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

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 OR 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **July 26, 2018**

**META FINANCIAL GROUP, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation)

**0-22140**  
(Commission File Number)

**42-1406262**  
(IRS Employer Identification No.)

**5501 South Broadband Lane, Sioux Falls, South Dakota 57108**  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(605) 782-1767**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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 13(a) of the Exchange Act. ☐

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## **Item 2.02 Results of Operations and Financial Condition.**

On July 26, 2018, the Registrant issued a press release announcing its results of operations and financial condition as of and for the three and nine months ended June 30, 2018. A copy of the press release is attached as Exhibit 99.1 to this report and is incorporated into this Item 2.02 by reference.

The information in this Item 2.02, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities thereof, nor shall it be deemed to be incorporated by reference in any filing under the Exchange Act or under the Securities Act of 1933, as amended (the “Securities Act”), except to the extent specifically provided in any such filing.

## **Item 7.01 Regulation FD Disclosure.**

Information is being furnished herein in Exhibit 99.2 with respect to the Investor Update slide presentation prepared for use with the press release. While most of the selected financial information furnished herein is derived from the Company’s consolidated financial statements and related notes prepared in accordance with generally accepted accounting principles (“GAAP”) and management’s discussion and analysis of financial condition and results of operations included, or to be included, in the Company’s reports on Forms 10-K and 10-Q, this information includes selected financial and operational information through the third quarter of fiscal year 2018 and does not represent a complete set of financial statement and related notes prepared in conformity with GAAP. The Company’s annual financial statements are subject to independent audit. The Investor Update slide presentation is dated July 26, 2018 and the Company does not undertake to update the materials after that date.

The information in this Item 7.01, including Exhibit 99.2, shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities thereof, nor shall it be deemed to be incorporated by reference in any filing under the Exchange Act or under the Securities Act, except to the extent specifically provided in any such filing.

## **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b><u>Exhibit Number</u></b>	<b><u>Description of Exhibit</u></b>
<u>99.1</u>	Press Release of Meta Financial Group, Inc., dated July 26, 2018 regarding the results of operations and financial condition.
<u>99.2</u>	Investor Update slide presentation for the Third Quarter of Fiscal Year 2018, dated July 26, 2018, prepared for use with the Press Release.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

META FINANCIAL GROUP, INC.

Date: July 26, 2018

By: /s/ Glen W. Herrick

Glen W. Herrick

Executive Vice President, Chief Financial Officer  
and Secretary

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## EXHIBIT INDEX

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## Meta Financial Group, Inc. ® Reports Net Income of \$6.8 million for Third Quarter of Fiscal 2018

### Crestmark Bancorp, Inc. Acquisition Anticipated to Close August 1, 2018

Sioux Falls, S.D., July 26, 2018 (GLOBE NEWSWIRE) -- Meta Financial Group, Inc. ® (Nasdaq: CASH) ("Meta" or the "Company") recorded net income of \$6.8 million , or \$0.70 per diluted share, for the three months ended June 30, 2018 , compared to net income of \$9.8 million , or \$1.04 per diluted share, for the three months ended June 30, 2017 , a decrease of 31% . The 2018 fiscal third quarter pre-tax results included a \$3.0 million provision for loan losses related to the Company's purchased student loan portfolios, \$2.4 million of merger and acquisition-related expenses, and \$0.8 million of expense related to the Company's early termination of a vendor contract. As previously disclosed, the Company expects to recover a substantial portion of the unearned premiums related to the purchased student loan portfolios in the future. The 2018 fiscal third quarter pre-tax results also included \$1.7 million in amortization of intangible assets and \$1.3 million in non-cash stock-related compensation associated with executive officer employment agreements.

"We're very pleased with the continued success of Meta's highly differentiated and diversified financial services model, as our teams work to expand their businesses, implement innovative programs with our partners, and maintain rigorous discipline around risk management and underwriting," said Chairman and CEO J. Tyler Haahr. "While Meta continued to execute its organic growth strategy during the 2018 fiscal third quarter, we also made great progress on the pending acquisition of national commercial lender Crestmark Bancorp. All necessary shareholder and bank regulatory approvals were obtained during Meta's fiscal third quarter, and the deal is expected to close on August 1, 2018. We remain confident in our financial expectations for this immediately accretive acquisition, as well as the strategic value this combination of businesses and balance sheets is expected to provide over the long term. We look forward to officially welcoming our newest colleagues from Crestmark when they join Meta in the days ahead."

#### Highlights for the 2018 Fiscal Third Quarter Ended June 30, 2018

- Total loans receivable, net of allowance for loan losses, increased \$366.0 million , or 30% , at June 30, 2018 , compared to June 30, 2017 .
- The Company successfully launched two consumer credit product programs, and loan originations from those programs totaled \$27.0 million for the three months ended June 30, 2018 . The Company anticipates its consumer credit originations to exceed \$45.0 million in the fourth quarter of fiscal 2018. As previously announced, a third program is expected to pilot launch during the latter part of the fiscal fourth quarter of 2018, but the Company anticipates limited volumes from that program for the fourth quarter.
- Net interest income was \$28.4 million in the 2018 fiscal third quarter, an increase of \$3.5 million , or 14% , compared to \$24.9 million in the 2017 fiscal third quarter.
- The Company recorded a provision for loan losses of \$5.3 million for the three months ended June 30, 2018 , compared to \$1.2 million for the same period of the prior year. The provision for the 2018 fiscal third quarter includes the aforementioned \$3.0 million purchased student loan portfolio-related provision.
- Total tax product fee income increased \$1.6 million , or 29% , from \$5.7 million for the three months ended June 30, 2017 to \$7.3 million for the three months ended June 30, 2018, and provision for loan losses related to tax services loans increased \$0.8 million to \$1.2 million over the same period. Overall pre-tax income related to the 2018 tax season is still expected to be close to, but less than, the previous year's tax season.

- Payments division average deposits increased \$207.5 million , or 9% , for the 2018 fiscal third quarter when compared to the same quarter of fiscal 2017.
- Non-performing assets ("NPAs") were 0.86% of total assets at June 30, 2018 , compared to 1.17% at June 30, 2017 .

## Business Updates

- In mid-July 2018, the Company entered into a first-out participation agreement in a highly secured, consumer receivable asset-based warehouse line of credit. The Company holds a senior position, providing up to \$65.0 million, with the subordinate party contributing up to \$100.0 million, thereby enhancing the Company's position with significant subordination. The Company expects to realize a variable yield with a floor of 6%.
- MetaBank was named a continuing fiscal agent for the United States Department of the Treasury's Bureau of the Fiscal Service. Meta has served as a financial agent and issuing bank since October 2016 for the Bureau's U.S. Debit Card Program, which allows federal agencies to deliver payments through prepaid debit cards, rather than checks, cash or other non-electronic payment methods, effectively reducing costs.
- On [June 28, 2018](#) , Meta announced that all necessary bank regulatory approvals relating to the acquisition of Crestmark Bancorp, Inc. ("Crestmark"), the holding company for its Michigan state-chartered bank subsidiary, Crestmark Bank, were received, and the transaction is expected to close on Wednesday, August 1, 2018. In addition, on [May 29, 2018](#) , Meta announced the results of its Special Meeting of Shareholders. At the special meeting, Meta's shareholders approved the proposal to adopt the Agreement and Plan of Merger, entered into by Meta, MetaBank, Crestmark and Crestmark Bank as of January 9, 2018 (the "Merger Agreement"), and to approve the merger of Meta and Crestmark and the other transactions contemplated by the Merger Agreement.
- On [June 20, 2018](#) , Meta announced that, on June 18, 2018, the Company received written notification from ReliaMax Surety Company ("ReliaMax"), the entity providing insurance for the Company's purchased student loans, informing policy holders that the South Dakota Division of Insurance had filed a petition to have ReliaMax declared insolvent and to adopt a plan of liquidation. The Company expects to ultimately recover a substantial portion of the unearned premiums and anticipates realized pre-tax yields, net of on-going provision for credit losses and direct servicing costs, for the portfolios to range between 5.50% and 7.50%.
- On June 20, 2018, Meta announced its entry into an agreement with Global Cash Card, Inc. ("GCC") to extend their agreement through 2022. GCC is a leading provider of paycard solutions, specializing in paperless payroll and direct deposit distribution for its clients.
- Meta Capital, LLC, a wholly-owned subsidiary of MetaBank, was formed in April 2017 by the Company to help drive innovation by evaluating and investing primarily in financial technology companies. From its formation through June 30, 2018, Meta Capital, LLC has invested a total of \$5.0 million in early-to mid-stage financial technology companies, with an additional \$0.5 million in outstanding investment commitments.

## Financial Summary

### Revenue

Total revenue for the fiscal 2018 third quarter was \$61.6 million , compared to \$55.8 million for the same quarter in fiscal 2017, an increase of \$5.8 million , or 11% . This increase was primarily due to expansion in interest income realized from growth in community banking and national lending loan portfolios. An increase in total tax product fee income and deposit fee income also led to the total revenue increase period over period.

### Net Income

The Company recorded net income of \$6.8 million , or \$0.70 per diluted share, for the three months ended June 30, 2018 , compared to net income of \$9.8 million , or \$1.04 per diluted share, for the three months ended June 30, 2017 . The decrease in net income was due to an increase of \$6.8 million in non-interest expense and a \$4.1 million increase in provision for loan losses, partially offset by increases of \$3.5 million in net interest income and \$2.4 million in non-interest income, along with a decrease in income tax expense of \$2.0 million .

The 2018 fiscal third quarter pre-tax results included a \$3.0 million provision for loan losses related to the Company's purchased student loan portfolios, \$2.4 million of merger and acquisition-related expenses, \$1.7 million of amortization of intangible assets, and \$0.8 million of expense related to the Company's early termination of a vendor contract. The Company expects to recover a substantial portion of the unearned premiums related to the purchased student loan portfolios in the future. In addition, pre-tax results included \$1.3 million in non-cash stock-related compensation related to the previously disclosed employment agreements signed by three executive officers (see Select Quarterly Expenses table).

#### **Net Interest Income**

Net interest income for the fiscal 2018 third quarter was \$28.4 million, up \$3.5 million, or 14%, from the same quarter in 2017, due to an enhanced interest-earning asset mix primarily due to increases in the community banking and national lending loan portfolios and higher corresponding rates when compared to investments, particularly Mortgage-Backed Securities ("MBS"). The quarterly average outstanding balance of loans from all sources as a percentage of interest-earning assets increased from 33% as of the end of the third fiscal quarter of 2017 to 40% as of the end of the third fiscal quarter of 2018. The Company expects this to increase to approximately 55% as of the end of the fourth quarter of fiscal 2018 following the closing of the Crestmark acquisition and continue to grow that percentage from there. In addition, lower-yielding agency MBS decreased from 22% of interest-earning assets in the fiscal third quarter of 2017 to 16% of interest-earning assets for the same quarter in 2018. Net interest income for the fiscal 2018 third quarter was up \$1.0 million from the Company's fiscal 2018 second quarter, primarily due to an increase in higher-yielding loan balances, along with a decrease in interest expense, primarily driven by lower average interest-bearing liabilities.

