Earnings Presentation

THIRD QUARTER 2019 RESULTS

Seacoast
BANKING CORPORATION
OF FLORIDA

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Cautionary Notice Regarding Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning, and protections, of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements about future financial and operating results, cost savings, enhanced revenues, economic and seasonal conditions in our markets, new initiatives and improvements to reported earnings that may be realized from cost controls, tax law changes, and for integration of banks that we have acquired, or expect to acquire, as well as statements with respect to Seacoast's objectives, strategic plans, including Vision 2020, expectations and intentions and other statements that are not historical facts. Actual results may differ from those set forth in the forward-looking statements.

Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates and intentions about future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance or achievements of Seacoast to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You should not expect us to update any forward-looking statements.

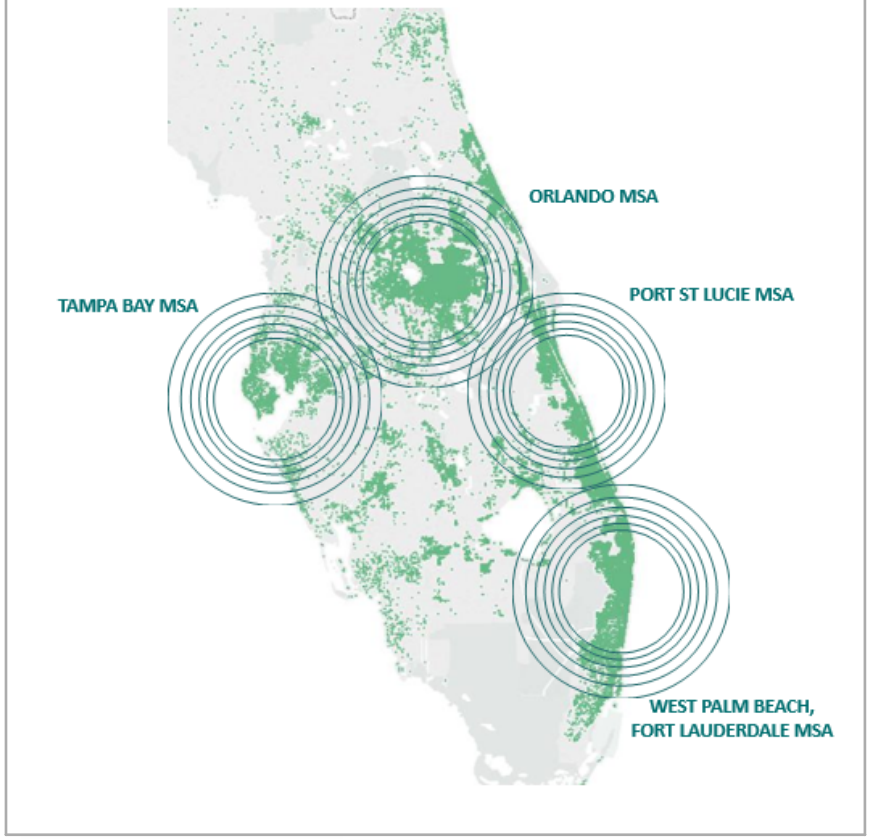
All statements other than statements of historical fact could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may", "will", "anticipate", "assume", "should", "support", "indicate", "would", "believe", "contemplate", "expect", "estimate", "continue", "further", "plan", "point to", "project", "could", "intend", "target" or other similar words and expressions of the future. These forward-looking statements may not be realized due to a variety of factors, including, without limitation: the effects of future economic and market conditions, including seasonality; governmental monetary and fiscal policies, including interest rate policies of the Board of Governors of the Federal Reserve, as well as legislative, tax and regulatory changes; changes in accounting policies, rules and practices; the risks of changes in interest rates on the level and composition of deposits, loan demand, liquidity and the values of loan collateral, securities, and interest sensitive assets and liabilities; interest rate risks, sensitivities and the shape of the yield curve; uncertainty related to the impact of LIBOR calculations on securities and loans; changes in borrower credit risks and payment behaviors; changes in the availability and cost of credit and capital in the financial markets; changes in the prices, values and sales volumes of residential and commercial real estate; our ability to comply with any regulatory requirements; the effects of problems encountered by other financial institutions that adversely affect us or the banking industry; our concentration in commercial real estate loans; the failure of assumptions and estimates, as well as differences in, and changes to, economic, market and credit conditions; the impact on the valuation of our investments due to market volatility or counterparty payment risk; statutory and regulatory dividend restrictions; increases in regulatory capital requirements for banking organizations generally; the risks of mergers, acquisitions and divestitures, including our ability to continue to identify acquisition targets and successfully acquire desirable financial institutions; changes in technology or products that may be more difficult, costly, or less effective than anticipated; our ability to identify and address increased cybersecurity risks; inability of our risk management framework to manage risks associated with our business; dependence on key suppliers or vendors to obtain equipment or services for our business on acceptable terms; reduction in or the termination of our ability to use the mobile-based platform that is critical to our business growth strategy; the effects of war or other conflicts, acts of terrorism, natural disasters or other catastrophic events that may affect general economic conditions; unexpected outcomes of, and the costs associated with, existing or new litigation involving us; our ability to maintain adequate internal controls over financial reporting; potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings and enforcement actions; the risks that our deferred tax assets could be reduced if estimates of future taxable income from our operations and tax planning strategies are less than currently estimated and sales of our capital stock could trigger a reduction in the amount of net operating loss carryforwards that we may be able to utilize for income tax purposes; the effects of competition from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and other mutual funds and other financial institutions operating in our market areas and elsewhere, including institutions operating regionally, nationally and internationally, together with such competitors offering banking products and services by mail, telephone, computer and the Internet; and the failure of assumptions underlying the establishment of reserves for possible loan losses.

All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our annual report on Form 10-K for the year ended December 31, 2018 under "Special Cautionary Notice Regarding Forward-Looking Statements" and "Risk Factors", and otherwise in our SEC reports and filings. Such reports are available upon request from the Company, or from the Securities and Exchange Commission, including through the SEC's Internet website at www.sec.gov.

Seacoast Banking Corporation of Florida [NASDAQ: SBCF]

Valuable Florida Franchise With Disciplined Growth Strategy, Benefiting from Fortress Balance Sheet with Robust Capital Generation, Prudent Liquidity Position, and Strict Credit Underwriting

Seacoast Customer Map



- $6.9 billion in assets as of September 30, 2019, operating in the nation's third-most populous state
- Strong and growing presence in four of Florida's most attractive MSAs
  - #1 Florida-based bank in the Orlando MSA
  - Growing share in West Palm Beach
  - #2 share in Port St Lucie MSA
  - Growing presence in Tampa MSA
- Market Cap: $1.3 billion as of September 30, 2019

- Highly disciplined credit portfolio
- Prudent liquidity position
- Strong capital position
- Steady increase in shareholder value with tangible book value per share increasing 19% year-over-year
- Active board with a diverse range of experience and expertise

