

Bank Watch

Midwest

Process of Elimination Becomes the Catalyst

by Jeff K. Davis, CFA

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An old market saw is that bull markets take the stairs and bear markets take the elevator. The current market fits the bull market description given the slow grind higher. The S&P 500 has produced a total return of 9% YTD, 15% since the post-election low on November 14 and 43% since October 4, 2011, when equities and credit cratered following the downgrade of the U.S. and seizure in the funding markets for European banks.

The recent gains are impressive given the lack of any meaningful pullbacks other than two brief periods of less than 10% since the Q3'11 swoon. Otherwise, the S&P 500, Russell 2000 and NASDAQ Composite charts are a series of higher highs and higher lows. The recent run is curious because of the weekly announcements of weak and/or an unusually uncertain operating environment (I recognize the future, by definition, is uncertain) that retail-oriented companies are making. Markets have an uncanny ability to see 6-to-9 months out. So, recent strength may point to an improving economic backdrop by the fall.

Or maybe the Fed's elixir is lasting longer than expected when the current round of QE was announced last fall. Chairman Ben Bernanke has been very explicit that the Fed is targeting equity (and real estate) markets to support the economy via the presumed wealth effect. I would add the targeting of real estate markets has supported the recapitalization of the banking sector — a project that is now complete if one disregards a subset of troubled small banks. The strength of equities probably will not elicit any commentary in next week's Federal Open Market Committee meeting, though Bernanke may be asked about equities during the press conference that is scheduled to follow the meeting.

At Mercer Capital, we have spent 30 years studying equity market returns, expectations and how various components in a capitalization rate (or capitalization factor) alter value. There is no need to go into the theoretical underpinnings of discount rates and capitalization rates in this setting, but if you are interested see: *Valuing Financial Institutions* (by Chris Mercer; 1991) and Morningstar's *Ibbotson S&P Valuation Yearbook*. Aside from the large- and small-cap equity risk premium, the level of long-term "risk-free" rates (here measured by the 20-year U.S. Treasury) and expected long-term earnings/cash flow growth are key. The level of Treasury yields and earnings multiples are inversely correlated, while expected (sustainable) earnings growth and multiples are positively correlated.

Two observations related to this: a general increase in rates is not necessarily bad for equity valuations if rates are rising due to stronger economic growth and therefore potentially better earnings growth. Also, if there is one attribute the Street loves when contemplating equities, it is earnings growth. And an even better attribute is accelerating earnings growth. A case in point in the banking sector is the performance of BofI Holding Inc. and Signature Bank in terms of accelerating growth and Texas Capital Bancshares Inc. in terms of decelerating growth. All three are great growth stories, but their stock charts have diverged sharply over the past several months.

The consensus around Wall Street is that equities, while perhaps not cheap, are attractive vis-à-vis alternative investments in spite of the run the past 16 months. While one can debate the extent that QE has distorted asset values and the valuation of various assets, there may be something to the consensus — at least from a mathematical perspective. As shown in the table, the S&P 500 as of March 8 was trading for 18.2x reported trailing twelve-month earnings and 13.9x consensus forward twelve-month operating earnings. To the extent the subject company (or index) in the table can sustain earnings growth that tracks nominal GDP growth (4% to 5%), maybe further multiple expansion will occur provided the Fed keeps a tight rein on long-term rates. (Note: the delta between trailing reported earnings and forward operating consensus estimate says a lot about Wall Street salesmanship and why investors rarely hear Street professionals talk about trailing earning P/Es. Cheap, a margin of safety and potential multiple expansion sells; fully valued does not.)

In addition to the Case-Shiller Index, Robert Shiller is widely known for his work on equity multiples. The Shiller P/E, which is formally known as the cyclically adjusted P/E (CAPE), is based upon a ten-year trailing average of inflation adjusted earnings. In doing so the multiple captures a full business cycle (or two) in addition to the inflation impact. As of March 8, the Shiller P/E was 23.4x. The average Shiller P/E since 1880 is 16.5x, though most of the period entailed a term structure of rates that is higher than prevails today.

I think Shiller has been arguing the market is richly valued lately, but valuation is never a catalyst. In my mind cheap is 8x to 10x normalized earnings for a value company and something higher for a growth story that is not predicated upon break-through technologies or over the horizon earnings. However, my formative years in valuing banks were the early 1990s when equities really were cheap and before Chairman Alan Greenspan unleashed the great moderation on asset values. So, I may not be able to correctly process the current environment.

Whether cheap or merely trading for a discount to a theoretical multiple (if the Shiller P/E is discarded), a catalyst is needed to close the valuation gap. The Fed may be the continuing

catalyst. It has pushed rates lower and asset values higher since March 2009. The jury is out on the Fed's efforts to push economic growth higher from here, but it seems to have made most fixed investment akin to technology stocks in the late 1990s — though realization of the downside may be years away. When all but one option apparently is eliminated, the consensus may be on to something.

