

2017 Banking Industry Outlook: *Happy Days Are Here Again*

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Section 1

Fundamental Outlook, M&A Outlook and Best Ideas for 2017

2017 Fundamental Outlook - Sector Looks More Promising Over Next 2-3 Years

We Have Raised Our 2017-2018 EPS Estimates and Price Targets

- The banking sector is best net beneficiary of Trump's expected policies
 - Better economic growth
 - Better interest rate environment and steeper yield curve. In addition to the one announced in December, we have incorporated 4, 25 bpt rate hikes between 4Q16 and year-end 2018
 - Less bank regulation
 - Corporate tax rate is essentially equal to effective tax rate
 - No currency risk
 - More acquisition activity due to (1) higher valuations and (2) more excess capital from lower tax rate impact
- Offsets
 - Higher interest rates should mean higher credit costs for (1) growth and (2) more marginal credits
 - Lower mortgage income as Fed Funds move higher
 - Higher accumulated other comprehensive income (AOCI) marks and potential book value dilution
- Our Assumptions
 - Slightly better earning asset and loan growth
 - Slightly higher net interest margins
 - Lower mortgage fees
 - Higher credit costs
 - *We have made no changes to our tax rate assumptions or expenses*
- Industry valuations are near long-term highs
 - Sector now at 17.1x forward EPS, in line with the 20 year average
 - Analyst estimates are being adjusted to reflect the better environment, but magnitude and timing remain uncertain

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Trump Presidency and Republican Congress - A Net Positive for Banks

- Trump's platform supports greater economic growth via corporate tax cuts and more infrastructure investments
- Relatively more Fed Funds hikes likely along with already steeper yield curve; models assume one 25 bpt hike in 2016; two 25 bpt hikes/each in 2017-2018
- We think banking industry overregulation should diminish somewhat
- Our coverage universe is up 27.9% since the election and our industry benchmark, the KBW Regional Bank Index, is up 26.7%

Provisioning Still Likely Source of Upside Near Term, But Higher Rates = Higher Credit Costs At Some Point

- Provisioning bottomed for most of our coverage in 2014, but remains low on an absolute basis versus historical levels
- 30% of universe had less than 15 basis points of provisioning in 2016 YTD
- However, 33% of our coverage hasn't seen a trough yet though
- Energy lenders should see lower provisioning in 2017 as energy LLRs seemed to have peaked in 2016
- Higher interest rates correlated with higher credit costs for growth purposes as well as higher losses in more marginal CRE, consumer credits

Mid-Single-Digit Spread Income and Fee Income Growth Expected in 2017

- Trump's policies hopefully stimulate more loan demand and provide a higher probability of NII upside
- However, CRE loan growth in 2017 likely more subdued due to most banks adhering to regulatory concentration guidelines
- More Fed Funds increases aid NII, particularly for banks with larger non-interest bearing deposit bases
- A steeper yield curve aids net interest income, particularly for banks with larger securities portfolios
- Higher interest rates in our models again
- Most significant fee income headwind: Mortgage noninterest income will face a difficult comparison in 2017 due to the 2016 refi wave along with higher rates (MBA projects 17% volume decline)

Expense Control and Positive Operating Leverage Still Critical

- Compliance and risk management staffs are built out; these costs unlikely to be reduced, but incremental change could be positive under Trump's presidency
- \$50 billion to \$250 billion asset banks likely to be removed from the systemically important group
- Industry still very overbranched given long term higher adoption of online/mobile banking; branches and corporate office space still being slowly pared back, which help keep costs under control

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Potential Impact of Lower Tax Rates

- Although not included in our models, we have analyzed the impact of a potential 25% and 15% tax rate on our 2018 EPS estimates, keeping all other current assumptions the same.
- Each company has idiosyncratic drivers of its tax rate. The table to the right is a simple sensitivity analysis of lower tax rates.

EPS Delta at Lower Tax Rates					
	Current 2018E EPS (\$)	2018E EPS (@ 25%) (\$)	Δ	2018E EPS (@ 15%) (\$)	Δ
SIVB	9.32	11.69	25.42%	13.27	42.36%
LOB	1.34	1.67	25.00%	1.90	41.67%
STBZ	1.67	2.01	20.47%	2.28	36.53%
UCBI	1.85	2.20	19.05%	2.50	34.93%
SNV	2.47	2.93	18.79%	3.34	35.13%
ACBI	0.94	1.12	18.21%	1.26	33.97%
WTFC	4.33	5.12	18.19%	5.84	34.74%
TCBI	4.70	5.55	17.92%	6.31	34.19%
HTH	1.94	2.28	17.46%	2.59	33.32%
SBCF	1.42	1.66	17.19%	1.89	32.81%
OZRK	3.60	4.20	16.88%	4.76	32.47%
LTXB	2.56	2.98	16.33%	3.38	31.89%
GNBC	1.16	1.35	16.28%	1.53	31.78%
ZION	2.86	3.31	15.61%	3.78	32.08%
MBFI	3.07	3.54	15.15%	4.02	30.92%
FMBI	1.65	1.89	14.95%	2.15	30.37%
IBKC	5.32	6.05	13.77%	6.86	29.07%
SSB	4.94	5.62	13.64%	6.37	28.80%
IBTX	4.16	4.69	12.78%	5.31	27.82%
PNFP	3.74	4.19	12.09%	4.75	27.04%
PB	4.40	4.89	11.29%	5.55	26.13%
ABCB	3.15	3.50	11.12%	3.96	25.94%
BXS	2.00	2.21	10.75%	2.51	25.51%
BOKF	5.03	5.56	10.35%	6.30	25.14%
CMA	4.89	5.39	10.32%	6.11	25.03%
FNB	1.21	1.33	9.85%	1.51	24.77%
RF	1.16	1.27	9.12%	1.45	24.31%
ASB	1.52	1.65	8.10%	1.88	23.02%
BPFH	0.90	0.97	7.90%	1.12	23.69%
BBT	3.47	3.74	7.58%	4.26	22.74%
HBHC	2.80	2.88	2.74%	3.26	16.44%
FHN	1.27	1.28	1.20%	1.46	15.52%
EWBC	3.27	3.27	0.02%	3.71	13.36%
GBCI	1.89	1.89	0.00%	2.14	13.33%
CFR	5.50	4.67	NMF	5.31	NMF
FFIN	1.90	1.89	NMF	2.15	13.09%
TRMK	2.00	1.99	NMF	2.26	12.59%
SBSI	2.18	2.05	NMF	2.32	6.25%

Source: SNL and SunTrust Robinson Humphrey
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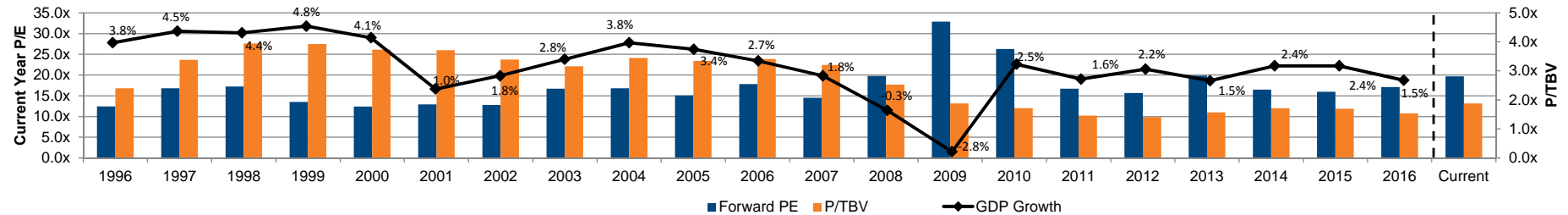


2017 Best Stock Ideas

The KRX is Up 27% Since Election; But Valuations Not Too Far From Historical Industry Average

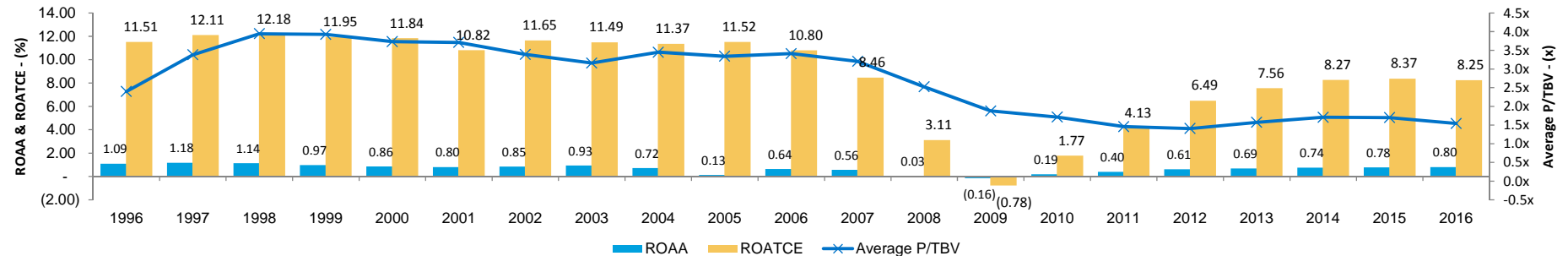
- Owning energy lenders was best call of 2016
- Median valuations now at 16.3x 2018E EPS and 2.3x TBV for our universe

Historical Valuation Averages - All Publicly Traded Banks



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	20 Year Average
Average P/E (Forward)	12.5x	16.8x	17.2x	13.5x	12.4x	12.9x	12.8x	16.7x	16.8x	15.1x	17.8x	14.5x	19.8x	32.9x	26.3x	16.7x	15.7x	19.8x	16.5x	15.9x	17.1x	17.1x
Average P/TBV	2.4x	3.4x	3.9x	3.9x	3.7x	3.7x	3.4x	3.2x	3.4x	3.3x	3.4x	3.2x	2.5x	1.9x	1.7x	1.5x	1.4x	1.6x	1.7x	1.7x	1.5x	2.7x
ROAA	1.09%	1.18%	1.14%	0.97%	0.86%	0.80%	0.85%	0.93%	0.72%	0.13%	0.64%	0.56%	0.03%	-0.16%	0.19%	0.40%	0.61%	0.69%	0.74%	0.78%	0.80%	0.7%
ROATCE	11.51%	12.11%	12.18%	11.95%	11.84%	10.82%	11.65%	11.49%	11.37%	11.52%	10.80%	8.46%	3.11%	-0.78%	1.77%	4.13%	6.49%	7.56%	8.27%	8.37%	8.25%	8.7%
GDP Growth	3.8%	4.5%	4.4%	4.8%	4.1%	1.0%	1.8%	2.8%	3.8%	3.4%	2.7%	1.8%	-0.3%	-2.8%	2.5%	1.6%	2.2%	1.5%	2.4%	2.4%	1.5%	2.4%
Average Federal Funds Rate	5.3%	5.5%	5.4%	5.0%	6.2%	3.9%	1.7%	1.1%	1.4%	3.2%	5.0%	5.0%	1.9%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.4%	2.5%

*2016 values for P/E, P/TBV, ROAA, ROATCE, and the Federal Funds Rate are YTD averages. For GDP, the 2016 value is a projected full year estimate.



Source: SNL, FRED, Statista, and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Growth Stories

- 18 of the top 40 large and small MSA growth markets are in the Southeast and 13 are in the Southwest. This bodes well for our coverage universe in particular with 42% of our names primarily in the Southeast, and 34% of our names primarily in the Southwest.

Top 20 MSAs ≥1 million by Proj. Population Growth							Top 20 MSAs 500 thousand - 1 million by Proj. Population Growth						
MSA	Region	Population			2016 - 2022E Proj. Growth		MSA	Region	Population			2016 - 2022E Proj. Growth	
		2010	2016	2022E	Total	CAGR			2010	2016	2022E	Total	CAGR
1 Austin-Round Rock, TX	Southwest	1,716,289	2,006,327	2,286,099	13.9%	2.2%	1 Cape Coral-Fort Myers, FL	Southeast	618,754	697,666	783,858	12.4%	2.0%
2 Houston-The Woodlands-Sugar Land, TX	Southwest	5,920,416	6,677,340	7,469,206	11.9%	1.9%	2 Charleston-North Charleston, SC	Southeast	664,607	750,593	835,508	11.3%	1.8%
3 Orlando-Kissimmee-Sanford, FL	Southeast	2,134,411	2,389,635	2,666,264	11.6%	1.8%	3 Provo-Orem, UT	Southwest	526,810	586,798	653,164	11.3%	1.8%
4 San Antonio-New Braunfels, TX	Southwest	2,142,508	2,394,156	2,660,579	11.1%	1.8%	4 North Port-Sarasota-Bradenton, FL	Southeast	702,281	764,693	846,111	10.6%	1.7%
5 Raleigh, NC	Southeast	1,130,490	1,274,181	1,412,035	10.8%	1.7%	5 Lakeland-Winter Haven, FL	Southeast	602,095	648,302	711,869	9.8%	1.6%
6 Dallas-Fort Worth-Arlington, TX	Southwest	6,426,214	7,125,239	7,883,140	10.6%	1.7%	6 Fayetteville-Springdale-Rogers, AR-MO	Midwest	463,204	515,472	565,758	9.8%	1.6%
7 Denver-Aurora-Lakewood, CO	Southwest	2,543,482	2,830,748	3,131,187	10.6%	1.7%	7 Boise City, ID	West	616,561	683,525	748,749	9.5%	1.5%
8 Las Vegas-Henderson-Paradise, NV	West	1,951,269	2,119,834	2,329,998	9.9%	1.6%	8 Colorado Springs, CO	Southwest	645,613	703,046	765,843	8.9%	1.4%
9 Nashville-Davidson--Murfreesboro--Franklin, TN	Southeast	1,670,890	1,840,320	2,013,839	9.4%	1.5%	9 Durham-Chapel Hill, NC	Southeast	504,357	553,236	602,057	8.8%	1.4%
10 Jacksonville, FL	Southeast	1,345,596	1,450,789	1,587,577	9.4%	1.5%	10 Deltona-Daytona Beach-Ormond Beach, FL	Southeast	590,289	621,283	674,871	8.6%	1.4%
11 Charlotte-Concord-Gastonia, NC-SC	Southeast	2,217,012	2,436,209	2,663,481	9.3%	1.5%	11 Ogden-Clearfield, UT	Southwest	597,159	646,186	701,622	8.6%	1.4%
12 Phoenix-Mesa-Scottsdale, AZ	West	4,192,887	4,606,379	5,034,267	9.3%	1.5%	12 McAllen-Edinburg-Mission, TX	Southwest	774,769	854,703	926,488	8.4%	1.4%
13 Seattle-Tacoma-Bellevue, WA	West	3,439,809	3,737,408	4,077,792	9.1%	1.5%	13 Palm Bay-Melbourne-Titusville, FL	Southeast	543,376	565,824	612,757	8.3%	1.3%
14 Tampa-St. Petersburg-Clearwater, FL	Southeast	2,783,243	2,979,822	3,250,067	9.1%	1.5%	14 Des Moines-West Des Moines, IA	Midwest	569,633	627,569	679,455	8.3%	1.3%
15 Atlanta-Sandy Springs-Roswell, GA	Southeast	5,286,728	5,736,343	6,234,160	8.7%	1.4%	15 Greenville-Anderson-Mauldin, SC	Southeast	824,112	877,875	946,077	7.8%	1.3%
16 Portland-Vancouver-Hillsboro, OR-WA	West	2,226,009	2,387,287	2,592,212	8.6%	1.4%	16 Stockton-Lodi, CA	West	685,306	727,820	780,636	7.3%	1.2%
17 Miami-Fort Lauderdale-West Palm Beach, FL	Southeast	5,564,635	6,032,325	6,541,547	8.4%	1.4%	17 Columbia, SC	Southeast	767,598	812,505	870,226	7.1%	1.2%
18 Oklahoma City, OK	Southwest	1,252,987	1,365,068	1,475,730	8.1%	1.3%	18 Spokane-Spokane Valley, WA	West	527,753	550,255	586,468	6.6%	1.1%
19 Salt Lake City, UT	Southwest	1,087,873	1,174,763	1,269,315	8.0%	1.3%	19 Omaha-Council Bluffs, NE-IA	Midwest	865,350	918,168	974,748	6.2%	1.0%
20 San Francisco-Oakland-Hayward, CA	West	4,335,391	4,673,188	5,015,698	7.3%	1.2%	20 Tulsa, OK	Southwest	937,478	980,595	1,040,425	6.1%	1.0%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Buy Rated Companies

Large Cap (> \$5 billion Market Cap.)

Rank	Ticker	Company Name	Rating	Market Cap. (\$Mil)	1/03/2017 Price	Current Price Target	Upside/Downside to PT	Stock Return YTD	Valuation				Description	Catalyst(s)	Company Specific Risks
									P/E 2016E	P/E 2017E	P/E 2018E	P/BV			
1	BBT	BB&T Corp.	Buy	38,153	\$46.98	\$53.00	15.4%	0.0%	16.4x	15.1x	13.8x	2.3x	One of the most profitable super regional banks with offices in SE and MA as well as large insurance broker operation	Expense control focus and M&A hiatus should enhance profitability in 2017.	Expense control could be more difficult to attain and M&A hiatus given lack of larger sellers may last longer than expected
2	SIVB	SVB Financial Group	Buy	8,941	\$172.12	\$195.00	13.3%	0.0%	23.9x	20.7x	17.6x	2.5x	Largest lender to technology and life sciences industries	Loan and revenue growth and asset quality remain strong and above peers despite more subdued level of innovation exit activity.	Renewed weakness in exit markets
3	ZION	Zions BanCorp.	Buy	8,768	\$43.18	\$48.00	11.9%	0.0%	22.5x	18.3x	15.4x	1.5x	Regional bank with offices in UT, ID, CA, TX, WA, OR and CO	In the middle innings of its efficiency improvement program. The company is deploying excess liquidity too and has significant capacity to do so	5% of loans are in energy so there may be lumpiness in credit costs over the near term
4	EWBC	East West Bancorp, Inc.	Buy	7,328	\$50.76	\$57.00	13.9%	0.0%	17.4x	16.5x	14.8x	2.5x	Largest Asian niche bank in the country and primary caterer to the Chinese-American community for retail banking and commercial banking for companies doing business with China	Conclusion of the BSA/AML remediation should boost profitability. Loan growth acceleration from slow 2016 driven by C&I hiring and new verticals	Ties to China and trade finance lending could present a headwind
5	CFR	Cullen/Frost Bankers, Inc.	Buy	5,555	\$87.30	\$97.00	13.6%	0.0%	19.0x	17.7x	16.4x	2.3x	A \$30 billion asset bank headquartered in San Antonio, TX with presences in all major Texas markets	One of the best franchises in high-growth Texas	Credit costs related to energy might persist longer than we expect
6	SNV	Synovus Financial Corp.	Buy	5,024	\$41.18	\$46.00	12.9%	0.0%	21.2x	19.0x	17.5x	1.8x	Regional asset bank with the #5 market share in Atlanta, #1 in Columbus, #5 in Charleston, #6 in Birmingham, plus smaller presences in TN and FL.	Outsized capital returns from share repurchases, continued revenue diversification from additional M&A activity, a solidly asset-sensitive balance sheet, further efficiency improvement, and a new, externally-hired CFO are all positive catalysts	Efficiency improvements could be difficult to achieve without headcount reductions

Source: FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Buy Rated Companies

Mid Cap. (\$2 billion - \$5 billion Market Cap.)

