



HOULIHAN
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Industry Observations – September 30, 2019

Banking Industry

Select Banking Public Company Industry Data As of September 30, 2019

(USD in millions, except per share data)

Company Name	Ticker	Market Data			LTM Operating Data			Forward Estimates	
		Price at 09/30/19	% of 52 Week High	Equity Value	Total Assets	LTM Revenue	LTM Earnings	CY 2019 Revenue Estimate	CY 2019 Earnings Estimate
Commercial Banks									
Bank of Hawaii Corporation	BOH	\$85.93	97.4%	\$3,491.03	\$17,688.85	\$652.04	\$226.56	\$675.46	\$225.52
BOK Financial Corporation	BOKF	\$79.15	80.1%	\$5,634.99	\$41,893.07	\$1,697.83	\$473.89	\$1,830.80	\$529.88
Fifth Third Bancorp	FITB	\$27.38	90.7%	\$19,679.65	\$168,802.00	\$6,993.00	\$2,118.00	\$7,705.91	\$2,030.94
First Financial Bankshares, Inc.	FFIN	\$33.33	98.1%	\$4,495.54	\$8,113.84	\$386.11	\$161.86	\$401.11	\$162.98
First Republic Bank	FRC	\$96.70	89.7%	\$16,267.02	\$111,028.74	\$3,197.47	\$915.42	\$3,410.77	\$853.39
Fulton Financial Corporation	FULT	\$16.18	91.9%	\$2,690.25	\$21,308.67	\$832.90	\$240.16	\$878.65	\$232.78
Hancock Whitney Corporation	HWC	\$38.30	77.8%	\$3,473.69	\$30,543.55	\$1,140.36	\$331.49	\$1,225.99	\$363.56
Prosperity Bancshares, Inc.	PB	\$70.63	93.7%	\$4,830.86	\$22,375.22	\$737.27	\$330.51	\$766.93	\$324.02
UMB Financial Corporation	UMBF	\$64.58	88.3%	\$3,168.82	\$24,016.28	\$974.14	\$198.01	\$1,109.44	\$228.45
Zions Bancorporation, National Association	ZION	\$44.52	85.2%	\$7,878.39	\$70,065.00	\$2,807.00	\$860.00	\$2,841.09	\$742.62
Investment Banking and Brokerage									
Evercore Inc.	EVR	\$80.10	78.6%	\$3,193.75	\$1,939.75	\$2,099.04	\$361.74	\$2,082.52	\$330.64
Greenhill & Co., Inc.	GHL	\$13.12	42.2%	\$259.21	\$469.65	\$255.17	-\$5.74	\$299.53	\$7.90
Morgan Stanley	MS	\$42.67	87.7%	\$70,523.61	\$0.00	\$39,110.00	\$8,334.00	\$40,185.04	\$8,120.76
Piper Jaffray Companies	PJC	\$75.48	91.47%	\$1,072.08	\$1,206.04	\$819.18	\$70.02	\$774.61	\$89.86
Raymond James Financial, Inc.	RJF	\$82.46	85.8%	\$11,449.01	\$38,677.00	\$7,585.75	\$1,031.70	\$7,769.91	\$1,034.31
The Goldman Sachs Group, Inc.	GS	\$207.23	88.5%	\$74,512.35	\$1,007,000.00	\$33,720.00	\$9,087.00	\$34,968.57	\$7,895.64
Mortgage Bankers									
Freddie Mac	FMCC	\$3.59	88.9%	\$11,564.58	\$2,124,500.00	\$13,339.00	\$6,719.00	\$12,228.00	-\$579.84
Federal National Mortgage Association	FNMA	\$3.80	89.8%	\$21,807.59	\$3,443,287.00	\$24,094.00	\$13,073.00	\$20,215.67	\$114.78
Flagstar Bancorp, Inc.	FBC	\$37.35	97.9%	\$2,109.68	\$20,206.00	\$1,012.00	\$199.00	\$553.28	\$186.40
Ocwen Financial Corporation	OCN	\$1.88	44.0%	\$253.04	\$9,627.79	\$1,127.43	-\$177.72	\$1,095.00	-\$117.10
HomeStreet, Inc.	HMST	\$27.32	85.5%	\$666.53	\$7,200.79	\$452.66	\$19.76	\$256.74	\$30.13
WSFS Financial Corporation	WSFS	\$44.10	89.3%	\$2,336.77	\$12,156.60	\$471.53	\$117.88	\$438.09	\$189.43
Walker & Dunlop, Inc.	WD	\$55.93	94.2%	\$1,718.98	\$2,994.22	\$770.19	\$169.88	\$817.55	\$171.04