Multiple Sensitivity - Risk-Free Rate, Equity Premiums, and Expected Growth

As of March 11, 2013

Metric or Calculation	Small-Cap Public Company	Large-Cap Public Company	Low-Risk Private Company	High-Risk Private Company
Yield-to-maturity 20-year US Treasury (%) ¹	2.82	2.82	2.82	2.82
+ Multiyear common stock premium (%) ²	5.37			
x Industry beta (x)	1.00			
= Beta adjusted equity premium (%)	5.37	5.37	5.37	5.37
+ Small capitalization stock premium (%)	---	2.80	2.80	2.80
+ Specific risk associated with subject (%)	---		1.50	5.00
= Discount rate (%)	8.19	10.99	12.49	15.99
- Long-term sustainable growth rate (%)	-4.00	-6.00	-4.00	-6.00
= Capitalization rate (%)	4.19	4.99	8.49	9.99
= Capitalization factor (1/cap rate) (x)	23.87	20.04	11.78	10.01
S&P 500 P/E - reported trailing 12 mo EPS (x) ³	18.2			
S&P 500 P/E - forward 12 months (x) ³	13.9			
S&P 500 P/E - Shiller CAPE (x) ⁴	23.4			
Russell 2000 - forward 12 months (x) ³	NM	16.3		

Specific risks and growth rate assumptions reflect hypothetical metrics for illustration purposes.

¹ Treasury yield for 20-year bonds per the Federal Reserve H.15 as of March 8, 2013

² Multiyear common stock premium per Mercer Capital's analysis of Ibbotson return data

³ S&P 500 and Russell 200 P/E data per Birinyi Associates as reported in the WSK on March 10, 2013

⁴ Shiller P/E ratio per <http://www.multpl.com/shiller-pe/>



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The Outlook for M&A in 2013

Our expectations for bank M&A in 2013, which follows a modest pick-up in activity in 2012 vis-à-vis 2011, are presented. Investors are anxious for M&A to increase given the earnings outlook, but seller expectations and regulatory actions are acting as a governor—at least for the now.

View replay at <http://mer.cr/bnkweb1>

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Key issues that we see when banks combine as it relates to valuing and evaluating a combination are reviewed. This is particularly critical when the consideration consists of shares issued by a buyer (or senior merger partner) whose shares are either privately held or are thinly traded.

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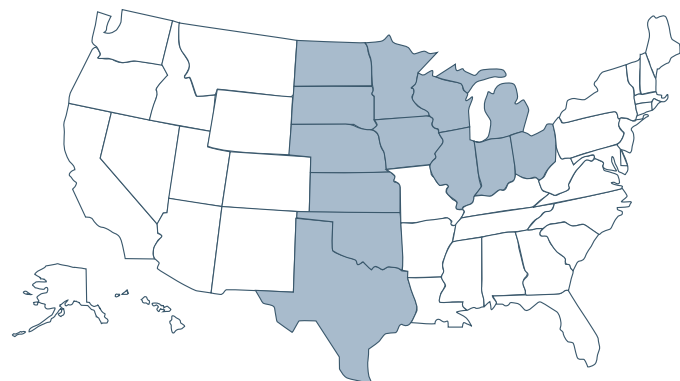
How to Profit on a Distressed Transaction

Buyers have been leery of acquiring troubled banks in non-assisted deals. With a slowly recovering economy, we take a look at the opportunities and pitfalls or making an acquisition of a “turnaround” bank.

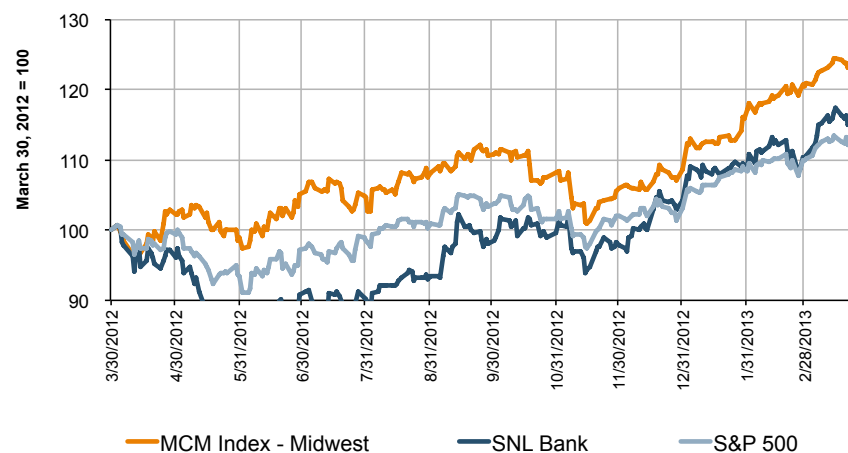
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About the Speaker

Jeff K. Davis, Managing Director of Mercer Capital's Financial Institutions Group, will be the featured speaker for each listed webinar. Jeff spent 13 years as a sell-side analyst providing coverage of publicly traded banks and specialty finance companies to institutional investors evaluating common equity and fixed income investment opportunities. Presently, he is an editorial contributor to SNL Financial.



