



2016

ANNUAL MEETING

THE LARGEST BANK
100% INVESTED
IN INDIANA.



Forward-Looking Information

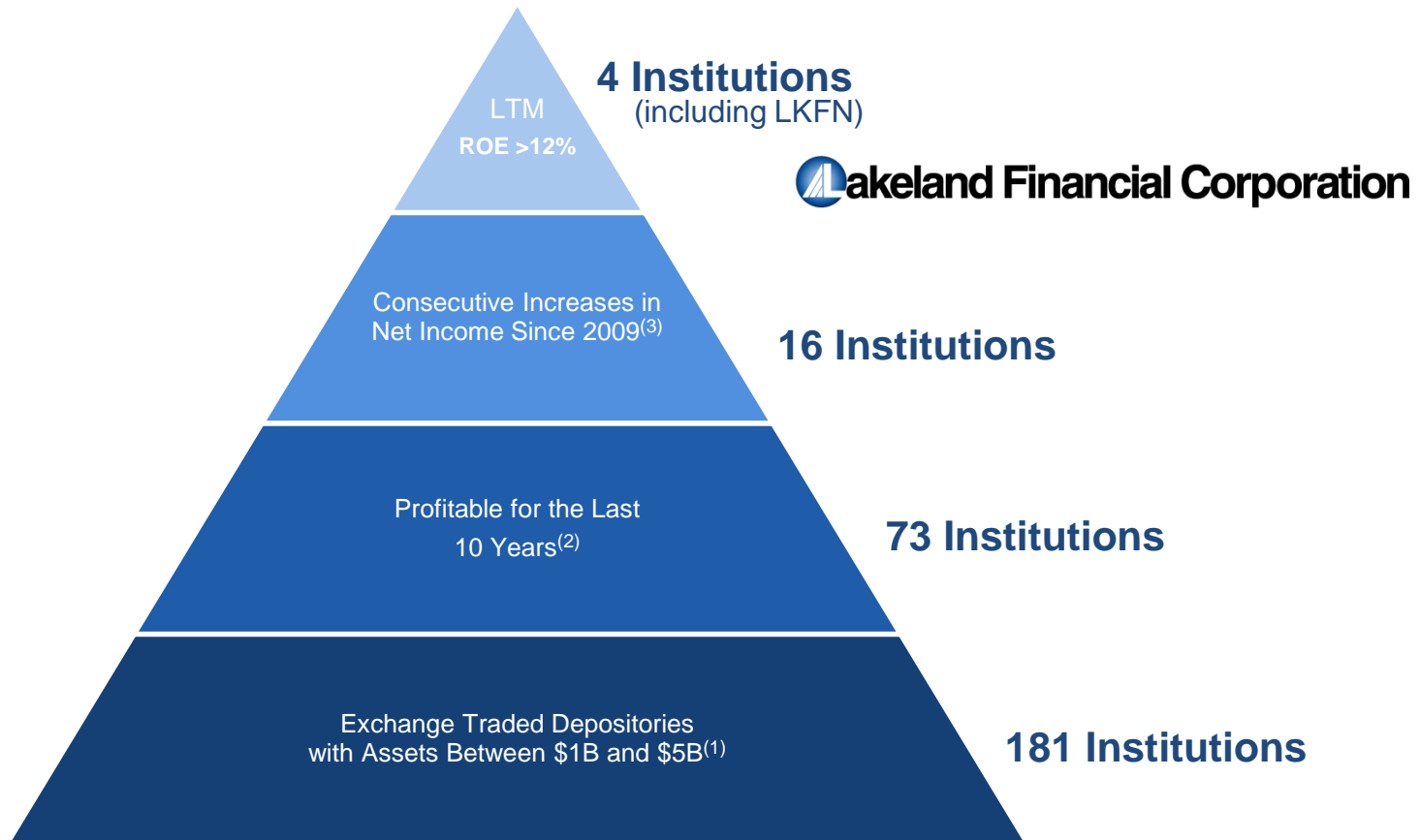
This presentation contains, and future oral and written statements of the Company and its management may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of the Company. Forward-looking statements are generally identifiable by the use of words such as “believe”, “expect”, “anticipate”, “estimate”, “could”, and other similar expressions. All statements in this presentation, including forward-looking statements, speak only as of today’s date, and the Company undertakes no obligation to update any statement in light of new information or future events.

A number of factors, many of which are beyond the ability of the Company to control or predict, could cause actual results to differ materially from those in its forward-looking statements. Additional information is included in the Company’s filings with the Securities and Exchange Commission.

Factors that could have a material adverse effect on the Company’s financial condition, results of operations and future prospects can be found in the “Risk Factors” section of the prospectus included in the Registration Statement on Form S-1 filed on October 26, 2009, as amended under Item 1A “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2008 and elsewhere in the Company’s periodic and current reports filed with the Securities and Exchange Commission. These factors include, but are not limited to, the effects of future economic, business and market conditions and changes, domestic and foreign, including competition, governmental policies and seasonality; legislative and regulatory changes, including changes in banking, securities and tax laws and regulations and their application by Company regulators, and changes in the scope and cost of FDIC insurance and other coverages; the risks of changes in interest rates on the levels, composition and costs of deposits, loan demand and other interest sensitive assets and liabilities; the failure of assumptions and estimates underlying the establishment of reserves for possible loan losses, analysis of capital needs and other estimates; changes in borrowers’ credit risks and payment behaviors; and changes in the availability and cost of credit and capital in the financial markets.



