



# Valley National Bancorp to Acquire CNLBancshares, Inc.

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Expanding Our Florida Presence



# Forward Looking Statements

The foregoing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to those regarding the proposed business combination (“Merger”) between Valley National Bancorp (“Valley”) (**NYSE:VLY**) and CNLBancshares, Inc. (“CNL”) (**OTC Pink: CNLB**). Such statements are not historical facts and include expressions about management’s confidence and strategies and management’s expectations about new and existing programs and products, relationships, opportunities, taxation, technology and market conditions. These statements may be identified by such forward-looking terminology as “expect,” “believe,” “view,” “opportunity,” “allow,” “continues,” “reflects,” “typically,” “usually,” “anticipate,” or similar statements or variations of such terms. Such forward-looking statements involve certain risks and uncertainties. Actual results may differ materially from such forward-looking statements. Factors that may cause actual results to differ from those contemplated by such forward-looking statements include, but are not limited to, the following: failure to obtain shareholder or regulatory approval for the merger of CNL with Valley or to satisfy other conditions to the merger on the proposed terms and within the proposed timeframe including, without limitation; delays in closing the Merger; reaction to the Merger of CNL’s customers and employees; the diversion of management’s time on issues relating to the Merger; the inability to realize expected cost savings and synergies from the Merger of CNL with Valley in the amounts or in the timeframe anticipated; changes in the estimate of non-recurring charges; costs or difficulties relating to integration matters might be greater than expected; changes in the stock price of Valley from the date of the merger announcement to the closing date; material adverse changes in Valley’s or CNL’s operations or earnings; the inability to retain CNL’s customers and employees; or a decline in the economy, mainly in New Jersey, New York and Florida, as well as the risk factors set forth in Valley’s Annual Report on Form 10-K for the year ended December 31, 2014. Neither Valley nor CNL assumes any obligation for updating any such forward-looking statement at any time.

## Additional Information and Where to Find it

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. In connection with the proposed merger, Valley intends to file a Registration Statement on Form S-4 that will include a proxy statement of CNL and a prospectus of Valley with the Securities and Exchange Commission. Valley may file other documents with the SEC regarding the proposed transaction. A definitive proxy statement/prospectus will be mailed to the shareholders of CNL. INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE, AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE COMMISSION, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders may obtain a free copy of the registration statement (when available), including the proxy statement/prospectus and other documents containing information about Valley and CNL at the Commission's website at [www.sec.gov](http://www.sec.gov). These documents may be accessed and downloaded for free at Valley's website at <http://www.valleynationalbank.com/filings.html> or by directing a request to Dianne M. Grenz, Executive Vice President, Valley National Bancorp, at 1455 Valley Road, Wayne, New Jersey 07470, telephone (973) 305-3380 or at [www.cnlbank.com](http://www.cnlbank.com) or by directing a request to Chirag Bhavsar, Executive Vice President and Chief Financial Officer, CNLBancshares, Inc. at 450 South Orange Avenue, Suite 400, Orlando, Florida 32801-3336 (mailing address: P.O. Box 4968, Orlando, Florida 32802-4968), telephone (407) 244-3100.