Rank	Company Ticker	Company Name	Rating	Market Cap. (\$Mil)	1/03/2017 Price	Current Price Target	Upside/Downside to PT	Stock Return YTD	Valuation				Description	Catalyst(s)	Company Specific Risks
									P/E 2016E	P/E 2017E	P/E 2018E	P/BV			
1	PB	Prosperity Bancshares, Inc.	Buy	4,988	\$71.93	\$80.00	12.9%	0.0%	18.3x	17.9x	16.7x	3.0x	Most valuable Texas franchise with most conservative credit culture, highly liquid balance sheet, and largest core deposit base	Higher long term interest rates disproportionately benefit PB; still positioned well for meaningful acquisition opportunity	Given conservative lending culture, the growth outlook is more subdued and acquisition opportunities are failing to present themselves
2	FHN	First Horizon National Corp.	Buy	4,667	\$20.00	\$22.00	11.4%	0.0%	20.7x	18.0x	16.1x	2.2x	Largest bank in TN with small presences in some Mid-Atlantic markets in NC, SC and VA, as well as a national fixed income capital markets operation	Outsized loan growth should continue given FHN's less mature markets and lending niches like franchise, energy, and healthcare. Further non-strategic reserve releases are possible and cost cutting efforts are in the middle innings	Continued non-core loan runoff and intentionally slower CRE originations could represent a headwind to loan growth
3	TCBI	Texas Capital Bancshares, Inc.	Buy	3,878	\$78.30	\$87.00	11.1%	0.0%	25.9x	20.5x	18.1x	2.3x	A commercially focused TX bank with the #4 market share in Dallas. Also has a national lending business in mortgage warehouse, franchise, premium finance and others	TCBI's markets are growing faster than peers and one of company's core competencies is hiring revenue producers	Higher mortgage rates will slow revenue growth in mortgage warehouse operation but MCA operation is still in infancy
4	MBFI	MB Financial, Inc.	Buy	3,946	\$47.39	\$54.00	15.6%	0.0%	20.0x	17.9x	16.2x	2.9x	A \$19 billion asset commercial bank based in Chicago, IL, following two sizable bank transactions totaling \$9 billion in assets. The bank has a large leasing business and 45% non-interest bearing deposits	Achieving a 1.20% ROA and 15% ROTCE in 2017. A positive inflection in loan growth to 10% per annum from 6%-8% historically	Declining mortgage volumes or tax changes that make leasing less attractive
5	FNB	F.N.B. Corporation	Buy	3,374	\$16.00	\$18.00	15.5%	0.0%	17.6x	15.1x	13.9x	2.5x	A \$22 billion asset bank headquartered in Pittsburgh, PA with a footprint that stretches from Cleveland to Baltimore. The pending Yadkin Financial Corporation (YDKN) acquisition will add \$7 billion in assets within North Carolina.	Successful YDKN integration would, in our view, solidify FNB's preferred acquirer status and drive a positive inflection in loan growth due to the entrance into the high growth NC market.	FNB has greater integration risk due to the relative size (35% of assets) and non-contiguous footprint of the YDKN acquisition.
6	PNFP	Pinnacle Financial Partners, Inc.	Buy	3,200	\$69.25	\$76.00	10.6%	0.0%	22.6x	20.2x	17.6x	3.5x	Largest community bank in TN with the #3 market share in Nashville	Steady hiring and continued robust growth in Nashville, plus growing small presences in Chattanooga and Memphis should translate to above peer revenue and EPS growth	Current market position in Nashville limits the upside to further growth there and success in expanding outside of TN could prove more challenging than anticipated

Source: FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Buy Rated Companies

Mid Cap. (\$2 billion - \$5 billion Market Cap.)

Rank	Company Ticker	Company Name	Rating	Market Cap. (\$Mil)	1/03/2017 Price	Current Price Target	Upside/Downside to PT	Stock Return YTD	Valuation				Description	Catalyst(s)	Company Specific Risks
									P/E 2016E	P/E 2017E	P/E 2018E	P/TBV			
7	HTH	Hilltop Holdings Inc.	Buy	2,936	\$30.07	\$33.00	9.7%	0.0%	17.9x	16.8x	15.5x	1.9x	Texas restructuring story led by management with proven track record of creating shareholder value	Continued business simplification and profitability improvement efforts should improve core earnings power; \$500 million in excess capital could provide upside through M&A	PAA a headwind to GAAP EPS, potential mortgage volume declines, and M&A activity could prove difficult if pricing remains competitive
8	GBCI	Glacier Bancorp, Inc.	Buy	2,773	\$36.36	\$41.00	14.9%	0.0%	22.5x	20.9x	18.8x	2.8x	Preferred and proven community bank acquirer in MT, CO, WY, WA, UT, AZ and ID	Continuing to add banks and expand markets should boost revenue growth rates while stable credit trends should help boost the bottom line too	Greater expense related to crossing \$10 billion asset threshold; Deal pricing could become less attractive
9	SSB	South State Corp.	Buy	2,116	\$87.30	\$96.00	11.4%	0.0%	19.2x	18.6x	17.7x	2.8x	Largest community bank in SC with a growing presence in NC and North GA	Loan and revenue growth remain better than peers from robustness of SC, NC, GA footprint and fallout from WFC, as well as prime position as preferred acquiror	Continued runoff in the acquired portfolio could mute spread income growth
10	UCBI	United Community Banks, Inc.	Buy	2,098	\$29.69	\$32.00	8.9%	0.0%	20.3x	18.9x	17.1x	2.3x	A \$10 billion asset bank in GA, SC, NC and TN with top market share in north GA mountains and #11 in Atlanta and #8 in Greenville.	Efficiency should remain better than peers given all investments necessary to be a \$10 billion asset bank have already been made. Additional acquisitions or organic growth in southeast expansion markets could boost EPS further	ROAA improvement beyond 1.10% seems unlikely at the moment, while competition for acquisitions remains intense
11	LTXB	LegacyTexas Financial Group, Inc.	Buy	2,057	\$43.11	\$47.00	10.4%	0.0%	20.7x	18.5x	17.3x	3.0x	An \$8 billion asset bank with significant scale in the highly desired DFW MSA and superior profitability	Strength of the DFW market driving high growth franchise, and the use of M&A to cross \$10bn in assets (either as a buyer or seller) should boost shareholder value	DFW economic activity could slow, energy prices could fall, or M&A could fail to materialize
12	FMBI	First Midwest Bancorp, Inc.	Buy	2,052	\$25.38	\$28.00	11.7%	0.0%	20.7x	18.0x	15.7x	2.3x	A \$12 billion asset bank with 12th ranked market share in Chicago. Pro forma for the pending Standard Bancshares acquisition, FMBI will have over \$14 billion in total assets.	Well positioned for rising interest rates with the 10th highest asset sensitivity rank for regional banks. We expect greater operating leverage improvement compared to peers as the company scales past the \$10 billion asset regulatory threshold	Acquisition integration, fewer interest rate hikes than expected, or less cost control

Source: FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Buy Rated Companies

Small Cap. (<\$2 billion Market Cap.)

Rank	Ticker	Company Name	Rating	Market Cap. (\$Mil)	1/03/2017 Price	Current Price Target	Upside/Downside to PT	Stock Return YTD	Valuation				Description	Catalyst(s)	Company Specific Risks
									P/E 2016E	P/E 2017E	P/E 2018E	P/TBV			
1	STBZ	State Bank Financial Corp.	Buy	991	\$26.70	\$30.00	14.5%	0.0%	20.0x	19.6x	17.8x	1.9x	\$4 billion asset community bank in GA; (#9 deposit market share in Atlanta, #1 share in middle Georgia, and #5 share in Augusta)	Preferred bank acquiror in Georgia with well above peer capital levels. The company also has a growing payroll services, mortgages, and SBA operation. Efficiency improvement efforts are still being implemented as well	Competition for bank acquisitions
2	LOB	Live Oak Bancshares, Inc.	Buy	545	\$18.15	\$21.00	16.1%	0.0%	41.3x	20.9x	14.1x	2.9x	2nd largest SBA7(a) lender in the U.S.; Focus on small business lending in 12+ industry verticals led by domain experts and utilizing internally developed loan origination software	NII should grow faster and EPS should be more predictable now that LOB is retaining more loans on its balance sheet. Less mature vertical lending operations are seasoning and becoming more profitable. WFC fallout (the #1 SBA lender in the US) should be an opportunity for LOB to grab market share	The large percentage of construction loans make revenue recognition timing difficult to predict

Source: FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 M&A Outlook – Modest Acceleration in Bank M&A

We Think Higher Stock Prices Could Get Some Sellers Off the Fence with Stocks Near 52-Week Highs

Lower Taxes Mean More Excess Capital To Deploy

Higher Fed Funds Could Reveal Higher Small Bank Interest Rate Risk and Motivate Sales

Around 300+ Deals Per year Still Likely

- Best positioned acquirors in our universe are FFIN, GBCI, HTH, PB, PNFP and SSB.
- Scarce franchises in our universe include BPFH, CMA, LTXB and STBZ.
- Could see some more \$500 million to \$1 billion consideration transactions

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 M&A Outlook - Best Positioned Acquirors

Best Positioned Acquirors In Our STRH Universe

Savvy Acquirers											
						Valuation					
Company	Ticker	Rating	Current Price	Price Target	Implied Total Return	2016E PE Ratio	2017E PE Ratio	2018E PE Ratio	Price/TBV	Investment Thesis	Potential Targets
Prosperity Bancshares, Inc.	PB	Buy	\$71.93	\$80.00	13.1%	18.2x	17.5x	16.3x	3.04x	Preferred and proven bank acquiror in Texas and Oklahoma with pristine asset quality, low loan/deposit ratio, and a highly valuable, well managed franchise	LTXB, IBTX, SBSI, GNBC, TBK, ABTX, GNTY, NODB, VBTX, PONB
F.N.B. Corp.	FNB	Buy	\$16.00	\$18.00	15.5%	17.6x	15.0x	13.2x	2.45x	Completed 10 acquisitions since 2011, conservative YDKN financial assumptions and strong producer retention should drive outperformance and higher growth rate LT	Banks in Virginia, North Carolina, Maryland
Pinnacle Financial Partners, Inc.	PNFP	Buy	\$69.25	\$76.00	10.6%	22.8x	20.4x	18.2x	3.52x	Expressed interest in moving quickly to at least \$15 billion in assets and expanding outside the state of Tennessee	STBZ, ACBI, PSTB, FBNC, PBNC
First Financial Bankshares, Inc.	FFIN	Hold	\$45.20	\$45.00	1.2%	28.8x	26.9x	23.8x	4.11x	FFIN has a history of buying smaller, private companies. It has completed three, sub \$500 million asset deals in the last six years, all of which were private.	Small private banks have been typical FFIN targets
Hilltop Holdings Inc.	HTH	Buy	\$30.07	\$33.00	10.5%	18.6x	16.8x	15.5x	1.92x	One of the most well capitalized banks and only real cash buyer. HTH can be on the offensive in TX with limited exposure to Houston and energy	Texas banks, including distressed targets, are the most likely partners
Glacier Bancorp, Inc.	GBCI	Buy	\$36.36	\$41.00	15.0%	22.7x	21.1x	19.2x	2.82x	Preferred and proven community bank acquiror in Montana, Colorado, Wyoming, Washington, Utah, Arizona and Idaho. Tends to buy smaller, private banks	Small banks (sub \$500 million in assets) have been typical GBCI targets
South State Corp.	SSB	Buy	\$87.30	\$96.00	11.4%	19.1x	18.1x	17.7x	2.84x	Following the integration of the Southeastern transaction, SSB should be able to capitalize on growth opportunities in its footprint and possible expansion opportunities in SC, NC, and GA.	SFST, BNCN, CBF, PSTB, UCBI
			Median Average			19.1x 21.1x	18.1x 19.4x	17.7x 17.7x	2.84x 2.96x		

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 M&A Outlook - Scarce Franchises

Scarce Franchises In Our Universe

Scarce Franchises											
Company	Ticker	Rating	Current Price	Price Target	Implied Total Return	Valuation				Investment Thesis	Potential Buyers
						2016E PE Ratio	2017E PE Ratio	2018E PE Ratio	Price/TBV		
Comerica Incorporated	CMA	Hold	\$68.96	\$75.00	10.1%	22.8x	16.6x	13.9x	1.68x	#2 market share in Detroit, #6 in Ann Arbor, #4 in Lansing, #15 in LA, #13 in San Diego, #14 in San Francisco, #8 in DFW, #9 in Houston, #7 in Austin	USB, BBT or large foreign bank
LegacyTexas Financial Group, Inc.	LTXB	Buy	\$43.11	\$47.00	10.4%	20.1x	18.0x	16.8x	3.00x	#7 deposit market share in the Dallas-Fort Worth MSA and #1 deposit market share in Collin County	BBT, USB, foreign bank, HOMB,
State Bank Financial Corp.	STBZ	Buy	\$26.70	\$30.00	14.4%	20.2x	17.7x	16.0x	1.91x	#9 deposit market share in Atlanta, #1 share in middle Georgia, and #5 share in Augusta	SSB, PNFP, UCBI, RNST, OZRK, IBKC, RF, PNC
Green Bancorp, Inc.	GNBC	Hold	\$15.20	\$14.00	-7.9%	-47.5x	16.9x	13.1x	1.69x	Once it completes the wind down of its energy loan book, GNBC with 14th ranked Houston market share may decide to partner with another institution consistent with its stated strategy	TX banks & banks seeking entrance into TX market
Median Average						20.1x	17.9x	16.4x	2.21x		
						20.3x	17.9x	16.3x	2.27x		

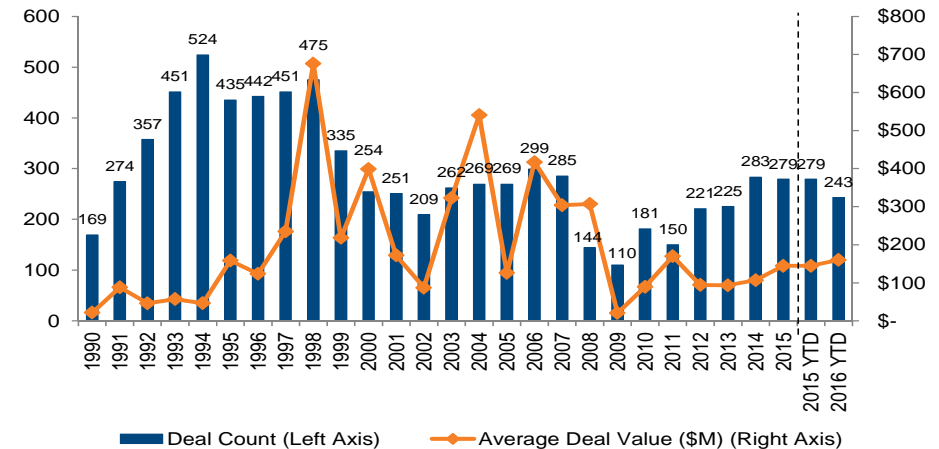
Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



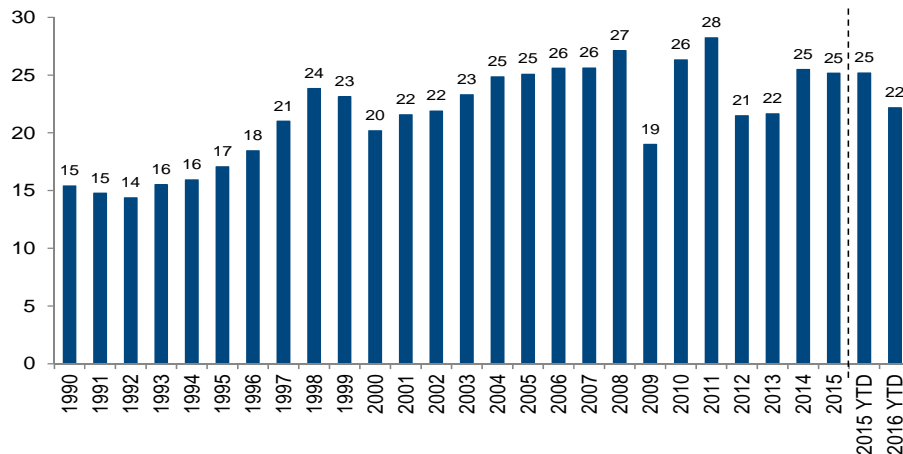
Acquisition Volume and Valuations Down in 2016

- Deal activity is down 15% YTD while valuation are slightly lower as well.
 - 243 deals in 2016 vs. 279 in 2015
 - 22x P/E (LTM) vs. 25x last year
 - 1.36x P/TBV vs. 1.43x last year
- There have been fewer Texas acquisitions YTD in 2016 than 2015 due to energy price volatility, but recent stability could cause an acceleration in 2017.
- Also, buyer and seller valuations have converged making it more difficult to make transactions financially attractive. Many banks are now considering low premium merger or equals (MOE).

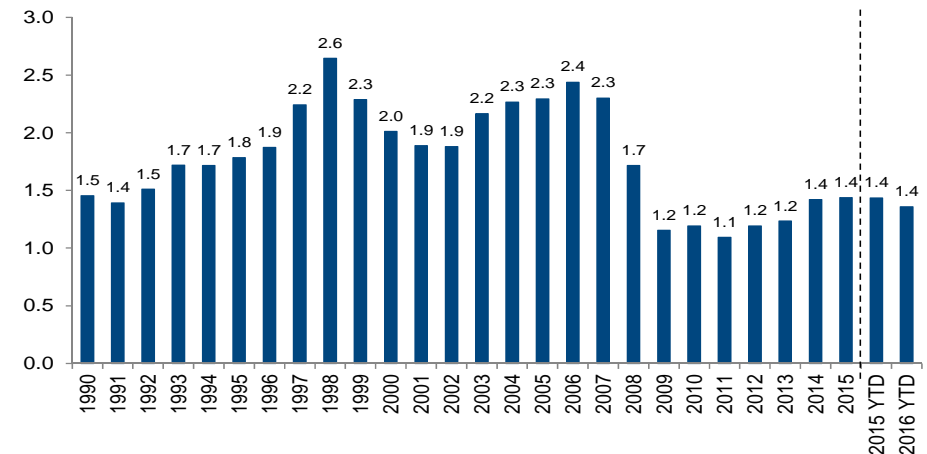
Deal Count and Average Deal Value



Price / LTM Earnings (x)



Price / Tangible Book (x)



Source: SNL Financial and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 M&A Outlook - Increasing M&A Interest

Strongest Acquiror Currencies

Top 50 Strongest Currencies for Acquisitions in the US (> \$1bn Market Cap.)

