

FC Holdings, Inc. (Private; Sugar Land, TX) has agreed to merge with Pioneer Bancshares, Inc. (Private; Dripping Springs, TX)

Deal Value: Undisclosed

Sandler O’Neill served as financial advisor to FC Holdings, Inc. This transaction is Sandler O’Neill’s 90th bank and thrift transaction nationwide since January 1, 2014. Sandler O’Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.¹

Since January 1, 2011, Sandler O’Neill has advised on 18 Texas bank or thrift transactions, more than any other investment bank during that time period.¹

Dripping Springs, TX and Sugar Land, TX – Pioneer Bancshares, Inc. (“Pioneer”), and FC Holdings, Inc., the holding company for First Community Bank, N.A., (“First Community Bank”) jointly announced today the signing of a definitive merger agreement that will result in a combined community banking franchise with total assets of \$1.1 billion and 22 branches across Texas. The combined company will operate under the Pioneer Bank brand. Pending the receipt of regulatory and shareholder approvals, the merger is expected to close late in 2015 or early 2016. Terms were not disclosed.

First Community Bank is a national bank with headquarters in Sugar Land, Texas, and 17 branches in Houston, Dallas, San Antonio, Waco, Crockett, Trinity, Hico and Meridian. As of June 30, 2015, First Community Bank reported total assets of \$622 million, total loans of \$485 million and total deposits of \$554 million.

The combined bank plans to maintain headquarters in central Texas while retaining branch, administrative and support staff in each geographic market. Based on June 30, 2015 financials, the combined bank will have total loans of \$779 million, \$919 million in deposits, and will service more than 40,000 deposit and loan accounts through 22 branches across Texas.

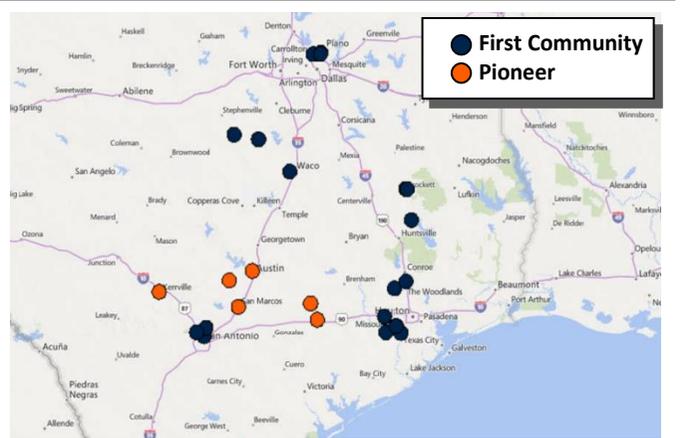
“Our history in our communities dates back to 1892. We have grown a profitable bank with \$622 million in assets operating 17 branch locations in Houston, Dallas, San Antonio, and beyond,” said Doug Harker, President and CEO of First Community Bank. “The two banks are very complementary. We’re pleased that no branches will close, no lenders overlap, and no local markets will experience change.”

Financial Highlights ²

<i>\$s in millions</i>	Pioneer	First Community Bank
Total Assets	\$409	\$622
Total Loans	294	485
Total Deposits	365	554

(1) Excludes terminated transactions and self-advisory roles.
 (2) Bank level financial information. Financial highlights as of 6/30/15.
 Source: SNL Financial.

Pro Forma Branch Map



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