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 September 30, 2019

(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics					Multiples
		Return On Assets	Return On Equity	Revenue Growth	Net Income Growth	Net Income Margin	Price/ LTM Earnings
Commercial Banks							
Bank of Hawaii Corporation	BOH	1.3%	17.9%	4.4%	14.7%	34.7%	19.9x
BOK Financial Corporation	BOKF	1.3%	11.4%	8.8%	25.3%	27.9%	14.7x
Fifth Third Bancorp	FITB	1.4%	11.5%	-9.2%	-24.7%	30.3%	10.4x
Fortress Investment Group	FFIN	4.3%	26.3%	27.9%	N/A	14.4%	38.0x
First Republic Bank	FRC	0.9%	10.1%	11.6%	12.1%	28.6%	23.8x
Fulton Financial Corporation	FULT	1.2%	10.5%	10.2%	43.3%	28.8%	15.4x
Hancock Whitney Corporation	HWC	1.1%	10.1%	6.4%	17.1%	29.1%	12.4x
Prosperity Bancshares, Inc.	PB	1.5%	8.2%	2.9%	13.6%	44.8%	19.0x
UMB Financial Corporation	UMBF	0.9%	8.5%	0.7%	-27.3%	20.3%	22.6x
Zions Bancorporation, National Association	ZION	1.3%	11.3%	2.6%	19.6%	30.6%	12.7x
	Mean	1.5%	12.6%	6.6%	10.4%	29.0%	18.9x
	Median	1.3%	10.9%	5.4%	14.7%	29.0%	17.2x
Investment Banking and Brokerage							
Evercore Inc.	EVR	24.0%	46.8%	17.3%	89.4%	17.2%	12.8x
Greenhill & Co., Inc.	GHL	-1.2%	-9.2%	-7.1%	N/A	-2.3%	NM
Morgan Stanley	MS	0.0%	0.0%	-4.7%	6.0%	21.3%	10.9x
Piper Jaffray Companies	PJC	5.9%	11.1%	2.8%	N/A	8.5%	16.7x
Raymond James Financial, Inc.	RJF	2.7%	15.8%	7.7%	31.0%	13.6%	13.8x
The Goldman Sachs Group, Inc.	GS	0.9%	10.1%	-6.1%	51.6%	26.9%	10.3x
	Mean	5.4%	12.4%	1.6%	44.5%	14.2%	12.9x
	Median	1.8%	10.6%	-1.0%	41.3%	15.4%	12.8x

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

TEV (total enterprise value)

Source: Capital IQ

(USD in millions, except per share data)

