

Entegra Financial Corporation (NASDAQ: ENFC; Franklin, NC) has agreed to acquire two South Carolina branches with \$42 million in deposit relationships from Arthur State Bank (Private; Union, SC)

Deposit Premium: 2.87%

Sandler O'Neill served as financial advisor to Entegra Financial Corporation in the purchase of these branches.

This transaction represents Sandler O'Neill's 62nd bank branch transaction since January 1, 2011. During that time period, Sandler O'Neill has advised on branch transactions totaling 558 branches and \$28.7 billion in deposits, more than any other investment bank.¹

About the Transaction:

Franklin, North Carolina, August 13, 2015 — Macon Bank, the wholly-owned subsidiary of Entegra Financial Corp. (NASDAQ: ENFC) (the "Company"), today announced that it has entered into an agreement with Arthur State Bank to acquire two bank branches in Anderson and Chesnee, South Carolina. The purchase will consist of approximately \$42 million in deposits and \$9 million in loans with a deposit premium of approximately 2.87% of deposits acquired.

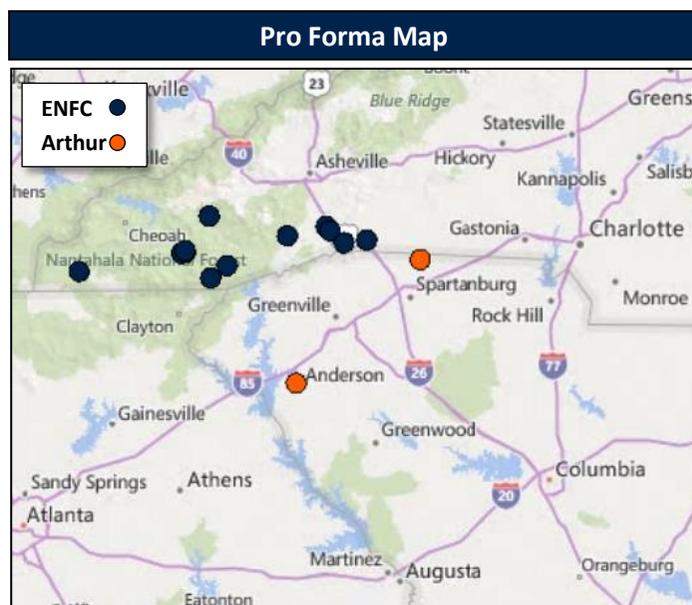
Macon Bank will hire all current employees at both branch locations and is dedicated to providing a smooth transition and high level of service to our new customers.

"We are thrilled to announce the acquisition of these two branches as we continue to expand our franchise into Upstate South Carolina," said Roger D. Plemens, President and Chief Executive Officer. "In addition to our soon to open Greenville branch, these branches will provide us with a stronger presence in the Upstate as we continue to execute upon our strategic priorities of seeking accretive acquisition opportunities, diversifying into higher growth contiguous markets, leveraging our capital, and positioning the Company for long-term independence."

Upon completion of the transaction, the Company is expected to have approximately \$1.0 billion in assets, \$591 million in loans, and \$735 million in deposits.

The purchase is subject to customary closing conditions, including regulatory approvals, and is expected to be completed in the fourth quarter of 2015.

¹Includes all completed and pending branch transactions since January 1, 2011
Source: SNL Financial



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