

# Investor Presentation

May 2019



# Safe Harbor

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve inherent risks and uncertainties. Any statements about our plans, objectives, expectations, strategies, beliefs, or future performance or events constitute forward-looking statements. Such statements are identified by words or phrases such as “believes,” “expects,” “anticipates,” “plans,” “trends,” “objectives,” “continues” or similar expressions, or future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” “may” or similar expressions. Forward-looking statements involve known and unknown risks, uncertainties, assumptions, estimates and other important factors that could cause actual results to differ materially from any results, performance or events expressed or implied by such forward-looking statements.

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# Why Invest in First Interstate BancSystem?

- Committed to Increasing Shareholder Value
- Long Track Record of Profitability
- Strong Core Deposit Funding
- Conservative Credit Strategy which Limits Exposure to Large Losses
- Diversified Client Base Tempers Economic Volatility
- Expansion into Northwest Region Strengthens Foundation for Future Growth



# FIBK Overview

## OVERVIEW

Headquarters	Billings, MT
Kroll Rating	BBB+
Market Cap	\$2.77 Billion
Price / TBV	2.33
Dividend Yield*	3.11%
Average Volume	204,200
Total Assets	\$13.498 Billion
Trust Assets Under Management	\$5.144 Billion
Total Core Deposits**	\$10.173 Billion

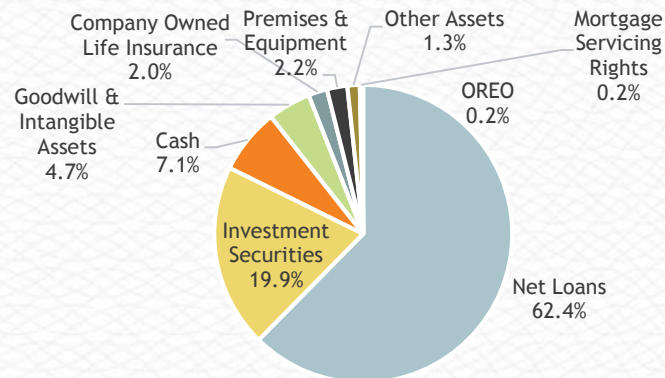
\* Based on average closing price of \$42.51 per NASDAQ as of 4/29/19

\*\* Core Deposits defined as total deposits excluding time deposits >\$100,000 and Brokered Deposits  
Sources: SNL and company reports

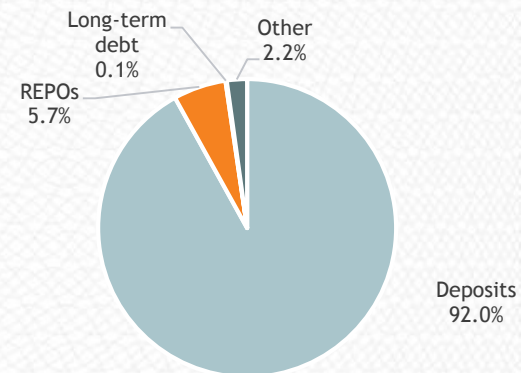
## DESCRIPTION

- Headquartered in Billings, MT and focused on regional community banking in Idaho, Montana, Oregon, South Dakota, Washington, and Wyoming:
  - Over 145 banking offices
  - 238 ATMs, plus 24,000 MoneyPass ATMs
- Offering a full suite of products:
  - Commercial Banking
  - Credit Card Products
  - Indirect Lending
  - Mortgage
  - Retail and small business
  - SBA Lending
  - Treasury Management
  - Wealth Management
- Guided by four strategic imperatives:
  - Employer of choice
  - Best in class client relationship management
  - Operational excellence
  - Financial excellence

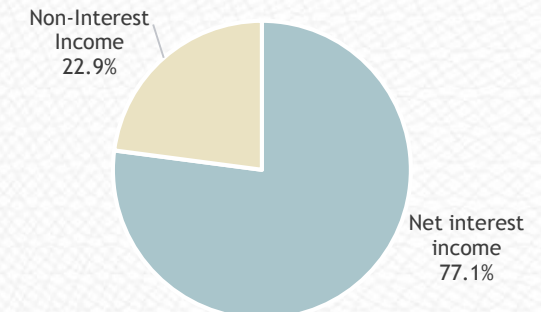
## ASSET MIX



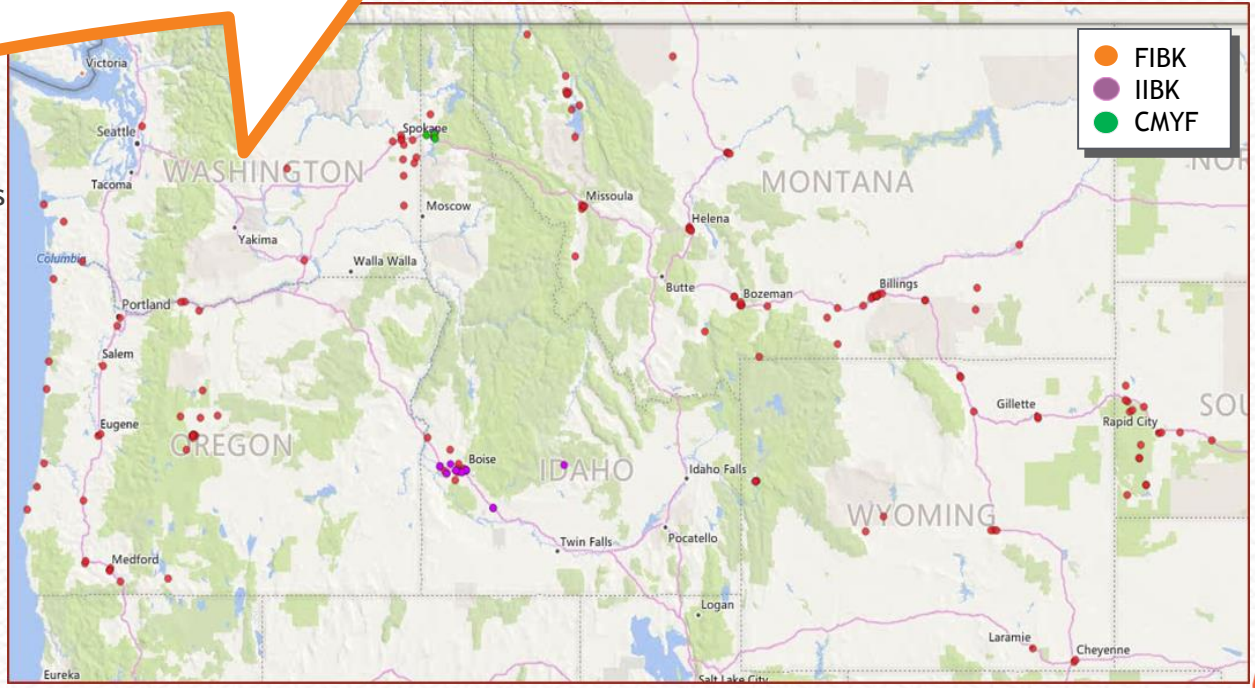
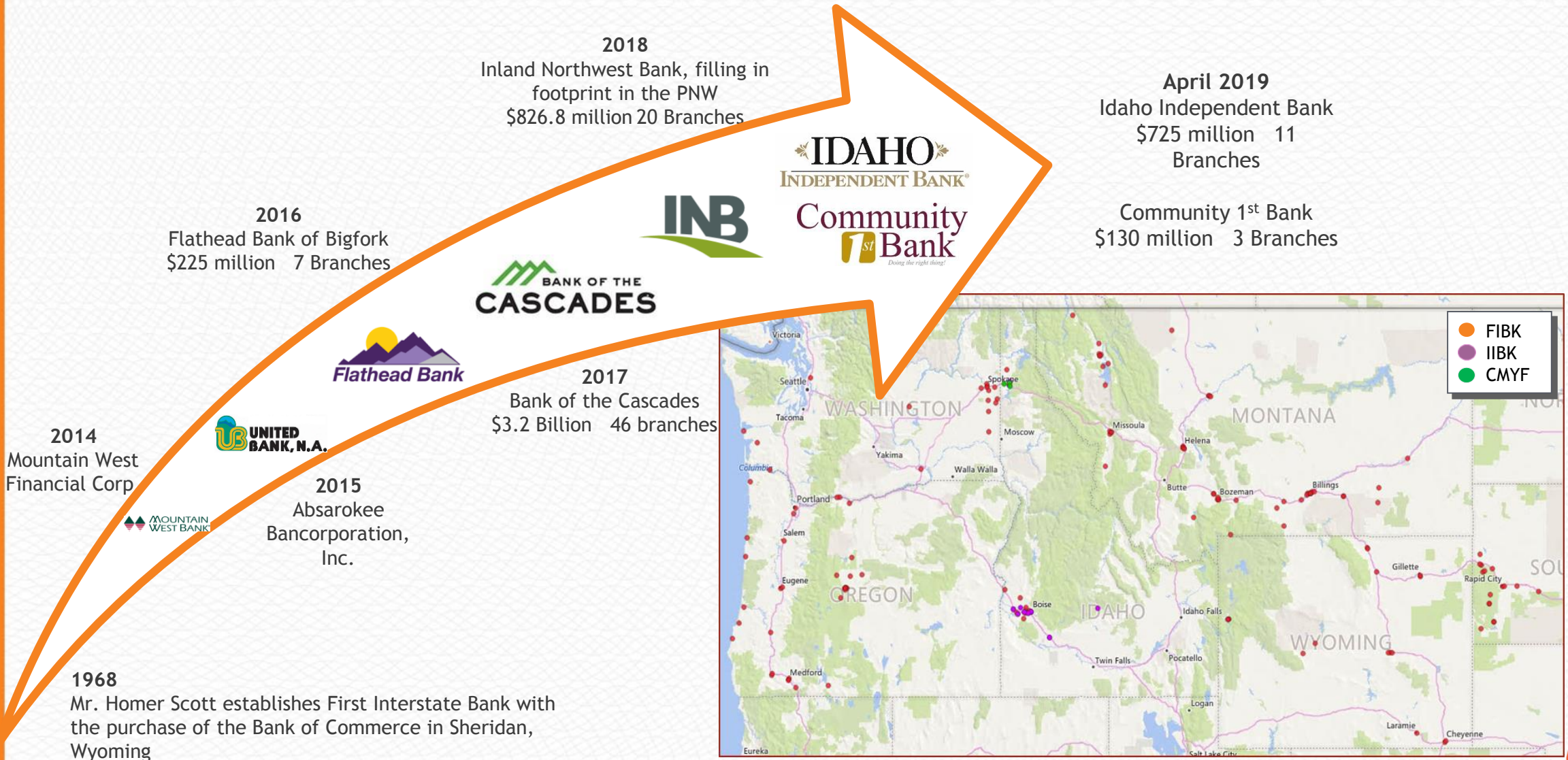
## LIABILITY MIX



## 2018 REVENUE BREAKDOWN



# Building the First Interstate Franchise



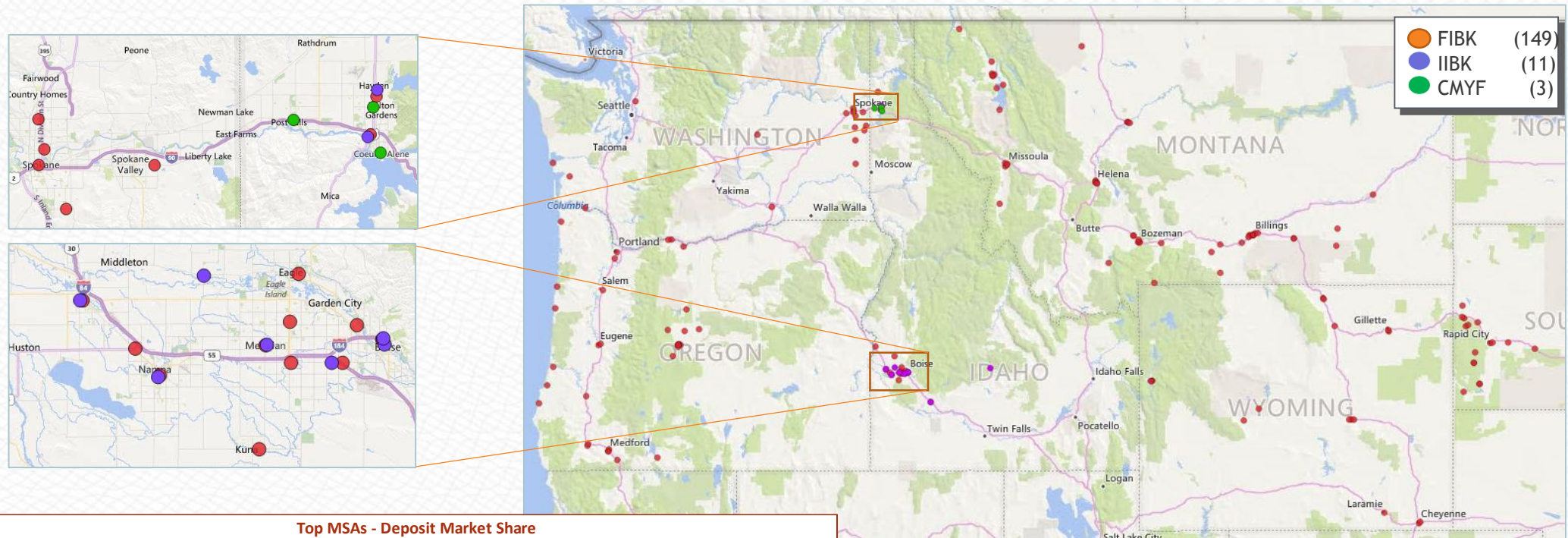
Idaho  
Independent  
Bank (IIBK)

