



PROSPERITY —————
BANCSHARES, INC.®

Announces the acquisitions of

First Bancshares of Texas, Inc.

and

Lone Star State Bancshares, Inc.

————— **October 11, 2022** —————



Important Information

Cautionary Notes on Forward Looking Statements

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: This release contains forward-looking statements within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. From time to time, oral or written forward-looking statements may also be included in other information released to the public. Such forward-looking statements are typically, but not exclusively, identified by the use in the statements of words or phrases such as “aim,” “anticipate,” “believe,” “estimate,” “expect,” “goal,” “guidance,” “intend,” “is anticipated,” “is expected,” “is intended,” “objective,” “plan,” “projected,” “projection,” “will affect,” “will be,” “will continue,” “will decrease,” “will grow,” “will impact,” “will increase,” “will incur,” “will reduce,” “will remain,” “will result,” “would be,” variations of such words or phrases (including where the word “could,” “may,” or “would” is used rather than the word “will” in a phrase) and similar words and phrases indicating that the statement addresses some future result, occurrence, plan or objective. Forward-looking statements include all statements other than statements of historical fact, including forecasts or trends, and are based on current expectations, assumptions, estimates and projections about Prosperity and its subsidiaries. These forward-looking statements may include information about Prosperity’s possible or assumed future economic performance or future results of operations, including future revenues, income, expenses, provision for loan losses, provision for taxes, effective tax rate, earnings per share and cash flows and Prosperity’s future capital expenditures and dividends, future financial condition and changes therein, including changes in Prosperity’s loan portfolio and allowance for loan losses, future capital structure or changes therein, as well as the plans and objectives of management for Prosperity’s future operations, future or proposed acquisitions, the future or expected effect of acquisitions on Prosperity’s operations, results of operations, financial condition, and future economic performance, statements about the anticipated benefits of each of the proposed transactions, and statements about the assumptions underlying any such statement, as well as expectations regarding the effects of the COVID-19 pandemic on Prosperity’s operating income, financial condition and cash flows. These forward-looking statements are not guarantees of future performance and are based on expectations and assumptions Prosperity currently believes to be valid. Because forward-looking statements relate to future results and occurrences, many of which are outside of Prosperity’s control, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Many possible events or factors could adversely affect the future financial results and performance of Prosperity, Lone Star, First Bancshares or the combined company and could cause those results or performance to differ materially from those expressed in or implied by the forward-looking statements. Such risks and uncertainties include, among others: the occurrence of any event, change or other circumstance that could give rise to the right of a party to terminate the Lone Star Agreement or the First Bancshares Agreement, as applicable, the outcome of any legal proceedings that may be instituted against Prosperity, Lone Star or First Bancshares, delays in completing either of the transactions, the failure to obtain necessary regulatory approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of each of the transactions) or Lone Star shareholder approval or First Bancshares shareholder approval or to satisfy any of the other conditions to the transactions on a timely basis or at all, the possibility that the anticipated benefits of the transactions are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors generally, or specifically in the West Texas area and the West, North and Central Texas area where Lone Star and First Bancshares, respectively, do a majority of their respective business and Prosperity has a significant presence, the possibility that the transactions may be more expensive to complete than anticipated, including as a result of unexpected factors or events, diversion of management’s attention from ongoing business operations and opportunities, potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the transactions, Prosperity’s ability to complete the acquisition and integration of Lone Star and of First Bancshares successfully, and the dilution caused by Prosperity’s issuance of additional shares of its common stock in connection with the transactions. Prosperity disclaims any obligation to update such factors or to publicly announce the results of any revisions to any of the forward-looking statements included herein to reflect future events or developments. These and various other factors are discussed in Prosperity’s Annual Report on Form 10-K for the year ended December 31, 2021, and other reports and statements Prosperity has filed with the Securities and Exchange Commission (“SEC”). Copies of the SEC filings for Prosperity may be downloaded from the Internet at no charge from <http://www.prosperitybankusa.com>.

Additional Information about the Lone Star Merger and Where to Find It

In connection with the proposed merger of Lone Star into Prosperity, Prosperity will file with the SEC a registration statement on Form S-4 to register the shares of Prosperity common stock to be issued to the shareholders of Lone Star. The registration statement will include a proxy statement/prospectus which will be sent to the shareholders of Lone Star seeking their approval of the proposed transaction.

WE URGE INVESTORS AND SECURITY HOLDERS TO READ THE REGISTRATION STATEMENT ON FORM S-4, THE PROXY STATEMENT/PROSPECTUS INCLUDED WITHIN THE REGISTRATION STATEMENT ON FORM S-4 AND ANY OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IN CONNECTION WITH THE PROPOSED TRANSACTION BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT PROSPERITY, LONE STAR AND THE PROPOSED TRANSACTION.