#### **Net Interest Margin**

Tax equivalent net interest margin ("NIM") was 3.23% in the fiscal 2018 third quarter, a decrease of two basis points from 3.25% in the fiscal 2017 third quarter. The decrease was primarily related to the change in the corporate tax rate resulting from the Tax Cuts and Jobs Act (the "Tax Act"). Excluding changes resulting from the adoption of the Tax Act, the reported NIM of 3.23% would have been 3.42%.

During the fiscal third quarter of 2018, the Company sold longer term tax-exempt municipal securities and replaced such securities with floating-rate, government-related asset-backed securities. The Company anticipates a slight decrease in overall portfolio yield for the fourth quarter of fiscal 2018 but expects to benefit in the quarters to follow assuming short-term rates continue to increase. This decrease in the overall portfolio yield, in addition to likely seasonal increases in the prepayment speeds of the MBS and mortgage-related municipal portfolio, will likely result in a slightly lower NIM in the fiscal fourth quarter of 2018, when excluding the effects of the pending Crestmark acquisition, and a slightly better relative NIM in the immediate succeeding quarters.

The overall reported tax equivalent yield ("TEY") on average earning asset yields increased by 13 basis points to 3.82% when comparing the fiscal 2018 third quarter to the 2017 third fiscal quarter, which was driven primarily by the Company's improved earning asset mix, with increased exposure to its commercial insurance premium finance, consumer, and community banking loan portfolios. The reported 3.82% TEY on earning assets reflects the lowered corporate prorated tax rate of the Company's tax-exempt securities portfolio. Had corporate tax rates remained at previous rates, excluding changes resulting from the adoption of the Tax Act, reported TEY on earning assets would have been 4.01%, or a 19 basis point increase.

The fiscal 2018 third quarter TEY on the securities portfolio decreased by nine basis points to 3.11% compared to the same period of the prior year TEY of 3.20%, primarily due to the adoption of the Tax Act, which lowered the TEY on tax-exempt securities. Had corporate tax rates not changed due to the Tax Act, reported securities portfolio TEY yield would have increased to 3.43% for the fiscal 2018 third quarter due to new investments in higher-yielding investment securities.

The Company's average interest-earning assets for the fiscal 2018 third quarter grew by \$244.9 million , or 7% , to \$3.87 billion , from the comparable quarter in 2017, primarily from growth in the loan portfolio of \$356.6 million , of which \$212.6 million was attributable to community banking loans and \$144.0 million was due to an increase in national lending loans. This increase was partially offset by a decrease in total investment securities of \$128.1 million . The Company's management believes it has the flexibility to reasonably manage total balance sheet growth moving forward, if needed.

Overall, the Company's cost of funds for all deposits and borrowings averaged 0.62% during the fiscal 2018 third quarter, compared to 0.45% for the 2017 third quarter. This increase was primarily due to an increase in short-term funding rates. The Company's overall cost of deposits was 0.29% in the fiscal third quarter of 2018, compared to 0.15% in the same quarter of 2017. When excluding wholesale deposits, which were utilized at advantageous rates in place of overnight borrowings during the third quarter of fiscal 2018, the Company's cost of deposits for the third quarter of fiscal 2018 would have been 0.04% .

#### **Non-Interest Income**

Fiscal 2018 third quarter non-interest income of \$33.2 million increased \$2.4 million , or 8% , from \$30.8 million in the same quarter of 2017, largely due to an increase in total tax product fee income of \$1.6 million , or a 29% increase, and an increase in deposit fee income of \$0.9 million , when comparing the current quarter to the same period of the prior year. Partially offsetting the increases, card fee income decreased \$0.2 million , or 1% , to \$22.8 million from the same quarter of the prior year.

The increase in total tax product fee income was primarily due to an increase in refund transfer fees of \$1.6 million . When comparing pre-tax income for the tax services business, the 2018 fiscal first and third quarters were higher than the same periods of the prior year, while the 2018 fiscal second quarter was lower than the same period of the prior year due to different program and product structures and in part due to payment processing, as anticipated IRS delays flowed into April and shifted some of that revenue into the Company's third quarter. Total fiscal 2018 year-to-date pre-tax income through June 30, 2018 for our tax services business declined approximately \$2.9 million, or 6%, compared to the same nine-month period of fiscal 2017. Overall pre-tax income related to the 2018 tax season is still expected to be close to, but less than, the previous year's tax season. As previously disclosed, the Company experienced refund advance margin compression caused largely by an increase in average loan size and change in provider mix, with some partners performing better and others performing below our original expectations. Management views the 2018 overall tax season positively given the loss of a significant tax partner that provided approximately half of the Company's 2017 refund advance loans.

The increase in deposit fee income was related to the transition from card fee income to deposit fee income and growth of certain fees in fiscal year 2018, in each case, from a product in the Company's payments division. This change also contributed to the slight decrease in card fee income. If these particular fees would have remained as card fee income, card fee income would have increased 3% when comparing the fiscal 2018 third quarter to the same period of the prior year.

A reduction in residual fee income related to a wind-down of two of our non-strategic partners also led to the slight decrease in card fee income when comparing the current quarter to the same period of the prior year. When excluding residual fee income, card fee income would have increased 3% when comparing the current quarter to the same period of the prior year. The Company expects growth in card fee income to be moderated by declining residual fee income through fiscal year 2019. The Company expects total 2018 fiscal year card fee income to be between \$95 million and \$100 million and expects total 2018 fiscal year card fee expense to be between \$24 million and \$29 million.



## Non-Interest Expense

Non-interest expense increased \$6.8 million , or 16% , to \$49.1 million for the 2018 fiscal third quarter, compared to the same quarter in 2017. This increase was primarily caused by increases of \$2.2 million in compensation and benefits expense, \$1.4 million in legal and consulting expense, \$1.4 million in other expenses, \$1.3 million in card processing expense and \$0.7 million in occupancy and equipment, offset in part by a decrease of \$0.2 million in amortization expense. The increase in compensation and benefits expense was primarily due to increased staffing to support the Company's growing business initiatives in consumer credit, the business to be conducted following the consummation of the proposed acquisition of Crestmark, and growth in other business units. Non-interest expense was also impacted by start-up expenses associated with Meta's new national consumer lending initiatives. The integration of EPS Financial and Specialty Consumer Services allowed the Company to gain scale and cost savings in the tax services divisions this fiscal year, and the Company expects to gain further efficiencies during the remainder of fiscal 2018 . During the fiscal 2018 third quarter, the Company had \$2.4 million of merger and acquisition-related expenses. As previously disclosed in the fiscal 2018 second quarter, the Company expects to record additional intangible amortization expense of between \$6 million and \$10 million for fiscal year 2019, attributable to the proposed Crestmark acquisition. The Company expects to provide an update after further analysis and valuation is completed. See Select Quarterly Expenses table for a breakdown of current anticipated select expenses for future quarters.

Income tax expense for the fiscal 2018 third quarter was \$0.5 million , resulting in an effective tax rate of 6.5% , compared to \$2.5 million , or an effective tax rate of 20.5% , for the 2017 fiscal third quarter. The income tax expense and effective tax rate decreased primarily due to decreased annual projected earnings for fiscal 2018 from the prior quarter projection and the corresponding adjustment for the prior quarters made in the third quarter of fiscal 2018. Also, contributing to the decrease in income tax expense were the provisions of the Tax Act, which lowered Meta's statutory federal corporate tax rate from 35% in fiscal year 2017 to 24.53% in fiscal year 2018, and reduced earnings before tax in the third quarter of fiscal year 2018.

## Loans

Total loans receivable, net of allowance for loan losses, increased \$366.0 million , or 30% , from \$1.21 billion at June 30, 2017 , to \$1.58 billion at June 30, 2018 . Among lending categories, this included a \$222.6 million , or 45% , increase in commercial real estate loans from \$493.9 million at June 30, 2017 to \$716.5 million at June 30, 2018 . Also contributing to the loan growth at June 30, 2018 as compared to June 30, 2017 were an increase of \$86.0 million , or 50% , from \$172.2 million to \$258.2 million in consumer loans, of which \$48.7 million was attributable to purchased student loan portfolios and \$26.6 million to consumer credit products, an increase in commercial insurance premium finance loans of \$72.0 million , or 31% , from \$231.6 million to \$303.6 million , and an increase in residential mortgage loans of \$24.1 million , or 13% , from \$190.7 million to \$214.8 million . The growth in net loans receivable from June 30, 2017 , to June 30, 2018 , was partially offset by a decrease of \$37.9 million , or 39% , from \$98.0 million to \$60.1 million in total agricultural loans, which made up only 1.44% of total assets at June 30, 2018 . Community banking loans increased \$209.8 million , or 25% , from \$839.1 million at June 30, 2017 , to \$1.05 billion at June 30, 2018 , which reflected the reduction in total agricultural loans of \$37.9 million .

The Company's allowance for loan losses was \$21.9 million , or 1.4% of total loans, at June 30, 2018 , compared to an allowance of \$15.0 million , or 1.2% of total loans, at June 30, 2017 . This increase was primarily due to an increase in the provision for loan losses related to the Company's purchased student loan portfolios and additional tax services provision expense. The additional tax services provision expense was due to an increased balance of tax services loans at June 30, 2018 as compared to June 30, 2017, as the Company held all loans on the balance sheet during fiscal 2018. Also, as a result of demonstrated repayments in previous tax seasons, all tax services loans are expected to be collected or written off by the end of the 2018 calendar year. The Company recorded a provision for loan losses of \$5.3 million during the three months ended June 30, 2018 , compared to \$1.2 million for the three months ended June 30, 2017 . This increase in provision was predominantly driven by the previously mentioned \$3.0 million provision for loan losses related to the Company's purchased student loan portfolios. As noted above, the Company expects to recover a substantial portion of the unearned premiums related to the purchased student loan portfolios in the future. However, the Company expects to recognize ongoing provision expense of \$0.6 million to \$0.8 million per quarter on its purchased student loan portfolios until the recovery is collected, which could be a year or longer. The period over period increase was also driven by a \$0.8 million increase in tax services provision. Of the fiscal 2018 third quarter total provision, \$0.3 million was related to the \$26.6 million of outstanding consumer credit product loan balances.

#### **Credit Quality**

MetaBank's NPAs at June 30, 2018 , were \$35.7 million , representing 0.86% of total assets, compared to \$47.0 million and 1.17% of total assets at June 30, 2017 , and \$37.9 million and 0.72% at September 30, 2017. The decrease in NPAs at June 30, 2018 from June 30, 2017 was primarily related to the payment in full of a previously disclosed \$7.0 million nonperforming agricultural loan relationship during the first quarter of fiscal 2018. The increase in NPAs as a percentage of total assets from September 30, 2017 to June 30, 2018 was primarily due to a decrease in total assets of \$1.06 billion .