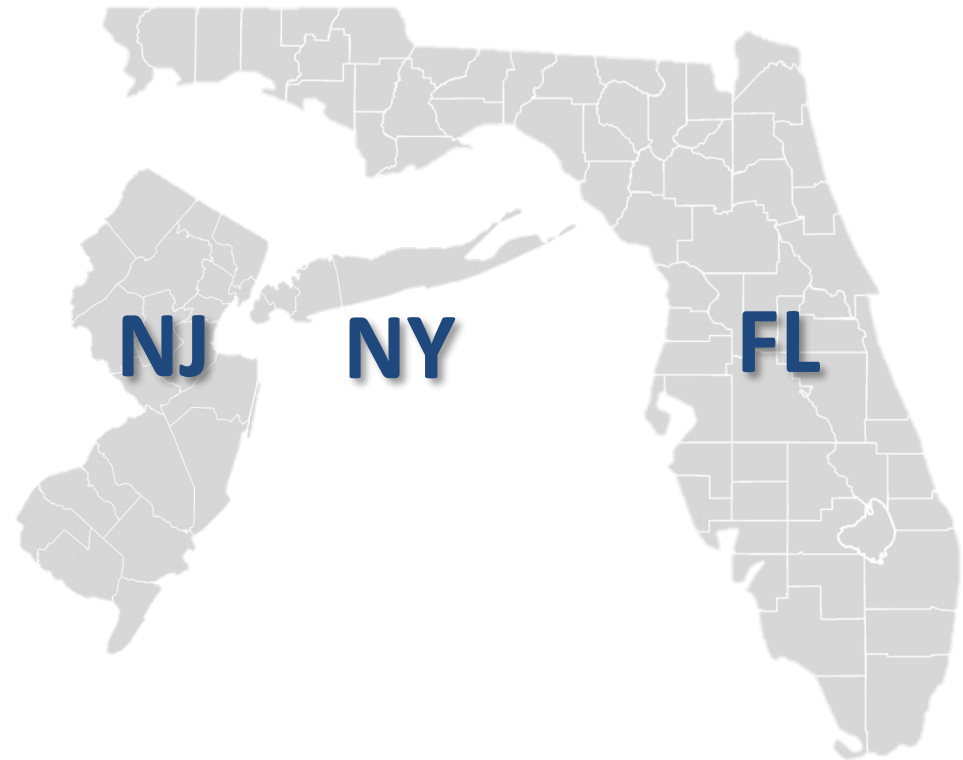
## Participants in the Solicitation

This communication is not a solicitation of a proxy from any security holder of CNL. However, Valley, CNL, their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies from CNL's shareholders in respect of the merger. Information regarding the directors and executive officers of Valley may be found in its definitive proxy statement relating to its 2015 Annual Meeting of Shareholders, which was filed with the Commission on March 12, 2015 and can be obtained free of charge from Valley's website. Information regarding the directors and executive officers of CNL may be found in the Registration Statement on Form S-4 when it becomes available, which can be obtained free of charge from CNL. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

# Strategic Vision

## Valley in 2017

- Maintain a commercial banking franchise with a diversified balance sheet
- Focus on expanding geographic footprint
- 3 of the best markets on east coast
- Initial entrée into Florida proved successful



### Management's Vision

Asset Size: ~\$25 Billion

Footprint: NJ/NY/FL

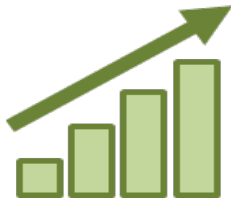
Organic / Acquisitions

# Strong Addition to Valley Franchise



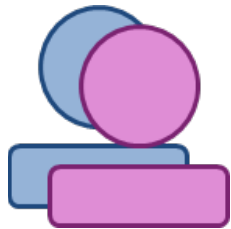
## Location

- Further Expansion into Our Targeted Urban Florida Markets
- New Attractive Markets
- High Growth Region



## Economics

- Expected to Be Accretive to EPS in 2016
- Cost Saves by Leveraging Valley's Current Infrastructure
- Enhances Valley's Long-Term Deposit Funding Capability
- Advantageous loan and deposit pricing



## Talent

- Exceptional Talent Being Acquired and Retained
- Strong Regional Management Structure
- Similar Corporate Culture