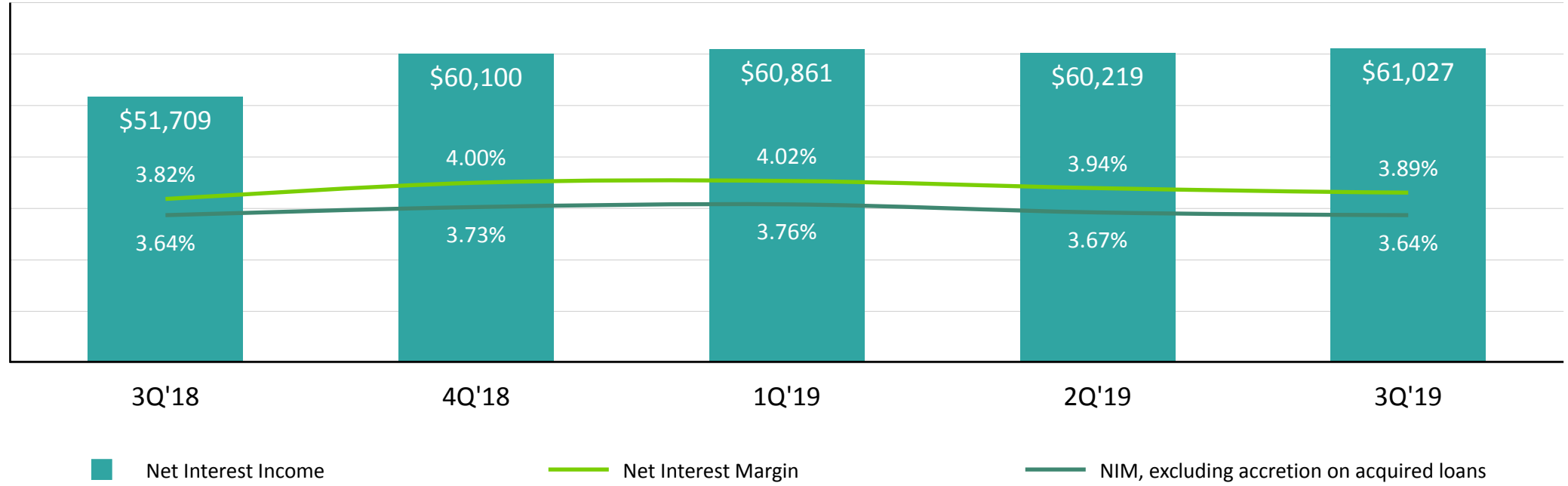
Third Quarter Highlights

- Earnings per diluted share totaled $0.49 on a GAAP basis and $0.53 on an adjusted basis[1] for the quarter
- On a GAAP basis, ended the quarter at 1.61% Return on Tangible Assets (ROTA) and 14.7% Return on Average Tangible Common Equity (ROTCE). On an adjusted basis, third quarter results were 1.67% adjusted ROTA[1] and 15.3% adjusted ROTCE[1]
- Steadily building shareholder value through consistent growth in tangible book value per share, ending the period at $14.30, an increase of 19% compared to the prior year
- The efficiency ratio improved to 48.6% compared to 53.5% in the prior quarter and 57.0% in the third quarter of 2018. The adjusted efficiency ratio[1] improved to 49.0% compared to 51.4% in the prior quarter and 56.3% in the third quarter of 2018
- New loan originations of $488 million compared to $407 million in the prior quarter, resulting in net loan growth of 8% on an annualized basis
- Noninterest income to total revenue (excluding securities losses) improved to 20%, from 19% in the prior quarter, attributed primarily to continued strong performance in mortgage banking
- On a GAAP basis, noninterest expense declined $2.4 million sequentially and adjusted noninterest expense[1] declined $1.1 million, the result of our continued focus on expense control and streamlining operations
- Year to date adjusted revenues[1] increased 18% compared to the prior year while adjusted noninterest expense[1] increased 7%, generating 11% operating leverage

[1]Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP

Net Interest Income and Margin

($ In Thousands)

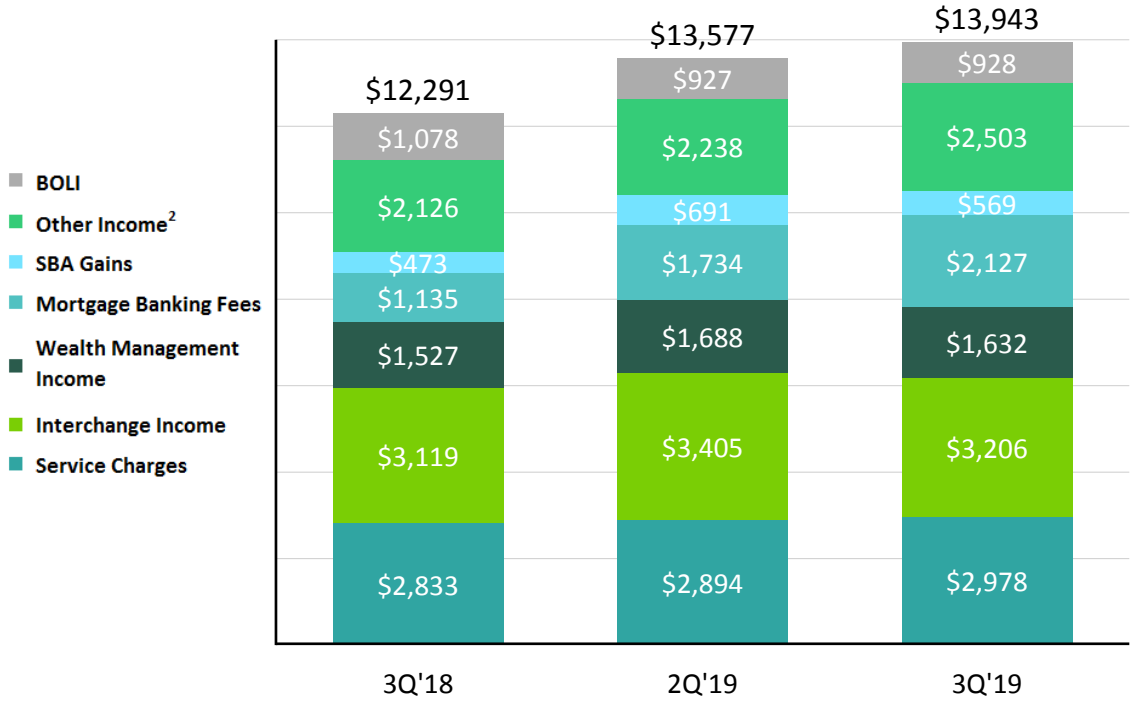


- Net interest income[1] totaled $61.0 million, up $0.8 million or 1% from the prior quarter and up $9.3 million or 18% from the third quarter of 2018.
- Net interest margin[1] decreased 5 basis points to 3.89% quarter-over-quarter. Removing accretion on acquired loans, the net interest margin decreased 3 basis points.

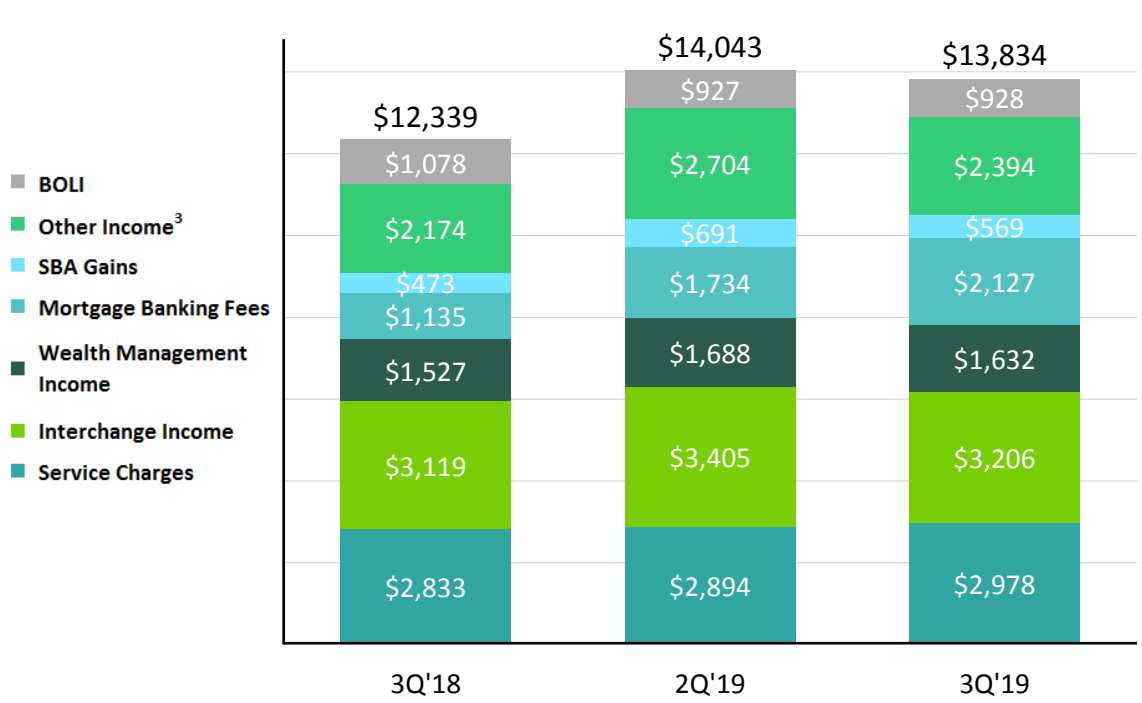
[1]*Calculated on a fully taxable equivalent basis using amortized cost*

Noninterest Income

Noninterest Income (in thousands)



Adjusted Noninterest Income[1] (in thousands)



