

# M&A Transaction Announcement

Capital Bank Agrees to Be Acquired by FNB Bank



## Transaction Profile

Advised Seller



Has agreed to be acquired by



The undersigned served as exclusive financial advisor to Catoosa Bancshares, Inc. parent of Capital Bank



June 28, 2018

Olsen Palmer is pleased to FNS Bancshares, Inc. (“FNS”), parent of FNB Bank, and Catoosa Bancshares, Inc. (“Catoosa”), parent of Capital Bank, have signed a definitive agreement pursuant to which Catoosa will merge with and into FNS in an all cash transaction.

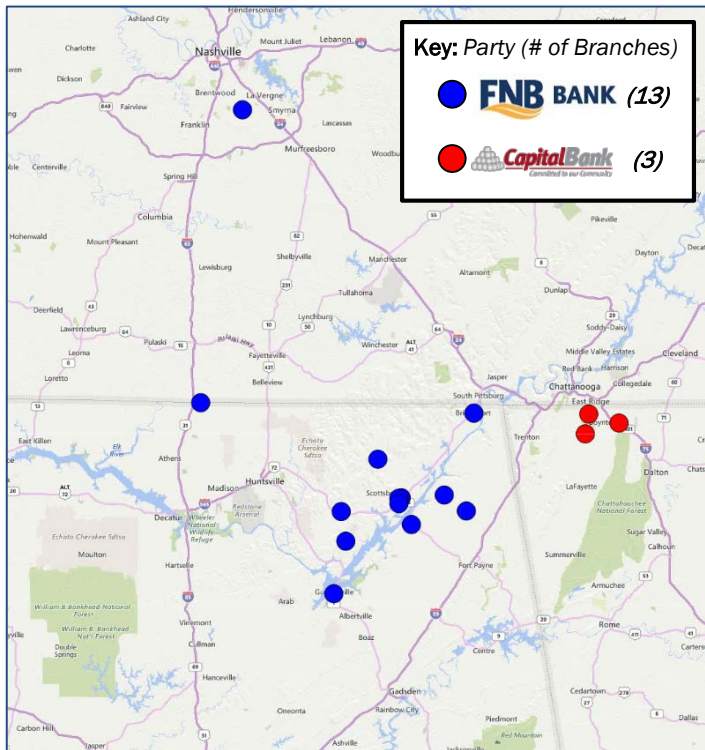
Olsen Palmer LLC served as exclusive financial adviser to Catoosa Bancshares, Inc., parent of Capital Bank.

Upon completion of the merger, the combined company will have assets of \$649 million, deposits of \$575 million, and gross loans of \$460 million, and will operate 16 branches throughout northeast Alabama, northwest Georgia, and in the Nashville and Chattanooga MSAs.

Following the merger, Joseph M. “Joe” Haskins, Chairman, President and CEO of Catoosa, will become the Senior Director of Market Development with the responsibility for identifying and developing opportunities throughout Chattanooga and northwest Georgia.

The transaction, which has been approved by the Boards of Directors of each company and is subject to regulatory approvals, is expected to close in the fourth quarter of 2018.

## Branch Footprint



## Financial and Operating Summary



Location	Fort Oglethorpe, GA	Scottsboro, AL
Year Established	1963	1900
CEO	Joseph M. Haskins	Stephen M. Rownd
Branches	3	13
FTE	38	137
Assets (\$mm)	\$121.9	\$526.2
Deposits (\$mm)	\$107.8	\$468.6
Loans (\$mm)	\$88.6	\$372.4
Net Income (\$mm, LTM)	\$1.8	\$5.2
ROAA (LTM)	1.19%	1.07%
NIM (LTM)	4.40%	4.50%
Efficiency Ratio (LTM)	71.1%	66.0%
NPAs / Assets	0.61%	1.94%

Notes: Financial and Operating Summary reflects bank-level data as of Q1 2018. Source: S&P Global



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## Recent M&A Advisory Assignments

<p><b>Advised Seller</b></p>  <p>Has agreed to be acquired by</p>  <p>June 28, 2018</p>	<p><b>Advised Seller</b></p>  <p>Has been acquired by</p>  <p>May 1, 2018</p>	<p><b>Advised Seller</b></p>  <p>Has been acquired by</p>  <p>April 1, 2018</p>	<p><b>Advised Seller</b></p>  <p>Has merged with</p>  <p>January 1, 2018</p>	<p><b>Advised Seller</b></p>  <p>Has agreed to be acquired by</p> <p>MFB Acquisition Corporation</p> <p>December 8, 2017</p>
<p><b>Advised Seller</b></p>  <p>Have been acquired by</p>  <p>July 31, 2017</p>	<p><b>Advised Seller</b></p>  <p>Has been acquired by</p>  <p>May 15, 2017</p>	<p><b>Advised Seller</b></p>  <p>Has been acquired by</p>  <p>December 2, 2016</p>	<p><b>Advised Acquirer</b></p>  <p>Has acquired 3 branches from</p>  <p>Atlantic Capital</p> <p>May 13, 2016</p>	<p><b>Advised Acquirer</b></p>  <p>Has acquired 4 branches from</p>  <p>Atlantic Capital</p> <p>April 1, 2016</p>
<p><b>Advised Seller</b></p>  <p>Has been acquired by</p> <p>F&amp;M Bancorp, Inc.</p> <p>November 6, 2015</p>	<p><b>Advised Acquirer</b></p>  <p>Has acquired</p>  <p>September 25, 2015</p>	<p><b>Advised Seller</b></p>  <p>Has been acquired by</p>  <p>September 11, 2015</p>	<p><b>Advised Acquirer</b></p>  <p>Has acquired</p>  <p>August 31, 2015</p>	<p><b>Advised Acquirer</b></p>  <p>Has acquired</p>  <p>April 30, 2015</p>
<p><b>Advised Seller</b></p>  <p>Has been acquired by</p>  <p>March 6, 2015</p>	<p><b>Advised Acquirer</b></p>  <p>Has acquired</p>  <p>October 1, 2014</p>	<p><b>OLSEN    PALMER</b></p> <p><i>NIMBLE. HIGH-TOUCH. CONFLICT-FREE.</i></p>		

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Olsen Palmer LLC is a nationally-recognized independent investment banking firm that exclusively advises financial institutions across Mergers & Acquisitions.

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Specializing in buy-side M&A advisory, sell-side M&A advisory, valuations, fairness opinions, branch acquisitions and divestitures, and Board-level assessments of strategic options.

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