



On October 26<sup>th</sup>, 2017, Kalispell, Montana-based **Glacier Bancorp, Inc.** (NASDAQ: GBCI) (\$9.8 billion in assets) agreed to acquire Bozeman, Montana-based **Inter-Mountain Bancorp, Inc.**, the holding company of **First Security Bank** (\$1 billion in assets) for approximately \$173 million (100% stock consideration) representing 231% of tangible book value and 18.4x last twelve months earnings. First Security Bank will become a new bank division of Glacier upon completion of the transaction. Big Sky Western Bank, Glacier's existing Bozeman-based banking division, will combine with the new First Security Bank banking division. The agriculture-focused northern branches of First Security Bank will combine with Glacier's First Bank of Montana banking division. The transaction is subject to regulatory and Inter-Mountain shareholders' approvals and is expected to close in the first quarter of 2018.


**REGIONAL BANK INDEX**

Regional Bank retreated slightly in October (down 0.7%). However, they still remain in positive territory for the year (up 3.4%). In October, Regional Bank stocks underperformed the SNL US Bank Index (up 2.7%) and the S&P 500 Index (up 2.2%). At month-end, Regional Bank stocks were averaging a valuation of 19.7x LTM earnings and 218% of tangible book value.

**Regional Bank Index Companies and Statistics (market data as of 10/31/2017)**

Company Name	Ticker	State	MRQ	LTM	Market	Stock	% of	10/31/2017 Return		Price/	Price/	Price/
			Total Assets (\$M)	ROAA (%)	Cap (\$M)	Price (\$ Actual)	52-Week High (%)	Month (%)	YTD (%)	LTM Earnings (x)	Tangible Book (%)	Common Book (%)
BancFirst Corporation	BANF	OK	\$7,132	1.22	\$1,742	\$54.65	92.1	(3.7)	17.5	20.7	249.2	227.8
BOK Financial Corporation	BOKF	OK	\$33,006	0.95	\$5,660	\$86.47	95.1	(2.9)	4.1	18.1	188.5	162.2
Capitol Federal Financial, Inc.	CFFN	KS	\$9,193	0.75	\$1,906	\$13.79	81.5	(6.2)	(16.2)	21.9	139.3	139.3
CoBiz Financial Inc.	COBZ	CO	\$3,837	1.03	\$863	\$20.44	97.0	4.1	21.0	22.5	260.3	259.6
Commerce Bancshares, Inc.	CBSH	MO	\$24,979	1.19	\$5,911	\$58.16	96.2	0.7	0.6	20.6	244.9	231.3
Enterprise Financial Services Corp	EFSC	MO	\$5,231	1.16	\$1,006	\$43.60	94.7	3.0	1.4	18.0	241.0	184.1
Equity Bancshares, Inc.	EQBK	KS	\$2,405	0.75	\$417	\$34.09	91.3	(4.2)	1.3	25.1	189.1	142.9
First Interstate BancSystem, Inc.	FIBK	MT	\$12,206	0.97	\$2,218	\$39.30	87.7	2.7	(7.6)	19.7	247.8	156.3
Glacier Bancorp, Inc.	GBCI	MT	\$9,799	1.38	\$2,961	\$37.96	99.8	0.5	4.8	22.1	292.1	245.5
Great Southern Bancorp, Inc.	GSBC	MO	\$4,513	1.15	\$755	\$53.75	93.7	(3.4)	(1.6)	14.9	167.4	163.4
Great Western Bancorp, Inc.	GWB	SD	\$11,690	1.27	\$2,388	\$40.59	89.4	(1.7)	(6.9)	16.6	237.2	136.1
Guaranty Bancorp	GBNK	CO	\$3,510	1.11	\$832	\$28.45	95.2	2.3	17.6	21.4	264.6	215.4
Heartland Financial USA, Inc.	HTLF	IA	\$9,756	0.94	\$1,475	\$49.25	94.6	(0.3)	2.6	16.7	208.6	150.4
MidWestOne Financial Group, Inc.	MOFG	IA	\$3,144	0.79	\$430	\$35.21	91.5	4.3	(6.4)	17.3	159.8	124.1
National Bank Holdings Corporation	NBHC	CO	\$4,769	0.75	\$888	\$32.82	88.9	(8.0)	2.9	26.3	182.0	161.3
People's Utah Bancorp	PUB	UT	\$1,790	1.52	\$561	\$31.10	93.8	(4.2)	15.8	22.1	228.9	228.4
Southern Missouri Bancorp, Inc.	SMBC	MO	\$1,763	1.07	\$317	\$36.93	96.0	1.2	4.4	17.3	199.6	179.2
UMB Financial Corporation	UMBF	MO	\$20,280	0.88	\$3,667	\$73.53	90.4	(1.3)	(4.7)	20.5	185.1	174.5
West Bancorporation, Inc.	WTBA	IA	\$2,030	1.32	\$396	\$24.45	96.4	0.2	(1.0)	16.1	222.6	222.6
Western Alliance Bancorporation	WAL	AZ	\$19,922	1.68	\$5,886	\$55.80	99.2	5.1	14.6	19.1	319.1	274.4
Zions Bancorporation	ZION	UT	\$65,564	0.94	\$9,279	\$46.46	97.0	(1.5)	7.9	17.5	150.2	129.0
<b>Regional Bank Index (Average)</b>			<b>\$12,215</b>	<b>1.09</b>	<b>\$2,360</b>		<b>93.4</b>	<b>(0.7)</b>	<b>3.4</b>	<b>19.7</b>	<b>218.0</b>	<b>186.1</b>
<b>SNL US Bank Index</b>								<b>2.7</b>	<b>10.5</b>	<b>16.0</b>	<b>192.1</b>	<b>146.3</b>
<b>S&amp;P 500 Index</b>								<b>2.2</b>	<b>15.0</b>			