Community Bank Group Index Overview



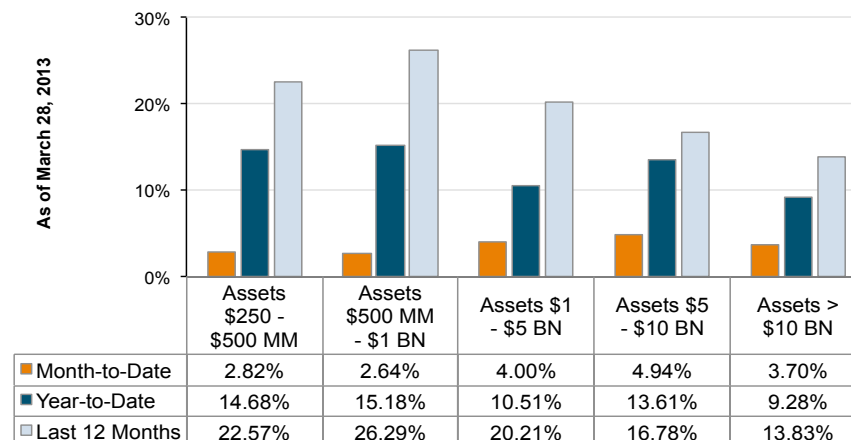
Median Valuation Multiples

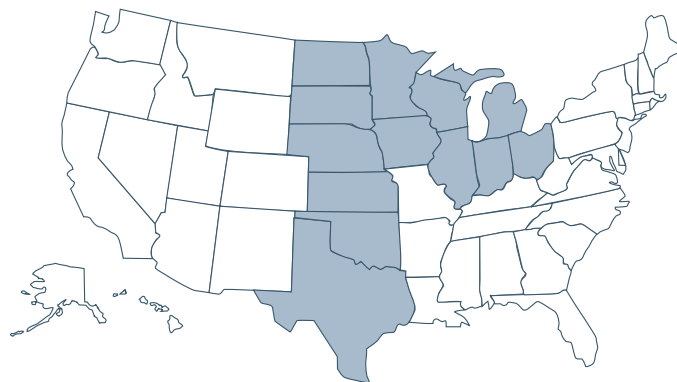
as of March 30, 2013

	Midwest Community Bank Index	National Community Bank Index
Price / LTM EPS	11.51	12.74
Price / 2013 (E) EPS	12.07	13.40
Price / 2014 (E) EPS	12.10	12.57
Price / Book Value	99.69%	102.33%
Price / Tangible Book Value	107.91%	110.93%
Dividend Yield	2.09%	2.61%