Community 1<sup>st</sup>  
Bank (CMYF)



# Attractive, Low Cost Pacific Northwest Deposit Markets

IIBK and CMYF have strong market share in complementary Pacific Northwest markets



Top MSAs - Deposit Market Share						
IIBK	Market	Deposits	Deposits %	Proj. Market Growth		
	Rank	Branches	(\$mm)	of PF Total	5-Year CAGR	
	Boise City, ID	8	7	\$391	2.8%	1.5%
	Coeur d'Alene, ID	6	2	\$185	1.3%	1.4%
	Hailey, ID	8	1	\$19	0.1%	0.7%
<b>CMYF</b>						
	Coeur d'Alene, ID	7	3	\$116	0.8%	1.4%



# Strengthens Outlook for First Interstate

## Benefits of Operating Leverage

- Strong earnings contribution from IIBK and CMYF fully realized in 2020
- 3%+ Earnings Per Share accretion with conservative assumptions
- Transaction cost savings result in improved pro forma efficiency ratio
- Cross sell opportunities for Wealth Management services, commercial credit cards, indirect & SBA lending
- Significant core deposit base and excess liquidity
- Capitalize on First Interstate's, IIBK's and CMYF's investment in people, processes and technology

## Strengthens Existing and Opens New Markets for Growth

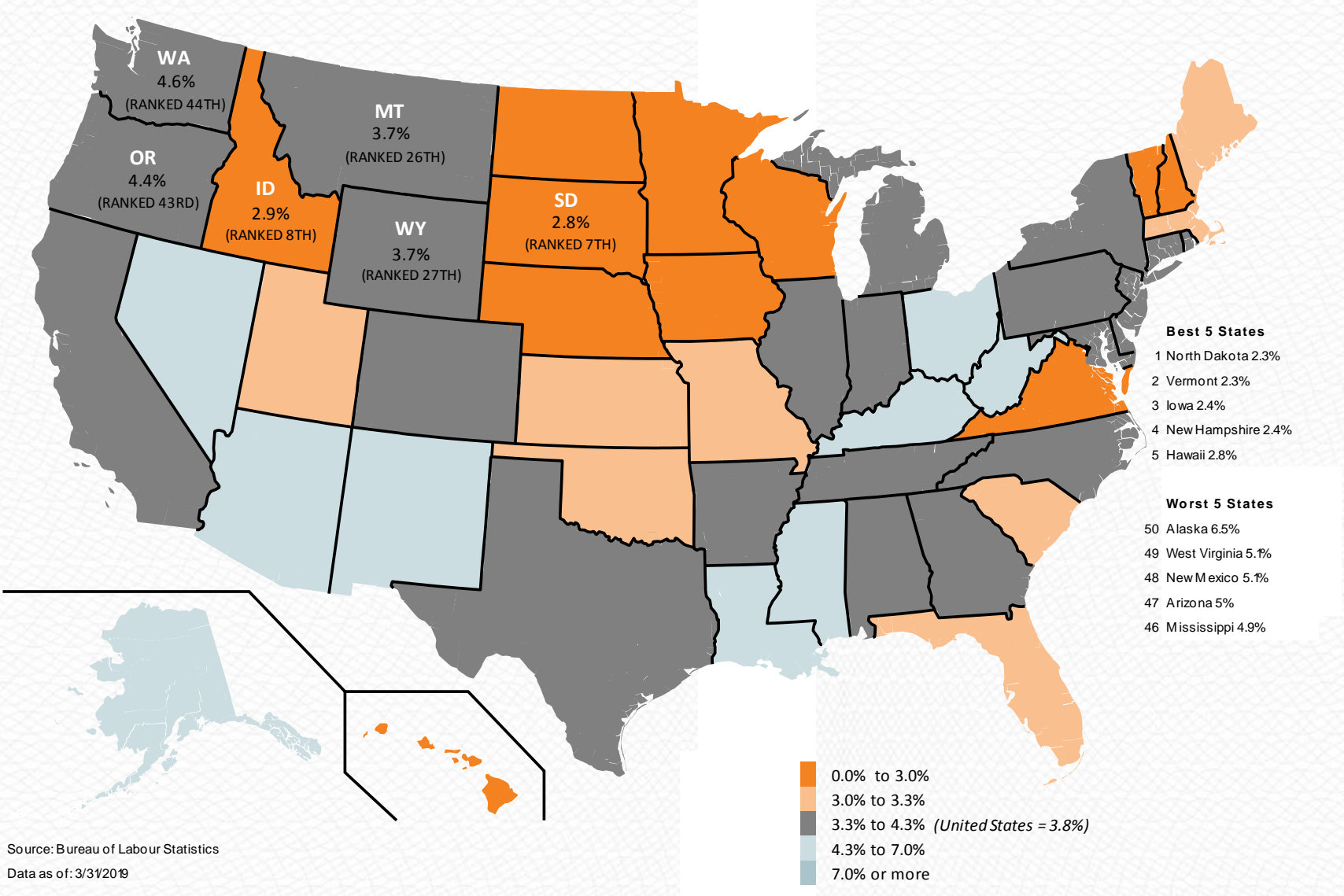
- Complements First Interstate's existing footprint between the Mountain West and Pacific Northwest
- Ability to further leverage recent Northwest Bancorporation acquisition and legacy FIBK franchise
- Further expands distribution network into diverse, high deposit growth markets in Pacific Northwest
  - Significant opportunity for increased deposit gathering in new markets
- Opportunity to accelerate growth
- Geographic and loan portfolio diversification reduces balance sheet risk





# Regional Overview

# Stable Employment



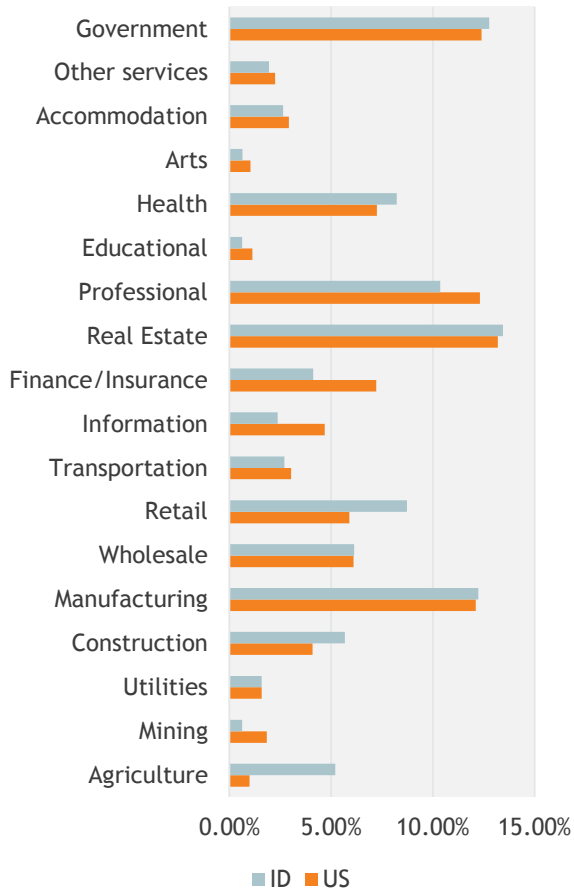
Source: Bureau of Labour Statistics  
Data as of: 3/31/2019



# Idaho

## STATE GDP OVERVIEW

ID GDP: Industry % Contribution



## ECONOMIC DRIVERS



## ECONOMIC GROWTH

Gross State Product	ID
2012-2017 CAGR	2.78%
2018-2023 CAGR	3.02%

## STRENGTHS & WEAKNESSES

- +** **STRENGTHS**
  - Prominent drivers in high tech, agriculture.
  - Above-average population growth and improving net migration.
- **WEAKNESSES**
  - Abundance of low-wage service jobs and stagnant wage growth.
  - Highly cyclical tech industries that contribute to above-average volatility.
  - Labor productivity and per capita income are well below average.

## BUSINESS COSTS

INDEX	RANK
<b>99%</b>	<b>24</b>
U.S.=100%	Highest=1, Lowest=51

## VITALITY

RELATIVE	RANK
<b>108%</b>	<b>13</b>
U.S.=100%	Best=1, Worst=51

## BUSINESS CYCLE STATUS



**Bottom Line:**  
 Idaho will remain a top performer in 2018. Job growth will slow because of labor market tightness, yielding above-average wage growth. Long term, high affordability compared with the West Coast will keep ID attractive as a destination, but slower high-wage tech hiring will keep per capita incomes below average.

## SUMMARY OF KEY INDICATORS: IDAHO

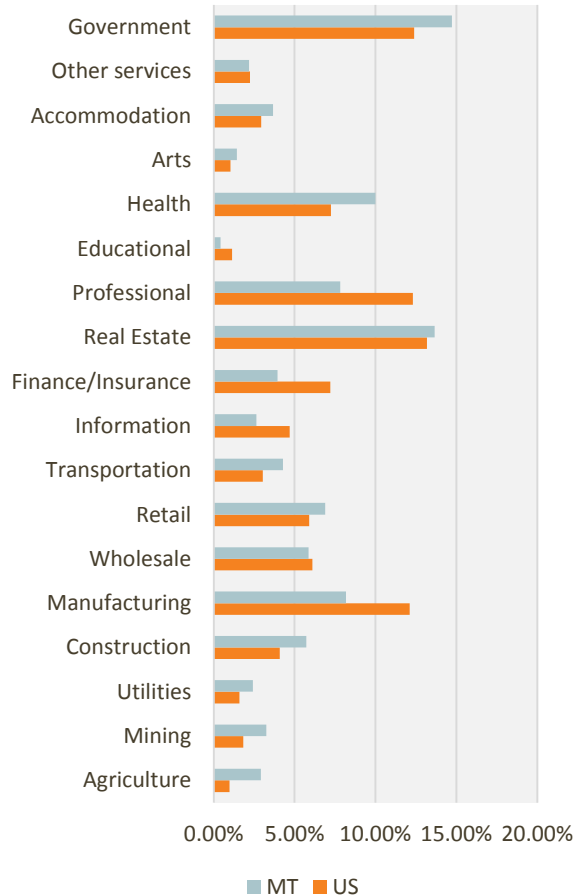
2012	2013	2014	2015	2016	2017	INDICATORS	2018	2019	2020	2021	2022	2023
54.4	56	57.3	59.1	60.7	62.4	Gross state product (C09\$ bil)	64.8	67	68	70.4	73.1	75.2
621	637	653	671	694	717	Total employment (ths)	737	748	750	752	763	770
1.8	2.5	2.6	2.7	3.4	3.3	% change	2.8	1.5	0.3	0.3	1.4	1
7.2	6.1	4.9	4.2	3.8	3.2	Unemployment rate (%)	2.9	2.7	3.2	3.8	3.8	3.8
5	4	5.5	5.7	3.5	4.7	Personal income growth (%)	5.5	6	4.9	5.3	5.9	5.3
1,595	1,610	1,630	1,649	1,680	1,717	Population (ths)	1,745	1,767	1,784	1,799	1,816	1,832
0.9	5	10.1	8.7	20.6	26.5	Net migration (ths)	17.7	12.3	6.9	5.3	6.6	7.1
5,036	6,360	6,293	7,784	9,739	10,799	Single-family permits (#)	13,469	14,783	14,301	15,836	16,453	16,184
1,229	1,750	2,504	2,170	2,426	3,029	Multifamily permits (#)	2,779	2,897	2,829	3,280	3,690	3,665
257	272	288	306	329	361	FHFA house price (1980Q1=100)	383	386	387	391	398	411
5.4	4.8	4	3.5	3.2	3.3	Mortgage delinquency rate (%)	3.3	3.4	3.5	3.7	3.9	3.9
42.9	49.1	54.9	60.3	62	67.6	New vehicle registrations (ths)	66.3	57.8	51.8	54.8	58.4	57.4
6,092	5,390	4,612	3,841	3,738	3,691	Personal bankruptcies (#)	3,721	3,881	4,382	5,246	6,344	7,331



# Montana

## STATE GDP OVERVIEW

MT GDP: Industry % Contribution



## ECONOMIC DRIVERS



## ECONOMIC GROWTH

Gross State Product	MT
2012-2017 CAGR	1.50%
2018-2023 CAGR	2.37%

## STRENGTHS & WEAKNESSES

- STRENGTHS**
  - Substantial coal and oil reserves.
  - Year-round tourist attractions.
  - Favorable migration patterns.
  - Relatively low-cost place to do business.
- WEAKNESSES**
  - Geographically separated from major markets.
  - Below-average incomes.
  - Agricultural and tourism are vulnerable to harsh weather.

