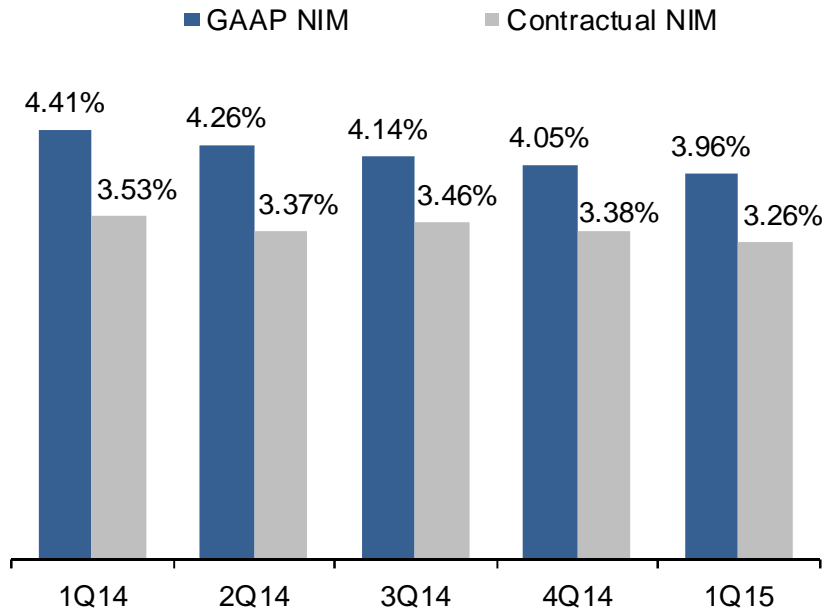
Cost of Deposits



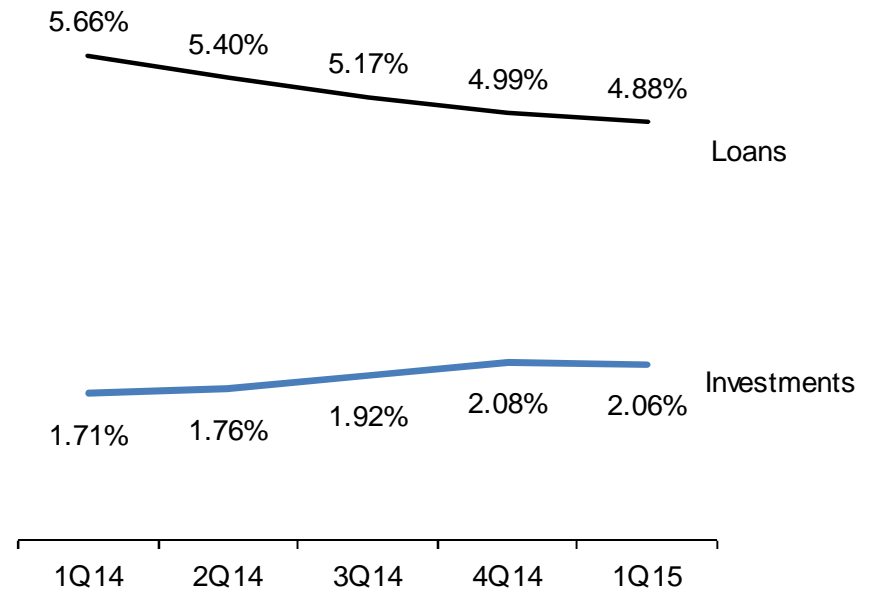


NIM Compresses as Expected on New Loan Yields

Net Interest Margin (NIM)