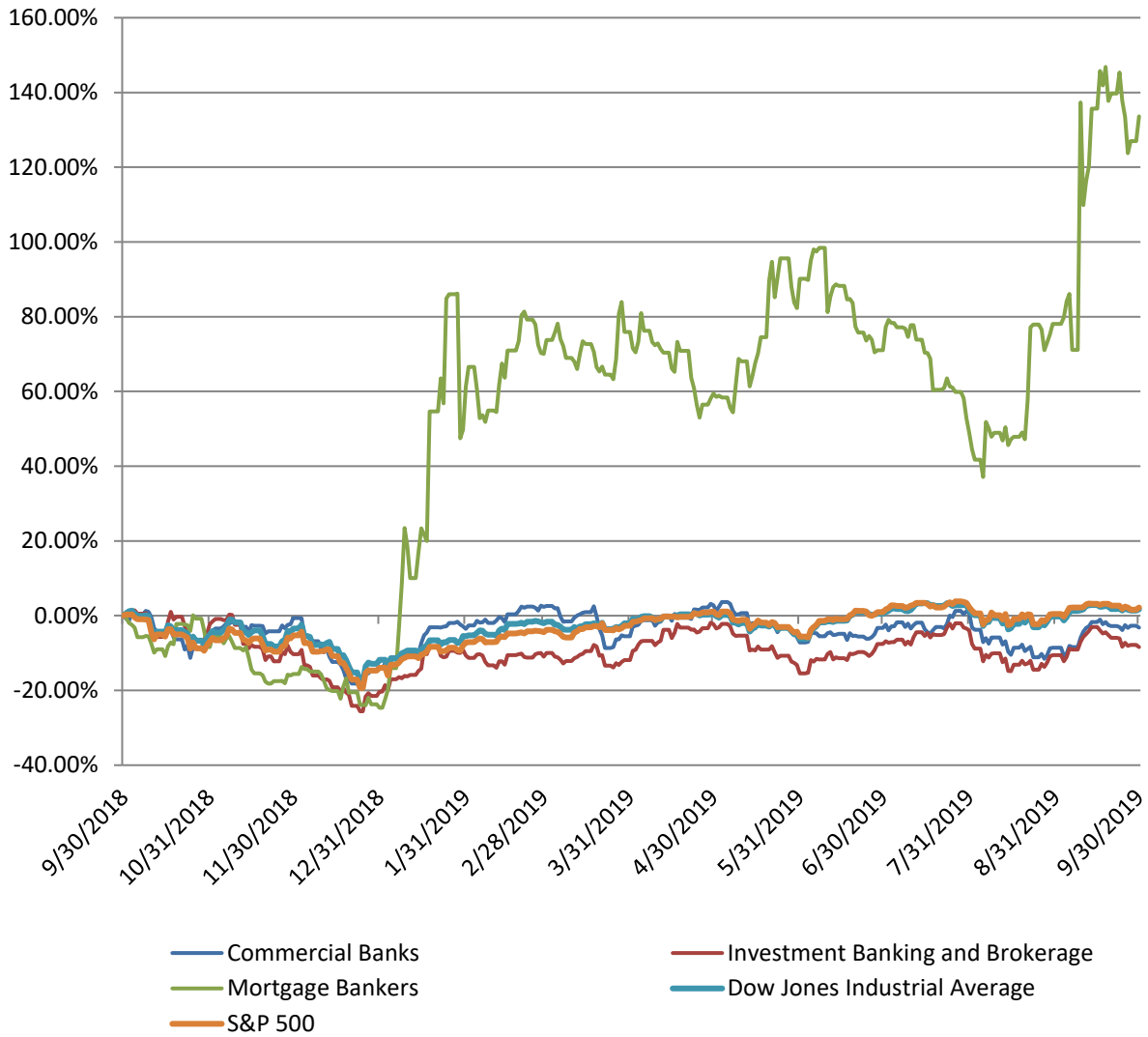
Company Name	Ticker	LTM Operating Statistics					Multiples
		Return On Assets	Return On Equity	Revenue Growth	Net Income Growth	Net Income Margin	Price/ LTM Earnings
Mortgage Bankers							
Freddie Mac	FMCC	0.3%	142.8%	-22.5%	-6.4%	50.4%	2.3x
Federal National Mortgage Association	FNMA	0.4%	189.1%	-12.5%	151.0%	54.3%	2.2x
Flagstar Bancorp, Inc.	FBC	1.0%	12.7%	10.5%	148.8%	19.7%	13.3x
Ocwen Financial Corporation	OCN	2.7%	-35.0%	4.9%	N/A	-15.8%	NM
HomeStreet, Inc.	HMST	0.7%	6.7%	23.9%	-68.0%	4.4%	19.4x
WSFS Financial Corporation	WSFS	1.2%	9.0%	28.6%	53.4%	25.0%	17.6x
Walker & Dunlop, Inc.	WD	6.1%	18.4%	9.6%	-19.6%	22.1%	12.0x
	Mean	1.8%	49.1%	6.1%	43.2%	22.9%	11.1x
	Median	1.0%	12.7%	9.6%	23.5%	22.1%	12.6x