Investors and security holders may obtain free copies of these documents through the website maintained by the SEC at <http://www.sec.gov>. You will also be able to obtain these documents, when they are filed, free of charge, from Prosperity at <http://www.prosperitybankusa.com>. Copies of the proxy statement/prospectus can also be obtained, when it becomes available, free of charge, by directing a request by telephone or mail to Prosperity Bancshares, Inc., Prosperity Bank Plaza, 4295 San Felipe, Houston, Texas 77027 Attn: Investor Relations, (281) 269-7199 or to Lone Star State Bancshares, Inc., 6220 Milwaukee Avenue, Lubbock, Texas 79424, Attention: Alan Lackey, (806) 771-7717.

Important Information (Continued)

Additional Information about the First Bancshares Merger and Where to Find It

In connection with the proposed merger of First Bancshares into Prosperity, Prosperity will file with the SEC a registration statement on Form S-4 to register the shares of Prosperity common stock to be issued to the shareholders of First Bancshares. The registration statement will include a proxy statement/prospectus which will be sent to the shareholders of First Bancshares seeking their approval of the proposed transaction.

WE URGE INVESTORS AND SECURITY HOLDERS TO READ THE REGISTRATION STATEMENT ON FORM S-4, THE PROXY STATEMENT/PROSPECTUS INCLUDED WITHIN THE REGISTRATION STATEMENT ON FORM S-4 AND ANY OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IN CONNECTION WITH THE PROPOSED TRANSACTION BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT PROSPERITY, FIRST BANCSHARES AND THE PROPOSED TRANSACTION.

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Participants in the Solicitation

Prosperity, Lone Star and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Lone Star in connection with the proposed transaction. Certain information regarding the interests of these participants and a description of their direct and indirect interests, by security holdings or otherwise, will be included in the proxy statement/prospectus regarding the proposed transaction when it becomes available.

Prosperity, First Bancshares and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of First Bancshares in connection with the proposed transaction. Certain information regarding the interests of these participants and a description of their direct and indirect interests, by security holdings or otherwise, will be included in the proxy statement/prospectus regarding the proposed transaction when it becomes available.




Additional information about Prosperity and its directors and executive officers may be found in the definitive proxy statement of Prosperity relating to its 2022 Annual Meeting of Shareholders filed with the SEC on March 14, 2022, and other documents filed by Prosperity with the SEC. These documents can be obtained free of charge from the sources described above.

No Offer or Solicitation

This communication is for informational purposes only and is not intended to and does not constitute an offer to subscribe for, buy or sell, or the solicitation of an offer to subscribe for, buy or sell, or an invitation to subscribe for, buy or sell any securities or a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, invitation, sale or solicitation would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

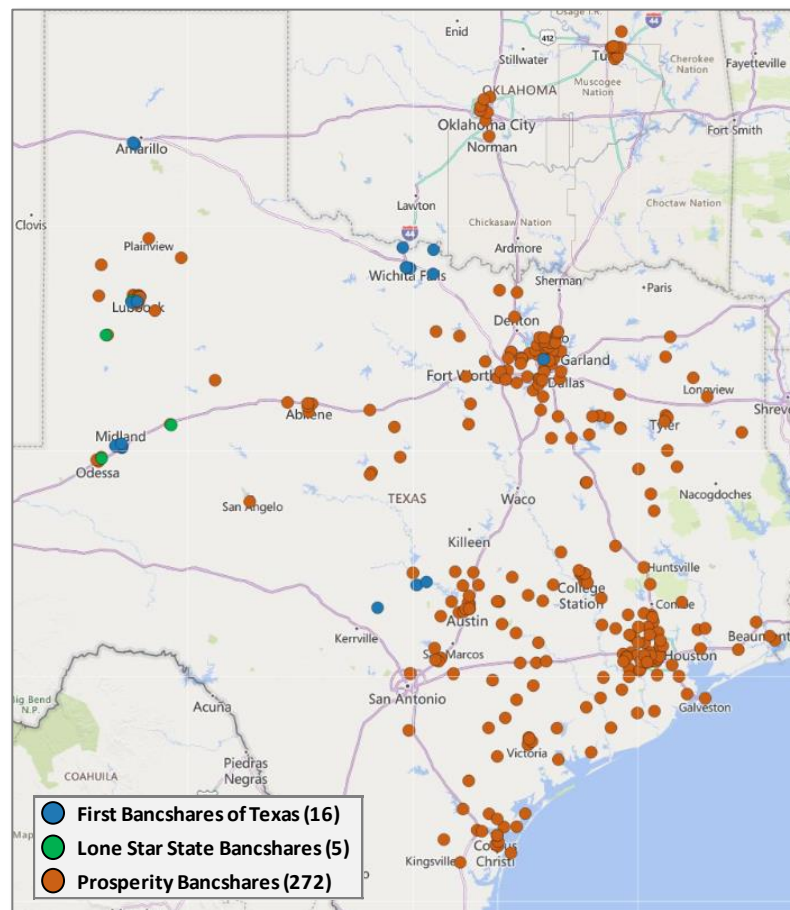
Pro Forma Franchise Overview

Pro Forma Overview

	 PB	 FBOT	 LSSB	Pro Forma Q2-2022 ⁽¹⁾
Assets (\$B)	\$37.4	\$2.1	\$1.3	\$40.8
Gross Loans (\$B)	\$18.2	\$1.6	\$0.9	\$20.7
Deposits (\$B)	\$29.9	\$1.8	\$1.2	\$32.9
Loan to Deposit Ratio (%)	61.0%	89.2%	79.5%	63.2%
Branches	272	16	5	293

