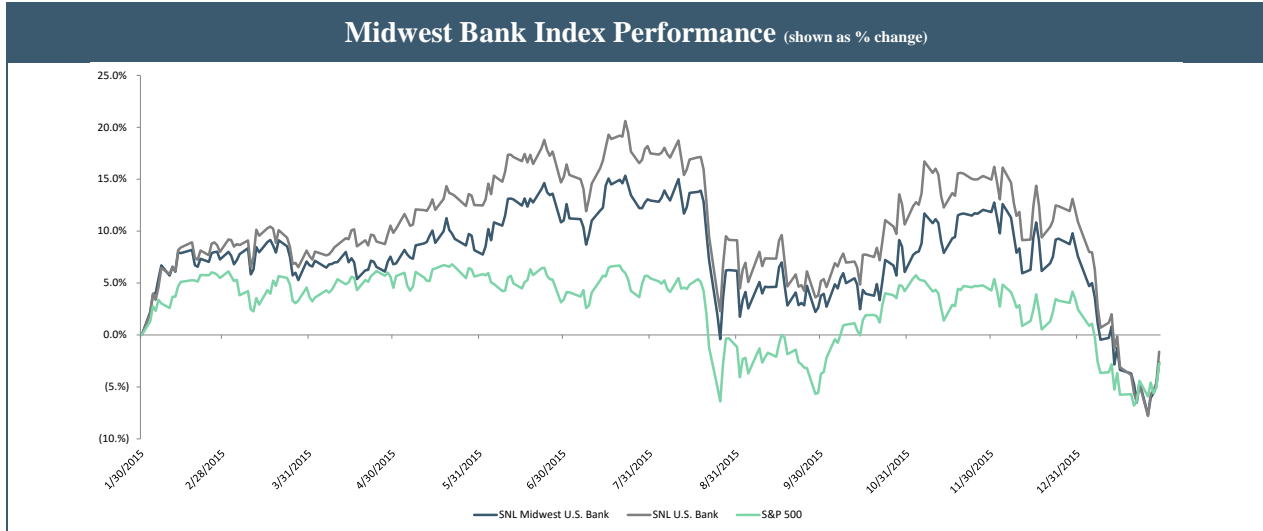


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A Midwest Bank
Newsletter



Indices Performance (% change)					
	January 2016	LTM		January 2016	LTM
S&P 500	(3.6%)	(2.7%)	SNL U.S. Bank	(8.9%)	(1.6%)
Dow Jones	(4.0%)	(4.1%)	SNL Midwest U.S. Bank	(7.0%)	(2.6%)
NASDAQ	(5.9%)	(0.5%)			

Note: U.S. Bank index includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ). Midwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in IA, IN, IL, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI.

Movers and Losers (largest % changes in the month of January)					
Bank Name	Price/Share	Price Change	Bank Name	Price/Share	Price Change
Pacific Continental (OCBK)	\$16.14	8.5%	Texas Capital (TCBI)	\$35.70	(27.8%)
FirstMerit Corp. (FMER)	\$19.38	3.9%	Huntington Bancshares (HBAN)	\$8.58	(22.4%)
Enterprise Bancorp (EBTC)	\$23.69	3.7%	East West Bancorp (EWBC)	\$32.42	(22.0%)
S.Y. Bancorp (SYBT)	\$39.08	3.4%	ViewPoint Financial (LTXB)	\$19.53	(21.9%)
Sierra Bancorp (BSRR)	\$18.20	3.1%	Fifth Third Bancorp (FITB)	\$15.80	(21.4%)

Note: Price per share as of January 31, 2016. Consists of public banks listed on the NYSE and NASDAQ with a market capitalization greater than \$150 million.