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 September 30, 2019**



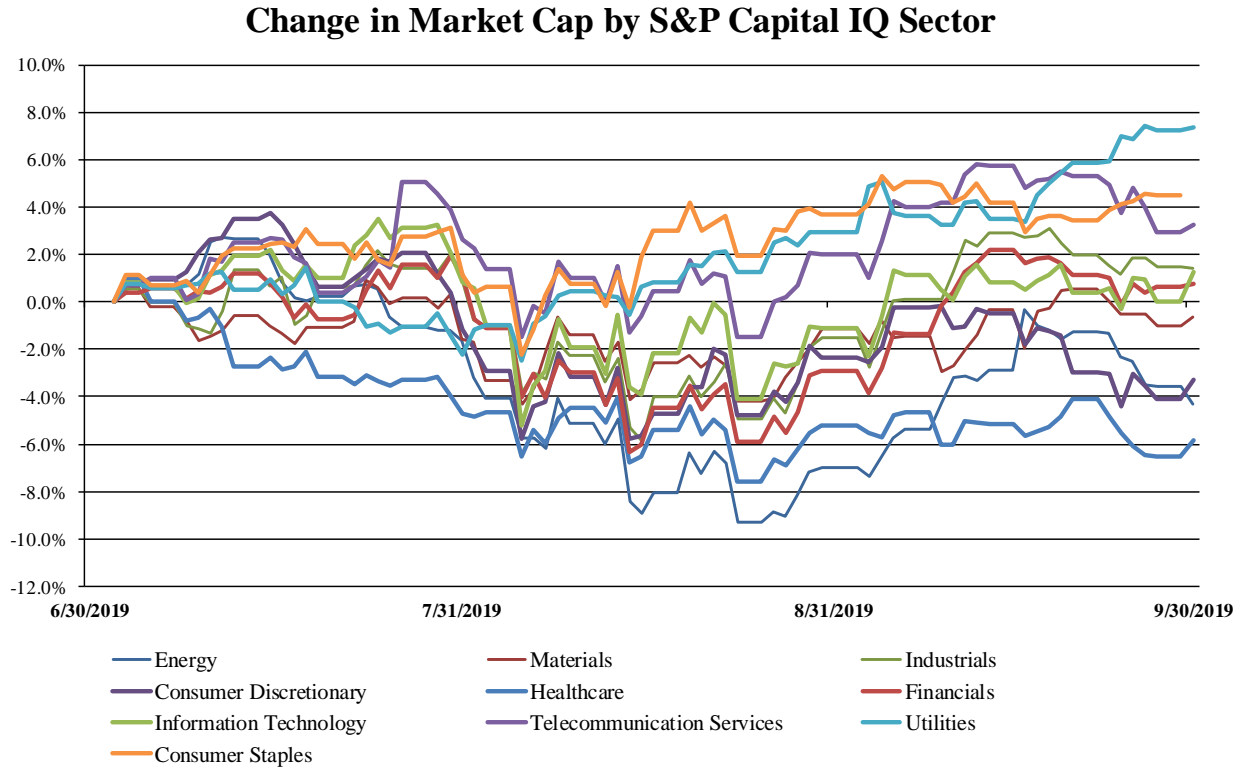
Note: The indices are derived from the equity performance of the previously listed companies. Source: Capital IQ

Recent M&A Activity in Banking Industry September 30, 2018 to September 30, 2019

(USD in millions)