Return Stratification of U.S. Banks

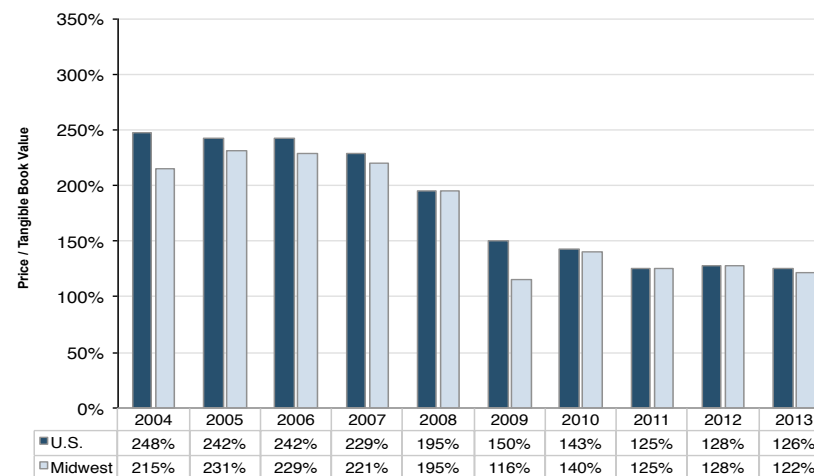
by Asset Size





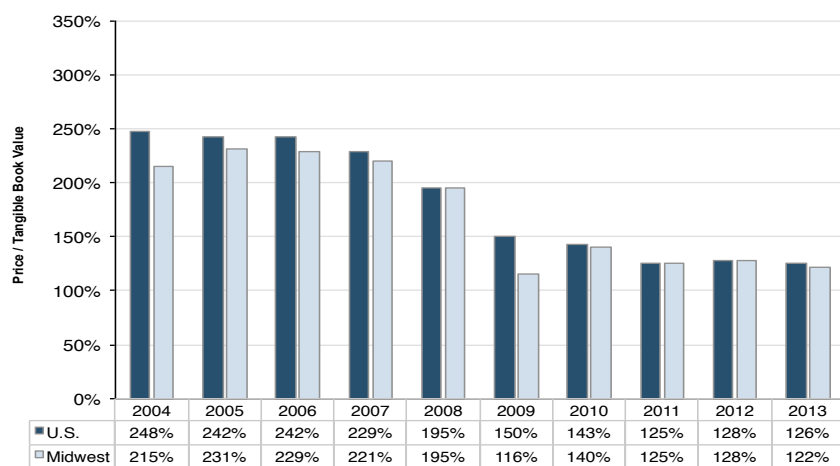
Median Price/Earnings Multiples

Target Banks Assets <\$5BN and LTM ROE >5%



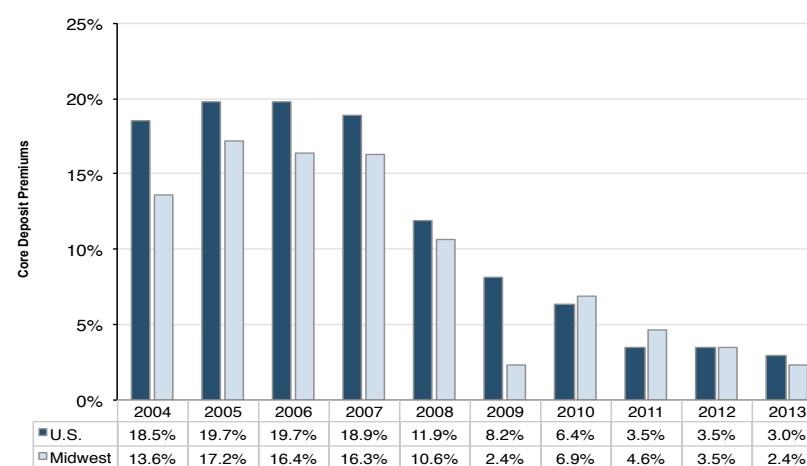
Median Price/Tangible Book Value Multiples

