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Industry Observations – December 31, 2018

Banking Industry

Select Banking Public Company Industry Data As of December 31, 2018

(USD in millions, except per share data)

Company Name	Ticker	Market Data			LTM Operating Data			Forward Estimates	
		Price at 12/31/18	% of 52 Week High	Equity Value	Total Assets	LTM Revenue	LTM Earnings	CY 2018 Revenue Estimate	CY 2018 Earnings Estimate
Commercial Banks									
Bank of Hawaii Corporation	BOH	\$67.32	75.6%	\$2,810.79	\$17,143.97	\$641.85	\$219.60	\$676.95	\$234.40
BOK Financial Corporation	BOKF	\$73.33	68.5%	\$5,327.09	\$38,020.50	\$1,593.65	\$445.65	\$1,822.00	\$536.27
Fifth Third Bancorp	FITB	\$23.53	67.9%	\$15,426.64	\$146,069.00	\$6,693.00	\$2,193.00	\$7,372.77	\$1,834.79
First Financial Bankshares, Inc.	FFIN	\$57.69	86.3%	\$3,879.68	\$7,731.85	\$368.86	\$150.64	\$401.22	\$159.29
First Republic Bank	FRC	\$86.90	81.4%	\$14,319.46	\$99,205.20	\$2,968.46	\$853.83	\$3,544.07	\$877.41
Fulton Financial Corporation	FULT	\$15.48	79.2%	\$2,725.97	\$20,682.15	\$767.63	\$208.39	\$880.26	\$245.30
Hancock Whitney Corporation	HWC	\$34.65	61.4%	\$2,951.02	\$28,235.91	\$1,097.86	\$323.77	\$1,215.56	\$355.00
Prosperity Bancshares, Inc.	PB	\$62.30	78.7%	\$4,351.00	\$22,693.40	\$729.26	\$321.81	\$761.50	\$337.34
UMB Financial Corporation	UMBF	\$60.97	74.2%	\$3,040.95	\$23,351.12	\$941.39	\$195.51	\$1,074.26	\$229.22
Zions Bancorporation, National Association	ZION	\$40.74	68.8%	\$7,829.62	\$68,746.00	\$2,821.00	\$884.00	\$2,925.34	\$855.85
Investment Banking and Brokerage									
Evercore Inc.	EVR	\$71.56	60.9%	\$2,896.12	\$0.00	\$2,045.65	\$377.24	\$2,062.64	\$330.20
Greenhill & Co., Inc.	GHL	\$24.40	72.9%	\$500.37	\$0.00	\$329.55	\$39.22	\$351.42	\$39.58
Morgan Stanley	MS	\$39.65	66.8%	\$68,204.14	\$0.00	\$40,107.00	\$8,748.00	\$40,663.45	\$8,482.77
Piper Jaffray Companies	PJC	\$65.84	65.97%	\$880.06	\$0.00	\$784.44	\$57.04	\$827.93	\$86.88
Raymond James Financial, Inc.	RJF	\$74.41	72.8%	\$10,363.82	\$38,544.00	\$7,398.75	\$986.70	\$7,684.97	\$1,003.51
The Goldman Sachs Group, Inc.	GS	\$167.05	60.7%	\$62,137.59	\$933,000.00	\$35,942.00	\$10,459.00	\$36,242.69	\$8,985.99
Mortgage Bankers									
Freddie Mac	FMCC	\$1.06	41.7%	\$3,414.61	\$2,063,060.00	\$16,301.00	\$9,235.00	\$12,471.00	\$0.00
Federal National Mortgage Association	FNMA	\$1.06	40.0%	\$6,083.17	\$3,401,105.00	\$28,156.00	\$6,196.00	\$20,828.00	\$0.00
Flagstar Bancorp, Inc.	FBC	\$26.40	65.9%	\$1,521.37	\$18,531.00	\$944.00	\$187.00	\$536.79	\$196.15
Ocwen Financial Corporation	OCN	\$1.34	27.7%	\$179.44	\$8,461.04	\$1,028.89	-\$112.91	\$1,144.18	-\$131.23
Walker & Dunlop, Inc.	WD	\$43.25	70.4%	\$1,351.07	\$2,780.11	\$714.31	\$161.44	\$761.35	\$166.19

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

The material contained in this publication is meant to provide general information regarding valuation topics. This publication does not constitute investment advice with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Professional advice should be obtained before taking any action based on the information contained herein.