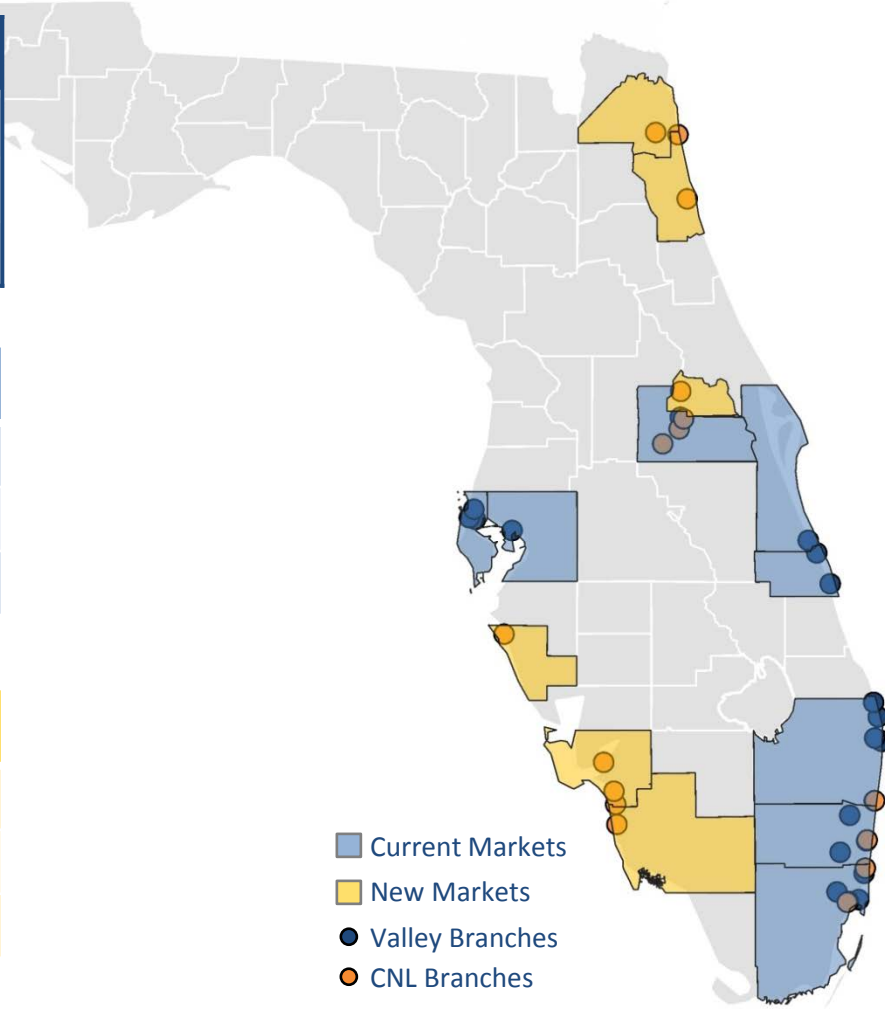
# Strategically Attractive Market

## Compliments Existing Franchise

Total Florida	
Loans	\$2.1 Billion
Deposits	\$2.5 Billion
Branches	36

Central - Tampa	
Loans	\$136 MM
Deposits	\$119 MM
Branches	4

Southwest	
Loans	\$121 MM
Deposits	\$266 MM
Branches	5



- Current Markets
- New Markets
- Valley Branches
- CNL Branches

Northeast	
Loans	\$155 MM
Deposits	\$187 MM
Branches	3

Central - Orlando	
Loans	\$513 MM
Deposits	\$510 MM
Branches	5

Southeast	
Loans	\$1,128 MM
Deposits	\$1,417 MM
Branches	19

# Strong Addition to Franchise



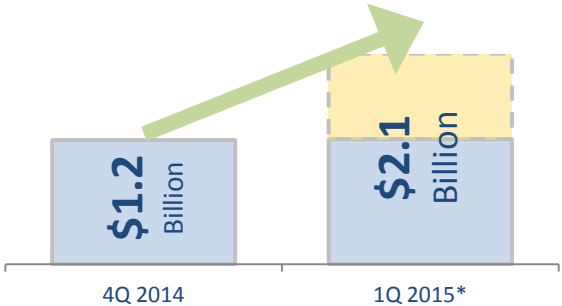
- Founded in 1999
- Headquartered in Orlando, FL
- Currently the 16<sup>th</sup> largest community bank headquartered in Florida by total deposits
- 16 branches focused in five of the six largest MSAs in the state (Orlando, Miami-Fort Lauderdale-West Palm Beach, Cape Coral-Fort Myers, Naples, Jacksonville and Bradenton)
- Enviable core deposit franchise with 39% non-interest bearing deposits
- Experienced management team/ market leaders with solid reputation

Financial Highlights	3/31/2015
Assets	\$1.4 Billion
Loans	\$833 Million
Deposits	\$1.1 Billion
Tangible Common Equity	\$123 Million
YTD ROAA	0.69%
YTD NIM	3.33%
TCE / TA*	9.01%
NPAs / Total Assets	2.66%
YTD Loan Growth (Annualized)	12.1%
Tangible Book Value per Common Share (period end)	\$4.71

