CAPITAL BANK FINANCIAL CORP

2013 Fourth Quarter Earnings

January 23, 2014

Safe Harbor Statement

Forward-Looking Statements

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Our Path to Investor Returns

Goals	4Q2013 Core Results
ý Improve core ROA to 1.0%	ý 0.79% core ROA, up from 0.48% in 4Q12
ý Generate organic loan and core deposit growth	ý 6.7% annualized organic loan growth, 5.3% annualized core deposit growth
ý Deploy capital through acquisitions, in a thoughtful and disciplined manner	ý Ongoing evaluation of / dialogue with potential targets
ý Optimize capital structure and return excess capital to investors	ý Repurchased $7.1 mm of stock
ý Target low double-digit ROTCE	ý 5.4% core ROTCE, up from 3.6% in 4Q12
ý Significantly improve stock valuation	ý 1.2x P/TBV

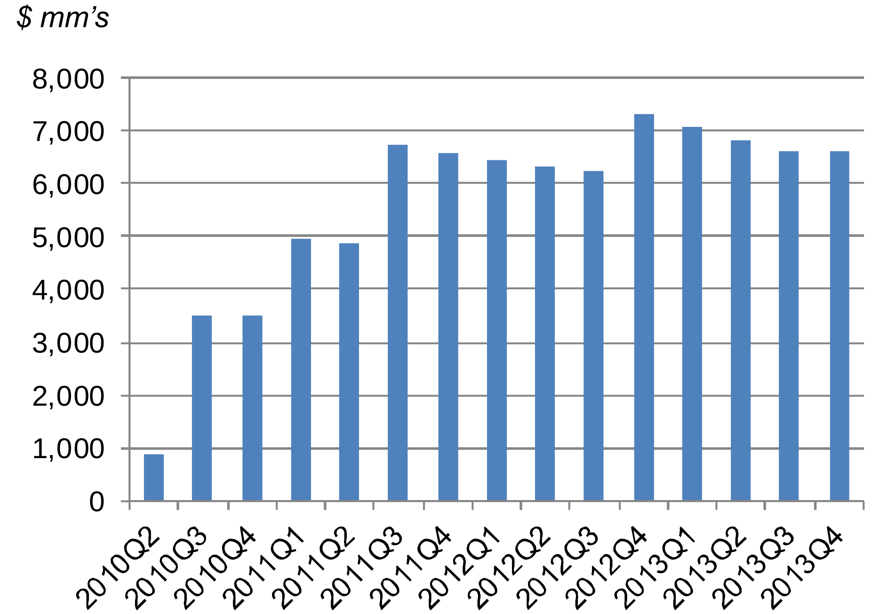
Intense focus on improving/sustaining ROTCE

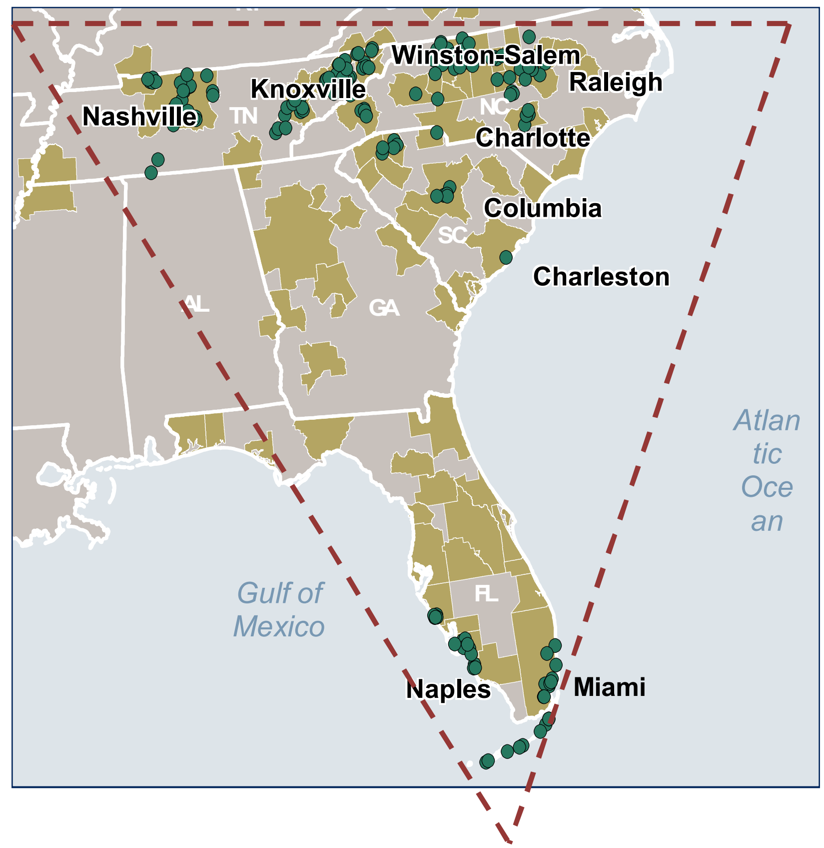
ROTCE = Return on Tangible Common Equity. ROA = Return on average assets. See appendix for core reconciliation.

The Capital Bank Story

From 'blind pool' to $6.6 billion bank in three years

Total Assets





Source: SNL Financial

Weôve Built One Bank out of Seven Acquisitions

TIB FINANCIAL CORP.