Publicly available information utilized in this publication has been obtained from sources deemed to be reliable. Houlihan does not guarantee the accuracy or completeness of the information provided within this publication. The material presented reflects information known to the authors at the time this publication was written and this information is subject to change.

Select Banking Public Company Valuation Metrics As of December 31, 2018

(USD in millions, except per share data)

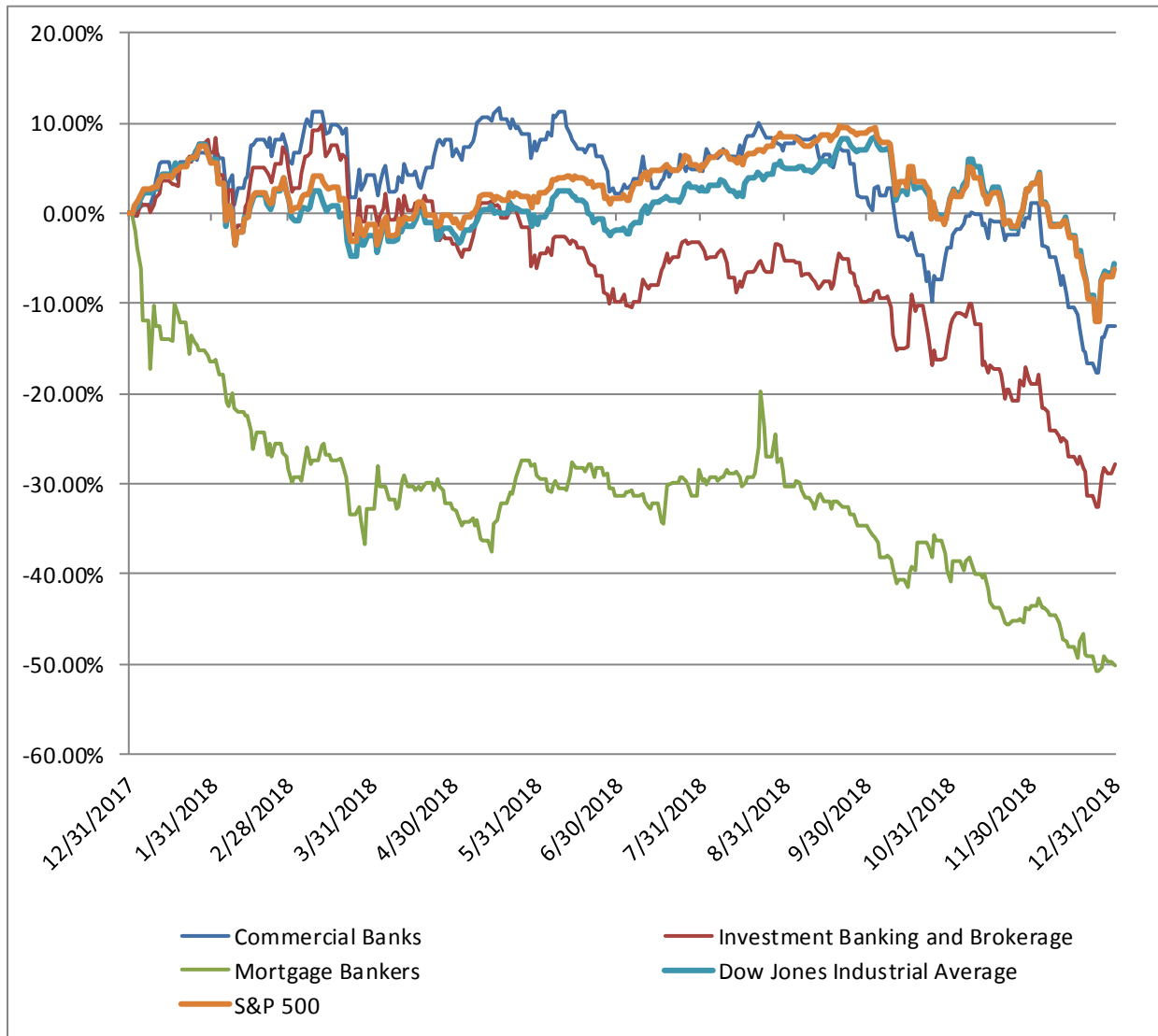
Company Name	Ticker	LTM Operating Statistics					Multiples Price/ Price
		Return	Return	Net	Net	Net	
Commercial Banks							
Bank of Hawaii Corporation	BOH	1.3%	17.6%	3.1%	18.9%	34.2%	17.0x
BOK Financial Corporation	BOKF	1.3%	11.2%	3.2%	33.2%	28.0%	13.5x
Fifth Third Bancorp	FITB	1.5%	13.4%	1.4%	0.0%	32.8%	10.5x
Fortress Investment Group LLC	FFIN	4.3%	26.3%	27.9%	N/A	14.4%	36.5x
First Republic Bank	FRC	0.9%	10.4%	16.3%	12.7%	28.8%	22.9x
Fulton Financial Corporation	FULT	1.0%	9.3%	1.7%	21.3%	27.1%	18.1x
Hancock Whitney Corporation	HWC	1.2%	10.9%	10.2%	50.1%	29.5%	12.0x
Prosperity Bancshares, Inc.	PB	1.4%	8.2%	1.4%	18.2%	44.1%	17.3x
UMB Financial Corporation	UMBF	0.9%	8.9%	0.0%	-20.9%	20.8%	18.5x
Zions Bancorporation, National Association	ZION	1.3%	11.6%	9.1%	49.3%	31.3%	12.1x