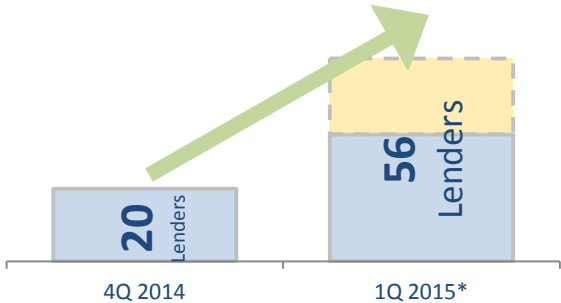
\*See Non-GAAP disclosures on slide 16.

# Valley Florida Focused Growth

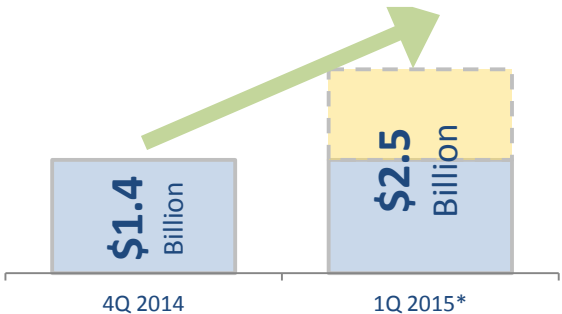
**Loan Growth: 70%**



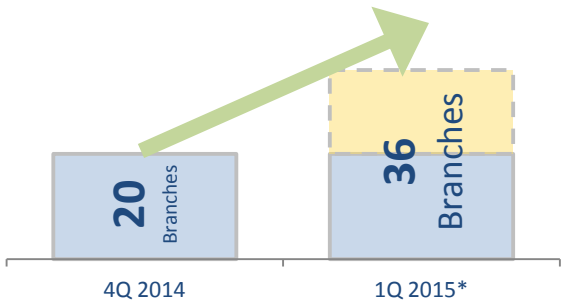
**Commercial Lenders: 180%**



**Deposit Growth: 80%**



**Branch Network: 80%**



■ VLY ■ CNL

Resulting institution represents a \$3 billion Florida franchise

\*1Q 2015 Pro-forma combined growth





# Financially Attractive Transaction

## Key Terms

Consideration & Structure	Structure	•100% common stock consideration; 0.75 / 1 exchange ratio*
	Transaction Value	•~\$207 million**
	Taxable / Non Taxable	•Anticipate a non-taxable merger transaction
Pricing Multiples <small>(Based on VLY 5/22/15 Close of \$9.75)</small>	Price / Tangible Book	•1.55x (does not include option consideration)
	Price / Fully Diluted Tangible Book	•1.68x**
	Price / 2015 Estimated EPS	•18.7x excluding projected cost saves •9.2x including projected cost saves
	Core Deposit Premium	•8.05%
Financial Impact & Assumptions	Earnings	•Estimated to be EPS accretive in 2016 (excludes substantial identified synergies)
	Tangible Book Value Earn-back	•Approximately 4.5 years (initial dilution of 1.64% inclusive of purchase accounting marks)
	Capital	•Immediately accretive to CETI, Tier I RBC ratios
	Loan Mark	•~3.2% of Loans
	Cost Saves	•~41% of 2014 of non-interest expense
	Transaction One-Time Charges	•~\$13.6 million after tax
Closing & Other	Due Diligence	•~80% of commercial loan portfolio reviewed by Valley's experienced staff
	Approvals	•Subject to customary regulatory and CNL shareholder approval for merger
	Management Transitions	•VLY inherits strong seasoned Florida bank management team
	Expected Closing	•4Q 2015