- Adds significant scale to Prosperity's presence in economically attractive West Texas markets
 - Top 3 bank by pro forma deposit market share in Lubbock, Midland and Odessa MSAs⁽²⁾
- Bolsters presence in Texas Hill Country market with entrance into Marble Falls, Horseshoe Bay and Fredericksburg
- Entrance into Amarillo and Wichita Falls

Pro Forma Branch Footprint



1) Excludes impact of purchase accounting

2) Deposit information represented by FDIC data as of June 30, 2022

Source: S&P Capital IQ Pro

Bolstering Our Texas Franchise

Lubbock
\$12.4 Billion
Total MSA Deposits

329K
MSA Population

- Known as the “Hub City” of West Texas
- Diverse economy with exposure to manufacturing, agriculture, wholesale and retail trade services, education and healthcare
- Home to Texas Tech University, the second largest contiguous university campus in the United States

PB Pro Forma	
Market Deposits	\$1.5B
Market Share	11.8%
Market Rank	5 → 3

Midland/Odessa
\$13.2 Billion
Combined MSAs Deposits

361K
Combined MSAs Population

- The economy in the region continues to diversify, with strong growth in the distribution, energy, medical, technology and manufacturing sectors
- Midland has the second highest personal income in the United States

PB Pro Forma	
Market Deposits	\$2.2B
Market Share	16.5%
Market Rank	5 → 1

Hill Country⁽¹⁾
\$4.1 Billion
Total Market Deposits

100K
Market Population

- Horseshoe Bay is home to fine dining, access to Lake LBJ, golf courses, and excellent resorts, and it has become a top 20 place to retire in Texas as ranked by niche.com
- Marble Falls economy is driven by tourism and natural resources including granite mining, limestone mining, and business services

PB Pro Forma	
Market Deposits	\$255M
Market Share	6.3%
Market Rank	12 → 6

Wichita Falls
\$3.9 Billion
Total MSA Deposits

153K
MSA Population

- As the economic hub of upper North Texas, Wichita Falls boasts a resilient and diversified economy
- Wichita Falls is the home of Sheppard Air Force Base

PB Pro Forma	
Market Deposits	\$452M
Market Share	11.5%
Market Rank	NA → 4

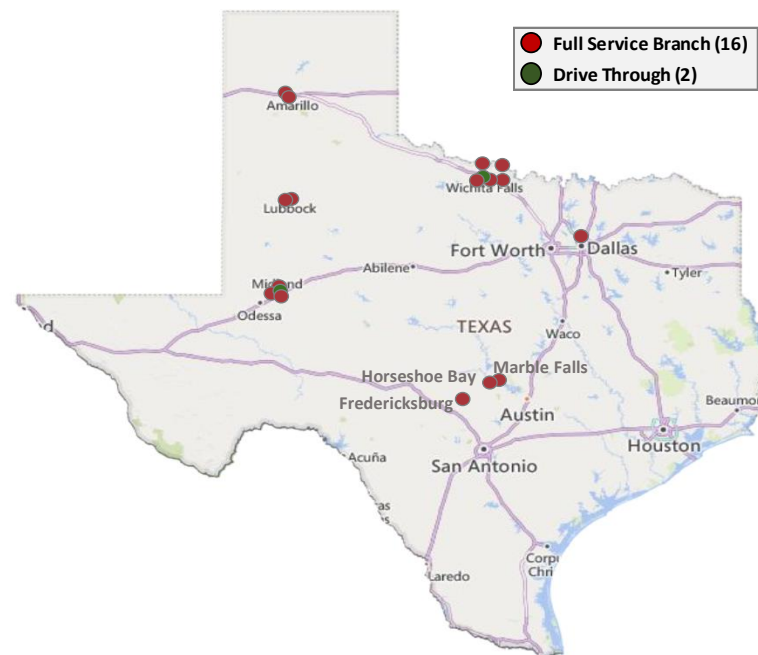
Note: Deposit information represented by FDIC data as of June 30, 2022

1) Defined as the Fredericksburg MSA, Burnett County and Llano County

Source: S&P Capital IQ Pro, lubbockeda, Bureau of Economic Analysis, odessatex, niche