	Mean	1.5%	12.8%	7.4%	20.3%	29.1%	17.9x
	Median	1.3%	11.0%	3.2%	18.9%	29.1%	17.2x
Investment Banking and Brokerage							
Evercore Inc.	EVR	0.0%	52.2%	25.1%	200.7%	18.4%	16.1x
Greenhill & Co., Inc.	GHL	0.0%	28.9%	42.1%	N/A	11.9%	23.1x
Morgan Stanley	MS	0.0%	11.2%	5.7%	43.2%	21.8%	9.3x
Piper Jaffray Companies	PJC	0.0%	7.5%	-10.3%	N/A	7.3%	23.0x
Raymond James Financial, Inc.	RJF	2.6%	16.3%	11.8%	62.1%	13.3%	13.4x
The Goldman Sachs Group, Inc.	GS	1.1%	12.1%	12.1%	144.0%	29.1%	8.0x
	Mean	0.6%	21.4%	14.4%	112.5%	17.0%	15.5x
	Median	0.0%	14.2%	11.9%	103.1%	15.9%	14.8x
Mortgage Bankers							
Freddie Mac	FMCC	0.4%	443.5%	0.4%	64.2%	56.7%	0.4x
Federal National Mortgage Association	FNMA	0.2%	116.7%	1.6%	-55.8%	22.0%	0.5x
Flagstar Bancorp, Inc.	FBC	1.1%	12.6%	10.5%	196.8%	19.8%	11.3x
Ocwen Financial Corporation	OCN	1.7%	-19.7%	-17.1%	N/A	-11.0%	NM
Walker & Dunlop, Inc.	WD	6.5%	18.7%	1.7%	-23.5%	22.6%	10.4x
	Mean	2.0%	114.3%	-0.6%	45.4%	22.0%	5.7x
	Median	1.1%	18.7%	1.6%	20.3%	22.0%	5.4x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization);

TEV (total enterprise value)

Source: Capital IQ

Banking Public Company LTM Equity Performance As of December 31, 2018



Note: The indices are derived from the equity performance of the previously listed companies. Source: Capital IQ

