

Heartland Financial USA, Inc. Announces Sale of Consumer Finance Subsidiary Citizens Finance

Proceeds Received: ~\$70 million

Sandler O'Neill served as financial advisor to Heartland Financial USA, Inc. in this transaction.

This transaction represents Sandler O'Neill's 283rd financial services transaction nationwide since January 1, 2015. Sandler O'Neill has served as a financial advisor on more financial services transactions than any other investment bank during that time period. ¹

This transaction represents Sandler O'Neill's 4th transaction advising a bank on the divestiture of its consumer finance business over the last twelve months.

Dubuque, Iowa – Friday January 11, 2019 – Heartland Financial USA, Inc. (NASDAQ: HTLF) today announced that its consumer finance subsidiaries, Citizens Finance Co. and Citizens Finance of Illinois Co. (collectively, "Citizens") have completed the sale of their existing loan portfolios totaling approximately \$70 million to American Credit Acceptance, LLC ("ACA"), headquartered in Spartanburg, South Carolina. The transaction is not expected to have a material effect on Heartland's consolidated financial results.

"Over the past 5 years, Heartland has strategically focused on growing and expanding its community banking businesses," said Bruce Lee, president and chief executive officer of Heartland. "Our decision to exit the consumer finance business will allow us to sharpen our focus on our core businesses and execute on our strategic priorities."

All of Citizens' 14 current offices located in Iowa, Illinois and Wisconsin will remain open through the end of January 2019 to assist customers with the transition to ACA.

(1) Source: S&P Global Market Intelligence; excludes minority transactions, terminated transactions, and/or self-advisory roles

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