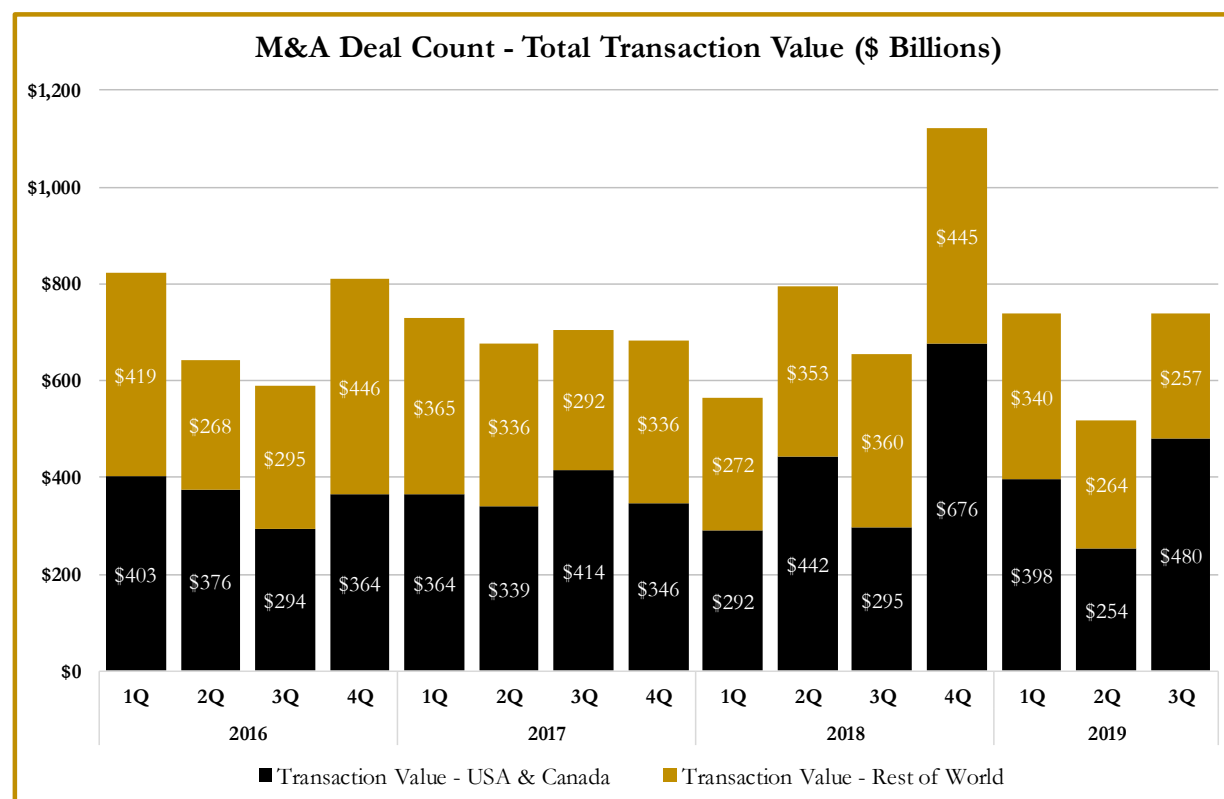
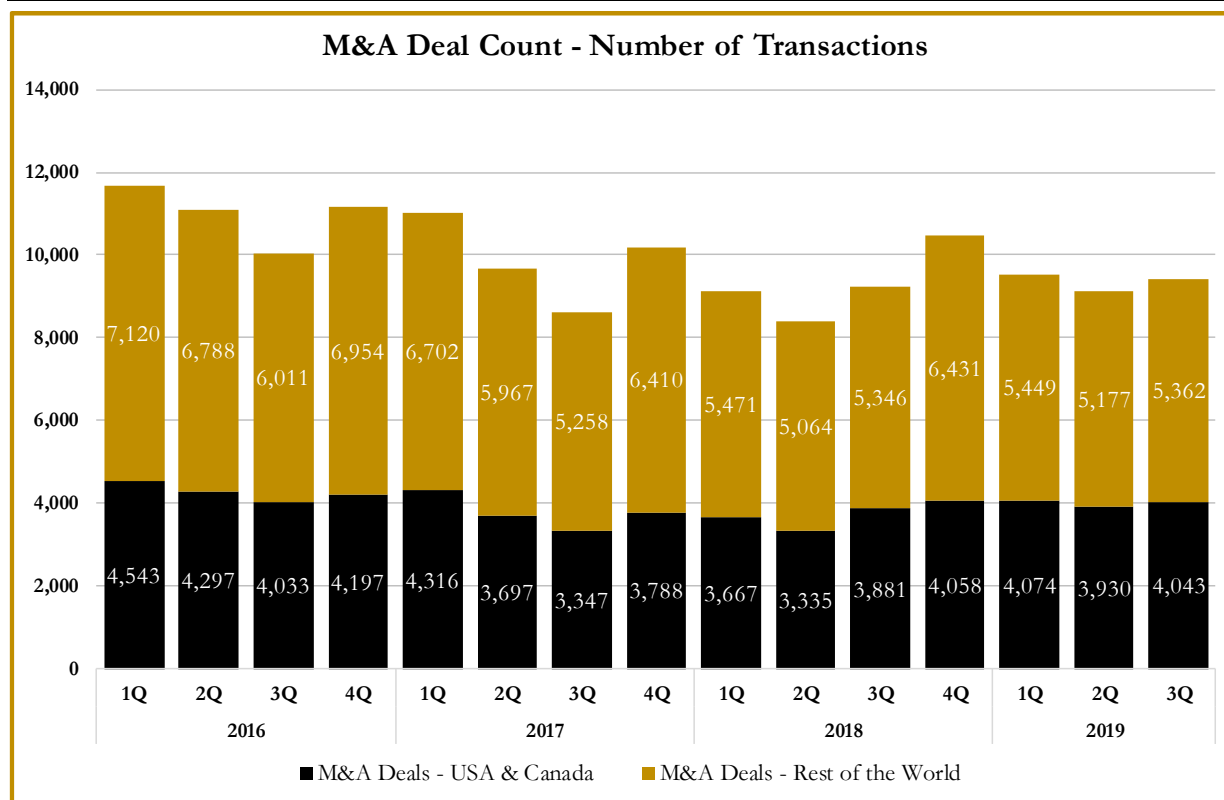
Close Date	Target	Acquirer	Target Company Primary Industry	Implied Equity Value
3/22/2019	MB Financial, Inc.	Fifth Third Financial Corporation	Regional Banks	\$4,613.46
1/1/2019	FCB Financial Holdings, Inc.	Synovus Financial Corp.	Regional Banks	\$2,747.02
8/31/2019	Rabobank, National Association	Mechanics Bank	Regional Banks	\$2,100.00
3/1/2019	Beneficial Bancorp, Inc.	WSFS Financial Corporation	Thrifts and Mortgage Finance	\$1,495.85
1/1/2019	Guaranty Bancorp	Independent Bank Group, Inc.	Regional Banks	\$1,036.69
1/1/2019	Green Bancorp, Inc.	Ventex Holdings, Inc.	Regional Banks	\$994.60
10/1/2018	CoBiz Financial Inc.	BOK Financial Corporation	Regional Banks	\$976.08
1/1/2019	State Bank Financial Corporation	Cadence Bancorporation	Regional Banks	\$871.83
4/1/2019	National Commerce Corporation	CenterState Bank Corporation	Regional Banks	\$868.72
7/1/2019	Fidelity Southern Corporation	Ameris Bancorp	Regional Banks	\$742.95
4/1/2019	Blue Hills Bancorp, Inc.	Independent Bank Corp.	Regional Banks	\$694.90
2/1/2019	Access National Corporation	Union Bankshares Corporation (nka:Atlantic Union	Regional Banks	\$610.99
10/1/2018	First Connecticut Bancorp, Inc.	People's United Financial, Inc.	Regional Banks	\$518.39
11/1/2018	Klein Financial, Inc.	Old National Bancorp	Regional Banks	\$433.80
10/4/2018	PHH Corporation	Owens Financial Corporation	Thrifts and Mortgage Finance	\$369.25
12/31/2018	Lincoln S.B. Corp.	HBT Financial, Inc.	Regional Banks	\$357.30
10/1/2018	Post Oak Bancshares, Inc.	Allegiance Bancshares, Inc.	Regional Banks	\$338.63