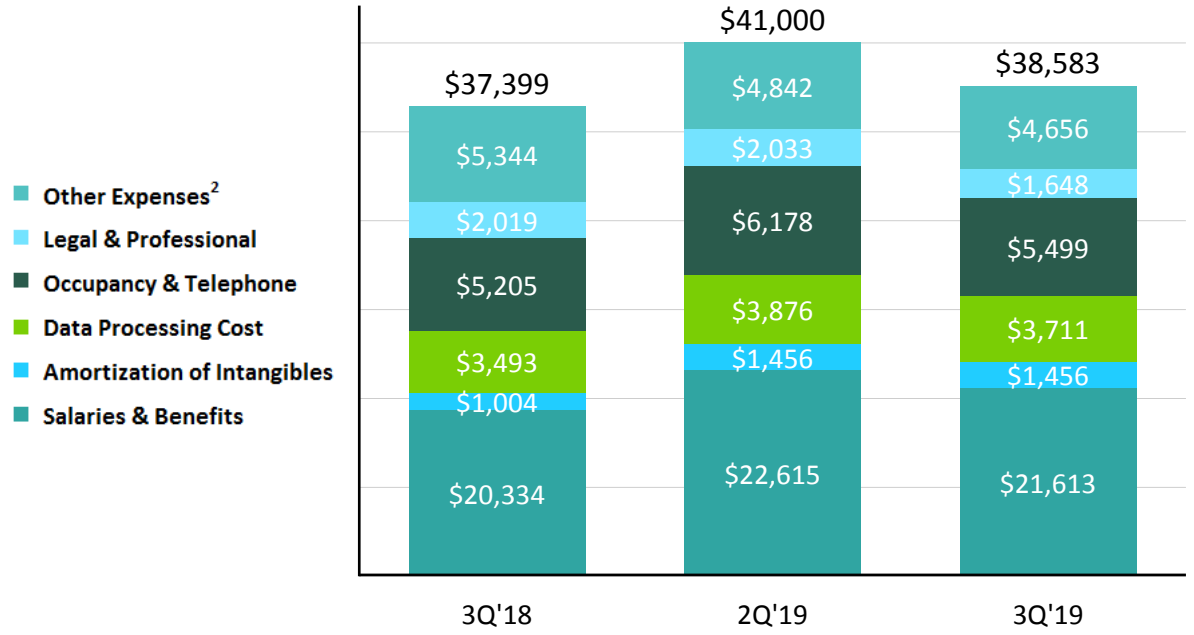
Noninterest income increased $0.4 million sequentially and adjusted noninterest income[1] decreased $0.2 million sequentially. Changes quarter-over-quarter include:

- Mortgage banking fees increased $0.4 million sequentially, reflecting the combination of increased refinance activity due to lower long term rates and a greater focus on generating saleable volume.
- On a GAAP basis, other income in the third quarter of 2019 includes $1.0 million in BOLI death benefits and $0.8 million in securities losses, which are both excluded from reporting on an adjusted basis.
- Interchange income decreased $0.2 million sequentially, reflecting lower customer activity as a result of Hurricane Dorian.

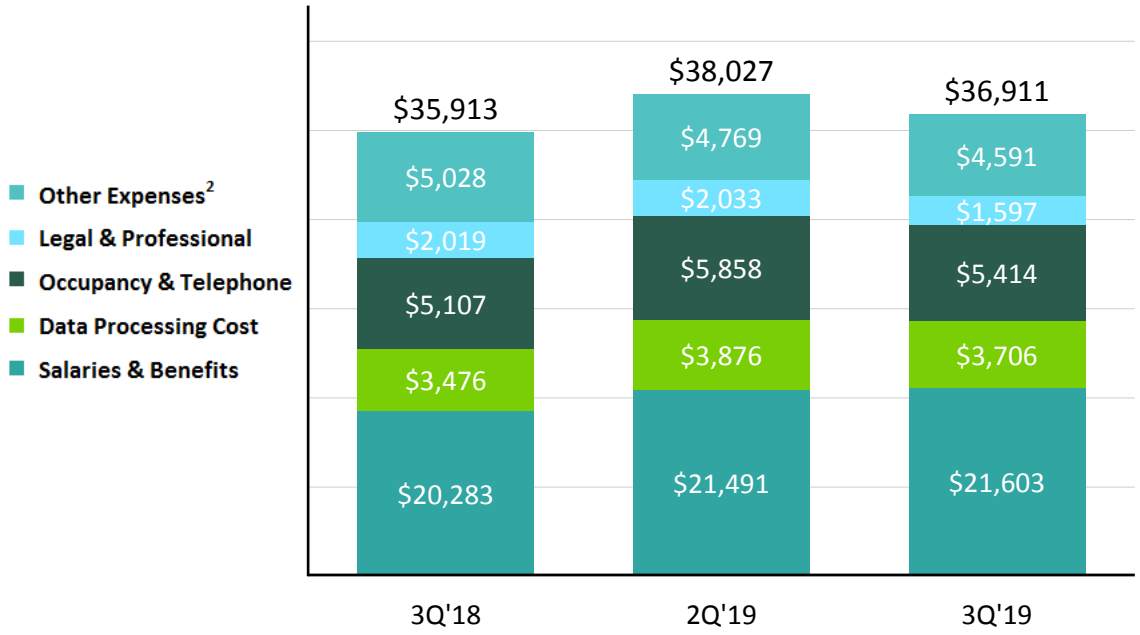
[1]Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP
[2]Other Income includes marine finance fees, swap related income and other fees related to customer activity as well as losses on sales of securities of $48 thousand in 3Q'18, $466 thousand in 2Q'19, and $847 thousand in 3Q'19. Other Income in 3Q'19 also includes $956 thousand in BOLI death benefits.
[3]Other Income on an adjusted basis includes marine finance fees, swap related income and other fees related to customer activity

Proven Success at Disciplined Expense Control

Noninterest Expense (in thousands)



Adjusted Noninterest Expense[1] (in thousands)



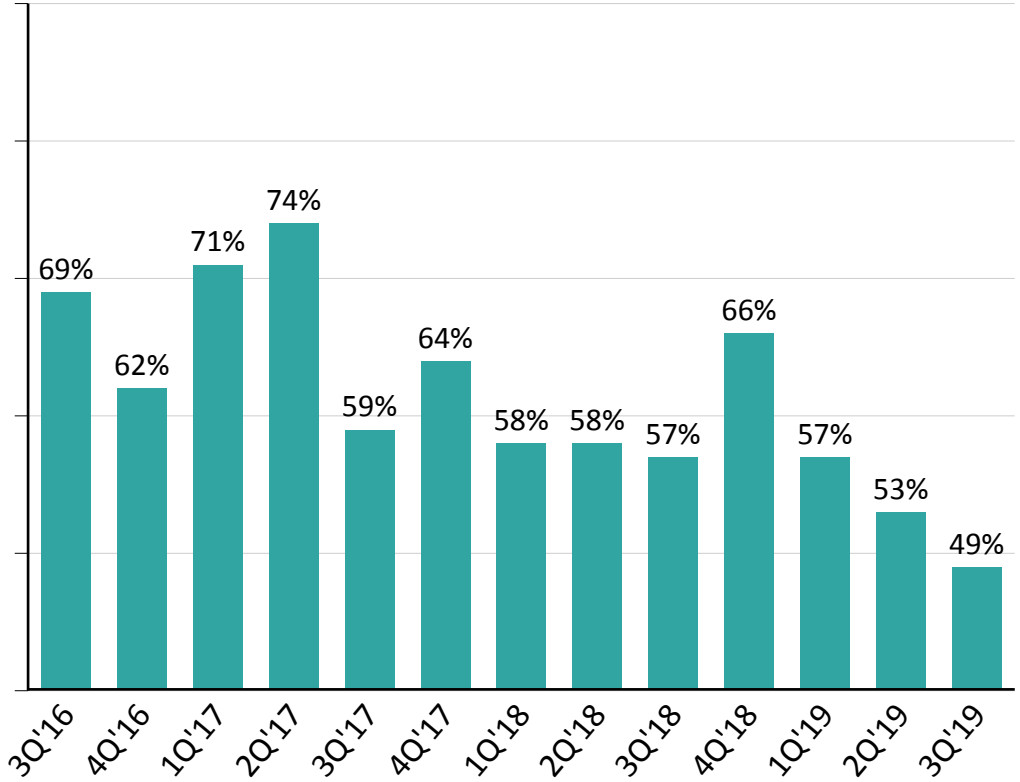
Noninterest expense declined $2.4 million and adjusted noninterest expense[1] declined $1.1 million sequentially. Changes quarter-over-quarter include:

- Salaries and benefits on a GAAP basis decreased $1.0 million, reflecting the impact of $1.1 million in severance costs in the prior quarter
- Our continued focus on efficiency and streamlining operations resulted in decreases across several expense categories, including $0.7 million in occupancy and telephone, $0.4 million in legal and professional and $0.2 million in data processing costs. On a GAAP basis, the third quarter of 2019 includes $0.2 million in expenses across these same categories associated with branch consolidation activity and our Hurricane Dorian response efforts.
- Other expenses include a $0.3 million decrease in FDIC assessments. The FDIC announced the achievement of their target insurance reserve ratio, resulting in our ability to apply previously awarded credits in the third quarter. Our remaining credits, totaling $1.2 million, will be applied to future assessments if the reserve remains above the target threshold.

