

Integrity Bancshares, Inc. (Private; Houston, TX) has agreed to merge with Independent Bank Group, Inc. (NASDAQ: IBTX; McKinney, TX)

Deal Value: Approximately \$170 Million ¹

Sandler O'Neill served as financial advisor and provided a fairness opinion to Integrity Bancshares, Inc. in this transaction. This transaction represents Sandler O'Neill's 149th bank or thrift transaction nationwide since January 1, 2015, representing \$46.4 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period. ²

This transaction represents Sandler O'Neill's 15th bank or thrift transaction in Texas since January 1, 2013, representing \$2.2 billion in aggregate transaction value, for a greater aggregate deal value than any other investment bank during that time period. ²

McKinney, Texas, November 28, 2017 -- Independent Bank Group, Inc. (NASDAQ: IBTX), the holding company for Independent Bank, today announced that Independent Bank Group has entered into a definitive agreement to acquire Integrity Bancshares, Inc. and its subsidiary, Integrity Bank SSB, Houston, Texas.

Integrity Bancshares, through Integrity Bank, operates four full service banking locations in the Houston metropolitan area. As of September 30, 2017, Integrity Bancshares, Inc., on a consolidated basis, reported total assets of \$805 million, total deposits of \$679 million, and total equity capital of \$84 million.

Independent Bank Group Chairman and Chief Executive Officer David R. Brooks stated "We are pleased to announce our third acquisition in Houston, adding to our presence in this dynamic market. Integrity Bank has a demonstrated history of growth and strong earnings with locations in some of the most attractive markets in the Houston area." Mr. Brooks continued, "Integrity Bank brings a skilled team of experienced bankers as well as a dedicated group of employees. We are delighted to welcome Integrity Bank's clients, shareholders, and employees to Independent Bank Group."

Charles M. Neff, Jr., President and CEO of Integrity Bancshares said, "We are excited to be joining a successful and community-oriented bank group. We view this as an opportunity to become part of a larger community bank that will afford our customers with continued local decision-making while offering a broader array of products and the convenience of a larger branch network. Independent Bank Group is the ideal partner for the long-term value of our shareholders, and we believe our franchise will meaningfully contribute to the combined company."

Under the terms of the Agreement, Independent Bank Group will issue 2,072,131 shares of Independent Bank Group common stock and pay cash in the aggregate amount of \$31.6 million to the shareholders and option holders of Integrity. If Integrity's tangible equity is greater than \$84 million at closing, Integrity will be permitted to pay a pre-closing cash distribution to its shareholders in an amount equal to any such excess. The cash portion of the merger consideration will be reduced on a dollar for dollar basis to the extent that Integrity's tangible equity is less than \$84 million at closing.

Financial Highlights

(Dollars in thousands)

	IBTX	Integrity Bank ³
Total Assets	\$8,891,114	\$804,901
Total Net Loans	\$6,350,399	\$653,370
Total Deposits	\$6,872,631	\$681,173
Total Equity	\$1,281,460	\$81,830
TCE / TA	7.62%	10.08%

1) Based on IBTX's closing price of \$66.65 as of November 28, 2017

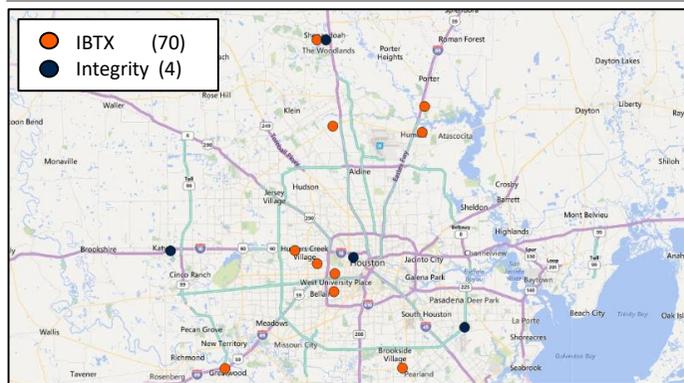
2) Excludes terminated transactions and self-advisory roles

3) Bank level data shown

Note: Financial data as of September 30, 2017

Source: SNL Financial

Pro Forma Branch Map



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