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A Midwest Bank
Newsletter

Select Public Trading Statistics (as of 1/31/2016)

Large U.S. National Banks:

Institution Name	Ticker	State	Market		NPAs/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
Wells Fargo & Company	WFC	CA	255,777.6	1,787,632,000	NA	2.94	58.58	NA	NA	148.6	180.3
JPMorgan Chase & Co.	JPM	NY	217,978.3	2,351,698,000	NA	2.25	61.97	15.00	8.50	98.4	127.9
Bank of America Corporation	BAC	NC	146,776.9	2,144,316,000	NA	2.17	69.03	13.20	8.60	62.7	91.8
Citigroup Inc.	C	NY	125,751.5	1,731,210,000	NA	3.02	61.76	NA	NA	61.3	70.3
U.S. Bancorp	USB	MN	69,904.7	421,853,000	1.01	3.08	53.03	13.30	9.50	172.1	229.7
PNC Financial Services Group, Inc.	PNC	PA	43,671.6	358,493,000	NA	2.73	60.70	14.70	10.10	105.9	137.4
Bank of New York Mellon Corporation	BK	NY	39,311.1	393,780,000	NA	0.99	71.24	12.50	5.90	110.8	280.3
BB&T Corporation	BBT	NC	25,485.8	209,947,000	0.65	3.37	58.39	14.20	9.80	103.2	164.8
State Street Corporation	STT	MA	22,272.6	245,192,000	NA	1.07	71.74	17.38	6.88	121.0	203.2
SunTrust Banks, Inc.	STI	GA	18,608.7	190,817,000	NA	3.01	62.22	12.55	9.70	84.2	117.7
Minimum			18,609	190,817,000	0.7	1.0	53.0	12.5	5.9	61.3	70.3
Mean			96,554	983,493,800	0.8	2.5	62.9	14.1	8.6	106.8	160.3
Median			56,788	407,816,500	0.8	2.8	61.9	13.8	9.1	104.5	151.1
Maximum			255,778	2,351,698,000	1.0	3.4	71.7	17.4	10.1	172.1	280.3

Large Midwest Banks:

Institution Name	Ticker	State	Market		NPAs/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
Northern Trust Corporation	NTRS	IL	14,234.6	116,749,600	NA	1.12	70.90	13.20	7.50	171.1	183.6
Fifth Third Bancorp	FTIB	OH	12,404.3	141,082,000	NA	2.87	47.93	14.13	9.54	85.5	102.7
KeyCorp	KEY	OH	9,327.0	95,133,000	0.55	2.89	66.09	12.98	10.71	89.2	99.5
Huntington Bancshares Incorporated	HBAN	OH	6,820.6	71,044,551	NA	3.11	63.62	12.64	8.79	109.9	124.5
Commerce Bancshares, Inc.	CBSH	MO	3,998.9	24,604,962	NA	2.97	61.28	NA	9.23	180.4	192.9
FirstMerit Corporation	FMER	OH	3,212.3	25,524,604	NA	3.32	60.09	13.77	NA	113.1	157.6
PrivateBancorp, Inc.	PVTB	IL	2,976.4	17,259,421	0.45	3.31	47.66	12.37	10.35	175.2	185.9
Associated Banc-Corp	ASB	WI	2,654.3	27,715,021	1.01	2.83	67.35	12.62	7.60	94.3	145.0
MB Financial, Inc.	MBFI	IL	2,290.9	15,585,007	1.04	3.90	63.80	12.54	10.40	116.2	190.8
First National of Nebraska, Inc.	FINN	NE	2,063.9	18,346,653	NA	5.89	61.53	13.17	10.80	109.4	119.9
Wintrust Financial Corporation	WTFC	IL	2,036.5	22,917,166	0.70	3.32	67.12	12.20	9.10	96.9	126.9
First Midwest Bancorp, Inc.	FMBI	IL	1,360.0	9,732,676	0.61	3.62	64.62	11.15	9.40	118.5	168.4
Minimum			1,360	9,732,676	0.4	1.1	47.7	11.2	7.5	85.5	99.5
Mean			5,282	48,807,888	0.7	3.3	61.8	12.8	9.4	121.6	149.8
Median			3,094	25,064,783	0.7	3.2	63.7	12.6	9.4	111.5	151.3
Maximum			14,235	141,082,000	1.0	5.9	70.9	14.1	10.8	180.4	192.9