\*Exchange ratio subject to an adjustment as outlined in the merger agreement

\*\*Includes option consideration of \$16.2 million

# Pro-Forma Impact

## Financial Summary

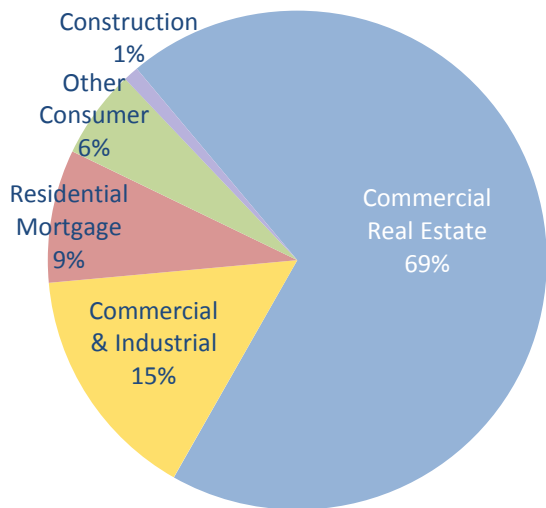
Financial Highlights*	CNL 3/31/2015	VLY Florida 3/31/2015	Florida Pro-Forma 3/31/2015	Valley 3/31/2015	Pro-Forma 3/31/2015
Assets (\$ Billion)	\$1.4	\$1.8	\$3.2	\$19.0	\$20.4
Loans (\$ Billion)	\$0.8	\$1.2	\$2.1	\$13.7	\$14.6
Deposits (\$ Billion)	\$1.1	\$1.4	\$2.5	\$14.2	\$15.3
Branches	16	20	36	224	240
TCE / TA *	9.01%			6.83%	6.84%
TCE / RWA *	11.99%			9.07%	9.06%
Leverage Ratio	7.10%			7.17%	7.20%
CETI	9.79%			9.45%	9.49%
Tier I RBC Ratio	9.79%			9.45%	9.49%
Total RBC Ratio	11.04%			11.35%	11.25%

\* See Non-GAAP disclosures on slide 16.

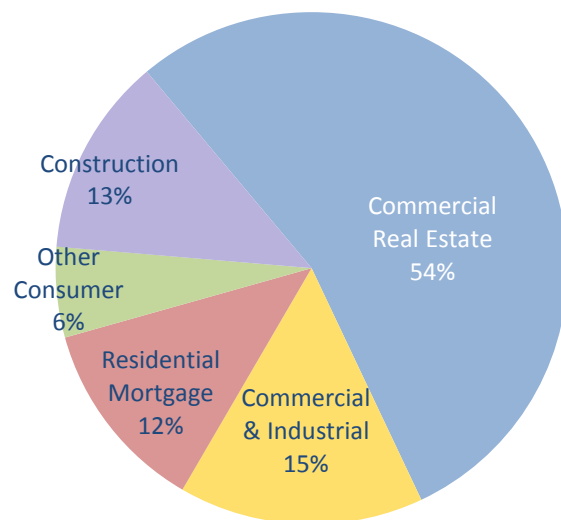
# Pro-Forma Florida Impact

## Complimentary Loan Composition

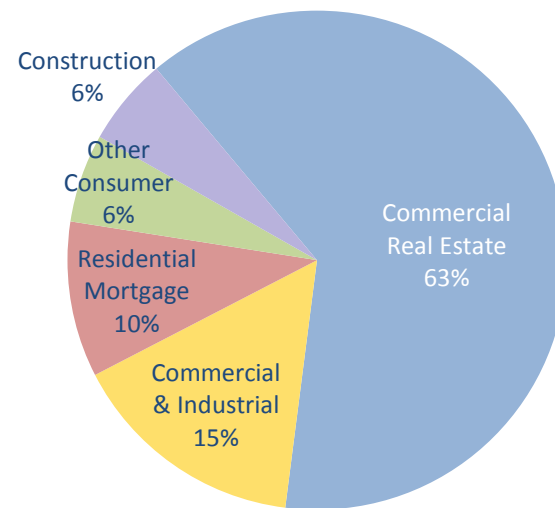
### Valley - Florida



### CNL



### Pro-Forma Florida



Loan Portfolio (millions)	Amount	%
Commercial Real Estate	\$846	69%
Commercial & Industrial	187	15%
Residential Mortgage	105	9%
Other Consumer	70	6%
Construction and Development	12	1%
<b>Total Loans</b>	<b>\$1,220</b>	<b>100%</b>