			Consensus Estimates										Consensus Estimates						
Ticker	Company Name	Region	Market Cap. (\$Bil)	Total Assets (\$Bil)	ROA A (%)	P / TBV (x)	P/E 2016E (x)	P/E 2017E (x)	P/E 2018E (x)	Ticker	Company Name	Region	Market Cap. (\$Bil)	Total Assets (\$Bil)	ROA A (%)	P / TBV (x)	P/E 2016E (x)	P/E 2017E (x)	P/E 2018E (x)
1	HOMB Home BancShares, Inc.	SE	3.9	9.8	1.82	4.3x	22.0x	20.2x	18.2x	26	CHCO City Holding Company	SE	1.0	3.9	1.38	2.8x	20.9x	20.4x	18.2x
2	FFIN First Financial Bankshares, Inc.	SW	2.9	6.7	1.54	4.1x	28.7x	26.9x	24.5x	27	SSB South State Corporation	SE	2.1	8.8	1.28	2.8x	20.3x	19.9x	18.0x
3	WABC Westamerica Bancorporation	WE	1.6	5.3	1.19	3.7x	27.5x	27.1x	24.7x	28	GBCI Glacier Bancorp, Inc.	WE	2.8	9.3	1.35	2.8x	22.9x	20.9x	18.9x
4	CBU Community Bank System, Inc.	MA	2.7	8.7	1.25	3.6x	26.8x	25.0x	23.2x	29	GWB Great Western Bancorp, Inc.	MW	2.5	11.5	1.19	2.8x	18.9x	17.4x	16.1x
5	PNFP Pinnacle Financial Partners, Inc.	SE	3.1	11.0	1.19	3.5x	23.3x	20.2x	17.5x	30	WSFS WSFS Financial Corporation	MA	1.4	6.6	0.82	2.8x	21.3x	18.3x	15.8x
6	SYBT Stock Yards Bancorp, Inc.	MW	1.0	2.9	1.45	3.4x	26.4x	25.2x	23.9x	31	CSFL CenterState Banks, Inc.	SE	1.2	5.0	1.23	2.8x	19.6x	18.2x	16.0x
7	BK Bank of New York Mellon Corporation	MA	50.3	374.1	1.13	3.4x	15.2x	13.7x	12.2x	32	LKFN Lakeland Financial Corporation	MW	1.2	4.2	1.30	2.8x	23.2x	21.8x	20.3x
8	BOH Bank of Hawaii Corporation	WE	3.7	16.0	1.09	3.3x	21.3x	20.7x	19.1x	33	FRC First Republic Bank	WE	13.7	68.0	1.03	2.8x	23.8x	20.7x	17.9x
9	WAL Western Alliance Bancorporation	WE	5.1	17.0	1.58	3.3x	19.8x	17.1x	15.1x	34	RNST Renasant Corporation	SE	1.8	8.5	1.08	2.8x	18.6x	17.6x	15.9x
10	TFSL TFS Financial Corporation (MHC)	MW	5.4	12.9	0.72	3.3x	68.0x	65.6x	65.6x	35	CVBF CVB Financial Corp.	WE	2.4	8.0	1.23	2.7x	25.0x	22.8x	21.0x
11	FHB First Hawaiian, Inc.	WE	4.6	19.9	1.10	3.2x	21.9x	21.6x	19.9x	36	STT State Street Corporation	NE	30.3	256.1	0.97	2.7x	15.6x	13.6x	12.2x
12	OZRK Bank of the Ozarks, Inc.	SE	6.3	18.5	1.81	3.2x	20.9x	17.4x	15.1x	37	USB U.S. Bancorp	MW	87.9	454.1	1.38	2.7x	15.9x	15.0x	13.8x
13	TMP Tompkins Financial Corporation	MA	1.4	6.1	1.00	3.1x	25.0x	22.5x	18.9x	38	CHFC Chemical Financial Corporation	MW	3.7	17.4	0.35	2.7x	19.3x	16.9x	15.3x
14	UBSI United Bankshares, Inc.	SE	3.5	14.3	1.17	3.1x	23.2x	22.9x	19.3x	39	FFBC First Financial Bancorp.	MW	1.7	8.4	1.10	2.7x	20.2x	18.9x	16.9x
15	IBTX Independent Bank Group, Inc.	SW	1.2	5.7	1.05	3.1x	20.4x	17.6x	15.1x	40	WBS Webster Financial Corporation	NE	4.9	25.6	0.82	2.7x	25.6x	22.8x	19.9x
16	STL Sterling Bancorp	MA	3.2	13.6	1.14	3.1x	21.3x	18.1x	15.4x	41	TOWN TowneBank	SE	2.1	7.8	1.29	2.7x	23.3x	19.9x	16.9x
17	INDB Independent Bank Corp.	NE	1.9	7.5	1.10	3.0x	22.9x	21.0x	18.8x	42	PRK Park National Corporation	MW	1.8	7.4	1.47	2.7x	20.7x	20.7x	19.4x
18	ABCB Ameris Bancorp	SE	1.6	6.5	1.36	3.0x	21.2x	16.4x	13.8x	43	SFNC Simmons First National Corpora	SE	1.9	8.2	1.22	2.6x	19.8x	17.9x	15.6x
19	PB Prosperity Bancshares, Inc.	SW	4.9	21.4	1.27	3.0x	18.3x	17.9x	16.7x	44	SBSI Southside Bancshares, Inc.	SW	1.1	5.5	0.99	2.6x	19.5x	18.3x	17.1x
20	LTXB LegacyTexas Financial Group, Inc.	SW	2.0	8.4	1.33	3.0x	20.3x	18.3x	16.1x	45	BNCN BNC Bancorp	SE	1.6	6.8	1.11	2.6x	19.7x	17.7x	15.5x
21	COLB Columbia Banking System, Inc.	WE	2.5	9.6	1.16	3.0x	24.8x	22.2x	20.2x	46	CBSH Commerce Bancshares, Inc.	MW	5.8	24.7	1.13	2.6x	21.8x	20.6x	19.1x
22	PACW PacWest Bancorp	WE	6.5	21.3	1.78	2.9x	19.0x	18.2x	16.9x	47	EWBC East West Bancorp, Inc.	WE	7.2	33.3	1.34	2.5x	17.4x	16.5x	14.8x
23	NBTB NBT Bancorp Inc.	MA	1.8	8.8	0.92	2.9x	23.2x	22.6x	20.3x	48	FIBK First Interstate BancSystem, Inc	WE	1.9	9.0	1.15	2.5x	19.9x	19.7x	16.1x
24	EGBN Eagle Bancorp, Inc.	MA	2.1	6.8	1.51	2.9x	21.4x	19.9x	17.5x	49	BPFH Boston Private Financial Holding	NE	1.3	7.7	1.09	2.5x	19.7x	18.7x	17.3x
25	MBFI MB Financial, Inc.	MW	3.8	19.3	1.03	2.9x	20.0x	17.9x	16.2x	50	BOFI BofI Holding, Inc.	WE	1.7	7.9	1.53	2.5x	15.3x	14.0x	12.0x
Median:												2.8x	21.0x	19.8x	17.2x				
Average:												3.0x	22.2x	20.5x	18.5x				

Source: SNL, FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 M&A Outlook - Increasing M&A Interest

Largest Deals

20 Largest Transactions YTD (By Deal Value)

Date Announced	Buyer				Target				Deal Terms			
	Name	Ticker	Region	Total Assets (\$Mil)	Name	Ticker	Region	Total Assets (\$Mil)	Value (\$Mil)	Relative Size (%)	P/TBV	P/E (LTM)
1 6/29/16	Canadian Imperial Bank of Commerce	CM		478,144	PrivateBancorp, Inc.	PVTB	Midwest	17,667	3,834	4%	2.3x	19.4x
2 1/26/16	Huntington Bancshares Incorporated	HBAN	Midwest	71,045	FirstMerit Corporation	FMER	Midwest	25,247	3,437	36%	1.7x	15.3x
3 8/8/16	TIAA Board of Overseers		Mid Atlantic		EverBank Financial Corp	EVER	Southeast	27,354	2,513	NA	1.5x	21.7x
4 7/21/16	F.N.B. Corporation	FNB	Mid Atlantic	21,215	Yadkin Financial Corporation	YDKN	Southeast	7,455	1,476	35%	2.3x	22.2x
5 10/24/16	Toronto-Dominion Bank	TD		1,182,436	Scottrade Bank		Midwest	16,022	1,300	1%	1.0x	11.2x
6 1/26/16	Chemical Financial Corporation	CHFC	Midwest	9,189	Talmer Bancorp, Inc.	TLMR	Midwest	6,504	1,086	71%	1.6x	20.7x
7 8/18/16	United Bankshares, Inc.	UBSI	Southeast	14,338	Cardinal Financial Corporation	CFNL	Southeast	4,197	911	29%	2.3x	19.5x
8 11/17/16	First Interstate BancSystem, Inc.	FIBK	West	8,974	Cascade Bancorp	CACB	West	3,175	588	35%	2.2x	31.7x
9 12/14/16	Simmons First National Corporation	SFNC	Southeast	8,227	Southwest Bancorp, Inc.	OKSB	Southwest	2,468	568	30%	2.1x	36.2x
10 1/12/16	Old National Bancorp	ONB	Midwest	11,915	Anchor BanCorp Wisconsin Inc.	ABCW	Midwest	2,237	443	19%	1.2x	3.2x
11 11/21/16	Independent Bank Group, Inc.	IBTX	Southwest	5,667	Carlisle Bancshares, Inc.		Southwest	2,325	434	41%	2.2x	19.3x
12 12/13/16	Pacific Premier Bancorp, Inc.	PPBI	West	3,755	Heritage Oaks Bancorp	HEOP	West	1,988	416	53%	2.2x	26.2x
13 6/27/16	People's United Financial, Inc.	PBCT	Northeast	39,264	Suffolk Bancorp	SCNB	Mid Atlantic	2,256	402	6%	2.0x	21.4x
14 6/28/16	First Midwest Bancorp, Inc.	FMBI	Midwest	10,729	Standard Bancshares, Inc.		Midwest	2,455	365	23%	1.5x	18.4x
15 7/8/16	Cathay General Bancorp	CATY	West	13,262	SinoPac Bancorp		West	1,299	340	10%	1.3x	46.5x
16 6/17/16	South State Corporation	SSB	Southeast	8,671	Southeastern Bank Financial Corporation	SBFC	Southeast	1,877	335	22%	1.9x	16.7x
17 4/28/16	Mechanics Bank	MCHB	West	3,577	California Republic Bancorp	CRPB	West	1,654	330	46%	2.2x	23.8x
18 10/24/16	Community Bank System, Inc.	CBU	Mid Atlantic	8,728	Merchants Bancshares, Inc.	MBVT	Northeast	1,899	305	22%	2.1x	21.0x
19 10/24/16	Access National Corporation	ANCX	Southeast	1,363	Middleburg Financial Corporation	MBRG	Southeast	1,314	245	96%	2.0x	31.4x
20 5/3/16	WesBanco, Inc.	WSBC	Southeast	8,569	Your Community Bankshares, Inc.	YCB	Midwest	1,550	221	18%	1.8x	14.5x
Median:				9,189				2,390	439		2.0x	20.8x
Average:				100,477				6,547	978		1.9x	22.0x

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 M&A Outlook - Increasing M&A Interest

Most Expensive Deals

20 Most Expensive Transactions YTD (By P/TBV)

Date Announced	Buyer				Target				Deal Terms			
	Name	Ticker	Region	Total Assets (\$Mil)	Name	Ticker	Region	Total Assets (\$Mil)	Value (\$Mil)	Relative Size (%)	P/TBV	P/E (LTM)
1 12/16/16	Dickinson Financial Corporation II		Midwest	2,144	Community Bancshares of Kansas, Inc.		Midwest	102	13	5%	2.4x	14.7x
2 7/21/16	F.N.B. Corporation	FNB	Mid Atlantic	21,215	Yadkin Financial Corporation	YDKN	Southeast	7,455	1,476	35%	2.3x	22.2x
3 6/29/16	Canadian Imperial Bank of Commerce	CM		478,144	PrivateBancorp, Inc.	PVTB	Midwest	17,667	3,834	4%	2.3x	19.4x
4 1/28/16	Pinnacle Financial Partners, Inc.	PNFP	Southeast	8,709	Avenue Financial Holdings, Inc.	AVNU	Southeast	1,165	209	13%	2.3x	29.0x
5 8/18/16	United Bankshares, Inc.	UBSI	Southeast	14,338	Cardinal Financial Corporation	CFNL	Southeast	4,197	911	29%	2.3x	19.5x
6 8/31/16	National Commerce Corporation	NCOM	Southeast	1,736	Private Bancshares, Inc.		Southeast	291	58	17%	2.2x	23.7x
7 12/13/16	Pacific Premier Bancorp, Inc.	PPBI	West	3,755	Heritage Oaks Bancorp	HEOP	West	1,988	416	53%	2.2x	26.2x
8 4/28/16	Mechanics Bank	MCHB	West	3,577	California Republic Bancorp	CRPB	West	1,654	330	46%	2.2x	23.8x
9 11/17/16	First Interstate BancSystem, Inc.	FIBK	West	8,974	Cascade Bancorp	CACB	West	3,175	588	35%	2.2x	31.7x
10 11/21/16	Independent Bank Group, Inc.	IBTX	Southwest	5,667	Carlisle Bancshares, Inc.		Southwest	2,325	434	41%	2.2x	19.3x
11 12/14/16	Simmons First National Corporation	SFNC	Southeast	8,227	Southwest Bancorp, Inc.	OKSB	Southwest	2,468	568	30%	2.1x	36.2x
12 10/24/16	Community Bank System, Inc.	CBU	Mid Atlantic	8,728	Merchants Bancshares, Inc.	MBVT	Northeast	1,899	305	22%	2.1x	21.0x
13 6/27/16	People's United Financial, Inc.	PBCT	Northeast	39,264	Suffolk Bancorp	SCNB	Mid Atlantic	2,256	402	6%	2.0x	21.4x
14 10/24/16	Access National Corporation	ANCX	Southeast	1,363	Middleburg Financial Corporation	MBRG	Southeast	1,314	245	96%	2.0x	31.4x
15 12/19/16	MainSource Financial Group, Inc.	MSFG	Midwest	4,014	FCB Bancorp, Inc.	FCBE	Midwest	508	57	13%	1.9x	NA
16 6/17/16	South State Corporation	SSB	Southeast	8,671	Southeastern Bank Financial Corporation	SBFC	Southeast	1,877	335	22%	1.9x	16.7x
17 7/20/16	Arbor Bancorp, Inc.		Midwest	1,214	Birmingham Bloomfield Bancshares, Inc.	BBBI	Midwest	274	33	23%	1.9x	15.9x
18 12/14/16	Veritex Holdings, Inc.	VBTX	Southwest	1,269	Sovereign Bancshares, Inc.		Southwest	1,099	176	87%	1.9x	21.5x
19 1/7/16	Ohio Valley Banc Corp.	OVBC	Midwest	808	Milton Bancorp, Inc.		Midwest	135	16	17%	1.8x	11.4x
20 6/9/16	Byline Bancorp, Inc.		Midwest	2,561	Ridgestone Financial Services, Inc.	RGST	Midwest	433	105	17%	1.8x	8.3x
Median:				4,841				1,766	317		2.1x	21.4x
Average:				31,219				2,614	526		2.1x	21.7x

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 M&A Outlook - Increasing M&A Interest

Deals Since Election

Deals Announced Since Election (By Announcement Date)

	Date Announced	Buyer				Target				Deal Terms			
		Name	Ticker	Region	Total Assets (\$Mil)	Name	Ticker	Region	Total Assets (\$Mil)	Value (\$Mil)	Relative Size (%)	P/TBV	P/E (LTM)
1	12/21/16	River Valley Bancorporation, Inc.		Midwest	1,133	Integrity First Bank		Midwest	83	ND	7%	ND	NA
2	12/19/16	MainSource Financial Group, Inc.	MSFG	Midwest	4,014	FCB Bancorp, Inc.	FCBE	Midwest	508	57	13%	1.9x	NA
3	12/16/16	Wallkill Valley Federal Savings and Loan		Mid Atlantic	194	Hometown Bancorp, Inc. (MHC)	HTWC	Mid Atlantic	123	7	63%	0.9x	NM
4	12/16/16	Dickinson Financial Corporation II		Midwest	2,144	Community Bancshares of Kansas, Inc.		Midwest	102	13	5%	2.4x	14.7x
5	12/15/16	Bay Commercial Bank	BCML	West	653	First ULB Corp.	FUBP	West	393	37	60%	ND	53.1x
6	12/14/16	Simmons First National Corporation	SFNC	Southeast	8,227	Southwest Bancorp, Inc.	OKSB	Southwest	2,468	568	30%	2.1x	36.2x
7	12/14/16	Veritex Holdings, Inc.	VBTX	Southwest	1,269	Sovereign Bancshares, Inc.		Southwest	1,099	176	87%	1.9x	21.5x
8	12/14/16	First Belleville Bancshares, Inc.		Midwest	256	Palco Bankshares, Inc.		Midwest	61	8	24%	1.1x	15.0x
9	12/13/16	Pacific Premier Bancorp, Inc.	PPBI	West	3,755	Heritage Oaks Bancorp	HEOP	West	1,988	416	53%	2.2x	26.2x
10	12/13/16	Southern National Bancorp of Virginia, Inc.	SONA	Southeast	1,135	Eastern Virginia Bankshares, Inc.	EVBS	Southeast	1,315	181	116%	1.5x	21.9x
11	12/7/16	NexTier Incorporated		Mid Atlantic	1,158	Manor Bank	MANR	Mid Atlantic	40	2	3%	0.9x	NM
12	11/30/16	CenterState Banks, Inc.	CSFL	Southeast	5,015	Gateway Financial Holdings of Florida, Inc.		Southeast	880	142	18%	1.6x	23.7x
13	11/29/16	Texas State Bankshares, Inc.		Southwest	607	Blanco National Holdings, Inc.		Southwest	183	26	30%	1.6x	20.3x
14	11/22/16	ACNB Corporation	ACNB	Mid Atlantic	1,209	New Windsor Bancorp, Inc.	NWID	Mid Atlantic	311	33	26%	1.4x	20.5x
15	11/22/16	Reliable Community Bancshares, Inc.		Midwest	1,334	Mid America Banking Corporation		Midwest	153	ND	11%	ND	NA
16	11/22/16	Sargent Bankshares, Inc.		Midwest	112	First National Bank		Midwest	68	ND	61%	ND	NA
17	11/21/16	Independent Bank Group, Inc.	IBTX	Southwest	5,667	Carlisle Bancshares, Inc.		Southwest	2,325	434	41%	2.2x	19.3x
18	11/17/16	Home BancShares, Inc.	HOMB	Southeast	9,764	Bank of Commerce and Certain Assets of Bar		Southeast	209	4	2%	0.5x	NA
19	11/17/16	First Interstate BancSystem, Inc.	FIBK	West	8,974	Cascade Bancorp	CACB	West	3,175	588	35%	2.2x	31.7x
20	11/17/16	Simmons First National Corporation	SFNC	Southeast	8,227	Hardeman County Investment Company, Inc.		Southeast	462	75	6%	1.8x	18.4x
21	11/17/16	Abington Bank		Northeast	136	Holbrook Co-operative Bank		Northeast	99	ND	73%	ND	NA
22	11/17/16	Peoples Independent Bancshares, Inc.		Southeast	207	Horizon Bank		Southeast	96	ND	47%	ND	NA
23	11/15/16	Little Bank, Inc.	LTLB	Southeast	367	Union Banc Corp.		Southeast	299	31	82%	1.3x	NA
24	11/15/16	Glacier Bancorp, Inc.	GBCI	West	9,317	TFB Bancorp, Inc.	TBBN	West	316	64	3%	1.7x	17.5x
25	11/15/16	Merchants Bancorp		Midwest	3,077	Bluestem Development Corporation		Midwest	43	5	1%	1.2x	19.7x
26	11/14/16	Trustmark Corporation	TRMK	Southeast	13,162	RB Bancorporation		Southeast	210	24	2%	1.7x	19.5x
27	11/14/16	Fountain View Bancorp., Inc.		Midwest	126	Hartwick State Bank		Midwest	24	ND	19%	ND	NA
28	11/10/16	T Acquisition, Inc.		Southwest		T Bancshares, Inc.	TBNC	Southwest	207	33	NA	1.6x	11.3x
Median:					1,269					210	35	1.6x	20.3x
Average:					3,379					616	133	1.6x	23.0x