#### **Investments**

Investment securities and MBS decreased by \$238.3 million , or 10% , to \$2.15 billion at June 30, 2018 , as compared to \$2.39 billion at June 30, 2017 . This included a decrease of \$199.6 million in MBS and \$38.7 million in investment securities, which amounts were used to fund the Company's growing loan portfolio and in anticipation of the pending Crestmark acquisition.

Average TEY on the total securities portfolio decreased nine basis points to 3.11% in the third quarter of fiscal 2018 from 3.20 % in the same quarter of 2017. Overall TEY of other investment securities decreased by 32 basis points from 3.63 % to 3.31% in the third quarter of 2018 compared to the same period of 2017, primarily due to the effects of the Tax Act and a reduction of TEY due to the reduced overall tax rate. Average yields increased within MBS by 23 basis points to 2.56% in the third quarter of 2018 from 2.33% in the same quarter of 2017. Average yields on asset-backed securities increased to 3.25% in the third quarter of 2018 from 2.66% in the same quarter of 2017.

The TEY on the total securities portfolio of 3.11% for the third fiscal quarter of 2018 reflects the lowered corporate prorated tax rate on the Company's tax-exempt municipal portfolio. Had corporate tax rates not changed due to the Tax Act, reported total securities portfolio yield would have been 3.43%, and the TEY of investment securities would have been 3.76% at the previous corporate rate. The 3.34% overall TEY of tax-exempt investment securities reflects the lowered corporate prorated tax rate.

When comparing the third quarter of fiscal 2018 to the second quarter of fiscal 2018, average TEY on the total securities portfolio decreased by seven basis points to 3.11% from 3.18%, of which investment securities TEY decreased 11 basis points to 3.31% from 3.42%, and MBS remained unchanged at 2.56% . As previously noted, during the fiscal third quarter of 2018, the Company sold longer term tax-exempt municipal securities and replaced such securities with floating-rate, government-related asset-backed securities, which provided for a slight overall portfolio yield decrease for an anticipated longer-term benefit as short-term rates have continued to increase with the most recent federal funds target rate increase to 2% in June 2018. This portfolio activity, in concert with customary, seasonal increases in prepayment speeds of the Company's MBS and certain mortgage-related tax-exempt municipal securities, affected the reported investment portfolio yields as well as NIM. The Company believes recent and continued increases in the federal funds target rate will benefit both the Company's reported investment portfolio yields and NIM in the future.

During the 2018 third fiscal quarter, the Company primarily purchased U.S. Government-related floating rate asset-backed securities in continuing to execute its investment strategy of primarily purchasing U.S. Government-related securities and U.S. Government-related MBS, as well as AAA and AA rated non-bank qualified ("NBQ") municipal bonds. With the Company's funding base being comprised of a large percentage of non-interest-bearing deposits, and even with the lower corporate tax rate, the TEY for these NBQ bonds was higher than a similar term investment in other investment categories of similar risk and higher than many other banks can realize on the same instruments due to the Company's current cost of funds and its projected cost of funds if interest rates rise.

#### **Deposits, Other Borrowings and Other Liabilities**

Total end-of-period deposits increased \$368.4 million , or 12% , to \$3.52 billion at June 30, 2018 , compared to \$3.15 billion at June 30, 2017 . The increase in end-of-period deposits was primarily a result of increases in wholesale deposits of \$176.1 million , or 40% , non-interest-bearing checking deposits of \$156.3 million , or 6% , and interest-bearing checking deposits of \$62.1 million , or 152% . Offsetting the increase was a decrease in certificates of deposits of \$26.6 million , or 32% .

The increase in wholesale deposits at June 30, 2018 compared to the same period of the prior year was primarily due to the Company utilizing those funds at advantageous rates when compared to the overnight borrowing rates, thereby lowering funding costs.

Total average deposits for the fiscal 2018 third quarter increased by \$320.3 million , or 11% , compared to the same period in 2017. Average non-interest-bearing deposits for the 2018 fiscal third quarter were up \$170.7 million , or 7% , and wholesale deposits increased \$105.1 million , or 30% , when compared to the same period in 2017.

The average balance of total deposits and interest-bearing liabilities was \$3.70 billion for the three-month period ended June 30, 2018 , compared to \$3.48 billion for the same period in the prior year, representing an increase of 6% . This increase was primarily due to the increases in non-interest-bearing deposits and wholesale deposits noted above, offset in part by a decrease in total borrowings of \$99.1 million .

## Capital Ratios

The Company and MetaBank remain above the federal regulatory minimum capital requirements to remain classified as well-capitalized institutions. Regulatory capital ratios at June 30, 2018 are stated in the table below.

The tables below also include certain non-GAAP financial measures that are used by investors, analysts and bank regulatory agencies to assess the capital position of financial services companies. Management reviews these measures along with other measures of capital as part of its financial analysis.

### Regulatory Capital Data <sup>(1)</sup>

At June 30, 2018	Company	MetaBank	Minimum Requirement For Capital Adequacy Purposes	Minimum Requirement to Be Well Capitalized Under Prompt Corrective Action Provisions
Tier 1 leverage ratio	8.29%	10.16%	4.00%	5.00%
Common equity Tier 1 capital ratio	13.92	17.57	4.50	6.50
Tier 1 capital ratio	14.35	17.57	6.00	8.00
Total qualifying capital ratio	18.37	18.50	8.00	10.00

(1) Regulatory ratios are estimated.

The following table provides certain non-GAAP financial measures used to compute certain of the ratios included in the table above, as well as a reconciliation of such non-GAAP financial measures to the most directly comparable financial measure in accordance with GAAP:

	Standardized Approach <sup>(1)</sup> June 30, 2018 (Dollars in Thousands)
Total equity	\$ 443,913
Adjustments:	
LESS: Goodwill, net of associated deferred tax liabilities	94,781
LESS: Certain other intangible assets	46,098
LESS: Net unrealized gains (losses) on available-for-sale securities	(28,601)
Common Equity Tier 1 <sup>(1)</sup>	331,635
Long-term debt and other instruments qualifying as Tier 1	10,310
Total Tier 1 capital	341,945
Allowance for loan losses	22,151
Subordinated debentures (net of issuance costs)	73,442
Total qualifying capital	437,538

(1) Capital ratios were determined using the Basel III capital rules that became effective on January 1, 2015. Basel III revised the definition of capital, increased minimum capital ratios, and introduced a minimum CET1 ratio; those changes are being fully phased in through the end of 2021.

The following table provides a reconciliation of tangible common equity used in calculating tangible book value data.

	June 30, 2018
	(Dollars in Thousands)
Total Stockholders' Equity	\$ 443,913
Less: Goodwill	98,723
Less: Intangible assets	46,098
Tangible common equity	299,092
Less: Accumulated Other Comprehensive Income (Loss) ("AOCI")	(28,601)
Tangible common equity excluding AOCI (Loss)	327,693

Due to the predictable, quarterly cyclical nature of non-interest bearing deposits in connection with tax season business activity, management believes that a six-month capital calculation is a useful metric to monitor the Company's overall capital management process. As such, MetaBank's six-month average Tier 1 leverage ratio, Common equity Tier 1 capital ratio, Tier 1 capital ratio, and Total qualifying capital ratio as of June 30, 2018, were 9.64%, 16.53%, 16.53%, and 17.40%, respectively.

## Forward-Looking Statements

The Company and MetaBank may from time to time make written or oral “forward-looking statements,” including statements contained in this press release, the Company’s filings with the Securities and Exchange Commission (“SEC”), the Company’s reports to stockholders, and in other communications by the Company and MetaBank, which are made in good faith by the Company pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995.

You can identify forward-looking statements by words such as “may,” “hope,” “will,” “should,” “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “potential,” “continue,” “could,” “future,” or the negative of those terms, or other words of similar meaning or similar expressions. You should carefully read statements that contain these words because they discuss our future expectations or state other “forward-looking” information. These forward-looking statements are based on information currently available to us and assumptions about future events, and include statements with respect to the Company’s beliefs, expectations, estimates, and intentions, which are subject to significant risks and uncertainties, and are subject to change based on various factors, some of which are beyond the Company’s control. Such risks, uncertainties and other factors may cause our actual growth, results of operations, financial condition, cash flows, performance and business prospects and opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Such statements address, among others, the following subjects: statements regarding the potential benefits of, and other expectations for the combined company giving effect to, the proposed merger transaction with Crestmark; the anticipated timing for closing the proposed merger transaction with Crestmark; future operating results; customer retention; loan and other product demand; important components of the Company’s statements of financial condition and operations; the Company’s expected recoveries with respect to its purchased student loan portfolios and the estimated impact on the Company’s provision for loan losses, as well as anticipated realized pre-tax yields, net of provision for credit losses and direct servicing costs, with respect to its purchased student loan portfolio; growth and expansion; new products and services, such as those offered by MetaBank or MPS, a division of MetaBank; credit quality and adequacy of reserves; technology; and the Company’s employees. The following factors, among others, could cause the Company’s financial performance and results of operations to differ materially from the expectations, estimates, and intentions expressed in such forward-looking statements: the risk that the transaction with Crestmark may not occur on a timely basis or at all; the parties’ ability to satisfy the conditions to closing the Crestmark transaction, on a timely basis or at all; the risk that the businesses of Meta and MetaBank, on the one hand, and Crestmark and Crestmark Bank, on the other hand, may not be combined successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; the expected growth opportunities, beneficial synergies and/or operating efficiencies from the proposed transaction may not be fully realized or may take longer to realize than expected; customer losses and business disruption following the announcement or consummation of the proposed transaction; potential litigation or regulatory actions relating to the proposed merger transaction; the risk that the Company may incur unanticipated or unknown losses or liabilities if it completes the proposed transaction with Crestmark and Crestmark Bank; the risk that the amount of recoveries with respect to the Company’s purchased student loan portfolios, whether as a result of the ReliaMax liquidation plan, the state insurance guarantee fund or otherwise, is less than expected (including that the Company does not recover any such amounts at all); the risk that the Company may recognize loan losses or direct servicing costs in excess of the Company’s estimates, whether as a result of the ReliaMax liquidation proceeding or otherwise; actual changes in interest rates and the Fed Funds rate; additional changes in tax laws; maintaining our executive management team; the strength of the United States’ economy, in general, and the strength of the local economies in which the Company conducts operations; the effects of, and changes in, trade, monetary, and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System (the “Federal Reserve”), as well as efforts of the United States Treasury in conjunction with bank regulatory agencies to stimulate the economy and protect the financial system; inflation, interest rate, market, and monetary fluctuations; the timely development and acceptance of new products and services offered by the Company or its strategic partners, as well as risks (including reputational and litigation) attendant thereto, and the perceived overall value of these products and services by users; the risks of dealing with or utilizing third parties; any actions which may be initiated by our regulators in the future; the impact of changes in financial services laws and regulations, including, but not limited to, laws and regulations relating to the tax refund industry and the insurance premium finance industry; our relationship with our primary regulators, the Office of the Comptroller of the Currency and the Federal Reserve, as well as the Federal Deposit Insurance Corporation, which insures MetaBank’s deposit accounts up to applicable limits; technological changes, including, but not limited to, the protection of electronic files or databases; acquisitions; litigation risk, in general, including, but not limited to, those risks involving MetaBank’s divisions; the growth of the Company’s business, as well as expenses related thereto; continued maintenance by MetaBank of its status as a well-capitalized institution, particularly in light of our growing deposit base, a portion of which has been characterized as “brokered”; changes in consumer spending and saving habits; and the success of the Company at maintaining its high-quality asset level and managing and collecting assets of borrowers in default should problem assets increase.

