

Northwestern Bancorp, Inc. (OTCQB: NWBM; Traverse City, MI) has agreed to merge with Chemical Financial Corporation (NASDAQ: CHFC; Midland, MI)

Deal Value: \$120.0 million

Sandler O'Neill acted as exclusive financial advisor and rendered a fairness opinion to Northwestern Bancorp in this transaction. This is Sandler O'Neill's 121st bank and thrift merger transaction since January 1, 2011. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period. This transaction represents Sandler O'Neill's 17th bank or thrift transaction in the Midwest since January 1, 2012, more than any other investment bank during that time period.¹

The boards of directors of Chemical Financial Corporation, the holding company for Chemical Bank, and Northwestern Bancorp, Inc., the holding company for Northwestern Bank, today announced the execution of a definitive agreement for Chemical Financial Corporation to partner with Northwestern Bancorp, Inc. in an all cash transaction valued at approximately \$120 million.

Pending satisfaction of regulatory approval requirements and other customary closing conditions, as well as approval of Northwestern shareholders, the transaction is anticipated to close in the third quarter of 2014. Upon closing, Chemical intends to consolidate Northwestern Bank, into Chemical's banking subsidiary, Chemical Bank, and operate under the Chemical Bank name. Upon completion, one independent member of Northwestern's board of directors will join Chemical's board of directors.

The partnership with Northwestern and its 25 branches across 11 northwestern Michigan counties is expected to increase Chemical Bank's core deposit base by approximately \$750 million. Post-closing, it is anticipated that Chemical will have the largest retail branch delivery network (ranked by number of branch locations) outside of the Detroit MSA of any financial institution operating in Michigan. Also, it is anticipated that Chemical Bank will become the 8th largest institution in Michigan overall (ranked by deposit market share at June 30, 2013); the largest Michigan-based financial institution when excluding the Detroit MSA; and the 3rd largest institution in the Traverse City MSA.

"We are delighted to welcome Northwestern Bank and its talented team of Michigan bankers to the Chemical Financial family. We view their organization as the premier northwestern Michigan community banking franchise, and believe the combination of these two community-driven, Michigan-focused institutions will provide a compelling choice for the state's residents and businesses," said David B. Ramaker, Chairman, Chief Executive Officer and President of Chemical Financial.

"Given the similarity in our community-based approaches to meeting Michigan's banking needs, Chemical was the clear choice as Northwestern's go-forward partner," said Daniel Terpsma, President and Chief Executive Officer of Northwestern Bank. "Chemical's proven strategy of customer-centric, community banking coupled with its commitment to Michigan and its people, clearly aligns with our vision, values and mission. We believe that our employees, customers and the communities we serve will benefit greatly from the strength, depth and growth prospects that Chemical brings to this region."

Financial Highlights

(Dollars in millions)

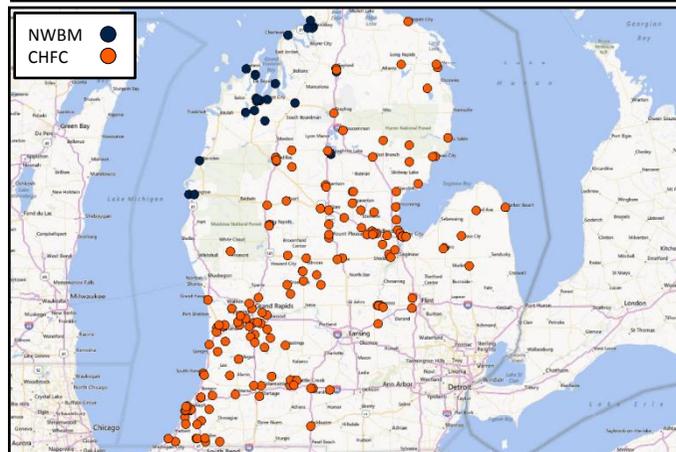
	Northwestern Bancorp	Chemical Financial Corporation
Total Assets	\$845	\$6,185
Net Loans	\$485	\$4,574
Total Deposits	\$758	\$5,122
Total Equity	\$69	\$697
Tang. Common Equity / Tang. Assets	7.58%	9.35%

Financial data as of December 31, 2013

¹ Excludes terminated transactions and self-advisory roles

Source: SNL Financial, Press Release

Pro Forma Map



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