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Mid to Late Stage Restructuring

Restructuring Stories										
Company	Ticker	Rating	Current Price	Price Target	Implied Total Return	Valuation				Investment Thesis
						2016E PE Ratio	2017E PE Ratio	2018E PE Ratio	Price/TBV	
Zions BanCorp.	ZION	Buy	\$43.18	\$48.00	11.9%	22.6x	17.9x	15.1x	1.48x	The company is in the middle innings of its efficiency improvement program. Profitability is steadily improving as costs stay flattish, excess liquidity is redeployed and the company has begun repurchasing stock.
First Horizon National Corp.	FHN	Buy	\$20.00	\$22.00	11.4%	20.6x	19.2x	15.7x	2.18x	Restructuring efforts are in the middle innings. Additionally, outsized loan growth should continue given FHN's less mature markets and lending niches like franchise, energy, and healthcare. Further non-strategic reserve releases are possible.
Hilltop Holdings Inc.	HTH	Buy	\$30.07	\$33.00	10.5%	18.6x	16.8x	15.5x	1.92x	Texas restructuring story led by management with proven track record of shareholder value creation. Continued core earnings improvements and business simplifications should improve valuations and significant excess capital could provide additional upside.
Synovus Financial Corp.	SNV	Buy	\$41.18	\$46.00	12.9%	20.9x	19.2x	16.7x	1.81x	Outsized capital returns from share repurchases, continued revenue diversification from additional M&A activity, a solidly asset-sensitive balance sheet, further efficiency improvement, and a new, externally-hired CFO are all positive catalysts.
Median						20.8x	18.6x	15.6x	1.87x	
Average						20.7x	18.3x	15.8x	1.85x	

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Growth Stories

Unique Growth Stories										
Company	Ticker	Rating	Current Price	Price Target	Implied Total Return	Valuation				Investment Thesis
						2016E PE Ratio	2017E PE Ratio	2018E PE Ratio	Price/TBV	
SVB Financial Group	SIVB	Buy	\$172.12	\$195.00	13.3%	24.4x	21.7x	18.5x	2.49x	Largest lender to technology and life sciences industries. Loan and revenue growth and asset quality remain strong and above peers despite more subdued level of innovation exit activity.
East West Bancorp, Inc.	EWBC	Buy	\$50.76	\$57.00	13.9%	17.3x	16.6x	15.5x	2.54x	Largest Asian niche bank in the country and primary caterer to the Chinese-American community for retail and commercial banking for companies doing business with China. Return to stronger growth expected after 2016 distractions abate.
MB Financial, Inc.	MBFI	Buy	\$47.39	\$54.00	15.6%	20.0x	17.5x	15.4x	2.85x	MBFI has built a high growth middle-market commercial lending engine with niche national verticals like leasing and mortgage. Growth should accelerate from recent hiring efforts and the addition of lenders from American Chartered.
Texas Capital Bancshares, Inc.	TCBI	Buy	\$78.30	\$87.00	11.1%	25.9x	19.7x	16.7x	2.32x	A commercially focused TX bank with the #4 market share in Dallas. TCBI's markets are growing faster than peers, the national businesses are still in infancy with plenty of room to expand, and one of the company's core competencies is hiring revenue producers.
Pinnacle Financial Partners, Inc.	PNFP	Buy	\$69.25	\$76.00	10.6%	22.8x	20.4x	18.2x	3.52x	Largest community bank in TN with the #3 market share in Nashville. Steady hiring and continued robust growth in Nashville, plus growing small presences in Chattanooga and Memphis should translate to above peer revenue and EPS growth.
United Community Banks, Inc.	UCBI	Buy	\$29.69	\$32.00	8.9%	20.3x	19.0x	16.0x	2.28x	Further acquisitions or organic growth in southeast expansion markets likely continue to drive above peer loan growth. Efficiency should also remain better than peers given all investments necessary to be a \$10 billion asset bank have already been made.
LegacyTexas Financial Group, Inc.	LTXB	Buy	\$43.11	\$47.00	10.4%	20.1x	18.0x	16.8x	3.00x	An \$8 billion asset bank with significant scale in the highly desired DFW MSA and superior profitability. Continued strength of the DFW market, further focus on expenses and profitability, and the use of M&A to cross \$10bn in assets (either as a buyer or seller) could all provide upside to current share price.
Live Oak Bancshares, Inc.	LOB	Buy	\$18.15	\$21.00	16.1%	31.8x	20.2x	13.5x	2.90x	NII should grow faster and EPS should be more predictable now that LOB is retaining more loans on its balance sheet. Less mature vertical lending operations are seasoning and becoming more profitable. WFC fallout (the #1 SBA lender in the US) should be an opportunity for LOB to grab market share.
Median Average						21.6x 22.8x	19.4x 19.1x	16.4x 16.3x	2.70x 2.74x	

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Asset Sensitivity Stories

Asset Sensitivity of STRH Coverage Universe

Company Name	Ticker	Total Assets (\$Mil)	Market Cap. (\$Mil)	Rate					Rising Rate Scenario			Valuation	
				Rate Sensitive Assets / Total Assets	Rate Sensitive Liabilities / Total Liabilities	Noninterest-bearing Deposits/ Deposits	Cost of Deposits	Cost of Funds	Interest Sensitivity Method	Increase in IR	NII Effect	P/E 2017E (Consensus)	P / TBV
				(%)	(%)	(%)	(%)	(%)		(bps)	(%)	(x)	(x)
1 Texas Capital Bancshares, Inc.	TCBI	22,216	3,878	94	7	48	0.20	0.32	Immediate	100	17.6	20.5x	2.47x
2 SVB Financial Group	SIVB	43,274	8,941	47	5	81	0.02	0.11	Immediate	100	15.5	20.8x	2.78x
3 Comerica Incorporated	CMA	74,124	11,733	69	5	54	0.07	0.19	Gradual 12 month	200	12.0	17.8x	1.75x
4 East West Bancorp, Inc.	EWBC	33,255	7,328	65	16	33	0.30	0.36	Immediate	100	10.8	16.5x	2.80x
5 Zions Bancorp.	ZION	61,039	8,768	46	6	45	0.10	0.17	Gradual 12 month	100	7.5	18.3x	1.56x
6 First Midwest Bancorp, Inc.	FMBI	11,578	2,052	47	14	30	0.11	0.28	Immediate	100	7.0	18.8x	2.45x
7 IBERIABANK Corp.	IBKC	20,789	3,709	38	11	29	0.32	0.39	Immediate	100	6.2	17.6x	2.06x
8 State Bank Financial Corp.	STBZ	3,616	991	50	13	30	0.34	0.34	Immediate	100	6.1	19.9x	2.02x
9 Atlantic Capital Bancshares, Inc.	ACBI	2,761	474	50	11	25	0.36	0.50	Gradual 12 month	100	5.9	24.3x	1.78x
10 First Horizon National Corp.	FHN	28,449	4,667	60	13	27	0.19	0.36	Immediate	100	4.8	18.0x	2.35x
11 Regions Financial Corp.	RF	125,177	17,677	41	5	37	0.13	0.31	Gradual 12 month	100	4.2	15.0x	1.69x
12 BancorpSouth, Inc.	BXS	14,611	2,908	48	15	29	0.23	0.25	Gradual 12 month	200	4.1	18.8x	2.18x
13 Seacoast Banking Corp. of Florida	SBCF	4,514	838	26	17	33	0.15	0.22	Gradual 12 month	100	4.1	18.4x	2.42x
14 Wintrust Financial Corp.	WFTC	25,322	3,750	63	13	27	0.30	0.43	Gradual 12 month	100	3.9	18.7x	2.18x
15 BB&T Corp.	BBT	222,622	38,153	33	10	32	0.16	0.40	Gradual 12 month	100	3.3	15.2x	2.37x
16 Synovus Financial Corp.	SNV	29,727	5,024	57	15	29	0.26	0.46	Gradual 12 month	100	3.1	19.0x	1.87x
17 MB Financial, Inc.	MBFI	19,342	3,946	45	25	45	0.21	0.28	Gradual 12 month	100	3.1	17.9x	2.87x
18 Bank of the Ozarks, Inc.	OZRK	18,452	6,371	56	25	17	0.42	0.54	Gradual 12 month	100	2.5	17.4x	3.65x
19 Southside Bancshares, Inc.	SBSI	5,465	1,074	16	29	21	0.41	0.61	Immediate	100	2.2	18.3x	2.90x
20 Hancock Holding Company	HBHC	23,109	3,590	29	16	40	0.27	0.36	Immediate	100	2.1	18.1x	2.03x
21 Associated Banc-Corp	ASB	29,153	3,717	43	16	25	0.25	0.33	Immediate	100	1.9	18.0x	2.06x
22 F.N.B. Corp.	FNB	21,584	3,374	46	19	26	0.27	0.38	Immediate	100	1.7	15.1x	2.53x
23 First Financial Bankshares, Inc.	FFIN	6,687	2,986	16	17	33	0.09	0.10	Immediate	100	0.8	26.9x	4.52x
24 Hilltop Holdings Inc.	HTH	12,423	2,936	38	25	32	0.23	0.65	Immediate	100	0.7	16.8x	2.08x
25 Trustmark Corp.	TRMK	13,162	2,411	26	19	32	0.13	0.22	Immediate	100	0.7	20.0x	2.23x
26 Cullen/Frost Bankers, Inc.	CFR	29,603	5,555	47	6	41	0.03	0.05	Gradual 12 month	100	0.4	17.7x	2.60x
27 LegacyTexas Financial Group, Inc.	LTXB	8,440	2,057	43	19	22	0.39	0.52	Immediate	100	0.2	18.3x	3.30x
28 BOK Financial Corp.	BOKF	32,779	5,473	34	28	41	0.19	0.31	Gradual 12 month	200	0.1	17.2x	1.92x
29 Independent Bank Group, Inc.	IBTX	5,667	1,177	31	18	26	0.38	0.57	Immediate	100	-0.5	17.6x	3.47x
30 United Community Banks, Inc.	UCBI	10,298	2,135	34	17	30	0.12	0.28	Gradual 12 month	200	-1.3	18.9x	2.47x
31 Pinnacle Financial Partners, Inc.	PNFP	10,978	3,200	47	16	27	0.31	0.46	Not Disclosed	ND	ND	20.2x	3.97x
32 Ameris Bancorp	ABCB	6,493	1,520	31	19	29	0.24	0.36	Not Disclosed	ND	ND	16.4x	3.45x
33 Green Bancorp, Inc.	GNBC	3,930	560	63	62	19	0.65	0.67	Not Disclosed	ND	ND	16.9x	1.68x
34 Boston Private Financial Holdings, Inc.	BPFH	7,682	1,376	29	13	32	0.28	0.40	Not Disclosed	ND	ND	18.7x	2.69x
35 Glacier Bancorp, Inc.	GBCI	9,317	2,773	17	18	29	0.25	0.37	Not Disclosed	ND	ND	20.9x	3.00x
36 Live Oak Bancshares, Inc.	LOB	1,670	633	77	72	2	1.17	1.22	Not Disclosed	ND	ND	20.9x	4.11x
37 Prosperity Bancshares, Inc.	PB	21,404	4,988	13	15	30	0.22	0.23	Not Disclosed	ND	ND	17.9x	3.26x
38 South State Corp.	SSB	8,797	2,116	23	14	30	0.08	0.11	Not Disclosed	ND	ND	19.9x	3.13x
Median:				44	16	30	0.23	0.36			3.2	18.3x	2.5x
Average:				43	18	32	0.26	0.37			4.4	18.6x	2.6x

Historical Bank Industry Valuation Expansion (semi annual analysis beginning 1 year prior to first rate hike)

	P/E Ratio					P/TBV					Valuation Expansion	
	2003	4Q03	2Q04	4Q04	2Q05	2003	4Q03	2Q04	4Q04	2Q05	2003-2005	2003-2005
Average	15.1x	17.3x	17.6x	18.6x	16.5x	2.64x	2.99x	3.17x	3.32x	3.08x	1.33x	0.41x
Median	13.3x	16.0x	15.4x	17.0x	15.2x	2.52x	2.97x	3.23x	3.33x	3.02x	1.40x	0.46x

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Best Stock Ideas

Asset Sensitivity Stories

Net Interest Margin Expansion - 3Q15 to 3Q16

		3Q16 vs. 3Q15 NIM Δ (Bps)	3Q16							1Q16				3Q15				
Ticker	Company Name		Loans / Earning		Sec. / Earning	Total	Nonint.	C&I	CRE	Loans / Earning		Sec. / Earning	Total	Loans / Earning		Sec. / Earning	Total	
			NIM	Assets	Assets	Assets	Dep.	Lns.	Lns.	NIM	Assets	Assets	Assets	NIM	Assets	Assets	Assets	
			(%)	(%)	(%)	(\$ Bil)	(%)	(%)	(%)	(%)	(%)	(\$ Bil)	(%)	(%)	(%)	(\$ Bil)		
1	SIVB	SVB Financial Group	25	2.77	45	50	43	81	NA	NA	2.65	40	55	44	2.52	37	57	42
2	ZION	Zions Bancorporation	25	3.38	76	19	60	45	NA	22	3.33	75	16	59	3.14	73	11	58
3	LOB	Live Oak Bancshares, Inc.	21	3.35	52	5	2	2	34	NA	3.51	31	5	1	3.15	29	7	1
4	ACBI	Atlantic Capital Bancshares, Inc.	18	3.14	79	14	3	25	27	52	3.23	79	16	3	2.96	82	11	1
5	SNV	Synovus Financial Corp.	11	3.25	83	13	30	29	28	45	3.22	83	13	29	3.14	81	13	28
6	CMA	Comerica Incorporated	10	2.66	73	18	73	54	63	18	2.79	75	19	69	2.56	74	15	71
7	FHN	First Horizon National Corporation	10	2.97	74	21	28	27	62	NA	2.87	71	21	27	2.87	72	21	25
8	UCBI	United Community Banks, Inc.	7	3.36	69	28	10	30	15	39	3.39	68	31	10	3.28	70	30	9
9	BPFH	Boston Private Financial Holdings, Inc.	4	2.91	81	18	8	32	19	35	2.98	81	17	7	2.87	81	16	7
10	BBT	BB&T Corporation	4	3.40	73	0	222	32	NA	NA	3.42	73	0	210	3.36	73	24	204
11	BOKF	BOK Financial Corporation	3	2.62	56	35	33	41	61	22	2.60	56	36	32	2.59	54	37	31
12	IBKC	IBERIABANK Corporation	3	3.58	80	15	20	29	27	40	3.66	80	16	20	3.55	79	15	20
13	GBCI	Glacier Bancorp, Inc.	2	4.02	64	36	9	29	20	36	3.98	61	40	9	4.00	60	40	9
14	FMBI	First Midwest Bancorp, Inc.	1	3.61	78	19	11	30	40	38	3.64	80	17	10	3.60	77	14	10
15	CFR	Cullen/Frost Bankers, Inc.	1	3.48	42	46	29	41	48	NA	3.53	44	45	28	3.47	44	45	28
16	TCBI	Texas Capital Bancshares, Inc.	1	3.14	81	0	22	48	40	NA	3.09	83	0	19	3.13	84	0	19
17	GNBC	Green Bancorp, Inc.	(2)	3.64	84	7	4	19	33	49	3.85	88	9	4	3.66	84	12	2
18	PB	Prosperity Bancshares, Inc.	(3)	3.31	51	49	22	30	18	38	3.46	49	50	22	3.33	48	51	22
19	FNB	F.N.B. Corporation	(4)	3.37	77	22	21	26	22	33	3.38	78	21	19	3.41	79	21	17
20	ASB	Associated Banc-Corp	(5)	2.78	75	23	29	25	34	22	2.80	75	24	28	2.83	74	24	27
21	SBCF	Seacoast Banking Corporation of Florida	(7)	3.71	66	32	4	33	12	47	3.66	70	31	4	3.78	65	32	3
22	MBFI	MB Financial, Inc.	(7)	3.70	74	20	17	45	50	30	3.77	73	21	15	3.77	70	22	15
23	EWBC	East West Bancorp, Inc.	(8)	3.28	79	11	33	33	38	37	3.30	77	11	32	3.35	78	10	31
24	RF	Regions Financial Corporation	(8)	3.07	73	22	126	37	44	14	3.17	73	22	126	3.15	74	22	123
25	HBHC	Hancock Holding Company	(8)	3.21	76	22	23	40	44	24	3.22	76	22	23	3.30	75	23	21
26	ABCB	Ameris Bancorp	(9)	4.02	82	15	6	29	15	39	4.01	79	16	6	4.10	75	18	5
27	PNFP	Pinnacle Financial Partners, Inc.	(9)	3.54	78	13	11	27	35	37	3.69	83	12	9	3.63	82	14	8
28	BXS	BancorpSouth, Inc.	(9)	3.53	80	16	14	29	15	39	3.55	81	16	14	3.62	81	18	14
29	WTFC	Wintrust Financial Corporation	(10)	3.26	82	18	25	27	44	28	3.30	83	17	23	3.36	81	19	22
30	FFIN	First Financial Bankshares, Inc.	(11)	4.06	53	45	7	33	17	26	4.13	54	45	7	4.17	52	46	6
31	SBSI	Southside Bancshares, Inc.	(17)	3.20	51	48	5	21	8	31	3.49	52	47	5	3.38	50	50	5
32	OZRK	Bank of the Ozarks, Inc.	(19)	4.92	83	8	17	17	3	41	4.89	94	6	10	5.11	90	10	9
33	STBZ	State Bank Financial Corporation	(21)	4.57	70	26	4	30	14	49	4.50	68	27	3	4.77	66	27	3
34	TRMK	Trustmark Corporation	(21)	3.54	67	31	13	32	19	30	3.52	67	32	13	3.75	65	33	12
35	LTXB	LegacyTexas Financial Group, Inc.	(21)	3.78	87	8	8	22	26	55	3.87	87	9	7	4.00	87	11	7
36	SSB	South State Corporation	(35)	4.15	83	12	9	30	10	32	4.30	80	13	9	4.51	79	12	8
37	IBTX	Independent Bank Group, Inc.	(43)	3.68	87	6	6	26	15	52	4.06	90	6	5	4.11	93	5	4
38	HTH	Hilltop Holdings Inc.	(55)	3.69	54	12	12	32	37	32	3.71	55	13	12	4.24	50	12	13
Median:		(4)		75	18		30	27	36		75	17			74	19		
Average:		(5)		71	21		32	30	35		71	22			70	22		

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



Section 2

2017 Detailed Fundamental Outlook

2017 Fundamental Outlook

Net Interest Income Growth Still Steady

- Lending competition remains very intense, particularly for middle market and corporate C&I credits.
- Some banks will benefit from WFC reputation damage as clients spread out their business or move business entirely.
- Rate hikes are more likely now.