A High Performer Among Peers



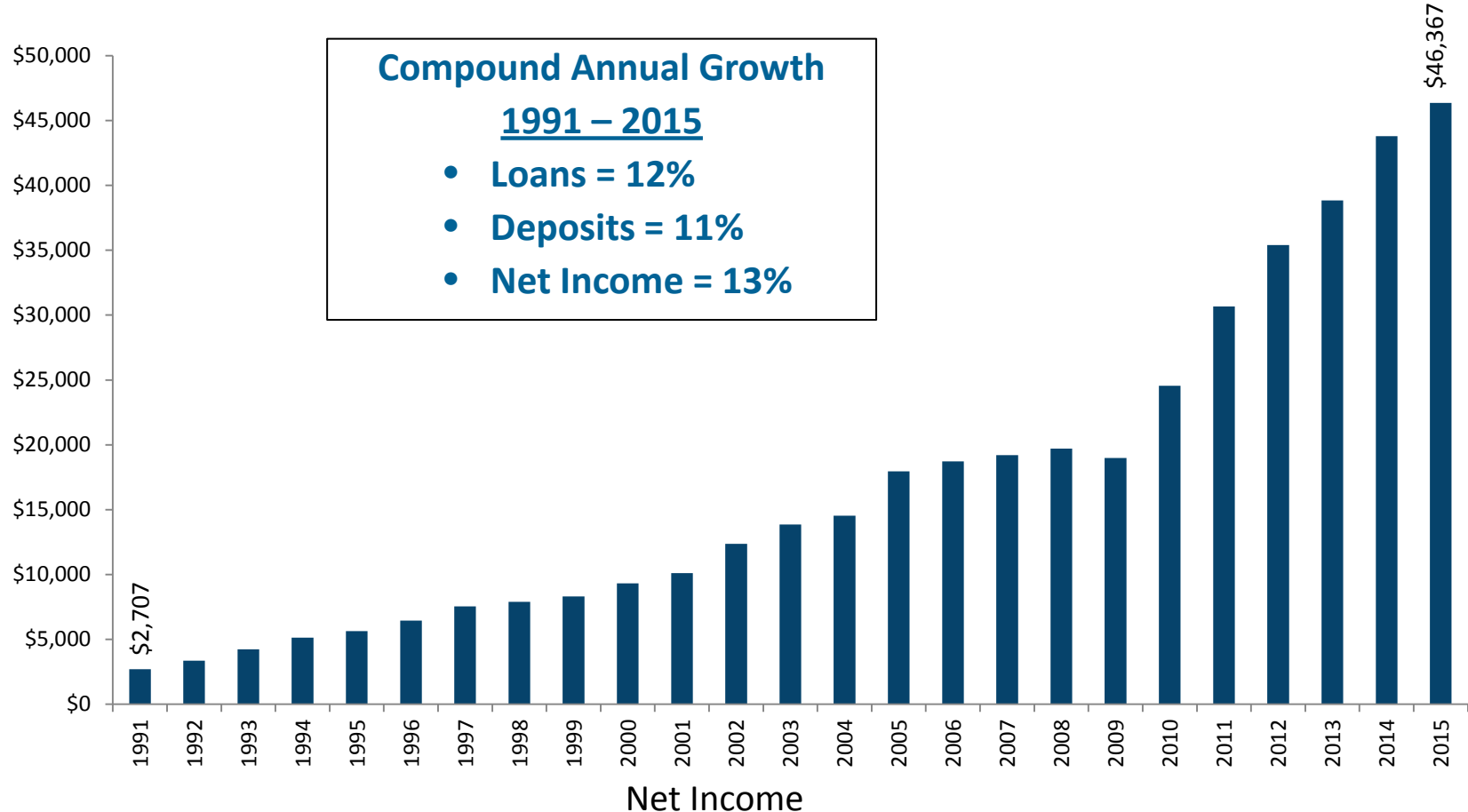
Source: SNL Financial. Financial data is as of December 31, 2015

- 1) Includes banks and thrifts traded on the NYSE, NYSE MKT or NASDAQ as of 3/21/16.
- 2) Defined as having positive net income before extraordinary items and preferred dividends for each of the last 10 years (calendar years ended December 31, 2005 through December 31, 2015). Net income before extraordinary items is defined by SNL Financial as GAAP net income, after taxes, minority interest, and other after tax items, but before any extraordinary items.
- 3) Defined as consecutive increases in net income before extraordinary items for each of the years ending December 31, 2010, 2011, 2012, 2013, 2014, and 2015.

A Quarter Century of Strong Organic Growth

Record Net Income for 26 of 27 Years

(000's)



Long-Term Mission

Lake City Bank Will be
the Acknowledged and Recognized Leader in
Indiana Community Banking



Management Committee



Board of Directors

2016 Strategic Plan

A Continued Commitment to
Execution, Culture and Performance



Established Market Presence

Organic Growth Potential in Mature and New Markets

Market Data

Warsaw – 1872 22 offices
Elkhart – 1990 11 offices
South Bend – 1997 4 offices
Fort Wayne – 1999 7 offices
Indianapolis – 2011 4 offices +1 under development



Opening Date of First Office in Market

Critical Role of Culture

Our unique, caring and community-driven culture is our greatest asset and will be preserved.

Organizational Vision

We're driven by the growth of shareholder value and the delivery of competitive banking services through a progressive business model that preserves the principles and ideals of a community bank.