CAPITAL BANK

GreenBankshares, Inc.

Southern Community FINANCIAL CORPORATION

FIRST NATIONAL BANK

METROBANK

TURNBERRY BANK

CAPITAL BANK FINANCIAL CORP

- Merged all acquisitions into single national charter: Capital Bank, NA
- Integrated onto single scalable processing platform
- Branded all retail stores Capital Bank
- Centralized all back-office functions
- Rolled out uniform products, pricing, and management practices across the footprint
- Established a common culture of performance, accountability, and compliance

Fourth Quarter Highlights

- GAAP net income of $12.2 mm, or $0.23 per diluted share
- Record core net income of $13.0 mm, or $0.25 per diluted share, up 54% y/y
- Core ROA improved to 0.79%, up from 0.48% in 4Q12
- Organic loan growth of $75 mm on record originations of $409 mm
- NIM expanded to 4.52%, with the cost of deposits falling sequentially from 0.38% to 0.34%
- TBV per share improved to $18.55
- Strongly capitalized with consolidated tier 1 leverage of 14.9%

See reconciliation of non-GAAP measures in appendix.

Fourth Quarter Core Earnings Summary

($ mm's except per share data)

	4Q13	3Q13	4Q12	Q/Q	Y/Y
Net interest income	65.7	65.4	67.7	1%	-3%
Provision	3.3	1.0	6.7	-232%	52%
Core non-interest income	13.1	15.3	15.4	-14%	-15%
Core non-interest expense	55.0	59.3	61.8	7%	11%
Core pretax income	20.7	20.4	14.6	1%	42%
Core net income	13.0	12.7	9.0	2%	45%
Per share	$0.25	$0.24	$0.16	4%	54%
Non-core adjustments	(0.8)	(1.3)	4.3		
Net income	12.2	11.4	4.6		
Per share	$0.23	$0.22	$0.08		
Net interest margin	4.52%	4.45%	4.18%		
Core fee ratio	16.6%	19.0%	18.6%		
Core efficiency ratio	70%	73%	74%		
Core ROAA	0.79%	0.76%	0.48%		
Core ROTCE	5.4%	5.3%	3.6%		

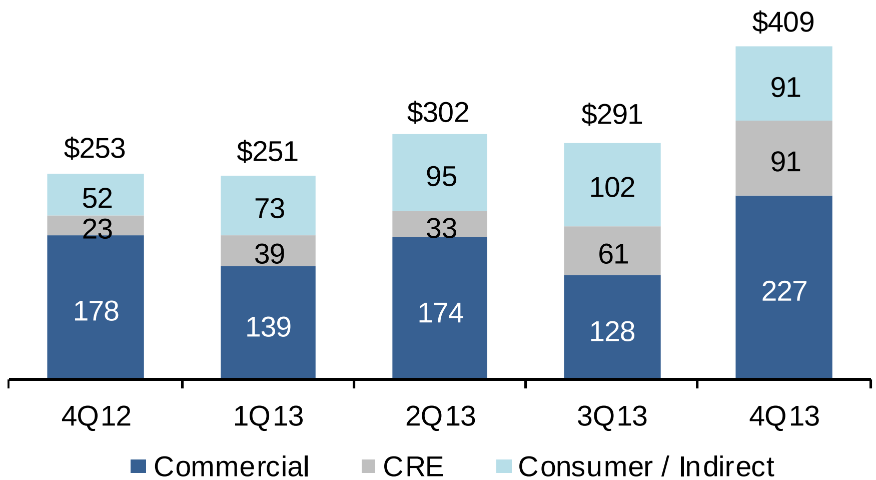
After-tax non-core adjustment detail	
$ mm's	
Security Gains	(0.1)
Non-cash Equity Compensation	0.6
CVR Expense	0.3
Total	**0.8**

See appendix for more detail on non-core adjustments and reconciliation.