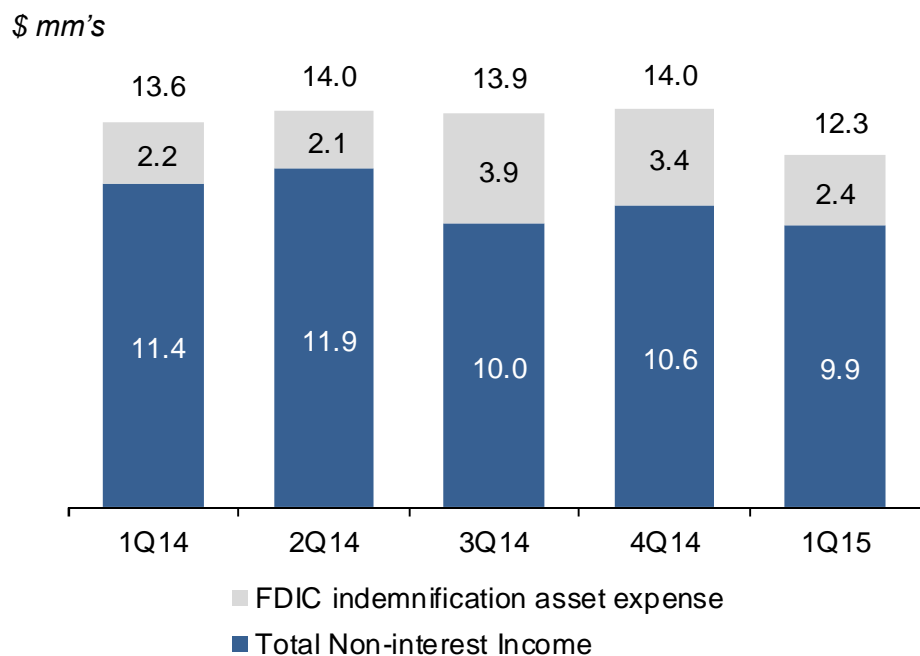
Yields





Deposit Service Charges Under Pressure

Non-interest Income Before FDIC Expense



Non-interest Income Detail

\$ mm's

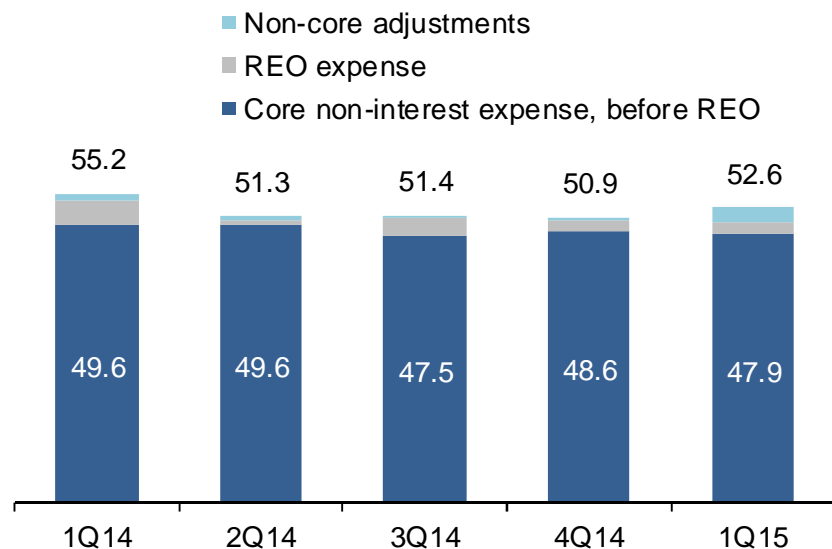
	1Q14	4Q14	1Q15
Services charges on deposits	5.4	5.4	4.7
Debit card income	2.8	3.0	3.0
Fees on mortgage loans sold	0.8	1.1	1.1
Investment advisory and trust fees	1.3	1.2	1.0
Other	3.3	3.3	2.5
Non-interest Income ex FDIC expense	13.6	14.0	12.3
FDIC indemnification asset expense	(2.2)	(3.4)	(2.4)
Non-interest Income	11.4	10.6	9.9