Shareholder Value

**Creation of shareholder value
will result from the successful long-term
execution of our Mission.**

Long-Term Mission Execution Key:

**While important, we will not allow short term financial
results to impact our commitment to the Long Term
Mission.**

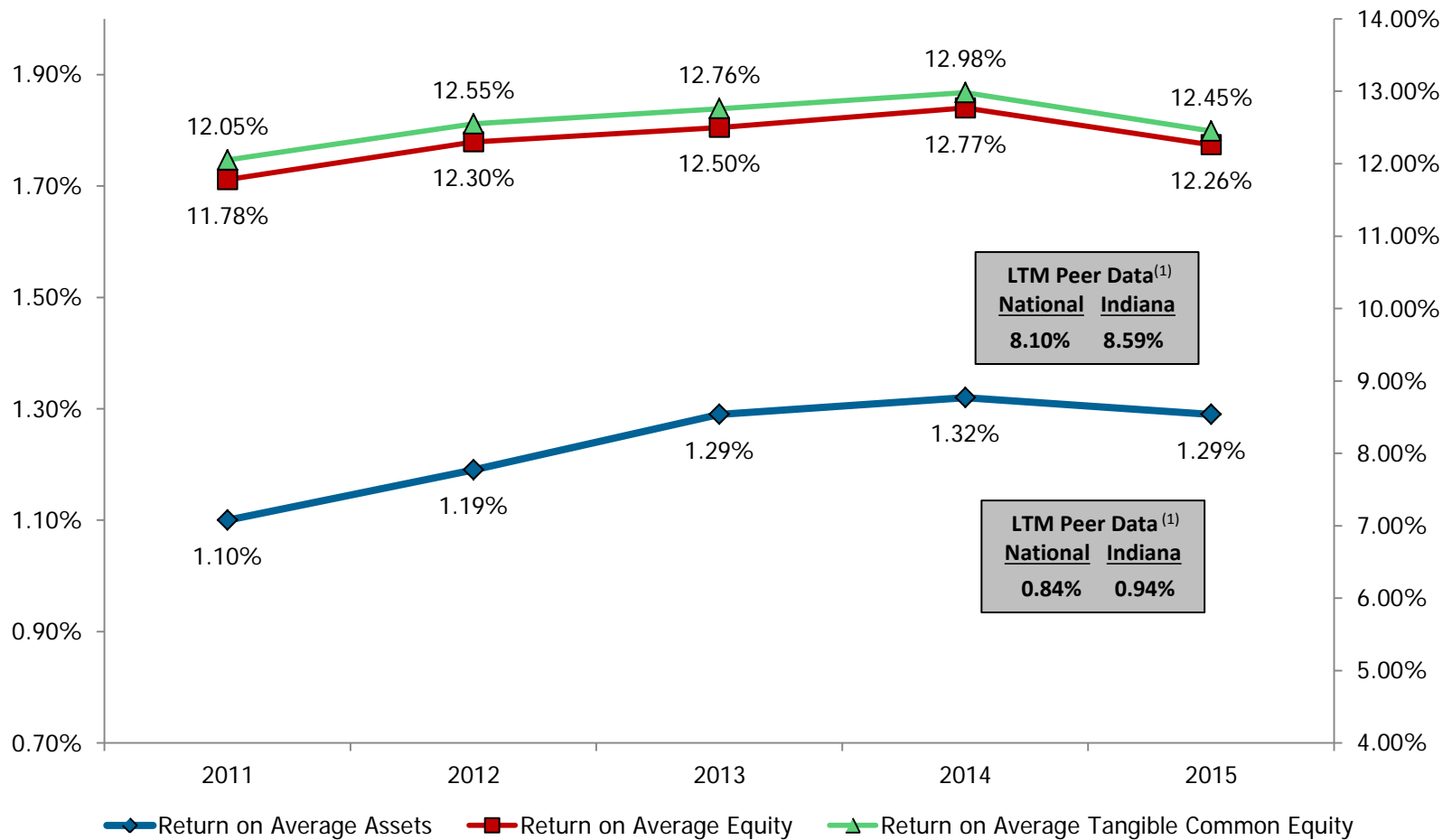
Financial Performance

LAKELAND FINANCIAL CORPORATION
LAKE CITY BANK



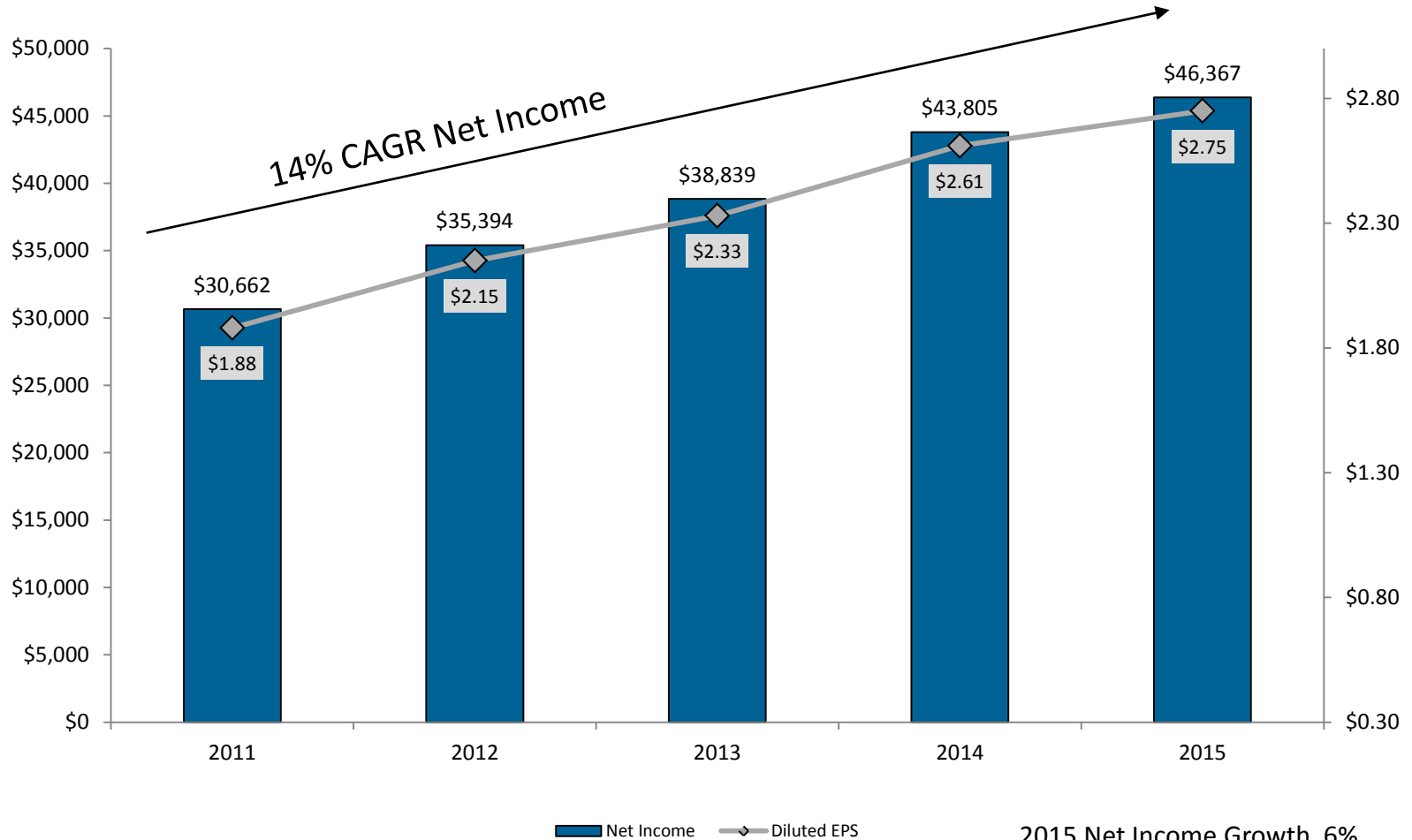
Income Performance Metrics

LKFN performance exceeds National and Indiana Peers



Net Income and EPS

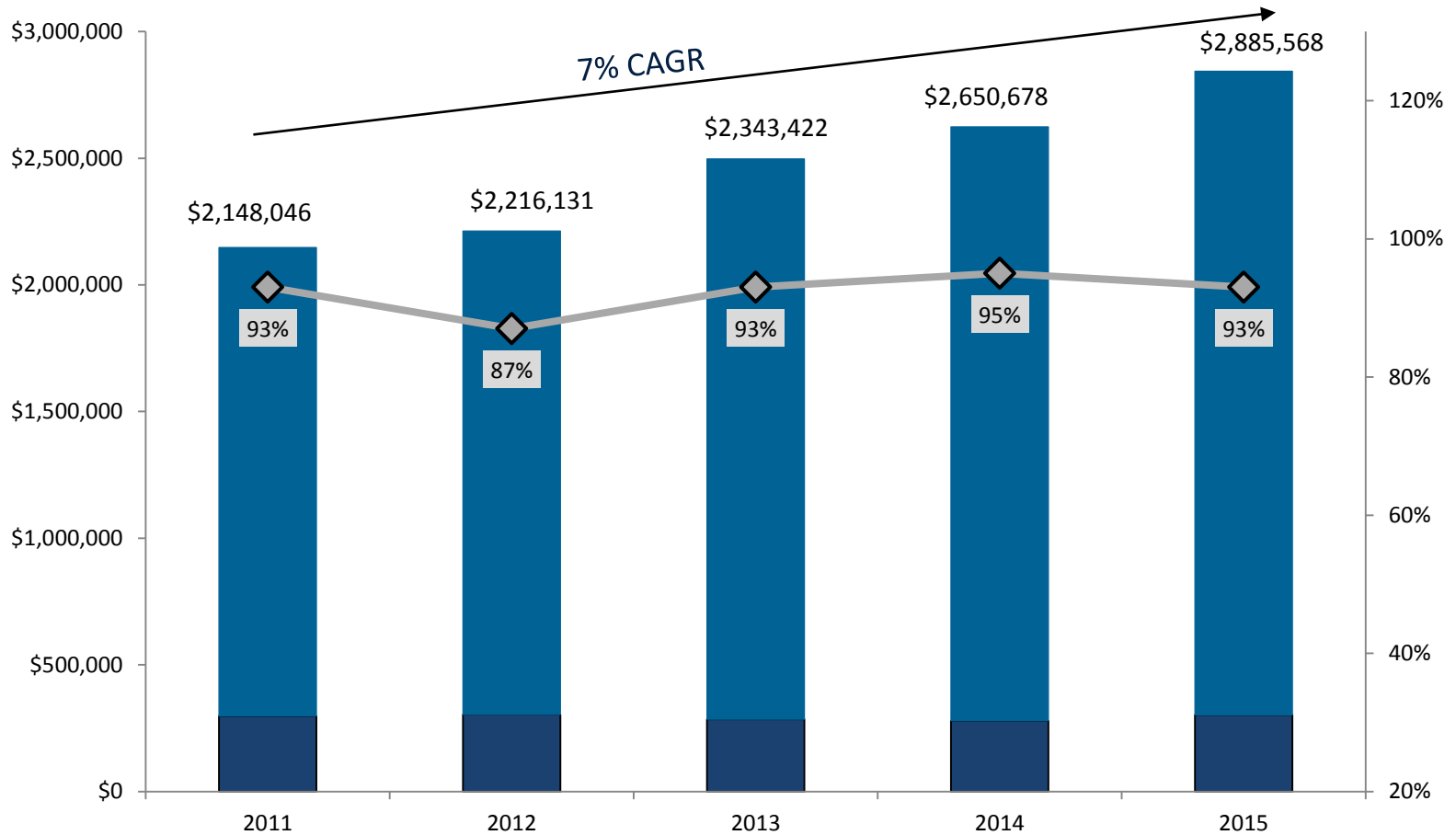
