



momentum

1ST QUARTER 2019

IN THIS ISSUE

Telling the
Hilltop Story

TELLING THE HILLTOP STORY

Hilltop has an important story to tell. Each day across the country, we are shaping communities and improving the quality of life for countless individuals. We impact the most essential aspects of people's lives, whether it's investing in a business, purchasing a home, growing their community, saving for retirement, or protecting their most valuable assets. Hilltop provides meaningful solutions and support that make a difference.

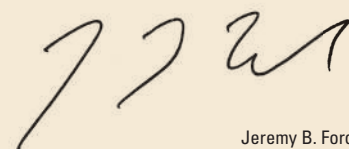
The Hilltop story is more than just our history. With roots reaching back more than 70 years, we're proud of the legacy we've built across each of our business lines. It's a legacy of growth and service—always putting our clients' needs at the forefront of everything we do. But our story is about more than our past. It's about what we're accomplishing today and the opportunities in our future. It's about how we're writing our next chapter.

Today, the Hilltop family of companies employs 5,200 people in approximately 450 offices in 44 states. From coast to coast, we are serving clients and establishing a brand that is linked to excellence, service, experience, and success. We have a diverse and knowledgeable workforce who share our common ICARE values: Integrity, Collaboration, Adaptability, Respect, and Excellence.

Our flagship, PlainsCapital Bank, is the fifth-largest bank headquartered in Texas. PrimeLending is one of the top mortgage originators in the nation. HilltopSecurities is one of the country's top municipal advisory and clearing firms. National Lloyds is a leading niche property and casualty underwriter providing homeowners insurance for underserved markets. Together, each of our operating companies is backed by the financial strength of Hilltop Holdings with \$13.7 billion in assets and approximately \$500 million in excess capital.

The Hilltop story is one of strength and purpose. It's a story of momentum. We've created a solid foundation upon which to build a premier financial services firm with regional expertise and a national reach. With our diverse business mix and seasoned professionals throughout the organization, we can provide our customers with a rare level of service and innovative solutions across a broad spectrum of financial needs. We are a company of builders, focused on the future and seeking new opportunities to support our clients across each of our companies.

Every Hilltop employee is an ambassador for our brand, and each contributes their unique talents to writing the next chapter of our story. We're proud of what we've accomplished, and we're proud of where we're going. We're proud to share the Hilltop story.



Jeremy B. Ford
CEO and President

HILLTOP HOLDINGS AT A GLANCE

As of 12/31/18

\$13.7 BILLION IN ASSETS

\$8.5 BILLION IN TOTAL DEPOSITS

\$1.5 BILLION IN YEAR 2018 NET REVENUE

\$121.4 MILLION IN YEAR 2018 NET INCOME

\$86 MILLION IN YEAR 2018 CAPITAL RETURN

**TOP
100
FORBES
BEST BANKS
IN THE NATION***

*Based on metrics related to growth, profitability, capital adequacy, and asset quality. Forbes.com 2019.

THE STORY OF MO THE BUFFALO

You can't tell the story of Hilltop without telling the story of Mo, the company's iconic buffalo mascot.

Mo represents the strength, stability, and pride of our family of companies. Most importantly, he represents our momentum—hence his nickname. Mo's image is incorporated into the Hilltop logo, as well as the logos of each operating company: PlainsCapital Bank, PrimeLending, HilltopSecurities, and National Lloyds.

The legend of Mo reaches back to the earliest days of PlainsCapital Bank and centers on an idea that came to PlainsCapital's founder Alan White while visiting a Santa Fe tavern with the Bank's president and CEO Jerry Schaffner. White noticed a large buffalo head mounted on the wall of the tavern and in an instant, he knew it should be the bank's mascot. He immediately set about

persuading the tavern's owner to sell him the mounted buffalo on the spot and today it still hangs in PlainsCapital's original location in Lubbock.

"We wanted to pick a mascot that symbolized our history, strength, stability, pride, and momentum," Schaffner said. "The buffalo is the perfect mascot for us."

That original mounted buffalo set the gears in motion for what Mo has become. Today there is a real live Mo the buffalo who lives on a ranch west of Fort Worth. He's cared for by Bree Worthington, who brings him to appearances at company events all over Texas and beyond. In addition, there is a Mo costumed mascot who attends events on behalf of the Hilltop family of companies.

