

# US banks and thrifts with the highest P/TBV ratios

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Banking industry stock valuations have continued to increase in 2017. As of Feb. 28, the median price-to-tangible book value ratio for major exchange-traded U.S. banks and thrifts was 184.6%, up 18.8 percentage points from SNL's last quarterly analysis on Nov. 30, 2016.

Birmingham, Ala.-based ServisFirst Bancshares Inc. replaced Conway, Ark.-based Home BancShares Inc. at the top of the charts with a P/TBV ratio of 431.1% as of Feb. 28. The company's stock has more than doubled over the last year.

Home BancShares slid to No. 2 with a P/TBV ratio of 425.7%. Home completed two acquisitions during the last two weeks of February — Fort Lauderdale, Fla.-based Giant Holdings Inc. and Sarasota, Fla.-based Bank of Commerce — and plans to pursue more.

During the company's Jan. 19 fourth-quarter earnings call, Home BancShares' chairman, John Allison, said: "So we're on several transactions and I expect us to be a little more aggressive. Our currency's held up pretty good. We're still

## 25 most expensive US banks and thrifts by P/TBV

As of Feb. 28, 2017

Rank	Company (ticker)	City, state	Market capitalization (\$M)	Price/TBV (%)	Price/LTM EPS (x)	1-year total return (%)
1	ServisFirst Bancshares Inc. (SFBS)	Birmingham, AL	2,188.1	431.1	27.3	128.2
2	Home BancShares Inc. (HOMB)	Conway, AR	4,029.9	425.7	22.3	41.5
3	First Financial Bankshares Inc. (FFIN)	Abilene, TX	2,909.5	417.8	27.7	67.0
4	Meta Financial Group Inc. (CASH)	Sioux Falls, SD	800.0	399.4	24.0	110.3
5	Community Bank System Inc. (CBU)	De Witt, NY	2,716.9	368.1	25.6	62.4
6	Cass Information Systems Inc. (CASS)	Saint Louis, MO	728.4	366.7	30.3	32.6
7	Live Oak Bancshares Inc. (LOB)	Wilmington, NC	786.1	352.8	58.8	76.0
8	Union Bankshares Inc. (UNB)	Morrisville, VT	184.8	347.8	21.7	48.6
9	Westamerica Bancorp. (WABC)	San Rafael, CA	1,498.7	346.3	25.3	29.3
10	Pinnacle Financial Partners Inc. (PNFP)	Nashville, TN	3,449.9	346.0	23.8	48.6
11	Bank of New York Mellon Corp. (BK)	New York, NY	49,378.6	344.0	15.0	32.8
12	Western Alliance Bancorp. (WAL)	Phoenix, AZ	5,425.9	341.5	20.7	68.7
13	Ameris Bancorp (ABCB)	Moultrie, GA	1,696.2	335.0	23.2	79.4
14	Stock Yards Bancorp Inc. (SYBT)	Louisville, KY	998.0	320.6	24.6	78.0
15	Bank of the Ozarks Inc. (OZRK)	Little Rock, AR	6,637.0	320.5	21.2	43.5
16	Pacific Premier Bancorp Inc. (PPBI)	Irvine, CA	1,117.2	319.8	27.4	85.8
17	Bank of Hawaii Corp. (BOH)	Honolulu, HI	3,601.0	318.7	20.0	35.5
18	Sterling Bancorp (STL)	Montebello, NY	3,347.6	306.5	23.1	71.5
19	Prosperity Bancshares Inc. (PB)	Houston, TX	5,179.9	305.5	18.9	82.6
20	Tompkins Financial Corp. (TMP)	Ithaca, NY	1,358.0	305.3	22.9	61.2
21	Independent Bank Group Inc. (IBTX)	McKinney, TX	1,197.6	298.7	22.0	130.5
22	First Hawaiian Inc. (FHB)*	Honolulu, HI	4,420.8	298.5	19.2	NA
23	Glacier Bancorp Inc. (GBCI)	Kalispell, MT	2,825.3	295.1	23.2	58.2
24	PacWest Bancorp (PACW)	Beverly Hills, CA	6,682.7	294.6	19.0	74.3
25	U.S. Bancorp (USB)	Minneapolis, MN	93,173.9	294.0	17.0	43.5
<b>Group median</b>				<b>335.0</b>	<b>23.1</b>	<b>64.7</b>
<b>Industry median</b>				<b>184.6</b>	<b>20.1</b>	<b>49.5</b>

Data compiled Feb. 28, 2017.

Analysis limited to U.S. banks and thrifts trading on the Nasdaq, NYSE or NYSE MKT. Excludes mutual holding companies.

Data based on GAAP filings.

\* First Hawaiian Inc. began trading on the Nasdaq on Aug. 4, 2016. The company's total return from its \$23 IPO price is 39.6%.

