

**NorthStar Banking Corporation (Private; Tampa, FL) has agreed to merge with Seacoast Banking Corporation of Florida (NASDAQ: SBCF; Stuart, FL)**

**Deal Value: Approximately \$32.1 million**

Sandler O'Neill served as financial advisor to NorthStar Banking Corporation and rendered a fairness opinion in connection with the transaction. This transaction represents Sandler O'Neill's 124<sup>th</sup> bank or thrift transaction nationwide since January 1, 2015, representing \$40.7 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 O'Neill has advised on 39 bank or thrift transactions in the Southeast region for an aggregate transaction value of \$12.8 billion, more than any other investment bank during that time period.<sup>1</sup>

STUART, Fla., May 18, 2017-- Seacoast Banking Corporation of Florida ("Seacoast") (NASDAQ: SBCF), the holding company for Seacoast National Bank ("Seacoast Bank"), announced today that it has signed a definitive agreement to acquire NorthStar Banking Corporation ("NSBC"), the holding company for NorthStar Bank, in a transaction that will expand Seacoast's presence in the attractive Tampa market and strengthen its position in Florida.

Pursuant to the terms of the merger agreement, NSBC, headquartered in Tampa, will be merged with and into Seacoast, and NorthStar Bank will be merged with and into Seacoast Bank. Organized in 2005, NSBC has deposits of \$168 million and loans of \$137 million, and will increase Seacoast's assets in Tampa by 38% percent to approximately \$554 million. NSBC operates three branches in the Tampa MSA, enhancing Seacoast's presence in the region, and expanding on Seacoast's acquisition of GulfShore Bancshares, Inc., also headquartered in Tampa, which closed in April 2017.

"This in-market transaction expands our footprint in Tampa, Florida's second largest MSA," said Dennis S. Hudson III, Seacoast chairman and CEO. "The acquisition of NorthStar Banking Corporation deepens our presence in the strategically important Tampa market and builds on our acquisition of GulfShore Bank, completed last month. We are executing our 'land and expand' strategy of enlarging our initial beachhead, as we did successfully in the adjacent Orlando market last year."

"We look forward to partnering with Seacoast and to providing our customers with access to their broad range of products," said Scott Jacobsen, CEO of NorthStar Banking Corporation. "Seacoast is recognized as one of Florida's preeminent community banks, with strong local roots, a well-established brand, and a commitment to its communities."

Under the terms of the merger agreement, NSBC shareholders will receive 0.5605 shares of Seacoast common stock and \$2.40 per share in cash. Based on Seacoast's 20-day volume weighted average price of \$24.26 as of May 16, 2017, the transaction is valued at approximately \$32.1 million or \$16.00 per share. Closing of the acquisition is expected early in the fourth quarter of 2017 after receipt of approvals from regulatory authorities, the approval of NSBC shareholders and the satisfaction of other customary closing conditions.

Seacoast expects the NSBC acquisition to be accretive to earnings per share in 2017, excluding one-time transaction costs, and have a tangible book value earnback period of approximately 1.4 years using the crossover method. The transaction also is expected to provide an internal rate of return of over 20 percent.

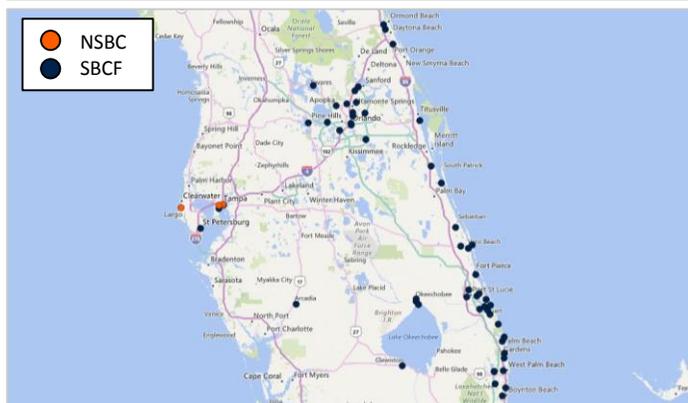
The Tampa-St. Petersburg-Clearwater metropolitan region ranks among the fastest-growing markets in the state and country with an anticipated population growth rate of 6.5 percent by 2022. The area also has one of the Southeast's lowest unemployment rates among metropolitan regions, at 4.1 percent in March 2017.

## Financial Highlights

(\$ in millions)	SBCF	NSBC
Total Assets	\$4,770	\$212
Total Net Loans	\$2,966	\$135
Total Deposits	\$3,679	\$168
Total Equity	\$502	\$22
TCE/TA	9.04%	10.23%

*1) Source: SNL Financial; excludes terminated transactions and self-advisory roles  
Note: Financial data as of 3/31/2017; NSBC Bank-level regulatory financials shown*

## Pro Forma U.S. Branch Map



Sandler O'Neill Contacts:  
1251 Avenue of the Americas, 6<sup>th</sup> Floor  
New York, NY 10020

Reid Brewer  
Director  
(212) 466-8086

Greg Giordano  
Analyst  
(212) 466-7989