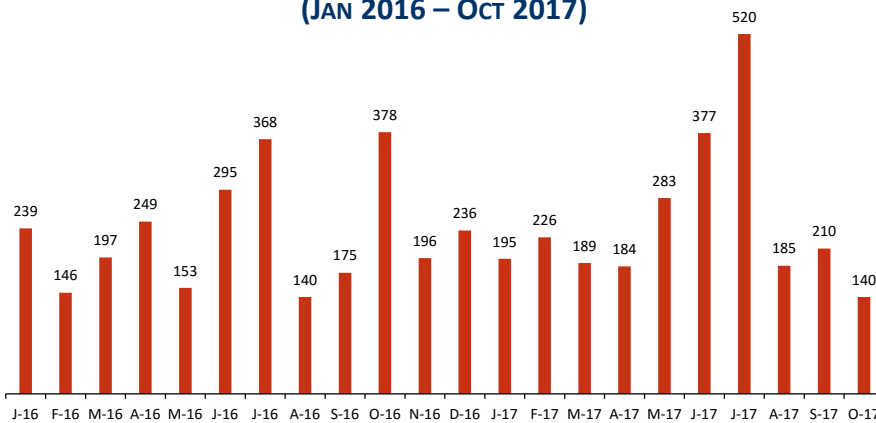
Note: Includes publicly traded banks headquartered in AZ, CO, IA, KS, MO, MT, ND, NE, NM, OK, SD, UT, WY  
 3-month daily average volume greater than 10,000 shares and market capitalization greater than \$150 million  
 Excludes banks identified as the target in a merger/acquisition  
 Price / Earnings ratios greater than 40.0x deemed non-meaningful ("NM")

Source: SNL Financial LC

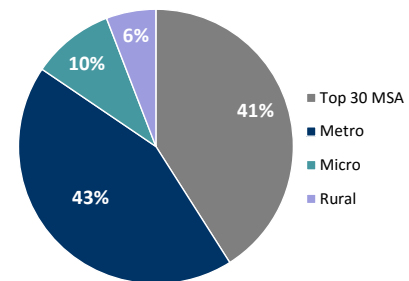
## WHO'S CLOSING BRANCHES AND WHO'S OPENING BRANCHES?