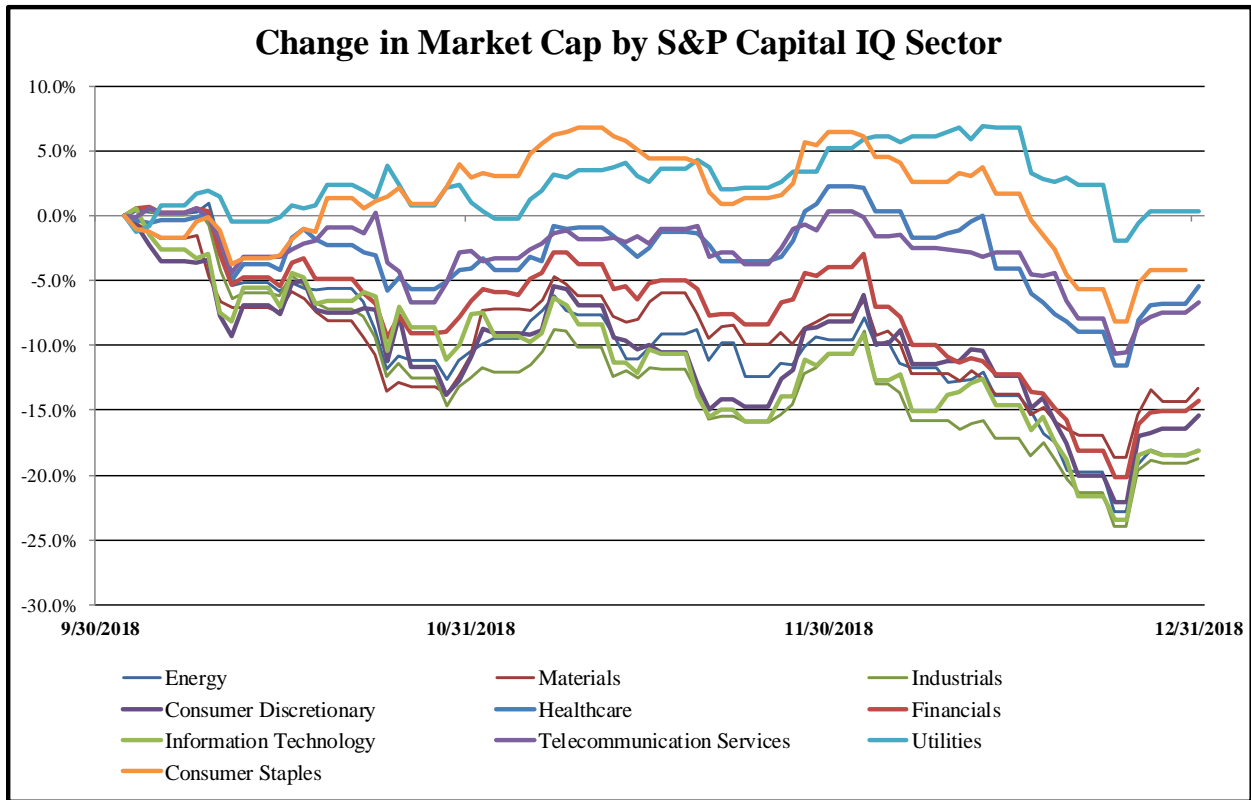
Recent M&A Activity in Banking Industry December 31, 2017 to December 31, 2018