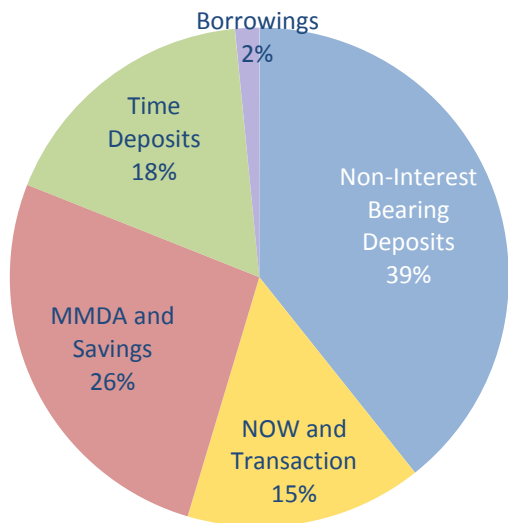
Loan Portfolio (millions)	Amount	%
Commercial Real Estate	\$450	54%
Commercial & Industrial	129	15%
Residential Mortgage	102	12%
Other Consumer	47	6%
Construction and Development	105	13%
<b>Total Loans</b>	<b>\$833</b>	<b>100%</b>

Loan Portfolio (millions)	Amount	%
Commercial Real Estate	\$1,296	63%
Commercial & Industrial	316	15%
Residential Mortgage	207	10%
Other Consumer	118	6%
Construction and Development	117	6%
<b>Total Loans</b>	<b>\$2,053</b>	<b>100%</b>

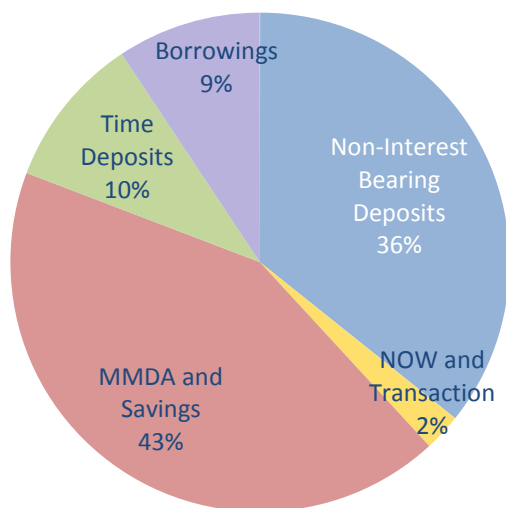
# Pro-Forma Florida Impact

## Attractive Funding Composition

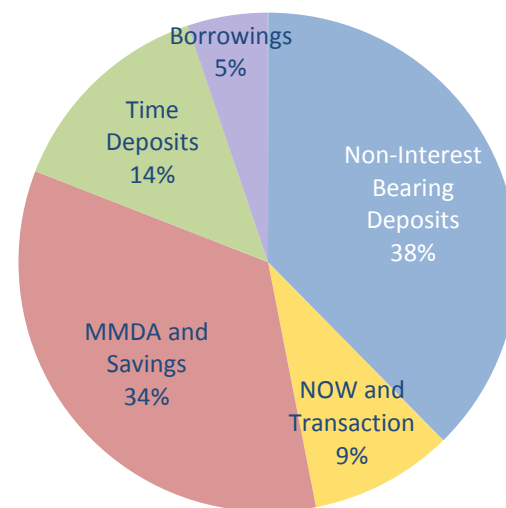
### Valley - Florida



### CNL



### Pro-Forma Florida



Funding Portfolio (millions)	Amount	%
Non-Interest Bearing Deposits	\$551	39%
NOW and Transaction	215	15%
MMDA and Savings	370	26%
Time Deposits	244	18%
Borrowings	22	2%
<b>Total Funding</b>	<b>\$1,402</b>	<b>100%</b>

Funding Portfolio (millions)	Amount	%
Non-Interest Bearing Deposits	\$441	36%
NOW and Transaction	30	2%
MMDA and Savings	526	43%
Time Deposits	122	10%
Borrowings	115	9%
<b>Total Funding</b>	<b>\$1,234</b>	<b>100%</b>

