



PCE Industry Report

Banking, Finance & Insurance



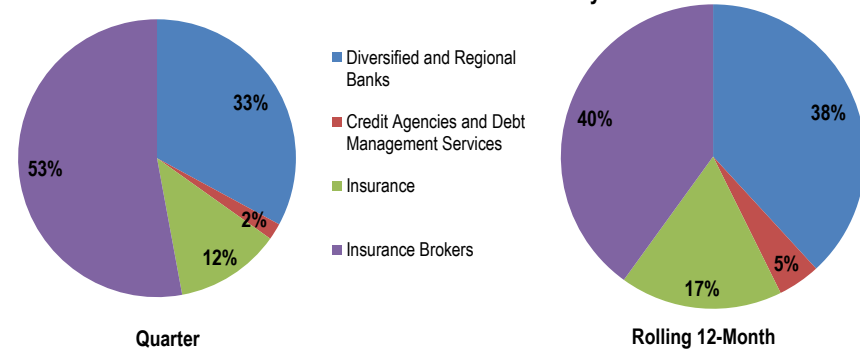
Banking, Finance & Insurance - For the Quarter Ended 03/31/15

Industry Trends During Quarter

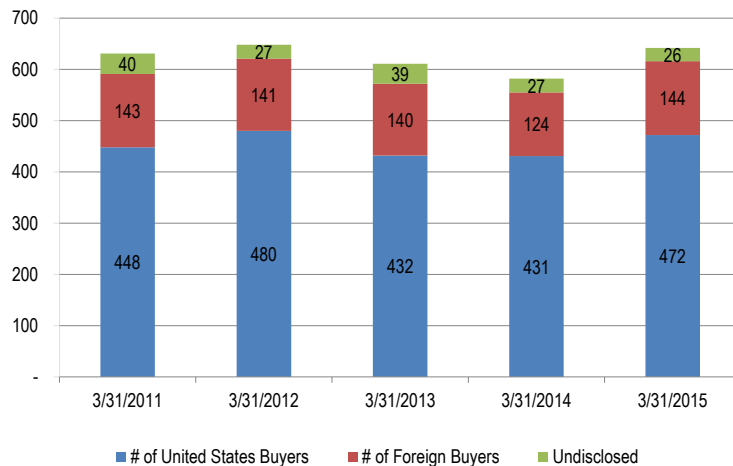
Sector	Transaction Volume	Implied Equity/Revenue	Implied Equity/Income
Diversified and Regional Banks	↓	Market Data Not Available	Market Data Not Available
Credit Agencies and Debt Management Services	↓	Market Data Not Available	Market Data Not Available
Insurance	↓	→	Market Data Not Available
Insurance Brokers	↑	Market Data Not Available	Market Data Not Available

* Based on transactions with reported financial data only; historically ~ 30% to 40% of transactions report financial data

Transaction Volume as % of Industry



Rolling 12-Month Transaction Volume Trends by Buyer Origin



* Results exclude transactions that did not disclose buyer information

Source: S&P Capital IQ as of 5/7/2015 and PCE Proprietary Data

Largest Transactions Closed During Quarter by Transaction Value (\$ in millions)

Sector	Target	Buyer	Transaction Value
Diversified & Reg Banks	Square 1 Financial, Inc.	PacWest Bancorp	\$849.3
Diversified & Reg Banks	Bridge Capital Holdings	Western Alliance Bancorporation	\$396.2
Insurance Brokers	QBE Holdings, Inc., US Agency Businesses	Alliant Specialty Insurance Services, Inc.	\$300.0
Diversified & Reg Banks	Lake Michigan Financial Corporation	Chemical Financial Corporation	\$184.0
Diversified & Reg Banks	First Security Group, Inc.	Atlantic Capital Bancshares, Inc.	\$160.0
Diversified & Reg Banks	SBM Financial, Inc.	Camden National Corp.	\$131.9
Diversified & Reg Banks	Asia Bancshares, Inc.	Cathay General Bancorp	\$126.0
Diversified & Reg Banks	National Bancshares Corporation	Farmers National Banc Corp.	\$68.3
Insurance Brokers	Ahmann-Martin	Associated Financial Group, LLC	\$56.0
Diversified & Reg Banks	MoneyTree Corporation	United Community Banks, Inc.	\$53.0

