

Great Western Bancorp, Inc.
Form S-1
July 16, 2015
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As filed with the Securities and Exchange Commission on July 16, 2015.

Registration No. 333-

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

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Great Western Bancorp, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

6022
(Primary Standard Industrial
Classification Code Number)

47-1308512
(IRS Employer
Identification Number)

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(605) 334-2548

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

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

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. "

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

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Securities Exchange Act of 1934.

(Check one):

Large accelerated filer " Accelerated filer "
Non-accelerated filer x (Do not check if a smaller reporting company) Smaller reporting company "

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Proposed maximum aggregate offering price⁽¹⁾⁽²⁾	Amount of registration fee
Common Stock, par value \$0.01 per share	\$100,000,000.00	\$11,620.00

(1) Includes shares of common stock that the underwriters have the option to purchase from National Americas Holdings LLC.

(2) Estimated solely for purposes of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

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

pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. The selling stockholder may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell, nor does it seek an offer to buy, these securities in any jurisdiction where such offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus dated July 16, 2015

PROSPECTUS

Shares

Common Stock

A subsidiary of National Australia Bank Limited, or NAB, our parent company, is offering _____ shares of common stock of Great Western Bancorp, Inc. We will not receive any of the proceeds from the sale of the shares sold by the NAB selling stockholder.

Our common stock is listed on the New York Stock Exchange (NYSE) under the symbol **GWB** . The last reported sale price of our common stock on the NYSE on July 15, 2015 was \$24.17 per share.

Following the completion of this offering (assuming the underwriters' option to purchase additional shares of common stock is exercised in full), NAB expects to have fully divested its ownership of our common stock.

We are an emerging growth company as defined in the Jumpstart Our Business Startups Act of 2012 and have elected to take advantage of certain reduced public company reporting and disclosure requirements in this prospectus, and we may take advantage of those reduced reporting and disclosure requirements in future filings.

Shares of our common stock are not saving accounts or deposits and are not insured by the Federal Deposit Insurance Corporation or any other government agency.

Investing in our common stock involves significant risks. See Risk Factors beginning on page 22 of this prospectus for a discussion of certain risks you should consider before deciding to invest in our common stock.

	Per Share	Total
Public offering price	\$	\$
Underwriting discount*	\$	\$
Proceeds, before expenses, to the NAB selling stockholder	\$	\$

* We refer you to Underwriting beginning on page 207 of this prospectus for additional information regarding underwriting compensation.

The NAB selling stockholder has granted the underwriters an option to purchase up to an additional _____ shares of our common stock at the public offering price less the underwriting discount, within 30 days from the date of this prospectus.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock against payment in New York, New York on or about _____, 2015.

Joint Book-Running Managers

BofA Merrill Lynch	Deutsche Bank Securities	J.P. Morgan
The date of this prospectus is _____, 2015.		

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Explanatory Note

Unless we state otherwise or the context otherwise requires, references in this prospectus to:

we, our, us and our company refer to:

Great Western Bancorporation, Inc. and its consolidated subsidiaries, for all periods prior to the completion of the Formation Transactions; and

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Great Western Bancorp, Inc., a Delaware corporation, and its consolidated subsidiaries, for all periods after the completion of the Formation Transactions;

Great Western refers to Great Western Bancorporation, Inc. but not its consolidated subsidiaries, for all periods prior to the completion of the Formation Transactions, and Great Western Bancorp, Inc. but not its consolidated subsidiaries, for all periods after the completion of the Formation Transactions;

our bank refers to Great Western Bank, a South Dakota banking corporation;

BHC Act refers to the U.S. Bank Holding Company Act of 1956, as amended;

Federal Reserve refers to the Board of Governors of the Federal Reserve System;

NAB refers to National Australia Bank Limited, an Australian public company and our principal stockholder;

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NAB selling stockholder refers to National Americas Holdings LLC, a Delaware limited liability company and a wholly owned, indirect subsidiary of NAB, through which NAB owns shares of our capital stock;

the Non-Control Date refers to the date NAB ceases to control us for purposes of the BHC Act, as provided for in a written determination from the Federal Reserve to NAB or as provided for in a written notice by NAB to Great Western to such effect;

our stock refers to our common stock and our non-voting common stock;

our states refer to the seven states (South Dakota, Iowa, Nebraska, Colorado, Arizona, Kansas and Missouri) in which we currently conduct our businesses;

our markets and our footprint refer to the geographic markets within our states in which we currently conduct our businesses;

fiscal year refers to our fiscal year, which is based on a twelve-month period ending September 30 of each year (e.g., fiscal year 2014 refers to the twelve-month period ending September 30, 2014);

our peers refer, collectively, to all publicly listed U.S. bank holding companies with total assets between \$5 billion and \$15 billion at March 31, 2015, and all peer data is obtained from SNL Financial LC, or SNL Financial;

our IPO refers to the initial public offering of 18,400,000 shares of our common stock by the NAB selling stockholder completed on October 20, 2014; and

the Formation Transactions refer to a series of transactions completed on October 17, 2014 and undertaken in preparation for our IPO, which were comprised of:

the cash contribution by National Americas Holdings LLC to Great Western Bancorp, Inc. in an amount equal to the total stockholder's equity of Great Western Bancorporation, Inc.;

the sale by National Americas Investment, Inc., a Delaware corporation and wholly owned, indirect subsidiary of NAB, of all outstanding capital stock of Great Western Bancorporation, Inc. to Great Western Bancorp, Inc. for an amount in cash equal to the total stockholder's equity of Great Western Bancorporation, Inc.; and

the merger of Great Western Bancorporation, Inc. with and into Great Western Bancorp, Inc., with Great Western Bancorp, Inc. continuing as the surviving corporation and succeeding to all the assets, liabilities and business of Great Western Bancorporation, Inc.