4/1/2019	BSB Bancorp, Inc.	People's United Financial, Inc.	Thrifts and Mortgage Finance	\$316.95
1/31/2019	The Banc Ed Corp.	First Busey Corporation	Regional Banks	\$304.88
8/30/2019	MBT Financial Corp.	First Merchants Corporation	Regional Banks	\$289.00
7/31/2019	Heritage Bancorp (Reno, Nevada)	Glacier Bancorp, Inc.	Regional Banks	\$240.82
9/20/2019	MidSouth Bancorp, Inc.	Hancock Whitney Corporation	Regional Banks	\$217.04
3/8/2019	Trinity Capital Corporation	Enterprise Financial Services Corp	Regional Banks	\$212.48
11/1/2018	Skagit Bancorp, Inc.	Banner Corporation	Regional Banks	\$191.19
4/12/2019	Reliance Bancshares Inc.	Simmons First National Corporation	Regional Banks	\$184.42
5/17/2019	SI Financial Group, Inc.	Berkshire Hills Bancorp, Inc.	Thrifts and Mortgage Finance	\$180.45
4/8/2019	Idaho Independent Bank	First Interstate Bank	Regional Banks	\$177.61
5/1/2019	ATBancorp, Inc.	MidWestOne Financial Group, Inc.	Regional Banks	\$171.67
10/1/2018	Icon Capital Corporation	BancorpSouth Bank	Regional Banks	\$144.76
4/1/2019	CAB Financial Corporation	Park National Corporation	Regional Banks	\$138.95
3/26/2019	Salin Bancshares, Inc.	Horizon Bancorp, Inc.	Regional Banks	\$135.48
7/27/2019	HopFed Bancorp, Inc.	First Financial Corporation	Regional Banks	\$134.72
5/9/2019	Bridgeview Bancorp, Inc.	First Midwest Bancorp, Inc.	Regional Banks	\$132.54
2/1/2019	Pacific Union Financial, LLC	Nationstar Mortgage LLC	Thrifts and Mortgage Finance	\$127.80
10/5/2018	Coastway Bancorp, Inc.	HarborOne Bancorp, Inc.	Thrifts and Mortgage Finance	\$123.91
8/15/2019	Pegasus Bank	BancFirst Corporation	Regional Banks	\$123.50
4/2/2019	Biscayne Bancshares, Inc.	First-Citizens Bank & Trust Company	Regional Banks	\$119.00
