

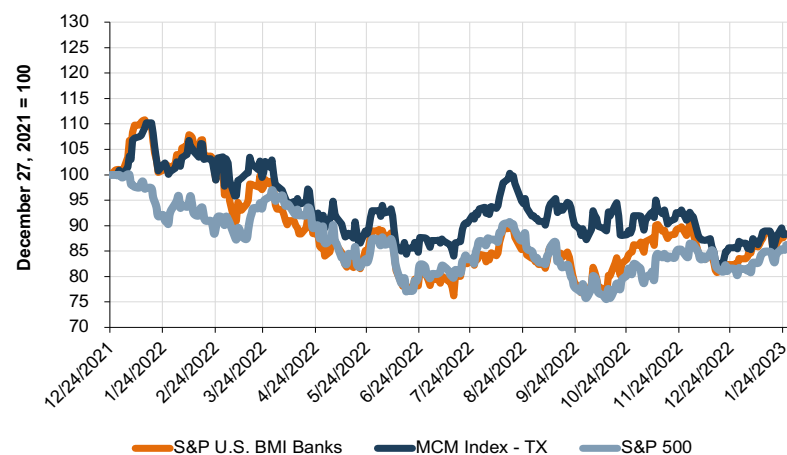
TEXAS BANK

Snapshot

January 2023

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 December 30, 2022

	Texas Bank Index	Community Bank Index
Price/LTM EPS	10.7x	9.6x
Price/23 EPS	11.5x	8.6x
Price / Book Value	122%	121%
Price / Tangible Book Value	164%	135%
Dividend Yield	2.6%	2.6%

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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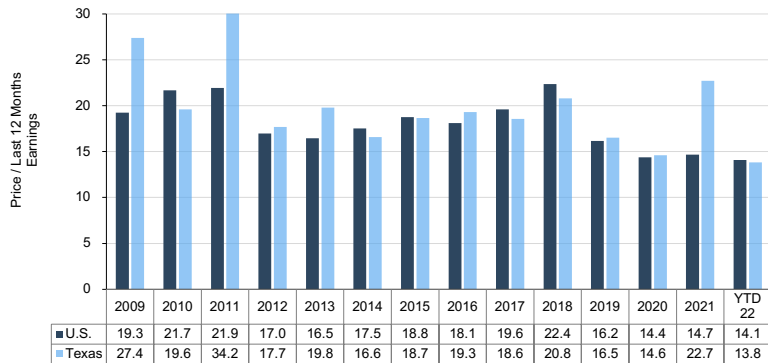
M&A MARKET INDICATORS

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
Jan 9, 2023	First Guaranty Bancshares Inc.	Lone Star Bank	Houston	151,222	NA	NA	NA	NA
Oct 13, 2022	Victory Financial Corp.	Security State Bank	Winters	79,702	NA	NA	NA	NA
Oct 11, 2022	Prosperity Bancshares Inc.	First Bancshares of Texas Inc.	Midland	2,119,077	338.2	12.0	160.9	8.7
Sep 8, 2022	FNBK Holdings Inc.	Texas Brand Bank	Dallas	329,962	NA	NA	NA	NA

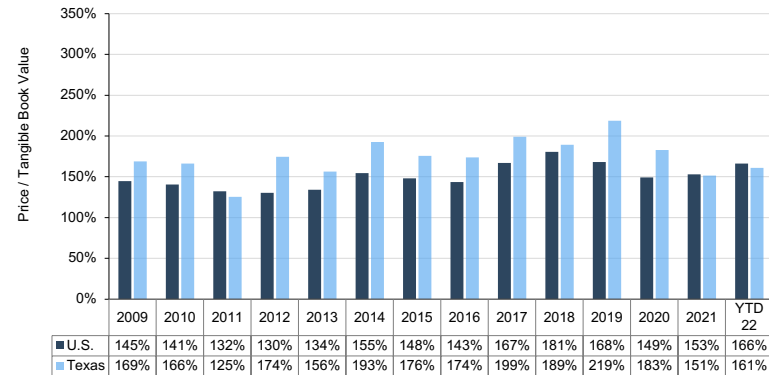
Median Price/Earnings Multiples

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 | JANUARY 2022

2022 Bank Stock Performance Recap

In 2022, market performance for publicly-traded banks was more dispersed than in 2020 or 2021, when most every bank reported share price declines (2020) or increases (2021). In 2022, approximately 35% of public banks with assets under \$10 billion reported share price gains. We examine some reasons for this diverging bank stock performance during 2022 in this month's *BankWatch*.

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