About this Prospectus

We, NAB, the NAB selling stockholder and the underwriters have not authorized anyone to provide any information other than that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We, NAB, the NAB selling stockholder and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not, and NAB, the NAB selling stockholder and the underwriters are not, making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus. This prospectus includes references to information contained on, or that can be accessed through, our website. Information contained on, or that can be accessed through, our website is not part of, and is not incorporated into, this prospectus.

We have proprietary rights to trademarks, trade names and service marks appearing in this prospectus that are important to our business. This prospectus also contains additional trademarks, trade names and service marks belonging to NAB or one of its affiliates. Solely for convenience, the trademarks, trade names and service marks appearing in this prospectus are without the® and symbols, but such references are not intended to

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indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, trade names and service marks. All trademarks, trade names and service marks appearing in this prospectus are the property of their respective owners.

Any discrepancies included in this prospectus between totals and the sums of the percentages and dollar amounts presented are due to rounding.

Industry and Market Data

Within this prospectus, we reference certain industry and sector information and statistics. We have obtained this information and statistics from various independent, third party sources. Nothing in the data used or derived from third party sources should be construed as advice. Some data and other information are also based on our good faith estimates, which are derived from our review of internal surveys and independent sources. We believe that these external sources and estimates are reliable, but have not independently verified them. Statements as to our market position are based on market data currently available to us. Although we are not aware of any misstatements regarding the demographic, economic, employment, industry and trade association data presented herein, these estimates involve inherent risks and uncertainties and are based on assumptions that are subject to change.

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Implications of Being an Emerging Growth Company

As a company with less than \$1.0 billion in revenues during our last fiscal year, we qualify as an emerging growth company under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of reduced reporting requirements and is relieved of certain other significant requirements that are otherwise generally applicable to public companies. As an emerging growth company:

we are exempt from the requirement to obtain an attestation and report from our auditors on management's assessment of our internal control over financial reporting under the Sarbanes-Oxley Act of 2002;

we are permitted to provide less extensive disclosure about our executive compensation arrangements; and

we are not required to give our stockholders non-binding advisory votes on executive compensation or golden parachute arrangements.

We have elected to take advantage of the scaled disclosure requirements and other relief described above in this prospectus and may take advantage of these exemptions for so long as we remain an emerging growth company. We will remain an emerging growth company until the end of our current fiscal year.

In addition to scaled disclosure and the other relief described above, the JOBS Act permits us an extended transition period for complying with new or revised accounting standards affecting public companies. We have elected not to take advantage of this extended transition period, which means that the financial statements included in this prospectus, as well as any financial statements that we file in the future, will be subject to all new or revised accounting standards generally applicable to public companies.

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PROSPECTUS SUMMARY

*This summary provides a brief overview of important information regarding key aspects of the offering contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider before deciding to invest in our common stock. You should read this entire prospectus carefully, including the more detailed information regarding the risks of purchasing our common stock in the sections titled *Risk Factors* and *Management's Discussion and Analysis of Financial Condition and Results of Operations* and our consolidated financial statements and the related notes thereto, before making an investment decision.*

Our Business

We are a full-service regional bank holding company focused on relationship-based business and agribusiness banking. We serve our customers through 158 branches in attractive markets in seven states: South Dakota, Iowa, Nebraska, Colorado, Arizona, Kansas and Missouri. We were established more than 70 years ago and have achieved strong market positions by developing and maintaining extensive local relationships in the communities we serve. By leveraging our business and agribusiness focus, presence in attractive markets, highly efficient operating model and robust approach to risk management, we have achieved significant and profitable growth both organically and through disciplined acquisitions. We have successfully completed eight acquisitions since 2006, including our 2010 Federal Deposit Insurance Corporation, or FDIC, assisted acquisition of TierOne Bank, which represented approximately \$2.5 billion in acquired assets.

Our net income was \$46.4 million for the six months ended March 31, 2015 and \$105.0 million for the twelve months ended September 30, 2014, representing a compound annual growth rate, or CAGR, of 18% from fiscal year 2009 to fiscal year 2014 and a 9% increase from fiscal year 2013 to fiscal year 2014. Our total assets were \$9.78 billion at March 31, 2015, and, on an annualized basis, our net charge-offs for the six months ended March 31, 2015 represented 0.23% of our average total loans. Since fiscal year 2009, we have also operated with efficiency ratios superior to our peer median. For a discussion of the manner in which our efficiency ratios are calculated, see *Our Competitive Strengths Highly Efficient Operating Model*. For fiscal year 2014, we achieved a return on average total assets of 1.14% and a return on average tangible common equity of 16.6%. For more information on our return on average tangible common equity, see *Summary Historical Consolidated Financial and Operating Information*.