FirstCapital Bank of Texas Overview

- Founded in 1998, First Bancshares of Texas is a pure-play Texas commercial banking franchise
- 16 full-service branches across 6 different markets located in North, West, and Central Texas
- Highly experienced management team with deep local knowledge and strong client relationships



Company History

1998	FirstCapital Bank of Texas established in Midland in November 1998
2002	Formation of First Bancshares of Texas and Entered Amarillo
2007	Entered Lubbock
2016	Entered Horseshoe Bay
2017	Purchase of Marble Falls branch and completed \$45 million private placement of common stock
2018	Entered Fredericksburg
2019	Acquisition of Fidelity Bancshares in Wichita Falls and Dallas <i>de novo</i>

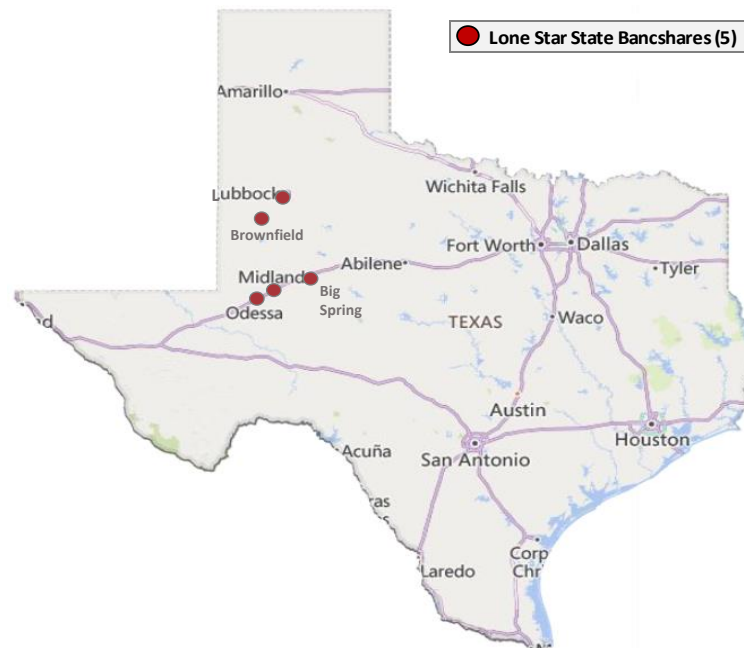
2Q-2022 Financial Highlights

\$1.6 Billion Gross Loans	\$1.8 Billion Deposits	25% CAGR Assets Since 1998
89.2% Loans / Deposits	43.2% NIB Dep. / Deposits	10.5% Leverage Ratio
4.44% NIM	49.9% Efficiency Ratio	1.77% Core ROAA ⁽¹⁾

1) Excludes \$369K one-time gain on sale of OREO realized in the second quarter of 2022
Source: S&P Capital IQ Pro and company materials

Lone Star State Bank of Texas Overview

- Founded in 2007 – 100% organic growth story since single branch bank acquisition in 2008
- 5 locations across 5 different markets all located in West Texas
 - \$235 million average deposits per branch⁽¹⁾
- Average senior management West Texas banking experience greater than 30 years



Company History

- 2007** Lone Star State Bancshares established in Lubbock on December of 2007
- 2007** *De novo* entrance into Odessa
- 2008** Acquisition of First of Brownfield Corporation
- 2008** *De novo* entrance into Big Spring
- 2015** *De novo* entrance into Midland

2Q-2022 Financial Highlights

\$934 Million Gross Loans	\$1.2 Billion Deposits	20% CAGR Assets Since 2007
79.5% Loans / Deposits	42.9% NIB Dep. / Deposits	10.2% Leverage Ratio
3.24% NIM	49.4% Efficiency Ratio	1.32% ROAA ⁽²⁾

1) Deposit information represented by FDIC data as of June 30, 2022

2) 21% tax effect due to subchapter S corporate status

Source: S&P Capital IQ Pro and company materials

Summary of Mergers



Purchase Price⁽¹⁾

- ~\$342 million

- ~\$229 million

Consideration

- 3,583,370 shares of PB stock
- \$93,442,648 Cash

- 2,376,182 shares of PB stock
- \$64,053,717 Cash

Consideration Mix⁽¹⁾

- Approximately 73% stock / 27% cash

- Approximately 73% stock / 27% cash

Management Retention

- Senior management and key producers retained with standard contracts





Required Approvals

- Subject to approval by First Bancshares of Texas and Lone Star State Bancshares shareholders, as well as customary review and approvals by state and federal regulatory agencies

