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# First Busey Corp. and The Banc Ed Corp to merge

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CHAMPAIGN, IL and EDWARDSVILLE, IL—First Busey Corporation (“Busey”) (NASDAQ:BUSE), the holding company for Busey Bank, and The Banc Ed Corp. (“Banc Ed”), the holding company for TheBANK of Edwardsville (“TheBANK”), have announced the signing of a definitive agreement pursuant to which Busey will combine Banc Ed through a merger transaction.

The partnership will enhance Busey’s existing deposit, commercial banking and wealth management presence in the greater St. Louis MO IL Metropolitan Statistical Area (MSA). Through this transaction, Busey’s deposit share ranking improves from #18 to

#7 in this MSA. St. Louis is the largest MSA in Missouri and the 27th largest MSA in North America. The STL MSA includes St. Louis County, the independent City of St. Louis, the Missouri counties of St. Charles, Jefferson, Franklin, Lincoln and Warren, and the Illinois counties of Madison, St. Clair, Clinton, Monroe and Jersey. (Source: SNL Global)

Under the terms of the merger agreement, Banc Ed stockholders will have the right to receive 8.2067 shares of common stock of First Busey and \$111.53 in cash for each share of common stock of Banc Ed, with total consideration to consist of approximately 70% stock and 30% cash. Based upon Busey's closing share price of \$31.89 on August 21, 2018, the implied per share purchase price is \$373.24 with an aggregate transaction value of approximately \$304.9 million. The transaction is expected to close in Q4 2018 or early Q1 2019, subject to customary closing conditions and required approvals.

It is anticipated that TheBANK will be merged with and into Busey's bank subsidiary, Busey Bank, at a date following the completion of the holding company merger. At the time of the bank merger, TheBANK banking centers will become branches of Busey Bank. The combined pro forma franchise would serve customers through 82 full-service locations, including 62 branches across Illinois, as well as 14 in Missouri, five in Florida and one in Indiana and will have combined assets of \$9.6B, \$6.4B in gross loans, \$7.7B in deposits and over \$8.6B in assets under management.

Like Busey, TheBANK was founded in 1868 and operates as a privately held, locally owned and operated commercial bank headquartered in Edwardsville, Illinois. TheBANK currently employs over 360 associates and has 19 branch locations and one loan production office in the St. Louis MO?IL MSA: Alton, Belleville (2), Bethalto, Clayton, Collinsville, Edwardsville (3), Fairmont City, Glen Carbon (2), Granite City (2), Highland, O'Fallon, St. Charles (LPO), Swansea, Troy, and Wood River. The company is dedicated to its founding principles by being actively involved in the communities it serves and providing exceptional personal service delivered by experienced local professionals.

Busey President and Chief Executive Officer Van A. Dukeman said, "Being a strong, local community bank for the communities we serve is important to both Busey and TheBANK. Combining our like-minded, 150-year organizations together as one will allow us to build upon and further strengthen our shared beliefs, community focus and commitment to service excellence. Further, this business combination supports our strategic intention of increasing market share through partnerships with organizations whom have strong core deposit funding, solid commercial banking and credit practices, and a tradition of serving wealth management clients for generations."

Mark Shashek, Chairman of Banc Ed's Board, and R.L. Plummer, Chairman of TheBANK's Board on behalf of both Boards of Directors said, "The senior leadership of TheBANK and Busey have admired each other's institutions for decades. Each of us have very talented associates for which we are very grateful. While Banc Ed was not actively seeking a partnership, when Busey CEO Van Dukeman approached us about a possible business combination we listened on behalf of our employees, customers, communities and shareholders. Our admiration of the Busey team and franchise has only grown as we learned more about them during this process; we are confident our fellow stakeholders will agree as they learn more about the many benefits of this partnership."

TheBANK President and Chief Executive Officer Kevin Powers added, "Thanks to talented employees, both organizations have demonstrated success in providing premiere customer service; building and maintaining strong relationships; and providing countless hours of human, social and financial capital to meet the needs of the communities we serve. We are excited TheBANK customers will continue to experience service excellence through the same bankers they know and trust, while benefitting from expanded access points across Illinois, Missouri, Indiana and SW Florida."

Both companies support and value an engaged and empowered workforce, and are committed to building a premier, service-oriented, community brand experience. Busey has been named among American Banker's Best Banks to Work For since 2016; voted as one of the Best Places to Work in Illinois by associates since 2016; recognized as one of the 2018 Top Workplaces in St. Louis; among the Best Companies to Work For in Florida; as well as listed among the 2018 Best? In?State Banks for Illinois—a first-ever recognition by Forbes—in addition to various wellness, training and development, philanthropic and other workplace awards.

Barack Ferrazzano Kirschbaum & Nagelberg LLP served as legal counsel and FIG Partners served as financial advisor to Busey. Howard & Howard served as legal counsel and Sandler O'Neill + Partners, L.P. served as financial advisor to Banc Ed.

### Corporate Profile

As of June 30, 2018, First Busey Corporation (NASDAQ: BUSE) was a \$7.8 billion financial holding company headquartered in Champaign, Illinois. Busey Bank, the wholly-owned bank subsidiary, with total assets of \$7.8 billion as of June 30, 2018, is headquartered in Champaign, Illinois and has forty? four banking centers serving Illinois, thirteen banking centers in the St. Louis, Missouri metropolitan area, five banking centers serving southwest Florida and a banking center in Indianapolis, Indiana. Trevett Capital Partners, a wealth management division of Busey Bank, provides asset

management, investment and fiduciary services to high net worth clients in southwest Florida. The wealth management professionals of Trevett Capital Partners can be reached through [trevettcapitalpartners.com](http://trevettcapitalpartners.com).

Busey Bank was named among Forbes' 2018 Best-In-State Banks—one of five in Illinois and 124 from across the country, equaling 2.2% of all banks, recognized solely by customers. Best-In-State Banks are awarded for exceptional customer experiences as determined by a survey sample of 25,000+ people across the U.S. who rated banks on trust, terms and conditions, branch services, digital services and financial advice.

Busey Bank owns a retail payment processing subsidiary, FirsTech, Inc., which processes approximately 28 million transactions per year using online bill payment, lockbox processing and walk-in payments at its 4,000 agent locations in 43 states. More information about FirsTech, Inc. can be found at [firstechpayments.com](http://firstechpayments.com).

Busey Wealth Management is a wholly-owned subsidiary of First Busey Corporation. Through Busey Trust Company, Busey Wealth Management provides asset management, investment and fiduciary services to individuals, businesses and foundations. As of June 30, 2018, Busey Wealth Management's assets under care were approximately \$7.0 billion.

For more information about us, visit [busey.com](http://busey.com).

### **About The Banc Ed Corp.**

The Banc Ed Corp. is the holding company for TheBANK of Edwardsville, a privately held, locally owned and operated bank established January 1, 1968 – currently with over 360 associates, 19 branch locations and one loan production office in the St. Louis MO? IL MSA. TheBANK of Edwardsville is dedicated to building strong communities for generations by being actively involved in the communities it serves.