Mo is a recognizable and prominent part of our brand and our corporate culture, setting our company apart from our competitors.



PLAINSCAPITAL BANK FOUNDER ALAN B. WHITE RETIRES ON APRIL 1, 2019

On Feb. 22, Hilltop announced Co-Chief Executive Officer and Vice Chairman Alan B. White’s retirement, effective April 1, 2019. White stepped down from Hilltop’s board of directors and his other leadership roles with Hilltop and PlainsCapital Bank to begin the next chapter of his life.

White founded PlainsCapital Bank in 1988 and has served as Co-CEO of Hilltop with President Jeremy B. Ford since September 2016. Ford will continue in his role as president and serve as the company’s sole CEO following White’s retirement. Jerry L. Schaffner will continue to lead PlainsCapital Bank as president and CEO. There are no additional leadership changes associated with White’s retirement.

“It has been my privilege to lead PlainsCapital Bank for more than three decades as the organization grew from one branch in Lubbock to the fifth largest Texas-based bank with locations across the state,” White said. “My decision to retire was difficult, but it was made easier knowing that Hilltop’s leadership will carry on the powerful culture and legacy of success we have built over the past 31 years. Our company’s financial strength has us well-positioned for the future, and I’m excited about the opportunities that lie ahead for Hilltop.”



During White’s tenure, PlainsCapital Bank has grown from \$160 million in assets to approximately \$10 billion as of December 31, 2018. White oversaw PlainsCapital’s expansion into major markets throughout Texas, as well as the Bank’s acquisition of national mortgage originator PrimeLending and national broker-dealer First Southwest Company—now HilltopSecurities. He was also instrumental in PlainsCapital Corporation’s 2012 sale to Hilltop, which laid the foundation for the current Hilltop franchise and led to Alan joining the company’s board as vice chairman.

“Alan White has been instrumental in building Hilltop into the organization that it is today,” Jeremy Ford said. “He has been a mentor and a friend to me, along with countless other people throughout our family of companies and in the communities we serve. While we are sad to see him leave his role with the company, we are proud to carry on his legacy and remain forever grateful for the leadership he has provided for so many years.”



PLAINSCAPITAL GROWS IN ARLINGTON

Civic leaders, customers, and members of PlainsCapital Bank’s executive team cut the ribbon at the grand opening of the Bank’s newest branch in Arlington on Jan.17. Located at 804 N. Collins Street near AT&T Stadium, the new modern facility encompasses nearly 10,000-square-feet of banking and commercial lending space and features state-of-the-art technology, including an interactive drive-thru video terminal where customers can video conference with a remote PlainsCapital Bank teller.

M. Bradley Winges joined Hilltop Securities Inc. as president and chief executive officer on Feb. 20, 2019. Brad joins the Hilltop family of companies from Piper Jaffray where he worked for nearly 30 years and served on the firm’s leadership team. He and his family recently relocated to Dallas, Texas, from Minnesota. To read our full conversation with Brad, visit HilltopSecurities.com/Blog.

Q: Could you tell us about your background and your family?

A: I was born and raised in the twin cities area, in Edina, Minnesota. My oldest daughter, Madeleine, is 21 and a senior at USC. My son, Thomas, is 18 and a senior in high school, and my daughter, Eleanor, is a sophomore in high school. My wife, Jacki, and I have been married for 25 years.

Q: What drew you to the financial services industry?

A: I grew up in the business. My father started selling municipal bonds in 1953 and ran his own investment banking and brokerage firm. That’s what drew me to the industry. It was something I was always around and enjoyed.

Q: What was your first job in the industry and if you had to name one key take-away from that experience, what would it be?

A: I was a trader on the Chicago Mercantile Exchange and the Chicago Board of Trade before I started my career at Piper Jaffray 28 years ago as a municipal bond salesman. At Piper, I eventually took over fixed income sales, trading, underwriting, firm-wide risk management, balance sheet investing, and specialty banking. Trading on the exchanges taught me that things don’t come quickly. Having the ability to reflect on what you’re doing right and what you’re doing wrong is an important skill set and it takes time.

Q: What mottos or core beliefs have been critical to your professional success?

A: Having the ability to show vulnerability to peers and staff is very important. It shows you’re human. Also being willing to admit when you’re wrong and being able to change your mind and change course quickly. Our firm has to stay nimble and that’s not a common attribute for the typical investment bank.

