

PNC FIG ADVISORY ADVISES THE PNC FINANCIAL SERVICES GROUP, INC. ON \$11.6 BILLION ACQUISITION OF BBVA USA BANCSHARES, INC.

PITTSBURGH, November 19, 2020 – PNC FIG Advisory announced today that it served as a financial advisor to The PNC Financial Services Group, Inc. (NYSE: PNC) in regards to its proposed \$11.6 billion acquisition of BBVA USA Bancshares Inc. (NYSE: BBVA). Closing subject to customary conditions and regulatory approval is expected in mid-summer 2021.



The merger will expand PNC's presence in fast growing sunbelt states, in particular Texas and Arizona, accelerating the bank's national expansion strategy. The combined company is expected to have over \$564 billion in total assets. Under the terms of the agreement, BBVA will receive \$11.566 billion in cash. This price represents approximately 134% of BBVA USA's tangible book value as of September 30, 2020. The deal is expected to be 21% accretive to PNC earnings in 2022.

PNC FIG Advisory is an affiliate of PNC and is part of PNC Capital Markets LLC, a FINRA registered broker-dealer, which offers a comprehensive suite of strategic, customized solutions to banks and thrifts nationwide, including balance sheet management, strategic planning, investment banking and capital markets services.

Recent PNC FIG Advisory transactions include (PNC FIG Advisory clients in bold):

- ▶ **Sterling Bancorp** (NY) active joint bookrunner \$225.0 million subordinated debt
- ▶ **Fulton Financial Corporation** (PA) co-manager \$200.0 million preferred equity
- ▶ **Oconomowoc Bancshares, Inc.** (WI) private placement of \$20.3 million subordinated debt
- ▶ **Hanover Bancorp, Inc.** (NY) co-lead \$25.0 million private placement subordinated debt
- ▶ **UFS Bancorp** (MA) private placement of \$10.0 million senior debt
- ▶ **Univest Financial Corporation** (PA) \$100.0 million co-lead manager of subordinated debt
- ▶ **TriState Capital Holdings, Inc.** (PA) \$37.5 million joint lead underwriter of subordinated debt
- ▶ **Kearny Financial Corp.** (NJ) \$94.0 million acquisition of MSB Financial Corp. (NJ)
- ▶ Community Bank System, Inc. (NY) \$107.0 million acquisition of **Steuben Trust Corporation** (NY)
- ▶ S&T Bancorp (PA) \$206.0 million acquisition of **DNB Financial Corporation** (PA)

To learn more about services offered, visit [PNC FIG Advisory](#) or contact:

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This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.

PNC Capital Markets LLC is a registered broker-dealer and a member of FINRA and SIPC, and a wholly-owned subsidiary of The PNC Financial Services Group, Inc. (NYSE: PNC).

This announcement contains forward-looking statements regarding PNC's outlook or expectations with respect to the planned acquisition of BBVA USA Bancshares Inc., the combination of BBVA USA Bancshares Inc. into PNC and BBVA USA into PNC Bank, and the impact of the transaction on PNC's future performance.

Forward-looking statements are necessarily subject to numerous assumptions, risks and uncertainties, which change over time. The forward-looking statements in this announcement speak only as of the date of this announcement, and we assume no duty, and do not undertake, to update them. Actual results or future events could differ, possibly materially, from those that we anticipated in these forward-looking statements. As a result, we caution against placing undue reliance on any forward-looking statements.

Forward-looking statements in this announcement are subject to the following risks and uncertainties related both to the acquisition transaction itself and to the integration of the acquired business into PNC after closing:

- The business of BBVA USA Bancshares Inc., including its U.S. banking subsidiary, BBVA USA, going forward may not perform as currently projected or in a manner consistent with historical performance. As a result, the anticipated benefits, including estimated cost savings, of the transaction may be significantly harder or take longer to achieve than expected or may not be achieved in their entirety as a result of unexpected factors or events, including those that are outside of PNC's control.
- The combination of BBVA USA Bancshares Inc., including its U.S. banking subsidiary, BBVA USA, with that of PNC and PNC Bank may be more difficult to achieve than anticipated or have unanticipated adverse results relating to BBVA USA Bancshares Inc., including its U.S. banking subsidiary, BBVA USA, or PNC's existing businesses.
- Completion of the transaction is dependent on the satisfaction of customary closing conditions, which cannot be assured. The timing of completion of the transaction is dependent on various factors that cannot be predicted with precision at this point.

These forward-looking statements are also subject to the principal risks and uncertainties applicable to PNC's businesses generally that are disclosed in PNC's 2019 Form 10-K and 2020 Form 10-Qs and in PNC's subsequent SEC filings. PNC's SEC filings are accessible on the SEC's website at www.sec.gov and on PNC's corporate website at www.pnc.com/secfilings. We have included these web addresses as inactive textual references only. Information on these websites is not part of this document

For information about PNC, visit www.pnc.com.

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