Target Banks Assets <\$5BN and LTM ROE >5%



Median Core Deposit Multiples

Target Banks Assets <\$5BN and LTM ROE >5%



Mercer Capital's Midwest Public Bank Peer Report

April 9, 2013

52 Wk Perf (%)	52 Wk High (\$)	52 Wk Low (\$)	Company Name	Ticker	State	Current Price (\$)	Market Cap (\$M)	LTM (x)	Price / Earnings Core LTM (x)	FY 13 (x)	FY 14 (x)	Price/BVPS (x)	Price/Tang. BVPS (x)	Div. Yield (%)	Tangible Equity / Assets (%)	Efficiency Ratio (%)	LTM ROE (%)	LTM ROA (%)	NPAs/Loans + OREO (%)	NCOs/Avg. Loans (%)	Loan Loss Reserve/Loans (%)	Assets (\$M)
(8.35)	\$23.98	\$18.39	Ames National Corporation	ATLO	IA	\$19.63	\$183	12.91	12.89	NM	NM	1.26	1.33	3.26	11.38	46.25	10.08	1.24	3.12	0.03	1.50	\$1,217,692
56.87	\$29.01	\$14.91	Heartland Financial USA, Inc.	HTLF	IA	\$23.87	\$402	8.62	10.46	10.40	10.01	1.25	1.40	1.68	5.78	72.20	13.18	1.12	3.34	0.22	1.32	\$4,990,553
20.96	\$24.25	\$18.76	MidWestOne Financial Group, Inc.	MOFG	IA	\$23.38	\$199	11.93	11.12	11.41	11.27	1.14	1.21	2.14	9.22	58.82	10.13	0.97	1.29	0.20	1.68	\$1,792,819
19.45	\$12.35	\$9.02	West Bancorporation, Inc.	WTBA	IA	\$10.80	\$188	11.74	12.18	12.56	12.56	1.40	1.40	3.70	9.29	51.64	12.34	1.21	1.80	0.22	1.67	\$1,448,175
20.20			Median - Iowa					11.83	11.65	11.41	11.27	1.26	1.36	2.70	9.26	55.23	11.23	1.16	2.46	0.21	1.58	\$1,620,497
(4.46)	\$5.00	\$4.09	First Busey Corporation	BUSE	IL	\$4.28	\$371	19.45	16.62	16.73	14.75	1.10	1.23	3.74	8.45	66.05	5.40	0.64	2.45	1.34	2.32	\$3,618,056
8.44	\$13.60	\$9.42	First Midwest Bancorp, Inc.	FMBI	IL	\$12.43	\$934	NM	NM	14.22	12.12	0.99	1.41	0.32	8.44	65.63	(2.18)	(0.26)	2.68	3.30	1.85	\$8,099,839
18.66	\$24.58	\$17.00	MB Financial, Inc.	MBFI	IL	\$23.85	\$1,306	14.91	14.05	13.65	13.12	1.03	1.59	1.68	9.01	62.47	7.11	0.95	3.28	(0.02)	2.15	\$9,571,805
21.49	\$55.50	\$41.11	Northern Trust Corporation	NTRS	IL	\$54.75	\$13,094	19.48	18.76	16.97	15.10	1.74	1.90	2.26	7.11	72.10	9.34	0.74	1.25	0.09	1.01	\$97,463,800
101.88	\$3.75	\$1.10	Old Second Bancorp, Inc.	OSBC	IL	\$3.23	\$45	NM	NM	40.63	13.00	nm	nm	0.00	(0.13)	71.59	(0.10)	(0.00)	12.58	1.55	3.33	\$2,045,799
27.64	\$19.40	\$13.30	PrivateBancorp, Inc.	PVTB	IL	\$18.27	\$1,354	20.76	20.16	15.16	13.51	1.17	1.28	0.22	7.88	53.58	5.92	0.60	2.74	1.07	1.79	\$14,057,515
34.16	\$16.96	\$10.70	QCR Holdings, Inc.	QCRH	IL	\$15.85	\$78	8.57	9.49	8.34	8.36	0.89	0.93	0.50	4.02	68.60	9.24	0.65	2.22	0.27	1.55	\$2,093,730
11.29	\$19.35	\$13.26	Taylor Capital Group, Inc.	TAYC	IL	\$15.58	\$453	8.70	9.29	8.34	9.11	1.26	1.26	0.00	6.13	61.98	14.02	1.24	2.45	0.91	2.00	\$5,802,410
5.19	\$39.81	\$31.67	Wintrust Financial Corporation	WTFC	IL	\$35.82	\$1,325	15.51	16.53	14.65	13.44	0.81	1.05	0.50	7.36	63.15	6.56	0.67	2.34	0.65	0.94	\$17,519,613
18.66			Median - Illinois					15.51	16.53	14.65	13.12	1.06	1.27	0.50	7.36	65.63	6.56	0.65	2.45	0.91	1.85	\$8,099,839
2.12	\$24.79	\$19.70	1st Source Corporation	SRCE	IN	\$22.91	\$580	11.34	11.23	NM	NM	0.99	1.18	2.97	10.56	63.92	9.10	1.11	1.53	0.13	2.50	\$4,550,693
85.59	\$9.41	\$4.82	Ameriana Bancorp	ASBI	IN	\$9.06	\$27	14.61	14.76	NM	NM	0.74	0.77	0.44	7.92	77.15	5.18	0.41	7.19	0.33	1.33	\$445,763
27.45	\$16.94	\$11.02	Community Bank Shares of Indiana, Inc.	CBIN	IN	\$16.28	\$55	7.90	9.68	NM	NM	0.94	0.95	2.46	7.06	61.28	9.16	0.95	6.03	1.14	1.88	\$819,500