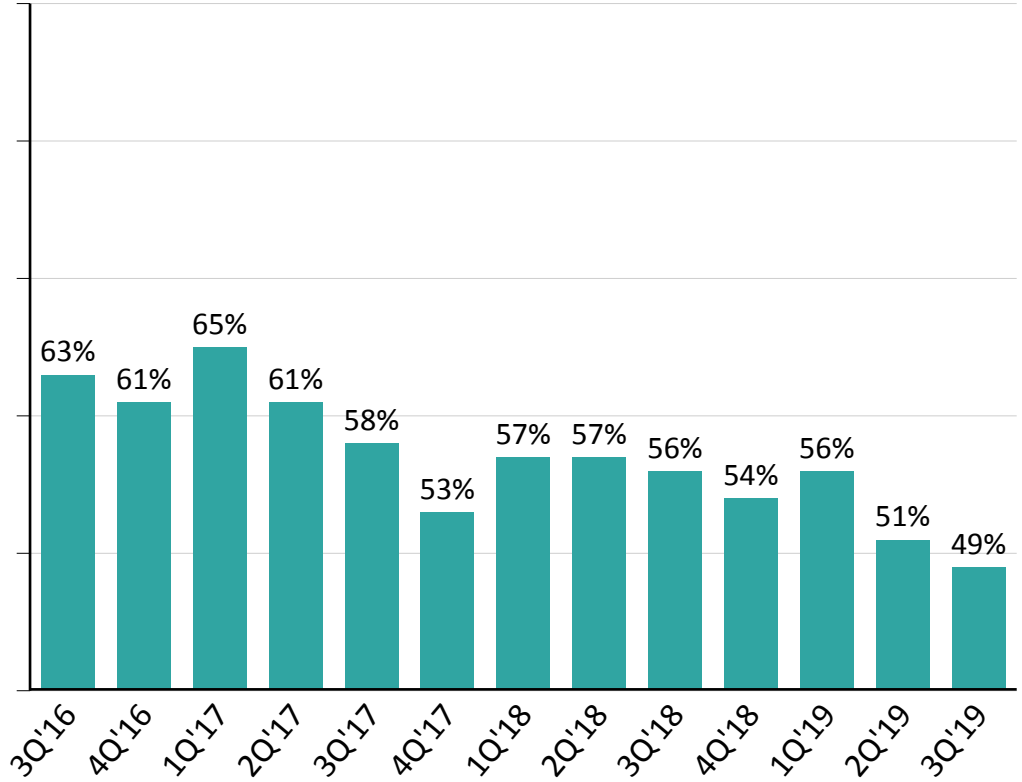
[1]Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP
[2]Other Expense includes marketing expenses and other expenses associated with ongoing business operations.

Continued Favorable Efficiency Ratio Trend

GAAP - Efficiency



Adjusted - Efficiency[1]



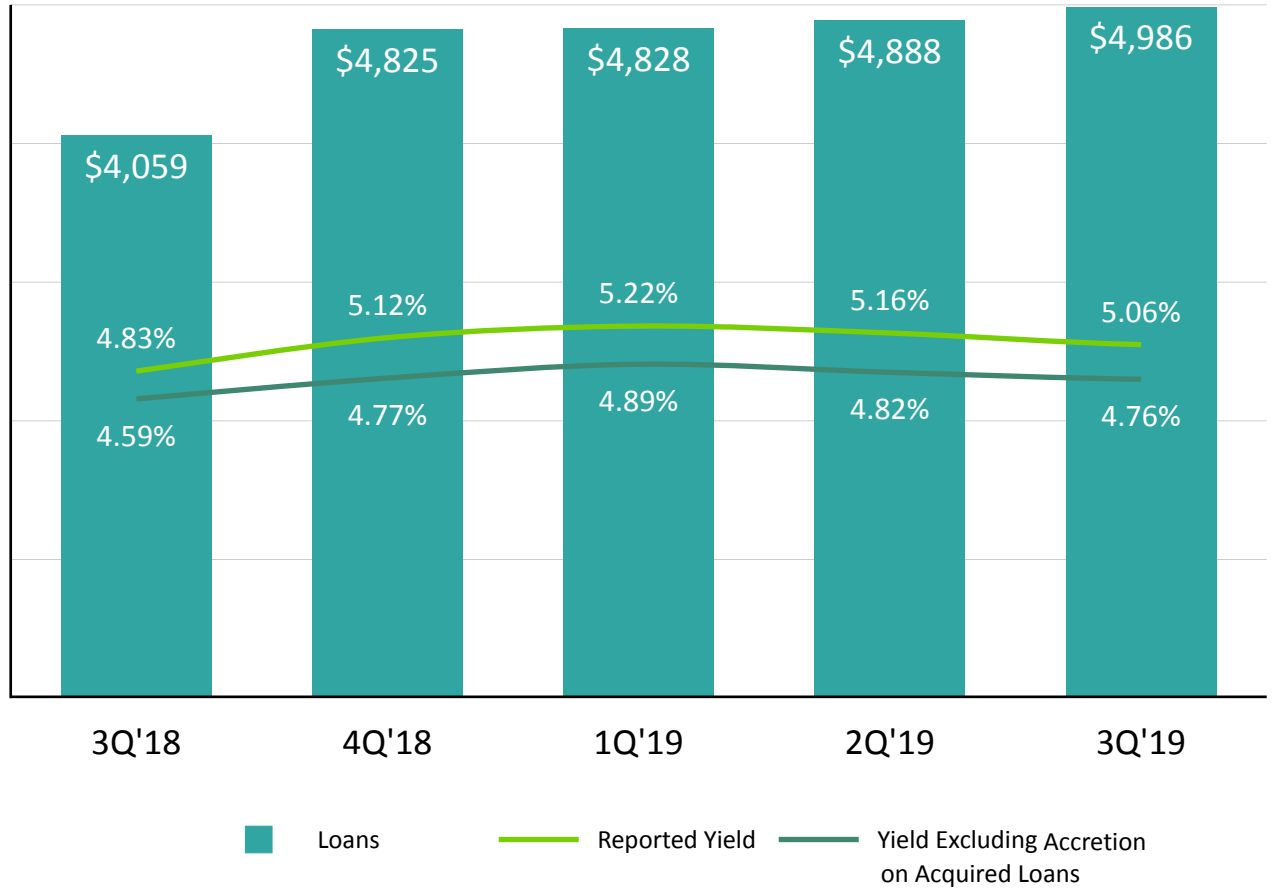
- The efficiency ratio was 48.6% compared to 53.5% in the prior quarter and 57.0% in the third quarter of 2018.
- The adjusted efficiency ratio[1] improved to 49.0% compared to 51.4% in the prior quarter and 56.3% in the third quarter of 2018.
- The improvements were the outcome of our continued focus on streamlining operations combined with driving top-line revenues.

[1]*Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP*

Loan Growth Momentum Continues, Supported by a Strong Florida Economy and Strict Credit Underwriting

- Third quarter loans totaled $5.0 billion, an increase of $927 million or 23% year-over-year.
- New loan originations of $488 million, compared to $407 million in the prior quarter, resulted in net loan growth of 8% on an annualized basis.
- Pipelines increased sequentially and, exiting the third quarter of 2019, were $360 million in commercial, $66 million in consumer and small business, $43 million in retained residential and $35 million in saleable residential loans.
- The decline in loan yield sequentially reflects a decline across all points on the yield curve, affecting variable rate loans and add-on rates for new loans originated.

