

## Colonial American Bank (OTCQB: CBKX; Middletown, NJ) has agreed to merge with OceanFirst Financial Corp. (NASDAQ: OCFC; Toms River, NJ)

**Deal Value: \$11.3 million**

Sandler O'Neill served as exclusive financial advisor to Colonial American Bank and rendered a fairness opinion in connection with the transaction. This transaction is Sandler O'Neill's 65<sup>th</sup> bank and thrift transaction nationwide since January 1, 2014. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.<sup>1</sup>

Since January 1, 2014, Sandler O'Neill has advised on 14 Mid-Atlantic bank or thrift transactions with an aggregate deal value of \$868 million, more than any other investment bank during that time period.<sup>1</sup>

Toms River, NJ, February 25, 2015 – OceanFirst Financial Corp. ("OceanFirst") (NASDAQ: OCFC), headquartered in Toms River, New Jersey and Colonial American Bank ("Colonial") (OTCQB: CBKX), headquartered in Middletown, New Jersey, announced today that they have entered into a definitive agreement and plan of merger pursuant to which Colonial will merge into OceanFirst Bank, a wholly-owned subsidiary of OceanFirst Financial Corp. Under the terms of the agreement, each outstanding share of Colonial common stock will be exchanged for 0.3736 shares of OceanFirst common stock, subject to possible adjustment as defined within the agreement. The transaction is valued at \$11.3 million.

Colonial currently operates two full-service banking centers in Middletown and Shrewsbury New Jersey with total assets of \$144 million, including \$127 million in total loans and total deposits of \$129 million as of December 31, 2014. The combined institution will have \$2.5 billion in assets, \$1.8 billion in loans and \$1.8 billion in deposits, with 25 branches serving the central New Jersey market.

Anthony Giordano III, President and Chief Executive Officer of Colonial stated, "Given our compatible cultures with similar community orientation and customer focus, we believe OceanFirst is an ideal partner. Our partnership with OceanFirst will provide our stockholders with enhanced liquidity and a strong dividend for their stock and would continue to deliver dedicated, personalized service that our customers are accustomed to, along with an expanded range of financial products and services of a larger institution. We believe that our stockholders and customers will benefit from this transaction and we are extremely excited to partner with OceanFirst."

The transaction, which has been unanimously approved by the Board of Directors of both OceanFirst and Colonial and is expected to close before year-end 2015. subject to certain conditions, including the approval by Colonial's stockholders and customary regulatory approvals.

### Financial Highlights

<i>\$s in millions</i>	OceanFirst	Colonial
Total Assets	\$2,357	\$144
Net Loans	1,693	126
Total Deposits	1,720	129
Total Equity	218	10
Tang. Comm. Equity / Tang. Assets	9.26%	6.26%
NPAs / Assets	1.89	2.37

(1) Excludes terminated transactions and self-advisory roles.  
Note: Financial data as of 12/31/14.  
Source: SNL Financial.

### Pro Forma Branch Map



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