New Loan Production +62% Y/Y

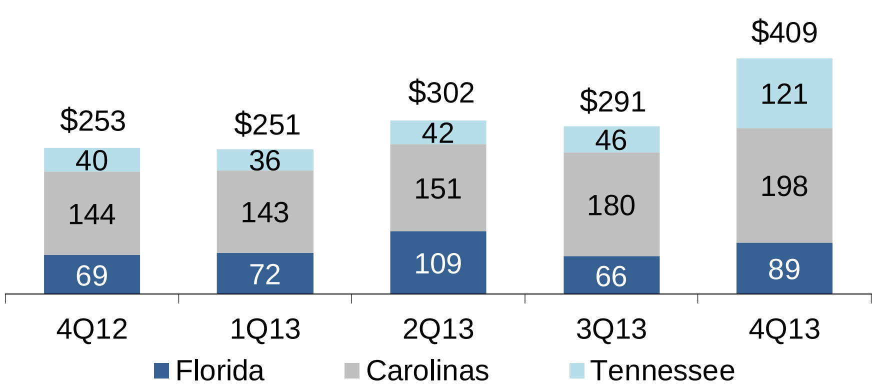
Originations by Product

$ mm's



Originations by Geography

$ mm's

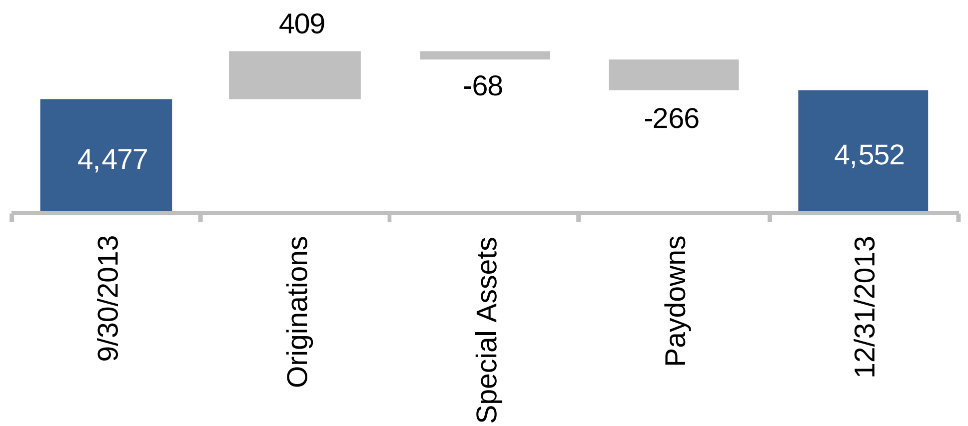


- Record originations of $409 mm, driven by commercial lending at 55% of total
- Improved results in Tennessee as a result of new leadership and relationship managers joining the Capital Bank team earlier in the year
- Consumer originations flat sequentially, but up 75% y/y
- All production consistent with credit and interest rate risk standards

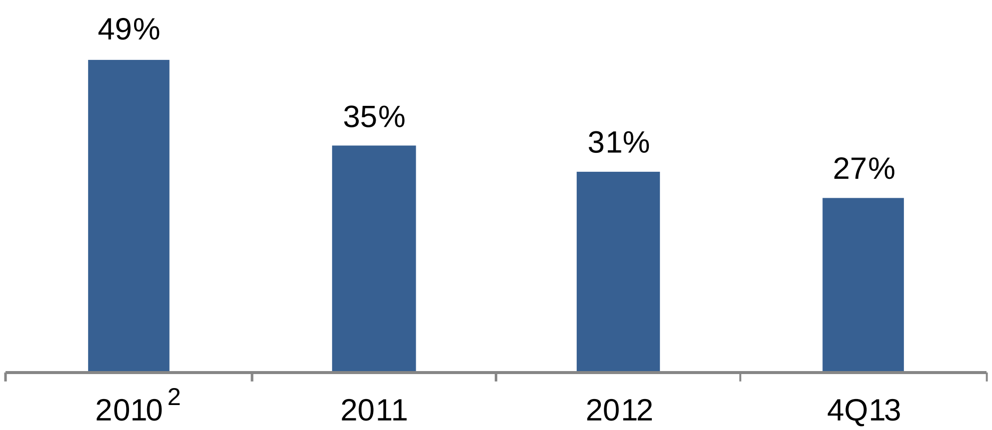
Loan Portfolio +6.7% Annualized in 4Q

Loan Portfolio[1]

$ mm's



CRE Concentration

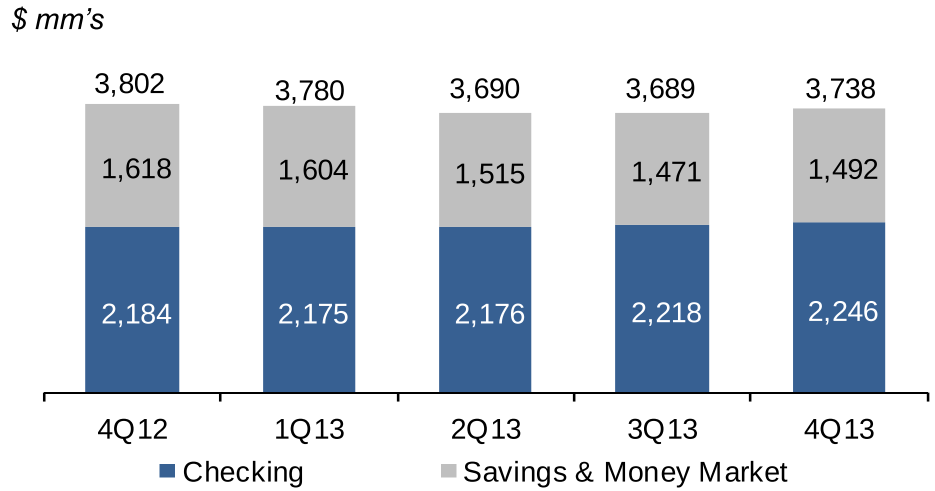


- Paydowns were in line with expectations due in part to improved retention management
- Commercial real estate concentration remains within limits
- Collections and foreclosures on Special Assets loans totaled $68 mm