Small Midwest Banks:

Institution Name	Ticker	State	Market		NPAs/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
Horizon Bancorp	HBNC	IN	306.5	2,652,401	0.75	3.41	66.07	NA	NA	120.5	155.3
First Mid-Illinois Bancshares, Inc.	FMBH	IL	221.9	2,114,499	0.21	3.29	62.13	14.25	9.20	124.9	173.9
First Business Financial Services, Inc.	FBIZ	WI	199.7	1,783,636	1.46	3.63	58.78	11.11	8.63	132.4	142.8
West Suburban Bancorp, Inc.	WNRP	IL	176.3	2,138,633	3.54	2.82	70.07	15.35	9.28	86.9	87.2
STAR Financial Group, Inc.	SFIGA	IN	146.0	1,734,735	0.83	3.39	73.42	13.71	10.68	77.1	79.6
First Community Financial Partners, Inc.	FCFP	IL	123.4	1,040,652	NA	3.29	56.07	14.69	9.36	119.8	119.8
Marquette National Corporation	MNAT	IL	105.2	1,526,325	2.56	3.49	85.28	15.14	7.13	79.8	109.1
Minimum			105	1,040,652	0.2	2.8	56.1	11.1	7.1	77.1	79.6
Mean			183	1,855,840	1.6	3.3	67.4	14.0	9.0	105.9	123.9
Median			176	1,783,636	1.1	3.4	66.1	14.5	9.2	119.8	119.8
Maximum			306	2,652,401	3.5	3.6	85.3	15.4	10.7	132.4	173.9



The Vault

A Midwest Bank
Newsletter

Valuation Summary (as of 1/31/2016)

Asset Size Index – Nationwide			Geographic Index		
	Price/Book (%)	Price/Tangible Book (%)		Price/Book (%)	Price/Tangible Book (%)
\$5B-\$10B	154.7	204.9	Mid-Atlantic	94.9	132.0
\$1B-\$5B	135.6	154.5	Midwest	146.0	183.7
\$500M-\$1B	107.8	114.4	New England	105.8	167.0
\$250M-\$500M	142.5	143.5	Southeast	86.4	121.4
< \$250M	NA	NA	Southwest	100.0	126.8
			Western	150.0	181.9

Interest Rate Scorecard

Financial Yields	January 31, 2016	1 Month	3 Month	6 Month	1 Year
		Prior	Prior	Prior	Prior
2 Year T Note	0.76	1.06	0.75	0.67	0.27
5 Year T Note	1.33	1.76	1.52	1.54	0.82
10 Year T Note	1.94	2.27	2.16	2.20	1.95
30 Year T Bond	2.75	3.01	2.93	2.92	3.12
Prime Rate	3.50	3.50	3.25	3.25	3.25
3 Month LIBOR	0.61	0.61	0.33	0.31	0.47

Note:

Mid-Atlantic region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in DE, DC, MD, NJ, NY, PA, PR.
 Midwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in IA, IN, IL, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI.
 New England region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in CT, ME, MA, NH, RI, VT.
 Southeast region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in AL, AR, FL, GA, MS, NC, SC, TN, VA, WV.
 Southwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in CO, LA, NM, OK, TX, UT.
 Western region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in AZ, AK, CA, HI, ID, MT, NV, OR, WA, WY.





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A Midwest Bank
Newsletter

Select Mergers and Acquisitions & Capital Raising News

❖ Peoples Community Bank Completes Acquisition of Cabool State Bank

January 6, 2016 – Greenville, MO-based Peoples Community Bank (\$340.4 million) finalized its merger with Cabool, MO-based Cabool State Bank (\$61.6 million) on December 31, 2015. Cabool State Bank dropped its name and began operating as a branch of Peoples Community Bank on January 1. Peoples Community Bank is a subsidiary of Piedmont, MO-based Greenville Bancshares Inc.