Record Net Income and EPS



2015 Net Income Growth 6%
2015 Diluted EPS Growth 5%

Average Loans

Commercial Emphasis Drives Growth



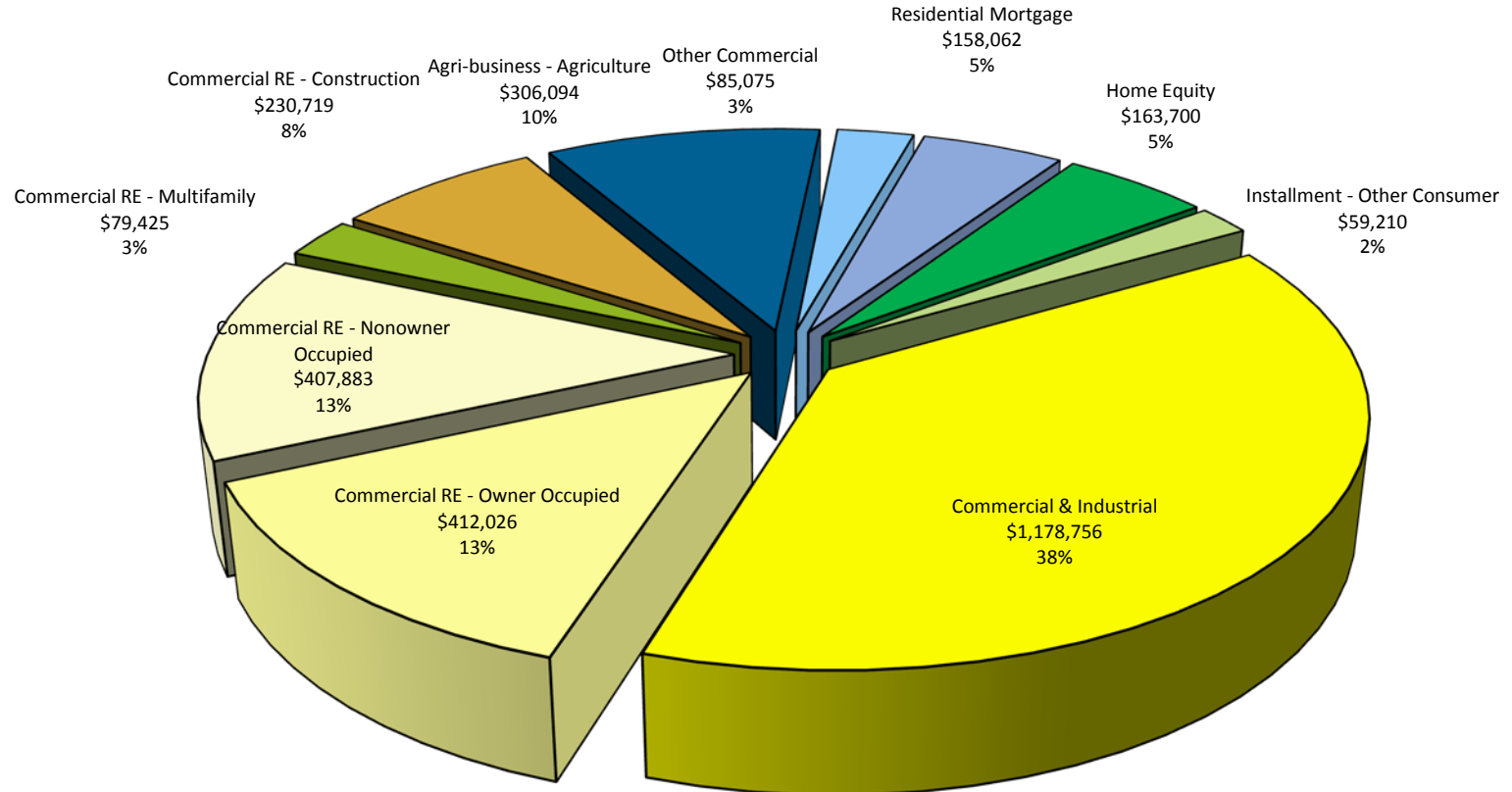
2015 Growth 9%



■ Retail ■ Commercial —◆— Loans to Deposits

Loan Breakdown

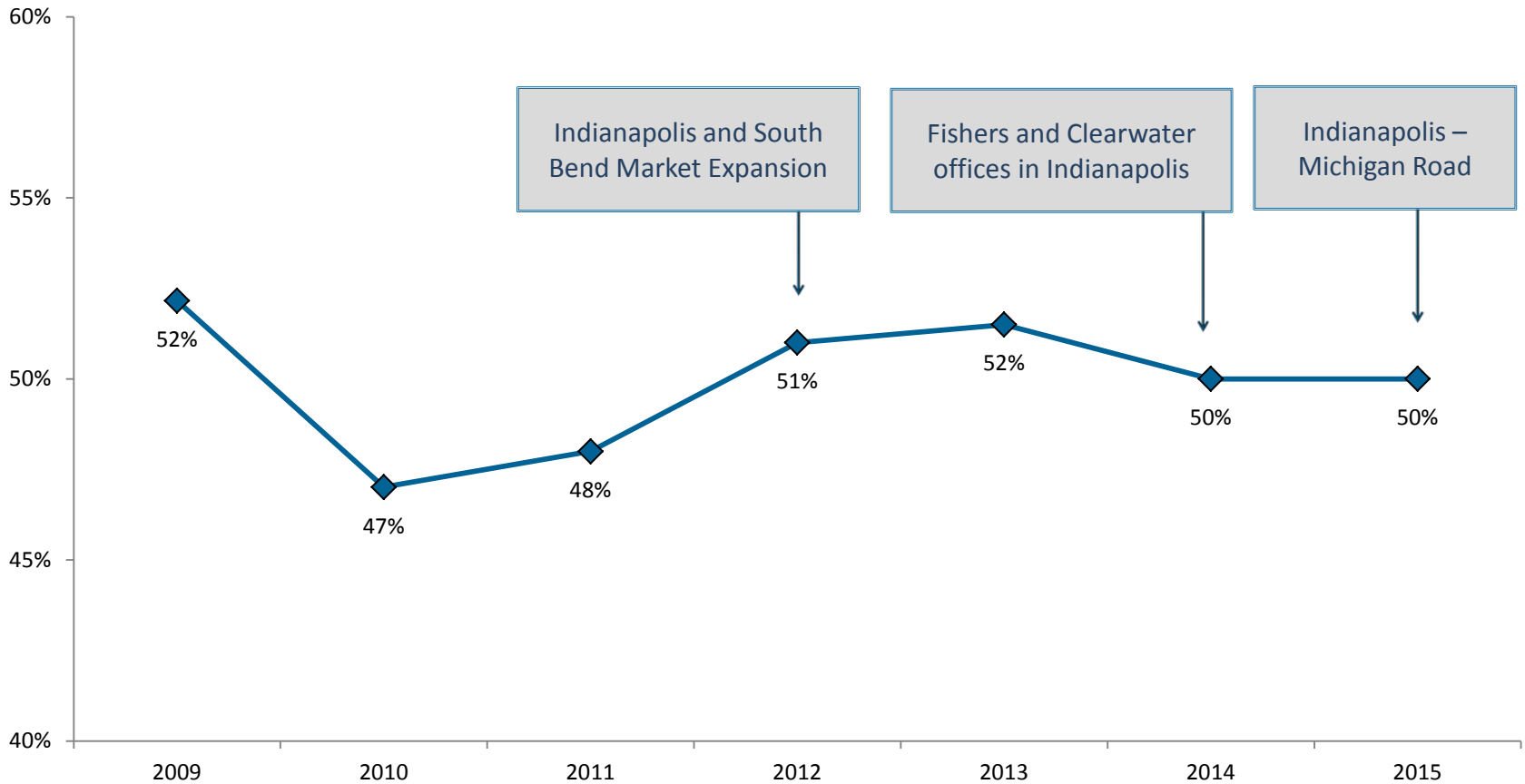