(1) Carrying value
(2) As of 6/30/2010, prior to purchase accounting

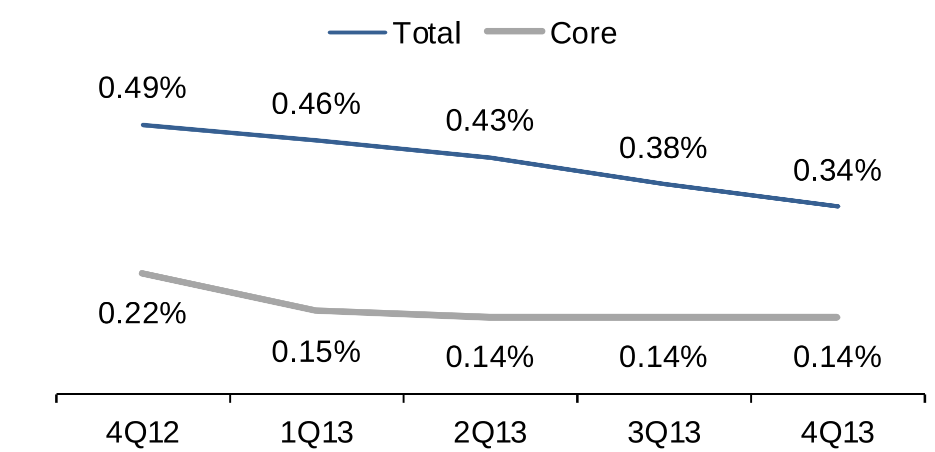
Continued Improvement in Deposit Quality and Cost

Core Deposit Balances

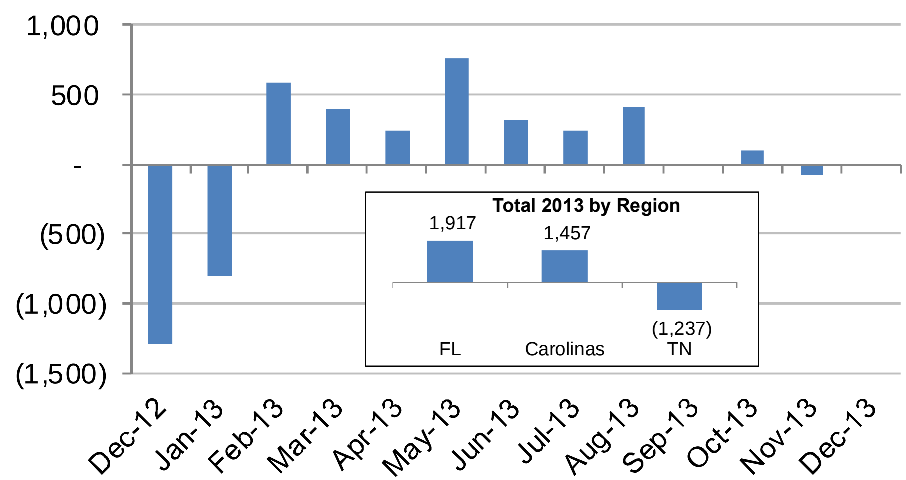


- Cost of deposits dropped 4 bps due to run-off of higher cost CDs
- Checking account balances increased by $28 mm in 4Q13, and savings & money market were up by $21 mm
- Net checking account growth in the Carolinas and Florida was offset by continued purging of legacy accounts in Tennessee
- Core deposits are 72% of total deposits, and the company is 95% deposit funded