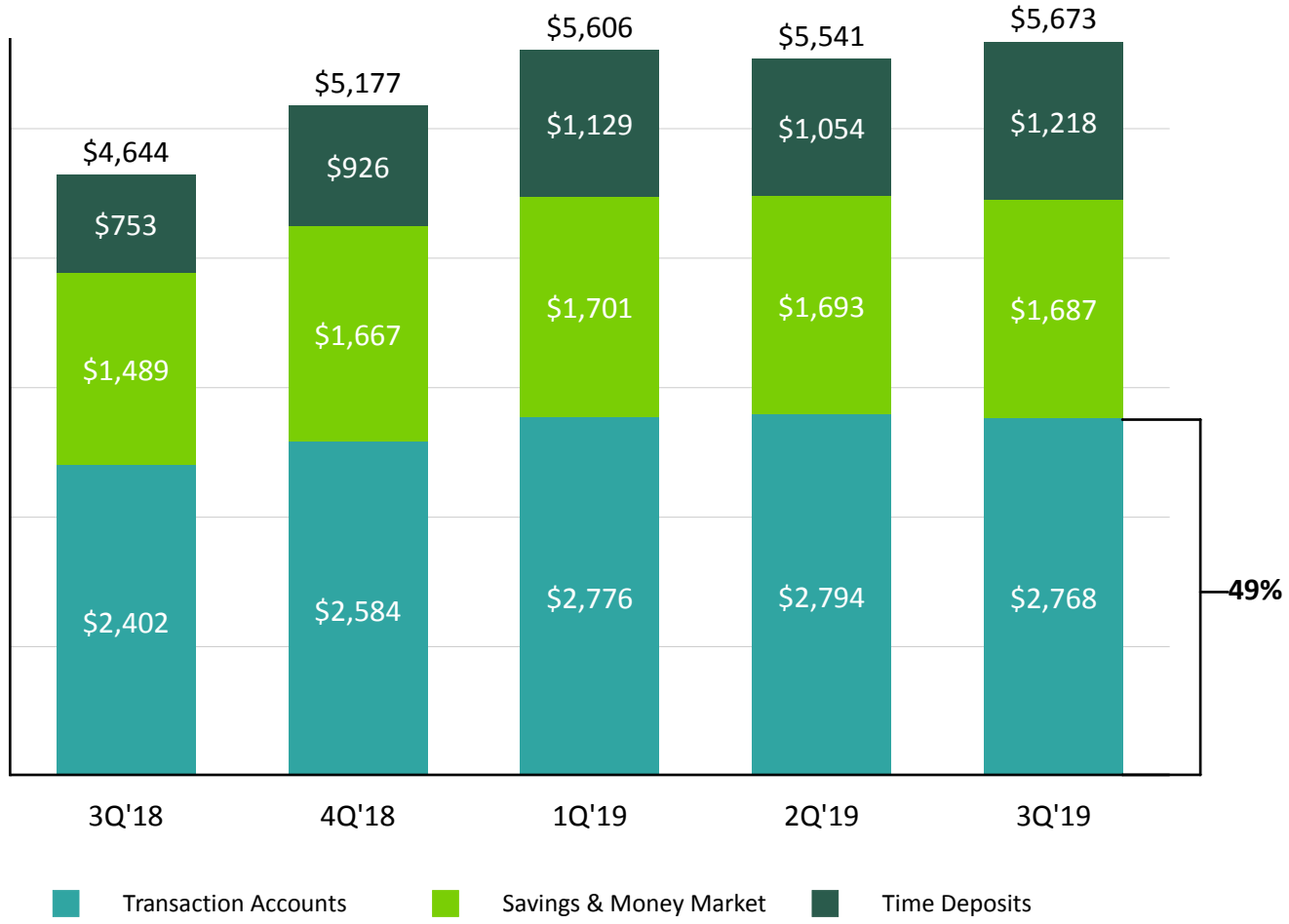
Total Loans Outstanding ($ in millions)



Strong Deposit Franchise Supported by Attractive Markets

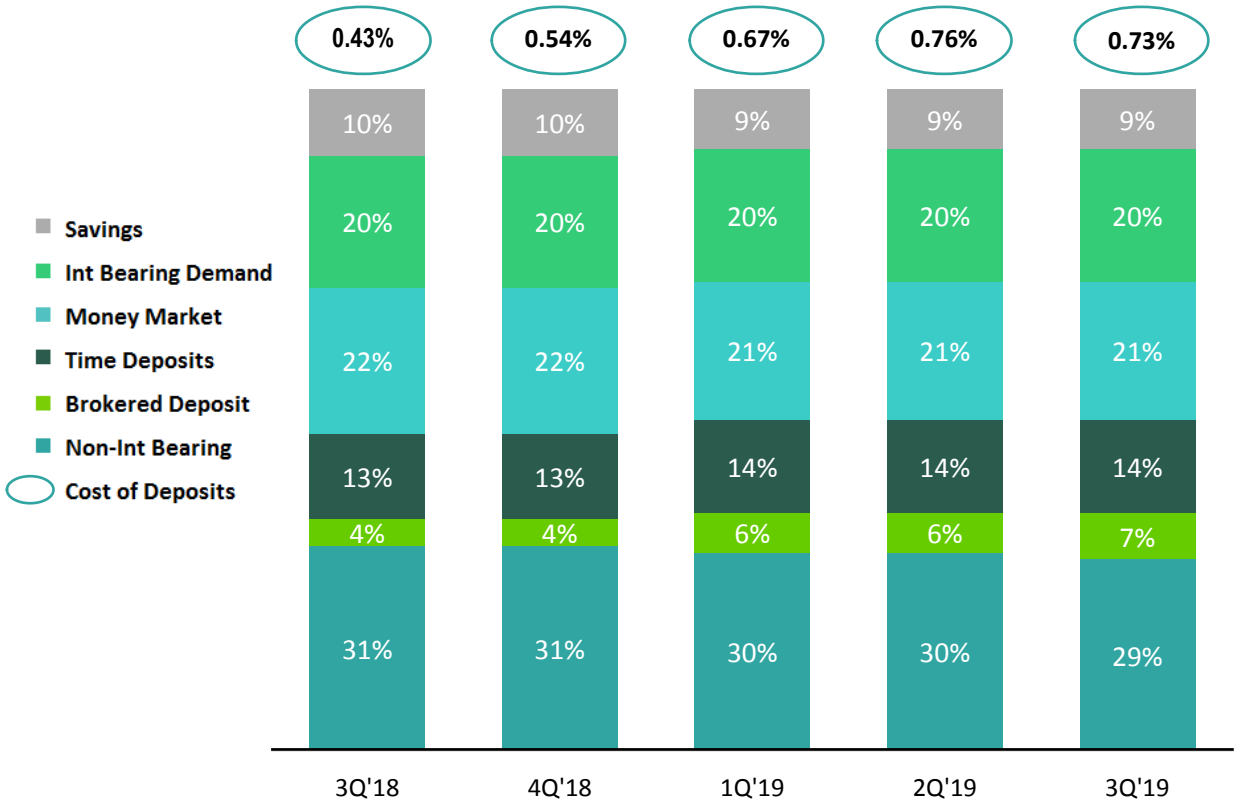
- Total deposits increased $132 million quarter-over-quarter and $1.0 billion compared to the third quarter of 2018.
- Third quarter balances reflect an increase of $189 million in brokered deposits. We continue to actively manage our mix of brokered deposits and FHLB borrowings to obtain the most advantageous rates.
- The Company continues to accelerate the acquisition of commercial customers, with commercial checking balances growing 2% on an annualized basis despite normal seasonal headwinds.
- Transaction accounts represented 49% of total deposits and increased 15% year-over-year.
- Overall cost of deposits decreased to 73 basis points from 76 basis points in the prior quarter.

Deposits Outstanding ($ in millions)

