

First Interstate BancSystem, Inc. (NASDAQ: FIBK) has agreed to acquire Mountain West Financial Corp. (OTCQB: MTWF)

Deal Value: Approximately \$72.8 million

Sandler O’Neill served as financial advisor to First Interstate BancSystem, Inc. in this transaction. This transaction is Sandler O’Neill’s 114th bank or thrift transaction nationwide since January 1, 2011, more than any other investment bank during that time period.¹ Since January 1, 2011, Sandler O’Neill has advised on 24 bank or thrift transactions in the western region, more than any other investment bank during that time period.¹

BILLINGS, MT and HELENA, MT — First Interstate BancSystem, Inc. (NASDAQ: FIBK) (“First Interstate”), parent company of First Interstate Bank, and Mountain West Financial Corp. (OTCQB: MTWF) (“Mountain West”), parent company of Mountain West Bank, National Association announced today that First Interstate has signed a definitive agreement to acquire the Helena-based Mountain West. With assets of \$647 million, as of September 30, 2013, Mountain West Bank currently operates 12 branches throughout central and western Montana in Helena, Great Falls, Missoula, Kalispell, Whitefish, and Bozeman.

“Like First Interstate Bank, Mountain West Bank is a community bank whose success has been built on a foundation of commitment to its customers and communities,” said Tom Scott, Chairman of First Interstate. First Interstate President and CEO Ed Garding added, “We are excited about the possibilities created through the combination of our two companies and are honored to have Mountain West become a part of our organization.”

“We are delighted to be joining the First Interstate organization,” said Rick Hart, CEO of Mountain West. “With First Interstate Bank, our customers will benefit from an expanded line of financial services and innovative solutions, while continuing to benefit from personalized service and local decision-making.”

Pursuant to the terms of the definitive merger agreement, Mountain West shareholders will receive 0.2552 shares of First Interstate Class A common stock plus \$7.125 in cash in exchange for each share of Mountain West common stock they hold. The value received by Mountain West shareholders will fluctuate based on First Interstate’s stock price.

Upon completion of this merger, First Interstate will have total assets of approximately \$8.2 billion and gain the #1 deposit market share in the state of Montana. First Interstate expects the transaction to be immediately accretive to earnings per share.

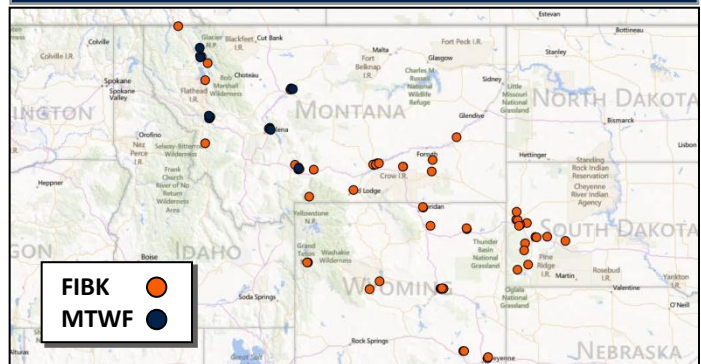
Financial Highlights

(Dollars in millions)

	FIBK	MTWF
Total Assets	\$7,565	\$647
Gross Loans	\$4,345	\$402
Total Deposits	\$6,134	\$543
Total Equity	\$802	\$60
Tang. Comm. Equity / Tang. Assets	8.32%	8.81%

1) Excludes terminated transactions and self-advisory roles
Note: Financial data as of 12/31/13 for FIBK and 9/30/13 for MTWF
Source: SNL Financial

Pro Forma Branch Map



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