Cost of Deposits

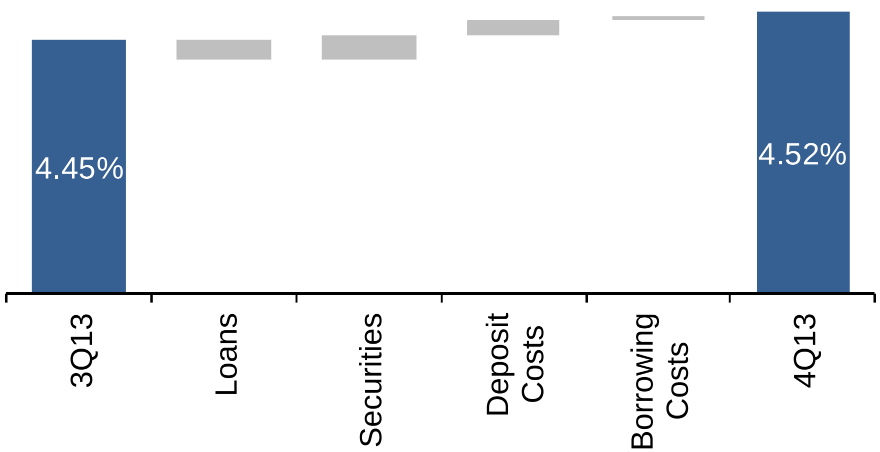


Net Checking Account Growth

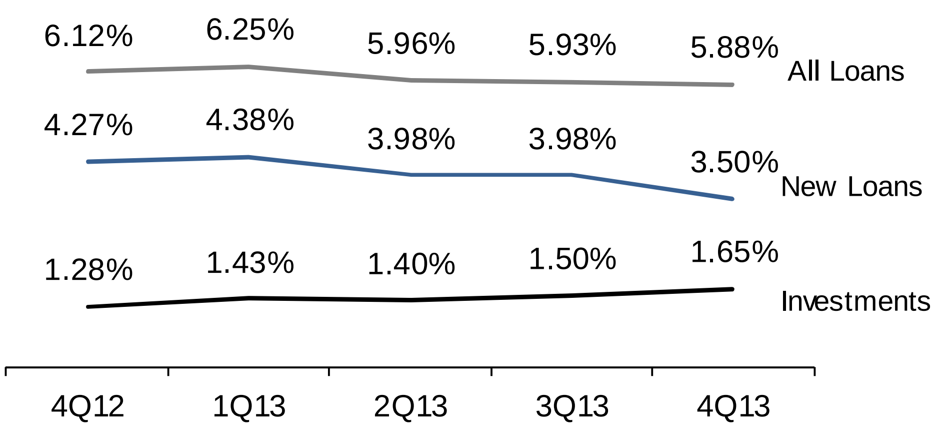


NIM Improves Despite Lower Loan Yields

Net Interest Margin



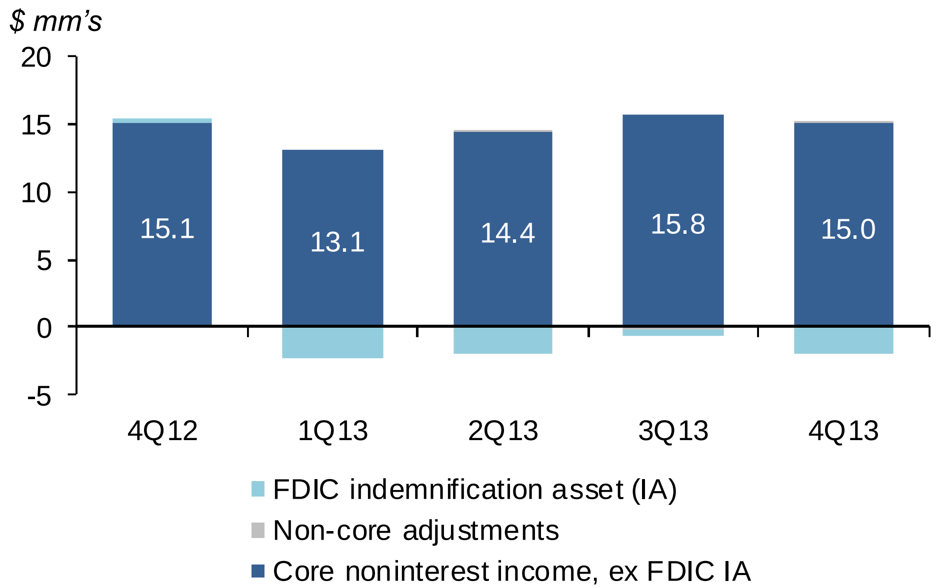
Yields



- The net interest margin expanded by 7 bps in the quarter, as lower yields on loans were more than offset by lower deposit costs and higher securities yields
- Loan yields fell by 5 bps as the effect of originating new loans at lower yields was partially offset by recoveries on charged-off legacy loans
- New loan yields declined to 3.5% reflecting a higher concentration of variable rate loans and high quality commercial relationships

Core Noninterest Income Flat Y/Y

Core Noninterest Income



$ mm's

	4Q12	3Q13	4Q13
Services charges on deposits	6.6	6.0	5.9
Debit card income	2.7	2.9	2.9
Fees on mortgage loans sold	2.1	1.5	1.1
Investment advisory and trust fees	0.4	0.7	1.1
Other	3.3	4.7	4.1
Total	**15.1**	**15.8**	**15.0**
FDIC indemnification asset	0.3	(0.5)	(1.9)
Total core noninterest income	**15.4**	**15.3**	**13.1**

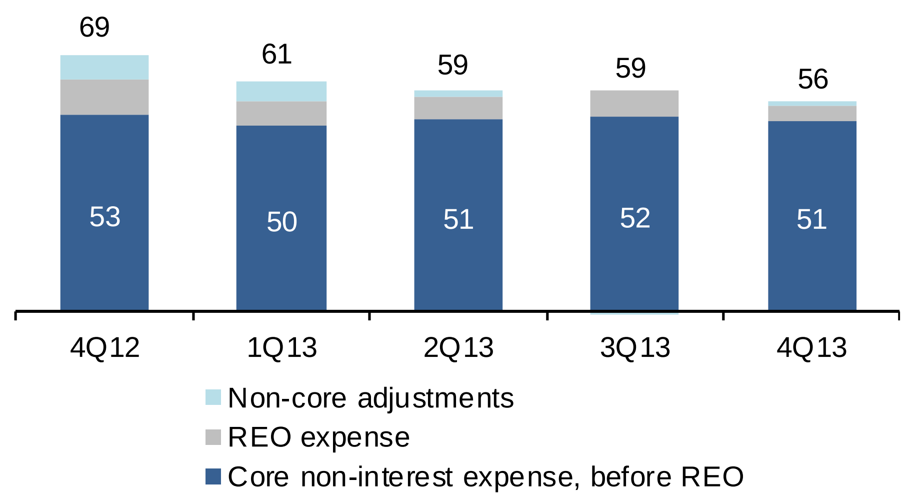
- Excluding FDIC asset accretion, core noninterest income declined by $0.8 mm sequentially and $0.1 mm y/y
- Mortgage fees declined slightly due to higher interest rates. Secondary mortgage loans originated declined from $41 mm in 3Q to $35 mm in 4Q
- Investment advisory and trust fees grew on expansion of the wealth management advisory sales force

See reconciliation of non-GAAP measures in appendix.