The following table illustrates our net income over the periods indicated:

Net Income (\$MM)⁽¹⁾

(1) For the fiscal years ended September 30, except as otherwise indicated.

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We focus on business and agribusiness banking, complemented by retail banking and wealth management services. Our loan portfolio consists primarily of business loans, comprised of commercial and industrial, or C&I, loans and commercial real estate, or CRE, loans, and agribusiness loans. At March 31, 2015, our business and agribusiness loans collectively accounted for 86% of our total loan portfolio. In addition, 62% of our aggregate loan portfolio, comprising our CRE loans (representing 38% of our aggregate loan portfolio), residential real estate loans (representing 13% of our aggregate loan portfolio) and agriculture real estate loans (representing 12% of our aggregate loan portfolio), was primarily secured by interests in real estate predominantly located in the states in which we operate at March 31, 2015. In addition, some of our other lending occasionally involves taking real estate as primary or secondary collateral. We offer small and mid-sized businesses a focused suite of financial products and have established strong relationships across a diversified range of sectors, including key areas supporting regional growth such as agribusiness services, freight and transport, healthcare and tourism. We have developed extensive expertise in agribusiness lending, which serves one of the most prominent industries across our markets, and we offer a variety of financial services designed to meet the specific needs of our agribusiness customers. We also provide a range of deposit and loan products to our retail customers through several channels, including our branch network, online banking system, mobile banking applications and customer care centers. In our wealth management business, we seek to expand our private banking, financial planning, investment management and insurance operations to better position us to capture an increased share of the business of managing the private wealth of many of our business and agribusiness customers.

Our banking model seeks to balance the best of being a big enough & small enough bank, providing capabilities typical of a much larger bank, such as diversified product specialists, customized banking solutions and multiple delivery channels, with a customer-focused culture usually associated with smaller banks. Our focus on balancing these capabilities with a service-oriented culture is embedded within our operations and is enhanced by focusing on our core competencies. We are well recognized within our markets for our relationship-based banking model that provides for local, efficient decision making. We believe we serve our customers in a manner that is responsive, flexible and accessible. Our relationship bankers strive to build deep, long-term relationships with customers and understand the customers specific needs to identify appropriate financial solutions. We believe we have been successful in attracting customers from larger competitors because of our flexible approach and the speed and efficiency with which we provide banking solutions to our customers while maintaining disciplined underwriting standards.

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Market Opportunity

We operate 158 branches located in 115 communities in seven states. In 2007, we began operating in Arizona with our acquisition of Sunstate Bank. In 2009, we expanded our footprint into Colorado through our acquisition of First Community Bank's Colorado franchise. In 2010, we significantly expanded our presence in Nebraska through our acquisition of TierOne Bank.

Geographic Footprint

We believe that the states in which we operate present attractive opportunities for our banking model.

The economies of Nebraska, Iowa and South Dakota are growing. According to the Bureau of Economic Analysis of the U.S. Department of Commerce, or the Bureau of Economic Analysis, real GDP growth in these states from 2010 to 2014 has been faster than national real GDP growth, with real GDP in these states growing at a CAGR of 2.1%, compared to 1.9% for the nation. According to the Bureau of Labor Statistics of the U.S. Department of Labor, overall unemployment rates for May 2015 in these states were also below the 5.3% U.S. national seasonally adjusted unemployment rate for May 2015, with Nebraska having the lowest unemployment rate in the country and South Dakota and Iowa tied for 5th lowest seasonally adjusted unemployment rate in the country.

Markets in each of Arizona and Colorado are recognized as fast-growing and dynamic economies. For example, according to data from SNL Financial, the populations of Phoenix and Denver are expected to grow by 5.3% and 9.9%, respectively, from 2014 through 2019. The U.S. Census Bureau estimates that, as of July 1, 2013, Phoenix had a population of 1.5 million and was the 6th largest city in the United States. According to Moody's Analytics, Arizona ranks 1st among U.S. states for projected employment growth from 2013 through 2018 and Colorado ranks 5th.

Nebraska, Iowa, South Dakota, Arizona and Colorado are each home to a number of small and mid-sized businesses across a diverse range of sectors and together serve as the corporate headquarters for several Fortune 500 companies. The economies within these states represent a diverse range of industries, with manufacturing, trade, agriculture, professional and business services, finance and insurance, and government accounting for approximately 57% of GDP in these states in 2014 according to the Bureau of Economic Analysis. We expect strong population and job growth will lead to an increased need for business banking services, more deposits and an increased credit demand to fund ongoing capital investments and working capital, cash management solutions and credit cards, among other products and services. We believe integrated banking support is important to providing a focused suite of services to meet the evolving needs of business customers in our markets.