Estimated Closing

- First Quarter 2023

Transaction Overview & Financial Impact

Valuation⁽¹⁾⁽²⁾			Combined
Aggregate Deal Value	\$341.6	\$228.7	---
Price / LTM Net Income	12.2x	14.5x	13.0x
P/2022E Net Income	9.6x	11.3x	10.2x
P/2023E Net Income	9.0x	9.5x	9.2x
P/2023E Net Income (w/100% cost savings)	7.1x	7.9x	7.4x
Price / Tangible Book Value	1.62x	1.89x	1.72x
Price / Core Tang. Book Value (9.0%)	1.71x	1.92x	1.79x
Core Deposit Premium	8.8%	11.6%	9.9%
Pro Forma Earnings Impact			
			Core EPS Accretion⁽³⁾
2023 EPS Accretion - % (75% phased-in target net income and cost savings)			5.9%
2024 EPS Accretion - % (first full year)			8.9%
2024 EPS Accretion - \$ (first full year)			\$0.58
Pro Forma Tangible Book Value Impact			Ex. Rate Marks⁽⁴⁾
Tang. Book Value Dilution			(4.3%)
Tang. Book Value Earnback (years)			2.6
Estimated Capital Ratios @ Close (3/31/2023)			
Tang. Common Equity / Tang. Assets			9.2%
Leverage Ratio			9.5%
Tier 1 Capital Ratio			14.4%
Total Risk Based Capital Ratio			15.0%

1) Based on a PB stock price of \$69.27 as of October 7, 2022

2) LSSB net income assumes a 21% tax effect due to subchapter S corporate status

3) Core EPS excludes accretable yield from Non-PCD rate marks, loan interest rate marks, HTM securities marks and AOCI marks

4) Core TBV impacts excludes accretable yield from loan interest rate marks, HTM security marks and AOCI marks

Key Modeling Assumptions



Cost Savings

- 25% of noninterest expense base
 - 75% phased-in in year 2023

- 25% of noninterest expense base
 - 75% phased-in in year 2023

Credit Mark

- \$55.0 million gross loan mark, or 3.32% of total loans
 - \$27.5 million on PCD loans
 - \$27.5 million on non-PCD loans
 - Accreted through earnings over 4 years
- \$27.5 million Day-2 reserve allowance established

- \$17.1 million gross loan mark, or 1.75% of total loans
 - \$8.5 million on PCD loans
 - \$8.5 million on non-PCD loans
 - Accreted through earnings over 4 years
- \$8.5 million Day-2 reserve allowance established

Other Purchase Accounting Adjustments

- \$28.9 million of core deposit intangibles, or 2.0% of non-time deposits, amortized over 10 years
- AOCI write-down of \$10.1 million accreted over 4 years
- \$33.1 million loan interest rate mark, or 2.0% of total loans, accreted over 4 years

- \$18.1 million of core deposit intangibles, or 2.0% of non-time deposits, amortized over 10 years
- AOCI write-down of \$6.3 million accreted over 4 years
- \$19.5 million loan interest rate mark, or 2.0% of total loans, accreted over 4 years

Pre-Tax Transaction Expenses

- \$17.1 million pre-tax merger expenses⁽¹⁾
- Fully reflected in pro forma tangible book value per share at close

- \$10.0 million pre-tax merger expenses⁽¹⁾
- Fully reflected in pro forma tangible book value per share at close

Other Assumptions

- \$1 million reduction in pre-tax annual interchange revenue due to Durbin Amendment

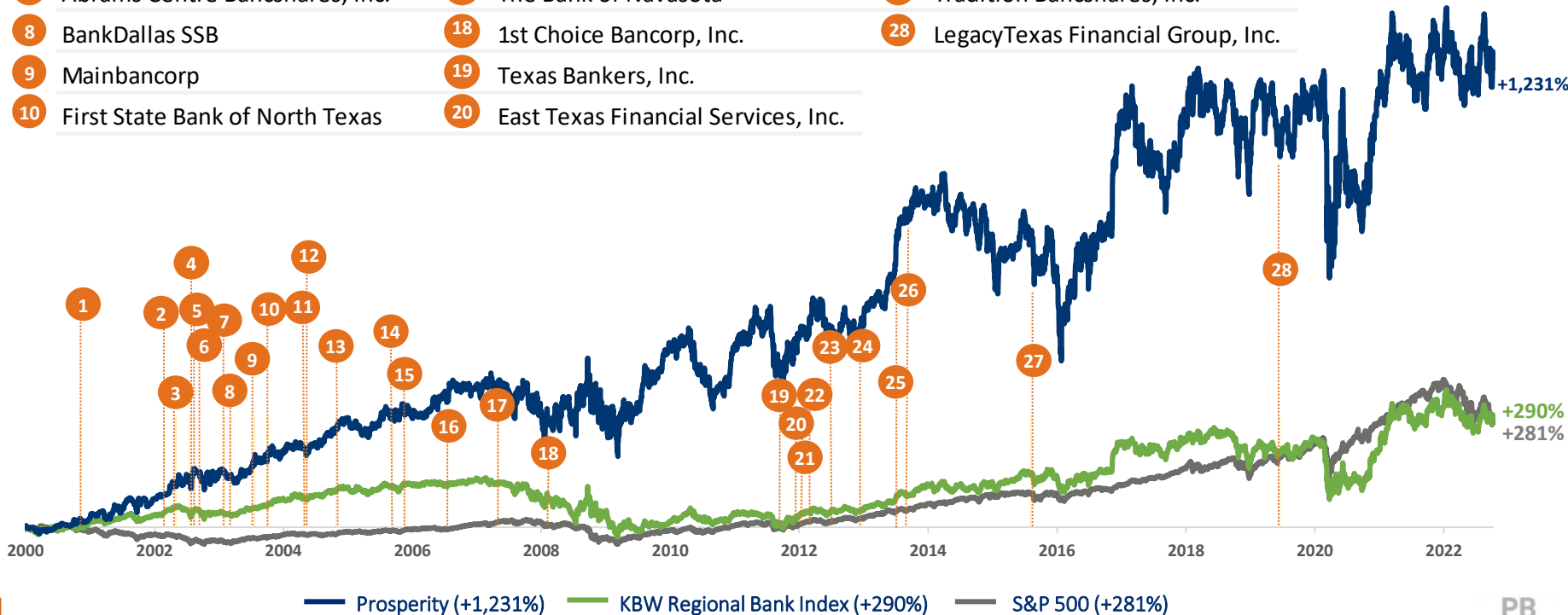
- \$500 thousand reduction in pre-tax annual interchange revenue due to Durbin Amendment