Core Noninterest Expense Flat Year-to-Date

Noninterest Expense

$ mm's



$ mm's

	4Q12	3Q13	4Q13
Salaries and employee benefits	24.7	22.6	23.9
Net occupancy and equipment expense	11.0	10.7	10.4
Professional fees	3.4	2.4	2.4
Non-cash equity compensation	3.8	1.4	1.1
Other	9.7	14.7	13.2
Total	**52.6**	**51.8**	**51.0**
REO expense	9.2	7.5	4.0
Total core noninterest expense	**61.8**	**59.3**	**55.0**

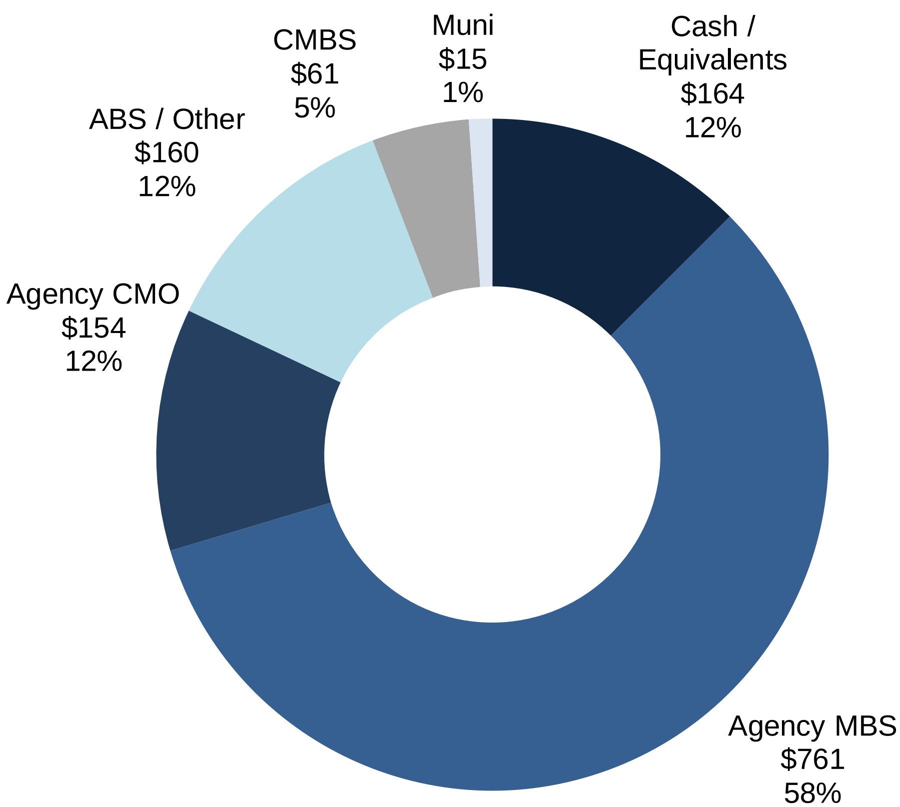
- Excluding non-core adjustment and REO expense, expenses have been largely flat as we continue investing in revenue-producing positions and compliance functions, while improving the efficiency of our back office

See reconciliation of non-GAAP measures in appendix.

Liquidity and Capital Ratios Remain Strong

Liquidity

$ mm's

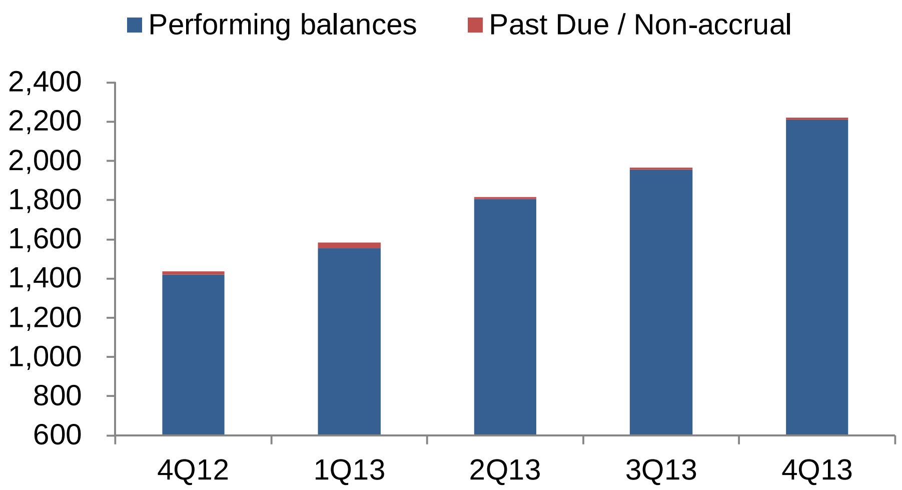


- Modified duration of investments was 4.0 years at December 31, 2013
- During 4Q, the company repurchased $7.1 mm of stock at an average price of $21.99 per share
- Our capital ratios remain strong with tier 1 leverage of 14.9% on a consolidated basis

