

## CURRENT MERGERS AND ACQUISITIONS (M&A) ENVIRONMENT

(According to S&P Global October 2021)

# 19

**U.S. BANK M&A DEALS  
ANNOUNCED IN SEPT. 2021**

For an Aggregate Deal  
Value of \$12.46B

# 162

**DEALS ANNOUNCED  
YTD IN 2021**

Compared to 111  
in all of 2020

# \$51.92B

**TOTAL DEAL VALUE  
FOR THE 2021 DEALS**

Total Deal Value YTD  
for 2021 Deals

## WHY ARE WE SEEING A SURGE IN THE M&A LANDSCAPE?

Organizations are looking to:



**INCREASE** market share and decrease costs through mergers



**EXPAND** geographical footprint or consolidate an overlapping footprint



**SCALE** to better meet banking regulations



**BOOST** or increase digital offerings



**DEPLOY** or update the technology stack while modernizing legacy infrastructure

## KEY IDEAS



### COST SAVINGS

The cost savings achieved as a result of a merger can be deployed towards modernizing legacy infrastructure, improving data and analytics maturity and making the larger organization more future-ready.



### PATH TO GROWTH

With U.S. interest rates near zero and weak demand for loans, acquisitions are currently one of the few viable paths to growth for many smaller banks.



### BETTER & STRONGER

According to the Independent Community Bankers of America, mergers often result in stronger financial institutions that are better able to meet compliance burdens, deploy technology, and serve local households and small business with upgraded products and services.

## LOOKING BEYOND THE BALANCE SHEET WHEN EVALUATING M&A DEALS:

The uptick in M&A activity is coinciding with digital transformation efforts. This can present many opportunities as financial institutions transition to new corporate entities.



Integrating businesses quickly and efficiently - this is often critical to the success of the newly merged entities.



Technology and digital capabilities are the key foundation for most institutions, especially post-COVID. Technology and both internal and external digital capabilities will have a significant impact on the newly merged institutions.



# Why Cloud-Based Technology Can be a Valuable Piece of the M&A Strategy:

An institution with scalable cloud-based technology, like the nCino Bank Operating System<sup>®</sup>, can more efficiently integrate complex business models and/or processes.

BELOW ARE EXAMPLES OF HOW THE NCINO PLATFORM HAS SUPPORTED OUR CUSTOMERS' M&A EFFORTS.

THE AGILITY A CLOUD-BASED PLATFORM PROVIDES ALLOWS ACQUISITIVE BANKS TO **MOVE FAST**.



"We've been fairly acquisitive, so as we've bought banks, we can get them onto the nCino platform very quickly and interface with our core operating system. If you don't have a cloud-based system, it's much more difficult to onboard."

- Van Dukeman, President and CEO at Busey Bank

"There are a lot of mergers and acquisitions taking place, and the winners like Busey Bank have good cloud infrastructure so that they can rapidly onboard those banks that they do acquire, and it gives them the scale to quickly do it."

- Paul Clarkson, Exec. VP of U.S. Financial Institutions at nCino

A CLOUD-BASED TECHNOLOGY STACK OFFERS A ROBUST, FLEXIBLE AND **HIGHLY CONFIGURABLE SOLUTION** THAT CAN BE MORE EASILY DEPLOYED ACROSS THE NEWLY MERGED ENTITY IN COMPARISON TO TRADITIONAL LEGACY SYSTEMS.



"Based on IBERIABANK's strong partnership with nCino for many years, we are excited to expand our use of nCino as a combined organization. nCino is a major part of a broad business transformation to provide an exceptional technology-enabled experience for our associates, create more efficient processes and add more value to our client relationships."

- Michael Brown, President of Regional Banking at First Horizon Bank

A CLOUD-BASED TECHNOLOGY STACK AND BANK OPERATING SYSTEM ALLOW FOR **QUICK ADOPTION** OF DIGITAL CAPABILITIES AND **FLEXIBILITY** TO ADAPT TO EVOLVING CUSTOMER NEEDS.



"It's important to us to offer the right combination of high-touch personalized banking expertise and high-tech capabilities. We're committed to delivering exceptional service and believe nCino's market-leading platform will provide our staff with the right tools and digital infrastructure to quickly and efficiently serve customers' evolving needs."

- Greg Lapointe, President at South State Bank

## KEY IDEA

nCino's cloud-based platform combines loan origination with customer relationship management (CRM), customer onboarding, account opening, workflow, credit analysis, enterprise content management and instant reporting capabilities, allowing institutions to either scale and continue their growth trajectories or become a valuable asset to institutions looking to grow their footprint via acquisition.