Net Interest Income (FTE) Growth Rates									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	3.9%	2.3%	2.9%	-2.2%	0.9%	3.1%	7.7%	6.5%	8.2%
Average	10.9%	6.8%	2.8%	1.1%	7.9%	7.4%	12.6%	9.9%	9.8%
Banks \$2-5 Billion Market Cap.									
Median	6.7%	2.9%	2.7%	2.9%	12.7%	7.9%	10.7%	10.2%	9.4%
Average	12.5%	11.6%	8.8%	7.2%	12.1%	12.6%	9.2%	13.5%	9.5%
Banks <\$2 Billion Market Cap.									
Median	-5.1%	5.9%	0.5%	1.9%	4.8%	17.5%	16.1%	15.4%	12.1%
Average	2.1%	9.2%	1.0%	6.3%	6.3%	18.9%	23.8%	17.6%	12.5%
Coverage Universe Aggregate Trends									
Median	5.3%	2.6%	2.7%	2.1%	8.8%	6.9%	8.6%	10.0%	9.2%
Average	10.9%	9.9%	5.8%	5.2%	9.9%	12.0%	12.9%	13.5%	10.3%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

CRE in Focus

C&D and CRE Concentrations vs. Regulatory Guidance (as of 3Q16)

Ticker	Company Name	Criteria 1:	OR	Criteria 2:	AND	CRE Outstandings 3 year Growth > 50%	THEN	Result
		Construction, Land Development, and Other Land > 100% of Total Capital		Total CRE Loans ¹ > 300% of Total Capital				Above Regulatory Guidance?
1 IBTX	Independent Bank Group, Inc.	140%		419%		281%		Yes
2 OZRK	Bank of the Ozarks, Inc.	199%		387%		385%		Yes
3 GNBC	Green Bancorp, Inc.	74%		365%		258%		Yes
4 LTXB	LegacyTexas Financial Group, Inc.	35%		279%		158%		No
5 SNV	Synovus Financial Corp.	64%		278%		18%		No
6 PNFP	Pinnacle Financial Partners, Inc.	88%		266%		157%		No
7 ACBI	Atlantic Capital Bancshares, Inc.	70%		264%		197%		No
8 EWBC	East West Bancorp, Inc.	22%		256%		48%		No
9 ABCB	Ameris Bancorp	72%		248%		100%		No
10 STBZ	State Bank Financial Corporation	96%		247%		41%		No
11 BPFH	Boston Private Financial Holdings, Inc.	14%		234%		11%		No
12 TCBI	Texas Capital Bancshares, Inc.	98%		219%		84%		No
13 BXS	BancorpSouth, Inc.	70%		210%		34%		No
14 UCBI	United Community Banks, Inc.	85%		208%		73%		No
15 FMBI	First Midwest Bancorp, Inc.	28%		204%		47%		No
16 ASB	Associated Banc-Corp	49%		201%		45%		No
17 SBCF	Seacoast Banking Corporation of Florida	37%		200%		130%		No
18 IBKC	IBERIABANK Corporation	43%		195%		96%		No
19 SBSI	Southside Bancshares, Inc.	85%		193%		357%		No
20 FNB	F.N.B. Corporation	36%		175%		108%		No
21 PB	Prosperity Bancshares, Inc.	69%		173%		57%		No
22 TRMK	Trustmark Corporation	59%		170%		28%		No
23 LOB	Live Oak Bancshares, Inc.	162%		166%		330%		Yes
24 ZION	Zions Bancorporation	37%		163%		15%		No
25 SSB	South State Corporation	72%		162%		30%		No
26 WFTC	Wintrust Financial Corporation	25%		155%		43%		No
27 BOKF	BOK Financial Corporation	29%		151%		97%		No
28 GBCI	Glacier Bancorp, Inc.	57%		150%		60%		No
29 MBFI	MB Financial, Inc.	25%		150%		126%		No
30 CFR	Cullen/Frost Bankers, Inc.	48%		137%		45%		No
31 HTH	Hilltop Holdings Inc.	49%		136%		55%		No
32 HBHC	Hancock Holding Company	41%		129%		32%		No
33 BBT	BB&T Corporation	23%		97%		45%		No
34 CMA	Comerica Incorporated	35%		92%		34%		No
35 FFIN	First Financial Bankshares, Inc.	47%		91%		62%		No
36 RF	Regions Financial Corporation	22%		87%		51%		No
37 FHN	First Horizon National Corporation	21%		63%		45%		No
38 SIVB	SVB Financial Group	3%		5%		113%		No
STRH Universe Median		48%		184%		58%		
STRH Universe Average		59%		193%		103%		
All Publicly Traded Banks Median		34%		188%		45%		
All Publicly Traded Banks Average		42%		198%		84%		

- CRE lending less competitive now as most banks maintain concentration within regulatory guidelines
- Banks like OZRK, GNBC, IBTX and LOB are above the CRE concentration guidelines
- Certain companies like FHN, RF, CMA and BBT have more capacity to make CRE loans

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Loan Growth: Improving

- We predict high single-digit loan growth rates in both 2017 and 2018, coming off of a more muted 2016, but still slower than paces seen in 2013-2015.
- Loan demand should be greater as more economic expansion policies are put in place.

Period End Loan Growth Rates									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	-4.4%	4.6%	5.7%	3.4%	9.0%	7.6%	5.8%	7.0%	7.2%
Average	-0.5%	4.8%	6.8%	7.9%	15.5%	13.2%	6.6%	10.8%	10.0%
Banks \$2-5 Billion Market Cap.									
Median	1.9%	7.0%	10.4%	11.6%	10.7%	13.0%	7.0%	10.4%	9.3%
Average	1.6%	12.7%	11.6%	15.2%	14.7%	17.4%	9.8%	12.1%	9.1%
Banks <\$2 Billion Market Cap.									
Median	8.1%	7.4%	6.5%	9.5%	32.3%	32.2%	5.1%	12.6%	11.5%
Average	12.1%	15.9%	12.1%	15.6%	36.4%	35.2%	5.6%	17.5%	12.8%
Coverage Universe Aggregate Trends									
Median	1.4%	5.9%	6.6%	6.9%	14.1%	13.1%	5.8%	9.3%	8.8%
Average	3.1%	11.4%	10.4%	13.3%	20.1%	20.5%	8.0%	13.0%	10.2%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

NIM Outlook: Stabilization to Improvement

- Interest rate environment should be improving with the anticipation of further Fed rate hikes.

Net Interest Margin									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	3.55%	3.59%	3.47%	3.35%	3.30%	3.17%	3.27%	3.31%	3.36%
Average	3.79%	3.81%	3.73%	3.59%	3.43%	3.25%	3.29%	3.28%	3.31%
Banks \$2-5 Billion Market Cap.									
Median	3.80%	3.84%	3.61%	3.65%	3.75%	3.58%	3.54%	3.51%	3.51%
Average	3.74%	3.84%	3.71%	3.75%	3.77%	3.59%	3.52%	3.50%	3.51%
Banks <\$2 Billion Market Cap.									
Median	3.39%	3.47%	3.26%	3.49%	3.77%	3.64%	3.70%	3.51%	3.57%
Average	3.82%	3.95%	3.95%	4.05%	3.83%	3.67%	3.66%	3.61%	3.64%
Coverage Universe Aggregate Trends									
Median	3.70%	3.69%	3.57%	3.54%	3.64%	3.41%	3.42%	3.46%	3.49%
Average	3.77%	3.86%	3.77%	3.78%	3.70%	3.52%	3.49%	3.47%	3.49%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Fee Income Outlook: Steady Growth

- We forecast mid-single-digit fee income growth in 2017 and 2018, coming off of challenging comparisons of over 13% expected growth in 2016.
- Mortgage lending revenue should be lower as rates are higher but still low on a historical basis; this business is also not a large net income contributor.
- WFC fallout will likely result in more regulatory scrutiny of consumer sales practices for all banks, possibly slightly muting account and fee growth.

Non-Interest Income Growth Rates									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	-5.4%	-1.7%	4.4%	1.3%	-0.9%	5.2%	7.0%	4.8%	3.0%
Average	-8.2%	-6.4%	8.7%	4.3%	-5.6%	10.7%	9.2%	5.0%	3.3%
Banks \$2-5 Billion Market Cap.									
Median	0.1%	-0.4%	12.3%	2.5%	-2.1%	12.3%	13.8%	3.6%	2.7%
Average	2.7%	1.1%	14.6%	5.3%	5.7%	22.5%	17.2%	6.1%	3.4%
Banks <\$2 Billion Market Cap.									
Median	0.2%	27.0%	25.6%	13.2%	27.3%	34.3%	17.2%	7.3%	5.3%
Average	-2.1%	22.2%	24.6%	15.9%	15.4%	35.1%	19.4%	18.6%	11.2%
Coverage Universe Aggregate Trends									
Median	-2.3%	0.7%	11.9%	3.3%	0.6%	18.3%	13.8%	4.8%	3.3%
Average	-1.3%	4.2%	15.4%	7.5%	5.0%	22.4%	15.5%	8.8%	5.2%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Expense Control Still A Major Priority

- Expense growth should be minimal as most banks aim for positive operating leverage; we predict low single-digit growth in both 2017 and 2018.
- Necessary compliance, technology investments are somewhat offset by a steady decline in branch offices and corporate office square footage.

Non-Interest Expense Growth Rates									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	7.5%	1.8%	-1.1%	0.4%	2.4%	7.1%	7.9%	2.0%	3.1%
Average	14.5%	3.8%	-0.1%	1.6%	5.2%	7.3%	11.5%	3.7%	3.5%
Banks \$2-5 Billion Market Cap.									
Median	12.7%	6.0%	6.8%	0.9%	5.7%	10.3%	6.0%	4.4%	3.8%
Average	14.7%	8.2%	6.3%	5.3%	6.6%	14.3%	10.5%	6.3%	3.6%
Banks <\$2 Billion Market Cap.									
Median	4.7%	5.5%	16.9%	10.8%	10.0%	29.9%	19.4%	4.4%	6.0%
Average	-3.0%	15.5%	17.9%	8.5%	14.4%	27.7%	27.1%	7.5%	5.6%
Coverage Universe Aggregate Trends									
Median	8.9%	3.8%	5.5%	0.8%	5.8%	12.1%	9.9%	3.7%	3.7%
Average	11.5%	8.8%	7.4%	5.1%	8.1%	15.6%	14.7%	5.9%	4.0%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Provisioning Bottomed for Most Banks

- Provisioning/average loans declined from to 1.32% in 2010 0.30% in 2016 YTD; ~33% of our coverage hasn't seen a LLP trough yet.
- Energy lender banks, which are 45% of our coverage, will likely have lower provisioning in 2017E as energy prices have stabilized in the \$50's.
- Higher rates mean higher credit costs at some point

Loan Loss Provision Growth Rates									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	-48.5%	-58.6%	-39.1%	-35.2%	-34.1%	-14.5%	43.2%	22.8%	20.7%
Average	-43.3%	-62.9%	-43.1%	-3.7%	-13.9%	-23.5%	51.4%	26.7%	24.5%
Banks \$2-5 Billion Market Cap.									
Median	-28.6%	-40.2%	-51.2%	-34.8%	3.4%	14.9%	44.7%	8.7%	24.6%
Average	-13.0%	-41.3%	-31.4%	-26.8%	-17.0%	22.1%	27.5%	18.4%	30.0%
Banks <\$2 Billion Market Cap.									
Median	17.3%	-52.3%	-15.6%	-70.5%	26.8%	6.8%	-32.5%	-9.4%	27.4%
Average	6.8%	-51.6%	-23.2%	-72.1%	22.2%	0.4%	-32.1%	-19.4%	27.8%
Coverage Universe Aggregate Trends									
Median	-31.7%	-46.0%	-36.0%	-39.7%	-6.6%	12.6%	28.2%	16.2%	24.6%
Average	-17.7%	-49.4%	-32.2%	-31.6%	-8.4%	6.6%	22.1%	14.0%	28.0%
Coverage Universe Median LLP/Average Loans									
	1.32%	0.50%	0.40%	0.19%	0.17%	0.22%	0.32%	0.27%	0.32%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Provisioning Detail

Loan Loss Provision as a Percent of Average Loans											
Ticker	Company Name	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 YTD (%)	2016E (%)	2017E (%)	2018E (%)
1 BPFH	Boston Private Financial Holdings, Inc.	1.96	0.29	(0.07)	(0.20)	(0.12)	(0.03)	(0.14)	(0.11)	0.04	0.15
2 UCBI	United Community Banks, Inc.	4.50	5.83	1.50	1.54	0.19	0.07	(0.02)	(0.01)	0.10	0.13
3 STBZ	State Bank Financial Corp.	0.34	1.93	1.00	(0.17)	0.20	0.17	(0.00)	0.02	0.16	0.21
4 GBCI	Glacier Bancorp, Inc.	2.12	1.78	0.61	0.18	0.04	0.05	0.03	0.03	0.04	0.07
5 BXS	BancorpSouth, Inc.	2.11	1.41	0.32	0.09	0.00	(0.13)	0.04	0.04	0.15	0.24
6 ABCS	Ameris Bancorp	3.00	1.71	1.57	0.56	0.21	0.16	0.07	0.08	0.19	0.22
7 SBCF	Seacoast Banking Corp. of Florida	2.39	0.16	0.88	0.25	(0.24)	0.13	0.08	0.07	0.13	0.19
8 FHN	First Horizon National Corp.	1.53	0.27	0.47	0.34	0.17	0.05	0.08	0.10	0.21	0.29
9 EWBC	East West Bancorp, Inc.	1.46	0.67	0.46	0.12	0.23	0.03	0.11	0.09	0.13	0.19
10 ACBI	Atlantic Capital Bancshares, Inc.	0.47	1.09	(0.18)	0.03	0.05	0.67	0.11	0.00	0.00	0.00
11 SNV	Synovus Financial Corp.	4.75	2.01	1.61	0.35	0.17	0.09	0.13	0.13	0.26	0.30
12 SSB	South State Corp.	2.07	1.08	0.45	0.04	0.12	0.10	0.13	0.18	0.26	0.28
13 OZRK	Bank of the Ozarks, Inc.	0.76	0.45	0.44	0.40	0.39	0.29	0.18	0.30	0.47	0.49
14 WTFC	Wintrust Financial Corporation	1.28	0.96	0.63	0.35	0.14	0.20	0.19	0.20	0.23	0.25
15 TRMK	Trustmark Corp.	0.79	0.50	0.20	(0.11)	0.11	0.16	0.20	0.25	0.38	0.44
16 MBFI	MB Financial, Inc.	3.64	1.98	(0.16)	(0.10)	0.17	0.22	0.20	0.20	0.26	0.29
17 IBTX	Independent Bank Group, Inc.	0.52	0.18	0.27	0.25	0.20	0.27	0.23	0.24	0.24	0.27
18 PNFP	Pinnacle Financial Partners, Inc.	1.60	0.68	0.16	0.20	0.08	0.17	0.28	1.14	2.30	2.73
19 ZION	Zions BanCorp.	2.21	0.20	0.04	(0.23)	(0.25)	0.10	0.30	0.30	0.32	0.37
20 PB	Prosperity Bancshares, Inc.	0.40	0.14	0.14	0.28	0.20	0.08	0.30	0.25	0.12	0.15
21 FFIN	First Financial Bankshares, Inc.	0.58	0.39	0.18	0.15	0.16	0.31	0.33	0.32	0.27	0.32
22 RF	Regions Financial Corp.	3.26	1.87	0.28	0.18	0.09	0.30	0.35	0.43	0.48	0.48
23 ASB	Associated Banc-Corp	2.96	0.39	0.02	0.06	0.08	0.21	0.35	0.39	0.35	0.34
24 IBKC	IBERIABANK Corp.	0.73	0.38	0.26	0.06	0.18	0.23	0.35	0.33	0.37	0.50
25 LTXB	LegacyTexas Financial Group, Inc.	0.34	0.25	0.14	0.13	0.23	0.49	0.37	0.36	0.29	0.34
26 FNB	F.N.B. Corporation	0.79	0.50	0.40	0.36	0.37	0.35	0.41	0.40	0.29	0.35
27 BBT	BB&T Corp.	2.52	1.14	0.93	0.45	0.24	0.33	0.41	0.42	0.50	0.53
28 SBSI	Southside Bancshares, Inc.	1.32	0.71	0.91	0.68	1.04	0.37	0.42	0.40	0.24	0.27
29 FMBI	First Midwest Bancorp, Inc.	2.71	1.49	2.90	0.30	0.31	0.31	0.44	0.42	0.33	0.37
30 BOKF	BOK Financial Corp.	0.95	(0.01)	(0.12)	(0.22)	0.01	0.22	0.45	0.48	0.20	0.20
31 CFR	Cullen/Frost Bankers, Inc.	0.54	0.34	0.12	0.22	0.16	0.46	0.50	0.44	0.32	0.42
32 TCBI	Texas Capital Bancshares, Inc.	1.02	0.45	0.12	0.19	0.16	0.34	0.53	0.69	0.56	0.61
33 CMA	Comerica Incorporated	1.18	0.36	0.17	0.09	0.05	0.29	0.54	0.51	0.39	0.42
34 SIVB	SVB Financial Group	1.01	0.10	0.59	0.68	0.52	0.66	0.66	0.68	0.79	0.79
35 HTH	Hilltop Holdings Inc.	NA	NA	NA	0.81	0.31	0.19	0.69	1.17	0.23	0.19
36 HBHC	Hancock Holding Company	1.32	0.45	0.48	0.28	0.26	0.51	0.80	0.70	0.47	0.46
37 LOB	Live Oak Bancshares, Inc.	NA	1.67	0.93	(0.30)	0.70	0.59	1.22	1.26	1.18	1.13
38 GNBC	Green Bancorp, Inc.	0.67	1.21	0.76	0.19	0.18	0.83	2.33	2.64	0.56	0.45
Median:		1.32	0.50	0.40	0.19	0.17	0.22	0.30	0.31	0.27	0.31
Average:		1.66	0.95	0.52	0.22	0.19	0.26	0.36	0.41	0.36	0.41

- 20% of our coverage universe had less than 10 basis points of provisioning in 2016; 30% had less than 15 bps.
- Over half of the companies in our coverage universe had LTM provisioning below long-term historical median levels.
- Energy lenders had relatively higher provisioning in 2015 and 2016.