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Agribusiness customers in Nebraska, Iowa, South Dakota, Arizona and Colorado produce and raise a variety of grains, proteins and other produce, including corn, soybeans, wheat, dairy products, beef cattle, hogs and vegetables. These products are consumed globally as foods and also serve as inputs for goods made by other industries. Agriculture, as defined by the Bureau of Economic Analysis, has grown faster than the U.S. economy as a whole, with real agricultural GDP growing at a CAGR of 1.7% nationally from 2000 to 2014 compared to a CAGR of 1.6% for the United States over the same period. Although the agricultural economy has been more subdued over the last one to two years, principally due to lower grain prices, the value of U.S. agricultural exports is also expected to grow by 26% from 2014 through 2023 according to the United States Department of Agriculture, or USDA. In addition, there has been a growing emphasis on research and development and technology in the agricultural sector, with consumers and producers focused on sustainable methods of food production, particularly with a view to decreasing their reliance on non-renewable inputs.

We believe increasing demand for agricultural products and changing agricultural industry dynamics will continue to drive the need for banking services in our markets, particularly from banks such as ours that understand, and provide products and services that specifically address, the unique needs of our agribusiness customers. We believe that we are well positioned to continue to serve the banking needs of small and mid-sized businesses and the agribusiness sector.

Our Competitive Strengths

We attribute our success to the following competitive strengths, among others:

Focus on Business Banking

We focus on business banking which has contributed significantly to our profitability and growth. As of March 31, 2015, business banking accounted for approximately 61% of our loan portfolio, with C&I loans representing 23%, owner-occupied CRE loans representing 16% and other CRE loans representing 22% of our total loan portfolio. From September 30, 2009 through March 31, 2015, our business banking loan portfolio has grown at a CAGR of 14%. We believe we have developed a strong brand and market reputation in business banking within the markets we serve by focusing on our core competencies. We provide business banking services to small and mid-sized businesses across a diverse range of industries that support economic growth in the markets in which our business banking customers operate. We offer our business banking customers focused banking services designed to meet the specific needs of their businesses. We have a significant presence in attractive markets, particularly markets such as Omaha, Des Moines and Sioux Falls, which we believe are located in growing economies and present opportunities to increase our business banking activities.

Specialized Agribusiness Expertise

In addition to business banking, we focus on agribusiness banking. According to the American Bankers Association, at March 31, 2015, we were ranked the 6th-largest farm lender bank in the United States measured by total dollar volume of farm loans. We have been providing banking services to the agricultural community since our bank was founded in 1935. We have developed extensive expertise and brand recognition in agribusiness lending, which is one of the fastest growing industries in our markets and is the largest single industry sector that we serve. At March 31, 2015, our agribusiness loan portfolio was balanced among the major types of agricultural production in our footprint grains (primarily corn, soybeans and wheat) representing 36% of our agribusiness loan portfolio, proteins (primarily beef cattle, dairy products and hogs) representing 48% of our agribusiness loan portfolio, and other (including cotton and vegetables) representing 16% of our agribusiness loan portfolio. We have grown our agribusiness lending significantly in recent years through our focus on expansion within the markets in our footprint and the recruitment of specialist relationship bankers with a deep understanding of, and strong relationships with

customers in, the agriculture industry. Our agribusiness loan

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portfolio represented 25% of our total loan portfolio at March 31, 2015, and has grown at a CAGR of 19% from September 30, 2009 to March 31, 2015. In our most recent fiscal year, our agribusiness loan portfolio grew 6% from September 30, 2013 to September 30, 2014. In addition, we estimate that approximately 14% of our C&I loans and owner-occupied CRE loans are agriculture-related loans, as of March 31, 2015.

Track Record of Strong and Disciplined Growth

We have a track record of combining organic expansion with strategic acquisitions to achieve strong overall growth. Our record of steadily growing and successfully operating our business is demonstrated by our:

Balance sheet growth: From September 30, 2009 to March 31, 2015, we have grown our total assets at a CAGR of 12%, our loan portfolio at a CAGR of 14% and our deposit base at a CAGR of 13%. This growth was primarily generated by our acquisition of TierOne Bank in 2010, which represented approximately \$2.5 billion of our \$3.1 billion total asset growth in fiscal year 2010. From September 30, 2013 to September 30, 2014 our total assets, loan portfolio and deposit base grew by 3%, 7% and 1%, respectively, as our loan growth drove continued asset growth, despite being offset by a reduction in the size of our investment portfolio. At March 31, 2015, our total assets, loans and deposits grew by 4%, 4% and 6%, respectively, to \$9.78 billion in total assets, \$7.07 billion in loans and \$7.49 billion in deposits compared with September 30, 2014;

Earnings growth: We have increased our net income to \$105.0 million for fiscal year 2014, representing a CAGR of 18% from fiscal year 2009 and an increase of 9% from fiscal year 2013. Our net income was \$46.4 million for the six months ended March 31, 2015; and

Return on assets and equity: For fiscal year 2014, we achieved a 1.14% return on average total assets and a 16.6% return on average tangible common equity.

For more information on our return on average tangible common equity, see [Summary Historical Consolidated Financial and Operating Information](#).