Core Expenses Down 7.2% Y/Y

Non-interest Expense

\$ mm's



Core Non-interest Expense

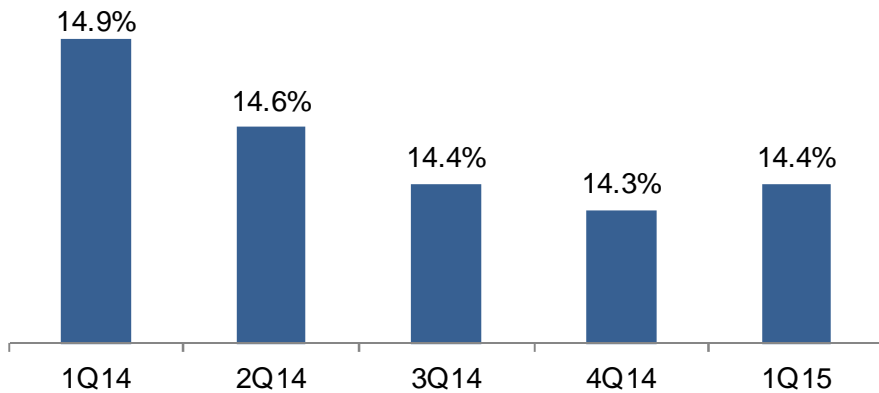
\$ mm's

	1Q14	4Q14	1Q15
Salaries and employee benefits	23.5	23.9	23.9
Net occupancy and equipment	8.6	8.0	8.1
Professional fees	2.0	2.1	1.7
Other	15.5	14.7	14.2
Core non-interest expense, before REO	49.6	48.7	47.9
REO expense	4.3	1.8	2.1
Core non-interest expense	53.9	50.4	50.0
Non-core adjustments	1.3	0.5	2.6
Total non-interest expense	55.2	50.9	52.6



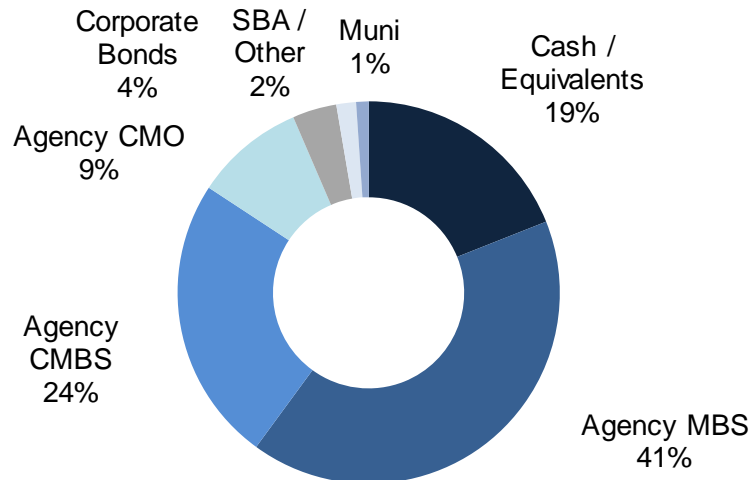
Liquidity and Capital Ratios Remain Strong

Tier 1 Leverage Ratio¹



Modified duration of investments was 4.4 years at March 31, 2015, vs 4.1 years at December 31, 2014

Liquidity

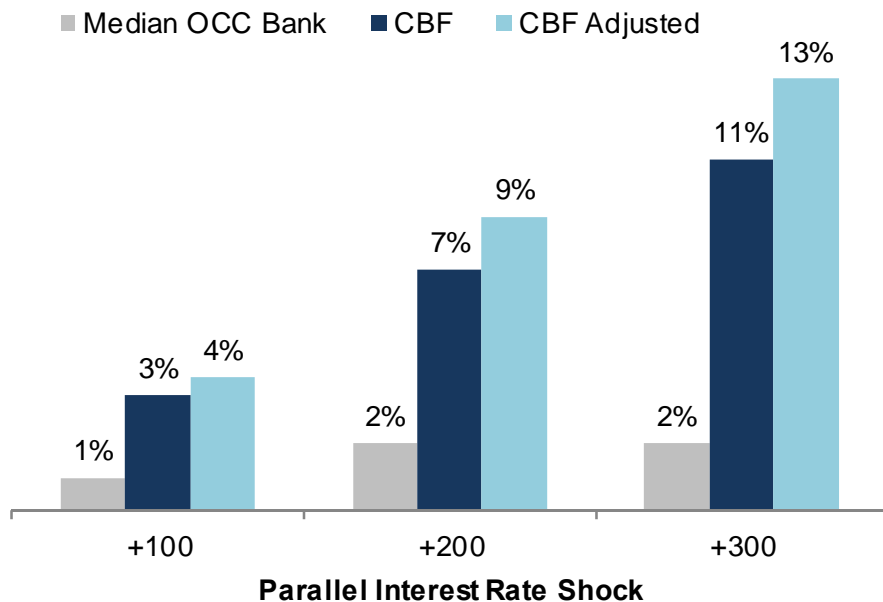


(1) Capital ratios are preliminary.

