



NEWS RELEASE

Date: January 13, 2017

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For Immediate Release

Post Oak Bancshares, Inc. to acquire The State Bank of Texas

HOUSTON, TEXAS – Post Oak Bancshares, Inc. announced today that it has entered into a definitive agreement and plan of reorganization (“Agreement”) to acquire Houston, Texas-based The State Bank of Texas. According to the terms of the Agreement, Post Oak Bancshares, Inc. (\$1.128 billion in total assets as of December 31, 2016) will acquire all of the outstanding stock of The State Bank of Texas in a stock and cash transaction.

The State Bank of Texas opened in 1982 and operates locations in Houston and Stafford, Texas. As of December 31, 2016, The State Bank of Texas had total assets of \$173 million, \$84 million in total loans and \$157 million in deposits.

Under the terms of the Agreement, which has been unanimously approved by the boards of directors of both companies, Post Oak Bancshares, Inc. (“Company”) will issue shares of its common stock and cash for all outstanding shares of The State Bank of Texas common stock, subject to certain conditions and potential adjustments. In connection with the closing of the transaction, The State Bank of Texas will merge into Post Oak Bank, N.A., the Company’s wholly-owned bank subsidiary.

“The merger with Post Oak Bank fulfills our desire to partner with a strong, local bank to better meet the needs of our customers and community,” said Bill Black, Chairman, President and CEO of The State Bank of Texas. “We are excited to have found a great partner with Post Oak Bank. We feel very comfortable that our employees and especially our customers will benefit from this move.”

“This merger will add convenient locations in Houston and Stafford giving us a total of thirteen offices and over \$1.3 billion in assets across the greater Houston area. We look forward to partnering with Bill Black and the rest of The State Bank Of Texas team to increase commercial lending in these important markets,” said Roland Williams, Post Oak Bank’s Chairman and President.

Completion of the transaction is subject to certain closing conditions, including customary regulatory approvals and approval of The State Bank of Texas shareholders. The transaction is expected to close in the first quarter of this year. Post Oak Bancshares, Inc. was advised by Sheshunoff & Co. and the law firm of Bracewell LLP. The State Bank of Texas was advised by Performance Trust Capital Partners, LLC and the law firm of Fenimore Kay Harrison & Ford, LLP.

ADDITIONAL INFORMATION:

Post Oak Bancshares Inc. is a Houston, Texas-based bank holding company with \$1.128 billion in assets as of December 31, 2016. The Company owns a commercial bank that currently has locations in Houston, Beaumont, Conroe, Pasadena, Sugar Land, The Woodlands, Anahuac, Dayton and Liberty. The Company may be contacted at 713-439-3900. The Company’s website is www.postoakbank.com.