1) Includes \$4 million in pre-tax PB merger related expenses allocated to each transaction, or \$8 million in total

Prosperity Bancshares, Inc. Total Shareholder Return

Total shareholder return driven by our organic growth and successful M&A strategy. Prosperity has completed 28 M&A transactions since 2000.

- | | | |
|------------------------------------|--|---------------------------------------|
| 1 Commercial Bancshares, Inc. | 11 Liberty Bank | 21 The Bank Arlington |
| 2 Texas Guaranty Bank, N.A. | 12 Village Bank and Trust | 22 American State Financial Corp. |
| 3 First State Bank | 13 FirstCapital Bankers, Inc. | 23 Community National Bank |
| 4 Paradigm Bancorporation, Inc. | 14 Grapeland Bancshares, Inc. | 24 Coppermark Bancshares |
| 5 Southwest Bank Holding Company | 15 SNB Bancshares, Inc. | 25 First Victoria National Bank Corp. |
| 6 First National Bank of Bay City | 16 Texas United Bancshares, Inc. | 26 F&M Bancorporation Inc. |
| 7 Abrams Centre Bancshares, Inc. | 17 The Bank of Navasota | 27 Tradition Bancshares, Inc. |
| 8 BankDallas SSB | 18 1st Choice Bancorp, Inc. | 28 LegacyTexas Financial Group, Inc. |
| 9 Mainbancorp | 19 Texas Bankers, Inc. | |
| 10 First State Bank of North Texas | 20 East Texas Financial Services, Inc. | |

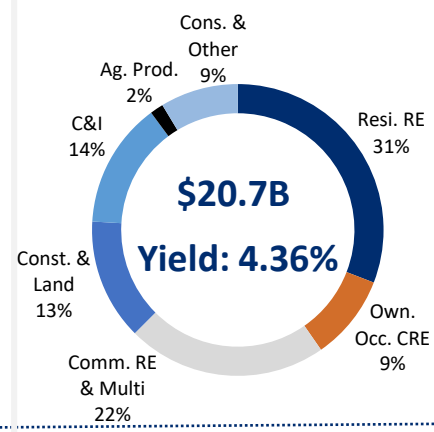
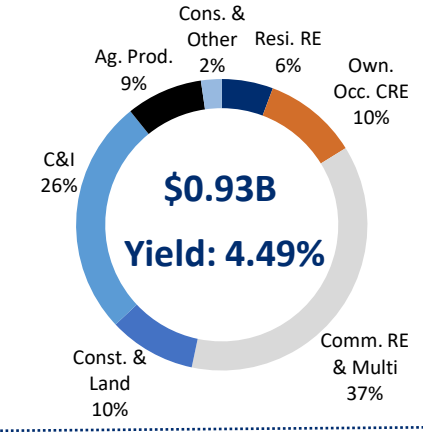
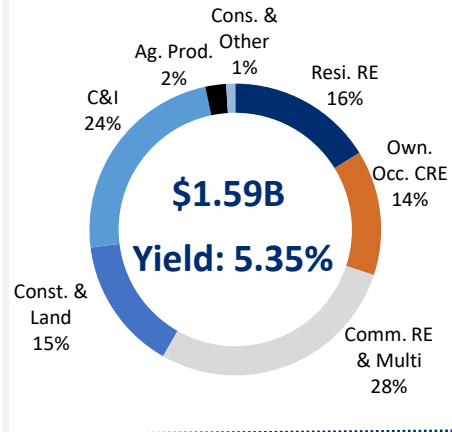
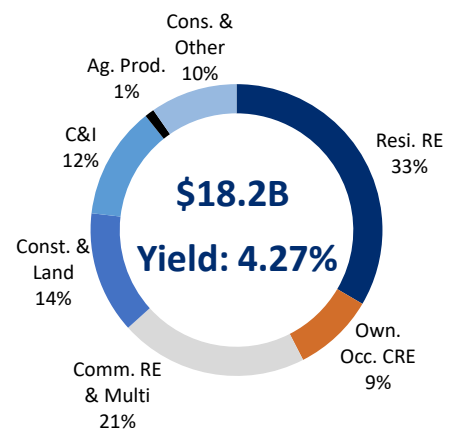