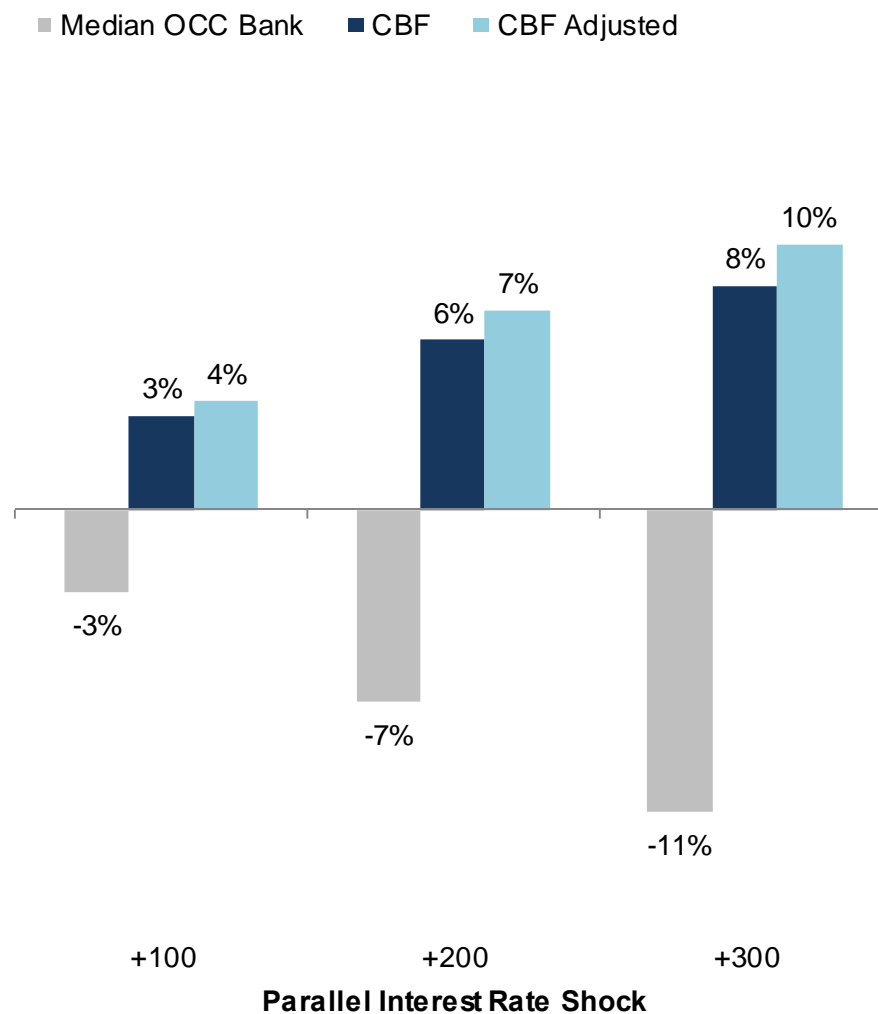


Highly Asset Sensitive Relative to Median Bank

12-month Net Interest Income at Risk



Economic Value of Equity at Risk



Non-Maturity Deposit Assumptions

	Capital Bank		Median OCC Bank	
	Decay Rate	Repricing Beta	Decay Rate	Repricing Beta
DDA	15%	0%	15%	0%
NOW	15%	27%	15%	23%
Money Market	21%	44%	21%	40%
Savings	14%	44%	14%	25%

Note: OCC Banks include 1,100 . 1,400 community and mid-size banks/thrifts, data collected in 4Q13 and 1Q14.

Source: OCC Interest Rate Risk (IRR) Measurement . Range of Practice Memorandum, 12/17/2014.