The foregoing list of factors is not exclusive. We caution you not to place undue reliance on these forward-looking statements. The forward-looking statements included in this press release speak only as of the date hereof. Additional discussions of factors affecting the Company’s business and prospects are reflected under the caption “Risk Factors” and in other sections of the Company’s Annual Report on Form 10-K for the Company’s fiscal year ended September 30, 2017, and in other filings made with the SEC. The Company expressly disclaims any intent or obligation to update any forward-looking statements, whether written or oral, that may be made from time to time by or on behalf of the Company or its subsidiaries, whether as a result of new information, changed circumstances or future events or for any other reason.

**Condensed Consolidated Statements of Operations (Unaudited)**  
(Dollars in Thousands, Except Share and Per Share Data)

ASSETS	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
Cash and cash equivalents	\$ 71,276	\$ 107,563	\$ 1,300,409	\$ 1,267,586	\$ 65,630
Investment securities available for sale	1,351,538	1,418,862	1,392,240	1,106,977	1,141,684
Mortgage-backed securities available for sale	575,999	654,890	600,112	586,454	666,424
Investment securities held to maturity	216,160	226,618	235,024	449,840	464,729
Mortgage-backed securities held to maturity	8,218	8,393	8,468	113,689	117,399
Loans receivable	1,597,294	1,517,616	1,509,140	1,325,371	1,224,359
Allowance for loan loss	(21,950)	(27,078)	(8,862)	(7,534)	(14,968)
Federal Home Loan Bank Stock, at cost	7,446	17,846	57,443	61,123	16,323
Accrued interest receivable	17,825	17,604	21,089	19,380	21,831
Premises, furniture, and equipment, net	20,374	20,278	20,571	19,320	20,107
Bank-owned life insurance	86,655	86,021	85,371	84,702	84,035
Foreclosed real estate and repossessed assets	29,922	30,050	128	292	364
Goodwill	98,723	98,723	98,723	98,723	98,723
Intangible assets	46,098	47,724	50,521	52,178	64,798
Prepaid assets	23,211	26,342	29,758	28,392	31,265
Deferred taxes	23,025	20,939	5,379	9,101	6,858
Other assets	17,345	29,302	12,449	12,738	10,132
<b>Total assets</b>	<b>\$ 4,169,159</b>	<b>\$ 4,301,693</b>	<b>\$ 5,417,963</b>	<b>\$ 5,228,332</b>	<b>\$ 4,019,693</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>					
<b>LIABILITIES</b>					
Non-interest-bearing checking	\$ 2,637,987	\$ 2,850,886	\$ 2,779,645	\$ 2,454,057	\$ 2,481,673
Interest-bearing checking	103,065	123,398	84,390	67,294	40,928
Savings deposits	57,356	65,345	53,535	53,505	55,292
Money market deposits	45,115	48,070	47,451	48,758	46,709
Time certificates of deposit	57,151	71,712	128,220	123,637	83,760
Wholesale deposits	620,959	181,087	420,404	476,173	444,857
<b>Total deposits</b>	<b>3,521,633</b>	<b>3,340,497</b>	<b>3,513,645</b>	<b>3,223,424</b>	<b>3,153,219</b>
Short-term debt	27,290	315,777	1,313,401	1,404,534	277,166
Long-term debt	85,580	85,572	85,552	85,533	92,514
Accrued interest payable	3,705	1,315	4,065	2,280	2,463
Accrued expenses and other liabilities	87,038	114,829	63,595	78,065	64,118
<b>Total liabilities</b>	<b>3,725,246</b>	<b>3,857,990</b>	<b>4,980,258</b>	<b>4,793,836</b>	<b>3,589,480</b>
<b>STOCKHOLDERS' EQUITY</b>					
Preferred stock, 3,000,000 shares authorized, no shares issued or outstanding at June 30, 2018, March 31, 2018, December 31, 2017, September 30, 2017, and June 30, 2017.	—	—	—	—	—
Common stock, \$.01 par value; 90,000,000, 30,000,000, 15,000,000, 15,000,000, and 15,000,000 shares authorized, 9,721,526, 9,720,536, 9,685,398, 9,626,431, and 9,349,989 shares issued and 9,700,535, 9,699,591, 9,664,846, 9,622,595, and 9,349,989 shares outstanding at June 30, 2018, March 31, 2018, December 31, 2017, September 30, 2017, and June 30, 2017.	97	97	96	96	94
Common stock, Nonvoting, \$.01 par value; 3,000,000 shares authorized, no shares issued or outstanding at June 30, 2018, March 31, 2018, December 31, 2017, September 30, 2017, and June 30, 2017.	—	—	—	—	—
Additional paid-in capital	267,804	265,685	262,872	258,336	256,088
Retained earnings	206,284	200,753	170,578	167,164	166,634
Accumulated other comprehensive (loss) income	(28,601)	(21,166)	5,782	9,166	7,397
Treasury stock, at cost, 20,991, 20,945, 20,552, and 3,836 common shares at June 30, 2018, March 31, 2018, December 31, 2017, and September 30, 2017, none at June 30, 2017.	(1,671)	(1,666)	(1,623)	(266)	—
<b>Total stockholders' equity</b>	<b>443,913</b>	<b>443,703</b>	<b>437,705</b>	<b>434,496</b>	<b>430,213</b>

Total liabilities and stockholders' equity	\$	4,169,159	\$	4,301,693	\$	5,417,963	\$	5,228,332	\$	4,019,693
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**Condensed Consolidated Statements of Operations (Unaudited)**  
(Dollars in Thousands, Except Share and Per Share Data)

	Three Months Ended			Nine Months Ended	
	6/30/2018	3/31/2018	6/30/2017	6/30/2018	6/30/2017
Interest and dividend income:					
Loans receivable, including fees	\$ 19,056	\$ 17,844	\$ 14,089	\$ 53,344	\$ 37,540
Mortgage-backed securities	3,950	4,047	4,544	11,755	12,345
Other investments	11,098	11,480	10,228	33,234	29,269
	34,104	33,371	28,861	98,333	79,154
Interest expense:					
Deposits	2,264	2,957	1,039	7,106	4,161
FHLB advances and other borrowings	3,429	3,009	2,879	9,215	6,251
	5,693	5,966	3,918	16,321	10,412
<b>Net interest income</b>	<b>28,411</b>	<b>27,405</b>	<b>24,943</b>	<b>82,012</b>	<b>68,742</b>
Provision for loan losses					
	5,315	18,343	1,240	24,726	10,732
<b>Net interest income after provision for loan losses</b>	<b>23,096</b>	<b>9,062</b>	<b>23,703</b>	<b>57,286</b>	<b>58,010</b>
Non-interest income:					
Refund transfer product fees	7,358	33,803	5,785	41,353	38,448
Tax advance product fees	(46)	33,838	(108)	35,739	31,460
Card fees	22,807	26,856	23,052	74,910	68,013
Loan fees	1,111	1,042	982	3,445	3,034
Bank-owned life insurance	633	650	656	1,952	1,548
Deposit fees	1,134	982	190	2,964	508
Gain (loss) on sale of securities	(22)	(166)	47	(1,198)	(1,331)
Gain (loss) on foreclosed real estate	—	—	—	(19)	7
Other income	250	414	216	766	652
<b>Total non-interest income</b>	<b>33,225</b>	<b>97,419</b>	<b>30,820</b>	<b>159,912</b>	<b>142,339</b>
Non-interest expense:					
Compensation and benefits	24,439	32,172	22,193	78,951	66,809
Refund transfer product expense	1,694	9,871	1,623	11,665	11,852
Tax advance product expense	(19)	1,474	72	1,736	3,239
Card processing	7,068	7,190	5,755	20,798	18,377
Occupancy and equipment	4,720	4,477	4,034	14,087	12,202
Legal and consulting	2,781	3,239	1,375	8,436	5,603
Marketing	416	668	381	1,637	1,461
Data processing	301	243	344	958	1,099
Intangible amortization expense	1,664	2,731	1,887	6,077	10,494
Other expense	5,988	6,432	4,555	17,247	14,782
<b>Total non-interest expense</b>	<b>49,053</b>	<b>68,497</b>	<b>42,219</b>	<b>161,592</b>	<b>145,918</b>
<b>Income before income tax expense</b>	<b>7,268</b>	<b>37,984</b>	<b>12,304</b>	<b>55,606</b>	<b>54,431</b>
Income tax expense	476	6,548	2,517	12,708	11,258
<b>Net income</b>	<b>\$ 6,792</b>	<b>\$ 31,436</b>	<b>\$ 9,787</b>	<b>\$ 42,898</b>	<b>\$ 43,173</b>
Earnings per common share					
Basic	\$ 0.70	\$ 3.25	\$ 1.05	\$ 4.43	\$ 4.69

Diluted	\$	0.70	\$	3.23	\$	1.04	\$	4.41	\$	4.66
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Shares used in computing earnings per share										
Basic		9,699,824		9,687,060		9,349,989		9,681,103		9,208,867
Diluted		9,739,660		9,726,712		9,410,309		9,719,995		9,269,391

## Average Balances, Interest Rates and Yields

The following table presents, for the periods indicated, the total dollar amount of interest income from average interest-earning assets and the resulting yields, as well as the interest expense on average interest-bearing liabilities, expressed both in dollars and rates. Only the yield/rate has tax-equivalent adjustments. Non-accruing loans have been included in the table as loans carrying a zero yield.