Q: What advice would you give to someone just starting their career in this industry?

A: Keep an open mind. I hear from young people who come into the industry from college and they say they want to be an investment banker, or a trader, or a salesperson, but that is very naïve when you’re not in that role yet. Get into the business first and then be willing to change roles. Don’t assume that your first seat is going to be the right one for you.

Q: How would you describe your leadership style and why has it worked for you over your career?

A: I lead from the front. I expect everybody to trust that I will be by their side. As long as they’re doing what’s in the client’s best interest and what the firm believes is the right approach, I will defend them every time and give them the tools to win. I don’t like leading from the back and just pontificating.

Q&A BRAD WINGES

PRESIDENT & CEO
HILLTOP SECURITIES INC.



Q: What attracted you to pursue this opportunity at HilltopSecurities?

A: It’s an unbelievable opportunity. We have a vast array of products and services across the firm. It’s essential that we let people know who we are, how long we’ve been around, and the knowledge and wisdom that we have.

Q: What are your goals and vision for HilltopSecurities?

A: My goal for HilltopSecurities is to be the number one middle-market investment bank in the United States.

Q: What do you see as your biggest challenge right now?

A: Getting to know everyone in the firm and understanding how we got to where we are today. I truly am here to help the leadership and management across the firm be better at their jobs. That means leading with them and being their coach.

Q: What do you consider HilltopSecurities’ biggest strengths?

A: There is no other investment bank that can say they know the municipal arena better than anybody. We can say that. My goal is that when a public finance client, an individual investor, or an institutional client is having a conversation about something in the municipal space, they know they have to talk to HilltopSecurities, because we know the space better than anyone from top to bottom.

Q: What is something you’d like potential clients to know about HilltopSecurities that they might not realize today?

A: Just understanding how much we do. When people understand the power of Hilltop and the breadth of expertise we have, they’re going to be as excited about our future as I am.

Q: What is the best way to build a successful company culture in an organization such as HilltopSecurities?

A: People have to enjoy what they do and be proud to work here. We often spend more time with our work colleagues than we do with our family, so you have to have fun. Diversity and inclusion also are extremely important to me, not just gender and ethnic diversity, but age diversity as well.

Q: What are you most looking forward to in the year ahead?

A: I’m excited to get to know everybody and getting the word out about what HilltopSecurities has to offer. I am so excited about Mo the buffalo, I can hardly contain myself. We have an unbelievable opportunity to get our brand out there with Mo, which is such a powerful symbol of momentum. When you think of momentum, you should think of Hilltop. We have a great team and should be proud of what we’ve accomplished and where we’re going.



PRIMELENDING ANNUAL SALES RALLY

More than 1,200 PrimeLending employees converged in downtown Dallas to learn additional skills, share ideas and kickstart the new year at the annual Sales Rally January 23-24, 2019. With the theme “Breakthrough,” the event challenged loan originators to explore different approaches and make bold changes necessary to ensure they remain a top choice at a time when the mortgage business is undergoing tremendous change.

According to attendees, the highlight of Sales Rally was the chance to get a sneak peek at the company’s new state-of-the-art loan origination system (LOS) in development. The new LOS is expected to allow for more agility and control to respond rapidly to a changing environment and deliver a premier digital mortgage experience.

Additionally, Steve Thompson, Todd Salmans, and Alan White delivered moving words on our strong financial position, our strategy to continue gaining market share, and our winning culture. Nationally renowned keynote speaker Daymond John, entrepreneur and star of ABC’s “Shark Tank,” inspired the audience by sharing his unique story, including details on the barriers he faced and the steps he took to turn them into breakthroughs. Attendees heard valuable insights from top performers about the best ways to succeed in the current marketplace and were trained by industry experts on the latest social media and digital marketing tactics. Employees left the event energized, focused, and inspired to make 2019 a breakthrough year!

★★★★★

ZILLOW RATING

A+

BETTER BUSINESS BUREAU RATING

No. 1

MARKET SHARE IN 14 MARKETS ¹

TOP 10

MARKET SHARE IN 100 MARKETS ¹

No. 3

BEST MORTGAGE COMPANY TO WORK FOR ²

96%

CONSUMER SATISFACTION RATING ³

1. As reported by Marketrac, powered by CoreLogic®. 2. As ranked by National Mortgage News for 2018. 3. Survey administered and managed by an independent third party following loan closing. 96% satisfaction rating refers to the rating our customers have given our loan officers over the previous 12 months.