3.71	\$33.09	\$27.07	First Financial Corporation	THFF	IN	\$30.12	\$401	12.15	11.88	13.15	13.07	1.08	1.21	3.19	11.58	59.25	9.02	1.13	3.38	0.45	1.19	\$2,895,408
25.58	\$15.97	\$10.97	First Merchants Corporation	FRME	IN	\$14.75	\$429	10.46	12.36	11.91	11.10	0.92	1.36	0.81	7.50	64.11	8.43	1.06	2.77	0.71	2.37	\$4,304,821
17.25	\$25.42	\$17.86	German American Bancorp, Inc.	GABC	IN	\$21.29	\$269	11.21	11.21	11.96	12.51	1.45	1.65	2.82	8.24	55.18	13.57	1.24	1.01	0.19	1.27	\$2,006,300
69.14	\$20.93	\$11.77	Horizon Bancorp	HBNC	IN	\$19.44	\$168	8.45	7.89	8.41	8.51	1.14	1.37	2.06	6.72	60.79	13.76	1.19	2.18	0.40	1.52	\$1,848,227
8.96	\$28.82	\$23.47	Lakeland Financial Corporation	LKFN	IN	\$26.11	\$426	12.14	11.83	11.97	11.67	1.43	1.45	2.60	9.57	49.87	12.30	1.19	2.38	0.20	2.27	\$3,064,144
19.21	\$15.33	\$10.60	MainSource Financial Group, Inc.	MSFG	IN	\$13.57	\$276	10.44	9.77	10.83	10.81	0.89	1.16	1.77	NA	62.13	8.15	0.99	3.66	1.13	2.05	\$2,769,288
53.14	\$14.85	\$9.72	MutualFirst Financial, Inc.	MFSF	IN	\$14.85	\$105	18.11	19.34	16.40	15.26	0.95	0.97	1.62	NA	71.81	5.26	0.50	4.18	0.71	1.62	\$1,422,458
6.24	\$14.28	\$10.87	Old National Bancorp	ONB	IN	\$13.10	\$1,324	13.79	13.03	12.51	11.91	1.11	1.60	3.05	NA	65.60	8.34	1.04	3.54	0.19	1.05	\$9,543,623
54.20	\$24.49	\$15.10	River Valley Bancorp	RIVR	IN	\$22.99	\$35	9.58	12.16	nm	NM	1.15	1.17	3.65	NA	68.93	11.72	0.96	5.25	0.69	1.15	\$472,855
38.98	\$14.25	\$9.46	Tower Financial Corporation	TOFC	IN	\$13.94	\$65	11.81	12.01	11.86	NM	1.04	1.04	2.01	NA	63.98	8.83	0.87	NA	0.78	1.82	\$683,973
25.58			Median - Indiana					11.34	11.88	11.96	11.79	1.04	1.18	2.46	8.08	63.92	9.02	1.04	3.46	0.45	1.62	\$2,006,300
13.66	\$21.49	\$17.88	Landmark Bancorp, Inc.	LARK	KS	\$20.71	\$61	9.59	9.51	NM	NM	0.96	1.22	3.67	8.25	62.38	10.34	1.01	3.53	0.64	1.40	\$614,067
13.66			Median - Kansas					9.59	9.51	NM	NM	0.96	1.22	3.67	8.25	62.38	10.34	1.01	3.53	0.64	1.40	\$614,067
17.36	\$26.66	\$19.25	Chemical Financial Corporation	CHFC	MI	\$24.78	\$682	13.39	13.00	13.17	12.94	1.14	1.47	3.39	8.03	58.98	8.68	0.94	3.56	0.56	2.02	\$5,917,252
42.60	\$22.88	\$14.55	Citizens Republic Bancorp, Inc.	CRBC	MI	\$22.56	\$913	2.62	2.58	16.57	14.24	0.85	1.21	0.00	8.15	65.75	31.00	3.89	1.69	1.56	2.10	\$9,586,683
57.03	\$14.98	\$7.72	Firstbank Corporation	FBMI	MI	\$13.31	\$107	11.47	10.71	10.87	10.69	0.82	1.14	1.80	6.41	61.76	7.00	0.70	4.06	0.77	2.21	\$1,499
283.50	\$9.00	\$2.13	Independent Bank Corporation	IBCP	MI	\$8.36	\$79	10.45	12.00	NM	NM	1.50	1.62	0.00	2.32	77.98	22.97	1.11	12.42	1.35	3.01	\$2,024
87.24	\$6.10	\$2.80	Macatawa Bank Corporation	MCBC	MI	\$5.87	\$160	4.48	4.46	22.60	37.67	1.64	1.64	0.00	6.24	75.54	34.39	2.37	11.93	0.08	2.24	\$1,561
38.24	\$9.25	\$5.61	Mackinac Financial Corporation	MFNC	MI	\$9.03	\$50	5.98	5.98	nm	NM	0.82	0.82	1.77	11.25	67.95	11.26	1.35	1.75	0.23	1.16	\$546
83.88	\$4.37	\$1.82	MBT Financial Corp.	MBTF	MI	\$3.88	\$69	7.92	8.74	nm	NM	0.81	0.81	0.00	6.59	71.55	11.05	0.69	13.49	1.65	2.75	\$1,269
16.00	\$18.69	\$13.41	Mercantile Bank Corporation	MBWM	MI	\$16.64	\$145	12.80	12.80	12.36	12.21	0.99	0.99	2.40	10.30	68.54	8.18	0.89	2.47	0.45	2.75	\$1,423
49.82			Median - Michigan					9.18	9.73	13.17	12.94	0.92	1.17	0.89	7.31	68.24	11.16	1.02	3.81	0.66	2.22	\$1,530

