

Lewis & Clark Bank (OTC Pink: LWCL; Oregon City, OR) has agreed to acquire Clatsop Community Bank (OTC Pink: CLAT; Seaside, OR)

Deal Value: Approximately \$15 Million

Sandler O’Neill acted as exclusive financial advisor and rendered a fairness opinion to Lewis & Clark Bank in this transaction.

This transaction represents Sandler O’Neill’s 214th bank or thrift transaction nationwide since January 1, 2015 representing \$65.7 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 transaction value than any other investment bank during that time period.¹

Oregon City, Oregon and Seaside, Oregon – January 31, 2019 – Lewis & Clark Bank (OTC Pink: LWCL, “Lewis & Clark”) and Clatsop Community Bank (OTC Pink: CLAT, “Clatsop”) today jointly announced the signing of a definitive agreement to merge Clatsop into Lewis & Clark in a stock and cash transaction. The aggregate merger consideration is valued at approximately \$15 million based on Lewis & Clark’s January 30, 2019 closing stock price of \$34.25.

“Clatsop Community Bank is a great bank and an ideal partner for us.” said Jeff Sumpter, President & Chief Executive Officer of Lewis & Clark. “We have similar cultures and banking philosophies and this combination will create significant synergies and opportunities for future growth. The greater scale and added liquidity will strengthen our financial position; expand our ability to serve our clients and better position us for future growth. We are eager to partner with Clatsop’s talented employees and continue the strong level of service to the valued customers in Clatsop County.”

At closing, Clatsop shareholders will receive 0.3040 Lewis & Clark shares and \$2.89 in cash in exchange for each share of Clatsop stock. Based on Lewis & Clark’s closing stock price on January 30, 2019 of \$34.25, the merger consideration is valued at \$13.30 per Clatsop share. The value of the merger consideration will fluctuate based on the price of Lewis & Clark stock.

As part of the merger, the Lewis & Clark board will invite three board members from the Clatsop board to join creating a nine-member Board of Directors for Lewis & Clark Bank. Sumpter will continue in his role as President and Chief Executive Officer of Lewis & Clark and Schulte will join Lewis & Clark as Market President.

Financial Highlights (\$ millions)

	<u>LWCL</u> ²	<u>CLAT</u> ³
Total Assets	\$197	\$95
Gross Loans	\$157	\$56
Deposits	\$157	\$84
Equity	\$22	\$11
YTD ROAA	1.15%	1.02%
TCE / TA	11.2%	12.0%

Note:

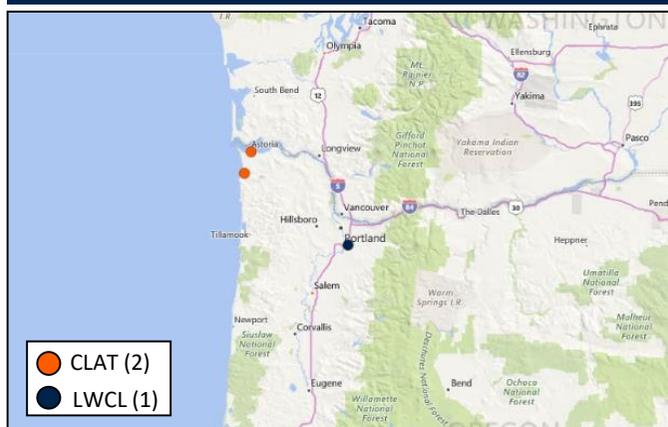
1: Majority and minority transactions; excludes terminated transactions and self-advisory roles

2: Financial data as of September 30, 2018

3: Financial data as of December 31, 2018

Source: S&P Global Market Intelligence, Press Release

Pro Forma Branch Network



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