❖ Milton Bancorp, Ohio Valley Banc Corp. Agree to Merge

January 7, 2016 – Gallipolis, OH-based Ohio Valley Banc Corp. (\$808.5 million), the parent of Ohio Valley Bank Co., signed a definitive merger agreement with Wellston, OH-based Milton Bancorp Inc., the parent of Milton Banking Co. Under the terms of the transaction, Milton Bancorp will be merged into Ohio Valley Banc Corp., and Milton Banking will be merged into Ohio Valley Bank. Milton Bancorp operates five branches with assets of \$135.1 million as of September 30, 2015. Based on the January 6 closing sale price of Ohio Valley Banc Corp. common shares, the transaction is valued at approximately \$20 million. On an aggregate basis, the purchase price equates to 156.1% of book and 162.9% of tangible book. The purchase price also equates to 13.32% of deposits and 14.95% of assets. The transaction carries a tangible book premium of 6.40%.

❖ Old National Jumps Back into M&A with Biggest Transaction Yet

January 12, 2016 – Following a pause in 2015, the historically acquisitive Old National Bancorp inked its largest transaction to date. The Evansville, IN-based company, will pay \$461 million in cash and stock to buy Madison, WI-based Anchor Bancorp Wisconsin Inc., a thrift with more than \$2.2 billion in assets. The transaction pushes Old National well beyond the \$10 billion-asset threshold to approximately \$14 billion in assets. The purchase price equates to 128% of tangible book. The company estimates an earnback period of 2.5 years. The acquisition, expected to close in the second quarter, is projected to be 4% accretive to analysts' 2016 average EPS estimate and 9% accretive in 2017, when 32% cost savings are expected to be fully realized.

❖ Wintrust Financial to Buy Generations Bancorp in \$30M Transaction

January 14, 2016 – Wintrust Financial Corp. (\$22.04 billion) agreed to acquire Pewaukee, WI-based Generations Bancorp Inc., the parent of Foundations Bank (\$124.9 million). The aggregate purchase price will be roughly \$30 million. It is not expected to have a material effect on Wintrust's 2016 earnings per share. The purchase price equates to 129.3% of book and tangible book and 42.9x last-12-months earnings, on an aggregate basis. It is also 30.77% of deposits, 24.02% of assets and has a tangible book premium-to-core deposits ratio of 15.13%.

❖ Royal Financial to Buy Park Bancorp

January 15, 2016 – In Chicago, Royal Financial Inc. (\$207.2 million) will acquire Park Bancorp Inc. (\$145.7 million) for approximately \$240,000 in cash. The purchase price equates to 6.5% of book and tangible book and it is 0.21% of deposits and 0.16% of assets, on an aggregate basis. The transaction carries a tangible book premium-to-core deposits ratio of -3.64%.

❖ Michigan-based Mackinac Buying First National Bank of Eagle River in \$12.5M Cash Transaction

January 19, 2016 – Manistique, MI-based Mackinac Financial Corp., the holding company for mBank (\$746.3 million), agreed to acquire all outstanding stock of Eagle River, WI-based First National Bank of Eagle River (\$141.0 million), a unit of Ellis Bankshares Inc., in an all-cash transaction for \$12.5 million. The purchase price equates to 94.3% of book and tangible book and 39.3x last-12-months earnings. The purchase price also equates to 13.00% of deposits and 8.87% of assets, and the tangible book discount-to-core deposits ratio is 0.84%.

❖ Huntington to Buy FirstMerit for \$3.4B

January 25, 2016 – Columbus-based Huntington (\$71.04 billion) will buy Akron-based FirstMerit (\$25.52 billion) for \$3.4 billion. The per-share consideration of \$20.14 is based on Huntington's January 25 stock price of \$8.80 per share. On a per-share basis, the purchase price equates to 117.6% of book, 164.2% of tangible book and 14.8x earnings. The one-day premium on the transaction is 31.01%, based on FirstMerit's closing price of \$15.37 on January 25. The one-month premium on the transaction is 5.98%, based on the target's closing price of \$19.00 on December 28, 2015. Huntington expects the acquisition to be accretive to EPS in 2017 and approximately 10% accretive to EPS in 2018.