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35.14	\$15.04	\$9.59	TCF Financial Corporation	TFC	MN	\$14.85	\$2,432	11.86	31.89	15.56	12.62	0.75	0.75	1.35	7.59	68.15	(11.85)	(1.14)	7.36	1.54	1.73	\$18,225,917
11.25	\$35.46	\$28.58	U.S. Bancorp	USB	MN	\$33.69	\$62,798	11.86	NA	11.03	10.28	1.09	1.33	2.32	7.01	49.76	14.17	1.60	2.80	0.98	1.92	\$353,855,000
23.20			Median - Minnesota					11.86	31.89	13.29	11.45	0.92	1.04	1.83	7.30	58.95	1.16	0.23	5.08	1.26	1.83	\$186,040,459
44.14	\$3.98	\$1.59	Camco Financial Corporation	CAFI	OH	\$3.37	\$46	6.74	6.88	NM	NM	0.75	0.75	0.00	7.82	82.75	8.56	0.54	NA	0.43	2.12	\$764
(0.73)	\$6.90	\$5.31	Farmers National Banc Corp.	FMNB	OH	\$6.11	\$115	11.53	12.04	10.98	8.13	0.95	1.00	1.96	10.12	70.45	8.42	0.89	2.74	0.52	1.29	\$1,140
17.54	\$16.77	\$12.04	Fifth Third Bancorp	FITB	OH	\$16.39	\$14,333	9.87	11.23	9.87	9.51	1.09	1.33	2.68	9.10	63.56	11.45	1.34	3.93	0.83	2.09	\$121,894
30.81	\$7.71	\$4.91	First Citizens Banc Corp	FCZA	OH	\$7.18	\$55	11.04	NA	9.73	10.43	nm	NM	2.23	NA	NA	NA	NA	NA	NA	NA	NA
0.03	\$18.00	\$13.87	First Financial Bancorp.	FFBC	OH	\$15.66	\$907	13.74	14.03	14.70	14.21	1.28	1.50	7.15	9.51	56.99	9.43	1.07	2.76	0.79	2.36	\$6,497
5.59	\$17.19	\$12.95	FirstMerit Corporation	FMER	OH	\$16.50	\$1,809	13.52	12.92	13.63	11.84	1.10	1.53	3.88	8.16	62.63	8.34	0.92	1.44	0.53	1.47	\$14,913
19.38	\$7.55	\$5.81	Huntington Bancshares Incorporated	HBAN	OH	\$7.39	\$6,234	10.41	9.81	10.86	10.49	1.15	1.29	2.71	8.69	61.75	11.30	1.15	2.98	0.83	1.85	\$56,153
23.77	\$10.19	\$6.80	KeyCorp	KEY	OH	\$9.85	\$9,093	11.07	11.30	11.20	10.15	0.91	1.02	2.23	10.15	67.46	8.51	1.00	1.65	0.68	1.66	\$89,236
34.36	\$18.95	\$12.84	LCNB Corp.	LCNB	OH	\$17.00	\$130	13.93	16.22	NM	NM	1.40	1.51	3.76	9.71	63.09	10.22	1.02	3.94	0.18	0.76	\$789
23.13	\$8.65	\$5.46	LNB Bancorp, Inc.	LNBB	OH	\$8.31	\$77	13.62	12.85	12.04	12.31	0.72	0.95	0.48	5.98	66.46	5.29	0.51	3.29	0.76	1.98	\$1,178
8.39	\$21.00	\$15.97	NB&T Financial Group, Inc.	NBTF	OH	\$19.34	\$66	17.12	21.56	NM	NM	0.93	0.99	6.20	10.30	74.55	5.45	0.56	3.35	1.15	1.18	\$651
9.59	\$20.56	\$17.56	Ohio Valley Banc Corp.	OVBC	OH	\$18.58	\$75	10.62	10.61	NM	NM	1.00	1.01	4.52	9.71	70.16	9.53	0.86	4.17	0.35	1.24	\$769
7.49	\$72.37	\$60.80	Park National Corporation	PRK	OH	\$67.16	\$1,035	13.76	16.63	13.56	12.90	1.59	1.79	5.60	8.79	58.70	11.40	1.16	4.99	1.10	1.25	\$6,643
22.83	\$23.93	\$16.48	Peoples Bancorp Inc.	PEBO	OH	\$20.89	\$226	10.88	11.62	11.64	11.45	0.99	1.42	2.30	8.39	71.82	9.52	1.11	1.75	0.12	1.80	\$1,918
117.52	\$9.55	\$3.80	Rurban Financial Corp.	RBNF	OH	\$8.46	\$41	8.55	8.18	NM	NM	0.77	1.16	1.18	5.70	74.41	9.57	0.75	1.89	0.23	1.45	\$638
(21.84)	\$10.25	\$5.80	Rurban Financial Corp.	UBCP	OH	\$7.02	\$38	14.63	14.16	NM	NM	1.03	1.04	3.99	8.29	74.06	6.74	0.55	NA	0.47	0.91	\$438
66.24	\$13.00	\$6.59	United Bancshares, Inc.	UBOH	OH	\$11.92	\$41	9.17	9.48	NM	NM	0.64	0.74	1.68	9.83	68.75	7.23	0.79	NA	0.56	2.25	\$572