10/15/2018	First American International Corp.	RBB Bancorp	Regional Banks	\$115.32
10/1/2018	Athens Bancshares Corporation	Capstar Financial Holdings, Inc.	Regional Banks	\$105.18
8/1/2019	Liberty Bancorp, Inc.	Central Banccompany, Inc.	Thrifts and Mortgage Finance	\$103.26
9/1/2019	Summit Financial Enterprises, Inc.	BancorpSouth Bank	Regional Banks	\$100.30
4/1/2019	HomeTown Bankshares Corporation	American National Bankshares Inc.	Regional Banks	\$94.72
10/15/2018	First Security, Inc.	German American Bancorp, Inc.	Regional Banks	\$94.12
5/10/2019	Blue Valley Ban Corp.	Heartland Financial USA, Inc.	Regional Banks	\$93.89
12/7/2018	Poage Bankshares, Inc.	City Holding Company	Thrifts and Mortgage Finance	\$93.31
1/1/2019	Limberlost Bancshares, Inc.	Farmers & Merchants Bancorp, Inc.	Regional Banks	\$88.77
9/1/2019	Van Alstyne Financial Corporation	BancorpSouth Bank	Regional Banks	\$86.65
4/30/2019	FNB Bancorp (Layton, UT)	Glacier Bancorp, Inc.	Regional Banks	\$85.03
10/12/2018	Northern States Financial Corporation	First Midwest Bancorp, Inc.	Regional Banks	\$83.03
11/1/2018	FMB Banking Corporation	The First Bancshares, Inc.	Regional Banks	\$80.26
1/31/2019	Capital Bank of New Jersey	OceanFirst Bank	Regional Banks	\$78.61
3/2/2019	FPB Financial Corp.	The First Bancshares, Inc.	Thrifts and Mortgage Finance	\$78.46
11/16/2018	Anchor Bancorp	FS Bancorp, Inc.	Regional Banks	\$76.61
1/2/2019	Greater Hudson Bank (NY)	ConnectOne Bank	Regional Banks	\$76.24
7/12/2019	Kinderhook Bank Corp.	Community Bank System, Inc.	Regional Banks	\$72.84
11/15/2018	SCB Bancorp Inc.	First Mid-Illinois Bancshares, Inc. (nka:First Mid	Regional Banks	\$70.99

