# Candidate: Sterling National Bank
# HQ: Montebello, NY

## Valuation (Q1 2021)

| | |
|---|---|
| Ownership Structure | Public |
| Multiples-Based Value ($MM)[1] | 4,753 |
| Actual Market Value ($MM)[1] | 4,145 |
| P / E Ratio[1] | 16.0x |
| MV / TE Ratio[1] | 1.4x |

## Financial Profile (2020)

| | |
|---|---|
| Total Assets ($MM) | 29,740 |
| Total Loans (Net of Allowances, $MM) | 21,522 |
| Total Equity (Tier-1 Capital, $MM) | 3,198 |
| Income (Net of Interest Expense, $MM) | 1,001 |
| Net Income After Tax ($MM) | 258 |
| Economic Profit ($MM) | 8 |
| Return on Tangible Equity (ROTE) | 8.5% |
| Cost / Income Ratio | 45.0% |
| Tier-1 Capital Ratio | 13.4% |
| NPL Ratio | 1.1% |

## Peer Benchmarking

| | Candidate | Peer Avg.[2] |
|---|---|---|
| ROTE ('16-'20) | 12.0% | 11.8% |
| Cost / Income ('16-'20) | 45.3% | 51.4% |
| LM Deposits / Branch ('20, $MM)[3] | 171.9 | 136.7 |
| LM Deposits CAGR ('16-'20) | 23.9% | 9.2% |

## Business Mix

| | |
|---|---|
| Consumer Income % | 17% |
| Commercial & Inv.-Banking Income % | 83% |
| Non-interest Income % of Income | 12% |
| Loan / Deposit Ratio | 92% |
| Mortgage + CRE Loans / Total Loans | 59% |

## Deposit Performance

| | |
|---|---|
| Total Deposits ($B) | 23.8 |
| Local Market (LM) Deposits ($B) | 13.6 |
| % Local Market Deposits | 57.1% |
| LM Deposits / Branch ($MM) | 171.9 |
| Bank Total Deposits 4-yr CAGR | 24.7% |
| Bank LM Deposits 4-yr CAGR | 23.9% |

## Footprint Map
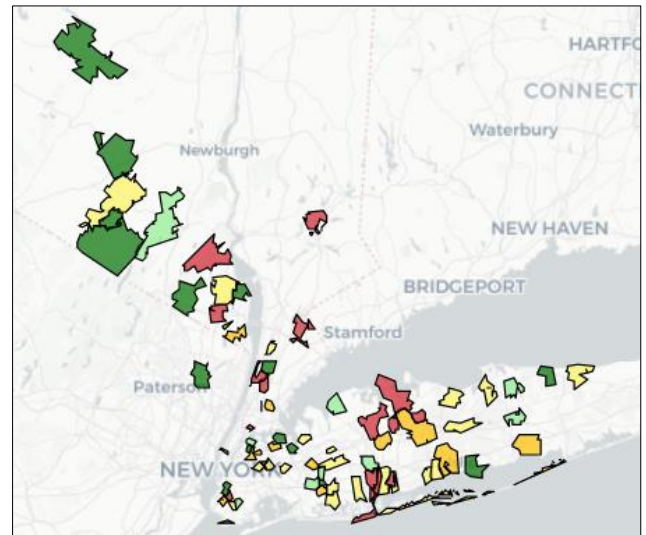


### Local Market Winning %:

| 0-19% | 20-39% | 40-59% | 60-79% | 80-100% |
|---|---|---|---|---|
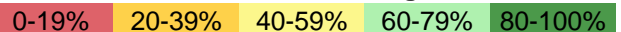
## Footprint Competitive Position (LM Dep.)

| | |
|---|---|
| Market Share | 10.1% |
| Rank in Footprint | 4 |
| Wins / Losses | 243 / 500 |
| Winning % | 48.6% |
| CompetitiveStrength™ | 62 (75th percentile) |

## Footprint Participation: Geographic

| | |
|---|---|
| MSAs | 3 |
| Local Markets (zip codes) | 76 |
| Branches | 79 |

## Footprint Participation: Demographic

| | Participation in National Quintiles (High Value = Q1) | | | | |
|---|---|---|---|---|---|
| | Q5 | Q4 | Q3 | Q2 | Q1 |
| Income | | | | | |
| Education | | | | | |
| Population Density | | | | | |
| Age | | | | | |
| % Foreign | | | | | |
| CompetitiveStrength™ | | | | | |
| Online Banking Prop. | | | | | |

BankVQ M&A