

**WinFirst Bank (Private; Winchester, KY) has agreed to merge with First South Financial Credit Union (Private; Bartlett, TN)**

**Deal Value: Undisclosed**

Sandler O'Neill served as financial advisor to WinFirst Bank in this transaction.

This represents Sandler O'Neill's 228<sup>th</sup> bank or thrift transaction since January 1, 2015, representing approximately \$68.0 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 deal value than any other investment bank during that time period.<sup>1</sup>

Since January 1, 2015, Sandler has advised on 48 deals involving bank and thrifts based in the Midwest, representing approximately \$20.4 billion in aggregate deal value, more than any other investment bank during that time period.<sup>1</sup>

**Bartlett, TN, and Winchester, KY – July 23, 2019:** First South Financial, a \$589 million credit union in Tennessee, and WinFirst Financial Corp., the holding company for \$138 million WinFirst Bank, located in Winchester, KY (near Lexington) today announced the signing of a definitive agreement whereby First South will acquire WinFirst Bank. Both are considered among the safest and strongest financial institutions in the nation. The transaction is expected to close during the fourth quarter of 2019, subject to customary regulatory approval and completion of closing conditions.

"This acquisition is terrific for us," said Craig Esrael, President and CEO of First South Financial, commenting on the announcement. "WinFirst is a solid financial institution that brings distinct and unique strengths to the table. We feel that there is much we can mutually learn from each other to make our joint organization even greater and which will bring even more substantial benefits to those we serve. For example, WinFirst has deep experience in commercial loans and accounts, and we can offer their customers more product and service options like auto loans and credit cards. It truly is a case of two organizations coming together to make the lives of those who bank with us even better."

Kari Gough, President and CEO of WinFirst, added, "Together with my fellow employees, I am excited to lead this well-established institution into a new chapter. WinFirst has a proud history that stretches back 85 years. We have built our reputation on trust, security, and confidence and making a positive difference in our community. Importantly, First South shares our values and this combination will only enhance the high-level customer service that our clients have come to expect from WinFirst."

Ms. Gough will join First South Financial upon the acquisition's completion as Kentucky Market President, where she and the WinFirst team will continue to provide valuable service to the customers of WinFirst and First South.

"It is our intent to keep all WinFirst employees. They know the communities and their clients value the relationships they have at WinFirst. We appreciate the knowledge and experience of the WinFirst team and look forward to working together," said Craig Esrael, Chief Executive Officer of First South Financial.

"We feel that First South Financial is the best partner we could have selected to continue the legacy that our family has built with WinFirst Bank," says Sarah McCreedy Boston, granddaughter of the founder and current board member.

Her sister, Louise McCreedy Hart, a fellow board member, adds, "They have assured us that they understand what this bank means to our family, the staff and the community and that they will do everything they can to continue the vision our grandfather had when he founded it."

**Financial Highlights**

(Dollars in Thousands)	First South FCU	WinFirst Bank
Total Assets	\$588,907	\$137,655
Total Net Loans	\$323,550	\$115,169
Total Deposits	\$405,217	\$94,054
Total Equity	\$172,127	\$18,696
Capital / Assets <sup>2</sup>	31.63%	13.58%

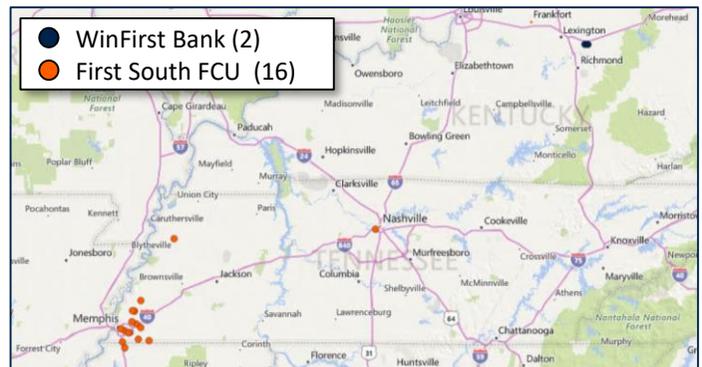
Note: Financial data as of March 31, 2019

1) Majority and Minority transactions; Excludes terminated transactions and self-advisory roles

2) Capital / Assets for Winfirst Bank based on Tangible Equity / Tangible Assets

Source: S&P Global Market Intelligence, Company documents, Press Release

**Pro Forma Branch Map**



**Sandler O'Neill Contacts:**

Jason Hach  
Managing Director  
(212) 466-7875

John Plantemoli  
Associate  
(212) 466-7743

Abbeygale Anderson  
Analyst  
(212) 466-8039