## BUSINESS COSTS

INDEX	RANK
<b>99%</b>	<b>25</b>
U.S.=100%	Highest=1, Lowest=51

## VITALITY

RELATIVE	RANK
<b>87%</b>	<b>36</b>
U.S.=100%	Best=1, Worst=51

## BUSINESS CYCLE STATUS



## SUMMARY OF KEY INDICATORS: MONTANA

2012	2013	2014	2015	2016	2017	INDICATORS	2018	2019	2020	2021	2022	2023
38.7	39	40.1	41	41.5	41.7	Gross state product (C09\$ bil)	42.6	43.8	44.1	45.4	46.8	47.9
440	449	453	462	468	473	Total employment (ths)	480	485	485	486	491	494
2.1	1.9	1	2	1.2	1.1	% change	1.5	1	0.1	0.2	1	0.7
6	5.4	4.7	4.2	4.1	4	Unemployment rate (%)	4	3.8	4.1	4.3	4.3	4.4
6.2	0.1	4	5.2	2.1	3.5	Personal income growth (%)	5.2	5.1	3.6	3.8	4.4	4.2
1,004	1,012	1,020	1,028	1,039	1,050	Population (ths)	1,062	1,073	1,082	1,091	1,100	1,109
3.5	5.6	5	5.4	7.4	9	Net migration (ths)	9.2	7.9	6.8	6.9	7.1	7.3
1,734	2,620	2,044	2,992	3,113	3,072	Single-family permits (#)	3,150	3,257	3,231	3,652	3,798	3,752
1,002	2,234	1,840	1,834	1,668	2,016	Multifamily permits (#)	891	460	477	732	941	952
349	362	376	393	411	433	FHFA house price (1980Q1=100)	440	431	427	432	442	459
4	3.6	3.2	2.7	2.5	2.5	Mortgage delinquency rate (%)	2.6	2.6	2.5	2.6	2.7	2.8
54.8	58.2	62.1	65	68.8	59.9	New vehicle registrations (ths)	52.5	50.2	48.4	51.9	55.6	55.8
2,006	1,719	1,480	1,265	1,280	1,258	Personal bankruptcies (#)	1,416	1,594	1,721	1,977	2,490	2,934

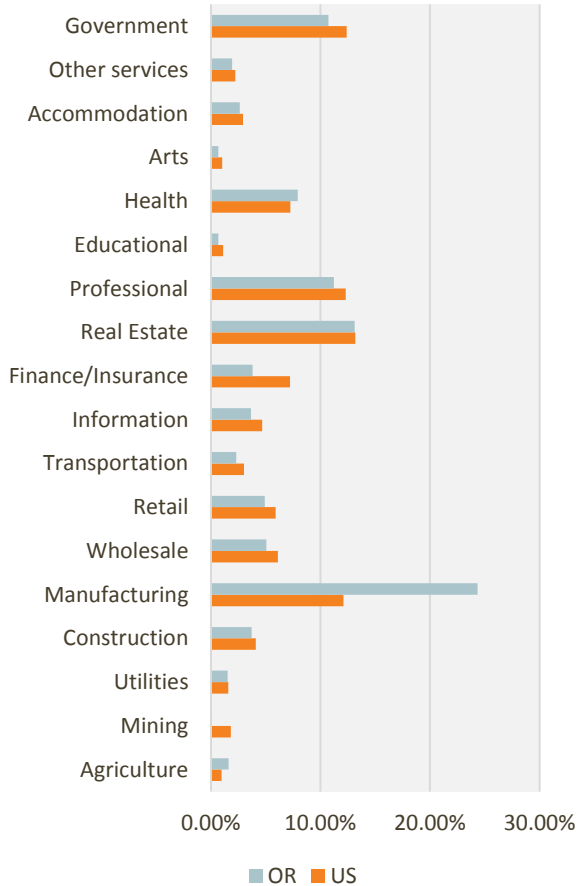
**Bottom Line:**  
Expansion in tourism and healthcare-related fields will help Montana narrow the employment growth gap with the rest of the West and the U.S. in the short term, but the state boasts few other private sector drivers. The Treasure State will lag its more dynamic western peers and will rank among the slowest-growth economies through the next decade.



# Oregon

## STATE GDP OVERVIEW

OR GDP: Industry % Contribution



## ECONOMIC DRIVERS



## ECONOMIC GROWTH

Gross State Product	OR
2012-2017 CAGR	2.10%
2018-2023 CAGR	3.80%

## STRENGTHS & WEAKNESSES

- +** **STRENGTHS**
- Diverse economy with strong export focus.
  - Low energy costs courtesy of a network of hydroelectric plants.
  - Leader in semiconductor production, for which global demand is strong.
- **WEAKNESSES**
- Strict environmental regulations that raise business costs.
  - Above-average employment volatility breeds uncertainty.

## BUSINESS COSTS

INDEX	RANK
<b>97%</b>	<b>33</b>
<i>U.S.=100%</i>	<i>Highest=1, Lowest=51</i>

## VITALITY

RELATIVE	RANK
<b>122%</b>	<b>3</b>
<i>U.S.=100%</i>	<i>Best=1, Worst=51</i>

## BUSINESS CYCLE STATUS



## SUMMARY OF KEY INDICATORS: OREGON

2012	2013	2014	2015	2016	2017	INDICATORS	2018	2019	2020	2021	2022	2023
192.6	188.8	192.3	201.5	209	213.7	Gross state product (C09\$ bil)	224.7	234.6	239.6	250	261.2	270.8
1,640	1,674	1,721	1,781	1,834	1,874	Total employment (ths)	1,923	1,957	1,965	1,975	2,005	2,030
1.2	2.1	2.8	3.4	3	2.2	% change	2.6	1.7	0.4	0.5	1.6	1.2
8.8	7.9	6.8	5.6	4.8	4.1	Unemployment rate (%)	4.2	4.1	4.6	5.6	5.6	5.7
5.4	1.7	6.9	7.6	4.2	3.7	Personal income growth (%)	7.1	6.8	5.1	5.6	6.1	5.5
3,894	3,920	3,961	4,017	4,086	4,143	Population (ths)	4,183	4,218	4,250	4,282	4,316	4,351
16.2	14.2	29.2	45.2	59	45.7	Net migration (ths)	29.6	24	21.9	22.1	25.2	26.6
6,342	8,417	8,573	10,255	11,006	10,374	Single-family permits (#)	12,119	14,801	15,489	17,795	18,819	18,539
4,266	6,426	8,072	7,255	8,580	10,058	Multifamily permits (#)	9,180	6,919	6,274	6,690	7,500	7,471
344	368	400	436	485	530	FHFA house price (1980Q1=100)	548	548	555	572	596	631
4.9	4.3	3.8	3.1	2.6	2.5	Mortgage delinquency rate (%)	2.4	2.3	2.5	3	3.1	3.1
133.4	146.7	156.2	170	185.9	189.8	New vehicle registrations (ths)	187.5	165.9	147.1	153.3	165	164.1
14,857	13,246	12,059	10,600	8,906	8,991	Personal bankruptcies (#)	8,817	8,914	9,681	11,830	14,489	17,055

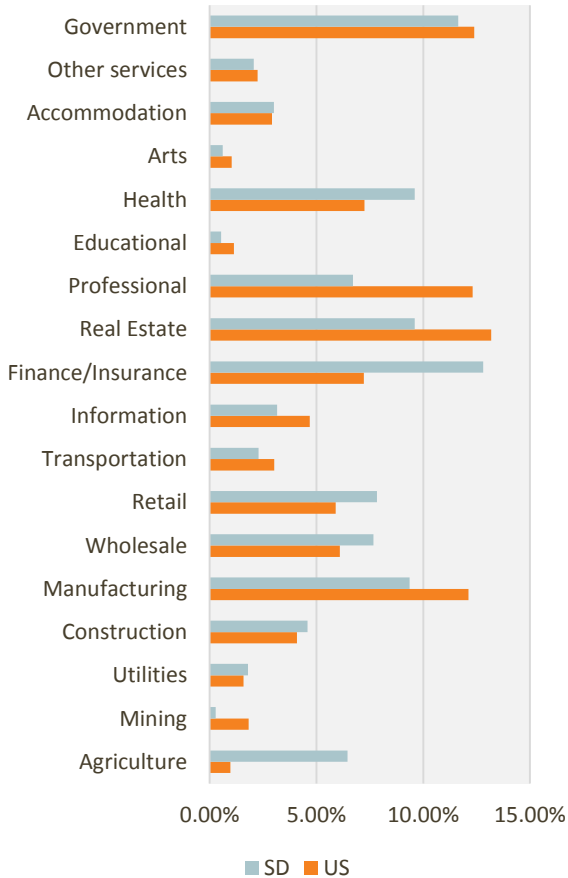
**Bottom Line:**  
Oregon will remain at the vanguard of the U.S. expansion. Robust gains in high-wage industries such as tech will boost per capita income, and strong population trends bode well for housing and consumer industries. Supported by relatively low costs, a deep talent pool, and a dynamic tech sector, OR will remain an above-average performer long term.



# South Dakota

## STATE GDP OVERVIEW

SD GDP: Industry % Contribution



## ECONOMIC DRIVERS



## ECONOMIC GROWTH

Gross State Product	SD
2012-2017 CAGR	1.24%
2018-2023 CAGR	2.54%

## STRENGTHS & WEAKNESSES

- +** **STRENGTHS**
  - Some of the lowest costs of doing business in the nation.
  - High housing affordability.
  - Low volatility relative to the U.S.
- **WEAKNESSES**
  - Few high-paying growth industries.
  - High dependence on agriculture and exposure to fluctuating commodity prices.
  - Weak and worsening migration patterns.

## BUSINESS COSTS

INDEX	RANK
<b>85%</b>	<b>50</b>
U.S.=100%	Highest=1, Lowest=51

## VITALITY

RELATIVE	RANK
<b>90%</b>	<b>29</b>
U.S.=100%	Best=1, Worst=51

## BUSINESS CYCLE STATUS



**Bottom Line:** South Dakota's economy will strengthen in the near term, led by consumer industries and construction. In the long term, healthy population growth and low business costs will help SD outshine the Midwest and keep pace with the U.S.

## SUMMARY OF KEY INDICATORS: SOUTH DAKOTA

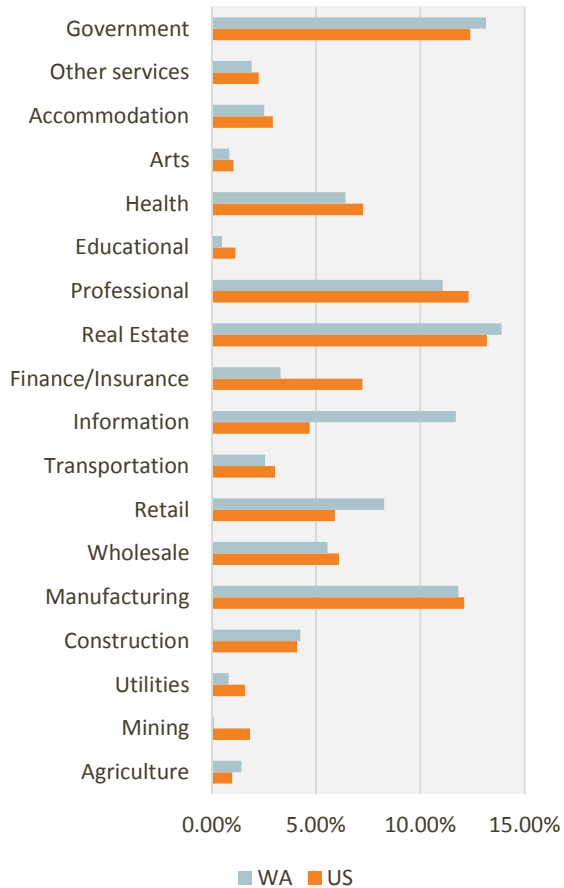
2012	2013	2014	2015	2016	2017	INDICATORS	2018	2019	2020	2021	2022	2023
39.2	39.6	40	41	41.6	41.7	Gross state product (C09\$ bil)	42.6	43.8	44.3	45.6	47.1	48.3
414	418	424	429	432	435	Total employment (ths)	442	447	448	448	452	456
1.6	0.9	1.4	1.1	0.9	0.6	% change	1.6	1.2	0.2	0.1	0.9	0.8
4.3	3.8	3.4	3.1	3	3.3	Unemployment rate (%)	3.1	2.5	2.6	3	3.1	3.1
2.2	0.3	3.8	4.4	1.2	1.4	Personal income growth (%)	2.9	4.8	3.3	3.4	4	3.7
833	843	849	854	862	870	Population (ths)	875	881	886	891	896	901
4.7	5.1	1.6	0.1	2.6	3.2	Net migration (ths)	1	0.7	0.5	0.5	1.1	1.4
2,788	3,193	2,798	2,868	3,195	3,484	Single-family permits (#)	3,022	3,954	4,160	4,607	4,777	4,727
1,390	2,289	1,924	1,614	2,491	2,009	Multifamily permits (#)	2,682	2,529	2,302	2,401	2,552	2,512
296	307	316	330	346	366	FHFA house price (1980Q1=100)	377	374	377	385	395	409
3.5	3.3	3	2.8	2.6	2.6	Mortgage delinquency rate (%)	2.4	2.4	2.4	2.7	2.8	2.8
37.2	38.8	39.4	39.7	37.7	40.6	New vehicle registrations (ths)	40.1	37.5	33.1	34.9	37.7	37.4
1,496	1,249	1,150	1,051	1,055	1,003	Personal bankruptcies (#)	1,102	1,190	1,331	1,562	1,869	2,163



# Washington

## STATE GDP OVERVIEW

WA GDP: Industry % Contribution



## ECONOMIC DRIVERS



## ECONOMIC GROWTH

Gross State Product	WA
2012-2017 CAGR	3.55%
2018-2023 CAGR	3.27%

## STRENGTHS & WEAKNESSES

### + STRENGTHS

- High-value-added commercial aircraft manufacturing.
- Fast-growing information technology industry.
- Above-average per capita income and household wealth.

### - WEAKNESSES

- Relatively high unit labor costs.
- Large agriculture industry exposed to low and volatile commodity prices.

