

HEARTLAND FINANCIAL USA INC
Form S-4/A
April 09, 2018

As filed with the Securities and Exchange Commission on April 9, 2018

Registration No. 333-223763

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1 TO FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

HEARTLAND FINANCIAL USA, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

6022

(Primary Standard Industrial Classification Code Number)

42-1405748

(I.R.S. Employer Identification No.)

1398 Central Avenue

Dubuque, Iowa 52001

(563) 589-2100

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Bryan R. McKeag

Executive Vice President and Chief Financial Officer

Heartland Financial USA, Inc.

1398 Central Avenue

Dubuque, Iowa 52001

(563) 589-2100

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "small reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer (do not check if smaller reporting company)
Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. "

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this proxy statement/prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 9, 2018

FIRST BANK LUBBOCK BANCSHARES, INC.

PROPOSED MERGER-YOUR VOTE IS VERY IMPORTANT

Dear Shareholder of First Bank Lubbock Bancshares, Inc.:

We are happy to advise you that the board of directors of First Bank Lubbock Bancshares, Inc. ("FBLB") has unanimously approved the merger (the "merger") of FBLB into Heartland Financial USA, Inc. ("Heartland") in accordance with an Agreement and Plan of Merger dated as of December 12, 2017 (the "merger agreement"). Before we can complete the merger, we must obtain the approval of the FBLB shareholders. We are sending you this proxy statement/prospectus to ask you to vote in favor of approval and adoption of the merger agreement. The FBLB board of directors unanimously recommends that you vote "FOR" approval and adoption of the merger agreement.

In the merger, FBLB will merge with and into Heartland, and FBLB shareholders will receive merger consideration of 3.0934 shares of Heartland common stock and approximately \$4.96 in cash for each share of FBLB common stock, subject to certain adjustments described below.

The exchange ratio for the stock component of the merger consideration is fixed and will not be adjusted to reflect changes in the price of Heartland common stock occurring prior to the completion of the merger. However, if the price of Heartland common stock drops below certain levels, as described under the section titled "The Merger Agreement—Termination" in this proxy statement/prospectus, FBLB may exercise a "walk-away" right to terminate the merger agreement unless Heartland increases the exchange ratio or cash component of the merger consideration by exercising a "top-up" option.

The stock component of the merger consideration will be subject to a tax holdback of 0.3586 shares of Heartland common stock per share of FBLB common stock (the "tax holdback") if FBLB has not received certain rulings from the Internal Revenue Service prior to the effective time of the merger. The amount of Heartland common stock in the tax holdback may not be paid, or only partially paid, to FBLB shareholders if Heartland incurs a tax loss because FBLB failed to qualify as an "S corporation" or any of FBLB's subsidiaries failed to qualify as a "qualified subchapter S subsidiary" (within the meaning of the Internal Revenue Code of 1986, as amended, or comparable provisions of state, local or other tax law) prior to the effective time of the merger. A claim against the tax holdback may reduce the number of shares of Heartland stock that will be issued in the merger by up to 0.3586 shares for each share of FBLB common stock.

Pursuant to the merger agreement, the aggregate amount of the cash component of the merger consideration paid to FBLB shareholders will be \$17,505,724, less amounts payable under award agreements for FBLB stock appreciation rights ("SARs") granted to executive officers and other employees of FirstBank & Trust Company, FBLB's wholly owned banking subsidiary. Based on the value of the merger consideration as of April 6, 2018 (the last practicable trading date prior to the date of this proxy statement/prospectus), the aggregate amount of such SAR payments is anticipated to be approximately \$12.1 million.

In addition, the aggregate cash component of the merger consideration is subject to certain adjustments. If FBLB's Adjusted Tangible Common Equity (as defined on page 36) is less than \$83.0 million on the last business day of the month immediately preceding the month in which the closing date of the merger occurs (the "determination date"), then the cash component of the merger consideration will be reduced by the amount by which FBLB's Adjusted Tangible Common Equity is less than \$83.0 million. If FBLB's Adjusted Tangible Common Equity is greater than \$85.0 million on the determination date, then the cash component of the merger consideration will be increased by the amount, up to \$5.0 million, by which FBLB's Adjusted Tangible Common Equity is greater than \$85.0 million.

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Based on the closing price of a share of Heartland common stock as of December 11, 2017 (the last trading day before the merger agreement was executed) of \$50.15, the aggregate merger consideration payable to FBLB shareholders was valued at approximately \$174.0 million, or \$160.65 for each share of FBLB common stock. Based on the price of a share of Heartland common stock as of April 6, 2018 (the last practicable trading date before the date of this proxy statement/prospectus) of \$52.05, the aggregate merger consideration payable to FBLB shareholders was valued at approximately \$179.8 million, or

\$165.97 for each share of FBLB common stock. These valuations are based on the assumptions that no adjustments will be made to the cash component of the aggregate merger consideration based on FBLB's Adjusted Tangible Common Equity and no claims will be made by Heartland against the tax holdback. Heartland common stock is listed on the Nasdaq Global Select Market under the symbol "HTLF." Because the market price for Heartland common stock and the Adjusted Tangible Common Equity of FBLB will fluctuate prior to the effective date of merger, the value of the actual consideration you will receive may be different from the amounts described above.

To complete the merger, we must receive regulatory approvals, and the holders of two-thirds of the issued and outstanding shares of FBLB common stock entitled to vote must approve and adopt the merger agreement. FBLB will hold a special meeting of shareholders to vote on this merger proposal. Your vote is important. Whether or not you plan to attend the special meeting, please submit your proxy with voting instructions for your shares of FBLB common stock in accordance with the instructions contained in this proxy statement/prospectus. If you mark "ABSTAIN" on your proxy card or do not vote your shares of FBLB common stock, it will have the same effect as voting against the merger.

We urge you to read this proxy statement/prospectus carefully before voting, including the section titled "Risk Factors" beginning on page 13. This proxy statement/prospectus gives you detailed information about the merger and includes a copy of the merger agreement as Appendix A.

Sincerely,

/s/ Barry Orr

Barry Orr

Chairman, President and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

These securities are not savings accounts, deposits or other obligations of any bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

The date of this proxy statement/prospectus is April , 2018, and it is first being mailed to FBLB shareholders on or about April , 2018.

FIRST BANK LUBBOCK BANCSHARES, INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 15, 2018

First Bank Lubbock Bancshares, Inc. ("FBLB") will hold a special meeting (the "special meeting") of its shareholders at the FirstBank & Trust Company Operations Center located at 9826 Slide Road, Lubbock, Texas 79424, at 4:00 p.m. local time on May 15, 2018, to consider and vote upon the following matters:

a proposal to approve and adopt the merger agreement, dated as of December 12, 2017 (the "merger agreement"), between Heartland Financial USA, Inc. ("Heartland") and FBLB, as it may be amended from time to time, pursuant to which FBLB will merge (the "merger") with and into Heartland; and

a proposal to adjourn the FBLB special meeting, if necessary or appropriate.

Upon completion of the merger, each share of FBLB common stock will be converted into the right to receive shares of Heartland common stock and cash. This proxy statement/prospectus contains a detailed discussion of the merger and certain related transactions, and a copy of the merger agreement is included as Appendix A to this proxy statement/prospectus.

The board of directors has fixed the close of business on April 2, 2018 as the record date for the special meeting.

Holders of record of FBLB common stock at such time are entitled to notice of, and to vote at, the special meeting and any adjournment or postponement of the special meeting.

The FBLB board of directors has unanimously approved the merger agreement and unanimously recommends that holders of FBLB common stock vote "FOR" approval and adoption of the merger agreement.

FBLB shareholders who do not vote in favor of the merger agreement and who strictly comply with Chapter 10, Subchapter H of Title 1 of the Texas Business Organizations Code have the right to assert dissenters' rights under that statute. For a description of the procedures that must be followed to make written demand for dissenters' rights, see the copy of the statutes which are attached as Appendix B to this proxy statement/prospectus. In addition, a summary of the procedures to be followed in order to obtain payment for dissenting shares is set forth under the section titled "Dissenters' Rights of FBLB Shareholders" in this proxy statement/prospectus.

Whether or not you plan to attend the special meeting, please submit your proxy with voting instructions for your shares of FBLB common stock. To submit your proxy by mail, please complete, sign, date and return the accompanying proxy form in the enclosed self-addressed, stamped envelope. Any holder of FBLB common stock present at the special meeting may vote in person instead of by proxy, and a proxy may be revoked in writing at any time before the special meeting. The presence of a shareholder at the special meeting will not automatically revoke that shareholder's proxy. A shareholder may revoke a proxy at any time prior to the voting of such proxy on any matter (without, however, affecting any vote taken prior to such revocation) by (i) filing with the Corporate Secretary of FBLB a written notice of revocation, (ii) delivering to FBLB a duly executed proxy bearing a later date, or (iii) attending the meeting and voting in person.

Sincerely,

/s/ Barry Orr

Barry Orr

Chairman, President and Chief Executive Officer

Your vote is important. Please complete, sign, date and return your proxy form, whether or not you plan to attend the special meeting

REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Heartland Financial USA, Inc. ("Heartland") from documents that are not included in or delivered with this proxy statement/prospectus. You can obtain documents incorporated by reference in this proxy statement/prospectus and other filings of Heartland by requesting them in writing or by telephone from Heartland at the following address:

Heartland Financial USA, Inc.
1398 Central Avenue
P.O. Box 778
Dubuque, Iowa 52004-0778
Attention: Michael J. Coyle, Corporate Secretary
(Telephone (563) 589-2100)

You will not be charged for any of these documents that you request. Shareholders of First Bank Lubbock Bancshares, Inc. ("FBLB") requesting documents should do so by May 5, 2018 in order to receive them before the special meeting. See the section titled "Where You Can Find More Information" beginning on page 55.

You should rely only on the information contained or incorporated by reference into this proxy statement/prospectus in determining whether to vote in favor of the proposed merger of FBLB with and into Heartland. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. This proxy statement/prospectus is dated April , 2018. You should not assume that the information contained in, or incorporated by reference into, this proxy statement/prospectus is accurate as of any date other than that date. Neither the mailing of this proxy statement/prospectus to FBLB shareholders nor the issuance by Heartland of common stock in connection with the merger of Heartland and FBLB will create any implication to the contrary.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGER

The following sections include questions and answers that address some commonly asked questions about the merger and the special meeting of FBLB shareholders and summary information regarding the merger agreement and the merger. They may not include all the information that may be important to you. You should read the entire document carefully, including the Appendices, and any additional documents incorporated by reference into this proxy statement/prospectus to fully understand the merger agreement and the transactions contemplated thereby, including the merger, the issuance of Heartland common stock in connection with the merger, the proposals to be considered at the special meeting, and the voting procedures for the special meeting.

Q: What is the merger?

Heartland and FBLB entered into the merger agreement on December 12, 2017. Under the merger agreement, FBLB will merge with and into Heartland, with Heartland continuing as the surviving corporation. A copy of the merger agreement is attached as Appendix A to this proxy statement/prospectus. The merger cannot be completed unless, among other things, the parties receive all necessary regulatory approvals to consummate the merger, and the holders of at least two-thirds of the issued and outstanding shares of FBLB common stock vote "FOR" the merger proposal at the special meeting.

Q: Why am I receiving this proxy statement/prospectus?

Heartland and FBLB are delivering this document to you for two purposes. First, FBLB has called a special meeting of its shareholders to consider the merger proposal, among other things. This document serves as proxy statement for the meeting and describes the proposals to be presented at the meeting. It also constitutes a notice with respect to the meeting. In addition, this document is a prospectus that is being delivered to FBLB shareholders because Heartland is offering shares of its common stock to FBLB shareholders in connection with the merger.

This proxy statement/prospectus contains important information about the merger, the proposals being voted on at the special meeting and an investment in Heartland common stock. You should read it carefully and in its entirety. The enclosed materials allow you to have your shares of common stock voted by proxy without attending the special meeting. Your vote is important, and FBLB encourages you to submit your proxy as soon as possible.

Q: When and where are the special meeting?