Originated Loan Portfolio Performing Strongly

Originated Loan Portfolio

$ mm's



- At December 31, past dues were 0.13% of the originated portfolio and non-accruals were 0.34%
- Total criticized/classified loans were 1.3%
- Net charge-offs in 4Q13 totaled $2.8 mm, and we provisioned $4.5 mm to cover growth in the portfolio plus the charge-offs

Originated Loan Portfolio by Loan Type

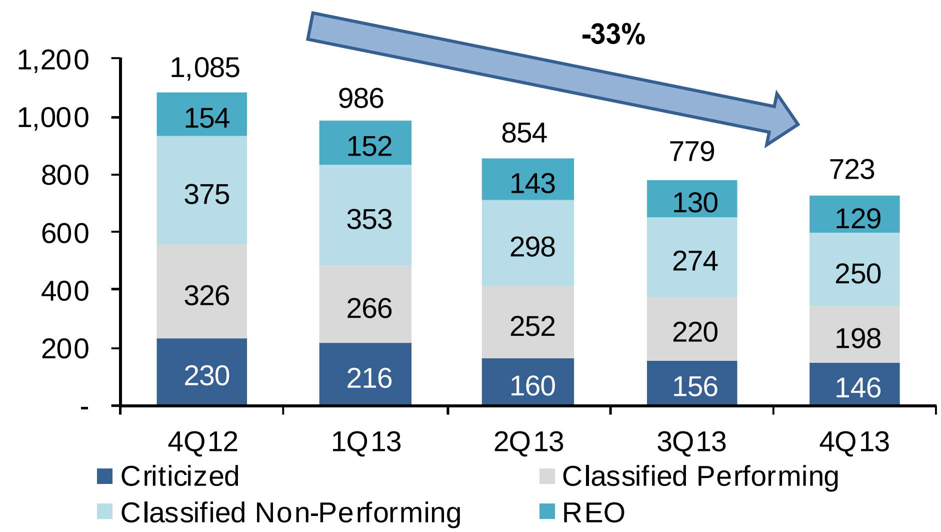
$ mm's

	4Q13 Balance	% of Total	Criticized / Classified Balance	Criticized / Classified %
CRE	351.3	15.8%	5.7	1.6%
Commercial	1,287.3	58.0%	20.3	1.6%
Consumer / Other	581.7	26.2%	2.5	0.4%
Total	**2,220.3**	**100.0%**	**28.5**	**1.3%**

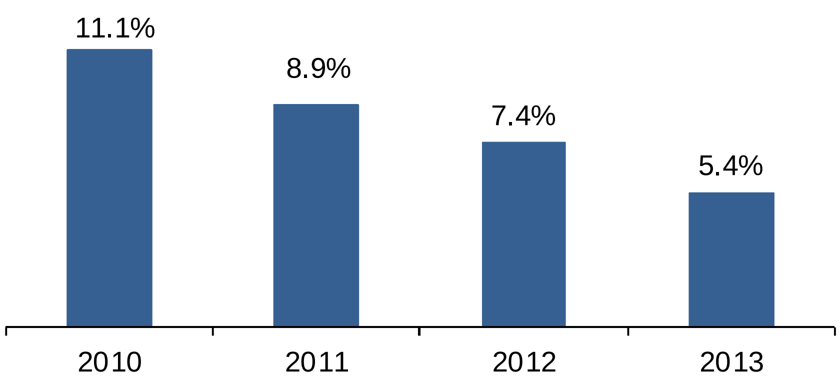
Special Assets Down 33% in 2013

Special Assets[1]

$ mm's



Nonperforming Loans / Total Loans[1]



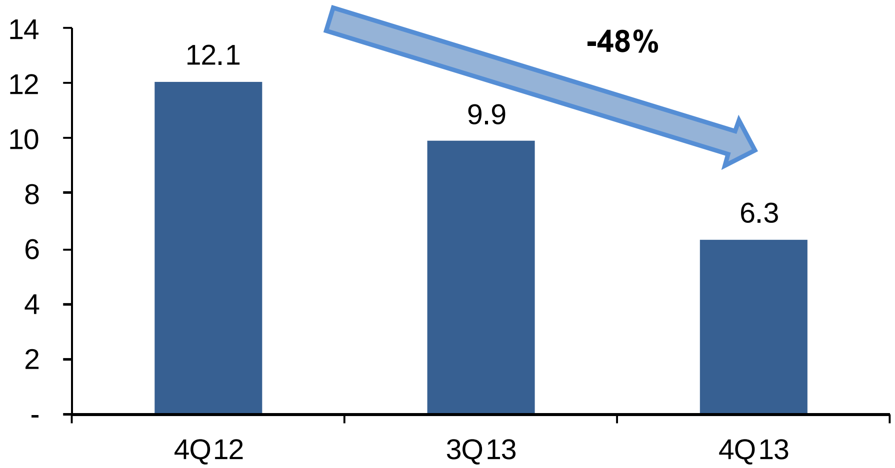
- During 4Q, we reduced the Special Assets portfolio by $56 mm, bringing the 2013 reduction to $362 mm or 33%
- New inflows to non-performing status were $31 mm in 4Q13, consistent with 3Q levels, and down 68% y/y
- During 4Q13, we sold $13 mm in REO. New foreclosures of $15.7 mm are less than half of the year ago quarter

(1) Net of charge-offs, prior to marks.