## BUSINESS COSTS

INDEX RANK

**98%** **30**

U.S.=100% Highest=1, Lowest=51

## VITALITY

RELATIVE RANK

**116%** **5**

U.S.=100% Best=1, Worst=51

## BUSINESS CYCLE STATUS



## SUMMARY OF KEY INDICATORS: WASHINGTON

2012	2013	2014	2015	2016	2017	INDICATORS	2018	2019	2020	2021	2022	2023
368.5	377.4	389.4	403.9	420.7	438.8	Gross state product (C09\$ bil)	459.1	472.7	479.9	497.3	515.6	530.8
2,919	2,984	3,058	3,147	3,241	3,325	Total employment (ths)	3,409	3,458	3,479	3,499	3,547	3,581
1.6	2.2	2.5	2.9	3	2.6	% change	2.5	1.4	0.6	0.6	1.4	1
8.1	7	6.1	5.6	5.3	4.8	Unemployment rate (%)	4.3	4	4.7	5.5	5.5	5.5
8.2	2.1	7.7	5.8	4.7	4.7	Personal income growth (%)	5.8	5.5	4.7	5.3	5.4	4.9
6,891	6,963	7,047	7,153	7,281	7,406	Population (ths)	7,506	7,599	7,689	7,776	7,867	7,960
34.7	36.6	47.6	70.7	94.1	90.6	Net migration (ths)	65.8	59.8	56.9	54.9	59.4	61.4
16,508	18,396	17,905	19,797	22,463	23,385	Single-family permits (#)	28,129	33,538	33,236	37,555	39,415	38,855
11,610	14,566	15,993	20,577	21,614	23,175	Multifamily permits (#)	26,452	21,408	14,554	14,969	16,423	16,284
381	401	429	464	514	573	FHFA house price (1980Q1=100)	612	624	639	657	680	712
6.8	5.1	4.1	3.2	2.7	2.5	Mortgage delinquency rate (%)	2.5	2.6	2.8	3.2	3.3	3.3
228.1	251.2	264.2	285.9	303.1	309.3	New vehicle registrations (ths)	298.6	290.2	275	287.9	308.1	307.1
26,984	24,171	20,814	17,973	15,961	14,355	Personal bankruptcies (#)	13,964	14,472	16,086	18,855	22,959	26,885

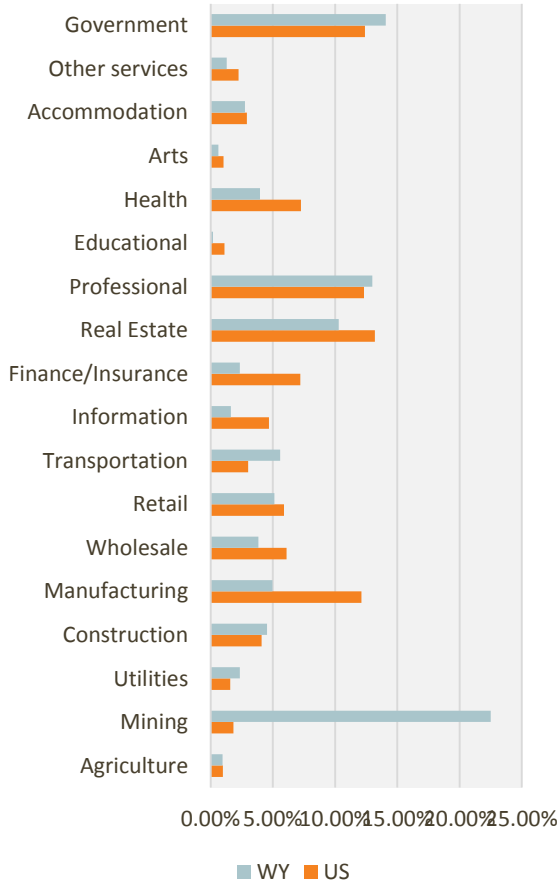
**Bottom Line:**  
Washington will extend its reign as one of the most dynamic economies in the West as the global migration to cloud services bolsters core software and IT industries. Longer term, aerospace manufacturing will lend stability, but WA's competitive edge in high-tech services will secure its position at the helm of the West and U.S. expansions.



# Wyoming

## STATE GDP OVERVIEW

WY GDP: Industry % Contribution



## ECONOMIC DRIVERS



## ECONOMIC GROWTH

Gross State Product	WY
2012-2017 CAGR	0.67%
2018-2023 CAGR	2.22%

## STRENGTHS & WEAKNESSES

- +** **STRENGTHS**
  - Low debt burden relative to national average.
  - Abundant natural energy resources.
  - National parks are a magnet for domestic and international tourism.
- **WEAKNESSES**
  - Below-average educational attainment.
  - Low industrial diversity; high employment concentration in volatile energy industry.
  - Weak and worsening migration patterns.

## BUSINESS COSTS

INDEX	RANK
<b>99%</b>	<b>26</b>
U.S.=100%	Highest=1, Lowest=51

## VITALITY

RELATIVE	RANK
<b>75%</b>	<b>50</b>
U.S.=100%	Best=1, Worst=51

## BUSINESS CYCLE STATUS



**Bottom Line:**  
Wyoming's recovery will be bumpy. Mining will post only minor job gains, but higher production will lift tax revenues and downstream services, and consumer industries will benefit. Longer term, WY will keep pace with the U.S., but weak demographics limit upside potential.

## SUMMARY OF KEY INDICATORS: WYOMING

2012	2013	2014	2015	2016	2017	INDICATORS	2018	2019	2020	2021	2022	2023
35.1	35.4	35.5	35.8	35.1	36.3	Gross state product (C09\$ bil)	38	38.9	39.2	40.2	41.4	42.4
292	293	297	295	284	282	Total employment (ths)	285	288	288	289	292	294
1.1	0.3	1.4	-0.6	-3.8	-0.8	% change	1.3	1	0.1	0.2	1	0.7
5.3	4.7	4.1	4.3	5.3	4.2	Unemployment rate (%)	3.6	3.1	3.5	4	4	4.1
8.3	0.9	7.1	0.4	-2.2	2.1	Personal income growth (%)	4.5	4.4	3	3.4	3.8	3.5
577	582	583	586	585	579	Population (ths)	577	580	583	585	589	592
5.8	2.7	-2.2	-0.2	-4.2	-8.3	Net migration (ths)	-4.5	0.2	0.7	0.7	1.1	1.3
1,661	1,691	1,614	1,681	1,549	1,475	Single-family permits (#)	1,684	2,111	2,177	2,450	2,550	2,508
449	609	287	222	178	480	Multifamily permits (#)	414	307	221	237	272	263
268	274	283	293	300	306	FHFA house price (1980Q1=100)	313	315	321	331	343	358
4.7	4.7	4	3.7	4	3.9	Mortgage delinquency rate (%)	3.3	2.8	2.7	2.9	3.1	3.1
26.1	26.7	28.6	27	23.7	25.7	New vehicle registrations (ths)	28.4	27.3	25.9	27.6	29.2	29
1,208	1,185	912	844	952	986	Personal bankruptcies (#)	1,022	1,111	1,292	1,569	1,929	2,221



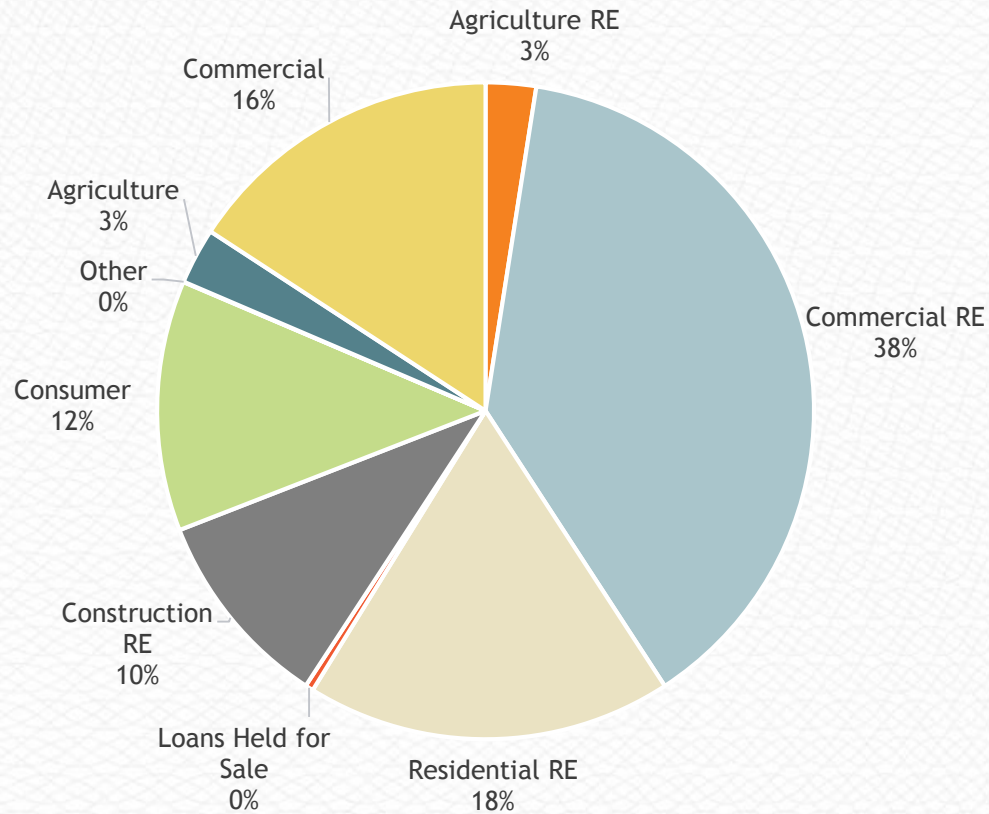


# Financial Overview

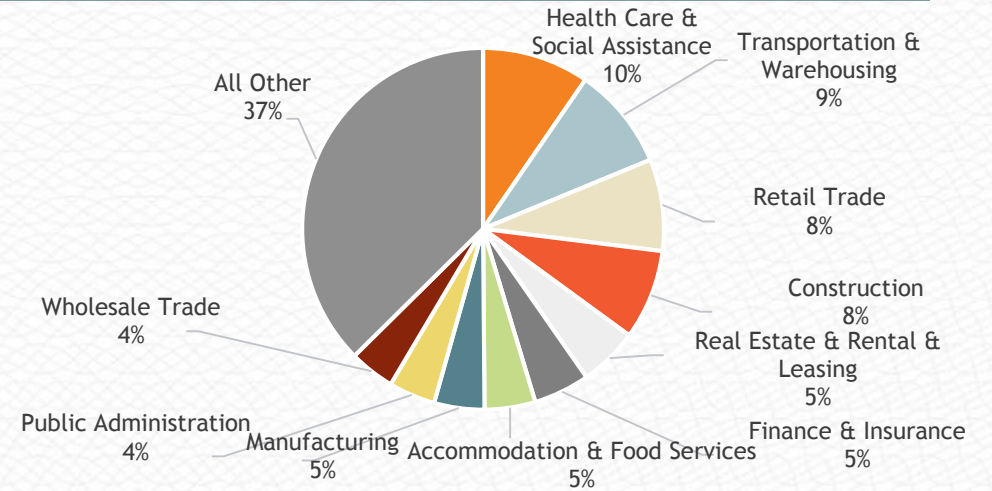
# Diversified Loan Portfolio by Industry