HILLTOP LAUNCHES NEW COLLATERAL

One of the key avenues for telling the Hilltop story includes branded marketing material describing our various business lines, products, and services. This year, for the first time, Hilltop is launching new collateral coordinated across its operating companies to better unify our brand throughout the various industries and markets we serve. While each subsidiary’s brochures will feature unique messaging and content, they will all share common themes and design elements.

“As our organization continues to grow, it’s important to promote our corporate brand and highlight Hilltop’s role as the parent company to a broad and interconnected portfolio of financial products, services, and innovations,” said Jennifer Sterns, Hilltop Holdings director of marketing and communications. “Our new marketing collateral is a key milestone in that effort, and we’re excited to share our new vision with clients and recruits across the country.”



PLAINSCAPITAL BANK AT A GLANCE

As of 12/31/18



*Per FDIC as of June 30, 2018

FIRSTSOUTHWEST ASSET MANAGEMENT HAS A NEW NAME

HSAM LEADERSHIP

David Medanich
Vice Chairman, President

Bill Johnson
Managing Director
Arbitrage Rebate

Scott McIntyre
Managing Director, Senior Portfolio Manager
Investment Management

Greg Warner
Director, Senior Portfolio Manager
Investment Management

Rebecca Vega
Director
Arbitrage Rebate

Colby Jackson
Director
Arbitrage Rebate

As part of Hilltop’s effort to create cohesive branding across the enterprise, First Southwest Asset Management, LLC, rebranded as Hilltop Securities Asset Management, LLC, (HSAM) in the first quarter of 2019.

As a separate entity with a specific set of services apart from Hilltop Securities Inc., the entity retained the branding of the firm’s predecessor, FirstSouthwest. As the HilltopSecurities brand was phased in, HSAM followed suit to create a unified brand recognizable to the firm’s client base.

Other than the name change, it will be business as usual for HSAM, and there has been no change in leadership or services offered.



CARDLESS CASH

A FAST OPTION IN A FAST-PACED WORLD

Mobility is increasingly becoming a way of life. In order to meet our customers’ expectations in regard to contactless payment services, PlainsCapital Bank unveiled a mobile-to-ATM cardless cash feature available to customers on the Bank’s app.

“It comes down to wanting to be where our customers are,” said Pete Villarreal, PlainsCapital Bank chief administrative officer. “As more people gravitate toward using mobile devices to manage their financials, we’re well-positioned to meet their needs.”

Cardless Cash is an easy and secure way for customers to withdraw money from most PlainsCapital ATM machines using only their smartphone. Because there is no physical card to insert into the machine and the password is only entered after the smartphone app activates the ATM, Cardless Cash transactions are safer than—and not as vulnerable to skimming as—traditional ATM cards. Additionally, no card information is stored on the phone for thieves to access if the phone is lost or stolen, and unauthorized access to the Bank’s app can be prevented.

It’s imperative for the Hilltop family of companies to move our digital strategies forward; doing so provides additional value to our customers. Cardless Cash gives them the convenience and security they want within an enhanced digital platform.