Appendix

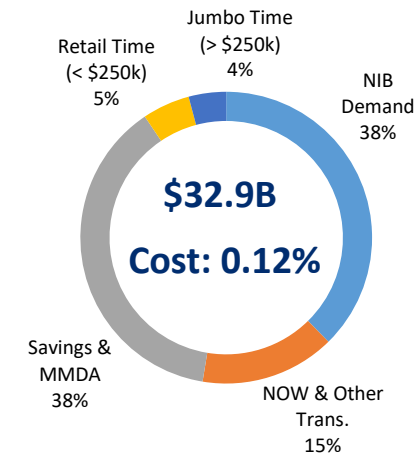
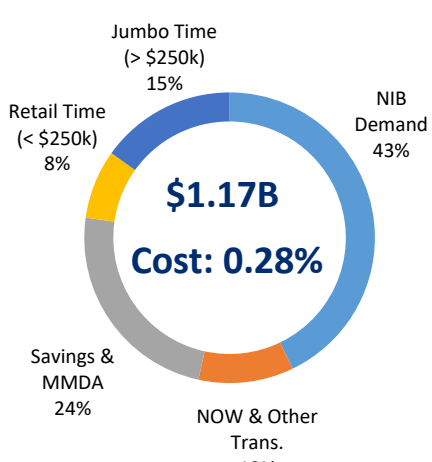
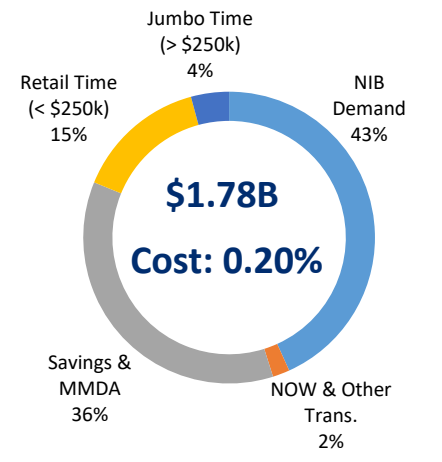
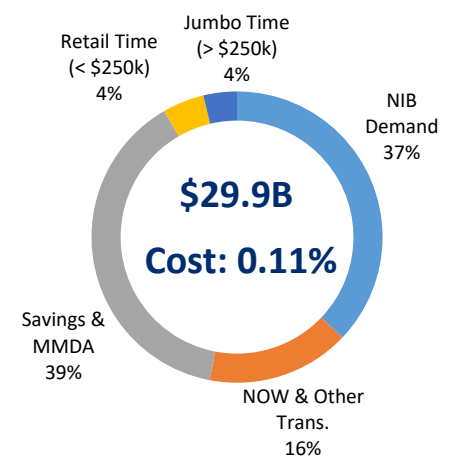