## LOAN MIX

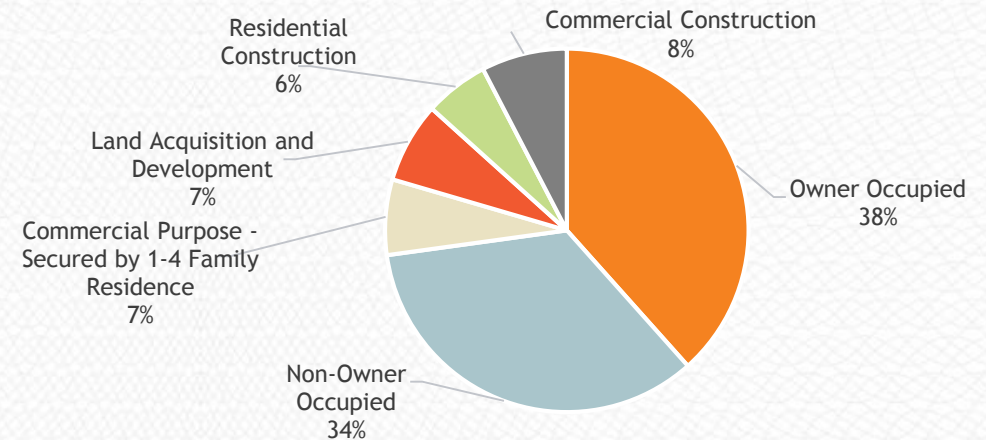
\$8.49 Billion in Loans



## COMMERCIAL

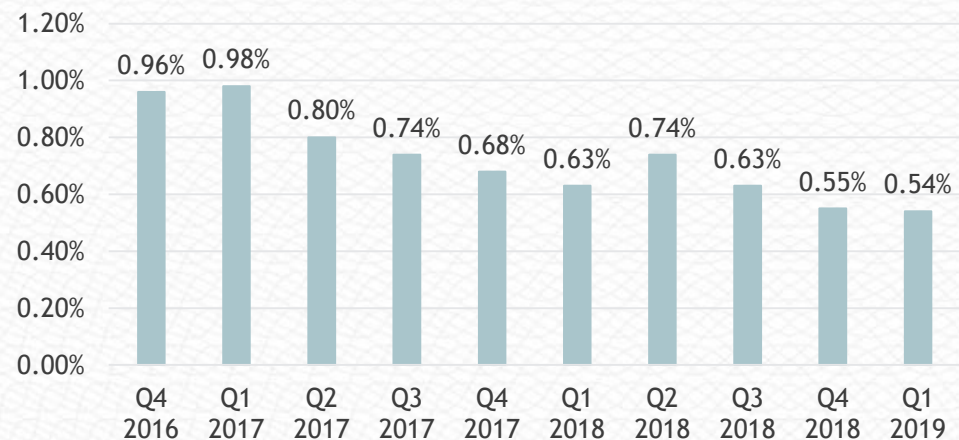


## COMMERCIAL REAL ESTATE & CONSTRUCTION

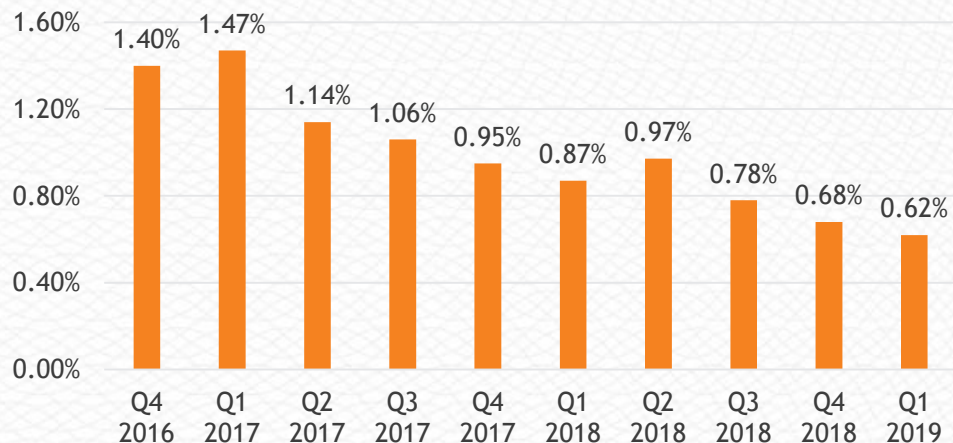


# Improving Asset Quality

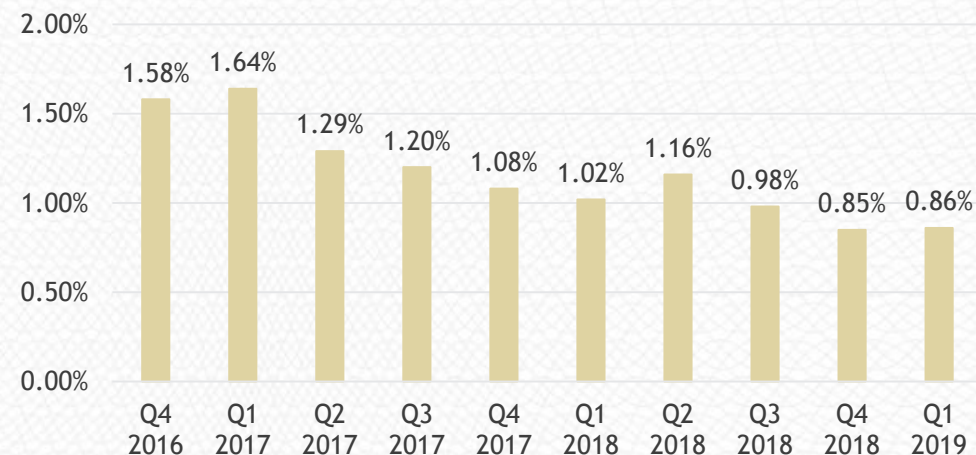
NON-PERFORMING ASSETS TO TOTAL ASSETS



NON-PERFORMING LOANS TO TOTAL LOANS

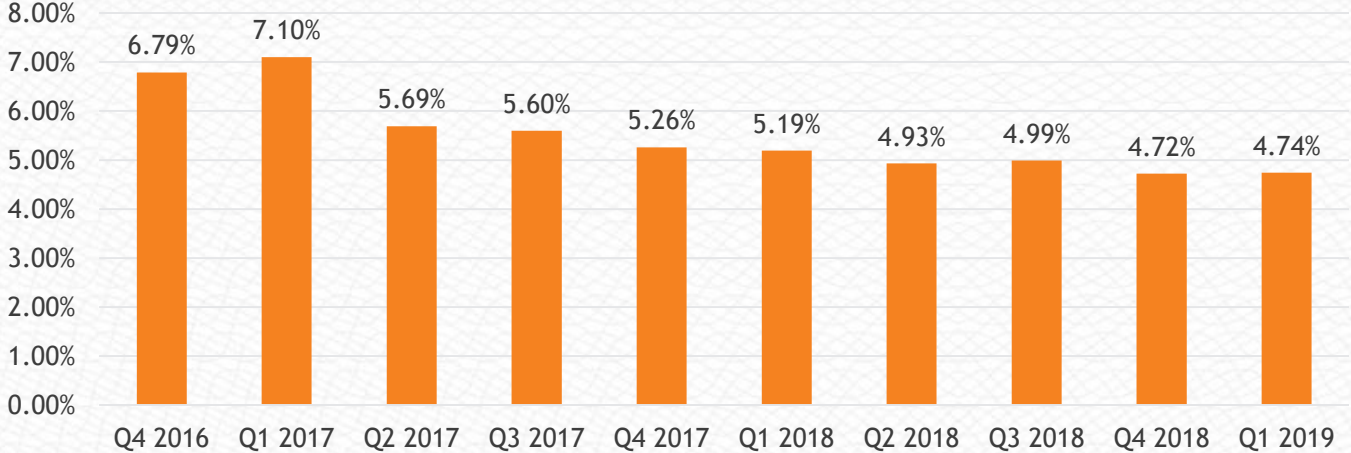


NON-PERFORMING ASSETS TO TOTAL LOANS + OREO

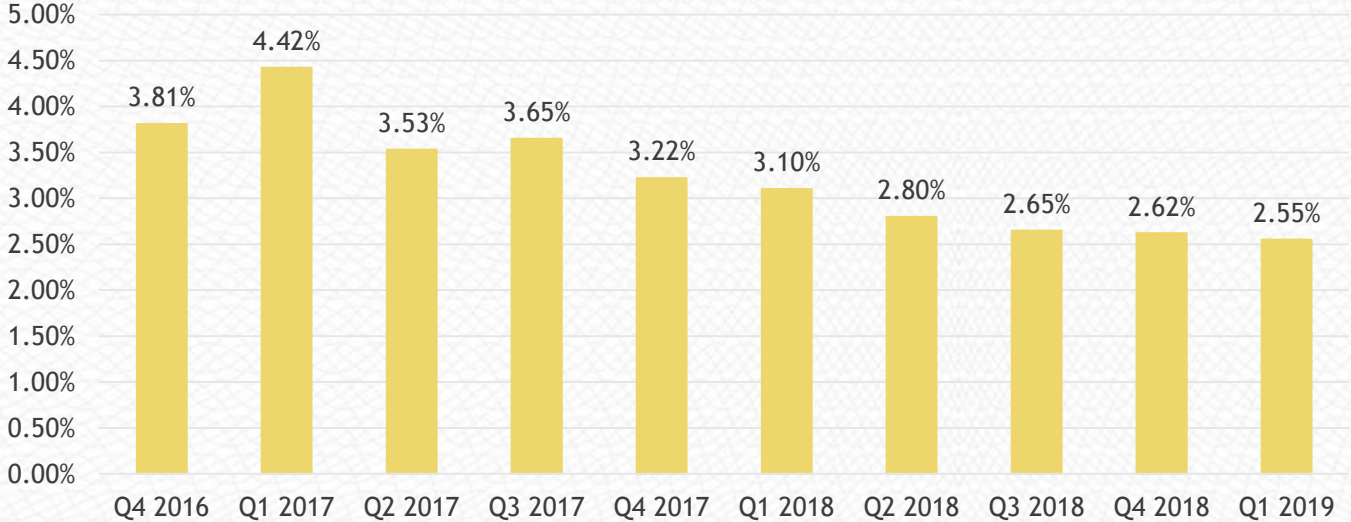


# Criticized and Classified Loans

CRITICIZED LOANS TO TOTAL LOANS



CLASSIFIED LOANS TO TOTAL LOANS



As of March 31, 2019



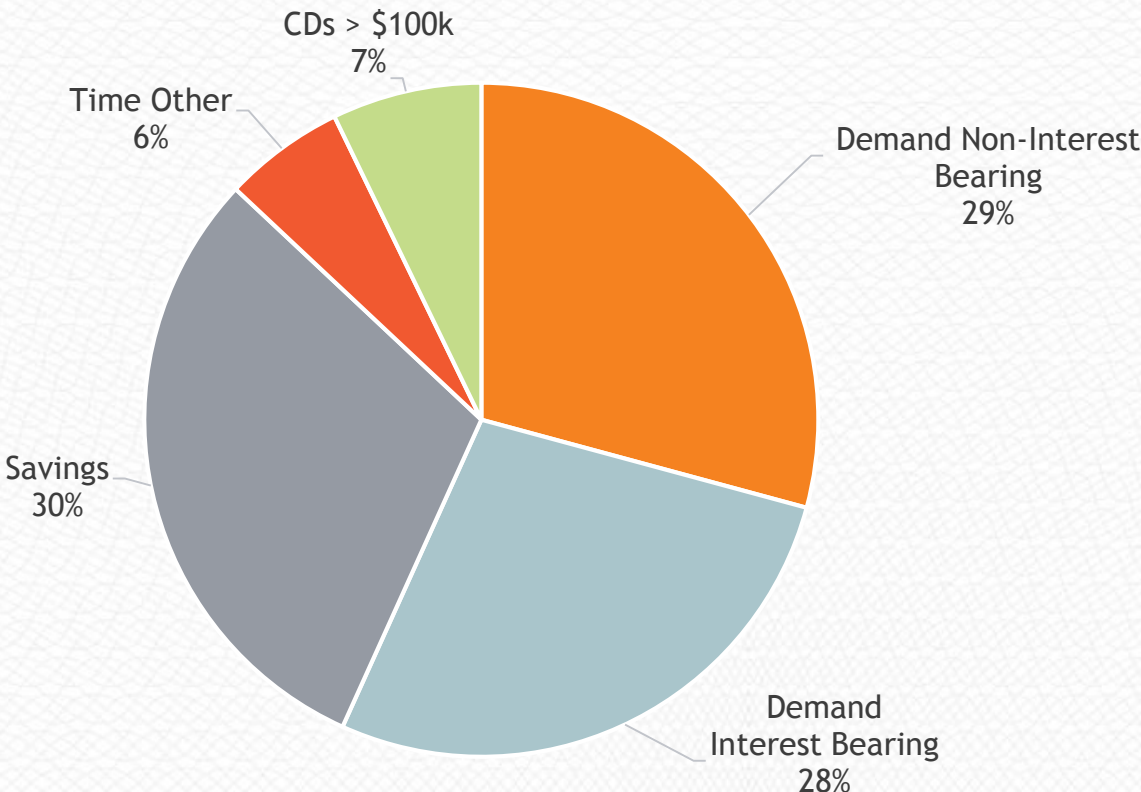
# ALLL and Purchase Discount Overview

Allowance for Loan Losses (ALLL)	\$72,410
Remaining Loan Discount	\$34,781
Total ALLL + Remaining Discount	\$107,191
Pre-Discount Loan Balance	\$8,527,953
ALLL/Pre-Discount Loan Balance	0.85%
Mark/Pre-Discount Loan Balance	0.41%
(ALLL + Remaining Discount)/Pre-Discount Loan Balance <sup>1</sup>	1.26%



