

**ATBancorp (Private; Dubuque, IA) has agreed to merge with MidWestOne Financial Group, Inc. (NASDAQ: MOFG; Iowa City, IA)**

**Deal Value: Approximately \$170.3 Million**

Sandler O'Neill acted as sole financial advisor and rendered a fairness opinion to ATBancorp in this transaction. This transaction represents Sandler O'Neill's 187<sup>th</sup> bank or thrift transaction nationwide since January 1, 2015 representing \$61.2 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.<sup>1</sup>

Since January 1, 2015, Sandler O'Neill has advised on 36 bank or thrift Midwest deals, representing over \$19.1 billion in aggregate transaction value, more than any other investment bank during that time period.<sup>1</sup>

MidWestOne Financial Group, Inc. ("MidWestOne") (NASDAQ: MOFG) and ATBancorp today jointly announced the execution of a definitive merger agreement providing for the acquisition of ATBancorp by MidWestOne in a transaction valued at approximately \$170.3 million based on MidWestOne's August 20, 2018 stock price of \$32.92 per share. The combined company will have approximately \$4.7 billion in assets with over 60 branches throughout Iowa, Minnesota, Wisconsin, Florida and Colorado.

"We are very pleased and delighted that ATBancorp has agreed to join with MidWestOne, creating one of the premier banking franchises headquartered in Iowa," commented Charles Funk, President and Chief Executive Officer of MidWestOne. "ATBancorp has a rich heritage in one of Iowa's finest cities. For over a century their company has evolved, extending their brand to the Dyersville area west of Dubuque, to Southwest Wisconsin and westward to Des Moines. We are appreciative of the excellence ATBancorp has shown in taking care of their customers and we envision a solid melding of our similar cultures."

"We are very excited to join MidWestOne," said Nicholas Schrup III, ATBancorp's Chairman and President. "MidWestOne shares our commitment to providing relationship banking together with responsive customer service. As part of the MidWestOne team, we will continue to provide the highly personalized experience our clients have come to expect while providing these clients with an expanded suite of products and services. This partnership will be a long-term benefit to our shareholders, clients and the communities we serve."

ATBancorp operates 12 branches in Iowa and five branches in Southwest Wisconsin. American Trust & Savings Bank was founded in 1911 and ranks second in total market deposits in Dubuque County. As of June 30, 2018, ATBancorp had approximately \$1.4 billion in total assets with \$1.1 billion in deposits, of which 84% were core deposits and \$1.1 billion in loans. ATBancorp had over \$1.1 billion in trust assets under administration, as of June 30, 2018, that would be acquired pursuant to the transaction. As of June 30, 2018, MidWestOne had assets of approximately \$3.3 billion, operating 24 branches in Iowa, 13 branches in Minnesota, four branches in Wisconsin, two branches in Florida, and one branch in Colorado.

Following the acquisition, MidWestOne will add two additional board members to its Board of Directors. There are no planned changes to MidWestOne's current executive management team.

Under terms of the definitive merger agreement, the aggregate consideration to be paid by MidWestOne for ATBancorp will consist of stock consideration at an exchange ratio of 117.5500x and fixed cash consideration of \$34.8 million. MidWestOne expects the transaction to be 15%+ accretive to its earnings per share in 2019 (excluding one-time transaction expenses) and 2020. The definitive merger agreement has been unanimously approved by the boards of directors of both companies. The acquisition is expected to close during the first quarter of 2019 and is subject to approval by ATBancorp's and MidWestOne's respective shareholders and regulatory agencies, as well as other customary closing conditions.

## Financial Highlights

(Dollars in millions)

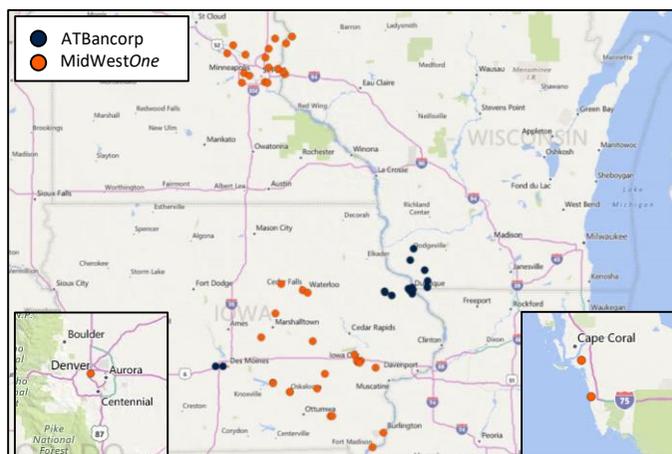
	MidWestOne	ATBancorp
Total Assets	\$3,276	\$1,369
Total Loans (Ex. HFS)	\$2,364	\$1,120
Total Deposits	\$2,604	\$1,071
Tangible Common Equity	\$271	\$142
TCE / TA	8.46%	10.40%

Note: Financial data as of June 30, 2018

1) Majority and minority transactions; Excludes terminated transactions and self-advisory roles

Source: S&P Global Market Intelligence, Company documents, Press Release

## Pro Forma Map



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