The special meeting will be held at the FirstBank & Trust Operations Center, located at 9826 Slide Road, Lubbock, Texas 79424 on Tuesday, May 15, 2018 at 4:00 p.m., local time.

Q: What are FBLB shareholders being asked to vote on at the special meeting?

A: FBLB is soliciting proxies from its shareholders with respect to the following matters:

- ▲ a proposal to approve and adopt the merger agreement, as it may be amended from time to time; and
- ▲ a proposal to adjourn the FBLB special meeting, if necessary or appropriate.

Q: What will FBLB shareholders be entitled to receive in the merger?

If the merger is completed, FBLB shareholders will be entitled to receive cash and Heartland common stock in exchange for their shares of FBLB common stock. For a summary of the merger consideration, see the section titled "Summary—What You Will Receive In The Merger," beginning on page 4.

Q: What is the value of the merger consideration?

The value of the merger consideration will fluctuate between the date of this proxy statement/prospectus and the completion of the merger based on the value of Heartland common stock and certain other potential adjustments. Based on the price of a share of Heartland common stock as of April 6, 2018 (the last practicable trading date before the date of this proxy statement/prospectus) of \$52.05, the merger consideration to be received by FBLB shareholders was valued in the aggregate amount of approximately \$179.8 million, or \$165.97 for each per share of FBLB common stock. This valuation assumes the anticipated cost to cash out employee stock appreciation rights ("SARs") as of April 6, 2018, no adjustments to the cash merger consideration based on FBLB's Adjusted Tangible Common Equity and the

distribution to FBLB shareholders of all shares of Heartland common stock subject to the tax holdback. Because the market price for Heartland common stock and the Adjusted Tangible Common Equity of FBLB will fluctuate prior to the merger, the value of the actual consideration you will receive may be different from the amounts described above. See the section titled "Summary—What You Will Receive In The Merger" beginning on page 4.

Q: Who is entitled to vote at the special meeting?

A: The FBLB board of directors has fixed the close of business on April 2, 2018 as the record date for the special meeting. Accordingly, if you were a record shareholder at that time, you are entitled to notice of and to vote at the special meeting. As of April 2, 2018, there were 1,083,275 shares of FBLB common stock issued and outstanding and held of record by 128 shareholders.

Q: What constitutes a quorum for the special meeting?

A: The presence in person or by proxy of holders of at least a majority of the issued and outstanding shares of FBLB common stock entitled to be voted at the special meeting constitutes a quorum for transacting business at the special meeting. All shares of FBLB common stock present in person or represented by proxy, including abstentions, if any, will be treated as present for purposes of determining the presence or absence of a quorum for all matters voted on at the special meeting.

Q: What is the vote required to approve each proposal at the special meeting?

A: The affirmative vote of not less than two-thirds of the outstanding shares of FBLB common stock is required to approve the merger proposal. If you mark "ABSTAIN" on your proxy card, fail to submit a proxy card or fail to vote in person at the special meeting, it will have the effect of a vote "AGAINST" the proposal.

The affirmative vote of a majority of votes cast on the proposal at the special meeting is required to approve the adjournment proposal. If you mark "ABSTAIN" on your proxy card, fail to submit a proxy card or fail to vote in person at the special meeting, it will have no effect on the proposal.

Q: How does the FBLB board of directors recommend that I vote at the special meeting?

A: The FBLB board of directors unanimously recommends that you vote "FOR" the merger proposal and "FOR" the adjournment proposal. For a discussion of the factors considered by the FBLB board of directors in reaching its decision to approve the merger agreement, see the section titled "Background and Reasons for the Merger—FBLB's Reasons for the Merger."

Q: What do I need to do now?

A: After you have carefully read this proxy statement/prospectus and have decided how you wish to vote your shares, please complete, sign, date and mail your proxy card in the enclosed postage-paid return envelope as soon as possible.

Q: How do I vote if I own shares through the FBLB Employee Stock Ownership with 401(k) Provisions Plan?

A: If you hold FBLB common stock beneficially through the Employee Stock Ownership with 401(k) Provisions Plan (the "KSOP"), you will receive separate voting instructions from the trustees who administer the KSOP. If you follow those instructions, you will be able to direct the trustees with respect to the manner in which you would like your shares voted on the merger proposal.

Q: Do I have dissenters' rights?

A: Yes. FBLB shareholders may exercise dissenters' rights in connection with the merger. For further information, see "Summary—You Have Dissenters' Rights Under the TBOC" and "Dissenters' Rights of FBLB Shareholders," which discussions are qualified by the full text of the provisions of the Texas Business Organizations Code (the "TBOC") relating to rights of dissent set forth in Appendix B to this proxy statement/prospectus.

Q: Why is my vote important?

A: If you do not vote, it will be more difficult for FBLB to obtain the necessary quorum to hold the special meeting and to obtain approval of the proposals to be voted upon at the special meeting. In addition, your failure to vote will have the effect of a vote "AGAINST" the merger proposal. The FBLB board of directors unanimously recommends that you, as a FBLB shareholder, vote "FOR" the merger proposal.

Q: Can I attend the special meeting and vote my shares in person?

A: Yes. All shareholders of FBLB are invited to attend and vote at the special meeting, and voting by proxy will not affect your ability to attend the meeting and vote in person. However, voting by proxy will enable us to ensure the presence of a quorum to conduct business at the special meeting in the event that you intend, but are unable, to attend the meeting. Accordingly, FBLB encourages you to vote by proxy, even if you expect to attend the meeting in person.

Q: Can I change my vote?

A: Yes. You may change your vote or revoke any proxy at any time before it is voted by (1) sending a written notice to the Corporate Secretary of FBLB, stating that you are revoking your proxy; (2) completing and submitting a new proxy form, which form is actually received by the Corporate Secretary prior to the vote at the special meeting; or (3) attending the special meeting and voting in person (although your presence at the meeting, without voting, will not automatically revoke your proxy).

Q: Should I send in my FBLB stock certificates now?

A: No. Please do not send in your FBLB stock certificates at this time or with your proxy. After the merger is completed, Heartland's exchange agent will send you instructions for exchanging FBLB stock certificates for the merger consideration.

Q: When do you expect to complete the merger?

A: Heartland and FBLB currently expect to complete the merger in the second quarter of 2018. However, neither Heartland nor FBLB can assure you of when or if the merger will be completed. Before the merger is completed, FBLB must obtain the approval of its shareholders for the merger proposal, necessary regulatory approvals must be obtained and certain other closing conditions must be satisfied.

Q: Where can I find information about Heartland and FBLB?

A: You can find more information about Heartland in the section titled "Information About Heartland" and from the various sources described under "Where You Can Find More Information." You can find more information about FBLB in the section titled "Information About FBLB."

Q: Whom should I call with questions?

A: If you have any questions about the merger, the special meeting or this proxy statement/prospectus, would like additional copies of this proxy statement/prospectus or need help voting your shares of FBLB common stock, please contact:

Barry Orr
Chairman, President and Chief Executive Officer
First Bank Lubbock Bancshares, Inc.
9816 Slide Road
Lubbock, Texas 79424
(806) 788-0800

SUMMARY

This summary highlights selected information from this proxy statement/prospectus. It does not contain all of the information that may be important to you. We urge you to read carefully this entire document and the other documents to which we refer in order to understand fully the merger and any related transactions. In addition, important business and financial information about Heartland is incorporated by reference in this proxy statement/prospectus. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in the section titled "Where You Can Find More Information" beginning on page 55. Each item in this summary refers to the page of this proxy statement/prospectus on which that subject is discussed in more detail. FBLB and Heartland (Pages 45 to 48).

FBLB. FBLB is a bank holding company headquartered in Lubbock, Texas. Through its wholly-owned banking subsidiary, FirstBank & Trust Company, a Texas state non member bank ("FB&T"), FBLB provides a broad range of financial products and services tailored to meet the needs of small to medium-sized businesses, professionals and retail customers who live or do business in its markets. FB&T operates from eight locations in West Texas, with four banking offices in Lubbock, Texas and one banking office in each of Tahoka, Wilson, Colorado City and Snyder, Texas. Through its subsidiary, PrimeWest Mortgage Corporation ("PrimeWest"), FB&T also engages in mortgage lending in Lubbock, the Permian Basin and across parts of north Texas. As of December 31, 2017, FBLB had approximately \$930.1 million in total assets, total loans held to maturity of \$669.3 million, total deposits of \$821.7 million and shareholders' equity of \$89.4 million.

FBLB's principal executive office is located at 9816 Slide Road, Lubbock, Texas 79424, and its telephone number is (806) 788-2800.

Heartland. Heartland is a publicly-held, multi-bank bank holding company headquartered in Dubuque, Iowa with 10 bank subsidiaries in the States of Iowa, Illinois, Wisconsin, New Mexico, Arizona, Montana, Colorado, Minnesota, Missouri, Kansas, Texas and California. Together, Heartland's banking subsidiaries operate a total of 118 banking locations. Heartland also has an active consumer finance subsidiary with offices in Iowa, Illinois and Wisconsin. At December 31, 2017, Heartland had approximately \$9.81 billion of total assets, total loans held to maturity of \$6.39 billion, total deposits of \$8.15 billion and common stockholders' equity of \$990.5 million.

Heartland was formed as an Iowa corporation in 1981 and reincorporated in Delaware in 1993. Heartland's principal executive office is located at 1398 Central Avenue, Dubuque, Iowa 52001, and its telephone number is (563) 589 2100.

FBLB Will be Merged into Heartland (Page 35).

We encourage you to read the merger agreement, which is attached as Appendix A to this proxy statement/prospectus. The merger agreement provides that FBLB will be merged with and into Heartland. Heartland will survive the merger, and the separate corporate existence of FBLB will cease. At the effective time of the merger, FB&T will become a wholly-owned subsidiary of Heartland, and will continue to operate under its present brand and management team as Heartland's 11th state-chartered bank.

What You Will Receive in the Merger (Pages 35 to 37).

You will receive merger consideration of 3.0934 shares of Heartland common stock and, based on the closing price of a share of Heartland common stock on April 6, 2018 (the last practicable trading date before the date of this proxy statement/prospectus) of \$52.05, approximately \$4.96 in cash for each share of FBLB common stock you own, subject to certain adjustments described below. The exchange ratio for the stock component of the merger consideration is fixed and will not be adjusted to reflect changes in the price of Heartland common stock occurring prior to the completion of the merger. However, if the price of Heartland common stock drops below certain levels, as described under the section titled "The Merger Agreement—Termination," FBLB may exercise a "walk-away" right to terminate the merger agreement unless Heartland increases the exchange ratio or cash component of the merger consideration by exercising a "top-up" option.

The stock component of the merger consideration is subject to a tax holdback of 0.3586 shares of Heartland common stock for each share of FBLB common stock (or an aggregate of 388,506 shares of Heartland common stock), if FBLB has not received certain rulings from the IRS prior to the effective time of the merger. The amount of the tax holdback may not be paid, or only be partially paid, to FBLB shareholders if Heartland incurs a tax loss because FBLB failed to qualify as an "S corporation" or any of FBLB's subsidiaries failed to qualify as a "qualified subchapter

S subsidiary" (within the meaning of the

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Code or comparable provisions of state, local or other tax law) prior to the effective time of the merger. A claim against the tax holdback may reduce the shares of Heartland common stock that will be issued in the merger by up to 0.3586 shares for each share of FBLB common stock. To the extent that Heartland or any of its subsidiaries incurs a tax loss based on the circumstances described above, Heartland will be indemnified for any such tax loss. The tax holdback will be the sole source from which Heartland may satisfy any indemnification claim. Any portion of the shares of Heartland common stock subject to the tax holdback not used to compensate Heartland for a tax loss will be released to Barry Orr, as representative of the former holders of shares of FBLB common stock (the "Stockholder Representative"), for the benefit of and for distribution to such former FBLB shareholders. Such shares of Heartland common stock will be released on the earliest of receipt by FBLB of an IRS ruling in form and substance reasonably satisfactory to Heartland or on the applicable release dates, subject in the case of each release date to later distribution upon the resolution of any pending tax claims.

