

Carlile Bancshares, Inc. (Private; Fort Worth, TX) to merge with Independent Bank Group, Inc. (NASDAQ: IBTX; McKinney, TX)

Transaction Consideration: Approximately 8.9 million IBTX shares and approximately 13.7 million in cash¹

Sandler O'Neill served as exclusive financial advisor to Carlile Bancshares, Inc. This transaction represents Sandler O'Neill's 99th bank or thrift transaction nationwide since January 1, 2015, representing over \$31 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.²

Since January 1, 2012, Sandler O'Neill has advised on 15 Texas bank or thrift transactions with an aggregate deal value of \$2.2 billion, more than any other investment bank during that time period.²

McKINNEY, Texas, November 21, 2016 -- 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 Carlile Bancshares, Inc. and its subsidiary, Northstar Bank, Denton, Texas.

Carlile Bancshares, through Northstar Bank, operates 24 full service banking locations in Texas and 18 full service banking locations in Colorado. As of September 30, 2016, Carlile Bancshares, Inc., on a consolidated basis, reported total assets of \$2.3 billion, total deposits of \$1.9 billion, and total equity capital of \$385 million. Based upon its September 30, 2016 balance sheet, Independent Bank Group would have total assets of approximately \$8.0 billion upon completion of the transaction.

Independent Bank Group Chairman and Chief Executive Officer David R. Brooks stated "The acquisition of Carlile Bancshares represents the continuation of our planned growth through the acquisition of quality banks in attractive new markets. This acquisition marks our entry into Fort Worth and surrounding sub markets, expanding our presence in the Dallas/Fort Worth market region, as well as into Colorado, with locations along the dynamic I-25 corridor from Denver to Colorado Springs." Mr. Brooks continued, "Northstar Bank brings a quality and committed management team as well as a dedicated group of employees. We are delighted to welcome Northstar Bank's clients, shareholders, and employees to Independent Bank Group."

Tom C. Nichols, Chairman of the Board of Carlile Bancshares said, "We are excited to join an organization that shares our approach to community banking. Our clients and employees will benefit by joining a bank with a commitment to customer service and corporate responsibility. We believe our franchise will meaningfully contribute to the combined institution and that Independent Bank Group is the ideal partner for the long-term value of our shareholders."

Under the terms of the Agreement, Independent Bank Group will issue shares of Independent Bank Group common stock to the shareholders of Carlile Bancshares and pay cash to Carlile Bancshares option holders. The number of shares of Independent Bank Group common stock to be issued to Carlile Bancshares shareholders is based upon aggregate merger consideration of \$434 million divided by an agreed price of \$47.40 per share of Independent Bank Group common stock, adjusted for the aggregate amount of cash to be paid to option holders. Based upon the Independent Bank Group stock price of \$53.95 per share as of November 18, 2016, Independent Bank Group would issue approximately 8.9 million shares and pay cash in the amount of approximately \$13.7 million. Carlile Bancshares is permitted to pay a pre-closing cash distribution to its shareholders in an aggregate amount of up to \$55,250,000.

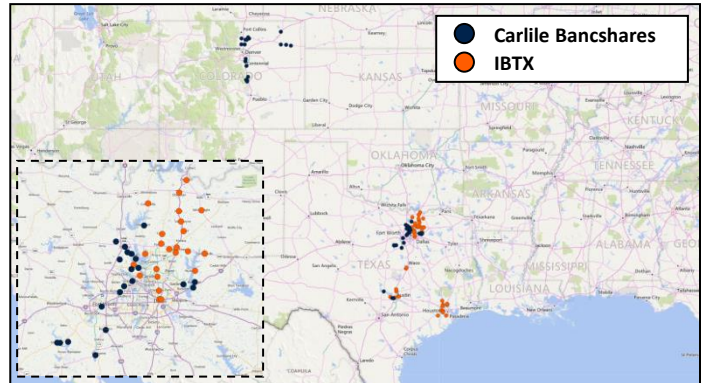
In anticipation of the transaction, Independent Bank Group today entered into securities purchase agreements with a limited number of institutional investors pursuant to which Independent Bank Group agreed to sell in a private placement an aggregate of 400,000 shares of Independent Bank Group common stock at a purchase price of \$52.50 per share. The gross proceeds of the sale of these shares are \$21 million.

Financial Highlights

<i>(Dollars in millions)</i>	Carlile Bancshares	IBTX
Total Assets	\$2,324.9	\$5,667.2
Total Net Loans	\$1,515.2	\$4,336.3
Total Deposits	\$1,875.5	\$4,416.5
Total Equity	\$384.7	\$643.3
TCE / TA	11.70%	6.86%

(1) Based upon \$434 million divided by an agreed price of \$47.40
 (2) Excludes terminated transactions and self-advisory roles
 Note: Financial data as of September 30, 2016; Source: SNL Financial

Pro Forma Branch Map



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