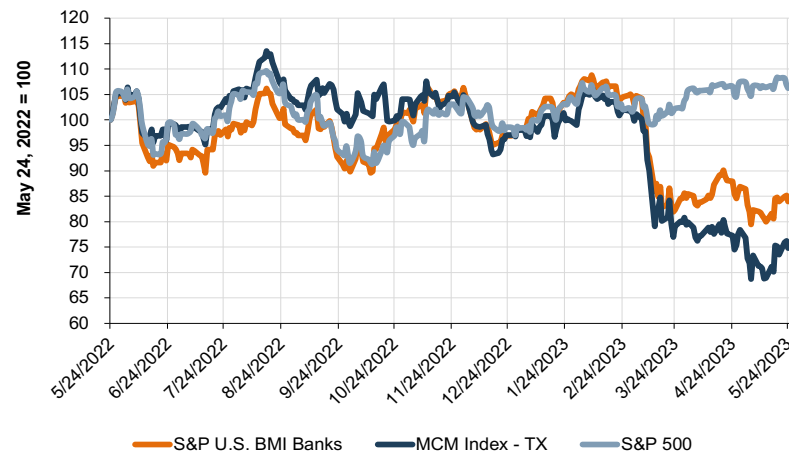


TEXAS BANK Snapshot

May 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 May 25, 2023

	Texas Bank Index	Community Bank Index
Price/LTM EPS	8.0x	7.2x
Price/23 EPS	9.7x	7.0x
Price / Book Value	94%	87%
Price / Tangible Book Value	110%	97%
Dividend Yield	3.3%	3.9%

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>



Jay D. Wilson, Jr., CFA, ASA, CBA
469.778.5860
wilsonj@mercercapital.com

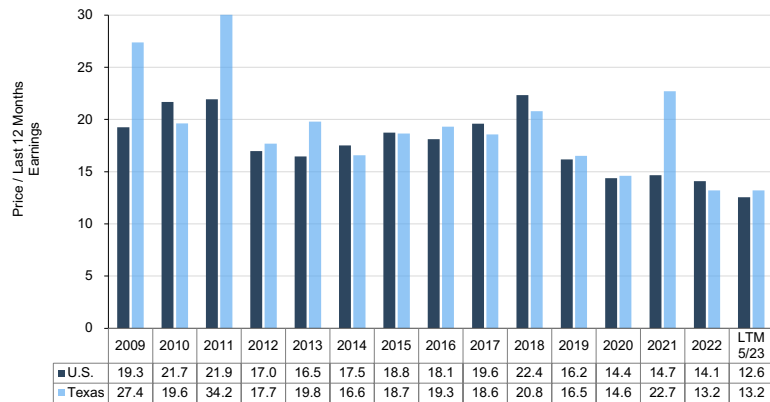
M&A MARKET INDICATORS

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

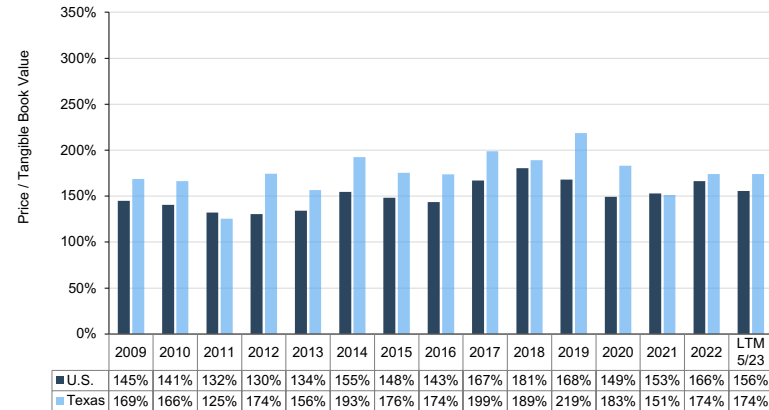
Median Price/Earnings Multiples

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 2023

Merger Arbitrage and Valuation

In this issue of *Bank Watch*, we step away from the daily drumbeat of questions about bank liquidity, PacWest and CRE loans to review valuation in the context of merger arbitrage. The TD-First Horizon terminated deal highlights why until a deal closes, there is uncertainty for a reason.

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