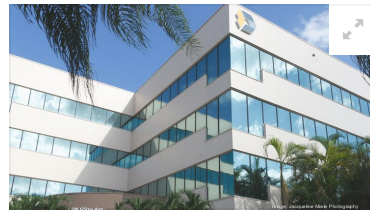


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BANKING & FINANCIAL SERVICES

Valley National Bank to acquire Bank Leumi USA in \$1.1B deal



Valley National Bank's office at 1 S.W. 129th Ave. in Pembroke Pines.

JACQUELINE MARIE PHOTOGRAPHY

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Avner Mendelson

Person

Joe Chillura

Person

Jeff Klink

Person



By Ashley Garrett
Digital Producer, South Florida Business Journal
3 months ago

Valley National Bancorp, the parent company of Wayne, New Jersey-based Valley National Bank, announced it will acquire the banking subsidiary of Bank Leumi Le-Israel B.M. for about \$1.15 billion in cash and stock.

Valley has 12 branches across Palm Beach, Broward and Miami-Dade counties. Per the agreement, Valley will acquire Bank Leumi USA and its five commercial offices in Aventura, New York, Chicago, Los Angeles, and Palo Alto, California.

Once the deal is completed, Bank Leumi shareholders will own more than 14% of Valley's stock. Bank Leumi shareholders will receive 3.8025 shares of Valley common stock and \$5.08 in cash for each share of Bank Leumi common stock.

The transaction is expected to close by late first quarter or early second quarter of 2022, subject to regulatory approvals and approval by Valley shareholders.

In a statement, Valley said the acquisition will make it the 29th largest publicly traded U.S. bank by assets. As of June 30, the bank held \$2.36 billion in deposits in the tri-county region, according to the Federal Deposit Insurance Corp.

Bank Leumi's Aventura office is its second-largest U.S. location, with a total of 66 bankers. As of June 30, the location held \$1.35 billion in deposits, according to FDIC data.

"After years of transformation, and significant growth establishing Bank Leumi USA as a top middle market bank, this merger is a natural step and strategic milestone in our growth journey," Avner Mendelson, CEO and president of Bank Leumi, said in a statement. "In Valley, we have found an unparalleled cultural and strategic partner with a shared client focus and commitment to building lasting relationships."

After entering the Florida market in 2014 with its acquisition of Boca Raton-based 1st United Bancorp, Valley has quickly expanded its footprint and services across the tri-county region. Joe Chillura, senior EVP and chief customer officer at Valley, told the *Business Journal* his company's acquisition of Bank Leumi will focus largely on

scaling and expanding existing business lines rather than adding physical branches.

“Over half of our growth presently is coming from Florida, which is a testament to our team’s hard work and the markets we’re in,” Chillura said. “Since 2014, all of our acquisitions have been focused on growing the organization from an organic and customer service standpoint, and the Bank Leumi purchase plays right to that strategy.”

Jeff Klink, regional president of Valley’s South & Central Florida markets, added that the bank’s latest acquisition positions it to further grow its Florida presence, as well as enter new markets in the Midwest and California.

“Our roadmap started seven years ago in terms of a commitment to Florida. Bank Leumi will be our fourth acquisition of a bank that was either headquartered in Florida or had a significant presence here,” Klink said. “To date, we’ve invested billions of dollars in acquiring and partnering with banks that have a presence in the state, and I don’t think that trend will change.”

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