

# TEXAS BANK Snapshot

June 2020

## Does Your Bank Need an Interim Impairment Test Due to the Economic Impact of COVID-19?



CLICK HERE

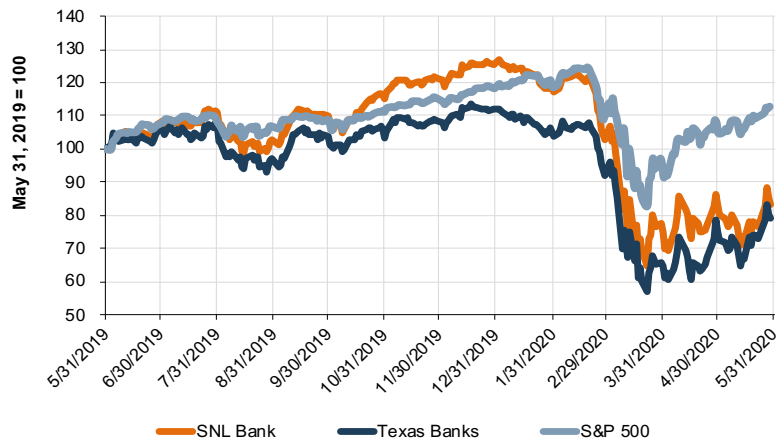
To Read the Article

Goodwill impairment testing is typically performed annually. But the unprecedented events precipitated by the COVID-19 pandemic now raise questions whether an interim goodwill impairment test is warranted.

In this article, we discuss if your bank might need an interim impairment test and describe how an impairment test works.

## PUBLIC MARKET INDICATORS

### Mercer Capital's Texas Bank Group Index Overview



### Valuation Multiples as of May 29, 2020

	Texas Bank Index	Community Bank Index
Price/LTM EPS	10.8x	9.7x
Price/20 EPS	12.0x	11.3x
Price / Book Value	79%	83%
Price / Tangible Book Value	113%	95%
Dividend Yield	2.7%	3.5%

### Mercer Capital's Texas Bank Peer Reports

Updated monthly, this report offers a closer look at the market pricing and performance of publicly traded banks in Texas. Click to view the report.

### Contact Us

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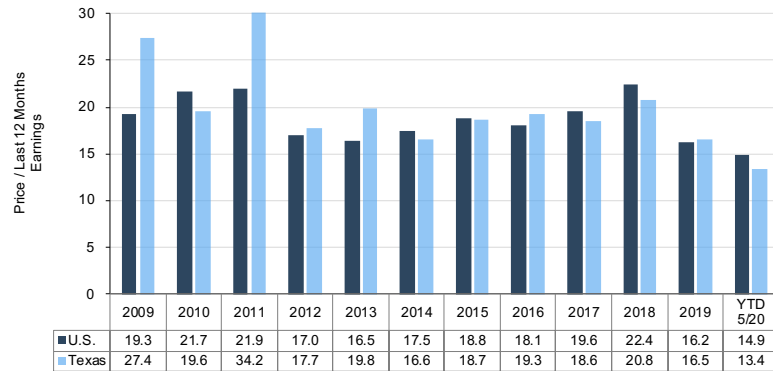
# M&A MARKET INDICATORS

## Texas Community Bank Transactions Announced in Last Six Months

Announce Date	Buyer	Seller	Target's City (TX)	Target Assets (\$000s)	Deal Value	Price / Earnings	Price / Tangible BV	Tang. Premium / Core Deposits
Feb 11, 2020	Heartland Financial USA Inc.	AIM Bancshares Inc.	Levelland	1,775,803	280.4	13.4	209.6	12.3
Dec 26, 2019	Investor Group	Daingerfield Holding Co.	Daingerfield	143,099	NA	NA	NA	NA
Dec 17, 2019	Wichita Falls Bancshares Inc.	Chico Bancorp Inc.	Chico	185,032	NA	NA	NA	NA
Dec 8, 2019	BancAffiliated Inc.	Southwest Bank	Odessa	448,433	NA	NA	NA	NA

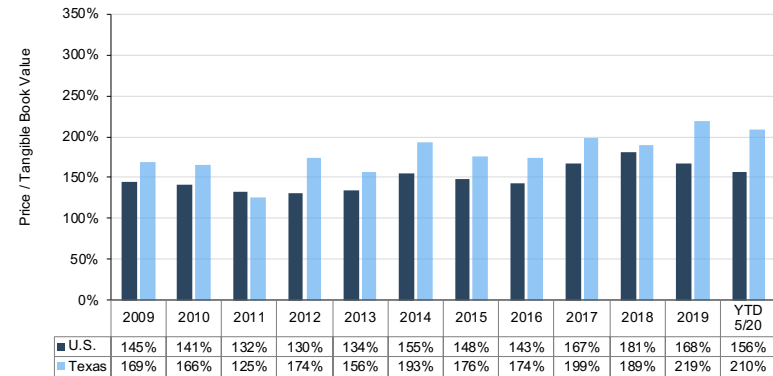
## Median Price/Earnings Multiples

Target Banks' Assets <\$5B and LTM ROE >5%



## Median Price / Tangible Book Value Multiples

Target Banks' Assets <\$5B and LTM ROE >5%



## Mercer Capital

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