Banks continue to shed branches across the country as the landscape of branch banking has been transforming in recent years due to the increased use of retail mobile banking and online banking offerings. **From 2016 to October 2017, banks closed over 5,000 branches or approximately 240 branches per month.** Branch closures during this time period have mainly been located in dense, metropolitan areas (area with greater than 50,000 residents). Larger banks have been responsible for the closures with the median asset size of banks closing branches being nearly \$79 billion in assets.

**BANK BRANCH CLOSURES BY MONTH  
(JAN 2016 – OCT 2017)**

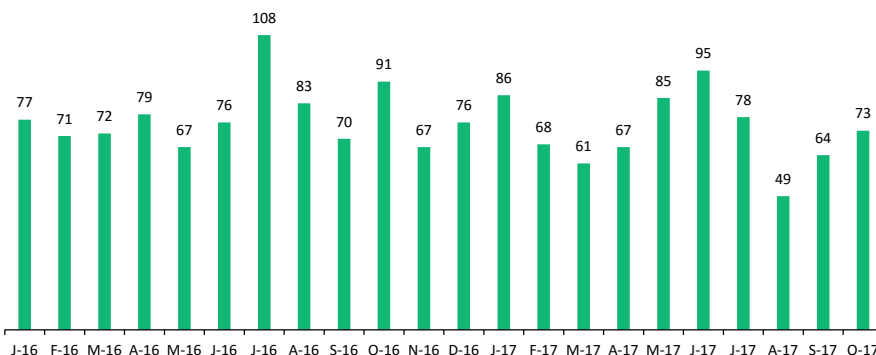


**BANK BRANCH CLOSURES BY MARKET  
(JAN 2016 – OCT 2017)**

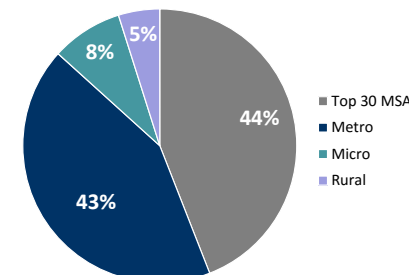


Despite the overall trend of net bank branch closures in the country, a number of banks are continuing to build out their franchise footprint and adding branches (albeit as a lesser rate than branch closures). **From 2016 to October 2017, banks added over 1,600 branches or approximately 75 branches per month.** Similar to branch closures, branch openings have mainly occurred in metropolitan areas. Smaller, more regional banks have mainly been responsible for branch openings with the median asset size of banks opening branches being approximately \$1.4 billion in assets.

**BANK BRANCH OPENINGS BY MONTH  
(JAN 2016 – OCT 2017)**



**BANK BRANCH OPENINGS BY MARKET  
(JAN 2016 – OCT 2017)**



Source: SNL Financial LC


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**GLC Overview**

GLC Advisors & Co. delivers objective, senior-level expertise to clients through a variety of advisory assignments including: M&A, financing/debt advisories, restructurings/recapitalizations, fairness opinions, and valuations. Offices are located in New York, San Francisco, and Denver. GLC Advisors is affiliated with **GLC Investment Advisors**, an investment firm which provides debt and equity capital for leveraged buyouts, strategic acquisitions, recapitalizations and growth financings for middle market companies.










**GLC's Financial Services Group**

GLC's Denver-based Financial Services Group has **30+** years of collective M&A experience in the Financial Services Industry while completing **70+** successful transactions and financing engagements and **80+** valuations and strategic advisory assignments. The team has been consistently ranked as one of the most active M&A groups in the nation by SNL Financial LC and frequently speaks at industry conferences and conventions, including state banking associations.

**GLC's Financial Services Offerings**

 <b>Mergers &amp; Acquisitions</b>	 <b>Debt &amp; Equity Financing</b>	 <b>Branch Transactions</b>
 <b>Fairness Opinions</b>	 <b>Valuations</b>	 <b>Strategic Advisories</b>

**Recent Transactions**

 <i>has been acquired by</i> <i>(pending)</i> 	 <i>has been acquired by</i> 	 <i>has acquired</i> 
 <i>has been acquired by</i> 	 <i>has been acquired by</i> <b>Investor Group</b>	