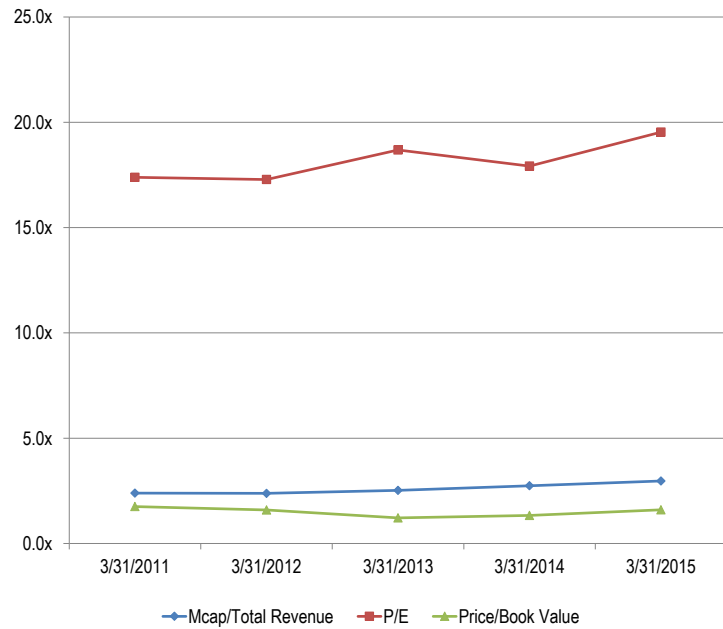
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Summary of Public Comparables as of Quarter End (\$ in millions)

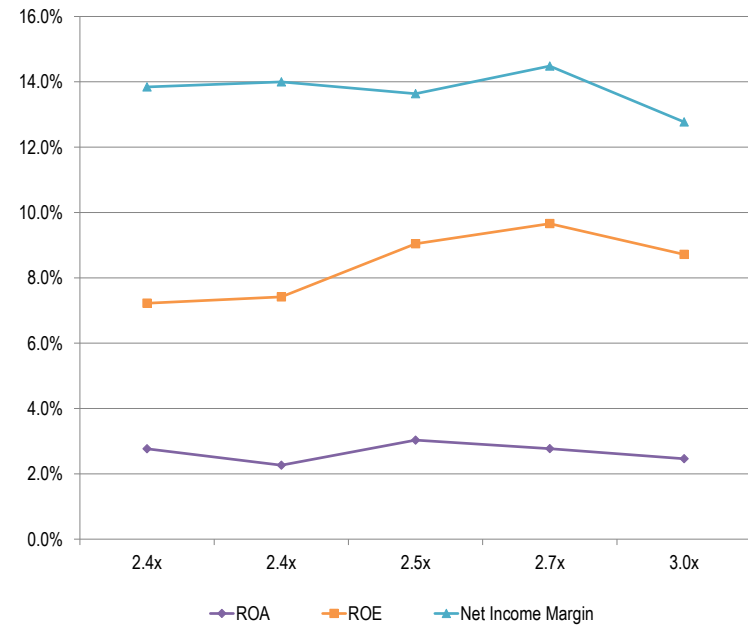
	Multiples				LTM 3/31/2015 Trends	
	Market Cap	Mcap/Rev	P/E	P/B		
Average	\$5,880	3.2x	22.9x	3.6x	Mcap/Rev	↑
Median	\$735	3.0x	19.5x	1.6x	P/E	↑
					Price/Book Value	↑

	Margins			LTM 3/31/2015 Trends	
	ROA	ROE	Net Income Margin		
Average	4%	23.22%	14%	ROA	↓
Median	2%	9%	13%	ROE	↓
				Net Income Margin	↓

Valuation Trends



Margin Trends



Source: S&P Capital IQ as of 5/7/2015 and PCE Proprietary Data

Data Assumptions

At PCE, we consider transaction activity as mergers & acquisitions, consolidations, restructurings and spin-offs. Targets are defined as U.S. based companies with either foreign or U.S. based buyers. Transaction information provided is based on announced dates.



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Glossary

EBIT - Earnings Before Interest and Taxes

EBITDA - Earnings Before Interest, Taxes, Depreciation, Amortization

LTM - Last Twelve Months

TEV - Total Enterprise Value

About PCE

Eighteen years ago, PCE was formed to provide professional investment banking, business valuation and advisory services to middle market companies. We determined from our experience as business owners that there was a need that was not being professionally fulfilled.

We understand the importance of creating a relationship and the value of trust when providing our services. PCE's professionals are successful business owner, entrepreneurs, lenders, former Federal Reserve board members, CPA's, CFA's, national & international valuation experts, international analysts and investors. PCE offers senior level attention, sound advice, skilled execution and personalized attention you can trust.

Our mission is to be the premier investment bank serving middle market companies. PCE is committed to providing individualized strategies throughout your business life-cycle, focused on maximizing shareholder value.

PCE Investment Bankers, Inc. – member FINRA and SIPC; PCE Valuations, LLC; PCE Advisory, LLC