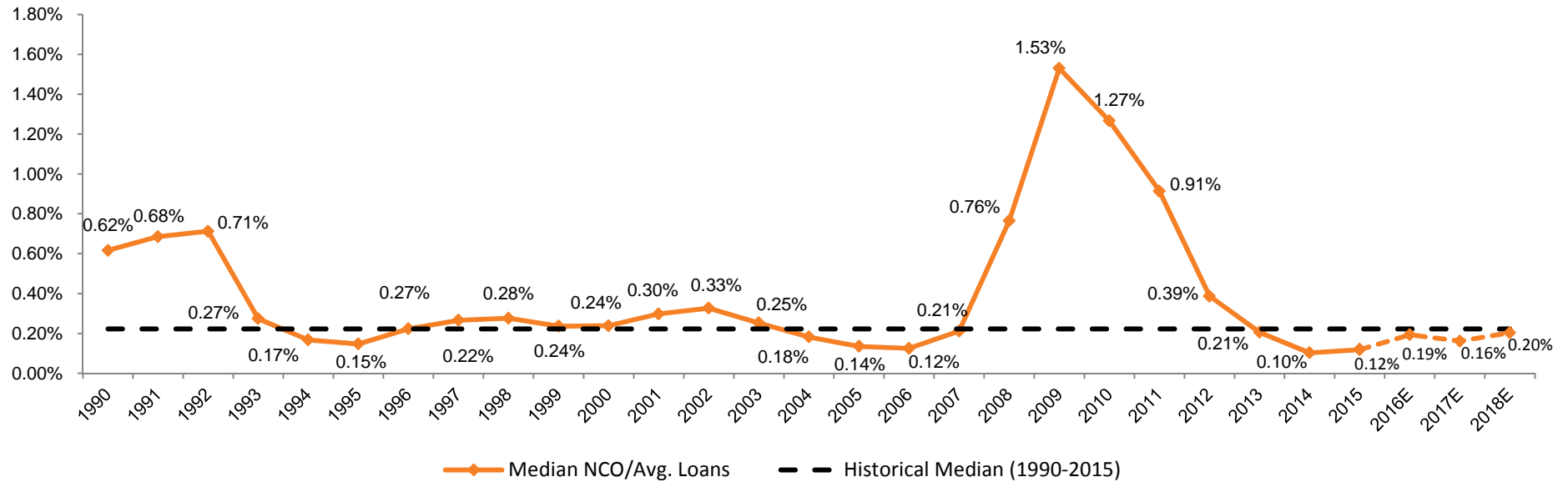
Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

NCOs / Average Loans

- NCOs remain below long-term historical averages for our coverage universe, but we expect trends to normalize over the next couple of years.



Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Energy Lenders in Focus

- While oil prices having remained in the \$40-\$50 range since early April, energy lending is likely to be less of a topic of concern going into 2017. The exception to that is OFS, due to the lagged effect that commodity prices have on this part of the industry. Companies with outsized OFS exposure include Hold-rated HBHC, GNBC, and TRMK.

Energy Lenders 3Q16 Exposure/Asset Quality

			Exposure as a Percent of Total Loans				Percent of Energy Loans				Net Charge-Offs (\$Mil)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			

¹Represents energy related loan balances outstanding rather than the unfunded commitments

Source: FactSet, SNL, Company Data and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Houston CRE Concentrations

- Signs of Houston CRE stress remain mostly anecdotal at this point, but some banks have begun making efforts to contain exposure in the city.

Houston CRE Exposure - 3Q16

Ticker	Company Name	Total Houston CRE		Houston CRE Breakout				
		(\$Mil)	Percent of Total Loans	Multi (%)	Office (%)	Retail (%)	Hospitality (%)	Other (%)
1 IBTX	Independent Bank Group, Inc.	575	13%	--	--	--	--	--
2 LTXB	LegacyTexas Financial Group, Inc.	465	8%	34%	37%	26%	--	3%
3 PB	Prosperity Bancshares, Inc.	572	6%	8%	14%	35%	5%	37%
4 TCBI	Texas Capital Bancshares, Inc.	877	5%	24%	20%	14%	18%	25%
5 ZION	Zions BanCorp.	935	2%	34%	22%	14%	11%	20%
6 HTH	Hilltop Holdings Inc.	124	2%	--	--	--	--	--
7 IBKC	IBERIABANK Corp.	304	2%	40%	15%	15%	--	30%
8 HBHC	Hancock Holding Company	130	1%	38%	8%	33%	--	21%
9 CMA	Comerica Incorporated	347	1%	--	--	--	--	--
10 RF	Regions Financial Corp.	412	1%	74%	6%	16%	--	4%
11 CFR	Cullen/Frost Bankers, Inc.	--	--	--	--	--	--	--
12 GNBC	Green Bancorp, Inc.	--	--	--	--	--	--	--
13 TRMK	Trustmark Corp.	--	--	--	--	--	--	--
14 BOKF	BOK Financial Corp.	--	--	--	--	--	--	--
15 SBSI	Southside Bancshares, Inc.	0	0%	0%	0%	0%	0%	0%
16 FFIN	First Financial Bankshares, Inc.	0	0%	0%	0%	0%	0%	0%
Average:			3%	34%	14%	15%	5%	20%
Median:			2%	28%	13%	17%	7%	16%

*Excludes owner-occupied where disclosed

*-- indicates non-disclosure

Source: Company Data, SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Tier 1 Common Ratio Should Stay Near 11%

Tier 1 Common Ratio									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	11.3%	11.3%	11.6%	11.2%	11.3%	10.9%	11.4%	11.6%	11.7%
Average	11.0%	11.3%	11.6%	11.2%	11.4%	11.1%	11.4%	11.3%	11.1%
Banks \$2-5 Billion Market Cap.									
Median	11.5%	11.8%	11.7%	11.5%	11.2%	10.1%	9.9%	9.9%	10.4%
Average	12.0%	12.4%	12.5%	11.9%	11.7%	11.1%	11.1%	11.1%	11.1%
Banks <\$2 Billion Market Cap.									
Median	8.6%	11.4%	11.3%	11.7%	11.3%	9.8%	10.1%	10.3%	10.4%
Average	15.8%	14.7%	14.1%	14.8%	12.8%	12.6%	11.9%	11.8%	11.9%
Coverage Universe Aggregate Trends									
Median	11.5%	11.8%	11.7%	11.4%	11.2%	10.5%	11.1%	10.8%	10.6%
Average	12.3%	12.5%	12.5%	12.2%	11.8%	11.5%	11.4%	11.3%	11.3%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Capital Returns Could Decline If Organic Growth Accelerates

Total Capital Payout									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	27%	24%	26%	38%	39%	58%	34%	33%	31%
Average	26%	25%	34%	48%	38%	60%	38%	34%	30%
Banks \$2-5 Billion Market Cap.									
Median	23%	31%	37%	30%	34%	40%	32%	30%	28%
Average	52%	50%	33%	58%	41%	49%	36%	32%	30%
Banks <\$2 Billion Market Cap.									
Median	0%	4%	8%	31%	13%	10%	14%	10%	10%
Average	15%	12%	23%	23%	30%	21%	21%	20%	20%
Coverage Universe Aggregate Trends									
Median	23%	24%	25%	33%	34%	40%	31%	29%	27%
Average	40%	37%	32%	50%	38%	48%	33%	30%	27%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



2017 Fundamental Outlook

Capital Return Forecasts Detail

Dividend Payout									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	27%	16%	21%	29%	27%	30%	28%	26%	25%
Average	26%	20%	21%	26%	26%	29%	29%	26%	24%
Banks \$2-5 Billion Market Cap.									
Median	25%	24%	25%	30%	32%	34%	31%	29%	27%
Average	52%	39%	27%	38%	31%	34%	33%	31%	29%
Banks <\$2 Billion Market Cap.									
Median	0%	0%	7%	19%	13%	14%	14%	10%	10%
Average	8%	9%	14%	19%	24%	20%	21%	20%	20%
Coverage Universe Aggregate Trends									
Median	23%	13%	21%	29%	26%	30%	29%	27%	26%
Average	39%	29%	23%	31%	29%	30%	29%	27%	25%

Share Repurchase Payout									
	2010	2011	2012	2013	2014	2015	2016E	2017E	2018E
Banks >\$5 Billion Market Cap.									
Median	0%	0%	0%	1%	2%	20%	0%	0%	0%
Average	0%	4%	14%	22%	12%	31%	9%	8%	6%
Banks \$2-5 Billion Market Cap.									
Median	0%	0%	0%	0%	0%	1%	0%	0%	0%
Average	1%	14%	5%	23%	4%	14%	3%	1%	1%
Banks <\$2 Billion Market Cap.									
Median	0%	0%	0%	0%	0%	0%	0%	0%	0%
Average	2%	0%	3%	1%	1%	0%	0%	0%	0%
Coverage Universe Aggregate Trends									
Median	0%	0%	0%	0%	0%	1%	0%	0%	0%
Average	1%	7%	7%	17%	6%	17%	4%	3%	2%

Source: SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



Section 3

Valuation, Price Target Rationale & Risks

Our EPS Estimates Versus Consensus

EPS vs. Consensus of All Covered Banks

Ticker	Company Name	Rating	1/03/2017 Price	Price Target	Upside to PT	2016E EPS	2017E EPS	2018E EPS	2016E Consensus	2017E Consensus	2018E Consensus	2017E % Variance
1 STBZ*	State Bank Financial Corporation	Buy	\$26.70	\$30.00	12%	\$1.32	\$1.51	\$1.67	\$1.34	\$1.36	\$1.50	10.7%
2 HBHC*	Hancock Holding Company	Hold	\$44.15	\$45.00	2%	\$1.87	\$2.60	\$2.80	\$1.88	\$2.44	\$2.79	6.6%
3 RF	Regions Financial Corporation	Hold	\$14.43	\$15.00	4%	\$0.86	\$1.01	\$1.16	\$0.86	\$0.96	\$1.09	5.1%
4 TCBI*	Texas Capital Bancshares, Inc.	Buy	\$78.30	\$87.00	11%	\$3.02	\$3.97	\$4.70	\$3.02	\$3.82	\$4.33	4.0%
5 LOB*	Live Oak Bancshares, Inc.	Buy	\$18.15	\$21.00	16%	\$0.57	\$0.90	\$1.34	\$0.44	\$0.87	\$1.28	3.8%
6 BBT	BB&T Corporation	Buy	\$46.98	\$53.00	13%	\$2.89	\$3.22	\$3.67	\$2.87	\$3.11	\$3.41	3.5%
7 CMA*	Comerica Incorporated	Hold	\$68.96	\$75.00	9%	\$3.03	\$4.15	\$4.95	\$2.96	\$4.04	\$4.67	2.6%
8 ABCB	Ameris Bancorp	Hold	\$43.70	\$50.00	14%	\$2.04	\$2.70	\$3.15	\$2.06	\$2.67	\$3.17	1.2%
9 LTXB*	LegacyTexas Financial Group, Inc.	Buy	\$43.11	\$47.00	9%	\$2.15	\$2.39	\$2.56	\$2.08	\$2.32	\$2.50	2.8%
10 SSB*	South State Corporation	Buy	\$87.30	\$96.00	10%	\$4.57	\$4.83	\$4.94	\$4.55	\$4.70	\$4.92	2.7%
11 MBFI*	MB Financial, Inc.	Buy	\$47.39	\$54.00	14%	\$2.37	\$2.71	\$3.07	\$2.37	\$2.64	\$2.92	2.6%
12 IBKC*	IBERIABANK Corporation	Hold	\$83.25	\$85.00	2%	\$4.41	\$4.77	\$5.32	\$4.41	\$4.71	\$5.30	1.2%
13 ZION*	Zions Bancorporation	Buy	\$43.18	\$48.00	11%	\$1.91	\$2.41	\$2.86	\$1.92	\$2.36	\$2.80	2.0%
14 PB*	Prosperity Bancshares, Inc.(R)	Buy	\$71.93	\$80.00	11%	\$3.95	\$4.10	\$4.40	\$3.93	\$4.02	\$4.32	1.9%
15 FNB*	F.N.B. Corporation	Buy	\$16.00	\$18.00	13%	\$0.91	\$1.07	\$1.21	\$0.91	\$1.06	\$1.15	1.1%
16 TRMK	Trustmark Corporation	Hold	\$35.70	\$36.00	1%	\$1.69	\$1.82	\$2.00	\$1.68	\$1.79	\$1.99	1.8%
17 CFR	Cullen/Frost Bankers, Inc.	Buy	\$87.30	\$97.00	11%	\$4.62	\$5.00	\$5.50	\$4.60	\$4.94	\$5.32	1.3%
18 BPFH	Boston Private Financial Holdings, Inc.	Hold	\$16.60	\$17.00	2%	\$0.91	\$0.87	\$0.90	\$0.84	\$0.86	\$0.91	1.2%
19 FFIN	First Financial Bankshares, Inc.	Hold	\$45.20	\$45.00	(0%)	\$1.57	\$1.68	\$1.90	\$1.58	\$1.67	\$1.80	0.9%
20 SBCF*	Seacoast Banking Corporation of Florida	Hold	\$22.51	\$23.00	2%	\$1.00	\$1.23	\$1.42	\$1.00	\$1.23	\$1.44	0.3%
21 GNBC*	Green Bancorp, Inc.	Hold	\$15.20	\$14.00	(8%)	(\$0.32)	\$0.90	\$1.16	(\$0.18)	\$0.90	\$1.27	0.3%
22 HTH*	Hilltop Holdings Inc.	Buy	\$30.07	\$33.00	10%	\$1.62	\$1.79	\$1.94	\$1.68	\$1.79	\$1.94	(0.1%)
23 UCBI	United Community Banks, Inc.	Buy	\$29.69	\$32.00	8%	\$1.46	\$1.56	\$1.85	\$1.46	\$1.57	\$1.74	(0.6%)
24 EWBC*	East West Bancorp, Inc.	Buy	\$50.76	\$57.00	12%	\$2.94	\$3.06	\$3.27	\$2.93	\$3.08	\$3.42	(0.8%)
25 WTFC*	Wintrust Financial Corporation	Hold	\$72.33	\$77.00	6%	\$3.60	\$3.88	\$4.33	\$3.58	\$3.91	\$4.28	(0.8%)
26 BXS*	BancorpSouth, Inc.	Hold	\$31.15	\$32.00	3%	\$1.47	\$1.65	\$2.00	\$1.49	\$1.66	\$1.91	(0.6%)
27 SNV*	Synovus Financial Corp.	Buy	\$41.18	\$46.00	12%	\$1.97	\$2.14	\$2.47	\$1.94	\$2.16	\$2.36	(1.1%)
28 PNFP*	Pinnacle Financial Partners, Inc.	Buy	\$69.25	\$76.00	10%	\$3.04	\$3.39	\$3.80	\$3.06	\$3.42	\$3.94	(0.9%)
29 OZRK	Bank of the Ozarks, Inc.	Hold	\$52.91	\$58.00	10%	\$2.50	\$3.01	\$3.60	\$2.53	\$3.04	\$3.50	(1.0%)
30 IBTX*	Independent Bank Group, Inc.	Hold	\$62.00	\$66.00	6%	\$2.88	\$3.49	\$4.16	\$3.04	\$3.53	\$4.10	(1.2%)
31 FMBI	First Midwest Bancorp, Inc.	Buy	\$25.38	\$28.00	10%	\$1.23	\$1.39	\$1.65	\$1.23	\$1.41	\$1.62	(1.2%)
32 GBCI*	Glacier Bancorp, Inc.	Buy	\$36.36	\$41.00	13%	\$1.60	\$1.72	\$1.89	\$1.61	\$1.74	\$1.93	(1.0%)
33 BOKF*	BOK Financial Corporation	Hold	\$81.83	\$86.00	5%	\$3.52	\$4.66	\$5.03	\$3.82	\$4.75	\$5.23	(1.9%)
34 SBSI*	Southside Bancshares, Inc.	Hold	\$37.56	\$41.00	9%	\$1.88	\$1.99	\$2.18	\$1.93	\$2.05	\$2.20	(3.0%)
35 ASB*	Associated Banc-Corp	Hold	\$24.95	\$26.00	4%	\$1.22	\$1.32	\$1.52	\$1.21	\$1.36	\$1.52	(3.2%)
36 SIVB*	SVB Financial Group	Buy	\$172.12	\$195.00	13%	\$7.06	\$7.93	\$9.32	\$7.20	\$8.32	\$9.80	(4.6%)
37 FHN	First Horizon National Corporation	Buy	\$20.00	\$22.00	10%	\$0.97	\$1.04	\$1.27	\$0.96	\$1.11	\$1.25	(6.2%)
38 ACBI*	Atlantic Capital Bancshares, Inc.	Hold	\$18.90	\$18.00	(5%)	\$0.59	\$0.72	\$0.94	\$0.61	\$0.78	\$1.03	(7.5%)
											Median:	0.6%
											Average:	0.6%

