

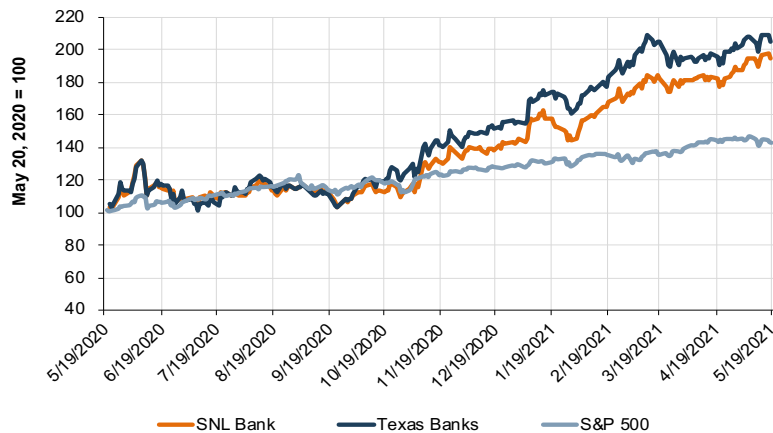
TEXAS BANK

Snapshot

MAY 2021

PUBLIC MARKET INDICATORS

Mercer Capital's Texas Bank Group Index Overview



Valuation Multiples as of April 30, 2021

	Texas Bank Index	Community Bank Index
Price/LTM EPS	14.7x	11.2x
Price/21 EPS	14.6x	11.6x
Price / Book Value	135%	112%
Price / Tangible Book Value	166%	123%
Dividend Yield	2.0%	2.6%



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 Information

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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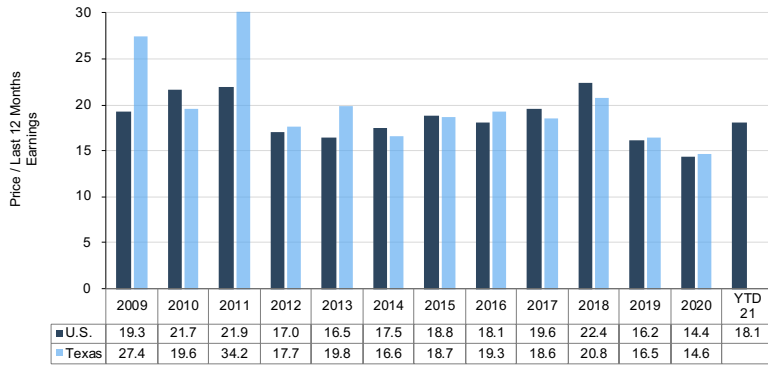
M&A MARKET INDICATORS

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
Dec 18, 2020	VeraBank Inc.	Panola National Bank	Carthage	125,286	NA	NA	NA	NA
Dec 2, 2020	BancorpSouth Bank	National United Bancshares Inc	Gatesville	748,640	114.7	15.8	156.3	6.8
Sep 30, 2020	Sulphur Springs Bcshs Inc.	Morris County National Bank	Naples	94,494	NA	NA	NA	NA
Sep 15, 2020	First National Bancshares	First National Bank Baird	Baird	531,704	NA	NA	NA	NA
Sep 12, 2020	Snyder Holding Co.	West Texas State Bank	Snyder	160,712	NA	NA	NA	NA

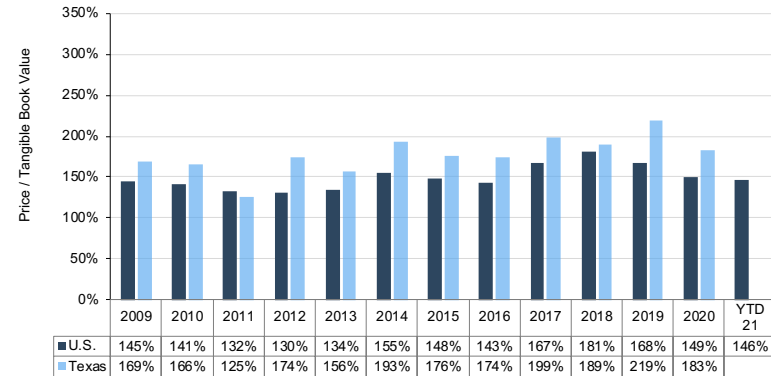
Median Price/Earnings Multiples

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



Median Price / Tangible Book Value Multiples

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



BANK WATCH NEWSLETTER | MAY 2021

Not All MOEs Are Created Equal

Four of the largest bank deals announced in 2020 were structured as mergers of equals (“MOEs”) or quasi-MOEs (low premium transactions). Thus far in 2021, against the backdrop of economic reopening, stable asset quality, and favorable bank stock performance, deal activity in the industry has picked up, and MOEs remain a hot topic. In this article, we discuss the benefits of the MOE structure as well as the often overlooked risks in these types of deals.

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