19.38			Median - Ohio					11.07	11.83	11.42	10.97	0.99	1.10	2.68	8.95	68.11	8.99	0.90	2.98	0.54	1.57	\$1,159
2.01	\$44.90	\$36.49	BancFirst Corporation	BANF	OK	\$40.85	\$623	12.16	11.62	12.52	11.95	0.97	0.99	2.84	7.77	64.41	10.32	0.91	1.49	0.07	1.19	\$6,022,250
19.49	\$63.07	\$50.89	BOK Financial Corporation	BOKF	OK	\$62.00	\$4,359	12.09	12.75	13.31	13.31	0.95	1.05	2.45	9.25	60.50	12.19	1.35	1.73	0.20	1.71	\$28,148,631
48.48	\$13.48	\$8.02	Southwest Bancorp, Inc.	OKSB	OK	\$12.25	\$239	19.14	17.75	18.68	14.89	1.58	2.04	0.00	11.44	61.39	5.71	0.72	3.66	0.07	3.41	\$2,122,255
19.49			Median - Oklahoma					12.16	12.75	13.31	13.31	0.97	1.05	2.45	9.25	61.39	10.32	0.91	1.73	0.07	1.71	\$6,022,250
14.34	\$36.99	\$27.72	Comerica Incorporated	CMA	TX	\$34.95	\$6,549	13.09	12.71	12.54	12.36	0.95	1.05	1.95	9.72	67.62	7.43	0.83	1.54	0.39	1.37	\$65,359
12.87	\$62.75	\$53.37	Cullen/Frost Bankers, Inc.	CFR	TX	\$62.14	\$3,830	16.10	16.18	15.95	15.40	1.58	2.04	3.09	8.30	59.68	10.03	1.14	1.21	0.19	1.13	\$23,124
42.80	\$49.00	\$30.50	First Financial Bankshares, Inc.	FFIN	TX	\$47.26	\$1,490	20.03	20.50	19.67	18.49	2.67	3.07	2.12	10.95	48.36	13.85	1.75	1.22	0.15	1.67	\$4,502
(2.41)	\$21.00	\$16.92	International Bancshares Corporation	IBOC	TX	\$19.22	\$1,291	13.83	14.03	12.95	12.45	0.90	1.13	2.08	9.88	57.99	6.81	0.91	4.05	1.09	1.22	\$11,883
2.42	\$11.82	\$8.70	MetroCorp Bancshares, Inc.	MCBI	TX	\$10.15	\$190	16.37	16.40	16.14	13.87	1.07	1.17	0.00	10.80	69.85	6.32	0.74	3.73	0.30	2.23	\$1,520
5.31	\$47.75	\$38.56	Prosperity Bancshares, Inc.	PB	TX	\$45.83	\$2,612	14.19	13.45	13.36	12.99	1.24	3.06	1.88	6.34	39.42	9.10	1.35	NA	0.11	1.01	\$14,584
8.72	\$23.54	\$19.78	Southside Bancshares, Inc.	SBSI	TX	\$21.01	\$357	10.51	14.83	14.88	15.83	1.39	1.52	3.81	7.32	61.02	12.83	1.05	1.16	0.74	1.63	\$3,237
24.99	\$52.17	\$32.55	Texas Capital Bancshares, Inc.	TCBI	TX	\$41.96	\$1,711	13.99	13.64	12.73	12.00	2.04	2.09	NA	7.76	49.37	16.92	1.35	0.86	0.07	0.75	\$10,541
31.26	\$21.99	\$14.71	ViewPoint Financial Group, Inc.	VPFG	TX	\$19.54	\$774	19.94	18.50	17.95	16.58	1.49	1.58	2.05	13.49	57.08	7.23	1.04	1.21	0.11	0.66	\$3,663
12.87			Median - Texas					14.19	14.83	14.88	13.87	1.39	1.58	2.06	9.72	57.99	9.10	1.05	1.22	0.19	1.22	\$10,541
12.35	\$15.35	\$11.67	Associated Banc-Corp	ASBC	WI	\$14.62	\$2,450	14.62	14.41	14.15	13.70	0.87	1.29	2.19	8.56	68.88	6.07	0.81	2.62	0.57	1.90	\$23,488
38.91	\$27.99	\$16.20	First Business Financial Services, Inc.	FBIZ	WI	\$26.50	\$104	8.05	8.14	8.86	8.51	1.04	1.04	2.11	8.12	60.46	12.65	0.75	1.84	0.35	1.69	\$1,226
25.6			Median - Wisconsin					11.34	11.28	11.50	11.10	0.95	1.17	2.15	8.34	64.67	9.36	0.78	2.23	0.46	1.79	\$12,357
30.60			Average					12.30	12.89	13.77	12.85	1.13	1.32	2.17	8.31	63.88	9.69	0.97	3.47	0.61	1.73	\$9,395,769
19.47			Median					11.93	12.27	12.84	12.45	1.04	1.22	2.12	8.29	63.92	9.16	0.96	2.75	0.47	1.68	\$445,763

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