We have achieved organic growth by increasing our market share in select markets and entering new markets. We have been successful at recruiting and retaining relationship bankers with extensive industry expertise. We have also developed streamlined processes that allow us to be responsive, flexible and accessible to our customers, which we believe has allowed us to attract new customers and grow our loan portfolio and deposit base. We have achieved this growth while maintaining strong asset quality, with annual net charge-offs peaking at 88 basis points of average loans for fiscal year 2011 and declining to 14 basis points of average loans for fiscal year 2014. The average tax equivalent yield on loans, other than loans acquired with deteriorated credit quality, was 4.91% for the first six months of fiscal year 2015, a decrease of 23 basis points compared to 5.14% for the same period in fiscal year 2014.

Our organic growth has been supplemented by our disciplined acquisition strategy led by our experienced management team. We seek to maximize the success of our acquisitions through a well-established integration process. We have successfully leveraged our business banking model with our specialized agribusiness expertise to expand our footprint through eight acquisitions since 2006, including our 2010 FDIC-assisted acquisition of TierOne Bank, which represented approximately \$2.5 billion in acquired assets. We expect to continue to opportunistically pursue acquisitions consistent with our strategic objectives, although we do not have any current agreements,

arrangements or understandings regarding future acquisitions.

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The following chart shows our loan portfolio and the portion of our loans acquired through acquisitions completed since September 30, 2009:

Loans (\$BN)⁽¹⁾⁽²⁾

(1) At September 30 of each year, other than as of March 31, 2015.

(2) Acquired loans includes all loans acquired in acquisitions completed after September 30, 2009.

Through organic growth and acquisitions, we have grown our total loan portfolio to \$7.1 billion at March 31, 2015. As illustrated above, from September 30, 2009 to March 31, 2015 our total loan portfolio, less acquired loans, has grown from \$3.4 billion to \$6.7 billion, representing a CAGR of 13%.

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Highly Efficient Operating Model

We believe our highly efficient and scalable operating model has enabled us to operate profitably, remain competitive, increase market share and develop new business. We emphasize company-wide operating principles focused on proactive expense management, targeted investment, disciplined lending practices and focused product offerings. We have achieved cost efficiencies by consolidating our branch network through the closure of less profitable locations and through our demonstrated success in acquiring and integrating banks. We have also achieved significant cost efficiencies through the use of the *Kaizen & Lean* principles, which are management techniques for improving processes and reducing waste, to eliminate redundancies and improve the efficient allocation of resources throughout our operations. We believe our focus on operating efficiency has contributed significantly to our return on equity, return on assets and net income and is reflected in our efficiency ratios presented below.

Efficiency Ratios⁽¹⁾

Peer Median Source: SNL Financial.

- (1) For the twelve months ended September 30, other than the six months ended March 31, 2015.
- (2) One financial measure we use to evaluate our operational efficiency is our efficiency ratio, which is not presented in accordance with U.S. GAAP. We calculate our efficiency ratio as the ratio of our tangible noninterest expense, which excludes amortization of core deposits and other intangible assets, to our total revenue (equal to the sum of net interest income and noninterest income) on a fully taxable equivalent basis. For more information on this measure, including a reconciliation to the most directly comparable U.S. GAAP financial measure, see Summary Historical Consolidated Financial and Operating Information.
- (3) Our peers refer, collectively, to all publicly listed U.S. bank holding companies with total assets between \$5 billion and \$15 billion at March 31, 2015. For each period, the peer group excludes any bank holding company for which data was not available for such period. SNL Financial calculates peer efficiency ratios for all twelve-month periods as the ratio of noninterest expense, which excludes amortization of intangible assets, to the sum of net interest income on a fully taxable equivalent basis and noninterest income. We calculated peer efficiency ratios for the six months ended March 31, 2015 based on the same methodology, with data obtained from SNL Financial.

Disciplined Risk Management

Risk management is a core competency of our business, and we believe that our risk management approach is more robust than that of most U.S. banks our size. Following the acquisition of us by NAB, we expanded our risk management staff significantly to conform to NAB's global standards. We have also implemented comprehensive policies and procedures for credit underwriting and monitoring of our loan portfolio, including strong credit practices among our relationship bankers, allowing credit decisions to be made efficiently on a local basis consistent with our underwriting standards. We were able to remain profitable while maintaining strong

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asset quality through the financial crisis, in part due to our focus on our core business and adherence to our disciplined risk management. We believe our robust approach to risk management has enabled us to grow our loan portfolio without compromising credit quality. By focusing on our core areas of expertise, we largely avoided higher-risk lending practices that impacted other lenders in the industry during 2009 to 2011.

The following chart shows our annual net charge-offs as a percentage of average loans for fiscal year 2009 through fiscal year 2014, and for the six months ended March 31, 2015, compared to the median of our peers:

Annual Net Charge-offs as a Percentage of Average Loans⁽¹⁾

Peer Median Source: SNL Financial.