In addition, the aggregate amount of the cash component of the merger consideration is subject to certain adjustments. If FBLB's Adjusted Tangible Common Equity (as defined on pages 36 and 37) is less than \$83.0 million on the last business day of the month immediately preceding the month in which the closing date of the merger occurs (the "determination date"), then the aggregate amount of cash component of the merger consideration will be reduced by the amount by which FBLB's Adjusted Tangible Common Equity is less than \$83.0 million. If FBLB's Adjusted Tangible Common Equity is greater than \$85.0 million on the determination date, then the aggregate amount of cash component of the merger consideration will be increased by the amount, up to \$5.0 million, by which FBLB's Adjusted Tangible Common Equity is greater than \$85.0 million.

Based on the closing price of a share of Heartland common stock as of December 11, 2017 (the last trading date before the merger agreement was executed) of \$50.15, the aggregate merger consideration to be received by FBLB shareholders was valued at approximately \$174.0 million, or \$160.65 for each share of FBLB common stock. Based on the price of a share of Heartland common stock as of April 6, 2018 (the last practicable trading date before the date of this proxy statement/prospectus) of \$52.05, the aggregate merger consideration to be received by FBLB shareholders was valued at approximately \$179.8 million, or \$165.97 for each share of FBLB common stock. These valuations are based on the assumption that no adjustments will be made to the cash component of the merger consideration based on FBLB's Adjusted Tangible Common Equity and no claims will be made against the tax holdback. Heartland common stock is listed on the Nasdaq Global Select Market under the symbol "HTLF." Because the market price for Heartland common stock and the Adjusted Tangible Common Equity of FBLB will fluctuate prior to completion of the merger and shares of Heartland common stock subject to the tax holdback may or may not be issued to FBLB shareholders, the value of the actual consideration you will receive may be different from the amounts described above.

FBLB's board of directors unanimously recommends that you vote "FOR" the approval and adoption of the merger agreement (Pages 20 to 22).

The board of directors of FBLB believes that the merger is in the best interests of FBLB and its shareholders and has unanimously approved the merger agreement. For a discussion of the factors considered by the FBLB board of directors in reaching its decision to approve the merger agreement, see the section titled "Background and Reasons for the Merger—FBLB's Reasons for the Merger and Recommendation of the FBLB Board."

Opinion of FBLB Financial Advisor (Pages 22 to 27).

In deciding to approve the merger, the board of directors of FBLB considered the opinion of its financial advisor, Stephens Inc. ("Stephens"). On December 12, 2017, the board of directors of FBLB received a written opinion from Stephens to the effect that, as of December 12, 2017 and subject to the assumptions and qualifications set forth in the opinion, the consideration to be received by the disinterested shareholders of FBLB in the merger was fair, from a financial point of view. A copy of this opinion is attached to this proxy statement/prospectus as Appendix C. FBLB shareholders should read the opinion completely and carefully to understand the assumptions made, matters considered and limitations on the review undertaken by Stephens in providing its opinion.

Regulatory Approvals Required for the Merger (Page 29).

The completion of the merger is subject to the receipt of approvals from the FRB and the TDB and the expiration of all required waiting periods, and each of Heartland and FBLB has agreed to cooperate with the other to obtain all

regulatory approvals and authorizations required to complete the merger. Although the parties expect to receive all required regulatory approvals in a timely manner, they cannot be certain when or if the approvals will be obtained or, if obtained, whether the approvals will contain terms, conditions or restrictions not currently contemplated that will be detrimental to Heartland or FB&T after the completion of the merger.

Conditions That Must Be Satisfied or Waived for the Merger to Occur (Pages 39 to 40).

The parties currently expect to complete the merger in the second quarter of 2018. As more fully described in the merger agreement, the completion of the merger depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include, among others:

- The approval of the merger agreement by the requisite vote of the shareholders of FBLB;
- The receipt of all required regulatory approvals;
- The absence of any government action that would restrain or prohibit the merger, prohibit ownership by Heartland of a material portion of FBLB's business or assets, or required Heartland to divest any of its or FBLB's businesses or assets;
- The exercise of dissenters' rights by the holders of not more than 7.5% of the issued and outstanding shares of FBLB common stock;
- The effectiveness of the registration statement of which this proxy statement/prospectus is a part;
- The truth and correctness of the representations and warranties of each other party to the merger agreement, subject to the materiality standards contained in the merger agreement;
- The performance by each party in all material respects of their obligations under the merger agreement;
- The receipt by FBLB of a legal opinion from its special counsel that the merger will qualify as a tax-free reorganization under Section 368(a) of the Code;
- The employment agreements by and among Heartland, FBLB, FB&T and each of Barry Orr and Greg Garland being in full force and effect; and
- The execution and delivery by the directors of FBLB of support agreements in favor of Heartland and FB&T.

The parties cannot be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed.

Termination Provisions of the Merger Agreement (Pages 41 to 42).

Heartland or FBLB may terminate the merger agreement:

- if the boards of directors of Heartland and FBLB mutually consent to the termination of the merger agreement;
- if there is a law or governmental order that prohibits the merger; or
- if a governmental entity has denied the approval of the merger on a final and non-appealable basis.

FBLB may also terminate the merger agreement:

- if the merger has not been completed by July 31, 2018, unless FBLB has failed to comply fully with its obligations under the merger agreement;
 - if Heartland has or will have breached any representation, warranty or agreement in any material respect and such breach cannot be or is not cured within 30 days after written notice of the breach is given;
 - if holders of at least two-thirds of the issued and outstanding shares of FBLB common stock fail to approve the merger at the special meeting; or
 - FBLB has breached any of the provisions of its covenant not to solicit superior proposals.
- FBLB also may terminate the merger agreement pursuant to a "walk-away" right at any time within five business days after the determination date, if both of the following conditions are met:

the volume weighted average closing price of Heartland common stock during the 15 trading days ending on, and including, the trading day immediately preceding the 10th day prior to the determination date (the "Heartland determination date stock price") is below \$41.37; and

the ratio of the Heartland determination date stock price to \$50.15, the closing price of Heartland common stock on the trading day immediately prior to the date of the merger agreement, is less than the ratio of the average daily closing value of the KBW Nasdaq Regional Banking Index (^KRX) (the "Index") during the same time period used to calculate the Heartland determination date stock price, to the closing value of the Index on the trading day immediately prior to the date of the merger agreement, after subtracting 0.175 from the second ratio.

However, FBLB's written notice to terminate the merger agreement will have no force and effect if Heartland exercises its "top-up" option and agrees in writing within five business days to increase the original exchange ratio to an amount equal to:

- the original exchange ratio (3.0394 shares of Heartland common stock for each share of FBLB common stock), divided by the Heartland determination date stock price, and
- multiplied by \$41.37.

Alternatively, Heartland may retain the original exchange ratio, and increase cash consideration so that FBLB shareholders are entitled to receive the same value for each share of FBLB common stock as the holder would have received had the original exchange ratio been increased as described above. Because the "walk-away" formula is dependent on the future price of Heartland common stock and the Index, it is not possible to determine what the adjusted merger consideration would be at this time, but, in general, more cash or more shares of Heartland common stock would be issued to take into account the extent to which the Heartland determination date stock price is less than \$41.37.

Heartland may terminate the merger agreement:

- if the merger has not been completed by July 31, 2018, unless Heartland has failed to comply fully with its obligations under the merger agreement;

- if FBLB has or will have breached any representation, warranty or agreement in any material respect and such breach cannot be or is not cured within 30 days after written notice of the breach is given;

- if holders of at least two-thirds of the issued and outstanding shares of FBLB common stock fail to approve the merger at the special meeting; or

- if any of the mutual conditions or Heartland's conditions to complete the merger become impossible to satisfy (other than through a failure of Heartland to comply with its obligations under the merger agreement).

In certain events of termination, where a party has materially breached its obligations under the merger agreement, and the breach cannot be cured in a 30-day period, or where the merger agreement has not been adopted by the requisite vote of the FBLB shareholders, the breaching party must reimburse the other party for out-of-pocket expenses not to exceed \$750,000 in the aggregate.

FBLB must pay a termination fee of \$7.4 million in cash if the merger agreement is terminated:

- by FBLB because it has determined to enter into an agreement with another acquirer that has submitted a superior proposal;

- by Heartland if FBLB has breached its agreement to call a meeting of shareholders and to recommend that its shareholders adopt the merger agreement at such meeting; or

- FBLB has breached any of the provisions of its covenant not to solicit superior proposals.

If FBLB is required to pay the termination fee, FBLB will not be obligated to reimburse Heartland for its out-of-pocket expenses.

You have Dissenters' Rights under the Texas Business Organizations Code (Pages 33 to 35).

FBLB shareholders are entitled to dissenters' rights under Chapter 10, Subchapter H of the TBOC. As a result, if the merger is completed, you are entitled to obtain payment equal to the fair value of your shares of common stock instead of the per share merger consideration. The ultimate amount you receive in an appraisal proceeding may be less than, equal to or more than the amount you would have received under the merger agreement. To exercise your dissenters' rights, you must submit a written objection to the merger to FBLB before the vote is taken on the merger agreement, vote "AGAINST" the proposal to approve the merger agreement, and submit a written demand for appraisal after the vote is taken on the merger agreement. Your failure to follow exactly the procedures specified under the TBOC may result in the loss of your dissenters' rights. If you hold your shares of common stock through a nominee and you wish to exercise dissenters' rights, you should consult with your nominee to determine the appropriate procedures for the making of a demand for appraisal by your nominee. In light of the complexity of the TBOC, shareholders who may

wish to pursue dissenters' rights should consult their legal and financial advisors. See the section titled "Dissenters' Rights of FBLB Shareholders" in this proxy statement/prospectus and the text of Chapter 10, Subchapter H of the TBOC reproduced in its entirety as Appendix B to this proxy statement/prospectus.

The Interests of Certain Executive Officers and Directors of FBLB May Be Different from the Interests of FBLB's Shareholders Generally (Pages 28 to 29).

Certain executive officers and directors of FBLB have interests in the merger that are different from, or in addition to, those of FBLB's shareholders generally. For a description of these interests, please see "Background and Reasons for the Merger—Certain Interests of FBLB Directors and Executive Officers in the Merger" beginning on page 28. These interests and arrangements may cause the directors and executive officers to view the merger proposal differently than you may view it. FBLB's board of directors was aware of these interests and considered them, among other matters, when making a decision to approve the merger agreement and recommend that FBLB shareholders approve the merger agreement.

United States Federal Income Tax Consequences (Pages 29 to 32).

The merger is intended to qualify as a reorganization under Section 368(a) of the Code, and the obligations of FBLB to complete the merger are subject to the receipt of the opinion of Fenimore, Kay, Harrison & Ford, LLP, special counsel to FBLB, that the merger will qualify as a "reorganization" under Section 368(a) of the Code. FBLB does not currently intend to waive this opinion condition to its obligation to complete the merger.

Assuming the merger is consummated in accordance with the terms and conditions of the merger agreement, without any waiver of those terms and conditions, and further assuming the accuracy at the effective time of certain assumptions and representations as to factual matters, the merger will qualify as a reorganization under Section 368 of the Code. Accordingly, U.S. Holders (as defined in the section of this proxy statement/prospectus titled "Regulatory Matters and Tax Consequences and Accounting Treatment of the Merger—Material U.S. Federal Income Tax Consequences of the Merger" beginning on page 29) will not recognize gain or loss for U.S. federal income tax purposes on the exchange of their FBLB common stock for Heartland common stock (including Heartland common stock, if any, received by U.S. Holders that is subject to the tax holdback). U.S. Holders will recognize gain, but not loss, with respect to cash received in the merger, including any cash received in lieu of fractional shares.

The material federal income tax consequences of the merger to U.S. Holders are described further in the section titled "Regulatory Matters and Tax Consequences and Accounting Treatment of the Merger—Material U.S. Federal Income Tax Consequences of the Merger." The tax consequences of the merger and the tax holdback are complex. FBLB shareholders should consult their own tax advisors regarding the tax consequences of the merger and the tax holdback to them in light of their particular circumstances, including the tax consequences under state, local, foreign and other tax laws.