# Strong Deposit Base

**\$10.81 Billion in Deposits**

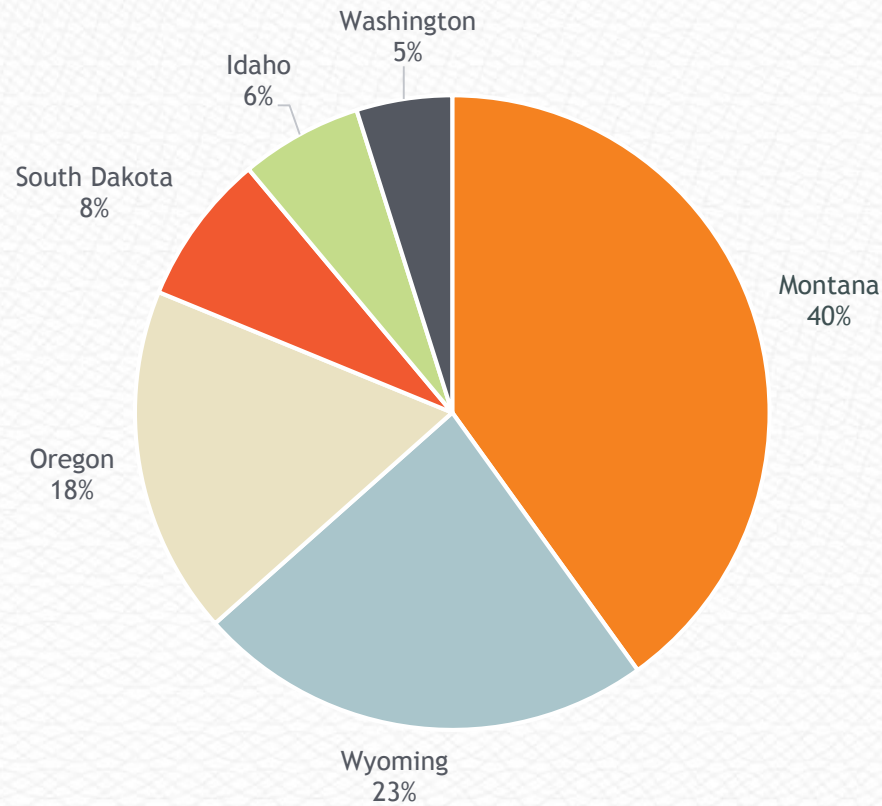


**Low Cost of Funds: 52 basis points**



# Market Share

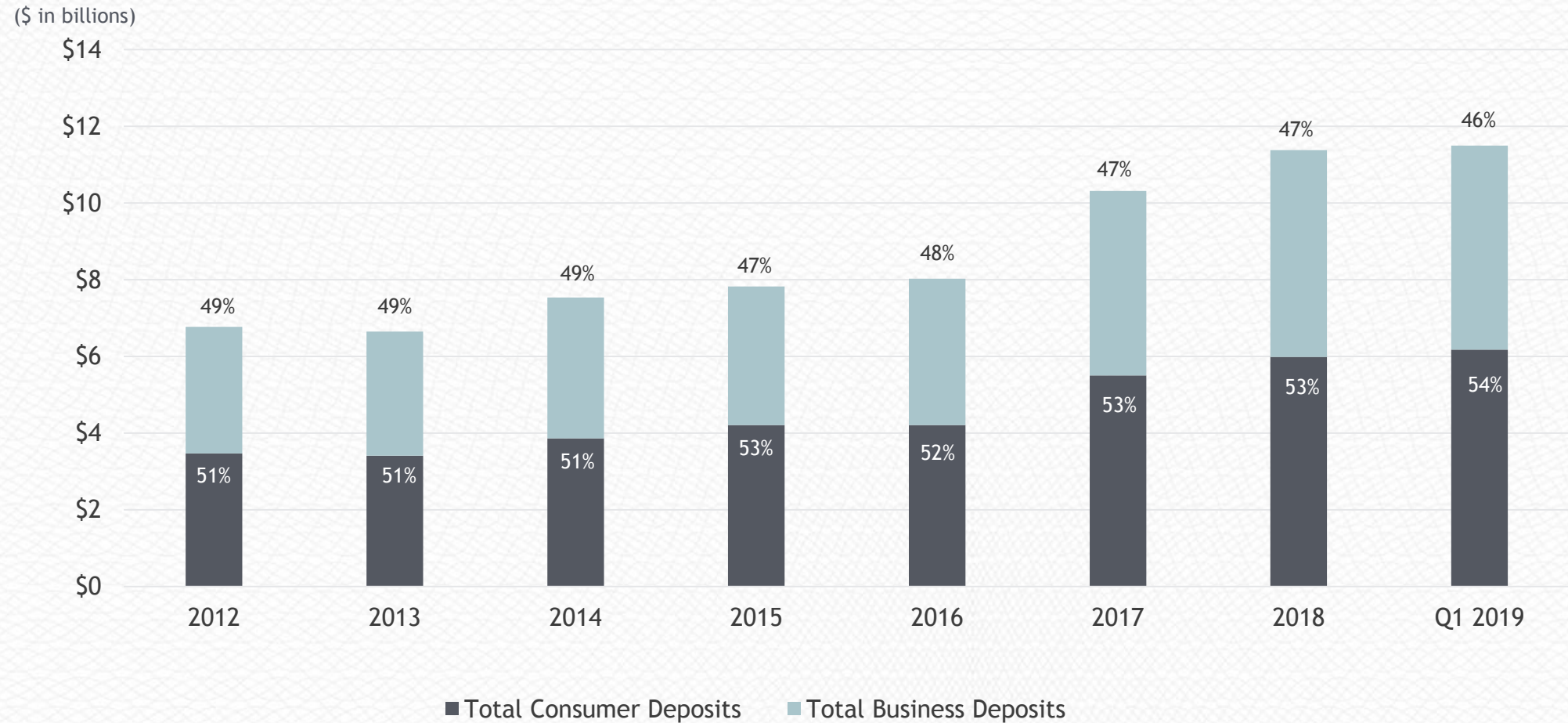
## ALLOCATION OF DEPOSITS



LOCATION	MARKET SHARE* JUNE 2018	LOCATION	MARKET SHARE* JUNE 2018
Laramie, WY	48%	Bozeman, MT	16%
Riverton, WY	43%	Kalispell, MT	15%
Sheridan, WY	40%	Jackson, WY	14%
Missoula, MT	32%	Cheyenne, WY	12%
Casper, WY	30%	Nampa, ID	11%
Great Falls, MT	30%	Medford, OR	8%
Gillette, WY	28%	Rapid City, SD	8%
Billings, MT	26%	Boise, ID	2%
Redmond, OR	26%	Lynnwood, WA	2%
Spearfish, SD	25%	Eugene, OR	2%
Bend, OR	24%	Salem, OR	1%
Helena, MT	21%	Portland, OR	.5%



# Balance of Consumer and Business Deposits

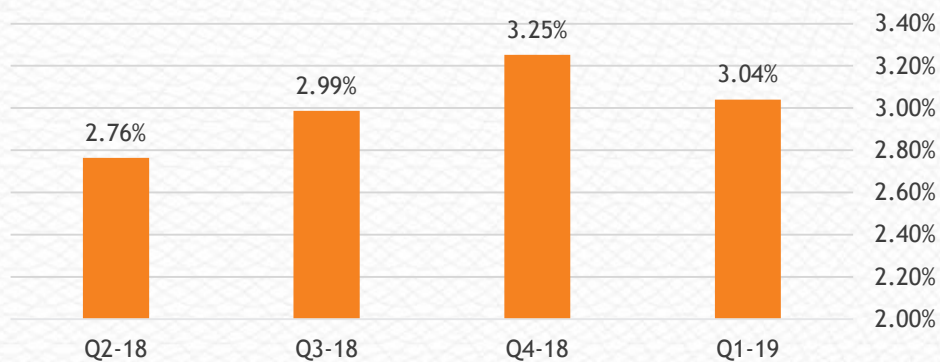




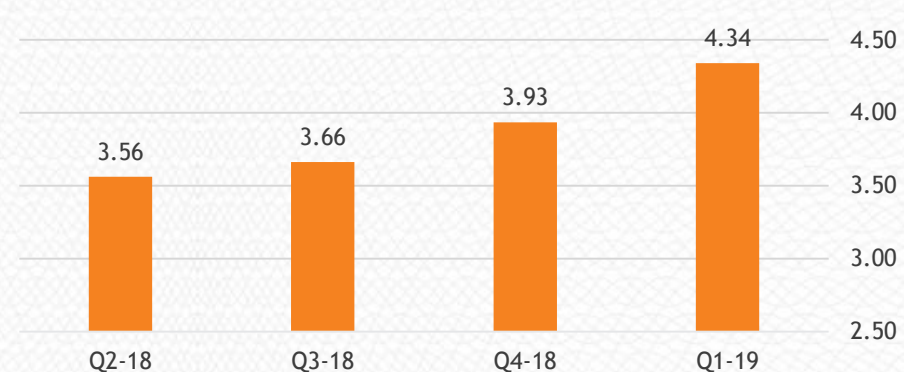
# Investment Portfolio

	Portfolio % 9/30/18	Portfolio % 12/31/18	Portfolio % 03/31/19	Book Value 9/30/18	Book Value 12/31/18	Book Value 03/31/19	Market Value 9/30/18	Market Value 12/31/18	Market Value 03/31/19
Treasury/Agency	22.7%	21.8%	23.2%	\$598,992,908	\$591,709,545	\$625,179,596	\$583,296,659	\$581,280,995	\$625,179,596
Fixed MBS	35.2%	36.1%	35.6%	\$927,880,437	\$978,404,748	\$959,687,141	\$903,890,839	\$963,907,977	\$959,687,141
Floating MBS	3.8%	3.4%	3.7%	\$99,722,474	\$90,866,649	\$98,506,249	\$94,337,198	\$90,592,052	\$98,506,249
CMO	17.3%	19.4%	19.0%	\$455,423,545	\$526,819,482	\$512,948,331	\$438,002,400	\$515,918,356	\$512,948,331
CMO Floating	4.4%	4.1%	3.8%	\$115,375,210	\$110,663,135	\$103,456,396	\$113,758,558	\$109,074,721	\$103,456,396
Municipal	5.8%	5.6%	5.4%	\$153,696,242	\$150,887,028	\$145,318,020	\$153,267,613	\$151,750,119	\$145,318,020
CMBS	5.4%	4.5%	4.8%	\$141,508,478	\$121,566,656	\$128,895,389	\$137,555,258	\$119,206,896	\$128,895,389
Corporate	5.3%	5.1%	4.5%	\$139,265,583	\$139,156,426	\$120,229,954	\$137,808,855	\$137,600,475	\$120,229,954
CD's	0.1%	0.1%	0.1%	\$1,717,000	\$1,962,000	\$1,717,000	\$1,709,471	\$1,953,576	\$1,717,000
<b>TOTAL</b>	<b>100%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>\$2,633,035,309</b>	<b>\$2,712,035,669</b>	<b>\$2,695,938,077</b>	<b>\$2,563,626,853</b>	<b>\$2,671,285,168</b>	<b>\$2,695,938,077</b>

QUARTERLY NEW PURCHASES: YIELDS

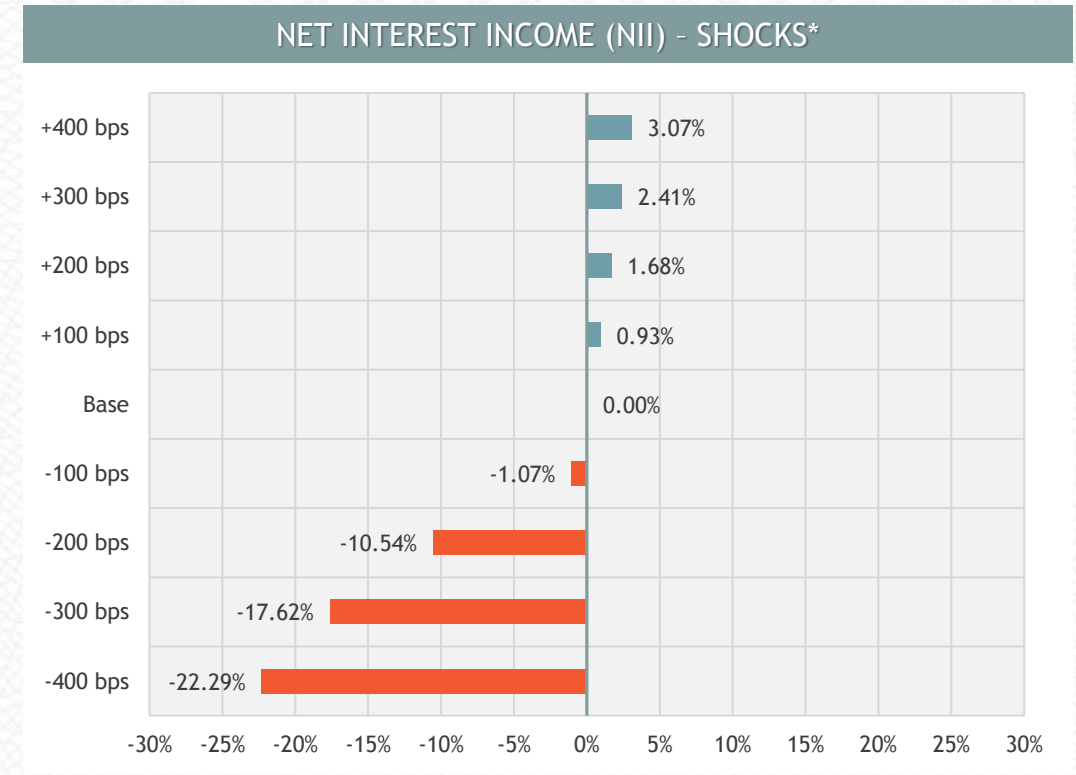
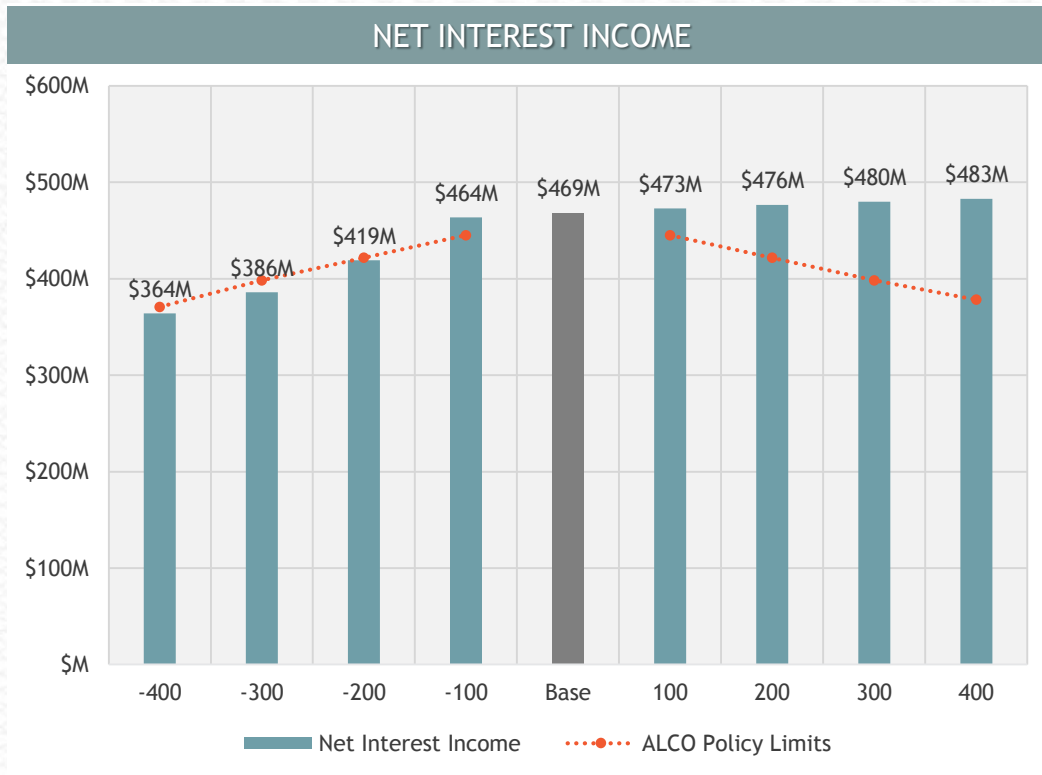