- (1) For the twelve months ended September 30, other than the six months ended March 31, 2015. Information for the six months ended March 31, 2015 is computed on an annualized basis. For each period, the peer group excludes any bank holding company for which data was not available for such period.
- (2) Our peers refer, collectively, to all publicly listed U.S. bank holding companies with total assets between \$5 billion and \$15 billion at March 31, 2015.
- (3) Our net charge-offs increased for the six months ended March 31, 2015 due to higher credit-related charges of approximately \$14 million incurred during the period. As a result of these charge-offs, our annual net charge-offs as a percentage of average loans increased to 0.23%. For a discussion of these credit-related charges, see Management's Discussion and Analysis of Financial Condition and Results of Operations for more information.

Experienced Management Team With Local Market Experience

Our senior management team, led by Ken Karels, our President and Chief Executive Officer, has a long and successful history of managing financial institutions in the region and, in particular, significant experience in business and agribusiness lending, with an average of over 25 years of banking experience. Our senior management team has a demonstrated track record of managing profitable growth, successfully executing and integrating acquisitions, improving operating efficiencies, maintaining a strong risk management culture and implementing a relationship-based and service-focused approach to banking.

Our Business Strategy

We believe that stable long-term growth and profitability are the result of building strong customer relationships while maintaining disciplined underwriting standards. We plan to focus on originating high-quality loans and growing our low-cost deposit base through our relationship-based business and agribusiness banking.

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We believe that continuing to focus on our core strengths will enable us to gain market share, continue to improve our operational efficiency and increase profitability. The key components of our strategy for continued success and future growth include the following:

Attract and Retain High-Quality Relationship Bankers

A key component of our growth in our existing markets and entry into new markets has been our ability to attract and retain high-quality relationship bankers. We have recruited approximately 58 new business and agribusiness relationship bankers since January 1, 2011 (out of a total of approximately 181 business and agribusiness relationship bankers at June 30, 2015), with average industry experience of 17 years when hired. We believe we have been successful in recruiting qualified relationship bankers due primarily to our decentralized management approach, focused product suite and flexible and customer-focused culture while continuing to provide sophisticated banking capabilities to serve our customers' needs. We intend to continue to hire experienced relationship bankers to execute our relationship-driven banking model. We utilize a variable compensation structure designed to incentivize our relationship bankers by tying their compensation to their individual overall performance and the performance of the loans that they help originate, which we measure based on revenues, return on assets and asset quality/risk, among other things. We believe this structure establishes the appropriate incentives to maximize performance and satisfy our risk management objectives. By leveraging the strong networks and reputation of our experienced relationship bankers, we believe we can continue to grow our loan portfolio and deposit base as well as cross-sell other products and services.

Optimize Footprint in Existing and Complementary Markets

We pursue attractive growth opportunities to expand within our existing footprint and enter new markets aligned with our business model and strategic plans. We believe we can increase our presence in under-represented areas in our existing markets and broaden our footprint in attractive markets adjacent and complementary to our current markets by continuing our emphasis on business and agribusiness banking. Our branch strategy is guided by our ability to recruit experienced relationship bankers in under-represented and new markets. These bankers expand our banking relationships into these markets prior to opening a branch, which increases our likelihood of expanding profitably by developing an asset base before we establish a branch in that market. We will continue to opportunistically consider opening new branches. We intend to capitalize on growth opportunities we believe exist in growing economies in and adjacent to our existing markets.

Deepen Customer Relationships

We believe that our reputation, expertise and relationship-based banking model enable us to deepen our relationships with our customers. We look to leverage our relationships with existing customers by cross-selling our products and services. We have sought to grow our low-cost customer deposit base by attracting more deposits from our business and agribusiness customers. We offer alternative cash management solutions intended to help retain business customers. We seek to expand and enhance our wealth management platform through focused product offerings that we believe will appeal to our more affluent customers. We intend to continue to capitalize on opportunities to capture more business from existing customers throughout our banking network.

Continue to Improve Efficiency and Lower Costs

We believe that our focus on operational efficiency, even in light of incremental costs from being a public company, is critical to our profitability and future growth. We intend to carefully manage our cost structure and continuously refine and implement internal processes to create further efficiencies and enhance our earnings. We continue to

optimize our branch network and have commenced reviews of additional internal processes and our vendor relationships, with a view to identifying opportunities to further improve efficiency and enhance earnings. In March 2015, we closed three branches in Omaha and two branches in Sioux Falls while opening a new

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Business Banking center in Omaha to improve our operating efficiency and better serve our customers. We are also continuing our efforts to shift our deposit base to lower-cost customer deposits, a strategic initiative that has been primarily responsible for driving our cost of deposit funding down since September 30, 2012. We believe our scalable systems, risk management infrastructure and operating model will better enable us to achieve further operational efficiencies as we grow our business.

Opportunistically Pursue Acquisitions

Our management team has extensive expertise and a successful track record in evaluating, executing and integrating attractive, franchise enhancing acquisitions. We will continue to consider acquisitions that are consistent with our business strategy and financial model as opportunities arise. Illustrated below, as of September 30 of each indicated year, is the growth in our total assets as a result of our acquisitions in that fiscal year.

(1) Acquired assets are the total of the fair value of assets acquired and the net cash and cash equivalents received at the time of acquisition in each indicated year.

We believe acquisition opportunities will continue to arise within our markets, as well as in familiar and complementary markets.

