

N.B.C. Bancshares in Pawhuska, Inc. (Private; Pawhuska, OK) has agreed to acquire Bank of Cushing (Private; Cushing, OK)

Deal Value: Undisclosed

Sandler O'Neill acted as financial advisor to N.B.C. Bancshares in Pawhuska, Inc. in this transaction. This transaction represents Sandler O'Neill's 186th bank or thrift transaction nationwide since January 1, 2015 representing \$60 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.¹

Pawhuska, Oklahoma – Officials today at N.B.C. Bancshares in Pawhuska, Inc. (NBC), parent company of Blue Sky Bank, and officials at Bank of Cushing jointly announced the signing of an agreement pursuant to which NBC will purchase 100% of the stock of Bank of Cushing. Bank of Cushing will continue to operate as a wholly-owned subsidiary of NBC. Upon completion of the transaction, the combined banks will have greater than \$300 million in assets.

"At NBC, we are actively pursuing opportunities to continue our growth trajectory, and the Bank of Cushing acquisition is a key step in our long-term goal," said Gentner Drummond, majority owner of NBC. "Individually, our banks have been serving Oklahomans for more than 115 years. Together, we strengthen our resources to serve the next generation of Oklahomans."

Drummond announced that Bank of Cushing's President John Bryant and Executive Vice President Brenda Magdeburg will continue to lead the Bank of Cushing.

"This partnership preserves the excellent and consistent management of the bank who will continue directly supporting the citizens and businesses of Cushing," Drummond said. "The cultures of the Bank of Cushing and Blue Sky Bank are very complimentary with a strong commitment to providing exceptional advice and superior customer service."

The board of directors of both companies approved the transaction, which is expected to close in the fourth quarter of 2018 and remains subject to customary closing conditions and regulatory approval.

"We are fortunate to have found the perfect partner for our bank with a commitment to serving the local market and increasing its presence in Cushing," said Bryant. "This transaction will allow us to offer more services and continue to enhance our customer experience."

Upon completion of the transaction, Bank of Cushing will join NBC's banking operations doing business as Blue Sky Bank in Tulsa, Pawhuska and Cleveland, Oklahoma.

"Our mission at Blue Sky is to provide service that consistently exceeds our customer's expectations at all levels, in all departments, at all times," said Blue Sky CEO Evans Rector. "We pledge to continue this level of service to the current and future customers of Bank of Cushing."

Financial Highlights

(Dollars in millions)

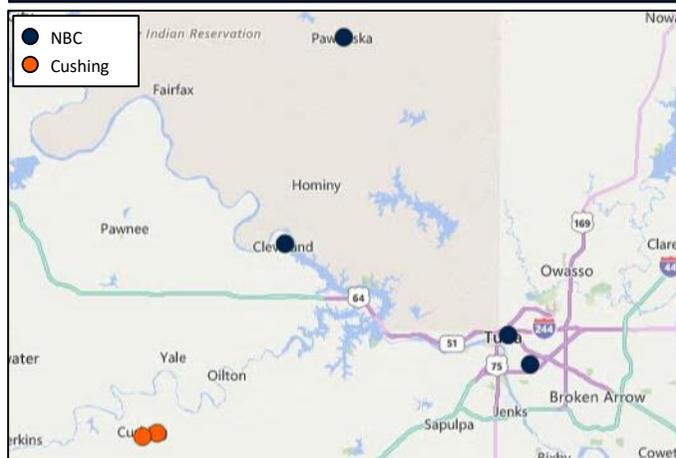
	NBC ²	Bank of Cushing ²
Total Assets	\$207.8	\$102.7
Total Loans	\$177.9	\$35.6
Total Deposits	\$179.8	\$87.3
Total Equity	\$27.4	\$13.9

¹ Majority and minority transactions; excludes terminated transactions and self-advisory roles

² Bank-level financial data as of June 30, 2018

Source: S&P Global Market Intelligence, Press Release

Pro Forma Map



Sandler O'Neill Contacts:

Christopher Hopkins
Director
(312) 281-3472

Andrew Wislow
Vice President
(312) 281-3406

Dylan Plachta
Analyst
(312) 281-3449