Three Months Ended June 30, (Dollars in Thousands)	2018			2017		
	Average Outstanding Balance	Interest Earned / Paid	Yield / Rate (1)	Average Outstanding Balance	Interest Earned / Paid	Yield / Rate (2)
<b>Interest-earning assets:</b>						
Cash & fed funds sold	\$ 57,164	\$ 388	2.72%	\$ 40,833	\$ 229	2.24%
Mortgage-backed securities	617,815	3,950	2.56%	783,164	4,544	2.33%
Tax exempt investment securities	1,373,444	8,635	3.34%	1,348,589	8,314	3.80%
Asset-backed securities	189,389	1,537	3.25%	117,834	782	2.66%
Other investment securities	74,038	538	2.91%	133,169	903	2.72%
Total investments	2,254,686	14,660	3.11%	2,382,756	14,543	3.20%
Commercial finance loans	299,676	3,813	5.10%	227,160	2,792	4.93%
Consumer finance loans	188,827	3,717	7.89%	129,097	2,072	6.44%
Tax services loans	22,268	—	—%	10,508	—	—%
National lending loans (3)	510,771	7,530	5.91%	366,765	4,864	5.32%
Community banking loans (4)	1,050,126	11,526	4.40%	837,539	9,225	4.42%
Total loans	1,560,897	19,056	4.90%	1,204,304	14,089	4.69%
<b>Total interest-earning assets</b>	<b>\$ 3,872,747</b>	<b>\$ 34,104</b>	<b>3.82%</b>	<b>\$ 3,627,893</b>	<b>\$ 28,861</b>	<b>3.69%</b>
Non-interest-earning assets	367,543			371,685		
<b>Total assets</b>	<b>\$ 4,240,290</b>			<b>\$ 3,999,578</b>		
<b>Interest-bearing liabilities:</b>						
Interest-bearing checking	\$ 98,235	\$ 54	0.22%	\$ 42,447	\$ 45	0.42%
Savings	59,546	10	0.07%	59,081	8	0.05%
Money markets	46,742	28	0.24%	43,479	19	0.18%
Time deposits	60,373	167	1.11%	75,417	139	0.74%
Wholesale deposits	453,885	2,005	1.77%	348,771	828	0.95%
Total interest-bearing deposits	718,781	2,264	1.26%	569,195	1,039	0.73%
Overnight fed funds purchased	402,088	2,041	2.04%	512,154	1,470	1.15%
FHLB advances	—	—	—%	8,923	125	5.61%
Subordinated debentures	73,430	1,102	6.02%	73,290	1,112	6.09%
Other borrowings	36,408	286	3.15%	16,642	172	4.13%
Total borrowings	511,926	3,429	2.69%	611,009	2,879	1.89%
<b>Total interest-bearing liabilities</b>	<b>1,230,707</b>	<b>5,693</b>	<b>1.86%</b>	<b>1,180,204</b>	<b>3,918</b>	<b>1.33%</b>
Non-interest bearing deposits	2,465,750	—	0.00%	2,295,046	—	0.00%
<b>Total deposits and interest-bearing liabilities</b>	<b>\$ 3,696,457</b>	<b>\$ 5,693</b>	<b>0.62%</b>	<b>\$ 3,475,250</b>	<b>\$ 3,918</b>	<b>0.45%</b>
Other non-interest-bearing liabilities	98,973			99,919		
<b>Total liabilities</b>	<b>3,795,430</b>			<b>3,575,169</b>		
Shareholders' equity	444,860			424,409		
<b>Total liabilities and shareholders' equity</b>	<b>\$ 4,240,290</b>			<b>\$ 3,999,578</b>		
Net interest income and net interest rate spread including non-interest-bearing deposits		<b>\$ 28,411</b>	<b>3.21%</b>		<b>\$ 24,943</b>	<b>3.24%</b>
<b>Net interest margin</b>			<b>2.94%</b>			<b>2.76%</b>
<b>Tax equivalent effect</b>			<b>0.29%</b>			<b>0.49%</b>
<b>Net interest margin, tax equivalent (5)</b>			<b>3.23%</b>			<b>3.25%</b>

(1) Tax rate used to arrive at the TEY for the three months ended June 30, 2018 was 24.53%.

(2) Tax rate used to arrive at the TEY for the three months ended June 30, 2017 was 35%.

(3) Previously stated Specialty Finance Loans have been renamed as National Lending Loans. National Lending Loans are comprised of loan portfolios that are not generated by the Community Bank.

(4) Previously stated Retail Bank loans have been renamed as Community Banking Loans.

(5) Net interest margin expressed on a fully taxable equivalent basis ("net interest margin, tax equivalent") is a non-GAAP financial measure. The tax-equivalent adjustment to net interest income recognizes the estimated income tax savings when comparing taxable and tax-exempt assets and adjusting for federal and state exemption of interest income. We believe that it is a standard practice in the banking industry to present net interest margin expressed on a fully taxable equivalent basis, and accordingly believe the presentation of this non-GAAP financial measure may be useful for peer comparison purposes.

The following table presents, for the periods indicated, allowance for loan loss activity.

(Dollars in thousands)		Three Months Ended			Nine Months Ended		
(Unaudited)							
Allowance for loan loss activity		June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018	June 30, 2017	
Beginning balance	\$	27,078	\$ 8,862	\$ 14,602	\$ 7,534	\$ 5,635	
Provision - tax services loans		1,189	18,129	352	20,335	8,566	
Provision - all other loans		4,126	214	888	4,391	2,166	
Charge-offs		(10,750)	(339)	(894)	(11,249)	(1,502)	
Recoveries		307	212	20	939	103	
Ending balance	\$	21,950	\$ 27,078	\$ 14,968	\$ 21,950	\$ 14,968	

Selected Financial Information						
At Period Ended:	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017	
Equity to total assets	10.65%	10.31%	8.08%	8.31%	10.70%	
Book value per common share outstanding	\$ 45.76	\$ 45.74	\$ 45.29	\$ 45.15	\$ 46.01	
Tangible book value per common share outstanding	\$ 30.83	\$ 30.65	\$ 29.85	\$ 29.47	\$ 28.52	
Tangible book value per common share outstanding excluding AOCI	\$ 33.78	\$ 32.83	\$ 29.25	\$ 28.52	\$ 27.73	
Common shares outstanding	9,700,535	9,699,591	9,664,846	9,622,595	9,349,989	
Non-performing assets to total assets	0.86%	0.84%	0.61%	0.72%	1.17%	
Full-time equivalent employees	932	916	878	827	808	
		Three Months Ended			Nine Months Ended	
		June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Net interest margin		2.94%	2.61%	2.76%	2.77%	2.55%
Net interest margin, tax equivalent		3.23%	2.89%	3.25%	3.06%	3.02%
Return on average assets		0.64%	2.67%	0.98%	1.31%	1.45%
Return on average equity		6.11%	28.37%	9.22%	12.98%	14.79%

## Select Quarterly Expenses

(Dollars in Thousands)	Actual	Anticipated							
		Sep 30, 2018	Dec 31, 2018	Mar 31, 2019	Jun 30, 2019	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020
For the Three Months Ended	Jun 30, 2018								
Amortization of Intangibles <sup>(1)</sup> <sup>(2)</sup>	\$ 1,664	\$ 1,632	\$ 1,488	\$ 2,707	\$ 1,488	\$ 1,468	\$ 1,283	\$ 2,008	\$ 1,240
Executive Officer Stock Compensation <sup>(3)</sup>	\$ 1,324	\$ 1,338	\$ 941	\$ 917	\$ 927	\$ 937	\$ 679	\$ 669	\$ 669

(1) These amounts are based upon the current reporting period's intangible assets only. This table makes no assumption for expenses related to future acquired intangible assets.

(2) As previously disclosed in the fiscal 2018 second quarter, the Company expects to record additional intangible amortization expense of between \$6 million and \$10 million for fiscal year 2019, attributable to the proposed Crestmark acquisition. The Company will provide an update after further analysis and valuation is completed.

(3) These amounts are based upon the long-term employment agreements signed in the first and second quarters of fiscal 2017 by the Company's three highest paid executives. This table makes no assumption for expenses related to any additional future agreements.

### Conference Call

The Company will host a conference call and earnings webcast at 4:00 p.m. CDT (5:00 p.m. EDT) on Thursday, July 26, 2018. The live webcast of the call can be accessed from Meta's Investor Relations website at [www.metafinancialgroup.com](http://www.metafinancialgroup.com). Telephone participants may access the live conference call by dialing (844) 461-9934 approximately 10 minutes prior to start time. Please ask to join the Meta Financial conference call, and provide conference ID 9687574 upon request. International callers should dial (636) 812-6634. A webcast replay will also be archived at [www.metafinancialgroup.com](http://www.metafinancialgroup.com) for one year.

### Additional Information About the Proposed Crestmark Transaction

In connection with the proposed merger transaction, Meta has filed a registration statement on Form S-4 (file no. 333-223769) with the SEC, which includes a joint proxy statement of Meta and Crestmark, which also constitutes a prospectus of Meta, that Meta and Crestmark have sent to their respective shareholders. Before making any voting or investment decision, investors and security holders of Meta and Crestmark are urged to carefully read the entire registration statement and proxy statement/prospectus as well as any amendments or supplements to these documents and any other relevant materials because they contain important information about the proposed transaction. Investors and security holders are able to obtain the registration statement and the proxy statement/prospectus free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov) or from Meta by sending a request to Meta Financial Group, Inc., 5501 S. Broadband Lane, Sioux Falls, SD 57108; Attention: Investor Relations. In addition, copies of the proxy statement/prospectus will be provided free of charge by Meta to its stockholders.

This communication and the information contained herein does not and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities in connection with the proposed merger shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

## Participants in the Transaction

Meta, Crestmark and certain of their respective directors and executive officers may be deemed under the rules of the SEC to be participants in the solicitation of proxies from the respective shareholders of Meta and Crestmark in connection with the proposed merger transaction. Certain information regarding the interests of these participants and a description of their direct and indirect interests, by security holdings or otherwise, are included in the joint proxy statement/prospectus regarding the proposed transaction. Additional information about Meta and its directors and officers may be found in the definitive proxy statement of Meta relating to its 2018 Annual Meeting of Stockholders filed with the SEC on December 4, 2017 and Meta's annual report on Form 10-K for the year ended September 30, 2017 filed with the SEC on November 29, 2017. The definitive proxy statement and annual report on Form 10-K can be obtained free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov).

## About Meta Financial Group®

Meta Financial Group, Inc. ("Meta") is the holding company for MetaBank®, a federally chartered savings bank. Meta shares of common stock are traded on the NASDAQ Global Select Market® under the symbol CASH. Headquartered in Sioux Falls, S.D., MetaBank operates in both the Banking and Payments industries through: MetaBank, its community banking operation; Meta Payment Systems, its electronic payments division; AFS/IBEX, its commercial insurance premium financing division; and Refund Advantage, EPS Financial and Specialty Consumer Services, its tax-related financial solutions divisions. More information is available at [metafinancialgroup.com](http://metafinancialgroup.com).

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# Quarterly Investor Update

Third Quarter Fiscal Year 2018

Third Quarter Fiscal 2018 | Nasdaq: CASH

**Meta**  
Financial Group



# Forward-Looking Statements

Meta Financial Group, Inc. (the "Company" or "Meta") and its wholly-owned subsidiary, MetaBank (the "Bank"), may from time to time make written or oral "forward-looking statements," including statements contained in this investor update, the Company's filings with the Securities and Exchange Commission ("SEC"), the Company's reports to stockholders, and in other communications by the Company and the Bank, which are made in good faith by the Company pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995.