QUARTERLY NEW PURCHASES: DURATION A/L



# Interest Rate Sensitivity

- Asset sensitive in up-rate scenarios, despite conservative deposit beta methodology

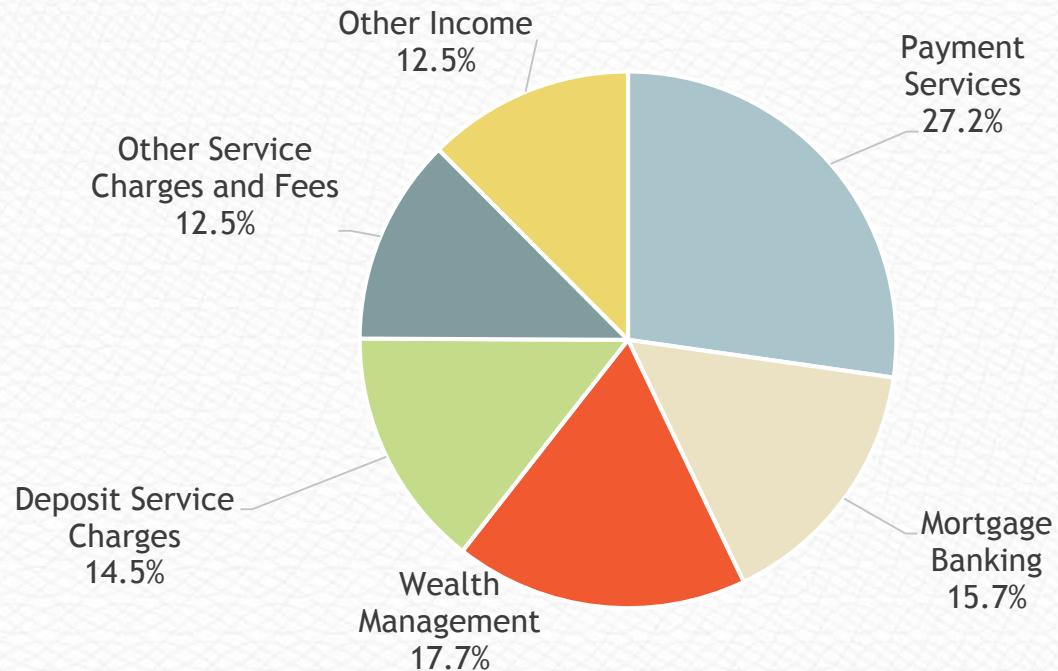


\*Base Case assumes static balance sheet as of 3/31/19. Parallel rate shifts.



# Non-Interest Income

23% of TOTAL REVENUE



## Payment Services

- Business credit card volume growth is accelerating in the West, with significantly more opportunity available.
- Completed hiring of two BBO's in the West and expect additional credit card volume growth in future.
- Quarterly Durbin impact to payment services revenue beginning July 2018 was approximately \$3.3MM per quarter.

## Mortgage Banking

- Originations for home purchases accounted for 79% of total production in Q1 2019.
- Consistent with national trends, we continue to see lower demands for refinancing, emphasis on Cash-Out.
- Prolonged winter weather and inventory constraints across the footprint in Q1 2019 impacted production volume.
- Construction costs have stabilized leading to increased construction volume YoY.

## Wealth Management

- AUM as of 3/31/19 is \$5.14 billion.
- Significant opportunities exist for WM delivery in the West Division.
- Over 85% of revenues are reoccurring fees.
- Employee compensation is salary and incentive-based versus the industry norm of a full commission structure.

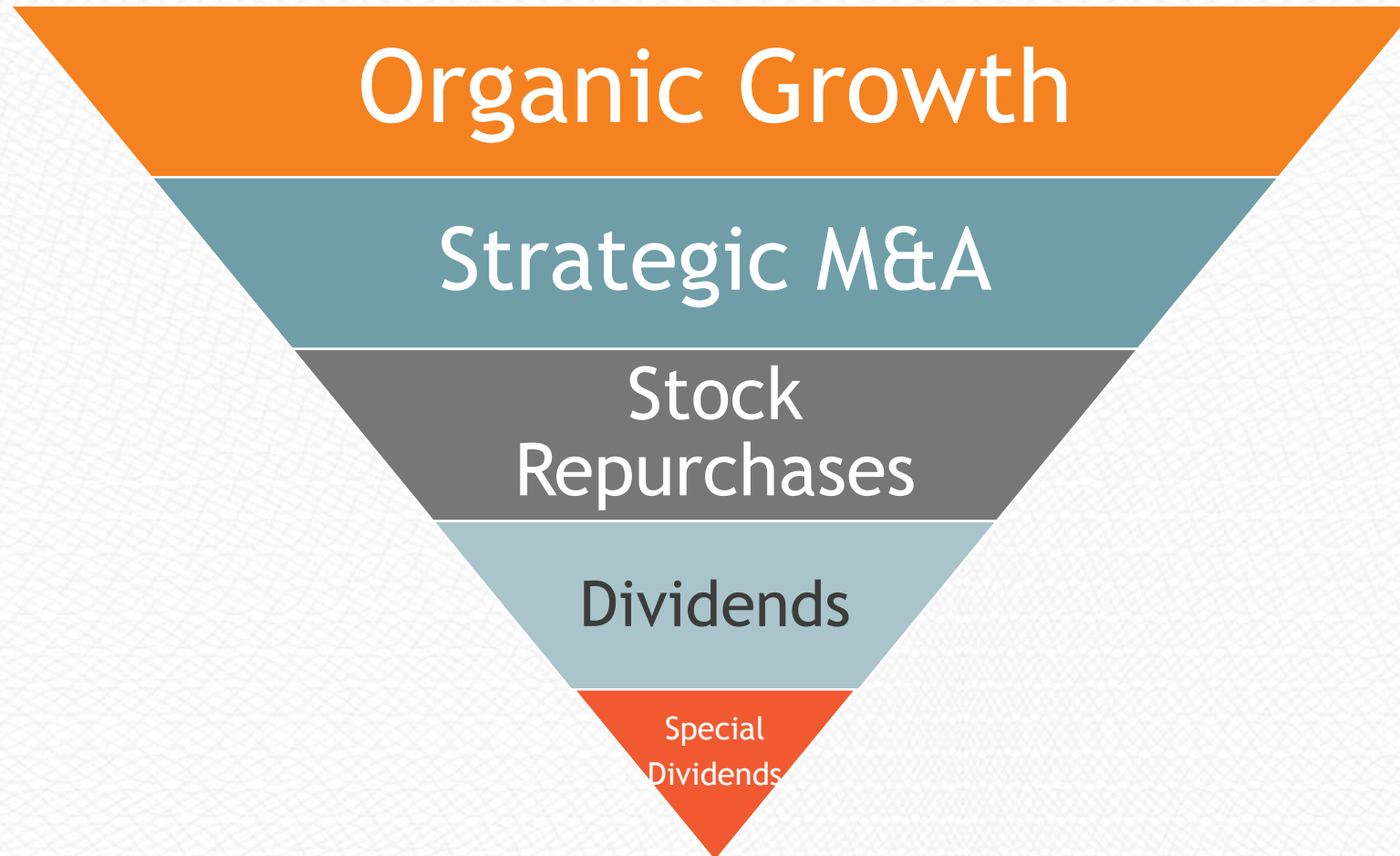


# Growth Strategies and Capital Allocation



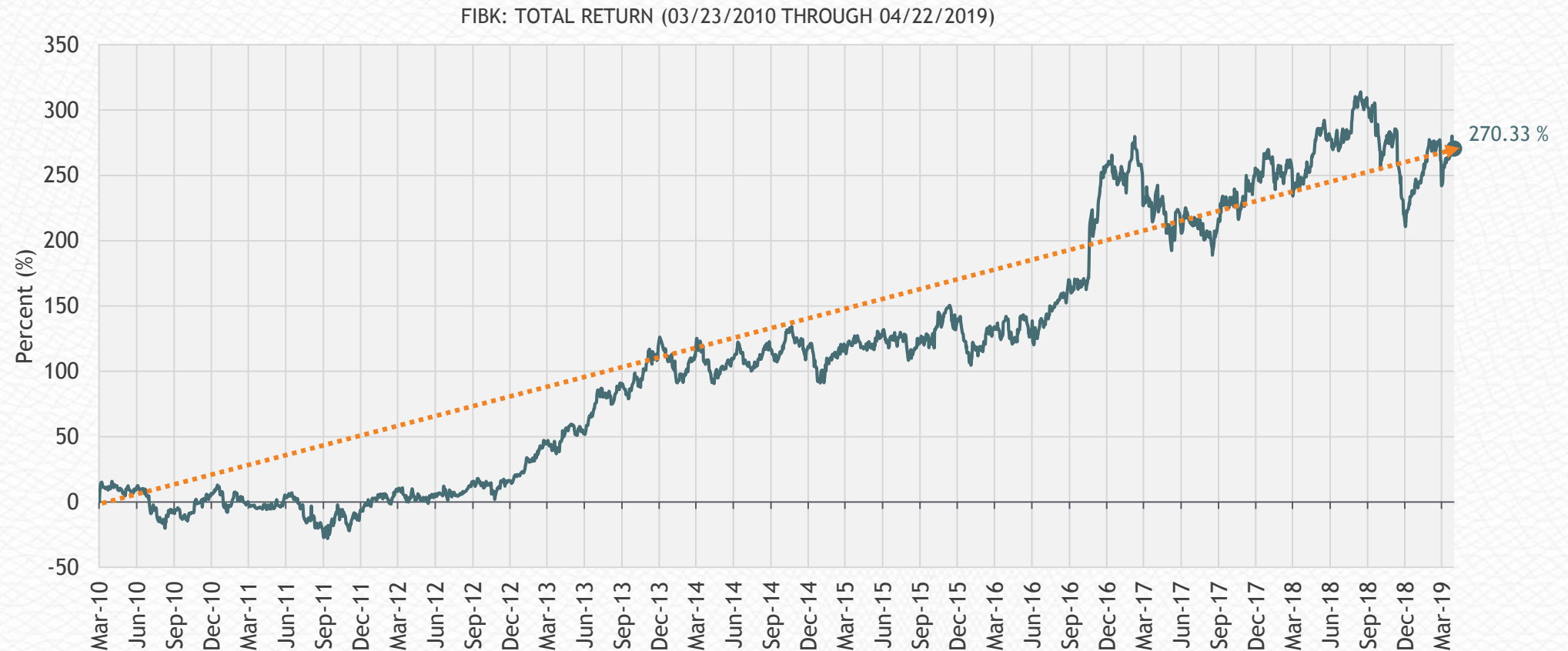
# Maximizing Shareholder Value

Management's priority is to deploy capital through:



# We are Delivering Results

Since the IPO in March 2010, FIBK has delivered a 270% total return to shareholders



