

[Return to Mergers & Acquisitions](#)**Deal Overview**

Buyer:	Middlefield Banc Corp.	Agreement Date:	7/28/2016
Actual Acquirer:	Middlefield Banking Company	Announcement Date:	7/28/2016
Target:	Liberty Bank, National Association	Announced Deal Value (\$ M):	40.62
Deal Type:	Bank & Thrift Company	Status:	Completed
		Completion Date:	1/12/2017
		Announced Deal Value Per Share (\$ )	39.00

**Consideration Breakout**

Cash (\$M)	21.1
Common Stock (\$M)	21.0
Common Stock Issued	544,610

**Deal Pricing Ratios**

	Announcement	Completion
Price / Book (%)	148.49	131.97
Price / Tangible Book (%)	148.49	131.97
Price / Earnings (x)	19.58	18.04
Price / Deposits (%)	21.91	20.66
Price / Assets (%)	18.99	17.70
Tangible Book Premium/ Deposits (%)	8.05	5.48

**Deal Terms****Description of Consideration**

Middlefield Banc Corp. paid \$37.96 per share in cash or exchanged 1.1934 shares of its common stock for each outstanding share of Liberty Bank NA, subject to 45% of the consideration being paid in stock. Additionally, Liberty Bank NA received approximately \$3 million as special dividend. Liberty Bank NA outstanding options and shares of phantom stock were cancelled in exchange for cash.

Accounting Method	Acquisition
In-State Transaction?	Yes
Merger of Equals?	No
Geographic Expansion?	Market Expansion
Goodwill Generated (\$ 000)	10,512
Estimated Cost Savings (%)	30.00
Estimated Cost Savings (\$ 000)	1,882
Est. Restructuring Charges (\$ 000)	3,100
Maximum Termination Fee (\$ 000)	1,650
Minimum Termination Fee (\$ 000)	0
Exchange Ratio (Common For Common)	1.193400

Exchange Ratio (Common For Preferred)	NA
Exchange Ratio (Preferred For Common)	NA
Exchange Ratio (Preferred For Preferred)	NA
Lockup Agreement	No
Strike Price (\$ )	NA
% of Shares Outstanding	NA
Shares Under Option	NA
Core Deposit Intangibles (\$ 000)	3,087

#### Deal Advisers

##### Financial Advisers

Party Advised	Adviser Hired?	Firm Name
Buyer	Yes	Donnelly Penman & Partners Inc
Seller	Yes	Boenning & Scattergood Inc.

##### Legal Counsel

Party Advised	Adviser Hired?	Firm Name
Buyer	Yes	Grady & Associates
Seller	Yes	Tucker Ellis LLP