Comparative Per Share Data

The following table presents comparative historical per share data of Heartland and FBLB and unaudited pro forma per share data that reflect the combination of Heartland and FBLB using the purchase method of accounting:

As of and for the Year Ended
December 31, 2017

	Heartland	FBLB ⁽¹⁾	Pro Forma Combined ⁽¹⁾	Equivalent Pro Forma ⁽¹⁾⁽²⁾
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Net income per share				
Basic	\$2.67	\$12.70	\$ 2.82	\$ 8.72
Diluted	2.65	12.70	2.80	8.66
Dividends per common share ⁽³⁾	0.51	6.58	0.68	2.12
Book value per common share	33.07	82.84	32.44	100.35

(1) FBLB is taxed as an "S corporation" under the Code. The basic and diluted net income per share data presented in the table under the headings "FBLB," "Pro Forma Combined" and "Equivalent Pro Forma" were calculated using net income per share of FBLB determined on an after-tax basis at an assumed income tax rate of 35% in order to present FBLB's net income per share on a basis comparable to the net income per share data shown for Heartland.

Because FBLB is an "S corporation," its actual basic and diluted income per share was \$19.54 for the year ended December 31, 2017.

(2) The data under the heading "Equivalent Pro Forma" was determined by multiplying the amounts under the "Pro Forma Combined" heading by the fixed exchange ratio of 3.0934.

(3) Dividends per common share of FBLB included an amount equal to approximately 40% of FBLB's net income to provide FBLB shareholders with funds to pay their federal income tax obligations on their proportionate share of FBLB's net income.

Heartland expects it will incur merger and integration charges as a result of the merger. Heartland also anticipates that the merger will provide Heartland with financial benefits that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, although helpful in illustrating the financial characteristics of Heartland after the merger under one set of assumptions, does not reflect these expenses or benefits. Accordingly, the pro forma information is not intended to predict future results. The pro forma financial information also does not necessarily reflect what the historical results of Heartland would have actually been had Heartland and FBLB been combined as of the date and for the year presented.

Market Price Information

Heartland common stock is quoted on the Nasdaq Global Select Market under the symbol "HTLF." FBLB common stock is not publicly-traded. The following table sets forth the closing sale prices per share of Heartland common stock on December 11, 2017, the last trading day before Heartland and FBLB executed the merger agreement, and on April 6, 2018, the last practicable trading day before the date of this proxy statement/prospectus:

	Closing Sale Price		Equivalent
	Heartland	FBLB	Price per
	Common	Common	Share of
	Stock	Stock ⁽¹⁾	Heartland
			Common
			Stock ⁽²⁾
December 11, 2017	\$50.15	—	\$ 155.13
April 6, 2018	\$52.05	—	\$ 161.01

(1) There is no active trading market for FBLB common stock.

The "Equivalent Price per Share of Heartland Common Stock" at each of the specified dates in the table represents the product of the closing sales price of a share of Heartland common stock on such date multiplied by the fixed exchange ratio of 3.0934, which is the number of shares of Heartland common stock that a FBLB shareholder would receive for each share of FBLB common stock. FBLB shareholders should obtain current market price quotations for shares of Heartland common stock prior to making any decisions with respect to approval of the merger.

The market price of Heartland common stock will likely fluctuate between the date of this proxy statement/prospectus and the date on which the merger is completed and thereafter. Because the market price of Heartland common stock is subject to fluctuations, the value of the shares of Heartland common stock that FBLB shareholders will receive in the merger may increase or decrease prior to and after the effective date of the merger.

By voting to approve the merger agreement, holders of FBLB common stock will be choosing to invest in Heartland because they will receive Heartland common stock in partial exchange for their shares of FBLB common stock pursuant to the merger agreement. An investment in Heartland's common stock involves significant risk. In addition to the other information included in this proxy statement/prospectus, including the matters addressed in the section of this proxy statement/prospectus titled "Forward-Looking Statements" beginning on page 15, FBLB shareholders should carefully consider the matters described below in section titled "Risk Factors" beginning on page 13 of this proxy statement/prospectus when determining whether to approve the merger agreement.

Historical Market Prices and Dividend Information

Heartland. The following table sets forth, for each calendar quarter indicated, the high and low intraday sales prices per share of Heartland common stock, as reported on the Nasdaq Global Select Market, and the dividends paid per share of Heartland common stock:

Calendar Quarter	High	Low	Dividends
2016			
First	\$32.44	\$25.95	\$ 0.10
Second	35.96	29.58	0.10
Third	37.90	33.50	0.10
Fourth	49.15	35.30	0.20
2017			
First	\$51.70	\$44.55	\$ 0.11
Second	52.65	44.15	0.11
Third	50.10	42.10	0.11
Fourth	56.40	46.50	0.18
2018			
First	\$56.05	\$50.10	\$ 0.13
Second (Through April 6, 2018)	\$53.60	\$51.45	—

The timing and amount of future cash dividends paid on shares of Heartland common stock will depend upon Heartland's earnings, cash requirements and financial condition, applicable government regulations and other factors deemed relevant by Heartland's board of directors.

FBLB. There is no active trading market for shares of FBLB common stock.

The following table sets forth, for the calendar quarter indicated, the dividends paid per share of FBLB common stock:

Calendar Quarter	Dividends ⁽¹⁾
2016	
First	\$ 3.92
Second	—
Third	—
Fourth	—
2017	
First	\$ 5.58
Second	1.00
Third	—
Fourth	—
2018	
First	8.27
Second (Through April 6, 2018)	—

(1) FBLB is taxed as an "S corporation" under the Code. As a result, dividends per common share included an amount equal to 40% of FBLB's net income to provide FBLB shareholders with funds to pay their federal income tax obligations on their proportionate share of FBLB's net income.

HEARTLAND SELECTED CONSOLIDATED FINANCIAL DATA

The summary selected consolidated financial data of Heartland presented below as of and for each of the years in the five-year period ended December 31, 2017, is derived from Heartland's audited historical consolidated financial statements. This financial data is only a summary and should be read in conjunction with the consolidated financial statements and the notes thereto incorporated by reference into this proxy statement/prospectus from Heartland's Annual Report on Form 10 K for the fiscal year ended December 31, 2017. The historical results presented below, included elsewhere or incorporated by reference into this proxy statement/prospectus are not necessarily indicative of the future performance of Heartland.

Selected Financial Data

(Dollars in thousands, except per share data)	As of and for the Years Ended December 31,				
	2017	2016	2015	2014	2013
Statement of Income Data					
Interest income	\$363,658	\$326,479	\$265,968	\$237,042	\$199,511
Interest expense	33,350	31,813	31,970	33,969	35,683
Net interest income	330,308	294,666	233,998	203,073	163,828
Provision for loan losses	15,563	11,694	12,697	14,501	9,697
Net interest income after provision for loan losses	314,745	282,972	221,301	188,572	154,131
Noninterest income	102,022	113,601	110,685	82,224	89,618
Noninterest expenses	297,675	279,668	251,046	215,800	196,561
Income taxes	43,820	36,556	20,898	13,096	10,335
Net income	75,272	80,349	60,042	41,900	36,853
Net income available to noncontrolling interest, net of tax	—	—	—	—	(64)
Net income attributable to Heartland	75,272	80,349	60,042	41,900	36,789
Preferred dividends and discount	(58)	(292)	(817)	(817)	(1,093)
Interest expense on convertible debt	12	51	—	—	—
Net income available to common stockholders	\$75,226	\$80,108	\$59,225	\$41,083	\$35,696
Per Common Share Data					
Net income-diluted	\$2.65	\$3.22	\$2.83	\$2.19	\$2.04
Cash dividends	\$0.51	\$0.50	\$0.45	\$0.40	\$0.40
Dividend payout ratio	19.25 %	15.53 %	15.90 %	18.26 %	19.61 %
Book value per common share (GAAP)	\$33.07	\$28.31	\$25.92	\$22.40	\$19.44
Tangible book value per common share (non-GAAP) ⁽¹⁾	\$23.99	\$22.55	\$20.57	\$19.99	\$16.90
Weighted average shares outstanding-diluted	28,425,652	24,873,430	20,929,385	18,741,921	17,460,066

(1) Tangible book value per common share is total common stockholders' equity less goodwill and core deposit intangibles and customer relationship intangibles, net, divided by common shares outstanding, net of treasury shares. This amount is not a financial measure determined in accordance with United States generally accepted accounting principles ("GAAP") but has been included as it is considered to be a critical metric with which to analyze and evaluate the financial condition and capital strength of Heartland. This measure should not be considered a substitute for operating results determined in accordance with GAAP. See the table titled "Reconciliation of Tangible Book Value Per Common Share (non-GAAP)" on page 13 of this proxy statement/prospectus.

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(Dollars in thousands)	As of and for the Years Ended December 31,					
	2017	2016	2015	2014	2013	
Balance Sheet Data						
Investments	\$2,492,866	\$2,131,086	\$1,878,994	\$1,706,953	\$1,895,044	
Loans held for sale	44,560	61,261	74,783	70,514	46,665	
Total loans receivable ⁽¹⁾	6,391,464	5,351,719	5,001,486	3,878,003	3,502,701	
Allowance for loan losses	55,686	54,324	48,685	41,449	41,685	
Total assets	9,810,739	8,247,079	7,694,754	6,051,812	5,923,716	
Total deposits	8,146,909	6,847,411	6,405,823	4,768,022	4,666,499	
Long term obligations	285,011	288,534	263,214	395,705	350,109	
Preferred equity	938	1,357	81,698	81,698	81,698	
Common stockholders' equity	990,519	739,559	581,475	414,619	357,762	
Earnings Performance Data						
Return on average total assets	0.83	% 0.98	% 0.88	% 0.70	% 0.70	%
Return on average common stockholders' equity	8.63	% 11.80	% 11.92	% 10.62	% 10.87	%
Annualized net interest margin (GAAP)	4.04	% 3.95	% 3.80	% 3.77	% 3.58	%
Annualized net interest margin, fully tax-equivalent (non-GAAP) ⁽²⁾	4.22	% 4.13	% 3.97	% 3.96	% 3.78	%
Asset Quality Ratios						
Nonperforming assets to total assets	0.76	% 0.91	% 0.67	% 0.74	% 1.23	%
Nonperforming loans to total loans	0.99	% 1.20	% 0.79	% 0.65	% 1.21	%
Net loan charge-offs to average loans	0.24	% 0.11	% 0.12	% 0.39	% 0.22	%
Allowance for loan losses to total loans	0.87	% 1.02	% 0.97	% 1.07	% 1.19	%
Allowance for loan losses to nonperforming loans	87.82	% 84.37	% 122.77	% 165.33	% 98.27	%
Consolidated Capital Ratios						
Average equity to average assets	9.69	% 8.53	% 8.55	% 8.00	% 8.09	%
Average common equity to average assets	9.68	% 8.31	% 7.35	% 6.60	% 6.46	%
Total capital to risk-weighted assets	13.45	% 14.01	% 13.74	% 15.73	% 14.69	%
Tier 1 capital to risk-weighted assets	11.70	% 11.93	% 11.56	% 12.95	% 13.19	%
Common equity tier 1 to risk-weighted assets ⁽³⁾	10.07	% 10.09	% 8.23	% —	—	%
Tier 1 leverage	9.20	% 9.28	% 9.58	% 9.75	% 9.67	%

(1) Excludes loans held for sale.

Computed on a fully tax-equivalent basis using an effective tax rate of 35%. Annualized net interest margin, fully tax-equivalent, is a non-GAAP measure, which adjusts net interest income for the tax-favored status of certain loans and securities. Management of Heartland believes this measure enhances the comparability of net interest income arising from taxable and tax-exempt sources. This measure should not be considered a substitute for operating results determined in accordance with GAAP. See the table titled "Reconciliation of Annualized Net Interest Margin, Fully Tax-Equivalent (non-GAAP)" on page 13 of this proxy statement/prospectus.