Legacy Credit Expenses Declining

Legacy Credit Expense

$ mm's



Legacy Credit Expense Breakdown

	4Q12	3Q13	4Q13
Provision on legacy loans	1.4	(0.1)	(1.2)
FDIC indemnification asset expense	(0.3)	0.5	1.9
Foreclosed asset related expenses	9.2	7.5	4.0
Loan workout expense	1.8	2.0	1.7
Total legacy credit expense	**12.1**	**9.9**	**6.3**

- Legacy credit expenses declined by $3.6 mm sequentially and are down 48% y/y
- We posted a reversal of impairment instead of a provision for the legacy loan portfolio to reflect strong cash flow performance in certain loan pools in the legacy portfolio
- Foreclosed asset expense declined $3.5 mm sequentially

Our Path to Investor Returns

Goals	4Q2013 Core Results
Improve core ROA to 1.0%	0.79% core ROA, up from 0.48% in 4Q12
Generate organic loan and core deposit growth	6.7% annualized organic loan growth, 5.3% annualized core deposit growth
Deploy capital through acquisitions, in a thoughtful and disciplined manner	Ongoing evaluation of / dialogue with potential targets
Optimize capital structure and return excess capital to investors	Repurchased $7.1 mm of stock
Target low double-digit ROTCE	5.4% core ROTCE, up from 3.6% in 4Q12
Significantly improve stock valuation	1.2x P/TBV

Intense focus on improving/sustaining ROTCE

ROTCE = Return on Tangible Common Equity. ROA = Return on average assets. See appendix for core reconciliation.

Appendix

Reconciliation of Core Noninterest Income / Expense

Core non Interest Income	**4Q13**	**3Q13**	**2Q13**	**1Q13**	**4Q12**
Net interest income	$65.7	$65.4	$65.4	$67.1	$67.7
Reported non interest income	13.3	15.3	13.5	10.9	15.4
(-)Securities / Purchase Gains	0.2	(0.1)	0.2	ï	0.0
(-)Insurance settlement gain	ï	ï	ï	ï	ï
Core non interest income	$13.1	$15.3	$13.3	$10.9	$15.4
Reported non interest expense	$56.3	$59.3	$59.4	$61.3	$68.7
(-) Conversion expenses	ï	ï	0.1	ï	2.4
(-) Stock compensation	0.9	1.1	1.4	1.5	3.8
(-) Extinguishment debt	ï	(0.4)	ï	0.3	ï
(-) CVR Valuation	0.3	(0.8)	0.4	2.9	0.4
(-) Insurance settlement expense	ï	ï	ï	ï	ï
(-) Intangible impairment	ï	ï	ï	ï	0.2
(-) Legal fees	ï	ï	ï	0.1	0.1
Core non interest expense	$55.0	$59.3	$57.5	$56.5	$61.8
***Core fee ratio**	**16.6%**	**19.0%**	**16.9%**	**14.0%**	**18.6%**
****Core efficiency ratio**	**69.8%**	**73.5%**	**73.1%**	**72.4%**	**74.4%**

*Core fee ratio: core noninterest income / (net interest income + core noninterest income)

**Core efficiency ratio: core noninterest expense / (net interest income + core noninterest income)

Reconciliation of Core Net Income

$ mm's

	Quarter Ended 4Q13	Quarter Ended 4Q13	Quarter Ended 3Q13	Quarter Ended 3Q13	Quarter Ended 4Q12	Quarter Ended 4Q12
Net income	**$12.2**	**$12.2**	**$11.4**	**$11.4**	**$4.6**	**$4.6**
Adjustments	**Pre-Tax**	**After-tax**	**Pre-Tax**	**After-tax**	**Pre-Tax**	**After-tax**
Non-Interest Income						
Security (gains)/losses	(0.2)	(0.1)	0.1	0.1	-	-
Non-Interest Expense						
Non-cash equity compensation*	0.9	0.6	1.1	0.7	3.8	2.3
Conversion and severance expense (conversion and salary / employee benefits)*	-	-	-	-	2.4	1.4
CVR (other expense)	0.3	0.3	(0.8)	(0.8)	0.4	0.4
Legal and merger (professional fees)	-	-	-	-	0.1	0.1
Tax adjustment	-	-	1.6	1.6	-	-
Loss on extinguishment of debt*	-	-	(0.4)	(0.3)	-	-
Intangible Impairment	-	-	-	-	0.2	0.1
Tax effect of adjustments*	(0.2)	N/A	(0.3)	N/A	(2.3)	N/A
Core Net Income	**$13.0**	**$13.0**	**$12.7**	**$12.7**	**$9.0**	**$9.0**
Average Assets	$6,598		$6,681		$7,365	
Tangible Common Equity	$957		$951		$995	
**Core ROAA	0.79%		0.76%		0.48%	
***Core ROTCE	5.4%		5.3%		3.6%	

*Tax effected at an income tax rate of 39%
**Core ROAA: Annualized core net income / average assets
***Core ROTCE: Annualized core net income / tangible common equity

Tangible Book Value

(In thousands, except per share data)

	December 31, 2013
Total common shareholders' equity	$1,112,788
Intangibles, net of taxes	(146,258)
Tangible book value	$966,530
Common shares outstanding	52,098
Tangible book value per share	$18.55

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