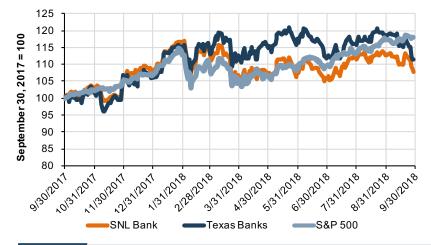
TEXAS BANK Snapshot

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 Bank Index | National 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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Rohan Bose 214.468.8400 boser@mercercapital.com 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



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."**

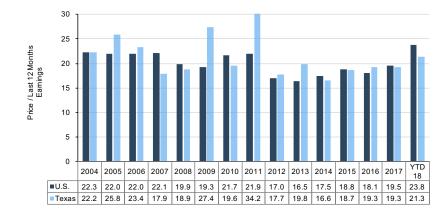
(subscription required)

Texas Community Bank Transactions Announced in Last Six Months

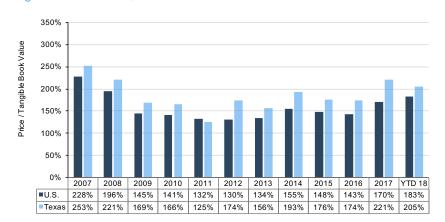
| Announce Date | Buyer | Seller | Target's City (TX) | Target Assets (\$000s) | Deal Value | Price / Earnings | Price / Tangible BV | Tang. Premium / Core Deposits |
|------------------|--------------------------------|--------------------------|-----------------------|---------------------------|------------|---------------------|------------------------|-------------------------------------|
| 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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