(2) Prior to the adoption of Basel III requirements effective January 1, 2015, the common equity tier 1 capital ratio was not a capital standard required by bank regulatory agencies.

Non-GAAP Financial Measures

Reconciliation of Tangible Book Value Per

Common Share (non-GAAP) (Dollars in thousands, except per share data)	As of and for the Years Ended December 31,				
	2017	2016	2015	2014	2013
Common stockholders' equity (GAAP)	\$990,519	\$ 739,559	\$ 581,475	\$ 414,619	\$ 357,762
Less goodwill	236,615	127,699	97,852	35,583	35,583
Less core deposit intangibles and customer relationship intangibles, net	35,203	22,775	22,020	8,948	11,171
Tangible common stockholders' equity (non-GAAP)	\$718,701	\$ 589,085	\$ 461,603	\$ 370,088	\$ 311,008
Common shares outstanding	29,953,356	26,119,929	22,435,693	18,511,125	18,399,156
Common stockholders' equity (book value) per share (GAAP)	\$33.07	\$ 28.31	\$ 25.92	\$ 22.40	\$ 19.44
Tangible book value per common share (non-GAAP)	\$23.99	\$ 22.55	\$ 20.57	\$ 19.99	\$ 16.90

Reconciliation of Annualized Net Interest

Margin, Fully Tax-Equivalent

(non-GAAP)

As of and for the Years Ended December 31,

(Dollars in thousands)	As of and for the Years Ended December 31,					
	2017	2016	2015	2014	2013	
Net interest income (GAAP)	\$330,308	\$294,666	\$233,998	\$203,073	\$163,828	
Plus tax-equivalent adjustment ⁽¹⁾	15,139	12,919	10,216	10,298	9,465	
Net interest income, fully tax-equivalent (non-GAAP)	\$345,447	\$307,585	\$244,214	\$213,371	\$173,293	
Average earning assets	\$8,181,914	\$7,455,217	\$6,152,090	\$5,384,275	\$4,582,296	
Net interest margin (GAAP)	4.04	% 3.95	% 3.80	% 3.77	% 3.58	%
Net interest margin, fully tax-equivalent (non-GAAP)	4.22	% 4.13	% 3.97	% 3.96	% 3.78	%

(1) Computed on a tax-equivalent basis using an effective tax rate of 35%.

RISK FACTORS

By voting in favor of the merger, you will be choosing to invest in Heartland's common stock. In addition to the information contained elsewhere in this proxy statement/prospectus or incorporated in this proxy statement/prospectus by reference, as a shareholder of FBLB, you should carefully consider the following factors in making your decision as to how to vote on the merger.

Risks Relating to the Merger

The cash component of the merger consideration could be reduced if either FBLB's Adjusted Tangible Common Equity is less than \$83.0 million as of the determination date or the market price of Heartland's common stock price increases.

The amount of cash that will be paid in the merger is dependent upon the Adjusted Tangible Common Equity of FBLB as of the determination date and will be reduced to the extent that Adjusted Tangible Common Equity is less than \$83.0 million. Changes in Adjusted Tangible Common Equity may result from higher loan loss provisions, ordinary business conditions that impact the net interest and noninterest income of FBLB, or more general market and economic conditions that impact FBLB operations.

In addition, if the trading price of shares of Heartland common stock increases, the value of the SARs will be greater. In this case, holders of SARs will receive larger payments and the cash component of the merger consideration paid to FBLB shareholders will be less.

Because the exchange ratio is fixed and the market price of the Heartland common stock may fluctuate prior to the completion of the merger, FBLB shareholders cannot be sure of the value of the Heartland common stock to be received in the merger.

Upon completion of the merger, each share of FBLB common stock will be converted into the right to receive, subject to certain adjustments as set forth in the merger agreement, 3.0934 shares of Heartland common stock. The exchange ratio used to determine the stock consideration will not increase based on fluctuations in the market price of Heartland common stock regardless of how far the price of Heartland common stock decreases, except if the price of Heartland common stock falls below certain levels and FBLB invokes its "walk away" right. Heartland may subsequently exercise its right to make a "top-up" election and increase the exchange ratio to void the "walk away" right as described in the section of this proxy statement/prospectus titled "The Merger Agreement—Termination." The market value of Heartland common stock has varied since Heartland and FBLB entered into the merger agreement and will continue to vary in the future due to changes in the business, operations or prospects of Heartland, market assessments of the merger, regulatory considerations, market and economic considerations, and other factors both within and beyond the control of Heartland. Therefore, at the time of the special meeting, FBLB's shareholders will not know or be able to calculate the market value of the Heartland common stock they will receive upon completion of the merger. The stock component of the merger consideration is subject to the tax holdback.

The stock component of the merger consideration is subject to a tax holdback of 0.3586 shares of Heartland common stock for each share of FBLB common stock (or an aggregate of 388,506 shares of Heartland common stock), if FBLB has not received certain rulings from the IRS prior to the effective time of the merger. The amount of the tax holdback may not be released, or only be partially released, to FBLB shareholders if Heartland incurs a tax loss because FBLB failed to qualify as an "S corporation" or any of FBLB's subsidiaries failed to qualify as a "qualified subchapter S subsidiary" (within the meaning of the Code or comparable provisions of state, local or other tax law) prior to the effective time of the merger. A claim against the tax holdback may reduce the number of shares of Heartland common stock that will be received by FBLB shareholders in the merger by up to 0.3586 shares of Heartland common stock per share of FBLB common stock. To the extent that Heartland or any of its subsidiaries incurs a tax loss based on the circumstances described above, Heartland will be indemnified for the tax loss. Indemnification claims by Heartland relating to any such tax loss will be satisfied solely from the tax holdback. Any portion of the tax holdback not used to indemnify Heartland for a tax loss will be distributed to the Stockholder Representative for the benefit of and for further distribution to the former holders of FBLB common stock on the earliest of receipt by FBLB of an IRS ruling in form and substance reasonably satisfactory to Heartland or on the applicable release dates provided for in the merger agreement, subject in the case of each release date to later distribution upon the resolution of any pending tax claims.

The interests of certain directors and executive officers of FBLB may be different from the interests of FBLB's shareholders generally.

Certain executive officers and directors of FBLB have interests in the merger that are different from, or in addition to, the interests of FBLB's shareholders generally. For a description of these interests, please see "Background and Reasons for the Merger—Certain Interests of FBLB Directors and Executive Officers in the Merger" beginning on page 28. These interests and arrangements may cause the directors and executive officers to view the merger proposal differently than you may view it. FBLB's board of directors was aware of these interests and considered them, among other matters, when making a decision to approve the merger agreement and recommend that FBLB shareholders approve the merger agreement.

The merger is subject to certain closing conditions that, if not satisfied or waived, will result in the merger not being completed, which may cause the price of Heartland common stock and the value of FBLB common stock to decline. Consummation of the merger is subject to customary conditions to closing in addition to the receipt of required bank regulatory approvals and approval by FBLB shareholders of the merger agreement. If any condition to the merger is not satisfied or waived, the merger will not be completed. In addition, Heartland and FBLB may terminate the merger agreement under certain circumstances even if the merger agreement is approved by FBLB shareholders, including if

the merger has not been completed on or before July 31, 2018. If the merger is not completed, the trading price of Heartland common stock on the Nasdaq Global Select Market may decline to the extent that the current price reflects a market assumption that the merger will be completed, and the continued operations of FBLB may be impaired because of costs, the departure of employees and customers, or other dislocation caused by the terminated merger. In addition, neither Heartland nor FBLB would realize any of the expected benefits of having completed the merger. For more information on closing conditions to the merger, see the section titled "The Merger Agreement—Conditions to Completion of the Merger" beginning on page 39 of this proxy statement/prospectus.

The shares of Heartland common stock to be received by FBLB shareholders as a result of the merger will have different rights than shares of FBLB common stock.

Upon completion of the merger, FBLB shareholders will become Heartland stockholders, and their rights as stockholders will be governed by the Delaware General Corporation Law and the Heartland certificate of incorporation and bylaws. The rights associated with FBLB common stock are different from the rights associated with Heartland common stock. See the section titled "Comparison of Rights of Holders of Heartland Common Stock and FBLB Common Stock" beginning on page 48 of this proxy statement/prospectus.

Post-Merger Risks

Difficulties in combining the operations of FBLB and Heartland may prevent the combined company from achieving the expected benefits from the acquisition.

The combination of FBLB with Heartland may cause Heartland difficulty achieving fully the strategic objectives and operating efficiencies it hopes to achieve from the merger. The success of the merger will depend on a number of factors, including Heartland's ability to:

- integrate the operations of FB&T with the operations of Heartland;
- maintain existing relationships with depositors so as to minimize withdrawals of deposits after the merger;
- maintain and enhance existing relationships with borrowers;
- control the incremental noninterest expense so as to maintain overall operating efficiencies;
- retain and attract qualified personnel; and
- compete effectively in the communities served by FBLB and in nearby communities.

These factors could contribute to the combined company not achieving the expected benefits from the merger within the desired time frames, if at all.

Heartland, as the surviving company from the merger, and its stockholders, including the former shareholders of FBLB, will be subjected to risks if Heartland effects future acquisitions.

Heartland intends to continue to investigate strategic acquisitions of other bank holding companies, banks and other businesses after the merger. Acquiring other banks and businesses will involve risks commonly associated with acquisitions, including:

- potential exposure to liabilities of any bank holding companies, banks or other businesses acquired;
- the difficulty and expense of integrating the operations and personnel of any bank holding companies, banks or other businesses acquired;
- potential dilution of existing Heartland stockholders as a result of additional equity issuances as merger consideration;
- possible increases in leverage resulting from borrowings needed to finance an acquisition or augment regulatory capital;
- potential disruption to Heartland's business;
- potential diversion of the time and attention of Heartland's management; and
- impairment of relationships with and the possible loss of key employees and customers of any bank holding companies, banks or other businesses acquired by Heartland.

FORWARD-LOOKING STATEMENTS

Heartland has made forward-looking statements in this proxy statement/prospectus (and in documents that are incorporated by reference in this proxy statement/prospectus) that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of Heartland's operations or its performance both before and after the merger is completed. When any of the words "believes," "expects," "anticipates," "plans," "intends," "estimates," "may," "will," "would," "could," "should" or similar expressions are used in this proxy statement/prospectus and the documents that are incorporated by reference in this proxy statement/prospectus, Heartland is making forward-looking statements. Many events or factors could affect the future financial results and performance of Heartland after the merger and

could cause those results or performance to differ materially from those expressed in Heartland's forward-looking statements. These risks are described in detail in Heartland's Annual Report on Form 10-K incorporated by reference into this proxy statement/prospectus. These risks include, but are not limited to, the following:

The strength of the U.S. economy in general and the strength of the local economies in which Heartland conducts its operations, which may be less favorable than expected and may result in, among other things, a deterioration in the credit quality and value of Heartland's assets;

The economic impact of past and any future terrorist threats and attacks, acts of war or threats thereof, and the response of the United States to any such threats and attacks;

The effects of, and changes in, federal, state and local laws, regulations and policies affecting banking, taxes, securities, insurance and monetary and financial matters;

The effects of changes in interest rates (including the effects of changes in the rate of prepayment of loans) and the policies of the FRB;

Heartland's ability to compete with other financial institutions as effectively as it currently intends to do as a result of increased competitive pressures in the financial services sector;

Heartland's ability to obtain new customers and to retain existing customers;

- The timely development and acceptance of products and services, including products and services offered through alternative delivery channels such as the Internet;

Technological changes implemented by Heartland and by other parties, including third party vendors, which may be more difficult or more expensive than anticipated or which may have unforeseen consequences to Heartland and its customers;

Heartland's ability to develop and maintain secure and reliable electronic delivery systems;

Heartland's ability to retain key executives and employees, including executives and employees of FBLB and FB&T, and the difficulty that Heartland may experience in replacing key executives and employees in an effective manner;

Consumer spending and saving habits that may change in a manner that adversely affects Heartland's business;

Business combinations and the integration of acquired businesses that may be more difficult or expensive than expected;

Changes in accounting policies and practices, as may be adopted by state and federal regulatory agencies and the Financial Accounting Standards Board; and

Other factors discussed in the "Risk Factors" section of this proxy statement/prospectus and in the documents incorporated by reference in this proxy statement/prospectus.