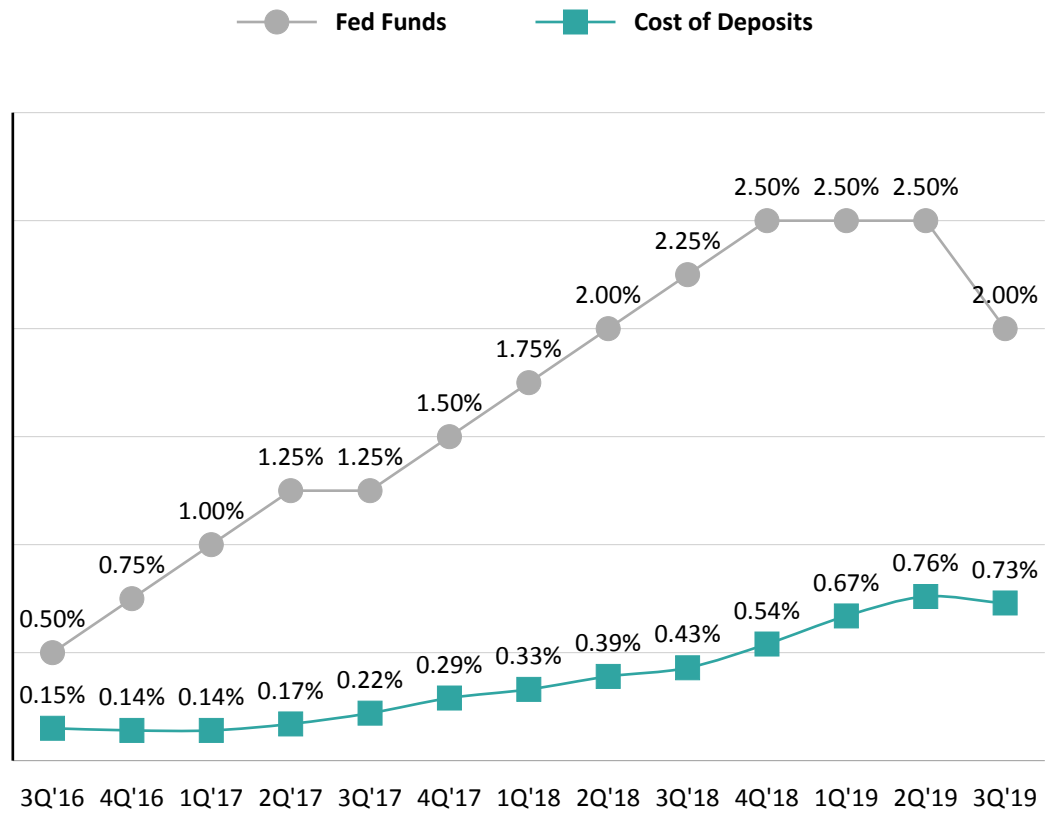


Average Deposit Balances and Cost

Deposit Mix and Cost of Deposits



Trended Cost of Deposits

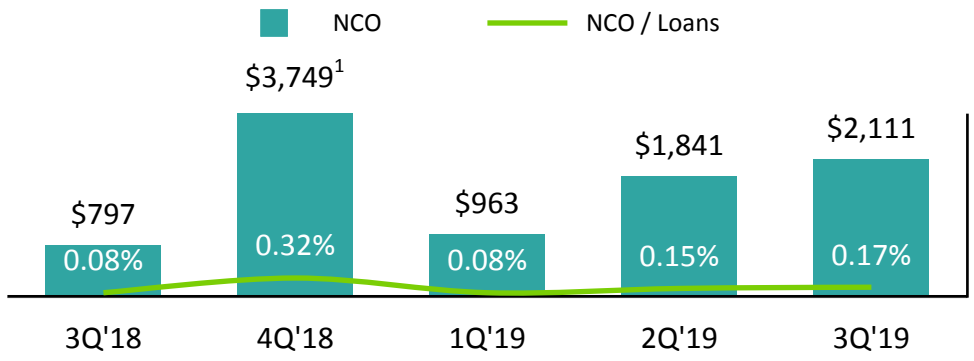


Our focus on organic growth and relationship-based funding, in combination with our innovative analytics platform, supports a well-diversified low-cost deposit portfolio.

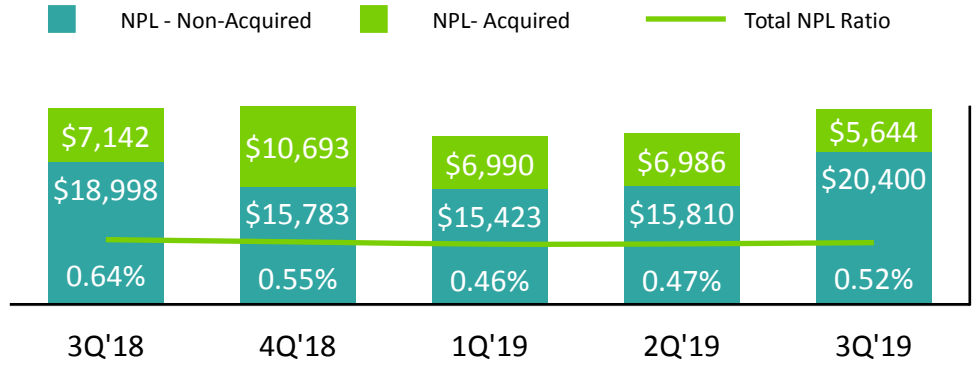
Continued Strong Asset Quality Trends

($ in thousands)

Net Charge-Offs



Nonperforming Loans



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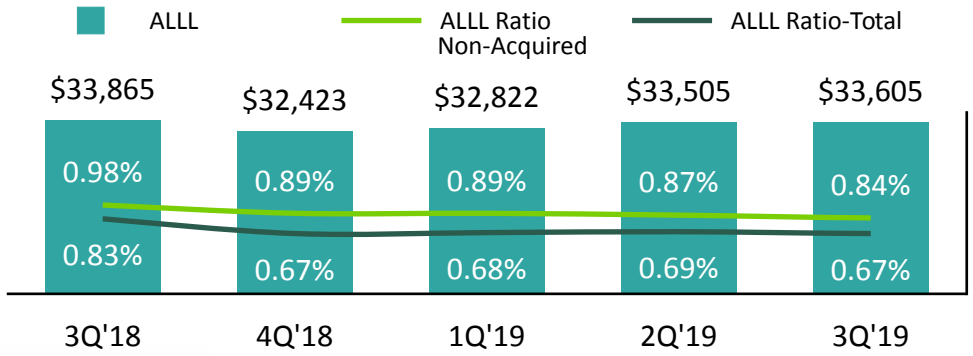
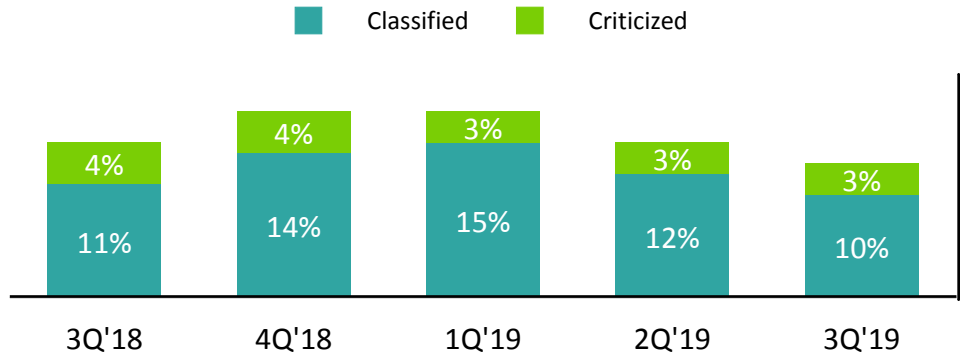


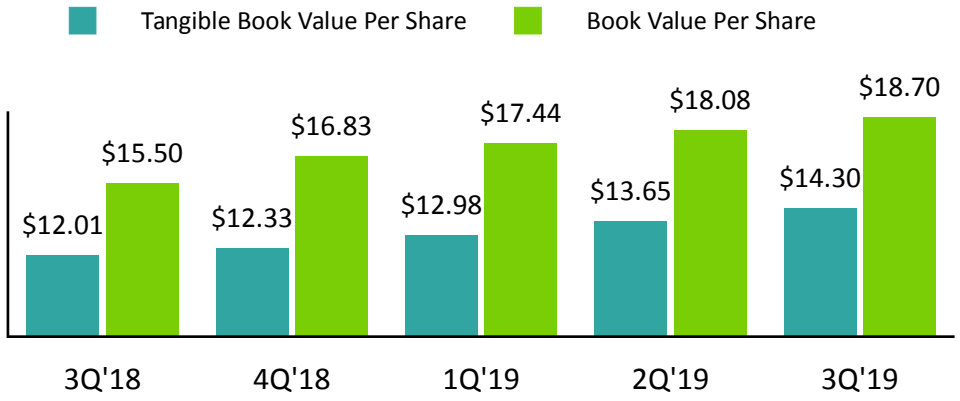
Classified and Criticized Assets[2]



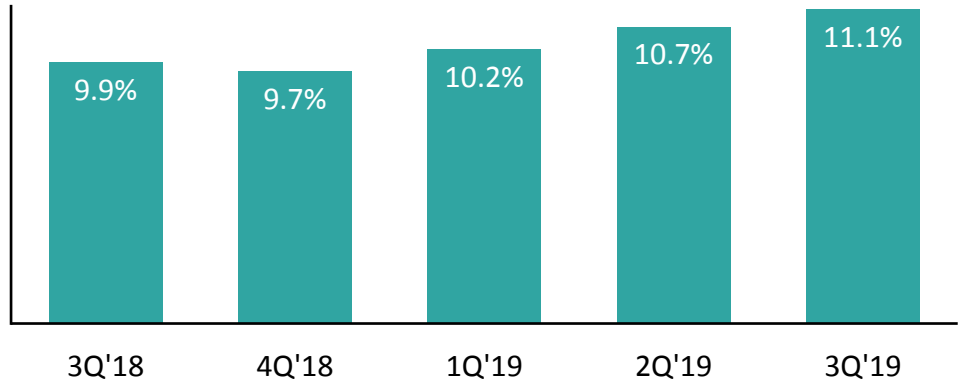
[1] *Includes charge off of $3.0 million for a single impaired loan.*
[2] *As as percentage of total risk-based capital*