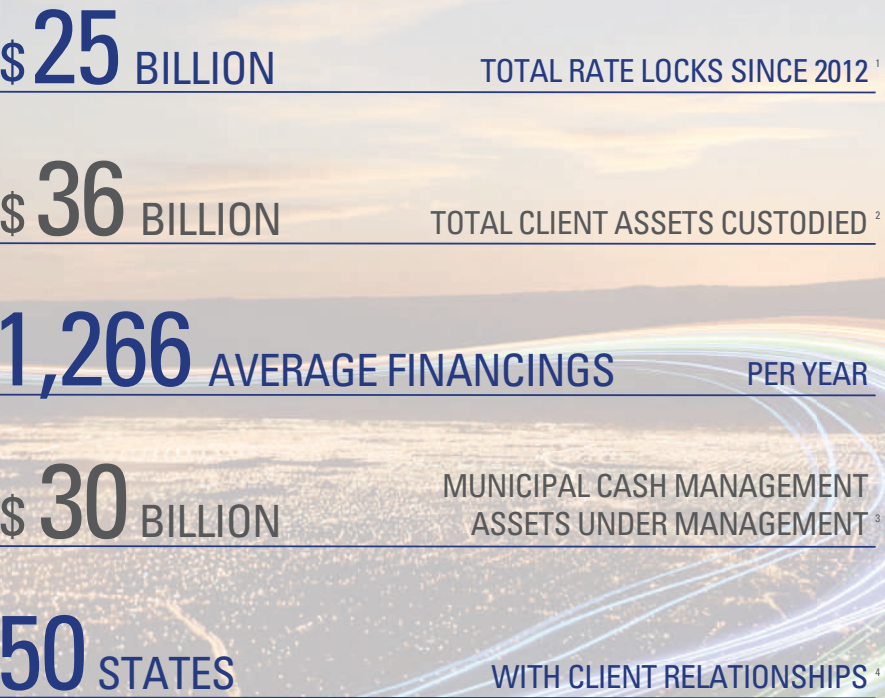
BENEFITS OF CARDLESS CASH

Convenience – Customers can access cash with ease using only the mobile app—anytime, anywhere

Speed – Get cash in a fraction of the time required for card-based ATM transactions

Security – Because the transaction is conducted through the mobile app, customers’ personal information is protected even if the phone is lost or stolen

HILLTOPSECURITIES AT A GLANCE



1. At Nov. 1, 2018. Ipreo MuniAnalytics; 2. As of Dec. 31, 2018; 3. Figure includes assets held by JP Morgan in co-administrated government investment pools; 4. As of Jan. 17, 2019: HilltopSecurities is currently registered in 53 states and/or U.S. territories and jurisdictions; 5. Based on number of issues for the 10-year period ending Dec. 31, 2018, according to Ipreo MuniAnalytics.





GETTING SOCIAL ACROSS THE HILLTOP FAMILY

As social media continues to offer an important connection between brands and consumers, it is a force hard to ignore. The Hilltop family of companies spent 2018 embracing the relevance and impact of social media in order to advance their digital presence.

From thought leadership content, corporate culture, and community involvement to leadership spotlights and industry news, each company has highlighted their unique voice and value on social media. With the strength and stability of Hilltop, our collective momentum is only getting stronger.

Stay connected and follow us on social media!

	Hilltop Holdings	PlainsCapital Bank	PrimeLending	HilltopSecurities	National Lloyds
Platforms					
Followers	5,122	10,625	29,417	8,090	4,292
Engagements	163	34,390	71,114	14,930	3,992
Impressions	6,085	2,719,211	4,361,349	387,607	81,744
Link Clicks	100	20,300	51,421	11,603	3,350

NATIONAL LLOYDS AT A GLANCE

As of 12/31/18

\$136.8 MILLION IN YEAR 2018 NET PREMIUM EARNED

TOP 30 INSURANCE COMPANY IN TEXAS¹

4,200 AGENTS NATIONWIDE

71 YEARS IN BUSINESS

97% YEAR 2018 COMBINED EXPENSE RATIO

RATED

A

BY A.M. BEST²

1. Based on dollar amount of homeowners premiums written in 2017; 2. As of June 7, 2018



BLOGGING OUR STORY

We believe your banking partner should give you momentum, not slow you down. That's why with "What It's Worth", the banking and financial blog of PlainsCapital Bank, we've assembled our team of experts to provide useful information, solutions, and insights for our customers.

Our bankers are committed to having an in-depth understanding of the banking and financial industry to bring a competitive edge. What It's Worth taps into that talent, experience, and passion to answer the biggest questions on our customers' minds.

Throughout the history of PlainsCapital, our highly experienced bankers use their expertise to supply their customers with the tools to be confident in managing their finances. With What It's Worth, our bankers can now deliver their unique insight on a weekly basis to our entire customer base and beyond.

From expert advice on meeting personal investment goals or savvy solutions to help businesses grow, What It's Worth delivers unrivaled insight from our team of bankers.

Bottom line: we offer our Texas neighbors enduring client relationships and financial expertise second to none.



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HilltopSecurities is a registered broker-dealer and registered investment advisor that does not provide legal or tax advice. HilltopSecurities is a wholly owned subsidiary of Hilltop Holdings Inc. (NYSE: HTH) located at 1201 Elm Street, Suite 3500, Dallas, Texas 75270, (214) 859-1800. Member: NYSE/FINRA/SIPC.