

Wells Fargo & Company (NYSE: WFC; San Francisco, CA) has agreed to sell 52 retail bank branches in Indiana, Michigan, Ohio and Wisconsin to Flagstar Bancorp, Inc. (NYSE: FBC; Troy, MI)

Effective Deposit Premium¹: 7%

Sandler O'Neill served as co-advisor with Wells Fargo Securities to Wells Fargo & Company in connection with this transaction. This represents Sandler O'Neill's 27th bank branch transaction since January 1, 2015. During that time period, Sandler O'Neill has advised on branch transactions comprising 193 branches and approximately \$8.0 billion in deposits, more than any other investment bank.²

San Francisco, CA and Troy, MI – June 5, 2018 – Wells Fargo & Company (NYSE: WFC) and Flagstar Bancorp, Inc. (NYSE: FBC) announced today that they have entered into an agreement for Wells Fargo Bank to sell 52 retail bank branches to Flagstar Bank, FSB. The sale comprises all Wells Fargo branches in Indiana (33), Michigan (14) and Ohio (1), and a small number of Wisconsin branches (4), with approximately \$2.3 billion in deposits, and \$130 million in loans, along with certain related assets. Flagstar intends to keep all branches and retain all employees at closing. Flagstar will pay an effective deposit premium of approximately 7 percent based on balances as of December 31, 2017.

Wells Fargo has previously shared its plan to reduce retail bank branches to approximately 5,000 branches by the end of 2020, through consolidations and divestitures/sales. This transaction is expected to close in the fourth quarter of 2018, subject to customary regulatory approvals.

Transaction Summary

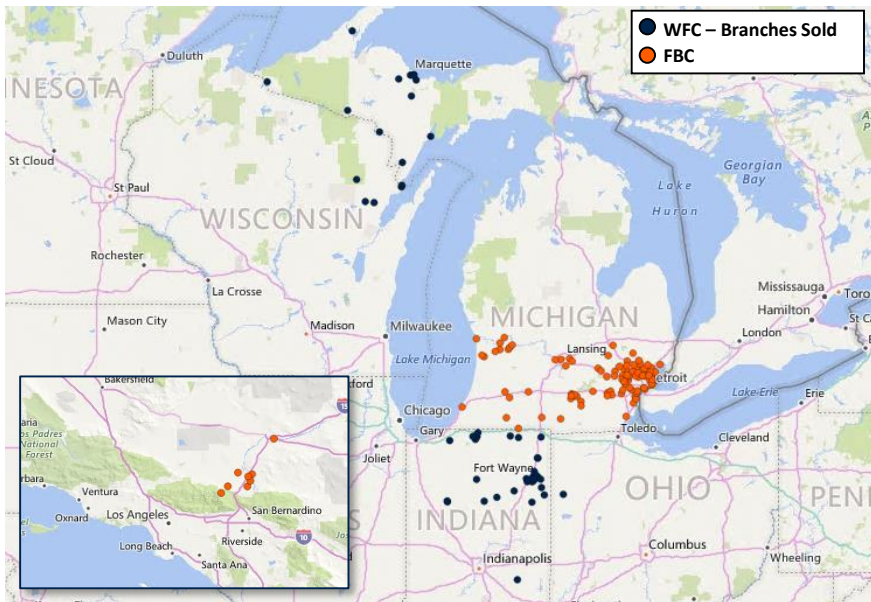
Number of Branches	52
Location of Branches	IN, MI, OH, WI
Deposits Transferred	~\$2.3 billion
Effective Deposit Premium ¹	7%
Loans Transferred	~\$130 million

Seller	Wells Fargo & Company
Headquarters	San Francisco, CA
Total Assets ³	~\$1.9 trillion

Buyer	Flagstar Bancorp, Inc.
Headquarters	Troy, MI
Total Assets ³	~\$17.7 billion

(1) Based on balances as of December 31, 2017
 (2) Includes completed and pending branch transactions; excludes terminated transactions and self-advisory roles
 (3) Financial data as of March 31, 2018
 Source: S&P Global Market Intelligence

Pro Forma Branch Map



Sandler O'Neill Contacts

Brian R. Sterling
 Principal, Co-Head of
 Investment Banking
 (212) 466-7770

Joe Stangl
 Principal
 (212) 466-7983

Joe Regan
 Vice President
 (212) 466-8037

Jessica Martino
 Associate
 (212) 466-7776

Mackenzie Boydston
 Analyst
 (212) 466-7747

Ryan Joyce
 Analyst
 (212) 466-7739