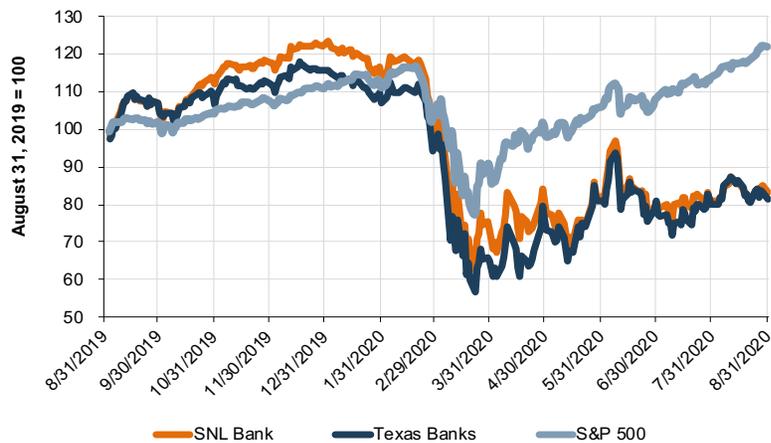


TEXAS BANK Snapshot

September 2020

PUBLIC MARKET INDICATORS

Mercer Capital's Texas Bank Group Index Overview



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.

Valuation Multiples as of August 31, 2020

	Texas Bank Index	Community Bank Index
Price/LTM EPS	11.3x	9.4x
Price/21 EPS	11.7x	11.1x
Price / Book Value	82%	77%
Price / Tangible Book Value	107%	87%
Dividend Yield	2.8%	3.6%

Contact Us

Mercer Capital helps banks, thrifts, and credit unions with corporate valuation requirements, transactional advisory services, financial reporting, stress testing, and strategic decisions. Learn more: <http://mer.cr/dep-inst>



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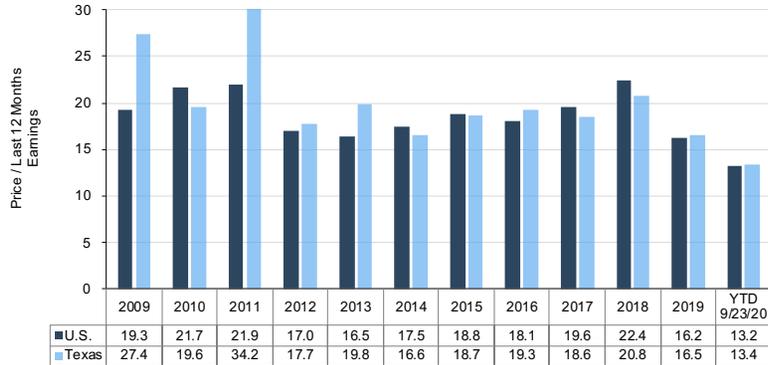
M&A MARKET INDICATORS

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
Aug 26, 2020	Texas Heritage Bancshares Inc	Medina Community Bcshs Inc	Hondo	242,085	NA	NA	NA	NA

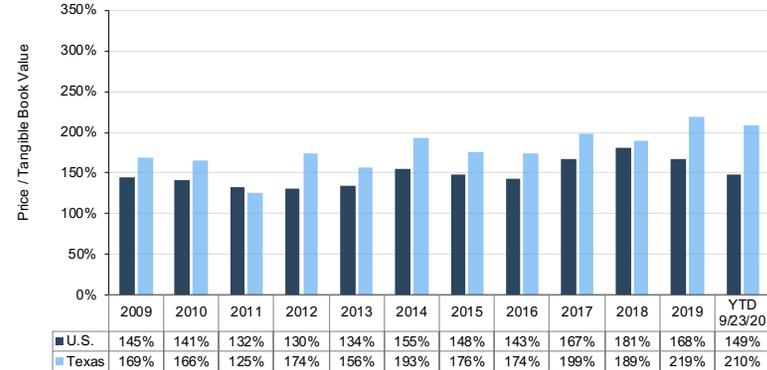
Median Price/Earnings Multiples

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



Median Price / Tangible Book Value Multiples

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





September 2020

BANK WATCH NEWSLETTER

Estate Planning When Bank Stocks Are Depressed

Maybe not for the best of reasons, the stars have aligned for bank investors who have significant interests in banks to undertake robust estate planning this year.

Bank stock valuations are depressed as a result of the recession that developed from the COVID-19 policy responses, including a return to a zero interest rate policy that is now known as the effective lower bound. The result is severe compression in net interest margins.

[CLICK HERE](#)

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