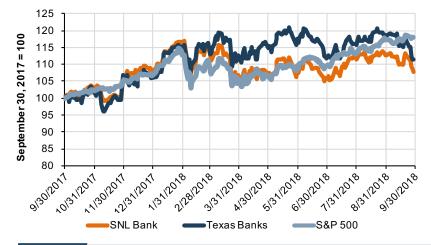
# TEXAS BANK Snapshot

October 2018

# 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 September 28, 2018

|                             | Texas<br>Bank Index | National<br>Bank Index |
|-----------------------------|---------------------|------------------------|
| Price / LTM EPS             | 19.0x               | 19.1x                  |
| Price/18 EPS                | 15.1x               | 14.1x                  |
| Price/19 EPS                | 12.5x               | 12.8x                  |
| Price / Book Value          | 170%                | 148%                   |
| Price / Tangible Book Value | 211%                | 172%                   |
| Dividend Yield              | 1.9%                | 1.9%                   |

## Contact Us



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### What We're Reading

Joe Mantone of *The Pipeline* tracks investment banking activity for banks in Texas in the article **"Bank i-Banking Competition Bigger in Texas."** 

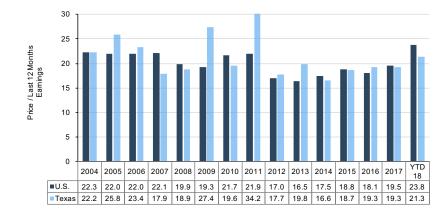
(subscription required)

#### **Texas Community Bank Transactions Announced in Last Six Months**

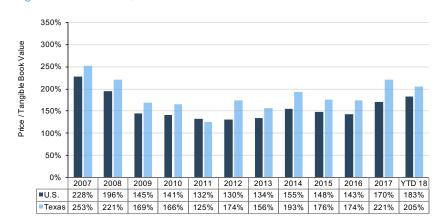
| Announce<br>Date | Buyer                          | Seller                   | Target's City<br>(TX) | Target Assets<br>(\$000s) | Deal Value | Price /<br>Earnings | Price /<br>Tangible BV | Tang.<br>Premium /<br>Core Deposits |
|------------------|--------------------------------|--------------------------|-----------------------|---------------------------|------------|---------------------|------------------------|-------------------------------------|
| Apr 30, 2018     | Allegiance Bancshares Inc.     | Post Oak Bancshares Inc. | Houston               | 1,430,951                 | 350.4      | 20.8                | 223.7                  | 18.8                                |
| Apr 18, 2018     | BancorpSouth Bank              | Icon Capital Corporation | Houston               | 793,655                   | 145.8      | 21.0                | 217.8                  | 16.0                                |
| Jul 13, 2018     | Keystone Acquisitions Inc.     | Ballinger National Bank  | Ballinger             | 42,419                    | NA         | NA                  | NA                     | NA                                  |
| May 17, 2018     | Rio Financial Services Inc.    | Elsa State B&TC          | Elsa                  | 199,102                   | NA         | NA                  | NA                     | NA                                  |
| Jul 19, 2018     | Spirit of Texas Bancshares Inc | Comanche National Corp.  | Comanche              | 347,915                   | 55.9       | 18.8                | 157.7                  | 9.1                                 |
| Jul 31, 2018     | Steele Holdings Inc.           | Joaquin Bankshares Inc.  | Huntington            | 130,838                   | NA         | NA                  | NA                     | NA                                  |
| Jul 9, 2018      | Vantage Bancorp Inc.           | Inter National Bank      | McAllen               | 1,378,577                 | NA         | NA                  | NA                     | NA                                  |
| Jul 24, 2018     | Veritex Holdings Inc.          | Green Bancorp Inc.       | Houston               | 4,391,677                 | 1,000.0    | 24.2                | 249.9                  | 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 Memphis | Dallas | Nashville

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