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Equity Value
7/31/2018	Nationstar Mortgage Holdings Inc.	WMIH Corp. (nka:Mr. Cooper Group Inc.)	Thriffs and Mortgage Finance	\$1,552.96
4/1/2018	MainSource Financial Group, Inc. (nka:First Financial Bank)	First Financial Bancorp.	Regional Banks	\$988.60
10/1/2018	CoBiz Financial Inc.	BOK Financial Corporation	Regional Banks	\$976.08
8/10/2018	Community Bank	Citizens Business Bank, Inc.	Regional Banks	\$878.30
1/1/2018	Xenith Bancshares, Inc.	Union Bancshares Corporation	Regional Banks	\$691.75
7/1/2018	Grandpoint Capital, Inc.	Pacific Premier Bancorp, Inc.	Regional Banks	\$616.14
6/4/2018	TotalBank	City National Bank of Florida Inc.	Regional Banks	\$528.08
10/1/2018	First Connecticut Bancorp, Inc.	People's United Financial, Inc.	Regional Banks	\$518.39
8/1/2018	Assets of Franklin American Mortgage Company	Citizens Bank, National Association	Thriffs and Mortgage Finance	\$511.00
1/31/2018	Sun Bancorp, Inc.	OceanFirst Financial Corp.	Regional Banks	\$492.97
2/1/2018	Bank Mutual Corporation	Associated Banc-Corp	Thriffs and Mortgage Finance	\$476.83
1/1/2018	WashingtonFirst Bancshares, Inc.	Sandy Spring Bancorp, Inc.	Regional Banks	\$455.33
11/1/2018	Klein Financial, Inc.	Old National Bancorp	Regional Banks	\$433.80
9/1/2018	Brand Group Holdings, Inc.	Renasant Corporation	Regional Banks	\$430.45
4/2/2018	Clifton Bancorp Inc.	Kearny Financial Corp.	Thriffs and Mortgage Finance	\$402.57
1/1/2018	HCBF Holding Company, Inc.	CenterState Banks, Inc. (nka:CenterState Bank	Regional Banks	\$401.08
4/20/2018	Bear State Financial, Inc.	Arvest Bank	Thriffs and Mortgage Finance	\$389.96
6/29/2018	Hamilton State Bancshares, Inc.	Ameris Bancorp	Regional Banks	\$383.66
8/20/2018	Farmers Capital Bank Corporation	WesBanco, Inc.	Regional Banks	\$378.76
10/4/2018	PHH Corporation	Ocwen Financial Corporation	Thriffs and Mortgage Finance	\$369.25
9/1/2018	Charter Financial Corporation	CenterState Bank Corporation	Thriffs and Mortgage Finance	\$342.37
10/1/2018	Post Oak Bancshares, Inc.	Allegiance Bancshares, Inc.	Regional Banks	\$338.63
1/26/2018	Paragon Commercial Corporation	TowneBank	Regional Banks	\$327.02
7/6/2018	FNB Bancorp	TriCo Bancshares	Regional Banks	\$305.14
8/1/2018	Crestmark Bancorp, Inc.	Meta Financial Group, Inc.	Diversified Banks	\$302.05
3/23/2018	Gibraltar Private Bank & Trust Company	IBERIABANK	Diversified Banks	\$223.31
1/15/2018	Central Community Corporation	BancorpSouth, Inc. (nka:BancorpSouth Bank)	Regional Banks	\$209.53