Our Structure

Prior to our IPO in 2014, we were an indirect, wholly-owned subsidiary of National Australia Bank Limited, or NAB. We were formed to be the publicly traded holding company for our bank, and prior to the completion of the Formation Transactions described below, we did not engage in any business or other activities other than in connection with our formation and the IPO. NAB traces its history back to the establishment of the Bank of Australasia in 1858. NAB is a large Australian financial institution incorporated in 1893 and listed on the Australian Securities Exchange. NAB operates in Australia, New Zealand, the United Kingdom, the United States and parts of Asia. Other than our business, NAB's U.S. operations primarily consist of wholesale banking operations used by NAB to obtain financing for its Australian operations and facilitate the provision of financing and risk management products to its Australian clients and international clients with significant Australian operations. NAB's wealth management business also has operations in the United States designed to facilitate access to U.S. investment opportunities by NAB's Australian clients.

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On October 17, 2014, we completed a series of internal reorganization transactions, which we refer to as the Formation Transactions, as a result of which Great Western Bancorp, Inc. succeeded to all the assets, liabilities and business of Great Western Bancorporation, Inc. For additional information related to the Formation Transactions, see Management's Discussion and Analysis of Financial Condition and Results of Operations Key Factors Affecting our Business and Financial Statements Formation Transactions.

Our Relationship with NAB

On August 29, 2014, NAB publicly announced its intent to divest itself of our bank over time, subject to market conditions, consistent with its strategy of focusing on its core Australian and New Zealand franchises. On October 20, 2014, we completed the IPO of our common stock in which the NAB selling stockholder sold 18,400,000 shares of our common stock, representing 31.8% of our outstanding common stock. On May 6, 2015, we completed a secondary offering of our common stock in which the NAB selling stockholder sold 23,000,000 shares, representing 39.7% of our outstanding common stock.

This offering of _____ shares of our common stock by the NAB selling stockholder, representing _____ % of its beneficial ownership interest in our outstanding common stock prior to this offering, is the third stage of NAB's planned divestment. Following the completion of this offering (assuming the underwriters' option to purchase additional shares of common stock is exercised in full), NAB expects to have fully divested its ownership of our common stock.

Prior to our IPO, as an indirect, wholly-owned subsidiary of NAB, we historically received financial and administrative support from NAB and its affiliates and engaged in business transactions with them. For a discussion of these transactions, see Our Relationship with NAB and Certain Other Related Party Transactions Relationship with NAB.

In connection with our IPO, we and NAB entered into certain agreements that provide a framework for our ongoing relationship, including a Stockholder Agreement governing NAB's rights as a stockholder, a Transitional Services Agreement pursuant to which NAB has agreed to continue to provide us with certain services for a transition period and a Registration Rights Agreement requiring that we register shares of our common stock beneficially owned by NAB under certain circumstances. For further information regarding these agreements with NAB, see Our Relationship with NAB and Certain Other Related Party Transactions Relationship with NAB.

NAB's rights under these agreements generally terminate on the Non-Control Date, which will occur on the date on which NAB ceases to control us for purposes of the BHC Act and delivers a notice to such effect, or a non-control notice, to us. A determination that an entity no longer controls a bank holding company for purposes of the BHC Act takes into consideration a variety of factors, including the percentage of voting securities held, the percentage of stockholders' equity held, the existence of director and management interlocks, the existence of business or other relationships between the parties and the willingness of such entity to enter into certain types of passivity commitments. We expect the Non-Control Date to occur upon the completion of this offering but it is possible that it will be delayed until a later date. In that case, NAB's rights under the agreements will continue for some period of time following the offering until NAB delivers a non-control notice to us. NAB's delivery of a non-control notice to us, and therefore the Non-Control Date, could be delayed if NAB continues to beneficially own any shares of our outstanding common stock following the offering, which would be the case if the underwriters' option to purchase additional shares of common stock is not exercised at all or is not exercised in full. We expect that NAB will deliver a non-control notice to us, and that the Non-Control Date will occur, on the first day that NAB no longer beneficially owns any shares of our outstanding common stock.

The agreements summarized below have been filed as exhibits to the registration statement of which this prospectus forms a part.

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Stockholder Agreement. Under the Stockholder Agreement, dated October 20, 2014, NAB has certain consent and other rights with respect to our business until the Non-Control Date. As a result, NAB historically has had significant control over us. See *Our Relationship with NAB and Certain Other Related Party Transactions* Relationship with NAB *Stockholder Agreement.* The Stockholder Agreement provides NAB with the following rights, among others:

the ability to nominate candidates for election to our board of directors (with the number of designees depending on the level of NAB's beneficial ownership of our outstanding common and non-voting common stock, as described below);

the right to have its designees to our board of directors serve on committees of the board of directors in certain circumstances;

consent rights giving NAB the ability to veto mergers, acquisitions, changes to our capital stock, business activities, corporate governance and various other significant corporate actions, such as incurring or guaranteeing certain additional indebtedness, entering into or terminating joint venture relationships, amending our constituent documents, amending or terminating certain material contracts, settling material litigation or entering into material written agreements with a regulatory agency, we may pursue;

the right to continue to access our internal information and to be consulted on our public disclosures and filings before we publish them;

access rights to our independent auditor and our internal audit function (through the head of internal audit), including work papers and relevant personnel, and cooperation rights with respect to NAB's independent auditor; and

the right to exchange shares of our common stock for shares of our non-voting common stock for so long as NAB beneficially owns shares of our common stock, which will permit NAB to reduce its voting interest in our common stock and corresponding ability to control us for U.S. bank regulatory purposes.