*Denotes use of core EPS instead of GAAP

Source: FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



Valuation, Price Target Rationale & Risks

Valuation Analysis

Bull/Bear Valuation Range

Ticker	Company Name	Rating	1/03/2017 Price	Current Price Target	Upside/ Downside to PT	Valuation Range				% Downside				% Upside		
						2017 Case	Bear Case	Bull Case	2018 Case	To Lower End of Range				To Upper End of Range		
										Low	Midpoint	High				
Buy-Rated																
1 BBT	BB&T Corp.	Buy	\$46.98	\$53.00	15%	49	37	66	56	-21%	37	47	52	66	40%	
2 CFR	Cullen/Frost Bankers, Inc.	Buy	\$87.30	\$97.00	14%	91	63	119	100	-28%	63	87	91	119	36%	
3 EWBC	East West Bancorp, Inc.	Buy	\$50.76	\$57.00	14%	55	40	65	59	-21%	40	51	53	65	28%	
4 FHN	First Horizon National Corp.	Buy	\$20.00	\$22.00	11%	21	12	25	25	-40%	12		19	20	25	25%
5 FMBI	First Midwest Bancorp, Inc.	Buy	\$25.38	\$28.00	12%	25	22	36	29	-13%	22	25	29	36	42%	
6 FNB	F.N.B. Corporation	Buy	\$16.00	\$18.00	13%	17	15	22	19	-6%	15		19	22	38%	
7 GBCI	Glacier Bancorp, Inc.	Buy	\$36.36	\$41.00	15%	39	34	46	43	-6%	34	36	40	46	27%	
8 HTH	Hilltop Holdings Inc.	Buy	\$30.07	\$33.00	10%	31	30	38	34	0%	30	30	34	38	26%	
9 LOB	Live Oak Bancshares, Inc.	Buy	\$18.15	\$21.00	16%	18	16	25	26	-12%	16	18	21	26	43%	
10 LTXB	LegacyTexas Financial Group, Inc.	Buy	\$43.11	\$47.00	10%	45	43	51	48	0%	43	43	47	51	18%	
11 MBFI	MB Financial, Inc.	Buy	\$47.39	\$54.00	14%	51	39	64	58	-18%	39	47	52	64	35%	
12 PB	Prosperity Bancshares, Inc.	Buy	\$71.93	\$80.00	13%	77	63	91	82	-12%	63	72	77	91	27%	
13 PNFP	Pinnacle Financial Partners, Inc.	Buy	\$69.25	\$76.00	11%	73	48	86	81	-31%	48		67	69	86	24%
14 SIVB	SVB Financial Group	Buy	\$172.12	\$195.00	13%	182	128	225	213	-26%	128	172	177	225	31%	
15 SNV	Synovus Financial Corp.	Buy	\$41.18	\$46.00	13%	44	34	49	51	-17%	34	41	43	51	24%	
16 SSB	South State Corp.	Buy	\$87.30	\$96.00	11%	96	63	102	98	-28%	63		83	87	102	17%
17 STBZ	State Bank Financial Corp.	Buy	\$26.70	\$30.00	14%	29	23	36	32	-14%	23	27	30	36	35%	
18 TCBI	Texas Capital Bancshares, Inc.	Buy	\$78.30	\$87.00	11%	80	58	99	95	-26%	58	78	79	99	26%	
19 UCBI	United Community Banks, Inc.	Buy	\$29.69	\$32.00	9%	30	21	38	35	-29%	21	30	30	38	28%	
20 ZION	Zions Bancorporation	Buy	\$43.18	\$48.00	12%	45	22	57	53	-49%	22		40	43	57	32%

Source: FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



Valuation, Price Target Rationale & Risks

Valuation Analysis

Bull/Bear Valuation Range

Ticker	Company Name	Rating	1/03/2017 Price	Current Price Target	Upside/ Downside to PT	Valuation Range				% Downside To Lower End of Range				% Upside To Upper End of Range	
						2017 Case	Bear Case	Bull Case	2018 Case		Low	Midpoint	High		
Hold-Rated															
1 ABCB	Ameris Bancorp	Hold	\$43.70	\$50.00	15%	47	31	55	55	-29%	31	43	44	55	26%
2 ACBI	Atlantic Capital Bancshares, Inc.	Hold	\$18.90	\$18.00	(5%)	17	12	22	22	-37%	12	17	19	22	16%
3 ASB	Associated Banc-Corp	Hold	\$24.95	\$26.00	6%	24	17	30	28	-32%	17	24	25	30	20%
4 BOKF	BOK Financial Corp.	Hold	\$81.83	\$86.00	7%	84	67	103	91	-18%	67	82	85	103	26%
5 BPFH	Boston Private Financial Holdings, Inc.	Hold	\$16.60	\$17.00	5%	17	12	20	17	-28%	12	16	17	20	20%
6 BXS	BancorpSouth, Inc.	Hold	\$31.15	\$32.00	4%	30	10	36	37	-68%	10	24	31	37	19%
7 CMA	Comerica Incorporated	Hold	\$68.96	\$75.00	10%	68	53	89	82	-23%	53	69	71	89	29%
8 FFIN	First Financial Bankshares, Inc.	Hold	\$45.20	\$45.00	1%	43	36	51	48	-20%	36	44	45	51	13%
9 GNBC	Green Bancorp, Inc.	Hold	\$15.20	\$14.00	(8%)	14	7	16	16	-54%	7	12	15	16	5%
10 HBHC	Hancock Holding Company	Hold	\$44.15	\$45.00	4%	40	30	64	45	-32%	30	44	47	64	45%
11 IBKC	IBERIABANK Corp.	Hold	\$83.25	\$85.00	4%	81	57	104	91	-32%	57	81	83	104	25%
12 IBTX	Independent Bank Group, Inc.	Hold	\$62.00	\$66.00	7%	65	71	62	71	0%	62	67		71	15%
13 OZRK	Bank of the Ozarks, Inc.	Hold	\$52.91	\$58.00	11%	54	48	61	65	-9%	48	53	57	65	23%
14 RF	Regions Financial Corp.	Hold	\$14.43	\$15.00	6%	15	10	19	16	-31%	10	14	15	19	32%
15 SBCF	Seacoast Banking Corp. of Florida	Hold	\$22.51	\$23.00	2%	2	2	2	2	-91%	2	2		2	-91%
16 SBSI	Southside Bancshares, Inc.	Hold	\$37.56	\$41.00	12%	39	39	47	43	4%	39	43		47	25%
17 TRMK	Trustmark Corp.	Hold	\$35.70	\$36.00	3%	35	20	43	38	-44%	20	32	36	43	20%
18 WTFC	Wintrust Financial Corporation	Hold	\$72.33	\$77.00	7%	74	53	87	82	-27%	53	70	72	87	20%

Source: FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



Valuation, Price Target Rationale & Risks

2016E, 2017E, and 2018E EPS Estimates vs. Consensus

Banks >\$5 Billion Market Cap.									
Ticker	2016E			2017E			2018E		
	STRH	Street	Diff.	STRH	Street	Diff.	STRH	Street	Diff.
BBT*	\$2.89	\$2.87	0.9%	\$3.22	\$3.11	3.5%	\$3.67	\$3.41	7.5%
RF*	\$0.86	\$0.86	(0.3%)	\$1.01	\$0.96	5.1%	\$1.16	\$1.09	6.6%
CMA*	\$3.03	\$2.96	2.4%	\$4.15	\$4.04	2.6%	\$4.95	\$4.67	6.0%
SIVB	\$7.06	\$7.20	(1.9%)	\$7.93	\$8.32	(4.6%)	\$9.32	\$9.80	(4.9%)
ZION	\$1.91	\$1.92	(0.4%)	\$2.41	\$2.36	2.0%	\$2.86	\$2.80	2.2%
EWBC	\$2.94	\$2.93	0.5%	\$3.06	\$3.08	(0.8%)	\$3.27	\$3.42	(4.4%)
OZRK	\$2.50	\$2.53	(1.3%)	\$3.01	\$3.04	(1.0%)	\$3.60	\$3.50	2.8%
BOKF	\$3.52	\$3.82	(7.9%)	\$4.66	\$4.75	(1.9%)	\$5.03	\$5.23	(3.8%)
CFR	\$4.62	\$4.60	0.4%	\$5.00	\$4.94	1.3%	\$5.50	\$5.32	3.4%
SNV*	\$1.97	\$1.94	1.4%	\$2.14	\$2.16	(1.1%)	\$2.47	\$2.36	4.7%
Median			0.1%			0.2%			3.1%
Average			(0.6%)			0.5%			2.0%

Banks <\$2 Billion Market Cap.									
Ticker	2016E			2017E			2018E		
	STRH	Street	Diff.	STRH	Street	Diff.	STRH	Street	Diff.
ABCB	\$2.04	\$2.06	(1.0%)	\$2.70	\$2.67	1.2%	\$3.15	\$3.17	(0.5%)
BPFH	\$0.91	\$0.84	8.5%	\$0.87	\$0.86	1.2%	\$0.90	\$0.91	(1.4%)
IBTX*	\$2.88	\$3.04	(5.4%)	\$3.49	\$3.53	(1.2%)	\$4.16	\$4.10	1.5%
SBSI*	\$1.88	\$1.93	(2.5%)	\$1.99	\$2.05	(3.0%)	\$2.18	\$2.20	(1.0%)
STBZ*	\$1.32	\$1.34	(1.2%)	\$1.51	\$1.36	10.7%	\$1.67	\$1.50	11.4%
SBCF*	\$1.00	\$1.00	0.3%	\$1.23	\$1.23	0.3%	\$1.42	\$1.44	(1.4%)
LOB*	\$0.57	\$0.44	29.5%	\$0.90	\$0.87	3.8%	\$1.34	\$1.28	4.4%
GNBC*	-\$0.32	-\$0.18	80.3%	\$0.90	\$0.90	0.3%	\$1.16	\$1.27	(8.7%)
ACBI*	\$0.59	\$0.61	(3.8%)	\$0.72	\$0.78	(7.5%)	\$0.94	\$1.03	(8.6%)
Median			(1.0%)			0.3%			(1.0%)
Average			11.7%			0.6%			(0.5%)

Banks \$2-\$5 Billion Market Cap.									
Ticker	2016E			2017E			2018E		
	STRH	Street	Diff.	STRH	Street	Diff.	STRH	Street	Diff.
PB	\$3.95	\$3.93	0.6%	\$4.10	\$4.02	1.9%	\$4.40	\$4.32	2.0%
FHN	\$0.97	\$0.96	0.6%	\$1.04	\$1.11	(6.2%)	\$1.27	\$1.25	1.9%
MBFI*	\$2.37	\$2.37	(0.0%)	\$2.71	\$2.64	2.6%	\$3.07	\$2.92	5.1%
IBKC	\$4.41	\$4.41	(0.1%)	\$4.77	\$4.71	1.2%	\$5.32	\$5.30	0.4%
TCBI	\$3.02	\$3.02	(0.1%)	\$3.97	\$3.82	4.0%	\$4.70	\$4.33	8.6%
ASB*	\$1.22	\$1.21	0.4%	\$1.32	\$1.36	(3.2%)	\$1.52	\$1.52	0.1%
WTFC*	\$3.60	\$3.58	0.6%	\$3.88	\$3.91	(0.8%)	\$4.33	\$4.28	1.1%
HBHC*	\$1.87	\$1.88	(0.4%)	\$2.60	\$2.44	6.6%	\$2.80	\$2.79	0.4%
FNB*	\$0.91	\$0.91	(0.2%)	\$1.07	\$1.06	1.1%	\$1.21	\$1.15	4.8%
PNFP*	\$3.04	\$3.06	(0.6%)	\$3.39	\$3.42	(0.9%)	\$3.80	\$3.94	(3.6%)
FFIN	\$1.57	\$1.58	(0.8%)	\$1.68	\$1.67	0.9%	\$1.90	\$1.80	5.4%
HTH*	\$1.62	\$1.68	(3.8%)	\$1.79	\$1.79	(0.1%)	\$1.94	\$1.94	0.1%
GBCI*	\$1.60	\$1.61	(0.9%)	\$1.72	\$1.74	(1.0%)	\$1.89	\$1.93	(2.3%)
BXS*	\$1.47	\$1.49	(1.1%)	\$1.65	\$1.66	(0.6%)	\$2.00	\$1.91	4.8%
TRMK*	\$1.69	\$1.68	0.3%	\$1.82	\$1.79	1.8%	\$2.00	\$1.99	0.3%
SSB*	\$4.57	\$4.55	0.4%	\$4.83	\$4.70	2.7%	\$4.94	\$4.92	0.4%
UCBI*	\$1.46	\$1.46	(0.1%)	\$1.56	\$1.57	(0.6%)	\$1.85	\$1.74	6.6%
LTXB*	\$2.15	\$2.08	3.4%	\$2.39	\$2.32	2.8%	\$2.56	\$2.50	2.6%
FMBI*	\$1.23	\$1.23	0.3%	\$1.39	\$1.41	(1.2%)	\$1.65	\$1.62	1.9%
Median			(0.1%)			0.9%			1.9%
Average			(0.1%)			0.6%			2.1%

Total Coverage Universe			
	2016E	2017E	2018E
	Diff.	Diff.	Diff.
Median	(0.1%)	0.6%	1.7%
Average	2.6%	0.6%	1.5%

*Denotes use of core EPS instead of GAAP

Valuation, Price Target Rationale & Risks

Valuation Methodology

Our methodology produces an EPS outcome for each of four scenarios. We then assigned a multiple to each EPS outcome to determine the range of fair values. Our price target is the weighted average of the four scenarios that we believe could play out over the short to medium term.

These scenarios are:

- **2017 Base Case (50% weight)** - Our current forecast for 2017 revenue, PPNR and EPS.
- **Bear Case (5%)** - This scenario assumes a recession in 2017 resulting in GDP of between -0.5% and -1%, with the associated impacts on the key drivers indicated above.
- **Bull Case (15%)** - This scenario assumes a moderately stronger economy in 2017 with GDP in the range of 2.5%-3.5%.
- **2018 Base Case (30%)** - Our current forecast for 2018 revenue, PPNR and EPS.

General Risks

Upside risks to our price target include:

- Macroeconomic improvement resulting in the realization of our Bull case.
- Increases in interest rates or additional improvements in asset quality.
- Greater-than-forecast cost control.
- Greater-than-forecast capital return.
- Greater acquisition activity.
- Regulatory relief in the form of reduced requirements for compliance/risk management/technology system and process upgrades.

Downside risks to our price target include:

- Macroeconomic dislocation or geopolitical events resulting in the realization of our Bear case.
- Further declines in interest rates or deterioration in asset quality.
- New litigation and/or regulatory action that results in significant new legal and other expenses, or requires changes to business models.
- New regulatory controls on capital return policies.
- A lesser degree of cost control than we currently forecast.
- Slower merger activity.

Valuation, Price Target Rationale & Risks

Valuation: Bull/Bear Fair Value Range

Current Price Target	Price Target & Implied Valuation			
	2017 BASE CASE	BEAR CASE	BULL CASE	2018 BASE CASE
Banks >\$5 Billion Market Cap.				
BBT - Buy \$53	\$49	\$37	\$66	\$56
RF - Hold \$15	\$14	\$11	\$20	\$16
CMA - Hold \$75	\$68	\$53	\$89	\$82
SIVB - Buy \$195	\$182	\$128	\$225	\$213
ZION - Buy \$48	\$45	\$22	\$57	\$53
EWBC - Buy \$57	\$55	\$40	\$65	\$59
OZRK - Hold \$58	\$54	\$48	\$61	\$65
BOKF - Hold \$88	\$84	\$67	\$103	\$91
CFR - Buy \$97	\$91	\$63	\$119	\$100
SNV - Buy \$46	\$44	\$34	\$49	\$51

Current Price Target	Price Target & Implied Valuation			
	2017 BASE CASE	BEAR CASE	BULL CASE	2018 BASE CASE
Banks <\$2 Billion Market Cap.				
ABCB - Hold \$50	\$47	\$0	\$55	\$55
BPFH - Hold \$17	\$17	\$12	\$20	\$17
IBTX - Hold \$66	\$65	\$71	\$62	\$71
SBSI - Hold \$41	\$39	\$39	\$47	\$43
STBZ - Buy \$30	\$29	\$23	\$36	\$32
SBCF - Hold \$23	\$22	\$16	\$25	\$26
LOB - Buy \$21	\$18	\$16	\$25	\$26
GNBC - Hold \$14	\$14	\$7	\$16	\$16
ACBI - Hold \$19	\$17	\$12	\$22	\$22

Current Price Target		Price Target & Implied Valuation			
		2017 BASE CASE	BEAR CASE	BULL CASE	2018 BASE CASE
Banks \$2-\$5 Billion Market Cap.					
PB - Buy	\$80	\$77	\$63	\$91	\$82
FHN - Buy	\$22	\$21	\$12	\$25	\$25
MBFI - Buy	\$54	\$51	\$39	\$64	\$58
IBKC - Hold	\$86	\$81	\$57	\$104	\$91
TCBI - Buy	\$87	\$80	\$58	\$99	\$95
ASB - Hold	\$26	\$24	\$17	\$30	\$28
WTFC - Hold	\$77	\$74	\$53	\$87	\$82
HBHC - Hold	\$45	\$40	\$30	\$64	\$45
FNB - Buy	\$18	\$17	\$15	\$22	\$19
PNFP - Buy	\$76	\$73	\$48	\$86	\$81
FFIN - Hold	\$45	\$43	\$36	\$51	\$48
HTH - Buy	\$33	\$31	\$30	\$38	\$34
GBCI - Buy	\$41	\$39	\$34	\$46	\$43
BXS - Hold	\$32	\$30	\$10	\$36	\$37
TRMK - Hold	\$36	\$35	\$20	\$43	\$38
SSB - Buy	\$96	\$96	\$63	\$102	\$98
UCBI - Buy	\$32	\$30	\$21	\$38	\$35
LTXB - Buy	\$47	\$45	\$43	\$51	\$48

Source: SunTrust Robinson Humphrey
www.suntrustrh.com



Valuation, Price Target Rationale & Risks

Valuation: Bull/Bear EPS Scenario Results

Earnings Per Share	Consensus Estimate	Earnings Per Share			
		2017 BASE CASE	BEAR CASE	BULL CASE	2018 BASE CASE
Banks >\$5 Billion Market Cap.					
BBT - Buy	\$2.78	\$3.21	\$2.40	\$4.30	\$3.67
RF - Hold	\$0.86	\$1.01	\$0.80	\$1.40	\$1.16
CMA - Hold	\$2.60	\$4.15	\$3.20	\$5.40	\$4.95
SIVB - Buy	\$7.07	\$7.93	\$5.60	\$9.80	\$9.32
ZION - Buy	\$1.92	\$2.41	\$1.20	\$3.10	\$2.86
EWBC - Buy	\$2.93	\$3.06	\$2.20	\$3.60	\$3.27
OZRK - Hold	\$2.53	\$3.01	\$2.70	\$3.40	\$3.60
BOKF - Hold	\$3.82	\$4.66	\$3.70	\$5.70	\$5.03
CFR - Buy	\$4.60	\$5.00	\$3.50	\$6.50	\$5.50
SNV - Buy	\$1.94	\$2.14	\$1.60	\$2.40	\$2.47

Earnings Per Share	Consensus Estimate	Earnings Per Share			
		2017 BASE CASE	BEAR CASE	BULL CASE	2018 BASE CASE
Banks <\$2 Billion Market Cap.					
ABCB - Hold	\$2.06	\$2.70	\$0.00	\$3.10	\$3.15
BPFH - Hold	\$0.84	\$0.87	\$0.70	\$1.00	\$0.90
IBTX - Hold	\$3.04	\$3.49	\$3.80	\$3.40	\$4.16
SBSI - Hold	\$1.93	\$1.99	\$2.00	\$2.40	\$2.18
STBZ - Buy	\$1.33	\$1.51	\$1.20	\$1.90	\$1.67
SBCF - Hold	\$1.00	\$1.23	\$0.90	\$1.40	\$1.42
LOB - Buy	\$0.44	\$0.90	\$0.80	\$1.30	\$1.34
GNBC - Hold	-\$0.18	\$0.90	\$0.50	\$1.10	\$1.16
ACBI - Hold	\$0.61	\$0.72	\$0.50	\$0.90	\$0.94