These risks and uncertainties should be considered in evaluating forward-looking statements, and undue reliance should not be placed on these statements.

Any forward-looking earnings estimates included in this proxy statement/prospectus (or included in any of the documents incorporated by reference in this proxy statement/prospectus) have not been examined or compiled by Heartland's independent registered public accounting firm, nor has Heartland's independent registered public accounting firm applied any procedures to these estimates. Accordingly, Heartland's independent registered public accounting firm does not express any opinion or any other form of assurance on them. The forward-looking statements included in this proxy statement/prospectus are made only as of the date of this proxy statement/prospectus, and Heartland undertakes no obligation to update any statement in light of new information or future events. Further information concerning Heartland and its business, including additional factors that could materially affect Heartland's financial results, is included in Heartland's filings with the Securities and Exchange Commission (the "SEC"). See the section titled "Where You Can Find More Information" beginning on page 55 of this proxy statement/prospectus.

THE FBLB SPECIAL MEETING

Date, Time and Place

The FBLB special meeting will be held at the FirstBank & Trust Company Operations Center located at 9826 Slide Road, Suite 100, Lubbock, Texas 79424, at 4:00 p.m. local time on Tuesday, May 15, 2018.

Matters to be Considered

At the special meeting, holders of FBLB common stock will be asked to consider:

- a proposal to approve and adopt the merger agreement; and
- a proposal to adjourn the FBLB special meeting, if necessary or appropriate.

Proxies

You should complete and return the proxy form accompanying this proxy statement/prospectus to ensure that your vote is counted at the special meeting, regardless of whether you plan to attend the special meeting. If your shares of FBLB common stock are indirectly owned by you through the KSOP, you will receive separate voting instructions from the KSOP trustees with your proxy materials. In order to have your shares voted at the special meeting by the KSOP trustees, you must follow such voting instructions.

You can revoke the proxy at any time before the vote is taken at the special meeting. Your presence at the special meeting will not automatically revoke your proxy. You may revoke your proxy at any time prior to the voting of such proxy on either matter (without, however, affecting any vote taken prior to such revocation) by (i) filing with the Corporate Secretary of FBLB a written notice of revocation, (ii) delivering to FBLB a duly executed proxy bearing a later date, or (iii) attending the special meeting and voting in person. All written notices of revocation and other communications with respect to revocation of proxies in connection with the special meeting should be addressed as follows:

Corporate Secretary
c/o Denise Thomas
First Bank Lubbock Bancshares, Inc.
9816 Slide Road
Lubbock, Texas 79424

If your shares of FBLB common stock are held in the KSOP, you should follow the instructions of the KSOP trustees regarding the revocation of your instructions on the manner in which your shares should be voted at the special meeting.

All shares of FBLB common stock represented by valid proxies received through this solicitation, and that are not revoked, will be voted in accordance with the instructions on the proxy form. If you make no specification on your proxy form as to how you want your shares of FBLB common stock voted before signing and returning it, your proxy will be voted "FOR" approval and adoption of the merger agreement and "FOR" the proposal to adjourn the special meeting, if necessary or appropriate.

Solicitation of Proxies

FBLB will bear the entire cost of soliciting proxies from you. In addition to soliciting proxies by mail, FBLB will request that banks, brokers and other record holders send proxies and proxy materials to the beneficial owners of FBLB common stock and secure their voting instructions, if necessary. FBLB will reimburse the record holders for their reasonable expenses in taking those actions. If necessary, FBLB may also use several of its regular employees, who will not be specially compensated, to solicit proxies from holders of FBLB common stock, either personally or by telephone, facsimile or letter.

Record Date

The FBLB board of directors has fixed the close of business on April 2, 2018 as the record date for determining the holders of FBLB common stock entitled to receive notice of and to vote at the special meeting. At that time, 1,083,275 shares of FBLB common stock were outstanding. As of such date, there were approximately 128 holders of record of FBLB common stock.

Quorum and Vote Required

General. The presence, in person or by properly executed proxy, of the holders of a majority of the shares of FBLB entitled to vote at the meeting is necessary to constitute a quorum at the special meeting. Abstentions will be counted solely for the purpose of determining whether a quorum is present.

Approval and adoption of the merger agreement requires the affirmative vote of the holders of two-thirds of the issued and outstanding shares of FBLB common stock. Approval of the proposal relating to the adjournment of the special meeting, if necessary or appropriate, requires a majority of the votes cast with respect to the proposal. You are entitled to one vote for each share of FBLB common stock you held as of the record date. As of the record date of the special meeting, directors and executive officers of FBLB and their respective affiliates held 38.42% of the outstanding shares of FBLB common stock.

Abstentions and failures to vote will have the same effect as a vote against approval and adoption of the merger agreement, but will have no effect on the proposal to adjourn the special meeting.

Because the affirmative vote of the holders of two-thirds of the issued and outstanding shares of FBLB common stock is required to approve and adopt the merger agreement, the failure to vote by proxy or in person will have the same effect as a vote against the merger agreement. Abstentions also will have the same effect as a vote against the merger. Accordingly, the FBLB board of directors urges holders of FBLB common stock to complete, date and sign the accompanying proxy form and return it promptly in the enclosed postage-paid envelope.

Voting Agreement. Certain shareholders of FBLB have agreed to vote their shares in favor of the merger and the merger agreement. These shareholders have the right to vote, or direct the voting of, 35.4% of the outstanding shares of FBLB common stock as of the record date.

Other Business

FBLB is not currently aware of any business to be acted upon at the special meeting other than the matters discussed in this proxy statement/prospectus.

BACKGROUND AND REASONS FOR THE MERGER

The following discussion contains material information pertaining to the merger. This discussion is a summary only and may not contain all of the information that is important to you.

Structure

The merger agreement provides that FBLB will be merged with and into Heartland. Each share of FBLB common stock outstanding prior to the merger will be converted, upon completion of the merger, into the right to receive a combination of shares of Heartland common stock and cash. At the effective time of the merger, FB&T will become a wholly owned bank subsidiary of Heartland.

Background of the Merger

The following chronology summarizes certain key meetings and events that led to FBLB and Heartland entering into the merger agreement. In this process, executives, board members and other representatives of FBLB held many conversations, both by telephone and in person, about possible strategic alternatives, including continued independent operations and the potential sale or merger of FBLB. The chronology below covers certain key events leading to the execution of the merger agreement by FBLB and Heartland but does not purport to summarize every conversation among executives, board members and representatives of FBLB or between FBLB and Heartland.

From time to time, the board of directors and management of FBLB have periodically reviewed and updated strategic plans for FBLB and FB&T with a view to enhancing shareholder value. These discussions have focused on, among other things, the business and regulatory environment facing financial institutions in general and FBLB in particular, as well as ways to enhance FBLB's competitive position.

One of Heartland's primary objectives is to increase profitability and diversify its market area and asset base. In the current environment, Heartland has been actively seeking opportunities for growth through acquisitions. In 2017, Heartland completed two bank acquisitions and announced one other pending acquisition in addition to the acquisition of FB&T. On February 23, 2018, Heartland completed the acquisition of Signature Bank & Trust, a Minnesota state

bank that is located in a suburb of Minneapolis, Minnesota.

Heartland's management has discussed expanding Heartland's banking operations in Texas for a considerable period of time. Currently, Heartland has one banking office in Dallas, Texas, which is a branch of Heartland's subsidiary, Morrill & Janes Bank and Trust Company, which is a Kansas state bank headquartered in Merriam, Kansas.

In the context of reviewing its strategic plans, in May 2015, management of FBLB discussed with representatives of Stephens opportunities for FBLB to enhance or provide liquidity to shareholders while continuing to allow FB&T to operate and grow its business. As a part of these discussions, representatives of Stephens introduced to FBLB the business model being implemented by Heartland. These discussions led to an introductory meeting between senior management of FBLB and Heartland in July 2015.

Following that meeting, for the next 21 months, management of FBLB and Heartland continued a dialogue regarding their respective organizations, banking cultures and strategic plans. Over this period, the FBLB board of directors, together with senior management, also continued to deliberate about strategic opportunities, including high level discussions regarding remaining independent or partnering with a larger organization, such as Heartland, that shared FBLB's strategic vision.

After a series of meetings between senior management of FBLB and Heartland in March and April 2017, the parties decided to take additional steps to more deeply explore a potential strategic combination. In May 2017, Heartland and FBLB entered into a mutual non-disclosure agreement and, thereafter, began to share a limited amount of confidential information related to their respective businesses and operations. Management of Heartland discussed the possible acquisition of FBLB in broad terms with the Heartland board of directors at a meeting held on July 25, 2017. Initial diligence activities and more extensive discussions regarding a strategic combination continued through the summer of 2017, and senior management of FBLB and Heartland met again in August 2017 to discuss the broad outlines of a possible acquisition offer from Heartland.

At a meeting held on September 14, 2017, the Heartland board of directors authorized management to submit a non-binding letter of intent to FBLB with respect to the acquisition of all of the issued and outstanding shares of FBLB common stock in exchange for stock consideration and cash. Heartland delivered the non-binding letter of intent to FBLB on September 15, 2017. Over the succeeding two weeks, the parties negotiated various terms of the non-binding letter of intent, including the date on which the fixed exchange ratio would be set, potential adjustments to the merger consideration and employee-related matters. In addition, FBLB discussed the terms, including the consideration to be paid to its shareholders, with its legal and financial advisors.

Negotiations between the parties resulted in a revised non-binding letter of intent, dated September 28, 2017, which was considered by the FBLB board of directors and executed by FBLB and Heartland, effective October 3, 2017. The letter of intent provided for an exchange ratio of 3.0934 shares of Heartland common stock per share of FBLB common stock and \$17.5 million in cash consideration (including the payments to be made to holders of SARs). The aggregate transaction value under the letter of intent (excluding repayment of certain indebtedness of FBLB) was approximately \$183.0 million, based on Heartland's closing stock price on September 28, 2017, subject to adjustment if FBLB's Adjusted Tangible Common Equity exceeded or fell below agreed upon thresholds. The letter of intent contemplated FB&T retaining its identity and Texas charter as a separate banking subsidiary of Heartland and continuity in senior management at FB&T. The letter of intent also included an exclusivity period of up to 60 days to enable Heartland to complete its diligence activities and for the parties to negotiate the terms of a definitive merger agreement.

During the months of October, November and early December, 2017, each party conducted extensive due diligence with respect to the other party, which included among other things an evaluation of the other party's operations, material contracts and loan portfolio, and each party held discussions with selected members of the executive management team of the other party. In November 2017, a draft of the definitive merger agreement was circulated by Heartland, and Heartland and FBLB began negotiations towards a final agreement that would be mutually acceptable to the two parties. During these negotiations, as a result of the continuing diligence activities of Heartland, Heartland identified issues regarding FBLB's "S corporation" election, relating primarily to the failure of certain trusts to timely file election forms in connection with their acquisition of FBLB common stock in prior years. FBLB agreed to take action to seek determinations from the IRS that such failures to timely file the elections were inadvertent and that FBLB's "S corporation" qualification was effective at all times. However, to account for the risk to Heartland that FBLB's "S corporation" status would be deemed to have been terminated, resulting in additional tax liability to Heartland, the parties agreed that a portion of the shares of Heartland common stock to be issued to the FBLB shareholders in the merger would be subject to the tax holdback, pending the determination of the IRS with respect to the tax issues or the expiration of relevant statutes of limitations.

During the period from October until early December, 2017, Heartland's management kept the Heartland board of directors apprised of the negotiations relating to the merger and the proposed terms of the merger agreement. At a board meeting held on October 17, 2017, management provided the board with a detailed presentation regarding the terms of and reasons for the merger. On December 1, 2017, FBLB and Heartland extended the exclusivity period provided for in the non-binding letter of intent between the parties until December 13, 2017.

