

## CAPITAL MARKETS ANNOUNCEMENT

**Merchants Bancorp (NASDAQ: MBIN; Carmel, IN) Closes Offering of \$50.0 Million of Non-Cumulative Perpetual Preferred Stock**

Sandler O'Neill + Partners, L.P. served as the sole underwriter for this offering.

This offering is the 111<sup>th</sup> public offering or private placement of common or preferred stock transaction for a community bank since January 1, 2015 in which Sandler O'Neill acted as book-runner, co-manager or placement agent—more than any other investment bank during that period. These transactions have raised over \$23.7 billion for our clients.<sup>1</sup>

**About the Offering:**

CARMEL, Indiana – Merchants Bancorp (“Merchants”) (Nasdaq: MBIN), parent company of Merchants Bank of Indiana, today announced the closing of its previously announced underwritten public offering of 2,000,000 shares of its 7.00% Fixed-to-Floating Rate Series A Non-Cumulative Perpetual Preferred Stock (the “Series A Preferred Stock”), with a liquidation preference of \$25.00 per share. As a result, Merchants received proceeds of approximately \$48.3 million net of estimated expenses and underwriting discounts and commissions.

In addition, Merchants has granted the underwriter a 30-day option to purchase up to an additional 300,000 shares of its Series A Preferred Stock at the public offering price, less the underwriting discount.

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

**About the Company:**

Merchants Bancorp is a diversified bank holding company headquartered in Carmel, Indiana operating multiple lines of business, including multi-family housing and healthcare facility financing and servicing, mortgage warehouse financing, retail and correspondent residential mortgage banking, agricultural lending and traditional community banking. Merchants Bancorp, with \$3.9 billion in assets and \$3.2 billion in deposits as of December 31, 2018, conducts its business through its direct and indirect subsidiaries, including Merchants Bank of Indiana, Merchants Capital Corp., Farmers-Merchants Bank of Illinois, Merchants Capital Servicing, LLC, OneTrust Funding, Inc. and Merchants Mortgage, a division of Merchants Bank of Indiana.

(1) Source: S&P Global Market Intelligence

(2) Financial data is not pro forma for the Preferred Offering; Source: S&P Global Market Intelligence

March 28, 2019

7.00% Fixed-to-Floating Rate  
Non-Cumulative Perpetual  
Preferred Stock  
**\$50.0 Million**



Sole Underwriter

SANDLER O'NEILL + PARTNERS

**Financial Highlights as of December 31, 2018<sup>2</sup>**

(Dollars in millions)

Total Assets	\$3,884
Total Net Loans	2,878
Total Deposits	3,231
Total Equity	421
Tang. Common Equity/ Tang. Assets (%)	9.28
LTM ROAA (%)	1.71
LTM ROATCE (%)	17.23

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