11/1/2018	Skagit Bancorp, Inc.	Banner Corporation	Regional Banks	\$191.19
5/18/2018	First Bank Lubbock Bancshares, Inc.	Heartland Financial USA, Inc.	Regional Banks	\$185.56
2/28/2018	Alpine Bancorporation, Inc.	Midland States Bancorp, Inc.	Regional Banks	\$182.71
12/31/2017	Federal Home Loan Mortgage Corporation, \$171.2 million Non-	New York Mortgage Trust, Inc.	Thriffs and Mortgage Finance	\$171.20
1/1/2018	Sunshine Bancorp, Inc.	CenterState Banks, Inc. (nka:CenterState Bank	Regional Banks	\$170.95
2/28/2018	Inter-Mountain Bancorp., Inc.	Glacier Bancorp, Inc.	Regional Banks	\$170.85
6/1/2018	Integrity Bancshares, Inc.	Independent Bank Group, Inc.	Regional Banks	\$162.72
5/31/2018	First Evanston Bancorp, Inc.	Byline Bancorp, Inc.	Regional Banks	\$158.86
8/16/2018	Northwest Bancorporation, Inc.	First Interstate BancSystem, Inc.	Regional Banks	\$157.28
5/25/2018	Atlantic Coast Financial Corporation	Ameris Bancorp	Thriffs and Mortgage Finance	\$147.11
10/1/2018	Icon Capital Corporation	BancorpSouth Bank	Regional Banks	\$144.76
9/7/2018	First Bancorp of Durango, Inc.	Triumph Bancorp, Inc.	Regional Banks	\$134.50
1/1/2018	Peoples Inc.	National Bank Holdings Corporation	Regional Banks	\$133.42
10/5/2018	Coastway Bancorp, Inc.	HarborOne Bancorp, Inc.	Thriffs and Mortgage Finance	\$123.91
8/31/2018	Stifel Bancorp, Inc.	Stifel Financial Corp.	Regional Banks	\$122.46
9/14/2018	United Community Bancorp	Civista Bancshares, Inc.	Thriffs and Mortgage Finance	\$121.49
4/13/2018	Bay Bancorp, Inc.	Old Line Bancshares, Inc.	Regional Banks	\$116.13
10/15/2018	First American International Corp.	RBB Bancorp	Regional Banks	\$115.32
5/1/2018	HomeBancorp, Inc.	First-Citizens Bank & Trust Company	Regional Banks	\$113.60
7/31/2018	Pacific Commerce Bancorp	First Choice Bancorp	Regional Banks	\$110.99
8/1/2018	Landmark Bancshares, Inc.	National Commerce Corporation	Regional Banks	\$110.05
1/16/2018	Puget Sound Bancorp, Inc.	Heritage Financial Corporation	Regional Banks	\$109.83
1/15/2018	Ouachita Bancshares Corp.	BancorpSouth, Inc. (nka:BancorpSouth Bank)	Regional Banks	\$108.91
10/1/2018	Athens Bancshares Corporation	Capstar Financial Holdings, Inc.	Regional Banks	\$105.18
1/1/2018	FirstAtlantic Financial Holdings, Inc.	National Commerce Corporation	Regional Banks	\$104.64
3/1/2018	First Mariner Bank	Howard Bank, Inc.	Regional Banks	\$104.37
6/1/2018	PBB Bancorp	First Foundation Inc.	Regional Banks	\$99.31
4/5/2018	First Sentry Bancshares, Inc.	WesBanco, Inc.	Regional Banks	\$96.37
10/15/2018	First Security, Inc.	German American Bancorp, Inc.	Regional Banks	\$94.12