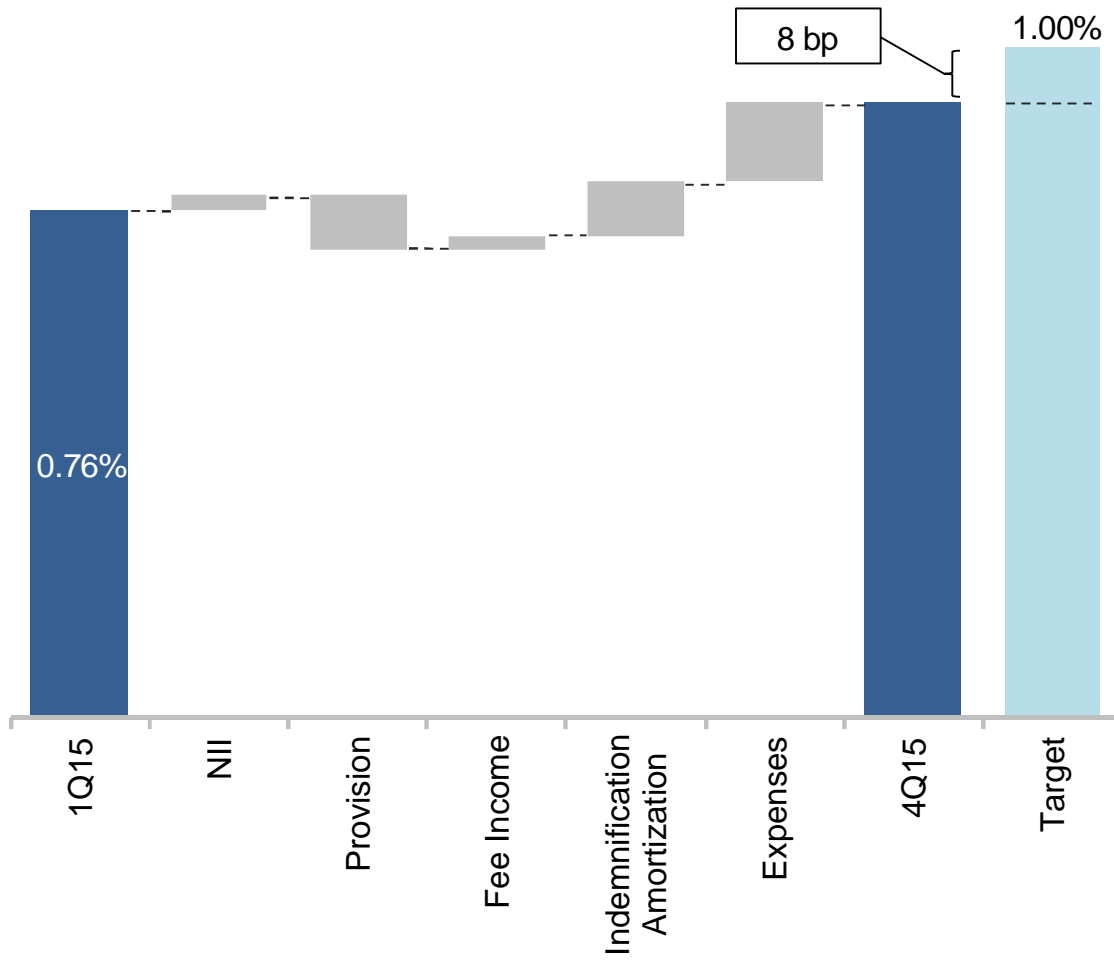
CBF Adjusted uses peer median deposit re-pricing beta assumptions. CBF data as of 3/31/15, bank only.



