

Most merger targets underperformed the bank industry

Compared to the KBW Nasdaq Bank Index, shares of target companies broadly outperformed the bank industry when considering the deal premium but broadly underperformed the bank industry when removing the deal premium.

Buyer	Target	Performance relative to KBW Nasdaq Bank Index		Deal announcement date	Deal value (\$M)
		Pre-announcement date to 12/9 (%)	Post-announcement date to 12/9 (%)		
United Roosevelt MHC	Wavel Bank (MHC)	117.7	-27.1	08/29/16	4.41
Drummond Banking Company	Nature Coast Bank	-17.5	-17.9	07/25/16	7.29
Commercial National Financial Corp.	Capital Directions, Inc.	-40.8	-41.4	06/16/16	14.03
AltaPacific Bancorp	Commerce Bank of Temecula Valley	6.2	-21.6	09/01/16	16.60
Suncrest Bank	Security First Bank	4.3	-17.8	09/02/16	16.95
Independent Bank Corp.	Island Bancorp, Inc.	-26.5	-26.2	10/20/16	24.51
Heartland Financial USA, Inc.	Founders Bancorp	39.8	-18.5	10/31/16	29.64
Arbor Bancorp, Inc.	Birmingham Bloomfield Bancshares, Inc.	39.7	-36.5	07/20/16	33.29
Prudential Bancorp, Inc.	Polonia Bancorp, Inc.	-13.3	-21.7	06/02/16	37.98
United Community Financial Corp.	Ohio Legacy Corp	41.3	-8.2	09/08/16	40.21
Summit Financial Group, Inc.	First Century Bankshares, Inc.	29.2	15.3	06/01/16	41.58
Carolina Financial Corporation	Greer Bancshares Incorporated	56.3	5.9	11/08/16	44.40
Salem Five Bancorp	Georgetown Bancorp, Inc.	-3.9	-25.9	10/06/16	49.15
Standard Financial Corp.	Allegheny Valley Bancorp, Inc.	-9.8	-27.3	08/29/16	53.44
CVB Financial Corp.	Valley Commerce Bancorp	21.9	-19.6	09/22/16	56.91
First Defiance Financial Corp.	Commercial Bancshares, Inc.	33.7	-19.0	08/23/16	66.28
Nicolet Bankshares, Inc.	First Menasha Bancshares, Inc.	52.7	-16.3	11/04/16	76.87
First Bancorp	Carolina Bank Holdings, Inc.	15.3	-3.4	06/22/16	97.31
First Commonwealth Financial Corp.	DCB Financial Corp	104.1	2.8	10/03/16	106.40
Bar Harbor Bankshares	Lake Sunapee Bank Group	32.7	16.8	05/05/16	143.93
Access National Corporation	Middleburg Financial Corporation	5.5	-6.0	10/24/16	245.44
Community Bank System, Inc.	Merchants Bancshares, Inc.	37.9	-0.5	10/24/16	304.62
South State Corporation	Southeastern Bank Financial Corp.	51.5	1.5	06/17/16	334.92
People's United Financial, Inc.	Suffolk Bancorp	48.2	-3.4	06/27/16	402.35
United Bankshares, Inc.	Cardinal Financial Corporation	-5.5	-1.9	08/18/16	911.24
F.N.B. Corporation	Yadkin Financial Corporation	-2.3	2.1	07/21/16	1476.07
New York Community Bancorp, Inc.	Astoria Financial Corporation	-25.0	-18.2	10/29/15	1944.17
TIAA Board of Overseers	EverBank Financial Corp	-28.8	-31.8	08/08/16	2513.08
Canadian Imperial Bank of Commerce	PrivateBancorp, Inc.	1.4	-23.4	06/29/16	3834.09
	Average	19.5	-13.4		

* Deal range covers all pending deals for bank or thrift companies as of Dec. 9, 2016, that were announced between Oct. 28, 2015, and Nov. 8, 2016.

* Data points compiled by calculating change in adjusted share price of the acquired company and the KBW Bank Index for the time period between day of announcement and Dec. 9, 2016.

* Pre-announcement and post-announcement dates determined by time of press release announcing deal.

Sources: SNL Financial, an offering of S&P Global Market Intelligence; Yahoo Finance