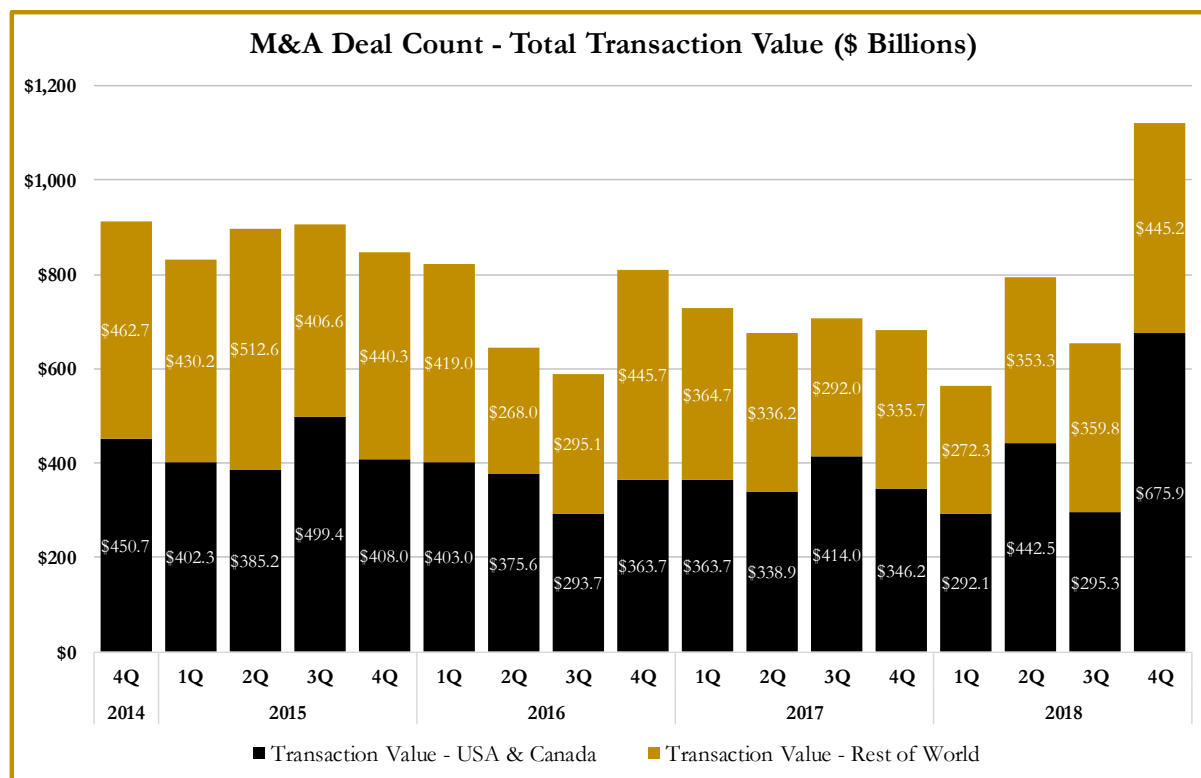
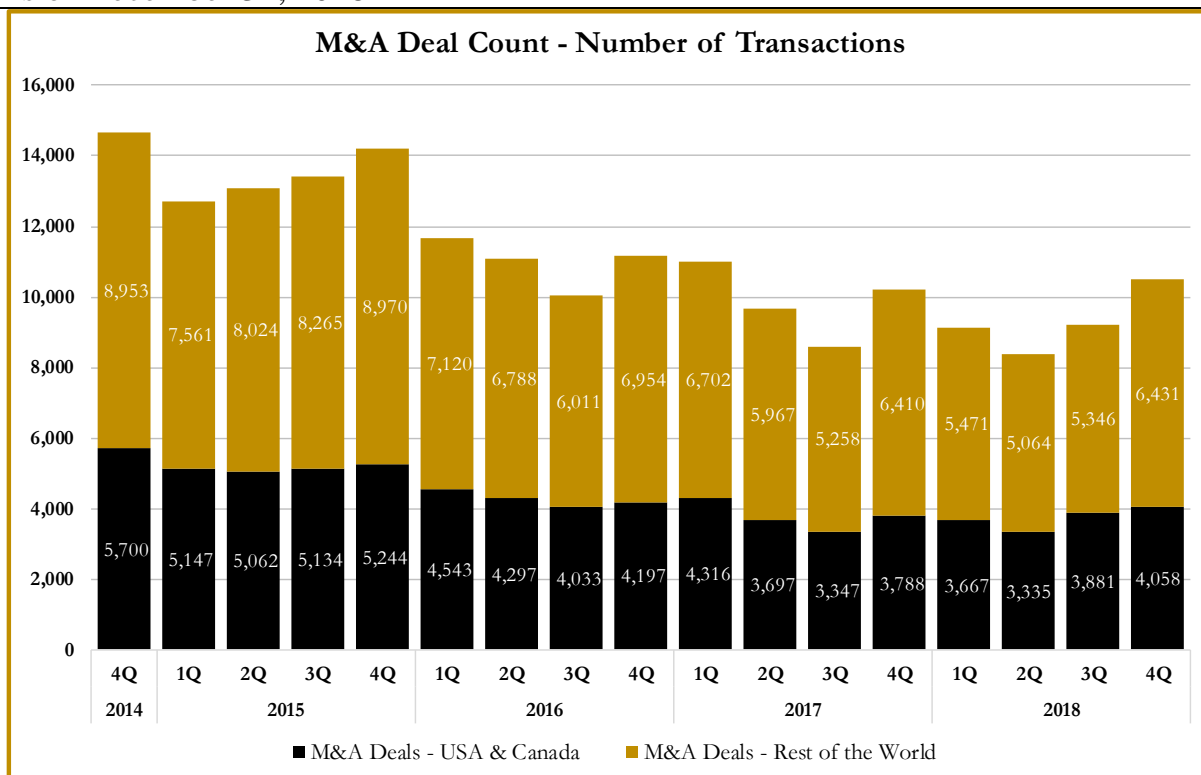
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of December 31, 2018