C&I Drives Lending Business



\$3.1 billion as of December 31, 2015

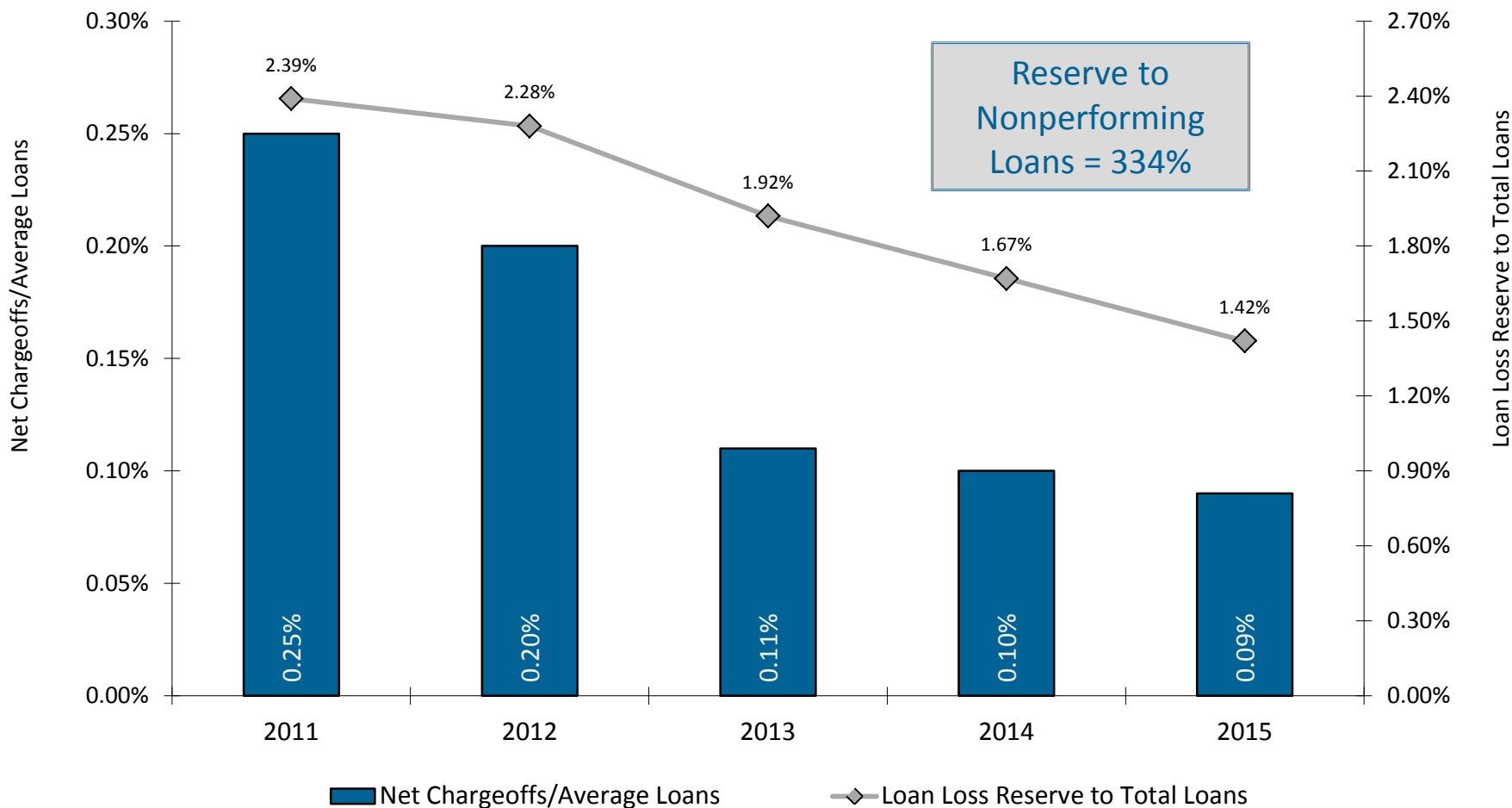
Efficiency Ratio

Revenue Growth is Primary Driver of Low Efficiency Ratio



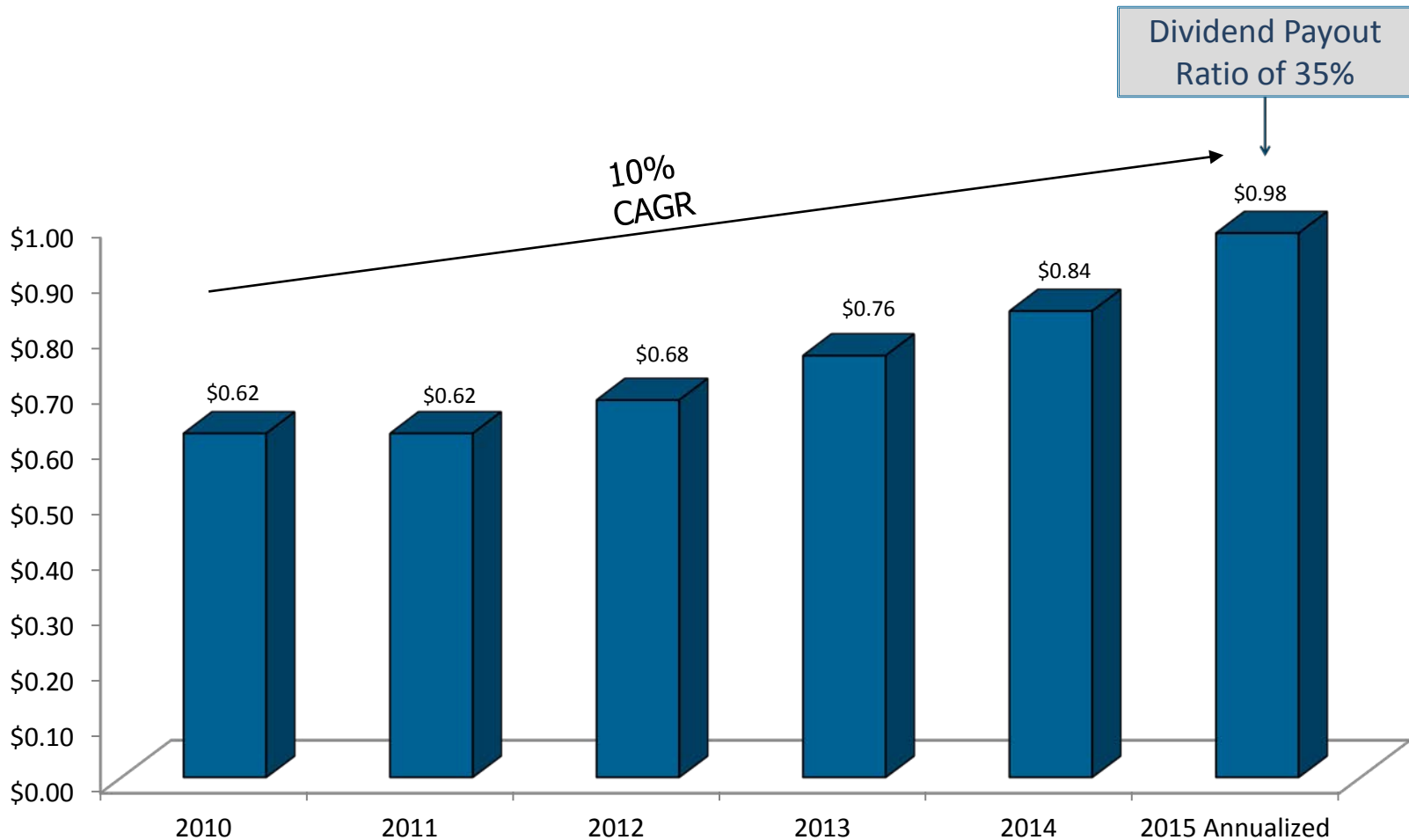
Asset Quality

Strong Reserve Coverage

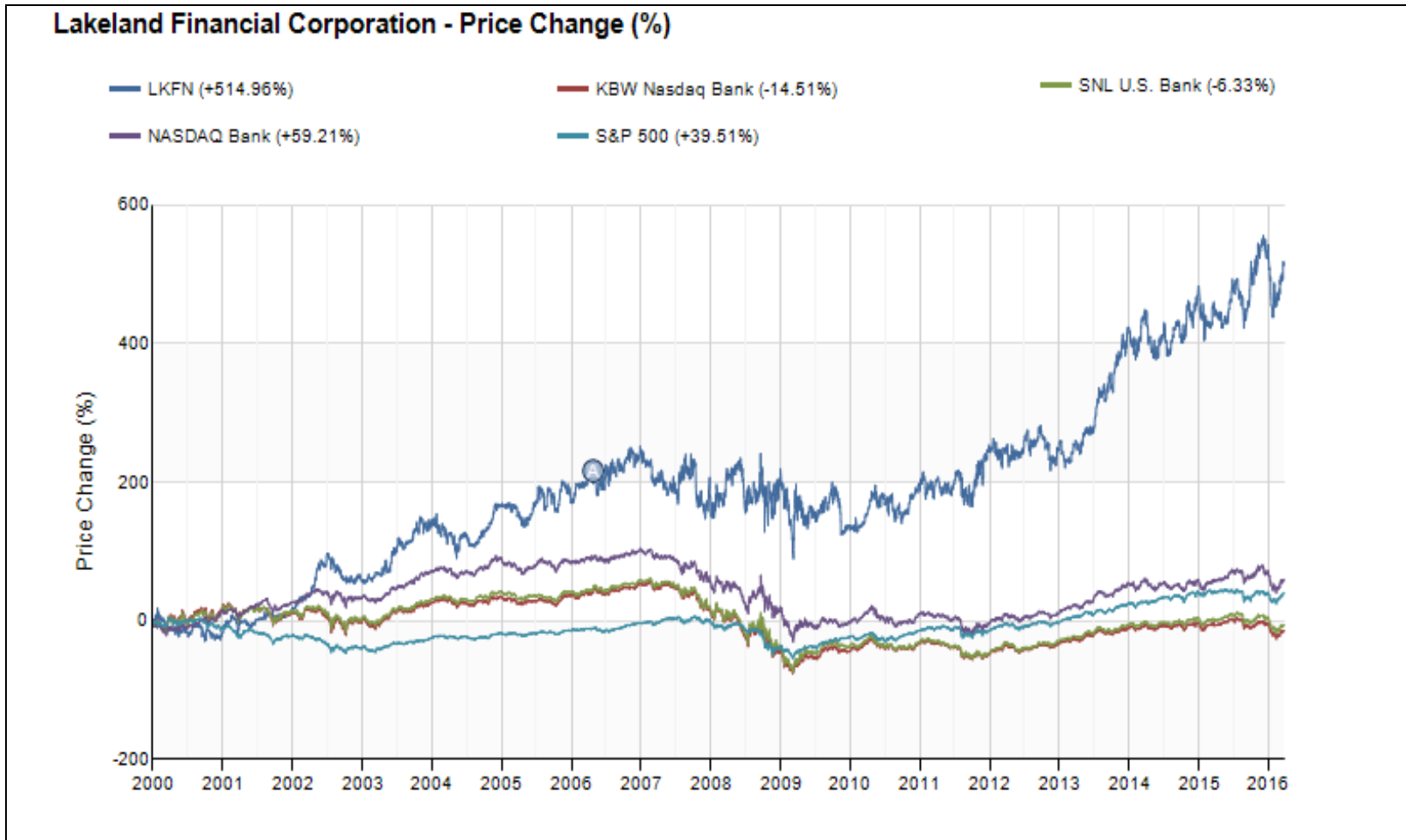


Stable Healthy Dividend

Significant Increase in Dividend Reflects Strength of Balance Sheet



Long Term Shareholder Value



The Kubacki Impact

1998 to 2016



LAKELAND FINANCIAL CORPORATION
LAKE CITY BANK



The Kubacki Impact

	1998	2015	Change
Total Assets ⁽⁰⁰⁰⁾	\$979	\$3,766	+285%
Tangible Book Value Per Share	\$3.77	\$23.42	+521%
Stock Price	\$9.25	\$46.62	+404%
Market Capitalization ^(000,000)	\$107	\$771	+621%

“It’s all good.”

--Mike Kubacki



**Thanks for your leadership,
vision and friendship.**



 **Lake City Bank**

(800) 827-4522

LAKECITYBANK.COM