Funding Portfolio (millions)	Amount	%
Non-Interest Bearing Deposits	\$992	38%
NOW and Transaction	245	9%
MMDA and Savings	896	34%
Time Deposits	366	14%
Borrowings	137	5%
<b>Total Funding</b>	<b>\$2,636</b>	<b>100%</b>

# Products & Services

## Likely Synergies / Enhancements

### Lending Enhancements

- Increased Lending Limit
- Residential Lending
- Auto Lending

### Non-Interest Income

- Asset Management & Trust Services
- Insurance Services
- Customer Derivative Products

### Delivery Channels Enhancements

- 24/7 Customer Service
- Mobile Banking Application
- Mobile Deposit

# Keys to Execution Success

## Proven Acquirer & Retention of Key Personnel

- **Diligence**

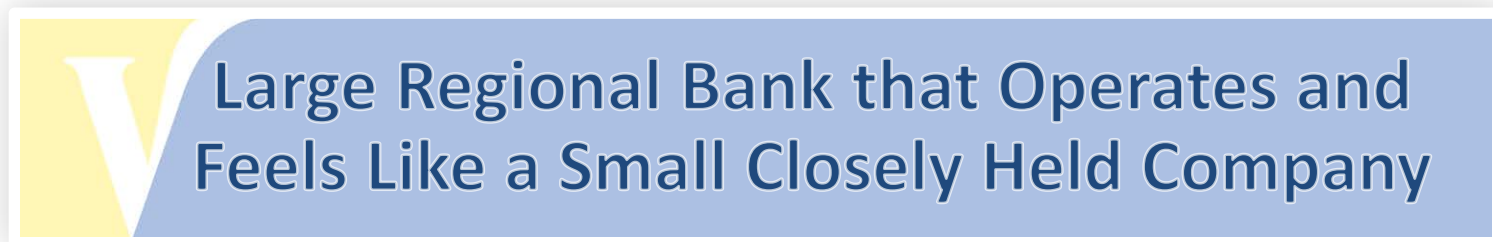
- **Systems / Processes**

- **People**

Year	Recent Bank Acquisitions	State	Asset Size	Days to Convert
2015	CNL Bank	FL	\$1.4 billion	
2014	1st United Bank	FL	\$1.7 billion	112
2012	State Bank of Long Island	NY	\$1.6 billion	90
2010	The Park Avenue Bank (FDIC)	NY	\$0.5 billion	91
2010	LibertyPointe Bank (FDIC)	NY	\$0.2 billion	86
2008	Greater Community Bank	NJ	\$1.0 billion	40
2005	NorCrown Bank	NJ	\$0.6 billion	50
2005	Shrewsbury State Bank	NJ	\$0.4 billion	51

# Valley National Bancorp

## Our Approach Will Not Change



- Continued focus on credit quality
- Measured growth strategies
- Operating in heavily populated footprints
- Strong customer service
- Experienced senior and executive management with significant depth
- Experienced commercial lender

# Non-GAAP Disclosure Reconciliations

## 3/31/2015

(\$ in Thousands)	VLY 3/31/2015	CNL 3/31/2015	Pro-Forma* 3/31/2015
Total Assets	\$18,980,010	\$1,365,101	\$20,425,782
Less: Goodwill & Other Intangible Assets	(612,558)	-	(717,421)
<b>Total Tangible Assets (TA)</b>	<b>\$18,367,452</b>	<b>\$1,365,101</b>	<b>\$19,708,361</b>
Total Equity	\$1,867,153	\$122,945	\$2,074,220
Less: Goodwill & Other Intangible Assets	(612,558)	-	(727,046)
<b>Total Tangible Common Equity (TCE)</b>	<b>\$1,254,595</b>	<b>\$122,945</b>	<b>\$1,347,174</b>
<b>Risk Weighted Assets (RWA)</b>	<b>\$13,835,799</b>	<b>\$1,025,589</b>	<b>\$14,861,388</b>
<b>Ratios</b>			
TCE / TA	6.83%	9.01%	6.84%
TCE / RWA	9.07%	11.99%	9.06%

\* Pro-Forma includes estimated purchase accounting adjustments