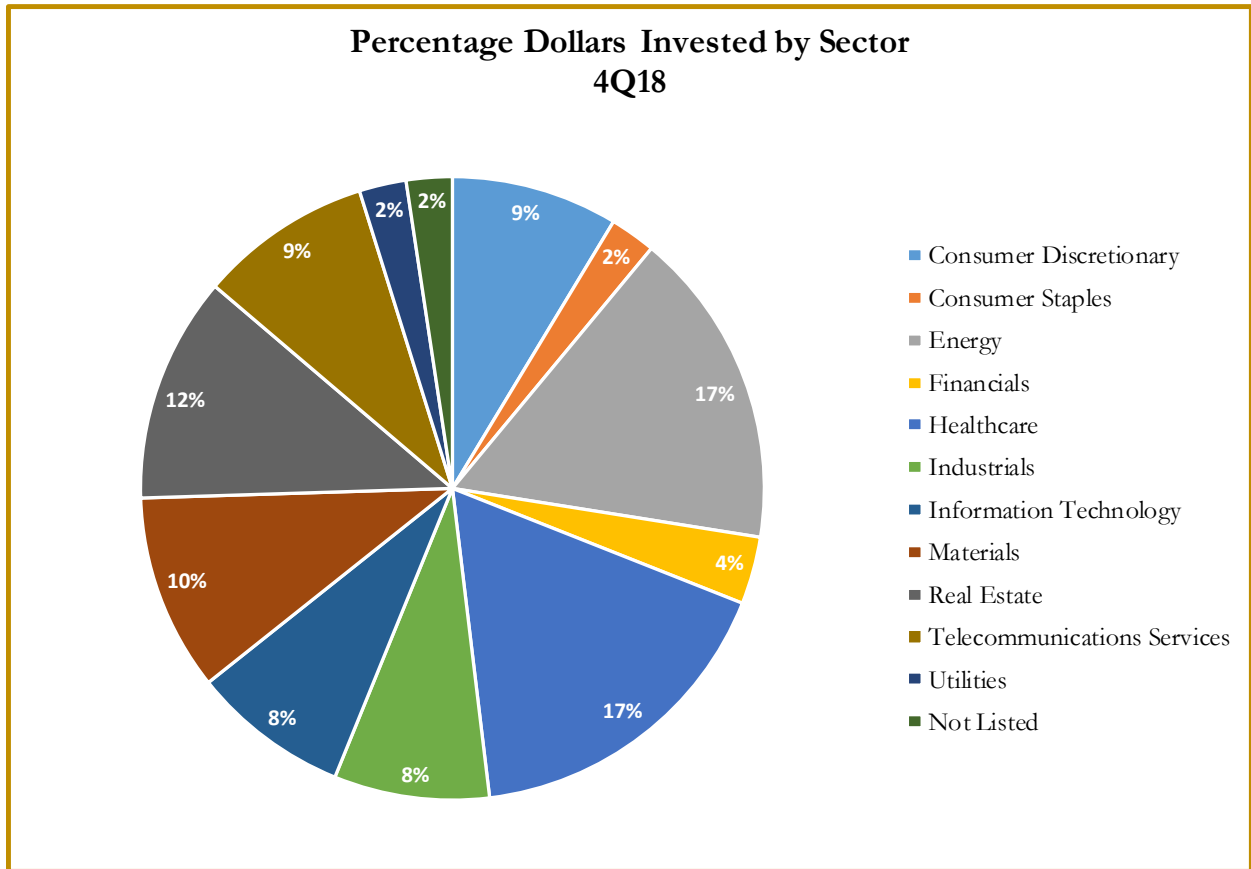


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector As of December 31, 2018



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of December 31, 2018





About Us

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