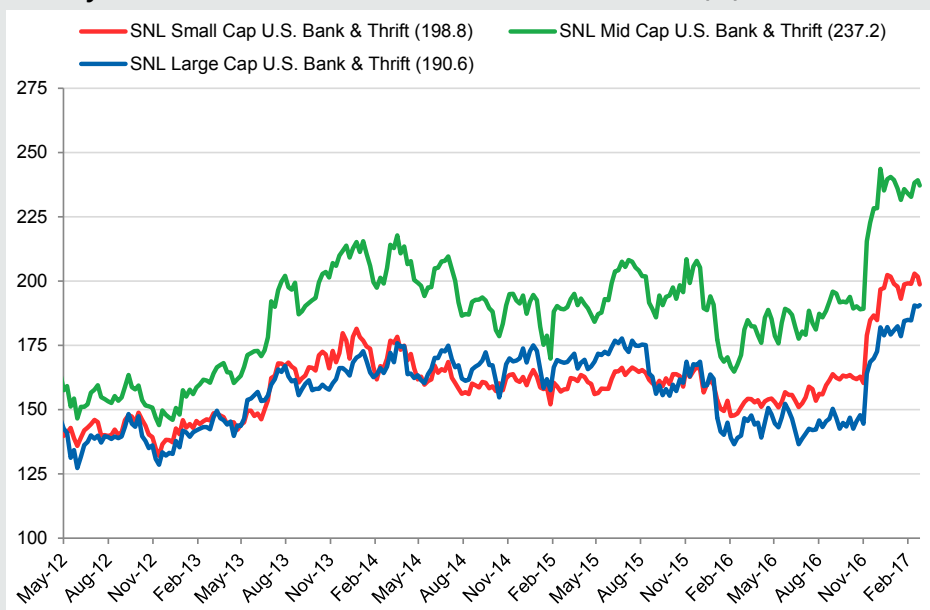
P/TBV = price as a percentage of the most recent tangible book value per share

Price/LTM EPS = price as a multiple of last 12 months earnings per share, after extraordinary items

NA = not available; IPO = initial public offering

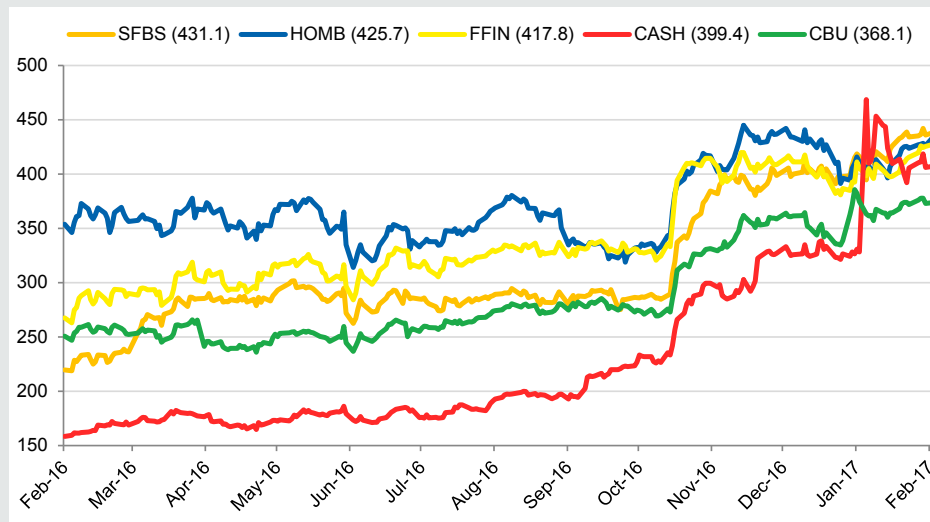
Source: SNL Financial, an offering of S&amp;P Global Market Intelligence

### Weekly P/TBV value of SNL US bank and thrift indexes (%)



Data compiled Feb. 28, 2017.  
 SNL Small Cap U.S. Bank & Thrift Index includes companies with \$250 million to \$1 billion total common market capitalization. SNL Mid Cap U.S. Bank & Thrift Index includes companies with \$1 billion to \$5 billion total common market capitalization. SNL Large Cap U.S. Bank & Thrift Index includes companies with greater than \$5 billion total common market capitalization.  
 P/TBV = "price-to-tangible book value"  
 Source: SNL Financial, an offering of S&P Global Market Intelligence

### 1-year P/TBV trend for 5 most expensive banks (%)



Data compiled Feb. 28, 2017.  
 Five most expensive banks by P/TBV are ServisFirst Bancshares Inc. (SFBS), Community Bank System Inc. (CBU), Home BancShares Inc. (HOMB), First Financial Bankshares Inc. (FFIN) and Meta Financial Group Inc. (CASH).  
 P/TBV = "price-to-tangible book value"  
 Source: SNL Financial, an offering of S&P Global Market Intelligence

trading at 4-plus book, so I think you'll see us active in 2017 and 2018."

Sioux Falls, S.D.-based Meta Financial Group Inc. was the fourth-most highly valued stock in the country on a P/TBV basis as of Feb. 28, up from No. 17 in November's analysis.

Between the end of November 2016 and February 2017, Meta's stock actually lost 5.75%, but its tangible book value per share fell by 32.1% between the third quarter and the fourth quarter so Meta's overall P/TBV ratio surged to 399.4%, up from 291.8% in SNL's last analysis.

Four new companies — Irvine, Calif.-based Pacific Premier Bancorp Inc.; Kalispell, Mont.-based Glacier Bancorp Inc.; Beverly Hills, Calif.-based PacWest Bancorp; and U.S. Bancorp — joined the top 25 list in February, replacing Charleston, W.Va.-based United Bankshares Inc.; Rockland, Mass.-based Independent Bank Corp.; Bethesda, Md.-based Eagle Bancorp Inc.; and Columbia, S.C.-based South State Corp. from the November analysis.