Strong Capital Supporting Fortress Balance Sheet

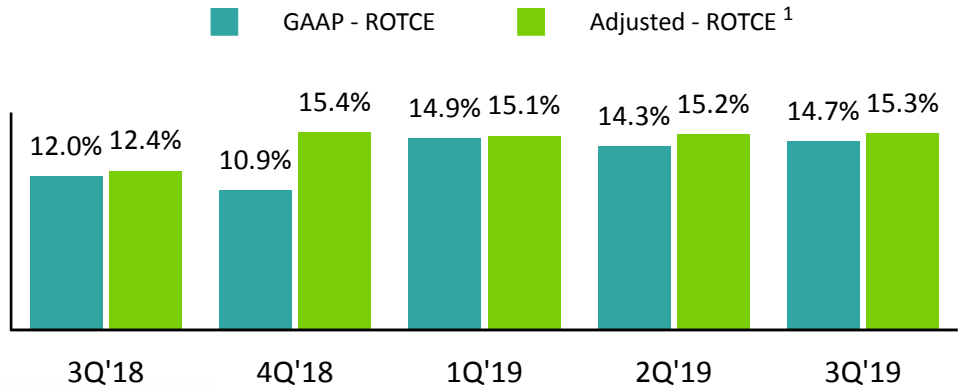
Tangible Book Value / Book Value Per Share



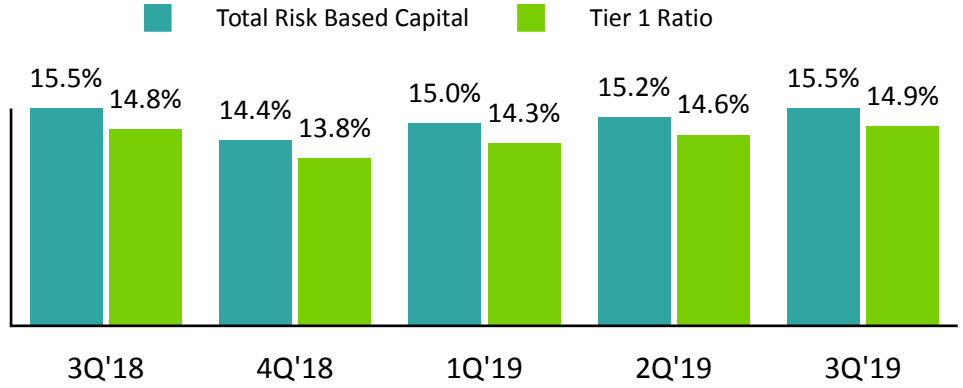
Tangible Common Equity / Tangible Assets



Return on Tangible Common Equity

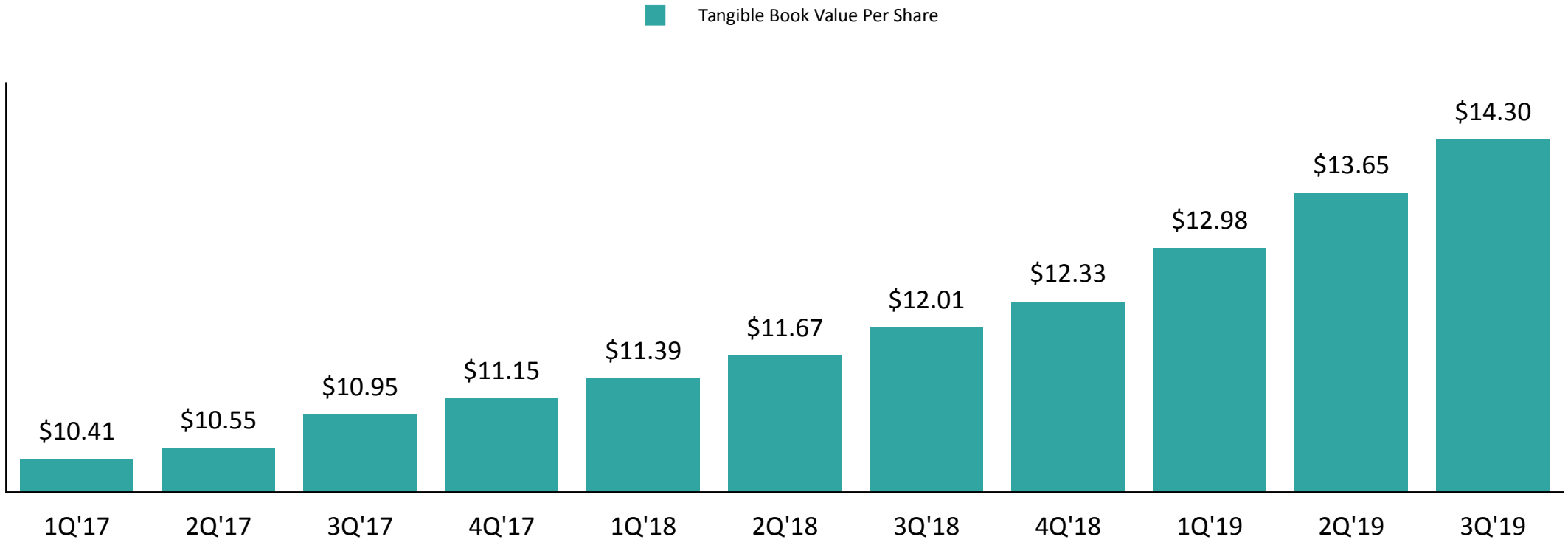


Total Risk Based and Tier 1 Capital



[1]Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP

Steady Increase in Shareholder Value

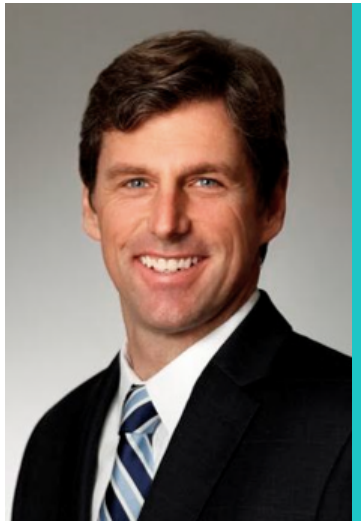


Compounded annual growth rate of 13% in tangible book value per share since announcing our Vision 2020 targets in February 2017.

We Remain Confident in our Ability to Achieve Our Vision 2020 Targets

	Vision 2020 Targets
Return on Tangible Assets	1.30% +
Return on Tangible Common Equity	16% +
Efficiency Ratio	Below 50%

Contact Details: Seacoast Banking Corporation of Florida



Charles M. Shaffer
Executive Vice President
Chief Operating Officer and Chief Financial Officer
(772) 221-7003

INVESTOR RELATIONS

NASDAQ: SBCF

Seacoast BANKING CORPORATION OF FLORIDA

Appendix

Loan Production and Pipeline Trend

	Quarterly Trend					Nine Months Ended	
(Amounts in thousands)	3Q'19	2Q'19	1Q'19	4Q'18	3Q18	3Q'19	3Q18
Commercial pipeline at period end	$ 359,716	$ 261,586	$ 177,318	$ 164,064	$ 196,512	$ 359,716	$ 196,512
Commercial loans closed	282,224	156,958	109,076	159,388	130,989	548,258	393,490
Residential pipeline-saleable at period end	35,136	46,723	25,939	13,556	18,086	35,136	18,086
Residential loans-sold	80,758	61,391	32,558	31,525	55,848	174,707	157,710
Residential pipeline-portfolio at period end	43,378	3,756	19,346	30,100	40,842	43,378	40,842
Residential loans-retained	22,365	51,755	49,645	73,201	78,663	123,765	232,752
Consumer and small business pipeline at period end	66,341	65,532	67,591	53,453	59,715	66,341	59,715
Consumer and small business originations	103,115	136,479	118,503	114,195	125,920	358,097	329,211
Total Pipelines at Period End	**$ 504,571**	**$ 377,597**	**$ 290,194**	**$ 261,173**	**$ 315,155**	**$ 504,571**	**$ 315,155**
Total Originations	**$ 488,462**	**$ 406,583**	**$ 309,782**	**$ 378,309**	**$ 391,420**	**$ 1,204,827**	**$ 1,113,163**

Explanation of Certain Unaudited Non-GAAP Financial Measures

This presentation contains financial information determined by methods other than Generally Accepted Accounting Principles ("GAAP"). The financial highlights provide reconciliations between GAAP and adjusted financial measures including net income, noninterest income, noninterest expense, tax adjustments and other financial ratios. Management uses these non-GAAP financial measures in its analysis of the Company's performance and believes these presentations provide useful supplemental information, and a clearer understanding of the Company's performance. The Company believes the non-GAAP measures enhance investors' understanding of the Company's business and performance and if not provided would be requested by the investor community.