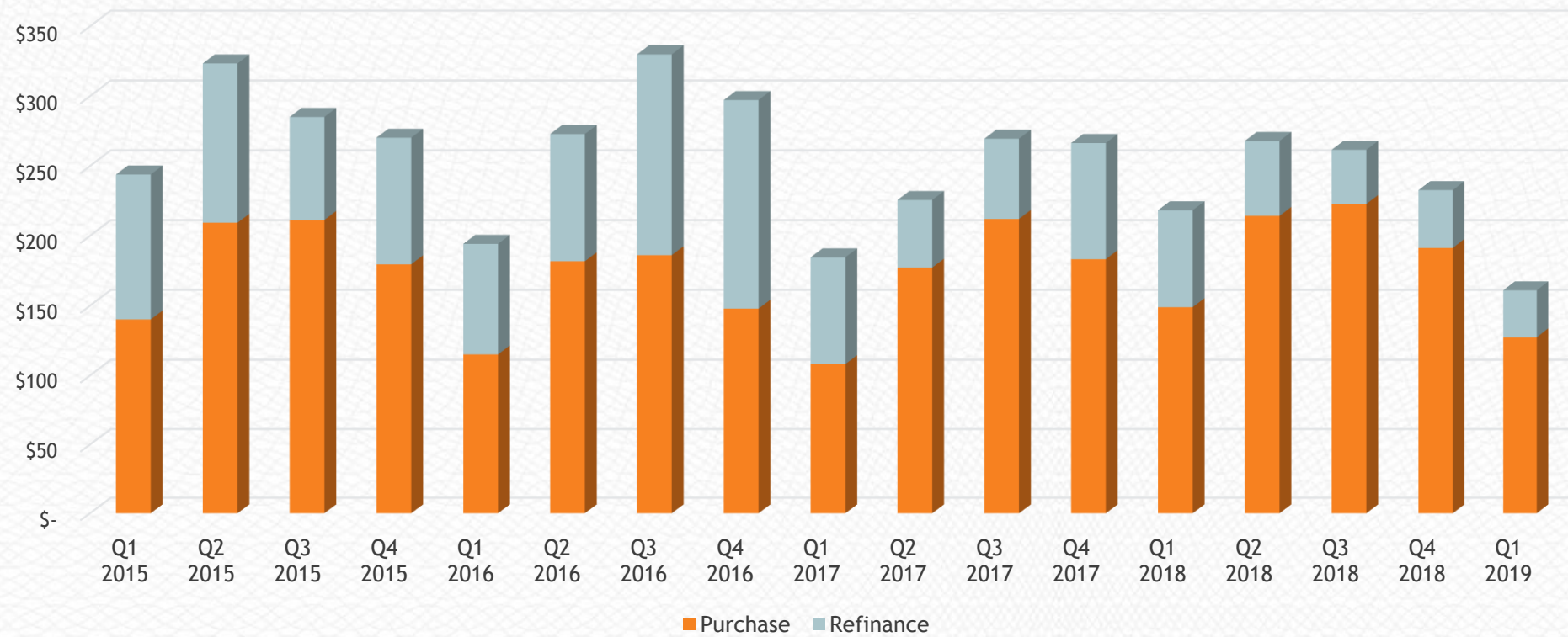
Source: Bloomberg



# Appendix

# Mortgage Production

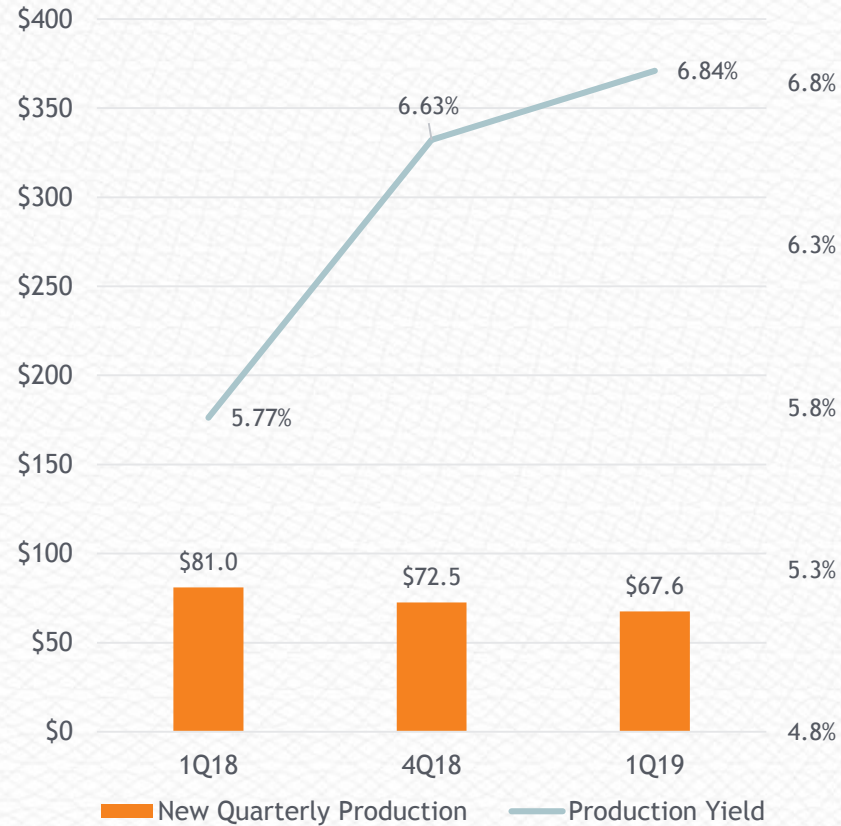
## QUARTERLY PRODUCTION VOLUME



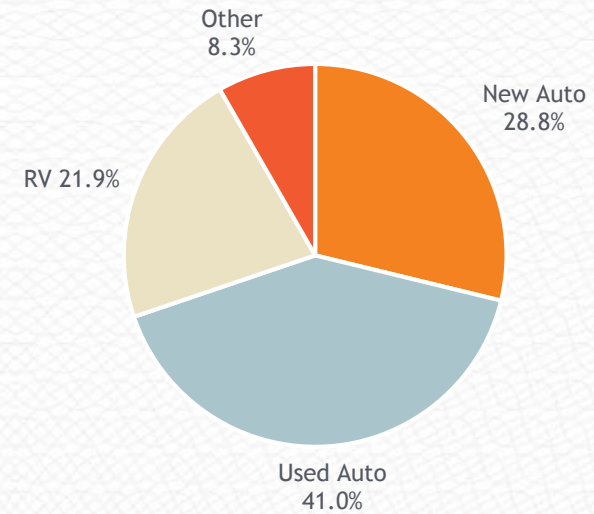


# Indirect Auto: Lending

CONSUMER INDIRECT PRODUCTION



INDIRECT LOAN PORTFOLIO



- Total Portfolio Yield: 5.66%
- Average Life of RV: 47 months
- Average Life of Auto: 31 months

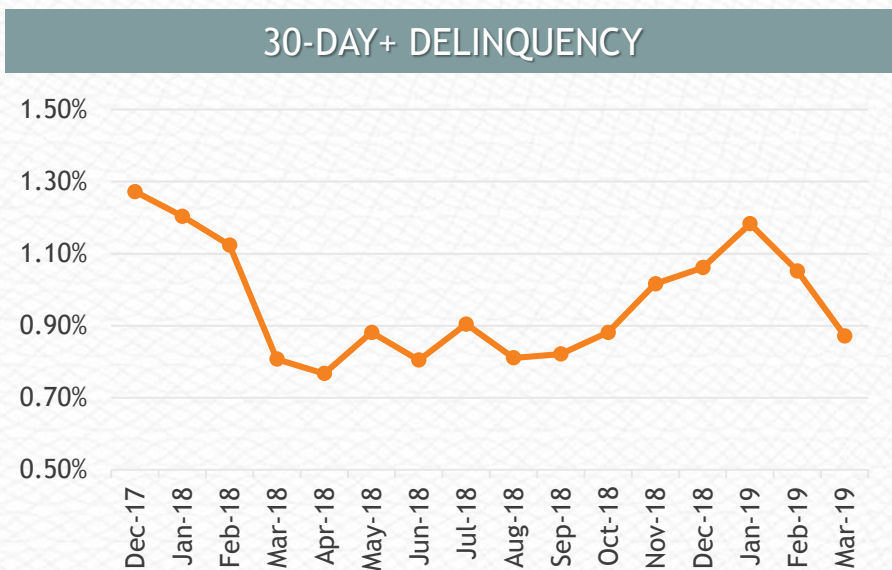


# Indirect Auto: Delinquency and Charge-Off

Originations from a credit quality perspective are improved

- ~55% of our originations are above a 750 FICO score
- ~85% of our originations are above a 700 FICO score
- Not participating in the subprime space, less than 1% of the portfolio has a score below 620

As a result, our credit metrics are stable and below peer



Delinquency and C/O are both stable

- Delinquency Q1 at .87% (.81% in 2018)
- 2019 net C/O = \$795k or .41%, \$725k or 0.37% in 2018



# Oil and Gas: Industry Exposure

- \$50 million in direct exposure (0.6% of total loan portfolio)
- \$17 million in unfunded commitments
- \$25 million in criticized loans category
- 9.0% Allowance for Loan Loss Allocation

Month	NAICS Code	Description	Net Principal Balance	Unfunded	Commitment
March 2019	211111	Crude Petroleum and Natural Gas Extraction	\$24,881,446	\$8,614,733	\$33,496,179
	213112	Support Activities for Oil and Gas Operations	\$21,202,741	\$6,106,514	\$27,309,255
	213111	Drilling Oil and Gas Wells	\$3,059,535	\$1,623,689	\$4,683,224
	221210	Natural Gas Distribution	\$622,134	\$485,000	\$1,107,134
	211112	Natural Gas Liquid Extraction	\$125,637	\$39,762	\$165,399
<b>Oil &amp; Gas Total</b>			<b>\$49,891,492</b>	<b>\$16,869,698</b>	<b>\$66,761,191</b>

As of March 31, 2019



# Oil and Gas: Industry Performance Metrics

- \$12 million in impaired loan categories
- 9.0% allowance allocation
- \$3.3 million in potential loss exposure

DESCRIPTION	CRITICIZED	% CRITICIZED	CLASSIFIED	% CLASSIFIED	IMPAIRED	% IMPAIRED
Crude Petroleum and Natural Gas Extraction	\$20,870,403	83.9%	\$20,204,304	81.2%	\$12,342,980	49.6%
Support Activities for Oil and Gas Operations	\$3,983,836	18.8%	\$681,175	3.2%	\$0	0.0%
Drilling Oil and Gas Wells	\$28,588	0.9%	\$28,588	0.9%	\$0	0.0%
Natural Gas Distribution	\$0	0.0%	\$0	0.0%	\$0	0.0%
Natural Gas Liquid Extraction	\$0	0.0%	\$0	0.0%	\$0	0.0%
<b>Oil &amp; Gas Total</b>	<b>\$24,882,827</b>	<b>49.9%</b>	<b>\$20,914,067</b>	<b>41.9%</b>	<b>\$12,342,980</b>	<b>24.7%</b>



# Agriculture: Portfolio Exposure

- 5.2% of total loan portfolio
- \$179 million in unfunded commitments
- Beef Cattle Ranching/Farming accounting for 46% of total portfolio

MONTH	NAICS CODE	DESCRIPTION	NET PRINCIPAL BALANCE	UNFUNDED	COMMITMENT
March 2019	112111	Beef Cattle Ranching and Farming	\$203,134,848	\$76,515,399	\$279,650,247
	111140	Wheat Farming	\$72,233,209	\$40,286,746	\$112,519,955
	111940	Hay Farming	\$14,180,749	\$3,587,415	\$17,768,164
	112130	Dual-Purpose Cattle Ranching and Farming	\$3,478,677	\$251,934	\$3,730,611
	111998	All Other Miscellaneous Crop Farming	\$13,968,320	\$8,487,063	\$22,455,383
		All Other Agriculture *	\$138,078,694	\$49,665,432	\$188,201,767
<b>Agriculture Total</b>			<b>\$445,074,497</b>	<b>\$178,793,989</b>	<b>\$624,326,127</b>



# Agriculture: Industry Performance Metrics

- \$70.0 million in criticized loan categories
- \$5.0 million in impaired loan categories
- \$437 thousand in potential loss exposure

DESCRIPTION	CRITICIZED	% CRITICIZED	CLASSIFIED	% CLASSIFIED	IMPAIRED	% IMPAIRED
Beef Cattle Ranching and Farming	\$26,962,787	13.3%	\$12,405,741	6.1%	\$1,520,638	0.7%
Wheat Farming	\$14,153,222	19.6%	\$8,367,765	11.6%	\$753,603	1.0%
Hay Farming	\$1,775,944	12.5%	\$1,775,944	12.5%	\$824,150	5.8%
Dual-Purpose Cattle Ranching and Farming	\$44,761	1.3%	\$44,761	1.3%	\$0	0.0%
All Other Miscellaneous Crop Farming	\$1,062,164	7.6%	\$656,001	4.7%	\$0	0.0%
All Other Agriculture *	\$25,991,721	18.8%	\$14,285,890	10.3%	\$1,928,815	1.4%
<b>Total Agriculture</b>	<b>\$69,990,599</b>	<b>15.7%</b>	<b>\$37,536,103</b>	<b>8.4%</b>	<b>\$5,027,206</b>	<b>1.1%</b>



# Mall and Retail Trade: Portfolio Exposure

- \$55.4 million direct exposure to Malls<sup>1</sup> (0.7% of total loan portfolio)
  - None in criticized loan categories
- \$45.9 million direct exposure to Retail Trade <sup>2</sup> (0.5% of total loan portfolio)
  - \$1.5 million in criticized loan categories

MONTH	NAICS CODE	DESCRIPTION	NET PRINCIPAL BALANCE	UNFUNDED	COMMITTMENT
March 2019		Shopping Malls	\$55,429,072	\$3,395,189	\$58,824,260
	451110	Sporting Goods Stores	\$23,661,748	\$5,092,796	\$28,754,545
	452990	All Other General Merchandise Stores	\$11,560,433	\$2,400,093	\$13,960,526
	448310	Jewelry Stores	\$4,612,496	\$1,400,999	\$6,013,495
	448190	Other Clothing Stores	\$1,743,447	\$628,401	\$2,371,849
	451130	Sewing, Needlework, and Piece Goods Stores	\$1,001,505	\$2,306	\$1,003,811
	451140	Musical Instrument and Supplies Stores	\$998,180	\$1,553	\$999,732
		All Other Retail Trade	\$2,365,115	\$722,159	\$3,087,274
<b>Mall and Retail Trade Total</b>			<b>\$101,371,996</b>	<b>\$13,643,496</b>	<b>\$115,015,492</b>

<sup>1</sup> These credits are not coded uniquely on the system as most are identified as Lessors of Non-Residential Real Estate. The portfolios were identified by the word "Mall" or "Shopping" in the Customer Name and by the Credit Officers review.

<sup>2</sup> These credits were identified utilizing the NAICS codes 448 - Clothing Stores, 451 - Sporting Goods and 452 - General Merchandise.