Certain rights under the Stockholder Agreement will terminate on the earlier to occur of (i) May 6, 2016, the one-year anniversary of the first date when NAB ceased to directly or indirectly beneficially own at least 50% of our outstanding common stock, and (ii) the Non-Control Date. These rights include, for example, NAB's right to designate for nomination and election a majority of our board of directors. If NAB continues to control us for purposes of the BHC Act after May 6, 2016, NAB will have the right to designate for nomination and election a number of individuals equal to the number of independent directors nominated to serve on our board of directors (other than any independent directors who have been designated by NAB) minus two until such time as NAB ceases to have such control. After the Non-Control Date, NAB will have the right to designate one nominee for election to our board of directors as long as NAB continues to beneficially own at least 5% of our outstanding common stock and non-voting common stock. NAB's right to have its designees to our board of directors serve on committees of our board extends until NAB no longer controls us for purposes of the BHC Act, or such earlier time as may be required to satisfy the independence requirements under NYSE listing standards. NAB's consent rights to veto certain actions we may desire to take extends until the Non-Control Date.

NAB's information rights generally extend until NAB no longer controls us for purposes of the BHC Act or is no longer required to consolidate our financial results with theirs. For example, as long as NAB is required under applicable accounting standards to consolidate our financial statements with theirs, and in any case for all financial periods commencing before the earlier of (i) May 6, 2016 and (ii) the Non-Control Date, we are required to provide NAB with full access to information and data relating to our business and financial results, including full access to our independent auditor and internal audit function. We also are required to provide NAB with access to business and financial information and data for so long as NAB is required under applicable accounting standards to account for its investment in us under the equity accounting method. For so long as NAB

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controls us for purposes of the BHC Act, (i) NAB also has reasonable access and cooperation rights with respect to our independent auditor and internal audit function, (ii) we are required to consult and coordinate with NAB with respect to public disclosures and filings, (iii) we may not change our independent auditor without NAB's consent and (iv) neither of us can take any action that could cause the other party's auditor to not be independent. With limited exceptions, NAB will not be entitled to any of the rights described above after it no longer owns any shares of our outstanding common stock. NAB will, however, have limited information access rights to the extent necessary to comply with regulatory or supervisory reporting obligations or inquiries or other legitimate business needs for a period of ten years following the Non-Control Date, subject to extension under certain circumstances. The Stockholder Agreement may not be assigned by either party, except with the other party's written consent.

Transitional Services Agreement. We entered into a Transitional Services Agreement with NAB governing the continued provision of certain services to us by NAB or its affiliates for the applicable transition period. These services include continuing to act as a counterparty to us on specified interest rate swaps consistent with past practice and providing fair value calculations related to specified loans and interest rate swaps, access to certain reporting systems and applications, certain risk, credit rating and tax oversight currently provided to us by a branch of NAB and certain insurance coverage under NAB's group-wide insurance policies. The fees for each of these services have been negotiated on arms-length terms and are consistent with the fees we historically have paid to NAB and its affiliates for these services as part of NAB's consolidated group. We currently expect to incur aggregate annual costs of approximately \$1.8 million for all services provided by NAB under the Transitional Services Agreement, though our actual costs may vary. Unless earlier terminated by us or NAB, the Transitional Services Agreement terminates with respect to each service to be provided thereunder on the dates specified in the agreement, which range in duration. Most services to be provided by NAB or its affiliates will terminate on the Non-Control Date, and a smaller number of services will terminate on May 6, 2016. Accordingly, we expect that most services provided under the agreement will terminate upon the completion of this offering. The Transitional Services Agreement may not be assigned by either party, except with the other party's written consent. See *Our Relationship with NAB and Certain Other Related Party Transactions* *Relationship with NAB* *Transitional Services Agreement*.

Registration Rights Agreement. Pursuant to the Registration Rights Agreement, dated October 20, 2014, upon NAB's request, we must use our reasonable best efforts to file a registration statement for, and affect the registration under applicable federal and state securities laws of, any shares of our common stock beneficially owned by NAB. See *Our Relationship with NAB and Certain Other Related Party Transactions* *Relationship with NAB* *Registration Rights Agreement*.

Termination of NAB's Controlling Interest. Because NAB expects to fully divest its ownership of our common stock in this offering, we expect NAB to cease to control us for purposes of the BHC Act and for the Non-Control Date to occur following the completion of this offering. NAB's delivery of a non-control notice to us, and therefore the Non-Control date, could be delayed if NAB continues to beneficially own any shares of our outstanding common stock upon the completion of this offering as would be the case if the underwriters' option to purchase additional shares of common stock is not exercised at all or is not exercised in full. In this case, NAB could continue to exercise control over