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of September 30, 2019

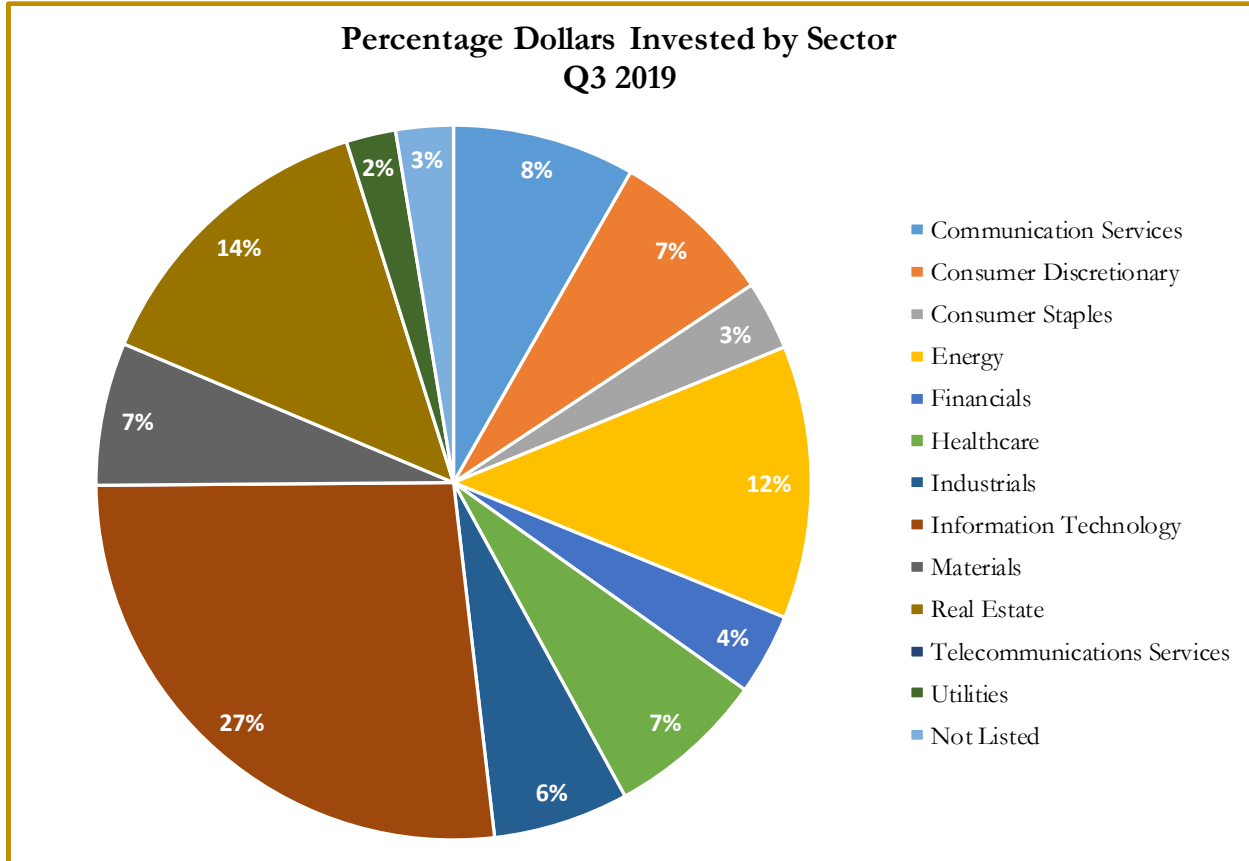


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector As of September 30, 2019



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of September 30, 2019





About Houlihan Capital

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

Valuation & Financial Advisory

We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

Investment Banking

Through our Investment Banking Group, we offer sell side/buy side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

Litigation Support

Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

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