Path to Profitability Target

Core Return on Average Assets

Profitability Drivers



Loan growth offsets margin compression

Provision normalized

Modest improvement in fees

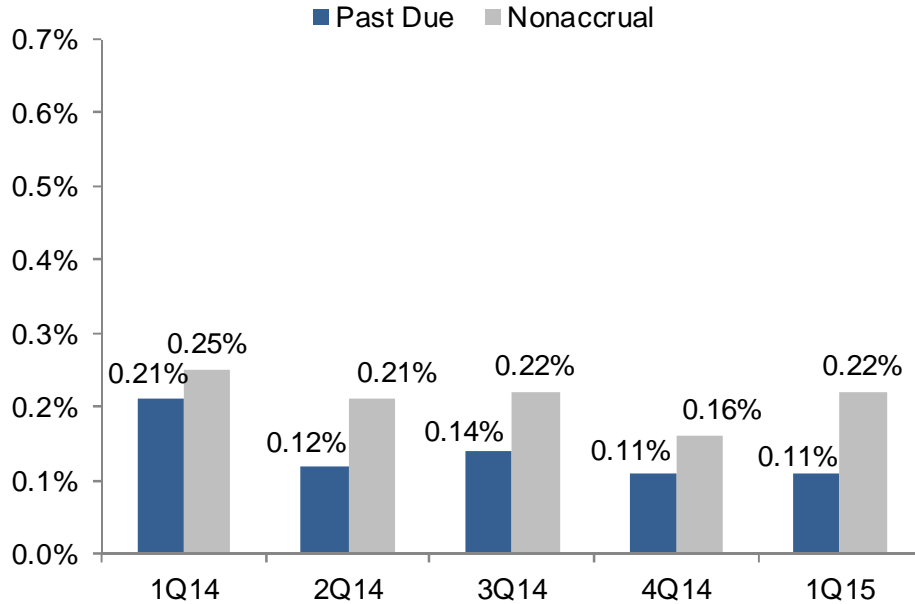
Impact of completed initiatives and legacy credit savings

New cost and revenue initiatives



New Loan Portfolio Performing Strongly

Past Dues & Nonaccruals



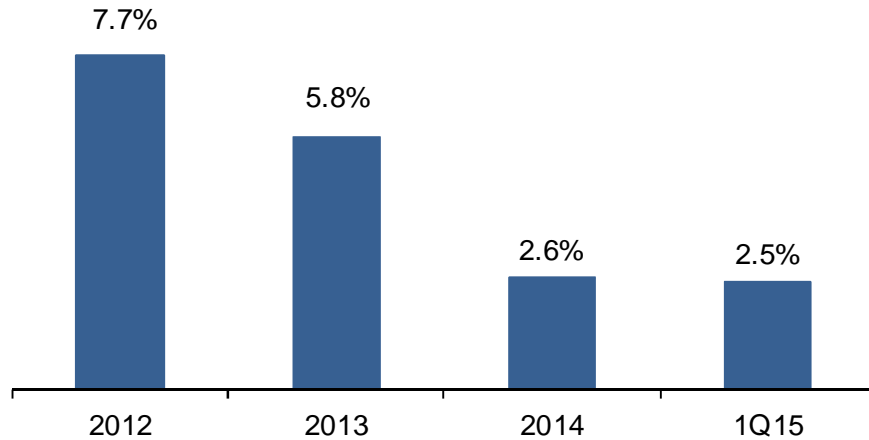
New Loan Portfolio Credit Metrics

	1Q14	4Q14	1Q15
Criticized	0.74%	0.32%	0.37%
Classified Performing	0.50%	0.44%	0.28%
Classified Nonperforming	0.25%	0.16%	0.22%
Total Criticized/Classified	1.49%	0.92%	0.87%
Reserve (\$ mm)	20.2	21.4	21.3
Reserve as % of New Loan Portfolio	0.80%	0.63%	0.61%