On December 12, 2017, the FBLB board of directors held a special meeting to consider approval of the merger agreement and the transactions contemplated by the merger agreement, including the merger and the issuance of shares of

Heartland common stock as a portion of the merger consideration. Representatives of Stephens and Fenimore, Kay, Harrison & Ford, LLP, special counsel to FBLB, participated in the meeting, and all directors of FBLB were present. At the December 12, 2017 meeting, the FBLB board of directors reviewed a copy of the draft of the merger agreement which contemplated, among other things, that (1) FBLB would merge with and into Heartland with Heartland surviving the merger, (2) the exchange ratio would be 3.0934 shares of Heartland common stock for each outstanding share of FBLB common stock (or approximately 3,351,000 shares of Heartland common stock in the aggregate) subject to the tax holdback of 388,506 shares, and (3) FBLB shareholders would be entitled to receive cash consideration of \$17.5 million (less the amount of the SAR payment), subject to certain potential adjustments.

At the special meeting, FBLB's legal counsel reviewed the material terms of the proposed merger agreement and related documents, as well as the regulatory and shareholder processes required to complete the merger, with the FBLB board of directors, and each member of the board had the opportunity to discuss and ask questions of FBLB's legal counsel and management regarding the terms of the merger agreement and such related documents. At this special meeting, representatives of Stephens reviewed with the FBLB board of directors Stephens' financial analysis of the merger consideration and rendered an opinion, dated as of December 12, 2017, to the FBLB board of directors to the effect that, as of such date and based on and subject to various assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as described in such opinion, the merger consideration was fair, from a financial point of view, to the disinterested shareholders of FBLB.

Following these discussions, and review and deliberation among the members of the FBLB board of directors, including consideration of the factors described in the section titled "The Merger—FBLB's Reasons for the Merger and Recommendation of the FBLB Board," the FBLB board of directors, by a unanimous vote, determined that the merger was advisable and in the best interests of FBLB and its shareholders and approved the merger agreement and the transactions contemplated thereby.

On December 12, 2017, Heartland's board of directors held a board meeting at which it considered approval of the merger in accordance with the merger agreement and the related documents negotiated by Heartland, FBLB and their respective financial and legal advisors. At this meeting, Heartland's management and legal counsel provided an in-depth summary of the terms of the merger agreement and the related documents. Management and legal counsel also provided a thorough review of the merger agreement and the related documents. After careful and deliberate consideration of the terms of the merger agreement and the related documents and the presentations by management and legal counsel relating thereto, the Heartland board of directors unanimously approved the merger agreement and the related documents.

The merger agreement and the related documents were executed by FBLB and Heartland after the meetings of the boards of directors of FBLB and Heartland on December 12, 2017. Also, on December 12, 2017 after the closing of the Nasdaq Global Select Market, Heartland and FBLB issued a joint press release announcing the execution of the merger agreement and the terms of the transactions contemplated by the merger agreement.

FBLB's Reasons for the Merger and Recommendation of the FBLB Board

After careful consideration, at its meeting on December 12, 2017, the board of directors of FBLB determined that the merger is in the best interests of FBLB and its shareholders and that the consideration to be received in the merger is fair to the FBLB shareholders. Accordingly, the FBLB board of directors unanimously approved the merger agreement and recommended that the FBLB shareholders vote "FOR" the merger proposal.

In reaching its decision to approve the merger agreement and recommend the merger to its shareholders, the FBLB board of directors evaluated the merger and the merger agreement, in consultation with FBLB's management, as well as its legal and financial advisors, and considered a number of positive factors, including the following material factors, which are not presented in order of priority:

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its familiarity with and review of the business, operations, management, financial and regulatory condition, earnings, competitive position and future prospects of FBLB and Heartland;
the current and prospective environment in which FBLB and Heartland operate, including national, regional and local economic conditions and the interest rate environment, increased operating costs resulting for regulatory initiatives and compliance mandates, the competitive environment for financial institutions, evolving trends in technology, the trend toward consolidation in the banking industry generally, and the likely effects of these factors on the potential growth, development, productivity, profitability and strategic options of FBLB and Heartland;

the results that FBLB could expect to obtain if it continued to operate independently, and the likely benefits to shareholders of that course of action, as compared with the value of the merger consideration offered by Heartland and FBLB's belief that a merger with Heartland would allow FBLB shareholders to participate in the future performance of a combined company that would have better future prospects than FBLB was likely to achieve over the long-term on a stand-alone basis or through other strategic alternatives;

- the performance of Heartland common stock;
- its expectation that FB&T would continue to operate as a separately-chartered bank and continue to serve the needs of its customers in its markets;
- its belief that Heartland was committed to enhancing its strategic position in its markets and to evaluating growth opportunities in Texas that are aligned with Heartland's mission;
- the limited liquidity that FBLB shareholders have with respect to their investment in FBLB, for which there is no active public market, and the fact that as Heartland shareholders, FBLB's shareholders would be expected to have increased liquidity by owning a publicly-traded, Nasdaq-listed security;
- the immediate liquidity to FBLB shareholders, and the certainty of the amount, reflected by the cash portion of the merger consideration;
- the treatment of the merger as a "reorganization" within the meaning of Section 368(a) of the Code with respect to FBLB common stock exchanged for Heartland common stock in the merger;
- the value of the merger consideration compared to the current and projected book value of FBLB and compared to similar recent transactions in the industry;
- the financial presentation of Stephens, dated December 12, 2017, to the FBLB board of directors and the opinion of Stephens, dated as of December 12, 2017, to the FBLB board of directors to the effect that, as of December 12, 2017, and subject to the assumptions, limitations and qualifications set forth in the opinion, the merger consideration was fair, from a financial point of view, to the disinterested shareholders of FBLB, as more fully described below under the section of this proxy statement/prospectus entitled "Background and Reasons for the Merger—Opinion of FBLB's Financial Advisor" beginning on page 22;
- the terms of the merger agreement and the presentation by FBLB's legal advisors regarding the merger and the merger agreement;
- Heartland's agreement to provide certain benefits to the employees of FB&T;
- the regulatory and other approvals required in connection with the merger and the likelihood that the approvals needed to complete the merger will be obtained within a reasonable time and without unacceptable conditions; and
- the likelihood of Heartland consummating the merger based upon Heartland's history of completing other merger transactions.

The FBLB board of directors also considered potential risks and potentially negative factors concerning the merger in connection with its deliberations of the proposed transaction, including the following material factors:

- the challenges of integrating FB&T into the Heartland organization;
- the potential risk of diverting management focus and resources from other strategic opportunities and from operational matters while working to implement the merger;
- the risks and costs to FBLB if the merger is not completed;
- the fact that the merger consideration, a large component which consists of shares of Heartland common stock, provides less certainty of value to FBLB shareholders compared to a transaction in which they would receive only cash consideration;
- the potential for a decline in the value of Heartland common stock – whether before or after consummation of the merger – reducing the value of the consideration received by FBLB's shareholders;
- the provisions of the merger agreement restricting FBLB from soliciting acquisition proposals or, subject to certain exceptions, engaging in negotiations concerning or providing nonpublic information to any person relating to an acquisition proposal, as well as those provisions obligating FBLB to pay a termination fee following the termination of the merger agreement under certain circumstances;
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the provisions related to the portion of the merger consideration that is subject to holdback pending the resolution of certain matters related to FBLB's "S corporation" status and the risks related to the request for relief from the IRS;

the requirement that FBLB conduct its business in the ordinary course and other restrictions on the conduct of FBLB's business before completion of the merger, which may delay or prevent FBLB from undertaking business opportunities that may arise before completion of the merger;

- the fact that gains from the cash component of the merger consideration would generally be taxable to FBLB's U.S. shareholders for U.S. federal income tax purposes;
- the risk that the anticipated benefits of the merger may not be realized or may take longer than expected to be realized;
- the potential for unintended delays in the regulatory approval process; and

the interests of certain of FBLB's directors and executive officers in the merger that are different from, or in addition to, their interests as FBLB shareholders, which are further described in the section of this joint proxy statement/prospectus titled "Background and Reasons for the Merger—Certain Interests of FBLB's Directors and Executive Officers in the Merger" beginning on page 28.

The foregoing discussion of the factors considered by the FBLB board of directors is not intended to be exhaustive, but is believed to include the material factors considered. The FBLB board of directors collectively reached the unanimous conclusion to approve the merger agreement and the merger in light of the various factors described above and other factors that each member of the board of directors determined was appropriate. In view of the wide variety of the factors considered in connection with its evaluation of the merger and the complexity of these matters, the FBLB board of directors did not find it useful, and did not attempt, to quantify, rank or otherwise assign relative weights to these factors. In considering the factors described above, the individual members of the FBLB board of directors may have given different weight to different factors. The board of directors conducted an overall analysis of the factors described above, including thorough discussions with FBLB management and FBLB's advisors, and considered the factors overall to be favorable to, and to support, its determination to approve the merger. FBLB's board of directors unanimously recommends that holders of FBLB common stock vote "FOR" the merger agreement and the transactions contemplated by the merger agreement.

Opinion of FBLB's Financial Advisor

Stephens was retained to serve as financial advisor to FBLB in connection with any business combination transaction involving FBLB. As part of its engagement, FBLB requested the opinion of Stephens as to the fairness, from a financial point of view, to FBLB's disinterested shareholders of the consideration to be received by them in the merger pursuant to the merger agreement. On December 12, 2017, Stephens delivered its oral opinion to the board of directors and subsequently confirmed in a written opinion, dated December 12, 2017, that, as of that date and based upon and subject to the assumptions and qualifications stated in its written opinion, the cash and stock consideration to be exchanged by Heartland for the outstanding common stock of FBLB in the merger was fair, from a financial point of view, to the disinterested shareholders of FBLB.

Stephens provided the opinion described above for the information and assistance of the board of directors of FBLB in connection with its consideration of whether to approve the merger agreement. The terms of the merger, including the amount and form of the consideration payable pursuant to the merger agreement to FBLB's stockholders, were determined through negotiations between FBLB and Heartland, and were approved by the board of directors of FBLB. Stephens did not recommend the amount or form of consideration payable pursuant to the merger agreement. The full text of the opinion letter of Stephens, dated December 12, 2017, which sets forth assumptions made, procedures followed, matters considered, qualifications stated and limitations to the review undertaken in connection with its opinion is attached as Appendix C to this proxy statement/prospectus.

Stephens' opinion does not address the merits of the underlying decision by FBLB to enter into the merger, the merits of the merger as compared to other alternatives potentially available to FBLB or the relative effects of any alternative transaction in which FBLB might engage, nor is it intended to be a recommendation to any person as to how to vote on the proposal to approve the merger. In addition, except as explicitly set forth in Stephens' opinion, Stephens was not asked to address, and Stephens' opinion does not address, the fairness to, or any other consideration of, the holders of any class of securities, creditors or other constituencies of FBLB other than the disinterested stockholders. Stephens was not asked to express any opinion, and does not express any opinion, as to the fairness of the amount or nature of the compensation to any of FBLB's officers, directors or employees, or to any group of such officers, directors or

employees, relative to the compensation to other stockholders of FBLB, including (but not limited to) any consideration expected to be received by any such persons in connection with the merger. Stephens' fairness opinion committee approved the issuance of Stephens' opinion.

In connection with rendering its opinion Stephens:

- analyzed certain publicly available financial statements and reports regarding FBLB and Heartland;
- analyzed certain audited financial statements regarding FBLB and Heartland;
- analyzed certain internal financial statements and other financial and operating data concerning FBLB and Heartland prepared by management of FBLB and Heartland, respectively;
- analyzed, on a pro forma basis, the effect of the merger on the balance sheet, capitalization ratios, earnings and book value both in the aggregate and, where applicable, on a per share basis of Heartland;
- reviewed the reported prices and trading activity for the common stock of Heartland;
- compared the financial performance of FBLB and Heartland with that of certain other publicly-traded companies and their securities that Stephens deemed relevant to its analysis of the transaction;
- reviewed the financial terms, to the extent publicly available, of certain merger or acquisition transactions that Stephens deemed relevant to its analysis of the transaction;
- reviewed the most recent draft of the merger agreement and related documents provided to us by FBLB;
- discussed with management of FBLB and Heartland the operations of and future business prospects for FBLB and Heartland and the anticipated financial consequences of the transaction to FBLB and Heartland;
- assisted FBLB in its deliberations regarding the material terms of the transaction and negotiations with Heartland; and
- performed such other analyses and provided such other services as Stephens deemed appropriate.