These measures are also useful in understanding performance trends and facilitate comparisons with the performance of other financial institutions. The limitations associated with operating measures are the risk that persons might disagree as to the appropriateness of items comprising these measures and that different companies might define or calculate these measures differently. The Company provides reconciliations between GAAP and these non-GAAP measures. These disclosures should not be considered an alternative to GAAP.

GAAP to Non-GAAP Reconciliation

	Quarterly Trend					Nine Months Ended	
(Amounts in thousands except per share data)	3Q'19	2Q'19	1Q'19	4Q'18	3Q'18	3Q'19	3Q'18
Net Income	**$ 25,605**	**$ 23,253**	**$ 22,705**	**$ 15,962**	**$ 16,322**	**$ 71,563**	**$ 51,313**
Total noninterest income	13,943	13,577	12,836	12,714	12,291	40,356	37,308
Securities losses, net	847	466	9	425	48	1,322	198
BOLI benefits on death (included in other income)	(956)	—	—	(280)	—	(956)	—
Total Adjustments to Noninterest Income	(109)	466	9	145	48	366	198
Total Adjusted Noninterest Income	**13,834**	**14,043**	**12,845**	**12,859**	**12,339**	**40,722**	**37,506**
Total noninterest expense	38,583	41,000	43,099	49,464	37,399	122,682	112,809
Merger related charges	—	—	(335)	(8,034)	(482)	(335)	(1,647)
Amortization of intangibles	(1,456)	(1,456)	(1,458)	(1,303)	(1,004)	(4,370)	(2,997)
Business continuity expenses - hurricane events	(95)	—	—	—	—	(95)	—
Branch reductions and other expense initiatives	(121)	(1,517)	(208)	(587)	—	(1,846)	—
Total Adjustments to Noninterest Expense	(1,672)	(2,973)	(2,001)	(9,924)	(1,486)	(6,646)	(4,644)
Total Adjusted Noninterest Expense	**36,911**	**38,027**	**41,098**	**39,540**	**35,913**	**116,036**	**108,165**
Income Taxes	8,452	6,909	6,409	4,930	4,358	21,770	15,329
Tax effect of adjustments	572	874	510	2,623	230	1,956	1,211
Taxes and tax penalties on acquisition-related BOLI	—	—	—	(485)	—	—	—
Effect of change in corporate tax rate on deferred tax assets	(1,135)	—	—	—	—	(1,135)	(248)
Total Adjustments to Income Taxes	(563)	874	510	2,138	230	821	963
Adjusted Income Taxes	7,889	7,783	6,919	7,068	4,588	22,591	16,292
Adjusted Net Income	**$ 27,731**	**$ 25,818**	**$ 24,205**	**$ 23,893**	**$ 17,626**	**$ 77,754**	**$ 55,192**
Earnings per diluted share, as reported	$ 0.49	$ 0.45	$ 0.44	$ 0.31	$ 0.34	1.38	1.07
Adjusted Earnings per Diluted Share	**0.53**	**0.50**	**0.47**	**0.47**	**0.37**	**1.50**	**1.15**
Average shares outstanding	51,935	51,952	52,039	51,237	48,029	51,996	47,903

GAAP to Non-GAAP Reconciliation

	Quarterly Trend					Nine Months Ended	
(Amounts in thousands except per share data)	3Q'19	2Q'19	1Q'19	4Q'18	3Q'18	3Q'19	3Q'18
Adjusted Noninterest Expense	$ 36,911	$ 38,027	$ 41,098	$ 39,540	$ 35,913	$ 116,036	$ 108,165
Foreclosed property expense and net gain/(loss) on sale	(262)	174	40	—	137	(48)	(460)
Net Adjusted Noninterest Expense	**$ 36,649**	**$ 38,201**	**$ 41,138**	**$ 39,540**	**$ 36,050**	**$ 115,988**	**$ 107,705**
Revenue	$ 74,891	$ 73,713	$ 73,610	$ 72,698	$ 63,853	$ 222,214	$ 188,839
Total Adjustments to Revenue	(109)	466	9	145	48	366	198
Impact of FTE adjustment	79	83	87	116	147	249	325
Adjusted Revenue on a Fully Taxable Equivalent Basis	**$ 74,861**	**$ 74,262**	**$ 73,706**	**$ 72,959**	**$ 64,048**	**$ 222,829**	**$ 189,362**
Adjusted Efficiency Ratio	**48.96%**	**51.44%**	**55.81%**	**54.19%**	**56.29%**	**52.05%**	**56.88%**
Average Assets	$ 6,820,576	$ 6,734,994	$ 6,770,978	$ 6,589,870	$ 5,903,327	$ 6,775,697	$ 5,877,872
Less average goodwill and intangible assets	(227,389)	(228,706)	(230,066)	(213,713)	(165,534)	(228,710)	(166,348)
Average Tangible Assets	**$ 6,593,187**	**$ 6,506,288**	**$ 6,540,912**	**$ 6,376,157**	**$ 5,737,793**	**$ 6,546,987**	**$ 5,711,524**
Return on Average Assets (ROA)	1.49%	1.38%	1.36%	0.96%	1.10%	1.41%	1.17%
Impact of removing average intangible assets and related amortization	0.12	0.12	0.12	0.09	0.08	0.12	0.08
Return on Average Tangible Assets (ROTA)	1.61	1.50	1.48	1.05	1.18	1.53	1.25
Impact of other adjustments for Adjusted Net Income	0.06	0.09	0.02	0.44	0.04	0.06	0.04
Adjusted Return on Average Tangible Assets	**1.67**	**1.59**	**1.50**	**1.49**	**1.22**	**1.59**	**1.29**
Average Shareholders' Equity	$ 946,670	$ 911,479	$ 879,564	$ 827,759	$ 728,290	$ 912,817	$ 711,189
Less average goodwill and intangible assets	(227,389)	(228,706)	(230,066)	(213,713)	(165,534)	(228,710)	(166,348)
Average Tangible Equity	**$ 719,281**	**$ 682,773**	**$ 649,498**	**$ 614,046**	**$ 562,756**	**$ 684,107**	**$ 544,841**
Return on Average Shareholders' Equity	10.73%	10.23%	10.47%	7.65%	8.89%	10.48%	9.65%
Impact of removing average intangible assets and related amortization	4.00	4.07	4.39	3.29	3.15	4.15	3.49
Return on Average Tangible Common Equity (ROTCE)	14.73	14.30	14.86	10.94	12.04	14.63	13.14
Impact of other adjustments for Adjusted Net Income	0.57	0.87	0.25	4.50	0.39	0.57	0.40
Adjusted Return on Average Tangible Common Equity	**15.30**	**15.17**	**15.11**	**15.44**	**12.43**	**15.20**	**13.54**

GAAP to Non-GAAP Reconciliation

	Quarterly Trend					Nine Months Ended	
(Amounts in thousands except per share data)	3Q'19	2Q'19	1Q'19	4Q'18	3Q'18	3Q'19	3Q'18
Loan interest income excluding accretion on acquired loans	$ 59,279	$ 58,169	$ 58,397	$ 55,470	$ 46,349	$ 175,845	$ 133,395
Accretion on acquired loans	3,859	4,166	3,938	4,089	2,453	11,963	7,240
Loan Interest Income[1]	**$ 63,138**	**$ 62,335**	**$ 62,335**	**$ 59,559**	**$ 48,802**	**$ 187,808**	**$ 140,635**
Yield on loans excluding accretion on acquired loans	4.76%	4.82%	4.89%	4.77%	4.59%	4.82%	4.52%
Impact of accretion on acquired loans	0.30	0.34	0.33	0.35	0.24	0.33	0.25
Yield on Loans	**5.06**	**5.16**	**5.22**	**5.12**	**4.83**	**5.15**	**4.77**
Net interest income excluding accretion on acquired loans	$ 57,168	$ 56,053	$ 56,923	$ 56,011	$ 49,256	$ 170,144	$ 144,616
Accretion on acquired loans	3,859	4,166	3,938	4,089	2,453	11,963	7,240
Net Interest Income[1]	**$ 61,027**	**$ 60,219**	**$ 60,861**	**$ 60,100**	**$ 51,709**	**$ 182,107**	**$ 151,856**
Net interest margin excluding accretion on acquired loans	3.64%	3.67%	3.76%	3.73%	3.64%	3.69%	3.61%
Impact of accretion on acquired loans	0.25	0.27	0.26	0.27	0.18	0.26	0.18
Net Interest Margin	**3.89**	**3.94**	**4.02**	**4.00**	**3.82**	**3.95**	**3.79**

[1] *On a fully taxable equivalent basis. All yields and rates have been computed using amortized cost.*

GAAP to Non-GAAP Reconciliation

($ in thousands)

