

**MetaBank, a subsidiary of Meta Financial Group, Inc. (NASDAQ: CASH; Sioux Falls, SD), has agreed to acquire substantially all of the assets and liabilities of EPS Financial, LLC (Private; Easton, PA) from Drake Enterprises, LTD. (Private; Franklin, NC)**

**Deal Value: Approximately \$42.5 million**

**Sandler O'Neill served as financial advisor to Meta Financial Group in connection with this transaction. This represents Sandler O'Neill's 118th financial services transaction since January 1, 2015, more than any other investment bank during that time period.<sup>1</sup>**

Sioux Falls, S.D. (October 3, 2016)-Meta Financial Group, Inc. (NASDAQ: CASH) announced today that it and its bank subsidiary, MetaBank, have signed a definitive agreement with privately-held Drake Enterprises, Ltd. and its wholly-owned subsidiary, EPS Financial LLC, for MetaBank to acquire substantially all of the assets and certain liabilities of EPS Financial, LLC for approximately \$42.5 million, subject to adjustment, to be paid approximately half in Meta Financial common stock and half in cash. The proposed purchase, which is subject to certain conditions, has been approved by the boards of directors of all companies and is expected to close in the fourth calendar quarter of 2016.

EPS Financial, LLC, is a leading provider of comprehensive tax-related financial transaction solutions offering a one-stop-shop for all tax preparer financial transactions. These solutions include a full-suite of refund settlement products, prepaid payroll card solutions, and merchant services. The EPS team will to join MetaBank and remain in Easton, PA, offering a seamless transition for their clients.

It is expected that the impact of the transaction will provide immediate accretion of over 10 percent to Meta's earnings per share in the first full year of combined operations. Meta does not anticipate the need to raise additional capital for this acquisition and expects to realize approximately 12 percent tangible book value dilution from the transaction at close with an earn-back period of approximately 4 years. The earn-back period could be substantially shorter with efficiencies realized from the transaction.

EPS Financial's President Clark Gill stated, "We are excited about the prospects of working with Meta. The additional resources will allow EPS to further increase its growth by bringing on additional software partners, introducing new services, and bolstering sales and marketing activity."

"This acquisition will further Meta's competitive positioning in the tax payments industry. We are excited to welcome Clark and the entire EPS team to Meta," J. Tyler Haahr, Chairman and CEO of MetaBank said. "As with the Refund Advantage acquisition, over time Meta will assume certain services provided by others to EPS and make available other Meta products and services to tax preparers and their customers, which should further enhance the economic benefits from this transaction."

Notes:

1: Source: SNL Financial. Excludes terminated transactions and self-advisory roles.

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