Pro Forma Loan and Deposit Composition

Loan Portfolio



Deposit Composition



1) Excludes impact of purchase accounting
Source: S&P Capital IQ Pro

FirstCapital Bank of Texas Financial Highlights

	For the Years Ended:				For the Quarters Ended:				2018 - 2Q22
	2018	2019	2020	2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022	CAGR
Balance Sheet (\$000)									
Assets	1,122,516	1,732,419	1,843,012	2,041,502	1,987,880	2,041,502	2,122,521	2,119,077	19.9%
Loans & Leases	849,683	1,285,437	1,449,490	1,528,045	1,534,737	1,528,045	1,544,834	1,588,866	19.6%
Deposits	982,709	1,444,524	1,545,216	1,715,496	1,657,464	1,715,496	1,791,716	1,781,412	18.5%
Tangible Common Equity	115,940	176,939	181,813	198,624	197,045	198,624	201,145	203,775	17.5%
Profitability (%)									
Net Income (\$000)	13,817	20,755	19,675	26,941	7,303	4,628	8,812	9,469	
Core ROAA ⁽¹⁾	1.24	1.48	1.07	1.67	1.60	1.76	1.70	1.77	
Core ROAE ⁽¹⁾	12.3	12.7	8.2	12.8	12.2	13.7	13.5	14.0	
Net Interest Margin	4.43	5.38	4.44	4.60	4.72	4.43	4.30	4.44	
Cost of Deposits	0.56	1.05	0.61	0.22	0.21	0.19	0.18	0.20	
Efficiency Ratio	64.8	60.1	56.1	58.1	53.7	72.2	49.7	49.9	
Fee Income / Op. Revenue	10.7	7.9	7.2	7.2	7.2	8.4	10.5	12.8	
Balance Sheet Ratios (%)									
Loans / Deposits	86.5	89.0	93.8	89.1	92.6	89.1	86.2	89.2	
Tangible Common Equity / Tangible Assets	10.3	10.6	10.2	10.0	10.2	10.0	9.8	9.9	
Leverage Ratio	10.5	10.9	10.1	10.3	10.4	10.3	10.3	10.5	
Tier 1 Risk Based Ratio	12.6	12.3	NA	NA	NA	NA	NA	NA	
Total Risk Based Capital Ratio	13.9	13.3	NA	NA	NA	NA	NA	NA	
Asset Quality (%)									
NPAs / Assets	2.49	1.17	1.57	0.76	0.90	0.76	0.62	0.73	
NPAs / Loans + OREO	3.29	1.57	1.99	1.01	1.16	1.01	0.85	0.98	
Loan Loss Reserves / Gross Loans	1.60	1.18	1.43	1.48	1.46	1.48	1.46	1.41	
Loan Loss Reserves / NPAs	48.7	75.3	72.0	145.4	125.9	145.4	171.1	144.7	
NCOs / Avg Loans	0.06	0.13	0.29	0.08	0.19	0.05	0.09	0.06	

1) Excludes realized (gains)/losses on sale of securities, OREO, and other one-time items including litigation and resolution expenses
Source: S&P Capital IQ Pro and company management

Lone Star State Bank of West Texas Financial Highlights

	For the Years Ended:				For the Quarters Ended:				2018 - 2Q22
	2018	2019	2020	2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022	CAGR
Balance Sheet (\$000)									
Assets	909,724	1,019,154	1,048,262	1,192,178	1,096,749	1,192,178	1,255,952	1,305,397	10.9%
Loans & Leases	700,448	711,155	748,724	890,003	864,283	890,003	857,141	933,534	8.6%
Deposits	794,800	896,239	918,941	1,054,901	961,824	1,054,901	1,125,762	1,173,774	11.8%
Tangible Common Equity	105,561	113,460	120,296	128,495	123,968	128,495	120,612	121,320	4.1%
Profitability (%)									
Net Income (\$000)	16,771	17,662	12,910	20,006	5,421	5,861	4,591	5,257	
Core ROAA ⁽¹⁾⁽²⁾	1.46	1.48	1.00	1.46	1.59	1.63	1.20	1.32	
Core ROAE ⁽¹⁾⁽²⁾	12.6	11.9	8.3	12.3	13.2	13.8	11.0	12.9	
Net Interest Margin	3.79	3.85	3.31	3.52	3.70	3.61	3.17	3.24	
Cost of Deposits	0.74	0.99	0.63	0.24	0.24	0.23	0.21	0.28	
Efficiency Ratio	47.7	50.1	54.7	50.8	46.0	54.1	52.5	49.4	
Fee Income / Op. Revenue	3.7	3.9	3.7	3.6	3.4	3.6	3.5	3.7	
Balance Sheet Ratios (%)									
Loans / Deposits	88.1	79.4	81.5	84.4	89.9	84.4	76.1	79.5	
Tangible Common Equity / Tangible Assets	11.7	11.2	11.6	10.9	11.4	10.9	9.7	9.4	
Leverage Ratio	11.5	11.4	11.8	11.6	11.7	11.6	10.4	10.2	
Tier 1 Risk Based Ratio	13.3	14.0	15.4	13.1	13.1	13.1	12.4	11.7	
Total Risk Based Capital Ratio	14.5	15.2	16.7	14.3	14.3	14.3	13.6	12.7	
Asset Quality (%)									
NPAs / Assets	1.26	0.96	0.55	0.03	0.03	0.03	0.03	0.02	
NPAs / Loans + OREO	1.64	1.37	0.76	0.04	0.04	0.04	0.04	0.03	
Loan Loss Reserves / Gross Loans	1.83	1.59	1.76	1.34	1.51	1.34	1.39	1.28	
Loan Loss Reserves / NPAs	111.6	115.3	230.9	NM	NM	NM	NM	NM	
NCOs / Avg Loans	0.01	0.29	0.08	0.02	0.06	(0.01)	(0.01)	0.01	

1) Excludes realized (gains)/losses on sale of securities, OREO, and other one-time items

2) Assumes a 21% tax effect due to subchapter S corporate status

Source: S&P Capital IQ Pro