Stephens has relied on the accuracy and completeness of the information and financial data provided by FBLB and Heartland and of the other information reviewed by Stephens in connection with the preparation of Stephens' opinion, and its opinion is based upon such information. Stephens has not assumed any responsibility for independent verification of the accuracy or completeness of any of such information and financial data. The management of FBLB and Heartland have assured Stephens that they are not aware of any relevant information that has been omitted or remains undisclosed to Stephens. Stephens has not assumed any responsibility for making or undertaking an independent evaluation or appraisal of any of the assets or liabilities of FBLB or Heartland, and Stephens has not been furnished with any such evaluations or appraisals; nor has Stephens evaluated the solvency or fair value of FBLB or Heartland under any laws relating to bankruptcy, insolvency or similar matters. Stephens has not assumed any obligation to conduct any physical inspection of the properties or facilities of FBLB or Heartland. With respect to the financial forecasts prepared by the management of FBLB, including the forecasts of potential cost savings or synergies, Stephens has assumed that such financial forecasts have been reasonably prepared and reflect the best currently available estimates and judgments of the management of FBLB as to the future financial performance of FBLB and that the financial results reflected by such projections will be realized as predicted. In addition, Stephens has not received or reviewed any individual credit files nor has Stephens made an evaluation of the adequacy of the allowance for loan losses of FBLB or Heartland. Stephens has not assumed any responsibility for making or undertaking an independent evaluation or analysis of the KSOP, and Stephens has not been furnished with any such evaluation or analysis. Stephens has relied solely on the information provided by FBLB regarding the KSOP. Stephens has also assumed that the representations and warranties contained in the merger agreement and all related documents are true, correct and complete in all material respects.

Stephens' opinion is necessarily based upon market, economic and other conditions as they exist and can be evaluated on, and on the information made available to Stephens as of, the date hereof. It should be understood that subsequent developments may affect the opinion and that Stephens does not have any obligations to update, revise or reaffirm its opinion. Stephens has assumed that the merger will be consummated on the terms of the latest draft of the merger agreement provided to Stephens, without material waiver or modification. Stephens has assumed that in the course of obtaining the necessary regulatory, lending or other consents or approvals (contractual or otherwise) for the merger, no restrictions, including any divestiture requirements or amendments or modifications, will be imposed that would have a material adverse effect on the contemplated benefits of the merger to FBLB or its shareholders. Stephens is not expressing any opinion herein as to the price at which the common stock or any other securities of FBLB will trade

following the announcement of the transaction.

The following is a summary of the material financial analyses performed and material factors considered by Stephens in connection with its opinion. Stephens performed certain procedures, including each of the financial analyses described below, and reviewed with FBLB's executive management and board of directors the assumptions upon which the analyses were based, as well as other factors. Although this summary does not purport to describe all of the analyses performed or factors considered by Stephens within this regard, it does set forth those considered by Stephens to be material in arriving at its opinion. The order of the summaries of analyses described does not represent the relative importance or weight given to those analyses by Stephens. It should be noted that in arriving at its opinion, Stephens did not attribute any particular weight to any

analysis or factor considered by it, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Accordingly, Stephens believes that its analysis must be considered as a whole and that considering any portion of such analyses and factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the process underlying its opinion.

Summary of Proposed Transaction. Pursuant to the merger agreement and for purposes of its opinion, Stephens assumed the consideration to be exchanged by Heartland for the outstanding FBLB common stock to have an aggregate value of \$185.6 million (which amount does not include the repayment of certain indebtedness of FBLB by Heartland), subject to potential adjustments as more fully defined in the merger agreement. Heartland will issue a total of 3,351,003 shares worth approximately \$168.1 million, based upon Heartland's common stock valued at \$50.15 per share (i.e., the closing price of a share of Heartland common stock on December 11, 2017), and pay an aggregate of \$17.5 million in cash to FBLB shareholders and holders of SARs. Based upon the unaudited financial information as of and for the 12 months ended September 30, 2017, Stephens calculated the following transaction multiples:

Transaction Value / Tangible Book Value:	2.22x
Transaction Value / Last Twelve Months ("LTM") Earnings ⁽¹⁾ :	14.2x
Transaction Value / 2018 Estimated Net Income ⁽¹⁾ :	13.5x
Core Deposit Premium:	16.4 %

(1) Reflects the impact of a 35% tax effect due to FBLB status as an "S corporation."

Note: The last 12 months net income of the acquired company based on the most recent available financial statements prior to announcement. Estimated 2018 net income based on assumptions provided by FBLB management.

Relevant Public Companies Analysis. Stephens compared the financial condition, operating statistics and market valuation of FBLB to selected relevant public companies. Stephens selected the companies outlined below because their relative asset size and financial performance, among other factors, are reasonably similar to FBLB; however, no selected company below is identical to FBLB. A complete analysis involves complex considerations and qualitative judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading values of the relevant public companies. Mathematical analysis (such as determining the mean or the median) is not in itself a meaningful method of using relevant public company data.

Stephens selected the following relevant public companies with assets between \$500 million and \$1.5 billion, with a last 12 months core return on average assets greater than 1.2% (total assets noted parenthetically):

- Citizens & Northern Corp. (\$1.3 billion)
- Parke Bancorp, Inc. (\$1.1 billion)
- Northeast Bancorp (\$1.1 billion)
- FS Bancorp, Inc. (\$994 million)
- Timberland Bancorp, Inc. (\$952 million)
- Plumas Bancorp (\$731 million)
- Union Bankshares, Inc. (\$705 million)

To perform this analysis, Stephens examined publicly available financial information as of and for the last twelve month period ended September 30, 2017, or the most recently reported period available, and the market trading multiples of the relevant public companies based on December 11, 2017 closing prices. The financial data included in the table presented below may not correspond precisely to the data reported in historical financial statements as a result of the assumptions and methods used by Stephens to compute the financial data presented. The table below contains selected information utilized by Stephens in the analysis:

	FBLB	25 th Percentile	Median	75 th Percentile
LTM Core Return on Average Equity ⁽¹⁾	17.1%	12.2%	13.6%	15.0%
LTM Core Return on Average Assets ⁽¹⁾	1.45%	1.33%	1.39%	1.47%
Tangible Common Equity / Tangible Assets	9.0%	9.6%	11.1%	11.8%
NPAs Plus 90 Days PD / Loans Plus OREO	1.1%	1.1%	1.4%	2.9%
Price / Tangible Book Value per Share	—	1.70x	1.83x	1.99x
Price / LTM EPS ⁽²⁾	—	13.7x	14.2x	16.7x
Core Deposit Premium	—	10.9%	12.9%	13.7%

(1) Core income defined as net income after taxes, but excluding extraordinary items, nonrecurring items and gain / loss on sale of securities.

(2) Reflects the impact of a 35% tax effect due to FBLB's status as an "S corporation." Source: SNL Financial

Relevant Texas Transactions Analysis. Stephens analyzed selected transaction multiples and related financial data for relevant transactions in Texas announced since January 1, 2013 with target assets between \$300 million and \$1.5 billion, with a last twelve months return on average assets greater than 1.0%. The following transactions were considered by Stephens because each acquired company's relative asset size, financial performance and markets of operation, among other factors, is reasonably similar to FBLB's (in each case, the first named company was the acquirer and the second named company was the acquired company and the transaction announcement date is noted parenthetically):

Southside Bancshares, Inc. / Diboll State Bancshares, Inc. (6/12/17)

BancorpSouth Bank / Central Community Corporation (1/22/14)

Cullen/Frost Bankers, Inc. / WNB Bancshares, Inc. (8/13/13)

First Financial Bankshares, Inc. / Orange Savings Bank, SSB (2/6/13)

Stephens considered these selected transactions to be reasonably similar, but not identical, to the merger. A complete analysis involves complex considerations and qualitative judgments concerning differences in the selected transactions and other factors that could affect the transaction values in those selected transactions to which the merger is being compared. Mathematical analysis (such as determining the mean or the median) is not in itself a meaningful method of using selected transaction data. Stephens compared certain proposed transaction multiples of the merger to the 25th percentile, median, mean and 75th percentile transaction multiples of the relevant transactions:

	FBLB	25 th Percentile	Median	75 th Percentile
Target LTM ROAE	17.1%	11.1%	11.7%	13.7%
Target LTM ROAA	1.45%	1.16%	1.24%	1.27%
Target NPAs / Total Assets	0.8%	0.7%	0.9%	1.6%
Target TCE / TA	9.0%	8.0%	9.1%	9.4%
Transaction Value / Tangible Book Value	2.22x	1.66x	2.10x	2.52x
Transaction Value / LTM Earnings ⁽¹⁾	14.2x	13.0x	13.1x	14.5x
Core Deposit Premium	16.4%	9.8%	12.4%	13.9%

(1) Reflects the impact of a 35% tax effect due to FBLB's status as an "S corporation." Source: SNL Financial

Relevant Nationwide Transactions Analysis. Stephens analyzed selected transaction multiples and related financial data for relevant nationwide transactions announced since January 1, 2015 with target assets between \$350 million and \$1.5 billion, with a last twelve months return on average assets between 1.2% and 2.0%. The following transactions were considered by Stephens because each acquired company's relative asset size and financial performance, among other factors, is reasonably

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similar to FBLB's asset size and financial performance (in each case, the first named company was the acquirer and the second named company was the acquired company and the transaction announcement date is noted parenthetically):

Independent Bank Group, Inc. / Integrity Bancshares, Inc. (11/28/17)
 Glacier Bancorp, Inc. / Inter-Mountain Bancorp, Inc. (10/26/17)
 First Financial Bankshares, Inc. / Commercial Bancshares, Inc. (10/12/17)
 Susser Bank Holdings, LLC / BancAffiliated, Inc. (9/21/17)
 Home Bancorp, Inc. / Saint Martin Bancshares, Inc. (8/23/17)
 Horizon Bancorp / Wolverine Bancorp, Inc. (6/14/17)
 Southside Bancshares, Inc. / Diboll State Bancshares, Inc. (6/12/17)
 Glacier Bancorp, Inc. / Columbine Capital Corporation (6/6/17)
 Bryn Mawr Bank Corporation / Royal Bancshares of Pennsylvania, Inc. (1/31/17)
 CVB Financial Corp. / Valley Commerce Bancorp (9/22/16)
 Equity Bancshares, Inc. / Community First Bancshares, Inc. (7/14/16)
 State Bank Financial Corporation / NBG Bancorp, Inc. (4/5/16)
 Charter Financial Corporation / CBS Financial Corporation (12/3/15)
 Heartland Financial USA, Inc. / Premier Valley Bank (5/26/15)

Stephens considered these selected transactions to be reasonably similar, but not identical, to the merger. A complete analysis involves complex considerations and qualitative judgments concerning differences in the selected transactions and other factors that could affect the transaction values in those selected transactions to which the merger is being compared. Mathematical analysis (such as determining the mean or the median) is not in itself a meaningful method of using selected transaction data. Stephens compared certain proposed transaction multiples of the merger to the 25th percentile, median, mean and 75th percentile transaction multiples of the relevant transactions:

	FBLB	25 th Percentile	Median	75 th Percentile
Target LTM ROAE	17.1%	10.9%	12.2%	13.3%
Target LTM ROAA	1.45%	1.21%	1.26%	1.35%
Target NPAs / Total Assets	0.8%	0.5%	0.9%	1.4%
Target TCE / TA	9.0%	7.6%	8.7%	9.9%
Transaction Value / Tangible Book Value	2.22x	1.65x	2.01x	2.30x
Transaction Value / LTM Earnings ⁽¹⁾	14.2x	12.7x	14.7x	17.3x
Core Deposit Premium	16.4%	9.6%		