The Vault

A Midwest Bank
Newsletter

❖ Chemical, Talmer Sign \$1.1B Merger

January 26, 2016 – Midland, MI-based Chemical Financial Corp. (\$9.19 billion) agreed to acquire Troy, MI-based Talmer Bancorp Inc. (\$6.50 billion) in a cash-and-stock transaction valued at approximately \$1.1 billion. The merger consideration is approximately 90% cash and 10% stock. The combined organization will have approximately \$16 billion in assets, \$12 billion in loans and \$13 billion in deposits. On a per-share basis, the transaction value is 149.0% of book, 152.7% of tangible book and 20.7x earnings. The price is 21.19% of deposits and 16.70% of assets, and the tangible book premium-to-core deposits ratio is 9.64%.

❖ NBE BancShares to Acquire Farmers State Bank of Sublette

January 26, 2016 – Earlville, IL-based NBE Bancshares Inc., the parent of Pioneer State Bank, signed a definitive merger agreement to acquire Sublette, IL-based Farmers State Bank of Sublette, a unit of FSB Corp. As of September 30, 2015, Farmers State Bank had \$38.7 million in total assets, while Pioneer State Bank had total assets of approximately \$69 million as of September 30, 2015.

Select Industry News

❖ Bank Branch Numbers Dwindled Further in 2015

January 12, 2016 – Banks continued to shrink their collective U.S. branch count in 2015, trimming it by more than 1,600 locations. As Americans increasingly do more of their banking business online and via mobile devices, and as banks look to cut expenses and bolster efficiency, most banks have taken the view that fewer branches are necessary to meet customers' needs. Many banks are shuttering some branches and selling off others, bringing down employee headcounts and brick-and-mortar costs along the way. The U.S. banking sector finished 2015 with 92,997 branches. It extended a continuous branch reduction trend that dates to 2009.

❖ Small Banks Among Most Concentrated in High-Volatility CRE

January 13, 2016 – The U.S. banking industry held \$92.49 billion in high-volatility commercial real estate, or HVCRE, as of September 30, 2015. Banks between \$1 and \$5 billion in assets hold just 14.60% of that total balance, but make up 15 of the top 20 institutions most concentrated in this loan category. Effective January 1, 2015, under the final Basel III rules, banks and thrifts must assign a 150% risk-weight to any HVCRE exposure. Exemptions to the HVCRE classification include ADC loans that finance one- to four-family residential properties, real property qualifying as a community development project, or loans to businesses or farms with gross revenues of \$1 million or more. Based on third-quarter 2015 regulatory filings just more than half of the industry's total HVCRE is held by institutions with at least \$50 billion in assets. Banks with at least \$250 billion in assets alone hold \$33.08 billion, or 35.77% of total outstanding HVCRE.

❖ Rate Tracker – January 2016

January 15, 2016 – Mortgage rates have edged up in December 2015. The average rate on a 15-year fixed mortgage rose 4 basis points to 3.38%, while the average rate on a 30-year fixed mortgage increased 2 basis points to 4.08% as of January 8. Meanwhile, the average rates on long-term CDs have largely remained steady since early December 2015. The average rate for a three-year CD was 0.86% as of January 8, and the average rate on a five-year CD moved up 1 basis point to 1.31% since last month. Over the past year, the average rates on three- and five-year CDs increased by 5 and 6 basis points, respectively.

❖ With Goldman Sachs and Wells Fargo Settlements, Big Banks' Tab Exceeds \$140B

January 29, 2016 – The credit crisis continues to add to its legacy as big-bank settlements relating to mortgages add up years after the fact. Two new settlements have been reached already this year, with Wells Fargo & Co. reaching a \$1.2 billion settlement relating to its FHA lending program from 2001-2010. The largest of these settlements was the January 14 Goldman Sachs Group Inc.'s settlement of roughly \$5.1 billion with the Residential Mortgage-Backed Securities Working Group of the U.S. Financial Fraud Enforcement Task Force. The six biggest banks by asset size have over \$140 billion in total penalties paid since 2010.

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