		Earnings Per Share			
		2017 BASE CASE	BEAR CASE	BULL CASE	2018 BASE CASE
Earnings Per Share	Consensus Estimate				
Banks \$2-\$5 Billion Market Cap.					
PB - Buy	\$3.93	\$4.10	\$3.30	\$4.80	\$4.40
FHN - Buy	\$0.96	\$1.04	\$0.60	\$1.30	\$1.27
MBFI - Buy	\$2.37	\$2.71	\$2.10	\$3.40	\$3.07
IBKC - Hold	\$4.43	\$4.72	\$3.30	\$6.00	\$5.26
TCBI - Buy	\$3.02	\$3.97	\$2.90	\$4.90	\$4.71
ASB - Hold	\$1.24	\$1.32	\$0.90	\$1.60	\$1.52
WTFC - Hold	\$3.63	\$3.88	\$2.80	\$4.60	\$4.33
HBHC - Hold	\$1.88	\$2.08	\$1.60	\$3.40	\$2.38
FNB - Buy	\$0.91	\$1.07	\$0.90	\$1.40	\$1.21
PNFP - Buy	\$2.97	\$3.41	\$2.30	\$4.10	\$3.83
FFIN - Hold	\$1.57	\$1.68	\$1.40	\$2.00	\$1.90
HTH - Buy	\$1.68	\$1.79	\$1.70	\$2.20	\$1.94
GBCI - Buy	\$1.59	\$1.72	\$1.50	\$2.00	\$1.89
BXS - Hold	\$1.49	\$1.65	\$0.50	\$2.00	\$2.00
TRMK - Hold	\$1.68	\$1.82	\$1.00	\$2.30	\$2.00
SSB - Buy	\$4.30	\$4.83	\$3.20	\$5.20	\$4.94
UCBI - Buy	\$1.46	\$1.56	\$1.10	\$2.00	\$1.85
LTXB - Buy	\$2.13	\$2.37	\$2.20	\$2.70	\$2.55

Source: SunTrust Robinson Humphrey
www.suntrustrh.com



Valuation, Price Target Rationale & Risks

Relative Valuation Comparison

Valuation Comparison Table

Ticker	Rating	1/03/2017 Price	Market Cap	Total Assets	2016E Consensus EPS	Price/ Consensus 2016E EPS	2017E Consensus EPS	Price/ Consensus 2017E EPS	2018E Consensus EPS	Price/ Consensus 2018E EPS	Price/ BV	Price/ TBV	Dividend Yield
		(\$)	(\$bil)	(\$bil)	(\$)	(X)	(\$)	(X)	(\$)	(X)	(X)	(X)	(%)
Banks >\$5 Billion Market Cap.													
BBT*	Buy	\$46.98	\$37.8	\$222.6	\$2.87	16.4x	\$3.11	15.1x	\$3.41	13.8x	1.41x	2.31x	3.2%
BOKF	Hold	\$81.83	\$6.8	\$37.8	\$3.82	21.4x	\$4.75	17.2x	\$5.23	15.7x	1.25x	1.26x	0.0%
CFR	Buy	\$87.30	\$6.8	\$37.8	\$4.60	19.0x	\$4.94	17.7x	\$5.32	16.4x	1.34x	1.34x	0.0%
CMA*	Hold	\$68.96	\$11.7	\$74.1	\$2.96	23.3x	\$4.04	17.1x	\$4.67	14.8x	1.54x	1.68x	1.9%
EWBC	Buy	\$50.76	\$7.2	\$33.3	\$2.93	17.4x	\$3.08	16.5x	\$3.42	14.8x	2.17x	2.54x	2.2%
OZRK	Hold	\$52.91	\$6.8	\$37.8	\$2.53	20.9x	\$3.04	17.4x	\$3.50	15.1x	0.81x	0.81x	0.0%
RF*	Hold	\$14.43	\$17.5	\$125.2	\$0.86	16.7x	\$0.96	15.0x	\$1.09	13.3x	1.08x	1.55x	2.6%
SIVB	Buy	\$172.12	\$8.8	\$43.3	\$7.20	23.9x	\$8.32	20.7x	\$9.80	17.6x	2.49x	2.49x	0.0%
SNV*	Buy	\$41.18	\$8.6	\$61.0	\$1.94	21.2x	\$2.16	19.0x	\$2.36	17.5x	1.20x	1.41x	1.0%
ZION	Buy	\$43.18	\$8.6	\$61.0	\$1.92	22.5x	\$2.36	18.3x	\$2.80	15.4x	1.26x	1.48x	1.0%
Average						20.3x		17.4x		15.4x	1.46x	1.69x	1.2%
Median						21.0x		17.3x		15.3x	1.30x	1.52x	1.0%

*Denotes use of core EPS instead of GAAP

Source: FactSet, SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



Valuation, Price Target Rationale & Risks

Relative Valuation Comparison

Valuation Comparison Table

Ticker	Rating	1/03/2017 Price	Market Cap	Total Assets	2016E Consensus EPS	Price/ Consensus 2016E EPS	2017E Consensus EPS	Price/ Consensus 2017E EPS	2018E Consensus EPS	Price/ Consensus 2018E EPS	Price/ BV	Price/ TBV	Dividend Yield
		(\$)	(\$bil)	(\$bil)	(\$)	(X)	(\$)	(X)	(\$)	(X)	(X)	(X)	(%)
Banks \$2-5 Billion Market Cap.													
ASB*	Hold	\$24.90	\$2.8	\$14.6	\$1.21	20.5x	\$1.36	18.3x	\$1.52	16.4x	1.36x	1.66x	2.2%
BXS*	Hold	\$31.35	\$2.8	\$14.6	\$1.49	21.1x	\$1.66	18.9x	\$1.91	16.4x	1.71x	2.09x	2.2%
FFIN	Hold	\$45.40	\$2.9	\$6.7	\$1.58	28.7x	\$1.67	27.3x	\$1.80	25.2x	3.46x	4.13x	2.0%
FHN	Buy	\$20.01	\$4.6	\$28.4	\$0.96	20.8x	\$1.11	18.0x	\$1.25	16.1x	1.98x	2.18x	1.8%
FNB*	Buy	\$16.15	\$4.6	\$28.4	\$0.91	17.7x	\$1.06	15.3x	\$1.15	14.0x	1.60x	1.76x	1.8%
FMBI*	Buy	\$25.33	\$4.6	\$28.4	\$1.23	20.7x	\$1.41	18.0x	\$1.62	15.6x	2.51x	2.76x	1.8%
GBCI*	Buy	\$36.44	\$2.8	\$9.3	\$1.61	22.6x	\$1.74	21.0x	\$1.93	18.8x	2.43x	2.82x	2.8%
HBHC*	Hold	\$44.40	\$3.5	\$23.1	\$1.88	23.6x	\$2.44	18.2x	\$2.79	15.9x	1.38x	1.94x	3.0%
HTH*	Buy	\$30.17	\$2.9	\$12.4	\$1.68	17.9x	\$1.79	16.8x	\$1.94	15.6x	1.61x	1.92x	0.0%
IBKC	Hold	\$83.00	\$3.8	\$20.8	\$4.41	18.8x	\$4.71	17.6x	\$5.30	15.7x	1.35x	1.92x	2.1%
LTXB*	Buy	\$43.30	\$4.6	\$28.4	\$2.08	20.8x	\$2.32	18.6x	\$2.50	17.4x	4.29x	4.72x	1.8%
MBFI*	Buy	\$47.47	\$4.6	\$28.4	\$2.37	20.0x	\$2.64	18.0x	\$2.92	16.2x	4.70x	5.17x	1.8%
PB	Buy	\$71.87	\$4.9	\$21.4	\$3.93	18.3x	\$4.02	17.9x	\$4.32	16.7x	1.39x	3.03x	2.2%
PNFP*	Buy	\$69.20	\$3.1	\$11.0	\$3.06	22.6x	\$3.42	20.2x	\$3.94	17.6x	2.16x	3.51x	1.0%
SSB*	Buy	\$87.30	\$2.8	\$21.6	\$4.55	19.2x	\$4.70	18.6x	\$4.92	17.7x	7.45x	13.38x	3.9%
TCBI	Buy	\$78.95	\$3.8	\$22.2	\$3.02	26.1x	\$3.82	20.7x	\$4.33	18.2x	2.31x	2.33x	0.0%
TRMK*	Hold	\$35.75	\$2.8	\$21.6	\$1.68	21.2x	\$1.79	20.0x	\$1.99	17.9x	3.05x	5.48x	3.9%
UCBI*	Buy	\$29.59	\$4.6	\$28.4	\$1.46	20.2x	\$1.57	18.8x	\$1.74	17.0x	2.93x	3.23x	1.8%
WTFC*	Hold	\$72.62	\$3.8	\$22.2	\$3.58	20.3x	\$3.91	18.6x	\$4.28	17.0x	2.12x	2.15x	0.0%
Average						21.2x		19.0x		17.1x	2.61x	3.46x	1.9%
Median						20.1x		18.2x		16.4x	2.01x	2.55x	1.9%

* Denotes use of core EPS instead of GAAP

Source: FactSet, SNL and SunTrust Robinson Humphrey
www.suntrustrh.com



Valuation, Price Target Rationale & Risks

Relative Valuation Comparison

Valuation Comparison Table

Ticker	Rating	1/03/2017 Price (\$)	Market Cap (\$bil)	Total Assets (\$bil)	2016E Consensus EPS (\$)	Price/ Consensus 2016E EPS (X)	2017E Consensus EPS (\$)	Price/ Consensus 2017E EPS (X)	2018E Consensus EPS (\$)	Price/ Consensus 2018E EPS (X)	Price/ BV (X)	Price/ TBV (X)	Dividend Yield (%)
Banks <\$2 Billion Market Cap.													
ABCB	Hold	\$43.70	\$1.6	\$6.5	\$2.06	21.2x	\$2.67	16.4x	\$3.17	13.8x	2.37x	3.04x	1.1%
ACBI*	Hold	\$18.90	\$0.4	\$2.8	\$0.61	NM	\$0.78	24.3x	\$1.03	18.4x	1.53x	1.67x	0.0%
BPFH	Hold	\$16.60	\$1.3	\$7.7	\$0.84	19.8x	\$0.86	19.3x	\$0.91	18.2x	1.89x	2.51x	3.1%
GNBC*	Hold	\$15.20	\$0.5	\$3.9	(\$0.18)	NM	\$0.90	16.9x	\$1.27	12.0x	1.31x	1.69x	0.0%
IBTX*	Hold	\$62.00	\$1.2	\$5.7	\$3.04	20.4x	\$3.53	17.6x	\$4.10	15.1x	1.78x	3.10x	0.7%
LOB*	Buy	\$18.15	\$0.6	\$1.7	\$0.44	NM	\$0.87	20.9x	\$1.28	14.1x	2.90x	2.90x	0.6%
SBCF*	Hold	\$22.51	\$0.8	\$4.5	\$1.00	22.6x	\$1.23	18.4x	\$1.44	15.6x	1.97x	2.41x	0.0%
SBSI*	Hold	\$37.56	\$1.1	\$5.5	\$1.93	19.5x	\$2.05	18.3x	\$2.20	17.1x	2.09x	2.63x	3.0%
STBZ*	Buy	\$26.70	\$1.0	\$3.6	\$1.34	20.0x	\$1.36	19.6x	\$1.50	17.8x	1.76x	1.91x	2.5%
Average						20.6x		19.1x		15.8x	1.95x	2.43x	1.2%
Median						20.2x		18.4x		15.6x	1.89x	2.51x	0.7%

*Denotes use of core EPS instead of GAAP

Section 4

Disclosures

Disclosures

STRH Regional and Community Banks Coverage Universe

Jennifer Demba					Michael Young				
Ticker	Company Name	Rating	PT	Current Price	Ticker	Company Name	Rating	PT	Current Price
ABCB	Ameris Bancorp	Hold	\$ 50.00	\$ 43.70	ASB	Associated Banc-Corp	Hold	\$ 26.00	\$ 24.95
ACBI	Atlantic Capital Bancshares, Inc.	Hold	\$ 18.00	\$ 18.90	BPFH	Boston Private Financial Holdings, Inc.	Hold	\$ 17.00	\$ 16.60
BBT	BB&T Corporation	Buy	\$ 53.00	\$ 46.98	EWBC	East West Bancorp, Inc.	Buy	\$ 57.00	\$ 50.76
BOKF	BOK Financial Corporation	Hold	\$ 86.00	\$ 81.83	FMBI	First Midwest Bancorp, Inc.	Buy	\$ 28.00	\$ 25.38
BXS	BancorpSouth, Inc.	Hold	\$ 32.00	\$ 31.15	FNB	F.N.B. Corporation	Buy	\$ 18.00	\$ 16.00
CFR	Cullen/Frost Bankers, Inc.	Buy	\$ 97.00	\$ 87.30	GBCI	Glacier Bancorp, Inc.	Buy	\$ 41.00	\$ 36.36
CMA	Comerica Incorporated	Hold	\$ 75.00	\$ 68.96	GNBC	Green Bancorp, Inc.	Hold	\$ 14.00	\$ 15.20
FFIN	First Financial Bankshares, Inc.	Hold	\$ 45.00	\$ 45.20	HTH	Hilltop Holdings Inc.	Buy	\$ 33.00	\$ 30.07
FHN	First Horizon National Corporation	Buy	\$ 22.00	\$ 20.00	IBTX	Independent Bank Group, Inc.	Hold	\$ 66.00	\$ 62.00
HBHC	Hancock Holding Company	Hold	\$ 45.00	\$ 44.15	LTXB	LegacyTexas Financial Group, Inc.	Buy	\$ 47.00	\$ 43.11
IBKC	IBERIABANK Corporation	Hold	\$ 85.00	\$ 83.25	MBFI	MB Financial, Inc.	Buy	\$ 54.00	\$ 47.39
LOB	Live Oak Bancshares, Inc.	Buy	\$ 21.00	\$ 18.15	SBCF	Seacoast Banking Corporation of Florida	Hold	\$ 23.00	\$ 22.51
OZRK	Bank of the Ozarks, Inc.	Hold	\$ 58.00	\$ 52.91	SBSI	Southside Bancshares, Inc.	Hold	\$ 41.00	\$ 37.56
PB	Prosperity Bancshares, Inc.(R)	Buy	\$ 80.00	\$ 71.93	WTFC	Wintrust Financial Corporation	Hold	\$ 77.00	\$ 72.33
PNFP	Pinnacle Financial Partners, Inc.	Buy	\$ 76.00	\$ 69.25					
RF	Regions Financial Corporation	Hold	\$ 15.00	\$ 14.43					
SIVB	SVB Financial Group	Buy	\$ 195.00	\$ 172.12					
SNV	Synovus Financial Corp.	Buy	\$ 46.00	\$ 41.18					
SSB	South State Corporation	Buy	\$ 96.00	\$ 87.30					
STBZ	State Bank Financial Corporation	Buy	\$ 30.00	\$ 26.70					
TCBI	Texas Capital Bancshares, Inc.	Buy	\$ 87.00	\$ 78.30					
TRMK	Trustmark Corporation	Hold	\$ 36.00	\$ 35.70					
UCBI	United Community Banks, Inc.	Buy	\$ 32.00	\$ 29.69					
ZION	Zions Bancorporation	Buy	\$ 48.00	\$ 43.18					

Source: FactSet and SunTrust Robinson Humphrey
www.suntrustrh.com



Companies Mentioned in This Note

Ameris Bancorp (ABCB, \$43.70, Hold, Jennifer Demba)
Atlantic Capital Bancshares, Inc. (ACBI, \$18.90, Hold, Jennifer Demba)
Associated Banc-Corp (ASB, \$24.95, Hold, Michael Young)
BB&T Corporation (BBT, \$46.98, Buy, Jennifer Demba)
BOK Financial Corporation (BOKF, \$81.83, Hold, Jennifer Demba)
Boston Private Financial Holdings, Inc. (BPFH, \$16.60, Hold, Michael Young)
BancorpSouth, Inc. (BXS, \$31.15, Hold, Jennifer Demba)
Cullen/Frost Bankers, Inc. (CFR, \$87.30, Buy, Jennifer Demba)
Comerica Incorporated (CMA, \$68.96, Hold, Jennifer Demba)
East West Bancorp, Inc. (EWBC, \$50.76, Buy, Michael Young)
First Financial Bankshares, Inc. (FFIN, \$45.20, Hold, Jennifer Demba)
First Horizon National Corporation (FHN, \$20.00, Buy, Jennifer Demba)
First Midwest Bancorp, Inc. (FMBI, \$25.38, Buy, Michael Young)
F.N.B. Corporation (FNB, \$16.00, Buy, Michael Young)
Glacier Bancorp, Inc. (GBCI, \$36.36, Buy, Michael Young)
Green Bancorp Inc. (GNBC, \$15.20, Hold, Michael Young)
Hancock Holding Company (HBHC, \$44.15, Hold, Jennifer Demba)
Hilltop Holdings Inc. (HTH, \$30.07, Buy, Michael Young)
IBERIABANK Corporation (IBKC, \$83.30, Hold, Jennifer Demba)
Independent Bank Group, Inc. (IBTX, \$62.00, Hold, Michael Young)
Live Oak Bancshares, Inc. (LOB, \$18.15, Buy, Jennifer Demba)
LegacyTexas Financial Group, Inc. (LTXB, \$43.11, Buy, Michael Young)
MB Financial, Inc. (MBFI, \$47.39, Buy, Michael Young)
Bank of the Ozarks, Inc. (OZRK, \$52.92, Hold, Jennifer Demba)
Prosperity Bancshares, Inc. (PB, \$71.93, Buy, Jennifer Demba)
Pinnacle Financial Partners, Inc. (PNFP, \$69.25, Buy, Jennifer Demba)
Regions Financial Corp. (RF, \$14.43, Hold, Jennifer Demba)
Seacoast Banking Corporation of Florida (SBCF, \$22.51, Hold, Michael Young)
Southside Bancshares, Inc. (SBSI, \$37.56, Hold, Michael Young)
SVB Financial Group (SIVB, \$172.12, Buy, Jennifer Demba)
Synovus Financial Corp. (SNV, \$41.18, Buy, Jennifer Demba)
South State Corporation (SSB, \$87.30, Buy, Jennifer Demba)
State Bank Financial Corporation (STBZ, \$26.70, Buy, Jennifer Demba)
Texas Capital Bancshares, Inc. (TCBI, \$78.30, Buy, Jennifer Demba)
Trustmark Corporation (TRMK, \$35.70, Hold, Jennifer Demba)
United Community Banks, Inc. (UCBI, \$29.69, Buy, Jennifer Demba)
Wintrust Financial Corporation (WTRF, \$72.33, Hold, Michael Young)
Zions Bancorporation (ZION, \$43.18, Buy, Jennifer Demba)

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I, Jennifer H. Demba, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject company(ies) and its (their) securities. I also certify that I have not been, am not, and will not be receiving direct or indirect compensation in exchange for expressing the specific recommendation(s) in this report.

I, Michael Young, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject company(ies) and its (their) securities. I also certify that I have not been, am not, and will not be receiving direct or indirect compensation in exchange for expressing the specific recommendation(s) in this report.

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