You can identify forward-looking statements by words such as "may," "hope," "will," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "potential," "continue," "could," "future" or the negative of those terms, or other words of similar meaning or similar expressions. You should carefully read statements that contain these words because they discuss our future expectations or state other "forward-looking" information. These forward-looking statements are based on information currently available to us and assumptions about future events, and include statements with respect to the Company's beliefs, expectations, estimates, and intentions, which are subject to significant risks and uncertainties, and are subject to change based on various factors, some of which are beyond the Company's control. Such risks, uncertainties and other factors may cause our actual growth, results of operations, financial condition, cash flows, performance and business prospects and opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Such statements address, among others, the following subjects: statements regarding the potential benefits of, and other expectations for the combined company giving effect to, the proposed merger transaction with Crestmark Bancorp, Inc. ("Crestmark"), including, but not limited to, the anticipated timing for the closing of the proposed merger transaction with Crestmark; future operating results; customer retention; loan and other product demand; important components of the Company's statements of financial condition and operations; the Company's expected recoveries with respect to its purchased student loan portfolio and the estimated impact on the Company's provision for loan losses, as well as anticipated realized pre-tax yields, net of provision for credit losses and direct servicing costs, with respect to its purchased student loan portfolio; growth and expansion; new products and services, such as those offered by the Bank or Meta Payments System ("MPS"), a division of the Bank; credit quality and adequacy of reserves; technology; and the Company's employees. The following factors, among others, could cause the Company's financial performance and results of operations to differ materially from the expectations, estimates and intentions expressed in such forward-looking statements: the risk that the transaction with Crestmark may not occur on a timely basis or at all; the parties' ability to satisfy the conditions to closing the Crestmark transaction, on a timely basis or at all; the risk that the businesses of Meta and MetaBank, on the one hand, and Crestmark and Crestmark Bank, on the other hand, may not be combined successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; the expected growth opportunities, beneficial synergies and/or operating efficiencies from the proposed transaction may not be fully realized or may take longer to realize than expected; customer losses and business disruption following the announcement or consummation of the proposed transaction; potential litigation or regulatory actions relating to the proposed merger transaction; the risk that the Company may incur unanticipated or unknown losses or liabilities if it completes the proposed transaction with Crestmark and Crestmark Bank; the risk that the amount of recoveries with respect to the Company's purchased student loan portfolio, whether as a result of the ReliaMax liquidation plan, the state insurance guarantee fund or otherwise, is less than expected (including that the Company does not recover any such amounts at all); the risk that the Company may recognize loan losses or direct servicing costs in excess of the Company's estimates, whether as a result of the ReliaMax liquidation proceeding or otherwise; actual changes in interest rates and the Fed Funds rate; additional changes in tax laws; maintaining our executive management team; the strength of the United States' economy, in general, and the strength of the local economies in which the Company conducts operations; the effects of, and changes in, trade, monetary, and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System (the "Federal Reserve"), as well as efforts of the United States Treasury in conjunction with bank regulatory agencies to stimulate the economy and protect the financial system; inflation, interest rate, market and monetary fluctuations; the timely development and acceptance of new products and services offered by the Company or its strategic partners, as well as risks (including reputational and litigation) attendant thereto, and the perceived overall value of these products and services by users; the risks of dealing with or utilizing third parties; any actions which may be initiated by our regulators in the future; the impact of changes in financial services laws and regulations, including, but not limited to, laws and regulations relating to the tax refund industry and the commercial insurance premium finance industry; our relationship with our primary regulators, the Office of the Comptroller of the Currency and the Federal Reserve, as well as the Federal Deposit Insurance Corporation, which insures the Bank's deposit accounts up to applicable limits; technological changes, including, but not limited to, the protection of electronic files or databases; acquisitions; litigation risk, in general, including, but not limited to, those risks involving the Bank's divisions; the growth of the Company's business, as well as expenses related thereto; continued maintenance by the Bank of its status as a well-capitalized institution, particularly in light of our growing deposit base, a portion of which has been characterized as "brokered"; changes in consumer spending and saving habits; and the success of the Company at maintaining its high-quality asset level and managing and collecting assets of borrowers in default should problem assets increase.

The foregoing list of factors is not exclusive. We caution you not to place undue reliance on these forward-looking statements. The forward-looking statements included herein speak only as of the date of this investor update. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this cautionary note. Additional discussions of factors affecting the Company's business and prospects are reflected under the caption "Risk Factors" and in other sections of the Company's Annual Report on Form 10-K for the Company's fiscal year ended September 30, 2017 and in other filings made with the SEC. The Company expressly disclaims any intent or obligation to update any forward-looking statements, whether written or oral, that may be made from time to time by or on behalf of the Company or its subsidiaries, whether as a result of new information, changed circumstances or future events or for any other reason.



# Business Updates

## Crestmark Bancorp, Inc. Acquisition

- Meta and Crestmark shareholders approved the transaction at their respective special meetings of shareholders held on May 29, 2018 and announced on June 28, 2018 that all bank regulatory approvals were received and expect to close acquisition of Crestmark on August 1, 2018
- Work towards integration of the anticipated Crestmark acquisition continues as both companies work together to prepare for a successful closing
- Transformational transaction to combine two highly-profitable and high-growth, earnings-driven cultures, providing national commercial and industrial lending platform and immediate pipeline of insurance premium financing business, while reducing seasonality of earnings

## Continued focus on extending agreements with top partners

- Extended agreement with Global Cash Card, Inc. through 2022 in fiscal third quarter
- Extended two top partner agreements in fiscal second quarter

## Loss of insurance on purchased student loan portfolios

- On June 20, 2018, announced that, on June 18, 2018, the Company received written notification from ReliaMax Surety Company ("ReliaMax") that the South Dakota Division of Insurance has filed a petition to have ReliaMax declared insolvent and to adopt a plan of liquidation
- \$176.3 million balance remaining, net of purchase discount, in purchased student loan portfolios at June 30, 2018
- \$3.0 million provision expense related to loss of insurance, with expected ongoing quarterly provision expense of \$0.6 to \$0.8 million, on portfolio, in the next five quarters
- Substantial recovery of unearned premium expected from liquidation of ReliaMax assets, state guarantee fund to support policy holders when insurance company becomes insolvent (subject to amount limitations), and other sources
- Anticipate realized pre-tax yields, net of on-going provision for credit losses and direct servicing costs, for the portfolios to range between 5.5% to 7.5%

## Meta Capital, LLC drives innovation by evaluating and investing primarily in financial technology companies

- Wholly-owned subsidiary of MetaBank formed in April 2017
- From its formation, through June 30, 2018, invested a total of \$5.0 million in early- to mid-stage financial technology companies, with an additional \$0.5 million in outstanding commitments

# Financial Highlights

Third Quarter Ended June 30, 2018

## Earnings

- Quarterly GAAP net income of \$6.8 million<sup>(1)</sup>, or \$0.70 per diluted share
- Quarterly return on average assets of 0.64% and return on average equity of 6.11%

## Net interest income ("NII")

- Quarterly NII of \$28.4 million, an increase of 14% over the same period in the prior year
- Increase driven by enhanced interest-earning asset mix primarily driven by significant loan growth

## Non-interest income

- Total tax product fee income of \$7.3 million, an increase of 29% over the same period in prior year
- Deposit fee income growth over the same period in the prior year of \$0.9 million primarily, related to the transition from card fee income to deposit fee income and growth of certain fees from a product in the Company's payments division
  - If these particular fees would have remained as card fee income, card fee income would have increased 3% compared to the same period of the prior year
- Card fee income of \$22.8 million, a decrease of 1% over the same period in prior year
  - Reduction in residual fee income related to a wind-down of two non-strategic partners also led to the slight decrease in card fee income – when excluding residual fee income, card fee income would have increased 3% compared to the same period of the prior year
- Non-interest income represented 54% of total revenue

## Assets

- Quarterly average assets grew to \$4.2 billion, an increase of 6% over the same period in prior year

## Continued, strong loan growth

- Total loans receivable, net of allowance for loan losses, at June 30, 2018, was \$1.6 billion, an increase of 30%, compared to June 30, 2017
- Net consumer credit product loan originations totaled \$27.0 million at June 30, 2018 and expected to originate over \$45.0 million in fourth fiscal quarter of 2018

## Funding

- While Company continued to strategically utilize wholesale funding in concert with non-interest-bearing deposits, funding costs remained well below average for comparably sized financial institutions
- Cost of funds averaged 0.62%, compared to 0.45% during the same period in the prior year
- Cost of deposits was 0.29%, or 0.04% excluding wholesale deposits

(1) Q3FY18 pre-tax results included \$3.0 million of additional provision for loan losses related to the loss of insurance coverage on purchased student loan portfolio, \$2.4 million of merger and acquisition-related expenses, and \$0.8 million of expense related to the Company's early termination of a vendor contract, also includes \$1.7 million in amortization of intangible assets and \$1.3 million in non-cash stock-related compensation associated with executive officer employment agreements

## Year-over-Year Trend in Revenue Growth Continues

Total revenue for the fiscal 2018 third quarter was \$61.6 million, compared to \$55.8 million for the same quarter in 2017, an increase of \$5.8 million, or 11%

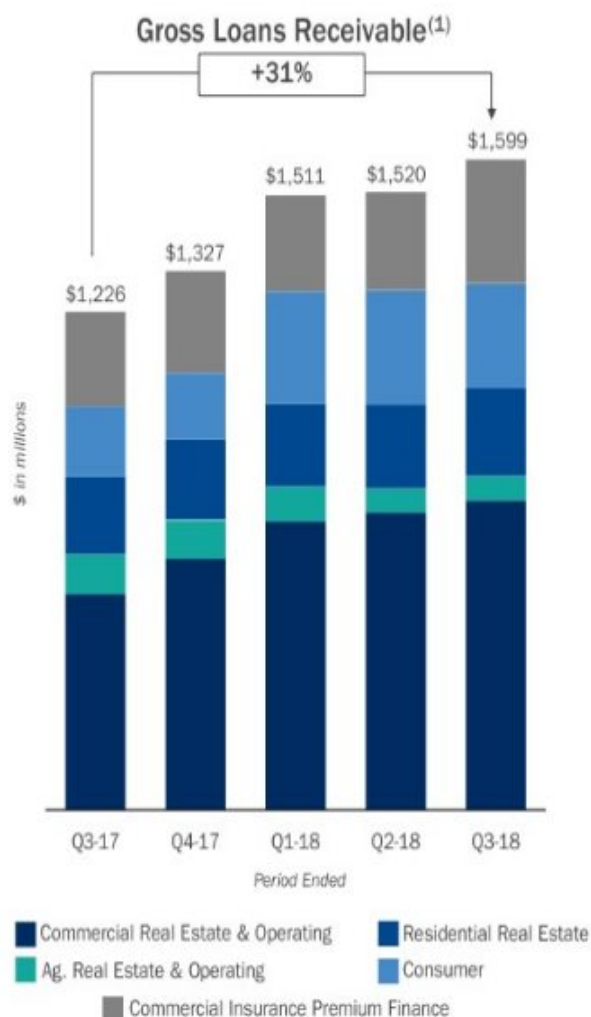
Driven by:

- Increased interest income from growth in community banking loans and national lending loan portfolios
- Growth in total tax product fee income, particularly in refund transfer income, and deposit fee income
- Total fiscal 2018 year-to-date pre-tax income, through June 30, 2018, for tax services business was approximately 6% lower than the same nine month period of 2017
  - Management views the overall 2018 tax season positively given the loss of a significant tax partner that provided approximately half of the Company's 2017 refund advance loans



# Lending Divisions Continue Growth Trends

Driven by Commercial Real Estate and Commercial Insurance Premium Finance



- Commercial insurance premium finance loan growth of 31%, Y/Y
- Community bank loan growth of 25%, Y/Y
  - Commercial real estate loan growth of \$222.6 million over the same period in the prior year
  - Agricultural portfolio decreased \$37.9 million over the same period in the prior year and represented only 1.44% of total assets at June 30, 2018

(1) Excludes deferred fees



# Expanding National Lending Footprint

Consumer Financing and Anticipated Crestmark Acquisition Expected to Further Enhance Portfolio

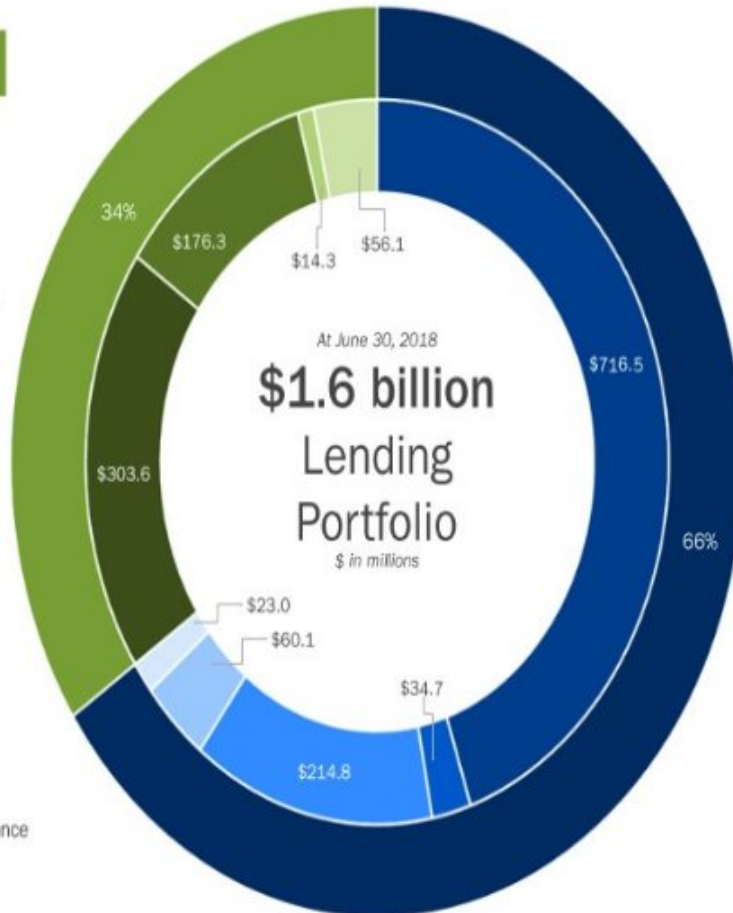
## National Lending

- \$550.2 million National Lending Portfolio at June 30, 2018
- Growth driven by Commercial Insurance Premium Finance
- Net consumer finance originations of \$27.0 million in 2018 fiscal third quarter
- Expect consumer credit originations to exceed \$45.0 million in the 2018 fiscal fourth quarter
- Mid-July 2018, entered into first out participation agreement in a highly secured, consumer receivable asset-based warehouse line of credit<sup>(1)</sup>
  - Expect to realize variable yield with floor of 6%

- Commercial Insurance Premium Finance
- Student Loan Portfolio
- Tax Services
- Other

## Community Lending

- Over \$1.0 billion in Community Bank Loans
- Growth driven by Commercial Real Estate - strong market trends in Sioux Falls and Des Moines

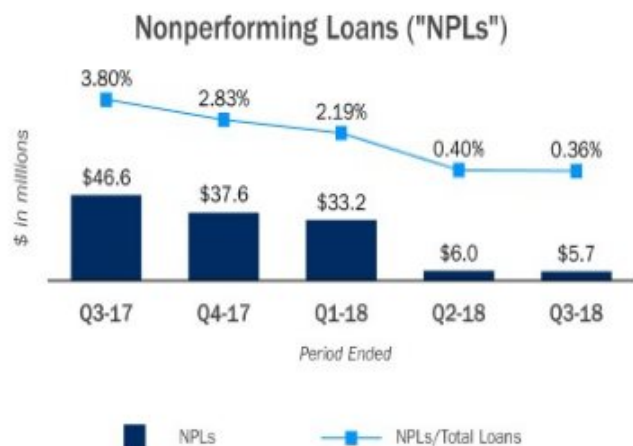
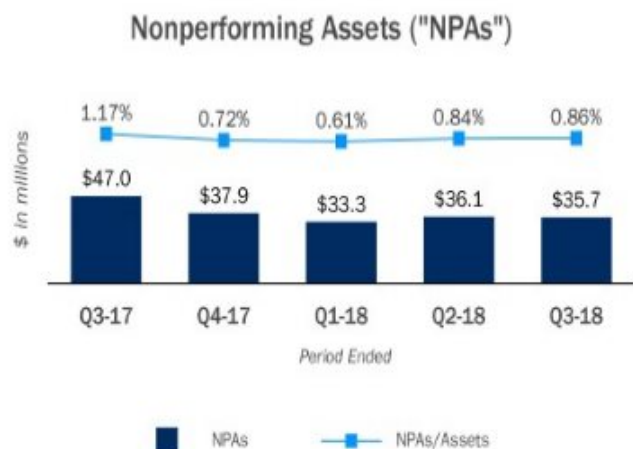


- Commercial Real Estate
- Commercial Operating
- Residential Mortgage Loans
- Agricultural Real Estate and Operating
- Consumer

(1) Company holds a senior position, providing up to \$65.0 million, with subordinate party contributing up to \$100.0 million, thereby enhancing the Company's position with significant subordination

# Asset Quality Remains Strong and Stable

Disciplined Credit Culture Continues to Drive Strong Asset Quality



Decrease in NPAs, Y/Y, primarily related to the payment in full of a previously disclosed \$7.0 million nonperforming agricultural loan relationship during the first fiscal quarter of 2018

- Remaining NPAs primarily consist of previously disclosed large, well-collateralized agricultural relationship, which the Company took ownership of collateral properties and transferred loans to foreclosed real estate and repossessed assets in January 2018
  - The Company expects to receive all principal, note interest and related expenses
  - When excluding this relationship, NPAs would have been 0.14% at June 30, 2018

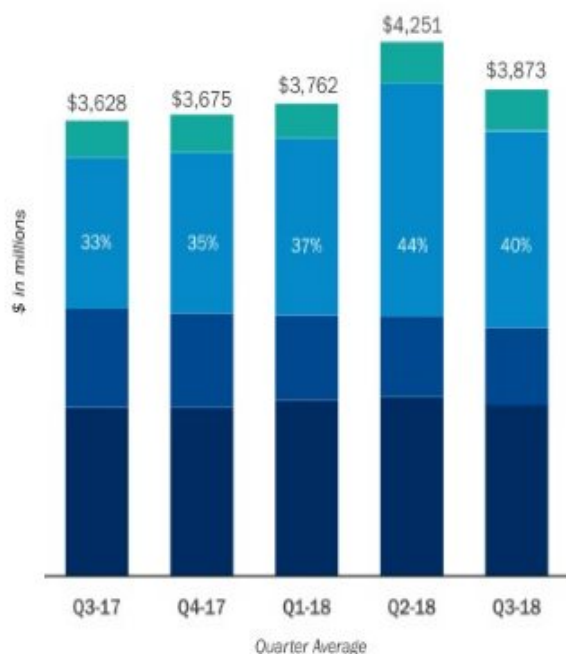
The Company continues to portray strong credit quality as NPLs as a percentage of total loans at June 30, 2018 were 0.36%

- NPLs to total loans would have been 0.24% if the purchased student loan portfolios would have been excluded

# Average Interest-Earning Asset Mix Continues to Shift

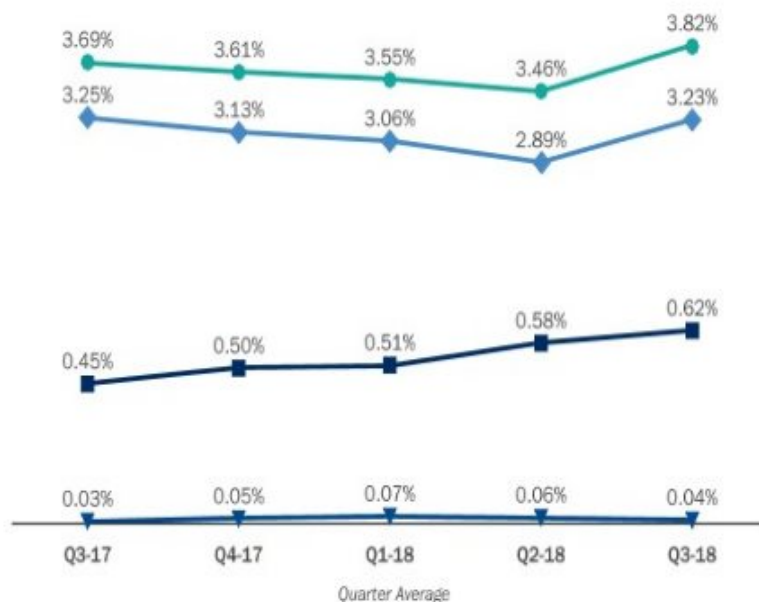
Higher Yielding Loans Replacing Lower Yielding Securities

Average Interest-Earning Assets



Net Interest Margin ("NIM") Components

Fiscal 2018 quarterly NIM is reflective of the lowered corporate prorated tax rate on the Company's tax-exempt municipal portfolio as a result of the Tax Cuts and Jobs Act of 2017



■ Tax-Exempt Investment Securities
 ■ Loans
 ■ Mortgage-Backed Securities
 ■ Cash and Other Securities

—●— Yield on Earning Assets
 —◆— NIM, tax equivalent<sup>(1)</sup>
—■— Cost of Funds
 —▼— Cost of Deposits, excl. Wholesale

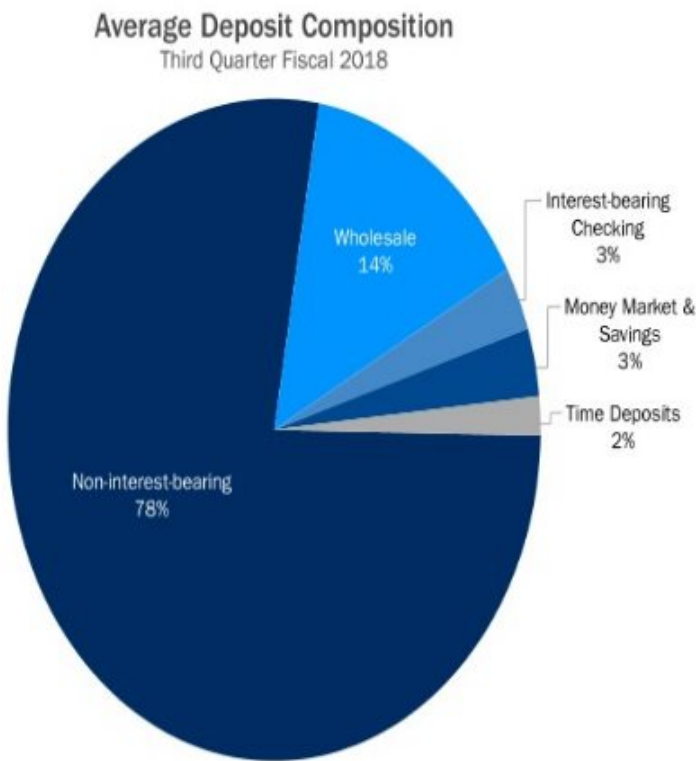
(1) NIM, tax equivalent is a non-GAAP financial measure. The tax-equivalent adjustment to net interest income recognizes the income tax savings when comparing taxable and tax-exempt assets and adjusting for federal and state exemption of interest income. The Company believes that it is a standard practice in the banking industry to present net interest margin expressed on a fully taxable equivalent basis and, accordingly, believes the presentation of this non-GAAP financial measure may be useful for peer comparison purposes.