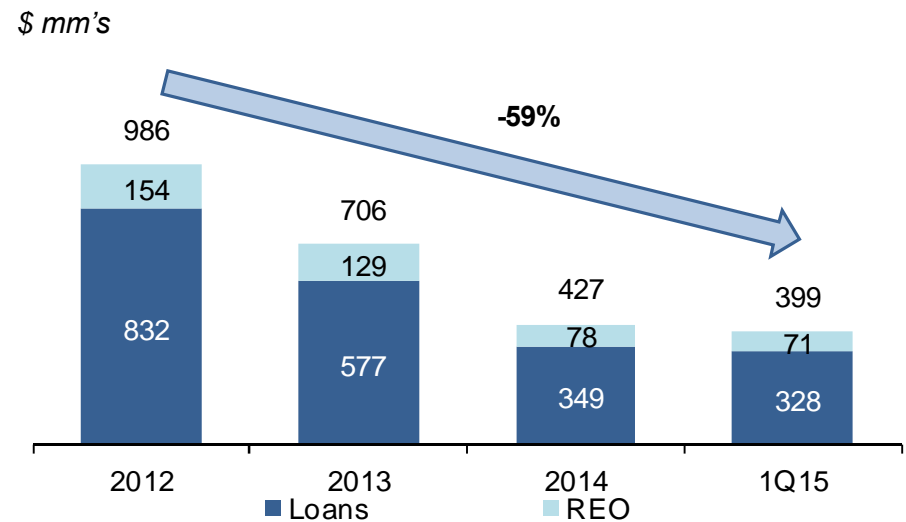


Special Assets Down 59% Since 2012

Nonperforming Loans / Total Loans



Special Assets



Legacy Credit Expenses

\$ mm's

Y/Y %

	1Q14	4Q14	1Q15	Change
Provision (reversal) on legacy loans	(2.5)	(1.4)	(1.9)	
FDIC indemnification asset expense	2.2	3.4	2.4	
OREO valuation expense	3.6	1.6	1.4	
(Gains) losses on sales of OREO	(0.7)	(0.4)	(0.0)	
Foreclosed asset related expense	1.4	0.6	0.7	
Loan workout expense	1.2	1.4	0.6	
Salaries and employee benefits	1.2	1.0	0.8	
Total legacy credit expense	6.4	6.1	4.0	-37%



Capital Bank Investment Highlights

Experienced management team with institutional track record

Positioned in Southeastern growth markets

Disciplined and sustainable growth story

Focused on deploying capital and improving profitability

Attractive valuation



Appendix



Reconciliation of Core Noninterest Income / Expense

\$ 000's

	1Q15	4Q14	3Q14	2Q14	1Q14
Net interest income	\$59,729	\$61,351	\$61,425	\$60,831	\$62,453
Reported non-interest income	9,920	10,594	9,957	11,887	11,369
Less: Securities gains (losses), net	90	513	317	(28)	174
Core non-interest income	\$9,830	\$10,081	\$9,640	\$11,915	\$11,195
Reported non-interest expense	\$52,647	\$50,932	\$51,418	\$51,273	\$55,224
Less: Stock-based compensation expense	95	239	242	531	533
Contingent value right expense	116	334	278	327	767
Restructuring charges	2,341
Severance expense	111
Core non-interest expense	\$49,984	\$50,359	\$50,898	\$50,415	\$53,924
Core Fee Ratio*	14.1%	14.1%	13.6%	16.4%	15.2%
Efficiency Ratio**	75.6%	70.8%	72.0%	70.5%	74.8%
Core Efficiency Ratio***	71.9%	70.5%	71.6%	69.3%	73.2%

* Core Fee Ratio: Core non-interest income / (Net interest income + Core non-interest income)

** Efficiency Ratio: Non-interest expense / (Net interest income + Non-interest income)

***Core Efficiency Ratio: Core non-interest expense / (Net interest income + Core non-interest income)



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



Tangible Book Value

(In thousands, except per share data)

March 31, 2015

Total common shareholders' equity	\$1,054,349
Intangibles, net of taxes	145,622
Tangible book value*	<u>\$908,727</u>
Common shares outstanding	46,632
Tangible book value per share	\$19.49

* Tangible book value is equal to book value less goodwill and core deposit intangibles, net of related deferred tax liabilities.



Contractual Net Interest Margin

\$ 000s

	Average Earning Assets	Net Interest Income	Net Interest Margin
March 31, 2015			
Reported	6,168,668	66,572	3.96%
Purchase accounting impact	(73,831)	10,790	0.70%
Contractual Net Interest Margin (1)			3.26%
December 31, 2014			
Reported	6,045,748	61,723	4.05%
Purchase accounting impact	(79,632)	10,295	0.67%
Contractual Net Interest Margin (1)			3.38%
September 30, 2014			
Reported	5,911,601	61,660	4.14%
Purchase accounting impact	(91,982)	10,292	0.68%
Contractual Net Interest Margin (1)			3.46%
June 30, 2014			
Reported	5,756,466	61,077	4.26%
Purchase accounting impact	(101,062)	12,977	0.89%
Contractual Net Interest Margin (1)			3.37%
March 31, 2014			
Reported	5,774,135	62,721	4.41%
Purchase accounting impact	(117,732)	12,762	0.88%
Contractual Net Interest Margin (1)			3.53%

(1) Excludes purchase accounting adjustments