# Meta's Funding Advantage

Stable, Non-interest-bearing Deposit Base Even in a Rising Rate Environment

Total average deposits for fiscal 2018 third quarter increased 11%, primarily driven by growth in non-interest-bearing deposits

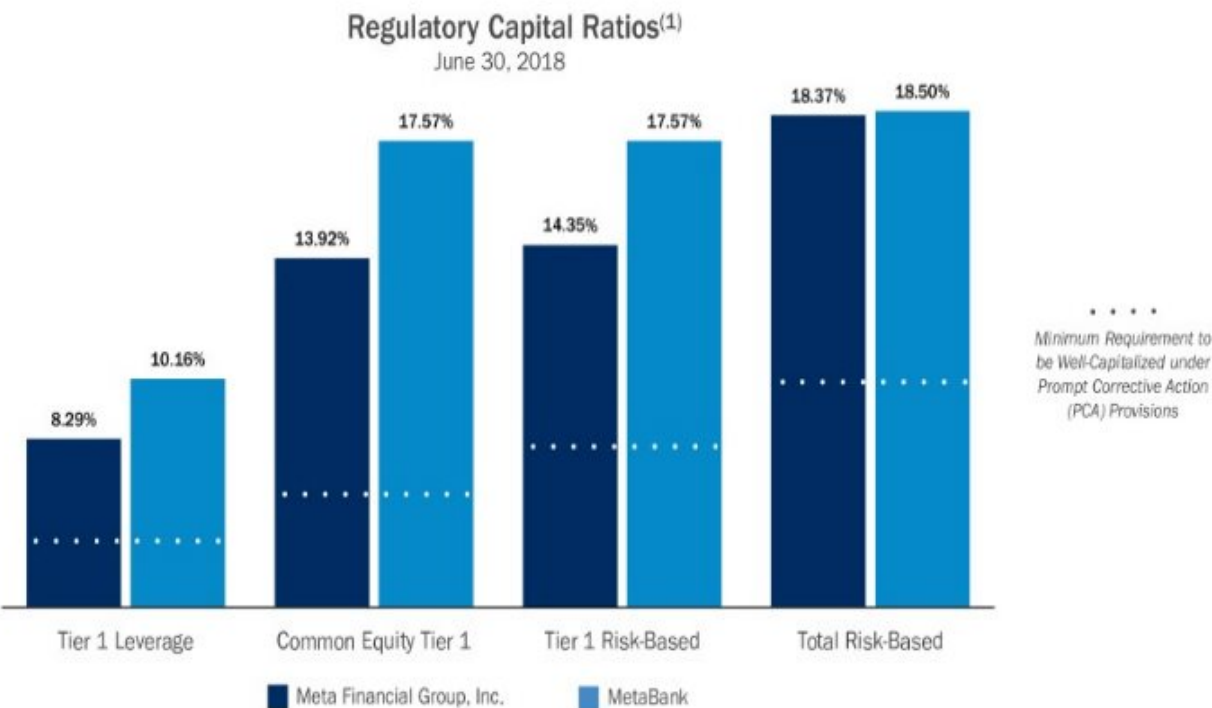
Average non-interest-bearing deposits for the fiscal 2018 third quarter increased 7%, compared to the same quarter in the prior year





# Solid Capital Ratios Exceed Regulatory Requirements

Prudent Capital Management and Flexibility to Source Future Needs to Maintain Strong Capital Ratios



Management targets six-month average to reduce seasonality

- MetaBank six-month average Tier 1 Leverage > 8.0% at 9.64%
- MetaBank six-month average Total Risk-Based Capital > 13.0% at 17.40%

(1) Regulatory ratios are estimated

## Appendix

# Income Statement

(dollars in thousands)	Three Months Ended					Percent Change
	Q3 June 30, 2017	Q4 Sept. 30, 2017	Q1 Dec. 31, 2017	Q2 March 31, 2018	Q3 June 30, 2018	Q3-18 vs. Q3-17
Net Interest Income	24,943	24,488	26,196	27,405	28,411	14 %
Card Fee Income	23,052	26,694	25,247	26,856	22,807	(1) %
Refund Transfer Product Fee Income	5,785	508	192	33,803	7,358	27 %
Tax Advance Fee Income	(108)	453	1,947	33,838	(46)	(57) %
Other Income	2,091	2,178	1,882	2,922	3,106	49 %
<b>Total Revenue</b>	<b>\$ 55,763</b>	<b>\$ 54,321</b>	<b>\$ 55,464</b>	<b>\$ 124,824</b>	<b>\$ 61,636</b>	<b>11 %</b>
Compensation and Benefits	22,193	21,919	22,340	32,172	24,439	10 %
Card Processing Expense	5,755	5,753	6,540	7,190	7,068	23 %
Refund Transfer Product Expense	1,623	292	101	9,871	1,694	4 %
Tax Advance Expense	72	(257)	280	1,474	(19)	(126) %
All Other Expense	12,576	26,039	14,781	17,790	15,871	26 %
<b>Total Expense</b>	<b>\$ 42,219</b>	<b>\$ 53,746</b>	<b>\$ 44,042</b>	<b>\$ 68,497</b>	<b>\$ 49,053</b>	<b>16 %</b>
Provision for Loan Loss	1,240	(144)	1,068	18,343	5,315	329 %
<b>Net Income Before Taxes</b>	<b>\$ 12,304</b>	<b>\$ 719</b>	<b>\$ 10,354</b>	<b>\$ 37,984</b>	<b>\$ 7,268</b>	<b>(41) %</b>
Income Tax Expense (Benefit)	2,517	(1,025)	5,684	6,548	476	(81) %
<b>Net Income</b>	<b>\$ 9,787</b>	<b>\$ 1,744</b>	<b>\$ 4,670</b>	<b>\$ 31,436</b>	<b>\$ 6,792</b>	<b>(31) %</b>

## Average Balance Sheet

	Fiscal Quarter Average Quarter Ended					Percent Change
	Q3	Q4	Q1	Q2	Q3	
(dollars in thousands)	June 30, 2017	Sept. 30, 2017	Dec. 31, 2017	March 31, 2018	June 30, 2018	Q3-18 vs. Q3-17
Cash and cash equivalents	50,235	85,158	120,491	207,701	86,210	72 %
Investment securities	1,614,529	1,595,587	1,593,754	1,623,838	1,620,279	— %
Mortgage-backed securities	777,216	747,330	668,818	629,688	600,633	(23)%
Net loans	1,189,623	1,263,820	1,398,904	1,834,732	1,541,895	30 %
Other assets	367,975	342,556	340,982	406,843	391,273	6 %
<b>Total Assets</b>	<b>\$ 3,999,578</b>	<b>\$ 4,034,451</b>	<b>\$ 4,122,949</b>	<b>\$ 4,702,802</b>	<b>\$ 4,240,290</b>	<b>6 %</b>
Non-interest bearing deposits	2,295,046	2,286,630	2,328,159	2,656,516	2,465,750	7 %
Interest bearing deposits	220,425	252,273	300,927	328,183	264,896	20 %
Wholesale deposits	348,771	549,539	483,878	685,025	453,885	30 %
Short-term debt	518,511	352,733	418,868	417,561	426,349	(18)%
Long-term debt	92,498	92,290	85,538	85,558	85,577	(7)%
Other liabilities	99,919	64,065	71,398	86,675	98,973	(1)%
<b>Total Liabilities</b>	<b>\$ 3,575,169</b>	<b>\$ 3,597,529</b>	<b>\$ 3,688,768</b>	<b>\$ 4,259,518</b>	<b>\$ 3,795,430</b>	<b>6 %</b>
Shareholder's equity	424,409	436,922	434,181	443,284	444,860	5 %
<b>Liabilities and Equity</b>	<b>\$ 3,999,578</b>	<b>\$ 4,034,451</b>	<b>\$ 4,122,949</b>	<b>\$ 4,702,802</b>	<b>\$ 4,240,290</b>	<b>6 %</b>

## Additional Information About the Transaction and Where to Find It

In connection with the merger transaction, Meta has filed a registration statement on Form S-4 (file no. 333-223769) with the SEC, which includes a joint proxy statement of Meta and Crestmark, which also constitutes a prospectus of Meta, that Meta and Crestmark sent to their respective shareholders. Before making any voting or investment decision, investors and security holders of Meta and Crestmark are urged to carefully read the entire registration statement and proxy statement/prospectus as well as any amendments or supplements to these documents and any other relevant materials because they contain important information about the proposed transaction. Investors and security holders are able to obtain the registration statement and the proxy statement/prospectus free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov) or from Meta by sending a request to Meta Financial Group, Inc., 5501 S. Broadband Lane, Sioux Falls, SD 57108; Attention: Investor Relations. In addition, copies of the proxy statement/prospectus will be provided free of charge by Meta to its stockholders.

This communication and the information contained herein does not and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities in connection with the proposed merger shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Meta, Crestmark and certain of their respective directors and executive officers may be deemed under the rules of the SEC to be participants in the solicitation of proxies from the respective shareholders of Meta and Crestmark in connection with the proposed merger transaction. Certain information regarding the interests of these participants and a description of their direct and indirect interests, by security holdings or otherwise, are included in the joint proxy statement/prospectus regarding the proposed transaction. Additional information about Meta and its directors and officers may be found in the definitive proxy statement of Meta relating to its 2018 Annual Meeting of Stockholders filed with the SEC on December 4, 2017 and Meta's annual report on Form 10-K for the year ended September 30, 2017 filed with the SEC on November 29, 2017. The definitive proxy statement and annual report on Form 10-K can be obtained free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov).